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PROCEEDINGS AND DEBATES OF THE 84th CONGRESS, SECOND SESSION

SENATE

TUESDAY, JANUARY 3, 1956

The 3d day of January being the day prescribed by the Constitution of the United States for the annual meeting of Congress, the 2d session of the 84th Congress commenced this day.

The Senate assembled in its Chamber at the Capitol.

RICHARD M. NIXON, of California, Vice President of the United States, called the Senate to order at 12 o'clock meridian.

The Chaplain, Rev. Frederick Brown Harris, D. D., of the city of Washington, offered the following prayer:

O God, our strength and our hope, our shelter from the stormy blasts and our eternal home, Thou dwellest in everlasting light. Now, as the world's light fails, we seek the brightness of Thy presence which the black deeds of evil men can never dim. At the top of the first day's record, at this new session of the forum of a people's will and hope, with contrite hearts reverently would we write: "In the beginning God."

At this high altar of the Nation's life we pray that these servants of the Republic, by the will of the people lifted to high places of state, may be so strengthened by the might of their faith that, scorning expediency, they may match these dangerous days with daring deeds, as with cheerful courage they bear the weight of vast concerns, the sting of criticism, and the drudgery of unapplauded toil. May those who sit in the exalted seats of this historic Chamber speak always with due caution and humility, knowing that their words are not their own, but are heard in all the earth. In these days of destiny may the Members of this body merit the shining crown of the divine approbation: "Blessed are the peacemakers, for they shall be called the children of God."

We ask it in the dear Redeemer's name. Amen.

SENATOR JOHNSON OF TEXAS—CALL OF THE ROLL

Mr. JOHNSON of Texas. Mr. President——

The VICE PRESIDENT. Before recognizing the Senator from Texas, the Chair would like to be permitted to make a brief statement.

The Chair knows that he expresses the heartfelt sentiments of all the Members of this body and of all the American people when he says that we are most happy to see the Senator from Texas back in his accustomed seat, and we wish for him in the years ahead good health and happiness. [Applause.]

Mr. JOHNSON of Texas. Mr. President, I appreciate very much the statement the Vice President has just made about me. No one can know how glad I am again to be able to stand by this desk, in the company of my treasured friends on both sides of the aisle. I am grateful to all of them for their understanding, their patience, and the affection which they expressed during the dark days through which I have journeyed.

Mr. President, I now suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk (Emery L. Frazier) called the roll, and the following Senators answered to their names:

Aiken	Fulbright	McNamara
Allott	George	Millikin
Anderson	Goldwater	Morse
Barkley	Gore	Mundt
Barrett	Green	Murray
Beall	Hayden	Neely
Bender	Hennings	Neuberger
Bennett	Hickenlooper	O'Mahoney
Bible	Hill	Pastore
Bricker	Holland	Payne
Bridges	Hruska	Potter
Bush	Humphrey	Purtell
Butler	Ives	Robertson
Byrd	Jackson	Russell
Capehart	Jenner	Saltonstall
Carlson	Johnson, Tex.	Schoeppel
Case, N. J.	Johnston, S. C.	Scott
Case, S. Dak.	Kennedy	Smith, Maine
Chavez	Kilgore	Smith, N. J.
Clements	Knowland	Sparkman
Cotton	Kuchel	Stennis
Curtis	Langer	Symington
Daniel	Lehman	Thurmond
Dirksen	Long	Thye
Douglas	Magnuson	Watkins
Duff	Malone	Welker
Dworshak	Mansfield	Wiley
Eastland	Martin, Iowa	Williams
Ellender	Martin, Pa.	Young
Ervin	McCarthy	
Frear	McClellan	

Mr. CLEMENTS. I announce that the Senator from Tennessee [Mr. KEFAUVER], the Senators from Oklahoma [Mr. KERR and Mr. MONRONEY], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

Mr. SALTONSTALL. I announce that the Senator from Vermont [Mr. FLANDERS] is absent on official business.

The VICE PRESIDENT. A quorum is present.

LIST OF SENATORS, BY STATES

Alabama.—Lister Hill and John J. Sparkman.

Arizona.—Carl Hayden and Barry M. Goldwater.

Arkansas.—John L. McClellan and J. William Fulbright.

California.—William F. Knowland and Thomas H. Kuchel.

Colorado.—Eugene D. Millikin and Gordon Allott.

Connecticut.—Prescott Bush and William A. Purtell.

Delaware.—John J. Williams and J. Allen Frear, Jr.

Florida.—Spessard L. Holland and George A. Smathers.

Georgia.—Walter F. George and Richard B. Russell.

Idaho.—Henry C. Dworshak and Herman Welker.

Illinois.—Paul H. Douglas and Everett M. Dirksen.

Indiana.—Homer E. Capehart and William E. Jenner.

Iowa.—Bourke B. Hickenlooper and Thomas E. Martin.

Kansas.—Andrew F. Schoeppel and Frank Carlson.

Kentucky.—Earle C. Clements and Alben W. Barkley.

Louisiana.—Allen J. Ellender and Russell B. Long.

Maine.—Margaret Chase Smith and Frederick G. Payne.

Maryland.—John M. Butler and J. Glenn Beall.

Massachusetts.—Leverett Saltonstall and John F. Kennedy.

Michigan.—Charles E. Potter and Patrick V. McNamara.

Minnesota.—Edward J. Thye and Hubert H. Humphrey.

Mississippi.—James O. Eastland and John C. Stennis.

Missouri.—Thomas C. Hennings, Jr., and Stuart Symington.

Montana.—James E. Murray and Mike Mansfield.

Nebraska.—Roman L. Hruska and Carl T. Curtis.

Nevada.—George W. Malone and Alan Bible.

New Hampshire.—Styles Bridges and Norris Cotton.

New Jersey.—H. Alexander Smith and Clifford P. Case.

New Mexico.—Dennis Chavez and Clinton P. Anderson.

New York.—Irving M. Ives and Herbert H. Lehman.

North Carolina.—Samuel J. Ervin, Jr., and W. Kerr Scott.

North Dakota.—William Langer and Milton R. Young.

Ohio.—John W. Bricker and George H. Bender.

Oklahoma.—Robert S. Kerr and A. S. Mike Monroney.

Oregon.—Wayne Morse and Richard L. Neuberger.

Pennsylvania.—Edward Martin and James H. Duff.

Rhode Island.—Theodore F. Green and John O. Pastore.

South Carolina.—Olin D. Johnston and Strom Thurmond.

South Dakota.—Karl E. Mundt and Francis Case.

Tennessee.—Estes Kefauver and Albert Gore.

Texas.—Lyndon B. Johnson and Price Daniel.

Utah.—Arthur V. Watkins and Wallace F. Bennett.

Vermont.—George D. Aiken and Ralph E. Flanders.

Virginia.—Harry Flood Byrd and A. Willis Robertson.

Washington.—Warren G. Magnuson and Henry M. Jackson.

West Virginia.—Harley M. Kilgore and Matthew M. Neely.

Wisconsin.—Alexander Wiley and Joseph R. McCarthy.

Wyoming.—Frank A. Barrett and Joseph C. O'Mahoney.

NOTIFICATION TO THE PRESIDENT

Mr. JOHNSON of Texas submitted the following resolution (S. Res. 150) which was read, considered by unanimous consent, and agreed to:

Resolved, That a committee consisting of two Senators be appointed by the Vice President to join such committee as may be appointed by the House of Representatives to notify the President of the United States that a quorum of each House is assembled and that the Congress is ready to receive any communication he may be pleased to make.

The VICE PRESIDENT. The Chair appoints the Senator from Texas [Mr. JOHNSON] and the Senator from California [Mr. KNOWLAND] members of the committee on the part of the Senate.

NOTIFICATION TO THE HOUSE

Mr. KNOWLAND submitted the following resolution (S. Res. 151) which was read, considered by unanimous consent, and agreed to:

Resolved, That the Secretary inform the House of Representatives that a quorum of the Senate is assembled and that the Senate is ready to proceed to business.

HOUR OF DAILY MEETING

Mr. CLEMENTS submitted the following resolution (S. Res. 152) which was read, considered by unanimous consent, and agreed to:

Resolved, That the hour of daily meeting of the Senate be 12 o'clock meridian, unless otherwise ordered.

ADJOURNMENT TO THURSDAY

Mr. JOHNSON of Texas. I move that the Senate stand in adjournment until Thursday next.

The motion was agreed to; and (at 12 o'clock and 12 minutes p. m.) the Senate adjourned until Thursday, January 5, 1956.

HOUSE OF REPRESENTATIVES

TUESDAY, JANUARY 3, 1956

This being the day fixed, pursuant to the 20th amendment to the Constitution, for the meeting of the 2d session of the 84th Congress, the Members of the House of Representatives of the 84th Congress met in their Hall, and at 12 o'clock noon were called to order by the Speaker, Hon. SAM RAYBURN, a Representative from the State of Texas.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, in Thy loving care and wise control are the coming in and the going out of all our days and years.

May we now enter upon this 2d session of the 84th Congress with renewed faith and fortitude, ever mindful of Thy gracious providence and assured of Thy divine sovereignty.

We are not afraid of tomorrow for we have seen yesterday and we love today.

Thou art always regarding with favor those who come unto Thee with a humble spirit and a contrite heart.

We beseech Thee to bless with Thy grace and solicitude our President, our Speaker, our chosen Representatives, and all Government employees.

Grant unto them the guidance of Thy Holy Spirit and a deep and abiding sense of Thy presence as they seek to discharge faithfully their many arduous tasks and responsibilities.

May the anxious and troubled soul of our beloved country and all humanity be filled with the joy of the Prince of Peace in whose name we pray:

Our Father which art in heaven, Hallowed be Thy name. Thy kingdom come. Thy will be done in earth, as it is in heaven. Give us this day our daily bread. And forgive us our debts, as we forgive our debtors. And lead us not into temptation, but deliver us from evil: For Thine is the kingdom, and the power, and the glory, for ever.

Amen.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had adopted the following resolutions:

Senate Resolution 150

Resolved, That a committee consisting of two Senators be appointed by the Vice President to join such committee as may be appointed by the House of Representatives to notify the President of the United States that a quorum of each House is assembled and that the Congress is ready to receive any communication he may be pleased to make.

The Senator from Texas, Mr. JOHNSON, and the Senator from California, Mr. KNOWLAND, were appointed to the above committee on the part of the Senate.

Senate Resolution 151

Resolved, That the Secretary inform the House of Representatives that a quorum of the Senate is assembled and that the Senate is ready to proceed to business.

RESIGNATION AS A MEMBER OF THE HOUSE OF REPRESENTATIVES

The SPEAKER laid before the House the following communication:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., December 21, 1955.

His Excellency AVERELL HARRIMAN,
Governor of the State of New York,
The Executive Chamber, Capitol,
Albany, N. Y.

SIR: I hereby tender to you my resignation as a Member of the House of Representatives in the Congress of the United States from the 22d District of New York, effective midnight, Monday, January 2, 1956.

Respectfully yours,

SIDNEY A. FINE,
Member of Congress.

CALL OF THE HOUSE

The SPEAKER. The Clerk will call the roll to ascertain the presence of a quorum.

The Clerk called the roll, and the following Members answered to their names:

[Roll No. 1]

Abbitt	Chatham	Gathings
Abernethy	Chelf	Gavin
Adair	Chenoweth	Gentry
Addonizio	Chiperfield	George
Albert	Christopher	Gordon
Alexander	Chudoff	Grant
Alger	Church	Green, Oreg.
Allen, Calif.	Clark	Gregory
Andersen, H. Carl	Clevenger	Gross
	Cole	Hagen
Andresen, August H.	Colmer	Hale
	Cooley	Haley
Andrews	Coon	Halleck
Anfuso	Cooper	Hand
Arends	Corbett	Harden
Ashley	Cramer	Hardy
Ashmore	Cretella	Harris
Aspinall	Crumpacker	Harrison, Nebr.
Auchincloss	Cunningham	Harrison, Va.
Avery	Curtis, Mass.	Harvey
Ayres	Dague	Hays, Ohio
Bailey	Davidson	Hayworth
Baker	Davis, Ga.	Henderson
Baldwin	Davis, Tenn.	Herlong
Bass, N. H.	Davis, Wis.	Heselton
Bass, Tenn.	Dawson, Ill.	Hiestand
Bates	Dawson, Utah	Hill
Baumhart	Deane	Hillings
Beamer	Dempsey	Hinshaw
Becker	Denton	Hoeven
Bell	Derounian	Hoffman, Ill.
Bennett, Fla.	Devereux	Hoffman, Mich.
Bennett, Mich.	Dixon	Holifield
Bentley	Dodd	Holmes
Berry	Dolliver	Holt
Betts	Dondero	Hope
Blitch	Donovan	Horan
Boggs	Dorn, N. Y.	Hosmer
Boland	Dorn, S. C.	Huddleston
Bolling	Dowdy	Hull
Bolton, Frances P.	Doyle	Hyde
	Durham	Ikard
Bolton, Oliver P.	Edmondson	James
	Elliott	Jarman
Bosch	Ellsworth	Jenkins
Bow	Engle	Jennings
Bowler	Evins	Jensen
Boykin	Fallon	Johansen
Boyle	Fascell	Johnson, Calif.
Bray	Fenton	Johnson, Wis.
Brooks, La.	Fernandez	Jonas
Brooks, Tex.	Fino	Jones, Ala.
Brown, Ga.	Fisher	Jones, Mo.
Brown, Ohio	Fjare	Jones, N. C.
Brownson	Flood	Judd
Broyhill	Flynt	Karsten
Budge	Fogarty	Kean
Burdick	Forand	Kearney
Burleson	Ford	Kearns
Burnside	Forrester	Keating
Bush	Fountain	Kee
Byrd	Frazier	Kelley, Pa.
Byrnes, Wis.	Frelinghuysen	Kelly, N. Y.
Canfield	Friedel	Kilburn
Cannon	Fulton	Kilday
Carlyle	Gamble	Kilgore
Carrigg	Garmatz	King, Calif.
Chase	Gary	King, Pa.

Kirwan	O'Konski	Simpson, Ill.
Kluczynski	O'Neill	Simpson, Pa.
Knox	Osmers	Sisk
Knutson	Ostertag	Smith, Kans.
Krueger	Patman	Smith, Miss.
Laird	Patterson	Smith, Va.
Landrum	Pelly	Smith, Wis.
Lane	Perkins	Spence
Lanham	Philbin	Springer
Lankford	Phillips	Staggers
LeCompte	Pilcher	Sullivan
Lesinski	Pillion	Taber
Lipscomb	Poage	Talle
Long	Poff	Taylor
Lovre	Polk	Teague, Calif.
McConnell	Powell	Teague, Tex.
McCormack	Preston	Thomas
McCulloch	Price	Thompson, La.
McDonough	Priest	Thompson, Mich.
McDowell	Quigley	Thompson, N. J.
McGregor	Rabaut	Thompson, Tex.
McIntire	Radwan	Thomson, Wyo.
McMillan	Rains	Thornberry
McVey	Ray	Tollefson
Machrowicz	Reece, Tenn.	Trimble
Mack, Ill.	Reed, Ill.	Tuck
Madden	Reed, N. Y.	Tumulty
Magnuson	Rees, Kans.	Udall
Mahon	Reuss	Utt
Mailliard	Rhodes, Ariz.	Van Pelt
Marshall	Rhodes, Pa.	Van Zandt
Martin	Richards	Velde
Mason	Riehlman	Vinson
Matthews	Riley	Vorys
Meader	Rivers	Walter
Merrow	Roberts	Watts
Metcalf	Robeson, Va.	Weaver
Miller, Md.	Robsion, Ky.	Westland
Miller, Nebr.	Rodino	Wharton
Miller, N. Y.	Rogers, Colo.	Whitten
Mills	Rogers, Fla.	Wickersham
Minshall	Rogers, Mass.	Widnall
Mollohan	Rogers, Tex.	Wier
Morano	Rooney	Wigglesworth
Morgan	Roosevelt	Williams, Miss.
Morrison	Rutherford	Williams, N. J.
Moss	Sadlak	Williams, N. Y.
Moulder	St. George	Willis
Multer	Saylor	Wilson, Calif.
Mumma	Schenck	Wilson, Ind.
Murray, Ill.	Scherer	Winstead
Murray, Tenn.	Schwengel	Withrow
Natcher	Scrivner	Wolcott
Nelson	Scudder	Wolverton
Nicholson	Seely-Brown	Wright
Norblad	Selden	Yates
Norrell	Sheehan	Younger
O'Brien, Ill.	Sheppard	Zablocki
O'Brien, N. Y.	Short	Zelenko
O'Hara, Ill.	Shuford	
O'Hara, Minn.	Sieminski	

The SPEAKER. On this rollcall 376 Members have answered to their names. A quorum is present.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

JANUARY 3, 1956.

The honorable the SPEAKER,
House of Representatives.

SIR: A certificate of election in due form of law for the Honorable JOHN D. DINGELL as a Representative-elect to the 84th Congress from the 15th Congressional District of the State of Michigan, to fill the vacancy caused by the death of his father, the late Honorable JOHN D. DINGELL, has been received from the Secretary of State of Michigan, and is on file in this office.

Respectfully yours,
RALPH R. ROBERTS,
Clerk, United States House of Representatives.

SWEARING IN OF MEMBER

Mr. JOHN D. DINGELL appeared at the bar of the House and took the oath of office.

COMMITTEE TO NOTIFY THE PRESIDENT

Mr. McCORMACK. Mr. Speaker, I offer a privileged resolution (H. Res. 344) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That a committee of three Members be appointed by the Speaker on the part of the House of Representatives to join with a committee on the part of the Senate, to notify the President of the United States that a quorum of each House has assembled and Congress is ready to receive any communication that he may be pleased to make.

The resolution was agreed to.

The SPEAKER. The Chair appoints as members of the committee on the part of the House to join with a committee on the part of the Senate to notify the President of the United States that a quorum of each House has been assembled and that the Congress is ready to receive any communication he may be pleased to make the gentleman from Massachusetts [Mr. McCORMACK], the gentleman from South Carolina [Mr. RICHARDS], and the gentleman from Massachusetts [Mr. MARTIN].

NOTIFICATION OF SENATE

Mr. COOPER. Mr. Speaker, I offer a privileged resolution (H. Res. 345) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the Clerk of the House inform the Senate that a quorum of the House is present and that the House is ready to proceed with business.

The resolution was agreed to.

DAILY HOUR OF MEETING

Mr. SMITH of Virginia. Mr. Speaker, I offer a resolution (H. Res. 346) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That until otherwise ordered, the daily hour of meeting of the House of Representatives shall be at 12 o'clock meridian.

The resolution was agreed to.

CERTAIN APPOINTMENTS MADE BY THE SPEAKER SUBSEQUENT TO ADJOURNMENT

The SPEAKER. The Chair lays before the House the following announcement with respect to certain appointments made by the Speaker subsequent to adjournment, which the Clerk will read.

The Clerk read as follows:

The Chair desires to announce that pursuant to the order of the House of August 2, 1955, empowering him to appoint commissions, boards, and committees authorized by law or by the House, he did, on September 1, 1955, pursuant to the provisions of Public Law 742, 83d Congress, appoint as members of the National Monument Commission the following members on the part of the House: Mr. SMITH of Virginia, Mr. ASPINALL of Colorado, Mr. SMITH of Wisconsin, and Mr. WESTLAND of Washington.

And on September 1, 1955, pursuant to the provisions of section 4, Public Law 106, 84th Congress, appoint as members of the Joint Congressional Committee on Construction of a Building for a Museum of History and Technology for the Smithsonian Institution the following members on the part of the House: Mr. CANNON of Missouri, Mr. BROOKS of Louisiana, Mr. JONES of Alabama, Mr. VORYS of Ohio, and Mr. CURTIS of Massachusetts.

And on November 10, 1955, pursuant to the provisions of section 2, Public Law 304, 84th Congress, appoint as members of the Commission on Government Security the following members on the part of the House: Hon. Francis E. Walter, of Pennsylvania; Hon. William M. McCulloch, of Ohio; and the following from private life: Mr. James L. Noel, of Texas; and Hon. Edwin L. Mechem, of New Mexico.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House:

JANUARY 3, 1956.

The honorable the SPEAKER,
House of Representatives.

SIR: I have the honor to transmit herewith a sealed envelope addressed to the Speaker of the House of Representatives from the President of the United States, received in the Clerk's office on August 25, 1955, and said to contain the eighth semiannual report on the mutual security program, covering operations from January 1, 1955, to June 30, 1955.

Respectfully yours,
RALPH R. ROBERTS,
Clerk, United States House of Representatives.

EIGHTH SEMIANNUAL REPORT ON THE MUTUAL SECURITY PROGRAM—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 226)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, was referred to the Committee on Foreign Affairs and ordered to be printed, with illustrations:

To the Congress of the United States:

I am transmitting herewith the eighth semiannual report on the mutual security program, covering operations from January 1, 1955 to June 30, 1955, in furtherance of the purposes of the Mutual Security Act of 1954.

During this period, there was a marked increase in the free world's economic well-being and defensive strength.

Working in partnership together, the nations of the free world have individually and collectively benefited from the mutual-security program. Their peoples are better fed and better clothed than ever before in this century, and their governments and their boundaries are better protected from external aggression or internal subversion.

In the current world situation, the dollars invested in the mutual-security program have brought greater security to the people of the United States than could the same amount of dollars used in any other manner.

DWIGHT D. EISENHOWER.
THE WHITE HOUSE, *August 24, 1955.*

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

JANUARY 3, 1956.

The honorable the SPEAKER,
House of Representatives.

SIR: I have the honor to transmit herewith a sealed envelope addressed to the Speaker of the House of Representatives from the President of the United States, received in the Clerk's office on October 21, 1955, and said to contain the 36th report to Congress on lend-lease operations covering the calendar year of 1954.

Respectfully yours,

RALPH R. ROBERTS,
Clerk, United States House of Representatives.

LEND-LEASE OPERATIONS, 1954 — MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 221)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committee on Foreign Affairs and ordered to be printed:

To the Congress of the United States:

I transmit herewith the 36th report to Congress on lend-lease operations covering the calendar year of 1954.

An amount in excess of $49 million was realized as the result of collections and credits during the year.

Brazil made the final payment under the lend-lease settlement arrangement of April 15, 1948, and completed the liquidation of that Government's defense aid commitments to the United States under the lend-lease programs. Final payment also was made by Nicaragua under the lend-lease settlement arrangement of September 26, 1951. The Government of Peru signed a lend-lease settlement arrangement with the United States on November 25, 1954, providing for the liquidation of its lend-lease indebtedness.

Various other countries continued to make payments under agreed settlement terms and, as usual, large installments on their accounts were paid by France, the Netherlands, and the United Kingdom.

The report describes the developments during 1954 in the settlement negotiations with Poland and the Soviet Union.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *October 19, 1955.*

ADJOURNMENT UNTIL THURSDAY NEXT

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 12 o'clock noon on Thursday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

RECESS

The SPEAKER. Without objection, the House will stand in recess until 1 o'clock p. m.

There was no objection.

Accordingly (at 12 o'clock and 38 minutes p. m.) the House stood in recess until 1 o'clock p. m.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 1 o'clock p. m.

REPORT OF COMMITTEE TO NOTIFY THE PRESIDENT

Mr. McCORMACK. Mr. Speaker, your committee on the part of the House to join a like committee on the part of the Senate to notify the President of the United States that a quorum of each House has been assembled and is ready to receive any communication that he may be pleased to make has performed that duty. The President requested that the committee state that he would communicate to the Congress a message in writing on Thursday next.

COMMUNICATION FROM ARTHUR FISHER, REGISTER OF COPYRIGHTS

The SPEAKER laid before the House the following communication, which was read and referred to the Committee on House Administration:

DECEMBER 8, 1955.

The Honorable SAM RAYBURN,
The Speaker's Room,
House of Representatives,
Washington, D. C.

DEAR MR. SPEAKER: I take pleasure in returning to you the document of assignment of copyright in the musical composition entitled "Pledge of Allegiance to the Flag" from the Honorable LOUIS C. RABAUT to the Congress of the United States.

The document has been recorded in the official records of the Copyright Office which now indicate the Congress of the United States as the copyright owner of this musical composition.

Sincerely yours,

ARTHUR FISHER,
Register of Copyrights.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. SHELLEY (at the request of Mr. ENGLE), for the balance of the month, on account of illness.

Mr. YATES (at the request of Mr. KLUCZYNSKI), for the balance of the week, on account of illness.

Mr. CEDERBERG (at the request of Mr. BENTLEY), for 2 weeks, on account of death in family.

Mr. HESS (at the request of Mr. JENKINS), on account of illness.

Mr. MACK of Washington (at the request of Mr. TOLLEFSON), for 2 weeks, on account of illness.

THE LATE JOHN DAVID DINGELL

Mr. RABAUT. Mr. Speaker, today our thoughts turn to a beloved colleague who is not with us. JOHN DAVID DINGELL was a close friend of mine who will be sorely missed in this most crucial year in a troubled world.

John was a frail man in physique, but he was a fighter at heart. Never have I known him to hesitate to stand up for what he knew to be right. Never have I known him to compromise with conscience in the interests of expediency. As a member of the Ways and Means Committee, he was a champion of the little people and strove always to see that the low-income families were properly represented on the committee. As a member of the Joint Committee on Internal Revenue Taxation, JOHN DINGELL gave valuable assistance to the Government through his vast knowledge of the Federal tax structure.

John's passing is a loss to his district, his State, and the Nation, and I extend my deepest sympathies to his wife, Grace, and his three children, John, Jr., James, and Julé.

Mr. Speaker, I yield to the distinguished chairman of the Committee on Ways and Means.

Mr. COOPER. Mr. Speaker, I could not fail to embrace this opportunity to raise my voice in brief but very sincere tribute to the life, character, and public service of my warm friend and distinguished colleague, the late Honorable JOHN D. DINGELL, of Michigan. It was my privilege to work very closely with him throughout his period of service here. We worked shoulder to shoulder throughout the years as members of the Committee on Ways and Means. When I had the honor of becoming chairman of that great committee at the beginning of this Congress he ranked next to me. Our associations were very close; always very cordial. We cherished a warm friendship that existed throughout our years of service here together. He was a man who possessed the highest attributes of Christian character and all of the sterling qualities of manhood; a man of great ability and outstanding courage, and a demonstrated devotion to public service. His heart beat in tune with the interest and the welfare of the masses of our people, and he was always zealous in the discharge of his duties as a member of our committee and as a Member of this House. It was my privilege and honor to be appointed a member of the funeral committee that attended his funeral in Detroit and there to see the vast host of warm friends whom he had served so faithfully throughout his period of service here. I join with my colleagues in extending my deepest sympathy to his bereaved widow and other members of the family. He was, indeed, a truly great American and great patriot.

Mr. RABAUT. I yield to our distinguished majority leader.

THE LATE JOHN D. DINGELL: MAN OF FAITH AND COURAGE AND SERVICE

Mr. McCORMACK. Mr. Speaker, Representative JOHN D. DINGELL, of Michigan, died last September but even now—months after—it is difficult for us to reconcile ourselves to the fact he is not with us. We are not unfamiliar here in the House of Representatives with the sudden onslaught of a bereavement it is

difficult for us to face. But for me in the case of JOHN DINGELL, the pain is the deeper because we two enjoyed a kind of partnership of the spirit. This is true not only because we were veterans together in the Halls of Congress. It is true also because there was an understanding between us, in many ways an unspoken understanding, instinctive and genuine, that may have had its roots in our respective backgrounds and that flowered for him as well as for myself in the consummation of great events in which we both played some part. These events had their impact on history.

John represented the 15th Congressional District in Detroit from 1932—through 12 continuous terms in Congress—until his passing Monday night, September 19th; a tribute surely to the esteem in which he was held by his constituents. It was an esteem which many of us shared with the people who elected and reelected him. But on the stage of dedication to the people of America, on the stage of mighty government reform in the public interest, I like to aggrandize to myself the belief that perhaps I knew him most intimately of all.

There were two major motivations in the life of JOHN D. DINGELL, of Detroit—this son of Polish immigrants emerging out of the teeming populations of a great industrial city to a position of leadership and responsibility under our system of government. What were these two driving forces in his life? One was his religious faith—in his case Catholicism—that lived in him and with him every moment of his life. It guided him, it propelled him, it edified him, and he lived by its truths and principles deep in his soul, as good citizens live by the laws and ordinances of their community. This I—his fellow Catholic—was well and proudly conscious of. I derived a sort of strength in my own beliefs from contact with him. I noted how it elevated his perspective and gave him that unique strength that in the long run gives such force and such influence to the unselfish and the sincere servants of the common weal.

The other motivating force in his life was his deliberate, his devoted, his unceasing identification of himself and all his activities with the people whom he served, the public interest generally and the American ideal. Being religious he lacked fear, fear of pioneering, fear of untrod paths in legislation, in Government reform. He lacked fear of entrenched power and entrenched privilege. And he lacked fear of change and fear of dumping into the past and the limbo of the forgotten, the deadweight of archaic but long-established forms and usages that straitjacketed progress and cried out for improvement. A divine providence seems to have created men like JOHN DINGELL—precisely like DINGELL—to meet the challenge of a changing era and master it. Because change, as even the most backward alarmists of the twenties and the thirties now agree, had to come. It had to come. But what men with JOHN DINGELL'S patriotism, his religious depth, and his fierce dedication to the American tradition made possible, was change without doing violence to our free-enterprise system, and without impairing the constitutional structure of our Government. For above his crusading dynamism for moving us out of the mire of the great depression, and above his passion for curing the ills of our time and raising the living standards of the common man, was his orthodox faith in the principles of the Founding Fathers. He was undeviating in his loyalty to the Constitution of the United States and the body of law that grew out of it. JOHN DINGELL would have fought with all his zeal and every ounce of his strength against any radicalism that attacked by so much as one jot or tittle the basic principles of our Government.

With that conservatism and that persistent forward march to improvement there worked in JOHN DINGELL'S soul the free man's loathing for absolutism, dictatorship, communism or fascism, the monolithic state and all the trappings of the Caesars on the left and the Caesars on the right. For this deep and clear-eyed thinking man from Detroit where all races were gathered together, the fantastic and fuzzy race theories of the dictators were but the application of sick ideas to serve the ends of personal power. And these ends were in themselves so sick and so askew and so unscientific and so ill-advised, that they perished in wars that are now recognized as the greatest tragedy of history. Bigotry and dictatorship, going together, hand in hand, had to be swept off the world stage by men of religion and men of faith, by free men.

Among their leaders was JOHN D. DINGELL.

These were the ideas that mattered in the life of the man I eulogize. They expressed themselves on the practical level and they materialized into legislation no responsible and knowledgeable citizen would today dream of removing from the Nation's statute books, no matter how stubbornly they fought against men like DINGELL when this legislation was in process of enactment.

Just as JOHN DINGELL was not a halfway patriot so he was not a halfway legislator. He stood steadfast with the New Deal. Nor did his enthusiasm diminish when those of little faith saw some advantage later in the opposite trend. Rather JOHN DINGELL became as much a devotee of the Fair Deal as he had been a leader in the dynamic days of the New Deal.

He believed and his faith was vindicated.

For 12 years he fought for a national health-insurance plan. He was as unrelenting in this fight as he had formerly been in his advocacy of the securities and exchange reforms, the reciprocal-trade agreements, the National Labor Relations Act, and the social-security program. His horizons encompassed and went beyond this type of legislation. He was always looking years ahead, and a leader in charting the course for a better life for his fellow men.

If the question were asked what were the greatest rewards that came to JOHN DINGELL in his lifetime, I can guess, I think, quite accurately, what his answer might have been. First, I think he would have said, it came to him in the knowledge that he had fought the good fight and never surrendered. He would have said he found his reward in the respect and the affection he read in the eyes of his constituents who again and again elected him to office. I think he would have said, in an extremely moving way, that his reward was especially immense in the esteem in which he was held by Members of this House, in their affection, in their high regard for his character as a gentleman and a colleague. And ever so poignantly and gratefully he would have said that his reward came from the country he loved so devotedly. It was here that he struggled all his life, and almost always on a rising plane of success. He came out of a parochial school where his grounding in basic education had been solid. He informed himself by reading courses in political science and economics. He had worked on a Detroit newspaper and in other fields. And his career found its fullest assertion in politics where he became our associate and our friend. Always the light that marked his path was his religion and the public interest.

They say there is no indispensable man.

Maybe not. But I dread to think what our world and what our country would be like if Almighty God did not out of His eternal regard for the least of us provide the generations with men of the faith and the stature of JOHN D. DINGELL.

To Mrs. Dingell, and her loved ones, Mrs. McCormack and I extend our profound sympathy in their bereavement.

Mr. RABAUT. Mr. Speaker, I yield to the gentleman from New Jersey [Mr. SIEMINSKI.]

Mr. SIEMINSKI. Dear John: I missed you today as the second session of the 84th Congress convened. It seemed only yesterday that your letter welcomed me to the Congress in January 1951. You and Congressman ED HART and Congressman AIME FORAND did so much in those opening days to steer me toward my Committee on Appropriations. You said I would be happy on it. So right you were.

Ofttimes we talked on the House floor. As I recall it, your view was that as we, in legislation, served the best interest of man, we strengthened the Nation and thus the world. Could anything seem simpler?

Your son sits to the right of JOHN MCCORMACK, that battler, as John does you homage. Your boy looks to the right and then to the left in quiet appreciation at those whose kind words are added to those of JOHN MCCORMACK. Your boy looks fit. He has taken your baton, dear friend. He will run the good race you have started bringing added luster to the 48 stars on that field of blue you loved and honored and cherished so much.

Mr. RABAUT. Mr. Speaker, I yield to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS. Mr. Speaker, I am glad this fine eulogy has just been delivered by our good and able colleague, the gentleman from Massachusetts [Mr. MCCORMACK], because he has gone thoroughly and completely into the life of a very deserving individual.

JOHN DINGELL came from the ranks of what we call the common people. He knew the problems of the common people and was one of their stanch defenders. He knew what it meant to work and it was his industry and his sympathy with men who work that advanced him in his public career. He was a man with great natural ability. He could discuss intricate public problems with clarity and with conviction.

Unfortunately, ill health overtook him a number of years ago. Really, it was pitiful to see the gallant fight he put up against illness.

As a member of the Committee on Ways and Means, I had a chance to know of his efforts. I have this to say for him. We always knew where he stood and what he was seeking to do. He was thoroughly dependable, a fine American citizen. His distinguished son who is following him as a Member of this Congress has every reason to be proud of his father's work in this distinguished body.

Mr. RABAUT. Mr. Speaker, I yield to the gentleman from Michigan [Mr. MACHROWICZ].

Mr. MACHROWICZ. Mr. Speaker, the passing of our beloved friend and distinguished colleague, JOHN D. DINGELL, has brought much sorrow to all who knew him and to the millions who benefited from the many years of his fruitful and unselfish public service. If there was any characteristic which particularly stood out to mark JOHN DINGELL, I would say it was his intense desire and will to serve his country and his people well, by bringing justice to those who needed it most, the poor, the sick and the underprivileged. He loved to fight for them, to champion their cause, and to make life more bearable for them. It was for that reason that he pioneered in the struggle for social security legislation in this Congress, much of which was either sponsored by him or in which he played an important part in its enactment.

Those of us who were privileged with his close friendship know under what terrific handicaps he was working. He had always been in poor health and it was with a great effort and personal sacrifice that he was able to carry on the important duties of his office. But he had a deep sense of responsibility and a great faith in God to give him the strength and the wisdom necessary to perform his task. I know personally that whenever he was faced with a particularly difficult decision, he always turned to the Almighty God for guidance. And when he was convinced he was morally right, no power on earth was able to swerve him from the determination to stay with that decision.

To me, JOHN DINGELL'S passing was a particularly heavy blow. I had known him and enjoyed his friendship for many years, dating back even to the time before he started his service in Congress. His friendship was one of the richest experiences in my life. From the first day that I became a Member of this great body, over 5 years ago, I looked to him for help. He was more than a friend to me. He guided me through those difficult first years and gave me words of encouragement when they were needed most. I feel proud to have been able to work with him in the fulfillment of his legislative program, and to have been honored by his close friendship.

Outside of his public service, JOHN DINGELL'S greatest interest in life was his family. More than once, he told me that he would not have been able to carry on without his life's companion, his beloved and loving wife, who stood by him and worked with him loyally and tirelessly during his entire public career. He fully understood and appreciated her great sacrifice and devotion.

He was always proud of his children to whom he gave all the advantages in education which he was deprived of, at the same time giving them a fine family life in the values of which he believed so sincerely.

I wish to extend my deep condolences to his widow, Grace, and to his children, John, James, and Julee.

We shall miss the leadership and the guidance of JOHN DINGELL in Congress, but I am confident that his work will be continued in the way he would have wanted it, by his most able and deserving son, JOHN D. DINGELL. He will carry on in the tradition and the pattern of his most distinguished father, who will be long and lovingly remembered by us here in Congress and by the people whom he served so well.

Mr. RABAUT. Mr. Speaker, I yield to the distinguished gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, it was with genuine and deep-felt sorrow that I read in the press of the passing of my good and very dear friend, JOHN DINGELL. He was my friend and I was his friend. At the time of his passing, our length of service in the House of Representatives was about the same although, I believe, JOHN DINGELL came to the House of Representatives shortly before I did. Through my service here, I have become increasingly convinced that to be a Member of this great body is indeed a high privilege, and honor and a pleasure. It is an honor and a privilege because, by-and-large, the Members of this body are persons of capacity. If they are not people of capacity, they do not get here. If they are not people of capacity, they seldom stay here long. Together with capacity they must have integrity, decency, honor, intelligence, and judgment. JOHN DINGELL was one of the men who added much to the standing and the prestige of the House of Representatives. I say also it is a pleasure to serve in this body for many reasons. Probably the best reason is that friendships are made here—friendships that have no concern at all with the center aisle which divides the Republicans from the Democrats—friendships which are little concerned with differing political or economic viewpoints — friendships that transcend all such differences and which in my opinion afford the happiest occasions of our work.

In the years of his better health, JOHN DINGELL and his sons, together with my boy and myself, on occasion were together under very happy circumstances. I know how much he thought of his family, as we all think of our families.

Mr. Speaker, we shall all miss JOHN DINGELL. But, may I say to his boy who succeeds him here: Welcome.

He follows a leader, and he becomes part of a distinguished tradition in this high position in the House of Representatives which I am certain he will uphold with honor and with dignity.

Mr. RABAUT. Mr. Speaker, I yield to my distinguished colleague the gentleman from Michigan [Mr. LESINSKI].

Mr. LESINSKI. Mr. Speaker, I did not have the privilege of knowing Congressman JOHN DINGELL as long as some of my colleagues here, but in the short period that I did know him I experienced something that touched me very deeply. Congressman DINGELL was like a father not only to me but you might say to all America. He never shunned a responsibility. He was feared because with his honesty and integrity and thorough knowledge of problems, he saw through all subterfuges. The passing of JOHN DINGELL leaves a mark in the history of America that will never be forgotten. His extreme loyalty to America and his never-ceasing struggle for the rights of the common man which is typical of Americans of Polish extraction, his deep feeling for not only his family but also for those who have known him and for whom he worked—all of these qualities of JOHN DINGELL make the loss to his family and friends also America's loss. May God's loving hand bless his journey to a well-deserved rest.

His successor in these halls will be his son, JOHN D. DINGELL, JR., who will, we all know, carry on in his father's tradition and be a credit to the people of his district.

Mr. SADLAK. Mr. Speaker, will the gentleman yield?

Mr. RABAUT. I yield

Mr. SADLAK. Mr. Speaker, the untimely death of my good friend and colleague, JOHN DINGELL, came to me as a great shock. It is with a feeling of real personal loss that I pay tribute to a man who served the people loyally and unselfishly for 23 years in this legislative body.

I first became acquainted with JOHN DINGELL in 1938 when I returned to Washington, D. C., as secretary to Congressman B. J. Monkiewicz; together we made a courtesy call at Mr. DINGELL'S office and became good friends from that day on. Later as a Congressman and as a member of the Ways and Means Committee, I had many opportunities to exchange ideas and work with him on legislation. He was a man of conviction and I respected his interest in civic, patriotic, and social matters affecting the welfare of the people. His senior position on this dominant and most important Ways and Means Committee enabled him to do a great deal of good for the benefit of all the people.

Like myself, Mr. DINGELL was of Polish descent, and I have a great admiration for his devotion and pride for the people of Poland. He was extremely proud of that great race and inherited the fighting spirit of those people.

Born in Detroit, Mich., John's early career was illustrative of the possibilities of the average citizen under our form of government. Prior to his con-

gressional years, he worked for a Detroit newspaper as compositor and reporter. At one time, he was engineer for a natural-gas pipeline and later engaged in the wholesale meat business. At the creation of the 15th Congressional District of Michigan in 1932, John was elected its first Representative in Congress, a position he held until his death last fall.

His record and reputation both as a legislator, and as a man, will not be forgotten, but will stand as a symbol for others to follow. Mrs. Sadlak joins me in expressing our deepest sympathy and regrets to Mrs. Dingell and the family.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. RABAUT. I yield.

Mr. ALBERT. Mr. Speaker, JOHN DAVID DINGELL was one of the outstanding Members of this House, as all who served with him well know. He was one of the ablest men of this body. He was one of the most courageous men of this House whenever a matter of principle was involved. He was my friend. I shall miss him. This House will miss him and his country will miss him.

Mr. CHENOWETH. Mr. Speaker, will the gentleman yield?

Mr. RABAUT. I yield.

Mr. CHENOWETH. Mr. Speaker, I wish to join my colleagues in paying tribute to the memory of our departed colleague, JOHN DINGELL. I was indeed saddened when I learned of his passing. While Mr. DINGELL represented a district in Michigan, we in Colorado felt that in many ways he belonged to us. He had gone to Colorado Springs some years ago and after regaining his health had engaged in business in that city, where he made many friends, who mourn his passing.

When I came to Congress I soon became acquainted with JOHN DINGELL and we became close friends. I formed a great admiration for his ability and his knowledge of national issues. I recognized the outstanding service which he was rendering and that he was looked upon as one of the leaders in the House. We had mutual friends in Colorado and JOHN always enjoyed talking about them.

I can recall that JOHN DINGELL maintained his interest in and his love for the West. Whenever any legislation came before this House dealing with irrigation and reclamation projects in Colorado, or other matters of peculiar interest to the West, we always found a champion in JOHN DINGELL. He never lost his love and affection for the people of Colorado. I think at one time he advocated that the Capital of the United States should be moved to Colorado.

Mr. Speaker, the passing of JOHN DINGELL is a great loss, not only to the people of Michigan and his district, but to the entire Nation, and to me personally. I join with my colleagues today in welcoming his son as a Member of this body and I am sure he will follow in the footsteps of his distinguished father.

I wish to extend my sincere sympathy to Mrs. Dingell, and to the other members of the family.

Mr. RABAUT. Mr. Speaker, I yield to the gentleman from Michigan [Mr. HAYWORTH].

Mr. HAYWORTH. Mr. Speaker, immediately upon becoming a Member of this great legislative body, I felt the need for counsel and for guidance. At that time being unaware of the nature of the House I scarcely knew to whom I might appropriately turn. I did not know that the chairman of a State delegation had great responsibility to other Members from his State and also to the House, but fortunately I went first to JOHN DINGELL. I was rather surprised to find that he welcomed me so eagerly and was so anxious to help; as a matter of fact, I was almost embarrassed because of the generosity which he showed toward me; he even made the facilities of his office available to me immediately upon my arrival here in the city shortly after election, so that I had a home and a base of operations, which were most helpful. Throughout the months that followed I went to him again and again and always found a warm welcome and a generous, wholesome spirit of brotherhood.

After serving with John for several months I found that not only was he much beloved by his people in Michigan but also greatly respected and loved by the Members of this House.

It once became necessary for me to do a little research on some of the legislation with which he had been connected some 20 years ago. I found that even as a young Congressman he had made a most vigorous imprint upon the legislative activity of the House at that time.

One of the things for which we may be most grateful to him, however, is that he has given us one of his own blood and spirit to carry on the great tradition which he founded for his district in this House. In years to come I am sure we will all be proud of the contribution of his son, JOHN, as a Member of this House.

Mr. RABAUT. Mr. Speaker, before calling on the last Member to be recognized, I ask unanimous consent that all Members may have permission to extend their remarks in the RECORD on the death, qualities, and fine statesmanship of our former colleague, JOHN DINGELL.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DIGGS. Mr. Speaker, the bereavement which we feel in the loss of our distinguished colleague, JOHN D. DINGELL, SR., is shared by countless leaders and citizens of our country. I had the honor of knowing Mr. DINGELL for many years and observing the impact of his influence through distinctive service. Many people in the 13th Congressional District of Michigan, which I represent, were the beneficiaries of his able legislative stewardship. Mr. DINGELL was very helpful to me when a year ago I first came to Congress as a freshman. I derived much benefit from his counsel. His colleagues, his district, his State, and his country suffer a great loss in his absence. If there is any consolation in his passing, it is that we have high hopes that his magnanimous spirit and his love for humanity will be carried on by his distinguished son and successor, JOHN D. DINGELL, JR.

Mr. EBERHARTER. Mr. Speaker, it is with deep sorrow and a feeling of great personal loss that I rise to pay tribute to the memory of my colleague and friend JOHN DINGELL. I know that these feelings are shared by all of us here, for his courageous spirit, his patience and understanding were an inspiration to all who knew him.

Elected to Congress in 1932 from the then newly created 15th Congressional District of Michigan, he was reelected each successive term. The first 2 years he was a Member of Congress, he served on the House Civil Service Committee, the Insular Affairs Committee, and the Patents Committee, but in 1935 he gave up those assignments to become, as he said, "the first American of Polish extraction to serve on the Ways and Means Committee." He remained on that committee until his death, at which time he was the ranking Democratic member. Besides being a member of the Committee on Ways and Means, he was also a member of the Joint Committee on Internal Revenue Taxation, the Commission on Intergovernmental Relations, and the Joint Committee on Nonessential Federal Expenditures.

JOHN DINGELL was a stanch liberal and throughout his career as a Member of Congress he fought continuously for legislation benefiting the workingman. During his first 4 years of Congress, he was a strong supporter of such important measures as the Securities and Exchange and Reciprocal Trade Agreements Acts—1934, the National Labor Relations—Wagner—Act of 1935, and the original Social Security Act of 1935. In succeeding years he continued the fight to improve the laws and introduce new measures to provide for the welfare of the people.

The many improvements made in the social-security laws over the years were in large part due to the efforts of the gentleman from the 15th District of Michigan. He was the author of many of the amendments which finally found their way into public law. Substantially all of the 1950 amendments to the Social Security Act came from bills originally introduced by JOHN DINGELL.

In recent years he had become associated widely in the public mind with a measure providing for national health insurance. Actually this interest on his part dates back to 1943, when, together with Senators Robert F. Wagner, of New York, and JAMES E. MURRAY, of Montana, he introduced into the House the measure to extend social security coverage known as the Wagner-Murray-Dingell bill. Besides health insurance, this bill also would have provided for the extension of social security to some 15 million American citizens not covered by previous acts, old age and disability benefits ranging up to $120 a month, and additional unemployment benefits. This measure has been supported by Mr. DINGELL during every Congress since 1943, and has received the enthusiastic support of the A. F. of L. and CIO, but has never reached the floor for a vote.

A review of his legislative record would of necessity have to include his outstanding achievements in the area of taxation. He was a firm believer in the economic theory of taxation on the basis of ability to pay and was always the first to speak

out in opposition when it appeared that the progressive tax structure might be threatened. He was one of the most vocal antagonists of the tax-reduction bill of 1947, and voted against both versions, on the basis that it was not an equitable system of tax reduction. He was particularly opposed to the manufacturers' excise tax, believing that it was an attempt to foist upon the American consumer nothing more than a concealed sales tax in its worst form.

I had the privilege of serving for a good many years on the same committee with JOHN DINGELL, and of observing at first hand the qualities that made him such a great legislator. He always carefully studied the legislation before the committee, and never failed to express his views both in committee and on the floor of the House, and he was one of those rare individuals who possessed both the courage to carry on a never-ending fight for the ideals in which he believed, and yet also showed a willingness to compromise when it became obvious that his goals could not be attained at that particular time. He realized that it is not always possible to achieve the ideal solution to a problem immediately, that there are times when one has to accept something less—a step toward the ultimate goal one is seeking. This he was willing to accept for the moment, but he would never once forget the real aim for a substitute.

The mere fact that JOHN DINGELL was a Member of Congress for so many years is enough to set him apart as being an unusual person, of course, but there is something much more distinctive about this man than simply his tenure in office or his political ability. He was a true statesman of the highest caliber. He possessed the intelligence to grasp and understand the most technical phases of legislation, the interest, wisdom, and courage to tackle very difficult problems, and the Christian love and depth of understanding to know and feel the problems that confront human beings.

Too often human values get lost in the shuffle when we become embroiled in the tremendous task of legislating for 160 million Americans, and we may tend to look at a tax-revision bill or a social-security bill simply in terms of a lot of statistics, or of how much money it is going to mean to the Treasury. It was indeed an inspiration to me to observe a man who was always aware of his tremendous responsibility, and whose primary concern was the effect his decision might have on each individual American.

We have lost a good statesman, and we who served with him certainly feel his absence, but we can be grateful that, although he is no longer with us, his contributions and his ideals will remain forever, as a constant reminder of the potentialities of human beings so dedicated to the highest level of social, moral, and political principles.

It is most appropriate that we today pay verbal tribute to one who has given so much to humanity; but I believe the greatest tribute we can pay to JOHN DINGELL lies not in the realm of spoken praise, but in ourselves pursuing the ideals for a better world for which he so valiantly fought.

Mrs. GRIFFITHS. Mr. Speaker, words do not come easy for me in paying tribute to the life and work of the late JOHN DINGELL.

It was my privilege to have known and worked with JOHN DINGELL many years in Michigan before joining him as a Member of Congress. His friendly advice and assistance proved most valuable to me when I entered the House as a freshman Member a year ago.

His courage and steadfastness of purpose were an inspiration to all who knew him. His contribution to American life will be measured with increasing value as the years go by.

If it can be said of any man that he devoted his life to the service of his country, it can surely be said of JOHN DINGELL. His devotion to duty came from the highest precept of public office. The courage he displayed in standing for what he believed to be just stimulated others to positive action.

And may I take this opportunity to welcome his son, Congressman JOHN DINGELL, JR., to this Chamber. We who know Congressman DINGELL have confidence he will ably exemplify the spirit of his beloved father, and will, in his own right, demonstrate a capacity for good works.

Mr. ZABLOCKI. Mr. Speaker, I should like to join my colleagues in paying tribute to the memory of the late Honorable JOHN D. DINGELL, of Michigan. It was a shock to me to learn of his passing last September, when I was home in Milwaukee, and whence I went to attend his funeral in Detroit. His loss will be felt deeply by our Nation.

It was a privilege and honor for me to serve in the House with such a distinguished, hardworking, and conscientious man as the late JOHN DINGELL. For many years, he fought courageously for the interests of our people, and for legislation intended to raise the standard of living throughout the Nation. He was dedicated to high moral, social, and political principles in his spheres of action.

JOHN DINGELL will be missed by his colleagues, and by the people of Michigan whom he served so well and so long. It is our mutual consolation and hope that his son, who has been chosen to represent the people of the 15th district of Michigan, will carry on the work and the ideals of his father in these Halls of Congress.

To our late colleague's family, I extend my deepest sympathy and the prayer that the Almighty Creator may grant him peace in eternity.

Mr. CELLER. Mr. Speaker, I wish to add my voice to the many that have eulogized our distinguished late colleague JOHN DINGELL. I knew him from the time he came to Congress, and learned to have an affectionate regard for him, as I am sure he had for me.

Just as cream rises to the top of the bottle, so he, in a short time, rose and grew in his ability and effectiveness as a Member of the House. He won the admiration of all the Members for his integrity of purpose, high aims, exemplary character, and excellence in parliamentary procedure. He rendered excellent service as a ranking member of the Ways and Means Committee. His words on the floor of the House always carried conviction.

Unfortunately, in the last few years, illness pursued him. May we say that the Good Lord wished to see an end to the suffering he endured and bestowed upon him an endless sleep. Even when suffering with pain, he insisted on coming to committee meetings and to the floor of the House. He bore his pain unflinchingly and uncomplainingly. He was indeed a stoic.

JOHN DINGELL's constituents loved him and honored him, and returned him to office many times. They placed upon him this accolade of distinction for having the courage of his convictions and for his devoted service. He is now succeeded by his son who, I am sure, will walk in the paths hewn out for him by his revered father. Like father, like son. The mantle of his office now falls upon him. From what I have already seen and know about him, he will keep the memory of his father alive in this House by distinguished service, honor and integrity.

Mr. ROONEY. Mr. Speaker, I was very much saddened when I learned of the passing of our good friend, the Honorable JOHN DAVID DINGELL, of Michigan, and take this opportunity to add my voice to those who have expressed such deserving tributes to the memory of our distinguished departed colleague.

JOHN DINGELL represented the 15th Congressional District in Detroit, Mich., from 1932 until his passing on September 19, 1955. His long continuous service is indeed a splendid tribute to the esteem in which he was held by his constitutents. During all those years he stood out as a champion of the little people and on every occasion fought valiantly to protect their rights. John possessed a fine Christian character and never wavered in his devotion to duty or at any time sacrificed principle for expediency.

I am proud to say that I had the privilege of knowing John quite well and one year traveled in Europe with him and his good wife. Despite the fact that he had been ill for a number of years he always had a kind word and a gracious smile for everyone, and it was a joy and inspiration to be in his presence. He had a great gift for knowing how to make friends and above all how to retain them.

During JOHN DINGELL'S distinguished career in this body he made many substantial contributions to good government and as a member of the Ways and Means Committee rendered valuable service as an authority on our Federal tax structure. His passing is a tragic loss to his district, his State, and our country. His capable and distinguished young son who follows him as a Member of Congress has every reason to be justly proud of his father's splendid record as a public servant.

I shall always miss JOHN DINGELL. I extend my sincere sympathy to his beloved wife and children in their great bereavement.

Mr. MILLS. Mr. Speaker, I would like to join with other Members of the House in expressing a tribute to an honored and esteemed colleague, JOHN D. DINGELL, of the 15th Congressional District of Michi-

gan, who passed away on September 19, 1955.

The details of my beloved friend's distinguished career, his long record of accomplishments, have been recalled to mind by those who have preceded me this afternoon. I would like to join in the remarks of those members of the House who have so ably lauded the record that our departed colleague left as a stirring monument to his long and creative service in Congress. To their remarks I would like to add the view that the influence of JOHN DINGELL will be reflected in forward-looking social and economic legislation that may pass the Congress in the decades ahead.

I would not give this sad occasion appropriate recognition if I were not to express my great feeling of personal loss over the passing of my beloved and distinguished friend. The years of our mutual service in the House of Representatives, on the Committee on Ways and Means, and on the other groups on which we mutually served resulted in a warm personal friendship between us. During our association I learned not only to recognize his great foresight as a legislator and statesman but I also learned to esteem him as a friend and be honored by his friendship.

The people of America, his beloved family, and his colleagues in the Congress have sustained a great loss in the passing of JOHN DINGELL, of Michigan, but we have each gained an inspiring record of achievement to use as a personal goal.

Mr. RHODES of Pennsylvania. Mr. Speaker, I would like to add my voice to the beautiful hymn of tribute paid to the late JOHN DINGELL by his colleagues in the Congress.

JOHN DINGELL was an honorable and courageous man who was thoroughly dedicated to the needs and desires of the average American. In his 23 years of distinguished service in the House of Representatives he provided outstanding leadership in the fight for social security, the National Labor Relations Act, national health insurance, and other New and Fair Deal reform measures.

He carried on the fight for liberal legislation despite a lingering illness which caused him untold pain and suffering. But JOHN DINGELL never permitted his own suffering to interfere with his legislative goals. I was always proud to have him as a friend as well as a brother member of the International Typographical Union.

JOHN DINGELL was a true statesman, endowed with the ability of relating complex legislation to the needs of people which he so sympathetically understood. His high ideals and sincerity of purpose were a source of inspiration to his fellow Members who respected and admired him. He will be sorely missed in the crucial days ahead.

We welcome his son, JOHN D. DINGELL, who has been chosen to carry on the work so nobly advanced by his distinguished father. To our late colleague's wife and children I extend my deepest sympathy in their great loss.

Mr. RABAUT. And now, Mr. Speaker, it is my privilege to ask his son to take the floor, the son of a worthy sire and a son who carries his father's name, a son who succeeds to his father's place by the free will of the free people of his district in Michigan, JOHN DINGELL, JR.

Mr. DINGELL. Mr. Speaker, I am deeply touched by this tribute paid to my beloved father and the respect and affection in which he was held by all of his brother Members of the House, without regard for political creed. I shall always remember and treasure this day.

My father loved and respected the House and all its Members. If I can be half the man my father was I shall feel I was a great success.

On behalf of my dear mother, and my brother and sister, and myself, I wish to extend to the Members of the House my deep thanks and gratitude for the splendid tribute that has been paid to my father today.

Mr. RABAUT. Mr. Speaker, I offer a resolution (H. Res. 347).

The Clerk read as follows:

Resolved, That the House has heard with profound sorrow of the death of Hon. JOHN D. DINGELL, a Representative from the State of Michigan.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

The resolution was agreed to.

THE LATE VERA BUCHANAN

The SPEAKER pro tempore. The Chair recognizes the gentleman from Pennsylvania [Mr. KELLEY].

Mr. KELLEY of Pennsylvania. Mr. Speaker, words are futile and useless in the face of death. I feel that what I may say today is futile when I announce to the House, this great body, the death of our former Congresswoman from Pennsylvania, VERA BUCHANAN.

She died on November 26, after lingering for 5 months in hospitals. After entering a hospital in June, she never came out of the hospital.

But I am not going to dwell on the valiant fight that Mrs. BUCHANAN put up clear to the end. We all know and realize how she struggled that she might continue her work in this great body.

Mrs. BUCHANAN was conscientious, most conscientious. She literally burned herself up as she performed her duties in this great House of Representatives. She followed in the footsteps of her husband, Frank Buchanan, who served here with distinction for a long time. The Buchanan family and my family were close, intimate friends. We find that within 5 years both have departed this life. She left behind two daughters and some grandchildren.

Mrs. BUCHANAN's vivacity, charm, and wit won for her a place in the hearts of her colleagues and her constituents at home. She was a wonderful mother and a very proud grandmother and a truly wonderful Christian.

My family joins with me in extending to her family our condolences and our sympathy. We hope that she has found the solace and the peace which we all seek in this life but which cannot be found anywhere except in heaven.

Mr. Speaker, I now yield to the gentlewoman from Missouri [Mrs. SULLIVAN].

Mrs. SULLIVAN. Mr. Speaker, I doubt if there is a single Member of this House who did not regard Representative VERA DAERR BUCHANAN as a very special friend. Gracious, kind, gentle, she won friends easily. And she captured our hearts.

As many of the Members know, Congresswoman BUCHANAN and I were virtually inseparable during sessions of Congress. We had been casual acquaintances over the years while our husbands served here. This grew into a close friendship when we were both thrust into the new roles of Members, rather than as congressional wives. We had so much in common, and found ourselves so congenial, that we dared to put our friendship to the test of sharing a Washington apartment.

We were both told frequently, by mutual friends, that it was impossible for two women Members of Congress, with all of the problems we would have to take home with us each night involving our own home districts, to live together in perfect friendship.

It was more than understanding and pleasant—it was a delightful experience—because VERA BUCHANAN was one of the most unusual persons I have known. Consideration for others—a habit of doing for others—were so characteristic of her that they made of her not only an outstanding friend, but an unusually conscientious Member of Congress.

Her death on November 26 last, following a valiant battle against cancer, removed from our midst one of those rare personalities which we see so infrequently—one who can bring warmth to any gathering, and pleasant good humor to any conversation.

Vera walked in beauty—she took beauty with her everywhere she went.

We all know how hard she worked as a Member of Congress, how diligently she pursued her efforts on behalf of her constituents. Although in acute physical pain at the time, she refused to rest last spring, or to go to the hospital for a checkup, as so many of us had urged, because of the importance to her district of certain legislation then pending before the House.

She used to tell me how much the Turtle Creek flood-control project on which she was working would mean to families in her district whose possessions periodically would be wiped out by floods. Beautifully dressed as always, she had gone down into the flooded areas the previous fall to walk in the mud and filth left in home after home by the receding waters.

When the Banking and Currency Committee, on which we both served, was considering housing legislation, VERA BUCHANAN translated the technicalities of the legislation into terms that were a whole lot more meaningful to her—and to the families of steel workers in Homestead and Duquesne and McKeesport and Pittsburgh's Southside, and elsewhere in her district. She looked at this legislation in terms of people's homes—the pleasant, happy sort of home she had provided for her husband and their twin daughters through good years and bad, through depression and through

the slim years when her husband was a schoolteacher. These are the things VERA BUCHANAN talked about to me when we discussed the problems of housing legislation and related matters.

She did not care who knew it—she was for the family which had to scrimp and struggle to get along. She had come from such herself.

Behind the vivaciousness, there was a deeply religious nature—a spiritual dedication which never wavered. Mrs. BUCHANAN was a devout Catholic; she practiced her faith without compromise. Her love of God, her true Christian spirit, shone through in everything she did. Truly she walked with God.

And she seemed to have an instinctive knack for coming up with the right answer where human problems were concerned. I was often amazed by the steel-spring sharpness of her mind—it did not seem to go with the almost childlike beauty of this remarkable young grandmother. She had a native shrewdness which more than made up for the lack of extensive formal education—and she served the public exceedingly well in her conscientious, untiring fashion.

To me, she was indeed a sister. Watching her waste away, a little each day, over the long weeks before she went home to McKeesport was an ordeal for me, and also a lesson in human strength. For Vera had the strength not only to prolong life far beyond the expectations of her doctors—she imparted strength to all of us who visited her.

Her death came on a Saturday morning almost 5 months to the day after we had half-carried her from the House floor to the physician's office, from where she had been whisked immediately to the naval hospital at Bethesda. It was a 5-month ordeal against overwhelming odds. But she was determined to get well, and anyone who watched her in that relentless battle to live could not help but believe she would make it.

On the Wednesday morning following her death, VERA BUCHANAN was buried high on a windswept hill commanding a beautiful view of the countryside she loved so well. She was laid to rest beside her husband. They share that resting place together, as they shared so much in life, and as they shared the joy of rearing their lovely twin daughters.

The day on which VERA BUCHANAN was buried was bitterly cold, and a searing wind sent wisps of snow across the cemetery. A tent provided little shelter against the wind, and none against the cold. Yet gathered there were hundreds of people who stayed through the bitter cold to pay final tribute to a friend—not to a political figure, but to a friend.

Many of us in the congressional delegation were impressed by the large number of postal workers and police and firemen in uniform who attended the church services and also the cemetery services. But the explanation was quickly given to us by one of them:

"When Mrs. BUCHANAN's husband was mayor of McKeesport," he said, "she always took a strong interest in the welfare of the city employees. We never forgot her for that. And the postal workers who are here, are here to pay honor to a friend—for they will tell you she was invariably their friend, and they appreciate that kind of friendship."

Mr. Speaker, I can only say as the McKeesport fireman had said, "She was a real friend."

Mr. KELLEY of Pennsylvania. Mr. Speaker, at this time I yield such time as she may desire to the gentlewoman from New York [Mrs. KELLY].

Mrs. KELLY of New York. Mr. Speaker, it is with a very heavy heart that we are gathered here at this time to pay tribute to our former colleagues whom God called to their eternal home while Congress was in recess.

We not only esteemed them as legislators but also as friends dear to us. The Honorable VERA BUCHANAN was one of them. As a legislator she was honest and sincere, a true and able public servant. The State of Pennsylvania lost a most outstanding Representative and her constituents suffered a severe personal loss.

I consider it a privilege to have known Vera and to have worked with her. But now I choose to pay tribute to her for the manner in which she carried out her role in life, that for which we are all created and on which we all must be judged.

VERA BUCHANAN knew the purpose of life. She recognized God as her Creator and endeavored with all her will to fulfill the purpose of her existence; a dutiful wife and mother, and a public servant. These were her obligations.

Her record in the House stands undisputed for the latter. The former roles she lived up to to the best of her ability and assumed her full responsibility therein, the fruition of which can best be portrayed by the example she showed to all wives and to mothers, by leaving with her children the knowledge of the duty of her life well performed.

She was called to her eternal home to join her husband, and for this I share her joy.

To her children I extend sympathy knowing full well their keen loss. To them I say, "Follow the example of your mother and you, too, will fulfill your purpose in life, in your destiny which is for all of us the same, to honor God, to love God, and to be happy with Him forever in the next world."

Mr. KELLEY of Pennsylvania. Mr. Speaker, at this time I yield such time as she may desire to the gentlewoman from West Virginia [Mrs. KEE].

Mrs. KEE. Mr. Speaker, this is a sad time for all of us here in the United States House of Representatives. Our colleague, VERA BUCHANAN, passed away since we last met, and we are deeply grieved.

Who was VERA BUCHANAN, Mr. Speaker? It is not enough to say that she was a Member of Congress, an adoring mother, a fond grandmother, a wonderful wife, and an intelligent human being. She was a Christian lady in a sense that seems almost old fashioned in this day and time. She was never without her sense of goodness. She always walked with God. Her faith and religious devotion were a model to everyone who came in contact with her. If ever one human being born in original sin could be said to be one of His chosen, it was she, yet she walked the earth and suffered, and knew discouragement. But her faith and her God always brought her through.

VERA BUCHANAN's death was a particular blow to me, for our public lives were formed on the same pattern. One week to the day before the death of Judge Kee, Vera's husband, who was a Democratic Member of Congress from Pennsylvania, passed on. Exactly 1 week after I was elected to fill John Kee's place in Washington, the voters in VERA's district returned her to the seat held by Mr. Buchanan. Seven days after I was sworn in as a Representative to Congress, VERA BUCHANAN officially took the oath of office as a Member of this body.

We had known each other before. For years Vera had been working with her husband, as I had been helping mine. It was only natural that our common interest should bring us together in those happier days. Death brought us closer together. Now, it has separated us for a while.

Vera's passing was not unexpected. The last several months of her life were a time of uncertainty and suffering. Every time the telephone rang, I expected it to be a doctor calling to tell me the unhappy news. But still I hoped and prayed. Now the waiting is over. On a gray day in November I boarded a morning train in Washington, headed north to Pennsylvania and a quiet cemetery in a quiet town. There I heard a priest say the last words over the body of my dear friend, and it was all done.

But for a woman like VERA BUCHANAN it is never done, Mr. Speaker. So long as a single man walks this earth who has faith in God, and honesty, truth, and Christian idealism continue as the cornerstones of our way of life, VERA BUCHANAN will live. Although her name and face may someday be forgotten, her strong flame of faith will continue to burn throughout all time.

Mr. KELLEY of Pennsylvania. Mr. Speaker, at this time I yield such time as she may desire to the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Speaker, in mourning the passing of VERA BUCHANAN, I think everyone of us feels a deep sense of gratitude for a life so ably and so courageously lived.

I suppose that of all the traits and characteristics of people, perhaps the one I admire the most is courage, the courage to live a religious life, the courage to live in pain uncomplainingly. That is the trait I admired most in my dearly beloved friend, VERA BUCHANAN. I know full well the heartache that was involved in succeeding her husband in Congress as well as all the pride and thanksgiving that she felt for the privilege of taking his seat and serving in the greatest legislative body in the world. I know from my own experience that such a succession is not an easy one. I know that her humor and gaiety often hid pain and heartache, and I loved her for her courage and indomitable spirit. Such was her nobility of spirit that no task was too small nor too great for her to undertake for the people of her district and her State.

So many have spoken of her great ability. Mrs. SULLIVAN's tribute was such a wonderful one that no one can add to it. I feel that her life here with us was a sort of benediction and a tremendous inspiration. All through that life she never forgot her God, she never forgot her work, which she did so ably, she never forgot her family or her friends.

And when she met with a terribly serious automobile accident, when she must have been in agony most of the time, her wonderful spirit helped her to carry on. Among other injuries she suffered a broken leg and was told that she would never walk again. But her reply was, "I will walk again," and she did. I admired her courage, too, in her terribly serious, painful illness. I never heard her complain. Although I knew her well, I had no idea she was seriously ill—I thought she had pneumonia and was getting better—and I did not visit her because I did not want to tire her, to take her strength.

I wish I could express what is in my heart of admiration for her and my love and good wishes to her family. I think that her life was a benediction to them and that they will live their lives as she would like to have them do. I think it is a benediction to us. We will all try harder here to carry on our work in courage and with what ability we have.

Mr. KELLEY of Pennsylvania. Mr. Speaker, I yield to the gentlewoman from Illinois [Mrs. CHURCH].

Mrs. CHURCH. Mr. Speaker, it is with a sense of deep personal loss that I rise to pay my tribute to VERA BUCHANAN. She was one of those who proved indisputably though always delicately that that there is a place in public life for a woman, maintaining all of her feminine capacity but dedicated equally with the men who serve here to the performance of her duty.

Mrs. SULLIVAN has spoken so beautifully, so tenderly of VERA BUCHANAN that it seems almost sacrilege for one to attempt to add anything to that tribute. She has said truly that VERA BUCHANAN walked with God. I would like merely to point out also that—perhaps because she did walk with God—she knew superbly how to walk with mankind, too.

She was almost the kindest person whom I have met in the Congress.

I think very few here knew that she and I had a tryst which we kept every year. She had come to Congress succeeding her husband shortly after I had come here in the same way. We both had a great deal to live up to, and we both took signal pride in trying to do so.

On the last day of our first session she looked across the aisle and said, with the rare human understanding which she had, "Why, Mrs. CHURCH, it isn't easy for you to go home, either. Let's go have dinner together first, before we start."

I have thought about that often. I have marveled at the sympathy which could look across that aisle and understand what was in another person's heart. I have wondered at the ready response to a human need which had certainly been unspoken, and I have gained strength from her year by year by keeping a similar tryst on each last day of the Congress.

Last August, when we adjourned, VERA BUCHANAN was not here. She was in the hospital. I sent her a little note and told her that the memory of her kindness continued to build into me a courage and a strength and a faith.

She loved those twin daughters of hers. I would say to them today, in expressing my understanding sympathy, that nothing can take from them that courage and that strength and that faith which was the foundation of their mother's life and which she built into everyone whose life touched hers, even if not intimately.

Mr. Speaker, we gentlewomen of the Congress are proud to have had VERA BUCHANAN on our list; and we know that no one who ever comes from our ranks will bring to her district or to the Congress or to our country more reasons for rejoicing, than she who lived so nobly, so purposefully, and with such great faith in those ideals and those realities which alone have permanence in a changing world.

Mr. KELLEY of Pennsylvania. Mr. Speaker, I yield to the gentlewoman from Indiana [Mrs. HARDEN].

Mrs. HARDEN. Mr. Speaker, I know that all Members of the House shared my shock and deep regret at the passing of our beloved colleague, VERA BUCHANAN during the recent recess period. When I first became a Member of the House, I had the pleasure of living in the same building with her and her good husband, and we cherished their friendship. During the 5 years of VERA BUCHANAN's service in the House, I learned to know her well and to know her was to love her and to respect her. She was a valued Member of this body, and she served her district and her State and Nation with distinction.

I, and my husband joins with me, extend our very deepest and sincerest sympathy to the members of her family. May God strengthen and comfort them.

Mr. KELLEY of Pennsylvania. Mr. Speaker, I yield to the distinguished gentleman from New York [Mr. MULTER].

Mr. MULTER. Mr. Speaker, on the occasion of this otherwise happy reunion with our colleagues at the opening of the 2d session of the 84th Congress it becomes our sad privilege to participate in eulogies to two departed colleagues, JOHN DINGELL and VERA BUCHANAN. Both of them earned our respect and our love. Both served long and well.

It was my privilege to have served in this House with the late Frank Buchanan, and to have served on the same committee with him. After our hearts were saddened by his departure from this life, we were temporarily gladdened when his place was taken by his charming wife, who succeeded him not only to the Congress but also took his place on the same committee upon which Frank had served. While Frank was with us, I knew VERA as his wife, his companion, and his constant and steady helpmate.

I learned to know VERA BUCHANAN as I had known Frank Buchanan, loyal, hard-working, intelligent, and considerate. I can think of no greater tribute to the two of them than to say that they had a keen sense of devotion to the services of the people of this country—not only of their district but of the country; they did their job intelligently and well and always with the utmost respect for viewpoints that differed from theirs. They vigorously, but pleasantly, pursued their points of view so as to bring to fruition that philosophy of life which they thought was best for this America of ours.

I join in saying "Amen" to all of the beautiful things that have been said so deservedly about our dear departed colleague. May the Lord rest her soul.

Mr. KELLEY of Pennsylvania. Mr. Speaker, I yield to the distinguished gentleman from Oklahoma [Mr. ALBERT].

Mr. ALBERT. Mr. Speaker, I join with my colleagues in their expression of great personal loss on the death of my dear friend, VERA BUCHANAN. I had the honor and pleasure of meeting and getting to know the Buchanan family shortly after I first came to Congress.

I have known their lovely twin daughters since they were children.

I served on the Committee on Lobbying Activities with the late Honorable Frank Buchanan who was one of the finest and most conscientious Members of this House. I have been a close personal friend of Mrs. BUCHANAN for about 10 years. I have never known a lovelier, sweeter, or finer person. She was one of the most respected and delightful Members of this House. She was an able Congresswoman, a devoted wife and mother, and a wonderful friend.

To her twin daughters and their loved ones I extend my deepest personal sympathy.

Mr. KELLEY of Pennsylvania. Mr. Speaker, I yield to the gentleman from Massachusetts [Mr. MCCORMACK] such time as he may desire.

Mr. MCCORMACK. Mr. Speaker, once more death has taken its toll from the House of Representatives, and this time we have the misfortune of losing one of our most energetic, experienced, and public spirited and most-respected Members in the person of Mrs. VERA D. BUCHANAN, of McKeesport, Pa.

Mrs. BUCHANAN was a Member of this House since mid-1951. In August of that year she was elected for the seat left vacant by the death of her husband, the late Frank Buchanan. She was reelected in 1952, and again in 1954. Thus, in a little more than 4 years, she faced the electorate 3 times and 3 times they affirmed their confidence in her. That fact in itself is sufficient testimony for her deserved popularity. But Mrs. BUCHANAN'S accomplishments and good deeds as a public servant cannot be confined to her years in this House. She was a devoted and inspiring aid to her husand while he was serving his three terms in this House. Thus she had had her apprenticeship in congressional affairs long before she became a Congresswoman. And this apprenticeship, as well as her experience in politics, served her well. In the 82d Congress she served on the Committee on Merchant Marine and Fisheries; in the 83d she served on Public Works Committee; and in the 84th

Congress she was a member of the Committee on Banking and Currency. And on all of these committees she showed her keen interest in important issues, and she always tried to understand and evaluate them in terms of public benefit. But her interests were not limited to matters falling within the purview of committees on which she served. Her humanitarian interests touched on many phases of human activity. She was vitally concerned with legislation that had to do with public health and welfare, and with social and educational legislation as well. She never failed in her advocacy of Federal aid to State and local governments where such aid was meant for education and public welfare in general.

Several weeks prior to her death I was speaking in Butler, Pa., about 35 miles outside of Pittsburgh. On my way back to Boston I went over to McKeesport Hospital where Mrs. BUCHANAN was then a patient. Her daughter had previously told me that she was unconscious most of the time, but occasionally regained consciousness. She told me this as I spoke to her from my hotel in Pittsburgh. She told me that if I went over there her mother probably could not see me because of her condition. While I was talking with her she said the doctors just told her that her mother had regained consciousness and that she and her sister were hastening to see her. While she told me that she did not think I could see our late beloved colleague, I felt it was my duty on my way back to Boston to go to the McKeesport Hospital, even if I just entered the hospital, to know that I had gone to the hospital. Fortunately, when I arrived at the hospital I saw her two daughters, and Mrs. BUCHANAN was conscious. I went in to see her, and I was with her for 15 or 20 minutes. When I left I was happy that I saw her. Those eyes of courage that we saw so often on the floor of this House were still shining forth. She sent me a message, when she pouted her lips in a little kiss as I left, a goodby salutation. It was meant for the entire membership of this House. I interpreted the pouting of her lips as she lay in the bed unable to lift herself up, to rise, as a message for me to transmit to all of my colleagues in the House from her. She knew that death was coming. Prior to my visit she had been visited by a Catholic priest who administered the last rites of the Catholic Church; there was no question, she was conscious of the fact. They told me that death was expected almost any day, yet she survived for several weeks after that, her indomitable willpower, that determination of hers that kept her fighting and fighting and living on.

And that was this sweet girl, Mrs. BUCHANAN, who served with us in this body.

Her late husband I knew well also, a very close and valued friend of mine. It is very unusual that a family has both husband and wife serving in this body, and an unusual event in the history of our country. I said to her daughters: "You and your loved ones will derive great consolation in the knowledge that your father and mother both served in the Congress of the United States, honored by the people of their great constituency. Both your parents served with honor and distinction. As the years roll by that will be a great consolation to you and it will be a matter of valuable knowledge and consolation to your children, Frank and Mrs. Buchanan's grandchildren, as they grow up."

I tell this little story of my visit to her; and as I left—that message—she could not speak except in a whisper. What she said was to me not very audible but her daughters more or less could understand. However, she pouted her lips, and that pouting of her lips as I left was message to all of us which today I give to each one of my colleagues, a message coming from that gracious lady who now is dead.

To her loved ones who are left behind I extend my deep sympathy in their bereavement. They can derive, as I said, great consolation in the knowledge that both their father and mother made their marked contribution to the progress of American history.

Mr. KELLEY of Pennsylvania. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. FLOOD].

Mr. FLOOD. Mr. Speaker, I join with my colleagues to pay this word of tribute and affection as well to the memory of our truly beloved colleague, VERA BUCHANAN, from my State of Pennsylvania.

I would like to add this word of praise to those of my colleague the gentleman from Pennsylvania [Mr. KELLEY]. I knew him to be a close friend of hers and of her late husband; I knew that his wife and Vera were friendly for so long.

Mr. Speaker, as I think of her late handsome and distinguished husband, Frank, with his flowing white hair and distinguished carriage, who graced these halls for so many years, I call attention to an admonition in the Book of Revelations: "Be thou faithful unto death." We Members from Pennsylvania and our friends from other States called him by his nickname, Buck. He was known as Buck in his hometown where he served as mayor. Then Vera came to us. She could enjoy a play on words. Many of us would call Vera: "Hello, Buck; good morning, Buck." She would smile and enjoy that passage of words as only Vera could. A great sense of humor. Such a very little woman, a very charming little lady. She came here to succeed her beloved husband in his career. I can imagine Buck saying to her: "Be thou faithful unto death." Mr. Speaker, Vera was that, as you have heard from her colleagues this day.

There are many nice things that have been said today, there are many more that will be said of her service upon the committees of the House, her interest in the affairs of her State, her people, and conditions. But I think chiefly of VERA because I always felt her quiet and calm and very peaceful presence. She would sit here with her hands folded in her lap smiling and I always felt near her a deep tranquillity of peace in her soul.

I now see her reunited again with her beloved husband. Down through the avenues of time will they go hand in hand as they came to us here.

VERA BUCHANAN came of people from a coal mining town and only we who come from that kind of problem know the blood and the sweat and the tears and the privations and the sufferings of those two wonderful people who rose from a coal patch to this great place in Congress. Truly that is the American story, that is the voice of democracy.

So, Mr. Speaker, when I speak of VERA and of Buck, her man, I say to you that "they are not dead as we who are left shall die. Age shall not weary them, nor the years condemn. At the going down of the sun and in the morning we shall remember them."

Mr. KELLEY of Pennsylvania. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. CORBETT].

Mr. CORBETT. Mr. Speaker, on behalf of my colleague [Mr. FULTON], I ask unanimous consent that he may extend his remarks and that I may have the same privilege.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. CORBETT. Mr. Speaker, both Frank and VERA BUCHANAN were friends and neighbors of mine. We traveled the same roads, we rode the same trains, we rode the same planes. We represented here an area, Pittsburgh and Allegheny County, Pa., whose problems were definitely the same. I report to her many friends here that her service to her home community was just as adequate there as it was here.

When we were called together by any of the important social, political, or economic groups of that great metropolitan area, she was faithful in her attendance and capable in her performance.

It has been a very interesting and pleasant thing that the four Members of Congress from that great county who have served here together were, without exception, able to cooperate for the mutual advantage of that county when it was not detrimental to the best interests of these United States. She and Frank before her were most enjoyable colleagues and coworkers.

On behalf of Mr. EBERHARTER, who has suffered the tragic loss of his wife during the past year and who is suffering from an illness himself, and also on behalf of Mr. FULTON, who is temporarily absent, may I say we share with you the love, the affection, and the admiration that we all had for VERA BUCHANAN and for her husband and family and that we, too, want to say "Amen" to the sincere tributes that have been paid this day.

Mr. KELLEY of Pennsylvania. Mr. Speaker, I yield to the gentleman from Illinois [Mr. O'HARA].

Mr. O'HARA of Illinois. Mr. Speaker, it is not given to us to understand the pattern of life. In the frailty of our human limitations we cannot question the nature of its weavings.

When in the evening of my life I came to the Congress, I found awaiting me with a warm handclasp and the spirit of an old and affectionate association reborn in the climate of a new association, a dear and time-tested friend,

Ralph Church. I also found new friends. Frank Buchanan served on the committee to which I was assigned. We were members of the same college fraternity, we became close and fast friends. When word reached me one dinnertime at the Congressional Hotel that Red was dead, it was Vera and Frank who waited with me, wrapping me about with sympathetic friendship and understanding until the first plane left for Chicago and the burial of a faithful dog who for 16 years had enriched with loving service the dear ones of my household. Vera and Frank always were that understanding and that tender.

I left here with the close of the 81st Congress, defeated for membership in the 82d. It was Vera and Frank who came to see me on my departure, and to say, "Barratt, you will be returned and we will be here to greet you back."

Not many months after that Frank Buchanan in the virility of his prime died and he was succeeded in the Congress by Vera. Vera, in the 84th Congress, was assigned to the Committee on Banking and Currency. Nothing could have reached deeper into her heart than to be on the committee where her beloved Frank had served before her with such distinction. Now Vera has passed on, to be reunited in the eternity of timeless love with her Frank.

Also came to say goodby to me and to cheer me with assurance of my soon return Leonor and John Sullivan, John much younger than I, strong in mind and body, a great American on the very threshold of an outstandingly distinguished service in the Congress, as sweet and tender as the breath of a summer's breeze perfumed by its passage over beds of roses. When I returned to the 83d Congress John had ascended to higher realms and in his place, carrying on his work as Vera was carrying on Frank's work, was Leonor.

I have been moved today by the tributes to the sweetness, the charm, the worth and character of VERA BUCHANAN by MARGARET CHURCH, LEONOR SULLIVAN, and the other Congresswomen of whom we are so proud and who daily furnish to this House and to the Nation an inspiring and strengthening epic of a wife's devotion to the memory of her departed mate expressed by the courage with which she carries on the work to which he was dedicated.

Mr. Speaker, I can give to the memory of VERA BUCHANAN no higher tribute, none that she if listening would value more, than just this: As a Congresswoman she was of Frank's pattern, and of the record that she made in this body he would have been most proud. She was inspired in her service among us, as are Mrs. SULLIVAN, Mrs. CHURCH, and the others who have spoken, by the restless drive and never-ceasing urge to do the job here for country, for mankind, and for God as their husbands would have wished it done.

We can never understand the pattern of life. We should not cross the will of God by questioning the nature of its weaving. VERA BUCHANAN has left us a heritage of courage.

Mr. KELLEY of Pennsylvania. Mr. Speaker, I yield to the gentleman from Ohio [Mr. HAYS].

Mr. HAYS of Ohio. Mr. Speaker, VERA BUCHANAN was a very close personal friend of mine both here on the floor and in private life. Vocabulary is inadequate to say the things that one would like to say about her. I think it was a touching tribute to her when I was in Europe this fall that every time our committee would run across someone from home who had recently come over, about the first thing they would ask is whether or not anyone had heard from Vera. She had a heart that was so big that I often wondered how it could be contained in such a small body. She was light-hearted, yet she was courageous; she was cheerful; she could be firm. She was truly a great Christian. She played a little game right up to the last with her family because she knew that she was fatally ill and she kept it from them, or she thought she did. As far as she was concerned, she did not let her daughters know that her condition was as serious as it was. Right up to the end she kept saying that she was going to get well, knowing full well in her heart that she was not. She had a great deal of faith and a tremendous amount of courage. And as I was driving across the wind-swept hills of Pennsylvania to her funeral the immortal words of Longfellow came to my mind that sort of sums up her life. I had not thought of them for perhaps 20 years.

> Life is real, life is earnest,
> And the grave is not its goal;
> Dust thou art, to dust returnest,
> Was not spoken of the soul.

VERA BUCHANAN believed that. May her soul rest in peace.

GENERAL LEAVE TO EXTEND

Mr. KELLEY of Pennsylvania. Mr. Speaker, I ask unanimous consent that all Members who desire to do so may extend their remarks in the RECORD on the life and accomplishments of the deceased Members.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. EBERHARTER. Mr. Speaker, it is with a heavy heart that I speak today of the tragic passing of Representative VERA BUCHANAN, whose district in the Pittsburgh area adjoins mine and whose office in the House Office Building was next door to mine. The relationship was much closer than that, however, and the sense of personal loss for me is really beyond verbal expression.

When her husband, the late Frank Buchanan, came to Congress in 1946, we had already been friends for some years, but our mutual efforts in behalf of the Pittsburgh and Allegheny County area brought us much closer and also brought our families close together. Congressman Buchanan, as all who served with him will remember, was a particularly hard-working Member, conscientious, a student of government. He worked long hours, and often against great discouragements. His vivacious wife always was able to lift his spirits at the end of a hard day on the Hill, and that buoyancy was contagious—all of us could feel it and share in it.

That was the role in life which VERA BUCHANAN enjoyed and intended to pursue for the rest of her life—to help her husband to do the great things he wanted to do as a legislator, to help him by being for him a source of strength and encouragement, and to impart to him the joy which she derived from life and from her role as the wife of Frank Buchanan. His untimely death in 1951 was a shock, a tragedy, which shattered her life and destroyed a fine dream.

Drawing then upon inner strength of great magnitude, VERA BUCHANAN took what for her was an almost frightening step—she who had remained entirely in the background while her husband pursued his career in public service, ran for Congress and was elected to fill her husband's unexpired term. Every speech she made in that campaign was a personal ordeal, for she had not been trained to occupy the speaking platform with ease. Yet she went ahead with this demanding task, determined to carry on as best she could the kind of record which Frank Buchanan had been building in Congress.

As we all know, she fulfilled her responsibilities admirably. She was one of the most conscientious Members this House ever had. She had one of the very best attendance records. She cast her votes only after the utmost deliberation and care. She did not hesitate to seek advice from other Members whose opinions she valued. When she didn't know the answer to a difficult legislative problem, she sought out those who she felt had the answers, or who she believed could guide her in finding the solution for herself.

This is the side of VERA BUCHANAN which so many Members saw on the House floor or in committee. But as long-standing family friends, Mrs. Eberharter and I had many occasions to know and to marvel at the depth and meaning which VERA BUCHANAN attached to the gift of her friendship. She was kind and thoughtful at all times, and unsparing of herself in behalf of all who were her friends.

In sorrow, one learns the meaning of friendship as at no other time. VERA BUCHANAN, I can attest, was, above all, one who always met gloriously the challenge of friendship with true and sincere and genuine human kindness and consideration for others.

I can only say, Mr. Speaker, that in missing now her friendly ways and thoughtful actions, I am but one of a great legion of her friends.

To the Buchanan's lovely twin daughters, Joan—Mrs. William Cavalcante—and Jane—Mrs. John E. Thomas, Jr.—goes the sympathy of every Member of the House. Those of us who were privileged to know both parents as colleagues here in the House and who were privileged to be their friends have been fortunate, indeed, for in both Frank and VERA BUCHANAN we saw the the example of conscientious devotion to duty and unflagging effort. But most of all we were fortunate to have their friendship, a truly precious possession.

Mr. MORGAN. Mr. Speaker, it was with profound regret that I learned of the untimely passing of our dear friend and colleague, the Honorable VERA BUCHANAN, the able and distinguished Representative of the 13th District of Pennsylvania. Mrs. BUCHANAN was the widow of Representative Frank Buchanan, and she was a devoted wife and helpmate to her husband while he was in Congress. She was elected to the 82d Congress on July 24, 1951, to fill the vacancy caused by the death of her husband, and she served in the 83d and 84th Congresses. To my knowledge, this is the first instance in history where a husband and wife have both died while serving as Members of Congress.

Mrs. BUCHANAN represented a neighboring district to my own and I knew her well and admired her. She was loyal, unselfish, and was a devoted mother. Her passing is a distinct loss not only to her community, but to the House of Representatives. I want to join in extending my most sincere sympathy to her family.

Mr. SMITH of Mississippi. Mr. Speaker, those of us in the House who have been working over the years for effective flood control and for navigation improvement could always count on Congresswoman BUCHANAN to give us every possible help and her complete support. She served with distinction as a member of the Committee on Public Works. As a native of the Pittsburgh area, she had seen how devastating the floodwaters of the Allegheny, Monongahela, Youghiogheny, and other tributaries of the Ohio could be in destroying homes, businesses, and the hopes of countless families—how they spread disease and death along with property damage. Her own home city, McKeesport, was subject to frequent floods along with Pittsburgh until the great system of reservoirs was constructed in that area after the 1936 disaster. Now the Pittsburgh area is considered virtually floodproof.

One section of Mrs. BUCHANAN's district is not immune from floods, however, and the Congresswoman worked tirelessly to bring about a flood-control project for the Turtle Creek Valley, where the headquarters plant of the Westinghouse Electric & Manufacturing Co. and where many other major industrial plants are located. Floods there were a constant source of concern to Mrs. BUCHANAN and as a member of the House Committee on Public Works she continually worked for completion of a preliminary survey begun previously under a resolution introduced by her late husband, Representative Frank Buchanan.

When the results of this survey were reported to Congress early last year, Mrs. BUCHANAN then initiated steps to have funds appropriated for the comprehensive survey the engineers recommended, and she carried through on this objective with the single-minded purpose and the dedicated determination of a crusader. Despite discouragements and setbacks, she persevered until sufficient funds were made available by Congress to begin the survey under a schedule which should see its completion within 2 years.

For this, every resident and businessman in the Turtle Creek Valley owes a great deal to Congresswoman BUCHANAN. She had gone into the flooded homes and businesses in the town of Turtle Creek and the neighboring communities which were in the path of the floodwaters, and she never forgot the tragic scenes she had witnessed. As one who worked with her on this project, I can attest to the conscientious manner in which she pursued the goal of assuring an effective flood-control program for the Turtle Creek Valley to protect the residents there from similar scenes of terror and destruction in the future.

When, as, and if that project is completed, it will certainly stand as a monument to a fine woman who was a fine servant of the people whom she represented in the Congress of the United States.

Mr. FULTON. Mr. Speaker, I rise to join my colleagues and as one of the personal friends of Congresswoman VERA BUCHANAN to join in the many praises of her dedicated service while in the House.

VERA BUCHANAN represented the 30th District of Pennsylvania, which is contiguous to my own congressional district, and I have been a good friend for a long period of time of both Congressman Frank Buchanan as well as Congresswoman VERA BUCHANAN.

We in Pittsburgh and Allegheny County remember the tragic death of Congressman Frank Buchanan while serving as a Member of this body, and know with what effort and success VERA BUCHANAN worked to fill the vacancy caused by his death.

VERA BUCHANAN was interested in many issues involving the welfare of the family and the safety of the home, as well as the progress of the younger generation. One particular project on which we Congressmen from Allegheny County all worked, in cooperation with VERA BUCHANAN, was the obtaining of the appropriation for the study for flood-control purposes of the Turtle Creek Valley area, where so many homes had been ravaged and so much industry hurt in recent disastrous floods. It is to VERA BUCHANAN's credit that as a comparatively new Member she was able in such a short time to get action on this flood-control problem.

It is interesting for me to recall Congresswoman VERA BUCHANAN's strong interest and cooperation when, together with the other Congressmen from Allegheny County and our western Pennsylvania area, I helped work out with the local, county, State, and national officials, the free surplus food-distribution program, which has been giving supplementary food to almost 175,000 citizens who have been in economic distress over the past months. She stood strongly for the protection of the homes and the families in insisting that these United States agricultural surplus foods be made available for free distribution upon the certification of need by local surplus food boards, so that the children of the coming generation, even in times of unemployment in our cities, would grow strong and healthy. I remember distinctly that when the program was in danger it was Congresswoman VERA BUCHANAN who sat beside me in an all-day conference with our Allegheny County commissioners and the administrators of the surplus-food program in Allegheny County, in working out the details of administration with our Pennsylvania State officials, as well as with the United States Department of Agriculture officials, so that the program, on a report made to me only yesterday, is running smoothly in Allegheny County, giving assistance to so many needy persons.

It is also pleasant to remember Congresswoman VERA BUCHANAN's strong stand at the conferences at the United States Department of Agriculture when various pressure groups tried to limit unduly the program of surplus food distribution to the needy.

These activities of VERA BUCHANAN were more than she needed to have done to fulfill her duties as Congresswoman, but she gave to the last of her strength in trying to work out these programs and projects, which are of the heart as well as the head.

As we assemble today for our first session, many of her friends have spoken to me, and we all unanimously agree that we miss her hearty smile, warm greeting, and pleasant manner. We in this House extend our sincere sympathy to her family and good friends and hope that she will long be remembered as a sincere, friendly, and hard-working Member of this body as was her husband, Frank Buchanan, before her.

Mrs. ST. GEORGE. Mr. Speaker, I want to add my small tribute to the memory of our colleague, VERA BUCHANAN, the first woman to pass on into the Great Beyond while serving as a Member of the Congress of the United States.

VERA BUCHANAN succeeded her husband and was in every way a most worthy follower and successor. She had gentleness, with firm convictions and loyalties. She was lighthearted and gay, yet she fully appreciated the sorrows of this world and of its people. She was truly feminine, in the best sense of the term, and made her greatest contribution as a woman, a mother, and a devoted wife.

As I think of her, I keep thinking of the words: "Those whom the gods love die young." Young in heart and soul and young in the hearts of those who knew and loved her.

Mr. VANIK. Mr. Speaker, it has been my privilege to know and work with Mrs. VERA BUCHANAN during the 1st session of the 84th Congress. As a member of the Banking and Currency Committee and as a fellow passenger on frequent air trips between Washington and Pittsburgh, I came to know Mrs. BUCHANAN very well. Her clear and unaffected insight into the problems of human affairs as well as her work in this Congress was inspiring.

Her warm and friendly spirit and her patient understanding will be missed by all of her colleagues in Congress.

What more can I say except that I am among those many people who are saddened by her passing.

Mr. RHODES of Pennsylvania. Mr. Speaker, scarcely 5 years ago on a similar unhappy occasion, many of us here today took the floor to pay our respects

to the memory of Frank Buchanan, a distinguished and respected friend and colleague. Frank Buchanan's untimely passing was a profound shock and a great loss to the American people and the Nation. He was a close personal friend of mine and a courageous, conscientious legislator endowed with humility and humanitarianism.

In the course of time it was my privilege to know and respect his wife, VERA BUCHANAN, who had won election and reelection to carry on the fight for liberal principles and legislation to benefit all Americans. VERA BUCHANAN was a truly remarkable woman who nobly advanced the record of service begun by her late husband. In her 4 years of unselfish and devoted service in the House of Representatives VERA BUCHANAN won the heartfelt respect and admiration of her colleagues on both sides of the aisle. Her modesty and her warm personality were unaffected by the transition to public life. VERA BUCHANAN consistently stood for the liberal and humanitarian principles to which her late husband had devoted his life and made significant contributions of her own in the legislative struggles during her service in this Chamber.

While the serious nature of her illness had been known for some months, her premature passing was nonetheless a severe shock. We have lost a sincere, capable, and courageous Member who will be sadly missed by those of us who knew her and valued her friendship.

My deep feeling of sympathy goes out to her daughters and other relatives in their great loss.

Mr. DAGUE. Mr. Speaker, it is with a heavy heart that we come to the contemplation of the untimely passing of our respected and esteemed colleague, the Honorable VERA BUCHANAN. She was a stimulating and winsome person, and we all learned to appreciate her undoubted contribution to this body. As one who engages infrequently in debate myself, I know that a Member's greatest service to his constituents can never be gauged by his eloquency in debate on the floor, and it is with that in mind that we commend our late colleague to the consideration of all those who place value on a complete dedication to the welfare of a Member's constituents, which was her greatest attribute.

Mrs. BUCHANAN was my good and respected friend, and I shall continue to mourn her passing as the loss of one for whom I always had an abiding admiration. My family joins with me in extending to her children and grandchildren our heartfelt condolences as well as our prayerful solicitation for that strength and courage which they so sorely need in this sad hour.

Mr. ZABLOCKI. Mr. Speaker, many deserving and glowing tributes have been paid to our late colleague, VERA BUCHANAN, by Members of Congress. They clearly show the place that she has held in our hearts.

I also want to pay my humble homage to the memory of this remarkable lady who has been called to the far beyond so early in life. Her warm, friendly spirit, and her strong courage will be missed by all of her colleagues in the House of Representatives.

Mrs. BUCHANAN's unselfish and devoted service to her constituents will be greatly missed by the people of her district in Pennsylvania. Her devotion to her husband when he was a Congressman, and the manner in which she carried on after him, have been an inspiration to many of us. She made significant contributions to constructive legislation, and her humanitarian principles were constantly in evidence in her actions and speeches on this floor.

I wish to extend my sincerest sympathy to Mrs. BUCHANAN's family upon their tremendous loss. May they draw some consolation from the knowledge of the fact that we share their sorrow, and from the hope that the Almighty has called her to be among His very own.

Mr. REUSS. Mr. Speaker, sympathy and understanding, joined with a dedicated devotion to duty, were the characteristics of Mrs. VERA BUCHANAN which make her passing such a great loss to all of us in this House, as well as to the citizens whom she so ably represented.

Serving with her on the Banking and Currency Committee, as a freshman Member I benefited greatly from her conscientious example of public service. She gave freely of her warm friendship, and the compassionate qualities of her concern for the welfare of the men and women of her district were an inspiration to all of her colleagues.

The personal loss I feel at VERA BUCHANAN's death, after only 1 year of service together in this House, is a measure of—and a tribute to—the heart and soul of a great American.

Mr. ROONEY. Mr. Speaker, I know all our hearts have been saddened by the untimely passing of our dear friend and distinguished colleague, the Honorable VERA BUCHANAN, of Pennsylvania. It is with deep emotion and a feeling of great sorrow that I pay brief, but nonetheless sincere, tribute to the life and character and public service of such a noble lady.

We know the valiant fight she made during her illness and her courageous efforts to carry on with the duties to which she had dedicated herself in this body. As a member of the House Banking and Currency Committee she was a considerable influence in securing the enactment of legislative proposals beneficial to the people of her district, State, and Nation.

VERA BUCHANAN was a most sincere and conscientious legislator who capably followed the footsteps of her late husband, my good friend, Frank Buchanan, whose memory I shall always cherish.

Vera was always gracious and charming and endeared herself to her host of friends and constituents. I shall always remember with fond recollection her appearance at the third assembly district Democratic organization reception and ball, held last May in my congressional district in Brooklyn. At that time she was in New York with a group of congressional friends on a tour of the city and it was a pleasant surprise when she took the time on such a short trip to come over to Brooklyn and honor us with her presence.

I am sure that I speak not only for myself but for all the Members of this House and her legion of friends when I say that her memory will linger in our hearts forever. My prayer is that her two lovely daughters will be consoled by the fact that her life was dedicated to fulfilling her role as a conscientious mother and carrying on with the fight for liberal and democratic principles to which her late husband had devoted his life. Her daughters and their families have my deepest sympathy in their great loss.

Mr. GAVIN. Mr. Speaker, it was with great sadness we recorded the passing of our beloved friend, VERA BUCHANAN, of McKeesport, Pa.

VERA BUCHANAN joined us in the 82d Congress succeeding her late husband, Frank Buchanan, to represent one of the great industrial areas—not alone in Pennsylvania but in the United States.

She was very close to the people of her district, and she understood the people of her district, which eminently qualified her to so ably represent them. She evidenced a love of people by her good counsel, kind deeds, and useful services. She had the power of understanding and sympathizing with people regardless of whom or what their difficulties may have been. She was a very hard-working, conscientious Representative who took the problems of her people to heart, always manifesting great interest and concern for the welfare of those she represented.

The people of her district loved her and respected her ability which was evidenced by the great popularity she enjoyed.

She was very faithful in the performance of her duties and by her work in the Congress won great respect and the admiration of the membership on both sides of the aisle.

Vera had a legion of friends. In a life such as hers, perhaps the thing most to be admired was her gracious, kindly attitude and the great civic, social, and spiritual contributions she made to the area in which she lived.

It can be said of Vera that she made the best of life as she found it and rejoiced mightily when any little word or deed of hers added to the happiness of any of us. In all things she had charity; tolerance was of her nature. She respected in others the quality she possessed herself—sincerity of conviction and frankness of expression.

She was a firm believer in our American way of life and her great ambition was to hand on to posterity and the generations of tomorrow a greater and finer America than was handed to her.

She was kindly and sympathetic to all; always glad to see one; gracious to everyone; and will be long remembered for her many little acts of kindness that marked her friendship and good will toward all of us who knew her.

So today we mourn her loss. She will be greatly missed by her many friends and by the people she represented. It is with profound sadness we record her passing. We extend to her family our heartfelt sympathy.

Mr. ABERNETHY. Mr. Speaker, I join with my colleagues in expressing the sadness of this House on the passing of Representative VERA BUCHANAN. The House has lost an able and distinguished

Member, and we have lost a vivacious and winsome friend.

VERA BUCHANAN succeeded her husband, Representative Frank Buchanan, who had served long in this House with marked ability. She soon made her own place in this body and her devotion to the interests of her constituents and to the public welfare twice won her reelection.

No matter how heavy the duties became, she never lost the pleasantness and genuine sweetness of character which she brought to all her relationships. Her untimely passing is the greater sorrow to those of us who knew her for the reason that she herself was so vital, so full of the goodness of life. She truly made an art of friendship and all those here who knew her are the better for it.

In our own loss of a useful Member and friend, we extend condolences to her family to whom she gave much love and to her constituents to whom she rendered great service.

I believe it will be appropriate to quote here the lines of Henrietta Huxley:

"Be not afraid, ye waiting hearts that weep,
For God still 'giveth his beloved sleep',
And if an endless sleep He wills, so best."

Mr. SIMPSON of Pennsylvania. Mr. Speaker, all of us who knew and worked with Mrs. VERA BUCHANAN were deeply shocked at the news of her tragic and untimely passing. We counted her as both a friend and as an untiring worker for the principles in which she believed. Our hearts go out to her two lovely daughters, Joan and Jane, in their hour of bereavement.

Though we may have disagreed from time to time on various issues before this House, we respected Vera for her honesty of purpose and close attention to each detail of the complex job involved in representing the people of her district. Her conscientious and thorough-going approach to all matters was an example which each one of us would be well advised to emulate.

Those of us who represent the great Commonwealth of Pennsylvania in this House feel Mrs. BUCHANAN'S loss especially, inasmuch as she was one of our number. I was honored to be one of those selected by the Speaker to attend the memorial services for this gracious lady. It was a beautiful tribute to one who so richly earned and deserved the undying respect and admiration of her many friends and acquaintances.

Mr. MACK of Illinois. Mr. Speaker, it was with great sorrow the Members of the House heard the sad news of the untimely passing of VERA BUCHANAN.

Those of us who knew and admired VERA BUCHANAN as a friend and colleague through the years of her service in the House of Representatives join in expressions of deepest sympathy to the members of her wonderful family in their bereavement.

No one could have more ably served the 30th Congressional District of Pennsylvania than has VERA BUCHANAN. Her unselfish devotion to the things she believed in and her untiring efforts on behalf of her constituents have taken her far beyond the usual line of duty. She was gentle, gracious, and courteous at all times and made a deep and abiding impression on all who knew her.

The passing of such a capable Member of Congress leaves us all with a feeling of deep regret and sorrow. It can truly be said in consolation for the loved ones she leaves behind that she earned the esteem and gratitude of all of us, and that she was a faithful and loyal servant of not only her constituents but of our entire country.

Mr. COOPER. Mr. Speaker, I ask unanimous consent that our colleague the gentleman from Pennsylvania [Mr. EBERHARTER] may extend his remarks in two instances, conveying eulogies on our colleagues, Mr. DINGELL and Mrs. BUCHANAN.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. KELLEY of Pennsylvania. Mr. Speaker, I offer a resolution (H. Res. 348) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the House has heard with profound sorrow of the death of Hon. VERA BUCHANAN, a Representative from the State of Pennsylvania.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

The resolution was agreed to.

ADJOURNMENT

Mr. KELLEY of Pennsylvania. Mr. Speaker, I move that, as a further mark of respect to the memory of the deceased Members, the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 17 minutes p. m.), under its previous order, the House adjourned until Thursday, January 5, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS

The following executive communications were submitted subsequent to the adjournment of the 84th Congress, 1st session:

1060. A letter from the Comptroller General of the United States, transmitting a report on the audit of Inland Waterways Corporation for the fiscal year ended June 30, 1954, pursuant to title 31, United States Code, section 841 (H. Doc. No. 269); to the Committee on Government Operations and ordered to be printed, pursuant to House Resolution 340, 84th Congress.

1061. A letter from the Comptroller General of the United States, transmitting a report on the audit of the Farm Credit Administration for the fiscal year ended June 30, 1954, pursuant to title 31, United States Code, section 53, title 31, United States Code, section 67, title 31, United States Code, section 841, and title 12, United States Code, section 1141i (H. Doc. No. 270); to the Committee on Government Operations and ordered to be printed, pursuant to House Resolution 340, 84th Congress.

1062. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated April 11, 1955, submitting a report, together with accompanying papers and an illustration on a review of reports on Tacoma Harbor, port industrial waterway, Washington, requested by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted on July 18, 1945 (H. Doc. No. 271); to the Committee on Public Works and ordered to be printed with one illustration, pursuant to Public Law 163, 84th Congress.

1063. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated January 25, 1955, submitting an interim report, together with accompanying papers and an illustration, on a review of reports on Sacramento River, Calif., Chico Landing to Red Bluff, requested by a resolution of the Committee on Public Works, United States Senate, adopted on June 1, 1948. It is also submitted in final response to a review of reports on Sacramento River, Calif., Chico Landing to Red Bluff, requested by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted on September 25, 1945, and a preliminary examination and survey of Sacramento River, Calif., in the interest of bank protection and channel improvements below Red Bluff, authorized by the Flood Control Act approved on May 17, 1950 (H. Doc. No. 272); to the Committee on Public Works and ordered to be printed with one illustration, pursuant to Public Law 163, 84th Congress.

1064. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated May 25, 1955, submitting a report, together with accompanying papers and illustrations, on a beach-erosion-control study of the city of Kenosha, Wis., prepared under the provisions of section 2 of the River and Harbor Act approved on July 3, 1930, as amended and supplemented (H. Doc. No. 273); to the Committee on Public Works and ordered to be printed with illustrations, pursuant to Public Law 163, 84th Congress.

1065. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated May 17, 1955, submitting a report, together with accompanying papers and illustrations, on a cooperative beach-erosion-control study of the shores at Perdido Pass (Alabama Point), Ala., prepared under the provisions of section 2 of the River and Harbor Act approved on July 3, 1930, as amended and supplemented (H. Doc. No. 274); to the Committee on Public Works and ordered to be printed, with illustrations, pursuant to Public Law 163, 84th Congress.

1066. A letter from the Acting Comptroller General of the United States, transmitting a report on the audit of the Tennessee Valley Authority for the fiscal year ended June 30, 1954, pursuant to the Government Corporation Control Act (31 U. S. C. 841) (H. Doc. No. 275); to the Committee on Government Operations and ordered to be printed, pursuant to House Resolution 340, 84th Congress.

1067. A letter from the Comptroller General of the United States, transmitting a report on the audit of the Federal Savings and Loan Insurance Corporation for the fiscal year ended June 30, 1954 (H. Doc. No. 276); to the Committee on Government Operations and ordered to be printed, pursuant to House Resolution 340, 84th Congress.

1068. A letter from the Comptroller General of the United States, transmitting a report on the audit of the Federal home loan banks for the fiscal year ended June 30, 1954, pursuant to the Government Corporation Control Act (31 U. S. C. 841) and the Federal Home Loan Bank Act (12 U. S. C. 1421) (H. Doc. No. 277); to the Committee on Government Operations and ordered to be printed, pursuant to House Resolution 340, 84th Congress.

1069. A letter from the Comptroller General of the United States, transmitting a report on the audit of the Institute of Inter-American Affairs for the fiscal year ended June 30, 1954 (H. Doc. No. 278); to the Committee on Government Operations and or-

dered to be printed, pursuant to House Resolution 340, 84th Congress.

1070. A letter from the Comptroller General of the United States, transmitting a report on the audit of Commodity Credit Corporation for the fiscal year ended June 30, 1954, pursuant to the Government Corporation Control Act (31 U. S. C. 841) (H. Doc. No. 279); to the Committee on Government Operations and ordered to be printed, with illustrations, pursuant to House Resolution 340, 84th Congress.

[*Submitted January 3, 1956*]

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1071. A letter from the Clerk, House of Representatives, transmitting a list of reports which it is the duty of any officer or department to make to Congress (H. Doc. No. 264); to the Committee on House Administration and ordered to be printed.

1072. A letter from the Comptroller General of the United States, transmitting a report on the audit of the Virgin Islands Corporation for the fiscal year ended June 30, 1955, pursuant to the Government Corporation Control Act (31 U. S. C. 841) (H. Doc. No. 283); to the Committee on Government Operations, and ordered to be printed.

1073. A letter from the Register of Copyrights, Library of Congress, relative to returning the document of assignment of copyright in the musical composition entitled "Pledge of Allegiance to the Flag" from the Honorable Louis C. Rabaut to the Congress of the United States; to the Committee on House Administration.

1074. A letter from the director, the American Legion, transmitting the proceedings of the 37th annual national convention of the American Legion, held in Miami, Fla., October 10, 11, 12, and 13, 1955, pursuant to Public Law 249, 77th Congress, approved September 18, 1941 (H. Doc. No. 284); to the Committee on Veterans' Affairs and ordered to be printed, with illustrations.

1075. A letter from the Governor, Farm Credit Administration, transmitting the annual report of the Farm Credit Administration (including the report of the Federal Farm Credit Board), covering the fiscal year ended June 30, 1955, in accordance with the provisions of section 3 of the Federal Farm Loan Act, as amended; paragraph 3, section 4, of the Agricultural Marketing Act, as amended; the Executive order of March 27, 1933, creating the Farm Credit Administration; and section 6 of the Farm Credit Act of 1953 (H. Doc. No. 259); to the Committee on Agriculture and ordered to be printed, with illustrations.

1076. A letter from the Acting Secretary of the Interior, transmitting a report on the Trinity River division, Central Valley project, California, pursuant to section 9 (a) of the Reclamation Project Act of 1939 (53 Stat. 1187) (H. Doc. No. 281); to the Committee on Interior and Insular Affairs and ordered to be printed, with illustrations.

1077. A letter from the Comptroller General of the United States, transmitting the report on audit of the Postal Savings System, Post Office Department, for the fiscal year ended June 30, 1954, pursuant to the Budget and Accounting Act, 1921 (31 U. S. C. 53), and the Post Office Department Financial Control Act of 1950 (39 U. S. C. 794c) (H. Doc. No. 282); to the Committee on Post Office and Civil Service and ordered to be printed, with illustrations.

1078. A letter from the Acting Secretary of Agriculture, transmitting the report on cooperation of the United States with Mexico in the control and eradication of foot-and-mouth disease for the month of June 1955, pursuant to Public Law 8, 80th Congress; to the Committee on Agriculture.

1079. A letter from the Assistant Secretary of Agriculture, transmitting a report that there had been no significant developments in the foot-and-mouth program for the month of July 1955, pursuant to section 3 of Public Law 8, 80th Congress (21 U. S. C. 114d).

Also enclosing a copy of a new agreement between the United States and Mexico; to the Committee on Agriculture.

1080. A letter from the Director of Defense Mobilization, Executive Office of the President, transmitting the Statistical Supplement, Stockpile Report for the period January 1 through June 30, 1955, pursuant to section 4 of the Strategic and Critical Materials Stock Piling Act, Public Law 520, 79th Congress, and in accordance with Reorganization Plan No. 3 of 1953; to the Committee on Armed Services.

1081. A letter from the Director, Legislative Liaison, Department of the Air Force, transmitting a report of the Air Force's semiannual report entitled "Research and Development Procurement Action Report" for the period January 1 through June 30, 1955, pursuant to section IV of Public Law 557, 82d Congress; to the Committee on Armed Services.

1082. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting a copy of a classified order relating to Lawrence Frederick Mullen to be entered where the authority contained in section 212 (d) (3) of the Immigration and Nationality Act was exercised in behalf of such alien; to the Committee on the Judiciary.

1083. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting a classified order relating to Amelia Aleksich to be entered where the authority contained in section 212 (d) (3) of the Immigration and Nationality Act was exercised in behalf of aliens; to the Committee on the Judiciary.

1084. A letter from the Secretary of Agriculture, transmitting a report on the study made of the various methods of marketing control which have been or could be made applicable to burley tobacco, pursuant to Public Law 96, 84th Congress; to the Committee on Agriculture.

1085. A letter from the Assistant Secretary of Agriculture, transmitting a report relative to the cooperative program of the United States with Mexico for the control and eradication of foot-and-mouth disease, pursuant to section 3 of Public Law 8, 80th Congress; to the Committee on Agriculture.

1086. A letter from the Secretary of the Interior (Chairman Migratory Bird Conservation Commission), transmitting the report of the Migratory Bird Conservation Commission for the fiscal year ended June 30, 1955, pursuant to section 3 of the act of Congress approved February 18, 1929 (45 Stat. 1222, U. S. C., title 16, sec. 715b); to the Committee on Agriculture.

1087. A letter from the Director, Bureau of the Budget, Executive Office of the President, relative to reporting that the appropriation to the Department of Labor for unemployment compensation for Federal employees, for the fiscal year 1956, has been apportioned on a basis which indicates a necessity for a supplemental estimate of appropriation, pursuant to paragraph 2 of subsection (e) of section 3679 of the Revised Statutes, as amended; to the Committee on Appropriations.

1088. A letter from the Director, Bureau of the Budget, Executive Office of the President, relative to reporting that the appropriation to the Department of Justice for fees and expenses of witnesses for the fiscal year 1956 has been apportioned on a basis which indicates a necessity for a supplemental estimate of appropriation, pursuant to paragraph 2 of subsection (e) of section 3679 of the Revised Statutes, as amended; to the Committee on Appropriations.

1089. A letter from the Director, Bureau of the Budget, Executive Office of the President, relative to reporting that the administrative expense authorization of the Commodity Credit Corporation for the fiscal year 1956 has been apportioned on a basis which indicates a necessity for a supplemental estimate of administrative expense authorization, pursuant to paragraph 2 of subsection (e) of section 3679 of the Revised Statutes, as amended; to the Committee on Appropriations.

1090. A letter from the Director, Bureau of the Budget, Executive Office of the President, relative to reporting that the appropriation to the Department of Agriculture for salaries and expenses, Forest Service, for the fiscal year 1956, has been apportioned on a basis which indicates a necessity for a supplemental estimate of appropriation, pursuant to paragraph 2 of subsection (e) of section 3679 of the Revised Statutes, as amended; to the Committee on Appropriations.

1091. A letter from the Director, Bureau of the Budget, Executive Office of the President, relative to reporting that the appropriation to the Tax Court of the United States for salaries and expenses for the fiscal year 1956 has been apportioned on a basis which indicates a necessity for a supplemental estimate of appropriation, pursuant to paragraph 2 of subsection (e) of section 3679 of the Revised Statutes, as amended; to the Committee on Appropriations.

1092. A letter from the Director, Bureau of the Budget, Executive Office of the President, relative to reporting that the administrative expenses appropriation of the Public Housing Administration, Housing and Home Finance Agency, has been reapportioned on a basis which indicates a necessity for a supplemental estimate of appropriation, pursuant to paragraph 2 of subsection (e) of section 3679 of the Revised Statutes, as amended; to the Committee on Appropriations.

1093. A letter from the Director, Bureau of the Budget, Executive Office of the President, relative to reporting that the administrative and nonadministrative expense limitations of the Federal Housing Administration, Housing and Home Finance Agency, have been reapportioned on a basis which indicates a necessity for supplemental estimates, pursuant to paragraph 2 of subsection (e) of section 3679 of the Revised Statutes, as amended; to the Committee on Appropriations.

1094. A letter from the Director, Bureau of the Budget, Executive Office of the President, relative to reporting that certain appropriations listed have been apportioned on a basis which indicates a necessity for supplemental estimates of appropriation, pursuant to paragraph 2 of subsection (e) of section 3679 of the Revised Statutes, as amended; to the Committee on Appropriations.

1095. A letter from the Acting Director, Bureau of the Budget, Executive Office of the President, transmitting a report of the appropriations and transfers made to cover the fiscal year 1955 cost of the salary increases granted by Public Laws 68, 94, and 244 of the 84th Congress, pursuant to section 206 (c) of Public Law 123, 84th Congress; to the Committee on Appropriations.

1096. A letter from the Director, Bureau of the Budget, Executive Office of the President, relative to reporting that salaries and expenses, Office of the Administrator, Housing and Home Finance Agency, have been reapportioned on a basis which indicates a necessity for a supplemental estimate, pursuant to paragraph 2 of subsection (e) of section 3679 of the Revised Statutes, as amended; to the Committee on Appropriations.

1097. A letter from the Acting Director, Bureau of the Budget, Executive Office of the President, relative to reporting that the appropriation to the Department of Health, Education, and Welfare for grants to States for public assistance, for the fiscal year 1956, has been apportioned on a basis which indicates a necessity for a supplemental estimate of appropriation, pursuant to paragraph 2 of subsection (e) of section 3679 of the Revised

Statutes, as amended; to the Committee on Appropriations.

1098. A letter from the Secretary of Defense, relative to submitting 12 reports received from the Departments of the Army, Navy, and Air Force covering 12 violations of section 3679, Revised Statutes, and Department of Defense Directive 7200.1, "Administrative Control of Appropriations Within the Department of Defense," pursuant to section 3679 (i) (2), Revised Statutes; to the Committee on Appropriations.

1099. A letter from the Deputy Administrator, Veterans' Administration, relative to reporting a violation of subsection (h) of section 3679 of the Revised Statutes, occurring at the Veterans' Administration hospital, San Francisco, Calif., pursuant to section 3679 of the Revised Statutes, as amended, subsection (i) (2); to the Committee on Appropriations.

1100. A letter from the Assistant Secretary of the Interior, transmitting a report relative to stating that an adequate soil survey and land classification of the lands to be benefited by the Kirwin unit, Kansas, was completed as part of the investigation required in the formulation of a plan for project development, pursuant to Public Law 172, 83d Congress; to the Committee on Appropriations.

1101. A letter from the Assistant Secretary of the Interior, transmitting a report relative to stating that an adequate soil survey and land classification of lands to be benefited by the Michaud Flats project, Idaho, was completed as part of the investigations required in the formulation of a definite plan for project development, pursuant to Public Law 172, 83d Congress; to the Committee on Appropriations.

1102. A letter from the Acting Secretary of the Interior, transmitting a report relative to stating that an adequate soil survey and land classification of the lands to be benefited by the Talent division, Rogue River Basin project, Oregon, was completed as part of the investigations required in the formulation of plans and estimates and in the determination of project feasibility, pursuant to Public Law 172, 83d Congress; to the Committee on Appropriations.

1103. A letter from the Acting Secretary of the Interior, transmitting a report relative to stating that an adequate soil survey and land classification of the lands to be benefited by the Brewster Flat unit, Foster Creek division, Chief Joseph Dam project, Washington, was completed as part of the investigations required in the formulation of a definite plan for project development, pursuant to Public Law 172, 83d Congress; to the Committee on Appropriations.

1104. A letter from the Assistant Secretary of the Interior, transmitting a report relative to stating that an adequate soil survey and land classification of the lands to be benefited by the Owl Creek unit, Missouri River Basin project, Wyoming, was completed as part of the investigations required in the formulation of a definite plan for project development, pursuant to Public Law 172, 83d Congress; to the Committee on Appropriations.

1105. A letter from the Assistant Secretary of the Interior, transmitting a report relative to stating that an adequate soil survey and land classification of the lands to be benefited by the Bridgeport Bar unit, Foster Creek division, Chief Joseph Dam project, Washington, was completed as part of the investigations required in the formulation of a definite plan for project development, pursuant to Public Law 172, 83d Congress; to the Committee on Appropriations.

1106. A letter from the Administrator, General Services Administration, transmitting a report relative to obligations in excess of allotments under four separate appropriations in the regional office of the General Services Administration at Chicago, Ill.; to the Committee on Appropriations.

1107. A letter from the Chairman, United States Atomic Energy Commission, transmitting, relative to reporting an overobligation of $920 that occurred in an Atomic Energy Commission allotment account on July 18, 1955, pursuant to section 3679 of the Revised Statutes; to the Committee on Appropriations.

1108. A letter from the Chairman, the Commission of Fine Arts, transmitting, relative to reporting that obligations in excess of the quarterly apportionment were incurred during the first quarter of the fiscal year 1956 under the appropriation for the Commission of Fine Arts in the amount of $1,928.66, pursuant to section 3679 of the Revised Statutes, as amended; to the Committee on Appropriations.

1109. A letter from the Administrator, Federal Facilities Corporation, transmitting the report of Federal Facilities Corporation on Synthetic Rubber Operations for the fiscal year ended June 30, 1955, pursuant to the Rubber Act of 1948, as amended; to the Committee on Armed Services.

1110. A letter from the Director, Office of Defense Mobilization, Executive Office of the President, transmitting the semiannual report on the stockpiling program, pursuant to section 4 of the Strategic and Critical Materials Stock Piling Act, Public Law 520, 79th Congress; to the Committee on Armed Services.

1111. A letter from the Administrator, Federal Civil Defense Administration, transmitting the quarterly report of property acquisitions for the quarter ending June 30, 1955, pursuant to subsection 201 (h) of the Federal Civil Defense Act of 1950; to the Committee on Armed Services.

1112. A letter from the Administrator, Federal Civil Defense Administration, transmitting a report on the quarterly report of contributions for the quarter ending June 30, 1955, pursuant to subsection 201 (i) of the Federal Civil Defense Act of 1950; to the Committee on Armed Services.

1113. A letter from the Secretary of the Army, transmitting a report of the number of officers on duty with the Department of the Army and the Army General Staff on June 30, 1955, pursuant to section 201 (c), Public Law 581, 81st Congress; to the Committee on Armed Services.

1114. A letter from the Secretary of the Navy, transmitting a draft of legislation entitled "To authorize the loan of two submarines to the Government of Brazil"; to the Committee on Armed Services.

1115. A letter from the Secretary of the Navy, transmitting a draft of legislation entitled "To provide for the disposition of moneys arising from deductions made from carriers on account of the loss of or damage to military or naval material in transit, and for other purposes"; to the Committee on Armed Services.

1116. A letter from the Deputy Secretary of Defense, transmitting a report on the payment of claims arising from the correction of military or naval records for the period January 1 through June 30, 1955, pursuant to Public Law 220, 82d Congress; to the Committee on Armed Services.

1117. A letter from the Deputy Secretary of Defense, transmitting a report relative to real and personal property of the Department of Defense as of December 31, 1954, pursuant to section 410 of the National Security Act of 1947, as amended; to the Committee on Armed Services.

1118. A letter from the Deputy Assistant Secretary of Defense, transmitting a semiannual report relative to contracts negotiated for experimental, developmental, research, or test projects, and to assist in maintenance of the industrial mobilization base, for the period January 1 through June 30, 1955, pursuant to sections 2 (c) (11) and 2 (c) (16) of Public Law 413, 80th Congress; to the Committee on Armed Services.

1119. A letter from the Acting Secretary of the Army, transmitting a draft of legislation entitled "To Amend the Warrant Officer Act of 1954"; to the Committee on Armed Services.

1120. A letter from the Secretary of the Army, transmitting a draft of legislation entitled "To authorize the Secretary of the Army to give 25 World War II paintings to the Government of New Zealand"; to the Committee on Armed Services.

1121. A letter from the Secretary of the Army, transmitting a report of the number of officers on duty with the Department of the Army and the Army General Staff as of September 30, 1955, pursuant to section 201 (c), Public Law 581, 81st Congress; to the Committee on Armed Services.

1122. A letter from the Director of Research and Development, Department of the Army, transmitting a report on Department of the Army Research and Development Contracts for the period January 1, 1955, to June 30, 1955, pursuant to section 4 of Public Law 557, 82d Congress; to the Committee on Armed Services.

1123. A letter from Chief of Legislative Liaison, Department of the Army, relative to a draft of legislation designed to amend the Officer Personnel Act of 1947 submitted by the Secretary of the Army by letter dated May 27, 1955, and subsequently introduced as H. R. 6662, 84th Congress, and requesting that no action be taken on same; to the Committee on Armed Services.

1124. A letter from the Director, Legislative Liaison, Department of the Air Force, transmitting a report showing the number of officers assigned or detailed to permanent duty in the executive element of the Air Force at the seat of the Government as of the end of the first quarter of fiscal year 1956 (September 30, 1955), pursuant to section 201 (c) of the Air Force Organization Act of 1951 (Public Law 150, 82d Cong.); to the Committee on Armed Services.

1125. A letter from the Executive Secretary, National Advisory Committee for Aeronautics, transmitting a report relative to stating that no contracts were negotiated by the National Advisory Committee for Aeronautics for the period ending June 30, 1955, under sections 2 (c) (11) and (16) of the Armed Services Procurement Act of 1947, pursuant to Public Law 413, 80th Congress; to the Committee on Armed Services.

1126. A letter from the Administrator, Federal Civil Defense Administration, transmitting a report of property acquisitions for the Federal Civil Defense Administration during the quarter ending September 30, 1955, pursuant to subsection 201 (h) of the Federal Civil Defense Act of 1950; to the Committee on Armed Services.

1127. A letter from the Administrator, Federal Civil Defense Administration, transmitting the quarterly report of Federal contributions for the quarter ending September 30, 1955, pursuant to subsection 201 (i) of the Federal Civil Defense Act of 1950; to the Committee on Armed Services.

1128. A letter from the Commandant, United States Coast Guard, transmitting a report setting forth the name of each contractor with whom a contract has been negotiated under section 2 (c) (1) of the Armed Services Procurement Act of 1947, pursuant to Public Law 413, 80th Congress; to the Committee on Armed Services.

1129. A letter from the Administrative Assistant, Secretary of the Interior, transmitting a report showing the amount of money credited to the helium production fund and the amount of disbursements made therefrom during the preceding fiscal year, and the unexpended and unobligated balances on hand in such fund as of the end of such fiscal year for the fiscal year ending June 30, 1955, pursuant to section 3 (c) of the Amendatory Helium Act approved September 1, 1937 (50 Stat., 885; 50 U. S. C. sec. 164); to the Committee on Armed Services.

1130. A letter from the Administrator, General Services Administration, transmitting a report of operations of GSA on activities related to the production of abaca during fiscal year 1955, pursuant to section 7 of Public Law 683, 81st Congress; to the Committee on Armed Services.

1131. A letter from the Acting Commissioner, General Services Administration, transmitting a copy of a notice to be published in the Federal Register of a proposed disposition of approximately 2 million pounds of Chinese hog bristles now held in the national stockpile, pursuant to section 3 (e) of the Strategic and Critical Materials Stock Piling Act (60 Stat. 597; 50 U. S. C. 98b (e)); to the Committee on Armed Services.

1132. A letter from the adjutant general, Veterans of Foreign Wars of the United States, transmitting a report of the proceedings of the Veterans of Foreign Wars of the United States for the fiscal year ended August 31, 1955, including a full and complete report of receipts and disbursements, pursuant to Public Law 630, 74th Congress; to the Committee on Armed Services.

1133. A letter from the Chief of Naval Material, Department of the Navy, transmitting the sixth semiannual report of contracts in excess of $50,000 for research, development, and experimental purposes awarded by the Department of the Navy, for the period January 1, through June 30, 1955, pursuant to Public Law 557, 82d Congress; to the Committee on Armed Services.

1134. A letter from the Attorney General transmitting a report dealing with a review of the voluntary agreements and programs, pursuant to section 708 (c) of the Defense Production Act of 1950, as amended (Public Law 774, 81st Cong., as amended by Public Laws 96 and 429, 82d Cong., and Public Law 295, 84th Cong.); to the Committee on Banking and Currency.

1135. A letter from the Director of Defense Mobilization, Executive Office of the President, transmitting a report on borrowing authority for the quarter ending June 30, 1955, pursuant to section 304 (b) of the Defense Production Act as amended; to the Committee on Banking and Currency.

1136. A letter from the President, Export-Import Bank of Washington, transmitting the 20th semiannual report of the Export-Import Bank of Washington, covering the period January to June 1955, pursuant to section 9 of the Export-Import Bank Act of 1945, as amended; to the Committee on Banking and Currency.

1137. A letter from the Administrator, Small Business Administration, transmitting the fourth semiannual report of the Small Business Administration covering operations between January 1, 1955, and June 30, 1955, pursuant to section 215 of the Small Business Act of 1953 (Public Law 163); to the Committee on Banking and Currency.

1138. A letter from the Administrator, Federal Facilities Corporation, transmitting a report of Federal Facilities Corporation on tin operations for the fiscal year ended June 30, 1955, pursuant to Public Law 125, 80th Congress; to the Committee on Banking and Currency.

1139. A letter from the Acting Comptroller of the Currency, transmitting the 92d Annual Report of the Comptroller of the Currency for the year 1954, pursuant to section 333 of the United States Revised Statutes; to the Committee on Banking and Currency.

1140. A letter from the Secretary of Commerce, transmitting the 32d Quarterly Report on Export Control, pursuant to the Export Control Act of 1949; to the Committee on Banking and Currency.

1141. A letter from the Assistant Secretary of Defense, transmitting the second monthly report on military prime contracts with business firms for work in the United States, for the period from July 1 to September 30, 1955, pursuant to section 6 of Public Law 268, 84th Congress; to the Committee on Banking and Currency.

1142. A letter from the Assistant Secretary of Defense, transmitting a report on military prime contracts with business firms for work in the United States for the period from July 1 to August 31, 1955, pursuant to section 6 of Public Law 268, 84th Congress; to the Committee on Banking and Currency.

1143. A letter from the Secretary of the Treasury, transmitting a report of the Reconstruction Finance Corporation (in liquidation) showing financial statements and remaining assets for the fiscal year ended June 30, 1955, pursuant to Public Law 163, 83d Congress; to the Committee on Banking and Currency.

1144. A letter from the Secretary of the Treasury, transmitting a quarterly report to the Congress on the progress of liquidation of the Reconstruction Finance Corporation to September 30, 1955, pursuant to Public Law 163, 83d Congress; to the Committee on Banking and Currency.

1145. A letter from the Chairman, District of Columbia Redevelopment Land Agency, transmitting the Annual Report, 1955, District of Columbia Redevelopment Land Agency, pursuant to section 15 of the District of Columbia Redevelopment Act of 1945, Public Law 592, 79th Congress; to the Committee on the District of Columbia.

1146. A letter from the President, Commission on Licensure, Healing Arts Practice Act, District of Columbia, transmitting the annual report showing the activities of the Commission for the fiscal year ending June 30, 1955, pursuant to section 47 of "An act to regulate the practice of the healing art to protect the public health in the District of Columbia," approved February 27, 1929; to the Committee on the District of Columbia.

1147. A letter from the Acting Secretary of State, transmitting the 14th semiannual report of the international educational exchange program of the Department of State for the period July 1 to December 31, 1954, pursuant to section 1008, Public Law 402, 80th Congress; to the Committee on Foreign Affairs.

1148. A letter from the Acting Director, United States Information Agency, transmitting semiannual report for the period January 1, 1955, to June 30, 1955, pursuant to section 1008, Public Law 402, 80th Congress; to the Committee on Foreign Affairs.

1149. A letter from the Chairman, Foreign Claims Settlement Commission, transmitting the second semiannual report for the period ending June 30, 1955, pursuant to section 9 of the War Claims Act of 1948 (62 Stat. 1240; 50 U. S. C. App. 2001–2016), as amended, and section 3 (c) of the International Claims Settlement Act of 1949 (64 Stat. 12; 22 U. S. C. App. 1621–1627), as amended; to the Committee on Foreign Affairs.

1150. A letter from the Attorney General, transmitting a report showing the special assistants employed during the period from January 1, 1955, to June 30, 1955, pursuant to section 202, Public Law 195, approved August 5, 1953; to the Committee on Government Operations.

1151. A letter from the Acting Secretary of the Treasury, transmitting an itemized report covering transactions during the fiscal year 1955 for account of the Pershing Hall Memorial Fund, pursuant to the act of Congress approved June 28, 1935 (49 Stat. 426, sec. 3); to the Committee on Government Operations.

1152. A letter from the Administrator, General Services Administration, transmitting a report on contracts negotiated for research and development purposes during the 6-month period ending June 30, 1955, pursuant to section 302 (c) (10), Public Law 152, 81st Congress, as amended; to the Committee on Government Operations.

1153. A letter from the Acting Secretary, Health, Education, and Welfare, transmitting a report covering personal property made available for distribution to educational and public-health institutions under section 203 (j) of the Federal Property and Administrative Services Act of 1949; and all real property disposed of to such institutions under section 203 (k) of that act, in accordance with section 5, Public Law 61, 84th Congress; to the Committee on Government Operations.

1154. A letter from the Comptroller General of the United States, transmitting a report on the audit of the Navy industrial fund, Charleston Naval Shipyard, Bureau of Ships, Department of the Navy, for the period July 1, 1953, to October 31, 1954, pursuant to the Budget and Accounting Act, 1921 (31 U. S. C. 53), and the Accounting and Auditing Act of 1950 (31 U. S. C. 67); to the Committee on Government Operations.

1155. A letter from the Comptroller General of the United States, transmitting a report on Review of Insurance Operations of the Veterans' Administration, January 1954, pursuant to the Budget and Accounting Act, 1921 (31 U. S. C. 53), and the Accounting and Auditing Act of 1950 (31 U. S. C. 67); to the Committee on Government Operations.

1156. A letter from the Comptroller General of the United States, transmitting a report on overpayments to military personnel of the Navy disclosed in the audit of accounts of Navy Disbursing Officers, April 1955, pursuant to the Budget and Accounting Act, 1921 (31 U. S. C. 53, 71), and the Accounting and Auditing Act of 1950 (31 U. S. C. 67); to the Committee on Government Operations.

1157. A letter from the Comptroller General of the United States, transmitting a report on the audit of the Puerto Rico Reconstruction Administration, 1955, pursuant to the Budget and Accounting Act, 1921 (31 U. S. C. 53), and the Accounting and Auditing Act of 1950 (31 U. S. C. 67); to the Committee on Government Operations.

1158. A letter from the Comptroller General of the United States, transmitting a report on the audit of the National Bureau of Standards, Department of Commerce, for the fiscal year ended June 30, 1954, pursuant to the Budget and Accounting Act, 1921 (31 U. S. C. 53), and the Accounting and Auditing Act of 1950 (31 U. S. C. 67); to the Committee on Government Operations.

1159. A letter from the Comptroller General of the United States, transmitting a report on the audit of the Bureau of Reclamation, Department of the Interior, for the fiscal year ended June 30, 1954, pursuant to the Budget and Accounting Act, 1921 (31 U. S. C. 53), and the Accounting and Auditing Act of 1950 (31 U. S. C. 67); to the Committee on Government Operations.

1160. A letter from the Comptroller General of the United States, transmitting a report on the audit of the National Advisory Committee for Aeronautics for the fiscal year ended June 30, 1954, pursuant to the Budget and Accounting Act, 1921 (31 U. S. C. 53), and the Accounting and Auditing Act of 1950 (31 U. S. C. 67); to the Committee on Government Operations.

1161. A letter from the Comptroller General of the United States, transmitting a report on the audit of the Trust Territory of the Pacific Islands, Department of the Interior, for the fiscal years ended June 30, 1953 and 1954, pursuant to the requirements in Interior Department Appropriation Acts, fiscal years 1953 and 1954 (66 Stat. 458 and and 67 Stat. 273); to the Committee on Government Operations.

1162. A letter from the Comptroller General of the United States, transmitting a report on the audit of the Washington National Airport for the fiscal years ended June 30, 1953 and 1954, pursuant to the Budget and Accounting Act, 1921 (31 U. S. C. 53), and the Accounting and Auditing Act of 1950 (31 U. S. C. 67); to the Committee on Government Operations.

1163. A letter from the Secretary, Territory of Alaska, transmitting a certified copy of the Session Laws of Alaska, 1955, Territory of Alaska, including memorials and resolutions; to the Committee on Interior and Insular Affairs.

1164. A letter from the Assistant Secretary of the Interior, transmitting a report pertaining to California Indians showing the funds used to carry out the provisions of this act and the act approved May 18, 1928 (45 Stat. 602), as amended by the act of April 29, 1930 (46 Stat. 259), the act of June 30, 1948 (62 Stat. 1166), and the act of May 24, 1950 (64 Stat. 189), pursuant to section 2 of the act of June 8, 1954, Public Law 391, 83d Congress; to the Committee on Interior and Insular Affairs.

1165. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation entitled "To amend section 27 of the Mineral Leasing Act of February 25, 1920, as amended (30 U. S. C., sec. 184), in order to promote the development of phosphate on the public domain"; to the Committee on Interior and Insular Affairs.

1166. A letter from the Acting Secretary of the Interior, transmitting a draft of proposed legislation entitled "To provide for the transfer of the care, operation, and maintenance of Indian irrigation or power project works to water users' associations or irrigation districts organized under State law, and for other purposes"; to the Committee on Interior and Insular Affairs.

1167. A letter from the Acting Secretary of the Interior, transmitting a draft of proposed legislation entitled "To authorize and direct the Secretary of the Interior to convey to David Peters, or to his heirs or assigns, title to land held by the United States in trust for him"; to the Committee on Interior and Insular Affairs.

1168. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation entitled "To amend section 1 of the act of March 4, 1915, as amended (48 U. S. C., sec 353)"; to the Committee on Interior and Insular Affairs.

1169. A letter from the Assistant Secretary of the Interior, transmitting a proposed concession contract with Lodges of Hawaii, Ltd., to provide certain services and facilities in the Haleakala section of Hawaii National Park during a 5-year period beginning January 1, 1955, pursuant to the act of July 31, 1953 (67 Stat. 271); to the Committee on Interior and Insular Affairs.

1170. A letter from the Assistant Secretary of the Interior, transmitting a proposed concession contract with the Everglades Park Co., Inc., to provide in the Flamingo area of the Everglades National Park, Fla., certain services and facilities for a period of 20 years commencing January 1, 1956, pursuant to the act of July 31, 1953 (67 Stat. 271); to the Committee on Interior and Insular Affairs.

1171. A letter from the Assistant Secretary of the Interior, transmitting a proposed concession permit with the Naches Co., Inc., to provide ski tow and related services for the public at Mount Rainier National Park, during a 9 months' period beginning October 1, 1955, pursuant to the act of July 31, 1953 (67 Stat. 271); to the Committee on Interior and Insular Affairs.

1172. A letter from the Assistant Secretary of the Interior, transmitting a proposed concession contract with M. C. Gideon to provide certain services and facilities for the public at Wind Cave National Park, during a 5-year period beginning January 1, 1956, pursuant to the act of July 31, 1953 (67 Stat. 271); to the Committee on Interior and Insular Affairs.

1173. A letter from the Assistant Secretary of the Interior, transmitting a proposed concession contract with Fred Harvey, to provide certain services and facilities for the public at Petrified Forest National Monument, during a 5-year period beginning January 1, 1955, pursuant to the act of July 31, 1953 (67 Stat. 271); to the Committee on Interior and Insular Affairs.

1174. A letter from the Assistant Secretary of the Interior, transmitting a proposed concession contract with Dr. William N. Henry, to provide medical and hospital services for the public and employees at Grand Canyon National Park, Ariz., during a 5-year period beginning September 16, 1955, pursuant to the act of July 31, 1953 (67 Stat. 271); to the Committee on Interior and Insular Affairs.

1175. A letter from the Assistant Secretary of the Interior, transmitting a proposed concession contract with the Yellowstone Park Co. to provide certain public services and facilities for the public in Yellowstone National Park, Wyo., for a period of 20 years, from January 1, 1956, through December 31, 1975, pursuant to the act of July 31, 1953 (67 Stat. 271); to the Committee on Interior and Insular Affairs.

1176. A letter from the Assistant Secretary of the Interior, transmitting a proposed concession contract with Northern Consolidated Airlines, Inc., to provide certain services and facilities for the public at Katmai National Monument, Alaska, during a 3-year period beginning January 1, 1955, pursuant to the act of July 31, 1953 (67 Stat. 271); to the Committee on Interior and Insular Affairs.

1177. A letter from the Assistant Secretary of the Interior, transmitting a proposed concession permit with Mr. and Mrs. Charles W. Roening, to provide certain services and facilities at Waumila Lodge and on Lake Mills in Olympic National Park, Wash., during a 1-year period beginning January 1, 1956, pursuant to the act of July 31, 1953 (67 Stat. 271); to the Committee on Interior and Insular Affairs.

1178. A letter from the Assistant Secretary of the Interior, transmitting one copy each of certain legislation passed by the Municipal Council of St. Thomas and St. John, the Municipal Council of St. Croix, and the Legislative Assembly of the Virgin Islands, pursuant to section 16 of the Organic Act of the Virgin Islands of the United States, approved June 22, 1936; to the Committee on Interior and Insular Affairs.

1179. A letter from the Assistant Secretary of the Interior, transmitting one copy each of certain legislation passed by the Municipal Council of St. Thomas and St. John and the Legislative Assembly of the Virgin Islands, pursuant to section 16 of the Organic Act of the Virgin Islands of the United States, approved June 22, 1936; to the Committee on Interior and Insular Affairs.

1180. A letter from the Assistant Secretary of the Interior, transmitting one copy each of certain laws enacted by the Third Guam Legislature, 1955 (first regular session), pursuant to section 19 of Public Law 630, 81st Congress, the Organic Act of Guam; to the Committee on Interior and Insular Affairs.

1181. A letter from the Assistant Secretary of the Interior, transmitting one copy each of certain laws enacted by the Third Guam Legislature, 1955 (first regular session), pursuant to section 19 of the Organic Act of Guam; to the Committee on Interior and Insular Affairs.

1182. A letter from the Chief Commissioner, Indian Claims Commission, transmitting a report that proceedings have been finally concluded with respect to *The Fort Peck Indians of The Fort Peck Reservation, Montana, petitioner, v. The United States of America, defendant* (Docket No. 183), pursuant to section 21 of the Indian Claims Commission Act of August 13, 1946 (60 Stat. 1055; 25 U. S. C. 70); to the Committee on Interior and Insular Affairs.

1183. A letter from the Chief Commissioner, Indian Claims Commission, transmitting a report that proceedings have been finally concluded with respect to the following claims:

The Pottawatomi Tribe of Indians, The Prairie Band of the Pottawatomie Tribe of Indians, et al., plaintiffs, v. The United States of America, defendant (Docket No. 15–B).

Citizen Band of Potawatomi Indians of Oklahoma, Potawatomi Nation, et al., petitioners, v. The United States of America, defendant (Docket No. 111).

pursuant to section 21 of the Indian Claims Commission Act of August 13, 1946 (60 Stat. 1055; 25 U. S. C. 70); to the Committee on Interior and Insular Affairs.

1184. A letter from the Secretary of Commerce, transmitting the annual financial report for the fiscal year 1955 on the commissary and messing facilities activities of the Civil Aeronautics Administration outside the continental United States, pursuant to Public Law 390, 81st Congress; to the Committee on Interstate and Foreign Commerce.

1185. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation entitled "A bill to authorize the Secretary of Commerce to prescribe seals for bureaus and offices of the Department of Commerce, and for other purposes"; to the Committee on Interstate and Foreign Commerce.

1186. A letter from the Acting Secretary of Commerce, transmitting the seventh interim report on causes and characteristics of thunderstorms and other atmospheric disturbances during the fiscal year of 1955, pursuant to Public Law 657, 80th Congress; to the Committee on Interstate and Foreign Commerce.

1187. A letter from the Secretary of Health, Education, and Welfare, transmitting the annual report of the United States Department of Health, Education, and Welfare for the fiscal year 1954; to the Committee on Interstate and Foreign Commerce.

1188. A letter from the Chairman, Federal Communications Commission, transmitting the 21st annual report of the Federal Communications Commission for the fiscal year ending June 30, 1955, pursuant to section 4 (k), Public Law 554; to the Committee on Interstate and Foreign Commerce.

1189. A letter from the Acting Chairman, Federal Communications Commission, transmitting a report on backlog of pending applications and hearing cases in the Federal Communications Commission as of June 30, 1955, pursuant to section 5 (e) of the Communications Act as amended July 16, 1952 by Public Law 554; to the Committee on Interstate and Foreign Commerce.

1190. A letter from the Chairman, Federal Communications Commission, transmitting a report on backlog of pending applications and hearing cases in the Federal Communications Commission as of July 31, 1955, pursuant to section 5 (e) of the Communications Act as amended July 16, 1952 by Public Law 554; to the Committee on Interstate and Foreign Commerce.

1191. A letter from the Chairman, Federal Communications Commission, transmitting a report on backlog of pending applications and hearing cases in the Federal Communications Commission as of August 31, 1955, pursuant to section 5 (e) of the Communications Act as amended July 16, 1952 by Public Law 554; to the Committee on Interstate and Foreign Commerce.

1192. A letter from the Chairman, Federal Communications Commission, transmitting a report on backlog on pending applications and hearing cases in the Federal Communications Commission as of September 30, 1955, pursuant to section 5 (e) of the Communications Act as amended July 16, 1952 by Public Law 554; to the Committee on Interstate and Foreign Commerce.

1193. A letter from the Chairman, Federal Communications Commission, transmitting a report on backlog of pending applications and hearing cases in the Federal Communications Commission as of October 31, 1955, pursuant to section 5 (e) of the Communications Act as amended July 16, 1952 by Public Law 554; to the Committee on Interstate and Foreign Commerce.

1194. A letter from the Secretary of State, transmitting the Fourth Semiannual Report of the Administrator of the Refugee Relief Act of 1953 (Public Law 203, 83d Cong., as amended by Public Law 751, 83d Cong.), pursuant to section 19 of the act; to the Committee on the Judiciary.

1195. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders and also a list giving the names of certain aliens entered in cases where the authority contained in section 212 (d) (3) of the Immigration and Nationality Act was exercised in behalf of such aliens, pursuant to the provisions of section 212 (d) (6) of the Immigration and Nationality Act; to the Committee on the Judiciary.

1196. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders entered in cases where the authority contained in section 212 (d) (3) of the Immigration and Nationality Act was exercised in behalf of such aliens, pursuant to the provisions of section 212 (d) (6) of the Immigration and Nationality Act; to the Committee on the Judiciary.

1197. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders granting the applications for permanent residence filed by certain subjects, pursuant to section 4 of the Displaced Persons Act of 1948, as amended; to the Committee on the Judiciary.

1198. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders granting the applications for permanent residence filed by certain subjects, pursuant to section 6 of the Refugee Relief Act of 1953; to the Committee on the Judiciary.

1199. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders granting the applications for permanent residence filed by certain subjects, pursuant to section 6 of the Refugee Relief Act of 1953; to the Committee on the Judiciary.

1200. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders entered in cases with a list where the authority contained in section 212 (d) (3) of the Immigration and Nationality Act was exercised in behalf of certain aliens, pursuant to the provisions of section 212 (d) (6) of the Immigration and Nationality Act; to the Committee on the Judiciary.

1201. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders entered in cases where the authority contained in section 212 (d) (3) of the Immigration and Nationality Act was exercised in behalf of such aliens, pursuant to the provisions of section 212 (d) (6) of the Immigration and Nationality Act; to the Committee on the Judiciary.

1202. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders entered in the cases of certain aliens who have been found admissible into the United States, pursuant to the provisions of section 212 (a) (28) (I) (ii) of the Immigration and Nationality Act; to the Committee on the Judiciary.

1203. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders entered in the cases of certain aliens who have been found admissible into the United States under the provisions of section 212 (a) (28) (I) (ii) of the Immigration and Nationality Act; to the Committee on the Judiciary.

1204. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders entered in the cases of certain aliens who have been found admissible into the United States, pursuant to the provisions of section 212 (a) (28) (I) (ii) of the Immigration and Nationality Act; to the Committee on the Judiciary.

1205. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, relative to the case of Maria Stela Leitao, A–7297991, involving the provisions of section 6 of the Refugee Relief Act of 1953 and requesting that the report which was submitted on June 22, 1955, be considered and other information be disregarded; to the Committee on the Judiciary.

1206. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to section 244 (a) (1) of the Immigration and Nationality Act of 1952 (8 U. S. C. 1254 (a) (1)); to the Committee on the Judiciary.

1207. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to section 244 (a) (5) of the Immigration and Nationality Act of 1952 (8 U. S. C. 1254 (a) (5)); to the Committee on the Judiciary.

1208. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting relative to the case of Joseph Zambella, A–4180664, involving suspension of deportation and requesting the case be withdrawn from the Congress and returned to the jurisdiction of this Service; to the Committee on the Judiciary.

1209. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to the act of Congress approved July 1, 1948 (Public Law 863), amending subsection (c) of section 19 of the Immigration Act of February 5, 1917, as amended (8 U. S. C. 155 (c)); to the Committee on the Judiciary.

1210. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders entered in the cases of certain aliens who have been found admissible into the United States pursuant to the provisions of section 212 (a) (28) (I) (ii); to the Committee on the Judiciary.

1211. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting a list of certain cases involving the provisions of section 6 of the Refugee Relief Act of 1953 and requesting their withdrawal from the Congress and return to the jurisdiction of this Service; to the Committee on the Judiciary.

1212. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, relative to the case of Chang Chiang Huang, A–7463500, involving the provisions of section 6 of the Refugee Relief Act of 1953 and requesting that it be withdrawn from the Congress and returned to the jurisdiction of this Service; to the Committee on the Judiciary.

1213. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, relative to the case of Tien Shan Wang, A–6033416, involving the provisions of section 6 of the Refugee Relief Act of 1953 and requesting the case be withdrawn from the Congress and returned to the jurisdiction of this Service; to the Committee on the Judiciary.

1214. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, relative to the case of Lo Chao Ming, A–8065422, involving the provisions of section 6 of the Refugee Relief Act of 1953 and requesting the withdrawal of this case from the Congress and return to the jurisdiction of this Service; to the Committee on the Judiciary.

1215. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, relative to the case of Kwoh Hsien Hu, A–6712037, involving the provisions of section 6 of the Refugee Relief Act of 1953 and requesting the withdrawal of this case from the Congress and return to the jurisdiction of this Service; to the Committee on the Judiciary.

1216. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting a list of cases involving the provisions of section 6 of the Refugee Relief Act of 1953 and requesting the cases be withdrawn from the Congress and returned to the jurisdiction of this Service; to the Committee on the Judiciary.

1217. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, relative to the case of Si Chiu Lou, A–6903701, involving the provisions of section 6 of the Refugee Relief Act of 1953 and requesting the case be withdrawn from the Congress and returned to the jurisdiction of this Service; to the Committee on the Judiciary.

1218. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting a list of cases which new and additional evidence warrants their withdrawal from the action of Congress and requesting their return to the jurisdiction of the Immigration and Naturalization Service; to the Committee on the Judiciary.

1219. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting a list of Yugoslav crewmen whose admission was authorized pursuant to section 212 (d) (3) of the Immigration and Nationality Act, waiving their inadmissibility under section 212 (a) (28) of the act. This report is submitted pursuant to section 212 (d) (6) of the statute; to the Committee on the Judiciary.

1220. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, relative to a letter dated August 17, 1955, enclosing copies of orders entered in cases of certain aliens, including the name of Leon Gorodetsky (Max Kovalsky), pursuant to the provisions of section 212 (a) (28) (I) (ii) of the Immigration and Nationality Act. Copy of order dated November 1, 1955, is attached revoking our finding that this individual qualifies as a defector pursuant to section 212 (a) (28) (I) (ii) of the act; to the Committee on the Judiciary.

1221. A letter from the Secretary of the Army, transmitting a draft of proposed legislation entitled, "A bill for the relief of Daniel O. Hulse, Jr."; to the Committee on the Judiciary.

1222. A letter from the Secretary of the Army, transmitting a draft of proposed legislation entitled "A bill for the relief of Col. Henry M. Zeller"; to the Committee on the Judiciary.

1223. A letter from the Secretary of the Army, transmitting a draft of proposed legislation entitled "A bill for the relief of C. W. O. George C. Carter"; to the Committee on the Judiciary.

1224. A letter from the Secretary of the Army, transmitting a draft of proposed legislation entitled, "A bill for the relief of Arthur E. Weeden, Jr."; to the Committee on the Judiciary.

1225. A letter from the Secretary of the Army, transmitting a draft of proposed legislation entitled, "A bill for the relief of Nathan A. Kahn"; to the Committee on the Judiciary.

1226. A letter from the Acting Secretary of the Army, transmitting a draft of proposed legislation entitled, "A bill for the relief of Eugene Gardner, Byron M. Barbeau, John R. Reaves, and Jackson L. Hardy"; to the Committee on the Judiciary.

1227. A letter from the administrative assistant to the Secretary of the Interior, transmitting a report of receipts and expenditures in connection with the administration of the Outer Continental Shelf Lands Act of August 7, 1953 (67 Stat. 470; 43 U. S. C. sec. 1343), for the fiscal year 1955; to the Committee on the Judiciary.

1228. A letter from the Under Secretary of the Navy, transmitting a report of recoveries collected by the United States for damage caused to naval vessels, pursuant to section 2 of the act of December 5, 1945 (34 U. S. C. 600b), for the fiscal year 1954–55; to the Committee on the Judiciary.

1229. A letter from the Under Secretary of the Navy, transmitting a report of claims for damage caused by naval vessels for the fiscal year 1954–55 which have been settled pursuant to section 8 of the act of July 3, 1944 (58 Stat. 726; 46 U. S. C. 797); to the Committee on the Judiciary.

1230. A letter from the clerk, United States Court of Claims, transmitting certified copies of the court's opinion rendered on November 8, 1955, in re *Wright H. Huntley* v. *The United States* (Congressional No. 2–53), pursuant to the provisions of sections 1492 and 2509, United States Code, and House Resolution 255, 83d Congress; to the Committee on the Judiciary.

1231. A letter from the Acting Deputy Postmaster General, transmitting a report of claims paid by the Post Office Department during the fiscal year 1955, pursuant to the Federal Tort Claims Act; to the Committee on the Judiciary.

1232. A letter from the Administrator, Federal Civil Defense Administration, transmitting a report of claims paid during the fiscal year 1955, pursuant to section 2673 of the Federal Tort Claims Act of 1946; to the Committee on the Judiciary.

1233. A letter from the Administrative Assistant to the Secretary of Agriculture, transmitting a report of all claims paid under the Federal Tort Claims Act for the fiscal year ending June 30, 1955, pursuant to the provisions of the Federal Tort Claims Act as reenacted (28 U. S. C. 2671–2680); to the Committee on the Judiciary.

1234. A letter from the Secretary of Commerce, transmitting a report of all claims paid by the Department of Commerce during fiscal year 1955 under part 2, pursuant to section 404 of the Federal Tort Claims Act (28 U. S. C. 2673); to the Committee on the Judiciary.

1235. A letter from the Acting Secretary of Commerce, transmitting a draft of proposed legislation entitled, "A bill to amend section 1114 of title 18 of United States Code relating to the protection of officers and employees of the United States"; to the Committee on the Judiciary.

1236. A letter from the Acting Secretary of the Treasury, transmitting the report of a claim paid to James Stewart & Co., Inc., in full settlement of a claim, pursuant to title 14, United States Code, section 646 (b); to the Committee on the Judiciary.

1237. A letter from the Acting Secretary of the Treasury reporting the payment of $5,000 to Curtis Cochran, Immokolee, Fla., in full settlement of his claim for personal injury, pursuant to title 14, United States Code, section 646 (b); to the Committee on the Judiciary.

1238. A letter from the Acting Secretary of the Treasury transmitting a report of claims paid during the fiscal year 1955, pursuant to section 2673 of title 28, United States Code; to the Committee on the Judiciary.

1239. A letter from the national commandant, Marine Corps League, transmitting the report of the Marine Corps League listing activities and the newly elected officers for 1956 as reported at the annual national convention in St. Louis, Mo.; to the Committee on the Judiciary.

1240. A letter from the Vice Chairman, Alexander Hamilton Bicentennial Commission, transmitting the report on the Alexander Hamilton Bicentennial Commission dated September 12, 1955, pursuant to authority granted by the House of Representatives, August 2, 1955; to the Committee on the Judiciary.

1241. A letter from the Administrator, Veterans' Administration, transmitting a report of claims paid for the fiscal year ended June 30, 1955, pursuant to section 404 of the Federal Tort Claims Act, title IV, Public Law 601, 79th Congress (28 U. S. C. 2673); to the Committee on the Judiciary.

1242. A letter from the Governor, Canal Zone Government, transmitting a report of claims paid for the period July 1, 1954, to June 30, 1955, pursuant to section 2672 of title 28, United States Code; to the Committee on the Judiciary.

1243. A letter from the Administrator, General Services Administration, transmitting a report of claims paid during the fiscal year 1955, pursuant to section 2673, title 28, United States Code; to the Committee on the Judiciary.

1244. A letter from the Acting Director, Central Intelligence Agency, transmitting a report of claims paid during the fiscal year 1955, pursuant to section 404 of the Federal Tort Claims Act of 1946 (Public Law 601, 79th Cong.); to the Committee on the Judiciary.

1245. A letter from the Chairman, United States Atomic Energy Commission, transmitting the annual report of claims paid under the Federal Tort Claims Act for the period from July 1, 1954 through June 30, 1955, pursuant to section 2673 of title 28, United States Code; to the Committee on the Judiciary.

1246. A letter from the Secretary, Department of the Air Force, transmitting a report of claims paid for the fiscal year 1955, pursuant to section 5 of the Maritime Claims Act of October 20, 1951 (65 Stat. 572; 10 U. S. C. 1861–1866); to the Committee on the Judiciary.

1247. A letter from the Secretary, Department of the Air Force, transmitting a report of claims paid for the fiscal year 1955, pursuant to section 2673 of the Federal Tort Claims Act, as amended and codified (28 U. S. C. 2671–2680); to the Committee on the Judiciary.

1248. A letter from the Secretary, Department of the Air Force, transmitting a report of claims paid for the fiscal year 1955, pursuant to section 1 (e) of the Military Personnel Claims Act of 1945, as amended (ch. 135, sec. 1, 59 Stat. 225; 31 U. S. C. 222c, 61 Stat. 501, 66 Stat. 321, Public Law 439, 82d Cong.); to the Committee on the Judiciary.

1249. A letter from the Under Secretary of the Navy, transmitting a report of claims paid for the fiscal year 1955, pursuant to section 1 (e) of Public Law 439, 82d Congress; to the Committee on the Judiciary.

1250. A letter from the Secretary of Commerce, transmitting a report of the Maritime Administration of the Department of Commerce on the activities and transactions of the Administration, from April 1, 1955, through June 30, 1955, pursuant to section 13 of the Merchant Ship Sales Act of 1946; to the Committee on Merchant Marine and Fisheries.

1251. A letter from the Secretary of State, transmitting a draft of legislation, entitled, "A bill to repeal section 12 of the act of June 26, 1884, prohibiting a charge or collection of fees by consular officers for official services to American vessels and seamen"; to the Committee on Merchant Marine and Fisheries.

1252. A letter from the Administrative Assistant to the Secretary of the Interior, transmitting a report on the Federal aid in fish restoration program for the fiscal year ending June 30, 1955, pursuant to section 11 of the act of Congress approved August 9, 1950 (64 Stat. 430, 16 U. S. C. 777); to the Committee on Merchant Marine and Fisheries.

1253. A letter from the Governor of the Canal Zone, President, Panama Canal Company, transmitting a draft of legislation, entitled "A bill to authorize and direct the Panama Canal Company to construct, maintain, and operate a bridge over the Panama Canal at Balboa, C. Z.; to the Committee on Merchant Marine and Fisheries.

1254. A letter from the Acting Postmaster General, transmitting a draft of proposed legislation entitled, "A bill to authorize the Postmaster General to impound mail in certain cases"; to the Committee on Post Office and Civil Service.

1255. A letter from the Secretary of the Army, transmitting a draft of legislation entitled "A bill to authorize the Chief of Engineers to publish information pamphlets, maps, brochures, and other material"; to the Committee on Public Works.

1256. A letter from the Secretary of the Army transmitting a letter from the Chief of Engineers, Department of the Army, dated November 1, 1955, submitting a letter, together with accompanying papers on Genesee River, Allegany County, N. Y., requested by resolutions of the Committee on Public Works, United States Senate, and the Committee on Public Works, House of Representatives, adopted August 8, 1951, and October 16, 1951, respectively; to the Committee on Public Works.

1257. A letter from the Acting Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated November 2, 1955, submitting a letter, together with accompanying papers, on Great Lakes-Atlantic tidewaters deep waterway, requested by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted March 7, 1928; to the Committee on Public Works.

1258. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated September 6, 1955, submitting a letter, together with accompanying papers, on the area at and in the vicinity of Bellevue, Ohio, and the surrounding area of Seneca, Erie, Huron, and Sandusky Counties, with a view to the control of floods caused by excess underground and surface waters, authorized by the Flood Control Act, adopted June 30, 1948; to the Committee on Public Works.

1259. A letter from the Acting Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated October 28, 1955, submitting a letter, together with accompanying papers, on Big Sandy Creek and Mexico Bay, N. Y., requested by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted October 2, 1946; to the Committee on Public Works.

1260. A letter from the Acting Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated October 26, 1955, submitting a report, together with accompanying papers, on a preliminary examination of Mohawk River, N. Y., submitted in response to the River and Harbor Act, approved March 2, 1945; to the Committee on Public Works.

1261. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated September 22, 1955, submitting a letter, together with accompanying papers, on San Diego Harbor, Calif., requested by a resolution of the Committee on Rivers and Harbors,

House of Representatives, adopted December 24, 1939; to the Committee on Public Works.

1262. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated September 19, 1955, submitting a report, together with accompanying papers, on Lake Superior shoreline from Middle Island Point south to the mouth of Carp River, Mich., submitted in response to the River and Harbor Act approved July 24, 1946; to the Committee on Public Works.

1263. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated September 22, 1955, submitting a letter, together with accompanying papers, on Little Girls Point, Mich., requested by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted September 10, 1946; to the Committee on Public Works.

1264. A letter from the Secretary of the Army transmitting a letter from the Chief of Engineers, Department of the Army, dated August 16, 1955, submitting a letter, together with accompanying papers, on Rangeline Lake to Oconto River, Wis., authorized by the Flood Control Act approved May 17, 1950; to the Committee on Public Works.

1265. A letter from the Secretary of the Army transmitting a letter from the Chief of Engineers, Department of the Army, dated August 26, 1955, submitting a letter, together with accompanying papers, on Herbster Harbor, Wis., requested by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted November 30, 1945; to the Committee on Public Works.

1266. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated September 14, 1955, submitting a letter, together with accompanying papers, on Marshy Hope Creek, Federalsburg, Md., requested by a resolution of the Committee on Flood Control, House of Representatives, adopted March 1, 1946. It is also submitted in response to a preliminary examination of Marshy Hope Creek and tributaries, Maryland, authorized by the Flood Control Act approved July 24, 1946; to the Committee on Public Works.

1267. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated October 7, 1955, submitting a letter, together with accompanying papers, on Munising Harbor, Mich., requested by a resolution of the Committee on Public Works, House of Representatives, adopted June 27, 1950; to the Committee on Public Works.

1268. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated August 16, 1955, submitting a letter, together with accompanying papers, on Lake Superior in Ashland, Bayfield, and Douglas Counties, Wis., authorized by the Flood Control Act approved July 24, 1946; to the Committee on Public Works.

1269. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated August 18, 1955, submitting a letter, together with accompanying papers, on Hudson River at the mouth of Endikill Creek, N. Y., authorized by the River and Harbor Act, approved March 2, 1945; to the Committee on Public Works.

1270. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated August 18, 1955, submitting a letter, together with accompanying papers, on Seabeck Harbor, Hood Canal, Wash., authorized by the River and Harbor Act, approved May 17, 1950; to the Committee on Public Works.

1271. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated August 19, 1955, submitting a letter, together with accompanying papers, on channel 40 feet deep, to serve as a deepwater outlet to the Gulf of Mexico from the Harbors of Mobile, Ala., and Pascagoula, Biloxi, and Gulfport, Miss., authorized by the River and Harbor Act, approved March 2, 1945; to the Committee on Public Works.

1272. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated August 29, 1955, submitting a letter, together with accompanying papers, on waterway from Lake Erie to the southerly end of Lake Michigan, authorized by the River and Harbor Act, approved March 2, 1945; to the Committee on Public Works.

1273. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated August 9, 1955, submitting a letter, together with accompanying papers, on Wisconsin River, Wis., requested by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted March 5, 1946. It is also submitted in response to a preliminary examination of Wisconsin River, Wis., authorized by the River and Harbor Act, approved July 24, 1946; to the Committee on Public Works.

1274. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated September 26, 1955, submitting a report, together with accompanying papers on a review of reports on Arkansas River and tributaries, with a view to determining the advisability of modifying the Conchas Dam project in any way at this time. This investigation was requested by a resolution of the Committee on Public Works, House of Representatives, adopted July 3, 1952; to the Committee on Public Works.

1275. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated August 23, 1955, submitting a report, together with accompanying papers on a preliminary examination of Nine Mile Drain and Carlow Ditch, Macomb County, Mich., authorized by the Flood Control Act, approved May 17, 1950; to the Committee on Public Works.

1276. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated May 17, 1955, submitting a report, together with accompanying papers on a review of reports on Niobrara River and tributaries, Nebraska, Wyoming, and South Dakota. This investigation was requested by resolutions of the Committee on Flood Control, House of Representatives, and the Committee on Commerce, United States Senate, adopted on October 8, 1945, and October 13, 1945, respectively; to the Committee on Public Works.

1277. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated July 8, 1955, submitting a report, together with accompanying papers and illustrations, on a cooperative beach erosion control study of the shore of Lake Ontario at Braddock Bay State Park, N. Y., prepared under the provisions of section 2 of the River and Harbor Act, approved on July 3, 1930, as amended and supplemented; to the Committee on Public Works.

1278. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated June 14, 1955, submitting a report, together with accompanying papers, on a review of report on Nooksack River, Wash., requested by a resolution of the Committee on Flood Control, House of Representatives, adopted January 31, 1946; to the Committee on Public Works.

1279. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated September 27, 1955, submitting a report, together with accompanying papers, on a preliminary examination and survey of Fisherman Bay, Lopez Island, Wash., authorized by the River and Harbor Act, approved June 30, 1948; to the Committee on Public Works.

1280. A letter from the Acting Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated October 17, 1955, submitting a report, together with accompanying papers, on a review of reports on Genesee River, Angelica Creek, Allegany County, N. Y., requested by a resolution of the Committee on Public Works, House of Representatives, adopted May 27, 1949; to the Committee on Public Works.

1281. A letter from the Director, the American Legion, transmitting a financial statement of the American Legion up to and including October 31, 1955, pursuant to Public Law 47, 66th Congress; to the Committee on Veterans' Affairs.

1282. A letter from the Attorney General, transmitting a report dealing with certain problems encountered in the course of a survey of the operations of the Small Business Administration, pursuant to section 207 (a) of the Small Business Act of 1953, as amended by section 5 of Public Law 268, 84th Congress; to the Committee on Banking and Currency.

1283. A letter from the Comptroller General of the United States, transmitting a report on the audit of the United States Coast Guard, an agency of the Department of the Treasury, for the year ended June 30, 1953, pursuant to the Budget and Accounting Act, 1921 (31 U. S. C. 53), and the Accounting and Auditing Act of 1950 (31 U. S. C. 67); to the Committee on Government Operations.

1284. A letter from the Secretary of the Army, transmitting a draft of proposed legislation entitled "A bill to authorize the burial in national cemeteries of the remains of certain commissioned officers of the Public Health Service"; to the Committee on Interior and Insular Affairs.

1285. A letter from the Assistant Secretary of the Interior, transmitting a proposed concession contract with Hamilton Stores, Inc., to provide and operate concession facilities for the public in Yellowstone National Park, Wyo., for a period of 20 years from October 1, 1954, through September 30, 1974, pursuant to the act of July 31, 1953 (67 Stat. 271); to the Committee on Interior and Insular Affairs.

1286. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders entered in the cases of certain aliens who have been found admissible into the United States, pursuant to the provisions of section 212 (a) (28) (I) (ii) of the Immigration and Nationality Act; to the Committee on the Judiciary.

1287. A letter from the Assistant Secretary of Agriculture, relative to a memorandum of understanding executed by the Mexican-United States Commission for the prevention of foot-and-mouth disease, effective on October 1, relative to the financial arrangements for carrying on the work of the Commission, pursuant to Public Law 8, 80th Congress; to the Committee on Agriculture.

1288. A letter from the Assistant Secretary of Agriculture, relative to reporting that there have been no significant developments to report for the month of September 1955 relating to the cooperative program of the United States with Mexico for the control and eradication of foot-and-mouth disease, pursuant to section 3 of Public Law 8, 80th Congress; to the Committee on Agriculture.

1289. A letter from the Assistant Secretary of Agriculture, relative to reporting that there have been no significant developments to report for the month of November 1955 relating to the cooperative program of the United States with Mexico for the control and

eradication of foot-and-mouth disease, pursuant to section 3 of Public Law 8, 80th Congress; to the Committee on Agriculture.

1290. A letter from the Acting Secretary of Agriculture, transmitting a draft of proposed legislation entitled "A bill to amend section 314 of the Agricultural Adjustment Act of 1938, as amended"; to the Committee on Agriculture.

1291. A letter from the Acting Secretary of Agriculture, transmitting a draft of proposed legislation entitled "A bill to amend the act of May 29, 1884 (23 Stat. 31), as amended, and the act of March 3, 1905 (33 Stat. 1264), as amended, to eliminate the requirement of certain notices thereunder, and for other purposes"; to the Committee on Agriculture.

1292. A letter from the Director, Bureau of the Budget, Executive Office of the President, relative to reporting that the appropriation to the Civil Service Commission for "Annuities under special acts," for the fiscal year 1956, has been apportioned on a basis which indicates a necessity for a supplemental estimate of appropriation, pursuant to paragraph 2 of subsection (e) of section 3679 of the Revised Statutes, as amended; to the Committee on Appropriations.

1293. A letter from the Director, Bureau of the Budget, Executive Office of the President, relative to reporting that the appropriation, "Salaries and expenses, Railroad Retirement Board," for the fiscal year 1956, has been apportioned on a basis which indicates a necessity for a supplemental estimate of appropriation, pursuant to paragraph 2 of subsection (e) of section 3679 of the Revised Statutes, as amended; to the Committee on Appropriations.

1294. A letter from the Assistant Secretary of the Interior, relative to reporting that a soil survey and land classification information was obtained in sufficient detail to determine that the lands to be irrigated from Yellowtail unit, lower Bighorn division, Missouri River Basin project, Montana and Wyoming, under current plans, are susceptible to the production of agricultural crops under irrigation, pursuant to Public Law 172, 83d Congress; to the Committee on Appropriations.

1295. A letter from the Director, Selective Service System, transmitting the fifth report on the operations of the Selective Service System covered up to June 30, 1955, the end of the last fiscal year, pursuant to section 10 (g) of the Universal Military Training and Service Act, as amended; to the Committee on Armed Services.

1296. A letter from Assistant Secretary of the Navy (Personnel and Reserve Forces), relative to a report showing by rank and age groups, the number of officers above the rank of major in the Army or lieutenant commander in the Navy with the average monthly flight pay authorized by law to be paid to such officers during the 6-month period preceding the date of the report, pursuant to Public Law 301, 79th Congress; to the Committee on Armed Services.

1297. A letter from the Director, Legislative Liaison, Department of the Air Force, relative to a report showing by grade and age for all flying officers above the grade of major, receiving flight pay during the 6-month period March 1 to August 31, 1955, pursuant to Public Law 301, 79th Congress; to the Committee on Armed Services.

1298. A letter from the Secretary of Commerce, transmitting the 33d Quarterly Report on Export Control, pursuant to the Export Control Act of 1949; to the Committee on Banking and Currency.

1299. A letter from the Deputy Assistant Secretary of Defense (Supply and Logistics), transmitting the third monthly report on military prime contracts with business firms for work in the United States, pursuant to section 6 of Public Law 268, 84th Congress; to the Committee on Banking and Currency.

1300. A letter from the Director, Administrative Office of the United States Courts, transmitting a draft of legislation entitled "A bill to amend the first sentence of paragraph (a) of section 756 of title 11 of the District of Columbia Code, 1951 edition (paragraph (a) of sec. 5 of the act of April 1, 1942, c. 207, 56 Stat. 193), relating to the transfer of actions from the United States District Court for the District of Columbia to the Municipal Court for the District of Columbia"; to the Committee on the District of Columbia.

1301. A letter from the Secretary of the Treasury, transmitting a combined statement of receipts, expenditures, and balances of the United States Government for the fiscal year ended June 30, 1955, pursuant to section 15 of the act of July 31, 1894 (5 U. S. C. 264), and the general provisions of section 114 of the act of September 12, 1950 (31 U. S. C. 66b); to the Committee on Government Operations.

1302. A letter from the Comptroller General of the United States, transmitting a report on the audit of the Navy Industrial Fund, United States Naval Ordnance Plant, York, Pa., Bureau of Ordnance, Department of the Navy, for the period August 1, 1951, to January 31, 1955; to the Committee on Government Operations.

1303. A letter from the Comptroller General of the United States, transmitting a report on the Navy Industrial Fund, United States Naval Ordnance Laboratory, Corona, Calif., Department of the Navy, for the period September 27, 1953, to June 30, 1955; to the Committee on Government Operations.

1304. A letter from the Comptroller General of the United States, transmitting a report on the audit of Gorgas Memorial Institute of Tropical and Preventive Medicine, Inc., for the fiscal year ended June 30, 1955, pursuant to the act of May 7, 1928 (22 U. S. C. 278a), and in the manner contemplated in the Government Corporation Control Act (31 U. S. C. 841); to the Committee on Government Operations.

1305. A letter from the Comptroller General of the United States, transmitting a report on the examination of the United States assistance program for Pakistan, an activity of the mutual security program administered by the International Cooperation Administration, an agency of the Department of State; to the Committee on Government Operations.

1306. A letter from the Comptroller General of the United States, transmitting the report on the audit of the Home Loan Bank Board for the fiscal year ended June 30, 1954, pursuant to the Budget and Accounting Act, 1921 (31 U. S. C. 53), and the Accounting and Auditing Act of 1950 (31 U. S. C. 67); to the Committee on Government Operations and ordered to be printed.

1307. A letter from the Comptroller General of the United States, transmitting the report on the audit of the Bureau of Customs, Department of Treasury, for the period January 1, 1952, through June 30, 1954, pursuant to the Budget and Accounting Act, 1921 (31 U. S. C. 53), and the Accounting and Auditing Act of 1950 (31 U. S. C. 67); to the Committee on Government Operations.

1308. A letter from the Clerk, House of Representatives, transmitting a report for the period from July 1, 1954, to June 30, 1955, pursuant to the provisions of paragraphs 102, 103, 104, and 111 of the Code of Laws of the United States; to the Committee on House Administration.

1309. A letter from the Chairman, Federal Power Commission, transmitting information on licensed hydroelectric projects and on personnel of the Federal Power Commission for the fiscal year ended June 30, 1955, pursuant to section 4 (d) of the Federal Power Act, approved August 26, 1935; to the Committee on Interstate and Foreign Commerce.

1310. A letter from the Acting Secretary of the Interior, relative to the case of the *United States of America* v. *The Northern Colorado Water Conservancy District et al.*, in the United States District Court for the District of Colorado, civil No. 2782; to the Committee on Interior and Insular Affairs.

1311. A letter from the Chairman, Commission on the Application of Federal Laws to the Virgin Islands, transmitting a report of the Commission, pursuant to Public Law 517, 83d Congress; to the Committee on Interior and Insular Affairs.

1312. A letter from the clerk, United States Court of Claims, transmitting a statement of all judgments rendered by the United States Court of Claims for the year ended October 1, 1955, pursuant to the provisions of section 791 (c), title 28, United States Code; to the Committee on the Judiciary.

1313. A letter from the Acting Secretary of the Army, transmitting Resolution No. 15, entitled "Resolution to petition for the acceptance of Okinawan emigrants," passed by the Legislature of the Government of the Ryukyu Islands October 31, 1955; to the Committee on the Judiciary.

1314. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, referring to the case of Frank Thomas Cornelius, A–6740452, involving suspension of deportation, and requesting the case be withdrawn from those before the Congress and returned to the jurisdiction of this Service; to the Committee on the Judiciary.

1315. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, referring to the case of Simona Riklis, V–557100, involving suspension of deportation, and requesting the case be withdrawn from those now before the Congress and returned to the jurisdiction of this Service; to the Committee on the Judiciary.

1316. A letter from the Secretary of Commerce, transmitting a report regarding war-risk insurance and certain marine and liability insurance for the American public as of September 30, 1955, pursuant to section 1211 of Public Law 763, 81st Congress, as amended; to the Committee on Merchant Marine and Fisheries.

1317. A letter from the Secretary of Commerce, transmitting the quarterly report of the Maritime Administration of the Department of Commerce on the activities and transactions of the Administration under the Merchant Ship Sales Act of 1946, from July 1, 1955, through September 30, 1955, in accordance with section 13 of that act; to the Committee on Merchant Marine and Fisheries.

1318. A letter from the Board of Directors, Tennessee Valley Authority, transmitting the 22d annual report of activities of the TVA during the fiscal year ending June 30, 1955; to the Committee on Public Works.

1319. A letter from the Acting Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated November 22, 1955, submitting a letter, together with accompanying papers, on Galveston Bay and contiguous waters, Texas, authorized by the River and Harbor Act approved March 2, 1945; to the Committee on Public Works.

1320. A letter from the Acting Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated November 15, 1955, submitting a report, together with accompanying papers, on a preliminary examination and survey of Skykomish River, Snoqualmie River, and Snohomish River and tributaries, Washington, authorized by the Flood Control Acts approved June 22, 1936, and August 11, 1939; to the Committee on Public Works.

1321. A letter from the Chairman, Subversive Activities Control Board, transmitting the fifth annual report of the Subversive Activities Control Board, pursuant to section 12 (c) of Public Law 831, 81st Congress; to the Committee on Un-American Activities.

1322. A letter from the Postmaster General, Chairman, Board of Trustees, Postal Savings System, transmitting the report of operations of the Postal Savings System for the fiscal year ended June 30, 1955, pursuant to section 1 of the act approved June 25, 1910 (H. Doc. No. 251); to the Committee on Post Office and Civil Service and ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. McCORMACK:

H. R. 7870. A bill to authorize the construction of flood-protection measures, with particular reference to areas where severe damages have recently occurred as the result of extreme rainfall accompanying hurricane storms; to the Committee on Public Works.

By Mr. SPENCE:

H. R. 7871. A bill to amend the Small Business Act of 1953; to the Committee on Banking and Currency.

By Mr. WOLCOTT:

H. R. 7872. A bill to amend the Small Business Act of 1953; to the Committee on Banking and Currency.

By Mr. ALBERT:

H. R. 7873. A bill to provide for the conveyance of certain lands by the United States to the city of Atoka, Okla.; to the Committee on Government Operations.

By Mr. BARTLETT:

H. R. 7874. A bill to provide transportation on Canadian vessels between ports in southeastern Alaska and between Hyder, Alaska, and other points in southeastern Alaska or the continental United States, either directly or via a foreign port, or for any part of the transportation; to the Committee on Merchant Marine and Fisheries.

By Mr. BENNETT of Florida:

H. R. 7875. A bill to amend title II of the Social Security Act to provide for the payment of child's insurance benefits to certain individuals who are over the age of 18 but who are incapable of self-support by reason of physical or mental disability; to the Committee on Ways and Means.

H. R. 7876. A bill to provide that the United States shall pay certain claims for death, personal injury, and property damage for which personnel in the Armed Forces are found to be responsible; to the Committee on the Judiciary.

By Mr. BERRY:

H. R. 7877. A bill to authorize the sale of certain tribal lands of the Rosebud Sioux Tribe to the city of White River, S. Dak.; to the Committee on Interior and Insular Affairs.

By Mr. BROWN of Georgia:

H. R. 7878. A bill to amend the Agricultural Adjustment Act of 1938 so as to increase acreage allotments for the 1956 crop of cotton; to the Committee on Agriculture.

By Mr. CANFIELD:

H. R. 7879. A bill to protect persons within the several States from mob violence and lynching; to the Committee on the Judiciary.

By Mr. CLARK:

H. R. 7880. A bill to amend and supplement the Federal Aid Road Act approved July 11, 1916 (39 Stat. 355), as amended and supplemented, to authorize appropriations for continuing the construction of highways, and for other purposes; to the Committee on Public Works.

By Mr. DAVIDSON:

H. R. 7881. A bill to amend certain provisions of law relating to housing so as to require builders' certifications of cost in certain cases, to provide for the construction of additional public housing, to provide that a preference shall be given to certain elderly families in the case of low-rent public housing, and for other purposes; to the Committee on Banking and Currency.

By Mr. DAVIS of Tennessee:

H. R. 7882. A bill to provide for the taxation of all cooperatives' income in the year earned, either to the cooperative or to the patron-member, to protect persons required to treat noncash patronage dividends as income for Federal income-tax purposes by providing for collecting tax at the source on such dividends and for other purposes; to the Committee on Ways and Means.

By Mr. DEANE:

H. R. 7883. A bill to provide for natural disaster insurance and reinsurance; to the Committee on Banking and Currency.

By Mr. DEMPSEY:

H. R. 7884. A bill to amend and supplement the Federal Aid Road Act approved July 11, 1916 (39 Stat. 355), as amended and supplemented, to authorize appropriations for continuing the construction of highways, and for other purposes; to the Committee on Public Works.

By Mr. DODD:

H. R. 7885. A bill to provide for national disaster insurance, and for other purposes; to the Committee on Banking and Currency.

By Mr. DORN of South Carolina:

H. R. 7886. A bill to amend part III of Veterans Regulation No. 1 (a) to liberalize the basis for, and increase the monthly rates of, disability pension awards; to the Committee on Veterans' Affairs.

By Mrs. FARRINGTON:

H. R. 7887. A bill to authorize the Commissioner of Public Lands to sell public lands under certain circumstances without public auction; to the Committee on Interior and Insular Affairs.

H. R. 7888. A bill to authorize the Commissioner of Public Lands to sell public lands located at Weliweli, island of Kauai, to certain claimants; to the Committee on Interior and Insular Affairs.

H. R. 7889. A bill to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue general obligation bonds; to the Committee on Interior and Insular Affairs.

H. R. 7890. A bill to authorize the Commissioner of Public Lands to sell public lands located at Kaneohe Bay, Oahu, to certain persons; to the Committee on Interior and Insular Affairs.

H. R. 7891. A bill to authorize and direct the exchanges and sales of public lands within or adjacent to the district of Puna, county of Hawaii, Territory of Hawaii, for the relief of persons whose lands were destroyed by volcanic activity; to the Committee on Interior and Insular Affairs.

H. R. 7892. A bill to ratify and confirm sections 5 and 6 of Act 273 of the Session Laws of Hawaii 1955 and to authorize the issuance of certain public improvement bonds by the Territory of Hawaii; to the Committee on Interior and Insular Affairs.

H. R. 7893. A bill to amend section 73 (i) of the Hawaiian Organic Act; to the Committee on Interior and Insular Affairs.

By Mr. FINO:

H. R. 7894. A bill to amend title II of the Social Security Act to prevent the payment of any benefits thereunder to individuals who have been convicted of espionage or subversive activities; to the Committee on Ways and Means.

By Mr. FLOOD:

H. R. 7895. A bill to provide Federal assistance to States to augment their efforts to prevent surface damage resulting from mine cave-ins; to the Committee on Interior and Insular Affairs.

By Mr. FLYNT:

H. R. 7896. A bill to provide for the conveyance of certain land in the city of Hogansville, Ga., to the city of Hogansville; to the Committee on Government Operations.

By Mr. FORAND:

H. R. 7897. A bill to provide for Federal disaster insurance and reinsurance; to the Committee on Banking and Currency.

By Mr. FORD:

H. R. 7898. A bill granting the consent and approval of Congress to a Great Lakes Basin compact, and for related purposes; to the Committee on Foreign Affairs.

H. R. 7899. A bill to permit certain United States Commissioners to represent claimants before the Department of the Treasury; to the Committee on the Judiciary.

By Mr. FRELINGHUYSEN:

H. R. 7900. A bill to establish a Commission on the Office of the President; to the Committee on the Judiciary.

H. R. 7901. A bill to provide for the establishment of the Office of Administrative Vice President; to the Committee on the Judiciary.

By Mr. GRAY:

H. R. 7902. A bill to establish an effective program to alleviate conditions of excessive unemployment in certain economically depressed areas; to the Committee on Ways and Means.

By Mrs. GREEN of Oregon:

H. R. 7903. A bill to amend the Longshoremen's and Harbor Workers' Compensation Act, as amended, to provide increased benefits in case of disabling injuries, and for other purposes; to the Committee on Education and Labor.

H. R. 7904. A bill to amend the Outer Continental Shelf Lands Act in order to provide that revenues under the provisions of such act shall be used as grants-in-aid of primary, secondary, and higher education; to the Committee on the Judiciary.

By Mr. HAGEN:

H. R. 7905. A bill to amend the Small Business Act of 1953, to raise the ceiling on disaster loans which may be outstanding; to the Committee on Banking and Currency.

By Mr. HALE:

H. R. 7906. A bill to repeal the cabaret tax; to the Committee on Ways and Means.

By Mr. HENDERSON:

H. R. 7907. A bill to provide the death penalty under certain circumstances for causing the transportation in air commerce of explosives or other dangerous articles with intent to cause death or bodily injury; to the Committee on Interstate and Foreign Commerce.

By Mr. HILLINGS:

H. R. 7908. A bill to provide that any person causing the transportation in air commerce of explosives or other dangerous articles with intent to cause death or bodily injury shall, under certain circumstances, be punished by death; to the Committee on Interstate and Foreign Commerce.

By Mr. HUDDLESTON:

H. R. 7909. A bill to amend title II of the Social Security Act to provide that the wife or widow of an insured individual shall be deemed to have been living with him, at the time required for entitlement to benefits, if at such time they were separated without fault on her part; to the Committee on Ways and Means.

H. R. 7910. A bill to authorize the donation and transfer of series E savings bonds to tax-exempt charitable organizations; to the Committee on Ways and Means.

H. R. 7911. A bill to amend the Social Security Act to provide that aid to dependent children may be furnished certain disabled children between 16 and 18 years of age even though they are not regularly attending school; to the Committee on Ways and Means.

H. R. 7912. A bill to provide for the erection of a Woodrow Wilson memorial in the District of Columbia; to the Committee on House Administration.

By Mr. JONES of Missouri:

H. R. 7913. A bill authorizing the Administrator of the General Services to effect the exchange of properties between the United States and the city of Cape Girardeau, Mo.; to the Committee on Government Operations.

By Mr. JOHNSON of California:

H. R. 7914. A bill to authorize and adopt, with modifications, the project for flood protection on Mormon Slough in the vicinity of Stockton, Calif.; to the Committee on Public Works.

H. R. 7915. A bill to appropriate $300,000 for advance planning of the new Hogan Dam on the Calaveras River in California; to the Committee on Appropriations.

By Mr. KARSTEN:

H. R. 7916. A bill to extend the time for making application for compensation for unused leave accumulated on September 1, 1946, by members or former members of the Armed Forces; to the Committee on Armed Services.

H. R. 7917. A bill for the purpose of erecting in St. Louis, Mo., a Federal office building; to the Committee on Public Works.

By Mrs. KEE:

H. R. 7918. A bill to amend the act providing for Federal aid for State veterans' homes to permit payments to homes not primarily furnishing domiciliary care; to the Committee on Veterans' Affairs.

By Mr. KILDAY:

H. R. 7919. A bill to amend section 3 (a) of the Civil Service Retirement Act of May 29, 1930, as amended; to the Committee on Post Office and Civil Service.

By Mr. KING of Pennsylvania:

H. R. 7920. A bill to amend the Commodity Exchange Act to prohibit trading in onion futures in commodity exchanges; to the Committee on Agriculture.

By Mr. LANE:

H. R. 7921. A bill to amend the Civil Aeronautics Act of 1938 to impose increased penalties upon individuals who place explosives or other dangerous articles on aircraft with intent to cause death or bodily injury; to the Committee on Interstate and Foreign Commerce.

H. R. 7922. A bill to prohibit the serving of alcoholic beverages to passengers on aircraft in flight; to the Committee on Interstate and Foreign Commerce.

H. R. 7923. A bill to provide for national flood insurance and reinsurance, and for other purposes; to the Committee on Banking and Currency.

By Mr. LANHAM:

H. R. 7924. A bill to amend the Contract Settlement Act of 1944 so as to authorize the payment of fair compensation to persons contracting to deliver certain strategic or critical minerals or metals in cases of failure to recover reasonable costs, and for other purposes; to the Committee on the Judiciary.

H. R. 7925. A bill to regulate the foreign commerce of the United States by establishing import quotas under specified conditions and for other purposes; to the Committee on Ways and Means.

By Mr. LECOMPTE:

H. R. 7926. A bill to provide for certain payments to be made to hog producers which will insure they will receive up to $18 per hundredweight for certain hogs; to the Committee on Agriculture.

By Mr. LONG:

H. R. 7927. A bill to extend the time within which the State of Louisiana may make the initial payment on the purchase of certain property from the United States; to the Committee on Banking and Currency.

By Mr. MACHROWICZ:

H. R. 7928. A bill to amend the Labor Management Relations Act, 1947, and for other purposes; to the Committee on Education and Labor.

H.R. 7929. A bill to provide for the conveyance of certain lands of the United States to the board of education of the school district of the city of Hamtramck, Mich.; to the Committee on Government Operations.

By Mr. SCUDDER:

H. R. 7930. A bill authorizing the completion of the initial stage of development for flood control and other purposes in the Russian River Basin, Calif.; to the Committee on Public Works.

By Mr. MAGNUSON:

H. R. 7931. A bill authorizing the construction of a project for improvement of Port Townsend Harbor, Wash., for navigation; to the Committee on Public Works.

By Mr. MILLER of New York:

H. R. 7932. A bill to provide for a preliminary examination and survey to be made of Little River and Cayuga Creek at and in the vicinity of Cayuga Island, Niagara County, N. Y., in the interest of flood control and allied purposes; to the Committee on Public Works.

By Mr. MULTER:

H. R. 7933. A bill to repeal Public Law 769 of the 83d Congress, entitled "To prohibit payment of annuities to officers and employees of the United States convicted of certain offenses, and for other purposes"; to the Committee on Post Office and Civil Service.

H. R. 7934. A bill to require the establishment of congressional election districts composed of contiguous and compact territories, and to require that the districts so established within any one State shall contain approximately the same number of inhabitants; to the Committee on the Judiciary.

H. R. 7935. A bill to amend the Internal Revenue Code of 1954 to require every seller of property, who collects from the purchaser any amount as a charge for the transportation of such property, to furnish such purchaser a statement showing the amount of transportation charges, if any, taxable under section 4271 (a) of such code, and the amount of tax imposed; to the Committee on Ways and Means.

H. R. 7936. A bill to amend section 1963 of title 28 of the United States Code to provide for the registration of that portion of divorce decrees providing for the payment of money or the transfer of property which have been entered in certain district courts of the United States; to the Committee on the Judiciary.

H. R. 7937. A bill to provide for national disaster and war damage insurance, and for other purposes; to the Committee on Banking and Currency.

By Mr. PATMAN:

H. R. 7938. A bill to provide that, for certain purposes in connection with the publication of census statistics and in connection with the postal service, the cities known as Texarkana, Tex., and Texarkana, Ark., shall hereafter be identified by the name of "Texarkana, U. S. A."; to the Committee on Post Office and Civil Service.

By Mr. PATTERSON:

H. R. 7939. A bill authorizing the construction of a project on the Farmington River for local flood protection at Winsted, Conn.; to the Committee on Public Works.

H. R. 7940. A bill to establish a Federal Disaster Insurance Corporation in order to provide Federal disaster direct insurance in certain cases involving natural disasters, and for other purposes; to the Committee on Banking and Currency.

H. R. 7941. A bill authorizing the construction of a project on the Naugatuck River for local flood protection at Torrington, Conn.; to the Committee on Public Works.

H. R. 7942. A bill to appropriate $350,000 for advance planning and initiation of construction of the Thomaston Dam and Reservoir on the Naugatuck River, Conn.; to the Committee on Appropriations.

By Mr. PELLY:

H. R. 7943. A bill to change the name of the Government locks at Ballard, Wash., to the Hiram M. Chittenden locks; to the Committee on Public Works.

By Mr. PHILBIN:

H. R. 7944. A bill creating a Government-owned corporation to insure against certain disasters; to the Committee on Banking and Currency.

H. R. 7945. A bill for the relief of sufferers in designated disaster areas for losses of real and personal property; to the Committee on the Judiciary.

H. R. 7946. A bill for the relief of sufferers of casualty losses, and for other purposes; to the Committee on Ways and Means.

H. R. 7947. A bill to provide that all gifts made to aid a disaster area shall be allowed as deductions for income-tax purposes; to the Committee on Ways and Means.

H. R. 7948. A bill authorizing the President to make permanent replacements of public facilities and public and private school buildings, damaged or destroyed in a major disaster, and for other purposes; to the Committee on Public Works.

H. R. 7949. A bill to provide that the expense to an employer of repairing or rebuilding the home of an employee damaged or destroyed in a major disaster shall be considered a business expense for income tax purposes; to the Committee on Ways and Means.

H. R. 7950. A bill to appropriate funds for preliminary planning and for construction of necessary flood-control measures in Massachusetts; to the Committee on Appropriations.

H. R. 7951. A bill to create a Federal Disaster Research Commission to offer adequate protection for the Nation against hurricanes, floods, tornadoes, and other meteorological disasters through an accelerated program of research and development; to the Committee on Interstate and Foreign Commerce.

By Mr. RAY:

H. R. 7952. A bill to require the inspection and certification of certain mechanically propelled vessels carrying passengers; to the Committee on Merchant Marine and Fisheries.

By Mr. REUSS:

H. R. 7953. A bill to amend the Internal Revenue Code of 1954 with respect to the time prescribed for depositing taxpayments in Government depositaries; to the Committee on Ways and Means.

H. R. 7954. A bill to increase the education and training allowances under the Veterans' Readjustment Assistance Act of 1952; to the Committee on Veterans' Affairs.

By Mr. RHODES of Arizona:

H. R. 7955. A bill directing the Secretary of the Interior, acting through the Bureau of Mines, to construct, maintain, and operate a commercial-size plant to beneficiate low-grade manganese ores; to the Committee on Interior and Insular Affairs.

H. R. 7956. A bill directing the Administrator of Veterans' Affairs to permit retired officers and enlisted men to use available hospital facilities; to the Committee on Veterans' Affairs.

By Mr. ROBSION of Kentucky:

H. R. 7957. A bill to amend title 18 of the United States Code to make the damage, disablement, or destruction of civil aircraft a criminal offense, with increased penalties in cases resulting in the death of passengers or other persons; to the Committee on the Judiciary.

H. R. 7958. A bill to amend title 18 of the United States Code so as to authorize the imposition of the death penalty for sabotage of aircraft; to the Committee on the Judiciary.

By Mrs. ST. GEORGE:

H. R. 7959. A bill to amend the Internal Revenue Code of 1954 to relieve farmers from the excise tax on gasoline and lubricating oils used exclusively in farm tractors or farm machinery or for other agricultural purposes; to the Committee on Ways and Means.

H. R. 7960. A bill to provide for national flood insurance and reinsurance, and for other purposes; to the Committee on Banking and Currency.

By Mr. SIEMINSKI:

H. R. 7961. A bill requesting report of Army engineers regarding Hackensack River, N. Y.,

and N. J., be reviewed, and for other purposes; to the Committee on Public Works.

By Mr. SMITH of Mississippi:

H. R. 7962. A bill to amend the Internal Revenue Code of 1954 to provide that State public-assistance agencies may be informed whether or not individuals named by the agencies have claimed recipients of public assistance as their dependents for Federal income-tax purposes; to the Committee on Ways and Means.

H. R. 7963. A bill to amend the Internal Revenue Code of 1954 to provide for public inspection of information required from certain organizations and trusts exempted from taxation; to the Committee on Ways and Means

H. R. 7964. A bill relating to information required from certain tax-exempt organizations; to the Committee on Ways and Means.

H. R. 7965. A bill to authorize the survey of a proposed Yazoo-Mississippi Indian Mound National Park for the purpose of determining the feasibility of including such park in the national park system, and for other purposes; to the Committee on Interior and Insular Affairs.

H. R. 7966. A bill to extend certain rights, benefits, and privileges granted to veterans of service in the Armed Forces of the United States to certain citizens of the United States who served in the active military or naval service of any government allied with the United States during World War II, and to their dependents; to the Committee on Veterans' Affairs.

H. R. 7967. A bill to amend the Internal Revenue Code of 1954 with respect to the validity of a lien for taxes as against a mechanic's lien; to the Committee on Ways and Means.

By Mr. SMITH of Virginia:

H. R. 7968. A bill providing for the examination and survey of Curtioman Bay, Va.; to the Committee on Public Works.

H. R. 7969. A bill providing for the examination and survey of Tabbs Creek, Lancaster County, Va.; to the Committee on Public Works.

By Mr. TAYLOR:

H. R. 7970. A bill to amend the Internal Revenue Code of 1954 to provide a credit against the individual income tax for certain individuals who participate in civil-defense activities; to the Committee on Ways and Means.

H. R. 7971. A bill to make it a crime to eavesdrop on a Federal jury; to the Committee on the Judiciary.

By Mr. TEAGUE of California:

H. R. 7972. A bill to amend the Japanese-American Evacuation Claims Act of 1948, as amended, to expedite the final determination of the claims, and for other purposes; to the Committee on the Judiciary.

By Mr. THOMPSON of New Jersey:

H. R. 7973. A bill to provide for the establishment of a Federal Advisory Commission on the Arts, and for other purposes; to the Committee on Education and Labor.

H. R. 7974. A bill to amend the joint resolution of May 17, 1938, to provide for the construction and maintenance of a National Collection of Fine Arts Museum on the site set aside for an art gallery thereunder, and for other purposes; to the Committee on Public Works.

H. R. 7975. A bill making an appropriation for a survey of historic sites, buildings, and objects owned by the Federal Government; to the Committee on Appropriations.

H. R. 7976. A bill making an appropriation for a survey of historic and archeologic sites, buildings, and objects; to the Committee on Appropriations.

H. R. 7977. A bill to establish an effective program to alleviate conditions of excessive unemployment in certain economically depressed areas; to the Committee on Ways and Means.

H. R. 7978. A bill giving the consent of Congress to an agreement between the State of New Jersey and the Commonwealth of Pennsylvania concerning the construction of certain dams and storage reservoirs across and in the Delaware River, and for other purposes; to the Committee on Public Works.

H. R. 7979. A bill to provide insurance against natural and manmade disasters, and for other purposes; to the Committee on Banking and Currency.

By Mr. UTT:

H. R. 7980. A bill to amend section 1014 (a) (6) of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. VAN ZANDT:

H. R. 7981. A bill to amend the Social Security Act to provide a direct Federal pension of at least $100 per month to all American citizens who have been citizens 10 years or over, to be prorated according to the cost of living as on January 3, 1953; to the Committee on Ways and Means.

H. R. 7982. A bill to amend the Railroad Retirement Act of 1937, as amended, so as to eliminate certain deductions from a spouse's annuity; to the Committee on Interstate and Foreign Commerce.

H. R. 7983. A bill to amend the Railroad Retirement Act of 1937 so as to provide a 25-percent increase in widows' annuities; to the Committee on Interstate and Foreign Commerce.

H. R. 7984. A bill to provide for a 25-percent increase in the annuities and pensions payable to railroad employees and their survivors; to the Committee on Interstate and Foreign Commerce.

H. R. 7985. A bill to amend the Railroad Retirement Act of 1937 so as to provide a 20-percent increase in widows' annuities; to the Committee on Interstate and Foreign Commerce.

H. R. 7986. A bill to provide for a 20-percent increase in the annuities and pensions payable to railroad employees and their survivors; to the Committee on Interstate and Foreign Commerce.

H. R. 7987. A bill to amend the Railroad Retirement Act of 1937 so as to provide a 15-percent increase in widows' annuities; to the Committee on Interstate and Foreign Commerce.

H. R. 7988. A bill to provide for a 15-percent increase in the annuities and pensions payable to railroad employees and their survivors; to the Committee on Interstate and Foreign Commerce.

H. R. 7989. A bill to amend the Railroad Retirement Act of 1937 so as to provide a 10-percent increase in widows' annuities; to the Committee on Interstate and Foreign Commerce.

H. R. 7990. A bill to provide for a 10-percent increase in the annuities and pensions payable to railroad employees and their survivors; to the Committee on Interstate and Foreign Commerce.

By Mr. VELDE:

H. R. 7991. A bill to provide for effecting the disposition of the Illinois and Mississippi Canal, and for other purposes; to the Committee on Public Works.

By Mr. VINSON:

H. R. 7992. A bill to enact certain provisions now included in the Department of Defense Appropriation Act and the Civil Functions Appropriation Act, and for other purposes; to the Committee on Armed Services.

H. R. 7993. A bill to authorize the construction and conversion of certain naval vessels, and for other purposes; to the Committee on Armed Services.

H. R. 7994. A bill to provide medical care for dependents of members of the Armed Forces of the United States, and for other purposes; to the Committee on Armed Services.

H. R. 7995. A bill to amend the Armed Services Procurement Act of 1947; to the Committee on Armed Services.

By Mr. WALTER:

H. R. 7996. A bill to provide for flood disaster insurance and reinsurance; to the Committee on Banking and Currency.

By Mr. WHARTON:

H. R. 7997. A bill to establish a National Disaster Insurance Corporation, and for other purposes; to the Committee on Banking and Currency.

By Mr. WILLIAMS of New Jersey:

H. R. 7998. A bill to repeal the manufacturers' excise tax on electric floor polishers and waxers; to the Committee on Ways and Means.

H. R. 7999. A bill to amend and revise the laws relating to immigration, naturalization, nationality, and citizenship, and for other purposes; to the Committee on the Judiciary.

By Mr. WILLIAMS of Mississippi:

H. R. 8000. A bill to amend section 610 of the Civil Aeronautics Act of 1938 to prohibit the serving of alcoholic beverages to airline passengers while in flight; to the Committee on Interstate and Foreign Commerce.

By Mr. WILSON of California:

H. R. 8001. A bill to establish a national policy with respect to commercial fisheries; to establish the office of Assistant Secretary of Commerce for Commercial Fisheries, and define his functions, powers, and responsibilities; to strengthen the commercial fisheries segment of the national economy; and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. ZABLOCKI:

H. R. 8002. A bill to provide a more equitable system for the settlement of disputes arising from personnel actions in the classified civil service, and of grievances and complaints of all Government personnel, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. FOGARTY:

H. J. Res. 437. Joint resolution to provide funds for certain flood-control projects in the New England area and in Pennsylvania, and for other purposes; to the Committee on Appropriations.

By Mr. BECKER:

H. J. Res. 438. Joint resolution providing for the revision of the Status of Forces Agreement and certain other treaties and international agreements, or the withdrawal of the United States from such treaties and agreements, so that foreign countries will not have criminal jurisdiction over American Armed Forces personnel stationed within their boundaries; to the Committee on Foreign Affairs.

By Mr. BENNETT of Florida:

H. J. Res. 439. Joint resolution designating the fourth Sunday of September as Senior Citizens Day; to the Committee on the Judiciary.

By Mr. CHELF:

H. J. Res. 440. Joint resolution relating to burley tobacco acreage allotments and marketing quotas; to the Committee on Agriculture.

By Mr. DODD:

H. J. Res. 441. Joint resolution proposing an amendment to the Constitution to provide for a special presidential election in certain cases; to the Committee on the Judiciary.

By Mr. FRELINGHUYSEN:

H. J. Res. 442. Joint resolution proposing an amendment to the Constitution of the United States relating to cases where the President is unable to discharge the powers and duties of his office; to the Committee on the Judiciary.

By Mr. HARRISON of Virginia:

H. J. Res. 443. Joint resolution to increase the appropriation authorization for the Woodrow Wilson Centennial Celebration

Commission; to the Committee on the Judiciary.

H. J. Res. 444. Joint resolution to authorize and request the President to issue a proclamation in connection with the centennial of the birth of Woodrow Wilson; to the Committee on the Judiciary.

By Mr. KARSTEN:

H. J. Res. 445. Joint resolution to authorize the issuance of a special airmail stamp commemorative of the first nonstop flight from New York to Paris by Charles Augustus Lindbergh; to the Committee on Post Office and Civil Service.

By Mr. NATCHER:

H. J. Res. 446. Joint resolution relating to burley tobacco-acreage allotments and marketing quotas; to the Committee on Agriculture.

By Mr. REUSS:

H. J. Res. 447. Joint resolution requesting the President to proclaim October 9 as Leif Erickson Day; to the Committee on the Judiciary.

By Mr. McDONOUGH:

H. J. Res. 448. Joint resolution declaring Inauguration Day to be a legal holiday; to the Committee on the Judiciary.

By Mr. PERKINS:

H. J. Res. 449. Joint resolution relating to burley tobacco-acreage allotments and marketing quotas; to the Committee on Agriculture.

By Mr. PHILBIN:

H. J. Res. 450. Joint resolution making additional appropriations for disaster relief for the fiscal year 1956, and for other purposes; to the Committee on Appropriations.

By Mr. RHODES of Arizona:

H. J. Res. 451. Joint resolution directing the Secretary of the Interior to conduct a study and investigation of Indian education in the United States; to the Committee on Interior and Insular Affairs.

By Mr. ROGERS of Florida:

H. J. Res. 452. Joint resolution designating the fourth Sunday of September as Senior Citizens Day; to the Committee on the Judiciary.

By Mr. SADLAK:

H. J. Res. 453. Joint resolution authorizing the President of the United States to proclaim October 11, 1956, General Pulaski's Memorial Day for the observance of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

By Mr. THOMPSON of New Jersey:

H. J. Res. 454. Joint resolution to establish a joint congressional committee to be known as the Joint Committee on United States International Exchange and Cultural Relations Programs; to the Committee on Rules.

By Mr. WATTS:

H. J. Res. 455. Joint resolution relating to burley tobacco acreage allotments and marketing quotas; to the Committee on Agriculture.

By Mr. KEATING:

H. Con. Res. 197. Concurrent resolution relating to the levels of Lake Ontario; to the Committee on Public Works.

By Mr. OSTERTAG:

H. Con. Res. 198. Concurrent resolution relating to the levels of Lake Ontario; to the Committee on Public Works.

By Mr. FRIEDEL:

H. Res. 349. Resolution creating a select committee to conduct an investigation and study looking toward the exercise of Federal authority to promote street and highway traffic safety; the Committee on Rules.

By Mr. KARSTEN:

H. Res. 350. Resolution creating a select committee to conduct an investigation and study of the operations and activities of the Fish and Wildlife Service, with special reference to the issuance of oil and gas leases and other rights of entry on wildlife refuges; to the Committee on Rules.

By Mr. KEATING:

H. Res. 351. Resolution creating a select committee to conduct an investigation and study of hurricane and flood control and warning problems; to the Committee on Rules.

By Mr. WALTER:

H. Res. 352. Resolution to authorize the expenditure of certain funds for the expenses of the Committee on Un-American Activities; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. CRETELLA: Resolution of the General Assembly of the State of Connecticut memorializing Congress to amend the Department of Agriculture and Farm Credit Administration Appropriation Act of 1956; to the Committee on Appropriations.

Also, resolution of the General Assembly of the State of Connecticut concerning aid to flood victims; to the Committee on Banking and Currency.

By Mr. DODD: Memorial of the Legislature of the State of Connecticut, memorializing the President and the Congress of the United States to adopt measures providing direct grants to assist the people in the flood-stricken areas who have lost homes or businesses or possessions through two major disasters and that such aid be given as expeditiously as possible so as to prevent these people from being crushed by the heavy toll of losses they have suffered; to the Committee on Banking and Currency.

By the SPEAKER: Memorial of the Legislature of the State of Massachusetts, memorializing the President and the Congress of the United States urging the naval authorities of the United States to provide for an underpass in the town of Rockland; to the Committee on Armed Services.

Also, memorial of the Legislature of the State of Virginia, memorializing the President and the Congress of the United States relative to an interstate civil defense compact between the Commonwealth of Virginia and the State of Kentucky; to the Committee on Armed Services.

Also, memorial of the Legislature of the State of Connecticut, memorializing the President and the Congress of the United States to make a study of the possibilities and problems of a Federal disaster insurance program; to the Committee on Banking and Currency.

Also, memorial of the Legislature of the State of New Jersey, memorializing the President and the Congress of the United States to adopt legislation providing a national flood insurance program to indemnify all citizens of the country from damage and loss resulting from floods; to the Committee on Banking and Currency.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AUCHINCLOSS:

H. R. 8003. A bill for the relief of Carmen Leokadia Kondrup; to the Committee on the Judiciary.

By Mr. BENNETT of Florida:

H. R. 8004. A bill for the relief of Ralph N. Meeks; to the Committee on the Judiciary.

By Mr. BERRY:

H. R. 8005. A bill to provide for the conveyance to the Mathew American Horse American Legion Post, No. 259, Cannon Ball, N. Dak., of certain lands upon the Standing Rock Reservation, N. Dak., for use as a site for the erection of a memorial monument in honor of soldiers killed in battle; to the Committee on Interior and Insular Affairs.

By Mr. BOW:

H. R. 8006. A bill for the relief of Elizabeth Chivilo; to the Committee on the Judiciary.

H. R. 8007. A bill for the relief of Teresa Benevento Nasci; to the Committee on the Judiciary.

By Mr. BROWN of Ohio:

H. R. 8008. A bill for the relief of Mrs. Warren D. Cooper and her son, Teddy Devere Cooper; to the Committee on the Judiciary.

H. R. 8009. A bill for the relief of Mrs. Elisabeth Orf Reynolds; to the Committee on the Judiciary.

By Mr. BROWNSON:

H. R. 8010. A bill for the relief of Mrs. Sally King Lee; to the Committee on the Judiciary.

H. R. 8011. A bill for the relief of Cheenu Rassmann; to the Committee on the Judiciary.

By Mr. BYRNE of Pennsylvania:

H. R. 8012. A bill for the relief of Mrs. Agnes Hassey; to the Committee on the Judiciary.

By Mr. CANFIELD:

H. R. 8013. A bill for the relief of Sister Emmanuel (Miss Margarete Fu); to the Committee on the Judiciary.

By Mr. COON:

H. R. 8014. A bill for the relief of Domingo Zubieta Laca; to the Committee on the Judiciary.

By Mr. CRETELLA:

H. R. 8015. A bill for the relief of Elsa Freidrichs Burgund; to the Committee on the Judiciary.

H. R. 8016. A bill for the relief of Ines Lenzi Erickson; to the Committee on the Judiciary.

By Mr. DAGUE:

H. R. 8017. A bill for the relief of Olive Markley; to the Committee on the Judiciary.

By Mr. DEROUNIAN:

H. R. 8018. A bill for the relief of Aspasia Fagas Vourliotis; to the Committee on the Judiciary.

H. R. 8019. A bill for the relief of Pasquale Pavone Benedetto; to the Committee on the Judiciary.

By Mr. DONOVAN:

H. R. 8020. A bill for the relief of Mrs. Bertha Lang; to the Committee on the Judiciary.

H. R. 8021. A bill for the relief of Francesco Occhiuzzi; to the Committee on the Judiciary.

H. R. 8022. A bill for the relief of Mrs. Grazia Schipani; to the Committee on the Judiciary.

By Mr. DORN of New York:

H. R. 8023. A bill for the relief of Florentino C. Sayo; to the Committee on the Judiciary.

H. R. 8024. A bill for the relief of Rabbi Abraham Grussgott; to the Committee on the Judiciary.

H. R. 8025. A bill for the relief of Dr. Ching-Lin Hsia and wife, Hsio-Hsuan Hsia; to the Committee on the Judiciary.

By Mr. EBERHARTER:

H. R. 8026. A bill for the relief of Nicholas Matheos, also known as Nick Prois; to the Committee on the Judiciary.

By Mr. FORAND:

H. R. 8027. A bill for the relief of Emilia Rodrigues Padilha; to the Committee on the Judiciary.

By Mr. FORD:

H. R. 8028. A bill for the relief of Agada Fedele Turowski; to the Committee on the Judiciary.

H. R. 8029. A bill for the relief of Marinus Everhardus Bos; to the Committee on the Judiciary.

By Mr. FRIEDEL:

H. R. 8030. A bill for the relief of Mendel Astel; to the Committee on the Judiciary.

By Mr. GATHINGS:
H. R. 8031. A bill for the relief of Mrs. Pamela Briggs; to the Committee on the Judiciary.

By Mr. HENDERSON:
H. R. 8032. A bill for the relief of Marguerite J. Burkhart; to the Committee on the Judiciary.
H. R. 8033. A bill for the relief of Shizuko Otsuta Lawrence; to the Committee on the Judiciary.

By Mr. HESS:
H. R. 8034. A bill for the relief of Yen Shang Yung (known as Stella Bernadette Yen); to the Committee on the Judiciary.

By Mr. HIESTAND:
H. R. 8035. A bill for the relief of Dr. Willem Hendrik Khoe, Mrs. Corrie A. Toeng Moy Khoe, and Ingrid Esther Khoe; to the Committee on the Judiciary.

By Mr. HUDDLESTON:
H. R. 8036. A bill for the relief of Jeannette Shbeeb; to the Committee on the Judiciary.

By Mr. KILBURN:
H. R. 8037. A bill for the relief of Charlotte M. Budde; to the Committee on the Judiciary.

By Mr. KILDAY:
H. R. 8038. A bill for the relief of Liesbeth Lohrie; to the Committee on the Judiciary.
H. R. 8039. A bill for the relief of M. Sgt. Louis Benedetti, retired; to the Committee on the Judiciary.
H. R. 8040. A bill for the relief of Gillous M. Young; to the Committee on the Judiciary.
H. R. 8041. A bill for the relief of Clyde R. Stevens; to the Committee on the Judiciary.
H. R. 8042. A bill for the relief of William R. Mackinnon; to the Committee on the Judiciary.
H. R. 8043. A bill for the relief of Mrs. Delores Cantu (alias Dolores Hernandez); to the Committee on the Judiciary.

By Mr. KILGORE:
H. R. 8044. A bill for the relief of Tomas Reyes Hernandez; to the Committee on the Judiciary.
H. R. 8045. A bill for the relief of Beulah I. Reich; to the Committee on the Judiciary.

By Mr. KING of Pennsylvania:
H. R. 8046. A bill for the relief of Edward David Chang; to the Committee on the Judiciary.

By Mr. KNOX:
H. R. 8047. A bill granting authority to the Secretary of the Army to renew the license of the Ira D. MacLachlan Post No. 3, the American Legion, Sault Ste. Marie, Mich., to use a certain parcel of land in Fort Brady Reservation; to the Committee on Armed Services.

By Mr. KRUEGER:
H. R. 8048. A bill to provide for the conveyance to the Mathew American Horse, American Legion Post No. 259, Cannon Ball, N. Dak., of certain lands upon the Standing Rock Reservation, N. Dak., for use as a site for the erection of a memorial monument in honor of soldiers killed in battle; to the Committee on Interior and Insular Affairs.

By Mr. LANE:
H. R. 8049. A bill for the relief of Mrs. Altha A. Barry; to the Committee on the Judiciary.
H. R. 8050. A bill for the relief of Mrs. Sirvart Minassian; to the Committee on the Judiciary.
H. R. 8051. A bill for the relief of Mrs. Renee M. Silver; to the Committee on the Judiciary.
H. R. 8052. A bill for the relief of Anna Poulos; to the Committee on the Judiciary.
H. R. 8053. A bill for the relief of Georgia Ziavras; to the Committee on the Judiciary.

By Mr. McDONOUGH:
H. R. 8054. A bill for the relief of Albert Hyrapiet; to the Committee on the Judiciary.
H. R. 8055. A bill for the relief of King Man Huang; to the Committee on the Judiciary.
H. R. 8056. A bill for the relief of Col. Adolph B. Miller; to the Committee on the Judiciary.
H. R. 8057. A bill for the relief of Maria Bayeorgos; to the Committee on the Judiciary.
H. R. 8058. A bill for the relief of Teruko Shindo; to the Committee on the Judiciary.

By Mr. MACK of Washington:
H. R. 8059. A bill for the relief of Vanja Stipcic; to the Committee on the Judiciary.

By Mr. MAGNUSON:
H. R. 8060. A bill for the relief of Chinghwa Hsiao and Ching-yen Hsiao; to the Committee on the Judiciary.

By Mr. METCALF:
H. R. 8061. A bill for the relief of Fethi Hepcakici; to the Committee on the Judiciary.
H. R. 8062. A bill for the relief of Mrs. Elsbe Hermine van Dam Hurst; to the Committee on the Judiciary.

By Mr. MORANO:
H. R. 8063. A bill for the relief of Oscar Francis Matthews; to the Committee on the Judiciary.
H. R. 8064. A bill for the relief of Mrs. Carmena Pizzarello; to the Committee on the Judiciary.
H. R. 8065. A bill for the relief of Hassan F. Zandy; to the Committee on the Judiciary.

By Mr. PELLY:
H. R. 8066. A bill for the relief of Vendelin Kalenda; to the Committee on the Judiciary.
H. R. 8067. A bill for the relief of Robert Lin-yuan Lin (also known as Lin-yuan Lin); to the Committee on the Judiciary.

By Mrs. PFOST:
H. R. 8068. A bill for the relief of Elma Agnes Gibson Hollingsworth; to the Committee on the Judiciary.

By Mr. POWELL:
H. R. 8069. A bill for the relief of Sharon Elizabeth Branch (Yumi Ishiki); to the Committee on the Judiciary.
H. R. 8070. A bill for the relief of Charles Whaley; to the Committee on the Judiciary.
H. R. 8071. A bill for the relief of Irma Flora Bissessar; to the Committee on the Judiciary.

By Mr. REES of Kansas:
H. R. 8072. A bill for the relief of Frieda M. Mongold; to the Committee on the Judiciary.
H. R. 8073. A bill for the relief of Jalal Besharat; to the Committee on the Judiciary.

By Mr. RHODES of Pennsylvania:
H. R. 8074. A bill for the relief of Osmar Toniolo; to the Committee on the Judiciary.

By Mr. RIEHLMAN:
H. R. 8075. A bill for the relief of Dr. Irl H. Blaisdell; to the Committee on the Judiciary.
H. R. 8076. A bill for the relief of Dr. David W. Brewer; to the Committee on the Judiciary.
H. R. 8077. A bill for the relief of Dr. Gordon D. Hoople; to the Committee on the Judiciary.

By Mr. ROONEY:
H. R. 8078. A bill for the relief of Menachem Levin and Haya Rachel Levin; to the Committee on the Judiciary.
H. R. 8079. A bill for the relief of David Abraham; to the Committee on the Judiciary.

By Mrs. ST. GEORGE:
H. R. 8080. A bill for the relief of Olga Christine Hoelterhoff and infant daughter, Manuela; to the Committee on the Judiciary.
H. R. 8081. A bill for the relief of Hendrik Brand; to the Committee on the Judiciary.

By Mr. SEELY-BROWN:
H. R. 8082. A bill for the relief of Mutsuko Shinohara; to the Committee on the Judiciary.

By Mr. SHELLEY:
H. R. 8083. A bill for the relief of the London Guarantee & Accident Co., Ltd.; to the Committee on the Judiciary.
H. R. 8084. A bill for the relief of Fernando Quinonez-Alvarez; to the Committee on the Judiciary.
H. R. 8085. A bill for the relief of Letizia Pugliares; to the Committee on the Judiciary.

By Mr. SHORT:
H. R. 8086. A bill for the relief of Raymond R. Sanders Van Service; to the Committee on the Judiciary.

By Mr. SMITH of Virginia:
H. R. 8087. A bill for the relief of Paul G. Abernathy; to the Committee on the Judiciary.

By Mr. TEAGUE of California:
H. R. 8088. A bill for the relief of Emiliano Robante; to the Committee on the Judiciary.
H. R. 8089. A bill for the relief of William A. Blum; to the Committee on the Judiciary.
H. R. 8090. A bill for the relief of Mrs. Tatsu Kakimoto; to the Committee on the Judiciary.

By Mr. UTT:
H. R. 8091. A bill for the relief of Charles C. Lewis; to the Committee on the Judiciary.
H. R. 8092. A bill for the relief of Frank A. Simmons; to the Committee on the Judiciary.

By Mr. VAN ZANDT:
H. R. 8093. A bill for the relief of Mrs. Olive Byers; to the Committee on the Judiciary.

By Mr. VELDE:
H. R. 8094. A bill for the relief of Emilio Aluen; to the Committee on the Judiciary.

By Mr. WALTER:
H. R. 8095. A bill for the relief of Mrs. Carla Corsi DiGloria; to the Committee on the Judiciary.

By Mr. YOUNGER:
H. R. 8096. A bill for the relief of Daniel Adamson; to the Committee on the Judiciary.
H. R. 8097. A bill for the relief of Fung Chen Yee; to the Committee on the Judiciary.

By Mr. WALTER:
H. J. Res. 456. Joint resolution for the relief of certain relatives of United States citizens; to the Committee on the Judiciary.
H. J. Res. 457. Joint resolution for the relief of certain relatives of United States citizens; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

362. By the SPEAKER: Petition of the secretary, Board of Harbor Commissioners, Territory of Hawaii, requesting further appropriations by the 84th Congress of the United States, 2d session, for the completion of plans and the construction of Kawaihae Harbor, Kawaihae, T. H.; the completion of the enlargement of Nawiliwili Harbor turning basin and the deepening of the Nawiliwili entrance channel, island of Kauai; and the construction of the second entrance channel for Honolulu Harbor, island of Oahu; to the Committee on Appropriations.

363. Also, petition of the national commander, Army and Navy Legion of Valor of the United States of America, Inc., Glendale, Calif., urging passage of legislation to provide the defense activities of the military and civil departments of administration be coordinated, and to include all holders of the Congressional Medal of Honor, the Distinguished Service Cross, and the Navy Cross; to the Committee on Armed Services.

364. Also, petition of the State secretary, State council of Kentucky, Junior Order United American Mechanics, Covington, Ky., with reference to improvement of free public schools; to the Committee on Education and Labor.

365. Also, petition of the president, American Congress of Physical Medicine and Rehabilitation, opposing S. 1951 and H. R. 5465, habilitation, Chicago, Ill., opposing S. 1951 and H. R. 5465, establishing an independent Federal agency for the handicapped; to the Committee on Education and Labor.

366. Also, petition of the treasurer, Conference of State Societies, Washington, D. C., transmitting a copy of an audit report for the fiscal year ended May 31, 1955; to the Committee on the District of Columbia.

367. Also, petition of the Secretary, Interparliamentary Union, Washington, D. C., with reference to a report covering a meeting held in Vienna, August 27 to September 2, 1954, etc.; to the Committee on Foreign Affairs.

368. Also, petition of the Minister-Counselor, Chinese Embassy, Washington, D. C., with reference to a message by three public bodies in Formosa expressing the hope that the Congress of the United States would, in the name of justice, expose the Communist program of world conquest; to the Committee on Foreign Affairs.

369. Also, petition of the directors-general, Hip Sing Association in America, New York City, N. Y., with reference to opposition to the admission of Communist China into the United Nations; to the Committee on Foreign Affairs.

370. Also, petition of the president, Chinese Consolidated Benevolent Association, New York City, N. Y., expressing opposition to the agreement reached between the United States and the Chinese Communist regime at the Geneva talk that India be requested to assist those Chinese who may wish to return to the China mainland now under Communist occupation; to the Committee on Foreign Affairs.

371. Also, petition of the secretary-treasurer, the National Association of Civil Defense Directors, Providence, R. I., endorsing the policy of favoring civil defense as an eligible of Federal surplus property; to the Committee on Government Operations.

372. Also, petition of the secretary-treasurer, Gulf States Marine Fisheries Commission, New Orleans, La., with reference to an appropriation for weather-ship service in the Gulf of Mexico; to the Committee on Interstate and Foreign Commerce.

373. Also, petition of the executive director, National Association of Educational Broadcasters, Urbana, Ill., urging the Federal Communications Commission to continue the reservation of television channels for noncommercial educational stations, and requesting that there be no encroachment on the FM band presently used by schools; to the Committee on Interstate and Foreign Commerce.

374. Also, petition of the president, Junior Chamber of Commerce, Honolulu, T. H., requesting amendment of the Hawaiian Organic Act so as to provide for reapportionment of the Legislature of the Territory of Hawaii, etc.; to the Committee on Interior and Insular Affairs.

375. Also, petition of the secretary, American Association of University Women, Honolulu Branch, Honolulu, T. H., requesting amendment of the Hawaiian Organic Act so as to provide for reapportionment of the Legislature of the Territory of Hawaii, etc.; to the Committee on Interior and Insular Affairs.

376. Also, petition of the secretary, American Unitarian Association, Boston, Mass., petitioning consideration of their resolution with reference to "The Public Domain," "Indian Rights," and "Peace Through the United Nations"; to the Committee on Interior and Insular Affairs.

377. Also, petition of the mayor, city of Sitka, Alaska, urging the Congress of the United States to enact legislation enabling the Federal Government to convey to the city of Sitka, Alaska, fee simple title to all of the tidelands within the corporate limits of said city at a fair and equitable price; to the Committee on Interior and Insular Affairs.

378. Also, petition of the Wesleyan Service Guild of Columbia Methodist Church, Columbia, Ala., providing for the health and education of the Indian Americans; to the Committee on Interior and Insular Affairs.

379. Also, petition of the national administrator, Jewish War Veterans of the United States of America, Washington, D. C., requesting that the nomination of members of this Commission be expedited; to the Committee on the Judiciary.

380. Also, petition of the legislative secretary, Women's International League for Peace and Freedom, Washington, D. C., expressing gratification by the passage of Senate Joint Resolution 21, providing for a full investigation of the entire Government security system, etc.; to the Committee on the Judiciary.

381. Also, petition of the president, National Association for the Advancement of Colored People, Boston branch, Boston, Mass., requesting investigation of the murders of Rev. George Lee, Mr. Lamar Smith, and Emmett Till in Mississippi; to the Committee on the Judiciary.

382. Also, petition of the director, National Prayer Mobilization Association, Washington, D. C., requesting an investigation of the murder of Emmett Till in Mississippi; to the Committee on the Judiciary.

383. Also, petition of the secretary, Jewish Community Council, Utica, N. Y., requesting that prompt attention be given to the revising of the Immigration and Naturalization Act of 1952 and the Refugee Relief Act of 1953; to the Committee on the Judiciary.

384. Also, petition of the secretary, Congregational Conference of Southern California, Los Angeles, Calif., requesting an investigation of the death of Emmett Till, Chicago youth recently killed at Leflore County, Miss.; to the Committee on the Judiciary.

385. Also, petition of the secretary, the Silver Committee of the Panama Canal, New York, N. Y., requesting amendment of Public Law 318, 77th Congress, so as to comply with the "noble spirit of human rights" as it affects the members of the Silver Committee of the Panama Canal; to the Committee on Merchant Marine and Fisheries.

386. Also, petition of the corresponding secretary, North Carolina Library Association, High Point, N. C., urging passage of the postal classification bill; to the Committee on Post Office and Civil Service.

387. Also, petition of the supreme secretary, Knights of Columbus, New Haven, Conn., urging the Congress of the United States to have printed for use during the Christmas mails a special 3-cent stamp bearing the Nativity scene; to the Committee on Post Office and Civil Service.

388. Also, petition of the supreme secretary, Knights of Columbus, New Haven, Conn., requesting passage of H. R. 692 authorizing the Postmaster General to provide for the use in first- and second-class post offices of a special cancellation mark on mail bearing the words "Pray for peace"; to the Committee on Post Office and Civil Service.

389. Also, petition of the city clerk, Waterbury, Conn., requesting that an immediate program of public works in Waterbury, Conn., and the rest of the flood area in order to ease the unemployment burden resulting from the flood disaster be instituted; to the Committee on Public Works.

390. Also, petition of the city clerk, Waterbury, Conn., requesting that funds be provided for the adoption of the flood protection for Waterbury and the Naugatuck Valley; to the Committee on Public Works.

391. Also, petition of the secretary-treasurer, Western Association of State Highway Officials, Salem, Oreg., petitioning consideration of their resolution with reference to Federal aid highway legislation; to the Committee on Public Works.

392. Also, petition of the clerk of Council, City of Cincinnati, Cincinnati, Ohio, requesting the Congress of the United States to adopt necessary legislation to appropriate an amount of money over and above the $60,000 the city has appropriated as the contribution of the Federal Government for certain pumping and pipeline facilities to serve the Taft Sanitary Engineering Center; to the Committee on Public Works.

393. Also, petition of the secretary, American Fisheries Society, Iowa Conservation Commission, Des Moines, Iowa, requesting the Congress of the United States to give prompt consideration to S. 890, relative to the Water Pollution Control Act; to the Committee on Public Works.

394. Also, petition of the commander, North Union Township, Veterans of Foreign Wars of the United States, Mount Braddock, Pa., urging the passage of appropriate laws granting to World War I veterans the same pension, medical, and other benefits now enjoyed by veterans of the Spanish-American War; to the Committee on Veterans' Affairs.

395. Also, petition of the pastor and moderator, Junius Heights Baptist Church, Dallas, Tex., with reference to opposition to legalized gambling; to the Committee on Ways and Means.

396. Also, petition of the secretary, Governors' Conference, Chicago, Ill., with reference to the establishment of sane and sensible textile tariffs; to the Committee on Ways and Means.

397. By Mr. GROSS: Petition of 20 residents of Sumner, Iowa, favoring passage of legislation to prohibit the transportation of alcoholic-beverage advertising in interstate commerce and its broadcasting over radio and television; to the Committee on Interstate and Foreign Commerce.

398. Also, petition of 30 Iowa residents, favoring passage of legislation to prohibit the transportation of alcoholic-beverage advertising in interstate commerce and its broadcasting over radio and television; to the Committee on Interstate and Foreign Commerce.

399. By Mr. HESELTON: Resolution passed unanimously at a meeting of the Hampshire Association of Congregational Churches and Ministers on October 9, 1955, urging that the Congress, by constitutional amendment, if necessary, enact legislation designed to lighten the burden of the Office of the Presidency; and that the people cease to demand exhausting handshaking and an endless round of speeches at conferences, conventions, county fairs, etc.; to the Committee on the Judiciary.

400. By Mr. SHORT: Petition of Rev. L. M. Starkey and other residents of Springfield, Mo.; to the Committee on Interstate and Foreign Commerce.

401. Also, petition of Rev. Eugene Gilmore and other residents of Springfield, Mo.; to the Committee on Interstate and Foreign Commerce.

402. Also, petition of Pearle Tibbetts and other citizens of Marionville, Mo.; to the Committee on Interstate and Foreign Commerce.

403. By the SPEAKER: Petition of the president, American Chamber of Commerce of Mexico, Mexico, D. F., requesting that they be placed on record in favor of Mexico's application for an increased and adequate sugar quota for the sale of its exportable sugar surplus, etc.; to the Committee on Agriculture.

404. Also, petition of the city and county clerk, Honolulu, T. H., requesting the enactment of legislation appropriating $3 million for land acquisition, plans, construction, equipping, and furnishing a war memorial municipal auditorium in the city and county of Honolulu; to the Committee on Interior and Insular Affairs.

405. Also, petition of Ohio Bell, 9115 South Lafayette Avenue, Chicago 20, Ill., requesting a relief bill be introduced into the Congress in the amount of $179,086 to cover damages incurred, etc.; to the Committee on the Judiciary.

REGULATION OF LOBBYING ACT

In compliance with Public Law 601, 79th Congress, title III, Regulation of Lobbying Act, section 308 (b), which provides as follows:

(b) All information required to be filed under the provisions of this section with the Clerk of the House of Representatives and the Secretary of the Senate shall be compiled by said Clerk and Secretary, acting jointly, as soon as practicable after the close of the calendar quarter with respect to which such information is filed and shall be printed in the CONGRESSIONAL RECORD.

The Clerk of the House of Representatives and the Secretary of the Senate jointly submit their report of the compilation required by said law and have included all registrations and quarterly reports received.

QUARTERLY REPORTS

The following reports for the second calendar quarter of 1955 were received after August 20, 1955, too late to be included in the published reports for that quarter:

A. Active-Retired Lighthouse Service Employees Association, P. O. Box 2169, South Portland, Maine.
D. (6) $529.10. E. (9) $762.76.

A. American Hospital Association, 18 East Division Street, Chicago, Ill.
D. (6) $15,295.24. E. (9) $12,695.24.

A. American Humane Association, Denver, Colo.
D. (6) $900.

A. American Library Association, 50 East Huron Street, Chicago, Ill.
E. (9) $4,443.25.

A. American Parents Committee, Inc., 132 Third Street SE., Washington, D. C. and 52 Vanderbilt Avenue, New York, N. Y.
D. (6) $1,474.01. E. (9) $1,779.27.

A. American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $10,290.06. E. (9) $9,422.84.

A. Arnold, Fortas & Porter, 1229 19th Street NW., Washington, D. C.
B. Indians of California.

A. Gibbs L. Baker, 917 15th Street NW., Washington, D. C.
B. Mastercraft Linen Fabrics Corp., 1071 Sixth Avenue, New York, N. Y.; Frederick J. Fawcett, Inc., 129 South Street, Boston, Mass.; and Hughes Fawcett, Inc., 115 Franklin Street, New York, N. Y.
D. (6) $1,173.75. E. (9) $9.06.

A. George W. Ball, 224 Southern Building, Washington, D. C.
B. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.

A. Ralph K. Ball, 303 State Bank Building, Evanston, Ill.
B. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.
D. (6) $765. E. (9) $473.16.

A. Robert C. Barnard, 224 Southern Building, Washington, D. C.
B. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.

A. R. H. Barry, 121 15th Avenue North, Fargo, N. Dak.
B. American Seed Trade Association, Suite 1107, 30 North La Salle Street, Chicago, Ill.
D. (6) $1,875. E. (9) $2,870.30.

A. Roy Battles, 744 Jackson Place NW., Washington, D. C.
B. The National Grange, 744 Jackson Place NW., Washington, D. C.
D. (6) $3,000.

A. J. A. Beirne, 1808 Adams Mill Road NW., Washington, D. C.
B. Communications Workers of America, 1808 Adams Mill Road NW., Washington, D. C.

A. Carl H. Berglund, 1306 Washington Building, Tacoma, Wash.
E. (9) $433.79.

A. Hudson Biery, 1012 Federal Reserve Bank Building, Cincinnati, Ohio.
B. Ohio Valley Improvement Association, Inc., 1012 Federal Reserve Bank Building, Cincinnati, Ohio.

A. Warren B. Bledsoe, 1040 Warner Building, Washington, D. C.
B. National Rural Letter Carriers' Association, 1040 Warner Building, Washington, D. C.
D. (6) $480.63. E. (9) $16.

A. Blue Cross Commission, 425 North Michigan Avenue, Chicago, Ill.

A. Boykin & DeFrancis, Shoreham Building, Washington, D. C. (Law firm—Partners are: Lykes M. Boykin and Frank J. DeFrancis).
B. Studiengesellschaft fur Privatrechtliche Auslandsinteressen E. V. Contrescarpe 46-Bremen, Germany.
D. (6) $2,300. E. (9) $760.68.

A. Joseph E. Brady, 2347 Vine Street, Cincinnati, Ohio.
B. International Union of United Brewery, Flour, Cereal, Soft Drink and Distillery Workers of America, 2347 Vine Street, Cincinnati, Ohio.
E. (9) $339.85.

A. William A. Bresnahan, 1424 16th Street NW., Washington, D. C.
B. American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $307.82. E. (9) $10.

A. William F. Brooks, 604 Folger Building, Washington, D. C.
B. National Grain Trade Council, 604 Folger Building, Washington, D. C.

A. Brotherhood of Locomotive Engineers, 1118 Engineers Building, Cleveland, Ohio.

A. Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees, 1015 Vine Street, Cincinnati, Ohio.
D. (6) $2,994.97. E. (9) $2,994.97.

A. J. Olney Brott, 730 15th Street NW., Washington, D. C.
B. American Bankers Association, 12 East 36th Street, New York, N. Y.
D. (6) $437.50. E. (9) $59.95.

A. Mrs. Rollin Brown, 700 North Rush Street, Chicago, Ill.

A. Eugene J. Butler, 1312 Massachusetts Avenue NW., Washington, D. C.
B. National Catholic Welfare Conference, 1312 Massachusetts Avenue NW., Washington, D. C.
D. (6) $2,875.

A. Cal-Sag Waterways Development Committee, Inc., 134 South La Salle Street, Chicago, Ill.
D. (6) $6,560. E. (9) $8,256.39.

A. James A. Campbell, 900 F Street NW., Washington, D. C.
B. American Federation of Government Workers, 900 F Street NW., Washington, D. C.
D. (6) $2,307.66. E. (9) $230.77.

A. Ralph H. Case, 889 National Press Building, Washington, D. C.
B. Sioux Tribe of Indians, Cheyenne River Reservation, South Dakota; Lower Brule Reservation, South Dakota; Crow Creek Reservation, South Dakota; and Standing Rock Reservation, North and South Dakota.
D. (6) $1,000.

A. Mrs. Theodore S. Chapman, 1734 N Street NW., Washington, D. C.
B. General Federation of Women's Clubs, 1734 N Street NW., Washington, D. C.

A. Citizens' Committee on Natural Resources, 2140 P Street NW., Washington, D. C.
D. (6) $1,200. E. (9) $1,139.77.

A. Stewart N. Clarkson, 420 Lexington Avenue, New York, N. Y.
B. Mica Fabricators' Association, 420 Lexington Avenue, New York, N. Y.
E. (9) $158.40.

A. Classroom Periodical Publisher's Association, 38 West Fifth Street, Dayton, Ohio.
D. (6) $1,550.75. E. (10) $1,550.75.

A. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.
B. The National Cuban Sugar Mills Owners' Association and the Cuban Sugar Cane Growers' Association, Habana, Cuba.
D. (6) $15,000. E. (9) $5,222.85.

A. John G. Coffey, 742 Hospital Trust Building, Providence, R. I.
B. New York, New Haven & Hartford Railroad Co., Grand Central Terminal Building, New York, N. Y.
D. (6) $1,875. E. (9) I941.11.

A. Committee for Collective Security, 90 John Street, New York, N. Y.
D. (6) $270. E. (9) $267.85.

A. Committee on Foreign Trade Education, Inc., P. O. Box No. 407, Grand Central Station, New York, N. Y.
D. (6) $1,584. E. (9) $1,789.33.

A. Committee for Return of Confiscated German and Japanese Property, 926 National Press Building, Washington, D. C.
D. (6) $200.

A. Communications Workers of America, 3808 Adams Mill Road NW., Washington, D. C.
D. (6) $997,153.48. E. (9) $4,435.23.

A. Conference of American Small Business Organizations, Inc., 407 South Dearborn Street, Chicago, Ill.
D. (6) $12,552. E. (9) $10,248.21.

A. Cooperative Health Federation of America, 343 South Dearborn Street, Chicago, Ill.
D. (6) $300. E. (9) $217.

A. Council of Conservationists, 161 East 42d Street, New York, N. Y.
B. Fred Smith & Co., Inc., 161 East 42d Street, New York, N. Y.

A. Paul L. Courtney, 3210 Wisconsin Avenue NW., Washington, D. C.
B. National Tax Equality Association, 231 South La Salle Street, Chicago, Ill.
D. (6) $300. E. (9) $103.20.

A. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $235,743.27. E. (9) $559.25.

A. R. Ammi Cutter, 53 State Street, Boston, Mass.
B. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.
E. (9) $1,175.56.

A. Dairy Industry Committee, 519 Barr Building, Washington, D. C.
D. (6) $4,050.

A. William L. Daley, 912 Investment Building, Washington, D. C.
B. National Editorial Association, 222 North Michigan Avenue, Chicago, Ill.
D. (6) $825. E. (9) $285.72.

A. Paul J. Daugherty, 820 Huntington Bank Building, Columbus, Ohio.
B. Ohio Chamber of Commerce, 820 Huntington Bank Building, Columbus, Ohio.
D. (6) $1,300. E. (9) $202.02.

A. S. P. Deas, 520 National Bank of Commerce Building, New Orleans, La.
B. Southern Pine Industry Committee, 520 National Bank of Commerce Building, New Orleans, La.
E. (9) $1,728.99.

A. Delaware River Valley Association, Riverton, N. J.
D. (6) $762.
E. (9) $579.05.

A. Delaware River Valley Association, Riverton, N. J.
D. (6) $508.
E. (9) $789.19.

A. Casimir de Rham, Jr., 53 State Street, Boston, Mass.
B. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.

A. Ralph B. Dewey, 1625 K Street NW., Washington, D. C.
B. Pacific American Steamship Association, 16 California Street, San Francisco, Calif.
D. (6) $2,500.
E. (9) $2,577.09.

A. John M. Dickerman, 1028 Connecticut Avenue NW., Washington, D. C.
B. National Association of Home Builders of the United States, 1028 Connecticut Avenue NW., Washington, D. C.
D. (6) $12.50.
E. (9) $78.45.

A. District of Columbia Petroleum Industries Committee, 1625 K Street NW., Washington, D. C.
D. (6) $300. E. (9) $300.

A. Eastern Meat Packers Association, Hotel Statler, New York, N. Y., and 740 11th Street NW., Washington, D. C.
D. (6) $121.26. E. (9) $56.26.

A. John W. Emeigh, 1040 Warner Building, Washington, D. C.
B. National Rural Letter Carriers' Association, 1040 Warner Building, Washington, D. C.
D. (6) $476.88. E. (9) $15.

A. David W. Evans & Associates, Phillips Petroleum Building, Salt Lake City, Utah.
B. Upper Colorado River Grass Roots, Inc., Grand Junction, Colo.
D. (6) $17,624.42. E. (9) $32,079.57.

A. Mrs. Albert E. Farwell, Box 204 A, Route 2, Vienna, Va.
B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill.

A. James Finucane, 926 National Press Building, Washington, D. C.
B. Committee for Return of Confiscated German and Japanese Property, 926 National Press Building, Washington, D. C.
D. (6) $100.

A. John R. Foley, 753 Washington Building, Washington, D. C.
B. Classroom Periodical Publisher's Association, 38 West Fifth Street, Dayton, Ohio.
D. $1,500. E. (9) $1,528.40.

A. E. F. Forbes, 604 Mission Street, Suite 1001–1003, San Francisco, Calif.
B. Western States Meat Packers Association, Inc., 604 Mission Street, suite 1001–1003, San Francisco, Calif.
D. (6) $7,500.

A. Mrs. J. A. Ford, 1420 New York Avenue NW., Washington, D. C.
B. Townsend Plan, Inc., 6875 Broadway, Cleveland, Ohio.

A. James F. Fort, 1494 16th Street NW., Washington, D. C.
B. American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $343.75. E. (9) $41.

A. Mark W. Frawley, 52 Wall Street, New York, N. Y.
B. Cleary, Gottlieb, Friendly & Hamilton, 52 Wall Street, New York, N. Y., and 224 Southern Building, Washington, D. C.

A. General Federation of Women's Clubs, 1734 N Street NW., Washington, D. C.

A. Gerhard A. Gesell, 701 Union Trust Building, Washington, D. C.
B. Transamerica Corporation, 4 Columbus Avenue, San Francisco, Calif.
E. (9) $457.83.

A. Stanley Gewirtz, 1107 16th Street NW., Washington, D. C.
B. Air Transport Association of America, 1107 16th Street NW., Washington, D. C.
E. (9) $54.25.

A. Arthur J. Goldberg, 1001 Connecticut Avenue NW., Washington, D. C.
B. Joint Minimum Wage Committee, Room 412 Congressional Hotel, Washington, D. C.
D. (6) $2,500.

A. Cassius B. Gravitt, Jr., 1110 F Street NW., Washington, D. C.
B. National League of Postmasters, 1110 F Street NW., Washington, D. C.
D. (6) $1,700. E. (9) $300.

A. Carroll A. Gunderson, 730 15th Street NW., Washington, D. C.
B. American Bankers Association, 12 East 36th Street, New York, N. Y.
E. (9) $92.

A. Carl G. Gestafson, 161 East 42d Street, New York, N. Y.
B. Council of Conservationists, 161 East 42d Street, New York, N. Y.
D. (6) $812.50. E. (9) $13,475.28.

A. Lloyd C. Halvorson, 744 Jackson Place NW., Washington, D. C.
B. The National Grange, 744 Jackson Place NW., Washington, D. C.
D. (6) $2,000. E. (9) $95.87.

A. Morton I. Hamburg, 52 Wall Street, New York, N. Y.
B. Cleary, Gottlieb, Friendly & Hamilton, 52 Wall Street, New York, N. Y., and Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.

A. Jack A. Haner, 52 Wall Street, New York, N. Y.
B. Cleary, Gottlieb, Friendly & Hamilton, 52 Wall Street, New York, N. Y., and Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.

A. Robert E. Harper, 1001 15th Street NW., Washington, D. C.
B. National Business Publications, Inc., 1001 15th Street NW., Washington, D. C.

A. Edward S. Hartman, Route 2, Delavan, Wis.
B. National Tax Equality Association, 231 South La Salle Street, Chicago, Ill.
D. (6) $1,800. E. (9) $588.10.

A. Mrs. A. Paul Hartz, Waverly, Va.
B. General Federation of Women's Clubs, 1734 N Street NW., Washington, D. C.

A. George J. Hecht, 52 Vanderbilt Avenue, New York, N. Y., and 132 Third Street SE., Washington, D. C.
B. American Parents Committee, Inc., 132 Third Street SE., Washington, D. C.

A. George R. Heidrich, Charles Town, W. Va.
B. National Association of Soil Conservation Districts, League City, Tex.
D. (6) $256.81. E. (9) $256.81.

A. Joseph D. Henderson, 431 Balter Building, New Orleans, La.
B. American Association of Small Business, Inc., 431 Balter Building, New Orleans, La.
D. (6) $1,500.

A. Laurance G. Henderson, 1138 Pennsylvania Building, Washington, D. C.
B. North American Airlines, Burbank, Calif.
E. (9) $925.

A. M. F. Hicklin, 507 Bankers Trust Building, Des Moines, Iowa.
B. Iowa Railway Committee, 507 Bankers Trust Building, Des Moines, Iowa.

A. L. S. Hitchner, 1145 19th Street NW., Washington, D. C.
B. National Agricultural Chemicals Association, 1145 19th Street NW., Washington, D. C.

A. R. F. Hollister, 825 Failing Building, Portland, Oreg.
B. Independent Bankers Association, 12th Federal Reserve District, 825 Failing Building, Portland, Oreg.
D. (6) $1,800.

A. Harold K. Howe, Suite C, 2480 16th Street NW., Washington, D. C.
B. American Institute of Laundering, Box 1187, Joliet, Ill.
D. (6) $2,649.99. E. (9) $1,483.94.

A. Harold K. Howe, 207 Mills Building, Washington, D. C.
B. The Lawn Mower Institute, Inc., 207 Mills Building, Washington, D. C.
D. (6) $1,800.

A. Housewives United, 2915 Foxhall Road NW., Washington, D. C.
D. (6) $29. E. (9) $138.77.

A. Kenneth N. Hurley, 2700 South 16th Street, Arlington, Va.

A. Independent Bankers Association, 12th Federal Reserve District, 825 Failing Building, Portland, Oreg.
D. (6) $60. E. (9) $12,808.32.

A. Independent Refiners Association of America, 1201 Shoreham Building, Washington, D. C.

A. Thomas W. James, 134 South La Salle Street, Chicago, Ill.
B. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.

A. Jewelry Industry Tax Committee, Inc., 820 Highland Avenue, Newark, N. J.
D. (6) $478. E. (9) $137.52.

A. Joint Minimum Wage Committee, Congressional Hotel, Washington, D. C.
D. (6) $15,000. E. (9) $9,881.65.

A. John E. Kane, 1625 K Street, NW., Washington, D. C.
B. American Petroleum Institute, 50 West 50th Street, New York, N. Y.
E. (9) $1,197.43.

A. John E. Kane, 1625 K Street, NW., Washington, D. C.
B. District of Columbia Petroleum Industries Committee, 1625 K Street, NW., Washington, D. C.
D. (6) $300.

A. Edmund H. Kerr, 52 Wall Street, New York, N. Y.
B. Cleary, Gottlieb, Friendly & Hamilton, 52 Wall Street, New York, N. Y. and Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.

A. John A. Killick, 740 11th Street NW., Washington, D. C.
B. Eastern Meat Packers Association, Inc., Hotel Statler, New York, N. Y. and 740 11th Street NW., Washington, D. C.
D. (6) $875.01. E. (9) $223.19.

A. John A. Killick, 740 11th Street NW., Washington, D. C.
B. The National Independent Meat Packers Association, 740 11th Street NW., Washington, D. C.
D. (6) $129.30. E. (9) $48.75.

A. Kenneth L. Kimble, 1701 K Street NW., Washington, D. C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
D. (6) $325.

A. Thomas R. Kingsley, 16th and P Streets NW., Washington, D. C.
B. Movers' Conference of America, 16th and P Streets NW., Washington, D. C.

A. C. W. Kitchen, 777 14th Street NW., Washington, D. C.
B. United Fresh Fruit and Vegetable Association, 777 14th Street NW., Washington, D. C.
E. (9) $1,217.38.

A. John T. Koehler, 1039 Investment Building, Washington, D. C.
B. Embassy of Denmark, 2374 Massachusetts Avenue NW., Washington, D. C.
D. (6) $1,500. E. (9) $6.50.

A. Catherine C. Kuhne, 1701 16th Street NW., Washington, D. C.
B. National Federation of Business and Professional Women's Clubs, Inc., 1790 Broadway, New York, N. Y.

A. James W. Lamberton, 224 Southern Building, Washington, D. C.
B. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.

A. D. B. Lasseter, Post Office Box 381, Washington, D. C.
B. Organization of Professional Employees of the United States Department of Agriculture, Post Office Box 381, Washington, D. C.
D. (6) $450.

A. Dr. William N. Leonard, Railway Progress Building, Washington, D. C.
B. Federation for Railway Progress, Railway Progress Building, Washington, D. C.
D. (6) $750.

A. Marvin E. Lewis, 703 Market Street, San Francisco, Calif.
B. Independent contractor for the city and county of San Francisco.
D. (6) $3,000. E. (9) $3,256.76.

A. Esther Lipsen, Railway Progress Building, Washington, D. C.
B. Federation for Railway Progress, Railway Progress Building, Washington, D. C.
D. (6) $800. E. (9) $125.

A. Leon Lipson, 224 Southern Building, Washington, D. C.
B. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.

A. Norman M. Littell and Charles J. Alexander, 1826 Jefferson Place NW., Washington, D. C.
B. The Navaho Tribe of Indians, Window Rock, Ariz.
D. (6) $4,500. E. (9) $10.

A. Walter J. Little, 530 West Sixth Street, Los Angeles, Calif.
B. California Railroad Association, 215 Market Street, San Francisco, Calif.
D. (6) $1,157.28. E. (0) $1,241.93.

A. John J. Lyons, 3133 Connecticut Avenue NW., Washington, D. C.
B. Patent Equity Association, Inc., New York, N. Y.
D. (6) $5,250. E. (9) $654.62.

A. Joseph B. McGrath, 1028 Connecticut Avenue NW., Washington, D. C.
B. National Association of Home Builders of the United States, 1028 Connecticut Avenue NW., Washington, D. C.
D. (6) $1,437.50. E. (9) $83.04.

A. Ralph J. McNair, 1701 K Street NW., Washington, D. C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
D. (6) $400.

A. MacLeish, Spray, Price & Underwood, 134 South La Salle Street, Chicago, Ill.
B. National Committee for Insurance Taxation, 221 North La Salle Street, Chicago, Ill.
E. (9) $1,217.42.

A. Medical Society of the District of Columbia, 1718 M Street NW., Washington, D. C.

A. William R. Merriam, Railway Progress Building, Washington, D. C.
B. Federation for Railway Progress, Railway Progress Building, Washington, D. C.
E. (9) $240.

A. Ross A. Messer, 724 Ninth Street NW., Washington, D. C.
B. National Association of Post Office and General Services Maintenance Employees, 724 Ninth Street NW., Washington, D. C.
D. (6) $700. E. (9) $412.71.

A. Mica Fabricators' Association, 420 Lexington Avenue, New York, N. Y.
D. (6) $500. E. (9) $258.88.

A. Joseph L. Miller, 1025 Connecticut Avenue, Washington, D. C.
B. Abitibi Power & Paper Co., Ltd., National Association of Cotton Manufacturers, and Optical Manufacturers' Association.
D. (6) $3,500. E. (9) $807.06.

A. Donald Montgomery, 734 15th Street NW., Washington, D. C.
B. United Automobile, Aircraft, Agricultural, Implement Workers of America, Solidarity House, 8000 East Jefferson Avenue, Detroit, Mich.
D. (6) $1,680. E. (9) $45.05.

A. George W. Morgan, 76 Beaver Street, New York, N. Y.
B. Association of American Ship Owners, 76 Beaver Street, New York, N. Y.

A. Movers' Conference of America, 16th and P Streets NW., Washington, D. C.
D. (6) $173. E. (9) $173.

A. Andrew P. Murphy, 1028 Connecticut Avenue NW., Washington, D. C.
B. National Association of Home Builders of the United States, 1028 Connecticut Avenue NW., Washington, D. C.
D. (6) $1,125. E. (9) $212.92.

A. Music Publishers Association of the United States, 3 East 71st Street, New York, N. Y.
D. (6) $1,550. E. (9) $1,330.18.

A. National Association of Home Builders of the United States, 1028 Connecticut Avenue NW., Washington, D. C.
D. (6) $29,909.06. E. (9) $12,734.84.

A. National Association of Post Office and General Services Maintenance Employees, 724 9th Street NW., Washington, D. C.
D. (6) $10,690.97. E. (9) $1,785.42.

A. National Association of Real Estate Boards, its public relations department and its realtors Washington committee, 22 West Monroe Street, Chicago, Ill., and 1737 K Street NW., Washington, D. C.
D. (6) $42,127.65. E. (9) $30,207.99.

A. National Association of Retired Civil Employees, 1625 Connecticut Avenue NW., Washintgon, D. C.
B. National Association of Retired Civil Employees, 1625 Connecticut Avenue NW., Washington, D. C.
D. (6) $525. E. (9) $525.

A. National Business Publications, Inc., 1001 15th Street NW., Washington, D. C.

A. National Committee for Insurance Taxation, 221 North La Salle Street, Chicago, Ill.
D. (6) $11,970. E. (9) $18,023.78.

A. National Congress of American Indians, 823 Dupont Circle Building, 1346 Connecticut Avenue NW., Washington, D. C.
D. (6) $2,000. E. (9) $2,000.

A. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill.

A. National Council Against Conscription, 104 C Street NE., Washington, D. C.
D. (6) $4,129.40. E. (9) $6,067.01.

A. National Council, Junior Order United American Mechanics, 3027 North Broad Street, Philadelphia, Pa.
E. (9) $165.

A. National Council of Salesmen's Organizations, Inc., 80 West 40th Street, New York, N. Y.
D. (6) $6,865. E. (9) $747.47.

A. National Federation of Business and Professional Women's Clubs, Inc., 1790 Broadway, New York, N. Y.
D. (6) $55.23. E. (9) $1,252.71.

A. National Federation of Independent Business, Inc., 740 Washington Building, Washington, D. C.
D. (6) $6,814.02. E. (9) $6,814.02.

A. The National Grange, 744 Jackson Place NW., Washington, D. C.
D. (6) $8,125. E. (9) $95.87.

A. National Independent Meat Packers Association, 740 11th Street NW., Washington, D. C.
D. (6) $2,669.31. E. (9) $1,586.61.

A. National Rural Letter Carriers' Association, 1040 Warner Building, Washington, D. C.
D. (6) $15,510.48. E. (9) $6,674.39.

A. National Water Conservation Conference, 341 Suburban Station Building, Philadelphia, Pa.
D. (6) $935. E. (9) $738.98.

A. Peter R. Nehemkis, Jr., 1735 De Sales Street NW., Washington, D. C.
B. Simplex Manufacturing Corp., New Orleans, La.; Cushman Motor Works, Lincoln, Nebr.; and Harley-Davidson Motor Co., Milwaukee, Wis.
D. (6) $2,999.97. E. (9) $1,030.64.

A. Herschel D. Newsom, 744 Jackson Place NW., Washington, D. C.
B. The National Grange, 744 Jackson Place NW., Washington, D. C.
D. (6) $3,125.

A. Christian P. Norgord, 1617 Rhode Island Avenue NW., Washington, D. C.
B. Mel M. Morse, executive director, the American Humane Association, Denver, Colo.
D. (6) $900. E. (9) $170.33.

A. Sam O'Neal, 211 National Press Building, Washington, D. C.
B. Power Distributors Information Committee of Tennessee Valley Power Association, Sixth and Cherry Streets, Chattanooga, Tenn.
D. (6) $1,875. E. (9) $160.

A. Organization of Professional Employees of the United States Department of Agriculture, P. O. Box 381, Washington, D. C.
D. (6) $209.73. E. (9) $615.54.

A. George W. Overton, 134 South La Salle Street, Chicago, Ill.
B. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.

A. Charles A. Parker, 1346 Connecticut Avenue NW., Washington, D. C.
B. National Aviation Trades Association, 1346 Connecticut Avenue NW., Washington, D. C.
D. (6) $537.73. E. (9) $808.08.

A. Peoples Lobby, 1337 21st Street NW., Washington, D. C.
B. Emory Speer Avant, 1337 21st Street NW., Washington, D. C.
D. (6) $170. E. (9) $1,000.

A. Helen L. Peterson, 823 Dupont Circle Building, Washington, D. C.
B. National Congress of American Indians, 823 Dupont Circle Building, Washington, D. C.
D. (6) $600. E. (9) $100.

A. J. Hardin Peterson, Cochrane Building, Lakeland, Fla.
B. Tomaka Land Co., 8–10 Center Street, Sebring, Pa.

A. Andrew A. Pettis, 1404 New York Avenue NW., Washington, D. C.
B. Industrial Union of Marine and Shipbuilding Workers of America, 534 Cooper Street, Camden, N. J.
D. (6) $2,192.28. E. (9) $1,741.61.

A. James F. Pinkney, 1424 16th Street NW., Washington, D. C.
B. American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $1,000. E. (9) $42.47.

A. Alen T. Rains, 777 14th Street NW., Washington, D. C.
B. United Fresh Fruit and Vegetable Association, 777 14th Street NW., Washington, D. C.

A. Stanley Rector, Washington Hotel, Washington, D. C.
B. Unemployment Benefit Advisors, Inc.
D. (6) $1,000.

A. Hubert M. Rhodes, 740 11th Street NW., Washington, D. C.
B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $550. E. (9) $9.25.

A. Charles A. Robinson, Jr., 1303 New Hampshire Avenue NW., Washington, D. C.
B. National Rural Electric Cooperative Association, 1303 New Hampshire Avenue NW., Washington, D. C.
D. (6) $83.88.

A. Walter S. Rothschild, 52 Wall Street, New York, N. Y.
B. Cleary, Gottlieb, Friendly & Hamilton, 52 Wall Street, New York, N. Y., and Cleary, Gottlieb, Friendly & Ball, 224 Southern Bldg., Washington, D. C.

A. James F. Rowan, 16th and P Streets NW., Washington, D. C.
B. Movers Conference of America, 16th and P Streets NW., Washington, D. C.

A. Stuart T. Saunders, 108 North Jefferson Street, Roanoke, Va.
B. Norfolk & Western Railway Co., 108 North Jefferson Street, Roanoke, Va.

A. James J. Saxon, 730 15th Street NW., Washington, D. C.
B. American Bankers Association, 12 East 36th Street, New York, N. Y.

A. Paul R. Scott and George F. Gilleland, 627 Ingraham Building, Miami, Fla.
B. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.
E. (9) $9.13.

A. Durward Seals, 777 14th Street NW., Washington, D. C.
B. United Fresh Fruit and Vegetable Association, 777 14th Street NW., Washington, D. C.

A. Selvage & Lee, 1625 I Street NW., Washington, D. C.
B. Carpet Institute, Empire State Building, New York, N. Y.
D. (6) $3,000. E. (9) $273.11.

A. Selvage & Lee, 1625 I Street NW., Washington, D. C.
B. Mobile Homes Manufacturers Association, 20 North Wacker Drive, Chicago, Ill.
D. (6) $1,249.98. E. (9) $51.63.

A. Selvage & Lee, 1625 I Street NW., Washington, D. C.
B. New York Coffee and Sugar Exchange, 113 Pearl Street, New York, N. Y.
D. (6) $3,000. E. (9) $67.78.

A. John H. Sharon, 224 Scuthern Building, Washington, D. C.
B. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.

A. Smaller Magazines Postal Committee, 654 Madison Avenue, New York, N. Y.
D. (6) $835. E. (9) $1,952.99.

A. Fred Smith & Co., Inc., 161 East 42d Street, New York, N. Y.
B. Edward Mallinckrodt, 16 West Moreland Place, St. Louis, Mo.
D. (6) $2,827.33.

A. Spencer M. Smith, Jr., 1709 North Glebe Road, Arlington, Va.
B. Citizens Committee on Natural Resources, 2140 P Street NW., Washington, D. C.
D. (6) $500.

A. Stanley L. Sommer, 612 Albee Building, Washington, D. C.
B. Rowe-Doherty Associates, 51 East 42d Street, New York, N. Y.
D. (6) $500. E (9) $301.

A. Southern Pine Industry Committee, 520 National Bank of Commerce Building, New Orleans, La.
D. (6) $6,783.47 E. (9) $11,952.29.

A. Spaulding, Reiter & Rose, Suite 601, 1311 G Street NW., Washington, D. C.
B. David A. Avram, 30 Broad Street, New York, N. Y.
D. (6) $140. E. (9) $40.

A. Spaulding, Reiter & Rose, Suite 601, 1311 G Street NW., Washington, D. C.
B. Standard Coil Products Co., Inc., 2085 North Hawthorne Avenue, Melrose Park, Ill.
E. (9) $23.20.

A. Ernest F. Staub, 208 South La Salle Street, Chicago, Ill.
B. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.
E. (9) $133.75.

A. William T. Stephens, 505 Washington Building, Washington, D. C.
B. Nationwide Trailer Rental System, 519 South Broadway, Wichita, Kans.

A. Mrs. Joseph Mills Stoll, 4001 61st Street, Brookmont, Washington, D. C.
B. Volunteer Worker for Spokesmen for Children, Inc., 19 East 92d Street, New York, N. Y.
E. (9) $84.04.

A. Ada Barnett Stough, 132 Third Street SE., Washington, D. C.
D. (6) $687.50.

A. Strasser, Spiegelberg, Fried & Frank, 810 18th Street NW., Washington, D. C.
B. Blackfeet Tribe, Browning, Mont.

A. Strasser, Spiegelberg, Fried & Frank, 810 18th Street NW., Washington, D. C.
B. The Hualapai Tribe of the Hualapai Reservation.

A. Strasser, Spiegelberg, Fried & Frank, 810 18th Street NW., Washington, D. C.
B. Nez Perce Tribe of Idaho, Lapwai, Idaho.

A. Strasser, Spiegelberg, Fried & Frank, 810 18th Street NW., Washington, D. C.
B. The Oglala Sioux Tribe of the Pine Ridge Reservation, Pine Ridge, S. Dak.

A. Strasser, Spiegelberg, Fried & Frank, 810 18th Street NW., Washington, D. C.
B. The San Carlos Apache Tribe, San Carlos, Ariz.

A. Strasser, Spiegelberg, Fried & Frank, 810 18th Street NW., Washington, D. C.
B. Winnebago Tribe of Nebraska, Winnebago, Nebr.

A. Arthur D. Strong, 1034 Midland Bank Building, Minneapolis, Minn.
B. Upper Mississippi Waterway Association, 1034 Midland Bank Building, Minneapolis, Minn.
D. (6) $966.26.

A. Charles P. Taft, 1025 Connecticut Avenue NW., Washington, D. C.
B. Legislative Committee of the Committee for a National Trade Policy, 1025 Connecticut Avenue NW., Washington, D. C.
D. (6) $937.50.

A. John R. Talmage, 2734 Morgan Drive, Salt Lake City, Utah.
B. David W. Evans & Associates Advertising Agency, Phillips Petroleum Building, Salt Lake City, Utah.
D. (6) $1,750.

A. Tariff Committee of the Felt Industry, care of Lewis R. Parker, Albany Felt Co., Albany, N. Y.

A. Eugene M. Thoré, 1701 K Street NW., Washington, D. C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
D. (6) $2,500. E. (9) $21.10.

A. S. G. Tipton, 1107 16th Street NW., Washington, D. C.
B. Air Transport Association of America, 1107 16th Street NW., Washington, D. C.
D. (6) $874.52. E. (9) $42.30.

A. Tomoka Land Co., 8–10 West Center Street, Sebring, Fla.
E. (9) $0.50.

A. Touche, Niven, Bailey & Smart, 208 South La Salle Street, Chicago, Ill.
B. The National Committee for Insurance Taxation, 221 North La Salle Street, Chi-
E. (9) $793.93.

A. The Townsend Plan, Inc., and Townsend National Weekly, Inc., 6875 Broadway, Cleveland, Ohio.

A. Transportation Association of America, 130 North Wells Street, Chicago, Ill.

A. Paul T. Truitt, 817 Barr Building, Washington, D. C.
B. American Plant Food Council, Inc., 817 Barr Building, Washington, D. C.

A. United States Citizens Association, Canal Zone, Box 354, Balboa, C. Z.
D. (6) $11,394.45. E. (9) $14,878.01.

A. United States Savings and Loan League, 221 North La Salle Street, Chicago, Ill.
E. (9) $19,474.74.

A. Paul H. Walker, 1701 K Street NW., Washington, D. C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
D. (6) $137.50.

A. Bailey Walsh, 1346 Connecticut Avenue NW., Washington, D. C.
B. Lion Manufacturing Co., 2640 Belmont Avenue, Chicago, Ill.

A. Bailey Walsh, 1346 Connecticut Avenue NW., Washington, D. C.
B. United Manufacturing Co., 3401 North California Street, Chicago, Ill.

A. Western States Meat Packers Association, Inc., 604 Madison Street, San Francisco, Calif.
D. (6) $16,581.39. E. (9) $50.61.

A. John C. White, 838 Transportation Building, Washington, D. C.
D. (6) $500. E. (9) $250.71.

A. John J. Wicker, Jr., 501 Mutual Building, Richmond, Va.
B. Mutual Insurance Committee on Federal Taxation, 20 North Wacker Drive, Chicago, Ill.
D. (6) $2,198.89. E. (9) $2,198.89.

A. Herbert P. Wilkins, 53 State Street, Boston, Mass.
B. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.

A. Kenneth Williamson, Mills Building, Washington, D. C.
B. American Hospital Association, 18 East Division Street, Chicago, Ill.
D. (6) $2,568.87. E. (9) $779.59.

A. James L. Wilmeth, 3027 North Broad Street, Philadelphia, Pa.
B. The National Council of the Junior Order of United American Mechanics of the United States of North America, Inc.
E. (9) $15.

A. Wilkinson, Boyden, Cragun & Barker, 744 Jackson Place NW., Washington, D. C.
B. Arapahoe Indian Tribe, Fort Washakie, Wyo.

A. Wilkinson, Boyden, Cragun & Barker, 744 Jackson Place NW., Washington, D. C.
B. C. W. Carlstrom, 2165 Comstock Street, San Diego, Calif.

A. Wilkinson, Boyden, Cragun & Barker, 744 Jackson Place NW., Washington, D. C.
B. Klamath Indian Tribe, Klamath Agency, Oreg.

A. Wilkinson, Boyden, Cragun & Barker, 744 Jackson Place NW., Washington, D. C.
B. Menominee Tribe of Indians, Neopit, Wis.

A. Wilkinson, Boyden, Cragun & Barker, 744 Jackson Place NW., Washington, D. C.
B. Northern Cheyenne Tribe of Indians, Lame Deer, Mont.

A. Theodore Wiprud, 1718 M Street NW., Washington, D. C.
B. The Medical Society of the District of Columbia, 1718 M Street NW., Washington, D. C.

A. Howard Zahniser, 6222 43d Avenue, Hyattsville, Md.
B. Council of Conservationists, 161 East 42d Street, New York, N. Y.

A. William Zimmerman, Jr., 810 18th Street NW., Washington, D. C.
B. Association on American Indian Affairs, Inc., 48 East 86th Street, New York, N. Y.
D. (6) $2,416.64. E. (9) $564.73.

A. Edgar A. Zingman, 300 Marion E. Taylor Building, Louisville, Ky.
B. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.
E. (9) $937.96.

QUARTERLY REPORTS

The following quarterly reports were submitted for the third calendar quarter 1955:

(NOTE.—The form used for reports is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

File two copies with the Secretary of the Senate and file three copies with the Clerk of the House of Representatives.
This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.
Place an "X" below the appropriate letter or figure in the box at the right of the "Report" heading below:
"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.
"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19_____	REPORT PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT	P	QUARTER 1st	2d	3d	4th
		(Mark one square only)				

NOTE ON ITEM "A".—(a) In General: This "Report" form may be used by either an organization or an individual, as follows:
(i) "Employee".—To file as an "employee," state in Item "B" the name, address, and nature of business of the "employer." (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee.")
(ii) "Employer".—To file as an "employer," write "None" as answer to Item "B."
(b) Separate Reports.—An agent or employee should not attempt to combine his Report with the employer's Report.
(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.
(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING.—(1) State name, address, and nature of business; (2) if this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers; except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—Section 302 (e).
(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).
(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place ☐ an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed, in connection with legislative interests, set forth: (a) description; (b) quantity distributed; (c) date of distribution; (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

4. *If* this is a "Preliminary" Report (Registration) rather than a Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this Item "C 4" and fill out Items "D" and "E" on the back of this page.* Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

AFFIDAVIT

[Omitted in printing]

PAGE 1

NOTE ON ITEM "D."—(a) *In General.* The term "contribution" includes *anything of value.* When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—Section 302 (a) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In General.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in accordance with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In General.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "None" in the space following the number.

Receipts (other than loans)

1. $_____Dues and assessments
2. $_____Gifts of money or anything of value.
3. $_____Printed or duplicated matter received as a gift
4. $_____Receipts from sale of printed or duplicated matter
5. $_____Received for services (e. g., salary, fee, etc.)
6. $_____TOTAL for this Quarter (Add items "1" through "5")
7. $_____Received during previous Quarters of calendar year
8. $_____TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received

"The term 'contribution' includes a . . . *loan* . . ."—Sec. 302 (a).

9. $_____TOTAL now owed to others on account of loans
10. $_____Borrowed from others during this Quarter
11. $_____Repaid to others during the Quarter.
12. $_____"Expense money" and Reimbursements received this Quarter

Contributors of $500 or more
(from Jan. 1 through this Quarter)

13. Have there been such contributors?
Please answer "yes" or "no": _____

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last days of this Quarter total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor* ("*Period*" from Jan. 1 through _____, 19____)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N. Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE ON ITEM "E."—(a) *In General.* "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—Section 302 (b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "None" in the space following the number.

Expenditures (other than loans)

1. $_____Public relations and advertising services
2. $_____Wages, salaries, fees, commissions (other than item "1")
3. $_____Gifts or contributions made during Quarter
4. $_____Printed or duplicated matter, including distribution cost
5. $_____Office overhead (rent, supplies, utilities, etc.)
6. $_____Telephone and telegraph
7. $_____Travel, food, lodging, and entertainment
8. $_____All other expenditures
9. $_____TOTAL for this Quarter (Add "1" through "8")
10. $_____Expended during previous Quarters of calendar year
11. $_____TOTAL from January 1 through this Quarter (Add "9" and "10")

Loans Made to Others

"The term 'expenditure' includes a . . . *loan* . . ."—Sec. 302 (b).

12. $_____TOTAL now owed to person filing
13. $_____Lent to others during this Quarter
14. $_____Repayment received during this Quarter

15. Recipients of Expenditures of $10 or More
In the case of expenditures made during this Quarter by, or on behalf of the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7–11: Roe Printing Co., 3214 Bank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7–15, 8–15, 9–15: Britten & Blatten, 3127 Gremlin Bldg., Washington, D. C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

A. J. Carson Adkerson, 976 National Press Building, Washington, D. C.
E. (9) $11.84.

A. Arthur F. Aebersold, 900 F Street NW., Washington, D. C.
B. Retirement Federation of Civil Service Employees of the United States Government, 900 F Street NW., Washington, D. C.
D. (6) $910.58. E. (9) $50.25.

A. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.
D. (6) $4,433.20. E. (9) $4,433.20.

A. W. L. Allen, 5913 Georgia Avenue NW., Washington, D. C.
B. The Commercial Telegraphers' Union, International, 5913 Georgia Avenue NW., Washington, D. C.

A. Thomas H. Alphin, M. D., 1523 L Street NW., Washington, D. C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $291.67. E. (9) $163.45.

A. Joseph Amann, Munsey Building, Washington, D. C.
B. Engineers and Scientists of America, Munsey Building, Washington, D. C.

A. American Association of University Women, 1634 I Street NW., Washington, D. C.
E. (9) $751.27.

A. American Bottlers of Carbonated Beverages, 1128 16th Street NW., Washington, D. C.
D. (6) $195.65. E. (9) $616.05.

A. American Cancer Society, 521 West 57th Street, New York City, N. Y.
E. (9) $7,202.39.

A. American Citizens' Association, 705 Justin Way, Silver Spring, Md.
D. (6) $160. E. (9) $160.

A. American Cotton Manufacturers Institute, Inc., 203–A Liberty Life Building, Charlotte, N. C.
D. (6) $3,334.98. E. (9) $3,334.98.

A. American Dental Association, 222 East Superior Street, Chicago, Ill.
D. (6) $7,369.48. E. (9) $9,369.48.

A. American Farm Bureau Federation, Merchandise Mart Plaza, Chicago, Ill., and 425 13th Street NW., Washington, D. C.
D. (6) $9,606. E. (9) $30,172.

A. American Federation of Labor, 901 Massachusetts Avenue NW., Washington, D. C.
E. (9) $31,728.54.

A. American Federation of the Physically Handicapped, Inc., 1370 National Press Building, Washington, D. C.

A. American Hotel Association, 221 West 57th Street, New York, N. Y.
D. (6) $151,306.06.

A. American Humane Association, 896 Pennsylvania Avenue, Denver, Colo.
D. (6) $900. E. (9) $150.

A. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $10,000. E. (9) $11,905.87.

A. American National Cattlemen's Association, 801 East 17th Avenue, Denver, Colo.
D. (6) $23,132.84. E. (9) $5,590.39.

A. American Nurses' Association, Inc., 2 Park Avenue, New York, N. Y.
D. (6) $49,319.39. E. (9) $2,342.92.

A. American Optometric Association, Inc. Development Fund (Legislative), c/o Dr. H. Ward Ewalt, Jr., 8001 Jenkins Arcade, Pittsburgh, Pa.
D. (6) $1,070.77. E. (9) $4,718.27.

A. American Osteopathic Association, 212 East Ohio Street, Chicago, Ill.
D. (6) $1,418.37. E. (9) $1,418.37.

A. American Paper & Pulp Association, 122 East 42d Street, New York, N. Y.

A. American Parents Committee, Inc., 132 Third Street SE., Washington, D. C., and 52 Vanderbilt Avenue, New York, N. Y.
D. (6) $10,407.50. E. (9) $1,184.93.

A. American Petroleum Institute, 50 West 50th Street, New York, N. Y.
D. (6) $11,562. E. (9) $15,404.

A. American Pulpwood Association, 220 East 42d Street, New York, N. Y.
D. (6) $120. E. (9) $120.

A. American Retail Federation, 1145 19th Street NW., Washington, D. C.
D. (6) $27,060.69. E. (9) $11,981.60.

A. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D. C.
D. (6) $1,300.31. E. (9) $1,300.31.

A. American Sugar Beet Industry Policy Committee, 500 Sugar Building, Denver, Colo.
D. (6) $3,547.23. E. (9) $2,024.57.

A. American Tariff League, Inc., 19 West 44th Street, New York, N. Y.

A. American Tramp Shipowners Association, Inc., 11 Broadway, New York, N. Y.
E. (9) $4,898.48.

A. American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $10,290.06. E. (9) $27,943.10.

A. American Veterinary Medical Association, 600 South Michigan Avenue, Chicago, Ill.
E. (9) $1,093.09.

A. American Vocational Association, Inc., 1010 Vermont Avenue NW., Washington, D. C.

A. America's Wage Earners' Protective Conference, 815 15th Street NW., Washington, D. C.
D. (6) $2,960. E. (9) $2,781.59.

A. American Warehousemen's Association, 222 West Adams Street, Chicago, Ill.

A. American Zionist Committee for Public Affairs, 1737 H Street NW., Washington, D. C.
D. (6) $2,699.60. E. (9) $2,541.90.

A. Hector M. Aring, 826 Woodward Building, Washington, D. C.
B. Johns-Manville Corp., 22 East 40th Street, New York, N. Y.
D. (6) $1,250. E. (9) $397.27.

A. Arkansas Railroad Committee, 1115 Boyle Building, Little Rock, Ark.
B. Class One Railroads operating in the State of Arkansas.
D. (6) $500. E. (9) $701.79.

A. W. C. Arnold, 200 Colman Building, Seattle, Wash.
B. Alaska Salmon Industry, Inc., 200 Colman Building, Seattle, Wash.

A. Arnold, Fortas & Porter, 1229 19th Street NW., Washington, D. C.
B. Indians of California.

A. Arnold, Fortas & Porter, 1229 19th Street NW., Washington, D. C.
B. Nicolas Reisini, 11 West 42d Street, New York, N. Y. E. (9) $3.50.

A. Arthritis and Rheumatism Foundation, 23 West 45th Street, New York, N. Y.
E. (9) $856.54.

A. Associated General Contractors of America, Inc., Munsey Building, Washington, D. C.

A. Associated Third Class Mail Users, 1406 G Street NW., Washington, D. C.
D. (6) $2,385. E. (9) $7,739.92.

A. Association of American Physicians and Surgeons, Inc., 185 North Wabash Avenue, Chicago, Ill.
D. (6) $1,500. E. (9) $1,500.

A. Association of American Railroads, 929 Transportation Building, Washington, D. C.
D. (6) $39,137.50. E. (9) $39,137.50.

A. Association of American Ship Owners, 76 Beaver Street, New York, N. Y.

A. Association of Casualty and Surety Companies, 60 John Street, New York, N. Y.
D. (6) $1,865.31. E. (9) $1,865.31.

A. Association of Western Railways, 474 Union Station Building, Chicago, Ill.
D. (6) $3,176.02. E. (9) $3,176.02.

A. Edward Atkins, 51 East 42d Street, New York, N. Y.
B. National Association of Shoe Chain Stores, Inc., 51 East 42d Street, New York, N. Y.
D. (6) $250. E. (9) $250.

A. Charles E. Babcock, Route 4, Box 126, Vienna, Va.
B. National Council, Junior Order United American Mechanics of the United States of North America, 3027 North Broad Street, Philadelphia, Pa.
D. (6) $147. E. (9) $22.50.

A. Charles B. Bailey, 2035 South Avenue, Toledo, Ohio.
B. Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees, 1015 Vine Street, Cincinnati, Ohio.

A. Gibbs L. Baker, 917 15th Street NW., Washington, D. C.
B. Mastercraft Linen Fabrics Corp., 1071 6th Avenue, New York, N. Y.; Frederick J. Fawcett, Inc., 129 South Street, Boston, Mass.; and Hughes Fawcett, Inc., 115 Franklin Street, New York, N. Y.
E. (9) $1.36.

A. George P. Baker, 808 Memorial Drive, Cambridge, Mass.
B. Transportation Association of America, 808 Memorial Drive, Cambridge, Mass.

A. John A. Baker, 1404 New York Avenue NW., Washington, D. C.
B. Farmers Educational and Cooperative Union of America (National Farmers Union), 1404 New York Avenue NW., Washington, D. C.
D. (6) $2,215.68. E. (9) $308.87.

A. J. H. Ballew, Nashville, Tenn.
B. Southern States Industrial Council, Nashville, Tenn.
D. (6) $2,250.

A. Hartman Barber, 10 Independence Avenue SW., Washington, D. C.
B. Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees, 1015 Vine Street, Cincinnati, Ohio.
D. (6) $1,922.43. E. (9) $593.46.

A. Joel Barlow, 701 Union Trust Building, Washington, D. C.
B. Hudson Bay Mining & Smelting Co., et al.
E. (9) $4.18.

A. Joel Barlow, 701 Union Trust Building, Washington, D. C.
B. National Machine Tool Builders' Association, 2071 East 102d Street, Cleveland, Ohio.

A. William J. Barnhard, 1108 16th Street NW., Washington, D. C.
B. Elof Hansson, Inc., 225 East 42d Street, New York, N. Y.; Johaneson, Wales & Sparre, Inc., 250 Park Avenue, New York, N. Y.; Treetex Corp., 347 Madison Avenue, New York, N. Y.; and Grace & Co. (West Coast), 2 Pine Street, San Francisco, Calif.

A. James M. Barnes, 1025 Connecticut Avenue NW., Washington, D. C.
B. Reciprocal Inter-Insurers Federal Tax Committee, United Artists Building, Detroit, Mich.
D. (6) $1,500.

A. Arthur R. Barnett, 1200 18th Street NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
D. (6) $507.50. E. (9) $48.17.

A. Irvin L. Barney, Room 412 Railway Labor Building, Washington, D. C.
B. Brotherhood Railway Carmen of America, 4929 Main Street, Kansas City, Mo.
D. (6) $2,625.

A. F. W. H. Beauchamp, 26 O'Farrell Street, San Francisco, Calif.
B. Transportation Association of America.

A. George L. Bell, 1025 Connecticut Avenue NW., Washington, D. C.
B. Legislative Committee of the Committee for a National Trade Policy, 1025 Connecticut Avenue NW., Washington, D. C.
D. (6) $625.

A. Rachel S. Bell, 1025 Connecticut Avenue NW., Washington, D. C.
B. Legislative Committee of the Committee for a National Trade Policy, 1025 Connecticut Avenue NW., Washington, D. C.

A. Julia D. Bennett, Hotel Congressional, Washington, D. C.
B. American Library Association, 50 East Huron Street, Chicago, Ill.
E. (9) $1,656.56.

A. Ernest H. Benson, 10 Independence Avenue SW., Washington, D. C.
B. Brotherhood of Maintenance of Way Employees, 12050 Woodward Avenue, Detroit, Mich.
D. (6) $4,500.

A. Louella Miller Berg, 1634 I Street NW., Washington, D. C.
B. American Association of University Women, 1634 I Street NW., Washington, D. C.
D. (6) $750.

A. Berge, Fox & Arent, 1002 Ring Building, Washington, D. C.
B. The G. B. Macke Corp., 212 H Street NW., Washington, D. C.; Automatic Canteen Company of America, Merchandising Mart, Chicago, Ill., and National Automatic Merchandising Association, 7 South Dearborn Street, Chicago, Ill.
D. (6) $2,500. E. (9) $51.90.

A. Carl H. Berglund, 1306 Washington Building, Tacoma, Wash.

A. Tell Berna, 2071 East 102d Street, Cleveland, Ohio.
B. National Machine Tool Builders' Association, 2071 East 102d Street, Cleveland, Ohio.

A. Andrew J. Biemiller, 901 Massachusetts Avenue NW., Washington, D. C.
B. American Federation of Labor, 901 Massachusetts Avenue NW., Washington, D. C.
D. (6) $2,899. E. (9) $282.

A. Bigham, Englar, Jones & Houston, 99 John Street, New York, N. Y., and 839 Shoreham Building, Washington, D. C.
B. American Institute of Marine Underwriters, The Association of Marine Underwriters of the United States, American Cargo War Risk Reinsurance Exchange, American Marine Hull Insurance Syndicate.
E. (9) $58.

A. John H. Bivins, 50 West 50th Street, New York, N. Y.
B. American Petroleum Institute, 50 West 50th Street, New York, N. Y.
D. (6) $462.50.

A. James C. Black, 1625 K Street NW., Washington, D. C.
B. Republic Steel Corp., Republic Building, Cleveland, Ohio.
D. (6) $600. E. (9) $500.

A. William Rhea Blake, 1918 North Parkway, Memphis, Tenn.
B. National Cotton Council of America, P. O. Box 9905, Memphis, Tenn.

A. Henry W. Blalock, Sr., 1303 New Hampshire Avenue NW., Washington, D. C.
B. Central Electric Power Cooperative, Jefferson City, Mo.; N. W. Electric Power Cooperative, Cameron, Mo.; and Western Farmers Electric Cooperative, Anadarko, Okla.
D. (6) $250.

A. Blue Cross Commission, 425 North Michigan Avenue, Chicago, Ill.

A. The Borax Cartel Story, 132 Third Street SE., Washington, D. C.
D. (6) $14. E. (9) $14.

A. Joseph L. Borda, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers.

A. Lyle H. Boren, Seminole, Okla.
B. The Association of Western Railways, 474 Union Station Building, Chicago, Ill.
D. (6) $1,309.

A. Robert T. Borth, 777 14th Street NW., Washington, D. C.
B. General Electric Co., 570 Lexington Avenue, New York, N. Y.
D. (6) $375. E. (9) $186.25.

A. R. B. Bowden, 600 Folger Building, Washington, D. C.
B. Grain and Feed Dealers' National Association, 100 Merchants' Exchange Building, St. Louis, Mo. D. (6) $5.

A. Charles M. Boyer, 2517 Connecticut Avenue NW., Washington, D. C.
B. Reserve Officers' Association of the United States, 2517 Connecticut Avenue NW., Washington, D. C.

A. Joseph E. Brady, 2347 Vine Street, Cincinnati, Ohio.
B. International Union of United Brewery, Flour, Cereal, Soft Drink, and Distillery Workers of America, 2347 Vine Street, Cincinnati, Ohio.

A. Harold P. Braman, 907 Ring Building, Washington, D. C.
B. National Savings and Loan League, 907 Ring Building, Washington, D. C.
D. (6) $500.

A. Harry R. Brashear, 610 Shoreham Building, Washington, D. C.
B. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.

A. William A. Bresnahan, 1424 16th Street NW., Washington, D. C.
B. American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $450. E. (9) $21.25.

A. James M. Brewbaker, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers.

A. Homer L. Brinkley, 744 Jackson Place NW., Washington, D. C.
B. National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C.
D. (6) $5,499.96. E. (9) $672.65.

A. W. S. Bromley, 220 East 42d Street, New York, N. Y.
B. American Pulpwood Association, 220 East 42d Street, New York, N. Y.

A. Milton E. Brooding, 215 Fremont Street, San Francisco, Calif.
B. California Packing Corp., 215 Fremont Street, San Francisco, Calif.

A. Derek Brooks, 1737 H Street NW., Washington, D. C.
B. New York Board of Trade, Inc., 291 Broadway, New York, N. Y.
D. (6) $555. E. (9) $228.47.

A. Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees, 1015 Vine Street, Cincinnati, Ohio.
D. (6) $3,907.02. E. (9) $3,907.02.

A. C. R. Brown, 10 Indpendence Avenue SW., Washington, D. C.
B. Brotherhood of Maintenance of Way Employees, 12050 Woodward Avenue, Detroit, Mich.
D. (6) $482.

A. Brown, Lund & Fitzgerald, 1625 I Street NW., Washington, D. C.
B. National Association of Electric Companies, Ring Building, Washington, D. C.
D. (6) $5,949.99. E. (9) $5,777.73.

A. Paul W. Brown, 925 South Homan Avenue, Chicago, Ill.
B. Sears, Roebuck & Co., 925 South Homan Avenue, Chicago, Ill.

A. Mrs. Rollin Brown, 700 North Rush Street, Chicago, Ill.

A. Russell B. Brown, 1110 Ring Building, Washington, D. C.
B. Independent Petroleum Association of America, 1110 Ring Building, Washington, D. C.
E. (9) $19.20.

A. Thad H. Brown, Jr., 1771 N Street NW., Washington, D. C.
B. National Association of Radio and Television Broadcasters, 1771 N Street NW., Washington, D. C.

A. John M. Brumm, 2212 M Street NW., Washington, D. C.
B. Committee for the Nation's Health, 2212 M Street NW., Washington, D. C.
D. (6) $9,274.98. E. (9) $185.10.

A. George S. Buck, Jr., 1832 M Street NW., Washington, D. C.
B. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.

A. Henry H. Buckman, 54 Buckman Building, Jacksonville, Fla.
B. Florida Inland Navigation District, Citizens Bank Building, Bunnell, Fla.
D. (6) $1,350. E. (9) $24.61.

A. Henry H. Buckman, 54 Buckman Building, Jacksonville, Fla.
B. The Ship Canal Authority of the State of Florida, 720 Florida Title Building, Jacksonville, Fla.
D. (6) $1,350.

A. Henry H. Buckman, 54 Buckman Building, Jacksonville, Fla.
B. The Vulcan Detinning Co., Sewaren, N. J.

A. Bulgarian Claim Committee, 24 Beekman Street, New York, N. Y.
E. (9) $458.38.

A. Bureau of Accident and Health Underwriters, 60 John Street, New York, N. Y.
E. (9) $90.

A. George J. Burger, retained by Burger Tire Consultant Service, 250 West 57th Street, New York, N. Y.
B. Burger Tire Consultant Service, 250 West 57th Street, New York, and National Federation of Independent Business, 740 Washington Building, Washington, D. C.

A. Donald T. Burke, 1200 18th Street NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
D. (6) $215. E. (9) $22.78.

A. Harold Burke.
B. United States Cane Sugar Refiners Association, 115 Pearl Street, New York, N. Y.

A. Thomas H. Burke, 718 Jackson Place NW., Washington, D. C.
B. United Automobile, Aircraft, and Agricultural Implement Workers of America, 8000 East Jefferson Avenue, Detroit, Mich.
D. (6) $1,495. E. (9) $962.

A. Burley and Dark Leaf Tobacco Export Association, P. O. Box 860, Lexington, Ky.
D. (6) $450. E. (9) $5,570.73.

A. F. Hugh Burns, 821 Cafritz Building, Washington, D. C.
B. Great Lakes-St. Lawrence Association, 821 Cafritz Building, Washington, D. C.
D. (6) $850. E. (9) $72.65.

A. Bernard N. Burnstine, 900 F Street NW., Washington, D. C.
B. Jewelry Industry Tax Committee, Inc., 50 Broadway, New York, N. Y.

A. Orrin A. Burrows, 1200 15th Street NW., Washington, D. C.
B. International Brotherhood of Electrical Workers, 1200 15th Street NW., Washington, D. C.
D. (6) $2,874.99.

A. Charles C. Butler, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
(D) (6) $250. E. (9) $2.38.

A. Monroe Butler, room 1009, 417 South Hill Street, Los Angeles, Calif.
B. The Superior Oil Co., 930 Edison Building, Los Angeles, Calif.
D. (6) $2,400. E. (9) $2,349.

A. Lawrence V. Byrnes, 10 Independence Avenue SW., Washington, D. C.
B. Brotherhood of Locomotive Engineers, B. of L. E. Building, Cleveland, Ohio.
D. (6) $3,313.50.

A. C. G. Caffrey, suite 504, 1145 19th Street NW., Washington, D. C.
B. American Cotton Manufacturers Institute, Inc., 203–A Liberty Life Building, Charlotte, N. C.
D. (6) $1,520.40. E. (9) $37.

A. James A. Campbell, 900 F Street NW., Washington, D. C.
B. American Federation of Government Employees, 900 F Street NW., Washington, D. C.
D. (6) $2,692.27. E. (9) $269.23.

A. John L. Carey, 270 Madison Avenue, New York, N. Y.
B. American Institute of Accountants, 270 Madison Avenue. New York, N. Y.
D. (6) $1,000. E. (9) $10.

A. James K. Carr, 2101 K Street, Sacramento, Calif.
B. Sacramento Municipal Utility District, 2101 K Street, Sacramento, Calif.
D. (6) $410.74. E. (9) $8.

A. T. C. Carroll, 12050 Woodward Avenue, Detroit, Mich.

A. Henderson, H. Carson, 600 First National Bank Building, Canton, Ohio, and 744 Pennsylvania Building, Washington, D. C.
B. East Ohio Gas Co., 1405 East Sixth Street, Cleveland, Ohio.
D. (6) $1,500. E. (9) $460.

A. Albert E. Carter, 1026 16th Street NW., Washington, D. C.
B. Pacific Gas & Electric Co., 245 Market Street, San Francisco, Calif.
D. (6) $3,000. E.(9) $1,580.05.

A. Clarence B. Carter, P. O. Box 798, New Haven, Conn.
B. Railroad Pension Conference, P. O. Box 798, New Haven, Conn.

A. William L. Carter, 1012 14th Street NW., Washington, D. C.
B. The National Association of Independent Tire Dealers, Inc., 1012 14th Street NW., Washington, D. C.
D. (6) $87. E. (9) $1.70.

A. Benjamin F. Castle, 1145 19th Street NW., Washington, D. C.
B. Milk Industry Foundation, 1145 19th Street NW., Washington, D. C.

A. Larry Cates, 861 National Press Building, Washington, D. C.
B. Clarence N. Sayen, 55th Street and Cicero Avenue, Chicago, Ill.
D. (6) $2,592.10.

A. Francis R. Cawley, 1101 Vermont Avenue NW., Washington, D. C.
B. Magazine Publishers Association, Inc., 232 Madison Avenue, New York, N. Y.
D. (6) $285. E. (9) $221.85.

A. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D. C.

A. Justice M. Chambers, 2517 Connecticut Avenue NW., Washington, D. C.
B. M. Golodetz & Co., 120 Wall Street, New York, N. Y.
D. (6) $1,250.

A. Wei-Kuan Chang and Su Chun Wei Chang, 825 West End Avenue, New York, N. Y.
E. (9) $500.

A. Nicholas J. Chase, 400 Wyatt Building, 400 Wyatt Building, Washington, D. C.
B. Frederick Stafford, 745 Fifth Avenue, New York, N. Y.
D. (6) $375. E. (9) $28.75.

A. Christian Amendment Movement, 804 Penn Avenue, Pittsburgh, Pa.
D. (6) $5,781.47. E. (9) $3,999.91.

A. C. I. O. Maritime Committee, 132 Third Street SE., Washington, D. C.
E. (9) $7,355.99.

A. Earl W. Clark, 132 Third Street SE., Washington, D. C.
B. Labor-Management Maritime Committee, 132 Third Street SE., Washington, D. C.
D. (6) $825. E. (9) $93.34.

A. Omer W. Clark, 1701 18th Street NW., Washington, D. C.
B. Disabled American Veterans, 5555 Ridge Avenue, Cincinnati, Ohio.
D. (6) $2,769.24.

A. Robert M. Clark, 525 Shoreham Building, Washington, D. C.
B. The Atchison, Topeka & Santa Fe Railway Co., 80 East Jackson Boulevard, Chicago, Ill.
D. (6) $5,025.

A. Clear Channel Broadcasting Service, 532 Shoreham Building, Washington, D. C.

A. Clarence E. Cleveland, Montpelier, Vt.
B. Vermont State Railroads Association, Montpelier, Vt.
D. (6) $121.20. E. (9) $143.93.

A. Clay L. Cochran, 1303 New Hampshire Avenue NW., Washington, D. C.
B. National Rural Electric Cooperative Association, 1303 New Hampshire Avenue NW., Washington, D. C.
D. (6) $140.62.

A. Joseph H. Colman, 1300 First National-Soo Line Building, Minneapolis, Minn.
B. First Bank Stock Corp., 400 First National-Soo Line Building, Minneapolis, Minn.
D. (6) $3,000.

A. Harry W. Colmery, National Bank of Topeka Building, Topeka, Kans.
B. Occidental Life Insurance Co., Los Angeles, Calif.
E. (9) $40.60.

A. Harry W. Colmery, National Bank of Topeka Building, Topeka, Kans.
B. Transamerica Corp., 4 Columbus Avenue, San Francisco, Calif.
E. (9) $1,101.79.

A. Colorado Railroad Legislative Committee, 615 C. A. Johnson Building, Denver, Colo.
E. (9) $1,204.39.

A. Colorado River Association, 306 West Third Street, Los Angeles, Calif.
E. (9) $36,057.32.

A. Committee for Broadening Commercial Bank Participation in Public Financing.
D. (6) $14,725. E. (9) $7,785.32.

A. Committee on Japanese American Evacuation Claims, 12427 Milton Street, Los Angeles, Calif.

A. Committee on Laws, National Board of Fire Underwriters, 85 John Street, New York, N. Y.
D. (6) $2,357. E. (9) $350.

A. Committee for the Nation's Health, 2212 M Street NW., Washington, D. C.
D. (6) $7,373.65. E. (9) $7,386.17.

A. Committee for Pipe Line Companies, 418 Munsey Building, Washington, D. C.
E. (9) $16,161.84.

A. Committee for Study of Revenue Bond Financing, 30 Broad Street, New York, N. Y.
D. (6) $6,220. E. (9) $14,709.62.

A. Arthur D. Condon, 1000 Vermont Avenue NW., Washington, D. C.
B. Amana Refrigeration, Inc., Amana, Iowa.

A. Arthur D. Condon, 1000 Vermont Avenue NW., Washington, D. C.
B. Independent Advisory Committee to the Trucking Industry, Inc.

A. Arthur D. Condon, 1000 Vermont Avenue NW., Washington, D. C.
B. Salt Producers Association, 726 LaSalle-Wacker Building, Chicago, Ill.

A. Lawrence R. Condon, 165 Broadway, New York, N. Y.
B. Estate of Mary Clark DeBrabant and Katherine C. Williams, 120 Broadway, New York, N. Y.

A. John C. Cone, 815 15th Street NW., Washington, D. C.
B. Pan American World Airways System, 815 15th Street NW., Washington, D. C.

A. Conference for Inland Waterways Dry-Bulk Regulation, c/o Ames, Hill & Ames, Transportation Building, Washington, D. C.
E. (9) $978.88.

A. Conference of Local Airlines, 800 World Center Building, Washington, D. C.

A. Congress of Industrial Organizations, 718 Jackson Place NW., Washington, D. C.
D. (6) $28,509.50. E. (9) $28,509.50.

A. Bernard J. Conway, 222 East Superior Street, Chicago, Ill.
B. American Dental Association, 222 East Superior Street, Chicago, Ill.
D. (6) $2,625. E. (9) $212.27.

A. J. Milton Cooper, 1100 Bowen Building, Washington, D. C.
B. National Coal Association, 15th and H Streets NW., Washington, D. C.

A. J. Milton Cooper, 1100 Bowen Building, Washington, D. C.
B. Nationwide Trailer Rental System, 512 South Market Street, Wichita, Kans.

A. J. Milton Cooper, 1100 Bowen Building, Washington, D. C.
B. New York Stock Exchange, 11 Wall Street, New York, N. Y.

A. J. Milton Cooper, 1100 Bowen Building, Washington, D. C.
B. R. J. Reynolds Tobacco Co., Winston-Salem, N. C.

A. Cooperative Health Federation of America, 343 South Dearborn Street, Chicago, Ill.
D. (6) $300. E. (9) $217.

A. Cordage Legislative Committee, 350 Madison Avenue, New York, N. Y.
D. (6) $150. E. (9) $181.11.

A. Cotton, Brenner & Wrigley, 225 Broadway, New York, N. Y.
B. Martin Aloysius Madden, 27 West 96th Street, New York, N. Y.
D. (6) $9,500. E. (9) $249.36.

A. A. M. Crawford, 718 Title and Trust Building, Phoenix, Ariz.
B. Southern Pacific Co., 65 Market Street, San Francisco, Calif., and Atchison, Topeka & Santa Fe Railway, 121 East Sixth Street, Los Angeles, Calif.
D. (6) $250. E. (9) $500.

A. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $50,071.79. E. (9) $551.

A. Edward B. Crosland, 195 Broadway, New York, N. Y., and 1001 Connecticut Avenue NW., Washington, D. C.
B. American Telephone & Telegraph Co., 195 Broadway, New York, N. Y.
D. (6) $4,375.

A. Leo J. Crowley, 540 Equitable Building, Denver, Colo.
B. Colorado Railroad Legislative Committee, 615 C. A. Johnson Building, Denver, Colo.
D. (6) $1,204.39. E. (9) $1,204.39.

A. John C. Cuneo, P. O. Box 1054, Modesto, Calif.
B. The Townsend Plan, Inc., 6875 Broadway Avenue, Cleveland, Ohio.
D. (6) $1,744.55. E. (9) $2,018.62.

A. Ralph E. Curtiss, 917 15th Street NW., Washington, D. C.
B. National Licensed Beverage Association, 420 Seventh Street, Racine, Wis.
D. (6) $525.

A. Dairy Industry Committee, 519 Barr Building, Washington, D. C.
D. (6) $4,050.

A. R. Harvey Dastrup, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $1,407. E. (9) $26.89.

A. Joan David, 1145 19th Street NW., Washington, D. C.
B. National Committee on Parcel Post Size and Weight Limitations, 1145 19th Street NW., Washington, D. C.
D. (6) $975.

A. Joan David, 1145 19th Street NW., Washington, D. C.
B. National Council on Business Mail, 105 West Monroe Street, Chicago, Ill.
D. (5) $1,525.

A. Bertram G. Davis, 1608 K Street NW., Washington, D. C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $1,515.

A. Charles W. Davis, 1 North La Salle Street, Chicago, Ill.
B. Chicago Bridge & Iron Co., 1305 West 105th Street, Chicago, Ill.

A. Charles W. Davis, 1 North La Salle Street, Chicago, Ill.
B. Clearing Industrial District, Inc., 38 South Dearborn Street, Chicago, Ill.

A. Charles W. Davis, 1 North La Salle Street, Chicago, Ill.
B. The Copley Press, Inc., 428 Downer Place, Aurora, Ill.

A. Charles W. Davis, 1 North La Salle Street, Chicago, Ill.
B. Ontario Land Co., 807 Lonsdale Building, Duluth, Minn.
D. (6) $1,200. E. (9) $182.05.

A. Charles W. Davis, 1 North La Salle Street, Chicago, Ill.
B. The Singer Manufacturing Co., 149 Broadway, New York, N. Y.
E. (9) $558.03.

A. Sherlock Davis, 1117 Barr Building, Washington, D. C.
B. United States Cuban Sugar Council, 910 17th Street NW., Washington, D. C.

A. Waters S. Davis, Jr., League City, Tex.
B. National Association of Soil Conservation Districts, League City, Tex.

A. Donald S. Dawson, 731 Washington Building, Washington, D. C.
B. Schenley Industries, Inc., Empire State Building, New York, N. Y.

A. Tony T. Dechant.
B. Farmers Educational and Cooperative Union of America, 1404 New York Avenue NW., Washington, D. C., and 1575 Sherman Street, Denver, Colo.
D. (6) $750.

A. Richard A. Dell, 1303 New Hampshire Avenue NW., Washington, D. C.
B. National Rural Electric Cooperative Association, 1303 New Hampshire Avenue NW., Washington, D. C.
D. (6) $787.50.

A. Florence de Haas Dembitz, 1025 Vermont Avenue NW., Washington, D. C.
B. Benjamin Graham, 122 East 42d Street, New York, N. Y.

A. R. T. DeVany, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers, 2 East 48th Street, New York, N. Y.

A. Cecil B. Dickson, 1600 I Street NW., Washington, D. C.
B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D. C.
D. (6) $3,900. E. (9) $1,300.

A. Disabled American Veterans, National Headquarters, 5555 Ridge Avenue, Cincinnati, Ohio.
E. (9) $5,602.02.

A. Disabled Officers Association, 1604 K Street NW., Washington, D. C.
E. (9) $2,750.

A. Walter L. Disbrow, 900 F Street NW., Washington, D. C.
B. Retirement Federation of Civil Service Employees of the United States Government, 900 F Street NW., Washington, D. C.
D. (6) $1,581.79.

A. District of Columbia Petroleum Industries Committee, 1625 K Street NW., Washington, D. C.
D. (6) $562.66. E. (9) $562.66.

A. District Lodge, No. 44, International Association of Machinists, Medical Science Building, Washington, D. C.
D. (6) $12,182.62. E. (9) $15,381.48.

A. Division of Legislation and Federal Relations of the National Education Association of the United States, 1201 16th Street NW., Washington, D. C.
E. (9) $6,013.38.

A. James L. Donnelly, 39 South La Salle Street, Chicago, Ill.
B. Illinois Manufacturers' Association, 39 South La Salle Street, Chicago, Ill.
E. (9) $354.64.

A. Robert F. Donoghue, 236 Wyatt Building, Washington, D. C.
B. Pacific American Tankship Association, 25 California Street, San Francisco, Calif.
D. (6) $1,625.01.

A. Thomas J. Donovan, 155 East 44th Street, New York, N. Y.

A. J. Dewey Dorsett, 60 John Street, New York, N. Y.
B. Association of Casualty and Surety Companies, 60 John Street, New York, N. Y.
D. (6) $112.50.

A. C. L. Dorson, 900 F Street NW., Washington, D. C.
B. Retirement Federation of Civil Service Employees of the United States Government, 900 F Street NW., Washington, D. C.
D. (6) $1,507.64. E. (9) $46.

A. John E. Dougherty, 1223 Pennsylvania Building, Washington, D. C.
B. The Pennsylvania Railroad Co., 1740 Suburban Station Building, Philadelphia, Pa.

A. Robert E. Dougherty, 1319 18th Street NW., Washington, D. C.
B. National Lumber Manufacturers Association, 1319 18th Street NW., Washington, D. C.
D. (6) $2,500.

A. James W. Douthat, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers, 2 East 48th Street, New York, N. Y.

A. M. J. Dowd, El Centro, Calif.
B. Imperial Irrigation District, El Centro, Calif.

A. W. A. Dozier, Jr., 17 Molton Street, Montgomery, Ala.
B. Medical Association of the State of Alabama, State Office Building, Montgomery, Ala.
D. (6) $1,800. E. (9) $225.

A. Robert A. Drum, Omaha, Nebr.
E. (9) $2,000.

A. Ben DuBois, Sauk Centre, Minn.
B. Independent Bankers' Association, Sauk Centre, Minn.
D. (6) $2,869.50.

A. Stephen M. DuBrul, General Motors Building, Detroit, Mich.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich.

A. J. R. Dunkerley, 12 East 36th Street, New York, N. Y.
B. American Bankers Association, 12 East 36th Street, New York, N. Y.
D. (6) $437.50. E. (9) $255.

A. Dwight, Royall, Harris, Koegel & Caskey, Wire Building, Washington, D. C.
B. Twentieth Century-Fox Film Corp., 444 West 56th Street, New York City; Warner Bros. Pictures, Inc., 321 West 44th Street, New York City; Paramount Pictures Corp., Paramount Building, New York City; RKO Radio Pictures, Inc., 1270 Sixth Avenue, New York City; United Artists Corp., 729 Seventh Avenue, New York City; Columbia Pictures Corp., 729 Seventh Avenue, New York City; Loew's Inc., 1540 Broadway, New York City; Universal Pictures Co., Inc., 445 Park Avenue, New York City.
E. (9) $80.15.

A. Joseph L. Dwyer, 1625 K Street NW., Washington, D. C.
B. American Petroleum Institute, 50 West 50th Street, New York, N. Y.
D. (6) $3,276. E. (9) $433.91.

A. Eastern Meat Packers Association, Hotel Statler, New York, N. Y., and 740 11th Street NW., Washington, D. C.
D. (6) $25.39. E. (9) $24.23.

A. Herman Edelsberg, 1003 K Street NW., Washington, D. C.
B. Anti-Defamation League of B'nai B'rith, 515 Madison Avenue, New York, N. Y.
D. (6) $140. E. (9) $15.

A. Joseph H. Ehlers, 1026 17th Street NW., Washington, D. C.
B. American Society of Civil Engineers, 33 West 39th Street, New York, N. Y.
E. (9) $80.

A. Bernard H. Ehrlich, 1367 Connecticut Avenue NW., Washington, D. C.
B. National Association and Council of Business Schools, 418 Homer Building, Washington, D. C.

A. John Doyle Elliott, 1420 New York Avenue NW., Washington, D. C.
B. Townsend Plan, Inc., 6875 Broadway Avenue, Cleveland, Ohio.
D. (6) $910. E. (9) $4.60.

A. Clyde T. Ellis, 1303 New Hampshire Avenue NW., Washington, D. C.
B. National Rural Electric Cooperative Association, 1303 New Hampshire Avenue NW., Washington, D. C.
D. (6) $5,431.08.

A. Otis H. Ellis, 1001 Connecticut Avenue NW., Washington, D. C.
B. National Oil Jobbers Council, 1001 Connecticut Avenue NW., Washington, D. C.
D. (6) $6,000.

A. Newell W. Ellison, 701 Union Trust Building, Washington, D. C.
B. Theodore Roosevelt Association, 28 East 20th Street, New York, N. Y.
D. (6) $4,750.

A. John H. Else, 302 Ring Building, Washington, D. C.
B. National Retail Lumber Dealers' Association, 302 Ring Building, Washington, D. C.
D. (6) $3,050. E. (9) $183.

A. Ely, McCarty & Duncan, 1200 Tower Building, Washington, D. C.
B. American Public Power Association, 1757 E Street NW., Washington, D. C.
D. (6) $2,000.

A. Ely, McCarty & Duncan, 1200 Tower Building, Washington, D. C.
B. Department of Water and Power of the City of Los Angeles, 207 South Broadway, Los Angeles, Calif.
D. (6) $1,000.

A. Ely, McCarty & Duncan, 1200 Tower Building, Washington, D. C.
B. East Bay Municipal Utility District, 512 16th Street, Oakland, Calif.
D. (6) $2,100.

A. Ely, McCarty & Duncan, 1200 Tower Building, Washington, D. C.
B. Imperial Irrigation District, El Centro, Calif.
D. (6) $2,100.

A. Ely, McCarty & Duncan, 1200 Tower Building, Washington, D. C.
B. Six Agency Committee and Colorado River Board of California, 909 South Broadway, Los Angeles, Calif.
D. (6) $10,902.50. E. (9) $258.78.

A. Ely, McCarty & Duncan, 1200 Tower Building, Washington, D. C.
B. Water Project Authority of the State of California, Sacramento, Calif.
D. (6) $2,250.

A. Ely, McCarty & Duncan, 1200 Tower Building, Washington, D. C .
B. Water Resources Board of the State of California, Sacramento, Calif.
D. (6) $750.

A. Robert B. Ely 3d, 1600 Arch Street, Philadelphia, Pa.
B. Insurance Company of North America, 1600 Arch Street, Philadelphia, Pa.

A. K. Blyth Emmons, 925 15th Street NW., Washington, D. C.
B. National Small Business Men's Association, Inc., 2834 Central Street, Evanston, Ill.
D. (6) $2,587.50. E. (9) $260.60.

A. Engineers and Scientists of America, Munsey Building, Washington, D. C.

A. Myles W. English, 966 National Press Building, Washington, D. C.
B. National Highway Users Conference, Inc., 966 National Press Building, Washington, D. C.

A. The Ethanol Institute, 624 Associates Building, South Bend, Ind.
E. (9) $686.52.

A. Charles J. Fain, 1303 New Hampshire Avenue NW., Washington, D. C.
B. National Rural Electric Cooperative Association, 1303 New Hampshire Avenue NW., Washington, D. C.
D. (6) $737.49.

A. Edward Falck & Co., 1625 I Street NW., Washington, D. C.
B. Bridgeport Gas Light Co., 815 Main Street, Bridgeport, Conn.; Central Hudson Gas & Electric Corp., South Road, Poughkeepsie, N. Y.; Commonwealth Natural Gas Corp., 116 South Third Street, Richmond, Va.; the Connecticut Light & Power Co., P. O. Box 2010, Hartford, Conn.; Consolidated Edison Co. of New York, Inc., 4 Irving Place, New York, N. Y.; Delaware Power & Light Co., 600 Market Street, Wilmington, Del.; the Hartford Gas Co., 233 Pearl Street, Hartford, Conn.; Lynchburg Gas Co., 600 Main Street, Lynchburg, Va.; Long Island Lighting Co., 250 Old Country Road, Mineola, N. Y.; New Haven Gas Co., 80 Crown Street, New Haven, Conn.; New York State Electric & Gas Corp., 507 Cayuga Heights Road, Ithaca, N. Y.; Niagara Mohawk Power Corp., 300 Erie Boulevard West, Syracuse, N. Y.; Rochester Gas & Electric Corp., 89 East Avenue, Rochester, N. Y.; Rockland Light & Power Co., 10 North Broadway, Nyack, N. Y.; Washington Gas Light Co., 1100 H Street NW., Washington, D. C.
D. (6) $6,562.50. E. (9) $5,446.99.

A. Farmers Educational and Cooperative Union of America, 1575 Sherman Street, Denver, Colo., and 1404 New York Avenue NW., Washington, D. C.
D. (6) $27,078.55. E. (9) $19,783.19.

A. John A. Ferguson, 918 16th Street NW., Washington, D. C.
B. Independent Natural Gas Association of America, 918 16th Street NW., Washington, D. C.
D. (6) $3,750.

A. Josiah Ferris, 510 Union Trust Building, Washington, D. C.
B. American Sugar Cane League, New Orleans, La.; United States Sugar Corp., Clewiston, Fla.; and Fellsmere Sugar Producers Association, Fellsmere, Fla.
D. (6) $4,150. E. (9) 448.

A. Jerry K. Fields, 9363 Wilshire Boulevard, Beverly Hills, Calif.
B. National Institute of Social Welfare, 1031 South Grand Avenue, Los Angeles, Calif.
D. (6) $787.50.

A. Maurice W. Fillius, 703 National Press Building, Washington, D. C.
B. Kasser Distillers Products Corp., Philadelphia, Pa.
D. (6) $1,450. E. (9) $23.

A. Bernard M. Fitzgerald, 1625 I Street NW., Washington, D. C.
B. Brown, Lund & Fitzgerald, 1625 I Street NW., Washington, D. C.
D. (6) $472.50.

A. Stephen Fitzgerald & Co., 575 Madison Avenue, New York, N. Y.
B. Bulova Watch Co., Bulova Park, Flushing, N. Y.

A. Stephen Fitzgerald & Co., 575 Madison Avenue, New York, N. Y.
B. Creole Petroleum Corp., 350 Fifth Avenue, New York, N. Y.

A. Stephen Fitzgerald & Co., 575 Madison Avenue, New York, N. Y.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
D. (6) $4,500. E. (9) $568.98.

A. Berchmans T. Fitzpatrick, 1101 Vermont Avenue NW., Washington, D. C.
B. Wood, King & Dawson, 48 Wall Street, New York, N. Y.
D. (6) $3,000. E. (9) $225.

A. F. Stuart Fitzpatrick, 1615 H Street NW., Washington, D. C.
B. Chamber of Commerce of the U. S. A., 1615 H Street NW., Washington, D. C.

A. Roger Fleming, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $1,500. E. (9) $33.38.

A. Donald G. Fletcher, 745 McKnight Building, Minneapolis, Minn.
B. Rust Prevention Association, 745 McKnight Building, Minneapolis, Minn.
D. (6) $2,250. E. (9) $280.73.

A. John F. Floberg, Esq., 800 World Center Building, Washington, D. C.
B. Conference of Local Airlines, 800 World Center Building, Washington, D. C.

A. Florida Citrus Mutual, Lakeland, Fla.
E. (9) $2,380.59.

A. Florida Inland Navigation District, Citizens' Bank Building, Bunnell, Fla.
E. (9) $1,374.61.

A. Florida Railroad Association, 404 Midyette-Moor Building, Tallahassee, Fla.
D. (6) $4,000. E. (9) $2,322.67.

A. Mrs. J. A. Ford, 1420 New York Avenue NW., Washington, D. C.
B. Townsend Plan, Inc., 6875 Broadway, Cleveland, Ohio.

A. Forest Farmers' Association, P. O. Box 7284, Station C, Atlanta, Ga.

A. J. Carter Fort, 929 Transportation Building, Washington, D. C.
B. Association of American Railroads, Transportation Building, Washington, D. C.
D. (6) $7,484.58. E. (9) $30.43.

A. James F. Fort, American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
B. American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $343.75. E. (9) $31.25.

A. Charles E. Foster, 1701 18th Street NW., Washington, D. C.
B. Disabled American Veterans, 5555 Ridge Avenue, Cincinnati, Ohio.
D. (6) $2,423.12.

A. Ronald J. Foulis, 195 Broadway, New York, N. Y., and 1001 Connecticut Avenue NW., Washington, D. C.
B. American Telephone & Telegraph Co., 195 Broadway, New York, N. Y.
D. (6) $2,250.

A. Fowler, Leva, Hawes & Symington, 1701 K Street NW., Washington, D. C.
B. Waterways Council Opposed to Regulation Extension, 21 West Street, New York, N. Y.
D. (6) $5,342.50. E. (9) $42.33.

A. Charles E. Francen, 705 Justin Way, Silver Spring, Md.
B. American Citizens' Association, 705 Justin Way, Silver Spring, Md.
E. (9) $160.

A. L. S. Franklin, 2309 Pine Croft Road, Greensboro, N. C.
B. National Tax Relief Coalition, 2309 Pine Croft Road, Greensboro, N. C.
D. (6) $425. E. (9) $425.

A. George H. Frates, 1163 National Press Building, Washington, D. C.
B. N. A. R. D.
D. (6) $3,900. E. (9) $1,114.

A. Walter Freedman, 829 Washington Building, Washington, D. C.
B. Patchogue-Plymouth Mills Corp., 295 Fifth Avenue, New York, N. Y.
E. (9) $60.81.

A. Philip P. Friedlander, Jr., 1012 14th Street NW., Washington, D. C.
B. The National Association of Independent Tire Dealers, Inc., 1012 14th Street NW., Washington, D. C.
D. (6) $100. E. (9) $20.

A. Friends Committee on National Legislation, 104 C Street NE., Washington, D. C.
D. (6) $15,922.81. E. (9) $19,741.26.

A. Wallace H. Fulton, 1625 K Street NW., Washington, D. C.
B. National Association of Securities Dealers, Inc.
D. (6) $625.

A. Nolen J. Fuqua, Duncan, Okla.
B. National Association of Soil Conservation Districts, League City, Tex.
D. (6) $435.29. E. (9) $435.29.

A. Lawrence H. Gall, 918 16th Street NW., Washington, D. C.
B. Independent Natural Gas Association of America, 918 16th Street NW., Washington, D. C.
D. (6) $1,450.

A. M. J. Galvin, 207 Union Depot Building, St. Paul, Minn.
B. Minnesota railroads.
D. (6) $500. E. (9) $782.25.

A. Earl H. Gammons, 1735 DeSales Street NW., Washington, D. C.

A. Marion R. Garstang, 1731 I Street NW., Washington, D. C.
B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
D. (6) $11. E. (9) $1.

A. Gas Appliance Manufacturers Association, Inc., 60 East 42d Street, New York, N. Y.

A. Gus F. Geissler.
B. Farmers Educational and Cooperative Union of America, 1404 New York Avenue NW., Washington, D. C., and 1575 Sherman Street, Denver, Colo.
D. (6) $750. E. (9) $269.

A. General Gas Committee, 1625 K Street NW., Washington, D. C.
D. (6) $15,040. E. (9) $12,603.97.

A. J. M. George, 165 Center Street, Winona, Minn.
B. The Inter-State Manufacturers Association, 163–165 Center Street, Winona, Minn.
D. (6) $1,500.

A. J. M. George, 165 Center Street, Winona, Minn.
B. National Association of Direct Selling Companies, 163–165 Center Street, Winona, Minn.
D. (6) $3,000.

A. Leo E. George, 711 14th Street NW., Washington, D. C.
B. National Federation of Post Office Clerks, 711 14th Street NW., Washington, D. C.
D. (6) $3,000.

A. Gerhard A. Gesell, Esq., 701 Union Trust Building, Washington, D. C.
B. Transamerica Corp., 4 Columbus Avenue, San Francisco, Calif.
E. (9) $560.33.

A. Ernest Giddings, 1201 16th Street NW., Washington, D. C.
B. Division of Legislation and Federal Relations of the National Education Association of the United States, 1201 16th Street NW., Washington, D. C.
D. (6) $1,509.38. E. (9) $80.61.

A. Leif Gilstad, 1001 Connecticut Avenue NW., Washington, D. C.
B. Transportation Association of America, 1001 Connecticut Avenue NW., Washington, D. C.

A. Hugh V. Gittinger, Jr., 312 Wire Building, 1000 Vermont Avenue NW., Washington, D. C.
B. Washington Real Estate Board, Inc., 312 Wire Building, 1000 Vermont Avenue NW., Washington, D. C.

A. Arthur J. Goldberg, 1001 Connecticut Avenue NW., Washington, D. C.
B. Joint Minimum Wage Committee, Congressional Hotel, Washington, D. C.
D. (6) $2,500.

A. George Goldstein, 930 F Street NW., Washington, D. C.
B. United Electrical, Radio, and Machine Workers of America, 11 East 51st Street, New York, N. Y.
D. (6) $780. E. (9) $172.

A. Henry W. Goodall, 28 East Jackson Boulevard, Chicago, Ill.
B. Mississippi Valley Association, 1978 Railway Exchange Building, St. Louis, Mo.
D. (6) $1,875.

A. Nathaniel H. Goodrich, 1625 I Street NW., Washington, D. C.
B. American Jewish Committee, 386 Fourth Avenue, New York, N. Y.
D. (6) $162.49. E. (9) $29.90.

A. Lawrence L. Gourley, 1757 K Street NW., Washington, D. C.
B. American Osteopathic Association, 212 East Ohio Street, Chicago, Ill.
D. (6) $375.

A. Government Employees' Council, 100 Indiana Avenue NW., Washington, D. C.
D. (6) $4,995.32. E. (9) $5,307.62.

A. Grain & Feed Dealers' National Association, 100 Merchants' Exchange, St. Louis, Mo.
E. (9) $10.

A. Grand Lodge of the Brotherhood of Locomotive Firemen and Enginemen, Keith Building, Cleveland, Ohio.
D. (6) $94.50. E. (9) $7,058.02.

A. Robert A. Grant, 624 Associates Building. South Bend, Ind.
B. The Ethanol Institute, 624 Associates Building, South Bend, Ind.
D. (6) $300. E. (9) $386.52.

A. Cassius B. Gravitt, Jr., 1110 F Street NW., Washington, D. C.
B. National League of Postmasters, 1110 F Street NW., Washington, D. C.
D. (6) $1,700.

A. Ernest W. Greene, 723 Investment Building, Washington, D. C.
B. Hawaiian Sugar Planters' Association, P. O. Box 2450, Honolulu, T. H.

A. Francis T. Greene, 1701 K Street NW., Washington, D. C.
B. American Merchant Marine Institute, Inc., 1701 K Street NW., Washington, D. C., and 11 Broadway, New York, N. Y.
D. (6) $3,500. E. (9) $250.24.

A. Jerry N. Griffin, 731 Washington Building, Washington, D. C.
B. National Coal Association, Southern Building, 15th and H Streets NW., Washington, D. C.
D. (6) $1,875.

A. Jerry N. Griffin, 731 Washington Building, Washington, D. C.
B. Schenley Distillers, Inc., Empire State Building, New York, N. Y.
D. (6) $2,500. E. (9) $220.30.

A. Warren Griffiths, 104 C Street NE., Washington, D. C.
B. Friends Committee on National Legislation, 104 C Street NE., Washington, D. C.
D. (6) $758.33. E. (9) $37.94.

A. Weston B. Grimes, 436 Bowen Building, Washington, D. C.
B. Cargill, Inc., 200 Grain Exchange, Minneapolis, Minn.
D. (6) $6,000. E. (9) $4.48.

A. I. J. Gromfine, 1001 Connecticut Avenue NW., Washington, D. C.
B. David Zimring, 1001 Connecticut Avenue NW., Washington, D. C.

A. John J. Gunther, 1341 Connecticut Avenue NW., Washington, D. C.
B. Americans for Democratic Action, 1341 Connecticut Avenue NW., Washington, D. C.
D. (6) $1,519.96. E. (9) $265.22.

A. Mrs. Violet M. Gunther, 1341 Connecticut Avenue NW., Washington, D. C.
B. Americans for Democratic Action, 1341 Connecticut Avenue NW., Washington, D. C.
D. (6) $1,669.98. E. (9) $170.50.

A. Frank E. Haas, 280 Union Station Building, Chicago, Ill.
B. The Association of Western Railways, 474 Union Station Building, Chicago, Ill.
D. (6) $1,039.28. E. (9) $827.74.

A. Hoyt S. Haddock, 132 Third Street SE., Washington, D. C.
B. CIO Maritime Committee, 132 Third Street SE., Washington, D. C.
D. (6) $312. E. (9) $383.44.

A. Hoyt S. Haddock, 132 Third Street SE., Washington, D. C.
B. Labor-Management Maritime Committee, 132 Third Street SE., Washingotn, D. C.
D. (6) $825. E. (9) $353.25.

A. Dr. Eleanor M. Hedley, 1825 Jefferson Place NW., Washington, D. C.
B. American Association of Social Workers, 1 Park Avenue, New York, N. Y.
D. (6) $2,100.

A. Hugh F. Hall, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $1,000. E. (9) $13.30.

A. Radford Hall, 801 East 17th Avenue, Denver, Colo.
B. American National Cattlemen's Association, 801 East 17th Avenue, Denver, Colo.
D. (6) $2,047.50.

A. W. F. Hall, Sparts, Ga.
B. National Association of Soil Conservation Districts, League City, Tex.
D. (6) $56.44. E. (9) $56.44.

A. E. C. Hallbeck, 711 14th Street NW., Washington, D. C.
B. National Federation of Post Office Clerks, 711 14th Street NW., Washington, D. C.
D. (6) $2,874.96. E. (9) $285.17.

A. Charles D. Hamel, Lee I. Park, and Fuller Holloway, 1000 Shoreham Building, Washington, D. C.
B. New York Water Service Corp., 132 West 43d Street, New York, N. Y.
D. (6) $5,000. E. (9) $121.72.

A. Joseph J. Hammer, 26 Broadway, New York, N. Y.
B. Socony Mobil Oil Co., Inc., 26 Broadway, New York, N. Y.
D. (6) $1,452.43. E. (9) $327.43.

A. Harold F. Hammond, 1001 Connecticut Avenue NW., Washington, D. C.
B. Transportation Association of America, 1001 Connecticut Avenue NW., Washington, D. C.

A. Eugene J. Hardy, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers, 918 16th Street NW., Washington, D. C.

A. Ralph W. Hardy, 1735 De Sales Street NW., Washington, D. C.
B. Columbia Broadcasting System, Inc., 485 Madison Avenue, New York, N. Y.

A. Ralph W. Hardy, 1771 N Street NW., Washington, D. C.
B. National Association of Radio and Television Broadcasters, 1771 N Street NW., Washington, D. C.

A. A. L. James Harmanson, Jr., 744 Jackson Place NW., Washington, D. C.
B. National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C.
D. (6) $2,899.98. E. (9) $45.40.

A. H. E. Harris II, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $406.25. E. (9) $12.01.

A. Winder R. Harris, 441 Washington Building, Washington, D. C.
B. Shipbuilders Council of America, 21 West Street, New York, N. Y.

A. T. Wade Harrison, Room 812, Pennsylvania Building, Washington, D. C.
B. United States Savings and Loan League, 221 North La Salle Street, Chicago, Ill.
D. (6) $1,650. E. (9) $16.

A. Merwin K. Hart, 7501 Empire State Building, New York, N. Y.
B. National Economic Council, Inc., 7501 Empire State Building, New York, N. Y.

A. Stephen H. Hart, 520 Equitable Building, Denver, Colo.
B. National Live Stock Tax Committee, 801 East 17th Avenue, Denver, Colo.
D. (6) $804.

A. Paul H. Hawkins, 1145 19th Street NW., Washington, D. C.
B. American Retail Federation, 1145 19th Street NW., Washington, D. C.
D. (6) $3,750. E. (9) $49.80.

A. Kit H. Haynes, 744 Jackson Place NW., Washington, D. C.
B. National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C.
D. (6) $2,550. E. (9) $122.11.

A. Joseph H. Hays, 280 Union Station Building, Chicago, Ill.
B. The Association of Western Railways, 474 Union Station Building, Chicago, Ill.

A. John C. Hazen, 711 14th Street NW., Washington, D. C.
B. National Retail Dry Goods Association, 100 West 31st Street, New York, N. Y.
E. (9) $6.85.

A. Health and Accident Underwriters Conference, 208 South La Salle Street, Chicago, Ill.
E. (9) $90.

A. Patrick B. Healy, 1731 I Street NW., Washington, D. C.
B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
D. (6) $151.75. E. (9) $1.75.

A. George J. Hecht, 52 Vanderbilt Avenue, New York, N. Y., and 132 Third Street SE., Washington, D. C.
B. American Parents Committee, Inc., 132 Third Street SE., Washington, D. C.

A. Robert B. Heiney, 1133 20th Street NW., Washington, D. C.
B. National Canners Association, 1133 20th Street NW., Washington, D. C.
D. (6) $875. E. (9) $245.70.

A. Kenneth G. Heisler, 18th and M Streets NW., Washington, D. C.
B. National Savings and Loan League, 18th and M Streets NW., Washington, D. C.
D. (6) $200.

A. William B. Henderson, 925 15th Street NW., Washington, D. C.
B. Parcel Post Association, 925 15th Street NW., Washington, D. C.
D. $3,967. E. (9) $2,053.23.

A. Maurice G. Herndon, 1002 Washington Loan and Trust Building, Washington, D. C.
B. National Association of Insurance Agents, 96 Fulton Street, New York., N. Y.,

and 1002 Washington Loan and Trust Building, Washington, D. C.
D. (6) $199.13. E. (9) $199.13.

A. Clinton M. Hester, 426 Shoreham Building, Washington, D. C.
B. Boston Wool Trade Association, 263 Summer Street, Boston, Mass.
D. (6) $600. E. (9) $14.40.

A. Clinton M. Hester, 426 Shoreham Building, Washington, D. C.
B. National Association of Hot House Vegetable Growers, Post Office Box 659, Terre Haute, Ind.

A. Clinton M. Hester, 426 Shoreham Building, Washington, D. C.
B. United States Brewers Foundation, 535 Fifth Avenue, New York, N. Y.
D. (6) $5,000. E. (9) $120.08.

A. Robert C. Hibben, 1105 Barr Building, Washington, D. C.
B. International Association of Ice Cream Manufacturers, 1105 Barr Building, Washington, D. C.

A. W. J. Hickey, 2000 Massachusetts Avenue NW., Washington, D. C.
B. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D. C.
D. (6) $187.50.

A. M. F. Hicklin, 507 Bankers Trust Building, Des Moines, Iowa.
B. Iowa Railway Committee, 507 Bankers Trust Building, Des Moines, Iowa.

A. Ray C. Hinman, 26 Broadway, New York, N. Y.
B. Socony Mobil Oil Co., Inc., 26 Broadway, New York, N. Y.
D. (6) $1,444.77. E. (9) $194.77.

A. L. S. Hitchner, 1145 19th Street NW., Washington, D. C.
B. National Agricultural Chemicals Association, 1145 19th Street NW., Washington, D. C.

A. Claude E. Hobbs, 1625 I Street NW., Washington, D. C.
B. Manufacturing Chemists' Association, Inc., 1625 I Street NW., Washington, D. C.
D. (6) $1,250.

A. R. F. Hollister, 825 Failing Building, Portland, Oreg.
B. Independent Bankers Association, Twelfth Federal Reserve District, 825 Failing Building, Portland, Oreg.
D. (6) $1,800.

A. Charles M. Holloway, 1201 16th Street NW., Washington, D. C.
B. Division of Legislation and Federal Relations of the National Education Association of the United States, 1201 16th Street NW., Washington, D. C.
D. (6) $228.75.

A. Fuller Holloway, 1000 Shoreham Building, Washington, D. C.
B. The Toilet Goods Association, Inc., Americas Building, New York, N. Y.
D. (6) $1,250.

A. J. M. Hood, 2000 Massachusetts Avenue NW., Washington, D. C.
B. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D. C.
D. (6) $300.

A. Victor Hood, 4200 Clagett Road, Hyattsville, Md.
B. Journeymen Barbers, Hairdressers, Cosmetologists, and Proprietors International Union, 1141 North Delaware, Indianapolis, Ind.

A. Samuel H. Horne, Munsey Building, Washington, D. C.
B. Chicago Bridge & Iron Co., 1305 West 105th Street, Chicago, Ill.

A. Samuel H. Horne, Munsey Building, Washington, D. C.
B. Estate of Thomas C. Dennery, deceased, 50 South La Salle Street, Chicago, Ill.
E. (9) $47.25.

A. Samuel H. Horne, Munsey Building, Washington, D. C.
B. The Singer Manufacturing Co., 149 Broadway, New York, N. Y.
E. (9) $558.03.

A. Donald E. Horton, 222 West Adams Street, Chicago, Ill.
B. American Warehousemen's Association, 222 West Adams Street, Chicago, Ill.

A. Jesse V. Horton, Post Office Box 2013, Washington, D. C.
B. National Association of Postal Supervisors, Post Office Box 2013, Washington, D. C.
D. (6) $2,562.50. E. (9) $129.88.

A. Mrs. Jency Price Houser, 1420 New York Avenue NW., Washington, D. C.
D. (6) $1,152.41. E. (9) $1,152.41.

A. S. H. Howard, 1414 Evergreen Avenue, Millvale, Pittsburgh, Pa.
B. Brotherhood of Railroad Signalmen of America, 503 Wellington Avenue, Chicago, Ill.

A. Harold K. Howe, 2480 16th Street NW., Washington, D. C.
B. American Institute of Laundering, box 1187, Joliet, Ill.
D. (6) $2,649.99. E. (9) $1,293.35.

A. Harold K. Howe, 207 Mills Building, Washington, D. C.
B. The Lawn Mower Institute, Inc., 207 Mills Building, Washington, D. C.
D. (6) $1,800.

A. C. E. Huntley, 2000 Massachusetts Avenue NW., Washington, D. C.
B. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D. C.
D. (6) $250.

A. W. C. Hushing, 901 Massachusetts Avenue NW., Washington, D. C.
B. American Federation of Labor, 901 Massachusetts Avenue NW., Washington, D. C.
D.(6) $3,302. E. (9) $342.

A. Illinois Railroad Association, 33 South Clark Street, Chicago, Ill.
E. (9) $1,573.05.

A. Independent Advisory Committee to the Trucking Industry, Inc., 1000 Vermont Avenue NW., Washington, D. C.

A. The Independent Bankers Association, Sauk Centre, Minn.
D. (6) $16,655.79. E. (9) $10,621.83.

A. Independent Bankers Association, 12th Federal Reserve District, 825 Failing Building, Portland, Oreg.
D. (6) $17,158.50. E. (9) $7,186.06.

A. Independent Natural Gas Association of America, 918 16th Street NW., Washington, D. C.
D. (6) $29,556.54. E. (9) $7,968.28.

A. Ingoldsby & Coles, 813 Washington Building, Washington, D. C.
B. The American Tramp Shipowners Association, Inc., 11 Broadway, New York, N. Y.
E. (9) $110.02.

A. Kenneth W. Ingwalson, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $248.75. E. (9) $3.09.

A. Institute of Scrap Iron and Steel, Inc., 1729 H Street NW., Washington, D. C.
D. (6) $300.

A. Insurance Company of North America, 1600 Arch Street, Philadelphia, Pa.
E. (9) $130.65.

A. International Trade Section, New York Board of Trade, Inc., 291 Broadway, New York, N. Y.
D. (6) $1,528. E. (9) $1,380.06.

A. Inter-State Manufacturers Association, 163–165 Center Street, Winona, Minn.
D. (6) $3,000. E. (9) $13.70.

A. Ivins, Phillips & Barker, 306 Southern Building, Washington, D. C.
B. Remington Rand, Inc., 315 Fourth Avenue, New York, N. Y.
D. (6) $1,000. E. (9) $7.43.

A. Robert C. Jackson, 1145 19th Street NW., Washington, D. C.
B. American Cotton Manufacturers Institute, Inc., 203–A Liberty Life Building, Charlotte, N. C.
D. (6) $812.50. E. (9) $136.18.

A. Theodore Jaffe, 400 Wyatt Building, Washington, D. C.
B. Frederick Stafford, 745 Fifth Avenue, New York, N. Y.
D. (6) $375. E. (9) $55.75.

A. Japanese American Citizens League, 1759 Sutter Street, San Francisco, Calif.
D. (6) $375. E. (9) $300.

A. Ray L. Jenkins, 541 Washington Building, Washington, D. C.
B. Societe Internationale Pour Participatione Industrielles Et Commerciales, S. A., Peter Merianstr 19, Basle, Switzerland.

A. William T. Jobe, 810 18th Street NW., Washington, D. C.
B. National Association of Ice Industries, 810 18th Street NW., Washington, D. C.

A. Peter Dierks Joers, Mountain Pine, Ark.
B. Dierks Forests, Inc., 1006 Grand Avenue, Kansas City, Mo.

A. Johns-Manville Corp., 22 East 40th Street, New York, N. Y.
E. (9) $1,647.27.

A. Gilbert R. Johnson, 1208 Terminal Tower, Cleveland, Ohio.
B. Lake Carriers' Association, 305 Rockefeller Building, Cleveland, Ohio.

A. Reuben L. Johnson, Jr.
B. Farmers' Educational and Cooperative Union of America, 1404 New York Avenue NW., Washington, D. C.
D. (6) $1,315.68. E. (9) $94.88.

A. W. D. Johnson, 10 Independence Avenue SW., Washington, D. C.
B. Order of Railway Conductors and Brakemen, O. R. C. & B. Building, Cedar Rapids, Iowa.

A. Joint Minimum Wage Committee, Congressional Hotel, Washington, D. C.
D. (6) $12,500. E. (9) $16,571.04.

A. J. M. Jones, 414 Crandall Building, Salt Lake City, Utah.
B. National Wool Growers' Association, 414 Crandall Building, Salt Lake City, Utah.
D. (6) $3,125.

A. L. Dan Jones, 1110 Ring Building, Washington, D. C.
B. Independent Petroleum Association of America, 1110 Ring Building, Washington, D. C.
E. (9) $8.85.

A. Phillip E. Jones, 920 Tower Building, Washington, D. C.
B. United States Beet Sugar Association, 920 Tower Building, Washington, D. C.
D. (6) $450.

A. Rowland Jones, Jr., 1145 19th Street NW., Washington, D. C.
B. American Retail Federation, 1145 19th Street NW., Washington, D. C.
D. (6) $3,000. E. (9) $133.36.

A. Journeymen Barbers-Hairdressers, Cosmetologists, and Proprietors International Union of America, 1141 North Delaware, Indianapolis, Ind.

A. John E. Kane, 1625 K Street NW., Washington, D. C.
B. American Petroleum Institute, 50 West 50th Street, New York, N. Y.
D. (6) $2,750. E. (9) $957.86.

A. John E. Kane, 1625 K Street NW., Washington, D. C.
B. District of Columbia Petroleum Industries Committee, 1625 K Street NW., Washington, D. C.
D. (6) $300. E. (9) $262.66.

A. Kimon T. Karabatsos, 603–604 Associations Building, Washington, D. C.
B. Niobrara River Basin Development Association, Ainsworth, Nebr.
D. (6) $1,500. E. (9) $533.64.

A. Jerome J. Keating, 100 Indiana Avenue NW., Washington, D. C.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D. C.
D. (6) $1,374.

A. Arthur C. Keefer, 900 F Street NW., Washington, D. C.
B. War Department Beneficial Association, United States Department of Labor Beneficial Association, and United States Departments of Commerce and Justice Beneficial Association, Washington, D. C.
D. (6) $12,500.

A. James C. Kelley, 1900 Arch Street, Philadelphia, Pa.
B. American Machine Tool Distributors' Association, 1900 Arch Street, Philadelphia, Pa.

A. Joseph Duff Kelly, 30 Broad Street, New York, N. Y.
B. Committee for Study of Revenue Bond Financing, 30 Broad Street, New York, N. Y.
D. (6) $3,000.

A. James P. Kem, 1625 K Street NW., Washington, D. C.
B. Mrs. M. Veronica de Pataky, 7965 Fareholm Drive, Los Angeles, Calif.
D. (6) $1,000. E. (9) $8.41.

A. James P. Kem, 1625 K Street NW., Washington, D. C.
B. The Tariff Committee of the Woven Felt Industry, care of Albany Felt Co., Albany, N. Y.
E. (9) $5.39.

A. James P. Kem, 1625 K Street NW., Washington, D. C.
B. United States Cuban Sugar Council, 910 17th Street NW., Washington, D. C.
D. (6) $2,500.

A. Elizabeth A. Kendall, 2310 Connecticut Avenue, Washington, D. C.
E. (9) $13.

A. I. L. Kenen, 302 Beechwood Road, Alexandria, Va.
B. American Zionist Committee for Public Affairs, 1737 H Street NW., Washington, D. C.
D. (6) $388.39. E. (9) $97.55.

A. William J. Kennard, M. D., 1523 L Street NW., Washington, D. C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $200. E. (9) $6.33.

A. Harold L. Kennedy, 203 Commonwealth Building, Washington, D. C.
B. The Ohio Oil Co., Findlay, Ohio.
D. (6) $500. E. (9) $275.

A. Miles D. Kennedy, 1608 K Street NW., Washington, D. C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $3,100.

A. Jeff Kibre, 930 F Street NW., Washington, D. C.
B. International Longshoremen's and Warehousemen's Union, 150 Golden Gate Avenue, San Francisco, Calif.
D. (6) $609.47. E. (9) $648.59.

A. John A. Killick, 740 11th Street NW., Washington, D. C.
B. Eastern Meat Packers Association, Inc., Hotel Statler, New York, N. Y., and 740 11th Street NW., Washington, D. C.
D. (6) $875.01.

A. John A. Killick, 740 11th Street NW., Washington, D. C.
B. The National Independent Meat Packers Association, 740 11th Street NW., Washington, D. C.
D. (6) $130.50. E. (9) $65.79.

A. H. Cecil Kilpatrick, 912 American Security Building, Washington, D. C.
B. Minot, DeBlois & Maddison, 294 Washington Street, Boston, Mass.
E. (9) $112.37.

A. Kenneth L. Kimble, 1701 K Street NW., Washington, D. C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
D. (6) $422.50.

A. Thomas H. Kingsley, 16th and P Streets NW., Washington, D. C.
B. Movers Conference of America, 16th and P Streets NW., Washington, D. C.

A. Bill Kirchner, Sauk Centre, Minn.
B. Independent Bankers Association, Sauk Centre, Minn.
D. (6) $2,124.96.

A. Clifton Kirkpatrick, 1918 North Parkway, Memphis, Tenn.
B. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.
D. (6) $360. E. (9) $25.19.

A. Rowland F. Kirks, 1800 H Street NW., Washington, D. C.
B. National Automobile Dealers Association, 1800 H Street NW., Washington, D. C.
D. (6) $4,038. E. (9) $525.43.

A. C. W. Kitchen, 777 14th Street NW., Washington, D. C.
B. United Fresh Fruit and Vegetable Association, 777 14th Street NW., Washington, D. C.

A. Clarence C. Klocksin, 2623 North Van Dorn Street, Alexandria, Va.
B. The National Board of Fire Underwriters, 85 John Street, New York, N. Y.
E. (9) $100.

A. Burt L. Knowles, Munsey Building, Washington, D. C.
B. The Associated General Contractors of America, Inc., Munsey Building, Washington, D. C.

A. Robert M. Koch, 619 F Street NW., Washington, D. C.
B. National Agricultural Limestone Institute, Inc., 619 F Street NW., Washington, D. C.

A. Kreeger, Ragland & Shapiro, Investment Building, Washington, D. C.
B. Alden Lown, receiver of the joint venture of Barrett & Hilp, McDonald and Rutherford, 600 Montgomery Street, San Francisco, Calif.
E. (9) $1,000.

A. Herman C. Kruse, 245 Market Street, San Francisco, Calif.
B. Pacific Gas & Electric Co., 245 Market Street, San Francisco, Calif.
D. (6) $1,560.21. E. (9) $1,806.37.

A. Catherine G. Kuhns, 1701 16th Street NW., Washington, D. C.
B. National Federation of Business and Professional Women's Clubs, Inc., 1790 Broadway, New York, N. Y.

A. Labor-Management Maritime Committee, 132 Third Street SE., Washington, D. C.
E. (6) $4,344.45.

A. Lake Carriers' Association, Cleveland, Ohio.

A. A. M. Lampley, 10 Independence Avenue SW., Washington, D. C.
B. Brotherhood of Locomotive Firemen and Enginemen, 318 Keith Building, Cleveland, Ohio.
D. (6) $2,750.

A. Fritz G. Lanham, 2737 Devonshire Place NW., Washington, D. C.
B. American Fair Trade Council, Inc., 1434 West 11th Avenue, Gary, Ind.
D. (6) $249.96.

A. Fritz G. Lanham, 2737 Devonshire Place NW., Washington, D. C.
B. National Patent Council, Inc., 1434 West 11th Avenue, Gary, Ind.
D. (6) $499.98.

A. Fritz G. Lanham, 2737 Devonshire Place, NW., Washington, D. C.
B. State Tax Association, Post Office Box 2559, Houston, Tex.

A. Fritz G. Lanham, 2737 Devonshire Place NW., Washington, D. C.
B. Trinity Improvement Association, Inc., 1308 Commercial Standard Building, Fort Worth, Tex.
D. (6) $1,275.

A. William C. Lantaff, 916 Du Pont Building, Miami, Fla.
B. United States Cuban Sugar Council, 910 17th Street NW., Washington, D. C.
D. (6) $3,500. E. (9) $999.01.

A. La Roe, Winn & Moerman, 743 Investment Building, Washington, D. C.
B. Eastern Meat Packers Association, Inc., Statler Hotel, New York, N. Y.
D. (6) $1,500. E. (9) $2,984.41.

A. La Roe, Winn & Moerman, 743 Investment Building, Washington, D. C.
B. The National Independent Meat Packers Association, 740 11th Street NW., Washington, D. C.
D. (6) $3,750. E. (9) $3,089.97.

A. John V. Lawrence, 1424 16th Street NW., Washington, D. C.
B. American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $8,749.98. E. (9) $46.13.

A. John G. Laylin and Edward G. Howard, 701 Union Trust Building, Washington, D. C.
B. Embassy of Denmark, 2374 Massachusetts Avenue NW., Washington, D. C.
E. (9) $178.46.

A. Ivy Lee and T. J. Ross, 405 Lexington Avenue, New York, N. Y.
B. Committee of American Steamship Lines, 1701 K Street NW., Washington, D. C.
D. (6) $4,500. E. (9) $6,352.89.

A. Ivy Lee and T. J. Ross, 405 Lexington Avenue, New York, N. Y.
B. United States Cuban Sugar Council, 910 17th Street NW., Washington, D. C.
D. (6) $1,570.17. E. (9) $70.17.

A. Legislative Committee of the Committee for a National Trade Policy, Inc., 1025 Connecticut Avenue NW., Washington, D. C.
D. (6) $50. E. (9) $865.74.

A. Legislative Committee of Office Equipment Manufacturers Institute, 777 14th Street NW., Washington, D. C.

A. Dr. William N. Leonard, Railway Progress Building, Washington, D. C.
B. Federation for Railway Progress, Railway Progress Building, Washington, D. C.
D. (6) $750.

A. Artemas C. Leslie, 416 Mills Building, Washintgon, D. C.
B. Blue Cross Commission of the American Hospital Association, 425 North Michigan, Chicago, Ill.

A. Marvin E. Lewis, 703 Market Street, San Francisco, Calif.
B. Independent contractor for the city and county of San Francisco.
D. (6) $1,000. E. (9) $1,681.30.

A. The Liaison Committee of the Mechanical Specialty Contracting Industries, 610 Ring Building, Washington, D. C.
B. The Liaison Committee of the Mechanical Specialty Contracting Industries, 610 Ring Building, Washington, D. C.

A. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y., and 1701 K Street, Washington, D. C.
D. (6) $5,959.93. E. (9) $5,959.93.

A. Life Insurance Policyholders Protective, Association, 116 Nassau Street, New York, N. Y.
D. (6) $88.15. E. (9) $1,631.55.

A. Leo F. Lightner, 717 National Press Building, Washington, D. C.
B. Engineers and Scientists of America, Munsey Building, Washington, D. C.

A. L. Blaine Liljenquist, 917 15th Street NW., Washington, D. C.
B. Western States Meat Packers Association, Inc., San Francisco, Calif.
D. (6) $2,875.02. E. (9) $4.05.

A. John W. Lindsey, 1625 K Street NW., Washington, D. C.
B. National Association of Securities Dealers, Inc.
D. (6) $375.

A. Miss Esther Lipsen, Railway Progress Building, Washington, D. C.
B. Federation for Railway Progress, Railway Progress Building, Washington, D. C.
D. (6) $800. E. (9) $225.

A. Robert G. Litschert, 1200 18th Street NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
D. (6) $187.50. E. (9) $57.56.

A. Walter J. Little, 530 West Sixth Street, Los Angeles, Calif.
B. California Railroad Association, 215 Market Street, San Francisco, Calif.
D. (6) $2,649.36. E. (9) $1,270.62.

A. John M. Littlepage, 840 Investment Building, 15th and K Streets NW., Washington, D. C.
B. The American Tobacco Co., Inc., 111 Fifth Avenue, New York, N. Y.

A. Gordon C. Locke, 418 Munsey Building, Washington, D. C.
B. Committee for Pipe Line Companies, 35 East Wacker Drive, Chicago, Ill.
D. (6) $5,000.

A. Charles E. Lofgren, 522 Rhode Island Avenue NE., Washington, D. C.
B. Fleet Reserve Association, 522 Rhode Island Avenue NE., Washington, D. C.
D. (6) $2,000.

A. Benjamin H. Long, 2746 Penobscot Building, Detroit, Mich.
B. Blue Cross Commission, 425 North Michigan Avenue, Chicago, Ill.
D. (6) $750. E. (9) $55.28.

A. Leonard Lopez, 1029 Vermont Avenue NW., Washington, D. C.
B. District No. 44, I. A. of M., 1029 Vermont Avenue NW., Washington, D. C.
D. (6) $1,749.99. E. (9) $15.

A. Lord, Day & Lord, 25 Broadway, New York, N. Y., and 500 Wyatt Building, Washington, D. C.
B. Agency of Canadian Car & Foundry Co., Ltd., 30 Broadway, New York, N. Y.
D. (6) $11,049.16. E. (9) $3.42.

A. Lord, Day & Lord, 25 Broadway, New York, N. Y., and 500 Wyatt Building, Washington, D. C.
B. Standard Oil Co. of New Jersey, 30 Rockefeller Plaza, New York, N. Y.

A. Lord, Day & Lord, 25 Broadway, New York, N. Y., and 500 Wyatt Building, Washington, D. C.
B. S. A. Healy Co., 61 Westchester Avenue, White Plains, N. Y.
E. (9) $24.05.

A. Joe T. Lovett, 1145 19th Street NW., Washington, D. C.
B. American Retail Federation, 1145 19th Street NW., Washington, D. C.
D. (6) $500.

A. Otto Lowe, Cape Charles, Va.
B. National Canners Association, 1133 20th Street, Washington, D. C.
D. (6) $375. E. (9) $375.

A. Sydney Lubarr, 210 East Indian Springs Drive, Silver Spring, Md.
B. American Zionist Committee for Public Affairs, 1737 H Street NW., Washington, D. C.
E. (9) $115.65.

A. Scott W. Lucas, 1025 Connecticut Avenue NW., Washington, D. C.
B. Acacia Mutual Life Insurance Co., Washington, D. C.
D. (6) $750.

A. Scott W. Lucas, 1025 Connecticut Avenue NW., Washington, D. C.
B. E. J. Albrecht Co., 2625 West 26th Street, Chicago, Ill.

A. Scott W. Lucas, 1025 Connecticut Avenue NW., Washington, D. C.
B. American Finance Conference, 176 West Adams Street, Chicago, Ill.
D. (6) $1,250.

A. Scott W. Lucas, 1025 Connecticut Avenue NW., Washington, D. C.
B. Mobile Homes Manufacturers Association, 20 North Wacker Drive, Chicago, Ill.
D. (6) $1,000.

A. Lucas & Thomas, 1025 Connecticut Avenue NW., Washington, D. C.
B. Adolph von Zedlitz, 60 Sutton Place South, New York, N. Y.

A. Gerald J. Lynch, 3000 Schaefer Road, Dearborn, Mich.
B. Ford Motor Co., Dearborn, Mich.

A. John C. Lynn, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $2,532. E. (9) $47.04.

A. LeRoy E. Lyon, Jr., 530 West Sixth Street, Los Angeles, Calif.
B. California Railroad Association, 215 Market Street, San Francisco, Calif.
D. (6) $604.80. E. (9) $765.74.

A. Avery McBee, 610 Shoreham Building, Washington, D. C.
B. Hill and Knowlton, Inc.

A. Robert J. McBride, 1424 16th Street NW., Washington, D. C.
B. Regular Common Carrier Conference of American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $2,500.

A. John A. McCart, 900 F Street NW., Washington D. C.
B. American Federation of Government Employees, 900 F. Street NW., Washington, D. C.
E. (9) $29.10.

A. Frank J. McCarthy, 1223 Pennsylvania Building, Washington, D. C.
B. The Pennsylvania Railroad Co., 1740 Suburban Station Building, Philadelphia, Pa.

A. J. L. McCaskill, 1201 16th Street NW., Washington, D. C.
B. Division of Legislation and Federal Relations of the National Education Association of the United States, 1201 16th Street NW., Washington, D. C.
D. (6) $575. E. (9) $67.72.

A. Angus McDonald.
B. Farmers Educational and Cooperative Union of America, 1404 New York Avenue NW., Washington, D. C.
D. (6) $1,440. E. (9) $276.93.

A. McDonnell & Slattery, 425 13th Street NW., Washington, D. C.
B. National Association of Electric Cos., 1200 18th Street NW., Washington, D. C.

A. Edwin McElwain, 701 Union Trust Building, Washington, D. C.
B. National Machine Tool Builders' Association, 2071 East 102d Street, Cleveland, Ohio.

A. A. J. McFarland.
B. Christian Amendment Movement.
D. (6) $825. E. (9) $250.

A. Charles T. McGavin, 711 14th Street NW., Washington, D. C.
B. National Parking Association, Inc., 711 14th Street NW., Washington, D. C.

A. Thomas Edward McGrath, 4012 14th Street NW., Washington, D. C.

A. M. C. McKercher, 3860 Lindell Boulevard, St. Louis, Mo.
B. The Order of Railroad Telegraphers, O. R. T. Building, St. Louis, Mo.

A. J. V. McLaughlin, 929 Transportation Building, Washington, D. C.
B. Association of American Railroads, Transportation Building, Washington, D. C.
D. (6) $3,500.32. E. (9) $336.99.

A. W. H. McMains, 1132 Pennsylvania Building, Washington, D. C.
B. Distilled Spirits Institute, 1132 Pennsylvania Building, Washington, D. C.

A. Ralph J. McNair, Life Insurance Association of America, 1701 K Street NW., Washington, D. C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
D. (6) $500. E. (9) $10.43.

A. William P. MacCracken, Jr., 1152 National Press Building, Washington, D. C.
B. American Optometric Association, care of Dr. H. Ward Ewalt, Jr., 8001 Jenkins Arcade, Pittsburgh, Pa.
D. (6) $4,650. E. (9) $68.27.

A. William P. MacCracken, Jr., 1152 National Press Building, Washington, D. C.
B. John J. Braund, 100 Alabama Avenue SE., Washington, D. C.
D. (6) $1,500. E. (9) $500.

A. William P. MacCracken, Jr., 1152 National Press Building, Washington, D. C.
B. Frankel Bros., 521 Fifth Avenue, New York, N. Y.
E. (9) $2.31.

A. W. Bruce Macnamee, 1701 K Street NW., Washington, D. C. and 11 Broadway, New York, N. Y.
B. American Merchant Marine Institute, Inc., 1701 K Street NW., Washington, D. C., and 11 Broadway, New York, N. Y.
D. (6) $985.75. E. (9) $649.90.

A. Carter Manasco, 4201 Chesterbrook Road, Falls Church, Va.
B. National Business Publications, Inc., 1413 K Street NW., Washington, D. C.
D. (6) $600.

A. Carter Manasco, 4201 Chesterbrook Road, Falls Church, Va.
B. National Coal Association, Southern Building, Washington, D. C.
D. (6) $2,000. E. (9) $161.57.

A. Carter Manasco, 4201 Chesterbrook Road, Falls Church, Va.
B. Southern Pine Industry Committee, Post Office Box 1170, New Orleans, La.
D. (6) $375.

A. Manufacturing Chemists' Association, Inc., 1625 I Street NW., Washington, D. C.
D. (6) $2,375. E. (9) $2,375.

A. James Mark, Jr., 1435 K Street NW., Washington, D. C.
B. United Mine Workers of America, 900 15th Street NW., Washington, D. C.
D. (6) $3,302.

A. Rodney W. Markley, Jr., 1200 Wyatt Building, Washington, D. C.
B. Ford Motor Co., Dearborn, Mich.
D. (6) $2,350. E. (9) $490.

A. Winston W. Marsh, 1012 14th Street NW., Washington, D. C.
B. The National Association of Independent Tire Dealers, Inc., 1012 14th Street NW., Washington, D. C.
D. (6) $700. E. (9) $32.20.

A. Fred T. Marshall, 1112–1118 19th Street NW., Washington, D. C.
B. The B. F. Goodrich Co., 500 South Main Street, Akron, Ohio.

A. Edwin G. Martin, 717 National Press Building, Washington, D. C.
B. Kasser Distillers Products Corp., Philadelphia, Pa.
D. (6) $1,450.

A. John M. Martin, Jr., 1712 G Street NW., Washington, D. C.
B. American Automobile Association, 1712 G Street NW., Washington, D. C.

A. Mike M. Masaoka, 1737 H Street NW., Washington, D. C.
B. Committee on Japanese American Evacuation Claims, 12427 Milton Street, Los Angeles, Calif.

A. Mike M. Masaoka, 1737 H Street NW., Washington, D. C.
B. Japanese American Citizens League, 1759 Sutter Street, San Francisco, Calif.
D. (6) $300. E. (9) $15.

A. Walter J. Mason, 901 Massachusetts Avenue NW., Washington, D. C.
B. American Federation of Labor, 901 Massachusetts Avenue NW., Washington, D. C.
D. (6) $2,899. E. (9) $342.

A. P. H. Mathews, 929 Transportation Building, Washington, D. C.
B. Association of American Railroads, Transportation Building, Washington, D. C.
D. (6) $2,413.25. E. (9) $1,314.82.

A. C. V. and R. V. Maudlin, 1111 E Street NW., Washington, D. C.
B. National Association of Waste Material Dealers, Inc., 271 Madison Avenue, New York, N. Y.

A. Cyrus H. Maxwell, M. D., 1523 L Street NW., Washington, D. C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $650. E. (9) $118.14.

A. Medical Association of the State of Alabama, State Office Building, Montgomery, Ala.
E. (9) $2,025.

A. William R. Merriam, Railway Progress Building, Washington, D. C.
B. Federation for Railway Progress, Railway Progress Building, Washington, D. C.
E. (9) $130.

A. James Messer, Jr., 404 Midyette-Moor Building, Tallahassee, Fla.
B. Florida Railroad Association, 404 Midyette-Moor Building, Tallahassee, Fla.
D. (6) $1,875.

A. J. T. Metcalf, 1002 L. & N. Building, Louisville, Ky.
E. (9) $372.51.

A. James G. Michaux, 1145 19th Street NW., Washington, D. C.
B. American Retail Federation, 1145 19th Street NW., Washington, D. C.
D. (6) $1,250. E. (9) $61.

A. Clarence R. Miles, 1615 H Street NW., Washington, D. C.
B. Chamber of Commerce of the U. S. A., 1615 H Street NW., Washington, D. C.

A. Milk Industry Foundation, 1145 19th Street NW., Washington, D. C.

A. Miller & Chevalier, 1001 Connecticut Avenue, Washington, D. C.
B. The Blue Cross Commission, 425 North Michigan Avenue, Chicago, Ill.
D. (6) $900. E. (9) $184.88.

A. Dale Miller, Mayflower Hotel, Washington, D. C.
B. Dallas (Tex.) Chamber of Commerce.
D. (6) $1,500. E. (9) $900.

A. Dale Miller, Mayflower Hotel, Washington, D. C.
B. Intracoastal Canal Association of Louisiana and Texas, 1028 Electric Building, Houston, Tex.
D. (6) $2,000. E. (9) $313.68.

A. Dale Miller, Mayflower Hotel, Washington, D. C.
B. Texas Gulf Sulphur Co., Newgulf, Tex., and New York, N. Y.
D. (6) $2,250. E. (9) $1,375.74.

A. Joseph L. Miller, 1025 Connecticut Avenue, Washington, D. C.
B. National Association of Cotton Manufacturers and Abitibi Power and Paper Co., Ltd.
D. (6) $2,500. E. (9) $861.69.

A. Seymour S. Mintz, 810 Colorado Building, Washington, D. C.
B. Republic Steel Corp., Cleveland, Ohio.
E. (9) $4.

A. Seymour S. Mintz, William T. Plumb, Jr., Robert K. Eifler, 810 Colorado Building, Washington, D. C.
B. John H. Davis; Harriett O. Davis; Harry Handley Cloutier; Elinor S. Cloutier; Estate of Henri M. Cloutier, deceased; Harry M. Cloutier, executor; Margaret S. Cloutier, Seattle, Wash.
E. (9) $33.89.

A. Seymour S. Mintz, William T. Plumb, Jr., Robert K. Eifler, and Richard A. Mullens, 810 Colorado Building, Washington, D. C.
B. Hughes Tool Co., Houston, Tex.

A. Clarence Mitchell, 100 Massachusetts Avenue NW., Washington, D. C.
B. National Association for the Advancement of Colored People, 20 West 40th Street, New York, N. Y.
D. (6) $2,000. E. (9) $86.74.

A. Allen P. Mitchem, 406 Majestic Building, Denver, Colo.
B. Board of water commissioners, city and county of Denver, Colo.
D. (6) $592.50. E. (9) $181.09.

A. M. B. Mobley, 1010 Vermont Avenue NW., Washington, D. C.
B. American Vocational Association, Inc.

A. F. E. Mollin, 801 East 17th Avenue, Denver, Colo.
B. American National Cattlemen's Association, 801 East 17th Avenue, Denver, Colo.
D. (6) $3,300. E. (9) $242.89.

A. Donald Montgomery, 777 14th Street NW., Washington, D. C.
B. American Hotel Association, 221 West 57th Street, New York, N. Y.
D. (6) $2,150. E. (9) $160.74.

A. Monument Builders of America, Inc., 20 East Jackson Boulevard, Chicago, Ill.
D. (6) $1,895.28. E. (9) $3,516.89.

A. George W. Morgan, 76 Beaver Street, New York, N. Y.
B. Association of American Ship Owners, 76 Beaver Street, New York, N. Y.

A. Morison, Murphy, Clapp & Abrams, Pennsylvania Building, Washington, D. C.
B. Metz Brewing Co., Omaha, Nebr.
D. (6) $2,000. E. (9) $14.77.

A. Morison, Murphy, Clapp & Abrams, Pennsylvania Building, Washington, D. C.
B. Group Health Dental Insurance, Inc., 120 Wall Street, New York, N. Y.
E. (9) $19.71.

A. Morison, Murphy, Clapp & Abrams, Pennsylvania Building, Washington, D. C.
B. Pickett Development Committee, Blackstone, Va.

A. Morison, Murphy, Clapp & Abrams, Pennsylvania Building, Washington, D. C.
B. The Sperry & Hutchinson Co., 114 Fifth Avenue, New York, N. Y.
D. (6) $757.50. E. (9) $400.

A. Morris Plan Corporation of America, 103 Park Avenue, New York, N. Y.
E. (9) $7,387.52.

A. Giles Morrow, 1111 E Street NW., Washington, D. C.
D. (6) $4,374.99. E. (9) $65.48.

A. Harold G. Mosier, 610 Shoreham Building, Washington, D. C.
B. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.
D. (6) $3,750. E. (9) $456.25.

A. William J. Mougey, 802 Cafritz Building, Washington, D. C.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich.

A. Movers' Conference of America, 16th and P Streets NW., Washington, D. C.

A. T. H. Mullen, 711 14th Street NW., Washington, D. C.
B. American Paper & Pulp Association, 122 East 42d Street, New York, N. Y.

A. T. H. Mullen, 711 14th Street NW., Washington, D. C.
B. American Pulpwood Association, 220 East 42d Street, New York, N. Y.

A. Howard E. Munro, 901 Massachusetts Avenue NW., Washington, D. C.
B. Central Labor Union and Metal Trades Council of the Panama Canal Zone, P. O. Box 471, Balboa Heights, C. Z.
D. (6) $1,300. E. (9) $926.55.

A. Walter J. Munro, Hotel Washington, Washington, D. C.
B. Brotherhood of Railroad Trainmen.

A. Dr. Emmett J. Murphy, 5737 13th Street NW., Washington, D. C.
B. National Chiropractic Insurance Co., National Building, Webster City, Iowa.
D. (6) $300. E. (9) $300.

A. Ray Murphy, 60 John Street, New York, N. Y.
B. Association of Casualty and Surety Companies, 60 John Street, New York, N. Y.
D. (6) $112.50.

A. Music Publishers Association of the United States, 3 East 71st Street, New York, N. Y.
E. (9) $444.46.

A. J. Walter Myers, Jr., P. O. Box 7284, Station C, Atlanta, Ga.
B. Forest Farmers Association Cooperative, P. O. Box 7284, Station C, Atlanta, Ga.

A. National Agricultural Limestone Institute, Inc., 619 F Street NW., Washington, D. C.

A. National Associated Businessmen, Inc., 910 17th Street NW., Washington, D. C.
D. (6) $1,440.87. E. (9) $1,570.95.

A. National Association of Alcohol and Tobacco Tax Field Officers, 402 Fourth Avenue, New Kensington, Pa.
D. (6) $538.80. E. (9) $574.90.

A. National Association and Council of Business Schools, 601 13th Street NW., Washington, D. C.

A. National Association of Direct Selling Cos., 163–165 Center Street, Winona, Minn.
D. (6) $14,050. E. (9) $173.82.

A. National Association of Electric Companies, 1200 18th Street NW., Washington, D.C.
D. (6) $1,920.52. E. (9) $19,969.37.

A. National Association of Frozen Food Packers, 1415 K Street NW., Washintgon, D. C.

A. National Association of Independent Tire Dealers, Inc., 1912 14th Street NW., Washintgon, D. C.
D. (6) $2,617.46. E. (9) $2,617.46.

A. National Association of Insurance Agents, 96 Fulton Street, New York, N. Y.
D. (6) $3,096.93. E. (9) $4,502.32.

A. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D. C.
D. (6) $375,031.59. E. (9) $33,077.69.

A. National Association of Margarine Manufacturers, Munsey Building, Washington, D. C.

A. National Association of Mutual Savings Banks, 60 East 42d Street, New York, N. Y.
E. (9) $127.

A. National Association of Postal Supervisors, Post Office Box 2013, Washington, D. C.
D. (6) $8,593.29. E. (9) $5,730.67.

A. National Association of Postmasters of the United States, 1111 17th Street NW., Washington, D. C.
D. (6) $3,879.75. E. (9) $600.

A. National Association of Soil Conservation Districts, League City, Tex.
D. (6) $391.13. E. (9) $647.65.

A. National Association of Travel Organizations, 1424 K Street NW., Washington, D. C.
D. (6) $11,328.90. E. (9) $682.50.

A. National Canners Association, 1133 20th Street NW., Washington, D. C.
D. (6) $282,477.50. E. (9) $1,992.53.

A. National Coal Association, 802 Southern Building, Washington, D. C.

A. National Committee on Parcel Post Size and Weight Limitations, 1625 I Street NW., Washington, D. C.
D. (6) $125. E. (9) $1,233.81.

A. National Committee of Shippers and Receivers, 100 West 31st Street, New York, N. Y.
D. (6) $600. E. (9) $315.25.

A. National Conference for Repeal of Taxes on Transportation, care of D. G. Ward, Mathieson Building, Baltimore, Md.

A. National Cotton Compress and Cotton Warehouse Association, 1085 Shrine Building, Memphis, Tenn.

A. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.
D. (6) $2,508.56. E. (9) $2,508.56.

A. National Council on Business Mail, Inc., 105 West Monroe Street, Chicago, Ill.
D. (6) $3,688.25. E. (9) $2,648.44.

A. National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C.
D. (6) $3,688.25. E. (9) $2,648.44.

A. National Economic Council, Inc., 7501 Empire State Building, New York, N. Y.

A. National Electrical Contractors Association, Inc., 1200 18th Street NW., Washington, D. C.

A. National Electrical Manufacturers Association, 155 East 44th Street, New York, N. Y.
D. (6) $121.03. E. (9) $121.03.

A. National Federation of Post Office Clerks, 711 14th Street NW., Washington, D. C.
D. (6) $191,831.26. E. (9) $25,216.17.

A. National Food Brokers Association, 827 Munsey Building, Washington, D. C.
D. (6) $1,221.80.

A. National Housing Conference, 1025 Connecticut Avenue NW., Washington, D. C.
D. (6) $7,943.02. E. (9) $14,069.24.

A. The National Independent Meat Packers Association, 740 11th Street NW., Washington, D. C.
D. (6) $415. E. (9) $1,059.33.

A. National Institute of Diaper Services, Inc., 67 West 44th Street, New York, N. Y.

A. National Live Stock Tax Committee, 801 East 17th Avenue, Denver, Colo.
D. (6) $804.

A. National Lumber Manufacturers Association, 1319 18th Street NW., Washington, D. C.
D. (6) $603.63. E. (9) $555.12.

A. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
D. (6) $3,124.82. E. (9) $3,124.82.

A. National Multiple Sclerosis Society, 270 Park Avenue, New York City, N. Y.
E. (9) $864.28.

A. National Parking Association, Inc., 711 14th Street NW., Washington, D. C.

A. National Postal Transport Association, 1028 Connecticut Avenue NW., Washington, D. C.
D. (6) $42,157.26. E. (9) $4,377.41.

A. National Reclamation Association, 897 National Press Building, Washington, D. C.
D. (6) $9,969.50. E. (9) $10,799.46.

A. National Rehabilitation Association, 1025 Vermont Avenue NW., Washington, D. C.
D. (6) $458.39. E. (9) $570.

A. National Retail Dry Goods Association, 100 West 31st Street, New York, N. Y.
D. (6) $4,125. E. (9) $4,419.36.

A. National Rivers and Harbors Congress, 1720 M Street NW., Washington, D. C.
D. (6) $3,160. E. (9) $6,037.51.

A. National Rural Electric Cooperative Association, 1303 New Hampshire Avenue NW., Washington, D. C.
D. (6) $15,683.83. E. (9) $15,683.83.

A. National Savings and Loan League, 907 Ring Building, 18th and M Streets NW., Washington, D. C.
D. (6) $2,535.27. E. (9) $827.32.

A. National Small Business Men's Association, 2834 Central Street, Evanston, Ill.
D. (6) $5,000. E. (9) $5,459.52.

A. National Society of Professional Engineers, 1121 15th Street NW., Washington, D. C.
D. (6) $31,230.93. E. (9) $1,577.59.

A. National Wool Growers' Association, 414 Crandall Building, Salt Lake City, Utah.
D. (6) $6,850. E. (9) $3,125.

A. Nation-Wide Committee of Industry, Agriculture, and Labor on Import-Export Policy, 815 15th Street NW., Washington, D. C.
D. (6) $6,350. E. (9) $9,477.44.

A. Robert R. Neal, 1701 K Street NW., Washington, D. C.
B. Bureau of Accident and Health Underwriters, 60 John Street, New York, N. Y., and Health and Accident Underwriters' Conference, 208 South La Salle Street, Chicago, Ill.
D. (6) $147.99.

A. William S. Neal, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers, 918 16th Street NW., Washington, D. C.

A. Alan M. Nedry, 1001 Connecticut Avenue, Washington, D. C.
B. National Oil Jobbers' Council, 1001 Connecticut Avenue, Washington, D. C.
D. (6) $150. E. (9) $50.

A. Samuel E. Neel, 1001 15th Street NW., Washington, D. C.
B. Mortgage Bankers' Association of America, 111 West Washington Street, Chicago, Ill.
D. (6) $3,750. E. (9) $1,759.29.

A. Peter R. Nehemkis, Jr., 1735 DeSales Street NW., Washington, D. C.
B. Simplex Manufacturing Corp., New Orleans, La.; Cushman Motor Works, Inc., Lincoln, Nebr.; Harley-Davidson Motor Co., Milwaukee, Wis.
D. (6) $1,999.98. E. (9) $588.98.

A. Ross D. Netherton, 1712 G Street NW., Washington, D. C.
B. American Automobile Association, 1712 G Street NW., Washington, D. C.
D. (6) $2,775.

A. Blake T. Newton, Jr., 195 Broadway, New York, N. Y., and 1001 Connecticut Avenue NW., Washington, D. C.
B. American Telephone & Telegraph Co., 195 Broadway, New York, N. Y.
D. (6) $2,937.49.

A. New York and New Jersey Dry Dock Association, 161 William Street, New York City.
D. (6) $4,250. E. (9) $7,869.06.

A. New York Stock Exchange, 11 Wall Street, New York, N. Y.
E. (9) $3,124.83.

A. Russ Nixon, 930 F Street NW., Washington, D. C.
B. United Electrical, Radio and Machine Workers of America, 11 East 51st Street, New York, N. Y.
D. (6) $780. E. (9) $172.

A. Nordlinger, Riegelman, Benetar & Charney, 420 Lexington Avenue, New York, N. Y.
B. Wei-Kuan Chang and wife, Su Chun Wei Chang, 825 West End Avenue, New York, N. Y.
D. (6) $500. E. (9) $12.03.

A. Christian P. Norgord, 1617 Rhode Island Avenue NW., Washington, D. C.
B. The American Humane Association, Denver, Colo.
D. (6) $900. E. (9) $150.22.

A. O. L. Norman, 1200 18th Street NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
D. (6) $727.50. E. (9) $12.07.

A. Robert H. North, 1105 Barr Building, Washington, D. C.
B. International Association of Ice Cream Manufacturers.

A. Harry E. Northam, 185 North Wabash Avenue, Chicago, Ill.
B. Association of American Physicians and Surgeons, Inc., 185 North Wabash Avenue, Chicago, Ill.

A. Northern Hemlock & Hardwood Manufacturers Association, Washington Building, Oshkosh, Wis.
D. (6) $100.

A. E. M. Norton, 1731 I Street NW., Washington, D. C.
B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
D. (6) $146.75. E. (9) $46.75.

A. Charles E. Noyes, 270 Madison Avenue, New York, N. Y.
B. American Institute of Accountants, 270 Madison Avenue, New York, N. Y.
D. (6) $1,000. E. (9) $70.75.

A. John Lord O'Brian, 701 Union Trust Building, Washington, D. C.
B. Theodore Roosevelt Association, 28 East 20th Street, New York, N. Y.
D. (6) $4,750.

A. Edward H. O'Connor, 176 West Adams Street, Chicago, Ill.
B. Insurance Economics Society of America, 176 West Adams Street, Chicago, Ill.
D. (6) $7,624.85.

A. Herbert R. O'Conor, 1701 K Street NW., Washington, D. C.
B. American Merchant Marine Institute, Inc., 1701 K Street NW., Washington, D. C. and 11 Broadway, New York, N. Y.

A. Eugene O'Dunne, Jr., Southern Building, Washington, D. C.
B. Comite de Productores de Azucar, Antonio Miro Quesada 576, Of. 504 Lima, Peru.
E. (9) $300.19.

A. Eugene O'Dunne, Jr., Southern Building, Washington, D. C.
B. National Association of Wool Manufacturers, 386 Fourth Avenue, New York, N. Y.
E. (9) $22.64.

A. The Ohio Railroad Association, 16 East Broad Street, Columbus, Ohio.
E. (9) $376.65.

A. Alvin E. Oliver, 600 Folger Building, Washington, D. C.
B. Grain and Feed Dealers National Association, 100 Merchants' Exchange Building, St. Louis, Mo.
D. (6) $9. E. (9) $1.

A. Fred N. Oliver, 110 East 42d Street, New York, N. Y., and Investment Building, Washington, D. C.
B. National Association of Mutual Savings Banks, 60 East 42d Street, New York, N. Y.

A. Robert Oliver, 718 Jackson Place NW., Washington, D. C.
B. Congress of Industrial Organizations, 718 Jackson Place NW., Washington, D. C.
D. (6) $1,624.98. E. (9) $1,638.23.

A. Clarence H. Olson, care of the American Legion, 1608 K Street NW., Washington, D. C.
D. (6) $2,370. E. (9) $5.75.

A. Samuel Omasta, 619 F Street NW., Washington, D. C.
B. National Agricultural Limestone Institute, Inc., 619 F Street NW., Washington, D. C.

A. Order of Railway Conductors and Brakemen, O. R. C. & B. Building, Cedar Rapids, Iowa.
E. (9) $3,731.80.

A. Morris E. Osburn, Central Trust Building, Jefferson City, Mo.
B. Missouri Railroad Committee.
E. (9) $446.51.

A. Thomas R. Owens, 917 15th Street NW., Washington, D. C.
B. United Rubber, Cork, Linoleum, and Plastic Workers of America, CIO, High at Mill Street, Akron, Ohio.
D. (6) $1,690. E. (9) $571.49.

A. Mrs. Theodor Oxholm, 19 East 92d Street, New York 28, N. Y.
D. (6) $170. E. (9) $170.

A. Pacific American Tankship Association, 25 California Street, San Francisco, Calif.
D. (6) $200. E. (9) $1,625.01.

A. Irving R. M. Panzer, 1735 DeSales Street NW., Washington, D. C.
B. Steckler, Frank & Gutman, 60 East 42d Street, New York, N. Y.
D. (6) $2,500. E. (9) $120.17.

A. Lovell H. Parker, 611 Colorado Building, Washington, D. C.
B. Maryland Electronic Manufacturing Co., College Park, Md.; W. A. Sheaffer Pen Co., Fort Madison, Iowa; Pittsburgh Plate Glass Co., Pittsburgh, Pa., and Record Industry Association of America, Inc., New York, N. Y.
D. (6) $750.

A. Parker, Milliken & Kohlmeier, 650 South Spring Street, Los Angeles, Calif.
B. The Farmers and Merchants National Bank of Los Angeles, as trustee of the Mary

Paula Ball Trust, Fourth and Main Streets, Los Angeles, Calif.

A. A. Lee Parsons, 1145 19th Street NW., Washington, D. C.
B. American Cotton Manufacturers Institute, Inc., Liberty Life Building, Charlotte, N. C.
D. (6) $300. E. (9) $84.88.

A. James G. Patton.
B. Farmers Educational and Cooperative Union of America, 1575 Sherman Street, Denver, Colo., and 1404 New York Avenue NW., Washington, D. C.
D. (6) $1,250. E. (9) $386.

A. Paul, Weiss, Rifkind, Wharton & Garrison, 1614 I Street NW., Washington, D. C.
B. S. Gumbel Realty and Security Co., Inc., New Orleans, La.
E. (9) $1.

A. Paul, Weiss, Rifkind, Wharton & Garrison, 1614 I Street NW., Washington, D. C.
B. National Committee for Insurance Taxation, 221 North La Salle Street, Chicago, Ill.
D. (6) $1,087.50. E. (9) $77.88.

A. Albert A. Payne, 1737 K Street NW., Washington, D. C.
B. Realtors' Washington Committee of the National Association of Real Estate Boards, 1737 K Street NW., Washington, D. C.
D. (6) $2,650. E. (9) $130.22.

A. Peoples Lobby.
B. Emory S. Avant.
D. (6) $123. E. (9) $200.

A. Hugh Peterson, Ailey, Ga.
B. Georgia Power Co., 75 Marietta Street, Atlanta, Ga.
D. (6) $3,750. E. (9) $410.99.

A. J. Hardin Peterson, Cochrane Building, Lakeland, Fla.
B. Howard L. Shannon, acting trustee for Color Legislative Fund, Lakeland, Fla.
D. (6) $1,000. E. (9) $20.89.

A. J. Hardin Peterson, Cochrane Building, Lakeland, Fla.
B. Florida Citrus Mutual.
D. (6) $2,166.66. E. (9) $213.93.

A. J. Hardin Peterson, Cochrane Building, Lakeland, Fla.
B. Tomoma Land Co., 8–10 Center Street, Sebring, Fla.
E. (9) $1.12.

A. J. Hardin Peterson, Cochrane Building, Lakeland, Fla.
B. West Coast Inland Navigation District, Courthouse, Bradenton, Fla.
D. (6) $600. E. (9) $24.93.

A. J. E. Phillips, 225 Bush Street, San Francisco, Calif.
B. Standard Oil Company of California, 225 Bush Street, San Francisco, Calif.
D. (6) $1,000.

A. Albert Pike, Jr., 488 Madison Avenue, New York, N. Y.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
D. (6) $60.

A. James F. Pinkney, 1424 16th Street NW., Washington, D. C.
B. American Trucking Association, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $1,000. E. (9) $175.16.

A. Walter C. Ploeser, 50 South Bemiston Avenue, Clayton, St. Louis, Mo.
E. (9) $284.43.

A. Milton M. Plumb, 718 Jackson Place NW., Washington, D. C.
B. Congress of Industrial Organizations.
D. (6) $1,958.32. E. (9) $1,221.25.

A. J. Francis Pohlhaus, 100 Massachusetts Avenue NW., Washington, D. C.
B. National Association for the Advancement of Colored People, 20 West 40th Street, New York, N. Y.
D. (6) $1,300.

A. Poole, Shroyer & Denbo, 1625 K Street NW., Washington, D. C.
B. American Retail Federation, 1145 19th Street NW., Washington, D. C.

A. Frank M. Porter, 50 West 50th Street, New York, N. Y.
B. American Petroleum Institute, 50 West 50th Street, New York, N. Y.

A. Stanley I. Posner and Bernard H. Ehrlich, 1367 Connecticut Avenue NW., Washington, D. C.
B. National Institute of Diaper Services, 67 West 44th Street, New York, N. Y.

A. Nelson J. Post, 1731 I Street NW., Washington, D. C.
National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
D. (6) $17.16. E. (9) $7.16.

A. William H. Press, 1616 K Street NW., Washington, D. C.
B. Washington Board of Trade, 1616 K Street NW., Washington, D. C.
D. (6) $4,500.

A. Allen Pretzman, 50 West Broad Street, Columbus, Ohio.
B. Scioto-Sandusky Conservancy District, 50 West Broad Street, Columbus, Ohio.

A. Harry E. Proctor, 1110 Investment Building, Washington, D. C.
B. National Association of Mutual Savings Banks, 60 East 42d Street, New York City.
D. (6) $117. E. (9) $10.

A. Public Information Committee of the Cotton Industries, National City Building, Dallas, Tex.

A. Edmund R. Purves, 1735 New York Avenue NW., Washington, D. C.
B. American Institute of Architects, 1735 New York Avenue NW., Washington, D. C.
D. (6) $200. E. (9) $255.

A. C. J. Putt, 920 Jackson Street, Topeka, Kans.
B. The Atchison, Topeka & Santa Fe Railway Co., 920 Jackson Street, Topeka, Kans.
E. (9) $295.52.

A. F. Miles Radigan, 1200 18th Street NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
D. (6) $102.50. E. (9) $33.51.

A. Alex Radin, 1757 K Street NW., Washington, D. C.
B. American Public Power Association, 1757 K Street NW., Washington, D. C.
D. (6) $2,625.

A. Railroad Pension Conference, Post Office Box 798, New Haven, Conn.
D. (6) $21.30. E. (9) $13.95.

A. Alan R. Rains, 777 14th Street NW., Washington, D. C.
B. United Fresh Fruit and Vegetable Association, 777 14th Street NW., Washington, D. C.

A. D. C. Ramsey, 610 Shoreham Building, Washington, D. C.
B. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.

A. Donald J. Ramsey, 1612 I Street NW., Washington, D. C.
B. Silver Users Association, 1612 I Street NW., Washington, D. C.
D. (6) $4,250.01. E. (9) $437.21.

A. Otie M. Reed, 1107 19th Street NW., Washington, D. C.
B. The Joint Committee of the National Creameries Association and the American Butter Institute, 1107 19th Street NW., Washington, D. C.
D. (6) $1,875. E. (9) $3,000.50.

A. Regular Common Carrier Conference of American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $5,235.41. E. (9) $5,235.41.

A. James Francis Reilly, 1625 K Street NW., Washington, D. C.
B. Potomac Electric Power Co., 929 E Street NW., Washington, D. C.
E. (9) $175.22.

A. Reserve Officers Association of the United States, 2517 Connecticut Avenue NW., Washington, D. C.

A. Retired Officers' Association, 1616 I Street NW., Washington, D. C.
D. (6) $38,191.18.

A. Retirement Federation of Civil Service Employees of the United States Government, 900 F Street NW., Washington, D. C.
D. (6) $12,561.24. E. (9) $8,075.39.

A. Hubert M. Rhodes, 740 11th Street NW., Washington, D. C.
B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $550. E. (9) $1.

A. Roland Rice, 618 Perpetual Building, Washington, D. C.
B. Regular Common Carrier Conference of the American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $446.25.

A. Siert F. Riepma, Munsey Building, Washington, D. C.
B. National Association of Margarine Manufacturers, Munsey Building, Washington, D. C.

A. John J. Riggle, 744 Jackson Place NW., Washington, D. C.
B. National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C.
D. (6) $2,899.98.

A. C. E. Rightor, 3300 Rolling Road, Chevy Chase, Md.
B. Committee for Study of Revenue Bond Financing, 30 Broad Street, New York, N. Y.
D. (6) $750.

A. George D. Riley, 901 Massachusetts Avenue NW., Washington, D. C.
B. American Federation of Labor, 901 Massachusetts Avenue NW., Washington, D. C.
D. (6) $2,899. E. (9) $372.

A. John J. Riley, 1128 16th Street NW., Washington, D. C.
B. American Bottlers of Carbonated Beverages, 1128 16th Street NW., Washington, D. C.
D. (6) $486.14.

A. H. J. Ripp, 10 Independence Avenue SW., Washington, D. C.
B. Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees, 1015 Vine Street, Cincinnati, Ohio.
D. (6) $200. E. (9) $216.94.

A. Paul H. Robbins, 1121 15th Street NW., Washington, D. C.
B. National Society of Professional Engineers, 1121 15th Street NW., Washington, D. C.
D. (6) $250.

A. Edward O. Rodgers, 1107 16th Street NW., Washington, D. C.
B. Air Transport Association of America, 1107 16th Street NW., Washington, D. C.
D. (6) $1,250. E. (9) $31.

A. Frank W. Rogers, 1701 K Street NW., Washington, D. C.
B. Western Oil and Gas Association, 510 West Sixth Street, Los Angeles, Calif.
D. (6) $3,750. E. (9) $77.

A. Watson Rogers, 827 Munsey Building, Washington, D. C.
B. National Food Brokers Association, 827 Munsey Building, Washington, D. C.
D. (6) $1,000.

A. George B. Roscoe, 1200 18th Street NW., Washington, D. C.
B. National Electrical Contractors Association, Inc., 1200 18th Street NW., Washington, D. C.

A. James F. Rowan, 16th and P Streets NW., Washington, D. C.
B. Movers' Conference of America, 16th and P Streets NW., Washington, D. C.

A. Roland H. Rowe, 400 Investment Building, Washington, D. C.
B. United States Wholesale Grocers' Association, 400 Investment Building, Washington, D. C.

A. Albert R. Russell, 1918 North Parkway, Memphis, Tenn.
B. National Cotton Council of America, P. O. Box 9905, Memphis, Tenn.
D. (6) $240. E. (9) $137.34.

A. Francis M. Russell, 1625 K Street NW., Washington, D. C.
B. National Broadcasting Co., Inc., 1625 K Street NW., Washington, D. C.

A. Horace Russell, 221 North La Salle Street, Chicago, Ill.
B. United States Savings and Loan League, 221 North La Salle Street, Chicago, Ill.
D. (6) $4,125.

A. M. O. Ryan, 777 14th Street NW., Washington, D. C.
B. American Hotel Association, 221 West 57th Street, New York, N. Y.
D. (6) $3,750. E. (9) $321.68.

A. William H. Ryan, 1029 Vermont Avenue NW., Washington, D. C.
B. District Lodge No. 44, International Association of Machinists, 1029 Vermont Avenue NW., Washington, D. C.
D. (6) $2,250. E. (9) $60.

A. Kimball Sanborn, 705 Transportation Building, Washington, D. C.
B. Association of American Railroads, Transportation Building, Washington, D. C.

A. L. R. Sanford, 21 West Street, New York, N. Y.
B. Shipbuilders Council of America, 21 West Street, New York, N. Y.

A. John T. Sapienza, 701 Union Trust Building, Washington, D. C.
B. Hudson Bay Mining and Smelting Co., Ltd., 500 Royal Bank Building, Winnipeg, Manitoba, Canada, et al.
E. (9) $4.18.

A. John T. Sapienza and Walter A. Slowinski, 701 Union Trust Building, Washington, D. C.
B. Chicago & North Western Railway System, 400 West Madison Street, Chicago, Ill.
E. (9) $8.60.

A. Harrison Sasscer, 1201 16th Street NW., Washington, D. C.
B. Division of Legislation and Federal Relations of the National Education Association of the United States, 1201 16th Street NW., Washington, D. C.
D. (6) $191.25.

A. Satterlee, Warfield & Stephens, 460 Park Avenue, New York, N. Y.
B. American Nurses' Association, 2 Park Avenue, New York, N. Y.
D. (6) $3,400.

A. O. H. Saunders, 1616 I Street NW., Washington, D. C.
B. Retired Officers Association, 1616 I Street NW., Washington, D. C.
D. (6) $1,200.

A. Schoene & Kramer, 1625 K Street NW., Washington, D. C.
B. Railway Labor Executives' Association, 10 Independence Avenue SW., Washington, D. C.

A. Jack Garrett Scott, 839 17th Street NW., Washington, D. C.
B. National Association of Motor Bus Operators.

A. Mildred Scott, 1370 National Press Building, Washington, D. C.
B. American Federation of the Physically Handicapped, Inc., 1370 National Press Building, Washington, D. C.

A. Durward Seals, 777 14th Street NW., Washington, D. C.
B. United Fresh Fruit and Vegetable Association, 777 14th Street NW., Washington, D. C.

A. Hollis M. Seavey, 532 Shoreham Building, Washington, D. C.
B. Clear Channel Broadcasting Service (CCBS), 532 Shoreham Building, Washington, D. C.

A. Harry See, 10 Independence Avenue SW., Washington, D. C.
B. Brotherhood of Railway Trainmen.

A. Howard L. Shannon, acting trustee for Color Legislative Fund, Lakeland, Fla.
D. (6) $1,496.39. E. (9) $1,020.89.

A. Alvin Shapiro, 1701 K Street NW., Washington, D. C.
B. American Merchant Marine Institute, Inc., 1701 K Street NW., Washington, D. C., and 11 Broadway, New York, N. Y.
D. (6) $500. E. (9) $41.72.

A. Sharp & Bogan, 1108 16th Street NW., Washington, D. C.
B. Elof Hansson, Inc., 225 East 42d Street, New York, N. Y.; Johaneson, Wales & Sparre, Inc., 250 Park Avenue, New York, N. Y.; Treetex Corp., 347 Madison Avenue, New York, N. Y.; Grace & Co. (west coast), 2 Pine Street, San Francisco, Calif.
E. (9) $53.57.

A. James R. Sharp, 1108 16th Street NW., Washington, D. C.
B. Elof Hansson, Inc., 225 East 42d Street, New York, N. Y.; Johaneson, Wales & Sparre, Inc., 250 Park Avenue, New York, N. Y.; Treetex Corp., 347 Madison Avenue, New York, N. Y.; Grace & Co. (west coast), 2 Pine Street, San Francisco, Calif.

A. A. Manning Shaw, 1625 I Street NW., Washington, D. C.
B. Brown, Lund & Fitzgerald, 1625 I Street NW., Washington, D. C., and National Association of Electric Companies, Ring Building, 1200 18th Street NW., Washington, D. C.
D. (6) $3,734.49.

A. Marcellus C. Sheild, 1625 Connecticut Avenue, Washington, D. C.
B. National Association of Retired Civil Employees, 1625 Connecticut Avenue, Washington, D. C.

A. Leander I. Shelley, 30 Broad Street, New York, N. Y.
B. American Association of Port Authorities, Washington, D. C., and Airport Operators Council, Washington, D. C.
D. (6) $375. E. (9) $307.31.

A. Bruce E. Shepherd, 488 Madison Avenue, New York, N. Y.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
D. (6) $125.

A. Sher, Oppenheimer & Harris, 1026 Woodward Building, Washington, D. C.
B. A. S. Aloe Co., St. Louis, Mo.
E. (8) $37.55.

A. Robert H. Shields, 920 Tower Building, Washington, D. C.
B. United States Beet Sugar Association, 920 Tower Building, Washington, D. C.
D. (6) $1,000.

A. Ship Canal Authority of the State of Florida, 720 Florida Title Building, Jacksonville, Fla.
E. (9) $1,350.

A. Earl C. Shively, 16 East Broad Street, Columbus, Ohio.
B. The Ohio Railroad Association, 16 East Broad Street, Columbus, Ohio.
E. (9) $376.65.

A. Richard L. Shook, 1026 16th Street NW., Washington, D. C.
E. (9) $114.29.

A. Robert L. Shortle, 801 International Building, New Orleans, La.
B. Mississippi Valley Asociation, 1978 Railway Exchange Building, St. Louis, Mo.
D. (6) $2,000.

A. Charles B. Shuman, Merchandise Mart Plaza, Chicago, Ill.
B. American Farm Bureau Federation.
D. (6) $1,250.

A. Silver Users Association, 1612 I Street NW., Washington, D. C.
E. (9) $10,147.95.

A. Six Agency Committee, 909 South Broadway, Los Angeles, Calif.
D. (6) $10,000. E. (9) $6,038.78.

A. Stephen Slipher, Room 812, Pennsylvania Building, Washington, D. C.
B. United States Savings and Loan League, 221 North La Salle Street, Chicago, Ill.
D. (6) $1,750. E. (9) $20.

A. Elizabeth A. Smart, 144 Constitution Avenue NW., Washington, D. C.
B. National Woman's Christian Temperance Union, 1730 Chicago Avenue, Evanston, Ill.
D. (6) $606.12. E. (9) $168.50.

A. T. W. Smiley, 1040 La Salle Hotel, Chicago, Ill.
B. Illinois Railroad Association, 33 South Clark Street, Chicago, Ill.
E. (9) $362.54.

A. Dudley Smith, 732 Shoreham Building, Washington, D. C.
B. Association of Sugar Producers of Puerto Rico, 732 Shoreham Building, Washington, D. C.
D. (6) $4,250.

A. James R. Smith, 719 Omaha National Bank Building, Omaha, Nebr.
B. Mississippi Valley Association, 1978 Railway Exchange Building, St. Louis, Mo.
D. (6) $2,500.

A. Lloyd W. Smith, 416 Shoreham Building, Washington, D. C.
B. Chicago, Burlington & Quincy Railroad Co., 547 West Jackson Boulevard, Chicago, Ill., and Great Northern Railway Co., 175 East Fourth Street, St. Paul, Minn.
D. (6) $3,675.

A. Purcell L. Smith, 1200 18th Street NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
D. (6) $1,666.66. E. (9) $235.88.

A. Robert E. Smith, 116 Nassau Street, New York, N. Y.
B. Life Insurance Policyholders Protective Association, 116 Nassau Street, New York, N. Y.
E. (9) $584.15.

A. Madlyn Smyth, 690 Market Street, San Francisco, Calif.
B. Alden Lown, receiver, appointed by the superior court of the city and county of San Francisco to represent him in the matter of *Barrett and Hilp* v. *McDonald and Rutherford*.
D. (6) $1,000. E. (9) $961.68.

A. Edward F. Snyder, 104 C Street NE., Washington, D. C.
B. Friends Committee on National Legislation, 104 C Street NE., Washington, D. C.
D. (6) $1,375. E. (9) $140.27.

A. J. D. Snyder, La Salle Hotel, Chicago, Ill.
B. Illinois Railroad Association, 33 South Clark Street, Chicago, Ill.
D. (6) $825. E. (9) $385.51.

A. Stanley L. Sommer, 612 Albee Building, Washington, D. C.
B. Rowe-Doherty Associates, 51 East 42d Street, New York, N. Y.
D. (6) $500. E. (9) $301.

A. Southern States Industrial Council, 1103 Stahlmen Building, Nashville, Tenn.
D. (6) $15,761. E. (9) $23,344.67.

A. Lyndon Spencer, 305 Rockefeller Building, Cleveland, Ohio.
B. Lake Carriers' Association, 305 Rockefeller Building, Cleveland, Ohio.

A. Spokesmen for Children, Inc., 19 East 92d Street, New York, N. Y.
D. (7) $1,373.20. E. (10) $1,029.07.

A. Thomas G. Stack, 1104 West 104th Place, Chicago, Ill.
B. National Railroad Pension Forum, Inc., 1104 West 104th Place, Chicago, Ill.
D. (6) $1,800. E. (9) $3,548.20.

A. Howard M. Starling, 837 Washington Building, Washington, D. C.
B. Association of Casualty and Surety Companies, 60 John Street, New York, N. Y.
D. (6) $150.

A. Samuel Elliot Stavisky, 9307 Singleton Drive, Bethesda, Md.
B. Asociacion de Colonos de Cuba, Agramonte 465, Habana, Cuba, and Asociacion Nacional de Hacendados de Cuba, Agramonte 465, Habana, Cuba.
D. (6) $3,750. E. (9) $5,819.68.

A. Samuel Elliot Stavisky, 9307 Singleton Drive, Bethesda, Md.
B. United States Cuban Sugar Council, 910 17th Street NW., Washington, D. C.
D. (6) $5,000.

A. Mrs. Nell F. Stephens, P. O. Box 6234, Northwest Station, Washington, D. C.

A. Charles T. Stewart, 1737 K Street NW., Washington, D. C.
B. National Association of Real Estate Boards, 22 West Monroe Street, Chicago, Ill.
D. (6) $4,027.35. E. (9) $277.35.

A. Erskine Stewart, 711 14th Street NW., Washington, D. C.
B. National Retail Dry Goods Association, 100 West 31st Street, New York, N. Y.

A. Edwin L. Stoll, 1737 K Street NW., Washington, D. C.
B. National Association of Real Estate Boards, 22 West Monroe Street, Chicago, Ill.
D. (6) $2,685.25. E. (9) $35.25.

A. Sterling F. Stoudenmire, Jr., 61 St. Joseph Street, Mobile, Ala.
B. Waterman Steamship Corp., 61 St. Joseph Street, Mobile, Ala.
D. (6) $1,000.

A. Paul A. Strachan, 1370 National Press Building, Washington, D. C.
B. American Federation of the Physically Handicapped, Inc., 1370 National Press Building, Washington, D. C.

A. O. R. Strackbein, 815 15th Street NW., Washington, D. C.
B. America's Wage Earners Protective Conference, 815 15th Street NW., Washington, D. C.
D. (6) $2,769.23.

A. O. R. Strackbein, 815 15th Street NW., Washington, D. C.
B. International Allied Printing Trades Association, Box 728, Indianapolis, Ind.
D. (6) $625.

A. O. R. Strackbein, 815 15th Street NW., Washington, D. C.
B. The Nationwide Committee of Industry, Agriculture and Labor on Import-Export Policy, 815 15th Street NW., Washington, D. C.
D. (6) $3,875.

A. Arthur Sturgis, Jr., 1145 19th Street NW., Washington, D. C.
B. American Retail Federation, 1145 19th Street NW., Washington, D. C.
D. (6) $625. E. (9) $5.

A. J. E. Sturrock, Post Office Box 2084, Capitol Station, Austin, Tex.
B. Texas Water Conservation Association, Box 2084, Capitol Station, Austin, Tex.
D. (6) $1,800. E. (9) $491.59.

A. Frank L. Sundstrom, 350 Fifth Avenue, New York, N. Y.
B. Schenley Industries, Inc., 350 Fifth Avenue, New York City, N. Y.

A. Noble J. Swearingen, 1790 Broadway, New York, N. Y.
B. National Tuberculosis Association, 1790 Broadway, New York, N. Y.

A. Charles P. Taft, 1025 Connecticut Avenue NW., Washington, D. C.
B. Legislative Committee of the Committee for a National Trade Policy, 1025 Connecticut Avenue NW., Washington, D. C.
D. (6) $150.

A. Glenn J. Talbott.
B. Farmers Educational and Cooperative Union of America, 1404 New York Avenue NW., Washington, D. C., and 1575 Sherman Street, Denver, Colo.
D. (6) $1,250. E. (9) $285.30.

A. Barrett Godwin Tawresey, 1600 Arch Street, Philadelphia, Pa.
B. Insurance Company of North America, 1600 Arch Street, Philadelphia, Pa.

A. Tax Equality Committee of Kentucky, 310 Commerce Building, Louisville, Ky.
D. (6) $855. E. (9) $427.59.

A. Edward D. Taylor, 777 14th Street NW., Washington, D. C.
B. Office Equipment Manufacturers Institute, 777 14th Street NW., Washington, D. C.

A. Jay Taylor, 712 First National Bank Building, Amarillo, Tex.
B. American National Cattlemen's Association, 801 East 17th Avenue, Denver, Colo.

A. Ruth H. Tegtmeyer, 1001 Connecticut Avenue NW., Washington, D. C.
B. Transportation Association of America, 1001 Connecticut Avenue NW., Washington, D. C.

A. John U. Terrell, 407 Tower Building, Washington, D. C.
B. Colorado River Association, 306 West Third Street, Los Angeles, Calif.
D. (6) $3,150. E. (9) $2,308.85.

A. Texas Water Conservation Association, 207 West 15th Street, Austin, Tex.
D. (6) $11,039. E. (9) $8,253.30.

A. Oliver A. Thomas, 43 Sierra Street, Reno, Nev.
B. Nevada Railroad Association, 43 Sierra Street, Reno, Nev.
D. (6) $675. E. (9) $605.85.

A. W. M. Thomas, 1028 Connecticut Avenue NW., Washington, D. C.
B. National Postal Transport Association, 1028 Connecticut Avenue NW., Washington, D. C.
D. (6) $3,000.

A. Chester C. Thompson, 1319 F Street NW., Washington, D. C.
B. The American Waterways Operators, Inc., 1319 F Street NW., Washington, D. C.
D. (6) $6,500. E. (9) $250.25.

A. Julia C. Thompson, 711 14th Street, Washington, D. C.
B. American Nurses' Association, 2 Park Avenue, New York, N. Y.
D. (6) $1,314.04.

A. Eugene M. Thore, 1701 K Street NW., Washington, D. C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
D. (6) $1,250. E. (9) $11.60.

A. G. D. Tilghman, 1604 K Street NW., Washington, D. C.
B. Disabled Officers' Association, 1604 K Street NW., Washington, D. C.
D. (6) $2,750.

A. E. W. Tinker, 122 East 42d Street, New York, N. Y.
B. American Paper and Pulp Association, 122 East 42d Street, New York, N. Y.

A. William H. Tinney, 1223 Pennsylvania Building, Washington, D. C.
B. The Pennsylvania Railroad Co., 1740 Suburban Station Building, Philadelphia, Pa.

A. S. G. Tipton, 1107 16th Street NW., Washington, D. C.
B. Air Transport Association of America, 1107 16th Street NW., Washington, D. C.
D. (6) $367.79. E. (9) $31.52.

A. M. S. Tisdale, 2355 Alameda Street, Vallejo, Calif.
B. Armed Services Committee, Chamber of Commerce, Vallejo, Calif.
D. (6) $295. E. (9) $331.14.

A. H. Willis Tobler, 1731 I Street NW., Washington, D. C.
B. National Milk Producers' Federation, 1731 I Street NW., Washington, D. C.
D. (6) $2,130.98. E. (9) $30.98.

A. John H. Todd, 1085 Shrine Building, Memphis, Tenn.
B. National Cotton Compress and Cotton Warehouse Association, 1085 Shrine Building, Memphis, Tenn.

A. Tomoka Land Co., 8-10 Center Street, Sebring, Fla.
E. (9) $1.59.

A. Touche, Niven, Bailey & Smart, 208 South LaSalle Street, Chicago, Ill.
B. The National Committee for Insurance Taxation, 221 North LaSalle Street, Chicago, Ill.
(D) (6) $4,969.66. E. (9) $1,718.61.

A. Transportation Association of America, 1001 Connecticut Avenue NW., Washington, D. C.

A. Matt Triggs, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $1,969. E. (9) $99.06.

A. Paul T. Truitt, 1700 K Street NW., Washington, D. C.
B. National Plant Food Institute, 1700 K Street NW., Washington, D. C.

A. Harold J. Turner, Henry Building, Portland, Oreg.
B. Spokane, Portland & Seattle Railway Co., Southern Pacific Co., and Union Pacific Railroad Co.

A. William S. Tyson, 736 Bowen Building, Washington, D. C.
B. Local No. 30—Canal Zone Pilots, Post Office Box 493, Balboa, C. Z.
D. (6) $4,035.30. E. (9) $109.48.

A. Union Producing Co., 1525 Fairfield Avenue, Shreveport, La., and United Gas Pipe Line Co., 1525 Fairfield Avenue, Shreveport, La.
E. (9) $949.10.

A. United Cerebral Palsy Associations, Inc., 369 Lexington Avenue, New York, N. Y.
E. (9) $2,440.47.

A. United States Cuban Sugar Council, 910 17th Street NW., Washington, D. C.
E. (9) $30,998.98.

A. United States Savings and Loan League, 221 North La Salle Street, Chicago, Ill.
E. (9) $18,293.20.

A. United States Sugar Beet Association, 920 Tower Building, Washington, D. C.

A. Richard G. Van Buskirk, 535 North Dearborn Street, Chicago, Ill.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $1,062.51.

A. Vegetable Growers Association of America, Inc., 528 Mills Building, Washington, D. C.
E. (9) $12.55.

A. Weston Vernon, Jr., 15 Broad Street, New York, N. Y.
B. New York Stock Exchange, 11 Wall Street, New York, N. Y.
D. (6) $112.50. E. (9) $12.33.

A. R. K. Vinson, 1346 Connecticut Avenue NW., Washington, D. C.
B. Machinery Dealers National Association, 1346 Connecticut Avenue NW., Washington, D. C.

A. Stanley W. Vogt.
B. Farmers Educational and Cooperative Union of America, 1404 New York Avenue NW., Washington, D. C., and 1575 Sherman Street, Denver, Colo.
D. (6) $1,315.68. E. (9) $78.20.

A. The Vulcan Detinning Co., Sewaren, N. J.

A. Paul H. Walker, 1701 K Street NW., Washington, D. C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
D. (6) $137.50.

A. Claude R. Wallace, 1453 Harvard Street NW., Washington, D. C.

A. Woollen H. Walshe, 3423 Joseph Street, New Orleans, La.
B. California Commercial Co., Inc., 635 Shoreham Building, Washington, D. C.
D. (6) $409.99. E. (9) $399.95.

A. Stephen M. Walter, 1200 18th Street NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
D. (6) $896.25. E. (9) $14.30.

A. Thomas G. Walters, 100 Indiana Avenue NW., Washington, D. C.
B. Government Employees' Council, A. F. of L., 100 Indiana Avenue NW., Washington, D. C.
D. (6) $2,625.

A. Quaife M. Ward, 1145 19th Street NW., Washington, D. C.
B. American Retail Federation, 1145 19th Street NW., Washington, D. C.
D. (6) $1,000.

A. Washington Board of Trade, 1616 K Street NW., Washington, D. C.

A. Washington Committee, Association of Sugar Producers of Puerto Rico, 732 Shoreham Building, Washington, D. C.
D. (6) $7,240.36. E. (9) $7,240.36.

A. Washington Home Rule Committee, Inc., 1728 L Street NW., Washington, D. C.
D. (6) $120. E. (9) $1,055.19.

A. Washington Real Estate Board, Inc., 1000 Vermont Avenue NW., Washington, D. C.

A. Vincent T. Wasilewski, 1771 N Street NW., Washington, D. C.
B. National Association of Radio and Television Broadcasters, 1771 N Street NW., Washington, D. C.

A. Waterways Council Opposed to Regulation Extension, 21 West Street, New York, N. Y.
D. (6) $450. E. (9) $5,844.34.

A. J. R. Watson, Illinois Central Railroad Passenger Station, Jackson, Miss.
B. Mississippi Railroad Association, Illinois Central Railroad Passenger Station, Jackson, Miss.
E. (9) $244.51.

A. Watters & Donovan, 161 William Street, New York City, N. Y.
B. New York and New Jersey Dry Dock Association, 161 William Street, New York City, N. Y.
D. (6) $7,500.

A. Thomas Watters, Jr., 161 William Street, New York, N. Y., and Shoreham Building, Washington, D. C.
B. Bigham, Englar, Jones & Houston, 99 John Street, New York, N. Y., and Shoreham Building, Washington, D. C.

A. Henry B. Weaver, Jr., 1225 19th Street NW., Washington, D. C.
B. Electrical Contractors Association and the Liaison Committee.
D. (6) $6,500. E. (9) $1,080.88.

A. William H. Webb, 1720 M Street NW., Washington, D. C.
B. National Rivers and Harbors Congress, 1720 M Street NW., Washington, D. C.
D. (6) $1,486.80. E. (9) $734.34.

A. E. E. Webster, 10 Independence Avenue SW., Washington, D. C.
B. Brotherhood of Maintenance of Way Employees, 12050 Woodward Avenue, Detroit, Mich.
D. (6) $466.24.

A. Wayne M. Weishaar, 1115 17th Street NW., Washington, D. C.
B. Aeronautical Training Society, 1115 17th Street NW., Washington, D. C.
D. (6) $3,300. E. (9) $5.48.

A. Bernard Weitzer, 1712 New Hampshire Avenue NW., Washington, D. C.
B. Jewish War Veterans of the United States of America, 1712 New Hampshire Avenue NW., Washington, D. C.
D. (6) $2,499.96. E. (9) $324.52.

A. Edward M. Welliver, 1424 16th Street NW., Washington, D. C.
B. American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $1,375. E. (9) $75.

A. Richard H. Wels, 551 Fifth Avenue, New York, N. Y.
B. Bowling Proprietors Association of America, Inc., 185 North Wabash Avenue, Chicago, Ill.

A. William E. Welsh, 897 National Press Building, Washington, D. C.
B. National Reclamation Association, 897 National Press Building, Washington, D. C.
D. (6) $3,249.99. E. (9) $559.74.

A. West Coast Inland Navigation District, Courthouse, Bradenton, Fla.
E. (9) $1,304.93.

A. Robert V. Westfall, 10 Independence Avenue SW., Washington, D. C.
B. Brotherhood of Railroad Trainmen.

A. George Y. Wheeler II, 1625 K Street NW., Washington, D. C.
B. Radio Corporation of America, 1625 K Street NW., Washington, D. C.

A. Kenneth W. White, 619 F Street NW., Washington, D. C.
B. National Agricultural Limestone Institute, Inc., 619 F Street NW., Washington, D. C.

A. Richard P. White, 635 Southern Building, Washington, D. C.
B. American Association of Nurserymen, Inc., 635 Southern Building, Washington, D. C.
D. (6) $3,375. E. (9) $87.44.

A. H. Leigh Whitelaw, 60 East 42d Street, New York, N. Y.
B. Gas Appliance Manufacturers Association, Inc., 60 East 42d Street, New York, N. Y.

A. Louis E. Whyte, 918 16th Street NW., Washington, D. C.
B. Independent Natural Gas Association of America, 918 16th Street NW., Washington, D. C.
D. (6) $750.

A. A. E. Wilkinson, 417 Investment Building, Washington, D. C.
B. The Anaconda Co., 616 Hennessy Building, Butte, Mont.
D. (6) $1,500. E. (9) $276.90.

A. Wilkinson, Boyden, Cragun & Barker, 744 Jackson Place NW., Washington, D. C.
B. Arapahoe Tribe of Indians, Wind River Reservation, Fort Washakie, Wyo.
E. (9) $4.35.

A. Wilkinson, Boyden, Cragun & Barker, 744 Jackson Place NW., Washington, D. C.
B. The Confederated Salish and Kootenai Tribes of the Flathead Reservation, Mont.

A. Wilkinson, Boyden, Cragun & Barker, 744 Jackson Place NW., Washington, D. C.
B. Klamath Indian Tribe, Klamath Agency, Oreg.
E. (9) $2.15.

A. Wilkinson, Boyden, Cragun & Barker, 744 Jackson Place NW., Washington, D. C.
B. Menominee Tribe of Indians, Menominee Indian Agency, Keshena, Wis.
E. (9) $3.08.

A. Wilkinson, Boyden, Cragun & Barker, 744 Jackson Place NW., Washington, D. C.
B. Nicholas B. Perry, 1841 Columbia Road NW., Washington, D. C.
E. (9) $4.

A. Wilkinson, Boyden, Cragun & Barker, 744 Jackson Place NW., Washington, D. C.
B. Quinaielt Indian Tribe, Taholah, Wash.

A. Wilkinson, Boyden, Cragun & Barker, 744 Jackson Place NW., Washington, D. C.
B. Ute Indian Tribe of the Uintah and Ouray Reservation, Fort Duchesne, Utah.
E. (9) $3.25.

A. Franz O. Willenbucher, 1616 I Street NW., Washington, D. C.
B. Retired Officers Association, 1616 I Street NW., Washington, D. C.
D. (6) $2,100.

A. Leon W. Williams, 2 Gouverneur Place, Bronx, N. Y.

A. John C. Williamson, 1737 K Street NW., Washington, D. C.
B. Realtors' Washington Committee, National Association of Real Estate Boards, 1737 K Street NW., Washington, D. C.
D. (6) $4,800. E. (9) $477.96.

A. E. Raymond Wilson, 104 C Street NE., Washington, D. C.
B. Friends Committee on National Legislation, 104 C Street NE., Washington, D. C.
D. (6) $1,875. E. (9) $236.99.

A. Everett B. Wilson, Jr., 732 Shoreham Building, Washington, D. C.
B. Association of Sugar Producers of Puerto Rico, 732 Shoreham Building, Washington, D. C.
D. (6) $2,500.

A. Frank E. Wilson, M. D., 1523 L Street NW., Washington, D. C.
B. American Medical Association, 535 North Dearborn Street, Chicago 10, Ill.
D. (6) $633.34. E. (9) $112.13.

A. W. E. Wilson, 1525 Fairfield Avenue, Shreveport, La.
B. Union Producing Co., 1525 Fairfield Avenue, Shreveport, La., and United Gas Pipe Line Co., 1525 Fairfield Avenue, Shreveport, La.
D. (6) $450. D. (9) $499.10.

A. Everett T. Winter, 1978 Railway Exchange Building, St. Louis, Mo.
B. Mississippi Valley Association, 1978 Railway Exchange Building, St. Louis, Mo.
D. (6) $3,750. E. (9) $192.86.

A. Wood, King & Dawson, 48 Wall Street, New York, N. Y.
B. Committee for Broadening Bank Participation in Public Financing, 50 South La Salle Street, Chicago, Ill.
D. (6) $3,000. E. (9) $3,000.

A. Wood, King & Dawson, 48 Wall Street, New York, N. Y.
B. Committee for Broadening Commercial Bank Participation in Public Financing, 50 South La Salle Street, Chicago, Ill.
D. (6) $3,000. E. (9) $3,000.

A. Frank K. Woolley, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $2,344. E. (9) $114.45.

A. Edward W. Wootton, 1100 National Press Building, Washington, D. C.
B. Wine Institute, 717 Market Street, San Francisco, Calif.

A. Donald A. Young, 1615 H Street NW., Washington, D. C.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D. C.

A. J. Banks Young, 1832 M Street NW., Washington, D. C.
B. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.
D. (6) $900. E. (9) $42.55.

A. O. David Zimring, 11 South La Salle Street, Chicago, Ill., and 1001 Connecticut Avenue NW., Washington, D. C.

REGISTRATIONS

The following registrations were submitted for the third calendar quarter 1955:

(NOTE.—The form used for registration is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

FILE TWO COPIES WITH THE SECRETARY OF THE SENATE AND FILE THREE COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "4," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19_____

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

	QUARTER			
P	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:
(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)
(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".
(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:
(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.
(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:
1. State name, address, and nature of business.
2. If this Report is for an Employer, list names or agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302 (e).
(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).
(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports. ☐

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (a) Description, (b) quantity distributed; (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed).

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C 4" and fill out items "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a Quarterly" Report.

AFFIDAVIT

[Omitted in printing]

PAGE 1

A. Thomas H. Alphin, M. D., 1523 L Street NW., Washington, D. C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.

A. American Citizens' Association, 1017 12th Street NW., Washington, D. C.

A. Samuel W. Anderson, 1700 K Street NW., Washington, D. C.
B. American Watch Association, 1700 K Street NW., Washington, D. C.

A. Charles B. Bailey, 2035 South Avenue, Toledo, Ohio.
B. Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees.

A. Carl H. Berglund, Washington Building, Tacoma, Wash.

A. C. R. Brown, 10 Independence Avenue SW., Washington, D. C.
B. Brotherhood of Maintenance of Way Employees, 12050 Woodward Avenue, Detroit, Mich.

A. George S. Buck, Jr., 1832 M Street NW., Washington, D. C.
B. National Cotton Council of America, P. O. Box 9905, Memphis, Tenn.

A. Carl C. Campbell, 1832 M Street NW., Washington, D. C.
B. National Cotton Council of America, P. O. Box 9905, Memphis, Tenn.

A. William L. Carter, 1012 14th Street NW., Washington, D. C.
B. The National Association of Independent Tire Dealers, Inc., 1012 14th Street NW., Washington, D. C.

A. Stewart N. Clarkson, 420 Lexington Avenue, New York, N. Y.
B. Mica Fabricators Association, 420 Lexington Avenue, New York, N. Y.

A. Harry W. Colmery, National Bank of Topeka Building, Topeka, Kans.
B. Occidental Life Insurance Co., Los Angeles, Calif.

A. Harry W. Colmery, National Bank of Topeka Building, Topeka, Kans.
B. Transamerica Corp., 4 Columbus Avenue, San Francisco, Calif.

A. Bernard Cushman, 1001 Connecticut Avenue NW., Washington, D. C.
B. O. David Zimring, 1001 Connecticut Avenue NW., Washington, D. C., and 11 South La Salle Street, Chicago, Ill.

A. Donald H. Dunham, 1303 New Hampshire Avenue NW., Washington, D. C.
B. National Rural Electric Cooperative Association, 1303 New Hampshire Avenue NW., Washington, D. C.

A. David W. Evans & Associates, Phillips Petroleum Building, Salt Lake City, Utah.
B. Upper Colorado River Grass Roots, Inc., Grand Junction, Colo.

A. Florida Citrus Mutual (legislative fund), Lakeland, Fla.

A. Charles E. Francen, 705 Justin Way, Silver Spring, Md.
B. American Citizens Association, 1017 12th Street NW., Washington, D. C.

A. Philip P. Friedlander, Jr., 1012 14th Street NW., Washington, D. C.
B. The National Association of Independent Tire Dealers, Inc., 1012 14th Street NW., Washington, D. C.

A. I. J. Gromfine, 1001 Connecticut Avenue NW., Washington, D. C.
B. O. David Zimring, 1001 Connecticut Avenue NW., Washington, D. C., and 11 South La Salle Street, Chicago, Ill.

A. Harold A. Houser, 1616 I Street NW., Washington, D. C.
B. Retired Officers' Association, 1616 I Street NW., Washington, D. C.

A. William J. Kennard, M. D., 1523 L Street NW., Washington, D. C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.

A. Thomas R. Kingsley, 16th and P Streets NW., Washington, D. C.
B. Movers' Conference of America, 16th and P Streets NW., Washington, D. C.

A. J. M. DeW. (Jack) Kyle II, P. O. Box 1520, Washington, D. C.

A. Sydney Lubarr, 210 East Indian Spring Drive, Silver Spring, Md.
B. American Zionist Committee for Public Affairs, 1737 H Street NW., Washington, D. C.

A. Scott W. Lucas, 1025 Connecticut Avenue NW., Washington, D. C.
B. E. J. Albrecht Co., 2626 West 26th Street, Chicago, Ill.

A. Powers Luse, North Baltimore, Ohio.
B. Pennsylvania-Ohio-New York Commission on Low Cost Niagara-St. Lawrence Powers, Box 187, North Baltimore, Ohio.

A. Mica Fabricators' Association, 420 Lexington Avenue, New York, N. Y.

A. Miller & Chevalier, 1001 Connecticut Avenue, Washington, D. C.
B. Estate of Frederick R. Allmann, care of William C. Gehring, Esq., 220 Broadway, New York, N. Y.

A. Miller & Chevalier, 1001 Connecticut Avenue, Washington, D. C.
B. Estate of C. Alan Brantingham, care of Peter I. Lawton, Esq., 59 State Street, Newburyport, Mass.

A. Miller & Chevalier, 1001 Connecticut Avenue, Washington, D. C.
B. Estate of S. Howard Easton, care of Walter F. Gibbons, Esq., 1204 Industrial Bank Building, Providence, R. I.

A. Miller & Chevalier, 1001 Connecticut Avenue, Washington, D. C.
B. Estate of Edward F. Pipe, care of E. W. Pavenstedt, Esq., 14 Wall Street, New York, N. Y.

A. John H. Myers, 1224 Cleveland Street, Chicago, Ill.
B. National Committee for Insurance Taxation, 221 North La Salle Street, Chicago, Ill.

A. 1902–14 Philippine Command Committee, Post Office Box 1520, Washington, D. C.

A. Nordlinger, Riegelman, Benetar & Charney, 420 Lexington Avenue, New York, N. Y.
B. Wei-Kuan Chang and wife, Su Chun Wei Chang, 825 West End Avenue, New York, N. Y.

A. M. C. Northcutt, 110 Highland Avenue, Fort Mitchell, Ky.
B. Brotherhood of Locomotive Firemen and Enginemen, 318 Keith Building, Cleveland, Ohio.

A. J. Hardin Peterson, Cochrane Building, Lakeland, Fla.
B. Florida Citrus Mutual, Lakeland, Fla.

A. Nelson J. Post, 1731 I Street NW., Washington, D. C.
B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.

A. Sydney C. Reagan, 3537 Haynie Avenue, Dallas, Tex.
B. Southwestern Peanut Shellers Association, P. O. Box 48, Durant, Okla.

A. Fred B. Rhodes, Jr., 411 Albee Building, Washington, D. C.
B. New York, New Haven & Hartford Railroad.

A. C. E. Rightor, 3300 Rolling Road, Chevy Chase, Md.

A. Hugo Ripp, 811 North 22d Street, Milwaukee, Wis.
B. Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees.

A. Marcellus C. Sheild, 3 East Irving Street, Chevy Chase, Md.
B. National Association of Retired Civil Employees, 1625 Connecticut Avenue NW., Washington, D. C.

A. Spencer M. Smith, Jr., 1709 North Glebe Road, Arlington, Va.
B. Citizens Committee on Natural Resources, 2140 P Street NW., Washington, D. C.

A. William T. Stephens, 505 Washington Building, Washington, D. C.
B. Chicago Rental Trailer Association, Chicago, Ill.

A. Hajime William Tanaka, 1757 K Street NW., Washington, D. C.

A. Max Tendler, 1025 Connecticut Avenue NW., Washington, D. C.
B. Benjamin Graham, 122 East 42d Street, New York, N. Y.

A. Gordon M. Tiffany, 88 North Main Street, Concord, N. H.
B. Committee on Imports for the American Pulpwood Industry, 220 East 42d Street, New York, N. Y.

A. Touche, Niven, Bailey & Smart, 208 South La Salle Street, Chicago, Ill.
B. The National Committee for Insurance Taxation, 221 North La Salle Street, Chicago, Ill.

A. Paul T. Truitt, 1700 K Street NW., Washington, D. C.
B. National Plant Food Institute, 1700 K Street NW., Washington, D. C.

A. E. E. Webster, 10 Independence Avenue SW., Washington, D. C.
B. Brotherhood of Maintenance of Way Employees, 12050 Woodward Avenue, Detroit, Mich.

A. Wei-Kuan Chang and Su Chan Wei Chang, 825 West End Avenue, New York, N. Y.

A. Joseph T. West, 1 Salem Street, Houlton, Maine.
B. Brotherhood of Locomotive Firemen and Enginemen, 318 Keith Building, Cleveland, Ohio.

A. Gordon K. Zimmerman, 744 Jackson Place NW., Washington, D. C.
B. The National Grange, 744 Jackson Place NW., Washington, D. C.

A. O. David Zimring, 11 South La Salle Street, Chicago, Ill., and 1001 Connecticut Avenue NW., Washington, D. C.

SENATE

THURSDAY, JANUARY 5, 1956

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, by whom the meek are guided in judgment and light riseth up in darkness for the godly, may these keepers of the Nation's faith and fate not stumble on the path their feet are called to take. This day, so tangled and tragic as in a tapestry of words and phrases the Chief Executive and his coadjutors sketch out the pattern of a year's record as it appears to them, may it be heard with a sympathetic realization of the vast global responsibilities, complications, and commitments with which it deals. We give Thee hearty thanks that our President has so risen up in restored strength as to face all the problems of the Republic which will be dealt with in the picture he draws of the Nation's state. Thou knowest what untold millions of prayers like sweet incense have ascended for his restoration since the sad day he was so suddenly stricken.

And as the panorama of the Nation's life passes before our eyes and minds may we here highly resolve that this white-domed Capitol edifice shall be not only an arsenal of material might but also a cathedral of faith where are proclaimed to all the earth the sanctions of irresistible moral force and the spiritual verities upon which our freedoms were reared and on which they rest and without which our boasted democracy is a bruised and broken reed.

We ask it in the dear Redeemer's name. Amen.

ATTENDANCE OF SENATORS

RALPH E. FLANDERS, a Senator from the State of Vermont, ESTES KEFAUVER, a Senator from the State of Tennessee, ROBERT S. KERR, a Senator from the State of Oklahoma, and A. S. MIKE MONRONEY, a Senator from the State of Oklahoma, appeared in their seats today.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, January 3, 1956, was dispensed with.

NOTIFICATION TO THE PRESIDENT

Mr. JOHNSON of Texas and Mr. KNOWLAND advanced in the center aisle, and

Mr. JOHNSON of Texas said: Mr. President, on behalf of the joint committee appointed by the Senate and the House of Representatives, I wish to report that on Tuesday, January 3, 1956, the joint committee of the Senate and House communicated with the President of the United States by telephone and advised him that a quorum of each House had assembled and the Congress was ready to receive any message he might desire to transmit. We were advised by the President that he would send his state of the Union message to the Congress today.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, informed the Senate that a quorum of the House is present and that the House is ready to proceed with business.

The message also informed the Senate that a committee of three Members had been appointed by the Speaker on the part of the House of Representatives to join with a committee on the part of the Senate to notify the President of the United States that a quorum of each House had assembled and Congress was ready to receive any communication that he may be pleased to make.

The message communicated to the Senate the intelligence of the death of Hon. John D. Dingell, late a Representative from the State of Michigan, and transmitted the resolutions of the House thereon.

The message also communicated to the Senate the intelligence of the death of Hon. Vera Buchanan, late a Representative from the State of Pennsylvania, and transmitted the resolutions of the House thereon.

REPORT ON MUTUAL SECURITY PROGRAM—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 226)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, received by the Secretary of the Senate subsequent to the sine die adjournment, which was read, and with the accompanying report, referred to the Committee on Foreign Relations:

To the Congress of the United States:

I am transmitting herewith the eighth semiannual report on the mutual security program, covering operations from January 1 to June 30, 1955, in furtherance of the purposes of the Mutual Security Act of 1954.

During this period, there was a marked increase in the free world's economic well-being and defensive strength.

Working in partnership together, the nations of the free world have individually and collectively benefited from the mutual security program. Their peoples are better fed and better clothed than ever before in this century, and their governments and their boundaries are better protected from external aggression or internal subversion.

In the current world situation, the dollars invested in the mutual security program have brought greater security to the people of the United States than could the same amount of dollars used in any other manner.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *August 24, 1955.*

REPORT ON LEND-LEASE OPERATIONS—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 221)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, received by the Secretary of the Senate subsequent to the sine die adjournment, which was read, and with the accompanying report, referred to the Committee on Foreign Relations:

To the Congress of the United States:

I transmit herewith the 36th report to Congress on lend-lease operations covering the calendar year of 1954.

An amount in excess of $49 million was realized as the result of collections and credits during the year.

Brazil made the final payment under the lend-lease settlement arrangement of April 15, 1948, and completed the liquidation of that Government's defense aid commitments to the United States under the lend-lease programs. Final payment also was made by Nicaragua under the lend-lease settlement arrangement of September 26, 1951. The Government of Peru signed a lend-lease settlement arrangement with the United States on November 25, 1954, providing for the liquidation of its lend-lease indebtedness.

Various other countries continued to make payments under agreed settlement terms and, as usual, large installments on their accounts were paid by France, the Netherlands and the United Kingdom.

The report describes the developments during 1954 in the settlement negotiations with Poland and the Soviet Union.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *October 19, 1955.*

(Enclosure: 36th report to Congress on lend-lease operations.)

CALL OF THE ROLL—PROPOSED VISIT TO SENATE BY THE PRESIDENT-ELECT OF BRAZIL

Mr. JOHNSON of Texas. Mr. President, before I suggest the absence of a quorum, I should like to inform the Senate that the State Department has advised the leadership that at 2 o'clock the President-elect of Brazil, the Honorable Juscelino Kubitschek de Oliveira, will visit the Capitol. It is planned to present the President-elect to the Senate and ask him to make a brief statement at that time.

In the event the Senate should conclude its business prior to 2 o'clock, the leadership will suggest a recess until shortly before the arrival of the President-elect of Brazil.

I now suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Bible	Case, N. J.
Allott	Bricker	Case, S. Dak.
Anderson	Bridges	Chavez
Barkley	Bush	Clements
Barrett	Butler	Cotton
Beall	Byrd	Curtis
Bender	Capehart	Daniel
Bennett	Carlson	Dirksen

Douglas	Johnston, S. C.	O'Mahoney
Duff	Kefauver	Pastore
Dworshak	Kerr	Payne
Eastland	Kilgore	Potter
Ellender	Knowland	Purtell
Ervin	Kuchel	Robertson
Flanders	Langer	Russell
Frear	Lehman	Saltonstall
George	Long	Schoeppel
Goldwater	Magnuson	Scott
Gore	Malone	Smith, Maine
Green	Mansfield	Smith, N. J.
Hayden	Martin, Iowa	Sparkman
Hennings	Martin, Pa.	Stennis
Hickenlooper	McCarthy	Symington
Hill	McClellan	Thurmond
Holland	McNamara	Thye
Hruska	Monroney	Watkins
Humphrey	Morse	Welker
Ives	Mundt	Wiley
Jackson	Murray	Williams
Jenner	Neely	Young
Johnson, Tex.	Neuberger	

Mr. CLEMENTS. I announce that the Senator from Massachusetts [Mr. KENNEDY] and the Senator from Florida [Mr. SMATHERS] are absent on official business.

Mr. SALTONSTALL. I announce that the Senator from Colorado [Mr. MILLIKIN] is necessarily absent.

The VICE PRESIDENT. A quorum is present.

STATE OF THE UNION—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 241)

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read by the legislative clerk [Edward E. Mansur, Jr.], and ordered to lie on the table and to be printed.

(For President's message, see House proceedings for today.)

MORNING BUSINESS

Mr. JOHNSON of Texas. Mr. President, as I understand, under the rule, there will be a morning hour until 2 o'clock, subject to the 2-minute limitation on statements. Is that correct?

The VICE PRESIDENT. The Senator is correct.

BOARD OF VISITORS TO UNITED STATES MILITARY ACADEMY

The VICE PRESIDENT. The Chair desires to announce that, pursuant to the provisions of title 10, section 1055, United States Code, he appointed, on November 29, 1955, the Senator from Alabama [Mr. HILL], the Senator from Oregon [Mr. MORSE], and the Senator from Michigan [Mr. POTTER] as the members on the part of the Senate of the Board of Visitors to the United States Military Academy for the year 1956.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT ON STUDY OF METHODS OF MARKETING CONTROL APPLICABLE TO BURLEY TOBACCO

A letter from the Secretary of Agriculture, transmitting, pursuant to law, a report on the study made of the various methods of marketing control applicable to burley tobacco dated November 1, 1955 (with an accompanying report); to the Committee on Agriculture and Forestry.

ELIMINATION OF REQUIREMENT OF CERTAIN NOTICES

A letter from the Acting Secretary of Agriculture, transmitting a draft of proposed legislation to amend the act of May 29, 1884 (23 Stat. 31), as amended, and the act of March 3, 1905 (33 Stat. 1264), as amended, to eliminate the requirement of certain notices thereunder, and for other purposes (with an accompanying paper); to the Committee on Agriculture and Forestry.

REPORTS ON COOPERATION WITH MEXICO IN CONTROL AND ERADICATION OF FOOT-AND-MOUTH DISEASE

A letter from the Acting Secretary, Department of Agriculture, transmitting, pursuant to law, a confidential report on cooperation of the United States with Mexico in the control and eradication of foot-and-mouth disease, for the month of June 1955 (with an accompanying report); to the Committee on Agriculture and Forestry.

A letter from the Assistant Secretary of Agriculture, transmitting, pursuant to law, a confidential report on cooperation of the United States with the Republic of Mexico, in the control and eradication of foot-and-mouth disease, for the month of July 1955 (with an accompanying report); to the Committee on Agriculture and Forestry.

A letter from the Assistant Secretary of Agriculture, transmitting, pursuant to law, a confidential memorandum of understanding executed by the Mexican-United States Commission for the Prevention of Foot-and-Mouth Disease, effective on October 1, 1955, relative to the financial arrangements for carrying on the work of that Commission (with an accompanying paper); to the Committee on Agriculture and Forestry.

Three letters from the Assistant Secretary of Agriculture, transmitting, pursuant to law, copies of reports on cooperation with Mexico in the control and eradication of foot-and-mouth disease, for the months of August, September, and November 1955 (with accompanying reports); to the Committee on Agriculture and Forestry.

AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT OF 1938, RELATING TO REFUND OF CERTAIN PENALTIES

A letter from the Acting Secretary of Agriculture, transmitting a draft of proposed legislation to amend section 314 of the Agricultural Adjustment Act of 1938, as amended (with an accompanying paper); to the Committee on Agriculture and Forestry.

REPORT OF NATIONAL FOREST RESERVATION COMMISSION

A letter from the Secretary of the Army, President, National Forest Reservation Commission, transmitting, pursuant to law, a report of that Commission, for the fiscal year ended June 30, 1955 (with an accompanying report); to the Committee on Agriculture and Forestry, and ordered to be printed, with an illustration.

REPORT OF FARM CREDIT ADMINISTRATION

A letter from the Governor, Farm Credit Administration, Washington, D. C., transmitting, pursuant to law, a report of that Administration, for the fiscal year ended June 30, 1955 (with an accompanying report); to the Committee on Agriculture and Forestry.

LUMP-SUM APPROPRIATION FOR CREDITING POSTAL REVENUES

A letter from the Postmaster General, requesting a lump-sum appropriation in the amount of $2,076,000 be made to the Post Office Department for crediting postal revenues, for the fiscal year 1956; to the Committee on Appropriations.

REPORT ON EMPLOYMENT OF SPECIAL ASSISTANTS, DEPARTMENT OF JUSTICE

A letter from the Attorney General, transmitting, pursuant to law, a report showing the Special Assistants employed in the Department of Justice during the period January 1 to June 30, 1955 (with an accompanying report); to the Committee on Appropriations.

REPORT ON APPROPRIATIONS AND TRANSFERS

A letter from the Acting Director, Bureau of the Budget, Executive Office of the President, transmitting, pursuant to law, a report on appropriations, and transfers, for the fiscal year 1955 (with an accompanying report); to the Committee on Appropriations.

REPORTS ON OVEROBLIGATIONS OF ALLOTMENTS OF APPROPRIATIONS

A letter from the Administrator, General Services Administration, reporting, pursuant to law, on certain overobligations of allotments of appropriations; to the Committee on Appropriations.

A letter from the Deputy Administrator, Veterans' Administration, Washington, D. C., reporting, pursuant to law, on the overobligation of an appropriation; to the Committee on Appropriations.

A letter from the Chairman, Atomic Energy Commission, Washington, D. C., reporting, pursuant to law, on the overobligation of an appropriation; to the Committee on Appropriations.

A letter from the Chairman, the Commission of Fine Arts, Washington, D. C., reporting, pursuant to law, on the overobligation of an appropriation; to the Committee on Appropriations.

REPORTS ON APPORTIONMENTS OF APPROPRIATIONS

A letter from the Director, Bureau of the Budget, Executive Office of the President, reporting, pursuant to law, that the appropriation to the Tax Court of the United States for salaries and expenses, for the fiscal year 1956, had been apportioned on a basis which indicates a necessity for a supplemental estimate of appropriation (with an accompanying paper); to the Committee on Appropriations.

A letter from the Director, Bureau of the Budget, Executive Office of the President, reporting, pursuant to law, that the administrative expense authorization of the Commodity Credit Corporation for the fiscal year 1956 had been apportioned on a basis which indicates a necessity for a supplemental estimate of administrative expense authorization (with accompanying papers); to the Committee on Appropriations.

A letter from the Director, Bureau of the Budget, Executive Office of the President, reporting, pursuant to law, that the appropriation to the Department of Labor for unemployment compensation for Federal employees, for the fiscal year 1956, had been apportioned on a basis which indicates a necessity for a supplemental estimate of appropriation (with an accompanying paper); to the Committee on Appropriations.

A letter from the Director, Bureau of the Budget, Executive Office of the President, reporting, pursuant to law, that the administrative expenses appropriation of the Public Housing Administration, Housing and Home Finance Agency, had been reapportioned on a basis which indicates a necessity for a supplemental estimate of appropriation (with an accompanying paper); to the Committee on Appropriations.

A letter from the Director, Bureau of the Budget, Executive Office of the President, reporting, pursuant to law, that the appropriation for salaries and expenses, Office of the Administrator, Housing and Home Finance Agency, had been reapportioned on a basis which indicates a necessity for a supplemental estimate (with an accompanying paper); to the Committee on Appropriations.

A letter from the Director, Bureau of the Budget, Executive Office of the President, reporting, pursuant to law, that the administrative and nonadministrative expense limitations of the Federal Housing Administration, Housing and Home Finance Agency, had been reapportioned on a basis which indicates a necessity for supplemental estimates (with accompanying papers); to the Committee on Appropriations.

A letter from the Director, Bureau of the Budget, Executive Office of the President, reporting, pursuant to law, that the appropriation to the Department of Justice for fees and expenses of witnesses, for the fiscal year 1956, had been apportioned on a basis which indicates a necessity for a supplemental estimate of appropriation (with an accompanying paper); to the Committee on Appropriations.

A letter from the Director, Bureau of the Budget, Executive Office of the President, reporting, pursuant to law, that the appropriation to the Department of Agriculture for salaries and expenses, Forest Service, for the fiscal year 1956, had been apportioned on a basis which indicates a necessity for a supplemental estimate of appropriation (with an accompanying paper); to the Committee on Appropriations.

A letter from the Acting Director, Bureau of the Budget, Executive Office of the President, reporting, pursuant to law, that the appropriation to the Department of Health, Education, and Welfare for grants to States for public assistance, for the fiscal year 1956, had been apportioned on a basis which indicates a necessity for a supplemental estimate of appropriation (with an accompanying paper); to the Committee on Appropriations.

A letter from the Director, Bureau of the Budget, Executive Office of the President, reporting, pursuant to law, that certain appropriations had been apportioned on a basis which indicates a necessity for supplemental estimates of appropriation (with an accompanying paper); to the Committee on Appropriations.

A letter from the Director, Bureau of the Budget, Executive Office of the President, reporting, pursuant to law, that the appropriation to the Civil Service Commission for annuities under special acts, for the fiscal year 1956, had been apportioned on a basis which indicates a necessity for a supplemental estimate of appropriation (with an accompanying paper); to the Committee on Appropriations.

A letter from the Director, Bureau of the Budget, Executive Office of the President, reporting, pursuant to law, that the appropriation "Salaries and expenses, Railroad Retirement Board," for the fiscal year 1956, had been apportioned on a basis which indicates a necessity for a supplemental estimate of appropriation (with an accompanying paper); to the Committee on Appropriations.

Report on Judgments Rendered by United States Court of Claims

A letter from the Clerk, United States Court of Claims, Washington, D. C., transmitting, pursuant to law, a report of all judgments rendered by that Court, for the year ended October 1, 1955 (with an accompanying report); to the Committee on Appropriations, and ordered to be printed.

Donations of World War II Paintings to Government of New Zealand

A letter from the Secretary of the Army, transmitting a draft of proposed legislation to authorize the Secretary of the Army to give 25 World War II paintings to the Government of New Zealand (with an accompanying paper); to the Committee on Armed Services.

Reports on Number of Officers on Duty With the Department of the Army and Army General Staff

Two letters from the Secretary of the Army, transmitting, pursuant to law, reports on the number of Army commissioned officers and warrant officers assigned to headquarters agencies of the Department of the Army, as of June 30, 1955, and September 30, 1955 (with accompanying papers); to the Committee on Armed Services.

Amendment of Warrant Officer Act of 1954

A letter from the Acting Secretary of the Army, transmitting a draft of proposed legislation to amend the Warrant Officer Act of 1954 (with an accompanying paper); to the Committee on Armed Services.

Disposition of Moneys Arising From Deductions From Carriers for Loss or Damage to Military and Naval Material

A letter from the Secretary of the Navy, transmitting a draft of proposed legislation to provide for the disposition of moneys arising from deductions made from carriers on account of the loss of or damage to military or naval material in transit, and for other purposes (with an accompanying paper); to the Committee on Armed Services.

Loan of Two Submarines to Government of Brazil

A letter from the Secretary of the Navy, transmitting a draft of proposed legislation to authorize the loan of two submarines to the Government of Brazil (with an accompanying paper); to the Committee on Armed Services.

Report on Collection of Claims for Damage Caused to Navy Property

A letter from the Under Secretary of the Navy, transmitting, pursuant to law, a report on the collection of claims for damage caused to Navy Department property, for the fiscal year ended June 30, 1955 (with an accompany report); to the Committee on Armed Services.

Report on Payment of Claims for Damage Caused by Naval Vessels

A letter from the Under Secretary of the Navy, transmitting, pursuant to law, a report on the payment of claims for damage caused by naval vessels, for the fiscal year ended June 30, 1955 (with an accompanying report); to the Committee on Armed Services.

Report on Average Monthly Flying Pay to Certain Officers of the Navy and Marine Corps

A letter from the Assistant Secretary of the Navy (Personnel and Reserve Forces), transmitting, pursuant to law, a report of the number of certain officers in the Navy and Marine Corps and the average monthly flying pay paid to such officers, for the 6-month period ended December 30, 1955 (with an accompanying report); to the Committee on Armed Services.

Reports on Overallotments of Appropriations

A letter from the Secretary of Defense, transmitting, pursuant to law, reports received from the Departments of the Army, Navy, and Air Force, covering violations relative to the overallotment of appropriations (with accompanying papers); to the Committee on Appropriations.

Report on Air Force Contracts Negotiated for Experimental, Developmental, Research, and Test Projects

A letter from the Deputy Assistant Secretary of Defense (Supply and Logistics), Department of Defense, transmitting, pursuant to law, a report on Air Force contracts negotiated for experimental, developmental, research, or test projects, and to assist in the maintenance of the industrial mobilization base, for the period January 1, through June 30, 1955 (with an accompanying report); to the Committee on Armed Services.

Report on Real and Personal Property, Department of Defense

A letter from the Deputy Secretary of Defense, transmitting, pursuant to law, a report on Real and Personal Property of the Department of Defense, as of December 31, 1954 (with an accompanying report); to the Committee on Armed Services.

Report on Pershing Hall Memorial Fund

A letter from the Acting Secretary of the Treasury, transmitting, pursuant to law, a report covering transactions during the fiscal year 1955, for account of the Pershing Hall Memorial Fund (with an accompanying report); to the Committee on Armed Services.

Amendment of Officer Personnel Act of 1947—Withdrawal of Request

A letter from the Chief of Legislative Liaison, Department of the Army, withdrawing a request for the enactment of legislation to provide for the retention on active duty of certain permanent major generals beyond statutory retirement age, transmitted to the Congress on May 27, 1955; to the Committee on Armed Services.

Flying Pay Report, Department of the Air Force

A letter from the Director, Legislative Liaison, Department of the Air Force, transmitting, pursuant to law, a report of the number of officers, Lieutenant Colonel and above, by grade and age, receiving flying pay on August 31, 1955, together with a monthly statement of such pay, during the period March 1, 1955 to August 31, 1955 (with an accompanying report); to the Committee on Armed Services.

Report Entitled "Research and Development Procurement Action Taken," Department of the Air Force

A letter from the Director, Legislative Liaison, Department of the Air Force, transmitting, pursuant to law, a confidential report entitled "Research and Development Procurement Action Taken," for the period January 1, 1955, through June 30, 1955 (with an accompanying report); to the Committee on Armed Services.

Report on Research and Development Contracts, Department of the Army

A letter from the Director of Research and Development, Department of the Army, transmitting, pursuant to law, a confidential report on research and development contracts, Department of the Army, for the period January 1, 1955 to June 30, 1955 (with an accompanying report); to the Committee on Armed Services.

Statistical Supplement, Stockpile Report

A letter from the Director, Office of Defense Mobilization, Executive Office of the President, transmitting, pursuant to law, a confidential statistical supplement to the stockpile report, for the period January 1 through June 30, 1955 (with accompanying papers); to the Committee on Armed Services.

Stockpile Report

A letter from the Director, Office of Defense Mobilization, Executive Office of the President, transmitting, pursuant to law, a confidential report on the stockpiling program, for the period January 1 to June 30, 1955 (with an accompanying report); to the Committee on Armed Services.

Report on Operations of Naval Petroleum Reserves

A letter from the Director, Naval Petroleum Reserves, reporting, pursuant to law, on an agreement relating to operations in

the National Petroleum Reserves, for the calendar year 1955; to the Committee on Armed Services.

REPORT OF DIRECTOR OF SELECTIVE SERVICE

A letter from the Director, Selective Service System, Washington, D. C., transmitting, pursuant to law, his report on the operations of the Selective Service System, for the fiscal year 1955 (with an accompanying report); to the Committee on Armed Services.

REPORT ON FEDERAL CONTRIBUTIONS BY FEDERAL CIVIL DEFENSE ADMINISTRATION

A letter from the Administrator, Federal Civil Defense Administration, Battle Creek, Mich., reporting, pursuant to law, on Federal contributions under the Federal Civil Defense Act of 1950, for the quarter ended September 30, 1955 (with an accompanying paper); to the Committee on Armed Services.

REPORT ON PROPERTY ACQUISITIONS, FEDERAL CIVIL DEFENSE ADMINISTRATION

A letter from the Administrator, Federal Civil Defense Administration, Battle Creek, Mich., reporting, pursuant to law, on property acquisitions for the Federal Civil Defense Administration, for the quarter ended September 30, 1955 (with an accompanying paper); to the Committee on Armed Services.

REPORT ON HELIUM PRODUCTION FUND

A letter from the Administrative Assistant, Department of the Interior, reporting, pursuant to law, on the helium production fund, and the amount of disbursements made therefrom, for the fiscal year ended June 30, 1955; to the Committee on Armed Services.

REPORT ON CERTAIN CONTRACTS NEGOTIATED FOR RESEARCH, DEVELOPMENT, AND EXPERIMENTAL PURPOSES, DEPARTMENT OF THE NAVY

A letter from the Chief of Naval Material, Department of the Navy, transmitting, pursuant to law, a report of contracts, in excess of $50,000, for research, development, and experimental purposes, awarded by the Department of the Navy, for the period January 1 through June 30, 1955 (with an accompanying report); to the Committee on Armed Services.

REPORT ON CERTAIN CONTRACTS NEGOTIATED BY THE COAST GUARD

A letter from the Commandant, United States Coast Guard, transmitting, pursuant to law, a report on certain contracts negotiated by the United States Coast Guard, for the period January 1 through June 30, 1955 (with an accompanying report); to the Committee on Armed Services.

REPORT ON SPECIAL PERSONNEL PROBLEMS IN DEPARTMENT OF DEFENSE

A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting, pursuant to law, a report of its Subcommittee on Special Personnel Problems in the Department of Defense, dated June 1955 (with an accompanying report); to the Committee on Armed Services.

REPORT ON MILITARY PROCUREMENT

A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting, pursuant to law, its task force report on "Military Procurement," dated June 1955 (with an accompanying report); to the Committee on Armed Services.

REPORT ON AIR FORCE OFFICERS ASSIGNED TO SEAT OF GOVERNMENT

A letter from the Director, Legislative Liaison, Department of the Air Force, reporting, pursuant to law, that at the end of the first quarter of fiscal year 1956, September 30, 1955, there was an aggregate of 2,668 officers of the Air Force assigned or detailed to permanent duty in the executive element of the Air Force at the seat of Government; to the Committee on Armed Services.

REPORT ON PROPERTY ACQUISITIONS BY FEDERAL CIVIL DEFENSE ADMINISTRATION

A letter from the Administrator, Federal Civil Defense Administration, Battle Creek, Mich., reporting, pursuant to law, on property acquisitions by that Administration, for the quarter ended June 30, 1955; to the Committee on Armed Services.

REPORT ON CONTRIBUTIONS BY FEDERAL CIVIL DEFENSE ADMINISTRATION

A letter from the Administrator, Federal Civil Defense Administration, Battle Creek, Mich., transmitting, pursuant to law, a report of contributions by that Administration, for the quarter ended June 30, 1955 (with an accompanying report); to the Committee on Armed Services.

REPORT ON CONTRACTS NEGOTIATED BY NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

A letter from the Executive Secretary, National Advisory Committee for Aeronautics, Washington, D. C., reporting, pursuant to law, that during the 6-month period ended June 30, 1955, no contracts were negotiated by that committee; to the Committee on Armed Services.

REPORT ON REVIEW OF CERTAIN VOLUNTARY AGREEMENTS AND PROGRAMS

A letter from the Attorney General, transmitting, pursuant to law, his report on certain voluntary agreements and programs established under the Defense Production Act of 1950 (with an accompanying report); to the Committee on Banking and Currency.

REPORT ON SURVEY OF OPERATIONS OF SMALL BUSINESS ADMINISTRATION

A letter from the Attorney General, transmitting, pursuant to law, a report relating to certain problems encountered in the course of a survey of the operations of the Small Business Administration (with an accompanying report); to the Committee on Banking and Currency.

REPORT OF RECONSTRUCTION FINANCE CORPORATION

A letter from the Secretary of the Treasury, transmitting, pursuant to law, a report of the Reconstruction Finance Corporation (in liquidation), for the fiscal year ended June 30, 1955 (with an accompanying report); to the Committee on Banking and Currency.

REPORTS ON EXPORT CONTROL

Two letters from the Secretary of Commerce, transmitting, pursuant to law, reports on export control, dated August 1, 1955, and November 15, 1955 (with accompanying reports); to the Committee on Banking and Currency.

REPORT ON EXPORT CONTROL

A letter from the Secretary of Commerce, transmitting, pursuant to law, the third quarterly report on Export Control, for the year 1955 (with an accompanying report); to the Committee on Banking and Currency.

REPORT ON LIQUIDATION OF RECONSTRUCTION FINANCE CORPORATION

A letter from the Secretary of the Treasury, transmitting, pursuant to law, a report on the progress of liquidation of the Reconstruction Finance Corporation, as of September 30, 1955 (with an accompanying report); to the Committee on Banking and Currency.

REPORTS ON MILITARY PRIME CONTRACTS

Two letters from the Assistant Secretary of Defense, Supply and Logistics, transmitting, pursuant to law, reports on military prime contracts with business firms for work in the United States, for the periods July 1 to September 30, 1955, and July 1 to August 31, 1955 (with accompanying reports); to the Committee on Banking and Currency.

REPORT ON MILITARY PRIME CONTRACTS WITH BUSINESS FIRMS FOR WORK IN THE UNITED STATES

A letter from the Deputy Assistant Secretary of Defense (Supply and Logistics), transmitting, pursuant to law, a report on military prime contracts with business firms for work in the United States, for the period July 1 through August 31, 1955 (with an accompanying report); to the Committee on Banking and Currency.

REPORT OF EXPORT-IMPORT BANK OF WASHINGTON

A letter from the President, Export-Import Bank of Washington, transmitting, pursuant to law, a report of that Bank, for the period January-June, 1955 (with an accompanying report); to the Committee on Banking and Currency.

REPORT OF SMALL BUSINESS ADMINISTRATION

A letter from the Administrator, Small Business Administration, transmitting, pursuant to law, a report of that Administration, for the period January 1 through June 30, 1955 (with an accompanying report); to the Committee on Banking and Currency.

REPORT OF FEDERAL DEPOSIT INSURANCE CORPORATION

A letter from the Chairman, Federal Deposit Insurance Corporation, transmitting, pursuant to law, a report of that Corporation, for the calendar year 1954 (with an accompanying report); to the Committee on Banking and Currency.

REPORT ON TIN OPERATIONS

A letter from the Administrator, Federal Facilities Corporation, Washington, D. C., transmitting, pursuant to law, a report of that Corporation on Tin Operations, for the fiscal year ended June 30, 1955 (with an accompanying report); to the Committee on Banking and Currency.

REPORT OF COMPTROLLER OF THE CURRENCY

A letter from the Acting Comptroller of the Currency, Washington, D. C., transmitting, pursuant to law, a report of the Comptroller of the Currency, for the year 1954 (with an accompanying report); to the Committee on Banking and Currency.

REPORT ON BORROWING AUTHORITY

A letter from the Director, Office of Defense Mobilization, Executive Office of the President, transmitting, pursuant to law, a report on borrowing authority, for the quarter ended June 30, 1955 (with an accompanying report); to the Committee on Banking and Currency.

REPORT ON SYNTHETIC RUBBER OPERATIONS

A letter from the Administrator, Federal Facilities Corporation, Washington, D. C., transmitting, pursuant to law, a report of that corporation on synthetic rubber operations, for the fiscal year ended June 30, 1955 (with an accompanying report); to the Committee on Banking and Currency.

REPORT OF DISTRICT OF COLUMBIA REDEVELOPMENT LAND AGENCY

A letter from the Chairman, District of Columbia Redevelopment Land Agency, transmitting pursuant to law, the annual report of that agency, for the fiscal year 1955 (with an accompanying report); to the Committee on the District of Columbia.

TRANSFER OF CERTAIN CASES IN COURTS OF THE DISTRICT OF COLUMBIA

A letter from the Director, Administrative Office of the United States Courts, Washington, D. C., transmitting a draft of proposed legislation to amend the first sentence of paragraph (a) of section 756 of title 11 of

the District of Columbia Code, 1951 edition (par. (a) of sec. 5 of the act of Apr. 1, 1942, c. 207, 56 Stat. 193), relating to the transfer of actions from the United States District Court for the District of Columbia to the Municipal Court for the District of Columbia (with an accompanying paper); to the Committee on the District of Columbia.

ABOLITION OF TRAVEL TAX TO MEXICO, CENTRAL AMERICA, AND CARIBBEAN AREA

A letter from the Director, Office of Middle American Affairs, Department of State, transmitting, for the information of the Senate, a translation of a telegram from the Director General of Tourism of Mexico, relating to the abolition of the 10 percent tax on travel to Mexico, Central America, and the Caribbean area, and requesting congressional action thereon (with accompanying papers); to the Committee on Finance.

FINANCIAL STATEMENT OF THE AMERICAN LEGION

A letter from the Director, National Legislative Commission, the American Legion, Washington, D. C., transmitting, pursuant to law, the financial statement of the Legion for the period ended October 31, 1955 (with an accompanying paper); to the Committee on Finance.

REPEAL OF SECTION 12 OF ACT OF JUNE 26, 1884, RELATING TO COLLECTION OF FEES BY CONSULAR OFFICERS

A letter from the Secretary of State, transmitting a draft of proposed legislation to repeal section 12 of the act of June 26, 1884, prohibiting a charge or collection of fees by consular officers for official services to American vessels and seamen (with an accompanying paper); to the Committee on Foreign Relations.

REPORT ON INTERNATIONAL EDUCATIONAL EXCHANGE PROGRAM

A letter from the Acting Secretary of State, transmitting, pursuant to law, a report on the international educational exchange program, Department of State, for the period July 1 through December 31, 1954 (with an accompanying report); to the Committee on Foreign Relations.

REPORT OF UNITED STATES INFORMATION AGENCY

A letter from the Acting Director, United States Information Agency, Washington, D. C., transmitting, pursuant to law, a report of that Agency, for the period January 1 to June 30, 1955 (with an accompanying report); to the Committee on Foreign Relations.

TASK-FORCE REPORT ON OVERSEAS ECONOMIC OPERATIONS

A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting, pursuant to law, that Commission's task-force report on overseas economic operations, dated June 1955 (with an accompanying report); to the Committee on Foreign Relations.

REPORT OF FOREIGN CLAIMS SETTLEMENT COMMISSION

A letter from the Chairman, Foreign Claims Settlement Commission of the United States, transmitting, pursuant to law, that Commission's report for the period ended June 30, 1955 (with an accompanying report); to the Committee on Foreign Relations.

DISTRIBUTION OF NOBEL PEACE PRIZE OF 1956

A letter from the Nobel Committee of the Norwegian Parliament, signed by A. Schon, transmitting, for the information of the Senate, a circular regarding the distribution of the Nobel peace prize of 1956 (with an accompanying paper); to the Committee on Foreign Relations.

REPORT ON PROPERTY MADE AVAILABLE AND DISPOSED OF FOR EDUCATIONAL AND PUBLIC HEALTH INSTITUTIONS

A letter from the Acting Secretary, Department of Health, Education, and Welfare, transmitting, pursuant to law, a report covering personal property made available for distribution to, and real property disposed of, for educational and public-health institutions, for the period July 1 through September 30, 1955 (with an accompanying report); to the Committee on Government Operations.

REPORT ON DISPOSALS OF FOREIGN EXCESS PROPERTY

A letter from the Administrative Assistant Secretary of Agriculture, transmitting, pursuant to law, a report on disposals of foreign excess property, for the fiscal year ended June 30, 1955 (with an accompanying report); to the Committee on Government Operations.

AUDIT REPORT ON NATIONAL BUREAU OF STANDARDS

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the National Bureau of Standards, Department of Commerce, for the fiscal year ended June 30, 1954 (with an accompanying report); to the Committee on Government Operations.

AUDIT REPORT ON FEDERAL HOME LOAN BANKS

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on Federal Home Loan Banks, supervised by the Home Loan Bank Board, constituent agency of the Housing and Home Finance Agency, for the fiscal year ended June 30, 1954 (with an accompanying report); to the Committee on Government Operations.

REPORT ON AUDIT OF NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the audit of the National Advisory Committee for Aeronautics, for the fiscal year ended June 30, 1954 (with an accompanying report); to the Committee on Government Operations.

AUDIT REPORT ON WASHINGTON NATIONAL AIRPORT

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Washington National Airport, operated by the Civil Aeronautics Administration, Department of Commerce, for the fiscal years 1953 and 1954 (with an accompanying report); to the Committee on Government Operations.

AUDIT REPORT ON THE FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Federal Savings and Loan Insurance Corporation, supervised by the Home Loan Bank Board, constituent agency of the Housing and Home Finance Agency, for the fiscal year ended June 30, 1954 (with an accompanying report); to the Committee on Government Operations.

AUDIT REPORT ON BUREAU OF RECLAMATION

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Bureau of Reclamation, Department of the Interior, for the fiscal year ended June 30, 1954 (with an accompanying report); to the Committee on Government Operations.

AUDIT REPORT ON INSURANCE OPERATIONS OF VETERANS' ADMINISTRATION

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on insurance operations of the Veterans' Administration, dated January 1954 (with an accompanying report); to the Committee on Government Operations.

AUDIT REPORT ON FARM CREDIT ADMINISTRATION

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Farm Credit Administration, for the fiscal year ended June 30, 1954 (with an accompanying report); to the Committee on Government Operations.

AUDIT REPORT ON THE INLAND WATERWAYS CORPORATION

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Inland Waterways Corporation, for the fiscal year ended June 30, 1954 (with an accompanying report); to the Committee on Government Operations.

AUDIT REPORT ON NAVY INDUSTRIAL FUND, CHARLESTON NAVAL SHIPYARD, BUREAU OF SHIPS

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Navy Industrial Fund, Charleston Naval Shipyard, Bureau of Ships, Department of the Navy, for the period July 1, 1943, to October 31, 1954 (with an accompanying report); to the Committee on Government Operations.

AUDIT REPORT ON THE TRUST TERRITORY OF THE PACIFIC ISLANDS

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Trust Territory of the Pacific Islands, Department of the Interior, for the fiscal years ended June 30, 1953 and 1954 (with an accompanying report); to the Committee on Government Operations.

AUDIT REPORT ON GORGAS MEMORIAL INSTITUTE OF TROPICAL AND PREVENTIVE MEDICINE, INC.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Gorgas Memorial Institute of Tropical and Preventive Medicine, Inc., for the fiscal year ended June 30, 1955 (with an accompanying report); to the Committee on Government Operations.

AUDIT REPORT ON VIRGIN ISLANDS CORPORATION

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Virgin Islands Corporation, for the fiscal year ended June 30, 1955 (with an accompanying report); to the Committee on Government Operations.

AUDIT REPORT ON UNITED STATES ASSISTANCE PROGRAM FOR PAKISTAN

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the United States assistance program for Pakistan, International Cooperation Administration, Department of State (with an accompanying report); to the Committee on Government Operations.

AUDIT REPORT ON OVERPAYMENTS TO MILITARY PERSONNEL OF THE NAVY

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on overpayments to military personnel of the Navy disclosed in the audit of accounts of Navy disbursing officers, dated April 1955 (with an accompanying report); to the Committee on Government Operations.

AUDIT REPORT ON TENNESSEE VALLEY AUTHORITY

A letter from the Acting Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Tennessee Valley Authority, for the fiscal year ended June 30, 1954 (with an accompanying report); to the Committee on Government Operations.

AUDIT REPORT ON PUERTO RICO RECONSTRUCTION ADMINISTRATION, DEPARTMENT OF THE INTERIOR

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Puerto Rico Reconstruction Administration, Department of the Interior, for the year 1955 (with an accompanying report); to the Committee on Government Operations.

AUDIT REPORT ON UNITED STATES COAST GUARD

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the United States Coast Guard, Department of the Treasury, dated October 31, 1955 (with an accompanying report); to the Committee on Government Operations.

AUDIT REPORT ON POSTAL SAVINGS SYSTEM

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Postal Savings System, Post Office Department, for the fiscal year ended June 30, 1954 (with an accompanying report); to the Committee on Government Operations.

AUDIT REPORT ON INTER-AMERICAN AFFAIRS, INTERNATIONAL COOPERATION ADMINISTRATION

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Institute of Inter-American Affairs, International Cooperation Administration (formerly the Foreign Operations Administration), for the fiscal year ended June 30, 1954 (with an accompanying report); to the Comimttee on Government Operations.

AUDIT REPORT ON COMMODITY CREDIT CORPORATION

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Commodity Credit Corporation, for the fiscal year ended June 30, 1954 (with an accompanying report); to the Committee on Government Operations.

AUDIT REPORT ON BUREAU OF CUSTOMS, TREASURY DEPARTMENT

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Bureau of Customs, Treasury Department, for the period January 1, 1952, through June 30, 1954 (with an accompanying report); to the Committee on Government Operations.

AUDIT REPORT ON THE HOME LOAN BANK BOARD

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Home Loan Bank Board, constituent agency of the Housing and Home Finance Agency, for the fiscal year ended June 30, 1954 (with an accompanying report); to the Committee on Government Operations.

AUDIT REPORT ON NAVY INDUSTRIAL FUND, UNITED STATES NAVAL ORDNANCE PLANT, YORK, PA.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Navy Industrial Fund, United States Naval Ordnance Plant, York, Pa., Bureau of Ordnance, Department of the Navy, for the period August 1, 1951, to January 31, 1955 (with an accompanying report); to the Committee on Government Operations.

AUDIT REPORT ON NAVY INDUSTRIAL FUND, UNITED STATES NAVAL ORDNANCE LABORATORY, CORONA, CALIF.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Navy Industrial Fund, United States Naval Ordnance Laboratory, Corona, Calif., Department of the Navy, for the period September 27, 1953, to June 30, 1955 (with an accompanying report); to the Committee on Government Operations.

REPORT ON BUSINESS ENTERPRISES OF DEPARTMENT OF DEFENSE

A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting, pursuant to law, that Commission's subcommittee report on business enterprises of the Department of Defense, dated June 1955 (with an accompanying report); to the Committee on Government Operations.

INDEX TO COMMISSION AND TASK FORCE REPORTS OF COMMISSION ON ORGANIZATION OF EXECUTIVE BRANCH OF THE GOVERNMENT

A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting, pursuant to law, the index of that Commission to its reports, dated June 1955 (with an accompanying index); to the Committee on Government Operations.

PROPOSED PUBLICATION OF NOTICE OF DISPOSITION OF CERTAIN CHINESE HOG BRISTLES

A letter from the Acting Commissioner, General Services Administration, transmitting, for the information of the Senate, a copy of a notice to be published in the Federal Register of a proposed disposition of approximately 2,000,000 pounds of Chinese hog bristles now held in the national stockpile (with an accompanying paper); to the Committee on Government Operations.

REPORT ON CONTRACTS NEGOTIATED FOR EXPERIMENTAL, DEVELOPMENTAL, OR RESEARCH WORK

A letter from the Administrator, General Services Administration, transmitting, pursuant to law, a report on contracts negotiated for experimental, developmental, or research work, and for the manufacture or furnishing of property for experimentation, development, research, or test, for the period January 1 through June 30, 1955 (with an accompanying report); to the Committee on Government Operations.

REPORT ON OPERATIONS RELATING TO PRODUCTION OF ABACA

A letter from the Administrator, General Services Administration, transmitting, pursuant to law, a report of that Administration relating to the production of abaca, for the fiscal year 1955 (with an accompanying report); to the Committee on Government Operations.

AUTHORIZATION FOR BURIAL IN NATIONAL CEMETERIES OF CERTAIN DECEASED COMMISSIONED OFFICERS OF THE PUBLIC HEALTH SERVICE

A letter from the Secretary of the Army, transmitting a draft of proposed legislation to authorize the burial in national cemeteries of the remains of certain commissioned officers of the Public Health Service (with an accompanying paper); to the Committee on Interior and Insular Affairs.

CERTIFICATIONS OF ADEQUATE SOIL SURVEYS AND LAND CLASSIFICATIONS

Four letters from the Assistant Secretary of the Interior, dated August 5, 1955, August 31, 1955, September 15, 1955, and September 16, 1955, certifying, pursuant to law, that adequate soil surveys and land classifications had been made of the lands to be benefited by the Michaud Flats project, Idaho, the Kirwin unit, Kansas, the Owl Creek unit, Missouri River Basin project, Wyoming, and the Bridgeport Bar unit, Foster Creek Division, Chief Joseph Dam project, Washington, and that the lands therein described are susceptible to the production of agricultural crops and irrigation purposes; to the Committee on Interior and Insular Affairs.

Two letters from the Acting Secretary of the Interior, certifying, pursuant to law, that adequate soil surveys and land classifications had been made of the lands to be benefited by the Talent Division, Rogue River Basin project, Oregon, and the Brewster Flat unit, Foster Creek Division, Chief Joseph Dam project, Washington, and that the lands therein described are susceptible to the production of agricultural crops and irrigation purposes; to the Committee on Interior and Insular Affairs.

A letter from the Assistant Secretary of the Interior, certifying, pursuant to law, that an adequate soil survey and land classification had been made of the lands to be benefited by the Yellowtail unit, Lower Bighorn Division, Missouri River Basin project, Montana and Wyoming, and that the lands therein described are susceptible to the production of agricultural crops and irrigation purposes; to the Committee on Interior and Insular Affairs.

AUTHORIZATION TO CONVEY CERTAIN LAND TO DAVID PETERS

A letter from the Acting Secretary of the Interior, transmitting a draft of proposed legislation to authorize and direct the Secretary of the Interior to convey to David Peters, or to his heirs or assigns, title to land held by the United States in trust for him (with accompanying papers); to the Committee on Interior and Insular Affairs.

REPORT ON TRINITY RIVER DIVISION, CENTRAL VALLEY PROJECT, CALIFORNIA

A letter from the Acting Secretary of the Interior, transmitting, pursuant to law, his report on the Trinity River Division, Central Valley project, California, dated November 1, 1955 (with accompanying papers); to the Committee on Interior and Insular Affairs.

PROPOSED TRANSFER OF CERTAIN INDIAN IRRIGATION OR POWER PROJECTS

A letter from the Acting Secretary of the Interior, transmitting a draft of proposed legislation to provide for the transfer of the care, operation, and maintenance of Indian irrigation or power project works to water users' associations or irrigation districts organized under State law, and for other purposes (with an accompanying paper); to the Committee on Interior and Insular Affairs.

SETTLEMENT OF CLAIM OF UNITED STATES *v.* THE NORTHERN COLORADO WATER CONSERVANCY DISTRICT ET AL.

A letter from the Acting Secretary of the Interior, transmitting, pursuant to law, a report on the settlement of the claim of the *United States of America* v. *The Northern Colorado Water Conservancy District et al.* (with accompanying papers); to the Committee on Interior and Insular Affairs.

PROPOSED CONCESSION CONTRACTS AND PERMITS IN CERTAIN NATIONAL PARKS AND MONUMENTS

Ten letters from the Assistant Secretary of the Interior, transmitting, pursuant to law, copies of proposed concession contracts and permits in Hawaii National Park, Everglades National Park, Mount Rainier National Park, Yellowstone National Park, Wind Cave National Park, Petrified Forest National Monument, Grand Canyon National Park, Yellowstone National Park, Olympic National Park, and Katmai National Monument, Alaska (with accompanying papers); to the Committee on Interior and Insular Affairs.

LAWS ENACTED BY THIRD GUAM LEGISLATURE

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, copies of laws enacted by the Third Guam Legislature, 1955 (with accompanying papers); to the Committee on Interior and Insular Affairs.

LAWS ENACTED BY MUNICIPAL COUNCIL OF ST. THOMAS AND ST. JOHN, AND LEGISLATIVE ASSEMBLY OF VIRGIN ISLANDS

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, copies of laws enacted by the Municipal Council of St. Thomas and St. John, and the Legislative Assembly of the Virgin Islands (with accompanying papers); to the Committee on Interior and Insular Affairs.

LAWS ENACTED BY MUNICIPAL COUNCILS OF ST. THOMAS AND ST. JOHN, AND ST. CROIX, AND LEGISLATIVE ASSEMBLY OF VIRGIN ISLANDS

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, copies of laws enacted by the Municipal Councils of St. Thomas and St. John, and St. Croix, and the Legislative Assembly of the Virgin Islands (with accompanying papers); to the Committee on Interior and Insular Affairs.

LAWS ENACTED BY THIRD GUAM LEGISLATURE

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, copies of laws enacted by the Third Guam Legislature, 1955 (with accompanying papers); to the Committee on Interior and Insular Affairs.

RESERVATION OF CERTAIN PUBLIC LANDS FOR SCHOOL PURPOSES

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to amend section 1 of the Act of March 4, 1915, as amended (48 U. S. C., sec. 353) (with an accompanying paper); to the Committee on Interior and Insular Affairs.

REPORT ON FUNDS PERTAINING TO CALIFORNIA INDIANS

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, a report on funds pertaining to California Indians (with an accompanying report); to the Committee on Interior and Insular Affairs.

AMENDMENT OF MINERAL LEASING ACT

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to amend section 27 of the Mineral Leasing Act of February 25, 1920, as amended (30 U. S. C., sec. 184), in order to promote the development of phosphate on the public domain (with an accompanying paper); to the Committee on Interior and Insular Affairs.

REPORT ON RECEIPTS AND EXPENDITURES UNDER OUTER CONTINENTAL SHELF LANDS ACT

A letter from the Administrative Assistant to the Secretary of the Interior, reporting, pursuant to law, on the receipts and expenditures of the Department of the Interior, pursuant to the requirement of section 15 of the Outer Continental Shelf Lands Act of August 7, 1953 (67 Stat. 470; 43 U. S. C. sec. 1343); to the Committee on Interior and Insular Affairs.

SETTLEMENT OF CLAIM OF INDIANS OF THE FORT PECK RESERVATION, MONT.

A letter from the Chief Commissioner, Indian Claims Commission, reporting, pursuant to law, on the settlement of the claim of the *Fort Peck Indians of the Fort Peck Reservation, Mont.*, v. *The United States* (with accompanying papers); to the Committee on Interior and Insular Affairs.

REPORT ON SETTLEMENT OF CLAIMS OF THE POTTAWATOMI TRIBE OF INDIANS ET AL., AND THE CITIZEN BAND OF POTTAWATOMI INDIANS OF OKLAHOMA ET AL.

A letter from the Chief Commissioner, Indian Claims Commission, Washington, D. C., reporting, pursuant to law, that the claims of the *Pottawatomi Tribe of Indians, The Prairie Band of the Pottawatomi Tribe of Indians et al., plaintiffs*, v. *The United States of America, defendant*, and the *Citizen Band of Pottawatomi Indians of Oklahoma, Pottawatomi Nation et al., petitioners*, v. *The United States of America, defendant*, had been finally concluded (with accompanying papers); to the Committee on Interior and Insular Affairs.

SESSION LAWS OF TERRITORY OF ALASKA

A letter from the Secretary of Alaska, transmittting a certified copy of the Session Laws of 1953, Territory of Alaska, including memorials and resolutions (with an accompanying document); to the Committee on Interior and Insular Affairs.

REPORT OF COMMISSION ON APPLICATION OF FEDERAL LAWS TO THE VIRGIN ISLANDS

A letter from the Chairman, Commission on the Application of Federal Laws to the Virgin Islands, transmitting, pursuant to law, a report on the activities of that Commission; to the Committee on Interior and Insular Affairs.

REPORT ON CERTAIN COMMISSARY OPERATIONS OF CIVIL AERONAUTICS ADMINISTRATION

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report on commissary operations of the Civil Aeronautics Administration outside the continental United States, for the fiscal year 1955 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

REPORT OF MARITIME ADMINISTRATION, DEPARTMENT OF COMMERCE

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report of the Maritime Administration of the Department of Commerce, relating to activities of that Administration under the Merchant Ship Sales Act of 1946, for the period July 1, 1955, through September 30, 1955 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

REPORT ON PROVISION OF WAR-RISK AND CERTAIN MARINE AND LIABILITY INSURANCE FOR AMERICAN PUBLIC

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report on the provision of war-risk insurance and certain marine and liability insurance for the American public (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

SEALS FOR BUREAUS AND OFFICES OF DEPARTMENT OF COMMERCE

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to authorize the Secretary of Commerce to prescribe seals for bureaus and offices of the Department of Commerce, and for other purposes (with accompanying papers); to the Committee on Interstate and Foreign Commerce.

REPORT OF MARITIME ADMINISTRATION

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report of the Maritime Administration on the activities and transactions under the Merchant Ship Sales Act of 1946, for the period April 1, 1955, through June 30, 1955 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

INTERIM REPORT ON CAUSES AND CHARACTERISTICS OF THUNDERSTORMS AND OTHER ATMOSPHERIC DISTURBANCES

A letter from the Acting Secretary of Commerce, transmitting, pursuant to law, a report on the causes and characteristics of thunderstorms and other atmospheric disturbances, compiled by the Weather Bureau, for the fiscal year 1955 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

REPORT OF MIGRATORY BIRD CONSERVATION COMMISSION

A letter from the Secretary of the Interior, Chairman of the Migratory Bird Conservation Commission, transmitting, pursuant to law, a report of that Commission, for the fiscal year ended June 30, 1955 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

INSPECTION AND CERTIFICATION OF CERTAIN MECHANICALLY PROPELLED VESSELS CARRYING PASSENGERS

A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to require the inspection and certification of certain mechanically propelled vessels carrying passengers (with accompanying papers); to the Committee on Interstate and Foreign Commerce.

REPORT OF FEDERAL COMMUNICATIONS COMMISSION

A letter from the Chairman, Federal Communications Commission, Washington, D. C., transmitting, pursuant to law, the report of that Commission for the fiscal year ending June 30, 1955 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

REPORTS ON BACKLOG AND PENDING APPLICATIONS AND HEARING CASES, FEDERAL COMMUNICATIONS COMMISSION

Four letters from the Chairman, Federal Communications Commission, Washington, D. C., transmitting, pursuant to law, reports on backlog of pending applications and hearing cases in that Commission, as of July 31, 1955, August 31, 1955, and September 30, 1955 (with accompanying reports); to the Committee on Interstate and Foreign Commerce.

A letter from the Acting Chairman, Federal Communications Commission, transmitting, pursuant to law, a report on backlog of pending applications and hearing cases in that Commission, as of June 30, 1955 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

REPORT ON LICENSED HYDROELECTRIC PROJECTS AND PERSONNEL

A letter from the Chairman, Federal Power Commission, Washington, D. C., transmitting, pursuant to law, a report on licensed hydroelectric projects and on personnel of that commission, for the fiscal year ended June 30, 1955 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

REPORT OF ADMINISTRATOR OF REFUGEE RELIEF ACT

A letter from the Secretary of State, transmitting, pursuant to law, a report of the Administrator of the Refugee Relief Act of 1953 (with an accompanying report); to the Committee on the Judiciary.

REPORT ON CERTAIN ADJUDICATIONS RENDERED AND COMPROMISE SETTLEMENTS, DEPARTMENT OF JUSTICE

A letter from the Attorney General, transmitting, pursuant to law, a report on certain adjudications rendered, and compromise settlements effected by the Department of Justice, for the year 1955 (with accompanying documents); to the Committee on the Judiciary.

REPORT ON PAYMENT OF CLAIMS ARISING FROM CORRECTION OF MILITARY OR NAVAL RECORDS

A letter from the Deputy Secretary of Defense, transmitting, pursuant to law, a report on the payment of claims arising from the correction of military or naval records, for the period January 1, through June 30, 1955 (with an accompanying report); to the Committee on the Judiciary.

CHIEF WARRANT OFFICER GEORGE C. CARTER

A letter from the Secretary of the Army, transmitting a draft of proposed legislation for the relief of Chief Warrant Officer George C. Carter (with an accompanying paper); to the Committee on the Judiciary.

COL. HENRY M. ZELLER

A letter from the Secretary of the Army, transmitting a draft of proposed legislation for the relief of Col. Henry M. Zeller (with an accompanying paper); to the Committee on the Judiciary.

DANIEL O. HULSE, JR.

A letter from the Secretary of the Army, transmitting a draft of proposed legislation for the relief of Daniel O. Hulse, Jr. (with an accompanying paper); to the Committee on the Judiciary.

NATHAN A. KAHN

A letter from the Secretary of the Army, transmitting a draft of proposed legislation for the relief of Nathan A. Kahn (with an accompanying paper); to the Committee on the Judiciary.

ARTHUR E. WEEDEN, JR.

A letter from the Secretary of the Army, transmitting a draft of proposed legislation for the relief of Arthur E. Weeden, Jr. (with an accompanying paper); to the Committee on the Judiciary.

EUGENE GARDNER, BYRON M. BARBEAU, JOHN R. REAVES, AND JACKSON L. HARDY

A letter from the Acting Secretary of the Army, transmitting a draft of proposed legislation for the relief of Eugene Gardner, Byron M. Barbeau, John R. Reaves, and Jackson L. Hardy (with accompanying papers); to the Committee on the Judiciary.

ACCEPTANCE OF OKINAWAN EMIGRANTS

A letter from the Acting Secretary of the Army, transmitting a resolution adopted by the Legislature of the Government of the Ryukyu Islands, relating to the acceptance of Okinawan emigrants (with accompanying papers); to the Committee on the Judiciary.

REPORT ON TORT CLAIMS PAID BY DEPARTMENT OF COMMERCE

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report of tort claims paid by that Department during the fiscal year 1955 (with an accompanying report); to the Committee on the Judiciary.

PROTECTION OF OFFICERS AND EMPLOYEES OF THE UNITED STATES

A letter from the Acting Secretary of Commerce, transmitting a draft of proposed legislation to amend section 1114 of Title 18 of the United States Code relating to the protection of officers and employees of the United States (with an accompanying paper); to the Committee on the Judiciary.

REPORT ON TORT CLAIMS PAID BY DEPARTMENT OF THE AIR FORCE

A letter from the Secretary, Department of the Air Force, transmitting, pursuant to law, a report on tort claims paid by that Department for the fiscal year 1955 (with an accompanying report); to the Committee on the Judiciary.

REPORT OF CLAIMS PAID BY DEPARTMENT OF THE AIR FORCE

A letter from the Secretary, Department of the Air Force, transmitting, pursuant to law, a report of claims paid under the Military Personnel Claims Act of 1945 by the Department of the Air Force, for the fiscal year 1955 (with an accompanying report); to the Committee on the Judiciary.

PAYMENT OF CERTAIN CLAIMS BY DEPARTMENT OF THE AIR FORCE

A letter from the Secretary of the Air Force, transmitting, pursuant to law, a report on the payment of certain claims by the Department of the Air Force, pursuant to the Maritime Claims Act (with an accompanying report); to the Committee on the Judiciary.

PAYMENT OF CLAIM OF JAMES STEWART & CO., INC.

A letter from the Acting Secretary of the Treasury, reporting, pursuant to law, the payment of the claim of James Stewart & Co., Inc., of Falls Church, Va.; to the Committee on the Judiciary.

REPORT ON PAYMENT OF CLAIM OF CURTIS COCHRAN

A letter from the Acting Secretary of the Treasury, reporting, pursuant to law, the payment of the claim of Curtis Cochran, Immokalee, Fla.; to the Committee on the Judiciary.

REPORT ON TORT CLAIMS PAID BY TREASURY DEPARTMENT

A letter from the Acting Secretary of the Treasury, transmitting, pursuant to law, a report on tort claims paid by that Department, for the fiscal year 1955 (with an accompanying report); to the Committee on the Judiciary.

REPORT OF TORT CLAIMS PAID BY POST OFFICE DEPARTMENT

A letter from the Acting Deputy Postmaster General, transmitting, pursuant to law, a report of tort claims paid by that Department during the fiscal year 1955 (with an accompanying report); to the Committee on the Judiciary.

REPORT ON SETTLEMENT OF CERTAIN PERSONNEL CLAIMS, DEPARTMENT OF THE NAVY

A letter from the Under Secretary of the Navy, transmitting, pursuant to law, a report on the settlement of certain personnel claims by the Department of the Navy, for the fiscal year 1955 (with accompanying papers); to the Committee on the Judiciary.

REPORT ON TORT CLAIMS PAID BY DEPARTMENT OF AGRICULTURE

A letter from the Administrative Assistant Secretary, Department of Agriculture, transmitting, pursuant to law, a report of tort claims paid by that Department, for the period July 1, 1954, through June 30, 1955 (with an accompanying report); to the Committee on the Judiciary.

REPORT OF TORT CLAIMS PAID BY ATOMIC ENERGY COMMISSION

A letter from the Chairman, United States Atomic Energy Commission, transmitting, pursuant to law, a report on tort claims paid by that Commission, for the period July 1, 1954, through June 30, 1955 (with an accompanying report); to the Committee on the Judiciary.

REPORT ON TORT CLAIMS PAID BY VETERANS' ADMINISTRATION

A letter from the Administrator, Veterans' Administration, transmitting, pursuant to law, a report on tort claims paid by that Administration, during the fiscal year ended June 30, 1955 (with an accompanying report); to the Committee on the Judiciary.

REPORT ON TORT CLAIMS PAID BY CENTRAL INTELLIGENCE AGENCY

A letter from the Acting Director, Central Intelligence Agency, Washington, D. C., reporting, pursuant to law, on tort claims paid by that Agency, for the fiscal year 1955; to the Committee on the Judiciary.

REPORT ON TORT CLAIMS PAID BY GENERAL SERVICES ADMINISTRATION

A letter from the Administrator, General Services Administration, Washington, D. C., transmitting, pursuant to law, a report of tort claims paid by that Administration, for the fiscal year 1955 (with an accompanying report); to the Committee on the Judiciary.

REPORT ON TORT CLAIM PAID BY FEDERAL CIVIL DEFENSE ADMINISTRATION

A letter from the Administrator, Federal Civil Defense Administration, reporting, pursuant to law, that the tort claim of Richard B. Downs, of Silver Spring, Md., had been settled during the fiscal year 1955; to the Committee on the Judiciary.

REPORT OF SUBVERSIVE ACTIVITIES CONTROL BOARD

A letter from the Chairman, Subversive Activities Control Board, Washington, D. C., transmitting, pursuant to law, a report of that Board, for the fiscal year ended June 30, 1955 (with an accompanying report); to the Committee on the Judiciary.

GRANTING OF APPLICATIONS FOR PERMANENT RESIDENCE FILED BY CERTAIN ALIENS

Three letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders entered granting the applications for permanent residence filed by certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien, and the reasons for granting such applications (with accompanying papers); to the Committee on the Judiciary.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

Three letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders suspending deportation of certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien, and the reasons for ordering such suspension (with accompanying papers); to the Committee on the Judiciary.

ADMISSION OF DISPLACED PERSONS—WITHDRAWAL OF NAMES

Nine letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, withdrawing the names of certain displaced persons from reports heretofore transmitted to the Senate, pursuant to section 6 of the Refugee Relief Act of 1953, with a view to the adjustment of their immigration status (with accompanying papers); to the Committee on the Judiciary.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS—WITHDRAWAL OF NAMES

Three letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, withdrawing the names of certain aliens from reports relating to aliens whose deportation has been suspended, transmitted to the Senate on January 17, 1955, February 1, 1955, and May 1, 1955; to the Committee on the Judiciary.

GRANTING OF TEMPORARY ADMISSION INTO THE UNITED STATES OF CERTAIN ALIEN SEAMEN

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, a list of Yugoslav crewmen who were granted temporary admission into the United States (with an accompanying paper); to the Committee on the Judiciary.

ADMISSION INTO THE UNITED STATES OF CERTAIN DEFECTOR ALIENS

Five letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders entered granting temporary admission into the United States of certain defector aliens (with accompanying papers); to the Committee on the Judiciary.

TEMPORARY ADMISSION INTO THE UNITED STATES OF CERTAIN ALIENS

Six letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders entered granting temporary admission into the United States of certain aliens (with accompanying papers); to the Committee on the Judiciary.

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, a copy of a confidential order admitting Amelia Aleksich to temporarily enter the United

States as a visitor, pursuant to the Commissioner's letter transmitted to the Senate on November 4, 1955 (with an accompanying paper); to the Committee on the Judiciary.

ADMISSION INTO THE UNITED STATES OF CERTAIN DEFECTOR ALIENS — WITHDRAWAL OF NAME

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, withdrawing the name of Leon Gorodetsky (Max Kovalsky) from a report granting admission into the United States of certain defector aliens, transmitted to the Senate on August 17, 1955 (with an accompanying paper); to the Committee on the Judiciary.

REPORT ON TORT CLAIMS PAID BY CANAL ZONE GOVERNMENT

A letter from the Governor, Canal Zone Government, Balboa Heights, C. Z., transmitting, pursuant to law, a report on tort claims paid by that Government for the fiscal year 1955 (with an accompanying report); to the Committee on the Judiciary.

REPORT OF DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

A letter from the Secretary, Department of Health, Education, and Welfare, transmitting, pursuant to law, a report of that Department, for the fiscal year 1954 (with an accompanying report); to the Committee on Labor and Public Welfare.

PROGRESS REPORT RELATING TO NATIONAL PROGRAM AGAINST DISCRIMINATION IN EMPLOYMENT ON FEDERAL CONTRACTS

A letter from the Deputy Attorney General reporting, pursuant to law, concerning the progress in helping to implement the national program against discrimination in employment on Federal contracts; to the Committee on Labor and Public Welfare.

AUTHORIZATION TO IMPOUND MAIL IN CERTAIN CASES

A letter from the Acting Postmaster General, transmitting a draft of proposed legislation to authorize the Postmaster General to impound mail in certain cases (with an accompanying paper); to the Committee on Post Office and Civil Service.

AUTHORITY TO PUBLISH INFORMATION PAMPHLETS, ETC.

A letter from the Secretary of the Army, transmitting a draft of proposed legislation to authorize the Chief of Engineers to publish information pamphlets, maps, brochures, and other material (with an accompanying paper); to the Committee on Public Works.

REPORT OF LIBRARIAN OF CONGRESS

A letter from the Librarian of Congress, transmitting, pursuant to law, his report for the fiscal year ended June 30, 1955 (with accompanying documents); to the Committee on Rules and Administration.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. JOHNSTON of South Carolina and Mr. CARLSON members of the committee on the part of the Senate.

REPORT OF SECRETARY OF THE SENATE

A letter from the Secretary of the Senate, transmitting, pursuant to law, his report of receipts and expenditures for the period July 1, 1954, to June 30, 1955 (with an accompanying report); ordered to lie on the table and to be printed.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A resolution of the Legislature of the State of Pennsylvania; to the Committee on Appropriations:

"Whereas the executive department of the United States has recommended an appropriation of $6 million to be expended by the Corps of Engineers for fiscal 1955–56 to begin the authorized improvement of the Delaware River Channel, Philadelphia, Pa., to Trenton, N. J.; and

"Whereas the Senate of the United States approved the recommended sum of $6 million; and

"Whereas the members of the conference committee (representing the House of Representatives), in opposing the appropriation of the sum of $6 million, have refused to concur with the recommendation of the executive department and the Senate of the United States: Now, therefore, be it

"Resolved (the house of representatives concurring), That the Senate and House of Representatives of the Commonwealth of Pennsylvania, on behalf of the people of Pennsylvania, voice its disapproval of the discriminatory action of the House of Representatives of the United States (through its Representatives on the conference committee) in jeopardizing the welfare of our Delaware Valley three-State area by refusing to recognize the urgent need for improvement of the Delaware River by providing funds for the prompt start of construction of this vital project; and be it further

"Resolved, That the Senate and House of Representatives of the Commonwealth of Pennsylvania petition the executive and legislative branches of the United States Government through this resolution to approve legislation during the present session of the Congress of the United States that will make available in the current fiscal year the recommended sum of $6 million so that the justified and approved improvement of the Delaware River can be started promptly in the interests of our national defense, industry, commerce, and the welfare of all the people of the Delaware Valley; and be it further

"Resolved, That the President of the Senate of the Commonwealth of Pennsylvania appoint 3 members of the senate to serve as a continuing committee together with 3 members of the House of Representatives of the Commonwealth of Pennsylvania who, upon the concurrence of the house of representatives, shall be appointed by the speaker of the house; and be it further

"Resolved, That said committee shall cooperate with the Governor of the Commonwealth of Pennsylvania in such actions as may be desirable and necessary to achieve the required legislative appropriation from the Congress of the United States to assure not only the prompt start of the construction of the Delaware River Channel improvement but to assure, also, the earliest possible completion of this important project; and be it further

"Resolved, That the secretary of the senate be directed upon the passage of the instant resolution to forward copies thereof to His Excellency the President of the United States; to the Vice President of the United States, in his capacity as Presiding Officer of the Senate of the United States; to the Speaker of the House of Representatives of the Congress of the United States; to the two United States Senators from Pennsylvania, the Honorable EDWARD MARTIN and JAMES H. DUFF; to each one of the members of the Pennsylvania delegation to the House of Representatives of the Congress of the United States; to the Director of the Bureau of the Budget; and to the Chief of Engineers, United States Corps of Engineers."

Resolutions of the House of Representatives of the State of Massachusetts; to the Committee on Armed Services:

"Resolutions urging the naval authorities of the United States to provide for an underpass in the town of Rockland

"Whereas under present plans the extension of a South Weymouth Naval Air Station runway calls for the closing of Union Street in the town of Rockland; and

"Whereas Union Street is the only major road from Rockland into South Weymouth; and

"Whereas if this road is closed, it will practically isolate the town of Rockland; and

"Whereas by the building of an underpass on Union Street this situation will not develop: Now, therefore, be it

"Resolved, That the Massachusetts House of Representatives hereby respectfully urges the naval authorities in charge of this work to abandon their present plans and instead provide for an underpass on Union Street in the town of Rockland; and be it further

"Resolved, That a copy of these resolutions be forwarded by the secretary of the Commonwealth to the United States Navy Department and to the Members representing this Commonwealth in the United States Senate and House of Representatives."

A joint resolution of the Legislature of the State of Connecticut; to the Committee on Banking and Currency:

"House Joint Resolution 2

"Joint resolution memorializing Congress to make a study of the possibilities and problems of a Federal disaster-insurance program

"Whereas the northeastern States have suffered an estimated uninsured loss of over $2 billion in real property alone as the result of flood damage in August and October 1955; and

"Whereas flood disasters reemphasize the need for flood insurance protection which cannot be provided by private insurance companies except at prohibitive cost to the policyholder: Now, therefore, be it

"Resolved, That this general assembly in special session for the purpose of enacting a flood-recovery program urges the Congress of the United States to explore the need for forms of flood insurance not now obtainable from private insurance companies and that Congress take the initiative in the field by enacting a Federal insurance-disaster program; and be it further

"Resolved, That a suitable copy of this resolution be sent to each House of the Congress of the United States and to the Senate Committee on Banking and Currency."

A resolution of the Senate of the State of New Jersey; to the Committee on Banking and Currency:

"Senate Concurrent Resolution 25

"Concurrent resolution memorializing the Congress of the United States to adopt legislation providing a national flood-insurance program to indemnify all citizens of the country from damage and loss resulting from floods

"Whereas the recent flood disaster in New Jersey and in the eastern States generally has caused untold suffering and widespread loss and damage to the property of many citizens of New Jersey and of our neighboring States; and

"Whereas flood disasters are not the sole concern of New Jersey and its neighboring States but have caused similar loss, damage, and hardships in recent years to those citizens of our country residing in the vicinity of the Missouri, Mississippi, Ohio, and other rivers throughout this great country of ours; and

"Whereas such recent flood disasters have pointed up the lack of adequate flood-insurance programs to indemnify the citizens

of the country as a whole from damage and loss resulting from such flood disasters; and

"Whereas the damage, loss and suffering caused by such disasters is a problem of national concern: Now, therefore, be it

"Resolved by the senate of the State of New Jersey (the General Assembly concurring):

"1. The Congress of the United States is memorialized to adopt legislation providing a national flood-insurance program to indemnify all citizens of the country from damage and loss resulting from floods.

"The secretary of the senate is hereby directed to transmit, immediately following the passage of this concurrent resolution, a copy thereof, properly authenticated, to the President of the United States, to the respective presiding officers of the United States Senate and the House of Representatives and to all of the Senators and Representatives of the State of New Jersey in Congress.

"3. This concurrent resolution shall take effect immediately."

A concurrent resolution of the Legislature of the State of Alabama; to the Committee on Finance:

"House Joint Resolution 64

"Whereas the Federal Social Security Act provides for grants to States for aid to dependent children, and defines the term "dependent child" to include a needy child under the age of 16, or under the age of 18 if regularly attending school; and

"Whereas children between 16 and 18 years of age who are not regularly attending school are thus not eligible for aid to dependent children; and

"Whereas some of these children between 16 and 18 years of age are incapable of attending school because of some permanent physical or mental disability, and are thereby not eligible for aid to dependent children through no fault of their own: Now, therefore, be it

"Resolved by the House of Representatives of Alabama (the Senate concurring):

"1. The Congress of the United States is hereby memorialized to enact legislation necessary to make needy children between 16 and 18 years of age, who are incapable of regularly attending school because of some permanent physical or mental disability, eligible for aid to dependent children under the provisions of the Federal Social Security Act to the same extent that children under 16 years of age are eligible.

"2. The clerk of the house of representatives is directed to transmit a copy of this resolution to the President of the United States Senate, to the Speaker of the United States House of Representatives, and to each member of the Alabama delegation in Congress."

A joint resolution of the Legislature of the State of Wisconsin; to the Committee on Interstate and Foreign Commerce:

"Joint resolution relating to air routes to the Orient

"Whereas the Civil Aeronautics Board, after thorough and exhaustive study, has again concluded there should be two separate and competing United States flag air routes across the Pacific, one through the California gateway to the Orient via the Central Pacific, and other through the Seattle gateway via Alaska and the short Great Circle course to the Orient; and

"Whereas the Civil Aeronautics Board maintains that retention of these different flight courses under existing conditions is vital to keep the balanced competitive pattern required by public convenience and necessity and that modification of this policy would undoubtedly require substantial Government subsidy; and

"Whereas a request by the airline now serving the Orient through the Central Pacific for authority to also fly over the Great Circle track is pending before the President of the United States; and

"Whereas the Civil Aeronautics Board recommended denial of that request because the duplicating service would destroy the balanced competitive air pattern in the Pacific and result in additional Government subsidies; and

"Whereas the airline now authorized to fly over the Great Circle course serves Chicago on direct flights to the Pacific Northwest and is the only direct air tie between the State of Wisconsin and Alaska, Japan, Korea, Okinawa, Formosa, and the Philippines; and

"Whereas this direct international air service has assumed increased importance to business, industry, and the traveling public in Wisconsin and the Midwest generally and has helped broaden markets and expand trade territories for Midwest products; Now, therefore, be it

"Resolved by the assembly (the senate concurring), That we respectfully request that the proper governmental authorities take heed of these circumstances; that we express our adherence to the policy set forth by the Civil Aeronautics Board, an authoritative governmental agency thoroughly familiar with all aspects of international air problems, and therefore oppose any application for duplication of service on the Great Circle course as contrary to the interests of the State, the Government, and the public generally; and, be it further

"Resolved, That properly attested copies of this resolution be sent to the Civil Aeronautics Board, the President of the United States, each United States Senator and Representative from the State of Wisconsin, and to each House of the Congress."

A joint resolution of the Legislature of the State of Illinois; to the Committee on the Judiciary:

"Senate Joint Resolution 25

"Be it resolved by the senate of the 69th General Assembly of the State of Illinois (the house of representatives concurring therein), That the General Assembly of the State of Illinois, pursuant to article V of the Constitution of the United States, hereby makes application to the Congress of the United States to call a convention for proposing the following article as an amendment to the Constitution of the United States in lieu of article V:

" 'ARTICLE —

" 'SECTION 1. The Congress, whenever two-thirds of both Houses shall deem it necessary, shall propose amendments to this Constitution, or on the application of the legislatures of two-thirds of the several States shall call a convention for proposing amendments; or the legislature of any State, whenever two-thirds of each House shall deem it necessary, may propose amendments to this Constitution by transmitting to the Secretary of State of the United States and to the secretary of state of each of the several States a certified copy of the resolution proposing the amendment, which shall be deemed submitted to the several States for ratification when certified copies of resolutions of the legislatures of any 12 of the several States by two-thirds of each House shall have been so transmitted concurring in the proposal of such amendment; which, in any case, shall be valid to all intents and purposes as part of this Constitution when ratified by the legislatures of three-fourths of the several States: *Provided,* That no State, without its consent, shall be deprived of its equal suffrage in the Senate.

" 'SEC. 2. The act of proposal, concurrence in a proposal, or ratification of an amendment, shall not be revocable.

" 'SEC. 3. A proposal of an amendment by a State shall be inoperative unless it shall have been so concurred in within 7 years from the date of the proposal. A proposed amendment shall be inoperative unless it shall have been so ratified within 15 years from the date of its submission, or shorter period as may be prescribed in the resolution proposing the amendment.

" 'SEC. 4. Controversies respecting the validity of an amendment shall be justifiable and shall be determined by the exercise of the judicial power of the United States.'; and be it further

"Resolved, That such amendment shall be valid to all intents and purposes as part of the Constitution of the United States when ratified by the legislatures of three-fourths of the several States; and be it further

"Resolved, That as the power of the sovereign States to propose amendments to the Constitution of the United States by convention under article V has never been exercised and no precedent exists for the calling or holding of such convention, the State of Illinois hereby declares the following basic principles with respect thereto: That the power of the sovereign States to amend the Constitution of the United States under article V is absolute; that the power of the sovereign States to propose amendments to the Constitution by convention under article V is absolute; that the power of the sovereign States extends over such convention and the scope and control thereof and that it is within their sovereign power to prescribe whether such convention shall be general or shall be limited to the proposal of a specified amendment or of amendments in a specified field; that the exercise by the sovereign States of their power to require the calling of such convention contemplates that the applications of the several States for such convention shall prescribe the scope thereof and the essential provisions for holding the same; that the scope of such convention and the provisions for holding the same are established in and by the applications therefor by the legislatures of the two-thirds majority of the several States required by article V to call the same, and that it is the duty of the Congress to call such convention in conformity therewith; that such convention is without power to transcend, and the delegates to such convention are without power to act except within the limitations and provisions so prescribed; and be it further

"Resolved, That such convention shall be called and held in conformity with the following limitations and provisions, and that the Congress, in the call for such convention, hereby is requested to and shall prescribe:

"(1) That such convention shall be held in the city of Philadelphia, in the State of Pennsylvania, on the first Monday of the first December following transmission to the Senate and the House of Representatives of the Congress of the United States of applications for such convention by the legislatures of two-thirds of the several States and, in honor of the Nation's founders and for invocation, shall convene at Constitution Hall, at Independence Square, at the hour of 10 o'clock in the morning of such day, and thereupon adjourn to more commodious quarters within said city for session as the convention shall determine;

"(2) That the several States shall have equal suffrage at such convention; that each of the several States shall be entitled to 3 delegates thereat and that each of such delegates shall be entitled to 1 vote; that the delegates to such convention from the several States shall be the highest officer of the senate and the highest officer of the house of representatives of their respective legislatures at the time of such convention, except that in States where the lieutenant governor is president of the senate, the president of the senate pro tempore or other highest officer from the membership of the senate shall be such delegate from the senate, and in States having a unicameral legislature the two highest officers of its legislature shall be

such delegates, which two delegates in each of the several States shall jointly designate a citizen of such State at large who shall be the third delegate from such State to such convention; that in case of a vacancy in the office of any delegate during such convention, not otherwise filled pursuant to law or by legislative act or as herein provided, such vacancy shall be filled by the governor of such State from the senate or house of its legislature or the State at large, respectively, as the case may be; that during such vacancy and during the absence of a delegate from the floor of the convention the delegates present from such State shall be empowered to exercise the vote of the absent delegate or delegates from such State; that the legislature of any State may choose its delegates to such convention, other than hereinabove designated, in which case the delegates so chosen shall be certified to the convention by the secretary of state of such State and shall constitute the delegates of such State at such convention in lieu of the delegates otherwise hereinabove designated.

"(3) That such convention shall be limited and restricted specifically to the consideration and proposal of such amendment to article V, the choosing of officers and adoption of rules of procedure for the conduct of such convention and the maintenance of order thereat, the determination of any issue respecting the seating of delegates, adjournment from day to day and to a day certain and from place to place within said city as may be convenient, and adjournment sine die; and such convention shall not be held for any other purpose nor have any other power, and the delegates thereto shall have no power other than within the limitations herein prescribed;

"(4) That a permanent record shall be made of the proceedings of such convention, which shall be certified by the secretary of the convention, the original of which shall be placed in the Library of Congress and printed copies of which shall be transmitted to the Senate and the House of Representatives of the Congress, to the Secretary of State of the United States, and to each house of the legislature, and to the secretary of state of each of the several States;

"(5) That the powers of such convention shall be exercisable by the States, represented at such convention by duly constituted delegates thereat, by majority vote of the States present and voting on such proposal, and not otherwise; and be it further

"*Resolved*, That this application shall constitute a continuing application for such convention under article V of the Constitution of the United States until the legislatures of two-thirds of the several States shall have made like applications and such convention shall have been called and held in conformity therewith, unless the Congress itself propose such amendment within the time and the manner herein provided; and be it further

"*Resolved*, That proposal of such amendment by the Congress and its submission for ratification to the legislatures of the several States in the form of the article hereinabove specifically set forth, at any time prior to 60 days after the legislatures of two-thirds of the several States shall have made application for such convention, shall render such convention unnecessary and the same shall not be held; otherwise such convention shall be called and held in conformity with such applications; and be it further

"*Resolved*, That as this application under article V of the Constitution of the United States is the exercise of a fundamental power of the sovereign States under the Constitution of the United States, it is requested that receipt of this application by the Senate and the House of Representatives of the Congress of the United States be officially noted and duly entered upon their respective records, and that the full context of this resolution be published in the official publication of both the Senate and the House of Representatives of the Congress; and be it further

"*Resolved*, That certified copies of this resolution be transmitted forthwith by the secretary of state to the Senate and the House of Representatives of the Congress of the United States, to each Senator and Representative in the Congress from this State, and to the Secretary of State of the United States, and to each house of the legislature and to the secretary of state of each of the several States, attesting the adoption of this resolution by the legislature of this State."

A resolution adopted by the General Board of the National Council of the Churches of Christ in the United States of America, at Omaha, Nebr., favoring the distribution of surplus food in the United States to the hungry and needy peoples overseas; to the Committee on Agriculture and Forestry.

A letter, in the nature of a petition, from the Health Education League of Portland, Inc., signed by Roy H. Woodruff, president, and Mrs. Gene Woodruff, secretary, praying for a congressional investigation of the Pure Food and Drug Administration and the Public Health Service; to the Committee on Agriculture and Forestry.

Two resolutions adopted by the city council, city of Glendora, and the city council, city of Azusa, both of the State of California, favoring the enactment of legislation to provide the necessary funds for the immediate construction of the Walnut Creek System for the control and conservation of flood waters in Los Angeles County; to the Committee on Appropriations.

A resolution adopted by the American National Retail Jewelers Association, New York, N. Y., favoring the elimination of all unnecessary governmental expenses; to the Committee on Appropriations.

A resolution adopted by the Gulf States Marine Fisheries Commission at Clearwater, Fla., favoring the construction and operation of a weather ship in the Gulf of Mexico; to the Committee on Appropriations.

Resolutions adopted by the Liberal Religious Youth Inc., at Olivet, Mich., favoring the enactment of legislation to provide increased contributions to the United Nations Children's Fund and the United Nations Technical Assistance Program; to the Committee on Appropriations.

A resolution adopted by the Harbor Commissioners, Honolulu, T. H., favoring the enactment of legislation to provide further appropriations for the completion of certain public works construction at Kawaihae Harbor, Nawiliwili Harbor, and Honolulu Harbor; to the Committee on Appropriations.

A resolution adopted by the Missouri Conference of the Methodist Church, at Moberly, Mo., relating to the appointment of a chaplain at the West Point Military Academy; to the Committee on Armed Services.

A resolution adopted by a convention of the 82d Airborne Division, at Detroit, Mich., favoring an increase instead of a reduction in the United States Army forces, and so forth; to the Committee on Armed Services.

A resolution adopted by the National Association of State and Territorial Civil Defense Directors, at Washington, D. C., favoring the donation of Federal surplus property for civil-defense purposes, and so forth; to the Committee on Government Operations.

The memorial of R. J. Maass, Reese Air Force Base, Tex., remonstrating against Federal donation for medical care for dependents of soldiers; to the Committee on Armed Services.

A letter from the Deputy Director, Civil Defense Corps, State of Ohio, Columbus, Ohio, transmitting an amendment to the original interstate compact between the States of Ohio and Wyoming, and a copy of an original interstate compact between the State of Ohio and the District of Columbia (with accompanying papers); to the Committee on Armed Services.

A letter from the Coordinator, Office of Civil Defense, Commonwealth of Virginia, Richmond, Va., transmitting, pursuant to law, a certified copy of an interstate civil-defense compact between the States of Virginia and Kentucky (with an accompanying paper); to the Committee on Armed Services.

A letter from the Deputy Director, Civil Defense Corps, Adjutant General's Department, State of Ohio, Columbus, Ohio, transmitting copies of amendments to the existing interstate compacts between the State of Ohio and the States of West Virgina and Florida (with accompanying papers); to the Committee on Armed Services.

Resolutions adopted by the Veterans of Foreign Wars Post, No. 21, of Connellsville; Post No. 47, of Uniontown; Post No. 5576, of Cardale; and Post No. 8543, of Mount Braddock, all of the State of Pennsylvania, favoring the enactment of legislation providing pensions for World War I veterans; to the Committee on Finance.

A resolution adopted by the American Chamber of Commerce of Mexico, relating to an increased sugar quota for the Republic of Mexico; to the Committee on Finance.

A resolution adopted by Berwyn Post, No. 422, the American Legion, Berwyn, Ill., favoring the enactment of legislation to provide pensions for World War I and World War II veterans; to the Committee on Finance.

A resolution adopted by the Southern Governors' Conference, Point Clear, Ala., relating to textile tariffs; to the Committee on Finance.

A letter, in the nature of a petition, from Willis Sherrill, of West Palm Beach, Fla., relating to old-age assistance (with an accompanying paper); to the Committee on Finance.

A resolution adopted by the League of Republican Women, at Jackson, Mich., relating to tax-exempt foundations; to the Committee on Finance.

A resolution adopted by the International Assembly of the Commercial Telegraphers' Union, at Vancouver, British Columbia, Canada, favoring the enactment of legislation to lower the permissive retirement age under the Social Security Act from 65 years to 60 years; to the Committee on Finance.

A resolution adopted by the house of delegates of the American Medical Association, at Boston, Mass., relating to the proposed amendments to the social-security law; to the Committee on Finance.

A telegram from the General Hip Sing Association in America, of New York, N. Y., signed by Samuel Y. Ong and Frank M. Ong, directors, embodying a resolution adopted by that association protesting against the admission of Communist China into the United Nations; to the Committee on Foreign Relations.

A resolution adopted by the National Medical and Dental Association, and the National Advocates Society, favoring the restoration of freedom and independence to all nations (with an accompanying paper); to the Committee on Foreign Relations.

A resolution adopted by the American Unitarian Association, favoring increased participation of the United States in the United Nations organizations; to the Committee on Foreign Relations.

A resolution adopted by the Long Island General Assembly, Fourth Degree, Knights of Columbus, Brooklyn, N. Y., relating to a revision of the Status of Forces Agreement; to the Committee on Foreign Relations.

A resolution adopted by the American Council of Christian Churches, Grand Rapids, Mich., protesting against the admis-

sion of Red China into the United Nations; to the Committee on Foreign Relations.

A resolution adopted by the American Council of Christian Churches, at Grand Rapids, Mich., favoring the abolition of the Office of Director of Religious Information; to the Committee on Foreign Relations.

A resolution adopted by Kenmore Lodge, No. 1889, B'nai B'rith, Chicago, Ill., favoring the granting of military assistance to Israel; to the Committee on Foreign Relations.

A letter in the nature of a petition, from the Radi-Vision Sales Co., New York, N. Y., signed by Conrad King, vice president, favoring the enactment of legislation to change the existing calendar; to the Committee on Foreign Relations.

A resolution adopted by Parkway Council, 1433, Knights of Columbus, Brooklyn, N. Y., relating to the Status of Forces Agreement and certain other treaties; to the Committee on Foreign Relations.

Resolutions adopted by the executive board of the American Association of University Women, and the board of directors of the Junior Chamber of Commerce, both of Honolulu, Hawaii, favoring the enactment of legislation to amend the Hawaiian Organic Act, to provide for reapportionment of the Legislature of the Territory of Hawaii; to the Committee on Interior and Insular Affairs.

A resolution adopted by the American Unitarian Association, favoring the enactment of legislation to provide for the continuation by the Federal Government of holding certain lands, forests, watersheds, and mineral rights, for all the people of the United States; to the Committee on Interior and Insular Affairs.

A resolution adopted by the American Unitarian Association, favoring the enactment of legislation to provide Federal assistance and protection to the Indians; to the Committee on Interior and Insular Affairs.

A resolution adopted by the Young Republicans of Sacramento County, Calif., endorsing the principle of partnership under which private enterprise may participate in the development of natural resources when partnership is economically feasible and to the benefit of the general public; to the Committee on Interior and Insular Affairs.

A resolution adopted by the Common Council of the City of Sitka, Alaska, favoring the enactment of legislation enabling the Federal Government to convey to the city of Sitka fee simple title to all tidelands within the corporate limits of that city at a fair and equitable price; to the Committee on Interior and Insular Affairs.

A resolution adopted by the American Fisheries Society, at Augusta, Ga., favoring the enactment of legislation to amend the Federal Power Act so as to compel the Federal Power Commission to require proof that applicants for a license have obtained prior approval of the States; to the Committee on Interstate and Foreign Commerce.

The petition of the Jupiter Patriotic Association of America, Inc., of Cook County, Ill., signed by Samuel E. Clements, president, and Huestis Atwood, treasurer, praying for a redress of grievances; to the Committee on the Judiciary.

A resolution adopted by the Russian Colony of Los Angeles, Calif., relating to the fight against international communism; to the Committee on the Judiciary.

A resolution adopted by the League of Republican Women, of Jackson, Mich., protesting against any weakening amendments or changes in the Alien Registration Act; to the Committee on the Judiciary.

A resolution adopted by the League of Republican Women, of Jackson, Mich., affirming that league's conviction as to the soundness of the immigration and nationality law; to the Committee on the Judiciary.

A resolution adopted by the Jewish Community Council, of Utica, N. Y., favoring the enactment of legislation to provide for a revision of the Immigration and Naturalization Act of 1952, and the Refugee Relief Act of 1953, relating to the removal of the national origins quota system, and so forth; to the Committee on the Judiciary.

A resolution adopted by the American Council of Christian Churches, at Grand Rapids, Mich., protesting against the invitation to Russian clergymen to visit the United States; to the Committee on the Judiciary.

A resolution adopted by the American Council of Christian Churches, at Grand Rapids, Mich., relating to certain remarks of Bishop Oxnam; to the Committee on the Judiciary.

A resolution adopted by Republicans Unlimited, of Torrence, Calif., favoring a congressional investigation of the Fund for the Republic, to determine whether the tax-free status of that organization should be eliminated; to the Committee on the Judiciary.

A letter in the nature of a petition from the Congregational Conference of Southern California and the Southwest, Los Angeles, California, signed by Jesse F. Perrin, secretary, board of directors, relating to an investigation of the death of Emmett Till, a Chicago youth, recently killed in Leflore County, Miss.; to the Committee on the Judiciary.

A resolution adopted by the Republican Precinct Club, First Precinct, Fifth Representative District, of Kaneohe, Hawaii, endorsing Marguerite K. Ashford for the office of Associate Justice of the Supreme Court of the Territory of Hawaii; to the Committee on the Judiciary.

A resolution adopted by The American Legion, Department of New Mexico, favoring the enactment of the so-called Bricker amendment, relating to the treaty-making power; to the Committee on the Judiciary.

A resolution adopted by the State Council of Kentucky, Junior Order United American Mechanics, at Covington, Ky., favoring the enactment of Senate Bill 251, providing penalties for membership in, or participation in the revolutionary activity of the Communist Party, or any other organization furthering revolutionary conspiracy; to the Committee on the Judiciary.

Two petitions of Alfred J. Jacobi, of New York, N. Y., praying for a redress of grievances; to the Committee on the Judiciary.

The petition of Ohio Bell, of Cook County, Ill., praying for a redress of grievances; to the Committee on the Judiciary.

A resolution adopted by the Jewish War Veterans of the United States of America, at Miami, Fla., protesting against the enactment of the so-called Bricker amendment, relating to treatymaking power; to the Committee on the Judiciary.

A resolution adopted by the State Council of Kentucky, Junior Order United American Mechanics, Covington, Ky., relating to free public schools; to the Committee on Labor and Public Welfare.

A resolution adopted by the Missouri Naturopathic Association, Inc., of Kansas City, Mo., favoring an investigation into the structures, powers, and policies of the American Medical Association; to the Committee on Labor and Public Welfare.

A resolution adopted by the State Council of North Carolina, Junior Order of United American Mechanics, Asheville, N. C., relating to free public schools; to the Committee on Labor and Public Welfare.

A resolution adopted by the American Congress of Physical Medicine and Rehabilitation, of Chicago, Ill., protesting against the enactment of Senate bill 1951, to provide for the establishment of an independent Federal Agency for the Handicapped; to the Committee on Labor and Public Welfare.

A resolution adopted by the Board of Directors, Wisconsin Good Roads Association, at Milwaukee, Wis., relating to the improvement of highway conditions in Wisconsin; to the Committee on Public Works.

A resolution adopted by the Council of the City of Cincinnati, Ohio, favoring the enactment of legislation to provide for a Federal contribution for certain public works construction in that city; to the Committee on Public Works.

A resolution adopted by North Willapa Harbor Grange 947, of the State of Washington, relating to navigation menace and erosion control in the Willapa Bay area; to the Committee on Public Works.

A resolution adopted by the Disabled American Veterans, Washington, D. C., favoring the establishment of a standing Senate Committee on Veterans' Affairs; to the Committee on Rules and Administration.

COMMUNICATIONS FROM ORGANIZATIONS OF FOREIGN COUNTRIES

The VICE PRESIDENT. The Chair has also received three communications from organizations of foreign countries, two of which extend thanks to the Congress for certain action taken, and the other transmitted by the Ambassador from Nationalist China opposing any negotiations with Communist China.

While receipt of such communications is prohibited by the Senate rules, in view of the circumstances, if there be no objection, these three communications will be received and appropriately referred.

There being no objection, the communications were referred as follows:

To the Committee on Foreign Relations: A letter from the Minister-Councillor of the Chinese Embassy, Washington, D. C., transmitting a statement signed by the Chairman of the Taipei Trade Union, Chairman of the Taichung Farmers' Union, and the Chairman of the Taichung Chamber of Commerce of Formosa, and a communication from the Commission de L'Europe Centrale Et Orientale, of Paris, expressing the gratitude to the Senate for supporting the fight for self-determination of enslaved nations.

To the Committee on Appropriations: A letter from the Federacion Interamericana de Automovil-Clubs, of Buenos Aires, relating to the completion of the Pan-American Highway.

STRENGTHENING OF THE UNITED NATIONS—RESOLUTION

Mr. THYE. Mr. President, at the annual meeting of Branch 437 of the Slovak League of America, Minneapolis, Minn., the members of branch 437 adopted a resolution which I desire to bring to the attention of the Members of Congress.

The resolution extends the inspired wishes of branch 437 for the continuation and the strengthening of the United Nations. I ask unanimous consent that the resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas this annual meeting of Branch 437 of the Slovak League of America, Minneapolis, Minn., is being held on the 10th anniversary of the founding of the United Nations; and

Whereas it has always been the contention of this branch of our organization and all branches of the Slovak League of America, a national educational and cultural society, that only through the United Nations can we save succeeding generations from the scourge of war; and

Whereas we adhere to all principles of the United Nations, especially those relating to the fact that all nations should be sovereign and equal (including Red-dominated Slovakia, the home of our ancestors); and

Whereas it is our heartfelt hope that the United Nations will continue its efforts toward the freeing of enslaved peoples, such as those in Slovakia: It is therefore

Resolved, At this annual meeting to extend our inspired wishes for a continuance of the works of the United Nations with a prayer that this body of nations be strengthened with each succeeding year. God grant the United Nations a long life.

Dated this 24th day of October 1955 at Minneapolis, Minn.

ANDREW HUDAK,
President.
PAUL KORDIAK,
Treasurer.
ANDREW HROMADA,
Financial Secretary.
PETER P. PIKALA,
Recording Secretary.

INCREASED LIMIT OF EXPENDITURES BY COMMITTEE ON PUBLIC WORKS—REPORT OF A COMMITTEE

Mr. CHAVEZ, from the Committee on Public Works, reported an original resolution (S. Res. 159), which, under the rule, was referred to the Committee on Rules and Administration, as follows:

Resolved, That section 1 of Senate Resolution 70, 84th Congress, 1st session, agreed to March 18, 1955 (increasing the limit of expenditures by the Committee on Public Works), is amended by striking out "January 31, 1956" and inserting in lieu thereof "January 31, 1957."

REPORTS OF JOINT COMMITTEE ON THE ECONOMIC REPORT

Mr. DOUGLAS. Mr. President, the Joint Committee on the Economic Report has had five subcommittees conducting hearings and studies during 1955. These subcommittees were established by the full committee after completion of our work on the January 1955 Economic Report of the President—Senate Report No. 60, 84th Congress, 1st session—under provision of the Employment Act which charges the Joint Economic Committee not only with reporting on the main recommendations of the Economic Report but also directs it to make a continuing study of economic matters. Each of these subcommittees has prepared a report which has received the unanimous approval of the members of the subcommittees participating, and all five reports have been approved by the full committee for transmission to the Congress. Findings and recommendations of the subcommittee reports will be given further consideration in connection with the full committee's report on the 1956 Economic Report of the President.

The first report to be issued was Automation and Technological Change, prepared by the Subcommittee on Economic Stabilization under the chairmanship of Representative WRIGHT PATMAN, of Texas. This report makes a number of significant findings and recommendations on the current and prospective importance to the economy of rapid and technological change.

The Subcommittee on Economic Statistics, under the chairmanship of Representative RICHARD BOLLING, of Missouri, has prepared a 1955 report containing findings and recommendations in respect to a series of hearings held to review reports prepared by Federal Reserve Board consultant committees on statistics of inventories, savings, consumer expectations, plant and equipment expectations, and general business expectations. The subcommittee also reports its findings on employment and unemployment statistics and various continuing activities such as the preparation of the 1955 Historical and Descriptive Supplement to Economic Indicators.

The Subcommittee on Tax Policy, under the chairmanship of Representative WILBUR D. MILLS, of Arkansas, focused its study on the relationship of tax policy to the attainment of the Employment Act objectives, with particular emphasis on maintaining a steady and sustainable rate of economic progress. In its report entitled "Federal Tax Policy for Economic Growth and Stability," the subcommittee explored a wide range of tax issues with some 81 economists, accountants, lawyers, and other tax experts in order, first, to formulate acceptable general criteria for evaluating tax policy from the standpoint of the growth and stability objectives of the Employment Act; and, second, to outline a general tax policy designed to conform to the Nation's economic requirements for the coming years.

The Subcommittee on Low-Income Families, under the chairmanship of Senator JOHN SPARKMAN, in its report, A Program for the Low-Income Population at Substandard Levels of Living, sets forth its findings and recommendations on—

First. The role of the Federal Government in programs to aid the low-income population;

Second. The function and economic value of income-security measures, public assistance, vocational rehabilitation, and health programs;

Third. The role of education and training programs in improving the earning capacity of the individual, and in breaking the cycle of self-perpetuation within the low-income group; and

Fourth. Measures designed to reduce the number of rural and industrial areas which are characterized by chronic labor surplus and underemployment.

The Subcommittee on Foreign Economic Policy, under the chairmanship of Congressman RICHARD BOLLING, of Missouri, has submitted findings and recommendations on the significance of our international economic relations for the stable growth of the Nation's domestic economy. The subcommittee's report, Foreign Economic Policy, undertakes a broad appraisal of the basic theories of foreign trade as they pertain to the position of the United States in the world economy and considers the feasibility of setting up broad criteria to be used in developing an effective economic policy and in evaluating specific proposals in the field of foreign trade.

The five subcommittees heard a total of some 250 witnesses and panel experts on the major subjects which they covered, and prepared a total of 15 publications, a list of which I have added at the end of this statement. I am also attaching to my statement a list of the membership of the five subcommittees.

As chairman of the Joint Committee on the Economic Report, it is now my privilege to submit to the Senate the reports of these five subcommittees which have been approved for transmission to the Congress by the full committee.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a list of subcommittee reports, hearings, and materials, together with a list of the membership of the subcommittees of the Joint Committee on the Economic Report.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

JOINT COMMITTEE ON THE ECONOMIC REPORT—SUBCOMMITTEE REPORTS, HEARINGS, AND MATERIALS

SUBCOMMITTEE ON ECONOMIC STABILIZATION

Hearings, Automation and Technological Change, October 1955, $2.

Report, Automation and Technological Change, November 1955.

SUBCOMMITTEE ON ECONOMIC STATISTICS

Hearings, Reports of Federal Reserve Consultant Committees on Economic Statistics, November 1955, $2.25.

Hearings, Employment and Unemployment Statistics, November 1955, 45 cents.

1955 Report of the Subcommittee on Economic Statistics—Historical and Descriptive Supplement to Economic Indicators, November 1955, 40 cents.

SUBCOMMITTEE ON TAX POLICY

Federal Tax Policy for Economic Growth and Stability (papers submitted by panelists appearing before the subcommittee), November 1955, $2.50.

The Federal Revenue System: Facts and Problems (materials assembled for the Subcommittee on Tax Policy by the committee staff), January 1956.

Hearings, Federal Tax Policy, December 1955.

Report, Federal Tax Policy, December 1955.

SUBCOMMITTEE ON LOW-INCOME FAMILIES

Characteristics of the Low-Income Population and Related Programs (materials prepared by the staff of the subcommittee), October 1955, 60 cents.

Hearings, Low-Income Population, December 1955.

Report, Low-Income Population, December 1955.

SUBCOMMITTEE ON FOREIGN ECONOMIC POLICY

Hearings, Foreign Economic Policy, December 1955, $1.75.

Report, Foreign Economic Policy, December 1955.

Single copies of all publications are available from the committee's office. Prices are shown for publications available from the Superintendent of Documents, United States Government Printing Office, Washington, D. C.

SUBCOMMITTEES OF THE JOINT COMMITTEE ON THE ECONOMIC REPORT

Economic Stabilization: Representative Wright Patman, Texas, chairman; Representative Augustine B. Kelley, Pennsylvania; Senator Joseph C. O'Mahoney, Wyoming; Representative Jesse P. Wolcott, Michigan; Senator Arthur V. Watkins, Utah.

Economic Statistics: Representative Richard Bolling, Missouri, chairman; Senator

John Sparkman, Alabama; Representative Henry O. Talle, Iowa.

Tax Policy: Representative Wilbur D. Mills, Arkansas, chairman; Senator Paul H. Douglas, Illinois; Senator Joseph C. O'Mahoney, Wyoming; Senator Barry Goldwater, Arizona; Representative Thomas B. Curtis, Missouri.

Low-Income Families: Senator John Sparkman, Alabama, chairman; Representative Augustine B. Kelley, Pennsylvania; Senator Ralph E. Flanders, Vermont.

Foreign Economic Policy: Representative Richard Bolling, Missouri, chairman; Senator Paul H. Douglas, Illinois; Senator J. William Fulbright, Arkansas; Representative Henry O. Talle, Iowa; Senator Ralph E. Flanders, Vermont.

Mr. KNOWLAND. Mr. President, will the Senator yield for a point of information?

Mr. DOUGLAS. I yield.

Mr. KNOWLAND. I make this inquiry on behalf of other Members of the Senate, in view of the situation which may develop in the future. Have the subcommittee reports to which the Senator has referred been cleared through the full committee?

Mr. DOUGLAS. That is correct. The full committee has given permission to the subcommittees to make these reports.

Mr. KNOWLAND. I thank the Senator from Illinois.

The PRESIDING OFFICER. The reports will be received and printed.

The reports are as follows:

Report of Impact of Automation and of Technological Change on the Economy; (S. Rept. No. 1308);

Report on Economic Statistics; (S. Rept. No. 1309);

Report on Tax Policy; (S. Rept. No. 1310);

Report on Low Income Families; (S. Rept. No. 1311); and

Report on Foreign Economic Policy; (S. Rept. No. 1312).

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MANSFIELD (by request):

S. 2760. A bill for the relief of Yee Chung Fong Ming, Yee Chung Nom Ming, and Gee Shee Ming; to the Committee on the Judiciary.

By Mr. MANSFIELD (for himself and Mr. MURRAY):

S. 2761. A bill for the relief of Fethi Hepcakici; to the Committee on the Judiciary.

By Mr. PAYNE (for himself, Mr. CAPEHART, Mr. IVES, Mr. BUSH, Mr. PURTELL, and Mr. BEALL):

S. 2762. A bill to amend the United States Housing Act of 1937, as amended, to authorize assistance in the provision of housing for elderly families; to the Committee on Banking and Currency.

By Mr. PAYNE:

S. 2763. A bill to amend title 3 of the United States Code to provide for the ascertainment of the physical inability of the President to perform the duties of his office, and for other purposes; to the Committee on the Judiciary.

By Mr. CASE of South Dakota:

S. 2764. A bill to amend the wheat marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agriculture and Forestry.

S. 2765. A bill to make the amendment made by the act of August 9, 1955, to section 232 (d) of the Veterans' Readjustment Assistance Act of 1952 effective as of July 16, 1952; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. CASE when he introduced the above bills, which appear under separate headings.)

By Mr. ROBERTSON (for himself and Mr. SMITH of New Jersey):

S. 2766. A bill to authorize the issuance of a Presidential proclamation in connection with the observance of 1956 of the 100th anniversary of the birth of Woodrow Wilson; to the Committee on the Judiciary.

By Mr. SYMINGTON:

S. 2767. A bill for the relief of Anna Atzinger and her minor child; to the Committee on the Judiciary.

By Mr. SALTONSTALL (for himself, Mr. KENNEDY, Mr. GREEN, Mr. JOHNSTON of South Carolina, Mr. LANGER, Mr. NEUBERGER, Mr. BUTLER, Mr. PAYNE, and Mr. CASE of New Jersey):

S. 2768. A bill to provide for national flood insurance and reinsurance, and for other purposes; to the Committee on Banking and Currency.

By Mr. RUSSELL:

S. 2769. A bill authorizing the Administrator of General Services to convey certain land to the city of Hogansville, Ga.; to the Committee on Government Operations.

By Mr. MAGNUSON (by request):

S. 2770. A bill to amend section 1 (15) of the Interstate Commerce Act, so as to aid in alleviating shortages of railroad freight cars during periods of emergency or threatened emergency, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. THYE (for himself and Mr. HILL):

S. 2771. A bill to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment and provide certain services to the Boy Scouts of America for use at the Fourth National Jamboree of the Boy Scouts of America, and for other purposes; and

S. 2772. A bill to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment and to provide transportation and other services to the Boy Scouts of America in connection with the World Jamboree of Boy Scouts to be held in England in 1957, and for other purposes; to the Committee on Armed Services.

(See the remarks of Mr. THYE when he introduced the first above-mentioned bill, which appear under a separate heading.)

S. 2773. A bill to authorize the addition of certain lands to the Pipestone National Monument in the State of Minnesota; and

S. 2774. A bill to authorize a $75 per capita payment to members of the Red Lake Band of Chippewa Indians from the proceeds of the sale of timber and lumber on the Red Lake Reservation; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. THYE when he introduced the above bill, which appear under a separate heading.)

S. 2775. A bill to amend section 204 (b) of the Small Business Act of 1953, as amended; to the Committee on Banking and Currency.

By Mr. THYE (for himself and Mr. MUNDT):

S. 2776. A bill to preserve the family farm; to the Committee on Agriculture and Forestry.

By Mr. CHAVEZ (for himself and Mr. ANDERSON):

S. 2777. A bill to require conformance with State and Territorial fish and game laws and licensing requirements on Federal lands not subject to such laws; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. CHAVEZ when he introduced the above bill, which appear under a separate heading.)

By Mr. BRICKER:

S. 2778. A bill for the relief of Maria Pao-Hsin Lee;

S. 2779. A bill for the relief of Evelyn Levenson Harris; and

S. 2780. A bill for the relief of Nellie Khourie; to the Committee on the Judiciary.

By Mr. CHAVEZ:

S. 2781. A bill for the relief of Kiyoshi Takahashi, Kyoko Takahashi, and Nozomu Takahashi;

S. 2782. A bill for the relief of Mrs. Frieda Painter-Luenenschloss; and

S. 2783. A bill for the relief of Caecilia Rama; to the Committee on the Judiciary.

By Mr. SMATHERS:

S. 2784. A bill to provide for the conveyance of certain lands to the town of Don Ce-Sar Place, Fla.; to the Committee on Government Operations; and

S. 2785. A bill for the relief of Elsa Emelina Rosado y Rodriguez de Brower; to the Committee on the Judiciary.

By Mr. WILEY (by request):

S. 2786. A bill for the relief of Yi Nyong Suk; to the Committee on the Judiciary.

By Mr. SPARKMAN:

S. 2787. A bill to amend section 344 of the Agricultural Adjustment Act of 1938, as amended, relating to cotton-acreage allotments; to the Committee on Agriculture and Forestry.

S. 2788. A bill to quiet title and possession with respect to certain real property in the State of Alabama; to the Committee on Interior and Insular Affairs.

S. 2789. A bill for the relief of Lawrence B. Frahn; to the Committee on Labor and Public Welfare.

By Mr. SPARKMAN (for himself, Mr. DOUGLAS, Mr. LEHMAN, Mr. MORSE, Mr. MONRONEY, and Mr. NEUBERGER):

S. 2790. A bill to amend the National Housing Act and the United States Housing Act of 1937 to authorize assistance in the provision of housing for elderly persons, and for other purposes; to the Committee on Banking and Currency.

(See the remarks of Mr. SPARKMAN when he introduced the above bill, which appear under a separate heading.)

By Mr. HENNINGS:

S. 2791. A bill to amend title 18 of the United States Code to provide for the trial in the Federal district courts of persons not subject to military jurisdiction for certain offenses committed by them while subject to such jurisdiction;

S. 2792. A bill to amend title 18 of the United States Code in order to make the wrecking of certain aircraft a criminal offense; and

S. 2793. A bill for the relief of Waclaw Tadeusz Nowosielski; to the Committee on the Judiciary.

By Mr. BENDER:

S. 2794. A bill to exempt certain benefit boxing matches from the admissions tax; to the Committee on Finance.

S. 2795. A bill for the relief of George Leonidas Parthemos;

S. 2796. A bill for the relief of Michael N. Zirounis;

S. 2797. A bill for the relief of David Y. Ong; and

S. 2798. A bill for the relief of Edward Zepp; to the Committee on the Judiciary.

By Mr. ANDERSON (for himself, Mr. CLEMENTS, Mr. HUMPHREY, Mr. SPARKMAN, and Mr. EASTLAND):

S. 2799. A bill to provide for the liquidation of Commodity Credit Corporation's surplus stocks of agricultural commodities; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. ANDERSON when he introduced the above bill, which appear under a separate heading.)

By Mr. POTTER:

S. 2800. A bill for the relief of David Chih-Wei Kwok;

S. 2801. A bill for the relief of Brigitte Lechner Wagner;

S. 2802. A bill for the relief of Ethel Nellie Hummer;

S. 2803. A bill for the relief of Max Mazak Terian and his wife, Maria Terian; and

S. 2804. A bill for the relief of Dr. Shan Yah Gin; to the Committee on the Judiciary.

By Mr. DIRKSEN:

S. 2805. A bill for the relief of Harriet E. Van Tassel; to the Committee on the Judiciary.

By Mr. DIRKSEN (by request):

S. 2806. A bill for the relief of Hsuan Wei; to the Committee on the Judiciary.

By Mr. WILEY:

S. 2807. A bill for the relief of William L. Lewis; to the Committee on the Judiciary.

By Mr. LANGER:

S. 2808. A bill to authorize the coinage of 50-cent pieces in commemoration of the 100th anniversary of the birth of Theodore Roosevelt; to the Committee on Banking and Currency.

S. 2809. A bill to alter certain bases for disability pension awards; and

S. 2810. A bill to permit certain veterans to obtain nonparticipating term insurance under the National Service Life Insurance Act of 1940; to the Committee on Finance.

S. 2811. A bill for the relief of John Rudolph Mohammed (also known as Ralph Gordon);

S. 2812. A bill to amend section 20 of the Refugee Relief Act of 1953 so as to extend the time for the issuing of visas under such act;

S. 2813. A bill to amend section 5 (a) of the Refugee Relief Act of 1953 so as to increase the number of visas authorized to be issued under such section, and to raise the age limitation of orphans entitled to such visas;

S. 2814. A bill to make it a crime for Federal employees to make unlawful threats to a taxpayer for the purpose of collecting taxes; and

S. 2815. A bill for the relief of Peter V. Bosch; to the Committee on the Judiciary.

S. 2816. A bill to readjust postal classification on educational and cultural materials; and

S. 2817. A bill to readjust size and weight limits on fourth-class (parcel post) mail matter at the post office at Grand Forks, N. Dak.; to the Committee on Post Office and Civil Service.

By Mr. MONRONEY:

S. 2818. A bill to amend the Civil Aeronautics Acts of 1938, as amended, the Federal Airport Act, as amended, and for other purposes; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. MONRONEY when he introduced the above bill, which appear under a separate heading.)

By Mr. BEALL:

S. 2819. A bill to amend the Agriculture Act of 1949 and the act of June 28, 1937, in order to authorize disposal of surplus farm commodities, and products thereof, to Federal, State, and local penal and correctional institutions; to the Committee on Agriculture and Forestry.

S. 2820. A bill to confer jurisdiction upon the United States Court of Claims to hear, determine, and render judgment upon the claim of the Lacchi Construction Co.; and

S. 2821. A bill to amend section 100 of title 28 of the United States Code in order to provide that the United States District Court for the District of Maryland shall no longer be required to hold court at Cumberland and Denton, Md.; to the Committee on the Judiciary.

By Mr. GOLDWATER:

S. 2822. A bill to authorize and direct the Secretary of the Interior to transfer approximately 9 acres of land in the Hualapai Indian Reservation, Ariz., to school district No. 8, Mohave County, Ariz.; to the Committee on Interior and Insular Affairs.

S. 2823. A bill for the relief of William C. Brady; and

S. 2824. A bill for the relief of Joyce Brady; to the Committee on the Judiciary.

By Mr. IVES:

S. 2825. A bill to provide for a preliminary examination and survey to be made of Little River and Cayuga Creek at and in the vicinity of Cayuga Island, Niagara County, N. Y., in the interest of flood control and allied purposes; to the Committee on Public Works.

S. 2826. A bill for the relief of Dr. Ching-Lin Hsia and wife, Wai Tsung Hsia; to the Committee on the Judiciary.

By Mr. IVES (for himself and Mr. SCHOEPPEL):

S. 2827. A bill for the relief of Hazel Elizabeth Scott; to the Committee on the Judiciary.

By Mr. BARRETT (for himself and Mr. O'MAHONEY):

S. 2828. A bill to provide for the conveyance of a portion of the former Prisoner of War Camp, near Douglas, Converse County, Wyo., to the State of Wyoming, and for other purposes; to the Committee on Government Operations.

By Mr. ALLOTT:

S. 2829. A bill to amend title 18 of the United States Code in order to make the damage and destruction of certain aircraft and motor vehicles a criminal offense; to the Committee on the Judiciary.

By Mr. DIRKSEN:

S. 2830. A bill to repeal the tax on admission, refreshment, service, and merchandise at roof gardens, cabarets, and other similar places; to the Committee on Finance.

S. 2831. A bill authorizing the acquisition of certain lands in the Sinnissippi Lake, Ill., in connection with the operation of Illinois and Mississippi Canal, and for other purposes; to the Committee on Public Works.

S. 2832. A bill to amend section 17 of the Bankruptcy Act; to the Committee on the Judiciary.

By Mr. AIKEN:

S. 2833. A bill for the relief of Louis Henri Stassart; and

S. 2834. A bill for the relief of Yue Yin Wong (also known as William Yueyin Wong); to the Committee on the Judiciary.

By Mr. CAPEHART:

S. 2835. A bill to authorize the Secretary of the Interior to quitclaim all interest of the United States in and to certain lands located in Indiana to the State of Indiana and to the Board of Trustees for the Vincennes University, Vincennes, Ind.; to the Committee on Interior and Insular Affairs.

S. 2836. A bill for the relief of Choh-Yi Ang; to the Committee on the Judiciary.

By Mr. MANSFIELD (for himself and Mr. MURRAY) (by request):

S. 2837. A bill for the relief of the Thomas Cruse Mining & Development Co.; to the Committee on the Judiciary.

By Mr. HUMPHREY:

S. 2838. A bill for the relief of Antonia Soulis;

S. 2839. A bill for the relief of Rosetta Ittner;

S. 2840. A bill for the relief of Anniemae M. Swanson and Armylee V. Swanson;

S. 2841. A bill for the relief of Annemarie Appelt;

S. 2842. A bill for the relief of Toini Margareta Heino; and

S. 2843. A bill for the relief of Dr. Shou Soon Kwong; to the Committee on the Judiciary.

By Mr. THURMOND:

S. 2844. A bill to deny tax-exempt status under the Internal Revenue Code of 1954 to any organization which engages in the promotion of litigation to which it is not a party; to the Committee on Finance.

S. 2845. A bill to prevent the service or consumption of alcoholic beverages aboard commercial passenger aircraft and military aircraft; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. THURMOND when he introduced the above bills, which appear under separate headings.)

S. 2846. A bill for the relief of Don-chean Chu; and

S. 2847. A bill for the relief of Lt. Col. William D. Gantt; to the Committee on the Judiciary.

By Mr. JOHNSTON of South Carolina:

S. 2848. A bill relating to the order of filling vacancies in armed services housing constructed or acquired under title VIII of the National Housing Act; to the Committee on Banking and Currency.

(See the remarks of Mr. JOHNSTON of South Carolina when he introduced the above bill, which appear under a separate heading.)

By Mr. LANGER:

S. 2849. A bill for the relief of Mr. Janos Schreiner; to the Committee on the Judiciary.

S. 2850. A bill to increase the annual income limitations governing the payment of pension to certain veterans and their dependents; to the Committee on Finance.

By Mr. GOLDWATER:

S. 2851. A bill to transfer certain lands from the Veterans' Administration to the Department of the Interior for the benefit of the Yavapai Indians of Arizona; to the Committee on Labor and Public Welfare.

By Mr. CAPEHART (for himself, Mr. MUNDT, Mr. THYE, Mr. YOUNG, Mr. BUTLER, Mr. WELKER, Mr. GEORGE, Mr. CASE of South Dakota, Mr. JENNER, and Mr. BARRETT):

S. 2852. A bill to create an International Food Community Board, and for other purposes; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. CAPEHART when he introduced the above bill, which appear under a separate heading.)

By Mr. BUSH:

S. 2853. A bill to authorize the construction of flood protection measures, with particular reference to areas where severe damages have recently occurred as the result of extreme rainfall accompanying hurricane storms; to the Committee on Public Works.

By Mr. BUSH (for himself, Mrs. SMITH of Maine, Mr. COTTON, Mr. PURTELL, Mr. MARTIN of Pennsylvania, Mr. BEALL, Mr. IVES, Mr. SMITH of New Jersey, Mr. DUFF, and Mr. KUCHEL):

S. 2854. A bill to amend the National Housing Act, as amended; to the Committee on Banking and Currency.

By Mr. BUSH (for himself, Mr. PURTELL, Mrs. SMITH of Maine, Mr. MARTIN of Pennsylvania, Mr. BEALL, Mr. IVES, Mr. SMITH of New Jersey, Mr. DUFF, and Mr. KUCHEL):

S. 2855. A bill to provide authority to stockpile temporary housing for disaster relief, and for other purposes; to the Committee on Banking and Currency.

By Mr. BUSH (for himself, Mrs. SMITH of Maine, Mr. BIBLE, Mr. COTTON, Mr. PURTELL, Mr. MARTIN of Pennsylvania, Mr. PAYNE, Mr. BEALL, Mr. IVES, Mr. SMITH of New Jersey, Mr. DUFF, and Mr. KUCHEL):

S. 2856. A bill to increase the amount of appropriations authorized for disaster loans, and for other purposes; to the Committee on Banking and Currency.

By Mr. BUSH (for himself, Mrs. SMITH of Maine, Mr. PURTELL, Mr. MARTIN of Pennsylvania, Mr. PAYNE, Mr. BEALL, Mr. IVES, Mr. SMITH of New Jersey, Mr. DUFF, and Mr. KUCHEL):

S. 2857. A bill to provide for Federal procurement of materials and supplies in major disaster areas, and for other purposes; to the Committee on Banking and Currency.

By Mr. BUSH (for himself, Mr. PURTELL, Mrs. SMITH of Maine, Mr. COTTON, Mr. MARTIN of Pennsylvania, Mr. PAYNE, Mr. BEALL, Mr. IVES, Mr. SMITH of New Jersey, Mr. DUFF, and Mr. KUCHEL):

S. 2858. A bill to amend the Small Business Act of 1953; to the Committee on Banking and Currency.

By Mr. BUSH (for himself, Mrs. SMITH of Maine, Mr. COTTON, Mr. PURTELL, Mr. MARTIN of Pennsylvania, Mr. BEALL, Mr. IVES, Mr. SMITH of New Jersey, Mr. DUFF, and Mr. KUCHEL):

S. 2859. A bill to provide rent-free accomodations in certain federally aided housing for needy victims of major disasters, and for other purposes; to the Committee on Banking and Currency.

By Mr. BUSH (for himself, Mr. PURTELL, and Mr. SMITH of New Jersey):

S. 2860. A bill to authorize the construction of additional flood-control reservoirs in the Connecticut River Basin; to the Committee on Public Works.

By Mr. BUSH (for himself, Mrs. SMITH of Maine, Mr. COTTON, Mr. PURTELL, Mr. MARTIN of Pennsylvania, Mr. PAYNE, Mr. IVES, Mr. SMITH of New Jersey, Mr. HRUSKA, Mr. DUFF, and Mr. KUCHEL):

S. 2861. A bill to authorize an increase of emergency relief highway funds from $10 million to $30 million for the fiscal year ending June 30, 1956; to the Committee on Public Works.

By Mr. BUSH (for himself, Mr. PURTELL, Mr. DUFF, Mr. KUCHEL, Mr. IVES, Mr. PAYNE, Mr. CASE of New Jersey, Mr. KENNEDY, Mr. WATKINS, Mr. CAPEHART, Mr. SMITH of New Jersey, Mr. SALTONSTALL, Mr. FLANDERS, Mr. WILEY, and Mr. MALONE):

S. 2862. A bill to provide for an experimental national flood indemnity and reinsurance program, and for other purposes; to the Committee on Banking and Currency.

(See remarks of Mr. BUSH when he introduced the above bills, which appear under a separate heading.)

By Mr. KNOWLAND:

S. J. Res. 105. Joint resolution authorizing the President of the United States to designate the period beginning September 17 and ending September 23 of each year as Constitution Week; to the Committee on the Judiciary.

(See the remarks of Mr. KNOWLAND when he introduced the above joint resolution, which appear under a separate heading.)

By Mr. BUSH (for himself, Mr. PURTELL, Mr. DUFF, Mrs. SMITH of Maine, Mr. PAYNE, Mr. IVES, and Mr. SMITH of New Jersey):

S. J. Res. 106. Joint resolution to establish a Northeastern United States Watershed Development and Flood Protection Commission; to the Committee on Public Works.

(See the remarks of Mr. BUSH when he introduced the above joint resolution, which appear under a separate heading.)

By Mr. SALTONSTALL:

S. J. Res. 107. Joint resolution authorizing the President of the United States of America to proclaim October 11, 1956, General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

By Mr. SALTONSTALL (for himself, Mr. KENNEDY, Mr. MARTIN of Pennsylvania, Mr. DUFF, and Mr. GREEN):

S. J. Res. 108. Joint resolution authorizing the President to proclaim the week in which January 17, 1956, occurs as Benjamin Franklin Week in commemoration of the 250th anniversary of the birth of Benjamin Franklin; to the Committee on the Judiciary.

By Mr. GORE (for himself and Mr. ERVIN):

S. J. Res. 109. Joint resolution relating to burley tobacco acreage allotments and marketing quotas; to the Committee on Agriculture and Forestry.

By Mr. GOLDWATER:

S. J. Res. 110. Joint resolution directing the Secretary of the Interior to conduct a study and investigation of Indian education in the United States; to the Committee on Interior and Insular Affairs.

By Mr. CLEMENTS (for himself and Mr. BARKLEY):

S. J. Res. 111. Joint resolution relating to burley tobacco acreage allotments and marketing quotas; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. CLEMENTS when he introduced the above joint resolution, which appear under a separate heading.)

AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT OF 1938 RELATING TO DURUM WHEAT

Mr. CASE of South Dakota. Mr. President, I introduce, for appropriate reference, a bill to amend the wheat marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended. The bill proposes to extend the provisions of that law with reference to the production of durum wheat. There is no shortage of durum wheat at this time.

The PRESIDING OFFICER (Mr. BIBLE in the chair). The bill will be received and appropriately referred.

The bill (S. 2764) to amend the wheat marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended, introduced by Mr. CASE of South Dakota, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

AMENDMENTS OF VETERANS' READJUSTMENT ASSISTANCE ACT, RELATING TO ON-THE-FARM TRAINING

Mr. CASE of South Dakota. Mr. President, I also introduce, for appropriate reference, a bill to amend further section 232 (d) of the Veterans Readjustment Assistance Act of 1952, the so-called Korean GI bill, with reference to on-the-farm training.

It will be recalled that during the first session of this 84th Congress that section was amended to provide that veterans taking on-the-farm training would not suffer any reduction in educational allowance during their first year of training—but it became effective October 1, 1955. It should have been retroactive to apply to all Korean G. I.'s, not merely those who started their farm training since last October.

My bill would provide for retroactive payment to give equal benefits to all veterans who had taken that training since the G. I. Bill of 1952 became effective.

Any desire to eliminate the bookkeeping of making retroactive payments does not excuse the very evident discrimination.

I feel that in all equity, veterans taking on-the-farm training between July 16, 1952, and October 1, 1955, should receive the same amount of educational allowance as veterans after that period and I commend this bill to the Senate's attention.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2765) to make the amendment made by the Act of August 9, 1955, to section 232 (d) of the Veterans' Readjustment Assistance Act of 1952 effective as of July 16, 1952, introduced by Mr. CASE of South Dakota, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

AUTHORIZATION TO PROVIDE CERTAIN EQUIPMENT AND SERVICES TO BOY SCOUTS OF AMERICA

Mr. THYE. Mr. President, in June and July of 1957, the Boy Scouts of America will hold its fourth national jamboree at Valley Forge, Pa. The same year, and subsequent to the national jamboree, the World Jamboree of Boy Scouts will be held in England.

In the past Congress has indicated its interest in the Boy Scouts of America and its desire to assist by authorizing the loan of certain equipment to be used during the jamboree.

I am pleased to introduce, for appropriate reference, a bill, in which the distinguished Senior Senator from Alabama [Mr. HILL] joins me, to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment and provide certain services to the Boy Scouts of America for use at the fourth national jamboree of the Boy Scouts of America.

Further, I am also introducing a bill, in which the Senior Senator from Alabama [Mr. HILL] joins me, to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment and to provide transportation and other services to the Boy Scouts of America in connection with the World Jamboree of Boy Scouts to be held in England in 1957.

In my opinion, these are very meritorious bills, and I sincerely hope Congress may be able to proceed to early and favorable action on them.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2771) to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment and provide certain services to the Boy Scouts of America for use at the fourth national jamboree of the Boys Scouts of America, and for other purposes, introduced by Mr. THYE (for himself and Mr. HILL), was received, read twice by its title, and referred to the Committee on Armed Services.

PER CAPITA PAYMENT TO CHIPPEWA INDIANS OF MINNESOTA

Mr. THYE. Mr. President, I introduce, for appropriate reference, a bill to authorize a $75-per-capita payment to members of the Red Lake Band of Chippewa Indians from the proceeds of the sale of timber and lumber on the Red Lake Reservation.

There is no question but that some of the members of the Red Lake Band of Chippewa Indians are in serious circumstances at the present time. Already the winter has been a severe one, and during these months opportunities for employment are greatly curtailed or are nonexistent. As a consequence, the income of these Indians is, in many cases, at the bare minimum.

The bill I am introducing would authorize a per capita payment of $75 in two installments, the first of which would be a $50 payment to be made within 30 days after ratification by the Red Lake Band of Chippewa Indians. The second installment of $25 would be paid within 60 days from the date of the first payment.

While I personally feel that the proposed total per capita payment is somewhat modest, I have been governed principally by the consideration of the stability of the Red Lake Chippewa tribal fund on deposit in the Treasury of the United States, from which the moneys for the per capita payment will be drawn. Department of the Interior officials have informed me that in their judgment a minimum of $750,000 should be retained in the tribal fund. While a $75-per-capita payment would probably reduce the fund below the $750,000 minimum, the need of these Indians is great, and I firmly believe the payment should be approved by Congress.

I sincerely hope for early and favorable action by Congress on this proposed legislation. I respectfully urge prompt committee consideration, and I wish to pledge now my cooperation and assistance toward final approval of the per capita payment.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2774) to authorize a $75-per-capita payment to members of the Red Lake Band of Chippewa Indians from the proceeds of the sale of timber and lumber on the Red Lake Reservation, introduced by Mr. THYE, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

ENFORCEMENT OF STATE AND TERRITORIAL FISH AND GAME LAWS

Mr. CHAVEZ. Mr. President, on behalf of myself and my colleague the junior Senator from New Mexico [Mr. ANDERSON], I introduce, for appropriate reference, a bill to establish clearly and finally the enforcement of all State game and fish laws upon Federal lands. In some areas, military lands have been acquired under exclusive jurisdiction and some military commanders have used this strictly, with a resulting almost autocratic empire.

The bill is occasioned by episodes in the last 2 or 3 years. In the case of my own State, we had an Army commander at Fort Bliss, Tex., who wanted to create a private game preserve in New Mexico on lands used in connection with guided missiles. I understood from the State game department that his initial proposal was there would be no season, no limit and no licenses for military personnel under his command on this land in New Mexico. Subsequently it resolved itself down to the matter of whether or not persons residing outside of the State could go hunting in the State without acquiring nonresident licenses.

The game and fish laws of any State are conservation measures and should be respected if we are to preserve our wildlife resources. This bill would require that the head of any Federal department or agency, which owns or controls any lands, are subject to the game and fish laws of a State or Territory in which the lands are located. It requires that any hunting, trapping, or fishing be done in strict accordance with the game and fish laws of the State or Territory.

I have had numerous letters from game protective associations urging the enactment of such legislation. I hope the Congress can enact this bill into law in this session of Congress.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2777) to require conformance with State and Territorial fish and game laws and licensing requirements on Federal lands not subject to such laws, introduced by Mr. CHAVEZ (for himself and Mr. ANDERSON), was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

ELDERLY PERSONS HOUSING BILL

Mr. SPARKMAN. Mr. President, on behalf of myself and the Senator from Illinois [Mr. DOUGLAS], the Senator from New York [Mr. LEHMAN], the senior Senator from Oregon [Mr. MORSE], the Senator from Oklahoma [Mr. MONRONEY], and the junior Senator from Oregon [Mr. NEUBERGER] I am introducing for appropriate reference, an elderly persons housing bill.

This bill is designed to meet the housing needs of elderly persons in two principal ways: First, it would create an elderly persons housing insurance fund and liberal credit terms as an incentive to private industry to build suitable housing for the aged; second, it would broaden the opportunities for low-income elderly persons to find shelter in public housing accommodations.

The national housing policy, adopted by the enactment of the Housing Act of 1949, envisioned the goal of a decent home and suitable living environment for every American family. Millions of Americans have been aided by this enlightened national policy.

But this policy is not yet a reality for large segments of our population. This is especially true with respect to our senior citizens, whose immediate housing requirements constitute an unmet need of major proportions.

The Senate last year demonstrated a deep understanding of this growing national problem. The omnibus housing bill, S. 2126, passed by the Senate last year, included the provisions of S. 1642, a bill I introduced to provide housing for the aged. I was deeply disappointed that the housing bill finally enacted by the Congress did not retain the much needed aids for the aged.

Following adjournment last August, I instructed the staff of the Subcommittee on Housing to undertake a comprehensive review of existing knowledge relating to the aged, with special emphasis on housing needs. This information has been compiled, and is now available in the form of a committee print. While it is too voluminous to review here, it discusses who the aged are, how they live, what some of their problems are, and it reports on some of the current developments in improving their housing accommodations.

This subcommittee survey served as the basis for the elderly persons housing bill.

This bill would add a new section to the National Housing Act, to provide an FHA mortgage insurance for low-cost housing for elderly persons. Housing insured under this section would be of such design as to be suitable for occupancy by elderly persons, and conveniently located so as to provide to the maximum extent practicable for their comfort and welfare.

Added incentives would be available to nonprofit organizations that provided rental housing for the aged.

In addition to these private housing provisions, the bill makes public housing available to elderly persons in the same amount and under the same conditions as did S. 2126, which was passed by the Senate at the last session. The bill also provides for an extensive research program covering all aspects of the growing problem of supplying adequate housing for the aged, and provides for the establishment of an Advisory Committee under the sponsorship of the Administrator of the Housing and Home Finance Agency.

Mr. President, I ask unanimous consent to have a section-by-section analysis of the bill printed at this point in the body of the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the section-by-section analysis will be printed in the RECORD.

The bill (S. 2790) to amend the National Housing Act and the United States Housing Act of 1937 to authorize assistance in the provision of housing for elderly persons, and for other persons, introduced by Mr. SPARKMAN (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Banking and Currency.

The section-by-section analysis, presented by Mr. SPARKMAN, is as follows:

HOUSING FOR THE ELDERLY BILL—SECTION-BY-SECTION ANALYSIS

DECLARATION OF POLICY

Section 1 acknowledges the responsibility of Congress to establish a national policy designed to provide adequate housing for elderly persons and that the full utilization of our national resources is necessary not only to meet the needs of hitherto neglected groups but to encourage the orderly growth and development of a healthy housing industry.

It is the sense of the Congress that suitably designed housing at reasonable cost

has not been provided for elderly persons in adequate amounts and that further aid and impetus should be provided to both private enterprise and public agencies.

The Congress seeks through the enactment of this law to promote equal opportunity for elderly persons to obtain suitable housing accommodations at prices they can afford to pay; to encourage both private enterprise and public agencies to provide these accommodations; to contribute toward the stability and orderly growth of the housing industry; and to stimulate research that will lead to the development of new and economical methods of meeting the housing needs of elderly persons.

ELDERLY PERSONS HOUSING INSURANCE

Section 2 (a) of the bill adds a new section 229 to the National Housing Act which would provide an FHA mortgage insurance program for low-cost housing for elderly persons. The term "elderly persons" is defined in the new section 229 as persons 65 years of age or over, or families the heads of which or their spouses are 65 years of age or over.

Under this new section the Federal Housing Commissioner is required to prescribe procedures to secure to elderly persons a preference or priority of opportunity to purchase or rent the dwellings involved. The total number of dwelling units in properties covered by mortgages insured under section 229 in any locality could not exceed the total number of such dwelling units which the Housing Administrator certifies to the Commissioner to be needed in such locality. Any housing assisted under this section must be of such design as to be suitable for occupancy by elderly persons, and conveniently located so as to provide to the maximum extent practicable for their comfort and welfare.

The maximum mortgage amount under this section for single-family sales housing would be $7,600, or up to $8,600 in high-cost areas. Where the mortgagor is the owner-occupant, the mortgage could not exceed 95 percent of appraised value, and, where the mortgagor is not the owner-occupant, the mortgage could not exceed 85 percent of value.

Mortgage insurance would also be provided under this section for the construction, as well as the repair or rehabilitation, of dwellings for use by 10 or more families as rental accommodations where the mortgagor is a private nonprofit corporation, association, or organization which is regulated under Federal or State laws as to rents, charges, and methods of operation. The maximum mortgage could not exceed $12,500,000, and $7,600 (or up to $8,600 in high-cost areas) per family unit.

The maximum terms of mortgages under this section could not exceed 30 years from date of insurance, or three-quarters of the Commissioner's estimate of the remaining economic life of the building improvements, whichever is the lesser. The interest rate on section 229 mortgages could not exceed 5 or 6 percent if the Commissioner determines that the mortgage market so requires.

The section contains provisions for insurance payments similar to those applicable to section 221 (relocation housing) mortgages.

An elderly persons housing-insurance fund would be established for the purposes of the mortgage-insurance program under this new section 229. It would be a revolving fund, and would consist originally of $1 million transferred from the war housing insurance fund.

Section 2 (b) of the bill amends section 227 of the National Housing Act (builder's cost certification) to make the requirements of that section applicable to rental housing assisted under section 229.

Section 2 (c) amends section 305 of the National Housing Act to authorize the Federal National Mortgage Association to enter into advance commitment contracts (not exceeding $50 million outstanding at any one time) with respect to section 229 mortgages. Of such authorization not more than $5 million outstanding at any one time shall be available for commitments in any one State.

PUBLIC HOUSING

Section 3 (a) would amend section 2 of the National Housing Act of 1937 and would define the term "families" as meaning families consisting of 2 or more persons or consisting of a single person 65 years of age or over or the residuum of a tenant family. "Elderly families" would be defined as meaning families the head of which or his spouse is 65 years of age or over.

Section 3 (b) would amend the United States House Act of 1937 by authorizing the Authority to enter into contracts for loans and annual contributions for 10,000 low-rent dwelling units designed for elderly families. The units may either be separate projects or parts of projects or new or remodeled units. This authorization is effective on July 1, 1956, and an additional 10,000 units are authorized July 1 in each of the years 1957, 1958, 1959, and 1960. The total authorization for annual contributions would also be increased by $4 million on July 1, 1956, and by a further $4 million each year for 4 additional years thereafter.

Such dwelling units shall be in addition to dwelling units authorized by other provisions of law. However, other low-rent units may be designed and authorized for elderly persons under other authorizations. Elderly families would be given a first preference for admission to all units developed pursuant to this section, and a first preference for admission could also be extended to such families in respect to other low-rent units.

The income requirements applicable to other families admitted to public housing may be waived for elderly families.

RESEARCH

Section 4 (a) would authorize the Housing and Home Finance Administrator to undertake and conduct a research program with respect to the varying types of markets that exist for different types of housing for elderly persons, and such other matters bearing upon the housing needs of elderly persons as he shall determine. The research program would include but not be limited to: (1) the extent and nature of the market for varying types of housing; (2) the most practicable and suitable design of housing; (3) the means of encouraging private enterprise to develop suitable housing; (4) the extent, if any, to which elderly persons are discriminated against by mortgage lenders; and (5) the types of housing being provided by private enterprise, voluntary and nonprofit agencies, and public housing authorities.

Section 4 (b) would provide that, as used in this section, the term "elderly persons" shall have the same meaning as when used in section 229.

ADVISORY COMMITTEE

Section 5 would provide for the establishment, in accordance with provisions of section 601 of the Housing Act of 1949, as amended, an advisory committee on matters relating to elderly persons.

TRIAL OF CIVILIANS IN CERTAIN CASES—PROTECTION OF AIRCRAFT FROM SABOTAGE

Mr. HENNINGS. Mr. President, I introduce, for appropriate reference, two bills. One of the bills is designed to create a forum for the trial of civilians committing certain offenses while subject to military jurisdiction, but who were not tried at the time by court-martial. The other bill provides for the protection of aircraft against sabotage.

I ask unanimous consent that an explanatory statement by me accompanying the bills may be printed in the RECORD, together with an article from the Washington Star and one from the New York Herald Tribune of this morning.

The PRESIDING OFFICER. The bills will be received and appropriately referred and, without objection, the explanatory statement and newspaper articles will be printed in the RECORD.

The bills, introduced by Mr. HENNINGS, were received, read twice by their titles, and referred to the Committee on the Judiciary, as follows:

S. 2791. A bill to amend title 18 of the United States Code to provide for the trial in the Federal district courts of persons not subject to military jurisdiction for certain offenses committed by them while subject to such jurisdiction; and

S. 2792. A bill to amend title 18 of the United States Code in order to make the wrecking of certain aircraft a criminal offense.

The explanatory statement presented by Mr. HENNINGS is as follows:

STATEMENT BY SENATOR HENNINGS

Today I have introduced two bills for appropriate reference. The first bill is designed to close the serious gap created by the decision of the Supreme Court of the United States in *Toth* v. *Quarles* (350 U. S. 11) that Congress has no power to subject ex-servicemen to trial by court-martial for offenses committed during their military service. The facts of this case and the reasoning of the Court deserve close attention.

Article 3 (a) of the Uniform Code of Military Justice provides that "* * * any person charged with having committed, while in a status in which he was subject to this Code, an offense against this Code, punishable by confinement of 5 years or more and for which the person cannot be tried in the courts of the United States or any State or Territory thereof or of the District of Columbia, shall not be relieved from amenability to trial by courts-martial by reason of the termination of said status."

Under the authority of this law, one Robert W. Toth, an honorably discharged veteran of the Korean war, was arrested in the United States and taken to Korea to stand trial before a court-martial for a crime allegedly committed by him while in the military service. The court of appeals rejected Toth's contention that civilian exservicemen could not constitutionally be subjected to trial by court-martial. The Supreme Court took the opposite view and the majority opinion delivered by Mr. Justice Black declared article 3 (a) unconstitutional.

It is my belief that this opinion is one of the great constitutional pronouncements of the Supreme Court. It reasserts the fundamental principle set forth in the Declaration of Independence, that our Government is a government of the people and, therefore, a civilian government.

The Court refused to sustain the constitutionality of article 3 (a) as a proper exercise of the power granted Congress in article I of the Constitution "to make rules for the Government and regulation of the land and naval forces," as supplemented by the necessary and proper clause.

It is this power which authorizes Congress to subject persons actually in the armed service to stand trial by court-martial for military and naval offenses. But the Supreme Court decision in the Toth case specifically states that this power cannot be so broadly interpreted as to supersede the right of a

civilian to trial by jury in a civil court—a right guaranteed by article III of the Constitution.

Our military leaders, I am happy to note, fully respect the primacy of civil authority in our Government. Significantly enough, during the 1949 committee hearings on the Code of Military Justice, the Judge Advocate General of the Army strenuously opposed the passage of section 3 (a).

The bill that I am introducing authorizes a trial of such cases as that of Toth in the district courts of the United States and, thus, would carry out the legislative suggestion contained in the opinion of the Supreme Court. Under the terms of my proposed bill, certain punitive articles of the Code of Military Justice are made part of title 18 of the United States Code (Crimes and Criminal Procedure). The articles of the Code of Military Justice which I have selected for inclusion in title 18 involve treason and collaboration with enemies of the United States as well as articles which involve other common-law crimes or offenses of similar general import. In other words, a discharged serviceman would not be exonerated of treason or other serious crimes committed during his period of service merely by virtue of the fact that he may have been discharged before being subjected to a trial by court-martial. Under my bill, such a person would be subject to trial by a Federal district court.

The second bill is designed to remedy the fatal defect in existing law—that Federal criminal law does not contain provisions under which acts of sabotage against aircraft can be adequately punished. This fact was brought into relief when on November 1, 1955, 44 lives were lost in the explosion of a United Airlines transport plane which took off from Denver, Colo. The disaster was caused by one John Gilbert Graham, who placed a bomb in the baggage of his mother in order to collect on the flight insurance taken out by him in her name. This murder was undoubtedly one of the most horrible and almost incredible crimes in American history. And in recent years, similar cases were reported from Canada, the Philippines, Mexico, and from Hong Kong. It lies in the nature of air communication that the damage caused to aircraft is more dangerous than any such damage caused by any other means of transportation. The sabotage of an aircraft usually leads to mass murder.

It was shocking to realize, therefore, that Graham could be tried under Federal law only for violation of Interstate Commerce Commission regulations concerning the transportation of explosives with a maximum punishment of $10,000 and 10 years imprisonment (18 U. S. C. 835). For this reason Graham was turned over to State authorities for trial under a more appropriate State statute. It is an impossible state of affairs when the United States, with our enormous, ever-growing, and globally-operated air power, military as well as commercial, fails to provide adequate punishment for aircraft saboteurs.

A survey of reported cases of sabotage against aircraft show that they were committed for different reasons: some because of greed, others for personal revenge or for political motives. The bill I am introducing is, therefore, not only a measure of protection of life and property, but is also intended to safeguard the security of the United States.

My bill on sabotage of aircraft makes punishable any willful wrecking of aircraft by setting fire to it, by tampering with it, or by placing on it any explosive flammable substance, or dangerous instrument or device with the intent to injure or endanger the safety of the aircraft, of its cargo, or of any person on board.

Such willful acts will entail the following punishments:

In case of property damage—a fine of up to $10,000 or imprisonment for up to 20 years, or both.

In case of bodily injury—imprisonment of not less than 20 years or for life.

In case of death, the culprit "shall suffer death, or shall be sentenced to imprisonment for life if the jury qualifies its verdict by adding thereto 'without capital punishment' or in the case of a plea of guilty if the court so directs."

Attempts to commit a willful act of sabotage are equally punishable.

As in other cases of criminal statutes, these provisions, in their interpretation, are subject to the general propositions of criminal law. I note especially that, in accordance with 18 United States Code 2, those who aid, abet, counsel, command, induce, and procure as well as those who willfully cause the commission of any of the enumerated acts are punishable as principals.

Under the terms of the bill negligent wrecking of aircraft is also made a crime and the punishments for it are as follows:

In case of property damage—a fine of not more than $2,000 and imprisonment of not more than 18 months or both.

In case of bodily injury—a fine of not more than $5,000 or imprisonment of not more than 5 years, or both.

In case of death—a fine of not more than $10,000 and imprisonment of not less than 10 years, or both.

In conclusion, I wish to invite the attention of the Senate to the extraterritorial aspect of the proposed legislation. Under the terms of the bill both willful and negligent wrecking of aircraft committed outside the territorial limits of the United States are, in certain circumstances, made United States crimes. Specifically, any act of sabotage committed against American aircraft or any other aircraft scheduled for an immediate and direct flight to the United States (other than a military aircraft of any foreign nation at war with the United States or any of its allies) outside the territorial limits of the United States is punishable as if it were committed within our territorial jurisdiction.

To my mind, this provision is necessary in order to give full credit to the importance of air communication in our age. It is true, as stated by the Supreme Court of the United States, that "* * * the criminal jurisdiction of the United States is in general based on the territorial principle, and criminal statutes of the United States are not by implication given an extraterritorial effect." (*U. S.* v. *Flores* (289 U. S. 137, 155).)

At the same time, I believe that the United States District Court of New York has correctly stated the law when it said:

"I think both sides are clear on the point that there is no obstacle of any kind, constitutional or otherwise, to the enactment and enforcement of a Federal statute for a punishment of offenses committed within the jurisdiction of another sovereign, at least as far as American citizens are concerned. Cf. *U. S.* v. *Flores* (289 U. S. 137.)" (*Ex parte Monti* (79 F. Supp. 651, at 653).)

In fact, our criminal law contains extraterritorial provisions. To these the United States Supreme Court explicitly referred without questioning their validity:

"We have an example of this in the attempted application of the prohibition of the antitrust law to acts done by citizens against other such citizens in a foreign country. *American Banana Company* v. *United Fruit Company* (213 U. S. 347)." (*U. S.* v. *Bowman* (260 U. S. 94, at 98).)

But even by implication the criminal statutes of the United States have extraterritorial validity in those cases where the offense committed abroad is directed against the Government of the United States as for instance in the case of fraud or is within the naval jurisdiction of the United States. (*U. S.* v. *Bowman* (260 U. S. 94).)

An explicit statement as to the extraterritorial force of a statute becomes necessary only in case of a localized crime committed within the territorial jurisdiction of a foreign sovereign.

As we see, there is no constitutional reason why a criminal statute of the United States should not assert extraterritorial jurisdiction. Any restraints on the power of Congress lie in the field of the law of nations. The doctrine of comity lays a restrictive hand on national legislation. But even under the doctrines of traditional international law the doctrine of comity has no absolute application. It is thus recognized that where an offense is committed on board of a merchant marine vessel within the territorial jurisdiction of a foreign sovereign, we simply have a case of concurrent jurisdiction—the jurisdiction of the law of the flag and the foreign territorial jurisdiction. Moreover, as the Supreme Court of the United States said:

"There is not entire agreement among nations or the writers on international law as to which sovereignty should yield to the other when the jurisdiction is asserted by both." (*U. S.* v. *Flores* (289 U. S. 137, at 158).)

But my thought goes even further. In our generation we have witnessed a significant development in the field of international law. The notion that it deals exclusively with States and their interrelations has been now supplemented by the idea that its rules apply also to individuals. The Nuremberg trials of the major German war criminals made this new principle an integral part of modern international law.

The prominence of these trials, however, has obscured the fact that personal responsibility, as a matter of international law, is not limited to war crimes. The law of peace is certainly not less important than the law of war. The novel branch of international criminal law deals not only with war criminals but with any crime committed in violation of international order.

It is true that international criminal law is still in its infancy. The idea of international crimes grows with the expansion of the technological process which brings nations into an ever closer contact. As any other ideas that animate mankind, legal ideas develop gradually and unfold their significance against the background of historical conditions. Air law itself is an example of this truth. It is still in its infancy and many of its principles, although recognized, have not yet reached the stage of legislation. My bill is an example of how much there is to be done in the field of air law.

No technological development has influenced the life of mankind more than the airplane. It has reduced space to insignificance and made neighbors out of distant countries. It has also revolutionized the concept of warfare and security of nations. World economy and military power are both inconceivable today without air communication. If suddenly we should eliminate the airplane from reality, our world would collapse. I have no doubt that air communication belongs to the order of things that transcend the interest of individual countries and has become the concern of the community of nations. As such, air communication is rightfully a subject of international law. Consequently any act of sabotaging aircraft is a violation of international criminal law and an international crime. But, as I said, international criminal law and air law are in their infancy and I believe that every country has a duty to anticipate the formulation of an international criminal air code.

The extraterritorial aspect of my bill, therefore, has no intention of intruding

upon the territorial jurisdiction of a foreign sovereign. On the contrary, it is conceived in the spirit of mutual aid and cooperation which one member of the community of nations owes to the others so that air saboteurs shall be adequately punished wherever they are found. The bill expresses this intention in the following words:

"Nothing in this chapter shall be deemed to infringe upon or diminish any right or rights, including the right to extradition, of a foreign sovereign in whose jurisdiction any act or acts, made punishable herein, have been committed."

For all these reasons, it is my conviction that the extraterritorial aspect of the present legislation is authorized by clause 10 of section 8 of article I of the Constitution which gives to Congress the power "to define and punish * * * offenses against the law of nations." And, furthermore, from this point of view, there is no need to draw a line between American citizens and aliens.

The newspaper articles, presented by Mr. HENNINGS, are as follows:

[From the Washington Evening Star of January 5, 1956]

EXPLOSIVE DEVICE ON PLANE IDENTIFIED AS SOLDERING TOOL

PITTSBURGH, January 5.—After 24 hours of anxiety, Army bomb-disposal officers have identified a small object found aboard a TWA passenger plane as a soldering iron heat element often used by airplane mechanics.

Lewis Rinebold, head of the Civil Aeronautics Authority here, said last night the object apparently was harmless unless it was set off and it would require considerable force to do so. He said a mechanic probably dropped it after some repair work at Chicago before the two-engine plane took off Tuesday on a flight to Washington.

The pilot discovered the object in the aisle of the plane and turned it over to a TWA representative at a stopover in Wheeling, W. Va. Finally, an Army bomb-disposal unit from Pittsburgh and the FBI joined the investigation on the possibility that sabotage was involved.

Mr. Rinebold said the heat element was a machined steel cylinder containing a small amount of magnesium and some chemical powder.

"It is incendiary only to a small degree," the CAA spokesman added. "It has a percussion cap. When it (the cap) is struck it causes the rest of the element to give out quite a bit of heat for a few minutes. It is used inside the chamber of a soldering iron."

[From the New York Herald Tribune of January 5, 1956]

EXPLOSIVE EXPERTS PUZZLED—SMALL BOMBLIKE DEVICE FOUND ON PLANE WITH 32

PITTSBURGH, January 4.—A Civil Aeronautics Administration official said tonight that a small incendiary device discovered last night aboard a Trans World Airlines plane carrying 32 passengers on a flight from Chicago to Washington was "not of sufficient power" to blow up the plane.

The exact nature of the device still puzzled Federal explosives experts. The cigarette-length cartridge was being run through extensive tests at the Federal Bureau of Mines Laboratory at Bruceton, Pa.

Louis Reinbold, a CAA official, said: "We don't have the full story, but we are going on the possibility of sabotage."

F. B. I. agents also were awaiting final reports from Army ordnance experts before launching a full-scale inquiry.

"We are taking the same precautions as if the mechanism were a time bomb," Mr. Reinbold disclosed. "We have outlined a program to back-check freight carried previously aboard the plane. There was no cargo or air freight aboard last night."

He said he requested TWA officials in Chicago to recheck the plane there to determine if any similar devices were still aboard, "maybe in the seats."

But airline spokesmen in Chicago said the recheck failed to find additional clews as to how the object got aboard.

Capt. Gilbert A. Sather, of the 145th Army Ordnance Detachment here, said the strange device consisted of a steel cylinder, about the size of a shotgun shell with a percussion cap at one end and a blowout plug at the other. In between was a black mixture of highly inflammable magnesium and steel filings, then a still-to-be-determined type of yellow powder.

Capt. Sather said the mechanism had no timing apparatus to detonate it and "the only way for it to ignite would have been for someone to strike the (percussion) cap."

The incident recalled the November 1 explosion of a United Air Lines DC-6 in Colorado. Forty-four persons were killed as the result of a dynamite bomb explosion in the plane's luggage compartment.

LIQUIDATION OF SURPLUS STOCKS OF AGRICULTURAL COMMODITIES BY COMMODITY CREDIT CORPORATION

Mr. ANDERSON. Mr. President, on behalf of the Senator from Kentucky [Mr. CLEMENTS], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Alabama [Mr. SPARKMAN], the Senator from Mississippi [Mr. EASTLAND], and myself, I introduce, for appropriate reference, a bill to provide for the liquidation of Commodity Credit Corporation surplus stocks of agricultural commodities. I ask unanimous consent that the text of the bill be printed in the RECORD, and that if other Senators desire to join in the introduction of the bill they may have an opportunity to do so.

The PRESIDING OFFICER. The bill will be received and appropriately referred, and without objection, will be printed in the RECORD.

The bill (S. 2799) to provide for the liquidation of Commodity Credit Corporation's surplus stocks of agricultural commodities, introduced by Mr. ANDERSON (for himself and other Senators) was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the Secretary of Agriculture is directed to make a study of various methods of disposing of surplus agricultural commodities and to submit to Congress within 30 days after the enactment of this act a detailed program for the orderly and complete liquidation within not more than 5 years of all surplus stocks of agricultural commodities held by the Commodity Credit Corporation.

AMENDMENT OF CIVIL AERONAUTICS ACT

Mr. MONRONEY. Mr. President, I introduce, for appropriate reference, a bill to amend the Civil Aeronautics Act to provide for the establishment of the Civil Aeronautics Administration as an independent agency of the Government.

Many years ago the Civil Aeronautics Administration was placed under the control and supervision of the Department of Commerce. The hearings of the past few days would, I believe, demonstrate to almost anyone the fact that aviation must not be chained to the ground-minded thinking of the men who operate the Department of Commerce.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2818) to amend the Civil Aeronautics Acts of 1938, as amended, the Federal Airport Act, as amended, and for other purposes, introduced by Mr. MONRONEY, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

DENIAL OF TAX-EXEMPT STATUS IN CERTAIN CASES

Mr. THURMOND. Mr. President, I introduce, for appropriate reference, a bill which would deny tax-exempt status under the Internal Revenue Code of 1954 to any organization which engages in the promotion of litigation to which it is not a party. This bill would also affect the tax status of contributions made to such organizations by individuals or other organizations. Donors would not be allowed to deduct such gifts in listing deductions on their income-tax returns.

The bill would not affect legal-aid societies or similar organizations which provide free legal services to persons unable to pay litigation costs. It would, however, apply to approximately 35,000 organizations currently enjoying tax-exempt status under the Internal Revenue Code.

Passage of this bill will be a positive step to plug one of the loopholes in our tax laws. Our internal-revenue laws require almost constant scrutiny and revision to protect the Government and the taxpayer and to prevent unfair discrimination in favor of certain organizations.

Allowing any organization to spend thousands and millions of tax-free dollars to promote lawsuits to which such an organization is not a party is certainly not fair to the Government or other taxpayers.

I also hope the Internal Revenue Service will keep a closer watch on all tax-exempt organizations to make certain the privilege of tax exemption is not being abused in any manner. Mr. Rose, Under Secretary of the Treasury Department, testified before a congressional committee last year that the status of certain organizations was being reviewed.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2844) to deny tax-exempt status under the Internal Revenue Code of 1954 to any organization which engages in the promotion of litigation to which it is not a party, introduced by Mr. THURMOND, was received, read twice by its title, and referred to the Committee on Finance.

PROHIBITION OF SERVICE OR CONSUMPTION OF ALCOHOLIC BEVERAGES ABOARD CERTAIN AIRCRAFT

Mr. THURMOND. Mr. President, I also introduce, for appropriate reference, a bill which would ban the consumption or service of alcoholic beverages aboard our commercial and service airliners. Legislation in this field is necessary because the Civil Aeronautics Board has refused to issue an administrative order against this hazard to commercial air safety.

Alcohol has a very detrimental effect on some people, and it could cause any person so affected to disrupt the operation of an aircraft in flight, thus endangering many lives unnecessarily. Whether one sanctions drinking is not the question. The question to be considered is the safety and welfare of all our citizens.

I have received many letters from persons all over the country urging enactment of this legislation. I hope it will receive prompt and favorable action by the Congress in the interest of public safety.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2845) to prevent the service or consumption of alcoholic beverages aboard commercial passenger aircraft and military aircraft, introduced by Mr. THURMOND, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

ORDER OF FILLING VACANCIES IN CERTAIN ARMED SERVICES HOUSING

Mr. JOHNSTON of South Carolina. Mr. President, I introduce, for appropriate reference, a bill relating to the order of filling vacancies in armed services housing constructed or acquired under title VIII of the National Housing Act.

Essentially, this bill establishes a system of seniority for the rental of Wherry housing at military bases so as to insure the rental of those earliest constructed units prior to subsequently constructed units.

The goal of this bill will be to save millions of dollars in taxpayers' money that might otherwise be wasted through overbuilding of housing facilities and through failure to rent housing units still mortgaged. These housing units must be paid for and the logical way to accomplish this is to rent them in the order in which they were constructed.

I wish to make it clear that this bill is authored by me in a spirit of obtaining efficient, economical operation of Wherry housing and in no way reflects any change in my wholehearted support for adequate housing for the military.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2848) relating to the order of filling vacancies in armed services housing constructed or acquired under title VIII of the National Housing Act, introduced by Mr. JOHNSTON of South Carolina, was received, read twice by its title, and referred to the Committee on Banking and Currency.

DESIGNATION OF CONSTITUTION WEEK

Mr. KNOWLAND. Mr. President, during the last session of the Congress, the Senate and House of Representatives passed Senate Concurrent Resolution 40 authorizing and requesting the President to proclaim the 7-day period from September 17 to September 23 as Constitution Week. Subsequent to the President's proclamation on August 19, 1955, civic organizations, patriotic societies, and dedicated men and women throughout the country banded together to pay proper respect and allegiance to the form of government established by our Constitution.

For 169 years this written charter, drafted and approved by unanimous vote at the Constitutional Convention in Philadelphia on September 17, 1787, has stood the tests of trial through international crises that in other countries and among other peoples have shaken the very foundations of representative forms of government.

Today a new and unyielding threat stands before the remaining ramparts of free government. International communism, with its foundations deep in atheism, today holds sway over the bodies and spirits of one-third of the earth's inhabitants. If, as we believe, the historic acts of 1787 have produced the fullest development of a freeman in a free society that the world has known to date, it seems to me critically necessary that our citizens have an opportunity each year to demonstrate to the world at large their national devotion and dedication to our republican way of life.

Therefore, Mr. President, I am introducing at this time, for appropriate reference, a joint resolution establishing the week commencing September 17 of every year as Constitution Week for appropriate ceremonies and activities among our people.

I ask unanimous consent that the joint resolution may be printed in the RECORD at this point.

The PRESIDING OFFICER. The joint resolution will be received, appropriately referred, and without objection, will be printed in the RECORD.

The joint resolution (S. J. Res. 105) authorizing the President of the United States to designate the period beginning September 17 and ending September 23 of each year as Constitution Week, introduced by Mr. KNOWLAND, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Resolved, etc., That the President of the United States is authorized and requested to designate the period beginning September 17 and ending September 23 of each year as Constitution Week, and to issue annually a proclamation inviting the people of the United States to observe such week in schools, churches, and other suitable places with appropriate ceremonies and activities.

BURLEY TOBACCO ACREAGE ALLOTMENTS AND MARKETING QUOTAS

Mr. CLEMENTS. Mr. President, as the 2d session of the 84th Congress moves underway, one of the major concerns resting uppermost in the minds of the Members of this body is the economic plight of the farmers of the Nation. The forgotten people in this so-called era of prosperity are beset on all sides with falling prices for the commodities they produce, compounded by rising prices for commodities which they consume. Dramatic proof of their troubles is reflected in the announcement this past week that the parity index now lies at 80—the lowest point in the past 16 years, with no indication that the bottom has been reached.

I do not intend to dwell on this overall problem at length today—it will be the subject of lengthy discussion in the days that lie ahead. Rather, on behalf of my colleague from Kentucky and myself, I bring before the Senate a singular agricultural problem of relative urgency and extraordinary aspect.

In 1954, burley tobacco growers produced a record crop of 665 million pounds of tobacco. Coupled with stocks of burley on hand, the unprecedented yield of the 1954 crop created excessive supplies dangerous to the future of the program.

The national marketing quota for burley tobacco for 1955 had already been reduced 10 percent from the 1954 level by the time it became apparent supplies were even more excessive than realized. Recognizing this as a jeopardy to the program, representatives of the growers, farm organizations, and other segments of the tobacco industry came before Congress last spring and requested that the Secretary of Agriculture be granted authority to further reduce the size of the 1955 crop. In the enactment of Public Law 21 of the last session, the Congress granted the authority requested, and in turn the Secretary further reduced 1955 allotments by 15 percent, or a total of 25 percent reduction under 1954 allotments.

Since enactment of that legislation, the burley situation has undergone a radical change. The total 25 percent reduction in allotments for the 1955 crop has culminated in an estimated production of between 470 to 480 million pounds—approximately 60 million pounds below annual average consumption of 540 million pounds, and 200 million pounds below the production of the record 1954 crop.

However, on December 2, prior to the marketing of the 1955 crop, the Secretary of Agriculture proclaimed a reduction of 15 percent on the 1956 crop, having officially estimated a 1955 production of 520 million pounds. This reduction was made despite advance information which my colleague and I made available to Secretary Benson indicating actual production was from 40 to 60 million pounds less than the official estimate. On four separate occasions in November I personally communicated with the Secretary urging that no reduction be made in 1955 allotments prematurely, but that he direct a reevaluation of crop estimates be carried out in the burley

area, which I was confident would bear out my belief. Although the Secretary did not see fit to carry out my suggestion, the lightness of the crop was in part recognized by the Department in its December 10 estimate revising the 1955 production downward from 520 to 509 million pounds. To date 390 million pounds have been marketed from the 1955 crop and valid estimates indicate that no more than 80–90 million pounds remain unsold, thus bearing out my earlier assertion that production was apparently markedly smaller than the United States estimate. With this information as background, it becomes increasingly evident that the 15 percent reduction of allotments on the 1956 crop is unnecessary and will wreak additional havoc on burley growers, growers already sorely pressed for continued livelihood by the 25 percent reduction voluntarily requested only 10 months ago.

Mr. President, as I have stated, every effort was made to acquaint the Secretary with the consequences of his action prior to announcement of the further reduction in acreage allotments. In my final communication to him in late November, concurred in by my colleague, I stated that if he should proceed to reduce 1956 acreage allotments, and the crop was as small as I had every reason to believe, legislation would be introduced to restore such allotments to their 1955 level. The facts now indicate the 1956 acreage reduction to have been unnecessary, and I take the floor this morning to introduce a joint resolution on behalf of my colleague the junior Senator from Kentucky [Mr. BARKLEY] and myself, for the restoration of 1956 individual burley acreage allotments to the level they would have been if no reduction had been proclaimed. We urge that the resolution be promptly considered by my fellow members of the Committee on Agriculture and Forestry, to whom it will be referred, and quickly returned to the Senate floor for early approval by this body.

The PRESIDING OFFICER. The joint resolution will be received and appropriately referred.

The joint resolution (S. J. Res. 111) relating to burley tobacco acreage allotments and marketing quotas, introduced by Mr. CLEMENTS (for himself and Mr. BARKLEY), was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

DESIGNATION OF NATIONAL JUNIOR ACHIEVEMENT WEEK

Mr. JOHNSON of Texas submitted the following concurrent resolution (S. Con. Res. 59), which was referred to the Committee on the Judiciary:

Resolved by the Senate (the House of Representatives concurring)—

Whereas it was the initiative, the sense of individual dignity, and the determination to mold their own futures that motivated those who founded this Nation; and

Whereas Junior Achievement, Inc., through its "learn-by-doing" program is inculcating those ideals in American youth by helping them to set up and operate their own small-scale business enterprises; and

Whereas their experience in running Junior Achievement companies will provide these young people with a heightened understanding of the privileges and duties of citizenship and better prepare them to assume the responsibilities of community leadership; and

Whereas thousands of American businessmen voluntarily give unstintingly of their time, their counsel, and their experience for the benefit of the members of Junior Achievement; and

Whereas it is understood that the week beginning January 29, 1956, and ending February 4, 1956, will be observed as National Junior Achievement Week: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the President of the United States is requested to issue a proclamation designating the week of January 29, 1956, through February 4, 1956, as National Junior Achievement Week and urging all citizens of our country to salute the activities of Junior Achievers and their volunteer adult advisers through appropriate ceremonies.

PRINTING OF ADDITIONAL COPIES OF HEARINGS ON AUTOMATION AND TECHNOLOGICAL CHANGE

Mr. DOUGLAS submitted the following concurrent resolution (S. Con. Res. 60), which was referred to the Committee on Rules and Administration:

Resolved, That there be printed for the use of the Joint Committee on the Economic Report 1,000 additional copies of the hearings on automation and technological change, held before said joint committee during the 84th Congress, first session.

(See the remarks of Mr. DOUGLAS when he submitted the above concurrent resolution which appear under a separate heading.)

PRINTING OF ADDITIONAL COPIES OF JOINT COMMITTEE PRINT ENTITLED "FEDERAL TAX POLICY FOR ECONOMIC GROWTH AND STABILITY"

Mr. DOUGLAS submitted the following concurrent resolution (S. Con. Res. 61), which was referred to the Committee on Rules and Administration:

Resolved, That there be printed for the use of the Joint Committee on the Economic Report 1,000 additional copies of the joint committee print, entitled "Federal Tax Policy for Economic Growth and Stability."

(See the remarks of Mr. DOUGLAS when he submitted the above concurrent resolution which appear under a separate heading.)

PRINTING OF PAMPHLET ENTITLED "A HANDBOOK FOR AMERICANS" AS A SENATE DOCUMENT

Mr. EASTLAND submitted the following concurrent resolution (S. Con. Res. 62), which was referred to the Committee on Rules and Administration:

Resolved, That the pamphlet entitled "A Handbook for Americans," prepared for the use of the Subcommittee on Internal Security of the Senate Committee on the Judiciary, be printed as a Senate document.

SEC. 2. There shall be printed 50,000 additional copies of such Senate document for the use of the Subcommittee on Internal Security of the Senate Committee on the Judiciary.

PUBLICATION OF ADDITIONAL COPIES OF REPORTS FROM THE JOINT COMMITTEE ON THE ECONOMIC REPORT

Mr. DOUGLAS. Mr. President, I have just submitted to the Senate five reports from the Joint Committee on the Economic Report prepared since Congress recessed. The hearings and other materials printed in connection with these studies are in great demand. I am sure the Members of the Senate know it has always been the practice of the Joint Committee on the Economic Report to make available single copies of such materials not only to other Members of the Congress but to teachers, students, libraries, other nonprofit research institutions, and to technicians and administrators in the executive agencies of the Federal Government. At the same time, copies are put on sale by the Superintendent of Documents for persons desiring quantity orders. Over 60,000 copies of committee publications have been sold since 1948.

The committee's supply of two of the current publications, first, hearings of the Subcommittee on Economic Stabilization on Automation and Technological Change, and second, Federal Tax Policy for Economic Growth and Stability—papers submitted by panelists appearing before the Subcommittee on Tax Policy—is already exhausted and stocks of these publications at the Government Printing Office are being rapidly depleted. I am submitting, therefore, the concurrent resolutions which I now send to the desk, requesting that 1,000 additional copies of each of these publications be approved for printing. It may interest Members of the Senate to know that we have a backlog of nearly 500 unfilled requests for each of these publications and are receiving many additional requests daily. I hope it will be possible for the Committee on Rules and Administration to give this request its early and favorable consideration and that the Senate and the House will approve the additional printing to meet this pressing need.

The PRESIDING OFFICER. The concurrent resolutions will be received and referred to the Committee on Rules and Administration.

Senate Concurrent Resolution 60

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Joint Committee on the Economic Report one thousand additional copies of the hearings on automation and technological change, held before said joint committee during the Eighty-fourth Congress, first session.

Senate Concurrent Resolution 61

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Joint Committee on the Economic Report 1,000 additional copies of the Joint Committee print, entitled "Federal Tax Policy for Economic Growth and Stability."

EXTENSION OF TIME FOR INVESTIGATION OF ADMINISTRATION OF THE CIVIL-SERVICE SYSTEM AND POSTAL SERVICE

Mr. JOHNSTON of South Carolina submitted the following resolution (S.

Res. 153), which was referred to the Committee on Post Office and Civil Service:

Resolved, That the first section of Senate Resolution 33, 84th Congress, agreed to May 11, 1955 (authorizing an investigation of the administration of the civil-service system and the postal service), is amended by striking out "January 31, 1956" and inserting in lieu thereof "January 31, 1957."

EXTENSION OF TIME FOR STUDY OF GOVERNMENT EMPLOYEE SECURITY PROGRAM

Mr. JOHNSTON of South Carolina submitted the following resolution (S. Res. 154), which was referred to the Committee on Post Office and Civil Service:

Resolved, That Senate Resolution 20, 84th Congress, agreed to February 21, 1955 (authorizing a study of the administration of the Government employees security program), is amended by striking out "January 31, 1956" wherever it appears in such resolution and inserting in lieu thereof "January 31, 1957."

AUTHORITY TO INVESTIGATE CERTAIN MATTERS BY COMMITTEE ON BANKING AND CURRENCY

Mr. FULBRIGHT (for himself and Mr. CAPEHART) submitted the following resolution (S. Res. 155), which was referred to the Committee on Banking and Currency:

Resolved, That the Committee on Banking and Currency, or any duly authorized subcommittee thereof, is authorized under sections 134 (a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdictions specified by rule XXV of the Standing Rules of the Senate, to examine, investigate, and make a complete study of any and all matters pertaining to—

(1) banking and currency generally;

(2) financial aid to commerce and industry;

(3) the Federal Reserve system, including monetary and credit policies;

(4) economic stabilization, production, and mobilization;

(5) valuation and revaluation of the dollar;

(6) prices of commodities, rents, and services;

(7) securities and exchange regulation; and

(8) disaster insurance or indemnity.

SEC. 2. For the purposes of this resolution the committee, from February 1, 1956, to January 31, 1957, inclusive, is authorized to (1) make such expenditures as it deems advisable; (2) to employ upon a temporary basis, technical, clerical, and other assistants and consultants; and (3) with the consent of the heads of the departments or agencies concerned, and the Committee on Rules and Administration, to utilize the reimbursable services, information, facilities, and personnel of any of the departments or agencies of the Government.

SEC. 3. Expenses of the committee, under this resolution, which shall not exceed $100,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

INVESTIGATION OF METHODS OF INCREASING HIGHWAY SAFETY

Mrs. SMITH of Maine submitted the following resolution (S. Res. 156), which was referred to the Committee on Labor and Public Welfare:

Resolved, That the Senate Committee on Labor and Public Welfare, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete investigation and study for the purpose of determining what action can be taken by the Federal Government to promote the public welfare by increasing highway safety in the United States. In making such investigation and study the committee shall give consideration to—

(1) the need for Federal assistance to State and local governments in the enforcement of necessary highway safety and speed requirements and the forms such assistance should take;

(2) the advisability and practicability of uniform State and local highway safety and speed laws and what steps should be taken by the Federal Government to promote the adoption of such uniform laws;

(3) possible means of promoting highway safety in the manufacture of the various types of vehicles used on the highways;

(4) educational programs to promote highway safety; and

(5) such other matters as it may deem advisable and appropriate. The committee shall report its findings, together with such recommendations as it may deem advisable, to the Senate at the earliest practicable date.

M. B. HUGGINS, JR.—AMENDMENT

Mr. THURMOND submitted an amendment, intended to be proposed by him to the bill (S. 2169) for the relief of M. B. Huggins, Jr., which was referred to the Committee on the Judiciary, and ordered to be printed.

INCREASE OF COMPENSATION OF CERTAIN OFFICIALS OF THE EXECUTIVE DEPARTMENT—BILLS RE-REFERRED TO COMMITTEE

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent that Calendar No. 1316, H. R. 7619, to adjust the rates of compensation of the heads of the executive departments and certain other officials of the Federal Government, be re-referred to the Committee on Post Office and Civil Service.

I also ask unanimous consent to have Calendar No. 1274, S. 2628, to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies, a companion bill to H. R. 7619, re-referred back to the Committee on Post Office and Civil Service.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. BIBLE in the chair). Does the Senator from South Carolina yield to the Senator from Texas?

Mr. JOHNSTON of South Carolina. I yield.

Mr. JOHNSON of Texas. Will the Senator give us his reasons for the request that the bills be referred back to the committee; and is the request being made with the knowledge of the ranking minority member?

Mr. JOHNSTON of South Carolina. No hearings were held on the bills. They were reported at the last session, but no action was taken on them. These are the executive pay bills.

Mr. JOHNSON of Texas. Is the ranking minority member aware of the request which the Senator is now making?

Mr. JOHNSTON of South Carolina. No. I have not seen him here today.

Mr. JOHNSON of Texas. I wonder if it is agreeable to the Senator from South Carolina to withhold his request——

Mr. JOHNSTON of South Carolina. I do not want to do anything that is not proper. It is well known that proper hearings were not had. The bills were rushed through the committee and placed on the calendar.

Mr. JOHNSON of Texas. In line with the usual procedure, I should very much like to have the Senator from South Carolina agree to postpone his request until the ranking minority member of the committee can be notified. If such action is agreeable to him, the Senate can then acquiesce in the Senator's request. If not, further consideration can be given to the matter.

Mr. JOHNSTON of South Carolina subsequently said: Mr. President, at this time I renew my unanimous-consent request of a few moments ago, and ask that Calendar No. 1316, H. R. 7619, and Calendar 1274, S. 2628, be re-referred to the Committee on Post Office and Civil Service.

Mr. HUMPHREY. Mr. President, will the Senator from South Carolina yield?

Mr. JOHNSTON of South Carolina. I am happy to yield.

Mr. HUMPHREY. In line with the statement of the majority leader, I should like to inquire whether the matter referred to by the Senator from South Carolina has been cleared with the minority members of the committee.

Mr. JOHNSTON of South Carolina. I have discussed it with the ranking minority members of the Committee on Post Office and Civil Service, the Senator from Kansas [Mr. CARLSON], and he does not object to my request.

Mr. KNOWLAND. Mr. President, as I understand, the Senator from South Carolina requests a re-referral of the two bills to which he has adverted.

Mr. JOHNSTON of South Carolina. Yes; that is correct. I ask that both bills be re-referred to the Committee on Post Office and Civil Service for further study. I believe the Senator from Kansas [Mr. CARLSON] will also concur in the statement that last year, during the closing hours of the session, a request was made for executive pay increases. At that time we did not have opportunity to hold hearings on the bills which were introduced on that subject.

It is only for that reason that I am asking that the bills be re-referred to the Committee on Post Office and Civil Service, so that the members of the committee may study the bills and inquire into the whole subject of executive pay increases, and submit to the Senate a report on the bills.

Mr. CARLSON. Mr. President, I should like to make inquiry of the distinguished chairman of the Committee on Post Office and Civil Service with reference to the possibility of getting early consideration of the bills. As I understand, the chairman requests that the bills be re-referred to the committee for further study, and the chairman gives

the Senate his assurance that the bills will receive early consideration by the committee.

Mr. JOHNSTON of South Carolina. I shall be very glad to schedule hearings on the bills in the near future. As the Senator from Kansas knows, last year we worked under considerable pressure during the closing days of the session, and we did not have time to hold hearings on the bills. However, I shall be very glad to hold hearings on them.

Mr. CARLSON. Mr. President, I believe the Senator from South Carolina has made a very good request. It is well to have a thorough review and study of the proposed legislation, and I wish to be certain that some consideration will be given to the bills if consent is granted that they be re-referred to the committee.

Mr. MORSE. Mr. President, I wish to join with the Senator from Kansas [Mr. CARLSON] in the suggestion that the bills receive early consideration by the Committee on Post Office and Civil Service and that they be reported to the Senate at an early date.

Senators will recall that during the closing hours of the last session I held the floor for some hours, in part because of my opposition to the passage of the executive pay bills under discussion. These executive pay bills had never been subjected to committee hearings. The record is very clear on that point. An attempt was made to steamroller those bills through the Senate without hearings. I said on that occasion that I thought a case could be made for executive pay increases for some jobs, but that the Senate was entitled to the benefit of the record of hearings on any such bills. Therefore, I said, in view of the fact the bills had not been subjected to hearings, I was not prone to let them come to a vote in the closing hours of the session. Therefore I held the floor until the session adjourned, making clear that I favored early committee hearings on the bills, early debate in the next session on the bills, and an early vote on the issue in the next session.

I am perfectly willing to stand on that record.

I also stated in my remarks in the closing hours of the session that I would support pay retroactivity in those instances in which retroactivity could be justified so far as any pay increases for some jobs were concerned.

I am glad to note that the chairman of the Committee on Post Office and Civil Service is asking that the bills be rereferred to the committee, so that the committee may hold hearings on them.

I wish to join the Senator from Kansas in urging early consideration of the bills, so that we may have a committee report ready for our judgment as to what, if any, executive pay increases should be voted.

The PRESIDING OFFICER. Without objection, the bills will be referred to the Committee on Post Office and Civil Service.

Mr. JOHNSTON of South Carolina. Along the same line, Mr. President, I should like to state that one of the bills under discussion was introduced by me, and that the other bill was introduced in the House. The latter bill was passed by the House and was sent to the Senate. I assure the Senate that we shall hold hearings on the bills as soon as possible.

IMMIGRATION AND NATURALIZATION ACT

Mr. KILGORE. Mr. President, I ask unanimous consent that there be printed in the body of the RECORD a few of the many letters and statements relating to proposed changes in our immigration and nationality laws which I have been receiving as chairman of the Senate Judiciary Committee and its Subcommittee on Immigration and Naturalization. The first is a letter released to the public by the addressee, the chairman of a Massachusetts committee to revise the Immigration Act; the second is a clipping from the Boston archdiocesan newspaper, the Boston Pilot; the others are letters addressed to me as chairman. These statements are from the following distinguished American citizens:

Adlai E. Stevenson, former Governor of the State of Illinois.

Patrick A. O'Boyle, archbishop of Washington, D. C.

Christian A. Herter, formerly a Member of the United States House of Representatives, and presently Governor of the Commonwealth of Massachusetts.

William J. Donovan, outstanding member of the American bar and World War II head of the Office of Strategic Services.

Philip D. Reed, chairman of the board of General Electric Co.

David Sarnoff, chairman of the board of Radio Corporation of America.

Jacob S. Potofsky, general president of the Amalgamated Clothing Workers of America.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

CHICAGO, *December 28, 1955.*

Mr. JEROME PRESTON, Jr.,
Chairman, Massachusetts Committee for Revision of the McCarran-Walter Immigration and Nationality Act, Boston, Mass.

DEAR MR. PRESTON: I have your letter of December 27 asking my views on our immigration and naturalization laws and policies. I had been scheduled to testify on this subject in the course of the recent hearings of the Senate Subcommittee on Immigration and Naturalization headed by Senator KILGORE first in Washington and then in New York but, as you know, the hearings were recessed.

I am glad, however, to pass along my general views on these laws which have aroused such resentment both at home and abroad.

In criticizing the McCarran-Walter Act, I criticize not only the restrictive innovations which appeared in that law for the first time, but also harsh and restrictive provisions passed over the years since 1924, and reenacted by the McCarran-Walter Act, such as the national-origins quota system.

I am aware, of course, that the act contained some good features, for example, the removal of absolute barriers to immigration and citizenship based on race, applicable to Japanese and a few other Asiatic groups. There was also the very good provision permitting husbands of American citizens to be admitted into the United States on a nonquota basis.

But unfortunately the bad outweighs the good. And in my opinion the worst thing about the law is the national-origins quota system of selecting immigrants. As originally passed in 1924, the discriminations based on race and national origin affected aliens, but the McCarran-Walter Act goes further by discriminating against naturalized citizens of the United States.

The national-origins system of selection was originally designed to confine the larger part of immigration to northern and western Europe, and to diminish immigration from southern and eastern Europe and from Asia. The limitation on southern Europe adversely affects Italy and Greece, and the limitation on eastern Europe was chiefly aimed at Poland. The total immigration quota as it works out is about 154,000, distributed on the basis of the national origins of the people of the United States in 1920. This resulted in Great Britain and Northern Ireland receiving an annual quota of 65,361 and Ireland 17,756, or more than one-half of the available annual quota. But in more recent years there has been but little immigration from the countries with the largest quotas, like Great Britain, with the result that from 1925 through 1952 out of a total of about 4,362,000 who might have been admitted, under 2 million—about 44 percent—were actually admitted.

While granting the original discriminatory motive behind the national-origins quota system, defenders of this system today disclaim any such motivation. But we cannot convince the people of Italy, Spain, and Greece, for example, that we really do not mean to discriminate if the law does in fact discriminate.

The existence of such discriminations has created ill will throughout the world. Without conferring any benefit upon our country, the national-origins system has worked against us in many ways. We are almost alone in the world as an English-speaking country with immigration laws based on racial and national discriminations. Of course, immigration to this country can no longer be unlimited, but whatever annual maximum is determined by or under the authority of Congress should be distributed in a way best suited to our needs and to world conditions.

The authority to grant immigrant and nonimmigrant visas is vested in our consular officers abroad. The discretion is so absolute that not even the Secretary of State has any power or duty or function relating to the granting or refusal of visas. Thus the fate of an applicant for permission to enter the United States may be determined by the whim or caprice of a single individual. The decision of a customs official with regard to the admission of a sack of beans can be appealed to the highest court of the land. But the decision of a consular official with regard to the admission of an American citizen's mother or wife is final and subject to no appeal whatever. This situation is offensive to all our ideas of due process of law and to the principles of equal justice.

Another indefensible situation exists with respect to proceedings for exclusion and deportation of aliens. The inquiry officer conducts the proceedings, examines the witnesses, and then proceeds to act as judge and to pass upon the sufficiency of the evidence he has put into the record. This combination of administrative and judicial functions in one officer is a surviving relic of methods condemned by the Administrative Procedure Act.

We are all familiar with the damage we have suffered from delays and refusals to issue visas to visiting scientists. World organizations are shunning the United States and holding their conventions and congresses elsewhere to avoid such unfortunate experiences. Of course, everyone is in favor of every reasonable precaution to insure the

security of our people, our property, and institutions, but an excessive zeal that bars from our shores the best minds of other nations is inconsistent with our position of liberalizing international communication.

The McCarran-Walter Act of 1952 subjects naturalized citizens to restrictions which do not apply to native-born citizens, for instance, in the matter of permissible length of residence abroad. The claim that there is no satisfactory basis for such distinctions seems sound, and I hope that the difficulties visited upon naturalized citizens by the operation of the McCarran-Walter Act of 1952 will also be removed.

Piecemeal changes in this law, however well-intentioned, are certain to be unsatisfactory because the many sections of the immigration code are so interwoven as to make a complete revision, with a new and more humane approach, the best remedy. President Truman not only vetoed the act but he advised a revision of the preexisting law. President Eisenhower, both during and after the campaign of 1952, advocated revision of the McCarran-Walter Act. Unfortunately, neither President Eisenhower nor members of his administration have yet taken any steps to redeem those pledges. I hope the Congress will nevertheless proceed to dispel the atmosphere of fear and prejudice and other unworthy motives in which our immigration laws and policies are cloaked, and give the American people an honest, forthright piece of legislation, guarding our shores and our people from undesirables, but extending a traditionally warmhearted welcome to those we can help and who can help us.

Sincerely yours,

ADLAI E. STEVENSON.

[From the Boston (Mass.) Pilot of Dec. 10, 1955]

PRELATE ASKS FOR LIBERALLY REVISED IMMIGRATION LAW—ARCHBISHOP O'BOYLE CALLS POLICY UN-CHRISTIAN, UN-AMERICAN

NEW YORK, Dec. 8.—American immigration policies were condemned as un-Christian and un-American by Archbishop Patrick A. O'Boyle of Washington, in an address here.

Speaking at the annual dinner of the American Committee on Italian Migration (ACIM) in the Hotel Commodore, the Capital City prelate advocated a let-down of the immigration bars so as to permit some 250,000 immigrants to enter the country annually.

Some 1,350 persons from all sections of the country attended the $50-a-plate dinner.

His Eminence Francis Cardinal Spellman, Archbishop of New York, who presided, was decorated with the Grand Cross of the Order of Merit, while Governor Dennis J. Roberts of Rhode Island, and United States Senator John O. Pastore of Rhode Island, were decorated with the Grand Officer of the Order of Merit. The high Republic of Italy awards were presented by Manilo Brosio, Italian Ambassador to the United States.

The dinner honored the memory of Bishop John Baptist Scalabrini, who died 50 years ago, founder of the Scalabrini Fathers and a champion in the cause of caring for Italian migrants. Father Francesco Prevedello, superior general of the Scalabrini Fathers, flew to New York from Rome especially for the dinner. He was presented with the 1955 ACIM award made posthumously to Bishop Scalabrini.

FEAR, PREJUDICE, HATRED

Archbishop O'Boyle said that the present immigration laws are a "culmination of false fears, prejudices, and hatreds."

He criticized severely the national origins quota system in the immigration law which, he said, weighed heavily in favor of nationalities that have little need or desire to come to the United States.

It is a duty and a privilege to offer a home to others who are oppressed, Archbishop O'Boyle said. No one would be so foolhardy as to ask for unlimited, uncontrolled immigration, he added.

THE COMMONWEALTH OF MASSACHUSETTS,
Boston, December 6, 1955.

SENATE JUDICIARY SUBCOMMITTEE ON IMMIGRATION AND NATURALIZATION,
Senate Office Building,
Washington, D. C.

GENTLEMEN: According to traditional American principle, the rights of native and naturalized citizens are held to be equal and identical. Under the Immigration and Nationality Act, however, residence abroad by the naturalized citizen may jeopardize his citizenship while the native-born American may reside abroad at will, without fear of citizenship loss. This loss of citizenship by foreign residence may even affect the citizenship rights of the children of the naturalized citizen.

To illustrate by a specific case of an American-born woman, child of a naturalized citizen, upon whom warrant of arrest in deportation proceedings was served June 16, 1955. She was granted the privilege of voluntary departure, at her own expense, in lieu of deportation. Since by expatriation she comes under Italian quota, on which there is a long wait, her case is now pending action on a private bill filed in her behalf.

This woman was born in Brown's Gulch, Butte, Mont., on October 19, 1898. Her father, a native of Italy, had been a citizen of the United States for 16 years as he was naturalized in the District Court, White Pine, Nev., in October, 1882. When the American-born child was 10 years old, she was taken to Italy by her mother. They were joined by the citizen father in 1910. He had been a citizen of the United States for 20 years. He was a very ill man and went primarily to Italy for treatment by a physician who had been successful in curing him of a similar ailment as a younger man. He never recovered his health and after long invalidism died in Italy in 1929. By the law and regulations governing residence abroad of naturalized American citizens in the period between 1910, his departure from America, and his death in 1929, he was not subject to loss of citizenship by American law. In fact, his naturalization certificate has never been canceled.

His daughter married in Italy and had a son born there. She did not lose American citizenship by her marriage. Both the State Department and the Department of Justice have ruled that this boy, born in Italy, is a citizen of the United States, although his only claim to citizenship is through his mother, now considered a deportable alien.

This native American, child of a deceased naturalized citizen, applied for an American passport in 1948. It was issued to her in 1950 and she entered the United States, as a citizen, on May 13, 1950. Subsequently, she filed a petition, as a citizen, to get nonquota status for her Italian husband so that he could join her and their son in the United States.

Because of this petition, which was ultimately denied, the Immigration and Naturalization Service issued the order of arrest for deportation, claiming that she had lost her American citizenship because she had not returned to the United States before December 1946. As a native American she ordinarily would be exempt from the foreign resident requirements but the Department of Justice has decided that, although American born, she became an Italian national also in 1914 because of the Italian Nationality Act of 1912 which decreed that an Italian national who had acquired a foreign citizenship could reacquire it by residing in Italy for 2 years. The naturalized citizen father had completed two years' residence in Italy in 1914, so the Department of Justice ruled that from that date on the American-born daughter was a dual national and subject to the rules of foreign residence of naturalized citizens.

The interesting aspect in this particular case is that the Italian law in question applies only to Italian subjects who acquired other citizenship. If the American-born child's father had remained alien in America, his return to Italy would not have jeopardized the citizenship of his child born here.

There are, of course, some other unusual aspects in this case. The facts on which this expatriation are based occurred years before the Immigration and Nationality Act was on the statute books. The Italian law in question, passed in 1912, merely states that an Italian national may reacquire his Italian citizenship, it is not mandatory. Furthermore, in 1912 or 1914, when the law became effective in this case, we had no naturalization treaty with Italy; in fact, we still have none. The naturalized citizen, whose absence in his native land has caused the expatriation of his American daughter, died over 25 years ago, and no American law, at that period, would have expatriated him or his American-born child.

By present statute, however, or by its interpretation by the Department of Justice, a naturalized citizen who died more than 25 years ago has forfeited for his daughter her birthright of American citizenship because as a dual national she has the rights of a naturalized rather than a native citizen.

This case of the native-born American, granted a United States passport by the Department of State, admitted by an agent of Immigration Service under the Attorney General as a citizen and then later, when availing herself of her right of petition for her alien husband, ordered deported as having entered illegally, graphically portrays the confusion in the individual judgments of the employees of the two services. Obviously, if the present judgment of the Board of Immigration Appeals is correct, two errors were made by the two departments involved. The consul should not have issued the American passport and the immigrant inspector should not have admitted the person. The second error might have been corrected administratively by changing the record of admission from that of a citizen to that of an alien, if there were quota numbers available. Italian nonpreference quota was probably not available in 1950 and the old nunc pro tunc procedure has vanished under present law. By a singularly contradictory writing of the law, all persons born in the Western Hemisphere are nonquota except those expatriated persons whose country of birth is the United States. Brown's Gulch, Mont., is de facto Western Hemisphere but de jure the quota needed is that of Italy.

A single administration of the complex law would eliminate such situations. If they must exist, it appears that simple justice requires some administrative remedy for official errors. In this specific case, the American-born woman suffers the penalty of deportation, or its expensive alternative, voluntary departure, because the two departments administering the law had different opinions about it.

During my service as a United States Congressman, I went on record on October 2, 1952, in favor of revising the McCarran-Walter Immigration and Nationality Act of 1952 because I felt that sections of this law definitely discriminated against worthy immigrants from Greece, Italy and other southern European countries, as well as from Jamaica and other West Indian areas. I did favor certain new and progressive features which had been introduced in the

act for the admission of immigrants from Asiatic nations.

Today, 3 years later, I still retain my opposition to the discriminatory sections of the McCarran-Walter Act, and I feel strongly that the primary difficulties and injustices in it stem from the quota system using the national origins formula with the 1920 census as base. Certainly, if the formula and philosophy on which the national origins quota is based must be continued in the law, it could be more factually correct and consistent with ethnic statistics if based on the 1950 census.

In 1920, the Republic of Poland, the Baltic States, the now satellite nations of Albania, Czechoslovakia, Rumania and Yugoslavia were just coming into existence after World War I. In the 1920 census it is most likely that nationals of these countries were listed by the census takers as Austrians, Hungarians or Russians. Therefore, the count of such quotas as Estonians, Latvians, Lithuanians, Albanians, etc., would necessarily be upped if the 1950 count were used. Actually, under the displaced persons law, more Baltic peoples entered this country than in the prior decade.

It should also be pointed out that the "mortgaging" of quotas, provided for in the displaced persons law, in the suspension of deportation cases and by various private bills for sheepherders and others, have made the small quotas an absurdity and even a tragedy.

The first preference for special skills, a commendable step toward selectivity, takes 50 percent of the quotas, thus reducing the small quotas almost to the vanishing point. The fourth preference, for certain relatives of American citizens, has reached numerical proportions that it could take years to utilize. This particularly applies to the Italian quota.

So, if quotas must continue to be set by nationality, let it be done as a matter of convenience, not discrimination. The 1950 census base, on a straight percentage basis without weighted formula, would approach fairness.

It, however, is not impossible, or even difficult to set up an annual quota based on the 1950 census without regard to nationality, birthplace or ethnic background. Our law provides this procedure for the independent countries of the Western Hemisphere. In practice, the large British quota is used, also, on the first-come, first-served basis.

An immediate need is the elimination of the mortgages on all quotas, the establishment of nonquota for the classes now covered by the first, second, third, and fourth preferences. With these modifications and an increased census base, a truly American law could become operative.

Almost 40 million immigrants have come to America in the past 100 years. The records show that, by and large, they have made great contributions to our national life regardless of their ethnic origin. In war and in peace, immigrants and their children have a record of proved loyalty to the United States.

Also, data has been forthcoming from population experts which indicate that we are in actual need of a higher rate of immigration to meet manpower shortages. In the area where the American labor force is most needed—those aged 25 to 45 years—there will be a population decrease of 2,000,000 over the next decade. The United States is nowhere near the point where extra population is a danger or a drain. We still have room to grow. An increase of population means a gain in prosperity for all of us.

In addition to this enlightened self-interest, the United States, by increasing immigration, can create the spirit of friendship abroad by helping overpopulated countries to decrease their surplus populations. This is especially true in Italy, West Germany, Austria, Greece, Holland, and Malta.

Sincerely yours,

CHRISTIAN A. HERTER.

NEW YORK, N. Y., *November 28, 1955.*

Hon. HARLEY M. KILGORE, *Chairman,*
Committee on the Judiciary,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR KILGORE: You are very kind to invite my views on the effect of the Immigration and Nationality Act since its passage in 1952. I have had an opportunity to talk to many people affected by and interested in the act, and am pleased to report their views to you.

The complaint has been made that the immigrants who came in under the displaced persons acts of 1948 and 1950 did not come in quota free. Their entry was charged against either their countries' current or future quotas. This mortgaging of immigration quotas is criticized. It has also caused hardship for those immigrants who now seek entry under regular quota limits.

Another objection frequently heard is against the computation of immigration quotas on the basis of the 1920 census figures. Some feel that the last available official census should be used for these computations. There is also criticism of the handling of special situations, such as the need of uniting families by allowing the immigration of close relatives of American citizens. Those concerned would like to see the United States continue its willingness to help the victims of racial, religious and political persecution.

I send these comments to you in the hope that they will be helpful in your deliberations. They are not intended as an expert opinion, but they do reflect conversations and discussions with persons close to the problems of immigration.

With all good wishes, I am,

Sincerely yours,

WILLIAM J. DONOVAN.

GENERAL ELECTRIC CO.,
New York, N. Y., November 16, 1955.

Hon. H. M. KILGORE, *Chairman,*
Senate Judiciary Subcommittee on Immigration and Naturalization,
Senate Office Building,
Washington, D. C.

DEAR SENATOR KILGORE: This is in reply to your letter of October 26, 1955, inviting me to appear before the Senate Judiciary Subcommittee on Immigration and Naturalization and testify with respect to my views on the effect of the Immigration and Nationality Act at home and abroad since its passage in 1952 or, in the alternative, to convey any comments I might care to make by letter.

It is generally recognized, I believe, that our national policy as expressed by the Immigration and Nationality laws of our Nation does have a significant impact on our relations with other nations and their peoples. The manner and efficiency of administration of these laws, likewise, affect these relationships. Government officials, teachers, scholars, engineers, scientists, businessmen and others are visiting our country in increasing numbers. Thus, an opportunity is created to establish and expand friendly relationships with other peoples. Likewise, our citizens are traveling abroad in great numbers. It is by such interchange of visits that a favorable understanding may be created.

It is submitted that our immigration and nationality laws, as implemented by regulations and administrative policies are somewhat complicated, and only an expert could discuss or comment on them in specific detail. Nevertheless, there are two or three points I should like to raise for the consideration of your committee.

Existing law provides for a "preference" or "out of turn" treatment of quota immigrants of certain specified categories desiring to migrate to the United States. This preferential treatment, insofar as I am able to determine, is limited to those possessing special skills and whose services are urgently needed in the United States. Aliens with commercial, marketing and managerial experience and training are not included in any of these so-called preference categories. It is submitted that those with such knowledge of the overseas market place could make a valuable contribution to the economy of our country in view of the anticipated and desired expansion of international trade. This point may also be made with respect to non-quota immigrants.

Another point is believed worthy of consideration by your committee. Provision is made for admission of several classes of nonimmigrants, such as government officials, temporary visitors, treaty traders and treaty investors, students, etc. No provision is made for the admission of an alien employee of a foreign subsidiary or overseas branch of a United States company engaged in an international business, to be atached to and to be paid by headquarters office for services rendered in the United States. Many of these overseas alien employees whether engineers, scientists, or commercial or managerial people, have great potential in the development of international trade. Their knowledge of the foreign market could be invaluable to the international trader.

Without suggesting any other specific weakness in existing law for your consideration, I would like to say that the exchange student and exchange visitor programs are making great contributions to international understanding. I am informed that these programs are somewhat difficult to administer, and for this reason full benefit is not always achieved. Difficulty arises where, for instance, a student after completing his formal institutional training desires to get "on the job" training and experience. Possibly some practical method could be devised to make it more conducive to United States industries to offer "on the job training" to foreign students.

As you may know, the company with which I am associated has carried on a foreign student program since before 1900 by which foreign students receive academic and practical experience, particularly in the field of engineering. Ours is a formal educational program, and many former students are now back at work in their own country making their contribution to progress. And we have every reason to believe that, because of their associations here in the States, they are friendly toward the United States and will continue to be.

I appreciate the opportunity extended to me to express my views to you and your committee.

Respectfully,

PHILIP D. REED.

RADIO CORPORATION OF AMERICA,
New York, N. Y., November 21, 1955.

The Honorable H. M. KILGORE,
Chairman, Senate Judiciary Subcommittee on Immigration and Naturalization, United States Senate, Washington, D. C.

DEAR SENATOR KILGORE: In response to the invitation contained in your letter of October 26, I welcome the opportunity to present my views on immigration policy to the United States Senate Judiciary Subcommittee on Immigration and Naturalization.

In all frankness, I must say at the outset that my knowledge of immigration matters is not extensive. I have no familiarity with the provisions of the present law nor

with its administration other than such general information as I have read in news reports.

The only personal experience I have had with our immigration laws was when I was admitted to the United States as an immigrant a boy of nine. I shall be ever grateful for the opportunity the laws afforded me to come to this blessed country and to become a United States citizen, and I deplore those provisions of the present immigration law which discriminate on the basis of race and ethnic origin.

I agree with the statement made by President Truman in 1952 that the provisions of the present law "perpetuate injustices of long standing against many other nations of the world" and I concur with the statement made by President Eisenhower in his 1955 state of the Union message that the "discriminatory and inequitable" provisions of the law should be changed. Such a law disregards the American doctrine of equality and provides fuel for the Communist propaganda machine.

On April 5, 1955, I prepared and submitted to President Eisenhower a memorandum which I called "Program for a Political Offensive Against World Communism." In my memorandum I pointed out that the Communists expertly exploit all our internal tensions, injustices, and discontent; that we must, in concert with all peoples, carry the message of freedom to cancel out the destructive power of Soviet-based communism.

We cannot ask peoples of other countries and other races for assistance in our struggle against communism and by our immigration policy treat these peoples as inferiors. We must capitalize on our basic democratic American concept of non-discrimination. We must never relax our efforts to demonstrate to the world how our principles differ from callous Communist indifference to human welfare and human rights. And we cannot capitalize on these principles unless we have an immigration law which does not discriminate against persons by reason of their race and ethnic origin.

In addition to damaging the United States in its efforts abroad in the cold war, discrimination in our immigration law can also hurt us internally. It can slow to a trickle that infusion of new blood and new ideas from diverse sources which has nurtured our culture and industry and has helped significantly to make the United States preeminent among nations of the world.

On November 14, 1955, at the Geneva meeting of the Big Four Foreign Ministers, Mr. Molotov referred to suggestions for increased freedom of the exchange of ideas between peoples of the West and his country as being a freedom that "would lead to the unleashing of subversive activities of all kinds of scum of society thrown out by the peoples of the countries of socialism and people's democracy." By Mr. Molotov's standards millions of those people who fled to our shores to escape persecutions in their native lands—from the Pilgrim Fathers in 1620 to the German and Italian scientists who helped to conceive and execute the splitting of the atom—would be classed as "scum of society." In contrast I am reminded of the words engraved on a small tablet set in the base of the Statue of Liberty:

"Give me your tired, your poor,
Your huddled masses, yearning to breathe free.
The wretched refuse of your teeming shore.
Send these, the homeless tempest-tost to me,
I lift my lamp beside the golden door."

Of course, there must be a limit on the number of immigrants allowed to enter this country as permanent residents, both for our good and for the good of those who enter. We must exercise continuous vigilance to prevent infiltration of Communists and other subversives and we must continue to exclude aliens such as those who are physical and mental defectives, immoral persons, criminals, and those who are likely to become public charges. But, other than exercising this necessary screening, I believe that selection of the number we will admit should be based on a realistic and generous appraisal of our ability to absorb newcomers; not on any policy of discrimination on the basis of race and ethnic origin.

I hope that your committee will see fit to recommend changes in the present immigration law to correct its inequities and make it truly representative of our democratic principles.

With kindest personal regards,

Respectfully,

DAVID SARNOFF.

AMALGAMATED CLOTHING WORKERS OF AMERICA,
New York N. Y., November 30, 1955.

Hon. HARLEY M. KILGORE,
Chairman, Senate Judiciary Committee on Immigration and Naturalization,
Senate Office Building,
Washington, D. C.

DEAR SENATOR KILGORE: I address you as the president of the Amalgamated Clothing Workers of America, a labor union of almost 400,000 members living and working in 41 States and 500 cities and towns, all of them employed in some branch of the men's and boys' apparel industry.

Let me make it clear at the outset that the Amalgamated vigorously opposes many of the basic principles underlying the McCarran-Walter Act. We oppose this act because it is palpably discriminatory; because it is harming the industrial strength of our country; and because it has tended to degrade our country in the eyes of the world.

Since its birth in a revolutionary war, the United States has stood as a haven of freedom and humanitarianism. Today we are the wealthiest and most productive land in the world, but at a time when the symbol of haven is needed most, we have virtually shut the doors of immigration.

The quota system which has allowed most immigration to nations where it is needed least, and the least immigration where it is needed most, is a sorry reflection on our most honored principles of equal opportunity for all. The elaborate system of quotas is an obvious fraud that has fooled no one, least of all the freedom loving peoples in other nations. Basing the quotas on the national origins of our population as of several decades ago merely obscures the discrimination against the peoples of several nations in southern Europe and elsewhere. The present quota system is worse than a fraud; it is actually serving to subvert our own foreign policy, by lowering us in the esteem of the same nations we are most sedulously trying to win to the cause of democracy.

The harm it has caused our prestige abroad is matched by the harm the act is working on our own industrial strength. In our own industry, for example, we are faced with a shortage of skilled workers, particularly of tailors. Under the present system, the largest quotas have been awarded to nations, such as Great Britain, where there are relatively few skilled workers in the tailoring trades, and where there is the least pressure for immigration to the United States. In other nations, such as Italy, where there are many skilled tailors and where over-population has created a need for emigration, the quota is insufficient to meet the demands of either the Italian people or of our own industry.

The inadequacy of the act is proved by the fact that only through the Refugee Relief Act, which will expire in a year, have we been able to obtain even a temporary and insufficient measure of relief for our manpower shortages. Using the provisions of the Refugee Relief Act, the Amalgamated, in cooperation with several other organizations, has been able to bring in workers with needed skills from other lands. But in other industries besides our own, this Nation is being confronted with a continuing shortage of certain skills which could most readily be relieved through permanent policies which would permit increased immigration.

Our hope is that out of these hearings will come a new understanding of the role immigration can play both in implementing our foreign policy and in contributing to the continuing economic strength of our Nation. Even more important, however, I urge that new legislation will be considered in the light of the deep humanitarianism that has always inspired the great mass of the American people. This humanitarianism, based on our respect for individual rights and opportunities, has been a bright thread linking the American people with their heritage, and it is we who would suffer most if this heritage were to be continued to be denied in our immigration policies.

Sincerely yours,

JACOB S. POTOFSKY,
General President.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. KNOWLAND:

Speech delivered by him before National Association of Manufacturers in New York City, N. Y., on December 9, 1955.

Speech delivered by him before Women's National Press Club, in Washington, D. C., on January 3, 1956.

By Mr. ANDERSON:

Address entitled "Do We Need a New Approach?" delivered by him before the Texas Farm Bureau annual convention at Fort Worth, Tex., on November 8, 1955.

By Mr. WILEY:

Address delivered by him over Wisconsin radio stations, discussing the President's state of the Union message.

By Mr. HOLLAND:

Address entitled "Southern Forestry—An Industrial Revolution With Roots," delivered by him before the American Forestry Association and Florida Forestry Association, at Jacksonville, Fla., on October 3, 1955.

By Mr. LEHMAN:

Address delivered by him at Hanukkah festival sponsored by Israeli Bonds, December 15, 1955, at Madison Square Garden, New York City.

By Mr. LANGER:

Statement entitled "Your Congressman Comments," by Representative USHER L. BURDICK, of North Dakota.

SENATOR WILEY'S VIEWS ON CERTAIN EUROPEAN AFFAIRS

Mr. WILEY. Mr. President, the eyes of the world have focused on the Republic of France, as it seeks to interpret the results of this week's significant election.

It is only stating a fact, a grim fact, when I point out that there are very serious misgivings in the United States, in Great Britain, in other friendly lands, and, yes, in the hearts of many of the French people themselves, concerning the confused and indecisive results of the election, the disturbing effect on NATO, and related problems.

We of the United States, believing as we do so strongly in the ability of each people to work out its own destiny in its own way, would not attempt to tell the French people what they should or should not do in their own internal affairs. Like the French people, we prize our own right to cast our own ballots for our own selections in our own way. Next November that is precisely what we will do, but with more encouraging results, I believe, to ourselves and the world.

In any event, the people of our two lands, who have, on the battlefield, fought shoulder to shoulder, the good fight for freedom, are entitled to speak frankly from the heart to one another when the fate of our nations and the world's fate are involved.

While speaking forthrightly and expressing our concern, we would be shortsighted if we did not, at the same time, express the faith that France will work out her parliamentary problem in a constructive fashion. Yes; the Republic will prevail, despite the mountain of difficulties which now apparently lie before her because of deadlock between rival groups of the center and the rise of extremism of right and left.

I append a brief statement and an attached newspaper advertisement which it seems to me symbolizes the thinking mind and creative judgment of the Republic in the field of foreign policy. I do so, on what I believe is a most appropriate occasion, since today marks the 80th birthday of that great European, that distinguished German who has done so much to compose the historic differences between France and Germany, Dr. Konrad Adenauer.

I ask unanimous consent that these materials be printed at this point in the body of the RECORD.

There being no objection, the statement and advertisement were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WILEY

From all sides, there have been pouring out a tremendous volume of critical comments on the uneasy French national situation, on France's economy, her politics, her international relations, her relations with the North African peoples, and on other phases.

It is a fact that there are many exceedingly disturbing elements in all these phases, I need only point up one phase, namely, the increased capacity, by virtue of the recent election, on the part of the international Communist conspiracy—a capacity to expand its evil mischief-making in trying to weaken the Western Alliance.

PREVIOUS GLOOM OVER EDC, SAAR

Nevertheless, I think that now is an appropriate time to recall that the Western Alliance has been able to weather other unhappy turns of events. And France, in particular, has, despite the predictions of the gloomy pessimists, emerged to a stronger and more constructive role.

It was not so long ago that the spreaders of gloom told us that France, three times within 70 years invaded and despoiled by her German neighbor, would allegedly never consent to a German settlement, involving the reconstitution of German armed forces in a sovereign West Germany.

Fortunately, the pessimists were disproved. The setback of the European Defense Community was succeeded by the progress of the Western European Union.

We were told that the setback over the Saar settlement would prove "fatal." But there is good reason to believe that there will be a meeting of minds on the Saar question, despite the obvious difficulties still ahead.

ADENAUER—EUROPE'S STATESMAN

In this and related issues an indispensable factor in refuting the calamity-howlers has been that remarkable figure, the Chancellor of the Federal Republic, Dr. Adenauer, who today celebrates the achievement of his fourscore milestone. The free world greets and congratulates this great European statesman whom I, personally, am proud to know as a friend.

The characteristic French problem of dealing with an occasionally shaky coalition is hardly unknown to Dr. Adenauer, albeit in far less acute a form, fortunately.

But with wisdom and judgment and strength of character, he has held his parliamentary forces together, just as he has resolutely molded and strengthened the spirit of a democratic peaceful Republic, determined to bear its burden of self-defense against the Communist foe, and just as in days gone by, as mayor of Cologne, he so resolutely opposed the then triumphant Nazi foe.

Now, once more, his neighbor, America's neighbor, France heads for more stormy seas. So, once more, the doubters express gloomy forebodings about the future of the French Republic.

Without in any way underestimating the situation, without in any way minimizing the necessity for our French friends to put their own house in order—for purposes of their own well-being and for the well-being of the world, I express the hope and the belief that France will prove adequate to the challenge which is hers.

NEITHER EXTREME RIGHT NOR LEFT WILL PREVAIL

France has had her Verduns, and she has stood. And France will stand, despite those who seek to undermine her from within—from the extreme left—to sell her out down the Volga River, or from the extreme right to drag down the Republic of "liberty, equality, and fraternity" by Fascist or neo-Fascist demogogery and hatemongering.

I have in my hand one of a thousand evidences of the thinking mind and creative judgment of the French Republic. I have held it for some time, expecting that at the start of this session of the Congress, I would call it to the attention of my colleagues, as I am pleased to do now.

NEWSPAPER AD OF PINAY STATEMENT

It is entitled "The Humane French Credo." It consists of excerpts from an address by the former Minister of Foreign Affairs, Antoine Pinay, as delivered at the Big Four Foreign Ministers Conference, on the problem of Germany.

The statement is a most admirable one, one worthy of a long tradition of French statesmanship, and one worthy of the new day in French-German relations.

I was delighted that these excerpts were printed as a part of a public-service series by the International Latex Corp., of Playtex Park, Dover, Del.

It is not too frequently that the American people have such an oportunity to read in convenient, display form so important a pronouncement by a foreign policy leader. Most such foreign policy remarks tend to be condensed in the rush of the day's news from at home and abroad.

I append now the text of this statement as it was published in the Washington Post and Times Herald and in other leading newspapers throughout our country.

I present it for its spirit as well as for its letter. It is basically the spirit of France which can give revitalized life to France.

I hope that those who doubt the capacity of the French people to meet their own problems will read these comments and thereby be enabled to extend to a good friend that confidence which a friend must have in her own hour of need and in her own hour of self-doubt.

Let us not sell France short.

[Published by International Latex Corp. in leading cities and in the Washington Post and Times Herald]

THE HUMANE FRENCH CREDO

(By Antoine Pinay, French Minister of Foreign Affairs)

GENEVA.—Following are excerpts from an address to the Foreign Ministers' Conference Friday by Antoine Pinay of France on the problem of Germany:

"The Soviet proposals relating to the unification of Germany accomplish nothing other than to prolong the division of this country. They do not contain in effect any provisions destined to permit the reestablishment of a united Germany. On the contrary, they sanctify the existence of two separate German states, and they have the effect of giving the existing partition of the country an institutional character.

"There is nothing new in these proposals.

"The Soviet delegation doubtless asserts, to justify its own position, that for several years the two parts of Germany have developed in completely different ways. Does it propose to bring them closer together by perpetuating the division? The Soviet delegation tells us again that the reunification of Germany should be the work of the Germans themselves.

"We have never ceased to proclaim this principle vigorously. That is why we have always believed that we must let the Germans speak for themselves in order that they may choose freely the institutitons and the government they desire.

"Does the Soviet delegation mean to tell us that since the beginning of time a better method has ever been found for letting men express their opinions than to let them go to the polls, in liberty and security, to designate those who will speak for them?

"No; to refuse the German people the free elections they demand, other arguments will be needed; besides, the heads of government considered last July that there were no valid arguments in this domain.

"I would like to convince the Soviet delegations, the delegations of the United States, Great Britain, and France are not moved by political preoccupations or ulterior motives. One does not talk politics to a people that has been divided for 10 years.

"I wish that all of us in this room, who represent united countries, could make an effort to understand what 10 years of partition means, 10 years of separation, 10 years of estrangement, 10 years in which relatives have been unable to see each other, human beings torn apart by force of circumstances, resources that have not been put to common use, research conducted in isolation, creations of the mind and works of art that are unknown to millions of men who share the same tradition, who talk the same language, who have the right to profit by their common heritage.

"If we could conceive of the sum total of difficulties, complications, unhappiness, and pain that 10 years of such a division brings with it, we would better understand the unanimous drive of the whole German people to wish passionately for the reestablishment of its unity and to demand that this unification take place without any further delay.

"Even if we were here without any previous instruction it would be no less our duty, as a humane act apart from all political considerations, to seek the reunification of the German people by every means and in the shortest time possible."

REORGANIZATION OF CIVIL DEFENSE

Mr. WILEY. Mr. President, I ask unanimous consent that there be printed in the RECORD a statement which I have prepared on the reorganization of civil defense.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WILEY

I was glad to see the report on Tuesday frankly pointing out the serious deficiencies in civil defense concepts and planning in the face of the threat of superhydrogen bombs and intercontinental missiles.

In light of our rapidly contracting world and the continued Soviet military threat, I have constantly advocated that we be on our toes and that we adjust our civil defense plans to dynamic advances in science and technology.

I agree with this civilian committee, so ably led by Otto Nelson, vice president of the New York Life Insurance Co. and his 12 colleagues, that civil defense should be based on metropolitan target zones rather than on individual towns and cities. I am glad to see that Val Peterson, Federal Civil Defense Administrator; Arthur Flemming, Director of Defense Mobilization; and Charles E. Wilson, Secretary of Defense, have adopted this recommendation as well as the practical and commonsense recommendation that there be closer cooperation between Federal, State, and local civil-defense agencies.

I am not surprised to see Milwaukee recommended as 1 of the 14 metropolitan target zone areas which they suggest be surveyed and for which a plan of nonmilitary defense be developed.

Our national authorities know that greater Milwaukee is not only one of the major industrial-living areas in the United States, but that it is one of the very few such areas which has taken its civil defense responsibilities seriously. It has surveyed, planned, conferred exhaustively so as to improve its defense capabilities.

However, I hope that the 14 proposed surveys will be undertaken without delay. I will urge authorizing and appropriating legislation to that effect if necessary.

During the course of a recent speaking trip to my State, I have told over 80 groups in all parts of Wisconsin that they must realize and prepare for the fact that they are closer to Soviet striking strength—over the polar route—than are the people of New York City.

I have been impressed with the able job being done in civil defense planning and execution from Madison by Maj. Gen. Ralf J. Olson, Wisconsin State civil defense director, and all the fine people he has working for him.

Just the other day Brig. Gen. Don E. Carleton, a civil defense administrator for the city of Milwaukee, sent me an article entitled "We're All in This Together," written by Dr. William M. Lamers, assistant superintendent of Milwaukee public schools and director of education and pupil safety for Milwaukee civil defense. I am glad to see our civilians so alert to this peril. As General Carleton wrote me, this article was not prepared at his request but grew out of the conviction on Dr. Lamers' part that these grim facts needed to be understood by everybody. The whole article is well worth reading.

I call particular attention to his conclusion and convictions when he stresses:

"Let's accentuate the positive together. We are a great united people, not a cowering herd of kine. Let us hold up our heads together. Together we can survive and win."

Mr. WILEY. I ask unanimous consent that Dr. Lamers' article, referred to in my statement, be printed in the RECORD, and that it be preceded by a list of the distinguished Wisconsinites, who, I am delighted to emphasize, serve as members of the newly organized State civil defense advisory council under General Olson's chairmanship.

There being no objection, the article and the list of members were ordered to be printed in the RECORD, as follows:

MEMBERS OF WISCONSIN STATE CIVIL DEFENSE ADVISORY COUNCIL

Maj. Gen. Ralph J. Olson, State civil defense director, chairman.

Richard E. Barrett, assistant attorney general.

Norman H. Blume, codirector for warning and communications, State OCD.

Walter B. Calvert, assemblyman.

Melvin O. Larson, codirector for safety services, State OCD.

James B. Lippert, assemblyman.

Gerald D. Lorge, senator.

Donald N. McDowell, director, State department of agriculture.

Dr. Carl N. Neupert, codirector for health services, State OCD.

Harold L. Plummer, commissioner, State highway commission.

Wilbur J. Schmidt, codirector for welfare services, State OCD.

Brig. Gen. Harry G. Williams, codirector for transportation, State OCD.

Richard C. Wilson, codirector for administration, State OCD.

Richard J. Zaborski, senator.

WE'RE ALL IN THIS TOGETHER

(By William M. Lamers)

In the indefinitely prolonged period of critical foreign relations ahead, continued existence of civil defense in the United States hangs upon the thread of public opinion. Unless those who directly or indirectly control purse strings at all levels, national, State, and local, agree in sufficient numbers and with sufficient persistent vehemence that an adequate civil defense program must be supported out of public funds, instead of such adequate program we will continue to have a Nation poorly defended at home and therefore less than well defended abroad. I hasten to add that much excellent work has been and is being done in civil defense at all levels. But the program is spotty, generally understaffed, and underequipped, and lives by sufferance or whim rather than by the firm will of the American people. All agree that the Nation must be made safe. Many less agree that without civil defense there is no national safety. There is no general realization in this country that a minimum civil defense program consistent with national security cannot be pulled out of the hat on the outbreak of war. By painful lesson in three World Wars—including the Korean crusade—we learned that we cannot, as some of our statesmen believed in the period before 1918, create an army overnight by putting muskets in the hands of indignant civilians. But many Americans still feel that we can create civil defense in a day by passing out tin helmets.

Chief obstacle, then, to the survival of civil defense, is a state of mind at all levels. Let us classify people as opinion-makers or opinion-takers. The opinion-maker possesses a strategic position astride the media of mass communication, a message, some articulateness, prestige, a receptive audience. He may be politician, writer, publicist, editor, speaker, elected official. The opinion-taker turns to the opinion-maker: "What says Sir Oracle" he asks, "so that I may adjust my thinking to his?" Opinion-makers determine among other matters why, when, and how much the public purse strings are loosed. And today, for various reasons, a segment of opinion-makers in this country are not so convinced of the need of civil defense as to render them competent supporters, cooperators in its several programs.

Adequate civil defense in the United States today demands that opinion-makers shall have a proper awareness of its need, an understanding of what constitutes proper long-term civil defense programing, a willingness to supply necessary support to implement this program into an effective organization capable of conducting an effective operation. Opinion-takers must be willing to go along with them in this, even though they do not entirely agree or understand. In both groups enough hostility must be converted into indifference, and indifference into friendly understanding to permit the development of a proper program.

The immediate crisis in civil defense is financial. At all levels today, it operates on a shoestring. Legislators say that funds are not forthcoming because the public does not clamor for adequate civil defense. The public says that they do not want it because opinion-makers, legislators among them, are not convinced of the need for it. And so the program is caught in a vicious circle. Why? Let me suggest four reasons:

1. We believe in part what we want to believe. No one, not even the most exposed, consciously wishes to believe that he, his family, his chattels and his works are gravely vulnerable to extinction by bombing.

2. We believe in part what conforms to our previous experience. Since the War of 1812 no foreign foe has invaded the United States.

3. We reject from consciousness problems for which we perceive no adequate solution. Having no answer to atomic bombing, the average man refuses to think about it an instant. This natural tendency to escape hard reality by turning from it can be found historically in the Middle Ages where people met the unsolvable problem of the plague by intensifying their social activities. These three reasons account for a great deal of lethargy and indifference upon the part of opinion-makers and takers even in primary target areas.

4. Many of us do not see that all of us are inescapably involved in the problems of civil defense. While such detachment operates normally to keep us from uselessly tearing ourselves to pieces over the inevitable woes of other people and peoples, in the case of civil defense this feeling—call it the nontarget area mentality or what you will—is not only disastrous, but completely unrealistic.

Let's consider this last point. Civil defense is needed in order that we may be less likely to get into a war in which everyone suffers; or, if we do get into it, that we may win it more readily with the smallest amount of hurt to everyone.

I stress a truism about civil defense as a deterrent to attack. If this country is excessively vulnerable on the home front, it is less able to attract allies, less able to sustain attack, and therefore, less able to wage retaliatory warfare. Therefore, it invites attack. Civil defense as insurance against attack is an effective but not completely accurate concept. Insurance pays losses after disaster; civil defense in part operates to prevent disaster. Since war entails loss to everyone in a country, this preventive function benefits everyone.

The concept that modern war is total war—that the whole nation in a manner bears arms; that the homefront is equally vulnerable with the military front; that unless the homefront sustains itself so that the flow of replacements of men and material continues, the military front must collapse; that only by the preservation of the homefront does the military front have adequate reason for continuing the struggles—is neither self-evident nor has it been sufficiently sold to the American people. Nor does the headline reader

vitally perceive that in manpower we are hopelessly outnumbered today, and sustain our place largely because of our geographical position, developed natural resources, and unique industrial potential. Nor does he realize that we no longer have security in strong allies and alliances, but that our foreign relations are today a quagmire of uncertainty, and our strong allies the anemic ghosts of yesterday's great empires.

The Nation, therefore, stands in grave peril, and bids to remain so for years. That peril is not to major target cities alone. Threatened damage will not be sustained by them alone. Peril hangs over the head of every small city, town, village, every dweller on a farm or in the wasteland. No one in America can put himself beyond it.

One method of clinching this thought is to consider the disasters which will come upon this Nation if we lose a war. Such speculation is not academic to the millions of Americans who have lived among defeated peoples during the last decade. If we lose, among other evils, we may expect:

1. Enemy occupation: Occupying troops will not confine themselves to the corporate boundaries of cities of 500,000 or over. Nor will the cost of occupation be levied exclusively against captive metropolitan areas. Nor the shame or discomfort of it.

2. Reparations: Reparations in cash will be levied against everybody directly by the conqueror or indirectly by taxation levied under compulsion or necessity. Reparations in kind undoubtedly will take crops, livestock, farm machinery—whatever the greed or need of the conqueror can lay a hand upon.

3. Slave labor: If distinguished modern precedent is followed, forced labor will be levied against city and country alike. Our citizens may be hauled off to work in foreign lands. Most of our captured military personnel may never be returned to this country.

4. Loss of liberties: The conqueror, to the best of his ability, will abridge freedom of speech, religion, nobility. We will know terror, fear. The Bill of Rights will become an outdated document.

5. Rapine, plunder, damage—and not all the pretty girls live in Manhattan. Nor will looting be confined to the Chicago loop.

6. Taxes, inflation, confiscation at home and abroad: Not all foreign investments will be held by rich people. Nor insurance policies. Nor currency rotted by depreciation.

7. Change of governmental form: The city mouse will be able to say to the country mouse: "Greetings, comrade, how is life on the collective farm?"

8. Loss of foreign markets: Our exports are not exclusively confined to articles manufactured in critical target areas.

9. War guilt and war crimes trials.

10. The slave use of the American war machine: Confiscation of our battleships, aircraft, guns, material of war. The use of our military personnel in the service of the aggressive plans of our enemies.

Any American who has served in garrison duty among a conquered people could double this list and render it vivid with example and anecdote. Such things can happen here.

Even so incomplete a listing will convince any intelligent person that the injuries resulting from defeat cannot be sequestered to primary-target areas, but will blight the living and lives of American citizens everywhere and for years. But if these specifics do not prove proximate enough to touch the nontarget area mentality, then let it be said that if city X is badly hurt, the hinterland within 300 miles including small city Y and town Z will inescapably be damaged because:

1. The living, panicking hordes out of city X will stream across the surrounding region, creating problems, doing damage.

2. City X will not be able to rehabilitate itself out of its own funds. Everyone will contribute or be taxed to restore city X.

3. Many people in the country have close relatives in city X. If these are destroyed, the country people lose; if these escape they are likely to live with their country relatives for a long time.

4. City X is the best customer of the rural region surrounding it. If many people are destroyed in city X, for instance, the milk producers lose customers.

5. City X is part of the shopping center for the country surrounding. It is also the best equipped health and amusement center in the area. It contains institutions of higher learning, patronized by adjacent rural areas. It is a receiving, shipping, banking center for the whole area, urban and rural.

6. City X always contains a large number of visitors from the surrounding rural area. Some time or other virtually every rural dweller in the area visits city X.

7. City X manufactures bombsights or jeeps, or tanks, or a thousand kinds of the foods and engines of war. These are part of the essential equipment used by the fighting sons of town Z as well as city X.

8. City X is highly vulnerable to atom bombs. But small town Y is not immune to incendiary and demolition bombs, particularly in diversionary raids. And the cornfields and animals of town Z are rich targets for bacterial warfare. It may be to the advantage of town Y and township Z to be willing partners with city X in a program of legislative support, mutual aid, and mobile and static support. They may need the help of city X. No one can afford to be smug, while everyone is vulnerable.

That, in summary, is the argument that must be made to win the support of the opinion-makers in the nontarget area. Anyone using such argument need make no apology for it. The other argument, "Please help us out. We are in a mess. We need you. But you don't need us"—is not only futile, but fallacious, contrary to fact.

How can this concept of essential interdependence be substituted for the more common, "We take, you give" approach?

Let me suggest a few of the more obvious steps:

1. Let civil defense authorities at each major level analyze thoroughly the significance of civil defense to national defense, and of national defense to the welfare of all individuals and groups in their country, particularly to those not in critical or nontarget areas. Then let appeals to key people in these areas be made at least as much upon the basis of enlightened selfishness as on the basis of altruism.

2. Let the whole range of weapons for enemy attack be constantly explored, and let special vulnerabilities of rural populations be stressed, and their dependence upon the aid to be found exclusively or largely in primary target areas. So much of civil thinking has been given to atomic bombing that rural areas, safe from atomic attack, have incorrectly reckoned themselves safe from all attack.

3. Let there be made a declaration by highest authority of the "We're all in it together" facts. Let the President of the United States solemnly tell his people that unless we give adequate support to an adequate program of civil defense, the whole Nation will suffer, and with the whole Nation, each one of us.

4. Let those responsible for defense programs in critical target areas use the larger viewpoint in selling civil defense to their own people, to the people of the support areas.

5. Let national, regional, State, district, local meetings be held and the whole matter of shared vulnerability be thoroughly explored and exhibited.

We must not count as wasted effort anything that has been done to make any person, any place in America less vulnerable to enemy attack. Many good people possessed of prophetic vision have labored selfishly and selflessly to make us less vulnerable. But sometimes we have been so preoccupied with the smaller housekeeping details of civil defense as to fail to see the problems of the national community.

We need more emphasis on, "We're all in this together." The nontarget area mentality results from lack of understanding; not lack of patriotism or good will. But target areas have talked too much with one another and not enough with the rest of the Nation. Or when they have spoken, their cry has been, "Rescue us. We are desperately vulnerable. We need your help." When it should have been, "Help yourself by helping us. Your vulnerability is also great. We're all in this together." And let's accentuate the positive together. We are a great united people, not a cowering herd of kine. Let us hold up our heads together. Together we can survive and win.

RELIGIOUS PERSECUTION BY COMMUNISTS IN THE UKRAINE—STATEMENT BY REV. W. SMULKA

Mr. THYE. Mr. President, within recent weeks I have received a number of communications, the contents of which I should like to bring to the attention of the Members of Congress. I ask unanimous consent, therefore, to have printed in the body of the RECORD one of the communications, which is from the Reverend W. Smulka, of Minneapolis, Minn.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

Christianity has been existing in Ukraine for more than 1,000 years. It has fostered a profound faith in God among the people, and has begotten abiding moral principles, and nourished a new culture and erudition.

In December 1917 Communist Russia invaded Ukraine and in 1919–1920 occupied the eastern provinces of this country. The Soviets were bent on extirpating Christianity from these regions. In their coup d'etat they published aggressive antireligious propaganda and terrorized the people with threats of exile, torture, and death.

First, the Communists attacked the church in eastern Ukraine. Within 10 years, from 1921 to 1931, they unjustly arrested and ruthlessly murdered 34 Ukrainian orthodox bishops and more than 3,000 priests. Hundreds of thousands of the faithful were inhumanly tortured in prisons or deported to concentration camps in Siberia; a greater part of these innocent people died martyrs to their faith; the remainder still endures the appalling trials and hardships of imprisonment.

The Reds destroyed 80 percent of the churches (many of these churches contained precious historical relics, as for example the Golden Domed Michalivsky Monastery in Kiev from the 12th century); other churches were despicably converted into warehouses, theaters, and convention halls; monasteries were outraged and cemeteries profaned.

By 1930 the Communists had completely liquidated the entire Ukrainian orthodox church, barring it from all public activity.

Through article 123 of the Soviet constitution, which is binding in Ukraine as well as the U. S. S. R., explicitly recognizes freedom of religion, yet, during the first Red occupation of western Ukraine (1939–1941), the Communist regime overtly persecuted the church, arresting many Ukrainian priests and ruthlessly murdering 27 of them.

This anti-Christian terror adopted more hideous means of exterminating Christianity in Ukraine during the second occupation

of this country beginning in 1945. On April 11, 1945, the Soviets arrested the Metropolitan of Halych and Archbishop of Lviv, Joseph Slipyj, 80-year-old Bishop Gregory Khomyshyn, Bishop John Latyschevskyj, Bishop Nicholas Charnetskyj, C. SS. R., and Bishop Nykyta Budka. On June 25, 1946, Bishop Josaphat Kotsylovskyj, OSBM, and Bishop Gregory Lakota were imprisoned. All these bishops were condemned to forced labor for 8 to 10 years and even life; the imputation was lawfully unjust. Some of these bishops (for instance Bishop Gregory Khomyshyn and Bishop Josaphat Kotsylovskyj) later died from maltreatment in prison. Still more, when Archbishop Joseph Slipyj's or other bishops' terms expired, the Reds would not release them from prison.

In the autumn of 1947, the Communists murdered Bishop Theodore Romza, Uzhorod, Carpathian Ukraine, and in 1950, the bishops Paul Gojdich, OSBM, and Basil Hopko, Pryashiv, Czechovakia, were imprisoned. On January 15, 1951, Bishop Paul Gojdich was tried and unjustly condemned to forced labor for life. Bishop Basil Hopko is now in a concentration camp.

Altogether, 10 Ukrainian Catholic bishops have been liquidated by the Reds.

In 1946, the Soviets enjoined the legal continuance of the Ukrainian Catholic church in Ukraine. Thus, in our own 20th century, it has been reduced to the sorrowful plight of the Church of the Catacombs, as was the primitive church during the Neronian persecution.

Two thousand secular priests and monks, for rightfully refusing to acknowledge the Patriarch of the Russian Orthodox Church as their head—this church is now subservient to the Communists—were arrested and deported to slave labor camps. The Reds exterminated all five dioceses of the Ukrainian Catholic church, desecrated 4,400 of its churches and chapels together with 195 religious houses. The Communists continue to oppress mercilessly the Ukrainian laity for remaining steadfast to its Christian heritage, church, and faith.

Therefore, I respectfully request to present to Congress the dreadful situation of the religious persecution in Ukraine and ask to propose that Congress inquire into this anti-Christian terror, and that a special designated congressional committee hold hearings of witnesses of the aforesaid situation.

I also request that the Secretary of State propose to the American delegation in the United Nations that the condition of the persecuted church in Ukraine be placed on the agenda of the United Nations Assembly.

Rev. W. Smulka,
664 N. E. Spring Street.
Minneapolis, Minn., *December 5, 1955.*

DEATH OF RALPH DAMON

Mr. MONRONEY. Mr. President, I invite the attention of Senators to the death of one of the truly great aviation statesmen of the world. Ralph Damon, president of TWA, died of pneumonia yesterday.

He was an early-day pilot, a man respected by men who fly and men who service the planes, and by everyone who has ever had a part in the great development of the great commercial aviation industry in this Nation.

I ask unanimous consent to have printed in the Record at this point as a part of my remarks a brief statement which I made yesterday before the Aviation Subcommittee of the Senate Committee on Interstate and Foreign Commerce.

There being no objection, the statement was ordered to be printed in the Record, as follows:

I would like to make a very sad announcement that anybody who has any connection with civil aviation in the United States will deeply regret hearing. One of the great pioneers of civil aviation in the United States, Ralph Damon, head of TWA, died this morning of pneumonia.

I had known Mr. Damon for many years, and members of this committee had known him for many years, and I know of no one who has done more for the progressive advancement of the air age than did this great pioneer of civil aviation.

He was one of the early-day World War I pilots who saw the future of commercial aviation, worked up through the ranks as a flier to head not only American Airlines during the critical period of its big post-World War II development, but also to go over the Trans World Airline system and expand that to its worldwide service.

I know that everyone who flies, every pilot who has been at the controls of a plane from the days of Jennies to the days of the jets will deeply regret the passing of this truly great American.

THE "GROUND-MINDED" POLICY TOWARD COMMERCIAL AVIATION

Mr. MONRONEY. Mr. President, I ask unanimous consent to have printed in the body of the Record at this point an article entitled "Weeks Hit for Policy on Plane Safety," published in the Philadelphia Inquirer of January 4, 1946, dealing with the investigation of the railroading of Frederick B. Lee, Civil Aeronautics Administrator, pursuant to the ground-minded policy of the Secretary of Commerce toward commercial aviation.

There being no objection, the article was ordered to be printed in the Record as follows:

Weeks Hit for Policy on Plane Safety—Monroney Calls Commerce Head Ground Minded

(By Nicholas P. Gregory)

Washington, January 3.—Senator A. S. Mike Monroney, Democrat, of Oklahoma, today accused Secretary of Commerce Sinclair Weeks of endangering air safety by playing politics and pursuing a ground-minded policy toward commercial aviation.

"The vital progress of aviation cannot be tied to the old coal-burning locomotive days Secretary Weeks seems to live in," Monroney said.

Monroney, chairman of the Interstate and Foreign Commerce Committee, made his charges as the committee prepared to open hearings tomorrow into the reasons for the dismissal of Frederick B. Lee, Civil Aeronautics Administrator, by Weeks for alleged insubordination.

SENATE O. K. NEEDED

Lee, a consistent opponent and critic of Weeks' aviation policies, is slated to be the first witness tomorrow. The hearings will cover his firing and Weeks' administration of the CAA since he took office.

President Eisenhower has nominated Charles Lowen to succeed Lee. Lowen, a friend of Under Secretary of Commerce Louis S. Rothschild, also under attack by Monroney, must be confirmed by the Senate.

"Lowen is nothing but a political stooge," Monroney said, "a political appointment of Rothschild."

Monroney accuses Weeks of trying to enforce political control over aviation safety, approval of new type aircraft, regulation of airways, improvements in instrument landing for bad weather, and development of an adequate system of airports.

REPORT CRITICIZED

Weeks, who headed the President's recent transportation study which issued a report that was highly criticized by airlines and truckers for its alleged favoritism to railroads, has been stingy about funds for new airports, Monroney said.

The Senator also charged Weeks with planning a transportation policy favorable to railroads against the airlines. The President's transportation policy report did not spell out any proposals for airlines.

Monroney pointed out that in the first year Weeks was in office—1954—he made no recommendations for airports. Weeks, he said, also cut from the Truman budget $30 million in airport funds, which the former President had requested in the 1954 budget.

SOUGHT FUND INCREASE

"For fiscal year 1955, Weeks recommended nothing for airport development," Monroney said.

For fiscal year 1956, he pointed out, the Secretary of Commerce asked for only $11 million in airport funds, but Congress appropriated $20 million. The current authorization figure is $63 million a year for the next 4 years.

Lee aroused the ire of Weeks, it is reported, because he testified for larger funds than the Secretary sought. As a result Lee was fired for insubordination.

"Weeks' entire background favors the railroads," Monroney declared. "He has been actively against every aviation issue that has come up during his supervision of CAA since he was appointed Secretary of Commerce."

SEEKS COMPLETE STORY

"What are you going to develop in the public hearing?" the Senator was asked.

"We want the complete story of why Lee was fired," Monroney replied, "what forces prompted Weeks to ignore Lee's career service and his technical experience."

Lee sent the White House a complete report on his technical experience as well as his career service in the Federal Government. In that document he submitted his resignation. The White House accepted it.

Monroney believes the President did not know of Lee's background, otherwise he never would have accepted his resignation.

CAREFULLY PREPARED

"We also want to know whether Lee's carefully prepared case was brought to the attention of the President," Monroney said. "The only thing Lee got was a letter accepting his resignation. It's doubtful if Mr. Eisenhower saw Lee's file."

Monroney is considering the introduction of a bill to strip Weeks and his Commerce Department of all control over the CAA.

The Senator was asked whether he expected to gain support for his measures. Monroney said he would.

"I have asked the Interstate Commerce Committee that a bill be drafted which would return the CAA to an independent status, and move it from the political control and ground-minded administration of Weeks and Rothschild," Monroney declared.

CHANGED IN 1940

Monroney noted that originally the CAA, a 3-member Air Safety Board and a 5-member Civil Aeronautics Board were parts of an independent agency, established in 1938.

Under the 1940 reorganization plans, the CAA was placed under the direction and supervision of the Department of Commerce.

Monroney said he already had been pledged support for an independent CAA from the Airline Pilots Association, the AFL-CIO ground crews' union, private and executive pilot associations, and municipal and

State authorities who have been complaining of the lack of funds to develop airports.

"I feel," MONRONEY declared, "that the millions of people who use commercial airlines will be more interested in having competent technicians to regulate the Nation's airlines. Safety is being threatened by patronage."

Mr. MONRONEY. Mr. President, the sordid details of the dismissal of Frederick B. Lee and the assumption of Presidential power by men not entitled to exercise such Presidential power paint a very sorry picture in the history of this administration.

PUBLIC POWER

Mr. NEUBERGER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a most illuminating letter addressed to the Eugene (Oreg.) Register-Guard of December 22, 1955, by a former distinguished Member of this body, the Honorable Rufus C. Holman, who served as United States Senator from Oregon during the period 1939 to 1945.

Senator Holman was known during his tenure as a stanch supporter of hydroelectic power development in the interest of all the people, rather than for a privileged few. It is extremely significant that Senator Holman, an outstanding member of the Republican Party, calls attention to the fact that public power in our State of Oregon was originally sponsored by such notable Republicans as Senator Charles L. McNary, Governor Julius L. Meier, State Senator George W. Joseph, and by Senator Holman himself.

Will the present national administration heed Senator Holman's advice and return to the public-power principles of these great progressive Republicans of the past?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

POWER BIG ISSUE

To the EDITOR:

PORTLAND.—What is a Democrat? What is a Republican? Particularly as it pertains presently to Oregon politics, who has a definition for either? Neither political party in Oregon has adopted a platform of political principles; therefore, it seems to me that intelligent citizens and voters, perforce, must determine for themselves as best they can, which candidates, regardless of political party affiliation, advocate the best program for public affairs for the greatest good for the most people in our State and Nation.

I doubt if any two of us agree absolutely upon every political issue now before us, but undoubtedly the major domestic issue now facing the people of Oregon to decide concerns the maximum utilization of our abundant falling waters for the benefit of all the people forever, as opposed to the grasping greed of private interests seeking only private gain. Oregon has neither natural gas, oil nor coal; yet in the Columbia River system is 44 percent of all the potential waterpower in the United States. Is this great, God-given natural resource to be developed and administered for the benefit of all the people, or is it to be grabbed and looted by predatory interests for the aggrandizement of the already swollen fortunes of the private electric power trust, the banking monopoly, the timber barons, and similar ruthless special-privilege seeking gentry with their interlocking boards of directors, and their subsidized press, as were the public domain timberlands and the school lands in Oregon? This is the great and vital political issue in Oregon at this time. What is decided now will affect the lives of our people for generations yet unborn. Be it remembered that in population Oregon is one of the fastest growing States in the Union and is one of the most productive in natural, diversified land products, timber, grains, grasses, fruits, vegetables, livestock, poultry, and possibly some minerals. We need cheap and abundant dependable waterpower (hydroelectric energy) publicly operated and controlled to enable private enterprise to manufacture, refine, preserve and distribute to the four corners of the world these articles of commerce at a profit and to furnish gainful employment to our people.

It is ardently hoped that in the public interest and for the good of their own souls, the Republican candidates for the Federal Congress will declare, as the Democratic candidates already have, for the public development, ownership and control of the hydroelectric power operations in the Oregon country, as did the late State Senator George W. Joseph, Republican; Gov. Julius L. Meier, Republican; Charles N. McNary, Republican, among others, as I, Republican, a former United States Senator, did and do.

Be it also remembered always that honest men, patriots, and statesmen, like gold, are where you find them regardless of whether they are registered as Democrats or Republicans.

RUFUS C. HOLMAN.

(EDITOR'S NOTE.—The writer of the above letter represented Oregon in the United States Senate from January 3, 1939, to January 3, 1945. He was defeated by Wayne Morse when he sought renomination on the Republican ticket in 1944.)

IMMIGRATION AND CITIZENSHIP LAWS

Mr. LEHMAN. Mr. President, over the weekend there was published in the press an exchange of letters between Mr. Jerome Preston, Jr., chairman of the Massachusetts Committee for Revision of the McCarran-Walter Immigration and Nationality Act, and Governor Adlai Stevenson, titular leader of the Democratic Party. This correspondence dealt with Governor Stevenson's attitude toward our immigration and citizenship laws and represented the first detailed exposition of Governor Stevenson's views on this subject. In replying to an inquiry from Mr. Preston, an eminent lawyer and public-spirited citizen of Boston, who heads a nonpolitical organization representing all faiths, creeds, and political complexions, Governor Stevenson set forth his very specific and concrete objections to the McCarran-Walter Act.

As one who, day in and day out, has fought for the overhauling of the McCarran-Walter Act for 3½ years, I am deeply gratified at the position taken by Governor Stevenson in his wholehearted opposition to the national origins quota system and to the second-class citizenship status now occupied, under present law, by naturalized citizens. Governor Stevenson has pinpointed many of the fundamental evils in the present law, although there are scores of unfortunate provisions in the law which he has not touched in his letter to Mr. Preston. It would take more than a letter to cover all of them.

I believe this letter to be an important document in that it is a forthright, comprehensive, and concrete statement of objections to the present law by an outstanding public figure, a man who I hope, and expect, will be the next President of the United States.

Because this correspondence is of such vital importance, I ask that both Governor Stevenson's letter, and the letter of inquiry addressed to him by Mr. Jerome Preston, be printed in the body of the RECORD at this point in my remarks.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

DECEMBER 27, 1955.

GOV. ADLAI E. STEVENSON,
Chicago, Ill.

MY DEAR GOVERNOR STEVENSON: Our committee, which is composed of religious and civic leaders representing a broad cross-section of the community from the political, ethnic and religious viewpoints, has been working since its establishment 2 years ago to secure a revision of the Immigration and Nationality Act of 1952 (the so-called McCarran-Walter Act) which would better serve our national interests and accord with traditional American principles of fair and equal treatment for all people irrespective of race or national origin. We are not a narrow lobbying group seeking favored treatment, but an assembly of citizens profoundly convinced that our present immigration and citizenship laws are harmful to the United States in both our domestic economy and our foreign affairs, and productive of individual injustices.

I am addressing this letter to you in the hope that as a distinguished American and leader of public opinion, you will express your views on this subject in the months ahead. It is our experience that the overwhelming majority of those who give the matter serious consideration conclude that revision is urgently needed and, in our opinion, if a sufficient number of people are made aware of the problem in the immediate future, appropriate revision of the law might be enacted at this session of the Congress. What is needed more than anything else is the leadership necessary to produce concrete legislation. While we are looking to the Administration for action, we also hope that you, as the head of the Democratic Party, will undertake leadership in this matter.

I feel certain, based on your brief comment on the subject in the past, that you are generally sympathetic with our point of view, but I would like to know, for the edification of the members of our committee and of our constituent organizations, what specific changes you would propose to be made in the McCarran-Walter Act. We hope that you will put forward proposals designed to correct the fundamental inadequacies of this law which so vitally affects our domestic and foreign affairs.

Sincerely yours,

JEROME PRESTON, Jr.,
Chairman.

DECEMBER 28, 1955.

MR. JEROME PRESTON, JR.,
Chairman, Massachusetts Committee for Revision of the McCarran-Walter Immigration and Nationality Act, Boston, Mass.

DEAR MR. PRESTON: I have your letter of December 27 asking my views on our immigration and naturalization laws and policies. I had been scheduled to testify on this subject in the course of the recent hearings of the Senate Subcommittee on Immigration and Naturalization headed by Senator KILGORE first in Washington and then in New York but, as you know, the hearings were recessed.

I am glad, however, to pass along my general views on these laws which have aroused such resentment both at home and abroad.

In criticizing the McCarran-Walter Act, I criticize not only the restrictive innovations which appeared in that law for the first time, but also harsh and restrictive provisions passed over the years since 1924, and reenacted by the McCarran-Walter Act, such as the national origins quota system.

I am aware, of course, that the act contained some good features, for example, the removal of absolute barriers to immigration and citizenship based on race, applicable to Japanese and a few other Asiatic groups. There was also the very good provision permitting husbands of American citizens to be admitted into the United States on a nonquota basis.

But unfortunately the bad outweighs the good. And in my opinion the worst thing about the law is the national origins quota system of selecting immigrants. As originally passed in 1924, the discriminations based on race and national origin affected aliens, but the McCarran-Walter Act goes further by discriminating against naturalized citizens of the United States.

The national origins system of selection was originally designed to confine the larger part of immigration to northern and western Europe, and to diminish immigration from southern and eastern Europe and from Asia. The limitation on southern Europe adversely affects Italy and Greece, and the limitation on eastern Europe was chiefly aimed at Poland. The total immigration quota as it works out is about 154,000, distributed on the basis of the national origins of the people of the United States in 1920. This resulted in Great Britain and northern Ireland receiving an annual quota of 65,361 and Ireland 17,756, or more than one-half of the available annual quota. But in recent years there has been but little immigration from the countries with the largest quotas, like Great Britain, with the result that from 1925 through 1952 out of a total of about 4,362,000 who might have been admitted, under 2 million—about 44 percent—were actually admitted.

While granting the original discriminatory motive behind the national origins quota system, defenders of this system today disclaim any such motivation. But we cannot convince the people of Italy, Spain, and Greece, for example, that we really do not mean to discriminate if the law does in fact discriminate.

The existence of such discriminations has created ill will throughout the world. Without conferring any benefit upon our country, the national origins system has worked against us in many ways. We are almost alone in the world as an English-speaking country with immigration laws based on racial and national discriminations. Of course, immigration to this country can no longer be unlimited, but whatever annual maximum is determined by or under the authority of Congress should be distributed in a way best suited to our needs and to world conditions.

The authority to grant immigrant and nonimmigrant visas is vested in our consular officers abroad. The discretion is so absolute that not even the Secretary of State has any power or duty or function relating to the granting or refusal of visas. Thus the fate of an applicant for permission to enter the United States may be determined by the whim or caprice of a single individual. The decision of a customs official with regard to the admission of a sack of beans can be appealed to the highest court of the land. But the decision of a consular official with regard to the admission of an American citizen's mother or wife is final and subject to no appeal whatever. This situation is offensive to all our ideas of due process of law and to the principles of equal justice.

Another indefensible situation exists with respect to proceedings for exclusion and deportation of aliens. The inquiry officer conducts the proceedings, examines the witnesses, and then proceeds to act as judge, and to pass upon the sufficiency of the evidence he has put into the record. This combination of administrative and judicial functions in one officer is a surviving relic of methods condemned by the Administrative Procedure Act.

We are all familiar with the damage we have suffered from delays and refusals to issue visas to visiting scientists. World organizations are shunning the United States and holding their conventions and congresses elsewhere to avoid such unfortunate experiences. Of course, everyone is in favor of every reasonable precaution to insure the security of our people, our property, and institutions, but an excessive zeal that bars from our shores the best minds of other nations is inconsistent with our position of liberalizing international communication.

The McCarran-Walter Act of 1952 subjects naturalized citizens to restrictions which do not apply to native-born citizens, for instance, in the matter of permissible length of residence abroad. The claim that there is no satisfactory basis for such distinctions seems sound, and I hope that the difficulties visited upon naturalized citizens by the operation of the McCarran-Walter Act of 1952 will also be removed.

Piecemeal changes in this law, however well intentioned, are certain to be unsatisfactory, because the many sections of the immigration code are so interwoven as to make a complete revision, with a new and more humane approach, the best remedy. President Truman not only vetoed the act but he advised a revision of the preexisting law. President Eisenhower, both during and after the campaign of 1952, advocated revision of the McCarran-Walter Act. Unfortunately, neither President Eisenhower nor members of his administration have yet taken any steps to redeem those pledges. I hope the Congress will nevertheless proceed to dispel the atmosphere of fear and prejudice and other unworthy motives in which our immigration laws and policies are cloaked, and give the American people an honest, forthright piece of legislation, guarding our shores and our people from undesirables, but extending a traditionally warm-hearted welcome to those we can help and who can help us.

Sincerely yours,

ADLAI E. STEVENSON.

NATIONAL DISASTER INSURANCE CORPORATION

Mr. CARLSON. Mr. President, in his message on the state of the Union the President urged the enactment of legislation providing for a disaster insurance corporation. In 1951, in the Kansas River Valley, and also in the Missouri Valley, particularly in Oklahoma and Missouri, there was experienced the most destructive flood in our Nation's history. The property loss was estimated at 2½ billion dollars, and 250,000 persons were displaced and their homes destroyed.

Following that disastrous flood, on September 20, I, in cooperation with the senior Senator from Kansas [Mr. SCHOEPPEL] and the then senior Senator from Missouri, Mr. Kem, introduced a bill providing for the creation of a disaster insurance corporation. At that time I made a statement in connection with the proposed legislation, which will be found in the CONGRESSIONAL RECORD, volume 97, part 9, page 11696. In view of the fact that the distinguished Senator from Connecticut [Mr. BUSH] is going to speak in a few moments on a proposed disaster insurance corporation in connection with floods and other disasters, I ask unanimous consent that my bill, together with the statement I made at that time, may be made a part of the RECORD at this point.

There being no objection, the bill (S. 2148) to establish a National Disaster Insurance Corporation, and the statement with reference thereto, were ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That this act may be cited as the "National Disaster Insurance Corporation Act of 1951."

DECLARATION OF PURPOSE

SEC. 2. It is the purpose of this act to promote the national welfare by alleviating the widespread economic distress suffered from time to time within the United States from certain national disasters, and the attendant impairment of the free flow of interstate and foreign trade and commerce, by providing, through a program of reinsurance of insurance companies, for reasonable cost insurance against property loss or damage caused by flood, tidal wave, earthquake, or hurricane.

ESTABLISHMENT OF CORPORATION

SEC. 3. (a) To carry out the purposes of this act, there is hereby created as an agency of the United States a body corporate to be known as the National Disaster Insurance Corporation (hereinafter referred to as the "Corporation"). The principal office of the Corporation shall be located in the District of Columbia, but agencies or branch offices may be established elsewhere in the United States under rules and regulations prescribed by the Board of Directors.

(b) The Corporation shall have a nonassessable captial stock of $50 million subscribed by the United States of America. There is hereby authorized to be appropriated to the Secretary of the Treasury not more than $50 million for the purpose of subscribing to such stock. Receipts for payments by the United States of America for or on account of such stock shall be issued by the Corporation to the Secretary of the Treasury, and shall be evidence of the stock ownership by the United States of America. Sums so received by the Corporation shall be deposited to its credit in the National Disaster Insurance Fund established by section 10 of this act.

MANAGEMENT AND PERSONNEL

SEC. 4. (a) The management of the Corporation shall be vested in a Board of Directors (hereinafter called the "Board") consisting of three persons appointed by the President of the United States by and with the advice and consent of the Senate, one of whom shall be designated by the President as Chairman of the Board. Not more than two members of the Board shall be members of the same political party. Each such appointment shall be for a term of 6 years, except that (1) the directors first appointed shall be appointed for terms of 2, 4, and 6 years, respectively, and (2) whenever a vacancy shall occur other than by expiration of term, the person appointed to fill such vacancy shall hold office for the unexpired portion of the term of his predecessor. The Chairman shall receive a salary at the rate of $16,000 per annum, and other directors at the rate of $15,000 per annum.

(b) Each director shall devote his time principally to the business of the Corpora-

tion. No person shall hold office as a director of the Corporation while holding any office, position, or employment in any privately or publicly owned insurance company.

(c) So long as there shall be two members in office, vacancies shall not impair the powers of the Board to execute the functions of the Corporation, and two of the members in office shall constitute a quorum.

SEC. 5. Within the limitation of appropriated funds, the Board shall (1) select, appoint, employ, and fix the compensation of such officers, attorneys, experts, employees, and agents as shall be necessary for the transaction of the business of the Corporation, (2) define their authority and duties, (3) delegate to them such of the powers vested in the Corporation as the Board may determine, (4) require bond of such of them as the Board may designate, and (5) fix the penalties and pay the premiums of such bonds.

SEC. 6. (a) The Board may appoint from time to time (1) an advisory committee, consisting of not more than five members experienced in the writing of insurance against property loss, to advise the Corporation with respect to the execution of its functions pursuant to this act, and (2) such part-time consultants and advisory personnel as the Board may deem necessary in carrying out the functions of the Corporation. Persons so appointed who, while so serving, hold other offices or positions under the United States shall receive no additional compensation for such service. Other persons so appointed shall receive (1) while actually so employed, such compensation, not in excess of $50 per diem, as may be determined by the Board, and (2) actual necessary traveling and subsistence expenses, or a per diem allowance in lieu thereof.

(b) Service of an individual under this section shall not be deemed subject to the provisions of section 281 or 283 of the United States Code, unless the conduct made unlawful by such section is performed with respect to a matter in which the Corporation is directly involved.

GENERAL POWERS

SEC. 7. The Corporation—

(a) shall have succession in its corporate name until dissolved by or pursuant to an act of Congress;

(b) may adopt, alter and use a corporate seal which shall be judicially noticed;

(c) may adopt, amend, and repeal bylaws, rules and regulations for the conduct of its business and the exercise of the powers granted to it by law;

(d) may make contracts and purchase, lease, hold, and dispose of such real and personal property as may be necessary and incident to the conduct of its business;

(e) may sue and be sued in its corporate name in any State or Federal court of competent jurisdiction;

(f) may conduct or cause to be conducted such researches, surveys, and investigations as may be determined by the Board to be necessary and incident to the performance of its functions or the exercise of its powers;

(g) with the consent of any board, commission, independent establishment, or executive department of the Government, including any field service thereof, or of any wholly-owned or mixed-ownership Government corporation, may avail itself of the use of information, services, facilities, officers, and employees thereof in carrying out the provisions of this act;

(h) may receive from or exchange with any State insurance commission or agency or with any private corporation or association engaged in the writing of insurance against property loss within the United States such loss experience information as may be necessary to the establishment of premium rates for reinsurance authorized to be issued by the Corporation upon a sound actuarial basis and upon the lowest practicable level;

(i) shall be entitled to the free use of the United States mails in the same manner as the other executive agencies of the Government; and

(j) may exercise, by the Board of duly authorized officers or agents of the Corporation, all powers specifically granted by the provisions of this act and such incidental powers as are necessary to carry out the functions and powers of the Corporation.

FUNCTIONS OF CORPORATION

SEC. 8. (a) The Corporation is authorized to provide such reinsurance of insurance companies against loss on account of insurance carried by such companies against damage to, or loss of, real or personal property (including property owned by State or local governments) due to flood, tidal wave, earthquake, or hurricane, occurring within the United States or its Territories, as may be necessary to enable such companies to provide insurance against such damage or loss where it would otherwise be unavailable.

(b) The Corporation shall prescribe premium rates for the reinsurance authorized by this act upon consideration of (1) the risks involved, and (2) the desirability in the public interest of providing insurance protection which would not otherwise be available.

(c) The Corporation shall by regulation provide for the determination of (1) the types of property with respect to which reinsurance will be granted, (2) the nature and limits of losses or damage which may be covered by such reinsurance, (3) such other matters as may be necessary to carry out the purposes of this act.

(d) Reinsurance shall be provided by the Corporation under this act only to the extent that it is not otherwise available at reasonable rates and upon reasonable conditions from private sources. In providing such reinsurance, the Commission shall utilize the facilities and services of private insurance companies to the maximum extent practicable.

PAYMENT OF CLAIMS

SEC. 9. Under such regulations as the Corporation may prescribe, it shall adjust and pay valid claims for losses covered by reinsurance under this act. Upon disallowance by the Corporation of any such claim, the claimant, within 1 year after the date of mailing of notice of disallowance by the Corporation, may institute an action on such claim in the United States district court for the district in which the insured property or the major part thereof shall have been situated. Exclusive jurisdiction is hereby conferred upon such court to hear and determine such action without regard to the amount in controversy.

NATIONAL DISASTER INSURANCE FUND

SEC 10. (a) There is hereby established in the Treasury of the United States a permanent trust fund to be known as the national disaster insurance fund (referred to hereinafter as the "fund"). All premiums paid to the Corporation for reinsurance under this act shall be deposited and covered into the Treasury to the credit of the fund, which, together with interest earned thereon, shall be available for the payment of liabilities under such reinsurance. Payments from the fund shall be made upon and in accordance with awards by the Corporation.

(b) The Corporation is authorized to set aside out of the fund such reserve amounts as may be required under accepted actuarial principles to meet all liabilities under such insurance. The Secretary of the Treasury is authorized to invest or reinvest all or any part of the remainder thereof in interest-bearing obligations of the Government of the United States, or in obligations guaranteed as to principal and interest by such Government, and to sell such obligations for the purposes of such fund.

(c) Administrative expenses of the Corporation shall not be paid from the fund, but shall be borne by the Government of the United States. There is hereby authorized to be appropriated to the Corporation, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary for the administration and operation of the Corporation.

ANNUAL REPORT

SEC. 11. The Corporation shall make a comprehensive annual report of its operations to the Congress as soon as practicable after the first day January in each year.

EXEMPTION FROM TAXATION

SEC. 12. The Corporation, including its franchise, capital, reserves and surplus, and its income and property, shall be exempt from all taaxtion now or hereafter imposed by the Government of the United States, any Territory, dependency, or possession thereof, any State, county, or municipality, or by any other local taxing authority.

MISCELLANEOUS PROVISIONS

SEC. 13. (a) The Board shall designate an agent upon whom service of process may be made in each State, Territory, or jurisdiction in which property upon which the Corporation has issued insurance may be situated.

SEC. 14. Section 101 of the Government Corporation Control Act is amended (a) by striking out "and" immediately preceding the name "Tennessee Valley Associated Cooperatives, Inc.," and (b) by inserting immediately after such name a semicolon and the following: "and National Disaster Insurance Corporation."

[From the CONGRESSIONAL RECORD of September 20, 1951]

NATIONAL DISASTER INSURANCE CORPORATION

Mr. CARLSON. Mr. President on behalf of myself, my colleague the senior Senator from Kansas [Mr. SCHOEPPEL], and the Senator from Missouri [Mr. KEM], I ask unanimous consent to introduce for appropriate reference a bill to establish a National Disaster Insurance Corporation, and for other purposes.

There being no objection, the bill (S. 2148) to establish a National Disaster Insurance Corporation, and for other purposes, introduced by Mr. Carlson (for himself, Mr. Schoeppel, and Mr. Kem), was read twice by its title and referred to the Committee on Banking and Currency.

Mr. CARLSON. Mr. President, the most destructive flood in the history of the United States occurred during the month of July 1951. The total damage in the States of Kansas, Missouri, and Oklahoma has been estimated to be as much as $2,500,000,000, to have displaced some 350,000 persons, to have been five times more damaging than the great Ohio-Mississippi flood of 1937, and to have ravaged an estimated 5,500,000 acres of the most fertile farmland in America.

I mention this only as a reminder that while many suggestions and words of sympathy have been received, along with considerable financial support, there still are many things to be done for the future protection and welfare of our people so as to assure them of more speedy aid and assistance should any such disaster strike our Nation again.

As is true in so many instances, a cure or remedy is never found or initiated until after disaster strikes.

As I stated on the floor of the Senate, August 13, 1951, and as the President stated in his message on August 20, 1951, we must take steps toward providing some type of insurance program for future protection.

I have prepared a bill which is being jointly sponsored by my colleagues, Mr. SCHOEPPEL,

of Kansas, and Mr. Kem, of Missouri, which I call the National Disaster Insurance Corporation Act of 1951.

The purpose of this act is to promote the national welfare by alleviating the widespread economic disaster suffered from time to time within the United States from certain national disasters, and the attendant impairment of the free flow of interstate and foreign trade in commerce by providing through a program of reinsurance of insurance companies for reasonable cost insurance against property loss or damage caused by flood, tidal wave, earthquake, or hurricane, these being fields not readily covered by private insurance companies.

It is my thought that the Corporation will take over or reinsure only that portion of the risk above which private insurance companies do not feel they can safely provide.

There are many problems, and will be many more, involved in the committee and on the floor before this bill can expect final consideration. As you will note, I have set up a capital stock subscription of considerable less than the estimated cost of the recent floods in Kansas. I speak of only the floods as it pertains to this insurance bill, mainly because it is most vivid in the minds of all of us. However, I do not want you to lose sight of the fact that this bill, as I mentioned before, provided reinsurance for damage caused by flood, tidal wave, earthquake, or hurricane. If the losses should exceed the figures established as the capital stock subscription, I do wish to point out that this is merely an arbitrary figure arrived at by myself and one which naturally Congress can amend from time to time, depending upon the need.

It is my thought or intent that the appropriated funds, that is, the capital stock subscription, together with premium receipts, should make up the fund from which the corporation's proportionate share of losses should be paid.

In the recent flood disaster in the Middle West, it was estimated that some twenty-five to fifty million dollars of the loss, which is an infinitesimal part of the total, is all that was covered by insurance. Such an insurance program as I offer today will be of great assistance in establishing a more firm economic basis for all businesses and individuals located within the danger zones and should be within the cost range of all.

IMPERATIVE NEED FOR A PRACTICAL PROGRAM OF FEDERAL DISASTER INSURANCE

First. The provident individual or business firm cannot now purchase insurance protection to provide compensation for flood or disaster damage.

Second. The economy of devastated regions may be seriously handicapped because of the reluctance of individuals and corporations to make more than minimum investments in presently developed industrial districts located in river-bottom areas unless disaster-damage insurance can be made available at reasonable rates.

Third. A glance at the atlas will show that important inland cities are located on rivers or lakes because of the ease of rail, river, and road traffic, as well as need for power generation, making it all the more important that an insurance program be set up for their protection.

POSSIBILITIES OF DISASTER-INSURANCE PROGRAM THROUGH THE PRIVATE INSURANCE INDUSTRY

First. Sound insurance practices dictate that any plan be based on some method of spreading the disaster risks widely enough so that a moderate rate will be sufficient to provide the funds necessary to cover the major concentrated losses which will occur from time to time.

Second. The possibility has been suggested that disaster damage might be included in the extended coverage endorsement now added to fire insurance policies which cover the added hazards of hail, windstorms, tornadoes, falling buildings, and so forth.

Third. Past attempts to secure action on the part of the private insurance industry with relation to providing disaster-damage protection have been unsuccessful, we must succeed.

SUGGESTIONS FOR ESTABLISHMENT OF A FEDERAL DISASTER INSURANCE CORPORATION

First. Any Federal disaster-insurance program established can and, I believe, should be based on a partnership with the private insurance industry and not be in direct competition with the insurance industry. The Federal program should in no way duplicate the performance of functions with respect to disaster-damage insurance which can be better performed by utilizing the staff and records of the private insurance carriers of the Nation.

(a) The actual sale of disaster-insurance policies or endorsements to other types of insurance policies, such as fire, should be handled by insurance agents who are supplying other types of insurance to the customers.

(b) I recommend that the Federal Corporation be created to handle the Disaster Insurance Act as a reinsurance or underwriting agency only.

(c) I recommend that the adjustment of claims arising from insured disaster damage be handled by the regular claim-adjusting organizations and procedures of the insurance companies, subject to appropriate regulations to protect the interest of the Corporation.

(d) I recommend that the disaster-insurance underwriting agency be authorized to establish sound limitations to be incorporated in the damage policies. It is anticipated that various limitations, including some of the following, should be considered:

First. A minimum claim limit should be established of not less than $100 or possibly a minimum as high as $300 or $500 on losses that will be covered.

Second. Clear definition must be made of what damage will be considered to constitute disaster damage.

Third. It may be desirable to limit insurance of contents and any movable fixtures to a coinsurance maximum of 75 or 80 percent so that the property owner will have strong incentive to make every effort to remove such items in danger when warned by the Federal and State agencies of the possibility of flood damage.

PROVISION OF RETROACTIVE INSURANCE COVERAGE ON A LIMITED BASIS

I doubt the advisability of retroactive insurance. However, if the Congress should feel these obligations should be assumed in this manner, then many new problems will arise which will quite materially slow down the ultimate acceptance of this bill. My thought would be that if the Congress feels that we can assume even a portion of the past costs of disaster, and I strongly favor this, then I feel that it should be done through direct grants rather than by retroactive insurance.

Mr. LEHMAN. Mr. President, I may state to the Senator from Kansas that I have been deeply interested in his remarks. As acting chairman of the Banking and Currency Committee, which held hearings in nine different places in the country, in connection with which my esteemed colleague from Connecticut [Mr. BUSH] was active and very, very helpful and useful, I wish to say that I do not believe there is anything more important than agreement on a pattern of legislation which will make it possible for people to obtain insurance at reasonable rates to protect themselves against damages from floods and other natural disasters. I am pleased, as was the Senator from Kansas, to read the expression of interest in the President's message. I look forward to receiving his specific recommendations at an early date.

We have sought them for 3 months and have not yet received them. I am looking forward to the specific recommendations to be made by the President as he has promised in his message.

I assure the Senator from Kansas that the Banking and Currency Committee will take action on whatever recommendations may be made by the Senator from Connecticut or by any other Senator as promptly as may be possible.

Mr. CARLSON. Mr. President, I wish to commend the Senator from New York for his promise to take early action on this particular proposed legislation. In view of the recurrence of such disasters from time to time, I think it is a program which requires study; and I earnestly hope the study will be promptly made and will be fruitful of results.

Mr. CASE of South Dakota. Mr. President, I wish to join in the statement made by the Senator from Kansas. The Senator from Connecticut [Mr. BUSH] has certainly been tremendously concerned in the problem. I have seen evidence of his activity in the Committee on Public Works, and I am sure there will be considerable support for his proposal.

STATEMENT BY SENATOR MORSE ON THE STATE OF THE UNION MESSAGE

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a brief statement I have released on the state of the Union message.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The state of the Union message presents a view of the world and domestic problems through rose-colored glasses.

Claims are made for the achievements of the administration's foreign policy that do not accord with the facts. The interests of the free world in recent months have suffered many unnecessary setbacks. In the Middle East, in the Far East, at the United Nations, and in Europe the Communists have won great gains abetted by fumbles by our State Department.

The President's state of the Union message merely promises more of the same. What is needed is a policy of vision and vigor to win free peoples to the way of freedom by aggressive aid and loans and anticolonialism. In years past this administration claimed it had taken the initiative in world affairs. If it ever had it, it has most certainly lost it.

DOMESTIC AFFAIRS

The message tips the administration's hat to each of the major domestic problems we face. It expresses great "faith," but is regrettably deficient in "works."

There is little hope that this administration will improve on its dismal performance in the field of flood control and power development. Immediately after a year of tragic floods the administration continues its give-away partnership proposals and promises no more than continued disaster aid when what

is needed is a large-scale program of flood control and associated power development to prevent repetition of disasters.

The tax proposals in the message achieve a look of fairness. They come after a record Republican tax giveaway to big business by the 1954 Republican tax law. The shocking fact is that 77 percent of the Republican tax reduction, about which the President boasts, went to large corporations and individuals earning over $5,000 a year. The bulk of individual relief was concentrated in the higher brackets. The millions of low income families in America have not received the tax relief to which they are entitled. I am confident that the Democrats in Congress will make every effort to remedy some of those tax giveaways and substitute tax relief for low and middle income families.

The administration has been under heavy pressure to reverse its shortsighted policies on aid to education, highway construction, medical aid and research. This message does no more, however, than comment that these are problems. Indeed, they are pressing problems which the administration has increased by inaction and opposition to Democratic proposals.

The message promises much. This administration has yet to demonstrate that it will do anything but continue its programs of big-business-banking favoritism, while the general public interest receives lip service.

PROPOSED NATURAL GAS LEGISLATION

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an editorial entitled "Majority Leader's Leadership," which was published in the Washington Post and Times Herald of today. The editorial comments on the Harris-Fulbright bill in reference to the parliamentary procedure the editors of the Post seem to think the majority leader should adopt in respect to the bill. Apparently the editors of the Post think the bill should be pigeonholed.

In commenting on the Washington Post editorial, I wish to make this brief observation: As a liberal, I believe in the democratic process in the Senate of the United States. As a liberal, I wish to make it clear that I am opposed to bottling up legislation. There may be a prolonged debate on the Harris-Fulbright bill, but I say let us get on with it, because the people of the United States are entitled to have the Senate vote on this proposed legislation.

The bill has passed the House of Representatives. It has been reported to the Senate by the Committee on Interstate and Foreign Commerce by a vote of 11 to 4. In my judgment, we ought to dispose of the bill at an early date in this session of the Senate. I am opposed to any attempt to prevent this bill coming to a vote after a full and fair debate. It has been on the calendar for months. From a parliamentary-procedure standpoint it is ready for debate. Let us have it.

I shall fight the bill. I wish to make it very clear, as one who from time to time has engaged in filibusters in the Senate, and shall again in the future, that I never engage in a filibuster which seeks to prevent a vote from ever occurring on proposed legislation. I shall never hesitate to engage in prolonged debate on any highly controversial bill whenever I think it is necessary to inform the Senate about the merits of the bill or it is necessary to arouse the people of the country to an understanding of what is involved in a bill. Such a filibuster, if anyone wants to call it that, is always justified. Sometimes it is necessary to stop parliamentary steamrollers such as we faced with the administration's executive pay bill. But after a bill has been thoroughly debated or a steamroller has been blocked, then further prolonged debate cannot be justified. When that point is reached we ought to vote in the Senate on the proposed legislation. We should vote in the Senate on the Harris-Fulbright bill after it is thoroughly debated. I see no need for any filibuster in connection with the bill in light of the present parliamentary situation.

As a liberal, I wish to go on record in the Senate today as being against any parliamentary maneuver which seeks to bottle up the Harris-Fulbright bill, the Washington Post editorial to the contrary notwithstanding.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MAJORITY LEADER'S LEADERSHIP

The hearty welcome extended to Senator LYNDON JOHNSON by the Vice President and by his Senate colleagues is warmly seconded by the Senator's many friends in Washington. His encouraging recovery from his heart attack is gratifying to Americans of all political persuasions who are concerned with effective action by Congress. As majority leader, Senator JOHNSON has demonstrated a fine understanding of the rights of the minority and a desire to subordinate partisan considerations to the national good. Few men could have come nearer meeting the requirements which these times have demanded of a Senate leader who is not a member of the President's party. In this sense he has occupied a unique position in relation to the administration and has won the respect of members of both parties.

We speak of the Senator's unique position as a conciliator not unmindful of a serious challenge to it. He is under strong pressure to bring up at the beginning of the session the Harris-Fulbright natural gas bill, designed to overturn a Supreme Court decision asserting the right of the Federal Power Commission to fix natural-gas prices at the wellhead. There is powerful and growing opposition to this measure not only in the Senate but on the part of natural-gas distributors and communities dependent upon gas as a fuel. It would be a mistake, at this time particularly, to try to force this measure through the Senate.

There are enough urgent measures before the Senate to occupy its full attention during this election year, when the session will be somewhat shorter than usual because of the desire to adjourn before the political conventions. Debate on the natural gas bill could last for weeks and engender much bitterness. Senator JOHNSON'S party particularly would suffer from such a divisive debate because of the threat of a civil-rights amendment as a countermeasure and the danger of a civil-rights filibuster. The disruption which such debate in all probability would cause at the outset could mar the whole performance of Congress and seriously blight the prospect of a productive session.

Mr. HUMPHREY. Mr. President, I was very much interested in what the senior Senator from Oregon [Mr. MORSE] said with reference to the so-called Harris-Fulbright bill, the natural gas bill. I have already expressed to the Democratic Policy Committee my view as to this proposed legislation.

I, too, feel that it would be unethical and very sad parliamentary practice to try to stop the consideration of a bill by bottling it up at the discretion of the majority leader, at the discretion of the Policy Committee, or at the discretion of any other group in the Senate. I feel that proposed legislation should be debated on its merits.

I think the Senator from Oregon and, I feel certain, the Senator from Connecticut [Mr. BUSH], also, know that I am opposed to the gas bill. I want to make my record, submit my case, fight the issue out, and then have the bill come to a vote.

I digress to say that I do not condone such tactics as the adding of nongermane legislation or nongermane commitments. I want to make the record quite clear that I do not believe that civil rights measures should be added as amendments to a gas bill. I believe in a civil rights program. I want the Senate to vote on a civil rights program in a civil rights bill. But I would not want to have added any kind of nongermane legislative policy to any bill in order to try to stifle the consideration of the bill or to kill it.

I believe it is wrong to assume that the majority leader, the majority whip, or the minority leader has the right in the Senate to lay down the law and to bottle up legislation. I know that that is not the wish of either the majority leader or the minority leader.

I simply desired to make my own position clear now. If the majority leader could stop this bill from being considered, he could stop some others. I do not want him to stop the natural gas bill or other bills. Let us consider bills on their merits.

FLOOD DAMAGE IN OREGON AND NEIGHBORING STATES

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the body of the RECORD at this point, as a part of my remarks, a newsletter which I sent to my constituents under date of December 30, 1955, dealing with the terrible flood disaster which struck our State and our neighboring States within recent weeks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

SENATOR MORSE REPORTS

FELLOW OREGONIANS: When those of us in my Washington, D. C., office heard the first radio reports on the terrible recent flood tragedy which struck Oregon and our neighboring States we hoped that the situation was not as serious as reported. I immediately put in telephone calls to the Washington, D. C., press services and to the United States Army engineers and they confirmed the seriousness of the disaster. Further calls to the Washington, D. C., headquarters of the American Red Cross and to the Civilian Defense Office and to the United States Army engineers gave me assurance that everything was being done and would be done to rush relief and assistance to the victims of the disaster.

I have kept in daily contact with Oregonians, all the Federal Government agencies that have disaster-relief jurisdiction, and with the American Red Cross, and I

have transmitted to them whatever information has been made available to my office which we thought might be of assistance to them. High commendation is due our Government agencies and the American Red Cross for the great dispatch with which they have responded to the tragedy. It is thrilling and reassuring to our faith in democracy to see how we Americans always present a united front in the fact of any emergency or great disaster.

I particularly wish to make a plea in this letter for a generous response to the needs of the American Red Cross. Once again it has rushed to the relief of stricken fellow citizens. The ministrations to the suffering of this great humanitarian, voluntary organization deserve the generous support of each one of us who has been spared the suffering and losses of our neighbors in this disastrous flood. We should remember that at almost any time through a change of events and happenstance we may very well find ourselves in a plight calling for Red Cross assistance. In a sense, the Red Cross might be described as the workshop of our people's conscience, or as the citadel of America's humanitarian impulses dedicated to keeping faith with the spiritual teaching that we are our brother's keeper.

Following my request to the Washington, D. C., headquarters of the American Red Cross for information about the flood disaster in Oregon and offering to the Red Cross the services of my Senate office in any way that we might be of assistance, I received the following wire from Mr. Ellsworth Bunker, president of the American National Red Cross:

"Greatly distressed over reports of human suffering and property destruction from floods in your State. Please assure those affected that total Red Cross resources are being made available to provide immediate emergency care and for necessary long-term assistance in rebuilding and repairing homes. CMA giving medical assistance. CMA providing furniture and other necessary items. We are moving in necessary trained disaster staff to assist Red Cross chapters in giving prompt aid to flood victims. Continuing assistance will be given until the job is finished."

I wish to say that, since receiving Mr. Bunker's wire, I have been advised time and time again by people in Oregon that the Red Cross, along with other relief agencies, both governmental and private, has been doing a herculean task of helping the flood victims.

I made the following reply to Mr. Bunker's wire:

"On behalf of the people of my State I want to express to you our deep appreciation and prayerful thanks for the great assistance that the Red Cross is rendering to the people of Oregon and the other areas of the West who are suffering from the terrible storm and flood disaster that has struck. Once again the Red Cross has put into action the humanitarian impulses and spirit of the American people. Please feel free to call upon me if I can be of any assistance in any way to you in the great work you are doing for the people of my State. Regards."

On the same day I wired to the President of the United States as follows:

"Mr. President, I am sure that I speak in behalf of all the people in Oregon in expressing to you our deep appreciation for everything you and the other officials of the administration are doing to help alleviate the terrible storm and flood tragedy that has struck my State of Oregon and the States of California, Washington, Idaho, and Nevada. All of us in Government, irrespective of partisanship, stand unified in carrying out our humanitarian obligations whenever tragedy hits our people. Please call upon me as a soldier in your ranks if I can be of any assistance to you in any way in connection with this serious disaster that has brought suffering to so many people of my State and of the West. I am sure that you will exercise all of the emergency powers you have in connection with this disaster and I am confident that Congress, when it reconvenes, will back you up in providing any supplemental appropriations that you need for your Presidential emergency funds. Respectfully * * *."

As you probably read in the press, immediately after the disaster struck the President issued instructions to Government agencies with disaster-relief powers to provide whatever help it was within their jurisdiction to make available in bringing relief to the stricken area. He certainly was justified in issuing such a blanket authorization because, as I pointed out in my wire to him, the Congress would never hesitate to appropriate whatever funds are necessary to carry out the purposes and intent of disaster-relief legislation.

On December 27 I received several reports from the Oakridge-Willamette City region from responsible citizens who feared another disaster in that area if a sudden thaw should come or heavy rains should start again. After doing some double checking on these reports in the Oakridge area with the Army engineers and after making several calls to Eugene, I was advised that the waters were receding and that the Oakridge-Willamette City area was out of immediate danger, subject, of course, to renewed danger if there should be a sudden change in the weather of the type feared by the Oakridge citizens who had appealed to me.

In view of the fact that, under existing law, a request for disaster relief from a Federal agency must come in the first instance from the State government, I felt that the Governor would appreciate my communicating to him the reports I had received from the Oakridge-Willamette City area. Therefore, I sent the Governor the following wire:

"Responsible leaders of Oakridge and Willamette City have called me several times today urging that emergency steps be taken to build temporary levees along the river in the Oakridge-Willamette City area to prevent threatened flood danger in case warm spell sets in creating sudden thaw or in case heavy rains start again. They represent to me that Army engineers and Civilian Defense personnel working in area are satisfied that temporary levees would be wise precaution. However, before taking matter up with you, I have checked with Army engineers and Civilian Defense offices here in Washington, D. C., and Army engineers have advised me that they think immediate danger has passed in Oregon flood areas, but they recognize that sudden thaw or return of several days of heavy rain might very well create serious situation which Oakridge-Willamette City spokesmen fear. Army engineers office advised me that under Public Law 99 they have authority to build temporary levees if requested by State government officials. I know you will appreciate my reporting to you requests which have been made of me by Oakridge-Williamette City spokesmen. I would appreciate it if you would have appropriate State officials look into this situation at once and advise you as to whether or not it would be a sound safety-first measure to call upon Army engineers to build some temporary levees in Oakridge-Willamette City area. Please be assured that if there is any assistance that I can render to your office in connection with the flood emergency which has struck our State, you need only ask for it. Regards."

The Governor replied:

"I have your wire on the Oakridge-Willamette City situation. I had been informed of this situation just today and have arranged for two Army engineers, two civil defense officials, and a highway engineer to inspect the levee tomorrow and report to me their findings. Will act in accordance with their recommendation as to what the situation requires. Appreciate your interest and will contact you on any matters where it is possible for you to assist in alleviating the suffering and repairing the damage caused by the current disaster. Regards."

I have made the foregoing report on the activities of my Senate office in connection with the Oregon flood disaster, because I am sure that the people in our State would appreciate the fact that public officials, irrespective of party, can always be counted upon to work together for the common good in any hour of emergency.

Out of this great disaster with its resultant suffering, loss of life, and property damage comes a signal lesson to all of us. This awful disaster proved that in those parts of the State where we have made considerable progress with flood-control projects, great protection was afforded our people. If we had not been prevented by shortsighted opposition from moving faster with river basin development, including very much needed flood-control projects for which many of us have been working so hard, the loss from this flood in human and material values would have been much, much less. Such a flood-control program as many of us have been fighting for, is completely justified from the standpoint of protecting human lives and preventing human suffering. However, if anyone wants to be materialistically minded about it, such a comprehensive flood-control program as we have been urging is bound to pay for itself in dollars and cents, as evidenced by the great economic losses of the present flood disaster.

No argument of governmental economy can justify a failure in our generation to take whatever flood-control safety measures are necessary to prevent such irreparable losses. This is not a matter of economy. This is not a matter of politics. This is a matter of just plain commonsense.

It is my prayer that in this next session of Congress commonsense will prevail and Members of Congress, irrespective of party, will proceed to appropriate funds for flood-control projects, combined wherever possible with power-development projects, anywhere in the country where the facts show they are needed. It is a proposal for a sound capital investment in the general welfare of our people.

You may be sure that I shall do everything that I can to help along a very much needed national flood-control program. If we have $56 million available as a United States contribution to a single dam in Egypt, we should make many more millions of dollars available to try to prevent a repetition of the great losses which were suffered by fellow American citizens in the East a few months ago, by other fellow Americans in the Mississippi Valley but a short time ago, and now by many of our fellow citizens in Oregon and other Western States.

Sincerely,

WAYNE MORSE.

Mr. MORSE. Mr. President, I wish particularly to invite attention to the closing part of the letter, which reads as follows:

Out of this great disaster with its resultant suffering, loss of life, and property damage comes a signal lesson to all of us. This awful disaster proved that in those parts of the State where we have made considerable progress with flood-control projects great protection was afforded our people. If we had not been prevented by short-sighted opposition from moving faster with river-basin development, including very much needed flood-control projects for which many of us have been working so hard, the loss from this flood in human and material values would have been much, much less. Such a flood-control program as many of us have been fighting for is completely justified from the standpoint of protecting human lives and preventing human suffering. However, if anyone wants to be materialistically minded

about it, such a comprehensive flood-control program as we have been urging is bound to pay for itself in dollars and cents, as evidenced by the great economic losses of the present flood disaster.

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FLOOD DISASTER RELIEF LEGISLATION

Mr. BUSH. Mr. President, I ask unanimous consent that I may speak for about 10 minutes beyond the 2-minute limitation under the rule, in order to comment on several bills I desire to introduce.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator from Connecticut may proceed.

Mr. BUSH. Mr. President, during the past year, the United States suffered the worst flood disasters in her entire history. The damages were as severe as those of war. Raging floodwaters, roaring down river channels with terrifying force, inflicted losses comparable to those which might result should a fleet of enemy bombers repeatedly penetrate our defenses and let loose a deadly rain of bombs.

Congress must come to grips at once with the problems arising from these catastrophes. One of the urgent needs is a sound, workable program of flood indemnity and reinsurance providing protection against losses—a program made available at a cost people can afford.

I am introducing in the Senate today in cooperation with my distinguished colleague [Mr. PURTELL] and other Senators, the so-called administration bill intended to provide such a program. It offers a sound base from which to start.

Mr. President, I send to the desk a bill entitled "National Flood Indemnity Act of 1956," and request that it be appropriately referred.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2862) to provide for a national flood indemnity and reinsurance program, and for other purposes, introduced by Mr. BUSH (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Banking and Currency.

Mr. BUSH. Mr. President, I ask unanimous consent that a statement describing the bill, together with a sectional analysis and the text of the bill itself, be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit A.)

Mr. BUSH. Mr. President, I am also introducing today a series of nine other measures arising from the flood disasters. In all or some of these measures, I am joined in sponsorship by my distinguished colleague from Connecticut [Mr. PURTELL] and other Members of the Senate.

I send these measures to the desk, Mr. President, and ask that they be appropriately referred.

I ask as to all these measures, unanimous consent to add the names of Senators for sponsorship through the close of business on Monday of next week.

The PRESIDING OFFICER. The bills will be received and appropriately referred; and without objection, the unanimous-consent request of the Senator from Connecticut is agreed to.

The bills, introduced by Mr. BUSH (for himself and other Senators), were received, read twice by their titles, and referred, as indicated:

To the Committee on Banking and Currency:

S. 2854. A bill to amend the National Housing Act, as amended;

S. 2855. A bill to provide authority to stockpile temporary housing for disaster relief, and for other purposes;

S. 2856. A bill to increase the amount of appropriations authorized for disaster loans, and for other purposes;

S. 2857. A bill to provide for Federal procurement of materials and supplies in major disaster areas, and for other purposes;

S. 2858. A bill to amend the Small Business Act of 1953; and

S. 2859. A bill to provide rent-free accommodations in certain federally aided housing for needy victims of major disasters, and for other purposes.

To the Committee on Public Works:

S. J. Res. 106. Joint resolution to establish a Northeastern United States Watershed Development and Flood Protection Commission.

S. 2860. A bill to authorize the construction of additional flood control reservoirs in the Connecticut River Basin; and

S. 2861. A bill to authorize an increase of emergency relief highway funds from $10 million to $30 million for the fiscal year ending June 30, 1956.

Mr. BUSH. Mr. President, I ask unanimous consent that brief descriptions of these bills be printed at this point in the RECORD, and that the text, together with certain explanatory material relating to some of the bills, be printed at the conclusion of these remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(For the texts, see exhibit B.)

The descriptions are as follows:

FLOOD CONTROL AND DISASTER RELIEF BILLS

1. To establish a Northeastern United States Watershed Development and Flood Protection Commission. The primary purpose of the proposed bipartisan Commission would be to integrate the work in this field carried on by diverse governmental agencies, and to serve as a gadfly to stimulate action. The resolution contains a specific stipulation that "nothing in this act shall be construed so as to delay the prosecution of any flood control or related projects recommended by the Corps of Engineers, Department of the Army, and authorized by the Congress, or of any flood control projects now or hereafter undertaken under the authority of the Watershed Protection and Flood Prevention Act of 1954."

2. To authorize the construction of additional flood control reservoirs in the Connecticut River Basin. These are Cold River, New Hampshire, and Littleville, Massachusetts, the only two in the plan recommended by the Corps of Engineers before the New England floods which lack authorization. Additional authorizations may become necessary as a result of the restudy requested by resolution of the Senate Public Works Committee, dated September 14, 1955. It is hoped that recommendations of the Corps of Engineers based on that restudy will be forthcoming early in the present session.

3. To increase the maximum term of disaster loans to business to 20 years, provide a maximum interest rate of 3 percent on such loans, and to strengthen sections of existing law relating to Government procurement from small business in disaster situations.

4. To remove the $25 million limit in present law on the total amount of outstanding catastrophe loans by the Small Business Administration.

5. To provide for Federal procurement of materials and supplies in major disaster areas, and for other purposes.

6. To provide rent-free accommodations in certain federally aided housing for needy victims of major disasters, and for other purposes.

7. To authorize a stockpile of demountable housing for use in disaster areas.

8. To increase from $7,000 to $12,000, the limit on FHA–100 percent guaranteed loans for repair or restoration of flood-damaged or destroyed homes.

9. To authorize an increase in emergency relief highway funds from $10 million to $30 million for the fiscal year ending June 30, 1956.

Mr. BUSH. Mr. President, I also introduce for appropriate reference a companion bill to that introduced this week by the majority leader of the House, Mr. MCCORMACK, to authorize the construction of flood-protection measures, with particular reference to areas where severe damages have recently occurred as the result of extreme rainfall accompanying hurricane storms.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2853) to authorize the construction of flood protection measures, with particular reference to areas where severe damages have recently occurred as the result of extreme rainfall accompanying hurricane storms, introduced by Mr. BUSH, was received, read twice by its title, and referred to the Committee on Public Works.

Mr. BUSH. Mr. President, other legislative action will be required which must originate in the House of Representatives. I refer, of course, to tax relief for flood victims, and to appropriations for flood and hurricane protection. Ample funds, just as much as can be spent without waste in the remainder of this fiscal year, in fiscal 1957, and in every succeeding year until completion, must be provided for protection against

inland flooding in New England, for acceleration of the hurricane survey authorized by the Bush Act—Public Law 71—to find methods of protection against coastal flooding, and for continued improvement in hurricane and flood warning services. It is my hope that early and effective action will be taken in the House, so that these matters can soon be acted upon by the Senate.

Mr. President, so far as the people of Connecticut and New England are concerned, there will be no more important domestic issues before this Congress than those arising from the flood disasters which have so sorely afflicted us and our sister States. The Congress must live up to its responsibilities to provide the protection and relief so urgently needed.

I have compared the flood damages to the damages resulting from war. Lest anyone think I exaggerate, I call as my witness Brig. Gen. Robert J. Fleming, Jr., New England division engineer for the Corps of Engineers, who, incidentally, has been outstanding this year in what he has done. He has been a great friend of the State of Connecticut and other stricken States. I do not know what we would have done without General Fleming.

Testifying at hearings of the Banking and Currency Committee at Providence, R. I., on November 10, 1955, General Fleming said:

> I was the deputy chief of staff of an Army corps in Europe which was given the job of mopping up the Ruhr, in the Ruhr pocket, after the surrender of that German Army group, and one of our jobs, of course, was to restore essential public facilities. Outside of the piles of rubble which were left around on the streets from the bombing of the buildings, the damage which this storm did in New England in 2 days to public facilities is just as great as we did by 3 years of bombing in the Ruhr. It is almost indescribable.

It is possible that so far as some areas were concerned, General Fleming understated the effects. There was rubble in abundance when the flood waters had passed. The entire Main street of Winsted, Conn., large sections of Torrington, Putnam, Waterbury, Ansonia, Naugatuck, and other communities in my State looked as if they had been smashed by block-busters.

Connecticut had the unhappy distinction of suffering the worst losses, in lives, in property, and in terms of human suffering, in the floods of August and October, 1955, which so cruelly afflicted the Northeast. More recently, California, Oregon, and Nevada experienced similar disasters, and earlier in the year, to lesser extent, New Mexico and other States felt the damaging effects of floods.

I know I speak for the people of Connecticut in extending heartfelt sympathy to our sister States who suffered major disasters, to the people of the West who even now are barely recovering from catastrophe, and to the Senators from those flood-affected Western States and from other States exposed to flood hazards, I pledge my cooperation in seeking the maximum amount of protection within human power against a recurrence of these terrible disasters. Some of them can be prevented if Congress acts wisely; the effects of all can be minimized if we enact sound programs, backed by necessary appropriations, in flood control, in flood indemnity and reinsurance and other fields of legislation.

It may be months before we can know the full toll taken by the flood disasters of 1955. On the west coast, the losses are just beginning to be tallied. Preliminary totals show a loss of at least 70 lives, and property damages of $150 million.

In the Northeast, more than 200 lives were lost. Still incomplete estimates of property damages range from approximately $500 million to $1,600,000,000, the former figure including only direct damages, the latter including indirect as well.

But cold statistics alone cannot measure the impact of these disasters upon the lives of the people in the river valleys of Connecticut and our stricken sister States. In terms of human suffering and distress, the losses are incalculable. The disruption of family life, and of community life in the immediate post-flood period, can only be fully realized by one who has visited the scenes of destruction and has trudged through the muck and filth left in the wake of the torrents. Those of us with sad experiences of that kind have had them seared indelibly on our souls, and the enduring memory reinforces a determination that Congress must act, and act promptly, in every field within its power to prevent a recurrence.

As we in Connecticut and New England see it, the time has come when the Congress should correct the neglect of the flood protective system for our State and region. In none of the major areas of the United States has the flood-control system recommended by the Corps of Engineers been completed. And New England has lagged far behind the rest. There should be continued progress in all areas, and a greatly accelerated program in New England to enable her to make up lost ground and gain even terms with the other major regions of the Nation.

The cost will not be prohibitive; indeed, when compared with other expenditures, it appears trifling. The Corps of Engineers has estimated that funds totaling approximately $270 million will complete the system of dams, reservoirs and local protective works needed to safeguard the New England States against inland flooding. This is less than the cost of a single dam among the series of great dams in the West and Southwest.

The money spent will be well invested. On a nationwide annual basis, for every dollar invested in flood control, we have received a $3 return in damages prevented. Many of the existing flood control works paid for themselves several times over in the recent floods. For example, the cost of the levees at Hartford and East Hartford, Conn., and Springfield, Mass., was $19 million, and damages prevented in August, 1955, alone totaled $33 million.

We of New England have no hesitancy in asking Congress to give us priority in this time of our urgent need. For many years past, we have contributed more heavily to the Federal Treasury than other regions, and have received but negligible returns.

Dr. Seymour Harris, of Harvard University, testifying in Boston before the Banking and Currency Committee, submitted some illuminating figures.

Referring to the Northeast as "the stepchild of the Treasury," Dr. Harris said that:

> Over a recent period of almost 20 years, the three major industrial States in New England (Massachusetts, Connecticut, and Rhode Island) received back but one-third as much relative to what was paid into the Federal taxes as five major southern industrial States (North Carolina, South Carolina, Georgia, Alabama, and Tennessee). Again, from 1934 to 1943, Massachusetts, Connecticut, and Rhode Island received back 60 cents for every dollar of Federal taxes borne (Connecticut only 40 cents).

In regard to flood control, Dr. Harris noted that—

> New England has in recent years received from flood control outlays about one-fifteenth of what might be expected on the basis of the size of her economy or needs.

He pointed out that New England received only 3 percent of the $10 billion authorized for flood control, and only one-third of 1 percent of the $1.8 billion appropriated in the last 5 years.

With that background, we think it not unreasonable to insist that the Congress give priority and sympathetic understanding to our needs.

And action must be taken just as soon as humanly possible. There is danger of more flood disasters in Connecticut and the other New England States next spring. This is no cry of an alarmist, but comes from a responsible source, General Fleming, the New England division engineer, who warned in November:

> Every pond is full, the ground water table is up, everything is saturated. With a freeze now and a moderate snowfall, then moderate spring rains, the situation will be very dangerous.

Let us make certain that nothing within our power is left undone to reduce the hazard. The Congress must not fail the people of Connecticut and the Northeast.

EXHIBIT A

STATEMENT BY SENATOR BUSH CONCERNING THE BILL ENTITLED "NATIONAL FLOOD INDEMNITY ACT OF 1956"

I am introducing in the Senate today, by request and in cooperation with other Senators, a bill entitled "National Flood Indemnity Act of 1956." This draft seeks to provide a sound, workable program of flood indemnity and reinsurance which the people will be able to purchase at reasonable cost.

Major features of the bill include the following:

1. It provides a 5-year experimental program of flood indemnity and reinsurance conducted by the Federal Government in cooperation with the States and private insurers.

2. The word "flood" is defined to include coastal as well as inland flooding.

3. An individual purchasing an indemnity contract would pay 60 percent of the estimated premium, a participating State 20 percent, and the Federal Government the remaining 20 percent. Additionally, the Federal Government absorbs all administrative costs.

4. Individual indemnity contracts may be issued to a maximum of $250,000. Each would contain a deductible clause—$300 plus 10 percent of the claim.

5. The maximum amount of outstanding indemnity obligations is established at $1,900,000,000 with the President empowered to authorize an additional $1 billion.

6. Reinsurance, to the total amount of $100 million, is provided to enable private insurers to offer types of flood insurance which otherwise would be unavailable.

7. Administration of the program is vested in a Federal Flood Indemnity Administration under the jurisdiction of the Housing and Home Finance Agency.

The flood disasters of this past year which have so cruelly afflicted my own State of Connecticut and other States have demonstrated the urgent need for a flood indemnity and reinsurance program. As the staff study for the Committee on Banking and Currency has pointed out, this is the only kind of natural disaster against which private insurers do not provide protection.

It is essential that the Congress act to fill this gap in the protection needed by the householder, small-business man and manufacturer. Two types of programs, one limiting coverage to floods alone, and the other attempting to blanket in all other types of natural and manmade disasters, and war risks as well, have been under consideration by the Committee on Banking and Currency.

After mature consideration, I have concluded that a program dealing with flood indemnity and reinsurance alone is the soundest and has the best chance of adoption by the Congress and becoming law. If we should overload a bill with coverage against other types of natural disasters not only would we engage in socialistic competition with private enterprise but we also would run the danger of having the entire program fall of its own weight.

So far as war risks are concerned, the best insurance is a strong national defense. The losses involved, should we ever be subjected to an enemy attack of A-bombs and H-bombs, are so vast and incalculable that it would be utterly impracticable to attempt to insure against them. Fortunately, we are now at peace, subject though it be to the fluctuating temperatures of the so-called cold war. Should that peace be broken and we are attacked, the Congress will no doubt consider an indemnification program.

The need for protection against losses caused by floods has been amply demonstrated. So has the inability of private insurers to provide such protection. Let us concentrate our attention on the proven need and enact legislation by which the Federal Government, in partnership with the States and private companies, can meet it.

This is frankly an experimental 5-year program. As such, it contains an overall limitation on outstanding flood indemnity contracts of $1,900,000,000 increasable to $2,900,000,000 within the discretion of the President, and of $100 million on reinsurance. Because of the overall limitation on indemnity contracts, it was necessary to limit coverage to a single individual to $250,000.

This is ample to meet the needs of householder, the butcher, baker, and other small proprietors on Main Street, the farmer and the owners of small manufacturing enterprises. These folks need protection the most. They would be able to buy, at the most reasonable cost within limits of practicality, coverage against flood losses to their homes and other real property, household effects, business inventories, stored agricultural commodities, and other personal property for which protection is not now available.

Although many large corporations suffered heavy losses in the 1955 floods, they are in a better position to withstand them. Many are in a position to act as self-insurers; all are entitled to tax deductions not available to ordinary individuals.

One other point deserves mention. Each indemnity contract would contain a deductible clause—$300 plus 10 percent of the claim. This was provided, not only to eliminate the administrative expense involved in processing small "nuisance" claims, but also to discourage the invitation to disaster which lies in encroachments on river channels and high-water marks, and to encourage individuals situated in hazardous locations to take steps to protect themselves. It is allied with another provision authorizing the Administrator of the program to consult with other Federal, interstate, State, and local agencies on flood-zoning and related matters.

If coupled with an accelerated program of flood and hurricane control, as I earnestly hope it will be, I believe this program will provide substantial protection to the people of my State and other States who now have no way to safeguard themselves against crippling losses.

S. 2862

A bill to provide for an experimental national flood indemnity and reinsurance program and for other purposes

Be it enacted, etc., that this act may be cited as the "National Flood Indemnity Act of 1956."

CONGRESSIONAL FINDINGS AND DECLARATION OF PURPOSE

SEC. 2. The Congress hereby finds and declares that the recurrence of disastrous floods in the United States interferes with the production of goods and furnishing of services, impairs the free flow of interstate and foreign trade and commerce, causes widespread hardship and economic distress, and has a general adverse effect on the Nation's welfare. The Congress hereby further finds and declares that at present there is not generally available to the people of the United States any program through private enterprise which is adequate to provide reimbursement for damage to and loss of property as a result of such floods. It is therefore the purpose of this act to promote the national welfare by (1) making available, in cooperation with the various States, a program of indemnities with respect to certain types of property damaged or lost as a result of floods and (2) making available a program of reinsurance by the Federal Government of private insurers who underwrite certain flood risks.

DEFINITIONS

SEC. 3. As used in this act the term—

(a) "Administrator" means the Housing and Home Finance Administrator;

(b) "Person" means an individual or group of individuals, corporation, partnership, association, or any other organized group of persons, including State and local governments and agencies thereof;

(c) "Real property" means land, interests in land, and improvements on land which are permanently affixed to the land;

(d) "Insurable interest" means any right, title, interest or other property right, legal or equitable, in and to property and any other interest, benefit, or advantage with respect to property which, in the determination of the Administrator, is an insurable interest for the purpose of this act by reason of being of such nature that any loss or destruction of or damage to such property would result in an immediate and direct pecuniary loss to the person having such other interest, benefit, or advantage; and

(e) "United States," when used in a geographical sense, means the several States, the District of Columbia, the Territories of Alaska and Hawaii, the Commonwealth of Puerto Rico and all other territories of the United States.

(f) "State" includes the several States, the District of Columbia, the Territories of Alaska and Hawaii, the Commonwealth of Puerto Rico, and all other Territories of the United States.

TITLE I—INDEMNITIES

SEC. 101. Subject to the provisions of this act and such terms and conditions as the Housing and Home Finance Administrator may prescribe, the Administrator is hereby authorized to issue indemnity contracts obligating the United States to indemnify persons for damage to or loss of real property, business inventories, stored agricultural commodities, household effects, and such other personal property as he may determine, as a result of floods occurring within the limits of the United States. For purposes of this act, the term "flood" shall include rising water caused by tide, wind, or rain and shall have such further meaning as prescribed by regulation of the Administrator.

SEC. 102. Indemnity contracts issued under this act shall be subject to the payment of fees established by the Administrator. Such fees shall be based on consideration of the risks involved and the desirability in the public interest of providing indemnity protection at reasonable cost, and shall be uniform throughout the United States for similar risks: *Provided*, That in establishing such fees the Administrator shall set up estimated rates which would be necessary to provide an adequate reserve to pay all claims for losses over a reasonable period of years: *And provided further*, That no indemnity contract shall be issued for a fee less than 60 percent of such estimated rate, nor unless the State, in which the property covered by the indemnity contract is located, has paid into the Federal flood indemnity fund (hereinafter created), to the extent of such contract, an amount equal to 50 percent of the difference between the fee so charged and the estimated rate. The United States shall pay into such fund an amount equal to the State's contribution, for each indemnity contract issued, appropriations for which are hereby authorized. All administrative expenses of the Federal Government under this act shall be paid from funds appropriated by the Federal Government as authorized in section 304.

SEC. 103. The Administrator shall, by regulation, provide for the determination of (1) the types and location of property with respect to which indemnities shall be provided; (2) the nature and limits of losses or damage which may be covered by such indemnity contracts; (3) the fees, terms and conditions of such indemnity contracts; and (4) such other matters as may be necessary to carry out the purposes of this act. The Administrator may decline any application or risk and may issue from time to time such regulations with respect to the classification, limitation and rejection of risks and such regulations regarding coverage available to joint owners and subsidiary and affiliated corporations as he shall deem appropriate to effectuate the purposes of this act.

SEC. 104. No indemnity shall be provided under this act, (1) to any person without an insurable interest in the property covered; or (2) if insurance covering such property from the risk of floods is obtainable at reasonable rates and upon reasonable conditions from companies authorized to carry on insurance business in any State or if such insurance is provided by any public program.

SEC. 105. No indemnity contract or contracts shall be issued to any person obligating the United States in excess of $250,000 in the aggregate. The approved amount of any claim under an indemnity contract shall be reduced by $300, plus 10 percent of the remainder, or by such larger amount or percentage as may be prescribed in the indemnity contract.

SEC. 106. The aggregate amount of obligations under indemnity contracts outstanding and in force at any one time under this title shall not exceed $1,900,000,000, except that, with the approval of the President, such aggregate amount may be increased by not to exceed $1,000,000,000. Within the limitations herein prescribed, the Administrator shall from time to time determine the aggregate amount of such obligations which may be outstanding and in force under this title, at any one time, in particular geographical areas of the United States, taking into account the needs of persons in such areas for such indemnity protection.

TITLE II—REINSURANCE

SEC. 201. The Administrator is authorized to provide reinsurance of insurance companies, under any plan or plans of reinsurance, as he determines will best effectuate the purpose of this act, against loss on account of insurance issued by such companies against damage to or loss of real or personal property, due to floods occurring within the United States, as may be necessary to enable such companies to provide such insurance where it would otherwise be unavailable.

SEC. 202. The Administrator shall prescribe premium rates for the reinsurance he makes available under authority of this act and the terms and conditions under which, and the areas and subdivisions thereof within which, each rate shall be applicable. All such rates shall be based upon consideration of the risks involved and shall be adequate, in the judgment of the Administrator, to cover all claims for losses under reinsurance agreements over a reasonable period of years. All such rates shall be uniform throughout the United States for similar risks.

SEC. 203. The Administrator may by regulation provide for the determination of (1) the types of property with respect to which reinsurance will be granted, (2) the maximum premium rate permissible to be charged for any policy of insurance reinsured under the provisions of this act, (3) the nature and limits of losses or damage which may be covered by such policies, (4) provisions which must be contained in such policies, and (5) such other matters as may be necessary to carry out the purposes of this title.

SEC. 204. Reinsurance shall be provided by the Administrator under this act only to the extent that it is not otherwise available at reasonable rates and upon reasonable conditions from private sources.

SEC. 205. The aggregate amount of reinsurance outstanding and in force at any one time under this title shall not exceed $100 million.

TITLE III—ADMINISTRATION AND FINANCING

Federal Flood Indemnity Administration

SEC. 301. (a) There is hereby established a Federal Flood Indemnity Administration as a constituent unit in the Housing and Home Finance Agency at the head of which shall be a Commissioner, appointed by the Administrator, who shall be paid at the same basic rate of compensation established for the Commissioners of the other constituents of the Housing and Home Finance Agency.

(b) Section 101 of the Government Corporation Control Act, as amended, is hereby amended by inserting the words "Federal Flood Indemnity Administration," after the words "Federal Housing Administration."

(c) In the performance of, and with respect to, the functions, powers, and duties vested in him by this act, the Administrator, notwithstanding the provisions of any other law, shall maintain an integral set of accounts which shall be audited annually by the General Accounting Office in accordance with the principles and procedures applicable to commercial transactions as provided by the Government Corporation Control Act, as amended, and no other audit shall be required: *Provided*, That such financial transactions of the Administrator as the issuing of indemnity contracts and the making of reinsurance agreements, and vouchers approved by the Administrator in connection with such financial transactions, shall be final and conclusive upon all officers of the Government.

Financing

SEC. 302. To carry out the functions authorized by this act, the Administrator shall establish a Federal flood indemnity fund and a Federal flood reinsurance fund. All indemnity fees and all payments by the Federal Government and by States pursuant to section 102 of this act shall be deposited in the Federal flood indemnity fund. All reinsurance premiums collected under section 202 of this act shall be deposited in the Federal Flood Reinsurance Fund. Moneys in both such funds may be invested in obligations of the United States or in obligations guaranteed as to principal and interest by the United States. Such obligations may be sold and the proceeds reinvested as provided herein if deemed advisable by the Administrator. Income from such investment and proceeds from properties acquired under this act shall be deposited in the respective funds.

SEC. 303. In order to finance activities under this act, the Administrator is authorized to issue to the Secretary of the Treasury, from time to time, notes and other obligations in an amount not exceeding $500 million outstanding at any one time. Such obligations shall be in such forms and denominations, have such maturities, and be subject to such terms and conditions, as may be prescribed by the Administrator with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average rate on outstanding marketable obligations of the United States of comparable maturities as of the last day of the month preceding the issuance of such notes or obligations. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations of the Administrator to be issued hereunder and for such purpose the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under such act, as amended, are extended to include any purchase of such notes and obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this section. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States. Funds borrowed under this section shall be deposited in such proportions as the Administrator deems advisable in the Federal Flood Indemnity Fund and the Federal Flood Reinsurance Fund.

SEC. 304. Moneys in the Federal Flood Indemnity Fund and in the Federal Flood Reinsurance Fund may be used for the following purposes as deemed necessary by the Administrator: (1) to pay from the Federal Flood Indemnity Fund approved claims for losses under indemnity contracts and other expenses incurred under title I of this act, and (2) to pay from the Federal Flood Reinsurance Fund approved claims under reinsurance agreements and other expenses incurred under title II of this act, and (3) to pay to the Secretary of the Treasury sums borrowed from him, with interest, in accordance with the provisions of section 303 of this title: *Provided*, That no administrative expenses of the Federal Government shall be paid from either of such funds. There is hereby authorized to be appropriated such sums as may be necessary for administrative expenses of the Federal Government under this act.

SEC. 305. In the event that the Administrator is unable to pay any valid claim under any indemnity contract or any reinsurance agreement, the Secretary of the Treasury shall pay the amount thereof which is hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated.

TITLE IV—GENERAL PROVISIONS

Participation by private companies and public agencies

SEC. 401. The Administrator shall encourage the maximum participation of private companies in providing indemnities and reinsurance under this act. Notwithstanding the provisions of any other law, the Administrator is authorized and directed to utilize the facilities and services of other public agencies or private insurance companies and of established insurance agents and brokers and established insurance adjustment organizations to the maximum extent which he shall deem practicable and consistent with providing such protection at minimum cost and he may arrange and contract for payment of reasonable compensation for such services. The Administrator is hereby authorized to enter into agreements with private companies prescribing their respective rights and obligations and providing for any such company to act as underwriting agent or claim agent or both on behalf of the Administrator.

SEC. 402. The Administrator shall from time to time consult with representatives of the insurance industry and shall make continuing studies and investigations for the purpose of developing methods for expanding the reinsurance program and for facilitating the ultimate assumption of all flood risks by private insurance carriers.

SEC. 403. On or before January 3, 1961, the Administrator shall transmit a report to the President, for submission to the Congress, on the functions, organization, and accomplishments under this act, including information on the extent to which private insurance companies have participated in the indemnity and reinsurance programs established under the act. This report shall contain such recommendations as the Administrator deems appropriate including, however, either (1) a recommendation for such legislation as may be necessary for the termination of the Government programs under this act and an assumption of flood risks by private insurance companies, or (2) an explanation as to why such legislation at that time would not be feasible or desirable.

Payment of claims

SEC. 404. (a) Under such regulations as the Administrator may prescribe he shall adjust, compromise, and pay claims, either directly or through agents, for losses covered by indemnity contracts and reinsurance agreements under this act. No claim shall be approved in an aggregate amount which exceeds the actual cash value of the damaged or lost property or the cost of replacing, repairing, or rebuilding the said property with material of like kind and quality (less depreciation at the time of damage or loss), whichever is lower.

(b) Upon disallowance of any claim or upon refusal of a claimant to accept the amount allowed by the Administrator, the claimant, within 1 year after the date of mailing notice of disallowance or partial disallowance by the Administrator, may institute an action against him on such claim in the United States District Court for any district in which the property covered or a part thereof is situated. The Administrator shall appoint one or more agents within the jurisdiction of each United States district court upon whom service of process can be made in any action instituted under this section. Exclusive jurisdiction is hereby

conferred upon such courts, sitting without juries, to hear and determine such actions without regard to the amount in controversy.

Coordination with other programs

SEC. 405. (a) In carrying out the functions authorized in this act, the Administrator may consult with other agencies of the Federal Government and interstate, State, and local public agencies having responsibilities for land-use and flood control and for flood-zoning and flood-damage prevention in order to assure that the indemnity and reinsurance facilities offered are consistent with the programs of such agencies. Where the program of the Administrator may affect existing or proposed flood-control works under the jurisdiction of agencies of the Federal Government these agencies shall cooperate with the Administrator in coordinating their respective programs. The Secretary of Agriculture and the Administrator shall coordinate the administration of their respective programs relating to flood indemnities, insurance, and reinsurance for agricultural commodities.

(b) The Administrator may receive from, or exchange with, any State insurance commission or agency or any private corporation or association experienced in the problems of indemnities, insurance, or reinsurance, such information as may be helpful in the establishment of indemnity fees and reinsurance premiums and the administration of the programs authorized under the provisions of this act.

Additional powers

SEC. 406. For the purpose of carrying out functions under this act the Administrator may:

(a) sue or be sued;

(b) notwithstanding the provisions of any other law and without regard to sections 3648 and 3709 of the Revised Statutes, as amended (31 U. S. C. 529 and 41 U. S. C. 5) and section 322 of the act of June 30, 1932, 47 Stat. 412, as amended (40 U. S. C. 278a), enter into and perform contracts, leases, cooperative agreements, or other transactions, on such terms as he may deem appropriate, with any agency or instrumentality of the United States, or with any State or agency or political subdivision thereof, or with any person, firm, association, or corporation and consent to modification thereof, and make advance or progress payments in connection therewith;

(c) Notwithstanding the provisions of any other law and without regard to sections 3648 and 3709 of the Revised Statutes, as amended (31 U. S. C. 529 and 41 U. S. C. 5) and section 322 of the act of June 30, 1932, 47 Stat. 412, as amended (40 U. S. C. 278a), by purchase, lease or donation acquire such real and personal property and any interest therein, make advance or progress payments in connection therewith, and hold, use, maintain, insure against loss, sell, lease or otherwise dispose of such real and personal property as the Administrator deems necessary to carry out the purposes of the act;

(d) appoint, pursuant to civil service laws and regulations, such officers, attorneys and employees as may be necessary to carry out the purposes of this act; fix their compensation in accordance with the provisions of the Classification Act of 1949, as amended; define their authority and duties; require bonds from such of them as may be necessary; and delegate to them and authorize successive redelegations by them, of such of the powers vested in him by this act as he may determine;

(e) notwithstanding the numerical limitation in section 505 of the Classification Act of 1949, as amended, the Administrator may establish and place 1 position in grade GS–17, and 2 positions in grade GS–16 in carrying out the functions vested in him by this act, which positions shall be in addition to any positions presently allocated to the Housing and Home Finance Agency under said section 505.

(f) conduct researches, surveys and investigations relating to flood indemnities and reinsurance and assemble data for the purpose of establishing fees and premiums for flood indemnities and reinsurance under this act;

(g) issue such rules and regulations as he deems necessary to carry out the purposes of this act;

(h) exercise all powers specifically granted by the provisions of this act and such incidental powers as are necessary to carry out the purposes of this act.

Exemption of claims from levy

SEC. 407. Claims under any indemnity contract or reinsurance agreement under this act shall not be liable to attachment, levy, garnishment, or any other legal process before payment to the insured, or to deduction on account of the indebtedness of the insured or his estate to the United States except claims of the United States arising under this act.

Reservation of rights in real estate acquired

SEC. 408. The acquisition by the Administrator of any real property pursuant to this act shall not deprive any State or political subdivision thereof of its civil or criminal jurisdiction in and over such property or impair the civil rights under the State or local law of the inhabitants on such property.

Taxation

SEC. 409. Nothing in this act shall be construed to exempt any real property, acquired and held by the Administrator in connection with the payment of any claim under this act, from taxation by any State or political subdivision thereof, to the same extent, according to its value, as other real property is taxed.

Separability of provisions

SEC. 410. If any provision of this act or the application of such provision to any person or circumstances, shall be held invalid, the remainder of the act and the application of such provision to any person or circumstance other than those to which it is held invalid shall not be affected thereby.

SECTION-BY-SECTION ANALYSIS OF NATIONAL FLOOD INDEMNITY REINSURANCE BILL

SECTION 1—SHORT TITLE

This section provides that the act may be cited as the "National Flood Indemnity Act of 1956."

SECTION 2—CONGRESSIONAL FINDINGS AND DECLARATION OF PURPOSE

In this section Congress makes a finding that the recurrence of disastrous floods interferes with production, impairs the flow of commerce and causes widespread economic distress. The Congress further finds that there is not available through private sources any program to provide reimbursement for the losses resulting from such floods. The Congress therefore proposes to promote the general welfare by making available 2 programs—(1) a program of flood indemnities in cooperation with the various States, and (2) a program of reinsurance of private insurers who insure against flood risks.

SECTION 3—DEFINITIONS

This section defines the term "Administrator" to mean the Housing and Home Finance Administrator and the term "person" to mean an individual or group of individuals, corporation, partnership, association, or any other organized group of persons, including State and local governments and agencies thereof. The section also defines the terms "real property," "insurable interest," "United States," and "State" as used in the act.

TITLE I—INDEMNITIES

Section 101

This section authorizes the Administrator to issue indemnity contracts to persons for damage to or loss of real property, business inventories, stored agricultural commodities, household effects, and such other personal property as he may determine, resulting from floods. Floods are to be defined by the Administrator; the term shall include, however, rising water caused by tide, wind, or rain.

Section 102

This section provides for the payment of a fee by the person indemnified. In general, the fees shall be established on consideration not only of the risks involved but also the desirability of providing such protection at reasonable cost. The fees shall be uniform throughout the United States for similar risks.

In establishing fees for indemnity contracts, the Administrator is required to set up a schedule of "estimated rates," for different types of contracts, which would be sufficient to establish an adequate reserve for the payment of claims (but not administrative expenses). The fee charged the person indemnified cannot be less than 60 percent of the "estimated rate." The Administrator may not issue any indemnity contract unless the State in which the property is located has paid into the Federal Flood Indemnity Fund an amount equal to 50 percent of the difference between the fee charged and the "estimated rate." The United States is required to match all State contributions for every indemnity contract issued. Appropriations are authorized for the Federal contributions. This section also provides that all administrative expenses of the Federal Government shall be paid out of funds appropriated by the Federal Government.

Section 103

This section authorizes the Administrator to determine by regulation the types and location of property and the nature and limits of damage or loss which may be covered by indemnity contracts, as well as the fees, terms, and conditions of such contracts. It also authorizes the Administrator to classify, limit, and reject risks and to issue regulations concerning coverage available to joint owners, and subsidiary, and affiliated corporations.

Section 104

This section provides that no indemnity contract shall be provided if (1) the person to be insured does not have an insurable interest in the property; or if (2) similar coverage is obtainable at reasonable rates and upon reasonable conditions from private companies or is obtainable under any other public program.

Section 105

This section provides that the maximum coverage in favor of any one person (as defined in the act), under one or more indemnity contracts, shall be $250,000. Each indemnity contract shall be subject to a coinsurance provision under which the amount of any valid claim would be reduced by $300 plus 10 percent of the remainder of the claim or by such larger amount and/or percentage as the Administrator may determine.

Section 106

This section provides that the liability of the United States under indemnity contracts in force at any one time shall not exceed $1,900 million. The President may increase this amount by not to exceed $1 billion. The Administrator may determine the aggregate amount which may be in force at any time in particular geographical areas.

TITLE II—REINSURANCE

Section 201

This section authorizes the Administrator to reinsure private insurance companies

against loss on account of insurance, issued by such companies against flood risks, covering real or personal property. The Administrator is authorized to select the plan or plans of reinsurance which he believes will best effectuate the purposes of the act. Reinsurance is to be provided only where such insurance would not otherwise be available.

Section 202

This section authorizes the Administrator to prescribe premium rates for reinsurance made available under the act. The premium rates shall be based on the risks involved and must be adequate, in the judgment of the Administrator, to establish a reserve for all losses. No consideration shall be given to administrative expenses in establishing such rates. The rates shall be uniform throughout the United States for similar risks.

Section 203

This section authorizes the Administrator to issue regulations pertaining to reinsurance. He is given specific authority to determine by regulation the terms and conditions of policies of insurance against flood risks, which are to be issued by private companies who are reinsured under the act, including (1) the types of property to be covered, (2) the maximum premium rate to be charged, and (3) the nature and limits of losses to be covered.

Section 204

Under this section the Administrator is prohibited from providing reinsurance when it is available at reasonable rates and upon reasonable terms from private sources.

Section 205

This section provides that reinsurance in force at any one time shall not exceed $100 million.

TITLE III—ADMINISTRATION AND FINANCING

Section 301—Federal Flood Indemnity Administration

Subsection (a) establishes in the Housing and Home Finance Agency a new constituent unit to be known as the Federal Flood Indemnity Administration. The new unit is to be headed by a Commissioner appointed by the Administrator, who is to receive the same rate of compensation as the Commissioners of other constituents of this Agency.

Subsection (b) makes the Federal Flood Indemnity Administration subject to the Government Corporation Control Act, as amended, in the same manner as wholly owned corporations.

Subsection (c) provides that the Administrator, in carrying out his functions under the act, shall maintain an integral set of accounts which shall be audited annually by the General Accounting Office in accordance with the principles and procedures applicable to commercial transactions, as provided by the Government Corporation Control Act, as amended. It provides further that no other audit shall be required. Certain financial transactions of the Administrator such as the issuance of indemnity contracts, and the making of reinsurance agreements, and the approval of vouchers by the Administrator in connection with such financial transactions are made final and conclusive on all officers of the Government.

Section 302—Financing

This section authorizes the Administrator to establish a Federal flood indemnity fund and a Federal flood reinsurance fund. Indemnity fees and State and Federal contributions under section 102 of the act are to be deposited in the Federal flood indemnity fund and reinsurance premiums are to be deposited in the Federal flood reinsurance fund. The Administrator is authorized to invest the moneys in such funds, and the income from these investments, together with the proceeds from any properties acquired under either the indemnity or reinsurance programs, shall be deposited in the respective funds.

Section 303

This section authorizes the Administrator to borrow from the Secretary of the Treasury an amount not exceeding $500 million at any one time, to finance the activities under the act, by the issuance of notes and other obligations. The terms of such obligations are to be prescribed by the Administrator with the approval of the Secretary of the Treasury. Provision is also made for the interest rate on such notes or obligations. Funds borrowed under this subsection are to be deposited in the Federal flood indemnity fund and the Federal flood reinsurance fund in such proportions as the Administrator deems feasible.

Section 304

The Federal Flood Indemnity Fund is to be used to pay approved claims for losses under indemnity contracts as well as other expenses (excluding administrative expenses) incurred under title I of the act. The Federal Flood Reinsurance Fund is to be used to pay approved claims under reinsurance agreements and other expenses (excluding administrative expenses) incurred under title II of the act. The respective funds are also to be used to repay sums borrowed from the Secretary of the Treasury. This section also authorizes the appropriation of moneys for administrative expenses of the Federal Government under the act.

Section 305

This section provides that the Secretary of the Treasury shall pay any valid claim under either an indemnity contract or a reinsurance agreement if the Administrator is unable to pay the same and authorizes money to be appropriated for this purpose out of any money in the Treasury not otherwise appropriated.

TITLE IV—GENERAL PROVISIONS

Section 401—Participation by private companies and public agencies

Under this section the Administrator, in providing indemnities and reinsurance under this act, is authorized and directed to use the facilities and services of private insurance companies, established insurance agents and brokers, established insurance adjustment organizations and other public agencies insofar as practicable, consistent with minimum cost of providing such protection. He is authorized to pay reasonable compensation for such services.

Section 402

This section directs the Administrator to develop means of expanding the reinsurance program and facilitating the assumption of flood risks by private carriers. In performing this function he shall consult with representatives of the insurance industry and make necessary studies and investigations.

Section 403

This section provides that on or before January 3, 1961, the Administrator is required to make a report to the President for submission to the Congress concerning all operations under the act, including the extent to which private insurance companies have participated in the indemnity and reinsurance programs, and to make such recommendations as he considers appropriate. The report must contain either a legislative proposal for the termination of the Government indemnity and reinsurance program and for the assumption of flood risks by private carriers, or an explanation as to why such legislation would not be feasible or desirable.

Section 404—Payment of claims

Subsection (a) authorizes the Administrator to adjust, compromise, and pay claims (under indemnity contracts and reinsurance agreements), either directly or through agents. Claims shall not be approved in excess of the actual cash value of the damaged or lost property or the cost of replacing, repairing, or rebuilding the property with material of like kind and quality (less depreciation at the time of damage or loss) whichever is lower.

Subsection (b) permits the claimant to sue the Administrator if a claim is disallowed in whole or in part. The suit must be brought within one (1) year after the date of mailing the notice of disallowance. Suits must be brought in the United States District Court for any district in which the property or a part thereof is located. The Administrator is required to appoint agents upon whom service of process may be made. The United States District Courts are given exclusive jurisdiction to determine such actions without regard to the amount in controversy. The courts shall sit without juries in such cases.

Section 405—Coordination with other programs

Subsection (a) authorizes the Administrator to consult with Federal interstate, State, and local agencies having responsibilities for land use, flood control, flood zoning, and flood damage prevention, for the purpose of coordinating the respective programs. The Secretary of Agriculture and the Administrator are directed to coordinate the administration of their respective programs concerning indemnities, insurance, and reinsurance on agricultural commodities.

Under subsection (b) the Administrator is authorized to receive from or exchange with State insurance commissions and private insurance companies information pertaining to the problems of indemnities and reinsurance.

Section 406—Additional powers

Under subsection (a) the Administrator may sue or be sued. Subsection (b) authorizes the Administrator to enter into and perform contracts, leases, or other transactions on such terms as he deems appropriate, with Federal agencies or with any State or agency or political subdivision thereof and with private persons, firms, or corporations. He may consent to the modification of such agreements and make progress payments in connection therewith. Subsection (c) authorizes the Administrator to acquire real and personal property by purchase, lease, or donation, and to make advance or progress payments in connection therewith. He is also authorized to sell, lease, or otherwise dispose of such property and to use, maintain, and insure such property. Subsection (d) authorizes the Administrator to appoint, pursuant to civil service regulations and laws, officers, attorneys, and employees and to fix their compensation; define their authority and duties; to require bonds of them and to delegate to them and authorize successive redelegation by them of the powers vested in him by the act. Subsection (e) authorizes the Administrator to establish 1 position in Grade 17 and 2 in Grade 16, in carrying out his functions under this act. These positions are in addition to any position presently allocated to the Housing and Home Finance Agency under section 505 of the Classification Act of 1949. The Administrator is authorized under subsection (f) to make necessary investigations, surveys, and researches pertaining to flood indemnities and reinsurance. Subsection (g) authorizes the Administrator to issue such rules and regulations as he deems necessary. Under subsection (h) the Administrator is authorized to exercise all powers specifically granted and such incidental powers as are necessary to carry out the purposes of the act.

Section 407—Exemption of claims from levy

This section provides that all claims under either indemnity contracts or reinsurance

agreements for losses shall not be liable to attachment, levy, or garnishment or any other legal process or to deduction because of any indebtedness of the insured or his estate to the United States, except claims of the United States under the act.

Section 408—Reservation of rights in real estate acquired

Under this section any State or political subdivision shall not be deprived of its civil or criminal jurisdiction concerning real property acquired by the Administrator under this act nor shall such acquisition impair the civil rights of the inhabitants concerning such property under State and local laws.

Section 409—Taxation

This section provides that nothing in the act shall be construed to exempt property, acquired by the Administrator in connection with claims under indemnity contracts and reinsurance agreements, from local taxation.

Section 410—Separability of provisions

This section contains the usual separability clause.

EXHIBIT B

Senate Joint Resolution 106

Joint resolution to establish a Northeastern United States Watershed Development and Flood Protection Commission

Resolved, etc.,

ESTABLISHMENT OF COMMISSION

SECTION 1. (a) There is hereby established a commission to be known as the Northeastern United States Watershed Development and Flood Protection Commission (hereinafter referred to as the "Commission").

(b) The Commission shall be composed of 12 members as follows:

(1) Four appointed by the President of the United States, 2 from the executive branch of the Government and 2 from private life;

(2) Four appointed by the President of the Senate, 2 from the Senate (not more than 1 from any political party) and 2 from private life; and

(3) Four appointed by the Speaker of the House of Representatives, 2 from the House of Representatives (not more than 1 from any political party) and 2 from private life.

(c) Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

(d) Service of an individual as a member of the Commission or employment of an individual by the Commission as an attorney or expert in any business or professional field, on a part-time or full-time basis, with or without compensation, shall not be considered as service or employment bringing such individual within the provisions of section 281, 283, 884, 434, or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U. S. C. 99).

(e) The Commission shall elect a Chairman and a Vice Chairman from among its members.

(f) Seven members of the Commission shall constitute a quorum.

COMPENSATION OF MEMBERS OF THE COMMISSION

SEC. 2. (a) Members of the Congress who are members of the Commission shall serve without compensation in addition to that received for their services as Members of Congress; but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(b) Members of the Commission who are in the executive branch of the Government shall serve without compensation in addition to that received for their services in the executive branch, but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(c) The members of the Commission from private life shall each receive $50 per diem when engaged in the actual performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of such duties.

STAFF OF THE COMMISSION

SEC. 3. (a) The Commission shall have power to appoint and fix the compensation of such personnel as it deems advisable, without regard to the provisions of the civil-service laws and the Classification Act of 1949, as amended.

(b) The Commission may procure, without regard to the civil-service laws and the Classification Act of 1949, temporary and intermittent services to the same extent as is authorized for the departments by section 15 of the act of August 2, 1946 (60 Stat. 810), but at rates not to exceed $50 per diem for individuals.

EXPENSES OF THE COMMISSION

SEC. 4. There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this joint resolution.

DUTIES OF THE COMMISSION

SEC. 5. (a) The Commission shall study the land and water resources of the northeastern section of the United States (including the States of Connecticut, Delaware, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont), and such other related matters as the Commission may deem appropriate in order to prepare recommendations for an integrated and comprehensive program for the development, use, and protection of such land and water resources, with special emphasis on protection against hurricanes and floods. With respect to the use of power produced or to be produced in whole or in part within the northeastern section of the United States the studies and recommendations of the Commission may extend to areas outside such section. In performing such study the Commission shall—

(1) consider and evaluate existing and proposed plans and programs for the development, protection, and use of such land and water resources;

(2) conduct in the northeastern section such on-the-site surveys and appraisals of land and water resources programs, and provide for the holding of such public hearings as it deems necessary and practicable with a view toward obtaining accurate and pertinent information and expressions of public sentiment of the inhabitants thereof;

(3) to the extent practicable, ascertain estimated costs and benefits of projects and programs;

(4) consult with appropriate State authorities with respect to the development, protection, and use of land and water resources in their respective areas within the northeastern section, and consult with the Connecticut River Valley Flood Control Commission and such other bodies and groups as may be appropriate;

(5) take into consideration the present and prospective economy of the northeastern section, the economic soundness of plans and programs for the development, protection, and use of its land and water resources, and the proper division of financial responsibility between the Federal Government and the States with respect to such plans and programs; and

(6) in view of the recent disastrous floods in the northeastern section, give necessary emphasis to prevention and control of inland and coastal flooding.

(b) The Commission may submit such interim reports at such time or times as it deems appropriate, and shall submit a final comprehensive report of its activities and the results of its studies to the Congress on or before January 1, 1958. The Commission shall cease to exist 30 days after the submission of such final report.

POWERS OF THE COMMISSION

SEC. 6. (a) The Commission or, on the authorization of the Commission, any subcommittee or member thereof, may, for the purpose of carrying out the provisions of this joint resolution, hold such hearings and sit and act at such times and places, administer such oaths, and require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents as the Commission or such subcommittee or member may deem advisable. Subpenas may be issued under the signature of the chairman of the Commission, of such subcommittee, or any duly designated member, and may be served by any person designated by such chairman or member. The provisions of sections 102 to 104, inclusive, of the revised statutes (2 U. S. C., secs. 192–194), shall apply in the case of any failure of any witness to comply with any subpena or to testify when summoned under authority of this section.

(b) The Commission is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality of the Federal Government information, suggestions, estimates, and statistics for the purposes of this joint resolution; and each such department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized and directed to furnish such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the Chairman or Vice Chairman.

SEC. 7. Nothing in this act shall be construed so as to delay the prosecution of any flood control or related projects recommended by the Corps of Engineers, Department of the Army, and authorized by the Congress, or of any flood control projects now or hereafter undertaken under the authority of the Watershed Protection and Flood Prevention Act of 1954.

S. 2860

A bill to authorize the construction of additional flood-control reservoirs in the Connecticut River Basin

Be it enacted, etc., That the plan for the control of floods in the Connecticut River Basin, approved by the act of June 22, 1936 (Public Law 738, 74th Cong.), as amended and supplemented, is hereby modified to provide for the construction, under the direction of the Secretary of the Army and the supervision of the Chief of Engineers, of the following reservoirs, substantially in accordance with the plans on file in the office of the Chief of Engineers, and the authorization for said basin is increased accordingly.

Cold River Reservoir, Cold River, N. H., at an estimated cost of $7,273,000;

Littleville Reservoir, Middle Branch of Westfield River, Mass., at an estimated cost of $4,030,000.

S. 2857

A bill to provide for Federal procurement of materials and supplies in major disaster areas, and for other purposes

Be it enacted etc., That (a) The Defense Production Act of 1950 is amended by adding the following new sentence at the end of section 2:

"Our mobilization effort further requires that certain areas which have been or may be afflicted by a major disaster, as such term is defined in the act of September 30, 1950 (64 Stat. 1109) be rehabilitated and restored

to normal condition as expeditiously as possible, in order to maintain a broad potential base for economic mobilization."

(b) Said act is further amended by inserting the following as a new section and heading:

"SEC. 714. Disaster areas: Upon the occurrence of a major disaster as defined in the act of September 30, 1950 (64 Stat. 1109), in any area which in the opinion of the President is an important source of goods or services needed in the event of economic mobilization, he is hereby authorized and directed, notwithstanding any provision of law to the contrary, to arrange for immediate awards, to the maximum practicable extent, of negotiated contracts for procurement of materials or services needed by the Federal Government to victims of such major disaster capable of fulfilling such contracts in a satisfactory manner."

SEC. 2. (a) Section 3 of the act to authorize Federal assistance to States and local governments in major disasters, and for other purposes, approved September 30, 1950 (64 Stat. 1109) is amended by striking out the word "and" before "(d)" the first time this symbol appears in the first sentence of said section, and by inserting a comma after "(d)" the second time said symbol appears in said sentence and adding the following after such comma: "And (e) by procuring from private enterprise engaged in business in the area affected by such major disaster, by negotiated contract or otherwise, materials, or services of use to the Federal Government, in the opinion of the President."

(b) Section 8 of said act is amended by striking out "$5,000,000" and inserting in lieu thereof "$15,000,000."

FEDERAL PROCUREMENT IN DISASTER AREAS

Explanation: This bill will amend both the Defense Production Act and the Federal Disaster Relief Act of September 30, 1950, to enable procurement in certain major disaster areas of materials and services for the Federal Government.

Section 1 (a) of the bill amends the Declaration of Policy in the Defense Production Act by adding a provision that the mobilization effort requires expeditious rehabilitation of certain areas afflicted by major disaster.

Section 1 (b) of the bill restores a section 714 in the Defense Production Act. The original section 714 has terminated in the course of amendments to the Defense Production Act. It established the Small Defense Plants Administration, the predecessor of the Small Business Administration.

This bill gives new context to section 714 by providing that, upon finding an area to be an important source of goods or services needed in the event of economic mobilization, the President is directed to arrange for awarding negotiated contracts for procuring materials or services needed by the Federal Government from major disaster victims capable of satisfactory performance.

Section 2 (a) of the bill amends section 3 of the Federal Disaster Relief Act of September 30, 1950 (42 U. S. C., sec. 1855b) by authorizing Federal agencies, when directed by the President, to provide aid in any major disaster by procuring from private business enterprises in the afflicted area, by negotiated contract or otherwise, materials or services of use to the Federal Government in the opinion of the President.

Section 2 (b) of the bill increases to $15 million from $5 million the amount authorized to be appropriated to carry out the purposes of the Federal Disaster Relief Act, by making a suitable amendment to section 8 of that act.

Reason for the bill: Added to the severe injury to life and damage to property caused by major disasters is the interruption of business activity in the afflicted area. This causes reduced income to both the business enterprise and its employees, as well as a decrease in tax receipts by various levels of government. It is highly desirable that this interruption to business be reduced to a minimum, particularly in areas where the economic mobilization base requires productive capacity in being. The purpose of this bill is to provide express statutory authority for channeling Federal procurement contracts into areas of major disaster, in order to assist the area in making a speedy economic recovery. In this manner productive facilities in the area still capable of operation will help take up the slack of business interruption occurring in those facilities damaged by the disaster.

The bill places in the President the authority to decide when an area is important to the economic mobilization base. This decision triggers the procurement assistance the bill makes available under the Defense Production Act. It also vests in the President discretion to place into operation the procurement authority the bill grants under the Federal Disaster Relief Act.

This proposed legislation is based on the philosophy that materials or services useful to the Federal Government should be obtained in areas of major disaster when feasible. Such a course of action helps to reduce the need for other forms of Federal aid.

S. 2858

A bill to amend the Small Business Act of 1953

Be it enacted, etc., That this act may be cited as the "Small Business Administration Catastrophe Loan Amendments of 1956."

SEC. 2. The proviso in section 207 (b) of the Small Business Act of 1953 is amended as follows: "*Provided*, That no such loan, including renewals and extensions thereof, shall be made for a period exceeding 20 years or shall bear interest at a rate exceeding 3 percent per annum."

SEC. 3. (a) Section 207 of said act is amended by inserting an additional subsection, as follows:

"(f) Whenever the President has determined under the act entitled 'An act to authorize Federal assistance to States and local governments in major disasters, and for other purposes,' approved September 30, 1950, as amended (42 U. S. C., secs. 1855–1855g) that a major disaster has occurred, the Administration is hereby authorized and directed to make immediate use of the powers granted to it under the provisions of sections 207 (b) (2) and (3), 208, 211, 212, and 213 in order to aid any small-business concern or group of concerns that is a victim of any such major disaster."

(b) Section 214 of said act is amended by inserting before the period at the end thereof the following: ", or (c) to be in the interest of aiding victims of floods or other catastrophes."

SMALL BUSINESS ADMINISTRATION CATASTROPHE LOAN AMENDMENTS OF 1956

Explanation: This bill amends the Small Business Act of 1953 in three respects:

1. It extends the maximum maturity for catastrophe business loans to 20 years, making this the maximum maturity for all SBA catastrophe loans.

2. It clearly establishes a statutory maximum of 3 percent as the interest rate for all SBA catastrophe loans.

3. It directs SBA to use its general powers to channel Federal procurement contracts to small business enterprises in major disaster areas.

Section 1 entitles the act the Small Business Administration Catastrophe Loan Amendments of 1956.

Section 2 amends the proviso in section 207 (b) of the Small Business Act to fix a 20-year maximum maturity and a 3 percent maximum interest rate on all types of SBA catastrophe loans. As last amended in 1955, the proviso in section 207 (b) of the Small Business Act permitted a maximum maturity of 20 years only for SBA catastrophe loans for the acquisition or construction of housing for the personal occupancy of the borrower. The maximum maturity for all other SBA catastrophe loans was fixed at 10 years.

The 1955 amendments to section 207 (b) also prescribed a maximum interest rate of 3 percent per annum. Although the scope of this limit seems ambiguous to some, it is understood it was intended to apply to all SBA catastrophe loans, rather than to catastrophe home loans alone. This bill will clearly make the 3 percent maximum apply to all SBA catastrophe loans.

Section 3 (a) adds a new subsection (f) to section 207 of the Small Business Act. This will direct SBA to make use of powers granted it under sections 207 (b) (2) and (3), 208, 211, 212, and 213 in order to add small business enterprises suffering from any major disaster, designated as such by the President under the Federal Disaster Relief Act of September 30, 1950.

Briefly, these powers are as follows:

Section 207 (b) (2): SBA may make prime contracts with the Federal Government to furnish materials and supplies.

Section 207 (b) (3): SBA may sublet these prime contracts for performance by small business concerns and others.

Section 208: SBA may conclusively certify to any Federal procurement officer that it has competency to perform any such prime contract.

Section 211: The President may direct SBA to consult with Federal agencies in forming policies affecting small business concerns; to carry out the national policy of insuring that a fair proportion of Federal procurement be obtained from small business enterprises, the Department of Defense is required to make appropriate monthly reports to the President and the Congress.

Section 212: SBA is empowered to consult with Government procurement officers to obtain use of small business productive plant capacity; to get information concerning and encourage subletting to small business enterprises by prime Government contractors; to determine eligibility and certify competency of small business concerns; to obtain procurement contracting and loan information from Federal agencies; to obtain distribution information from materials suppliers when they are in short supply for small business; to study and recommend to Federal agencies procedures to insure a fair share of materials for small business; to consult with Government agencies to insure fair treatment from them for small business; and to establish advisory committees.

Section 213: Any small business concern or group certified as a competent Government contractor by SBA with respect to capacity and credit is conclusively cleared.

Section 2 (b) of this bill amends section 214 to provide that small business concerns shall be awarded all or that part of any contract which SBA and the procurement agency determine would be in the interest of aiding victims of floods or other catastrophes.

Reason for the bill—maturity: The maximum maturity for SBA catastrophe loans has been too restrictive in the case of business loans. Regular SBA business loans may already have a maturity of 10 years, or as long as 20 years in the case of a loan to a group of small businesses for construction facilities. When a business is afflicted by major disaster, it may well need a longer period of time than 10 years to repay the amount borrowed from SBA to overcome the ill effects of the disaster. This bill would empower SBA, in its discretion, to make a business catastrophe loan repayable over a 20-year period. This maximum maturity already applies to SBA catastrophe loans made for the purpose of acquiring or constructing a home for per-

sonal occupancy by the borrower. Such home loans could continue to be made under this bill.

Interest rate: Prior to the 1955 amendments to the Small Business Act of 1953, no statutory maximum interest rate was fixed for either regular or catastrophe loans by SBA. The rate was determined by the Administrator as a matter of discretion. In section 5 of Public Law 268, 84th Congress, approved August 9, 1955, section 207 (b) of the Small Business Act was amended, among other items, by inserting a maximum interest rate of 3 percent per annum. This is the maximum rate now being charged by SBA on catastrophe loans. However, the particular location of this provision in the statute may leave some ambiguity regarding the application of the maximum rate to catastrophe loans other than those for home acquisition or construction. This bill will make it clear that the 3-percent rate is intended as a maximum interest rate applicable to all SBA catastrophe loans. It will incorporate in the statute the present interest rate policy of SBA regarding catastrophe loans.

Procurement: When a major disaster hits an area, its effects on small business may be severe. In most cases, small business does not enjoy the advantage of geographic dispersal of several plant or business establishments. Therefore, the impact of disaster damage on small business may be much more severe than in the case of larger business enterprises.

Any measures that serve to speed the rehabilitation of small business establishments helps the small business interests in the stricken community in particular and all business interests in the community in general.

This bill therefore directs SBA to make use of its general powers in aid of small business to channel Federal procurement to small business establishments in major disaster areas. The bill encourages SBA to pay particular attention to the needs of small business enterprises in such areas, and makes full use of SBA powers to meet those needs.

Reducing to a minimum business interruption caused by major disaster serves the threefold purpose of restoring wages to employees, income to the enterprise, and tax receipts to Government. This bill will help meet the particular needs of small business.

A companion measure sponsored by me will encourage the channeling of Federal procurement contracts to all business enterprises in the area afflicted by a major disaster.

S. 2856

A bill to increase the amount of appropriations authorized for disaster loans, and for other purposes

Be it enacted, etc., That section 204 (b) of the Small Business Act of 1953 is amended (a) by striking out "$275,000,000" and inserting in lieu thereof "$300,000,000" each time it appears, and (b) by striking out the fifth and sixth sentences and inserting in lieu thereof the following: "Not to exceed an aggregate of $200,000,000 shall be outstanding at any one time for the purposes enumerated in sections 207 (a) and (b)."

INCREASE IN APPROPRIATIONS AUTHORIZED FOR DISASTER LOANS BY THE SMALL BUSINESS ADMINISTRATION

Explanation: This bill will consolidate SBA funds available for business loans and disaster loans and will increase the consolidated amount by $25 million over its present authorized status. This will make a total of $300 million appropriations authorized for SBA for either business or catastrophe loans, in its discretion.

The effect of subsection (a) in section 1 of the bill, which substitutes $300 million for $275 million in section 204 (b) of the Small Business Act of 1953, is to increase both the authorized appropriation and the amount SBA is authorized to obtain from the United States Treasury for use in carrying out its duties.

Subsection (b) of section 1 of the bill removes the present statutory limit of $150 million for outstanding SBA business loans and $25 million for outstanding SBA catastrophe loans. In place of these limits, it substitutes a single limit of $200 million for outstanding SBA business and catastrophe loans.

Reason for the bill: When a major disaster struck the Northeastern and Mid-Atlantic States in August 1955, SBA found itself with only about $17 million available for catastrophe loans, at a time when the Congress was not in session. Preliminary estimates of damage caused by this disaster varied from $464,500,000 in 6 Northeastern States alone to almost $1.5 billion.

The inadequacy of this meager amount available to SBA for catastrophe loans was recognized by SBA as soon as the magnitude of the Northeast flood became apparent. SBA Administrator Wendell B. Barnes so testified to the Senate Committee on Banking and Currency on October 31, 1955. On that date he indicated a total of $16.5 million catastrophe loans arising out of that flood had been approved and applications for more than an additional $16.5 million were in process. As against this $33 million total of disaster loans desired as a result of this single disaster, only $25 million could be outstanding as catastrophe loans under the statute, and funds for only about $17 million of such loans were actually available. This led to the device of processing some of the disaster loan applications as regular SBA business loan applications bearing a doubly high 6 percent per annum interest rate. Obviously a change in the statute in this respect is necessary.

The Senate Committee on Banking and Currency recognized the need of supplying more elasticity to SBA funds loanable for disaster purposes. On June 1, 1955, it reported favorably S. 2127 consolidating the $25 million disaster loan limit and the $150 million business loan limit into a single $175 million loan limit usable for both disaster and business loans. On June 7, 1955, the Senate passed the bill containing this consolidated limitation. However, due to action by the House of Representatives, this feature was removed from the bill which finally became Public Law 268 on August 9, 1955.

The wisdom of the action proposed by the Senate became obvious in the wake of demands for SBA catastrophe loans following the Northeast floods.

This bill to consolidate and increase the amount authorized to be lent by SBA in the event of catastrophe should receive immediate attention.

S. 2859

A bill to provide rent-free accommodations in certain federally aided housing for needy victims of major disasters, and for other purposes

Be it enacted, etc., That any provision of law to the contrary notwithstanding, no rent or other charge shall be demanded or received from any victim of a major disaster as defined in the act of September 30, 1950, as amended, (64 Stat. 1109, 65 Stat. 173, 67 Stat. 180), by reason of his occupancy of any housing accommodations controlled by any Federal, State, or local authority, which was constructed or acquired by the Federal Government, or constructed, rehabilitated, or acquired with any aid, direct or indirect, from the Federal Government, whether in the form of grant or loan.

SEC. 2. (a) The President, through such officer or agency of the Government as he may designate, is authorized and directed to enter into a contract with each authority making housing accommodations available rent-free under the provisions of this act providing among other things, that (1) annual contributions will be made to such authority to the extent necessary to pay the pro rata share of operating expenses of the authority attributable to such rent-free occupancy of housing accommodations, and (2) any provision of law to the contrary notwithstanding, such authority may use for operating purposes during such occupancy and for the period immediately following termination of such occupancy, such sums available to it as may be required to pay the pro rata share of operating expenses attributable to such rent-free occupancy of housing accommodations.

(b) The faith of the United States is solemnly pledged to the payment of all annual contributions contracted for pursuant to this section, and there is hereby authorized to be appropriated in each fiscal year, out of any money in the Treasury not otherwise appropriated, the amounts necessary to provide for such payments.

SEC. 3. As used in this act, the word "victim" shall mean any person (including his dependents) certified by a duly accredited representative of the American National Red Cross as being in need due to the occurrence of a major disaster within the meaning of that term as used in section 1 hereof and lacking sufficient financial means, considering his outstanding debts and future requirements for rehabilitation, to pay rent or other charges for housing during such period of emergency as may be set forth in such certificate.

SEC. 4. Whoever knowingly and willfully violates any provision of this act by demanding or receiving any rent or charge from any victim of a major disaster by reason of his occupancy of any such housing shall, upon conviction, be fined not more than $5,000 or imprisoned not more than 1 year, or both.

FREE RENT TO NEEDY DISASTER VICTIMS IN CERTAIN GOVERNMENT-CONTROLLED HOUSING

Explanation: This bill is intended to make it possible for needy disaster victims to obtain rent-free shelter in Government-controlled housing.

Section 1 prohibits the demand or receipt of rent from a major disaster needy victim occupying housing controlled by any Government agency and constructed with the aid of a Federal grant or loan.

Section 2 (a) authorizes the President to contract with each Government authority making such housing available. The contract may provide for annual contributions to the authority to the extent necessary to make up the deficit in operating expense caused by permitting such rent-free occupancy. The authority may use an equal amount for operating purposes during and immediately following such rent-free occupancy from any available funds.

Section 2 (b) pledges the faith of the United States to the payment of annual contributions called for in such contracts. It also authorizes appropriation of necessary amounts for that purpose out of unappropriated Treasury funds.

Section 3 defines "victim" as used in this act to mean a person (and dependents) certified by a Red Cross representative as being in need because of a major disaster as defined in the Federal Disaster Relief Act of September 30, 1950, and lacking financial means to pay rent or similar charges for housing during the time specified in the certificate.

Section 4 is a penal provision making it a crime punishable by a maximum $5,000 fine or 1-year imprisonment, or both, to demand or receive rent knowingly and willfully in violation of this act.

Reason for the bill: In any major disaster, the needs of humanity must receive first attention. The truly needy victims must receive adequate shelter, even though they lack the means of paying the economic rent for such shelter.

Where such shelter is available in housing constructed with Federal aid and still in governmental control, it is appropriate for the Congress to prohibit the charging of rent or similar charges for occupancy of such accommodations by needy disaster victims.

Since much of this housing is subject to restrictive legislation regarding rents which must be charged to occupants, it is imperative that appropriate legislation be adopted to make possible the offering of rent-free accommodations in such housing to needy victims of a major disaster. This bill will accomplish this purpose.

Safeguards against abuse of the privilege are provided by requiring that certification of need be obtained from the Red Cross.

Adequate financial means of reimbursing the cost of this program to the authority operating the housing so used are provided in the bill. The annual contribution method of assuring the housing authority that it will be properly reimbursed is the same method long in use in operation of low-rent public housing with Federal aid.

Housing controlled by local housing authorities, even though federally aided, is not as amenable to Federal directive as would be housing operated by the Federal Government. This bill has been drafted with that fact in mind, and attempts to encourage local housing authorities to cooperate with the Federal Government in providing rent-free accommodations for needy victims of major disasters.

The penal provisions of the bill will provide sanctions for its substantive provisions and should deter anyone from taking undue advantage of the misfortune of disaster victims who can be housed in accommodations covered by this act.

The recent floods in the Northeastern States emphasized the need for this type of legislation. Use by flood victims of vacancies in existing federally aided housing controlled by local authorities was impeded by legislative restrictions imposed without reference to the needs of victims of major disasters.

S. 2855

A bill to provide authority to stockpile temporary housing for disaster relief, and for other purposes

Be it enacted, etc., That this act may be cited as the Temporary Housing Disaster Relief Stockpiling Act of 1956.

SEC. 2. One thousand units of temporary housing of a mobile or portable character provided by the Housing and Home Finance Administrator (hereinafter referred to as the Administrator) under the provisions of section 302 (b) of the Defense Housing and Community Facilities and Services Act of 1951 that remains under his jurisdiction on the effective date of this act and is not being used for other purposes shall be dismantled, stored, and maintained in good condition in order to create a stockpile of such housing available for immediate use in the event of the occurrence of a major disaster within the meaning of the provisions of the act of September 30, 1950, as amended (64 Stat. 109, 65 Stat. 173, 67 Stat. 180).

SEC. 3. The Administrator shall arrange for storage of such housing at various locations throughout the continental United States, its Territories and possessions, so situated as to permit expeditious transportation of such housing to the sites where it may be needed to provide housing in the event of a major disaster.

SEC. 4. Whenever the total number of units of temporary housing so stored is less than 1,000, the Administrator is authorized and directed to acquire in such manner as he deems advisable sufficient additional units of temporary housing to maintain the stockpile at 1,000 units.

SEC. 5. In selecting and acquiring housing under the provisions of this act, the Administrator shall attempt to keep available at each storage point accommodations having from 1 to 3 bedrooms.

SEC. 6. In carrying out his functions under this act, the Administrator may utilize the services of any other Federal agency with the consent of the head of such agency, or any other public or private organization, and provide reasonable compensation for such services.

SEC. 7. Any such temporary housing may be made available for emergency housing purposes as a measure of disaster relief in the event of a major disaster.

SEC. 8. No rent or other charge demanded or received from any victim of a major disaster who occupies such housing shall exceed a rate calculated to be sufficient to pay the cost of operating and maintaining the unit occupied and a proportionate share of operation and maintenance costs common to all units in the project in which such unit is located: *Provided, however*, That no rent or charge shall be demanded or received from any such victim during the effective period of a certificate issued in his favor by a duly accredited representative of the American National Red Cross to the effect that after reasonable investigation, the person named in the certificate has been found to be a victim of a major disaster lacking sufficient financial means, considering his outstanding debts and future requirements for rehabilitation, to pay rent or other charges for housing.

SEC. 9. The Administrator shall determine when such housing is no longer needed for disaster relief and shall thereupon dismantle and again store and maintain the housing in accordance with the provisions of this act.

SEC. 10. When, in the opinion of the Administrator, it is no longer advisable to maintain in storage a particular unit, he may dispose of it pursuant to applicable Federal law.

SEC. 11. Such sums as may be necessary to carry out the provisions of this act are authorized to be appropriated.

TEMPORARY HOUSING DISASTER RELIEF STOCKPILING ACT OF 1956

Explanation: This bill is intended to enable the Housing and Home Finance Administrator to establish and maintain an adequate stockpile of temporary housing at suitable locations throughout the Nation. This housing would then be available for immediate transportation to the site of a major disaster in order to provide shelter for disaster victims.

Section 1 entitles the act of the Temporary Housing Disaster Relief Stockpiling Act of 1956.

Section 2 deals with units of temporary housing provided by the Housing and Home Finance Administrator under section 302 (b) of the Defense Housing and Community Facilities and Services Act of 1951, remaining under his jurisdiction on the effective date of this act, and not in use for other purposes. It requires that 1,000 of those units be dismantled, stored and maintained in good condition. These units then become a stockpile available for immediate use in the event of a major disaster.

Section 3 directs the Administrator to store these houses at various locations in the continental United States. Storage sites are to be chosen to permit expeditious transportation of the housing to disaster areas.

Section 4 directs the Administrator to maintain the stockpile at 1,000 units and authorizes him to acquire housing in such manner as he deems advisable for this purpose.

Section 5 urges him to keep available to each storage point units with 1 to 3 bedrooms.

Section 6 empowers the Administrator to use the services of any other Federal agency with its consent, or of any other public or private organization; and authorizes him to pay reasonable compensation for such services.

Section 7 authorizes any temporary housing so stockpiled to be made available as emergency housing during a major disaster.

Section 8 specifies that rent for such housing shall not exceed a rate sufficient to pay costs of operating and maintaining the unit occupied and a proportionate share of common operating and maintenance costs of the project. The proviso in this section provides that no rent shall be charged a disaster victim occupying such housing who is certified by the American National Red Cross as lacking sufficient financial means to pay rent. Such a certificate is to specify the period during which it remains effective and is to be issued after reasonable investigation, taking into consideration the victim's outstanding debts and future requirements for rehabilitation.

Section 9 authorizes the Administrator to determine when this temporary housing is no longer needed for disaster relief at any disaster site. Thereupon he is to have the housing dismantled and returned to stockpile.

Section 10 authorizes the Administrator to dispose of any unit in the stockpile when in his opinion it is no longer advisable to maintain it in storage. Disposal may be made under any applicable Federal law.

Section 11 authorizes the appropriation of sums needed to carry out the provisions of the act.

Reasons for the bill: One of the most urgent and immediate needs arising out of a major disaster is shelter for its victims. Adding to the need for an increase in the supply of housing in the afflicted area is the too common occurrence of major damage to existing housing. Experience has shown that this need can be filled in a most satisfactory manner by the use of temporary housing.

It is particularly appropriate to create a stockpile of such housing at the present time, since much of the temporary housing under the jurisdiction of HHFA is coming into the category of housing surplus to the need for which it was originally acquired.

Stored at sites handy to transportation facilities, such housing could be immediately pressed into service in the event of a major disaster.

Its use would afford a means of offering private housing accommodations to disaster victims instead of forcing them to accept less adequate makeshift shelter in buildings not designed or equipped for residential purposes.

Those who can afford to do so would be expected to pay rent sufficient to provide operation and maintenance of the temporary housing on-site in the disaster area. Those with insufficient financial means to pay even this amount of rent would be excused from doing so upon obtaining an appropriate certificate from the American National Red Cross.

Recent flood disasters in the Northeast have demonstrated the need for this type of a program.

S. 2854

A bill to amend the National Housing Act, as amended

Be it enacted, etc., That section 203 (h) of the National Housing Act, as amended, is hereby amended by striking out "$7,000" and inserting in lieu thereof "$12,000."

SEC. 2. Section 217 of said act, as amended, is hereby amended by striking out "$4,000,000,000" and inserting in lieu thereof "$4,060,000,000."

INCREASE IN MAXIMUM DOLLAR AMOUNT OF FHA-INSURED MORTGAGE FOR HOME REPLACING ONE DESTROYED IN MAJOR DISASTER

Explanation: Section 1 of this bill will increase to $12,000 from $7,000 the maximum principal amount of a mortgage that may be insured by FHA to enable reconstruction of a single-family home destroyed or damaged in a major disaster. No change is made in that portion of section 203 (h) of the National Housing Act which prescribes an alternate maximum limit of 100 percent of the property's appraised value. The requirement of that section that the mortgagor be the owner-occupant of the home is also retained; as is the requirement that the home he occupied as owner or tenant was destroyed or damaged to such an extent by a catastrophe found by the President to be a major disaster under the Federal Disaster Act of September 30, 1950, that reconstruction is required.

Section 2 of the bill increases by $60 million the insurance authorization of the Federal Housing Administration. This should provide FHA with adequate authorization to meet the increased demand for insurance resulting from enactment of this bill.

Reason for the bill: The $7,000 limit is unrealistically low in areas of this Nation. The Senate Banking and Currency Committee staff study on Federal disaster insurance, dated November 30, 1955, points up the inadequacy of this limitation. On page 45 of the staff study, preliminary estimates forwarded by the Federal Civil Defense Administrator indicate that in six Northeastern States visited by hurricane Diane in August 1955, there were 1,229 homes destroyed and 4,900 homes suffered major damage. Yet page 218 of the staff study indicates that under section 203 (h) of the National Housing Act, only 2 applications were received subsequent to June 30, 1955, and 1 had been issued. It is understandable that applications would not be filed by anyone unable to reconstruct a home for $7,000 or less.

In order to make it possible for this program to serve the purpose for which it was intended, it is imperative that the maximum mortgage limit be raised to a level more consistent with actual construction costs in areas afflicted by a major disaster.

S. 2861

A bill to authorize an increase of emergency relief highway funds from $10 million to $30 million for the fiscal year ending June 30, 1956

Be it enacted, etc., That the amount of $10 million authorized as an emergency relief fund by section 7 of the Federal-Aid Highway Act of 1952 for the repair and reconstruction of highways and bridges on the Federal-aid highway systems which have suffered serious damage as a result of disaster over a wide area is hereby increased to the amount of $30 million for the fiscal year ending June 30, 1956. Such amount shall be available to pay the Federal share of the cost of emergency relief projects programed for construction at any time during the fiscal year ending June 30, 1956.

Mr. KUCHEL, Mr. MALONE, and Mr. LEHMAN addressed the Chair.

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). Does the Senator from Connecticut yield; and if so, to whom?

Mr. BUSH. I wish first to yield to the Senator from California.

Mr. KUCHEL. Mr. President, the wildest and the widest spread property damage from a natural disaster ever to fall upon the people of California overtook them in December of 1955.

Christmas day in thousands of homes in the northern and central areas of my State witnessed the exact opposite of happy rejoicing. While our Nation was celebrating on December 25, hundreds—yes, thousands—of my fellow Californians heard the awful roar of torrential floodwaters as they broke through river levees to overrun homes and business, indeed, whole towns and cities. Yuba City, for example, in northern California, one of our beautiful California communities, was almost swept away. In farflung cities all over northern California, floodwaters of equal intensity were wreaking their toll.

One of those strange deviations in nature came, suddenly, to plague us. The mountains of the Sierra Nevada, the Cascades and the Coast Range, had been covered deep by early storms. Then, in mid-December, a stream of very warm air flowed in from the Pacific. That brought on one of the heaviest and longest rains of record, and the snow pack on the mountains began to melt up to the level of 10,000 feet. The Eel, the Klamath, the Russian, the Feather and a score of other rivers overflowed and roared down upon the towns on the coast and in the Central Valley of my State. We have had a loss of scores of lives. Property damage will amount to hundreds of millions of dollars. Business and employment have been tragically interrupted, particularly in the northwestern coastal counties where both the highways and the one railroad have been washed out for distances of many miles. Some little towns literally have been destroyed. Others, from Klamath in the north to Visalia down in the lower part of the San Joaquin Valley, and from Yuba City lying near the base of the Sierra Nevada to Santa Cruz on the coast, face gigantic and costly tasks of restoration and recovery.

This has been a major calamity for our State—and the pity of it is that it could have been avoided. Most of the damage occurred on the Eel and Russian Rivers in northern California, on the Feather and Yuba in the central part of the Valley, the Kaweah and Tule near Visalia, and the San Lorenzo, which flows by the city of Santa Cruz—all of which now flow unrestrained to the sea. However, for a large proportion of the victims of the terrific downpour and snow runoff, suffering was held down and sadness was lightened because of the swiftness with which agencies of the Federal Government joined hands with State and local forces to remedy the devastating effects of forces of nature on the rampage.

On December 26, I attended a conference in the capital of my State with my colleague, the senior Senator from California [Mr. KNOWLAND], in which representatives of the Federal Government, the Governor of the State of California and his department heads participated. There was outlined the beneficent effects which might flow to the stricken people of California from Federal disaster legislation.

It was also indicated at the conference that there were great areas where Federal assistance ought to be provided, in good conscience, which, under the law, could not be provided.

No matter how energetically and imaginatively our Nation strives to prevent catastrophes of this kind, our people cannot ever devise protection against all emergencies that can occur. Consequently, all agencies of Government must be prepared to extend emergency relief and to assist in rehabilitation whenever such havoc-wreaking forces strike our country.

The immediate need is for expanded authority for Federal agencies to make available their resources in assisting the victims of these floods to repair or restore their homes, their businesses, their public utilities, and other essential facilities for daily living. For that reason, I have been conferring and consulting with officials of the Federal Government about steps which must be taken to aid a comeback from the shocking blow to our people. For that reason, I am happy to join in sponsoring these bills which should be enacted with utmost speed and which are vital to putting the flood victims back on their feet.

These pieces of legislation will be of immediate value not only to sections of California but also to those areas of New England and the Atlantic seaboard which suffered like damage from hurricanes last summer and fall. Furthermore, they will equip Federal authorities with standby powers to come more quickly to the aid of any other regions which unfortunately may suffer similar injury.

Because of the prompt action of President Eisenhower and other Federal officials, California already has been given material aid. The need for further assistance is evident from the fact that 42 of the 58 counties in our State have been designated as "disaster areas."

These bills will extend badly-required financial assistance to those confronting the heartbreaking job of rebuilding and repairing and replacing properties and facilities damaged or destroyed by the floods. Prompt approval of some of them is warranted because the funds available were exhausted by the demand for aid arising from the earlier disastrous storms on the Atlantic Coast.

I wish to pay my respects to my able friend from Connecticut [Mr. BUSH], whose State likewise heard the roar of waters as they tore out of their natural channels to damage great communities in his State, for standing here today and with some of the rest of us, introducing a series of bills the enactment of which will go far toward giving the Federal Government the opportunity to be of effective assistance to people in all disaster areas in this country.

Mr. President, I returned to Washington very hopeful that Congress will take specific action on the pieces of proposed legislation which are being introduced today. I particularly wish the Congress to consider the plight of the individual private citizen whose home or business has been damaged or destroyed by a disaster, either in California, from which State I come, or in any other part of this country. I speak here, Mr. President, of the man of little means who sees his

home or his business—or both—swept away, and is powerless to prevent it. I speak of families—average families whose homes and belongings are submerged in flood waters.

In considering the plight of such individuals, Mr. President, I want this Congress to adopt legislation bestowing on a Federal agency, the Small Business Administration, the right to make long-term, low-interest loans to American citizens to rebuild or repair their homes or businesses which have been devastated by floods. Otherwise, those citizens face a future bleak and black, indeed.

Beyond that, I ask the Congress to pay particular attention to the proposed legislation alluded to first by the Senator from Connecticut, which has to do with the establishment by this Congress of a disaster insurance program.

The Senator from Connecticut is rightly concerned with floods. So am I. But I also am going to ask this Congress to include in disaster insurance legislation provision for the people in this country to buy, upon the same basis that they would purchase flood insurance, insurance against the tragedies which the people of my State have suffered from time to time when earthquakes have destroyed great communities and large areas in California and elsewhere in the West.

Mr. President, I am sure this Congress can devise the proper kind of disaster insurance legislation so that the people can have an opportunity for some assurance against the tragedies which they have faced during 1955 in California, Connecticut, Massachusetts, and elsewhere.

And beyond all that, I am sure that, with the sympathy with which the Members of Congress on both sides of the aisle have viewed the tragedy that has struck again and again within these last many months, this Congress will painstakingly devote itself, during the ensuing weeks and months, to a stepped-up program of flood-control legislation in America, in which the magnificent Corps of Army Engineers can be given the authority and the money to be on the march in an accelerated program of controlling floodwaters in all those States of the American Union which so greatly need it.

I wish to take just one more moment; I desire to refer to the great capital city of California, Sacramento, where I was so pleased to live for 7 years with my wife and my child, when I participated in State government.

Mr. President, the people of Sacramento were saved, and they were saved because the Government of the United States and the Congress of the United States erected great multipurpose dams in that area. Today, Mr. President, the people of Sacramento can look to Shasta Dam, built by the power and might of the people of the United States, and can look to Folsom Dam, likewise constructed by Federal revenue and under Federal legislation, and can give thanks to a Federal Government which saw its duty and discharged it.

The mighty Sacramento River, and its major tributary, the American, are held in check by great dams constructed in past years by the United States of America. The Shasta Dam on the Sacramento is capable of holding back 4,500,000 acre-feet of water, and the Folsom on the American can now impound a million acre-feet. The Department of the Interior and the United States Army engineers have pointed out that if these dams had not been in existence, Sacramento—the capital of my State, a city of 250,000—would have been desolated in last month's floods. Folsom Dam was completed only 11 months ago. In 1950, without that protection, the suburban area of Sacramento suffered great losses when the American River flooded in January of that year.

In the opinion of the able General Itschner, of the Corps of Engineers, Folsom Dam paid for itself this last year in preventing a flood in Sacramento.

I am delighted to be able to participate as a cosponsor in a series of bills which will go far in being of specific assistance to the towns, communities, municipalities, and individual citizens of our country plagued with floods.

I am proud to sponsor this kind of constructive program with some of my brethren on both sides of the aisle. It will be a great day when we will have written into law legislation assisting the disaster victims of 1955 and, beyond that, legislation providing assurances against similar catastrophes in the years ahead.

Mr. LEHMAN, Mr. MORSE, Mr. LANGER, and other Senators addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Connecticut yield; if so, to whom?

Mr. BUSH. I shall yield, Mr. President; but first I wish to acknowledge the very generous remarks of my friend, the Senator from California [Mr. KUCHEL]; and I desire to tell him how much I appreciate his assurances of support for this proposed legislation.

Mr. President, the Senator from New York has been waiting to ask a question, and I now yield to him for that purpose.

Mr. LEHMAN. I thank the Senator from Connecticut.

Mr. President, I wish to repeat what I said earlier today; namely, the Senator from Connecticut [Mr. BUSH] has been a most valuable member of the Banking and Currency Committee, which conducted nine hearings, I believe, in different sections of the country—in Massachusetts, in New York City, in upper New York State, in Washington, in North Carolina, in Rhode Island, in Connecticut, and in 1 or 2 other places. As a result, we have a very complete record of the enormous damage which resulted from the floods and the torrential rains which occurred during the months of August, September, and October. As my colleagues may know, the damage has been estimated at between $800 million and $1,600,000,000. These figures do not include California, Nevada or Oregon as it has not yet been able to appraise the damage in these States.

The Banking and Currency Committee, of which I served as acting chairman, conducted those hearings, and obtained a tremendous volume of important data and a great mass of suggestions which need to be carefully considered.

I am glad the Senator from Connecticut has introduced his bills. I noticed he said they contain the recommendations and suggestions of the administration—in other words, that they are administration bills.

Mr. BUSH. Let me correct the Senator from New York by pointing out that that is true only of the flood indemnity bill, but not of the other bills. The flood indemnity bill is an administration bill.

Mr. LEHMAN. Of course, I thank my able friend the Senator from Connecticut, and gladly accept the correction. However, I do want to call his special attention to the statement on the subject made by the President in his message which was read to the Senate only an hour ago, in which the President said:

> Disaster-assistance legislation requires overhauling and an experimental program of flood-damage indemnities should be undertaken. The administration will make detailed recommendations on these subjects.

We have been waiting for those recommendations for more than 2 months—almost 3 months. I express the very deep and sincere hope that these specific recommendations will be made available to the Banking and Currency Committee, of which the distinguished Senator from Connecticut and I are members.

It is highly important that the committee have these specific recommendations and justifications. For instance, I proposed a very comprehensive and broad bill for disaster insurance. I intend to modify that bill very seriously and drastically in the light of the testimony which has been taken by the Banking and Currency Committee. During the hearings, which lasted 3 months, we learned things we had not known before, and which require very careful consideration by the committee. I mention these matters merely to show that this very vital subject will receive the most careful consideration by the Banking and Currency Committee.

There is one point I have been repeatedly emphasizing and that I would like to make again—and I believe the Senator from Connecticut will agree with me—namely, that legislation of this character cannot be considered as being merely of local concern. We cannot possibly hope to get legislation on this subject approved by Congress, if only the Northeastern States and California, Nevada, Oregon, the Carolinas, and some other States are interested. This issue and this problem are national in scope. The people of Arizona, New Mexico, Michigan, Minnesota, Tennessee, and Oklahoma are just as much concerned as are the people of the Northeastern States, the Southern States, and the Western States.

So I desire to emphasize that this issue is a national one, and I hope it will be treated in that way by the Members of Congress when the definitive bills come before us.

I thank the Senator from Connecticut for yielding to me.

Mr. BUSH. First, Mr. President, I wish to acknowledge gratefully the comments made by the Senator from New

York in the earlier part of his remarks, and to say that I commend him for the manner in which the hearings of the Banking and Currency Committee were held in various parts of the country, and for the vigor and enthusiasm with which he conducted them. They were very well conducted, and I am sure they shed a great deal of light on this problem.

On the other hand, I wish to take sharp issue with the remarks of the Senator from New York concerning the bill I have introduced; I refer to the flood indemnity bill. There is nothing local about it. It will provide benefits to citizens all over the United States in flood-threatened or flood-affected areas. So I hope the Senator from New York did not mean to indicate that the bill is a local one.

Some of the other bills I introduced today do have special bearing—for instance, the bill providing for the construction of several new dams in New England. Of course, in a sense that is a local bill.

Mr. LEHMAN. Mr. President, will the Senator from Connecticut yield further to me?

Mr. BUSH. I shall be glad to yield in a moment.

First, I wish to state emphatically that there is nothing local about the administration's proposal for flood-indemnity insurance.

Mr. LEHMAN. Mr. President, will the Senator from Connecticut yield at this time?

Mr. BUSH. I yield for a brief question.

Mr. LEHMAN. I merely wish to correct any misapprehension the Senator from Connecticut may have had if he felt that I reflected on his bill as a local one. I was trying to say that in order to obtain the enactment of the bill, we have to have the support of a majority of the 48 States and of the entire Nation. I am convinced the issue of disaster insurance affects every State in the Union and should have the support of every State in the Union.

Mr. BUSH. With that I agree. We have as sponsors of this bill Senators from the West coast, from the East coast, and from the Middle West. I think in a few days we shall have sponsorship for the bill from every area in the United States. So I fully agree with the Senator that the bill must be one which has a broad national appeal.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. BUSH. I was asked some time ago to yield to the Senator from Nevada [Mr. MALONE], which I now do, for a question.

THE WESTERN NEVADA FLOOD AREA

Mr. MALONE. Mr. President, I have joined the distinguished Senator from Connecticut [Mr. BUSH] in amending and strengthening the permanent legislation, because it is necessary pending the permanent preventive work, which should be the objective rather than relief after the damage is done.

Mr. BUSH. I agree very strongly with the Senator in that respect.

CREDIT IS DUE

Mr. MALONE. I wish to pay my respects, if the Senator will further yield to Mr. Val Peterson, Director of the Civil Defense Administration; Mr. George H. Roderick, the Assistant Secretary of the Army; Gen. Charles G. Holle and his staff, which included General Itschner with whom the first negotiations were conducted. A plane was provided leaving for Reno on Christmas day, Sunday at noon, via Battle Creek, Mich., to pick up Governor Peterson. They remained overnight and until 4 p. m. the next day, inspecting the damage. They were very prompt and very helpful.

I wish to pay my respects also to the Small Business Administration, the FHA, the Red Cross, the Army engineers, to whom I have already referred, the Bureau of Reclamation, the National Guard of Nevada and to Col. Burton E. McKenzie, head of the Air Corps at Reno.

Much of the potential damage was prevented because of the prompt work accomplished by these organizations already within the area. The real flood prevention, when the danger first threatened, was headed by Mr. Len Harris, mayor of Reno, assisted by the mayor of Sparks, and by E. Holgate, county engineer, Washoe County.

Governor Russell wired the President asking that the area be classified as a disaster area and the President, already advised of the danger, acted promptly.

Mr. BUSH. If the Senator will allow an interruption, I join very heartily with him in the comments which he has made with respect to Governor Peterson and the others whose service was so amazing at this time of crisis in our area. I am sure the same situation must have prevailed in the western part of the United States.

In due course I intend to join with other Senators in paying more extended tribute to these officers of the Government who rallied so beautifully to our aid.

CONGRESSIONAL AUTHORIZATION NECESSARY

Mr. MALONE. Such commendation is highly deserved.

On Sunday, Christmas day, I walked away from a turkey that was being placed in the oven and boarded a plane with the gentlemen I have mentioned. We picked up Val Peterson in Battle Creek, and proceeded from there. The Christmas dinner is still postponed.

I shall have much more to say when the bills come before the Senate. The Army engineers and the Bureau of Reclamation have been very industrious over the past 35 or 40 years in carrying out the mandates of Congress in flood control, river improvement, and irrigation projects, which, incidentally, furnish flood control.

I have worked with them as a private engineer, as State engineer in my State of Nevada, and then as a Member of the Senate. All they need is proper authorization by Congress and the appropriation necessary for their investigation and for the construction of the projects.

PUBLIC SHOULD KNOW ABOUT PREVENTIVE PROJECTS

It has not always been easy. Congress responds to public demand; however, the public, unfortunately, are only aroused after the damage is done.

With respect to my own State, the project which is now before our Committee on Interior and Insular Affairs for action, required several years of joint investigation by the Army engineers and the Bureau of Reclamation.

If that project—the Truckee-Carson project—had been constructed, with the large dam on the upper Truckee and a large dam on the upper Carson, much of the damage would have been avoided. Congress can accelerate action on such preventive projects. In my part of the country—perhaps contrary to what is done in the Senator's State—we store water and use it for irrigation. We have not always called that operation flood control; but when we build dams for irrigation they furnish flood control, and often power, to repay the cost.

EXISTING PREVENTIVE WORKS

I was State engineer when the Boulder Dam—now Hoover Dam—was built, to furnish flood control for the Imperial Valley and other areas and to furnish irrigation water and power. One of the proudest things in my record is the fact that that project was designed to pay back every dime of its cost, with interest, and is meeting the definite annual amortization and interest costs.

Then there was the Central Valley project, which was mentioned by the Senator from California [Mr. KUCHEL]. I was consulting engineer on that project, after I left the office of State engineer.

Then followed the Los Angeles flood-control project, and the Orange County flood-control project, for which I was consulting engineer.

PUBLIC REALIZATION

It is very unfortunate that such flood damage must occur to bring the subject to the attention of the public.

Now that attention has been called to the hundreds of millions of dollars of damage to these areas, I hope there will be a full realization on the part of all Members of Congress that such damage can happen anywhere and that also a major portion of such damage can be prevented through the construction of feasible projects.

Instead of waiting for the damage to occur and then appropriating millions of dollars to try in some small measure to reestablish individuals and industries ruined in whole or in part, it is so much better to authorize investigations of projects by the Army engineers and the Bureau of Reclamation and to construct such projects if such construction is justified under the principles long established by Congress.

FLOOD INSURANCE

Let me refer briefly to the subject of flood-control insurance. I refer to it only briefly at this time. When these subjects come before the Senate I expect to particpate in the debate.

Private insurance is not available for flood damage. The area threatened by floods is comparatively small. Fire insurance and other kinds of insurance are easy to obtain because of their universal application.

The cost of flood-control insurance to the individual makes it prohibitive. So preventive measures furnish the long-range answer—and a reasonable partial solution may be found pending such permanent solution.

Mr. BUSH. I am sure the Senator would not feel that we should not consider insurance until we have attained prevention. Does the Senator not agree?

Mr. MALONE. I agree that we must consider it. However, the further we go into the question, the clearer it will become that a large part of such flood insurance will be a subsidy. It will not be insurance in the usual sense.

At the proper time the debate will disclose all the available information. There may have to be some limited subsidy but it must be carefully considered.

ORIGIN OF PUBLIC LAW 875

In passing, let me say that I was a member of the Senate Committee on Public Works when a disaster to a little known industrial center in Oregon just outside Portland washed away practically the entire town.

The subject was considered before our committee. I was chairman of the subcommittee. At that time, whenever there was a great disaster, it had to be brought to the attention of Congress on an individual basis and no money was available until Congress acted.

My committee inquired, "Why do we not make some general revolving fund available to the President, so that when a governor asks for disaster relief, the President, if he deems the affected area to be a disaster area, may afford relief. He would then have a fund to use immediately without coming to Congress." I am proud to say that I had some part in framing the legislation now known as Public Law 875.

Insurance is another consideration.

I think we should consider the question, because we are a large enough country financially to participate in reorienting area disasters.

We have practically every country in the world on our payroll now. We are building projects all over the world by Executive order.

If a project is located in Egypt or France it is not necessary to come to Congress. Someone in a government that we hardly know can order the job done, so I think it is time that we paid more attention to our own people.

Mr. BUSH. I thank the Senator for his assurances and interest and support with respect to the proposed protective legislation; also for his interest in the insurance program.

I now yield to the Senator from Oregon.

Mr. MORSE. Mr. President, I commend the Senator from Connecticut for introducing the proposed legislation to which he has referred. As a coworker with him on the Committee on Banking and Currency, I am sure that he knows that it will receive our very careful consideration.

I greatly appreciate the kindness of the Senator in inviting me to be a cosponsor of the bill. I assure him that my declination in no way represents a lack of interest on my part in the objectives which the Senator has in mind. However, I happen to be preparing proposed legislation of my own on flood control and disaster problems which I think is more comprehensive. It is my view that the proposed legislation which I am certain co-sponsors are preparing is to be preferred to the proposals of the Senator from Connecticut.

Nevertheless, there is so much merit in the objectives of the Senator from Connecticut that he will find me a coworker with him in the committee in trying to accomplish our mutual objective in this field of flood control and disaster relief. I shall go as far as it is possible to go with him in support of certain features of his proposals, and I hope I can induce him to go further and give support to my more comprehensive program which places great emphasis on flood and disaster prevention.

As the Senator from Nevada [Mr. MALONE] has pointed out, our problem is not only to bring relief to the people who have suffered these disasters, and to provide some insurance protection to help them when other disasters come, but our real job of statesmanship in this field is to proceed with public works which will prevent the recurrence of such disasters.

The Senator from California [Mr. KUCHEL] pointed out the great attributes of Shasta Dam as a preventive bulwark in connection with floods in California.

I should like to show the Senator from Connecticut the horrible disaster in those parts of my State where we had not developed the dams which would have prevented the recent floods. Then I should like to show the Senator from Connecticut the parts of my State which, if we had not built the dams that are there now, would have been washed out along with those parts of the State that suffered the great flood disaster.

I should like to take the Senator from Connecticut to my home county in the area below Detroit Dam and show him what happens when we build flood control dams.

I wish to stress at this point—and I shall not take longer now, because I shall discuss the subject at some length next week—we need to build many flood control dams throughout the Nation. The importance of a preventive program of speeding along with the multiple-purpose dams, for which I have been fighting during all my years as a Member of the Senate should be faced up to by this session of Congress. I call particular attention to the Hells Canyon Dam and to the great flood control water storage which it would provide in my State from that standpoint alone. If flood control water storage were the only justification for the Hells Canyon Dam, it would be sufficient justification for the Federal Government to build the dam. I contrast the great water storage which would be provided by Hells Canyon Dam with the puny water storage which would result from the Idaho Power Company's plan, on which this administration to its discredit has placed its stamp of approval.

What we should do at this session of Congress is stop stalling on legislation which would protect our people from unnecessary flood losses and proceed with a Federal flood control program by appropriating money for the most rapid completion in the Willamette Basin of Cougar Dam, for example, by the Federal Government; of the Hills Creek project,, by the Federal Government; of the Green Peter project, by the Federal Government. Then on the Columbia we should appropriate the money for speeding up the John Day project as a Federal Government project, contrary to the unfortunate and sorry partnership recommendation of the President of the United States in his state of the Union message today. We should vote the necessary funds to speed up Ice Harbor and every other authorized project so sorely needed to give the people in the Pacific Northwest protection from the constant threat of flood disasters. Do I plead alone for the people of my State? Not at all. Each one of us is a Senator from our State for our Nation. I plead for a comprehensive flood control program for the Nation. I pledge my support to other Senators who are confronted with the same flood control needs in their States. If we build such great monuments to disaster prevention, we will live up to the requirements of statesmanship in the field of disaster prevention.

In this session I recommend such Federal projects to the President of the United States, and I respectfully suggest that he send to Congress an amended state of the Union message on the whole matter of water resource development and flood prevention.

Mr. BUSH. I thank the Senator from Oregon for his opening remarks with respect to my proposal and with respect to the whole subject in general. I am certain that as a member of the committee he will be very helpful in working out legislation which will be of benefit to the whole field of flood-stricken and flood-endangered areas.

However, I am afraid that I must dissociate myself with the last part of the Senator's remarks in the present debate on flood insurance. I am sure the Senator will excuse me if I do so.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. BUSH. I yield to the Senator from North Dakota.

Mr. LANGER. I wish to assure the distinguished Senator from Connecticut that the senior Senator from North Dakota will certainly fight for every proposal to build the dams that are needed in the area referred to by the Senator from Connecticut.

However, I am concerned with respect to the matter of insurance. Unfortunately I was called out of the Chamber during the first part of the debate, when the Senator from Nevada was interrogating the Senator from Connecticut. Of course the bills have not yet been printed, but I should like to inquire at this time whether the bills provide for private insurance or Government insurance.

Mr. BUSH. The bill which I have introduced on insurance provides indemnity. The premium would be paid, 60 percent by the individual, 20 percent by the State, and 20 percent by the Federal Government.

All the administrative expenses connected with the program would be paid by the Federal Government. A limit is

provided. For example, no person could obtain insurance in excess of $250,000. I point out to the Senator from North Dakota that such a provision of the bill would give very broad coverage, but would not allow any large industrial operator to receive more than $250,000 worth of insurance. The New Haven Railroad, for example, lost more than $10 million during the last disaster. However, under the bill, that company could get only $250,000 in insurance.

Mr. LANGER. That is one section of the bill I shall wish to scrutinize very carefully.

Mr. BUSH. I hope the Senator from North Dakota will do so.

Mr. LANGER. I do not propose to fight for any bill which gives a windfall to any private insurance company.

Mr. BUSH. The bill would not give a windfall to any private insurance company. The Senator from North Dakota will find that under the bill the Government would depend on the cooperation of private insurance companies, not for profit, but in the distribution of the insurance and in the settling of claims, and so forth, but under the aegis of the administrator of the program. Therefore the facilities of the private insurance industry would be utilized, but nothing in the bill could be of profit to such insurance companies.

ORDER OF BUSINESS

Mr. CAPEHART. Mr. President, I do not know when the President-elect of Brazil will arrive in the Chamber. However, I should like to ask unanimous consent that my remarks and any remarks in respect to them be printed in whole at the end of the ceremonies welcoming the President-elect of Brazil. I also ask unanimous consent that after the ceremonies I may have the floor.

The PRESIDING OFFICER (Mr. McNAMARA in the chair). Is there objection? The Chair hears none, and it is so ordered.

VISIT TO THE SENATE OF HON. JUSCELINO KUBITSCHEK DE OLIVEIRA, PRESIDENT-ELECT OF BRAZIL

Mr. MORSE. I understand that the President-elect of Brazil has arrived. If the Senator from Indiana will yield for that purpose, I should like to suggest the absence of a quorum.

Mr. CAPEHART. I shall be happy to yield for that purpose, with the understanding, however, that following the ceremonies honoring the President-elect of Brazil, I shall have the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MORSE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Presiding Officer appoint a committee to escort to the Chamber of the Senate the President-elect of Brazil.

The PRESIDING OFFICER. Without objection, the Chair appoints the senior Senator from Texas [Mr. JOHNSON] and the senior Senator from California [Mr. KNOWLAND] a committee to escort the distinguished President-elect of Brazil to the Chamber.

Mr. JOHNSON of Texas. Mr. President, I now move that the Senate stand in recess, subject to the call of the Chair.

The motion was agreed to; and (at 2 o'clock and 42 minutes p. m.) the Senate took a recess, subject to the call of the Chair.

The Senate being in recess, the Honorable Juscelino Kubitschek de Oliveira, President-elect of Brazil, and Mr. A. José de Seabra, of the State Department, escorted by the committee appointed by the Presiding Officer, consisting of Mr. JOHNSON of Texas and Mr. KNOWLAND, entered the Chamber, and took the places assigned them on the rostrum in front of the Vice President's desk. [Applause, Senators rising.]

The VICE PRESIDENT. Members of the Senate and our guests in the gallery, it is my great privilege to present at this time the President-elect of the United States of Brazil. [Applause, Senators rising.]

ADDRESS BY THE HONORABLE JUSCELINO KUBITSCHEK DE OLIVEIRA, PRESIDENT-ELECT OF THE UNITED STATES OF BRAZIL

Thereupon, from his place on the rostrum, the President-elect of Brazil delivered the following address:

President-elect KUBITSCHEK DE OLIVEIRA. Mr. Vice President and Members of the Senate: E com emoção que vos falo, na qualidade de Presidente eleito dos Estados Unidos do Brasil. Emoção justificada, pois tenho a oportunidade de dirigir-me, em nome de meu país, através de uma das maiores tribunas livres do mundo, à nação generosa e forte, a quem a nossa civilização deve apoio decisivo em algumas das horas mais perigosas e mais difíceis que a humanidade atravessou.

Maior do que o vosso progresso e do que êste poderio material incomparável, de que resultou a maior justiça social existente no mundo, justiça baseada na prosperidade e na dignidade da pessoa humana, maior do que vosso parque industrial, do que a fecundidade dos vossos campos, do que a vossa riqueza, é o emprêgo heróico que dela fizestes no passado de ontem, arriscando-a, duas vêzes em meio século, quando a opressão ameaçou o que constitui para vós e para nós também a própria essência da civilização, que é a liberdade do homem, o respeito pelo homem, inviolável na sua consciência e no seu direito e a independência da cultura.

Não vos impusestes ao mundo apenas pela fôrça das armas, mas pela fidelidade às vossas idéias, pela aplicação altruística de um poderio que provastes estar em condições morais de possuir.

Durante as duas últimas guerras em que interviestes, vencendo muitas resistências e rarazões que vos aconselhavam a permanecerdes na vossa casa, encontrastes o meu país ao vosso lado, não oferecendo cooperação comparável com a vossa, mas correndo o mesmo risco.

Participamos conjuntamente das duas conflagrações, não por espírito de solidariedade continental, embora êsse epírito seja forte no Brasil, mas por comungarmos nos mesmos, ideais, nos mesmos sentimentos, no mesmo respeito à eminente dignidade do homen, que vos levaram a pegar em armas e combater com decisão incomparável.

Não quero perder o ensejo de reverenciar a memória dos jovens mortos desta nação pelos serviços que prestaram às nossas pátrias e tudo o que fizeram para que vivêssemos no estilo em que desejamos viver: livres, com as crenças e princípios cristãos que nos formaram e a que desejamos continuar fiéis.

Não devemos esquecer as obrigações que assumimos com os que se devotaram até ao sacrifício da própria vida: essas obrigações consistem principalmente na defesa da democracia e na independência dos povos. Seria trair o que há de mais sagrado para as nações, os que morreram nas guerras justas por um ideal—e neste momento me lembro dos cemitérios militares europeus e entre êles o Campo Santo de Pistóia, onde estão adormecidos no seio do Eterno os soldados brasileiros—seria esquecer as horas decisivas o não defender a liberdade do homem, o não defender o govêrno democrático, enquanto êle estiver ameaçado.

A nação brasileira repele tôdas as formas de tirania, tal como vós também o repelís: a tirania e a opressão, venham da direita ou da esquerda, nos causam indignada repulsa. Estamos, nós brasileiros, atentos e empenhados em conservar as conquistas de nossa liberdade, que nos custaram muito a adquirir.

Anação brasileira ama a liberdade de seus filhos tanto quanto a nação americana a nação brasileira ama e defende o seu patrimônio moral e espiritual e nãa precisa de quem lhe dê lições de respeito a si mesma, como é também o vosso caso. Somos bastante conscientes para saber, porém, que a luta contra os extremismos atentatórios às prerrogativas do homem está ligada muito mais do que à repressão violenta, à solução dos problemas graves do desenvolvimento e da prosperidade.

Sabemos que o combate às idéias de opressão se faz com atos fecundos e não há remédio mais eficaz para a cura da doença anti-democràtica do que o contentamento e a satisfação dos povos. Combater as idéias extremistas em meu país, idéias cujos adeptos hoje estão em reduzida minoria, é principalmente fazer com que o Brasil se encontre com o seu destino, é trabalhar pela melhoria de nível de vida do povo, incessantemente, tal como o fizestes aqui.

Não acreditam os brasileiros que o problema social possa ser combatido com eficiência senão pelas armas do desenvolvimento, da expansão, do progresso, da melhoria das condições de vida da população, e naturalmente pela cultura de base humanística e pelo aprofundamento da noção da lei moral.

Creio que já vos disse o necessário, na brevidade destas palavras, senhores membros desta alta casa que é o Senado

dos Estados Unidos da América do Norte, para que conhecesseis as intenções e os desejos de colaboração e entendimento, os propósitos de progresso social e o pensamento político que animam o futuro govêrno do Brasil em relação ao vosso país.

Já vos disse do caráter afirmativo e pioneiro que norteará o meu govêrno. Quero, ao terminar estas palavras, saudar-vos mais uma vez e afirmar-vos que não seria realmente importante a vossa grandeza material, se não a tivesseis pôsto a serviço de grandes a nobras causas, notadamente a causa da defesa do homem, da sua liberdade e do seu bem estar neste deficil planeta de que nos fêz habitantes o alto designio de Deus.

The address of the President-elect of Brazil was interpreted by Mr. A. José de Seabra, of the State Department, as follows:

Mr. Vice President and Members of the Senate, it is with deep emotion that as President-elect of the United States of Brazil I am addressing this august assembly. My emotion is justifiable, for, on behalf of my country I am speaking from one of the greatest of free platforms in the world to the stalwart, generous nation to whom our civilization is indebted for timely support in some of the most perilous and perplexing hours of need that have ever befallen mankind.

Great as is your progress and that unequaled wealth and power which has vouchsafed you the highest form of social justice existing on earth, justice founded in the prosperity and dignity of the individual; great as is your industrial network, the fertility of your well-tilled fields, your very riches; nobler far is the heroic use you made of them in the near past, endangering them, twice in half a century, when oppression laid siege to what is for you, and for us too, the basic framework of civilization, and that is the freedom of man, the respect for man, unassailable in his conscience and in his rights, and the independence of his way of living.

Yet you did not sway the world merely by force of arms, but rather by faith in your ideals, by the unselfish exercise of power that you have proved morally fit to possess.

In the course of the last two wars in which you intervened, overcoming resistance from many a quarter and discarding multiple reasons that urged you to stay at home, you found my country at your side, unable to cooperate on the same scale as yours, but running the same risk.

Together we took part in the two conflagrations, not only from motives of continental solidarity, though this concept be firmly anchored in the Brazilian mentality, but also because we share the same ideals, the same sentiments, the same respect for the paramount dignity of man, that led you to take up arms and fight with unflinching valor.

I cannot fail to take this opportunity of paying homage to the young of your nation who died for this great cause and express my gratitude for the services they have rendered to our countries and for all they have done so that we may live as we want to live: free, and abiding by the Christian beliefs and principles of our upbringing, to which we aspire to remain faithful.

Nor should we forget the obligations we have assumed toward those whose devotion has gone as far as the sacrifice of life itself: these obligations consist mainly in the defense of democracy and the independence of peoples. It would be to betray what is most sacred to the nations, the dead fallen in righteous combat for an ideal—and here I call to mind the military cemeteries in Europe and among them, the Campo Santo of Pistoia, where the Brazilian soldiers are laid in eternal rest—it would be to forget the fateful hours not to defend the freedom of man, not to defend democratic government, whenever it is threatened.

The Brazilian nation rejects all forms of tyranny as you, too, reject them; tyranny and oppression, whether from right or left, are equally repulsive to us. We Brazilians are steadfast and determined to safeguard the fruits of our liberty, that we strove so hard to win.

The Brazilian nation holds the freedom of her sons as dear as does the American nation; the Brazilian nation cherishes and stands guard over her moral and spiritual heritage, and needs none to give her lessons in self-respect, herein again we are alike. We are, however, well aware that successful opposition to extremist ideologies that infringe on the prerogatives of man lies not so much in ruthless repression as in finding a solution to the grave problems of development and prosperity. We know that ideas of oppression must be routed by constructive action and that there is no more efficient remedy for curing the antidemocratic sickness than the contentment and satisfaction of the patient. To combat extremist ideas in my country—ideas now defended by but a small minority—it is chiefly necessary to bring Brazil into line with her destiny, to work constantly toward a higher standard of living as you have done in this country. Brazilians do not believe that the social problem can be efficiently coped with except by way of development, expansion, progress, an improvement in the living conditions of the population, and naturally by the spread of culture along humanistic lines and by deepening the concept of moral law.

I feel that I have now said enough, gentlemen of this high Chamber which is the Senate of the United States of America, for you to recognize the intentions and desires of cooperation and understanding, the design for social progress, and the political line of thought which characterize the future Government of Brazil with regard to your country. I have already outlined the constructive and pioneering zeal which will be the mainspring of my government. In a few parting words, I should like to convey once again the depth of my sentiments and to stress that your material greatness would not be really great, had it not been made available for the furtherance of great and noble causes, notably the defense of man, his freedom and his well-being on this complex planet of ours on which God has seen fit to place us.

The VICE PRESIDENT. Mr. President-elect, the Members of the Senate by their applause have indicated their appreciation of your very eloquent and kindly remarks. You have honored us by appearing before us on this day, and you have helped to make this day perhaps one of the most significant in the history of the United States Senate. I doubt if there has been another occasion on which this body has, during 1 day, heard messages from two Presidents, the President of the United States of America, and the President-elect of the United States of Brazil, the Presidents of the two largest countries in the American Hemisphere.

For helping to make this a memorable occasion, we express our appreciation to you. We hope that you and the members of your party in the diplomatic gallery will enjoy their visit to the United States. We certainly have enjoyed their visit to us.

Before you go to the well of the Senate to greet the Members of the Senate, I think we should first pay our respects to two very distinguished diplomats who are on the floor. One is a man who has served in the diplomatic corps of his country for 37 years. He is one of the great Ambassadors in Washington and in the whole world, the Ambassador to the United States from Brazil, Mr. João Carlos Muñiz. [Applause, Senators rising.]

Another Ambassador who is present today is a man many of us have met in various positions in which he has served, in Italy, in Spain, and now in Brazil, the distinguished Ambassador from the United States to Brazil, James Clement Dunn. [Applause, Senators rising.]

The President-elect of Brazil is now invited to repair to the well of the Senate to be introduced to the Members of the Senate.

The President-elect of Brazil was escorted to a position on the floor of the Senate in front of the Vice President's desk, and was there greeted by Members of the Senate, who were introduced to him by Mr. JOHNSON of Texas and Mr. KNOWLAND.

Following the informal reception, the President-elect was escorted from the Chamber.

LEGISLATIVE SESSION

At 3 o'clock and 11 minutes p. m., the Senate reassembled, when called to order by the Presiding Officer [Mr. MCNAMARA.]

PROPOSED INTERNATIONAL FOOD COMMUNITY BOARD ACT OF 1956—INTRODUCTION OF A BILL

Mr. CAPEHART. Mr. President, I introduce, for appropriate reference, a bill to create an international food community board. I am introducing the bill on behalf of myself, the Senator from South Dakota [Mr. MUNDT], the Senator from Minnesota [Mr. THYE], the Senator from North Dakota [Mr. YOUNG], the Senator from Maryland [Mr. BUTLER], the Senator from Idaho [Mr. WELKER], the Senator from Georgia [Mr. GEORGE], the Senator from South Dakota [Mr. CASE], the Senator from Indiana [Mr. JENNER], and the Senator from Wyo-

ming [Mr. BARRETT]. I understand that possibly other Senators may wish to join in sponsoring the bill.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2852) to create an International Food Community Board, and for other purposes, introduced by Mr. CAPEHART (for himself and other Senators) was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

Mr. CAPEHART. Mr. President, the purpose of the bill is fourfold: First, to help the American farmer; second, to help the American economy, because the American economy will not stand very long unless the farmers of America are prosperous; third, to help the poor people of the United States; and, fourth, to help the poor peoples of the free world.

Mr. President, every informed person must agree that farm commodity prices have not kept pace with our expanding economy, and that something must be done to raise the level of farm prices. I believe that one of the most direct causes of the current subnormal farm commodity prices is the $7,500,000,000 inventory owned by or pledged to the United States Government—a tremendously large inventory of farm products, which is hanging over the market and is tending to depress farm commodity prices.

Mr. President, I shall repeat myself many times in the course of my remarks during the next 20 minutes, when speaking of the problem caused by the surplus of farm commodities, because there can be only one reason for low farm-commodity prices today. As everyone knows, farm-commodity prices are too low in comparison with all other prices; and unless we correct that situation, the economy of America will eventually break down, and farm-commodity prices eventually will bring down all other prices. In my opinion, there will be a depression or a recession in the United States, unless we can get farm commodity prices back in line with all other prices, or at least get them near all other prices.

It must be that the cause of the low farm-commodity prices of today is the surplus. If not, what is the cause? It must be the surplus. I have traveled all over my State of Indiana, and have had meetings with farmers and farm leaders and the agricultural professors at Purdue University, and I have talked to dozens and dozens of persons. I have not found one who does not agree that the present low farm-commodity prices are due to the surplus. That must be the cause.

If the surplus is not the cause, then God help us, because under existing economic conditions one would expect farm commodity prices to be high. I refer to the situation which discloses that 66 million persons are employed at the highest wages in the history of the Nation, that business is enjoying the greatest prosperity it has ever known, that we are producing nationally, and in excess of $400 billion, that there is more money in the banks and more money in the people's pockets, than ever before in the history of the United States. Under those conditions, one would naturally think that farm-commodity prices would be high, or at least as high as other prices.

However, that is not the case. Today farm-commodity prices are not high. Those prices have not been kept in line with other prices, and that has resulted because of the huge surplus of farm commodities.

Mr. President, one may ask, what is the huge surplus of agricultural commodities? Who owns that surplus? How did it come to be created? Who was the cause of it?

I care not who owns it or how it came to be created. That makes no difference to me, and it should not make any difference to any other Member of the Senate. The fact is that we have approximately $8 billion worth of farm commodities as a surplus, and that surplus has been accumulating over a number of years, and under two Presidents—a Republican President and a Democratic President.

One can work out for the future all the farm plans he may care to, even the best farm plan in the world, but that will not solve the problem of existing farm-commodity prices. It will not result in farm-commodity prices rising again. The only way to get them up again is to get rid of the surplus.

I hold in my hand a copy of this morning's edition of the Washington Post and Times Herald. On the front page there appears a large headline, "Plan Drawn To Cut Farm Surpluses," and in the article following it is stated that a "two-phase plan" has been drafted to curb farm surpluses.

Mr. President, there is no question that the farm problem is a two-pronged affair. First, we have to get rid of the surplus, and then we have to put into effect legislation which will make certain that there will not be similar surpluses in the future. There can be no question about that. However, it will not do any good to work out the second phase—that calling for a long-range program to eliminate future surpluses—if we do not get rid of the present surplus. The article states that a long-range plan is being drafted to curb farm production. However, it does not say that the plan will get rid of the farm commodity surpluses at the moment.

Mr. President, the bill introduced by me, together with other Senators, is aimed at one purpose, and one purpose only; namely, to get rid of the existing farm commodity surpluses, and to get rid of them at the earliest possible moment. Our bill will do that through the medium of a five-man board which will be authorized to do certain necessary things. The administration has been getting rid of many surpluses. It has been doing a good job under existing conditions, but the job has not been good enough, because we still have surpluses.

Under this bill the Congress of the United States would say to the administration—and I happen to know that the administration would welcome such a mandate—"We want you to get rid of the existing surpluses."

Let me refer to some of the significant features of the bill.

First, the five-man board to administer the program would be composed of the heads of existing Government agencies. No new agency or staff would be created to administer this program. The distribution of agricultural surpluses would be through present Government agencies.

Second, distribution of these agricultural surpluses would be undertaken in such a manner as not to replace, divert, or interfere with existing commodity markets, but would be confined exclusively to peoples not otherwise able to purchase such goods.

The surpluses would go to people in the United States and other countries in the world who would not otherwise be able to purchase the foodstuffs. That is the only way we can help get rid of the surplus, because our surplus is a part of the world surplus. It is a part of the world food supply.

For example, it would do no good, if there were a surplus of shoes, to give me a pair of shoes, because I will buy a pair of shoes if I need them, and I have plenty of shoes. But it would help the surplus if we gave a pair of shoes to a little tot across the street who did not have a pair of shoes, or had a pair of shoes that was completely worn out, and who, if we did not give her a pair of shoes, would never have another pair. So we are talking about the humanitarian aspects of getting rid of the huge surplus of some $8 billion worth of foodstuffs, and at the same time helping our own farmers and our own economy.

Third, there would be excluded from the program such agricultural surpluses as the President estimates are needed for a national reserve, or can be sold through existing programs within the next 3 years. We would give away only what we could not sell and did not need for a national emergency reserve.

I have heard people say that they are against giving the surplus away. As a businessman, I know that when a businessman has a surplus, he endeavors to get rid of it. He sells it, if he can, at existing prices. If he cannot, he lowers the price. If he cannot sell it at a lower price, he says to a prospective buyer, "If you buy one, I will give you two." He takes whatever steps are necessary to get rid of his surplus. As a businessman, he knows that he cannot hope to conduct a stable, successful business so long as he has a surplus inventory.

We cannot operate the agricultural machine in the United States with a $8 billion surplus. One may ask, "What interest does the Congress have in it?" We, the Government, own the $8 billion surplus. The farmers do not own it. Businessmen do not own it. The Government owns it, and the Government is represented by the Congress of the United States. We own it. Only we—meaning the Congress of the United States—have any authority whatsoever to dispose of the surplus.

We must be realistic. We asked the farmer, during the Korean war, and at other times, to produce more and more, and he did so. The Government of the United States purchased his production

under support plans. The Government now owns the surplus. It is in warehouses all over the United States. It is our responsibility to get rid of it, and we had better get rid of it.

This bill would mandate the administration to establish a commission which would devise ways and means of selling, bartering, or giving away the surplus.

Gentlemen have said to me, "I do not know why we should give away foodstuffs to other peoples." Primarily we are doing it to help ourselves. We have the surplus. It is costing us $1 million a day to store it, and it will soon start bankrupting many farmers in the United States.

It is costing the American Government the interest on $8 billion, and it will be costing the American Government a great deal of money in the form of loss of taxes which the farmers will not pay because they will be making no profits.

I am pleading with the Congress of the United States to do something about the surplus, because the Congress is the only instrumentality that can do anything about it. I am pleading with the Congress to say to the administration, "We want you to get rid of the surplus. We want you to sell it if you can. If you are unable to sell it, we want you to barter it. We want you to sell it and take foreign currencies in exchange for it. If you are unable to do that—and there are places in the world where you will be unable to do it—we want you to give it away. You must get rid of it."

If we do not get rid of the surplus, we shall have low farm commodity prices, and we shall not solve the problem.

People say to me, "We ought to get out of the farm problem entirely. We have no business in it." I do not intend to argue that point today. It is too late to argue it. We went into the farm problem in 1934, when we adopted the general farm policy which we are using today.

Some 20 years ago we adopted the general farm policy which has been responsible for accumulating surpluses. It will do no good to blame anyone for it. That will not get rid of the surplus. We must dispose of it.

I do not know of any rational person who would ever recommend that we destroy or burn the surplus. There are thousands of people in the United States who are underfed, and perhaps some who do not have any food. There are millions of people in the world who are underfed. Have we not sufficient intelligence in the Congress, and as a people, to give away some of these foodstuffs?

I can think of many ways in which a commission could give foodstuffs away. First, of course, the food could be given to our own people.

Why do we not give the food to the township trustees, scattered throughout the United States in every county, and let them, in turn, distribute the food in the form of welfare relief, instead of the cash they now hand out?

Why do we not distribute the food in friendly free countries through private agencies and charitable organizations? The bill provides that the food shall be distributed by private nonprofit organizations.

The Government has already paid $8 billion for the food. My proposal does not require any additional appropriation. We have already paid for the food. It is already in storage. My plan would not require any additional money at all.

I say, Mr. President, we ought to have enough intelligence to handle the surplus problem. If somehow, in some way, tomorrow we could get rid of the huge surpluses, farm prices would go up to where they belong, and we would no longer have to worry about farm prices.

Of course, it will not be easy to get rid of the surpluses. It is not easy to give things away. It will require a great deal of intelligence. It will require the setting up of a commission such as I am proposing.

People have said to me, "Why do you wish to set up a commission? Do we not have many Government agencies already which could deal with the problem?"

My answer is that we do have a great many Government agencies. It is true, also, that they have been trying to do the job, but they have not been able to do it successfully, and that is because everybody's business is nobody's business. That is the trouble, Mr. President. There are too many people working on the job, with no one agency spending all its time in an effort to solve the problem. A centralized agency could deal with the problem, and we could hold such an agency responsible for getting rid of the surpluses.

Mr. President, I should like to have printed in the RECORD at this point a copy of the bill.

There being no objection, the bill (S. 2852) was ordered to be printed in the RECORD, as follows:

S. 2852

Be it enacted, etc., That this act may be cited as the "International Food Community Board Act of 1956."

DECLARATION OF PURPOSE

SEC. 2. It is the purpose of this act to distribute Government-owned stocks of surplus agricultural commodities by an orderly system of disposition of such commodities through private nonprofit organizations, and to needy peoples at home and in free foreign nations, and thus to relieve the agricultural economy of the United States of the harmful effect to fair market prices of these surpluses hanging over the market and at the same time provide food and clothing for underprivileged peoples of the free world.

INTERNATIONAL FOOD COMMUNITY BOARD

SEC. 3. There is hereby established in the executive branch of the Government an agency to be known as the International Food Community Board (hereinafter referred to as the "Board"). The Board shall be composed of 5 members who shall be appointed by the President from among the heads of departments in the executive branch most concerned with the purposes of this act. One of the members shall be designated by the President as Chairman and one shall be designated by him as Vice Chairman. No member of the Board shall receive any additional compensation for his services on this Board. Members of the Board shall serve at the pleasure of the President.

(b) The Board is authorized to appoint and fix the compensation of such officers and employees, and to make such expenditures as may be necessary to carry out its functions. The Board may delegate any of its functions to such of its officers and employees as it may designate.

(c) The Board shall, with the consent of the Government agency concerned, avail itself of the services and facilities of existing Government agencies in carrying out its functions under this act and may, with the approval of the President, delegate any of its powers to any Government agency.

(d) The Board is authorized to appoint without regard to the civil-service laws and regulations such advisory committees as it deems necessary to assist it in carrying out its functions under this act. Persons so appointed may be compensated at rates not in excess of $50 per diem and may be reimbursed for necessary traveling and subsistence expenses incurred by them while engaged in the business of the Board.

STATE LIAISON COMMITTEES

SEC. 4. The Board is authorized to appoint for any State or regional area, a State or regional liaison committee composed of three members. The Board shall perform its functions under this act in such States or regions with the advice and on the recommendations of such liaison committees. Members of such State or regional liaison committees shall serve at the pleasure of the Board, may be compensated at the rate of not more than $50 per diem, and shall be reimbursed for necessary traveling and subsistence expenses incurred by them while engaged in carrying out functions under this act. The Board shall provide each such liaison committee with such stenographic and other assistants as it may reasonably require. Such liaison committees shall be charged with the responsibility of assisting properly qualified applicants to avail themselves of the benefits of this program.

FUNCTIONS OF THE BOARD

SEC. 5. It shall be the duty of the Board to formulate and put into effect programs designed to carry out the purposes of this act. Such programs shall include, but shall not be limited to, plans for—

(1) the distribution over a period of approximately 3 years (or, in the case of perishable commodities, such shorter period as may be necessary to prevent spoilage) to needy peoples in the United States and in friendly foreign countries who would otherwise be unable to obtain such commodities or products, of all stocks of Government-owned surplus agricultural commodities, or products processed therefrom, less—

i. Such quantity of each commodity as the President may estimate is necessary to provide an adequate national reserve of such commodity for emergency purposes, and

ii. Such quantity of each such commodity as the President may estimate can be sold or otherwise disposed of, from the stocks of Government-owned agricultural surpluses, during the period of this program, through previously authorized programs, and

iii. The President may from time to time revise such estimates and thereupon this program shall be correspondingly revised.

(2) carrying out such distribution in a manner which will not materially displace, disrupt, or interrupt existing commercial markets;

(3) carrying out such distribution, to the maximum extent feasible, through the facilities of private nonprofit organizations in the United States and abroad and through locally sponsored or locally administered plans of operation;

(4) storing in foreign countries of commodities transported for ultimate distribution within, or in the areas of, such countries, and for the transportation abroad as soon as possible of the commodities proposed ultimately to be distributed abroad;

(5) transportation of commodities and products to be distributed to storage facilities in areas of distribution and the leasing,

or where necessary the construction, of necessary storage space in such countries;

(6) processing of commodities into consumable goods wherever possible without cost to the Government; and

(7) reimbursement of costs incurred by the Board in processing commodities into consumable goods and in providing transportation from storage facilities to points of consumption.

POWERS OF BOARD

SEC. 6. In carrying out its functions under this act, the Board is authorized to—

(1) obtain Government-owned surplus agricultural commodities from the Commodity Credit Corporation, without reimbursement to the Commodity Credit Corporation for such commodities, and the Commodity Credit Corporation is directed to deliver to the Board for the purposes of this act such commodities as the Board may request and which are to be disposed of under section 5 (1) of this act;

(2) enter into contracts for the processing into consumable goods and bulk packaging of such commodities, and for their transportation to storage facilities in areas of distribution (or, in exceptional cases, to points of consumption);

(3) enter into agreements, as provided in section 7 of this act, with private nonprofit organizations in the United States and in foreign countries for the distribution of commodities and products processed therefrom to the ultimate consumers thereof;

(4) accept donations of transportation, processing, and other services.

AGREEMENTS WITH DISTRIBUTING ORGANIZATIONS

SEC. 7. Agreements entered into pursuant to section 6 (3)—

(1) shall provide, except as provided in section 8, for payment to the Board for commodities or products furnished to the distributing organization, and reimbursement of the Board for costs incurred by it in the processing or transportation of such commodities or products, but such payment need bear no relation to the fair market value of the commodity or product, the purpose of this act being to distribute surplus goods to needy peoples;

(2) shall contain such provisions as the Board may deem necessary or appropriate to assure that the commodities and products to be distributed under such agreement will be delivered only to needy peoples not otherwise able to obtain such commodities, or to schools, hospitals, or other institutions for consumption or use by such peoples, all pursuant to the purposes stated in section 5, paragraphs 1 and 2, of this act;

(3) shall limit the charge made to recipients of such commodities or products to not more than actual cost to the nonprofit organization including processing and transportation (excluding local transportation in the country or area of distribution);

(4) may permit such nonprofit organization to contract with a processor to process any such commodities in exchange for byproducts thereof (provided that the fair value of the byproducts does not exceed the reasonable charge for such processing).

PAYMENT FOR COMMODITIES

SEC. 8. (a) The Board is authorized to distribute commodities and products under this act at such prices, not in excess of the fair value thereof, as recipients are able to pay, and as are consistent with the purposes of this act. Payment for such commodities and products may be in the form of—

(1) raw materials needed for stockpiling for national defense purposes;

(2) goods and services needed by Armed Forces personnel; or

(3) United States or foreign currencies.

Any foreign currencies acquired under the provisions of this subsection shall be purchased from the Board by the Export-Import Bank of Washington at current rates of exchange.

(b) Notwithstanding any other provision of this act, the Board may make commodities or products available for distribution under this act without any cost whatever to the distributing agency when the persons to whom ultimate distribution will be made are unable to make any payment therefor (or any payment in excess of transportation and processing costs).

(c) Amounts received by the Board under this section may be used to defray any proper costs of this program and any remaining funds shall be paid into the Treasury as miscellaneous receipts.

APPROPRIATIONS

SEC. 9. There are authorized to be appropriated such sums as may be necessary to enable the Board to carry out its functions under this act.

MISCELLANEOUS PROVISIONS

SEC. 10. (a) As used in this act, the term "Government-owned surplus agricultural commodity" means agricultural commodities acquired by the Commodity Credit Corporation prior to the date of enactment of this act through price-support operations or pledged to the Commodity Credit Corporation under agreements entered into prior to such date, and agricultural commodities acquired prior to such date through the use of funds made available under section 32 of the act of August 24, 1935 (Public Law 320, 74th Cong.).

(b) The Board shall take such action as may be necessary in order to make known to prospective applicants the availability of agricultural commodities and products for distribution under this act.

(c) Agricultural commodities and products stored in accordance with section 5 (4), shall remain the sole property of the United States and subject to its exclusive control until distributed by the Board in accordance with a program promulgated under this act. No commodities or products so stored shall be returned to the United States except in case of national emergency.

(d) The President is authorized to transfer to the Board any functions or duties of any other agency of the Government relating to the disposition of surplus Government-owned agricultural commodities.

(e) The Board shall transmit to the Congress annually a report of its activities under this act.

SEC. 11. This act shall expire on June 30, 1960.

Mr. CAPEHART. Mr. President, I should like to have printed in the RECORD at this point a statement which I have prepared on the subject.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR CAPEHART

I send to the desk a bill to create an International Food Community Board having as its purpose the distribution of existing excess agricultural surpluses to feed and clothe needy people in the United States and in free foreign nations, and thereby to relieve currently distressed farm prices of the depressing effect of these excess surpluses that hang over agricultural markets like a sword over one's head.

Every informed person must agree that farm prices have not kept pace with our expanding economy and that something must be done to raise the level of farm prices. I believe that one of the most direct causes of the current abnormal farm prices is the $7.3 billion inventory, owned by or pledged to the United States Government, of farm products hanging over the market and tending to depress farm prices.

We should, and we must, adopt production controls to keep future crops within reasonable limits of anticipated consumption. But this alone will not take care of the existing surpluses that have been building up in the United States since 1948.

I, therefore, propose that we dispose of this surplus, not only in the economic interests of this Nation, and particularly its farmers, but also that these surpluses may be used to feed and clothe underfed and ill-clothed people of the United States and of the free world.

Significant features of my bill are that:

1. The five-man board to administer the program would be composed of the heads of existing Government agencies. No new agency or staff would be created to administer this program; the distribution would be through existing Government agencies.

2. Distribution of these agricultural surpluses would be undertaken in such manner as not to replace, divert, or interfere with existing commodity markets and would be confined exclusively to peoples not otherwise able to purchase such goods.

3. There would be excluded from the program such agricultural surpluses as the President estimates are needed for a national reserve or can be sold through existing programs within the next 3 years. We would give away only what we cannot sell and do not need for a national emergency reserve.

4. Surplus supplies ultimately to be distributed abroad would promptly be transported to suitable areas outside the United States. The Board, of course, would consider military security features in its location of such storage areas. This would give us a storehouse from which to supply needy people outside the United States in the 3-year period of the program but would promptly remove those excess supplies from hanging over the United States agricultural market. Although stored abroad, these commodities would remain under the sole control of the United States until plans were promulgated for their ultimate distribution.

There are probably some features of my bill to create an International Community Food Board that it may be desirable to modify in order to perfect this bill. I will fight vigorously in this session of Congress for the adoption of this program; but I seek and will welcome help in achieving the most desirable means of carrying this program into effect.

The bill I am introducing today provides for the transfer of certain surplus agricultural commodities from the Commodity Credit Corporation to the International Food Community Board without reimbursement. I realize that this will result in a bookkeeping deficit in the operations of the Commodity Credit Corporation and will require an increase in its lending authority. Certainly this loss should not be charged against the farm program, and it would be unfair to consider that bookkeeping deficit of the CCC as attributable to the farm support program. On the other hand, to require this transfer at full market value would make necessary an appropriation by Congress of several billion dollars and thus perhaps make more difficult the actual achievement of this program. I am less concerned with the means by which the program is accomplished than I am that we succeed in removing these excess agricultural surpluses from being a continuing threat to the stability of farm prices and using those commodities to feed and clothe underprivileged peoples of the free world. On the mechanics of intragovernment bookkeeping for financing this program my views remain flexible.

This bill is intended to achieve points 1 and 2 in the Capehart farm program which I announced December 2, 1955. The eight points in that farm program are:

1. Increase farm prices by eliminating the great agricultural surpluses now depressing food markets through furnishing food to

hungry people throughout the world, this to be done in a manner that furnishes food to people who otherwise could not purchase those commodities. Every effort should be made to accomplish the purpose without displacing existing market demands for food commodities. It is time that we recognize the principle that providing food to the hungry, underprivileged people of the world by equitable distribution of our overabundance is more important than the maintenance of the present maladjusted distribution of food in the markets of the world.

2. The establishment of an international food community fund patterned after the Community Chest funds which are so effective throughout the United States. The purpose of this agency would be the distribution to needy peoples of the world, including those of the United States, of excess surplus food commodities of the United States until such time as supply and demand are in reasonable balance.

3. The establishment of rigid production controls to keep production within the reasonable limits of consumption until existing excess surpluses have been utilized; such production controls are necessary to achieve fair prices for farm commodities.

4. The establishment of a soil bank plan as an additional measure of limiting production. In most of the agricultural areas of the United States it is impossible to create substantially new acreage. The fertility of our soil is an important national asset that should not be wasted when its production is not presently needed.

5. That the Congress recommend that the President call a conference of food producers, processors, manufacturers, and distributors to seek means for enabling the farmer to receive a larger portion of the amount the American consumer pays for food.

6. The establishment of a Government research laboratory to find new and improved uses for farm products in industry with the objective that greater quantities and increased numbers of products of the farm can be utilized as raw materials of industrial production.

7. The promulgation of a plan to advertise farm products to promote their increased consumption such as has been utilized in the citrus fruit industry and would be financed by producers' contributions on a percentage of sales basis. Modern mass production in industry has been made possible through extensive promotional advertising. It is time we adopted those methods to increase consumption of farm products.

8. Take out of production land owned by the Government both for the growing of grains and for grazing purposes.

The last six points of the program are either: Capable of being put into effect without legislation; are apparently in the program of the Secretary of Agriculture—for example, the Soil Bank; or require only additional appropriations—the Government research laboratories.

When the agricultural appropriations bill comes to the floor of the Senate, I will offer an amendment to increase very substantially existing appropriations to the Department of Agriculture for its research laboratories in order to expand research into new and improved uses for farm products in industry.

During the next session I will press for each of these points in my December 2, 1955, farm program and will introduce whatever additional legislation may be necessary to achieve that end. We must, I repeat we must, bring the farmer up to the level of economic prosperity of the rest of the Nation.

Mr. CAPEHART. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a press release which I issued on this subject.

There being no objection, the press release was ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C.—United States Senator HOMER E. CAPEHART today introduced, for himself and others, a bill creating an International Food Community Board for distribution of Government-owned agricultural surpluses to the needy of the United States and other nations.

Such a plan, the Indiana Republican said in an accompanying statement, would serve the dual purpose of utilizing surpluses for the needy and dissipating vast surpluses which continue to depress farm prices.

"I believe that one of the most direct causes of the current subnormal farm prices is the $7.3 billion inventory, owned by or pledged to, the United States Government, of farm products hanging over the market and tending to depress farm prices," Senator CAPEHART said.

"We should, and we must, adopt a program to keep future crops within the reasonable limits of anticipated consumption. But this will not take care of the existing surpluses that have been building up in the United States since 1948. I, therefore, propose that we dispose of this surplus, not only in the economic interests of this Nation, and particularly its farmers, but also that these surpluses may be used to feed and clothe underfed and ill-clothed people of the United States and of the world."

Senator CAPEHART'S bill covers 2 of the 8 points he enumerated in a program which he announced on December 2 as a means of bolstering the farm economy. He said the other six points of his overall program are either possible of being effectuated without additional legislation, covered by current proposals of the Department of Agriculture, or require only additional appropriations. He pointed out that Secretary Benson has favored the so-called soil bank plan, one of his original suggestions. He also said that when the agriculture appropriation bill comes before the Senate he will propose substantially increased appropriations for research laboratories to find new uses for farm products.

Other points in Senator CAPEHART'S overall plan call for production controls, a Presidential fact-finding board to study means of assuring that the farmer will receive a greater share of the amount Americans pay for food, a stepped-up advertising program for farm products, and removal of Government-owned lands from production of those farm commodities under crop control.

Senator CAPEHART proposed creation, through Presidential appointment, of a five-member International Food Community Board to be composed of the heads of executive agencies most concerned with the ramifications of the plan. They would not receive additional compensation. The Board would be authorized to appoint advisory committees and State liaison committees, the members of which would be compensated only on a per diem and expense basis.

Function of the International Food Community Board would be to effect the distribution over a period of approximately 3 years (or in the case of perishable commodities a shorter period) of such surplus commodities as the President deems not to be required for an adequate national reserve. In its allotments, the Board likewise would take into consideration such amounts of surpluses as can be disposed of in a 3-year program through existing disposal programs.

The bill directs that the Board carry out distribution insofar as possible through private nonprofit organizations in a manner designed to protect existing commercial markets.

Under the plan, the Board would transmit for storage in foreign nations such surpluses as might be required in any given area. In foreign countries, as well as in States within the United States, distribution would be carried out under locally sponsored or administered plans.

The Board would acquire commodities for distribution from Government-owned stocks without reimbursement to the Commodity Credit Corporation and would be authorized to accept donations of transportation, processing, and other facilities.

The bill sets up certain requirements to be included in agreements between the Board and distributing organizations, including the provision that the commodities may be distributed only to needy peoples not otherwise able to obtain such commodities or to schools, hospitals, or other eligible charitable institutions.

JANUARY 3, 1956.

Mr. CAPEHART. Mr. President, I ask unanimous consent to have printed in the RECORD at this point an editorial published in the Kokomo (Ind.) Tribune of December 5, 1955.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CAPEHART'S FARM PLAN

Senator HOMER CAPEHART, of Indiana, has given much time to consideration of the farm problem, as shown by a study of his broad plan for raising farm prices and disposing of the country's crushing food surpluses.

It remains to be seen whether the Senate and House Agriculture Committees will consider the Capehart program. Both committees are headed by Democrats and both will want to advance ideas offered by Democrats rather than by a Republican. Still, CAPEHART will be on record as proposing a powerful attack on the influences that have been depressing farm income.

The Capehart plan strikes at the problem on several fronts. It calls for feeding the world's hungry people—including the needy in America—with our food surpluses. This would be done through an international program similar to Community Chests. Referring to the surpluses, CAPEHART said: "When a businessman finds he's overstocked, he clears his shelves."

The Indiana Senator also proposes that production quotas be imposed on American farms until the surplus is cut down to a reasonable balance with consumption needs.

Another point in his program is for President Eisenhower to call a conference of food producers, processors, manufacturers, and distributors to seek means for enabling the farmer to receive a larger portion of the amount the consumer pays for food.

CAPEHART also favors:

1. Establishment of a soil bank (that is, taking land out of production and compensating its owners) as a production limiting device.

2. Establishment of a Government research laboratory to find new uses for farm products.

3. Plan an advertising program to promote increased food and fiber consumption.

4. Take out of production land the Government leases for grain production and grazing. (He said 20,000 acres are under lease for grain production in Indiana alone.)

No doubt the Eisenhower administration will have a program, too, for dealing with the farm problem. And it can be taken for granted that the Democrats will be ready with one of their own. Senator CAPEHART is just a step ahead of them.

Mr. CAPEHART. Mr. President, I ask unanimous consent to have printed in the RECORD at this point an editorial published in the Fort Wayne News-Sentinel of December 6, 1955.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SENATOR CAPEHART'S SANE FARM PROGRAM

Indiana's Senator HOMER CAPEHART'S obviously practical farm program just announced makes a lot of sense. It is particularly timely too, coming at a time when the die-hard prophets of New Dealism are screaming for a return to the high fixed price supports which are the very thing which got American agriculture into the predicament it finds itself today.

A far cry from any of the variety of inane fiscal legerdemain, which is the best most anyone else has been able to suggest so far as a solution for the farm problem, the farm-born Hoosier Senator's plan provides first for increasing farm prices by eliminating the great agricultural surplus now depressing food markets through furnishing food to hungry people throughout the world, this to be done in a manner that furnishes food to people who otherwise could not purchase those commodities.

Senator CAPEHART'S proposal commendably bespeaks his having thought the problem through from every angle. It provides that the distribution of food to the needy of the world be done in such a manner as not to displace existing market demands for food commodities.

CAPEHART'S plan also promises to do more real good for more hungry people of the world than most of the billions of dollars in monetary giveaways under the aegis of foreign aid.

The billions in foreign aid are turned over to the heads of governments in various countries, and, in many instances, precious little of our largess ever filters down to the real people who are in real need of the basic necessities of life. On the other hand, the great bulk of foodstuffs designed for hungry people of other lands, would reach the real people who really need it badly. Needless to say, this sort of help is bound to be productive of a thousand-fold greater measure of international good will for America, than the haphazard dishing out of billions of dollars in foreign-aid money.

While the first probably is the most important, the other seven points of Senator CAPEHART'S farm plan are nevertheless all important in marshaling a composite multi-pronged attack on the current farm crisis. His suggested establishment of an international food community fund, patterned after the Community Chest funds in use throughout the Nation, would systematically effectuate the distribution of excess surplus food commodities to needy peoples of the world, including the United States.

Further to achieve fair prices for farm commodities, the plan provides for establishing rigid production controls to keep production within reasonable limits until existing surpluses have been consumed. A soil bank conservation plan is also advocated by CAPEHART as an additional measure for sensibly limiting production. He would also take out of production all land owned by the Government, both for the growing of grains and grazing purposes.

The Indiana Senator also would have established a Government research laboratory to find new improved uses for farm products in industries, particularly with the objective of having more products of the farm utilized as raw materials in manufacturing.

Applying the time-tried axiom of "it pays to advertise," Senator CAPEHART'S plan provides for the development of a practical advertising campaign to educate the public in new uses of farm products, which has already been pioneered in highly successful manner by the citrus fruit industry. Greatly augmented consumption of dairy products has also already been achieved by practical advertising methods and marketing ideas, such as the many thousands of milk dispensing machines which are being operated in strategic locations throughout the country. In such promotional advertising techniques, modern mass farm production would take a page out of the book of modern industrial production in America, which has been responsible for the latter's phenomenal success.

In contrast to numerous socialistic gimmicks to solve the farm problem, dreamed up, in many cases, by persons who have never had any practical farm experience at all, it is refreshing indeed to have presented a real farm program, thought out by a real farmer, who still operates a large Indiana farm—our own Hoosier Senator, HOMER E. CAPEHART.

His sound logical plan merits the most earnest and speedy attention of Congress when it convenes 4 weeks hence.

Mr. CAPEHART. Mr. President, I ask unanimous consent to have printed in the RECORD at this point an editorial printed in the Lafayette (Ind.) Journal and Courier.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

GOP AND THE FARM PROBLEM

The Republican Party's concern over the Nation's farm price problem is finding new expression every day.

One of the latest manifestations of this type is the announcement by Indiana's Senator HOMER E. CAPEHART that he has formulated a program designed to increase present prices on farm products and permanently bolster the Nation's agricultural economy.

Agriculture Secretary Ezra Taft Benson is actively engaged in drawing up a program to be presented to Congress at its session next year. Representative CECIL M. HARDEN, of Covington, representing Indiana's Sixth District, analyzed the problem and called for prompt congressional action in recent addresses in the Lafayette vicinity.

Senator CAPEHART, in announcing his program, demanded prompt consideration by proper House and Senate committees so that the groundwork may be laid for early action on farm legislation when Congress convenes next month. By his action he has placed himself at the forefront of those attacking the issue constructively.

The Capehart farm program is based, he explains, on the "necessity for courageous measures to increase farm prices, dispose of existing oversupply, increase consumption, prevent surpluses in the future, and recognize that, if they do occur, surpluses must be disposed of in the most expeditious way we are able to devise."

One feature provides for the distribution of food to hungry people throughout the world who otherwise could not purchase these commodities. A novelty proposed in this connection is the establishment of an "International Food Community Fund," which would supervise this distribution, both at home and abroad.

The Senator's plan appears to have been realistically conceived. It attacks the main points of the problem. Under such circumstances it deserves serious consideration. It may be that he does not have the final and complete answer, but any contribution toward a solution must be welcomed. A number of minds working together should bring the best results.

Democrats may well be thwarted in their determination to make farm prices the main issue in the 1956 campaign. For one thing, they are most vulnerable themselves on this score. Second, the oft-repeated charge that Republicans are doing nothing about it just won't stand up. Mr. Benson, Senator CAPEHART, and numerous other Republican legislators are actively concerned. The same is true of President Eisenhower himself. It happens that this is one of the most knotty problems facing the Nation and won't yield to snap judgment or demagoguery.

Hoosiers are vitally concerned, but perhaps not directly in the degree many may suppose. Representative HARDEN makes the point that actually only about 15 percent of Indiana farm income is derived from crops on price support lists. However the Nation's agriculture has much to do with the well-being of the entire economy, which means that all must be concerned.

It is important to keep the problem in perspective. The present crisis developed from policies established when Democrats were in full control at Washington. It was they who established high price supports, which encouraged the present huge, expensive, and unmanageable surpluses. The parity ratio tumbled 19 points in months immediately preceding the time when the Eisenhower administration took office. There has been comparatively little change since.

The new administration inherited the problem. It did not create it. The Eisenhower administration inherited the growing surpluses and the falling farm prices. And in the words of Mr. Benson: "Now the same people who handed us this neat package of carefully fused bombs are blaming us for the explosions."

The more recently enacted flexible price supports have not yet had time to reveal how they will work. Yet certain loquacious Democrats would return at once to high, firm supports, unwilling to wait and see how the newer plan will operate. They would return to the plan which brought on the farm problem in the first place. A good physician will not turn to a medicine which, upon previous trial for the same malady, nearly killed the patient.

Partisan politics is the last thing which may be expected to contribute to a solution of the farm problem. Time, study, and patience should turn up something helpful. Under the able leadership of such men as President Eisenhower and Secretary Benson, with the assistance of Senator CAPEHART and others, concrete results may be expected.

Mr. CAPEHART. Mr. President, I ask unanimous consent to have printed in the RECORD at this point numerous letters which I have received on this subject. I should like to call particular attention to the letter received by me from the president of Purdue University, in which he gives his thoughts and ideas on the plan to dispose of the surpluses.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

PURDUE UNIVERSITY,
Lafayette, Ind., December 27, 1955.

The Honorable HOMER E. CAPEHART,
The United States Senate,
Washington, D. C.

MY DEAR SENATOR CAPEHART: Thank you for sending me, under date of December 5, a copy of your press release outlining an eight-point program to increase present farm prices and bolster permanently the Nation's agricultural economy. You were good enough to ask for comments and I am pleased to transmit the following, which represent primarily the views of Purdue's leading agricultural economists. These comments were prepared largely by Prof. J. Carroll Bottum, who is acknowledged as one of the Nation's most able agricultural economists and one who has made a thorough study of farm policy.

You are quite right, of course, in recognizing that the solution to the agricultural

income problem requires a multiple approach. Likewise it appears to us at Purdue that you have included in your program most of the essential practical approaches for improving the farm income. Some of the points would, of course, give more immediate response than others. Comments on each of your eight points follow.

Points 1 and 2: It seems to us that anything that can be done along these lines is desirable. This is a worthy goal. I think you must recognize that there is a limit to how much food other countries will take except in the case of crop disaster. Even in giving away food abroad, we run into the same problem of disrupting the established markets as we do at home except in the case of crop disaster. Nevertheless, this is an area that should be exploited to the fullest.

Points 3 and 4: One of the quickest ways to get response in agricultural production in line with effective demand is adjusting supplies. This may be done either by rigid controls or by the soil bank or grass approach, which is a positive approach. Of course, both can be used. It seems to us that the positive approach of shifting some of our 350 million acres of harvested crops into grass by making payments to farmers to induce them to do this offers one of the least objectionable methods to accomplish this end. It tends to leave both prices and production freer and is less objectionable to farmers than rigid controls. It would, however, require some incentive payments. This would raise farm income immediately and would tend to bring supply into adjustment with demand in the short run. Perhaps controls would continue to be needed on cotton and wheat.

Point 5: Any attempt to increase the share of the food dollar which the farmer receives is an important and worthy goal. This is a long-time proposition and we fear no quick gains can be obtained along this line. An examination of the widening processing margin shows that most of this is due to increased labor costs and increased services. The long-run opportunities, however, of increasing efficiency in marketing are important.

Point 6: Here again is an area that should be pursued, but the gains in this area are likely to be long run rather than anything that can be done quickly. We know how to use many agricultural products in industry, but economic factors prevent their use in large quantities.

Point 7: There is no question that food competes to a certain extent with other products offered to consumers. Therefore, a vigorous promotion program to increase the consumption of agricultural products is in order. Here again the gains from the aggregate standpoint cannot be expected to be great. To the extent that we can shift the national diet to more proteins, such a shift tends to help solve the agricultural surplus problem and also improve the national diet. Again this is not a short-run proposition. Undoubtedly the consumption of individual commodities can be stepped up at least temporarily, but our problem at the present time is that we have too large a supply of all farm commodities.

Point 8: This is a good point, it seems to us, and certain lands owned by the Government can be taken out of production. In the West we have large bodies of grazing land approaching the 200 million acre level which are owned by the Government and leased to ranchers. To take such lands out of production would throw the ranchers out of business, as their whole livestock segment in certain areas is built around these lands. Smaller bodies owned by the various departments of Government could be taken out without creating undue individual hardship. All we are saying here is that there would have to be some modifications depending on individual situations.

In closing we make one general comment—that is, one of our basic problems is that we have too many resources in agriculture. We need, before we can have a prosperous agriculture, to let a few more people move into industry and service occupations. We may need some cushioning while this is taking place and it seems to me this is what your program is attempting to do. The real issue is how much cushion should we put into the agricultural economy at this point. If we place too much, it will decrease the shift out of agriculture which is fundamental to the solution of the agricultural problem.

Professor Bottum treated this point in a recent speech before the American Farm Bureau Federation in Chicago. Through his courtesy I enclose a copy of that speech. In addition I am enclosing an article entitled "A Program To Whip the Diverted Acre Problem With Grass and Livestock" by Bottum and Dunbar of the Purdue staff. I think you will find both of these articles most interesting.

Yours cordially,

FREDERICK L. HOVDE,
President.

THE COMMODITY OUTLOOK

(Address of J. Carroll Bottum, professor of agricultural economics, Purdue University, Lafayette, Ind., before the Joint Commodity Conference of the American Farm Bureau Federation, Chicago, December 12, 1955)

The United States agricultural plant is geared to produce between 5 and 6 percent more agricultural products annually than the present market will take at generally acceptable prices. Herein lies the heart of the outlook for farm commodities and the heart of the farm problem.

This situation is true even though the general economy has been running near boom levels and gives promise of continuing near or above these levels for the year 1956. The domestic demand for farm products was slightly higher in 1955 than in 1954 and appears likely to be slightly higher in 1956 than in 1955. Foreign exports rose slightly in 1955 over 1954 and appear likely to be maintained at present levels in 1956. Therefore, our overall demand situation for farm commodities should be slightly stronger in the year ahead.

As the elderly lady up in the hills remarked during the depression of the thirties, "The agricultural depression wouldn't have been as bad if it hadn't come in the middle of hard times." This time our difficulties in agriculture have not come in hard times but under near boom conditions for the nonagricultural segment.

If in 1956 we could lock up all the commodities in storage or dump them in the ocean so they would not affect the market and remove all supports, farm prices would likely fall to somewhere around 75 percent of parity with a normal crop. From that point on I would expect the price relationship to work more favorably for agriculture. I mention this not because I think we are going to do it, or should, but rather to clarify the magnitude of our problem.

Now, how did we get in this shape? In late 1952 foreign agricultural exports began to decline from the war and postwar highs. By 1953 they equaled the product from 9½ percent of our crop acreage compared with 13 percent for the 6 preceding years, 1946–51, a decline of 3½ percent. Prices had been favorable for a decade and farmers had been adopting new techniques of production slightly faster than was necessary to keep up with the growth in population. This brought us out with a 5 to 6 percent greater production than the market would take at acceptable prices in 1952 and 1953. Normal increases in production have continued in 1954 and 1955 so that the same situation has continued to persist.

This excessive production showed up most sharply in the exported crops of cotton and wheat. During 1952 and 1953 prices were supported and these surpluses were diverted in large quantities into storage. During 1954 and 1955, acreage control programs in these crops diverted 26 million acres out of these crops. Most of these acres then went into feed crops and the surplus spread to feed and livestock.

Most studies indicate that when you increase total production 1 percent, it decreases prices 2 to 4 percent. Thus a small change in the aggregate or total output has a greater influence on price and income. It should be recognized that here I am speaking of total agricultural output for all commodities. This indicated relationship does not hold for individual commodities.

Let us next turn to what the outlook is if we go ahead with our present farm program without any changes being made. What would be the support prices and probable level of prices in 1956?

Wheat: The loan on wheat, as we all know, has been announced at not less than $1.81 and the acreage allotment has been set at 55 million acres. This should give us an annual supply of wheat about in line with our domestic and foreign needs. With normal weather we would expect prices near the loan rate.

Corn: The present formula for calculating corn supports would indicate supports for corn at not less than $1.35 to $1.40 a bushel. They could be set higher than this at the Secretary's discretion but probably not any lower. Under the present law some further decrease in corn allotments of around 10 percent would seem likely.

Cotton: Cotton supports could be set according to the formula at a minimum 25 or 26 cents. Where they may be set is a question.

Rice: Rice supports could be set at a minimum of approximately $4.05.

Peanuts: Peanut supports could be set at about 10 cents if the formula is followed.

Tobacco: No material change would take place in the price support of tobacco.

Please understand that I am setting up approximately what the minimum supports could be under the formula contained in the law. I am not attempting to outguess what the Secretary's action will be or at this stage what modifications may be made in the farm program.

When we look at the livestock situation, it would size up about as follows:

Hogs: After we get through the heavy runs of this month, we would expect a cent or two strengthening in prices. We would expect for the marketing period January to May a fluctuation between $13 and $15 level. Some strengthening above this should occur in June. The latter half of the year should not be much better than the latter half of this year. This will be particularly true if we raise nearly as many spring pigs in 1956 as last spring. By 1957 we should be pulling out of the heavy hog cycle and see some strengthening in the hog-corn feeding ratio.

Cattle: No large change in numbers of cattle is expected this year. Numbers may be down slightly January 1. Barring a drought, we would not expect any substantial change in overall prices next year. Fed cattle margins may reverse their situation in 1956 and average a little lower the first half and be a little better the second half of the year.

Dairy products: Dairy prices should be near the past year's levels to slightly higher.

Poultry: Because of prospective increased production, including turkey, in 1956 prices are likely to average slightly lower than this year despite the strong demand.

Sheep: Sheep prices will probably be favorable relative to hogs and beef cattle.

To sum up, it seems to us that this means a continuation of the cost-price squeeze and a further drop of 5 percent or so in the net farm income in 1956.

Now, if we want to do something about this situation, what can we do? We have

all types of proposals for solving our present situation varying all the way from going back from the tractor to horses to eat up the surpluses, to shutting off the fertilizer supply, to closing down the Experiment Station and Extension Service, to requiring the fuel for tractors being made partly from farm products, to dumping the surpluses in the ocean, to bringing back the plump girl as an ideal to induce each one to eat a little more, as well as the more realistic ones such as attempting to expand the market at home and abroad and shrinking production by production controls or by grass programs. These are but examples of the ends to which people are thinking in regard to our present problem.

Let us for a moment as we tackle this problem take a little longer look at the agricultural situation in order to put the current problem in its proper setting. In 1820 we had a little less than 10 million people in this country. Today we have a little over 165 million. Conservative estimates point to an increased population of somewhere between 200 and 225 million by 1975—20 years hence. This means an increase of up toward 1½ percent per year. Thus we have an expanding market at home, as we all recognize, of something like 1½ percent for the next several years assuming there is no change in food habits. If incomes are increased and diets are upgraded, we might have something more than this increase in food consumption.

Looking at the other side of the coin, during this entire period agricultural production increased at about the same rate as the population. During the period previous to 1920 the expansion in food production in this country came through the route of increased acres in production, increased workers in agriculture, increased capital investments and increased technical efficiency.

Starting in 1920 the rate of increased efficiency per worker in agriculture began to exceed the rate of increase in the population. This was a significant development in agriculture and has had far-reaching effects. It meant for the first time that the rate of improvement in technology was sufficiently fast that it required less absolute people in agriculture to supply the food for the expanding population. At this point farm population and number of farm workers started to decline even though the rate of output continued to rise at its normal ratio. Not only has the population in agriculture been declining since 1920, but also the acreage in land in crops has stopped increasing. This has meant, therefore, not only a decline of the number of people in agriculture, but a combining of farm units and a decrease in their number. The number of farms in the United States declined from 5.4 million in 1950 to 4.8 million in 1955—a decline of 600,000 farms in 5 years or a decline of 11 percent. The decline in the number of farm people and number of farms along with other developments is forcing rapid changes in our farm organizations. It works hardships upon those who cannot make the change and because of this adjustment some people are hard hit financially. These are the farms hurt most seriously now by price declines. Part of their low incomes are due to low prices and part due to the inability to adjust to modern technology.

Nevertheless, this is the characteristic of a progressive, growing economy. The carriage makers, the blacksmiths and the candlestick makers were hurt by the same process. When a society grows and improves in efficiency, it does not require the same proportion of people in each occupation. Likewise, society wants more of some products and less of others and some it never wanted before. This is how our standard of living has been raised. It is an old story, but we need to keep it constantly before us as we think of the current period. Because the problem that we face today is that we have a few too many resources in agriculture.

Since 1920 5 million workers have moved out of agriculture into other lines of activity. This has meant a reduction of over one-third in the agricultural working force. These individuals have all found employment out of agriculture. In most cases they have moved because they felt they had greater opportunities in some other line of activity.

The next question you may raise is, "Can we continue to assimilate into the rest of our economy more and more workers from agriculture?" The answer is yes. This process has been going on since we founded the country. We have constantly released workers from producing the bare essentials of life as we improved our efficiency so that they could start producing the luxuries or the new inventions.

Yes; but you may argue "Won't we get too much of everything, industrial products and services?" Yes; this is possible and likely, if we get the economy unbalanced. But this can happen with 40 million industrial and service workers just as well as with 60 million. Man's wants are insatiable. When you men get 10 percent more things and services than your wives want, then I will talk to you about getting too much.

Whenever we learn to produce anything more efficiently, there are two major outlets; either we all have more goods and services or we have more leisure. At given periods society is always arguing which we want most. As we gain in efficiency in the future we will take some of it in more leisure. If we are able to avoid war, I expect to see the 36-hour week and perhaps the 4-day week in my lifetime. This gives us time to use and need more things. We may take it in the form of longer vacations or more coffee breaks, but we will take part of the advantage of greater efficiency in more free time.

I mention this at this point because in thinking of our solution for improving agricultural income we have to recognize some of these items and keep them in our minds. I know that growth and progress are one of the cherished goals in our society. One of the broader issues of the world today is the demonstration of Western civilization as exemplified by the United States, that it has more to offer man than collective socialism. With this background let us come back to the 1956 price situation. The problem is to get annual agricultural production and demand back into a more satisfactory balance and then keep them moving up together as population grows.

Some propose doing this by expanding markets, others by adjusting output. Expanding the market takes the form of increased exports or increased consumption at home. Careful examination in both of these areas indicates that they are worthy goals and should be pursued. However, they are long-run propositions. You cannot get quick short-run changes. Even in giving food away abroad you run into the same problems of disrupting the established markets that you do at home, except where there may be a crop disaster in some country.

Reducing marketing margins falls into the same category. Opportunities are here but they are long-run gains when considered from the standpoint of total agricultural income.

Thus, the real drive now centers around adjusting production. Here three alternatives take the spotlight: (1) let lower prices shrink production, (2) use production controls across the board or (3) shift the unemployed or excessive harvested crops into grass. Some might want to add a fourth of making some direct or transfer payments to agriculture to ease the situation while prices are allowed to adjust the production. If such was done, the payments would have to be kept relatively low or they would defeat the purpose of allowing prices to bring about the adjustment.

Low prices will adjust agricultural production in the long run, but is a slow process in agriculture. We know that when a supply of one commodity is large the price is low relative to others and the farmer will adjust rather quickly. This is the problem of shifting resources in agriculture. However, where all commodities are in large supply and there is no commodity to shift to, there is a problem of shifting resources out of agriculture. This is a much more difficult shift and requires a much longer time. Some marginal land and some farms must shift out of crops, as a result of unprofitable returns. It requires several years. Whether agriculture and society want to go through the price and income hardships of this course of action compared to others is the question.

If the second alternative or the crop control route is taken and it is effective, then it means controls that do limit production. It also means controls on all major harvested crops. We have now seen the effect of controls on selected crops. We know that as we control certain crops the problem is shifted to other crops. We have had enough experience with controls so that we know the problems of setting up individual farm bases. Nevertheless, it is an alternative that some propose. Does agriculture and society want to take this route?

The third alternative is to take certain crop acres out of production and shift them to grass through rental or grass incentive payments on them. The grass may or may not be used depending on the plan. If a flat percent were taken out on each farm it would adjust production, but like a control program it would not correct the long-time production. A voluntary incentive program would tend to take the marginal cropland out as would happen under low prices. Once it was out of grass much of it would probably stay out of crops unless prices rose substantially. Under such plans agricultural production would be free except for the acres in grass. Prices would also be free except to the extent that support levels might be coupled with such programs.

Which course we follow depends upon the decisions of this organization and other groups in our society. Individuals may honestly differ in which course they may favor depending upon their economic status, previous experiences and varying values. It has not been my purpose as an educator to inflict my personal values upon you, but rather to lay out the situation, the courses of action that may be taken and some of the consequences of such action.

WARSAW, IND., *December 20, 1955.*

Hon. HOMER E. CAPEHART,
United States Senate,
Washington, D. C.

DEAR SENATOR CAPEHART: It seems to me that in your 8-point program you have considered the problems which face our agriculture today—too much on hand and too much still coming. Agricultural incomes must be kept on good levels, yet inefficiency must not be encouraged. Plans to distribute surpluses should be set up in such a way that present or future world markets will not be disrupted.

Soil conservation should definitely be considered in any program, and methods which will increase the demand or utilization of farm products should be encouraged.

Cordially yours,

PAUL E. JACKSON,
County Agricultural Agent.

BLOOMINGTON, IND., *December 13, 1955.*

Senator HOMER E. CAPEHART,
United States Senate,
Washington, D. C.

DEAR SENATOR: You are to be commended for your interest in the present farm price

situation and the thought that you have given in preparing your 8-point program.

I am sure—that with everybody trying—this situation can be whipped on a sound economic basis.

Sincerely,

CORRY A. ALCORN,
County Agricultural Agent.

THE FIVE YEARS MEETING OF FRIENDS,
Richmond, Ind., December 15, 1955.

The Honorable HOMER E. CAPEHART,
Senate Office Building,
Washington, D. C.

DEAR FRIEND: I am glad for the interest that you are showing in aiding the farm program, one provision of which is to make use of our surplus in helping out friends around the world who are in rather desperate need.

It seems to me this is one way of kindling friendship for America as well as responding to the noble impulse of service.

Sincerely,

ERROL T. ELLIOTT,
General Secretary.

LA PORTE, IND., *December 21, 1955.*

Senator HOMER E. CAPEHART,
United States Senate,
Washington, D. C.

DEAR SENATOR CAPEHART: I want to thank you for your thoughtfulness in sending me your outline of suggestions toward the solution of the farm problem that we are all experiencing today. It strikes me that your suggestions are concrete, that they face up to the problem, and best of all that you propose quick action. I believe that everyone agrees that we have waited too long to begin to attack the problem of removing the tremendous surpluses which are hanging over the markets of the various farm commodities.

As to the matter of rigid production controls, we all come back to the realization that the supply of commodities is the result of acreage times production. We also realize that the amount we are producing is only a few years ahead of consumption. If we are to attempt to bring production and consumption into a reasonable balance, certainly some type of rigid controls will be needed. Along this line, I hope it will be possible to make some provision that improved market prices will not bring into production marginal land that would not otherwise be used for cropping purposes. Assuming that the desired results can be secured, I hope that we can anticipate some provision being made for removing such controls, if and when the problem is solved. I hate to think about the situation developing where allotments of the various crops on a particular farm becomes a part of the appraisal value of a farm. I also recognize that the age of the owner or operator, family labor supply, personal likes and dislikes of certain crop and livestock enterprises all enter into the organization of a farm. For these reasons I hope that rigid controls will not always be necessary.

Concerning item 8, I am only raising a question as to the overall problem of Government finance. I am basing my judgment largely on the situation that exists in our county at the Kingsbury Ordnance plant. I realize that considerable farm crops are produced in this particular area. However, I am thinking in terms of costs of maintaining the area in a desirable state of cover of plant growth, if it was not used for pasture and cultivated crops. If this were not the case, it would grow up to brush, weeds, etc., which under an ordnance plant situation would have to be maintained or mowed at Government expense. Perhaps the areas in question could be seeded as a pasture rather than cultivated.

I wish to take this opportunity to wish you complete success in your efforts to cope with the current farm problem.

Sincerely yours,

E. L. HARTMAN,
County Agricultural Agent.

LIBERTY, IND., *December 21, 1955.*

Hon. HOMER E. CAPEHART,
United States Senate,
Washington, D. C.

DEAR SENATOR CAPEHART: I appreciated very much receiving a copy of your proposed farm program, and the opportunity you have given to me for extending comments on it.

I feel that you have made honorable proposals not only for the immediate future of farmers and agriculture, but also steps that should help this segment of society retain its dignity for years to come. I, too, feel that not one but a combination of steps are necessary to lead us toward this objective.

Your letter indicated that you would like to have some comments. I have only these to offer:

1. Step No. 1 should help us get rid of the surplus hanging over our markets. If the present surplus of food is distributed to the needy I feel that some device will be needed to help curtail food production or our agricultural machine will continue to produce surpluses.

2. In regard to step No. 2, the establishment of an international food community fund seems like a good proposal. Since this agency would distribute food to the needy peoples of the world, I am wondering if excess surplus from all friendly countries could be placed in the fund. It seems to me that this would make other countries feel that we have interest in them and that food distributed through the fund would not be termed "dumping." Such an agency would probably have to be administered accordingly.

3. In connection with step No. 3, since it seems that the American farmer is expecting the Government to lead him out of the surplus situation, I do believe production controls will be necessary to serve as a brake on our agricultural-production machine.

4. In regard to step No. 4, since the farmers' soil holds elements that are the key to our material necessities of life that is food, clothing, and shelter, it is of interest to the entire population of the United States to use and conserve these elements with care. Through the soil bank every taxpayer is investing for his and his descendants future.

In the establishment of a soil bank, in view of present technology, farmers could, it seems to me, produce more food on fewer tilled acres. Your proposals 6 and 7 would aid in taking up this production of extra food.

5. Step No. 5: I feel that food producers, food processors, manufacturers, and distributors all deserve their fair share of the consumers dollar and that no one of these groups should exploit the other. I feel that a study as proposed by your item 5 would help increase understanding among these groups and the American public.

Recently in a meeting of a group of our farmers, a farmer made the remark "that the American farmer is in a position that he must raise himself by his bootstraps" and "that our American people themselves are going to have to help themselves." I believe that with this kind of thinking coupled with guidance through such things as you have proposed, the American farmer will keep a respectable position in our economy and society.

Very truly yours,

JOSEPH J. ROBINSON,
County Agricultural Agent.

SULLIVAN, IND., *December 14, 1955.*

Hon. HOMER E. CAPEHART,
Senator From Indiana,
Washington, D. C.

DEAR MR. CAPEHART: Your letter concerning the proposed farm program was missent to Angola, Ind., but was forwarded on to my office.

In looking over the 8-point program, it seems that if all of the 8 points could be put into effect it would do much to assist the farmers for the years ahead. The farm program is certainly one of the biggest problems confronting us today. What should be the greatest blessing seems to be the farmers' greatest curse and that is surpluses. My personal opinion leads me to state that I think the old-fashioned law of supply and demand is the main force in relieving the farmers' plight. I do feel, however, there is no one best solution, but it will take the combination of a lot of different ideas and programs. It seems to me that this is no reflection on either political party. One of the main problems is due to the fact that many programs would work out more satisfactorily if they don't have to be changed every 2, 4, 6, or 8 years.

It certainly is gratifying that one of our own State men in Washington is taking an interest in the farm program and I hope some kind of relief will be brought about by the next session of Congress.

Yours very truly,

O. K. ANDERSON,
Agricultural Agent, Sullivan County.

FORT WAYNE, IND., *December 14, 1955.*

Senator HOMER E. CAPEHART,
Washington, D. C.

DEAR SENATOR CAPEHART: We were very happy to receive a copy of your proposed farm program. You are to be congratulated on your initiative and good intentions in attempting to assist our rural people.

Many thanks for the copy.

Yours very truly,

C. V. KIMMELL,
County Agricultural Agent.

TIPTON, IND., *December 12, 1955.*

Senator HOMER CAPEHART,
United States Senate,
Washington, D. C.

DEAR SENATOR: I have read your suggested agricultural program that you plan to present to the Joint Agricultural Committees.

Your number one proposal of eliminating the great agricultural surplus certainly is a number one agricultural problem today. However, it undoubtedly will be advisable to maintain a small surplus. The abnormally high surpluses are a detriment to agriculture. Your method of eliminating the surplus through the hungry people throughout the world is undoubtedly the best manner of lowering the surplus.

Your point three suggests the establishment of rigid production controls. One kind or another of production controls have been tried, off and on, for many years, and have not been very successful. The idea of production controls has always been a negative approach to the problem, as I see it. I believe a positive approach of paying the farmer for doing something to improve his fertility would be better, which in the end would decrease production by taking land out of production of crops that create surpluses. In other words, pay the farmer for the establishment of soilbuilding crops, rather than limiting his acreage of crops that create surpluses.

Item 5, which suggests a conference of food producers, processors, manufacturers, and distributors, sounds good. However, actual results may be hard to secure.

Item 6, the possibility of findiing new and improved uses for farm products in industry has been and will be in the future a sound program for agriculture.

The encouragement of producers of farm products to advertise their products to promote increased consumption will undoubtedly be valuable in eliminating some of the farm surpluses.

I wish to thank you very much for receiving your program, and your letter re-

questing suggestions for the present farm problems.

Yours truly,

W. M. CLARY,
County Agricultural Agent.

MARTINSVILLE, IND.,
December 12, 1955.

Senator HOMER E. CAPEHART,
Senate Building, Washington, D. C.

DEAR SENATOR CAPEHART: We are in receipt of your 8-point program to increase present farm prices and bolster the Nation's agricultural economy.

Reporting to you as a county extension worker, we have observed and collected the following observations from people in Morgan County in recent weeks.

1. Many are of the opinion that the surpluses should go to the hungry people of the world including those in the United States.

2. The soil-bank program would be effective only if production controls are included since more intensive efforts would be used to increase production of crops on land not in the soil bank.

3. Very often the question has been asked as to why Government-owned land should be made available for agricultural purposes.

We hope these comments will be useful to you in the presentation of your suggested program.

Sincerely,

R. J. HAWORTH, *County Agent.*

RUSHVILLE, IND., *December 12, 1955.*

Senator HOMER CAPEHART,
United States Senate,
Washington, D. C.

DEAR SENATOR: Thanks for your letter of December 5 and your suggested farm program.

Your interest in the farm problem is certainly commendable.

Many solutions to problems have come from conferences of leaders and people interested in the problems. This should be an excellent approach.

Anything that can be done to increase research to find new and improved uses of farm products should be very helpful, and increased consumption of agricultural products would also help to correct the situations.

Thanks for your inquiry.

Sincerely,

C. L. SPULLER,
County Agricultural Agent.

MADISON, IND., *December 17, 1955.*

Senator HOMER E. CAPEHART.

DEAR SIR: I read and discussed this program with about 100 Farmers' Union members, and am sending you the results. We have taken this paragraph by paragraph and voted on them, and you can see the results.

I remember you told me you were going to see this thing through and we are looking forward to a program like this and we glory in your spunk and luck to you.

W. F. BUTLER,
Chairman, Farmers' Union, Jefferson County.

Mr. CAPEHART. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a chart issued by the Commodity Stabilization Service of the Commodity Credit Corporation, showing the quantity and value of commodities pledged for outstanding loans, commodities in price support inventory as of September 30, 1955, and total investment as of September 30, 1954.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

Quantity and value of commodities pledged for outstanding loans and commodities in price support inventory as of Sept. 30, 1955, and total investment as of Sept. 30, 1954

[All figures in thousands]

Commodity	Unit of measure	Investment as of Sept. 30, 1955 [1]						Total investment as of Sept. 30, 1954 [1]	
		Pledged for loans		In inventory		Total			
		Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
Basic commodities:									
Corn	Bushels	236,140	$368,585	621,462	$1,057,693	857,602	$1,426,278	715,354	$1,150,530
Cotton, extra long staple	Bales	----------	----------	98	35,273	98	35,273	65	23,310
Cotton, upland	do	1,975	336,408	6,338	1,142,419	8,313	1,478,827	7,060	1,183,261
Peanuts, farmers' stock	Pounds	14,320	1,670	----------	----------	14,320	1,670	14,110	1,619
Peanuts, shelled	do	----------	----------	----------	----------	----------	----------	2,761	480
Rice	Hundredweight	710	3,204	14,375	165,462	15,085	168,666	2,918	23,525
Tobacco	Pounds	936,834	499,362	231	92	937,065	499,454	549,545	242,437
Wheat	Bushels	132,313	276,732	929,469	2,468,403	1,061,782	2,745,135	1,029,738	2,565,169
Total basic commodities	----------	----------	1,485,961	----------	4,869,342	----------	6,355,303	----------	5,190,331
Designated nonbasic commodities:									
Honey	Pounds	620	60	----------	----------	620	60	1,269	140
Milk and butterfat:									
Butter	do	----------	----------	236,636	145,027	236,636	145,027	520,847	335,611
Butter oil	do	----------	----------	17,574	15,319	17,574	15,319	576	473
Cheese	do	----------	----------	365,231	145,329	365,231	145,329	459,613	182,496
Milk, dried	do	----------	----------	214,845	36,482	214,845	36,482	284,571	45,875
Whey	do	----------	----------	49,744	3,095	49,744	3,095	68,059	2,436
Tung oil	do	1,493	317	28,779	7,299	30,272	7,616	38,487	9,430
Wood	do	----------	----------	149,530	99,187	149,530	99,187	143,018	93,178
Total designated nonbasic commodities	----------	----------	377	----------	451,738	----------	452,115	----------	669,639
Other nonbasic commodities:									
Barley	Bushel	27,395	26,315	55,861	75,887	83,256	102,202	55,292	66,610
Beans, dry edible	Hundredweight	48	329	2,515	19,585	2,563	19,914	1,384	12,882
Cottonseed and products:									
Cotton linters	Pound	----------	----------	622,618	59,628	622,618	59,628	650,192	63,038
Cottonseed meal	do	----------	----------	8	(2)	8	(2)	26	(2)
Cottonseed oil	do	----------	----------	179,002	27,884	179,002	27,884	815,597	145,750
Flaxseed	Bushel	1,123	3,282	1,634	5,565	2,757	8,847	4,419	17,315
Grain sorghum	Hundredweight	4,517	8,728	38,106	106,062	42,623	114,790	19,311	52,949
Linseed oil	Pound	----------	----------	16,393	2,524	16,393	2,524	73,298	12,441
Naval stores:									
Rosin	do	----------	----------	281,484	21,548	281,484	21,548	368,070	27,772
Turpentine	Gallon	----------	----------	1,861	1,055	1,861	1,055	3,544	1,896
Oats	Bushels	32,734	21,651	46,199	38,965	78,933	60,616	69,034	57,453
Olive oil	Gallons	----------	----------	----------	----------	----------	----------	371	945
Rye	Bushels	3,332	3,664	6,898	10,701	10,230	14,365	6,553	9,567
Seeds, hay and pasture	Pounds	----------	----------	27,737	15,755	27,737	15,755	70,622	33,445
Seeds, winter cover crop	do	----------	----------	4,421	514	4,421	514	31,958	4,453
Soybeans	Bushels	445	971	6,570	15,934	7,015	16,905	111	289
Total, other nonbasic commodities	----------	----------	64,940	----------	401,607	----------	466,547	----------	506,805
Exchange commodities: Strategic and critical materials	----------	----------	----------	----------	62,526	----------	62,526	----------	----------
Total	----------	----------	1,551,278	----------	5,785,213	----------	7,336,491	----------	6,366,775

[1] Book value before deduction of reserve for losses.
[2] Less than a thousand.

Mr. CAPEHART. For the information of the Senate, I might say that the total involved is $7,336,491,000. Of course, the surpluses have been accumulating all the time, and at the present moment, I understand the total is approximately $8,000,000,000.

It might interest the Senate to know that the largest single commodity among the surpluses is wheat. The value of the surplus is $2,745,135,000. The Federal Government owns and is in possession of today of more than 1 billion bushels of wheat, which is enough to furnish all the needs of the United

States for 2 years if not another bushel is grown in the next 2 years.

The next largest commodity in the surpluses is cotton. The amount is $1,478,827,000.

The third largest commodity is corn. The total amount is $1,426,278,000.

In other words, the total of the six so-called basic crops—corn, cotton, peanuts, rice, tobacco, and wheat—was $6,355,303,000. The so-called nonbasic commodities, such as milk, butterfat, dried milk, and whey, totaled about $452,000,000. The total, as of September 30, 1955, was $7,336,491,000.

I noticed during the reading of the President's state of the Union message that he referred a number of times to the so-called surpluses. I should like to read one paragraph from the President's message:

> Basic to this program will be a new attack on the surplus problem, for even the best-conceived farm program cannot work under a multi-billion-dollar weight of accumulated stocks.
>
> I shall urge measures to strengthen our surplus disposal.

Mr. President, we might just as well be realistic about this matter. There is no use trying to make political hay out of it. I am not doing so, and I do not know of anyone who is. I am not accusing anyone of so doing.

I wish Senators would forget the language of the bill which we have just introduced and think about the humanitarian and economic aspects of it. I know that when the bill is referred to the committee changes will have to be made in it. I know from 12 years' experience in the Senate that no man can write a bill which is immediately satisfactory. There must be hearings, and the gathering of the thoughts of many serious persons on the subject.

I repeat, I wish Senators would keep in mind the economic and humanitarian aspects of the bill.

If we do not get farm prices and other prices closer together we will become involved in economic difficulty. That is why I say that this is not entirely the farmer's problem. It is everyone's problem.

Every wage earner in the United States should be interested in the subject. Why? Because they make the things which the farmer buys. If farm prices get too low and remain low too long, the farmers will not have any money with which to buy the products they need. That means that the wage earner who makes the things the farmer normally buys, such as tractors, automobiles, refrigerators, radios, furniture, fertilizer, and all kinds of farm implements, will be thrown out of employment. The farmers are the chief buyers of so-called consumer goods. But they cannot buy them now because they have no money with which to pay for them.

This problem is not one for the so-called farm bloc. It is not one exclusively for the Senators from the farm States. It is the problem of everyone.

Mr. President, it is a sort of disgrace that when all other prices in America are very high the farmer's prices are low. There is today in the United States full employment and high wages. I am not objecting to that; I am glad of it. Businessmen are making greater profits than they ever made before. The statistics prove it. The General Motors Co. made more than a billion dollars profit last year, after paying 52 percent in taxes. I am not criticizing them, for they gave employment to many thousands of persons. Today bank balances are larger than ever before, savings are greater, more people are buying new homes and automobiles; indeed, prosperity is "running out of our ears," not only in the United States but in most of the nations of the world, at least all the Western European nations. If, in the face of that situation, farm prices are low, how do we expect to get them back where they belong? What are we going to do to get them back?

The huge surpluses are to blame for the present condition. We had better do something about them, because they are not going to evaporate.

Mr. President, there is another thing about which we may as well be thinking, namely, that many of the commodities which are in surplus are deteriorating in quality; they are reaching such a point that they will soon have no value. Why should we have all these surpluses and see them deteriorating when there are hungry people in the United States and in the rest of the world? Particularly, why should we do it when we know we cannot solve the farm problem and get farm prices where they belong until we get rid of the surpluses?

So we are faced with this problem. I am saying that farm prices are too low in comparison with the prices which the farmer is required to pay for that which he buys. They would not necessarily be too low if the price of the things the farmer had to buy were in the proper relationship. We do not necessarily wish to see prices come down. We do not wish to see wages decrease. We wish everyone to have a higher standard of living, not a lower one. But such a situation cannot prevail in the United States if we are going to permit the farmers to be faced with low prices for what they produce.

There are approximately 6 million farmers, with their wives and families, and we must think about the fact that there are hundreds of small towns in the United States which are dependent upon the farmers' business.

There are wage earners by the million who are making things for the farmers. If the farmers cannot buy them, are we going to sit back and say, as some persons have already said to me, "I am against giving anything away. We should never have had a farm program in the first place." Others say that we cannot give the surpluses away.

Are we going to take a defeatist attitude, or are we going to face the issue and be realistic about it? Are we going to view the situation as it actually exists rather than to talk about the way we should like to have it exist?

I wish we did not have any surplus. I wish farm prices were in line with tractor prices and the prices of all the other products which the farmer buys. I am not arguing the point that it was or was not necessary to have any kind of a farm program. Possibly we would be better off if we did not have any farm program at all from now on. I am not saying that would be the case, but I have heard people make that statement. But even if Congress should today repeal the parity law and all the other farm laws, the Government would still hold approximately $8 billion worth of farm surpluses which are in Government warehouses, costing us a million dollars a day.

Mr. President, the problem is facing us. Do we have enough courage and intelligence to adopt effective policies? Are we willing to say to the President of the United States, "We want you to establish a commission, and we want you to say to that commission, under rules and regulations which we are going to write into the law, 'We want you to get rid of the surpluses at the earliest possible moment. We want you to do it in behalf of the economy of the United States and in behalf of the farmers and wage earners, and we want you at the same time to help the poor people in the United States and in the world'."

We should be able to give away a few billion dollars' worth of the surplus in lieu of cash.

Since the end of World War II—and I do not bring this up in criticism; I am simply trying to be factual—we have given away at least $50 billion worth of goods. I would be willing to wager that we have provided, in the form of automobiles, trucks, tanks, and other material which the automobile manufacturers make in the United States, business which those manufacturers would not have had, if Congress had not appropriated the money and passed laws to give those products away. I am not criticizing anyone for that. I am not saying that it was not a good thing to do. I am not saying that it ought not to have been done. I am simply saying that Congress has appropriated, in my opinion, at least $10 billion for so-called foreign aid, money which came back to the United States and was spent with the automobile manufacturers alone. Yet we hesitate to give away 2, 3, or 4 billion dollars' worth of foodstuffs to the starving peoples of the United States and the rest of the world.

Oh, we hear it said that to give away these surpluses would be in the nature of a subsidy. But what was the money which we gave away to foreign countries, and which came back to help the businessmen of the United States? Every time Congress has appropriated or the Government has spent a dollar anywhere in the world, that dollar has come back to the United States eventually and has been spent in this country. So there are many things to think about.

I hear it said that we have subsidized the farmer. We have not subsidized the farmer nearly so much as we have subsidized business in the form of orders for goods which the manufacturers have made in the United States, and for which they have been paid, because Congress appropriated the money to be given to foreign countries. That money then came back to the United States and was spent here.

I do not criticize anyone for this. I am not saying it was not a good thing

to do. That is not the purpose of my bringing up the matter today. My purpose is simply to show that we have a problem facing us. Farm prices are low, and they may become lower. Farm prices are low because there is a large surplus of farm commodities. Only the Government of the United States can do anything about that condition.

If the farmers themselves still owned the surpluses, if the surpluses were still in their own granaries or warehouses, the farmers could give them away or otherwise dispose of them. But, it is the Government of the United States which is holding $8 billion worth of their products.

The farmers are waiting for the Government to act. The Government is holding about $8 billion worth of the farmers' products, and this is keeping the farmers from receiving a fair price in the open market place today.

I, together with other Senators, am offering a bill which we think will be helpful. We are not saying that it will, of itself, solve the problem. It will probably be necessary to do other things. We are not saying that the language of the bill ought not to be changed, because it might well be changed.

We are not criticizing the administration. We are not criticizing either Democrats or Republicans. I am making a plea to the Senate to be realistic about the matter. I am making a plea to the American people—to the city folks and the country folks. We have a problem facing us. A grave situation is confronting us. Let us try to solve the problem, and do it quickly.

One of the reasons why I have remained in the Chamber today to introduce the bill is that it is important that quick action be had in the matter. We cannot spend all the time we would like to spend on a long-range program, providing for soil banks. I favor some kind of soil-bank program. I do not know exactly how it should be worked out. But I am in favor of many such projects.

One of the things I should like Congress to do is to appropriate more money for research, to help find new ways and means to grow farm products and new uses for them.

I should like to see the Government spend more money in advertising so that the farmer could get a larger percentage of the American public's dollar, because the percentage of the food dollar which the farmer is receiving is going down. I would like to see it go up.

There are a number of things which Congress can do, and all of them are good. I am not criticizing any proposal. I am simply saying that none of them will work very well until we can get rid of the surplus we now have.

It is 100 percent the responsibility of Congress to get rid of the surplus. No one else can do it except ourselves.

I am certain the President of the United States and the Secretary of Agriculture, Mr. Benson, would like to have an expression from Congress that we, who represent the people, would like to have the administration dispose of the surpluses, or at least get rid of a sufficient amount of them so that farm prices will go up again to the point where they should be in the free market place in the United States.

Mr. President, if any other Senators wish to join with me and the other cosponsors in the introduction of the bill, we shall be very happy to have them do so.

Mr. LANGER. Mr. President, I have waited very patiently because I was very much interested to hear what the distinguished Senator from Indiana would say about the farm problem. He says he does not criticize anyone. Why does he not? I am not criticizing Mr. Benson, because Mr. Benson is the hired man of the President of the United States. I do not know where my friend, the Senator from Indiana, has been for the past two years, when Senator after Senator has stood upon the floor begging and pleading with the Republican Party to take some action which would relieve the farm situation. Did we get aid? No.

When we were talking about surpluses, what was the President of the United States doing? He was allowing wheat to be imported from Canada. I do not know whether rye is raised in Indiana. In the United States we raise approximately 23 million bushels of rye a year. Believe it or not, in spite of all we could do, the President of the United States, Dwight Eisenhower, permitted the importation of millions and millions of bushels of rye. What did we do about it? We took up the matter before the Committee on the Judiciary. In that committee we considered the matter under the subject of monopoly, to determine whether or not there had been a monopoly in the grain trade. We subpenaed representatives from the Department of Agriculture. Did we get any help from them? It is like pulling teeth, when one is in a dentist's chair, to get even one suggestion from the Department of Agriculture.

Then we had before the committee records showing that millions upon millions of bushels of rye were coming into the United States. The testimony was that the price of rye in the United States had been lowered from $1.80 a bushel, because of the importation of Canadian rye, to less than 80 cents a bushel. Still the Government was piling up surpluses, and was paying the guaranteed price, whatever the support price was at that particular time, to pile it up.

Still the imports came in—millions of bushels of oats, millions of bushels of rye, millions of bushels of wheat. We pleaded with the Department of Agriculture for help. We did not get it.

But that is not all. My distinguished friend from Indiana today has said that only the Congress can provide such help. Well, what does the record show? In the next campaign, if the Senator from North Dakota lives, that record is going to be exhibited in every single farm State in America.

Hearings were held with respect to imports. There was talk about monopolies. Finally the Committee on the Judiciary, of which I was then chairman, by unanimous vote—mind you, Mr. President, by unanimous vote—recommended an appropriation of $75,000 to investigate monopolies.

My distinguished friend from Indiana says today that perhaps the price of tractors is not too high. Well, what is the record? There was an effort to adopt a resolution providing for $75,000 to investigate monopolies. The Republicans were in control. The distinguished chairman of the Republican Policy Committee, Homer Ferguson, of Michigan, sat at the desk behind me. What I am saying now I said to that former distinguished Senator at that time, and I placed it in the RECORD on this floor. We could not get approval for the expenditure of $75,000. We could not get $60,000. We could not get $50,000. We could not get $37,500. The distinguished Senator from Minnesota tried to help me get the resolution adopted, but we were not given a dollar. I say to my friend from Indiana today that the responsibility for that lies on the Republican Policy Committee of that Republican Congress, which had charge of Congress and was in control of the leadership at that time.

What did they do, Mr. President? Twice I appeared before that Republican Policy Committee. First I pleaded for $75,000. Then I pleaded for $37,500. The Committee on Rules and Administration held up the request for months. A man was hired by the name of William Ziff, who twice appeared before the Republican Policy Committee. Well, we did not get the money. We made an investigation of farm prices. We had to do it by hiring Sidney A. Davis, of New York City.

(At this point Mr. LANGER yielded to Mr. JOHNSON of Texas, whose remarks appear in the RECORD at the conclusion of Mr. LANGER's speech.)

Mr. LANGER. Mr. President, I recur to the question of refusal of the Republican Policy Committee to recommend the making of an appropriation for an investigation of monopolies in the United States. I particularly call the attention of the Senate to the fact that upon several occasions I have mentioned the situation relating to farm machinery. I have mentioned that subject because today if a young veteran wishes to begin farming, if he wishes to buy farm machinery, he must spend anywhere from $15,000 to $20,000 to obtain equipment with which to farm from 320 to 400 or 480 acres. If a young veteran wishes to purchase a combine, he has to purchase it from one of six companies; and the price quoted by each of them is almost the same, no matter to which one of the six companies he may go. As every Member of this body who has investigated the situation knows, in a short period of time, the price of combines has almost doubled. Harrows, which used to be obtainable for almost nothing—for $17 or $18—today are away up in price, to the point that a poor man can scarcely afford to buy one.

So we wished to have an investigation made of the monopoly in connection with the manufacture of farm machinery. Although we did not have any money for the investigation, Mr. Sidney A. Davis gave us help, and we made some investigation.

Within a very short time, when we come to discuss the farm problem, as

it is called, I intend to have considerable to say about the price of farm machinery. But I suggest to anyone who is interested, and especially to my Republican colleagues who are present at this time in such great numbers on this side of the aisle, that when we are discussing the farm problem, a problem in which all my colleagues are so greatly interested, it would be well for all of us to examine the issues of the Wall Street Journal of several years ago, and to notice the quotations for the stock of the Allis-Chalmers Manufacturing Co., the International Harvester Co., the Oliver Machinery Co., the J. I. Case Co., and the John Deere Co., and to compare the quotations for the stock of those companies at that time with the quotations for the stock of those companies as of today. Those who make such a comparison will find that the prices of those stocks have doubled or tripled.

Mr. Sidney A. Davis, one of the committee investigators, and several members of the Antimonopoly Subcommittee of the Committee on the Judiciary, including myself, wanted to go into the question of oil. I suggest that Senators do the same thing with respect to oil stocks that I have suggested with respect to the stocks of farm-machinery concerns. Look at the value of the stocks of the Standard Oil Company of New Jersey, the Standard Oil Company of California, the Standard Oil Company of Ohio, the Houston Oil Co., the Union Oil Co., or the Pure Oil Co. I ask Senators to find out at what prices those stocks were listed at the time when I pleaded with my Republican colleagues to give me $75,000 so that we could make this investigation for the farmers, the laborers, and small-business men. Compare the prices then with prices of the same stocks today.

I am sure my distinguished friend from Oregon [Mr. MORSE] will remember that I had a colloquy with him on the floor of the Senate. A lady from North Dakota, Mrs. Edgar Randall, of Lake Williams, wrote me a letter saying that eggs were selling at 6 cents a dozen to the farmer. I placed that letter in the RECORD. That was 18 months ago.

Today we find the distinguished Senator from Indiana [Mr. CAPEHART] very much exercised over the fact that farm prices have gone down. I placed in the RECORD today a letter from a family living at McKenzie, N. Dak. They dressed some chickens and hauled them to Bismarck, the capital of North Dakota, and to Mandan, and peddled them. The best offer they received was 7 cents a pound. The letter says that they took the chickens back home.

When we talk about chickens, I remind Senators that they have come home to roost with the Republican Party. It is not with my sanction, because, thank God, I belong to the Abraham Lincoln-Theodore Roosevelt-Robert La Follette, Sr.-George Norris branch of the Republican Party, and I am proud of it.

Let the Republican Party in this campaign face the fact that they would not give a dollar to a committee headed by a Republican, to a committee dominated by Republicans, to investigate monopoly. Why? Were they angry because we had dug up the Dixon-Yates deal?

Mr. President, I do not intend to say very much today, but when the farm bill debate begins, I shall read the record on the floor of the Senate, showing which Senators voted nay and which Senators voted yea, unless I am stopped. I do not know of any way I could be stopped from doing so.

I do not propose for a moment to allow anyone to fool the farmers in the hills and valleys of the great Northwest, extending out to the Pacific Ocean, or to farmers in the Southwest, by any messages coming from anyone, saying what it is proposed to do in the future. The Republican Party had a great opportunity. All some of us asked was justice for the farmers. The Republican Party is not going to escape responsibility by talking about surpluses. We intend to present the facts.

I know that my distinguished friend from Minnesota [Mr. HUMPHREY], who now occupies the chair of the majority leader on the other side of the aisle, knows all about the so-called surpluses. He attended the convention of the Farmers Union Grain Terminal Association, held 2 or 3 weeks ago. It was attended by more than a thousand farmers from the State of North Dakota alone. I assure the Senate that those farmers are not fooled. They know what this problem is all about, and they know where the responsibility lies. They know that campaign promises were not kept.

As I stated a few moments ago, when the proper time comes and the farm bills come before the Senate for consideration, I intend to take a major part in the debates.

I call attention to the fact that time and time again some Members of the Senate Committee on Agriculture and Forestry joined me in bringing the plight of the farmers to the attention of this body. Nothing was done about it.

The Democrats are entitled to their share of the responsibility also. After all, in a way I am nonpartisan.

I well remember that on May 16 the House, by a majority of 6, passed the rigid price support bill, carrying out President Eisenhower's promises, which he made in the State of Minnesota at Plowville. I see my distinguished colleague from Minnesota nodding his head.

President Eisenhower also made similar promises on October 4, 1952, at Fargo, N. Dak., speaking at the agricultural college. The House carried out that promise, and the bill came to the Senate.

I wrote a letter to the Chairman of the Committee on Agriculture and Forestry, the senior Senator from Louisiana [Mr. ELLENDER], and I have his reply. I wrote a letter to the distinguished majority leader [Mr. JOHNSON of Texas], and I have his reply. I intend to read them when the farm bill comes before us for consideration.

I want to know why all of May went by, and all of June, the Congress not adjourning until midnight of August 2, and the farm bill was not brought up. I want to know why the request of the distinguished Senator from Oregon [Mr. MORSE], who upon two different occasions rose and said that we should not adjourn, but should remain in session during August and September to deal with some of the other questions, including the farm problem, was not heeded. Nevertheless, although we had raised our salaries from $15,000 to $22,500, the Democratic Congress allowed the farmers in the hills and valleys to go unaided, notwithstanding the protests of the Senator from Oregon and myself.

As I recall, the House passed the bill on the 16th of May last. The leaders had all of May, June, and July to bring the bill to the floor of the Senate.

The Senator from North Dakota has an unusually good memory. When the debate on the farm bill begins, I intend once more to go into the question of importations of wheat, rye, barley, and oats. We raised a crop of 23 million bushels of rye, and then the Government imported more than 12 million bushels, nearly half the domestic crop, before we could stop the importations. Of course the Commodity Credit Corporation had to buy the grains, and price supports had been placed on them.

Today we hear the distinguished Senator from Indiana [Mr. CAPEHART] speak about surpluses. The occupant of the White House did nothing, in spite of the fact that we had the head of the Department of Agriculture before our committee, to stop the importation of the rye, until months after the Committee on the Judiciary had undertaken its investigation.

Therefore, Mr. President, I am delighted that in a few weeks we shall have an opportunity to debate the whole farm problem on the floor of the Senate. I believe it will be a very interesting debate.

I say to my Republican colleagues, who refused to grant our subcommittee—and this was after the unanimous vote of all members of the subcommittee, Republicans and Democrats alike—$75,000 to investigate monopolies, that it comes with poor grace for them to talk about the high price the farmer must pay for the things he buys and the meager return he gets for his products.

It comes with poor grace for them to talk about surpluses, when under a Republican President, rye, oats, barley, and wheat were imported from Canada.

As I said before, I look forward with pleasure to the time when the debate on this issue will take place. It will be interesting to the agriculturists of this country. We have more than 6 million farmers, the number my friend from Indiana stated. One-fourth the population of the United States is made up of those directly or indirectly interested in farming.

On the facade of the Union Station there is an inscription: "Agriculture is the basis of the economy of the United States." Apparently that fact has received little attention from my Republican colleagues during the time a Republican President has been in office.

I say that with good grace, because I have tried time and time again to help the President. I am anxious to help him. I am a Republican. However, what more can we do than bring the

matter to the attention of the Republican policy committee? We did that time and time again. We did that, Mr. President. We went to the Republican policy committee, and we spoke about it on the floor of the Senate. I made repeated speeches on the subject.

I might add, in closing, that when we get to the point of discussing monopoly in the debate on agriculture, I shall have some very interesting things to say about what happened to the antimonopoly subcommittee when the Democrats took over.

LEGISLATIVE PROGRAM

During the delivery of Mr. LANGER'S speech,

Mr. JOHNSON of Texas. Mr. President, will the Senator from North Dakota yield very briefly?

Mr. LANGER. I yield.

Mr. JOHNSON of Texas. I dislike very much to interrupt the distinguished Senator, but I should like to make a statement which will take less than a minute so that I may leave the floor.

Mr. LANGER. I am always delighted to yield to the Senator, provided his remarks appear at the conclusion of my address.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that my remarks follow those which are being made by the distinguished Senator from North Dakota, and that he may yield to me temporarily without losing his right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I should like to say, for the benefit of Senators, that the majority policy committee met in session today and cleared for Senate action certain bills. I should like to list them so they may appear in the RECORD and so that Senators may be informed of the schedule which is ahead. There are about 20 bills appearing on the calendar which were reported from standing committees last session.

The majority policy committee cleared the following bills:

Calendar No. 361, S. 51, to amend the act entitled "To confer jurisdiction on the States of California, Minnesota, Nebraska, Oregon, and Wisconsin, with respect to criminal offenses and civil causes of action committed or arising on Indian reservations within such States, and for other purposes," introduced by the Senator from Montana [Mr. MURRAY].

Calendar No. 1175, S. 2286, to amend the Merchant Marine Act of 1936 so as to provide for the utilization of privately owned shipping services in connection with the transportation of privately owned motor vehicles of certain personnel of the Department of Defense, introduced by the Senator from Washington [Mr. MAGNUSON].

Calendar No. 1184, Senate Joint Resolution 97, to amend certain laws providing for membership and participation by the United States in the Food and Agriculture Organization and International Labor Organization and authorizing appropriations therefor introduced by the Senator from Georgia [Mr. GEORGE].

I have conferred with the chairmen of the committees and with the respective Senators handling the proposed legislation.

In the particular case of Calendar No. 1184, Senate Joint Resolution 97, the Senator from Georgia [Mr. GEORGE] does not desire to bring the joint resolution before the Senate prior to January 10. Certainly the leadership will be guided by his wishes.

The unfinished business is Calendar No. 1210, H. R. 2889, to provide for the conveyance of certain lands in Necedah, Wis., to the village of Necedah.

Calendar No. 1234, S. 1853, to amend the Natural Gas Act, introduced by the Senator from Arkansas [Mr. FULBRIGHT] and reported by the Senator from Oklahoma [Mr. MONRONEY].

I shall have some further comments to make about that bill, so far as procedure is concerned.

Calendar No. 1246, H. R. 5614, to amend the Communications Act of 1934 in regard to protests of grants of instruments of authorization without hearing, reported by the Senator from Rhode Island [Mr. PASTORE].

Calendar No. 1296, H. R. 6857, to authorize the Administrator of the General Services Administration to convey certain land to the city of Milwaukee, Wis., reported by the Senator from Wisconsin [Mr. MCCARTHY].

Mr. President, I now desire to make a unanimous consent request.

Mr. LANGER. I yield to the Senator from Texas.

ORDER FOR ADJOURNMENT TO MONDAY—THE NATURAL GAS BILL

Mr. JOHNSON of Texas. Mr. President, it is not planned to have any more sessions of the Senate this week.

I ask unanimous consent that when the Senate concludes its business today, it stand in adjournment until Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. On Monday next there will probably be a brief session, and perhaps there will be one other session next week.

The leadership will feel at liberty to ask Senators to consider next week all the bills I have enumerated, with the exception of Calendar No. 1234, S. 1853, to amend the Natural Gas Act. I should like to have the Senate have due, adequate, and full notice that that bill is going to be discussed. I am sure it will be discussed thoroughly and at length, so I wish to serve notice that it will not be motioned this week and will not be motioned next week, but perhaps may be motioned in the early part of the following week, assuming that the Senate has disposed of a considerable number of other matters.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I shall yield very shortly, but I wish to complete a very brief statement. As the Senator may be aware, there have been requests made of the majority leader, and perhaps indirectly of the minority leader, to bottle up the Natural Gas bill and refuse to permit it to be acted upon by the Senate. That bill was reported by a standing committee of this body, and it was ordered reported on June 29 by a vote of 11 to 4. At that time the bill had not passed the House, and it was the position of the majority leader, the senior Senator from Texas—and all of this was concurred in by the minority leader—that in view of the controversy, and in view of the desire of the House of Representatives to act soon, the Senate should not bring up the bill before action by the House, because if it were defeated in the House there would be no necessity to consider the bill in the Senate.

For 5 weeks that bill, which was ordered reported, was not placed on the program, although practically every other bill reported from committee was. When the House passed the bill, the Senate was then a week away from the time it had planned to adjourn. The acting majority leader and the majority policy committee, after conferring with both opponents and proponents, concluded it would be in the best interests of the Senate not to delay the adjournment of the Senate, since Senators had plans to go abroad and other plans, but to take it up in the early part of this present session. It will not be the first bill to be brought up.

Every bill which is ready to be brought up, and which can be cleared by the policy committee, and which has passed the House, and can be placed on the calendar, we shall clear up during the remainder of this week and next week.

However, I wish the Senate to be on notice that it is not the purpose of the majority leader to attempt to subvert the will of an almost 3-to-1 majority of a committee of the Senate.

Today, I invited some of the proponents and some of the stated opponents on my side of the aisle to state their views on the bill. That was done, and the measure was then cleared by the policy committee, without an objection.

Now I shall yield, first to my friend, the Senator from Indiana, and then to my friend from West Virginia.

Mr. CAPEHART. Mr. President, I wish to ask a question, only: Is it the plan of the majority leader to have the Senate in session on Monday and thereafter on Thursday?

Mr. JOHNSON of Texas. Perhaps; but I have first to confer with the minority leader. He has not approved these bills. I shall not program them until I have gone into them with him. But it is our plan to have the Senate meet on Monday and on Thursday, and perhaps on other days next week.

Mr. CAPEHART. Not to exceed three days next week, perhaps?

Mr. KILGORE. Mr. President, will the Senator from Texas yield to me?

Mr. JOHNSON of Texas. I yield.

Mr. KILGORE. Is the bill to which the Senator from Texas refers as the Natural Gas Act, the so-called Harris bill; or is it the Fulbright bill?

Mr. JOHNSON of Texas. The author of the bill is the Senator from Arkansas [Mr. FULBRIGHT]. There may be some minor differences between the two bills.

Mr. KILGORE. I understand there are two very similar bills—one introduced, I believe, in the House of Representatives by Representative HARRIS, and the other introduced in the Senate by the Senator from Arkansas [Mr. FULBRIGHT]. I wonder which bill the Senator from Texas has in mind.

Mr. JOHNSON of Texas. It is my intention to move that the Senate proceed to the consideration of the bill introduced by the Senator from Arkansas [Mr. FULBRIGHT], which the Senator from West Virginia will see on the sixth page of the calendar; it is Calendar No. 1234, Senate bill 1853.

Mr. KILGORE. I thank the Senator from Texas for the information, which is all I wished to obtain.

Mr. JOHNSON of Texas. Mr. President, I hope every Member of the Senate will take notice of the action of the policy committee. I may say that I shall review each of these bills with the minority leader and they will not be taken up until he has had due and adequate notice.

Mr. LONG. Mr. President, will the Senator from Texas yield to me?

Mr. JOHNSON of Texas. I yield to my friend, the Senator from Louisiana.

Mr. LONG. I have been very pleased to hear the Senator from Texas make the statement he has made. I am sure he knows that I was one of those who felt that the bill should be brought up as early as possible. However, I recognized the futility of bringing it up in the dying days of the last session. When a bill is brought up at such a time, prolonged debate by one or two Senators can make it impossible for the bill to be considered and acted upon.

I should like to call the attention of the Senator from Texas to the fact that there is a bill which is important to a great number of States; I refer to the bill relating to the amendments to the Sugar Act. That measure must be passed this year. It also has been carried over from last year; that occurred because there was some objection to the consideration of the bill at that time.

I believe the bill will be reported by the Finance Committee sometime during next week or the following week; and I hope the Senator from Texas will find it possible to see that the bill is considered by the policy committee.

Mr. JOHNSON of Texas. Mr. President, I will say to the distinguished junior Senator from Louisiana, my devoted friend, that it has been the policy of the Democratic leadership under my administration—and I hope with the cooperation of the minority—to do everything possible to clear with the policy committees every bill on the calendar. Many times that was done with my support because I have felt that Members were entitled to be heard and to express themselves.

I have talked with the minority leader and with the Finance Committee about the amendments to the Sugar Act and about other proposed legislation pending before the Finance Committee—proposed legislation in which the Senator from Louisiana has, as I know, great interest. It is my belief that the committee will meet on Friday, and that then it will determine the order of business. But it is my belief, and, I may say, my hope that the amendments to the Sugar Act will be scheduled for prompt attention by that committee, and that very shortly that measure can be reported to the floor.

I assure the Senator from Louisiana that there is no disposition on the part of the Senator from Texas to delay action. As a matter of fact, our calendar is so clean at this time—with hardly 20 bills on it—that we shall have to urge the committees to act promptly, in order that the Senate may have measures on which to act; and I know the Senator from Louisiana will want that done.

Mr. LONG. I thank the Senator from Texas.

Mr. JOHNSON of Texas. Mr. President, I express my gratitude to the distinguished Senator from North Dakota [Mr. LANGER] for yielding.

Mr. LANGER. As I said before, my distinguished friend, the Senator from Texas, is always welcome.

Mr. JOHNSON of Texas. I thank the Senator from North Dakota for his usual courtesy.

Mr. President, let me say that when the Senate adjourns today, it is planned to adjourn out of respect to the memory of several of our deceased colleagues in the House of Representatives, and therefore resolutions will be offered, later on, when I will not be here, and a motion will be made that when the Senate adjourns today, it adjourn out of respect for them.

I again thank the Senator from North Dakota for his courtesy.

THE AGRICULTURAL SITUATION

Mr. HUMPHREY. Mr. President, first I wish to commend the distinguished senior Senator from North Dakota [Mr. LANGER] not only for his remarks today, but for his life of devotion and dedication to the welfare of the farm people of this country.

He is known throughout America—not only in his native State of North Dakota, but also in the State of Minnesota—as a fighter and champion of the family farmer. They know him also as the champion of the farm economy and of the independent businessman up and down our Main Streets.

His efforts to expose some of the continuing abuses of monopoly and to give equality of treatment to agriculture have earned for him the plaudits and commendations and gratitude of people all over the country.

The Senator from North Dakota today has again demonstrated his fearlessness and courage, which have earned for him the very splendid reputation of a political leader and of a political battler.

I remember his fight for funds for the Antimonopoly Subcommittee. He knows that I joined him in that fight as did the senior Senator from Oregon [Mr. MORSE] and other Senators, in the effort to obtain funds for the subcommittee.

He is to be congratulated and commended for his personal sacrifice in that connection, particularly in holding the hearings, literally because of his sheer personal energy and intellect and knowledge of the problem.

Mr. President, I have a brief statement which I wish to make, and then I shall ask that the Senate conclude its session today.

It is welcome to me indeed, as I am sure it is to the Presiding Officer and other Senators, to hear today that the administration now agrees that agriculture is in trouble and that something must be done about it. It is reassuring to know that the administration is finally aware of the seriousness of the problem, after all the criticisms that were heaped upon those of us who have been warning for the past 3 years where agriculture was headed.

I digress to say that day after day and week after week and month after month the junior Senator from Minnesota stood on the floor of the Senate and pointed out, with statistical evidence, what was happening to agriculture.

I take certain pride in the fact that I travel back to my State very often. I spend the summer and fall, whenever Congress is not in session, visiting the people in the State of Minnesota. I can assure Senators that the farm people in Minnesota are aware of the difficulties they face today, and that their representatives have been trying to bring this picture to the attention of Congress and to the attention of the administration, with little or no result, and to little avail.

I am pleased, also, to note that the administration, which has complained so much about surpluses, now admits that the farmer should not be blamed for producing abundantly in response to wartime needs during the Korean conflict.

Mr. President, I have stated that fact throughout the length and breadth of our land. I recall being in Oregon and addressing a large group at Klamath Falls, in the presence of the senior Senator from Oregon [Mr. MORSE]. Klamath Falls is a fine community.

(At this point Mr. HUMPHREY yielded to Mr. MORSE for a statement, which, by unanimous consent, appears at the conclusion of Mr. HUMPHREY's speech.)

Mr. HUMPHREY. Mr. President, I am rather amazed to see the President of the United States echo Secretary Benson's now familiar line that agriculture's troubles partly stem from "laws that were too long continued." I presume he is referring to 90-percent price supports, as Secretary Benson has done.

If President Eisenhower feels that 90-percent supports were continued too long, why, may I ask, did he approve support at that level in his 1952 campaign, and promise to continue it at least another year?

Why, if that was the trouble with agriculture, did he wait until 1954 to pull the rug out from under an effective support program?

The truth is that in 1952 our administration friends loudly proclaimed great

bipartisan support for the 90-percent level.

I digress to say that in Minnesota they advocated 100 percent in the enthusiasm of the political occasion. They did not talk then about the support program being "too long continued." It appears rather inconsistent to do so at this late date.

However, I welcome the President calling a many-sided assault on the stubborn problems of surpluses, prices, costs, and markets. I am glad to see he wants a steady, persistent, imaginative advance in the relationship between farmers and their Government.

But he hardly need wait for further messages. All the legislation needed for this many-sided assault is now in the hopper, going begging for any administration help in achieving its enactment. All the steady, persistent, imaginative advance he could hope for has been pressed vigorously upon Secretary Benson by many of us for several years, with little results. I am sure even Mr. Benson will agree I have been persistent. I am sure the RECORD will show that my suggestions have been more imaginative than his, when he has felt compelled to "borrow" a few.

I was interested to note in the President's message the liberal amount of borrowing recommended—sort of lend-lease on the home front by the administration in the farm programs which have been placed before the Congress.

If the President really wants to do something about agriculture, all he needs to do is to tell Ezra Taft Benson to quit opposing constructive legislation already pending before the Senate that would give us an effective and workable farm program.

Some of us did not wait this long to learn that agriculture was in trouble. Some of us have been trying to do something about it for quite a while, with nothing but obstruction from the Secretary of Agriculture and his associates.

I should like to call to the attention of this body a group of measures already pending, which, combined together, would form a comprehensive and effective farm program holding far more promise of results than anything the administration has had to offer.

I point out in particular that the soil bank program, the acreage conservation reserve program, which is the "new" gimmick, supposedly, of the administration, has been before the Senate of the United States for more than 3 years. I ought to know. I am the sponsor of it. I do not mind the Secretary of Agriculture borrowing it, but I should like to have him remember occasionally where he got it.

I should like to point out for the RECORD that as late as September 30, 1955, his Department and the Bureau of the Budget unalterably opposed the soil-bank program, as indicated by the records in the Committee on Agriculture and Forestry. A copy of the letter from the Department, dated September 30, 1955, is in my possession. But, once we started our farm hearings, once we started going around the Nation, and once the people heard of the soil bank idea, there was almost unanimous support for it from the grassroots. After there had been tremendous and overwhelming public opinion in support of it, the Secretary, as if it were the product of his own imagination, supports it and offers it as his very own.

Just yesterday I urged our Senate committee to write and adopt a comprehensive omnibus farm bill, a farm program attacking the numerous problems confronting American agriculture. As the Senator from North Dakota has said, it has been debated for several years.

Mr. President, on the 16th of December I spoke before the Farmers' Union Grain Terminal Association. There were present almost 7,000 delegates from western States. I have in my hand a copy of that address, and I am going to place it in the RECORD at the conclusion of my remarks.

Before we hear any more from Senators and from the press about surpluses, I want them to read that speech and look at the statistical record as to surpluses. I will stand on the floor and debate the issue, because this is a question concerning which I feel well fortified. I know the issue and I intend to have my say in the debate, when it comes about, on the bill which will come from the Department of Agriculture.

Mr. President, I ask unanimous consent to have inserted in the RECORD at this point the proposed legislation now pending to carry out the program which I have either sponsored or cosponsored with some of my colleagues.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

Instead of a piecemeal approach that may tend to give more emphasis to one part of a farm program than another, it is time we take an overall look at what is needed and present the Congress with an omnibus bill covering all the improvements presently necessary in our farm program.

All phases of our farm program are interrelated, each dependent upon others for effective results. For that reason, it seems to make good, practical sense to approach our agricultural problems broadly and in a comprehensive manner.

1. Restoration of 90-percent support on basic commodities, but with a cutoff on any support loans on production valued in excess of $25,000 from any one farm.

2. Inclusion of perishables such as beef, hogs, milk, chickens, and eggs under the same level of support as basics, but providing discretionary authority for use of a broader range of methods of support such as production payments, direct purchases geared to reflect price protection to farmers instead of letting the benefits go to processors, and loans or purchase agreements, either individually or in combination with each other.

3. Extension of mandatory price-support protection to other feed grains at a feed-value equivalent ratio to the support level for corn.

(All 3 of these objectives in items 1, 2, and 3 are covered in S. 1991.)

4. A conservation acreage-reserve program on a voluntary signup basis, providing for a soil, water, and timber bank to encourage retiring land from crop production and building its future fertility by expanding grasslands, preserving more wetlands, and stimulating planting of brush and timber cover, with adequate protection against expanding commercial production of livestock and dairy products (S. 1396).

5. A comprehensive Federal yardstick family farm credit program providing direct and guaranteed Federal loans to meet all needs of family farmers unable to obtain such credit at reasonable rates from cooperative and other private sources (S. 2106).

6. Extending authority for and expanding the Agricultural Trade and Development Act for overseas disposition of agricultural surpluses (S. 2253).

7. A food stamp plan to stimulate domestic consumption among low-income families (S. 627 and S. 45).

8. Specifically provide for administration of farm programs by farmer-elected committees at the community, county, and State levels (S. 544).

9. Extend and expand special school-lunch milk program, to include provisions for milk distribution among child-care centers, settlement houses, and other nonprofit children's institutions and camps; extend authorization for brucellosis eradication indemnities; and fix by law formula for milk equivalent parity ratio for manufactured dairy products (S. 2121).

10. Forest marketing guidance through authorizing price reporting on forest products and further research into forest products marketing problems (S. 2105).

11. Loan authorization to finance improved terminal marketing facilities for handling fresh produce, aimed at eliminating inefficiency costs now passed along to consumers (S. 1075).

12. Revitalizing crop insurance program by turning administration back to farmer-committees and expanding to more counties and more crops (S. 1852).

Mr. HUMPHREY. Mr. President, instead of a piecemeal approach which will tend to give emphasis to one part of the program more than another, it is time we presented an omnibus bill, an overall bill covering all the questions involved in our farm program. All phases of our farm program are interrelated, each depending upon the others, and for that reason it seems sensible to me that a practical approach must be one that is presented in a broad and comprehensive manner.

Let me cite the facts. We have heard the Secretary speak a number of times about improving the price-support program by imposing a limitation on how much the Government will permit with reference to particular price-support loans, as if it were new.

Mr. President, I introduced Senate bill 191 which has been pending for 3 years.

Mr. President, the soil conservation acreage reserve bill which the administration now heralds and which the President pointed out in his message is Senate bill 1396, sponsored by the junior Senator from Minnesota. A similar bill was sponsored in the House of Representatives by Representative MARSHALL and Representative KNUTSON, of Minnesota.

Then we hear the President say a new program covering family farm credit is needed. We have Senate bill 2106 covering that subject.

Then we have heard about the necessity of a greater disposal of agricultural surpluses. We heard quite a speech on that subject today.

I would call the Senate's attention to S. 2253, of which I am a co-sponsor. It has been before the Senate for 2½ or 3 years. It was also before the 83d Congress.

We hear, further, about the necessity of helping to feed our own hungry and

needy persons. The senior Senator from Vermont [Mr. AIKEN] and I have had a bill before the Senate on that subject for years, S. 267, and I have a separate bill of my own, S. 45.

The Department of Agriculture has resisted the food stamp plan as if it were a plague. The Department of Agriculture resisted for 3 years any attempt to get our surplus food into the hands of church groups such as Lutheran Welfare and Catholic Welfare, CARE, and other organizations, so as to get the food overseas. Only about 3 weeks ago the Secretary of Agriculture, in desperation, announced that he would release surplus food for those fine religious and charitable organizations.

I have in my office a file eight inches thick containing an exchange of letters with the Department of Agriculture, urging that this be done.

The closer we get to the election, the closer we get to the ballot box, the greater the enthusiasm seems to be for an agricultural program. Mr. President, I heard a lot of enthusiasm in Minnesota, at Plowville, about an agricultural program. I will say frankly, as I have said on the floor of the Senate many times before, that the candidate of the Republican Party in 1952 literally swept the decks. He promised more in a shorter period of time to more people than any candidate ever promised before, and he delivered less. He did it in the State of Minnesota.

Then, as if to add insult to injury, he went to North Dakota and redid it.

He then went to South Dakota, where he did it all over again. Then he went to Nebraska and Iowa, where he compounded the whole injury.

Those things are not going to be forgotten. Some of us feel that the farmer-elected committees should be farmer run. So S. 544 has been introduced to strengthen the farmer-elected committee system. To use up the domestic surpluses for school-lunch programs, for child care, for camps and settlement houses, and to help dispose of the dairy product surpluses, we have S. 2121.

For marketing services, we have S. 2105.

To help in the marketing of fresh fruits and produce, we have S. 1075.

For crop insurance, we have S. 1852.

Lest anyone think I have been talking about bills which are not truly in existence, I call Senators who are present to act as my witnesses as I display the bills. There are 12 of them here before me.

Mr. BENDER. Mr. President, will the Senator yield?

Mr. HUMPHREY. I will yield in a moment.

Those are the bills which the junior Senator from Minnesota has either sponsored or cosponsored with Senators who have a brilliant, long-time leadership in the field of agriculture. So while I welcome most sincerely the message of the President, and I am really looking forward to his more detailed message on agricultural problems, I think the first message the President had better deliver is one to Mr. Benson. The Secretary of Agriculture is the first man to whom the President should say whatever he has to say.

If Mr. Eisenhower will be as specific with Mr. Benson as he was with the people of Minnesota in 1952, I will have no complaint. All I ask the President to do is to remember the speech he delivered at Plowville, Minn., which covered cereal grains and livestock, including hogs, and all perishable commodities—a total comprehensive farm program—the speech he delivered on soil conservation on an occasion in Plowville and also the speech on farmer-elected committees.

Mr. President, while you are in Key West, getting a much-needed rest—and God bless you in your rest and recovery—I say this in all sincerity—in one-half hour's or 1 hour's time off from your official work, or whatever period of time you take off, will you do one thing? Will you get out the speech you made at Kasson, possibly the speech at Fargo, N. Dak., and also the one at Brookings, S. Dak.—those three speeches—give them to Mr. Benson, and tell Mr. Benson that he must conform with those speeches in terms of performance, or else resign, so as to enable you to get someone else who will do it?

If that were to be done, the junior Senator from Minnesota would say that it was politics with honor; that it was a promise with performance, with the possibility of positive results.

Now I yield to the Senator from Ohio.

Mr. BENDER. I wish to ask the distinguished junior Senator from Minnesota when he introduced the bills to which he has referred.

Mr. HUMPHREY. Those bills were all introduced in the 83d Congress, to no avail. Many of the bills were reintroduced last year in the 84th Congress.

Mr. BENDER. I think the junior Senator from Minnesota will understand that I am being serious when I say that certainly this has not been a Republican Congress. The Senate has been controlled by the Democrats, by a majority of two votes. In the last preceding Congress, when Senator Taft was alive, the Republicans had a majority of one in the Senate. Upon the death of Senator Taft, instead of having appointed a man with the point of view of Senator Taft, a New Dealer was appointed in his place, so obviously it was a Democratic-controlled Congress which had the responsibility.

Obviously, the Senator from Minnesota, with his great influence—and I am sure he has influence; I know that every Member of the Senate, on both sides of the aisle, respects him—was not able to have one of those bills brought up for consideration on the floor of the Senate. I had no opportunity to vote on any of the bills. The Democratic-controlled Congress did absolutely nothing about them, even in the face of what was happening.

I have sent to my office for a record of what the present administration has done about the farm problem and the farm program. It certainly has endeavored to work sincerely on behalf of the farmers, recognizing the need for relief, and understanding the plight which confronted the American farmer.

Under the circumstances, I do not believe the Senator from Minnesota should condemn the President of the United States for not having considered the Senator's bills, when the Congress controlled by his own party failed to consider them and failed to give all of us an opportunity to debate them and vote on them.

Mr. HUMPHREY. I thank the Senator from Ohio for his observation. I know that he speaks with sincerity. I know that as the years go by, he will find that legislation is seldom considered in committee until a Bureau of the Budget recommendation is received either for or against a bill.

Mr. BENDER. Mr. President, will the Senator yield?

Mr. HUMPHREY. Not at this moment.

I say most respectfully that the Bureau of the Budget, which is an executive agency of the Office of the President of the United States, and the clearinghouse for all department views, either drags its feet, and apparently drags them with a load of cement in each shoe, or it rejects and opposes. Some Senators have been trying for 2 years to get a statement of the views of the Bureau of the Budget on the soil-bank program. Finally, on September 30, 1955, we got it.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. KNOWLAND. Does the distinguished Senator from Minnesota not agree that while it may be nice to have the views of the Bureau of the Budget, certainly it is not the Senator's contention that we have surrendered our legislative power, which under the Constitution is vested in Congress, to any agency of the executive branch of the Government?

The Senator would not hold, would he, that Congress was paralyzed, or that the Senate under the control of the distinguished Senator's party was prevented from reporting proposed legislation, merely because a report had not been received from the Bureau of the Budget?

Mr. HUMPHREY. No, I say most respectfully to the distinguished minority leader, I would not say that Congress is paralyzed; but I certainly say it is not energized.

Let us not "kid" ourselves for a moment by thinking that when the President, the executive branch of the Government, the Cabinet, or the executive agencies say "No," or when they stand in mute silence, or when they use their propaganda to fight against the bills, it does not have its effect.

One of the reasons why we have campaigns for the Presidency is so that policy may be developed. The administration has sent a message to Congress. This is an administration program. There are Members on the other side of the aisle who will say, "I will wait to see what the administration's program is." All Democrats are not in accord on these matters. I think it is fair to say that the overwhelming majority of the Democrats have been in accord on agricultural matters. There are those who hold different opinions.

That means that there is no working majority in the Senate of the United

States, but I may say that if Executive help is secured, a working majority will be obtained. That is the way foreign-aid bills are passed. How many times have I heard some distinguished Members of the body say, "I have some doubts about this foreign-aid bill. I have some doubts about this treaty. But in this case the President asked for it, and I will resolve my doubts in his behalf." I have said that to myself. Others have said that equally as definite and even more often.

Mr. BENDER. Mr. President, will the Senator yield?

Mr. HUMPHREY. Before I yield, I wish to say at this point, since I mentioned an address, I feel that there is considerable statistical information in it. Since I know this RECORD will be read by our colleagues, and I hope it will be read by members of the administrative government—there is some good reading in it—I shall read a statement which was broadcast over 7 States by a combined radio program, which was listened to by 8,500 in the auditorium in St. Paul, at which there were 700 farm delegates, which speech I think states the case for a farm program.

I ask unanimous consent that the address be printed in the RECORD at this point.

The PRESIDING OFFICER. Is there objection?

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY SENATOR HUMPHREY AT ANNUAL MEETING OF FARMERS UNION GRAIN TERMINAL ASSOCIATION, ST. PAUL, MINN., DECEMBER 13, 1955.

TIME OF DECISION

It is good to be back with the GTA. You always renew my faith in America and its democracy. Sometimes that faith needs renewing, when you are in Washington long these days.

You renew my faith because you are America, and your cooperative efforts exemplify democracy in action. You are the vigorous backbone of this great heartland of America.

Your pocketbooks and bank accounts may be flatter, but I am glad to see that your spirit—and your determination—is still unbroken.

It has been my privilege to address this inspiring gathering for each of the past 2 years. Recalling my talks to you in 1953 and 1954, it is mighty tempting to indulge tonight in a few "I told you so's." But I am going to restrain myself from that temptation.

The situation now confronting us is too serious to be satisfied with pointing to the stubborn blindness of others. You want action. You want results. We want to help provide it for you.

We are now approaching the time of decision on agricultural policy. The great debate has gone on long enough—in fact, too long. We are going to try to make that decision in this coming session of the Congress. If we are unable to do it then—if the President is misguided and his short-sighted and stubborn Secretary of Agriculture block us from doing what needs to be done—the decision must be taken to the American people in the elections of 1956.

I'm not talking about politics for politics' sake. No one in good conscience can take delight in exploiting farm hardship for sheer political advantage. No one has tried harder than I have to halt the downhill trend in our agricultural economy before we entered a political year, regardless of its political consequences. Time after time I have warned that when farmers go broke it makes little difference whether they are Democrats or Republicans—they are just as broke. It's not partisan politics I'm talking about, in pointing to 1956 as a year of decision. It's legitimate farm politics—the fight of American agriculture for survival, through the processes provided in our democracy for translating the will of the people into action. It's the insistence by farmers to be heard in the ballot box, if they can't be heard anywhere else. There is no other course we can safely take. The welfare and economic well-being of our agricultural economy is so vital to the long-range prosperity and progress of this Nation, and the ability and capacity of our country to give effective international leadership, that this issue can no longer be ignored or dealt with in indecisive or uncertain terms or policies.

We would be foolish indeed to forget the lessons of our history. American agriculture still maintains a pivotal role in the total national economy. It is the keystone of our economic structure. That keystone is crumbling, while men in high places in Washington utter pious phrases and slogans to hide their inadequacy—or stubborn unwillingness—to meet the realistic needs of our time.

Let's squarely face the cold, harsh real facts of our agricultural economy. Farmers' total net income is down 29 percent since 1952. Family farm purchasing power is down 25 percent since 1952. Farm population has been squeezed down 9 percent since 1952. The number of farms has been forced down 7 percent. Yet the average per person income from farming in our population is down 19 percent. Farm income and farm prices are still going down. Farm net income and purchasing power is down 12 percent this year from last year. Prices received by farmers for corn during the third quarter of 1955 were down 14 percent from the same quarter in 1954. Hogs are down 22 percent for the same period. Wheat was down 5 percent. Soybeans were down 30 percent.

Our parity index—the accepted standard of fairness in the relationship between prices farmers received and the prices farmers must pay—was down to 81 at the start of this month. This is 7 percent under a year ago—the lowest ratio recorded since October 1940. The outlook is for more of the same for 1956, according to official forecasts at the Department of Agriculture's recent outlook conference. Farm prices are going to be still lower, they admit. Farm income is to drop even further.

I could go on reviewing such depressing statistics for the next hour. There's plenty more of them—and they are all bad. They are not just my estimates. They are official statistics of the Agricultural Marketing Service in the Department of Agriculture, and from Economic Indicators published by the President's Council of Economic Advisers.

They are available for Ezra Taft Benson to read and study, just as much as they are available to me or anyone else. The simple truth is that every valid economic indicator confirms the fact that agriculture is in trouble—serious trouble. I know I need not prove this to you. Your own personal farm experiences provide all the depressing statistics you need. Yet I'm recounting them for the record tonight, for the sake of those skeptics who have stubbornly refused to demonstrate any concern as to what is happening to the foundation of our economy—the very bloodstream of our economic life, here in the great Midwest.

When some of us tried to warn the country 2 years ago where agriculture was headed, we were scoffed at. We were called prophets of doom. We were assured everything was all right; it was just a "temporary adjustment," they kept saying.

When we became even more alarmed at trends a year ago, some people in high places still scoffed. We were already at the bottom of the decline, they said; everything was going to be rosy from here on out. It was all just politics, according to them—just an attempt to create a statistical depression. It wasn't real.

Well, I ask you tonight—has your loss of income in the past year been real, or just "statistical"? It's real enough for the thousands of farmers who have been forced to the wall. It's real enough for the small town businessman who has felt the decline of farm purchasing power. And, at long last, it appears real enough to scare some previously unconcerned politicians who now see another election around the corner. How did we get into this fix? How did the Republican administration let agriculture drift aimlessly into depression while the rest of the economy was booming? Too many people in Washington turned their backs on the fundamental importance of agriculture to our economy. Too many people in Washington—and, yes, even too many people out on the farms—were deceived into rejecting sound, time-tested agricultural policies—policies and programs that helped bring American agriculture out of the depths of depression, strengthen its economy to where it withstood every challenge of World War II, the readjustment afterwards, and the Korean conflict.

Too little concern was shown when our highest public officials relegated agriculture to a minor role of importance in their considerations and counsels. Too many people let themselves be brainwashed by propaganda and slogans designed to conceal a deliberate intent to reverse agriculture's progress toward full and just equality in our economy.

If only half the energy and effort used by those in high places of our Government to distort historical facts—as part of a brazen, partisan, political attempt to divert responsibility for the fix we are in today—had been devoted to aggressive, constructive attempts to stem the tide of agricultural recession, American agriculture would be in far better shape today regardless of any laws on the statute books.

We are more interested in the present, and the future, than the past. I'd rather talk about what can be done now, than argue over what was done in years gone by—and I intend doing so before I conclude. It would be far better if the Secretary of Agriculture would do the same. But Secretary Benson has so distorted history in his stubborn partisanship that it's time to call him to account, before his unfounded dogma is preached further as fact by great segments of the misguided press in this country. Let's set the record straight tonight, once and for all.

Where did our temporary surplus of food and fiber come from? Were price support loans at 90 percent of parity really responsible for the excess abundance that has created such concern? Turn back, for a moment, to 1951. We, as a Nation, were involved in a deadly serious attempt to halt Communist aggression in Korea, with grave fears that world war III might result. We had learned a lesson from World War II, a lesson that could not be forgotten. Food and fiber are urgently needed to win a war, a greatly expanded supply of food and fiber.

Our top policymakers of Government charged with the Nation's security determined upon goals that had to be met for the Nation's safety. These goals were not the product of any Secretary of Agriculture's guess alone. They were the studied needs outlined by our defense officials, our State Department, our Munitions Board, our Security Council.

During 1951, we had consumed as feed, more feed grain than we produced. We ate

into our reserves. Looking ahead, the only safe answer was to increase production—or risk a shortage in time of national emergency. The Department of Agriculture was asked, in the Nation's interest, to call upon America's farmers to increase production of feed grains, or cotton, and of other commodities for which potential demand was soaring. Secretary of Agriculture Brannan was called before the Senate Agriculture Committee in the spring of 1952, to be questioned about whether these national security goals could be met.

No one then, Republican or Democrat, challenged the need for such increased production. Not a voice was raised against the goals. The only question was whether 90 percent price supports was high enough to get the production we needed. Secretary Brannan promised the Senate an all-out campaign to achieve the production needed, regardless of price. He had faith in America's farmers, faith they would respond to the Nation's needs. However, he expressed a hope farmers could, in return, have faith in their Government not to let them down afterwards, if they produced more than was needed.

His faith in America's farmers was justified. His hope that farmers could have the same kind of faith in their Government, apparently, was not. America's farmers responded to the Nation's needs, when they were called upon to respond. Ninety percent price supports didn't do it. An organized campaign was required. Mass meetings were held all over the country, calling on farmers to produce more, with less manpower to help them, less machinery to work with.

The record of agriculture's response is a glorious one in our Nation's history. We met our goals in 1952. Agriculture did its full part in preparing for whatever might come.

That's the so-called "mess" Secretary of Agriculture Benson talks about inheriting, when he took over at the start of 1953. We were still at war in Korea, and we needed our maximum production. Farmers had geared their production to the security needs of America. Yet farm prices averaged 100 percent of parity in 1952.

The total carryover of major farm commodities at the beginning of the 1953 marketing year under Secretary Benson was neither unmanageable nor a serious problem. Rather, the carryover supply was the safety reserve required in a time of national emergency. Carryover of wheat was only 562 million bushels. Of corn, 769 million bushels. Of total feed grain, carryover was only 27 million tons.

At the start of the 1955 marketing year, after 2 years of Bensonism, carryover of wheat was 1,021 million bushels. Carryover of corn was 1,050 million bushels. Carryover of feed grain was 29.5 million tons. And we've added recorded production on top of it.

My friends, if surpluses have become unmanageable, and are to be blamed for depressed prices in agriculture, they are surpluses created by this administration, through price-depressing, income-reducing policies. Our surpluses are not the result of 90 percent of parity.

Secretary Benson has deliberately persisted in deceiving the American people on this false premise—and is still publicly blaming agriculture's plight on what he calls the mistakes of past Democratic leadership. But he confessed the truth once, when few Americans were around to hear him. When he spoke before the FAO in Rome, he told the rest of the world that America had increased production to protect the free world from the threat of shortage and scarcity, and that as a result, the free world had an obligation to help absorb that increased abundance. Why doesn't he admit that to the American people?

If the free world has a moral obligation toward our farmers for their all-out emergency production, so, indeed, must our own Government have such a moral obligation. If no satisfactory program has been evolved to wisely use our abundance, the responsibility rests upon the shoulders of Secretary Benson and President Eisenhower.

If no satisfactory program has been devised to protect farmers' income while adjusting production to world conditions that changed after 1952, the responsibility rests again upon the shoulders of those who asked the American people to trust their leadership in 1952.

Oh, I know some people say Secretary Benson's lower support prices haven't had a fair trial, and that his sliding-scale program hasn't been in effect until this year. The truth is, that Secretary Benson's attempt to control production by lowering farm prices has been in effect and force since the day he took office. His intentions to bring down support levels were made clear right from the outset. He wasted no time in lowering support levels over which he had discretion, and started a vigorous campaign to change the law so he could bring the rest down.

The time that future price prospects may have a bearing on a farmer's intention is at planting time, not at harvest time. When farmers planted in 1953, they knew support levels would be lowered on some commodities and likely go down in the future on others. When they planted in 1954 they knew the pressure was still downward, with a greater slide ahead. When they planted this year, they knew the squeeze of lower prices are really on.

Yet production has gone up consistently, just as many of us warned it would. It has gone up the most on commodities where support levels were cut the most.

The earliest and most drastic price-support cut Secretary Benson made were on feed grains, for which the law gave him full discretion. Yet today the total supply of feed grains and other concentrates has increased to a new high of 197 million tons for the 1955-56 season, and about 14 percent higher than the 1948–53 average.

Let me say right now it has been Secretary Benson's philosophy of cheap feed that had brought on cheap hogs and cheap beef, and thrown the greatest income-producing segments of our agricultural economy into a tailspin. And let me hasten to add that it is cheap hogs and cheap beef to the producer, not to the consumer. While farmers suffer hardship, meat packers' profits have soared tremendously. They attempt to blame consumer meat prices on higher labor costs, yet the truth is that labor cost per pound of meat coming out of our packing plants today is lower than a year ago. Any increases in wage rates have been more than absorbed in increased productivity, letting packers reap a windfall of profit at the expense of both livestock producers and consumers.

Secretary Benson's farm program stands today condemned as an utter failure, a proven failure. And no wonder. It was born in a spirit of preconceived political prejudice and partisanship. It has increased surpluses, rather than reducing them. It has reduced income, rather than increasing income. It has driven prices down, rather than push them up. It has resulted in the liquidation of billions of dollars of farm assets. It has spread fear and uncertainty throughout farms and ranches of the Nation, and demoralized farm markets. Even the much-vaunted business-like efficiency of Republicans is absent from the Benson farm program.

It is a monument of mismanagement. It is a horrible example of confusion. And it is being administered by stubborn and willful men unwilling to admit the error of their ways, more interested now in saving face than in saving the agricultural economy.

Farmers can no longer look to the Department of Agriculture as their friend in Government. The great farm committee system of freely-elected farmer committee members, so essential to the successful operation of any farm program, has been demoralized and become the victim of political manipulation.

Farmers no longer run their own farm programs. Republican Agricrats are in the saddle. The Department of Agriculture has become a privileged sanctuary for processors, speculators, and financiers.

Just as Republican policies are driving the farmers off the land, they have long ago driven farmers out of the Department of Agriculture. I'm sorry to sound partisan. But the hour for righteous indignation is at hand. It's amazing that people are still gullible enough to accept the Benson brainwashing process. He bemoans the surplus, which his policies have created and are aggravating. He bemoans farm program costs, which have soared to unbelievingly new highs under his bungling administration—with less results to show for it.

He talks about freedom from regimentation, then invokes stricter controls than agriculture has ever before had to endure, plus the worst regimentation of all—the regimentation of poverty.

He talks about bipartisanship, while injecting more partisan politics into administration of our farm programs than ever before in history. The sad and tragic thing about this administration is that it has now become a victim of its own propaganda. It has tried to scare the daylights out of the American people on this issue of farm surpluses. In the process of so doing, it has frightened itself.

In order to meet this so-called monstrous problem, it has embraced again a falacious economic philosophy—the same economic practices that were tried and failed, in the days of mass unemployment in the early thirties.

The idea that by reducing prices you will reduce production and thereby solve agriculture's income problems is a throwback to a repudiated political-economic formula that was tried on other surpluses a generation ago.

If mass unemployment—a labor surplus—developed, the supposed cure was to let wages fall until reemployment became profitable, or until hunger-driven men would accept jobs at any wage. That's real regimentation.

If prices were falling, the cure was to let them fall until they hit bottom. If production exceeded consumption, the cure was to let enough surplus small-business men fail. Thus, these short-sighted people rationalized, every depression would ultimately end.

The great progress of our general economy during the past quarter of a century, from boom-and-bust to stability and progress, from inhumanity to social conscience, has rejected this false economic doctrine for most segments of our economy. Yet the Republicans are doing today to the American farmer just what they did to the American workingman 25 years ago. It's time these Republican Rip Van Winkles woke up, and learned some lessons from the past.

Our society has found that decent wage and living standards for workers required collective bargaining—another term for orderly marketing of labor—and unemployment compensation, another term for price supports for workers' income. Our society has accepted pegging of interest rates by the Federal Reserve System to assure solvency of our banks, tariffs to protect our industry, and assurance of fair returns on investments for our transportation and utility systems. Your Government provides and protects these standards by law.

It's about time, then, that we accept orderly marketing and price protection for farmers, as a legitimate function of Government. Please don't misunderstand me. I'm not in any sense saying that legislation alone can solve everything for the farmer, or that the farmer should put his sole reliance in legislation.

What I am saying is that Government has just as much responsibility to promote the welfare of farmers, as it does the welfare of any other segment of our economy. It is failing in that responsibility today.

Last week I spoke before the National Association of Manufacturers in New York. The subject of their panel, when I appeared, was Political Requirements for Prosperity. Business and industry exerts its influence to have legislation enacted and policies adopted which it feels will be beneficial to business. There's nothing wrong with that—and there's certainly nothing wrong with the farmer asking to be remembered too.

Why should he be told to go home and take care of his own problems, and to quit looking to his Government for help? We need men in Washington today who understand that agriculture is a truly competitive industry, made up of independent enterprises that are the trademark of the American economic system. This competitive economy needs built-in economic safeguards, and a climate of Government cooperation for its preservation.

The central issue is more than an argument over level of price supports, or, for that matter, the details of any farm legislation. It is the basic attitude of our Government toward American agriculture. No law is any better than the spirit and intent of those who administer it.

Do we really believe in the concept of equality for agriculture? Do we really desire to maintain and promote the traditional American social-economic pattern of family farming? If we really believe in equality of agriculture and continuation of the family farm tradition, then Government must so design its programs and policies as to achieve and sustain these objectives.

Farmers are tired of being looked upon as statistics. They want to be looked upon as people, as human beings, as first-class citizens, as individuals of equal importance to anyone else in the national social and economic picture. They justly deserve all of this.

How can any farmer believe this administration really wants to see 100 percent of parity for farmers in the market place, as they profess, when its own spokesmen insist, out of the other side of their mouths, that crop loans at 90 percent of parity are too high because they price products out of the market, and invite foreign competition?

Yet that's the kind of doubletalk Mr. Stassen dished out to another group of Minnesota farmers recently—and captured newspaper headlines doing it.

How can any farmer believe this administration really wants agriculture to achieve equality of income, when one of its spokesmen says farmers were living in a "dream world" back in 1951, and shouldn't expect to get such prices again? Yet even in this "dream world" of 1951, the average net income of farmers was only half the per capita income of others. How brazen can they get? How ridiculous can they get? Why should farmers, alone, be expected to take a downhill skid they call "adjustment," while the rest of the economy reaps profits far beyond their own "dream world" wartime highs?

We've mentioned what has happened to agriculture since 1952. What has happened to the rest of our economy? Corporation profits, after taxes, are up 36 percent since 1952. Interest collections are up 22 percent since 1952. Does this administration tell business and industry it should quit expecting such a dream world, and start adjusting downward? Of course not. That kind of talk is reserved for farmers. How long do you think a Secretary of Commerce would last if he persisted in publicly telling business and industry their profits were too high, and that they should expect less for their products next year? Yet that's the way the Secretary of Agriculture has talked, ever since he's been in office. Is it any wonder farm prices have gone down, when the Government's official spokesman for agriculture keeps telling the public and the trade that prices are too high, and must be brought down?

We've had enough of such negative leadership. It's time to call a halt. It's time to move ahead toward full prosperity for agriculture. It's time to demand equality for farmers. Yes, the issue before us involves more than price supports.

It is the entire question of fair income—fair not only to the farmer in meeting his living and operating costs, but fair in terms of relationship to the total national economy.

Any sound prosperity in our country must be built upon a firm foundation of balance in the economy, of maximum production, maximum employment, and maximum purchasing power. Our Government is committed to that concept in the Employment Act of 1946. That's why we have a Council of Economic Advisers for the President, to guide our economy toward that objective.

We appraise the health of our economy every year, to see what needs being done to maintain that objective of balance between the triple goals of full employment, full production, and full purchasing power. We are constantly adopting and adapting policies and programs for the rest of the economy to implement that objective.

Why must agriculture be lost in the shuffle? How can we possibly achieve the goals for our total economy, if one major segment is left to drift aimlessly out of balance with the rest?

We cannot forget the tragic lessons of the early 1920's. Then, too, we heard the political hucksters sing the sweet words of "peace and prosperity." The stock market was at an all-time high. Corporate profits were going up and up. Then came the collapse that brought in its wake depression, unemployment, bankruptcy, and war.

A balanced economy is as vital to prosperity as a balance of power is to peace. We cannot and must not close our eyes to the dangers present in a farm recession. The solvency and security of the Nation is at stake. The farm problem is everybody's problem.

We can and must seek to bring agricultural income and purchasing power back into balance. We can and must seek to keep it in balance, so that farmers can share in rising living standards along with everyone else in our country. We must do it before agriculture's imbalance topples the rest of our economy. We can and must seek to realize fair income standards for agriculture through every means at our command—through a variety of means, not by price supports alone.

Many of us have been calling for new and broader approaches to our farm program, and offering concrete proposals to achieve our objects. We haven't been just critics and obstructionists. We have continually matched our objections to what was going on with constructive suggestions of what could and should be done.

Two years ago, and last year, before this same organization, were outlined many of these new and constructive suggestions for improving our farm program. We have insisted upon, and still insist upon, more adequate income protection for agriculture. We have not wavered from our conviction that to be effective, such protection must be based upon 90 percent of parity—and cover more commodities.

We have insisted that the relationship between our various feed grains must be kept in better balance, by support levels based upon a feed value ratio equivalent to corn. We have repeatedly recognized that an effective farm program must offer protection to producers of end-products like beef and hogs, and eggs and milk, as well as to the producers of feed that goes into such products.

Our goal has been, and still is, broader income protection for a broader segment of agriculture. But we have sought more workable methods of achieving it, including combinations of compensatory payments along with crop loans and purchases. The need for such alternative methods of income protection is more apparent than ever today. It is flexibility of methods we need in our farm program, not flexibility of income levels and flexibility of prices.

We have sought and will still seek to eliminate excessive aid to mass producers least needing it, through limiting income and price assistance to some fair family farm standard. We have sought to support and encourage cooperative action by farmers themselves, for more orderly marketing and improved marketing facilities. We cannot permit undermining of our great system of service, supply and marketing cooperatives, as a bona fide extension of the free enterprise system.

We have sought, and still seek, expanded foreign trade—and greater use of our food and fiber abundance as a constructive arm of our foreign policy. We have urged and supported greater participation of voluntary agencies such as CARE, Church World Service, and other religious groups in overseas distribution of food. We have proposed that the United States take the initiative toward establishment of an International Food and Raw Materials Reserve, under the United Nations.

We have sought, and still seek, expanded domestic consumption of food—through stepping up our school lunch program, expanding the special milk program, and establishing a food stamp program to supplement the food purchasing power of our aged and underprivileged low income groups.

We have sought, and still seek, an expansion and liberalization of farm credit geared to modern agricultural production. We have sought, and still seek, a more realistic way of obtaining production adjustments through creation of a Conservation Acreage Reserve, with incentives for taking land out of production and diverting it to soil-building practices to preserve its fertility.

America's rural economy must not be expected to absorb alone the hardship and loss of any production adjustments required for the good of the entire Nation's economy.

Just as the entire Nation shared in the financial burden of converting industry from wartime to peacetime production, and then again back into defense production, the entire Nation has a moral obligation to aid agriculture in achieving adjustments from excessive production resulting from the Nation's wartime and defense needs.

We did not penalize munitions manufacturers for the production of shells we did not have to fire. Neither should we penalize farmers for the production of food the world might have urgently needed if the war in Korea had burst into the threatened world-wide struggle.

Instead of trying to achieve production balance by deliberately putting a price and income squeeze on farmers, it's time we give more thought to achieving better production balance by making it possible for farmers to make a decent living out of less acres, and less production.

I'm proud to be sponsoring the Conservation Acreage Reserve bill now before the

Senate, and to have my Minnesota colleagues FRED MARSHALL and COYA KNUTSON sponsoring similar legislation in the House.

Secretary Benson has consistently opposed this measure, and others like it, for several years. Now, belatedly, he seems to be changing his mind—as election year nears on the horizon.

Let me voice a word of caution, a note of warning. Some people are suddenly seizing upon his soil-bank idea as a cure-all, a way out by itself from failures of the present farm program. It would be wrong to be deceived into such assumptions. As author of the bill, I know it was never intended as such. It was never intended to be more than part of a comprehensive farm program. It was intended to supplement other phases of that program, not in any sense be a substitute for them.

I think the Conservation Acreage Reserve makes sense, it can further our necessary consideration adjustments, and encourage wiser land use. But it cannot, and will not alone solve all of our farm price and income problems.

A successful farm program must include many interlocking programs, each contributing toward the total objective. That has always been my approach to farm legislation, and will continue to be. All the objectives I have outlined tonight are spelled out in legislation now before the Congress. These are the objectives I will fight for in Congress next month, both in the Senate committee and on the Senate floor.

We have a full farm program, ready to go. That farm program could have been passed long ago, had we been able to get help, instead of hindrance, from those temporarily responsible for administration of our agricultural department.

Certainly, it costs money for an effective farm program. But lack of an effective program can cost our economy more. Actually, public expenditures to bring agriculture into proper balance with the rest of the economy are an investment—not a loss. Such expenditures would be an investment in the greatest potential market available for our entire economy today.

Restoring the present 25-percent loss in farm purchasing power could and should be only the start toward developing the untapped markets for the products of American industry right at our own rural back door.

We expend vast sums for economic development of underdeveloped and underprivileged areas of the world, in the hope of creating new future markets for expansion of American business and industry.

Yet we are overlooking a far greater potential market among our own people in lower income brackets, who would more rapidly put increased purchasing power back into the economic stream of our own Nation.

Before American industry and business alines itself against effective action for economic recovery in agriculture, whatever the temporary price may seem to be, let it weigh carefully the vast potential contribution a prospering agriculture can and will make to the future of business and industry itself.

There's no need to wait for more study commissions. There's no need to appeal to the public for new ideas, such as Secretary Benson is now doing after rejecting every new idea offered him. There's no need to wait for any belated, politically inspired recommendations of this Administration.

We know what agriculture needs, and what the American economy needs. Our Senate Committee on Agriculture is going right ahead on its own, to give farmers a more effective, realistic, farm program.

We've toured the country ourselves, because we preferred listening to farmers instead of to Secretary Benson's processor-dominated advisors.

We're going after results, instead of after new slogans.

We think we're going to get it.

Unfortunately, we may be confronted with a Presidential veto.

If that happens, the answer is up to you.

My intention is not to be partisan tonight, but decisions in a democracy must be made at the ballot box.

Many of my Republican colleagues from the great agricultural areas have stood firm in the fight for agriculture. But their voices have been lost crying in the wilderness of the Republican administration we have in Washington today.

What this country needs is a Government that has as much interest in the farm market, as it has in the New York stock market.

We need men in Government today who are as interested in a calf on the farm, as they are in the "golden calf" on Wall Street.

It will take more than new laws to rescue American agriculture.

It will take an entirely new attitude, at the highest counsels of our Government.

If you can't change the attitudes of the men now participating in those counsels, you can always change the men.

Mr. HUMPHREY. Mr. President, no matter what kind of law is enacted, the law itself is no better than the spirit in which it is administered. There is a lack of will in the Department of Agriculture today to make this farm program work. Maybe there is honest disagreement over public policy, but I submit there seems to be a lack of will to make it work.

Mr. President, I also ask unanimous consent to have printed in the RECORD a statement of mine commenting upon the President's message.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HUMPHREY

Few could disagree with many of the broad, general objectives outlined, even though little of it is new. We will be more interested in seeing the specific recommendations spelled out in future special messages which have been promised.

I am pleased to see what appears to be such general acceptance of Democratic objectives in the Congress, as well as concurrence in major emphasis upon practically the same program already outlined for us by our Democratic majority leader. I hope it means more than lip service to such objectives, as has happened too often in the past. Legislation to accomplish most of these objectives has already been introduced in the Congress under Democratic sponsorship, and could likely have already been enacted if administration support had been forthcoming.

Perhaps the President realizes the climate has changed—for the better. Perhaps he realizes there is more chance of gaining the domestic program improvements he suggests under our Democratic Congress than he could ever hope to achieve during majority control of his own party. At least he seems to be going further down the road of our liberal objectives than has ever been acceptable to his own party in the past. Of course, the approaching election year, and the many indications that the people are turning back to the Democrats, has likely had considerable influence on the message.

Naturally, I am quite pleased to see Presidential approval for so many objectives for which I already have bills of my own pending in the Senate. I will be happy to call his attention to them, so all he will have to do is give the green light. For example, I will be happy to have his support for measures I have sponsored or cosponsored to establish a Civil Rights Commission, to extend aid to depressed areas, to provide for school construction, to safeguard union health and welfare funds, to provide improved medical research and training facilities (to improve our social-security program, to remove flaws from our immigration laws, to amend the Refugee Act, to provide a soil bank for agriculture and make better use of our farm abundance, and quite a few others. I am glad to see the President thinks they are constructive steps forward. It is too bad his administration has dragged its feet this long in support of such action.

However, I do not want to be interpreted as agreeing with all the President says by any means. Much of his review of his administration's accomplishments is open to challenge. I doubt if it will stand up to the test of objective analysis. He makes some assumptions some of us will find hard to agree with. And I certainly do not agree with his blanket endorsement of the Weeks' transportation report.

Mr. HUMPHREY. Mr. President, I say in that statement, in part:

I am pleased to see what appears to be such general acceptance of democratic objectives in the Congress, as well as concurrence in major emphasis upon practically the same program already outlined for us by our Democratic majority leader.

Then the statement goes on and calls to the attention of our colleagues some of the items which I feel have been pressed forward and introduced. Again, since I do not believe in merely making charges, I have in my possession some of the points I made, after having gone through the Presidential message and noting some of the particular requests and suggestions, many of which are very constructive.

I may say I hope the follow-through will be as brilliant as are the words. I hope that the action will be as thrilling as is the rhetoric. And I hope that the Republican Party in the Senate and the House of Representatives will make it their business to see that much of the program is forthcoming. Then when they do I should like to have them compare it with their platform of 1952.

I cannot help but say in good humor that the President's message of today is an interesting document, because it surely puts to rest and gives the lie to everything that has been said about the social welfare program.

I wish to say the President has been most generous in defense of social-welfare programs. His statements have some of the, should I say, if not the precise notes, perhaps some of the undertones of the New Deal. I hope that will not shock some of my Republican friends, but I gather there is a feeling that the Executive may expect that there is enough opposition on the Republican side so that there will not be unanimous support.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. KNOWLAND. I regret that I missed part of the Senator's remarks, but I should like to inquire whether, in the sum total of his speech, he is commending President Eisenhower and accepting and endorsing his state of the Union message, or whether he is at-

tempting to claim credit for it on behalf of the party across the aisle.

Mr. HUMPHREY. I shall be glad to clarify that point.

Mr. KNOWLAND. I would be glad if the Senator were commending and endorsing the President's program. I think it would be very generous for him to do so on behalf of the Members on the other side of the aisle, and I hope the other Members likewise might follow his example.

Mr. HUMPHREY. I am not one of those who see all bad or all good in any one person. I like to be objective. I commend the words. I commend the rhetoric. I commend the organization of the message. Maybe I should read from the statement which I issued today:

> Few could disagree with many of the broad, general objectives outlined, even though little of it is new. We will be more interested in seeing the specific recommendations spelled out in future special messages which have been promised.
>
> I am pleased to see what appears to be such general acceptance of Democratic objectives in the Congress, as well as concurrence in major emphasis upon practically the same program already outlined for us by our Democratic majority leader. I hope it means more than lipservice to such objectives, as has happened too often in the past. Legislation to accomplish most of these objectives has already been introduced in the Congress under Democratic sponsorship, and could likely have already been enacted if administration support had been forthcoming.
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> Perhaps the President realizes the climate has changed—for the better. Perhaps he realizes there is more chance of gaining the domestic program improvements he suggests under our Democratic Congress than he could ever hope to achieve during majority control of his own party. At least he seems to be going further down the road of our liberal objectives than has ever been acceptable to his own party in the past. Of course, the approaching election year, and the many indications that the people are turning back to the Democrats, has likely had considerable influence on the message.
>
> Naturally, I am quite pleased to see Presidential approval for so many objectives for which I already have bills of my own pending in the Senate. I will be happy to call his attention to them, so all he will have to do is give the green light.

He could well call upon the office concerned and say, "There is a bill already prepared on this subject. There is no use getting the attorneys in the Department of Agriculture or the Department of Commerce. The bill is already there. Why do you not support the Humphrey bill, the Morse bill, the Douglas bill, or the Langer bill?"

I continue to read from my statement:

> For example, I will be happy to have his support for measures I have sponsored or cosponsored to establish a Civil Rights Commission.

The President calls for a Civil Rights Commission. That is as new as last year's calendar. Civil rights legislation has been pending in this Congress and other Congresses since 1949. President Truman endorsed it. President Eisenhower has endorsed it. I hope now, with his able leadership on the Republican side, and with such fine devotion to the President's program, that Congress will be able to put through such legislation, despite the fact that some Senators on our side may not go along with it.

Mr. KNOWLAND. I was going to ask the distinguished Senator, who is acting majority leader, whether he was speaking in his capacity as acting majority leader for the 49 Senators on his side of the aisle, or whether he was speaking as an individual, the Senator from Minnesota, because there might be a slight difference in the votes on his side of the aisle.

Mr. HUMPHREY. I was going to say that, as the Senator knows, it is difficult for him to speak for his whole side on substantive matters. He may do so on procedural matters. On procedural matters, we will have concurrence on this side of the aisle. The minority leader is very experienced in getting along with several parties within one party. That has been one of his burdens, and it is to his credit that he has done as well as he has. I sincerely compliment him for what he has been able to do.

For example, in referring to the Civil Rights Commission, I said we shall be happy to have the President's support.

Furthermore, I know that my friend, the Senator from Illinois [Mr. DOUGLAS], will be delighted to have the President's support, at long last, for his bill for depressed areas. Mr. President, is it not interesting? That bill has never had the support of the executive agencies, until just now. The Senator from Illinois and 16 other Senators, I believe, are cosponsors of the bill. I am privileged to be one of the cosponsors.

It will also be very good, as the President has indicated, to have his support of the bill for school construction. The Senator from Alabama [Mr. HILL] has his bill for that purpose. The Senator from Michigan [Mr. MCNAMARA] is a cosponsor of the bill, as am I.

Mr. President, I have not had from the White House or from the Department of Health, Education, and Welfare, or even from one of the staff members, a letter saying that was a good idea. But we are a part of the Government, too, Mr. President.

I was pleased to see that the President wants to have enacted legislation to safeguard union health and welfare funds. Mr. President, I should like to suggest, most respectfully, that in the stack of bills which I have before me—and I also have the releases along with them—I have such a bill; and the Senator from Illinois [Mr. DOUGLAS] has been holding hearings on that particular bill and on other measures which were placed before his committee by other Senators.

Then we see, for example, that the President indicates support for improved medical research and training facilities, for improvements in our social-security program, for the elimination of flaws in our immigration laws, and for amendments to the Refugee Act. I am sure the Senator from New York [Mr. LEHMAN] will be delighted to know that at long last he can count on the support of the President to back up his amendments to the Immigration Act.

Mr. LEHMAN. I certainly will be.

Mr. HUMPHREY. The Senator from New York has been a champion in that entire field.

Mr. President, elections are wonderful things. It beats everything what an election sometimes will do to get people to recognize the seriousness of problems and to advance programs to meet them.

We also learn that the President favors measures to provide a soil bank for agriculture, and to make better use of our farm abundance, and quite a few others. I am glad to see that the President thinks they, too, are constructive steps forward. It is too bad that his administration has dragged its feet this long, instead of giving support to the action the President now recommends.

I sense that there is a problem in the administration, and I say this most respectfully. The President has his views, and every Cabinet officer seems to have his own individual views. Sometimes one wonders whether this is one Government or as many governments as there are agencies and offices. However, it is delightful to get a message, once a year, indicating a coordinated, comprehensive program.

Mr. BENDER. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I shall yield in a moment.

However, Mr. President, I do not want my statement to be interpreted as indicating agreement by me with all the President says, by any means. For instance, in the case of foreign policy matters, let me say that the reassuring statements by the President in regard to foreign policy are not in agreement with the facts, I believe. Much of his review of the administration's accomplishments is open to challenge. I doubt if it will stand up to the test of objective analysis. He makes some assumptions with which some of us will find it hard to agree. I certainly do not agree with his blanket endorsement, for example, of the transportation report of Secretary of Commerce Weeks. I think that is a highly controversial matter, and undoubtedly there will be debate about it in the Congress.

Just to document the RECORD, Mr. President, let me say that some of the bills to which I have referred are known as S. 1, S. 5, S. 49, S. 67, S. 480, S. 669, and Senate Concurrent Resolution 8.

Mr. KNOWLAND. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. In a moment I shall be delighted to yield.

In the field of civil rights, Senate bill 899, Senate bill 900, Senate bill 901, Senate bill 902, S. 903, S. 904, S. 905, S. 906, S. 907. Those are the areas, let me say most respectfully, that I wish to call to the attention of the executive branch.

In the field of voluntary health plans, S. 1076.

In the field of immigration, S. 1315, the so-called Short bill for using unused quotas.

And in the field of medical facilities and research facilities, S. 1323.

In the field of amending the National Labor Relations Act, particularly as it relates to subversion, S. 1557.

In regard to union health and welfare funds, S. 1717.

In regard to the Refugee Act, S. 1794, sponsored by the Senator from New York [Mr. LEHMAN]—a bill of which I am proud to be a cosponsor.

In regard to social security for dentists and lawyers, S. 1841, broadening the act.

In regard to the broad outline of social-security improvements, S. 2382, S. 2383, S. 2384, S. 2385, S. 2386, S. 2387, S. 2388, and S. 2389.

When it comes to conservation—and in the President's message there was an expression of interest in conservation—S. 2101.

When it comes to amending the Refugee Relief Act, S. 2450 and S. 2451. There are those two bills.

When it comes to alleviating the conditions in depressed areas, I call the President's attention to S. 2663, the Douglas bill, sponsored by the Senator from Illinois [Mr. DOUGLAS], the Senator from West Virginia [Mr. KILGORE], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Michigan [Mr. MCNAMARA], the Senator from West Virginia [Mr. NEELY], the Senator from Montana [Mr. MURRAY], the Senator from Massachusetts [Mr. KENNEDY], and myself.

When it comes to the matter of civil defense, I would certainly like to call the attention of the executive branch to Senate Concurrent Resolution 11.

When it comes to the subject of mental illness, I should like to call the attention of the executive branch to Senate Concurrent Resolution 18.

Mr. President, I say in all sincerity that I am sure the President of the United States would like to see these measures enacted into law. I am afraid that some of his agents and Cabinet officers have not told him that these legislative proposals are before us. The President is a busy man. His Cabinet officers are supposed to keep their President and our President informed. I hope that today's CONGRESSIONAL RECORD will be scanned very quickly by the President and his officers. I would be delighted at any time to send a copy of these bills to any of the executive officers, if they would like to examine them. I am sure my colleagues stand ready to cooperate with any Cabinet officer or any Assistant Secretary in explaining the bills. If we can get help, for example, from the Department of the Interior in regard to the matter of preservation of our national parks from exploitation of the resources there, we shall be delighted to get their help, and they will have our help.

Mr. President, I say most kindly and sympathetically that the job of government is big enough to require the cooperation of everyone. Parties do not always have unanimity. We try to have unity, which is a respect for one another's point of view. I surely want my friend, the minority leader, to know that I will welcome his support of any of these measures; and in the case of some that he has sponsored, I shall be glad to give him my support.

Now I yield.

Mr. KNOWLAND. I do not wish to draw an incorrect conclusion from the remarks of the Senator from Minnesota, or perhaps an inference which would not be warranted. But it seemed to me that, among other things, there was one item quite conspicuous by its absence, unless I missed it in the earlier remarks of the Senator from Minnesota, and that was whether he had commended the President for bringing our budget into balance, and for the program of starting to reduce the national debt of some $280 billion—in which case the minority leader would not only be agreeing with his President, but also with the chairman of the Finance Committee, the Senator from Virginia [Mr. BYRD], as regards putting the Government into sound fiscal condition.

Mr. HUMPHREY. Mr. President, I wish to say to the Senator from California that the Republican Party has promised, every year since it has been in power, that it would balance the budget. But it has not gotten around to doing it, and there is no promise that it will do so next year. The President says that in fiscal 1957 he will have a balanced budget, but there is great question as to who will be President in the fiscal year 1957.

Furthermore, let me say in all kindliness that I am becoming a little weary of a Government financed by mirrors. I now notice that the Government will need $4 billion for foreign aid. Why? Because they used up all the reserves. They used up all the inheritance, so to speak; they are like the son of the old rich man, the son who spent all the old man's money. Now, by golly, they have to go to work.

The administration was able to come here last year with a reduced budget for defense. However, there was a little story which appeared in the metropolitan press, a little Associated Press dispatch to the effect that Charles Wilson stated before the Appropriations Committee—of which I believe the Senator from California is a member—that "next year we shall have to come back and ask for more, because we have used up our reserves."

We of the 81st and 82d Congresses—the minority leader was a Member—had to put the money in the till. We had to put the money in the bank. We had to appropriate the money. The goods had not yet come off the line, but the money was there to be paid out.

After they had used up the money, used up the unobligated balances and the obligated balances, they ran short. Can the administration say it is going to give us a bigger foreign-aid program with $4 billion this year than it gave us with $3 billion last year? No. It can only say that it needs the money to take up the slack. Can the administration successfully claim that it is going to give us a bigger defense program than it gave us last year? No. It is merely using up the reserves.

The administration has talked for a long time about a balanced budget. It is still unbalanced. I should like to make my friend a little side wager, if it were not contrary to the ethics and rules of this body, that before the administration can come forward with a balanced budget, it will be asking the Finance Committee for another resolution to increase the debt ceiling. The minority leader knows that as well as I do. It is a good thing in campaign years to talk about a balanced budget. But the people have not had a balanced budget in a long time. The last time the budget was balanced was when Truman was President.

Mr. KNOWLAND. Under the Republican 80th Congress.

Mr. HUMPHREY. It was when Truman was President. I have an idea that the President has something to say about the fiscal policy of the country.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. KNOWLAND. I think it is a little amusing for an administration which, for 18 of the 20 years it was in power, had consistently an unbalanced budget and ran the national debt up to the point of some $278 billion, to be raising a question because, in 3 years, the present administration has not brought the budget completely into balance and brought about a reduction in the national debt. If the Senator will take the trouble to read the platform again, he will find that the party platform stated that the budget would be brought into balance——

Mr. HUMPHREY. When?

Mr. KNOWLAND. In my judgment, it will be brought into balance during the first term of President Eisenhower's administration.

I will say to the Senator that I believe that if he will examine the record, he will find that the administration cut more than $10 billion from the budget presented by the last administration, and $14 billion from the figure submitted to the Congress before the last administration went out of office. The Senator is skating on very thin ice when he speaks of lack of fiscal responsibility on the part of this administration, and contends that it is like a wasteful son, so to speak, in spending the resources of the people, when the cold, hard record shows that vast expenditures and unbalanced budgets occurred under the previous administration.

Mr. HUMPHREY. Let me say most respectfully to my friend, who has always been a man of veracity, a great patriot, and a great Senator, that he knows that those unbalanced budgets were due to a worldwide depression the like of which no civilization had ever experienced, a depression which was left on our doorsteps by the Great Engineer, who ditched, dammed, and drained the country.

The Senator knows that that debt was caused by World War II. He knows that the time any payment was made on the debt was during Democratic administrations. He knows that the only time there has been a balanced budget since the postwar period was under a Democratic administration.

Furthermore, the Senator is the one who brought up the question of fiscal responsibility. My good friend from California raised that question. The Democratic Party has not promised the people a balanced budget when it was unable to see the necessary revenues, in the light of international demands and

international necessities. This administration and the Republican leadership have had a balanced budget as an article of faith. It is the 11th commandment in their political commandments. I trust we all agree on the first 10.

This administration has talked about a balanced budget, and about fiscal responsibility. This administration has come to Congress twice in 3 years with a request to increase the debt limit. This administration is not going to balance the budget this year with this Presidential message, if there is any intention to carry it out.

How does the administration intend to carry out a balanced budget program when it is asking for more money for highways, more money for schools, more money for medical research, and more money for agriculture? The agricultural program which is being laid out is rather expensive. How does the administration expect to balance the budget when it asks for more for defense, more for foreign aid, more for water resources control, and more for everything else? No politician dares make such a claim. One can fool some of the American people part of the time, and all of them some of the time, but he cannot fool all of them all the time, as one great Republican, Mr. Lincoln, once said.

How many people really believe that there is to be a balanced budget this year? I am sure there is not a Senator who really believes that if we were to carry out the President's recommendations we would even come close to a balanced budget.

The 83d Congress and the 84th Congress both cut the President's budgets. The Republican leadership says that a Republican administration cut the Truman budget. It is an old habit of Congress to cut budgets. Why are we here? That is one of our real prerogatives.

Let me say also that some of the cuts which were made were untimely cuts. I refer to the Air Force cuts, and the Foreign Aid cuts, which must now be restored. A few months ago we were told that these programs were to be tapered off. I do not have to be told that. I have been in support of foreign aid, and I intend to continue to support necessary foreign aid. But in order to placate some of the voters in Republican ranks, they were told, "It is not going to last much longer. Stay with us another year. We are cutting it down all the time." Now the administration is coming forward with a 10-year plan for Asia.

The President talks in terms of a long-term foreign aid program. I am not saying that we do not need it. He will have to convince Members of his own party more than he will have to convince Members on this side of the aisle. But I do not call that responsibility. I call that trying to get people to go along, step by step, with promises that cannot be fulfilled.

Mr. President, I shall not continue this argument. We shall return later to this issue, and it will be fully discussed in the Senate. We hope to arrive at some conclusions.

Mr. BENDER. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. BENDER. I appreciate the kindly way and sweet manner in which the Senator from Minnesota approaches this entire problem. I appreciate all the pleasant things he has to say about his colleagues, and particularly with respect to Republicans. He pays tribute to them. I know that this session will be a very kindly session. It is only two days old, and we are going at it at a late hour.

However, there is one thing to which attention should be invited. In response to my first question the Senator from Minnesota said that I had not been here very long. This is only my second year as a Member of the Senate. However, I was a Member of the other body for 14 years. This is my 26th year as a legislator.

I know something about the Bureau of the Budget. I know something about its influence and power. I know that this is a legislative body, and that we have certain power.

I recall when my distinguished colleague from North Dakota [Mr. LANGER], on this side of the aisle, was making his comments. He castigated the Democratic majority for not having had a better batting average regarding agricultural problems. As I recall, he indicated that their batting average was zero.

I happen to be a member of the Committee on Labor and Public Welfare. I know that the education bill was about to be reported, but the minute desegregation was mentioned it was dropped like a hot potato.

We are the minority party. The administration is Republican, but the Congress is Democratic.

I say this in the same kindly vein in which my distinguished colleague from Minnesota has approached this subject. Responsibility for legislation is principally in the hands of the Democratic majority.

Regarding the agricultural problem, it was not my privilege to vote on very much agricultural legislation last year. I was most eager to do so, but the Democratic majority did not come forward with a program. The problem which this administration faces in agriculture was inherited from previous administrations which were not Republican.

Of course, the budget was balanced only once by the 80th Congress, under great protest from the Democratic Members in both Houses.

Let me say further, regarding welfare, that our party has not been callous in the matter of problems of human welfare. We were born to make men free; and during our lifetime I think we have made a fine record of performance in behalf of human rights.

For 20 years I heard talk about civil rights, but the present administration, without new legislation on the subject, has done more for civil rights in 3 years than previous administrations had done in 20 years.

Along that line, the American people, on the basis of every poll which has been taken, approve of the Eisenhower administration.

More than 65 million people are employed. I will never forget that in 1946, when I was coauthor in the House of Representatives of the full employment bill, we hoped that sometime we would have 45 million people gainfully employed. Today more than 65 million people are gainfully employed. We have peace and we have prosperity. Certainly the administration is being realistic in conducting its foreign policy and in following every other program. It is facing its problems in a forthright manner. It is not trying to cover up anything. If anything is going on that is not right, the administration wants it revealed. No effort has been made by the administration to cover up anything. I am a member of the subcommittee headed by the Senator from Arkansas [Mr. MCCLELLAN], and no one has approached me on behalf of the administration and suggested not to reveal anything that has been going on about which the people ought to know. The President of the United States is the first advocate of that kind of policy. The administration is not afraid of any probes. I know some Senators are planning to probe every day. I say to them, "God bless you. Go to it." I say that because as the result of many Democratic Congresses we have inherited a great many hangers-on, who have been around Washington for many years. They are on the payroll. About 98 percent of the people the President has had to work with he inherited from previous administrations. He has not been playing politics with them. He has asked them to do a good job, and he has been trying to raise their salaries and to improve their standard of living and their working conditions.

Therefore, I say the administration will give a good account of its stewardship. This is an election year. Inasmuch as the campaign is on—as obviously it is, as of an hour ago—we will certainly be very glad to have the issues discussed, and we will be glad in this timely way to have all the issues presented to the people of our country.

Mr. HUMPHREY. Mr. President, I thank the Senator from Ohio for the assertions and statements he would like to have credited as facts. We will come to the factual emphasis a little later. The campaign did not start an hour ago. I believe it started about 12:35 today, when the program was laid down. I invite the help of our Republican friends in the fulfillment of the program along the social objectives which have been outlined. We shall await the details.

During the delivery of Mr. HUMPHREY's speech,

Mr. MORSE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MORSE. The Senator from Minnesota delivered a great speech on agriculture at Klamath Falls in Oregon, and the speech he made on the same subject at Prineville, Oreg., on the following evening is still being discussed in my State. In my judgment, it was the clearest statement on the failure of the Eisenhower administration to keep its pledges to the American farmer that I have ever heard.

I wish to commend the Senator from Minnesota for the great work he has done, as a member of the Committee on

Agriculture and Forestry, in behalf of American agriculture.

While I am on my feet, Mr. President, with the Senator's permission, I wish to pay my very high respect to the senior Senator from North Dakota [Mr. LANGER], who is now presiding over the Senate. I wish to join the junior Senator from Minnesota in his remarks about the Senator from North Dakota.

I do not know of any other person in American public life—and I speak advisedly—who has such a glorious record of dedicated service to American agriculture as BILL LANGER, of North Dakota, the distinguished senior Senator from that State.

I like to say good things about people at the time they are deserved. I believe this is the appropriate time to express in the RECORD my opinion of the public service BILL LANGER has rendered to American agriculture.

I shall sit here at his feet, as I have so many times during my 11 years in the Senate, and listen to his discussion in the historic debate which is about to unfold in the Senate in the weeks ahead on the American agricultural program. The American farmer today is in a deep depression. American farmers are going broke by the thousands, and our mail is already beginning to show demands for farm mortage moratoriums. One would think we were back in 1929 under another Republican administration.

The great statesman now presiding over the Senate has never allowed partisanship to prevent him from telling the American people the facts that should be told about our agricultural economy. Had we listened to him years ago, we would not now be in the crisis in which we find ourselves today.

I am glad to pay my respects to these two great defenders of American agriculture, the Senator from North Dakota and the Senator from Minnesota.

Mr. HUMPHREY. I thank the Senator from Oregon.

TRIBUTE TO EDWARD B. WILBER

Mr. KILGORE. Mr. President, I was terribly shocked by the death of one of the members of the official family of the State Department, the late Ed Wilber. I had intended to pay a tribute to him on the floor of the Senate; and at this time I ask unanimous consent that the statement I had prepared may be printed in the body of the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR KILGORE

In the past few years, much has been said about the strains imposed on those in public office. I am confident that no Member of the Senate would take issue with me if I described the burden of our work here, as well as elsewhere in the Government, as severe. Nor do I think I would be challenged if I stated that in recent years the demands of office and the strains attendant on them had steadily increased.

We cannot dismiss this development as merely a fact of public life. It is a problem with which, sooner or later, we must contend. The complexities and the responsibilities of Government will continue to expand for the foreseeable future, and the need for able legislators and capable and experienced administrators will, in direct ratio, become the more urgent. Such officers are ever in short supply and eventually we shall have to take steps to husband this vital human resource.

This question, for me, is brought into tragic focus by the sudden death of a friend and coworker—an officer of the State Department. I refer to Edward Bacon Wilber, Deputy Assistant Secretary and Budget Officer of that agency who, without warning, suffered a fatal heart attack. Mr. Wilber was known to many Members of the Senate, and the House as well. And a number of us are beholden to him, as I have been, for his unfailing generosity with his time and counsel on problems relating to the fiscal affairs of the Department of State.

Like the other members of the Appropriations Committee, it was my privilege to work with Mr. Wilber over a period of years. He was a highly competent and efficient executive who had elected to devote his considerable abilities to the service of his Government and his country. He was uncommonly diligent in the discharge of his duties and displayed, on frequent occasions, the judgment and wisdom so gravely needed in reaching sound decisions on the financing of our foreign affairs.

Along with many of us here, I have lost a good friend. Thus, I wish to pay him the tribute that a man pays to a friend who has died. But more than that, the Department of State, the United States Government, and the people of this country are the poorer for the passing of a topflight career officer, literally in midcareer, for Mr. Wilber was 53 at the time he was stricken. The responsibility for this loss—and it is a very real loss, for officials of Mr. Wilber's caliber and experience are not easily replaced—can be laid at the door of the workload we have allowed to pile up on the top administrators of the Government as well as on ourselves. I wonder how many more times we shall have to be saddened by an untimely death before being moved to action.

Until such time, I can only do full honor to a fine public servant—one to whom we owe a considerable debt. He will be greatly missed.

DEATH OF REPRESENTATIVE VERA D. BUCHANAN, OF PENNSYLVANIA

Mr. MARTIN of Pennsylvania. Mr. President, it becomes my sad duty to announce to the Senate the death of a distinguished Representative in Congress from Pennsylvania, Mrs. VERA D. BUCHANAN, who represented the 30th District.

Mrs. BUCHANAN died on November 26, 1955, following a severe illness which kept her in a hospital since last June.

She was the wife of the late Representative Frank Buchanan, who achieved a distinguished record in the House of Representatives. She was sent to Congress to fill the vacancy caused by the death of her husband.

Mrs. BUCHANAN had been a member of the House since August 1951. She was reelected in 1952 and again in 1954, serving with great competence on the Committee on Merchant Marine and Fisheries, the Public Works Committee, and the Committee on Banking and Currency.

Mrs. BUCHANAN enjoyed the respect, esteem, and affection of her constituents. She made her home in McKeesport, Pa. She was a beloved wife to her late husband, and a devoted mother to her twin daughters, Joan and Jane.

To the members of her fine family, relatives and friends, we extend our deepest personal sympathy.

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). The Chair lays before the Senate a resolution coming from the House of Representatives, which will be read.

The resolution (H. Res. 348) was read, as follows:

Resolved, That the House has heard with profound sorrow of the death of Hon. VERA BUCHANAN, a Representative from the State of Pennsylvania.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect the House do now adjourn.

Mr. KNOWLAND. Mr. President, on behalf of the senior Senator from Pennsylvania [Mr. MARTIN], who was called away from the Chamber, and the junior Senator from Pennsylvania [Mr. DUFF], I send to the desk a resolution, which I ask to have read, and for which I ask present consideration.

The PRESIDING OFFICER. The resolution will be read.

The resolution (S. Res. 157) was read, considered by unanimous consent, and unanimously agreed to, as follows:

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. VERA BUCHANAN, late a Representative from the State of Pennsylvania.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

DEATH OF REPRESENTATIVE DINGELL, OF MICHIGAN

The PRESIDING OFFICER (Mr. MORSE in the chair). The Chair lays before the Senate a resolution coming from the House of Representatives, which will be read.

The resolution (H. Res. 347) was read, as follows:

Resolved, That the House has heard with profound sorrow of the death of Hon. JOHN D. DINGELL, a Representative from the State of Michigan.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect the House do now adjourn.

Mr. MCNAMARA. Mr. President, I send to the desk a resolution which I ask to have read, and for which I ask present consideration.

The PRESIDING OFFICER. The resolution will be read.

The resolution (S. Res. 158) was read, and considered by unanimous consent, as follows:

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. JOHN D. DINGELL, late a Representative from the State of Michigan.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Mr. McNAMARA. Mr. President, the passing of this distinguished and courageous Member of the House of Representatives is not only a great loss to his district and to the State of Michigan, but also to the common man everywhere.

Personally, I feel a great void has been left in my world. JOHN DINGELL was my friend and adviser. The taking of my seat in the Senate was made easier for me because I knew I could rely on this great American for guidance and advice whenever I needed them.

I again extend my sincere sympathies to his widow Grace, and to his children, John Jr., James, and Jule.

In the Senate Chamber we are honored by the presence of the newest Member of the 84th Congress, JOHN DINGELL, JR., who I am certain will carry on in the great traditions of his noble and distinguished father.

Mr. BENDER. Mr. President, I join with my colleague from Michigan in praising the fine work of Representative JOHN DINGELL. It was my privilege to know him very well during my service in the House of Representatives. No member of the Committee on Ways and Means was more diligent, more painstaking, and more devoted to his job than JOHN DINGELL, and certainly citizens of Polish extraction never had a better friend in Congress.

Mr. McNAMARA. I thank the Senator from Ohio.

Mr. HUMPHREY. Mr. President, I should like to associate myself with the tribute expressed by the Senator from Michigan on behalf of his late friend, the distinguished Representative from Michigan, Mr. JOHN DINGELL.

I knew Mr. DINGELL during my service in Congress and even before I came to Congress. I have the privilege of knowing his son, who has succeeded his very fine father as a Member of the House of Representatives.

Recently I had the great privilege of serving with the late Representative DINGELL on the President's Commission on Intergovernmental Relations. On that Commission he served very ably and with high devotion and dedication to his responsibilities.

Representative DINGELL could be called a true liberal. He fought the liberal fight. He was very proud to be a friend of the workingman. He was proud to work in behalf of social legislation in the field of education, health, and welfare. He has left his mark on the public laws of this land. His fine work will live on in the lives of many people, who will have a better life because of what Representative DINGELL did for them.

I know that his son will follow in the footsteps of his very fine father and continue the record his father has made.

Mr. McNAMARA. I thank the Senator from Minnesota for his very kind remarks.

Mr. LEHMAN. Mr. President, I deem it a very great privilege to speak briefly this afternoon in eulogy of the late Representative DINGELL, of Michigan. He was a great liberal and a great American. I had the privilege of working with him very closely in many activities which involved matters of interest not only to the Congress but to the entire Nation. He represented a truly cosmopolitan district in Michigan. I am told that in his district 32 different nationalities were represented. The Senator from Ohio [Mr. BENDER] spoke about Representative DINGELL's fine representation of the Polish constitutency. I know from what I have learned from his intimate associates that he represented equally well every nationality in his district.

It was a great privilege to work closely with him on social security. I think I am safe in saying that we saw eye to eye on all matters which were of common interest. No man was more deeply interested in or more completely convinced of the necessity for fair, humane, just, and workable immigration laws. He was a tower of strength in the fight which we have waged in the Congress for several years to obtain a more equitable and a less brutal and cruel immigration policy.

He was a strong proponent of and always a fighter for fair and progressive taxation. He felt that taxation should be spread fairly and equitably in its demand on all the people, not upon any one class or group. What impressed me most, however, in my long association with Representative DINGELL was the fact that his concern was always for the little fellow. He protected the interests of all his constitutents, large and small.

Deep down in his heart I know that he was moved most by the needs and aspirations and ideals of the little fellows, and he always went to bat for them, and usually with great success.

I mourn the loss of a very dear friend and associate. I think his passing has been a great loss not only to the community in which he lived and which he served so faithfully, but to the entire Nation which felt the imprint of his idealism, his hopes, and his determination.

It is a consolation to me to know that he has been followed in the House of Representatives by his son. I did not have the pleasure of knowing his son until a few days ago, when I first met him, but I have heard many excellent and fine things about him. I am very confident that he will be a very worthy successor to his great father, and I wish him success.

The PRESIDING OFFICER. The question is on agreeing to the resolution with reference to the deceased Representative DINGELL, of Michigan.

The resolution was unanimously agreed to.

Mr. HUMPHREY. Mr. President, as a further mark of respect to the memory of the deceased Representatives, I move that the Senate do now adjourn until Monday next.

The motion was unanimously agreed to; and (at 5 o'clock and 46 minutes p. m.) the Senate adjourned, the adjournment being under the order previously entered, until Monday, January 9, 1956, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

THURSDAY, JANUARY 5, 1956

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

God of wisdom and understanding, Thou alone art the guiding intelligence and the supreme source of insight and inspiration when men assemble in their council chambers for deliberation and decision.

May all the legislation that shall be proposed and enacted by this session of Congress redound to Thy glory and help to bring to fulfillment our longings for peace on earth and good will among men.

Fill us with generous impulses and sympathetic attitudes toward one another and may we never become weary in seeking the well-being and welfare of all mankind.

Help us to live and labor together courageously and cheerfully, confident that nothing can ever impede the triumph of righteousness and justice and freedom.

Inspire our minds and hearts with the moral strength of humility and hope, of patience and perseverance and may all be done for the glory of God.

Hear us in Christ's name. Amen.

The Journal of the proceedings of Tuesday, January 3, 1956, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Tribbe, one of his secretaries.

THE STATE OF THE UNION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 241)

The SPEAKER laid before the House the following message from the President of the United States:

To the Congress of the United States:

The opening of this new year must arouse in us all grateful thanks to a kind providence whose protection has been ever present and whose bounty has been manifold and abundant. The state of the Union today demonstrates what can be accomplished under God by a free people; by their vision, their understanding of national problems, their initiative, their self-reliance, their capacity for work—and by their willingness to sacrifice whenever sacrifice is needed.

In the past 3 years, responding to what our people want their Government to do, the Congress and the Executive have done much in building a stronger, better America. There has been broad progress in fostering the energies of our people, in providing greater opportunity for the satisfaction of their needs, and in fulfilling their demands for the strength and security of the Republic.

Our country is at peace. Our security posture commands respect. A spiritual vigor marks our national life. Our economy, approaching the $400 billion mark, is at an unparalleled level of prosperity. The national income is more widely and fairly distributed than ever before. The number of Americans at work has reached an all-time high. As a people, we are achieving ever higher standards of living—earning more, producing more, consuming more, building more and investing more than ever before.

Virtually all sectors of our society are sharing in these good times. Our farm families, if we act wisely, imaginatively and promptly to strengthen our present farm programs, can also look forward to sharing equitably in the prosperity they have helped to create.

War in Korea ended 2½ years ago. The collective-security system has been powerfully strengthened. Our defenses have been reinforced at sharply reduced costs. Programs to expand world trade and to harness the atom for the betterment of mankind have been carried forward. Our economy has been freed from governmental wage and price controls. Inflation has been halted; the cost of living stabilized.

Government spending has been cut by more than $10 billion. Nearly 300,000 positions have been eliminated from the Federal payroll. Taxes have been substantially reduced. A balanced budget is in prospect. Social security has been extended to 10 million more Americans and unemployment insurance to 4 million more. Unprecedented advances in civil rights have been made. The long-standing and deep-seated problems of agriculture have been forthrightly attacked.

This record of progress has been accomplished with a self-imposed caution against unnecessary and unwise interference in the private affairs of our people, of their communities, and of the several States.

If we of the executive and legislative branches, keeping this caution ever in mind, address ourselves to the business of the year before us—and to the unfinished business of last year—with resolution, the outlook is bright with promise.

Many measures of great national importance recommended last year to the Congress still demand immediate attention—legislation for school and highway construction; health and immigration legislation; water resources legislation; legislation to complete the implementation of our foreign economic policy; such labor legislation as amendments of the Labor-Management Relations Act, extension of the Fair Labor Standards Act to additional groups not now covered, and occupational safety legislation; and legislation for construction of an atomic-powered exhibit vessel.

Many new items of business likewise require our attention—measures that will further promote the release of the energies of our people; that will broaden opportunity for all of them; that will advance the Republic in its leadership toward a just peace; measures, in short, that are essential to the building of an ever-stronger, ever-better America.

Every political and economic guide supports a valid confidence that wise effort will be rewarded by an even more plentiful harvest of human benefit than we now enjoy. Our resources are too many, our principles too dynamic, our purposes too worthy, and the issues at stake too immense for us to entertain doubt or fear. But our responsibilities require that we approach this year's business with a sober humility.

A heedless pride in our present strength and position would blind us to the facts of the past, to the pitfalls of the future. We must walk ever in the knowledge that we are enriched by a heritage earned in the labor and sacrifice of our forebears; that, for our children's children, we are trustees of a great Republic and a time-tested political system; that we prosper as a cooperating member of the family of nations.

In this light, the administration has continued work on its program for the Republic, begun 3 years ago. Because the vast spread of national and human interests is involved within it, I shall not in this message attempt its detailed delineation. Instead, from time to time during this session, there will be submitted to the Congress specific recommendations within specific fields. In the comprehensive survey required for their preparation, the administration is guided by enduring objectives. The first is:

THE DISCHARGE OF OUR WORLD RESPONSIBILITY

Our world policy and our actions are dedicated to the achievement of peace with justice for all nations.

With this purpose, we move in a wide variety of ways and through many agencies to remove the pall of fear; to strengthen the ties with our partners and to improve the cooperative cohesion of the free world; to reduce the burden of armaments, and to stimulate and inspire action among all nations for a world of justice and prosperity and peace. These national objectives are fully supported by both our political parties.

In the past year, our search for a more stable and just peace has taken varied forms. Among the most important were the two conferences at Geneva, in July and in the fall of last year. We explored the possibilities of agreement on critical issues that jeopardize the peace.

The July meeting of heads of government held out promise to the world of moderation in the bitterness, of word and action, which tends to generate conflict and war. All were in agreement that a nuclear war would be an intolerable disaster which must not be permitted to occur. But in October, when the Foreign Ministers met again, the results demonstrated conclusively that the Soviet leaders are not yet willing to create the indispensable conditions for a secure and lasting peace.

Nevertheless, it is clear that the conflict between international communism and freedom has taken on a new complexion.

We know the Communist leaders have often practiced the tactics of retreat and zigzag. We know that Soviet and Chinese communism still poses a serious threat to the free world. And in the Middle East recent Soviet moves are hardly compatible with the reduction of international tension.

Yet Communist tactics against the free nations have shifted in emphasis from reliance on violence and the threat of violence to reliance on division, enticement, and duplicity. We must be well prepared to meet the current tactics which pose a dangerous though less obvious threat. At the same time, our policy must be dynamic as well as flexible, designed primarily to forward the achievement of our own objectives rather than to meet each shift and change on the Communist front. We must act in the firm assurance that the fruits of freedom are more attractive and desirable to mankind in the pursuit of happiness than the record of communism.

In the face of Communist military power, we must, of course, continue to maintain an effective system of collective security. This involves two things—a system which gives clear warning that armed aggression will be met by joint action of the free nations, and deterrent military power to make that warning effective. Moreover, the awesome power of the atom must be made to serve as a guardian of the free community and of the peace.

In the last year, the free world has seen major gains for the system of collective security: The accession to the North Atlantic Treaty Organization and Western European Union of the sovereign Federal German Republic; the developing cooperation under the Southeast Asia Collective Defense Treaty; and the formation in the Middle East of the Baghdad Pact among Turkey, Iraq, Iran, Pakistan, and the United Kingdom. In our own hemisphere, the inter-American system has continued to show its vitality in maintaining peace and a common approach to world problems. We now have security pacts with more than 40 other nations.

In the pursuit of our national purposes, we have been steadfast in our support of the United Nations, now entering its second decade with a wider membership and ever-increasing influence and usefulness. In the release of our 15 fliers from Communist China, an essential prelude was the world opinion mobilized by the General Assembly which condemned their imprisonment and demanded their liberation. The successful Atomic Energy Conference held in Geneva under United Nations auspices and our atoms-for-peace program have been practical steps toward the worldwide use of this new energy source. Our sponsorship of such use has benefited our relations with other countries. Active negotiations are now in progress to create an international agency to foster peaceful uses of atomic energy.

During the past year the crucial problem of disarmament has moved to the forefront of practical political endeavor. At Geneva, I declared the readiness of the United States to exchange blueprints of the military establishments of our Nation and the U. S. S. R., to be confirmed by reciprocal aerial reconnaissance. By this means, I felt mutual suspicions could be allayed and an atmosphere developed in which negotiations

looking toward limitation of arms would have improved chances of success.

In the United Nations Subcommittee on Disarmament last fall, this proposal was explored and the United States also declared itself willing to include reciprocal ground inspection of key points. By the overwhelming vote of 56 to 7, the United Nations on December 16 endorsed these proposals and gave them a top priority. Thereby, the issue is placed squarely before the bar of world opinion. We shall persevere in seeking a general reduction of armaments under effective inspection and control which are essential safeguards to insure reciprocity and protect the security of all.

In the coming year much remains to be done.

While maintaining our military deterrent, we must intensify our efforts to achieve a just peace. In Asia we shall continue to give help to nations struggling to maintain their freedom against the threat of Communist coercion or subversion. In Europe, we shall endeavor to increase not only the military strength of the North Atlantic Alliance but also its political cohesion and unity of purpose. We shall give such assistance as is feasible to the recently renewed effort of Western European nations to achieve a greater measure of integration, such as in the field of peaceful uses of atomic energy.

In the Near East we shall spare no effort in seeking to promote a fair solution of the tragic dispute between the Arab States and Israel, all of whom we want as our friends. The United States is ready to do its part to assure enduring peace in that area. We hope that both sides will make the contributions necessary to achieve that purpose. In Latin America, we shall continue to cooperate vigorously in trade and other measures designed to assist economic progress in the area.

Strong economic ties are an essential element in our free world partnership. Increasing trade and investment help all of us prosper together. Gratifying progress has been made in this direction, most recently by the 3-year extension of our trade agreements legislation.

I most earnestly request that the Congress approve our membership in the Organization for Trade Cooperation which would assist the carrying out of the General Agreement on Tariffs and Trade to which we have been a party since 1948. Our membership in the OTC will provide the most effective and expeditious means for removing discriminations and restrictions against American exports and in making our trade agreements truly reciprocal. United States membership in the Organization will evidence our continuing desire to cooperate in promoting an expanded trade among the free nations. Thus the Organization, as proposed, is admirably suited to our own interests and to those of like-minded nations in working for steady expansion of trade and closer economic cooperation. Being strictly an administrative entity, the Organization for Trade Cooperation cannot, of course, alter the control by Congress of the tariff, import, and customs policies of the United States.

We need to encourage investment overseas by avoiding unfair tax duplications, and to foster foreign trade by further simplification and improvement of our customs legislation.

We must sustain and fortify our mutual-security program. Because the conditions of poverty and unrest in less developed areas make their people a special target of international communism, there is a need to help them achieve the economic growth and stability necessary to preserve their independence against Communist threats and enticements.

In order that our friends may better achieve the greater strength that is our common goal, they need assurance of continuity in economic assistance for development projects and programs which we approve and which require a period of years for planning and completion. Accordingly, I ask Congress to grant limited authority to make longer term commitments for assistance to such projects, to be fulfilled from appropriations to be made in future fiscal years.

These various steps will powerfully strengthen the economic foundation of our foreign policy. Together with constructive action abroad, they will maintain the present momentum toward general economic progress and vitality of the free world.

In all things, change is the inexorable law of life. In much of the world the ferment of change is working strongly; but grave injustices are still uncorrected. We must not, by any sanction of ours, help to perpetuate these wrongs. I have particularly in mind the oppressive division of the German people, the bondage of millions elsewhere, and the exclusion of Japan from United Nations membership.

We shall keep these injustices in the forefront of human consciousness and seek to maintain the pressure of world opinion to right these vast wrongs in the interest both of justice and secure peace.

Injustice thrives on ignorance. Because an understanding of the truth about America is one of our most powerful forces, I am recommending a substantial increase in budgetary support of the United States Information Agency.

The sum of our international effort should be this: The waging of peace, with as much resourcefulness, with as great a sense of dedication and urgency, as we have ever mustered in defense of our country in time of war. In this effort, our weapon is not force. Our weapons are the principles and ideas embodied in our historic traditions, applied with the same vigor that in the past made America a living promise of freedom for all mankind.

To accomplish these vital tasks, all of us should be concerned with the strength, effectiveness, and morale of our State Department and our Foreign Service.

Another guide in the preparation of the administration's program is:

THE CONSTANT IMPROVEMENT OF OUR NATIONAL SECURITY

Because peace is the keystone of our national policy, our defense program emphasizes an effective flexible type of power calculated to deter or repulse any aggression and to preserve the peace. Short of war, we have never had military strength better adapted to our needs with improved readiness for emergency use. The maintenance of this strong military capability for the indefinite future will continue to call for a large share of our national budget. Our military programs must meet the needs of today. To build less would expose the Nation to aggression. To build excessively, under the influence of fear, could defeat our purposes and impair or destroy the very freedom and economic system our military defenses are designed to protect.

We have improved the effectiveness and combat readiness of our forces by developing and making operational new weapons and by integrating the latest scientific developments, including new atomic weapons, into our military plans. We continue to push the production of the most modern military aircraft. The development of long-range missiles has been on an accelerated basis for some time. We are moving as rapidly as practicable toward nuclear-powered aircraft and ships. Combat capability, especially in terms of firepower, has been substantially increased. We have made the adjustments in personnel permitted by the cessation of the Korean war, the buildup of our allies and the introduction of new weapons. The services are all planning realistically on a long-term basis.

To strengthen our continental defenses the United States and Canada, in the closest cooperation, have substantially augmented early warning networks. Great progress is being made in extending surveillance of the Arctic, the Atlantic, and the Pacific approaches to North America.

In the last analysis our real strength lies in the caliber of the men and women in our Armed Forces, Active and Reserve. Much has been done to attract and hold capable military personnel, but more needs to be done. This year, I renew my request of last year for legislation to provide proper medical care for military dependents and a more equitable survivors' benefit program. The administration will prepare additional recommendations designed to achieve the same objectives, including career incentives for medical and dental officers and nurses, and increases in the proportion of Regular officers.

Closely related to the mission of the Defense Department is the task of the Federal Civil Defense Administration. A particular point of relationship arises from the fact that the key to civil defense is the expanded continental defense program, including the distant early warning system. Our Federal civil-defense authorities have made progress in their program, and now comprehensive studies are being conducted jointly by the Federal Civil Defense Administration, the States, and critical target cities to determine the best procedures that can be adopted in case of an atomic attack. We must strengthen Federal assistance to the States and cities in devising the most effective common defense.

We have a broad and diversified mobilization base. We have the facilities, materials, skills, and knowledge rapidly to expand the production of things we need for our defense whenever they are required. But mobilization base requirements change with changing technology and strategy. We must maintain flexibility to meet new requirements. I am requesting, therefore, that the Congress once again extend the Defense Production Act.

Of great importance to our Nation's security is a continuing alertness to internal subversive activity within or without our Government. This administration will not relax its efforts to deal forthrightly and vigorously in protection of this Government and its citizens against subversion, at the same time fully protecting the constitutional rights of all citizens.

A third objective of the administration is:

FISCAL INTEGRITY

A public office is, indeed, a public trust. None of its aspects is more demanding than the proper management of the public finances. I refer now not only to the indispensable virtues of plain honesty and trustworthiness but also to the prudent, effective, and conscientious use of tax money. I refer also to the attitude of mind that makes efficient and economical service to the people a watchword in our Government.

Over the long term, a balanced budget is a sure index to thrifty management—in a home, in a business, or in the Federal Government. When achievement of a balanced budget is for long put off in a business or home, bankruptcy is the result. But in similar circumstances a Government resorts to inflation of the money supply. This inevitably results in depreciation of the value of the money, and an increase in the cost of living. Every investment in personal security is threatened by this process of inflation, and the real values of the people's savings whether in the form of insurance, bonds, pension and retirement funds, or savings accounts are thereby shriveled.

We have made long strides these past 3 years in bringing our Federal finances under control. The deficit for fiscal year 1953 was almost 9½ billion dollars. Larger deficits seemed certain—deficits which would have depreciated the value of the dollar and pushed the cost of living still higher. But Government waste and extravagance were searched out. Nonessential activities were dropped. Government expenses were carefully scrutinized. Total spending was cut by $14 billion below the amount planned by the previous administration for the fiscal year 1954.

This made possible—and it was appropriate in the existing circumstances of transition to a peacetime economy—the largest tax cut in any year in our history. Almost 7½ billion dollars were released and every taxpayer in the country benefited. Almost two-thirds of the savings went directly to individuals. This tax cut also helped to build up the economy, to make jobs in industry, and to increase the production of the many things desired to improve the scale of living for the great majority of Americans.

The strong expansion of the economy, coupled with a constant care for efficiency in Government operations and an alert guard against waste and duplication, has brought us to a prospective balance between income and expenditure. This is being done while we continue to strengthen our military security.

I expect the budget to be in balance during the fiscal year ending June 30, 1956.

I shall propose a balanced budget for the next fiscal year ending June 30, 1957.

But the balance we are seeking cannot be accomplished without the continuing everyday effort of the executive and legislative branches to keep expenditures under control. It will also be necessary to continue all of the present excise taxes without any reduction and the corporation income taxes at their present rates for another year beyond next April 1.

It is unquestionably true that our present tax level is very burdensome and, in the interest of long-term and continuous economic growth, should be reduced when we prudently can. It is essential, in the sound management of the Government's finances, that we be mindful of our enormous national debt and of the obligation we have toward future Americans to reduce that debt whenever we can appropriately do so. Under conditions of high peacetime prosperity, such as now exist, we can never justify going further into debt to give ourselves a tax cut at the expense of our children. So, in the present state of our financial affairs, I earnestly believe that a tax cut can be deemed justifiable only when it will not unbalance the budget, a budget which makes provision for some reduction, even though modest, in our national debt. In this way we can best maintain fiscal integrity.

A fourth aim of our program is:

TO FOSTER A STRONG ECONOMY

Our competitive-enterprise system depends on the energy of free human beings, limited by prudent restraints in law, using free markets to plan, organize, and distribute production, and spurred by the prospect of reward for successful effort. This system has developed our resources. It has marvelously expanded our productive capacity. Against the record of all other economic systems devised through the ages, this competitive system has proved the most creative user of human skills in the development of physical resources, and the richest rewarder of human effort.

This is still true in this era when improved living standards and rising national requirements are accompanied by swift advances in technology and rapid obsolescence in machines and methods. Typical of these are the strides made in construction of plants to produce electrical energy from atomic power and of laboratories and installations for the application of this new force in industry, agriculture, and the healing arts. These developments make it imperative—to assure effective functioning of our enterprise system—that the Federal Government concern itself with certain broad areas of our economic life. Most important of these is:

AGRICULTURE

Our farm people are not sharing as they should in the general prosperity. They alone of all major groups have seen their incomes decline rather than rise. They are caught between two millstones—rising production costs and declining prices. Such harm to a part of the national economy so vitally important to everyone is of great concern to us all. No other resource is so indispensable as the land that feeds and clothes us. No group is more fundamental to our national life than our farmers.

In successful prosecution of the war, the Nation called for the utmost effort of its farmers. Their response was superb, their contribution unsurpassed. Farmers are not now to be blamed for the mountainous, price-depressing surpluses produced in response to wartime policies and laws that were too long continued. War markets are not the markets of peacetime. Failure to recognize that basic fact by a timely adjustment of wartime legislation brought its inevitable result in peacetime—surpluses, lower prices, and lower incomes for our farmers.

The dimensions of Government responsibility are as broad and complex as the farm problem itself. We are here concerned not only with our essential continuing supplies of food and fiber, but also with a way of life. Both are indispensable to the well-being and strength of the Nation. Consideration of these matters must be above and beyond politics. Our national farm policy, so vital to the welfare of farm people and all of us, must not become a field for political warfare. Too much is at stake.

Our farm people expect of us, who have responsibility for their Government, understanding of their problems and the will to help solve them. Our objective must be to help bring production into balance with existing and new markets, at prices that yield farmers a return for their work in line with what other Americans get.

To reach this goal, deep-seated problems must be subjected to a stepped-up attack. There is no single easy solution. Rather, there must be a many-sided assault on the stubborn problems of surpluses, prices, costs, and markets; and a steady, persistent, imaginative advance in the relationship between farmers and their Government.

In a few days, by special message, I shall lay before the Congress my detailed recommendations for new steps that should be taken promptly to speed the transition in agriculture and thus assist our farmers to achieve their fair share of the national income.

Basic to this program will be a new attack on the surplus problem, for even the best-conceived farm program cannot work under a multi-billion-dollar weight of accumulated stocks.

I shall urge authorization of a soil bank program to alleviate the problem of diverted acres and an overexpanded

agricultural plant. This will include an acreage reserve to reduce current and accumulated surpluses of crops in most serious difficulty, and a conservation reserve to achieve other needed adjustments in the use of agricultural resources. I shall urge measures to strengthen our surplus disposal activities.

I shall propose measures to strengthen individual commodity programs, to remove controls where possible, to reduce carryovers, and to stop further accumulations of surpluses. I shall ask the Congress to provide substantial new funds for an expanded drive on the research front, to develop new markets, new crops, and new uses. The rural development program to better the lot of low-income farm families deserves full congressional support. The Great Plains program must go forward vigorously. Advances on these and other fronts will pull down the price-depressing surpluses and raise farm income.

In this time of testing in agriculture, we should, all together, regardless of party, carry forward resolutely with a sound and forward-looking program on which farm people may confidently depend, now and for years to come.

I shall briefly mention four other subjects directly related to the well-being of the economy, preliminary to their fuller discussion in the economic report and later communications.

RESOURCES CONSERVATION

I wish to reemphasize the critical importance of the wise use and conservation of our great natural resources of land, forests, minerals, and water, and their long-range development consistent with our agricultural policy. Water in particular now plays an increasing role in industrial processes, in the irrigation of land, in electric power, as well as in domestic uses. At the same time, it has the potential of damage and disaster.

A comprehensive legislative program for water conservation will be submitted to the Congress during the session. The development of our water resources cannot be accomplished overnight. The need is such that we must make faster progress and without delay. Therefore, I strongly recommend that action be taken at this session on such wholly Federal projects as the Colorado River storage project and the Fryingpan-Arkansas project, on the John Day partnership project, and other projects which provide for cooperative action between the Federal Government and non-Federal interests, and on legislation which makes provision for Federal participation in small projects under the primary sponsorship of agencies of State and local government.

During the past year the areas of our national parks have been expanded, and new wildlife refuges have been created. The visits of our people to the parks have increased much more rapidly than have the facilities to care for them. The administration will submit recommendations to provide more adequate facilities to keep abreast of the increasing interest of our people in the great outdoors.

DISASTER ASSISTANCE

A modern community is a complex combination of skills, specialized buildings, machines, communications and homes. Most importantly it involves human lives. Disaster in many forms—by flood, frost, high winds, for instance—can destroy on a massive scale in a few hours the labor of many years.

Through the past 3 years the administration has repeatedly moved into action wherever disaster struck. The extent of State participation in relief activities, however, has been far from uniform and, in many cases, has been either inadequate or nonexistent. Disaster assistance legislation requires overhauling and an experimental program of flood-damage indemnities should be undertaken. The administration will make detailed recommendations on these subjects.

AREA REDEVELOPMENT

We must help deal with the pockets of chronic unemployment that here and there mar the Nation's general industrial prosperity. Economic changes in recent years have been often so rapid and far-reaching that areas committed to a single local resource or industrial activity have found themselves temporarily deprived of their markets and their livelihood.

Such conditions mean severe hardship for thousands of people as the slow process of adaptation to new circumstances goes on. This process can be speeded up. Last year I authorized a major study of the problem to find additional steps to supplement existing programs for the redevelopment of areas of chronic unemployment. Recommendations will be submitted, designed to supplement with Federal technical and loan assistance local efforts to get on with this vital job. Improving such communities must, of course, remain the primary responsibility of the people living there and of their States. But a soundly conceived Federal partnership program can be of real assistance to them in their efforts.

HIGHWAY LEGISLATION

Legislation to provide a modern, interstate highway system is even more urgent this year than last, for 12 months have now passed in which we have fallen further behind in road construction needed for the personal safety, the general prosperity, the national security of the American people. During the year, the number of motor vehicles has increased from 58 to 61 million. During the past year over 38,000 persons lost their lives in highway accidents, while the fearful toll of injuries and property damages has gone on unabated.

In my message of February 22, 1955, I urged that measures be taken to complete the vital 40,000 mile interstate system over a period of 10 years at an estimated Federal cost of approximately $25 billion. No program was adopted.

If we are ever to solve our mounting traffic problem, the whole interstate system must be authorized as one project, to be completed approximately within the specified time. Only in this way can industry efficiently gear itself to the job ahead. Only in this way can the required planning and engineering be accomplished without the confusion and waste unavoidable in a piecemeal approach. Furthermore, as I pointed out last year, the pressing nature of this problem must not lead us to solutions outside the bounds of sound fiscal management. As in the case of other pressing problems, there must be an adequate plan of financing. To continue the drastically needed improvement in other national highway systems, I recommend the continuation of the Federal-aid highway program.

Aside from agriculture and the four subjects specifically mentioned, an integral part of our efforts to foster a strong and expanding free economy is keeping open the door of opportunity to new and small enterprises, checking monopoly, and preserving a competitive environment. In this past year the steady improvement in the economic health of small business has reinforced the vitality of our competitive economy. We shall continue to help small-business concerns to obtain access to adequate financing and to competent counsel on management, production, and marketing problems.

Through measures already taken, opportunities for small-business participation in Government-procurement programs, including military procurement, are greatly improved. The effectiveness of these measures will become increasingly apparent. We shall continue to make certain that small business has a fair opportunity to compete and has an economic environment in which it may prosper.

In my message last year, I referred to the appointment of an advisory committee to appraise and report to me on the deficiencies as well as the effectiveness of existing Federal transportation policies. I have commended the fundamental purposes and objectives of the committee's report. I earnestly recommended that the Congress give prompt attention to the committee's proposals.

Essential to a prosperous economic environment for all business, small and large—for agriculture and industry and commerce—is efficiency in Government. To that end, exhaustive studies of the entire governmental structure were made by the Commission on Intergovernmental Relations and the Commission on the Organization of the Executive Branch of the Government—the reports of these Commissions are now under intensive review and already in the process of implementation in important areas.

One specific and most vital governmental function merits study and action by the Congress. As part of our program of promoting efficiency in Government and getting the fiscal situation in hand, the Post Office Department in the past 3 years has been overhauled. Nearly one thousand new post offices have been provided. Financial practices have been modernized and transportation and operating methods are being constantly improved. A new wage and incentive plan for the half million postal employees has been established. Never before has the postal system handled so much mail so quickly and so economically.

The Post Office Department faces two serious problems. First, much of its physical plant—post offices and other buildings—is obsolete and inadequate.

Many new buildings and the modernization of present ones are essential if we are to have improved mail service. The second problem is the Department's fiscal plight. It now faces an annual deficit of one-half billion dollars.

Recommendations on postal facilities and on additional postal revenues will be submitted to the Congress.

A final consideration in our program planning is:

THE RESPONSE TO HUMAN CONCERNS

A fundamental belief shines forth in this Republic. We believe in the worth and dignity of the individual. We know that if we are to govern ourselves wisely—in the tradition of America—we must have the opportunity to develop our individual capacities to the utmost.

To fulfill the individual's aspirations in the American way of life, good education is fundamental. Good education is the outgrowth of good homes, good communities, good churches, and good schools. Today our schools face pressing problems—problems which will not yield to swift and easy solutions, or to any single action. They will yield only to a continuing, active, informed effort by the people toward achieving better schools.

This kind of effort has been spurred by the thousands of conferences held in recent months by half a million citizens and educators in all parts of the country, culminating in the White House Conference on Education. In that Conference, some two thousand delegates, broadly representative of the Nation, studied together the problems of the Nation's schools.

They concluded that the people of the United States must make a greater effort through their local, State, and Federal Governments to improve the education of our youth. This expression from the people must now be translated into action at all levels of Government.

So far as the Federal share of responsibility is concerned, I urge that the Congress move promptly to enact an effective program of Federal assistance to help erase the existing deficit of school classrooms. Such a program, which should be limited to a 5-year period, must operate to increase rather than decrease local and State support of schools and to give the greatest help to the States and localities with the least financial resources. Federal aid should in no way jeopardize the freedom of local school systems. There will be presented to the Congress a recommended program of Federal assistance for school construction.

Such a program should be accompanied by action to increase services to the Nation's schools by the Office of Education and by legislation to provide continuation of payments to school districts where Federal activities have impaired the ability of those districts to provide adequate schools.

Under the 1954 amendments to the old-age and survivors' insurance program, protection was extended to some 10 million additional workers and benefits were increased. The system now helps protect 9 out of 10 American workers and their families against loss of income in old age or on the death of the breadwinner. The system is sound. It must be kept so. In developing improvements in the system, we must give the most careful consideration to population and social trends, and to fiscal requirements. With these considerations in mind, the administration will present its recommendations for further expansion of coverage and other steps which can be taken wisely at this time.

Other needs in the area of social welfare include increased child-welfare services, extension of the program of aid to dependent children, intensified attack on juvenile delinquency, and special attention to the problems of mentally retarded children. The training of more skilled workers for these fields and the quest for new knowledge through research in social welfare are essential. Similarly the problems of our aged people need our attention.

The Nation has made dramatic progress in conquering disease—progress of profound human significance which can be greatly accelerated by an intensified effort in medical research. A well-supported, well-balanced program of research, including basic research, can open new frontiers of knowledge, prevent and relieve suffering, and prolong life. Accordingly I shall recommend a substantial increase in Federal funds for the support of such a program. As an integral part of this effort, I shall recommend a new plan to aid construction of non-Federal medical research and teaching facilities and to help provide more adequate support for the training of medical research manpower.

Finally, we must aid in cushioning the heavy and rising costs of illness and hospitalization to individuals and families. Provision should be made, by Federal reinsurance or otherwise, to foster extension of voluntary health insurance coverage to many more persons, especially older persons and those in rural areas. Plans should be evolved to improve protection against the costs of prolonged or severe illness. These measures will help reduce the dollar barrier between many Americans and the benefits of modern medical care.

The administration health program will be submitted to the Congress in detail.

The response of Government to human concerns embraces, of course, other measures of broad public interest, and of special interest to our working men and women. The need still exists for improvement of the Labor Management Relations Act. The recommendations I submitted to the Congress last year take into account not only the interests of labor and management but also the public welfare. The needed amendments should be enacted without further delay.

We must also carry forward the job of improving the wage-hour law. Last year I requested the Congress to broaden the coverage of the minimum wage. I repeat that recommendation and I pledge the full resources of the executive branch to assist the Congress in finding ways to attain this goal. Moreover, as requested last year, legislation should be passed to clarify and strengthen the 8-hour laws for the benefit of workers who are subject to Federal wage standards on Federal and federally assisted construction and other public works.

The administration will shortly propose legislation to assure adequate disclosure of the financial affairs of each employee pension and welfare plan and to afford substantial protection to their beneficiaries in accordance with the objectives outlined in my message of January 11, 1954. Occupational safety still demands attention, as I pointed out last year, and legislation to improve the Longshoremen's and Harbor Workers' Compensation Act is still needed. The improvement of the District of Columbia unemployment-insurance law and legislation to provide employees in the District with non-occupational-disability insurance are no less necessary now than 12 months ago. Legislation to apply the principle of equal pay for equal work without discrimination because of sex is a matter of simple justice. I earnestly urge the Congress to move swiftly to implement these needed labor measures.

In the field of human needs, we must carry forward the housing program which is contributing so greatly to the well-being of our people and the prosperity of our economy. Homeownership is now advanced to the point where almost 3 of every 5 families in our cities, towns, and suburbs own the houses they live in.

For the housing program, most of the legislative authority already exists. However, a firm program of public housing is essential until the private building industry has found ways to provide more adequate housing for low-income families. The administration will propose authority to contract for 35,000 additional public-housing units in each of the next 2 fiscal years for communities which will participate in an integrated attack on slums and blight.

To meet the needs of the growing number of older people, several amendments to the National Housing Act will be proposed to assist the private home-building industry as well as charitable and nonprofit organizations.

With so large a number of the American people desiring to modernize and improve existing dwellings, I recommend that the title I program for permanent improvements in the home be liberalized.

I recommend increases in the general FHA mortgage insurance authority; the extension of the FHA military housing program; an increase in the authorization for urban planning grants; in the special assistance authority of the Federal National Mortgage Association; and continued support of the college housing program in a way that will not discourage private capital from helping to meet the needs of our colleges.

The legislation I have recommended for workers in private industry should be accompanied by a parallel effort for the welfare of Government employees. We have accomplished much in this field, including a contributory life-insurance program; equitable pay increases and a fringe-benefits program, covering many needed personnel policy changes, from improved premium pay to a meaningful incentive awards program.

Additional personnel-management legislation is needed in this session. As I stated last year, an executive pay increase is essential to efficient governmental management. Such an increase, together with needed adjustments in the pay for the top career positions, is also necessary to the equitable completion of the Federal pay program initiated last year. Other legislation will be proposed, including legislation for prepaid group health insurance for employees and their dependents and to effect major improvements in the civil-service retirement system.

All of us share a continuing concern for those who have served this Nation in the Armed Forces. The Commission on Veterans' Pensions is at this time conducting a study of the entire field of veterans' benefits and will soon submit proposed improvements.

We are proud of the progress our people have made in the field of civil rights. In executive-branch operations throughout the Nation, elimination of discrimination and segregation is all but completed. Progress is also being made among contractors engaged in furnishing Government services and requirements. Every citizen now has the opportunity to fit himself for and to hold a position of responsibility in the service of his country. In the District of Columbia, through the voluntary cooperation of the people, discrimination and segregation are disappearing from hotels, theaters, restaurants, and other facilities.

It is disturbing that in some localities allegations persist that Negro citizens are being deprived of their right to vote and are likewise being subjected to unwarranted economic pressures. I recommend that the substance of these charges be thoroughly examined by a bipartisan commission created by the Congress. It is hoped that such a commission will be established promptly so that it may arrive at findings which can receive early consideration.

The stature of our leadership in the free world has increased through the past 3 years because we have made more progress than ever before in a similar period to assure our citizens equality in justice, in opportunity, and in civil rights. We must expand this effort on every front. We must strive to have every person judged and measured by what he is, rather than by his color, race, or religion. There will soon be recommended to the Congress a program further to advance the efforts of the Government, within the area of Federal responsibility, to accomplish these objectives.

One particular challenge confronts us. In the Hawaiian Islands, East meets West. To the islands, Asia, and Europe, and the Western Hemisphere, all the continents have contributed their peoples and their cultures to display a unique example of a community that is a successful laboratory in human brotherhood.

Statehood, supported by the repeatedly expressed desire of the islands' people and by our traditions, would be a shining example of the American way to the entire earth. Consequently, I urgently request this Congress to grant statehood for Hawaii. Also, in harmony with the provisions I last year communicated to the Senate and House Committees on Interior and Insular Affairs, I trust that progress toward statehood for Alaska can be made in this session.

Progress is constant toward full integration of our Indian citizens into normal community life. During the past 2 years the administration has provided school facilities for thousands of Indian children previously denied this opportunity. We must continue to meet the needs of increased numbers of Indian children. Provision should also be made for the education of adult Indians whose schooling in earlier years was neglected.

In keeping with our responsibility of world leadership and in our own self-interest, I again point out to the Congress the urgent need for revision of the immigration and nationality laws. Our Nation has always welcomed immigrants to our shores. The wisdom of such a policy is clearly shown by the fact that America has been built by immigrants and the descendants of immigrants. That policy must be continued realistically with present-day conditions in mind.

I recommend that the number of persons admitted to this country annually be based not on the 1920 census but on the latest, the 1950 census. Provision should be made to allow for greater flexibility in the use of quotas so if one country does not use its share, the vacancies may be made available for the use of qualified individuals from other countries.

The law should be amended to permit the Secretary of State and the Attorney General to waive the requirements of fingerprinting on a reciprocal basis for persons coming to this country for temporary visits. This and other changes in the law are long overdue and should be taken care of promptly. Detailed recommendations for revision of the immigration laws will be submitted to the Congress.

I am happy to report substantial progress in the flow of immigrants under the Refugee Relief Act of 1953. However, I again request this Congress to approve without further delay the urgently needed amendments to that act which I submitted in the last session. Because of the high prosperity in Germany and Austria, the number of immigrants from those countries will be reduced. This will make available thousands of unfilled openings which I recommend be distributed to Greece and Italy and to escapees from behind the Iron Curtain.

Once again I ask the Congress to join with me in demonstrating our belief in the right of suffrage. I renew my request that the principle of self-government be extended and the right of suffrage granted to the citizens of the District of Columbia.

To conclude: The vista before us is bright. The march of science, the expanding economy, the advance in collective security toward a just peace—in this threefold movement our people are creating new standards by which the future of the Republic may be judged.

Progress, however, will be realized only as it is more than matched by a continuing growth in the spiritual strength of the Nation. Our dedication to moral values must be complete in our dealings abroad and in our relationships among ourselves. We have single-minded devotion to the common good of America. Never must we forget that this means the well-being, the prosperity, the security of all Americans in every walk of life.

To the attainment of these objectives I pledge full energies of the administration as in the session ahead it works on a program for submission to you, the Congress of the United States.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *January 5, 1956.*

Mr. McCORMACK. Mr. Speaker, I move that the message of the President of the United States be referred to the Whole House on the State of the Union and that it be ordered printed.

The motion was agreed to.

THE LATE HARRY SANDAGER

Mr. FOGARTY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. FOGARTY. Mr. Speaker, I have an unhappy mission to perform. I have to acquaint the Members of the House with the fact that a former colleague of many Members has passed away. My predecessor in representation of the Second Rhode Island District, Harry Sandager, has gone to his eternal reward. Harry Sandager died on Christmas eve after suffering a heart attack.

One of the most overworked words in our language is the word, "friend." But, I want to say that in the passing of one of Rhode Island's most distinguished citizens I feel that I have lost a genuine friend. His sudden death cast a pall over the Christmas Day festivities in my home—and in the homes of a great many Rhode Islanders.

Harry Sandager was a grand person—and a gentleman in every sense of the word. Harry Sandager and I were political opponents during two vigorously fought campaigns. Harry Sandager fought hard, but he fought honorably. I have always been proud of the fact that our friendship became stronger as a result of these two contests.

Harry has been a prominent businessman in Rhode Island for the past 25 years. In his earlier years, he held down the desk of sports editor for the Pawtucket Times and he always evidenced a strong interest in newspaper work.

Mr. Sandager came to Washington first in 1919 as secretary to the late Congressman Walter R. Stiness with whom he was associated for 4 years. While working on Capitol Hill, he attended Georgetown University and George Washington University, receiving degrees from both institutions.

He was a member of Georgetown's first class in the Foreign Service school

and, in 1921, he was awarded the James A. Farrell prize for the highest general average in that school which has become so famous.

Mr. Sandager served for 8 years as a member of Rhode Island's House of Representatives and, in 1936, was elected Republican floor leader in that body. In 1938, he was elected to the United States House of Representatives to serve in the 76th Congress and represented the 2d District of Rhode Island in Congress until January 1, 1941. He was always very active in Republican Party affairs in Rhode Island and served for a time as Republican National Committeeman from my State. He enjoyed the honor of having represented his party at national conventions and, for many years, Harry Sandager was always consulted in considerations of Republican Party policy in Rhode Island.

At one time, Harry was president of the Southern New England Football Association and also of the National Roller-Polo League. He was an active member of the Doric Lodge, A. F. & M., in the Providence Lodge of Elks, the Providence Aerie of Eagles, and the Lions' Club of his hometown, the city of Cranston.

I wish to take this opportunity, and I know many of my colleagues join me, in extending to his widow heartfelt sympathy on the passing of such a gentleman. He was a credit to his background, his community, his State and the American way of life.

It has been said of another great man that nothing in his life became him more—than the manner of his passing from this mortal sphere. Harry Sandager suffered a heart attack while he was in the midst of a vigorous round of activity delivering Christmas presents to many of his friends, and to many less fortunate than himself—for whom he always wished the merriest of Christmasses. May the Good Lord have mercy on his soul.

Mr. MARTIN. Mr. Speaker, will the gentleman yield?

Mr. FOGARTY. I yield to the gentleman from Massachusetts.

Mr. MARTIN. Mr. Speaker, I would like to join with my good friend from Rhode Island in expressing my deep regret at the passing of former Congressman Sandager. It was my privilege to know intimately and well for many years the former Member from Rhode Island. I knew him when he was engaged in newspaper work and also as a Member of the Congress. He was a man of fine ability and a stalwart champion of Americanism. He was a devoted and loyal friend. His death will be genuinely regretted by all who were privileged to know him. My sincere sympathy is extended to his wife and family.

Mr. KILDAY. Mr. Speaker, will the gentleman yield?

Mr. FOGARTY. I yield to the gentleman from Texas.

Mr. KILDAY. Mr. Speaker, I came to the Congress with Harry Sandager. As two freshmen members we occupied offices just across the hall from each other. While he remained here only two years the friendship we then formed continued throughout the years. I am very much aggrieved to hear of his passing. It was typical, however, that he should pass away while engaged in activities he enjoyed most, expressing friendship and Christmas greetings to his friends and to the less fortunate. I extend to his widow my sincere sympathy.

Mr. FOGARTY. Mr. Speaker, I yield to the gentleman from Rhode Island [Mr. FORAND].

Mr. FORAND. Mr. Speaker, I join with my colleague in paying this tribute to Harry Sandager. Although we were of different political faiths, we always worked together for the good and the welfare not only of our State but of the Federal Government, and in the passing of Harry Sandager not only the State of Rhode Island, not only his family, but the country has lost a great citizen.

Mr. FORAND. Mr. Speaker, I ask unanimous consent that all Members may extend their remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. WIGGLESWORTH. Mr. Speaker, I have learned with deep regret of the passing of our former friend and colleague, Harry Sandager, of Rhode Island.

Born in 1887, he played an active part in public life in the field of journalism; as a Representative in the Rhode Island General Assembly for 8 years; as a Member of the 76th Congress, and as Republican national committeeman for the State of Rhode Island.

He had a very wide circle of friends, among whom I have been happy to be included. I have valued his friendship ever since the days of our service here together in this House.

I join in heartfelt sympathy to Mrs. Sandager and to all those close to him.

SPECIAL ORDER GRANTED

Mr. JONES of Missouri asked and was given permission to address the House for 1 hour on Monday next, following any special orders heretofore entered.

Mr. SMITH of Mississippi asked and was given permission to address the House for 30 minutes on Thursday next, following any special orders heretofore entered.

Mr. TUMULTY (at the request of Mr. MURRAY of Illinois) was given permission to address the House for 15 minutes on Thursday next, following any special orders heretofore entered.

THE LATE CHARLES FRANKLIN WEST

Mr. McGREGOR. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. McGREGOR. Mr. Speaker, I regret to inform you of the passing of a former Member of this House, the Honorable Charles Franklin West. Mr. West represented the 17th Congressional District of Ohio for two terms, the 72d and 73d Congresses.

Before coming to Congress, Charles West was a teacher of political science at Denison University, the College of Wooster, and Tufts College. He attended Ohio Wesleyan University and completed his work for a bachelor's degree at Harvard. After his service in the House of Representatives, Mr. West, who was a member of the Democrat Party, served in the capacity of personal contact man for President Roosevelt. He was Under Secretary of the Interior and had served as vice consul at Naples, Italy, under President Wilson.

I am sure my colleagues here assembled join with me in extending our sincere sympathy to his wife, his brother, his two sisters, and his many friends.

Mr. JENKINS. Mr. Speaker, will the gentleman yield?

Mr. McGREGOR. I yield to the gentleman from Ohio.

Mr. JENKINS. Mr. Speaker, I had the privilege of knowing Charley West. He served with me on the Ways and Means Committee and in that service he showed that he was a very well-educated man. He readily digested most of the very complicated matters that came before us. He frequently discussed these complicated matters with a fair attitude. I extend to his family my most sincere sympathy.

NATIONAL FLOOD INDEMNITY ACT OF 1956

Mr. WILCOTT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. WOLCOTT. Mr. Speaker, at the request of the administration, I have today introduced a bill to provide for an experimental national flood indemnity and reinsurance program and for other purposes.

The bill, entitled "National Flood Indemnity Act of 1956," provides for an experimental 5-year program of indemnity and reinsurance to help alleviate the economic hardship which our people suffer as a result of floods. It makes provision for a voluntary Federal-State program of indemnities and a Federal program of reinsurance of flood risks. Both programs would be administered by the Federal Government, utilizing private insurance facilities to the fullest extent possible. States participating in the indemnity program, however, would make certain financial contributions which would be matched by the Federal Government.

The total annual loss from floods in the United States is roughly estimated to be $225 million. However, the proposed legislation does not attempt to cover all of this loss. A substantial portion of flood loss relates to types of personal property for which insurance from private companies is already available, and losses on growing crops covered by the Federal Crop Insurance program. Also, as will be explained, there are lim-

itations in the bill on the indemnity coverage available to any one person, and requirements for coinsurance.

Because of the novel and complex problems involved and the lack of experience by the Federal Government and private industry in the field, the programs should be experimental in nature and flexible. Consequently, the authorities proposed in this bill are more limited in scope and broader in methods of operation than would perhaps be desirable if records of past experience in flood insurance existed.

Under the terms of this bill the Housing and Home Finance Administrator would be authorized, upon the payment of a fee by the property owner, to issue indemnity contracts protecting the owner against losses due to floods. Such contracts may cover real property, business inventories, stored agricultural commodities, household effects, and such other personal property as the Administrator may determine.

The bill would require that the fee paid by the property owner equal at least 60 percent of an estimated rate, which would be the rate necessary to cover all losses, except administrative expenses, over a reasonable period of years. The amount of the difference between the fee charged the property owner and the estimated rate would be shared equally by the individual State in which the property covered is located and the Federal Government. The fees charged plus the Federal and State contributions would be placed in a Federal flood indemnity fund from which all losses would be paid.

The provision for Federal and State contributions is made in recognition of the fact that the fees to be charged owners of property may otherwise be so high as to defeat the purposes of the bill. The fee required by the bill, however, is a minimum amount which can be adjusted after a creditable experience is developed under the indemnity program. To the extent this can be done, Federal and State contributions might be reduced. This affords the means of gradually eliminating subsidies, as experience is gained, and placing the program in a position to be taken over by private insurance companies.

The maximum coverage under this bill is limited to $250,000 for any one corporation, individual, State, or municipality. The purpose of the limitation is to spread the risk until greater experience is gained. This bill also contains coinsurance provisions which reduce the amount of approved claims by $300 plus 10 percent of the remainder. This amount and percentage may be increased by the Administrator. The purpose of this provision is, first, to eliminate small nuisance claims, and, secondly, to encourage people to protect their property against flood risks and assume a portion of the risk involved.

The Administrator is authorized to issue indemnity contracts in an aggregate amount of $1,900,000,000. With the consent of the President this authorization may be increased by $1 billion.

The Administrator would be authorized to make an equitable distribution of these amounts throughout the United States.

This bill also authorizes the Administrator to reinsure private insurance companies under any plan of reinsurance which he believes would best effectuate the purposes of the act, against losses on insurance policies issued by such companies covering flood risks. He is required to charge a premium for such reinsurance which, in his judgment, would be adequate to cover all claims for losses. The reinsurance authorization is limited to $100 million because it is anticipated that private insurance companies generally will not be willing to participate in the program until the Federal Government has developed actuarial experience covering flood risks. It is recognized, however, that the reinsurance program can serve as a convenient vehicle for transferring these programs back to private enterprise. The Administrator therefore is required by the bill to consult with representatives of the insurance industry and make continuing surveys and studies to determine methods to expand the reinsurance program.

In the administration of these programs the Administrator is required to make the maximum use of private facilities such as private insurance companies, established insurance agents, and brokers and established insurance adjustment organizations where consistent with providing protection at minimum cost. The bill contains adequate safeguards against competition with private enterprise in the insurance business. No operation could be started or continued by the Government under the bill if private companies are prepared to handle it.

FLOOD RELIEF, REHABILITATION AND PROTECTION, AND FOR DISASTER INSURANCE

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Speaker, I introduced, on Tuesday, January 3, several bills pertaining to flood relief, rehabilitation and protection, and for disaster insurance.

Some of these measures I have introduced in previous sessions of Congress. All of them are presently urgently needed in order to repair the tremendous damage done by recent floods in the Northeast or to protect against recurrence of these great natural disasters.

I would like to emphasize that I have introduced a bill to appropriate immediate funds for expedited preliminary planning and construction of necessary flood-control works in Massachusetts, which is designed to minimize delays in getting some vitally needed projects under way without waiting for the regular 1956–57 appropriation bill for flood control.

It is my personal belief that many, and I hope all of the projects mentioned in this bill, will be covered by the report of the Bureau of the Budget, which should be filed with Congress in the near future for supplemental 1955–56 Army engineer funds. However, in order to clarify the situation and to make sure that all necessary projects of this kind shall be promptly before the Appropriations Committee, I felt that it was highly desirable to file this bill and request that it and the other bills designed to cope with the great problems posed by past and prospective floods in our Northeast area be expeditiously considered and acted upon.

In another speech, I will detail the scope and intensity of the great disaster which befell my district and other sections of the Northeast last August 19, and also the work of our Massachusetts delegation, and our special committee on flood prevention and relief, of which I am chairman.

It is hardly necessary, because of the widespread knowledge of the effects of this holocaust and other recent storms of devastating character, for me to elaborate at any great length or in voluminous detail the loss of life which was suffered and the damage which was done. I feel that Members of Congress, being well informed about these terrible disasters, and in addition the one which recently struck parts of the west coast with such devastating force, will be very anxious to cooperate in taking every possible expeditious action which Congress can take to alleviate the effects and to forestall the recurrence of the effects of these terrible visitations of nature.

In this connection, the report of our committee is very comprehensive and descriptive and I hope it will be illuminating to Members of Congress as covering the situation in Massachusetts. Let me state, however, that several other States were grievously affected and the question is of such scope and seriousness that it requires action by the Congress on an emergency basis if we are to forestall the devastating effects of future natural disasters of this character.

Among these measures is a bill to provide disaster insurance modeled largely after the principle of the War Damage Corporation program, a bill to expand and improve the weather service by providing more extensive and more effective forecasting of great storms through an accelerated weather-research program, general relief measures, so-called, to deal with problems of ordinary men and women who suffer serious losses, in some cases of all their property and belongings, in these storms and floods by providing direct relief for all sufferers of natural disasters.

Liberalization of restrictions on the operation of the Federal disaster relief program is urgently required, and to this end I introduced two bills so as to permit the responsible Government agency to make disbursements of Federal money in providing direct relief to sufferers of a major disaster. The first bill would permit permanent replacement and repair of public facilities destroyed in a natural disaster—not temporary repairs as now provided by law—and also make available such sums as are required to carry out needed relief. The second bill to liberalize Federal disaster relief laws

would establish a $50-million fund to be disbursed without regard to present limitations in the Disaster Relief Act. This fund would be used for the furnishing of services, materials, and payments for relief work in the flood-stricken areas of the Northeast and California or elsewhere in the Nation as the need may arise.

I also introduced a series of tax-relief bills and earnestly hope they will have the sympathetic study and consideration of our Committee on Ways and Means. The first measure establishes new depreciation credits for property restored after a natural disaster. The second would permit individuals and corporations to obtain full tax credits over and above the present deduction rates for charitable gifts when these contributions are made to disaster relief funds such as the American Red Cross or to local relief organizations.

The third tax bill seeks to channel corporation profits into employee welfare and rehabilitation work. Thus, the bill would permit a corporation to disburse its profits into the repairing or rebuilding a home of an employee damaged or destroyed in a natural disaster.

In view of the lack of direct aid from the Federal Government in time of disaster I introduced a bill to establish a Federal Disaster Claims Commission to be implemented with an appropriation of $100 million to extend adequate relief to individuals stricken by disaster.

I hope that these sound, well-considered and most desirable measures, which I am sponsoring in cooperation with my colleagues, will have the early, vigorous attention and support of the Congress. I am not concerned with pride of authorship in these measures and if other similar bills are proposed containing the principle of my bills, I will enthusiastically and vigorously support them. The important thing is to get action—planning, construction, rehabilitation, relief, insurance, and protection as soon as possible. The situation is urgent.

I respectfully urge and plead for immediate consideration of the entire disaster problem. It must be promptly solved by Congress within the framework of the Government and in line with needs as well as the rights of the States and local communities.

The texts of my bills follow:

House Joint Resolution 450

Joint resolution making additional appropriations for disaster relief for the fiscal year 1956, and for other purposes

Resolved, etc., That there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1956, the following sum:

For an additional amount for "Disaster relief," $50,000,000, to remain available until June 30, 1957, to be expended without regard to the limitation in section 8 of the act of September 30, 1950 (Public Law 875), to carry out assistance and rehabilitation, including the furnishing of services, materials, and payments for relief work in the areas in the Northeast and California, stricken by floods in 1955.

H. R. 7944

A bill creating a Government-owned corporation to insure against certain disasters

Be it enacted, etc., That this act may be cited as the "National Disaster Relief Corporation Charter Act."

SEC. 2. There is hereby created a body corporate to be known as the "National Disaster Relief Corporation" (referred to in this act as the "Corporation" which shall be an agency and instrumentality of the United States.

SEC. 3. The Corporation shall have its principal office in the District of Columbia and may establish offices in such other places as it may deem appropriate in the conduct of its business.

SEC. 4. (a) The objects and purposes of the Corporation shall be to provide through insurance, reinsurance, or otherwise, reasonable protection to all persons against loss of or damage to property, real or personal, which may result from a catastrophe determined by the President to be a major disaster for the purposes of the act entitled "An act to authorize Federal assistance to States and local governments in major disasters, and for other purposes," approved September 30, 1950, as amended (42 U. S. C. secs. 1855–1855g).

(b) The Corporation shall establish, from time to time, uniform rates for each type of property with respect to which protection is made available under this act, and, in order to establish a basis for such rates, the Corporation shall establish the average risk of loss on all property of such type in the United States. Such protection shall be available only to such property situated in the United States (including the District of Columbia), Alaska, Hawaii, Puerto Rico, and the Virgin Islands.

(c) The Corporation may insure or reinsure in whole or in part any company authorized to do insurance business in any State of the United States which will directly insure any person against loss of or damage to property resulting from any catastrophe of the type which may be determined by the President to be a major disaster for the purposes of such act of September 30, 1950, as amended, whenever in the opinion of the Corporation such insurance or reinsurance is required to protect property which it is authorized to protect, and such insurance or reinsurance cannot be obtained at reasonable rates or upon reasonable conditions from approved companies authorized to do insurance business in any State of the United States.

SEC. 5. The Corporation shall have the following general powers in carrying out the objects and purposes set forth in section 4 of this act—

(1) to have succession until June 30, 1964, unless sooner dissolved by act of Congress;

(2) to adopt, alter, and use a corporate seal, which shall be judicially noticed;

(3) to adopt, amend, and repeal bylaws governing the conduct of its business, and the performance of the powers granted to it by law;

(4) to sue and be sued in its corporate name in any court of competent jurisdiction;

(5) to determine the character of and the necessity for its obligations and expenditures and the manner in which they shall be incurred, allowed, and paid, subject to the laws applicable specifically to Government corporations;

(6) to acquire, in any lawful manner, any property—real, personal, or mixed, tangible or intangible—to hold, maintain, use, and operate such property; and to sell, lease, or otherwise dispose of such property, whenever any of the foregoing transactions are deemed necessary or appropriate to the conduct of the activities authorized by this act, and on such terms as may be prescribed by the Corporation;

(7) to execute all instruments necessary or appropriate in the exercise of any of its functions;

(8) to use the United States mails in the same manner and under the same conditions as the executive departments of the Federal Government;

(9) to settle and adjust claims held by it against other persons or parties and by other persons or parties against the Corporation;

(10) to appoint such officers, agents, attorneys, and employees as may be necessary for the conduct of the business of the Corporation; and to delegate to them such powers and to prescribe for them such duties as may be deemed appropriate by the Corporation; and,

(11) to take such actions as may be necessary or appropriate to carry out the powers and duties herein or hereafter specifically granted to or imposed upon it.

SEC. 6. The Corporation, including its franchise, its capital, reserves, surplus, and income, shall be exempt from all taxation (which shall, for all purposes, be deemed to include sales, use, storage, and purchase taxes) imposed by the United States, or any Territory, dependency or possession thereof, or by any State, county, municipality, or local taxing authority, except that any real property (or buildings which are considered by the laws of any State to be personal property for taxation purposes) of the Corporation shall be subject to State, Territorial, county, municipal, or local taxation to the same extent according to its value as other real property is taxed.

SEC. 7. The Corporation shall be managed by a board of directors of the Corporation to be appointed by the President, by and with the advice and consent of the Senate, and to consist of five directors. The term of office of each member of the board of directors shall be five years except that the terms of office of the directors first taking office after the date of the enactment of this Act shall expire, as designated by the President at the time of appointment, one at the end of one year, one at the end of two years, one at the end of three years, one at the end of four years, and one at the end of five years; and whenever a vacancy shall occur in the office of director other than by expiration of term, the person appointed to fill such vacancy shall hold office for the unexpired portion of the term of the director whose place he is selected to fill. Any director may be removed by the President for inefficiency, neglect of duty, or malfeasance in office. Each director shall receive compensation at the rate of $17,500. No director shall engage in any business, vocation, or employment other than that of serving as a member of the board of directors.

SEC. 8. (a) There is hereby created the "National Disaster Relief Fund" (referred to in this Act as the "Fund") which shall be used by the Corporation as a revolving fund in the performance of the powers and duties granted to or imposed upon it by law. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $5,000,000 to be allocated to such Fund.

(b) Insurance premiums and any other revenues derived by the Corporation from its operations shall be deposited in the Treasury of the United States to the credit of the Fund, and all moneys in the Fund not needed by the Corporation for its current operations shall be invested in bonds or other obligations of the United States guaranteed as to principal and interest by the United States.

SEC. 9. Section 101 of the Government Corporation Control Act is amended by inserting

after "Tennessee Valley Authority;" the following: "National Disaster Relief Corporation."

H. R. 7945

A bill for the relief of sufferers in designated disaster areas for losses of real and personal property

Be it enacted, etc., That there is hereby created a Federal Disaster Claims Commission, hereinafter referred to as the Commission, to be composed of the Director of Defense Mobilization, the Administrator of the Reconstruction Finance Corporation, the Administrator of the Housing and Home Finance Agency, and the Administrator of the Federal Civil Defense Administration, to direct and supervise, under such regulations as it may adopt, the payment of claims for losses of real and personal property suffered by individuals whose property is damaged in areas designated by the President as disaster areas; and local Federal disaster claim boards in each county in such designated disaster areas, to receive and process such claims.

SEC. 2. The said Commission shall have an Executive Director, who shall be selected by the Commission from an existing Federal agency, and whose duties shall be in addition to those presently exercised by him.

SEC. 3. The President is hereby authorized to request the Governors of States in which disaster areas exist to name a Federal disaster claims board in each county within the designated disaster area of their respective States, to consist of not more than 5 members, to be selected from each of the 2 major political parties, said board members to serve as a civic duty and without compensation.

SEC. 4. The Executive Director of the Commission is authorized to requisition from existing Federal agencies, on behalf of the Commission, and to assign such clerical staffs as may be deemed necessary for both the office of the Commission and of the board offices in the several counties.

SEC. 5. No claim shall be considered for a minimum of less than $300, and the maximum allowable to any one claimant shall be $5,000 for personal property and $10,000 for real property; no claim shall be entertained from individuals found to be eligible for relief under any other provisions of existing law; and there shall be deducted from the total amount found to be allowable the amount of any cash relief benefits and/or insurance already received by the claimant from any agency, public or private, on account of actual loss suffered. All claims must be filed with the appropriate local county board within 6 months from the date of the designation of the area as a disaster area by the President.

SEC. 6. The local board in each county shall receive and process claims; shall, according to rules and regulations of the Commission, require the submission of proof of loss and of the actual value of property lost; and shall determine the fact and the extent of loss suffered. Upon a finding that a claim is allowable, the board shall certify the claim and the amount allowed to the Commission, which shall review the claim and thereupon make payment direct to the claimant.

SEC. 7. The right to claim shall vest only in the person who suffered the loss, or (1) the widow or widower, or (2), if there be no surviving widow or widower, then the surviving children.

SEC. 8. For the implementation of this act there is hereby authorized to be appropriated the sum of not more than $100 million.

SEC. 9. (a) Any person found guilty of making a false or fraudulent claim, or assisting in the presentation of false or fraudulent claims, shall be deemed guilty of a felony and shall, upon conviction thereof, be fined not to exceed $10,000 or be imprisoned not more than 3 years in a Federal penitentiary, or both.

(b) No part of any amount allowed under this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with claims hereunder, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating this provision shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

H. R. 7946

A bill for the relief of sufferers of casualty losses, and for other purposes

Be it enacted, etc., That section 23 (a) (1) of the Internal Revenue Code, title 26, United States Code, be amended by adding a new subparagraph numbered (D), to read as follows:

"(D) Casualty losses: All sums paid or incurred, not recoverable from insurance or otherwise, to restore property to its former condition of usefulness because of damage incurred by fire, storm, shipwreck, flood, or other casualty, or an equivalent amount if replaced with similar or like property of greater cost."

SEC. 2. Amend section 23 (e) of this title by rewriting subparagraph (3) to read as follows:

"(3) of property not connected with trade or business, if the loss arises from fires, storms, shipwreck, flood, or other casualty, or from theft, the deduction allowed under this section shall be the amount paid or incurred, not recoverable from insurance or otherwise, to restore the property to its former condition of usefulness, or an equivalent amount if replaced with similar or like property of greater cost. No loss shall be allowed as a deduction under this paragraph if at the time of the filing of the return such loss has been claimed as a deduction for estate tax purposes in the estate tax return."

SEC. 3. Amend section 122 (a) of this title to read as follows:

"(a) Definition of net operating loss: As used in this section, the term 'net operating loss' means the excess of the deductions allowed by this chapter and by section 23 (e) (3) over the gross income, with the exceptions, additions, and limitations as provided in subsection (d)."

H. R. 7947

A bill to provide that all gifts made to aid a disaster area shall be allowed as deductions for income tax purposes.

Be it enacted, etc., That section 23 of the Internal Revenue Code (relating to deductions from gross income) is hereby amended by adding at the end thereof the following new subsection:

"(gg) Contributions for disaster relief: Contributions or gifts payment of which (1) is made within the taxable year to or for the use of any organization exempt from income tax under section 101 (6), and (2) is conditioned upon its use exclusively for charitable purposes within an area stricken by a catastrophe which has been declared by the President to be a major disaster within the meaning of the Act entitled 'An Act to authorize Federal assistance to States and local governments in major disasters, and for other purposes', approved September 30, 1950, as amended (42 U. S. C., secs. 1855–1855g). Amounts deductible under this subsection for any taxable year shall not be treated (except for purposes of section 120) as contributions or gifts to which subsection (o) or (q) applies."

SEC. 2. Section 23 (q) (4) of the Internal Revenue Code (relating to deductions from gross income from charitable and other contributions by corporations) is hereby amended by adding after "computed without the benefits of this subsection" the following: "or subsection (gg)."

SEC. 3. The amendments made by this Act shall apply to taxable years ending after the date of enactment of this Act, but only in respect of contributions and gifts to be used for catastrophes occurring after December 31, 1952.

H. R. 7948

A bill authorizing the President to make permanent replacements of public facilities and public and private school buildings, damaged or destroyed in a major disaster, and for other purposes

Be it enacted, etc., That subsection (d) of section 3 of the act entitled "An Act to authorize Federal assistance to States and local governments in major disasters, and for other purposes," approved September 30, 1950, as amended (42 U. S. C. secs. 1855–1855g), is amended to read as follows:

"(d) by performing on public or private lands protective and other work essential to the preservation of life and property, clearing debris and wreckage on public or private lands, making emergency repairs to and temporary replacements of public facilities of local governments damaged or destroyed in such major disaster, making permanent repairs to and permanent replacement of public facilities of local governments, including public and private school buildings, damaged or destroyed in such major disaster, providing temporary housing and other emergency shelter for families who, as a result of such major disaster, require temporary housing or other emergency shelter, and making contributions to States and local governments for purposes stated in this subsection."

SEC. 2. The first sentence of section 8 of the act entitled "An act to authorize Federal assistance to States and local governments in major disasters, and for other purposes," approved September 30, 1950, as amended (42 U. S. C. secs 1855–1855g), is amended by striking out "a sum or sums, not exceeding $5 million in the aggregate,", and by inserting in lieu thereof the following: "such sums as may be necessary."

H. R. 7949

A bill to provide that the expense to an employer of repairing or rebuilding the home of an employee damaged or destroyed in a major disaster shall be considered a business expense for income-tax purposes

Be it enacted, etc., That section 23 (a) (1) of the Internal Revenue Code (relating to deductions for trade or business expenses) is hereby amended by adding at the end thereof the following new subparagraph:

"(D) Expenditures for replacing employees' homes: Amounts paid or incurred by an employer for ordinary and necessary repairs to residential property damaged by a catastrophe, or the replacement of residential property destroyed by a catastrophe to the extent that such replacement property does not exceed in value the property so destroyed, but only if (i) such catastrophe is determined to be a major disaster by the President for the purposes of the act entitled 'An act to authorize Federal assistance to States and local governments in major disasters, and for other purposes,' approved September 30, 1950, as amended (42 U. S. C., secs. 1855–1855g), shall be considered as ordinary and necessary expenses paid or incurred in carrying on any trade or business, (ii) such amounts are paid or incurred within 1 year after the date of the enactment of this subparagraph, or the date on which the President determines that such catastrophe is a major disaster, whichever is later, (iii) prior to such catastrophe

such property was owned by, and used as the principal residence of, an employee of such employer, (iv) such property is to be owned and so used by such employee subsequent to such repairing or replacing, and (v) the policy followed by such employer in repairing or replacing his employees' property does not discriminate in favor of employees who are officers, shareholders, persons whose principal duties consist of supervising the work of other employees, or highly compensated employees."

SEC. 2. Section 22 (b) of the Internal Revenue Code (relating to exclusions from gross income) is amended by adding at the end thereof the following new paragraph:

"(17) Certain amounts received by employees: Amounts received by an employer which are treated as ordinary and necessary business expenses by reason of section 23 (a) (1) (D)."

SEC. 3. The amendments made by this act shall apply with respect to taxable years ending after the date of the enactment but only as to amounts paid or incurred after December 31, 1952.

H. R. 7950

A bill to appropriate funds for preliminary planning and for construction of necessary flood-control measures in Massachusetts

Be it enacted, etc., That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for expenditure by the Chief of Engineers under the supervision of the Secretary of the Army, for the prosecution of river and harbor, flood control, and related projects authorized by law, and for detailed studies, and plans and specifications, of projects authorized by law, to remain available until expended:

COSTRUCTION OF FLOOD-CONTROL MEASURES

In the Connecticut River Basin, $300,000 for Barre Falls Dam.

In the Thames River Basin, $100,000 for Buffumville Dam.

PLANNING OF FLOOD CONTROL AND LOCAL PROTECTION WORKS, SURVEYS AND RESURVEYS

In the Connecticut River Basin, $50,000 for a resurvey of the Quaboag River to Palmer, Mass.

In the Thames River Basin, $140,000 for planning of Hodges Village Dam; $140,000 for planning of East Brimfield Dam; $100,000 for planning of Westville Dam.

In the Blackstone River Basin, $60,000 for planning of the Worcester Diversion Tunnel; $100,000 for planning of West Hill Dam; and $60,000 for planning in the Blackstone River Basin.

In the Merrimac River Basin, $50,000 for planning of local protection works at Fitchburg and Leominster, Mass., and for a new survey of the Nashua River; $50,000 for planning of local protection works at North Andover and Lawrence, Mass., and for a new survey of the Merrimac and Shawsheen Rivers; $50,000 for planning of local protection works at Haverhill, Mass., and for a new survey of the Merrimac and Little Rivers; and $50,000 for planning of local protection works at Lowell, Mass., and for a new survey of the Merrimac River.

H. R. 7951

A bill to create a Federal Disaster Research Commission to offer adequate protection for the Nation against hurricanes, floods, tornadoes, and other meteorological disasters through an accelerated program of research and development

Be it enacted, etc., That there is hereby created a Federal Disaster Research Commission, hereinafter referred to as the Commission, to be composed of the Chief of the United States Weather Bureau, the Secretary of Defense, the Director of Defense Mobilization, the Administrator of Civil Defense, the Director of the Office of Scientific Research and Development, the Chairman of the Federal Communications Commission, the president of the American Red Cross, the Chairman of the National Science Foundation and the president of the American Meteorological Society, to direct and supervise, under such regulations as it may adopt, a program of research to provide maximum possible protection for the Nation against hurricanes, floods, tornadoes, and other meterological and natural disasters.

SEC. 2. (a) The Commission shall institute an immediate program of basic research involving the determination of all the physical attributes of hurricanes and tornadoes, their behavior, development of scientific theories and their proof, and the collection and use of data already obtained by various Federal agencies.

(b) The Commission further shall institute a program of applied and development research to provide methods of forecasting, detection, and tracking of tornadoes and hurricanes.

(c) The Commission shall study the development and utilization of an effective, early warning system to function in the case of hurricanes, tornadoes, or any type of situation with disastrous possibilities. The Commission shall further study the feasibility of integrating such warning systems into existing national and civil defense warning networks to forecast approaching atomic air attack.

SEC. 3. The said Commission shall have an executive director, who shall be selected by the Commission. The Executive Director of the Commission shall receive compensation at the rate of $20,000 per annum and shall be a recognized meteorological authority.

SEC. 4. The Executive Director of the Commission is authorized to requisition from existing Federal agencies, on behalf of the Commission, and to assign such professional and clerical staffs as may be deemed necessary and practicable.

SEC. 5. For the implementation of this act, there is hereby authorized to be appropriated the sum of not more than $5 million.

GRANTS TO STATES FOR FLUSHING OF MINE VOIDS

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Speaker, I introduced in the House on January 3 a bill authorizing the Federal Government to make grants to States to assist them in planning and carrying out State programs for the flushing of mine voids underlying residential and business areas to protect the public from detriment and danger to its health and safety. Such grants are to be made only on the basis of State plans submitted by the States and approved by the Secretary of the Interior. The Secretary of the Interior is to prescribe the matters which shall be required to be set forth in the plan of the respective State, including requirements for the expenditure of $1 of the funds of the State for each dollar of Federal funds granted under this act.

The act is titled "To provide Federal assistance to States to augment their efforts to prevent surface damage resulting from mine cave-ins."

My bill does not provide any specific sum because of the fact that this is a national legislation and the sums vary from State to State, depending upon the requirements and conditions of the respective State. The immediate object of my bill, however, is to authorize the Federal Government to match the $5 million provided in legislation of a like nature, which is currently in the Appropriations Committee of the Pennsylvania State House.

It is the considered judgment of the best mine authorities acquainted particularly with the circumstances of the anthracite fields that a program for the flushing of existing mine voids is the most practical and effective method of surface protection.

Obviously, such a program would of necessity be continued over a period of years, and will call for the expenditure of considerable sums of money by both the State and Federal Governments. I have not been able to obtain from the mining authorities either State or Federal, an exact projection of the number of years or the amount of dollars such a program will demand. It must be kept in mind, of course, that the initial target of such a project will be the flushing of existing mine voids. The problems of the surface subsidence in the hard coal area resulting from present and future mining must of necessity be considered in separate legislation. Naturally, this jurisdiction will rest almost exclusively under the authority of the Pennsylvania State Legislature since this is a matter of regulations of the mining industry within the Commonwealth of Pennsylvania. In this regard, I am preparing a bill to provide for the control of coal mine cave-ins to prevent damage to property and danger to the public health and safety.

Insofar as the Federal Government may have jurisdiction this bill will provide for surveys, investigations, and research relating to the causes and extent of coal mine cave-ins which cause damage to residential and business property overlying such mines and endanger the public health and safety.

SPECIAL ORDERS GRANTED

Mr. LANHAM asked and was given permission to address the House for 40 minutes today, following the legislative program and any special orders heretofore entered.

Mr. BROWN of Georgia (at the request of Mr. LANHAM) asked and was given permission to address the House for 10 minutes today, following the legislative program and any special orders heretofore entered.

FLEXIBLE IMPORT QUOTAS

Mr. LANHAM. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. LANHAM. Mr. Speaker, I have introduced a bill that would authorize

the use of flexible import quotas by the United States under carefully prescribed conditions laid down in the bill.

It may seem strange that legislation should be necessary to authorize action that under the Constitution is clearly among the enumerated powers of the Congress.

Unfortunately, under the trade agreements program the regulation of our foreign commerce has gravitated more and more into the hands of the executive branch of the Government, more particularly the Department of State.

So far has this exercise of power been taken from the hands of Congress that we now find ourselves in the position of having renounced the use of import quotas in the General Agreement on Tariffs and Trade, known as GATT, negotiated by the State Department under a presumed delegation of power. Obviously, Congress cannot renounce its responsibility in this way and certainly the Department of State cannot deprive us in this roundabout or any other way of our legislative authority.

It is proposed even now that Congress ratify the OTC—Organization for Trade Cooperation—by approval of United States membership in that international trade body. This would put the approval by Congress on the surrender of its own constitutional authority and responsibility.

It is also necessary to point out that this proposed quota legislation has become essential for the proper protection of American industry and agriculture because the remedy against serious injury provided under the escape clause of the Trade Agreements Act has been all but nullified by the Executive veto, on advice of the State Department. The record is clear. Less than 10 percent of the cases brought before the Tariff Commission have been afforded relief.

I should remind the Members of this body that such import quotas as we now have under section 22 of the Agricultural Adjustment Act, such as those on wheat, wheat flour, raw cotton, peanuts, dairy products, and so forth, have been held by GATT to be in conflict with its general ban on quotas and do not fit its exceptions. These exceptions are tailormade to fit other countries, not us.

While GATT has graciously waived action to obtain compliance from us we have promised to eliminate all existing quotas as soon as possible. Our agricultural quotas will be reviewed once a year by GATT as a reminder that we are pledged to eliminate them.

Congress, which has the duty of regulating our foreign commerce, is not consulted in these matters. Quotas on industrial products, such as textiles, glassware, tuna, bicycles, watches, and so forth, are outlawed so far as the United States is concerned, by GATT. The one exception is the escape clause. That route is too long and in any case, as I have already said, has been all but closed by Executive action.

The quota bill that I have introduced would reassert the power of Congress to legislate its will in this field of its undoubted authority.

The bill itself is moderate. Except where an unreasonably large share of the market had already fallen to imports, the volume of foreign sales here would not be cut back. Imports would be assured a fair share of the domestic market but domestic producers would be relieved by quotas of the fear and uncertainty that comes from untrammeled import competition, which as certainly ruins the market for imports themselves as for our own producers.

Flexibility is built into the proposed system by providing a percentage participation in the domestic market by imports and by other special provisions designed to prevent a freezing of a particular import pattern.

Finally the bill would accord more favorable treatment to imports from the higher-wage-standard areas of the world than to low-wage-standard areas and thus provide some incentive to raise such standards.

It is my firm conviction that the quotas authorized in the bill for establishment by the Tariff Commission after hearings afford a sounder and more effective protection of the domestic producer under many existing circumstances than the tariff and yet offer other countries a more liberal participation in our market.

ADJOURNMENT TO MONDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

SPECIAL ORDER GRANTED

Mr. RIVERS. Mr. Speaker, I ask unanimous consent that today, following the legislative program and any special orders heretofore entered, I may address the House for 20 minutes and include as part of my remarks an article that is estimated by the Public Printer to cost $240.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

COMMITTEE ON BANKING AND CURRENCY

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may have until midnight Friday to file a report on H. R. 7871.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that H. R. 7541 be laid on the table. A similar Senate bill has passed.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

OUR NATIONAL PARKS DESERVE INCREASED ATTENTION

Mr. BENNETT of Florida. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. BENNETT of Florida. Mr. Speaker, one item mentioned in the President's message which is of special interest to me is his reference to the need for more and better facilities in the National Park System, in view of the increasing interest of the people in the great outdoors. Action with respect to this matter is overdue. Citizens have voiced their concern over inadequate and obsolete facilities and increasingly crowded conditions in the parks, both through the press and by letters to their congressional representatives.

Everyone interested in the conservation and proper use of the Nation's assets in scenic and historic spots should be concerned. Those areas comprising the National Park System were the objective of 50 million visits last year. It is estimated that this will increase to 80 million visits within a decade. Healthful and proper use of leisure time is a national necessity. Our parks play a starring role in providing this.

I have learned that the National Park Service has had an intensive study made of the needs for adequate provision for this present and expected visitation, and of the related conservation measures to protect the areas unspoiled for the enjoyment and inspiration of future America. A program known as Mission 66 has resulted from that study. When it is submitted to the Congress it will certainly meet with wide acceptance throughout the entire country. I am glad to lend my full support to this program.

SPECIAL ORDER GRANTED

Mr. CHRISTOPHER asked and was given permission to address the House for 40 minutes on Thursday next, following the legislative program and any special orders heretofore entered.

THE FARM PROGRAM

Mr. ABERNETHY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. ABERNETHY. Mr. Speaker, yesterday was black Wednesday for the farmers of America.

For this was the day that Secretary of Agriculture Ezra Taft Benson took steps to deliver the future and the fortunes of the farmers of America to the whims and the fates of Republican Party politics.

In a haze of deep secrecy he called only the Republican Congressmen of the House Agriculture Committee around

him to disrobe his farm program and expose it for scrutiny and appraisal of political expedience before he let the Democratic majority members of the committee, the farmers and all the people know what it was all about.

Mr. Speaker, we hear that the so-called farm program will see the light of day for the first time on next Monday, in a special message to this Congress.

I want to say here that I regret deeply, in view of the suffering of our farmers, that anything Mr. Benson submits must now appear here in the gaudy garb of partisan politics.

I want to say to my colleagues that the House Committee on Agriculture, of which I have the honor of membership, has sought strenuously to make the farmers' pressing problems the concern of the whole Nation and not merely a pawn in the fortunes of a political party.

Our chairman, Hon. HAROLD D. COOLEY, of North Carolina, telegraphed Mr. Benson early last fall advising him that, because of the threatened disaster in agriculture, he was prepared to call the Committee on Agriculture into session immediately, although Congress then was in recess, to consider any suggestions the Secretary might have to stop a headlong collapse of farm prices. The reply our chairman received shocked all of us who have an interest in the farmers' welfare. He flippantly cast the suggestion aside and told our chairman he would have nothing until 1956.

Now, Mr. Speaker, we all know that this so-called new program, conceived in secrecy and now being birthed in partisan politics—whatever form it takes, it will be Mr. Benson's unwanted child.

Mr. Benson wants little, if any, more than the flexible, or lowered, price-support mechanism to remedy the troubles of the farmers of America. Our committee was formally informed of this in February of 1955, although it was then evident that the flexible program was a complete failure and that it was actually pushing farmers to the brink of disaster. I want to quote to you from the hearings of our committee of February 18, 1955, in which I interrogated Mr. True Morse, who is Under Secretary and Mr. Benson's principal officer in the Department of Agriculture. This is from the record:

Mr. ABERNETHY. You stated a moment ago that you did not have any material recommendations to make now and you would not have during this Congress which materially change the basic price support law. That is the way I understood your answer.

Mr. MORSE. As of now.

Mr. ABERNETHY. As of now?

Mr. MORSE. Yes.

Mr. ABERNETHY. In other words for the last 2 years or more you have been working on this problem, the freeing of agriculture, and 100 percent of parity at the marketplace. And so we can now assume, in view of his answers and the fact that you have nothing else, no recommendations to make, after more than 2 years, we can now assume that we now have a program which the administration feels is a program which frees agriculture and which gives them 100 percent of parity at the marketplace—we have it now?

Mr. MORSE. We have the program passed by the Congress, the 1954 act, and other legislation we recommended, and into which Congress injected its judgment, of course. As the President said in his state of the Union message, "We are headed in the right direction now."

* * * * *

Mr. ABERNETHY. Will you answer this question: American farmers were promised by this administration that they would be "freed" and get 100 percent parity in the market place. Do we now have the program to get that? That certainly ought to be answered either "yes" or "no," and you might be able to say that we will get it later. If we haven't got it, when will we get it?

Mr. MORSE. The 1954 act (the act supplanting the firm 90-percent supports by flexible or lower supports), if allowed to go into effect and operate as we believe——

Mr. ABERNETHY. Will get it?

Mr. MORSE. Will largely accomplish that.

* * * * *

Mr. ABERNETHY. What do you intend to bring up then during this Congress after 2 years of study to free agriculture and give us 100 percent of parity at the market place?

Mr. MORSE. With the action which Congress took last year, except for refinements—as of now, we are not here with what you might term major legislation.

Now, Mr. Speaker, things have changed since February in 1955. Mr. Benson still sticks by the flexible sliding scale low-price farm program. It is discredited among the farmers of America but it is still Mr. Benson's chosen child. That which is now being put together, whatever it may be, is his also, but he does not want full responsibility for it. Thus, on yesterday, he had its political pulse tested, gave it a political burp and on Monday he will put it on the political doorsteps of Congress.

In all seriousness, Mr. Speaker, this will be a child of political expedience. The whole Nation must be aware of this. We deeply regret what we have seen. But I want to end here by pledging the farmers of America that if there is any merit in it our Committee on Agriculture will sift it out. I pray, however, we may find a better means of serving agriculture than through a program written to get votes for those who already, on notable occasions have disdained and condemned purposes and methods they are now about to advocate.

AMERICAN MERCHANT MARINE

Mr. BONNER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. BONNER. Mr. Speaker, during the 1st session of the 84th Congress, the Committee on Merchant Marine and Fisheries, of which I have the honor to serve as chairman, undertook the study of problems in many phases of the American merchant marine. Some of the matters into which we inquired were extremely complex and presented issues which will not easily be resolved. It will be our purpose in the present session, however, to delve deeper into these difficult situations with the hope that before this Congress adjourns some real evident progress will be made toward the establishment of a strong and vigorous merchant marine—the kind envisioned by the Merchant Marine Act of 1936 and the only kind this historically maritime Nation of ours deserves.

But my remarks today are principally directed to one particular aspect of the merchant marine problem—that having to do with the 50–50 legislation. As you know, there was enacted by the 83d Congress Public Law 664, which provides, among other things, that at least 50 percent of all cargoes given away or sold for foreign currencies must be transported overseas on privately owned United States-flag vessels, provided such vessels are available at fair and reasonable rates. This was not new legislation, actually, since it merely enacted into permanent law provisions of similar nature which had theretofore appeared in numerous appropriation and mutual aid statutes and which had become recognized by the Congress as the national shipping policy of the United States Government.

Shortly after the opening of the 84th Congress certain press stories appeared alleging that the administration's program for selling farm surpluses abroad were—to quote them—"running into a bottleneck" because of the 50–50 law.

The specific charge was that a lack of American bottoms was delaying the shipments.

In view of the fact that Public Law 664 was reported to this body by the Merchant Marine Committee after careful and thorough consideration and particularly in view of the obligations imposed upon our committee by section 136 of the Legislation Reorganization Act of 1946, hearings were immediately called to inquire into the substance of these press stories and allegations and into all other phases of the administration of the law by the agencies concerned. Deficiencies of administration were found and pointed out in the committee's report, all with recommendations designed to improve operations under the statute. But one thing was abundantly clear—there was not developed one scintilla of evidence to support the charge that shipments abroad were being, or in fact could ever be, delayed or impeded by the lack of American-flag privately owned vessels. The law itself took care of that by authorizing shipments without regard to the 50-percent limitation whenever American-flag vessels were not available at fair and reasonable rates.

I believe this prompt and effective action by our committee has forever set to rest the particular line of allegations with which we dealt at that time. But, as anyone close to the merchant marine picture knows, the rumors and invectives have not stopped. The principal source seems to be certain foreign maritime nations who contend that they should have the right to carry in their own ships not 50 percent of these Government aid cargoes, but 100 percent. That position strikes me as utterly lacking in logic and so obviously prompted by greed and selfishness as not to warrant serious concern by any of us.

However, there is another source of contention with this law which does give me concern—and I might add—serious concern. I refer to certain agricultural groups and interest.

As you know, I represent a district in North Carolina where the welfare of a great majority of my constituents is integrally tied to farming. My friends and neighbors are farmers. In fact, one of my dearest friends here in Congress is the chairman of the Committee on Agriculture, HAROLD D. COOLEY, who likewise represents a farming district of North Carolina.

Some of these people have been told that the program for the disposal of surplus farm products to the needy countries of the world can never be successful so long as the 50–50 law remains applicable to it. Now, while I am personally devoted to the principle that our country must have a strong merchant marine, both from the standpoint of national defense and from the standpoint of a sound industrial economy, I am likewise devoted both by heritage and by what I conceive to be the obligations of my office to the welfare of the American farmer. I do not intend to permit any legislation or administrative action over which I have the slightest degree of responsibility or control to stand in the way of the farming interests of this country.

I fully realize the great importance of the 50–50 legislation to the American merchant marine. But I wish to state here and now that within the next few weeks I intend to schedule hearings before the Merchant Marine Committee to which I will invite representatives of all groups involved with this problem. The purpose of these hearings will be to explore fully the overall effect of the 50–50 law and its administration upon the national economy with particular reference to the American farmer. I realize that some may hesitate to express opposition to the law before the Merchant Marine Committee, but I promise every witness a full and fair opportunity to present his views regardless of what they may be. I myself will be the first to propose some alternative method of assisting the American merchant marine if the facts warrant the conclusion that the provision of Public Law 664 are inimical to the interests of the American farmer and the American public.

DISASTER AND INDUSTRIAL RELIEF IN NEW ENGLAND

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, as our beloved President's message was read, I am sure that every Member of the House felt as I did, that we shared a rejoicing that he has returned to health. His message was very fine and promises assistance for everyone—and, Mr. Speaker, we must make sure that his recommendations are carried out.

Mr. Speaker, since the President's illness, I believe that his recommendations insofar as help for disaster areas is concerned and in the distribution of orders for our national defense have not been carried out. Our arsenals are being scrapped because they are being reduced to the point where there will be almost no production at all in a short time. Massachusetts has been discriminated against in arsenal production at Watertown and Springfield. Legislation passed by the Congress has been disregarded as contracts have been awarded to certain companies that might have been given to the arsenals and provided work for our highest skilled defense employees. If these skills are lost, it will be tragic for us in an emergency. That has proved desperately true in the past, I need not remind the House. I want to speak also of the humanitarian side of this problem—the suffering caused by the displacement of workers and their families, many of them of long standing and most highly skilled. Watertown production has not been equaled anywhere else, and its research work has been outstanding. I am supremely proud and grateful to have it in my congressional district.

There is another distressing matter that has come to my attention—the following letter from General Hauck speaks for itself. The Congress saw fit to appropriate funds to keep the Murphy General Hospital in operation for the benefit of the servicemen and women. Now, apparently, the War Department wants to close it. It must be prevented if possible. It is base ingratitude.

The letter follows:

DEPARTMENT OF THE ARMY,
OFFICE OF THE
SECRETARY OF THE ARMY,
Washington, D. C., January 4, 1956.

Hon. EDITH NOURSE ROGERS,
House of Representatives.

DEAR MRS. ROGERS: This is to inform you of the Department of the Army's plans for the future utilization of Murphy Army Hospital at Waltham, Mass.

The Department of the Army plans to request that the Congress, early in this session, modify title III of the Appropriation Act of 1956 to permit the discontinuance of the operation of the Murphy Army Hospital and effect the utilization of the installation for other than medical purposes as outlined in the attached information sheet.

Your interest in this installation is appreciated and I trust this plan meets with your approval.

Sincerely,

C. J. HAUCK, Jr.,
Brigadier General,
GS Chief of Legislative Liaison.

[Enclosure.]

Murphy Army Hospital is now being operated in accordance with the provisions of Public Law 157, 84th Congress which requires the operation of the installation during fiscal year 1956. In addition, the Department of the Air Force is utilizing 50,000 square feet of space at the installation as offices for approximately 300 contractor personnel engaged in electronic research activities.

In response to the request contained in the Senate Committee Appropriations Report No. 545, the Department of the Army has restudied the requirements for Murphy Army Hospital. This study has determined that the Army, Navy, Air Force, the Veterans' Administration, and the Public Health Service do not have a requirement for the installation as a medical facility.

The Department of the Army does have a requirement for approximately half of the installation for use as the offices of the New England Division, Corps of Engineers, which are now located at 857 Commonwealth Avenue, Boston, Mass. The space now occupied by the New England Division is under a General Services Administration lease which expires on March 23, 1956. The owner of the property, Boston University, has informed the General Services Administration that the university requires the property for its own use and will not renew the lease. The Murphy Army Hospital contains a gross usable area of 270,000 square feet and can accommodate the New England Division which requires approximately 135,000 square feet of space. The Department of the Air Force will have a requirement for an additional 85,000 square feet of space commencing on or about June 1, 1956, and continuing for approximately a 2-year period to support an electronic training program.

The Department of the Army considers that the proposal outlined above will fully utilize the facilities at the Murphy Army Hospital and also will be of some economic benefit to the local civilian community in that the proposed utilization would involve approximately 1,400 military and civilian personnel compared to approximately 680 personnel now at the hospital.

TAX RELIEF AT HOME OR TAX RELIEF ABROAD

Mr. MASON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MASON. Mr. Speaker, tax relief at home or tax relief abroad is the choice facing this Congress today. It is not—as many of our leaders would have us believe—a choice between a balanced budget and tax relief. A balanced budget has already been achieved. A balanced budget was assured when we revised the Federal Tax Code to provide a favorable tax climate for American business and American industry so they might grow and expand. As a result of the expansion and growth that has already taken place, we now have achieved the greatest national productive capacity, the greatest number of jobs available, the greatest amount of take-home pay for American workers, and the most productive tax base that this Nation has ever experienced. Not even during wartime have we reached the peak of prosperity we now enjoy. As a result of all this the Federal Treasury collected almost $2 billion more than our budget makers anticipated at the beginning of this year. So a balanced budget has already been achieved.

On the other hand, during the past 7 years the Congress has given away in foreign aid of one kind or another a little more than $40 billion, and Uncle Sam has gone in the red during those 7 years some $40 billion, almost exactly the same amount that we have given away in foreign aid. If it had not been for our foreign-aid program we would have had a balanced budget every year during the past 7 years.

Mr. Speaker, today most European countries have balanced budgets. England, France, and Western Germany have balanced budgets. Today our European neighbors produce more goods of

every kind than they ever produced in prewar days. They do this largely because of the rebuilt factories and the modern American machinery we have furnished them at the expense of the American taxpayer.

Today Europe also has a $14 billion favorable balance of trade, a greater dollar balance to buy American goods with than Europe has ever had at any one time in her entire history. The Secretary of State, Mr. Dulles, under questioning before the Ways and Means Committee, acknowledged this fact. Yet we continue to pour out foreign aid—American taxpayers' dollars—to further bolster the economy of European nations. Every dollar of foreign aid we provide, whether economic aid or military aid, is a dollar less for the European taxpayer to pay. Is it not about time for the European taxpayer to stand upon his own feet and provide for his own needs? Is it not about time for this Congress to think more about the American taxpayer and less about the foreign taxpayer? Is this foreign-aid program to be like Tennyson's brook, "to run on forever"?

Mr. Speaker, American foreign aid today is being used to balance European budgets and to reduce European national debts; while Uncle Sam's budget has been kept unbalanced, and Uncle Sam's debt has kept on increasing. Does this make sense? Foreign aid today is a failure and a fraud. It should be cut off entirely. Today we have $10 billion appropriated for foreign aid, most of which is unspent and unobligated. This amount will provide for 2 more years of foreign aid. Why appropriate $1 more for such a program? It is time to give our American taxpayers a break.

TAX RELIEF

Mr. FINO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FINO. Mr. Speaker, one of the most important issues confronting the 84th Congress at this time is the question of tax relief for the American taxpayer.

One school of thought proposes that tax cuts be deferred until we have achieved a balanced budget.

Another group suggests that we cut the cost of Government operation and pass on the savings to the taxpayers.

Still another group would want to reduce the national debt before we cut taxes. I am sure that these groups are sincere in their proposals and have the best interests of the people of this country at heart.

But why can we not accomplish all three objectives—why can we not balance our budget—start liquidating our national debt—and at the same time give tax relief to our people?

For the past 3 years I have urged this Congress to set up a national lottery which would conservatively bring in $10 billion a year in revenue. This added revenue can well accomplish our goal—a tax cut for all, a balanced budget, and a part payment in reducing our national debt.

The New York Daily News, in an editorial in the issue of Monday, January 2, 1956, supports my position. I hope and trust that every Member of Congress will take time to read it and realize that hypocrisy is cheating our people and Government of a tremendous revenue.

The said editorial follows:

How Advanced Are We?

Most Americans pride themselves on being citizens of the world's most advanced nation—more automobiles, telephones, and television sets than any other country has, more soap and detergents used per person per year, higher literacy percentages, religious and cultural activities flourishing, and all the rest of it.

Far be it from us to snoot any of these achievements and signs of progress, or to deny that the United States is the greatest, finest, and most livable country in today's world.

However, there is at least one field in which we are a backward people, and a hidebound people.

The United Press the other day took a look around the civilized world, and came up with the following findings:

On the sunny side of the Iron Curtain, the great majority of governments either operate or permit lotteries, allow gambling in virtually all forms, and get millions yearly from taxes on these activities.

About 10 million Britons each week sink small sums in the football pools. A few citizens win; but the British Government always wins, to the tune of about $47 million a year in taxes on the pools.

Of government lotteries, Ireland's Hospital Sweepstakes is the best known. But it is far from the only one. France, Denmark, Japan, Sweden, and even our organized dependency of Puerto Rico have them. Gambling is permitted and fairly taxed in the Philippines, Holland, Hong Kong, Austria, and Switzerland. In Italy, you can buy a chance to win a top prize of $320,000 in a football pool.

When the UP's reportorial spotlight swung around to the United States it lit up two facts which, when you put them together, spell hardship with a capital H for the American taxpayer.

Lot of Betting; Little Revenue

Fact 1: The American people by and large are the most enthusiastic and open-handed bettors in the world. Most of them will bet on virtually anything. For example, the total parimutuel turnover at United States racetracks in 1955 was $2,066,302,588, while harness racing accounted for an additional $476,728,009.

Fact 2: With the exception of horse racing, dog racing, and bingo games in some States, the American fondness for gambling is not hooked into the revenue-raising systems of government (save in Nevada, which is wide open as regards gambling). On the huge 1955 track turnover mentioned above, governments got only $178,015,822. Of this, the Federal Government got not a red cent.

How big is the total gambling turnover per year in this country? Well an authority on gambling in all forms has estimated the turnover at approximately $30 billion, or more than we spend on education, religion, medicine or automobiles.

This authority is Representative Paul A. Fino, Republican, New York, who for some years has been trying to induce Congress to set up a national lottery.

Painless Taxation

Such a lottery would be operated by the Government, under rules designed, and by citizens picked with a view to keeping racketeers from moving in on it. Tickets would be cheap, drawings frequent, prizes numerous; and the Government would take an appropriate cut from the proceeds.

How much revenue would be raised is a matter for educated guessing. Mr. Fino's guess, based on his education in other countries' gambling revenues and the annual gambling turnover in the United States, is that an American lottery could conservatively be expected to get up $10 billion a year in revenue, after prizes and overhead.

Such a lottery would have other virtues. It would in effect be painless taxation, with the revenues taking the place of some of the extremely painful taxes all of us now pay. It should freeze a lot of criminals out of the gambling industry, just as repeal of prohibition froze a lot of rascals out of the liquor business. And it should keep at home the estimated $4 to $6 billion a year which now goes into foreign lotteries.

Really, isn't it about time for the United States to get progressive in this matter of making gambling yield the revenues it should? Isn't it time for us to catch up with Britain, Ireland, Japan, France, and Puerto Rico?

PRESIDENT ENDORSES PRINCIPLES OF THE SOIL BANK OF FERTILITY

Mr. CARL H. ANDERSEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the body of the Record and to include a letter to the Secretary of Agriculture, Mr. Benson, relative to the soil bank of fertility.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. H. CARL ANDERSEN. Mr. Speaker, the references made by President Dwight D. Eisenhower in his message today to the need for a soil bank program has brought new hope to the 22 million people living on our farms throughout the land. As the Congress takes action on this recommendation, and I have every confidence that it will approve the basic principles of the proposal, it will in my judgment do much for the benefit of American agriculture and our rural business communities. The enactment of authority for a soil bank of fertility program will provide the means for our farmers, in concert with their Government, to bring supplies and market demands into a reasonable balance and at the same time conserve our most precious asset—the soil itself—and pass on to future generations a better land than they found.

If I had learned nothing else in almost 18 years as a Member of the House, I have learned this day that faith in an idea and perseverance in its advancement can eventually produce the desired results if the cause is just and the legislative proposal is sound in principle. Today, the acceptance by the President of my proposal is very gratifying to me.

A brief recitation of the history of the Andersen soil bank of fertility idea may well be worth the time of some of our newer colleagues, as it offers the best reason I know why a Member of Congress should stay with an idea he believes in, despite the seemingly insurmountable obstacles in its way.

I stood virtually alone just a few years ago in the advocacy of what I termed a "soil bank of fertility," and now we see

it endorsed in principle by the great farm organizations, thousands of farmers, our distinguished colleagues on both sides of the Capitol, and now today by the President of the United States.

For many years it had seemed obvious to me that the most significant need in agriculture was a way or a means to keep production on our 5 million farms in reasonable balance with market demands. If our farmers were to receive a fair return for their investments, labor, and technological know-how, they must somehow be protected from the merciless fluctuations of a market over which they exercise no control.

American industry has long followed the practice of maintaining careful balances between supply and demand for manufactured goods. If a factory finds its supply lines choking up with consumer goods, it simply closes down an assembly line or even a whole plant until the balance is restored. But it is one thing to close down an assembly line for a few days, and another to close down a field of corn, a litter of pigs, or a part of a dairy. Farming is on an annual basis at the very least.

After several years of patient but sometimes discouraging effort to gain acceptance of what I termed in the beginning a soil bank of fertility, I finally saw a quickening of interest just this past year on the part of farm organizations, conservationists, sportsmen, and others interested in American agriculture and conservation of our soil and water resources. After a statement last fall that he had "an open mind on the subject," I sent the following letter to Secretary of Agriculture Benson on September 17, 1955:

CONGRESS OF THE UNITED STATES,
Washington, D. C., September 17, 1955.

Hon. EZRA BENSON,
Secretary of Agriculture,
Washington, D. C.

DEAR MR. SECRETARY: For a number of years it has seemed obvious to me that a program of price supports and acreage allotments would not by itself meet entirely the farm-price problems facing us in American agriculture since the close of World War II.

I have consistently maintained the conviction that price supports on basic, storable commodities should be held at 90 percent of parity. I have also consistently agreed that surpluses of some commodities would undoubtedly result from either firm or flexible supports. As a matter of fact, I have often said that reducing the support level would result in greater rather than lesser surpluses. Farmers are simply forced to produce more at lower prices so as to meet uncontrolled living and operating expenses. Recent experience has confirmed this and many former advocates of your program of flexible price supports now admit that fact.

I have not been persuaded by advocates of flexible price supports to believe that reducing farm prices would effect comparable price reductions at the consumer level and thus act as a stimulant to consumption. Again, recent experience has confirmed my judgment. Although farm prices have fallen to 84 percent of parity, we have seen no appreciable reduction in prices of foods to consumers. From this we are led to the conclusion that reducing farm prices to any level, even to a level representing disastrous ruination for many farmers, would not necessarily benefit consumers nor reduce surpluses.

In recognition of the direct relationship between production and conservation, and the impact each has upon the other, I have in recent years advanced the proposal that certain acreages now in production of commodities surplus to our domestic and foreign market needs be diverted to what I have termed a "bank of fertility." My general premise advanced then was that if our agricultural plant produced more than needed we should temporarily, and on a voluntary basis, retire into a "bank of fertility" these unneeded acres. It is my thought that by the application of conservation practices to land so diverted we would at the same time meet a vital need for greater conservation of soil and water resources. My proposal thus helps to solve two basic problems facing agriculture.

Since you have been Secretary of Agriculture, I have discussed this plan with you on at least two occasions. On January 28, 1954, when you appeared before my committee in connection with your request for appropriations, I outlined this plan to you. May I recall the following excerpt taken from my comments, pages 23–24 of the official report of those hearings: "Let us take the unnecessary acres out of production if we produce too much, but let us not, on the other hand, do anything that will destroy the prices of what we produce. * * * What is wrong with cutting down production and giving an incentive to the farmers to keep the acres out of production, and at the same time placing these acres into soil-conserving banks, so to speak? * * * Why not, instead of paying storage charges on something we do not need, prevent the production of this surplus and beyond everything else, make our soil more valuable for the future?"

Having also discussed this plan with many farmers, farm leaders, other Members of Congress, etc., and received a favorable response, on February 2, 1954, I introduced H. R. 7663 to authorize such a program. The 83d Congress having taken no action on my bill, it was reintroduced in the 84th Congress (H. R. 2370). It is now before the House Committee on Agriculture and the same basic principles contained in that bill are the subject of this letter to you today.

The members of that committee are familiar with the principles of my plan. On May 10, 1955, I appeared before that committee to outline, in some detail, what I had proposed. My testimony said, in part: "I propose that the Government lease from the farmers of our Nation on a voluntary basis approximately 30 million acres of land for such time as it is necessary to meet this problem. I propose, Mr. Chairman, that this land under lease be placed in a soil-fertility bank, and estimate that in order to achieve the required reduction in farm acreage, it will be necessary to pay the individual farmer approximately $10 on an average per acre per year for the rent of his land. By not producing wheat, corn, and cotton we do not need, and by making that 30 million acres of farm land more valuable to future generations, the price-support program, in my opinion, would not be a burden."

Although in the beginning I stood virtually alone in advancing the basic principles of the bank of fertility, this past year I have gained the interest and support of Members of Congress, farm organizations, conservationists, farmers and sportsmen. Although different groups and individuals have developed their own plans or proposals on this subject, I am happy to note that while they understandably differ in some details, they all embody the fundamental principles of my plan; and that is to retire unneeded acreage into a bank of fertility.

In the best interests not only of American agriculture but of all of our people I urgently request your careful reconsideration of my plan with the thought in mind that it be incorporated in the over-all farm program at the earliest possible date.

Unless the severe decline in farm prices is reversed and the accumulation of unneeded commodities reduced, we are faced with serious consequences not only in our farm economy but, in my judgment, in the national economy. Your announcement of the acceptance of the basic principles of this plan as a cornerstone for your announced attack upon the economic ills of agriculture would, in my opinion, bring great hope and encouragement to the farm community. I firmly believe the enactment of legislation to divert unneeded acreage on a voluntary basis from production to conservation will do more than anything else now proposed to solve the problems immediately before us. You will remember that I have suggested that an average rental of at least $10 per acre, based upon the local lease rates, would on a voluntary basis bring millions of acres of cropland into the bank of fertility. The overall cost would scarcely equal the storage charges of today.

I understand that this proposal will be considered by your Agricultural Advisory Committee at its forthcoming meeting. I hope that you will acquaint them with my position as well as the growing tide of support for this plan. Moreover, I hope that you will wholeheartedly support my plan in its basic principles.

American farmers are of one voice in their demand for a more proportionate share of our booming economy. They may differ individually and collectively as to the detailed means of accomplishing this, but please make no mistake about it—they know that they are on the bottom rung of the economic ladder and they insist on moving up. This, I am sure we are agreed, they cannot accomplish by themselves under the present program.

Your statement of yesterday that you have an open mind on this bank of fertility proposal has encouraged me to write you this letter. As this subject is a matter of national interest, I am making this letter public.

Sincerely,

H. CARL ANDERSEN,
Member of Congress.

In recent months, there has been a rising tide of popular support for the soil bank idea, culminating in the President's message today.

It is not, or should not be, necessary for me to remind anyone of the difficulties our farmers are facing in a falling commodity price market. It is generally agreed that their present problem of high production costs and low commodity prices may be attributed primarily to two things over which they had no control. First, the tremendous and patriotic productive effort of our farmers in World War II and the Korean conflict created a temporary margin of production above consumption which has piled up some stocks and depressed the markets. Second, our otherwise booming national economy has resulted in the labor, equipment, and other production costs going up at the same time gross farm return has gone down. The resulting price-cost squeeze has hurt our farm economy and has hurt our farm people.

Net farm income has dropped one-third since 1948, while total national income has risen 50 percent. Farm mortgage debt has increased 60 percent in that short time, and farmers have seen their share of the total national income decline from 9.4 percent in 1948 to less than 5 percent today.

Now I do not believe that any one has intended that this happen to 22 million of our people simply because they live on farms. On the contrary, I believe that my colleagues from the big cities are just as concerned—maybe not as directly, but in equal measure—as I am about these conditions in our agricultural economy.

No section of our country, no political party or economic group, and no individual to my knowledge has by deliberate or purposeful intent set about to depress farm commodity prices. We in the farm communities are glad to see the rest of the economy booming, but we want our fair share of that prosperity and we believe you want us to have it.

No one can successfully claim that any political party or political leadership is responsible for this, because the decline in farm income has persisted under 2 different administrations of the 2 great political parties, 11 parity points from 1948 through 1952, and now an additional 14 points to date.

It is not fair and it is not honest to blame any one administration or any one program such as the 90 percent of parity price supports for these conditions, for it has been a combination of many things which brought about the decline in farm commodity prices.

I would be the first to say that not everything has been done in recent years which, in my judgment, would have reversed this trend. I could honestly and confidently say that if the 83d Congress had approved my bill proposing the authorization of a soil bank of fertility, or even if the 1st session of the 84th had acted on it, we might well be working our way out of it by now. The enactment of flexible price supports was a grave mistake.

But I think the time has come for us to set aside our differences of opinion, political arguments, and other minor considerations, in the best interests of American agriculture and the national good.

The people we represent grow impatient in times of stress and demand action by their Government to relieve them of adversity which they cannot by themselves overcome. Action to reverse this downward trend in farm prices is long overdue, but I am encouraged today to believe that this session of Congress will write the necessary farm legislation to accomplish this reversal.

The President, in his message, has recognized one of the basic ills of agriculture and has proposed a remedy for which I have long campaigned. Although the Andersen soil bank idea the President has endorsed does not by itself offer the entire solution to this price-squeeze problem, it will in my judgment, make a major contribution when accompanied by the other necessary programs to bolster prices, expand markets, and bring about the distribution of surplus stocks to needy and deserving people.

Speaking personally and also in behalf of the people of the Seventh District of Minnesota which I have the honor to represent, may I say that we are deeply grateful to the President for the forthright manner in which he has brought the basic principles of the Andersen soil bank of fertility before the Congress for action.

CAMBRIDGE, OHIO: ALL-AMERICA CITY

Mr. HENDERSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HENDERSON. Mr. Speaker, Cambridge, in the 15th District of Ohio, has recently received recognition as an All-America City. This designation has been given it by Look magazine and the National Municipal League. It is an award which is richly merited and the honor has come to my home city because of the valiant efforts of civic leaders and organizations of residents to make it the city which it now is.

At one time Cambridge was a prosperous community, depending upon coal mines, steel mills, pottery and glass industry, for its prosperity. In the twenties, the coal resources became submarginal through depletion of the most accessible stores. The steel mills were moved to other areas and consolidated with others in keeping with the trend of the times. The wave of importations of products from low-wage countries cut heavily into glass and pottery industries. The depression which all America sustained, was even more intensely felt in Cambridge. People began moving away to seek employment elsewhere, and the mines, factories, and houses stood idle. Cambridge was on the skids.

There were men with determination and with ideas who felt sincerely that the city could come back. It would be impossible for me to name them all, for the idea once initiated was seized by many who worked individually and collectively to attract industry, to restore faith, and to rebuild a city which a changing America had made a ghost city. Today, many new plants are in operation, are expanding and are offering employment to the people of Cambridge. Radio Corporation of America, the Vanadium Corporation of America, Champion Spark Plug, Hoffman-La-Roche, Hoover Co., and many other industries have found a home there. The Cambridge Glass Co. was reorganized and many of the employees purchased shares in the company in order to keep it going and to keep alive the name, Cambridge glass.

Indeed, this recognition of All-America City for Cambridge, Ohio, is justly deserved, and the city and its leaders in government, industry, labor, education, and religion, as well as all of the residents who have played an important part in its growth, are to be congratulated.

The Cambridge story is being told throughout America, and it serves as an inspiration for other communities which fell out of step with the times.

An editorial in the Marietta (Ohio) Times tells the story as follows:

CAMBRIDGE EARNS HONOR

Cambridge, our neighbor city, has won high honor and national recognition by being named an all-America city by the National Municipal League. Its distinction is no gift, but was earned the hard way by its citizens and their leaders in a 20-year battle to restore industry to a municipality that was in danger of becoming a "ghost town." It is rather a reward for united and persistent effort that has brought results.

Depression began in Cambridge and Guernsey County in the 1930's with the closing of coal mines and steel mills. A promotion fund was raised by subscription among community leaders, businessmen, and displaced employees. The money was used to take over abandoned buildings and rebuild or remodel them. The structures were then sold to industries at bargain insurance rates and on easy terms. This brought in a number of new concerns that employed local labor.

Another blow fell in 1954 when the Cambridge Glass Co. was forced to discontinue operation because of financial trouble. Businessmen and employees rallied again and bought $250,000 worth of stock. The plant was improved and modernized and work was resumed in it last spring. The company is now showing a profit.

Ten other cities are included on the all-America list for successful municipal endeavor to improve their condition. Three are cited for suppressing gangsterism, corruption, and machine rule, by which they had been ridden. Three others are given recognition for initiating modernization of rundown and obsolete city facilities; 2 for long-range programs for providing for the needs of their growing populations; 1 each for solving pressing school problems and for providing for proper sewage disposal.

Cambridge has good reason for being proud and happy over the distinction that the city has been given. It has been successful in the highly competitive field of increasing and retaining industry, largely through the initiative and consistent effort of its citizens.

The Cambridge Daily Jeffersonian contained an editorial by way of acknowledgment of the honor:

CAMBRIDGE SHINES

Cambridge's impressive story of industrial recovery, tagged Operation Bootstrap, has won for the community the All-America City award and national recognition.

It is the greatest honor ever to come to Cambridge, an honor that a community could receive only by showing noteworthy accomplishments through alert, continuing citizen participation. Our story was studied carefully by the jury in charge of selecting the winners of the awards, which are cosponsored by the National Municipal League and Look magazine.

This community's long battle against becoming a ghost town because of the shutdown of coal mines and steel mills here is familiar to most of us. The manner in which the people of the community tackled the problem and licked it has given Cambridge the reputation of being a community of unusually resourceful and courageous people. Faced with a crisis the people of Cambridge through cooperative effort lifted themselves out of the doldrum—Operation Bootstrap.

Since then the community has faced other knotty problems. The story tells of the crisis last year when the Cambridge Glass Co. ran into financial difficulties. Again, the problem was licked.

Operation Bootstrap is designed to assure ourselves of greater security and contentment. It leads to things we consider most

essential to a more abundant American way of life.

The widespread favorable publicity that goes with receiving the award will prove advantageous to the community for many years to come. The city should and will celebrate, but in celebrating may we rededicate ourselves to the ever-growing tasks ahead.

We are proud of our accomplishments. By continuing to be generous in our contributions of time, effort and money we will be able to maintain the lofty position reserved only for an All-America community.

COMMUNIST DOUBLECROSS IN KOREA

Mr. SHORT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include an article with certain revisions requested by our military personnel.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. SHORT. Mr. Speaker, one of my constituents, Mr. O. K. Armstrong, a former Member of this body, recently made a firsthand study of how the Communists are doublecrossing us and our allies in Korea. He has set forth his findings in an article of outstanding and lasting interest in this current issue of the Reader's Digest, entitled "The Communist Doublecross in Korea."

This article gives specific examples of how the Red Chinese and North Koreans, under their Soviet masters, and with the assistance of their stooges—the Poles and Czechs on the so-called Neutral Nations Supervisory Commission, have persistently violated the terms of the Korean armistice.

I wish to commend Maj. Gen. Harlan C. Parks, who was our chief of the U. N. Military Armistice Commission at the time of Mr. Armstrong's visit to Panmunjom, and other United States and allied officers, for their startling revelations of the danger we face in Korea. I include this article—with certain revisions requested by our military personnel—in the CONGESSIONAL RECORD.

THE COMMUNIST DOUBLECROSS IN KOREA

(By O. K. Armstrong)

On the night of July 27, 1953, the day the Korean armistice was signed, United States military forces detected by radar the track of planes entering North Korea from Manchuria and landing on the two airfields still usable.

"Enemy aircraft—jet propelled—numbers undetermined," the radar operators reported.

The Communist forces had no MIG planes in Korea when the fighting stopped. Under the armistice terms both the United Nations and the Communist commands agreed not to build up military strength.

U. N. officials were alarmed. If the Reds were breaking their word on the very day they gave it, what would they do in the future?

Two and a half years have given the answer: The leaders of Communist China and North Korea, backed by their Soviet masters, have proved that they never had any intention of observing the solemn agreement that brought an end to the fighting. While the U. N. forces in South Korea have strictly observed every item of the truce, the Red aggressors have constantly violated it.

"We face danger here," said Maj. Gen. Harlan C. Parks, senior U. N. representative on the Military Armistice Commission, as we sat in his headquarters near Panmunjom recently. "The Reds have persistently broken the truce in order to build up their combat forces, particularly their air force, whereas the military strength of the U. N. command, by virtue of scrupulous compliance with the armistice terms, has steadily declined in combat capability."

Spokesmen for the free world contemplating some agreement with Communist leaders for mutual inspection of military strength with a view to control of armaments should study what has happened in Korea. In the language of the Reds, inspection means a chance to observe unhindered everything in enemy territory while preventing any effective observation in their own.

Stripped to its fundamentals, the truce provided that neither side would increase its military strength. Military personnel could be rotated, man for man, and weapons could be replaced, item for item; but no additional strength could be brought in. Ten ports of entry, five for each area, were designated, through which all rotation and replacement would have to pass.

To enforce the truce, inspections were to be made by a Neutral Nations Supervisory Commission, made up of representatives of 2 countries named by the United Nations and 2 by the Communist side. The U. N. side named Sweden and Switzerland, both genuine neutrals. The Reds nominated Poland and Czechoslovakia, both as Red as Soviet control can make them and about as neutral as Premier Bulganin.

American military men in Korea put up a howl. They predicted that the inspection teams would not be allowed to see anything in the Communist area; even if they did, the two Red stooge members could veto any move toward corrective measures. But the armistice was a political decision; the warnings of the military men were ignored.

The U. N. side immediately set up a system of reporting and control, to insure that all incoming and outgoing personnel and materiel were shipped only through the designated ports. Complete, accurate, daily reports have been issued ever since.

Not one item of military equipment has come into South Korea that has not been duly entered upon the daily reports prepared for the inspection teams and given into the eager hands of the Reds. Every military person leaving or entering is carefully cataloged. At first all reports were made in triplicate. Soon the Reds demanded that they be made in quadruplicate. "One copy for Moscow," our military clerks say.

Meanwhile, the Communists have never set up a regular reporting system. They turned in no reports whatever until September 12, 1953, and then listed only 964 departures and zero arrivals for the one day preceding. Their first combat-materiel report was submitted October 6, listing an outgoing shipment of four antitank guns with 20 rounds of ammunition. It was not until February 9, 1954, that the Red joint command made another materiel report, showing an incoming shipment: one antiaircraft gun. All this time, of course, masses of Red Chinese troops were being rotated, and huge quantities of weapons and equipment were being brought into North Korea.

By every conceivable device, the Communists nullify the provisions for inspection of armaments. On last April 26, mobile team No. 6 attempted to inspect Uiji and Namsi airfields. The Swedish and Swiss members reported: "The team was not permitted to see the cockpits of any MIG aircraft; neither was the team permitted to note the serial numbers of the inspected aircraft. We were not in a position to ascertain whether any aircraft had been shown us more than once; it was impossible to see all the aircraft on the same day because the Polish and Czech members started long discussions, saying that they did not wish to check all the aircraft."

The Reds never permit the inspection teams to interrogate a person unless he has been coached on what to say. At Taechon on last March 10, the Swiss and Swedish members of team No. 7 picked a guard at random and asked that he be sent in for questioning. The North Korean liaison officer violently objected.

"But surely he could tell us from his own observation what he had seen here," persisted the neutral spokesman.

"Oh, no," was the reply. "He is a sick man. In fact, he is insane. He could tell you nothing." The Polish and Czech team members declared the soldier was indeed insane and must not be talked to.

One of the Neutral Nations Supervisory Commission members, an outstanding authority on international law who told me he was serving at the request of his government, gave me other examples of Red doubledealing.

"My team was given information that a large consignment of MIG's had reached a certain airfield in North Korea—entirely in violation of the truce, of course," he related. "We insisted that this field must be inspected. As usual, the Poles and Czechs declared there was nothing at the airfield. Our information, they said—they always say—was a rumor started by the warmongering Americans.

"We persisted, and finally got agreement to inspect the field—after a week for preparation. The team took off in a North Korean plane, which landed at the wrong airfield. 'Engine trouble,' said the Reds. So we lingered there for 2 days, while they tinkered with the engine. Next day we came out to leave; no pilot. He had been taken suddenly ill, they said. Another day's delay. When we got to the airfield, there was nothing there. 'Just as we told you,' said the Czechs and the Poles."

A Swiss inspection team member detailed how the Reds got around—literally—the use of prescribed ports of entry. He told how an associate stood with an inspection team in North Korea on a bridge across the Yalu. Beyond the bend in the river, less than 2 miles away, the Reds had constructed another bridge. Members of the inspection team could hear the rumble of a train crossing over it. But when the Swedish and Swiss inspectors insisted upon going to have a look, the Czech member consulted his papers and solemnly announced: "It says in my book there is no bridge there." And that ended the matter.

On February 23, 1954, Gen. Paul Wacker, then the senior Swiss member, declared in a report to the Commission: "In the South the teams control all materiel being brought into Korea, a control which is being carried out, thanks to the documents submitted by the local authorities, load manifests, ship manifests, as well as by inspections on the spot. In contrast, we find that in the North not more than 2 to 4 inspections of spare parts of war materiel have been carried out each month, and these only in 2 ports of entry."

On February 27, 1954, Capt. Lee Wan Bong, of the Chinese People's Volunteer Army, an interpreter for the North Korean delegates to the Military Armistice Commission, walked over to the U. N. side and stayed there. He confirmed what our intelligence already knew, that the activities of the Polish and Czech members of the inspection teams are directed by Soviet Russian officers. Lee gave the names of the Russian major general and other high-ranking officers in charge. He also brought proof that Russians frequently dress in Polish and Czech uniforms and take

their places on the inspection teams for first-hand observation of United States military installations in South Korea, getting information down to our last jeep.

On last February 5, a United States four-engine craft, flying over the open sea west of North Korea, was attacked by eight MIGs. United States Sabre jets moved in and gave battle. Two of the Red planes went down in flames and the others streaked back to their bases. The North Korean general on the Military Armistice Commission made a great show of protest at the next conference.

"Where were those planes based?" he was asked by the U. N. chief.

"They were planes from our side, peacefully based in the Korean People's Republic," said the general.

"Have you ever reported the importation of these MIGs?" demanded the U. N. spokesman. For once the Red leader was nonplused. He realized the admission was on record. But after a pause he shouted: "Your side tries to confuse the matter."

Every day brings to the desk of the Military Armistice Commission fresh evidence of Communist doublecrossing. One day a detail of Republic of Korea soldiers was dispatched to salvage a plane that had fallen in the demilitarized zone, an operation permitted under the armistice rules. Each was armed with a United States 45-caliber pistol and a carbine—weapons authorized for personnel performing such duties. Chinese Communist soldiers suddenly opened fire. Two of the ROK Army sergeants were shot in the back and instantly killed.

"I immediately sent an officer to make an on-the-spot investigation," related Parks. "Based upon the preliminary report, he called for a joint investigation with Communist representatives at the scene of the incident. When the joint team met the following morning, the bodies of the sergeants had been dragged across the military demarcation line into Communist territory. Rocks had been piled around the bodies. In the hand of each was his pistol—with empty chamber.

"In fabricating their evidence the Communists made one glaring mistake. They put the slides in the empty pistols in the forward position with the hammer cocked. Anyone familiar with the operation of that United States pistol knows that when the last round is fired the slide is automatically locked in a rearward position."

When Parks faced his Communist counterpart at the conference table at Panmunjom the Red general claimed that his soldiers had fired in self-defense. Parks retorted that it was a case of plain cold-blooded murder, and proved his point with indisputable evidence.

From Neutral Nations Supervisory Commission sources, and from United States and ROK officers, I heard ample evidence that the Communists could now move against the United Nations with overwhelming force. One of the best sources of information was Maj. Gen. Kim Chang-Yong, chief of ROK military counterintelligence.

General Kim dresses his agents as coolies or businessmen as occasion requires, and they form a tight network of observation all over North Korea. Accurate information also comes from Korean and Chinese defectors and from Communist spies arrested in South Korea.

Evidence from such sources establishes the following facts. At the time of the armistice, the Reds had 12 airfields. All had been pounded by U. N. bombers, and only two were usable. Today, they have 39 airfields, most of them capable of handling jets, all built under Soviet supervision.

At the signing of the armistice only a handful of Red planes and their mechanics—but no MIG's—were based in North Korea. Today there are 20,650 men in the combined air forces of North Korea and the Chinese "volunteers." According to General Kim's figures, they have 630 planes, of which 350 are MIG jets.

As for ground forces, there were approximately 1,200,000 troops in North Korea when the truce began. Many of the Chinese were "volunteered" down to Indochina to fight the French, but these were replaced to maintain about a constant strength. General Kim's figures show the Reds have reorganized into 17 corps of 46 divisions, with 596,756 North Koreans and 545,368 Chinese. In addition, three divisions of Russian troops are stationed at Pyongan, a division of Soviet Mongol troops is based at Jangjon, a battalion of Russian Air Force is based at Sinihju and a company of Russian engineers has headquarters at Musan.

More significant than manpower is the heavy increase in firepower. "All equipment, except for certain light parts assembled in Manchuria, is made in Russia," declares General Kim.

In contrast to this, the U. N. ground-force strength has deteriorated since the armistice. Its firepower remains about the same, which means it is not now nearly equal to that of the Reds. Its weapons cannot be replaced by improved equipment, as has been the case in the North. The ROK Air Force has the exact number of planes it had on July 27, 1953: 140, of which 5 are F-86 jet fighters.

There is no doubt that we face danger in Korea. The Red military power now holds a double threat. They can start shooting. Or they can negotiate from superior strength in some future conference, demanding that we sign on the dotted line—or else.

As one high-ranking United States commander of troops on the bleak armstice line expressed it: "From where I sit, one thing is certain: the enemy is still the enemy."

LITTLEVILLE (MASS.) RESERVOIR

Mr. HESELTON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HESELTON. Mr. Speaker, I know that you, with every Member of this Congress, sympathizes with the thousands of people in New England, and much of the Northeast, who suffered so severely during the two disastrous floods in August and October of last year.

The results of these floods were thoroughly and conscientiously studied by the members of the New England delegation in Congress and recommendations were developed which either have been or will be submitted for consideration. I am certain that all Members of Congress will want to do everything within their power both to provide means of preventing any recurrence if that is humanly possible, and of furnishing adequate relief if any such disaster occurs again.

Portions of the First District of Massachusetts were among those areas which suffered extensively heavy damage. The Federal Government at the direction of the President, the Commonwealth of Massachusetts, the county and local governments as well as the American Red Cross and many other agencies and groups made magnificent contributions toward the relief of the suffering and the repair of the extensive damage. But it seemed obvious to me that remedial legislation to cover the possibility of any future disaster should be promptly considered at this session of Congress and I am confident that the whole subject matter will receive the earliest possible consideration by the congressional committees concerned and by Congress as a whole.

One of the most immediate and useful projects which can be considered is the matter of an adequate flood-control system for the New England area. This has been the subject of study by the Corps of Engineers and the results will be presented as soon as possible.

In the meantime, we do have the advantage of a comprehensive report after a survey of the New England-New York region. This was undertaken under the Flood Control Act of 1950—Public Law No. 516, 81st Congress. It consists of some 46 volumes, was completed by the New England-New York Inter-Agency Committee and submitted under date of March 15, 1955. Among other recommendations, it proposes a comprehensive plan for the Connecticut River Basin consisting of local protection works and the construction of 21 additional flood control reservoirs to supplement the five such reservoirs already completed and in operation.

One of these proposed reservoirs is known as the Littleville Reservoir and would be located on the Westfield River which is a tributary of the Connecticut River.

Communities, utilities, and individuals in both Massachusetts and Connecticut in the region affected by the flow of water from the Westfield River suffered substantial damage as a result of the floods of August and October 1955.

At my request, the New England Division of the United States Corps of Engineers furnished me with its estimate of the reduction of damages during these floods if the Littleville project had been constructed and in operation at that time.

Their report to me is as follows:

August 1955, along Westfield River in Massachusetts	$2,500,000
October 1955, along Westfield River at Westfield, Mass	115,000
Total	2,615,000
August 1955, along Connecticut River below entrance of Westfield River, in Massachusetts	1,735,000
October 1955, along Connecticut River below entrance of Westfield River, in Massachusetts	50,000
Total	1,785,000
August 1955, along Connecticut River in Connecticut	3,265,000
October 1955, along Connecticut River in Connecticut	415,000
Total	3,680,000

Or, a total estimated reduction—

In Massachusetts	$4,400,000
In Connecticut	3,680,000
Total	8,080,000

I have been advised that the estimated cost of this project at the 1955 price level is $5,500,000.

When these two factors of a cost of $5,500,000 and an estimated loss of $8,080,000 in these floods alone are

weighed, the urgency of this project is apparent beyond any question.

A considerable amount of other pertinent data is available and will be presented to the proper congressional committees in connection with the consideration of this project.

At this time, I have introduced a bill to authorize the appropriation of funds for the preparation of plans in order to construct this Littleville Reservoir. I believe that the basic facts which I am now submitting amply justify favorable action by the congressional committees and by Congress at the earliest possible date during this session.

I am glad to add that my colleague the gentleman from Massachusetts [Mr. BOLAND], portions of whose district would be clearly benefited by the construction of this reservoir, plans to introduce, subsequently, a similar resolution and that he has supported effectively every effort to provide this realistic means of immediate relief to western Massachusetts. I have also appreciated the generous and wholehearted support extended by the officers of the State and local governments in both Massachusetts and Connecticut.

I urge immediate consideration of this resolution as a practical, reasonable, and constructive action on the part of Congress, fully merited upon all the facts which have been developed.

I am now including a copy of this resolution:

H. R. 8132

A bill authorizing the preparation of detailed plans for the Littleville Reservoir on the Middle Branch of the Westfield River in Massachusetts

Be it enacted, etc., That the appropriation of funds for the preparation of detailed plans for the Littleville Dam and Reservoir on the Middle Branch of the Westfield River in Massachusetts, is hereby authorized; Provided, that the work shall be carried out substantially in accordance with the plan set forth in the report of the New England-New York Inter-Agency Committee, dated March 15, 1955, and on file in the Office of the Chief of Engineers; Provided further, that in the preparation of the detailed plans hereby authorized, the Chief of Engineers is authorized and directed to make such modifications as he may deem warranted as a result of the hurricane floods of 1955.

Mr. BOLAND. Mr. Speaker, I have today joined with my colleague from Massachusetts, Hon. JOHN W. HESELTON, in sponsoring a companion resolution authorizing the construction of the Littleville Dam and Reservoir on the Middle Branch of the Westfield River in Massachusetts. These resolutions are based on a survey conducted by the New England-New York Interagency Committee. In its report of March 15, 1955, the committee recommended the construction of the Littleville Reservoir and stated that the project was an essential to further protect from the devastating effects of floods the populous area through which the Westfield River runs. If this reservoir had been in being prior to the disastrous floods of last August and October, a reduction of damages would have resulted of some $2,500,000 along the Westfield River and $5 million along the Connecticut River. The studies made in connection with the NENYIAC report clearly indicate the economic justification for this project. Both Congressman HESELTON and I earnestly desire that the Committee on Public Works take early action on our resolutions and favorably report authorization for construction. If authorization is approved, it is our hope that some planning money be provided for fiscal 1957.

SPECIAL ORDER GRANTED

Mr. POWELL asked and was given permission to address the House for 1 hour on Thursday next, following the legislative business of the day and any special orders heretofore entered.

SEGREGATION

Mr. POWELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. POWELL. Mr. Speaker, the address of the President has in it many laudable things, but there is one item to which I would like to refer briefly now and more in detail on next Thursday under my special order to address the House for one hour.

I am referring to President Eisenhower's recommendation that we here in Congress establish a bipartisan commission to examine the allegations that Negro citizens are being deprived of their right to vote and meeting with economic pressures. This is sheer buckpassing. The executive branch of the Government including the Department of Justice and the FBI now have the power to do this and the inescapable duty of so performing that which the law charges them with.

We here in Congress have our responsibility too. We must in this Democratic-controlled body press with vigor for more civil rights for the American people.

I repeat, the Department of Justice and the FBI now can investigate and should be investigating any depriving of any citizens of due process of law and the right to vote.

Otherwise, I think President Eisenhower's statement is a Republican challenge to a Democratic Congress which up to now has done absolutely nothing in the field of civil rights.

THE LATE DANIEL J. TOBIN, 1872–1955

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, Daniel J. Tobin, one of the truly great leaders of the American labor movement, died on November 14, 1955, at the age of 83 years.

His life was an illustrious example of the contributions that immigrants make to our country. He came to Boston as a lad of 14 from his native Ireland and joined the Teamsters Union a few years thereafter. His great ability and devotion to his fellow workers was rapidly recognized, and in 1907 he was elected president of his union, a position which he filled for a period of 45 years. In 1952 he resigned from active leadership of the Teamsters Union and was elected president emeritus, a position he held at his death.

When Daniel Tobin became president of the Teamsters Union, its membership was limited to some 30,000 pioneers fighting for labor's rights. In many cases membership in the union meant prosecution and even loss of job. Under Tobin's leadership the membership of the union multiplied fortyfold, and the rights of union members to collective bargaining—despite Taft-Hartley and some objectionable laws enacted by several States after the passage of the Federal law—are protected. This enables unions to improve the economic conditions of their members under the ever rising standards of living made possible by our free enterprise system.

Possibly the best way to illustrate the benefits of unionism and the contributions that Daniel Tobin made to the members of his union is to compare the wages of teamsters in 1904, when Tobin held his last teamster job, and 1952 when he resigned from leadership of his union. During the latter year a teamster was making in 1 hour what Daniel Tobin made in a whole day 50 years earlier, and he had to work 10 hours, and more, to make that much without any fringe benefits such as paid holidays and vacations as well as hospitalization, medical care, and pensions.

Daniel Tobin was conscious of his public responsibilities as a citizen and labor leader. He took active part in politics and he was an admirer of our great Presidents, Woodrow Wilson and Franklin D. Roosevelt. He led the labor division of the Democratic National Party during the four Roosevelt campaigns. During the war he was drafted to act for the President on important missions.

Daniel Tobin was an active fighter against totalitarianism and took a leading position in combating communism in the United States. He advocated union responsibility and was proud of his union's record of industrial peace during the two World and Korean Wars. As president of the teamsters, he insisted that all locals adhere scrupulously to their contracts with employers.

He was opposed to the split in labor's ranks and as president of the largest A. F. of L. affiliate and vice president of the A. F. of L., was active in trying to bring the two great labor federations together. His early efforts almost materialized before his death.

I personally will miss him as a good friend and neighbor. I admired him greatly, and I valued his friendship. With other millions of Americans I mourn the passing of Daniel J. Tobin, a great American and an outstanding leader in the struggle for a better America.

TWO HUNDRED AND FIFTIETH ANNIVERSARY OF THE BIRTH OF BENJAMIN FRANKLIN

Mr. McCORMACK. Mr. Speaker, one of the greatest men in the history of our times, one of the great immortals of all time by reason of his life, his achievements, and his contributions not only to the establishment of the progress of America but also to the constructive progress of mankind everywhere is Benjamin Franklin.

January 17, 1956, will be the occasion of the 250th anniversary of his birth. On that day and in the few days preceding January 17 appropriate commemorative exercises will be held in both Boston, Mass., and Philadelphia, Pa., in connection with the 250th anniversary of the birth of this great man.

Mr. Speaker, I offer a concurrent resolution (H. Con. Res. 199) and ask unanimous consent for its immediate consideration.

The Clerk read as follows:

Whereas January 17, 1956, marks the 250th anniversary of the birth of Benjamin Franklin in Boston, Mass. and

Whereas Benjamin Franklin, because of his dedication to the welfare of human society and the influence which he has exerted upon our material and spiritual development through his great and varied achievements as a statesman, diplomat, journalist, scientist, and philosopher, is universally recognized as one of the truly monumental figures of mankind; and

Whereas the contributions of Benjamin Franklin to the achievement of independence for the United States of America, to the formulation of our Constitution and the formation of the Government under which we live, and to our progress as a Nation over the years are unsurpassed by any individual in our history; and

Whereas Federal, State, and local officials of the Commonwealth of Massachusetts and the Commonwealth of Pennsylvania, respectively, will join with the Greater Boston Chamber of Commerce and the Franklin Foundation in commemorative ceremonies to be held in Boston in connection with such anniversary and also with The Franklin Institute of Philadelphia and cooperating organizations and the University of Pennsylvania to be held in Philadelphia; and

Whereas it is fitting that the Congress, as a mark of recognition and respect on behalf of all of the people of the United States, add its voice to the voices of those who are participating in these ceremonies: Therefore be it

Resolved by the House of Representatives (the Senate concurring), That the Congress extends its greetings and felicitations to all those who are participating in the commemorative ceremonies being held in Boston, Mass., and in Philadelphia, Pa., on the occasion of the 250th anniversary of the birth of Benjamin Franklin. The Congress joins with them and with all the people of the United States in expressing its appreciation of the great and indispensable part which Benjamin Franklin played, through his great and varied accomplishments in many fields, in the founding of our Nation and the establishment of a sound basis for the progress and development which our Nation has enjoyed over the years.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, and of course I shall not object, I wish to associate myself with the distinguished gentleman from Massachusetts in the advocacy of this resolution. Franklin was deeply associated with part of my district. When a little town was trying to establish a library Ben Franklin was good enough to give them the books that made the effort successful. As a result the folks named their town after him. Franklin is a growing town in the county of Norfolk. This town gave to the country that great statesman, that great educator, Horace Mann, who really founded the public-school system.

I know they are delighted that the man who contributed so much to their welfare is to be honored.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. McCORMACK]?

There was no objection.

The concurrent resolution was agreed to, and a motion to reconsider was laid on the table.

THE LATE ALICE CAMPBELL GOOD

Mrs. KELLY of New York. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Mrs. KELLY of New York. Mr. Speaker, with deep regret I learned last night of the death of Alice Campbell Good, one of Brooklyn's outstanding citizens. Mrs. Good was the daughter of Felix Campbell, a Member of Congress from New York, from 1883 to 1891. At the time of her death, Mrs. Good was the Democratic national committeewoman from New York State, in which capacity she served since 1936. Since 1933 she had been a member of the State Electoral College. Other posts in which she served were the New York State Reconstruction Commission, the New York State Roosevelt Memorial Commission, and the New York City Board of Higher Education. She held membership in the New York City Charter Commission, the Brooklyn Unemployment Relief Commission and the Brooklyn Women's Committee for the New York World's Fair. Mrs. Good founded the St. John's College Auxiliary and she was an active worker in the Girl Scouts, Army Relief, British War Relief, and many other civic and philanthropic organizations. She was on the board of directors of the Brooklyn Chapter of the American Red Cross, and was a trustee of the Brooklyn Museum and the Brooklyn Institute of Arts and Sciences. She belonged to the Cosmopolitan and Women's City Clubs.

For her outstanding contributions to the religious and civic affairs of Brooklyn, Mrs. Good was the recipient of many awards and honors. Among them were the medal pro ecclesia et pontifice bestowed by Pope Pius XII; the gold medal of the Downtown Brooklyn Association, and the medal of the Women's International Exposition.

Alice Campbell Good was indeed an excellent example of unselfish devotion to our community, State and Nation. Her many accomplishments in the interest of Brooklyn are a lasting tribute to her generous character and loyal spirit.

To her daughter, Mrs. Gerard S. Smith, and to her son, F. Campbell Good, I extend my deepest sympathy.

Mr. KEOGH. Mr. Speaker, all of Brooklyn has been saddened by the death of Mrs. William H. Good, Democratic national committeewoman from Brooklyn and a leader in the political and civic life of the community. The daughter of Felix Campbell, who represented Brooklyn in the Congress early in the century, she served as a national committeewoman from New York State since 1936 and had been a member of the State Electoral College since 1933. During all of her life she was active in the charitable and civic organizations of her community and in 1945 was awarded the gold medal of the Downtown Brooklyn Association for her civic work. In 1952 she won the medal of the Women's International Exposition and 2 years ago was awarded a medal by Pope Pius XII. Mrs. Good was a lovely, gracious lady and many will remember her best for the dignity with which she presided at the historic election eve rallies which have been held for so many years at the Brooklyn Academy of Music. A devoted and loyal spirit has left us and will be greatly missed by all who were privileged to know this gallant lady.

SUMMARY OF FTC ANTITRUST COMPLAINTS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, for almost 3 years now the country has been bombarded with propaganda about what a wonderful and vigorous job the Federal Trade Commission has been doing to enforce the antitrust laws. We have been told that under the present administration, the FTC has been reorganized and revitalized and has been doing its job with such wondrous vigor and efficiency as could hardly have been dreamed of under the previous Democratic administration. By way of proof for these claims, we have been offered numbers. Thus the number of suits started—or the number of new complaints charging law violation—has been compared with the number of complaints issued under the previous administration to prove that antitrust enforcement under the present administration is bigger and better than ever before. What this boils down to is a bigger and better "numbers game" than we ever had before.

	33 months under Republicans	33 months under Democrats
Number of complaints	59	56
Number of companies charged	60	66
Average assets of companies charged	$32,500,000	$256,200,000

It has been obvious to any thoughtful victim of this propaganda that mere numbers of complaints issued is in no way a guide to either the quantity or the

quality of antitrust enforcement. Your Small Business Committee has, however, surveyed the antitrust complaints issued by FTC over the past 5½ years, and we have some facts which I think will interest the Members.

In collecting these facts we looked into a charge that the Small Business Committee frequently hears, which is that since the FTC was reorganized by Mr. Howrey, that the guardian of the public interest has trained its antitrust guns on small business.

The antitrust law which the Federal Trade Commission is charged with enforcing is the Clayton Antitrust Act, as amended by the Robinson-Patman Act. This act deals with monopolistic mergers, with monopolistic price discriminations and with foreclosure of markets through exclusive dealing contracts and tie-in sales agreements.

Here then are the facts: In the last 33 months—since Mr. Howrey was appointed to the chairmanship of the Federal Trade Commission on April 1, 1953, up until December 31, 1955—the FTC issued 59 new complaints charging violations of the Clayton Antitrust Act. In the 33 months immediately preceding, while the Federal Trade Commission was under the chairmanship of Senator Mead, a distinguished colleague of ours, the Federal Trade Commission issued 56 complaints charging violations of the Clayton Act. In other words, the new Commission issued three more complaints than the old Commission, in the same number of months.

In some instances a single complaint charged more than one company with violating the Clayton Act. In the past 33 months the FTC charged 60 companies with violating that act. In the previous 33 months under Senator Mead, the FTC charged 66 companies with violating that act. So there you have your numbers game. If the number of companies charged with violating the antitrust law were any index either as to quantity or quality of antitrust enforcement, then we could say that in 33 months under Chairman Mead, the FTC performed 10 percent more antitrust enforcement than it has performed in the 33 months just passed. But, of course, mere numbers of companies charged with violating the law do not mean any such thing.

But I come now to a comparison which does mean something.

During the 33 months under Senator Mead, the companies charged by the FTC with violating the Clayton Act were, on the average, approximately eight times as big as the companies charged with such law violations during the 33 months since the FTC was reorganized by Mr. Howrey. The average assets of the companies charged in Senator Mead's period were $256.2 million. This average for the past 33 months has dropped to $32.5 million.

In short, the antitrust weapon which Congress put in the hands of the FTC was used during the previous administration to hunt monopoly elephants, but during the present administration, it has been used to hunt monopoly rabbits.

I do not suggest that small business should be immune from antitrust prosecutions. On the other hand, we cannot avoid the observation that the acts and practices dealt with under the Clayton Act are not, for the most part, illegal per se. The effects of these acts and practices, and the substantiality of these effects, are the tests of illegality plainly specified in the law. We would normally expect, therefore, that the bad practices of a giant corporation have a clearer and more substantial impact upon the competitive system, and upon the public interest, than have the same practices engaged in by a small firm.

If this suggests different treatment under the law, it is because the great and the small have different effects upon the public interest. Indeed, the acts and practices dealt with in the Clayton Act, as amended by the Robinson-Patman Act, would not be matters of public concern under a more competitive structure of business; and in point of historical fact, legislation on these acts and practices became necessary only after, and only because, a number of industries came to be dominated by monopolistic or quasi-monopolistic firms. Yet the giant corporations occupying these dominant positions are those which appear to have become immune to antitrust prosecutions by the new Federal Trade Commission, in its search for smaller game.

The smallest company charged with violating the Clayton Act during the entire 5½-year period is a tiny company whose total assets are only $16,000. This company was made the subject of a complaint during the chairmanship of Mr. Howrey, which complaint charges that company with antitrust law violation in connection with the sale of citrus fruits. The company in question has reported to your Small Business Committee that its total income from the sale of citrus fruits in the year 1954 was only $460.

I know nothing of the merits of the suit against this tiny company, and I do not mean to prejudge the issue. I do have great difficulty, however, in reconciling the fact that while this tiny company is charged with violating the Robinson-Patman Act there have been at the same time hundreds and hundreds of complaints from small-business men about the price discrimination engaged in by several multi-billion-dollar corporations, and the Federal Trade Commission has been utterly unable to see any violation of the Robinson-Patman Act in these discriminations.

I also have great difficulty in reconciling the FTC's complaint against this tiny company when at the same time, the FTC has watched the ballooning of the greatest wave of corporate mergers and consolidations in history, without hardly batting an eye. According to FTC's own reports there had been, at the end of last year, some 522 mergers by corporations having individual assets in excess of $50 million. In all of the thousands of corporate mergers and consolidations which have taken place since the new antimerger law was passed, the FTC has issued only five complaints, and has not as yet actually stopped or unscrambled a single merger.

This is a serious matter. It cuts much deeper than the simple issue of false and misleading propaganda. When the Federal Trade Commission was reorganized by the Hoover Commission Reorganization Plan, its independence and bipartisan nature was destroyed and its antitrust enforcement brought under control of the White House. The result is that while the Federal Trade Commission hunts small game, thousands of small businesses are being squeezed out and destroyed by the monopolistic practices of certain big businesses, and these the FTC refuses to prosecute.

I hope that Congress will act during this session to return the Federal Trade Commission to the status of a bipartisan Commission, and as an arm of Congress.

INTERFERENCE OF FEDERAL GOVERNMENT IN ADMINISTRATION OF STATE CRIMINAL LAWS

The SPEAKER. Under previous order of the House, the gentleman from Georgia [Mr. LANHAM] is recognized for 40 minutes.

Mr. LANHAM. Mr. Speaker, during the 9 years that I have had the privilege of serving in this House I think I have established a reputation for moderation. After the recent Supreme Court decision on segregation I did not abuse that Court although I knew the decision was unsound and that it was based upon the sociological thinking of the members of that Court instead of upon the law and the Constitution. But, as I say, I did not abuse the Court for that decision. Frankly, I believed that the less said the better, so that our local school officials could go steadily on their ways maintaining the present segregated schools. Raving and ranting served only to stir the NAACP and other such groups to take action in the courts.

It is true that decision was purely an assumption of the legislative authority of the Congress. At a later date I shall have something to say about that because that is one of the dangerous trends of our time. In that decision the Court decided not what the law is, for they overturned a decision that had been standing for 75 years, but they decided the law as they thought it ought to be. As that great old judge of the circuit court of appeals, Samuel Sibley, now retired, wrote me recently, "that is legislation by whomever it is done and by whatever court."

However, I do not rise today to say anything about that decision. I rise to speak about an even more serious situation than that brought about by the decision referred to, which was wholly uncalled for, wholly without precedent to sustain it, and has wrought havoc for the colored people as well as the white people of the South. I want to call your attention to another matter, even more serious in its implications.

Mr. Speaker, in October 1953, Amos Reece, a Negro felon serving in the Georgia penitentiary on two counts of assault with intent to rape and on two counts of robbery, was assigned to the Cobb County public works camp. While

assigned to the duty of operating a road patrol or scrape, he went to the home of a young mother and housewife. He appealed to her for a glass of water and when she opened the door to hand him the glass, he grabbed her, dragged her into the living room and raped her in the presence of her young baby. Later he voluntarily confessed to the crime. The court appointed two able lawyers to represent him and he was given a fair trial. The jury found him guilty without recommendation and he was sentenced to death by electrocution.

After his conviction and after the court-appointed attorneys had entered an appeal, the National Association for the Advancement of Colored People retained Dan Duke, an attorney of Atlanta, Ga., who had represented them in other matters, to take over the appeal. Thereupon, the local counsel were dismissed. The Georgia Supreme Court in a decision reported in Two Hundred and Tenth Georgia Reports, page 578, reversed the trial court on a technical slip in charging on the question of insanity. The court in reversing the case, however, stated "the evidence was amply sufficient to authorize the verdict."

On June 22, 1954, the defendant was again tried, this time represented by the same Dan Duke. Reece again was found guilty without recommendation and the conviction was affirmed by the Supreme Court of Georgia in a decision reported in Two Hundred and Eleventh Georgia Reports, page 339.

The Supreme Court of the United States granted a writ of certiorari and reversed the Georgia Supreme Court in its affirmance of the conviction upon the ground that the judge of the Cobb superior court had not appointed counsel for the accused until after he had been indicted by the grand jury. It was suggested in the decision also that he might have been denied a fair trial in the absence of proof that there were Negroes on the panel which tried him.

I bring this matter to the attention of the Congress not because the United States Supreme Court reversed the Supreme Court of the State of Georgia on such flimsy grounds although any lawyer will readily see that to require a court to appoint counsel for all who may be indicted by a grand jury before such indictment is found is an absurd requirement. In no State of the Union, I believe, is there any such requirement. Until an indictment is found, there is no need for counsel since neither the person accused of the crime nor his attorney can appear before the grand jury. What I am bringing to your attention is the wholly unwarranted action of the Department of Justice in requesting the Federal Bureau of Investigation to make an investigation of the administration of the criminal laws by the duly elected and qualified officials of the State of Georgia. One Warren Olney III, acting under directions from Herbert Brownell, the Attorney General of the United States, directed that such an investigation be made without citing any authority for such investigation. The same was wholly unwarranted and a flagrant invasion of the right of a sovereign State to enforce its own criminal laws. The representatives of the FBI stated that they were to investigate the matter of the selection of jurors used by the officials of the Superior Court of Cobb County, Ga. The clerk of the superior court, the jury commissioners, and the solicitor general readily cooperated because they had nothing to hide in this respect but all of them deeply resented the unwarranted interference with the discharge of their duties by the Attorney General, Mr. Brownell, the third Olney, and representatives of the FBI though the latter, of course, were only discharging their duties as directed by Olney and Brownell. Incidentally, reporters for the Atlanta Constitution, one of the South's oldest and most reliable newspapers have reported that both the third Olney and Brownell refused to discuss the matter with them or say under what authority they were proceeding.

But the investigators went far beyond their inquiry as to how jurors were selected and whether or not there were Negroes on the list from which grand jurors and petit jurors were drawn. In an apparent effort to intimidate, they inquired of the solicitor general, the Honorable Luther Hames, Jr., an able, conscientious, fairminded and courageous public servant, whether or not he intended to again prosecute Amos Reece. There seemed to be a veiled suggestion in this question that it would be wiser if the solicitor general did not prosecute again. The judge of the superior court of Cobb County, the Honorable Jim Manning, a kindly, intelligent, and courageous man, refused to discuss the case with the nosy investigators because, as he stated to them, he feared he would be disqualified in any subsequent trial of the Negro, Reece.

Under the Georgia law relative to the selection of jurors, the names in the jury box are selected from the county tax lists and no discrimination is made in such selection because of race or previous condition of servitude. The solicitor general pointed out that 2 Negroes had served on the grand jury for October 1955, that 1 was called for service at the December term and at his request moved up for service on the February 1956 grand jury. The solicitor general pointed out also that 4 Negroes at the December term had served on the petit jury and that each of them was empaneled in cases tried at that term and that 1 jury had 3 Negroes on it. He explained also that on one occasion a Negro had been chosen as foreman of a petit jury.

The solicitor general who prosecuted Reece has pointed out that there are serious implications in the investigation. He says:

1. It can be used as a threat of prosecution in a civil-liberties action against local court officials.

2. That it came at a time when the local court was preparing further action in the case and was apparently initiated at a time when it was felt the court might be embarrassed in some manner by the investigation and deterred from taking further action in the case.

3. That they may attempt to use the information obtained as a matter of defense when the case is retried.

4. That there has been no race hatred or violence threatened at any time during the previous trial as the serious and dastardly nature of the crime was recognized by everybody in the community.

5. That it is a most serious violation of the right of the State to proceed in its own courts to punish criminal offenses against its own laws.

6. That this unwarranted interference is in the nature of a gestapo proceeding and that the police state operated out of Washington by political-minded officials is already in existence and freedom of action on the part of State officials is gone.

I rise today to express my indignation and to protest this unwarranted action on the part of the Attorney General acting through this man, Olney the Third, and the FBI. How deeply into politics is the Attorney General willing to drag the FBI, which has until Mr. Brownell became Attorney General been operated in a manner to win the approval of all the law-abiding citizens of America? It was not long after the present Attorney General took over that he began to prostitute the Federal Bureau of Investigation to political ends. I was distressed when the Director of the FBI, Mr. J. Edgar Hoover, bowed his neck to his political master, the Attorney General, and testified in the matter of Harry Dexter White, a man long dead, for the sole purpose of trying to besmirch the character of an ex-President of the United States and to make it appear that that great American and courageous man who had served in the United States Army with distinction was soft on Communists. Had Mr. Hoover had the courage to defy the edict of the Attorney General that he testify in this case, he would have stood in no danger of losing his job because his action in trying to maintain the high standards and political impartiality of his organization would have won such universal approval that Mr. Brownell would not have dared discharge him. Having bowed to the dictates of the Attorney General and having permitted his organization to be dragged into this political investigation, he has inevitably lowered the standing of the one organization that has stood between the people of the United States and the Communist conspiracy. If he continues to permit this organization to be used for political ends as is the case in the present investigation in Cobb County, he will inevitably destroy this great organization. The Attorney General must take a major portion of the blame for this prostitution and weakening of the organization which has, in the past, enjoyed the highest confidence of the people of America. But this confidence and respect cannot be expected to continue if the organization is to be used for political purposes and to try to garner the vote of the NAACP and its followers by interfering with the courts of a sovereign State in the administration of justice.

There are other serious implications and I warn the NAACP now and those who do its bidding, that if it continues its frantic and insane efforts to wipe out all racial lines in the South in the hope of seeing the blood of the two races mingled in a mongrel race, it will see the blood of the two races mixed, but not in

future generations, but rather in the gutters and streams of our land.

Your speaker has never been a member of the Ku Klux Klan; and the law-abiding and right-thinking citizens of my State and the Southland as a whole, have condemned such organizations and have succeeded in driving them out of existence and in putting an end to lynchings in the South. But if those who pose as the friend of the Negroes continue to try to interfere with the orderly process of the courts of the State in their efforts to protect the women of the South from the beasts who attack them, the white men of the South and even the good Negroes in the South will respond in a manner that will be surprising to the NAACP. If we cannot protect through the courts, because of interference by the Federal Government, our southern womanhood from the rapists, and if we cannot protect our citizens from the comparatively few Negro criminals, I will join with all the good people of my State and the Southland in finding a way to protect them. Again this is not a threat but a warning. The State of Georgia does not intend to submit passively to interference on the part of the Federal Government with the administration of its criminal laws. And those of you who are not from the South had best take warning that if it can happen to us in the South, it can happen to you, if a politically minded Department of Justice thinks it will promote its political welfare.

In conclusion, Mr. Speaker, I am proud of the State of Georgia's system of courts and its administration of justice. There has never been any real challenge to its fairness. I have been a solicitor general for 6 years myself. I was a prosecuting attorney when I was elected to this House. I know that the rights of the colored race are protected.

I have seen juries take the evidence of a Negro against a white man. I have seen them find a white man guilty of assault upon a Negro.

I heard one old colored man tell most graphically about how a white man had plunged a knife into him, and he described how that thing was twisted in his chest. The white man thought he had killed him and left him for dead. The jury convicted that white man, as it should have done.

In Georgia the rights of the defendant are really protected. Of course the defendant has two strikes for every one the prosecuting attorney has in striking a jury. In addition, he can make an unsworn statement on the stand and cannot be cross-examined, and the judge has to charge the jury that they may believe that unsworn statement in preference to the sworn testimony.

I, on one occasion, saw a colored man on trial for shooting at another. He was just as guilty as could be, but he made such an appeal to the jury, making a much better speech to the jury than his lawyer made, that they acquitted him. They took his unsworn statement because they were intrigued by his humor and his ability to express himself.

So, as I say, I am proud of the record of the State of Georgia in its administration of justice.

Mr. FLYNT. Mr. Speaker, will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Georgia.

Mr. FLYNT. Like my colleague from Georgia [Mr. LANHAM] and also my colleague from Georgia [Mr. FORRESTER], before being elected to the House of Representatives of the United States I served as a solicitor general of the State of Georgia. In fact 8 of the 10 Members of the House of Representatives from Georgia have served either as superior court judge, superior court solicitor general or as a member of the bar and as an officer of the courts of Georgia. I commend my colleague the gentleman from Georgia [Mr. LANHAM] for bringing the attention of this body to the unwarranted and unprecedented action by the United States Department of Justice, which he has so well and so ably referred to in his remarks.

Mr. Speaker, I support the position which has just been taken by my colleague, the gentleman from Georgia [Mr. LANHAM]. The Justice Department of the United States, by and at the direction of the Attorney General, Mr. Brownell, and an Assistant Attorney General, Mr. Olney, has brought about an action, referred to in detail by my colleague, the gentleman from Georgia [Mr. LANHAM], which is a direct invasion of the sovereignty of the State of Georgia and which is an affront and an insult to our system of jurisprudence, and a personal insult to the distinguished judge—Hon. James T. Manning— and solicitor general—Hon. Luther C. Hames, Jr.—of the superior court of Cobb County, Ga., both of whom I know well and for whom I have the very highest admiration and regard.

Recently, the Supreme Court of Georgia in the case of *Amos Reece* v. *The State* (211 Ga. 339) affirmed a death sentence imposed by a jury in the superior court of Cobb County. Upon writ of certiorari to the United States Supreme Court, this latter Court in an unprecedented procedure went wholly outside the record and transcript of the case and found imaginary procedural errors, not real errors which in fact existed and were shown to exist by the certified record in the case but imaginary errors which were conceived and born in the fragmentary imagination of one or more of the Justices. In that opinion of the United States Supreme Court, the Court said that an error might have been committed when such an allegation did not appear in the statement of the case nor in the assignments of error—and they could not have so appeared because they did not so exist.

Among other things the laws of the State of Georgia, on the question of jury selection, provide as follows:

59–101. (813 P. C.) Jury commissioners; appointment; number; qualifications; terms; removal: In each county there shall be a board of jury commissioners, composed of six discreet persons, who are not practicing attorneys at law nor county officers, who shall hold their appointment for 6 years, and who shall be appointed by the judge of the superior court. On the first appointment two shall be appointed for 2 years, 2 for 4 years, and 2 for 6 years, and their successors shall be appointed for 6 years. The judge shall have the right to remove said commissioners at any time, in his discretion, for cause, and appoint a successor. (Acts 1878–9, p. 27; 1887, p. 52; 1901, p. 43.)

59–103. (815 P. C.) Same; oath, entry on minutes of court of ordinary: Jury commissioners, before entering on the discharge of their duties, shall take and subscribe before the ordinary of their respective counties, the following oath which shall be entered on the minutes of the court of ordinary, viz: "You shall faithfully and impartially discharge the duty of jury commissioners for the county of ——— in accordance with the constitution of this State, to the best of your skill and knowledge; and the deliberations and counsel of the jury commissioners, while in the discharge of their duties, you shall forever keep secret and inviolate unless called upon to give evidence thereof in some court of justice of other legal tribunal of this State. So help you God." (Acts 1832–3, p. 101.)

59–104. (817 P. C.) Same; clerk of superior court as clerk of the board; oath, duties: The clerk of the superior court shall be the clerk of the board of commissioners, and shall perform all the clerical duties required by law. Before entering upon the performance of his duties as clerk of said board he shall take an oath, before the ordinary, to faithfully discharge his duties as required by law, and that he will never divulge, any of the proceedings and deliberations of the jury commissioners, unless compelled to testify thereof in some court in this State. (Acts 1878–9, p. 28; 1882–3, p. 101.)

59–201. (811 P. C.) Qualifications of grand jurors; incompetency of certain public officers to serve: All citizens of this State, above the age of 21 years, being neither idiots, lunatics, nor insane, who have resided in the county for six months preceding the time of serving, and who are the most experienced, intelligent, and upright persons, are qualified and liable to serve as grand jurors, unless exempted by law: *Provided, however,* That county commissioners, tax receivers, tax collectors, members of the county board of education, county school commissioners, ordinaries, and county treasurers shall be incompetent to serve as grand jurors during their respective terms of office. (Constitution, art. VI, sec. XVIII, par. II (sec. 2–4502), Acts 1887, p. 53.)

59–202. (812 P. C.) Number of grand jurors: A grand jury shall consist of not less than 18 nor more than 23 persons. (Cobb, 547. Acts 1869, p. 140.)

59–701. (856 P. C.) How drawn and summoned: Petit juries shall be selected, and their names placed in a box, as provided in sections 59–106 and 59–108. At the same time, and in the same manner, that grand juries are drawn, the judge of the superior court shall draw out of the same compartment of the jury box 36 names to serve as petit jurors for the trial of civil and criminal cases; and such petit jurors shall be summoned in the same manner as is provided in section 59–206 for summoning grand jurors. (Acts 1869, pp. 139, 140; 1878–9, p. 27.)

59–703. (857 P. C.) Panels, how made; procedure where parties do not agree on panel; striking jurors: The judges of the superior courts, at each term, shall, from the petit jurors, have made up 2 panels of 12 jurors each, which shall be known and distinguished as panels "number one" and "number two"; all cases in said courts shall be tried by one or the other of said panels if the parties shall agree upon a panel. If the parties shall not agree upon a panel, the clerk shall furnish the parties or their attorneys a list of both panels, from which the parties of their attorneys may strike alternately until there shall be but 12 left, which shall constitute the jury to try the case. In all cases the plaintiff shall have the first strike. (Acts 1869, p. 141.)

59–704. (858 P. C.) Parties entitled to full panels; filling panel with tales jurors: In civil cases and cases of misdemeanors in the superior court, each party may demand a full panel of 24 competent and impartial jurors from which to strike a jury, and when one or more of the regular panel of traverse jurors shall be absent or for any reason disqualified, the presiding judge, at the request of counsel for either party, shall cause the panel to be filled by tales jurors to the number of 24, before requiring the parties, or their counsel, to strike a jury. (Acts 1878–9, p. 145.)

59–706. (860 P. C.) Oath of panels of jury: Each panel of the petit jury shall take the following oath: "You shall well and truly try each cause submitted to you during the present term, and a true verdict give, according to the law as given you in charge, and the opinion you entertain of the evidence produced to you, to the best of your skill and knowledge, without favor or affection to either party, provided you are not discharged from the consideration of the case submitted. So help you God." (Acts 1869, p. 141.)

I regret to lengthen the record and belabor you who might be listening with an enumeration of these code sections, but I want them made a part of the record at this time so that anyone interested might know the statutory requirements and procedures which are provided for and followed in the courts of my State.

We are proud of our courts and the constitutional and statute provisions and system of jurisprudence under which the courts of Georgia are operated. I have practiced considerably in the courts of Georgia, other States, and in the district courts, circuit court of appeals, and Supreme Court of the United States since 1938, and I might add that I was quite active in both office and courtroom practice until my election to Congress—excepting, of course, the time I served in the Armed Forces of our country, and even then I performed my full share of duty as trial judge advocate, trial counsel, defense counsel, and member of many general and special courts-martial; and I believe that I am qualified to compare Georgia courts with not a few but with many others.

Of all the courts in which I have practiced, and all the others which I have seen in operation, there is none which more zealously protects and defends the rights of the accused and—and I emphasize—the rights of the victims, too, than do the courts of the State of Georgia, without fear of favor, and without regard to the race, creed, or color of either the accused or the victims.

I am devotedly proud of my State and its people, and I am equally proud and jealous of the courts of my State and our system of law and jurisprudence. They need no defense from me or anyone else, but I would be derelict in my duty as an American citizen, a Georgia citizen, and a Member of Congress from Georgia, if I did not here and now openly and without apology denounce the unprecedented arrogation of powers unto themselves by the Supreme Court of the United States in its recent decision in the Reece case and by the Department of Justice in its unwarranted encroachment upon the prerogatives and duties of the superior court of my State.

I denounce these actions, and I condemn them as usurpations of power by the Federal judiciary and Federal Justice Department which are more reminiscent of Germany under Hitler and Russia of today than they are of orderly procedure under the constitutional Government of the United States of America.

Mr. Speaker, I call upon you and upon every Member of this House to solemnly consider the full impact of what has happened in this case. If the Supreme Court and the Justice Department of the United States can drive a wedge into the court system of the State of Georgia, not on facts which really exist but upon pure figments of the imaginations in the minds of utopian dreamers, and thereby weaken or seek to destroy the judicial and court system and rules of law and procedure of our State to any degree, however small, and go unchallenged by us, then the next step by arrogant, power-mad groups, will be to seek to break down and destroy every last and remaining vestige of local self-government and local self-determination.

Never send to know for whom the bell tolls, it tolls for you.

Mr. FORRESTER. Mr. Speaker, will the gentleman yield?

Mr. LANHAM. I yield.

Mr. FORRESTER. Mr. Speaker, I wish every Member of the House of Representatives were here on this occasion—particularly do I regret that not more of the lawyer Members of this body, of whom there are so many, are not present at this time. I believe the Members of the House know the gentleman from Georgia [Mr. LANHAM] and I believe every one of them will agree that he is as even-tempered a man as there is in this distinguished body. Before coming to the Congress that gentleman was a prosecuting attorney in the State of Georgia, and, I believe, in fact, I know, Mr. Speaker, that he represents and typifies our courts in the State of Georgia. As a matter of fact, Mr. Speaker, I would like to put our Georgia delegation on trial before the bar of judgment of the Members of this House, and let the House say whether we are even-tempered and fair. Actually, when you see the Georgia delegation, what you are really seeing is a delegation which composed the courts of Georgia before coming to Congress. I was a prosecuting attorney for 27 years. The gentleman from Georgia [Mr. FLYNT] is also a veteran prosecuting officer. The gentleman, Mr. DAVIS is a veteran jurist, in fact, the Georgia delegation are almost all veteran lawyers. I gladly put each one of us on trial and ask all of them—at any time did we deny any prisoner before the bar his constitutional rights? Did we ever fail to give any defendant a fair trial? I throw that out to the entire NAACP and the Anti-Defamation League and the other busybodies and people who are engaged in destroying law and order in the United States of America. Mr. Speaker, this is one of the saddest days that has ever occurred since this country came into being because we now have the unfortunate situation where the Justice Department of the United States has become particeps criminis in an attempt to destroy all of our landmarks and all of our law and all of our order. I say that because of the fact I was a prosecuting attorney for 27 years and I make the charge and I dare them to deny it—the only purpose they could possibly have in interfering with our Georgia jury system is either to prejudice the case now pending before the court, and I say shame—shame, for never can they make the charge or point their finger at any prosecuting attorney or judge in the State of Georgia and say that that has ever occurred. We do not prejudice cases by conduct. Disgraceful—yes, disgraceful. If the attorneys for the Justice Department were running for office in our State, the people of Georgia would spew them out of their mouths—they would never win a single election. The only purpose they could possibly have in interfering here, is, as I have said, either to prejudice the case that is now pending before the courts or to free a confessed rapist who was already in the penitentiary for two other sexual offenses. There is no doubt about his guilt. It is only the appeasing of people in this country who have no interest whatsoever in the preservation of this country, and are concerned only with their selfish ends.

I think all of our Members from Georgia can maintain their equilibrium, and we are deserving of the support and assistance of all Members of this Congress. They should join with us and say to the Department of Justice, say even to the Supreme Court, "We simply will not tolerate a decision holding that a person must be granted a new trial because he had no attorney furnished him before the indictment."

Mr. Speaker, after 30 years in the practice of the law, I know it was not uncommon for defendants not to have an attorney until after they were indicted. If there was no indictment they hired no attorney. It is in contrast with the law, in contrast with order, and in contrast to public decency; and shame, shame it is how low the Supreme Court of the United States and the Department of Justice has fallen.

I love the law as a mother loves her first born. It was good to me, and I get down in sackcloth and ashes because I see a movement today that will destroy our courts, the only medium where the vicious and the meek can come together on equal terms—a sad thing, deplorable day in America.

Yes, I say to the gentleman from Georgia, we hope we can maintain our courts, and other States can maintain theirs. But—if rape is no longer a serious consequence to the Justice Department, and its concern is only to kowtow to groups having no regard for law and decency, we will not take it lying down.

Mr. DAVIS of Georgia. Mr. Speaker, will the gentleman yield?

Mr. LANHAM. I yield to my colleague.

Mr. DAVIS of Georgia. Mr. Speaker, I want to compliment the gentleman from Georgia [Mr. LANHAM] upon the manner in which he has presented the almost unbelievable set of facts which he has just called to the attention of the

House. This is just one more in a series of events which demonstrates beyond question that there are some people who still hate the South.

I remind the gentleman that some 3 years ago a case arose in Pennsylvania involving another Negro who had escaped from the penitentiary in the county where this prosecution occurred, Cobb County, Ga. In that particular instance there was no race question involved insofar as an offense being committed by a member of one race against a member of another race. In that case a Negro man had murdered his common-law wife and did not deny his guilt. He had come into court confessing his guilt, but under the procedure prevailing in the State of Georgia he had entered a plea of "not guilty," because the solicitor general and the judge had only one means of giving him a sentence of life imprisonment for the offense of murder. In the State of Georgia, if there is no recommendation for mercy, it is mandatory upon the judge to impose a sentence of death by electrocution. In that case they permitted the defendant to enter his plea of "not guilty," and the jury returned a verdict upon the facts, finding him guilty, with a recommendation for mercy. He was sentenced, and there was nothing irregular whatsoever about the trial. He went to the penitentiary to serve his sentence and he escaped and fled to Pennsylvania. In Pennsylvania he was apprehended, and the State courts of Pennsylvania, both the trial court and the superior court denied his application for habeas corpus, holding that he would have to return to Georgia to serve his sentence. He then filed a petition in the United States district court, and the trial judge in that court likewise held that there was no substance to his plea and that he must return to Georgia to serve his sentence under this valid court procedure. But it got up to the third circuit court of appeals, and one Judge Biggs wrote one of the most astounding, outrageous opinions which I have ever heard, holding that the State of Georgia was known to be so cruel to its prisoners that anyone who escaped was entitled to remain free. He handed down a decision holding that this defendant should be freed.

When that outrageous, unheard of, unspeakable decision was rendered in circuit court of appeals by this Judge Biggs I made a speech on the floor of this House on May 20, 1949, pointing out that such decision would become no precedent, because no court worthy of the name would ever have rendered it, and no court worthy of the name would ever follow it. The case went to the Supreme Court, and the Supreme Court reversed it and sent the defendant back to Georgia to serve his sentence.

This is simply one more instance to show that there is a concerted effort, particularly on the part of this Department of Justice to which the gentleman points eloquently, to ignore the law, to pander at any time and all times to this radical organization, the National Association for the Advancement of Colored People, many of whose officers have been shown time and time again to have been members of Communist-front or other subversive organizations. It is simply an attempt by cheap politicians to pander to that group and those whom it represents in the effort to secure votes. I do not think they would be successful—and that is one thing which makes it all the more disgraceful, as they go to such lengths to pander to these vocal minority pressure groups purely for political purposes.

Mr. Speaker, the South today is facing its second reconstruction period. The Supreme Court with its fraudulent attempts to usurp legislative powers and the White House with its dictatorial Executive orders are teaming up to destroy States' rights and local self-government. This is another instance of the use of that power.

We were successful in preserving our constitutional rights in the first reconstruction period; they are in the balance again. This instance which the gentleman has just given to us here in the House emphasizes the need for the people who believe in States' rights and local self-government to shake off lethargy and indifference to these attempts to destroy States' rights and local self-government, and to organize strongly, to organize closely, to defeat such attempts as this on the part of would-be Federal dictators to go into our States and our counties under such a fraudulent, disgraceful excuse as has been used in this case and to interfere with the orderly processes of our courts and the administration of justice.

I compliment the gentleman on bringing this matter to the attention of the House and the country, and I join him in the protest which he is making.

Mr. LANHAM. I thank the gentleman from Georgia for his contribution.

Mr. Speaker, I yield back the balance of my time.

SPECIAL ORDER GRANTED

Mr. BURLESON asked and was given permission to address the House for 5 minutes today, following the other special orders.

UNWARRANTED INTERFERENCE IN STATE AFFAIRS

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from Georgia [Mr. BROWN] is recognized for 10 minutes.

Mr. BROWN of Georgia. Mr. Speaker, I want to congratulate the gentleman from Georgia [Mr. LANHAM] for his presentation of the matter which he has just spoken of.

The Atlanta Constitution has revealed in its January 3, 1956, issue that Mr. J. K. Mumford, special agent in charge of the Atlanta office of the FBI, has admitted that he is conducting an investigation of the methods of selecting jurors in a State court in Georgia under orders from the Department of Justice in Washington.

This unwarranted interference in State affairs is a reflection on every official and every citizen of the State of Georgia.

The exact statement of the FBI agent is that "Warren Olney III, Assistant United States Attorney General, ordered us to investigate all the facts surrounding the choosing of the jurors in Cobb County and we are carrying out his orders."

What purpose does the United States Department of Justice seek to serve in interfering with the legal processes and usurping the rights of the people of the State of Georgia? Never before has there been such interference in State affairs by an executive department of the Federal Government.

Are our local citizens to be allowed to live under their own State constitutions, to pass their own laws, to worship according to their own conscience, to educate their families, and to provide for an orderly community life by protecting the innocent against the violators of the laws?

Are we to profit nothing from the abuse of the police powers by the totalitarian governments, with the resulting enslavement of so much of the world population through their abuse of the police powers?

As a practicing attorney, I was closely associated with the State courts for many years. I had thought that our system of justice had worked well. I have always been proud of our jury system and of our courts in Georgia, which is not unlike the courts of the various States of my colleagues. It is a great public contribution when men leave their jobs and businesses to assume the obligation of public service through jury duty. There is no greater opportunity for community service, and no greater contribution to the preservation of law and order.

Our judges and lawyers have made great contributions to our judicial system, and I can think of no group of citizens who have devoted more of their time without compensation than our lawyers in order that every individual who appears before the bar of justice is adequately represented. There is no distinction between the persons who have appointed counsel. Every citizen is entitled to and receives legal representation without regard to his financial standing or ability to pay.

A court appointed jury commission makes up a list of jurors every 2 years from lists of taxpayers, some of which are put into the petit jury box and some of which are put into the grand jury box. Under this system, which is in accordance with the constitution and the laws of the State of Georgia, everyone who is brought to trial has the benefit of a fair and impartial jury. Those who live in Georgia know this to be true, and it is only through outside interference that any question of jury selection would arise in Georgia.

This incident should cause the Congress to once again reexamine the encroachment of the Federal Government into State affairs through judicial processes and by other means. Through heavy taxation by the Federal Government, leaving small sources of revenue to the States, the Federal Government is being placed in a position to restrict the States in the performance of functions which can best be performed at the local level.

Let us not forget that the Founding Fathers believed not only in a balance of powers between different branches of

the Federal Government, but also believed in a restriction on the abuse of Federal power through the exercise of certain governmental functions by the various States.

I happen to believe that local citizens in my State and every other State are quite capable of conducting their own local self government, and I further believe that the State courts should forever remain as a part of local government, and free of Federal control, as the best means of insuring that these courts mete out justice.

This would be an excellent time for our Federal courts to return to the practice of rendering judicial decisions, for our Federal courts to again follow judicial precedent in rendering decisions, and for our Federal courts to confine their activities to judicial decisions and leave to Congress the business of writing legislation, and to stop rendering sociological decisions as was done by the Supreme Court in the Segregation case. This would also be an excellent time for the Department of Justice to confine its activities to those functions which properly belong to the executive branch of the Federal Government, and to stop interfering with the judicial processes of the States. This interference in Georgia today, if allowed to continue will not be confined to any State or any section.

THE SOUTH'S CASE FOR SEGREGATION

The SPEAKER pro tempore. Under previous order of the House, the gentleman from South Carolina [Mr. RIVERS] is recognized for 20 minutes.

Mr. RIVERS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. RIVERS. Mr. Speaker, some of the facts about desegregation—about integration, call it what you please—are just starting to come out. Until rather recently, the issue of desegregation, the issue of the Supreme Court of the United States living the daily lives of the people of our Southern States, has not been dealt with justly by the Nation's daily newspapers and by our news magazines. Only one side of this picture has been presented, with the Southern States of our land portrayed as the Simon Legrees of a modern era, a picture completely out of line, completely out of focus with the facts.

Today, Mr. Speaker, I wish to commend to the attention of all the Members of the Congress of the United States the great article entitled "The Southern Case Against Desegregation," written by Mr. Thomas R. Waring, editor of the Charleston News and Courier, and printed in the January issue of Harper's magazine.

The News and Courier is one of the oldest and greatest newspapers of our land, certainly one of the most forthright and plain spoken, certainly one of the last outposts of free journalism in an era when some of our publications print only their own viewpoint or the news as it fits in with their viewpoint.

The News and Courier is printed daily in my home city of Charleston, S. C., and it consistently every day, every week, prints the news and states the facts regardless of the consequences. In its forthrightness, this newspaper and Mr. Waring in particular, as its editor, consistently backs up the factual efforts of its reporters. In short, the courage of the News and Courier runs deep and it runs consistently and reporters who bring in the facts and whose facts are printed have the assurance the boss will never let them down.

Now we have before us another example of the forthrightness of this famous old daily newspaper, in the form of Mr. Waring's article in Harper's magazine.

Desegregation has become the prize political football of our time, motivated chiefly by political ax-grinding, by politicians seeking the votes of the Negroes of the North and West and East.

Mr. Waring gets right down to the facts when he tells why the parents of white children in the South object to integration with Negro children in the public schools.

Mr. Waring cites the low health standards of the Negroes, low despite increasing education and consistently higher expenditures for public health. On the side of health, Mr. Waring says:

> The incidence of venereal disease, for instance, is much greater among Negroes than among whites.

Next, Mr. Waring deals with home environment of the Negroes of the South and with their marital habits, and of these habits, he says:

> On the average, 1 southern Negro child in 5 is illegitimate.

The next reason Mr. Waring gives as to why white parents object to their children going to school with Negroes is because of Negro crime. And, he says:

> For many years crime in the South has been more prevalent among Negroes than among white people.

The final reason listed by our distinguished Charleston editor is intellectual development of the Negro. He pointed out that the United States News & World Report revealed that in Washington colored children are about two grades behind the whites in attainment. Mr. Waring says this discrepancy, he believes, "is about par for other communities."

But, Mr. Speaker, Mr. Waring does not stop here. He goes on to say that "some advocates of integration say the way to cure these differences is to let the children mingle so that the Negroes will learn from the whites. The trouble with this theory is that even if it works, a single generation of white children will bear the brunt of the load. While they are rubbing off white civilization onto the colored children, Negro culture will also run off onto the whites."

Mr. Speaker, I concur heartily with the statement of Mr. Waring that "slavery is so long in the past that nobody thinks of it any more" down South. I should add that nobody thinks of it any more but the professional troublemakers, the professional integrationist, the people who are pushing the Southern Negro ahead entirely too quickly and making it more difficult than ever for Southern States to accord the Negro the well reasoned consideration and the gradual improvement of his racial lot that brings him forward from his days of servitude.

Too little has been said, entirely too little written about the fine things that Southern States have been doing to help their Negroes, to improve their educational facilities, to raise their economic and cultural status, all within the framework of segregation that contributes to a peaceful society in the South.

I well recall from some years ago the article in the Saturday Evening Post by Mr. Jack Alexander, the well-known writer, who authored a series on life in American cities in all parts of the country. Mr. Alexander went to Raleigh, the capital city of our sister State of North Carolina, and there he was tremendously impressed by the freedom enjoyed by Negroes, by the opportunities there for them as well as elsewhere in the South.

In my own State of South Carolina our Negroes enjoy their freedom and their relations with the whites have been peaceful, constructive and forward-looking. At least, they were, until the Supreme Court of the United States nullified States' rights.

Mr. Speaker, I wish to commend Thomas Waring on his excellent article in Harper's Magazine, and to hold it up to Congress and the Nation as one of the few fact-finding articles thus far published anywhere in our country on the segregation issue.

Mr. Waring says that the attitude of the press in our great cities outside the South is almost entirely one-sided on the racial issue, that objective reporting has been abandoned, and that for facts it frequently substitutes propaganda.

And, the editors of Harper's Magazine are to be commended for printing Mr. Waring's revealing article. The editors of Harper's do not agree with Mr. Waring, but they accord him a hearing before the Nation. In an editorial in the same issue, the editors pointed out that "so far there has been almost no national discussion between the men of good will on each side of the issue. Until such a dialog can be stated, the angry men will dominate the field."

Certainly more light needs to be focused on the segregation issue, on the implications of the Supreme Court's willful wrecking of States rights. In Mr. Waring's article, the facts are there on why southern whites do not want their children to go to school with Negroes. Those facts are incontrovertible, and the Negroes know they are true. Yet, the troublemakers of both races, the leaders of the National Association for the Advancement of Colored People and the white vote-seeking advocates of desegregation are trying to lead us onward down the road to racial chaos and strife.

I say to these troublemakers, Mr. Speaker, that the white people of the South are not taking this situation lying down and that we have literally just begun to use our resourcefulness to fight for the privilege of still choosing our own associates, in schools and in our private

lives. These troublemakers have never told the Negroes that in the main they and all the people of other races can go only as far socially and in education as others are willing to accept them, and that the Negro still must strive to win acceptance on his own and not by the force of Federal judicial usurpation of the powers of local and State governments.

In conclusion, congratulations to a great newspaper editor, Thomas R. Waring, for his article in Harper's magazine, and may his first article on the issue of desegregation not be his last. I commend the reading of that article, carefully, by all men of good will. I thank you.

Mr. Speaker, under leave to extend my remarks, I include herewith the article appearing in Harper's magazine of this month:

THE SOUTHERN CASE AGAINST DESEGREGATION

(By Thomas R. Waring)

Although the Supreme Court has declared that separation of the races in public schools is unconstitutional, few white southerners are able to accept the prospect of mingling white and Negro pupils. Resistance to the Court decree is stiffening throughout the region.

Many white northerners are unable to understand the depth of feeling in the Southern States, whose area is about a sixth of the Nation and whose population is roughly a fourth of the total. The purpose of this article is to try to put before the open-minded readers of this magazine the point of view of the southerner—whom the rest of the United States apparently cannot believe to be open-minded at all on the subject of race.

At the outset it is only fair to warn the northern reader that he may be infuriated long before he reaches the end. This, I suspect, is just as inevitable as the outraged feelings of the southerners when he reads the northern press with its own interpretation of the American dilemma. Both sides have been shouting at each other so loudly that it is difficult any longer to hear facts through the din of name-calling. If, in the course of speaking for the South, I should raise blood pressure among some northerners, I apologize for causing pain—with the hope that I may be able to reach northern minds that are truly open so that some good may come along with the discomfort.

The reader outside the South may, unfortunately, react in still another way. He may find it difficult, if not impossible, to believe much of what I say. To this I can only reply that as editor of a South Carolina newspaper with a circulation of 56,000, with 28 years of journalistic experience in both the North and the South, I have had to be in possession of accurate information on this as on any other subject covered in my work. Across an editor's desk pass, day by day and year after year, reports, letters, statistics—in other words, facts. By means of these facts, plus personal conversations with people from all over the world, an editor manages to keep in touch with public opinion.

It is the public opinion of the South that I am about to report. That opinion is a fact. It exists, and can be demonstrated. What I am saying is documented by facts and statistics. If these should seem to the reader to add up merely to bias, bigotry, and even untruth, I shall regret it. Facts, however, remain facts.

One of the reasons these facts may be unfamiliar—and therefore incredible—is the almost unanimous attitude of the national press—daily and weekly—toward the subject of race. I read many newspapers and news magazines, and people send me clippings from others that I do not see regularly. From my observation, the testimony these publications print is almost entirely one-sided. While less violent than the Negro press—which understandably presents only the militant antisegregation case—the metropolitan press almost without exception has abandoned fair and objective reporting of the race story. For facts it frequently substitutes propaganda.

Furthermore, with the exception of a small coterie of southern writers whom northern editors regard as "enlightened," spokesmen for the southern view cannot gain access to northern ears. This article will be one of the few of its kind published in a magazine of national circulation. The South, alas, lacks a magazine or other organ with nationwide distribution.

Perhaps my first assertion of a seldom realized truth will be the most difficult to believe. This statement is that white southerners of good will—and the percentage of decency runs about the same in the South as anywhere else—favor uplift of the Negro, and that these white southerners are in the vast majority. If it is impossible to prove the percentage of decency among southerners, it is equally impossible to show that people in the North—or any other region—have a monopoly of it. But the South fears, and with reason, that the uplift is being forced at too fast a pace. The vagaries of custom and race taboos have many inconsistencies. The rules of segregation, both written and unwritten, change with conditions. And the sudden rewriting by the Supreme Court of regional laws and State constitutions has stirred as much resentment in southern breasts as would be aroused among northerners if suddenly their own freedom from race restrictions were denied by Federal fiat. (Do I hear a muffled cheer from one or two northerners who may take a dim view of mingling the races?)

Interference with sovereignty usually produces rage. In matters of education, the States long have been sovereign—until suddenly nine men have held otherwise.

Is it any wonder that the southerner is bitter over what he believes to be a flouting of the Constitution for political reasons?

Aside from legal questions—and they are deep and broad—the southerner believes that as a practical matter, he is better equipped by experience to cope with race problems than people from other regions, no matter what their intellectual or political attainments. One of the proofs that this belief is founded not merely on pride or emotional prejudice lies in the fact that northerners who spend some time in the South—not tourists or weekend visitors, but people who make their homes here—come rather sooner than later to agree that this is so. These transplanted northerners come to see that there are far more bonds of friendship and active, productive good will between the white southerner and his Negro neighbor than they had believed—or could believe until they became eye-witnesses and partakers of this relationship.

Although the South is both willing and eager to have the Negro earn greater acceptance on many levels—especially economic—it does not consider, for reasons that I shall submit, that mixed education is the way to achieve this acceptance—certainly not at this stage of affairs.

What may lie in the distant future is more than any of us can predict with accuracy. Southerners know that race problems are as old as history. While views and philosophies may change through the ages, some basic truths stand out like the Ten Commandments. Southerners are not yet ready to accept an eleventh, "Thou shalt not protect the purity of thy race."

THE CLASH OF CULTURES

Before going into the actual reasons for the southerner's objections to mixed education—before asking the burning question, how can the races best live together—let us examine for a moment the pattern of separation. It is a pattern that Thomas Jefferson, Abraham Lincoln, and at one time Dwight D. Eisenhower have favored as best for both races. In 1888, Henry W. Grady, Atlanta editor—described by Don Shoemaker of the Southern Education Reporting Service as a southern liberal of his time—summed up the situation as follows:

"Neither provincialism nor sectionalism holds the South together but something deeper than these and essential to our system. The problem is how to carry within her body politic two separate races, and nearly equal in numbers. [Since Grady spoke, the whites in the South have come to outnumber the Negroes 4 to 1, but the proportions vary greatly by neighborhoods.] She must carry these races in peace—for discord means ruin. She must carry them separately—for assimilation means debasement. She must carry them in equal justice—for to this she is pledged in honor and gratitude. She must carry them to the end, for in human probability she will never be quit of either."

While Grady's statements were made nearly 70 years ago and therefore are subject to the criticism that they do not reflect modern conditions, to many southerners they are true both now and for the future.

The presence of large numbers of Negroes—especially in the tidewater regions of Virginia, the Carolinas, and Georgia, and the plantation country of Alabama and Louisiana, Mississippi, and East Texas—means that the races necessarily live in intimate daily association. Why, then, should not the children of people who live in the same community—sometimes as close neighbors—attend the same schools

Southerners believe they have valid reasons, aside from prejudice about the color of skin, for their insistence on sending white children to exclusively white schools. Without debating superiority of either race, they are keenly aware of cultural differences. In some ways the standards of white people are none too high. The same economic conditions that have held back Negroes have worked against the whites. The increasing prosperity of the South is removing some of these disadvantages for both races, though not necessarily in precisely the same way.

Whether all the differences will eventually be removed, or enough of them to make mixed education acceptable to a substantial number of white people, the differences are too great at present to encourage white parents to permit their children to mingle freely in school. This has nothing to do with the frequent practice of children of both races of playing together when young, or with cordial relationships in many other contacts of ordinary life.

Volumes could be written on racial differences from many angles, including anthropology and sociology. I shall merely try to summarize five of the differences that most immediately come to the minds of white parents in the South. These are health; home environment; marital standards; crime; and a wide disparity in average intellectual development.

1. Health: Negro parents as a whole—for reasons that white people may sympathetically deplore but which nevertheless exist—are not so careful on the average as their white neighbors in looking after the health and cleanliness of their children. The incidence of venereal disease for instance is much greater among Negroes than among whites.

Statistics to document this statement are difficult to come by, though the statement itself would be generally accepted in the

South. The United States Public Health Service some years ago quietly stopped identifying statistics by races. South Carolina figures, available for 1952–53, give a clue to the situation in that State; it probably is much the same elsewhere in the South. Out of a population 60 percent white and 40 percent Negro, 6,315 cases of syphilis were reported, of which 89 percent were among Negroes. Infection with gonorrhea was found in 6 Negroes to 1 white person, but some physicians report that many cases of gonorrhea among Negroes go unrecorded.

During the same period—1952–53— a campaign against veneral disease was carried on, county by county. A spot check of four representative counties in different parts of South Carolina showed that cases of syphilis were found among 1.3 percent of the white persons examined. This was a fairly constant percentage. The percentage of infection among Negroes ranged in the same counties from 8.5 to 10.8 percent, averaging more than 9 percent.

Fastidious parents do not favor joint use of school washrooms when they would not permit it at home—and there's no use to tell them that it is unlikely that anyone will catch venereal disease from a toilet seat. They just don't want to take risks of any kind with their children.

2. Home environment: For most colored children in the South the cultural background is different in many ways from that of their white neighbors—and while these differences may have various explanations, they add up in the public's mind as racial. Slavery is so long in the past that nobody thinks about it any more, but the master and servant, or boss and laborer, relationship between whites and Negroes is still the rule rather than the exception. The emergence of a middle class among the Negroes has been extremely slow—again, the reasons count for less in the minds of white parents than the fact itself. Indeed, the professional and commercial class among Negroes is so small that its members are in perhaps the most unenviable position of all. They have progressed beyond the cultural level of the vast bulk of their own people, but are not accepted among whites, who fear to let down any dikes lest they be engulfed in a black flood.

Someone may suggest that here is an opening wedge for integration in the schools, by admitting a few well scrubbed and polished colored children of cultivated parents. In reply, let me say that this would be no more acceptable to the colored people than to the whites. The solution, perhaps—as it is among upper-bracket white people who do not send their children to public schools—might be private schools for prosperous Negroes as for prosperous whites. In any case, white people feel that cultural gaps on other levels should be filled in before discussing integrated schools.

3. Marital habits: Among many southern Negroes they are, to state it mildly, casual—even more so, in fact, than among the often-divorced personalities of northern cafe society. Many Negro couples—the statistics are not readily available, for obvious reasons—do not bother with divorce because there was no actual marriage in the first place. Statistics on the results of such casual unions, however, are available. On the average, 1 southern Negro child in 5 is illegitimate. It is possible the figure may be even higher, since illegitimate births are more likely to go unrecorded. Even among Negroes who observe marriage conventions, illegitimacy has little if any stigma.

Many white persons believe that morals among their own race are lax enough as it is, without exposing their children to an even more primitive view of sex habits. Moreover, while these parents do not believe there is any surge of desire among their offspring to mate with colored people, they abhor any steps that might encourage intermarriage. They believe that lifting the racial school barriers would be such a step. Miscegenation has been on the wane of recent years. Whatever mixing of blood may have occurred—and admittedly that was due largely to lustful white men seeking out acquiescent Negro women—has been without benefit of either law or custom. On some levels of society, breaking the racial barriers might lead to mixed marriages. The mixture of races which white southerners have observed in Latin American countries gives them a dim view of legalizing cohabitation with Negroes.

4. Crime: For many years, crime in the South has been more prevalent among Negroes than among white people. Though the northern press no longer identifies criminals by race, white southerners have reason to believe that much of the outbreak of crime and juvenile delinquency in northern cities is due to the influx of Negro population. They believe the North now is getting a taste of the same race troubles that the South fears would grow out of mixed schooling, on a much bigger scale. They want no "blackboard jungles" in the South.

Maintaining order is a first concern of southerners. What they have heard about the fruits of integration in the North does not encourage them to adopt the northern race pattern. In Chicago, 300 policemen have been assigned for a year or more to guard a nonsegregated housing project, with no bigger population than a southern village where a single constable keeps the peace. In the county of Charleston, S. C.—with 190,000 population, nearly half Negro—the total law-enforcement manpower of combined city and county forces is 175.

While the homicide rate in the South is high, it is due in large measure to knifings and shootings among the colored people. Interracial homicide is relatively rare. (One of the reasons why the ghastly killing of Emmett Till in Mississippi made hot news—and some of that news was superheated and garnished with prejudice for the northern press—was the very fact that it was unusual. No lynching, as even most northerners now realize, has occurred in years.)

With racial bars down and rowdies of both races daring one another to make something of the vast increase in daily contacts, opportunities for interracial strife are frightening. Conservative, law-abiding people—and believe it or not, they constitute the bulk of southern whites—are deeply fearful that hatred and bloodshed would increase without separation of the races.

And they know that, in the long run, if there is riotous bloodshed it will be for the most part Negroes' blood. The thin tolerance of the ruffian and lower elements of the white people could erupt into animosity and brutality if race pressure became unbearable. Schools would be a focal point for such disturbance, first among pupils themselves and later by enraged parents. Instead of learning out of books, the younger generation would be schooled in survival—as several northern sources have told me already is happening in some areas of New York, Philadelphia, and Washington, D. C.

5. Intellectual development: Again for whatever the reasons may be, southern Negroes usually are below the intellectual level of their white counterparts. U. S. News & World Report—the fairest nationally circulated publication I am acquainted with in its treatment of the race issue—has reported that in Washington, colored children are about two grades behind the whites in attainment. This discrepancy, I believe, is about par for other communities. In Washington it was found that there were even language difficulties to surmount. The children used different terms for some things.

Some advocates of integration say the way to cure these differences is to let the children mingle so that the Negroes will learn from the whites. The trouble with this theory is that even if it works, a single generation of white children will bear the brunt of the load. While they are rubbing off white civilization onto the colored children, Negro culture will also rub off onto the whites.

Few southern parents are willing to sacrifice their own offspring in order to level off intellectual differences in this fashion. They reason that their children will get along better in later life if they have, as youngsters, the best available cultural contacts. Such an attitude is not, I understand, altogether unknown in the North. Many parents in New York City, for example, make considerable financial sacrifices to send their children to private schools, to spare them the undesirable associations and the low-geared teaching standards of most public schools.

If this sounds snobbish to a northern reader, let me ask you to examine your own conscience. Can you honestly say that you are eager to send your own child to a classroom where the majority of other pupils will be considerably more backward in their studies, and extremely different in social background and cultural attainment? Which would you really put first: your theory of racial justice, or justice to your own child?

THE NEGROES' CRUSADE

In reply to objections to integration by white southerners, someone may ask: What about the Negroes? What do they think?

At the outset, let me say that as a person who has spent most of his life in the South, has known Negroes from earliest childhood, and as a newspaperman has been dealing with race matters every day for many years, I cannot say just what goes on in the minds of the Negroes. Nor do I believe that a white man can put himself in the place of a colored man any more than he can, by taking thought, add a cubit to his stature. Until the school question became agitated in recent years, however, race relations on the whole were good. Since the agitation, relations are not yet bad in a broad sense—but they are not improving by reason of the crusade for integration.

The leadership in that crusade comes from outside the South. It is sparked by the National Association for the Advancement of Colored People. Southerners have reason to believe this this organization has a very large measure of white influence among its leaders. They recognize that both major political parties are courting the Negro vote, which holds the balance of power in key cities of populous Northern States. They are bewildered by the array of power alined on the side of the NAACP in press, pulpit, and politics. The NAACP and its allies seem well supplied with money. They have won legal victories and they are not disposed to compromise on any front. In fact, the NAACP seems—to white southerners—more interested in forcing the Negro into the white man's company than in equipping the Negro to qualify fully for such association.

A small but pointed illustration occurred in Charleston when a white community theater group tried to produce Porgy (the original play, not the opera) with a Negro cast in the city where the story is laid. There was a grave question about how the community, in a time when racial agitation was so bitter, would accept a play performed almost exclusively by Negroes. Many difficulties had to be surmounted in casting and production. But the sponsoring group, in consultation with NAACP and other Negro spokesmen, decided to proceed, and spent a sizable amount of money getting the production under way.

One of the key questions was the seating of the audience. Under South Carolina law separate seating for the races is required. The chairman of the local NAACP chapter agreed in writing, I have been informed, to an arrangement for separate seating by means of a vertical line down the center aisle, whites on one side and Negroes on the

other. At the last moment, with the play already in rehearsal, the NAACP repudiated the agreement.

The Negro cast pleaded with the white sponsors to go through with the production in spite of the NAACP. By this time, however, it became obvious that the delicate circumstances had become too explosive and the production was canceled. A possible good-will gesture, opening a new line of communication, thus was halted because the NAACP would accept nothing less than complete integration—regardless of both State law and local custom.

Whether the NAACP really speaks for the rank and file of Negroes is debatable. Public expressions of opinion from Negroes in the South, other than the NAACP, are relatively few. Some white people feel that a Negro is so accustomed to telling a white man what he thinks the white wants to hear, that they put little stock in whatever the Negro says on race. It would not be hard to believe that, given a choice, a Negro naturally would prefer all restrictions to be removed. That does not mean, however, that all Negroes want to associate with white people. Far from it; many Negroes prefer their own churches and, it stands to reason should be equally satisfied with their own schools, so long as an equal allotment of public money is given them.

While the allotment has not always been equal—Negroes pay only a small fraction of taxes—the sums of money spent on Negro schooling have increased by leaps and bounds. On the average the South spends a greater percentage of its per capita income on schools than other regions, and nowadays the Negroes are getting their share in most areas. One thing is certain: if the schools were integrated, many a Negro school teacher would lose his or her job. Even if the white people would accept mixed pupils—and few apparently would do so—they would insist on white teachers.

Whenever a southern Negro does object to the drive for integration, he is subject to pressure from his own people. Two Negro clergymen—what are known as "local preachers"—recently wrote letters to newspapers in lower South Carolina opposing the mixing of schools. Both were disciplined by their church superiors. Many white people on friendly terms with Negroes are convinced that as a rule, the Negroes are not eager for mixed schools so long as the schools for Negroes are adequate.

BOOTLEG SEGREGATION?

This conviction leads them to hope that a voluntary approach eventually may help to solve the problem within the Supreme Court ruling. Judge John J. Parker, of Charlotte, N. C., senior judge of the Fourth Circuit Court of Appeals, has said:

"It is important that we point out exactly what the Supreme Court has decided and what it has not decided in this [the Clarendon County] case * * *. It has not decided that the States must mix persons of different races in the schools * * *. Nothing in the Constitution or in the decision of the Supreme Court takes away from the people freedom to choose the schools they attend. The Constitution, in other words, does not require integration. It does not forbid such segregation as occurs as the result of voluntary action. It merely forbids the use of governmental power to enforce segregation. The 14th amendment is a limitation upon the exercise of power by the State or State agencies, not a limitation upon the freedom of individuals."

The Alabama State Legislature has set up a new basis for assignment of pupils which does not mention race, though its provisions might tend to keep white and Negro pupils apart. In South Carolina, a committee of 52 representative citizens is circulating a resolution—already signed by many thousands—asking the State legislature to interpose its authority between the Federal Government and local school boards to maintain segregation. Such a move would be based on the 10th amendment to the United States Constitution, reserving to the States and the people all powers not specifically granted to the Federal Government.

These are only two of many tentative plans to get around the Supreme Court's decision by methods of law. Another proposal is revival of the principle of nullification, which States both in the North and South have used in years gone by. A recent example was the public disregard of prohibition. Segregation, perhaps, may be bootlegged in some regions. How that can be done is not immediately apparent—but the resourcefulness of the rum-runners and speakeasies was not foreseen by sponsors of the Volstead Act.

As in prohibition, there is danger that white hoodlums may enter the picture. Sporadic outbreaks of the Ku Klux Klan have been reported. To combat the lawless element, law-abiding white men—who are determined not to yield to pressures they still regard as contrary to the guaranties of the Constitution—have been forming protective organizations. These go under many names. In Mississippi, South Carolina, and some of the other States they are called Citizens Councils.

Much has been said about the adoption of economic pressure as a weapon by these white groups. In some instances Negroes have reported that their sharecropper contracts have not been renewed because they signed petitions to integrate schools. Other forms of pressure have been reported, and in some localities Negroes have retaliated with boycotts against white merchants who were active in the councils. White leaders of the resistance movements repeatedly have said they were not organizing boycotts and pressures against the Negroes and that they are determined there shall be no reign of terror as predicted by some of the Negro spokesmen.

Hodding Carter—one of a handful of southern writers granted access to the national magazines—has predicted that attempts to enforce integration in the public schools of Mississippi would be likely to create violence. White leaders are exploring many other avenues in hopes of preventing strong-arm methods from being tried. They fear also that the very existence of the public schools is in peril. Rather than accept mixed public schools, some white southerners may seek other means of educating their children.

Even if the schools are not abandoned, it seems unlikely that the white people will submit to heavy taxation to operate schools that many of them refuse to patronize. If they are not throttled outright, the public-school systems in some areas may be starved to death. The spread of resistance organizations, far from being the product of demagogs, is at the local level among ordinary people, without big-name leadership. School trustees and other officials are getting the message from the grassroots.

Acceptance of the Supreme Court's order in border States and lipservice in some other quarters have encouraged some advocates to believe that many southern communities soon will yield to integration. While the borders of the old Confederacy may narrow, the determination of white people in areas with heavy Negro population is not relaxing. Not only regions where Negroes predominate by 10 to 1 are rejecting the prospect of mixed schools. Pickens County in Piedmont, S. C., has the smallest number of Negroes (about 1 in 10) of any county in the State; its grand jury—most fundamental of all bodies safeguarding the people's liberty—has gone on record against mixed schools. On Edisto Island, at the opposite side of the State, where a white face looks out of place, insistence on mingling would be almost academic. If any attempt were made to force white children into Negro schools, the white people would move off the island, or find other means of educating their children.

Talk about segregation may promote migration of Negroes from the South. Already thousands have left the cotton fields and villages to seek jobs in northern cities. On the farms, machines have replaced them. With the minimum wage advancing to $1 an hour, southern employers will demand production from their laborers that not all Negroes will be able or willing to supply. These employers also may seek ways to mechanize or to employ white labor. As industries move South, more attractive opportunities for white people are opening.

If the North continues to appeal to Negroes as a land of integration and the South continues to attract white settlers, the racial proportions may grow more nearly equal. Then the North may become more tolerant of the southerners' view of race problems, and the South better able to handle its dwindling Negro problem. Southerners will gladly share the load.

Meanwhile, stripped of emotions, the race problem for both southern whites and Negroes is a practical matter of daily living. The problem has been recognized by thoughtful Americans from the early days of the Republic. It would be foolish to deny that any Negro pupils ever will enter southern white schools. (Some already have.) But it would be equally foolhardy to predict that their numbers will be significant at an early date.

Mr. DAVIS of Georgia. Mr. Speaker, will the gentleman yield?

Mr. RIVERS. I yield to the distinguished gentleman from Georgia.

Mr. DAVIS of Georgia. The gentleman is doing a great service in inserting the article in the CONGRESSIONAL RECORD. I wish to express my appreciation of that to the gentleman. I should like to ask one question of the gentleman from South Carolina. I believe he stated that the author of the article is a Mr. Waring.

Mr. RIVERS. I am glad the gentleman brought that question up.

Mr. DAVIS of Georgia. I want to ask the gentleman if he is by any chance related to a Federal judge which the gentleman's State had by the same name.

Mr. RIVERS. Yes; he is related. Of course, they do not speak, because they do not have anything to speak about. He is a nephew of that degenerate who has found out that he cannot live in my part of the world, with all of his cronies passing him on the other side of the street. He has gone to that haven, that refuge, New York, where peace, law, and order are the order of the day. They do not have any lynching there. They do not shoot you with machine guns, they do not stab you, they do not ill-treat the Puerto Ricans there. It is a great place.

Mr. DAVIS of Georgia. He can be unsegregated there to his heart's content.

Mr. RIVERS. To his heart's content, yes; because water seeks its own level. And may God have mercy on his miserable soul. This man is a nephew of that degenerate whose absence in my city is much better than his presence there.

Mr. LANDRUM. Mr. Speaker, will the gentleman yield?

Mr. RIVERS. I yield.

Mr. LANDRUM. I want to compliment the gentleman from South Carolina and also to join the gentleman in complimenting my distinguished colleagues from Georgia, Hon. PAUL BROWN and Hon. HENDERSON LANHAM, for the splendid and forceful manner in which they have brought to the attention of this body the invasion of States' rights by our Department of Justice. I would like it to be brought to the attention of this body that the judge of the superior court being investigated by the Department of Justice, under the direction of the Attorney General, is a former Assistant United States Attorney for the United States District Courts in the Northern District of Georgia, who spent many years of loyal and vigorous service in the prosecution of criminals brought into the Federal courts in the northern district of Georgia; and because of his long and outstanding service this gentleman, Hon. James T. Manning, was elected by his people to be judge of the Cobb superior courts. Now, for the Department of Justice of the United States Government to go in and investigate the activities of the State courts first, and this distinguished jurist second, is a reflection not only upon the State of Georgia but particularly upon those people in the superior court circuit who, because of their confidence in him, elevated Mr. Manning to this position he now holds as judge of the superior courts. I thank the gentleman from South Carolina for permitting me this time.

Mr. RIVERS. Let me say to the distinguished gentleman from Georgia that we people in South Carolina do not run from a fight. We will stand side by side with you in your fight to preserve the dignity and the sovereignty of your great commonwealth and when you need help, we are just across the border—we fought before and we killed as many of them as they did of us.

The SPEAKER pro tempore (Mr. PATMAN). The time of the gentleman has expired.

HON. SAM RAYBURN

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Texas [Mr. BURLESON] is recognized for 5 minutes.

Mr. BURLESON. Mr. Speaker, I ask unanimous consent that the special order granted me may be amended so that I may proceed for such time as may be necessary.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BURLESON. Mr. Speaker, as Chairman of the Texas delegation, it becomes my very happy privilege to direct the attention of the membership of the House of Representatives to an occasion tomorrow, which I know you will want to commemorate in some manner. Tomorrow is the birthday of a great American. It is the birthday of our beloved Speaker, SAM RAYBURN. Over the years the records of this House have become full of eulogies and beautiful remarks regarding our Speaker and colleague. From all over the country and from practically every Member of this body, that is every sitting Member as well as those who have pased through the portals of this Hall over the years, have come expressions of love and devotion they have for SAM RAYBURN since he became a Member of this body, and especially during his long tenure as Speaker of the House of Representatives. That feeling for our Speaker and that devotion to him is something we from Texas share with other parts of the country, and is something which people from other parts of the country, knowing him, join with us from Texas in paying tribute.

Throughout this great land SAM RAYBURN holds and deserves the respect of countless millions who recognize his able leadership; his high integrity and unexcelled statesmanship.

In my humble opinion the country should have long ago availed itself of this leadership by placing him in the highest office within the gift of the electorate. But the hour is not yet too late for the Nation to call upon SAM RAYBURN to occupy that great office, because men who know him trust him; they know his ability; they know his devotion to country; they respect his judgment; they feel safe in his leadership.

It is my wish, and I know all join me, in wishing for Speaker RAYBURN a happy birthday tomorrow and many more years of service to his country and his fellow man.

Mr. MARTIN. Mr. Speaker, will the gentleman yield?

Mr. BURLESON. I yield.

Mr. MARTIN. Mr. Speaker, will the gentleman yield?

Mr. BURLESON. I am happy to yield to the Minority Leader.

Mr. MARTIN. Mr. Speaker, I would like to join the gentleman from Texas in his tribute to our beloved Speaker. We on this side recognize him as one of the great parliamentarians of all times, a man with equal justice for all; a man who upholds dignity and justice; one who ably upholds the great institution of Congress. Upon his birthday I am happy to join his legion of friends in felicitations. May he be blessed with many more years of good health.

Mr. BURLESON. I am very grateful to the gentleman from Massachusetts.

Mr. COOPER. Mr. Speaker, will the gentleman yield?

Mr. BURLESON. I yield to the gentleman from Tennessee.

Mr. COOPER. Mr. Speaker, I feel confident that I express the true sentiment and feeling of all Members of the Tennessee delegation in Congress and all the people of the State of Tennessee in joining our distinguished colleague and others in extending our felicitations and hearty congratulations to our beloved Speaker. We take great pride in the fact that SAM RAYBURN was born in Tennessee. He has taken his place among the great of all Americans of all times, and we certainly wish him many happy returns of the occasion on his birthday tomorrow.

Mr. BURLESON. I thank the gentleman for his kind remarks.

Mr. PRESTON. Mr. Speaker, will the gentleman yield?

Mr. BURLESON. I yield to the distinguished gentleman from Georgia.

Mr. PRESTON. Mr. Speaker, I am delighted that I happened to be on the floor when the gentleman from Texas called to our attention the impending birthday of our great Speaker.

As I look back over the past 10 years I have been privileged to serve in the House, I think perhaps the greatest blessing that has come to me has been that I have been privileged to serve with the Honorable SAM RAYBURN, and to serve under him as Speaker. As a matter of fact, it has been my great privilege to serve under two great Speakers during those 10 years, two men who will go down in history as great Americans.

I have often said of our beloved Speaker, SAM RAYBURN, that of all the men I have known in my 47 years, he came nearer to having infallible judgment than any man I have ever known. I have seen him face difficult decisions, and without doubt he would come up with the correct answer with more readiness and inspire more confidence in those who were awaiting his judgment, than any person I have been privileged to know in my lifetime.

I am extremely happy on this day that he is with us for another year. I hope and pray that he may be privileged to be for many years to come; that he will remain strong in body and mind, and continue to shed his wisdom and his guidance among the Members of this great body.

Mr. BURLESON. I appreciate the remarks of the gentleman from Georgia.

Mr. BROWN of Georgia. Mr. Speaker, will the gentleman yield?

Mr. BURLESON. I yield to the distinguished gentleman from Georgia.

Mr. BROWN of Georgia. Mr. Speaker, SAM RAYBURN is one of the finest and greatest characters I have ever known. He is a great American, a true and wonderful statesman.

I hope the future will continue to bring the Speaker good health and much happiness and everything good in life.

Mr. BOYLE. Mr. Speaker, will the gentleman yield?

Mr. BURLESON. I yield.

Mr. BOYLE. Mr. Speaker, on behalf of the dean of the Illinois delegation the Honorable THOMAS J. O'BRIEN, who not later than last night while we were assembled, expressed his profound gratitude to have had the opportunity to associate with our beloved Speaker, I am privileged to say on the floor of the House today that he regards SAM RAYBURN as the No. 1 Mr. America and Mr. United States. As a freshman, watching the Honorable Speaker through last year, I am reminded of that admonition that my dad made to me. He said, "Walk among tall men." He did not mean men who were gifted by reason of stature. He meant men who thought nobly and thought best and thought tenderly. I think in our Speaker we have a man who meets all of those admonitions. I think he represents a real contribution to the United States, and I think he will go down in history as a man who has made

many wonderful accomplishments and contributions to a better world.

Mr. BURLESON. The gentleman's remarks are appreciated.

Mr. LONG. Mr. Speaker, will the gentleman yield?

Mr. BURLESON. I yield.

Mr. LONG. Inasmuch as I seem to be the only Louisianian on the floor at this particular time, I do not wish to let this opportunity pass without having something to say about our beloved Speaker, SAM RAYBURN.

I believe that I can truthfully say that I am joined by every member of the Louisiana Delegation in paying tribute to SAM RAYBURN, and wishing him many more happy birthdays.

I join my colleagues and the minority leader, Mr. MARTIN, in all the good things they have said. SAM RAYBURN is truthfully a great American and is recognized as such by all those who know him.

He has been helpful to many a young Congressman in his first days on this floor, and I for one wish to say that he was very helpful and kind indeed to me, not only as a freshman Member, but at all times.

Mr. RAYBURN has many warm friends in the great State of Louisiana and I join with them and his many friends throughout the Nation in wishing him many, many more happy birthdays, health and happiness.

Mr. BURLESON. I thank the gentleman from Louisiana very much for his remarks.

Mr. CANNON. Mr. Speaker, will the gentleman yield?

Mr. BURLESON. I shall be glad to yield to my colleague from Missouri.

Mr. CANNON. Mr. Speaker, SAM RAYBURN is not only one of the great Speakers of the House, not only one of the outstanding statesmen of his time, but he is also one of the most beloved men in public life today.

SAM RAYBURN has served longer as Speaker of the House than any of the long line of great and distinguished men who have preceded him in that high office. Henry Clay, who held the longest service as Speaker up to this time, came to the Speakership through a revolution in American politics brought about by the sudden determination of the Nation to go to war in order to reverse its international policies. Speaker RAYBURN came to the Speakership up through the ranks, slowly, on merit, and on the strength of his invaluable service to the Congress and to the Nation.

When the history of the United States is reviewed, a hundred years from now, Speaker RAYBURN will rank not only as one of the greatest parliamentarians who has ever presided over the House, but he will also rank as one of the men who has exerted a more profound influence in molding thought, legislation, and national policy than many men outside the Presidency of the United States.

We congratulate him that he has reached this eminent position in such excellent health with prospects of many years of service ahead of him, and we wish for him a continuation of the great affection in which he is today held by this Congress and the American people as a whole.

Mr. BURLESON. Mr. Speaker, I thank the gentleman very much for his remarks.

Mr. ROOSEVELT. Mr. Speaker, will the gentleman yield?

Mr. BURLESON. I yield to the gentleman from California.

Mr. ROOSEVELT. Mr. Speaker, on behalf of those of us who are rather early in our service in the House I want to take this occasion to express to our beloved Speaker our congratulations.

I think there is probably no other body, legislative or otherwise, in the world where those who come with very little experience can perform their duty as well as we, because we have had the guidance and the benefit of the wisdom and experience of our beloved Speaker. We are deeply appreciative of him, and I hope that God will be very careful of him and keep him with us for many, many years to come.

Mr. BURLESON. I thank the gentleman for his statement.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. BURLESON. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I thank the distinguished gentleman from Oklahoma for his courtesy, Mr. Speaker, as I would also like to extend my felicitations to Speaker RAYBURN. He comes second only in my heart and mind to our own Speaker, JOSEPH W. MARTIN.

I have enjoyed service with the Speaker all through the years I have been in Washington, and I have been in Washington for many years. Prior to my own incumbency in the House I always admired his great ability as a legislator, as a parliamentarian. I have enjoyed tremendously his humor. When things have been pretty hot, as they get sometimes in the House when feelings are running high, Speaker RAYBURN's humor has helped us over many a rough spot.

I want personally to express my own appreciation and also the appreciation of the people of my district for the help he has given us. He has helped us whenever he possibly could. I realize that I have often been insistent upon legislation and I appreciate the trials and tribulations he perhaps has gone through as a result of my insistence. It is very fortunate for the Members of the House to have two such great men among us as Speaker RAYBURN and the gentleman from Massachusetts [Mr. MARTIN]. It is a great tribute to both of them that they have served so long and well as Speakers of this great body and at the same time remain the best of friends, each admiring in the other the wonderful traits that they both possess.

May the gentleman from Texas [Mr. RAYBURN] have many, many happy years ahead of him. From the way he looks today I think he could live to be a hundred and easily remain with us as Speaker all of that time—if the Democrats remain in power.

Mr. BURLESON. I thank the gentlewoman from Massachusetts for her very beautiful remarks.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. BURLESON. I yield to the gentleman from Oklahoma.

Mr. ALBERT. Mr. Speaker, in joining with my colleagues in extending felicitations to our beloved Speaker, I know that I represent my district in the truest sense of the word. Mr. RAYBURN lives within a few miles of my district. The people I represent know him well and love him. They refer to him affectionately as "Mr. Sam." They agree with me that he is the best qualified man in America to be President of the United States and are hopeful that the next Democratic convention will nominate him.

I love Mr. RAYBURN and I join my colleagues from Oklahoma in saying that we are always happy to have our constituents refer to him as that great Congressman at Large from Oklahoma. We wish him many more years of health, happiness, and outstanding service to this House and to our country.

Mr. BURLESON. I thank the gentleman.

Mr. DOYLE. Mr. Speaker, will the gentleman yield?

Mr. BURLESON. I yield to the gentleman from California.

Mr. DOYLE. Mr. Speaker, I am sure that the fact there are only three members of the California delegation on the floor at this time is only because we did not know in advance that this happy occasion was to occur at this hour so that we might have a more adequate opportunity to express our best wishes to the distinguished Speaker of this House, Mr. SAM RAYBURN on this birthday anniversary. So I take the liberty of saying on behalf of all of those from California who have not yet spoken and are not here that I am sure every Member from my great native State wishes our beloved Speaker a very long and happy life as Speaker as well as our beloved fellow American citizen.

We Californians appreciate his fairness and justice in all his relationships with us.

Mr. BURLESON. Mr. Speaker, the remarks of the gentleman from California are greatly appreciated.

Mr. Speaker, I ask unanimous consent that all Members may have the opportunity of extending their remarks at this point in the RECORD in reference to the birthday on tomorrow of our beloved Speaker, SAM RAYBURN.

The SPEAKER pro tempore (Mr. PATMAN). Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. McCORMACK. Mr. Speaker, one of the greatest Americans of all time is our beloved Speaker, the gentleman from Texas [Mr. RAYBURN]. What SAM RAYBURN has done as a Member of the Congress will always be a living part of the history of the United States. It is most fortunate for our country that we have men like SAM RAYBURN in the Congress of the United States during these trying days. His great ability, his years of experience, and his sound judgment have evidenced themselves on many occasions in steering the Ship of State. He is also one of the outstanding sound progressives of the great period of progress starting with the late President

Franklin D. Roosevelt and continuing under former President Harry S. Truman.

To me, SAM RAYBURN is also a close and valued friend. Between us during my years of service there has been a close friendship of a lasting nature. During the past 15 years we have occupied the position of leadership in the House of Representatives. The strong feeling of friendship and respect that I entertain for him is not only evidenced externally but is also possessed by me internally. On the occasion of his birthday anniversary this year, Mrs. McCormack and I extend to him our hearty congratulations and the hope that God will continue to shower upon him an abundance of his choicest blessings for many years to come.

Mr. THOMPSON of Texas. Mr. Speaker, it is a pleasure and honor to join in the felicitations which come on January 6 to our beloved Speaker. It is a time when members of the Texas delegation are almost shouldered to one side by the innumerable people who wish to express their happiness that our Speaker has reached another milestone in his full and fruitful life. While we would not begrudge these other friends their chance to congratulate Mr. SAM, we, of the Texas delegation, claim an especial privilege on his birthday because this great American is our own. He is our people and we claim him not only as our colleague but as our guide, philosopher, and friend of many years.

We take a moment on his birthday to express a prayer of thankfulness to Almighty God for giving us Mr. Sam and for giving to us and to our country the benefit of his wise leadership through the perilous days of the past and present.

We look forward to many more years when we may all be blessed by the guidance of his wise hand.

Mr. THOMAS. Mr. Speaker, our beloved Speaker will enjoy another birthday tomorrow. All of us wish that he will enjoy many, many more. And, of course, we Democrats hope that he will celebrate most of them in his present position.

Few men have wrought such a great influence on the Nation's problems as has Speaker RAYBURN. His influence dominated the Congress long before he became Speaker. Since he was elevated to that position of leadership, his good work has been even more outstanding. His judgment and his efforts have always been on the side of the people and for the best interests of the country.

May he enjoy good health for many years to come so that he may continue to train the younger Members and thus give to the country more good, sound, and patriotic men like Speaker SAM RAYBURN.

GREETINGS TO SPEAKER SAM RAYBURN

Mr. ANFUSO. Mr. Speaker, I am very happy to join with my colleagues in extending greetings to you on the occasion of your 74th birthday. With it go my sincerest wishes that the year ahead may prove to be a very happy one for you and may it mark the fulfillment of your choicest dreams.

We are indeed very fortunate to have a man of your vision and stature at the helm of this body at a crucial time such as this. Knowing you as we do, I feel certain that under your guidance and leadership we can look forward to a year of fruitful accomplishments for the welfare of our Nation and of the whole world.

May the good Lord bless you with many more years of health and may we be privileged to enjoy your leadership and your wise counsel for many years to come.

Mr. KEOGH. Mr. Speaker, it is with great pleasure that I join with my colleagues in extending fecilitations to you on your birthday and to wish for you many more years of good health and happiness. We in the House need the continued guidance and distingished leadership which you have given us for so many years and the country needs your continued loyal and devoted service. Many of us have profited by your gracious and wise council and all of us cherish your friendship. May the year ahead be a happy and fruitful one for you.

Mr. KILGORE. Mr. Speaker, it is a great pleasure to join in the flow of oratory that is being directed at you on the occasion of your 74th birthday. But let me emphasize that these are not mere words we speak. As a member of the delegation you lead, and as a Member of the House you head, let me express my gratitude that we have in you a real representative of the people—a leader who guides with judgment rather than prejudice and with compassion and understanding rather than rancor. As we say on the Texas border, Feliz cumpleaños—Happy birthday—and many more to come.

Mr. LANHAM. Mr. Speaker, I am happy to join with my colleagues in felicitating our beloved Speaker, SAM RAYBURN, on the 74th anniversary of his birth.

It has truly been a privilege for me to serve with and to know intimately this great American. Everyone loves, admires and respects Mr. Sam.

"Mr. Democrat," as he is so well and often called, has rendered a service to his country beyond our power to express. My hope and prayer is that he may be spared for many, many more years of faithful and fruitful service.

Mr. RAYBURN, my heartiest congratulations.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. ENGLE, for next week, on account of official business.

Mrs. PFOST (at the request of Mr. ROGERS of Colorado), on account of illness in family.

Mr. LONG, for approximately 10 days, beginning Friday, January 6, 1956, on account of business.

Mr. GWINN of New York (at the request of Mr. MASON), for 10 days, on account of illness.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks was granted to:

Mr. PHILBIN in three instances and to include extraneous matter.

Mr. LANE and to include extraneous matter.

Mrs. KELLY of New York, in the body of the RECORD, on the passing of Mrs. William H. Good, national committeewoman from New York, and that all Members desiring to do so have the same privilege.

Mr. DOYLE and include related material.

Mr. THOMPSON of New Jersey (at the request of Mr. RODINO) in two instances.

Mr. FORRESTER and include extraneous matter.

Mr. METCALF and to include extraneous matter.

Mr. ANFUSO (at the request of Mr. MULTER) and to include extraneous matter.

Mr. ENGLE.

Mr. BEAMER (at the request of Mr. ARENDS) and to include extraneous matter.

Mr. MCDONOUGH and to include extraneous matter.

Mr. JENSEN in three instances and to include extraneous matter.

Mr. PELLY in two instances.

Mrs. ST. GEORGE and to include a speech by the Secretary of Agriculture, Mr. Ezra Taft Benson.

Mr. BECKER and to include a statement.

Mr. GAVIN on European observations.

Mr. LIPSCOMB and to include extraneous matter.

Mr. REES of Kansas and to include a statement by General Summerfield, Postmaster General.

Mr. HILL.

Mr. VANIK.

Mr. BOLAND to extend his remarks in the body of the RECORD in connection with a bill he has introduced.

Mr. GATHINGS (at the request of Mr. MCCORMACK) to extend and include a letter he sent to Secretary Benson.

Mr. MCCORMACK in two instances, in each to include extraneous matter.

Mr. CELLER (at the request of Mr. ALBERT) and to include extraneous matter.

Mr. FOGARTY.

Mr. RODINO.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 44 minutes p. m.), under its previous order, the House adjourned until Monday, January 9, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1323. A letter from the Director, Naval Petroleum Reserves, Department of the Navy, transmitting a report of agreements relating to operations in the Naval Petroleum Reserves for the calendar year 1955, pursuant

to the act of June 17, 1944 (58 Stat. 280); to the Committee on Armed Services.

1324. A letter from the Assistant Secretary of the Navy (Personnel and Reserve Forces), transmitting a draft of proposed legislation entitled, "A bill to provide for the appointment and promotion of the director and assistant directors of the band of the United States Marine Corps, and for other purposes"; to the Committee on Armed Services.

1325. A letter from the President, Board of Commissioners of the District of Columbia, transmitting a report of the official operations of the government of the District of Columbia for the fiscal year ended June 30, 1955, pursuant to section 12 of the act approved June 11, 1878 (20 Stat. 108); to the Committee on the District of Columbia.

1326. A letter from the Administrative Assistant Secretary, Department of Agriculture, transmitting a report of the activities of the Department of Agriculture for the fiscal year ended June 30, 1955, with regard to the disposal of foreign excess property, pursuant to section 404 (d) of the Federal Property and Administrative Services Act of 1949, Public Law 152, 81st Congress; to the Committee on Government Operations.

1327. A letter from the Archivist of the United States, relative to a report on records proposed for disposal and lists or schedules covering records proposed for disposal by certain Government agencies, pursuant to the act approved July 7, 1943 (57 Stat. 380), as amended by the act approved July 6, 1945 (59 Stat. 434); to the Committee on House Administration.

1328. A letter from the Secretary of the Army, transmitting a draft of proposed legislation entitled "A bill to authorize partial payment of certain claims which are certified for consideration of the Congress by the Secretaries of the military departments"; to the Committee on the Judiciary.

1329. A letter from the Attorney General, transmitting a statement of the adjudications rendered during the year 1955, pursuant to the act of July 2, 1948 (50 U. S. C. App., secs. 1981–1987), amended by Public Law 116, 82d Congress; to the Committee on the Judiciary.

1330. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated September 9, 1955, submitting a letter, together with accompanying papers, on Ludington Harbor, Mich., requested by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted December 4, 1939; to the Committee on Public Works.

1331. A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of proposed legislation entitled "A bill to provide revenue for the District of Columbia, and for other purposes"; to the Committee on the District of Columbia.

1332. A letter from the Librarian of Congress, transmitting a report of the affairs of the Library of Congress, including the copyright business, for the fiscal year ending June 30, 1955; to the Committee on House Administration.

1333. A letter from the Director, Administrative Office of the United States Courts, transmitting a report showing statistical tables reflecting the business transacted by the bankruptcy courts and other pertinent data for the fiscal year ending June 30, 1955, pursuant to section 53 of the Bankruptcy Act (11 U. S. C. 81); to the Committee on the Judiciary.

1334. A letter from the Chairman, United States Tariff Commission, transmitting the 39th Annual Report of the United States Tariff Commission, pursuant to section 332 of the Tariff Act of 1930; to the Committee on Ways and Means.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BAILEY:

H. R. 8098. A bill to amend the act providing for Federal aid for State veterans' homes to permit payments to homes not primarily furnishing domiciliary care; to the Committee on Veterans' Affairs.

H. R. 8099. A bill to regulate the foreign commerce of the United States by establishing import quotas under specified conditions and for other purposes; to the Committee on Ways and Means.

By Mr. DURHAM:

H. R. 8100. A bill to authorize the loan of two submarines to the Government of Brazil; to the Committee on Armed Services.

H. R. 8101. A bill to authorize the Secretary of the Army to give 25 World War II paintings to the Government of New Zealand; to the Committee on Armed Services.

H. R. 8102. A bill to provide for the disposition of moneys arising from deductions made from carriers on account of the loss of or damage to military or naval material in transit, and for other purposes; to the Committee on Armed Services.

By Mr. BAKER:

H. R. 8103. A bill maintaining the 1955 burley tobacco allotment quota; to the Committee on Agriculture.

By Mr. BENNETT of Florida:

H. R. 8104. A bill to authorize the transmission in the mails at the rate provided for books of cumulative folders containing individual school records of students in public elementary and secondary schools; to the Committee on Post Office and Civil Service.

By Mr. BENTLEY:

H. R. 8105. A bill to remove wheat for seeding purposes which has been treated with poisonous substances from the "unfit for human consumption" category for the purposes of section 22 of the Agricultural Adjustment Act of 1933; to the Committee on Agriculture.

By Mr. BOLAND:

H. R. 8106. A bill authorizing the construction of the Littleville Reservoir project, Massachusetts; to the Committee on Public Works.

By Mr. BROOKS of Louisiana:

H. R. 8107. A bill to amend the Armed Forces Reserve Act of 1952, as amended; to the Committee on Armed Services.

By Mr. BROYHILL:

H. R. 8108. A bill to provide for the development of a comprehensive master plan to abate and prevent water pollution in the District of Columbia and areas immediately adjacent thereto, and for other purposes; to the Committee on Public Works.

By Mr. BUCKLEY:

H. R. 8109. A bill to authorize the construction of certain works of improvement in the Niagara River for power and other purposes; to the Committee on Public Works.

By Mr. CELLER:

H. R. 8110. A bill to incorporate the National Music Council; to the Committee on the Judiciary.

By Mr. CHRISTOPHER:

H. R. 8111. A bill to liberalize the basis for, and increase the monthly rates of disability pension awards under Veterans Regulation No. 1 (a), part III; to the Committee on Veterans' Affairs.

By Mr. DAGUE:

H. R. 8112. A bill to amend the Small Business Act of 1953, as amended; to the Committee on Banking and Currency.

By Mr. DAWSON of Utah:

H. R. 8113. A bill to provide for an elective Governor and an elective Lieutenant Governor of the Territory of Alaska; to the Committee on Interior and Insular Affairs.

By Mr. DENTON:

H. R. 8114. A bill to establish an effective program to alleviate conditions of excessive unemployment in certain economically depressed areas; to the Committee on Ways and Means.

By Mr. DODD:

H. R. 8115. A bill to authorize an increase of emergency relief highway funds from $10 million to $30 million for the fiscal year ending June 30, 1956; to the Committee on Public Works.

H. R. 8116. A bill to amend the National Housing Act, as amended; to the Committee on Banking and Currency.

H. R. 8117. A bill to provide for Federal procurement of materials and supplies in major disaster areas, and for other purposes; to the Committee on Banking and Currency.

H. R. 8118. A bill to amend the Small Business Act of 1953; to the Committee on Banking and Currency.

H. R. 8119. A bill to increase the amount of appropriations authorized for disaster loans, and for other purposes; to the Committee on Banking and Currency.

H. R. 8120. A bill to provide rent-free accommodations in certain federally aided housing for needy victims of major disasters, and for other purposes; to the Committee on Banking and Currency.

H. R. 8121. A bill to authorize the construction of additional flood-control reservoirs in the Connecticut River Basin; to the Committee on Public Works.

H. R. 8122. A bill to provide authority to stockpile temporary housing for disaster relief, and for other purposes; to the Committee on Banking and Currency.

By Mr. ELLSWORTH:

H. R. 8123. A bill authorizing the Administrator of Veterans' Affairs to convey certain property of the United States to the city of Roseburg, Oreg.; to the Committee on Veterans' Affairs.

H. R. 8124. A bill to amend the Small Business Act of 1953; to the Committee on Banking and Currency.

By Mr. FENTON:

H. R. 8125. A bill to amend section 5051 (a) of the Internal Revenue Code of 1954 to aid small business and discourage continued concentration in the brewing industry; to the Committee on Ways and Means.

By Mr. FINO:

H. R. 8126. A bill to amend part III of Veterans Regulation No. 1 (a) to liberalize the basis for, and increase the monthly rates of, disability pension awards; to the Committee on Veterans' Affairs.

By Mr. FOGARTY:

H. R. 8127. A bill to increase the education and training allowances under the Veterans' Readjustment Assistance Act of 1952; to the Committee on Veterans' Affairs.

By Mr. GROSS:

H. R. 8128. A bill to regulate interstate and foreign commerce in agricultural products, to prevent unfair competition, to provide for the orderly marketing of such products, to promote the general welfare by assuring an abundant and permanent supply of such products by securing to the producers a minimum price of not less than cost of production, and for other purposes; to the Committee on Agriculture.

By Mr. HAND:

H. R. 8129. A bill to provide for national disaster insurance; to the Committee on Banking and Currency.

By Mr. HARRISON of Virginia:

H. R. 8130. A bill to designate the bridge to be constructed over the Potomac River in the vicinity of Jones Point, Va., as the Woodrow Wilson Memorial Bridge; to the Committee on the District of Columbia.

By Mr. HAYS of Ohio:

H. R. 8131. A bill to regulate the foreign commerce of the United States by establishing import quotas under specified conditions and for other purposes; to the Committee on Ways and Means.

By Mr. HESELTON:

H. R. 8132. A bill authorizing the preparation of detailed plans of the Littleville Reservoir on the middle branch of the Westfield River in Massachusetts; to the Committee on Public Works.

By Mr. HILLINGS:

H. R. 8133. A bill to amend title 18 of the United States Code to make the damage, disablement, or destruction of civil aircraft a criminal offense, with increased penalties in cases resulting in the death of passengers or other persons; to the Committee on the Judiciary.

H. R. 8134. A bill to amend title 18 of the United States Code so as to authorize the imposition of the death penalty for sabotage of aircraft; to the Committee on the Judiciary.

By Mr. IKARD:

H. R. 8135. A bill to amend title 18 of the United States Code to make the damage, disablement, or destruction of civil aircraft a criminal offense, with increased penalties in cases resulting in the death of passengers or other persons; to the Committee on the Judiciary.

By Mr. JOHNSON of California:

H. R. 8136. A bill to amend the Small Business Act of 1953; to the Committee on Banking and Currency.

By Mr. JOHNSON of Wisconsin:

H. R. 8137. A bill to establish a conservation-acreage reserve, to promote conservation improvement of agricultural soil, water, and related resources, to stabilize farmers' income, to adjust total agricultural production to consumer and export needs, to maintain an abundant and even flow of farm commodities in interstate commerce, and for other purposes; to the Committee on Agriculture.

By Mr. KEARNS:

H. R. 8138. A bill making an appropriation to enable the District of Columbia Auditorium Commission to formulate plans for the construction of a civic auditorium in the District of Columbia; to the Committee on Appropriations.

H. R. 8139. A bill to amend title 28 of the United States Code, so as to provide for the appointment of one additional district judge for Erie of the western district of Pennsylvania; to the Committee on the Judiciary.

H. R. 8140. A bill to extend the time within which the District of Columbia Auditorium Commission may submit its report and recommendations with respect to the civic auditorium to be constructed in the District of Columbia, and to provide that such Commission shall continue in existence until the construction of such auditorium has been completed; to the Committee on the District of Columbia.

By Mr. KELLEY of Pennsylvania:

H. R. 8141. A bill to provide for a summer recess of the Congress in each year in which general elections are not held; to the Committee on Rules.

H. R. 8142. A bill to provide for national flood insurance and reinsurance, and for other purposes; to the Committee on Banking and Currency.

By Mr. KEOGH:

H. R. 8143. A bill to extend coverage under the Federal old-age and survivors insurance system, as self-employed individuals, to certain individuals who are employees of foreign governments and international organizations; to the Committee on Ways and Means.

H. R. 8144. A bill to amend section 3A of the Civil Service Retirement Act of May 29, 1930, to reduce from 6 years to 5 years the service requirement for entitlement to annuity thereunder; to the Committee on Post Office and Civil Service.

By Mr. LANE:

H. R. 8145. A bill to appropriate funds for flood control and navigation projects in New England, preliminary examinations, surveys, and studies in New England, and surveys of hurricane damages along the eastern seaboard of the United States; to the Committee on Appropriations.

H. R. 8146. A bill to appropriate funds for certain authorized flood control projects in Massachusetts; to the Committee on Appropriations.

By Mr. LESINSKI:

H. R. 8147. A bill to provide a more equitable system for the settlement of disputes arising from personnel actions in the classified civil service, and of grievances and complaints of all Government personnel, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. LIPSCOMB:

H. R. 8148. A bill to recognize naval service performed in sweeping the North Sea of mines in 1919 as service in World War I; to the Committee on Veterans' Affairs.

By Mr. McMILLAN:

H. R. 8149. A bill to amend the first sentence of paragraph (a) of section 756 of title 11 of the District of Columbia Code, 1951 edition (par. (a) of sec. 5 of the act of Apr. 1, 1942, c. 207, 56 Stat. 193), relating to the transfer of actions from the United States District Court for the District of Columbia to the municipal court for the District of Columbia; to the Committee on the District of Columbia.

H. R. 8150. A bill to provide for Federal disaster insurance and reinsurance; to the Committee on Banking and Currency.

By Mr. METCALF:

H. R. 8151. A bill to establish a conservation acreage reserve, to promote conservation improvement of agricultural soil, water, and related resources, to stabilize farmers' income, to adjust total agricultural production to consumer and export needs, to maintain an abundant and even flow of farm commodities in interstate commerce, and for other purposes; to the Committee on Agriculture.

By Mr. O'NEILL:

H. R. 8152. A bill to incorporate the National Society-Army of the Philippines; to the Committee on the Judiciary.

By Mr. PELLY:

H. R. 8153. A bill to repeal the cabaret tax; to the Committee on Ways and Means.

By Mr. PERKINS:

H. R. 8154. A bill to establish an effective program to alleviate conditions of excessive unemployment in certain economically depressed areas; to the Committee on Ways and Means.

H. R. 8155. A bill to increase the monthly rates of pension payable to widows and former widows of deceased veterans of the Spanish-American War, including the Boxer Rebellion and the Philippine Insurrection; to the Committee on Veterans' Affairs.

By Mr. POLK:

H. R. 8156. A bill to establish a conservation acreage reserve, to promote conservation and improvement of agricultural soil and water resources, to stabilize farmers' income, to adjust total agricultural production to consumer and export needs, to maintain an abundant and even flow of farm commodities in interstate commerce, and for other purposes; to the Committee on Agriculture.

By Mr. PRICE:

H. R. 8157. A bill to provide for the burial in the Memorial Amphitheater of the National Cemetery at Arlington, Va., of the remains of an unknown American who lost his life while serving overseas in the Armed Forces of the United States during the Korean conflict; to the Committee on Armed Services.

By Mr. REECE of Tennessee:

H. R. 8158. A bill maintaining the 1955 burley tobacco allotment quota; to the Committee on Agriculture.

By Mr. RHODES of Pennsylvania:

H. R. 8159. A bill to amend section 5051 (a) of the Internal Revenue Code of 1954 to aid small business and discourage continued concentration in the brewing industry; to the Committee on Ways and Means.

By Mr. RILEY:

H. R. 8160. A bill to deny tax-exempt status under the Internal Revenue Code of 1954 to any organization which engages in the promotion of litigation to which it is not a party; to the Committee on Ways and Means.

By Mr. RODINO:

H. R. 8161. A bill to establish a program of direct insurance of property by the Federal Government against risks and hazards incident to natural disasters; to the Committee on Banking and Currency.

By Mrs. ST. GEORGE:

H. R. 8162. A bill to amend the Small Business Act of 1953, as amended; to the Committee on Banking and Currency.

By Mr. SADLAK:

H. R. 8163. A bill to amend the Internal Revenue Code of 1954 to provide an amortization deduction for certain facilities constructed or acquired to replace facilities destroyed or damaged by a hurricane, flood, or other disaster; to the Committee on Ways and Means.

By Mr. SCUDDER:

H. R. 8164. A bill to amend the Small Business Act of 1953; to the Committee on Banking and Currency.

H. R. 8165. A bill to provide for national flood insurance and reinsurance, and for other purposes; to the Committee on Banking and Currency.

By Mr. SEELY-BROWN:

H. R. 8166. A bill to amend the Small Business Act of 1953, as amended; to the Committee on Banking and Currency.

By Mr. SHELLEY:

H. R. 8167. A bill to amend the Japanese-American Evacuation Claims Act of 1948, as amended, to expedite the final determination of the claims, and for other purposes; to the Committee on the Judiciary.

By Mr. SMITH of Virginia (by request):

H. R. 8168. A bill to provide revenue for the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. THOMPSON of New Jersey:

H. R. 8169. A bill to authorize the construction of flood protection measures, with particular reference to areas where severe damages have recently occurred as the result of extraordinary floods; to the Committee on Public Works.

H. R. 8170. A bill making an appropriation to enable the District of Columbia Auditorium Commission to formulate plans for the construction of a civic auditorium in the District of Columbia; to the Committee on Appropriations.

H. R. 8171. A bill to extend the time within which the District of Columbia Auditorium Commission may submit its report and recommendations with respect to the civic auditorium to be constructed in the District of Columbia, and to provide that such Commission shall continue in existence until the construction of such auditorium has been completed; to the Committee on the District of Columbia.

By Mr. THOMPSON of Louisiana:

H. R. 8172. A bill to amend the marketing quota provisions of the Agriculture Adjustment Act of 1938, as amended; to the Committee on Agriculture.

By Mr. VAN PELT (by request):

H. R. 8173. A bill to amend section 5051 (a) of the Internal Revenue Code of 1954 to aid small business and discourage continued concentration in the brewing industry; to the Committee on Ways and Means.

H. R. 8174. A bill to readjust size and weight limits on fourth-class (parcel post) mail matter at the post office at Oshkosh, Wis.; to the Committee on Post Office and Civil Service.

By Mr. WIER:

H. R. 8175. A bill to amend the Longshoremen's and Harbor Worker's Compensation Act, as amended, to provide increased benefits in case of disabling injuries, and for other purposes; to the Committee on Education and Labor.

By Mr. WILSON of California:

H. R. 8176. A bill to regulate the foreign commerce of the United States by establishing import quotas under specified conditions and for other purposes; to the Committee on Ways and Means.

By Mr. WOLCOTT:

H. R. 8177. A bill to provide for an experimental national flood indemnity and reinsurance program and for other purposes; to the Committee on Banking and Currency.

By Mr. YOUNGER:

H. R. 8178. A bill to amend the Small Business Act of 1953, as amended; to the Committee on Banking and Currency.

By Mr. BURNSIDE:

H. J. Res. 458. Joint resolution relating to burley tobacco acreage allotments and marketing quotas; to the Committee on Agriculture.

By Mr. DODD:

H. J. Res. 459. Joint resolution to establish a Northeastern United States Watershed Development and Flood Protection Commission; to the Committee on Public Works.

By Mr. FRELINGHUYSEN:

H. J. Res. 460. Joint resolution, to authorize and request the President to issue a proclamation in connection with the centennial of the birth of Woodrow Wilson; to the Committee on the Judiciary.

H. J. Res. 461. Joint resolution to increase the appropriation authorization for the Woodrow Wilson Centennial Celebration Commission; to the Committee on the Judiciary.

By Mr. McCORMACK:

H. Con. Res. 199. Concurrent resolution relating to commemorative ceremonies in connection with the 250th anniversary of the birth of Benjamin Franklin.

By Mr. CELLER:

H. Con. Res. 200. Concurrent resolution to establish a Joint Committee on Central Intelligence; to the Committee on Rules.

By Mr. BURLESON:

H. Res. 353. Resolution to authorize the Committee on House Administration to conduct an investigation of campaign expenditures; to the Committee on Rules.

By Mr. CELLER:

H. Res. 354. Resolution authorizing the Committee on the Judiciary to conduct studies and investigations relating to certain matters within its jurisdiction; to the Committee on Rules.

H. Res. 355. Resolution to provide funds for the Committee on the Judiciary; to the Committee on House Administration.

By Mr. DAWSON of Illinois:

H. Res. 356. Resolution providing for further expenses of conducting the studies and investigations authorized by rule XI (1) (h) incurred by the Committee on Government Operations; to the Committee on House Administration.

By Mr. ROBERTS:

H. Res. 357. Resolution to authorize the Committee on Interstate and Foreign Commerce to investigate and study the causes of the large increase in traffic accidents in the United States during recent years; to the Committee on Rules.

By Mr. RODINO:

H. Res. 358. Resolution creating a select committee to conduct an investigation and study of the possibility of preventing hurricane damage by breaking up or diverting hurricanes before they strike populated areas; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHMORE:

H. R. 8179. A bill for the relief of Don-Chean Chu; to the Committee on the Judiciary.

By Mr. BAILEY:

H. R. 8180. A bill for the relief of Mrs. Drina Sinovcic and Vincence (Vincent) Sinovcic; to the Committee on the Judiciary.

By Mr. CELLER:

H. R. 8181. A bill for the relief of Elizabeth Lucie Leon (also known as Lucie Noel); to the Committee on the Judiciary.

By Mr. COLE:

H. R. 8182. A bill for the relief of Mrs. Rena Carmi; to the Committee on the Judiciary.

By Mr. COON:

H. R. 8183. A bill for the relief of Ong Di Way, Ong Kow Won, and Mrs. Huie May Yew; to the Committee on the Judiciary.

By Mr. DAVIDSON:

H. R. 8184. A bill for the relief of Kreis Krzysztof; to the Committee on the Judiciary.

By Mr. DEMPSEY:

H. R. 8185. A bill for the relief of Chuzo Tamotzu; to the Committee on the Judiciary.

By Mr. DOLLIVER:

H. R. 8186. A bill for the relief of Miss Betti O. Bollmann; to the Committee on the Judiciary.

By Mr. ENGLE:

H. R. 8187. A bill for the relief of Wright H. Huntley; to the Committee on the Judiciary.

By Mr. FEIGHAN:

H. R. 8188. A bill for the relief of Paolina Toscano; to the Committee on the Judiciary.

By Mr. FORD:

H. R. 8189. A bill for the relief of Liu Gun Cheung; to the Committee on the Judiciary.

By Mr. FRELINGHUYSEN:

H. R. 8190. A bill for the relief of Christa E. Holder; to the Committee on the Judiciary.

By Mr. HILLINGS (by request):

H. R. 8191. A bill for the relief of Anna Aldegonda Antoine Lescot; to the Committee on the Judiciary.

By Mr. HOSMER:

H. R. 8192. A bill for the relief of Charles Arnalz; to the Committee on the Judiciary.

By Mr. JAMES:

H. R. 8193. A bill for the relief of George Uhlig; to the Committee on the Judiciary.

By Mr. KELLEY of Pennsylvania:

H. R. 8194. A bill for the relief of Rose Mary Sproull; to the Committee on the Judiciary.

H. R. 8195. A bill for the relief of Filippo Pastore; to the Committee on the Judiciary.

By Mr. KEOGH:

H. R. 8196. A bill for the relief of De Lisle Madure Crawford; to the Committee on the Judiciary.

By Mr. KING of California:

H. R. 8197. A bill for the relief of Virendra K. Sondhi; to the Committee on the Judiciary.

By Mr. LATHAM:

H. R. 8198. A bill for the relief of Guiseppina Yolanda Dondero; to the Committee on the Judiciary.

H. R. 8199. A bill for the relief of Joaquin Barros Da Costa; to the Committee on the Judiciary.

By Mr. LIPSCOMB:

H. R. 8200. A bill for the relief of Jose Domingo Quintanar; to the Committee on the Judiciary.

By Mr. McDONOUGH:

H. R. 8201. A bill for the relief of Clemencio Gumban Hechanova; to the Committee on the Judiciary.

By Mr. McDONOUGH (by request):

H. R. 8202. A bill for the relief of Basiliki Andre Giannoulias; to the Committee on the Judiciary.

By Mr. MORANO:

H. R. 8203. A bill for the relief of Gildo Nicolio; to the Committee on the Judiciary.

By Mr. O'KONSKI:

H. R. 8204. A bill for the relief of Yi Nyong Suk; to the Committee on the Judiciary.

By Mr. RODINO:

H. R. 8205. A bill for the relief of Fred Gordon Ralph; to the Committee on the Judiciary.

By Mr. RODINO (by request):

H. R. 8206. A bill for the relief of Eugenio Mancino; to the Committee on the Judiciary.

By Mr. SCHENCK:

H. R. 8207. A bill for the relief of Ella Takasey; to the Committee on the Judiciary.

By Mr. SMITH of Wisconsin:

H. R. 8208. A bill for the relief of Edith Kaspersky and her minor child, Christine Kaspersky; to the Committee on the Judiciary.

By Mr. VANIK:

H. R. 8209. A bill for the relief of Kurt Grossman and Mrs. Theresa Grossman; to the Committee on the Judiciary.

By Mr. WAINWRIGHT:

H. R. 8210. A bill for the relief of Olavi Kurko; to the Committee on the Judiciary.

By Mr. WILLIAMS of New Jersey:

H. R. 8211. A bill for the relief of Josephine Fan, Joseph Fan, and Joan Fan; to the Committee on the Judiciary.

By Mr. WILSON of California:

H. R. 8212. A bill for the relief of Mrs. Juana Gaytan de Gomez; to the Committee on the Judiciary.

H. R. 8213. A bill for the relief of Maria del Socorro Garcia Ballesteros; to the Committee on the Judiciary.

By Mr. WILSON of Indiana:

H. R. 8214. A bill for the relief of Mrs. Maria D. Herren and infant; to the Committee on the Judiciary.

By Mr. WOLVERTON:

H. R. 8215. A bill for the relief of Edward Kammauf; to the Committee on the Judiciary.

H. R. 8216. A bill for the relief of Mrs. Lidie Kammauf; to the Committee on the Judiciary.

By Mr. YOUNGER:

H. R. 8217. A bill for the relief of Ioannis Rousos; to the Committee on the Judiciary.

By Mr. WALTER:

H. Con. Res. 201. Concurrent resolution approving the granting of the status of permanent residence to certain aliens; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

406. By Mr. BUSH: Petition of residents of Canton and Bradford County, Pa., favoring passage of legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

407. By Mr. CANFIELD: Resolutions passed by the New Jersey State League of Municipalities at the 40th annual league conference held in Atlantic City, N. J., concerning Federal surplus property, Federal taxation of municipal and public agency bond income, national highway program, limiting openings of Burlington County bridges, and Federal payments in lieu of

taxes; to the Committee on Government Operations.

408. By Mr. HOEVEN: Petition to prohibit the transportation of alcoholic beverage advertising in interstate commerce; to the Committee on Interstate and Foreign Commerce.

409. By Mr. LECOMPTE: Petition of numerous citizens of Oskaloosa, Fremont, and University Park, Iowa, favoring passage of legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce and its broadcasting over radio and television; to the Committee on Interstate and Foreign Commerce.

410. Also, petition of numerous citizens of University Park, Iowa, favoring passage of legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

411. By Mr. MASON: Petition of Mrs. Anna H. Russell and 323 other residents of De Kalb County, Ill., urging the enactment into law of H. R. 4627 and S. 923, bills to prohibit the advertising of alcoholic beverages over the radio and TV, and in magazines and newspapers; to the Committee on Interstate and Foreign Commerce.

412. By Mr. MUMMA: Petition of Mrs. R. C. Leitner and 20 other residents of Harrisburg, Pa., urging enactment of legislation prohibiting the transportation of alcoholic beverage advertising in interstate commerce, and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

413. Also petition of Margarette R. Mumma and 23 other residents of Harrisburg, Pa., urging enactment of legislation prohibiting the transportation of alcoholic beverage advertising in interstate commerce, and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

414. Also petition of Mrs. Harry K. Miller and 89 other residents of Hummelstown, Pa., urging the enactment of legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

415. By Mr. SHORT: Petition of Rev. Ernest Hart and other citizens of Springfield, Mo.; to the Committee on Interstate and Foreign Commerce.

416. By Mr. SMITH of Wisconsin: Resolution adopted by the executive committee of the Wisconsin Federation of Young Republicans at its December meeting, urging that the principles of the McCarran-Walter Act be upheld; to the Committee on the Judiciary.

417. By the SPEAKER: Petition of Clifford Crail, Cincinnati, Ohio, with reference to a grievance and requesting a committee of Congress to investigate Hon. Frank J. Lausche, Governor of Ohio, and Hon. Dwight D. Eisenhower, President of the United States, etc., to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

The Farm Problem: Do We Need a New Approach?

EXTENSION OF REMARKS

OF

HON. CLINTON P. ANDERSON

OF NEW MEXICO

IN THE SENATE OF THE UNITED STATES

Thursday, January 5, 1956

Mr. ANDERSON. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address entitled "Do We Need a New Approach?" which I delivered before the Texas Farm Bureau annual convention at Fort Worth, Tex., on November 8, 1955.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

When I tried to put a title to the things which I wanted to discuss with members of the Texas Farm Bureau, I jotted down many suggestions that strongly appealed to me. I would have enjoyed, for example, spending my whole time talking with you about the problems of cotton, the need for decisions on cotton acreage in old areas and in new ones. I would have been happy to have discussed price cycles in the cattle trade. And as you can well imagine, I could have spent most of an afternoon examining with you the history of our whole program of price supports, acreage limitations, and marketing quotas.

I still feel that before another year rolls around I will have tried to reduce to writing what I know of the history of the long battle over price-support programs and levels. This battle is not something that can be dealt with casually in a few minutes. On the contrary, it has roots which run back to the days of the Federal Farm Board in the early 1930's—yes, even to the 1920's and the fight for the McNary-Haugen bills.

Through the fabric of that whole experience, through the changing patterns of processing taxes, soil-conservation payments, limited price-support operations, production payments, high-incentive prices and flexible price-support programs, there runs like a red thread one constant question from farmers in time of economic strain and financial difficulty: Do we need a new approach?

So I have taken that as a title and will talk about it today.

The minister rises in his pulpit and announces his text. He may travel far from it, but it is always there in case he wishes to return and avail himself of that anchor. I, too, have a text, and it is this chart prepared by the Agricultural Marketing Service in the Department of Agriculture following the form and pattern of a pencil sketch which I sent to the Service months ago and requested a reproduction in exact graphic proportions. I present it with no apologies, because I have studied figures and tried to draw from them crude charts as a means of graphic presentation almost as long as I have been in business.

This chart that I use today attempts to trace the relationship between national income and farm income over the past 45 years. By it, we see that beginning in 1910, particularly through the 5 years 1910 through 1914 which became the parity base for our earliest endeavors toward equality for the farmer, farm income and national income rose and fell together. I do not refer to actual dollars and cents, because farm income is only a fraction of national income, usually about from one-twelfth to one-fifteenth; but, nonetheless, they travel in the same relative pattern.

Then came the period prior to our entrance into World War I when those European nations which had been drawn into the conflict required enormous quantities of American farm products. Wheat prices rose to unprecedented levels as the armies in Europe surged back and forth over the hundred battlefields, digging trenches, developing barbed wire entanglements, tearing up the soil.

This was the great American era for ripping up pastures and plowing up the plains. I lived in the Dakotas, and my high school and college years were spent in an atmosphere of fervid agricultural expansion. Every available piece of land was put into wheat or corn. The Iowa farmer could turn a bumper corn crop into fat cattle which could be sold at such record levels that the value of Iowa farmland jumped from $50 or $100 an acre to $400, $500, and in Black Hawk County to $600 or more. People bought and sold farmlands with the frenzy with which they now dabble in uranium.

There came, of course, a day of reckoning. The armistice was signed to end World War I. The pipelines of wheat and meat and dairy products no longer needed to be filled. The wheat farmer had no guaranty that his market would last forever and no umbrella to protect him in the day when his product was no longer needed. Within a year after the close of the war, the boom was over and within 2 years the panic was on. There were six banks in my hometown. Five of them closed. The sixth was kept open by brute strength, but the whole agricultural economy was shattered and torn. You see that picture on the chart.

Then from 1921 for a period of 26 years farm income stayed relatively below but proportionately close to national income. It was never up to what we might call parity or equality except in the years 1924 and 1934, but it came close in the early 1940's and only dropped off in 1943, 1944, and 1945 when price controls worked more effectively against farm production than against the output of other segments of our economy.

The Congress tried to recognize that situation. It passed the Steagall legislation promising the farmer that he would have high, rigid price supports as an incentive to production during the period of the war, and that in recognition and reward for his stimulated and expanded production under price controls during the war he would have 2 full years after the war during which the Government of the United States would guarantee him adequate prices for his enlarged production. During these 2 years, of course, he was expected to adjust his production, to shrink it back to more normal levels and to prepare once again for the period when farm income and national income might move along together.

Now I am speaking of things that are within the orbit of my own acquaintance, because I came into the Department midway between the ending of the European and Japanese phases of World War II.

You see next on the chart a rapid lift in the relationship of farm income to national income, because we moved as rapidly as we could to eliminate price controls from the farm commodities and to give them a chance to reach their more normal relationship to farm income, but there were some clouds overhanging the farm price horizon. We had on hand 7½ million bales of ragtag cotton, cheap cotton that had moved under the Government loan at standard prices but had been of such inferior quality that it had not been taken out of warehouses for manufacturing into textiles. We had enormous stockpiles of butter, wool, fish, dried skim-milk powder, and a host of other things. We had thousands of cases of canned vegetables, millions of pounds of canned meats.

The problem then, and perhaps the problem now, was to move those commodities into markets other than the normal mar-

ket of the American farmer. It is unnecessary to detail those now; but the surplus cotton, for example, went to China, Japan, Austria, and Germany in a fashion that did not interfere with the normal exports of American cotton to England, Belgium, Italy, and other large buyers. In 1945, 1946, and 1947, the release of these enormous stocks of surplus commodities did not drive down domestic agricultural prices because there was a world demand for our goods and we could find places to put away our food and fiber without disturbance to the normal American channels of domestic and international agricultural trade.

The separation of farm income from national income began in the year 1948 as you can see from the chart. Agricultural prices began to drop because agricultural production held up even after markets began to disappear. The people of Europe and Asia began to reestablish their wheat fields and their rice paddies. The rehabilitation work of UNRRA and other agencies had its effect. We moved from a period in which each year we had to scrape the bottom of the barrel for enough wheat for our needs at home and abroad to a time when we could remove all restrictions on the use of wheat and could be fairly generous with areas where shortage was the rule rather than the exception.

It was at the end of 1948 when the adjustment of agricultural production and consumption in the United States needed to be accomplished, but the Congress kept going through 1949 high, rigid 90-percent supports which had stimulated the production of agricultural commodities during and after World War II. The spread between national income and farm income continued downward to the end of 1949 and only lifted a little toward the end of 1950 because war started in Korea in the middle of 1950, and we could fill our military pipelines from our agricultural surpluses and thereby remove the strain from commodity purchasing.

There were those who had foreseen the possibility of a drastic reduction in farm income following the 2-year period of the Steagall guaranties. The Department of Agriculture had had a study committee looking steadily at this problem during World War II. In 1946 there was an intensive drive to bring together the lessons of that long study and attempt to congeal into new legislation our best knowledge of what would safeguard American farmers and perpetuate the favorable relationship between farm and national income.

I am sure you know the results of that study. We, in the Department, recommended a program of flexible price supports giving the Secretary of Agriculture discretion to establish such price levels between about 75 percent and 90 percent as would permit him to guide farmers in their planting and help them toward the balance between production and consumption which brings about a healthy active market and a good price for agricultural commodities in the market place. We recommended that the Secretary have broad discretions as to the level at which prices were to be fixed. We advocated no sliding scale by which the level of price supports was to be measured against the supply of each commodity but we did feel that the flexibility which had been written into the Agricultural Act of 1938 was a proper power for a Secretary of Agriculture to possess, even though the level recommended was substantially above the 52 to 75 percent adopted in the administration of President Roosevelt.

Now, if I may return to the chart, I must point out that Korea did great things for our agricultural situation. Had it not been for Korea, the farm problem in 1950, 1951, and 1952 would have been comparable to some of our problems today; but Korea required that this country stockpile enormous quantities of butter, meat, and cereals. Whatever quantities the farmer was able to produce the Government stood ready to buy.

There was a very substantial turndown in income during 1952. It has carried on through 1953 and 1954; and it will follow on through 1955.

If you want to know what this loss in farm income has done, take two quick statistical references:

1. Farm assets have dropped three billion from their peak; and

2. Farm debt is up two billion from 1953.

What I wish to point out particularly is that during all the time in 1948, 1949, 1950, 1951, 1952, 1953, and 1954, farmers of this country had whatever protection there is in high, rigid 90 percent price supports. This great gap which has opened up between national income and farm income opened and developed during the years when the price-support program was pegged to a rigid 90-percent standard. No farmer should ever forget that.

This is the first year that flexible price supports have been operative. The decline under 90-percent supports began at a time when we were relatively free from surpluses. When I left the Department of Agriculture in May 1948, I believe that all Commodity Credit loans totaled around $1¼ billion, and a great deal of that was current and quickly liquidated. Now our borrowing authority from Commodity Credit is $12½ billion and we are using the major portion of that amount with steadily increasing Commodity Credit stocks. So it is fair to say that 90-percent supports had their chance to work in a market relatively free from surpluses. If we are to be fair we should give flexible price supports a chance to work in a market not glutted with a billion extra bushels of wheat and 12 million extra bales of cotton and 20 million hundredweight of rice and so on down the roll call of surplus crops which today makes our whole farm problem difficult if not desperate.

On October 17, 1955, the New York Times said: "National Income Sets a New Peak. The national income attained a record annual rate of $321 billion during the second quarter of this year, the Government reported today." That is higher than the figures go on my chart, but the chart is prepared by statisticians and bears this footnote: "Department of Commerce estimates of national income have been adjusted to make them comparable with farm income estimates. I believe, however, that the 1955 national income mark will be up from the 1953 and 1954 level, but this I do know—the 1955 net income of farmers will be down. The last estimate I saw was that farm net income now was running at the rate of 10.6 billions for 1955, and you will find that figure on page 3 of a pamphlet called the Farm Income Situation issued by the Department of Agriculture on October 31, 8 days ago.

The point I am constantly trying to make to you is that in 1947 national income was at the level of about $199 billions, and that farm income was at the level of about $16¾ billions. During the next years, national income went up past $300 billions, but farm income in 1954, at the end of the period when rigid 90-percent price supports were in effect, had dropped to $12.3 billions. (Farm Income Situation, FIS 155, Department of Agriculture, Oct. 31, 1955, p. 3.)

If you will look at the chart and realize that if farm income had moved in normal relationship to national income as it mounted up to $300 billion, farm net income would now be about $27 billion, yet the latest Government publication puts it at the rate of $10.6 billion.

This is the farm problem. It is not important that we waste our energies in farm meetings debating whether we go back to the 90-percent supports which carried us from high farm prosperity and comparable high net farm income to the low figure of $12.3 billion for 1954, or whether we should try flexible price supports or two-price systems or export subsidies. The question is: What do we do now and do quickly to put the farmer in a safe spot economically and in a proper financial relationship to the businessmen, the doctors, lawyers, and engineers who live in the cities that our farm produce feeds.

I am going to talk about a few commodities, and then I am going to try to answer my own questions as to what we do now.

The Department of Agriculture, in its October reports, said that the 1955 harvest would be the second highest on record. Corn was estimated at 3,117,000,000 bushels. The wheat crop was 915 million bushels. Tobacco has been growing so well that a special story in the New York Times a month ago found the tobacco glut so bad that the Government owns now and has in storage about 425 million pounds of tobacco, acquired under the price-support system. In auction after auction the Government has been the biggest and at times the only bidder. Tobacco, you know, was the one crop that supposedly worked so perfectly under 90-percent supports that it has a special permanent status unlike any other crop, yet even tobacco isn't able to withstand the stimulation these rigid supports give it.

But I am talking in Texas to Texans. Maybe I better talk about cotton because Texas has 40 percent of the cotton acreage in the United States. The October crop report found the Department of Agriculture forced to raise its estimate of the 1955 crop to 13,920,000 bales, an outpouring of cotton that nullified the control measures which had been in effect and aggravated more than ever a surplus problem already severe. If that estimate holds up the 1955 crop is 232,000 bales above the 1954 harvest and nearly a million bales above the 10-year average from 1944 to 1953. Add that crop to the present surplus of 11,121,000 bales and you have a record supply of 25,049,000 bales which is greater than the previous record set in 1939. Next month the cotton producers will have to vote on a referendum to reduce acres below 18 million at a very time when legislation is pending in the Congress to raise the acreage to 21½ million.

Under our present supports, we have held an umbrella over cotton producers in Mexico, Brazil and many other Latin American countries until today they are able to move into our export markets at prices lower than our Secretary of Agriculture is authorized to sell under existing law. We have seen world production increase even when our production decreased. This year we will see a substantial increase even though your acreage has been cut down. If controls are continued, you can be reasonably sure that the 1957 acreage will have to be lower than the 1956 figure.

So what do you do? Do you plant more rice or wheat? Let's talk about rice.

Texas is a great producer of rice. We had a hearing in Washington last May dealing with rice programs, and these interesting facts developed.

In 1935 the United States produced 17,735,000 hundredweight of rough rice; in 1940, 24,495,000; in 1945, 30,668,000; in 1950, 37,971,000; and in 1954, 58,853,000. The Korean war had stimulated the production of rice and also stimulated the exportation of rice. Here are the figures on exportation: In 1935, 7½ percent of the United States crop was exported; in 1940, 25.3 percent; in 1945, 38.5 percent; in 1950, 40.9 percent; and in 1954, 43.8 percent.

No one need be told how important exports are to the American rice producer nor does any rice producer need to be told that exports are dropping rapidly. They are about half this year what they were last year and probably will be as low as 9 million hundredweight. Add that to a domestic consumption of only 24 million hundredweight, and

you have need for perhaps 33 million hundredweight with a production nearly 59 million hundredweight. What do you do with the balance? Do you continue to store it year after year?

That's why rice producers now face drastic acreage reductions just after they have purchased additional rice production machinery. How do they propose to solve it? By a two-price system or by export subsidies, anything except bringing production in line with consumption. How much better it would have been if controls had gone on right after 1950 and we had produced what the Government and the market needed.

I could go on through basic and nonbasic commodities tracing the same pattern of accumulation and price deterioration, but I have promised that I would try to make a suggestion of what might be done.

One of our national news magazines (U. S. News & World Report, September 30, 1954) had an article entitled "Wanted: Magic Formula for the Farm Problem. After 35 Years of Search No Really New Ideas."

I agree with that heading. There is no device that we can hastily concoct to cure our ills, no magic wand that we can wave to make them disappear. There is, however, hard work to be done, and your organization, along with the American Farm Bureau Federation of which it is a part, has earnestly tried to study farm problems and work steadfastly for their solution. So I do not hesitate to present to you my belief that we do need a new approach and my ideas as to what that new approach might be.

First, I think we need to quiet the fighting on several farm fronts. By that I mean that we must soon be able to bring all farm organizations to a common position in behalf of the farmer. We must try to find a program that can be acceptable to both political parties, Republican and Democratic, and that unifies the individuals within each party. I need not tell you that the opponents of Secretary Benson are not all within the Democratic Party. He has stern, harsh critics within the Republican Party, and they are Members of the Senate and Members of the House.

We need to find a basis for prompt action that can halt the decline in farm income. That basis must be able to enlist the 90 percenters like my good friends DICK RUSSELL and HAROLD COOLEY, as well as Senators who believe in flexible price supports like GEORGE AIKEN, SPESSARD HOLLAND, and me. I don't care how few things we agree on at first or how simple the early areas of agreement are, we need to take the farm program out of perpetual political strife, and substitute the bipartisan approach to farm problems which characterized the years when prosperity was being restored on the American farm.

I know that you will say at once that there is a wide gulf between the Farm Bureau and the Farmers' Union. I think I know the ground around that gulf and how deep it is. But I also recall two items:

1. In 1945, I named a special committee, with Milton Eisenhower as chairman, to work on the reorganization of the Department of Agriculture. When that group and I had finished our joint endeavors, we presented the plan of reorganization to leaders of the Congress and to all farm organizations. After a little overhauling and some slight modifications we got complete approval by representatives of both political parties and all farm organizations. The Production and Marketing Administration was established. Personally, I think it was the only organization in the Department of Agriculture that made much sense.

2. In 1946, after years of study we prepared the farm legislation to which I have previously referred, but before it was presented to the Congress, it was considered by farm organizations. Even though it involved flexible price supports and modernized parity, it was supported by the Farm Bureau, the Grange, the Farmers Union, and the National Council of Farm Cooperatives.

From these two experiences, I have decided that it is possible to bring farmers and the Congress together on farm programs and agricultural administration.

Second, we must clean the shelves of the Commodity Credit Corporation. I mean we must dispose of our surpluses. No farm program—rigid 90-percent supports, flexible-price supports, soil-fertility banks, production payments, or two-price plans—will work with the surpluses we now have on hand. We should not fool the American farmer by pretending that we think they will.

We must clean our shelves if we expect to see the line representing farm net income turn upward and if we expect to see national income stay high. Economically, this Nation would be in a far sounder position if we gave away about $6 billion worth of food and fiber than it will be if we continue to keep these stocks hanging over every commodity market. At the end of World War II we dumped enormous quantities of food on islands around the Pacific and while I do not advocate dumping commodity stocks now, I do advocate getting rid of them.

If no one else takes the lead, I intend on the first appropriate day of the next session of Congress to introduce a bill requiring the Commodity Credit Corporation to present to Congress within 30 days a program for the orderly but complete liquidation of surplus Commodity Credit stocks. I do not mean they must be liquidated in 1 month or 1 year but the mere announcement that they will be liquidated in 4 or 5 years will bring the buyers of commodities back into the market.

Why should a miller buy wheat or hedge his position when Commodity Credit has a billion bushels beyond our normal needs? Why should the manufacturer of cotton goods protect himself against a price rise when he knows that Commodity Credit has millions of bales that he can take out from under the loan any day he wants it? But once you earmark those surpluses for shipment abroad into markets not normally available to our farmers, the textile manufacturers will be frantically calling their agents to find some good cotton and tie it up.

When I took the oath of office as Secretary of Agriculture, I had to sign a receipt for 7½ million bales of cotton. It was sorry cotton at that but as long as it was hanging over the market there wasn't much trade in farm-produced cotton. We moved it all in a year or a year and a half; and the day we decided to move it outside of normal American trade zones, the cotton market stiffened and cotton prices went up and stayed up until cotton got it in a surplus situation again. I tell you, we can still move cotton when we want to.

A program to move these commodities may involve putting great quantities in the hands of people in other lands who could not otherwise afford to buy them. What is wrong with that? Our slogan in World War II proclaimed that food would win the war and write the peace. Well, it won the war, all right. Why not let it try to write the peace? These billions in food and fiber could implement our foreign policy far better than supplying arms to the Arabs or to the Israeli. Shooting irons placed in the hands of trigger-happy people lead to war; but food and fiber can lead to peace.

Food and fiber can help carry the spirit of Geneva at a time when that spirit seems to be mighty weak and when the foreign ministers find little on which to agree. When food and fiber lie in bins and pile up the storage, the accumulation only breaks our farmers. If they are sent abroad and removed from our economy, farm income will spurt upward, national income will stay at high levels, and in a few years we will have forgotten the cost of such a disposal program just as we forgot the cost of letting thousands of tanks, planes, and guns be captured by "General Rust" after World War II. We will have forgotten, but the heart of the world will not and it well might be that we would have created an atmosphere where the spirit of Geneva, the blessings of atomic power, and a host of other favoring circumstances might begin to work toward the achievement of peace.

Third, we must spend more on research and extension to build wider markets at home and abroad.

As I reflect on my years in the Department of Agriculture, I have many memories. Some relate to the problems of food rationing, shortages of essential supplies to farmers, reorganization of the Department to increase the emphasis on marketing; however, none is so satisfying as the fact that during this period the Research and Marketing Act of 1946 was enacted into law and a program for accentuating research in agriculture was set in motion.

For far too long we have been neglecting agricultural research and the task of bringing the results of research to farmers on the land. I regret that in the years immediately after 1946 we weren't able to get the program in "high gear" to the extent that should have been done. Therefore, it was gratifying to me that in the 1952 platforms of both political parties, there was a firm commitment to expand agricultural research.

The Democratic party platform pledged expanded research.

"We are justly proud of the outstanding achievements of our agricultural research. We favor a greatly expanded research and education program for American agriculture in order that both production and distribution may more effectively serve consumers and producers alike, and thus meet the needs of the modern world. We favor especial emphasis on the development of new crops and varieties, on crop and livestock disease and pest control, and on agricultural statistics and marketing services."

The Republican platform made a like promise.

"We recommend expanded agricultural research and education to promote new crops and uses, new markets, both foreign and domestic, more trustworthy crop and market estimates, a realistic trade program for agriculture aimed at restoring foreign markets and developing new outlets at home."

Progress has been made in getting more adequate funds for this important work. However, with the cost-price squeeze on in agriculture, it is more necessary than ever before that we bring to farmers the very best information on ways and means of cutting costs. This means that 1956 is no time to stop the accelerated program now under way. I shall be interested in the budget recommendations of the administration in this field. In the effort to balance the Federal budget, I hope that important programs like adequate research and education will not be victims of election-year political expediency.

To me nothing is more vital to a lasting solution of our farm problems than continued emphasis on research and extension. The route to newspaper headlines and publicity is to be for or against 90-percent price supports. The route of service to farmers is to be for increasing appropriations in our Federal budgets for the expansion of research and education in American agriculture.

Finally, my last words are not truly recommendations of programs, but I trust are words of hope.

Fourth in my program is to tell farmers to hold on until population catches up with the capacity of our agricultural plant. This is not too far in the future because of two circumstances: (1) We are losing farmland to

cities, roads, and airports; and (2) the great American baby boom is on.

A recent magazine article (Chemurgic Digest, September 1955, p. 16) estimates that we are using up 1 million acres of farmland a year for city expansion. The road program has an even greater appetite. The turnpike from Canton, Ohio, to Chicago will gobble up some 70,000 to 100,000 acres of excellent cropland, and the proposed program of turnpikes and toll roads runs into millions of acres.

I talked to the school teachers of my State a few days ago about the American baby boom. I do not intend to review those statistics other than to say that 37 million babies were born in this country in the last decade. They are starting now to have their effect upon our economy. They have begun to accelerate the expansions of our markets for all sorts of commodities—food, clothing, shelter, automobiles, candy, soft drinks, television sets, new houses, new schools. My estimate has been that probably by 1965 and surely by 1970 we will need 4 or 5 billion more pounds of meat annually, a billion dozen extra eggs, several billion extra quarts of milk, and 15 million tons of feed grain more than we will produce in the harvest of 1955, the second largest in our history.

Hold on for the good days that are sure to come. Long before the dawn of the new century this country will be searching for new ways to grow food or new areas in other lands from which our bread basket may be filled. That day will mean increased activity in world trade, new markets for the products of our factories, and new customers abroad to match the increased industrial activity at home.

The farm problem has been with us for most of this generation. The next generation will have to endure it only a little while until world population catches up. That's why I hope that those people who are sincerely the friends of the American farmer may quit fighting each other and join on a program that will clean the commodity shelves, that will bring to the American farmer an alert, active and aggressive market for his produce, and will at the same time give truth at last to our slogan that food may have a voice in the final pronouncement of peace.

Views of Senator Wiley on State of the Union Message

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES

Thursday, January 5, 1956

Mr. WILEY. Mr. President, as I listened today to the state of the Union message of the President of the United States, I felt for Dwight D. Eisenhower a deeper sense of gratitude for the immeasurable service he has given our country, and a renewal of my profound respect for him as our national and world leader.

I am confident that with him at the helm of our Nation, progress toward our domestic and foreign goals will continue evenly and effectively.

The message is a reflection of the dynamic spirit of President Eisenhower. As I have supported him in the past, so do I now again pledge my wholehearted and continued support to the President, and to the praiseworthy and constructive measures highlighted in the state of the Union address.

Facing the United States Congress, there are additional measures that will affect millions of Americans. I refer to such important issues as the battle against decontrolling of natural gas, the battle for completion of the St. Lawrence Seaway, and others.

In a New Year's speech over Wisconsin radio stations, I had previously dealt with these significant matters. I feel that it would be useful, at this time, to bring these remarks to the attention of my colleagues.

I am pleased to point out that there is broad general agreement between the points I had presented in my talk and those set forth by the President today.

I request unanimous consent to have my New Year's speech printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

SENATOR WILEY ANNOUNCES 20-POINT PROGRAM FOR 2D SESSION, 84TH CONGRESS—EMPHASIZES NEED FOR MAINTAINING UNITED STATES PROSPERITY AT PEAK LEVEL, THROUGH AN EXPANDING PEACEFUL ECONOMY

(Radio address by Hon. ALEXANDER WILEY, of Wisconsin, broadcast over Wisconsin radio stations on New Year's Day, 1956)

I am glad once more to speak to you through the courtesy of this station.

I would like to share with you some observations regarding Wisconsin's and America's bright future.

It is particularly appropriate to take stock of our national situation, as we head to what we believe will be a wonderful, peaceful, and prosperous 1956—with all its priceless abundance.

I am not simply referring to the great material resources which are ours—our wealth, our comforts, and conveniences. Rather, I refer principally to our spiritual blessings—the blessings from the source of all good, blessings which we enjoy as children of the all-knowing, all-seeing, all-present Creator. Yes; I refer to the heritage which the Wayshower said is ours—yours and mine—the Wayshower who came in order that we might "have life and have it more abundantly."

Let us look now at the overall picture in Wisconsin and in all America for 1956.

We will look, for example, at the prospects for peace. Then, we will turn to such varied subjects as roads, social security, taxes, housing, labor, agriculture, population, and the presidential elections of 1956.

FOUR GOALS: OUR GREATEST GOAL, PEACE

Question. First off, Senator, what would you say should be our principal aims for the New Year?

Answer. I believe that our aims as a people should be these:

First, to keep our country at peace.

Peace—no big wars, no little wars. Atoms for Peace and not for war.

But peace, how? How can we maintain and keep it?

Peace, through vigilance, against an atomic Pearl Harbor. That means vigilance against communism's plans to enslave the world.

Peace through strength, through a powerful modern defense, an Army, Navy, and Air Force, second to none, a guided missile and nuclear program superior to Russia's program. Such strength can serve as a continued deterrent to war.

How else, can we maintain peace?

Through understanding, understanding of historic differences, understanding the arguments among the nations and seeking to ease and erase them, seeking to remove frictions between ourselves and the peoples of Europe and Asia and Latin America.

And, lastly, we seek peace, through determination, through courage and God-given ingenuity, so as to banish bloodshed forever, if at all possible.

Preserving our freedom from attack

Question. That is our first objective, Senator. Now how about the second?

Answer. Secondly, our aim must be of course to preserve our heritage of freedom.

Nothing must imperil our traditional liberties, our freedoms of speech, press, assembly, worship, our freedom to own property, freedom to choose jobs, freedom to take our chances under the profit system. Nothing, neither big Government nor big anything else must regiment us Americans.

Our civil, economic and political rights, the rights of majority and minority, must be preserved, from all harm, from any quarter.

Maintaining and expanding our prosperity

Question. What should be our third objective?

Answer. Our third great objective must, of course, be to maintain our country's prosperity.

I need not tell you in detail, that fortunately, we are today enjoying the greatest national income which we have ever known, almost $330 billion per year. Sixty-five million Americans are fortunately employed. One-third of our workers are women. Our Nation's salaries, dividends and bonuses are at peak levels. We want to continue to enjoy this great prosperity and to expand it. We want to continue to have a sound, stable dollar, not a cheap, inflated, worthless dollar. We want a healthy, growing economy.

As a matter of fact, we must do so, in order to pay off our heavy national debt, as well as our personal and corporate debt. More than 23 million families owe payments on installment plans. That means that they must have continued, high income to pay off their obligations. Prosperity, therefore, is not a luxury, it is a necessity for all of us.

We cannot afford a recession. And we will not have a recession.

Fraternal bonds between all Americans

Question. And our fourth need, Senator WILEY?

Answer. Our fourth vital goal, while enjoying these three other goals, while keeping the peace, while maintaining freedom, while expanding our prosperity, is to increase the actual happiness of all of our people, the peace of mind, the feeling of friendship and well-being.

That means more than simply increasing our national wealth. It means continuing warm, fraternal bonds of cooperation and mutual respect in our land. It means avoiding class warfare, keeping labor and management together, as a working team. It means cutting down on frictions between North and South and other regions of our country, as well as between racial, religious, and minority groups. This, too, is a worthy goal, especially in the time of the birthday of the Nazarene.

AFL-CIO merger welcome

Question. Well, speaking of cooperation, How does the new AFL-CIO merger affect that situation, Senator WILEY?

Answer. Well, the big merger of the formerly rival organizations is now an accomplished fact.

It brings together 15 million organized workers, out of the total of 17 million such workers and out of our 65 million labor force.

The merger of AFL-CIO can be a great force for good. It can open a new era of responsible, efficient, unionism. That means sensible, orderly, collective bargaining. The merger can strike important blows at any racketeering influences. It can help end the senseless and often bitter jurisdictional squabbles which have cost labor and have cost the public dearly.

And so, we are looking forward to good things from the merged organizations. We are hoping, of course, that minority rights—political rights, economic rights, will be fully respected by it. Each laboring man must remain absolutely free in his political choices. No one must attempt to dictate to him what he does inside the ballot booth.

Badger State's bright outlook

Question. Well, Senator, those are four splendid objectives for 1956.

Now, how does the outlook for Wisconsin look to you?

Answer. I would say that the outlook is excellent.

Our own State has of course shared in America's great prosperity. In many respects, we are actually doing far better than a great many other States.

Of course, the farm segment of Wisconsin's population has been having its difficulties, serious difficulties. I want to refer to that situation a little bit more later on.

But, in most other phases of our State's economy—in industry, especially manufacturing, in distribution, in consumption—Wisconsin has enjoyed and will continue to enjoy peak records.

Our State's population, which is now at the 3½ million mark, is headed for further increases. By 1965, there will be 4,100,000 people in Wisconsin.

In America as a whole, we are going to have 190 million citizens. That means 28 million more than we have now. That in turn means a vastly expanded market—increased demand for goods, throughout the 48 States and, in particular, in our own State.

Question. Senator, that leads us into what you propose to do for the State of Wisconsin and for our country as a whole during the next legislative year, opening in January.

What legislation, for example, will you be offering?

Completing seaway, social security, and roads

Answer. Well, it will be my purpose in this 2d session to try to secure the enactment of the numerous important bills which I introduced in the 1st session of the 84th Congress, in 1955. I will, moreover, be carrying forward overall policies for which I have been striving since I first came to the Senate in 1939—policies aimed at the goals of peace, freedom, prosperity, and cooperation.

Now, let me spell out exactly how I hope to achieve all this.

First of all, of course, it must mean passing the Wiley bill to complete the Great Lakes-St. Lawrence Seaway. This bill will authorize deepening the connecting channels west of Lake Erie. This is by far the single most important bill affecting the State of Wisconsin in this Congress.

Secondly, I will once more resume the fight to improve the Nation's social security system. That means liberalizing pension benefits, particularly for elderly women. I want them to become eligible to receive their modest old-age pensions at the age of 60, instead of waiting and waiting until the age of 65.

Thirdly, another item on my legislative program is to make sure that this time Congress definitely enacts legislation for Federal improvements of our highway system. As we all know, the Nation's roads are choked with traffic. This universal traffic jam is costing us fortunes in terms of increased costs of distribution, in terms of highway accidents, and many other direct and indirect costs.

Opposing natural-gas rate increase

Question. I know, Senator, that one of the major items on your program is to oppose one particular bill, which you feel could be very damaging to the interest of Wisconsin—the natural gas rate bill.

Answer. That is exactly right.

One of the early bills which will probably be coming up is the so-called Harris bill. This dangerous bill could result in a third of a billion dollar increase in the already high gas rates which Wisconsin and 30 million other consumers pay for the fuel which is used in homes, offices, and factories.

This gas rate increase bill would very unfairly cancel out a decision of the United States Supreme Court. The Court had rightly held that gas rates should be—I repeat—should be subject to Federal control. Naturally I oppose very strongly the bill which would decontrol rates, and thus leave the consumer helpless and defenseless.

Fifth plan: Specific planks in farm program

Question. Senator, earlier you referred to the problem of Wisconsin agriculture. Would you tell us about some of the planks in your farm program?

Answer. I am glad to. I will just list them briefly, because time unfortunately is limited. The following are planks to halt the dangerous downward spiral in United States agriculture.

First, I propose that dairying be treated as a basic commodity, alongside the six so-called other "basic commodities," like wheat, corn, tobacco, and cotton.

Second, I propose that the dairyman have a minimum floor on his prices, just as the laboring man gets a minimum wage. That means the dairyman must get his cost of production plus a reasonable profit.

Third, dairy research should be strengthened, through a bill such as the Wiley bill for establishing a dairy research laboratory at Madison. That means finding new uses for milk and milk by-products.

Fourth, we have to step up our program of constructive use of the Nation's dairy surpluses. That means using dairy products for the needy folks in America. Moreover, to the extent that the supply is available, we should use the surplus to help relieve need among the hungry and starving people abroad.

Fifth, we've got to step up the consumption of dairy products right here at home. That means increased education of the American people on the value of eating wholesome, nutritious milk, cheese, ice cream, butter, and nonfat milk solids. It means making more dairy vending machines available. It means improved advertising, public relations and food recipe programs, to spread the dairy habit.

Sixth, we have got to increase the amount of milk which is used under the Nation's school-lunch program so as to feed our children's growing bodies with more milk.

Seventh, we must strengthen the battle against livestock and other diseases, which already cost the American dairy farmer so much.

Eighth, we must make sure that acreage is not diverted from other agricultural production into dairying. Why? Because that would only complicate our existing dairy problems, and make for a still more serious surplus.

Ninth, improve soil conservation through some such proposal as the soil bank.

Tenth, strengthen dairy production and marketing cooperatives.

These, then, are 10 points in my agricultural program. But please remember, folks, they are designed not simply to help the farmers, but to help our city people as well. That means making sure that the farmers can buy what the city people want to sell. It means, moreover, healthy bodies for 165 million Americans, consuming dairy products.

THREE JUDICIARY COMMITTEE PHASES

Question. Senator WILEY, thus far, in our program, you've discussed 5 points in your plan for the 2d session of the 84th Congress, including 10 specific planks in your farm program.

In the time remaining to us, would you run down the list of the many other points which you are proposing on behalf of the people of Wisconsin and of our Nation?

Answer. Yes, indeed.

My sixth point is to strengthen the Nation's antitrust laws. Right now, those laws, which are designed to protect small enterprise—meaning 4 million small businesses—against monopoly, these laws are confusing and vague.

I personally have the privilege of serving on the Antitrust Subcommittee of the Senate Judiciary Committee. And I am hoping that we will be able to come up with many specific recommendations to improve these antitrust laws. (Right now, I might point out, we are looking at America's automobile industry which is, of course, a mainstay of our economy.)

Next, one of the most important things we in Congress can do, relates to another subcommittee of the Senate Judiciary Committee on which I serve. That is the Juvenile Delinquency Subcommittee. Thus, I want us to come up with action on the Wiley bill, or similar legislation, to help curb the widespread crime which is committed by the Nation's youngsters. We must help prevent the crime, before it occurs in the first place, and/or help to rehabilitate the youngsters if they once get into trouble.

Question. That brings us down to the eighth point in your program, Senator.

Is it another point stemming out of your service as senior Republican on the Judiciary Committee?

Answer. That's right. You know, one of the important functions which I fulfill on the Judiciary Committee relates to its work in the field of combating subversion. That means combating the Communist enemy. So, I have offered numerous bills to strengthen the Nation's antisedition laws. I am hoping that we will be able to close up some of the present loopholes in antisubversion statutes during the next session.

Question. Thus far, Senator, you have referred to the St. Lawrence Seaway, social security, roads, opposition to natural gas rate increases, antimonopoly, antijuvenile delinquency, and antisubversion.

What is next on your program?

Answer. Here are some additional points.

Veterans, schools, health, Reserve

Ninth. We should pass veterans survivors' benefits legislation, so as to improve the position of the survivors of America's veterans, especially during this period of high cost of living. A bill for that purpose has already passed the House of Representatives, and is now pending in the Senate.

Tenth. The needs of the Nation's overcrowded schools must stand high in our priority list for the next session.

Eleventh. America's hospitals, particularly in rural areas, need both improvement and expansion. In addition, there is a clear need for stepping up medical research, so as to banish the illnesses which still take such a tragic toll among our people.

Twelfth. Congress needs to take another look at the Nation's Reserve program. Last year, we enacted an important new Reserve law, but already there are serious complaints to the effect that the law is not working out nearly as well as we might have hoped. Reserve units in many instances are mere skeletons, and Reserve obligations are still falling somewhat unfairly. We Americans want to be fair, and we want to be effective in the Reserve program. That is part of our efforts for vigilance against communism.

Question. That is an even dozen recommendations, so far, Senator. How about other points in your program?

Answer. Here they are:

Outdoors, housing, distress, disaster

The Thirteenth point is to strengthen our Nation's outdoor heritage, step up the battle against water pollution, protect our national parks, forests, and monuments against danger from any quarter.

Fourteenth. Strengthen America's housing. Fortunately, 3 out of every 5 of our people already own their homes, but millions of homes are obsolete and could stand repair or replacement, if sound credit is available. We're building 1¼ million new homes this year. That is still only a drop in the bucket compared to our unfulfilled housing needs.

Fifteenth. Relieve distress in critical unemployment areas. Why? Because, in spite of widespread prosperity, there is still need in isolated "pockets" of our country, in individual communities where unemployment is high, unfortunately.

Sixteenth. Explore disaster insurance plans, so as to help reduce the cost of natural disaster—flood, hurricane, tornado—if they should happen to strike.

Shipping, anticrime, labor, tax changes

Question. Any more points, Senator, in your program?

Answer. Yes, indeed.

Seventeenth. Strengthen Great Lakes shipping, provide for restoration of package freight service on the lakes, deepen and improve Great Lakes harbors, so as to accommodate deeper draft shipping through the St. Lawrence Seaway.

Eighteenth. Pass long-pending anticrime bills, measures to combat tax evasion by gangsters, together with antigambling bills, such as were recommended by our Senate Crime Committee.

Nineteenth. Remove inequities in the Nation's labor-management laws, inequities on which labor and management, in many instances, both agree, and

Twentieth. Last but not least—revise the Nation's tax laws. Remove tax injustices. Take a new look at the nuisance excise taxes, the so-called sales taxes on individual purchases, provide additional relief for low income brackets, providing we can balance the budget.

Give the taxpayer a break, particularly by continuing the all-out battle against governmental waste and inefficiency. That's about it. Of course, if time permitted, I could add numerous other points in my proposed program for 1956.

The political situation

Question. Well, Senator WILEY. you have certainly provided a great deal of food for thought in these 20 recommendations. I know that the people of Wisconsin will be following closely your work on each of these fronts.

Now, how do you feel about the political situation as it shapes up in 1956?

Answer. Well, we of Wisconsin are of course looking forward to the April 3 date of the preferential primary for the Presidency. The closing date for filing for the primary is March 2.

It is still too early, of course, to be very sure as to what the picture will look like, in either the Republican or Democratic races. But I do want you to know this: irrespective of the April presidential primary, and the September primary for the congressional races, we in public office all have an important job to do—in every single one of the 11 months of 1956 preceding the November election.

In other words, the American people don't want men in public office to be talking and playing politics all the time. The people expect, and are entitled to, constructive action immediately—on issues like roads, social security, tax revenue, schools, health, housing, the seaway, and the various other subjects which I have mentioned.

That will certainly be my aim—to provide such constructive action.

Question. I know, Senator, that this constructive note will be well received by the people of Wisconsin.

CONCLUSION

Answer. Yes; I think we should all remember the old song about "accentuating the positive." That means emphasizing the constructive, not the negative. Why? Because there is too much of a tendency these days to talk negatively about individual personalities or to take a gloomy look about possible troubles on the national or international scene.

To the contrary, we as a people have so much to be thankful for, we have so bright a future in store for us, that we should certainly look forward to the future with faith and optimism. In that way, we will be better able to meet the problems up ahead.

Southern Forestry

EXTENSION OF REMARKS

OF

HON. SPESSARD L. HOLLAND

OF FLORIDA

IN THE SENATE OF THE UNITED STATES

Thursday, January 5, 1956

Mr. HOLLAND. Mr. President, on October 3, 1955, I had the honor of delivering the keynote address at the 80th anniversary meeting of the American Forestry Association, in Jacksonville, Fla.

I ask unanimous consent that my address be incorporated in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

SOUTHERN FORESTRY: AN INDUSTRIAL REVOLUTION WITH ROOTS

(Keynote address of United States Senator SPESSARD L. HOLLAND, of Florida)

I was delighted when the American Forestry Association invited me to speak at this great convention. Naturally I have wondered just how I might contribute something to the success of this meeting. I am conscious of the fact that many of you have come here from distant States. Accordingly, every minute of your stay here should be both interesting and profitable. I am hoping that my part of the program may not be a roadblock in this connection.

First of all, as one born and bred in the Sunshine State, one of the fastest timber growing States in the Union, I welcome you to Florida and to the South—a region of fast-timber-growing States.

I think you came to the right place for this meeting. Here in Florida, the second largest State east of the Mississippi, you have all the elements to please the heart and mind of any forestry-conscious individual. Ponce de Leon, the Spaniard, aptly described this State in the year 1513, nearly 4½ centuries ago, and gave Florida her name. Here's what his ship's log, in an ancient English translation, contains by way of description:

"They steered then along ye coaste for the purpose of seekying a haven and this same nyghte they saw lande nearbye at eighte fathom water; which they supposed to be an ilande and straitwaye named it Florida, on account of the marvelous viewe which met their eyes of beautiful Orchardes, Plantes, level gardens and animal kynde; and then as Jean Ponce nowe allsoe discovered the daye to bee ('Pascua Florida,' Easter) Sunday, he determined for those twoo reasons to give this name to ye lande."

And it was here in Florida that one of our first Federal ventures into the field of forest management took place. I quote from Ovid Butler's American Conservation in Picture and in Story an item relating to the administration of President John Quincy Adams 130 years ago:

"Seapower in President Adams' day meant wooden ships and he foresaw that maintenance of a strong United States Navy depended upon a permanent supply of proper timber. One of his first acts upon becoming President was to establish a naval station in the liveoak region of Pensacola, Fla. At the same time he had a reconnaissance made of the liveoak supply along the coasts of Georgia, Florida, and North Carolina. The depleted conditions reported prompted him to initiate a project for the growing of liveoak for naval timbers. To this end he withdrew 30,000 acres on Santa Rosa Island, across the bay from the new Pensacola Naval Station, and in December 1828 work began on this, the first Federal venture into the field of forest management."

You probably are wondering why I take this time to mention this bit of the history of conservation. On the Federal Archives Building in Washington is this saying, "What is past is prolog." It is my concern and I know that it is yours, too, that we learn well from the past in order to chart a wise course for the future. Here in the South we are building in forestry, in part at least, on the basis of our knowledge of past conditions and events.

My office within the past month has received an attractive bulletin called Native Land published by the National Association of Manufacturers. I commend to you its reading. It has much in it about forestry. In addition it points out that conservation—or rather lack of conservation—influenced the course of empires long before our country was established. I quote from it as follows:

"Trace the course of civilization westward from what historians call the Cradle of Civilization—the area through which the Tigris and Euphrates Rivers flow in Asia Minor. The way is marked by the remnants of the glory that was Greece and the grandeur that was Rome and Babylon and Persia and empires that flourished long before even these.

"You come upon areas where you find olive and wine presses, wrecked by time and weather. But you search the horizon in vain for a single olive tree or vineyard. Great cisterns still collect the water that falls from the skies. Meantime, stretching out for as far as you can see, are deserts—man-made deserts—where there were once waving fields of grain.

"Where there were once thriving populations and rich cities you find shepherds tending underfed flocks that nibble at the sparse grass. Farmers work their worn-out, sunbaked fields against a background of crumbled colosseums and tottering temples. The Cradle of Civilization has also been the Graveyard of Empires."

Each of us learns most, of course, from his own personal experiences. I would like to tell you of some of the things I have seen right here in Florida. I was born at Bartow, 200 miles south of here, and my home has always remained there. In my lifetime I have seen two relatively old forest industries boom, decline and rise to expand again and I have seen a new forest industry start and grow strong.

The older industries to which I refer are, of course, naval stores and lumber. As most of you know the naval stores industry is one of the oldest industries in the South, and in the Nation too. One of the reasons for the settlement of Jamestown was the hope of England to develop a source of naval stores. As early as the turn of this century it was believed that the gum naval stores industry was doomed because the big pine trees which were needed for the crude methods of gum collection in chopped out "boxes" were becoming scarce. Through research new methods were devised; first a cup and gutter system supplanted the old chopped box, and more recently a system of bark chipping, using acid and doubleheaded nails,

has given the naval stores industry a new lease on life by making profitable use of second growth pines. Florida is now exceeded only by Georgia in our naval stores production.

The other older forestry industry to which I refer is the lumber industry. Pine lumber production reached its peak in Florida in 1909. At that time 75 large sawmills accounted for 70 percent of the production. From 1936 to 1944 Florida's lumber output dropped almost half. Today about 600 sawmills, most of them small, are cutting the lumber produced in Florida but, thanks to sounder forestry practices, lumber production has gone up again.

While our pines account for the larger part of our lumber industry, we still have substantial production of cypress, some cedar, and continuing production of various hardwoods, which our State forestry department is seeking to encourage and increase.

The forest industry which is relatively new to most parts of Florida and the South is the pulp and paper industry. In 1925 the Nation produced 5 million cords of pulpwood of which less than one-fifth came from the South. In 1954 when the Nation produced 27 million cords about two-thirds of all this came from the South. Florida alone contributed almost 2 million cords. Florida now stands third among the States in capacity of her mills to produce pulp.

While all forest industries—lumber, naval stores, poles, cooperage and pulp—have shared in the South's industrial revolution it is the pulp and paper industry that has had the most pronounced effect. It has led the way in making possible our forestry industrial revolution with roots.

The pulp and paper industry has made tremendous investments in the South. It has invested not only in multimillion-dollar mills but also in lands, operations, facilities and personnel. These big mills are not easily moved; they are permanent investments—they are here to stay.

What brought about the great movement of pulpmills into the South and their recent expansion? In addition to the excellent facilities such as workers, transportation, and steady supplies of clean water, which it offers all industry, the South has the additional wealth of fast-growing second-growth timber, and abundant land for new forests.

Most of our old growth timber has long been cut but through the benevolence of nature and the help of a few far-sighted pioneers a second growth of pine and hardwood developed throughout much of the South. At first this regrowth was considered practically worthless. Why? Simply because there was no market.

Then the pulp mills came, and now most of the South has good markets for its second-growth timber. There can be no argument as to which is more important—the timber or the markets. We must have both. One without the other is of little value. The mills are providing the markets, which make forestry profitable. But it is equally true that only through intelligent forestry will we be able to sustain in perpetuity this great industrial revolution with its roots in the renewable forest resources of the South.

Most people do not realize that more than half of the capacity of the pulp mills of this Nation is now in the South. Florida alone has 10 mills with a total 24-hour capacity of 5,415 tons which is about equal to one-half of the capacity of the mills throughout the entire northeastern region.

If I seem to emphasize too much the achievements of the pulp and paper industry and do not discuss sufficiently the accomplishments of the lumber and naval stores industries, I hope that my friends in lumber and naval stores will forgive me. Many big lumber companies and naval stores operators have been practicing good forestry for a long time. When I speak of forest industry I include all industries which provide markets for the forest growth. I like to think of industry also in its broadest sense including not only the mills but the workers, the land, and the consumers as well.

What is this great pulp and paper industry doing to assure its future? In the first place it has bought large forest holdings and is managing them intensively. Some of the finest forestry operations you'll see anywhere, and I hope you will see them while you are here, are in the Florida holdings of this industry. But most of the great quantities of wood these mills use come from noncompany lands. Consequently, it is in the interest of the mills to encourage their neighbors to practice good forestry. The millowners realize this and have started a good-neighbor policy of helping adjoining landowners practice forestry. Most of these neighbors are small landowners.

Both the problems and the opportunities of the small woodland owners have been pointed out many times since they were first emphasized by the Reappraisal Survey made by the Forest Service some 8 to 10 years ago. I fully expect that in the new study now nearing completion that has been made by the Forest Service with the help of the States, industry and others, we will find that the small woodland owner is still the key to the forestry future of the South.

One thing which the owners of small tracts urgently need is technical assistance, which is procured by large landowners from private professional foresters. I am especially proud of the accomplishments under the Cooperative Forest Management Act of 1950 whereby the State foresters in cooperation with the United States Forest Service have farm foresters working with the many small forest owners of the South. I was glad to work with Senator ELLENDER, and others on the committee which secured its passage. At this point I would like to pay a tribute to my colleague in the House of Representatives who has worked tirelessly for this act and many other pieces of forestry legislation—Congressman BOB SIKES, of West Florida.

We have made great progress in tree planting in the South. In 1954 the State of Florida produced about 75 million seedlings. The State Forestry Department produced two-thirds of them on its two great nurseries and industry nurseries produced the other third. The State is now completing a third large nursery, but I am told that even with that new production we will still not quite meet the demand which already exists. In other words our property owners are, for the most part, decidedly forestry minded.

Of course, protection of this great forest resource is basic.

You are all aware of the progress being made in our cooperative forest fire control program since its inception under the Weeks law of 1911. You know of its expansion under the Clarke-McNary law of 1924. Through this program a great deal of State and private forest and watershed lands is being protected, and many benefits accrue to us as a result. Along with other Southeastern States Florida is now completing the organization of the regional fire protection compact which was approved by Congress last year.

But, increased effort by the forestry agencies and the continued support of Congress are needed in the forest fire protection program. It was enheartening to me, and I am sure to you, to note this year that the 84th Congress is apparently more forestry conscious than its predecessors. Of special interest to us was the item of $300,000 provided for expanded research in the long-leaf slash-pine belt extending eastward from east Texas to the Atlantic. Another notable item was the increase of over a half million dollars for cooperative fire fighting.

In 1954 throughout the Nation on State and private lands, there were over 168,000 fires, burning about 9 million acres. The damage came to about $45 million, without considering the loss in wages of woods workers, loss in values of processed forest products, and the loss of many other values that mean much to our economy.

None of us should be happy to learn that 77 percent of all the fires and 80 percent of the total burn occurred in the Southern States. Here, too, is where we have 70 percent of the total forest land area that is still without organized forest-fire protection.

Even though my own State of Florida is making much progress, with protection now applying to over 14 million acres, there are still about 6 million Florida acres without organized fire protection. It was on this unprotected area that more than 3.4 million acres were burned out of a total of 3.84 million acres burned in our State in 1954. In other words more than half of the unprotected acreage was burned over in 1954 whereas, even in that severe drought year, fire damage injured only a little over 3 percent of the protected areas. It seems to me that this 1954 fire-loss experience in Florida offers conclusive proof of the value of organized fire protection.

The forest industry in Florida is exceeded only by the tourist industry and agriculture as a source of income. Our forest products were worth in 1953 $368 million with three principal divisions as follows: $247 million, pulp and paper at the mills, $62 million, lumber, and $28 million, naval stores. More than 200,000 Floridians—workers and their families—are directly dependent upon forest products for a livelihood. So we have a big stake in our forest lands—they are decidedly worth protecting.

More than that, they are worth building up to even higher levels of productivity. We must have continuing research to devise ways of growing more and better quality timber.

Our State can be proud of its leadership in forest research. The work is done mostly at the research centers of the United States Forest Service, with the strong assistance of the Florida Board of Forestry and the cooperation of forest industries.

The Lake City Research Center is a mecca for naval stores men from all over the world. New methods of turpentining developed there are making it possible to get more gum with less labor costs. Tree breeding research at Lake City is beginning to produce trees that run twice as much gum as wild trees. These trees will be available for the turpentine orchards of the near future. The pulpwood industry, with its tremendous payroll in our State, has also much to gain from slash pine timber growing research on the Olustee Experimental Forest near Lake City.

In west Florida and portions of the peninsula, the Forest Service Research men are learning how to reclaim the vast acreage of scrub-oak sandhills for pine-timber production. This research will ultimately mean millions of dollars to west Florida's economy.

Fifteen million acres of wild land plus 3 million acres of improved pasture provide grazing for nearly a million beef cattle in south Florida. What needs to be done here is to learn how to utilize the forage that is available without deteriorating the resource. Research may be able to find out how to increase the amount of land available for livestock in the future.

There are nearly 4 million acres of cutover forest land in south Florida. Some of this will go into cattle production, but a great deal of it should be reforested by planting. Unfortunately, the wet summers and dry winters in that region kill off many of the trees, but this is a problem that I'm sure research can solve if we keep at it.

I've been talking mainly about Florida because that is the State I know best. But what is going on in our State is fairly typical of what is happening all over the South. Now, in winding up, I want to emphasize that the South is intensely proud of its

forest industrial revolution. We've come a long way in a comparatively short time and the future in prospect has a rosy hue. We think that what is happening here is good and that our forest industry will continue to prosper greatly. Our progress has its roots anchored firmly in the soil. Like the tap root of a longleaf pine, these roots run deep. Our forest industry will need continuous care, of course, else the "roots" might wither and die. We shall, of course, have many problems to meet, many difficulties to overcome, but we are rapidly gaining more technical knowledge and the facilities to provide, through good forest practices, the care needed to safeguard these roots, which sustain such great values, I assure you that the South in our own interest and in the interest of the Nation will do everything within its power to husband well our expanding forest resources and to encourage even further expansion of "southern forestry, an industrial revolution with roots."

Address by Hon. Herbert H. Lehman, of New York, at Hanukkah Festival Sponsored by Israeli Bonds

EXTENSION OF REMARKS
OF
HON. HERBERT H. LEHMAN
OF NEW YORK
IN THE SENATE OF THE UNITED STATES
Thursday, January 5, 1956

Mr. LEHMAN. Mr. President, on December 15, 1955, I had the privilege of addressing the Hanukkah Festival at Madison Square Garden in New York City. I ask unanimous consent that the text of this address may be printed in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

From a full heart, and with a deep appreciation of the historic meaning of tonight's occasion, I say to you—and to all the world—"Shalom," peace be unto you. And in this greeting, I include the Arab World. I wish to all men, everywhere, the blessings of peace.

This is an occasion not so much for words as for deep and joyous feeling. While Hanukkah is a holiday of celebration and triumph, it is also a holiday of dedication. And tonight none of us is without a somber sense of the dangers which, at this very moment, confront our co-religionists in Israel.

Our concern for them is not based entirely on the fact that they are Jews and we are Jews. First of all, we are Americans. As Americans, we must have an abiding eagerness and a deep anxiety for the preservation of peace in the Middle East. As Americans, we must zealously strive, with hand as well as heart, to preserve the beacon of freedom and democracy that shines from Israel and sheds its light throughout the Middle East.

The fact that this light still burns undimmed impresses me as almost as great a miracle as the one which our spiritual forefathers witnessed ages ago in the Temple and which we commemorate tonight.

On this night let us make clear that the people of Israel are not isolated and alone, besieged and surrounded though they may be. Here and wherever men breathe free, there is an endless host who support the resolve of the Israeli people to defend and maintain their Republic, and the cause of freedom and democracy for which it stands.

This is not a night for captious criticism, but we cannot view with easy approval the irresolute policy of our own Government—a policy of half-measures and half-answers—a policy of too little and almost too late—despite critical and growing dangers to the cause of peace and to our own vital interests in this crucial area of the earth.

Nor is this a night for intemperate anger or indignation, but still we must take note that while the voices of the Kremlin shrilly cry for peace, the hands of the Kremlin cynically feed the fires of war.

This is a night, an appropriate night, for affirmation of faith, and for prayer—faith in the power of right, and prayer for guidance and wisdom in the difficulties we face.

There are, of course, measures and actions which only our Government can take.

There are restraints and disciplines which only Israel and the Israelis can adopt.

Finally, there are actions which each of us, as individual Jews and individual citizens of America, can and must undertake.

Thus, as individuals, we can contribute to the UJA and buy bonds.

Tonight's gathering is a heartening token—indeed, a thrilling token—of the intention of Americans of Jewish faith, and of all faiths, to support this year's bond drive. As far as this activity goes, we are not going to let Israel down.

As far as our Government is concerned, the situation clearly calls for courageous and forthright action. We must assume a role of leadership that will rally the force and support of world opinion to the cause of peace and security in the Middle East.

A first order of action should be the negotiation of a security pact with Israel and any of her Arab neighbors who are willing to enter into such pacts with the United States.

Any such pact must guarantee the territorial integrity of Israel and of her Arab neighbors, too.

Our Government must press forward with its economic programs, such as the Johnson water resources development plan, giving assurance that our aims are unselfish, and that our sole interest is the welfare and security of all the peoples of this entire area.

Our Government should also give sympathetic consideration to any other proposals which might be made to alleviate tensions in this vital area. But we dare not lend support or comfort to so-called compromises which are not compromises at all, but would represent surrender of the vital interests of the State of Israel, and of the United States.

Let there be no Middle Eastern Munich.

In the meantime, in the face of the rapidly growing imbalance of military power, as a result of Soviet arms shipments to Egypt, we must supply arms to Israel. Israel must be enabled to purchase arms abroad.

But let us clearly understand that arms, and arms alone, do not furnish a satisfactory solution for the problems of Israel in her present plight.

There is only one end to an arms race—violence and disaster.

At the same time, it is true that while one side arms, the other must. There is only one thing worse than an arms race, and that is to lose one.

I believe that Israel must be kept strong, just as America must remain strong.

But armed strength alone is not even the answer for America. How can it be for Israel?

Israel must continue to represent, as she so nobly has in the past, a great moral purpose—the cause of democracy and freedom. And here I want to emphasize that in my considered opinion—and I hope Ambassador Eban will agree with me—the people of Israel must show restraint—as Jews have shown restraint for so many centuries—not only in order to endure and survive, but in order to remain true to the great moral heritage which is common to all who are of the Jewish faith. And though I drafted these remarks before the Syria incident, my remarks encompass that incident. Israel must continue, as in the past, to be the vibrant expression of a great moral idea and a great moral purpose. That idea and purpose must reflect in every act as well as word our people's traditional respect for the sanctity of each human life and of each individual human soul.

This moral purpose will give such a strength to the cause of Israel as to render impotent, in the end, all the designs of her enemies. Around this moral purpose, I am confident, the strength of the free world can be rallied.

In these ways, I believe peace will be assured in the Middle East, and Israel will be saved from the fate of Korea, or even worse.

The day must and will surely come when the present armistice lines that divide Israel from her neighbors will become permanent boundaries. These boundaries will then in turn cease to be passageways for marauders and infiltrators and become instead arteries for trade and commerce, those two historic ambassadors of peace and cooperation.

We pray that these lights, the lights of Hanukkah, will illuminate the path to such a day of peace and understanding, under the guidance of God, the Father of us all.

Your Congressman Comments

EXTENSION OF REMARKS
OF
HON. WILLIAM LANGER
OF NORTH DAKOTA
IN THE SENATE OF THE UNITED STATES
Thursday, January 5, 1956

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a press release by Representative USHER L. BURDICK, of North Dakota.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

YOUR CONGRESSMAN COMMENTS

(By USHER L. BURDICK, of North Dakota)

OUR LACK OF FOREIGN POLICY

WASHINGTON, D. C.—We have made so many blunders in our foreign policy that it is going to be difficult for the taxpayers of the United States to repair the damage. These mistakes are chargeable to Democratic and Republican administrations alike.

Making an agreement with Russia to let her enter Berlin first was a sad mistake. All the trouble we have had because the Russians were in control of a section of Berlin and East Germany could have been avoided. It will be recalled that our armies were delayed several weeks in order to let the Russian armies enter first. Another mistake was begging Russia to get into the war against Japan when we had Japan licked to a frazzle. The result of this mistake was the Korean war, and after it started we would not let our soldiers fight, and as a consequence the Korean war is not yet settled.

Another huge mistake was withdrawing our support to Chiang Kai-shek, and thus compelling him to retreat out of China. How we could possibly have done this when at Casa Blanca we gave positive assurance that we would support the Nationalist Chinese army is something that cannot be explained. The story is well known of how General Marshall withdrew arms from the Nationalists as the agent of the administration. The result was that the Communist armies overran all of China.

Another project we put forth was the forming of the North Atlantic Treaty Organization, in which many of the countries involved

did not want membership, and most of them have been like worms ever since. No country in Europe was as excited about the danger from Russia as we were. The next blunder was going down into the heart of Asia and trying to organize a number of countries to join in one central organization to defend all of Asia against communism. The result has been that Russia is now doing the same thing, and, like us, promising money, guns, and everything else if they will rely on her protection. Many countries, like England, the Netherlands, France, and Spain, for centuries have had colonial empires, where the people did not rule and were subjected to foreign dictatorship. Some of these empires have been given back to the people, but many still continue. When we woo France, for example, to join the NATO, we impliedly approve of the colonial empire of France. Immediately the Russians come in and promise the people self-government and brand us as supporters of the colonial system; and this promise, even though the Russians have no intention of granting it, is great ammunition against us. The papers report that Russia is making loans and furnishing guns to the Afghanistan Government and support of guns to those Moslem countries fighting Israel. This situation is apt to be the powder keg of a great uprising among the Mohammedans.

We have rested our security on the fact that we organized the United Nations and that through it wars could be prevented. But look at the record. The U. N. has devoted most of its time, outside of debating, to trying to establish peace among the Israelites and the Mohammedans. But what are the facts? The trouble still continues and is apt to break out into a great war at any moment. Russia backs one faction and we back the other, yet both the United States and Russia are brother members in the United Nations. We propose measures for peace, and Russia promptly vetoes our plans. But still we cling to this organization. The United States and Russia have been in a cold war ever since World War II ended, and yet we are both members of an organization dedicated to peace.

If every nation in the world were a member of the United Nations, do you think that would stop the Russian cold war? Far from it. The Russians had a lot to do about starting this organization and they have and will continue to use this forum as a propaganda base for their own intent to destroy capitalism. We have held meeting after meeting, but the disciples of Karl Marx, Lenin, and Stalin are right on the job to do what they intend to do, and that is to bring about the total destruction of capitalism.

Some people in this country are afraid that we, alone, cannot defend this country. I venture to say that with 10 percent of the money we are now showering upon every country on earth we could not only defend ourselves but be in a position to maintain at least one other country on the face of this earth where liberty and freedom is secure. If we follow that path which leads us into every squabble anywhere in the world, the time will come when there will be grave doubt of our ability to preserve this country.

Recently the papers carried the information that we are to dig up $4 billion for aid to foreign countries in the way of economic support and to supply arms. We all want to see the budget balanced, but we have about as much chance of balancing it and keeping the debt limit within the law as we have in making a successful round trip to the moon in a model T Ford.

It takes this kind of money to correct the mistakes we have made and are still making in our foreign policy. We speak of loans to this country and that country. I would rather have a page out of the harness section of a Sears, Roebuck catalog than to have a note against any nation which we are showering with money. We should not dignify these injections of money by calling them loans.

If we give foreign countries anything, let us give them the things known here as surpluses. Brother Benson just woke up to this method of cutting down surpluses, but still we are so used to voting billions of giveaway dollars that this $4-billion donation will undoubtedly be passed.

Address by Hon. William F. Knowland, of California, Before National Association of Manufacturers

EXTENSION OF REMARKS

OF

HON. WILLIAM F. KNOWLAND

OF CALIFORNIA

IN THE SENATE OF THE UNITED STATES

Thursday, January 5, 1956

Mr. KNOWLAND. Mr. President, I ask unanimous consent that there may be printed in the CONGRESSIONAL RECORD an address which I delivered before the National Association of Manufacturers on December 9, 1955.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Chairman, fellow Americans, in 179 years our Nation has grown from a small colony of three million people on the Atlantic seaboard to a great world power with a population of 166 million extending from the Atlantic to the Pacific.

The American competitive enterprise economic system, which is represented in part by members of your organization, has provided our people with the most productive economy and the highest standard of living the world has ever known.

This growth and this economic productivity has taken place under our American Constitution which recognized that personal rights and property rights were and are inseparable.

No system of socialism, Marxian or Fabian, could have produced such a remarkable growth and development in a country that represents but 6 percent of the world's population.

Other nations have now, or did in the past contain, larger natural resources, more population, older civilizations, and wider geographic boundaries. So these alone or in combination do not represent the priceless ingredient that has brought us to our present position as a leader of the free world.

The catalyst is the American constitutional system wherein the Federal Government was created by the people and given limited and specified powers so it might not in turn make them subservient to an all-powerful central Government.

Abroad and at home we face the challenge of those who would destroy us by Marxian brute power or by a Fabian process of sugarcoating each Socialist pill to produce a devastating narcotic effect upon once free men.

Both the external and internal threats may be camouflaged until after the American people go to the polls 11 months from now.

That is why the year 1956 may become one of the great turning points of history.

A short time ago some at home and abroad were anticipating a release of tensions by a cooling plunge into the mirage of Lake Geneva rising from the desolate trackless waste of a Communist tyranny that today enslaves almost one-half of the world.

At almost the same time Soviet First Deputy Premier Kaganovich was laying down the hard line to the party faithful at a dinner on November 6 in Moscow:

"If the 19th century was a century of capitalism, the 20th century is a century of the triumph of socialism and communism."

A short time earlier between the last two Geneva meetings, a robust and ruthless colleague in the Kremlin hierarchy, Khrushchev, said:

"Anybody who takes our smile for withdrawal from the teachings of Karl Marx or Lenin is making a mistake.

"Those who expect this will have to wait until Easter Monday falls on Tuesday."

In language devastatingly frank, these spokesmen of the Kremlin have made clear to our diplomats and our people that despite vodka toasts and Communist smiles that political conclusions should not be drawn from social favors.

Their statements mean that to cheat, lie, and murder, to violate treaties and to destroy free nations are still a part of "the end justifies the means" policy of the Soviet Union and of international communism.

In the dialectics of communism it means that the struggle will continue not by the standards of civilized nations with an obligation to God and to humanity, but by the tooth, claw, and fang standards of Marx, Lenin, and Stalin.

For the past 12 years beginning at Tehran in 1943, through Yalta and Potsdam in 1945, to the Korean war and in 10 years of United Nations deliberations we have been compromised by our entanglements with the Soviet Union through accepting their words rather than requiring deeds.

Since the rulers of the Kremlin cannot renounce the Soviets' role as a spearhead for world revolution any agreement they enter into with the free world is fraudulent.

Lenin said: "Communists will disarm only after we have completely forced down and expropriated the bourgeoisie of the whole world."

Because of the Soviet threats we face, our defense budget for the next fiscal year has been reported at $34½ billion.

This compares with the total expenditures of the Federal Government from the day George Washington was inaugurated as President until we entered World War I in April 1917, which amounted to $24 billion.

A prolonged siesta of wishful dreaming and failure to face the facts with traditional American courage and commonsense can jeopardize the preservation of our Republic and the survival of human freedom here and abroad.

We should not forget the Biblical injunctions in II Corinthians 6:14:

"Be ye not unequally yoked together with unbelievers: For what fellowship hath righteousness with unrighteousness: and what communion hath light with darkness?"

We are in a struggle for the minds and souls of men. We dare not continue to compromise our moral position if we are to win this conflict.

We must win the cold war if we are to successfully prevent world war III.

A prolonged stalemate will break us economically and ultimately undermine both our military and political position.

If America goes under in this struggle we would take the whole free world down with us. There would be no one left to bail out this Nation or our allies.

As for the neutrals, they can enjoy that luxury only so long as someone else is helping to preserve international law and order.

How long is a retreat from principle to be tolerated by the people of the free world?

Or have we become so immune that we do not want to be reminded of the facts by the press, radio, or television?

Are we or our allies to become so bewitched by the Soviet tactics that we ignore their long-term strategy?

Is the doctrine "peace at any price" to so throttle prudent warnings that men will dare

not speak out for fear their political future will be damaged if not destroyed?

"Peace at any price" means the ultimate communization of the world. It is far different than peace based on freedom and justice.

For if we accept this doctrine of "peace at any price" and they do not, it means that with their cynical and brutal measures they will pick off our allies one by one, first the smaller ones and then the larger. The neutrals will go by default.

If we dare not risk a conflict what will stop the ruthless men in the Kremlin from moving during the next 10 years, by external aggression or Soviet directed internal subversion, against Norway, Denmark, Western Germany, Italy, France, Korea, Japan, the Republic of China, the Philippines, Australia, Great Britain, or our own Territory of Alaska?

Ten years ago at the time of the Yalta Conference there were less than 200 million people behind the Communist Iron Curtain. Tonight as we meet here in New York there are over 900 million people who have lost their freedom to the most godless tyranny the world has ever known.

The world should have learned at Munich that appeasement is not the road to peace—it is only surrender on the installment plan.

Let us take just three significant examples of retreat from principle.

1. At Yalta in 1945 when Stalin demanded recognition of the Lublin Polish Communist Government, British Prime Minister Churchill declared that British recognition of the exiled free Polish Government in London was a matter of honor. Later, on the Soviet promise of free elections which they never kept and because of their adamant position the free world yielded.

2. In 1945 in the discussions leading up to the organization of the United Nations, the Soviet Union demanded membership for the Ukraine and Byelorussia. President Roosevelt protested and stated that they were no more eligible than any of our 48 States. Again the free world yielded to Soviet demands.

3. Previously on numerous occasions, the official representatives of Great Britain and the United States have declared that the Soviet attempt to force a "package deal" wherein qualified nations could hurdle a Soviet veto only by the admission of unqualified Communist ones was unadulterated "blackmail." Now in December 1955, the British and Commonwealth countries affirmatively support and we acquiesce by abstaining from voting on the issue. Again the free world has in the United Nations General Assembly yielded to an adamant Soviet position.

The shocking sequel to this shift is that at the United Nations headquarters the Representatives of the Republic of China were informed that if they used their veto right in the Security Council there would likely be a majority vote in the General Assembly to seat Communist China next year.

In any event, after the 1956 American elections the neutrals, the Soviet bloc and the British Commonwealth, other than Australia, have given strong hints that they will seat Communist China in the General Assembly.

I wish to say to you and to the American people that it is later than you think.

Communist China was an aggressor in Korea that inflicted 140,000 casualties upon us, including 35,000 dead; is now a violator of the terms of the Korean armistice, and is an extortionist that has sought to use American civilian and military personnel for bargaining purposes. I am opposed to the admission of Communist China into the United Nations.

Foreign policy is too important to be left to Government alone. It must be based on a fully informed public.

It is far more important that we save freedom for ourselves and our posterity than we save face for any United Nations member or diplomat.

As long as I have a voice and a vote in the Senate of the United States, I shall oppose diluting any of our rights under the American Constitution with any form of world government, wherein freedom is compromised with totalitarian tyranny.

A sound national economy and a solvent Federal Government are essential prerequisites for successful domestic and foreign policies.

The Eisenhower Republican administration came into office on January 20, 1953, and has now been in office only 35 months. The previous New Deal administration had been in control of the executive branch of the Government for 20 years and the legislative branch for 18 years.

Among its accomplishments in the limited period of time that this Republican administration has held office are the following:

There are 65 million people gainfully employed which is the highest record of employment in the history of the Nation.

The previous Truman New Deal budget has been reduced by over 10 billions of dollars.

The American people have been given a 7½ billion dollar tax reduction, the largest in the history of our Nation.

The stalemated war in Korea was brought to an end.

Wage and price controls have been abolished to the encouragement of our free enterprise system.

The policy of this administration is to reduce and not increase Federal governmental competition with private enterprise.

It is the policy of the Federal Government to bring businessmen and business methods into the administration of our public affairs.

Since President Eisenhower took office in January of 1953, the gross national product is up 6 percent; production in factories and mines is up 4 percent; construction is up 19 percent; business investment in plant and equipment is up 4 percent; employment is up 2 percent; personal income is up 8 percent.

In October of this year retail sales reached the highest in history for any month of any year and amounted to over $15 billion.

The state of the Nation is good. To be sure there are certain agriculture, mining, and industrial areas that have not been up to the national averages.

We will not solve our agricultural problems by reenacting the 90 percent fixed parity legislation for the basic crops under which more than $7 billion of agricultural products were accumulated.

The American farmer understands agricultural facts as does the distinguished former Democratic Secretary of Agriculture, CLINTON ANDERSON, now Senator from New Mexico. At the November Texas Farm Bureau Federation meeting in Fort Worth, Senator ANDERSON said:

"No farmer should ever forget that during all the time from 1948 through 1954, when a great gap has opened up between national income and farm income, the price support program was pegged to a rigid 90 percent standard."

The farm problem needs thoughtful light from the farmers and sound economists rather than political heat for election-year purposes.

Prudent and thoughtful people in all areas know the importance of agriculture getting its fair share of the national income.

Our support program should give encouragement to quality production of basic and nonbasic crops rather than quantity alone.

We must also be careful that supports do not price American agriculture out of the world or domestic market.

We must renew foreign aid programs whereby taxes upon the American farmer, businessman and worker go to help finance similar crops or products at lower production costs across our borders or in distant lands and foreclose agriculture, industry and labor from the advantages of our historic markets.

The challenge our generation faces is to preserve man's identity as an individual. How can he be protected in his personal, political and property rights against overpowering business, labor or governmental mechanisms which would submerge him.

Every generation of Americans has desired to improve the well being of our people and leave to their children an even better land than they themselves found.

Our challenge is—to demonstrate that this can be better done by our American system of competitive enterprise rather than by an all powerful Federal Government exercising its taxing, price and wage control powers to make the Nation into the image designed by Washington planners.

Continued deficit financing leads to inflationary pressures that would bring on Federal controls of prices, wages and allocations of materials. In peacetime such a program would strangle free enterprise and be the road to socialism.

We have made progress toward a balanced budget, but to date it is not yet an accomplished fact.

When our budget is balanced I believe that sound fiscal policy would require a start on the repayment of the national debt.

It would take 280 years to pay off the national debt at a rate of $1 billion a year.

At the lower rate of repayment of $1 million a day it would take 769 years to eliminate the debt.

Under the circumstances, Congress and the administration should show prudence in advocacy of new spending programs.

The public may surprise both ends of Pennsylvania Avenue by judging the quality rather than the quantity of legislation recommended and passed.

As the Federal administrative structure grows, it becomes cumbersome, tends to be arbitrary and can be dangerous to our system of checks and balances.

In December 1944, it reached an all time high of 3,209,000, which is more people than constituted the population of our country at the time we won our freedom.

It is now 2,397,869 which is still a top-heavy Federal structure difficult for a President to administer, for Congress to check upon, or for the courts to safeguard equity and justice for the citizen in the multiplicity of decisions handed down by anonymous parts of a huge organization.

The Hoover Commission estimated that there were a total of over 2,500 commercial and industrial-type activities with an investment of $15 billion. The Commission recommended that 1,000 of these facilities could be eliminated without injury to our national defense or any essential governmental activities.

It was Thomas Jefferson who said:

"In questions of power, let no more be said of confidence in man, but bind him down from mischief by the chains of the Constitution."

The American system of competitive enterprise is as essential to labor as it is to the investor and the general public. No segment of the national economy can ail for long without infecting the balance, to the detriment of all.

Heavy tax burdens, Federal and State, have in many cases resulted in the forced sale of successful small businesses or partnerships to their larger competitor when death suddenly brought tax obligations of a confiscatory nature.

We need to encourage the broadening of our private property economic base.

The more we can encourage widespread stock ownership among the general public and among employees, giving them all added incentive in private enterprise, the better it will be in combating those who would turn more and more to public ownership.

Early in this century, the enactment of antitrust statutes established traffic signals along the economic highway to protect the pedestrian public or the individual small economic business vehicle owner from the highpowered ones which were operated without a sense of public responsibility.

Bigness alone does not necessarily make for more efficiency or better and more thoughtful relationships with the union member, the stockholder or the general public.

No business or labor organization should have the power to strangle the economic life of 166 million Americans and by so doing endanger the whole free world of free men.

But overpowering business or labor organizations are not the only menaces to the dignity of man as an individual.

Big and overpowering Government is what our Founding Fathers sought to guard us against. We have already skipped too far down this primrose path.

The following are guide posts for the preservation of our free institutions:

1. Maintaining our constitutional system of checks and balances between the three great coordinate branches of the Federal Government.

2. The division of powers between the Federal and State Governments and limiting the Federal Government to its specified powers and preserving States' rights.

3. Keeping the military subordinate to the civil authority.

4. Maintaining control of education on the State and local level rather than in the Federal Government.

5. Balancing the Federal budget and making provision for a gradual reduction on the national debt.

6. A maintenance of the same standards of fiscal rectitude in the treatment of our social security trust funds that the Government expects of private insurance companies. It is also important to keep in mind that inflation hits the recipients of benefits in both cases.

7. Encouraging our free enterprise system so that our people will be gainfully employed and new opportunities will be constantly opened up for our increasing population.

8. The maintenance of peace with honor. We must realize it is neither necessary nor desirable to try to remake the world in our governmental, economic, or social image. Neither international nor personal friendships can be purchased.

9. In legislative programs seek to encourage a prosperous economic climate for agriculture, labor, industry, the investor, and the public by which they can provide for current needs and future normal requirements from adequate wages and earnings. This should take place under our American enterprise system rather than by political parties bidding against each other for group favor out of the Public Treasury.

10. Insist that both parties and their candidates discuss the basic issues confronting this generation. The time for the public to know where candidates stand is before their nomination and election, not afterwards. The times are too serious and the consequences too great to permit, this year or next, any waltzing around on the fundamental issues confronting us.

All Americans who believe in our political and economic system, regardless of their party affiliation, should join in the pledge of Thomas Jefferson, who said:

"I have sworn upon the altar of God eternal hostility to every form of tyranny over the mind of man."

Building a Sound Peacetime Farm Program

EXTENSION OF REMARKS
OF
HON. KATHARINE ST. GEORGE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Thursday, January 5, 1956

Mrs. ST. GEORGE. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I include the address by Secretary of Agriculture Ezra Taft Benson made in Chicago on December 1, 1955.

This speech sets forward in clear, honest language the hopes and efforts of the present administration to put American agriculture back on a sound track.

We have got to have a dynamic program in the future. We cannot return to a program that proved its worthlessness and brought our farmers to their present plight.

The address follows:

BUILDING A SOUND PEACETIME FARM PROGRAM

As all of you know, the question of what this Nation's farm policy of the future shall be is very much in the news. I know that you are as determined as I am that the Republican Party shall always consistently champion the cause of a prosperous, free, and expanding agriculture.

The Republican Party has a long and illustrious record as the true friend of the American farmer. That reputation has been built in no small measure because our party has steadfastly espoused the same basic principles in which most farmers believe.

We have respected the rights of farmers as individuals. We have emphasized the need to help farmers help themselves. We have visualized the role of Government in agriculture as that of a partner—not a master.

I have been reading of late that there is no room for moderates in the Democrat Party—that there isn't even such a word in their vocabulary. To me that means there is no room for farmers in the Democrat organization—for most of the farmers I know are moderates, and rightly proud of it.

There is a farm problem—and it is a difficult one. There is this difficult problem because the same Democrats who have all of the easy answers now were never able to develop a workable, peacetime agricultural program during all their years in office.

Agriculture is a dynamic industry. It has special problems not generally encountered in other pursuits. In addition, farming in America has been going through a great technological revolution—a revolution which will bring lasting benefits to both farmers and consumers but one which poses real problems during the period of adjustment.

Agriculture has also had to face the dislocations which have always marked the changeover from war to more nearly normal markets and conditions. Difficult though this experience has been, agriculture is making the transition with less difficulty than ever before following a major war. You will recall the collapse of farm real estate valuation and the wave of mortgage foreclosures which came after World War I. In contrast, farm real estate valuations today are at the all time peak and mortgage foreclosures are near the record low.

Nevertheless, the Democrats have chosen agriculture as the major domestic battlefield for 1956. They did this through a process of selection. First there was the abortive attempt of the prophets of disaster to talk the country into a depression. Instead the general economy moved ahead at a record rate.

Then there were the minor skirmishes, such as the scurrilous assault upon the President's churchgoing activities. Of course, that backfired.

Next the Democrat leadership apparently decided it would be smart politics to capitalize upon agriculture's troubles. The same people who had shackled the farmer with price controls and regimentation—the same people who had sought to ram the Brannan plan down the throat of agriculture—suddenly began popping up all over the place with quack remedies and discarded nostrums.

Despite the basically sound health of American agriculture, I seriously doubt that it could survive the witch's brew now being stirred up in the Democrat cauldrons. I have been in this business long enough to know that there are no quick and easy answers. Even when the best possible farm program is evolved, it is unlikely to bear the imprint of such agricultural experts as Jake Arvey and Carmine DeSapio.

The efforts of Governors Harriman and Stevenson to outbid each other in this realm of what they think is agricultural planning have already reached ludicrous proportions. When Adlai Stevenson recently flip-flopped back to rigid, 90 percent price supports and then threw in his version of the Brannan plan for good measure, I watched with some interest to see if Averell Harriman could top that. He did. He even chided Adlai for being too moderate.

It might be worth noting that such a well remembered moderate of the New Deal as Henry Wallace has thrown up his hands in horror at the frantic farm proposals of the Democratic presidential hopefuls.

Even though there is nothing flexible about the price-support plans of the Democrats' spokesmen, there appears to be plenty of flexibility of conscience behind their public pronouncements. It has always seemed to me that truth has an important place, even in political argument.

Therefore, it was with some amazement that I read last week a report by the Democrat National Committee's special advisory committee on agriculture. Even allowing for the fact that this committee is comprised mainly of former political appointees of the Department of Agriculture, I had not expected to see it come forward with so many demonstrably false statements.

There was the flat statement that the Eisenhower administration "immediately upon coming into office" had "put into force the sliding scale of flexible-price program behind a smokescreen of greatly exaggerated 'surpluses.'" The fact is that flexible price supports for the basic commodities are just beginning to become operative with the 1955 harvests. The act which made this possible was not even approved by Congress until August of 1954. Flexible price supports for a variety of nonbasic commodities were flexed in both directions by the Democrats over a long period of years.

Furthermore, the two former Secretaries of Agriculture who signed this statement—Brannan and Wickard—once favored flexible price supports, as their boss, President Truman, did. In fact, flexible price supports for the basic commodities were a part of both the Republican and Democrat platforms in 1948. And the Agricultural Act of 1949, approved by a Democrat Congress, had as its very heart a system of flexible supports.

I wonder, too, how much this question of surpluses has been exaggerated. There is no exaggeration in the fact that the Federal Government today has some $7.5 billion invested in farm price support operations. The cost of storing commodities owned outright by Commodity Credit Corporation is

$1 million a day. Virtually all of this accumulation was piled up under a system which the Democrats now say is a solution to the farm problem.

A storage program is not a market—nor is a Government bin a customer. And it is markets that we need, and customers we must have.

Moreover, it needs to be emphasized again and again that it was not high price supports that resulted in high farm prices and incomes during the war and postwar years. It was war that produced them—the destruction of war, and the inflation that goes with war. No political party can or should take credit for wartime prices unless it also assumes responsibility for the war and the bloodshed.

Now I should like to discuss what kind of a farm program agriculture needs and wants. Farmers are in a cost-price squeeze. For nearly 5 years, farm prices have been declining while prices paid by farmers for goods and services have remained near their peak levels.

Some of agriculture's most perplexing questions developed because an emergency price-support program, born of wartime needs, was permitted to continue long after the emergency had ended.

From the end of World War II back in 1945, until the end of 1952, there was little real effort by the Democrats to evolve a workable, peacetime farm program. Instead, production incentives were continued in the face of dwindling demands. Even when supplies began building up to dangerous proportions, production controls provided in the law were not invoked. The throttle was kept wide open and nobody bothered about the brakes.

There were plenty of warning signals during the latter part of 1951 and throughout 1952. The parity ratio, which measures prices received by farmers against those they pay for goods and services, tumbled from 113 in February of 1951 to 94 by the time this administration took office in January of 1953. That's a decline of 19 points in less than 2 years. Ten points of that decline occurred in the last 7 months of the Truman administration.

The new administration inherited a large and fast-growing inventory of various farm commodities. We inherited the falling prices that go with accumulating surpluses. We inherited a legal situation under which production controls could not be made effective until 1954. And we also inherited a law which required us to support the six basic commodities at 90 percent of parity through 1954.

Now the same people who handed us this neat package of carefully fused bombs are blaming us for the explosions.

This administration has been kept busy for nearly 3 years putting out the fires, cleaning up the debris, and attempting to rebuild our agricultural economy upon a solid foundation. It has not been an easy job. But we are making substantial progress.

We have been recapturing lost markets abroad. United States agricultural exports during the last fiscal period were up 11 percent over the 1952–53 fiscal year. We are moving aggressively to increase these farm exports even more. For the first 3 months of the current fiscal year, exports were 20 percent higher than for a year earlier.

We have been utilizing record quantities of Government-owned surplus foods in school lunch programs and in welfare distribution at home and abroad.

This administration has acted swiftly and vigorously to provide assistance to farmers hit by such natural disasters as flood, drought and early frost.

The rural electrification and telephone programs have been aggressively pushed forward. The borrowers are in stronger financial position than ever before in the history of REA. They have already paid off nearly half a billion dollars in loans and in both programs less than 45 borrowers are behind in their payments.

We are willing and ready to do anything that is economically sound and fair to all of our people.

We moved effectively to ease the price decline brought on by heavy marketing of cattle 2 years ago through direct purchases of beef. Now we are undertaking a similar program for pork to meet a price problem stemming from unusually heavy hog marketings this fall. The Department of Agriculture is cooperating fully in a promotional campaign launched by the industry to increase consumption of pork products.

This year the average American will eat about 20 more pounds of red meat than he did 4 or 5 years ago.

We have increased expenditures for agricultural research and education. We are seeking to develop new crops which may do for the Great Plains and elsewhere what the soybean and hybrid corn have done for the Midwest.

The adjustment in dairy-price supports made early in 1954 has shown solid results. Consumption has moved steadily higher, Government purchases and inventories of dairy products are down sharply. And dairy farmers are now receiving higher prices for milk as a result in the better balance between production and consumption.

We can point to these and other important accomplishments in building toward a sound agriculture. Yet the business of meeting new challenges in a dynamic industry such as agriculture is never finished. We must constantly strive to broaden, strengthen and improve our farm policies to meet changing needs and conditions.

At a recent meeting with the President, we agreed upon a 6-point program to implement the present plan. This includes:

1. A stepped-up program of surplus disposal and expansion of exports.

2. A vigorous purchase program to remove market gluts wherever they occur and assist farmers in adjusting to market demands.

3. An enlarged program of soil conservation and incentive payments to divert cropland into grass, trees, and forage, particularly in drought areas.

4. Expansion of the rural development program for low-income farm families.

5. A stepped-up program of research, emphasizing lower costs of production, new uses for farm products, new crops, and expansion of markets.

6. A speedup in the Great Plains program in cooperation with the 10 States involved. (This is a program concentrated in the area between the Rocky Mountains and the Corn Belt—generally the Nation's grazing and wheat center—to make better use of the land and achieve a better balance of production.)

We shall make recommendations to the Congress in January along the lines of these six points. We are now putting the finishing touches on those recommendations. Obviously I cannot now discuss them in detail. But I can give you a general idea.

There will be a program which will aid farmers in shifting from harvested crops to grass. This idea, which has wide acceptance, has been called a "soil bank" by some and an "acreage reserve" by others. The scope of the program we shall recommend and the precise nature of it cannot now be reported. I can say, however, that our proposal will be geared primarily to better land use.

Its impact will be chiefly in areas where topsoil is being wasted in growing crops not needed by today's markets. It will mean better soil and water conservation; it will mean added income to agriculture and it will have the effect, at least for a time, of bringing about a reduction in the overall volume of agricultural production. This will be no nostrum, no one-shot remedy, no cure-all. It will be constructive. It will help, along with other programs, to move us in the direction we must go.

We shall also propose changes in the production control program which will give farmers more freedom. There are crops now under control where controls are not working, where controls work more hardship than benefit. For these crops we shall recommend the necessary modifications.

We shall propose vigorous programs of surplus disposal, both the strengthening of present activities and the development of new operations. This will be done in an orderly fashion without disrupting markets at home or abroad.

Since July 1, 1953—that is, in the past 28 months—we have moved out of the CCC inventory approximately 434 million bushels of wheat, 369 million bushels of corn, 2.6 billion pounds of dairy products, and more than 4 billion 400 million pounds of cottonseed products.

In February 1954 the CCC held peak stocks of 1.2 billion pounds of cottonseed oil. We have not only disposed of these stocks, we have moved an additional 250 million pounds that were acquired in the meantime. Most of these stocks were exported. They were sold mainly for dollars and at competitive prices.

We are determined to pull down the hoard of surplus built up under the old program, and to reduce our acquisitions. This surplus is the corpse of past unworkable programs. It is beginning to smell. We propose to move out this corpse so that we can deal with living things. Once this overhang is removed, prices will start working up again and farmers can look to a better day of freedom and prosperity.

These approaches to the farm problem make sense. Sensible people will recognize that fact. It will stand up well in comparison with what is offered by the opposition, now vacillating between a return to the bankrupt program of the past and a headlong plunge into the Brannan plan.

The Need for New Maturity in American Political Life

EXTENSION OF REMARKS

OF

HON. FRANK THOMPSON, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 5, 1956

Mr. THOMPSON of New Jersey. Mr. Speaker, I think there can be little question but that American political life is of vital concern to all of us in the House of Representatives. But this is a very large problem with many facets. One of the most important of these lies in the maturity, or lack of it, in that political life.

This subject was dealt with in admirable fashion by one of our colleagues, STEWART L. UDALL, of Arizona, in a recent address before the Sunday Evening Forum in Tuscon, Ariz. Mr. UDALL, after discussing the present state of our political maturity with great thoughtfulness, goes on to state that he feels optimistic about the chances to increase that maturity and he offers a program which he feels would do much to make it possible.

Because it is both thoughtful and penetrating, I should like to include the text

of the speech as a part of my remarks. The body of the address follows:

THE NEED FOR NEW MATURITY IN AMERICA POLITICAL LIFE

(By Representative STEWART L. UDALL, October 16, 1955)

I had a definite purpose this evening in choosing to discuss the quality of American political life. In the future we will, I fear, fritter away our opportunities for leadership if we are intemperate or short-sighted or narrow in our views. And on the other hand, if we fully understand and develop the attitudes and beliefs and principles that have made us a great Nation, we will be able to make the great decisions that will test our leadership in the years ahead.

Not long ago one of our eminent Washington political reporters, James Reston of the New York Times, tersely summarized our predicament in these words: "We are in more than an arms race. We are in a race with the pace of our own history, and the pace is so swift that our habits of mind and our institutions are lagging behind."

Similarly, H. G. Wells summoned his generation to battle nearly half a century ago with the utterance, "Life is a race between education and catastrophe," and that was at a time when even catastrophe, by our standards, had predicable boundaries and was not synonymous with annihilation.

Whichever description you prefer, the race is on, and it is a good bet that this generation will survive only if it learns to run and read (i. e., to educate itself) simultaneously. We in this country have learned the hard way in the past two decades that history cannot be escaped—and never stands still.

The central question now would seem to be whether we can manage to meet history halfway—whether we can acquire sufficient wisdom and adaptability to pass through the fateful years just ahead to safer ground beyond.

Like Pyrrhus in ancient Greece, many nations in this century have been the winners of military "victories" that cost them more than they gained. And now our newest weapons have left civilization a margin for error that is perilously thin. Plainly, we need a new maturity in public affairs, both here and abroad, if we are to reach accommodations which will avert catastrophe. As never before the times demand leaders who can conduct our affairs with regard for hard realities, and yet inform their actions with vision and spiritual strength.

How should this crisis of leadership be met?

And where may we look for new answers to the new problems which confront us daily?

Our leading political philosopher, Walter Lippmann, has attempted lately to suggest some answers. In his book, The Public Philosophy, he has described what he calls the "mounting disorder of western society." Events, he says, tend to outrun public opinion in the democracies, and he has no trouble in concluding that elected leaders are, for the most port, "timid, insecure men." Their political cowardice derives, he asserts, from being too fearful of a mass opinion which is often so outdated or unenlightened that it discourages creative thought and independent action.

Lippmann, it would seem, looks back with longing on the early morning of our Republic when Adams, Madison and Jefferson acted almost entirely on the promptings of acquired wisdom, and impassively awaited public response.

Pausing to look back upon the great decisions these men made, we cannot help but see some of the faults which divide our counsels and weaken our policymakers today. For example, it is anticipated in some quarters that men in politics see a mandate of the people in every opinion poll. Yet, these polls only purport to show what people are thinking at a given time, and quite often an enlightened public policy may run counter to the dominant opinion of the moment. In fact, it is quite likely that the leaders of our Government often have access to intelligence which may suggest that the long-term national interest lies in a policy or tactic which might be unpopular or misunderstood if it were forthrightly announced.

It is all too obvious, I think, that we are in need of a new public philosophy which would permit wise men to enter the seats of power and freely govern. Beset by exceedingly grave problems, we can ill afford to gamble on anything less than the highest order of leadership and intelligence.

Many political scientists (and practical politicians, too) advocate overhauling our Constitution and political system as a means of insulating public men from intolerable pressures and freeing them for high statesmanship. Here are several concrete proposals which are frequently discussed today:

1. Presidential terms might be extended to 6 or perhaps 8 years, with no right of succession. (We all have been witnesses of late to some of the unavoidable strains placed on our policymakers by the demands of an impending election.)

2. Congressmen also might be given longer tenure. (President Eisenhower, for one, has spoken up in favor of a 4-year term for Members of Congress.) A constitutional amendment along these lines should increase the chances that Members of Congress would take the long view and put first things first. During the 1954 campaign I had the feeling several times that the Eisenhower administration had not been in power long enough to formulate and try out new policies, and much of our debate was, as a consequence, unsatisfactory and highly inconclusive.

3. Our outmoded system of political campaigns, which usually paralyze our leadership for months on end could be modernized.

4. Congress could act to modify the seniority system, which ignores quality of service and rewards mere longevity to the end that the national will sometimes is thwarted.

If they could be enacted forthwith, these reforms might help transform our national life. However, short of a political miracle, it is highly unlikely that any of these changes will be brought about in time to influence the decisions our generation faces.

Clearly, then, we must somehow generate a new statesmanship from within the existing governmental framework. And if, as the President has suggested, we must contemplate a 50-year cold war, there may be time yet to create a moderate political climate in which statesmanship can flourish.

In our history as a Nation we can point both to periods characterized by national self-restraint and to eras when irresponsibility reigned. Some historians have formed a judgment that immature political conduct was the decisive factor in setting in motion the train of events which culminated in the Civil War, and the same certainly can be said of the Spanish-American War. In both instances, repressible conflicts became irrepressible, mainly because politicians willed it and fanned unreasoning popular passions to suit political purposes. Reconcilable differences could not be negotiated when inflexible attitudes were adopted, and even so great a man as Lincoln dared not swim against the tide. In the end he, too, was powerless to prevent the horrible conflict between our States. The leading historian of that sad era, James Garfield Randall, has scored its politicians, including Lincoln himself, as a "blundering generation."

We also are in danger of becoming a "blundering generation" unless we are wise enough to leave our diplomats and elected leaders freedom in which to negotiate settlements and pursue their best conceptions of the long-term national interest.

Fortunately, at least sporadically, the country has demonstrated mature self-control. The reaction of the country and the Congress to the startling inspection plan proposed at Geneva by President Eisenhower was heartening; and we stood together in the China coast crisis last winter and spring in a way which reflected confidence and national unity. Looking backward, we should be proud—and even mildly astonished—at the vision and statesmanship which enabled us to execute the Marshall plan and set up the North Atlantic Treaty Organization. This willingness to sacrifice for the general good required a broad, mature outlook by the political leaders of both parties and strong support by citizens at the grassroots level.

As a freshman Congressman, I have been deeply stirred by the role played this year in foreign affairs by Senator WALTER GEORGE, the chairman of the Senate Foreign Relations Committee. This man, in the twilight of a brilliant career as a lawmaker, has helped all of us recapture some of that breadth of spirit which is the real greatness of our country. What he has done to guide our foreign policy in recent months perhaps exceeds the great work done a few years ago by the late Senator Arthur Vandenberg.

In mid-April, at a time when the situation in the Far East seemed to hang by a thread, he delivered an impromptu address in Washington to the newspaper editors of America which may have marked a turning point in our foreign policy.

It is well to recall the circumstances at the time he spoke. Red China's Chou En-lai at the close of the Bandung Conference only a few hours before, had announced unexpectedly that he was willing to talk with the United States about relieving tensions in the Far East. The State Department had issued an immediate reply that the United States was not interested in such talks.

At this moment in history, then, Senator GEORGE spoke. He told the newspaper editors he thought we should be "big enough" to consider the Chinese offer, and when the President and Secretary of State returned to Washington the next day his advice was heeded. They countermanded the original reply, and fruitful talks subsequently were arranged.

More than anything I have read, this extraordinary speech by Senator GEORGE exemplifies the sober thought we need in these trying times. For instance, he said:

"I think it important that we know precisely the thinking * * * of our friendly nations * * * on the important problems that have arisen in the Far East and precisely what adjustments, if any, we should be willing to make to meet changing times and changing conditions.

"That is not appeasement. It never has been and never will be appeasement for any strong power to say to another power that it is willing to sit down and talk about the problems that concern you and concern the world."

Senator GEORGE also confessed that he changed his mind as events occurred, and he advocated the patient, step-by-step approach in dealing with other nations.

Something else the Senator said also foreshadowed a new public philosophy for America:

"We didn't seek world leadership. You don't get it by seeking it. World leadership comes to a nation, if it comes at all, because of the superb and supreme heroism of its people; because of their devotion to duty, private, and public, because of their tireless exertions to bring it about.

"Above everything else, it comes to a nation when it is great enough and big enough and strong enough, when mighty impulses are running through the world, to rise to the challenge of stirring times."

I would suggest to you that Senator GEORGE personifies the spirit that qualifies us for leadership among the free communities of the world. Would anyone deny that if we had a few more public men like him (men who have bold, growing minds, whether their ages are 36 or 57 or 78) our citizens would always rally behind those who govern?

What, then, is this new maturity we are talking about? Let me attempt to describe it:

1. It is an attitude which would place the national purposes first, and thereby build a broader sense of responsibility and put competing local prejudices into a proper perspective.

(It is a peculiar, but well established fact, for example, that certain Members of Congress make a career of opposing mutual security programs, even though both political parties recognize them as vital to this Nation's security. Using arguments and methods which sometimes border on the demagogic, they play upon the ignorance of the people concerning the importance of such legislation rather than seeking to educate their constituents to the value of these programs.)

2. It is the belief that national unity should be a paramount consideration, and that forces tending to divide our counsels through secondary issues should be resisted. (Our Yalta post-mortem is in point here.)

3. It is based on the conviction that any venture is a gamble and that men must have enough courage to pursue the course prompted by their best judgment and be quick to revise it later according to a better judgment. (For example, our flexible attitude in dealing with Marshal Tito's Yugoslavia has paid big dividends.)

4. It is a spirit which would decline to use vital national policies for partisan purposes. (There is still altogether too much partisan use made of foreign policy issues, particularly at present when differences between the views of the two political parties on the big issues are largely verbal.)

5. It is the principle that the interests of other nations always should be weighed in the scales, and that we should strive to understand the motives of neighbor peoples.

(At the NATO Interparliamentary Conference in Paris last July a member of the House of Commons commented to me that India's neutralism and unwillingness to see the world in terms of blacks and whites had a rather striking parallel in the outlook of our country in the years just preceding World War II.)

6. It is a frame of mind that would avoid military and political absolutes and would set up, instead, as many limited objectives as possible, directing our diplomacy to the achievement of these useful ends, however undramatic they might appear.

(We all recall the naval-blockade, China-coast-landing-party school of thought as applied to the Far Eastern crisis, and we can be thankful that more mature judgment prevailed.)

7. It is the belief that negotiation should be undertaken wherever there is a chance that it may be fruitful, and that our negotiators should be ensured enough freedom of action that wise bargains can be struck.

(In the days to come, particularly in our dealings with Russia and Communist China, our President and diplomats are going to need elbowroom in which to make concessions and negotiate settlements. Unless negotiators have something to concede there is no point in talking.)

8. It would seek out and cultivate the virtues of humility and patience in our dealings with other nations and peoples.

(Our good friend, Ambassador Carlos P. Romulo of the Philippines, is a firm believer in this principle. To illustrate this point he told recently of a visit Mrs. Eleanor Roosevelt made to India. When met by reporters as she deplaned at New Delhi she was asked for a statement but declined, saying she had come only "to learn." This, he said, increased our prestige in India immeasurably.)

9. It is the spirit which would cherish those attitudes fostering mutual regard among men, not losing sight of the inner man and his Maker.

10. And last, this new maturity would reaffirm in word and deed the worth of the enduring ideas and institutions which make democracy the hope of mankind.

(In the long run our greatest asset is the freedom we enjoy under the Constitution, just as fear, suspicion, and repression of individual freedom are the long-term liabilities that ultimately will destroy the Communist governments of the world.)

These, then, are some of the attributes of the new maturity we need in American public life. It is my faith that we can achieve most of them without benefit of superhuman effort if only we will meet the challenges that beckon to us on every side. It would be unfair to expect our politicians to pull themselves up by their bootstraps and become minor statesmen overnight. The main effort, if we are to improve the caliber of our statesmanship, must come from citizens who will not settle for timid or short-sighted leadership and will drive demagogues and irresponsible men from the temples of government.

We would do well, I think, to recall the adage of Plato's Republic that the punishment of wise men who refuse to take part in the affairs of government is to live under the government of unwise men.

We face an uncertain future, but we can prevail if we look to the future with courage and high confidence in the rightness of our cause. No generation ever has confronted problems such as we face, and ours is, therefore, a great adventure where determination and wisdom yet may carry off the long-sought prize of an enduring peace.

Let me conclude finally with the magnificent peroration that Winston Churchill uttered last March in his final speech to the Commons as Prime Minister:

"There is time and hope if we combine patience and courage. All deterrents will improve and gain authority during the next 10 years. By that time, the deterrent may well reach its acme and reap its final reward. The day may dawn when fair play, love for one's fellow men, respect for justice and freedom, will enable tormented generations to march forth serene and triumphant from the hideous epoch in which we have to dwell. Meanwhile, never flinch, never weary, never despair."

Postmaster General Summerfield Says We Can Break Even With Higher Rates

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EXTENSION OF REMARKS

OF

HON. EDWARD H. REES

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 5, 1956

Mr. REES of Kansas. Mr. Speaker, under approval of the House, I am including with my remarks a statement by the Honorable Arthur E. Summerfield that appeared in the January issue of the Nation's Business. It is entitled "We Can Break Even With Higher Rates." In view of the importance of the subject matter, I believe the Members of the House will be particularly interested in reading this statement.

The statement follows:

The United States Post Office Department has a new look—and a new spirit.

The new look is dramatized by the eye-catching red, white, and blue colors which now modernize mail boxes and postal trucks.

But the improvements taking place in the postal establishment—which serves more of our citizens more intimately and more frequently than any other Government department—are far more fundamental and much more significant than this new color scheme.

Never before have the post offices of the United States handled so much mail volume, so quickly, so efficiently, so economically.

Deficits are lower. The postal deficit of $362,700,000 for the 1955 fiscal year is less than half of the all-time high reported deficit of $727 million for fiscal 1952.

When our team of executives recruited from industry assumed responsibility for the management of the Post Office Department January 20, 1953, we found:

The Post Office Department had no certified public accountants on its payroll although its financial transactions exceeded $20 billion a year.

There was no modern personnel department to meet the needs of 500,000 employees.

No training program was being used.

The salary structure contained innumerable inequities and offered no real incentives for advancement to supervisory positions.

Although the Post Office Department handled more than 50 billion pieces of mail annually, it had no materials-handling engineers.

The worst highway safety record in Government.

No public information services were being used to help the public help itself to better mail service or to provide communication channels between management and employees.

No basic review of its transportation policies and methods had been made in 25 years.

Nearly 40,000 postmasters reported directly to Washington on even the most trivial problems.

Management control tools and methods were so completely lacking that when I first called for a financial report on the previous months' operations, I was told that such data would not be available for 18 months; that such reports were considered historical documents and never intended for management control purposes.

In 3 years the Post Office Department has been overhauled and reorganization is nearly complete.

Tried and proven concepts of modern business management have been introduced and the results are becoming increasingly apparent to the public.

The faster, more efficient, and more economical mail service is due in part to these improvements.

Mailers and postal patrons benefit from more than 70 changes in procedures. Post offices in most major cities are open longer and mail is collected later. More than 5,000 city letter carrier routes are being added annually. Modern rural-delivery service is being expanded constantly. New services are being added—and others simplified. The new certified mail provides important benefits of registered mail, including proof of delivery, at lower cost. A new money order procedure eliminates forms and reduces time spent in line. New pamphlets help the public help itself to better mail service.

The internal procedures of handling money, bookkeeping, and financial reporting have been greatly streamlined. Payrolls are being handled by modern punchcard checks and equipment in 15 centralized locations. The daily task of processing and accounting

for 1,500,000 paid money order forms is centralized in the new Kansas City Money Order Center which will ultimately use the most modern electronic equipment. Simpler financial procedures generally will achieve a total reduction of 5,000 positions from the overhead. This program relieves postmasters of unnecessary paperwork, gives them modern business methods, and enables them to concentrate on the major job of moving the mail.

A nationwide safety program has already reduced motor vehicle accidents from 13 to 8 per 100,000 miles. Even better results are anticipated.

Broader and better use is being made of all types of transportation by employing the one best equipped to do the individual job speedily, efficiently, and economically. This means expanded use of trucks and tractor-trailers, bus lines, highway post offices, and air cargo carriers; using the unused space on scheduled airliners for the experimental movement of 3-cent mail; a better coordination with railroad operations; and revision of schedules to deliver the mail on the day it arrives at destination post offices.

With the opening soon of the Wichita, Kans., regional office, postal operations will be decentralized into 15 regions and 91 districts, and operated on a home-rule basis.

The first coordinated progressive personnel program in the Department's history has been established. The installation of a sound salary structure, based on position evaluation, provides 508,000 postal employees with fair wages, incentive to advance in the career service, and compensation related directly to duties performed.

The Department has leased more than 900 new postal buildings, valued at approximately $45 million, through its commercial leasing activities from January 1953 to November 15, 1955. The new lease-purchase program by which buildings are bought out of rent, includes 27 further projects approved as of November 15, 1955. This will create $14 million in new construction. Both programs use the financing and construction capacity of private industry.

Close cost control has been established over the 85,000 motor vehicles the Post Office Department uses (of which 25,000 are owned by the Government). Postmasters are charged for the use of this equipment and personnel to make them cost-conscious. A Post Office Department fleet is being developed consisting of four basic standard production-line trucks which will do the same job better than the 7 types of special-built, often hand-made vehicles formerly purchased. The estimated savings are 20 percent in purchase prices and 20 percent or more in operating cost.

Practical training programs aimed at improving personnel and mail service—involving 10 courses of instruction ranging from tying bundles of letter mail to executive development—have been launched. The suggestions and incentive awards program has been modernized, and the Department received, in 20 months ending November 15, 1955, double the number of employee suggestions offered in the previous 5 years, with savings estimated at $2,261,000. Uniforms are being redesigned, standardized, and brightened effective this month, although employees having garments of the previous design in good condition will be permitted to wear them until January 1957.

Unnecessary service units are being eliminated. Approximately 3,000 small post offices have been closed, at a saving of more than $4 million, with the patrons generally getting better service through rural delivery.

Practical experiments and research are being carried on continuously. Those now under way include: (1) a variety of motorized conveyances for city carriers; (2) an automatic mail facing machine; (3) automatic sorting by electronic scanning; (4) self-service equipment for post office lobbies; and (5) mechanical parcel post sorting.

The first nationwide effort to attract desirable new career employees into the postal service was launched in December 1955. Display posters in 10,000 post offices and on 16,000 Air Force recruitment billboards in 3,000 communities are being used for a 30-day period, outlining salaries and benefits of postal employment.

Despite the progress made in modernizing the mail service and reducing its cost, the Post Office Department faces two serious problems.

One is the inadequacy and the deterioration of its physical plant. Many post offices were built 50 or even more years ago. Far too many of our postal facilities are badly run down, outgrown, outmoded.

In some larger cities, facilities are so inadequate that mail is sorted outside post offices on the sidewalks or in the alleys, rain or shine. At numerous points, trucks cannot squeeze into the small post office loading and unloading areas. Many post offices and mail terminals are dingy, badly in need of renovation and better lighting, and completely lacking in modern equipment to speed mail distribution.

To correct these conditions will take time and money. We cannot continue to ignore these needs, particularly since they grow increasingly worse as the mail volume of this dynamic and growing country is constantly increasing. It is now 45 percent greater in volume than it was 10 years ago.

The other and more serious problem concerns the fiscal plight of the Post Office Department. The postal deficit accumulated since World War II—during a period of unprecedented prosperity—has now reached $4,600,000,000 and is costing taxpayers more than $100 million a year in interest alone.

Despite the efficiencies and economies we have been able to make, the Post Office Department now faces a yearly deficit of about $500 million. Nearly $200 million of this is the cost of the recently enacted pay raises and other employee benefits.

Basically, our failure to operate on a more nearly break-even basis is due to the fact that postage rates today are essentially the same as they were in 1932. Meanwhile, the cost of nearly everything the Department buys or uses has more than doubled, as have most household or business expenses.

That is why we are recommending moderate increases in postage rates on first-, second-, and third-class mail to Congress.

We believe Congress and the American people appreciate the need for reasonable rate increases so that their Post Office Department may improve its services and facilities and operate on a self-supporting basis as do the postal establishments of most major nations. Our neighbor, Canada, for example, has shown losses in only 3 of the past 20 years with an overall surplus for these 2 decades of $89,523,932.

Many Members of Congress have polled their constituents on this question of postage rates. So has the Post Office Department. In all parts of the country, the people queried indicated that they favor, usually by margins of at least 3 to 1, increasing postal rates to make the Post Office Department self-supporting. Public opinion here is apparently no different than in Europe where competent observers state that a postal deficit would not be tolerated.

If these rate increases are granted we can complete the job the Post Office Department set out to accomplish nearly 3 years ago: provide better service, lower costs, reduce the postal deficit, and operate on a break-even basis.

Then the Post Office Department can provide the most efficient service possible to meet the constantly expanding needs of this most prosperous Nation on earth.

Address by Hon. William F. Knowland, of California, Before the Women's National Press Club

EXTENSION OF REMARKS

OF

HON. WILLIAM F. KNOWLAND

OF CALIFORNIA

IN THE SENATE OF THE UNITED STATES

Thursday, January 5, 1956

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the RECORD an address which I delivered before the Women's National Press Club on January 3, 1956.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Madam Chairman, Mr. Speaker, Mr. Majority Leader, my friend LYNDON JOHNSON, and fellow Americans, tonight as Americans we are thankful for the splendid recovery of President Eisenhower and Senate majority leader LYNDON JOHNSON.

We look forward to these annual gatherings with the Women's National Press Club. There is always a pleasant atmosphere. Some might say it is the calm before the storm.

At any rate we gather at this festive board before Members of Congress at the 2d session of the 84th Congress have had, at your hands, wrinkled brows from laurel wreaths piled upon them or hides so perforated by harpoons that one additional is hardly noticed.

With a free press and a women's press corps, which is second to none, there is, of course, the inference that these awards and demerits are nonpartisan in character.

Yet I would be less than frank if I did not reveal that in the inner sanctum where both Republicans and Democrats let their hair down, if they have any, there is sometimes expressed the strong belief that the Weather Bureau first got the idea for naming cyclones by latching on to one of your membership rosters.

No one has a crystal ball to predict with certainty what the future holds in store for our civilization in this atomic age, for the United States, our two great political parties or any of the individuals constituting them.

Lincoln, in his house-divided speech, said: "If we could first know where we are, and whither we are tending, we could better judge what to do, and how to do it."

As Americans, rather than as bitter partisans, we know that all the virtues are not in one party nor all the faults in the other.

Despite the claims that may be made as tensions mount when the session grows older the fact remains that neither party can, even if it would, ride roughshod over the opposition.

Any bill to become law will require a working majority which, because of defections one way or the other, will constantly change from issue to issue and time to time.

With the paper-thin Democrat majority of one in the Senate and the narrow margin in the House it is doubtful that any veto could be overridden.

It is a difficult task confronting the leadership in the White House and among the two parties in both the House and the Senate.

In 1913, 43 years ago, my father completing his 10th year of 12 years of House service helped welcome three new freshman members: SAM RAYBURN, CARL HAYDEN, and ALBEN BARKLEY.

That year the total Federal budget reached the then astronomical heights of $1,021,349,990.63. How times have changed.

He was also a good friend of both Uncle Joe Cannon and Champ Clark. I learned early in life that though the center aisle may divide parties it does not divide friendships or the respect political opponents can have one for the other. Over in the House, for example, SAM RAYBURN and JOE MARTIN have established sort of a rotating speakership.

In certain other countries of the world such a divided governmental situation might provoke paralysis if not civil war.

Here, such is the firm foundation of our constitutional system and the sense of responsibility of the leadership and Members of both bodies that I predict there will be a constructive record of accomplishment.

The President, on Thursday, will make his recommendations in the state of the Union message. In addition there will be a number of special messages.

It is then the duty and responsibility of the Congress, a coequal branch of the Government, and the constitutional respository of the legislative power to act on these and other measures before it.

No person can know for certain what the men in the Kremlin or their associates in Europe, Asia or the Middle East may be planning for this year of 1956. However, there is one thing certain, if they plan to take advantage of this year for some further adventures of aggression and are counting on our Nation being so paralzed by a great presidential election that it is unable to function to meet such a challenge they are making the mistake of their lives.

No matter how tense the campaign may become or how acrimonious the debate if our national security is challenged or human freedom in the world is endangered by overt acts of aggression, 165 million Americans will stand shoulder to shoulder in facing a common danger.

Our Nation was founded and grew to its present position of leadership based on faith and not on fear.

If we of this generation will only show the same courage and commonsense that motivated the men who sat at Philadelphia and, under what I believe was divine inspiration, gave us first our Declaration of Independence and later our Constitution of the United States there are none of our great domestic problems we cannot solve and there is no foreign foe we need ever fear.

Compliments to the Walnut Grove Products Co., of Atlantic, Iowa

EXTENSION OF REMARKS
OF
HON. BEN F. JENSEN
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 5, 1956

Mr. JENSEN. Mr. Speaker, the Walnut Grove Products Co., of Atlantic, Iowa, has had a long and successful career in manufacturing and distributing Walnut Grove stock feeds, which has gained great popularity all over the Middle West.

They learned long ago that there is no substitute for honest, proper advertising, to acquaint the people with the values of their products. Walnut Grove is now taking the lead to effectively publicize the food values of the best food on earth, healthful, muscle-building, tasty cornfed pork and beef, last week the board of directors of the Walnut Grove Products Co. announced their decision to set aside 50 cents from the sale of each ton of swine and beef feeds manufactured by the company.

The money to be given to a livestock organization devoted to the promotion and education of the value of meat and meat products. I have no doubt but what many, many other companies in the breadbasket of America will follow Walnut Grove's lead in their desire to induce this American people to eat more of the wonderful food and which will benefit all who eat it and produce it.

My compliments go to President A. E. Kelloway and his board, may success crown their efforts.

State of the Union Message

EXTENSION OF REMARKS
OF
HON. CHARLES A. VANIK
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 5, 1956

Mr. VANIK. Mr. Speaker, the President's state of the Union message today certainly provoked no surprises and very little congressional discussion. I can support most of what the President has requested in his message. However, I fear that the message is distinguished by its omissions and its inadequacies.

In his discussion of the discharge of world responsibility, very little is recommended beyond the making of long-term commitments for assistance to economic development of friendly nations abroad.

A great claim is made for the development of national fiscal integrity and a balanced budget. Very little recognition is given to the times which have changed the atmosphere of the Nation from a war economy to a peacetime economy. In the volatile Near East dispute between the Arab States and Israel, the President urges that we promote a fair solution and that both sides will make the contribution necessary to achieve that purpose. Where does leadership appear in these words?

It was, indeed, surprising to have the President tell us about his desire to continue the Federal-aid highway program. There has been very little argument on this subject for years. All reference was omitted to the conflict in financing proposals which proved to be the roadblock to the adoption of a workable highway program in the last session. The nonpartisan, noncontroversial issue of occupational safety received consideration in two separate instances in his message.

On the schools issue, Congress was deadlocked on the proposal of integration. Where does the administration stand on that issue?

In the 1st session of the 84th Congress the House of Representatives passed legislation reducing the retirement age for women to age 62 and provided for compensation benefits to the totally disabled at age 50. The House has clearly spoken on this subject. What guidance can Congress receive from these words:

In developing improvements in the system, we must give the most careful consideration to population and social trends and to fiscal requirements.

Is the President for or is he against the House bill?

On the question of civil rights, a bipartisan commission is recommended. The issues on this subject are resolved and the lines are already clearly drawn. A bipartisan commission would serve no other purpose but the occasion for delay in enacting an effective civil-rights program. Congress knows the subject matter and Congress is bipartisan. A commission would serve no useful purpose.

In his message the President said: "Change is the inexorable law of life." His message promises none. It reflects an America becalmed by Executive decree.

Additional Cotton in the "Set-Aside"

EXTENSION OF REMARKS
OF
HON. E. C. GATHINGS
OF ARKANSAS
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 5, 1956

Mr. GATHINGS. Mr. Speaker, on last Thursday, December 29, I wrote to Secretary of Agriculture Benson suggesting that he utilize the full authority of his office in placing an additional 1 million bales of cotton in the "set-aside."

Under leave to extend my remarks in the CONGRESSIONAL RECORD, I place this letter in the RECORD.

DECEMBER 29, 1955.

Hon. EZRA TAFT BENSON,
The Secretary of Agriculture,
Washington, D. C.

DEAR MR. SECRETARY: Under the "set-aside" provisions of the present agricultural laws, the Secretary of Agriculture is authorized to reserve as much as 4 million bales of cotton to insure the domestic economy and to provide an adequate supply of cotton in the event of emergency.

Having had the privilege of talking with hundreds of cotton farmers in recent weeks, I have found that they are deeply perturbed and depressed about their high-production costs. Year by year they find that they are paying more for the things they have to buy to carry on their operations, and, at the same time, they have seen a continuing decline in the price of cotton at the market place. This cost-price squeeze is driving great numbers of our people from the land and placing heavy burdens and added problems on our urban citizens.

By utilizing the full powers that Congress has placed in your hands by enactment of the Agricultural Act of 1954, this action on your part would serve to stabilize the price of cotton and would give the farmer a more equitable return for the product of his labor. It was the intention of those of us who drafted this legislation, that you be given this authority to cushion the shock of just such a situation as now exists throughout the cotton-growing areas.

For this reason, I urge you to utilize the full powers of your office in exercising the maximum set-aside for cotton prior to the announcement of price-support levels. Our American farmer should receive the maximum protection of the law and our national

security program must have the full benefits of an adequate set-aside in case of a national crisis.

Such action on the part of the Department would increase the present set-aside by 1 million bales and would benefit not only the cotton farmers but also the business economy of all areas producing cotton.

It would, in addition, increase our ability to cope with any contingency that might occur in this far from peaceful world and would take into account the increasing demands created by an expanding American economy and a growing American population.

I urge you take this action immediately.

Yours very sincerely,

E. C. GATHINGS.

Address by Hon. John W. McCormack, of Massachusetts, Before Massachusetts Chiefs of Police Association, Revere, Mass., November 30, 1955

EXTENSION OF REMARKS

OF

HON. JOHN W. McCORMACK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 5, 1956

Mr. McCORMACK. Mr. Speaker, under permission to extend my remarks, I include remarks that I made at a luncheon of the members of the Massachusetts Chiefs of Police Association held in Revere, Mass., on November 30, 1955:

Mr. Chairman, the position and duties of a police official and police officer are of an importance that cannot be emphasized too strongly. The apprenticeship of a police official or member of a police force never stops. He must constantly be alert mentally and physically. For upon his shoulders rests primarily the responsibility of maintaining internal order. If it were not for our police forces, officials and patrolmen, standing as the guardians of the law, ever alert to maintain order and protect the law abiding, the small minority—the criminals and the reckless minded—would quickly turn any community into one of fear. The presence and the restraining influence of the police officer—and by "police officer" I mean officials of all ranks and the patrolmen—plays a most important part in maintaining law and order. As we view them as a whole, realizing that they, like everyone else, are human beings, we see that so few err or fail in performing their duties.

A member of a police force, I have said, is a guardian of the law. But he is more than that. He is a friend. He not only fearlessly protects the public against the criminal, never knowing when his life might be imperiled, but the real member of a police force is ever alert to help the sick, the afflicted, and the poor. And very few fail in this humane impulse and activity. We find him the friend and confidant of the youngster, of the aged, as well as the sick, the afflicted, and the poor. He is recognized by a uniform, but somehow or other we feel happier when we see him. But he is even more. In the first instance he is a judge.

I think one of the gravest responsibilities anyone can have is where he has to pass in judgment on other persons. When the average person thinks or talks of a judge, he thinks of a judge in a courtroom. But how many persons realize that a police officer patroling his route or beat, so to speak, is, in the first instance, a judge—that the sergeant, lieutenant, captain, police chief or commissioner must constantly, in the first instance, make judgments of great import to others. And in this respect they are judges.

As an example, how many of us can remember as youngsters when we took apples from a tree in an orchard, or stole a ride on a streetcar, or did other things prohibited by law, and we were caught—and instead of bringing us into court, with the resultant court record, the police officer took us home to our parents or warned our parents from whom we received parental punishment—instead of a court record. I could give many other illustrations of where they are judges.

Your apprenticeship days never end. There is always something new to learn in law and evidence and procedure; there is always something new to learn in human nature. Yes; there is always something new to learn in the efforts and technique of the criminal to carry out his criminal intent, and something new to learn how to prevent, or detect and apprehend them.

The efforts of the criminal in his attack on society and individuals never ends. He usually operates secretly to succeed in his crime without detection and arrest and conviction. No one knows when he is going to move. The individual who stands between him and the great majority of our people who are law abiding, is the police officer and our police forces. The "cop," and this term is not used derisively, but as a complimentary characterization, where would we be without him. I believe in giving "credit where credit is due."

When a police officer or police official does anything wrong, it usually receives wide publicity. But for every one who goes wrong, there are thousands who are courageously, and in an honorable and trustworthy manner, performing their duties. As a citizen—as a lawyer of many years and an active trial lawyer before I was elected to Congress—and as a legislator—not to flatter you but to pay you a deserved compliment—it is my opinion that there is no group of public or private officials and employees who perform their duties more honorably, more courageously, or more honestly than do the members of our various police forces.

And last but not least, their love of and loyalty to country has never been questioned. I have yet to hear of any police official or police officer who is a Communist.

In closing, I extend my congratulations to Police Chief Gillis of Beverly, Mass., in his election and his induction today as president of your splendid association. Chief Gillis will give to your association an outstanding administration. I also extend to the other officers installed today my congratulations. I know, like Chief Gillis, they will perform their duties with ability and loyalty.

Fruits of Freedom

EXTENSION OF REMARKS

OF

HON. THOMAS M. PELLY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 5, 1956

Mr. PELLY. Mr. Speaker, the President's message on the State of the Union which the House has just listened to with great interest and respect will brighten the hearts of the American people and likewise those of other freedom-loving nations. In foreign and domestic issues we have had renewed evidence of leadership dedicated to equality, individual dignity, and justice.

The President has invited a comparison of "fruits of freedom" here and elsewhere as against the record of the Communists, and he pointed up our progress in the field of civil rights. It is especially gratifying to note in his message a determination to continue this progress. In this regard I applaud his recommendation that charges of lack of voting rights and economic pressure on Negro citizens be examined by a bipartisan commission—and promptly.

Through the past 3 years, as the President pointed out with pride, our stature in the free world has increased because we have made more progress than ever before in a similar period to give all citizens equality in justice, in opportunity, and in civil rights. But the President emphasized the great need to expand this progress, and I for one look forward to the program he promised to give us to accomplish this objective.

Recently I read that our colleague the gentleman from New York [Mr. POWELL] had named me with 14 other Representatives as possible "key regional leaders" to fight for justice in civil-rights matters. When I saw this report I immediately wrote the gentleman from New York, saying he could count on me. Since then I have personally assured him of my desire to actively support a civil-rights legislative program. President Eisenhower's message points in the direction we must move, and I will be proud to continue supporting such a program.

Flood Protection, Relief, and Rehabilitation

EXTENSION OF REMARKS

OF

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 5, 1956

Mr. PHILBIN. Mr. Speaker, on October 24, 1955, the Subcommittee on Water Resources and Power of the House Committee on Government Operations held a hearing at Springfield, Mass. Under unanimous consent, I include in the RECORD the text of my statement to the subcommittee.

The material follows:

FLOOD PROTECTION, RELIEF, AND REHABILITATION

(Statement of Congressman PHILIP J. PHILBIN before the House Special Subcommittee on Water Resources and Power, Springfield, Mass., October 24, 1955)

Mr. Chairman and members of the committee, I heartily welcome you all to Massachusetts and express deep gratitude for the opportunity you have extended me and my colleagues in the Congress to present our views on water resources problems that have arisen in our State and area as a result of recent disastrous floods.

Let me assure you I greatly appreciate the able attention and study which my good friend from Alabama, Mr. JONES, and all the members of your committee are giving to these questions. Since there are many witnesses to be heard today I will confine my own remarks as much as possible.

Several other members of the Flood Prevention Committee of our Massachusetts congressional delegation, of which I am chairman, all distinguished colleagues of ours in the House, are here present and desirous of presenting their views.

I recognize that some of the problems connected with the flood may not in a strict sense fall under the jurisdiction of this committee. However, many of them are definitely relevant to your current studies on water resources and flood control and remedial measures which Congress may take at the next session.

I have in mind, of course, that the esteemed chairman of this committee, Mr. JONES, is also a high ranking and very valuable member of the House Committee on Public Works and, in that capacity, is fully conversant and very well informed on essential flood control projects throughout the Nation.

Now, it is hardly necessary for me to detail in extent the loss of life and damage to property caused by recent and repeated floods in our area. Great tropical storms swept over much of the Northeast last August 19, and the week before last, pouring a deluge of heavy rain over the countryside for hundreds of miles.

Rivers and their tributaries overflowed their banks, hundreds of small dams broke or overflowed, many people lost their lives, hundreds of homes were completely washed away, roads, bridges, public communications, water and sewer systems, and business establishments and industries were destroyed or damaged in varying degrees, rich farmlands were gutted and covered with silt and debris. The ensuing destruction, havoc, and distress were widespread. Our section was struck with cataclysmic force. As yet we are unable to estimate all the damage. Many communities were paralyzed and crippled, not only by the first storm, but by the second which followed just a few days ago.

I want to make it clear to the committee that all appropriate agencies of the Federal Government under the direction of our great President, who flew from Denver to Bradley Field, Conn., personally, to supervise relief and rehabilitation operations, have rendered a very great service and have extended valuable assistance. I will not take the time here to enumerate those cooperating agencies, but without exception they worked together, with the Red Cross and with State and local agencies to restore public services, to bring order out of the chaos, to help get our economy back on its feet and, above all, to relieve human misery. They did wonderful work. We are all very grateful for these efforts even as we are mindful that a great deal of work of further relief, rehabilitation, and flood control must be accomplished before many stricken areas can return to normal, and before they can be given maximum protection against loss of life and property from devastating natural disasters in the future.

Of all congressional districts in this State, I believe that the one I represent sustained the most serious damage here. Lives were lost, homes were carried away, people left homeless and industry and business sustained tremendous losses and damage. But there is hardly a section of our great State which was not affected and damaged in some way. Our neighbors to the south, the people of Rhode Island and Connecticut, suffered greatly. The same is true of Pennsylvania, New Jersey, and New York. The situation in our own State is indeed most difficult and with humility and deepest respect, I would bespeak your consideration of the following proposals.

1. Immediate appropriations by Congress of adequate funds to proceed with studies and construction of flood-control projects already authorized, and wherever necessary, in the Connecticut River Basin, the Thames River Basin, the Housatonic River Basin, the Blackstone River Basin, the Hoosic River Basin, the Neponset River Basin, the Charles River Basin, the Merrimac River Basin, and in all the tributaries and branches of these streams, including industrial and other smaller dams, which constitute so much of our water resources throughout the State of Massachusetts and New England.

It is clear that we must have Federal flood control and we must have it as soon as possible. Delay will be fraught with grave possibilities of fresh disaster. Our flood committee, of which I am chairman, is studying many specific projects. The entire situation is being reviewed by the Army engineers and we propose to press for earliest possible action by the Congress so as to secure adequate protection against future floods.

2. A second proposal which has been widely discussed and which I would like to suggest at this time is the urgent need for flood insurance and natural disaster insurance. Following the terrible Worcester tornado of 1953, I introduced in the Congress a number of bills seeking to cope, on a national basis, with great natural disasters. Among them was H. R. 6129. This bill would create a Government-owned corporation to insure against all natural disasters such as floods, tornadoes, droughts, forest fires, earthquakes, hurricanes, and all disturbances and conditions of such impact and severity that it becomes necessary for the President to declare disaster areas in any part of the Nation.

As you know, at present, flood insurance or disaster insurance cannot be procured from private insurance companies because, under normal insurance practices, its cost is prohibitive. Under the proposed bill, the Government would reinsure disaster policies designed to cover every part of the United States against the ravages of all natural disasters.

We can take notice of the fact that these natural disasters can and do strike, often like a bolt from the blue, at any time and at any place.

I believe that, when they have had the opportunity to study this proposal in its entirety, that the private companies would be willing to cooperate with the Federal Government in such an undertaking and would welcome a system whereby these heavy periodic disaster losses could be insured with Government support. This insurance would not interfere in any way with current insurance coverages because it would not go into effect in any area until the President has declared an emergency. It would constitute an additional, valuable, ready Government device for coping with great disasters. I would like to insert in the RECORD, with your permission, the text of H. R. 6129.

3. Expansion of the Weather Bureau to permit and promote greater Federal participation in weather and climatic research by the establishment of an appropriate Commission to make recommendations looking toward the accomplishment of this end.

I have prepared a tentative draft of this proposed legislation and with your permission would like to insert it in the RECORD. It contemplates a long-range program of research, coordinated with Weather Bureau activities, to speed intensive study of weather problems and to inaugurate as early as possible more effective hurricane and storm warning systems.

This is something, I think, that has been greatly needed in the Nation for a long time. As you all recall, Congress recently substantially increased the appropriations for the Weather Bureau to amplify present services. However, I think that a much broader basis is required in order to integrate the gathering and dissemination of information and forecasting of weather and climatic conditions. Such a system, if adopted, could very conceivably be used in coordination with civil defense and the armed services to warn our civilian population against approaching military attack. It would also aid our farmers, our shipping and air industries.

4. I also think that the Congress will have to strengthen and expand our machinery for disaster relief and rehabilitation. For one thing it should be more closely coordinated in the Federal Government and with the State and local communities. It should be put on a permanent basis.

Furthermore, I seriously doubt that situations of such magnitude can be satisfactorily handled by Government loans alone. Many people have lost their homes, but are still saddled with mortgage debt on nonexisting property. As a practical matter, they cannot possibly undertake further staggering debt on new homes because, even if it could be negotiated, it would snow them under financially, and it is unfair to American citizens so grievously afflicted to give them the feeling that they are objects of charity.

Many worthy businessmen employing our citizens are in the same predicament. The Small Business Administration has done a fine job under its present authority. But many businesses wracked by floods cannot survive under the burdens of heavy additional debt. Some consideration must be promptly given to the equitable and humane problems of putting these groups into the status quo ante—the position they were in before disaster struck them.

If proposals are to be adopted on a large scale, calling for huge Government funds for relocating entire communities—and such proposals are already under serious study by high-ranking Federal officials—the problems of rendering adequate financial aid to those who desire to remain in their present locations in order to save them harmless should also be carefully appraised.

These losses are far beyond the resources of individuals, or the State and local government. They will require the assistance of the Federal Government.

That will be costly. But so is foreign relief and aid; so are agricultural subsidies; so are great public projects in other sections of the Nation. The stricken people of the eastern seaboard who contribute so much in taxes to the Treasury are also entitled to the generous help and assistance of the Federal Government. I most respectfully urge that you carefully consider our plight and take every measure you can to assist us with rehabilitation and in safeguarding our area and every other area of the Nation, as well as it is possible for Congress to do, against the ravages of great natural disasters.

In conclusion, let me simply say this. Our need is very great, my friends. We have been sorely stricken, almost beyond description. Our own people have responded with extraordinary courage, resourcefulness, and compelling determination to try to reestablish their homes, their industries and their communities. But if ever we needed it, we now need the sympathetic help and assistance of the Federal Government to ward off the effects of these disastrous floods and to set up adequate safeguards against possible future visitations of great natural disasters, so unpredictable in their advent and point of attack, and so paralyzing and devastating in their consequences.

If this fine committee of the House comprised of our able, esteemed colleagues from other sections of the country working so diligently and intelligently under the leadership of our energetic, genial and capable friend, the distinguished gentleman from Alabama, can help us in any way to realize the objectives in this field which we in Massachusetts feel must be so urgently pursued, then we will indeed be very grateful.

Let me thank you all, Mr. Chairman, for bearing with me and giving your valuable time, and, most of all, for your sincere and

sympathetic consideration of our very serious problems.

And now, with your permission, I should like the honor of presenting to you our distinguished colleagues, all members of our congressional delegation flood committee, Mr. HESELTON, Mr. DONOHUE, Mr. BOLAND, and our beloved friend and colleague, Mrs. ROGERS, all of whom desire to present their views. Our distinguished colleague, Mr. WIGGLESWORTH, also a member of the committee is presently overseas on official business and will undoubtedly want to present his views to you upon his return.

Violation of the Constitutional Guaranties of Members of the Armed Forces Under the Status of Forces Agreement of the North Atlantic Treaty Organization

EXTENSION OF REMARKS
OF
HON. FRANK J. BECKER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Thursday, January 5, 1956

Mr. BECKER. Mr. Speaker, in the light of the resolutions and discussions in the last session of Congress with reference to the Status of Forces Agreement of the North Atlantic Treaty Organization, I have made a thorough investigation of the entire situation and am, herewith, citing these facts which have convinced me more than ever before of the necessity for the elimination of this constitutional violation:

VIOLATION OF THE CONSTITUTIONAL GUARANTIES OF MEMBERS OF THE ARMED FORCES UNDER THE STATUS OF FORCES AGREEMENT OF THE NORTH ATLANTIC TREATY ORGANIZATION

Up to 1951 when our military personnel were sent to any foreign country and accused of committing a crime or a violation of a local law, they were subject to trial by a court-martial of their own command and were not turned over to foreign governments to be tried in a foreign land by foreign courts. Since the signing of the Status of Forces Agreement in 1951 by the United States Government and its ratification by the United States Senate in 1953, whenever a member of the United States military personnel is accused of a crime while serving in a foreign country and that country requests the accused to be turned over to it for trial, we must abide by its request.

One must understand that before this Treaty, when a GI was accused or arrested, the United States military forces could determine, when requested by a foreign government, whether the young man should be turned over, and this would take place only where the man was accused of a very major crime and evidence against him was overwhelming. This system should be continued and the constitutional guaranties of American soldiers upheld.

In order to understand this agreement fully, I am setting forth a description of Article VII of the agreement so that one may properly understand exactly what it does and its purpose:

Article VII of the agreement prescribes the circumstances under which the sending or receiving States will have either exclusive or concurrent jurisdiction to try offenders. In those situations where both States have concurrent jurisdiction article VII prescribes which State shall have the "Primary" jurisdiction. Exclusive jurisdiction implies that only one State has the right to try an offender, as in a case for example, of security offenses which are against the laws of one country but not of another. If an offense violates the laws of both States, both States may have jurisdiction. However, the State that has the right to try the offender in the first instance, and in this sense may be said to have the prior or superior right to try the offender, is deemed to be the State having the "Primary" jurisdiction. This does not imply, however, that in the ordinary case a person may twice be in jeopardy. Paragraph 8 of Article VII expressly provides: "Where an accused has been tried in accordance with the provisions of this Article by the authorities of one Contracting Party and has been acquitted, or has been convicted and is serving, or has served his sentence or has been pardoned, he may not be tried again for the same offense within the same territory by the authorities of another Contracting Party." This section safeguards an accused against double jeopardy. This, however, is subject to what may be deemed a military exception to double jeopardy which does not prevent the military authorities of a sending State from trying a member of its force for a violation of rules of discipline arising from an act or omission which constituted an offense for which he was tried by the receiving state.

This means that military personnel are not exempt from double jeopardy because after their conviction in a foreign court, they may be tried and convicted by a court-martial held subsequent to the serving of their original sentence.

It must be further pointed out, that members of our Diplomatic Service have immunity when in foreign countries.

"Diplomatic immunity" simply means that our diplomatic officials, both of our Embassies and our consulates, are immune from prosecution by foreign countries for crimes of which they may be accused. And yet these same members of our diplomatic corps go there by choice. They do not have to go if they do not want to. But our military personnel, some of whom enlist and a great majority of whom are drafted into the service involuntarily, are sent to foreign countries, not because they want to go, but simply because once they have been sworn into the military forces and the uniform of the United States Government is placed on them, they have to do exactly as they are told. They not only must do as they are told and ordered, but in the event of war or fighting, they must die if necessary in order to carry out the order that was given to them when they became members of the military forces. Therefore, it is very difficult to understand, in the light of this comparison alone, why the military man should be excepted, and certain agreements made whereby he loses the guaranties of the very Constitution that he is supporting and willing to fight for.

After testifying before the House Foreign Affairs Committee in July on this subject, I decided that since I was going to Europe on other business, I would make arrangements to visit a number of our military personnel who had been tried in foreign courts and were serving sentences in foreign prisons.

I left New York by plane on August 5, 1955, and flew to London, England. Through the cooperation of the American Embassy and our military officials, arrangements were made for me to visit several English prisons for the purpose of interviewing our GI's personally and getting their stories and reactions.

Accompanying me was Maj. W. Charlotte from the United States Provost Marshal's department and Captain Barnes of the Judge Advocate's department, who informed me that I was the first Congressman to visit our GI's in prison.

My first visit was to the Wormwood Scrubs Prison, where, after discussing the reason for my visit with the Governor, I was permitted to interview three GI's imprisoned there. They were brought in one at a time, and a guard was stationed in the room with us.

I went over each case separately, the cause of the arrest, the trial, and the conviction, as well as the sentence. These three were serving from one to three years. Each one of them stated that he would have had a fairer trial before a United States military court-martial.

I spent another day with Major Charlotte and Captain Barnes on a visit to the Maidstone Prison in England. At this prison I interviewed four GI's imprisoned there and the story was the same. They felt that they had been "let down." It was not my thought to judge the innocence or guilt of these young men. I do feel, that so far as the English courts were concerned, they were treated fairly in accordance with their system.

I spent another day at Scotland Yard and at the Sessions Court in London where one of our GI's was up for trial. However, he pleaded guilty, and after a very good argument by his defense counsel, he was given a light sentence, a fine, which was paid.

I then went to France, and here was another highly difficult situation. In the French courts, and under French law, a man is presumed guilty and must prove his innocence. This is completely the opposite of American law.

Here again, I interviewed young GI's in prison. I traveled from Paris to Fontevrault Prison and interviewed two GI's. Their stories were pathetic. I saw them together and talked to both at the same time, as they were convicted of the same crime. Both of them stated that they did not know what was going on during their arrest and at their trial. They were assigned French counsel and an interpreter. Everything went on in French and they could not even get the drift through the interpreter. They both stated that everything was not interpreted to them and the next thing they knew they were sentenced to five years each. These two cases have had much publicity in the United States papers because of the harsh sentence. I visited another young GI at the Hotel Dieu (prison ward hospital) in Paris. He was quite satisfied and was the only one that I know of who was. He had not been brought to trial as yet, but will have been by this fall. He also intimated to me why he was satisfied to be tried by a

French court and I am not at liberty to state his reason here.

I have avoided mentioning any names, as I did not in any way want to hurt further these young Americans. The two at Fontevrault Prison also stated that they should have been tried by a court-martial and they would have known what was going on and would have felt they had a fair trial.

The Status of Forces Treaty had not been signed in Italy as yet, I was informed when I visited Rome.

After my journey abroad, I am more concerned than ever that this Treaty should be revised—for the following reasons:

1. All through American history, the American flag followed our soldiers wherever they went and was their protection.

2. There is distinct violation of the constitutional privileges and protection for our military personnel under this treaty.

3. Today, as soon as they are shipped to foreign soil, where the Treaty is in force, our soldiers no longer have the protection of the Constitution. Why? Because they cannot be tried by a jury of their peers in a foreign court. They cannot have their own American counsel defend them. There certainly is a "hostile atmosphere." By this I simply mean, without casting any reflection upon the integrity of any foreign people, that in many areas where our troops are stationed, the people do not want them there. The people do not understand why they are there, either, and I find little is done in these areas, intelligently, to inform the people why our troops are there.

4. There is an erosion of the right of appeal. While our GI's have the right of appeal, it is far different from the American judicial system and a man runs a real hazard by filing an appeal. Why? Because, if his appeal is lost, the higher court has the right to add to the sentence, and in many instances does so. For example: If a man is sentenced to one year on a charge where he could have been given up to five years, the appeals court could give him and usually does, the balance of the other four years. I understand that this is done to prevent appealing. (Even in our courts-martial system, a man has an automatic review and further appeal.)

5. There have been many citations of cases and trials of American servicemen in foreign countries. There also is the question of the penalties prescribed in certain foreign countries, either those with whom we have agreements or with whom we may sign these agreements in the future. Violations of the laws of these countries, laws that are absolutely unknown to the average American citizen, may bring penalties that are far beyond anything ever thought of in American jurisprudence.

We must remember that we have troops serving with air bases in countries such as Morocco and Pakistan and others. If we look into the history of these countries, insofar as penalties for violations of civil laws are concerned, we will find that in many, many instances people there, instead of being sent to prison, would lose a hand or a foot, an arm or a leg, or even an eye for offenses which in our country would be mere misdemeanors. Imagine what could happen if steps are taken to sign agreements such as this with these countries. We must also remember that, while this agreement ostensibly was arranged for the NATO countries and the United States, a similar agreement has also been signed and is in operation in Japan. So it is possible that agreements may be signed with these other countries. I think you will agree with me that this must be stopped and our feelings made known to the President of the United States through a resolution of the Congress.

There are many other arguments for revision of this Treaty. It must be noted that for quite a number of years we have been hearing and reading about the demands for the protection of the civil rights of the people of the United States for one cause or another. Secondly, we have been hearing and reading constantly about citizens of the United States being called either before the courts or before Congressional Committees and using the 1st, 5th, and 14th amendments in order to avoid testifying or giving information. All of these protections are parts of the Constitution of the United States. Many of the people who are on trial or being interrogated before the Congressional Committees use the Fifth Amendment to avoid giving information as to their own participation in the Communist cause to overthrow the Government of the United States by force or violence, or to avoid giving information as to whether they belong or ever did belong to any Communist front organization. All of these rights are provided for these people in our Constitution, even though many of them are working for the destruction of the very Constitution behind which they seek protection.

Justice John Marshall, the Chief Justice of the United States Supreme Court (1775–1835), in the early days of the Republic, clearly ruled and defined that:

> Service in the Armed Forces of the Republic of the United States shall not abrogate or nullify the Constitutional rights of an American citizen.

What then becomes of the Constitutional rights of hundreds and thousands of servicemen who are in foreign countries involuntarily and who are sent to jail by foreign courts for breaking some local laws? The Military Justice Committee of the New York County Lawyers' Association has been working on this matter since 1954. The Committee has been negotiating with the Defense Department following the expression of the opinion by the Association Committee that the Status of Forces Agreement with the NATO countries and Japan did not secure to Americans in the Armed Forces the same legal rights a defendant would have in the United States. It was held by the Committee that American defense personnel were not on foreign soil of their own free volition as in the case of a citizen traveling with a passport and that the Government should not sign away, even in a mutual defense pact, the rights guaranteed by the United States Constitution.

With reference to the editorial of the New York Law Journal of September 22, 1955, the Committee states:

> The Defense Department later informed the Senate Military Affairs Committee that in the first six months of 1954, only thirty-three American servicemen were sent to jail by foreign courts. In the opinion of the Lawyers' Committee, unless the thirty-three receive the same standard of protection they would receive under our Constitution, it was thirty-three too many.

That is the whole point involved in the Status of Forces Agreement. It is immaterial how many or how few are involved. The real question is the whittling away of the constitutional guaranties reserved for every American citizen whether he be in the Armed Forces on domestic or foreign soil.

I am convinced that the Status of Forces Agreement violates the ruling mentioned above of Chief Justice John Marshall, the greatest authority on the Constitution of the United States.

At the last session of Congress, that is, the first session of the Eighty-fourth Congress, resolutions were introduced calling upon the President and State Department to work with any country with whom we had signed a Status of Forces Agreement for the purpose of eliminating it and returning to the conditions that prevailed through all the years up to 1951. Congress should pass a resolution calling upon the Executive Branch of our Government to nullify this Status of Forces Agreement.

I have noted with great interest a recent report in the press that the Defense Department has directed our military commanders abroad to take all possible steps to assure fair treatment of American military personnel facing charges in foreign courts. The following story appeared in the New York Times of December 6, 1955:

> The Defense Department has laid down strict procedures to be followed by overseas commanders to protect to "the maximum extent possible" United States military personnel tried in foreign courts.
>
> A new directive to all military commands says Defense Department policy requires that all steps be taken to assure "fair trial and fair treatment" of men and women facing charges in foreign civil courts.
>
> The directive orders overseas commanders to follow the trials closely, provide free counsel if necessary, check on prison conditions and protest through diplomatic channels if they consider the trial or sentence unfair.
>
> Under so-called Status of Forces treaties, United States servicemen overseas can be tried by foreign courts for crimes committed while they are off duty. In turn, foreign troops stationed here are subject to United States laws.
>
> The new directive safeguards the interests of United States military personnel as specified by the Senate when it ratified the Status of Force Treaties in July, 1953. While most of the procedures have been specified, the directive incorporates them in one document.

I have cited heretofore the very many reasons why this agreement should be eliminated from the NATO Treaty. The very fact that the Pentagon now is taking cognizance of this situation and is belatedly taking some steps to provide some degree of protection does not, of

course, solve the problem of the violation of the constitutional rights of our servicemen.

It must also be noted that whenever I have discussed this with our State Department people, the only answer that I have been able to get from anyone, anywhere, at any time, is the fact that this agreement was brought about as a matter of necessity, and that we must realize that foreign troops serving in the United States or on United States territory may be tried in our Civil Courts for the violation of the laws of our country. The fact remains that there are practically no foreign troops serving in this country. Only a few are here, for such purposes as special training, and I feel certain that it will be in the best interest of our country to have these men tried by their own courts-martial and not by our Civil Courts. The few that are serving here certainly do not justify us in sacrificing the constitutional rights of hundreds of thousands of young Americans serving abroad.

It must be recognized that the Congress has no power to alter or change this agreement. However, I have introduced H. J. Res. 438 for the purpose of securing the support of Congress in requesting the President to bring about the elimination of this Status of Forces Agreement and trust that it will receive favorable action in this session of Congress.

Increase Rates of Education and Training Allowances for Veterans

EXTENSION OF REMARKS
OF
HON. JOHN E. FOGARTY
OF RHODE ISLAND
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 5, 1956

Mr. FOGARTY. Mr. Speaker, Mark Twain is credited with having referred to the weather as something that everyone talks about, but no one ever does anything about it.

I have heard, frequently, the same kind of criticism about legislative enactments by the Congress. Everyone talks about what is wrong with the law, but nobody does anything about it. I would like to claim a place in history for having inspired the 84th Congress to do something about the shortcomings of the education provisions of the Veterans Readjustment Act of 1952—that is Public Law 550 of the 82d Congress.

I am today introducing legislation which will provide a general increase in the rates of education and training allowance payable to veteran trainees enrolled under title II of the Veterans Readjustment Assistance Act of 1952.

The bill I have introduced is restricted to increases in rates of payments for education and training only and in no manner affects the eligibility requirements for those veterans who desire to qualify; also, the bill applies only to veterans of the Korean conflict. No basic change is intended or implied; all that is asked is that this session of Congress recognize some basic facts—and do something specific to help veterans meet the problem which those basic facts have created.

Basic fact No. 1 is—the Congress of the United States provided a machinery whereby the veteran of America's wars could get an education and so readjust himself to society, thus helping himself to be a better citizen and, at the same time, helping his country to make better use of the veteran as a member of society who is making the maximum contribution of which he is capable.

Basic fact No. 2 is—the veteran in school today is finding it very difficult to make ends meet; this strain jeopardizes his opportunity to be a good student, a good graduate, and hence, a good citizen who can provide his country with the maximum benefits of his talents.

My proposal asks only that we recognize these two facts and provide an increase in the allowances provided for in Public Law 550, as amended.

I would like to remind my colleagues that we live in a day when the spotlight is on the need for aid to education.

In the area of the sciences which, to our own personal knowledge, take on ever greater significance with each forward thrust of mechanical, electrical, aeronautical developments—to say nothing of developments in the atomic field—there is a woeful lack of students devoted to the subject of study and exploration. It has been my personal experience that a student worried by financial harassment is not the best possible student. A little worry may be a good thing—but if we want the young men who were foremost in our minds when we enacted the Veterans' Readjustment Act to be good students—and future good scientists, or scholars—or even mighty good citizens—we should do whatever we can to reduce this worry factor to a minimum. For this reason, I have become acutely concerned with the need for an increase in these educational payment rates.

The Congress has considered and enacted two so-called GI bills—in 1944 and 1952. To the best of my recollection when these proposals were first broached there was no suggestion of a bonus or reward or pension. There was a recognition—and I have to admit that this plea made the greatest impression on me—that because of war, a large segment of the youth of our country had been lifted from the natural stream of youth who would, in the normal course, attend college. In addition, there was a recognition of the fact that many young men and women who, under normal circumstances, would not attend college, had been made more mature by their wartime experiences and had become educable material. Unless I am gravely mistaken, this was the moving cause behind the GI bills. There was, too, the readjustment phase—during which young men and women could get themselves better prepared to assume their proper places in the democratic society which is ours—with emphasis on education constantly rising.

That was the reason for the GI bills, in their educational aspects. It has now reached the point where it is so difficult for eligible and qualified and eager young men and women to continue in school because of the increase in the cost of living and the cost of education since the basic laws were written that the very purpose of this excellent legislation is being frustrated.

The GI bills, so-called, were never intended to be a complete subsidy. However, they were intended to be a great inducement—and a substantial help—to each veteran in obtaining a good education—to the betterment of himself, his family and our society.

Statistics are, to many, a bothersome thing, and I will not annoy you with them. I know I can rely on your intimate knowledge of the fact that it costs more today to obtain a degree in an institution of higher learning that it did when the original GI bill was passed in 1944.

The increase in the rates of payment to veterans which my bill asks for are small enough. But—and I urge my colleagues to consider this well—the need for an inducement to our veterans to go to school, to stay in school, to acquire all the knowledge which a good education can provide is far greater today than it was when the original GI bill was enacted.

The whole pattern of this legislation has been one of assistance. I say again, never was it thought there would be a complete subsidy.

Times have changed—the need has changed only in the sense that it has grown greater. Costs have changed in two areas—they are greater and what is more fearful, they may become discouraging. We had faith in these veterans as defenders of our country. We should be proud of our continuing faith in them as crusaders for our country.

Help them to get the best possible education and we need have little fear for the future of their children, who, after all, see America through their father's eyes, whether it is a good and intelligent approach to Americanism or a discouraged and disillusioned portrayal of the attitude of the American Congress.

A Program for Our National Parks

EXTENSION OF REMARKS
OF
HON. CLAIR ENGLE
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 5, 1956

Mr. ENGLE. Mr. Speaker, I am very glad to note in the President's message that he proposes to stir something up in reference to the national parks. I know that the National Parks Service has been working on a program for about a year now, called mission 66. I understand that this program is anticipating a development and management plan that will put our parks in shape. With the anticipated increase in visitors to the parks—80 million by 1966—I believe these parks are of tremendous value to the people and a great economical asset, and they have been going to pot by

overuse and lack of funds to properly develop and maintain them. I, for one, am going to do all in my power to get a good, long-range program for the national parks, so that our great national heritage in the national parks will be put in proper shape and not allowed to be further abused or rundown.

As chairman of the Interior and Insular Affairs Committee of the House of Representatives, I am going to push so that this program will be submitted to us at the earliest possible date.

Interview on WNAC–TV, Boston, Featuring Hon. John W. McCormack, Conducted by Lester Smith, Special Features Department, December 6, 1955

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 5, 1956

Mr. McCORMACK. Mr. Speaker, under permission to extend my remarks, I include a question and answer interview in which I participated over WNAC–TV station of Boston, Mass., on December 6, 1955. This television program interview was conducted by Lester Smith of the special features department with Les Smith of the same station the questioner.

The interview follows:

LES SMITH. Good evening, everyone, I am Lester Smith, of the WNAC–TV, Yankee Network Special Features Department.

Following the policy of the Yankee Network—to keep its viewers and listeners completely posted on affairs which affect not only our community, but our State and our Nation as well—we are again very happy to have with us tonight another of the distinguished members of the Massachusetts congressional delegation in Washington to discuss topics of importance in world affairs. We are happy to welcome the Honorable JOHN MCCORMACK, the majority leader in the House of Representatives in Washington. Congressman MCCORMACK, we are happy that you were able to join us.

Congressman MCCORMACK. Thank you, Mr. Smith. I am very happy to be with you.

LES SMITH. The events of the last few days—the last few weeks—and the last few months, Congressman, have sort of jumbled themselves together into a patchwork which has made a lot of people in this country very apprehensive and concerned over the way the turns of events are going in the world situation. To your mind, as matters stand today, how are we faring in the world as a whole?

Congressman MCCORMACK. Throughout the world, Mr. Smith, as we look it over, we have got to develop policies that will enable us to have a better—a stronger—position. You use the word "faring"—I think it is a very good word. Since last July and the so-called summit meeting, the situation throughout the world has not been favorable to us and psychologically, we are in an unfavorable situation and position. It is not too late to get back and recover and obtain our affirmativeness. But we can't—we shouldn't—delay too long. Because, the only thing the Communists respect is what they fear; and, that is military power and strength greater than they possess. They respect only firmness in the field of diplomacy; where you have definite leadership, not uncertain leadership that changes from day to day and week to week; and where that firm leadership in the field of diplomacy is supported by that which the Communists respect—namely, military power and strength.

LES SMITH. Congressman, there was a reference made, just recently to the effect that perhaps the Soviet Union prefers this so-called cold war stalemate to either full peace or a full-scale war with the United States. What do you think of that reference?

Congressman MCCORMACK. Well, in my opinion, I think that that is their probable state of mind. All we can do is weigh the probabilities; and, what the probabilities in the mind of a Communist are is rather hard to weigh. You, and I, and others—thinking the way we do—can weigh the probabilities in our minds and in others' minds; but, on this matter we are dealing with the minds of world-killers who are out to impose communism by revolution, force, or otherwise upon all of the other peoples of the world. Frankly, I do not think that they want a full-scale war, now. But, we have ever got to be on the alert with our Intelligence working every minute of the day with all the other facilities of our country and of every other free country working ever to be on the alert. And, the reason I do not think they want an all-out war is because the nuclear bomb is so destructive that if they undertook to murder, so to speak, some other country—before they did it they'd commit suicide themselves. So, I think they are using this smile, this mask of a smile to try and deceive people. And remember, behind the mask of that smile is that same cruel mind that has sent millions of persons to imprisonment and to their death. So, I think what they want is a status quo, which the so-called spirit of Geneva has developed for their benefit, while continuing their work of subversion wherever they can and taking over country after country.

LES SMITH. Congressman, the recent events in the last few days in Berlin, insofar as the actions of the Soviet Union are concerned—what are their basic significances?

Congressman MCCORMACK. It is another one of their moves. They feel that there is weakness among the countries of the Western World. They're probing. They're hoping that we will manifest uncertainty. Berlin is a symbol to countless of millions of peoples and the free world—the Western World—cannot afford to let them get by with that. The United States has got to pursue a firm policy. I admire the American High Commissioner to Germany the other day when he rode through East Germany. That is something that the Communists understand; but, if we vacillate, if we engage in uncertain actions, if they obtain their victory there—a psychological victory—it will be most harmful to the free world's cause. So, that is one place where we have got to be firm, very firm.

LES SMITH. Now, let's dwell on one other point for a moment. We, of course, realize the danger spots that exist in various sections of Europe, the Far East, the Middle East. What in your mind are the key danger spots with which we have to be concerned?

Congressman MCCORMACK. Well, there are several spots. There is Southeast Asia—all of Southeast Asia—South Vietnam. There is Formosa, the Pescadores, Matsu, Quemoy—the British have possessions like Hong Kong. And there is Malaya and Thailand—the latter is a very important country to us—and Indonesia. These are important because if they get Southeast Asia our whole Far-Eastern defenses are outflanked and we would have to come back to the continental defense—Hawaii and Alaska. Then, there is in the Near East, the Egyptian threat against Israel—Egypt trying and determined to destroy that little nation of brave people over there; and, in that area they are the only people, the only friends we have there. There's the weakening of NATO, the status quo in Europe, and behind the Iron Curtain they're saying to non-Communists that the Western World has let you down. In other countries like Italy, they are saying to non-Communists, "Why do you doubt our sincerity? Even President Eisenhower says we are sincere in our desire for peace." So, it is a worldwide pattern; and, Berlin is a more recent evidence of the hardened minds of the Communists and their determination to undermine us by every means possible short of general war. We have got to be watchful for that—it is a calculated risk, but short of general war—as I see it they plan to take over country after country and to weaken the Western cause. And, we have been weakened. But it is not too late for us to recover if we only determine to do so.

LES SMITH. Congressman, if we may, may we go back for a moment, and take up the question of the seriousness of the problem involving Israel and the Arab States? At the moment, of course, there is the tremendous problem of the Egyptian purchase of arms from Communist satellites and the question of "if" and "where" Israel is to get arms. Is there a solution there?

Congressman MCCORMACK. Well, Israel is a nation of about 8,000 square miles. It has about 1,500,000 people. It is a democracy in fact as well as in name. It is Western-minded. The people of Israel are our friends. The Egyptians—the Arabs—you never could rely upon in World War I or World War II. Egypt alone has over 40 million population. If in the course of 2 years they are able to develop their manpower, that is their military manpower, a nation like Israel could be in a very dangerous position with not more than a 250 thousand to 300 thousand maximum army. America could not and should not permit Israel to be exterminated and America should furnish arms. But that is not the solution alone. America should so inform the Kremlin firmly, because they are the ones selling the arms to Egypt and Nasser. We should tell them that not only the United States, but also Great Britain and France under no condition intend to see the free people of Israel exterminated or weakened. Furthermore, might I make this observation, Mr. Smith, that Nasser, who is the Prime Minister of Egypt, would never dare think of buying arms from any Communist nation if he had any fear of the United States. It is our weakened, uncertain leadership that has brought about that feeling of confidence on their part, where they go to a Communist nation and buy arms; and yet we are powerful America. We have got to get back to the basic policy of peace through strength and firmness, and leadership—not bullying but firm leadership on the highest governmental level and in the fields of diplomacy.

LES SMITH. Well, that brings up in some respects the question I was going to ask you, and perhaps you can elaborate a bit, that is, "In your mind, what is the most effective way to meet Russia's cold war?"

Congressman MCCORMACK. The most effective way is to have America aroused—our people informed. Our people will make every sacrifice necessary when they are given information. The American people are fighters. We fight for what we believe in—in the right of the sanctity of the home; freedom of speech; freedom of religion; freedom of the press—those great rights that are ours and are contained in the Constitution. Those are intangibles, that free men and free women, when they possess them, will fight to preserve. We have got to have a military organization that commands the respect, through fear, of the Communist leaders, because they are out to conquer the world and to subject all the peoples of the world to Communist persecution and death. So, the price we pay is the price for our

preservation and for freedom; and, it is far better to err if we are going to err, on the side of strength than on the side of weakness and that is one of the basic positions I have taken as a Member of the Congress of the United States.

LES SMITH. Well, Congressman, as the majority leader in the House of Representatives, I believe we have about a minute or so left, would you care to make some reference to the bipartisanship of our foreign policies?

Congressman MCCORMACK. Well, fortunately, we have a very strong bipartisan policy today because the Democratic Party is united on foreign affairs. The Republican Party is very badly split and divided; so, the Democratic Party is the unifying force in our bipartisanship. But, now, bipartisanship does not mean that we cannot constructively criticize; or constructively suggest; or that the right of dissent is taken away from us in America.

Henry Cabot Lodge the other night at a Republican gathering—and it was rather strange that the Ambassador should give Democrats advice in the field of foreign affairs, at the Republican gathering—said, however, that they would tell of the present administration's achievements in the field of foreign affairs and let the people judge. I am satisfied with that; but with one more addition that we should tell them of the "non-achievements" and then let the people judge. With that I will be satisfied.

LES SMITH. We are sorry that we are just about at the end of our time and again, our sincere thanks to you for joining us. It has been the pleasure of the Special Features Department of WNAC–TV and the Yankee Network to be able to talk tonight with the Honorable JOHN MCCORMACK, majority leader in the House of Representatives.

Participation of Youth

EXTENSION OF REMARKS
OF
HON. PHILIP J. PHILBIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 5, 1956

Mr. PHILBIN. Mr. Speaker, under unanimous consent to revise and extend my remarks in the RECORD, I include therein portions of a speech which I made before the Junior Chamber of Commerce at Leominster, Mass., on October 24, 1955.

The material follows:

"Young people throughout the Nation must not only interest themselves but must participate actively in public affairs, if democracy is to remain strong," said Congressman PHILIP J. PHILBIN addressing the Leominster Junior Chamber of Commerce last night.

"Our system presupposes the active participation of our citizens," said PHILBIN, "but large numbers of Americans often stay away from the polls and it is becoming more difficult every day to get qualified citizens to service their communities."

"More than ever people are completely engrossed with their own affairs and occupied by the many demands of modern day living. That is quite understandable and necessary from the individual point of view," said PHILBIN.

"But if the democratic way is to retain its vitality and achieve its maximum goals in the world and in strengthening and building this great Nation, trained young people will have to assume some of the responsibilities of the leadership which will be theirs in the future."

"And the people as a whole must ever maintain a lively interest and keep constantly on guard in order at every level to insure honest, capable government, expressive of the popular will and the American ideal of freedom."

PHILBIN declared that "your new organization of able, aspiring, young business and professional men can do much not only to promote your own group interest, but by the example of your vigorous spirit elevate the tone and level of community contributions."

PHILBIN said that business, industrial, and professional leaders were as vital as political statesmen to the proper development of the country.

"We are coming into great, revolutionary changes in business and economics stemming from continuing, astonishing advances in science."

"There are more opportunities in American business than ever before," he said, "because the national economy is moving ahead in leaps and bounds. Immediately confronting us is the greatest age of all history, if we can only preserve world peace. But in any event we will need business leaders of patriotism, marked capacity and social consciousness. They will be recruited from the ranks of your generation.

"And they will have to know, just as those charged with leadership today should know, that in a free enterprise competitive society, if it is to endure against radical panaceas, true national prosperity and opportunity must extend to all.

"If in our philosophy and practice, we maintain proper balance in our economy between legitimate self-interest and human social needs, the American people of every class is destined to move steadily in the direction of unparallelled prosperity."

Meanwhile, let us resolutely build our national strength. Tensions have eased somewhat. Smiles have replaced scowls in Soviet diplomacy. But the Marxist plot still surges toward world conquest. Neutralism impairs the unity and strength of the free world. Great problems and dangers confront us from the Communist conspiracy.

But I think that if we remain strong and powerful, militarily, economically and spiritually, we have nothing to fear.

Commenting on the current diplomatic impasse, PHILBIN said, "It is our task as well as our duty to press for peace even in the face of discouragement. In time, if we persevere in our militant devotion to freedom and properly develop our strength, God willing, there is a good prospect for world peace."

The Congressman congratulated and lauded the junior chamber for its efforts and predicted that it would enjoy great success and render distinctive service.

Our National Parks

EXTENSION OF REMARKS
OF
HON. WILLIAM S. HILL
OF COLORADO
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 5, 1956

Mr. HILL. Mr. Speaker, the recognition by the President, in his message to Congress, of the needs of our national parks, and indications that something will be done to overcome present inadequate conditions is most gratifying to me. A nation cannot afford to neglect a great asset of such scenic and historic areas. As population and industrial expansion continue to increase, such areas will be even more cherished. The proper provision for use of leisure time becomes even more important to our citizens. The 50 million who visited areas of the National Park System last year were disappointed in some of the things they encountered. Facilities were inadequate, and many of them over-age. Many areas were crowded. Those who had visited the same places in previous years made comparisons not flattering.

The National Park Service has been studying this matter from every angle. They anticipate visitation increasing to 80 million in the next 10 years. They expect to submit a long-range program called Mission 66 containing the answers to today's deficiencies, together with meeting the increasing demands of the future, both in the fields of development and in preserving the areas so that future Americans can also enjoy them. Such a program should meet with ready approval by the Congress. I shall lend my full support to it.

New Plants for New Jobs in Labor-Surplus Areas

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 5, 1956

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following address I delivered over WMEX, Boston, Mass., on Saturday, November 19, 1955:

Let's look at the national picture first; the economic condition of the United States as a whole.

It's good—very good.

Until the complete returns for the year are tabulated, we cannot speak with certainty. With little more than a month to go, and with a big volume of Christmas trade expected, however, we can venture the prediction that this will probably be the most prosperous year in our history.

More people are working than ever before.

The largest corporation in the world, which is located in this country, will report profits of more than a billion dollars for the year 1955, which is another first in economic history.

To repeat, the overall picture is very good.

In this broadcast, however, I want to point out local trouble spots, where unemployment is heavy, and has been for several years.

In a problem as complex as this, it is impossible to weigh all the factors, within 15 minutes.

Therefore, I intend to concentrate on a major factor, and a major solution.

Even though the Nation as a whole is booming, we have scattered areas that are plagued by economic blight.

These cannot be ignored.

For, if we fail to find a cure, other areas in turn may become affected, and the problem becomes more difficult to solve.

The United States Department of Labor makes a job survey every 2 months, on both large and small areas, to determine local economic conditions.

Suppose we confine ourselves to the 149 major labor-market areas. These are the

most important production and employment centers.

In July of 1955, unemployment of 6 percent or more was reported from 31 of these 149 areas. At a time of great national prosperity, we have these pockets of unemployment in 32 of the 48 States. That is why the problem calls for some measure of attention and assistance by the Federal Government.

Moreover, 19 of these areas are listed as "chronic."

Ten of these have had substantial unemployment for more than 4 years.

What are the causes of this economic disease that has hit textile communities in New England, and coal-mining communities in Pennsylvania, among others?

Many of these depended upon one industry, and when this declined they found themselves in serious trouble.

Heroic efforts are being made on the local level to attract new replacement industries, but the going is hard.

Several years ago, when a textile mill closed down, hundreds, and sometimes thousands, of workers were dismissed from employment in the only occupation which they knew. Machinery was moved away. The empty factories were sold to dealers in second-hand industrial properties.

The outlook was bleak, for the displaced workers and the communities.

Groups of local citizens were organized to purchase the vacant mills. Chambers of commerce, or industrial development committees, worked hard to attract new industries. But recovery has been painfully slow and difficult.

Local resources, however, are limited. At times they have not been fully mobilized. The rental or reconversion of old mill plants is an emergency measure. It offers only a partial solution. The type of industries that are attracted to a community under these conditions, are usually small ones, that operate on a shoe-string basis, and barely pay the legal minimum wage.

This is a desperate compromise that does put some of the unemployed to work, but at lower pay than they once earned, and at a sacrifice in the average standard of living.

The brave fight being put up by some communities, is worthy of our admiration, but it is not enough. They need help.

The hundreds of thousands of dollars that have been raised in the larger areas to buy up old plants and lease them to other industrial tenants, is a form of treadmill progress. They seem to be making a recovery, while they are losing ground to other communities whose standards are improving, in line with the Nation's progress.

In one small Pennsylvania town, a nickel-a-week plan, with the 6,000 inhabitants contributing 5 cents each week for 5 years, to raise funds for new industries, is stark evidence of the valiant effort that some communities are making to save themselves.

But when we add up the results of all these local bootstrap operations, we find that few of them have come anywhere near the realization of their employment goals.

As I said before in this brief broadcast, there is not time to consider all factors. Businessmen, when they consider plant-location alternatives, must be satisfied as to the proximity of raw materials, markets, transportation facilities, cheap and abundant power resources, sufficient water and sewerage facilities, and whether a community is an attractive place in which to live. Plus other factors.

However, to quote one official in a labor-surplus community that was once a leading producer of textiles: "We must build new factories or die."

To my way of thinking, this comes very close to the heart of the problem.

On May 13, 1954, I introduced a bill in the United States House of Representatives known as the Industrial Development Act of 1954, to authorize Federal loans to assist local communities in building modern industrial plants in labor-surplus areas.

This would not be a handout, but an assist to local initiative, providing the final lift that would enable labor-surplus areas to get over the hump.

The legislation I seek would apply only to those communities that have had a substantial labor surplus for at least 1 year prior to the application for a Federal loan. The United States Department of Labor, from unemployment totals obtained from the United States Employment Service, and from State affiliates, would determine eligibility.

A $50 million revolving fund would be made available for capitalization. Publicly authorized, nonprofit industrial development committees, composed of representative citizens in the eligible areas, would submit plans and costs for the building of medium-sized modern plants to attract new industries. Upon approval, and on condition that local banks and citizens would provide half the cost, the Federal Government would advance a loan covering the remaining half.

Lack of sufficient capital is the one factor that presently deters local industrial development committees from proceeding with the construction of new plants that are needed to effect an economic transition.

In the preamble of the Employment Act of 1946, the Congress declared that, "It is the continuing policy and responsibility of the Federal Government * * * to coordinate and utilize all of its plans, functions, and resources for the purpose of creating and maintaining * * * maximum employment."

In March of this year the joint congressional Committee of the Economic Report unanimously declared: "We are very concerned with distressed conditions which persist in certain industries and regions even in an expanding economy * * * the Federal Government should recognize its responsibility."

In a vital economy like ours, no enterprise or community can stand still.

We are on the threshold of a second industrial revolution. Automation and atomic power are not just theories. We can see them coming around the corner. Existing machines and factories will be outmoded rapidly.

What then of plans that are ancient, even by present standards?

The textile cities of New England have 6-story factories that are 40, 50, and in some cases, many years older. Not a single new industrial plant has been built to replace the ones that are becoming more obsolete with each passing day.

These cities are in danger of becoming industrial slums unless there is a program of modernization. Because no dynamic growth industry, capable of providing steady work at good wages, is going to move into an old-fashioned high-cost plant.

In fact, one of the reasons why labor-surplus areas have lost the industries that once supported them, was because other areas offered inducements to build new plants in response to the new technology.

My bill, I believe, would encourage and assist labor-surplus communities to modernize, and become inviting to growth industries. In this connection, it is pleasing to note that the White House has taken up the suggestion.

President Eisenhower, during his convalescence, has approved a new approach to an old contradiction—the challenge of chronically depressed industrial areas in the midst of national prosperity.

In his state of the Union message to Congress, in January, he will propose a technical-assistance program to show labor-surplus communities how to help themselves, coordinating all forms of Federal assistance under a new agency to be created for that prime purpose.

Furthermore, he will recommend self-liquidating loans to help local communities in the effort to build modern industrial parks following the legislation that I introduced last year.

To become effective, this will require your support and that of the Congress.

By working together as a team we can insure the success of the Industrial Development Act in the American way through the voluntary cooperation of city, State, and Nation, with capital and labor putting their shoulders to the wheel and with every citizen taking part in the modernization of our labor-surplus areas in order to restore them to full and progressive economic activity.

"We must build new plants or die."

The Industrial Development Act shows us how we can take up the slack, and go forward again.

Granting of Amnesty to Communists

EXTENSION OF REMARKS
OF
HON. E. L. FORRESTER
OF GEORGIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 5, 1956

Mr. FORRESTER. Mr. Speaker, during the Christmas holidays, the following article appeared in the Evening Independent, a daily newspaper published in St. Petersburg, Fla.:

ELEANOR JOINS PLEA FOR COMMIE AMNESTY

NEW YORK.—Forty-two persons, including Mrs. Franklin D. Roosevelt, have petitioned President Eisenhower to grant a "Christmas amnesty" to Communist Party leaders jailed under the Smith Act.

The petition stressed that the signers were "in fundamental disagreement with the philosophy of the Communist Party and with essential elements of its program." It added that the motive for their appeal was "their attachment to the democratic way of life."

The petition, made public yesterday, asked that sentences of 16 jailed Communists be commuted to time already served. They were sent to prison after being convicted of teaching or advocating forcible overthrow of the Government.

The petition said the trials "were carried through in a period of the cold war and in an atmosphere often marked by hysteria." It also sought postponement of more than 100 similar cases now pending or under appeal.

Mr. Speaker, it is shocking that the crime of advocating the forcible overthrow of our Government is regarded so lightly by those petitioners, and that the petitioners would have the President annul the Smith Act by commuting the sentences of all that have been convicted thereunder, and postponing the trials of all cases pending or under appeal. Such advocacy simply means that those petitioners do not want anyone prosecuted for the violation of that law in the future.

It is further strange that these petitioners only recommended that persons violating the Smith Act be granted amnesty. We have many 18- and 19-year-old boys that unknowingly, or certainly without design, violated some military rule while serving our country in actual combat, and have been imprisoned for some years and have many years yet to serve. It would seem that the Christmas spirit would have been directed to

this class, instead of persons advocating a theory that caused our Government to take those boys from their homes and send them into combat in defense of our form of government. Our penitentiaries are filled with American citizens who fudged a little on their income tax, or committed some other Federal offenses which were not to their credit, but none of whom would overthrow our Government by violence, but, despite their dereliction, would fight for our country and our way of life. Nevertheless, all of those persons were forgotten through the Christmas season by those petitioners, and only those who advocated the overthrowing of our Government excited their sympathies.

The assertion that the trials of those parties were in an "atmosphere marked by hysteria" is astounding. All of those defendants were accorded fair trials and given all constitutional rights, and doubtless had fairer and fuller trials than the 18- and 19-year-old boys that I have previously referred to.

Of course our President ignored the petition. The article does not say who the other petitioners were. I believe that the public would like to know.

Conference of the U. N. Food and Agriculture Organization in Rome

EXTENSION OF REMARKS
OF
HON. VICTOR L. ANFUSO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Thursday, January 5, 1956

Mr. ANFUSO. Mr. Speaker, the annual conference of the United Nations Food and Agriculture Organization—FAO—took place November 4–25, 1955, in Rome, where the Organization's headquarters are located. Although this was the 8th session of the Conference, FAO celebrated the 10th anniversary of its existence. FAO was officially launched in October 1945 at a conference in Quebec.

The United States was ably represented at the Rome Conference by a delegation comprised of specialists and experts from the Department of Agriculture and the Department of State. Our distinguished colleague from Kansas, the Honorable CLIFFORD R. HOPE, and I had the great honor of being appointed by the distinguished Speaker of this House as congressional advisers to the United States delegation.

The chairman of our delegation was the Honorable Earl L. Butz, Assistant Secretary of Agriculture. I wish to take this opportunity of informing all my colleagues on both sides of the aisle that Mr. Butz was an extraordinarily able chairman. He was fair and just in all deliberations in and out of committee and made it possible for the United States delegation to present a united front before the Conference.

The purpose of FAO is "to promote the common welfare" of the nations associated with the Organization by "furthering separate and collective action" which is aimed to accomplish the following major goals: First, raise the levels of nutrition and the standards of living of the peoples under the jurisdiction of these nations; second, secure improvements in the efficiency of the production and distribution of all food and agricultural products; third, better the condition of rural populations; and fourth, contribute toward an expanding world economy.

Originally, 32 nations had joined in the formation of FAO. Now, after 10 years of successful existence, 71 nations throughout the world are participants in the work of FAO. Of noteworthy interest is the fact that none of the countries behind the Iron Curtain, neither Russia, Red China, nor any of their satellites in Europe or Asia, are members of FAO. This accounts not only for a minimum of bickering in the Organization, but also for a very high degree of harmonious cooperation between the member nations and a fine record of achievements over the past decade.

The Italian Government has erected, at its own expense, three magnificent buildings in Rome where the agency and its staff are housed. The Organization's annual budget comes to about $6 million, of which the United States contributes 31.50 percent, or less than one-third of the total. Other nations, in the order of their contributions, are: United Kingdom, 11.30 percent; France, 7.53 percent; Germany, 5.55 percent; Canada, 4.64 percent; India, 4.21 percent; Italy, 2.83 percent; Japan, 2.55 percent; Australia, 2.30 percent; Sweden, 2.03 percent. Other nations contribute sums in lesser percentages.

Our delegation was highly honored when our distinguished colleague, the gentleman from Kansas [Mr. HOPE], was asked to deliver one of the major addresses at the opening session of the Conference. Following a welcoming address by the Italian Minister of Agriculture, Emilio Colombo, the Conference heard three major addresses on the general theme "FAO in a Changing World." The Secretary for Foreign Affairs of the Philippines, Joaquin M. Elizalde, discussed the international political aspects of the theme. He was followed by the gentleman from Kansas [Mr. HOPE], who discussed the economic aspects. The third and last address was by M. Andre Mayer, one of France's leading scientists and a founder of FAO, who talked about the social and human aspects.

I trust that our colleague the gentleman from Kansas will place into the RECORD his most interesting and illuminating address so that all of us may have the opportunity to acquaint ourselves with its contents. With his kind permission, I should like to quote only one brief paragraph from his address:

> In my lifetime I have been associated with many organizations but none in which I have felt a more sincere interest or a greater appreciation of its activities than FAO. For in FAO we have an organization which deals with the very fundamentals of life and which concerns the interest and well-being of every human being. The very fact that 71 sovereign nations are now members and active participants in FAO bears this out.

The agenda of the Conference was quite long and extensive. Let me at this time merely point out that the major problems discussed were the following: A comprehensive review was made of the world food and agricultural situation since the last Conference; problems of food distribution and consumption were considered; studies were made of production trends and the adjustments to food consumption; a survey is being planned to determine the world's agricultural, fishery, and forestry resources in relation to the needs of the world's population; there was considerable discussion of the question of agricultural surpluses; and the Conference also took up the peaceful uses of atomic energy in agriculture and food production. Needless to add that there were also extensive reports on FAO's growing activities in recent years and a program of work was planned for the future, as well as various legal, procedural, and financial aspects of the Organization.

Instead of burdening my colleagues with a detailed review of the proceedings of the FAO Conference, I should like at this time to share with you some of my thoughts and findings based on what I heard at the Conference and discussions I had with members of other delegations, most of whom I found to be extremely friendly toward the United States and the American people.

We learned at the Conference that the population of the world is growing at the rate of 100,000 souls daily. In 1953 there were estimated to be more than 2½ billion people in the world. Each year we add about 30 million to the world's population. If it continues at this rate, the world will have about four and a half billion people by the end of the 20th century, and probably twice as many a hundred years from now.

The question is, now and in the future, how to produce enough food for a world population of such enormous proportions. Our colleague the gentleman from Kansas [Mr. HOPE] was absolutely correct when he stressed in his address that this is not time to talk about slowing down world agricultural production. It is perhaps not too widely known that even now, with huge agricultural surpluses in some countries, nearly two-thirds of the world's population is inadequately fed or undernourished. If this situation is not improved by wiser planning, we may all be confronted with tragic economic, political, and social consequences in the years ahead.

To be sure, some progress has been made in recent years since the end of World War II, particularly at the instigation of FAO. Progress has been recorded in research, in spreading technical knowledge and education concerning agricultural production, standards of nutrition, and the like. The great problems which still remain unsolved and with which FAO is struggling to find a satisfactory solution are better distribution of agricultural products and raising the level of consumption. We have the paradoxical situation in the world today of huge agricultural surpluses in some countries and people who are undernourished and poorly clothed in other countries. In the United States and

other countries the people produce an over-abundance of food. Other parts of the world, like Asia and Africa, cannot produce sufficient food and the peoples of these areas have to live on a subnormal or starvation diet.

Despite this tragic situation, we in the United States are not in a position to give away much of our food surpluses even if we wanted to do so. We are not the only food-producing nation in the world; consequently, we must exercise great care so as not to disturb the world markets. Nor do the peoples who are in need of these food surpluses want them for nothing. Some of them are too proud to take it for nothing. Others are jealous of their sovereignty and independence and fear that in taking this food they will become indebted to other nations.

Shortly before Christmas, you will recall, our Government announced that it will make available considerable quantities of wheat, corn, and other products to needy persons in foreign countries. These are to be distributed through church and private welfare agencies "until such time as any or all of the commodities can be disposed of in normal domestic channels or until they can be sold abroad." I consider this action by our Goverment as one of the most potent ways to fight communism in the world.

During the FAO Conference in Rome, I discussed this very suggestion with my colleague and fellow delegate [Mr. HOPE] and also with the Honorable Earl Butz. We visited private church agencies where we saw at firsthand how some of our surpluses were being distributed to the poor and needy, irrespective of their politics. Both of these gentlemen assured me that upon their return to the United States they would urge our Government to release more of our food surpluses to such private agencies. After my return from abroad, I again conferred with Mr. Butz and others in Washington concerning this matter. I was therefore very elated when I learned of the action taken by our Government, although I am not seeking any personal credit for such action.

I merely wish to state that we are not losing anything because some of these commodities have been in danger of rotting in the warehouses and ships where they are stored. By donating this food to the needy abroad we stand to gain immeasurably. We stand to win the support of much-needed friends all over the world.

Unfortunately, our position has not always been clear to the peoples of Asia. At times it was felt by some of them that we had abandoned our concepts of freedom and independence in order to support our Western allies in fostering colonialism. For example, the cry to save Indochina was: "Aid France." The Asian peoples thought it should have been: "Save the People of Indochina for Freedom." Communism, on the other hand, won victory after victory by the cry: "The land belongs to the people who work it."

Because of colonialism we have lost out in China, Indochina, and to some extent in North Korea. We have succeeded in saving South Korea, the Philippines, Japan, Burma, Thailand and others because the peoples of those countries were granted their freedom and independence. There is no escaping the fact that America is on the defensive in Asia. Unless we are willing to help the peoples of Asia and other areas of the world in safeguarding their inalienable rights to freedom and independence, we can expect that the misunderstanding about our aims will deepen and we will be in danger of completely losing their friendship and support.

How important is this? Let us face the fact that, as things stand now, the democratic forces are snowed under by Communist numbers. The Chinese and North Koreans are fighting Russia's wars in Asia, while Russia's own tremendous manpower reserve remains untouched. At the present time, all we can count on definitely in Asia are the 21 million people of the Philippines, 18 million in Thailand, and 80 million in Pakistan—119 million in all, as against about a billion people for Russia, Red China, North Korea, North Vietman, and so forth. The rest, including the vast numbers in India, are pursuing a neutral course which is bound to be detrimental to them and the whole free world.

This is far from being a very encouraging picture of the situation. But we need not become despondent. We are far from lost in Asia. If we pursued the same policy in Asia as we recently did in defeating communism in the Philippines, and if we strongly encourage an organization such as FAO, we can still hope to regain our moral and political leadership among the nations and preserve freedom and democracy in the world. If we can help to fill empty stomachs, substitute contentment for hunger and disease, and free the minds of people everywhere, then there will be no place for communism in the world.

The United Nations Food and Agriculture Organization offers a wonderful opportunity to help bring this about. While Soviet Russia seeks to promote communism and confusion by arming nations in the Far East and Middle East and is encouraging them to wage war, the FAO promotes democracy and freedom by encouraging the production of agricultural commodities and improving the distribution of food in the underdeveloped areas.

Perhaps even more important is the fact that FAO is trying to develop the purchasing power of the peoples in these underdeveloped countries. This can be accomplished in some degree through the use of our food surpluses and by helping them to exploit their natural resources and build up local industries. This will provide more employment for the people and enable them to become buyers on the world market.

By distributing some of our food surpluses we help to prevent famine and disorder, we improve our relations with countries which are given such assistance, and we help to promote peace. The facilities of FAO are at our disposal in the effort to achieve these goals.

Mr. Speaker, FAO is bent on the very laudable task of raising the status and the dignity of all human beings. It is dedicated to the cause of removing slavery and bondage in the world. It is pursuing a course which seeks to help make all peoples free and independent in the eyes of God and man. For these reasons, I shall strongly support this organization and its program. I urge you and all my colleagues to give it their support. FAO holds out a great promise to us, but also a great challenge.

In conclusion, I take this opportunity to express my sincere thanks to you for affording me the honor to represent this House on the United States delegation to the FAO Conference.

Disaster Insurance

EXTENSION OF REMARKS

OF

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 5, 1956

Mr. PHILBIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I would like to include the statement I made before the United States Senate Committee on Banking and Currency at its Boston hearing on disaster insurance on November 9, 1955.

The material follows:

DISASTER INSURANCE

Mr. Chairman and members of the committee: First, Mr. Chairman, let me extend to you and your colleagues a hearty welcome to Massachusetts and express the gratitude of our delegation and people for the painstaking attention your committee is giving to the very serious problems which recent disastrous floods have created for us.

I am very thankful also for this opportunity to appear before you and present my views. My distinguished and beloved colleague, Mrs. ROGERS, a member of our delegation, and of our Flood Control Committee, is also here and I know you will be pleased to hear from her.

While some of the problems connected with the flood are not precisely under the jurisdiction of your fine committee, many of them are pertinent to your current studies and inquiries and undoubtedly present avenues for effective remedial action by the Congress.

Let me state also that I have been very much gratified by the work to date of your distinguished committee and the very able leadership of our good friend, Senator LEHMAN, one of the outstanding Members of the United States Senate, marked and distinguished for his long, valuable service as Governor of the great State of New York as well as his conspicuous service in the Senate. There are many bonds of friendship and admiration which tie him to Massachusetts people, and to our particular cause, and we appreciate more than I can say the thoughtful, forward-looking approach which he and the committee are pursuing.

The great havoc wrought by the floods in our State and area, indeed throughout much of the Northeast, hardly requires detailed description by me. It suffices for me to emphasize the fact that the ensuing destruction, havoc, and distress were widespread and that the resulting problems of relief, rehabilitation, and flood control and protection will have to be tackled vigorously on a very broad front.

Let me state further that all our people are deeply grateful for the efforts which the Federal Government has made to date. At the President's direction many Federal agencies too numerous to mention here have rendered us valuable and effective assistance and plans are in being which, if carried out by the Congress, should be of immeasurable benefit.

First, I should like to suggest the urgency of immediate appropriations by Congress of adequate funds to proceed as fast as possible with studies and construction of flood-control projects already authorized, and, wherever necessary, in the various river basins of our State and region.

Delay would be fraught with grave possibilities of fresh disaster. Our flood committee, of which I am chairman, is intensively studying many necessary, specific projects and the Army engineers are conducting exhaustive surveys. Earliest possible action is of paramount importance.

A second proposal is one which your honorable committee is intensively studying and that is the urgent need for flood insurance and disaster insurance. I am very glad that Senator LEHMAN and your committee have broadened your studies to cover complete disaster insurance, because following the terrible Worcester tornado of 1953 I introduced H. R. 6129 which would create a Government-owned corporation to insure against all natural disasters such as floods, tornadoes, droughts, forest fires, earthquakes, hurricanes, and all disturbances and conditions of such impact and severity that it becomes necessary for the President to declare disaster areas in any part of the Nation. I have previously submitted to the committee for insertion in the RECORD the text of H. R. 6129.

You all realize that it is impossible to secure flood insurance, or disaster insurance, from private insurance companies because its cost would be prohibitive. Under the proposed bill the Government would reinsure disaster policies designed to cover every part of the United States against the ravages of all natural disasters.

I am desirous, insofar as it is practicable and feasible, of having private companies cooperate with the Federal Government in this coverage because it would not interfere in any way with current private insurance coverages wherever they exist, of storm and wind damage and the like, because the proposed insurance would not go into effect in any area until the President has declared an emergency.

I note from the press, Mr. Chairman, that you are considering a measure to include damage from atomic attack and possibly other war damage, and, so far as I am concerned, I believe that this proposal is not only sound and feasible, but vitally necessary, if we are to be prepared for any great national emergency that might strike us like a bolt from the blue with devastating effects.

In this connection, it might be relevant to refer to the War Damage Corporation organized during World War II on the theory that war risk is catastrophic in nature, arising out of a single peril, and war risk losses are unpredictable, as well as impossible for private companies to undertake by themselves.

You will recall that the act of March 22, 1942 provided specifically for property loss or damage which might have occurred after Pearl Harbor to the end of the war period, and the War Damage Corporation entered into agreements with some 546 established insurance carriers to transact general war-risk insurance protection available to the public.

Under the program the companies were permitted to make a reasonable profit for their work in writing the insurance and handling claims and the like. It was not necessary for the Corporation to request or receive any direct appropriation from the Congress and it was capitalized for something like a hundred million dollars and its stock was held by the RFC.

You will recall that from December, 1941 to June, 1945 premium revenues aggregating something like $250 million were more than adequate to enable the Corporation to meet its operating expenses and pay approved claims for property loss and damage.

Actually the only funds made available to the Corporation by RFC were $1 million for the acquisition of the initial issue of 1,000 shares of capital stock.

About $372,000 was expended in approved claims for losses which occurred before inauguration of the premium insurance program.

This insurance was set up so that it could cover all the property in the United States—homes and residential, business, churches, public institutions, and the like with the assistance and participation of the private companies.

Let me repeat that I regard such a program not only to be sound and feasible, but decidedly necessary at this time, and I hope and urge that the committee will consider H. R. 6129 in connection with its study of other pending proposals you are studying.

In the third place, I have made certain efforts looking toward expansion of the Weather Bureau to speed intensive study of weather problems and to inaugurate as early as possible more effective hurricane and storm-warning systems. I think there is a real need for increased and improved research on weather and weather service and am introducing appropriate legislation when Congress reconvenes. I respectfully ask the subcommittee's permission to include in the record the text of the preliminary draft of my weather bill.

Fourthly, I also think that Congress will have to strengthen and expand our machinery for disaster relief and rehabilitation. It should be permanent, it should be more closely coordinated with the States and local communities. It should be broader and more generous in its coverage.

I seriously question that relief of disasters of such great magnitude as we are dealing with now, and will have to deal with from time to time, and which may hit anywhere in the country, can be satisfactorily handled by Government loans. The Small Business Administration, acting under its present mandate, has done splendid work and I would be the first wholeheartedly to commend this Government agency for the help it rendered to us, and is still rendering to us.

However, I believe that these relief and rehabilitation problems will have to be approached on a much broader front and that consideration must be promptly given to the equitable and humane aims of putting flood and disaster sufferers, as nearly as we can, into the status quo ante—the position they were in before disaster struck them.

It can be definitely said, I think, that many of these losses, individual and collective, human and material, are far beyond the resources of individuals, or the State and local governments, to cope with adequately. A broader measure of assistance by the Federal Government is required.

Such a program will be costly and expensive. But so is foreign relief; so are agricultural subsidies; so are great public projects in other sections of the Nation. The stricken people of the eastern seaboard who pay such heavy taxes to the Federal Treasury are also entitled to the generous help and assistance of the Federal Government in their time of terrible affliction.

In conclusion, I earnestly plead for your cooperation and assistance. We have been sorely stricken. Our own people have shown tremendous courage and resourcefulness in trying to reestablish their homes, their industries and their communities. But our need is still very great. To ward off the effects of the disastrous floods and to set up adequate safeguards against possible future visitation of great natural disasters, so unpredictable in their approach and point of attack, and so paralyzing in their consequences, we now need the sympathetic help and assistance of the Government.

If your illustrious committee comprised of great leaders of the United States Senate and great leaders of the Nation, able, esteemed and patriotic, working so diligently under the leadership of the very distinguished Senator from New York, can help us measurably in any way to realize the objectives in this field of relief, rehabilitation and protection which we in Massachusetts feel must be so urgently and vigorously pursued, then we will indeed be very grateful to you.

Please let me thank you, Mr. Chairman and members of the committee, for hearing me this morning and giving your valuable time, and most of all your sincere and sympathetic consideration of our serious flood problems. I am sure that you will do everything you can to assist us.

Thank you very much, Mr. Chairman and gentlemen.

Israel Must Have Arms

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Thursday, January 5, 1956

Mr. CELLER. Mr. Speaker, under leave to extend my remarks, I insert herewith an address I made on January 4, 1956, in Chicago, Ill., before the Congregation Rodfei Zedek:

ISRAEL MUST HAVE ARMS

Israel must have arms. Let us remember this: Wherever you stand in Israel, you can see a border line with scarcely the twist of a neck. Thus, if there is an attack upon Israel and Israel is unprepared to meet it, Israel will be forced into the sea before any aid whatsoever can be rushed to her.

The only defense Israel can have against an attack is to be able to meet it head on. A Pearl Harbor would mean the end of Israel. There is no space for retreat.

Israel asks for arms for another reason which, above all else, most certainly should be understood by the United States. The United States has consistently pursued the policy that the most effective deterrent against war is to maintain adequate arms for herself and her allies. To that end, we have devoted the major portion of our budget, keeping strong our Armed Forces and trying to keep ahead in military developments and supplying our allies with military aid.

Is it, therefore, unreasonable—can we possibly view it as unreasonable—that Israel, small and friendless, should likewise view an adequate defense as the best deterrent against war, and as the best assurance for peace? We in the United States have sought, through a system of defense pacts—NATO, SEATO, and the encouragement of pacts like the Baghdad Pact and the Northern Tier arrangements—to promote the cause of peace in the world. Is it, therefore, unreasonable that Israel, in her isolation—the only democratic country in the world so isolated—should seek a pact with the United States, the country which once befriended her, the country which once, through legislative action and through Presidential proclamation, gave so much sympathy and understanding to the ideals of the Jewish homeland?

The situation in the Middle East has deteriorated where it now constitutes one of

our own weakest points, securitywise. Through a lack of firmness with the Western Powers, our obvious indecisiveness, so open to the Arab States that they played the East against the West, we now face Soviet penetration of the Middle East. Right now we seem to be running around in circles, crying loudly at the Communist apparition in the area, obviously distraught, now patting the Arab nations on the head, now murmuring sympathetically to Israel, promising and withdrawing, promising and withdrawing again.

Let us make no mistake about it. We have been less than forthright. The Western World has reason for its alarm.

To me it is amazing that the Western World, dedicated to the preservation and even to the expansion of democracy, should have turned its back on the one practicing democratic nation in that area of the world. The British Government is openly pro-Arab, so openly pro-Arab, so vigorously pro-Arab, that the voices of protest are heard around the land. As a result of this mounting protest, Prime Minister Anthony Eden has reluctantly consented to a decree that no license be granted for the export of materiel that could be reconditioned and re-exported for use as weapons of war "unless the government of destination is prepared to give a guaranty against that happening."

Such a decree is meaningless. It is impossible of enforcement. Inspections certainly cannot be maintained in any country where this materiel eventually lands. It is especially meaningless in view of the fact that Great Britain has been feeding the Egyptian maw great supplies of arms, including 64 Centurion tanks, scores of jets, and some 180 to 190 reconditioned British Valentine tanks.

A shipment of these arms is part and parcel of Eden's policy of Arab appeasement. Eden is like a man who keeps feeding steaks to a tiger in the hope of making him a vegetarian.

Is it that the Government of Great Britain considers Israel expendable? Can Eden on one hand deprecate an arms race in the Middle East and on the other condone the supply of arms all out of proportion to that of Israel to the country of declared and open hostility?

The situation is so fraught with danger that top priority was given a few days ago by the newly appointed British Foreign Secretary, Selwyn Lloyd, to that very situation by summoning to London eight British Envoys in Middle East countries for a 2-day conference. Among those summoned were the British Ambassadors from Israel, Egypt, Syria, Lebanon, Jordan, and Saudi Arabia.

It is also said that Great Britain may find it necessary, in view of the storm of protest, to isue a white paper explaining its policy in the Middle East.

In all this, where is United States policy? Will our leadership go by default?

We cannot, of course, conclude—since we do not know—that our Government will steer the wrong course. We do know that there has been too much reliance on wishful thinking. We do know that there has been—and still exists—a split among the State Department advisers. We do know that our diplomacy has failed in Egypt. But the course must be set and set soon—with realism, with staring of the facts straight in the face. We cannot afford any conflagration in that area in the name of our own security.

As Prime Minister David Ben-Gurion said, eloquently and with wisdom, in a recent address to the Knesset, the Israeli Parliament:

"We know that any war—one even in which we gain the upper hand—involves ruin and destruction for both parties and intensifies hatred between nations. We know that, after our victory in one war, a second round is possible, and after our victory in a second war, a third round may come, and there is no end of this business."

Recreation Facilities in National Forests

EXTENSION OF REMARKS
OF
HON. LEE METCALF
OF MONTANA
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 5, 1956

Mr. METCALF. Mr. Speaker, recreation facilities in our national forests have been going to pieces for many years. A continual lack of sufficient appropriations, plus a soaring increase in popular use, has led to this situation.

Time after time sincere efforts have been made to get appropriations sufficient to meet the needs. The needs never have been met. The 1956 appropriation for national forest recreation facilities was $1,670,000, a mere drop in the bucket when you realize that some 44 million persons used the national forests for recreation in 1955, an increase of 26 million persons over the number of annual visits just 9 years before.

To end this meager hand-to-mouth existence of our forest recreation facilities, I have introduced H. R. 1823. In the main it is the same solution as was proposed in the Tackett bills of the 81st and 82d Congresses and the Baker bill of the 83d Congress.

It establishes public recreation use of the national forests as a policy of Congress; no such basic policy exists.

It provides for the setting aside of 10 percent of the national forest receipts each year for development, maintenance, and operation of facilities and areas for recreation use; improvement and maintenance of wildlife habitat; and safety, sanitation, and health in connection with uses of the national forests. The amount so set aside shall not exceed $5,500,000 in any one year. None of the money shall be used for land acquisition.

It provides that in those few cases in which fees are charged for the recreational use of national forests—a charge which the Secretary of Agriculture already is authorized to make, and is making—the money collected shall be spent wholly for the above-noted recreation facilities.

There can be no argument with the first portion of the bill establishing a basic recreation policy. Among those of us who know the great need for funds there can be no argument on the second portion, providing for reinvestment of 10 percent of forest revenues for recreation facilities.

But on the last portion of the bill there has been considerable argument, based on misunderstanding. Contrary to some opposition statements based on this misunderstanding, this portion does not give any new power to the Forest Service, in fact it limits this power. It limits the Forest Service's authority to charge fees for recreation use to only those few areas in which there are specially equipped campgrounds and picnic areas; at present the Forest Service could impose such a charge at any recreation area on the forests.

An example of such a charge was that made at Pattee Canyon in Lolo National Forest some 15 miles from Missoula. This popular camping and picnicking area has a heavy use from Missoula residents, university students, and various groups. The facilities are described by the Forest Service as "one of our better areas." For a time a charge of 25 cents per car party was being made for use of the picnic or camping facilities. But, contrary to the belief of users who paid this charge, the money thus received by the Forest Service could not be used to keep up the facilities there. The money was going directly into the United States Treasury. Charges for use of Pattee Canyon were discontinued in 1955.

If my bill did not include this final portion setting aside 100 percent of these recreation receipts for maintaining the recreation facilities, only 10 percent of the receipts could go for such purposes. I feel it is fair to allocate 10 percent of the forest revenue from such sources as grazing fees and timber sales to recreation—but it is foolish to allocate less than 100 percent of the recreation fees for this purpose.

Charges are being made to users of recreation facilities only in some 49 of the larger and especially equipped campgrounds and picnic areas. The average charge is 15 cents per person per day, with children under 12 being free. The highest charge is 25 cents per person per day. Nearly all of these facilities are being operated by concessioners as the Forest Service seeks some means of solving its problem of inadequate funds. At most, the Service estimates only 200 of the 4,700 improved campground and picnic areas are large enough to be successfully operated as charge areas.

The alternatives to this bill may be a spread of the concessioner-operated facilities and perhaps even a system of personal licenses in which a charge would be made for every recreation use of the national forests. We do not want either of these alternatives.

Montana contains 9.4 percent of the acreage of the national forests, a total of 16,986,393 acres, of which more than three-quarters are in the First District. The number of visitors who used the national forests in Montana during 1954 totaled 1,311,000. Yet for all this vast acreage, and the relatively heavy usage in consideration of the population of this area, the Forest Service was able to spend only about $60,000 on Montana forest recreational facilities during the year.

Many of the recreation facilities, nationally, are worn out. Most of them date from the 1930's. Niggardly appropriations have made it impossible to maintain them properly, much less expand them to meet the soaring need. As a result, some have been closed because of their deterioration and unsanitary condition. On those public recreation facilities that remain in use the Forest Service has been able to spend only 8 cents per visit for maintenance and cleanup. And that figure does not take into account the millions of visits made to wilderness areas and other places where facilities are nil, or the millions of visits made to resorts, summer homes, and the like in the forests on which no Federal money is spent. To do what the foresters feel would be a fully adequate job they believe close to 20 cents per

visit would be needed. To keep the facilities just going along in a satisfactory manner they place the estimated cost at 14 cents per visit.

The situation has deteriorated to the point now that the Forest Service declares it needs $3,300,000 for current cleanup and maintenance alone. For capital investment to rehabilitate these facilities and to construct desperately needed new ones, the foresters advise that some $24 million is needed.

Contrast those figures with the amount budgeted for the current fiscal year and the contrast between what has been sought and what has been granted is painfully clear.

The hearings during the 83d Congress on the Baker bill brought forth from many sources the tale of deterioration of facilities.

Representative CARL ELLIOTT, of Alabama, testified:

Annual expenditures by the Forest Service for the operation and maintenance of these recreational facilities * * * in no way meets the need for adequately providing for the large number of our citizens who take advantage of these facilities each year. During the days of the Works Progress Administration and the Civilian Conservation Corps many of these recreational facilities were originally constructed. Today many of them are in a state of deterioration; forest roads and campsites are badly in need of repair; the dangers of forest fires are not always properly guarded against; public safety, sanitation and health often is not given proper attention because of the limited amount of appropriations.

Chester Wilson, conservation director of the State of Minnesota, declared:

The deteriorated conditions of the recreational facilities and wildlife habitat in the national forests was observed many years ago, and that was due to the lack of sufficient funds for taking care of those interests. * * * It is literally a case of starvation in the midst of plenty. * * * We have a great contrast right in our State of Minnesota where we have ample funds for all of our game and fish activities with an annual surplus which is available for the maintenance of recreational facilities and the development of game and fish opportunities and resources throughout the State, but by contrast in the national forests the resources are just going to seed.

In the view of Thomas Kimball, director of the Colorado Game and Fish Commission—

The recreational needs in particular have not been met; in fact, what facilities are available for the great mass of people using the national forests are in a very bad state of repair * * * the lack of adequate sanitary facilities is important. You can imagine what that does when an increase runs from 300,000 to almost 1,300,000 visitors, with no increase in facilities to take care of that load, or the increase from 60,000 fishermen to 366,000 fishermen, with no increase in sanitary facilities and no increase in the picnicking grounds or campgrounds.

Kelly E. Bennett, chairman of the North Carolina National Park, Parkway, and Forest Development Commission, testified:

Because of inadequate recreation facilities, many people tramp and picnic on unimproved areas where there is danger of polluting water used for domestic purposes and creating fire hazards when the camper builds his fire in locations which have not been provided with fireplaces and other facilities.

William Voigt, Jr., executive director of the Izaak Walton League, pointed out:

It is about all the Forest Service people can do, under existing appropriations, to play garbageman and clean up after the public has passed through * * * the eighty-odd percent of our national population that lives in cities and towns is fast running out of private land and water where it can freely find the outdoor recreation so many millions of us crave and seek. We already have learned that, generally speaking, the national forests are among the choicest recreation areas anywhere in the interior of the country. As a nation we are going to have to depend ever more upon our national forests to handle the increasing recreational load.

The tale of pennypinching went on and on.

Seth Gordon, director of the California Fish and Game Department, declared:

The recreational developments in connection with the national forests have been so badly neglected that in our State the merchants in the nearby areas are begging their customers for money to help maintain the toilet facilities and to clean up the trash.

I. T. Quinn, director, Virginia Commission of Game and Inland Fisheries:

The failure due to lack of funds to provide recreational facilities has become little less than tragic.

Harold I. Bowman, president, National Forest Recreation Association, reported:

Large numbers of campers are forced to camp in undeveloped areas, thereby increasing the fire hazard and the threat to safe water supplies and public health. This is no criticism of the Forest Service. The forest officers are doing everything possible. They are working overtime, trying desperately to take care of the public. They simply do not have the funds to do the job.

As the Baker bill, this legislation received support in the hearings from the National Wildlife Federation, National Association of Travel Organizations, Wildlife Management Institute, Outdoor Writers Association of America, Montana State Federation of Labor, Utah Wildlife Federation, Izaak Walton League, Western Montana Fish and Game Association, Ohio League of Sportsmen, Oklahoma Outdoor Council, United States Industrial Union Council of the CIO, Virginia Wildlife Federation, Appalachian Mountain Club, National Farmers Union, Billings (Mont.) Rod and Gun Club, California Alpine Club, Southeast Texas section of the American Camping Association, National Forest Recreation Association, Darrington (Wash.) Chamber of Commerce, Dude Ranchers Association, Washoe County (Nev.), Council of Social Agencies, Florida Wildlife Federation, Silver City (N. Mex.) Lions Club, the American Legion Post of Everett, Wash., Taos (N. Mex.) Chamber of Commerce, Marin Conservation League of California, West Montana Fish and Game Association, American Camping Association, Cascade County (Mont.) Wildlife Association, National Ski Association of America, Arizona Game Protective Association, Mountainburg (Ark.) Lions Club, the American Museum of Natural History, Pensacola Anglers and Hunters Club, Montana State Federation of Labor, Intermountain Ski Association, and many more.

Also lending their voices in support of the legislation were representatives of State and local government agencies, among them representatives of the North Carolina Wildlife Resources Commission; Iowa State Conservation Commission; North Carolina National Park, Parkway, and Forest Development Commission; Missouri Conservation Commission; California Fish and Game Department; Colorado Fish and Game Commission; Virginia Commission of Game and Inland Fisheries; Wisconsin Conservation Department; Minnesota Conservation Department; Snohomish County, Wash., school system; Box Elder (Utah) County Commission; Cache (Utah) County Commission; and the New Mexico Department of Fish and Game.

National forest recreation is important from the business standpoint. Many business enterprises are supported by tourist and vacation activities. National forest recreation is the economic backbone of many communities.

Frank Menke, the sports historian, in his New Encyclopedia of Sports, shows the financial impact of hunting and fishing alone:

The two armies—the anglers and the gunners—who rarely are mentioned on the sport pages—spend more money each year than would be needed to buy all the racetracks in America, all the racehorses, all the football stadia, all the baseball parks, all the professional ballplayers, all the ice rinks and hockey players, all the dog racing tracks and dogs, all the polo fields and horses, all the rodeos with their complete equipment, all the automobile speedways—and there still would be enough left to buy handsome post offices in wholesale quantities.

Menke estimates there are 25 major horse parks plus 75 minor tracks, and that approximately 17,500 thoroughbreds and trotters are campaigned annually. These properties, plus all sires and brood mares, are worth, he says, less than one-tenth of what anglers and hunters spend in every 12 months.

The startling lack of appropriations for forest recreation for the American people cannot be blamed on a lack of effort. All the dynamite that forest users could carry has been used in attempt after attempt to shatter the appropriations roadblock.

Our national forests are making money for us. Receipts in fiscal 1955 totaled $84,120,150. That same year operating expenditures and depreciation of improvements on the forests totaled $66,106,523. So $18 million went into the Treasury from operation of our national forests. We should reinvest some of this profit in the business.

Two precedents for such an allocating of revenues have been in use for more than 40 years in the national forests.

One, enacted in 1908, sets aside 25 percent of all money received from the forests to be used by the States in which the forests are located for the public roads and schools in counties in which there are national forests.

The other precedent, enacted in 1913, provides for reinvestment of 10 percent of all national forest receipts for use of the Forest Service in construction and maintenance of roads and trails within the forests.

I might note that the reinvestment for recreation of 10 percent or not more than $5,500,000 annually, as proposed in H. R. 1823, will not reduce the funds set aside in the above two acts.

Several national and regional organizations have again expressed themselves on this legislation within the past few months by specifically endorsing H. R. 1823. Their recommendations are as follows:

International Association of Game, Fish, and Conservation Commissioners:

A resolution was adopted which calls upon Congress to hasten action on H. R. 1823 and other incidental bills that set aside 10 percent, but not more than $5½ million annually, of the forest receipts from the sale of timber, grazing privileges, and other uses for recreational and sanitary purposes and the improvement of wildlife habitat within national forests.

Outdoor Writers Association of America:

Whereas some 180,000,000 acres of national forest lands form unposted hunting, fishing, and recreational areas for all Americans; and

Whereas H. R. 1823, by Representative LEE METCALF, would provide for multiple uses of these areas, and provide funds for a stepped-up program for wildlife habitat and recreation: Now, therefore, be it

Resolved, That the OWAA urges the Congress to enact legislation embodying the objectives of H. R. 1823 thus implementing public use of these lands; and be it

Resolved further, That a copy of this resolution be sent to all such Members of the United States Congress and to all such other groups and individuals as may be interested.

Western Division Outdoor Writers Association:

Whereas the recreation visits on the national forests were reported at over 40 million for 1954, an alltime high; and

Whereas this has created serious problems of fire protection, sanitation, and crowding on the limited developed national forest recreation areas; and

Whereas a program of expanded development of recreation facilities as well as an accompanying program of improvement for national forest fish and wildlife habitats is urgent: Now, therefore, be it

Resolved, That the Outdoor Writers Association of America urge Members of Congress in the respective States to support H. R. 1823 and companion bills which would set aside 10 percent of the national forest receipts each fiscal year, not to exceed $5,500,000 in any year, for recreation development and wildlife habitat improvement of the national forests.

Montana District Council, Lumber and Sawmill Workers, Local 2405, July 16–17, 1955:

Whereas Congressman LEE METCALF has introduced H. R. 1823 providing funds for maintenance of recreational facilities in the national forests by setting aside 10 percent of Forest Service revenues from timber sales, etc., for that purpose; and

Whereas the national forests should be utilized where possible for the enjoyment and recreation of all citizens of the United States that find an opportunity to visit them: Therefore be it

Resolved, That this convention of the Montana district council and all affiliated local unions go on record as endorsing and supporting passage of H. R. 1823 and commending Representative LEE METCALF for his good efforts to utilize the national forests for the benefit of all; and be it further

Resolved, That copies of this resolution be sent to the next convention of the Montana State Federation of Labor for concurrence.

The District 2 Wildlife Federation, with offices in Lewiston, Idaho, passed a resolution favoring enactment of H. R. 1823 at its last district meeting.

All these people realize that the money spent under this bill would be an investment in the future of our Nation. They realize that the annual appropriation procedure is not providing the money that is so urgently needed for this work. They have learned through bitter experience that such funds cannot be obtained by appropriation. They believe, as I believe, that the time is long past due for legislation permitting a reinvestment of national forest receipts for this major recreational purpose of our national forests.

My bill meets the need. With 10 percent of the National Forest revenues, but not more than $5,500,000 annually, the Forest Service can do a good job of bringing the forest recreation facilities up to date to handle the steadily increasing demand. And the provision that the Forest Service be limited in what it can charge for, in the way of recreation facilities, but that all such fee revenues be plowed back into the recreation facilities, just makes plain good sense. This bill, H. R. 1823, deserves the support of all persons who want our forests to remain "the people's playgrounds."

The 42d National Convention, Knights of Lithuania, Newark, N. J., August 1955

EXTENSION OF REMARKS
OF
HON. PETER W. RODINO, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 5, 1956

Mr. RODINO. Mr. Speaker, under leave to extend my remarks, I include a greeting which I addressed to the 42d national convention, Knights of Lithuania, assembled at the Hotel Robert Treat, Newark, N. J., during August 1955:

THE ANNUAL CONVENTION OF THE KNIGHTS OF LITHUANIA

MY ESTEEMED FRIENDS: I am greatly honored to address this annual convention of the Knights of Lithuania. I know that this meeting presents you with the opportunity to express your anxiety for the land of your forebears which is presently under the totalitarian oppression of the godless Soviet Union. It also offers a chance for all freedom-loving Americans to join with you assembled here in emphatically protesting against the inhuman tactics of Soviet aggression as well as transmitting a message of hope for eventual freedom of all Lithuanians from their present bondage. It is essential that we incessantly remind your Lithuanian kinsmen we have not deserted them, and try to strengthen them spiritually so that they will continue their gallant struggle against Communist tyranny despite great odds.

The premeditated plan by which the Soviets enslaved the brave Lithuanian Nation and the methods used to subjugate them profoundly shocked the American people. The unscrupulous and inhuman practice of deportation and mass exterminations, which the ruthless Communists have had to employ in their efforts to mold the social, economic, and cultural standards of Soviet Russia, is ample evidence of the indomitable determination of the Lithuanian people to resist the tyrant and to remain free. The Communists' total disregard for human rights and fundamental freedoms is a violation of the law of nations and the law of nature.

However, incredible as it may seem, despite the threat of brutal persecutions the resistance movement among Lithuanians still continues in the homeland as well as abroad. It has been estimated that over 15 underground newspapers are published in Lithuania. Moreover, in the face of constant pressure to enforce communism, it has been estimated that Lithuania has the smallest Communist Party membership of any of the satellite countries—only 0.8 percent of the entire population.

The American people have not forgotten the valiant efforts of the Lithuanian people to hold tenaciously to the last vestiges of freedom. Evidence of our concern for their plight was the formation of the House Baltic Committee to investigate the incorporation of the Baltic States into the U. S. S. R. Extensive hearings were held and the testimony given by eyewitnesses demonstrated for all the world to see the pattern of Communist aggression in the Baltic States. This thorough and well documented investigation should be a source of encouragement to these captive peoples in assuring them that we have not forgotten them and that we do not condone their captivity. These documents are available in colleges and libraries throughout the United States and are a means of informing the American people regarding the ruthless tactics employed by the Soviets in conquering free countries.

The American people have never recognized the absorption of Lithuania into the Soviet system. The Lithuanian people, conscious of their right of freedom, will never surrender and renounce their independence of soul and they will oppose the foreign aggressor. Their fight for freedom is a symbol and inspiration for oppressed nations everywhere; we are sure that such a determination for liberty will not be in vain. Secretary of State John Foster Dulles has stated that a despotism of the Soviet type cannot indefinitely perpetuate its rule over hundreds of millions of people who love God, who love country, and who have a sense of personal dignity.

It is fitting that on this occasion of the annual convention of the Knights of Lithuania that I express my sincerest hope for the liberation of the Lithuanian homeland and its restoration once more as an independent republic.

Sincerely yours,

PETER W. RODINO, Jr.,
Member of Congress.

The Cabaret Tax

EXTENSION OF REMARKS
OF
HON. THOMAS M. PELLY
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 5, 1956

Mr. PELLY. Mr. Speaker, I have just introduced a bill to abolish the 20 percent so-called cabaret tax. That segment of the amusement industry presently laboring under this very discriminatory and wholly uneconomical tax has long been in need of this essential relief. Competent economists say that this wartime

emergency tax which has never been discontinued since the war, instead of producing income to the Government, is actually resulting in less revenue to the Treasury. Hearings on this legislation will show that if this unfair tax is repealed the Treasury will gain by at least $11 million in excess of the nearly $39 million which this tax brought in during the last fiscal year. I am satisfied such a gain in revenue would result from persons operating places of entertainment now subject to the tax, plus personal tax accruals resulting from more musicians working longer hours at these places. Furthermore, additional accruals are certain to result from the reopening of places that have been forced to close because of the tax. I should like to point out that the American Hotel Association reports that approximately two-thirds of its dining-with-entertainment rooms have been discontinued or forced to close since 1946 as a direct result of this tax. I also wish to point out the large additional revenue that would result from the employment of entertainers other than musicians, as well as supplementary service personnel, in dining-with-entertainment rooms that would be reopened as a result of the discontinuance of this tax. Statistics show that musicians alone have lost approximately 50 percent of their employment in these taxed places of entertainment since 1943. Also, for every musician so displaced there has been an equal number of jobs lost by other entertainers and substantial numbers among waiters, waitresses, culinary, and other service help. All this adds up to a loss of thousands of jobs at a time of generally high employment.

The decadence of our national cultural standards, with particular reference to musicians, is becoming daily more apparent. While mechanized music plays some small part in this recession of our cultural standards, the major basic underlying cause is, I believe, unsound economic policy as represented by this discriminatory tax. Surveys show that only 32.8 percent of the approximately 252,500 instrumentalists belonging to the musicians union can at the present time earn all or a large part of their livelihood at their profession. Conservatively, 35 percent of the membership of this union can no longer follow their profession to any marked degree. A good one-half of the musicians' union's total job potential is being destroyed by this unsound tax policy. In order to sustain our musical cultural heritage, great musicians must be developed. Generally speaking, these come only from the masses of working instrumentalists. If large reservoirs of employment are continually siphoned off as is now happening, it is indeed possible that our cultural life, from a musical standpoint, will disappear from the national scene.

For these reasons, I urge the membership of the Ways and Means Committee to give favorable consideration to repealing the 20 percent cabaret tax and hope the measure will come to the floor during this session and receive favorable action.

I Am the United States

EXTENSION OF REMARKS
OF
HON. GORDON L. McDONOUGH
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 5, 1956

Mr. McDONOUGH. Mr. Speaker, because of the great interest that was shown by various audiences, which I had the opportunity to speak to during the recent congressional recess, in the following brief narrative history of the United States entitled "I Am the United States," it occurred to me that the people of the Nation as a whole would be equally interested. Any American can take pride in his native land when he reads this inspiring brief history of the United States.

I am, therefore, including herewith this statement which attracted so much attention and aroused so much interest that additional copies were requested whenever it was read:

I AM THE UNITED STATES

I was born on July 4, 1776, and the Declaration of Independence is my birth certificate. The bloodlines of the world run in my veins, because I offered freedom to the oppressed. I am many things, and many people. I am the United States.

I am 165 million living souls—and the ghost of millions who have lived and died for me.

I am Nathan Hale and Paul Revere. I stood at Lexington and fired the shot heard around the world. I am Washington, Jefferson, and Patrick Henry. I am John Paul Jones, the Green Mountain Boys, and Davy Crockett. I am Lee and Grant, and Abe Lincoln.

I remember the Alamo, the Maine and Pearl Harbor. When freedom called, I answered and stayed until it was over, over there. I left my heroic dead in Flanders Field, on the rock of Corregidor, and on the bleak slopes of Korea.

I am the Brooklyn Bridge, the wheatlands of Kansas, and the granite hills of Vermont. I am the coalfields of the Virginias and Pennsylvania, the fertile lands of the West, the Golden Gate, and Grand Canyon. I am Independence Hall, the *Monitor*, and the *Merrimac*.

I am big. I sprawl from the Atlantic to the Pacific, 3 million square miles throbbing with industry. I am more than 5 million farms. I am forest, field, mountain, and desert. I am quiet villages—and cities that never sleep.

You can look at me and see Ben Franklin walking down the streets of Philadelphia with his breadloaf under his arm. You can see Betsy Ross with her needle. You can see the lights of Christmas, and hear the strains of Auld Lang Syne as the calendar turns.

I am Babe Ruth and the world series. I am 169,000 schools and colleges, and 250,000 churches where my people worship God as they think best. I am a ballot dropped in a box, the roar of a crowd in a stadium, and the voice of a choir in a cathedral. I am an editorial in a newspaper, and a letter to a Congressman.

I am Eli Whitney and Stephen Foster. I am Tom Edison, Albert Einstein, and Billy Graham. I am Horace Greeley, Will Rogers, and the Wright brothers. I am George Washington Carver, Daniel Webster, and Jonas Salk.

I am Longfellow, Harriet Beecher Stowe, Walt Whitman, and Thomas Paine.

Yes, I am the United States of America, and these are the things that I am. I was conceived in freedom and, God willing, in freedom I will spend the rest of my days.

May I possess always the integrity, the courage, and the strength to keep myself unshackled, to remain a citadel of freedom and a beacon of hope to the world.

Assistance to Agriculture

EXTENSION OF REMARKS
OF
HON. BEN F. JENSEN
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 5, 1956

Mr. JENSEN. Mr. Speaker, every American who reads the newspapers knows of course without me talking about it that the Midwest stockraisers, and that takes in at least 95 percent of the farmers in that great area of our Nation, are in a terrific price squeeze, which as the records will show started way back in 1951.

The evil day was the day in February 1951 when Mike DiSalle, Administrator of the Office of Price Stabilization, announced he would roll back cattle prices 10 percent, just so he could approve the 9 percent wage boost which the packinghouse workers were then demanding. The "little dictator" did both with President Truman's approval. Look at the record.

Their reasoning was that to approve the 9 percent wage boost, without reducing meat prices, would raise the cost of living to the American consumer, who at that very time was spending just 24 percent of his income for food, while the rest of the peoples of the world were spending on an average of over 70 percent of their income for food. The cattle rollback took most every farm commodity down the toboggan with it. Then for several months, after the Republican Congress in the early spring of 1953 abolished the Office of Price Stabilization, all farm commodity prices leveled off until Secretary of Agriculture Benson and the farm leaders of both the Senate and the House of Representatives, of both parties, got into a squabble over 90 percent and flexible price supports for our 6 basic farm crops: corn, wheat, cotton, tobacco, rice, and peanuts. And from the very day that squabble started most all farm commodity prices again began to slip downward until at this time fat hogs and cattle are bringing the farmers an average of about 60 percent of parity and according to the last Department of Agriculture report, the American farmers' dollar is only buying 80 cents worth of manufactured and processed goods at the counter. To make matters worse, droughts, grasshoppers, and corn borers have to no small degree added greatly to the farmers' problem in many sections of the Midwest; that is especially true of most of southern Iowa, parts of Missouri, Kansas, and Nebraska, as well as other parts of the Middle West to a more or less degree. That, my colleagues, is not a con-

dition that the American economy, let alone the American farmer, can long endure.

Now, Mr. Speaker, neither your party nor my party should take all the blame for the plight of our farmers, nor does the average farmer place all the blame on us; for they know they have produced more than has been consumed for many past years, but let us not forget that they were urged to produce, produce produce all during World War II and the Korean war in order to feed and clothe, not only our military forces and civilians, but to a very great degree our allies too, both military and civilian. Farmers of all ages, old men and old women, and young teenage boys and girls rolled up their sleeves and really produced; sometimes running their tractors, plows, planters, and harvesters around the clock, while millions of the farmers' grown sons and daughters were serving their country in the Armed Forces, and in war plants, all over this wide, troubled world.

Let us never forget, but be forever grateful to the American farmer for the great and important part he has played in all our military victories. And let us also never forget the fact that the victors in every major war in recorded history, was the nation which God had blessed with the greatest supply of food, feed, and fiber. For the reasons I have just stated, I for one am willing and anxious, yes, Mr. Speaker, more than that, I plead and pray that this session of Congress disregard party lines and adopt the necessary legislation to help our farmers help themselves over the present emergency, and then adopt a farm bill providing the least possible controls and Federal domination, but plainly sufficient in its benefits to our farmers, to do a good job over the long pull. Permit me to say that I sincerely hope a repetition of the last session will not again occur during this session, wherein this House of Representatives passed a fairly good farm bill, and which I supported, but which never saw the light of day from the committee room of the other body. Hence, it would seem there might be a plague on both our houses, Democrat and Republican.

But that is water over the dam. What should we do now? There are many ways this Congress can extend a helping hand to our farmers without too great an outlay of money, and without telling the farmers when to plant and when to reap. I believe it was Thomas Jefferson who once said:

> If the time ever comes when the Federal Government tells the farmer when he shall plant and when he shall reap, we shall soon want bread.

I have seen that very thing happen to many nations around this world in my lifetime. I will have no part of it here. This is the 18th session I have had the honor of serving the people of the Seventh Iowa District in the United States Congress. My district is an agriculture district. I was born and raised on a farm, and during all my adult life I have lived and dealt with farmers. I know their problems and their heartbeats, and I know when they are in trouble, and believe me, they are really in trouble now. Especially the younger farmers, a great majority of them veterans, who have not had time to get their finances in order before this farm panic occurred.

I visited with hundreds of them last fall, and have had hundreds of letters from farmers, large and small, young and old, and businessmen since then telling me of their plight and giving me their ideas of the kind of laws Congress should pass for their immediate relief and for the long pull. I have read every word of every letter in the hope that they would be helpful to me in writing and recommending a farm bill, and they have.

Here are my recommendations to the Agricultural Committees of both Houses of Congress. Hold hearings every day for one week starting immediately, and bring a bill to the floor of both Houses the following Monday, that bill to provide emergency assistance to agriculture as follows:

If corn and wheat farmers will seed down, or fallow, part of their acreage allotments next year, then let them buy from the Government surplus stocks of corn and wheat, 50 bushels for each acre of corn, or 20 bushels for each acre of wheat seeded down or fallowed, at their own expense. This surplus to be bought for 75 cents a bushel. This would be starting a soil-bank plan immediately, and paying for it with surplus grain, instead of new tax money. Farms with less than 50 acres of allotment could select to seed down their whole allotment, and for larger farms an additional 20 percent over the first 50 acres.

This plan has been recommended to me by farmers and others. This plan would require no cash outlay, would give almost immediate aid to thousands upon thousands of distressed farmers. It would dispose of a great quantity of our surpluses, a lot of which is spoiling as time goes on. It would empty thousands upon thousands of Government-owned bins, making purchases of more new bins for next year's crop unnecessary.

For further details of this plan and in order to save time and space, I direct your attention to the extension of my remarks in this CONGRESSIONAL RECORD on another page, wherein, after receiving unanimous consent, I am having printed the recommendations of Mr. Dave Livingston, a farmer living at Washington, Iowa. Mr. Livingston, a respected farm leader, has traveled far and wide over America and the world, seeking for knowledge and speaking to farm and business meetings everywhere.

Yes, and I would go further. If I had my way I would in the same bill specifically direct the Secretary of Agriculture to support the price of cattle and hogs at a price of at least $4 per hundredweight more than the present market price on cattle and hogs, until the prices on cattle and hogs reached 90 percent of parity. I would expect the Agriculture Committee to set weights and grades. Sure, this will cost some money, but nothing compared to the loss of tax revenue to the United States Treasury by the lost revenue which will be brought about by the thousands of bankrupt farmers if immediate relief such as this is not provided. Some may accuse me of being too liberal. Yes, I will admit I have been quite liberal when any segment of people, the American people, need emergency relief as desperately as the Midwest farmer needs it right now. But look at my record; I will put my record of the past 17 sessions in Congress up against the best of them for not squandering the taxpayers' money.

I just said I would direct the Secretary of Agriculture to support the price of hogs and cattle. Now the reason I would do that is simply because, if I were Secretary of Agriculture, I would welcome such a directive from the representatives of the taxpayers of America, even though I had the authority under existing law to do it, as the Secretary of Agriculture has right now. But it is plain to see he will not exercise that authority for fear it would encourage greater production of hogs and cattle. My studied opinion is, that is a risk he is justified in taking under the circumstances, and which all fairminded, informed people know, or should know at this late date.

And in addition, I cannot recommend too strongly that we place a complete embargo on the importation of meat and live cattle from foreign countries until such time that hogs and cattle prices bring 100 percent of parity to our own producers. Here are the figures on imports and exports of beef, pork and cattle for the first 9 months of 1955, furnished me by the Department of Agriculture:

Beef and veal imports, 90,700,000 pounds.

Beef and veal exports, 34,751,000 pounds.

Pork product imports, 124,148,000 pounds.

Pork product exports, exclusive of lard, 54,144,000 pounds.

Live cattle, mostly from Mexico, 240,135 head.

Exports, 19,823 head.

My friends, that borders on criminal in the face of constantly falling prices on meats here in the U. S. A. Oh, some may say that is only a drop in the bucket compared to our total production. Well, it is a mighty big drop and simply adds that extra straw which is breaking the camel's back. And let me tell you here and now, my dear friends, there is no other Nation in this whole, wide world that hesitates one minute to impose a complete embargo on imports from us when they have a plentiful supply of their own, even though we have shoveled our taxpayers' dollars into their coffers by the millions and billions of dollars. How stupid can we be? And that silly business has been going on for the past 10 years. For all our sakes let us stop.

That, Mr. Speaker, is my recommendation for quick and I believe effective aid to help our distressed farmers over the present emergency farm price squeeze or farm panic, whatever you wish to call it.

I also know the cotton farmer is having a bad time. I will leave that problem to my colleagues from the cotton producing States, with the assurance that I shall be just as fair to the cotton producer as I am to the farmers on whom

America depends for a plentiful supply of food for our daily bread.

I am gathering facts and figures, in preparation for introduction of two bills which, after a lot of study, I have concluded should be made law to help bring about a stable prosperous farm economy over the long pull. But first and foremost in my mind now is to assist my colleagues on the Agriculture Committee in bringing out a bill at the earliest possible time which can pass both Houses of Congress quickly and be signed by the President for immediate, effective aid to a great multitude of our distressed farmers.

How To Get Rid of Our Agricultural Surpluses

EXTENSION OF REMARKS
OF
HON. BEN F. JENSEN
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 5, 1956

Mr. JENSEN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article:

HOW TO GET RID OF OUR AGRICULTURAL SURPLUSES

(By Dave Livingston, Washington, Iowa)

SELL THE GRAIN BACK TO THE FARMERS WHO RAISED IT, AT A CUT PRICE IN RETURN FOR ACREAGE REDUCTIONS

If corn and wheat farmers will seed down, or fallow, part of their acreage allotments next year then let them buy, from the Government surplus stocks of corn and wheat, 50 bushels for each acre of corn or 20 bushels for each acre of wheat seeded down or fallowed at their own expense. This surplus to be bought for 75 cents a bushel.

This would be starting a soil-bank plan immediately and paying for it with surplus grain instead of new tax money. Farms with less than 50 acres of allotment could elect to seed down their whole allotment and for larger farms an additional 20 percent over the first 50 acres.

For example, I have a farm with an acreage allotment of 50 acres of corn out of a total of 235 acres. Thus, under this plan, I could buy a total of 2,500 bushels during 1956, at 75 cents a bushel. In return I would seed down the whole 50 acres at my own expense. I would then buy this feed through my local ASC office, where they already have my whole allotment record. In order to spread this surplus selling so that livestock numbers would not be increased, nor the grain trade upset they could restrict my purchases to 25 percent of my allowance in any 60-day period and also begin delivery at the beginning of the crop year (July 1 on wheat and September 1 on corn).

This farm is the kind that is commonly referred to as the family-size farm. It is rough and hilly in spots. The 50-acre allotment is already so low that it is next to impossible for a man to make a living farming it because it takes as much machinery and more labor to grow this 50 acres of corn than it does to grow 100 acres or more on a better farm. On the other hand this farm lends itself to a grass-farming program and should be planted to grass. It is one of the hundreds of thousands of farms where the hilltops and pastures were plowed up, during World War II and the Korean police action, to produce the much needed extra corn and soybeans at that time. Because of the lowering of farm prices and income as well as the rise in expenses since that time it has been necessary to continue to farm these hills intensively to make a living.

The return of this farm, and others like it, to grass farming presents a much greater problem to the individual farmer than has been generally recognized.

First. A farmer of this type must have some grain to balance his grass in order to get maximum returns on his livestock program. A livestock program is inevitable on this type of land because that is the only way you can convert grass into income. This need for grain has been the main reason for the continuation of corn farming on these hill farms.

Second. When a farmer converts his land from grain to grass there will be a time lag of 1 year in his income until this new grass becomes available as livestock feed. If a soil-bank plan were developed, where the Government rented this land to get it out of grain production, it would break these farmers financially.

Let us suppose the Government paid as much as $20 per acre rental. That would be $1,000 rental on the 50 acres. Then the farmer must buy his grain. Even at $1 per bushel he can get only 1,000 bushels which is not enough. Actually he will be able to buy much less than 1,000 bushels at the current market price. Under my plan he can get 2,500 bushels, or about normal production, while he makes this conversion.

Third. Not only will the individual farmer's income be cut, during this lag time, but eventually this farmer will need a little more capital to stock this new grass properly. Through my plan he could bridge the immediate gap, without being hurt financially, and still reduce grain acreage.

I'm not enough of an expert to figure out what will be needed more than a year in advance in agriculture (and the experts are not doing so good either) but I know that if you want corn ground seeded down to grass on my farm you can get it done in 1956 by my "Grain Purchase Plan." I'll be very happy to seed down my ground at my own expense and thus take my chances on this year of lag time.

Some people will try to find fault with this idea because it will increase livestock numbers. It will be 2 years before that could start. After that cattle and sheep will gradually increase. They will have to increase for two reasons. In the first place we will need more livestock to furnish food for our increasing population. Second, from the farmers standpoint, he will have to buy livestock to eat up this new grass. If these farmers cannot increase their livestock numbers to consume this grass then they will go broke. The reason livestock will not increase immediately, and will not increase too rapidly in the future, is that livestock numbers are geared to the amount of the supply and price of grain. Under this plan the farmers would have no more grain on their farms than if they continued production. They simply buy a year's supply out of surplus instead of raising it. Who says that is not what we need in this country?

From my standpoint this plan would temporarily reduce my production costs.

From the standpoint of the Government it would get rid of the grain surpluses in return for acreage reductions. Production of wheat and corn would be reduced in direct proportion to the amount of the surpluses sold. Thus storage problem of the normal carryover would be minimized to say nothing of the future savings in storage costs and the waste through spoilage. When this surplus is once used up then the problems of agriculture are minimized no matter what kind of a farm plan we have. It would take the farm problem out of politics.

From the standpoint of the general taxpaying public it would reduce the cost of any soil-bank plan by paying for it, at least in the beginning, with money already invested in surpluses and it will get immediate action.

It can be done in 1956 with very little new legislation.

This whole plan is purely and simply an additional option under the proposed soil-bank plan. It can be offered along with the land-rental option already proposed, and endorsed, by many of the leading farm organizations.

One trouble with most farm plans up to date has been that they start with a great big overall situation and work down to the individual farm. This plan works in reverse. It begins at the proper starting point, the individual farm, and works up. As soon as the surplus is gone it is finished and it takes no new organization to make it work. It is simply an additional feature of the ASC.

It is the sum total of the production of a lot of little farmers over a period of the last 10 years, which created most of the surplus in the first place. So why not take the perfectly logical step and let these same little farmers use it up while they get their farms back into grass?

Keep one thing clearly in mind. The collective excess we have today, of both wheat and corn, has been accumulated over a period of 10 years. In fact the gross total has increased very little during the past 5 years. It makes no difference whether this accumulation took place under the Democrats or the Republicans. It makes no difference whether rigid 90-percent supports or flexible supports are to blame. It makes little difference whether the Farm Bureau, Farmers Union or the National Grange are in favor of rigid or flexible supports nor what plan they advocate in the future. The fact remains that we have about 1 billion bushels of wheat and corn as a combined accumulated surplus, over and above a normal carryover, and the big job is to get it consumed.

Why run around all over the world trying to sell wheat for export? In the first place we have very little really good wheat available for export. In the second place the State Department would probably tear their hair out if we got the job done. In the third place we already have a pretty lousy reputation for poor-grade wheat because of carelessness in shipments already made. I was in Europe, the Middle East, and Egypt last spring and almost everywhere I heard the complaint that American wheat was inferior and a poor buy.

Because of low-protein content, poor grade, contamination, and other causes most of the wheat we now have in storage is only good for livestock feed so let's quit kidding ourselves and use it up for that purpose.

Now to answer several questions involved in this plan.

Why do I propose 50 bushels of corn to the acre?

Because that is a high average yield. Remember we are trying to get rid of surpluses so that is a pretty fair deal for both the farmer and the Government. If 1 billion bushels of surplus grain were sold at that rate it would put 20 million acres out of production. This is assuming it would all be used to put corn land out of production.

Why sell 20 bushels to the acre of wheat land?

Because here also it is a fair high average yield figure. If the wheat surplus were all bought back by wheat farmers, at the rate of 20 bushels to the acre, it would put 50 million acres out of production.

As a matter of fact this plan would get rid of surpluses so fast that the amount to be liquidated in any one year would probably have to be limited to 300 million bushels or we could suddenly create famine conditions. Remember. When you sell 300 million bushels by this method you also take out of production another 300 million bushels for the

next year making a net change in position of 600 million bushels.

How can a small farmer pay for this grain?

He can buy it one truckload at a time. He will need less money at one time to do this than he would need to buy seed, fertilizer, and gasoline to plant his whole crop in the spring. If he can't do this he is "busted."

If either a wheat or corn farmer has no livestock what can he do?

He can sell it into the cash grain market. But he cannot dump a lot at one time because of the provision that he can only buy 25 percent of his allowance in any 60-day period. He simply buys it from the Government, in lieu of raising it, and then sells it in the open market. As an additional feature this would prevent the market gluts at harvest time.

Will this plan increase livestock numbers?

I partially answered this earlier. It would not do it immediately but it would as time went on. This plan, in itself, would not do it, because of the "cheap" grain, because no single farmer would get enough grain, and second, he would have his purchases spread out. Any additional grain he needed for increased livestock he would have to buy on the open market. It is reasonable to assume that the cash grain market would stabilize around the loan figure so that any livestock producer would think twice before he increased production.

Would it interfere with soil conservation?

The answer is "No." Most soil conservation practices such as contour ridges, waterways, ponds, et cetera, are carried out when the fields are in grass. It is the farms in the hill country that need these practices and these are the ones which would benefit most from this plan, therefore it would have the effect of speeding up conservation measures.

European Observations Report of Hon. Leon H. Gavin, of Pennsylvania

EXTENSION OF REMARKS

OF

HON. LEON H. GAVIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 5, 1956

Mr. GAVIN. Mr. Speaker, pursuant to authority granted me by the chairman of the House Armed Services Committee and invitational orders issued by the Department of the Army, I visited Germany, Austria, Italy, Spain, and France during the period September 18 through October 16, 1955. As you know, I have followed carefully since the end of World War II the industrial, economic, military and political development of the various peoples of Europe who are allied with us in the so-called Western bloc. My visit was brief; however, I met and conferred with a variety of United States officials who represent us in this important area and I was given detailed briefings covering events which occured subsequent to my last visit. More important, it was my privilege to visit our military installations and with the soldiers and officers of several of our combat units. Of the youth of America and their leaders now in Europe we can be justly proud. Accordingly, I trust that the comments which follow may be of assistance to the members of this committee who have been unable to observe our far-flung activities in Europe.

I. BERLIN

On September 19 at Berlin I conferred with Ambassador Conant. I was gratified by the calm confidence displayed by the Ambassador concerning the overall situation in Western Berlin and the Federal Government. Also I conferred with Maj. Gen. Charles H. Dasher, the United States commander, Berlin, and Brig. Gen. Francis T. Pachler, commanding general, Berlin Command. My observations concerning West Berlin are:

(a) Economic: West Berlin has continued to make strides toward full recovery. In June production reached 100 on the basis of the 1936 index. There is an air of prosperity throughout the free city. Construction of housing and business facilities is booming. Consumer goods are abundant and are being purchased. As evidence of private enterprise's confidence in the future one may observe the site cleared for construction of a Hilton Hotel in Berlin. Prior to the war Berlin was primarily a capital city and a finance and transportation center. The loss of these functions has forced Berlin to revise the basis of its economy and postwar Berlin has developed its economy along industrial lines of endeavor. Unemployment is present, principally because many "white collar" workers have not been absorbed into the industrial atmosphere now present. It is reported that the unemployed in Berlin currently numbers approximately 118,000, or approximately 12 percent of the work force. In 1950, 20 percent of the work force was unemployed. At the present time Berlin is experiencing little or no difficulty in moving manufactured orders to the West and to the free world. Even in the face of a potential blockade, orders for goods maintain a satisfactory level. Regardless, Berlin will continue to rely on the strength of the market in the West and on a high level of direct assistance from the Federal Government. I remarked previously concerning the housing construction program in Berlin. Observers estimate that 18,000 dwelling units will be completed during the year 1955, and that 20,000 units are planned for the year 1956. Further expansion of new housing is in the program for 1957. The people of West Berlin look good. They are on the move. They appear well-dressed, well-fed, and confident. This appearance of well-being is reflected everywhere—by store windows, by parks, and by the municipal facilities. In contrast the Eastern Zone of Berlin seems to be covered by a thick, murky cloud of doom. Its people move in an air of purposelessness. Building lags, streets are in need of repair, municipal transportation facilities are run down and shabby. People queue for basic necessities. No greater contrast exists which displays free enterprise at its best than that shown between Free and East Berlin.

(b) Political: Refugees from the East are still streaming into Berlin. During each of the months of June and July 1955 some 13,000 sought the haven of the West. During August 1955, 17,000 sought and found similar refuge. I could find little optimism regarding the reunification of Germany. I am told that governmental officials and the free German press continually counsel the public toward patience. Whether their patience and conditioning can withstand the onslaughts of propaganda blasts and diplomatic maneuvering emanating from the East remains to be seen.

(c) Military: There has been little change in status of the United States forces in Berlin since 1954. No evidence is in sight that Russia and its satellite have decreased their forces in the Berlin area. If the pattern in the past means anything the Reds are improving upon their military potential in all respects in this area. The 6th Infantry Regiment is the major combat-ready unit stationed in the Berlin area. This organization has a splendid and glorious combat record. A continuous combat training program is in operation for various elements which travel to the Grafenwohr-Hohenfels-Vilsek area northeast of Nuremberg for maneuvers and weapons firing. The 6th Regiment is ready; it is not an occupation-type organization.

II. GERMANY

During the period September 21 through October 2, 1955 I consulted with United States military and diplomatic officials and inspected troop units in the Federal Republic of Germany. At Heidelberg I conferred with General McAuliffe who commands the United States Army element in Europe. At Wiesbaden I had lengthy discussions with Lieutenant General Tunner and staff who lead the United States Air Forces in Europe. Included in my itinerary were visits with Lieutenant General Hodes, Commanding General, 7th United States Army; Lieutenant General Hart, Commanding General, 5th United States Corps; Lieutenant General Decker, Commanding General, 7th United States Corps, Major General Ruffner, Commanding General, 2d Armored Division; Major General Van Brunt, Commanding General 4th Infantry Division; Major General Sexton, Commanding General, 5th Infantry Division; Major General Reber, Commanding General, Western Area Command; Major General Watson, Commanding General, Southern Area Command; and Major General Bradley, Chief of European Command's Planning Group at Bonn. Apart from the 6th Infantry Regiment in Berlin I inspected training activities and facilities of the following: Headquarters, 4th Infantry Division; the 12th Infantry Regiment; the 40th Tank Battalion, the 29th Field Artillery Battalion; Headquarters 2d Armored Division, Combat Command A, 2d Armored Division; the 2d Infantry Regiment; 47th AAA Battalion, 7th Engineer Battalion, 5th Medical Battalion and 759th Tank Battalion.

(a) Economic: It is my belief that the Federal Republic of Germany has attained a satisfactory level of economic recovery. The agricultural industry has experienced a full-measure of recovery and crop and foodstuff production is well above pre-war levels. Prices and wages present a formidable problem to the Federal Government, and, as in any rapidly expanding economy, the threat

of inflation exists. In Germany there are shortages of skilled and semi-skilled laborers, particularly in the accelerated building trades. Effort has been made to import laborers from Italy in this regard. The Germans apparently have confidence in the stability of their currency as savings continue at a relatively high level from the previous year. I feel that the German economy can sustain itself at current levels provided the existing markets, domestic and foreign, can be maintained. Insofar as any further United States monetary aid to Germany is concerned I feel that we should consider only military assistance and aid in the support of the Berlin situation.

(b) Political: Since 1945 the free German has been preoccupied largely with finding enough food for bare sustenance, providing himself with shelter and clothing, and finding a means of livelihood. Now that he has attained these basic wants he may devote a part of his time to the politics of the world in which he lives. After having visited Western Germany frequently since the end of World War II, I am convinced that there is little danger of a rebirth of national socialism or a trend toward communism in the foreseeable future. At this time I believe the average German's interest in politics is not intense. It may be stated that the German can be stimulated politically when national issues become clear and contain an element of symbolism with which he may identify himself. In the younger adult generation in Western Germany there may be a certain amount of pessimism toward the political future. Unless the political leadership of the nation can create and sustain the political interest of the youth, a form of nihilism may arise. I am confident, however, that the leadership of Germany will do everything within its power to prevent the growth of such a political attitude and climate. The creation of a military force within the Federal German Government is so closely keyed to the political situation that I deem it appropriate to discuss German national defense at this point. The German Parliament has not yet scratched the surface toward the enactment of basic national defense legislation. As an example, when I was in Bonn there had been committee-type discussion and debate concerning the pay structure for future members of the German armed services. At that time the matter had not been resolved, even to the point of bringing it to a vote. External pressure from the Russians may play the larger role in delaying the development of a new Germany military force. The issue of reunification of the country is certainly a factor to be considered in the matter of developing the military and Russian diplomacy may be expected to play upon this factor in the Russian effort to block, delay, and stall the rearmament of Western Germany. Once the defense legislation is enacted fully, however, I am sure that Western Germany will proceed with great skill, energy, and intelligence to develop its military force. Concerning this, I believe that it is incumbent upon the leadership of the United States to convince the Germans that the arms they raise will be so raised to prevent world war III. Should we allow them to entertain the slightest belief that their military forces are destined for retrograde action in the event of a communistic attack, I fear that things will be slow in building. An additional political issue involves governmental expenditures toward national defense. I am told that budget estimates for rearmament of Western Germany have been geared to the gross national product. Expenditures will, of course, depend upon the sums the Parliament will ultimately approve. At any rate, I estimate that Western Germany's defense expenditures, when approved, will comprise as large a percentage of its gross national product as that allocated defensewise by many other members of NATO. I am in favor of a generous contribution to the development of a Western German defense force which can take its place in the community of free nations and become a deterrent to aggression from the East.

(c) Military: Everywhere in Germany I found a keen awareness of the situation on the part of our own military leaders and their subordinates. All echelons are on the alert, ready to move, and understand completely their missions. I repeat that I was most impressed with the appearance of our troops. They are truly representative of our great Nation. The condition of our military equipment evidences good care and economy of supply. Housing and recreational facilities for our troops and their dependents are excellent. Training of troops in Germany poses a real problem. Maneuver areas are limited. Land is so precious that there are few unproductive areas where troops may train without regard to damage to crops or timber. Large unit training is conducted in the Grafenwohr-Hohenfels-Vilsek area. Small unit training is conducted on a limited scale in home-station areas. Our heavy vehicles, particularly tracked vehicles, inflict considerable damage on roadways, rights-of-way shoulders and bridges. Regardless of painstaking care, damage ensues when field training is conducted. Military officials in Germany are confronted with a considerable problem in providing realistic training while being mindful of damage claims which may arise as well as being aware of the limitations of funds to settle legitimate claims for damages. It is my belief that we should not quibble over moneys requested by the military where appropriations for maneuver damage payments are concerned. Many Members of Congress have expressed a concern over the Status of Forces Agreement, the Forces Convention, and other matters involving civil and criminal jurisdiction of our troops in the NATO countries and Germany. During my discussions relating to these conventions, as they apply to Germany, I found no apprehension on the part of responsible officials. I gained the impressions that the Germans will be overly fair in the application of the conventions and that should military personnel become civil offenders the Germans will remand them to military custody for such remedial action necessary. Under the terms of current agreements, the Germans do not have jurisdiction where criminal violations are involved. It remains to be seen whether the Germans will insist upon claiming jurisdiction in the field of criminal violations of law in the future. Of further concern to United States Army authorities in Germany is the reduction of deutschemark financial support for operations as a result of the return of sovereignty to West Germany. In the past dollars were used in Germany only for expenses toward which deutschemarks could not be applied; for example, the pay of our own civilian employees and the procurement of subsistence. Transportation, rents and utilities, solid fuels, repair and maintenance, communications, and construction costs were paid out of deutschemark funds. Following the ratification of the Paris Accords, a reduction in deutschemark support commenced. In effect, any further loss of deutschemark support in West Germany will result in a retrenchment program and the release of German employees, a lowering of standards of maintenance, and modifying standards of living. Collaterally it may be expected that the costs of maintaining our forces in Europe will increase in the future because of the expanding German economy and the resultant spiral increases in wages and prices.

III. AUSTRIA

On October 1, 1955, I conferred with Lt. Gen. William H. Arnold at Salzburg, Austria. For all intents and purposes the mission of United States forces in Austria was complete and the last of our troops had been withdrawn. I was gratified to learn that we leave Austria with a clean bill of health. As the result of careful negotiations, General Arnold and his staff were able to conclude a series of agreements which preclude the accrual of any further claims against our Government arising from the tenancy of our forces in Austria. It was reported to me that an excellent return was realized on the disposal of surplus and salvage military equipment remaining after the termination of our activities in Austria. My visit to Austria out of necessity was brief. Therefore, I did not inquire into its economic and political situation. It appears, however, that the political climate in Austria remains favorable to the West and that the Austrians, as a whole, are oriented toward the West at this time.

IV. ITALY

During the period of October 3 through October 7, 1955, I conferred with United States military and diplomatic officials in Italy. Included were discussions with Ambassador Luce, Maj. Gen. Frank A. Allen, Jr., Chief of our military advisory group and his staff in Italy; Brig. Gen. John H. Michaelis, Commanding General, Southern Europe Task Force; and Col. Charles L. Williams, commander of support activities in Leghorn.

(a) Economic: On the surface, Italy appears to be maintaining expansion of her economy. On the whole we have granted her some $4.5 billion since the end of World War II. If this staggering sum has failed to revitalize and stabilize the economy of Italy for a long time to

come, then any future grants, I feel, would prove absolutely futile. Italy's heavy and other diversified industries are busy. New construction is gradually erasing evidences of wartime damage. Fields, once war-torn, have been completely returned to productive uses. Approximately 1.5 million acres, once part of large landed estates and, in some cases, unproductive for hundreds of years, have been purchased by the Government in connection with the land reformation program. The current land reformation program is scheduled for expansion. Legislation is now being prepared for this purpose. Foreign aid type funds provided by the United States will assist in the support of further reformation programs. Today Italy is almost self-sustaining on wheat. She has exportable quantities of fruits and vegetables. She still has a deficit in cotton, however.

(b) Political: The Christian Democratic Party continues to hold the larger number of seats in the Chamber. Insofar as internal reforms are concerned, I refer you to my remarks in the RECORD of January 22, 1951. The Italian tax system has yet to receive the overhaul I feel is due it. In 1949, a tax reform bill was placed high on the Government's legislative program. In 1951 I was informed that surely during that year the overhaul was imminent. Last year—1954—I was again told that tax reform legislation was in the offing. Some progress has been made in minor areas of the Italian tax structure, yet the sweeping reforms needed remain a vision. Tax proposals made in 1954 providing for penalties for failure to comply with the tax laws are making little headway. We in America have been generous toward Italy. Our taxpayers have tolerated deficit spending on the part of our Government by way of providing foreign aid. The Italian Government, in my opinion, fails to collect a satisfactory percentage of its potential revenues. Since this report was compiled tax reformation laws, I understand, have been enacted.

(c) Military: Our forces in Italy are commanded by General Michaelis, whose record needs no review here. These forces were recently a part of our garrison in Austria and they are readying themselves for a NATO role. I am satisfied that good progress is being made in this area and that the Italian Government will render excellent cooperation in the many problems involved. As a result of the rollup in Austria, a considerable amount of military supplies have been shipped to Leghorn for storage and/or further disposition. There are problems arising in connection with segregation and classifying various items of supply and there are labor and storage problems to be found; however, our officials are proceeding to resolve these problems as best and as rapidly as possible. It was gratifying to observe the port and depot area at Leghorn. At the time of my visit the area reflected good management and careful storage procedures, both covered and outdoor.

Italy, with our aid, is on its way toward developing an effective defense establishment. It is my opinion that the roles, missions, and objectives assigned to Italy within the NATO framework are realistic and can be met. This also applies to the amount of United States assistance programed for Italy. Progress is slow in some areas of the defense assistance program; but earnest effort is being made by United States and Italian authorities to achieve the aims of the program. The Italian air force is receiving modern United States aircraft. Our Air Force representatives are striving to insure that maximum benefits can be derived by the Italians in utilization of aircraft and in training. Difficulty may be found from time to time because of the peculiar structure of the Italian air force high command. The line of authority in the Italian air force seems to be split between the Secretary General and the chief of staff. As an example, I was informed that the air force chief of staff's authority is limited to matters of operations and training and that he is kept apart from matters such as fiscal management, logistics, and personnel. This arrangement is apparently traditional within the Italian Defense Ministry, and I am not prepared to advise whether we should press upon the sovereignty of Italy for a reform in this regard. Endeavors to develop, modernize, and integrate the Italian navy within the NATO sphere are progressing satisfactorily. The major problems lie in providing technicians to operate and maintain complex equipment to be found in a modern navy. The Italian army at the present is comprised of some 15½ divisions of various stages in strength. Prior to World War II the Italians were able to field some 30 divisions. When comparing prewar divisions with those currently active one must consider strength, firepower, and operating costs. United States military officials in Italy report that the prewar divisions had only 60 percent strengthwise of the present divisions, and had about 15 percent of the firepower potential of the present divisions. Italy now allocates 5 percent of its gross national produce to defense. The army receives approximately 48 percent of the total moneys allocated for defense. It could not be determined what percent of the prewar gross national product was devoted to Italy's military machine. Conscription in Italy is universal. The army draftee serves 18 months. I was encouraged to hear reports on the status of training and combat potential of the Italian army. An observer, whose military judgment is that in which I have the utmost confidence, told me that the Alpine troops in the Italian army are as capable as any troops anywhere.

V. SPAIN

In Spain it was my pleasure to confer with Ambassador Lodge; Mr. Richard Rubottom, Chief of the United States Operations Mission and staff; Maj. Gen. August Kissner, USAF, Chief of the Joint United States Military Group and staff; and Maj. Gen. Verdie B. Barnes, United States Army, and the Military Assistance Advisory Group staff. It was indeed encouraging to visit Spain and our authorities there. For in Spain, United States officials and their counterparts meet in an atmosphere of cooperation and on a clear quid pro quo basis. In the past Spain asked nothing from us and received nothing. Basic negotiations relating to the base construction program and the military defense assistance program in Spain are probably the best and most sound ever entered into by our Government and a foreign sovereign power. The use of counterpart of grant-defense support assistance for Spain per a 1953 agreement is as follows: 30 percent of the local currency counterpart funds generated by defense support dollar grants are for Spanish projects involving revitalization and expansion of strategic roads and railways and munitions programs; 60 percent of the local counterpart funds are being used by the United States for administrative and operating costs.

(a) Economic: United States economic experts in Spain report that Spain's situation during 1955 has been characterized by mixed trends. Developments thus far in 1955 have been reported relatively encouraging. Spain's general economic weakness, however, is reflected in her foreign trade and payments situation. Spain's foreign trade is the smallest per capita in Europe. Oil, cotton, wheat, and coal, so highly essential to her economy, for the most part, must be imported. On the other hand Spain has little to offer to foreign exchange excepting olive oil, olives, nuts, wines, and tomatoes. Production in various areas of the economy is up in comparison with levels achieved in recent years. Steel output is on the increase. The outlook for the citrus crop and citrus export in 1955–56 is that production will rise. The tourist industry has encouraging prospects. In 1954 tourism earnings amounted to the equivalent of $100 million in all currencies of which $30 million were in dollar exchange. It is difficult for me, and I rather suggest difficult for the experts, to predict any sort of a high degree of prosperity for Spain in the near future. Her per capita gross national income is roughly one-half of the average for Western Europe. The climate is the driest in Europe; the soil is poor and eroded. Basically an agricultural country, 60 percent of her people are employed in agriculture. Spain is most receptive to our technical-exchange program. Our experts are assisting her in many phases of her economy. Reforestation is under way. Some 200,000 acres of a potential 100 million acres have already been reforested. Soil and resources conservation programs have been instituted. Land reform and reclamation projects have been programed. Water-distribution problems are under scrutiny. All of these programs are long overdue and must be resolved with imagination and vigor. I feel that the motivation exists within Spain to proceed on these vitally needed projects.

(b) Military: Spain's defense establishment is currently receiving support through the means of the mutual defense assistance program. The cost of the program will be cumulative to the amount of $351.8 million as scheduled through fiscal years 1956–57. I have

long advocated recognition of Spain's military potential and strategic position. My recent visit to Spain left me with an even firmer conviction that it is in Spain where we may make wise and increasing investments in mutual defense. Currently programed support of Spain's army appears to be on a sound basis. Our authorities and their Spanish counterparts have agreed to concentrate the assistance toward equipping a fewer number of units to the maximum rather than spreading the assistance thinly over a greater number. End items of equipment are arriving in Spain on a good schedule. The Spaniard's grasp of the technicalities of operation and maintenance of our equipment is excellent. They are appreciative of the support and take superior care of the equipment furnished. On October 11, 1955, I inspected the activities of the 61st Armored Regiment of the Acorazada Division. United States Army technicians were present and assisting in maintenance instructions. I was informed that of the 68 tanks furnished this unit, only two were deadlined at the time for mechanical repairs. To me this is an amazing demonstration of equipment care in view of the fact that these tanks are in constant use for training purposes and that our tank is a relatively new item in the Spanish family of military vehicles. I also witnessed a tactical training problem involving a company of tanks in support of an infantry attack. The problem was well planned, realistically conceived and smartly executed. Col. Warren H. Hoover, United States Army, accompanied me during my visit to the 61st Regiment. Colonel Hoover was enthusiastic in his praise of this organization, and other units of the Spanish Army. Colonel Hoover is a mature and experienced officer and I have confidence in his judgment. I regret that time limitations prevented me from visiting more activities of the Spanish Army. Spanish military personnel are proud of the United States equipment furnished them and welcome the opportunity to demonstrate their ability to use it.

(c) Base construction program: The United States has embarked upon a construction program in Spain of a magnitude which is difficult for the ordinary layman to appreciate. To me the $327 million allocated for 1954 through 1957 for this construction are being wisely invested. The basic policies adopted for the construction program are: First, no crash; second, coordination and cooperation with Spain; third, utilize American prime contractors; fourth, utilize Spanish subcontractors; fifth, utilize Spanish materials and industry; sixth, utilize United States surplus equipment. The entire program has been characterized by fine working relationships between our representatives and the Spanish Government. The target date for completion of phase 1 is the fall of 1956 when construction is hoped to be far enough along to permit emergency operation of aircraft from the bases. It has been reported that there is an impatience on the part of the construction forces to get on with the work ahead. This is encouraging. At the time of my visit at Torrejon and Zaragoza it was extremely difficult to gage the degree of progress being made. Within the next 6 months, however, progress from a visual standpoint should be dramatic. In this connection it should be pointed out that one of the major tasks in the base program is the construction of concrete parking aprons. Construction of the aprons is time-consuming and presents a formidable task. At Torrejon, for example, the parking apron will measure some 7,500 feet in length and 1,100 feet in width when finally completed. The importance of the construction of port facilities at Rota should not be overlooked. Most of the emphasis on the program, however, has been given the air base phase. The port at Rota will probably be the key to the entire Spanish base complex and will become the largest construction project in the overall Spanish program. I believe that adequate progress is being made toward achieving our construction objectives in Spain. Many obstacles have been overcome through mutual understanding and an intense desire to cooperate on the part of our officials and their Spanish coworkers. No other country in Europe has offered the kind of cooperation rendered by the Spanish Government. Spain must be kept strong economically and militarily if it is to be maintained as a bastion of defense in the free world. A large measure of credit for the achievements thus far obtained must be given General Kissner and his very able Air Force and Navy associates. Credit must also be given the American construction firms who have joined together in advancing this venture.

VI. FRANCE

During my visit to France I had a most cordial and informative visit with Gen. Orval Cook, of the United States European Command, and Maj. Gen. George Honnen, Chief of Staff of the United States European Command. General Gruenther, at the time, was ill in quarters and I trust at this writing that he has recovered from his illness without complication. Also during my stay in France I visited the headquarters of our communications zone in Orleans and conferred with Maj. Gen. Phillip Gallagher, the commander of the zone activities. In addition I conferred at the United States Embassy regarding France's economic outlook. This section of my report will deal with the current French economic picture and with a few of the problems confronting United States military personnel stationed in France.

(a) Economic: France today is more prosperous than at any other time since the end of World War II. France has benefited along with the general economic progress in Europe. She has enjoyed a high level of dollar receipts this year and has experienced good crop weather. In June 1955 the industrial production index—excluding building—reached an alltime high of 175—on the index basis of 100 for the year 1938. This represented an 11-percent increase over the reading taken in June 1954 and 19 percent above that of June 1953. Construction of dwellings is expanding. The year 1955 will be another record year in crop production. There has been a certain stability in prices for the last 3½ years. Observers report this to be the longest period of price stability in France since 1914. It is reported to me further that French saving habits are returning, the capital market is reviving, and there is hope that private investment will replace public investment as the prime factor in the French economy. In consideration of France's improved position in foreign exchange it must be remembered that she received payments of a military nature amounting to $515 million in 1953 and $933 million in 1954. When our support of France's military budget is terminated a reduction in her external surplus will ensue. However, France can count on sizable dollar earnings from our troops stationed in France. The picture of France's economic situation in the future is not clear to me. The stark possibility of runaway inflation is always present. Her budget represents a weak spot. The stability of the French Cabinet is recognized as a factor influencing France's economic life. Her troubles in North Africa represent a serious drain on her economy. We have poured in some $9 billion in aid to France since 1945 and I ask the question as to how long will we continue to support her economic position in the Western World.

(b) Military: The United States has invested heavily in establishing a supply line from the ports of France to the German borders. This supply line supplants the old one which ran from Bremerhaven to our forces in Western Germany. The old line ran parallel and almost touched upon the western perimeter of the Iron Curtain. No one will disagree that it was a sound proposition in establishing United States Army Europe's communication zone as it now exists. In this regard much work lies ahead, particularly in the construction of various supply complexes. Current concepts hold that there must be a duplication of supply depots, dispersed in order to reduce the vast destructive powers of modern weapons of warfare. Our authorities in France are proceeding to develop the planned facilities as rapidly as time and the availability of funds permit. I gained the impression that many of the frustrating delays being encountered are occasioned by the necessity of coordinating nearly every phase of construction activity with French officials. I did not gain the impression that the French were uncooperative, rather that there is an extraordinary amount of red-tape—French variety—to slice in proceeding with virtually everything we do in France. It is not my desire that we infringe upon the sovereignty of France, however, I do feel that we are entitled to a greater degree of freedom in our operations there than we now have.

I am somewhat disturbed over the lack of a realistic housing program for our Army personnel in France with particular emphasis on housing suitable for personnel who have dependents. If we have any intention of maintaining an active communication zone in France for an extended period, then I feel a review of the dependent housing situation is clearly indicated. Currently programed de-

pendent housing construction will provide for only 40 percent of that actually required. More than 60 percent of our personnel with dependents in France are living in substandard accommodations.

VII. GENERAL CONCLUSIONS

My conclusions, based on my observations, are as follows:

First. The economic recovery of Germany, Italy, and France is complete insofar as the need for further United States aid is concerned.

Second. The level of the economy in Spain must be raised to the extent that our economic aid and construction programs will provide.

Third. The rearmament of the Federal Republic of Germany will require patience and understanding by all interested nations and a speedy rearmament should not be anticipated with optimism.

Fourth. The integration of Spain into the NATO family of nations should be the subject of early representations on the part of the United States.

Fifth. The dependent housing program for Army personnel in France should be made the subject of a thorough review.

A Joint Committee on United States International Exchange of Persons Programs Needed

EXTENSION OF REMARKS
OF
HON. FRANK THOMPSON, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 5, 1956

Mr. THOMPSON of New Jersey. Mr. Speaker, on Monday, January 16, 1956, I introduced a bill, H. R. 8497, to make the President's fund for participation in international affairs a permanent program. This step was in line with the recommendation of the Senate Appropriations Committee which last year said, in its report on the supplemental appropriations bill for 1956, H. R. 7278, that this fund should be made a part of the regular budget. I am very pleased to see that the President said in his budget message that—

> In view of the effectiveness of these activities (carried on by the President's emergency fund) legislation will be recommended to authorize them on a continuing basis.

For the past 2 years the Congress has appropriated an annual sum of $5 million to the fund, the broad purposes of which are, first, the presentation abroad of American cultural and athletic attractions by the Department of State; and second, United States participation in international trade fairs. The Department of Commerce has charge of the trade fair program. To date, the $5 million has been divided equally between these two programs. The USIA has done a first-rate job of publicizing these programs abroad.

In the 5 years prior to 1955 the Soviet bloc exhibited at 122 trade fairs at which the United States was not represented. With the help of this fund the Department of Commerce has been able to take positive steps to overcome this long head start by the Communists. On the strictly cultural side our leading artists have performed in some 220 major cities of the world and given the lie to the Communist line that we are barbarians. At least 12 athletic teams have been sent abroad and have been widely hailed.

The administration refused to finance the Russian trip of Porgy and Bess, our most successful cultural export to date. The U. S. S. R. tour of the company is being paid for by the Russian Government. The State Department, which approved the trip, said it could not afford any financial support. That the Russians, instead of our own Government, should be the sole sponsor of this trip is an outstanding example of penny-wise and pound-foolish diplomacy.

The President recommended only a modest increase in appropriations for the educational exchange programs of the Department of State which constitute a basic element of our long-term effort to attain a better mutual understanding with other peoples of the world. Certainly a much larger sum should have been recommended for these important activities.

In the President's own words he is "recommending a modest increase in appropriations for the educational exchange programs of the Department of State." Contrast this with the treatment accorded the information program. In the case of the latter the President recommended that appropriations be increased by $48 million from the level in the current fiscal year.

The vast difference between these two recommendations typifies the Madison Avenue approach to the problems of the world, which is the hallmark and the most distinguishing characteristic of the present administration.

I have introduced a joint resolution, House Joint Resolution 474, to establish a joint congressional committee to be known as the Joint Committee on United States International Exchange of Persons Programs. Such a joint committee will be able to make an important contribution to the advancement of these international exchange programs.

It gives me great pleasure to be able to say that Senator J. W. FULBRIGHT will sponsor this joint resolution in the Senate.

I am sure that other Members of the House will want to join me in sponsoring this legislation. I therefore invite and welcome their cooperation, and I would be happy to have similar measures introduced in the House by any of my colleagues.

International exchange of persons has proved a valuable means of developing closer cooperation among the nations of the free world. The need for such cooperation is every day more apparent. The United States Government is using this technique both for building better understanding of our country abroad and for technical cooperation and economic development. Large exchange programs in both fields are now operated by the Department of State. Students, teachers, prominent specialists and leaders in many fields are exchanged and outstanding cultural performers are sent abroad under the International Educational Exchange Program. The Congress authorized this program through the Smith-Mundt Act—Public Law 402, 80th Congress; the Fulbright Act—Public Law 584, 79th Congress; and several other acts. American technical experts are sent abroad and foreign nationals are brought to the United States for training under the International Cooperation Administration—formerly FOA and point 4.

The Congress receives reports from the Secretary of State on these programs and reviews their operation annually in connection with appropriations. The Smith-Mundt Act also provides for a United States Advisory Commission on Educational Exchange which reports directly to the Congress on a semiannual basis.

Each of these programs is reviewed separately, and by different committees of the Congress. Each of these programs is extremely complex both from the point of view of administration and source of funds. Each use dollars and foreign currencies and rely to a large extent on the efficient use of similar private resources in the United States.

It is, therefore, not surprising that some confusion has persisted in the Congress as to the relationships between these programs. It is imperative that this confusion be eliminated so that both of these efforts can achieve the most useful results.

No concerted or continuing review of these programs and their relationships to each other has ever been undertaken by the Congress. Such a review is of the utmost importance and would be of inestimable benefit to the Congress. It would help all of us to make a more realistic appraisal of these programs.

The Joint Committee on United States International Exchange of Persons Programs which my joint resolution would establish will provide the necessary review to insure the most effective planning, operation, and administration of these two important facets of our international relations.

I am confident that the Congress under Democratic control will take the leadership in these important matters.

Regarding my bill to make the President's emergency fund for participation in international affairs permanent it may be useful to recall that a subcommittee of the House Education and Labor Committee under Republican leadership in 1954 rejected 14 bills calling for a similar program saying: "We cannot endorse any of them. We do not believe this is a proper area for the expenditure of Federal funds." This position was taken in a report published almost 2 months after the Congress had appropriated $5 million for the activities proposed in the President's emergency fund.

The bills in the House were sponsored by Democratic Members of the Congress, which apparently made them unacceptable to the Republicans there. However, these bills were a serious attempt to develop the program which

had been recommended by the United States Advisory Commission on Educational Exchange beginning in 1951 and semiannually since in its 7th, 8th, and 9th reports to the Congress. The thoughtful recommendations of this Commission have been ignored by the present administration which should have taken positive action regarding them several years ago. With the introduction of my bill, H. R. 6874, and the hearings held on it by the Subcommittee on Distinguished Civilian Awards and Cultural Interchange and Development under the chairmanship of my distinguished colleague, Representative LEE METCALF, Democrat, of Montana, in the House Committee on Education and Labor, the administration finally has bestirred itself.

The legislation introduced in the 83d Congress by its Democratic Members for the purpose of establishing a cultural-exchange program was strongly supported by one former Republican Member of the Congress who testified in favor of it saying:

There is an enormous propaganda weapon which the Russians are using against us, with the most telling effect, all over the world. They are posing, and getting away with it, as the people of culture, as juxtaposed to us who are painted to the world as the people who don't care for culture. The Russians are doing an enormous job in that. They have sent traveling artists, violinists, pianists, whole ballet companies, theater companies, into the big world centers, and they have made a very distinct impression. Let us not kid ourselves on that. They have made a very distinct impression.

Despite this impressive warning the Republican members of the subcommittee last year recommended that none of the bills referred to in this report be passed.

The text of my joint resolution to establish a joint congressional committee to be known as the Joint Committee on United States International Exchange of Persons Programs follows:

Joint resolution to establish a joint congressional committee to be known as the Joint Committee on United States International Exchange of Persons Programs

Resolved, etc., That (a) there shall be a joint congressional committee known as the Joint Committee on United States International Exchange of Persons Programs (hereinafter in this joint resolution referred to as the "joint committee").

(b) The joint committee shall be composed of 22 members as follows:

(1) Eleven Members of the Senate, appointed by the President of the Senate, as follows:

(A) Two from each of the following committees, one from the majority and one from the minority party: The Committee on Foreign Relations, the Committee on Appropriations, the Committee on Labor and Public Welfare, and the Committee on Government Operations; and

(B) Three at large from the Senate, two from the majority and one from the minority party.

(2) Eleven Members of the House of Representatives, appointed by the Speaker of the House, as follows:

(A) Two from each of the following committees, one from the majority and one from the minority party: The Committee on Foreign Affairs, the Committee on Appropriations, the Committee on Education and Labor, and the Committee on Government Operations; and

(B) Three at large from the House of Representatives, two from the majority party and one from the minority party.

(c) No person appointed by the Speaker of the House under subsection (b) (2) (A) shall continue to serve as a member of the joint committee after he has ceased to be a member of the committee of the House of Representatives of which he was a member when appointed to the joint committee, except that a member who has been reelected to the House of Representatives may continue to serve as a member of the joint committee notwithstanding the expiration of the Congress.

(d) A vacancy in the joint committee shall not affect the power of the remaining members to execute the functions of the joint committee, and shall be filled in the same manner as in the case of the original selection.

(e) The joint committee shall elect a chairman and vice chairman from among its members, and the chairmanship and vice chairmanship shall rotate between the two Houses with each session of Congress.

(f) Subject to applicable provisions of law, the joint committee may appoint and fix the compensation of such personnel as it shall determine to be necessary to carry out the purposes of this joint resolution.

(g) The expenses of the joint committee shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives, upon vouchers signed by the chairman or vice chairman.

SEC. 2. (a) The joint committee shall—

(1) conduct public hearings on, and cause studies to be made concerning, the extent and effectiveness of all United States international exchange of persons programs, including the international educational exchange programs authorized by section 32 (b) of the Surplus Property Act of 1944 and by the United States Information and Educational Exchange Act of 1948, the interchange of persons under the technical assistance programs carried on by the International Cooperation Administration, and the cultural presentations programs of the President's Emergency Fund for Participation in International Affairs;

(2) cause studies to be made of the relationships among the various United States international exchange of persons programs, exclusive of those relating to military activities, to insure their most effective planning, operation, administration, scope, and effectiveness and to determine their relationship in these respects to private programs in the same fields; and

(3) provide a continuous, cooperative relationship between the Congress and the various United States international exchange of persons programs and similar or related programs both public and private in order to foster, encourage, promote, and otherwise assist their further growth and development.

(b) As used in this joint resolution the term "United States international exchange of persons program" means any program, operated by or financed in whole or in part by any department or agency of the Government, involving the exchange of persons between the United States and other countries for any purposes whatsoever, exclusive of military purposes.

SEC. 3. The joint committee shall report to the Congress twice annually (beginning on July 1 or January 1 next occurring after the date of the enactment of this joint resolution), and at such other times as it deems necessary, on the extent and effectiveness of the United States international exchange of persons programs; and shall recommend to the President and the Congress steps considered necessary to improve the quality of all such programs.

SEC. 4. For the purposes of this joint resolution the joint committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places, to require, by subpena or otherwise, the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, to procure such printing and binding, and to make such expenditures, as it deems advisable. The provisions of sections 102 to 104, inclusive, of the Revised Statutes shall apply in case of any failure of any witness to comply with a subpena or to testify when summoned under authority of this section.

The Lawyer-Accountant Controversy

EXTENSION OF REMARKS
OF
HON. GLENARD P. LIPSCOMB
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Thursday, January 5, 1956

Mr. LIPSCOMB. Mr. Speaker, I have just read in the January 1956 issue of the National Public Accountant, published by the National Society of Public Accountants, a reprint of a speech delivered by Erwin N. Griswold, dean of the Harvard Law School, at a luncheon meeting of the section of taxation of the American Bar Association, held at the Benjamin Franklin Hotel, Philadelphia, Pa., on Sunday, August 21, 1955, on the so-called lawyer-accountant controversy.

The learned dean has obviously devoted a great deal of thought to the proper place of the accountant and the lawyer in the field of taxation, and is to be commended for his efforts in seeking an answer to this problem.

He recognizes that both professions contribute much to the efficient administration of our tax laws—much to help the ordinary citizen who is so frequently left bewildered by the ever-increasing complexity of our revenue-raising techniques.

In the dean's most lucid analysis of the problem he notes that most lawyers and accountants practice together in a spirit of cooperation and harmony. The difficulties which have arisen between accountants and the organized bar have, for the most part, concerned situations arising in the gray undefined area in which the legitimate activities of the attorney and the accountant seem to overlap and intertwine.

In treating with one aspect of this problem, practice of accountants through the administrative levels of the Internal Revenue Service, Dean Griswold notes that the certified public accountant is admitted to practice, as are lawyers, on the basis of his having qualified via a recognized examination. He expresses concern, however, over the possibility that certain revisions in Treasury's regulations may be adopted with the result that persons with no professional status whatsoever could qualify for admission to practice. He cites as an example the possibility of a disbarred attorney gaining special enrollment by

passing the Treasury Department's examination. This possibility is extremely remote if, indeed, it exists at all. Any practitioner, before being granted special or general enrollment, must pass a rigid character check and satisfy the Director of Practice that he is of good character and reputation.

In this and other areas Dean Griswold alludes to the problem of distinguishing between the qualified public accountant and the unqualified practitioner. He has no difficulty with the certified public accountant, however, while he recognizes that there are many qualified public accountants who are not certified, he contends that he can find no benchmark against which to measure this group.

Mr. Speaker, I practiced as a public accountant in California prior to my election to Congress, and in my State, as in several others throughout the country, we have a statute which regulates the practice of accountancy and it covers public accountants as well as certified public accountants. In the above-mentioned jurisdictions I would suggest the licensing requirement would serve as a reliable measure for judging the qualifications of the public accountant. There also exists another valid criterion which I commend to Dean Griswold's consideration. On the national level the National Society of Public Accountants represents qualified and ethical public accountants in every State in the Union. Members of this organization—which includes both public accountants and certified public accountants—are qualified and reputable practitioners who are bound by the strictest rules of professional conduct. I consider it a privilege to claim membership in this fine accounting society and I was proud beyond measure when they honored me as their "Man of the Year" in 1955.

I believe many of the real and imagined differences between the two great professions of accountancy and law could be resolved if the American Bar Association, representing the legal profession, and the American Institute of Accountants and the National Society of Public Accountants, representing the accounting profession, would gather around the conference table and discuss their mutual problems.

As Members of the House know, I introduced legislation in the 84th Congress, 1st session, H. R. 2416, to clarify the accountants status in the matter of Treasury practice. I am convinced that this legislation is desirable; however, I also realize that the ultimate and overall solution to this so-called controversy between accountants and attorneys in tax practice must come through voluntary action of the three interested parties. As a member of the National Society of Public Accountants, I believe I can assure Dean Griswold, members of the American Institute of Accountants and the American Bar Association that the National Society of Public Accountants is ready and anxious to cooperate with our fellow professionals in working out a solution, not alone in the interest of accountants or lawyers, but in the interest of the American taxpayer and his Government.

The American Bill of Rights: A Living Force—Address by Hon. Clyde Doyle, 23d Congressional District, California, December 12, 1955, Before Members of the Press, Radio, and Television, Biltmore Hotel, Los Angeles, Calif.

EXTENSION OF REMARKS

OF

HON. CLYDE DOYLE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 5, 1956

Mr. DOYLE. Mr. Speaker, by reason of the approval of yourself and all the Members of this House of Representatives, I have heretofore been granted unanimous consent to insert in the CONGRESSIONAL RECORD the text of the following address given by me at a luncheon of the Bill of Rights Commemoration Committee, at the Biltmore Hotel, Los Angeles, Calif., on December 12, 1955.

It seems that this was the 15th annual such luncheon and said luncheon is held in honor of the members of the press, radio, and television. Also present were members of the board of supervisors, city council, city attorney's office, attorneys, judges, leaders of women's groups, community and civic groups—over 100 persons were present, I am informed.

Upon receiving the invitation of the commemoration committee to make this important address on such said occasion, I was interested, and pleased, to be informed that the reason I was thus invited was on account of my membership on, and work as a member of, the House Un-American Activities Committee, and that members of the press, television, and radio family in Los Angeles County had suggested to the Bill of Rights Commemoration Committee in charge that I be the guest speaker on this significant occasion.

The address follows:

THE AMERICAN BILL OF RIGHTS: A LIVING FORCE

(Address by Hon. CLYDE DOYLE, Member of Congress, 23d Congressional District, California; member of House Armed Services Committee and House Un-American Activities Committee; now serving his 5th term in Congress; address given at luncheon of Bill of Rights Commemoration Committee, December 12, 1955, Biltmore Hotel, Los Angeles; Mr. Joe Crail, chairman)

Mr. Joe Crail, chairman, and all members of the committee; honored guests; members of the press, radio, and television; friends, I most cordially compliment the Bill of Rights Committee for making this timely event possible. For many years I have observed the splendid emphasis the committee has placed upon recognition of the importance of the American Bill of Rights to the destiny of our American way of life. For certainly, what protects and defends the freedoms and the rights of individual American citizens, indelibly marks our national pattern of conduct for better or for worse. In my humble but considered judgment, the Bill of Rights is today a living force which we must not hesitate to defend and observe with our utmost diligence and vigilance.

In submitting my brief remarks for your consideration, I know you understand that I can only share out of my own personal experiences, largely gained from 30 active and pleasant years as a practicing attorney at the California bar and over 9 years, now, as a Member of our National House of Representatives, where I am privileged to serve as a member of two major committees, the House Armed Services Committee and the House Un-American Activities Committee.

My acceptance of the kind invitation extended me to be your main speaker on this very important and pleasant occasion, naturally caused me to dig deeper into the history and significance of our American Bill of Rights to all American citizens, regardless of national origin or economic station in life. So, it may well be that I today am the chief benefactor, because I am confident my restudy of our Bill of Rights has not only refreshed and strengthened my dedication to its high purposes, but, it has made me more determined to take advantage of every opportunity afforded, to be more vigilant in my protection of the freedoms and rights of all American citizens. Out of my own recent experience thus gained, I advocate that each American citizen not only read the Bill of Rights this very week we are here observing, but that each also studiously read some of the pertinent history relating to these especially cherished amendments to our Constitution.

It is well that we remember that the American colonists, beginning with early Virginia, were settled under royal charters, granted by the Kings of England. You will also recall that these charters almost always contained very strict and extremely burdensome reservations in favor of the English Crown. They did not fail to enumerate limitations and restrictions upon the exercise of civil and political liberties which must be strictly observed by these early emigrants from England. These colonists did not acquire civil and political liberties as they were then known in England. In fact, as early as 1612 the Virginia colonists protested to the English Crown, against the deprivation of these rights. So, eventually, the Revolutionary War came about.

It is well to remember that only 13 years passed between the signing of our Declaration of Independence dated in Congress at Philadelphia, July 4, 1776, and the date of the passage by Congress of these 10 amendments on September 25, 1789. Thirteen years is a very short span of time, as the history of Nations occurs. It was a very, very short period of time in our early national history. It is also well for us to remember that a total of 124 amendments to our original Constitution of 1789 were actually proposed for inclusion in the Bill of Rights, so determined were the States, that before they would finally accept the new form of Government, they must be guaranteed the civil and political liberties we are today appropriately honoring and reviewing our allegiance to. Seventeen of the 124 amendments were duly accepted by the House of Representatives and 2 of these 17 were later rejected by the Senate. That left 15 proposed amendments of the original 124; these were reduced to an even dozen before Congress approved. Then, on submission to the States, 2 of this dozen were rejected by the States, thus leaving the 10 we now revere as our Bill of Rights. Yes, it was a real living force to our forefathers. It cannot be less than a real living force to us of this generation, if we would profit by the experience of dedicated men who fought and died, that they might have individual freedom and have it more abundantly.

Each time I visit that certain historical church, St. Johns in Richmond, Va., where Patrick Henry stood at the Virginia Convention of Delegates on March 23, 1775, he having been a Delegate from Virginia to the

First Continental Congress, it gives me an actual sense of renewed and increased devotion for, on each such visit to the church pew from which he spoke, I hope you will not misunderstand me when I say, I can almost hear this great American say:

"There is a just God who presides over the destinies of nations.

"Why stand we here idle? What is it that gentlemen wish? What would they have?

"Is life so dear, or peace so sweet, as to be purchased at the price of chains and slavery? Forbid it, Almighty God. I know not what course others may take; but as for me, give me liberty, or give me death."

Granting that it is a fact that we today do not face the immediate physical dangers of which Patrick Henry spoke, am I placing it upon a level or plane too high above us this day, to urge nevertheless that we have the same attitude and spirit possessed by him?

Whenever I reflect upon the place of these 10 amendments to our Constitution as an historical fact, I also reflect upon the place of the Preamble to our Declaration of Independence, also written and declared by daring Americans devoted to the cause of individual freedom at least equal to any in our national history.

I, therefore, submit the proposition that what was then set forth in the Preamble to our Declaration of Independence, must logically have had a direct bearing upon the thoughts and attitudes of the framers of our Constitution and our Bill of Rights. To me, with only 13 years spacing these two destiny-making documents, it is crystal clear that the Bill of Rights to our Constitution was written with the awareness by the authors of each of these 10 amendments, that their predecessors in the fight to guarantee individual liberty and justice for all men, had boldly written these for the allegiance and guidance of all Americans for all time—as follows:

"We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these, are Life, Liberty and the pursuit of Happiness."

Granting that these express words are not in the Bill of Rights, I respectfully submit that we cannot approach a crystal-clear appreciation of the true intent and purpose of the Bill of Rights, unless we read into them the high spiritual level declared only 13 years before in our basic Declaration of Independence.

Who is there that contends the 10 amendments are not unalienable? Who is there that contends that life, liberty, and the pursuit of happiness are freedoms for less than all Americans? Who is there that contends that all Americans are not created equal by the same Creator?

No, all the amendments known as the Bill of Rights are, by the plain fact of all American citizens having the same Creator, possessed of the same and equal unalienable rights before that Creator, and, therefore, must be in the sight of manmade laws. The fact that all men are created equal in the sight of the same Creator, is what makes the liberties and rights guaranteed in the Bill of Rights—each and every one of them—unalienable. Not to recognize this basic premise for our Bill of Rights, is to place it on such a low and material level in our thinking, that the whims of evil and designing men could change ours into a Nation governed by mere man rather than by established and revered law.

It must be self-evident, therefore, that, ours being a Government of laws and not of men, no American citizen, in or out of public office can choose to respect or enforce less than each and all of the Bill of Rights, as to all American citizens, regardless of their national origin or economic station in life. Our forefathers conceived and established the Bill of Rights as a living and necessary force for all Americans. Just to the extent to which we as a Nation practice what we preach about the Bill of Rights making all men equal in the sight of our laws, just to that extent will we deserve the blessings—the blessings of our Creator. Just to that extent, will we make for strength or weakness of the spiritual forces which also must be taken into consideration as factors which make our Nation truly a great Nation of freedom-loving men.

Let us here briefly look at the makeup of the Bill of Rights, sometimes also called a Bill of Prohibitions, sometimes called a Bill of Restraints. They make up an integrated list of "don'ts" for the United States Congress to bear in mind in their legislative processes. Without giving you the full text of each, let me enumerate briefly:

Amendment I guarantees freedom of religion; freedom of speech; freedom of the press; right of peaceable assembly.

Amendment II: Right to bear arms.

Amendment III: No quartering of soldiers in private homes in peacetimes, excepting with consent of the owner.

Amendment IV: Security of persons in their homes; against unreasonable searches.

Amendment V: No person shall be compelled to be a witness against himself in any criminal case.

Amendment VI: In all criminal prosecutions, accused shall be entitled to speedy trial; be confronted with witnesses, and have assistance of counsel.

Amendment VII: Right of trial by jury.

Amendment VIII: No excessive bail or cruel punishments.

Amendment IX: The enumeration of certain rights shall not deny others retained by the people.

Amendment X: The powers not delegated to the United States, by the Constitution, are reserved to the States, or to the people.

It having been suggested to me that some of your many members of the press, radio, and TV present would like to have me briefly discuss the work of the Un-American Activities Committee, which is one of my two major committee assignments, I will gladly do so. Whatever I say will necessarily be my own opinion.

This committee was made a permanent House committee at its creation in the 79th (1946) Congress; it has only 9 members and all are lawyers excepting 1. It operates under Public Law 601 which, by its express terms charges the committee "to investigate and report to the House the extent, character, and objects of un-American propaganda activities in the United States, and the diffusion within the United States of subversive propaganda within the United States, whether this is instigated from foreign countries or of domestic origin and which attacks the form of government guaranteed by our Constitution, and all other questions in relation thereto, which would aid Congress in any remedial legislation."

As time does not permit of more than just a few comments, I will say that I believe this committee does a very necessary, but a very trying and difficult duty. Considering the nature of its task and the types of people it very frequently has to deal with, it is entitled to your commendation for its betterment in procedures, especially as relates to the rights of witnesses.

The House of Representatives itself, last April, adopted the Doyle resolution, House Resolution 151, unanimously. This resolution, amongst other things, eliminates one-man investigations in all House committees. It does not apply to Senate committee investigations.

When I was again yesterday asked how far I went in recognizing the right of a person, under the Bill of Rights, to dissent from my views, I again replied that I would fight for a man's right to say and print and preach whatever he wished, provided he did it within the four corners of the United States Constitution as set out by established law.

The right to patriotically disagree is inherent with American citizenship and the right to be wrong, if not a violation of established law, is another right, guaranteed by the Bill of Rights.

Men who find it a burden to think frequently and clearly on the subject of civil rights for all American citizens, are not contributing toward making our beloved Nation a living force for civil rights as guaranteed by the Bill of Rights.

I again restate, as I have many times, that I do not criticize a witness before our committee for standing on his constitutional rights as provided in the fifth amendment in the Bill of Rights, if that witness is in good faith with his oath, himself, and the Congress. But, it is disgusting to have a witness raise it when the known facts frequently show that he is merely following the known Communist line of cheating on the committee, even though there is no good faith, honesty, or integrity present in his claim of the constitutional privilege.

Unless President Eisenhower was in error in his state of the Union message of 1954, the objects of the Congress, under Public Law 601, are necessary and of vital importance. The President said:

"The subversive character of the Communist Party in the United States has been clearly demonstrated in many ways, including court proceedings. When a citizen knowingly participates in the Communist conspiracy, he no longer holds allegiance to the United States."

The President's reference to court proceedings causes me to say that I am always pleased when a high court clearly states the law, as applied to any of our committee hearings, for much clear statement by the court is needed in this regard.

In Public Law 831 of the 81st Congress in the Subversive Activities Control Act of 1950, Congress declared as follows: section 2—

"As a result of evidence adduced before various committees of the Senate and House of Representatives, there exists a world Communist movement, which, in its origin, its development, and its present practices, is a worldwide revolutionary movement whose purpose it is, by treachery, deceit, infiltration into other groups (governmental and otherwise), espionage, sabotage, terrorism, and any other means deemed necessary to establish a Communist totalitarian dictatorship in the countries throughout the world, through the medium of a worldwide Communist organization."

The Second World Congress of the Communist International, Moscow, July 17–August 7, 1920, adopted resolutions spelling out denial of the right of free speech and of the press when it said—

"Communism repudiates parliamentarianism as the forum of the future—it repudiates the possibility of winning over parliaments; its aim is to destroy parliaments. The work within the parliaments consists chiefly in making revolutionary propaganda from the parliamentary platform."

Who is there who fails to recognize that the resolution adopted in 1920 is still in active force and effect in 1955?

When I was in China, Japan, Italy, England, Spain, and other foreign countries, last, I asked certain intelligence officials whether or not the activities of the Communists in their country were part of well-defined world plans. Their unanimous answer was in the affirmative.

But, in meeting this subversive conspiracy, we must not throw the Bill of Rights out

the window. There is no need of doing so. To imitate or copy totalitarian security procedures would be totally disastrous to our American way of life. It would make of the Bill of Rights a corpse instead of keeping it a living force. We must continuously be on the alert lest those who are careless in differentiating between our security needs and our freedoms, under the Bill of Rights, take the easiest path, which does not necessitate noninterference with guaranteed rights. Due process of law must hold preeminence if individual rights and liberties are to be truly preserved as intended by our Bill of Rights. This is essential to make it a living force.

In closing, may I invite you to share with me the proposition that the perpetuity of the Bill of Rights deserves the best of whatever we are in individual patriotic vigilance, vigor, valiant protection of the rights and freedoms of all men, and that by our dedicated lives we increasingly help make our Bill of Rights a greater living force; that this Nation, under God, shall continue to be even a richer blessing to all Americans, everywhere, and in perpetuity.

Pan American Airways

EXTENSION OF REMARKS
OF
HON. JOHN V. BEAMER
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 5, 1956

Mr. BEAMER. Mr. Speaker, today's Washington Daily News carried the information that President Eisenhower has instructed the Civil Aeronautics Board to reconsider, in the light of new developments, its decision to keep Pan American Airways off the Great Circle Route to the Orient in competition with Northwest Airlines.

Inasmuch as the Committee on Interstate and Foreign Commerce is concerned with the stability and progress of our civil air transport system, this is a most gratifying development.

We all know of the pioneering work Pan American did in spanning the Pacific 20 years ago and it seemed inconceivable to us that one carrier should enjoy exclusive privileges in flying the shortest route to the Orient. Ironically, until the President's action, Pan American, which first surveyed the Great Circle Route, was forced to use the old island-hopping route to Tokyo and beyond, a distance some 1,200 miles longer than the route now flown by Northwest.

Certainly a restudy by the CAB of this situation is necessary. A prompt decision, in line with the President's recommendations, should make for keener United States flag line competition in an area which has opened up an entirely new trade route for our large and growing cities in California, Portland, and Washington.

President Eisenhower is to be congratulated for his understanding action.

SENATE

MONDAY, JANUARY 9, 1956

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, with our burdened lives tense and strained in a world so agitated and divided, we would seek that peace which is the gift of Thy grace to all those who with true purpose of heart turn unto Thee.

At the beginning of a new week with human problems pressing for solution we humbly bow at this wayside shrine our fathers fashioned, praying that to Thy servants here in the high functions of governance there may be given open ears that they may hear voices calling to high endeavor, open minds ready to receive and welcome new light of knowledge and truth as it is revealed to them, open eyes quick to discover Thine indwelling in all this wondrous world which Thou hast made, open hands ready to share, holding all good things in trust for Thee and Thy other children.

We ask it in the name of that Holy One who came not to be ministered unto but to minister. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, January 5, 1956, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had agreed to a concurrent resolution (H. Con. Res. 199) extending the felicitations of the Congress to those participating in the celebration of the 250th anniversary of the birth of Benjamin Franklin, in which it requested the concurrence of the Senate.

HOUSE CONCURRENT RESOLUTION REFERRED

The concurrent resolution (H. Con. Res. 199) extending the felicitations of the Congress to those participating in the celebration of the 250th anniversary of the birth of Benjamin Franklin was referred to the Committee on the Judiciary, as follows:

Whereas January 17, 1956, marks the 250th anniversary of the birth of Benjamin Franklin in Boston, Mass.; and

Whereas Benjamin Franklin, because of his dedication to the welfare of human society and the influence which he has exerted upon our material and spiritual development through his great and varied achievements as a statesman, diplomat, journalist, scientist, and philosopher, is universally recognized as one of the truly monumental figures of mankind; and

Whereas the contributions of Benjamin Franklin to the achievement of independence for the United States of America, to the formulation of our Constitution and the formation of the Government under which we live, and to our progress as a Nation over the years are unsurpassed by any individual in our history; and

Whereas Federal, State, and local officials of the Commonwealth of Massachusetts and the Commonwealth of Pennsylvania, respectively, will join with the Greater Boston Chamber of Commerce and the Franklin Foundation in commemorative ceremonies to be held in Boston in connection with such anniversary and also with the Franklin Institute of Philadelphia and cooperating organizations and the University of Pennsylvania to be held in Philadelphia; and

Whereas it is fitting that the Congress, as a mark of recognition and respect on behalf of all of the people of the United States, add its voice to the voices of those who are participating in these ceremonies: Therefore be it

Resolved by the House of Representatives (the Senate concurring), That the Congress extends its greetings and felicitations to all those who are participating in the commemorative ceremonies being held in Boston, Mass., and in Philadelphia, Pa., on the occasion of the 250th anniversary of the birth of Benjamin Franklin. The Congress joins with them and with all the people of the United States in expressing its appreciation of the great and indispensable part which Benjamin Franklin played, through his great and varied accomplishments in many fields, in the founding of our Nation and the establishment of a sound basis for the progress and development which our Nation has enjoyed over the years.

FORTY-THIRD BIRTHDAY ANNIVERSARY OF THE VICE PRESIDENT

Mr. KNOWLAND. Mr. President, I would not want this occasion to pass unnoticed, while the distinguished President of the Senate is in the chair. I am sure that I speak on behalf of the entire Senate and Members on both sides of the aisle when I wish him a very happy birthday. [Applause.]

Today is the Vice President's 43d birthday. He was born on January 9, 1913, in Yorba Linda, Calif. He has had a distinguished career both as a Member of the House of Representatives and of the Senate, where he served as our colleague for 2 years and as Vice President of the United States. We wish him many more birthday anniversaries in the future.

Mr. JOHNSON of Texas. Mr. President, I wish to join my colleague in wishing for the Vice President many happy returns of the day, and expressing our deep appreciation of the fairness with

which he presides over this body. He always is courteous. He always is fair. I hope he will have as many more birthdays in the future as he has had in the past.

Mr. WILEY. Mr. Vice President, I desire to agree with all the nice things which have been said about you. I also wish for you many more years of happiness and service to your country.

Mr. KUCHEL. Mr. President, I desire to join in the sentiments which have been expressed by my colleague from California, the distinguished minority leader [Mr. KNOWLAND], and my colleague from Texas, the distinguished majority leader [Mr. JOHNSON] in felicitating the Vice President of the United States on the occasion of the anniversary of his birth.

I am delighted to join with his friends in the Senate, his family, and his many friends in California in saying, "Many happy returns of the day."

The VICE PRESIDENT. The Chair thanks the Senator from California [Mr. KUCHEL], the minority leader, the majority leader, and the Senator from Wisconsin [Mr. WILEY] for their kind remarks.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that statements made during the morning hour be limited to the usual 2 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT ON OPERATIONS UNDER SOIL CONSERVATION AND DOMESTIC ALLOTMENT ACT

A letter from the Assistant Secretary of Agriculture, transmitting, pursuant to law, a report of operations, expenditures and obligations under the Soil Conservation and Domestic Allotment Act, including a report on the operations under the emergency wind erosion control program, for the fiscal year ended June 30, 1955 (with accompanying papers); to the Committee on Agriculture and Forestry.

REPORT ON ARMY AVIATION PERSONNEL

A letter from the Secretary of the Army, transmitting, pursuant to law, a report on Army officers entitled to flight pay, for the 6-month period ended December 31, 1955 (with an accompanying report); to the Committee on Armed Services.

REQUIREMENT FOR MEMBERS OF ARMED FORCES TO MAKE UP TIME LOST DURING ENLISTMENTS

A letter from the Acting Secretary of the Navy, transmitting a draft of proposed legislation to require enlisted members of the Armed Forces to make up time lost during enlistments (with an accompanying paper); to the Committee on Armed Services.

AMENDMENT OF WOMEN'S ARMED SERVICE INTEGRATION ACT, RELATING TO FLEXIBILITY IN DISTRIBUTION OF WOMEN OFFICERS IN CERTAIN GRADES

A letter from the Acting Secretary of the Navy, transmitting a draft of proposed legislation to amend title II of the Women's Armed Services Integration Act of 1948, by providing flexibility in the distribution of women officers in the grades of commander and lieutenant commander, and for other purposes (with accompanying papers); to the Committee on Armed Services.

APPOINTMENT AND PROMOTION OF DIRECTOR AND ASSISTANT DIRECTORS OF MARINE BAND

A letter from the Assistant Secretary of the Navy (Personnel and Reserve Forces), transmitting a draft of proposed legislation to provide for the appointment and promotion of the director and assistant directors of the band of the United States Marine Corps, and for other purposes (with accompanying papers); to the Committee on Armed Services.

FINANCIAL AND TECHNICAL ASSISTANCE TO CERTAIN AREAS

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to assist areas to develop and maintain stable and diversified economies by a program of financial and technical assistance and otherwise, and for other purposes (with an accompanying paper); to the Committee on Banking and Currency.

REPORT OF BOARD OF COMMISSIONERS OF THE DISTRICT OF COLUMBIA

A letter from the President, Board of Commissioners of the District of Columbia, transmitting, pursuant to law, a report of that Board on the operations of the government of the District of Columbia, for the fiscal year 1955 (with an accompanying report); to the Committee on the District of Columbia.

REPORT ON PREVENTION, DETECTION, AND PUNISHMENT OF CRIME IN THE DISTRICT OF COLUMBIA

A letter from the Chairman, Council on Law Enforcement in the District of Columbia, transmitting, pursuant to law, a report on effective prevention, detection, and punishment of crime in the District of Columbia, for the period January 1, 1955, to December 31, 1955 (with accompanying papers); to the Committee on the District of Columbia.

REPORT OF CHESAPEAKE & POTOMAC TELEPHONE CO.

A letter from the vice president, the Chesapeake & Potomac Telephone Co., Washington, D. C., transmitting, pursuant to law, a report of that company for the year 1955 (with an accompanying report); to the Committee on the District of Columbia.

REPORT OF UNITED STATES TARIFF COMMISSION

A letter from the Chairman, United States Tariff Commission, transmitting, pursuant to law, the 39th report of that Commission, for the period October 1, 1954, through September 30, 1955 (with an accompanying report); to the Committee on Finance.

TRANSFER OF CERTAIN RESPONSIBILITIES BY SECRETARY OF THE INTERIOR

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to transfer certain responsibilities of the Secretary of the Interior to the Public Housing Commissioner and the Secretary of Agriculture, and for other purposes (with an accompanying paper); to the Committee on Interior and Insular Affairs.

AMENDMENT OF TITLE 18, UNITED STATES CODE, TO PROHIBIT INTRUSION UPON THE PRIVACY OF FEDERAL JURIES

A letter from the Attorney General, transmitting a draft of proposed legislation to amend title 18, United States Code, so as to prohibit intrusion upon the privacy of Federal juries (with an accompanying paper); to the Committee on the Judiciary.

PAYMENT OF CERTAIN CLAIMS BY SECRETARIES OF MILITARY DEPARTMENTS

A letter from the Secretary of the Army, transmitting a draft of proposed legislation to authorize partial payment of certain claims which are certified for consideration of the Congress by the Secretaries of the Military Departments (with an accompanying paper); to the Committee on the Judiciary.

TABLES OF BANKRUPTCY STATISTICS

A letter from the Director, Administrative Office of the United States Courts, Washington, D. C., transmitting, pursuant to law, tables of bankruptcy statistics, with reference to bankruptcy cases commenced and terminated in the United States District Courts, for the fiscal year ended June 30, 1955 (with an accompanying document); to the Committee on the Judiciary.

AMENDMENT OF CODE RELATING TO APPEALS FROM INTERLOCUTORY ORDERS OF UNITED STATES DISTRICT COURTS

A letter from the Director, Administrative Office of the United States Courts, Washington, D. C., transmitting a draft of proposed legislation to amend section 1292 of title 28 of the United States Code relating to appeals from interlocutory orders (with accompanying papers); to the Committee on the Judiciary.

REPORT OF RESERVE OFFICERS ASSOCIATION OF THE UNITED STATES, INC.

A letter from the Executive Director, Reserve Officers Association of the United States, Inc., Washington, D. C., transmitting, pursuant to law, a report of that Association, dated March 31, 1955 (with an accompanying report); to the Committee on the Judiciary.

AMENDMENT OF SECTION 345 OF THE PUBLIC HEALTH SERVICE ACT

A letter from the president, Board of Commissioners of the District of Columbia, transmitting a draft of proposed legislation to amend section 345 of the Public Health Service Act (with an accompanying paper); to the Committee on Labor and Public Welfare.

REPORT OF BOARD OF DIRECTORS OF TENNESSEE VALLEY AUTHORITY

A letter from the Chairman and Members of the Board of Directors, Tennessee Valley Authority, Wilson Dam, Ala., transmitting, pursuant to law, a report of that board for the fiscal year ended June 30, 1955 (with an accompanying report); to the Committee on Public Works.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A resolution adopted by the mayor and board of supervisors of the city and county of Honolulu, Hawaii, favoring the enactment of legislation to enable the Territory of Hawaii to authorize that board to issue general obligation bonds; to the Committee on Interior and Insular Affairs.

A letter from the Deputy Director, Civil Defense Corps, State of Ohio, Adjutant General's Department, Fort Hayes, Columbus, Ohio, transmitting a copy of an interstate civil defense and mutual aid compact entered into by the States of New York and Ohio, together with an amendment to the original compact between the States of Oregon and Ohio (with accompanying papers); to the Committee on Armed Services.

By Mr. GREEN (for himself and Mr. PASTORE):

A resolution of the Legislature of the State of Rhode Island; to the Committee on Public Works:

"Resolution respecting the Woonsocket Channel improvement project, and the Pawtucket flood wall project, integral parts of the flood control plan for the Blackstone River Basin authorized by the Flood Control Act, approved on December 22, 1944, Public Law No. 534, 78th Congress

"Whereas by Resolution 170, passed at the January session, 1953, the general assembly

gave assurances to the Corps of Engineers of the United States Army of the State's willingness to participate in the Woonsocket channel improvement project authorized by the Flood Control Act, which project was approved on December 22, 1944 (Public Law 534, 78th Congress); and

"Whereas the floods of August 8, 1955, have shown the need for greatly expanding the planned capacity of the channel of the Blackstone River, materially raising the overall cost of the project; and

"Whereas local interests are required to (1) provide without cost to the United States all lands, easements, and rights-of-way necessary for the construction of the projects; (2) hold and save the United States free from damages due to the construction works; (3) maintain and operate all the works after completion in accordance with regulations prescribed by the Secretary of the Army; and (4) in the case of the Woonsocket channel improvement project, alter highway and foot bridges; and

"Whereas the city of Woonsocket, having a vital interest in protective measures to alleviate the recurring and economic losses repeatedly experienced in the past through the flooding of the Blackstone River within its boundaries, has evinced an interest in and given firm intention to share in the local contribution required of it; and

"Whereas the State of Rhode Island has a continuing economic interest in flood control of the Blackstone river and a substantial permanent financial investment to protect by reason of the installation of a system of sewage collection and treatment facilities, State highways, bridge structures and a State pier serving the communities bordering the Blackstone River within the State of Rhode Island: Now, therefore, be it

"*Resolved*, That the general assembly hereby concurs in the findings and recommendations of the Corps of Engineers of the United States Army as to both the Woonsocket channel improvement project and the Pawtucket flood wall project; approves the efforts of the citizens and authorities of the city of Woonsocket to participate financially in this undertaking; and finds it prudent and essential to safeguard the health, safety, and welfare of the citizens of the communities in the Blackstone Valley and all of the citizens of the State otherwise, and to protect the financial investment and services of vital concern within that area; and the general assembly hereby gives assurance of the willingness of the State of Rhode Island to participate in the Woonsocket channel improvement project to an extent equal to 50 percent of the 'local share' required, which 50 percent is estimated at this time to be $600,000; provided the city of Woonsocket participates to an equal extent; and be it further

"*Resolved*, that the secretary of state is hereby authorized and directed to transmit duly certified copies of this resolution to the Corps of Engineers of the United States Army, the Honorable Secretary of the Army, and the Senators and Representatives from Rhode Island in the Congress of the United States."

RESOLUTIONS OF MINNESOTA ASSOCIATION OF COOPERATIVES

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the body of the RECORD, and appropriately referred, the various resolutions adopted by the Minnesota Association of Cooperatives at its annual meeting on October 31 and November 1, 1955.

There being no objection, the resolutions were referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

RESOLUTION 13

Whereas the American farmer is presently in a serious economic position due to disparity of income as compared to other segments of the national economy: Be it

Resolved, That the Congress take action that will alleviate the immediate problem of inadequate farm income by whatever means that may be required to save our farmers from insolvency; be it further

Resolved, That we pledge our resources and experience toward the development of a more complete production, processing and marketing system, based on cooperative principles and effort, that will assure producers and consumers alike of fair and equitable treatment in the procurement of the necessities of life; and be it further

Resolved, That a copy of this resolution be sent to each member of the congressional delegation and Senators, and a copy be sent to the White House.

RESOLUTION 14

Whereas due to the efforts of enemies of the cooperative movement, misconception of the basic principles of income taxation as it applies to nonprofit corporations has been widely fostered in the public mind; and

Whereas the Congress had declared that the present method of income taxation as applied to nonprofit corporations is just: Be it

Resolved, That we urge cooperative organizations everywhere to unite in a movement to inform the public of the true situation that exists insofar as income taxation of nonprofit corporations in general is concerned.

RESOLUTION 15

Whereas the Secretary of the Treasury has recommended that a withholdings tax be imposed on the patronage net margins that accrue through cooperative marketing and purchasing: Be it

Resolved, That MAC hereby go on record as being opposed to such withholdings unless the same principle of collecting income taxes be applied to all forms of business.

RESOLUTION 18

Whereas agriculture is beset with a problem of surplus commodities; and

Whereas large quantities of these surplus items are consumed in the school-lunch program to the benefit of the students and staff of the participating schools; and

Whereas only a portion of our schools are participating in the lunch program at the present time: Be it

Resolved, That we urge the expansion of the school-lunch program for the benefit of added numbers of individuals and the further aid in reduction of surplus agricultural commodities, including milk.

ACQUISITION OF SURPLUS FEDERAL PROPERTY BY STATE AND LOCAL GOVERNMENTS—RESOLUTION

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the body of the RECORD, and appropriately referred, a resolution adopted by the National Institute of Governmental Purchasing at their 10th annual conference on October 19, 1955. Their resolution supports and endorses my bill, S. 1799, which will enable State and local governments to acquire Federal surplus property at negotiated or fixed prices.

There being no objection, the resolution was referred to the Committee on Government Operations and ordered to be printed in the RECORD, as follows:

NATIONAL INSTITUTE OF GOVERNMENTAL PURCHASING, INC.,
Washington, D. C., November 18, 1955.

Senator HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR HUMPHREY: The National Institute of Governmental Purchasing held its 10th annual conference and products exhibit in Washington at the Hotel Shoreham on October 16–19, 1955, with a total attendance of more than twelve hundred.

At our concluding session on Wednesday, October 19, our members passed unanimously the following resolution:

"NIGP reaffirms its deep interest in the subject of the acquisition of surplus Federal property by State and local governments. The institute urges it members and the public purchasing profession generally to support actively the measure introduced in the last session of the Congress by Senator HUBERT H. HUMPHREY, of Minnesota, which will enable State and local governments to acquire Federal surplus property at negotiated or fixed prices."

I felt that you would wish to know of this evidence of interest in your measure, and I want to assure you that at the next session of the Congress we shall give you every support in your efforts to see to it that State and local governments are given an opportunity to acquire their fair share of Federal surplus property.

Our officers and directors are deeply appreciative of your active and effective help in this matter.

Sincerely,

ALBERT H. HALL,
Executive Vice President.

EXPANSION OF BRUCELLOSIS PROGRAM AND REGULATORY LABORATORY FACILITIES — RESOLUTIONS

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD, and appropriately referred, two resolutions adopted by the United States Livestock Sanitary Association at their annual meeting in New Orleans in November 1955. The Minnesota State Live Stock Sanitary Board is in full accord with the two resolutions calling for an expanded brucellosis program, and for the Department of Agriculture to furnish research and regulatory laboratory services that are essential to the livestock industry.

There being no objection, the resolutions were referred to the Committee on Agriculture, and ordered to be printed in the RECORD, as follows:

RESOLUTIONS OF THE UNITED STATES LIVESTOCK SANITARY ASSOCIATION AT THEIR MEETING NOVEMBER 16, 17, AND 18, JUNG HOTEL, NEW ORLEANS, LA.

RESOLUTION PERTAINING TO EXPANDED BRUCELLOSIS PROGRAM

Whereas the expanded and accelerated brucellosis eradication program inaugurated by the Agricultural Research Service in the fall of 1954, has received widespread acceptance and support; and

Whereas the funds authorized by the Congress to finance this program fall short of the sum needed annually to maintain this program at a level consistent with the State goal of eradication of brucellosis: Be it therefore

Resolved, That the United States Livestock Sanitary Association hereby endorses and recommends to the Secretary of Agriculture,

Director of the Bureau of the Budget, Members of the Senate and House Committees on Agriculture and Appropriations of the Congress that additional funds not to exceed $10 million be authorized for this work for the remainder of the current fiscal year and that funds not to exceed $30 million annually be authorized and provided for the 2 fiscal years following; and be it further

Resolved, That this association recommends that each State increase its financial support for brucellosis eradication consistent with the increased Federal support; and be it further

Resolved, That the United States Livestock Sanitary Association herewith pledges its full support to accomplish this purpose and recommends a similar course of action to all national livestock and veterinary organizations.

RESOLUTION PERTAINING TO REGULATORY LABORATORY FACILITIES

Whereas throughout the years the United States Department of Agriculture has furnished certain research and regulatory laboratory services that are essential to the livestock industry; and

Whereas certain laboratories have been closed and abandoned and the activities of other laboratories have been curtailed because these laboratories conduct work with organisms pathologic to man and thus these activities of the laboratories in the present locations are considered hazardous; and

Whereas this has resulted in the interruption of essential activities formerly carried out in these laboratories: Therefore be it

Resolved, That the Secretary of Agriculture, Director of the Bureau of the Budget, and Members of the Senate and House Committees on Agriculture and Appropriations be urged to provide the funds necessary to construct, staff, and maintain new laboratory facilities adequate for performing the essential research, regulatory, and diagnostic laboratory services which have been disrupted by closing the laboratory in the city of Washington, D. C., and curtailment of activities of laboratories in Denver, Colo., and Auburn, Ala.; and be it further

Resolved, That each State livestock sanitary official be urged to inform his congressional delegates of this acute need and solicit their support for the necessary appropriation.

WATER POLLUTION CONTROL—RESOLUTION

Mr. LANGER. Mr. President, I present, for appropriate reference, and ask unanimous consent to have printed in the RECORD, a letter from the Missouri River States Committee, signed by Curtis Olson, secretary-treasurer, enclosing a resolution adopted by that committee relating to water pollution control.

There being no objection, the letter and resolution were ordered to lie on the table and to be printed in the RECORD, as follows:

NORTH DAKOTA STATE WATER CONSERVATION COMMISSION,
Bismarck, N. Dak., January 3, 1956.

Hon. WILLIAM LANGER,
United States Senate,
Washington, D. C.

DEAR SENATOR LANGER: At a meeting of the Missouri River States Committee at Sioux City, Iowa, on December 14, the committee adopted a resolution endorsing Senate bill 890 as passed by the Senate of the 84th Congress. A copy of this resolution is enclosed for your information.

In another action the committee unanimously adopted a motion requesting the congressional representatives of the Missouri River Basin States to support legislation that would provide the Corps of Engineers with sufficient planning funds to complete their study of the Big Bend Dam in South Dakota.

Your favorable consideration of these two matters is sincerely requested in the forthcoming session of the Congress of the United States.

Yours very truly.

CURTIS OLSON,
Secretary-Treasurer, Missouri River States Committee.

RESOLUTION—APPROVAL OF SENATE BILL 890 ADOPTED BY MISSOURI RIVER STATES COMMITTEE, SIOUX CITY, IOWA, DECEMBER 14, 1955

Whereas water pollution control is an important part of water resource development; and

Whereas Senate bill 890 as passed by the Senate, 84th Congress, 1st Session, strengthens and continues the present temporary Federal law and increases emphasis on research and on grants to State water pollution control agencies; and

Whereas Senate bill 890 has already been endorsed by each of the 10 State health departments in the Missouri Basin: Now, therefore be it

Resolved, That the Missouri River States Committee endorse Senate bill 890 as passed by the Senate and recommend its favorable consideration by the House of Representatives; and be it further

Resolved, That a copy of this resolution be forwarded to the chairman, House Public Works Committee, and to each congressional representative from the Missouri Basin States.

FLEXIBLE FARM PRICE SUPPORTS

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD the GTA Daily Roundup for December 28, 1955, discussing agricultural problems.

There being no objection, the Roundup was ordered to be printed in the RECORD, as follows:

One of the very first things President Eisenhower did when he took office early in 1953 was to appoint a new Secretary of Agriculture, Ezra Taft Benson, a native of Utah and a leader in the Mormon Church. And, in turn, one of the very first things Mr. Benson did in his new job was to come to St. Paul, Minn., to make a speech. There he told farmers to "raise their sights above the dollar sign." And how well that has been accomplished.

Benson hinted then that he would go all-out for flexible price supports. And that he has done, as every farmer can see by his pocketbook. Flexible price supports, Benson said, will bring the supply of farm products into balance with demand. As supplies grow larger, he said, we'll lower the price support. That will discourage farmers from raising the crops that are in surplus. Supply will be brought into balance with demand.

But many farm leaders and agricultural experts, including M. W. Thatcher, GTA's general manager, warned the administration that farmers wouldn't react the way Benson said they would. As their prices are flexed downward, these people warned the President that farmers will produce more in an effort to keep their incomes up. And that is just what farmers have done. After 3 years under Secretary Benson, farm price supports are down almost to disaster levels. Farmers are busily planting every last corner of their fields, and filling pens with hogs and cattle, trying to take in enough money at these low prices to realize a decent net income.

Are they succeeding? Let's look at the record for 1955. In Minnesota farmers were blessed with fine crops. Field crop production set an all-time record. A bonanza, you would think. But, no, not under price flexing. Minnesota record crop production this year is actually worth some $35 million less than the smaller crop of 1954. Lower farm prices, aided by price flexing from Washington, more than wiped out any gain farmers might have made by growing and selling more. And that is the failure of the administration's flexible farm price policy. By cutting prices, it cuts the incomes of farm families, but it does not lower production.

A new program is needed—a bold new effort that will raise farm prices and boost the incomes of farm families. It is up to Congress to lay out that program. It will begin work next week. And to help them the Senators and Representatives will have the five-State GTA family farm economic survey. The findings of that survey are going to be printed in book form, and each Congressman will get a copy.

We'll be telling you more about the findings of this survey later. It's part of GTA's program of working for farmers wherever and whenever it can—GTA, the co-op way.

INTERNATIONAL TRADE POLICY

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a letter I have received from Catherine Baldwin enclosing a news item entitled "Briton Blasts United States Delays on Trade Policy."

There being no objection, the letter and article were ordered to be printed in the RECORD, as follows:

NEW YORK, *January 6, 1956.*

DEAR SENATOR LANGER: As you are back in the traces, I note that Eisenhower wants more foreign aid and a reduction of taxes—he calls it a tax amendment—to stimulate foreign investment. That means that we, the American people, are to pay increased taxes to back these foreign investments with an army. Oil in the Middle East is one, and Mr. Eden is coming here to suggest that we have a united program with England. Would it not be appropriate to have Congress press for the payment by these big corporations of the taxes that they already owe the Government from tax exemptions and take the burden off the backs of the people? There is much grumbling over taxes to develop our waterpower for the people here, but we keep on shoveling it out for foreign countries. Next week I am sending you a chart framed that may intrigue you. I doubt if some of your colleagues will appreciate it; and since—

Some commentator said on the radio Sunday morning last that we are giving $200 million to England so as to reduce their taxes that Anthony Eden might maintain his post, or maybe that comes under the category of foreign aid.

And, too, we find that all the old histories have been bought up and we will have nothing but what the internationalists want our children to know. If ever there was a betrayal of a country, we are witnessing it now, when I read in the press, and I presume you know it even better than I, that in another year we will not export any cotton because these foreign lands where American dollars have been sent to develop these countries are growing their own. Next they will tell us that the tariff is off and we will be offered the foreign cotton at lower prices because of the lower labor costs. This also applies to oil; we are producing less. Will you please tell me how these men sleep nights?

Rather than pass a bill authorizing this country to be a member of the Organization for Trade Cooperation we had better pass a bill getting us out of the United Nations and its sinister undermining of our country.

If we have to wait for tax reduction until they balance the budget, we will have to wait a long time, for another war will but increase the debt.

By the way, Colonel Rich asked me to write you again for the record of your exposure of Churchill on the Senate floor; he is still going after the SAR for making Churchill an honorary member.

I hope all is well with you and that you have your fighting armor by your side; we will need it; the farmers are not going to get anything any more than they did before.

Sincerely always,

CATHERINE D. BALDWIN.

BRITON BLASTS UNITED STATES DELAYS ON TRADE POLICY

ISTANBUL, September 14.—British treasury chief, R. A. Butler, accused the United States of "backpedaling" on free trade policies today before a world economic conference here.

In a speech to the 10th annual meeting of the International Monetary Fund, Butler said world conditions were still largely dominated by the economy of the United States, and recalled his plea for "Trade, not aid," as the way in which the world dollar problems will have to be solved.

FINDS SLOW PROGRESS

Butler called also for an increase in the dollar price of gold. This would have the effect of devaluing the dollar in international exchange dealings.

He acknowledged President Eisenhower's move to promote more liberal trade policies, but added: "Nevertheless, progress in United States good creditor policies has been slow.

"In recent weeks there have been a number of signs of backpedaling. Further sliding backward can lead only to agonized reappraisals."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. KILGORE, from the Committee on the Judiciary, without amendment:

S. 31. A bill for the relief of Shih Ming Wang (Rept. No. 1314);

S. 83. A bill for the relief of Ottilie Hitzlberger Lachelt (Rept. No. 1315);

S. 133. A bill for the relief of Mrs. Maria Michela Federico (Rept. No. 1316);

S. 267. A bill for the relief of Ellen Kjosnes and Unni Kjosnes (Rept. No. 1317);

S. 277. A bill for the relief of Jean Pfeifer (Rept. No. 1318);

S. 318. A bill for the relief of Chih Shing Hwa (Rept. No. 1319);

S. 499. A bill for the relief of Giuseppe Airo-Farulla and Joseph Antoine Airo-Farulla (Rept. No. 1320);

S. 508. A bill for the relief of Victoriana Areitio Berincua (Rept. No. 1321);

S. 551. A bill for the relief of Anthony Agustino Scrivanich (Rept. No. 1322);

S. 897. A bill for the relief of Erich Anton Helfert (Rept. No. 1323);

S. 993. A bill for the relief of Eugene Alexander Figueiredo (Rept. No. 1324);

S. 1009. A bill for the relief of Kathleen Schrater (Rept. No. 1325);

S. 1055. A bill for the relief of Domenico Leonardi and his wife, Clara Corradi Leonardi (Rept. No. 1327);

S. 1193. A bill for the relief of Moosa Ebrahimian (Rept. No. 1328);

S. 1375. A bill for the relief of Pingfong Ngo Chung and Pearl Wah Chung (Rept. No. 1329);

S. 1629. A bill for the relief of Peter B. Vardy and his wife, Lillian M. Vardy (Rept. No. 1331);

S. 1651. A bill for the relief of Felisa Ho (nee Chang-Kuon) (Rept. No. 1332);

S. 1672. A bill for the relief of Bruno Romeo (Rept. No. 1333);

S. 1686. A bill for the relief of Mohammed Akbar Ashraf (Rept. No. 1334);

S. 1793. A bill for the relief of Balbino Acusin Ariasa (Rept. No. 1335);

S. 1827. A bill for the relief of Adel Kamal (Rept. No. 1336);

S. 2020. A bill for the relief of Carmen Aguado (Rept. No. 1337);

H. R. 938. A bill for the relief of Mrs. Elena Apostolescu Bustiuc (Rept. No. 1338);

H. R. 1015. A bill for the relief of Mr. and Mrs. Derfery William Wright (Rept. No. 1339);

H. R. 1022. A bill for the relief of Antonio Andrea Chitato (Rept. No. 1340);

H. R. 1145. A bill for the relief of Ora L. Powers (Rept. No. 1341);

H. R. 1183. A bill for the relief of Baldomero R. Garcia, Teresa Garcia y Braganza, Francisco Garcia, Teresita Garcia, and Eduardo Garcia (Rept. No. 1342);

H. R. 1219. A bill for the relief of the estate of Mrs. Margaret A. Swift (Rept. No. 1343);

H. R. 1667. A bill for the relief of Lieselotte Boehme (Rept. No. 1344);

H. R. 1752. A bill for the relief of Johanna Juresic Grgurich (Rept. No. 1345);

H. R. 1768. A bill for the relief of the Jefferson and Plaquemines Drainage District and certain persons whose properties abut on the Federal Government's right-of-way for Harvey Canal in Louisiana (Rept. No. 1346);

H. R. 1910. A bill for the relief of Blanka Goldstein (Rept. No. 1347);

H. R. 2273. A bill for the relief of Der Chuck Yee and Wu Mei On (Rept. No. 1348);

H. R. 2278. A bill for the relief of Consuelo Calderon de Villarreal (Rept. No. 1349);

H. R. 2296. A bill for the relief of Simone Gilliland (Rept. No. 1350);

H. R. 2466. A bill for the relief of Marino and Giselda Proni (Rept. No. 1351); and

H. R. 2467. A bill for the relief of Ivo and Elia Monari (Rept. No. 1352).

By Mr. KILGORE, from the Committee on the Judiciary, with an amendment:

S. 185. A bill for the relief of Mrs. Agnes Thompson (nee Mannhardt) (Rept. No. 1353);

S. 419. A bill for the relief of Eli E. Hood (Rept. No. 1354);

S. 1037. A bill for the relief of Chung Herp Youn (Rept. No. 1326);

S. 1067. A bill for the relief of Tiber Horvath (Rept. No. 1355);

S. 1182. A bill for the relief of Haim Cohen (Haim Braun) (Rept. No. 1356);

S. 1244. A bill for the relief of Eva Gershbein Rubinstein (Rept. No. 1357);

S. 1616. A bill for the relief of Sumiko Ariumi Bilson (Rept. No. 1330);

H. R. 1146. A bill for the relief of the Pacific Music Supply Co. (Rept. No. 1358);

H. R. 1447. A bill for the relief of Aleksandra Borkowski (Rept. No. 1359); and

H. R. 1637. A bill for the relief of Sam H. Ray (Rept. No. 1360).

By Mr. KILGORE, from the Committee on the Judiciary, with amendments:

S. 1034. A bill conferring jurisdiction upon the United States District Court for the Eastern District of Michigan to hear, determine, and render judgment upon certain claims of Mr. and Mrs. Donald D. Parrish (Rept. No. 1361);

S. 1062. A bill for the relief of Renato Noe and Angela Noe (Rept. No. 1362); and

S. 1183. A bill for the relief of Len Ching Chen and Dr. Rose Hu Chen (Rept. No. 1363).

By Mr. O'MAHONEY, from the Committee on the Judiciary, without amendment:

S. Con. Res. 59. Concurrent resolution requesting the President to issue a proclamation designating the week of January 29, 1956, through February 4, 1956, as National Junior Achievement Week (Rept. No. 1364); and

H. Con. Res. 199. Concurrent resolution extending the felicitations of the Congress to those participating in the celebration of the 250th anniversary of the birth of Benjamin Franklin (Rept. No. 1365).

By Mr. SPARKMAN, from the Committee on Banking and Currency:

S. Res. 160. Resolution authorizing further expenditures and temporary employment of additional assistants by the Committee on Banking and Currency to study public and private housing; without amendment (Rept. No. 1367).

By Mr. FULBRIGHT, from the Committee on Banking and Currency:

S. Res. 155. Resolution authorizing the Committee on Banking and Currency to investigate certain matters and authorizing expenditures therefor; without amendment (Rept. No. 1366).

REPORT OF COMMITTEE ON BANKING AND CURRENCY ENTITLED "FEDERAL DISASTER INSURANCE" (S. REPT. NO. 1313)

Mr. FULBRIGHT. Mr. President, from the Committee on Banking and Currency I submit a report, consisting of a staff report on Federal disaster insurance, and ask unanimous consent that it be printed, with illustrations.

The VICE PRESIDENT. Without objection, it is so ordered.

REPORTS ON DISPOSITION OF EXECUTIVE PAPERS

Mr. JOHNSTON of South Carolina, from the Joint Select Committee on the Disposition of Executive Papers, to which were referred for examination and recommendation two lists of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted reports thereon, pursuant to law.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time and, by unanimouse consent, the second time, and referred as follows:

By Mr. GEORGE:

S. 2863. A bill for the relief of Margarete Lewis; and

S. 2864. A bill for the relief of Waltraud Grete Schramm; to the Committee on the Judiciary.

By Mr. KNOWLAND:

S. 2865. A bill to authorize the acceptance by the Government of gifts to be used to reduce the public debt; to the Committee on Finance.

By Mr. MORSE (for himself, Mr. SPARKMAN, and Mr. LEHMAN):

S. 2866. A bill to amend the Small Business Act of 1953, as amended; to the Committee on Banking and Currency.

(See the remarks of Mr. MORSE when he introduced the above bill, which appear under a separate heading.)

By Mrs. SMITH of Maine:

S. 2867. A bill for the relief of Izzie Holden; to the Committee on Post Office and Civil Service.

By Mrs. SMITH of Maine (by request):

S. 2868. A bill for the relief of Ethelyn G. Warren; to the Committee on the Judiciary.

By Mr. WILEY:

S. 2869. A bill to amend the Agricultural Act of 1949, as amended, so as to continue and increase the consumption of fluid milk by children in nonprofit schools of high school grade and under; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. WILEY when he introduced the above bill, which appear under a separate heading.)

By Mr. HOLLAND:

S. 2870. A bill to provide for research and technical assistance relating to the control of salt-marsh and other pest mosquitoes of public-health importance and mosquito vectors of human disease; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. HOLLAND when he introduced the above bill, which appear under a separate heading.)

By Mr. THYE:

S. 2871. A bill to authorize the Secretary of Agriculture to establish policies and programs for the use of acreage voluntarily retired from production; to the Committee on Agriculture and Forestry.

By Mr. SPARKMAN (for himself and Mr. HILL):

S. 2872. A bill to provide that measurement prior to planting of cotton acreage allotments made at the request of farmers shall be without cost to them; to the Committee on Agriculture and Forestry.

By Mr. HUMPHREY (for Mr. MURRAY):

S. 2873. A bill for the relief of Francesco Longo; to the Committee on the Judiciary.

By Mr. SMATHERS:

S. 2874. A bill for the relief of Ethel Kallins; to the Committee on the Judiciary.

By Mr. JOHNSTON of South Carolina:

S. 2875. A bill to revise the Civil Service Retirement Act; to the Committee on Post Office and Civil Service.

(See the remarks of Mr. JOHNSTON of South Carolina when he introduced the above bill, which appear under a separate heading.)

By Mr. MALONE (for himself and Mr. BARRETT):

S. 2876. A bill to amend the Domestic Minerals Program Extension Act of 1953 in order to strengthen national defense and to further extend the program to encourage the discovery, development, and production of certain domestic minerals; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. MALONE when he introduced the above bill, which appear under a separate heading.)

By Mr. NEUBERGER (for himself and Mr. MORSE):

S. 2877. A bill to revoke the license granted by the Federal Power Commission to the city of Eugene, Oreg., for a hydroelectric project in the upper McKenzie River area; to the Committee on Public Works.

By Mr. WILLIAMS (for himself and Mr. FREAR):

S. 2878. A bill to amend the act entitled "An act authorizing the State of Delaware by and through its State highway department to construct, maintain, and operate a toll bridge across the Delaware River near Wilmington, Del.," approved July 13, 1946; to the Committee on Public Works.

By Mr. BENNETT:

S. 2879. A bill to promote the dispersal of industrial facilities in the interest of national defense; to the Committee on Banking and Currency.

By Mr. DUFF:

S. 2880. A bill to provide for the ascertainment of claims of American citizens for spoliations committed by the French prior to the 31st day of July 1801; to the Committee on the Judiciary.

(See the remarks of Mr. DUFF when he introduced the above bill, which appear under a separate heading.)

By Mr. THURMOND:

S. 2881. A bill to direct the Secretary of Commerce to collect and publish annually statistics as to the number of certain types of textile looms in place and in operation on a State-by-State basis; to the Committee on Post Office and Civil Service.

By Mr. CARLSON:

S. 2882. A bill for the relief of Mrs. Geraldine Elaine Sim; and

S. 2883. A bill for the relief of Dr. Yong Whan Kim; to the Committee on the Judiciary.

By Mr. YOUNG (for himself, Mr. LANGER, Mr. THYE, Mr. HUMPHREY, Mr. MUNDT, Mr. MURRAY, Mr. KNOWLAND, and Mr. KUCHEL):

S. 2884. A bill to amend the wheat marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agriculture and Forestry.

By Mr. YOUNG (for himself, Mr. LANGER, Mr. THYE, Mr. HUMPHREY, Mr. MUNDT, Mr. CASE of South Dakota, Mr. MURRAY, and Mr. MANSFIELD):

S. 2885. A bill to amend the wheat marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agriculture and Forestry.

By Mr. MAGNUSON:

S. 2886. A bill to amend paragraph 1629 of the Tariff Act of 1930 so as to provide for the free importation of tourist literature; to the Committee on Finance.

By Mr. EASTLAND (for himself and Mr. JENNER):

S. 2887. A bill to further protect and assure the privacy of grand or petit juries in the courts of the United States while such juries are deliberating or voting; to the Committee on the Judiciary.

By Mr. LANGER:

S. 2888. A bill for the relief of Elizabeth Dummer; to the Committee on the Judiciary.

By Mr. NEUBERGER (for Mr. MURRAY and Mr. SCOTT):

S. 2889. A bill providing for the preservation of certain records of the Department of the Interior pertaining to mineral lands or operations, mines, or minerals which were formerly held by the Reconstruction Finance Corporation, or any of its subsidiary corporations; to the Committee on Interior and Insular Affairs.

By Mr. MONRONEY (for himself, Mr. FULBRIGHT, Mr. ANDERSON, and Mr. DANIEL):

S. 2890. A bill to require disclosure on monthly gas bills of domestic gas consumers in the District of Columbia of the average rate paid by such consumers and the portion of that rate received by producers, pipelines, and the distributing company, respectively; to the Committee on the District of Columbia.

(See the remarks of Mr. MONRONEY when he introduced the above bill, which appear under a separate heading.)

By Mr. DANIEL:

S. 2891. A bill to amend section 709 of title 18 of the United States Code so as to prohibit the use by certain businesses of the initials "U. S." in the business or firm name or pictures of the Capitol Building and other public buildings of the United States in their advertising, and to increase the penalties for violation of such section; to the Committee on the Judiciary.

(See the remarks of Mr. DANIEL when he introduced the above bill, which appear under a separate heading.)

By Mr. SMITH of New Jersey (for himself, Mr. BRIDGES, Mr. BUSH, Mr. DIRKSEN, Mr. ALLOTT, Mr. DUFF, Mr. MARTIN of Pennsylvania, Mr. POTTER, Mr. PURTELL, Mr. COTTON, Mr. PAYNE, Mr. BENDER, Mr. THYE, Mr. BUTLER, Mrs. SMITH of Maine, Mr. SALTONSTALL, Mr. FLANDERS, Mr. CARLSON, Mr. AIKEN, Mr. CAPEHART, Mr. IVES, Mr. CASE of New Jersey, and Mr. BEALL):

S. 2892. A bill to assist areas to develop and maintain stable and diversified economies by a program of financial and technical assistance and otherwise, and for other purposes; to the Committee on Banking and Currency.

(See the remarks of Mr. SMITH of New Jersey when he introduced the above bill, which appear under a separate heading.)

By Mr. KEFAUVER (for himself, Mr. O'MAHONEY, and Mr. ANDERSON):

S. J. Res. 112. Joint resolution to provide for the appointment of a chief special counsel and an assistant special counsel to represent the United States in litigation brought against the United States to recover damages under the so-called Dixon-Yates contract; to the Committee on the Judiciary.

(See the remarks of Mr. KEFAUVER when he introduced the above joint resolution, which appear under a separate heading.)

By Mr. SPARKMAN:

S. J. Res. 113. Joint resolution to permit FHA Title I repair assistance to new homes damaged by major disasters; to the Committee on Banking and Currency.

(See the remarks of Mr. SPARKMAN when he introduced the above joint resolution, which appear under a separate heading.)

By Mr. PASTORE:

S. J. Res. 114. Joint resolution to change the name of Bedloe's Island in New York Harbor to Liberty Island; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. PASTORE when he introduced the above joint resolution, which appear under a separate heading.)

AMENDMENT OF SMALL BUSINESS ACT OF 1953

Mr. MORSE. Mr. President, on behalf of myself, the Senator from Alabama [Mr. SPARKMAN], and the Senator from New York [Mr. LEHMAN], I introduce, for appropriate reference, a bill to amend the Small Business Act of 1953. This bill is designed primarily to provide additional disaster loan authority for the Small Business Administration. Under existing law that agency is limited to a ceiling of $25 million outstanding at any one time for disaster loans. This fund has been completely exhausted by loans made to homeowners and small-business men whose properties were destroyed or damaged in the disastrous hurricanes and floods of 1955. In fact, I understand that the Small Business Administration has made over $10 million in loans from the business loan fund which otherwise would have been disaster loans, if the disaster loan fund had not been exhausted.

This bill would combine the business loan fund—$150 million—and the disaster loan fund—$25 million—and increase this sum by $50 million, thus making a total combined fund of $225 million. This action will accomplish four purposes:

First. It will increase the total authorization for disaster loans and business loans by $50 million, and thereby restore the unusual drain on the authorization caused by the disasters of 1955.

Second. It will provide funds anticipated to be required by the recent floods in Oregon, California, and Nevada.

Third. It will provide a cushion of loan funds which may be needed in future disasters.

Fourth. It will combine the disaster loan fund and the business loan fund so that in an extreme emergency, such as we experienced in the fall of 1955, the agency will not be faced with an arbitrary ceiling on the loans which can be made to relieve adversities suffered by disaster victims.

The administration has proposed to solve this shortage of disaster loan money merely by combining the business loan fund and the disaster loan fund. This is not a satisfactory solution and might result in a shortage of funds for the regular small business loan program of the agency. To prevent the possibility of such a shortage, I propose to increase the authorization by $50 million.

I have also included an amendment to the basic law to specify that no disaster loan can bear interest at a rate greater than 3 percent. Although this maximum 3 percent interest rate for disaster loans was intended by the Congress in last year's amendments, the language of those amendments is not clear; and I think that the change which is in my bill is necessary.

In addition, I am offering language to correct some technical imperfections in the law which occurred in the rush of business during the closing hours of the last session. While these changes are not substantive in nature, and have not impaired the administration of the law, it is nevertheless desirable that they be made.

I do not look upon the disaster loan program of the Small Business Administration as an adequate solution to the suffering and property losses experienced by the residents of areas stricken by disasters. However, at the present time, this disaster loan program is the only program we have, and I hope that legislation granting an additional $50 million in loan authorization will be passed promptly by the Congress.

I send the bill to the desk and ask for its appropriate reference.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 2866) to amend the Small Business Act of 1953, as amended, introduced by Mr. MORSE (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Banking and Currency.

Mr. BUSH. Mr. President, will the Senator yield for a question?

Mr. MORSE. I yield.

Mr. BUSH. I did not quite get what the Senator said about the administration's attitude on the consolidation of the disaster and ordinary business loans.

Mr. MORSE. I do not consider the program adequate to meet the disaster problems of our country. It is the only loan program we have at the present time. I think we ought to combine the two loans and increase the amounts available for loans.

Mr. BUSH. Perhaps the Senator is aware of the fact that I introduced a bill on last Thursday to do exactly that. As I understand the bill of the Senator from Oregon, it would increase the amount only by $25 million.

Mr. MORSE. That is pretty important to the people who need the $25 million.

Mr. BUSH. I am not questioning that, but I thought the Senator said that the administration has opposed the consolidation of those loans.

Mr. MORSE. No, I did not say that.

Mr. BUSH. I am sorry. I misunderstood the Senator.

FUNDS FOR SCHOOL MILK PROGRAM

Mr. WILEY. Mr. President, I am glad to join in recommending to the Senate that in accordance with a request in President Eisenhower's farm message, the Congress take prompt action to provide supplemental funds to complete the special school milk program for the current fiscal year.

Because of rapid expansion, the program requires an additional $10 million, if it is to operate adequately through the end of the current year. And I am also recommending that, through the Committee on Agriculture and Forestry, the Agricultural Act of 1949, as amended, be quickly amended to increase the amount of funds for the program from $50 to $60 million for the 1955–56 year. The money is urgently needed to avoid a slowdown in the distribution of milk to the schools.

REASON FOR SUPPLEMENTAL FUNDS

There is ample justification for these additional funds. The rapid expansion of the program increased the number of schools participating in the program from 42,000 to 62,000—a 48 percent increase during the last 9½ months—March to mid-December—of 1955.

The expenditures which were at approximately $17 million level in the school year 1954–55, are estimated to exceed $50 million for 1955–56. The consumption of milk for the current year is estimated to be over 1.3 billion half pints of milk. This is a remarkable record.

Our whole Nation, of course, is deriving benefits from this program. The health of our school youngsters is vastly improved by the additional milk in their diet. This too, is a good commonsense way to dispose of our surpluses.

The dairy industry has pioneered in the school milk program. Prominent in the industry for its contribution to the program's success is the National Milk Producers' Federation, ably represented by Mr. E. M. Norton, secretary. Mr. Willis Tobler is legislative secretary of the federation.

LETTER FROM STATE EDUCATION DEPARTMENT

An excellent picture of the progress of the special school milk program in Wisconsin was sent to me this week from Mr. G. E. Watson, by Gordon W. Gunderson, supervisor of the school lunch program.

I request unanimous consent that an excerpt from this letter be printed, at the conclusion of my remarks in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

(See exhibit A.)

INTRODUCTION OF BILL TO EXPAND MILK PROGRAM

Mr. WILEY. At this time, I introduce, for appropriate reference, a bill to provide a larger amount of funds for the special school milk program during the coming 1956–57 school year. My bill proposes to increase the total amount of money allocated for the special school milk program from $50 million to $75 million. I may say incidentally that I regard this $75 million figure a minimum floor, not a maximum ceiling.

I respectfully urge early action on this bill, for two specific reasons: First, the schools now under the program need to be assured of a continued program, so that they may plan accordingly; and, second, new schools, or those not now under the program, need time to set up the machinery for participation in the 1956–57 program.

I hope the Senate will give this fine program its unanimous, bipartisan approval.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 2869) to amend the Agricultural Act of 1949, as amended, so as to continue and increase the consumption of fluid milk by children in nonprofit schools of high school grade and under, introduced by Mr. WILEY, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

EXHIBIT A

THE STATE OF WISCONSIN,
DEPARTMENT OF PUBLIC INSTRUCTION,
Madison, Wis., January 6, 1956.

The Honorable ALEXANDER WILEY,
United States Senate, Senate Office Building, Washington, D. C.

DEAR SENATOR WILEY:

* * * * *

As of January 5 there were 3,291 public schools of Wisconsin participating in the special school-milk program. The average daily attendance in these schools is 469,204 children. Since the total average daily attendance in all Wisconsin public schools is estimated at 538,000 children, you will note that approximately 87 percent of the children in average daily attendance are attending schools which are participating in the special school-milk program. Small rural schools located a long distance from a city or village, making it extremely difficult to obtain milk deliveries, are about the only schools which are not participating in the program at the present time.

To give you some idea of the increase in consumption of fluid milk since the inauguration of the special school-milk program, we can cite the following facts:

The highest milk consumption prior to the beginning of the school-milk program took place in March 1954, when children in public schools of the State consumed 2,807,982 half pints of milk.

In October 1954, after the start of the special school-milk program, 2,611,409 half pints of milk were consumed. Of this number, 2,111,522 half pints were used in the school-lunch program and 499,887 were used under the special school-milk program. This

was early in the year and the program had not as yet gained its full momentum.

In October of this year, 7,830,800 half pints were consumed. Of this number 2,375,800 were consumed in the school-lunch program and 5,455,000 were consumed under the special school-milk program. In other words, we used nearly 5 million more half pints of milk in October of this year than we did in the same month last year, and we anticipate that there will be a continuous increase until March when we usually have the peak participation in both school-lunch and special school-milk programs.

If the 7,830,000 half pints of milk consumed as a beverage in October were to be converted into manufactured dairy products, it would result in a production of 176,824 pounds of butter plus 294,707 pounds of powdered, skim milk (6 carloads of butter and 8 carloads of powdered milk) or 378,910 pounds of American Cheddar cheese (approximately 12 carloads). For the total school year, the above figures may be multiplied by 9.

In addition to the millions of half pints of fluid milk which will be diverted from manufactured products through the special school-milk program, the public schools of Wisconsin will use during the current school year about 753,000 pounds of butter, 402,000 pounds of American Cheddar cheese, and 139,300 pounds of powdered, skim milk, all of which will be donated from Government-owned surplus stocks. Donations of these items to institutions and for relief purposes will be in addition to the above.

Most of the children in Wisconsin's public schools are getting their half pint of milk at a cost of 1 cent and in numerous school districts the children are given the milk entirely free of charge. In these districts the difference between the cost of the milk and the reimbursement from Federal funds is paid out of school district appropriations. The cities of Appleton and Ashland and the village of Baldwin are typical examples of districts in which this practice is followed. In Baldwin the school board has provided a milk dispenser in the study hall so that the high-school children may go to the dispenser and help themselves to free milk at any time. This is in addition to all of the milk they wish to drink with their noonday lunch.

To give you some idea also of the tremendous progress under the special school-milk program this year over that of a year ago, I wish to give you the following examples using the month of October as the basis of comparison:

	October 1954 one-half pints	*October 1955 one-half pints*
Appleton	2,038	61,436
Eau Claire	28,432	84,426
Milwaukee	496,960	687,830
Ashland	15,400	36,640
Marinette	7,775	23,784
Fort Atkinson	6,900	24,669
Baldwin	1,941	10,790
Chippewa Falls	12,629	18,734

The above are but random samples of what has been taking place in the special school-milk program throughout the State.

We now have eight counties in which all of the public schools are participating, namely, Adams, Ashland, Buffalo, Florence, Forest, Jackson, Price, and Marinette.

As stated in Superintendent Watson's letter to Mr. Garber, Director of the Food Distribution Division of the United States Department of Agriculture, on December 14, Wisconsin will need at least twice as much money as has been tentatively allocated if we are to continue our special school-milk program at existing rates to the end of the school term.

Your sincere interest and cooperation is greatly appreciated.

Cordially yours,

G. E. WATSON,
State Superintendent.
GORDON W. GUNDERSON,
Supervisor, School Lunch Program.

RESEARCH AND TECHNICAL ASSISTANCE IN CONTROL OF CERTAIN MOSQUITOES

Mr. HOLLAND. Mr. President, I introduce, for appropriate reference, a bill to provide for research and technical assistance relating to the control of salt-marsh and other pest mosquitoes of public health importance and mosquito vectors of human disease.

I ask unanimous consent that a statement which I have prepared concerning this legislation be printed in the RECORD at this point.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bill (S. 2870) to provide for research and technical assistance relating to the control of salt-marsh and other pest mosquitoes of public health importance and mosquito vectors of human disease, introduced by Mr. HOLLAND, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

The statement presented by Mr. HOLLAND is as follows:

STATEMENT BY SENATOR HOLLAND

At the request of the Florida State Board of Health and the chairman of the legislative committee of the American Mosquito Control Association, Inc., I have introduced today mosquito control legislation. Also, the governing council of the American Public Health Association, at its annual meeting in Kansas City on November 16, 1955, adopted the following resolution on this general subject:

"RESEARCH ON PEST MOSQUITOES

"Whereas increasing mosquito problem arising from the further development of resort areas, especially coastal areas affected by salt marsh mosquitoes, of irrigation and other water resource undertakings, and the suburbanization of the United States, has been a cause of important concern to many public health agencies; and

"Whereas the conference of State and Territorial health officers has expressed concern on behalf of official health agencies by passage of a resolution requesting a comprehensive program of research, demonstration, and technical consultation in salt marsh mosquito control by the United States Public Health Service: Therefore be it

"*Resolved*, That the American Public Health Association recommends that a program of research, demonstration, and technical consultation in control of mosquito breeding in salt marshes, irrigation systems, and other water resources developments, be undertaken by the United States Public Health Service and by State health departments."

I am informed that a similar resolution was adopted by the State and Territorial health officers at their annual meeting in Washington on November 8, 1955.

STATE AND LOCAL GOVERNMENTS TO BEAR PRIMARY RESPONSIBILITY

This proposed legislation recognizes the fact that the eradication and control of mosquitoes is and should be primarily the duty and responsibility of State and local governments but establishes a policy and program of aiding and supporting research carried on for the purpose of devising methods of extermination and control of mosquitoes, and provides for Federal technical facilities and services to aid States in the formulation and execution of State and local mosquito research and control programs. This program would be carried out by the Surgeon General, acting under the supervision and control of the Secretary of Health, Education, and Welfare.

This legislation, if enacted, would require the Surgeon General to—

1. Establish a program to promote and encourage cooperative activities by State and local governments in the extermination and control of mosquitoes;

2. Collect and disseminate information relating to mosquitoes and the extermination and control thereof;

3. Conduct within the Public Health Service technical research and demonstrations for the purpose of developing methods for the extermination and control of mosquitoes, and aid and support State and local governments, other public agencies, and private agencies and institutions in the conduct of such research and demonstrations; and

4. Make available to State and local governments, other public agencies and interested private agencies and institutions, the results of the surveys, studies, investigations, or demonstrations which may be carried out by the Surgeon General and which relate to mosquitoes and the extermination and control thereof.

For the purposes of carrying out the provisions of this bill, there is included an authorization for an annual appropriation to the Department of Health, Education, and Welfare of a sum not to exceed $2.8 million per year beginning with fiscal year 1957, and to the Department of Agriculture, for the purpose of carrying on investigations of the effects produced on livestock by mosquitoes of a sum not to exceed $200,000 per year beginning with fiscal year 1957.

Mr. President, history records the fact that during the early development of the United States, and particularly in various southern areas, epidemics of mosquito-conveyed yellow fever and malaria retarded the efforts of our forefathers, sometimes causing panic and, as a matter of fact, even wiping out some small cities. Yellow fever was eradicated in this country years ago. Malaria remained for many, many years a scourge in many areas. Now, thanks to a cooperative mosquito-control program between the States and the Federal Government, available facts indicate that, for all practical purposes, malaria has been eradicated in the United States.

Some species of mosquitoes still present a public health and comfort problem in certain areas of the United States. To an astonishing degree, these dreaded insects are retarding the development and expansion of industry, housing developments, farming, and recreational facilities, and the time has now come, in my judgment, to launch an all-out effort to eradicate this pest by a Federal and State cooperative program for research and technical assistance.

Millions and millions of dollars are spent annually in an effort to control the mosquito, and unfortunately the great part of this is for temporary control only. I think it will amaze many Members of the Senate to know just how much money is spent each year in the United States for mosquito-control activities. In order to clearly show what these costs have been in the past, I call attention to a table entitled "Costs of Mosquito-Control Activities in the United States," together with explanatory notes,

which has been supplied to me by the Florida State Board of Health:

Costs of mosquito control activities in the United States [1]

State	Expenditures		
	State	Local	Total
Arkansas		$443,750	[2] $443,750
Arizona		34,400	[3] 34,400
California	$696,766	2,547,282	[4] 3,244,048
Connecticut	45,000		[5] [6] 45,000
Delaware	50,000	7,500	[3] 57,500
Florida	1,734,329	1,703,497	[5] 3,437,826
Georgia	18,000	348,705	[3] 366,705
Illinois		946,036	[7] 946,036
Kentucky	36,500	20,200	[5] 56,700
Louisiana		486,000	[3] 486,000
Maine		1,800	[5] 1,800
Maryland		52,600	[5] 52,600
Massachusetts		246,000	[2] 246,000
Michigan		100,000	[3] 100,000
Nebraska		47,945	[2] 47,945
New Jersey	75,000	1,030,500	[3] 1,105,500
New Mexico	10,500	17,000	[3] 27,500
New York		1,066,000	[3] 1,066,000
North Carolina	45,000	168,000	[7] 213,000
Ohio		167,118	[3] 167,118
Oklahoma		300,945	[5] 300,945
Oregon	500	78,924	[7] 79,424
Pennsylvania	6,000	219,900	[3] 225,900
Rhode Island	25,000	60,000	[5] [6] 85,000
Tennessee	25,000	172,600	[3] 197,600
Texas		276,000	[7] 276,000
Utah		172,634	[3] 172,634
Virginia	65,000	338,237	[4] 403,237
Washington		5,000	[3] 5,000
Total	2,832,595	11,058,573	13,891,168
Less costs of controlling vectors other than mosquitoes			1,311,150
Total for mosquitoes (local and State funds)			12,580,018
Calculated total for entire United States (local and State funds)			17,613,072
Estimated costs (Federal, industrial, individual)			30,000,000
Total			47,613,072

[1] The costs for State and local mosquito control activities were obtained principally from the last (1952) nationwide survey made by the Communicable Disease Center of mosquito control activities. More current or more complete data are included where known. Current data would doubtless show increases for many of the States. Recent information indicates a great increase in interest in, as well as control activities of, salt-marsh mosquitoes. Further, these figures do not include the salary, travel, and general operations costs of State health and other department organizations which spend full time on mosquito or at least vector control.

In some States all of the work being conducted on general mosquito control may not be known to State departments of health. Numerous communities have developed control programs independent of State assistance.

Data were available from only 29 States. From this figure there was calculated a cost for the entire United States. Allowances were made for the fact that expenditures in Florida and California greatly exceeded the national average for States.

The figure of $30 million estimated for other costs of mosquito control includes funds expended by military establishments in their many control programs, by the numerous industries which find it necessary to maintain operations, by individuals for the purchase of household insecticide and repellents, and by agriculturists for protection of their animals. Indirect costs of the mosquito problems, such as required better housing for protection against mosquitoes, medical expenses resulting from primary and secondary infections following mosquito attacks, time lost, and real-estate values depressed as well as area development retarded or prevented, and others, probably make this the most conservative of the figures shown.

[2] Based on 1953 data.
[3] Based on 1952 data.
[4] Based on 1954 data.
[5] Based on 1955 data.
[6] Figure for salt-marsh mosquito control only.
[7] Based on 1952 and 1955 data.
[8] Based on 1950 data.

It will be noted that definite data were available from only 29 States, and from this information was estimated the cost for the entire United States. The calculated total of local and State funds for the entire United States is $17,613,072 and the estimated costs to individuals, industry, and the Federal Government is $30 million, making a total for mosquito control activities of $47,613,072. The figure of $30 million estimated for Federal, industry, and individual expenditures includes funds expended by military establishments and their many control programs, by the numerous industries which find it necessary to maintain mosquito control operations, by individuals for the purchase of household insecticides and repellents, and by agriculturists for protection of their animals. Indirect costs of the mosquito problem, such as required better housing, medical expenses resulting from primary and secondary infections following mosquito attacks, time loss and real estate values depressed, as well as area development retarded or prevented, and others, as stated in the explanatory notes, probably make this the most conservative of the figures shown in the chart.

From this chart it is quite evident that local units of government are working diligently to eradicate this pest, but it is quite clear that a tremendous amount of basic information is needed if we are to permanently eradicate it, and those who are most familiar with this problem feel that it can be ultimately eliminated only if the Federal Government will furnish leadership, knowledge and skill in an all-out effort to do so.

SALT-MARSH MOSQUITO

There are many types of mosquitoes found in the United States, and one of the most prevalent and most annoying is the salt-marsh mosquito, which breeds along the Atlantic, gulf, and Pacific regions in the coastal marshes, swales, mangrove swamps, and depressions flooded by high tides and inundated by rainfall.

Although many millions of dollars have been spent in an effort to eliminate the salt-march mosquito along our coasts, last year was one of the worst mosquito years experienced in these areas for many years. It is my understanding from those who are closest to the mosquito problem in Florida that the salt-marsh mosquito problems can be expected to become much worse in the coastal areas if we do not initiate immediately an active control problem because the mean sea level has been shown to be rising at the rate of three-tenths of a foot each 10 years, and a significant population migration is now under way to coastal areas of the southern and western regions of the United States.

Last year the Atlantic coast from Maine to Florida suffered severely from the salt-marsh mosquito because of a succession of Atlantic storms which caused abnormally high tides that inundated large breeding areas. Even inland cities from 40 to 50 miles distance from the coast suffered because of the long flight range of this species of mosquito. Naturally the coastal cities are doing everything possible to help themselves because of their great importance as recreational areas for all the people of the United States, but they need assistance from the Federal Government in collecting much-needed basic information.

FLOODWATER MOSQUITO

The problem of the floodwater mosquito is becoming much more critical each year because of the increasing acreage being irrigated for cultivated crops or pasture lands, especially in the Western States, and this trend will continue until a concerted effort is made to wipe out the mosquitoes. Several Western States have suffered because of epidemics of encephalitis, which is transmitted by mosquitoes, and this disease is much feared because of its high mortality rate and the permanent damage it often causes to brain cells.

Obviously this difficult problem can be expected to increase in direct proportion to the amounts of new land brought under irrigation in the coming years. Of course we must increase this expansion, but as we do so, it it imperative that we increase our efforts to control the floodwater mosquito which accompanies it.

MOSQUITOES ASSOCIATED WITH SEWAGE AND INDUSTRIAL WASTES

There are still other species of mosquitoes associated with sewage and industrial wastes which breed prolifically in contaminated waters containing organic matter from canning plants and other types of industrial wastes and the discharge waters from sewage-treatment plants.

The ever-increasing problems created by mosquitoes of various types and in various localities of the United States require an intensive and coordinated all-out attack by Federal, State, and local governments. The legislation I have introduced today is designed to provide a comprehensive program of basic and operational research, demonstrations, and technical consultations to control the salt-marsh and other pest mosquitoes of public-health importance and mosquito vectors of human disease.

Mr. President, there is no doubt that mosquito problems have become alarmingly serious and that they will continue to increase unless a concerted effort is made to eradicate the various species of the mosquito. As I have stated previously, the States and local governments do not ask the Federal Government to shoulder this task alone but recognize that the primary responsibility rests with them and merely ask that the Federal Government provide leadership in the fight by conducting research activities and cooperating with the local units of government in their own efforts. The suggested sum of $3 million a year is relatively small in comparison with the amounts of money spent now by the Federal Government, by individuals, industry, and local governments in an effort to rid themselves of a pest which is not only annoying but which jeopardizes the health of millions of people. I sincerely hope that the Congress will recognize the urgent need for this legislation and will enact it into law at an early date in order to initiate, as soon as possible, a program which those who know most about the situation feel will ultimately eradicate one of the greatest pests known to man.

REVISION OF CIVIL SERVICE RETIREMENT ACT

Mr. JOHNSTON of South Carolina. Mr. President, the civil service retirement and disability program was established in 1920 to furnish retirement, death, and disability benefits to employees of the Federal Government. Since that time the act has been amended many times until today it is one of the most complex measures on the statute books. The present law is difficult to administer, numerous inequities have developed and grown over the years, and full understanding of the law escapes all except the few who work with it on a full-time basis.

In recognition of these facts, the 82d Congress enacted Public Law 555—approved July 16, 1952—authorizing the establishment in the executive branch of a Committee on Retirement Policy for Federal Personnel to conduct an exhaustive study of this matter that is of such grave importance to well over 2 million Federal employees, and report thereon to the Congress. The report of that Committee was submitted during

the 1st session of the 84th Congress. Since that time the report and a multitude of related material has been the subject of long and careful study.

I introduce, for proper reference, a bill to accomplish a complete overhaul of the Civil Service Retirement Act. However, of vastly greater importance than the accomplishment of this highly desirable objective is the fact that the bill—

First. Provides a more favorable factor for the computation of retirement benefits for employees generally;

Second. Permits optional retirement after 30 years of service regardless of age;

Third. Reduces the penalty—or reduction—in annuities in the case of employees who are under the age of 60 at the time of retirement;

Fourth. Extends and increases survivorship benefits to more closely parallel those that accrue to employees of private industry under the social-security program; and, finally, the bill—

Fifth. Removes numerous inequities now existing in a number of areas.

I propose to ask for early hearings on the bill, and I hope that it may be possible for the bill to be considered and favorably acted upon in the Senate at a very early date.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 2875) to revise the Civil Service Retirement Act, introduced by Mr. JOHNSTON of South Carolina, was received, read twice by its title, and referred to the Committee on Post Office and Civil Service.

IN THE INTEREST OF THE NATIONAL ECONOMY AND NATIONAL DEFENSE — DEVELOPMENT AND PRODUCTION OF CERTAIN DOMESTIC MINERALS

Mr. MALONE. Mr. President, on behalf of myself, and the Senator from Wyoming [Mr. BARRETT], I introduce, for appropriate reference, a bill to amend the Domestic Minerals Program Extension—Malone-Aspinall—Act of 1953 in order to strengthen national defense and to further extend the program to encourage the discovery, development, and production of certain domestic minerals.

EXTEND THE 1953 MALONE-ASPINALL ACT

The bill would extend the 1953 Malone-Aspinall Act providing for the purchase of 7 critical and strategic minerals from American producers for 5 years following the present termination dates. The minerals are tungsten, manganese, chromite, mica asbestos, beryl, and columbium-tantalum.

VITAL TO NATIONAL ECONOMY AND DEFENSE

The extension is vital to national defense and to the national economy and is the only solution to maintaining a sound mobilization base in strategic minerals pending repeal of the 1934 Trade Agreements Act which transferred the constitutional responsibility of Congress to regulate the national economy and foreign trade to the executive branch which in turn transferred this vital responsibility to the General Agreements on Tariff and Trade at Geneva, Switzerland.

The proposed legislation continues unit prices established in the Domestic Minerals Program Extension Act of 1953, and in effect continues the rate of purchases the Government is authorized to make from domestic producers.

To maintain the going concern production of critical materials vital to our national defense and our national economy under our wage standard of living there must be a flexible duty or tariff based on fair and reasonable competition, or a guaranteed unit price making up the difference in our wage-living standard and in the chief competitive nation on each product.

I ask unanimous consent that the bill, together with the quarterly report of purchases under domestic purchase regulations, as of September 30, 1955, prepared by the General Services Administration, be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill and report will be printed in the RECORD.

The bill (S. 2876) to amend the Domestic Minerals Program Extension Act of 1953 in order to strengthen national defense and to further extend the program to encourage the discovery, development, and production of certain domestic minerals, introduced by Mr. MALONE (for himself and Mr. BARRETT), was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That this act may be cited as the "Domestic Minerals Program Extension Act of 1956."

SEC. 2. Section 3 of the Domestic Minerals Program Extension Act of 1953 (67 Stat. 417) is amended to read as follows:

"SEC. 3. In accordance with the declaration of policy set forth in section 2 of this act, the termination dates of all purchase programs designed to stimulate the domestic production of tungsten, manganese, chromite, mica, asbestos, beryl, and columbium-tantalum-bearing ores and concentrates and established by regulations issued pursuant to the Defense Production Act of 1950, as amended, shall each be extended (1) an additional 5 years beyond the termination date of such program under the extension provided for in accordance with the provisions of this act prior to its amendment by the Domestic Minerals Program Extension Act of 1956, or (2) until such time prior to the termination of such 5-year extension if and when there have been purchases under such extension equal in quantity to the purchases under such program prior to its extension under such act of 1956: *Provided*, That this section is not intended and shall not be construed to limit or restrict the regulatory agencies from increasing the quantity of materials that may be delivered and accepted under such program as permitted by existing statutory authority: *Provided further*, That the extended termination date provided by this section for such critical materials purchase program shall not apply to the purchase of ores and concentrates of foreign origin."

The report presented by Mr. MALONE is as follows:

General Services Administration activities under the Defense Production Act, as amended—quarterly report of purchase under domestic purchase regulations as of Sept. 30, 1955

(Pursuant to sec. 4, Public Law 206, 83d Cong., the tabulation below details the quarterly and cumulative purchase under purchase regulation noted)

Regulation	Expected completion dates as of December 1955	Termination date	Units	Quantity			
				Program limitation	Purchases [2] during quarter	Amount	Cumulative purchases [1] through end of quarter
Asbestos	Oct. 1, 1956	Oct. 1, 1957	Short tons, crude No. 1 and/or crude No. 2, asbestos	1,500	130		1,093
			Short tons, crude No. 3		84		540
						1,494,690	
Beryl	Dec. 31, 1956	June 30, 1957	Short dry tons, beryl ore	1,500	66	421,545	774
Chrome	June 1957	do	Long dry tons, chrome ore and/or chrome concentrates	200,000	6,152	9,104,279	93,985
Columbium-Tantalum [3]	Dec. 31, 1955	Dec. 31, 1958	Pounds contained combined pentoxide	15,000,000	1,648,748	50,766,526	13,446,027
Manganese	June 30, 1958 [3]						
Total						(32,616,119)	
Butte-Phillipsburg		June 30, 1958	Long ton units, recoverable, manganese	6,000,000	81,416	2,597,380	1,809,417
Deming		do	do	6,000,000	1,199,794	8,587,903	4,459,646
Wenden		do	do	6,000,000	0	10,743,179	6,108,316
Domestic small producers		do	Long ton units, contained manganese	19,000,000	998,493	10,687,655	4,493,499
Mica	June 1957	June 30, 1957	Short tons, hand-cobbed mica or equivalent	25,000	714	9,189,973	6,999
Tungsten	June 1956	July 1, 1958	Short ton units, tungsten trioxide	3,000,000	223,073	135,786,244	2,153,101
						264,359,382	
Balance in ODM fund Sept. 30, 1955						435,557,000	

[1] Quantities represent deliveries.

[2] Columbium-tantalum regulation provides for both domestic and foreign purchases. Report includes both. Foreign forward commitments have caused the program limitation to be exceeded. No further purchases of foreign ore or concentrates will be made.

[3] The buying stations at Deming and Wenden have already been closed as the goals have been met. Butte-Phillipsburg and Domestic Small Producers, which means a carlot program, undoubtedly will go to 1958 without the goals having been met.

NOTE.—Under Public Law 206 purchases were extended 2 years beyond the time limits in the purchase regulations or until the goals were met.

RETURN TO CONSTITUTION

Mr. MALONE. I will shortly introduce proposed legislation to return to the specific provisions of the Constitution of the United States in the regulation of foreign trade and the national economy, article 1, section 8, and in that event no special purchase legislation would be necessary.

MINERALS INDUSTRY—INSTRUMENT OF FOREIGN POLICY

Under the Trade Agreement Act, the State Department has made our critical minerals industry an instrument of foreign policy. Distant fields always look greener and the welfare of hundreds of millions abroad is of greater concern than the economic welfare of our own people at home.

REVOCATION OF LICENSE FOR HYDROELECTRIC PROJECT IN UPPER McKENZIE RIVER AREA, OREGON

Mr. NEUBERGER. Mr. President, I am about to introduce a bill, and I ask unanimous consent that I may speak on it in excess of the 2 minutes allowed under the order which has been entered.

The VICE PRESIDENT. Without objection, the Senator from Oregon may proceed.

Mr. NEUBERGER. Mr. President, in this crowded and turbulent age, we have all too few realms where mankind can escape from the turmoil of civilization.

Such an area is the beautiful upper McKenzie River watershed, in my native State of Oregon. Now, however, the Federal Power Commission has licensed the Eugene Water and Electric Board to proceed with a hydroelectric-power project which would disturb much of the McKenzie's scenic and recreational value. Because this power project would, in my opinion, be of far less advantage to the Pacific Northwest than the recreational assets it might destroy, I am introducing proposed legislation, for appropriate reference, to revoke and cancel the license issued by FPC to the Eugene Water Board.

I am happy to say that I am being joined in sponsorship of this bill by my distinguished senior colleague from the State of Oregon [Mr. MORSE].

Every generation of Americans must decide whether exploitation of a natural resource is more advisable than preservation of that resource for its scenic and esthetic merits. This question confronts us almost daily. Sometimes we decide that recreation must give way to commercial exploitation. But at Beaver Marsh on the upper McKenzie, I believe every logical argument dictates the protection of scenery and recreation, and definitely against exploitation.

Let me explain my reasons for this position.

The Beaver Marsh project would generate only 30,000 kilowatts of peaking power. This is far less than half the output of one single generator at a great Columbia River project like McNary Dam. Despite these facts, the Eugene Water & Electric Board had one of its staff officials testify at Senate Interior Committee hearings, last April, against construction of the high Federal dam at Hells Canyon on the Snake River, which would add 914,000 kilowatts of energy to the Bonneville Power Administration system.

Despite the relatively low power production of the Beaver Marsh project, it would endanger the water level of beautiful Clear Lake, one of Oregon's famous habitat for cutthroat trout and for rainbow trout. The project also would shut off and on, like a spigot, the majestic Koosah and Sahalie Waterfalls, which are a short distance downstream from the outlet of Clear Lake.

OUTDOOR GROUPS OPPOSE BEAVER MARSH PROJECT

Ray Atkeson, one of the most famous of western photographers, has told me that the Beaver Marsh project would imperil an area which he considers one of the most lovely and scenic in the Nation; and Mr. Atkeson has become famous as an authority on natural beauty, through his magnificent outdoor photographs.

In protesting construction of the Beaver Marsh project, Rollin E. Bowles, president of the Izaak Walton League of Oregon, told the Federal Power Commission examiner:

> Under natural conditions the minimum discharge of water from Clear Lake into the McKenzie River is approximately 25 cubic feet per second. The proposal to reduce this amount of water to less than one-tenth of the present volume during the period from May to October, a period when the area is most heavily utilized by recreation seekers, will mean to all intent and purposes the destruction of the scenic grandeur of the magnificent Sahalie and Koosah Falls. * * *
>
> There is at present and for many years past a substantial industry located on the upper McKenzie River, devoted to the proposition of making the area available to the many recreation seekers and fishermen who come there from all parts of the world, many of whom have been coming there annually for a substantial number of years. Among this group is ex-President Herbert Hoover to name one of many. * * *
>
> The Beaver Marsh powerhouse will have an installed capacity of 30,000 kilowatts, but since it is a peaking operation, it will produce on the overall far less than that amount of power constantly. In fact, the applicant does not feel that it will be able to deliver at the load center more than 8,000 kilowatts on a constant basis. In the overall picture, 8,000 kilowatts is an insignificant amount of power to be wrung out of a stream of the character of the McKenzie, at such a great loss to the general public, and at such tremendous expense in construction.

Mr. President, I want to indorse what Mr. Bowles had said. His warnings are valid. I subscribe to them thoroughly.

This is no Johnny-come-lately cause with me. I was born in Oregon. I had visited the upper McKenzie before I quit my Boy-Scout days. My wife and I have enjoyed its scenic magnificence, its impressive majesty. We do not want to see its lakes lowered, its fish destroyed, and its waterfalls dried up, for the sake of 8,000 firm kilowatts and 30,000 part-time kilowatts.

And it is certainly grim irony that this is being done by a Eugene water and electric board which opposed high Hells Canyon Dam, with 914,000 firm kilowatts. What kind of organization would sacrifice 914,000 firm kilowatts at Hells Canyon, where the famous biologist, Dr. Ira Noel Gabrielson, of the Wildlife Management Institute, says there would be no peril to wildlife and scenery, and yet will jeopardize the fisheries and foaming cataracts of the upper McKenzie to secure only 8,000 firm kilowatts? Mr. President, I say "No" to the Beaver Marsh project—a thousand times "No."

LETTER TO FPC URGED PROTECTION OF SCENIC VALUES

It was long my firm conviction that the Beaver Marsh project was not in the public interest. Accordingly, on July 18, 1955, I addressed to the Chairman of the Federal Power Commission a letter protesting any decision to approve by a license this proposed project. I ask unanimous consent, Mr. President, that a copy of my letter to Mr. Kuykendall, of the Federal Power Commission, appear in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

> UNITED STATES SENATE,
> COMMITTEE ON INTERIOR
> AND INSULAR AFFAIRS,
> *July 18, 1955.*
>
> Hon. JEROME K. KUYKENDALL, *Chairman,*
> *The Federal Power Commission,*
> *Washington, D. C.*
>
> DEAR MR. KUYKENDALL: As a Senator from Oregon, I should like to express my unequivocal opposition to any licensing of either a publicly-owned system or a private power company for hydroelectric development in the Beaver Marsh area of the upper McKenzie River. This question is now before an examiner (Francis Hall) of the FPC for decision.
>
> I base my opposition on one major premise. It is my firm conviction that any power production to result from such a project would not justify the loss in scenic, wildlife and recreational values on one of the most picturesque streams in North America. I disagree with the letter of the Interior Department to you from Assistant Secretary Aandahl, claiming that conservation interests would not be adversely affected by the Beaver Marsh development.
>
> Although a comparatively short river, the McKenzie is unparalleled in what it offers people who love the outdoors. I doubt if the Beaver Marsh power project can be undertaken without substantially impairing the McKenzie's recreational attractions. The marvelous waterfalls at Koosah and Sahalie will be vastly reduced in volume. The unique fish population of Clear Lake, a part of the McKenzie watershed, will be hard put to survive if the lake is tapped for water-power production. The food for all aquatic life is certain to be imperiled as the water level of the McKenzie system is altered.
>
> When we consider the enormous amounts of energy still to be generated at major sites in the Columbia River Basin—sites such as Hells Canyon and John Day—it is obvious to me that the comparatively small amount of power to be generated by the Beaver Marsh project would not warrant the damage to be done to the McKenzie and its waterfalls and fish life. Furthermore, from the standpoint of power consumers, I believe that additional kilowatts generated on the main stem of the Columbia and the Snake will be far cheaper than any energy to be produced on the upper McKenzie. The entire Beaver Marsh project would yield only 30,000 kilowatts of power. This is less than one generator at a plant like Grand Coulee, Hells Canyon, or John Day.
>
> For all these reasons, I urge the Federal Power Commission not to grant a license either to a public or private electrical system for the development of the Beaver Marsh project on the upper McKenzie River of Oregon. I am convinced that this realm can

more meritoriously be used for the enjoyment of outdoor recreation than for the manufacture of hydroelectric power.

With good wishes, I am,

Sincerely,

RICHARD L. NEUBERGER,
United States Senator.

Mr. NEUBERGER. Mr. President, it is well for us to remember the lesson which Switzerland learned long ago. That little nation in the Alps realized that such resources as magnificent vistas and wildlife, left untrammelled by commercialism, could gain far more for Switzerland financially than any amount of exploitation or destruction of those resources. The Swiss have been able to develop necessary hydroelectric power without abandoning this priority. In Oregon we have seen a marvelous river like the Clackamas lose much of its recreational value through rather reckless commercial use. Let us avoid this mistake on the McKenzie. Let us remember that the tourist trade is Oregon's third largest industry, exceeded only by lumber and agriculture.

I repeat, Mr. President, that we in Oregon should depend upon the untapped hydroelectric reserves still lurking in the main reaches of the Columbia and Snake Rivers for most of our new power supply. Let us leave for fisheries, scenery, recreation, and just plain esthetic appeal a lilting, murmuring stream like the upper McKenzie. This relatively small river is more adapted, anyway, to fishing, to white-water boating, and to sightseeing than it is to being siphoned off for conversion in the penstocks of a powerplant. I feel certain that such Oregon communities as Springfield, McKenzie Bridge, and even Eugene itself, will suffer adversely, in the long run, if we sacrifice the McKenzie's tourist-trade assets on the skimpy altar of 8,000 kilowatts of full-time power and 30,000 kilowatts of part-time energy.

How can we justify such a sacrifice when we are abandoning the huge 914,000-kilowatt development at Hells Canyon? Such logic does not make sense from any standpoint of the national, regional, or local interest.

I wish to emphasize, Mr. President, that Secretary of the Interior Douglas McKay has announced that he, personally, is definitely opposed to the Beaver Marsh project, although his Interior Department has approved it. I object to this political run-around, by which the Secretary tries to absolve himself with the conservationists, while his Department accedes to the wishes of the Oregon State government, and the Eugene water board and approves the construction which would imperil the scenery of the upper McKenzie.

The American people like men in public life who take one position at a time on the issues.

My position on the Beaver Marsh project is, and always has been, that it is adverse to the welfare of the State of Oregon and of the Nation. Therefore, I am introducing this bill to cancel the FPC license which allows the undertaking of the project.

I ask unanimous consent that the bill may be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2877) to revoke the license granted by the Federal Power Commission to the city of Eugene, Oreg., for a hydroelectric project in the upper McKenzie River area, introduced by Mr. NEUBERGER (for himself and Mr. MORSE), was received, read twice by its title, referred to the Committee on Public Works, and ordered to be printed in the RECORD as follows:

Be it enacted, etc., That the license, granted by the Federal Power Commission under the provisions of the Federal Power Act to the city of Eugene, Oreg., acting by and through its Eugene Water and Electric Board, to construct, operate, and maintain a hydroelectric project (known as the Beaver Marsh project) in and along the McKenzie River in Lane and Linn Counties, Oreg., is hereby revoked.

INDUSTRIAL DISPERSION

Mr. BENNETT. Mr. President, I introduce, for appropriate reference, a bill to promote industrial dispersion in the interest of national defense. I also ask unanimous consent that the bill appear at this point in my remarks. I invite any of my colleagues who may so wish to join in cosponsoring this bill.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 2879) to promote the dispersal of industrial facilities in the interest of national defense, introduced by Mr. BENNETT, was received, read twice by its title, and referred to the Committee on Banking and Currency.

Mr. BENNETT. I wish to make a few remarks concerning this proposed legislation. For some time I have been very concerned over the concentration of American industry which makes it vulnerable in the event of enemy atomic attack. Because of this concern I introduced a bill during the last session which would have established a special commission to study the problem of industrial dispersal and make recommendations to Congress, the executive department, and industry. This commission was recommended by Mr. Flemming, Director of the Office of Defense Mobilization. The commission idea also has the support of various other groups. I believe such a study would still be wise; but in view of the rapidity with which international events are moving, it seems only prudent for Congress to set forth a policy on industrial dispersal without further delay.

In this connection, I call to the attention of my colleagues last week's announcement by the Secretary of Defense, Director of the Office of Defense Mobilization, and the Administrator of Civil Defense of a broad new program for non-military defense. This resulted from a review of Project East River, a 1952 study of this problem. One of the conclusions of the review committee was that our progress in decentralizing our industry has been very disappointing. The committee concluded that leadership in the field of industrial dispersion is essentially a Federal problem and called for increased attention and action to meet this challenge. Underlining that recommendation is the grim assertion that the intercontinental ballistic missile is a likely reality within 6 to 10 years.

For some time, of course, we have had this partial program of dispersal. But it has suffered from a lack of congressional interest and support. The Defense Department has encouraged dispersal where it could. In November, the Department of Defense issued a directive on dispersal. This was a laudable move. However, it still seems imperative to me that Congress assert itself in this vital area. The bill which I have just introduced would declare the policy of Congress and would require the Defense Department to take cognizance of the dispersal factor in the construction of any new facilities—giving adequate attention, of course, to cost, economic dislocation, and delay.

It is noteworthy that the Air Force has recently announced a policy on industrial production readiness. Within the policy, weapons and material of the most important type, which would be of the highest value in an emergency, have been called category A weapons. The Air Force will apparently strive to establish at least two sources of supply for such weapons—one of which must be located in a dispersed site. Production amid disaster is the goal of the Air Force. This new policy is also commendable, but it should be underwritten with a declaration of congressional policy which would give it the impetus needed in this critical effort to prepare ourselves to survive an enemy attack.

Up to now in my remarks I have assumed most everyone knows that our industry is concentrated. If anyone doubts that sad strategical fact, here are a few examples of the tempting targets we present to an enemy as revealed by several separate studies.

Sixty percent of America's industrial production lies in a "heartland" running from Illinois to lower New England. With the fall-out problem being what it is, this entire area could be blanketed with destruction. Similarly, 45 percent of this Nation's industry is within range of submarine launched missiles. Further, 77 percent of the Nation's total coke capacity, 82 percent of our iron capacity, 73 percent of our ingot capacity are contained within 10 districts. One H-bomb exploded near the center of each district would severely damage these vital capacities. Only two of these H-bombs would be required to take out one-third of the Nation's total steelmaking capacity. Four H-bombs could destroy more than 40 percent of our petroleum refining capacity, and 46 percent of our petroleum chemistry plants. In the Great Lakes region, for example, are to be found 47 percent of the Nation's electrical machinery manufacturing and 40 percent of the nonelectrical machinery production. Saturation nuclear bombing of this area could prove disastrous for dependent industries.

Examples might be multiplied. I realize, of course, that there are practical limits on dispersal. My concern is,

however, that we do all we can. Certainly, a minimum contribution to dispersal would be to steer new critical facilities in which the Government has a financial interest into areas where we would not be pyramiding vital industries. That is the objective of this bill.

As we strive to maintain our Armed Forces in top fighting trim, we should also be very concerned with the retaliatory and recuperative powers of our industry which stands behind our military might. Soviet technological advances underline with unparalleled urgency the problem of defense. Dispersal is not the whole answer to our defense problem but it must be a part of any realistic overall program of national defense. I urge my colleagues to consider this measure carefully.

ASCERTAINMENT OF CLAIMS OF AMERICAN CITIZENS FOR CERTAIN FRENCH SPOLIATIONS

Mr. DUFF. Mr. President, I introduce, for appropriate reference, a bill to provide for the ascertainment of certain claims of American citizens for spoliations committed by the French prior to the 31st day of July 1801.

This bill does not validate any claim or admit liability of the United States to pay such claim.

The bill merely confers jurisdiction upon the court of claims of the United States for a period of 1 year from enactment to hear certain claims. Jurisdiction is limited to those claims which have heretofore been presented to the court under the act of 1885 and which have never been dismissed.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 2880) to provide for the ascertainment of claims of American citizens for spoliations committed by the French prior to the 31st day of July 1801, introduced by Mr. DUFF, was received, read twice by its title, and referred to the Committee on the Judiciary.

THE ADMINISTRATION'S AREA DEVELOPMENT PROGRAM

Mr. SMITH of New Jersey. Mr. President, on behalf of myself, the senior Senator from New Hampshire [Mr. BRIDGES], the senior Senator from Connecticut [Mr. BUSH], the senior Senator from Illinois [Mr. DIRKSEN], the Senator from Colorado [Mr. ALLOTT], the junior Senator from Pennsylvania [Mr. DUFF], the senior Senator from Pennsylvania [Mr. MARTIN], the Senator from Michigan [Mr. POTTER], the junior Senator from Connecticut [Mr. PURTELL], the junior Senator from New Hampshire [Mr. COTTON], the junior Senator from Maine [Mr. PAYNE], the Senator from Ohio [Mr. BENDER], the Senator from Minnesota [Mr. THYE], the senior Senator from Maryland [Mr. BUTLER], the senior Senator from Maine [Mrs. SMITH], the Senator from Massachusetts [Mr. SALTONSTALL], the junior Senator from Vermont [Mr. FLANDERS], the Senator from Kansas [Mr. CARLSON], the senior Senator from Vermont [Mr. AIKEN], the Senator from New York [Mr. IVES], my colleague, the junior Senator from New Jersey [Mr. CASE], the junior Senator from Maryland [Mr. BEALL], and the Senator from Indiana [Mr. CAPEHART], I introduce, for appropriate reference, a bill to assist areas to develop and maintain stable and diversified economies by a program of financial and technical assistance and otherwise, and for other purposes. I ask unanimous consent to speak longer than the two minutes allowed under the order which has been entered.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the Senator from New Jersey may proceed.

The bill (S. 2892) to assist areas to develop and maintain stable and diversified economies by a program of financial and technical assistance and otherwise, and for other purposes, introduced by Mr. SMITH of New Jersey (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Banking and Currency.

Mr. SMITH of New Jersey. Mr. President, the bill which I have sent to the desk will, if enacted, translate into law the administration's program for economic redevelopment in areas of low employment and is sponsored by the administration. It is the administration bill. It is cosponsored by many of my colleagues, who agree that it is essential that the Federal Government act now to expand and strengthen the Federal program to eradicate conditions of unemployment which exist in some areas of our economy, even while we as a Nation enjoy unparalleled prosperity and record employment.

As of this moment the following Senators have asked to be listed as cosponsors:

The senior Senator from New Hampshire [Mr. BRIDGES].

The junior Senator from Illinois [Mr. DIRKSEN].

The senior Senator from Pennsylvania [Mr. MARTIN].

The junior Senator from Pennsylvania [Mr. DUFF].

The senior Senator from Massachusetts [Mr. SALTONSTALL].

The senior Senator from Michigan [Mr. POTTER].

The senior Senator from Connecticut [Mr. BUSH].

The junior Senator from Connecticut [Mr. PURTELL].

The junior Senator from New Hampshire [Mr. COTTON].

The senior Senator from Maine [Mrs. SMITH].

The junior Senator from Maine [Mr. PAYNE].

The junior Senator from Ohio [Mr. BENDER].

The senior Senator from Minnesota [Mr. THYE].

The senior Senator from Maryland [Mr. BUTLER].

The junior Senator from Vermont [Mr. FLANDERS].

The senior Senator from Vermont [Mr. AIKEN].

The junior Senator from Kansas [Mr. CARLSON].

The senior Senator from New York [Mr. IVES].

The junior Senator from New Jersey [Mr. CASE].

I request unanimous consent that the bill be held open until the close of business Thursday, January 12, 1956, for such additional sponsors—Democrat or Republican—as care to join me on this bill.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. SMITH of New Jersey. President Eisenhower, in his 1955 Economic Report to the Congress, referred to the willingness of the Federal Government to assist depressed communities in developing workable solutions of their problems. Accordingly, he specifically recommended to the Congress that the Area Redevelopment Program of the Department of Commerce be further strengthened. He also recommended that, for the time being, at least, the Federal Government continue its policy of granting special tax-amortization benefits for new defense facilities located in surplus labor areas and of placing Government contracts, as far as feasible, in these areas.

In its budget request for fiscal 1956, the administration asked for $370,000 for the Office of Area Development—an increase of $310,000 over the amount requested for fiscal 1955. Had this increase been granted the Office of Area Development would have been able to strengthen and enlarge its program of research on location factors in various industries. It would also have been able to enlarge the advisory services which it gives to depressed areas on ways and means of attracting new industry and on ways and means of taking advantage of existing Federal tax amortization and procurement policies.

Thereafter, on October 24, 1955, it was announced that President Eisenhower would ask Congress in 1956 for specific legislation to establish a domestic technical-assistance program to aid the Nation's depressed areas. That intention was reiterated by the President himself in his state of the Union message of January 5, 1956.

Spot unemployment is of two types: First, the temporary or fluctuating kind which appears and disappears with the seasonal and other fluctuations in our economy; and, second, the chronic or long-term type which persists year in and year out even in the midst of good times elsewhere in our economy.

The program recommended by the administration, which is embodied in the bill which I have introduced, is designed to overcome both temporary and chronic spot unemployment.

The program has four major aspects. The first and probably the most significant of these is the establishment of a $50-million revolving Federal loan fund to be used in making loans where needed in areas of substantial and persistent unemployment to help finance industrial development projects which have been worked out at the local level and are approved by the State. The loans will be made to local public agencies and to private persons approved by the State. The loans may be used for such purposes as: (a) preparing land for commercial or industrial use; (b) constructing new

factories; and (c) modernizing old factories.

Loans are conditioned on State and local participation. State and local organizations must participate to a minimum of 15 percent and the project must have the approval of the State government.

Federal participation is limited to not more than 25 percent of the estimated cost of the project and it must be shown that funds are not otherwise available on reasonable terms.

Federal funds will not be advanced for working capital or for the purchase of machinery or equipment.

Federal funds will not be advanced if the project would increase unemployment in another community.

The second major aspect of the administration's proposed program calls for an annual authorization of $1.5 million for the making of grants for technical assistance, including studies to evaluate needs and methods for economic development of areas of substantial and persistent unemployment.

The third aspect of this bill would strengthen and expand the Federal Government's existing technical assistance program by creating in the Department of Commerce an Area Assistance Administration to be headed by an Area Assistance Administrator at the Assistant Secretary level. In this respect it should be noted that an Area Development Division was established in the Department of Commerce by Departmental Order No. 65 of March 20, 1947. On August 12, 1955, the Secretary of Commerce, in recognition of the importance of this activity, elevated the Area Development Division to the status of an Office.

The fourth major aspect of the administration's plan provides for the coordination of the proposals contained in the bill with other Federal programs and policies affecting local areas, such as the urban renewal program of the Housing and Home Finance Agency and the Department of Labor's vocational retraining and skill improvement programs.

By way of conclusion, I wish to note for the record that underlying the entire program is the basic principle of helping low employment communities to help themselves. It is not a handout program. It is a program of assistance to those communities which are willing to make an effort to help themselves.

I wish to emphasize that the program embodied in this bill aims at lasting improvement. It is not a program for temporary relief.

I wish also to emphasize that the program embodied in this bill seeks to create new job opportunities. It does not seek to transfer job opportunities from one community to another.

In some respects, this bill embodies new measures for dealing with a problem which has existed ever since the end of World War II.

Although this problem of surplus labor areas—on a nationwide scale—is fortunately not as acute now as it has been in the past, nevertheless, we must recognize that there are communities which are not fully sharing in the Nation's general prosperity. We must recognize this and we must act promptly to assist those communities.

This bill will do just that. It may be that, as we give further study in committee to this legislation, changes and amendments will be made, which will make our efforts even more effective. I know such improvements, if offered, will be welcomed.

I earnestly urge my colleagues to join me in assuring that this legislation will be approved by the Congress, so that each American and each community may share in the prosperity and well-being which the great majority are already enjoying.

SPECIAL COUNSEL FOR THE UNITED STATES IN CONNECTION WITH DIXON-YATES CONTRACT

Mr. KEFAUVER. Mr. President, on behalf of the Senator from New Mexico [Mr. ANDERSON], the Senator from Wyoming [Mr. O'MAHONEY], and myself, I introduce, for appropriate reference, a joint resolution to provide for the appointment of a special counsel to represent the United States in litigation brought against the United States by two utility holding companies commonly referred to as Dixon-Yates under the so-called Dixon-Yates contract. Indentical joint resolutions are being introduced in the House by Representative MELVIN PRICE, of Illinois, and Representative CHET HOLIFIELD, of California.

The VICE PRESIDENT. The joint resolution will be received and appropriately referred.

The joint resolution (S. J. Res. 112) to provide for the appointment of a chief special counsel and an assistant special counsel to represent the United States in litigation brought against the United States to recover damages under the so-called Dixon-Yates contract, introduced by Mr. KEFAUVER (for himself and other Senators) was received, read twice by its title, and referred to the Committee on the Judiciary.

Mr. KEFAUVER. We hope, Mr. President, that after consideration by the appropriate committee, this resolution will be approved bipartisanly, with votes from both sides of the aisle.

We have not, as will be noted from reading the resolution, engaged in any prejudgment of the case. Therefore, we believe that it can enjoy bipartisan support.

We have simply sought to assure that the defense of the Government will be conducted by counsel who has not had responsibility for the contract and has not heretofore rendered any opinion with respect to its validity and enforcibility. That we believe to be an elemental necessity in any lawsuit. Certainly it is the very least that the citizens of the United States, who will have to pay the damages if any are approved, can expect from their Government.

Ordinarily, the defense of the Government in a case of this kind would be conducted by the Attorney General, or, should he so designate, by the General Counsel of the Atomic Energy Commission. They are men of ability and I do not disparage their honor or legal competence, but neither of these gentlemen should be asked to assume responsibility for this litigation. They have both approved the Dixon-Yates contract. Both, on occasion, have ruled it legal and binding. Both, it would seem to me, should welcome this resolution relieving them of the burden of defending a case on which they have previously taken various positions.

In these circumstances the only way that the position of the United States in this litigation can be adequately advanced and argued is through the appointment of counsel who has not had legal responsibility for the contract, the negotiations leading to the contract, or its defense.

In a case of this kind there is no way of knowing what questions might arise in the course of the trial which could be extremely embarrassing for counsel who had previously taken a position which the other side might be quick to use against him. Thus, the interests of the United States Government can be protected only if counsel is completely free to argue any and all positions which might be available to him.

For example, the Attorney General rendered a formal opinion to the Atomic Energy Commission with respect to the validity of the Dixon-Yates contract. Counsel representing him appeared in the proceedings before the Securities and Exchange Commission and argued the validity of the contract.

The Attorney General filed a brief, and representatives of the Department of Justice appeared in the United States Court of Appeals for the District of Columbia to argue the validity and effectiveness of the contract.

The General Counsel of the Atomic Energy Commission likewise rendered an opinion with respect to the contract both prior to its formal execution and subsequent thereto. He argued this position before the Joint Committee on Atomic Energy, and his representatives also appeared in the proceedings before the Securities and Exchange Commission and in the case filed with the United States Court of Appeals for the District of Columbia.

The resolution itself simply provides for appointment of a chief special counsel and an assistant special counsel who would have charge and control of all litigation in which the United States might have an interest with respect to the Dixon-Yates matter. The special counsel would have full power and authority to conduct all such litigation, notwithstanding any provision of law relating to the powers and duties of the Attorney General of the United States. The resolution would give to the special counsel full access to all records and files and would authorize such counsel to appoint professional, technical, and clerical assistance.

This is necessary if he is properly to defend the Government. The resolution provides for compensation to special counsel and assistant special counsel at the rate of $18,000 per annum, and it authorizes to be appropriated to the President such sums as may be necessary for the purpose of paying the compensation of special counsel and that of his assistants and staff.

There are precedents for this action. The late Justice Owen J. Roberts was appointed as a special counsel to defend the Government with the oil-lease contracts of the Department of the Interior executed by then Secretary Fall. When Francis Biddle was Attorney General he asked that special counsel be appointed by Congress to defend the constitutionality of a statute which he, as Attorney General, had attacked as unconstitutional.

Mr. O'MAHONEY. Mr. President, inasmuch as I cooperated with the Senator from New Mexico [Mr. ANDERSON] and the Senator from Tennessee [Mr. KEFAUVER] in the preparation of this joint resolution, and sat through the hearings which were held under the leadership of the Senator from Tennessee, by a subcommittee of the Senate Judiciary Committee, I merely wish to say for the record that this joint resolution is drafted upon the basis of the resolution which was introduced during the administration of President Coolidge, when the disposal of Teapot Dome naval oil reserve by the Secretary of the Navy became a question of great national interest.

There was so much concern about the manner in which Teapot Dome, in my State, had been handled by the executive department that the Senate adopted a resolution demanding the resignation of Secretary of the Navy Edwin Denby. The resolution was carried by a vote of 47 to 34, although the President's party was in control. The President denied that Congress had any right to demand the resignation of an executive officer; and I think there was a great deal of basis, in constitutional law and in logic, to support the position President Coolidge took. In any event, however, on the following day at a Lincoln Day banquet in New York City, President Coolidge asserted that there would be immediate action without politics or partisanship. A few days later Secretary Denby resigned.

A similar resolution was introduced with respect to the then Attorney General, Mr. Daugherty. Mr. Daugherty did not resign at the moment, but, of course, the eventual result was that in order to remove all possibility of doubt that the interests of the United States would be handled impartially and in a bipartisan manner, and without regard to any other factors or considerations whatever other than the defense of the Government the Congress passed a joint resolution upon which the present joint resolution is based, authorizing the appointment of special counsel to take action to recover the Teapot Dome.

The result was the appointment by the President, with confirmation by the Senate, of Owen Roberts, afterwards appointed to the Supreme Court, and former Senator Atlee Pomerene as the counsel to represent the Government of the United States in the courts.

This resolution, introduced today, has been carefully drafted to make it clear that the President shall have the right to appoint and the Senate the right to confirm, and that the attorneys who are to defend the United States against any claims arising out of the Dixon-Yates contract shall have a free hand in obtaining the evidence which is needed to protect the United States against the claim of some three or three and a half million dollars which has been made by the Dixon-Yates interests against the Government by reason of the termination by the President of the attempt to make the contract. The precedent made in the Coolidge administration is ideally suited to the present case, and I hope that the bill will be speedily passed so as to eliminate all possibility of favoritism in the handling of the Dixon-Yates claim.

The VICE PRESIDENT. The Chair would remind Members of the Senate that the Senate is still operating under the 2-minute rule. That rule will be liberally construed. However, the Chair would suggest, if Senators feel they will require more than 2 minutes for their statements, they might ask unanimous consent to extend the time.

Mr. ANDERSON. Mr. President, I ask unanimous consent that I may be permitted to exceed the 2-minute limitation by an additional 2 minutes.

The VICE PRESIDENT. Without objection, the Senator from New Mexico may proceed.

Mr. ANDERSON. Mr. President, I wish it to be clearly stated in the RECORD that my sponsorship of the joint resolution is not to be regarded as any reflection on the Department of Justice, nor as an inference that I believe the Department of Justice is incapable or unwilling to conduct a defense in the case.

I am basing my sponsorship of the resolution on testimony which was taken before the Joint Committee on Atomic Energy, at an open hearing on July 13, 1955, in which the attorney for the Atomic Energy Commission clearly stated his belief that the Government was liable. The Senator from Rhode Island [Mr. PASTORE] asked the attorney:

Senator PASTORE. Your opinion leads to complete liability?

Mr. MITCHELL. Yes, sir.

Subsequently it was pointed out that apparently the attorney was not trying to defend the interest of the United States, and the Senator from Rhode Island said:

Senator PASTORE. The only thing I am concerned about with your opinion is that the other side I do not think has to hire a lawyer.

Then on page 40 of the hearings I finally said:

I want to say, Mr. Chairman, that I am greatly disturbed over the fact that the attorney for the Atomic Energy Commission has abandoned your case before the opposition has ever presented its claim.

I recognize that the attorneys find themselves in a rather difficult position, inasmuch as that previously when they had been called upon to advise agencies of the Government with respect to the validity of the contract involved they based their advice on one set of facts. I realize it makes it somewhat embarrassing for them now to turn completely around and proceed in the opposite direction.

I call attention to page 8 of the brief the attorneys filed before the Securities and Exchange Commission. They said:

In any event, the contract is valid and effective.

Under those circumstances it is extremely difficult for the Attorney General and other members of his staff to now go into court and contend that the contract is not valid.

For that reason I believe it would be desirable to appoint special counsel.

ASSISTANCE FOR REPAIRS TO NEW HOMES DAMAGED BY MAJOR DISASTERS

Mr. SPARKMAN. Mr. President, I introduce, for appropriate reference, a joint resolution to permit FHA title I repair assistance to new homes damaged by major disasters. I ask unanimous consent that an explanation of the joint resolution, prepared by me, be printed in the RECORD.

The VICE PRESIDENT. The joint resolution will be received and appropriately referred; and, without objection, the explanation will be printed in the RECORD.

The joint resolution (S. J. Res. 113) to permit FHA title I repair assistance to new homes damaged by major disasters, introduced by Mr. SPARKMAN, was received, read twice by its title, and referred to the Committee on Banking and Currency.

The explanation, presented by Mr. SPARKMAN, is as follows:

EXPLANATION OF PROPOSED JOINT RESOLUTION

The joint resolution would remove an obstacle to the use of FHA title I insurance for home repairs in the current west coast flood disaster relief program and similar disaster programs. This obstacle is the present statutory provision that title I loans cannot be made for repairs to new homes that have not been completed and occupied for at least 6 months.

A number of new homes occupied less than 6 months have been damaged by floods on the west coast, and the owners are not eligible for title I loans because of this existing provision. The provision was not intended to prevent the use of title I in this type of case. It was enacted as part of the Housing Act of 1954 to prevent certain abuses involving tie-in sales of title I improvements with sales of new homes covered by mortgage insurance under FHA programs.

CHANGE IN NAME OF BEDLOE'S ISLAND IN NEW YORK HARBOR TO LIBERTY ISLAND

Mr. PASTORE. Mr. President, the Statue of Liberty is, beyond all doubt, the most famous and majestic symbol of the United States of America—a symbol recognized and revered not only by Americans themselves, but also by all the people of the world. It is our one great national monument dedicated to an ideal rather than to a person or an historic event.

It has seemed strange to many people that this Nation has not expended more thought and effort on providing a more dignified and appropriate physical setting for the great symbol of our liberty.

For nearly 50 years after its dedication in 1886 the Statue of Liberty was, in

effect, a neglected stepchild of the Government. First custodian of the monument was the old Lighthouse Board of the Treasury Department. The Army took over shortly after the turn of the century, simply because the statue stands in the center of Fort Wood, an old star-shaped harbor defense installation which was then still active as a military post.

Naturally, the primary concern of both the Old Lighthouse Board and the Army was with matters other than the glorification of the statue as a national shrine. Thus, it was not until the National Park Service of the Department of the Interior was given custody of the statue in 1933 than an agency interested and experienced in the maintenance of national monuments turned its attention to the statue.

Under the National Park Service, there has been a gradual change for the better at the Statue of Liberty. The island has been made more attractive in appearance. Modern restaurant and administration buildings have been constructed. Ferry service to and from Manhattan has been improved. In general, a serious effort has been made to improve the statue's surroundings.

Now, at long last, the Statue of Liberty is to be given a setting worthy of its preeminent place as the inspiring symbol of the United States and of our American way of life.

A number of distinguished and public-spirited citizens have organized to establish at the foot of the statue what will probably become, with the statue, the paramount shrine of all Americans: The American Museum of Immigration.

In this high endeavor they have the enthusiastic endorsement of the President and the cooperation of the National Park Service. The latter will be the eventual custodian of the museum, which itself will be an integral part of the Statue of Liberty National Monument.

Let me emphasize that establishment of the American Museum of Immigration is not a Government project in the sense that Federal funds will finance its construction. Rather, the museum is to be financed by the gifts—large and small—of individual Americans. Every American is invited to contribute, and I most devoutly hope that millions of us from coast to coast will do so, each according to his conscience and his means.

Participation of all Americans in establishment of the museum is of the highest significance, for this voluntary participation is what gives the project life, soul and spirit.

Every man, woman, and child who bears the proud title of American citizen is either an immigrant or the descendant of one. We are a nation of nations—the only true nation of nations in the history of mankind.

People have been coming to these shores, since the earliest times, in search of freedom and opportunity. Each immigrant has brought some contribution which has gone into the making of America. From millions America has received contributions of brawn, contributions of brain, contributions of soul and spirit. These contributions from all the creeds and countries and cultures of the world have been woven into the very fabric of our American life, whether in the field of business and industry, in the field of science, or in the field of the arts.

There is no one of us who does not share, through his ancestry, in the historic process by which America, in the short span of some 350 years, has been converted from primitive wilderness to the greatest and most powerful Nation in the annals of world history.

The American Museum of Immigration will perform a permanent service not only to the United States, but also to a confused and doubting world by telling now and to posterity how people of the most diverse backgrounds have joined together to build this Nation. The story will be told by the latest museum techniques. The specific content of the story is being decided by a committee of distinguished historians, headed by Dr. John A. Krout, provost of Columbia University, with the cooperation of the National Park Service.

The story will be told in the light of historical perspective, as viewed by distinguished scholars of American immigration, without emphasizing or minimizing the contributions of any group beyond the bounds of the record of history.

I cannot stress too strongly the constructive effect which I believe the American Museum of Immigration will have in these United States. Some 800,000 people a year visit the Statue of Liberty nowadays—95 percent of them from outside New York City. They come from the Midwest, the Far West, the South, the North.

The museum at the foot of the statue undoubtedly will multiply this annual number of visitors. These visitors will return to their respective States, with a clearer understanding of the fact that all the American people—not any one part of them—are the source of our greatness, our freedom, and our strength.

Thus the museum will give members of all groups a keener appreciation of what other groups have given to the making of America. And this appreciation of the common heritage and achievements shared by all of us will do more than almost anything else could do to strengthen and maintain the national unity of the American people.

I need hardly emphasize how important it is that the unity of the American people be stronger in these years of stress and strain than it ever has been before. We must stand united in our free democratic beliefs, in our tolerance, in our allegiance to the Constitution, in our abiding and basic respect for the dignity of every man.

In my opinion, establishment of the American Museum of Immigration will be an historic event in the development of our national life. It will be historic because it will create the great shrine at which American national unity will be nourished in our time and in all the ages to come.

The American Museum of Immigration will be historic, also, because it will provide the Statue of Liberty, for the first time in her life of nearly 70 years, with a setting appropriate to her everlasting majesty, as the universal symbol of America.

As a part of this effort to add brilliant new meaning to the setting of the Statue of Liberty, it has been suggested by the trustees of the American Museum of Immigration—headed by U. S. Grant 3d, major general, United States Army, retired, and Pierre S. du Pont 3d—that the name of the island on which the statue stands be changed to one more relevant and meaningful than Bedloe's Island.

In this suggestion I most heartily concur.

Since the beginning of recorded history, the island has had at least a half dozen other names than the one it now bears. The Indians had a name for it. Under the Dutch administration of New Amsterdam, it was called by two different titles. The English changed it in the middle of the 17th century. It was changed again when the island was given by the British Governor of New York to a French friend of his named Isaack Bedloo. This is the first appearance of the present name, though in a slightly different spelling.

About 1750, the name again was switched to Kennedy's Island. After the Revolution the island was renamed Corporation Island, when it became the property of the corporation of the city of New York.

During the 19th century, the island again became known by the name of the French friend of the old British Governor, Bedloe.

For a number of years, during the time funds were being raised for the pedestal of the Statue of Liberty, the site was known as Liberty Island, but the name did not stick.

I suggest, however, that the appropriate name actually is Liberty Island and that the Congress should permanently establish that name for the site of the Statue of Liberty.

The citizens of this country are organizing to establish the American Museum of Immigration at the foot of the statue as the great shrine of our national unity. The museum will vastly enhance the setting in which the statue stands.

I suggest that the Congress should do its part to give the statue the most meaningful environment possible, so that the message of the majestic symbol of America may be made more brilliant to all the peoples of the world.

Therefore, to this end I take pride and pleasure in introducing for appropriate reference, a joint resolution of the Congress to change the name of the site of the Statute of Liberty from Bedloe's Island to Liberty Island.

The VICE PRESIDENT. The joint resolution will be received and appropriately referred.

The joint resolution (S. J. Res. 114) to change the name of Bedloe's Island in New York Harbor to Liberty Island, introduced by Mr. PASTORE, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

INCREASED EXPENDITURES AND TEMPORARY ASSISTANTS FOR COMMITTEE ON BANKING AND CURRENCY

Mr. SPARKMAN (for himself and Mr. CAPEHART) submitted the following resolution (S. Res. 160), which was referred to the Committee on Banking and Currency:

Resolved, That the Committee on Banking and Currency, or any duly authorized subcommittee thereof, is authorized under sections 134 (a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdictions specified by rule XXV (1) (d) 4 of the Standing Rules of the Senate, to make a complete study of any and all matters pertaining to public and private housing.

SEC. 2. For the purposes of this resolution the committee from February 1, 1956, to January 31, 1957, inclusive, is authorized to (1) make such expenditures as it deems advisable; (2) employ upon a temporary basis, technical, clerical, and other assistants and consultants; and (3) with the consent of the heads of the departments or agencies concerned, and the Committee on Rules and Administration, to utilize the reimbursable services, information, facilities, and personnel of any of the departments or agencies of the Government.

SEC. 3. The committee shall report its findings, together with its recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than January 31, 1957.

SEC. 4. Expenses of the committee under this resolution, which shall not exceed $120,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

AMENDMENT OF NATURAL GAS ACT—AMENDMENTS

Mr. KILGORE. Mr. President, on May 17, 1955, I introduced in the Senate S. 2001 for the purpose of amending the Natural Gas Act in several respects. I introduced the bill to correct certain deficiencies in the Natural Gas Act to the extent that the existing legislation fails adequately to protect the interest of the public in view of the enormous expansion of the natural gas industry since the passage of the act in 1938. In my speech before the Senate at the time of the introduction of my bill, I outlined the reasons and justifications for serious consideration of the proposals that were inherent in my bill, S. 2001.

The Senate now has upon its calendar two bills, S. 1853 and H. R. 6645, designed wholly to comply with the understandable desire of the natural gas producers to be free from Federal regulation of their industry. This is a principle that I can support only if all of the other elements of the public interest are considered at the same time. If the Congress is voluntarily to relinquish the field as it pertains to the production and gathering of natural gas, which enters the stream of interstate commerce, we should make certain that all the remaining interstate aspects of the distribution and sale of natural gas fall within adequate regulatory powers of the Federal Government, in view of the monopoly characteristics of the pipeline systems in the United States.

I am disturbed by one feature of both bills which are pending on the Senate calendar. Each proposes to remove Federal controls of interstate natural gas at the production level without having any corresponding obligation placed upon the Federal Power Commission as administrator of the Natural Gas Act to exercise any conservation powers with respect to the diminishing reserves of this valuable natural resource—natural gas. Throughout the testimony of the proponents of both S. 1853 and H. R. 6645, it was asserted that the result of passage of either of the bills in question would be that additional volumes of natural gas would be available for distribution and sale in the natural gas pipeline systems of the country. This inevitably would mean that a consequence of the passage of either bill would be further heavy withdrawals from the remaining available reserves of natural gas. Since I believe the testimony of the producers and their supporters on this point, and because passage of either S. 1853 or H. R. 6645 will result in greater withdrawals of natural gas, I believe that the Congress has an imperative duty to require the Federal Power Commission to "give effect to sound principles of conservation in the administration of the act." Accordingly, I am today introducing a conservation amendment with respect to each of the bills.

My record in the Congress has demonstrated my high interest in all matters pertaining to the conservation of the Nation's natural resources. Yes, Mr. President, I have a particular interest in the welfare of coal as a natural resource; but this interest is not such that it precludes an equal interest in conservation of all of our natural resources, including natural gas. I number among my constituents large numbers of gas producers, as well as gas consumers. The people of the United States have a vested interest in the proper distribution and use of natural gas, which is in relatively short supply. How much natural gas is left? Are proper conservation principles being observed, in view of the enormous expansion of the natural-gas industry under the Natural Gas Act? These are vital and important questions, standing alone, and without regard to the Fulbright or Harris bills; but these questions become doubly important and vital when it is realized that the Congress is about to amend the Natural Gas Act in such a way as to accentuate the already known fact that our supply of natural gas is low. The facts are that the reserve life index of natural gas has declined in the 10 years since 1946. The figures of the American Gas Association show that, as of December 1954, the present reserve life index of natural gas, based upon present consumption, is less than 22½ years. This alarming figure shows that the heavy capital investment in natural-gas pipelines and the growing and widespread dependence upon natural gas for fuel in many areas mean that a new and high public trust is reposed in the hands of the Federal Power Commission to make certain that the small reserves left are not dissipated, contrary to the best interest of the public and the need for the longest possible continued service for the many users of natural gas.

The sad fact is that nowhere in the Natural Gas Act, as it is presently written, is there sufficient legislative direction by the Congress to the Federal Power Commission which would require or authorize it to exercise the necessary conservation measures in this highly important field. The Members of the Senate do not have to take my word for this statement. They need only examine the recommendations of the Federal Power Commission itself on numerous occasions, in its annual reports to the Congress. A broadening of its power in this field is inherent in the recommendations set forth in the 20th Annual Report, 1940; the First Five Years, 1944; The Smith-Wimberly Report of the Natural Gas Investigation, 1948; the 31st Annual Report, 1951; the 33d Annual Report, 1953; and the 34th Annual Report, 1954. On December 15, 1955, the United States Court of Appeals for the District of Columbia Circuit in the case of the City of Detroit against the Federal Power Commission, returned the Panhandle Eastern rate case to the Commission, stating that the Natural Gas Act does not authorize the Commission to deal with considerations of conservation or accelerated usage in a natural gas rate case.

Against this background, the Federal Power Commission is daily going forward with proposals designed to authorize greater withdrawals of natural gas and, therefore, a further reduction in the life index of the natural gas reserves. The public interest requires that the Congress give a legislative mandate to the FPC to give effect to "considerations of conservation" in the performance of its duty to protect the public's interest in the existing and future natural gas pipeline systems. The Federal Power Commission should be charged with the specific duty of conserving the remaining reserves of this valuable natural resource. The Congress has recognized the need for conservation in other important fields, such as water, soil, forests, wildlife, and other natural resources.

Accordingly, today I am introducing a simple amendment which would amend section 1 of the Natural Gas Act by the addition of the following language:

The Federal Power Commission shall give effect to sound principles of conservation in the administration of this act.

Who can quarrel with the introduction of this necessary principle into the Natural Gas Act? It is abundantly clear that the producers of natural gas, the transporters thereof, the distributors, and particularly the consumers of natural gas, have a high stake in the immediate introduction of conservation principles into the overall administration of the Natural Gas Act. The consumers of natural gas have a right to have their dependency upon the remaining available reserves protected by the Federal Power Commission. It is not reasonable

for the Federal Power Commission to be required to certificate any and all projects simply because of the failure of the word "conservation" to appear anywhere in the Natural Gas Act. In view of the fact that the Federal Power Commission has been entrusted with the stewardship of the growth and expansion of the natural-gas industry, under the Natural Gas Act, it follows that the Commission can also be entrusted with the further authority to "give effect to sound principles of conservation" in the administration of the act. The record will not justify a conclusion that this additional authority would be administered in any way other than in the best long-term interests of the producers, the transporters, the distributors, and the consumers of natural gas, as well as the general interest of the public. Since there exists a great, demonstrable need for this amendment, and because the Federal Power Commission and the courts have pointed out the absence of sufficient congressional mandate in the field of conservation, I urge the Congress to adopt this simple amendment in the best interests of conservation of our valuable and limited natural-gas reserves.

I send to the desk proposed amendments to each of two bills now pending before this body.

The VICE PRESIDENT. The amendments will be received, printed, and lie on the table.

ADDITIONAL COSPONSORS OF BILLS

Pursuant to the order of the Senate of January 5, 1956, the name of the Senator from Utah [Mr. BENNETT] was added as an additional cosponsor to the bill (S. 2854) to amend the National Housing Act, as amended, introduced by Mr. BUSH.

Pursuant to the order of the Senate of January 5, 1956, the name of the Senator from Utah [Mr. BENNETT] was added as an additional cosponsor to the bill (S. 2856) to increase the amount of appropriations authorized for disaster loans, and for other purposes, introduced by Mr. BUSH.

Pursuant to the order of the Senate of January 5, 1956, the name of the Senator from Utah [Mr. BENNETT] was added as an additional cosponsor to the bill (S. 2858) to amend the Small Business Act of 1953, introduced by Mr. BUSH.

Pursuant to the order of the Senate of January 5, 1956, the name of the Senator from Massachusetts [Mr. SALTONSTALL] was added as an additional cosponsor to the bill (S. 2860) to authorize the construction of additional flood-control reservoirs in the Connecticut River Basin, introduced by Mr. BUSH.

Pursuant to the order of the Senate of January 5, 1956, the names of the Senator from Massachusetts [Mr. SALTONSTALL] and the Senator from Oklahoma [Mr. KERR] were added as additional cosponsors to the bill (S. 2861) to authorize an increase of emergency relief highway funds from $10 million to $30 million for the fiscal year ending June 30, 1956, introduced by Mr. BUSH.

Pursuant to the order of the Senate of January 5, 1956, the names of the Senator from Minnesota [Mr. THYE], the Senator from Wyoming [Mr. BARRETT], the Senator from Ohio [Mr. BENDER], and the Senator from North Dakota [Mr. YOUNG] were added as additional cosponsors to the bill (S. 2862) to provide for an experimental national flood indemnity and reinsurance program, and for other purposes, introduced by Mr. BUSH.

FLOOD INSURANCE—ADDITIONAL COSPONSORS OF BILL

Mr. SALTONSTALL. Mr. President, last week, on the opening day of the session, I introduced, for myself and in behalf of my colleague, the junior Senator from Massachusetts [Mr. KENNEDY], and other Senators, Senate bill 2768, relating to flood insurance.

I should like to have added to the bill as cosponsors the junior Senator from New Jersey [Mr. CASE], the senior Senator from Pennsylvania [Mr. MARTIN], the junior Senator from Rhode Island [Mr. PASTORE], and the senior Senator from Utah [Mr. WATKINS].

The VICE PRESIDENT. Without objection, it is so ordered.

PROPOSED INCENTIVE CONTRIBUTIONS AWARDS BOARD IN DEPARTMENT OF DEFENSE—CHANGE OF REFERENCE

Mr. SALTONSTALL. Mr. President, I ask unanimous consent that the Committee on Armed Services be discharged from further consideration of S. 2157, a bill to authorize the establishment of an Incentive Contributions Awards Board within the Department of Defense, and for other purposes, and that the bill be referred to the Committee on the Judiciary. I am informed that H. R. 2383, a similar House bill, passed the House on July 30, 1955, and was referred to the Senate Judiciary Committee.

The VICE PRESIDENT. Without objection, it is so ordered.

RELIEF OF CERTAIN MEMBERS OF THE ARMED FORCES—CHANGE OF REFERENCE

Mr. SALTONSTALL. Mr. President, I ask unanimous consent that the Committee on Armed Services be discharged from further consideration of the bill (S. 796) to provide for the relief of certain members of the Armed Forces who were required to pay certain transportation charges covering shipment of their household goods and personal effects upon return from overseas, and for other purposes, and that the bill be referred to the Committee on the Judiciary. I am informed that H. R. 2121, a similar House bill, passed the House on March 15, 1955, and was referred to the Senate Judiciary Committee.

The VICE PRESIDENT. Without objection, it is so ordered.

PRINTING OF REVIEW OF REPORT ON ST. JOSEPH HARBOR, MICH. (S. DOC. NO. 95)

Mr. CHAVEZ. Mr. President, I present a letter from the Secretary of the Army, transmitting a report dated November 1, 1955, from the Chief of Engineers, United States Army, together with accompanying papers and illustrations, on a review of report on St. Joseph Harbor, Mich., requested by a resolution of the Committee on Public Works of January 22, 1954. I ask unanimous consent that the report be printed as a Senate document, with illustrations, and referred to the Committee on Public Works.

The VICE PRESIDENT. Is there objection to the request of the Senator from New Mexico? The Chair hears none, and it is so ordered.

PRINTING OF REVIEW OF REPORT ON TUALATIN RIVER, OREG. (S. DOC. NO. 94)

Mr. CHAVEZ. Mr. President, I present a letter from the Acting Secretary of the Army, transmitting a report dated June 13, 1955, from the Chief of Engineers, United States Army, together with accompanying papers, on a review of report on Tualatin River, Oreg., requested by a resolution of the Committee on Commerce of July 22, 1940. I ask unanimous consent that the report be printed as a Senate document, and referred to the Committee on Public Works.

The VICE PRESIDENT. Is there objection to the request of the Senator from New Mexico? The Chair hears none, and it is so ordered.

NOTICE OF HEARING BY FOREIGN RELATIONS COMMITTEE ON NOMINATION OF MAX WALDO BISHOP, OF ARKANSAS, TO BE AMBASSADOR TO THAILAND

Mr. GEORGE. Mr. President, the Senate received today the nomination of Max Waldo Bishop, of Arkansas, a Foreign Service officer of class 1, to be Ambassador of the United States of America to Thailand. I give notice that this nomination will be considered by the Committee on Foreign Relations at the expiration of 6 days, in accordance with the committee rule.

NOTICE OF HEARINGS ON CERTAIN NOMINATIONS BY COMMITTEE ON FOREIGN RELATIONS

Mr. GEORGE. Mr. President, the Senate received today a list of 234 persons appointed during the last recess of the Senate, in the Foreign Service of the United States. The list appears elsewhere in the Senate proceedings of today. I give notice that these nominations will be considered by the Committee on Foreign Relations at the expiration of 6 days, in accordance with the committee rule.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were

ordered to be printed in the RECORD, as follows:

By Mr. WILEY:

Address delivered by him on January 9, 1956, at the Mayflower Hotel, Washington, D. C., before the meeting of consumer-labor-women's-business groups opposed to natural gas exemption bill.

CEREMONIES AT CHRISTMAS PAGEANT OF PEACE

Mr. MANSFIELD. Mr. President, for many years in Washington, D. C., we have had the institution of the President's Christmas tree on the White House Grounds, which is decorated and lighted annually with appropriate Christmas ceremonies.

For the past 2 years the idea of the President's Christmas tree has been expanded to make it a Washington citizens' observance, to bring our 48 States and Territories and the Embassies in Washington into these observances so as to dramatize the Christmas message: "Peace on earth; good will toward men."

In these 2 years we have seen the idea of a Christmas Pageant of Peace develop spontaneously and beautifully. It has grown beyond the idea of a simple Christian observance to encompass not only Christians and Jewish organizations, but also the non-Christian religions of Asia, Buddhism, Hinduism, the Orthodox religions of Greece, and, in fact, any religious groups which are ready to come in under the banner of "Peace on earth; good will toward men."

This year envoys of some 35 nations joined with the Washington citizens sponsoring the Pageant of Peace by erecting symbols on the pathway of peace, presenting folk dances or country dances representative of their countries, and so on. Many of my colleagues may have seen these symbols and cultural programs on the television screen during the holiday season.

A highlight of the Christmas Pageant of Peace was the Ambassadors' broadcast on Saturday, December 31, 1955, and Sunday, January 1, 1956, from the Ellipse stage.

Two distinguished Members of the United States Senate acted as chairmen for these New Year's greetings to the American people.

Saturday, the Senator from Rhode Island [Mr. GREEN] acted as chairman for the first half of the Ambassadors' broadcast, and the Senator from Utah [Mr. WATKINS] presided on Sunday for the concluding session, in which Ambassadors from nations all over the world expressed their New Year's greetings to the American people, and enunciated their hopes and prayers that, under God, we would find the path to world peace.

It was a most impressive ceremony, and I ask unanimous consent to incorporate in the CONGRESSIONAL RECORD the remarks of the Senator from Rhode Island [Mr. GREEN], together with the New Year greetings from the Ambassadors to the people of the United States and the world as delivered on Saturday, December 31.

There being no objection, the remarks of Senator GREEN and the greetings were ordered to be printed in the RECORD, as follows:

REMARKS OF SENATOR GREEN AT THE CHRISTMAS PAGEANT OF PEACE, DECEMBER 31, 1955, WASHINGTON, D. C.

Members and friends of the Christmas Pageant of Peace, we are met here this afternoon to impress upon the American people, and we hope, also, the people of the world, the importance to them all of peace. No time could be more propitious than the Christmas season with the message brought by the angels from heaven, "Glory to God in the highest, and on earth, peace, good will toward men."

This is not an American meeting. It is a meeting of many widely scattered nations, represented by their Ambassadors to our country.

As a ranking member of the Senate Foreign Relations Committee, I have seen at firsthand the enormous pressures which lead to war and to international conflict. I have seen very clearly that the only hope for peace on earth comes out of the minds and hearts of men. It is based on a belief in a divine providence and a humble seeking for divine guidance. This is a simple formula, but it is also a very difficult one to carry into action.

The president of the Christmas Pageant of Peace, Mr. Carr, has provided the spirit and the leadership for such action, of which this meeting is an illustration. The people and the leaders of many religions, who have joined in support of this Christmas Pageant of Peace, have provided the idealism and the religious conviction which have brought together people of many faiths in this quest for peace on earth, good will toward men.

I commend Mr. Carr, the officials, the participants in and the loyal supporters of the Christmas Pageant of Peace, for a great contribution to the realization of this hope, and I trust that this group will decide to make the pageant an annual affair in this city of Washington.

Here on this platform are meeting distinguished representatives of many nations from different parts of the world, each one of whom has a message for us and for the world at large. And now may I present the representatives of the various countries assembled on the Ellipse stage:

NEW YEAR'S MESSAGE OF MR. ALBERTO BENEGAS LYNCH, MINISTER COUNSELOR, REPUBLIC OF ARGENTINA

At it was pointed out by the great newspaper the New York Times in its issue of last Sunday, Christmas in Argentina this year is the first one in many years that takes place in an atmosphere of freedom.

My country suffered truly during 12 long years the darkness of tyranny. Our libertarian revolution, that recently brought to my country the atmosphere of freedom, was made possible thanks to the vigorous struggle kept up by many free Argentines during the time tyranny was in power. These fighters were found in all sorts of people: politicians, journalists, professors, students, industrialists, workers, etc.; they never surrendered to tyranny. Among these fighters, a special mention must be made to the Argentine youth who, in the civil sphere as well as in the military, naval and aviation sphere, proved moral integrity and courage. We, Argentines, are proud of the way we recovered liberty.

Thus, Christmas in Argentina has been celebrated this year in accordance with Christ's doctrine, which stands for freedom. We must never forget that Christ was the main victim of lack of liberty. He was persecuted and condemned to death because, with his Apostles, he preached a different faith than the one the government wanted to impose on the people.

History demonstrates that those who begin wars are always some kind of totalitarian government. People do not want aggressive war. If tyranny could be defeated everywhere it exists, the danger of war would substantially diminish. As a matter of fact, when a country returns to the path of liberty, it can be said that in some measure it has made a contribution toward peace.

As Minister Counselor of the Argentine Embassy, and as a citizen who participated in the struggle for freedom in my country, it is a privilege for me to deliver this short speech extending my best wishes in the New Year to the American people and their democratic government; to the American people who are supporting the heaviest task in the common effort toward peace; to this country—blessed by God—that is the hope of all free men who want true peace, that is to say: not the peace of jail but peace with freedom. I also take the opportunity to hope that, from the New Year into the future, all over the world, the increasing understanding of true peace will make it possible some day for every man to enjoy peacefully full individual liberty for the benefit of mankind.

NEW YEAR MESSAGE OF THE AMBASSADOR OF BURMA, HIS EXCELLENCY MR. U. WIN

As Ambassador of the Union of Burma to the United States, I have much pleasure in conveying to you the warm greetings and best wishes of the people of Burma and of myself for the New Year.

Nineteen fifty-five has been on the whole a year of hope. It is marked by a new thinking in terms of living together in a world freed from the dread of utter destruction of man by his own weapons of mass annihilation.

The causes that lie behind the differences which divide mankind have taken a firm root in our own minds. We have lived with them for so long that it will be like asking for a miracle to happen if we expect them to be resolved at once.

Nineteen fifty-five has seen a beginning made. Mankind all the world over yearns for peace. I think we can ultimately have peace if we strive on without a let-up and without despair. The gap that divides us today seems basically one of ignorance and misunderstanding, which bring in their wake mistrust and fear.

We all desire peace. Let us therefore in the new year resolve to continue to seek it with faith and hope and good will and understanding, and with tolerance for peoples and systems different from our own. Mankind has throughout the ages searched the secrets of the universe and his mind to find peace and happiness. Let us continue the quest in the coming year and strive to our utmost to reduce, if not resolve, some of the differences that confront us today.

May peace and good will prevail throughout the world.

NEW YEAR'S MESSAGE OF THE AMBASSADOR OF CAMBODIA, HIS EXCELLENCY MR. NONG KIMNY

At this time of the holidays of Christmas and the New Year, I am happy to forward to the American people the friendly wishes of the Cambodian people and their message of hope, peace, and good will.

Despite the distance which separates us the people of Cambodia rejoice to know that this year, as last, throughout the United States the great feasts of Christmas and New Year are celebrated in an atmosphere of hope and general optimism.

This year is the second that the world has celebrated a Christmas and New Year without war.

We rejoice that the world welcomes the new New Year under the symbol of peace; a peace based upon justice, human dignity, liberty, and independence of peoples.

My country, Cambodia, is a peace-loving nation. Under the enlightened direction of our beloved sovereign, His Majesty Nordom Suramarit, and behind our great leader and national hero, H. R. H. Norodom Sihaunouk, our people have concentrated their efforts and sacrificed much for the goals of peace, security, and liberty.

The United States, for its part, under the guidance of President Eisenhower, whom the world today regards as a champion of peace, pursues the same ideals of peace and liberty. It is this unity of objectives which permits, and I am certain will permit, sincere, friendly, and fruitful cooperation between Cambodia and the United States. May today's peace endure forever for the greater benefit of mankind.

NEW YEAR'S MESSAGE OF HIS EXCELLENCY MR. R. S. S. GUNEWARDENE, AMBASSADOR OF CEYLON

It is indeed a great pleasure for me to extend to you, the people of the United States, and to our friends all over the world the best wishes of my countrymen for a happy and peaceful New Year.

This is a time when we as individuals are inclined to look back on the year which has passed and make new resolutions for the year that lies ahead. Some of us have reason to be thankful for what we have achieved; others look back with regret on opportunities that have been missed or mistakes which have been committed. In either event, however, the thinking is confined to our own hopes and fears or to those of our families. Very rarely do we think in terms of the peace and well being of the larger entities to which we belong—the nation and the world as a whole. Yet unless the world is at peace and there is goodwill among nations, we as individuals can never know happiness and prosperity.

Today the world is at peace—but it is an uneasy peace. As I speak the defenses of many countries in the West and in the East remain ever watchful and ever alert; and in many American homes, as in homes overseas, many families will miss the presence of the thousands of young men who are serving those defenses. It is not my purpose here to consider the events which have led to this situation. I only wish to say how very concerned we in Ceylon are at this sad reminder of the fundamental lack of good will among nations; and to express the hope that in the year ahead more progress will be made in achieving peace on earth and good will toward men.

The past year has seen a certain degree of relaxation of tension. We in Ceylon are happy that the epoch-making Asian-African Conference at Bandung, of which we were one of the sponsors, was to a large extent responsible for this. Now that we have taken our seat in the General Assembly of the United Nations, we are better equipped to make our contribution to the growth of international understanding and cooperation. Ceylon is a small country with no axes to grind in the field of international politics. But although we are a new nation we are an old people with over 2,000 years of recorded history to inspire us. It is my earnest hope that this accumulated experience of the centuries will help us to promote understanding and goodwill among the nations of the world. We know that in this task we can draw upon the great fund of human goodwill that exists in all parts of the world. During my stay in the United States I have been extremely impressed by the friendliness of American people and their earnest desire for peace. The Christmas Pageant of Peace here in Washington, D. C., is in itself an indication—and if I may say so, a very impressive indication—of this desire. In other parts of the world, too, there are people who are similarly disposed to subordinate their prejudices and suspicions to the overwhelming need to work for world peace. I am confident, therefore, that the task that lies ahead is not incapable of fulfillment.

In the coming year we in Ceylon will celebrate the 2500th anniversary of the Parinibbana or the passing away of the Buddha. This will not only be an opportunity for Buddhists all over the world to pay homage to one of the greatest men of history, it will also, I hope, remind all of us who uphold spiritual values of the need for tolerance, which is one of the basic tenets of the Buddhist religion. International understanding can be achieved only if we are prepared to be tolerant of other faiths, other beliefs, and other ideologies.

One final word before I close. It is customary at this time to wish our friends peace and prosperity in the coming year. Let us not forget while we do this that there are millions of people throughout the world—and more particularly in Asia and Africa—who have never known what prosperity is, who are at this very moment living in grinding poverty and despair. We must endeavor to raise the living standards of these people and eradicate thereby the atmosphere in which hatred and suspicions can flourish.

May this New Year bring peace, happiness, and prosperity to us all.

NEW YEAR'S MESSAGE OF THE AMBASSADOR OF CHILE, MR. FERNANDO SILVA, SPEAKING FOR AMBASSADOR RODRIGUEZ

Ladies and gentlemen, I have the signal privilege, as a member of the staff of the Chilean Embassy in Washington, to convey the greetings of the people of the Republic of Chile to the great people of the United States of America.

Both countries—born to freedom and democracy within a short span of some 30 years—have always shown a parallel zeal in their defense of freedom and their undying love for peace.

And both countries, one as a small nation, the other as a big one, have not only boasted of, but have proven by their deeds, their love for peace, a feeling that is only equaled by their love for their common heritage of freedom

This is, then, the meaning of the greeting from the people of Chile to the people of the United States of America, and to the peoples of the world at the birth of 1956: may nothing but our common love for freedom prevail over the universal love for peace during the year that is about to begin.

Thank you.

NEW YEAR'S GREETING OF THE COLOMBIAN AMBASSADOR, DR. FRANCISCO URRUTIA

It is our duty at the end of every year to meditate and ponder if the history and facts of the last 12 months show any improvement toward our common aim for the ideal of peace.

For the first time in many years we had no fighting war in any place in the world during the first months of 1955, and also for the first time in many years it was not the fear of a new world war, but the confidence and hope of peace, that seemed to guide the destinies of the Western World after the Geneva Conference.

During the summer of 1955 the cold war appeared to come to an end, the idea of peaceful coexistence to be not only an ideal but a real possibility, and we all thought that an effective system of disarmament and a settlement of the German problem would be achieved in a matter of a few months.

Unfortunately, while the hope of peace prevailed in Europe, the danger of war increased in other parts of the world. Only a few weeks after the Geneva Conference, shooting started again in the Holy Land, the hopes of settlement of the German and other European problems vanished, and by the end of the year we realized how far we were from peaceful coexistence in the Far East.

The year of 1956 will certainly mark a crucial stage in the international relations of the Western and Eastern Powers.

The world faces an era of unprecedented challenge.

Either with God's help the governments find a way to establish world peace, or we shall all face the specter of an atomic war and the probable destruction of our civilization.

Among many others, we see two definite ways to avoid this tragedy. The first is the strengthening of the unity and collaboration between all the countries of this continent. A united and strong American hemisphere would have the necessary power to help the collective security systems to avoid wars in other parts of the world.

The second, and by far the most important, is disarmament and control of the atomic energy.

On Christmas Eve, speaking from the Vatican throne, His Holiness Pope Pius XII warned the world of the perils of an atomic war and proposed a disarmament and atomic control plan which has already received the wholehearted approval of all the most important leaders of the world.

In this, the 11th year of the atomic age, let us pray and hope that His Holiness' suggestion will be adopted to avoid the path of death over the pulverized ruins that an atomic war would bring to all of us.

GREETINGS FROM THE AMBASSADOR OF ECUADOR, DR. JOSE R. CHIRIBOGA V.

We have come to the threshold of a new year filled with hopes, doubts, and questions. Mankind has made multiplied efforts to keep peace and to lay down the foundations for its spiritual tranquility. We may feel ourselves proud of every endeavor and sacrifice made for the sake of this cause, even if we cannot boast ourselves of the practical results. The world breathes an air of uncertainty, of a sort of pessimism and general insecurity. The so-called cold war has changed into a new shape, but in essence it continues unchangeable. Some nations are still subject to the despotism that knows of no principle of human dignity. Liberty has been outcast from countries which were torches of independence only yesterday. The frontiers, the national integrity of small and peaceful countries continue to be threatened by ambitious expansionist states.

But humanity goes forward seeking justice, peace, and liberty. This permanent desire so many times repeated in the international forum and wherever the voice of the peoples has brought to us their message constitutes a well-founded base to hope that the new year may represent a decisive step in the crusade toward the harmony, confidence, security to all men in all the regions of the world.

For the noble and industrious people of the United States of America the new year is shaping up with radiant signs of an increasing trend of production. Manpower is more vigorous than ever. There is economical stability and confidence in business. Living standard, per capita, is higher every day.

Notwithstanding the year to come will bring to this great Nation more responsibilities as leader of the democratic cause, if the United States keep their traditional firmness and perseverence in the defense of the human values, in the preservation of independence and integrity of all the small countries, 1956 will be a year of peace and general progress. If the United States maintain the adherence to the ideals which inspired the Declaration of Philadelphia, we may rest assured that 1956 will give us the spiritual tranquillity and optimism that is so much needed.

Ecuador as a true and loyal friend of the United States, greets cordially to this great

country, model of progress and great supporter of public liberties, and avails herself of this opportunity to renew her indeclinable determination to continue cooperating for the maintenance of peace and justice among the nations.

Mankind has put many hopes in 1956. But they will come true only if everyone shares in the great task of helping the world to attain its most cherished goals. We must put our faith and enthusiasm in this great effort of pacifying the spirit, of the moral and material disarming of all the peoples, so that we may give our children the peace the world demands for the collective well-being.

NEW YEAR'S GREETINGS DELIVERED FOR HIS EXCELLENCY THE AMBASSADOR OF EGYPT, DR. AHMED HUSSEIN, BY MR. MOHAMED HABIB, PRESS ATTACHÉ OF THE EGYPTIAN EMBASSY

It is an honor and a privilege to have a part in this inspiring Pageant of Peace. I am grateful to the citizens of Washington for giving me an opportunity to greet them and their fellow Americans on this New Year's Eve.

In spite of the woes of the world, there is always, in the hearts and minds of men, the hope of a better life. The people of Egypt, like the people of the United States, are filled with this hope.

Egypt has made tremendous strides in the past 3 years, and it looks forward to the coming year with confidence and determination. We know our task will require our whole effort. We know, too, that in building a better Egypt, we are contributing to the building of a better world. We are resolved to do our modest share in this great aim.

On behalf of my fellow countrymen, I extend to the people of the United States our sincere good wishes for the New Year. We devoutly hope that 1956 will bring peace and happiness to all men.

NEW YEAR'S MESSAGE OF HIS EXCELLENCY, THE AMBASSADOR OF EL SALAVADOR, DR. HECTOR DAVID CASTRO

A new year seems to be a golden opportunity for new thoughts, new ideas and new plans which are intended to make our lives better and more fruitful.

There are many things that we have left undone and of which we intend to take care in the year that lies ahead. Many ways can be improved and many good intentions may be carried into effect, if we only devote to them more time and attention.

It is indeed our food fortune that the new year comes at the end of the Christmas season when men seem to become more human and to be eager to become better neighbors to their fellowmen, showing a greater interest in their prosperity and general welfare. Christmas means the fulfillment of a promise which was repeatedly made to the human race during hundreds of years. Its meaning is more spiritual than material and it conveys an invitation to all of us to improve our lives constantly in order to make them better adapted to the Christian principles which are the only ones upon which the peace of the world may safely rest. That we may do so is the fervent wish that I express at this time.

I want to extend to the people of the United States of America and to the peoples of all nations, in behalf of the people and the Government of El Salvador, sincere best wishes for a happy 1956.

NEW YEAR GREETINGS OF THE AMBASSADOR OF ETHIOPA, HIS EXCELLENCY MR. YILMA DERESSA, AMBASSADOR

On behalf of the Imperial Ethiopian Embassy, I wish to thank the citizens of this Nation's capital who through the Committee of the Pageant of Peace have given us the privilege of participating in this Christmas event by erecting a symbol on the pathway of peace.

Ethiopia, an ardent advocate of peace, joins America and the other nations in their unswerving loyalty to the cause of freedom embodying peace for this planet of ours.

It is timely to convey from my august sovereign and from my nation a message to the people of the United States wishing them a New Year of continued peace and prosperity.

NEW YEAR'S GREETING OF HIS EXCELLENCY GEORGE V. MELAS, AMBASSADOR OF GREECE

I am grateful to the Pageant of Peace for the opportunity to join with the representatives of many nations in sending a word of goodwill and friendship to the American people.

The spirit of Christmas brings a special glow to the hearts of all people who are dedicated to high ideals. That is why we see here about us at the Pageant of Peace, the symbols of many lands and many peoples, who, although dissimilar in language, religion, and culture, share a common devotion to the ideals of the Christmas season, peace on earth and good will to men.

In this atmosphere of brotherhood, it is clear that it is high time we cast aside hatred among human beings, installing in its place, in triumph, love and understanding among peoples.

To achieve this noble end, it is the imperative duty of all to contribute to the elimination of all reasons for discord, especially where such discord may exist between friends. We must, in the new year ahead, rededicate ourselves to this important task so that the true destiny of every people may be realized in a world that enjoys peace and justice, and strives only for human progress.

MESSAGE OF MR. TOUSSAINT, COUNSELOR, SPEAKING FOR THE AMBASSADOR OF HAITI

It is a great honor, indeed, to have been appointed by the Ambassador of Haiti, the Honorable Jacques Leger, to deliver a message of peace and goodwill in the spirit which has prevailed throughout the Yuletide.

This is the time when men, the world over, conscientiously evaluate their accomplishments during the year and sadly appraise that which, notwithstanding the fervor of their efforts, could not be fulfilled during this same period.

And it is at this time that they determine, with firm resolve, the means to assure the continued success of their mission in the coming year.

And the example of this thinking on the part of such men is vividly witnessed in this country, whose noteworthy statesmen deserve special commendation for their ceaseless efforts to combat the many-sorted evils confronting freedom loving people. These men are truly apostles of peace and goodwill. Ceaselessly, they have toured the world in an effort to gap any breach through which a single spark might pass to ignite this planet of ours.

There were, of course, and there still are some weak spots where turbulence and strife could not be prevented; however, these were local affairs, which, due to their keen statesmanship, did not spread out to bring a world war III.

As a result, this year is closing on a note of peace. The world has been spared the impact of misery and suffering occasioned by international strife, and the pattern has been laid for a peaceful year ahead.

It is fitting, too, at this time, to render a tribute of gratitude to our forefathers, namely, George Washington, Bernardo O'Higgins, San Martin, Sucre, Simon Bolivar, Alexandre Pétion, Toussaint Louverture and Jean-Jacques Dessalines, and other men of vision, whose genius has inspired statesmen throughout the American Continent in their vigilance to preserve peace, maintain goodwill and thus strengthen democracy, to the end that our children, grandchildren and all generations to come, may live and enjoy a life, free from the fear of destruction.

While there has been much accomplished in the passing year, a vast job lies ahead would we insure the benefits of democracy to our people, and may the year 1956 see fashioned into a garment of lasting peace the pattern which was laid therefor.

MESSAGE OF HIS EXCELLENCY GENERAL CARLOS IZAGUIRRE, AMBASSADOR OF HONDURAS

Citizens of Honduras and friends, from Washington, metropolis of the world; beholding the lofty dome of the Capitol; standing on the gardens of the White House; and facing the Christmas tree recently lighted-up by President Eisenhower with thousands of multicolored lights, I am sending to you all my salutations and New Year greetings.

While there are men and governments in many parts of the world that do deny the truth of God and promote misunderstanding and discord into the consciences and souls of human beings, we, Hondurans, must raise our prayers to the Lord singing our "Glory be to God on high, and peace on earth to all men of good will."

May the Divine Redeemer take into His protection our dear country illuminating its pathways with the lights of duty and tolerance, so that the year that is about to begin in a few hours may be remembered in the future with pride and satisfaction as a year prodigal in accomplishment, prosperity, and good fortune.

From this lofty abode of liberty, amid glorious symbols and surroundings, and in the presence of several thousand American citizens, as a Honduran, I send greetings to all my fellow countrymen and to His Excellency, the Supreme Chief of the State, Don Julio Lozano, invoking upon them all the graces of peace and prosperity and the highest blessings of the Almighty.

ADDRESS BY AMBASSADOR THOR THORS OF ICELAND

Today we again stand on the threshold of a New Year. The old year will pass by tonight, disappear with all its moments of joy or sorrow, with all its bright achievements or bitter disappointments. Its memories however will live with us and we may live with them for years untold.

As before mankind faces the New Year with good intentions. At least we want to do so ourselves and we want to believe that all others do likewise. The many pleasant and fortunate events of the passing year give us encouragement and enkindle hope. The approachment of contact and exchange of views of the leading statesmen of the world in Geneva last August gave humanity great expectations. We thought at that time that the road to peace was widening and extending. But, alas during the last months of this year our hopes have been dimmed. The present world situation is wrapped in shadows and clouds of mistrust. However, all clouds pass by and let us hope good will will prevail over ill will. Let us remember that good will and naivete are two different ideas, and that continuous and constant mistrust can lead only to mutual frustration, tragic conflict and ultimate destruction.

The year 1955 was marked with difficulties and some disappointment. But it has also been a year of peace and prosperity for most of mankind. So blessed be its memory.

The year 1956 faces us with great international problems. But problems are there to be solved. It is of the utmost importance that every man and woman in every land let the feeling of good will to men that characterizes the Christmas season stay with them in their hearts and minds. With that noble

feeling toward each other and to other peoples we shall all be the peacemakers of the world, and blessed are the peacemakers for they shall be called the children of God. Our feeling of good will and understanding shall give us all and each of us the feeling of freedom and peace of mind and in its ultimate course lead to peace on earth.

May the New Year bring happiness and peace to every nation of the world and to all of you in every land.

Happy New Year.

MESSAGE OF AMBASSADOR G. L. MEHTA, OF INDIA

Friends, as the representative of the Government and the people of India in the United States, I have the privilege of participating in the Pageant of Peace organized by the citizens in this Nation's Capital. This is a season of universal rejoicing all over the world. On this occasion of ringing in the advent of the New Year our thoughts naturally turn toward the great and momentous issues of peace, brotherhood, and goodwill among all nations. As part of the display in the Pageantry of Peace on the Ellipse, we have erected a symbol of India with some appropriate decorations. The many hundreds who visit these grounds will see the portrait of the great leader of India of our times; I refer to Mahatma Gandhi. Some of the very memorable sayings of this apostle of peace and nonviolence are displayed on the Christmas wreath. It is perhaps fitting that we should not only read these sayings but also imbibe the thought contained in them. One reads: "Intolerance betrays want of faith in one's cause" and another says: "Religions are not for separating men from one another, they are meant to bind them." Yet another proclaims: "Truth is an exclusive property of no single scripture." And another declares: "Man is superior to the system he propounds."

All the great religions of the world and their great prophets and their scriptures speak of the supreme virtue of tolerance and harmony.

The peoples of India like peoples in all parts of the world yearn for an era of peace and common welfare. We share with you in this traditional celebration of 20 centuries and I take pleasure in conveying to the peoples of your great country greetings and good wishes of my own people from across the oceans.

NEW YEAR GREETINGS BY S. SURJOTJONDRO, COUNSELOR, EMBASSY OF INDONESIA

On behalf of the Indonesian people I extend my heartfelt greetings to the people of the United States of America now that we are about to enter a new year.

The year that is coming to a close today has seen many efforts in various parts of the world aimed at strengthening the pillars of international peace.

The Indonesian people continue their readiness to explore new ways, including those so far untried, if they enhance the chances of leading toward a durable and just peace, everywhere in the world.

May the New Year bring continued prosperity for all of us and cooperation in greater harmony among all of us so that mankind may face a brighter future.

NEW YEAR'S GREETINGS FROM THE AMBASSADOR OF IRAQ, HIS EXCELLENCY DR. MOUSSA AL-SHABANDAR

I am privileged and pleased to participate in this year's celebrations in the Pageant of Peace on behalf of the people of Iraq, and wish to take this opportunity to extend to the people of the United States of America our best wishes for a very happy and prosperous New Year.

We Moslems wish to share with our brethren of the Christian faith the sincere hope that the New Year will bring with it the enjoyment of mankind's most cherished dream of everlasting peace and harmony among the nations of the world, and we will continue in our joint efforts to bring freedom, security and friendship to all the peoples of this universe. We look forward to a world free from the evils of war and hatred, where all nations no matter how big or small will cooperate constructively and happily, dedicating all their combined efforts to overcome mankind's enemies such as slavery, poverty, ignorance and disease and promote the cause of freedom and human dignity.

The ties of amity and friendship that bind the American and Iraqi peoples are but an example of the relations we hope to see among each and every other nation.

I am very pleased, therefore, to add my voice to the very sincere expressions of hope and good will which we are privileged to hear today in these New Year's festivities and join with the worshipers of all faiths in a prayer to Almighty God to guide the leaders of the world in their efforts to restore peace and friendship among their respective peoples.

REMARKS BY DR. YOU CHAN YANG, KOREAN AMBASSADOR TO THE UNITED STATES

PEACE MUST BE PLANNED FOR—WORKED FOR

This is the season of the year when everyone is especially longing for peace, in a spirit of good will and universal brotherhood.

It is also the season in which George Washington changed the whole course of the American Revolution by mustering his Continental troops out into the snow and cold to cross the Delaware River and launch a surprise attack against the Hessian forces at Trenton.

We would all be mightily pleased if we could relax in the warm comfort of our homes—enjoy the hopefulness of the New Year in the midst of the grateful memories of Christmas—and forget if we can that peace is not one of the presents we found in our stockings.

Unhappily, this is not a time when we can enjoy the great luxuries of relaxation and forgetfulness. The cold war waged by the Communists is not lessened, but is more threatening now than at any time since 1945. The advances in undermining the free world which the Soviets have made since the Geneva Conference are even more rapid and more sweeping than those they achieved after Yalta. This is the dread fact which we dare not ignore nor underestimate.

Traditionally, the New Year is the time for making resolutions. With the aim of safeguarding the security of freedom, I have several resolutions to suggest.

First, we in the free world will not again retreat from any areas threatened by the Communists (as we did in Korea and Indochina), no matter how remote or unimportant those areas seem to be.

Second, we in the free world will no longer be blindly tolerant while formerly friendly people shift over toward support of the Communists. If they insist upon choosing sides against us, we should try to persuade and help them to stand firmly by our side. But if they persist in a pro-Communist course, we shall no longer assist them as they do so.

Third, we shall adopt policies that are consistent with the traditional principles of democratic freedom, the integrity of the individual, and justice for all peoples. We shall not be frightened from the adoption of such policies by a puny fear that to do so might displease the Communist aggressors.

Fourth, when we in the free world do adopt a positive policy (such as that represented in the United Nations vote of October 7, 1950, to reunify all Korea under its own free government) we shall not retreat from such a policy as soon as it is denounced or opposed by the Communists.

Fifth, we shall each of us, as individuals, highly resolve to make any personal sacrifices—including life itself—to preserve our democratic Christian civilization from destruction by the Communist dictatorship. Much as we cherish peace, we can never accept the pitiful doctrine of peace at any price.

These resolutions that I have proposed may not be stated in exactly the way you would phrase them for yourselves. But I have talked to many thousands of people in recent months, and I do believe that such resolutions as these represent very much what the common people of the free world most devoutly and earnestly believe.

As we enter the new year of 1956, we can—if only we will—make it a true turning point in history—a turning back toward the ideals of justice and freedom and manly independence—the ideals which created the democracy which we inherited from our forefathers and which we owe it to our children to pass on, still living and vital to them.

My message to you, then, is the old, traditional Happy New Year—a year of happiness that will be supported by the knowledge we are coming at last to do what is necessary and right, in order that free celebrations such as this may go on, and on, and on.

NEW YEAR'S MESSAGE OF THE AMBASSADOR OF SYRIA, HIS EXCELLENCY FARID ZEINEDDINE

Nineteen hundred and fifty-five was, for peace, a year of hope. The Meeting at the Summit was held. No matter what the intrinsic value of that meeting is, its importance is durable and great. The Meeting at the Summit was a response to the meeting of the minds of peoples at the base, in their general dislike of war and their seeking for peaceful developments and progress. The year which ends, was, therefore, very indicative. It showed that the trend for peace is general and practically irreversible. Nineteen hundred and fifty-six is stepping in. May it be a year of greater realization of the human hopes for peace.

What is it, that makes the everlasting yearning of peoples for peace tend, more and more, to become a reality?

Is it the stalemate in atomic and hydrogen armor, a shaky equilibrium of power? That equilibrium might offer some reason. Peace, in that respect, would be the resultant of mutual fear.

Is it the advancement of man's political and international thinking that is bringing us nearer to peace? Surely, there is an advancement in that direction; yet that advancement has not been relatively great in the most advanced and powerful countries, which can make peace and war.

Is the United Nations Organization contributing for a peaceful trend of mind and action? There is not much in the United Nations, beyond what its members like to accord it.

The factors that are changing the mood of the world and making its psychology more peaceful, are multiple. Some of them call for particular attention.

One is the liberation during the last decade of about 700 million peoples in Asia and Africa. These peoples, previously captive, have been liberated and their immense potentialities are being turned into effective capabilities. Their impact on international policies is continually increasing. They want peace for development. Peace, to them, is a vision. Their philosophy of life is not based on power. A decade ago, these peoples had no voice in world affairs. In 1955, their voice calling for peace was conveyed from the Asian-African Conference at Bandung. It was heard clear, distinct, and emphatic.

The second factor is the development, now under way, in the underdeveloped areas of the world. More than two-thirds of the

human race live in South America, Asia, and Africa, areas which were under some form or another of foreign political preponderance, economic exploitation, or backwardness, and cultural frustration. These areas are moving nearer and nearer to the more developed areas. A better state of international equilibrium and harmony is being created, and a wider one. World peace is getting to be, more and more, assessed on a worldwide basis of international harmony and genuine mutual cooperation.

Lastly, there is a general realization of the peoples of the world that war is futile. It may destroy victors and vanquished. War has never been able to destroy an ideology. It has always been good to create the practical setting for revolutionary ideologies. War has always been held to be an evil; today, war is more than an evil. It is a great blunder, irreparable and unexcusable. General war, thus, is an irrational act.

We Arabs, by our conception of life, cannot separate any discipline from its governing spiritual, and moral norms. A peaceful discipline in our view should be morally sound. Discipline should be the instrument and sustainer of Justice. To us Arabs, peace without justice is either inconceivable or undurable. Real peace cannot be imposed by deceit or violence. Peace is an act of cooperation emanating from rightful dealings.

As an Arab, and as Ambassador of an Arab State, Syria, to the United States, I would like to extend to the wonderful American people our heartfelt greetings. We Arabs want to see more understanding and cooperation develop between the American and Arab nations, along the path of justice, liberty, and peace. We do stand for a general international cooperation of all peoples on this basis.

The effort needed is, surely, many sided and great. It is an endeavor. May God in His wisdom bestow upon us all His greatest bounty, the bounty of the friendship and confidence of our fellow men.

AMERICA'S DEFENSES

Mr. SYMINGTON. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an article entitled "The Budget Hat Trick," written by Joseph and Stewart Alsop, published in the press December 23, 1955.

It would appear that there is a broad misunderstanding as to what these proposed budget figures mean.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post and Times Herald of December 23, 1955]

THE BUDGET HAT TRICK

(By Joseph and Stewart Alsop)

The real story of next year's budget is very different indeed from the story suggested by the recent barrage of headlines about defense increases, foreign aid increases and the like.

It is first of all the story of a hat trick that did not quite work. The authors of the hat trick were Secretary of the Treasury George M. Humphrey and Budget Director Rowland Hughes. Both Hughes and Humphrey are long-headed men. With some help from the congressional economizers, they prepared their coup no less than 12 months ago.

The preparations were simple indeed. Extensive one-shot economies were made in the last Defense budget, and these savings kept the Defense spending level down to $34.5 billion. In the same fashion, both the military and economic foreign aid programs were largely financed by running down unexpended balances, and these savings kept last year's foreign aid appropriations down to $2.7 billion. Thus the hat trick was prepared. The trick consisted of a simple policy directive to hold the defense and foreign aid items in this year's budget down to the level of last year's appropriations.

Last year's savings could not be repeated. Hence last year's appropriations level could not be attained without making savings somewhere else. Thus the real effect of the Humphrey-Hughes directive was to require a sharp permanent cut in American fighting power and an even more drastic permanent reduction in foreign aid.

Moreover—and here was the real beauty of it—this weakening of our defenses and slackening of our cold war effort would hardly be noticeable. The Congress would be asked to vote the same sums as were voted last year. The country could therefore be told that we were carrying on as before.

There is every reason to believe that the Humphrey-Hughes hat trick would have worked to perfection, if the Kremlin had not meanwhile extended and intensified its cold war offensive. But the Soviet intrusion into the Middle East spread the deepest alarm through all the staff levels of the administration. And it also mobilized the group of higher policy-makers led by Vice President NIXON and Nelson A. Rockefeller, who came to be called The Young Turks.

While Messrs. Humphrey and Hughes were indirectly demanding the weakening of our defenses and the slackening of our cold-war effort, NIXON and Rockefeller passionately advcated exactly the opposite policy. They warned that the whole world balance of power was rapidly tilting in favor of the Soviets. They asked, with natural anxiety, how any American administration could permit this to happen. They urged a "bold new program" to reverse the trend.

In the ensuing struggle, a great deal more bad feeling was generated than has yet been admitted in public. The intra-administration struggle reached its climax in the all-day meeting of the National Security Council at Camp David. The outcome, as so aften in this administration, was a compromise between the two conflicting viewpoints.

Our defenses were not to be weakened. Thus the requested Defense appropriation had to be raised to $35.5 billion. The cold-war effort was not to be slackened either. Thus large sums had to be asked to build up the depleted foreign aid balances, so that spending could continue at the old rate. In short, the real meaning of all the recent commotion about increases in these budget items is simply that we really are carrying on as before, instead of just pretending to.

But there is another meaning, too, in this decision taken at the Camp David National Security Council meeting which was the real cause of the President's temporary fatigue.

The recent extension and intensification of the Kremlin's cold-war offensive constitute one great challenge. The massive recent progress of the Kremlin's armament programs constitutes another great challenge. These challenges almost certainly mean that the world power balance is now moving in the Soviet's favor, just as Messrs. NIXON and Rockefeller maintained. Yet the decision at Camp David was to ignore these challenges, and to let the world power balance tilt against us.

This is a national choice of the most far-reaching importance. It has been carefully shrouded, as the custom now is, from the vulgar gaze of the American public. Yet events will tear aside the veil sooner or later, when the Joint Chiefs of Staff have to tell the Congress the real state of our defenses, or when some development abroad causes more searching inquiries than are now being made.

Mr. SYMINGTON. Mr. President, this article gives figures and names names—and it is a sad and shocking report.

The American people have the right to know that these responsible journalists are right when they report that the two gentlemen in question warned that "the whole world balance of power was rapidly tilting in favor of the Soviets."

Mr. President, I ask unanimous consent also to have printed in the body of the RECORD an article entitled "What Kind of War?" This article was written by the same two newspapermen who wrote that of December 28. If the article is correct, the Army of the United States, already in size but a small fraction of the size of the armies of the possible enemy, is in no sense modern. It is an obsolete Army, built on the basis of the tradition of World War II instead of with recognition of the tremendous progress since 1945 in this air-atomic age.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post and Times Herald of December 28, 1955]

WHAT KIND OF WAR?

(By Joseph and Stewart Alsop)

Atomic bombs about the size of a grapefruit can be fitted as warheads to small rockets, baby versions of such existing rockets as the "Honest John." Three or four of these baby rockets with baby atomic warheads can easily be carried in a jeep.

Thus, a couple of GI's in a jeep could have at their disposal the firepower of 200 World War II blockbusters. This suggests how new weapons developments are revolutionizing ground warfare. It also suggests an interesting question: What kind of war are we preparing to fight?

The summit meeting is supposed to have led to a tacit agreement by both sides not to resort to the nation-destroying intercontinental weapons. If so, we should logically be going all out to prepare our ground forces to fight localized wars with revolutionary means. Are we doing so?

The answer is that the Army is more than ever the stepchild of the services. Moreover, it remains essentially a World War II Army. This is not because the revolutionary means are unknown. On the contrary, some brilliant advances have been made by Army researchers. For example:

The "space-linked track" and the "terradynamic vehicle" have been developed by the Army's land locomotion research laboratory in Detroit. Enthusiasts say that the "space-linked track" is as big an advance in land locomotion as the jet engine in aviation; and that the "science of terradynamics" will do for movement on the surface of the earth what aerodynamics has done for movement in the air.

Great advances have already been made in this field, like the experimental "Groundhog," which will go virtually everywhere; and the brilliantly successful M-59 troop carrier, an early prototype of which was given credit for winning the battle of Porkchop Hill at the end of the Korean war.

Or take "automation artillery" and "burnable case ammunition." New "automation" devices make it possible for a heavy artillery piece to fire a shell a second, and the piece is serviced by 3 men, instead of 13. And it is also possible to make a shell whose case is burned up in the firing, thus immensely simplifying the supply problem.

Then there are such advances as the new gas turbine tank engine developed by Cadillac, which makes possible a tank with a previously unprecedented fuel range. Finally, and perhaps most important of all, major

breakthroughs in electronics have provided the means for really sure communication at very great distances, such that a commander can maintain control over even his smaller units when they are dispersed over hundreds of square miles.

In short, the means are already at hand for a real atomic age army. An atomic age army, according to official Soviet military doctrine, must be capable of "quick, decisive action of cooperating groups of dispersed small units." It must also, as our own Nevada nuclear tests proved last spring, have maximum armor for protection against nuclear heat, blast and radiation.

And, especially for an ocean-surrounded power like the United States, it must have maximum mobility, not only on the ground, but by air for long distances.

This is the kind of army the Russians are building. They have broken up their divisions into six brigades capable of fighting on their own. They have put enormous emphasis on armor and mobility. Nineteen of the 20 Soviet forward divisions in Europe, and 75 of the grand total of some 175 Red army divisions have been fully or partially atomicized, or prepared for modern war.

We are not building such an army, except in the blueprints. A start has been made on atomicizing 2 of our 19 divisions (of which 7 are not really fighting divisions at all).

But air transport is woefully inadequate. During the Guatemalan crisis, for example, the possibility arose of armed intervention on an emergency basis, but it turned out that there was hardly transport enough for a single regiment.

The Germans, who are no fools about warfare, plan to have 600 vehicles like the M–59 in each of their new divisions, the object being to give every soldier protection from nuclear weapons. American infantry divisions are provided with just seven such vehicles. And the Army is profiting from other technical advances only on a test or prototype basis.

Given the supremacy of this country in the automotive and communications field, we ought to be able to beat the Communist world, with its unchallengeable manpower superiority, all hollow in this respect. But we are not doing it.

The main reason is, of course, money. A rough but expert guess is that it would cost upward of $3 billion to atomicize 12 divisions. That is a lot of money. But losing wars, even small wars, or not being able to fight them at all, can be very costly too.

Mr. SYMINGTON. Mr. President, this too is a sad and shocking report. The American people have the right to know whether their Army, tiny in size as compared to the Soviet Communist and Chinese Communist armies, is not being modernized because some think balancing the budget is more important than national security.

Mr. President, I also ask unanimous consent to have printed at this point in the body of the RECORD an article by the same newspapermen, entitled "We've Been Warned," published January 2, 1956.

If there is a "gap of 3 to 4 years" between the time the Communists have the intercontinental ballistic missile and this country has it, according to high military authority, the Communists will be in position to "blackmail the world."

Again, the American people have the right to know if the Communists are this far ahead in the development of the so-called "ultimate weapons."

If so, or even if there is any possibility of its being so, are we doing everything possible, 24 hours a day, 7 days a week, to catch up?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post and Times Herald of January 2, 1956]

WE'VE BEEN WARNED

(By Joseph and Stewart Alsop)

Last Thursday, Marshal Bulganin grimly boasted to the meeting of the Supreme Soviet in Moscow that the Soviet armed forces would soon have an intercontinental ballistic missile, or ICBM in current Pentagon jargon. After this, at any rate, no one can deny we have been warned.

To be sure, it can be rather positively stated that the Soviets have not yet tested one of these huge rockets that can carry an H-bomb warhead from a Russian launching site to an American target.

Firing of such rockets will unavoidably produce atmospheric and other aftereffects. These aftereffects can be detected by appropriate devices all the way 'round the world, as firings of nuclear weapons can also be detected. The American detection devices have not yet registered the firing of a Soviet ICBM. This perhaps explains the curious mixture of private complacency and public untruth that has been the Pentagon reaction to the news from Moscow.

But if Secretary of Defense Charles E. Wilson and his subordinates are greatly reassured by the silence of our detection devices, they must have comfortably forgotten all the ugly lessons of the last 10 years.

The truth is that the Soviets have quite regularly telegraphed their weapons-development punches, boasting about each new weapon as soon as they were confident they had solved the design problem and were preparing for a test. For instance, Vyacheslav Molotov told another Moscow audience that the Soviets already possessed an A-bomb, just about a year before the first Soviet A-bomb test in September, 1949.

Much the same thing happened with the Soviet H-bomb; and it happened too, although in a more general way, with the remarkable postwar development of the Soviet aircraft industry.

Why the Soviets follow this strange pattern is a fascinating problem in itself; but the point here is that they have followed it to date with great faithfulness. Hence it is only prudent to expect that sometime within the next year or so, the Soviets will successfully test one of these intercontinental ballistic missiles, which are also called, and quite properly called "the ultimate weapons."

This will not be especially surprising either, as readers of many anxious reports in this space will readily recognize. As previously disclosed, the official United States intelligence forecasts some time ago named the year 1958 as the first probable date of a Soviet test of the ultimate weapon. But from the time of the A-bomb onward, these American official forecasts have invariably underestimated future Soviet achievements in weapons development by at least 2 years. All the known facts, in short, fit together only too neatly.

Meanwhile, where do we stand? The answer is easy. When Secretary Wilson took office, he seriously tried to cancel the American long-range missile projects, which he denounced as "visionary." Our armed services, he declared, were spending outrageous sums on research and development. The percentage of income that General Motors spent for such purposes, he pointed out, was much, much less.

It may sound like a joke, but it actually happened. Fortunately, Wilson was finally persuaded not to cancel the long-range missile projects altogether. Yet he caused them to be shelved, for all practical purposes, for the first 2 years of his administration of the Pentagon.

Then more and more disturbing reports began to come in, showing a wide Soviet lead in missile development. The so-called Killian report, which was first summarized in this space, revealed an acutely dangerous situation. Some months ago, the National Security Council voted to give an overriding first priority to missile development. And the Pentagon is now going all-out to build missiles, at least to the extent that the Wilson Pentagon is capable of going all-out in any field of weapons development.

As a result, very important breakthroughs have been made already. Yet only a few days before Bulganin spoke, Secretary Wilson himself publicly stated that it would probably be about 5 years before we could fire an ICBM. Thus, on present prospects, there will be a gap of 3 to 4 years between the first Soviet test of the ultimate weapon, and the equivalent American test.

This fateful prospect has hardly caused a ripple in this country, because of public ignorance and self-interested official poohpoohing. Instead, the whole country ought to be up in arms. A series of reports in this space will, therefore, be devoted to the meaning of this and other current changes in the vital air-atomic balance between the United States and the Soviet Union.

Mr. SYMINGTON. Mr. President, I likewise ask unanimous consent to have printed at this point in the body of the RECORD an article, by the same newspapermen, entitled "Going, Going, Going," published January 4. This article asserts United States "is now losing the air-atomic lead to the Soviet Union."

Mr. President, if it is true that the Communists are now producing many times more modern jet fighters than are we, and over twice as many modern long-range intercontinental jet bombers, this country is condoning policies which will ultimately insure its destruction.

In any case, the people have the right to know whether these assertions are true.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post and Times Herald of January 4, 1956]

GOING, GOING, GOING

(By Joseph and Stewart Alsop)

The biggest, most disturbing feature of the present world situation can be rather simply summed up. The United States is now losing its air-atomic lead to the Soviet Union. Or you might say that the sole defense of the free world is being limply cast away.

One indicator of the general trend is the Soviet progress with intercontinental ballistic missiles, discussed in the last report in this space. The ICBM is rightly called the Ultimate Weapon. Yet these vast rockets are such complex mechanisms that there will be no overnight revolution because of the mere testing of a prototype.

For some years to come, manned aircraft will certainly continue to dominate the air-atomic weapons system. For the immediate future, therefore, the most important indicators of the present trend are the figures on Soviet and American production of combat planes of advanced types.

In brief, Soviet output is now far ahead of American output in 3 of the 4 major categories of combat aircraft, day fighters, night fighters, and long-range jet bombers. These are the categories, moreover, of highest importance to this country. Concerning these categories, the figures speak for themselves.

In the category of night fighters, the United States has no advanced type worth mentioning except the F–102. About 10 F–102's are now being produced each month, and no step-up is promised.

The Soviet Flashlight night fighter is rated at least as good as the F–102, if not somewhat better. The Soviets are now producing at least 50 Flashlights each month—or 5 times as many advanced night fighters as we are producing. Furthermore, Flashlight output is going up.

In the category of day fighters, the United States has only two advanced types, the F–101B and the F–104, that are fit to meet the new Soviet "Farmer" fighter in the air. A great increase in output of these planes was promised by Secretary of Defense Charles E. Wilson, last spring, after the Moscow over-flights. If anything, however, output has been slowed down. Present output is an inconsiderable trickle, and we shall be lucky to be getting a score or so per month of F–101B's and F–104's by the end of next year. Meanwhile, Soviet production of the "Farmer" fighter is already running at the rate of at least 60 per month; and it is also going up. Overall, Soviet output of advanced day-and-night fighters may well be running at a combined rate of around 200 to 250 per month by the end of 1956; as against an American production rate that will still be trifling.

But the figures are still more astonishing in the category of the overlord of the air, the long-range jet bomber. Last spring, American production target was ostensibly raised to 17 of our great B–52 bombers per month—which was a long way to go, since production was then virtually nil. Today, however, we are actually turning out not more than 5 B–52's per month; and restrictions on subcontracts suggest to insiders that the real Pentagon target still very distant, remember, is no more than 13 B–52's per month.

Meanwhile, the Soviets are already producing more than 13 per month of their "Bisons," which are broadly comparable to our B–52's. Furthermore, there has been a drastic change since last spring, when eventual Soviet capacity was believed to be 17 "Bisons" per month, and 17 B–52's became the American target.

Since then, new information has caused the estimates to be revised. By the end of this year, the Soviets are expected to be turning out 25 "Bisons" per month, or about twice as many of the overlords of the air as will be turned out in America. Moreover, the change in estimates of Soviet output has caused no change in the American production target. In the most vital of all categories of combat aircraft, we are apparently content to stay far behind.

That leaves the single category of medium-range jet bombers, in which Soviet output has not yet overtaken American output. The Soviets are turning out something like 30 of their new "Badger" bombers each month. But we got a head start with our comparable B–47. We now have about 1,500 B–47's in the Strategic Air Command, and these planes constitute SAC's main striking force.

Unfortunately, however, this complete reliance on medium range bombers is plainly regarded intensely dangerous by SAC's brilliant commander, Gen. Curtis LeMay. One of the great secret dramas of the struggle over this year's budget was caused by LeMay's bold demand for an urgent program to produce no less than 1900 B–52s. His purpose was to replace his B–47s with planes of true intercontinental range.

But it is current doctrine that the richest country in the world is too poor to pay for its own defense. So of course LeMay's request was rejected.

Mr. SYMINGTON. Mr. President, finally I ask unanimous consent to have printed in the body of the RECORD an article entitled "The Decline of SAC." This article, by the same authors, and published January 6, states in part:

Within a rather short time, the American Strategic Air Command will be measurably weaker than its Soviet competitor, the Strategic Air Army of the Red Air Force.

Mr. President, if that is true, the future security of the United States will shortly be in jeopardy.

If the plane production figures given in this and the preceding article are correct, the American people are approving, through ignorance, policies which can only lead to disaster.

They have the right to know the facts, because, as the majority leader, the Senator from Texas [Mr. JOHNSON] said last spring:

The strength of a nation depends upon the will of the people. In a democratic form of government that will can only function if the people are informed.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post and Times Herald of January 6, 1956]

THE DECLINE OF SAC

(By Joseph and Stewart Alsop)

Within a rather short time, the American Strategic Air Command will be measurably weaker than its Soviet competitor, the Strategic Air Army of the Red Air Force.

It may sound a bit nightmarish to say that SAC is now losing the predominant strength that has been the heart and center of the free world's defense for the last decade. But no other conclusion can be reasonably drawn from the American Government's own intelligence forecasts, as agreed and approved by the National Security Council itself.

The melancholy contrast between Soviet and American rates of production of advanced aircraft types was disclosed in the last report in this space. It was disturbing enough. But the really disturbing feature of the present situation is the way these production rates must inevitably change the balance of air-atomic power.

As the Russian air production program indicates, the Soviet Strategic Air Army is being lavishly re-equipped. Its slow, short TU–4 bombers are being sloughed off. Their places are being taken by excellent jet bombers, the medium-range Badger and the long-range Bison, which are comparable to our own B–47 and B–52.

Within about 24 months, the Soviet Strategic Air Army will consists of somewhere between 600 and 800 long-range "Bisons" and somewhere between 800 and 1,000 medium-range "Badgers." These manned aircraft will be importantly supplemented, moreover by the medium-range ballistic missiles, capable of reaching any European target, which the Soviets are also turning out in quantity.

In the same period, the American Strategic Air Command will retain its existing medium-range force of 1,500 B–47's. The only improvement will be made in SAC's 11 long-range groups, which have a total complement of no more than 330 aircraft. In these groups, obsolete B–36's are being replaced by B–52's, but this replacement is going so slowly that it is unlikely to be finished within 24 months.

By the end of 1957, therefore, the Soviet Strategic Air Army, with its "Badgers" and its guided missiles, will have medium-range striking power at least equal to the power of SAC's 1,500 B–37's. Meanwhile, with 600 to 800 "Bisons," the Strategic Air Army will have at least twice the long-range striking power of SAC—and the disproportion may be considerably greater. On a straight plane-for-plane basis, the Strategic Air Army will then have the edge on SAC.

But SAC's brilliant commander, Gen. Curtis LeMay, and the Soviet Strategic Air commander, Lieut. Gen. V. I. Aladinski, will not just be counting planes and missiles as they measure their relative strength. They will be thinking a great deal, for example, about their relative freedom of action.

General Aladinski will have absolute freedom of action. General LeMay will have none. For his big punch, General LeMay will still have to depend on his medium-range force; and this force of B–47's will still be utterly dependent on its bases overseas. In fact, denial of those bases will have the same effect as the total destruction of about two-thirds of SAC's airplanes before the shooting even starts.

In other words, General Lemay will be in pawn to the nations that control those overseas bases—the nations that may so easily deny those bases to SAC under threat of Soviet H bombardment. That was of course why General LeMay asked this year for an urgent program to provide SAC with 1,900 B–52's.

General LeMay's request was refused for the usual budgetary reasons. This SAC's future inferiority to the Soviet Strategic Air Army was by implication accepted by the administration policymakers. And in another area of Defense budgetmaking, this future inferiority of SAC was doubly assured.

In brief, the United States Air Defense Command now has almost no fighters fit to intercept the new Soviet jet bombers. American fighters of advanced type, F–102's, F–101B's, and F–104's, are good enough to do the job. But mere trickles of these advanced fighters are being ordered under the current defense program. Thus this country will still have no interceptor force worthy of the name, when the Soviet bomber force reaches full strength.

Meanwhile, the Soviet Air Defense Command is being very rapidly re-equipped with the remarkable "Flashlight" night fighter and "Farmer" day fighter. The "Farmers" and "Flashlights" must be expected to impose heavy losses on General LeMay's bombers—perhaps half the planes engaged in each attack. But General Aladinski, with slightly more strength than General LeMay, will need to fear only the most trifling losses. This, in itself, will drastically alter the balance.

If you can add up these facts to any other conclusion except the one stated above, you must employ the peculiar mathematics that can only be learned on the highest level at the Pentagon.

SPECIAL SCHOOL MILK PROGRAM

Mr. HUMPHREY. Mr. President, I wish to comment briefly about the special school milk program, authorized by section 201 (c) of the Agricultural Act of 1949, as amended.

Much too much has been written and said in criticism of our abundant production of milk and dairy products. Too little has been written and said in appreciation of the real contribution this production can make to our daily diet. The gap between our milk production and our milk consumption is not large. We have seen in a short span of 12 months what congressional leadership can do to help close this gap.

In 1954 the Congress authorized the expenditure of up to $50 million of Commodity Credit Corporation funds to encourage the consumption of fluid milk by school children. It was our hope that

this program would make milk—the almost perfect food—more available to that segment of our population most vulnerable to deficient diets. We were also hopeful that the program would slow up the accumulation of dairy products in CCC warehouses and thus narrow the gap between production and consumption, thereby improving the economic atmosphere in which dairy farmers were trying to exist.

The program began operating in September 1954. Being a new program, its start was understandably slow. However, in spite of a late and slow start, the program last year proved itself. It was responsible for increasing fluid milk consumption over 200 million pounds among school children. This year's program should exceed this record substantially. My own State of Minnesota will need additional funds to maintain the program for the remainder of this school year. I understand many other States are in a similar position. Unless additional funds are authorized immediately, the program in many States will be in jeopardy. Any regression in program operations now can undo a great deal of the progress the program has made.

When we realize that on the average only about 3 percent of our total milk production is the extra production that creates problems for our dairy farmers and our Government, and the opportunity for increasing fluid-milk consumption by schoolchildren, we can appreciate the need for continuing the special school milk program.

Some action already has been taken on the extension of this program. The farm bill, H. R. 12, as passed by the House, provides $75 million annually for the fiscal years ending June 30, 1956, and June 30, 1957. Under existing law, authorization for the program expires June 30, 1956, with $50 million of CCC funds to be used to increase fluid-milk consumption.

The prompt enactment of the authorization, as passed by the House, would take care of the emergency needs for the remainder of this school year and assure the continuation of the program for another year.

However, at the present time we do not know when the farm bill will become law. It is therefore important that prompt action be taken now to assure adequate funds for the remainder of this year and also authority for the continuation of the program so plans may be made now for the next school year.

I propose to urge the Senate Committee on Agriculture, of which I am privileged to be a member, to consider immediately legislation as already passed the House relating to this very worthwhile program. Under such legislation, an additional $25 million of CCC funds may be used by the Secretary of Agriculture for this program for the balance of this school year. It is not mandatory. The Secretary of Agriculture may use any amount he deems necessary. If the entire $25 million is not needed, the Secretary may use a smaller amount. Perhaps only $10 million additional is required, maybe more. Whatever the amount, the Secretary will have authority to make the necessary transfer of CCC funds.

For the long-range school-milk program, it is my intention to urge the Senate Committee on Agriculture, in its consideration of the farm bill, to include authority for further extension of this program and, in addition to nonprofit schools, to make the program available to other recipients, such as nonprofit nursery schools, child-care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children.

My colleagues may recall that I introduced proposed legislation for that purpose during the first half of the 84th Congress. Similar proposed legislation has also been sponsored by my colleague the senior Senator from Minnesota [Mr. THYE], for continuing this program. My purpose today is to emphasize the necessity for acting soon on this question, to make sure there is no cutback in the program this year, rather than to let it get lost in the shuffle of the general farm bill. I urge all of my colleagues from dairy States who have shared my interest in this special school-milk program, to support my request to the Senate Agriculture Committee.

Mr. President, I now desire to refer to a kindred subject.

The PRESIDING OFFICER. The Senator from Minnesota has the floor.

DECLINE IN FARM PRICES

Mr. HUMPHREY. Mr. President, the press has reported that the distinguished junior Senator from North Dakota [Mr. YOUNG] will propose a congressional investigation of the spread between prices farmers receive and the prices consumers have to pay for food products.

I am heartily in favor of such a congressional study, for I do not believe that any study in the field made by the United States Department of Agriculture would be credited with even reasonable objectivity by the people of this Nation.

Secretary of Agriculture Benson, who is surrounded by consultants from the agricultural industries, and has recently been given the services of the Safeway Stores publicity house, Braun & Co., is too partisan to head such a study.

At the outset of his administration, as members of the Committee on Agriculture and Forestry will remember, Secretary Benson sounded the call for a consumer rebellion against the farm programs, publicly speculating on when the consumers would rise up and smite down programs which allegedly kept their food prices up.

This failed. Labor groups rallied behind the farm programs. And the falsity of blaming the farm programs for high food costs was demonstrated by the fact that, although the administration let farm prices drop disastrously, food prices stayed at record high levels.

Having failed to set labor against the farmers, Benson has now reversed his field. He is trying to make farmers mad at workers by talking about "soft wage increases". He intimates that they are responsible for consumer prices staying high despite declining farm prices.

In my judgment, this will not work either. It is too obvious that wage increases are not responsible for 80-cent pork chops in this day of 10-cent hogs. There have been no wage increases holding the price of pork up in the past few months while the farm price of hogs declined to 1932 levels.

Mr. Walter Reuther, president of the United Auto Workers Union, has recently released an open letter to Secretary Benson and a study of the Secretary's fake claims about increased labor costs which completely refute the claim that wage increases have forced higher consumer prices.

I ask unanimous consent to have the two documents included in the RECORD at this point in my remarks.

There being no objection, the documents were ordered to be printed in the RECORD, as follows:

AN OPEN LETTER TO SECRETARY OF AGRICULTURE BENSON FROM WALTER P. REUTHER, PRESIDENT, UAW-CIO

SEPTEMBER 23, 1955.

HON. EZRA TAFT BENSON,
Secretary of Agriculture,
Washington, D. C.

DEAR MR. SECRETARY: I have read your address to the Farm Equipment Institute at New Orleans on September 20. You stated that farmers will find it extremely difficult to take an increase in farm machinery prices at this time.

We share your concern in this matter, especially in view of the steady decline in farm prices and the continuing contraction of farm incomes.

We are greatly disturbed by the increase in steel prices which we know was not justified by the wage increase granted steelworkers.

We are equally disturbed by the already announced and anticipated increases in automobile prices which also are not justified by the wage gains won by automobile workers.

We are further disturbed also by the announced increase in farm-machinery prices because we know that no such increase is justified by the wage increases won by workers in that industry.

You expressed the opinion that most manufacturers can justify their price increases on the basis of wage increases.

You are misinformed as to the facts. Moreover, in making a public statement of this kind without basis in fact you run the risk of lending your office to the discredited, shopworn efforts of those misguided persons who too often in the past have sought to set farmers against workers, and workers against farmers.

Surely you do not believe that a remedy for the present badly unbalanced condition, in which farm prices keep falling while wages and profits are rising, will be found by extending to the whole economy the difficulties which farmers are facing.

The solution to the problem of decreasing income to American farmers will not be found in denying millions of city workers and their families higher living standards made possible by advancing technology. The answer must be found by providing American farmers full economic equity with other groups within the framework of a dynamic, expanding economy based upon full employment and full production.

Our union has always endorsed firm Government price supports for farm products and other measures designed to assure economic justice and security of income to farm families. We know from experience that when farmers' incomes fall, the workers who build automobiles, trucks, and farm machinery are directly affected. We believe most farmers understand, also, that wage gains for city workers provide better markets

for the sale of farm products. We know that neither farmers nor city workers can genuinely prosper unless they prosper together, for in truth they are each other's best customers and their economic well-being is inseparably tied together.

If you share, as I'm sure you do, this belief in the close interdependence of farm and city welfare, I think you will want to join your efforts to ours in seeking to get the truth about these price increases for steel, autos and farm equipment before the American people.

On July 7, 1955, the UAW–CIO International Executive Board urged the United States Congress to investigate announced or contemplated price increases in the automobile and steel industries. We offered at that time to present evidence before the appropriate congressional investigating committee to show that such price increases were not justified on the basis of increased labor costs. I am enclosing a copy of the statement adopted by the International Executive Board at that time.

I urge you to join with the UAW–CIO in pressing for congressional inquiry into wages, prices, and profits in the steel, automobile and farm equipment industries so that farmers and consumers generally may have all of the facts placed before them, and, based upon the facts, fix both the economic and moral responsibility where it properly belongs for the higher prices that are being imposed upon the American consumers.

American farmers and consumers generally have a right to know the facts. A congressional investigation is the most effective way to insure that all of the facts will be made available to the public. We trust that you will join with us in securing a prompt congressional investigation so that the facts can be made available.

May I hear from you?

Sincerely yours,

WALTER P. REUTHER,
President, UAW–CIO.

WAGE INCREASES ARE NOT TO BLAME FOR THE FIX THAT FARMERS ARE IN—EXPOSURE OF THE FAKE CLAIMS BY WHICH THE SECRETARY OF AGRICULTURE IS TRYING TO ESCAPE RESPONSIBILITY FOR THE FAILURE OF HIS FARM PROGRAM

With an election year coming up, Secretary of Agriculture Benson is trying desperately to escape the wrath of the farmers over the failure of his farm program and shift blame from himself to the labor unions that have secured wage gains for their members in 1955 contracts.

Here are the Benson lies:

1. Farmers are not being hurt by low farm prices and shrinking farm incomes, but by the higher prices they have to pay for farm equipment and other things.

2. These higher prices have been forced on farmers because of the wage contracts which the unions have made their employers sign this year.

Here are the facts:

1. Farmers have been hurt far more by falling prices of the products they sell than by rising prices of the things they buy.

2. But with farm prices and incomes going down, increased prices of industrial products make bad matters worse for the Nation's farmers.

3. These price increases are being imposed upon farmers by manufacturers whose profits already were greater than ever before and are now headed toward new peaks of profiteering.

4. The attempt made by these manufacturers—and by Benson—to make farmers believe that labor's 1955 wage contracts are responsible for the unjustified price increases of steel, autos, trucks, tractors, and other farm machinery is a fraud, deliberately designed and intended to transfer the farmers' justified resentment against profiteering corporations and bankers—and Benson—to wage earners and their unions.

Take these in order.

PRICES RECEIVED AND PAID BY FARMERS

Here is what the Department of Agriculture reports show:

Since January 1953, when Secretary Benson took over at the Department of Agriculture, farm prices have fallen from 94 percent of parity to 82 percent of parity.

During this period of less than 3 years, prices received by farmers for their crops fell 12 percent, for their livestock and livestock products 16 percent, and for all these combined 14 percent.

Net income of farm operators was over $14 billion in 1952. By the third quarter of 1955 it was running $10.3 billion.

While prices received by farmers were falling 14 percent during this period, the prices, interest, taxes, and wage rates which they pay fell only 1½ percent.

Prices paid by farmers for commodities used in production fell 7 percent and for commodities used in family living rose 2 percent. The rate of interest they pay on borrowed money rose 16 percent; their taxes rose 10 percent; wage rates for hired farm labor fell 1 percent.

Included among the commodities farmers buy are products of farm origin (like food, feed, seed, livestock) and industrial products (like clothing, machinery, autos, farm supplies).

During this period the average prices they pay for farm products fell 9 percent, the prices they pay for industrial products rose 2 percent.

Coming at a time when the prices they receive were going down, this rise in industrial prices made bad matters worse for the farmers, even though the rise of 2 percent was small compared with the 14 percent decline in prices received.

Largest increase in prices of industrial products bought by farmers was the 4.3 percent increase reported for building and fencing materials. Smallest was the 1.7 percent increase reported for automobiles, trucks, and tractors bought for farm use. Farm machinery prices rose 3.5 percent. On the other hand, average prices reported for farm supplies (hand tools, rope, etc.) fell 8 percent, fertilizers fell 3.2 percent and household appliances, furniture, and furnishings fell 1.5 percent.

It is plain unvarnished falsehood to claim, as Secretary Benson does, that increases in prices of industrial products have hurt the farmers more than the fall in farm prices which his policies have permitted and encouraged, and which, even today, he attempts to justify.

The largest increase in prices paid by farmers was in the price they pay for borrowed money—the interest rate on farm loans. The interest rate charged farmers went up 16.2 percent during this period.

This increase in the cost of borrowed money was imposed on farmers as a result of steps deliberately taken by the Republican administration to curtail the supply of money and force interest rates up. Bankers' profits have soared during these 2 years, while farmers and other borrowers have had to pay higher and higher rates on their loans.

Benson gave active support to this hiking of interest rates which has cost farmers $14 million a year in higher rates on price-support loans. For example—

His Commodity Credit Corporation borrows money from private banks at 2½ percent which it could borrow from the Treasury at 1½ percent.

Without public announcement or explanation, he boosted the rate on farm disaster loans from 3 percent to 5 percent. When the press discovered this 3 months later, Congress unanimously approved a bill putting it back to 3 percent.

This is the Benson who now tries to speak for those who, quite rightly, protest the rising costs that are being imposed on farmers by the banking and industrial monopolies.

To repeat—since Eisenhower and Benson took over, farm prices have fallen 14 percent, the prices farmers pay for industrial products have risen 2 percent, and the prices they pay for all commodities, interest, taxes, and hired labor have fallen 1½ percent.

Benson's allegation that farmers have been hurt more by rising farm costs than by falling farm incomes is preposterous, but they are being hurt by price increases for which there is no justification.

PROFITEERING BY INDUSTRIAL CORPORATIONS

After the dismal record he has made as Secretary of Agriculture, it is not surprising to find Benson lining himself up with the profiteers of big business to help them put over the falsehood that their 1955 wage contracts have forced them to raise prices.

Twice in the past 2 years Benson has tried to incite city consumers to rebel against farm price supports. Now he is trying to incite farmers to rebel against workers—a rebellion which would help only the bankers and businessmen who are the senior working partners of the Eisenhower team.

Benson lies when he tells farmers that wage increases made these price increases necessary. When asked by UAW-CIO President Reuther to join with him in urging Congress to investigate this profiteering and publicly fix the responsibility for it, Benson repeated his falsehood, but made no move to ask Congress to dig out the facts about wages, prices, and profits and to lay them out for the people to see.

Following is evidence, which, on its face, shows how the wage increases of 1955 are being used by the manufacturers as an excuse to swindle the farmers and to try to make the workers their scapegoats.

STEEL

United States Steel Corp. launched the profiteering parade of 1955 when it raised steel prices $7.50 a ton in July. Other steel corporations followed promptly and to the penny, as they always do.

United States Steel said its price increase was made necessary by the new wage contract it had made with the steelworkers, and because of increasing material costs, and also because it needed additional capital to expand its facilities.

That wage increase of 15 cents an hour added not more than $2.50 per ton to the cost of producing a ton of steel.

The price increase of $7.50 a ton was at least three times the amount of the increased labor cost.

When that wage contract was negotiated last June, the steel corporation was making higher profits than at any time in its history.

Second quarter profits of $209 million before taxes and $105 million after taxes set new high records for the corporation. In the 5 years preceding, best in its history, its average quarterly profits were $116 million before taxes and $48 million after taxes.

Material costs of the corporation in the second quarter added up to only 33 cents per dollar of sales, as compared with an average of 40 cents per dollar of sales during the last 5 years. Obviously, this excuse, like the excuse of the wage increase, fails to justify the profiteering price increase of $7.50 a ton.

As for the corporation's claim it must raise prices to obtain capital for expansion, this is a preposterous proposal to exact capital contributions from its customers. This is a new kind of holdup. If it gets away with this, steel consumers will be putting up the capital which will then be owned by U. S. Steel stockholders. One group will give, the other will get.

Results of the third quarter, now published, show how profitable the hijacking of

a $2.50 wage increase into a $7.50 price increase has been for U. S. Steel Corp.

Despite reduced shipments of steel in this quarter—a factor which always boosts unit costs and cuts profits—its profits were $178 million before, and $89 million after, taxes. These were 54 percent and 87 percent, respectively, above average quarterly profits of the last 5 years. The $89 million profit after taxes gave the stockholders a return of 14 percent (annual rate) on their equity in the corporation, far more than in any recent year, and a 60-percent greater rate of return than they averaged during the last 5 years.

The first 9 months of 1955 brought U. S. Steel a profit of $1.32 for every man-hour worked by its labor force, another new record. Best previous year, 1951, yielded a profit of $1.02 per man-hour, and the 5-year average was 83 cents.

In view of these record-breaking profits both before and after the wage increase, there is no shadow of excuse for the steel corporation to blame increased prices on the wage gains won by its workers in 1955. The irresponsible profiteering of this corporation and of the other steel corporations who followed its lead should be thoroughly investigated by an appropriate committee of Congress to lay out the facts for the public to see and to fix the blame squarely where it belongs.

This is what UAW-CIO wants. This is what Secretary Benson apparently does not want.

AUTOMOBILES

General Motors Corp. has announced price increases of 4½ percent on its 1956 Chevrolets and from 2½ to 7 percent on other GM lines.

The 21-cent-an-hour wage increase would have added about $49 million to GM labor costs in the second quarter 1955. A 5-percent price increase would have added $170 million to GM sales—more than three times the cost of the wage increase.

GM could have taken that added cost in stride without raising prices and still would have been the world's most profitable corporation.

When it signed the UAW-CIO contract, GM was taking in profits before taxes at a rate of just under $3 billion a year. This was profit at an annual rate of 89 percent of the stockholders' total investment in GM. Repeat—89 percent. Not a misprint. What do such gigantic profits mean?

They mean that GM was collecting a profit of $3.20 for each hour worked by each of its production workers. It paid them $2.39 an hour and took $3.20 an hour for itself.

They mean that GM could have paid the 21 cents an hour additional wage bill in the second quarter and still collect $2.99 an hour in profit.

They mean that GM could have paid the added wage cost and still come out with profits, after taxes, at an annual rate of 39 percent on the stockholders' investment (net worth).

They mean that if GM raises its prices 5 percent, it will increase the rate of return on net worth from 39 percent to 49 percent.

They mean that GM could cut prices 15 percent, pay the 21 cents wage increase and still come out with a profit of 10 percent on its net worth.

During the third quarter, with model changeover under way, with the new wage contract in effect, but with no increase in prices in effect at that time, GM earned profits, after taxes, at an annual rate of 30 percent on net worth. In 9 months of 1955, it had accumulated over $900 million of profits after taxes and was well on the way to clearing more than a billion dollars of profit in a single year for the first time in the history of American corporations.

And this is one of the corporations that is falsely telling the public that it must raise prices to cover the cost of the wage increase. It was one of the first, in fact, to indicate its purpose to extend and expand the wave of profiteering which the Steel Corp. started in July.

Ford Motor Co. has raised prices on its 1956 Fords by 5 percent, on Mercurys 2 to 5½ percent, and on Lincolns, 1 to 6½ percent.

Alone among the large corporations of America, Ford totally conceals its profits. Yet Ford, too, while hiding behind this curtain of concealment, announced to the public that the wage contract forced it to raise prices, and gave the same lame excuse to farmers for boosting its tractor prices.

Henry Ford II recently boasted that 1955 will be the most profitable year in its history. Another Ford spokesman said earlier that no one in the industry has lower costs than Ford. There is virtually no doubt that Ford, like GM, could absorb the 21 cents an hour wage increase with no increase in prices and without showing a scratch on its high-luster profits.

Chrysler's wage-price-profit position is hard to explore because its last complete figures cover a subnormal sales year (1954) when the payroll burden must have been abnormally high. Payroll figures for earlier years are not now applicable because Chrysler has absorbed the Briggs Body Division into its financial report.

However, even if we apply the high payroll burden of 1954 to Chrysler's interim profit report for the first 6 months of 1955, and even if we assume that unorganized Chrysler employees also got a 10 percent wage increase when the union's contract was signed, we find that—

It could have absorbed all of the 10 percent wage and salary increase and come out with profits after taxes equal to a return of 15 percent on its net worth;

When it raised car prices 5 percent it was collecting $1.64 from its customers for every added dollar it was paying its workers, and

This hijacking of the customers probably boosted its profits, after taxes, to a return of 29 percent on its net worth.

FARM MACHINERY

Next in the profiteering parade of 1955 come the farm machinery manufacturers.

Ford Motor Co. launched the 1955 price increases in this industry when it boosted prices of its farm tractors by 3¼ to 8½ percent.

Other manufacturers appear to have come to an agreement on a 7-percent price increase. Harvester, Deere, Case, and Caterpillar have announced price increases at this figure.

Financial reports permitting analysis of their wage-price-profit situation are available for four manufacturers in this industry.

Assuming that each of them adopts the 7-percent price-increase pattern, here is what the figures show:

Deere & Co. collects $1.96 from its customers for every added dollar paid to the workers.

Oliver Corp. collects $2.05 from its customers for every added dollar paid to the workers.

Allis-Chalmers collects $2.19 from its customers for every added dollar paid to the workers.

International Harvester collects $2.79 from its customers for every added dollar paid to the workers.

That's the story for farm machinery so far.

PROFITS AND DIVIDENDS BREAKING ALL RECORDS

Thus the profiteering pattern of 1955 spreads out from the price increases announced by United States Steel Corp. in July. Corporations are using the 1955 wage contracts as a facade of falsehood behind which they try to pin the blame on the workers for the price gouging which they are inflicting on their customers.

This outbreak of profiteering in 1955 comes at a time when profits and dividends are already at the highest levels in our history.

Here is the recent historical record taken from reports published by the Council of Economic Advisers in the Executive Offices of the President. They ought to know.

Alongside these figures of booming prosperity for corporations, we show what has been happening to farm operators' net income.

[In billions of dollars]

Year	Corporation profits before taxes	Corporation profits after taxes	Dividends paid by corporations	Farm operators' net income
1945–49 average	26.0	15.2	6.3	14.4.
1950–54 average	37.9	18.2	9.3	13.0.
1955	43.0 [1]	21.4 [1]	10.9 [2]	10.3.[3]
Highest previous year for comparison	41.2 (1951)	22.1 (1950)	10.0 (1954)	17.2 (1947).
Percentage change from 1945–49 to 1955	Up 65	Up 41	Up 73	Down 28.

[1] 2d quarter, seasonally adjusted annual rate.
[2] August, seasonally adjusted annual rate.
[3] 3d quarter, seasonally adjusted annual rate.

Note that dividends being paid to stockholders this year are larger than total net income earned by all the farm operators of America. It is the first time this has occurred since the years of the great depression.

The contrast between soaring profits and shrinking farm income makes powerfully clear why farmers object, and should object, to the price increases they are being forced to pay for the things they have to buy from prosperous profiteering manufacturers.

It explains also why Secretary Benson is desperately trying to make workers the scapegoat for his own failure, which is so dramatically pictured in the shrinkage of almost $4 billion in farm income during his term of office.

But it does not explain why Benson fails to vent his wrath on these profiteering corporations, nor why he fails to demand, as UAW-CIO demands, that Congress expose this scandal so that the public can place the responsibility exactly where it belongs.

FREEDOM OF THE PRESS

Mr. LEHMAN. Mr. President, on Thursday, January 5, I inserted in the CONGRESSIONAL RECORD a stirring editorial which had appeared that morning in the New York Times entitled "The Voice of a Free Press." This editorial dealt with the hearings of the Eastland Senate subcommittee investigating alleged subversive infiltration of the press. On the same day the Washington Post and Times Herald, another great independent newspaper, carried a thought-providing editorial dealing with the same subject, entitled "Thin Ice." On January 7 the Washington Post and Times Herald carried a further editorial entitled "Subverting the Press."

I consider the subject of these statements so important that I ask unanimous consent to have the two latter editorials

printed at this point in my remarks in the body of the RECORD.

I strongly urge that Members of Congress and the American public generally read carefully these several editorials and ponder them deeply. Truly, we are treading on thin ice.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Washington Post and Times Herald of January 5, 1955]

THIN ICE

Despite its repeated protestations that it is not investigating the press, the Eastland subcommittee's current questioning of newsmen is moving in a dangerous direction. "We are not investigating newspapers or any one newspaper," Senator EASTLAND declared on Tuesday. But the persons subpenaed to testify at the subcommittee's executive sessions last month were employees of newspapers; and, in point of fact, they were predominantly employees of one newspaper.

Senator EASTLAND expressed hot indignation the other day at an admonitory statement issued by the American Civil Liberties Union. The ACLU warned the subcommittee against trespassing on the area protected by the first amendment, and Mr. EASTLAND accused it of trying to establish "guilt by anticipation"—a nice phrase but not a valid one. For the subcommittee's excursions in the past have compelled libertarians to be suspicious of it; for example, the subcommittee undertok what amounted to a purge of university professors while insisting piously that it was in no sense investigating universities.

Newspapermen do not have any special immunity by reason of the first amendment; they are, of course, as subject as any other citizens to the lawful processes of courts or congressional committees. But when they are questioned, as newspapermen, about past political vagaries which are suspected of having in some way influenced the editorial policies of their newspapers, the inquiry intimately touches the press as an institution.

The responsibility for keeping editorial staffs free from subversive influences, like the responsibility for determining editorial policies, belongs to the publishers and editors of newspapers. It is not a responsibility that can be shared in any way with the Government; and any assumption of this responsibility by a congressional committee, no matter how helpfully intended, is an unwarranted intrusion. In the American system, the press, so far from being subject to censorship of any kind by the Government, was meant, as Thomas Jefferson put it, to serve as a censor of the Government. It can fulfill this vital function only if it remains wholly independent of the Government—wholly free of any kind of governmental control or manipulation.

Senator EASTLAND may not intend to impair the freedom of the press but his investigation threatens to do so. It threatens to impair newspaper independence by making newspapermen fearful that they may be haled before a committee of Congress and called to account for the opinions and associations—or for criticism of congressional committees. It threatens to impair newspaper independence by taking over an aspect of managerial responsibility from editors and publishers. The American press under private management has certainly not been free from serious defects and shortcomings. Nevertheless, it must remain exclusively under private direction if it is to remain American—and free in the American sense of the term. The Eastland subcommittee is skating on thin ice over treacherous and turbulent waters.

[From the Washington Post and Times Herald of January 7, 1956]

SUBVERTING THE PRESS

"The power to investigate, broad as it may be, is also subject to recognized limitations," Mr. Chief Justice Warren said in *Quinn* v. *United States*. "It cannot be used to inquire into private affairs unrelated to a valid legislative purpose. Nor does it extend to an area in which Congress is forbidden to legislate." The hearings conducted by the Eastland Subcommittee during the past 3 days need to be considered in the light of this authoritative injunction by the Supreme Court. Whatever Senator EASTLAND may say on the subject, notwithstanding, his inquiry has certainly extended into an area in which the Constitution explicitly forbids Congress to make any law. Senator THOMAS C. HENNINGS, Jr., described the hearings—and Senator EASTLAND agreed with him—as an effort to show "such attempt as may be disclosed on the part of the Communist Party in the United States or elsewhere, indeed, to influence or to subvert the American press."

This is an approach to the press which opens up fascinating, though dangerous, possibilities. It might afford a justification for some other committee of the Senate to investigate selected newspapers in an effort to show such attempt as may be disclosed to influence or subvert them on the part, say, of the China lobby or the public utilities, or the National Association of Manufacturers. It is perfectly possible that a reporter here or there has been a member of the Ku Klux Klan or has accepted a subsidy from some special interest group or is secretly working in behalf of a political party or candidate. Perhaps such persons ought to be weeded out of newspaper staffs. But the responsibility for weeding them out belongs, in the American system, to publishers and editors, not to Congress.

Quite apart from the admittedly difficult question whether the Constitution of the United States is breached by an investigation which impinges, as Senator EASTLAND's does, upon the independence of the press, there is a fundamental question as to the prudence of such an inquiry. Senator EASTLAND may think that the New York Times was influenced or subverted by Communists. Senator X and Senator Y and Senator Z may think that other papers have been influenced or subverted by other agents or propagandists. But if they all start investigating in an effort to show such attempt as may be disclosed * * * to influence or to subvert the American press, they will end by subverting it themselves. There will be precious little freedom of the press if newspapermen fear that they may be summoned before congressional committees and required to confess all their past vagaries and illusions. Whatever the constitutional rule may be, the whole of the American heritage cries out against this kind of congressional intrusion into the affairs of a press which needs, above all, to be independent of the Government if it is to fulfill its essential censorial function.

THE NIAGARA POWER PROJECT

Mr. LEHMAN. Mr. President, I ask unanimous consent that a statement I have issued in comment upon recent developments with regard to the Niagara power project be printed in the body of the RECORD.

The question of Niagara power authorization is presently pending before the Senate and House Public Works Committees, and I believe that every effort must be made to dispel the recent confusion resulting from the challenge posed by Mr. Robert Moses, chairman of the New York Power Authority, to the validity of the Niagara treaty reservation, unanimously adopted by the United States Senate in 1950.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HERBERT H. LEHMAN

The action of Mr. Robert Moses, chairman of the New York Power Authority, in continuing to press publicly his challenge to the validity and constitutionality of the United States Senate's reservation to the 1950 Niagara Treaty—which reserves to Congress the right to decide the manner in which the power potential made available under that treaty should be developed—surprises me.

I had been under the impression that an informal understanding had been reached that there should be a concentration of effort, on the part of all those who favor public development of the Niagara waters, on getting the appropriate legislation through the new session of Congress. Previously existing differences on this subject had been either resolved or, I had believed, been submerged. Certainly as between myself and Governor Harriman, identity of attitude had been achieved and, I believe, still exists. Mr. Moses' recent activities, including his publication and broadside issuance of the Jessup-Lissitzyn brief,[1] strikes, therefore, a jarring and potentially disruptive note.

The 2d session of the 84th Congress is about to convene. Great progress was made in the previous session on proposals to turn the great Niagara water resources over to New York State under conditions which will guarantee the maximum benefit to the consumers, the State and the Nation. My own proposal, S. 1823, is the product of 5 years of study and deliberation. In its current form, this proposal has the full support of Governor Harriman and of the State administration, as well as of all public-interest groups concerned with the development of Niagara power under public auspices.

Public hearings on this legislation have been completed before both the House and Senate Public Works Committees. Indeed, the Senate committee has, by formal resolution, scheduled an executive session for January 16 to determine the further disposition of this legislation. The majority leader of the Senate has publicly indicated his intention of bringing legislation on this subject before the Senate for a vote. The prospects for legislative action have been bright indeed.

In the face of these prospects, the chairman of the New York Power Authority has undertaken a course of action which can have but one immediate effect: to encourage opposition to constructive legislative action at this session of Congress.

In my own judgment—and I am not a constitutional lawyer—the Moses thesis is based on completely mistaken assumptions. But before commenting on that aspect, I must point out that the whole approach and the whole tactic is both questionable and dangerous.

It is dangerous because it seeks to link the Niagara issue with the entire complex question of the extent of constitutional limitations on the treatymaking power, and the nature of limitations, if any, on the authority of the Senate to approve treaties and to attach conditions thereto. This is the heart of the argument over the so-called Bricker amendment. To drag the Niagara question into the embattled Bricker amendment arena

[1] A legal opinion, prepared for the New York Power Authority by Profs. Philip C. Jessup and Oliver J. Lissitzyn, and recently released to the press by Chairman Moses. This followed a legal memorandum prepared by counsel to the New York Power Authority, also published in the press.

is a most unwise tactic from the viewpoint of the interests of New York State.

It is questionable because it seeks to pit the State of New York against the Senate of the United States which, in 1950, decided by unanimous vote to attach the reservation leaving to the whole Congress the disposition of the Niagara waters made available for power purposes under the terms of the treaty.

What is the end object of this approach? It is to show that the Federal Power Commission is superior to the Senate and can issue a license for the Niagara development, despite the restraint imposed by the Senate.

Further, the object is to give the Federal Power Commission a free hand to dispose of this vast additional power potential, independent of the will of the Congress which created the Federal Power Commission.

It is to be remembered that if the Federal Power Commission were, in fact, to be given jurisdiction over this Niagara power potential made available by treaty, it would be within the discretion of the FPC to turn over this resource to a private power monopoly, if the FPC so saw fit.

I have been unofficially informed that there is no intention of making a legal test of the Senate reservation at this time. Governor Harriman has stated publicly that he does not approve of such a move and would not support it.

What is the reason then for continuing to publicize the press and challenge to the reservation, and to the power of the Senate? Can it be because Mr. Moses wishes to confuse the issue at the present time and forestall congressional action on my bill at this session? If that is his motive, I propose to do my best to see that this does not happen, and that Congress will, indeed, act favorably on a bill for public development of the Niagara, with adequate safeguards of the consumer interest.

Now as to the merits of the argument. I cannot pit my knowledge of constitutional law against that of the experts marshalled by Mr. Moses to support his thesis. Their citations of precedents dealing with international law and the conclusions drawn therefrom need to be answered by other experts in the field. I am sure they will be.

But I must say, as a layman who has had some experience in the application of constitutional principles to the authority and prerogatives of the Senate and of the whole Congress, that all the arguments and conclusions seem based on assumptions which are demonstrably unwarranted and irrelevant. The briefs and legal opinions in support of the Moses thesis make up a towering structure of constitutional critique and analysis resting, however, on an incredibly flimsy foundation.

The principal assumption is that the reservation to the 1950 treaty amended the Federal Power Act. But there is no real basis for this assumption. The reservation did not amend the Federal Power Act. The reservation simply suspended, subject to the decision of Congress, one aspect of the treaty which would have otherwise, without Congressional deliberation and action on the subject, greatly increased the authority of the Federal Power Commission. Ratification of the treaty without the reservation would have given the Commission jurisdiction over waters which, preceding the negotiation of the treaty, the Federal Power Commission did not have and could not have acquired even by act of Congress.

The purpose of the reservation, therefore, was to prevent the treaty from being self-executing with respect to the disposition of the additional water power potential made available under the terms of the treaty. Other aspects of the treaty, such as the agreement to construct remedial works to preserve and enhance the beauty of the falls, were permitted by the Senate, in its wisdom, to be self-executing. Congress has not to this day enacted legislation expressly authorizing appropriations for remedial works at Niagara Falls, yet Congress has appropriated money for those remedial works on the simple authorization of the treaty provisions. The urgent work of building structures to preserve the beauty of the falls, work agreed upon under the treaty, is well under way today.

What Mr. Moses is challenging, then, is the right of the Senate to exercise its discretion with respect to provisions of a treaty which are otherwise self-executing and to suspend, by reservation, the domestic effectiveness of any one or more of those provisions, pending a review and a decision on them by the Congress of the United States.

If the Senate does not in fact have this power—a power which it has repeatedly exercised in the past, as, for example, in the Mexican Water Treaty of 1945—then, indeed, there would be basis for the fears so frequently and mistakenly expressed by the advocates of the so-called Bricker amendment. If the Senate cannot, by reservation, forestall the effect of a particular treaty provision upon the laws of the United States or of the individual States, then Senator BRICKER would have some logic on his side. But, of course, it is ridiculous to suggest that the Senate does not have such power. It is an essential part of the authority given the Senate under the Constitution to consent to or reject treaties. Moreover, the Supreme Court has held repeatedly that Congress may terminate or nullify a treaty by a simple act, and it would seem rather ridiculous to say that Congress has power to repeal an entire treaty, but the Senate lacks authority to suspend self-executing provisions until Congress acts.

As far as the Federal Power Act is concerned, it was not affected at all by the reservation to the treaty. The authority of the Federal Power Commission was neither extended nor decreased. The Senate reserved to the Congress the right to decide subsequently on this matter.

Congress could subsequently: (1) place these additional waters under the jurisdiction of the Federal Power Commission; (2) authorize a specific public development under specific conditions; or (3) authorize a specific private development under specific conditions, or under no conditions at all. In fact, separate pieces of legislation to achieve each of these purposes have been introduced and considered by the Congress. The Congress is today in the process of deciding among these various courses of action.

The arguments presented in the various briefs and memoranda circulated by Mr. Moses are based on the assumption that the 1950 reservation directed a specific and particular disposition of the Niagara waters. But the reservation did nothing of the sort. It merely reserved to Congress the right to decide what that disposition should be.

Thus the references in the various briefs to President Truman's message of transmittal of the treaty, in which he said that the disposition of the waters was a matter of domestic concern and hence should not be dealt with in the treaty, are grossly misleading. The President was referring to the question of whether the power development should be public or private. This question, he indicated, should be decided by the Congress of the United States and not by treaty. The reservation specifically carried out the President's stricture. Otherwise that question would have actually been decided by the treaty, since at that time, in August 1950, the Federal Power Commission, had it been given the jurisdiction over the Niagara waters, could have granted a license only to the Niagara Mohawk Power Co., which was at that time the only qualified applicant for a license. In that event the decision to which Mr. Truman referred would have been implicitly made by the treaty and the Senate failed to attach the reservation, and such a situation would have been contrary to and not in accordance with the President's views.

The briefs and memoranda submitted on behalf of Mr. Moses are full of such misleading references and mistaken assumptions. Thus the Jessup brief describes the reservation as having been inspired by me, or as being of my authorship. I would be glad to claim the credit for it, but unfortunately I cannot. I had absolutely nothing to do with either the preparation or the submission of the reservation. I knew nothing about it until it was on the point of being offered by Senator AIKEN of Vermont. At that time I gladly lent my support to the reservation, but my support was really not required.

The fact is that the reservation was informally offered by Senator AIKEN (he was not then a member of the Foreign Relations Committee), was sponsored in the committee by Senators GREEN and WILEY, among others, and was unanimously adopted by that committee.

The chairman of the Foreign Relations Committee at that time was Senator Connally of Texas. The ranking Republican was the late Senator Vandenberg. Other members of that committee at the time were such outstanding authorities on constitutional law as Senator Henry Cabot Lodge, Jr., and the late Senator Brien McMahon. The reservation was unanimously adopted by the committee and, in a separate vote, unanimously adopted by the Senate itself. I regret that I cannot claim that I was the author and chief sponsor of this essential provision, and can only claim to have been a soldier in the ranks in support of that proposition.

I would make one further comment as to the completely erroneous assumption that the reservation amended the Federal Power Act. Those who challenge the validity of the reservation appear to believe that the Federal Power Commission has been vested by the Congress with total authority and jurisdiction over hydroelectric developments, and that for the Congress to assume jurisdiction over one or more of these hydroelectric developments requires amendment of the Federal Power Act, either expressly or by implication. This is at variance with the facts. Within the last 20 or 30 years the Federal Power Commission has only rarely issued licenses for major hydroelectric developments. The rule, rather than the exception has been for Congress to authorize these developments. The instances are too obvious and too well known to need recital, including such developments as TVA, Bonneville, Grand Coulee, Boulder Dam, Chief Joseph Dam, etc.

Section 7–B of the Federal Power Act expressly directs the Federal Power Commission to recommend to the Congress "the development of any water resources for public purposes." In fact it has become the almost invariable practice for Congress to take and exercise jurisdiction over these resources and to decide the specific method and conditions for the development of these resources.

It was specifically to prevent the Niagara Mohawk Power Co. from entering its application with the Federal Power Commission for a license to develop the Niagara waters on the day of the ratification of the treaty—as the Niagara Mohawk Power Co. had publicly announced its intention of doing—that the Senate adopted the reservation.

It was the logical and natural way to forestall a result which the Senate did not desire to flow from the approval of the treaty one of whose primary purposes was to preserve and enhance the beauty of Niagara Falls as well as to develop the additional waterpower. If the Senate had thought that such a result would automotically ensue and could not be forestalled by reservation, the

Senate would not, in my judgment, have consented to the treaty.

It is exceedingly strange to hear Mr. Moses make an argument today which—if it were a valid argument—would have permitted the Niagara Mohawk Power Co. in 1950 to take control of this precious water resource belonging to all the people of the State and the Nation.

CELEBRATION OF 81ST BIRTHDAY OF FORMER PRESIDENT HOOVER

Mr. SMITH of New Jersey. Mr. President, on the 10th day of August last, our distinguished former President, Mr. Herbert Hoover celebrated his 81st birthday in Newberg, in the State of Oregon. On that occasion he delivered a very significant address, entitled "Our American Way of Life," which I read with great enthusiasm at the time. As the Senate was not in session, I have held the address to offer for the RECORD at the opening of this session. I ask unanimous consent that this address delivered by former President Hoover be published in full in the body of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

OUR AMERICAN WAY OF LIFE

(Address by Herbert Hoover on the occasion of his 81st birthday celebrated by the State of Oregon, at Newberg, Oreg., August 10, 1955)

It is indeed a great honor to have been invited by the Governor and Legislature of Oregon to spend my birthday on the scenes of my boyhood.

Also, it is a pleasure to take part in the dedication of this cottage. Its restoration is due to the effort of my boyhood friend Burt Brown Barker with the co-operation of Rev. Levi Pennington and this community. Mr. Barker has risen high in the service of this State and the Nation. Dr. Pennington has given this community years of spiritual leadership.

This is a time and place of stimulated affections and recollections. In this cottage and orchard, with its cherries, its apples and its pears, I spent formative years of my boyhood. Here I roamed the primitive forests with their carpets of flowers, their ferns, their never forgettable fragrance. There were no legal limits on the fish you could catch. No warden demanded to see your license. From those impressions on Oregon boys comes always the call to return to her again and again. I have omitted any reference to my boyhood contacts with poison oak—that is not part of the call.

I was brought here 70 years ago to live in the family of my uncle, Dr. Henry John Minthorn, a country doctor.

My first day in Newberg was spent in making acquaintance with lovable Aunt Laura. My aunt was rather a stern person with disciplinarian ideas. She had few words and they were mostly devoted to moral requirements. But she relaxed at moments when I needed to go fishing or to explore the woods.

When I arrived on the Oregon scene she was busy with my girl cousins making the winter store of pear butter, from pears which grew prolifically in this yard. I had never eaten a pear before as my family circumstances in the Midwest did not permit that exotic luxury. She showed me how to stir the kettle and indicated that I had to keep going without any stops. But at the same time she said, "Thee can eat all the pears thee likes." I liked the idea, and I liked it too much. And then she tucked a sick, small boy into bed. I ceased to eat pears—for a while.

One of my chores was to split the wood for stove-size current use. I have had little opinion of split wood as a household fuel ever since. But I can still hear Aunt Laura calling me from much more desirable occupations, "It is time thee gets in the wood."

My activities hereabouts did not make any great transformation of human society. But something else does warrant the restoration and dedication of this cottage. That is expressed in the plaque you have put upon it: "This house was the home of Dr. Henry John Minthorn, a beloved physician in this community."

I am honored to be mentioned on the plaque.

What you have done here is to pay a tribute to all the pioneering country doctors of our Nation. There are thousands of cottages in this land which should be marked with plaques recalling their devotion.

John Minthorn was one of those devoted men. He was born 110 years ago in the Quaker faith. He practiced his healing profession mostly in this State for 45 years and he lies buried in this village.

As a boy he witnessed the underground in the Midwest, where during the nights the Quakers transported Negroes escaping from slavery northward to the freedom of Canada. He reached maturity during the Civil War and joined the Union Army out of conviction in the matter of human slavery. Quaker pacifism did not extend into that area of thought. Returning from the war, he graduated from the medical schools of Iowa, of Pennsylvania, and of Ohio. He was equipped with the full medical skills of his day.

In those early days the patients often could not pay the doctor, and Uncle John at intervals in his life taught school or did missions to the Indians for the Government in order to make ends meet. But even along with these duties, he was still the incarnation of the country doctor.

Let no one think that the country doctor of a generation ago was not a skilled man. Without the amazing modern aids of diagnosis, he was a sure diagnostician of the major ills of mankind. Without antibiotics, without vaccines—except for smallpox—without vitamins, without the X-rays and fluorescent photographs of your innards, the country doctor did healing in an amazing degree. Hot towels and cold towels were substituted for aspirin and codeine. No doubt Mother Nature used more pain in her healing processes. But statistics show that a host of his charges reached old age safely.

But beyond his healing art, the country doctor did far more. He instilled the community with the common sense of preventive medicine. He brought sympathy, spiritual strength, and courage to the troubled patients. He healed their spirit.

He brought their babies into the world. He piloted the youngsters safely through their measles, chickenpox, and mumps without the aids of modern medicine. His major word of comfort was "You cannot have it twice." He gave counsel and courage to the young and helped them to find a job.

He was their lifelong friend. He was the confidant of the family and he healed many a family conflict. He was a leader in the affairs of the community.

The plaque on this cottage is a tribute to a great profession which has made much of the spiritual backgrounds of the American people.

The species of the country doctor is not extinct. With urban life, paved roads, and the automobile, he has changed his name to that of the family doctor. He is better equipped to fight disease and accident, but the family doctor has the same qualities of moral strength, friendship, and family guidance as of old.

And it is the family doctor's knowledge that these needed moral and spiritual services could not survive socialized medicine that leads him to fight it at every turn.

And this is no disparagement of the great specialists who daily save the lives of thousands of our people. But America needs more family doctors.

This occasion also recalls the part of pioneer men and women in the Northwest. Today we can recall again memories of the courage with which the pioneers felled these forests to make their farms, of their stanch fidelities to the ideals of free men and the moral and spiritual life with which they endowed our generation.

Once upon a time it was the custom of our people to gather on the Fourth of July and someone would read the Declaration of Independence with the Stars and Stripes in the background. Someone spoke on freedom and the greatness of America. It was in this village that I first had that inspiring experience—and from Dr. Minthorn.

In order to do our part we, the oncoming generation, packed a drain tile with appropriate gunpowder, tamped both ends hard with clay, and fixed a fuse. The fuse was short—and tile proved more powerful than we expected. Dr. Minthorn was busy for hours picking pieces of tile out of the skins of small boys. He engaged in no reprimands.

Dr. Minthorn and his generation had deep convictions on the American way of life. Their fathers were the sons of men who had fought the war for American Independence. They themselves had fought the Civil War to free the slaves. Their lights along the way of American life were the Declaration of Independence, the Constitution, Washington's Farewell Address and Lincoln's Emancipation Proclamation. They held that the function of the Federal Government was to safeguard the individual freedoms and trust to the initiative of men to generate progress.

Probably some will say that the recalling of those times, of those men, and of those beliefs is an expression of longing to go backward in American life. No sane person ignores the shifting scene on our national stage. But do not forget the many thousands of Dr. Minthorns and their wives who sustained and enlarged the spiritual forces which give the impulse to our way of life today.

During the last score of years our American way of life has been deluged with criticism. It comes from our own people who deplore our faults and genuinely wish to remedy them. Among these I myself have joined because of my anxieties over mistaken policies and especially the influence of Karl Marx on our way of life. Criticism comes daily from the habit of our political parties to deplore the opposition. It arises from the forthright refusal of the American people to wash their dirty linen in secret. It comes from our love of sensational incidents where villainy is pursued by law and virtue triumphs.

And it comes from the fuzzy-minded totalitarian liberals who believe that creeping collectivism can be adopted without destroying the safeguards of free men. It comes bitterly and daily from the Communists at home and abroad who would overthrow our American system. And it even comes from free nations whom we have tried to help.

Altogether, if we look at the criticisms alone, we seem to be in a very, very bad way and engaged in our decline and fall.

In all this clamor we might occasionally mention something good about ourselves.

We could point out that our American way of life has perfected the greatest productivity of any nation on earth; that our standard of living is the highest in the world. We could point to our constantly improving physical health and lengthening span of life. We could point out that the mechanical genius of our people has, by millions of

labor-saving machines, taken the sweat from the backs of most of our people.

In the governmental field, we could suggest that our supposedly decadent people still rely upon the ballot and the legislative hall to settle their differences without a secret police with slave camps.

In the cultural field, we could point out that with only about 6 percent of the world's population we have more youth in our institutions of higher learning than all the rest of the world put together. We could probably enumerate more libraries and more printed serious words than all other 94 percent of all the people of the earth put together.

On the moral and spiritual side, we have more hospitals and charitable institutions than all of them.

And we could suggest that we alone, of all nations, fought in two world wars and asked no indemnities, no acquisition of territory, no domination over other nations.

We could point to our advancement of the spirit of compassion. We could prove it by the billions of dollars we have made as gifts to save millions from famine and governments from collapse.

Much as I feel deeply the lag in giving full equal chance to our Negro population, yet I cannot refrain from mentioning that our 14 million American Negroes own more automobiles than all the 200 million Russians or the 300 million Negroes in Africa.

All of which is not boasting, but just fact. And we could say a good deal more.

What does all this mean? It means that freedom of mind, of spirit, and of initiative still lives in America. It means that our people are strong in religious faith. Here alone are the open windows through which pours the sunlight of the human spirit. Here, alone, even with all its defects, is human dignity not a dream but an accomplishment.

These ideals of freedom and religious faith guarantee there will be no decline and fall of American civilization.

Therefore we should lift our eyes unto the hills from whence cometh our help.

God bless you all.

SENATORS WHO HAVE SERVED ALSO AS STATE GOVERNORS AND AS MEMBERS OF THE HOUSE OF REPRESENTATIVES

Mr. CARLSON. Mr. President, on February 23, 1953, in the 1st session of the 83d Congress, I called to the attention of the Senate the fact that there were at that time six members serving in the United States Senate who have had the privilege of serving as governors of their States, in the United States Senate, and in the House of Representatives.

At that time I presented a list submitted to me by the Legislative Reference Service of the Congressional Library, giving the names and the period of service of the men who had served in these three capacities since 1789.

As the junior Senator from Kansas has had the privilege of serving as Governor of the State of Kansas and in the House of Representatives, he thought at that time it might be of interest to Congress to have the information I had obtained.

At the present time there are three other Members serving in the United States Senate who have served as governors of their States, in the United States Senate and House of Representatives. They are the distinguished senior Senator from Kentucky [Mr. CLEMENTS], the distinguished junior Senator from West Virginia [Mr. NEELY], and the distinguished senior Senator from Wyoming [Mr. BARRETT].

Recently the Legislative Reference Service of the Congressional Library made a further study and check of the Members of Congress who have had the honor of serving in these three capacities, and they submitted to me a corrected list.

I ask unanimous consent, Mr. President, that the statement I made on February 23, 1953, be made a part of the RECORD, together with the list which has just been submitted to me by the Legislative Reference Service of the Congressional Library.

There being no objection, the statement and list were ordered to be printed in the RECORD, as follows:

Mr. CARLSON. Mr. President, as the reading of George Washington's Farewell Address has just been concluded, a review of some history since 1789 might be of interest to the Senate.

Last summer one of my friends suggested to me that there were less than 100 men who have served in both branches of the Congress and as governors of their States. This statement rather intrigued me and I requested the Legislative Reference Branch of the Congressional Library to assist me in research on this matter.

As the junior Senator from Kansas has had the privilege of serving as Governor of the State of Kansas, in the United States Senate, and the House of Representatives, I thought it might be of interest to Congress to have the information that I have obtained.

I find in checking the records that 89 men have had the privilege of serving in these positions since our Nation adopted its Constitution in 1789.

In addition to the junior Senator from Kansas, there are five other Members of the United States Senate who have served as governors of their States, in the United States Senate and the House of Representatives. They are the distinguished Senator from Kentucky [Mr. CLEMENTS], the distinguished Senator from New Hampshire [Mr. TOBEY], the distinguished Senator from North Carolina [Mr. HOEY], the distinguished Senator from West Virginia [Mr. NEELY], and the distinguished Senator from Wyoming [Mr. BARRETT].

It is interesting to note that of the list of 89 Members, 2 of them became President of the United States, namely, Andrew Jackson and Andrew Johnson, both of them from the State of Tennessee.

In checking the list further, I find that there are 13 States in which no person has served in all three places. They are as follows: Arizona, Delaware, Idaho, Iowa, Michigan, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Pennsylvania, South Dakota, and Utah.

There are 16 States, including my home State of Kansas, which have had 1 person who has served in the 3 positions. Those States are Arkansas, California, Colorado, Illinois, Kansas, Minnesota, Missouri, Montana, New Jersey, Oregon, Rhode Island, Texas, Washington, West Virginia, Wisconsin, and Wyoming.

There are 5 States that have had 2 persons serve in the 3 capacities—Alabama, Florida, Indiana, Mississippi, and Vermont.

There are 4 States that had 3 persons who have served in these capacities—Louisiana, Massachusetts, New Hampshire, and Ohio.

There are 3 States that had 4 serving in these various capacities—Maine, Maryland, and New York.

There are 2 States which had 5 persons serving in the 3 positions—Connecticut and Georgia—and 4 States had 6—North Carolina, South Carolina, Tennessee, and Virginia.

Of all the States of the Union, Kentucky has had the largest number of persons privileged to serve in these 3 places, namely, 8.

Another interesting sidelight on the men who had such service is that four of them, including Andrew Jackson, who became President of the United States, did not render their service from the same State for all 3 positions. Andrew Jackson served in the House and Senate from Tennessee and as Governor of the State of Florida.

Samuel Houston, of Tennessee, served as a Member of the House of Representatives from the State of Tennessee, and as Governor of that State, but he also served as Governor of Texas and as United States Senator from that State.

John Branch, of North Carolina, served as Governor of North Carolina and as Senator and Representative from that State and also as Governor of Florida.

John B. Weller, of California, served as Governor of California and as a Senator from that State, but he also served as a Representative from the State of Ohio.

I ask unanimous consent to have placed in the RECORD the names of those who have served in these capacities, together with the names of the States and the date of service.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Names of persons who have served as State Governors, United States Senators, and United States Representatives, 1789–1955 [1]

Name	State	Governor	Senator	Representative
Adair, John	Kentucky	1820–1824	1805–1806	1831–1833
Barrett, Frank A	Wyoming	1951–1953	1953–	1943–1949
Bibb, William W	Alabama	1817–1820		
	Georgia		1813–1816	1807–1813
Bingham, Kinsley Scott	New York	1854–1858	1859–1861	1847–1851
Blanchard, Newton Crain	Louisiana	1904–1908	1894–1897	1881–1894
Boutwell, George S	Massachusetts	1851–1853	1873–1877	1863–1869
Branch, John	North Carolina	1817–1820	1823–1829	1831–1833
	Florida	1844–1845		
Brewster, Ralph O	Maine	1925–1929	1941–1953	1935–1941
Brown, Albert G	Mississippi	1844–1848	1854–1861	1839–1841
				1847–1853
Burleigh, Edwin Chick	Maine	1889–1892	1913–1916	1897–1911
Byrnes, James F	South Carolina	1951–1955	1931–1941	1911–1925
Carlson, Frank	Kansas	1946–1950	1950–	1935–1947
Claiborne, William C. C	Tennessee			1797–1801
	Louisiana	1812–1816	1817	
Clay, Clement C	Alabama	1836–1837	1837–1841	1829–1835
Clements, Earle C	Kentucky	1947–1950	1950–	1944–1947
Colquitt, Alfred H	Georgia	1876–1882	1883–1894	1853–1855
Corwin, Thomas	Ohio	1840–1842	1845–1850	1831–1840
				1859–1861
Crafts, Samuel C	Vermont	1828–1831	1842–1843	1817–1825
Crittenden, John J	Kentucky	1848–1850	1817–1819	
			1835–1841	
			1842–1848	
			1855–1861	1861–1863
Cullom, Shelby M	Illinois	1877–1883	1883–1913	1865–1871
Davis, John	Massachusetts	1834–1835	1835–1841	1825–1834
		1841–1843	1845–1853	

[1] This compilation is the revision, with corrections, of such a compilation prepared in 1952.

Names of persons who have served as State Governors, United States Senators, and United States Representatives, 1789–1955—Continued

Name	State	Governor	Senator	Representative
Dixon, Joseph M	Montana	1921–1925	1907–1913	1903–1907
Edwards, Henry N	Connecticut	1833–1834	1823–1827	1819–1823
		1835–1838		
English, James Edward	Connecticut	1867, 1868	1875–1876	1861–1865
		1870		
Everett, Edward	Massachusetts	1836–1840	1853–1854	1825–1835
Fairfield, John	Maine	1839–1840	1843–1847	1835–1838
		1841–1843		
Fenton, Reuben E	New York	1865–1868	1869–1875	1853–1855
				1857–1864
Fish, Hamilton	New York	1849–1850	1851–1857	1843–1845
Foote, Samuel A	Connecticut	1834–1835	1827–1833	1819–1821
				1823–1825
				1833–1834
Forsyth, John	Georgia	1827–1829	1818–1819	1813–1818
			1829–1834	1823–1825
Franklin, Jesse	North Carolina	1820–1821	1799–1805	1795–1797
			1807–1813	
Gear, John H	Iowa	1878–1882	1895–1900	1887–1891
				1893–1895
Gibson, Ernest W	Vermont	1947–1951	1933–1940	1923–1933
Giles, William B	Virginia	1827–1830	1803–1815	1790–1798
				1801–1803
Grover, LaFayette	Oregon	1870–1877	1877–1883	1859
Hamilton, Wm. Thomas	Maryland	1879–1883	1869–1875	1849–1855
Hamlin, Hannibal	Maine	1857	1848–1857	1843–1847
			1857–1861	
			1869–1881	
Hammond, James Henry	South Carolina	1842–1844	1857–1860	1835–1836
Hardwick, Thomas W	Georgia	1921–1923	1914–1919	1903–1906
Harris, Isham Green	Tennessee	1857–1862	1877–1897	1849–1853
Hawley, Joseph R	Connecticut	1866–1867	1881–1885	1872–1875
				1879–1881
Hendricks, Thomas A	Indiana	1873–1877	1863–1869	1851–1855
Hendricks, William	Indiana	1822–1825	1825–1837	1815–1822
Hoey, Clyde R	North Carolina	1937–1941	1945–1954	1919–1921
Holmes, David	Mississippi	1817–1820	1820–1825	
	Virginia			1797–1809
Houston, George S	Alabama	1874–1878	1879	1841–1849
				1851–1861
Houston, Samuel	Tennessee	1827–1829		
	Texas	1859–1861	1846–1859	1823–1827
Hubbard, Henry	New Hampshire	1841–1843	1835–1841	1829–1835
Jackson, James	Georgia	1798–1801	1793–1795	1789–1791
			1801–1806	
Johnson, Andrew	Tennessee	1853–1857	1857–1862	1843–1853
		1862–1865	1875	
Johnson, Henry	Louisiana	1824–1828	1818–1824	1834–1839
			1844–1849	
Kellogg, William P	Louisiana	1873–1877	1868–1872	1883–1885
			1877–1883	
Kent, Joseph	Maryland	1826–1829	1833–1837	1811–1815
				1819–1826
La Follette, Robert M	Wisconsin	1901–1906	1906–1925	1885–1891
Lambert, John	New Jersey	1802–1803	1803–1815	1805–1809
Lane, Henry S	Indiana	1861	1861–1867	1840–1843
Latham, Milton S	California	1860	1860–1863	1853–1855
Lloyd, Edward	Maryland	1809–1811	1819–1826	1806–1809
Lumpkin, Wilson	Georgia	1831–1835	1837–1841	1815–1817
				1827–1831
McCreary, James B	Kentucky	1875–1879	1903–1909	1885–1897
		1912–1916		
McDuffie, George	South Carolina	1834–1836	1842–1846	1821–1834
McRae, John J	Mississippi	1854–1858	1851–1852	1858–1861
Metcalfe, Thomas	Kentucky	1829–1833	1848–1849	1819–1828
Milledge, John	Georgia	1802–1806	1806–1809	1792–1793
				1795–1799
				1801–1802
Miller, Stephen Decatur	South Carolina	1828–1830	1831–1833	1817–1819
Moore, Gabriel	Alabama	1829–1831	1831–1837	1821–1829
Morrison, Cameron A	North Carolina	1921–1925	1930–1932	1943–1945
Morrow, Jeremiah	Ohio	1822–1826	1813–1819	1840–1843
Neely, Matthew	West Virginia	1941–1945	1923–1929	1913–1921
			1931–1941	1945–1947
			1949–	
Nelson, Knute	Minnesota	1893–1895	1895–1923	1883–1889
Nicholas, Wilson C	Virginia	1814–1817	1799–1804	1807–1809
Parris, Albion K	Massachusetts			1815–1818
	Maine	1822–1827	1827–1828	
Pickens, Israel	Alabama	1821–1825	1826	
	North Carolina			1811–1817
Pinckney, Charles	South Carolina	1789–1792	1798–1801	1819–1821
		1796–1798		
		1806–1808		
Pleasants, James	Virginia	1822–1825	1819–1822	1811–1819
Poindexter, George	Mississippi	1819–1821	1830–1835	1817–1819
Pope, John	Kentucky	1829–1835	1807–1813	1837–1843
Ramsey, Alexander	Minnesota	1860–1863	1863–1865	
	Pennsylvania			1843–1847
Reid, David S	North Carolina	1850–1853	1853–1859	1843–1847
Robinson, Joseph T	Arkansas	1913	1913–1937	1903–1913
Scrugham, James G	Nevada	1923–1927	1942–1945	1933–1942
Shafroth, John F	Colorado	1908–1912	1913–1919	1895–1904
Smith, Israel	Connecticut	1807–1808	1809–1807	1801–1803
Smith, John Walter	Maryland	1900–1904	1908–1921	1899–1900
Sprague, William	Rhode Island	1838–1839	1842–1844	1835–1837
Stanley, Augustus O	Kentucky	1915–1919	1919–1925	1903–1915
Stevenson, John W	Kentucky	1867–1871	1871–1877	1857–1861
Stewart, John W	Vermont	1870–1872	1908	1883–1891
Stone, David	North Carolina	1808–1810	1801–1807	1799–1801
			1813–1814	
Stone, William J	Missouri	1893–1897	1902–1918	1885–1891
Swanson, Claude A	Virginia	1906–1910	1910–1933	1893–1906
Taylor, John	South Carolina	1826–1828	1810–1816	1807–1810
Taylor, Robert L	Tennessee	1887–1891	1907–1912	1879–1881
Tobey, Charles W	New Hampshire	1929–1930	1939–1953	1933–1939
Tomlinson, Gideon	Connecticut	1827–1831	1831–1837	1819–1827
Toucey, Isaac	Alabama	1846–1847	1851–1857	1835–1839
Troup, George M	Georgia	1823–1837	1816–1818	1807–1815
			1829–1833	
Trumbull, Jonathan	Connecticut	1797–1809	1795–1796	1789–1795
Tyler, John	Virginia	1825–1827	1827–1836	1817–1821
Vance, Zebulon B	North Carolina	1862–1866	1879–1894	1858–1861
		1876–1878		
Wallgren, Monrad C	Washington	1945–1949	1940–1945	1933–1940
Washburn, William B	Massachusetts	1872–1874	1874–1875	1863–1871
Weller, John B	California	1858–1860	1852–1857	
	Ohio			1839–1845
Williams, Jared W	New Hampshire	1847–1849	1853–1854	1837–1841
Willis, Frank B	Ohio	1915–1917	1921–1928	1911–1915
Woodbridge, William	Michigan	1840–1841	1841–1847	1819–1820
Wright, Joseph A	Indiana	1849–1857	1862–1863	1843–1845
Wright, Robert	Maryland	1806–1809	1801–1806	1810–1817
				1821–1823
Wright, Silas, Jr	New York	1844–1846	1833–1844	1827–1829
Yates, Richard	Illinois	1861–1865	1865–1871	1851–1855

Source: Biographical Directory of the American Congress, 1789–1949, Congressional Directories, the Encyclopedia Americana (for lists of State Governors).

RELIEF OF FARMERS FROM FEDERAL TAX ON GASOLINE USED FOR FARM PRODUCTION

Mr. CARLSON. Mr. President, one of the most helpful and constructive suggestions in the President's message to the Congress on farm problems is the recommendation that legislation be enacted to relieve the farmer of the Federal tax on the purchase of gasoline used for farm production.

Since the Federal gasoline tax is considered a "use" tax, that is a tax for using the highways, then in my opinion, it is clearly inconsistent to collect the tax on gasoline used for non-highway purposes.

Gasoline used on a farm is one of a number of farm production supplies—gasoline, farm machinery, insecticides, feed, fertilizer, and so on. There is no relationship whatsoever between these production supplies and the use of the highways.

It would be just as illogical to tax fertilizer and to use the tax for building highways as it would be to tax gasoline used on the farm for this purpose. I do not know of any other industry in which a production supply is taxed to build highways.

Farmers should pay their fair share of the cost of building highways, as measured by their use of the highways. They should pay both the State and Federal gasoline tax on gasoline used on the highways. But merely because gasoline happens to be the major source of power for farm production is no reason why farmers should pay the gasoline tax on gasoline that is not used on the highways.

On March 8 of last year, I introduced S. 1336, which provides for a refund or credit for tax used or resold for certain farm equipment. The senior Senator from Minnesota [Mr. THYE] is a cosponsor of that bill.

S. 1336 was referred to the Senate Finance Committee of which I am a member and today I have written the Senator from Virginia [Mr. BYRD], chairman of the Senate Committee on Finance, urging that he hold early hearings on this important matter.

Mr. President, I ask unanimous consent that the text of the letter I have written the chairman of the Finance Committee be printed in the RECORD as a part of these remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JANUARY 9, 1956.

Hon. HARRY BYRD,
Chairman, Senate Committee on Finance, Washington, D. C.

DEAR MR. CHAIRMAN: The President today in his message to Congress recommended that legislation be passed to relieve the farmer of the Federal tax on purchases of gasoline used on the farm for farm production.

On March 8, 1955, I introduced S. 1336, a bill providing for a refund or credit for tax on gasoline used or resold for certain farm equipment. This bill was cosponsored by the senior Senator from Minnesota, Mr. THYE. It was referred to the Senate Committee on Finance, of which you are chairman.

Since the Federal gasoline tax is considered as a "use" tax, that is a tax for using the highways, then in my opinion, it is clearly inconsistent to collect the tax on gasoline used for nonhighway purposes.

The farmers have long felt that gasoline used on the farm for production and not used on the highways, should be exempt from the present Federal tax.

In view of the President's message and the urgent need for action on this proposal, I would urge that the Senate Finance Committee hold early hearings on S. 1336 and other pending legislation which would carry into effect the recommendations of the President on this important matter.

Sincerely yours,

FRANK CARLSON.

OIL AND GAS LEASES—WILDLIFE REFUGE LANDS

Mr. WATKINS. Mr. President, I ask unanimous consent that I may be permitted to address the Senate for 8 minutes.

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). Is there objection? The Chair hears none, and the Senator from Utah may proceed.

Mr. WATKINS. Mr. President, as a lifelong conservationist, I do not like to see the conservation of our national wildlife refuge lands made a political football.

The problems of developing and conserving lands and other natural habitats required to conserve the dwindling population of wildlife in this country are so vast and complex, that they deserve the continuing interest and support of all sections of the country and of a large and loyal following in both political parties.

We in the West are acutely aware of this problem, because a large part of the refuge lands are in the West. In fact, one of the country's outstanding pioneer developments in migratory bird refuges is located in the northern part of my State, the Bear River Refuge.

Most true conservationists are well aware of the long-range implications of the conservation movement. They also are essentially fairminded individuals.

I am sure that these individuals have been disturbed at the tempest in a teapot which has been created following the recent issuance by the Department of the Interior of new regulations on oil and gas leasing on wildlife refuge lands.

Much of the steam has been generated by a deplorable lack of information in the admittedly complicated field of public land use. Much of this misinformation, fortunately, was dispelled by a conference conducted with conservation leaders in the District here on January 4 of this year. The information brought out in that conference is so basic to a complete understanding of the problem that I ask unanimous consent to have the transcript of the proceedings printed in the RECORD, at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. WATKINS. Mr. President, it is unfortunate that such a conference was not held prior to the announcement of the new regulations. If such action had been taken, I am sure that some of the misunderstandings that have arisen would never have materialized.

However, in fairness to Secretary McKay, I wish to point out that he did refer the proposed regulations to the Department of Interior's Advisory Committee on Conservation. Under the circumstances, it appears that the Department should consider whether the Advisory Committee should be broadened to bring in a wider cross section of geographic and conservation interests to help prevent or reduce such misunderstandings.

The publication of the proceedings at the Department's conference with District conservation leaders should adequately disclose that Secretary McKay's action to stop leasing in 1953 and to provide tighter restrictions on such leasing in the 1955 order was a real conservation measure, and one deserving praise, instead of censure, from conservationists.

The transcript also sets forth the complete record on this incident, and shows conclusively that the Department has a very good record on this matter, and that Secretary McKay has nothing to fear from any investigation that may be inspired by the misinformation and steam generated by pronouncements following the issuance of the Secretary's order, if, indeed, one is ordered.

It is to the Secretary's credit that he did not attempt to make administration of the wildlife refuges a political football, when he stopped leasing in 1953 and ordered a thorough study of this matter. If the issuance of 1 lease in 1955 is such a horrible crime against conservation, then certainly the large number of leases applied for and granted prior to Secretary McKay's administration are even more worthy of investigation, and I wish to assure my colleague in the House who has proposed a House investigation of this matter that I am preparing to make a study of the leasing activities prior to 1953, and will see to it that this hitherto-overlooked record is brought to the attention of Congress if a politically inspired investigation results from Secretary McKay's efforts to tighten up refuge leasing.

It is my firm conviction that unwarranted investigations and counterinvestigations of this type will not solve the problem presented herein, and that such activities will not contribute to the progress of the conservation movement.

However, it is apparent that some conservationists are deeply concerned about the need for any additional petroleum leasing of wildlife refuge lands, except to control peripheral drainage.

It is equally apparent that Secretary McKay, with the full approval and cooperation of the career specialists in the Fish and Wildlife Service, has taken action to effectively supervise and control any such leasing deemed appropriate under the terms of Federal mineral leasing laws now in effect.

Under the circumstances, I wish to provide an opportunity for Secretary McKay's position in connection with the argument to be given a public airing. To that end I have requested the Secretary to provide me with statements giving his side of the argument over oil and gas leasing regulations.

Also, I have assembled the pertinent legislation and Executive orders applying to this problem, and a short fact sheet giving answers to certain charges that have been made.

I ask unanimous consent that the documents to which I have referred be printed in the RECORD, as a part of my remarks.

There being no objection, exhibit 1 and other documents were ordered to be printed in the RECORD, as follows:

EXHIBIT 1

MONTHLY CONFERENCE WITH CONSERVATION LEADERS IN THE DISTRICT OF COLUMBIA

(John L. Farley, Director, Fish and Wildlife Service, Department of the Interior, presiding, Wednesday, January 4, 1956, Secretary's conference room, Department of the Interior, Washington, D. C.)

PROCEEDINGS

Mr. FARLEY. While we are waiting for Mr. Donohue to arrive, possibly since we last assembled we have some new faces here, and to be sure they are not unknown, I would like to introduce Mr. Robert Johnson, Assistant Director for Wild Life. He is sitting over there in the corner.

Next to him is Bob Wells, who is Assistant to the Director. He is assigned to a multitude of tasks.

Next I would like to introduce Lester Bagley. Lester Bagley is assistant for our field operations. That is a new position that was created under the recommendations of the survey team to bring the work of the regional directors a little closer to the central office. Perhaps I better put it in a more realistic way, to bring the central office a little closer to the regions, as that is the objective that was attempted to be obtained.

The others we have, of course, I think all of you know. I am sure all of you know each other.

In the meanwhile, we can open the discussion with a few questions, if you have any now which I can answer. We can reserve the special subjects until we have everybody here.

Mr. FRED M. PACKARD (National Parks Association). I can never think of any questions when I am asked that way. I go blank.

Mr. FARLEY. Mr. Donohue, I have already explained that this meeting is really in two parts. The first part is to hear from you the results of your assignment to go to the Wichita refuge and report to the Secretary on your observations.

The Wichita has been so much in our minds that I thought this group would be particularly interested in hearing the reactions of Mr. Donohue.

And so, Mr. Donohue, I have already, I believe, stated that you were Special Assistant to the Secretary for the land areas, and that you had that assignment, and that you are to comment on your observations. So will you please take that over now?

Mr. HARRY J. DONOHUE (Special Assistant to Assistant Secretary). I might say first that I will give you my report as I submitted it to the Secretary. A press release is being prepared on the report, and will be released about 3 o'clock. That is, it will be available here in this room about 3 o'clock. I would like to read you now my report, a memorandum, to the Secretary.

"Subject: Report on visit to Wichita Mountains Wildlife Refuge.

"On December 8 and 9 I visited the Wichita Mountains Wildlife Refuge for the purpose of getting an on-the-spot view of the 10,700 acres of refuge land that the Army is interested in obtaining for its use.

"Immediately upon arriving in the general area, I visited the office of the Commanding General of Fort Sill, accompanied by Ernest J. Greenwalt, Superintendent of the Wichita Mountains Wildlife Refuge. Major General Williams was in conference, so Mr. Greenwalt and I talked with Colonel Crandell, his Chief of Staff. After a short discussion we departed and met with representatives of the press in Lawton, Okla. During the rest of the daylight hours on Thursday, I toured the 10,700 acres in dispute. That evening I met with Mr. Emmett Keough, president of the Lawton Chamber of Commerce. The following morning, December 9, I met and talked with Major General Williams at Fort Sill and his G–3 Col. Thomas J. Counihan. Following this meeting, I met with Messrs. John I. Taylor, Frank Rush, and Wayne Rowe, of the Land Owners' Association, to discuss the Army expansion. After this meeting I visited the grave of Quanah Parker, last Chief of the Comanches, and spent the rest of the day, until my departure from the general area, visiting more of the refuge.

"While the chief purpose of my visit was to see the physical layout of the refuge, the discussions I had with local people was of considerable assistance in clarifying many of the problems affecting the Department, and I believe it enabled me to set forth clearly the position of the Secretary in this matter.

"Accompanied by Mr. Greenwalt I covered the entire 10,700 acres in dispute in a most thorough manner. I was very much impressed by the value of this area for wildlife purposes. During the approximately 6 hours I spent going over the area by automobile and by foot, I saw buffalo, longhorn cattle, deer, and wild turkeys in considerable number. This wildlife was ranging throughout the flatland which makes up well over 30 percent of the area. In addition, there are countless draws reaching into the high rocky ground which tracks proved were being heavily used by wildlife. Even in the high rocky ground it was obvious that there was considerable forage available for wildlife feeding, and I was led to conclude that there is very little of the 10,700 acres which is not useful, and, in fact, important for wildlife management.

"The area, particularly when viewed from a distance, presents a rocky and rugged appearance. Close examination of it, however, reveals considerable ground covered as previously noted. I can in no sense agree with the Army's statement that this is an area of rocks and rattlesnakes. The interesting fact about the rocks, of which there are a great number, is that the high rocky ground of which they speak is considerably more valuable to this Department for wildlife purposes than it would be to the Army. Of the 10,700 acres, the Army is principally interested in the flat, heavily wooded and heavily grassed areas. The rest of the area constituting perhaps 70 percent of the 10,700 acres is so rocky and rugged that the Army could use it for nothing except to set up observation posts. The excellent flatlands which are of prime importance to the Army form a general circle immediately within the boundary of the disputed area with the high rocky ground in the middle thereof.

"Discussions with Army officers at Fort Sill brought out clearly, as had not been done in previous meetings in Washington, the use to which the Army intended to put the area in dispute. In all of the previous discussions the Army had emphasized the need of the disputed area in order that they might fire their new long-range 280-millimeter cannon. The local officers, however, emphasized the need for having the 10,700 acres for maneuver purposes in order to set up firing positions for short-range weapons which would fire directly south into what is now private land. In establishing this maneuver area the Army would install equipment on a permanent basis. They informed me that they would lay down wire lines throughout the 10,700 acres in order that as they moved the firing positions from one place to another, it would be necessary only to 'plug in' to the local installation. It is obvious, therefore, why the Army desires exclusive use of the area. After observing certain areas previously used by the Army for temporary installations, and having in mind the character of use to which the area would be put under an exclusive use permit, there is no question but that the usefulness of the area for wildlife purposes would be destroyed.

"Under the circumstances, I believe the Department has no alternative but to refuse to permit the Army to have exclusive use of the 10,700 acres of land. I believe the position previously established in discussions with the Army is a correct one. That would provide the closing of a buffer zone south of the Indiahoma Highway to the public during firing periods. The buffer zone would extend east beyond the Indiahoma Highway on the same line for approximately 2 miles and then south to the refuge border. Even in this area, the Army should not be granted an exclusive use permit. The public should be barred only during firing periods, and no permanent installations should be permitted. In addition, a firebreak should be set up by the Army immediately south of the refuge fence which extends all along the south boundary of the refuge.

"In conclusion, I would like to say that I was impressed by the Wichita refuge as being a unique national asset, teeming with wildlife in a rugged natural setting. I think it is a matter of vital importance to preserve the refuge from further encroachment. While the Wichita refuge is even now the most heavily visited of our wildlife refuges, the surface has hardly been scratched. When the story of the Wichita is told, I believe it will become a mecca for the touring public. Every child in the Nation should have an opportunity to visit this unique and beautiful area. Adults will be enthralled as well. If you find it possible to inspect it personally, I believe you will look back upon it as a memorable occasion." [Applause.]

Mr. DONOHUE. I will be glad to answer any questions regarding it. As I say, that report will be released this afternoon.

Mr. C. R. GUTERMUTH (Wildlife Management Institute). Mr. Chairman, as one who is thoroughly familiar with the Wichita refuge, and who can agree wholeheartedly with the factual report that was presented by Mr. Donohue, I also would like to say that he should be commended very, very highly for presenting the situation as it truly exists. That is an invaluable area. As has been stated over and over again, it should not be destroyed by the uses to which the Army intends to put it. I think that the group here will agree wholeheartedly when I say that we should express our thanks to the Secretary for having this personal inspection made of the property, because I think that he now is in a much better position to defend the stand that he has taken.

Mr. FARLEY. Thank you very much.

Mr. DONOHUE. I would like to add one more thing. I am submitting another report to Secretary McKay regarding Mr. Greenwalt. I was very much impressed by him. He has been in a most difficult situation. Many local people are not talking to each other about this matter down in Oklahoma. People outside of Lawton refuse to spend money in Lawton because one group is in favor of the Army expansion program and the other is not. The newspapers have taken a very firm stand favoring the expansion program. Of course all of you can realize the impact that the Army can have in taking a local position.

In spite of all this, and in spite of the fact that Mr. Greenwalt has been perhaps the individual closest—well, there is no question about it, he has been the individual closest to the local people representing the Secretary's position—he has maintained the respect and has the high regard and respect of everyone I talked to.

I haven't seen a better example of an outstanding job done by a public servant. He has done a tremendous job from the public-relations standpoint. He has made people appreciate the value of the refuge, even though they may be opposed to the position that the Department has taken regarding it. I have written a report to the Secretary in regard to that. He certainly should be commended.

Mr. FARLEY. Those are very welcome words. Perhaps you can understand why I thought it was particularly appropriate to have a firsthand report from Harry Donohue on his visit. Sometimes those of us that are so close to the fish and wildlife problems are accused of putting on pretty rosy glasses when we look at some of the values of our activities and properties, but I don't think we could have sent down even Clark Salyer to make the report on the refuge and come back with a more enthusiastic report supporting the position taken by the Service as to the value of the Wichita refuge.

It is particularly gratifying, not that it changes in any way our opinions but confirms them, and gives us still further assurance that we are right in our assessment of values.

Are there any other questions or comments on this?

Mr. GUTERMUTH. There might be one, Director Farley. From within the last couple of weeks, I have clippings on my desk of articles that have been appearing in the Oklahoma papers where the members of the Army are going around throughout Oklahoma, in Oklahoma City and elsewhere, and they have already sold, or maybe I should say one, the support of the local chambers of commerce and that sort of thing, all of these civic organizations, by singing one theme song, and that is that if they do not get all of the land they want that Fort Sill is going to be moved out of Oklahoma. I think that those tactics, on the part of the Armed Forces, are reaching the point of being disgraceful in this country. I think that some steps ought to be taken to put some kind of a checkrein on that sort of thing.

They go out here and they build up a fear in the minds of the people. You take the city of Lawton, for example. It is dependent largely upon Fort Sill, and the business created by that big military installation. Naturally, if those people are led to believe that the future of Fort Sill is in jeopardy, if the Army is not given each and every thing that it wants, of course they are going to rise up and try to help the Army get whatever it wants.

That sort of sales talk has gone on all over Oklahoma until they have gotten the fear of God thrown into those people down there, that if they can't have what they want, that they are going to pick up their marbles and get out. I can say that I, for one, think that that sort of thing ought to be stopped in this country. These things ought to be considered on their merits, and if they have a real, honest to goodness right and need for expansion and development, and whatnot, those things should be determined on their merits and they should not be accomplished by merely attempting to throw terrible fears into people down there that they are going to lose their business and their values of their properties and that sort of thing if they don't go along with these requests.

Mr. FARLEY. Are there any other comments?

Our hour has about arrived for our next subject. Is Mr. Hoffman here?

Come up here, please, Mr. Hoffman, where we can see you.

Mr. Hoffman is the mineral leasing expert for the Bureau of Land Management.

For the next part of the program, we have representatives of the Department, Mr. Hoffman representing the Bureau of Land Management, who can answer questions on interpretations probably better than anyone else on the laws and regulations that affect the leasing of lands for mineral use, and we also have Clark Salyer, in the back of the room, there, who I think all of you know as Chief of our Branch of Wildlife Refuges, who can answer questions as to the refuge problems that are involved in the oil and prospecting leases.

My proposal was to ask Mr. Donohue first to cover the subject in a general way as it was reviewed by the Department, and then there will be opportunity for questions covering the things which he brings up. They may be directed to him or maybe technical questions as to the leasing arrangements or maybe management questions as to management of the refuges. Then I propose to rather close up the discussion with a brief summary of it.

However, just so that we will all be thinking about the same thing, I would like to direct your attention to this little chart on the board. This big triangle represents in a general way all of our wildlife refuges. Under block A I have represented those which are included in appendix A, which you will hear about, the acreages involved. Under B, I have the refuges or parts of refuges included in a supplement under appendix B. Then in the third one I have all the other refuges. This whole block represents more than 17 million acres, with nearly 3,200,000 in A, some 6 million in class B, and nearly 8 million in the other classifications. That is the total of our refuge area.

It gives you a little idea of what the relative areas are, and then the details about them will come out during the course of the discussion.

Mr. Donohue, will you take over now?

Mr. DONOHUE. I would like to begin by reading this statement which I think may answer many of your questions, and then I will throw the meeting open to a question and answer period.

In response to inquiries prompted by widespread misunderstanding of the public laws and departmental regulations governing oil and gas leasing on national wildlife refuge lands, the following background information has been prepared:

Thirty-five years ago Congress authorized the issuance of oil and gas leasing on public domain lands within national wildlife refuges under provisions of the Mineral Leasing Act of February 23, 1920 (41 Stat. 437).

This national policy was reaffirmed in the Act of August 8, 1946 (60 Stat. 950), which amended the Mineral Leasing Act of 1920.

A number of prospecting permits and leases within fish and wildlife refuges have been issued since the passage of the basic law of February 25, 1920.

On August 31, 1953, a stop order was issued suspending action on applications for oil and gas leases on wildlife refuges which had been filed under departmental regulations issued in 1947.

This action was taken after it became clear that the 1947 regulations failed to provide adequate protection to the wildlife values of the refuges and the publicly owned oil reserves underground.

The order clearly stated its purpose: "A study is now being conducted * * * of a possible revision of policy and regulations in the issuance of oil and gas leases within wildlife refuges, both on the public domain and acquired lands. Pending the completion of this study and the possible revision of existing regulations, you will suspend action on all pending oil and gas lease offers and applications for lands within such refuges."

Thereafter, Secretary McKay, on several occasions, enunciated Departmental policy with this statement: "It has been, and remains, our announced determination that no new regulations will be authorized which do not afford the wildlife refuges greater protection than they had before the 'stop order' was issued."

Meanwhile, production of oil and gas continued within the boundaries of several wildlife refuges on privately owned developments over which the Department lacked control.

On December 8, 1955, 25 months after issuance of the stop order Secretary McKay authorized the issuance of revised regulations after pointing out that their stringent provisions "are designed to assure the wildlife values of each refuge maximum protection and I propose to see that these conditions are rigidly enforced."

Before they received secretarial approval, the language and effect of the new regulations were reported to the Secretary of the Interior's Advisory Committee on Conservation on December 1, 1955. This committee, organized in 1948, is composed of leading conservationists from throughout the country.

After considering the regulations in executive session, the advisory committee unanimously passed the following resolution:

"We believe that the proposed regulations will provide reasonable protection for wildlife refuges if vigorously administered."

In reporting this decision to Secretary McKay, Mr. Bestor Robinson, of Oakland, Calif., the chairman of the committee, speaking informally on behalf of the membership, said: "We like the regulations." Mr. Robinson represents the Sierra Club.

The new regulations have the full endorsement and support of the career specialists of the Fish and Wildlife Service who are responsible for their administration and enforcement. They were consulted fully during the more than 2 years that the leasing program was under study. Before final approval was obtained every Fish and Wildlife Service recommendation was accepted and made a part of the regulations.

The new regulations specifically provide that areas indispensable for the protection and preservation of rare and endangered species, remnant big-game herds and irreplaceable examples of unique plant or animal ecology are not available for leasing under any conditions. Presently eliminated from the operations of the leasing act under schedule A of the new regulations are the Aransas and Santa Ana Reserves in Texas, the National Elk Reserve in Wyoming, the Sullys Hill Reserve in North Dakota, the National Bison Range and Red Rock Lakes in Montana, the Fort Niobrara Reserve in Nebraska the Okefenokee Reserve in Georgia, the Patuxent in Maryland and certain reserves in the Aleutian and Hawaiian Islands.

At least half of the remaining national wildlife refuges listed in schedule B of the new regulations are placed under most severe restrictions. These refuges are designated as wilderness, recreational, water development or marsh areas. For them no lease may issue until a complete and detailed operating plan insuring the full protection of the wildlife values in a manner prescribed by refuge technicians has been aprpoved by the Fish and Wildlife Service.

The regulation provides further that in the future areas may be added to both the schedule A and the schedule B categories. In fact, under an order of December 22, 1955, a continuing review of these areas is being made with a view to determining the advisability of further additions to schedule A and schedule B of the new regulations. Pending completion of the study by the Fish and Wildlife Service, lease applications in these areas are being held in abeyance.

However, in every instance where a lease is issued—including the areas outside as well as within the first two restricted categories—the following stringent conditions must be met. Not one of these protective requirements was contained in the old regulations:

A. Geological and geophysical prospecting conducted on the leased premises shall be of a type and at a time satisfactory to the Fish and Wildlife Service.

B. No drilling operations shall be conducted under the lease until such lease has been committed to an approved unit plan which provides for the consent and approval of the Fish and Wildlife Service as to the time, place, and nature of such operations.

C. No plan of development may be approved without the concurrence of the Fish and Wildlife Service. This provides a double protection on critical areas, since even though an operating plan may be approved prior to issuance of a lease, it is necessary to have the development plan reviewed and approved again after committing the lands to a unit agreement under terms of the lease. On noncritical areas this insures that no development can proceed without concurrence of the Fish and Wildlife Service.

D. Lessees are required to observe and comply with all State and Federal laws and regulations relating to wildlife and will be required to take such action as is necessary to assure observance and compliance with these laws and regulations by lessees, employees, and agents.

Issuance of the August 31, 1953, stop order, which suspended action on pending applications within wildlife refuges, led to a widespread misconception that this halted all oil and gas operations within these reserves. That was not the case.

A number of oil and gas leases had been issued on public domain lands within wildlife refuges prior to 1953. These, of course, were not affected by the stop order halting action on new applications.

Since the Mineral Leasing Act of 1920 provides for issuance of the right to prospect for oil and gas on Fish and Wildlife reserved land, the Secretary of the Interior could not properly suspend the issuance of oil and gas leases in such lands indefinitely. Although painstakingly prepared to afford full protection to refuge areas, the new regulations recognized the policy and intent of Congress that oil and gas development should proceed in those areas.

It is significant that the first leases issued under the new regulations involved the Lacassine Waterfowl Refuge in Cameron Parish, La.

Sixty percent of the area of the Lacassine Refuge was under active mineral development by nine companies through private leases before these first Federal leases were approved. Nine producing wells were in operation within the refuge, but outside the area covered by the new leases. The private operations had not been affected by the stop order.

These operations in the northern section of the refuge were possible because when the United States purchased those lands the oil and gas rights were reserved by the original owners. Consequently, the United States has no jurisdiction over drilling in this area. Similar situations exist on numerous other refuges.

On September 30, 1955, the Frankfort Oil Co. submitted a memorandum requesting the Secretary of the Interior to issue mineral leases on approximately 13,140 acres in the Lacassine Waterfowl Refuge, Cameron Parish, La. In submitting the memorandum, the Frankfort Oil Co. stated: "The company assumes the responsibility for undertaking a mineral-development program which will satisfy the Secretary that the highest standards are met in the development and conservation of mineral and wildlife resources. The company recognizes its responsibility, in support of national policy, to develop the area so as to achieve its maximum utility in the public interest. To this end, in the course

of developing the mineral resources, the company intends to employ the most constructive methods to preserve and improve the ecological conditions of the refuge and thereby insure the adequate utilization of the lands for the primary purposes for which they have been acquired."

The operating program which was then spelled out in detail in the memorandum was specifically designed to preserve the ecological and biological conditions of the refuge and to improve the refuge at no cost to the United States Government. This program as subsequently amended after discussions with the Fish and Wildlife Service officials was approved by the Fish and Wildlife Service.

The leases issued on the basis of the approved operating program are considered by refuge men to be a model for what is required to protect wildlife values. These leases were issued on December 6, and made retroactive to December 1, as provided in regulation in effect since 1947.

The most important provisions of the operating program require:

(a) The construction of a dyke network that will put fresh water on additional areas of marsh and increase the waterfowl carrying capacity of the refuge.

(b) The construction of a road on top of the dyke network which will include provision for the establishment of culverts and bridges at specified intervals in the dykes so that improved manipulation of water for wildlife purposes will be possible.

(c) The height of the dyke will be established at a level which will make possible certain higher water levels necessary in pest weed control and rejuvenation of the marsh at intervals.

(d) Construction of adequate ring dykes around the well and drilling equipment.

(e) Procedures for the prevention of wastes entering the marsh.

(f) Protection against salt water intrusion.

(g) Protection against drilling mud entering the marsh.

(h) The planting of certain grasses at designated places.

(i) The elimination of pest weeds at specified places.

(j) That no well drilling of major construction activity may take place between September 1 and April 1 to prevent any possible interference with the use of the refuge as a winter feeding area by waterfowl.

(k) At such time as operations end all roads and dykes may be left where they are or may be altered or removed, as the Fish and Wildlife Service may determine will be most advantageous from a wildlife management standpoint. Any expense involved in connection with this must be borne by the lessee.

The old regulation provided no means by which such private development could be controlled by the Fish and Wildlife Service. The new regulation provides an important measure of protection in this regard. In the future, the Fish and Wildlife Service, by means of its authority to approve the conditions of required unit agreements and control the nature of all operations under such agreements, can protect the refuge by requiring that operators on lands where rights are privately held meet the same stringent requirements which must be met by developers of Federal rights as a precedent to approval by the Fish and Wildlife Service of a unit agreement covering such lands.

It is of particular interest that in the same general area as the Lacassine is the Rockefeller Refuge, which is administered by the State of Louisiana but for which the Fish and Wildlife Service is the custodian. On this refuge, at the direction of State officials, but with the approval of the Fish and Wildlife Service, oil and gas development has been permitted for several years, under similar but less complete restrictions than provided by the new regulation. State personnel have reported no unfavorable effects, and in fact have stated that the carefully planned and executed development has provided an improved environment on the refuge from the standpoint of waterfowl management.

The leases issued to the Frankfort Oil Co. embrace acquired lands as distinguished from the public domain. The act of August 7, 1947 (61 Stat. 913), known as the Acquired Leasing Act, provides that acquired lands "may be leased by the Secretary under the same conditions as contained in the leasing provisions of the mineral leasing laws, subject to the provisions thereof."

The law provides that when lands are not within any known geologic structure of a producing oil or gas field, the person first making application for a lease shall be entitled to a lease without competitive bidding. The royalty rates for noncompetitive leases is established by law and the Secretary of the Interior is without authority to change it.

Section 5 of the act of August 6, 1946, under whose provisions noncompetitive leases are issued, provides "such leases shall be conditioned upon the payment by the lessee of a royalty of 12½ percent in amount of value of the production removed or sold from the lease."

Provisions of the laws cited above applied with regard to royalty and issuance of leases noncompetitively to the lands embraced by the Frankfort Oil Co. leases after the Geological Survey reported those lands are not on a structure of known oil or gas field.

For comparative purposes copies of the Departmental regulations which were suspended by the stop order in 1953, and the new regulations are attached.

Under the old regulation, subject to certain conditions under which the Fish and Wildlife Service had the opportunity only to advise the Secretary, any and all refuge lands were available for oil and gas leasing.

Under the new regulations areas determined to be indispensable for the preservation areas determined to be indispensable for the preservation of rare or endangered species, remnant big-game herds, and irreplaceable examples of unique animal or plant ecology are classed as inviolate sanctuaries and these lands are not available for leasing. The regulations provide also that in the future new areas may be added to this inviolate category.

The new regulations further provide that on wilderness, recreational, water development or marsh areas, no leases may issue until a complete and detailed operating plan insuring the full protection of the wildlife values in a manner prescribed by refuge technicians has been approved by the Fish and Wildlife Service. Even after a lease issues on the above areas, stringent protective conditions must be met under the terms of the lease. The same conditions apply to the remaining refuge areas not classified as inviolate or so critical as to require the submission of an operating program in advance of the issuance of a lease. These are areas where it is considered that oil and gas development is not at all incompatible with the primary purposes for which the refuges were established.

None of these protective provisions was included in the old regulations. While they required the submission of a unit plan, they did not require Fish and Wildlife Service approval of the plan. The old regulation permitted drilling and prospecting on refuge lands if consented to by the Secretary of the Interior upon the advice of the Fish and Wildlife Service.

The old regulations further provided that even if these conditions were not met leases might nevertheless issue if the Fish and Wildlife Service reported that oil and gas development could be conducted without destroying the usefulness of the lands as a sanctuary for wildlife or in the absence of such a report wherever the Secretary determined that the national interest in securing the contemplated oil and gas production outweighed the importance of maintaining the refuge as a sanctuary for wildlife. Thus, while the old regulation permited oil and gas development to proceed, it provided no protective devices nor authority to the Fish and Wildlife Service to insure that the integrity of the refuge areas would be preserved.

It was the admitted laxity of this regulation that led the Department to issue a stop order on all applications until a fully protective regulation could be promulgated. Such a regulation is now in force.

The development program made possible under the new regulations is an outstanding example of the multiple use concept of Federal lands which has always been a basic policy of Congress.

It is perhaps not generally known that many national wildlife refuges are managed intensively in order to meet wildlife requirements. About 100,000 acres of refuge lands are farmed in order to supply supplemental food for waterfowl needs. On refuge grasslands regulated grazing is permitted where such use is important in the growing of proper grassland habitat for nesting waterfowl and other species of wildlife. Timber management is essential in the maintaining of favorable habitat conditions for woodcock, wild turkeys and deer. Thus, in meeting the various wildlife habitat and feeding requirements on refuge lands, it is necessary to engage in many land use and management practices, and on such lands oil and gas development controlled by adequate protective regulations can often be permitted without any reduction in wildlife values.

Mr. FARLEY. Thank you, Harry, for presenting that. Shall I say, there being no questions, we can move on, or do you wish to have some questions? Please feel free to ask any questions you think are appropriate.

Mr. CARL D. SHOEMAKER (National Wildlife Federation). What I wanted to ask was under the new regulations, Harry, do you consider that the Fish and Wildlife Service has an absolute veto over any application for oil and mineral development or oil drilling?

Mr. DONOHUE. I would say unquestionably. The authority and responsibility is placed with the Director of the Fish and Wildlife Service, who, of course, is going to make his decision on the basis of what the Refuge technicians recommend.

Mr. MICHAEL NADEL (the Wilderness Society). Mr. Donohue stated that additions may possibly be made to schedule A and schedule B. Then these two schedules do not comprise all of the refuges?

Mr. FARLEY. No. I tried to indicate on the chart here the present acreage in the 3 types, those under appendix A, the 3 million, under appendix B, 6 million, and there are still unclassified in either of those categories these 7,800,000.

First of all, Mr. Donohue mentioned there is a stop order, a hold order, on oil leasing on these remaining refuges to further consider them and see if they should be put in either category A or B.

Are there other questions?

Mr. RICHARD W. WESTWOOD (American Nature Association). Criticism has been made, and I am curious, that this regulation would serve to stimulate application for leases.

Is there any reason to assume that it would?

Mr. FARLEY. I have no evidence of that, but that is rather natural. We do not get the applications until they come over from the Bureau of Land Management, and it is my understanding, and Mr. Hoffman will confirm it, that the central office does not get them until they have been processed in their regional organizations. It would be too early to give any information on that. We have had, I believe, two or perhaps three

letters inquiring about them, which would indicate some interest generated by the publicity given to this.

Mr. LEWIS HOFFMAN (Bureau of Land Management). I might add there, Mr. Farley, that we have teletyped to our regional offices pending applications that were not acted on in Fish and Wildlife refuges. To date, with the exception of Montana, Nevada, and Alaska, which have not replied to our teletype—all other offices have—we only have pending 293 applications. When you consider that the maximum area of an application embraces 2,560 acres, it is a comparatively small area that has been applied for. But as far as these regulations being an incentive or encouragement to file oil and gas leases, nothing is needed as an incentive to the oil and gas people to look for new sources of supply.

Mr. FARLEY. These 200 are not new since the regulations?

Mr. HOFFMAN. No, they are pending.

Mr. RICHARD SISEMORE (United Press). There were 200 pending before the stop order, is that right?

Mr. HOFFMAN. Two hundred and ninety-three. Not before the stop order, sir. That was before September 2, when the regulations were approved by the Secretary, the new regulations.

Mr. SISEMORE. How many were pending before the stop order? Do you have that figure?

Mr. HOFFMAN. No, I do not; except that it is close to that figure. In three instances, two in Nevada and one in New Orleans, we waived the stop order because the operators have submitted for approval to the Secretary unit plans of operation which he approved and which protected both the fish and wildlife. Incidentally, under one group of those leases, the first discovery in Nevada of oil and gas was made.

Mr. SISEMORE. I understand you to say you do not anticipate any more leases.

Mr. HOFFMAN. I did not say that, that we do not anticipate; I said the oil industry needs no incentive.

Mr. SISEMORE. You said the new orders would stimulate more leases?

Mr. HOFFMAN. I said I did not think it would.

Mr. SISEMORE. I got the impression that this whole thing was prepared because you did anticipate more leases.

Mr. HOFFMAN. It was prepared for the added protection of fish and wildlife areas.

Mr. MICHAEL HUDOBA (Sports Afield magazine, Outdoor Writers Association). First, may I ask if a copy of the material that Mr. Donohue read is going to be available?

Mr. DONOHUE. Yes, sir; it is available just outside.

I might add one point: There has been reference made to the point that no leases should be issued until an Executive order has been signed by the President. It is in error to refer to the Atomic Energy Act, passed by the 83d Congress, in reference to this leasing program. The provisions of the Atomic Energy Act provide that no leases will be issued by the Atomic Energy Commission for fissionable materials exploration on park and wildlife lands unless the President, by Executive order, authorizes that. But those provisions pertain only to leasing by the Atomic Energy Commission of fissionable materials exploration permits.

Mr. HUDOBA. Is there also one for the Minerals Leasing Act?

Mr. DONOHUE. There is also a like provision in the Minerals Leasing Act.

Mr. HOFFMAN. Pardon me, Harry. There is no provision in the Mineral Leasing Act, but there is a provision in Public Law 585, known as the Multiple Mining Act, which permits mining under the United States mining law, by making mining locations, and permits leasing under the Mineral Leasing Act of 1920, as amended, there is a provision there similar to the atomic energy provision, but that provision also pertains to fissionable materials only, uranium and whatever the Atomic Energy Commission determines is a fissionable material. It does not pertain to oil and gas leasing.

Mr. HUDOBA. May I ask several more questions?

Mr. FARLEY. I wish you would.

Mr. HUDOBA. I notice in the statement that was made, reference was made to a sentence quoted from a recommendation made by the advisory committee. That sentence, as quoted, if I remember correctly, states that the committee believed the regulations were adequate if vigorously administered. But the first sentence of that recommendation, if I recall, said the committee questioned the desirability of leasing on wildlife refuges.

Mr. DONOHUE. In view of these laws passed in the 83d Congress, however, those laws in the 83d Congress do not apply to oil and gas leasing.

Mr. HUDOBA. I believe, if I remember the sentence correctly, there was a period at the end of the sentence which said the committee questions the desirability of leasing the wildlife refuges, period, and then it went on further with reference to the amendments to the atomic energy mineral leasing program, and then in addendum did endorse the regulations if they were vigorously administered. But it seems to me that the quotation reference in part does not adequately cover the recommendation that was made, and leaves a little question as to the factor behind the endorsement.

I notice further that reference was made in this statement that where there was no known geophysical basis for oil, the royalty was 12½ percent. But in the comment there were 9 producing wells on the Lacassine Refuge, and yet the 12½ percent royalty figure applies.

Is there another figure?

Mr. HOFFMAN. You mean geological rather than geophysical. The law itself divides the public lands into two categories. One is the land defined by the Geological Survey as being on the structure of a known oil or gas field, and the other is what we call wildcat, defined as not being on such a structure.

The function of defining these structures is in the Technical Bureau in the Department of Geological Survey.

The act of August 8, 1946, which amended the Leasing Act of February 25, 1920, specifically stated two things. One, that you cannot offer by competitive bidding lands for leasing which are in a structure not defined as being a producing structure; two, a flat royalty of 12½ percent can only be charged if the lease is offered not competitively.

I might add the third. It gave a preference right to the first qualified applicant who filed for a lease for lands not within a producing structure.

So, it is not a matter of the Secretary's discretion in these things. He is bound by the law. Congress makes the policy and it is spelled out in the law.

Where lands are not in a producing structure, he must recognize the first qualified applicant who has a preference right to a lease. When it is not on a producing structure, and thus issued noncompetitively, he can only charge a royalty of 12½ percent.

Mr. HUDOBA. Unless I am mistaken, the lease on the Lacassine Refuge was on an established structure, with producing wells already existing.

Mr. HOFFMAN. Well, in that refuge, certain vendors to the Government reserved the oil and gas rights. That is the north area, about 60 percent of the refuge. They gave private leases to operators under whatever terms they could get. I do not know the terms of those leases. But the southern part of the refuge, or 40 percent, which is covered by these Frankfort Oil Co. leases, are defined as not being in a producing structure. In other words, the Geological Survey says you need prospecting before you can ascertain whether it has oil or not. Not even a drop of oil may be discovered there. The fact that the discoveries were made in the north, miles away or even 1 mile away, is not proof that the lands in the south are on the same structure. In fact, that very northern area covers some 10 different structures. While I am not a geologist, and I could not give you the reason for such definition, it is based on a study of the area itself, that you need prospecting before you can define it as being on a structure of a known oil or gas field.

But the advantage is, and I think the advantage to the Government in issuing leases in the southern part of that refuge is the fact that now, by issuing it now, we have studied a plan of operations to fully protect the refuge. But in the northern area, with the oil and gas owned privately, if it comes down, and they have further drilling closer to the southern part of the refuge, we would be forced by the Attorney General's opinion to issue leases to protect the oil and gas for the United States. It may not be under as favorable conditions to the refuge as those that have been issued.

Mr. FARLEY. Just so we all understand specifically the areas involved in the leases under discussion are outside the known oil-bearing geological structures and have been so determined by Geological Survey.

I want that point made specifically clear.

So there is the requirement that they meet the conditions set up in the basic law.

Mr. HUDOBA. Being an old prospector, I know that gold is where you find it, and a lot of times it is found where you do not expect to find it. But if there is a gold mine or an oil well fairly close, I would suspect that the chance of finding it would be better.

Mr. HOFFMAN. Just a minute. Oil is a little different from gold. Oil is where you find it and gold is where you find it. But the difference is this. With our metallic minerals, like gold where it is found, you establish what is known as a mining district, based on the fact that nearby there are enough minerals to warrant a prudent man to go out and mine and search for those minerals. But in oil and gas, structures are defined by strata, formations, and various other means geologically known to the geologists. It is on that basis that they are made by the Geological Survey.

Mr. HUDOBA. I agree with you on that.

May I ask one more question?

If I understand correctly, during the interim of the stop order, there were no leases except possibly where the mineral rights were reserved.

Under the regulations as issued now, and I am not sure as to what date they were issued—I am a little confused over the use of several different days as to when the order was signed and when issued, and so forth—under the present order, is it conceivable that in those nonexempted refuges, there the Fish and Wildlife Service must now prove first, all over again, that the refuge is necessary for wildlife conservation; No. 2, having reproven that point, must they reprove acre by acre within the refuge under a lease application?

The second part of the question is where do the lease applications come, directly to the Fish and Wildlife Service, or do they come to the Secretary's office, or where is the beginning?

Mr. FARLEY. Will you answer the second question first?

Mr. HOFFMAN. You have a good many questions there. I will try to remember them all and answer them in turn.

First you said it is your understanding that since the stop order was issued in 1953, August 31, 1953, it is your understanding that no leases were issued in Fish and Wildlife refuges. Is that correct? Is that the first question?

Mr. HUDOBA. Except on areas in which the mineral rights were reserved.

Mr. HOFFMAN. I do not know what you mean. Do you mean by private interests?

Mr. HUDOBA. Yes.

Mr. HOFFMAN. That is not correct. We have issued leases since the stop order by waiving the stop order for those particular cases. There were 2 or 3 areas in Nevada and 1 area in Louisiana, 1 or 2 areas in Louisiana. But they were justified because they submitted a unit plan which was approved by the Secretary and which had provisions in it for full protection of the refuges. That is the answer to the first.

Secondly, applications—you asked where are applications filed—applications are filed with the land offices, and in the Western States we have a land office in each State. In California, we have 2 offices, and in Alaska we have 2 offices, because of the large areas there. For States east of the Mississippi, they file with the land office established here in Washington, known as the Eastern States Division, and they have a land office for the Eastern States.

The applications are not sent to Fish and Wildlife Service, except that in each instance either a copy of the application or a description of the land it embraces is sent to the Fish and Wildlife, with a request for a report as to whether they have any objection to the issuance of an oil and gas lease, or if they have no objection, whether they want to add stipulations other than those embodied in the regulation for the protection of the refuge. If they say they object, that they would materially interfere, then the manager of the land office rejects the application. If they say, "You can issue without any further stipulations other than those embodied in these regulations," then the lease is issued by that particular office.

We have 14 district land offices and 1 office here in Washington, which is also considered a district land office, but it embraces all of the States east of the Mississippi River, and the reason for that is that we do not have enough business to warrant the expense to have an office in 1 State, so we combine them all into 1 place and call it the Eastern States Office.

The third question was whether the Fish and Wildlife office has to justify acre by acre the prior right of the refuge against oil and gas leasing. I say to you, sir, they do not have to justify anything. These new regulations give the Fish and Wildlife the say as to whether or not a lease issues. If an appeal is taken, it is the lessee or the applicant for the lease, the oil and gas man must justify that he can drill without doing any damage to the fish and wildlife area.

I think that embraces all of your questions.

Mr. ERNEST F. SWIFT (National Wildlife Federation). Whom does that appeal go to?

Mr. HOFFMAN. The management makes a decision, and then under the practice he appeals directly to the Bureau of Land Management. Then from that decision he appeals to the Secretary of the Interior.

Also, under our procedure, where another Bureau is involved, that appeal is sent to that Bureau for comment.

Mr. SWIFT. So when it is an appeal, it would go to the Secretary of the Interior, then?

Mr. HOFFMAN. It would go to the Secretary of the Interior.

Mr. SWIFT. Do you mind if I make a statement here, Mr. Farley, in view of the fact that I made a public statement once?

Mr. FARLEY. Is your statement a question?

Mr. SWIFT. Not entirely.

Mr. FARLEY. You go ahead and make it, and we will take it as a question.

Mr. SWIFT. We have been talking about the mandates of Congress, in a sense, the legal factors, Attorney General opinions, and authorized policies that the Secretary of the Interior is bound by Congress to follow. But regardless of all of these legal matters, as far as I am personally concerned, and why I made a public statement, there is the basic philosophy, and that is whether it is justified and entirely within the interest of these refuges to permit drilling on the refuges. I recognize that the Department of Interior cannot legally prevent oil operations on refuge lands where mineral reservations have been held by private interests, because that was in the original bargain. But the stand that I took was on that basic philosophy, and it is my opinion that there should be some areas for wildlife, for national parks, and for areas of that kind, where the things they were set up for take absolute priority. These other factors are entirely secondary.

Following up a question that Mr. Hudoba raised regarding the report, the report stated, "We believe that the proposed regulations will provide reasonable protection for wildlife refuges if vigorously administered." But it follows with this particular verbatim transcript of that report:

"Your committee questions the desirability of any leasing program in wildlife refuges except to protect from oil drainage due to peripheral development, and in such cases we believe that the regulation should be made expressly subject to the limitations imposed by section 10.6 of the Mineral Leasing Act, section 67 of the Atomic Energy Act."

You explained, Harry, that that did not apply. Still in all, I believe that they raised an objection as to the desirability there.

I just wanted to clarify my stand because it is extremely simple. It has nothing to do with the legal factors because even though Congress may bless this, I do not consider them or anbody else my messiah on my conservation philosophies, and I think it is a poor philosophy to invade the refuges.

Mr. FARLEY. Isn't your comment, then, directed at the Congress in establishing a policy rather than at the Secretary in carrying out a policy?

Mr. SWIFT. Well, it might ultimately be.

Mr. DONOHUE. Harry, may I comment that the Department agrees that——

Mr. SWIFT. I practically told you that before, Harry, haven't I?

Mr. DONOHUE. The Department agrees, certainly, to some of what you have said, by the fact that certain areas have been classified as inviolate. Perhaps it is a question of degree, but within the legal means available, perhaps our differences are one of degree.

Mr. SWIFT. Well, I wanted to get that into the record.

Mr. FARLEY. Your question is accepted.

I hope, if you have any doubts as to the interpretation of the regulations, or the application of them, I hope you ask the questions so that we can clear this up here.

I hope they specifically answer the question of, shall we say, the propriety of backdating a lease. Mr. Donohue covered that. I do not know whether you caught the full significance of it. I hope you did. It is in the sheet there. That is something that has been on the books for 15, 20, or more years.

Mr. HOFFMAN. Since October 1946.

Mr. GUTERMUTH. We realize it is in the law, Mr. Farley. If Mr. Hoffman and you gentlemen say that it is the law, we would not question it for a minute. But I am just wondering, what is the objective of the law? What is the purpose of it?

As I understand you, you say it was issued on the 6th and you back-dated it 4 or 5 days.

Mr. HOFFMAN. The purpose of the law is an accounting measure. It is pretty hard, after a lease becomes producing, to figure accounts of rentals and royalties from the middle of the month.

Our accounting procedure is such that it facilitates the accounting balances and the accounting collections by dating the lease on the 1st of the month.

There is another reason for it. The reason that regulation, and I typed on each one of those I gave you the particular section to read, the reason for that partfcular regulation is because very often geophysical, geological, and seismographical work has been done by an oil company by permission from the agency having the jurisdiction, without leases. When they decide that the indications are favorable for spending millions, you might say, for prospecting, they hire crews, and sometimes rigs are not easily available. So, if we should lease, for instance, on February 2, under our prior ruling they would date it the 1st of the month following the issuance, which would be dated March 1. That means for 26 days, February having only 28 days, they would have to pay that crew high wages, pay rental for the rig, until March 1, because until the lease is effective, they can't go on the land to drill. So they asked us: "If we request in writing that the lease be dated the 1st of the month in which it is issued, to save us this large expenditure and the unnecessary wait to get on the land, why don't you date it the 1st of the month in which it is executed by the proper official?" We thought that was fair, and so that was put into operation.

Mr. FARLEY. Remember that the payments start from the 1st of the month. Those are back-dated also, as well as the others.

Mr. DONOHUE. May I say at this point that your questions may not be directed to the head of the table. You may direct your questions to anyone in the room. There are a number of Fish and Wildlife people as well as Bureau of Land Management people here. You may direct your question to whoever you may wish.

Mr. SISEMORE. I understand, according to your explanation a while ago, that if you do not actually have drilling into an area to establish a known structure, then you have noncompetitive bids. Is that right?

Mr. HOFFMAN. No.

Mr. SISEMORE. That is, unless you know there is oil.

Mr. HOFFMAN. That is right. The lands are intermingled. Take public lands. Section 6 may be public lands, section 7 may be privately owned, in which the oil and gas is owned by private parties, and over which the Government has no jurisdiction. If a man drills a well on section 7, which is privately owned, and makes a discovery of oil, then the geologists of the Geological Survey go down to that area, even though private land, and ascertain from their technical knowledge how far that structure would extend. It may stop there. It may extend 1 mile, 2 miles, 10 miles, or 20 miles.

Mr. SISEMORE. But unless they drill, they can't determine that; can they?

Mr. HOFFMAN. Drilling has to be done somewhere, whether on public or private lands; but then they extend the structure even though drilling was not done, and they say, "So far as our records show, and our examination of the structures concerned, we define this with the outer boundaries, and define it as being within the known structure of an oil and gas field," even though not a single rig has been on that job. But if they do that, then the issuance of leases are governed by that provision which requires competitive bidding, to give us a bonus of so much an acre. But if they say it is not within the structure, that there is not enough information from the well drilled to cover this other land as being within the structure, then by law we must issue the lease noncompetitively and give it to the first qualified applicant and charge the rental provided in the law.

Mr. SISEMORE. Then in relation to this one particular lease, they have estimated on the basis of drilling and their maps that this is not a known structure, and so far as they know there may never be any there?

Mr. HOFFMAN. That is correct.

Mr. SISEMORE. Does the Geological Survey actually go in and drill on these things to establish a structure?

Mr. HOFFMAN. No.

Mr. SISEMORE. They just estimate on the basis of drilling around it and previous geological data?

Mr. HOFFMAN. They estimate it, so far as I know, on the basis of logs of wells that have been drilled. Each well has a log, showing what they drilled, and the kind of sands. The Survey itself never makes any drilling. There is no authority to do it.

Mr. SISEMORE. I understand that the Frankfort Oil Co.——

Mr. HOFFMAN. None of these six leases went to the Frankfort Oil Co. They held options from the applicants to give them the operating rights if and when leases issued, and leases did issue, so they hold the operating rights.

Mr. SISEMORE. Who filed the lease?

Mr. HOFFMAN. McKenna. I forget the first name.

I have it.

I can give it to you if you come to my office. One was by the husband and five by the wife.

Mr. SISEMORE. How does that operate? Can you explain to us briefly?

Mr. HOFFMAN. Yes. The act of August 8, 1946, provides that anyone may obtain an option from either an applicant or a lessee for a period of 2 years, and if he exercises the option by asking for an assignment or operating rights, the lessee by that agreement is bound to turn the leases over to them for operating purposes. Very often the lessee reserves a small royalty, 1 percent, 2 percent, or 5 percent, but each agreement varies. The bargaining can be made with each other.

Mr. SISEMORE. And that does not concern Interior?

Mr. HOFFMAN. We are not concerned until they actually exercise the option. In the case of refuges, we are very much concerned, because before we issue the leases, they must submit for approval a plan of operations, which will protect the wildlife refuge, which must be approved by the Fish and Wildlife Service.

Mr. SWIFT. But it can be approved, too.

Mr. HOFFMAN. Well, the way the regulations are written, since it specifically gives the authority not in the Secretary but the Fish and Wildlife, the Secretary would have no other alternative than to uphold the Director of the Fish and Wildlife Service. You see, the old regulations merely asked for the advice of the Director of the Fish and Wildlife Service. This gives the Fish and Wildlife Service the authority to approve or disapprove such plan of operations.

Mr. GUTERMUTH. I am not familiar with the land in question on the Lacassine Refuge, and I do not know its relationship to this proven field, but since it is so close, I am just wondering. Do I understand, then, that this application is the first application that has been received on this area?

Mr. HOFFMAN. No. There have been prior applications on the area which, under the old regulations, were rejected because they did not submit a unit plan of operation, and they failed to appeal, and they closed out.

There are also 2, 3, or 4, I do not know offhand, but we have them in our files, applications in which they did appeal.

We rejected them because they did not comply with the regulations, they did not have an approved unit plan of operation. They appealed and the Secretary deferred to the rejection. So they are what we may call in law res adjudicata. They are out. They did not pursue their rights in the courts. The cases were closed. There were no prior applications pending except closed cases when these leases issued.

Mr. GUTERMUTH. That is the point I was going to inquire about.

Is the law, then, so broad that if you had had prior applications that had been rejected or denied for some reason or other, does that mean that people can always, forevermore, keep coming in and filing on that land on a noncompetitive basis, and so on?

Mr. HOFFMAN. If they comply with the law. The other people did not comply with the regulations and the law.

Mr. FARLEY. I wonder if I can clear that up.

There were a number of applications and all were denied. Some were kept alive by appealing.

At the time this came up, the ones that were alive, these were the senior applicants that were alive, and they were kept alive because there were still appeals pending. Others did not take advantage of their rights to appeal. Then their applications were no longer live applications, as I understand it.

Mr. HOFFMAN. That is right. These applications were rejected by the Bureau of Land Management on the recommendation of the Fish and Wildlife Service under the old regulations because they did not submit the unit plan of operation.

Plan of operation and unitization are two different things. The unit plan, to define it rather crudely, is where a number of lessees unite in electing a single operator to operate an area covered by two or more leases under a single operator and under the terms of that particular agreement approved by the Secretary. They share the expense and the income in proportion to the amount of acreage they have in that area. The plan of operation, on the other hand, is one which they give you in advance just how they expect to drill, where to drill, when to drill, how often they will drill wells, what the spacing will be, what measures they will take for protection of the surface, which in this case would be the refuge, what other protection they take of water rights, and all the details of their method of conducting their drilling operations.

Mr. FARLEY. I think I saw a hand there. Mr. Day?

Mr. ALBERT M. DAY (Arctic Institute of North America). I would like to raise one question, along the line that Ernie Swift mentioned, and which seems to me to be rather basic, and the thing that many conservationists are fearful about in this order. That is changing the opinions of many of what the concepts of refuges are. In the past, they have been considered as sanctuaries. It is true there have been cases of drilling on the periphery, and cases where landowners in selling originally reserved the oil rights. You have set up the category A of about a dozen refuges, although I think on none of which has drilling ever been performed, although there has been great pressure for some, particularly Okefenokee, and then this order which has been issued. This is the thing that disturbs me, appendix B, Fish and Wildlife Service lands available for leasing under a satisfactory development and operating plan, which, to me, encourages the application for leases on all of your areas B except as the Fish and Wildlife Service can set up operating conditions to protect wildlife.

In your category C, I see nothing which might indicate to some that those are available for leasing even without satisfactory development and operating plans. I am quite sure that is not the case.

The thing that is disturbing is the attitude, I am afraid, that the oil and gas interests will get to these areas that are now practically wide open for oil and gas leases. It is true that under existing laws they were before, but very few were granted.

I raise the question as to whether this is not going to be the case, as to whether this is not going to greatly encourage the desires of oil people to get into refuges where prior to this time they were discouraged from it.

Mr. FARLEY. If the regulations, the conditions under which drilling may be done, are sufficiently stringent, I can see no reason why they should be any more attractive than they have been in the past under whatever regulations exist. In fact, the opportunity to impose stringent regulations is more greatly enhanced under these regulations than they previously were.

Mr. DAY. Don't you feel that an announcement of this kind encourages the oil interests to think that these areas are available for oil drilling and discourages the Wildlife people from thinking that they could be preserved for wildlife? That is the point I fear.

Mr. FARLEY. No more so than the existing regulations which have existed for a great many years prior to this.

Mr. GUTERMUTH. In that connection, Mr. Director, I may be very naive, and, of course, I will grant that now, as then, I am not going to try to concern myself with the ramifications of these two acts. These are beyond my comprehension, as well as some of the interpretations, I might add. But the point is that with the small amount of leasing that has gone on on our wildlife refuges, I do not think that I am the exception. I think there are very few people in this country that realize that the wildlife refuges, especially the areas that were purchased with duck-stamp money and that sort of thing, were being subjected or were in constant danger of the threats of oil operations and explorations. The two activities simply do not seem to coincide at all. The idea of having a refuge, a wildlife sanctuary, and having that area overrun by oil operators and operating equipment, and that sort of thing, the things just simply do not go together.

I might say that that is the main reason why we have objected. We have not attempted, in our humble way, to say whether this present order is better or worse than previous orders. The thing that we are concerned about is the fact that these refuges are being opened, and that is the thing that I think the conservationists of this country are opposed to, particularly in a period when there does not seem to be any need for oil.

According to the Department of the Interior reports it looks like we are in the most favorable condition for oil, Mr. HOFFMAN, as we have probably ever been in this country, particularly when there has been a great effort made to block oil imports, except by the big operators who are operating both here and abroad.

The other thing that I am concerned about, and I waited until the reporter had gotten a new pad on there so that I could go into this—the other thing that I am concerned about is in this statement of Mr. DONOHUE'S, on page 2, where they quote merely this one sentence out of the recommendations of the advisory committee. I am not a member of the advisory committee. With all of the rest of the people in this room, I doubt if there are over 3 or 4 who have read the minutes and the record of this advisory committee, and so on, and who know the extent of the discussion and so on that went on. They do not know what is in this thing. Certainly the general public across this country does not know what is in this thing. But here is this statement, that it says that the advisory committee said that we believe that the proposed regulations will provide reasonable protection for wildlife refuges if vigorously enforced.

I have asked for a copy of the recommendations of the committee, and I would like to read it to this group, because I doubt if any of them have ever heard this yet.

Number 8, on page 15, says:

"Your committee questions the desirability of any leasing program in wildlife refuges, except to protect from oil drainage due to peripheral developments, and in such

cases we believe that the regulations should be made expressly subject to the limitations imposed by section 10.6 of the Mineral Leasing Act and section 67 of the Atomic Energy Act."

Then it says: "We believe that the proposed regulations will provide reasonable protection for wildlife refuges if vigorously enforced."

The point I want to make there is this, and I made this statement in a previous meeting here in Interior, I expressed my complete satisfaction and thanks to Mr. D'Ewart, the Assistant Secretary, for helping to get that strong protective language written into the Atomic Energy Act and the Minerals Leasing Act: We thought that this thing expressed the will of Congress, with regard to the national parks and monuments and wildlife refuges, and while that law, yes, does apply, perhaps, to fissionable materials, we had thought that it was the express will of Congress.

I have talked with some of the members of the committee, and I do not know how others feel about it, but some of them, at least, felt that the statement that was contained here was that while those acts may not apply, that when they said that the regulations should be made expressly subject to the limitations imposed, that they were trying to suggest, at least, that that sort of thing at least helped to tend to govern the actions of the Secretary insofar as possible. I realize, of course, like everyone else, that he has a mandate, as you say, Mr. Hoffman, to follows the directives of Congress and the previous laws that have been enacted. But at the same time, those laws and something like them have been in existence, so you tell me, for many, many years, and the fact still remains that there have been very few cases of drilling on our refuges, except where the mineral rights had not been acquired by the Federal Government.

Our grave concern is that we be given, by our great custodial agency here, all of the protection that can possibly be given within his discretion to prevent this sort of thing except in the cases of, like they said here, peripheral developments that might endanger the wildlife refuges, and so on.

Now one other thing, if I may, please. There was a statement made in the press, and since, again, nobody gets to read this, I would like to read one more statement here that appears on page 5 from the minutes on the morning session of December 1. That was the first day of the advisory committee meeting. It says here:

"The question of the legality of leasing any wildlife refuges under the new Mineral Leasing Act and the Atomic Energy Act was brought up by Dr. Gabrielson, who also questioned the propriety of allowing oil and gas leasing on refuges except where the mineral rights were not acquired or where peripheral development made it vital to protect the interests of the Federal Government."

I do not think I need to defend Dr. Gabrielson, but there were statements made in the press that he did not protest this thing, and I would like to have at least these few people in this room here read from the record that portion of the statement.

Mr. DONOHUE. Dr. Gabrielson referred to those two acts of the 83d Congress and was informed at the time that the Solicitor's Office had held that they were not applicable, as a study of the language will indicate. The committee, however, went ahead, and in its formal resolution again referred to these two acts passed in the 83d Congress. The Secretary of the Interior has no authority but to carry out the law as laid down by Congress, and, as we have said, Congress has authorized that oil and gas development should proceed.

You might recall that in regard to the Wichita, the Secretary—and I do not know whether you know or not—has been attacked, reportedly, for not carrying out the law and the mandate of Congress. But we were successful in pointing out that the Congress did not pass a law authorizing the transfer of the refuge land, and, because of that fact which we ultimately made clear even to the Army lawyers, the Secretary has been able to defend that refuge. But with regard to oil and gas leasing, the law is clear, and under the law we have issued what I think are the best possible regulations within that authorizing act of Congress.

Mr. GUTERMUTH. I would just like to say there, Commissioner Donohue, from the bottom of my heart, God bless Secretary McKay for giving us the badly needed protection in the case of the Wichita. There is no question about that. We are all very, very grateful to him for the strong stand he has taken, and we hope that position can be maintained.

So far as this, I do not propose to discuss it. I know nothing about what transpired in the advisory meeting. All I think is that the folks here, at least, should have more than that one simple statement that appears in this thing here as being the recommendation of the committee. I do not know what went on there, and I would not attempt to defend or elaborate on it.

Mr. PACKARD. There is one point in regard to this category of refuges that bothers me rather strongly. It seems to me that the effect of appendixes A, B, and C, is really to separate the refuges into classes of refuges with the implication that one class is really essential to wildlife, and the second class is more or less essential to wildlife, and the third class isn't decided, perhaps. But I am curious as to what standards have been applied or will be applied to determine whether a refuge belongs in appendix A or B.

I noted in appendix B, for example, several that I have always understood were critical to wildlife. Just to name a few, on the first page, I see in section B, the Kenai, the Cabeza Prieta game range, the Kofa game range, the Lower Klamath, and I could go down the list and pick out a lot more that I have always thought were essential to wildlife and definitely so.

Mr. FARLEY. I think you would agree that in any large group of activities there are variations in importance and criticalness. Certainly when we take a 100,000-acre project, there are areas in it that might not be essential. There are other areas that may be essential. However, Clark Salyer's shop developed these lists. Let's have them answer that.

Clark, what are your standards?

Mr. J. C. SALYER (Chief, Bureau of Refuges). Chickens always come home to roost, don't they? I think appendix A is self-explanatory: Those refuges where we have a disappearing species and you want no activity at all which may hasten their disappearance, the entire population should be free from any possible threat, they or their habitat. So in some cases the animals themselves are not so worried, but it is the habitat. Take the great game areas where we have to feed around ten or twelve thousand elks each year, and if we lose our hay crop one year, through accidental fires, or some way, we would be in a terrible fix to carry those animals through. I don't think I have to explain those.

In category B are those areas which are the everyday backbone of our refuge program in taking care of the waterfowl, principally, and some other areas which besides taking care of the waterfowl are good recreational areas. Most of them are quite large areas.

Somebody mentioned Kenai. That is close to 2 million acres. It is an exaggeration to say that all of that area is vital to the moose up there. In fact, that might appeal to you, but we are going to have to have actively some large scale burns or clearings to keep the habitat in the range of the moose. After all, a moose has to have things within his reach. The tendency is for the spruce to come in and push out his food plants. So there are many activities that have to be taken into consideration.

By taking Kenai, for example, there are areas in it where oil could be developed. I understand that is an area that is very promising and very much interesting to the Navy for national defense purposes. They are spurring activities up there to see how good the reserves are, mostly an exploratory measure, to see if there is oil there.

But take some of our big game areas. Somebody mentioned game ranges. There is one sheep area I have in mind. That is over 2 million acres, I believe. The valuable part to the sheep are the higher mountain tops, above 7,000 feet. But these high mountain ranges are scattered about in the 2 million acres.

In the desert basin there is a vast area of land that is not even good for chuckwallas, and where you have only sand and 4 or 5 kinds of cacti where you could have some oil development without destroying the basic purposes of the refuge, that is mostly characteristic of areas in classification B.

Until we got this regulation with sterner prohibitions we did not dare consider any oil development in those areas, although there has been considerable interest in many of them. It has been felt now that with these regulations, that portions of some of these areas, especially where we have oil drainage, and we have oil drainage in five areas of classification B, we could at least protect ourselves, the Government's loss, from those adjacent activities.

Mr. FARLEY. Mr. Salyer, have you, in your operations, found that under proper restrictions, drilling or pumping can take place without damage to the wildlife?

Mr. SALYER. That has been done in several instances which led us to consider this type of reservation. For example, at the Delta refuge, we have the southern half of the area under intense and sloppy development by the Texaco people. They just thumbed their noses at us, and dug canals all over the place.

On the northern half we have private owners coming in, where they had reserved the minerals for 10 years. When the 10 years elapsed without their moving in on their reservation, and during that 10-year period all of these other uses or fields were developed, we had to make an arrangement for protective drilling there, and we had the full cooperation of the company and the Secretary's office. We set up what we considered to be a model plan for that area. They have developed that area very nicely, and so far there hasn't been enough oil spilled there to fill the top of a biscuit. It has been perfect so far as pollution is concerned. We have had perfect cooperation from the companies. The companies, by and large, once they get permission to drill, they lean over backward in cooperating with you. We can't complain of the cooperation. The main rub is, are we as wildlife operators skillful enough oil operators to devise regulations to give us proper protection? I think we will have a better setup under this.

Mr. FARLEY. I would like to ask you another question.

Mr. SALYER. Could I finish on the unclassified schedule? I guess that will be called C. We originally started on this classification here for legal reasons and then they were adopted for expediting this particular code of regulations. We realized it had to be greatly revised with more to go out of B and into A, and areas to go out of C, the unclassified list, into B, but there wasn't enough time to revise it. The Secretary's office questioned the wisdom of issuing this at this time, but they were already swamped with inquiries, since the regulation

had gotten out, as to what might be considered. So then it came to the point where it seemed to be better to put out the information rather than answering hundreds of letters as to what was available. Congressional offices wanted that information, and so on down the list. It seemed to be the lesser of two evils. Category C mostly embraces enormous areas, millions of acres, and game ranges, Alaskan areas, possibly half of the refuge program, areas so big, and because they are for migratory species, for example, your fawns at certain elevations going down to lower elevations for watering, they require a large country and they range large country, and require buffer areas, and they require some large-scale areas not essential to the species concerned that could be considered for drilling, and in which there was adjacent drilling or some indications of drilling when we took over. But they are areas so big, comprising areas sometimes as big as some of the eastern States, so that when definite oil deposits had been discovered in the local areas, such as in the railroad valley, and in desert gate, there wasn't much logical prohibition for denying that operation inasmuch as these were public-domain lands. Subsequent to that, by specific law, when our 7 or 8 big-game ranges were set up in cojurisdiction with the Bureau of Land Management under the old Taylor Grazing Act, the law specifically provided that mineral, oil, and gas development should take place. Some are earlier refuges, such as those near the coast. There they said that nothing shall prohibit the oil and gas development. So we have all degrees.

In a flexible program, you cannot set any plan, I don't care how good you are, you cannot set any plan to say it will fit all of them. Each one has to be considered on its own ground. Each one of these require a separately studied and arrived at compromised oil plan, if at all.

Mr. FARLEY. Mr. Salyer, in the interest of time, I would like to ask you the same question I asked you when we were reviewing the final draft of this new order on leases.

Are you satisfied that the interests of the Fish and Wildlife Service are provided for in this order?

Mr. SALYER. You are trying to make a prophet out of me instead of a staff member. If the Secretary can back up what he has in this order, I think it will protect the wildlife interest.

Mr. FARLEY. I want to point out that this thing has not been arrived at by consultations in the Secretary's office without reference to the actual individuals responsible for the success of the refuge program. I think that is fundamental.

Mr. HUDOBA. I did not finish my questioning in view of the fact that I thought other persons present would want to explore something.

But taking a hypothetical case of an applicant for a lease on a refuge the Fish and Wildlife says that:

"Development might seriously impair or destroy the usefulness of the lands for wildlife conservation purposes," and then, "no leases will be issued unless a complete detailed and operating program for the area, which will insure full protection of the particular values for which established, is approved by the Director, Fish and Wildlife Service."

First, this indicates that a lease will be issued regardless if an operating plan is submitted, but prior to that determination on this hypothetical case, the Fish and Wildlife Service must say that the proposed development would seriously impair or destroy. If the Service reports that it would seriously impair or destroy the refuge land, then we assume from a previous statement that that is a veto power. However, the applicant for the lease may question this, and he may say that this will not seriously impair or destroy the usefulness. Then, do I understand that this goes on appeal to the Secretary for a determination?

Mr. FARLEY. That is my understanding. That is one of his rights on a determination. Of course, in the long run, the whole authority under these orders stems from the Secretary. Heretofore the questions were decided in consultation upon the advice of the Fish and Wildlife Service. Now the questions are originally determined entirely by that Service without reference to other agencies.

It is much easier to support a finding that has already been made than it is to change one. That is very fundamental.

The fact that the Secretary has approved this type of order indicates his desire to support the results of that type of order. I have no qualms about it.

Mr. HUDOBA. That is predicated on the word "serious" impairment.

Mr. FARLEY. The determination of that, of course, is left with the Fish and Wildlife Service.

Mr. DONOHUE. I might say they have already reported by listing the areas in appendix B that these are the areas in which oil and gas development might seriously impair. In other words, they have reported this, and any operator desiring a lease would have to prove to the Director of the Fish and Wildlife Service that operations could proceed under his plan without impairment. That would be a matter between the operator and the Fish and Wildlife Service.

Mr. HUDOBA. Yet there is an implied provision here that the lease will be granted regardless.

Mr. FARLEY. Not in category B. In category B there has to be an approved plan prior to a lease, if you read that carefully.

Mr. NADEL. Mr. Salyer noted the size of some of these areas in schedule B, and I hope it won't embarrass anyone to call attention to some of these areas. For instance, Pelican Island in Florida is 15 acres in size, and that is split between 2 islands. Passage Key is a 36-acre island, and Anclote, in Florida, is 197 acres, and Noxubee, in Alabama and Mississippi, is 596 acres, and so on. There are a number of these small refuges.

Mr. SALYER. Most of those, in the revised plan, are scheduled to go into appendix A.

Mr. FARLEY. May I again remind you, this list is a tentative list. It is under study for revision now, and part of that study is protected by a stop order on, shall we call them, schedule C, the schedule C areas not included in A or B. That whole area is being reviewed and it is expected that additional areas will be put in category A.

Mr. WESTWOOD. And that the Fish and Wildlife Service can do on its own authority?

Mr. FARLEY. Yes.

Mr. SWIFT. Clark, the original list that you submitted for no lease, was it greater than those that were finally determined and authorized?

Mr. SALYER. The original list? When section B is revised, it will contain more than it did when we originally submitted it.

Mr. SWIFT. I do not mean the last time, I mean when you originally submitted it.

Mr. SALYER. List B——

Mr. SWIFT. A, no lease.

Mr. SALYER. There was no original A submitted.

Mr. SWIFT. I am just talking about no lease. No A, B, or C, but just no lease.

Mr. SALYER. I would have to check that. It would be pretty close, one way or another. They have been added here and there. The Crab Orchard, we had that in the original list for leasing, and since that time four communities are using that for auxiliary water supply. Obviously, we can't jeopardize that situation, so we are changing that.

Mr. SWIFT. O. K., Clark.

Mr. CHARLES H. CALLISON (National Wildlife Federation). I would like to ask for the explanation or reason for putting certain areas in classification A and others in B.

Someone used the Elk Refuge as an example, and said should an oil well blow out there and destroy a hay field, it would be critical.

He also said in appendix B are many refuges which are the backbones of the system.

I wonder why he thinks that an oil well blowout is more likely to happen in those areas, and if it would not also prove critical, or prove critical to pollution?

Mr. SALYER. It is a matter of degree. In the elk area, the amount of habitat vital to the elk would be much greater than if we had some pollution from a well in 70,000 acres of marsh.

Mr. GUTERMUTH. The last time I was there, it looked to me like it was just a question of touch and go between the elk and the area of available range.

Mr. SALYER. It was irreplaceable. That is the category for A. We do not want to lose habitat on waterfowl, but we are in a little better shape there than with some of these game areas.

Mr. GUTERMUTH. Didn't we lose a couple of refuges, if my memory serves me right, going back a long time, didn't we lose Carlsbad or something like that? Didn't we have one that we lost?

Mr. SALYER. We lost that because of private operations on our boundary and we had no protective measures as we have now. They just overwhelmed us.

Mr. FARLEY. It should be made clear that the experience in the past, with drilling operations, has taught, because of some sad experiences, ways of handling these things, and we are fully aware of the problems involved.

We think we are now in a position to require the right kind of protection.

Mr. HARRY E. RADCLIFFE (American Nature Association). I was rather amazed just to learn now that the military, the Navy, is interested in the Kenai Peninsula, because I know that we couldn't get the least military justification for roads into that area, absolutely no defense need for it from the Military Department, when we were pleading for roads into that area.

Now that roads are in that area again, it seems we have that common thing of the military wanting a game reservation for their own private use and going in. It brings up the thing we have been pleading for in Alaska, and I wonder if it wouldn't apply here, too. When it is a question involving an area such as this, why should't we have public hearings?

Mr. FARLEY. Did I see another hand?

Mr. DAY. I would like to make one thing clear which is not clear in my mind.

You have three categories, A, B, and so on. As that tablet reads there, for almost 8 million acres, does that mean, as it says, it can be leased now but there can be no operation until there is a plan that is approved?

Mr. FARLEY. Yes. First of all, A and B have been explored so that we are pretty clear on that.

I might point out that in category B there is quite a considerable acreage represented by that land, some 824,000 acres, on which the rights have been retained by the vendors, or by other agencies, so even in B, with the control that we have, we have lack of control on a portion.

In this category there is no lease until an approved plan has come before the Fish and Wildlife Service.

In A, there is no lease, period.

In C, there is a lease, yes, without any preliminaries, but there is no operation until a plan has been approved by the Fish and Wildlife Service.

So I want to point out that there is no operation anywhere in this whole area without prior approval. I will repeat, there is no operation anywhere in oil and gas in any of the areas under control of the refuge sys-

tem without prior approval of the Fish and Wildlife Service.

The thing is that except in this vast area of 7,800,000, there are the military and reclamation service and other lands of that type in which we hold only a secondary right.

In this vast area of lands, we now have a means of controlling the issuance of operating plans. We have control, I should say, of any drilling operations on this acreage which previously we did not have control of at all.

Under the old act, which has been quoted, under the old orders that set up these refuges, a great many of them had that nothing was to interfere with prospecting and developing. That is written in the order establishing the refuges. Under that old order, the Bureau of Land Management felt that they were required to issue application leases. There was no requirement for approval by the Fish and Wildlife Service.

Under the new order, this additional acreage is put under the requirement that the Fish and Wildlife Service must approve of the operating plans after lease has been made but before a drilling operation is conducted.

So, as we have the order now, the entire area is under control, as far as operations are concerned, of the Fish and Wildlife Service.

I would like to clear one other thing. It has been quite widely suggested that now for the first time refuge lands bought with duck-stamp money are open for leasing. I would like to point out that in the areas purchased by duck-stamp money, of the 255,000 acres, the oil rights have been reserved by the vendor in some 100,000 of those acres. So even these duck-stamp lands are not under the old regulations or under the new regulations immune from oil operations, because the seller retained the oil rights in them. So to say that suddenly for the first time duck-stamp lands are open to oil operations is not a correct statement of the facts.

One other thing I would like to point out is that it is assumed that if there is a unit plan, as such, that the refuge values are automatically protected. Using these same charts as representing parcels of land, under unit plan, which is designed to conserve oil, not to conserve wildlife, under unit plan, the wells are placed and the operations are scheduled to do the maximum for the oil job. Nowhere in a unit plan prior to this time was there any requirement that the Fish and Wildlife Service approved and located and determined the times, places and methods of operations of those wells.

Under this new operation, the judge of the operation on refuge lands is the Fish and Wildlife Service and not, as it was previously, resting with the Geological Survey. So the umpire, referee, judge, or whatever you want to call him now, in all of these cases, for the first time, is the Fish and Wildlife Service, and he is not required to plead his case to some other group but to settle in the office of the Fish and Wildlife Service. So we in the Fish and Wildlife Service are convinced that we have more safeguards for wildlife under this new plan than existed before.

Going back to that unitization thing, if the Geological Survey decided that the most economical place as far as oil is concerned was to put a well here in B, the well would go there.

Under the new plan, the Fish and Wildlife Service determines whether that is a safe place as far as the fish and wildlife values are concerned.

Mr. CALLISON. May I ask a question there? This business of an oil operating plan seems to me to be a rather technical subject; that is, what you have to work, so far as the oil operator himself is concerned, which one would be most economical, which one would protect the resources that are under the jurisdiction of the Fish and Wildlife Service. I am not aware that the Fish and Wildlife Service has any oil operating experts on its staff. Are you going to avail yourself of the services and advice that might be available in other agencies of the Department of the Interior?

Mr. FARLEY. Yes, by all means; with the objective being not to produce oil but to produce wildlife.

Mr. CALLISON. I just wondered how influential those other agencies might be in making up your mind on whether or not this plan is a good one or not a good one.

Mr. FARLEY. I would not know how to answer that kind of a question. The final answer, the final determination, must rest with us on all of the available information.

Mr. DONOHUE. I would like to add one point on this unit plan and the protection it provides. It was mentioned earlier that the Carlsbad refuge had been destroyed by drainage. This new regulation, if it had been in effect at that time, might very well and very likely have protected and saved that refuge, even though the operations had been going on outside the refuge on private lands.

If it so happened, and it is possible, that the geologic formation of that particular field came into the refuge proper, a unit plan would have been required of the operator which would have to have included the lands of the Fish and Wildlife Service.

In view of that, the Fish and Wildlife Service could then have laid down certain conditions regarding development not only on its own lands but on the lands included in the unit plan outside of the refuge proper, and might well have preserved that particular area.

Mr. FARLEY. Now, as regards to the protection which these two methods give, under the old order, in spite of the objection of the Fish and Wildlife Service, back in the 1940's, eight leases were issued for oil drilling on refuges. Eight leases were issued over the opposition of Fish and Wildlife. That situation would not exist under the present order.

One other thing I would like to point out if you want to know something, is that at least 2,326,000 acres indicated here, which are military, reclamation lands, and lands of that type, the revenues, the royalties and lease money from these refuges for oil and gas do not accrue to the Fish and Wildlife Service. I do not know whether they go back to the Treasury.

Mr. HOFFMAN. Fifty-two and a half percent goes to the Reclamation Fund, and 37½ percent goes to the State in which the oil is produced, and 10 percent to the Treasury.

Mr. FARLEY. And none to Fish and Wildlife?

Mr. HOFFMAN. None to Fish and Wildlife.

Mr. FARLEY. So these areas are not revenue-producing areas so far as Fish and Wildlife is concerned.

Mr. HOFFMAN. May I add that the order I just passed around suspended the issuance of leases in those 7,840,000 acres until Fish and Wildlife can make additional studies and add some of the areas to either A or B.

Mr. GUTERMUTH. That 7,840,000 acres there, what area is that?

Mr. FARLEY. This is the area under our present control from which we believe the revenues would accrue to us, and we also believe that in these lands we have a primary interest, certainly on the surface, and probably at least 50 percent in the subsurface value. We just do not know where the classification is, and it is just an approximation.

Mr. PACKARD. I am interested in title 43 order. There is an appendix A and B, and we have referred to C. Does appendix B include C?

Mr. FARLEY. No, it just includes 6 million acres.

Mr. PACKARD. And the other 7 million are not referred to on this sheet?

Mr. FARLEY. No, they are outside of either A or B. There is no list C provided for, but they are just the areas not included in A and B.

Mr. WESTWOOD. Do these revenues accrue to the Fish and Wildlife or do they go into the Treasury?

Mr. FARLEY. In the areas where we hold fee simple title, they go to Fish and Wildlife. Part of them go to counties and so on, but we get our share.

Mr. WALLACE. If you did get some royalties, would part of the funds be spent for supervision of these operations after the operations are started? I am interested in the oyster industry, as you know, and we have had some sad experiences with oil pollution in the industry. I am wondering how far you have projected your thinking on supervision following the leasing of the areas.

Mr. FARLEY. I think as far as your oyster problem is concerned, these revenues would have to go into our own wildlife refuge projects and could not be used for other supervision. They would go into wildlife. Everything goes with the management and development of the refuges, or even the purchase of additional lands.

Mr. HUDOBA. With reference to the lease prior to an operation plan approved, I am wondering what the status of the lessee would be. That would require, I am sure, some physical entry and physical trespass, and would require manipulation and so forth on the land. Does that mean that under this program, the Fish and Wildlife Service now divides or does not have complete jurisdiction of the lands which have gone under lease?

Mr. FARLEY. Do you mean these lands in this third group?

Mr. HUDOBA. Yes.

Mr. FARLEY. We do not have complete control there. That is a joint operation.

Mr. SALYER. They would still have to have our permission to enter the land. I do not care if it is to collect butterflies or prospect for oil; they have to have the permit.

Mr. FARLEY. Where we have control, we determine the times when they can enter, and the places they can go, and all of that is within our control.

Mr. HUDOBA. Assuming the lease has been issued, does not that give them a permit of trespass?

Mr. FARLEY. The lease would provide the conditions under which they could operate, and that would include their means of access. Not only their means or methods of access, but in some cases we have required that they go in by helicopter because we are afraid of the infection of noxious weeds. All of those things can be laid down.

Mr. HOFFMAN. And the lease contains stipulations. It is quoted in the regulation itself that they must have stipulations, that the time of drilling, the entry, and all conditions are under the control of the Fish and Wildlife manager of that particular refuge.

Mr. SALYER. "Access. All plans should provide for specific lines of travel and road improvement and maintenance where necessary by the oil companies and the companies are to be restrained from any other penetration of refuge area. They should not be permitted to wander at large, nor their employees." That is from our regulations.

Mr. DONOHUE. Paragraph B–2 lays down the conditions to be expressed in the lease issued, and they include, for instance, that prospecting can only be of a type and at a time authorized and satisfactory to the Fish and Wildlife Service. Drilling operations can only proceed as approved by the Fish and Wildlife Service as to the nature, time, and manner.

Mr. FARLEY. That is existing practice in our present regulations. That is accepted as part of the operations.

Are there other questions? I am not trying to hurry this, but I recognize that some of you have stayed much longer than you

intended. I am particularly anxious that we clear up any areas of doubt as to the meaning of these things.

I hope there has been developed here the understanding that part of the problem and part of the criticism that is directed at the Department of the Interior in this perhaps should not be directed at the Department of the Interior but directed at the agency that has laid down the policy under which the Interior Department operates. I am, of course, referring to the Congress which set up a basic law, which provided for the leasing in these types of public lands, and specifically exempted other types of publicly owned lands from it.

If the refuges are ultimately put into the category of exempted lands, the approach would be much different.

Now, one final call for questions, if you have any.

Mr. GUTERMUTH. It is darn unfortunate, if the Secretary can, with all of his assistants, find ways under the law to put 3 million in this category and 6 million in this category, that we cannot get more of the 17½ million over into this category. That is the only unfortunate part of it.

Mr. FARLEY. These millions of acres are not descriptive of the problem at all. In this area of A, we have, I think, 1 area of 2 million acres. So the number of acres involved is not the answer. The importance of the specific critical areas in these vast areas are the real problems that we have to face, and the total number of acres that are themselves critical is much less than the 17 million acres that you see spread out there.

If there are no other questions, and without wanting in any way to stifle the discussion, I appreciate very much your coming. I hope that you have gained some useful insight into a very difficult problem with us and I hope you have a very, very happy New Year.

(Whereupon, at 4:30 p. m., the hearing was adjourned.)

SECRETARY OF THE INTERIOR MCKAY'S VIEWS IN THE CURRENT ARGUMENT OVER OIL AND GAS LEASING ON WILDLIFE REFUGES

Certain wildlife refuges were made inviolate for the first time in history by recently revised oil and gas leasing regulations and others were given the most complete protection for wildlife values they have ever had, Secretary of the Interior Douglas McKay said January 3 in answering charges that the new leasing code was a giveaway of the public domain.

The Secretary, answering point-by-point charges made by the Wildlife Management Institute and other critics, said regulations existing before he issued a stop order more than 2 years ago to study the situation included no provisions for keeping any of the refuges inviolate. He explained that previously leases on all refuges were discretionary where as the new regulations declare that 12 critical refuges are off limits to leasing of any kind—they are now absolutely inviolate.

"The new regulations specifically provide that areas indispensable for the protection and preservation of rare and endangered species, remnant big-game herds and irreplaceable examples of unique plants for animal ecology—such as the Red Rock Lakes, home of the Trumpeter swan—are not available for leasing at any time or under any conditions," the Secretary said.

The charge that favoritism in fees and royalties was shown in the first leases issued under the new regulations was termed absurd by the Secretary. He explained that the 12½-percent royalty and 50-cent-per-acre rental are fixed by act of Congress, the Department being bound by the statute with no alternative but to abide by the law.

The leases issued to the Frankfort Oil Co. on the Lacassine refuge in Louisiana were on a noncompetitive basis because regulations precluded competitive bidding, as had been charged, until it is defined as a known geological gas and oil structure by the Geological Survey, the Secretary said. The Lacassine area had not been so designated by the Geological Survey and therefore was not open to competitive bidding.

The Secretary also described the implication that the Government has mineral rights on all refuges as false and misleading. Actually, at least half of refuge area mineral rights are retained by previous owners. This happens in cases where refuge lands are acquired from private owners who retain the mineral rights, the Secretary said. Consequently, there has been oil and gas development on refugees over which the Government does not have full control.

Under the new regulations the control is further strengthened, the Secretary pointed out. The revised code provides that: "No prospecting or drilling operations may be conducted on lands administered for wildlife conservation without the consent and approval of the Fish and Wildlife Service as to the time, place, and nature of such operations." This was not provided under previous regulations. The new code continues: "In every instance a plan of development which includes lands administered for wildlife conservation shall not be approved without the concurrence of the Fish and Wildlife Service." The Secretary pointed out that this double safeguard not only affords all refuges fuller protection but also will lead to more refuges being designated as inviolate.

In reply to the accusations that the leases actually were dated before the new regulations became effective, the Secretary pointed out that the long-standing regulations provide for optional dating of leases on the first day of the month in which leases are issued where there is a prior written request. There was such a request in the Frankfort Oil case and the lease had to be dated December 1 despite the fact that it was executed several days after the December 2 date when the new regulations were announced.

The Secretary answered the blanket charge that all refuges are being thrown open to oil and gas prospecting and drilling by explaining that it was never the intention of Congress that all refuges should be inviolate. Congress intended that the Department of the Interior should protect these refuges for their primary purpose—the protection of wildlife—and that in many instances other land uses are compatible.

The Secretary emphasizes that all refuges will continue to be managed for their primary purpose—the protection and propagation of fish and wildlife—and that all other uses will be subsidiary.

"Refuges will remain primarily fish and wildlife habitats first, last, and always," he said.

A more detailed progress report on resource conservation under Secretary McKay's administration follows herewith.

PROGRESS REPORT ON RESOURCE CONSERVATION

(By the Secretary of the Interior Douglas McKay)

I am proud of the record of the Department of the Interior in strengthening and advancing the cause of conservation. This record reflects the administration's comprehensive policy on resource conservation and development.

The cry of "giveaway" has been raised in connection with the administration of our National Park System. Here's what the record actually shows:

National Park System: The National Park System today is larger, more adequately staffed, and more efficiently administered than it ever has been. The Department added 65,000 acres to our National Park System in 1953, the year this administration entered office. The boundaries of the Everglades National Park were extended to take in an additional 271,000 acres. Last year 40,400 acres were acquired. In the first 9 months of 1955 the Department added 29,560 acres to the park system.

Two new and historically important areas were added to the system with the establishment of Fort Vancouver National Monument in 1954 and Cumberland Gap National Historical Park in 1955. Establishment of Fort Union National Memorial in New Mexico was authorized last year and the National Park Service now is in the process of acquiring necessary lands. The West Virginia portion of the Harpers Ferry National Monument has been accepted for administration pending formal establishment of the area upon tender of the Maryland portion.

Establishment of the City of Refuge National Historical Park, in Hawaii, was authorized in legislation approved by the President in July 1955, and the Department has recommended that the Congress authorize establishment of a Virgin Islands National Park. Moreover, the Department has signified its willingness to designate Chimney Rock, Nebr., and Promontory Point, Utah, as national historic sites in non-Federal ownership.

Important progress has been made toward fulfillment of the Cape Hatteras National Seashore Recreation Area project and all but 5,000 of the 28,500 acres within the project boundaries have been acquired. Negotiations for the majority of tracts needed for the Independence National Historical Park are in their final stages.

The integrity of the National Park System has been maintained under this administration. Not only has the Department protected and extended park boundaries, but vigorous support has been given the National Park Service in resisting developments which would unjustifiably intrude upon the natural beauty of park areas. Among such proposals which the Department rejected were:

An effort to obtain authority to construct a dam at Glacier View which, if built, would flood 20,000 acres of Glacier National Park. Rejected.

Efforts to obtain permits for construction of tramways at Mt. Rainier National Park, Rocky Mountain National Park, Crater Lake National Park, and Grand Canyon National Park. Rejected.

Efforts to modify the newly extended boundaries of Olympic National Park. Rejected.

Efforts to construct a TV transmission tower in Scotts Bluff National Monument. Rejected.

Efforts to open Joshua Tree National Monument to mineral prospecting and mining, or to abolish it altogether. Rejected.

Protection of Joshua Tree National Monument was strengthened when 10,000 acres inside the monument boundaries were acquired in exchange for 10,000 acres of federally owned grazing land outside the park.

Negotiations with the Department of the Navy resulted in withdrawal of the proposal to use a considerable portion of Death Valley National Monument as an aerial gunnery range.

The Corps of Engineers decided after interagency discussions that construction of levees within Grand Teton National Park was not urgently necessary for protection against floods on the Snake River.

One of the first acts of this administration was to reverse the unfortunate 15-year cycle of neglect of our parks which was touched off by World War II and prolonged by the Korean conflict. An administration program calling for substantial increases in parks appropriations has been approved by the Congress.

In January 1953 the National Park Service was operating under a fiscal-year budget of $33,162,330.

For the current fiscal year the park budget is $45,029,300—an increase of some 40 percent.

The new budget provides for 4,650 man-years employment in the parks system, an increase of 25 percent over the man-years provided in the 1952–53 budget. One result has been to raise the park ranger force to its greatest strength in history.

Increased appropriations have enabled the National Park Service to make a good start on reducing the accumulated backlog of uncompleted and projected projects for road and trail construction and improvement of public facilities and park housing. Working cooperatively, the Park Service and concession operators have made great strides in development of a more realistic program for the modernization of privately operated facilities in the parks. For instance, in Grand Teton National Park, where travel has increased more than 500 percent over 1946, public use facilities are being developed in a program calling for an investment of more than $5 million in private capital; a building and expansion program underway at Grand Canyon National Park calls for expenditure of about $1 million by the concessioner; and similar forward-looking programs are either underway or contemplated in other areas.

Gratifying progress is being made in the task of catching up with the demands being made upon the parks today. But that is not enough. The increasing number of visitors to national park areas—21 million in 1946, about 50 million in 1955—demands action on a dynamic program which will place the Park Service in a position to cope with an expected visitor load of 80 million a decade hence.

Such a program is now being formulated by the National Park Service at the direction of the Department. Its preparation already has revitalized the Service. Called Mission 66, its objective is to fully equip the national park system to carry out its basic purposes by 1966, the 50th anniversary of the Service.

I believe sincerely that Mission 66 will prove to be the finest contribution to our national parks since the Service was established as a bureau of the Department of the Interior in 1916.

Wildlife protection: False rumors of a giveaway of wildlife refuges and a land grab of refuge areas by the military have caused sincere conservationists much undue concern. Again, let's assay such rumors in the light of hard facts on the public records.

Not one acre of wildlife refuge area under the primary jurisdiction of the Fish and Wildlife Service has been transferred to the military since I have been Secretary of the Interior.

Since January 1953 the Department of the Interior has established 8 new wildlife refuges and 3 more are in the process of being established. During that period the Department acquired 79,946 additional acres of wildlife preservation through purchase, lease, or transfer of federally owned lands.

Under this administration Federal wildlife refuges have been established for the first time in Kansas and Colorado and new lands have been added to the Federal refuge program in Louisiana, North Dakota, Kentucky, Tennessee, South Carolina, Texas, Washington, Florida, Maine, Oregon, Idaho, Michigan, and New York.

During the fiscal year ending June 30, 1955, wildlife refuges received the largest allocation ever made for acquisition, development, and maintenance. This totaled $6,614,200 and was $2 million more than the refuges had been allocated in the annual budget when this administration assumed office.

It is gratifying to be able to report further that during the fiscal year ending June 30, 1955, the Migratory Bird Conservation Commission, of which the Secretary of the Interior is chairman, approved purchase of 30,189 acres of refuge lands at a cost of some $645,000—the largest expenditure of duck stamp funds for refuge acquisition since 1945.

In administration of a national wildlife refuge program that has been carried out over a period of 52 years, it must be expected that some refuge areas would outlive their usefulness, especially where they were established to meet temporary emergencies until more efficient areas could be acquired.

In the 6 years preceding this administration, for instance, 36 wildlife refuges were abolished. The total Federal wildlife reserves were reduced by 408,527 acres.

This administration has dropped 7 refuges totaling 6,226 acres, made up of small units of low productivity, where administrative costs were not justified.

Secondary use for wildlife of the 56,954-acre Fort Keogh Refuge in Montana, administered by the Department of Agriculture, was relinquished by the Fish and Wildlife Service because of administrative duplication and limited wildlife values. Wildlife potentials of this area will continue to be maintained by the Department of Agriculture.

The Department has not and will not voluntarily surrender any refuge of proven value to wildlife as long as I am in office. Our program calls for the acquisition of additional areas to meet wildlife conservation needs. I regard wildlife refuges, as well as national parks and forests, as irreplaceable national assets whose value is clearly established.

A refuge of proven value is the Wichita Mountains National Wildlife Refuge. Currently, the Department is negotiating with the Department of the Army in an effort to maintain the refuge boundaries intact. The Department's strong opposition to any reduction in the size of the Wichita Refuge was made known in 1953 and our position has not changed.

You will recall that in the last session of Congress legislation was enacted authorizing the expansion of Fort Sill, which adjoins the Wichita refuge. The Army's plans, as outlined before congressional committees, called for the acquisition of some 20,000 acres of privately owned lands and the transfer of some 10,700 acres of the Wichita refuge.

The Fish and Wildlife Service has proposed an alternative plan under which the refuge boundaries would remain intact while the Army would be permitted to set up areas within the refuge from which projectiles could be fired to land on target areas within the military reservation.

On October 19, I wrote to Secretary of the Army Wilber M. Brucker, stating that I was unalterably opposed to the proposed transfer of land of the Wichita refuge. I pointed out that under the proposal which this Department had made the integrity of the refuge would be preserved, the wildlife would be protected, and the public could use the buffer zone during the period when the Army was not firing.

The military establishments have been cooperative in allowing large areas over which they hold primary jurisdiction to be used as wildlife refuges. We are hopeful that a mutually satisfactory solution of the problem at Wichita can be found.

In this connection, a significant agreement between the Fish and Wildlife Service and the Corps of Engineers was completed in August 1954. Under this plan, the transfer of wildlife lands to the Service and to the State conservation departments has been expedited. The Service now assists the Corps of Engineers in conducting hearings at which there is full public consideration of the importance of integrating fish and wildlife protection measures into planning for flood control and navigation developments.

The national wildlife refuges, under the programs of this administration, are contributing importantly to the Nation's recreational needs without interfering with the paramount conservation objectives for which the refugees were established. Last year over 5,200,000 persons visited the refuge areas, an increase of more than 11 percent over the 1953 record of visitors.

Greater protection is afforded existing wildlife reserves than existed when this administration took office. For instance, regulations governing oil and gas leasing in wildlife reservations were issued in 1947—6 years before this administration took office. Exploitation of these leases was underway in several refuges. Serious problems of pollution had arisen or were threatened.

Drastic action was taken to meet this inherited problem. On August 31, 1953, a stop order was issued holding up action on all new applications for oil and gas leases on wildlife refuges. That order was issued on August 31 and it is still in effect. Considerable pressure has been exerted to relax the stop order while revision of the inherited refuge oil lease regulations is under consideration. It has been, and remains, our announced determination that no new regulations will be authorized which do not afford the wildlife refuges greater protection than they had before the stop order was issued.

Public lands and forests: One of the most important conservation measures in many years—Public Law 167—was signed by President Eisenhower on July 23, 1955.

A major provision of this law gives the Department of the Interior authority to control surface resources on mining claims. This is a conservation tool for which I have worked ever since taking office.

Another major provision removed commonly occurring minerals such as sand, gravel, and cinders from the general mining laws and placed them under jurisdiction of the Materials Act of 1947.

Now, at long last, the Department has authority to end many of the abuses which had developed over the years under the old mining laws. Prior to enactment of Public Law 167, location of a mining claim conferred upon the locator rights of exclusive possession of the surface. It was possible to establish claims for low-value minerals and acquire far more valuable surface resources, such as rich timber stands, or a summer home or business site, or a water hole on grazing land. Many such claims were established in our national forests and under the law the Government was required to honor them.

The Government now has the authority, prior to issuance of a patent on a mining claim, to manage the surface resources of the claim. This includes, of course, the cutting and sale of timber, grazing of livestock and use of the surface of the claim for access to adjacent lands.

Important measures for the conservation of the open public rangelands of the West have been taken by this administration. The Department's new 20-year program for soil and moisture conservation is but one of the progressive steps that have been taken to conserve our important natural resources. Under this program, the Federal range is being reseeded and effective measures are being taken to halt heretofore unchecked erosion of the soil.

Good conservation calls for wise use without abuse of the vast expanses of public domain land beyond the boundaries of national park and wildlife refuge areas. Many citizens do not realize that the Federal Government still retains control of about 1 out of every 4 acres in the United States. As our population expands, so do public demands for use of undeveloped Federal acres. A number of laws provide that public domain lands must be transferred to private ownership when all requirements of those laws are met. This Department has the responsibility of so classifying the vacant public land that it is put to its highest use possible under the law. Often when the Department complies with the law—and I am sure that no citizen would want it to do otherwise—the cry of "giveaway" is raised in some political quarters. It is significant that not

one allegation of giveaway has been, or can be substantiated.

FACTS ON THE DEPARTMENT OF THE INTERIOR'S OIL AND GAS LEASING ON WILDLIFE REFUGES

The nature of the charges which have been made about Secretary McKay's recent order on oil and gas leasing on wildlife refuges can be quickly demonstrated by a check of the facts. These are a few facts hitherto overlooked or ignored.

Charge: Wildlife refuges are being opened for the first time to oil and gas leases.

Fact: Congress authorized oil and gas leasing on wildlife refuges 35 years ago. Twenty-three leases which are still in effect were issued in the 1949–50 period before this administration took office. On August 31, 1953, Secretary McKay issued a stop order suspending action on applications for oil and gas leases on wildlife refuges. He did this, he said, because it became clear that the regulations issued by the previous administration in 1947 failed to provide adequate protection to wildlife values of the refuges and the publicly owned oil reserves underground.

Charge: The new regulations lay the refuges wide open to exploitation.

Fact: The new regulations made certain refuges inviolate for the first time in history, the other refuges are given the most complete protection of wildlife values they ever had.

The new regulations replace the loose provisions of the old regulations with stringent requirements. Under the new regulations no lease may be issued under any circumstances on 3,198,000 acres of refuge land. This includes areas indispensable for the preservation of rare and endangered species, remnant big herds, and other special purposes.

On 6,092,445 acres the operator must submit a plan of operations which is fully approved by the career specialists of the Fish and Wildlife Service before a lease may be issued.

On the remaining acreage (7,840,940) no operations may begin until a unit plan establishing the time, place, and nature of drilling operations is approved by the Fish and Wildlife Service.

Charge: Favortism in fees and royalties was shown in the first leases issued under the new regulations.

Fact: The 12½-percent royalty and 50-cent-per-acre rental charged are both fixed by an act of Congress.

Charge: Leases should not have been issued to the Frankfort Oil Co. on the Lacassine refuge in Louisiana on a noncompetitive basis.

Fact: Regulations established before this administration took office provide for noncompetitive bidding until the area is defined by the Geological Survey as being in a known geological oil and gas structure. The Lacassine area has not been so designated by the Survey.

Charge: The new regulations leave the entire matter to the discretion of the Secretary of the Interior.

Fact: The revised code states clearly: "No prospecting or drilling operations may be conducted on lands administered for wildlife conservation without the consent and approval of the Fish and Wildlife Service as to the time, place, and nature of such operations."

Charge: Leases were issued a few days before the new regulations became effective.

Fact: The lease in the Frankfort Oil case was executed several days after the regulations became effective on December 2. However, the lease was dated December 1 because long-standing regulations under congressional statute provide for optional dating of leases on the 1st of the month in which the leases are issued when there is a prior written request. The Frankfort Oil Co. had made such a request.

Charge: Conservationists were not consulted in issuing the new regulations.

Fact: The career specialists of the Fish and Wildlife Service were consulted fully during the 2-year study of the leasing program under the stop order. Before final approval was obtained, every Fish and Wildlife Service recommendation was accepted and made a part of the regulations.

Before the regulations received secretarial approval, the language and effect of the new regulations were reported to the Secretary of the Interior's Advisory Committee on Conservation, organization of representative conservationists which has been functioning since 1948. This group expressed opposition to the use of refuge lands for oil and gas production, but concluded with this recommendation: "We believe that the proposed regulations will provide reasonable protection for wildlife refuges if vigorously administered."

In reporting this decision to Secretary McKay, Mr. Bestor Robinson, of Oakland, Calif., speaking informally on behalf of the membership of the committee, said: "We like the regulations." Mr. Robinson represents the Sierra Club and is serving a second 3-year term as chairman of the advisory committee.

ORDERS AND LAWS PERTAINING TO OIL AND GAS LEASING OF WILDLIFE REFUGE LANDS

LEASING ACT OF FEBRUARY 25, 1920
(41 STAT. 437)

An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain

Be it enacted, etc., That deposits of coal, phosphate, sodium, oil, oil shale, or gas, and lands containing such deposits owned by the United States, including those in national forests, but excluding lands acquired under the act known as the Appalachian Forest Act, approved March 1, 1911 (36 Stat., p. 961), and those in national parks, and in lands withdrawn or reserved for military or naval uses or purposes, except as hereinafter provided, shall be subject to disposition in the form and manner provided by this act to citizens of the United States, or to any association of such persons, or to any corporation organized under the laws of the United States, or of any State or Territory thereof, and in the case of coal, oil, oil shale, or gas, to municipalities.

ACT OF AUGUST 8, 1946 (60 STAT. 950)

An act to amend the Mineral Leasing Act of February 25, 1920, as amended, in order to promote the development of oil and gas on the public domain, and for other purposes

Be it enacted, etc., That section 1 of the act of February 25, 1920 (41 Stat. 437; 30 U. S. C., sec. 181 and the following), as amended be amended to read as follows:

"That deposits of coal, phosphate, sodium, potassium, oil, oil shale, or gas, and lands containing such deposits owned by the United States, including those in national forests, but excluding lands acquired under the act known as the Appalachian Forest Act, approved March 1, 1911 (36 Stat. 961), and those in incorporated cities, towns, and villages and in national parks and monuments, those acquired under other acts subsequent to February 25, 1920, and lands within the naval petroleum and oil-shale reserves, except as hereinafter provided, shall be subject to disposition in the form and manner provided by this act to citizens of the United States, or to associations of such citizens, or to any corporation organized under the laws of the United States, or of any State or Territory thereof, or in the case of coal, oil, oil shale, or gas, to municipalities. * * *

* * * * *

SEC. 3. Section 17 of the act is amended to read as follows:

"SEC. 17. All lands subject to disposition under this act which are known or believed to contain oil or gas deposits may be leased by the Secretary of the Interior. When the lands to be leased are within any known geological structure of a producing oil or gas field, they shall be leased to the highest responsible qualified bidder by competitive bidding under general regulations, in units of not exceeding 640 acres, which shall be as nearly compact in form as possible, upon the payment by the lessee of such bonus as may be accepted by the Secretary and of such royalty as may be fixed in the lease which shall be not less than 12½ percent in amount or value of the production removed or sold from the lease. When the lands to be leased are not within any known geological structure of a producing oil or gas field, the person first making application for the lease who is qualified to hold a lease under this act shall be entitled to a lease of such lands without competitive bidding. Such leases shall be conditioned upon the payment by the lessee of a royalty of 12½ percent in amount or value of the production removed or sold from the lease. Leases issued under this section shall be for a primary term of 5 years and shall continue so long thereafter as oil or gas is produced in paying quantities. * * *"

UNITED STATES
DEPARTMENT OF THE INTERIOR,
BUREAU OF LAND MANAGEMENT,
Washington, D. C., August 31, 1953

Memorandum to: Regional administrators, regions I to VII, inclusive, managers, land and land and survey offices.

From: Director, Bureau of Land Management.

Subject: Oil and Gas Offers in Fish and Wildlife Refuges.

A study is now being conducted by Assistant Secretary Lewis, and all the Bureaus involved, of a possible revision of policy and regulations in the issuance of oil and gas leases within wildlife refuges, both on the public domain and acquired lands. Pending the completion of this study and the possible revision of existing regulations, you will suspend action on all pending oil and gas lease offers and applications for lands within such refuges. Where an offer or an application embraces land partly within and partly without a wildlife refuge, you will suspend action on the portion of the offer or application within the refuge and process, in the absence of any objections, the offer or application to lease as to the land without the refuge.

Action on pending appeals from rejection of such offers or applications will be suspended until the study is completed, a policy is established and the regulations revised in accordance therewith. Likewise, applications of this nature which have been held for rejection will also be suspended pending the completion of this study.

WILLIAM ZIMMERMAN, Jr.,
Acting Director.

EXCERPT FROM TITLE 43, PUBLIC LANDS, INTERIOR

CHAPTER I—BUREAU OF LAND MANAGEMENT, DEPARTMENT OF THE INTERIOR

(Circular No. 1927)

Part 192—Oil and gas leases

SEC. 192.9 Leases for wildlife refuge lands: No noncompetitive oil and gas lease under the act will be issued for lands within a wildlife refuge (a) unless those lands are subjected to an approved cooperative or unit plan, and (b) unless the lease contains a provision which prohibits drilling or prospecting on the refuge lands except when consented to by the Secretary of the Interior upon the advice of the Fish and Wildlife Service. Subject to the same two conditions, competitive leases also may issue for refuge lands. Even if these conditions are not met, competitive leases may nevertheless issue if Fish and Wildlife Service reports that oil and gas development may be

conducted without destroying the usefulness of the lands as a sanctuary for wildlife, or, in the absence of such a report, wherever the Secretary determines that the national interest in securing the contemplated oil and gas production outweighs the importance of maintaining the refuge as a sanctuary for wildlife.

TITLE 43—PUBLIC LANDS: INTERIOR

CHAPTER I—BUREAU OF LAND MANAGEMENT, DEPARTMENT OF THE INTERIOR

[Circular No. 1945]

Part 192—Oil and gas leases

Leasing of Wildlife Refuge Lands

Section 192.9 is amended to read as follows:

"§ 192.9 Leasing of wildlife refuge lands. (a) Geological and geophysical prospecting permits may be issued by the Fish and Wildlife Service on areas subject to its jurisdiction prior to leasing under such terms and conditions as that Service may prescribe.

"(b) (1) Areas determined to be indispensable for the preservation of rare or endangered species, remnant big-game herds, and irreplaceable examples of unique animal or plant ecology are not available for leasing. Areas in this category at present are included in appendix A. Oil and gas leases may be issued for other lands administered by the Fish and Wildlife Service for wildlife conservation, except that, on those areas designated by the Fish and Wildlife Service as wilderness, recreational, water development, or marsh, with respect to which the Fish and Wildlife Service reports that oil and gas development might seriously impair or destroy the usefulness of the lands for wildlife conservation purposes, no leases will be issued unless a complete and detailed operating program for the area, which will insure full protection of the particular values for which established, is approved by the Director, Fish and Wildlife Service. All pending applications on such excepted wilderness, recreational, water development, and marsh areas will be rejected unless within 6 months the applicant files an operating program sufficient to accomplish these purposes. Areas in this category are listed in appendix B.

"(2) The following conditions shall be expressed in any lease issued under this section:

"(i) Geological and geophysical prospecting conducted on the leased premises shall be of a type and at a time satisfactory to the Fish and Wildlife Service.

"(ii) No drilling operations shall be conducted under the lease until such lease has been committed to an approved unit plan. However, the Secretary may, in his discretion, permit or require drilling if he determines that a unit plan including the leased area cannot be secured and that drilling is necessary to protect the interests of the United States.

"(a) A unit agreement which includes lands administered for wildlife conservation shall contain a provision that no drilling operations may be conducted on the unitized portion of the Government-leased lands administered for wildlife conservation without the consent and approval of the Fish and Wildlife Service as to the time, place, and nature of such operations.

"(b) In every instance, a plan of development which includes lands administered for wildlife conservation shall not be approved without the concurrence of the Fish and Wildlife Service.

"(iii) Lessees shall observe and comply with all State and Federal laws and regulations relating to wildlife and shall take such action as is necessary to assure observance and compliance with these laws and regulations by lessees, employees, and agents."

(Sec. 32, 41 Stat. 450; 30 U. S. C. 189.)

DOUGLAS MCKAY,
Secretary of the Interior.

APPENDIX A—FISH AND WILDLIFE SERVICE LANDS NOT AVAILABLE FOR LEASING

Alaska: Certain of the Aleutian Islands.
Georgia: Okefenokee.
Hawaii [1]: Certain of the Hawaiian Islands.
Maryland: Patuxent.
Montana: National Bison Range, Red Rock Lakes.
Nebraska: Fort Niobrara.
North Dakota: Sullys Hill.
Oklahoma: Wichita Mountains.
Texas: Aransas, Santa Ana.
Wyoming: National Elk.

APPENDIX B—FISH AND WILDLIFE SERVICE LANDS AVAILABLE FOR LEASING UNDER A SATISFACTORY DEVELOPMENT AND OPERATING PLAN

Alabama: Petit Bois (see also Mississippi), Wheeler.

Alaska: Chamisso, Hazen Bay, Hazy Island. Kenai: The following areas and all lands within 1 mile of Tustemena Lake, Skilak Lake, Kenai River, upper and lower Russian Lake and River, Hidden Lake, Kasilof River, and Chickaloon Flats. Pribilof Islands, St. Lazaria, Semidi.

Arizona: Cabeza Prieta Game Range, Havasu Lake (see also California), Imperial (see also California). Kofa Game Range: All rangelands in T. 1 N., Rs. 15–18 W.; T. 2 N., Rs. 16 and 17 W.; T. 1 S., Rs. 15–18 W.; T. 2 S., Rs. 15–19 W.; T. 3 S., Rs. 15, 18, and 19 W.; T. 4 S., R. 17 West ½; T. 5 S., Rs. 17 & 18 W.; T. 4 S., R. 18 W.

Arkansas: Big Lake, White River

California: Clear Lake, Colusa, Farallon, Havasu Lake (see also Arizona), Imperial (see also Arizona), lower Klamath (see also Oregon), Sacramento, Salton Sea, Sutter, Tule Lake.

Colorado: Monte Vista.

Delaware: Bombay Hook, Killcohook (see also New Jersey).

Florida: Anclote, Brevard, Cedar Keys, Chassahowitzka, Chinsegut, Great White Heron, Key West, Loxahatchee, Passage Key, Pelican Island, Pinellas, Sanibel. St. Marks: All refuge lands in Ts. 4 and 5 S., Rs. 1, 2, and 3 E., T. M., and refuge lands in the Hartsfield survey.

Georgia: Blackboard Island, Savannah (see also South Carolina), Tybee, Wolf Island.

Idaho: Camas, Deer Flat, Minidoka, Snake River.

Illinois: Chautauqua, Crab Orchard. Lands made available by the Corps of Engineers on the Mississippi River between Rock Island and Alton, Ill. (see also Iowa and Missouri). Upper Mississippi River Wild Life and Fish Refuge (see also Iowa, Minnesota, and Wisconsin).

Iowa: Lands made available by the Corps of Engineers on the Mississippi River between Rock Island and Alton, Ill (see also Illinois and Missouri. Union Slough. Upper Mississippi River Wild Life and Fish Refuge (see also Illinois, Minnesota, and Wisconsin).

Kansas: Kirwin wildlife management area.

Kentucky: Kentucky woodlands.

Louisiana: Lacassine, Shell Keys.

Maine: Widows Island.

Maryland: Blackwater, Chincoteague (see also Virginia), Glenn Martin.

Massachusetts: Great Meadows, Monomoy, Parker River.

Michigan: Huron, Michigan Islands, Seney, Shiawassee.

Minnesota: Beltrami wildlife management area, Mille Lacs, Mud Lake, Rice Lake, Tamarac, Talcot, Upper Mississippi River Wild Life and Fish Refuge (see also Illinois, Iowa, and Wisconsin).

Mississippi: Noxubee: All refuge lands in the following subdivisions: T. 17 N., R. 13 E., secs. 13, 14, 23, 24, 25, 26, and 36; T. 16 N., R. 14 E., secs. 1–4, 9–15, and 21–24; T. 17 N., R. 14 E., secs. 31–35; T. 16 N., R. 15 E., secs. 4–8 and 16–21; Petit Bois (see also Alabama).

Missouri: Mingo. Lands made available by the Corps of Engineers on the Mississippi River between Rock Island and Alton, Ill. Missouri wildlife management area. Squaw Creek, Swan Lake.

Montana: Benton Lake, Bowdoin. Medicine Lake: All refuge lands in the following subdivisions: T. 30 N., R. 55 E., all; T. 31 N., Rs. 55 and 56 E., all; T. 31 N., R. 57 E., secs. 3–7, inclusive, all; sec. 8, N½ and SW¼; sec. 9, W½NW¼; sec. 18, N½NE¼, NW¼, N½ SW¼; T. 32 N., Rs. 55, 56, 57, 58 E., all. Nine-Pipe, Pablo, Pishkun, Willow Creek.

Nebraska: Crescent Lake: All refuge lands in the following subdivisions: T. 20 N., R. 44 W., secs. 2–7, inclusive, 9, 10, 11, and 18, all; T. 21 N., Rs. 44 and 45 W., all. North Platte. Valentine: All refuge lands in the following subdivisions: T. 28 N., R. 27 W., secs. 3–8, inclusive; T. 28 N., R. 28 W., secs. 1 and 12; Ts. 29 and 30 N., Rs. 27, 28, and 29 W., all.

Nevada: Anaho Island. Desert Game Refuge: All range lands in the following subdivisions: Ts. 9–14 S., Rs. 54–62 E., all; T. 15 S., Rs. 56–62 E., all; T. 16 S., Rs. 56, 57, and 58 E., secs. 1–6, inclusive; Ts. 16 and 17 S., Rs. 50–62 E., inclusive, all; T. 18 S., Rs. 60, 61, and 62 E., all; also all lands above 6,000 feet elevation in the following area: T. 17 S., Rs. 54 and 55 E.; Ts. 18 and 19 S., Rs. 54, 55, and 56 E.; T. 20 S., Rs. 55, 56, 57, and 58 E.; T. 21 S., Rs. 56, 57, and 58 E. Sheldon National Antelope Refuge, Stillwater national wildlife management area, Stillwater National Wildlife Refuge.

New Jersey: Brigantine, Killcohook (see also Delaware).

New Mexico:

Bitter Lake: All of the lands of the refuge west of the Pecos River in the following area: T. 9 S., R. 25 E., secs. 14, 15, 21, 22, 23, 26, 27, 28, 32, 33, 34, and 35; T. 10 S. R. 25 E., secs. 3, 4, 5, 8, 9, 10, 11, 14, 15, 16, 20, 21, 22, 28, and 29.

Bosque del Apache: All refuge lands between the East Side Road and the proposed right-of-way for United States Highway No. 85.

New York: Montezuma, New York Wildlife management area, Elizabeth Tilton, Wertheim.

North Carolina: Mattamuskeet, Pea Island, Swanquarter.

North Dakota: Ardoch, Arrowwood, Chase Lake, Des Lacs, Lake Ilo, Kellys Slough, Lake Zahl, Long Lake, Lostwood, Lower Souris. All refuge lands north of the line common to townships 158 and 159 North, Slade, Stump Lake, Tewaukon, Theodore Roosevelt, Upper Souris.

Ohio: West Sister Island.

Oklahoma: Salt Plains.

Oregon: Cape Meares, Cold Springs, Lower Klamath (see also California), Malheur, McKay Creek, Oregon Islands, Three Arch Rocks, Upper Klamath.

Puerto Rico: [2] Culebra.

South Carolina: Cape Romain, Santee, Savannah (see also Georgia).

South Dakota: Bear Buttee, Belle Fourche, Lacreek, Lake Andes, Sand Lake, Waubay.

Tennessee: Lake Isom, Reelfoot, Tennessee.

Texas: Laguna Atascosa, Muleshoe.

Utah: Bear River Migratory Bird Refuge, Locomotive Springs.

Verman: Missisquoi.

Virginia: Black Bay, Chincoteague (see also Maryland), Presquile.

Washington: Columbia, Copalis, Dungeness, Flattery Rocks, Jones Island, Lenore Lake, Matia Island, Quillayute Needles, Smith Island, Turnbull, Skagit, Willapa.

Wisconsin: Gravel Island, Green Bay, Horton, Long Tail Point, Necedah, Necedah Wildlife Management Area, Upper Mississippi

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[1] The regulations in 43 C. F. R., pt. 192, do not apply to the Territory of Hawaii.

[2] The regulations in 43 CFR pt. 192 do not apply to Puerto Rico.

River Wild Life and Fish Refuge (see also Iowa, Illinois, and Minnesota).

Wyoming: Hutton Lake, Pathfinder: All refuge lands in townships 29 and 30 N., R. 85 W.

UNITED STATES,
DEPARTMENT OF THE INTERIOR,
BUREAU OF LAND MANAGEMENT,
Washington, D. C., December 22, 1955.

Memorandum to: All area administrators, State supervisors, managers of land offices, and Eastern States supervisor.

From: Director.

Subject: Oil and Gas Lease Offers in Fish and Wildlife Refuges (Circular 1945).

This supplements our memorandum of December 19, 1955 on the above subject.

By memorandum of December 20, 1955, the Fish and Wildlife Service requested this Bureau to withhold action on all lease offers and applications covering Fish and Wildlife lands which are not listed in either appendix A or B set out in Circular 1945.

The memorandum of August 31, 1953, which suspended action on all offers and applications for oil and gas leases for wildlife refuge lands is hereby revoked, except as to those refuge lands which are neither listed in appendix A or in appendix B in Circular 1945. Action as to such lands should continue to be suspended until further notice.

DEPUE FALCK,
Acting Director.

ORDER OF BUSINESS

Mr. NEELY addressed the Chair.

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). Does the Senator from West Virginia have business to be transacted during the morning hour?

Mr. AIKEN. Mr. President, has the morning hour been concluded?

The PRESIDING OFFICER. Morning business has not yet been concluded.

Mr. AIKEN. Mr. President, has the President's message on agriculture been laid before the Senate?

The PRESIDING OFFICER. Not as yet.

Mr. AIKEN. May it be laid down during the morning hour? If not, may it be laid down immediately following the morning hour?

Mr. NEELY. Mr. President, I ask unanimous consent to proceed for ten minutes on a matter unrelated to the pending business.

Mr. AIKEN. Mr. President——

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

SENATOR JOHNSON OF TEXAS

Mr. NEELY. Mr. President, on the second day of last July the Senate was shocked as it would have been by a current of high voltage electricity when it received the distressing news that the distinguished majority leader, Senator JOHNSON, had been transformed in the twinkling of an eye from the image of buoyant health, perfect happiness and boundless hope into a suffering victim of a serious affliction, the ultimate consequence of which the ablest physicians could not immediately foretell. This deplorable illness saddened the Senate, solemnized its proceedings, shrouded the Capitol with gloom and awakened heartfelt regret and sympathy in every civilized country in the world. Then followed many lingering days of anxiety and restless nights of alternating hope and fear. Temporarily—

Thoughts
Of the last bitter hour came like a blight
Over our spirit, and sad images
Of stern agony * * *
Made us shudder, and grow sick at heart.

On Capitol Hill every exchange of greetings began with an entreaty for an encouraging word concerning the health of our stricken friend. Every conversation ended with a sincere hope and a silent prayer that "Richard would soon be himself again."

Through the long months of summer and the melancholy days of autumn skilled doctors, sympathizing nurses, and loving relatives tenderly and tirelessly addressed themselves to the vital undertaking of restoring to health one of the most famous of the great sons of the Lone Star State. A countless throng of devoted friends in the North, the South, the East and the West daily offered up their devout supplications to Him

Who stills the raven's
clamorous nest
And decks the lily fair in
flowery pride,

to speed Senator JOHNSON to complete recovery, and lengthen his life to the hundred twenty-year span—the priceless boon which, in the ancient days of Noah, God graciously promised to man. So far as recovery is concerned, praying, working, watching and waiting have fully accomplished their purpose, while the extreme longevity assured by Holy Writ is, like

Jocund day
Joyously tiptoeing on the highest
mountaintop.

The sunshine has chased away our shadows, joy has banished our sorrow, and smiles have vanquished our tears because our distinguished leader is once more in his official seat with a Miltonic "awe about him, as a guard angelic placed."

Senator, thank you a thousand times, for having conducted the democracy of the Senate from the lowland of minority dejection to the highland of majority elation, and for having magically and majestically established unsurpassable Democratic harmony in the Senate. To the surprise of the Nation, you have prevailed upon the highly diversified, numerous and powerful conservatives and the scanty, courageous and optimistic liberals whom you have led "with the benevolence of the kindly light" to lie down together, work together and, on rare occasions, vote together. Since the days of Hercules no greater labor than this has ever been performed.

Your outstanding achievements in this body have confirmed our belief that a great Jeffersonian Democrat will be the next President of the United States. Consequently,

Now is the winter of our discontent
Made glorious summer by this sun of York,
And all the clouds that lour'd upon our
house
In the deep bosom of the ocean buried.

Senator, my personal appreciation of what you have done and what you will do in the days to come is accurately indicated by the following lines:

When in disgrace with fortune and men's
eyes,
I all alone beweep my outcast state,
And trouble deaf heaven with my bootless
cries,
And look upon myself, and curse my fate,
Wishing me like to one more rich in hope,
Featured like him, like him with friends
possess'd,
Desiring this man's art and that man's scope,
With what I most enjoy contented least;
Yet in these thoughts myself almost despising,
Haply I think on thee, and then my state,
Like to the lark at break of day arising
From sullen earth, sings hymns at heaven's
gate;
For thy sweet love remember'd such wealth
brings
That then I scorn to change my state with
kings.

Illustrious, beloved leader, statesman and friend, we affectionately say:

Good morning, Brother Gladness,
Good morning, Brother Smile.
They told us you were coming
So we waited quite a while;
We were lonesome here without you,
And a weary while it's been;
Now, our hearts are flung wide open
Won't you please come in.

And be—

The rainbow to our storms of life,
The evening beam that smiles the clouds
away,
And tints tomorrow with prophetic ray.

Mr. JOHNSON of Texas. Mr. President, I shall not detain the Senate long.

No one realizes more than does the senior Senator from Texas how unworthy he is of the most beautiful and eloquent tribute paid him by his friend from West Virginia. This is a season of the year in Washington when we have a series of ceremonies. The Congress comes back into session. The President sends to the Congress his state of the Union message. But little did I anticipate that my friend from West Virginia would say so many good and pleasant things about me.

I greatly treasure the friendship and the confidence of the Senator from West Virginia. As I stated the other day, I worked very hard to get back here, and I am very happy to be privileged to sit again in this body.

To all the Members of the Senate I owe a deep debt of gratitude. I shall try to show them my appreciation for the hours they have spent in indulging me in my weaknesses, and I shall try always to be worthy of their confidence and trust.

Mr. DANIEL. Mr. President, I should like to express the appreciation of the junior Senator from Texas for the wonderful tribute which has been paid to my colleague, the majority leader, by the distinguished Senator from West Virginia [Mr. NEELY].

The people of the State of Texas are certainly proud and happy that LYNDON JOHNSON has been restored to health, and that he is here representing our State and the Nation and serving as majority leader in the Senate. I speak also my own personal views and my own personal appreciation and gratitude that he is able to be here at this time.

Mr. AIKEN. Mr. President, I concur in the kind things which have been said by other Senators concerning our majority leader. We have always liked the majority leader. We have always depended on him. We are extremely sorry that he was stricken ill last summer; but I think his illness brought home to us more poignantly than anything else how much we depended on him and trusted him on the floor of the Senate.

Mr. JOHNSON of Texas. Mr. President, I wish to express my gratitude to my colleague [Mr. DANIEL], and to the Senator from Vermont for the very generous comments he made about my service. I am especially proud of the cooperation I received from the Senator from Vermont and from all the Members of the Senate on his side of the aisle. I doubt that any majority leader ever had more support and more assistance and more cooperation from a minority than was my privilege to have from the Senator from Vermont and his colleagues. I shall always be grateful.

Mr. AIKEN. I doubt that any majority leader ever merited respect and support more than the Senator from Texas, and we have had some very good majority leaders, too.

PROPOSED ADMENDMENT TO THE NATURAL GAS ACT

Mr. FULBRIGHT. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a statement and two articles which I have written on the proposed amendment to the Natural Gas Act. As the Senate has been advised, this legislation is scheduled for debate beginning next week and I wish to place in the RECORD my views regarding this issue since I am sponsor of S. 1853.

The first item is a statement which I made at the opening of the hearings by the Committee on Interstate and Foreign Commerce on May 10.

The second item is an article which I prepared for publication by the St. Louis Post Dispatch.

The third item is an article by me which is published in the January 5, 1956 issue of the Public Utilities Fortnightly.

There being no objection, the statement and articles were ordered to be printed in the RECORD, as follows:

STATEMENT ON S. 1853

Members of the committee, I am here today as the sponsor of the bill now under your consideration, S. 1853. As most of you realize, the language of this bill is identical with the language of the bill sponsored in the House by Representative HARRIS, of Arkansas, on which extensive hearings already have been held.

The terms and provisions of S. 1853 may be subject to amendment and change by this committee after the various witnesses have been heard. I do not, in any sense, represent this measure in its present form as the final word on this problem, nor do I wish to establish the impression that I am an expert on the intricacies of the natural-gas industry, because I am not.

It is not necessary to be an expert on the natural-gas industry, however, to understand and appreciate the problem involved here. The problem is much greater, and far more important, than any single industry.

Fundamentally, the basic problem is an old one: The economic exploitation of the resources-producing regions of this Nation. That is a matter to which I have given long and concentrated attention, and it is because of my interest in that subject that I have introduced this measure.

Since the western expansion of this Nation began more than a century ago, there has been a continuing problem—a problem which industrialization has compounded almost beyond correction—of the economic inequality of the South, the Southwest, and the West, in relation to the East and the North.

The economies of the States outside the East and North have been, and still are, dependent upon natural resources for their strength and prosperity. Tax revenues from the production of such resources constitute the primary support for public education, welfare programs, highway construction, and other vital functions of the State governments in these areas. The critical value of such resources to these States is indicated by the careful, farsighted, and highly successful conservation programs which the resource-producing States have instituted and maintained with vigorous public support and approval.

Despite what the States have been able to do, a serious economic inequality has persisted through the years, and exists today. In numerous instances, the resources of such States are absentee owned; the primary wealth and profit produced by such resources benefits other regions. In still more instances, the raw products of these regions are transported from the States of origin, processed in the East and North, and the finished product resold to our residents with the profit added by manufacture going to benefit other regions. This is the classic pattern of the Nation's economic development.

Of the raw commodities produced in the South and West, few are more valuable than natural gas. As both a fuel and as a raw product, natural gas represents a source of great potential wealth and benefit to these regions. The natural gas-producing States have only in recent years began to realize part of that potential.

Today we are faced with a problem, I might say a threat, the gravity of which cannot be overstated. The Supreme Court's decision in the Phillips case, giving the Federal Power Commission authority to assume wellhead controls over independent natural gas producers, threatens to deprive us of the potential promise afforded by this precious commodity.

It is my own conviction—which I realize it is needless to argue—that the Court erred in its interpretation of the Natural Gas Act. The legislative history of that act and the subsequent administrative interpretation made by the Federal Power Commission from 1938 to 1954 present no evidence, as I see it, to sustain the Court's verdict.

Whatever the facts may be in that situation, however, I think that we should focus our attention clearly on the unprecedented policy proposed now by those who demand that the Court's delegation of power to the FPC be left untouched.

Those who are asking for Federal control over the production of natural gas by independent producers are asking, first of all, that this Congress establish a policy of selective peacetime price control, asking that we reach down through the maze of the American economy and single out one commodity, one commodity alone, for arbitrary price fixing.

There is no equity in such a procedure; none at all. Our entire national experience with price controls, in peace or war, is testimony to the folly of selective controls. Such controls are, essentially, punitive; because they are punitive, they discourage productivity. In consequence, an artificial shortage breeds artificially high prices. Such is bound to be the result of wellhead controls on natural gas production.

The inequity of this situation is further emphasized when we realize that the exercise of wellhead controls by the Federal Government will not, and cannot, be of direct benefit to the ultimate consumers of natural gas. Only last year, this Congress passed the Hinshaw bill, restating and clarifying the traditional exemption from Federal jurisdiction of the rates and facilities of distributing companies. Distributing companies are the retailers of natural gas; they are governed by local municipal or State commissions which set consumer charges. Thus, those who ask that the Federal Government take control of gas prices at the wellhead ignore the fact that the Federal Government is powerless to raise or lower the prices paid for such gas by the public.

If there are beneficiaries of Federal control over natural gas production, those beneficiaries are not the families of this Nation.

No, as I see it, the proponents of Federal wellhead control are, perhaps innocently in some cases, asking for the power of the Federal Government to be used against the resource-producing States to compound the economic exploitation and discrimination so long practiced in this Nation.

Federal control over the independent producers' prices amounts, in effect, to protection for the competitive position of the pipelines and the distributing companies; the blue-chip investments of the postwar era.

Certainly it is obvious that Federal control over such producers will, because of its punitive and inequitable nature, cause many of them to sell their gas in place to the pipelines, which, as utilities, enjoy the bonanza of a protected profit.

This will mean hardship and loss to the independent producer—the smaller he is, the harder he will be hit; it will mean the same to the countless royalty owners and landowners who enjoy no commanding economic position; it will mean hardship, also, to the State governments.

If the wellheads of our natural-gas fields are to fall into the sphere of Federal jurisdiction, a serious question exists as to whether the taxing powers of the States can continue to operate in that same sphere.

Likewise, the occupation of this sphere of jurisdiction by the Federal Government casts a dark shadow on the power of the States to enforce their various conservation measures on natural gas, and, also, on oil which is most commonly produced in association with gas.

These are serious matters, involving the relations between the States and the Federal Government, involving the function of our free-enterprise system, involving the economic health of two-thirds of the Nation.

If Congress perpetuates Federal control, actively or by default, we shall set a precedent—a dangerous, unprecedented, and hazardous precedent—for the political exploitation of the resource-producing States. Here in Congress, certainly the great financial interests of the North and East can amass voting strength far superior to that held by the producing States. The precedent of selective-price controls sets a new pattern for exploitation, which, considered in light of the politics involved, becomes far more vicious, far more oppressive than anything ever before seen.

In this day, when the demands of world leadership require the maximum strength of all States and all regions, Congress should certainly act with great care to avoid rushing into a pattern for economic exploitation of any regions.

I feel strongly that the historic pattern of free competition in the field—the pattern followed since the inception of the interstate natural-gas industry—is the best protection, ultimately, for both the Nation and the consumer.

I believe it is urgently important for us to restore the original meaning to the Natural Gas Act. It may be that this bill now before you, S. 1853, goes too far in compromising the various cross-purposes of the competitive segments within the industry. I hope that the committee will not be distracted from the prime purpose by such quarrels or differences. The main purpose will be accomplished if we can, as I said, simply restore the original meaning to the Natural Gas Act.

[From the St. Louis Post-Dispatch of July 31, 1955]

FULBRIGHT SAYS UNITED STATES CONTROL OF NATURAL GAS PRICE AT WELL WOULD BOOST CONSUMER'S COST—HE REPLIES TO DOUGLAS THAT CURBS WOULD WRONGLY CLASSIFY PRODUCTION AS UTILITY AND END SEARCH FOR FUEL WHICH KEEPS IT CHEAP

(By J. W. FULBRIGHT, United States Senator from Arkansas)

WASHINGTON, July 30.—If producers in the Southwest donated a year's supply of natural gas to the families of Missouri, the typical household budget would be saved only $8.63—and there would still be a $69.38 gas bill to pay.

Exceptional? No, not at all. The same pattern is nationwide among States importing most or all natural gas used for residential purposes. Free gas, given away at the producing field, would still cost $69.66 a year to the average family in Wisconsin—a saving of $4.96 annually; $72.60 in Tennessee—a saving of $7.25 annually; and $68.23 in Illinois—a saving of $5.83. In Rhode Island, where gas is used primarily for cooking and not for heating, free gas would save the average Rhode Island consumer only $1.54 on an annual gas bill of $66.66.

Where are the added costs slipped into the consumer's monthly bill? Most natural gas users may be surprised to learn that, literally, it happens right at home—not far away in Texas or Louisiana or Arkansas. The culprit, if there is one, is not some far away, impersonal corporation—it is your local distributor of gas.

NINE HUNDRED PERCENT RISE

The 320,000 residential users of natural gas in St. Louis and St. Louis County pay nearly 900 percent more for gas than the same gas costs in the producing field. Out of $21 million St. Louis families pay each year to cook and heat with gas, $14 million is for costs added after the natural gas has been delivered into the city.

Specific prices and specific costs vary from city to city and State to State, but there is no variation in the fact that—on the national average—85.5 cents of every household dollar spent for gas goes for service, and only 11.5 cents goes for the gas itself. The field price of natural gas is the smallest component of the ultimate retail price.

These facts are highly significant and pertinent to the Congress' present effort to formulate a new policy to guide Federal Power Commission participation in the regulation of the natural gas industry. Consumers, press, and public officials must understand these facts thoroughly; otherwise there is a very real danger that Congress may be influenced by artful and tireless propagandists to take a wholly unrealistic and foolish course.

The question of Federal policy toward the Nation's basic fuels and energy resources is a fundamental question. Federalization of our fuel supply, for example, would render untenable the historic position of private competitive enterprise as our economic system. This prospect—whether remote or real—commends caution in any approach to a new and expanded use of Federal regulatory powers.

DOCUMENTED FANTASY

Unfortunately, there are persons who seemingly will not rest until they see the Federal Government go into the oil fields of the Southwest and plant a regulatory heel on every natural gas well in that area. In their zeal, these advocates have discarded even the pretense of caution with facts and reason and have fabricated a sort of documented fantasy which they themselves believe to be learned economics.

My very good friend and colleague, Senator PAUL DOUGLAS of Illinois, demonstrated in these columns several weeks ago how successfully fantasy can be employed to obscure the true perspective of the natural gas issue. The Senator elected to discard the facts as they are and to conjure up oversized statistics more suitable to his purposes.

The actual economics of the natural gas industry refute—rather than support—the position that Federal controls at the wellhead are needed to save the consumer from the producer.

As the facts show, the producer's price is the least important factor in the consumer's gas bill. If the Federal Government should assume control over that price, the maximum benefit in dollars and cents to the consumer would be negligible even if the field price were arbitrarily reduced to zero.

FALLACY OF UNITED STATES PRICE FIXING

The fatal fallacy of this position, however, is that the Federal Government has no authority to determine or control what domestic or commercial consumers pay. Local rates are fixed locally by State or municipal agencies. The consumer allows himself to be deceived when he accepts the idea that his natural gas bill is made high by men far away in Texas—or that it can be made lower by men far away in Washington. What the consumer pays is determined usually in his own community.

This fact cannot be too strongly emphasized: Even if the price of natural gas were frozen permanently at present levels, the customers in St. Louis—and elsewhere—would probably continue to pay an increasing cost for it through the years.

The customer is, in a real sense, not paying for gas so much as he is paying for service—the finest service obtainable. At the turn of a knob, natural gas is in the customer's home, ready to cook or heat, any time, day or night, every day in the year. No shoveling, no telephoning, no storage, no inconvience whatsoever is necessary with natural gas, and that is what the customer pays to enjoy.

STEEL PIPE A FACTOR

In the final analysis, the price of steel pipe or the overtime wages of local meter readers may have more to do with boosting the consumer's gas bill than the field price of natural gas itself. I am reasonably certain that Senator DOUGLAS would not criticize the steelworkers union for their recent success in negotiating for a modified guaranteed annual wage, but that wage contract—resulting in a $7.50 per ton increase in steel prices—will mean higher gas bills for many present and all future natural gas consumers.

The illogic of the Federal control argument assumes even more astonishing proportions when it is realized that—wherever it is presently sold, whatever its current selling price—natural gas represents the best fuel bargain available to consumers in that area.

As a fuel for homes, business establishments, or industry natural gas is the finest obtainable. The entire interstate market for natural gas which has opened since World War II—extending service to 9 million residential users—has been a replacement market in which natural gas has been voluntarily substituted for other fuels, principally oil and coal. Other fuels have done—and could do—the job which natural gas performs. But natural gas is cleaner, cheaper, and more efficient. Natural gas is preferred by those who want the best.

If the thesis is accepted that the fuel bills of America's families are matters of concern to the Federal Government, then by no logic can it be accepted that natural gas merits first attention. Since the end of World War II price controls, the consumer costs for coal and fuel oil have skyrocketed 100 percent—the price of natural gas in the consumers price index has advanced only 12 percent. In the same period, food has gone up 65.2 percent, clothing 36.6 percent, rents 41.1 percent, and the overall cost of living 49.7 percent.

Senator DOUGLAS—and others of his persuasion—neglect these facts, undertake no crusades to save the coal user from the producer. Obviously, somewhere along the way, some perspective has been lost on this issue. The natural gas consumer is not petitioning for relief from exorbitant prices; quite the contrary, in the State of Illinois more than 300,000 families—presently captive consumers of competitive fuels—are on waiting lists for natural gas service.

This would suggest that possibly the people understand the statistics about natural gas better than the proponents of Federal control. In his article, Senator DOUGLAS dwelled at length on the statistic that passage of pending legislation preserving the independent producer's exemption from Federal utility-type regulation would mean, according to reasonable estimates, an increase to consumers of $600 million. In support, he cited industry experts who offered estimates of how much—on a comparative basis—natural gas would be worth if it were selling for the same price as competitive fuels such as coal and oil. This figure of $600 million is an absurdity, of course, but it does constitute the best evidence of the bargain of natural gas field prices.

This sort of mathematical contortion is—as it is meant to be—enough to frighten reason out of any discussion of this issue, but such propaganda techniques are unacceptable as a basis for decisions about national policy by the public—or by Congress.

YEARS OF PROPAGANDA

Ten years of propaganda have persuaded many good people that the big figures and hypothetical statistics are, in reality, facts. It is an uninviting labor—like trying to dissuade believers in flying saucers—that there is less there than meets the eye.

The fact is that the natural gas issue is not a dollars-and-cents issue. The real issue is supply—not price, and many of the consumers' self-appointed protectors are rendering a real disservice by obscuring that basic truth.

From the beginning, the monumental error of the advocates of Federal intervention in the producing field has been the careless conclusion that because natural gas is distributed by utilities the production of gas is automatically a utility function, also, subject to utility regulation.

This is not true.

The gas utility is selling, primarily, service. On a daily average, the residential user pays the utility 18 cents for bringing gas to him and pays only 2 cents for the gas itself.

PRICES NOT DIRECTLY RELATED

The two prices are not directly related. One may rise while the other falls or remains constant. In St. Louis, for example, the field price of natural gas consumed in the city increased 4 cents per thousand cubic feet from 1949 to 1953, while the cost to consumers for typical home use rose 12.4 cents over the same period. From 1952 to 1953, the field price for St. Louis natural gas advanced 0.2 cent, the price at the city gate rose 5.2 cents, and the price to home consumers increased 9.5 cents.

Any gas utility in the United States can—and some of them do—deliver manufactured

gas, rather than natural gas, through their mains. The gas is manufactured from coal. Rising coal prices mean rising gas prices in such circumstances. No city has asked—and no Member of Congress has suggested—that the Federal Government should assume jurisdiction over coal production to fix the ultimate price of manufactured gas, yet the relationship is exactly comparable with the role natural gas occupies.

Our whole concept of utility regulation is against the argument that Federal power should be used to fix and freeze field prices of nautral gas. Utility rates—even though regulated—vary with changing economic conditions, and the pretense that a Federal freeze on gas prices would be mere utility regulation is a sham. What the proponents of Federal gas controls are asking is the introduction into our political system of a punitive, arbitrary, selective exploitation of individual commodities on a political basis.

The inapplicability of the utility concept to natural gas production is further illustrated by the recent action of the city of Memphis in announcing plans to build its own municipal electric power station. Memphis can—at this distant point—predict the costs of its undertaking and determine the level of consumer rates to be charged. This is a true utility situation.

COST OF FINDING GAS

By the same measure, hundreds of American cities want natural gas—one pipeline alone has been petitioned for service by 149 cities. The cities cannot, on their own, simply undertake to supply their own gas needs. Natural gas must be found, not made. Where it might be found, how much it might cost to find it are unpredictable. On the average, 9 wells must be drilled before 1 producing well is found. At costs from $100,000 to $1 million per well—dry holes included—the outlay would be astronomical, with no certainty of success.

Obviously, the producer cannot be treated as a utility. If, as some suggest, the Federal Government should apply the utility principle and guarantee a return on investment—including the expenses of the search for gas, dry holes, and all—the result would be a gigantic subsidy to the inefficient and unsuccessful and a penalty to the efficient producer. It is quite clear now that if Senator DOUGLAS had his way the producer would sensibly sell his high cost gas—the gas in which he had the most invested—into interstate commerce and keep the low cost gas at home in intrastate channels. This would be a particularly unnecessary burden for the interstate consumer, the folly of an unrealistic theory.

There is another element to consider. Already it has been mentioned that natural gas is not selling—and has never sold—for its relative worth on a heat content basis with competitive fuels. Gas at the well-head sells for less than half the value of coal at the mine-face and one-fifth as much as oil at the well.

OIL FINANCES GAS

This unusual economic bonanza results from the fact that, for 50 years, the discovery of natural gas has been subsidized by the search for oil. Until recent years, natural gas was considered economically worthless. Discovery was largely accidental, but through years of oil exploration a great stockpile of natural gas reserves accumulated.

The end of World War II—and the improvement of pipeline transmission facilities—opened, for the first time, access to vast new markets outside the Southwest. Consumption since that time has more than tripled in the 35 gas-importing States and some 25 million families now use it.

Today natural gas has a value which it never had before. Also there is built up a tremendous demand to find natural gas. The supplies are exhaustible; there is not enough to go around to everybody or to last forever.

The consumers' interest—the public interest—lies in finding more and more gas. What it will cost to find it no one can predict, because no search for gas has ever been financed as such. At present the petroleum industry is spending some $3,100,000,000 annually on the discovery, development, and production of oil and gas reserves combined.

If we set our Federal policy by the principle that the producer should get no more for natural gas in the future than he received in the past, then we will, necessarily, collapse the search for additional reserves. Independent gas producers are no different than Illinois farmers, St. Louis manufacturers, Wisconsin dairymen—they are not going to labor to produce a commodity which governmental policy makes uneconomic to market.

In regard to supply, no segment of the natural gas industry has a greater interest in maintaining adequate supply than the pipelines; otherwise, they could not operate. The Federal Power Commission determined some time ago that it was in the public interest to encourage the pipelines to search for natural gas, find their own reserves.

FAIR-RETURN THEORY

Senator DOUGLAS takes issue with this, holding that the pipelines should be able to charge only on the basis of a fair return on their investment—not the reasonable market price. In many instances, the costs as determined by investment figures on a public utility formula are above the reasonable market price. In other cases, of course, the reverse is true.

For example, in the El Paso Natural Gas Co. case the most recent pertinent decision—the FPC found the marketed price of the company's gas to be $4,970,000. Had Senator DOUGLAS' formula been applied, the cost to consumers would have been $5,060,000—plus return, plus Federal income tax amounting to several million more.

The system now used by the Commission—and embodied in the Harris-Fulbright bill before Congress—will benefit the public interest far more than Senator DOUGLAS' unrealistic effort to impose public utility formulas upon the Nation's commodity producers.

The point is well established that—for all the good intentions which may serve as motivation—the exponents of Federal jurisdiction over the Nation's gas producers are out of touch with reality and are working against—not for—the consumer's interest.

The public interest in natural gas lies in finding more and more supplies. If the producer is treated as a public utility, the search for gas to supply the interstate market will no longer be justified.

PENDING BILLS

Congress now has before it on the calendar of each House, legislation to establish a new, workable pattern of Federal regulation—regluation to supplement but not supplant the authority of the States and municipal governments. The bills are H. R. 6645, by Representative OREN HARRIS, of Arkansas, in the House, and S. 1853, which I introduced in the Senate.

These bills exempt the producer from utility regulation, but they do not leave the Federal Power Commission powerless—or the consumer defenseless—against unreasonable price increases. For the first time, the Commission is given real authority to control what the producer is paid by the pipeline. Interstate transporters cannot pass on to consumers more than the reasonable market price as determined by the Commission.

The consumer benefits and the producer benefits and the national economy benefits. It is a workable, effective, reasonable system which Senator DOUGLAS elected in his article to dismiss by saying that the "reasonable market price" standard was "useless" and "window dressing."

As shown in this article, Senator DOUGLAS' own scheme for something other than a reasonable price would actually cost the consumers millions of dollars more.

SELECTIVE PRICE CONTROLS

In a free competitive economy, it is a hazardous business to undertake to single out individual commodities for artificial price controls by the central Government. Once the Government begins to pick and choose, its decisions are controlled by political considerations—not by sound economics. This leads inevitably to exploitation of the less powerful by the more powerful—the wages of labor, the products of the farmers, the output of individual plants and industries all become fair game once the precedent is set.

The bugaboo of monopoly is injected into the issue extraneously. There are more than 8,000 natural gas producers competing vigorously for leases, discoveries, the privilege of producing and of finding markets in which to sell. Of the 453 separate manufacturing industries considered standard in the United States economy, 382 have a higher concentration of ownership than does natural gas production.

MONOPOLY FACTOR

We have a great body of antitrust laws in the land to protect the public against monopoly. These are applicable to the natural gas industry as much as to any other. Nowhere among those laws, however, is it suggested that the proper remedy for monopoly is governmental price fixing—which is the course some seem now to want to follow.

The public—particularly the gas consumers—would do well to begin taking a more careful and more searching look at the arguments advanced by those who want Congress to beat a hasty stampede into the experiment of virtually federalizing a basic producing industry.

Every Federal agency which has examined this natural gas question through the years has, after learning the facts, concluded that the public interest would be best served by maintaining gas producers free of utility controls.

The Federal Power Commission reached that decision first shortly after the Natural Gas Act was passed—and then—Commissioner Leland Olds, one of the present champions of Federal regulation, was among those who voted for the exemption which Congress proposes now to reestablish in the law. Today the FPC is still asking Congress to write that exemption firmly into the law.

Both House and Senate Interstate Commerce Committees, by bipartisan votes, have recommended passage of the Harris-Fulbright bills.

THE FPC GAS PRODUCER EXEMPTION IS IN THE CONSUMER'S INTEREST

(By the Honorable J. W. FULBRIGHT, United States Senator from Arkansas)

Should a Federal agency be turned loose in the Nation's oil and gas fields to control production of natural gas with a free hand to make and apply its own rules on a day-to-day basis? Or should Congress decide the area of Federal jurisdiction and write an orderly, stable national policy into the law?

The United States Senate must soon choose between these courses. Already the House of Representatives has, for the second time in 6 years, approved a bill to give the Nation a firm, reasoned, workable policy. The measure by Representative OREN HARRIS, of Arkansas, extends the pattern of the Federal Government's only successful regulatory experience in this field. My bill, a companion to the Harris bill, is pending on the Senate Calendar.

What the Senate decision will be is not foreseeable. The industry, the Federal

Power Commission, the President's Cabinet Committee on Energy Resources and Supply Policy, and many others believe a well-defined policy is essential to the public interest. Since 1949, committees of both Houses have consistently recommended passage of legislation such as that now pending each time the Natural Gas Act has been reviewed and studied. There has never been a serious effort to advance any alternative policy for congressional consideration.

There has been—and there is now—a powerful effort to prevent Congress from declaring any policy at all. Supreme Court decisions have clouded and confused the limitations on Federal authority laid down in the jurisdictional section of the Natural Gas Act. In the absence of clarifying language from Congress, the only practical limit on Federal power is the imagination of the 3-member majority of the Federal Power Commission. This is a decisive gap in the orderly processes of Government, a gap which the pending legislation seeks to close.

I

For most of its life, the natural gas issue has been styled as a classical consumer versus producer contest. It is not a valid description of the issue, but on this foundation artful propagandists have erected a wall of misunderstanding which shuts off much light from public discussions.

The purpose of the consumer versus producer alinement is obvious. However technical the regulatory question may be, it must be settled politically in the arena of politics. The men who must settle it are not technicians; they are responsive to political statistics.

If a question is to be answered in terms of 25 million consumers or 4,000 producers, 40 consuming States or 8 producing States, then there is a certain political finality about the choice. No matter how pertinent, facts about the producers' position can anticipate only a small audience. The debate is one-sided and futile before it begins.

Obviously, this styling is faulty and superficial. The remarkable consistency with which regulatory agencies, congressional committees, and Cabinet-level studies have concluded that wellhead regulation of producers is not in the public interest plainly suggests that right is not a matter of numbers. The issue is economic, not political, and it should be measured by economic factors, not political factors.

On this plane, consumers and producers are not in conflict. The producer does not control the consumer's price, and the consumer does not control the producer's price. Twice removed from each other, separated by the pipeline and distributor, consumer and producer are not in position to bargain with each other; third-party bargaining between the two, the role proposed for the FPC, has no economic basis and would be a legal absurdity.

The residential consumer's gas rate is created beyond, not at, the wellhead. Typically, 90 percent of the rate is for service, the transporting and distributing of a commodity; only 10 cents of each consumer dollar is for the commodity itself. The commodity price in the field is a fixed price, controlled by contract. The ultimate price is a variable price, subject to adjustment to allow the distributor full recovery of current costs—plus a guaranteed profit.

Control of the 1 stable price in the producer-to-consumer sequence can have only 1 purpose: to protect the variable rates of the distributor, keeping those rates palatable and competitive for a competitive market. That Federal regulation would serve the utilities' interests, rather than the public interest, was made evident when the gas distributing utilities installed a well-financed lobbying front in Washington 3 months ago for the express purpose of defeating the Fulbright bill in the Senate.

Further emphasis of this point was provided by Senator PAUL DOUGLAS in his article appearing in this publication October 13, 1955, when he wrote in support of his proregulation viewpoint:[1]

Convincing evidence was presented by representatives of distributing utilities before the congressional committees to the effect that the increased cost of natural gas was seriously hampering their efforts to expand natural gas sales, that in some areas they were being priced out of the market, and that if the upward trend in field prices continued, they would meet with financial disaster.

In context, this argument explodes the contrived consumer versus producer myth. Stated baldly, the Federal regulation of independent natural gas producers is "essential" only to the utilities, so that their competitive position may be maintained at the expense of the natural gas producer. The utilities are seeking to have the supply contracts, on which the industry has been built, abrogated by Federal power so that the producer can be forced to absorb the utilities' costs.

It should be noted that the distributing utilities' plea for Federal regulation omits any reference to lower domestic consumer rates as among their purposes. The dark threat of being priced out of the market refers to the industrial market, not the cookstove and water heater market of the housewife, and is, in effect, a bid by the utilities to have Congress perpetuate artificially and arbitrarily a competitive advantage over coal, fuel oil, and other sources of energy. In other words, the utilities want gas field prices made lower so that they may sell greater volumes at their lowest rate, rather than for the purpose of reducing their highest rates—the rates which consumer families pay for home use.

Semanticists notwithstanding, the political choice—and the real choice—is not between producer and consumer, but, rather, it is between producers and utilities, or, perhaps more precisely, between consumers and utilities.

II

The gas distributing utilities are taking an expedient position, maneuvering to obtain a short-term advantage in a tightening competitive market. Their expediency has brought the utilities into strange company. Long before the utility role was so visibly defined, however, the movement for Federal control of natural gas production had its origins among the advocates of public ownership of natural resources. From this source, there has continued to come the momentum, the doctrine, the statistical exercises, and the slogan-style maxims characteristic of the effort. It is possible, but hardly prudent, to assume that the end being sought today differs from the goal in the beginning.

Historically, certain facts are pertinent. The Natural Gas Act was passed in 1938 without fanfare, without excitement, almost without interest; it was accepted as a noncontroversial measure, approved without rollcalls. In an era of self-conscious reform, this legislation was approved with a noteworthy lack of applause, for—apparently contrary to the prevailing trend of those times—it drew careful and precise lines on the limit of Federal jurisdiction. From 1938 to 1954 this limit stood. Then, by a divided opinion, the Supreme Court obscured the line in the case of certain sales by one producer, and the FPC elected to apply universally the mandate which a majority of the Commission found in that one case.

Before that decision came, however, there had been an unrelenting campaign against the limitations on FPC jurisdiction; not an effort to remove the restraints by affirmative legislation, but, rather, a campaign to confuse the legal language and resist congressional clarification. This pattern persists unchanged to the present.

The public has never been given a straightforward picture of what Federal controls over gas production would mean or involve. Proponents of that cause have rallied support negatively, portraying imaginatively and quite loosely what producers might do if not controlled. They have, however, entirely failed to explain what they themselves would do if entrusted with the powers they seek. I have failed to find in any of this group's writings or preachments a single promise of a benefit to consumers. The whole burden of their appeal is that they will not let happen what might not happen anyway. This is pure demagoguery.

Reduced to reality, the mobilization of consumer wrath through all the mass media of communication and propaganda has been for the purpose of preventing Congress from taking an action which would draw a line on how far the Federal Government can go into the oil and gas fields. The long-maintained barrier against Federal intrusion into the realm of resource production has been breached at a weak point into the language of the Natural Gas Act; the gap is open for the forces of public ownership to filter through. This is certainly no ordinary matter which faces the Senate now.

III

For some, it is difficult to equate the dimensions of the issue with the minute size of the segment of the economy directly affected. It is well, therefore, to examine in more detail the implications of this issue.

The immediate reach of the act would seem, it is true, to be only one industry. However, for regulatory purposes, natural gas is inseparable from oil at the producing level and the two fuels supply 63.8 percent—nearly two-thirds—of the energy on which the American economy operates. When the arm of the governmental power reaches out for natural gas, it brushes against the jugular vein of our enterprise system. Control over the production of any resource is, inevitably, control over its use and its users. Such control is fundamental to a regimented economy.

We must recognize, also, that the future is built on today's precedents. The precedent which the Supreme Court and the FPC have fixed in their interpretation of the jurisdictional cause of the Natural Gas Act is that those who supply a public utility become, by that one test, public utilities in their own right.

Natural gas producers are not utilities and the Supreme Court did not insist that they were. The essence of the Phillips decision was that because a gas producer's commodity might eventually influence a distributing utility's rate the producer should be regulated on a utility basis also.

This is, I might suggest, closely akin to what some of my colleagues would regard as "guilt by association." By a sort of agile and spurious logic, the independent producer is classified as a fellow traveler of the utilities, to be treated in the same manner.

Obviously, this established legal precedent—albeit a classical example of double think—could, if universally applied, ensnare the whole range of our manufacturing and productive industries. The proponents of Federal regulation of gas producers are making a political promise to consumers of a fixed gas rate. To fulfill that promise, it would be necessary to control all components of the consumer's rate: steel, fabrication, right of way, office machines, wages and salaries, and all else that constitutes 90 cents of each dollar the consumer pays.

The promise of a fixed consumer rate is, actually, an important and significant de-

[1] Federal Regulation of Independent Natural Gas Producers Is Essential, by Hon. PAUL H. DOUGLAS, Public Utilities Fortnightly, October 13, 1955, p. 622.

parture from the established principles of utility rate regulation. Traditionally, utility rates are current rates, based on the costs of operation under current economic conditions plus a reasonable return. To freeze a utility rate for 20 years, without regard to cost or current economics, would, in an inflating economy, be confiscatory and leave no room for private ownership or operation. This is exactly what is proposed for independent gas producers.

Field prices of natural gas have never reached a level of current value. On comparative basis, gas sells in the field for substantially less than competitive fuels. Likewise, on the basis of costs of discovery and development, the gas price has not reflected actual cost. Gas has been discovered as an incident of the search for oil; it has, in effect, been subsidized by oil. The proponents of Federal regulation disregard this and submit, as one of the primary justification for such controls, the necessity for preventing gas-field prices from rising to a current value. Obviously, this is arbitrary, punitive, and confiscatory. It is not utility regulation; it is political regulation, leading inevitably to public ownership.

Carrying this recital forward, the proponents of Federal gas controls have raised the specter of a zero rate base. They propose that the producer be allowed to recover the cost of his lease, drilling costs, and fixed equipment. After that his expense would be fully amortized and there would be no base on which to fix a return—a percentage return on zero is zero. Corollary with this, the Federal Power Commission now holds that dedication of a commodity to public use supersedes and abrogates the terms of private contracts, specifically precluding the right of a seller to withdraw his commodity if the terms of his contract are breached and casting doubt on the seller's right to terminate deliveries after a contract has expired. In other words, a contract is meaningless. Once a producer commits his commodity to a public use his normal rights of ownership expire and he must continue deliveries, even if he is not being compensated on a current basis.

This is not conjecture or prophecy; this is simply the logic of the course we are already following. Independent gas producers already are caught in this web and this much of it they can see, but neither they, the FPC, Congress, nor the public can say how big the web is, for nowhere is the pattern of this regulation described by law. From what is already visible, however, no great imagination is required to visualize the application of this precedent to a greater breadth of the economy than natural gas.

Already there is an evident conflict between the Commission's position and the established jurisdiction of the States in matters of conservation and taxation. If the powers of the States cannot prevail against the Federal power, then the State commissions are reduced to subsidiary status, functioning as administrative agencies for the Federal Power Commission.

There is, likewise, an obvious conflict in the effort to control gas without controlling oil when the two are produced concurrently from a common well mouth. The FPC defines independent producers now as "natural-gas companies," within the meaning of the Natural Gas Act; that act requires FPC certification of the facilities of "natural-gas companies." Doesn't this mean producers must secure certificates of public convenience and necessity before beginning to drill or lay casing—their only "facilities"? What about the producer exploring for oil who finds gas unexpectedly? Must such oil producers hedge against the possibility by seeking certificates, too? Also, the act gives natural-gas companies the awesome right of eminent domain. If producers are natural-gas companies in the eyes of the law, do they not have the privilege of eminent domain in searching for petroleum beneath private property?

These questions are pertinent and pressing questions. The fact that there are no available answers demonstrates, convincingly, the weakness and hazard of the negative case for Federal controls over independent producers. Proponents of such controls have never presented a case for Federal regulation; they have failed even to define what Federal regulation should be or would be. Their whole case is a case against congressional determination of Federal policy. By preventing such congressional action, it is obvious they hope to achieve an extension of Federal power which this Congress—and no other Congress of recent years—would not endorse on its own merits.

These facts represent persuasive evidence of the importance of congressional clarification of the jurisdictional clause of the Natural Gas Act of 1938.

IV

The Federal policy toward natural gas production proposed by the pending legislation in Congress reiterates the traditional definition of Federal jurisdiction which prevailed from the passage of the Natural Gas Act in 1938 to the Supreme Court's Phillips case decision in 1954.[2]

Under that policy, Federal regulation is attached, properly, to the interstate segment, i. e., the pipelines, of the producer-transporter-distributor sequence. This policy gives the Federal Power Commission authority to control the rate at which natural gas is sold at the city gate, or, more specifically, to assure that the charges for transporting gas from the field to the city are reasonable.

Federal regulation applies to a service, not to a commodity; likewise, local rate regulation functions in the same manner. This is the critical area of the public interest. Service costs, unlike commodity costs, do not permit long-term control by contract. In lieu of contract, governmental policing is necessary to protect consumer interests. Where it is possible to establish fixed contract prices, through private bargaining, governmental policing is gratuitous and burdensome.

It should be kept in mind that under FPC policies, producers have been required to enter 20-year contracts, dedicating their reserves for two decades at prices arrived at on the basis of today's values. This long-term dedication is held necessary to assure consumers of adequate supply. Whatever the necessity, no other producer in the economy is required to make a comparable dedication.

Contrary to the statements of proponents of Federal control, the pipeline is in no wise at the mercy of producers. The pipeline does not, as some persons have suggested, begin building a line at random, snaking about the countryside searching for natural gas. To build a line, the pipeline company must first secure from the Federal Power Commission a certificate of convenience and necessity. This certificate is not granted until the pipeline is able to show (1) that it has a market, and (2) that it has under contract sufficient gas to supply that market's needs for 20 years. The producer must commit his gas, under contract, long before construction of the pipeline begins.

If there is a captive in the natural gas marketing process, it is the producer—not the pipeline, not the distributor, not the consumer. The distributor may use his facilities to distribute manufactured gas, and this is done. The consumer, likewise, elects to convert to natural gas. The astronomical expansion of the natural gas market since World War II has been a replacement market, in which gas has replaced coal or fuel oil or manufactured gas for home use. Gas did not capture the consumer, it freed him from less desirable fuels for which there had previously been no competition.

The bulk of complaints by pipelines and distributors today against gas field prices is a complaint against existing contracts, which they made. In other words, what they are seeking is not Federal regulation of an unregulated price but, rather, Federal relief from their own obligations. There is no evidence that the Natural Gas Act was intended to serve the interests of individual segments of the industry; on the contrary, there is abundant evidence that the use of governmental power to make or perpetuate competitive favor is contrary to the public interest.

The pending legislation is concerned, primarily, with the area of Federal jurisdiction. However, for the public protection, provisions are made to discourage pipelines from proposing contracts which would cause field prices to increase except by specific amounts at specific intervals. Pipelines would not be allowed expense rates above what the FPC determined to be the reasonable market price. The argument made by some that the FPC is incapable of determining a reasonable price is, in itself, an argument against their own position, for they are arguing in spirit for a political price, presumably less than reasonable.

The present effort to delineate Federal jurisdiction is consistent with the original purpose of the Natural Gas Act. It was not, and has never been construed by the courts to be, a price-fixing measure. There was no freeze imposed on any price. The act was made necessary by an issue of jurisdiction, not an issue of price, and that same necessity today dictates the effort to restore a clear meaning to the jurisdictional section of the act.

V

Examined dispassionately, the most striking characteristic of the effort to prevent Congress from acting in this matter is the venom of the attack upon the industry. The language of the obstructionists is the language of the soapbox, not the forums where reasonable and equitable national policy must be made.

"Exploitation of captive consumers," "unconscionable profits," "windfalls," "freedom to charge what the traffic will bear," "gouging"—all the rest sprinkled so liberally in the opposition's literature reveals, I believe, that the objective is more punitive than protective. This is fortified by the inability or unwillingness of the various spokesmen to answer when asked about the hazards of confiscation, zero rate bases, or the other problems arising from the sort of unbridled administrative law they seek.

The time has come in this debate for those opposed to the pending legislation to offer a precise picture of what national policy would be if their efforts succeed. A vote against the current bills is a vote for a form of regulation; as yet, that form has no substance.

Senator DOUGLAS, in his discourse in these pages, dismissed the issue of whether the Nation should embark upon regulation of commodity production by saying "The natural-gas industry is an industry affected with the public interest, and regulation has been and should continue to be applied."

It is not natural gas, but the services connected with its interstate transportation and distribution which are affected with the public interest and to which regulation has been and should be applied. Distributing utilities are entities in themselves, organized and built to provide a service; they may, in most instances, use either natural or manufactured gas. To say that such enterprises are in the natural gas industry is as absurd as to say that Dixon and Yates are in the coal business because they use coal to operate steam generation plans.

[2] *Phillips Petroleum Co.* v. *Wisconsin* (1954) (347 U. S. 672, 3 PUR3d 129).

We are dealing with a segment of a divisible industry. Production is a segment; so, also, are natural gasoline, carbon black, helium, butane, propane, and countless other businesses part of this same industry. Production is a part of an industry, as much as appliance dealers or plumbers. The sweeping generalization is a treacherous basis for the making of Federal policy.

The demand for Federal regulation clearly does not come from consumers. Those representing themselves as consumer spokesmen came mainly from municipal governments and State commissions charged with the regulation of distributing utilities; the case they made was a case for the utilities' interest, not for the public interest.

Through all this controversy, there have been no petitions from consumers for Federal relief from high gas prices. There is no showing that the imaginary captive consumers are being gouged; on the contrary, they are saving money, enjoying the cheapest fuel available. One pipeline alone has petitions from 140 cities for gas service; more than 300,000 persons in Illinois are on waiting lists for natural gas. The public is not persuaded that they will suffer from accepting such service.

The valiants out to "save" the consumer have built their own dragon. They can offer no evidence of an existing need for relief. In place of that, they conjecture what might happen if gas prices increased, and even this vision relates to the producer—not the consumer. We are told that a 5-cent increase in value of gas would give the industry a $10 billion windfall. The gas reserves, to which this figure is applied, will not be drawn from the ground through existing wells; billions must be spent to find and produce that gas. The proposition that gas be produced without rising costs—that exploration will continue unabated in 1975 at 1945 profits—falls flat before reasonable men.

There is a final absurdity in the situation Congress now faces. At the urging of the distributing utilities and the State and municipal commissions which regulate them, Congress in 1954 amended the jurisdictional section of the Natural Gas Act to draw the line of FPC authority at the city gate. Thus, the consumer's gas bill is beyond the reach of Federal authority. There can be no correlation between what the producers receive and the consumers pay; if field prices are depressed by Federal power, there is no related Federal power to transfer the reductions to a home owner's gas bill. The political promise that a vote against pending legislation is a vote to save consumers money is demagogic.

The Hinshaw bill, preserving the traditional FPC lack of jurisdiction over utilities, was approved nearly 2 years ago on the same set of principles as apply to producers. The arguments the utilities advanced for its passage apply equally to the producers' case now. By their strange reversal, the utilities and their supporters are in the position of asking Congress to put a ceiling on producers' prices to support a floor under the utilities' profits. In other words, Congress is asked to eliminate competition in the field to protect the monopolies in the cities. This is, surely, the ultimate of folly.

VI

In the final analysis, the consumer's interest and the national interest attach to supply, not the price, of natural gas. The resource is exhaustible; there is a maximum amount to be found. It has great worth not only as a fuel but as a raw material from which several thousand items can be manufactured.

The consumer and the producer alike have a common interest in finding and producing the maximum potential of our reserves. As gas becomes more scarce, exploration becomes more costly. An arbitrary economic formula making no allowance for this fact will, in itself, limit the recovery of the reserves prematurely to the detriment of all concerned.

The result would be, inevitably, to make natural gas more costly to the consumer. This is the folly of Federal regulation; it cannot fulfill the political promise by which it is justified.

There is a further shortsightedness in Federal regulation. The immediate purpose of such regulation, as it has been proposed, is to protect the utility customer, using natural gas as domestic fuel. In this approach, Federal regulation would be blind to the other uses of natural gas; the full weight of Federal influence would be directed toward rushing natural gas from wellhead to cookstove. This would deprive a vast geographic region of the United States, now on the frontier of important growth and development, of the use of its natural fuel to feed an expanding economy. The growth of the Southwest would suffer and the Nation would suffer because of it.

The choice is between a policy made by Congress or a policy made by a Commission. The bills before Congress now represent the conclusions of our congressional committees as to the policy Congress should establish. What course the FPC might follow in future years is not known—even to the members of that agency.

I believe that in this realm of Federal policy relating to the basic energy supply of the Nation the public interest and the national interest require Congress to specify the area of Federal powers to close the gap which now exists in the orderly processes of representative government.

The PRESIDING OFFICER (Mr. SYMINGTON in the chair). Is there further morning business? If not, morning business is closed.

THE ILLICIT NARCOTICS TRAFFIC

Mr. DANIEL. Mr. President, by Senate Resolution 67, adopted March 18, 1955, the Senate authorized the first nationwide investigation of the illicit narcotics traffic, including foreign sources, narcotic smuggling operations, drug addiction, treatment of drug addicts, and related matters.

The aim of the inquiry was to find "ways and means of improving the Federal Criminal Code and other laws and enforcement procedures dealing with the possession, sale, and transportation of narcotics, marihuana, and similar drugs."

The task was assigned by the chairman of the Senate Judiciary Committee, Mr. KILGORE, to the Subcommittee on Improvements in the Federal Criminal Code, of which the junior Senator from Texas has had the honor to serve as chairman. Other members of the subcommittee are the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Idaho [Mr. WELKER], the Senator from Mississippi [Mr. EASTLAND], and the Senator from Maryland [Mr. BUTLER].

Mr. JOHNSON of Texas. Mr. President, will the junior Senator from Texas yield?

Mr. DANIEL. I yield to my colleague.

Mr. JOHNSON of Texas. I should like to suggest the absence of a quorum, with the understanding that my colleague will not lose the floor. The morning hour has been longer than usual; and I ask unanimous consent that the junior Senator from Texas may yield to me for the purpose of suggesting the absence of a quorum so that others may hear this important report.

Mr. DANIEL. Mr. President, I yield for that purpose, and I thank the senior Senator from Texas.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Texas may proceed.

Mr. DANIEL. Mr. President, since its initial organization meeting on May 27, 1955, the subcommittee has conducted 37 days of open hearings in Washington, Philadelphia, New York, Austin, Fort Worth, Dallas, Los Angeles, San Francisco, Chicago, Detroit, and Cleveland. Special hearings, lasting 3 full days, were held in New York devoted exclusively to the causes, treatment, and rehabilitation of drug addicts. In addition, the subcommittee examined the Mexican border situation in hearings held in San Antonio and Houston.

The subcommittee has heard 345 witnesses, including Federal, State, and local officials, and many addicts, smugglers, and other narcotic violators, for a total of 8,667 pages of testimony.

In addition, evidence and innumerable practical recommendations have been obtained through a series of questionnaires mailed to 52 attorneys general of the States and possessions; 94 United States attorneys; 1,120 county sheriffs; and 1,336 chiefs of police in cities and towns over 10,000 population.

Our subcommittee has completed its work, and is drafting its report and specific legislation which will be recommended before January 31. In the meantime, on account of the urgency and seriousness of this problem, the subcommittee, with approval of the chairman of the full committee, feels that the Members of the Senate should have a preliminary report of our findings.

We were surprised and shocked at the extent and far-reaching effect of the illicit drug traffic in the United States, and have concluded that narcotic addiction and dope traffic constitute one of the most serious problems facing the Nation. The purpose of these remarks, in the nature of a preliminary report, is to call the matter to the attention of the Senate at the very beginning of the session, in order that it may receive early and careful consideration in the legislative program which lies ahead.

PRELIMINARY FINDINGS

The subcommittee has made the following preliminary findings:

First. The United States has more narcotic addicts, both in total numbers and populationwise, than any other country of the Western World.

While there are far less drug addicts in the Nation today than there were before the Harrison Narcotics Act was passed and before the Federal Bureau of Narcotics was created in 1930, the figure

of at least 60,000 addicts today is far more than the number reported by any other Western nation. In fact, if the reports of other nations to the United Nations Commission on Narcotics are correct, our country has more drug addicts than all of the other Western nations combined.

Since January 1, 1953, the Federal Bureau of Narcotics, through voluntary reports from law-enforcement officials, has compiled the names and addresses of over 30,000 addicts, and new names are being reported at the rate of over 1,000 per month. Thirteen percent of the addicts are less than 21 years of age.

Second. In spite of the fact that Federal officials have done all within their power under present handicaps and with limited personnel, the illicit drug traffic has trebled in the United States since World War II.

Addicts were in the ratio of 1 to 10,000 persons at the end of World War II. At the present time, the incidence is about 1 to every 3,000 persons, with an average of 2,000 persons arrested in the United States each month on narcotics charges. The traffic now costs over $500 million per year, to say nothing of the human lives shortened or destroyed and the many crimes which result from the traffic.

Third. Drug addiction is responsible for approximately 50 percent of all crimes committed in the larger metropolitan areas and 25 percent of all reported crimes in the Nation.

Federal, State, and local enforcement officers testified that 50 percent or more of all crimes committed in the larger cities is attributable to narcotic addiction and the illicit drug traffic. Approximately 90 percent—actually 89.9 percent—of the illicit drug traffic is concentrated in 43 of the Nation's most populous cities, and these same cities account for 46 percent of the Nation's crime.

In addition to direct narcotic law violations, drug addicts are responsible for a large majority of the burglaries, thefts, prostitution, and other offenses committed to support their drug habits, which cost them from $10 to $100 a day.

Mr. President, I ask unanimous consent to have printed at the conclusion of my remarks, an article entitled "Two-Hundred Dollars-a-Day Shoplifting for Dope Charged to Three," published in the Washington Post and Times Herald of Sunday, January 8, 1956.

The PRESIDING OFFICER (Mr. ALLOTT in the chair). Without objection, it is so ordered.

(See exhibit A.)

Mr. DANIEL. Mr. President, this is simply an up-to-date article on the subject. We heard, all over the country, testimony that shoplifting, burglary, and such crimes were being committed by drug addicts in order to support their habits.

Addicts also have been associated with crimes of violence, such as murder, armed robbery, safecracking and rape.

The subcommittee is convinced that crime in the United States would be substantially reduced if drug addicts were taken off the streets and placed in appropriate institutions for treatment or detention.

Fourth. Drug addiction is contagious. Addicts spread the habit with cancerous rapidity to their families and associates.

The Nation's foremost medical authorities on drug addiction agree that it is comparable to a contagious disease and that it should be dealt with as such. This view was confirmed by more than 90 percent of the addicts appearing before the subcommittee who began using drugs because of friends and associates.

Less than 20 percent of the known addicts are now confined. It is inevitable that this contagious problem will increase from year to year unless other known addicts are removed from society for treatment and, in the event that treatment fails, placed in a quarantine type of confinement or isolation.

Fifth. Red China, Turkey, Lebanon, and Mexico are the primary sources of heroin reaching the United States, and international controls are inadequate.

While the total requirements of the entire world for opium for medicinal and scientific purposes are set at 500 tons annually, official sources estimate the total world production to be 12,000 tons a year. The 1953 protocol, prepared by the Commission on Narcotic Drugs of the United Nations for the purpose of "limiting and regulating the cultivation of the poppy plant, the production of, international and wholesale trade in, and the use of opium," was immediately ratified by the United States; yet only 14 other nations have ratified the protocol. This is 10 short of the 25 nations required to make it effective. Among those nations lagging in ratification are, significantly, the larger producers of opium: namely Turkey, Iran, and Mexico. Together with Lebanon and Red China, these countries are the primary sources of heroin which reaches the United States.

Sixth. Recent seizures of heroin and cocaine in record quantities point up the international smuggling operations with the United States as a target.

In May of 1955, cocaine valued on the illicit market at $2 million was seized by narcotic agents in New York. During October and November 1955, two seizures of heroin were made in New York by agents of the Bureau of Narcotics with a street value of more than $8,500,000. The cocaine seizure was the largest ever made in the history of the United States. and the most recent seizure of heroin November 3, 1955, was the largest single seizure of heroin ever made in the United States. These seizures show the magnitude of the international traffic aimed at this country and the necessity for increased penalties for smugglers and other traffickers to combat this growing menace.

Seventh. Subversion through drug addiction is an established aim of Communist China. Since World War II, Red China has pushed exportation of heroin to servicemen and civilians of the United States and other free nations of the world.

Sworn testimony before this subcommittee, and the Internal Security Subcommittee, setting forth names, dates, secret codes, methods of smuggling, and drug seizures chemically analyzed, proves beyond any doubt that Red China is producing and exporting opium and heroin as an established policy of its governing officials. This is further confirmed by reports of the United Nations Commission on Narcotic Drugs.

The United States is one of the principal targets of this vicious illicit traffic in drugs as the Peiping regime seeks, first, to obtain dollars to purchase strategic materials and to pay foreign operatives; and second, to demoralize susceptible individuals in our military services and in the general population.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. DANIEL. I should like to complete my summary; then I will yield to the Senator from Tennessee. However, does the Senator have a question he wishes to ask on this particular point?

Mr. KEFAUVER. Yes; I do. I wish to ask the Senator from Texas if it is not true, as has been reported, and as the testimony shows to be the case, that the heroin factory in Red China is reputed to be the largest in the world?

Mr. DANIEL. It has been reported to our committee that Red China has the largest facilities in the world for the manufacture of heroin.

Eighth. Smuggling of narcotics across the Mexican border is facilitated by the failure of the United States and Mexico to wage a mutual all-out fight against the drug traffic.

(a) Ninety percent of the overland smuggling of heroin and marihuana is across the Mexican border into Texas, California, and Arizona.

Federal, State, and local officials reported that the majority of the illicit drug sales along the Mexican border is conducted by well-known Mexican operators in violation of Mexican laws. Their headquarters are just across the international boundary, principally at Nuevo Laredo, Juarez, and Tia Juana. Most of the actual smuggling is carried on by Mexican professionals, and by American drug peddlers and addicts. The enforcement officers unanimously agree that the smuggling operations are not conducted by Mexican laborers and braceros, commonly referred to as wetbacks.

The magnitude of the enforcement problem along the Mexican border is evidenced not only by the fact that heroin, marihuana, and other illicit narcotics are readily available just across the border in Mexico, but also by the fact that the international border which must be policed is 1,500 miles long. Almost 20 million pedestrians and more than 15 million cars, averaging 3 passengers each, cross annually, thus precluding the use of search as the sole weapon to prevent smuggling.

(b) Only one United States official, devoting part-time to narcotics, is stationed in Mexico, and no Mexican official is stationed in the United States to cooperate in solving the mutual problem.

(c) Known American drug addicts are permitted to cross the Mexican border in large numbers each day.

American drug addicts flock across the Mexican border in substantial numbers each day for injections of heroin at

well-known "shooting galleries" and for smuggling operations. Suprisingly, no law prohibits such crossings by addicts, even though they may admit their addiction to customs officers on duty. At best, customs officials can submit the known addicts to thorough searches on their return trips, but many of these addicts hide heroin in their natural body cavities and escape detection. Many of these addicts are also big-time peddlers, and their smuggling is not limited to a quantity for personal use. This was emphasized in the sworn testimony of one female addict who told the subcommittee that she hid $1,000 worth of heroin in her vagina and smuggled it across the border at Nuevo Laredo each week for nearly a year. She and her husband were both addicts and dope peddlers in Houston, Tex. They sold more than $50,000 worth of heroin in Houston in that one year.

In addition to civilian addicts, servicemen stationed at military installations along the border have also frequented Mexican cities and towns for marihuana and heroin. Juveniles also cross with ease.

(d) Mexico will not extradite fugitives, including bond jumpers and others who are evading criminal indictments for narcotic violations.

Ninth. Criminal laws and procedures are insufficient to insure the apprehension and punishment of narcotic offenders.

(a) Judicial interpretations of constitutional search and seizure safeguards have resulted in major narcotic traffickers escaping trial.

(b) Although the telephone is the major instrument of contact between top narcotics traffickers, Federal narcotics agents are not permitted to intercept telephone communications, and such evidence is not admissible in trials of individuals accused of narcotics violations.

Because of the covert nature of the narcotic traffic, wherein the big supplier avoids all possible direct contact with the ultimate buyer and with the petty pusher or peddler, distribution is usually effected through a conspiratorial network in which the telephone is the means of communication. Nevertheless, agents of the Bureau of Narcotics are not permitted to intercept, under any circumstances, telephone communications that might provide evidence which would lead to the arrest and conviction of major narcotic violators. Moreover, neither is evidence obtained by wiretapping by State and local enforcement officials admissible in Federal cases. As a consequence, the Government of the United States is unwittingly giving narcotics violators, especially the larger racketeers and wholesalers, a great advantage over Federal law-enforcement officers in their effort to stamp out the illicit narcotics traffic.

(c) Granting of low bail bonds to narcotic traffickers and delay in trials result in intensified narcotic traffic.

CONVEYANCE OF CERTAIN LAND IN NECEDAH, WIS., TO THE VILLAGE OF NECEDAH

The PRESIDING OFFICER (Mr. ALLOTT in the chair). Will the Senator from Texas suspend?

The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H. R. 2889), an act to provide for the conveyance of certain land in Necedah, Wis., to the village of Necedah.

THE NARCOTICS TRAFFIC

The PRESIDING OFFICER. The Senator from Texas.

Mr. DANIEL. Mr. President, Federal narcotics agents are hampered in their investigations in that they do not possess, statutory authority to carry firearms, execute and serve search and arrest warrants, serve subpenas, and make arrests without warrants for narcotic law violators which occur in their presence.

Tenth. Penalties for narcotic violations are neither commensurate with the seriousness of the crime nor sufficient to remove the profits.

(a) The maximum penalties under present laws of 5 years for the first offense, 10 years for the second and 20 years for the third are too low.

The Nation's illicit narcotics traffic grosses more than a half billion dollars per year. Heroin purchased abroad today for $3,000 will bring $300,000 when finally cut, packaged, and sold in the United States. We have evidence that, with the prospect of such enormous profits, Federal penalties are not sufficiently severe to deter unscrupulous persons from engaging in the traffic. Significantly, we have found that whenever and wherever the penalties are more severe and strictly enforced, the incidence of both addiction and narcotics offenses has decreased proportionately. Federal penalties for narcotics violations generally are lower than the penalties of the various States.

(b) Penalties for narcotics smuggling are unrealistic in view of the loss of lives and high profits which result.

Mr. McNAMARA. Mr. President, will the Senator yield?

Mr. DANIEL. I yield to the Senator from Michigan.

Mr. McNAMARA. I had the honor and pleasure of sitting with the Senator from Texas in the hearings held in Detroit. I wish to compliment him on the fine job he did in the investigation there, and I am sure throughout the country. Enforcement officials in our community were greatly impressed by the fair and judicious manner in which the committee conducted its hearings. I believe the Senator from Texas was in Detroit at about the time Thanksgiving Day was celebrated. As I recall he missed that holiday at his home.

Mr. DANIEL. I spent Thanksgiving Day in the city of the Senator from Michigan.

Mr. McNAMARA. I was sure the Senator did. I should like to ask the Senator a couple of questions.

What is the situation concerning juveniles? Has the Senator learned that a large percentage of juveniles receive narcotics?

Mr. DANIEL. The nationwide situation with reference to juveniles is encouraging. The number of juvenile addicts seems to be growing less in most areas of the country, except in New York City, Los Angeles, California, and perhaps in one city in Texas. In New York and Los Angeles there is an increase in juvenile addiction, but nationwide, so far as juvenile narcotic addiction is concerned, good progress is being made by parents, schools, and officials. However, the addiction is still too high, because 13 percent of the addicts are under 12 years of age.

Mr. McNAMARA. Does the Senator from Texas feel that the provisions of his bill will reach the peddlers who sell to juveniles?

Mr. DANIEL. Yes. I shall come to that in a moment when I report our general recommendations.

Mr. McNAMARA. I understood the Senator to say that the largest seizure of heroin in history was made in recent months. Do the recommendations reach the smuggler?

Mr. DANIEL. Yes.

Mr. BUTLER. Mr. President, will the Senator from Texas yield?

Mr. DANIEL. I yield to the Senator from Maryland, a member of the committee, and one who assisted in developing its findings and recommendations.

Mr. BUTLER. I had the privilege, as the Senator from Texas has stated, of serving with him on the subcommittee investigating the narcotics traffic. I attended the hearings held in Washington, New York, Austin, and San Antonio. I have never seen such devotion to duty as the Senator from Texas displayed. He held long hearings starting at 10 o'clock in the morning, and continuing until 6 or 7 o'clock at night. Then the Senator from Texas interviewed witnesses summoned for the next day long hours into the night, and then started again early in the morning. I have never seen a man who was fairer in the conduct of congressional hearings than was the Senator from Texas. I have never seen a man more thorough. My colleagues can depend upon it that when the general recommendations are before the Senate and the people of the United States, they will represent the best that can be done in this very important field.

Mr. DANIEL. I thank the distinguished Senator from Maryland. I must say to him that without his excellent assistance the committee could never have completed its work. Certainly it would have been impossible to complete it within the time set by the Senate. It is not necessary to ask for an extension beyond the January 31 deadline. I sincerely appreciate the work which the Senator from Maryland did on the committee.

GENERAL RECOMMENDATIONS

Mr. President, having in mind the findings I have enumerated, our subcommit-

tee is drafting specific legislation which will embody the following general recommendations:

INTERNATIONAL CONTROLS

First. That the Senate adopt a joint resolution urging all nations to ratify at the earliest possible time the 1953 Protocol which would limit the cultivation of the poppy plant, the production of, international and wholesale trade in, and the use of opium to the medical and scientific needs of the world. Further, that the United Nations be urged to expedite the final drafting of the proposed single convention which would modernize, codify, and replace existing conventions and protocols on narcotics.

Second. That the Senate adopt a joint resolution urging all nations which have not previously outlawed heroin—Albania, Bahrein, Belgium, France, Hungary, Italy, and Paraguay—to do so at the earliest possible time.

Third. That the Senate adopt a joint resolution urging the United Nations Laboratory, which tests samples of the opium seized in the illicit narcotics traffic to report the results of those tests, not only to the determined country of origin and to the country in which the drugs were seized, but also to the Commission on Narcotic Drugs of the United Nations.

Fourth. That the Senate adopt a joint resolution urging that the Division of Narcotic Drugs of the United Nations, recently moved to Geneva, Switzerland, be relocated at the United Nations Headquarters in New York, where the full force of wide public opinion can be brought to bear in the fight against the illicit narcotic traffic.

Fifth. That high level conferences be initiated between officials of the United States and Mexico for the purpose of agreeing to a treaty of cooperation and exchange of personnel for a mutual fight against the drug traffic across our common border, including provisions for extradition of narcotic violators and fugitives.

This recommendation is most important. I was grieved to know that our two countries, which have practiced the good neighbor policy, are not working together more closely in the effort to suppress the nefarious drug traffic. It is over the Mexican border that the illicit traffic flows most freely. We do not have such trouble on the Canadian border. Ninety percent of the heroin and 95 percent of the marijuana which comes into my State, and which goes from my State into other States, comes from Mexico. All witnesses agreed that it is not the braceros or the so-called wetbacks who are responsible for this traffic in drugs, but it is the professional smugglers. When the hoof-and-mouth disease existed in Mexico, our country sent financial aid and personnel to Mexico to save the lives of their cattle and to prevent spread of the disease to our own livestock. We should be ashamed that our countries have not worked together to oppose this traffic and thus save the lives of many human beings in this country.

Sixth. The next recommendation is that increased personnel be assigned to work with narcotic agents of other countries in a cooperative effort to stop at the source illicit dope shipments intended for the United States.

INCREASED PENALTIES

Seventh. That minimum and maximum penalties be increased for all violations of the narcotics laws, with greatly increased penalties for sales to juveniles.

I come now to the subject covered in the question asked by the Senator from Michigan [Mr. McNAMARA]. Our next recommendation is as follows:

Eighth. That heroin, the most deadly of all narcotic drugs, which is used by 80 percent of all drug addicts in the United States, should be completely outlawed. Federal laws should deal with heroin offenses not only as tax law violations but as criminal acts injurious to the peace, health, and welfare of the Nation.

In effect, heroin is outlawed at the present time, but not completely. The laws deal only with tax violations.

Ninth. That smuggling of heroin into this country and sales of heroin should be punishable by penalties ranging from a minimum of 5 years in the penitentiary to a maximum of death, when the death penalty is recommended by a jury.

Heroin smugglers and peddlers are selling murder, robbery, and rape, and should be dealt with accordingly. Their offense is human destruction as surely as that of the murderer. In truth and in fact, it is "murder on the installment plan," leading not only to the final loss of one life, but to the loss of the lives of others who acquire this contagious infection through association with the original victim.

The death penalty recommendation in this case would be a maximum, not a mandatory sentence. It would be available for extreme cases, such as that of the man who started 40 high-school students on the use of heroin, in San Antonio, Texas. Sheriff Owen Kilday there testified that San Antonio would be paying for the next 50 years for the actions of that narcotics peddler.

A possible death sentence as a maximum penalty would put greater fear in all persons who otherwise might think of smuggling this drug into our country or selling it to our children.

Mr. President, some of our judges do not look upon this crime as being in the same category as that of the crime committed by murderers. I have had one of the most distinguished judges in the Nation say to me, "Do not be an extremist in regard to this matter." But when I showed him how much the sale of heroin leads to the destruction of life, just as much as does the shooting of a person, and when I told him that I would rather have a man shoot my boy with a bullet from a gun, than "shoot" him with a needle of heroin, I think the judge was convinced that the sale of heroin should be put into the category it deserves. If we do not prescribe some minimum sentences, I am afraid that some other judges in the country will not realize the seriousness of this dope traffic.

For instance, only last month, in Boston there was a Federal judge who rejected the Government's plea for stiff sentences when 3 or 4 of the country's worst dope peddlers were before him. Let me read what the judge said from the bench, according to an editorial in the Boston-American of January 3, 1956. Mr. President, I ask unanimous consent that the entire editorial be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit B.)

Mr. DANIEL. I read from the editorial:

Turning down a Government plea for stiff sentences, Judge Wyzanski said:

"While I in no sense look upon this as a trivial offense, it is to me exactly like a bootlegging case, except it happens to be in drugs instead of in liquor, and I have no more moral view with respect to drugs than with respect to liquor.

"I am required to follow an act of Congress, and that act of Congress I intend to follow; but I don't think you need suppose I have a particular animus with respect to the topic."

The editorial then states:

He then sent three of the defendants to the penitentiary for the minimum prison term of 2 years provided by the act of Congress to which he referred. The fourth, the ringleader, he sent away for 3 years.

All of the defendants were guilty of crimes for which they could have been sentenced to long terms in prison.

The Government had asked a sentence of 10 years in one case, 5 in another, 3 in the other two, pointing out that the dope evil diminishes when heavy sentences are imposed.

Mr. President, let me point out that the men involved in that case were not new to the traffic; they were not first offenders. One was on bail on appeal from a sentence imposed in the State court for conspiracy in a narcotics case. He had a long record of arrests, and was an associate of Harvey "Mad Dog" Bistany and bank robber Teddy Green, now an inmate of Alcatraz. Another was an exconvict who had served State prison sentences for burglary, safebreaking, and other crimes, including carnal abuse of a child.

I have referred to this editorial and to the action of that distinguished jurist, simply to show why the Congress, which has gone into this matter, especially as it relates to the dangers of the heroin traffic, needs to prescribe higher sentences.

Mr. BENDER. Mr. President, will the Senator from Texas yield?

Mr. DANIEL. I yield.

Mr. BENDER. It was my privilege to sit with the distinguished Senator from Texas when his committee was in Cleveland, and to hear the testimony of the witnesses. I distinctly recall that witness after witness who appeared before his committee testified that it was necessary for them to steal, not a little money, but hundreds of dollars a day, in order to keep themselves supplied with this dope.

I say that the Senator from Texas in his committee has performed a great service, because on a State level we cannot cope with this problem. We need the legislation the Senator from Texas

recommends. I trust that Congress will act quickly on his suggestions and those of his committee.

Mr. DANIEL. I thank the Senator from Ohio.

Mr. MANSFIELD. Mr. President, will the Senator from Texas yield to me?

Mr. DANIEL. I yield to the Senator from Montana.

Mr. MANSFIELD. Did I correctly understand the Senator from Texas to say that a Federal judge in Boston, in imposing a sentence in a narcotics case, said, according to an editorial in the Boston American, that so far as he was concerned, the dope traffic was no worse than bootlegging?

Mr. DANIEL. That is correct.

Mr. MANSFIELD. Was he a Federal judge?

Mr. DANIEL. He was. Judge Charles E. Wyzanski, according to the Boston American of January 3, 1956, said:

It is to me exactly like a bootlegging case, except it happens to be in drugs instead of in liquor.

Mr. MANSFIELD. Mr. President, will the Senator from Texas yield further?

Mr. DANIEL. I yield.

Mr. MANSFIELD. Is it true that all the defendants in the case of that narcotics charge had criminal records; and that some, if not all of them, had previous records in dope-addiction cases?

Mr. DANIEL. That is true.

Mr. BUTLER. Mr. President, will the Senator from Texas yield to me?

Mr. DANIEL. I yield to the Senator from Maryland.

Mr. BUTLER. Is it not true that the committee had ample testimony, throughout the United States, that persons who become addicted, spread their addiction and engage in crime or do almost anything else in order to obtain money with which to purchase additional heroin?

Mr. DANIEL. That is correct. They are responsible for more than one-fourth of all crimes committed in the United States.

I say to the Senator from Maryland that I never realized what drug addiction in the United States meant until the committee held its hearings. Now I can understand why all persons should lock their homes and their cars. Now I can understand who does the shoplifting and the stealing, to support a half-billion-dollar narcotics traffic in this country.

Mr. BUTLER. Would the Senator from Texas not say there is a great deal of difference between unlawful sale of a narcotic drug and the unlawful sale of liquor?

Mr. DANIEL. There is no doubt about it. How any judge could look upon the two as the same, I cannot understand.

Mr. BUTLER. Will the Senator from Texas yield for a further question, Mr. President?

Mr. DANIEL. Yes.

Mr. BUTLER. Is it the intention of the Senator from Texas to make recommendations, a little later, in connection with the treatment of drug addicts and the possible incarceration of drug addicts?

Mr. DANIEL. Yes. This preliminary report will cover only our law-enforcement recommendations. Before January 31, we shall complete our recommendations, including the treatment, rehabilitation, and detention of addicts. We shall also have recommendations to improve the narcotics laws in the District of Columbia, which are now very ineffective.

Mr. BUTLER. Mr. President, I do not desire to impose upon the Senator's courtesy or to take too much of his time; but I believe it would be very useful, not only to the Congress of the United States, but also in regard to the education of our people generally, if the Senator from Texas would recite briefly one of the occurrences during the last day of our hearing in New York. I am referring particularly to three young persons who appeared before our committee, one of whom was a mother with a baby less than a year old. Without divulging the names, if the Senator from Texas would recite the circumstances in that case, I believe it would be helpful.

Mr. DANIEL. The Senator from Maryland will remember that an assistant Federal marshal had to hold the baby while that mother, 21 years of age, and her husband, age 24, and her brother of 17, came before us; all three appeared before us together. The husband started using heroin when he was 24. He spread the use of the drug to his wife, who was 21. She, in turn, spread the use of it to her brother, age 17. So we see how contagious drug addiction is. We see how it ran through that family, which was only one example of similar situations we found all over the country.

Mr. BUTLER. Is it not true that in order to obtain money with which to purchase heroin, so as to satisfy their appetite for it, they put that girl out on the streets of New York, to engage in prostitution?

Mr. DANIEL. Yes; she had led a life of prostitution to buy heroin. And our committee has been informed by police authorities since we had that hearing in New York, and since she stopped engaging in prostitution temporarily, after the baby was born, that she has gone back to prostitution to sustain the drug habits of herself and members of her family. As the Senator from Maryland knows, we found that situation to exist not only in New York, but all over the country.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. DANIEL. I yield.

Mr. KEFAUVER. I should like to ask the Senator a question while he is discussing the proposal for increased penalties.

Prior to 1952, the law with respect to narcotics dealers and peddlers allowed a Federal judge to suspend sentence, or to place violators on probation as many times as he might desire to do so. At that time Mr. Anslinger told us that the lack of enforcement, or the soft penalties in many judicial districts, had a great deal to do with the sizable amount of narcotics being sold and peddled in the United States.

During that year Representative Boggs and members of the then Senate Crime Investigating Committee recommended that sentences be stiffened so as to provide that after the first offense there should be a mandatory sentence of 2 years, which would double with each succeeding offense. I believe that is the law today.

After that time we had testimony by Mr. Anslinger and others to the effect that the stiffer sentences did help to keep down the traffic. Was that the finding of the committee?

Mr. DANIEL. Yes. We found that the traffic had been reduced wherever stiffer penalties were put into effect. Of course, the longer minimum sentences under the Boggs Act helped to a certain extent, but in too many instances we found minimum sentences being meted out to top narcotics racketeers when they deserved much longer sentences.

Mr. KEFAUVER. I agree with the Senator that, in view of our experience, there should be a further increase in penalties. However, I think it might be well if the law were to stipulate that the provision with respect to multiple violations refers also to convictions in State courts, as well as convictions in Federal courts. That is not now the law.

Mr. DANIEL. I agree with the Senator.

Mr. KEFAUVER. While we were trying to have the law amended, which we finally succeeded in doing, we were met with the argument, on behalf of certain distinguished lawyers—and no doubt the Senator has encountered the same argument—that the American Bar Association and certain members of the judiciary are definitely of the opinion that sentences ought to be left as elastic as possible; that judges should not be tied down by a requirement for minimum and maximum sentences; and that the decision as to what sentence is to be dealt out should be left to their discretion.

While that may be true generally, yet because of the heinous aspect of narcotics sales, the fact that peddlers go to judicial districts where they get off the lightest, and the fact that some judges may not fully appreciate the devastating effects caused by the sale of narcotics, particularly to children, I believe that this is an exceptional case. If we are to drive out narcotics violators, it would be much better if there were stiff mandatory sentences. I know that when the distinguished Senator meets that argument from the American Bar Association and from certain judges, he will arrive at the same conclusion. I hope that the position of the judges and the American Bar Association will not prevail. I hope the Senator will succeed in obtaining further amendments to increase the penalties under the Harrison narcotics law.

Mr. DANIEL. I thank the Senator. I certainly agree that we must have higher maximum and minimum penalties for this particular offense if we are ever to wipe out the narcotics traffic. There are too many judges who do not have the benefit of the knowledge which Congress has accumulated with respect to the

seriousness of this particular offense. Now, to our next recommendation:

Tenth. That offenses involving the smuggling of illicit narcotic drugs should be punishable under the narcotic laws rather than the general smuggling statutes, in order that the higher narcotic law penalties might apply, and in order that the cases might be counted among previous narcotic convictions.

ENFORCEMENT PROCEDURES

Eleventh. We recommend that a chapter be added to the Federal Criminal Code providing for:

(a) More liberal search and seizure provisions in narcotics cases. When Federal agents see the violation occur or have probable cause to believe that it is occurring, and in cases of consent searches, the agents should be permitted to make arrests without search warrants, and the Government should be granted right of appeal from Federal court decisions suppressing evidence thus obtained.

(b) Interception and admissibility of telephone communications in narcotics cases, with due safeguards, including the requirement of a sealed court order permitting such action. If there was ever an offense in which wiretapping was justified, it seems to me that it is justified in narcotics cases, provided the enforcement officers first go to a judge and obtain his permission, under sealed orders.

The big-time traffickers in illicit narcotics are seldom caught and convicted, because they avoid all direct contact with the peddlers and ultimate buyers. Their operations are almost wholly limited to the telephone. Federal agents are not permitted to intercept their communications or to use such evidence in court. As a consequence, the United States Government is unwittingly giving narcotics violators, especially the larger racketeers and wholesalers, a great advantage over the Federal law enforcement officers in their efforts to stamp out the illicit narcotics traffic.

As one witness said to us, with narcotics peddlers having the full use of all modern scientific inventions, including the telephone, and narcotics agents being unable to intercept their messages, the situation is like that in which an enforcement officer in a buggy is trying to chase a criminal who is driving a Cadillac.

(c) Stricter provisions for granting bond in narcotic cases and speedier trials. All over the country the subcommittee heard evidence that narcotic violators intensify their sales after arrest and while out on bond. One witness became the biggest marihuana wholesaler in New York while out on bond during the two years between conviction and the disposal of his appeal.

(d) Statutory authority for Federal narcotics agents to carry firearms, execute and serve search and arrest warrants, serve subpenas, and make arrests without warrants for narcotics law violations occurring or observed in their presence.

(e) Mandatory reports from all Federal officers and agencies to the Bureau of Narcotics of all narcotic addicts and violators who come to their attention, with pictures and fingerprints, in order that the Bureau may expand and complete its present record system and serve as a clearinghouse for information concerning such persons; further providing that this information shall be available for law enforcement purposes to State and local officials of all those States which require their officers and agencies to report such addicts and violators to the Federal Bureau of Narcotics.

It is vitally important that the names, addresses, pictures, fingerprints and records of all known narcotic addicts and violators be assembled in one central agency. A splendid effort is being made in this direction through a voluntary system of reports set up by Commissioner Harry J. Anslinger in cooperation with State and local officials, but the bureau has no authority to require these reports, and has not been given the authority, funds, or personnel necessary to expand and complete this vital record system.

Twelfth. We recommend that narcotic addicts, illegal users of marihuana and narcotic drugs, and convicted narcotic violators—other than aliens—be prevented from leaving the continental limits of the United States except under special procedures approved by the Secretary of State and the Bureau of Narcotics.

INCREASED PERSONNEL AND OPERATING FUNDS

Thirteenth. We recommend an appropriation for at least 50 additional agents for the Federal Bureau of Narcotics should be provided at the earliest possible time, with ultimate addition of another 50 agents to bring the total to not less than 350 agents.

The Federal Bureau of Narcotics, under the able direction of Commissioner Harry J. Anslinger, has done a splendid job in holding the narcotics traffic to its present level, considering its limited personnel and operating funds. The Bureau is one of the few Federal agencies whose personnel and funds have not been increased to meet the growing needs of our times.

Over a 25-year period a force of approximately 227 agents, with an average annual expenditure of less than $2 million, has enforced the narcotic laws of this country. This is entirely inadequate today, as evidenced by the fact that New York City alone has more full-time narcotic agents than the United States Government. Constant limitation of operating funds has seriously curtailed the activities of these agents in undercover investigations. The present force of 250 agents is 25 agents short of the number authorized by the Congress at the present time because of the inadequacy of its budget and appropriations, and at least 50 additional agents should be provided at the earliest possible moment.

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. DANIEL. I yield.

Mr. BUTLER. I have in mind a comparison that might well help our distinguished jurist in Massachusetts. It will be recalled that the people of the United States overwhelmingly voted to repeal the Volstead Act and the prohibition amendment and thus to permit the legal sale of alcoholic beverages. I do not believe it would be possible to find any person, aside from the addict or the peddler of narcotics, who would vote to give narcotics to our people.

Mr. DANIEL. Yes; that comparison is well made. The editorial which I asked permission to have printed in the RECORD at the conclusion of my remarks makes that particular point very clear.

OTHER RECOMMENDATIONS

During the next few weeks the subcommittee will make other findings and recommendations concerning treatment and rehabilitation of narcotic addicts, barbiturates, amphetamines, and special laws applying to the District of Columbia.

CONCLUSION

Mr. President, in concluding this preliminary report, it should be stated that our Federal officials and agencies have done the best that they could to combat the narcotics traffic with the laws, procedures, personnel, and funds at their disposal. In spite of their efforts, they have been handicapped to such an extent that narcotic addiction and the illicit dope traffic continue to increase in many parts of the Nation and present a most shocking and serious problem.

It is to be hoped that the facts produced by our subcommittee, together with the evidence adduced by a House Ways and Means Subcommittee, under the chairmanship of Representative HALE BOGGS, of Louisiana, will result in the enactment of legislation and provide appropriations necessary to remove the illicit narcotics cancer from our society. If the Congress fails to act, it must accept a great part of the responsibility for the continuation and possible increase of the problem in the future.

Mr. President, I wish to thank my colleagues on the subcommittee and the members of our staff for their excellent work and cooperation.

I refer especially to Mr. C. Aubrey Gasque, who is general counsel of our subcommittee, and to Mr. Lee Spear, chief investigator of the subcommittee, whom we were fortunate enough to obtain from the Bureau of Narcotics, where he has served with distinction for 18 years.

Especially do I thank the Senator from West Virginia [Mr. KILGORE], chairman of the Senate Judiciary Committee, for his cooperation and assistance to our subcommittee throughout its arduous task.

The conduct of this investigation has been the most tiring and trying experience of my 15 years of public service. This was due in some degree to the wanton, criminal, and sometimes threatening attitudes of some of the racketeers, smugglers, and murderers who appeared before our subcommittee, but even more to the heartaches caused by the dozens of drug addicts who confessed the crime and destruction which had blackened and destroyed their minds and bodies.

If the Congress acts, partially as a result of our investigation, this experience will have been the most satisfying of my public service—though tiring and

trying—because it will be a great service to humanity. If the illicit drug traffic of our country can be cut to the irreducible minimum, we will have saved many of our citizens of today and tomorrow from the worst type of moral and human destruction.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. DANIEL. I yield.

Mr. MONRONEY. I should like to take this opportunity to express my appreciation for the splendid report the distinguished junior Senator from Texas has just made on the narcotics evil. I know of the tremendous amount of work he did on this and many other subjects at the time he was conducting the day and night searching inquiry which he and his other committee members and the staff did on this subject.

Certainly, Mr. President, having this report prepared and ready in such a clear and concise manner, together with the recommendations of the committee, at the opening of the second session of the 84th Congress, will enable Congress to find ways of attempting to eliminate much of the narcotics traffic which is destroying so many of our young people and adults. We are grateful to the distinguished junior Senator from Texas for his service.

Mr. DANIEL. I thank the Senator from Oklahoma.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. DANIEL. I yield.

Mr. LANGER. I notice that the Senator said nothing in his report about the marihuana weed. I wonder whether the omission was an inadvertent one, or whether the present statute on the subject is sufficient.

Mr. DANIEL. The present statute prohibits the smuggling of marihuana into this country. The statute does permit the growing of the marihuana plant for the purpose of making hemp, but not for any other purpose. We recommend increased penalties for violations of these laws.

Mr. LANGER. What is the punishment for violating the laws relative to the growing of marihuana?

Mr. DANIEL. The committee recommends that the penalties for violating the marihuana laws be raised considerably. I would be willing to include marihuana sales, along with heroin, as being punishable with the death penalty. Certainly I believe that the use of the flowering tops or leaf, which contain the narcotic element of the plant, should be outlawed in our country, just the same as heroin.

Mr. LANGER. I wonder whether the Senator would go so far as to make an additional recommendation providing a penalty for growing the weed. In other words, as I understand, the plant is sometimes grown in 5- or 6-acre plots, and it is very easy for a high-school boy or girl to get hold of it and thus form the habit.

Therefore I wonder whether there would be any objection on the part of the Senator from Texas to investigate the matter further in an effort to determine whether that narcotic should also be outlawed.

Mr. DANIEL. We have investigated the matter thoroughly. We believe it would be impossible completely to outlaw the growing of marihuana in this country, inasmuch as the objection to outlawing it completely comes from those who grow the plant under Government permit for commercial use. Several processors in this country use the stem of the plant, not the leaf or flower seed, for manufacture of rope. Of course, no one today may legally grow marihuana except under Government permit, and the statute on that point should be strengthened. When we submit specific proposed legislation on the subject we shall cover that point.

Mr. LANGER. I believe the Senator from Texas will agree with me that Congress has never done its full duty in dealing with the narcotics traffic.

Mr. DANIEL. I agree with the Senator. It was a shocking surprise to me and to the other members of the committee to learn that our laws are not adequate to meet the narcotics menace in our society.

Mr. LANGER. The Senator from Texas knows that when I was chairman of the Committee on the Judiciary for 2 years, at the time the Senator became a member of the committee, I discovered that Congress had not studied the narcotics laws recently or sufficiently. I thought that Congress had made the penalties too small. The Senator will remember that I asked for the appointment of a subcommittee and that I made a motion that the Senator obtain a sufficient appropriation for his subcommittee.

Mr. DANIEL. The Senator is correct.

Mr. LANGER. May I inquire how much of that appropriation has been used?

Mr. DANIEL. The Senate authorized $50,000, and the subcommittee has expended more than $25,000 of that appropriation. When all of our bills are paid, we shall turn back about $15,000 of the appropriated money.

Mr. LANGER. From the discussion I have had with the Senator from Texas, I feel that the amount for use in the next fiscal year ought to be much greater than the amount previously appropriated. Would the Senator agree with me or disagree with me on that point?

Mr. DANIEL. I do not believe that more money is needed. I believe that our standing Subcommittee on Improvements in the Federal Criminal Code, which is the subcommittee that conducted the investigation, could keep abreast of the narcotic traffic and any laws which might be enacted under our regular budget and without any special appropriation. I believe an appropriation of $30,000 for our subcommittee's normal work would be quite sufficient.

Frankly, I believe that sometimes the larger the staff the less work is accomplished. We conducted our investigation with only two full-time professional employees, a general counsel and a chief investigator, and two secretaries. We recently had to employ another lawyer, on a temporary basis, to help us draft our legislation, and he is working with us now. Frankly, as chairman of the subcommittee, I would rather have the Subcommittee on Improvements in the Federal Criminal Code receive an appropriation along the line I have suggested and work with a small staff. This enables the committee to work with the staff directly. I believe it is very important in investigations of this kind for the members of the subcommittee to be able to work directly with the staff. Therefore I would not be inclined to agree that we would need more money, although I appreciate the Senator's willingness to entrust us with additional funds.

Mr. LANGER. I am sure the Senator is familiar with the article which appeared in a recent issue of Collier's magazine, in which it was stated that some California authorities have said it was impossible to enforce the anti-narcotic statutes in the State of California and to prevent narcotics coming in from Mexico. I presume the Senator has read that article.

Mr. DANIEL. Yes.

Mr. LANGER. In the article it was stated that no matter how many people were hired, they could not prevent heroin and marihuana from coming into the United States. Does the Senator believe that is a fact?

Mr. DANIEL. No; I do not agree with that statement, because during World War II the narcotics traffic in this country did a nosedive. We were watching everything so closely during World War II that the narcotics traffic went down to the lowest point it ever reached in our history. I believe that whenever we have the personnel to watch it and stop it at its source, the traffic can be stopped. If that cannot be done, we are just wasting time trying to legislate.

Mr. LANGER. I believe that the amount appropriated is entirely inadequate, and I should like to see a sufficient appropriation. It does not mean that the committee has to use it all, but it does mean that if circumstances should arise which would cause the committee to need more money to acquire additional help, such as additional lawyers and investigators, the money would be available, instead of having to come back to the Senate for more funds. Merely because an appropriation is made, does not mean it has to be spent. Indeed, the Senator from Texas has just stated that he is turning back some of the money authorized at the last session.

Mr. DANIEL. I know the Senator's views and I appreciate them very much, but the narcotics investigation is completed. I do not want the Senate to think that we want to continue this investigation further, because I am afraid it would delay the legislation which is required. We have gone far enough to enable us to submit recommendations. Bills are already pending, including one introduced by the distinguished Senator from Maine [Mr. PAYNE] last year, which was sent from Finance to our committee after the investigation started. I would not mind seeing our standing committee have sufficient money to sustain its operations in connection with all kinds of legislation, but I would not want the

Senator from North Dakota or any other Senator to feel that we are not now ready to recommend legislation, because I am convinced that we are ready to go.

Mr. LANGER. As a member of the KEFAUVER committee dealing with juvenile delinquency, I may say that we ran into the narcotics problem time and time again, as I think the Senator from Tennessee will verify. Whether we were in Chicago or on the west coast or in New York City, we constantly ran into that problem. I cannot see how a complete and full investigation, such as should be made, can be made for the sum of $30,000. Certainly lawyers must be paid $12,000 or $14,000 a year, and I still feel that the committee should be adequately financed. The subcommittee of which the Senator from Texas is chairman is one of the most important subcommittees of the entire Judiciary Committee.

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. LANGER. In a moment.

I hope the Senator from Tennessee will give the Senator from Texas some instances which developed in our investigation. For instance, at El Paso, Tex., where there is a large area, approximately 2,000 acres of land, which is claimed by both Mexico and the United States, we found a large number of persons who were bringing heroin and marihuana into the United States. In our hearing there, the mayor of El Paso and the mayor of Juarez, across the border, both testified that they did not know what to do about the 2,000 acres of land. A young Catholic priest testified about the great damage that was being done by the bringing of heroin and marihuana into the country.

I hope the Senator from Texas will read some of the testimony given before the KEFAUVER committee.

Mr. DANIEL. I have done that and we have included that in our consideration. I may say to the Senator that one of the reasons we have been able to complete our work with a small expenditure is that not only did we interview 345 witnesses, but we sent out questionnaires to all the attorneys general of the States, and possessions, to 94 United States attorneys, more than 1,100 county sheriffs, 1,336 chiefs of police, and a large number of other officials, and received replies from most of them. Most important, we had the results of the KEFAUVER committee which held hearings in El Paso, and of the District of Columbia Committee with reference to Washington, D. C., and we made that evidence a part of our record. So the work done previously by other committees is partially responsible for our being able to do this job in record time and with the small amount of funds available.

Mr. BUTLER. Mr. President, will the Senator from Texas yield?

Mr. DANIEL. I yield.

Mr. BUTLER. I have already told the Senator from Texas what a remarkable job he has done, and I would say to the Senator from North Dakota that it has been done so inexpensively because of the untiring work and devotion displayed by the Senator from Texas. I worked with him in Washington, New York, and four cities in Texas, and he worked every day I was with him from 12 to 14 hours a day. I have never seen a man devote himself to a problem so completely and do such a wonderful and efficient job as did the Senator from Texas.

Mr. LANGER. Mr. President, I wish to say to my distinguished friend from Maryland that I have served on committees with the Senator from Maryland and I have seen him work from 12 to 14 hours a day, as has the Senator from Tennessee [Mr. KEFAUVER]. Nevertheless, I would rather see additional funds authorized.

Members of committees have to stay at good hotels; they have to hire competent men, able assistants. When we consider $30,000 for the whole year to investigate a very important problem such as is this one, I think the amount is entirely inadequate. I, for one, wish the Senator from Texas to know that if I have the opportunity, I shall vote for a much larger appropriation than $30,000, knowing full well that the committee will not use it unless it is necessary.

Mr. DANIEL. I thank the Senator from North Dakota.

Mr. ELLENDER. Mr. President, will the Senator from Texas yield?

Mr. DANIEL. I yield.

Mr. ELLENDER. Mr. President, I wish to join my good friend from Maryland [Mr. BUTLER] in the compliments he has just paid my good friend from Texas [Mr. DANIEL]. I tried to reduce the amount of appropriations, and I am glad to note that the distinguished Senator from Texas has not only returned to the Treasury $15,000, but, as I understand, the committee has completed its work and the Senator is to be highly complimented for it. I know he has done a good job. I feel confident that the money has been very well spent.

Mr. DANIEL. I thank the Senator from Louisiana. But is the Senator from Louisiana under the impression that he tried to reduce this appropriation?

Mr. ELLENDER. I had that in mind.

Mr. DANIEL. This is one which the Senator did not try to cut.

Mr. ELLENDER. I was speaking generally.

Mr. DANIEL. The Senator overlooked this one, and we are going to return some money to the Treasury.

Mr. O'MAHONEY. Mr. President, will the Senator from Texas yield?

Mr. DANIEL. I yield.

Mr. O'MAHONEY. Mr. President, I asked the Senator to yield, first, in order that I might express my regret that I was not in the Chamber when he began making his report on his investigation. That was due to circumstances beyond my control. I wanted to be present during his entire presentation.

I want, however, having been a member of the subcommittee of which the junior Senator from Texas [Mr. DANIEL] has been the chairman, to make it a matter of record, that, in my long experience as a Member of the Senate, I have never seen a committee handled more efficiently, more expeditiously, and more wisely than this subcommittee has been handled by the junior Senator from Texas.

He gathered his staff about him, after consultation with the other members of the subcommittee. The staff was a staff of rare efficiency. They cooperated with the committee at all times and were very efficient in following leads and producing testimony.

I agree with all that has been said about the need for appropriations to enable the committee to function as well as possible and to secure all the facts which are needed, particularly upon a subject of this kind, which is of such great importance to the youth of the land. I feel, however, that those who read the report of the subcommittee will immediately come to the conclusion that there are legislative steps that can be taken almost at once which will do very much to put an end to the traffic in narcotics, particularly heroin, or which will at least make a substantial reduction in such traffic.

I have no doubt that the junior Senator from Texas has mentioned the fact that there are high-bracket racketeers who are not themselves users of heroin or any other narcotics, but who still, because they find it a very profitable enterprise, are not above using addicts to distribute the narcotics, and to distribute them even among children attending schools in various areas of the Nation.

I am certain the Senator from Texas has reported that the committee found that the international bridges into Mexico are being traversed by known addicts, who go from the United States into Mexico for the purpose of buying narcotics and who then smuggle them back into the United States. In my judgment—and I think the Senator from Texas will agree—known addicts could easily be prevented from indulging in this traffic if the proper legislation existed to staff the Narcotics Bureau with the personnel it needs to do the work.

But more important than that, it is my judgment that Congress should not hesitate to legislate to provide the death penalty for the unspeakable racketeers, who not being themselves victims of any narcotic drug are nevertheless still willing to sow the seeds of this habit, which is so destructive to the character, the morals, and the health of those who become the victims of its use.

I wish to make it of record in the congressional report of this debate that the junior Senator from Texas has done a magnificent job in conducting and in carrying on this investigation. He has assumed a responsibility and has discharged it with great success. I shall be very happy to continue to support him in the committee with respect to proposed legislation which I feel should be introduced, in addition to what has already been introduced. Perhaps the bills which have been introduced should be amended to take advantage of the facts which have been developed by the subcommittee. There is no excuse for Congress not taking sufficient time to give legislative authority to the Narcotics Bureau to stamp out this terrible and vicious traffic.

I cannot take my seat without adding just this word: I am certain the junior Senator from Texas will agree that the subcommittee has received cooperation

from all the State officials of the various States into which we have gone. Is that not correct?

Mr. DANIEL. The Senator is correct.

Mr. O'MAHONEY. The States are doing their best to stamp out the narcotics traffic, but this is a national problem because the principal source of these drugs is beyond the borders of the United States.

Mr. DANIEL. That is correct. I thank the Senator from Wyoming, not only for his kind remarks concerning the chairman of the subcommittee, but also for the excellent way in which he has assisted, as a member of the subcommittee, in adducing the facts and in bringing forth the preliminary report which we have made today. The chairman of the subcommittee has leaned heavily upon the junior Senator from Wyoming, and certainly appreciates his excellent service.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. DANIEL. I yield.

Mr. JOHNSON of Texas. I wish to associate myself with the very fine statement made by the able Senator from Wyoming [Mr. O'MAHONEY] regarding the work of the subcommittee headed by my colleague, the Senator from Texas [Mr. DANIEL]. I have observed the work of the subcommittee ever since it was created. I have followed it as closely as I could, under the circumstances.

I have been very proud of the work of the chairman of the subcommittee, the members of the subcommittee, and the staff. I know of no better field for study than the one which has occupied their attention.

I think all Members of the Senate, on both sides of the aisle, can follow the able junior Senator from Texas in the constructive program he has outlined, and perhaps before this session shall be concluded we will have come to grips with this very serious problem which has done so much damage to the Nation.

Mr. DANIEL. I thank my distinguished colleague from Texas.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. DANIEL. I yield.

Mr. KEFAUVER. I should like to ask the Senator a question before making a brief observation.

Throughout the Nation today there is a great and continuing interest, federally, statewide, and locally, in the effort to eradicate organized criminal elements. I think there has been some improvement, and that some of the big gangs are no longer existent. The nationwide wire service is not operating.

It seemed to me, when we were making a study of the matter, that illegal gambling and the trade in narcotics were the two activities which were the backbone of the organized criminal empire in the United States, and that whatever was done to break up the narcotics trade would also break up organized crime generally. Is that the conclusion of the able junior Senator from Texas and his subcommittee?

Mr. DANIEL. I would certainly agree with that statement. I commend the distinguished senior Senator from Tennessee for all the work he has done in the past against organized crime, and for the evidence which his committee gathered, even years ago, that we were able to use.

Mr. KEFAUVER. I may say, further, that it has been my great pleasure to have been associated with the junior Senator from Texas for a long time in his general effort to better law enforcement and to rid his State and the Nation of the criminal element, especially the group which has been dealing in narcotics.

I remember with a great deal of interest that back in 1950 the junior Senator from Texas, who was then the attorney general of Texas, called the first statewide meeting of all district and county prosecutors in his State to talk over methods of better handling their cases and of investigating and ferreting out the criminal element in his State.

That conference which the distinguished Senator, as attorney general of Texas, called, and the association which he formed were two of the outstanding local efforts in law enforcement that we found in the entire United States.

As chairman of the Committee To Investigate Crime, I wish to congratulate the chairman and the other members of the subcommittee. I do not know of any committee which I have observed and followed which has done its work better and more conscientiously, or which has more quickly come forth with legislative recommendations, than has the subcommittee headed by the distinguished junior Senator from Texas.

For my part, I certainly would be glad to join with my distinguished colleague, the distinguished senior Senator from North Dakota [Mr. LANGER], who in all these matters has been a bulwark of support to all of us who have dealt in these related fields, in voting for more funds, if the junior Senator from Texas wants more funds, to carry on this important work. The Senator from Texas will soon make legislative recommendations. I think it is the duty of Senators who are members of the various committees which will consider such bills to expedite their consideration. I feel certain they will receive early consideration by Congress.

It is a job well done. I compliment and commend the distinguished chairman and the members of his subcommittee.

Mr. DANIEL. I appreciate the kind words of the distinguished Senator from Tennessee.

Mr. PAYNE. Mr. President, will the Senator from Texas yield?

Mr. DANIEL. I yield to the Senator from Maine.

Mr. PAYNE. It is my desire to join my fellow colleagues in expressing very high commendation of the distinguished junior Senator from Texas, who has served as chairman of the special subcommittee dealing with the subject of the narcotics problem in this country. It has been stated that he has been a very hard worker in connection with the activities of that subcommittee, but having known PRICE DANIEL for a number of years, having had a chance to observe him, as has been stated by other Senators, when he served as attorney general of Texas, and also having had the pleasure of serving with him in the Senate for the past 3 years, it is no more than what one would expect of one who has devoted himself so wholeheartedly to public service as has the junior Senator from Texas.

I know it will be pleasing to the Members who cosponsored the proposed legislation introduced by me last January, in connection with certain problems relative to the narcotics situation, to learn of the specific recommendations which have been made by the distinguished Senator from Texas, together with the members of the subcommittee, which recommendations have been pointed out so clearly to the Senate of the United States.

It is certainly my hope that when legislation is drafted by the subcommittee and brought finally to the floor for consideration, not too much delay will be experienced in getting at the very heart of some of the recommendations with reference to stiffer penalties and greater authority which should be given to the narcotics agents of the Bureau, so that they can do even a better job than they have been able to do up to the present moment in trying to stamp out the nefarious narcotics traffic which is plaguing the country today.

Again I wish to pay highest commendation to a very distinguished Senator, the chairman of the subcommittee, for the outstanding work he has carried on in behalf of the Senate.

Mr. DANIEL. I sincerely thank for his kind remarks the Senator from Maine, and for having been among those who first interested me in this matter by the introduction of his bill early last year.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. DANIEL. I yield to the Senator from Wisconsin.

Mr. WILEY. I am very happy to join Senators who have paid compliments to the junior Senator from Texas [Mr. DANIEL] for his fine work. I am glad he chose to carry on the work started some years ago. Probably the worst thing in the world is a bad idea; the next worse thing is drugs. I am glad to have an opportunity to compliment him for his fine work.

Mr. MANSFIELD. Mr. President, will the Senator from Texas yield?

Mr. DANIEL. I yield, Mr. President. After that I shall yield the floor.

Mr. MANSFIELD. I wish to join my colleagues in commending the distinguished junior Senator from Texas for the fine work which he has done in investigating the narcotics problem as it affects our own people. I think he is to be commended, not so much for spending so little money, not so much for getting the job done before the time for his committee's work expired, but for the effective manner in which he has brought to our attention recommendations which should be enacted if the insidious problem of narcotics misuse is to be solved.

I should like to ask the distinguished Senator from Texas a few questions.

Can the Senator tell the Senate how many members comprise the personnel of the Federal Bureau of Narcotics?

Mr. DANIEL. Of the entire Federal Bureau of Narcotics?

Mr. MANSFIELD. Yes.

Mr. DANIEL. About 252. That is fewer than the narcotic agents employed by the city of New York.

Mr. MANSFIELD. The Senator was anticipating my next question. How many agents are on the narcotics squad of the city of New York?

Mr. DANIEL. About 300.

Mr. MANSFIELD. How many does the city of Los Angeles use?

Mr. DANIEL. Los Angeles has more than 100, but I do not remember the exact number.

Mr. MANSFIELD. How many narcotics agents does the Government have overseas?

Mr. DANIEL. The Narcotics Bureau has five narcotics agents overseas. There is 1 part-time man in Mexico and 3 customs agents in the Far East. That makes a total of eight.

Mr. MANSFIELD. The Senator has stated that the sources from which heroin is derived are Lebanon, Turkey, Red China, and Mexico. Is that correct?

Mr. DANIEL. Those are the main sources.

Mr. MANSFIELD., Yet this Government has only a total of 5 agents overseas to try to tap these sources?

Mr. DANIEL. There is a total of eight who are doing either full-time or part-time work in that field.

Mr. MANSFIELD. And the Federal Government has a considerably lesser number in its entire Federal Bureau to deal with the problem than has the city of New York alone.

Mr. DANIEL. That is correct.

Mr. MANSFIELD. I hope the Senator in his recommendations will see to it that the moderate advance which he proposes for increasing personnel will be extended somewhat, so Mr. Anslinger's Bureau, which has such a terrific responsibility, will be enabled better to perform its duties, which will inure to the benefit of all. I thank him again for having served his country so well.

Mr. DANIEL. I thank the Senator from Montana. I especially appreciate the valuable information which he supplied to the committee as a result of his trip to the Far East.

Mr. GORE. Mr. President, will the Senator from Texas yield?

Mr. DANIEL. I yield to the junior Senator from Tennessee.

Mr. GORE. I know the Senator from Texas does not want to prolong the debate, but I wish to compliment him for his speech. I am impressed by his fine record and by his recommendations, and am ready to stand shoulder to shoulder with him at the wheel.

Mr. DANIEL. I thank the junior Senator from Tennessee for his compliments.

Mr. President, I yield the floor.

[From the Washington Post and Times Herald of January 8, 1956]

EXHIBIT A

TWO-HUNDRED-DOLLARS-A-DAY SHOPLIFTING FOR DOPE CHARGED TO THREE—SUSPECT ARRESTED IN WRECKED POST OFFICE

Three men who told Prince Georges County police they used proceeds of a $200-a-day shoplifting operation to buy narcotics were jailed yesterday on larceny charges.

One of the men, William Blakey, 25, listed at 247 14th Street SE., was booked on an additional charge of possessing narcotics paraphernalia.

The other two were identified as Herbert C. Dickerson, 24, of 1233 Morse Street NE., and Anderson Jones, 25, of 2542 13th Street NW.

All three men were jailed in lieu of $500 bond each, Prince Georges County police said, and an additional bond of $2,000 was set for Blakey on the narcotics charge.

The trio was rounded up after Bladensburg police Pvt. Frank E. Thombs spotted the men getting into their car with a portable record player taken from a nearby Drug Fair at 4920 Annapolis Road about 5:30 p. m. Friday.

Thombs gave chase and the fleeing suspects sideswiped one automobile and crashed head on into a second. They then dashed into a wooded area in the 4300 block of Edmonston Road.

Prince Georges Pvt. Yorke Flynn Jr., arrested Dickerson near the crash scene after about 15 policemen searched the area for an hour. Blakey was arrested when he walked into the Hyattsville police station about 3 a. m. and reported his car stolen.

Jones was picked up by the District narcotics squad yesterday and turned over to Prince Georges police. Detective Sgt. Emmett F. Gray said he found several needles and a capsule of narcotics in Blakey's car.

Gray reported that all three men told police they took $12 in cash from washing machines in Chillum, Md., area apartments on Friday. Gray added that the men told police their daily "take" from shoplifting and washing machine coin box thefts amounted to about $200 a day.

Gray said Dickerson told him he had been using narcotics since 1946 and had a $25-a-day habit. Hearings for all three suspects were set for 9:30 a. m. Monday in Hyattsville Police Court.

A man found lying unconscious and bleeding on the table of a Georgetown branch post office, amid a shambles of upturned ink bottles, scattered letters and packages, was charged with housebreaking yesterday.

Held at District jail was James A. Warren, 28, who told police he lived at 2324 G Street NW.

Police reported that Warren was found about 5 a. m. in the branch post office at 1215 31st Street NW., by Philip C. Randall, of 737 Rock Creek Church Road, NW.

Randall called police after he noticed the front door glass had been smashed, looked in and saw Warren stretched out on a table with the branch office in complete disorder, police said.

Warren, who came out fighting when he was awakened, was taken to District General Hospital and treated for superficial cuts about the body, police reported.

Police said Warren denied ever being in the postoffice branch and couldn't say where he had been for the previous 24 hours.

Three empty 5-gallon milk cans found inside the post office apparently had been thrown through the glass door, police said. They added that several spots of blood were found inside along with broken fluorescent lighting, pens broken in two, mail racks tipped over.

Nothing was reported missing after a checkup, police said. A municipal court hearing on the housebreaking charge was set for Thursday.

EXHIBIT B

[From the Boston American of January 3, 1956]

JUDGE WYZANSKI'S VIEWS ON DRUGS

United States Judge Charles E. Wyzanski recently expressed and demonstrated his philosophy with respect to drugs and drug peddlers.

It seems to us to be a strange one and, emanating from the bench, perhaps a dangerous one. At least it deserves examination.

At a session of his court in Boston, four members of the underworld stood before him for sentence. They were confessed dealers in heroin, and were described by the United States attorney as bigtime operators representing the most important arrests made by the Bureau of Narcotics here in 10 years.

Turning down a Government plea for stiff sentences, Judge Wyzanski said:

"While I in no sense look upon this as a trivial offense, it is to me exactly like a bootlegging case, except it happens to be in drugs instead of in liquor, and I have no more moral view with respect to drugs than with respect to liquor.

"I am required to follow an act of Congress, and that act of Congress I intend to follow; but I don't think you need suppose I have a particular animus with respect to the topic."

He then sent 3 of the defendants to the penitentiary for the minimum prison term of 2 years provided by the act of Congress to which he referred. The fourth, the ringleader, he sent away for 3 years.

All of the defendants were guilty of crimes for which they could have been sentenced to long terms in prison.

The Government had asked a sentence of 10 years in 1 case, 5 in another, 3 in the other 2, pointing out that the dope evil diminishes when heavy sentences are imposed.

These beneficiaries of Judge Wyzanski's attitude were no neophytes in crime. One was on bail on appeal from a sentence imposed in the State court for conspiracy in a drug case. He had a long record of arrests and was an associate of Harvey "Mad Dog" Bistany and bank robber Teddy Green, now an inmate of Alcatraz.

Another was an ex-convict who had served State prison sentences for burglary, safebreaking, and other crimes including carnal abuse of a child.

Another had convictions for larceny, beating up a cop, conspiracy, and other crimes.

The fourth also had a record of arrests on various charges, including a pending case of assault with intent to kill.

Their arrest was described to the court as the most important of 27 made by Federal agents after a 14-month investigation costing thousands of dollars. Less important defendants had earlier received much longer sentences at a session of court presided over by another judge.

Engaged in a traffic which is the source of the deepest possible human degradation, this quartet, it seems to us, got off far too lightly.

A philosophy which places heroin and liquor—dope peddling and bootlegging—in the same category does not reflect the attitude the American people have expressed through acts of Congress and the legislatures of the States.

The manufacture, sale, and use of liquor is legal in all except two States, and Federal taxes collected on it are one source of the Government income from which Judge Wyzanski's salary is paid.

The importation and manufacture of heroin were outlawed by Congress in 1922. As the cause of devastating human misery, it has since been banned by every nation in the world but five.

Congress established a minimum jail sentence of 2 years for a first offense of dealing in heroin. Under title 26, section 5691 of the United States Code, Congress set a maximum sentence of 2 years for 1 offense of bootlegging.

Congress, at least, demonstrated a particular animus on the topic of heroin.

Judge Wyzanski's expressed concept of the respective problems embraces a dangerous

philosophy if it leads drug peddlers to increase their activities in expectation of minimum sentences in the courts in the event they are caught.

It will give no aid to the morale of those who are working hard, long, and often dangerously to wipe out the evil of drug traffic and the horror of drug addiction.

THE ADMINISTRATION'S AGRICULTURAL PROGRAM — MESSAGE FROM THE PRESIDENT (H. DOC. NO. 285)

The PRESIDING OFFICER (Mr. McNAMARA in the chair) laid before the Senate the following message from the President of the United States, which was read, and referred to the Committee on Agriculture and Forestry.

(For President's message, see House proceedings of today.)

THE PRESIDENT'S MESSAGE ON AGRICULTURE

Mr. ELLENDER. Mr. President, so far as I can see, the recommendations in the President's agricultural message as a whole differ from most of the proposals made to the Committee on Agriculture and Forestry only in their order of importance. The message contains nothing new. I am glad to note that the administration has come to a realization of the fact that our farmers as a whole are in bad shape. If the hearings which were held last fall by the Senate Agriculture Committee did nothing more than point up the problems facing our agriculture, they were not held in vain.

The President has placed much emphasis on the soil bank proposal. Evidently he would make participation in the soil bank voluntary.

Unless the incentives in both the acreage and conservation reserves are large enough, I doubt that enough farmers will agree to withdraw from production sufficient acres to appreciably diminish our surpluses, as outlined by the President.

I believe the soil bank would be more effective if price-support benefits were conditioned upon the compliance of farmers with its acreage-reserve features.

The President has also recommended a dollar limit on price supports. This has been proposed many times; and, so far, no adequate formula has been devised. It strikes me that instead of placing a limitation on the gross amount paid to any one farmer or farming unit, payments should be made on a graduated basis, with price-support levels decreasing as production increases.

Discretionary price supports for rice are also included among the President's recommendations. It is my hope that a two-price system for rice can be tried. The rice industry wants a two-price plan; and if it is workable, it would be preferable to a discretionary support program.

I agree with President Eisenhower that production of quality commodities should be encouraged. However, I would favor offering greater incentives in order to achieve this goal. Instead, price supports on readily salable commodities should be "flexed" upward from 90 percent of parity. On the other hand, in order to discourage production of poor-quality products, support levels should be "flexed" downward from 90 percent of parity to, say, a minimum of 50 percent.

Mr. MUNDT. Mr. President, the President's farm message to Congress presents bold, positive, and constructive new changes in our overall farm program. It gives bright hopes for a better future for our American farmers.

The soil-bank proposal should receive unanimous support of the Congress. The two doors leading into the soil-bank program will permit us to move forward to an era of substantially improved net income for our farmers and a restoration of the improved price relationships existing when the laws of supply and demand are not impeded by unmanageable stores of agricultural surpluses.

The two approaches to the soil-bank program provide, first, a comparatively brief program of sharply reduced surpluses of stipulated basic crops by providing financial incentives for our farmers to voluntarily reduce the planting of allotted acres; and, second, the comparatively longer program of improving land use for storing moisture and soil fertility to meet the ultimate needs of our rapidly growing population for any emergency calling for expanded production.

For any farm program to operate effectively, we must attack vigorously and successfully the problem of unmanageable surpluses.

The suggestion for storing fertility right in the soil to be released when needed, and reimbursing cooperating farmers by utilizing existing surpluses to prevent production of new surpluses is based on commonsense and sound public policy. It will also serve to extend the benefits of the Government program to other crops and to livestock producers.

The double-barrel approach to the soil-bank program contains the following constructive features:

First. It will help balance agricultural production with effective market demand and correspondingly higher prices for American farmers. Overall production will be decreased for several years.

Second. Fertility and subsoil moisture would be stored in the ground. The emphasis on conservation protects the great basic resource of this country—namely, our precious topsoil.

Third. The program expands the benefits of a Government farm program to producers of nonbasic crops and of livestock.

Fourth. It will facilitate a sharp reduction in the Government's inventory of certain surplus commodities.

Fifth. It provides—without additional costs to the farmers—rich benefits in the form of crop insurance, since payments received by cooperating farmers will be made to them in seasons of short crops and droughts as well as seasons of bountiful harvest.

The fact that this program is a voluntary one should be kept in mind. Each producer will have an opportunity to decide for himself how he can best fit his farming operations into the program. Undoubtedly, not all farmers will decide to sign up. It is important, therefore, that Congress include enough incentives and that there be wise administration in order to attain a high degree of participation. In the words "wise administration" I would protect the rights of tenants. The landlord-tenant relationships are varied in the many parts of this great country. Handling this can best be achieved by neighbors operating through farmer selected committees who understand the local situations. Likewise, these local groups can best meet the problem of providing equitable payments for the retirement of acreage. Productivity and value of soil varies farm by farm and area by area. We must be sure that the payments to cooperatives are equitable between farms and between areas. I am confident that this program can be administered in a practicable and equitable manner and that it will utilize to the practicable maximum the existing local committee system.

Payments will represent a fair annual return on the value of the acreage under the conservation reserve contract. The value of the land can be appraised on the basis of standards which would include its value and the production of crops customarily grown and these annual payments should be at a level so that sufficient acreage is signed up voluntarily to accomplish the objectives of the program.

The President's special message presents a comprehensive approach to the farm problem. It definitely is not a piecemeal farm program. It proposes to attack the major problems directly, using specific solutions to meet specific problems. Combined with the important information and counsel received by our Senate Agricultural Committee during the extensive hearings held this summer and secured at the grassroots level, the President's message should provide a practical vehicle for evolving a new farm program which will bring a brighter day and more profitable tomorrow for our farmers, our ranchers, and the general public. I am hopeful that an honest bipartisan consideration of the acute and actual needs of our farm population will produce a continuing farm program which will bring to America's farmers that equitable portion of the national income to which they are entitled and which they richly deserve. Prompt affirmative action is required.

Mr. AIKEN. Mr. President, the President's argricultural message marks a determined approach to the problems of American farms.

Plagued by surpluses accumulated under a wartime program carried on too long, it has become necessary to reduce that surplus to manageable reserves through vigorous and, to a certain extent, untried measures.

The reduction of surpluses, however, is only one result of the measures which President Eisenhower proposes.

The immediate effect of bringing supplies more into line with requirements should be to narrow the wide gap now existing between farmer and consumer

prices, to raise prices of many commodities, and to generally improve farm income.

Of even greater long-range importance, however, is the effect on the future productivity of the Nation's agriculture.

Our population is increasing rapidly. Every 5 years the increase is equivalent to the present total population of the State of New York.

The time is not far distant when our farmers will have to produce far more than the bountiful crops of today in order to feed and clothe our own people,

Therefore, it is singularly appropriate that the price-depressing surpluses of today be made to work to the fullest extent to insure a bountiful production for tomorrow.

The President strongly recommends the establishment of a soil bank. The term "soil bank" will not have the same connotation to all people. To some, it may mean reforesting denuded acres; to others, it may apply to the conservation of water; to others, it could mean increasing facilities for recreation or wildlife purposes, and to those in the Great Plains area it can mean shelter belts and the reseeding of millions of acres which never should have been plowed, thus lessening the danger of dust storms and increasing the grazing facilities of the future.

It is entirely possible that the temporary problem posed by our price-depressing surpluses may trigger the greatest conservation program of all time.

Take the proposals of President Eisenhower in his message today, add the Watershed Act and the Water Facilities Act of 1954, add still further the incentives for conservation offered in the Tax Act of 1954 and you have the most extensive program of all time for the improvement and protection of our natural resources.

Of virtually equal importance with the President's proposals to turn our short-term liabilities into long-term assets is his insistence that immediate and effective attention be paid to the plight of over a million farm families now living under conditions which should have been corrected long ago.

It is my understanding that with the very limited means available many of these low-income farm families have been given greater hope for the future during the past few months.

We cannot assume that a farm family is "no good" just because it lives under conditions approaching destitution.

I well remember the days before the county agent and the Extension Service when many of our prosperous farmers of today were living under just about the same standards as those people with whom the President is now so much concerned.

Congress has a duty to give the President better tools with which to help low-income farm families without delay.

The third proposal of extreme importance lies in the President's recommendation to increase our research programs one-third.

Although an increase in farm prices from present levels is highly important, it is also important that we do not price farm commodities out of the market or impose unwarranted hardships upon the consuming public.

Whenever possible, we must reduce the costs of farm production and marketing.

The Tax Act of 1954 granted to farmers substantial tax benefits which they had not previously been privileged to enjoy. In fact, these new tax benefits have the effect of making net farm income look much worse than it really is or would have looked under criteria prevailing previous to 1954.

The President now proposes to relieve the farmer of the Federal tax on gasoline used on the farm. I understand this may amount to $60 million a year. This amount may seem small in the overall program, but it is, nevertheless, a welcome contribution. Repeal of this tax will remove an injustice which the farmer has borne for years.

The greatest influence toward lower costs and higher net income for farmers is undoubtedly found in the research programs for which the President asks a great expansion.

The technical advancements of just the last few years have been little short of miraculous.

Paradoxically, it has been inability of many farmers to keep up with technical developments designed for their benefit that has put them in a rather critical squeeze.

It is my understanding that considerable research is planned in the field of distribution aimed at reducing the spread between farm and consumer prices. It is important that this be done.

We must remember, however, that historically the spread widens with an increase in surplus and narrows as supplies are brought closer in line with the overall demand.

In addition to the soil bank conservation program, the rural development program, and the research program, the President has made other recommendations with which many can agree.

The increased school milk program, the farm credit recommendations and the proposal to step up the search for foreign markets should all make valuable contributions to a more virile and prosperous agriculture.

The President's statement that the degree of success is highly dependent upon the wholehearted participation by farmers themselves is as true as any statement can be.

There is one more comment I wish to make at this time.

The President's recommendations, if agreed to by the Congress, cannot help but return to the farmer a more equitable share of the Nation's unprecedented prosperity.

They are certain to make a mighty contribution to the long range conservation programs of our country.

It is important, however, since some of these recommendations apply to the present crop year, that legislation be enacted without delay.

Therefore, I join with the chairman of the Senate Agriculture and Forestry Committee in hoping that we may have a satisfactory bill on the President's desk by February 15, or at least an early date.

If we can do this, we will have done a good job.

Mr. HICKENLOOPER. Mr. President, following the outstanding message on the agricultural situation, submitted to us today by the President of the United States, I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, the statement which I send to the desk.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HICKENLOOPER

The message of President Eisenhower on the agricultural situation and the remedies is comprehensive, constructive and hopeful. It shows a complete grasp of the fundamentals and a bold program and determination to solve the problems involved with speed and dispatch.

His program, in short, proposes a workable plan for reduction of surpluses, for the vigorous promotion of conservation, for the protection of the family-type farm, the stabilization of the farm economy with an equitable portion of the national income going to the farmer, and above all it emphasizes the maintenance of the freedom and self-determination of the farmer.

The program will require the expenditure of a substantial amount of money by the Government at the outset, but with the voluntary and vigorous cooperation of the farmers themselves, it will greatly increase their purchasing power and income and contribute immeasurably to the farmers' prosperity and that of the Nation.

The many details of the program will be immediately taken under consideration by the Agriculture Committees, and I believe that the President's program, in general, will receive overwhelming support.

The President's program will, if put into effect, provide immediate income for farmers while the long-range parts of it are swinging into operation, and I am certain that farmers will study the proposals with great interest and I believe with general approval.

VISIT TO THE SENATE BY TOMMY WOODWARD

Mr. CASE of South Dakota obtained the floor.

Mr. BEALL. Mr. President, will the Senator from South Dakota yield?

Mr. CASE of South Dakota. I yield.

Mr. BEALL. Mr. President, we have a very distinguished constituent of mine from Maryland in the gallery. His name is Tommy Woodward.

Tommy Woodward, will you stand up?

[The visitor rose and was greeted with applause.]

Mr. BEALL. Mr. President, Tommy presently is a patient in one of Maryland's orthopedic hospitals. He is 5 years old. He is recovering from infantile paralysis. I know from my own experience what a fine job he is about to do. I am a director for the Maryland Society for Crippled Children and Adults, and I was on the polio board of my own county. This month Tommy will travel all over the United States, visiting every State in the Union and demonstrating the excellent results now being obtained in rehabilitating victims of polio. We recognize that Tommy, who is only 5 years old, has quite a job

ahead of him, and I know we all wish him well. [Applause.]

Mr. CASE of South Dakota. Mr. President, it was certainly a pleasure to yield to the Senator from Maryland for such a greeting as that. We are pleased to have this fine boy here.

Mr. JOHNSON of Texas. Mr. President, will the Senator from South Dakota yield briefly to me?

Mr. CASE of South Dakota. I yield.

LEGISLATIVE PROGRAM—ORDER FOR ADJOURNMENT TO THURSDAY NEXT

Mr. JOHNSON of Texas. Mr. President, for the information of the Senate, I should like to announce that it is not the plan of the leadership to call up any proposed legislation today. Because of the weather, it is hoped that we may adjourn at an early hour, so that the Members of the Senate and the members of the staff and other employees may be able to return to their homes.

Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in adjournment until Thursday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I desire to announce that on Thursday next, I expect to ask consent that the Senate proceed to consider Calendar No. 1210, House bill 2889, transferring four-fifths of an acre of Federal land to Necedah, Wis.; Calendar No. 1296, House bill 6857, transferring four-tenths of an acre of Federal land to the city of Milwaukee, Wis.; Calendar No. 1175, Senate bill 2286, authorizing the shipment of private passenger vehicles in commercial vessels for military and civilian defense personnel traveling overseas on permanent orders; Calendar No. 361, Senate bill 51, amending Public Law 280, 83d Congress, to provide that State jurisdiction over certain matters arising on Indian reservations shall apply only with the consent of the Indian tribes affected; Calendar No. 1184, Senate Joint Resolution 97, increasing the authorized ceilings for United States contributions to the Food and Agriculture Organization and International Labor Organization of the United Nations; and, in addition, Senate Concurrent Resolution 59, to request the President to designate a Junior Achievement Week; and House Concurrent Resolution 199, to commemorate the 200th anniversary of the birth of Benjamin Franklin—both of which were reported today from the Judiciary Committee.

I do not know that we shall proceed to consider those measures in the order listed, but I hope we shall be able to consider them and to act on all of them on Thursday. If we are able to do so, we may be able to have the Senate adjourn over to Monday. If not, we shall probably have a Friday session.

It is not the intention of the leadership to call up the gas bill this week; but early next week, probably on Monday, I do plan to move that the Senate proceed to the consideration of the gas bill.

ADMINISTRATION'S AGRICULTURAL PROGRAM

Mr. CASE of South Dakota. Mr. President, President Eisenhower's special message on agriculture presents one of the boldest and most realistic farm programs ever to come to Congress from the White House. Some phases will require study, and details will have to be spelled out; but on many points the specific steps recommended will mean direct and visible benefits to the farm homes of America. Let me enumerate some of them.

First, I mention the President's point No. 9; namely, the recommendation to relieve the farmer of the Federal tax on purchases of gasoline used on the farm, for farm purposes. The 2-cents-a-gallon Federal tax on farm gasoline is a direct and visible burden in the current cost-price squeeze, and is an unjust burden if the proceeds are to be spent primarily on interstate highways. This is an injustice which I have cited many times during the hearings of the Committee on Public Works, in connection with its consideration of highway legislation.

Mr. President, a practical and simple way to handle the matter is provided in Senate bill 1360, which I introduced in the Senate on March 8, 1955. In keeping with the President's specific and positive recommendation on this point, I now urge that the Senate Committee on Finance incorporate the provisions of my bill, S. 1360, in the first piece of revenue legislation it considers at this session.

I ask unanimous consent that the text of Senate bill 1360 be printed at this point in the RECORD.

There being no objection, the bill (S. 1360) to amend the Internal Revenue Code of 1954 so as to provide for refunds to farmers of the amounts of tax paid on gasoline used by them in farming operations was ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That (a) subchapter B of chapter 65 of the Internal Revenue Code of 1954 (relating to special rules applicable to abatements, credits, and refunds) is hereby amended by renumbering section 6420 as section 6421 and by inserting after section 6419 a new section as follows:

"SEC. 6420. Gasoline.

"(a) Use in farming: Upon the use, after the date of the enactment of this section, of gasoline in farm tractors or farm machinery or for other agricultural purposes by any person engaged in farming, the Secretary or his delegate shall pay to such person the amount of any tax paid under section 4081 with respect to such gasoline.

"(b) Cooperation with the States: Payments under subsection (a) shall be made pursuant to such rules and regulations as the Secretary or his delegate may prescribe. The Secretary or his delegate is authorized to enter into an agreement with any State which has a law authorizing payments or refunds, under conditions similar to those specified by subsection (a), of the amount of tax on gasoline imposed by such State whereby the Secretary or his delegate and the State may cooperate and exchange information with respect to payments under subsection (a) and payments or refunds under the State law."

(b) The table of sections for subchapter B of chapter 65 of the Internal Revenue Code of 1954 is hereby amended by striking out "SEC. 6420. Cross references.", and inserting in lieu thereof the following:

"SEC. 6420. Gasoline.

"SEC. 6421. Cross references."

SEC. 2. (a) Subpart A of part III of subchapter A of chapter 32 of the Internal Revenue Code of 1954 (relating to the manufacturers' excise tax on gasoline) is hereby amended by adding at the end thereof a new section as follows:

"SEC. 4084. Cross reference.

"For payment to farmers of the amount of tax imposed under section 4081 on gasoline used in farming, see section 6420."

(b) The table of sections for such subpart is hereby amended by adding at the end thereof the following:

"SEC. 4084. Cross reference."

Mr. CASE of South Dakota. Mr. President, next, among the direct benefits for farm income, I would cite the President's proposal to modify the 1949 law which required that sealed grain be sold at not less than 105 percent of the support price, plus carrying charges. Last fall nothing made the livestock feeders of my State angrier than the operation of that 1949 law. There are many cattle feeders in a part of the State which had a short corn crop last year. It made them very unhappy to know that they were unable to buy corn which was sealed in a nearby bin, unless it was shipped to Minneapolis, and then sold with freight charges both going there and returning. That was featherbedding if there ever was such a thing. The President properly recommends that the corn be salable at the bin site for the support price, and simple carrying charges. The old law required a price of 105 percent, plus carrying charges.

Next, I commend the President's proposal for a real tree-planting program for the conservation reserve. In my comments on any soil-bank or idle-acres plan, I have been pointing out that there must be a positive and practical use for the land if it is not to be diverted into production that is competitive with other farm products. Trees are not a surplus crop. As a nation, we can well afford to encourage the production of trees in all parts of the country. Acres planted to trees under a long-term rental contract will not be plowed up or grazed next year or the next.

I have been working on a bill along this line, and I expect to introduce it shortly. It will implement this part of the President's recommendations.

Next, I should like to commend the President's specific recommendation for the elimination of acres planted to durum wheat from the general quota or allotment for wheat. Durum wheat is in a special class. There is no overproduction of it; in fact, there is a shortage of it.

Mr. President, on January 5, 1956, I introduced Senate bill 2764, to amend the wheat-marketing-quota provisions of the Agricultural Adjustment Act of 1938, as amended. The text of the bill is the same as the text of the bill which was passed last year by Congress.

I have today joined with other Senators in a group introduction of a similar bill. I respectfully commend the bill to the attention of the Committee on Agriculture and Forestry. I now ask that

the text of Senate bill 2764 be printed at this point in the RECORD.

There being no objection, the bill (S. 2764) to amend the wheat-marketing-quota provisions of the Agricultural Adjustment Act of 1938, as amended, was ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That subsection (e) of section 334 of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1334 (e)), is amended, beginning with the 1956 crop of wheat, to read as follows:

"(e) Notwithstanding any other provision of this act, the Secretary shall increase the farm marketing quotas and acreage allotments for the 1956 crop of wheat for farms located in counties in the States of Minnesota, Montana, North Dakota, and South Dakota designated by the Secretary as counties capable of producing class II durum wheat and which have produced such wheat for commercial food products during 1 or more of the 10 years 1946 through 1955: *Provided*, That the increase in the wheat acreage allotment for any farm shall not exceed the difference between the acreage of cropland on the farm suitable for the production of wheat and the wheat acreage allotment, if any, determined without regard to this subsection, and the increase in allotment shall be conditioned upon the production thereon of class II durum wheat. The increase in wheat acreage allotments authorized by this subsection shall be in addition to the national, State, and county wheat acreage allotments, and the acreage of class II durum wheat thereon shall not be considered in establishing future State, county, and farm acreage allotments."

Mr. CASE of South Dakota. All four of the things which I have mentioned up to this point offer direct, tangible benefits to the income of the family farm. There are others, but I shall not go into them at this time. I do wish, however, to mention a few of the outstanding recommendations which look to longer-range or indirect benefits.

Of these indirect, but none the less real benefits, I mention first the more aggressive marketing of surplus agricultural products. The sale of surplus commodities for foreign currencies, which I proposed first in connection with the Korean situation at the time General Van Fleet reported to Congress in 1953, has grown into big business. Even so, more can be done in this field by persistent and consistent efforts.

I am glad to note that the President says the Secretary of Agriculture is appointing an Agricultural Surplus Disposal Administrator. His duties are to relate all activities of the Department with utilization of Commodity Credit Corporation stocks and our current abundant production. Note the following from the President's message:

Expanded opportunities will be sought to barter agricultural products, which deteriorate and are costly to store, for increased quantities of nonperishable strategic materials.

Mr. President, there has been a revolution in the White House. Think of the President's using the word "barter" approvingly in a message to Congress. I can recall when the State Department would have sent a stuffy and unyielding protest in response to any congressional proposal of barter for any form or object of international trade. At any rate, it makes commonsense, when one of our prospective customers does not have cash, but does have something we need and is willing to exchange it for something we have on hand which is expensive to keep.

Second, among the longer range proposals, I wish to commend what President Eisenhower has said on the subject of research. No dollar the Government expends pays more permanent benefits than the dollars spent on intelligent research. In a five-point program which I offered for agriculture while speaking in South Dakota last fall, I included an expanded research program on a cooperative basis with the land grant colleges of each State. In that way, it seemed to me, we would have the self-interest of each State at work to develop new uses and new markets for the particular agricultural specialties of that State.

Third, I mention the President's proposals for dollar limitations on price supports. For several years we have placed a dollar limitation on the amount which could be paid to any farmer in a given season for soil conservation practices. What justification is there for expending huge sums of money for large corporation farm production of commodities which add to surpluses?

Some people have suggested complicated percentage plans. Aside from the complexities of such proposals, it has seemed to me that we are on surer constitutional grounds if the limitation is expressed in a flat dollar limitation rather than in the form of graduated percentages.

Finally, in this initial comment by me on the President's special farm message, I wish to commend his interest in the Great Plains. This area comprises 135 million acres—30 percent of the land area of the country and 40 percent of the cropland.

There are 10 States in the so-called Great Plains region. These States produce 60 percent of the wheat and 35 percent of the cattle grown in the country. The President says that shortly he will transmit to Congress a report with recommendations for providing a more stable agriculture in this important region.

That message on the Great Plains will be awaited with special interest by those of us who come from States in the area where soil and water conservation and good land management practices are of both national and individual concern.

Mr. President, governments through all the pages of history have faced problems connected with the production and distribution of food. Whether it be the Bible, with its report of 7 years of plenty and 7 years of famine, or the history of England, with its corn laws, the problem is not new in government.

Only the other day, the American-News published at Aberdeen, S. Dak., in its Thirty Years Ago column published the following item:

United States Senator Peter Norbeck expressed the belief that Congress would take steps during the current session to provide Government aid to farmers in disposing of their surplus.

That was January 5, 1926, 30 years ago.

Mr. President, the first Congress of which I was a Member, had a special session for the House of Representatives in the fall of 1937 to work out the legislation which became known as the Agricultural Adjustment Act of 1938, which has had several revisions and amendments in the intervening years.

So, this Congress is not dealing with something new in the way of problems; but it does have something new in the strong, positive tone of this message from the President. I hope that the Congress may meet the challenge and agree upon practical forms and language to carry out the objectives and aims for which the President has given an urgent green light.

SOVIET POTENTIAL ABILITY TO PROVIDE FOREIGN AID

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the body of the RECORD at this point as a part of my remarks an article entitled "Can Moscow Deliver?" published in the June 11 edition of the National Review.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CAN MOSCOW DELIVER?

In the current phase of the cold war cycle, the main Soviet diplomatic gambit is to provoke the United States into extraordinary measures by offers of Russian trade and military and economic assistance. This "ploy" seems to be working well in the Near East, where we are offering our help on the Aswan and Jordan projects in return for an easing of Israeli-Arab tension and such other concessions as we can negotiate.

The awkward aspect of these projects is that it is unlikely that they can be carried out on an expedited basis without inflation. Certainly the Aswan project, on the 10-year completion basis of Egyptians want, cannot fail to produce inflation. This would suit the Kremlin very well—it has never forgotten Preobrazhenski's characterization of inflation as "the machine gun that attacked the bourgeois regime in the rear." The role of inflation in the capture of China is still fresh in their minds, not to mention North Vietnam. India lies ahead—the apple of the Soviet eye.

The new Indian 5-year plan aims at an annual rate of capital formation of about $2.7 billion of which some $300 million would be in foreign aid. A rate of domestic capital formation of $2.4 billion a year, especially when concentrated in the heavy industry sector rather than in agriculture and light industry, may be more than twice the level of which India is capable.

The Indian 5-year plan is based on the Soviet model and was announced just before the arrival of Bulganin and Khrushchev, presumably on the assumption that this sincere flattery would be pleasing to the eminent visitors. No doubt it was. India is a poor country with a national product of no more than $20 billion, hardly greater than that of Italy. It plans an investment program that will endanger its present relative stability. The Russians will applaud.

They have also offered to help. Sometime since, they promised to build a steel mill and in recent discussions in New Delhi they made additional promises. The spectacle of high Soviet officials carrying on economic discussions in underdeveloped countries has now become a commonplace. In Rangoon, Cairo, New Delhi, and Kabul the Soviets are making promises. Promises and

the arms trade are the principal Russian currency in this phase of the cold war.

In the United States these Russian offers have created an extraordinary flurry of activity in the press. One popular argument is that if we don't get into a "bold new program" right away the Russians will get there before us. The Kremlin, it is argued, will not pass up the chance to help an underdeveloped nation rise in the economic world. The United States must act, therefore, and act quickly. We must frame an aid program of double the current level or the Kremlin will seize the opportunity and move in ahead of us. One hundred billion—$5 billion a year for 20 years—in foreign economic aid has been suggested by Mr. Jacob Javits.

MR. DULLES LENDS HIS CACHET

The "bold new program" rests largely on the assumption that the U. S. S. R. is, in fact, now capable of providing foreign aid and trade in a massive amount, and, by reason of its rapidly expanding output, will be able to sustain increasing levels throughout the Soviet bloc and the neutral area.

The proponents of massive increases in the United States foreign aid program assume that the gross national product of the U. S. S. R. is now running at an annual rate of $135 billion. This estimate has the merit of being officially approved by all United States Government agencies. It is also fully supported by Soviet statistics which, indeed, often make even more extraordinary claims.

Secretary Dulles, in his American Legion speech of October 10, 1955, put his cachet on the estimate by saying the United States product, now at nearly $400 billion, is "three times that of the Soviet Union with its much larger population." Mr. Dulles is not a statistician, and we cannot, accordingly, regard this as his considered judgment. The estimate in the speech was made by statisticians. On reflection, Mr. Dulles might consider a revision of his estimate. Some of the materials upon which such a revision might proceed will be recited here.

At the outset, the implications of this estimate need examination. If Russian GNP is currently $135 billion, it has grown at a rate of about 8 percent annually over the last 25 years. This means that the Russians have been able to increase their national output from a level of about $20 billion (a generous estimate) in 1930 to nearly seven times that level in 1955. The increase has continued each year—through the collectivization period, through the war conversion period of 1937–40, throughout the war and into the postwar decade.

In 1985, if the rate officially assumed to prevail through war and terror over the last 25 years continues, the U. S. S. R. will be producing at an annual rate of $1,000 billion, or more than 2½ times the present United States level. Each year Russia will enjoy a rate of increase in national product equal or nearly equal to the unprecedented rate of growth in United States product over the past year.

One of the principal difficulties in accepting the GNP estimate of $135 billion for the U. S. S. R. is that there have been long periods during the last 25 years when even the Russians admit that there was little growth in economic output. It was not until 1948 that the prewar (1940) levels of production were reached, a period of 8 years during which no economic growth occurred and in which tremendous losses were sustained.

In the 3-year period 1937–40, a close inquiry suggests that there was no net increase in industrial output in the U. S. S. R. The ruble value of industrial output rose almost 50 percent during the period, but this rise was due almost wholly to inflation, primarily in the machinery industry. It was a period of wholesale conversion to war production when wage increases were used to direct labor into war industries. The ruble value of machinery output rose by some 30 billion rubles while wage outlays in that sector rose by 32 billion rubles. The increases in wage outlay were then skimmed off by the turnover tax, the annual yield of which rose 30 billion rubles, enough to cancel out the wage increase made in the machinery sector.

On this view, it would appear that for the entire period 1937–48 there was little or no growth in total Soviet output. If this is true, and Soviet statistics suggest that it is, then an increase from a GNP of $20 billion to $135 billion would have had to take place over a period of only 14 years. At this point even the credulity of United States Governmen statisticians might well be strained.

Nevertheless, official acceptance of the $135 billion estimate continues, perhaps indicating a stubborn belief among United States Government statisticians that Russian methods of economic management are conspicuously more effective than those prevailing in the West, and unlike our own, are able to secure an invariant annual increase in product regardless of war, terror, massive conversion, and famine.

However, we must regard as unsettled the question whether the current United States official estimate of Soviet national product rests simply on a credulous belief in the validity of Russian statistics or an awesome regard for the efficiency of Russian economic policy. We also have to dismiss the notion that the estimate is designed to frighten Congress and the American people, if only for the reason that it has been the fashion for many years to credit the Soviet Union with fantastic increases in national product.

There has been little change in the nature of official estimates of Soviet economic achievements for two decades. Despite the enormous growth in the Government statistical establishment and the proliferation of intelligence agencies devoted to gathering Russian economic information,[1] the estimates of Russian economic power remain in conventional channels. Russian data are regarded with awe, and United States official estimates faithfully reflect the extraordinary claims that are implicit in Soviet economic statistics.

If United States official estimates of Russian GNP are credible only to Government statisticians and the Russian experts of the United States intelligence agencies, what shall the rest of us believe? To what authority can we turn for a finding on the critical question of how strong Russia is? If none of us has any real knowledge about the Russian economic machine other than bits and pieces, how are we to obtain an estimate that will be believable to reasonable people? And how are we to make an estimate of the efficiency of investment in the Russian bloc?

NO GAIN IN AGRICULTURE

Let us turn first to Soviet agriculture. We know more about that because changes in output occur more slowly. It is an activity that engages about 55 percent of the working population. It is a field in which enormous investment in plant and equipment has been made. The agricultural machine tractor stations and the maintenance and repair stations employ nearly 2 million people. Many agricultural operations, according to Soviet propaganda, have been almost wholly mechanized.

And yet, it would appear that in 1954 Soviet agriculture produced little if any more than it did in 1925, despite a rural population that is 10 million or more larger. Thus Soviet agriculture would appear to be a case of Graham Hutton's first law of thermouneconomics, or Alice's law, in which the more capital is invested, the less is produced. British Coal Board operations are the distinguished example of this law in the West (coal output in this socialized industry is an inverse function of capital investment).

While reliable statistics for Soviet agriculture are not available, it is probable that for 1954 the value of the entire vegetable product of the U. S. S. R. was well below $5 billion, and total agricultural output was not significantly greater than $6 billion. This would place the output of Soviet agriculture at roughly 60 percent of the United States level. In practical terms, 2 million efficient United States farm families are producing considerably more than a Soviet agricultural population 15 times greater.

In agriculture, at least, Soviet policies cannot be said to have been notably successful. After 25 years or more of revolutionary change in farm organization, the investment of billions in machinery and equipment, the allocation of hundreds of thousands of trained scientists, technicians, and engineers for the purpose of establishing scientific methods of cultivation, and a 10 percent growth in the agricultural population, Russian agriculture is still not producing as effectively as it did in the period before collectivization.

The new and vaunted Khruschev corn program that envisages the opening of some 75 million acres of new land would appear to be a special case of Alice's law. Farmers and farm equipment and hundreds of thousands of urban "volunteers," bureaucrats, and labor troops are being moved to the semiarid lands of Central Asia where corn is going to be raised with as little as 9 inches of annual rainfall. This program will be a statistical success, but there is some doubt among agricultural experts whether much corn will be grown in the new areas. It would also seem that the transfer of farmers and farm equipment from other regions might result in losses in agricultural output in those areas.

If Russian output of food and fiber is little if any greater than in 1925, the Russian people can hardly be eating or dressing as well as they did in 1925. This inference is clinched by population increases, meanwhile, of about 40 percent, or more than 60 million. The continuing, though modest, Soviet imports of rice, wheat, and cotton would also suggest that consumption levels have fallen dangerously and may not even have returned to the low, immediate prewar standards.

Among the agricultural population it is generally agreed that circumstances are worse than in 1925—consumption is well below $100 per capita. The peasant diet, on a per capita basis at current prices, probably does not exceed a value of $60 a year, and reaches that average only because consumption by party members and officials is relatively high.

[1] The growth and proliferation of United States intelligence agencies may be an exception to Parkinson's law (first enunciated in the Economist of November 19, 1955) which predicates an annual rate of growth in the Civil Service establishment of 5.17 to 6.56 percent. This newly formulated scientific law contains two factors: Factor I, the Law on the Multiplication of Subordinates, and Factor II, the Law on the Multiplication of Work. It is a law that derives from the commonplace observation that work expands so as to fill the time available for its completion. This scientific discovery, as the distinguished authority on the law observes, is "inapplicable except in theory to the politics of the day. It is not the business of the botanist to eradicate the weeds. Enough for him if he can tell us just how fast they grow." However, in the interest of scientific advance, we have thought it appropriate to note that the intelligence agencies of the United States Government may very well be an exception to Parkinson's law in that the average annual growth rate over a decade may be much greater than the scientifically determined maximum of 6.56 percent.

Among the 10 to 15 million slave laborers consumption is surely as low as it is among the peasant population. It is accordingly reasonable to assume an average per capita consumption for 140 to 145 million Russians at or below $100 a year and a total consumption for this part of the population of about $14.5 billion.

Consumption among the urban population is, of course, higher. It may rise to as much as 3 or 3½ times the average level prevailing among the peasantry, in considerable part because of the greater cost of transport and distribution of food to urban areas. For the 65 or 70 million Soviet citizens properly counted as urban, total consumption may, therefore, rise to a total of $20 to $25 billion.

On these estimates, total personal consumption in the U. S. S. R. may be as much as $35 to $40 billion or somewhat lower than consumption outlay in the United States at the depth of the depression. Such a comparison, however, is distorting because in the United States in 1933 only slightly more than a quarter of total personal consumption expenditure went for food while in the U. S. S. R. a disproportionately high share of personal expenditure—perhaps 60 per cent—is for food while a very small part of expenditure is for rent, household operations, and other factors.

WRETCHED HOUSING

On the whole, personal consumption in the U. S. S. R. can be more or less directly inferred from the state of agriculture and the condition of housing, transport, and distribution—crowding and queueing are, of course, universal in the U. S. S. R. The composition of the diet is clearly implied as well as the consumption of fiber in the form of clothing and soft goods. These inferences are confirmed by daily observation of consumption standards in the Soviet Union.

The average family of four or five, with at least two wage earners, living in one room, sharing household facilities with several other families and condemned to a monotonous diet primarily composed of bread and potatoes, is not an exception but the rule. These are the data that are known; they should form the basis of any estimate of the national product of the U. S. S. R.

It may be, after detailed consideration of Soviet consumption patterns, that the value of food in the personal consumption component of national product would approach the suggested upper limit of $25 billion. However, given the necessary composition of the diet, the fact that processing and distribution are at a very crude level and the rule that two wage earners are needed in every family if minimum consumption standards are to be met, it is unlikely that consumption approaches the limit suggested.

United States consumer outlay for food in 1941 was $18 billion, and it is doubtful whether the Soviet people will approach that standard in this generation. The suggested estimate shows a range, on a per capita basis for the entire Soviet population, of $90 to $115, which would appear to be a very liberal accounting.

This picture of Soviet consumption is in sharp contrast to the picture that is suggested by the United States official estimates of Soviet product. According to official estimates, personal consumption in the U. S. S. R. approaches $70 billion, an amount that is higher than total personal consumption in the United States in 1937. Through these rose-colored estimates of Soviet wealth, the well-being of the average Soviet citizen cannot be doubted—he is 75 percent as well fed, well housed, and well clothed and served as the average United States citizen in 1937.

None of the harsh realities that are continually being observed and reported from the U. S. S. R. emerges from the rosy statistical picture that a personal consumption estimate of $70 billion indicates. Instead, the United States Government statistics suggest a Soviet nation whose population spends $5 billion on automobiles, $3.5 billion on recreation, $8 billion on housing, $9 billion on household operations, and $9 billion on clothing. Without rose-colored glasses, one has to strain to see this picture.

The estimate for personal consumption that is suggested as more appropriate to the conditions known to prevail is a range of $35 to $40 billion. And this may be much too high. Personal consumption may more nearly approach $30 billion. Such a figure at least has the merit of conforming to what is known of the plight of the Soviet citizen.

AN EMBARRASSING REMAINDER

In the United States official estimates, personal consumption is presumably a residual that is arrived at after deducting estimated Government expenditure and investment from the estimate of national product that is arrived at by compounding 1930 Soviet product at an annual rate of 8 percent over a period of 25 years. Or at least this is the easiest way of arriving at the established official figure for Soviet GNP.

In practice, it may be that statistical grubbing in Soviet publications accounts for the current United States official estimates. But however it is arrived at, an embarrassing remainder in the form of a consumption residual is left behind. It is the picture of a rich and contented Russian population, luxuriating in levels approaching American private expenditure that prevailed in 1937.

In part, this official conclusion as to consumption cannot be avoided because it is necessary to assume that personal consumption must represent more than 50 percent of gross national product. It does, however, create something of a dilemma for the statisticians. Out of the remainder of national product available for other purposes, it is necessary to find the funds that are needed to sustain the rate of growth that has become so much an article of the United States Government statisticians' faith.

At least 10 percent of national product is needed simply to keep the present plant operating. And it may well be more because of the dismal state of repair into which Soviet plant and equipment have been allowed to fall. In the past, as Welles Hangen reported in a dispatch to the New York Times of October 18, 1955, deterioration and obsolescence have been disregarded by Soviet statisticians, who are accustomed to calculate output on the basis of the most modern installations. These liabilities cannot now be deferred, and an increasing amount of national product will be required just to keep things going.

In addition, United States official statisticians have to allocate at least 25 percent of their estimate of Soviet product to capital formation if the assumed rate of 8 percent growth is to be maintained as official dogma. The dilemma that arises is, with personal consumption at 55 percent of GNP, repair and maintenance requirements at from 10 to 15 percent, and investment at a minimum of 25 percent, how to find a remainder that is large enough adequately to represent government outlay, especially military expenditure.

The dilemma, however, must have been resolved because we have Mr. Dulles' statement to show that the romantic view of Soviet statistics has triumphed. Russian economic product will continue to rise officially, as it always has in the past, at a uniform rate, and the future well-being of the Soviet population is statistically assured. In 1985 GNP will be $1,000 billion and personal consumption will amount to $550 billion, or higher than current United States levels.

One of the difficulties with this aspect of the official estimates is that the present leadership in the U. S. S. R. is concentrating on expansion of heavy industry and, with the exception of a few months during the Malenkov-Beria regime, has tried to do so for 25 years, during which consumption levels for the urban population have increased slightly, if at all, and standards of consumption among the Russian peasantry have fallen.

This brief review of the personal-consumption factor in estimates of Soviet national product, when taken in conjunction with what is known about the standards of consumption that prevail in the Soviet Union, should suggest that $40 billion is a generous estimate for personal consumption and that, in all probability, gross national product is not higher than $75 billion and may be nearer $60 billion.

If this is a reasonable estimate of Russian GNP, then it would appear that Soviet economic product, at a maximum, is more nearly 18 to 20 percent of United States product than the 33 percent quoted by Mr. Dulles. In fact, Russian product may be no more than 14 or 15 percent of the United States level, or roughly the United States level at the end of World War I.

CAN GROWTH BE MAINTAINED?

On this accounting, Soviet economic growth has proceeded at an average rate of more than 4 percent over the last 25 years which, to give the devil his due, is a not inconsiderable achievement. This means that the Kremlin has directed at least 15 percent of GNP into investment, and, after consideration of war losses and the accelerated rate of capital consumption during the war, it may be that in many years more than 20 percent has been directed into investment. To accomplish this and at the same time to maintain a military establishment that now requires an annual outlay of at least $10 to $15 billion suggests that an extraordinary effort has been made.

Whether this rate of growth can be maintained is another question. As we have seen, the grave agricultural crisis has required the diversion of tremendous resources into agriculture. And it is not enough merely to invest in agriculture in the U. S. S. R.: as we have noted, this is a sector in which the first law of thermo-uneconomics applies—the more capital the less product. It has become necessary not only to invest capital resources in agriculture, but the Kremlin will also at this point have to provide some consumer goods for the peasant population. This will mean an additional diversion of resources from use in the expansion of heavy industry. The prospect, accordingly, is that agriculture will draw off an increasing share of national product both in the form of capital and consumption goods if it is to continue to feed the rapidly increasing Soviet population.

In the cities a similar difficulty is developing, particularly in housing. Occupancy levels have reached a maximum density of 1 family to 1 room. Undermaintenance of housing during the war and postwar years has resulted in grave deterioration. Extensive repairs are essential and current maintenance costs higher. In future, it is likely that construction will pace urban growth because the urban population can only increase as fast as new housing becomes available. Economic growth, therefore, is contingent on a considerable increase in housing construction outlay.

Industry is faced with a similar problem. Undermaintenance, during the war and postwar years, and obsolescence have now reached a point at which action can no longer be deferred. Official Soviet publications report that this problem has now become so severe that, over the life of an average piece of equipment, expenditures for maintenance and repair amount to from 5 to 6 times the original capital cost. The depreciation chickens have come home to roost.

The simple fact is that the Russians are overdrawn on all economic accounts. They

are in deficit in food, housing, manpower, and fuel. It is more than likely that they can no longer bear the levels of military outlay needed to maintain their great military establishment on a modern basis. They have cut military expenditure; they have transferred troops back into agriculture; and they have scrounged around the world for higher trade levels which, after they are agreed on, are not met.

This is the background of the Geneva spirit. They have beggared themselves by mismanagement. They possess military might, but the rapidly increasing cost of new and more complex weapons is gradually becoming an intolerable burden. They are deeply troubled internally. They have reached a temporary limit of growth. Shortages in every economic sector are critical. They must have a respite, particularly from the terrible burden of new, complex, costly armaments.

This depressing picture of the Soviet economy as a whole should not be allowed to cloud recognition of their brilliant scientific achievements. They have produced great scientists and their scientists will presumably continue to make advances along the entire technological front. The exact extent of their achievements in the atomic field, in weapon development, and in the design of production equipment is hard to estimate, but is in any case considerable and probably equal to our own.

Yet these facts should not be taken to mean that the Soviet economy is capable of quantity production of the new equipment. This requires a capacity that the U. S. S. R. is far from attaining. Their resources are limited and, given the continuing wasteful use of resources, it is unlikely that they are capable of major production advances except in limited sectors. They are, after all, a relatively poor nation economically, and far from being able to provide important economic assistance to other nations. They are, rather, in desperate need themselves.

Yet despite the economic picture that lies behind the Geneva smile, official United States Government estimates continue to portray the U. S. S. R. as a rapidly expanding economy of a third the power of the United States. It is an economy, on United States Government assumptions, that is currently producing at a rate of $135 billion a year and expanding at a rate of at least 7 percent. It is this assumption that has created doubt here at home. It is feared that the U. S. S. R. will provide technical and capital assistance in massive amounts to the underdeveloped countries. It is time to escape this statistical incubus. Arms they can provide, but the Russians are quite painfully poor in an economic sense.

The moral to this story would seem to be that physical measurements should not be made through a magnifying glass. The examination of statistics under a microscope, particularly Soviet statistics, can lead to remarkable delusions—such as the United States official delusion that Soviet GNP is $135 billion. Through bureaucratic magnification the Soviet bear may look like a full-grown economic grizzly, but looked at calmly, steadily, and whole it is only a hungry and vicious cub. The Kremlin cannot carry through a foreign-aid program of serious proportions.

Mr. KNOWLAND. The article deals with the material and data which have been supplied from time to time regarding the ability of the Soviet economic potential to deal with the subject of aid to some of the other countries of the world, and the recent indications that the Russians are prepared to enter upon a new policy, as a result of the trips recently taken by Bulganin and Khrushchev through certain nations.

I believe that the article is of such significance that all Members of the Senate would like the opportunity at least to examine it. It is thought provoking, and I think should be the subject of further study by committees of the Senate which will be dealing with this important question.

THE PRESIDENT'S SPECIAL FARM MESSAGE

Mr. HUMPHREY. Mr. President, I understand that the President's message on agriculture has been read in the other House and has not been read in the Senate, because it has been made available to us individually. As a result of radio broadcasts and articles in the press, and of having in our own hands a copy of the President's message, we are familiar with the general outlines and the detailed points of the farm program which has been laid before the Congress by the administration. I wish to make a few comments with reference to it.

First of all, it is refreshing to note that after 3 years the administration favors the family farm, and deplores the growth of what it appropriately terms corporate agriculture. I notice that both at the beginning of the message and at the conclusion there is emphasis upon agriculture, not entirely as a business, but as a way of life. The President concludes his message by saying:

> Historically agricultural policy in this country has sought to foster family-sized owner-operated farms. This has been a sound and wise policy—not only in the development of an efficient agriculture which has become the envy of the world, but also in fostering a sturdy, resourceful, self-reliant citizenry.

This is exactly the view which has been held by many of us consistently, and not merely in the second week of January 1956. The philosophy of the family farm, and its importance to the social and economic structure of our country, has been so important to many of us that we have taken exception to some of the views expressed by spokesmen of the Department of Agriculture relating to our farms particularly the smaller farms.

For example, about two weeks ago considerable comment was made about agriculture being a business, as such, and that efficiency should be the controlling factor. Comments were even made to the effect that too many people lived on farms in this country. The exact quotations relating to those statements are readily ascertainable. They were made by some Assistant Secretaries of Agriculture and other prominent officers of the Department of Agriculture.

Those of us who have been concerned about the agricultural price decline have felt that through the reduction of farm income and the decline of farm prices the whole structure of family farm operations was seriously threatened.

We have pointed out many times that a large number of young men and women who are entering farming as a way of life and as an occupation were being economically liquidated by the decline in agricultural income. We have been saying it consistently over a 3-year period, and even longer.

Nevertheless, the record will indicate that every time some of us have made our position clear on that point or have stated our convictions, the Secretary of Agriculture said that although some minor adjustments had to be made, the worst was behind us, and that the making of broad adjustments was definitely behind us.

The other day I presented a compilation of the number of times the Secretary of Agriculture had reassured the farmers of America that the broad adjustments were behind us and that agriculture would now stabilize itself. Every time such a statement was made prices dropped further, parity ratios went down, and the situation in agriculture became more perilous, instead of stabilized.

However, I wish to join the President today in reasserting our belief in the importance of the individual family farm and the owner-operated agricultural system. That is the philosophy which should control the thinking on all agricultural policy. It should emphasize not only economic values, but also positive social values in agricultural production and in farm living.

I am certainly glad to note an about-face in the President's message on the soil-bank proposal. That is most reassuring to me. I say that because I have in my hand a copy of a letter which was sent to the Committee on Agriculture and Forestry on September 30, 1955. It relates to the soil-bank proposal, and it was written after a bill authorizing the establishment of such a soil bank was introduced on March 10, 1955.

First, I ask unanimous consent to have the press release relating to the introduction of the bill to establish a national soil-acreage reserve, or soil-bank program, printed in the RECORD at this point.

There being no objection, the press release was ordered to be printed in the RECORD, as follows:

NATIONAL CONSERVATION ACREAGE RESERVE

Senator HUBERT H. HUMPHREY, Democrat, of Minnesota, today proposed establishment of a national conservation acreage reserve program to make sure that farm soil and water resources not required to fulfill the Nation's domestic and export needs for food and fiber are conserved and handled in a manner that will improve their fertility and keep them in readiness to meet unforeseen emergencies as well as long-range normal future needs for increased farm production.

Senator HUMPHREY introduced a conservation acreage reserve bill in the Senate, providing for payment of conservation reserve awards to participating farmers.

"Just as we wisely maintain adequate safety reserves of food and fiber above the ground to make sure our consumers are protected in case of natural disasters or suddenly expanded consumption needs, we should also wisely take the added precaution of maintaining safety reserves of productive ability below the surface of our soil through sound conservation farming," Senator HUMPHREY explained.

"Most of us, I am sure, agree that such would be the wisest use of acres diverted from normal use during any year by reason of the operation of acreage allotments and marketing quotas. What this bill proposes is a realistic way of seeking to achieve this objective."

Under the bill, the Secretary of Agriculture would be required annually to estimate the acreage required to produce the food and fiber needed to fulfill domestic demand, safety reserves, export needs, and needs for augmented exports to combat famine and promote America's foreign policy throughout the world.

The difference between the estimated acreage needs and the total acreage in production the preceding year, plus the amount of acreage kept out of production by acreage allotments and marketing quotas, would be designated as the national conservation acreage reserve. The reserve would be further broken down into State, county, and individual farm allocations on the basis of relationship ratios between the preceding year's acreage in production and the estimated productive acreage needed.

Individual farmers would be given an opportunity to sign voluntary contracts with the Department of Agriculture to maintain their own farm's conservation reserve in accordance with conservation practices established by the Department, to qualify for the conservation awards. The awards are to be based upon the prevailing local landlord's share of returns from such acreage if it is not kept out of production, not to exceed $2,000 annually for any one farm. Under the terms of the bill, farmers would be required to participate in the conservation reserve program to be eligible for any price supports.

Mr. HUMPHREY. Mr. President, I should like the RECORD to show that the press release is dated March 10, 1955, and that the bill is S. 1396.

I pointed out a moment ago that a letter was written by the Department of Agriculture under date of September 30, 1955. It was signed by Mr. True D. Morse, Acting Secretary, and reads as follows:

DEPARTMENT OF AGRICULTURE,
Washington, D. C., September 30, 1955.

Hon. ALLEN J. ELLENDER,
Chairman, Agriculture and Forestry Committee, United States Senate.

DEAR SENATOR ELLENDER: This is in reply to that part of your letter of March 11, 1955, requesting a report on S. 1396. This Department recommends against the enactment of this bill.

S. 1396 provides for the establishment of a Conservation Acreage Reserve by the Secretary of Agriculture by November 15 of each year for the succeeding crop year. This national reserve would then be allocated to States, counties, and farms on the basis of a formula contained in the bill. Voluntary agreements would then be entered into with farmers which would offer cash payments to them for devoting the Conservation Acreage Reserve allocated each farm to conservation purposes. No production from the reserve acreage could be utilized directly or indirectly for commercial purposes. Provision is also made for payments of up to 50 percent of the cost of the conservation or improvement of the acreage in the reserve.

While this Department feels that this bill would encourage some additional needed conservation, its main purpose appears to be to obtain adjustments in agricultural production. We do not believe that it would be an effective means of obtaining adjustments. Although the bill provides a formula for determining State and county conservation acreage reserves, the percentage adjustment of commercial acreage would be the same for all farms. This would not recognize the differences in the degree of adjustments required for individual farms and areas for either crops under acreage allotments or other nonallotment commercial crops.

The bill requires as a condition for payment that the land in the Conservation Acreage Reserve not be utilized for the production of any commodity (including livestock and livestock products) for market. A program that is primarily dependent on this principle would probably be very difficult to disassociate with the idea of paying farmers for nonproduction.

The complex manner in which payments are to be computed would result in difficult administration and high cost of administration. Because of the methods of determining payments it is difficult to anticipate the funds that would be required. It is probable however, that several hundred million dollars would be needed for the award payments only. This amount is exclusive of funds required for cost-sharing conservation payments and administrative expense. It is doubtful that such high expenditures to reward farmers for no production of agricultural commodities would be acceptable to many groups.

The Department fully recognizes the need for effective use of the acres taken out of production of the basic crops as a result of the allotment programs and has developed a broad program to influence the use of acres diverted from allotment crops. The objectives of this broad program are to move production toward balance with markets, avoid the continued accumulation of excessive supplies of commodities under price-support programs, encourage wider use of soil-conserving practices on diverted acres; and make available to farmers all research and marketing information which would assist them in determining what shifts to make and how to readjust their production to achieve maximum economy of operation.

To effectuate this program the Department has provided additional incentives through the Agricultural Conservation Program to encourage farmers to conserve and protect land diverted from allotment crops; instituted an extensive educational program for the purpose of advising farmers with respect to making the wisest possible use of diverted acres; and utilized the Department's discretionary authority in connection with price support programs to bring about a better use of feed grains and to encourage a sound livestock industry geared to our expanding economy.

A committee composed of representatives of the different agencies in the Department were asked to study the proposed legislation and report the probable effects of the bill. A copy of this report is enclosed.

The Bureau of the Budget advises that there is no objection to the submission of this report.

Sincerely yours,

TRUE D. MORSE,
Acting Secretary.

I call particular attention to the fact that the letter written by the Senator from Louisiana [Mr. ELLENDER], as chairman of the Committee on Agriculture and Forestry, asking the Department of Agriculture for its views on the proposed legislation introduced on March 10, was dated March 11, and that the efficiency of the Department of Agriculture made possible an answer to the letter by September 30, 1955. I have in mind the long distance between the office of the Department of Agriculture and the United States Senate. The reply could have been carried on the back of a snail and received by the Senate by the Fourth of July. However, the letter did finally arrive on September 30, 1955.

The letter refers to the same proposal which the administration now embraces in the acreage conservation reserve soil bank program. The purpose of the soil-conservation acreage reserve, or soil bank program, was to remove excess land from production. It was to be accomplished by paying farmers for nonproduction. It was understood that it would be costly.

Mr. President, I hope that Members of the Senate will note that on September 30, 1955, the conservation acreage reserve soil bank proposal was turned down because it would reward farmers for nonproduction and that it would be very costly. After this turndown of September 30 the Senate Committee on Agriculture and Forestry held a number of hearings throughout the United States, and in every one of those hearings witness after witness testified in behalf of the soil bank proposal. The American Farm Bureau Federation, the National Farmers Union, and the Grange supported the conservation acreage reserve soil program. In fact, I can honestly say that my proposal, advanced on March 10, was in conformity with and followed the suggestions and outlines of proposals which had been mentioned and discussed by the American Farm Bureau, to mention one organization.

I wish the RECORD to be crystal clear that while we are delighted that at long last the administration is willing to embrace this proposal, one full crop year went by the board awaiting the time when the administration would answer its mail and make up its mind. Surely, Mr. President, it did not take the Department of Agriculture from March to the last day of September to answer a communication from the chairman of the Senate committee and to determine what its position would be upon such an important and comprehensive program of production adjustment and soil conservation as is embodied in the conservation acreage reserve proposal.

Mr. President, I am pleased to see that the administration is now willing to change its mind and accept incentives instead of penalties as the best means of obtaining production adjustment. The theory of the administration in the 83d Congress and in the 1st session of the 84th Congress was that the way to get farmers to cut production and to bring production into balance with supply was to penalize them by the withdrawal of soil conservation payments, to penalize them with lower prices, to penalize them with severe acreage allotments, with no income adjustment. It has been found that that does not work. The whole administration farm program for all practical purposes has been repudiated, first, by the House of Representatives, and now by its own spokesmen, and it will soon be completely rewritten by the Senate of the United States.

The theory that we can bring production into balance with supply by paying farmers less has been proved once and for all to be fallacious. The theory that we can have the farmers take severe acreage production controls and pay them less per pound or per bushel and thereby get production into balance with supply is nothing but political stupidity, and it has now been so recognized.

I am delighted that at long last, despite the tragic lowering of farm income, despite the fact that the farmers' mortgage indebtedness has increased since

1952 from $5 billion to almost $10 billion on December 31, 1955, and despite the fact that farm parity has dropped from 94 in January 1953 to approximately 81 in December 1955. Despite all this, Mr. President, I am delighted that at long last the administration recognizes the error of its ways and at least in part is willing to repent for some of its tragic mistakes.

We are hopeful that these suggestions of the President will be incorporated into legislation such as the soil bank and such as the use of incentives to get the farmers to work with the Government.

One of the real weaknesses of the present farm program has been that it is driving farmers away from Government programs and has resulted in nonparticipation. It has resulted in fewer and fewer farmers complying with the production goals and the agricultural policy of the Government of the United States.

So, as I have said in a statement which is in the press gallery, we have waited 3 long years for such an awakening. There has been pending before Congress, without any support from the present administration, legislation which I am proud to be able to stand on the floor of the Senate today and say that I have been supporting and sponsoring myself. For example, the President, in his message, came out for what he calls a limitation on price supports.

Mr. President, I am particularly pleased about that; and at this point in the RECORD I should like to have printed my press release of May 17, 1955, wherein I recommended a limitation on price supports for family-size farms, a cutoff, so that there would not be large crop loans going to large commercial farm operators, but crop loans, which are the basis of a price-support program, would go to the family-size farms, such as a farm with no more gross income than $25,000 a year, and possibly a net income of around $7,000 a year.

There being no objection, the press release was ordered to be printed in the RECORD, as follows:

SENATOR HUMPHREY INTRODUCES NEW PRICE-SUPPORT BILL WITH FAMILY-FARM LIMITATIONS

Senator HUBERT H. HUMPHREY, of Minnesota, introduced a new price-support bill in the Senate today, providing for restoring 90 percent of parity but limiting eligibility for such support to basic family-farm production.

Senator HUMPHREY's bill introduces a new 2-price concept into the support program, with a complete cutoff of support benefits for production exceeding $50,000 in gross value from any one farm.

Under terms of his bill, farmers would be granted not less than 90 percent of parity price supports on products from any one farm up to a gross value of $25,000.

For additional farm production with a gross value up to $50,000, farmers would be eligible for price supports of not less than 75 percent. For production above the $50,000 gross value limitation, no support would be provided at all.

Senator HUMPHREY said the new proposal was aimed at removing some of the criticisms and objections to existing and past programs, and channeling the price-support benefits where they are needed most—to the farmer's basic living costs. He declared that $25,000 gross value of production meant around $7,000 net income on typical Midwest farms, and "most of our family farms do not exceed that amount of production.

"Nothing in the bill limits the initiative of individual farmers or larger commercial operators, however, because whatever the size of his operation a farmer would be entitled to 90-percent support on the first basic $25,000 value of his production, 75 percent on the next $25,000 worth of production, and still be free to sell on the open market without support any production beyond $50,000 in value," he explained.

"I believe it achieves a better balance between economic and social objectives of farm legislation by offering some semblance of protection toward fair prices for the basic production required to meet living expenses of a family farmer, yet removing support incentives for the big corporation farm operator to increase production beyond the point for which there is effective demand in the open market," Senator HUMPHREY said.

His price-support bill would extend support to cover such perishables as hogs, eggs, farm chickens, broilers, turkeys, beef cattle, whole milk and butterfat, but authorizes use of production payments as an alternative means of support for such commodities to avoid purchase and storage. Under terms of the bill, any such payments would be limited to $2,500 in any one year for the products of any one farm.

The bill calls for supporting soybeans, cottonseed, flaxseed, dry edible beans, and rye at the same levels as the basic commodities, and fixes the support level for grain sorghums, barley, and oats on the basis of their comparative feeding value to corn.

Mr. HUMPHREY. Mr. President, so that we may have a complete understanding, the bill to which I have reference is S. 1991, introduced on May 17, 1955.

I have noticed in recent weeks that there has been some talk about the importance of a cutoff point for agricultural price supports. We welcome the belated, the tardy, and, I am sure, the reluctant support of the administration for this sensible economic policy and farm program.

Mr. President, just 1 or 2 other comments.

Everything in the farm message is already under consideration in the Senate Committee on Agriculture and Forestry. I wish to assure the President of the United States, his Secretary of Agriculture, and the American people that we shall go much further in approving a comprehensive, workable, farm program and one which is much more effective than the one we have at the present time. This farm message does gloss over the fact that surpluses have increased rather than decreased under the lower support policies of this administration. Every time I hear the spokesmen of the administration talking about the burdensome surpluses, the unmanageable agricultural surpluses, I would remind them that they are talking about their own mess. They are talking about their own mismanagement, their own inefficiency, their own failure, their own concerted effort to weaken the great agricultural policies of this land, because surpluses have literally doubled under the price-depressing farm program of the Eisenhower administration. The representatives of the administration in the executive branch should look at the RECORD and see what we have been saying on the floor of the Senate month after month, which can be verified by the facts.

The representatives of the administration from the President on down have talked about the great surpluses of wheat, of cotton, and of other commodities, and as they talked about them they designed policies which have augmented and increased those surpluses rather than reduced them.

Furthermore, Mr. President, I think the President of the United States should recognize that a surplus of feed grains at cheap prices has a depressing effect upon the livestock market. Mr. President, that is what the junior Senator from Minnesota said and what other Senators said in this Chamber 3 years ago, that if feed grain prices went down, and if feed grain production went up, in accordance with the acreage element under the other programs—under the basic commodity programs—there would be an increase in livestock production, especially in hog production, and a subsequent decline in hog prices and other livestock prices. One does not have to be a wizard to figure those things out. All that is necessary is to have plain, ordinary horse sense. If one does not have horse sense, then he might simply use plain sense.

Unless the question has been studied a little, unless one has looked into or has worked in the agricultural area a little while, unless one has viewed the basic problems of agriculture, one cannot understand the relationship between the price of corn and the price of hogs, or the price of corn and the other feed grains.

I charge that this administration has deliberately put out of balance feed grains, on one price schedule, as compared to corn and wheat on another. In so doing, it has distorted the whole feed grain market, thus resulting in burdensome surpluses, which in turn result in increased production of animals, followed by reduced prices and reduced income.

It is very interesting to note that every time there is to be a major election in the United States, the administration seems to have new ideas about what to do for agriculture. But between elections the administration seems to suffer a kind of mental sterility.

This is a political year of awakening by the Republican leadership to the plight of agriculture. But I am of the opinion that this deathbed repentance will not get them into the political heaven they are hoping to find. The farmers have learned the hard way, Mr. President, that to have a Republican administration in charge of a farm program leads to an economic decline for agriculture.

One could be dead or asleep for 20 years in this country and never have read a headine, and at the end of 20 years, if he had an awakening, he would see the New York stock market at an alltime high, and the Iowa hog market at an alltime low, and would know which party was in power. He would know that the Republican leadership was in the saddle, because, strange as it may seem, the only market which seems to have a favorable response and special at-

tention under Republican leadership is the New York stock market, rather than the central United States grain market, the hog market, the livestock market, or the markets relating to food and fiber.

I shall make only 1 or 2 other observations on the President's farm message; then I shall yield the floor.

I was sorry to see that little or nothing had been recommended in the form of a new constructive policy on surplus disposal under Public Law 480, except to create a new job; namely, to establish an agricultural surplus disposal administrator. We have a Secretary of Agriculture. He has more assistant secretaries than any other Secretary of Agriculture has ever had. We do not need to have a new job created in the Department of Agriculture. All we need is that those who are there get to work and do what they are supposed to do. We need a little better coordination between the State Department and the Department of Agriculture on the disposal of surplus commodities overseas. Bill after bill is in the legislative hopper to utilize those surpluses for our own needs at home.

I want to see a report from the Department of Agriculture as to what the Department intends to do about a food-stamp plan to make available to our needy people in the United States the abundant supplies of perishable commodities, such as dairy and meat products, under a food-stamp plan. A food-stamp plan is administratively practicable. Already throughout the United States there are county welfare boards in every county. The United States Government has surplus supplies which are packaged. There are needy people. There are thousands—yes, millions—of persons receiving old-age assistance, but having far too modest a budget with which to supply them with a good diet.

Proposed legislation for a food-stamp plan has been pending in Congress, but it has been repeatedly objected to by the executive branch of the Government. I am proud to say that the senior Senator from Vermont [Mr. AIKEN] and I are the cosponsors, together with other Senators, of a food stamp plan. The senior Senator from Oklahoma [Mr. KERR] is the sponsor of a bill to provide for food certificates, a similar plan, of which I am a cosponsor.

I should like to have some administration support for these plans. I should like to get their expression of interest, at least, in the managed, planned disposal of perishable food commodities into the bodies of American citizens. The administration ought to be able to perfect such a proposal, and the cost of it would not be substantially more than the present storage cost of the perishable commodities and their purchase.

The junior Senator from New Mexico [Mr. ANDERSON] recently introduced a resolution which, if adopted, would direct the Secretary of Agriculture to provide a complete disposal plan for surplus commodities within the next 5 years, commodity by commodity, and year by year, so that we would know where we were going.

Another weakness in the President's agriculture message is the failure to deal effectively with commodities. I call to the attention of my colleagues commodities such as corn, wheat, cotton, rice, peanuts, sugar, and livestock. I would refresh their memories for a moment on the item of livestock. The President has made no specific recommendations on livestock except to admit now, as he says, that the establishment of the soil bank "will reduce the undue stimulus to livestock production, and consequent low livestock prices, induced by feed-grain production on diverted acres," much of the acreage already diverted from the production of wheat and cotton.

Restrictions against grazing on the soil bank acres will safeguard the interests of farmers.

When I introduced my soil-bank bill more than a year ago, at least a year ago, specific protection was provided so that there would be no overgrazing. One of the reasons why the Department of Agriculture objected to the Humphrey bill was that it was too restrictive. The President has made what was a liability only a few months ago into a glorious asset in January 1956.

We said on the floor of the Senate, time after time, as we were attempting to write into the agricultural bill of 2 years ago, a feed-value equivalent between corn and wheat and food grains, mandatory price supports for feed grains based upon a feed-value ratio with corn and wheat. We said that if that were not done, there would be a surplus production of feed grains. We said, in the legislation 2 years ago, that if some provision were not made to use diverted acres or to keep them out of production completely, there would be a great increase in feed grains, and that the result would be a tremendous stimulant to livestock production, which in turn would result in depressed prices.

Did we get any help from the Department of Agriculture or from the President? We did not. Our amendments were beaten down by the pressure of the administration, by the advice of the Department of Agriculture to Members of this body and of the other House.

I am delighted now that in 1956 the President recognizes that what we were saying then was true; that we were trying then, as he now is trying, to help the situation before it got out of hand. In the meantime, millions of dollars of assets have been liquidated on American farms.

I respectfully suggest that the commodity programs, as listed in the President's message, are little or nothing which are new. There is one, possibly, that might be said to be new, and that is the one with respect to cotton, where the special provision of law designates middling seven-eighth inch cotton as the standard grade for parity calculations and price support. The President recommends that the standard be 1 inch. That is not exactly what I would call an imaginative, bold program; but, at least, it is positive and it is constructive.

I assure the White House and the Secretary of Agriculture that insofar as the recommendations which have been made in this message are of a constructive nature, they will have our help and support. The agricultural problem today is not merely a Democratic or Republican problem; it is a national problem. When a farmer loses his farm, when he loses his income, it makes no difference what his politics are. He is in trouble, and he is not going to get a larger loan from his local banker because when he goes into the bank he can show that he is a card-carrying Democrat or a card-carrying Republican. He is going to be judged by the credit agencies of the country, private and public, on the basis of his collateral and his performance record with respect to solvency. Regretfully, that record of solvency is in trouble, and it is going to be in greater trouble, because the program which is before us represents too little and too late.

It would have been too little even if it had been recommended 3 years ago, but it would not have been too late. Now it is both too little and too late.

We are going to need better credit facilities for agriculture. We are going to need intermediate credit, 4 and 5 year credit, at low rates of interest. We are going to need a better price-support protection system for agriculture. And we are going to need immediate agricultural aid rather than long-term planning.

The President of the United States was conspicuously silent about price-support levels. I had hoped the President of the United States, after he went as far as he did in this message toward the repudiation of his own department, would go the whole way and get back to his promise of 1952, when he seemed to have a wonderful and strange insight into the economics of agriculture and when he spoke in favor of 90 percent of parity for basic crops.

He has come quite a way in this message toward that original position, but he needs a little help; and in the spirit of bipartisanship, I should like to get a bill to his desk which he can compare with his speech of 3 years ago. I want to assure the President we will not ask for anything in the forthcoming agricultural bill that he did not recommend or ask for in 1952. We are going to be very helpful to him. We are going to try to help him fulfill those commitments and promises.

We are delighted we have been able to help him with the soil-bank proposal. We had previously recommended the soil bank and the cutoffs. After we bypassed the President's own department and got to the President, after the American newspapers carried the soil-bank proposal day after day after day, after we hopped, skipped, and jumped over the Secretary and got to the White House, we got the President to adopt the soil bank.

I wish to assure President Eisenhower that if he wants advice on a price-support program, he listen to HUMPHREY. I do not mean George Humphrey, because I doubt that he would be in favor of it. I mean HUBERT HUMPHREY. I suggest the President listen to the advice of HUBERT HUMPHREY on agriculture, rather than the advice of George Humphrey, or even Ezra Benson.

It was suggested in Congress last May that there be cutoffs on agricultural price supports as a means of supporting the agricultural economy and helping family

farm operations survive and continue to be an important part of our economy. The Department of Agriculture has never expressed anything but opposition to this general point of view until recent weeks.

Interestingly enough, the first time I heard that the Department of Agriculture, or the Secretary of Agriculture, was interested in this proposal of mine was in the Wall Street Journal—of all the places to read about agricultural price supports. One would think that such information would be found in Wallace's Farmer or the Iowa Farmer, or some other respectable farm publication. I do not mean that the Wall Street Journal is not one of the finest publications in America, but it is generally interested in different kinds of stock than the livestock of the Midwest. But that is where HUBERT HUMPHREY found out about the apparent interest of the administration in a sensible, practical proposal of reasonable price support protection for our American agriculture at a cutoff point. I am so happy that at last the proposal was published in a paper which represents the administration, the Wall Street Journal. I am deeply indebted to the writers of the Wall Street Journal for writing about the proposal and finally getting it to the White House so it could be carefully studied and observed.

Within the next 2 or 3 weeks, we hope to have a proposed farm program, and it will be before the Senate for its general consideration. I know it will receive great support, because the American farmer is in dire trouble and in need of quick price supports on the part of our Government.

MONTHLY DISCLOSURES ON GAS BILLS TO CONSUMERS IN THE DISTRICT OF COLUMBIA

Mr. MONRONEY. Mr. President, I introduce on behalf of myself, the Senator from Arkansas [Mr. FULBRIGHT], the Senator from New Mexico [Mr. ANDERSON], and the Senator from Texas [Mr. DANIEL], a bill affecting the District of Columbia, to require disclosure on monthly gas bills of the domestic gas consumers of the District of Columbia the average rate paid by such consumers, the portion of that rate received by producers, pipelines, and the distributing company, respectively.

I send the bill to the desk for appropriate reference.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2890) to require disclosure on monthly gas bills of domestic gas consumers in the District of Columbia of the average rate paid by such consumers and the portion of that rate received by producers, pipelines, and the distributing company, respectively, introduced by Mr. MONRONEY (for himself and other Senators), was received, read twice by its title, and referred to the Committee on the District of Columbia.

Mr. FULBRIGHT. Mr. President, will the Senator from Oklahoma yield to me, so that I may suggest the absence of a quorum?

Mr. MONRONEY. I yield to the Senator from Arkansas, who is a cosponsor of the bill.

Mr. FULBRIGHT. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that the order for the quorum shall be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MONRONEY. Mr. President, the bill I have introduced, on behalf of the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Texas [Mr. DANIEL], the Senator from New Mexico [Mr. ANDERSON] and myself, would require the franchised gas company for the District of Columbia—and it is a simple District of Columbia bill, for in this case the company concerned is the Washington Gas Light Co.—to print clearly on the face of each consumer's gas bill a breakdown showing plainly the spread or increased charge for the use of natural gas, over and above the amount paid to the producer of the supply of raw gas in the field, through to the city gate where the gas is turned over to the Washington Gas Light Co. It would require the clear printing on the face of the bill of the city delivery cost.

I felt compelled to introduce the bill when, the other day, after considerable discussion in the public press, I began to study my gas bill of last month, and found that I owed the Washington Gas Light Co., for the gas used to heat my house for that month, $41.93. As is true of other consumers of natural gas, I became concerned about my bill, and began to wonder how much I was paying for the natural gas used to heat my house, and to whom I was paying the money.

So I turned to the reverse side of the bill, and read what was printed there. In the past, I had casually examined such bills, as regards their composition and makeup. I had done that over the period of approximately 9 years during which I have been using natural gas to heat my house. It has always been somewhat confusing to me, since—for some strange reason—the bills are expressed in therms, a term with which I was not familiar, although I come from the gas-producing country, and although I worked for many years as a newspaper reporter, investigating and challenging the large spread or difference between the cost of producing natural gas and the amount charged by the utilities for city delivery of natural gas.

I thought that perhaps as a result of the education I had received as a newspaper man and the education I had received in studying and listening to the several weeks of hearings on the natural gas bill, I could find the mysterious key to the Washington Gas Light Co.'s bills, so as to show me how the bills were arrived at or figured.

So I turned to the reverse side of the bill, and there I found the following:

SCHEDULE A—GENERAL SERVICE

Available to any customer for gas service for any purpose.

First, 4.8 therms or less per month, $1 net.

I suppose that means per therm.

Next—

Next, 10.2 therms per month, per therm, $0.156.

Presumably that means 15.6 cents.

I read further:

Next, 15 therms per month, per therm, $0.14.

Next, 570 therms per month, per therm, $0.118.

Next, 5,400 therms per month, per therm, $0.095.

Over 6,000 therms per month, per therm $0.085.

Minimum bill per meter per month, $1.

(Except group metered multiple dwelling projects of 4 units or more.)

Purchased gas adjustment:

This is in fine print:

Charges for gas service, at the rates shown above are subject to an increase or decrease to reflect changes in the wholesale price paid by the company for natural gas, the current adjustment is an increase of $0.0036 per therm.

I would say that would be thirty-six one-hundredths of a cent per therm. I read further:

It comprises an increase of $0.0046 for a current wholesale increase, minus $0.0010 for a retroactive wholesale decrease.

Then in larger type:

Net and gross rate: Net rates apply when monthly bills are paid within 20 days from date of rendition (see last net payment date on face of bill). If payment is made after the 20-day period gross rates shall apply.

Special terms and conditions of service: The application of above rate is subject to the general service provisions of the company as they may be in effect from time to time, and as approved by the Public Utilities Commission of the District of Columbia.

Seasonal off peak rate schedule and other details will be furnished upon request.

Mr. President, the last thing I need is more detail regarding how my gas bill is computed and how many steps go into the computation.

I find this in large type:

To determine number of therms used.

And then in smaller type:

Multiply hundreds of cubic feet used by 1.03.

Down at the bottom I find "W–11–55." I do not know what that means.

It would seem to me that in billing me on the basis of therms, and by means of 6 or 8 different rate steps, plus or minus amounts in terms of hundredths of a cent, with the net and the gross rate and the multiplication of the hundreds of cubic feet per therm, the whole process was a little bit confusing. I hate to be confounded. It seemed to me that after my experience with natural gas, someway, somehow, I could find the key, but not by means of the way the therms were stated on the bill. So I began to study the bill. Actually, Mr. President, I believe I really outsmarted the certified public accountant or the Philadelphia lawyer who placed all those figures on the back of that Washington Gas Light Co. bill; for, lo and behold, although the bill does not show the rate, nevertheless, the bill shows the number of cubic feet used. It shows that in hundreds of cubic feet, a term not familiar to those coming from

the gas-producing section of the country, because there we measure all natural gas by means of M c. f.—in other words, 1,000 cubic feet. However, the bill is stated in terms of hundreds of cubic feet—just to make the bill a little difficult to understand. However, I am fairly smart at the use of decimals, so I determined that the figure 319, as stated on the bill, must mean 31,900 cubic feet of natural gas. So, to find out how much my rate per thousand cubic feet of natural gas was, and to reduce the bill to the ordinary customer to the common denominator used for measuring and charging for natural gas, I divided my bill of $41.93 by 32. In order to round out the number and make the calculation easier, I disregarded the additional 100 cubic feet. In that way, I found that I was paying $1.31 per thousand cubic feet for the natural gas. That is an interesting figure, because I believe it shows rather conclusively the rate charged me. I use natural gas for heating my house, and that results in a rather substantial consumption of natural gas.

So I began to figure out exactly to whom I was paying what and for what. I was rather interested in learning how much the producer received for the natural gas in the field, because, after all, that is the raw commodity which I burn in my burner. The rest of the charge, above the amount paid to the producer, is, it seems to me, more or less overhead. Of course, it does cost money, and requires pipelines and other things, to transport the natural gas from the mouth of the well to my burner tip.

I happened to remember the hearings, so again I looked them up, to learn how the rate charged me was reached. Thus it was that I found that on the average, for the 12-month period closest to the end of 1955, the producer at the well, who has the gathering line which picks up the natural gas, this natural resource, is paid the magnificent sum of 12½ cents, out of the $1.31 which I pay for each 1,000 cubic feet of gas delivered to my burner tip.

Mr. President, let us bear in mind that as for the producer who receives the 12½ cents per thousand cubic feet of natural gas, for each thousand cubic feet of natural gas he puts into the pipeline, he has 1,000 cubic feet of gas less to sell; he is exhausting that natural resource; and, so far as I know, no natural gas will come into his well to replace that thousand cubic feet which has been taken out. That will not occur by means of any kind of geology. Once the gas is produced from the well, and once the million or trillion cubic feet of gas, or whatever amount is contained in his well, has been used, it is gone. In other words, every time he produces 1,000 cubic feet from his well, he has exhausted his natural resource to the extent of that 1,000 cubic feet. He receives 12½ cents. It then goes into what is called the long line, or the interstate pipeline. I find that the cost of the producer's share, 12½ cents, plus the 28½ cents charge for the transportation by the long interstate pipeline, delivers the gas for which I pay $1.31 a thousand in my burner, to the city gate at the city limits of the District of Columbia—I think in this case it is Rockville, Md.—for distribution into the system of the Washington Gas Light Co. at a cost of 41 cents. The long pipeline gathers the gas from the Appalachian Mountains, from West Virginia, and the nearby gas fields, and reaches out a thousand miles or more to the great gas fields of the Southwest and brings gas from all this vast territory to the city gates of Washington and delivers the gas at that point at a cost of 41 cents. That includes the producer's share of 12½ cents, representing the cost of everything from the discovery and drilling of the well to the gathering of the gas, and the exhaustion of the natural resource. All that goes into the figure of 41 cents. So the delivery price to the Washington Gas Light Co., at our doorstep, practically speaking, is 41 cents.

I was interested in trying to find out the cost of city delivery. It does not require a very smart man to figure out that if my rate is $1.31, and the gas is purchased at the city gate for 41 cents, I am paying 90 cents to take a thousand feet of gas from the city gate for city delivery in Washington at my burner.

These charts were made by the Library of Congress, and they are supposed to be in proportion. I think they properly show the relationship of the spread in the three stages in the distribution of natural gas to the consumer's burner.

It struck me that inasmuch as there was such a disparity in the spread as between the cost of furnishing the raw supply and the delivery charge of gas which the Washington Gas Light Co. buys for 41 cents, including the producer's price, it might be a good idea to consider the introduction of a bill so that no one would need to wonder about how much he was paying for gas, and what was the share of each agency concerned in its delivery. Then the consumer would not need to wonder how much was paid for the raw material. So I conferred with some of my colleagues, including the distinguished junior Senator from Arkansas [Mr. FULBRIGHT], the Senator from Texas [Mr. DANIEL], and the Senator from New Mexico [Mr. ANDERSON]. We are all from gas-producing States. I think we understand the production of gas.

I think we also understand that, while we furnish the gas which the long lines bring to the consumers, while we deliver to the long lines the convenient, superior fuel for transmission to some 30 million consumers in the East who never knew this convenience before, we are concerned with the exhaustion of our natural resources. If they are to be exhausted, I think we have the right to tell consumers exactly what we are receiving for the exhaustion of our natural resources, and how much of the consumers' dollar goes to carry our gas through the pipelines over the long distance from Texas to the city gate of Washington, and how much is charged for delivery over the short distance within the city limits of the District of Columbia.

Bear in mind, the transmission of gas does not result in much wear and tear on pipelines. There is very little friction involved in the flow of millions of cubic feet of gas through the long lines and even through the lines of the obsolete and largely written off equipment of the Washington Gas Light Co., which was built for the distribution of artificial gas. I believe that company was first chartered in the year 1845. Yet the wear and tear and the friction of the gas in the Washington pipelines represents a cost of 90 cents to me. I use a good deal of gas.

However, we wished to arrive at a standard, because we do not wish to bill everybody on the basis of MIKE MONRONEY'S average gas bill.

I did a little further research. We decided that we should use the average price paid to the producer for the last calendar year for which figures were readily obtainable. We did not want to put the gas company to any unnecessary trouble or add to its overhead, so we used the average price paid to the producer during the last calendar year for which figures were readily obtainable.

With respect to the cost at the city gate, we used the price paid for the last calendar year for which figures were readily obtainable. Then we used, as a basis of comparison, the average consumer, the average household, because that is the important thing. In this way we can show clearly, on the basis of the bill, in terms of thousand cubic feet of gas, which is the standard measurement, exactly what the spread is for the city delivery cost of such gas.

In the research I found that those who use gas for cooking but not for heating are paying a city delivery cost, from the city gate to the burner tip, of $1.10, or nearly 10 times the cost of the raw gas.

Those who use gas for heating, if they use it in considerable amounts, are paying an average rate, for cooking and heating, of 84 cents a thousand for the city delivery cost—not the total cost at the burner tip, but the spread represented by the city delivery cost. I am talking about the spread in the city delivery cost, in one instance, of $1.10, and in another instance 84 cents.

It may be of interest to Senators to note the stack of pennies represented on the chart before me, which illustrates how the rate is made up.

The producer's price is 12½ cents for the exhaustion of the natural resource. That is shown in green. The 28½-cent charge represents the cost of bringing the gas from the gas fields of Oklahoma, Texas, Arkansas, and the Appalachian Mountains to the city gate of Washington. These costs enter into the customer's rate. In the case of the rate for cooking only, the overhead cost of bringing the gas from the city gate to the burner tip is represented by a stack of pennies, as shown on the chart, reaching to $1.10, for the rate spread. For both heating and cooking, on the average, there is a spread of 84 cents.

Why should it cost so much more to distribute natural gas from the city gate in Washington than it costs to distribute it elsewhere? The spread from the city gate to the burner tip is 125 or 150 percent more than the entire cost of the

gas in Oklahoma at the well of the producer, plus the cost of transmission through the interstate pipeline into the city distributing system.

Some of those who are so eager to point the finger of blame at the producer and to allege that he is mulcting the public out of hundreds of millions of dollars might say that we are quoting figures from the gas-producing territory, and that perhaps we are a little partial toward keeping down the cost of gas.

Why should it cost so much more in the city of Washington, the Nation's Capital, for city delivery than it costs in other communities? The average spread is 90 cents. Here there is a spread of $1.10 for cooking, and a spread of 84 cents for heating. Why should it cost so much more to distribute gas in Washington than it does in other cities?

In Columbus, Ohio, the capital of the State of Ohio, instead of $1.10, the cost for city delivery is 35 cents. In Pittsburgh, Pa., the cost is only 43.4 cents a thousand for city delivery. In Louisville, Ky., the cost is only 35.2 for city delivery. In Kansas City, Mo., the cost of city delivery is only 27.7 cents.

It seems to me that the vast, rich, fat distributing utilities, some 30 of them, which have now organized to protect the consumer, may be organizing to protect themselves, and using the consumer as a front to cover up unconscionable profits which are being made from obsolete artificial gas pipelines, which probably have been largely depreciated over a period of years, but with respect to which the depreciation benefits are not handed on to the consumer. Senators, dear friends of mine, I know, are conscientiously concerned with the plight of the consumers. They are not a party to this lobby and perhaps would be displeased to find themselves with the group defending these high rates for city delivery.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. MONRONEY. I am happy to yield to the Senator from Arkansas, one of the authors of the bill for truth in billing.

Mr. FULBRIGHT. I am very happy to join the Senator from Oklahoma in sponsoring this bill.

The more I consider the statement of the Senator, the more firmly convinced I am that the bill before us is a very good bill, and that the inquiry to which the Senator from Oklahoma refers is a proper inquiry.

I wonder whether the Senator can give us any idea as to why gas should be so much more expensive in Washington than in Columbus, Ohio, or Kansas City.

Is there any intimation in the research which the Senator has conducted that would give a reason as to why an excessive cost should exist in Washington?

Mr. MONRONEY. I have tried to find the answer, I will say to the distinguished junior Senator from Arkansas, ever since I became aware of the multiplied spread in the case of the city of Washington. I know it cannot be due to the fact that the pipelines in the city of Washington had to be laid in solid rock, or that the holes for the pipelines had to be blasted out of solid granite. I do not know of any great rock layer in the city of Washington through which it was necessary to tunnel in order to lay the gas pipelines.

Therefore I am very much mystified by the whole matter. Most of the mains in the District of Columbia have been laid for many years. I am certain that the Washington Gas Light Co. has not been so absent-minded as to have failed to take advantage of any depreciation which the accounting laws and income tax laws allow them to take advantage of. Depreciation must have been taken on the lines.

I wonder how much of the depreciation has been written off to the benefit of the stockholders of the Washington Gas Light Co., and how much of it has been written off to the benefit of the consumers.

Perhaps one of the reasons for the organization of the powerful utility lobby can be found in the answer to that question. It is certainly a powerful utility lobby. It has been button-holing Senators on the Hill and writing letters to them, demanding that they help defeat the Fulbright bill. I should like to know of any reason that would account for a $1.10 city delivery cost for gas used for cooking purposes and a cost of approximately 84 cents for gas used for heating purposes.

Mr. FULBRIGHT. Mr. President, will the Senator yield further?

Mr. MONRONEY. I am happy to yield.

Mr. FULBRIGHT. Are the rates subject to regulation by the Public Utilities Commission?

Mr. MONRONEY. The rates are supposed to be regulated by the Public Utilities Commission, I will say to the distinguished junior Senator from Arkansas. However, I wonder whether anyone in the Public Utilities Commission has done any more than casually accept the financial statements of the Washington Gas Light Co., particularly with respect to the stock structure. I am interested in knowing whether the Public Utilities Commission has used the physical investment as a basis for rate fixing purposes, or whether it is allowing the Washington Gas Light Co. to earn income on the basis of the stock issue, and I wonder what else has been added through the accumulation of surplus and other items.

In other words, to arrive at an efficient rate making base—and I will say to the distinguished junior Senator from Arkansas that I worked on that subject for many years as a reporter on the old Oklahoma News, of the Scripps-Howard newspaper chain—it is necessary to take the physical investment in dollars, not the stock issue—and there is added to the capital value of the plant, the pipes, nuts and bolts, and valves. All that is added to the amount invested. Those figures are totaled. All the amounts for the extensions made each year are added to the capital structure. Then depreciation is written off each year on that portion of the plant which is used in the distribution of the natural gas.

In that way it is possible to arrive at a good base. I am wondering whether anyone recently or in the past several years, since the Washington Gas Light Co. converted its product to natural gas, inquired into the reason for the great spread in the delivery rate of the Washington Gas Light Co., which has been permitted to go on unchecked.

Mr. FULBRIGHT. Mr. President, will the Senator yield further?

Mr. MONRONEY. I yield.

Mr. FULBRIGHT. Does the Senator from Oklahoma know whether the cost of the advertising by the Washington Gas Light Co. is a deductible expense?

Mr. MONRONEY. It is certainly a deductible expense, as an operating expense.

Mr. FULBRIGHT. Does the Senator believe that is a correct procedure? In other words, why should the company advertise with full page advertisement, when it is confronted with no competition?

Mr. MONRONEY. That is customary.

Mr. FULBRIGHT. It is customary?

Mr. MONRONEY. It is customary in almost all utilities.

Mr. FULBRIGHT. Could it be one reason why this particular rate is higher than any other rate the Senator has mentioned, and that the spread in Washington, D. C., is greater than in Columbus or Kansas City, or in any other city?

Mr. MONRONEY. I would not wish to say that. I am inclined to believe there is no one, including the Public Utilities Commission, who can quite understand the gobbledegook we have been reading on the company's bills. Perhaps some day, after everyone in Washington gets through figuring out the status of the cosmos and understands all about satellites, we may find out how much it costs for each thousand cubic feet of gas to keep a little old lady warm. When we get down to that point we will find, I believe, that someone is getting very rich at the expense of the public.

Mr. FULBRIGHT. Does the Senator not believe that the committee should request representatives of the Public Utilities Commission to appear before it, to ask them how they calculate a therm, and how they arrive at the rate?

Mr. MONRONEY. I do not expect too much from them. However, I do expect a great deal from the public.

If the public has the information as to how much the average cost to the consumer is, what the cost for city delivery is, what proportion of it the long line gets, and how much the producer gets—instead of getting all the intentional confusion which is being aroused by the powerful utility lobby, in trying to pillory the producer for a 2- or 3-cent increase in the rate—the public will learn where the pack is, and will learn that the pack is in the city delivery rate.

I believe the distinguished junior Senator from Arkansas will agree with me on that point.

Mr. FULBRIGHT. I do.

Mr. DANIEL. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. DANIEL. As a former newspaper reporter, I am sure the Senator from Oklahoma will agree that the cost of the advertising is not very much when compared to the immense spread which the utility companies are charging over and

above what is paid to producers. As a matter of fact, does the Senator not agree that advertising is a good thing?

Mr. MONRONEY. It certainly is a good thing. If we did not have advertising in the newspapers, the newspapers would not be able to devote as much space to the printing of what Senators have to say.

Mr. DANIEL. However, it is a small part of the expense.

Mr. MONRONEY. That is correct.

Mr. DANIEL. Advertising is a good way to bring to the public information it should have. Therefore, would it not be a good thing for the public to know the truth about how little the producer gets for his gas, as compared with what is received by the monopoly which is distributing the gas in Washington?

Mr. MONRONEY. I think it is very important to show that fact. It is important to ask why that should be so. It is important to find out also why the Washington Gas Light Co., which had been delivering artificial gas until 1946, is charging 12 cents more per thousand cubic feet to deliver natural gas, which costs them much less than they paid for artificial gas.

Mr. DANIEL. The truth of the matter is that the big money that is coming out of the consumer's pockets is the profit collected by the distributors, the group of giant utilities now fighting the Fulbright-Harris bill. Is that not correct?

Mr. MONRONEY. That is correct. I am glad the distinguished Senator mentioned that fact. It would be interesting to know whether natural gas has hurt the Washington Gas Light Co., as their statements would lead us to believe, inasmuch as the company has been raising its rates since 1950. The gas producer since 1950 has had an increase of 1.7 cents per thousand cubic feet since 1950. The rate of the Washington Gas Light Co. since 1950, for gas used both for cooking only and for cooking and heating has been increased by 12 cents per thousand cubic feet.

It is interesting to note that the Washington Gas Light Co. is supposed to be a regulated utility. The producer's price to the company has been increased by 1.7 cents since 1950, and in that same period the Washington Gas Light Co. has increased its rate by 12 cents for gas used both for cooking only and for cooking and heating. The rate paid to the interstate pipeline has been raised by 10.1 cents per thousand cubic feet since 1950.

Mr. DANIEL. That is not the rate to the producer, of course.

Mr. MONRONEY. No; the producer has received an increase of 1.7 cents. I refer to the interstate pipeline. The interstate pipeline's rate has been increased by 10.1 cents, and the Washington Gas Light Co. has increased its rate by 12 cents. In other words, an increase of less than 2 cents to the producer has occasioned a 10-cent increase to the pipeline and a 12-cent increase to the average gas user in Washington, D. C.

Let me say that it is very significant to me that those who are arguing that the way to lower gas prices is by more and more regulation, and who specifically favor the invasion and overturning of the free-enterprise principle in the search for, the exploration of, and the development of gas fields, would make the gas producer into a public utility to be regulated by the Federal Power Commission. It is very significant to me that the rate to this free-enterprise segment is increased by only 1.7 cents, while the rate to the long interstate pipeline is increased by 10.1 cents by the Federal Power Commission. With reference to the Washington Gas Light Co., which is right here on our doorstep, the Public Utility Commission has increased its rate to 12 cents to the average user.

Nothing has been said about how well some of the utilities have been doing, in all the crocodile tears which have been shed by the powerful utility lobby. Some of them were not doing very well when natural gas came to their rescue. Dividends were very small. Their income before taxes and conversion expenses in 1945, the last year for the distribution of artificial gas, was $2,524,000. In 1954, after 10 years of this "vicious natural gas strangulation by producers," they had $9,068,000 income before taxes.

Mr. DANIEL. That is what I asked the Senator a moment ago. Much of that 90 cents is going into the pocketbooks of the stockholders of the utility companies?

Mr. MONRONEY. The reason I used income before taxes was to show that if they had not been so grasping, trying to squeeze the last penny out of the gas consumers, they could have reduced their rates and the Federal income tax alone would have taken care of the reduction. But they were so eager to pile up dividends that they charged the consumer higher rates, paying income taxes of $3,680,000.

I am in favor of people paying income taxes, but when a regulated utility is keeping its rates out of all proportion to what they should be, I think that someone in the Public Utilities Commission should get a sharp pencil and find out if a few cents could not be taken off the overburdened consumer.

The utility cannot claim that natural gas costs more than artificial gas. It cannot plead that it is not selling as much natural gas, because it was selling roughly 114 million therms. A therm is approximately the equivalent of a hundred cubic feet of gas. It is rather difficult to figure. In 1954 the utility was selling approximately three times that quantity of gas. So with more than a three-times increase in profit before taxation, with more than a three-times increase in gas revenue, the spread for city delivery keeps going up.

Mr. FULBRIGHT. Mr. President, will the Senator from Oklahoma yield?

Mr. MONRONEY. I yield.

Mr. FULBRIGHT. With reference to the figure of 41 cents which has been mentioned——

Mr. MONRONEY. It is now 39 cents. It has gone down another 2 cents.

Mr. FULBRIGHT. That is still four times, percentagewise.

Mr. MONRONEY. Bear in mind that the farmer can plant another crop, but drawing a thousand cubic feet of gas out of the ground is an exhausting process and depletes the resources.

Mr. FULBRIGHT. Can the Senator think of any other raw material for which the producer receives such a small percentage of the consumer's dollar? Can the Senator think of any analogous case?

Mr. MONRONEY. I cannot at the moment. Perhaps the Senator from Texas can.

Mr. DANIEL. Having sat through the hearings, I will say that I agree with the Senator. The evidence before the committee shows that there is no other product sold on the market in which the owner and producer of the resource receives so small a percentage of the consumer's dollar.

Mr. MONRONEY. I thank the distinguished Senator from Texas.

Mr. FULBRIGHT. Mr. President, will the Senator from Oklahoma yield further?

Mr. MONRONEY. I yield.

Mr. FULBRIGHT. I am further confused about the therm. Is not a therm approximately the equivalent of 100 cubic feet of gas?

Mr. MONRONEY. The Senator from Arkansas is correct. It is normal nomenclature in the gas business.

I think it is interesting to note that the catastrophe which apparently struck the Washington Gas Light Co. and forced it to triple its profits before taxes was so terrible that they have been writing off property loss and expenses resulting from conversion.

In the year 1946, after they were allowed to secure 3 or 4 times as many gas consumers, they were able to write off, according to Moody's Public Utility Manual, $331,000 for property loss and expenses resulting from conversion.

In the year 1947 they wrote off $337,000; in 1948, $611,000; in 1949, $591,000; in 1950, $505,000; in 1951, $473,000; in 1952, $699,000; in 1953, $702,000; in 1954, $406,000.

It appears to me, roughly, that the average for the 9 years, at about a half million dollars a year, would equal about $4,500,000 in write-downs for property losses.

I am not familiar yet, but I expect to be soon—and I intend to speak of this at a later date—with exactly how much property loss the Washington Gas Light Co. took when it removed those unsightly, smelly holders of artificial gas from the Virginia Avenue site, which is now to be developed into a multi-million-dollar property. I am going to be interested in learning whether the gas consumer received any of the benefit of the write-up, if there was a write-up, from the disposal of one of the most valuable properties existing within the District of Columbia today. I intend to ascertain what the rate base is, and how it is affected by the write-down of $4½ million of their property when those gas holders were removed. Is it worth more or worth less than when it was operating as an obsolete, artificial gas facility of the gas company? It seems to me that someone concerned in this matter is trying to be intentionally confusing.

I announced the other day that the junior Senator from Arkansas [Mr. FULBRIGHT] and I, together with other Senators, intended to introduce a bill to furnish, merely as public information, all the essential factors with respect to what makes up a consumer's gas bill, so as to keep the public informed. Voltaire once said, "Give light, and the people will find their own way." We are proposing to give light on the Washington Gas Light Co., and I venture to say that the people will find a way to have the unconscionable city delivery charge reduced, so that it will be more in line with the charge in other cities or in comparable places.

For that reason, I can hardly agree that the statement by Mr. Oscar Berry, and the other officials of the Washington Gas Light Co., is correct, when he continues to quote rates, not in the sense of an increase in the various gas rates to the pipelines and to the producers, but about rates in percentages.

Suppose gas was sold for 1 cent by a producer, and was then increased to 2 cents. That would be a 100-percent increase, but the price of gas would be raised by only 1 cent. But Mr. Berry continues to deal in confusing figures. It must be a part of the scheme of the utility lobby to cry crocodile tears in behalf of the consumers while they themselves obtain one of the highest gas distribution rates in the United States.

It is not enough to have 1 utility company try to put a harness on or impose Federal regulation on exploratory development, such as in gas or oil, but there have been organized 30 of the largest companies, and many of them are those charging the highest, most unconscionable rates.

Why is it that in Baltimore, Philadelphia, New York City, Connecticut, and in the State of the distinguished senior Senator from Massachusetts [Mr. SALTONSTALL] such terrifically high gas rates are charged for city delivery? Does it cost more to have gas flow through the lines in Philadelphia or Boston than it does in Columbus, Ohio, or Kansas City, Mo.? I cannot understand how the local public regulatory bodies, which appeared before us at our hearings and cried in behalf of the poor consumers, have been sitting so idly by, failing to apply the yardstick of the cost of distribution elsewhere, and learning, perhaps, that the guilty fingerprints on the gun, if you please, which is holding up the consumers for high gas rates are their own fingerprints in permitting such high charges to go unchecked and unregulated.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. FULBRIGHT. Did I understand the Senator from Oklahoma to say that those companies have formed a lobby to try to influence the Senate against the passage of the natural gas bill?

Mr. MONRONEY. Oh, yes, indeed. Has the Senator not seen the printed booklets?

Mr. FULBRIGHT. No; they have not sent me one. Who belongs to the lobby?

Mr. MONRONEY. There are 30 of these utility companies. I believe it is called the Council of Local Gas Companies. I do not know the exact name, but to date 30 of the largest ones have joined, and, incidentally, they include those with the highest spread.

Mr. FULBRIGHT. I thought it was many years ago that utility holding companies were prohibited from using their funds to influence legislation. Is that not a violation of the Utility Holding Company Act?

Mr. MONRONEY. I am not so familiar as I should be with that phase of the matter. I am not a lawyer. However, I think it would be interesting for the Senate to make certain about that, because a number of holding companies which own properties are embraced in this lobby operation. I am sorry I do not have their booklet before me. I do not think the name is Utilities Anonymous. I think we could probably learn which utilities they are, and it would be interesting to see what portion of the rates they are protecting.

Mr. FULBRIGHT. I have not seen one of their booklets. I should like to have one. I think they may not, of course, technically be violating the law. But in the days of the Insull enterprise in Chicago, of which the Senator from Oklahoma is undoubtedly well aware, I think it was or became illegal for holding companies to use their funds for the influencing of legislation. That law grew out of a scandal in Missouri, involving the Union Electric Co., which had created large slush funds for the bribing of legislators in the Missouri Legislature.

But if a lobby has now been created to influence the Senate, it seems to me such a lobby is skating on very thin ice, so far as using their funds is concerned, because I assume they will try to deduct those funds as operating expenses also.

Mr. MONRONEY. I feel certain they would not intentionally violate the utility holding company law, because they have employed a former colleague of ours from Missouri to represent them. I understand that former Senator Kem is now in the employment of those 30 utilities, and I believe he would advise them against any transgression of the Utility Holding Company Act.

Frankly, I believe the utilities have a right to their say. I am proud to have them have their say, because we intend to have our say.

I intend, if it is possible to obtain it, to have a breakdown of the figures, so that it can be shown exactly what portion of each of the three brackets in the cost of the gas goes to protect the rate in the city delivery of gas in the District of Columbia.

Let the utility companies have their say. I hope there may be Senators on the floor who will take the side of those fat 30 utilities; who will explain exactly why it is necessary for them to have this high spread; and why it is so much higher in some areas than it is in such places as I have named. In Columbus, Ohio, for example, the figure is 35 cents, as against $1.10 in Washington, D. C.

Incidentally, I think Baltimore has a spread of $1.13. I think the Baltimore utility has joined as a member of the self-protective society of 30 utilities. In Baltimore there is a spread of $1.13 as against 27.7 cents in Kansas City, and a city delivery in Columbus, Ohio, of 35 cents.

Mr. DANIEL. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. DANIEL. I join with the Senator from Oklahoma in saying that I, too, am glad that these big utility companies have come out into the open and have joined in the fight against the Fulbright-Harris bill, because they have been behind the fight against the bill ever since it was introduced last year.

It was some of the big utilities which during the hearings last year stirred up all the consumer protest. We knew that in our committee hearings, but I am afraid the public did not know about it. So I am glad today that the public can see who is behind all the false propaganda about the consumers being hurt by the producers,

We now have out in the open, some of the giant utility companies which have been waging the fight all along in the name of the consumers. It seems to me it should be evident, through the proposed legislation we are offering today, and through the discussion which will take place on the floor before long, that the big monopolies are on the side against the Fulbright-Harris bill, and that they are on that side for a selfish purpose, in order to continue increasing the millions of dollars they can take away from the consumers of this country, and at the same time try to blame the high costs on the producers, who receive less than 10 percent of the consumer's dollar.

Mr. MONRONEY. They are doing it in the answer of Mr. Oscar Berry, attorney for the Washington Gas Light Co. He has blamed increases to the consumer on the producer. It is the same old line. It is the utility line that has been played and replayed and replayed. Anybody who dares to challenge the big, fat utilities line is supposed to be a tool of the gas producers.

There are 8,000 gas producers. There are 30 million people who consume gas. It is very easy to tell 30 million people, "We are protecting you," and that 8,000 free, competitive enterprisers and explorers for natural gas are out to increase their bill by $800,000,000.

Where did they get that figure? It was dreamed up, but it came from the 30 fat utilities which have organized.

Mr. DANIEL. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield to the Senator from Texas.

Mr. DANIEL. Recently someone referred to that as the $800 million lie. I am sure the Senator from Oklahoma will agree it is an $800 million lie so far as the facts are concerned?

Mr. MONRONEY. Since 1950 the producer has received an increase of 1.7 cents in his rate to the city of Washington.

I do not want to mislead Senators. The 12.5 cents is above the national average, which is about 10 cents or a little below that. I think it is between 9 and 10 cents. The Washington utility buys Appalachian gas, and because it is near the big eastern market, it demands a

higher rate. Before the Washington Gas Light Co. converted completely to natural gas and started shedding big tears, the Washington Gas Light Co. was paying 16 cents a thousand for Appalachian gas. It did not get its price down until it went to the Southwest for its gas.

Mr. DANIEL. In other words, the majority of the gas which comes from Arkansas, Oklahoma, and Texas, is actually below that 12½ cent price?

Mr. MONRONEY. I presume it is averaged with the higher 16-cent Appalachian gas to arrive at the 12-cent figure. So we are getting all the information from Mr. Oscar Berry that the exorbitant charge to the consumers is the fault of the producer or the interstate pipeline.

I should like to urge that the bill which has been introduced by me and the Senators who have associated themselves with me be given early and prompt consideration by the District of Columbia Committee. In fact, I have spoken to the Senator from Oregon [Mr. MORSE], our distinguished friend and colleague. While the Senator from Oregon may be against the passage of the Harris-Fulbright bill—and I suspect he is—I have confidence that the Senator from Oregon wants the public to know the facts. I feel that he would be more than eager to consider an early hearing on the bill before the District of Columbia Committee.

I should like to invite these 30 big utilities—because they surely cannot be against the public's being informed—to join with us in urging that truth in billing is necessary. If they have nothing to hide, I should like to see them join with us, not only to secure passage of the bill for the District of Columbia, but perhaps petition us—and I am sure we would be glad to listen to their petition—to expand this proposal to cover the 48 States.

I should like to challenge them today—this well-heeled organization of 30 big utilities—if they have not anything to hide, to ask either myself, the Senator from Arkansas [Mr. FULBRIGHT], or any of the Senators who might represent the States from which those utilities operate, to speak to us. We will be glad to consider expanding public information to the 48 States.

We are having our attorneys look into the matter. We are proceeding slowly, but it seems to me it is highly important that the public should know. We must have the truth in billing.

Mr. President, before closing, I ask unanimous consent to have printed in the RECORD as a part of my remarks certain tables which I have prepared. One table shows the prices paid by the Washington Gas Light Co. to interstate pipe lines from 1946 to 1954, both in therms and in thousands cubic feet.

The table also shows the prices received by the producers in the field per thousand cubic feet, where it is available, from 1946 to 1954. Unfortunately, we have not been able to get a firm figure on the cost of the artificial gas, and the figures from 1946 to 1948 are not available; but the remainder of that period is covered by the table.

I also ask unanimous consent to have included as part of my remarks a table showing the prices paid to the Washington Gas Light Co. by the average household consumer from 1946 until 1954, showing the cost per therm and the cost per thousand cubic feet.

The table also shows the average consumer's price, with heating, on the basis of per therm and per 1,000 cubic feet.

The PRESIDING OFFICER. Is there objection to the unanimous consent request of the Senator from Oklahoma?

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

	Prices paid to pipelines by Washington Gas Light Co.		Prices received by producers per thousand cubic feet
	Per therm	Per thousand cubic feet	
	Cents	*Cents*	*Cents*
1946	3.03	30.3	(1)
1947	2.91	29.1	(1)
1948	2.90	29.0	(1)
1949	2.86	28.6	8.5
1950	2.98	29.8	10.8
1951	3.06	30.6	7.7
1952	3.82	38.2	8.5
1953	3.88	38.8	11.0
1954	3.99	39.9	12.5

[1] Not available

Prices paid to pipelines: Increase since 1946, 9.6 cents. Increase since 1950, 10.1 cents.

Prices received by producers: 6-year average, 9.6 cents. 6-year increase 2.6 cents. Increase since 1950, 1.7 cents.

Prices paid to Washington Gas Light Co. by average household consumer

	Without heating		With heating	
	Per therm	Per thousand cubic feet	Per therm	Per thousand cubic feet
	Cents	*Cents*	*Cents*	*Cents*
1946	14.0	1.40	11.3	1.13
1947	13.9	1.39	11.2	1.12
1948	13.8	1.38	11.3	1.13
1949	13.9	1.39	11.4	1.14
1950	13.9	1.39	11.3	1.13
1951	13.1	1.31	11.4	1.14
1952	14.7	1.47	11.6	1.16
1953	15.4	1.54	12.3	1.23
1954	15.1	1.51	12.5	1.25

Increase without heating since 1946, 11 cents.
Increase with heating since 1946, 12 cents.
Increase without heating since 1950, 12 cents.
Increase with heating since 1950, 12 cents.

Mr. MONRONEY. Mr. President, at a future date, I hope to have more information regarding the physical value of the plant of the Washington Gas Light Co. Perhaps my colleagues may have a little information on the 30 associated gas companies which have organized and are financing the lobby in the fight against the Harris-Fulbright gas bill.

Mr. President, I yield the floor.

PROHIBITION OF USE BY CERTAIN BUSINESSES OF THE INITIALS "U. S."

Mr. DANIEL. Mr. President, I send to the desk a bill for introduction and appropriate reference. This bill would amend the Criminal Code to enlarge the prohibition against false advertising by banking or investment companies. It would prohibit the use of the initials "U. S." in the firm or business name of such companies, and the use of pictures of the Capitol or other public buildings in the advertising when it would be reasonably calculated to convey the impression that the company had some connection with or insurance by the United States Government.

In addition, the penalty for violation would be increased from a possible $1,000 fine and not more than 1 year in jail to a possible $10,000 fine and not less than 1 year imprisonment.

Recently, a company operating in Texas, the U. S. Trust & Guaranty Co., of Waco, Tex., was found to be insolvent. This company, in addition to using "U. S." in its firm name, also advertised on its stationery and on television, with pictures of the United States Capitol in the background, the slogan "You can put your trust in the U. S. Trust."

Many persons in Texas invested their life savings in the U. S. Trust & Guaranty Co., at what was advertised to be very desirable interest rates. These investments, in many instances, were made upon the erroneous conclusion, induced by the type of advertising used by the company, that the deposits would be insured or guaranteed by the United States Government.

At present, section 709 of title 18 of the United States Code prohibits use of the words "national," "Federal," "United States," "reserve," and "deposit insurance" in the firm or business name, but the initials "U. S." have not been prohibited, nor has the use of pictures of public buildings. The purpose of the bill is to prevent banking, investment, or other companies of a fiduciary nature, from misleading the public into depositing money on the basis that the deposits are with a company either insured by or connected with the United States Government.

I want to make absolutely certain that the citizens of Texas and the Nation are not again subjected to such misleading representations, and that should this same situation exist in other parts of the country, it will be stopped before other innocent victims are injured severely. The people who are misled by circumstances such as these are the small investors who need protection, since they are not in a position to investigate all the facts for themselves. We have an obligation to prevent the use of the confidence which the people have in the financial security of our Government in a manner reasonably calculated to convey the impression that the United States Government is protecting their private investment when that is not the case.

I have underlined the proposed additions to the present law in a copy of the bill now being sent to the desk. I ask unanimous consent that a copy of the text of the bill, with the proposed changes in the present law underlined, be included at this point in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred, and, without objection, the marked copy of the bill will be printed in the RECORD.

The bill (S. 2891) to amend section 709 of title 18 of the United States Code so as to prohibit the use by certain businesses of the initials "U. S." in the business or firm name or pictures of the

Capitol Building and other public buildings of the United States in their advertising, and to increase the penalties for violation of such section, introduced by Mr. DANIEL, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the first paragraph of section 709 of title 18 of the United States Code is amended to read as follows:

"Whoever as a person, corporation, partnership, business trust, association, or other business entity, engaged in the banking, loan, building and loan, brokerage, factorage, insurance, indemnity, savings, or trust business, except as permitted by the laws of the United States, (1) uses the words "national," "Federal," "United States," "reserve," "deposit insurance," or the letters "U. S.," as a part of the business or firm name of such person, corporation, partnership, business trust, association, or other business entity; or (2) uses in any advertisement a picture of the Capitol Building or any other public building of the United States in a manner reasonably calculated to convey the false impression that such person or entity is a Government agency or is connected with any Government agency, or that such business, or the deposits, liabilities, obligations, certificates, or shares thereof, are insured or guaranteed by the United States or any instrumentality thereof; or".

SEC. 2. Section 709 of title 18 of the United States Code is amended (a) by striking out "$1,000" wherever it appears in such section and inserting in lieu thereof "$10,000," and (b) by striking out the words "for not more than 1 year" and inserting in lieu thereof the words "for not less than 1 year."

ADJOURNMENT TO THURSDAY

Mr. FULBRIGHT. Mr. President, pursuant to the order previously entered, I move that the Senate stand in adjournment.

The motion was agreed to; and (at 5 o'clock and 10 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until Thursday, January 12, 1956, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate January 9, 1956:

DIPLOMATIC AND FOREIGN SERVICE

The following-named persons, who were appointed during the last recess of the Senate, to the offices indicated:

Max Waldo Bishop, of Arkansas, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Thailand.

DEPARTMENT OF DEFENSE

Clifford Cook Furnas, of New York, to be an Assistant Secretary of Defense.

TREASURY DEPARTMENT

BUREAU OF INTERNAL REVENUE

Russell C. Harrington, of Rhode Island, to be Commissioner of Internal Revenue.

NATIONAL SECURITY TRAINING COMMISSION

David Sarnoff, of New York, to be a member of the National Security Training Commission for the remainder of the term expiring June 19, 1958.

POST OFFICE DEPARTMENT

Jack Rohe Howard, of New York, to be a member of the Advisory Board for the Post Office Department.

DEPARTMENT OF COMMERCE

Frederick Henry Mueller, of Michigan, to be an Assistant Secretary of Commerce.

CIVIL AERONAUTICS ADMINISTRATION

Charles J. Lowen, Jr., of Colorado, to be Administrator of Civil Aeronautics.

INTERSTATE COMMERCE COMMISSION

Rupert L. Murphy, of Georgia, to be an Interstate Commerce Commissioner for the remainder of the term expiring December 31, 1957.

Robert W. Minor, of Ohio, to be an Interstate Commerce Commissioner for the remainder of the term expiring December 31, 1958, vice J. Haden Alldredge, retired.

NATIONAL LABOR RELATIONS BOARD

Stephen Sibley Bean, of Maryland, to be a member of the National Labor Relations Board for the term expiring August 27, 1960.

NATIONAL MEDIATION BOARD

Francis A. O'Neill, Jr., of New York, to be a member of the National Mediation Board for the term expiring February 1, 1959. (Reappointment.)

DEPARTMENT OF JUSTICE

Charles K. Rice, of New Jersey, to be an Assistant Attorney General, vice H. Brian Holland, resigned.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Lowell Thelwell Coggeshall, of Illinois, to be Special Assistant on Health and Medical Affairs to the Secretary of Health, Education, and Welfare, vice Chester Scott Keefer, resigned.

FEDERAL RESERVE SYSTEM

William McChesney Martin, Jr., of New York, to be a member of the Board of Governors of the Federal Reserve System for a term of 14 years from February 1, 1956. (Reappointment.)

CIVIL AERONAUTICS BOARD

G. Joseph Minetti, of New York, to be a member of the Civil Aeronautics Board for a term of 6 years expiring December 31, 1961.

SUBVERSIVE ACTIVITIES CONTROL BOARD

R. Lockwood Jones, of Oklahoma, to be a member of the Subversive Activities Control Board for the remainder of the term expiring August 9, 1960, vice David J. Coddaire, resigned.

UNITED STATES TARIFF COMMISSION

James Weldon Jones, of Texas, to be a member of the United States Tariff Commission for the remainder of the term expiring June 16, 1961.

William E. Dowling, of Michigan, to be a member of the United States Tariff Commission for the remainder of the term expiring June 16, 1957, vice James Weldon Jones.

UNITED STATES MARSHAL

James Warren McCarty, of Texas, to be United States marshal for the southern district of Texas, for a term of 4 years, vice Emmett Mitchell Smith, resigned.

COAST AND GEODETIC SURVEY

In lieu of the nominations received by the Senate on July 28, 1955, the following for permanent appointment to the recommended grades in the Coast and Geodetic Survey, effective on the dates indicated, subject to qualifications provided by law:

To be commissioned captain

Ector B. Latham, effective July 1, 1955.
John Bowie, effective July 1, 1955.
William F. Malnate, effective August 1, 1955.

To be commissioned lieutenant

Arthur R. Benton, Jr., effective June 25, 1955.
Eugene A. Taylor, effective June 25, 1955.
William D. Barbee, effective June 25, 1955.
Herbert R. Lippold, effective June 26, 1955.
Roger F. Lanier, effective June 26, 1955.
John B. Watkins, Jr., effective July 17, 1955.
Jack E. Guth, effective August 3, 1955.
Bruce E. Greene, effective August 29, 1955.
Robert E. Williams, effective September 7, 1955.

To be commissioned lieutenant (junior grade)

Kenneth A. MacDonald, effective June 22, 1955.
Winfred V. Warner, effective June 22, 1955.
Edwin K. McCaffrey, effective June 22, 1955.
Clifford W. Tupper, effective June 22, 1955.
Richard H. Boulder, effective June 22, 1955.
Howard A. Garcia, effective June 22, 1955.
John J. Dermody, effective June 22, 1955.
Clinton D. Upham, effective June 22, 1955.
George W. Thompson, effective June 22, 1955.
Floyd J. Tucker, Jr., effective June 22, 1955.
Dale E. Westbrook, effective June 22, 1955.

To be commissioned ensign

Vincent J. Franze, Jr., effective August 8, 1955.

IN THE ARMY

The following-named officers under the provisions of section 504 of the Officer Personnel Act of 1947 to be assigned to positions of importance and responsibility designated by the President under subsection (b) of section 504, in rank as follows:

To be general

Lt. Gen. Willard Gordon Wyman, O12356, Army of the United States (major general, U. S. Army), in the rank of general.

To be lieutenant generals

Maj. Gen. Edward Thomas Williams, O12818, Army of the United States (brigadier general, U. S. Army), in the rank of lieutenant general.

Lt. Gen. John Wilson O'Daniel, O7342, Army of the United States (major general, U. S. Army), to be placed on the retired list in the grade of lieutenant general under the provisions of subsection 504 (d) of the Officer Personnel Act of 1947.

The following-named officer under the provisions of section 504 of the Officer Personnel Act of 1947 to be assigned to a position of importance and responsibility designated by the President under subsection (b) of section 504, in rank as follows:

Maj. Gen. Samuel Tankersley Williams, O8472, United States Army in the rank of lieutenant general.

(The above promotion was made during the last recess of the Senate.)

The following-named officer under the provisions of section 504 of the Officer Personnel Act of 1947 to be assigned to a position of importance and responsibility designated by the President under subsection (b) of section 504, in rank as follows:

Maj. Gen. Charles Day Palmer, O15519, United States Army, in the rank of lieutenant general.

(The above promotion was made during the recess of the Senate.)

The following-named officers under the provisions of section 504 of the Officer Personnel Act of 1947 to be assigned to positions of importance and responsibility designated by the President under subsection (b) of section 504, in rank as follows:

Maj. Gen. Alonzo Patrick Fox, O8434, United States Army, in the rank of lieutenant general.

Maj. Gen. Clovis Ethelbert Byers, O12769, United States Army, in the rank of lieutenant general.

Maj. Gen. Clyde Davis Eddleman, O15842, Army of the United States (brigadier gen-

eral, U. S. Army), in the rank of lieutenant general.

The following-named officers for temporary appointment in the Army of the United States to the grades indicated under the provisions of subsection 515 (c) of the Officer Personnel Act of 1947.

To be major generals

Brig. Gen. John Ray Hardin, O12283, United States Army.
Brig. Gen. James Ogilvie Gillespie, O16711, Medical Corps, United States Army.
Brig. Gen. Paul Irwin Robinson, O17802, Medical Corps, United States Army.
Brig. Gen. Earl Clarence Bergquist, O16998, United States Army.
Brig. Gen. Emerson Charles Itschner, O15516, United States Army.
Brig. Gen. Harry Warren Johnson, O16391, Army of the United States (colonel, U. S. Army).
Brig. Gen. Ralph Morris Osborne, O16399, Army of the United States (colonel, U. S. Army).
Brig. Gen. Waldo Eugene Laidlaw, O16414, Army of the United States (colonel, U. S. Army).
Brig. Gen. John Lawrence Ryan, Jr., O16451, Army of the United States (colonel, U. S. Army).
Brig. Gen. Max Sherred Johnson, O16745, Army of the United States (colonel, U. S. Army).
Brig. Gen. Edward Gilbert Farrand, O16788, Army of the United States (colonel, U. S. Army).
Brig. Gen. Samuel Roberts Browning, O17081, Army of the United States (colonel, U. S. Army).
Brig. Gen. Webster Anderson, O17101, Army of the United States (colonel, U. S. Army).
Brig. Gen. John Cogswell Oakes, O17160, Army of the United States (colonel, U. S. Army).
Brig. Gen. Russell Lowell Vittrup, O17681, Army of the United States (colonel, U. S. Army).
Brig. Gen. Paul Lamar Freeman, Jr., O17704, Army of the United States (colonel, U. S. Army).
Brig. Gen. George Edward Lynch, O17715, Army of the United States (colonel, U. S. Army).
Brig. Gen. Ralph Copeland Cooper, O17741, Army of the United States (colonel, U. S. Army).
Brig. Gen. Andrew Pick O'Meara, O18062, Army of the United States (colonel, U. S. Army).
Brig. Gen. Hamilton Hawkins Howze, O18088, Army of the United States (colonel, U. S. Army).
Brig. Gen. Marshall Sylvester Carter, O18359, Army of the United States (colonel, U. S. Army).
Brig. Gen. William White Dick, Jr., O18384, Army of the United States (colonel, U. S. Army).
Brig. Gen. John Knight Waters, O18481, Army of the United States (colonel, U. S. Army).
Brig. Gen. Hugh Pate Harris, O18518, Army of the United States (colonel, U. S. Army).
Brig. Gen. Earle Gilmore Wheeler, O18715, Army of the United States (colonel, U. S. Army).

To be brigadier generals

Col. Jack William Schwartz, O17823, Medical Corps, United States Army.
Col. Clement Franklin St. John, O18258, Medical Corps, United States Army.
Col. Richard Collins, O29375, United States Army.
Col. Howard Malcom Hobson, O29673, United States Army.
Col. Dwight Benjamin Johnson, O18722, United States Army.
Col. David Peter Schorr, Jr., O18861, United States Army.
Col. Alfred Dodd Starbird, O18963, United States Army.
Col. Richard Davis Meyer, O18963, United States Army.
Col. David Warren Gray, O18988, United States Army.
Col. Theodore John Conway, O19015, United States Army.
Col. Joseph Warren Stilwell, Jr., O19117, United States Army.
Col. Roy Tripp Evans, Jr., O19140, United States Army.
Col. William Francis Ryan, O19142, United States Army.
Col. Harold Keith Johnson, O19187, Army of the United States (lieutenant colonel, United States Army).
Col. Jean Evans Engler, O19198, Army of the United States (lieutenant colonel, U. S. Army).
Col. Frederick Robert Zierath, O19211, Army of the United States (lieutenant colonel, U. S. Army).
Col. Ben Harrell, O19276, Army of the United States (lieutenant colonel, U. S. Army).
Col. Gerald Cornelius Kelleher, O38750, Army of the United States (lieutenant colonel, U. S. Army).
Col. Creighton Williams Abrams, Jr., O20296, Army of the United States (lieutenant colonel, U. S. Army).

The following-named persons for appointment in the Regular Army of the United States, in the grades and corps specified, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), title II of the act of August 5, 1947 (Public Law 365, 80th Cong.), Public Law 759, 80th Congress, and Public Law 36, 80th Congress, as amended by Public Law 37, 83d Congress, and Public Law 294, 84th Congress:

To be majors

Donnelly, Henry J., MC, O998133.
Ross, Richard H., MC, O1785816.

To be captains

Akers, William A., MC, O1873597.
Boyd, Howard A., MC, O475262.
Dirks, Kenneth R., MC, O4022575.
Graham, Harvey P., MC, O1634816.
Hennessey, Joseph A., Jr., MC, O1878538.
Hilmar, Norman A., MSC, O1330071.
Hummell, Paul R., MC, O2096886.
Kirkley, John B., MC, O1941715.
Morley, William J., VC, O1767297.
Morris, John H., VC, O1916534.
Person, Jefferson T., MC, O1927962.
Walton, Spencer, MC, O875889.

To be first lieutenants

Abington, Robert B., MC, O1941964.
Appleton, Budd, MC, O2273952.
Basel, Arthur R., MC, O4055737.
Billick, Eugene W., Jr., MSC, O996616.
Boyer, Robert E., JAGC, O991782.
Burley, Mary T., ANC, N900498.
Campbell, Arthur S., MC, O4050744.
Clements, James H., MC, O4050768.
Cooper, Jacqueline L., ANC, N805096.
Dart, Leroy H., Jr., MC, O4050716.
DiMare, Seymour A., MC, O2274253.
Fulton, Nolen W., Jr., MC.
George, Richard E., MC, O4043436.
Guseman, Elsie R., ANC, N805437.
Harris, William M., Jr., JAGC, O2267024.
Hartsock, William D., DC, O1892507.
Hearn, R. E., MC, O1940007.
Henry, Charlotte H., AMSC, R2137.
Hill, Nellie M., ANC, N900452.
Kerr, Russell L., Jr., MSC, O2004244.
King, Hueston C., MC, O2200495.
King, Hariet J., ANC, N735498.
Kirkpatrick, Mable, ANC, N793365.
Knowles, John A., Jr., MC, O974198.
Krapf, Betty A., ANC, N804820.
Kutyla, Mary M., ANC, N804213.
Laux, France A., MC, O4055514.
McDonald, Charles E., MC, O1941924.
McLean, Neil T., JAGC, O2264635.
McReynolds, Rex, Jr., MC, O1942015.
Milligan, Vernon L., DC, O4022415.
Molli, Louis J., MSC, O976634.
Morris, Robert W., Jr., MC, O1340630.
Murray, Ralph E., JAGC, O2266938.
Nickel, Elsie G., ANC, N900565.
Parker, Malcolm R., Jr., MC, O4013314.
Pedigree, Richard B., Jr., MSC, O1874599.
Perrin, Edna M., ANC, N900341.
Prill, Richard D., DC, O1342114.
Rayfield, Roy C., MC, O4050758.
Rea, Robert L., MSC, O998351.
Ricker, Hetty A., AMSC, J100176.
Roesser, Joseph C., MSC, O2051298.
Schein, Sheldon L., MC.
Schlachter, Elsie M., ANC, N778462.
Scott, Jack H., MSC, O2264524.
Shaddy, Raymond W., DC, O1645359.
Shor, Edith E., ANC, N804498.
Smith, Duncan M., DC, O1337496.
Smith, Perry C., MC, O4034802.
Strong, Corinne L., AMSC, M2968.
Waite, Verner S., MC.
Wilkinson, Clarence H., MSC, O2037936.
Wilson, Marjorie J., ANC, N794476.
Wood, Robert L., JAGC, O956312.
Woolvin, Samuel C., MC, O4043409.
Young, William W., MSC, O1861706.

To be second lieutenants

Axtens, Frank W. B., MSC, O4006197.
Cole, Alberta M., ANC, N901792.
Guibor, Milferd T., MSC, O4006391.
Kramer, June K., ANC, N902023.
Radke, Myron G., MSC, O2269807.

The following-named person for reappointment to the active list of the Regular Army of the United States, in the grade specified, from the temporary disability retired list, under the provisions of title IV, Career Compensation Act of 1949 (Public Law 351, 81st Cong.):

To be captain

Girton, Ralph H., O57588.

The following-named officers for appointment, by transfer in the Judge Advocate General's Corps, Regular Army of the United States, in the grades specified:

To be captains

Awalt, Thomas Y., Jr., O57496.
Barrett, George B., Jr., O60601.
Heisser, George D., O50805.
Huie, Douglas T. O57266.

To be first lieutenant

Finnegan, Marcus B., O59109.

The following-named officer for appointment, by transfer, in the Regular Army of the United States, without specification of branch, arm, or service, in the grade specified:

To be captain

Moe, Wayne J., O69990.

The following-named officer for appointment as chaplains in the Regular Army of the United States, in the grades specified, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

To be captain

Dolan, Francis J., O997114.

To be first lieutenant

Kelly, Orris E., O1335659.

The following-named officers for appointment in the Medical Corps, Regular Army of the United States, in the grade of first lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), subject to completion of internship:

Arata, James A., O2275600.
Blincow, John K., O2275598.
Campbell, Lamar M., O1873792.
Chamberlin, Frank H., O2275403.
Conklin, Harvey B., O2275413.
Cook, Elwyn C., O2275439.
Corbet, Paul A., Jr., O2275404.
Cranfill, General L., O2275384.

Dotson, Christopher C., Jr., O2275357.
Elander, Carl R., O2275425.
Etheridge, James E., Jr., O2275421.
Francis, Gordon D., O2103170.
Kamin, Edward J., III, O2275407.
Karr, Walter J., Jr., O2275409.
Mahin, Dorsey T., O980760.
Morris, Alfred D., O2275422.
Nunes, William T.
Riley, John M., O2201822.
Roper, John T., O2004091.
Roper, Maxcy D.
Ross, David E., Jr., O2275364.
Savetsky, Lawrence, O2275369.
Vaughn, Daniel L., O2275371.
Wilder, Buna J., O2275361.
Wills, Alfred G., O2275461.

The following-named persons for appointment in the Regular Army of the United States, in the grades specified, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

To be first lieutenants

Ayers, Carl W., O2033734.
Coston, Charles D., O1937888.
Descoteau, Rudolph D., O1887660.
Hale, Delmas M., O1932453.
Skoglund, Clifford E., O2210268.
Young, John D., O1937938.

To be second lieutenants

Brown, Sam A., O4013774.
Fuller, Bernard E., O4005794.
Larson, Harry D., O1927426.

The following-named distinguished military student for appointment in the Medical Service Corps, Regular Army of the United States, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Jackson, Raymond A., O4058970.

The following-named distinguished military students for appointment in the Regular Army of the United States, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Abramowitz, Benjamin L., O4045238.
Jacobs, Carl M.
Macnair, Douglas G., O4025658.
Schneider, William H., O4026144.
Williams, Nevin R., O4046437.
Zoghby, Guy A.

(The above-named officers were appointed or promoted during the last recess of the Senate.)

The following-named officers for temporary appointment in the Army of the United States to the grades indicated under the provisions of subsection 515 (c) of the Officer Personnel Act of 1947.

To be major generals

Brig. Gen. Carl Ferdinand Fritzsche, O17234, Army of the United States (colonel, U. S. Army).

Brig. Gen. Thomas Lilley Sherburne, Jr., O17293, Army of the United States (colonel, U. S. Army).

Brig. Gen. Stanhope Brasfield Mason, O17295, Army of the United States (colonel, U. S. Army).

Brig. Gen. Robert William Ward, O17637, Army of the United States (colonel, U. S. Army).

Brig. Gen. Paul Wyatt Caraway, O17659, Army of the United States (colonel, U. S. Army).

To be brigadier generals

Col. Charles Breckenridge Duff, O18438, United States Army.

Col. Philip Higley Bethune, O18449, United States Army.

Col. Earle Fremont Cook, O18450, United States Army.

Col. Forrest Caraway, O18466, United States Army.

Col. Mervyn MacKay Magee, O18478, United States Army.

Col. James Irvine King, O18534, United States Army.

Col. Victor James MacLaughlin, O18580, United States Army.

Col. William Rogers Woodward, O18582, United States Army.

Col. John Hugh McGee, O18600, United States Army.

(The above promotions were made during the recess of the Senate.)

The following-named officers for temporary appointment in the Army of the United States to the grades indicated under the provisions of subsection 515 (c) of the Officer Personnel Act of 1947.

To be major generals

Brig. Gen. James Patrick Cooney, O17338, Medical Corps, United States Army.

Brig. Gen. Emmett James Bean, O12381, United States Army.

Brig. Gen. Frank Sayles Bowen, Jr., O16434, Army of the United States (colonel, U. S. Army).

Brig. Gen. William Henry Nutter, O16095, Army of the United States (colonel, U. S. Army).

Brig. Gen. Henry Randolph Westphalinger, O16130, Army of the United States (colonel, U. S. Army).

Brig. Gen. William Preston Corderman, O16387, Army of the United States (colonel, U. S. Army).

Brig. Gen. John Bruce Medaris, O39554, Army of the United States (colonel, U. S. Army).

Brig. Gen. Thomas Morgan Watlington, O16780, Army of the United States (colonel, U. S. Army).

Brig. Gen. Willis Small Matthews, O16932, Army of the United States (colonel, U. S. Army).

Brig. Gen. John Southworth Upham, Jr., O17178, Army of the United States (colonel, U. S. Army).

Brig. Gen. Verdi Beethoven Barnes, O17198, Army of the United States (colonel, U. S. Army).

To be brigadier generals

Col. John Henderson Dudley, O18049, United States Army.

Col. Albert Watson 2d, O18105, United States Army.

Col. James Owen Curtis, Jr., O18108, United States Army.

Col. Tom Robert Stoughton, O18156, United States Army.

Col. James Frederick Ammerman, O18165, United States Army.

Col. John Charles Hayden, O18174, United States Army.

Col. Theodore Francis Bogart, O18245, United States Army.

Col. Daniel Aloysius O'Connor, O29454, United States Army.

Col. Hiram Dudley Ives, O29509, United States Army.

Col. Marion William Schewe, O29748, United States Army.

Col. Lyal Clyde Metheny, O39729, United States Army.

Col. Edward Aloysius Brown, Jr., O18355, United States Army.

Col. Robert Hackett, O18380, United States Army.

Col. Peter Schmick, O18395, United States Army.

Col. Richard Holmes Harrison, O18409, United States Army.

Col. John Archibald Barclay, O18420, United States Army.

(The above promotions were made during the last recess of the Senate.)

The following-named officers for appointment, by transfer, in the Regular Army of the United States, without specification of branch, arm, or service, in the grades specified:

To be captain

Coleman, Rennie C., Jr., O69886.

To be first lieutenant

Mastricola, Gust H., O609980.

The following-named persons for appointment as chaplains in the Regular Army of the United States, in the grades specified, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

To be captain

Carroll, James C., O968400.

To be first lieutenant

Massey, Charles M., Jr., O931910.

The following-named persons for appointment in the Regular Army of the United States, in the grades and corps specified, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), Public Law 36, 80th Congress, as amended by Public Law 37, 83d Congress, and Public Law 625, 80th Congress:

To be captains

Farmer, Garland R., VC, O68342.
Franklin, Robert B., MC, O49940.

To be first lieutenants

Barr, Mary L., ANC, N804531.
Diggs, Mary M., WMSC, R2645.
Dolan, Gertrude A., ANC, N2637.
Donald, Alexander G., MC, O957834.
Edwards, Mary A., WAC, L118542.
Hartman, Christine, ANC, N797270.
Imlach, Eleanor H., ANC, N754004.
Jorel, Louis E., MC, O4002609.
Olson, Ruth E., ANC, N776498.
Ramsey, Phyllis M., WMSC, M2898.
Small, Barbara G., WMSC, R2606.
Stender, Frances E., ANC, N901304.

The following named persons for appointment in the Medical Corps, Regular Army of the United States, in the grade of first lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), subject to completion of internship:

Alden, Alfred M.
Morris, John A., Jr., O1340306.
Puckett, William N., O4024738.

The following-named persons for appointment in the Regular Army of the United States, in the grades specified, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

To be first lieutenant

Naegele, Eugene L., O71576.

To be second lieutenants

Baughman, Larry J., O71442.
Cooper, Joe L., O71468.
Gerkey, George E., III, O71497.
Hill, Michael E., O71515.
Hurd, Philip S., O71525.
Lawrence, Marvin D., O71544.

The following-named distinguished military students for appointment in the Regular Army of the United States, in the grade of second lieutenant, under the provisions of section 506 of the Office Personnel Act of 1947 (Public Law 381, 80th Cong.):

Horner, Roger H.
Houston, Charles, Jr.
Mazur, Mitchell E.
Mixan, Edgar J., O4056748.
Olien, Carl J., Jr.
Russell, Edwin M.
Slaven, Joseph E.
Towey, John B.
Twilley, Leroy G., O4058591.

(The above-named officers were appointed or promoted during the last recess of the Senate.)

The following-named officers for appointment, by transfer, in the Judge Advocate

General's Corps, Regular Army of the United States, in the grade specified:

To be captains

Furman, Hezekiah W. C., O39464.
Robinson, James R., O50588.

The following-named persons for appointment in the Regular Army of the United States, in the grades and corps specified, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong), title II of the act of August 5, 1947 (Public Law 365, 80th Cong.) and Public Law 36, 80th Congress as amended by Public Law 37, 83d Congress:

To be captains

Pegg, John R. P., MC, O1938875.
Ray, John P., Jr., MC, O971870.

To be first lieutenants

Coleman, Patricia L., ANC, N805551.
Fletcher, John L., MSC, O2208291.
Kurke, Lewis, MC, O4021978.
Turgeon, Beatrice L., ANC, N754342.

The following-named persons for appointment in the Medical Corps, Regular Army of the United States, in the grade of first lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), subject to completion of internship:

Berg, Bruce O., O2275573.
Dankle, Willis K., O2275575.
Devaris, Dionisios P., O2201945.
Kimbrough, John G., O2275346.
Lang, William S., Jr., O2275373.

The following-named persons for appointment in the Regular Army of the United States, in the grades specified, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

To be first lieutenants

Brooks, Harry W., Jr., O2014609.
Derhaag, James J., O1876269.

To be second lieutenant

Heath, Arthur M., O1940370.

The following-named distinguished military students for appointment in the Regular Army of the United States, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Besel, Arlen D.
Bliss, Laurence T.
Broadway, Thomas F.
Cocke, Eugene R.
Crandell, Jimmie W.
Ferrier, James A.
Hawkins, Billy W.
Hickman, Jere L.
Hoag, Earl L. T.
Holt, Charles M., Jr.
Hudspeth, Thomas J.
Jessup, Morris M.
Johnson, Charles P., Jr.
Jones, Warren A.
Kimmel, Rex M.
Lee, Ronald D.
Lung, Hershel R.
Quinlan, Harry L.
Randolph, William M.
Rockey, James D.
Smith, Carl G.
Talley, Robert E. L.

The following-named officers for appointment, by transfer, in the Judge Advocate General's Corps, Regular Army of the United States, in the grade specified:

To be captains

Frantz, Robert L., O28059.
Hutchison, James H., O60282.

The following-named officer for appointment, by transfer, in the Regular Army of the United States, without specification of branch, arm, or service, in the grade specified:

To be captain

Shelton, T. J., O38570.

The following-named persons for appointment in the Regular Army of the United States, in the grades and corps specified, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), Public Law 625, 80th Congress, and Public Law 36, 80th Congress, as amended by Public Law 37, 83d Congress, and Public Law 294, 84th Congress:

To be first lieutenants

Barron, Helen F., WAC, L1010007.
Jackson, Barbara E., ANC, N804658.
Lowell, Edward H., MC, O4039312.
Mathews, Marion E., ANC, N804725.
Pierce, Margaret J., WAC, L1010470.
Piggott, Virginia L., WAC, L1010206.
Sansing, Mary J., WAC, L1020617.
Simmons, Ruth L., WAC, L1010640.
Trible, Elizabeth W., WAC, L1010656.

To be second lieutenants

Capacio, Marguerite L., WAC, L1101749.
Ellis, Janet M., WAC, L1030626.
Gregory, Rita T., AMSC, M2990.
McCarney, Alice M., WAC, L1020644.

The following-named persons for appointment in the Regular Army of the United States, in the grades specified, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

To be first lieutenants

Bellis, William H., O1931452.
Bittick, Emmett K., O2003042.
Blazina, Joseph J., O995403.
Boettcher, Henry J., Jr., O1925152.
Brillhart, Allen T., O2265802.
Brown, Norman, O1951677.
Bryan, Edward P., O1885738.
Bryant, Joel W., O1887979.
Clark, John R., Jr., O1925308.
Coad, William F., O2265125.
Connelly, Donald W., O1882029.
Connolly, Thomas F., O1926482.
Coroneos, Paul P., O1915527.
Daly, Donald F., O2028677.
Dupont, Albert A., O2201261.
Dyment, LeRoy W., Jr., O1893087.
Edwards, Richard O., O2028801.
Eicher, William E., O2210615.
Epps, Ferdinand Q., Jr., O1926985.
Evans, Robert B., O1926866.
Fague, Donald L., O1885432.
Fried, George W., O1924674.
Gilbert, John M., O1913255.
Gordon, Robert D., O1890124.
Haff, Peter W., O1893700.
Hanson, Donald F., O1926048.
Jones, Wellington S., O2033834.
Kim, Richard, O2096986.
King, Henry J., O1876468.
Kowalewski, Stanley W., O994211.
Kozlowski, Stanley G., O998117.
Krause, George W., O1881927.
Latoni, Gerardo, O958969.
Ledbetter, Robert C., O1913214.
Leider, Robert, O2028655.
Martin, Irl R., O980548.
Mayer, Anton F., O2103804.
McGrath, Robert W., O996897.
McMurrer, James E., Jr., O1873374.
Miller, Henry B., O1881272.
Montgomery, David F., O1925214.
Murray, Thomas H., O2096850.
Nasby, Joseph A., Jr., O2041817.
Nelms, Norman S., O1925544.
Peterson, Russell B., O1885850.
Repetto, John W., O1922547.
Routh, Elmer L., O1890177.
Samuels, Steven A., O2265937.
Sanford, Eugene S., O2210895.
Savage, Youlon D., O1881972.
Schrepel, Maurice H., O1341300.
Siracuse, Angelo J., O1951052.
Smith, William C., O1879372.
Spieldoch, Richard B., O2021160.
Standley, Robert J., O2014523.
Swift, Robert J., O960982.
Thompson, Richard H., O972791.
Ward, Norman E., Jr., O1893989.
Welch, Joseph H., Jr., O1894207.
Wirthlin, Floyd R., O1890207.
Zamparelli, Alfred A., O1924682.

To be second lieutenants

Abrams, Walter G.
Anderson, Andrew H., O996781.
Beasley, Linton C., O999464.
Bell, Robert S., O1936420.
Boggs, William L., O4005508.
Breese, Wayne L., O1883336.
Bruns, Bernard W., O1880382.
Buckner, Allen M., O4001210.
Burbach, Frederick J. L., O4010005.
Carmichael, Horace H., O4020933.
Cole, William W., O4009455.
Connors, James P., O4018905.
Cooper, Hamilton A., O1892267.
Cowley, John F., Jr., O1889601.
Cunningham, Martin J., Jr., O1890729.
Daggett, Robert W., O4006310.
Damon, James A., Jr., O1880363.
Davis, Edward E., O4011730.
Dietz, Albert L., Jr., O1880704.
Dimsdle, Arthur, O4010405.
Donahue, Robert J., O1936215.
Donnell, Henry K., O4005424.
Dunn, James F., Jr., O4005889.
Edwards, Jerry S., O2028437.
Font Portocarrero, Jorge M., O4005790.
Galliher, Kay D., O4021007.
Gillespie, John T., O1891417.
Halsted, Thomas A., O4030811.
Harlan, John R., O1937622.
Haws, Elbert D., O1881042.
Henslick, James R., O1884176.
Hingst, John M., O1882706.
Holder, Floyd D., Jr., O4009888.
Imhoff, Maximilian, O1937563.
Johnston, Johnny J., O4006344.
Jordan, Donald R., O1931257.
Keaton, Jack L., O4009518.
Kern, William M., O4019006.
Kupec, Edward W., O1937721.
Lee, Lynn L., O4019422.
Leszczynski, Joseph J., O4009520.
Long, James L., O1914715.
Lucas, William G., O1930368.
Mays, Robert E., O1939549.
McKay, William L., O4012935.
McKnight, James R., O4001364.
Mountain, Benjamin, O4002897.
O'Malley, John M., O4013773.
Owens, Joe S., O1940140.
Parker, Hassel L., O4013039.
Rice, Harrold E., O2104523.
Ricker, Norman H., Jr., O1939800.
Rosenthal, Paul L., O4016551.
Rue, Norman L., O4006016.
Salguero, Manuel M., Jr., O4005505.
Scott, Charles W.
Seager, Richard M., O4006329.
Shipman, Wayne T.
Smith, Dan R., O4016224.
Smith, Donald L., O1940030.
Smith, Marion G., O4011982.
Stieffel, Ray H., O4023460.
Strand, Vincent W., O4012958.
Thomas, Giles R., Jr., O4005382.
Tobey, Joel N., O4005165.
Ton, James G., O1874810.
Veditz, Raymond P., O1928465.
Vorba, Richard G., O4006337.
Wallace, John R., O4010101.
Watkins, William W., Jr., O4001992.
Watson, Jack D., O1881080.
Watts, William D., O4011096.
Watts, William E., O4015966.
Westcott, John C., O4010144.
Wier, Melville B., O4000389.
Wilson, Louis D., O4013484.
Woodruff, Albert R., O4009991.
Woolaver, Philip A., O1891853.
Young, George D., O1939398.

The following-named distinguished military student for appointment in the Medical

Service Corps, Regular Army of the United States, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Lachelt, Lowell L.

The following-named distinguished military students for appointment in the Regular Army of the United States, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Allen, Myron
Allison, Thomas S., Jr.
Bell, Walter C., O4051484.
Bonoan, Raymond, O4062526.
Gafner, Richard L.
Gelfer, David A., O4047926.
Gingrass, Robert J.
Harbor, Frank B.
Johnson, Ronald L.
Jordan, Herbert A., Jr.
Stewart, Charles A.
Thomason, Charles H., O4048388.

(The above-named officers were appointed or promoted during the last recess of the Senate.)

The following-named officer for appointment, by transfer, in the Regular Army of the United States, without specification of branch, arm, or service, in the grade specified:

To be major

Kifner, Daniel R., O37530.

The following-named persons for appointment in the Regular Army of the United States, in the grades and corps specified, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), title II of the act of August 5, 1947 (Public Law 365, 80th Cong.), and Public Law 36, 80th Congress as amended by Public Law 37, 83d Congress:

To be captains

Austerman, Warrington, MC, O467061.
Bennett, Claude E., MC, O1585160.
Berbary, Maurice S., MC, O1941328.
Borris, Robert C., MC, O4022556.
Morss, Dwight F., Jr., MC, O1874375.
Pitner, Robert J., MC.

To be first lieutenants

Dever, Dorothy M., ANC, N901288.
Finney, Jean P., ANC, N762805.
Gilchrist, Priscilla K., WMSC, M2609.
Gipson, Joe B., MSC, O2102798.
Nichols, Wharton A., DC, O2270467.
Osborn, Donald B., DC, O2270468.
Setter, Marian J., ANC, N785661.
Steinhilber, Marion A., ANC, N758323.
Utt, Theodore P., MC, O4028289.

The following-named officers for appointment, by transfer, in the Judge Advocate General's Corps, Regular Army of the United States, in the grade specified:

To be first lieutenants

Carrick, Julian B., Jr., O68084.
Clark, Chapin D., O66780.

The following-named persons for appointment as chaplains in the Regular Army of the United States, in the grade of first lieutenant, under the the provisions of section 506 of the Officer Personnel Act of 1957 (Public Law 381, 80th Cong.):

Combs, Richard L., O2269269.
Lewis, Francis R., O998515.

The following named person for appointment in the Medical Corps, Regular Army of the United States, in the grade of first lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), subject to completion of internship:

Skipworth, George B., O4029299.

The following-named persons for appointment in the Regular Army of the United States, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Daly, T. F. Gilroy, O1891279.
Harris, James T., Jr., O4010298.
Mills, George A.
Patton, William W., Jr., O1877461.
Smith, James L., Jr., O4010323.

The following-named distinguished military students for appointment in the Medical Corps, Regular Army of the United States, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Bradford, Charles E.
Mikkelsen, Richard C.
Timmons, John A., Jr.

The following-named distinguished military students for appointment in the Regular Army of the United States, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Anderson, Harry E.
Ayotte, Ronald J.
Bartonek, James C.
Bates, Donald E.
Beisman, James J.
Berkman, Vincent C.
Blackham, Daryl K.
Bond, Robert E.
Bragg, Laurence M.
Brinkpeter, Charles H.
Brittain, Darrell A.
Brunenmeister, Joseph P.
Byrne, John M.
Cashwell, James E., Jr., O4043068.
Clore, Oren B., Jr.
Cloutier, Harold J.
Dixon, Bryan D.
Edwards, Richard W.
Ezzell, Alan J.
Fargason, LeRoy H., Jr.
Foster, Hadley
Fry, Kenneth L., Jr.
Gleave, Paul R.
Gray, Robert L.
Gumbs, Selvin F., Jr.
Halliburton, Charles L.
Halliburton, John R.
Hansen, Charles M.
Himberg, Ronald O.
Howard, Harvey D., O4045143.
Howell, Leamon E.
Hyde, Herbert K.
Kelley, Donald R.
Kenyon, Gerald P.
Kicklighter, Claude M.
Labonge, Carl A, Jr.
Lindquist, Gary E.
Longuet, Charles, Jr.
Maher, Kevin L.
Martin, James G.
Martin, James R.
Martin, Richard C.
Miller, Duane D.
Moore, James E., O4056872.
Morgans, Williams W.
Nelson, Andrew M.
Osborne, William J.
Pagonas, Peter T.
Pannell, William P.
Rice, Richard C.
Rodina, Stanley L.
Rofrano, Paul P.
Rogers, John E.
Sagramoso, Daniel E.
Sanders, Burnett R., II
Seufert, Edward C.
Simmons, Bobby B.
Simpson, Robert W.
Singletary, Ben B.
Smith, Richard L.
Snyderwine, David L.
Stankevicius, Raymond J.
Stedron, Charles J.
Stone, Joseph L., Jr.
Sullivan, William M.
Thompson, Charles A.
Waldo, Rondel L.
Woods, Roger B.
Yawberg, Harold D.
Zevin, Michael R.

(The above-named officers were appointed or promoted during the last recess of the Senate.)

The following-named persons for appointment in the Regular Army of the United States, in the grades and corps specified, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), title II of the act of August 5, 1947 (Public Law 365, 80th Cong.), and Public Law 36, 80th Congress, as amended by Public Law 37, 83d Congress:

To be captain

Roberts, Warren J., Medical Corps, O1921082.

To be first lieutenant

McNamee, Edwin T., Jr., Medical Corps, O1880049.
Norris, Russell S., Dental Corps, O1767364.
Stepp, James V., Dental Corps, O990004.
Wright, Gene E., Medical Corps, O4023125.

To be second lieutenants

Dittemore, Irene L., Army Nurse Corps, N805694.
Marquardt, Ruth L., Army Nurse Corps, N902329.

The following-named person for appointment as chaplain in the Regular Army of the United States, in the grade of captain, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Murray, Ralph J., O978890.

The following-named officer for appointment, by transfer, in the Judge Advocate General's Corps, Regular Army of the United States, in the grade specified:

To be first lieutenant

Sweitzer, Harvey C., O66108.

The following-named person for appointment in the Regular Army of the United States, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Byrd, Roger D., O4009797.

The following-named distinguished military student for appointment in the Medical Service Corps, Regular Army of the United States, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Wiley, Robert A.

The following-named distinguished military students for appointment in the Regular Army of the United States, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Hammill, William C., O4044794.
Mears, Charles D., Jr., O4041558.

(The above-named officers were appointed or promoted during the last recess of the Senate.)

IN THE AIR FORCE

The following-named officer under the provisions of section 504 of the Officer Personnel Act of 1947 to be assigned to positions of importance and responsibility designated by the President under subsection (b) of section 504, in rank as follows:

Maj. Gen. Manuel Jose Asensio, 324A, Regular Air Force, in the rank of lieutenant general, United States Air Force.

The following-named officers for appointment in the Regular Air Force to the grades indicated under the provisions of title V of the Officer Personnel Act of 1947:

To be major generals

Maj. Gen. Robert Frederick Tate, 363A (brigadier general, Regular Air Force), United States Air Force.

Maj. Gen. Oliver Stanton Picher, 540A (brigadier general, Regular Air Force), United States Air Force.

Maj. Gen. Mark Edward Bradley, Jr., 552A (brigadier general, Regular Air Force), United States Air Force.

Maj. Gen. William Dole Eckert, 560A (brigadier general Regular Air Force), United States Air Force.

Maj. Gen. Edward Julius Timberlake, 603A (brigadier general, Regular Air Force), United States Air Force.

Maj. Gen. Herbert Bishop Thatcher, 634A, (brigadier general, Regular Air Force), United States Air Force.

Maj. Gen. Roy Henry Lynn, 492A (brigadier general, Regular Air Force), United States Air Force.

Maj. Gen. Walter Campbell Sweeney, Jr., 555A (brigadier general, Regular Air Force), United States Air Force.

Maj. Gen. Gordon Aylesworth Blake, 582A (brigadier general, Regular Air Force), United States Air Force.

To be brigadier generals

Brig. Gen. Alvord Van Patten Anderson, Jr., 371A (colonel, Regular Air Force), United States Air Force.

Brig. Gen. Albert George Hewitt, 396A (colonel, Regular Air Force), United States Air Force.

Brig. Gen. Herbert Leonard Grills, 432A (colonel, Regular Air Force), United States Air Force.

Maj. Gen. Wycliffe Eugene Steele, 491A (colonel, Regular Air Force), United States Air Force.

Maj. Gen. Harold Winfield Grant, 497A (colonel, Regular Air Force), United States Air Force.

Maj. Gen. Donald Norton Yates, 584A (colonel, Regular Air Force), United States Air Force.

Maj. Gen. Frank Arthur Bogart, 585A (colonel, Regular Air Force), United States Air Force.

Maj. Gen. Ernest Moore, 586A (colonel, Regular Air Force), United States Air Force.

Maj. Gen. Henry Keppler Mooney, 589A (colonel, Regular Air Force), United States Air Force.

Maj. Gen. Jacob Edward Smart, 592A (colonel, Regular Air Force), United States Air Force.

Maj. Gen. Joe William Kelly, 612A (colonel, Regular Air Force), United States Air Force.

Brig. Gen. Richard Tide Coiner, Jr., 619A (colonel, Regular Air Force), United States Air Force.

Maj. Gen. Robert Haynes Terrill, 628A (colonel, Regular Air Force), United States Air Force.

Brig. Gen. Edward Willis Suarez, 633A (colonel, Regular Air Force), United States Air Force.

Maj. Gen. Gabriel Poillon Disosway, 654A (colonel, Regular Air Force), United States Air Force.

Maj. Gen. William Henry Powell, Jr., 684A (colonel, Regular Air Force, Medical), United States Air Force.

Brig. Gen. Bertrand Ellwood Johnson, 809A (colonel, Regular Air Force), United States Air Force.

Brig. Gen. Harley Sanford Jones, 828A (colonel, Regular Air Force), United States Air Force.

Maj. Gen. John Raymond Gilchrist, 836A (colonel, Regular Air Force), United States Air Force.

The following-named officers for temporary appointment in the United States Air Force under the provisions of section 515, Officer Personnel Act of 1947:

To be major generals

Brig. Gen. Alvord Van Patten Anderson, Jr., 371A (colonel, Regular Air Force), United States Air Force.

Brig. Gen. Donald John Keirn, 462A (colonel, Regular Air Force), United States Air Force.

Brig. Gen. Richard Mattern Montgomery, 1025A (colonel, Regular Air Force), United States Air Force.

Brig. Gen. William Sebastian Stone, 1059A (colonel, Regular Air Force), United States Air Force.

Brig. Gen. Brooke Empie Allen, 1287A (colonel, Regular Air Force), United States Air Force.

Brig. Gen. Bernard Adolf Schriever, 1519A (colonel, Regular Air Force), United States Air Force.

To be brigadier generals

Col. Elvin Seth Ligon, Jr., 1077A, Regular Air Force.

Col. Andrew John Kinney, 1661A, Regular Air Force.

Col. James Barclay Knapp, 1668A, Regular Air Force.

Col. Arthur Columbus Agan, Jr., 1759A, Regular Air Force.

Col. Thomas Estes Moore, 1804A, Regular Air Force.

Col. John Kenton Hester, 1870A, Regular Air Force.

Col. David Arthur Burchinal, 1936A, Regular Air Force.

Col. William Wallace Momyer, 1964A, Regular Air Force.

The following-named officers for promotion in the Regular Air Force under the provisions of sections 502, 508, and 509 of the Officer Personnel Act of 1947, as amended, and section 306 of the Women's Armed Services Integration Act of 1948. Those officers whose names are preceded by the symbol (×) are subject to physical examination required by law. All others have been examined and found physically qualified for promotion.

Major to lieutenant colonel

CHAPLAIN

Pine, Ernest Frank, 18744A.
Madore, Lucien Auguste, 18745A.

First lieutenant to captain

AIR FORCE

Young, William Henry, 22743A.
Rowland, Marvin Odell, 22744A.
Paynter, Harry Alvin, 21469A.
×Melchar, Charles Edwards, 20725A.
×Rippey, Robert Samuel, Jr., 20726A.
Graham, William Russell, 25521A.
×Bogle, David Bruce, 25522A.
×Smith, Harry Buchanan, Jr., 20727A.
Wright, Francis Leslie, 22745A.
×Clark, Robert Lorenzo, 3d, 25523A.
×Hamel, Robert Eugene, 20728A.
Pope, Phillip Wesley, 20729A.
Gray, Edmond D., 22746A.
×Jones, Charles David, Jr., 24359A.
Fraser, Carl Stanton, 24720A.
Cross, James Underwood, 24719A.
Pierson, Leonard William, 17931A.
Harnitchek, John Joseph, 17933A.
Stimson, James Roderick, 17935A.
Pullen, Roland Thomas, 17936A.
Taylor, Mervin Merle, 17938A.
×Ausburn, Franklin Eugene, 17939A.
×Oligher, Arthur Eugene, 17941A.
Gillespie, Clinton Gilbert, 17943A.
×Amador, Earl Melvin, 17944A.
Fedro, William Edward, 17945A.
×Stubblefield, Roger William, 17946A.
Maddox, Roy Leon, 17950A.
Bishop, Tedd Lee, 17951A.
Melton, Charles Smith, 17952A.
Cole, Daryl Douglas, 17953A.
Sterling, Harold Eugene, 17955A.
Barnard, Martin Jay, 17956A.
Sprinkel, Roscoe Ebert, 17957A.
Femmer, William Henry, 17958A.
×Harran, Almet Bernard Edward, 17959A.
×Ahner, Lyle Leon, 17960A.
×Gahn, John Walter, 23744A.
Lamprecht, Richard, 24722A.
×Coover, Jean Lynn, 24721A.
Simon, Ted Eugene, 20730A.
Kiger, Eugene Chester, Jr., 22747A.
Ludden, John Clement, 24360A.
×Teachout, Roger Sage, 20731A.
Schmeling, Earl Charles, 22748A.
Webb, Jones Freedom, 20732A.
Swank, Ellery Ellis, 20733A.
Regan, Bernard, Jr., 20734A.
Quinlan, William Edward, 21470A.
×Rhodes, George, 22750A.
Lilley, Arthur McRobert, 22749A.
Horne, Raymond Earle, Jr., 20735A.
×Taylor, Robert Leighton, 20736A.
Stahl, Frederick Nelson, 20737A.
Rice, Paul Bream, 22751A.
Wimer, Alvin LeRoy, 22752A.
Lingel, Lyle Eston, 23745A.
×Soderberg, Donald LeRoy, 24361A.
Flynn, Robert Edward, 25524A.
Gilbert, William Wayne, 20738A.
×Shillings, Clarence Eugene, 24723A.
Rudolph, Donald Franklin, 22753A.
Furnace, Earl, 24362A.
Pigg, Leroy Dale, 24724A.
×Steele, Leonard Harold, 20740A.
Hill, James Erskine, 20741A.
Voll, John James, 22754A.
Beebe, Donald Edwin, 22755A.
Staley, Ray C., 20742A.
Eddington, John Joseph, 22756A.
Madison, John Evans, 24725A.
Guynes, Joseph Bexton, 20743A.
Pisanos, Steve Nicholas, 20745A.
×McCormick, Howard Ernest, 20744A.
×Mansfield, John Lewis, 22757A.
Kamer, Frank Zachariah, Jr., 25525A.
Stewart, Roy Henry, 24726A.
×Matsuo, Jon Takushiro, 21472A.
Cramer, Darrell Stuart, 22758A.
Savage, George Joseph, 23747A.
Hutchins, LaVern Carrol, 24363A.
×Seaver, James Thatcher, Jr., 18309A.
×Shaneyfelt, Willis George, 22759A.
×York, Edwin Neal, 17962A.
Mathews, Thomas James, 10996A.
×Moon, Wilner Paul, 22760A.
McFadden, Kenneth Laurie, 20746A.
×Berry, Harry McKay, 17967A.
Smith, James Clifford, 21473A.
Newell, Noel Nimmons, 20747A.
Nelson, Ralph Earle, 20748A.
Williams, Roger Wright, 23748A.
×Ahrends, Stanley Wallace, 17979A.
Hardy, Robert Baskerville, 20750A.
Pound, Alan Garrett, 25526A.
×Hellwege, Richard Lewis, 24364A.
O'Shea, Timothy Gerald, 22761A.
Moe, Walter Stanley, Jr., 22762A.
×Hollowell, John Davis, 20751A.
Batson, Gerald William, 24365A.
Stamatis, Milton, Jr., 24727A.
Gaenzle, Jay Samuel, 25723A.
×Martin, Harold George, 25727A.
×Zeine, Donald Alvin, 25725A.
×Rapp, John Woodford, 25726A.
Ketcherside, Robert Paul, 25724A.
Rogers, Walter William, 25527A.
×Bachman, Jay Gainer, 20752A.
×Williams, Marshall Gillette, 22763A.
×McHenry, Gordon Denison, 23749A.
Tormoen, George Ellsworth, 22765A.
×Price, Jack B., 22764A.
×Moy, Hugh Aloysius, 24366A.
×Brunetti, Anthony William, 25528A.
Jones, Richard William, 22766A.
Larivee, Roger Philip, 25529A.
Kellam, Edgar Lee, 24367A.
×Barre, Louis Albin, 3d, 20753A.
×Knoles, Thomas Merritt, 3d, 17969A.
×Taylor, James, Jr., 25626A.

MEDICAL

×Dooling, John Andrew, 25662A.
×Jacobs, Paul H., 26697A.

DENTAL

×Duncan, Elmer Taylor, 25483A.

VETERINARY

Smith, George Dale, 26646A.
Massie, Erby Lee, 27528A.
Mosely, John Daniel, 27529A.
×Halstead, James Hyburn, 25333A.
×Watson, William Harrison, Jr., 25334A.

MEDICAL SERVICE

×Sullivan, Robert Emmett, 21631A.
Richardson, Floyd Grady, 21632A.
×Hodge, Joseph Edmon, 24235A.
×Gulley, Wayne Elmer, 23223A.
×Holliday, Robert Lee, 21633A.
Cornils, Verne Walker, 21635A
×Dykstra, John Jacob, 21634A.
Spiers, Don John, 21636A.
×Callaghan, Donald Edward, 19848A.
×Flavion, Raymond Anthony, 21637A.
×Lindsay, Eugene Kollock, 24236A.

Second lieutenant to first lieutenant

AIR FORCE

Guthland, Robert Edward, 27577A.
Schroeder, John Kenneth, Jr., 27090A.
Hartman, Donald McDonald, 24628A.
×McCartney, Forrest Striplin, 24629A.
Larson, Anders Peter, 24627A.
×Shive, Charles Bertram, Jr., 24630A.
Novick, David John, 24633A.
×Brotemarkle, David Clinton, 24634A.
O'Connor, Ronald Gene, 24918A.
Hubbard, Robert Caldwell, Jr., 24917A.
Johnson, Gordon John, 27091A.
Young, Edward Dyer, 27092A.
×Braslau, Norman, 24635A.
Goodrich, Victor Burton, Jr., 27094A.

Lavail, Melvin Maurice, 27093A.
Jones, Graeme Brodie, 24921A.
Asher, Edward Lee, 24919A.
Baumann, John Frederick, 24920A.
Jones, Robert Lloyd, 24922A.
Williams, Edwin Lacy, Jr., 24938A.
Little, Robert Lewis, 24933A.
Friel, Ralph Eugene, 24932A.
×Hartley, Harold Glenn, 24923A.
Thor, Robert Mauritz, 24926A.
×Young, Sam Porter, Jr., 24928A.
×Moler, Robert Bryant, 24925A.
Varble, Thomas Archer, 24927A.
Adams, Michael James, 24934A.
Blomgren, Jack Philip, 24935A.
Newton, Duane Ernest, 24937A.
×Clausen, George Gerald, 24929A.
Pogue, William Reid, 24930A.
Meyer, Bobby Jerald, 24924A.
Joslyn, Roland Merritt, 24936A.
Neale, Charles Henry, 27100A.
Portanova, Thomas Donald, 27096A.
Ruffin, Robert William, 27097A.
Dawson, John William, 27098A.
Seaver, Maurice Elmer, Jr., 27099A.
Plucinsky, Paul Jerome, 27095A.
Coble, Charles Ray, Jr., 27101A.
Wilson, William James, 27102A.
Wuerz, Albert Henry, Jr., 24693A.
Giles, John Kelly, 27578A.
×Lubin, Michael David, 24636A.
Rains, William Eugene, 27103A.
Williams, Floyd Cleon, 24637A.
Borchik, Albert Stephen, Jr., 27104A.
Bouquet, Donald Lee, 24638A.
×Magnane, Rudolph Lawrence, 27106A.
Heney, Jessie June, 27105W.
Burke, Kelly Howard, Jr., 27107A.
Enright, Thomas Edward, Jr., 25374A.
Gamache, George Paul, 25375A.
Atkins, William Turner, 25376A.
Nagel, James Harold, 24958A.
Pennington, Wesley Wilfred, 24950A.
Volz, William Mount, 24951A.
×Grunewald, Russell William, 24942A.
Casmus, Mark Anthony, 24961A.
Nabors, Robert Gene, 24957A.
Wareing, Richard Burleigh, 24960A.
×Morrow, Billy Lee, 24949A.
Howell, Robert Dean, 24943A.
×Lane, Walter Howard, 24944A.
Hebberger, Arthur Francis, 24953A.
×Stoik, Theodore Martin, 24966A.
×Wish, Merrill Beugnot, 24965A.
×Snow, Clayton Charles, 24955A.
×Anderson, Melvin Harold, Jr., 24946A.
×Howell, Emory Ray, 24948A.
Rettberg, Don Foster, 24963A.
×Smith, Thomas C., 24964A.
Campbell, Nelson Everett, Jr., 24952A.
×Greiner, Russell Duane, 24941A.
Gargiulo, Thomas Gaetano, 27109A.
Kunstel, Robert William, 27111A.
Pierce, Harold George, 27112A.
Garrison, Lawrence Duane, 27108A.
Adams, Charles Eugene, 27110A.
×Holcomb, Joseph Willard, 24639A.
Graham, Thomas Leland, 27113A.

NOTE.—Dates of rank of all officers nominated for promotion will be determined by the Secretary of the Air Force.

The following-named persons for reappointment to the active list of the Regular Air Force, in the grade indicated, from the temporary disability retired list, under the provisions of section 407, Public Law 351, 81st Congress (Career Compensation Act of 1949):

To be first lieutenants

Roy E. Bach, 18810A.
Charles S. Hoke, 21828A.

The following-named persons for appointment in the Regular Air Force in the grades indicated, with dates of rank to be determined by the Secretary of the Air Force under the provisions of section 506, Public Law 381, 80th Congress (Officer Personnel Act of 1947); title II, Public Law 365, 80th Congress (Army-Navy-Public Health Service Medical Officer Procurement Act of 1947); and section 307 (b), Public Law 150, 82d Congress (Air Force Organization Act of 1951), with a view to designation for the performance of duties as indicated:

To be majors, USAF (Medical)

William F. Everett, AO435453.
John J. Hill, AO469062.
Willard H. Smith
John P. A. Veit, O464426.

To be captains, USAF (Medical)

Dewey D. Archer
Thomas D. Armour, Jr., O1339505.
William H. Cooner, AO2240507.
Wallace N. Davidson, Jr., AO2260558.
Noah M. Dixon, AO3001124.
Hillard D. Estes, AO429382.
William A. Frey, AO2260653.
Joseph A. Furey, O994538.
Francis G. Griffin
Theodore R. Hatfield
Willard R. Hawkins, AO2249059.
Wallace G. Haworth, AO2239592.
John G. Inghram
Joseph J. John, AO1541768.
Louis F. Johnson, Jr., AO757144.
Robert F. Jones, AO679624.
William H. Lindsey, AO426767.
Sherman H. Merritt, AO3043156.
John E. Nilan, O2041852.
Robert N. Reiner, AO2212668.
James H. Stuteville, AO650945.
Alfred G. Swearingen, AO2240465.
Martin A. Thomas, AO2240456.
Edward H. Vas Nunes, AO4002856.

To be captains, USAF (Dental)

Robert E. Buchholz
Edward C. Funk, O965944.
Stanley C. Kolodny, O1919648.
Warren H. Speiser
Charles E. Stevenson, AO876535.
Howard M. Trovillion, AO1906528.
Raymond C. Walker, Jr., O1039961.
Alfred K. Williams, AO1906578.
Robert W. Zellhoefer, AO2261326.

To be first lieutenants, USAF (Medical)

John B. Adamson, AO3000286.
John R. Beljan
Philip T. Bennett, AO3041772.
Robert E. Botti
David G. Bowers, Jr., AO1856120.
Andrew M. Bozena, AO3000850.
William G. Byrd, AO3041968.
William F. Capps, Jr., AO3000839.
Randolph Catlin, Jr., AO2260887.
Leonard C. Cobb, AO2255751.
Gordon E. Dean, AO3001668.
Roger C. Duvoisin
Jack L. Earle, AO2269029.
George L. Ford, Jr.
John J. Franks, AO3002128.
Byron A. Genner III, AO3000360.
Jack M. Graham, AO1857205.
John R. Greene, AO792114.
Emil J. Gritti, AO3000215.
William B. Harris
Lawrence J. Hartley, AO3000569.
Rexford G. Haycraft, AO670121.
Walter R. Hein, AO3000304.
Wallace D. Holderman
Clinton L. Holt
Thomas A. Jarvie
Charles K. Koster, AO3000293.
Herbert Kritzer
William L. Lee, Jr., AO3041650.
Ludimere Lenyo
Cicero L. Lincoln, Jr., O999548.
Dale R. Lindall, AO2261401.
Franklin J. Malone, Jr.
Frank G. Marx, AO2255749.
Tom D. Moore, AO3000302.
Richard E. Newquist, AO3000342.
Clyde E. Penner, AO3000855.
Edward J. Pezanoski, AO3001076.
Albert A. Pierard, AO768893.
Harold S. Ramos, AO3000362.
Robert M. Reardon, AO3041828.
James T. Robertson
Joseph G. Seeger, AO970757.
Harvey C. Small, AO3000931.
Robert E. Smith, AO3000261.
Willard D. Steck, AO720598.
Frederic A. Stone, AO532304.
Robert E. Swan, AO750100.
William C. Talley, AO3000852.
Ellis R. Taylor, AO3000651.
Robert J. Turner III, AO1864279.
Walter H. Whitcomb, AO3042509.
Melvin J. White, AO2261389.
Walter R. Whitehurst, AO964137.
Henry S. K. Willis, Jr., AO2260591.
Allen R. Wright, AO3000285.

To be first lieutenants, USAF (Dental)

John Cornyn, AO1642633.
Gilbert L. Koehler
Elliott A. Smart, AO2261807.
Belton S. Stephens, AO2260116.
William G. Wright, AO2261426.

The following-named persons for appointment in the Regular Air Force in the grades indicated, with dates of rank to be determined by the Secretary of the Air Force under the provisions of section 506, Public Law 381, 80th Congress (Officer Personnel Act of 1947), and section 307 (b), Public Law 150, 82d Congress (Air Force Organization Act of 1951), with a view to designation for the performance of duties as indicated:

To be captains, USAF (Judge Advocate)

James E. Dotson, AO2215014.
Max P. Flusche, Jr., AO1179395.
C. J. Lewis, AO721010.
Walter D. Reed, AO2078681.
Clarence D. Walters, Jr., AO749805.

To be captains, USAF (Chaplain)

Norman G. Folkers, AO2229112.
Hans E. Sandrock, AO1858576.
Harold D. Shoemaker, AO516002.
John P. Thomas, AO2233093.
James R. Woodruff, AO533086.

To be first lieutenants, USAF (Judge Advocate)

Carl E. Achee, AO2251120.
James E. Caulfield, AO2250446.
Louis V. di Donato, AO705010.
Norman K. Hogue, AO1865039.
George W. Smith, Jr., AO2236386.
Russell A. Stanley, AO2070559.

To be first lieutenants, USAF (Chaplain)

Harry B. Ansted, AO2229172.
Robert H. Beckley, AO2248534.
Charles T. Goetz, AO2251348.
Adlai C. Holler, Jr., AO2085784.
Roy B. Johnston, AO2240483.
Walter N. McDuffy, Jr., AO2261722.
Christy M. Taylor, AO2261879.
Warren H. Turner, AO2057462.
Irvin J. Weber, AO2253636.
Stanley B. Webster, AO2081291.
Angus O. Youngblood, AO721572.

To be first lieutenant, USAF (Veterinary)

James R. Ganaway, AO2209582.

To be first lieutenants, USAF (Medical Service)

William B. Price, Jr., AO1999004.
Donald B. Wagner, AO2240854.

To be second lieutenants, USAF (Medical Service)

Joseph A. Baird, Jr., AO3017775.
Joe F. Blakeney, AO3000143.
Joseph J. Finn, AO2235221.
Jackie V. Fisher, AO2262015.
James M. Hodges, AO2262062.
Charles G. Myers, AO3013265.
Alfred C. Schiefer, AO2262033.
Benjamin H. Williams, AO2235357.

The following-named persons for appointment in the Regular Air Force in the grades indicated, with dates of rank to be determined by the Secretary of the Air Force under the provisions of sections 101 (c) and 102 (c), Public Law 36, 80th Congress (Army-Navy Nurses Act of 1947), as amended by section 5, Public Law 514, 81st Congress, and Public Law 37, 83d Congress; with a view to designation for the performance of duties

as indicated under the provisions of section 307, Public Law 150, 82d Congress (Air Force Organization Act of 1951):

To be first lieutenants, USAF (Nurse)

Virginia M. Alena, AN2214591.
Irene C. Bagley, AN2242176.
Modena L. Bates, AN1912737.
Margery E. Betzold, AN2243849.
Ruth E. Edmonds, AN2242577.
Maria de Jesus-Cruz, AN2243724.
Agnes L. Kellam, AN1912710.
Natalie A. Pickett, AN2244183.
Rita A. Stapleton, AN2242406.

To be first lieutenant, USAF (Medical Specialist)

Shirley M. Chaska, AR2240261.

To be second lieutenant, USAF (Nurse)

Ruth A. Pratt, AN2242782.

The following-named persons for appointment in the Regular Air Force, in the grades indicated, with dates of rank to be determined by the Secretary of the Air Force under the provisions of section 506, Public Law 381, 80th Congress (Officer Personnel Act of 1947):

To be first lieutenants

Leslie W. Abbott, AO2228802.
George D. Akins, Jr., AO1856369.
Adolph S. Almquist, AO1908834.
Robert J. N. Anctil, AO2237008.
Marvin C. Atkins, AO2244580.
Coy L. Austin, AO1911065.
Emmett S. Barrentine, Jr., AO830384.
Charles E. Bayliss, AO1114043.
Jimmy L. Bearden, AO2248836.
Edwin H. Beck, AO2089706.
Thomas G. Bee, AO949005.
Robert G. Beebe, AO2024081.
Joseph E. Bekius, AO2077692.
Thomas M. Benagh, AO1909015.
Alfred S. Benziger, AO2224629.
William C. Berry, AO2224421.
John J. Bibo, AO2224318.
Russell Bishop, AO823279.
David P. Blackbird, AO2215941.
James L. Bilie, AO718996.
Robert L. Block, AO2217047.
Rodney E. Boaz, AO2246003.
Theodore J. Boluch, AO2222702.
John H. Bonnell, AO2065941.
Warren J. Boyd, AO2224140.
Harold C. Braly, AO1861475.
Alva G. Branch, AO2225733.
Richard L. Brannen, AO2245214.
Berdell P. Brevig, AO2238272.
Roy J. Broughton, Jr., AO786046.
John C. Brown, Jr., AO2224806.
William Bruenner, AO2252900.
Edgar T. Butler, Jr., AO2236523.
Ronald E. Byrne, Jr., AO2224034.
Jack Cahoon, Jr., AO2218854.
Richard H. Campbell, AO2248903.
Curtis N. Carley, AO2223122.
Ernest L. Carlton, AO2223321.
Walter A. Carnes, AO1865585.
Joe W. Carr, AO2225737.
Frederic L. Carter, AO768441.
Joseph T. Casey, AO1909206.
Ralph E. Caudle, AO967974.
Joseph P. Cerny, AO2219161.
George H. Chabbott, AO2218858.
Robert L. Chason, AO840475.
William E. Chatfield, AO2080655.
Dale C. Christensen, AO2220080.
Robert G. Clithero, AO1853390.
Richard D. Coon, AO2226262.
Antone R. Costa, AO2253046.
Robert P. Couch, AO2222374.
Carl B. Crumpler, AO1857483.
Virgil L. Dahle, AO2225743.
William H. Davidson, AO2223616.
Robert H. Davis, AO2225295.
William E. Davis, AO2099400.
Charles C. Bedecker, AO712776.
Philip R. DeNufrio, AO2225823.
Vincent A. DiMauro, AO2223919.
Maurice T. Dobbs, AO2230686.
Albert A. Doskey, Jr., AO2226214.
John T. Dunn, AO836745.
George A. Edwards, Jr., AO2224198.
Robert G. Eklund, AO2083547.
Edward L. Ellis, AO2066228.
William J. Epperson, AO2223967.
William J. Erickson, AO2237125.
Donald L. Falkenstein, AO591334.
Franklin R. Fass, AO2215279.
Donald C. Finley, AO2237235.
Kenneth R. Fleenor, AO2234252.
Joseph L. Fohner, AO2234273.
William G. Frisbie, AO2225595.
Richard F. Geiger, AO2218548.
Duane R. Goodman, AO2249019.
Donald K. Gregoire, AO2232602.
Bobbie G. Guthrie, AO938622.
Howard D. Hall, AO1856312.
William D. Hempy, AO2229493.
Thomas F. Henderson, Jr., AO786742.
Frederick P. Henry, AO2216408.
Judson A. Herriott, AO2237860.
Rex A. Hill, AO2229393.
Richard H. Hinz, AO2232819.
Vernon W. Hodges, AO2232293.
Frederick B. Hoenniger, AO2248006.
Albert B. Hollinden, AO590045.
Joseph L. Horvath, AO2218463.
Richard A. Housum, AO2223850.
Jack W. Howe, AO2217534.
James A. Hughes, AO1863231.
Alfred F. Hurley, AO2219844.
Merwin L. Hutchins, AO2224972.
Teddy M. Ivy, AO2224670.
Vernon H. Jarrell, AO1904288.
George W. Jensen, AO2084571.
Roy T. Johnson, AO2233653.
Donald S. Jones, AO2224290.
James E. Jones, AO591367.
Robert L. Jones, AO841725.
William A. Kalberer, AO1858378.
Gerald A. Kale, AO2216740.
John W. King, Jr., AO2223697.
Frank P. Klatt, Jr., AO2208956.
William M. Klesert, AO2237511.
Alexander C. Kuras, AO2069043.
Jimmy S. Lassetter, AO2228822.
Jack H. Leith, AO831444.
Robert C. Lilljedahl, AO2247950.
James R. Lindsay, AO2224109.
Robert J. Lines, AO2225614.
James A. Luke, AO2238140.
Fred A. Lundin, AO2237955.
George G. MacDermut, AO1860100.
Donald P. Maslen, AO2239418.
John L. McCanlies, AO1911038.
Howard E. McClain, AO1849173.
James R. McDonald, AO2218737.
George A. McFarland, Jr., AO2215620.
James A. McMillan, AO2228773.
Peter H. McNulty, Jr., AO2218564.
George S. McQueen, AO2235432.
Frank C. Micklavzina, AO2234557.
John T. Miller, AO1903015.
Joseph B. Miller, AO2216197.
Ray E. Miller, AO2221888.
Walter H. Miller, AO2222485.
Frank M. Milliken, AO2224979.
Ronald E. Mintz, AO2235981.
Alan R. Morgan, AO2224234.
Russell S. Morton, AO2202369.
William S. Murdoch, AO2252954.
Patrick J. Murphy, AO2216980.
Edwin N. Myers, AO872872.
Charles R. Nolter, AO1911597.
Robert W. O'Kane, AO785210.
Luis G. Oliver, AO2235088.
Morton D. Orzen, AO1861486.
George B. Patton, AO2222332.
Norman L. Paul, AO2231543.
Robert F. Payne, AO2223051.
Frederick L. Petersen, AO2222753.
Herbert R. Phelps, AO2224900.
Wallace J. Pobst, AO2228640.
Gaetano C. Ponti, Jr., AO1864271.
Thomas D. Potter, AO1860751.
William E. Preble, AO712038.
Paul C. Proessel, AO2247377.
William J. Provance, AO2219006.
Jerry W. Pyle, AO2223780.
John A. Quinn, AO2074783.
William T. Quirk, AO2076469.
Ross M. Radick, AO2061047.
Gerald A. Ramsey, AO1908735.
Lloyd O. Reder, AO1861233.
James D. Reeves, AO2222402.
Earl D. Richards, AO2224017.
Guy H. Risley, Jr., AO1856647.
Wayne L. Ritter, AO2224018.
Donald E. Roberts, AO2219348.
Herbert M. Rosenthal, AO2224727.
Bernard S. Russell, AO2224613.
James H. St. Clair, AO2248587.
Burtis W. Scott, AO2223472.
Don Seehafer, AO1853037.
William R. Seymour, AO2235919.
Maurice A. Shaff, Jr., AO2222641.
Francis M. Shine, AO2223901.
James E. Shoaf, AO1864479.
Robert F. Short, AO2233228.
William K. Short, AO1861387.
Samuel E. Shrum, AO2238230.
Kalman D. Simon, AO1855935.
Robert G. Smith, AO680954.
Scott G. Smith, AO2281213.
Sidney B. Smith, AO2059855.
Bruce L. Snyder, AO2253012.
Richard L. Spaulding, AO2223655.
Eugene W. Steele, AO2225222.
Edward Stellini, AO2224622.
Richard D. Stevens, AO2237641.
Lilburn R Stow, AO2236348.
Ned R. Stull, AO2222247.
Marvin B. Sullivan, AO2026602.
Herbert J. Suskin, AO2225667.
Raymond J. Swaim, AO2067755.
Dell C. Toedt, AO2222363.
Vincent J. Tomaino, Jr., AO2226220.
Lester E. Treankler, AO1910199.
Donald L. Tuttle, AO2224908.
Richard G. Twining, O1865844.
John D. Underwood, AO2237553.
Paul M. Uthe, Jr., AO2237038.
Ralph D. Waddell, Jr., AO2245696.
John L. Wagner, AO2236919.
Ewell D. Wainwright, Jr., AO2248887.
Thomas W. Walker, AO2219078.
Preston A. Wallace, AO2222104.
Robert E. Welch, AO1864805.
Thomas P. Williams, AO2225821.
Thomas H. Wilson, AO2225059.
Ruger W. Winchester, A2225114.
Clark L. Wingate, AO2209708.
Alan E. Wolfe, AO2231680.
Hubbard L. Wood, Jr., AO1910679
Edward S. Wright, AO2233474.
Harold V. Wright, AO2079554.
Monte D. Wright, AO2223362.
James K. Yates, AO838481.
John W. Zwiacher, AO2222083.

To be second lieutenants

Thiophilos Andrada, AO3022036.
Fred R. Ball, Jr., AO2227138.
James Ballantyne III, AO2228480.
Robert R. Barker, AO3016265.
Warren E. Beaumont, AO3024718.
Rex W. Bennett, AO3007781.
James A. Black, AO2228122.
Alain G. Boughton, AO3022413.
Charles J. Brittain, AO3010393.
Charles L. Brown, AO2227355.
Gordon R. Brown, AO2235372.
John T. Burgess, AO3003674.
Donn A. Byrnes, AO2228159.
Jesse W. Campbell, AO2230554.
Jerald D. Carnahan, AO3022474.
Donald E. Carter, AO3021669.
John J. Collier, Jr., AO3011337.
James Q. Collins, Jr., AO3013431.
Arvil G. Conk, AO2221016.
Roby R. Craft, AO3021552.
Lowell L. Crawford, AO3024348.
Calie G. Crowder, AO3022491.
Robert W. Curry, AO3023780.
Richard L. Derr, AO2228479.
Ramon C. Dial, AO3004468.
Robert E. Doherty, AO3022044.
Charles D. Doty, AO2227673.
Philip R. Drennon, AO3023088.
William D. Evans, AO2227468.
Samuel E. Fields, AO3023583.
John L. Gilbert, AO2254824.
Linden L. Gill, AO3006030.
Alvin E. Gilless, AO3015179.

Alan S. Gindoff, AO3022235.
James D. Green, AO3023579.
Gordon K. Hancock, AO3022328.
Allan D. Hayek, Jr., AO3011421.
James O. Hays, AO3013169.
William J. Henderson, AO2227909.
Clifford O. C. Henning, Jr., AO3013664.
Verne B. Hildebrant, AO3003255.
Fred R. Hinckley, Jr., AO3006465.
Charles E. Irwin, AO3004699.
Morton R. Jacobs, AO3024734.
Frank P. Jepson, AO2228051.
Kent A. Josephson, AO3023092.
John G. Kakacek, AO3022085.
Robert C. Kienzle, AO3004631.
John R. Kimbriel, AO3022312.
Richard F. Kott, AO3015832.
Richard H. Lang, AO2227769.
Robert L. LaPenta, AO3007965.
Thomas G. Leydon, AO3010623.
Carroll L. Ligon, AO2228061.
George C. Lynch, AO3017264.
George T. MacDonald, AO2228405.
James G. Macoubray III, AO3011724.
Frank A. Matthews, AO3021656.
William C. Mattis, AO3005563.
Larry D. McClain, AO3022776.
Hugh M. Miller, AO3005566.
Herbert A. Million, AO3008023.
Lee A. Mongeon, AO3006236.
J. C. Nabors, AO1864863.
Paul E. Needham, AO3007568.
Lenin S. Nicoloan, AO2227661.
Dale G. Nielsen, AO3005599.
John W. Noble, AO3004511.
Philip S. Noe, AO3022931.
Ralph E. Nolf, AO3006445.
Russell Norman, AO3007571.
Jerry D. Oberhelman, AO3018155.
Frank J. O'Brien, AO3004514.
John A. Owens, Jr., AO3018609.
Kenneth M. Patterson, AO3014297.
Donald B. Pearson, AO2227583.
John P. Pedjoe, AO3017663.
Lanis Pinchuk, AO3021830.
Carl F. Porter, AO3004143.
Donald D. Presley, AO3005730.
Merwin E. Richards, AO2227095.
Norman N. Richardson, AO2254963.
Charles R. Rosburg, AO2253691.
Harvey J. Royer, AO3005881.
John J. Rutscher, AO3022444.
Tommy L. Sams, AO2228336.
Elmer M. J. Sander, AO2005664.
James R. Schneider, AO3002663.
Leonard R. Scotty, AO3006662.
James E. Shugart, AO3022910.
Curtis R. Smith, AO2237249.
David C. Smith, AO3005540.
James A. Snyder, AO2227961.
Russell C. Snyder, Jr., AO2228552.
Robert E. Staley, AO2221430.
Harold F. Stebbins, Jr., AO2227442.
Byrne E. Strother, AO3005603.
John D. Tabor, AO3013492.
Lawrence M. Tarnow, AO3017266.
Philip A. Tilson, AO2227617.
Robert H. Timm, AO3022859.
Frank A. Tudino, AO3017478.
Billy C. Turner, AO3023403.
Jack H. Turner, AO3004948.
Donald C. Ungerott, AO2227250.
Carlton R. Virden, AO3023905.
Charles B. Weir, AO3005006.
Henry O. Welch, Jr., AO3021688.
Fredrick W. Wendt, AO3023753.
James H. Westberry, AO3004004.
Alvin G. Whipple, AO3005086.
Gordon R. Williams, AO3008200.
Raymond J. Witt, AO3023303.

The following-named persons for appointment in the Regular Air Force, in the grade indicated, with dates of rank to be determined by the Secretary of the Air Force under the provisions of section 506, Public Law 381, 80th Congress (Officer Personnel Act of 1947); and section 301, Public Law 625, 80th Congress (Women's Armed Services Integration Act of 1948):

To be first lieutenants

Suzanne Crum, AL2219175.
Jane McElroy, AL2218739.

Subject to medical qualification and subject to designation as distinguished military graduates, the following-named distinguished military students of the Air Force Reserve Officers' Training Corps, for appointment in the Regular Air Force in the grade of second lieutenant, with dates of rank to be determined by the Secretary of the Air Force under the provisions of section 506, Public Law 381, 80th Congress (Officer Personnel Act of 1947):

John F. Ahlborn, AO3050993.
Gary D. Atkinson, AO3027413.
Robert R. Barnes, AO3049854.
Terry J. Bergstrom, AO3027628.
William D. Blair, AO3028572.
Harvey B. Blanton, Jr.
William F. Bozich, AO3047520.
Frederick M. Brassel, AO3028115.
Bevan H. Brown
Ralph W. Burns,
Marvin E. Burris, AO3027714.
Philip D. Caine, AO3050427.
Joseph P. Cline, AO3048997.
William A. Connolly, AO3046396.
Peter G. Cook
Walter R. Davis
Harry N. Deeks, AO3051061.
Neil B. Dwyer
Lucien S. Franscini
Donald W. Frazee, AO3049874.
Tim C. Ford
Clifford F. Fry, AO3049682.
Ray P. Gandy, AO3029597.
Michael Gawronski, AO3048445.
Roger P. Gendron, AO3048254.
Alfred M. Goldman, Jr., AO3048224.
Phillip D. Griggs
William J. Gunter
Luther F. Hackett, AO3050592.
Kenneth B. Haefner
Jack Hahn, AO3029976.
David E. Hart
Gale L. Haskins, AO3028143.
Richard G. Hause
Lanny J. Headley, AO3049016.
Stanford T. Hovey, AO3046414.
Wendell R. Hull
Norman K. Jensen, AO3029811.
Robert D. Jones, Jr., AO3047417.
Byron H. Knapp III, AO3046554.
Sheldon A. Knight
Richard E. Kunz
Melvin N. Ledbetter, AO3027290.
Richard E. Lindstrom, AO3050509.
Ralph E. Manns, Jr., AO3049328.
Thayer E. Masoner, AO3050434.
John J. McCambridge, AO3050067.
Lelian D. McCoy, AO3047448.
Evan R. Minier, AO3047227
David L. Mitchell, Jr., AO3051036.
Michael S. Muskat, AO3028348.
Allen G. Myers III, AO3029129.
Dale E. Noyd, AO3047085.
Robert K. Perrine, AO3050456.
Theodore L. Pettit, Jr.
Richard E. Prescott, AO3028389.
Earl H. Richmond, AO3049720.
Kenneth D. Rosenlof
Hans W. Rudolph, Jr.
Phillip T. Rutkowski
Donald M. Sackschewsky
Franklin S. Scott
Carl R. Smith, AO3049869.
William A. Smyth
Charles H. Stone
Donald M. Stuart
Ronald K. Stuart, AO3049870.
Robert L. Sutton, AO3047479.
Daniel D. Traficante, AO3046446.
Gordon L. Tucker
Richard F. Turoski
Johnny M. Twark, AO3048456.
Dean R. Van Leuven
Edward V. VonGohren, AO3049736.
James H. Waldman
Phillip N. Walker, AO3029823.
Robert E. Walters
Henry E. Weseman, AO3050083.
Leslie W. White, AO3047455.
James B. Wilde, AO3028211.
Kenneth J. Will
Sherman F. Williams, AO3049379.
Tony G. Williams
Peter C. Wirth
Alan L. Zuker

(The above officers were given appointments or promotions during the last recess of the Senate.)

REGULAR AIR FORCE

PROMOTIONS IN THE REGULAR AIR FORCE

The following-named officers for promotion in the Regular Air Force under the provisions of sections 502, 508, and 509 of the Officer Personnel Act of 1947, as amended, sections 303 and 306 of the Women's Armed Services Integration Act of 1948, and section 107 of the Army-Navy Nurses Act of 1947, as amended. All officers are subject to physical examination required by law except those whose names are preceded by the symbol (×) who have been found physically qualified.

Major to lieutenant colonel

Air Force

×Anderson, Millicent, 21315W.
×DesGeorges, Herbert Etienne, 5699A.
×Garrison, Eskelle Victor, 5709A.
×Curtiss, Philip Hildreth, 5779A.
×Betts, Francis Arnold, 5800A.
×Williams, Carl Felton, 5818A.
McFatridge, James Morgan, 6029A.
×Dempsey, Jack Donald, 6030A.
×Harrell, William Hasel, 6031A.
×Campion, Norman Woodrow, 6032A.
×Bowman, Richard Elworthy, 6034A.
×Hurd, Harlan Francis, 6035A.
×Hickman, David Elwyn, Jr., 6036A.
×Pucilowski, George Andrew, 6037A.
×Johnson, Darwin Allen, 6038A.
×Johnston, Warren Montgomery, 6039A.
×Eisner, Friedrich, 6040A.
×Grimmer, Philip William, 6041A.
×Gravitt, Frank William, 6042A.
×Sellers, Coleman, 6045A.
×Schmidt, John Max, 6046A.
×Utley, William Andrew, 6047A.
×Heald, Edgar Henry, 6048A.
×Raaz, Dean John, 6049A.
×Hull, James Jacob, 6050A.
×Holmes, Robert Greenwood, 6051A.
×Liston, Walter Fillmore, 6053A.
×O'Brien, Frank Edwin, 6054A.
×Robbins, Carl William, Jr., 6055A.
×Payne, Carroll Herndon, 6056A.
Carver, Charles Frank, Jr., 6057A.
×Austin, James Manning, 6058A.
×Davis, James Werner, 6059A.
×Greene, Russell John, 6060A.
×Newton, Everette Charles, 6061A.
Gilmore, George Washington, Jr., 6062A.
×Graham, Edward, 6063A.
×Edmisten, Herbert Wilbert, 6064A.
×O'Neale, Malcolm Lindsay, Jr., 6065A.
×Hartless, William Elbert, 6066A.
×Loving, Lee Wall, 6067A.
×Lovette, James Kimble, 6068A.
×Wyatt, William Henry, 6069A.
×Reichert, Earl Theodore, 6070A.
×Kolpin, Shirley Andrew, 6071A.
Schmidt, Nathan Guelzow, 19653A.
Gwinn, John Wesley, 6072A.
×Dutcher, Richard Fields, 6073A.
×Burkett, Bernard Julius, 6074A.
×Wiesner, Paul Francis, 6076A.
×Beno, Kenneth Richard, 6079A.
×Woods, James Russell, 6080A.
Evans, Philip Gordon, 6081A.
×Hill, Albert Ray, 6082A.
×Njus, Olav, 6083A.
×Joiner, Reese William, 6084A.
×Couch, Benjamin John, 6085A.
×Stockett, John Clifton, Jr., 6087A.
×Hunt, Gilbert Wayne, 6088A.
×Huffaker, Kenneth Ellsworth, 6090A.
×Fawcett, Willard Ellis, 6091A.
×Brown, Kenneth Elmo, 6092A.
Johnson, Howard, 6093A.
×Miller, Sidney Leonard, 6094A.
×Brubeck, Edwin Howard, 6095A.
×Hurley, Edward Phillip, 6096A.
Shinnamon, Charles Wesley, 6097A.
×Owens, Harris Richard, 6098A.

×Perkins, Willis Howard, 6100A.
×Upchurch, Terrell Martin, 6101A.
×Gammon, Wilson Campbell, 6102A.
×Condon, Joseph Francis, 6103A.
×MacTaggart, Irving Paul, 6104A.
×Lundak, Edward Everett, 6105A.
×Buttrill, Harlan Crawford, 6107A.
Bogue, Jay Dean, 6108A.
×Rinn, Frank Burton, 6109A.
×Timmons, Herschel Marvin, 6110A.
×Walker, Walter Bertram, Jr., 6111A.
×Anderson, Holly Winfred, 6112A.
×Schrader, Lawrence Wilford, 6113A.
×McDavid, Andrew Eugene, 6114A.
×Bunker, Walter Irvin, 6115A.
×Mixon, Carmel Astor, 6116A.
×Smoot, Oliver Reed, 6117A.
×Smith, Reet Poe, 6118A.
×Shanklin, William Frank, 6120A.
×Kay, Kenneth Edmond, 6121A.
×Lamback, Charles Hett, 6123A.
×Hedrick, Wyatt Smith, 6124A.
×Neighbors, Lloyd Wash, 6125A.
Sun, Jack Klotz, 6126A.
×Farnell, William Robert, Jr., 6127A.
×Lacombe, Raymond Joseph, 6128A.
×Gregg, William Eugene, 6130A.
×Miles, George William, 6131A.
×Blume, Frederick Julius, 6132A.
×Hobbs, Gregory James, 6133A.
×Skinner, Paul McDonald, 6134A.
×Harris, Schuyler Spottswood, 6135A.
×Lucas, George Garland, 6136A.
×Wood, Joseph Thomas, Jr., 6137A.
×Harrington, John Daniel, 6139A.
×Murphy, Paul Cashman, 6140A.
Henss, Arthur Charles, Jr., 6141A.
×Lisecki, John Richard, 6143A.
×Van Wagoner, Robert Norton, 6146A.
×Garland, Lloyd Hundley, Jr., 6147A.
×Walker, Templeton S., 6148A.
×Grove, James Chisholm, 6149A.
×Spurrell, William Alfred, 6150A.
×Dyer, Richard Willerton, 6151A.
×Lindenmeyer, John Henry, 6152A.
×Buchmeier, George Thomas, 6153A.
×Quillman, Earl William, 6154A.
Kellams, Clinton Moore, 6155A.
×Gire, Henry Lewis, 6156A.
×Dodds, William Clarence, 6157A.
×O'Neill, James Leo, 6158A.
Phillips, John Thomas, 6159A.
Richardson, Paul Ames, 6160A.
×Morris, Robert John, 6162A.
×Bowman, John Sterling, 6163A.
×West, Robert Willard, 6164A.
×Bliss, Charles Cushman, 6165A.
×Arnold, Roy Addison, 6166A.
×Knoll, Jasper George, 6168A.
×Sanders, Roger Lowell, 6169A.
×Dolph, Herbert Arden, 6170A.
×Plate, Stanley William, 6171A.
×Bickford, James Wendell, 6172A.
×Gullette, Jesse Marcellus, 6173A.
Zitar, Edward Robert, 6174A.
×Dooley, Benedict James, 6176A.
×Walker, William Jennings, 6177A.
×Pozerycki, John Joseph, Jr., 6178A.
×Trenkle, Robert Anthony, 6181A.
×Lee, Donald Edgar, 6182A.
×Cady, William Francis, 6183A.
×Ruby, Ishmael Elmo, 6184A.
×Garrison, Dace Theodore, 5414A.
×McConnell, Lhatt Ashley, 5642A.
×Horton, Charles Wesley, Jr., 5657A.
×Johns, Robert Gordon, 5724A.
×Webster, Frank Russell, Jr., 5827A.
×Graves, Irwin Lester, 5860A.
×Brigham, Jex Moulden, 6078A.
×Greger, Jack Joseph, 6106A.
×Kerr, Ernest Lee, 6119A.
×Martin, Meredith Tansil, 6185A.
×Terry, Melvin Paul, 6186A.
×Kaufman, John Eugene, 6187A.
×Lutton, Lyle David, Jr., 6188A.
×Souva, Raymond Francis, 6189A.
×Brewer, James Edward, 6190A.
×Stephens, Raymond Dee, 6192A.
×Tidball, Dale Richard, 6194A.
Landry, Matthew Andrew, 6195A.
Valusek, John, Jr., 6196A.
×Hoffson, Wilbraham Arthur, 6197A.
×Seemann, Karl Wilhelm, Jr., 6199A.
×Van Vliet, Charles Thrasher, 6200A.
×Sudbury, David Vincent, 6201A.
×Coker, Elmo Ace, 6202A.
×Shiffrin, Benjamin Hankin, 6203A.
×Stewart, Robert William, Jr., 6204A.
×Shay, Steve Cseh, 6205A.
Petri, Fred Louis, 6207A.
×Beyer, Johnson, 6210A.
×Greuter, Herbert Edgar, 6212A.
×Martin, Robert Lynn, 6213A.
×Maritzen, Lyle Carl, 6215A.
×Dinwiddie, Robert Eddy, 6216A.
×Hinchliff, Edward Everett, 6217A.
×Curlee, Robert Burnett, 6219A.
×Adkins, James Carl, 6220A.
×Johnston, Henry Randolph, 6221A.
×Linkous, William Lafayette, 6222A.
×Ritter, James Harry, 6223A.
×Donnelly, William Allan, Jr., 6225A.
×McPherson, Donald George, 6226A.
×Rasberry, Dayle Howard, 6227A.
×Moyer, Morgan Bernard, 6228A.
Mitchell, Ross Lynn, 6230A.
×Dorondo, John Frank, 6231A.
×Murphy, Robert Emmett, 6232A.
×Buckley, John Alden, 6233A.
×Bruce, Leroy James, 6234A.
Trautt, Edward Ambrose, 6235A.
Hodges, Charles Grady, Jr., 6236A.
×Jordan, James Emmett, Jr., 6244A.
×Cannon, Walter Gary, 6243A.
×Conway, Charles Elwood, 19655A.
×Keller, Stevens, 6245A.
×Davis, Edward Geurs, 6246A.
×Toon, Charles Maxwell, 6247A.
×Kegeles, Sidney Albert, 6248A.
×Cowan, James Hill, 6250A.
×Smith, Frank Joseph, 6251A.
×Cravey, John Thomas, 6252A.
×Proctor, Charles Nelson, Jr., 6253A.
×Mothersbaugh, James Forest, 6255A.
×Flanagan, Richard William, 6256A.
×Breathwit, Carl Edward, 6257A.
×Steele, Richard Andre, 6258A.
×Daly, Arnold Joseph, 6260A.
Laitos, Jan Milan, 6262A.
×Richard, Delos E., 6265A.
×Owens, Verner Alva, 6267A.
×Kelso, Charles Wayne, 6268A.
×Walsh, James David, 6269A.
×Lind, Marcel, 6270A.
×Prenoveau, Emil Edward, 6272A.
×Manicom, William Caldwell, 6273A.
×Oskamp, Garry, 6274A.
×Lynde, Glyndon Lloyd, 6275A.
×Rogers, Daniel Townsend, 6276A.
×Luts, John, 6277A.
×Hyslop, William Arthur, 6279A.
×Sagebiel, Louis Walter, 6280A.
×Allard, Charles Edward, 6281A.
×Ash, Allie Paul, 6282A.
Payne, Dolford Franklin, 6283A.
×Hall, Charles E., 6285A.
Hathaway, William Horton, Jr., 6286A.
×Hawkens, Edward Albert, 6287A.
Reynolds, Harry Martin, 6288A.
×Alexander, Robert Barlow, 6289A.
Battle, Clarence Leonard, Jr., 6290A.
Pigue, Munce Meadows, 6291A.
×Hutcheson, Jack, 6292A.
×Starr, Stephen Albert, Jr., 6293A.
×Reeves, Vernon Houston, 6294A.
Lee, Orville Imonial, 6298A.
×McCoy, Charles Edwin, Jr., 6303A.
×Dobney, Harold William, 6304A.
×Roberts, James Robert, 6307A.
×Stiles, Richard Henry, 6308A.
×Eby, Robert Roy, 6309A.
×LaMarre, Francis Harold, 6310A.
×Schwikert, Frank Donald, 6311A.
×Pugh, William, 6312A.
×Green, Charles Haunest, 6314A.
×Sipper, Joseph Robert, 6315A.
×Hamilton, Herbert Orton, 6316A.
×McCroskey, Joseph Lee, 6318A.
×Knight, Archie Joyce, 6320A.
×Watrous, Frank Talman, Jr., 19892A.
Hoover, Edward Franklin, Jr., 6322A.
Knight, John Richard, 6325A.
×Diekmann, Paul John, 6327A.
Tibbetts, Oscar Norland, 6328A.
×Conner, Alva Lewis, 6329A.
×Brinson, Milton Wilkerson, 6330A.
×Thayer, Arthur Linwood, Jr., 6331A.
×Forrester, James Randolph, 6332A.
×Anske, Ralph Dhelo, 6335A.
×Harrell, Mason Douglas, 6336A.
×Baxter, Clifford Frank, 6337A.
×Frick, William Frederick, 6338A.
×Skalak, Rudolph, 6339A.
×Macey, William Henry, 6340A.
×Wischmann, George Adolph, 6341A.
×Richardson, David McCoy, 6342A.
×Walsh, Henry Joseph, 6343A.
×Smith, Brandon Corder, 6344A.
×Gammon, Edgar Graham, Jr., 6345A.
×Morgan, Earl Adams, 6346A.
×Schmucker, George Cleland, 6347A.
Feller, Frederick John, 6348A.
×Gallup, Edward Francis, Jr., 6349A.
Gaylord, Lester Louis, 6350A.
×Zeidler, William Xavier, 6351A.
×McAllister, James Benedict, 6353A.
×Falzgraf, Bryan George, 6355A.
×Bonifant, Bern Monroe, Jr., 6356A.
×O'Connor, Virgil John, 6357A.
Ramme, Ernest Lester, 6360A.
×Cross, Robert Douglas, 6362A.
×Pennywitt, Glen Edward, 6363A.
Jemmott, Herbert Kitchner Burton, 6364A.
Posey, John Cabell, 6365A.
×Filippone, Jack Carl, 6367A.
×Praul, Charles Lynville, 6369A.

Medical

×Fisher, Gordon Francis, 19226A.
Heimstra, Fred Albert, 19637A.
×Karstens, Andres Ingver, 19740A.
×Lance, Paul Eugene, 19739A.
×Currie, Howard Fletcher, 19905A.
×Dobkin, Joseph Jacob, 19906A.

Dental

×Huberwald, August Rudolph, 18895A.
×Malan, Harold John, 18897A.
×Palmer, Hubert Bernard, 18898A.

Veterinary

×Berger, Joseph Herman, 18994A.

Medical Service

×Bovee, Clifton Willard, 19459A.
Killian, Frank, Jr., 19433A.
×Moore, Earl Lee, 19617A.
×Cheek, Russell Charles, 19431A.

Chaplain

×Lyerly, Arnold Alexander, 18739A.
×Slawson, Merritt Odom, 18746A.
Mayer, Stephen Thomas, 18747A.
×Shaffer, Glen Cowden, 18748A.
×Mengel, Dwayne Halley, 18749A.
×Shaner, Martin Luther, 18750A.
×Ferguson, Warren Earl, 18751A.
×Carriker, Elmer Ivan, 18752A.
×Fellows, John Porter, 18153A.
×Bryan, Oscar Eugene, Jr., 18754A.
Wehking, Elmer Everett, 18755A.
×Slivinski, Alphonse Bernard, 18756A.
×Pierce, Palmer Phillippi, 18759A.

Nurse

×Madden, Winifred P., 20976W.
×Lay, Frances I., 20946W.

Medical Specialist

×Underkofler, Audrey Agnes, 21187W.

Captain to major

Air Force

Ray, John Arthur, 10943A.
Welling, William Brayshaw, Jr., 11094A.
Planey, John Anthony, 11273A.
Hearn, Walter Jackson, 11274A.
Dzamba, John Pershing, 11275A.
Culwell, Orrel, 11277A.
Vintson, Stonewall Pershing, 11278A.
Weil, Melvin Simon, Jr., 11279A.
Wright, Fred Arthur, Jr., 11280A.
Ackerman, Donald Leroy, 11281A.
Rogers, William Blain, 11282A.
Anderson, Wyman Doyle, 11283A.
Nickols, Jess Ralph, 11284A.
Modesitt, Walter Emmett, 11285A.
Harris, William Patterson, 11286A.
Carter, Walter Thomas, 11288A.
Worde, Marcus Howard, 11289A.
Sinclaire, Lance Winslow, 11290A.

Cosby, William Lee, Jr., 11291A.
Caskey, James William, 11292A.
Bone, Marshall Baker, 11293A.
Flynn, Thomas Grover, Jr., 11294A.
Adair, Asa Andrew, 11295A.
Testa, John Joseph, 11296A.
Jones, Ernest Charles, Jr., 11297A.
Swafford, Frederick Lee, 11298A.
Nylen, Arthur Howard, Jr., 11299A.
Gahl, Ralph Dana, 11300A.
Dafler, Henry Arthur, 11301A.
Sprague, Carl William, 11303A.
Stanch, Paul Martin, 11304A.
Working, William Harrison, 11305A.
Magers, James William, 11307A.
Bartos, Edmund John, 11308A.
Gillis, Jack Thomas, 11309A.
Clymer, Harvey Claude, 11310A.
Smith, Robert Nelson, 11311A.
Burton, Herbert Clarence, 11312A.
Schwartz, John Carroll, 11314A.
Gill, William Alexander, 11315A.
Koepp, Harry Jesse, 11317A.
Benson, Morrie, 11318A.
Gervase, Edward Mark, 11319A.
Thompson, Donald Vern, 11320A.
Lyness, Charles Joseph, 11321A.
Johnson, Isham Mervin, 11322A.
Koller, Rudolph Carl, Jr., 11324A.
Yeoman, Edwin T., 11325A.
Venable, James Madison, Jr., 11326A.
Moncada, Valdo Vincent John, 11327A.
Murphy, Charles Louis, 11328A.
Lambertson, Norman Franklin, Jr., 11330A.
White, George William, 11331A.
Nadler, Paul Oscar, 11332A.
Smith, Francis Henry, 11333A.
Beretta, Alessandro Harry, 11334A.
Miller, Carr Littleton, 11335A.
Pirozek, Wasil, 11336A.
Combs, Lloyd Donald, 11337A.
Reese, Harry Dee, Jr., 11339A.
Crosby, John William, 11340A.
Maze, Charles Leslie, 11341A.
Rowden, Stanley, 11342A.
White, John Adam, 11343A.
Boren, James Russell, 11344A.
Yeates, William Edmund, 11345A.
Smith, George Allen, 11346A.
Stalzer, Eugene Anthony, 11347A.
Petway, Joseph Guy, 11348A.
Pivarnik, Michael, Jr., 11349A.
Garcia, Abraham Gabriel, 11352A.
Brandon, Harold Edward, 11353A.
Giese, Edwin James, 11354A.
Hoagland, Edward Carl, Jr., 11355A.
McClelland, Alva Lawson, 11356A.
Wachendorfer, Charles, Jr., 11357A.
Bilotta, Joseph Paul, 11358A.
Shaw, Elmer Carl, 11359A.
Favors, Marcus William, 11360A.
Moore, Milton Randolph, 11361A.
Lynn, William Jerome, 11362A.
Knutson, Bruce Barry, 11363A.
Focht, Robert Henry, 11364A.
Tyson, James Leroy, 11365A.
Tally, William Sherman, 11366A.
Towne, Ralph Waldo, 11368A.
Ragsdale, Roy Daniel, 11369A.
Trefny, Milton Joseph, 11371A.
Lorino, Nash Earl, 11372A.
Pappas, Thomas Robert, 11373A.
Wall, Risden Bennett, 11374A.
McGee, George Robert, 11375A.
MacDonald, Earle Frederick, 11376A.
Weigand, Frederick Ellsworth, 11377A.
Keller, Russell Aristidies, 11378A.
Soderberg, James William, 11379A.
Petscher, James Adolph, 11380A.
Dougan, William Page, 11381A.
Allen, William Carroll, 11382A.
Brockman, Warren Douglas, 11383A.
Johnson, George Wilburn, Jr., 11384A.
Hicky, Dan McHenry, 11385A.
Lockhart, George Madison, 11386A.
Gshwandtner, Frank Joseph, 11387A.
Solomon, Joseph Lloyd, 11388A.
Bell, Roscoe Leonard, 11389A.
Kingery, William Ward, 11390A.
Curran, Arthur Ranger, 11391A.
Kirkland, Jack Manuel, 11392A.
White, Samuel Augustus, Jr., 11393A.
Buckwalter, John Stump, 11394A.
Lane, George Vondoehlen, 11395A.
Ashcraft, Gerald Scott, 11396A.
Draemel, Dean Harlan, 11399A.
Jones, James Sompayrac, Jr., 11400A.
Jenstrom, Eino Emil, 11401A.
French, Philip Nelmes, 11402A.
Joyner, William Holloway, 11403A.
Tharp, Thomas Gordon, 11404A.
Womack, Jack Edward, 11405A.
Pearson, William Osgood, Jr., 11407A.
Saltmarsh, Frederic Ashley, 11408A.
Christiansen, Kenneth Paul, 11409A.
Mathias, Albert Christian, 11411A.
Scott, George William, 11412A.
Martin, Richard Reinhard, 11413A.
Byrne, George Thomas, 11414A.
King, Joseph Franklin, 11415A.
Gregg, Charles Robert, 11416A.
Biggs, Ernest Edgar, 11417A.
Hasskamp, Harold Edward, 11418A.
Manteuffel, Roger William, 11419A.
Overholser, Earle Long, Jr., 11420A.
McKee, Harvey Arthur, 11421A.
Gay, William Marcus, 11422A.
Gibson, Orrin Lovewell, 11423A.
Stephen, Gerald Leroy, 11424A.
Kenney, Richard Frusher, 11425A.
Lambert, Lee Roy, 11426A.
Barley, John Nicholas, 11428A.
Brazil, Virgil Lee, 11429A.
Swickard, Jack David, 11430A.
Curtis, James Edward, 11431A.
Wright, Theodore Otis, 11432A.
Pemberton, John Martin, 11433A.
Grover, Roy Lee, 11434A.
Eley, Carl Wayne, 11435A.
Fisher, Max Leroy, 11436A.
Saxe, Richard Talbot, 11437A.
Seiverson, Forest Glen, 11438A.
Hart, Raymond Jay, 11440A.
Brimhall, Victor Owen, 11441A.
McIntosh, Richard Kent, 11442A.
Kemper, George Alex, Jr., 11443A.
Lett, William Robert, 11444A.
Holstead, James Rex, Sr., 11445A.
Bradley, James Lewis, Jr., 11446A.
Stepelton, Mark Henry, 11447A.
Starkey, Earl Eugene, 11449A.
Nowinski, Will Michael, 11450A.
Blair, Frank Sloan, 11451A.
Stoner, Lyle Wilson, 11452A.
Hutchins, Ralph, 11453A.
Long, Walter William, 11454A.
Nelson, Charles Leonard, 11455A.
Moberly, James Alfred, 11456A.
Bell, Jack Anthony, 11457A.
Plecha, Stanley Larry, 11458A.
Maxey, Horace Hagood, 11459A.
Zipper, Harry, 11460A.
Yaden, Earl Noble, 11461A.
Bowers, William Robert, 11462A.
Smith, Lawrence John, 11463A.
Rees, John Warren, 11464A.
Hammett, Charles Edgar, 11466A.
Harris, Howard Lee, Jr., 11467A.
Bowden, John Daniel, Jr., 11468A.
Lewis, Warren Russell, 11469A.
Simpson, Robert Howard, 11470A.
Sorrells, William McLeroy, 18090A.
Stephens, Marvin Leslie, 11471A.
Alexander, Arthur Kenneth, 11472A.
Parrish, Alexander Hoffman, 11473A.
Smith, Clifford Earl, 11474A.
Skidmore, Lester Jay, Jr., 11475A.
Bressan, Christopher, 11476A.
Christianson, Lyle Clinton, 11477A.
Gaspard, Richard Eddy, 11478A.
Corcoran, Edward Lawrence, 11481A.
Frawley, Allen Everett, 11482A.
Miller, Raymond Laurence, 11483A.
Adams, John Clayton, Jr., 11485A.
Trainer, Thomas Kennedy, 11486A.
Bortell, Charles Kelly, 11487A.
Sifford, Lynn DeWitt, Jr., 11488A.
Henton, Samuel Hampton, Jr., 11489A.
Beeler, Robert Lee, Jr., 11490A.
Brown, David Anthony, Jr., 11491A.
Burt, George Washington, 3d, 11492A.
Lewandoski, Joseph Walter, 11493A.
McBeth, Harold William, 11494A.
McGrath, Thomas John, 11495A.
Ayers, Augustine William, 11496A.
Davis, Calvin Crawford, 11497A.
Dailey, John Joseph, Jr., 11498A.
Jenkins, Donald Eugene, 11499A.
Smith, Charlie Martin, 11500A.
Brassfield, William Herbert, 11501A.
Husemoller, Kenneth Earl, 11502A.
Zepp, Rex Elbert, 11503A.
Lynch, Clyde Melvin, 11505A.
Mathis, William Howard, 11506A.
Flesner, Eugene Edward, 11507A.
Allen, Merle Francis, Jr., 11508A.
Walker, Demelt Eugene, 11509A.
Brantley, William Lawrence, 11510A.
Hudson, Reed Olin, 11511A.
Moore, Bryce Stearns, 11512A.
Briery, Jack, 11513A.
Dougherty, Ralph Edwin, 11514A.
Kramer, Guy Maurice, Jr., 11515A.
Pautz, Martin Reinhardt, 11516A.
Brown, Clement Frazier, Jr., 11517A.
Lipari, James Raymond, 11518A.
Horn, Frank William, Jr., 11519A.
L'Heureux, Harry Daniel, 11520A.
Spence, Aubrey Albert, 11522A.
Trumble, John Bernard, 11523A.
Benton, Roger Gardiner, 11524A.
Pratt, Perry Harlow, 11525A.
Emmons, Perry Chauncey, 11526A.
McHugh, John Francis, 11527A.
Callis, William Alexander, 11528A.
Wingfield, Roy Glenmore, Jr., 11529A.
Edwards, Joseph Ellison, 11530A.
DeVoe, Robert Charles, 11531A.
Calnon, Jack Fred, 11532A.
Houston, Cornell Clifford, 11533A.
McVeigh, Don Raymond, 11534A.
Rohrbough, Merrill Heaton, 11535A.
Brown, Clarence Washburn, 11536A.
Ellis, Charles Justice, Jr., 11537A.
Simpson, Jesse Ward, Jr., 11538A.
Watkins, Miles Hunter, 11539A.
Hau, Andrew Jerome, 11540A.
Smith, Alvin Wayne, 11542A.
Nash, John Fredrick, Jr., 11543A.
Hodgkin, Myrl Norris, 11544A.
Wood, Robert Edward, 11545A.
Oliver, John Gordon Lindsay, 11546A.
Martin, William Price, 11547A.
Morrison, Harry Bernard, Jr., 11548A.
Allen, Hubert Eldridge, 11549A.
Meyer, James Hannon, 11550A.
Roy, Clyde, 11552A.
Walsh, Robert Leslie, 11553A.
Kleppinger, Paul Gribble, 11554A.
Keene, Forrest Matthew, Jr., 11555A.
Italia, Santo, 11556A.
Kennedy, Clarence Charles, 11558A.
Taylor, Robert Floyd, Jr., 11559A.
Perkins, Richard Murray, 11560A.
Lightfoot, Berl Everett, 11561A.
Olney, Richard Oscar, 11562A.
Addis, Walter Arthur, 11563A.
Stephens, Valdane, 11566A.
Gray, Zack, 11567A.
Reynolds, William MacKenzie, Jr., 11568A.
Kirsner, Sheldon Weiss, 11569A.
McMillin, Wallace Duke, 11570A.
Everett, Phillip Eugene, 11571A.
Sutton, John Lawrence, 11572A.
Hicks, Lonnie Walton, Jr., 11573A.
Cannon, William Boyd, 11574A.
Sandusky, William Franklin, 11575A.
Saunders, Alan, 11576A.
McKnight, Theodore, Jr., 11577A.
Crilly, James Calvin, 11578A.
Bellan, Rudolf Alexander, 11579A.
Hayter, Gerald Hargrave, 11580A.
Marple, George E., 11581A.
Mann, Roy Everett, 11582A.
Phillips, Francis Theodore, Jr., 11584A.
Good, Clyde Earl, 11585A.
Burns, Robert James, 11586A.
Walker, Willie G., 11587A.
Anderson, Richard Roth, 11588A.
Harris, Charles Alexander, 11589A.
McGill, Paul Edward, 11590A.
Torpey, Robert Francis, 11591A.
Bakewell, Don Albert, 11592A.
White, Floyd, 11594A.
Scariano, Frankie Roxie, 11596A.

Polve, James Herschel, 11597A.
Lally, Glenn John, 11598A.
Giannini, Jack Lloyd, 11600A.
Stroh, Benjamin Franklin, 11603A.
Rice, James Harold, 11604A.
Ashley, Garland Olsen, 11605A.
McCutchen, Robert White, Jr., 11606A.
Revere, Floyd, Jr., 11607A.
Jones, Warren Harding, 11608A.
Gilbert, Jack Clifford, 11609A.
Anderson, Ralph Richardson, Jr., 11610A.
Leonard, William Robert, 11611A.
Lewis, Roy, 11612A.
McDonald, Donald Montrose, 11613A.
Rehm, Maurice Pate, 11616A.
Campbell, Joseph Lewis, 19667A.
Angevine, Frank Willis, 11618A.
Grady, Robert Joseph, 11619A.
Eldridge, George William, 11620A.
Sackett, Carl Leroy, Jr., 11621A.
Wettstein, James Daniel, 11622A.
Smith, John Whelan, 11623A.
Cook, Marshall Avert, 18074A.
Davies, George Alfred, 19668A.
Caffall, Joseph Metcalf, 18077A.
Hughes, Paul Ancil, 19947A.
Ryhlick, Lawrence Theodore, 19654A.
Hamlin, Robert Webster, 18084A.
Chamberlain, David Smith, 19927A.
Arnold, William Bruce, 18091A.
Bodnyk, Metro, 10283A.
Wilson, Harold Homer, 10388A.
Williams, Dave Weldon, 10804A.
Crites, Doyle LaVerne, 10882A.
Edwards, William Howell, 11020A.
Waldher, Eugene Nicholas, 11122A.
Heinzel, Roy Henry, 11167A.
Yahr, Raymond Richard, 11176A.
Ashman, Richard Charles, 11302A.
Novinski, Norbert Lawrence, 11626A.
Jackson, Frank Rogers, 11627A.
Warren, James David, 11628A.
Collins, Edward Matthew, 11629A.
Winchester, Charlton Whitfield, Jr., 11630A.
Holley, James Taylor, 11631A.
VanMarter, William Howard, 11632A.
Cummins, Frank Roger, 11633A.
Tuten, Wilson Parker, 11634A.
Thomas, Parry Lloyd, 11635A.
Butler, Floyd Nunn, 11637A.
Kramer, Vernon Jerome, 11638A.
Carter, Herbert Eugene, 11639A.
Madole, William Harley, 11640A.
Yehle, Vernon Keith, 11641A.
Clower, Freeling Horace, 11642A.
Haslett, Hugh John, 11644A.
Phipps, Charles Everette, 11645A.
Crump, James Blanchard, 11646A.
Jones, James Melton, Jr., 11647A.
Iovine, Guy Thomas, 11648A.
Heggenberger, Robert Walter, 11649A.
Sollars, John Alexander, 11650A.
Harrison, William Carl, Jr., 11652A.
Sherman, Fred Peter, 11653A.
Looney, William Alvin, 11654A.
Thompson, John Robert, Jr., 11655A.
Henner, Ernest Samuel, Jr., 11658A.
Tedrowe, Thaddeus William, 11659A.
Linden, Eric Oscar, 11660A.
Moleski, George Ignatius, 11661A.
Hugunin, Guy Jackson, Jr., 11662A.
Carpenter, George Walter, 11663A.
Trojan, Joseph Ernest, 11665A.
Froehlich, Vernon Walter, 11666A.
Judas, Maxwell Vincent, 11667A.
Thurlow, Everett Beach, 11668A.
Smith, Robert Gerald, 11669A.
Deardon, Russell Wendell, 11670A.
Creighton, Vernon Francis, 11671A.
Beers, Robert Leroy, 11672A.
Gubser, Burlyn Ross, 11673A.
Hanson, Kermit Theodore, 11674A.
Worthington, Arthur Wagner, 11675A.
Byrne, Joseph Paul, 11676A.
Christensen, Edward Michael, 11677A.
Richardson, Rolland Leroy, 11679A.
Stankowski, John Frank, Jr., 11680A.
Kraemer, Richard Howard, 11681A.
Sullivan, Francis Charles, 11682A.
Bledsoe, John Denton, 11686A.
McAllister, Allan Marshall, 11687A.
Douglas, James David, Jr., 11688A.
Heyl, Rodney William, 11690A.
Rice, Arthur Edwin, 11692A.
Gallagher, Kenneth Francis, 11693A.
Kelly, Frank Albert, 11695A.
Provancha, George James, 11696A.
Ammon, Robert Harvey, 11697A.
Wilson, George Henry, 11698A.
Jones, Donald Pershing, 11699A.
Ladd, Robert Byard, 11700A.
Askew, George Washington, Jr., 11704A.
Kuchenbecker, John Edward, 11705A.
Phelps, Bernard Alvin, Jr., 11706A.
Yaworski, John, 11707A.
Hill, Benjamin Wood, 11708A.
Zais, Richard Andrew, 11710A.
Hibbert, John Alfred, 11713A.
Parker, John Frederick, 11714A.
Templin, Jack Donald, 11715A.
Smith, Carl Clay, Jr., 11716A.
Cave, Richard Thomas, 11717A.
Ruddick, Lynn Willkom, 11718A.
Michaud, Leonard P., 11720A.
Delvecchio, Dino, 11721A.
Kral, William, 11722A.
McKinley, James William, 11723A.
Hendricks, Clyde Vernon, 11724A.
Smith, Roger Harold, 11725A.
Anderson, George Stewart, 11726A.
Seaman, Clarence Orand, 11727A.
Kivipelto, Olva, 11728A.
Morley, Rudyard Carl, 11729A.
Abernathy, Julian Ray, Jr., 11730A.
Moranville, Bill Harold, 11731A.
Sanxter, Donald Lavern, 11732A.
Scott, Dale Wilson, 11733A.
Moran, Daniel James, Jr., 11734A.
Schultz, Adrian Joseph, 11735A.
Brady, Roland Hamilton, Jr., 11736A.
Brandenburg, Warner Otto, 11737A.
Cercek, John Frank, 11738A.
Ogburn, George Horace, Jr., 11739A.
McClure, John Edward, 11740A.
Frymire, William Dale, 11741A.
Taylor, Gardner Wade, 2d, 11742A.
Williams, Joe Charles, 11744A.
Smith, George Robert, 11745A.
Iddins, Donald Jennings, 11746A.
McClanahan, James Clifton, 11747A.
Williams, Edgar Grant, 11748A.
Walker, Edwin LeClaire, Jr., 11749A.
McKinnon, Edwin Lawrence, 11750A.
Fondaw, Sidney Glen, 11751A.
James, David Marshall, 11752A.
Winningham, Porter Lee, 11753A.
Williamson, Philip Joseph, 11754A.
Dunn, James, Jr., 11755A.
Davies, Edwin Robert, 11756A.
Dryer, Melvin George, 11757A.
Holeman, Harry Gerald, 11758A.
Nelsen, Maynard Peter, 11760A.
Rust, Henry Buddington, 11761A.
Fletcher, Edward Carleton, 11762A.
Thorvaldson, Joel Dixon, 11763A.
Litchfield, Robert Latta, 11764A.
Scoville, Curtis Lee, 11765A.
Leonhardt, Herbert Victor, 11767A.
Wilcox, Lawrence Randolph, 11768A.
Washer, Larche Mecom, 11769A.
Peck, Douglas Thomas, 11770A.
Slaker, Kenneth Waverly, Jr., 11771A.
Johansen, Martin Christian, 11774A.
Kissell, William George, 11776A.
Crow, Roy Hammond, 11777A.
Zwink, Wayne Ernest, 11779A.
Jordan, Raymond Vincent, 11780A.
MacLean, Lynwood Alva, Jr., 11781A.
Todt, Donald Clare, 11782A.
Meier, Clifford Henry, 11783A.
Byers, John Robert, 11785A.
Bair, Joe Clarence, 11786A.
McCauley, Lon Albert, Jr., 11787A.
Robinson, Hunter Rudolph, 11788A.
Sapp, Roger Elias, 11789A.
Brockhouse, Frederick Willard, 11790A.
McDonald, Gorman A., 11791A.
Hayes, Leland Ray, 11792A.
Schnauber, Louis George, 11793A.
Nealon, Robert Joseph, 11794A.
McAusland, Douglas George, 11795A.
Guelich, Frank James, 11799A.
Cook, Robert Frederick, 11800A.
Wilkerson, Harold Houston, 11801A.
Cox, William Thomas, Jr., 11802A.
Brazee, Donald Francis, 11803A.
Walker, James Osborne, Jr., 11804A.
Yraceburn, Joseph Raymond, 11805A.
Guernsey, Harold Jackson, Jr., 11806A.
Walker, Samuel Augustus, Jr., 11807A.
Bergeson, Harold Max, 11809A.
Adams, William Pierman, Jr., 11810A.
Solomon, Edward Thomas, 11811A.
MacKay, John Alexander, 11812A.
Bruson, George Francis, 11813A.
Simpkins, Alan Patrick, 11814A.
Fortney, Robert Stewart, 11815A.
Felice, Carman Paul, 11816A.
Phillips, Arthur Garfield, Jr., 11817A
Bumgarner, Amon Grant, 11818A.
Coleman, David Harold, 11819A.
Otis, James Dwight, Jr., 11821A.
Tissue, Jimmie Lee, 11822A.
Ray, Robert Jackson, 11823A.
Emrich, Daniel Carl, 11824A.
Stumpf, Oscar Joseph, 11826A.
Wright, Hanford Ralph, 11827A.
Henderson, Daniel Eli, Jr., 11828A.
Vetter, Lawrence Edward, 11829A.
Lethers, Edward William, 11831A.
Schlabs, Frank Wayne, 11832A.
Hughes, William Austin, 11833A.
Salmon, Delbert, Jr., 11834A.
Tenold, Leslie Alvin, 11835A.
DuPont, Rene George, 11836A.
Stine, Donald Arthur, 11837A.
Hirshberg, Sidney Stuart, 11838A.
Levan, Jay Edwin, 11839A.
Burns, Richard Lee, 11840A.
Burns, Carlton Lee, 11841A.
Poindexter, William Ranstead, 11843A.
Shiver, Arthur Marvin, Jr., 11844A.
Boyle, Francis Thomas, 11845A.
Sparks, Belmont Earl, 11846A.
Richardson, Glen Wehrly, 11848A.
Newstrom, Carroll Marion, 11850A.
Elarth, Vernon Homer, 11851A.
Grove, Francis Miller, 11852A.
Laridon, Loren Brooks, 11853A.
Carter, Joseph Watkins, 11855A.
Korger, Harold Francis, 11856A.
Overstreet, Jack Stone, 11857A.
Sampson, George Archibald, 11858A.
Roberts, Thomas Carlisle, 11859A.
Wood, George Ray, 11860A.
Mercogliano, Albert Paul, 11861A.
Baker, Ellsworth Albert, 11862A.
Anderson, Alfred Ivan, 11863A.
Squillace, Dominick Paul, 11864A.
Cote, Elmer Lee, 11865A.
Clark, James Francis, Jr., 11866A.
Poulson, Raymond Peter, 11867A.
Haines, Carroll Eugene, 11868A.
Johnson, George Lowder, 11870A.
Hockin, Robert Arnold, 11871A.
O'Brien, Alden Walton, 11872A.
Esch, Maurice Eugene, 11873A.
Gibson, William Melvin, 11874A.
Edington, Leonard Edward, 11875A.
Snell, Lester Daniel, 11878A.
Hamby, Malcolm Conner, 11880A.
Myers, Robert Arthur, 11881A.
Nagel, James Paul, 11882A.
Thompson, Arnold Frederick, 11883A.
Watkinson, Arlie Gerald, 11884A.
Long, John Barrett, 11885A.
Brittle, Kent Heath, 11886A.
Okey, Joseph Theodore, 11887A.
Beller, Albert Joseph, 11892A.
Pallo, John, 11891A.
Culp, Alben Barkley, 11894A.
Boswell, Benedict Arden, 11895A.
Maxwell, George S., 11896A.
Pearson, Samuel Leroy, 11897A.
O'Carroll, Thomas Kane, 11898A.
Henderson, Vernon, Jr., 11899A.
Pinson, Claud Carrol, 11900A.
Grinsted, Albert Hugh, Jr., 11901A.
Stevens, Howell Edward, 11902A.
Nance, Ernest Theodore, 11904A.
Lairmore, Glenn Emmett, 11905A.
Pryor, Gaillard Stoney, 11906A.
Schaitel, Leonard Jacob, 11907A.
McElroy, Wilson Freeman, 11908A.

Marshall, George Lewis, 11909A.
Carmody, Francis Charles, 11910A.
Ralph, John Henry, 11911A.
Edwards, Clifford, E., 11912A.
Ilmanen, Ralph Werner, 11913A.
Laberge, Vincent Robert, 11915A.
Bissonnette, Alfred Gilbert, 11916A.
Alber, George Dearborn, 11917A.
Good, Arnold Noble, 11918A.
Kimbrough, Donovan, 11919A.
Van Noy, Glen Scott, 11920A.
Marsden, Roy Franklin, 11921A.
Wakeman, Coyd Victor, 11922A.
Ramirez, Norbert Donald, 11924A.
Fisher, Jay N., 11926A.
Adair, Philip Reed, 11927A.
Byington, Telford Smith, 11928A.
Baker, Dexter Kingsley, 11929A.
Wilson, Ernest Ben, 11930A.
Moffat, Harold Larson, 11931A.
Streit, William Fred, 11932A.
Hall, John Jay, 11933A.
Wright, John Wesley, Jr., 11934A.
Wyckoff, Frank Marvin, 11935A.
LeFrancis, Richard George, 11937A.
Clampitt, William Arthur, 11938A.
Santala, Eugene Walfred, 11940A.
Ducat, Kenneth Holberg, 11941A.
Hein, Gordon Einer, 11942A.
Kuhn, Francis Leroy, 11943A.
Hange, Richard Harold, Sr., 11944A.
Leenerts, Gordon Jerome, 11945A.
Harrison, Robert Burfoot, 11946A.
Wagner, James Bertram, Jr., 11947A.
Bolen, Robert Joseph, 11948A.
Prout, Donald George, 11949A.
Carkeet, John Lamar, Jr., 11950A.
Cuddington, James Cedric, 11951A.
Corrigan, Thomas Francis, 11953A.
Anderson, David Samuel, 11954A.
Halloran, James Paul Stacy, 11955A.
Isbell, Thomas Winn, Jr., 11956A.
Murphy, James Joseph, 11957A.
Livesay, Willie Edgar, 11958A.
Hathaway, Bruce Ray, 11959A.
Dornbrock, Richard Carol, 11960A.
Jones, Robert Lewis, 11961A.
Hopkins, Charles, Jr., 11962A.
Smith, Eben Judson, 11963A.
Nielsen, Austin, 11964A.
Plascak, Nick, 11966A.
Vickrey, Charles Ramsay, 11967A.
Sharpe, George Moore, 11968A.
Hardy, Preston Bethea, 11969A.
Phears, William David, 11970A.
Moody, Edgar Waldron, 11971A.
O'Connor, Henry, Michael, 11972A.
Gonske, Walter Frederick, 11973A.
Dill, Alvin Warnick, 11974A.
Wood, John Robert, 11975A.
Warwick, Stuart Byers, 11976A.
Highley, Lyndell Thomassen, 11977A.
Orr, Jack Pershing, 11978A.
Tucker, James Riley, 11979A.
Witry, Frank, Jr., 11980A.
Prien, Kenneth Wegner, 11981A.
Reiter, Jack, 11982A.
Carter, Daniel Ralph, 11983A.
Duffy, Robert Aloysius, 11984A.
Eldredge, Clayton Revis, 11985A.
Rehak, Frank, Jr., 11986A.
Robertson, Everett Earl, Jr., 11987A.
Hemmer, Albert Burkett, 11988A.
Duval, Joseph Edward, 11989A.
Bunnell, Jerry A., 11990A.
Masden, Gilbert Atherton, 11991A.
Peterson, Sumner William, 11992A.
Laughlin, Harlan Lee, 11993A.
McElroy, James Thomas, 11994A.
Wallander, Robert Leroy, 11996A.
Williams, Jack Edward, 11997A.
Massey, Holman Cooper, 11998A.
Brenner, Felix George, 12000A.
Kozul, Thomas Francis, 12001A.
Haney, Charles William, 12002A.
Farrell, Everett Nicholas, 12003A.
Uhring, Frank George, 12004A.
Stevens, Arthur Leigh, Jr., 12005A.
King, Kave B., Jr., 12006A.
Smotherman, Benjamin Franklin, 12007A.
James, John Gilbert, 12008A.
Howard, Herbert Byran, Jr., 12009A.
Weaver, Worden, 12010A.
Hester, Benjamin Franklin, 12011A.
Shoemate, Foy Lee, 12012A.
Archer, John Henry, Jr., 12013A.
Dean, Kenneth Cameron, 12014A.
Hood, Robert Francis, 12015A.
Shipley, Francis Morris, 12016A.
Beatty, Ibrie Morris, Jr., 12017A.
Fitzpatrick, James Thomas, Jr., 12018A.
Cook, Carl Laverne, Jr., 12019A.
Williams, Robert George, 12020A.
Crowe, Loyal William, 12021A.
Lancaster, Rayburn Dinion, 12022A.
Penn, William Wallace, Jr., 12023A.
Chandler, Jack Tabor, 12024A.
Hughes, Lewis Carroll, 12025A.
Ward, Charles Allen, Jr., 12026A.
Elsberry, Joseph DuBois, 12027A.
Erdmann, Orville Leslie, 12028A.
McKay, George Pope, 12029A.
McLain, Mack Arthur, 12030A.
Fitzhenry, Oscar Charles, 12031A.
Nesbitt, James William, 12032A.
Raeke, Louis Alfred, Jr., 12033A.
Patton, Gene Murray, 12034A.
Carter, David Lawrence, 12035A.
Walker, James Rayburn, 12037A.
Ulrich, Alvin Emil, 12038A.
Lambert, Joseph Richard, 12039A.
Gunter, Lester Edwin, 12040A.
Nawrocki, Joseph Carl, 12041A.
Alexander, James Franklin, 12043A.
Cameron, Wallace Horace, 12044A.
Mason, Wallace Ancil, 12045A.
Reddrick, Noel Burford, 12046A.
Swope, Ira Allen, 12048A.
Griffin, John Albert, 12049A.
Miles, James Henry, Jr., 12050A.
Keiper, John Alwine, Jr., 12051A.
Black, David Paul, 12052A.
Gardner, Herbert George, 12053A
Ruff, George Florin, 12054A.
Farmer, Herman Mouzon, 12055A.
Harmon, Clifford Winnie, 12056A.
Barney, Robert Orr, 12057A.
Rosenfield, Joseph Warren, Jr., 12058A.
Nordenstrom, Wallace Orville, 12059A.
Herring, Jack, 12060A.
Rice, Gale Fauss, 12061A.
Clark, Andrew Robertson, 12062A.
Callander, Thomas Joseph, 12063A.
Evanco, Michael, 12065A.
Bull, Stephen Dwight, Jr., 12066A.
Taylor, Irving Crawford, 12068A.
Frederickson, Marshall Vernon, 12069A.
Shelton, Donald Adolphus, 12070A.
Burnett, John James, Jr., 12071A.
Sweeney, Edward Joseph, 12072A.
Thompson, Robert C., 12073A.
Floyd, John Fletcher, 12074A.
Puttkamer, Kenneth, 12075A.
Oehme, Vance, 12076A.
Quayle, Gerald David, Jr., 12078A.
Vogler, James Brevard, Jr., 12079A.
Hewitt, George Emory, 12081A.
Cooper, William Enos, 12082A.
Doran, Brendan Joseph, 12083A.
Ford, Oscar Creighton, 12086A.
Wright, Gilbert Graham, 12087A.
Howell, Joseph Virgil, 12088A.
Chapman, Albert Vernon, Jr., 12089A.
Munnerlyn, Billy Joe, 12090A.
Edwards, Ralph, 12091A.
Turner, Arthur Lorenzo, Jr., 12093A.
Brion, Charles Walter, 12094A.
Nolan, Alson Valentine, Jr., 12095A.
Elias, Samuel Michael, 12096A.
Pearson, Karl Reese, 12097A.
Duncan, Kenneth Radcliff, 12098A.
Fachetti, Attilio Thomas, 12100A.
Goddard, Ernest Dale, 12103A.
Booth, Raymond Walter Wallis, 12104A.
Hiney, John Wakefield, 12105A.
Johnston, Wallace Wilson, 12106A.
Partridge, Robert John, 12107A.
Farr, Robert, 12109A.
Warner, Raymond Paul, 12110A.
Fernandes, Joe Louis, 12111A.
Morgan, Emory Claude, 12112A.
Flicek, Jerry Francis, 12113A.
Anderson, Edmund Beard, 12114A.
Gates, William Moore, 12115A.
Wicker, Samuel James, 12116A.
Mensing, Paul Emil, 12117A.
Cathcart, Leonard Nelson, 12118A.
Johnson, Thomas Bennett, 12119A.
Foye, Herbert Francis, 12120A.
Sanders, Wendell Wilson, 12121A.
Eyler, Carl Grant, 12122A.
Packwood, Jack R., 12123A.
Borchers, Clyde Raymond, 12124A.
Storck, Gordon Fowler, 12125A.
Donohoe, Charles Adolph, 12126A.
Hardy, Claude Mayfield, 12127A.
Wilson, Emmett Stone, 12128A.
Marshall, Benjamin Charles, 12129A.
Davidson, Robert Spencer, 12131A.
Nicks, Howard Louis, 12134A.
Cunningham, George Chancellor, 12135A.
Cummins, Daniel George, 12136A.
Mills, Jack Walter, 12137A.
Fisher, Robert Lee, 12138A.
Wilson, Waring Woodrow, 12140A.
Hogan, Walton Lewis, Sr., 12143A.
Stulting, Elton Ray, 12144A.
Lake, James, 12145A.
Frederick, Russel Roch, 12148A.
Stephens, John, 12149A.
Potter, Dwight Homer, 12151A.
Artwohl, Arpod Julius, 12153A.
Knutson, Gerald Percival, 12154A.
Tate, John Chiefton, 12156A.
Pippin, Theodore Cliffton, Jr., 12157A.
Shine, Wilbur Gray, 12158A.
Pebles, Glen Amos, 12159A.
Shearer, Richard Eugene, 12161A.
Cabas, Victor Nicholas, 12162A.
Wolf, Gayle Christy, 12164A.
Henderson, Horace Lynn, 12165A.
Owen, Arthur Wellesley, Jr., 12166A.
Voorhees, Roy Dale, 12167A.
Lasko, Charles William, 12169A.
Combe, John, 3d, 12170A.
Hannah, Harrison Hayden, Jr., 12171A.
Prochaska, Joseph Robert, 12172A.
Cadwell, Truman Fletcher, 12174A.
Cruiciana, Louis Gerald, 12175A.
Wilcox, Robert Warren, 12176A.
Yorston, Alfred, Jr., 12177A.
Wilson, Myrt Purviance, 12178A.
Sellers, Virgil Everette, 12179A.
Everett, Franklin Allen, 12180A.
Treumann, Manville Giles, 12181A.
Butler, John Earl, 12182A.
Ford, Geoffrey Ralph, 12183A.
Sullivan, Leo William, 12184A.
Taylor, Charles Alfred, 12186A.
O'Day, Russell M. Hanna, 12187A.
Hintze, Milton August, Jr., 12188A.
Knight, Billy Ernest, 12189A.
Patton, William Hallyburton, 12190A.
Loughlin, Charles Thomas, 12191A.
Brauer, Karl Henry, 12192A.
Whittington, Richard Lee, 12193A.
McKoy, Wendell Guy, 12194A.
Eades, William Boss, Jr., 12195A.
Siddens, John V., 12196A.
Wingard, Jesse Oliver, Jr., 12197A.
Bull, Leonard Park, 12198A.
Kramer, Daniel, 12199A.
Angley, Clyde Cecil, 12200A.
DeLisle, Arthur Benedict Charles, 12201A.
Mosali, George William, 12202A.
Henry, Jesse Grice, 12204A.
Burnette, Willis David, 12206A.
Hilburn, William Grant, 12208A.
Gleichauf, Paul Wanner, 12209A.
Boland, Jeremiah Murphy, 12210A.
Janovitz, George Walter, 12213A.
Cartledge, Binford Meadows, 12214A.
Alexander, Jim Vance, 12215A.
Steffen, Harold John, 12216A.
Hood, Charles Thomas, 12217A.
Byrne, John Paul, 12218A.
Welch, James Woodford, Jr., 12219A.
Kennedy, Francis Senan, 12220A.
Porter, Denver Mac, 12221A.
Bowers, Thomas Egerton, 12222A.
Flanagan, Preston Simms, 12223A.
Bogan, Leon St. Clair, 12224A.
Thornton, Otis Brooks, 12225A.
Smith, Durward, 12226A.

Hale, Charles Eugene, 12229A.
Benson, Bertil Emil William, 12230A.
Kern, Jack Phillip, 12231A.
Blair, Ben Rogers, 12232A.
Huffman, Delbert Lyle, 12233A.
Nance, Truett Ordway, 12234A.
Ruscitto, James Otto, 12235A.
Holmes, Douglas Irving, 12237A.
Bartol, Wante John, 12238A.
Lavigne, Edwin Walter, 12239A.
Cavin, Edgar Raymond, 12240A.
Muir, Robert Waugh, 12241A.
Collins, John James, 12244A.
Millis, Billy John, 12245A.
Hunter, Harry Floyd, 12246A.
Baker, Harry Forrester, 12247A.
Nowak, Edwin Henry, Jr., 12248A.
McClung, Thomas Stuart Langston, 12250A.
Burrows, Adrian Morton, 12251A.
Driver, Elwood Thomas, 12252A.
Shareck, Michael William, Jr., 12253A.
Hall, James Halbert, 12254A.
Morgan, Spencer Graves, 12255A.
Sanford, Douglas Fremont, 12256A.
DeVee, Earl William, 12257A.
Carroll, William Joseph, 12258A.
Wollner, Richard Paul, 12259A.
Wells, Ernest John, 12260A.
Lee, Raymond Charlesworth, Jr., 12261A.
Hurlburt, Gaines, 12262A.
Finnell, Herbert Singleton, Jr., 12263A.
Bruckner, Louis Morrison, 12264A.
Beasley, Carl June, 12265A.
Ferko, Francis Andrew, 12267A.
Wishart, James Henderson Nelson, 12268A.
McClung, James David, 12269A.
Kumnick, Chris Augustus, Jr., 12270A.
Robinson, Jack, Jr., 12271A.
Stolarz, Andrew Robert, 12272A.
Rankin, William Hoffa, 12273A.
Ratterree, James Gamble, 12274A.
Birge, Walter Cyril, Jr., 12275A.
Morris, Lester Walter, 12276A.
Seaburg, Bror Charles, 12277A.
Angel, Ralph Edwin, 12278A.
Wynn, Vasseure Howe, 12279A.
Rudrud, Norman Victor, 12280A.
McKinney, David Webster, 12281A.
Ramsey, Richard Dunlap, 12282A.
Fritz, Paul Charles, 12284A.
Parker, Hunter Davidson, 12285A.
Everett, Harold Malcolm, 12286A.
Bartel, Harry Conrad, 12287A.
Fecher, Louis Adam, 3d, 12288A.
Bayne, Harry Chester, 12289A.
Fuss, John Harvey, 12291A.
Bryant, Ernest Douglas, 12292A.
Chalifoux, Alphonse, Jr., 12293A.
Senser, William James, Jr., 12294A.
Olsen, Eugene Mills Richard, 12295A.
Brown, Dayton Frazier, 12296A.
Reddall, Gordon Clark, 12297A.
Rucker, Lester Ralph, 12298A.
Good, Roger Roland, 12299A.
Kaufman, Frank Llewellyn, 12300A.
Wells, Charles Rogers, Jr., 12301A.
Connell, Royal William, 12302A.
Dixon, Dale Van Meter, 12303A.
Stevenson, William Richard, Jr., 12304A.
Ekren, Harvey Zahl, 12305A.
Goodman, Raymond Elmer, 12306A.
Elliott, McLean Webster, 12307A.
Stone, Raymond Frank, 12308A.
Squires, Joseph Clarence, 12309A.
Gallien, Carson Reed, 12310A.
Knox, Freal Charles, 12311A.
Deimling, Paul Lewis, 12312A.
Scott, Robert Fred, 12313A.
Ayersman, Richard Lewis, 12314A.
Osborne, William Harry, 12316A.
Seay, James Scott, 12319A.
Rosa, Joseph John, 12320A.
Post, George Murray, 12321A.
Sly, Peter Richard, 12322A.
Grashoff, Robert Arnold, 12325A.
Rosenberg, Louis Storz, 12326A.
Parker, George E., 12327A.
Cole, Eugene Elmer, 12330A.
Antalis, Stephen Jonathan, 12332A.
Meek, Frank Edwin, Jr., 12334A.
Mickelsen, Earl Harry, 12335A.
Berger, Marvin Eldon, 12337A.
Lugo, Frank Morales, 12338A.
Bullock, Ralph Ezell, 12339A.
Gunn, Leon Oryn, 12340A.
Snyder, Harold Thomas, 12341A.
Biles, James Levi, Jr., 12342A.
Capio, Fred, Jr., 12343A.
Stewart, Ronald Price, 12344A.
Doyle, Miles Mathew, 12345A.
Troutman, Baldwin Littleton, Jr., 12346A.
Carter, Hobart Edmund, 12347A.
Owen, Clyde Walter, 12348A.
Ruppelt, Ellis Arthur, 12350A.
Finke, Eugene, 12351A.
Williams, Bert, 12352A.
Barnett, William Edgar, 12353A.
Hansen, William Rowland, 12355A.
Conkey, Howard Lyle, 12356A.
Kearney, John Leo, 12357A.
Van Natta, Richard Hugh, 12359A.
Beckett, James Pinkerton, 12360A.
Johnson, Donald Wayne, 12361A.
Johnson, Douglas Devon, 12362A.
Brown, Robert Cuyler, 12363A.
Hinck, Robert Bartlett, 12364A.
McVay, Richard Bagnall, 12365A.
Stone, Herbert Burton, 12366A.
Hurst, John Delbert, 12367A.
Ferris, Joseph, 12368A.
Howe, Gilbert, Jr., 12369A.
Harris, James William, 3d, 12370A.
Cossaboom, William Morton, 12371A.
Hagenback, James John, 12372A.
Cresto, Joseph Lawrence, 12373A.
Barraclough, Edmund Lee, 12374A.
Biggs, George Joseph, 12375A.
Jones, Percy Lewis, 12377A.
Zwicke, Norbert Anthony, 12378A.
Scott, Winton Alva, 12379A.
Vuchetich, Peter Francis, 12380A.
Basham, Edward Arthur, 12381A.
Vratny, Frank, 12382A.
Draper, William Grafton, 12383A.
Schueler, Eldor Henry, 12384A.
Zimmerman, Arnold Edmund, 12385A.
Howard, Harold Edward, 12387A.
Meeker, Roy Lee, 12388A.
Penrod, James Byron, 12389A.
Parello, Thomas Louis, 12390A.
Oldham, Charles Boyd, 12391A.
Carwile, Ernest Dean, 12392A.
Keefer, Irvin Joseph, 12393A.
Mote, Amos Monroe, 12394A.
Latta, Farley Adams, 12395A.
Gwaltney, Laverne, 12396A.
Blake, Robert Joseph, 12398A.
Willner, William Frederick, 12399A.
Mielke, Alton Carl, 12400A.
Marriott, William Barr, 12401A.
Bryant, Billie Bensman, 12402A.
Ambos, William Glen, 12404A.
Chapman, Paul Vincent, 12407A.
Westfall, Russell Blayney, 12409A.
Heifner, George Edward, 12410A.
Lee, John Joseph, 12411A.
Schmelz, Richard Ervin, 12412A.
McIver, James Calvin, 12413A.
Bailey, Richard Francis, 12414A.
Tilley, Douglas Gilbert, 12415A.
Evans, Harry Kenneth, 12416A.
Heft, Lee Vernon, 12417A.
Steiner, Everett Woodrow, 12418A.
Kirklin, John Mannon, 12419A.
Andrews, Ralph Preston, 12420A.
Minietta, Eugene Debs, 12421A.
Pashco, Henry Jerome, 12423A.
Harkness, Orlo Victor, 12424A.
Smith, Emerson Warren, 12425A.
Voorhees, Alen Victor, 12427A.
Kuhn, Robert William, 12428A.
Horr, Wayne Laverne, 12430A.
Cruse, Marshall Holman, 12431A.
Feuerstein, Donald Warren, 12433A.
Stevens, Richard Don, 12434A.
Woodward, Charles Horace, 12435A.
McBrayer, James Ray, 12437A.
Pedigo, John Hamilton, 12439A.
Twomey, Thomas Arthur, 12441A.
Abrams, Stuart McCall, 12442A.
Yarbrough, Thomas Edgar, 12443A.
Smith, Richard Byron, 12444A.
Misner, Richard Foreman, 12445A.
Irby, Shelby Laveer, 12446A.
Grider, Arthur Piner, Jr., 12447A.
Schmitz, Frederick Hugo, 12448A.
Hamilton, Ralph William, 12449A.
Swanger, Joe Neal, 12450A.
Mamalis, Solon, 12453A.
Hinkley, Eugene Lloyd, 12454A.
Locke, William Davis, 12455A.
Willson, Harry Wroten, 12458A.
Karas, Philip, 12459A.
Clements, Ross Leo, 12460A.
Richardson, Robert Frederick, 12462A.
Johnson, Forrest Dean, 12463A.
Deckman, Robert, 12464A.
Staudenmayer, Marion William, 12466A.
Wilds, Walter Clyde, 12467A.
Herrington, William Carroll, 12468A.
Ziegler, John Henry, 12469A.
Lakin, John Willis, 12470A.
Bertie, Gilbert Hector, 12471A.
Noyes, Arnold Vincent, 12472A.
Bullock, John Kiser, 12474A.
Stout, Loren R., Jr., 12477A.
Wagner, Robert Miles, 12478A.
Olstein, Irving Louis, 12479A.
Smith, Robert Luther, 12481A.
Brown, Howard Oren, 12482A.
Taylor, James Lasley, 12483A.
Linck, John Jay, 12484A.
Anderson, John Bowman, 12485A.
Watts, Ernest Lee, 12486A.
Healy, Warren Richard, 12487A.
Drake, Leo Allen, Jr., 12489A.
Snell, Robert Martin, 12490A.
Quigley, Edward Christopher, 12491A.
Farrington, Raymond Francis, Jr., 12493A.
Copenhaver, Donald Lyle, 12495A.
Dwyer, James Gerard, 12496A.
Boland, Joseph Edward, 12497A.
McMillan, Clinton, Jr., 12498A.
Tarbell, Swift, Jr., 12499A.
Taylor, Merrill Edward, 12500A.
Amundson, Maynard Nelson, 12501A.
Jensen, Wiley Otto, 12503A.
McCarroll, Billy Jerome, 12504A.
Willems, Raleigh Charles, 12506A.
Brown, Donald Harold, 12507A.
Cummings, James Oliver, 12508A.
Kelly, Francis Andrew, 12509A.
Kane, Randall Sturgis, 12510A.
Kendall, Gardner Warren, 12511A.
Baranowski, Walter Stanley, 12512A.
Dreyer, Arthur, 12513A.
Trimble, William Whitfield, 12514A.
Shaeffer, William Floyd, 12515A.
Alston, Archer Sills, 12516A.
Zaharevitz, Walter, 12517A.
Luke, Ernest Pemberton, 12518A.
Carson, Russell Victor, 12520A.
Poling, Don L., 12521A.
Drubek, Gene Erwin, 12522A.
Doty, Edward Andrew, 12523A.
Wilson, Ronald Claude, 12524A.
Clark, Joseph John Finley, 12525A.
Woodall, Merle Powell, 12526A.
Erickson, Arthur, 12528A.
Weaver, Donald Mouzon, 12529A.
Staylor, Leroy William, 12530A.
Clarke, Donald Leon, 12531A.
Krause, Arthur Fox, 12532A.
Dean, Robert Murry, 12533A.
Armijo, Joseph Fernand, 12534A.
Shaw, Allan White, Jr., 12535A.
Ashworth, Kenton Lee, 12536A.
Machado, Joseph Gilbert, 12537A.
Hyland, Edward John, 12538A.
Stewart, Hugh William, 12539A.
Greer, Edwin Harry, 12540A.
Schreffler, Charles Euterline, 12542A.
Webb, James Henry, 12543A.
Bollinger, George Wayne, 12544A.
McLain, Steven James, 12545A.
Swayze, Jack, 12546A.
Latham, Seymour Eugene, 12548A.
Oakes, Russell Eugene, 12549A.
Bogard, Lawrence Miller, 12550A.
Hollingsworth, James Spencer, Jr., 12551A.
Dean, Frederick Funston, 12552A.
Parsons, Robert Pulver, 12553A.
Hughes, William, 12554A.

Rothaus, Jack Nick, 12555A.
Schaefer, Jack Charles, 12556A.
Moore, Andy Barry, 12557A.
Hague, Owen Earl, 12558A.
Conway, Thomas Herbert, 12559A.
Myers, George Grant, 12560A.
Berry, John Morrison, 12561A.
Anderson, James Ellis, 12562A.
Bennett, Walter Donald, 12563A.
Clifford, Raymond Verl, 12564A.
Clark, Robert Samuel, 12565A.
White, Thomas Arthur, 12567A.
Moore, Donald Fred, 12568A.
Palmer, Robert Thomas, 12569A.
Mandell, Robert Irving, 12570A.
Eichman, Edward Aloysius, Jr., 12571A.
Schiavoni, Vincent Peter, 12572A.
Hicks, Lindsey, 12573A.
Epperson, George Marion, 12574A.
Kellogg, Robert Edwin, 12575A.
Locy, James Allen, Jr., 12576A.
Mason, Robert Junior, Jr., 12577A.
Beck, Joseph Pershing, 12578A.
Shepard, Willian Ackinson, Jr., 12579A.
Blomgren, Norman Edwin, 12580A.
Swanson, Dustin Herbert, 12581A.
Urban, Harry, 12582A.
Smith, James William, 12583A.
Roberts, James Bourbon, 12584A.
Alagna, Antonito Frank, 12585A.
Vandiver, Robert Samuel, 12586A.
Jones, Kenneth Leroy, 12587A.
Schaunaman, George Samuel, 12588A.
Friedrich, Walter Rudolph, 12589A.
McKinney, Baylus Benjamin, Jr., 12590A.
Wynne, Lawson Paul, 12591A.
Warner, Robert Leonard, 12592A.
Peratt, Jon David, 12594A.
Phillips, Robert Preston, 12595A.
Scharf, Richard Edwin, 12596A.
Justin, Chester Anthony, 12597A.
Mabrey, Owen Dewey, 12598A.
Smith, James Wesley, 12600A.
Hamilton, Julian Wyatt, 12602A.
McCaslin, Kenneth Roswell, 12603A.
Claunch, John Gary, 12604A.
Spear, Robert Brinkerhoff, 12605A.
Elrod, Erwin Brice, 12607A.
Young, Fred William, 12608A.
Hobbs, Harold Widenhouse, 12609A.
Seaman, Robert Atkins, 12610A.
Bregar, Adolph Joseph, 12611A.
Nowell, Rufus Homer, Jr., 12614A.
Cobb, James William, 12615A.
Livesay, Robert Groves, 12616A.
Stone, Robert Errol, 12618A.
Bowry, Donald Wesson, 12620A.
Secrest, Edgar Lee, Jr., 12621A.
Adams, Gail John, 12622A.
Lane, Franklin Kenneth, 12623A.
Thomas, Frank Maguire, 12624A.
Hester, James Alexander, 12625A.
Stokes, Louis Samuel, 12626A.
Gorder, Robert Alexander, 12628A.
Cichy, George Edward, 12629A.
Keeffe, Donald James, 12632A.
Walmer, Harry Elmer, 12633A.
Churchville, Louis Joseph, 12635A.
Lawyer, John Edward, 12638A.
McKinney, Clell Homer, Jr. 12639A.
Bailey, Lawrence Oscar, 12640A.
Crandall, Edmund Billings, 12642A.
Deutsch, Ainsley, 12643A.
Torpey, Charles Louis, 12644A.
Fahringer, Frederick Harrison, 12645A.
Wheeler, William James, 12646A.
Shafer, Philip Stuart, 12647A.
Griffin, Ralph Oliver, 12648A.
McKibban, Robert Vernon, 12649A.
Logan, Roy Buel, 12651A.
Minihan, Charles Edward, 12652A.
Levine, Arnold, 12653A.
Rutt, Ronald Gordon, 12654A.
Ohlmeyer, Harold Zachary, 12656A.
Sert, Louis Robert, 12657A.
Jungman, Clarence Adolph, 12659A.
Bujol, George Warren, 12660A.
Mills, Robert John, 12661A.
Byrne, James Fredrick, 12662A.
Brooks, William Clifford, Jr., 12663A.
Frobom, Leo, 12664A.
Hansen, Paul Herman, 12665A.
Lodge, James Delvin, 12666A.
Palowez, John, 12667A.
Metcalf, Curtis Newborn, 12668A.
Annis, Ross Evered, Jr., 12669A.
Renk, Norman Grover, 12671A.
Slaughter, Clarence Benton, Jr., 12673A.
Matthews, Richard Glen, 12674A.
Garvin, Louis Allen, 12676A.
Simons, Doyle Evert, 12677A.
Gray, David Fletcher, 12678A.
Simpson, Dale Patterson, 12679A.
Dobson, Robert Eugene, 12680A.
Lonski, Charlie John, 12681A.
Orlando, Michael Joseph, 12682A.
Jackson, Harley Franklin, 12683A.
Hundley, Everett Lee, 12686A.
Hardin, Neal Harris, Jr., 12687A.
Mask, Kenneth James, 12690A.
Austin, Paul Felder, 12691A.
Belk, Claudius Earle, 12692A.
Moore, Ernest Francis, 12693A.
Valentine, Dwane Robert, 12694A.
Gibson, Marion Barnett, 12695A.
Emerson, Jack Gorman, 12697A.
Sledge, Thomas Edward, Jr., 12698A.
Rice, William Lewis, Jr., 12699A.
Canny, Robert William, 12700A.

Medical

×Patterson, Roy Russell, 19826A.
Walton, Lowell Clair, 19914A.
Peterson, William Frank, 19913A.
×Marshall, Charles Benton, Jr., 19962A.
×Mahoney, David Ignatius, Jr., 20009A.
×Watts, Charles Clyde, Jr., 20010A.
Tkach, Walter Robert, 19360A.
Turner, William Robertson, 20011A.
Bickerton, John Harvey, Jr., 19361A.
Stein, Ignatius Joseph, 19963A.
×Farrell, Francis Donald, 19827A.
Chambers, George Henry, 19362A.
Good, Frederick Dale, 19830A.
Sedlacek, Richard Leo, 19828A.
×Streete, Billie Gordon, 19832A.
×Dobyns, James Harold, 19831A.

Dental

×Gordon, George Douglas, 19627A.
×Harris, Arthur B., 19630A.
Johnston, Leonard Spratt, Jr., 19743A.
×Jones, Thomas Keith, 19744A.

Veterinary

Neurauter, Lloyd Joseph, 19011A.

Medical Service

Lindsay, Charles William, Jr., 19499A.
×Cook, Paul Marvin, 19504A.
×Manrow, William Edward, 19504A.
×Rohles, Frederick Henry, Jr., 19505A.
×Nicholson, Guy Christopher, 19506A.
Powell, Dudley Forbes, 19507A.
Delahunt, John Clark, 19509A.
×Morden, Harold Ross, 19510A.
Washburn, Robert Ernest, 19511A.

Chaplain

Sink, Voight Mock, 18806A.

Nurse

×Hoadley, Mary Eleanor, 21924W.
Coffman, Catherine Ann, 21927W.
Hohberger, Ernestine Frances, 21932W.
Entrikin, Sara W., 20917W.
Benston, Martha L., 20920W.
×Greene, Ina M., 21026W.
Boyle, Patricia Ida, 21053W.
×Hennessey, Helen Mary, 20936W.
×Dittmar, Louise Emma, 20940W.
×Pierce, Miriam Reynolds, 21034W.
Brimmer, Aileen Elizabeth, 20947W.
×Price, Margaret M., 20948W.
×Trega, Ruth Evelyn, 20949W.
Gaddis, Marie C., 20960W.
Echols, Hilda Reber, 21037W.
×Bedard, Evelyn M., 21107W.
×Foley, Ruth Mary, 22001W.
Kovach, Ethel Rose, 21110W.
×Nereson, Myrtle Nina, 22006W.

Medical Specialist

LaRue, Jack, 22057W.
Motley, Dellamae, 22059W.

First lieutenant to captain

Air Force

Grant, Alexander William James, 20703A.
Johnson, Melvin Elle, Jr., 22741A.
Ourand, James Robert, 20754A.
Perry, Robert Hawley, 25530A.
Jowdy, Frank Joseph, 25531A.
Burns, Robert, 25627A.
Williams, Durwood Borden, 23750A.
Nunez, Raul, 23751A.
Jones, Henry Irvin, Jr., 24368A.
Turner, Huey Lee, Jr., 20756A.
Smith, Larry Rentz, 20757A.
Anderson, Stanley Lloyd, 25532A.
Childs, Stuart Row, 22767A.
Strouhal, Rudolph Carl, 20758A.
Deas, John, 22768A.
Hinerman, Joseph Walker, 22769A.
Durham, Nathan Bedford, Jr., 22770A.
McDonald, William Lowry, 24369A.
Cordingly, William Edward, 26756A.
Bodycombe, Richard, 20759A.
Schellhous, Robert Edwin, 22771A.
Norris, James Richard, 22772A.
Tidwell, James Elliott, 22773A.
Murphy, John Joseph, 24729A.
Segraves, Berry Alfred, Jr., 25803A.
Jones, Donald Gene, 25805A.
May, Bedford Dunavant, 25774A.
McCafferty, Francis Gerald, 25788A.
Ratkovich, Edward, 25791A.
Ringwald, Dale Lamoine, 25773A.
Coe, Dewey Edward, 25784A.
Thompson, John Andrew, 25796A.
Spicer, Garland Hanes, Jr., 25789A.
Daries, Stanton Gordon, 25779A.
Quintana, Joe Richard, 25815A.
Sugrue, Francis Joseph, 25790A.
Coleman, William Downing, 25804A.
Nicklas, George Raymond, Jr., 25777A.
Provance, Leonard Wood, 25794A.
Morris, George Howard, 25776A.
Klisavage, Henry Joseph, 25810A.
Gill, Gerald Burch, 25797A.
Howell, Homer Harvey, Jr., 25783A.
Fels, Leslie R., 25801A.
Whitaker, Bernell Allen, 25787A.
Long, Billy Jack, 25817A.
Leszcz, Joseph Frank, 25775A.
Roberts, Robert Benjamin, 25792A.
Smith, Paul Lindsay, 25785A.
Wright, Wilfred Duer, 25808A.
Armstrong, James Earl, Jr., 25782A.
Hughes, Arthur Lee, 25780A.
Wray, John David, 25793A.
Dunn, James Malcolm, 25800A.
Burnett, William Ralsa, 25798A.
Starr, Benjamin Fred, Jr., 25816A.
Drew, John Cornelius, 25772A.
Devlin, John Joseph, Jr., 25781A.
Upright, George Perry, 25819A.
Nichols, Jimmy Lee, 25802A.
Johnson, Bob Mason, 25809A.
Weiss, Reuben Kenneth, 25812A.
Pfrang, Richard John, 25821A.
Bleau, Raymond Roland, 25807A.
Baldwin, James Edward, 25806A.
Bean, James Royall, 25818A.
Clement, Lewis Simpson, Jr., 25820A.
Summerlin, Clarence Glen, 25795A.
McCollum, Clodius Manning, Jr., 25811A.
Borresen, Edward Wadleigh, 25786A.
Heath, Robert Charles, 25813A.
Turner, Howard Douglas, 25799A.
Barton, Thomas Wayne, 25814A.
McCabe, Joseph James, 22774A.
English, Ferd Bertram, Jr., 18051A.
Hudson, James Dennis, 24370A.
Doswell, John Parker, 25822A.
Favorite, Walter Brooks, 22775A.
Sprinkle, William Carroll, 20760A.
Baker, Herman William, 21475A.
Hock, Robert Carmody, 20761A.
Obenshain, Ray Leland, Jr., 12923A.
Albright, Carl Henry, 20762A.
Martin, Albert Sidney, 21476A.
Lindow, Kenneth Richard, 24371A.
Christena, George H., 17978A.
Stinchfield, Melvin Joshua, 23754A.
Dockery, Louis Alvin, 25823A.

Freeman, James Davis, 18109A.
Merritt, Walter Anthony, 24372A.
School, Jerome Anthony, 25533A.
Schmehl, Samuel Powel, 21477A.
Hegerle, Matthew Joseph, 20763A.
Ross, Arthur Raymond, 18031A.
Stefanik, Robert Anthony, 17998A.
McCarville, Jerome Michael, 18004A.
Holgren, Paul, Jr., 18023A.
Bachtell, Linford Boone, 17989A.
Quinn, John Silas, 17993A.
Smith, Edmund Gambrill, 17990A.
Stewart, Billy Eugene, 17996A.
Boyd, Harold K., 17999A.
Stair, Manning Mott, 17987A.
Shortridge, Thomas Davidson, 18024A.
Scott, Robert James, 18027A.
Tarbox, Luther Arna, 18029A.
Shaulis, Elwood Merle, 18047A.
Ripley, Allen Weeks, 3d, 18044A.
Horsky, Robert Milvoy, 18043A.
Moore, Harold Wesley, 18025A.
Brown, John David, 18030A.
Claypool, Gilvin Lee, 18037A.
Cameron, William George, 17992A.
O'Brien, Daniel Joseph, 18013A.
Hogenmiller, Gerald Joseph, 18021A.
Fields, Milo Henry, Jr., 18012A.
Davidson, Robert Arland, 18017A.
Haun, Robert Arnold, 18018A.
O'Leary, Edward Waller, 18005A.
Musterman, John Marbury, 18028A.
Neal, Gordon Glenn, 18007A.
Oberdier, Clair Haynes, 18011A.
White, Ralph Willis, 18048A.
McGoogan, Leon, 17995A.
Mitchell, Joseph Robert, 17988A.
Pilcher, William Eugene, 17994A.
Hesketh, Paul James, Jr., 18000A.
Keeler, David Kenneth, 18008A.
Emery, Morley Leon, 18015A.
Melendrez, Wayne Astacio, 17991A.
Chenault, William Irwin, 18014A.
Hansen, George Edward, 18026A.
Farrell, Francis Patrick, 18034A.
Franklin, Bobby Gene, 18040A.
Davison, Kenneth Eugene, 18019A.
Chapin, William Read, 18049A.
Hartung, Don Martin, 18045A.
Ritchie, Charles Robertson, 18022A.
Costa, Kenneth Joseph, 17997A.
Tucker, Archie William, 18046A.
Whitlock, Thomas Wesley, 22779A.
Hughes, Alden Farris, Jr., 22778A.
Carroll, Ellison Edward, 23755A.
Becker, Richard Samuel, 25534A.
Doerty, Walter Lafayette, Jr., 22777A.
Able, Robert Lowry, 23756A.
McKee, James Oakes, 20764A.
Dennis, James Leonard, 18097A.
Olshefski, Joseph F., 19672A.
Frey, Ivan Rex, 25535A.
Schneider, Carl Glendon, 24373A.
Terry, Hal Mabry, Jr., 22780A.
Pate, Clarence Bertrem, Jr., 24374A.
Hyre, Charles Clinton, Jr., 25536A.
Hale, Robert David, 23757A.
McClure, Bobby Ray, 21478A.
Jones, Dale Neeham, 22781A.
Eastman, Burns Robert, 22782A.
Thomas, Onial Alphonso, 23758A.
Ball, John Clifford, 22783A.
Clark, Robert Wilson, Jr., 22784A.
Tease, Willard Disston, 18056A.
Waterman, Gerald LeRoy, 18055A.
Feltham, Kenneth William Frederick, 18052A.
Mitchell, Willard LeRoy, 18053A.
Culver, Frank Bartow, 3d, 20765A.
Gribling, Richard Lee, 20766A.
Detling, Harold Clarence, 25628A.
Adcock, Roy Dale, 25629A.
Nelson, Harold Dean, 18058A.
Barkwill, James William, 22785A.
Jones, Joseph Lloyd, 24730A.
Allison, John Slaton, 21479A.
Mahon, William James, 25537A.
Connor, Roy Joseph, 25824A.
Nelson, William Richard, 25538A.
Kaiser, Charles, Jr., 22786A.
Knudson, Charles Bernard, 24376A.
Stewart, Laslie M., 18098A.
Cooper, Arthur, 18101A.
Brown, Earl Clifton, 18099A.
Ledlie, James Edward, 18100A.
McClure, Richard Manning, 22787A.
Rochester, Virgil Maurice, 25630A.
Morrissey, Joseph Michael, 24377A.
McClure, John Calvin, 18596A.
Sullivan, Edward James, 18111A.
Jones, Walter Gilbert, 18110A.
Young, Jack Aldus, 24731A.
Brisick, Edward Joseph, 21480A.
Jones, James Theodore, 21481A.
Stender, Robert Clarence, 18553A.
Iverson, Emmett Sylvester, 18424A.
Rumney, Richard Grams, 18527A.
Dow, Paul Crother, Jr., 18374A.
McGurk, Dan Lockwood, 18472A.
Janer, Richard, 18428A.
Banister, Arthur Williams, 18324A.
Robison, William Clay, 18522A.
Smith, Russell Hinett, 18544A.
Armstrong, John William, 18320A.
Greenleaf, Abbott Congleton, 18399A.
Roper, Kenneth Hall, 18524A.
Poulson, John Archer, 18512A.
Slizeski, Robert Stanley, 18541A.
Eaton, Norman Dale, 18375A.
Henry, Richard Charles, 18414A.
Olson, Robert Harley, 18502A.
Norby, Wayne Aaron, 18499A.
Swantz, Robert Frederick, 18559A.
Klein, Donald Davis, 18440A.
Sylvester, George Howard, 18560A.
Vandervoort, John MacEwan, Jr., 18570A.
Westfall, Fredrick Robert, 18581A.
Neal, Marshall Edsel, 18495A.
Terrell, William Brown, Jr., 18561A.
Bowman, Richard Carl, 18338A.
Trautvetter, William Jackson, 18564A.
Zimmerman, Elsworth James, 18595A.
McMullen, Philip Cummings, 18474A.
Baumgarten, Harry Edward, Jr., 18329A.
Brandt, Schuyler Buell, 18340A.
Bodager, Bill Warren, 18335A.
Lake, William Howard, 18447A.
Liddicoet, William Battelle, 18455A.
Schoeneman, Richard Howard, 18532A.
Wall, Orlando Albert, 18574A.
Pursley, Robert Edwin, 18516A.
Wynne, Hugh, 18594A.
Mione, Anthony John, 18482A.
Hansen, Robert Adair, 18404A.
Neef, Charles Franklin, Jr., 18496A.
Kostyniak, Edward Anthony, 18443A.
Heesacker, Edward Joseph, 18409A.
Katz, Norman Fredrick, 18434A.
Hartinger, James Vincent, 18406A.
Nelson, Edwin Arthur, 18497A.
Kinney, Emerson Hugh, 18439A.
Mitchell, Hugh, Jr., 18483A.
Dirkes, William Eugene, 18371A.
Derrickson, Robert Armstrong, Jr., 18369A.
Spencer, Robert Mahonri, 18547A.
Pospisil, Joseph Lee, 18511A.
Jamison, Lewis Maverick, 18427A.
Branch, Louis Edward, 18339A.
Bonner, M. Michael, 18337A.
Marsh, Robert Thomas, 18465A.
Brooksher, Dan Austin, 19549A.
Martin, Abner Broadwater, 18466A.
Anderson, Charles William, Jr., 18315A.
Lambert, William Roth, 18448A.
Weaver, Robert Bullard, 18579A.
Moore, Lewis Franklin, 18484A.
Braun, Robert Joseph, 18341A.
Agnew, Malcolm Joseph, 18313A.
McDonald, Irving T., Jr., 18471A.
Finley, Jack Dwight, 18380A.
Wilmoth, Evert Dale, 18587A.
Smith, Mansfield Irving, 18543A.
Rice, James Blayney, 18520A.
Albert, John George, 18314A.
Ross, William Carroll, 18525A.
Helfrich, Gerard Francis, 18410A.
Barton, Robert Cooke, 18327A.
Agnew, Harman Charles, 18312A.
Cassler, Luther Henry, 18355A.
Wilford, Edward Burke, 3d, 18586A.
Arantz, Carl Franklin, Jr., 18318A.
Milliken, Walter Reed, 18481A.
Spragins, Stewart VanVliet, 18549A.
Raabe, Ralph Christian, 18517A.
Ashcroft, Dale LeRoy, 18322A.
Woods, Donald Rey, 18591A.
Shiel, William Chapin, 18537A.
Guyton, Daniel, 18401A.
Parrish, Davis Pendleton, 18507A.
Butler, Robert Paul, 18348A.
Klemmer, Raymond Jones, 18441A.
Pafe, Basil, 18506A.
Johnson, Miers Cornelius, Jr., 18432A.
Rawers, James Walther, 18518A.
Miller, John Edwin, 18477A.
Kiely, John Richard, 18438A.
Finnigan, Robert Emmet, 18381A.
Triner, Edwin George, 18566A.
McCrary, Leon Witcher, 18469A.
Wallace, John Thomas, 18576A.
Barnes, Frank Gentry, 18326A.
Leslie, Gene Edward, 18453A.
Crites, Carl Raymond, 18363A.
Chamberlin, George Barrett, Jr., 18357A.
Shirley, Harold James, 18538A.
Reed, John Charles, 18519A.
Pfeiffer, Robert Michael, 18510A.
Cronin, Timothy Cornelius, 3d, 18365A.
Millett, Virgil, Jr., 18479A.
Culbertson, Alexander Brown, 18366A.
Tye, Joe B., Jr., 18568A.
Corley, Henry Porterfield Taylor, 18361A.
Hustad, Eugene Earle, 18422A.
Schlosser, William Leo, 18530A.
Littell, Robert Oliver, 18457A.
Smythe, George Winfered, Jr., 18546A.
Spillers, Willum Harry, Jr., 18548A.
Nemzek, Thomas Alexander, 18498A.
Orem, Robert Lloyd, 18503A.
Cronin, John Henry, Jr., 18364A.
Workinger, William Clinton, Jr., 18593A.
Smith, William Cremin, 18545A.
Berg, Robert Stanfield, 18332A.
White, Robert Lewis, 18584A.
Hinchion, Francis, 18416A.
VanCleeff, Jay, 18569A.
Steger, Michael John, 18551A.
Hurst, James Styer, 18421A.
Scholtz, John Christopher, Jr., 18533A.
Henry, Joseph Robert, 18413A.
Crawford, Thomas Maurice, Jr., 18362A.
Gillette, Jack Worrell, 18392A.
McNamee, Michael Werner, 18476A.
Ford, Wallace Addison, 18383A.
Kretschmer, Charles G., 3d, 18445A.
Campbell, Edward Joseph, 18351A.
Thompson, Joseph James, 18562A.
Stansberry, James Wesley, 18550A.
Ellis, Atlee Robert, 18377A.
Brunhart, Roy Cleveland, 18345A.
Browne, Lewis Carlton Lindsey, 18344A.
Weart, Douglas Spoor, 18578A.
Jones, Kelso, 18433A.
Wentsch, George Maurice, 18580A.
Lay, Chris Andrew, Jr., 18450A.
Moss, Raymond, 18488A.
DeMuro, Theodore Francis, 18368A.
Gibson, Norman Lawrence, 18389A.
Wakefield, Victor Reed, 18572A.
James, Robert Earl, 18426A.
Clark, John Robert, 18359A.
Woodson, John Donald, 18592A.
Jenkins, William Griffith, 18431A.
Stillson, James Reddick, 18556A.
Wallace, Jay R., 18575A.
Prescott, James Delahunt, 18514A.
Wogan, John Beugnot, Jr., 18590A.
Brown, Charles Henry, Jr., 18343A.
Ivy, Edward Weber, 18425A.
McCarthy, John Norman, 18468A.
Marr, James Frank, 18464A.
Cameron, Mortimer Browne, Jr., 18350A.
Morrison, Joseph R., 18486A.
Hendricks, James Robert, 18411A.
Purnell, Harry O., 18515A.
Walter, John Adkin, 3d, 18577A.
Cleveland, Charles Goold, 18360A.
Everest, Emmet Tinley, 18379A.
Bullock, Thomas Farris, 18346A.
Rice, William Vaughn, Jr., 18521A.
Oliver, Charles Whitney, 18501A.
Toth, Richard Earl, 18563A.
White, Richard Arthur Eric, 18583A.
Murray, Louis Paul, 18493A.

Boag, John Robert, Jr., 18334A.
Howard, Robert James, 18419A.
Makinney, Robert Lucas, 18461A.
O'Brien, Philip Raymond, Jr., 18500A.
Howe, John P., 18420A.
Owen, Robert Edwin, 18505A.
Gilbert, Chester Charles, 18390A.
Andrus, John Stebbins, 18316A.
Ennis, Robert Brower, 18378A.
Arnold, David Lee, 18321A.
Mulkey, Reed Claiborne, 18490A.
Byrne, Charles Artaud, 18349A.
Harris, Leslie Earl, Jr., 18405A.
Dolan, John Thomas, 18372A.
Simpson, Jefferson Allan, 18540A.
Frost, Richard Floyd, 18385A.
Blake, Thomas Frederick, Jr., 18333A.
Howell, Robert William, 19537A.
Dederich, F. William, 19674A.
Gardner, William Alfred, Jr., 19675A.
Guthrie, Joseph Aloysius, Jr., 19675A.
Hunnicutt, Julian Perry, Jr., 19546A.
Saxon, John Harold, Jr., 18528A.
Ellis, Alston R., 18376A.
Willcox, Tilton Lee, 18086A.
Haughey, James Ross, 18407A.
Cecil, Charles Purcell, Jr., 18356A.
Colgan, David James, 19538A.
Peters, John Charles, 18509A.
Newby, Willis Charles, 18311A.
Mechling, Eugene Burlingame, Jr., 19940A.
Spry, James Wrathall, Jr., 19678A.
Hinckley, Paul Ray, 19990A.
Stewart, Wesley Thomas, 22788A.
Haught, James Swihart, 26757A.
Goeken, William Franklin, 26397A.
Sunderland, Lloyd Earl, 26395A.
Wiggins, Willard Charles, Jr., 26396A.
Watts, William Carlton, 26394A.
Powers, John Anthony, 26391A.
Henderson, Clayton Lee, 26393A.
Shivar, William Harold, 26392A.
Tilton, David Alan, 24732A.
Normand, George Henry, 22789A.
Taylor, Harry Whittier, Jr., 22790A.
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Burwell, Robert Randolph, 26738A.
Richey, Theodore Wesley, 26365A.
Holbrook, John Paul, 26636A.
Malette, William Graham, 26366A.
Mahan, Frank Lewis, 26367A.
Randall, Russell Edward, Jr., 26739A.
Kable, Kelvin Duane, 26368A.
Newton, Dwight Edmund, 26699A.
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Peniston, William Heber, 25636A.
Crow, Neil Edward, 25638A.
LaRosa, William Robert, 25639A.
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Lang, Robert Harry, 26371A.
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Gant, Billye George, 26740A.
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×Collins, Warren Emil, 26647A.
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Allman, John Hayes, 25633A.
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Vsetula, Josephine M., 21177W.
Dunnum, Delores Ione, 21178W.
Duplease, Margaret Louise, 21180W.
Workman, Betty Jo, 21182W.
Slater, Helen Marie, 22465W.

Medical Specialist

Rader, Marjorie Anne, 21199W.

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Ward, Kenneth Allan, 24640A.
Sherrod, James William, 24631A.
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Herdrich, William Frank, 25377A.
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Staley, Robert E., 27880A.
Conk, Arvil G., 27879A.
Mottley, Harry Edward, Jr., 25446A.

Medical Service

Williams, Benjamin H., 27656A.
Parsons, Frank Raymond, Jr., 27539A.

(NOTE.—Dates of rank of all officers nominated for promotion will be determined by the Secretary of the Air Force.)

HOUSE OF REPRESENTATIVES

MONDAY, JANUARY 9, 1956

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Eternal God, our Father, by Thy grace we have entered upon a new week affording us many opportunities to share in the glorious task of preserving and perpetuating our freedoms.

Grant that the heart and hands of our Nation, which have always been brave and strong in times of war, may be even more courageous and stronger in building a temple of peace whose foundation can never be destroyed.

In all our adventures and endeavors may we not look for the trophies and tributes which our fellow men may bestow upon us, but inspire us to prove worthy of someday receiving the crown of righteousness and the diadem of Thy praise.

May the great patriotic motive, which shall animate the plans and purposes of the Members of Congress, be that of serving their generation according to Thy holy will.

In Christ's name we offer our prayer. Amen.

The Journal of the proceedings of Thursday, January 5, 1956, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Tribbe, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had adopted the following resolutions:

Senate Resolution 157

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. VERA BUCHANAN, late a Representative from the State of Pennsylvania.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That, as a further mark of respect to the memory of the deceased Representative, the Senate do now adjourn.

Senate Resolution 158

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. JOHN D. DINGELL, late a Representative from the State of Michigan.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That, as a further mark of respect to the memory of the deceased Representative, the Senate do now adjourn.

The message also announced that the Vice President has appointed Mr. JOHNSTON of South Carolina and Mr. CARLSON members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 56–4.

The message also announced that the Vice President appointed the Senator from Alabama, Mr. HILL, the Senator from Oregon, Mr. MORSE, and the Senator from Michigan, Mr. POTTER, members on the part of the Senate of the Board of Visitors to the United States Military Academy for the year 1956.

AGRICULTURAL PROGRAM—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 285)

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on Agriculture and ordered to be printed:

To the Congress of the United States:

In this session no problem before the Congress demands more urgent attention than the paradox facing our farm families. Although agriculture is our basic industry, they find their prices and incomes depressed amid the Nation's greatest prosperity. For 5 years, their economy has declined. Unless corrected, these economic reversals are a direct threat to the well-being of all our people.

But more than prices and incomes are involved. In America, agriculture is more than an industry; it is a way of life. Throughout our history, the family farm has given strength and vitality to our entire social order. We must keep it healthy and vigorous.

Efforts toward this goal have been unremitting. Many new foundations of permanent value to all farm families have been laid in the past 3 years. Two years ago a new farm law was enacted, designed to gear agricultural production incentives to potential markets, thereby giving promise to our farm people of a stable and dependable future once the wartime inheritance of surpluses is removed from the farm economy. Loan programs have been substantially improved, enabling many more farmers to acquire family-sized farms and to improve their farms and homes. The benefits of social-security protection have been extended to farm families. The return of the Farm Credit Administration to farmer control; expansion of soil conservation assistance and rural electrification and telephone programs; increased funds for research and extension work; initiation of new programs to aid low-income farm families; adoption of tax provisions of benefit to farm people; increased storage facilities; upstream soil conservation programs; greatly expanded disposal activities for surplus farm products; strengthening our Department of Agriculture representation overseas in the interest of expanded markets—these and other advances have permanently reinforced the foundations of all agriculture.

Yet, beneficial though these advances are, persistent and critical farm problems require prompt congressional action in this session.

Remedies for these problems demand a clear understanding of their principal causes. These are:

First, production and market distortions, the result of wartime production incentives too long continued;

Second, current record livestock production and near-record crop harvests piled on top of previously accumulated carryovers;

Third, rising costs and high capital requirements.

In short, we have an oversupply of commodities which drives down prices as mounting costs force up from below. Thus is generated a severe price-cost squeeze from which our farm people, with the help of Government, must be relieved.

We must free the farm economy from distortions rooted in wartime needs and thus enable our people in agriculture to achieve prosperity; in so doing they will help carry the Nation's prosperity to still greater heights. The administration and the Congress must move together to achieve this goal.

The requirements are clear. New means are needed to reduce surpluses and to widen markets. Costs must be cut and production must be better balanced with prospective needs.

THE MAIN PROBLEM: THE SURPLUS

Of the many difficulties that aggravate the farm problem, mountainous surpluses overshadow everything else. Today's surpluses consist of commodities produced in a volume imperatively needed in wartime but unmarketable in peacetime at the same prices and in the same quantity.

The plain fact is that wartime production incentives were too long continued.

During the past 3 years, there has been no lack of effort to get rid of surplus stocks. Disposal efforts have been diligent and vigorous. Vast quantities have been moved—much of them given away. In the past 3 years we have found outlets for commodities in a value of more than $4 billion—far more than in any comparable period in recent history.

But these disposal efforts have not been able to keep pace with the problem. For each bushel-equivalent sold, 1½ have replaced it in the stockpiles. Farmers, the intended beneficiaries of the support program, today find themselves in ever-growing danger from the mounting accumulations. Were it not for the Government's bulging stocks, farmers would be getting far more for their products today.

Other consequences of past farm programs have been no less damaging. Both at home and abroad, markets have been lost. Foreign farm production has been increased. American exports have declined. Foreign products have been attracted to our shores.

Steadily this chain of events has lengthened. Our farmers have had to submit to drastic acreage controls that hamper efficient farm management. Even these controls have been self-defeating, because acres diverted from price-supported crops have been planted to other crops. These crops have been thrown into surplus and their prices have declined. Today, almost without regard to the livestock or crop he produces, nearly every farmer is adversely affected by our surpluses. The whole process, for instance, has contributed to the present plight of hog producers.

When 3 years ago this administration assumed its responsibility in agriculture, work was begun immediately on what became the Agricultural Act of 1954. That act was developed and passed with bipartisan support, as all our agricultural legislation should be.

The 1954 law brought realism into the use of the essential tool of price supports. It applied the principle of price flexibility to help keep commodity supplies in balance with markets. That principle is sound and essential to a well-rounded farm program. For two reasons, the 1954 law has not yet been able to make its potential contribution to solving our farm troubles. First, the law began to take hold only with the harvests of 1955; it has not yet had the opportunity to be effective. Second, the operation of the new law is smothered under surpluses amassed by the old program.

The attack on the surplus must go forward in full recognition of the fact that farm products are not actually marketed when delivered to and held by the Government. A Government warehouse is not a market. Even the most storable commodities cannot be added forever to Government granaries, nor can they be indefinitely held. Ultimately the stockpiles must be used.

It is unthinkable to destroy food. Instead, we must move these stocks into domestic consumption or dispose of them abroad. Neither route under present conditions offers the results often expected. Surpluses moved domestically almost always compete directly with crops farmers are trying to sell. Moved abroad in quantities large enough to remedy present difficulties, they would shatter world prices and trade, injure our friends, and undermine domestic prices as well.

To be sure, outlets for some of the surplus exist both at home and abroad. But experience has amply proved that neither the home nor foreign market can, under present conditions, readily absorb the tremendous stocks now depressing our agriculture.

Clearly new action is imperative. We must stop encouraging the production of surpluses. We must stop shifting acres from one crop to another, when such shifts result in new surpluses. Nor can crop problems be converted into millstones weighing down upon the producers of livestock.

Remedies are needed now, and it is up to the administration and the Congress to provide them swiftly. As we seek to go forward, we must not go back to old programs that have failed utterly to protect farm families.

I recommend, therefore, the following nine-point program. I urge the Congress to pass this program with maximum speed, for delay can only aggravate and multiply the difficulties already sorely harassing millions of our rural people.

1. THE SOIL BANK

Our most pressing need today is to work off our surpluses so that our basic program of 1954 can succeed in gearing production to prospective markets at fair prices. A three-pronged attack is needed.

First, future production of crops in greatest surplus must be adjusted both to the accumulated stocks and to the potential markets.

Second, producers of other crops and of livestock must be relieved of excessive production from acreage diverted from surplus crops.

Third, lands poorly suited to tillage, now producing unneeded crops and subject to excessive wind and water erosion, must be retired from cultivation.

These essential adjustments can all be hastened through a soil-bank program. I recommend a soil bank of two parts.

The first is designed to meet the immediate need to reduce the crops in greatest oversupply. It may be called the acreage-reserve program.

The second part is a long-range attack to achieve better land use and protect farmers and ranchers from the effects of production on acres already diverted. It may be called the conservation-reserve program.

A. THE ACREAGE RESERVE PROGRAM

I recommend that the Congress consider a voluntary additional reduction in the acreage of certain crops which today are in serious surplus—wheat, cotton, corn, and rice.

In considering the application of this program to each of these crops, the Congress will wish to accord special attention to their distinctive problems—notably in the case of corn—as set forth later in this message.

I do not propose this program as a device to empty Government warehouses so they may be filled again. There is, therefore, a basic corollary to the acreage-reserve program: In future years we must avoid, as a plague, farm programs that would encourage the building-up of new price-depressing surpluses.

What I here propose is essentially a deferred-production plan. As a necessary part of the voluntary acreage reduction, it is essential to protect the farmer's income. It would be grossly unfair to require farmers to bear the full burdens of this readjustment. Just as other readjustments from war were shouldered in considerable part by the Nation as a whole, so should this.

In the case of wheat and cotton, for example, I look to a voluntary reduction equivalent to possibly one-fifth of the acreage otherwise permitted by allotments—perhaps 12 million acres of wheat and 3 million of cotton. It should be practical to include wheat already seeded if it is incorporated with the soil, as green manure, or by other accepted practices. This would make it possible for more farmers to enter the program immediately and thereby start at once to work down the surplus.

Administrative discretion is needed to assure that the rates of reduction in different areas are related to the supply and demand conditions for different grades and classes. The farmer's cooperation in this temporary program must not impair his historic acreage allotments. Rights of tenant farmers must be protected. I should expect the reduction in wheat and cotton plantings to continue for some 3 or 4 years, during which time these huge crop carryovers should decline to normal levels.

In return for their voluntary participation in the acreage reserve program cooperating farmers will be allocated certificates for commodities whose value will be based on the normal yields of the acres withheld in this reserve. I recommend that these certificates be made available to cooperating farmers through their county agricultural stabilization committees at normal harvesttime for each crop. The certificates will be negotiable so farmers can convert them to cash. They will be redeemable by the Commodity Credit Corporation in cash, or in kind at specified rates.

I further recommend that the legislation provide that each participating farmer contract to refrain from cropping or grazing any land he puts in the acreage reserve.

By so reducing crop production, commodities now in Government ownership can be used to supply market needs up to a proportionate amount. Thus the bulging Commodity Credit Corporation stocks can be correspondingly worked down without depressing current market prices.

The program will operate in this way: A farmer, with an allotment of 100 acres of wheat, for example, may choose to plant only 80 acres and put the remaining 20 in the acreage reserve. His acreage allotment will not be affected. He will agree not to graze or harvest any crop from the 20 acres put into the reserve.

In return for this cooperation in the temporary acreage reduction program, he will receive a cashable certificate. The certificate will be equal to a percentage of the value of the crop he would have normally harvested from the 20 acres. This percentage will be set at an incentive level sufficiently high to assure success of the program.

This deferred production plan uses the surplus to reduce the surplus.

It will be financed with commodities already owned and paid for by the Government. Time and shrinkage, storage, and other costs are eroding away the present value of these stocks. Consequently, the real net cost to the Government—taking these and other facts into consideration—will be substantially less than the apparent cost in payments made on certificates.

I emphasize that this program is specifically intended to provide an income to farmers while the essential adjustment in stocks is being accomplished.

There are many virtues in the plan.

It will help remove the crushing burden of surpluses, the essential precondition for the successful operation of a sound farm program.

It will reduce the massive and unproductive storage costs on Government holdings—costs that are running about a million dollars a day.

It will provide an element of insurance since farmers are assured income from the reserve acres even in a year of crop failure.

It will ease apprehension among our friends abroad over our surplus-disposal program.

It will harmonize agricultural production with peacetime markets.

B. THE CONSERVATION RESERVE

The second part of the soil bank—the conservation reserve program—affects both today's surpluses and tomorrow's needs of our growing population.

Under the pressures of war and the production incentives continued in postwar years, large areas have come into cultivation which wise land use and sound conservation would have reserved to forage and trees.

In greater or lesser degree this problem exists throughout the Nation. Continued cropping of these lands results, on the one hand, in wastage of soil and water resources, and on the other, in production of commodities now in surplus.

Today the Nation does not need these acres in harvested crops.

We cannot accurately predict our country's food needs in the years ahead, except that they will steadily increase. We do know, however, that the sound course both for today and tomorrow is wisely to safeguard our precious heritage of food-producing resources so we may hand on an enriched legacy to future generations. The conservation reserve program will contribute materially to that end.

Further, production from the acres today diverted from surplus crops is now seriously affecting other segments of our agriculture. The acreage of feed grains, notably oats, barley and grain sorghums, has been increased. The end product of this diversion has been greatly enlarged supplies of and lower prices for hogs, cattle, and dairy and poultry products. Producers of fruit, vegetables, and other crops have been adversely affected. The proposed conservation reserve can also make a major contribution to solving this problem of diverted acres.

I propose that farmers be asked to contract voluntarily with the Government to shift into forage, trees, and water storage cultivated lands most needing conservation measures. Any farmer would be eligible to participate in this program regardless of the crop he produces or the area where his farm is located. I would hope that some 25 million acres would be brought into the conservation reserve.

Forest lands under good management are a constant and a renewable resource. One-third of our forest area is in farm woodlands. From this source can come a large share of the lumber, pulpwood, and other forest products to meet the growing needs of our expanding economy. The conservation reserve can mean productive and protective tree cover for less productive lands now used for cultivated crops.

The Government itself must encourage this transfer in order to achieve the advantages to the general welfare that will follow from improved resource use. I propose, therefore, that the Government pay a fair share of the costs of establishing the conservation use, up to a specified per acre maximum that will vary by regions. The Government's share will be sufficiently high to encourage broad participation and thus assure the success of the program. Further, as the farmer reorganizes his farm along these soil-conserving lines, I recommend that the Government provide certain annual payments for a period of years related to the length of time needed to establish the new use of the land. The Congress will need to develop the basis and procedures for determining the amount of the payments. Here, as in the acreage-reserve program, I would not let the farmer's cooperation impair his historic acreage allotments.

The farmer, in turn, will agree that the acres put into this conservation reserve will be in addition to any land that he may put into the acreage reserve, and will represent a reduction in cropland cultivated. He will agree to carry out sound soil and water conservation on these acres, and to refrain from returning them to crop production, and from grazing them for a specified period.

I urge the Congress to approve this program with the least possible delay so that a significant part of the desired

25 million acres can come into the program in 1956.

My estimate is that if the Congress acts in time, some 350 million dollars will be invested in the conservation reserve during the calendar year 1956, and a total of about a billion dollars over the next 3 years. Sums expended under this program will be in addition to the 250 million dollars provided for the agricultural-conservation program for the coming fiscal year.

In return the conservation-reverse program will bring these large rewards:

It will result in improved use of soil and water resources for the benefit of this and future generations.

It will increase our supply of much-needed farm-grown forest products.

It will help hold rain and snow where they fall and make possible more ponds and reservoirs on the farm.

It will reduce the undue stimulus to livestock production, and consequent low livestock prices, induced by feed-grain production on diverted acres.

It will similarly provide protection for producers of the many small-acreage crops whose markets are threatened by even a few diverted acres.

In combination with the acreage-reserve program for crops in surplus, the conservation-reserve program will help during the next several years to reduce the total volume of farm production and improve the balance among different farm commodities, both of which are important to a general improvement in farm prices.

2. SURPLUS DISPOSAL

Production adjustments effected by the soil bank are needed to halt current additions to surpluses, and to reduce stocks on hand. But additional relief must be obtained from the price-depressing influence of these huge carryovers. In Public Law 480 the Congress has provided basic legislation for this purpose. The problem still exists, but not for lack of vigorous efforts to deal with it.

Surplus disposals have permitted substantial reductions in Commodity Credit Corporation stocks of butter, dried milk, cottonseed oil and meal, flaxseed and linseed oil, and seeds. Surplus disposals by the Commodity Credit Corporation have risen from just over half a billion dollars in fiscal 1953 to more than 1.4 billion dollars in fiscal 1954, and to more than 2.1 billion dollars in fiscal 1955.

In the last fiscal year sales of Government-owned price-supported commodities into the domestic market reached 403 million dollars. These were made with due care for the adverse effect they might have on prices received by farmers for current sales. Domestic donations to supply food for needy persons totaled an additional 196 million dollars. Overseas disposals, through barter and donations for constructive purposes, totaled 1.1 billion dollars. In spite of these vigorous efforts, the Commodity Credit Corporation investment in price-supported commodities increased by about 1 billion dollars during the fiscal year.

Because the problem continues to be so serious and stubborn, the Secretary of Agriculture is appointing an Agricultural Surplus Disposal Administrator who will report directly to the Secretary. The duties of the Administrator will relate to all activities of the Department associated with the utilization of Commodity Credit Corporation stocks and of our current abundant production.

Expanded opportunities will be sought to barter agricultural products, which deteriorate and are costly to store, for increased quantities of nonperishable strategic materials. Additional legislation may be needed in this field.

The bulk of price-supported commodities held by the Government cannot now by law be sold into the domestic market except at prices equal to at least 105 percent of the support price plus carrying charges. This restriction has worked to the disadvantage of both farmers and the Government by blocking sales that would clearly have been advantageous to both. I recommend legislation to permit, under proper safeguards, sales at not less than support levels plus carrying charges.

Present provisions of surplus disposal legislation permit export dispositions of Government stocks to friendly nations only. Opportunities clearly to our interest may develop in the future to sell to countries excluded by this legislation. To enable us to realize on such opportunities I recommend repeal of section 304 of Public Law 480.

3. STRENGTHENING COMMODITY PROGRAMS

Our frontal attack on the problems of surpluses, diverted acres, unbalanced production and unwise land use is carried in major part by the soil bank through the acreage reserve and the conservation reserve programs.

These proposals are wholly in keeping with the fundamental principles of sound farm policy set forth in my special agricultural message of 2 years ago. In keeping with these principles the administration:

(a) Whenever possible will continue to ease or eliminate controls over farmers; and

(b) For commodities on which price supports are discretionary, will continue to support these prices at the highest levels possible without accumulating new price-depressing surpluses.

In keeping with this latter principle, I am advised by the Secretary of Agriculture that, as a direct result of operation of various parts of our present farm program, the supply and demand conditions for soybeans and flaxseed are now such as to warrant an increase in the price support levels for these crops in 1956. The higher support levels will be announced shortly.

In respect to other commodity programs I submit the following specific suggestions.

A. CORN

In recent years many farmers have chosen not to observe acreage allotments on corn. Considerably less than half of the 1955 crop was raised within acreage allotment limitations and thus eligible for price support. It is apparent that price supports alone, even at levels closely approaching the legal maximum, are an insufficient inducement for participation in a corn acreage allotment program.

I recommend therefore that the Congress give serious consideration to adapting the acreage reserve program to corn. One grave difficulty must be overcome. Unlike wheat and cotton, most of the corn crop is fed on the farms where it is produced. For this reason, marketing quotas such as are used on wheat and cotton are not feasible.

Thus, broad and effective participation by corn producers in an average allotment program is imperative for the acreage reserve program to achieve its objective of reducing the corn surplus. With broad and effective participation, in both programs, the acreage reserve program for corn would (a) reduce the carryover stocks which currently depress the market, (b) make possible a higher level of price support than would otherwise prevail for the 1956 crop, and (c) reduce the incentive to farmers to produce excessive supplies of hogs and fed cattle.

If the Congress should choose not to authorize the acreage reserve program for corn, the Congress may wish to consider an alternative; to eliminate acreage allotments for corn and put price supports for corn on a discretionary basis comparable with the other feed grains. With no acreage allotments and with discretionary supports, all corn producers would be eligible for price supports at a level substantially above the market price which prevailed during the 1955 harvest.

B. WHEAT

The problems of wheat are difficult and complex. The proposed soil bank, with its acreage reserve program, will make a major contribution toward their solution. This program is particularly well-suited to wheat since this crop is grown in large acreage and is now burdened under an accumulated carryover in excess of a full year's needs. The conservation reserve program and the Great Plains program, described later, will also help. Other changes are necessary also, both for current adjustments and for long-term balance between production and consumption.

(a) Legislation already has passed the Senate and is pending in the House of Representatives which would exempt from marketing quotas those producers who use for feed, food, or seed on their own farms all the wheat they raise. Because of the failure to pass this legislation last year, the Department of Agriculture has been compelled by law to hale before the courts farmers whose only offense was to raise and feed wheat outside their quotas. Again the administration urges prompt enactment of this legislation. Correction of this problem should be delayed no longer.

(b) Historically a significant proportion of the annual wheat crop has been used for livestock feed. The quantity fed in pre-World War II years ranged from 100 to 150 million bushels a year, about twice the quantity fed in more recent years. This reduced consumption has aggravated the surplus burden.

I recommend that the Congress give consideration to authorizing the annual sale for feeding purposes, at the discretion of the Secretary of Agriculture, of limited quantities of Commodity Credit

Corporation wheat of less desirable milling quality. The authorized sale price should reflect the feeding value of the wheat, precautions being exercised as to the effect of such sales on prices on other feed grains. There are opportunities to use more wheat for feed in feed-deficit areas distant from the Corn Belt.

(c) I recommend legislation to expand the noncommercial wheat area beyond the 12 States now so designated. This action would eliminate acreage and marketing controls for many farmers who characteristically feed on their own farms most of the wheat they raise, and who contribute little to commercial supplies or surplus stocks.

(d) I recommend extension for 1 year of legislation which exempts durum wheat from acreage and marketing controls. This type of wheat is in short supply and production should not be restricted.

We are participating in negotiations for possible renewal of the International Wheat Agreement, which will terminate July 1, 1956, unless it is renewed.

C. COTTON

As in the case of wheat, the acreage reserve program is especially well-suited to cotton. This crop as well is burdened by an accumulated carryover in excess of a full year's requirements. Other legislative changes for cotton, in addition to the soil bank program, that require consideration are these:

(a) For all crops except cotton, price-support legislation requires that parity prices shall be computed on the basis of the average grade and quality of the crop. For cotton a special provision of law designates middling 7/8-inch cotton as the standard grade for parity calculations and price support. Currently less than 5 percent of cotton production is of this grade or lower.

I urge an amendment to provide for cotton, as for other crops, that the average grade and quality of the crop be utilized for parity-price computations. This recommendation is, in general terms, in keeping with the intent of legislation already pending before the Senate.

(b) The shortcomings of acreage allotments as a means of controlling production on cotton are evident. In 1955, on an acreage allotment calculated to yield 10 million bales of cotton, nearly 15 million were harvested. Rapidly advancing technology is resulting in production far outrunning expectations based on acreage alone. This is especially true when prices are supported at wartime production incentive levels.

When production controls must be applied as a result of supply and market conditions, it is imperative to have controls that are effective. As surpluses are reduced through the proposed acreage reserve program of the soil bank and through other means, new accumulations of surplus must definitely be avoided.

For these reasons the Congress should consider replacing acreage allotments on cotton with quantity allotments beginning with the crop of 1957. The Congress could well consider similar action for other crops under marketing quotas.

D. RICE

Under the law, accumulated supplies of rice have required a 40-percent reduction in acreage for 1956 compared with 1954, and a decline in the support level to 75 percent of parity.

Rice production in this country is the most efficient in the world. However, our rice is rapidly being priced out of world markets and is being diverted into Government warehouses and even into the feed markets.

There are two alternative courses of action to which the Congress should give consideration:

1. Inclusion of rice in the acreage reserve program. This will require continuation of production controls and marketing quotas.

2. Elimination of existing production and marketing controls on rice. Prices could then be supported on a discretionary basis at levels which would permit rice producers to improve their competitive market position.

If the Congress considers the latter course to serve the long-term best interest of rice producers, it may wish to consider use of the acreage reserve program to make the transition.

E. PEANUTS

The peanut price-stabilization program has experienced serious difficulties stemming in part from a fixed national minimum peanut acreage. With improving technology this minimum acreage will normally produce more peanuts than the market will absorb at the support price. Consequently, I recommend elimination of provisions for the minimum national acreage allotment.

F. SUGAR

The legislation to renew the Sugar Act of 1948, as amended, should promptly be completed. The Congress is aware of the need to give producers, as well as foreign suppliers and the entire sugar industry, as much advance notice as possible in planning their operations.

G. SPECIAL SCHOOL MILK PROGRAM

The special school milk program provided for in the Agricultural Act of 1954 has met with gratifying success. Approximately 9 million children had the health benefits of this program last year, including children in some 7,000 schools in which milk was not previously served. Consumption was increased by over 450 million half pints of milk. This is a good example of constructive use of a surplus product to meet a present need. We thus contribute to better health habits and at the same time promote an enlarged market for the future. Several thousand additional schools are participating in the program in the current school year.

I have been advised that, in some States, milk program funds are nearing depletion. We must see to it that the program is carried forward intact through this fiscal year.

I recommend that the program be extended for 2 years beyond June 30, 1956, with authorization to use Commodity Credit Corporation funds increased from 50 million dollars a year to 75 million dollars.

H. LIVESTOCK

For livestock producers, many parts of the program I have already discussed have special significance.

Establishment of the soil bank will alleviate the undue stimulus to livestock production and the resulting downward pressure on livestock prices which arise from using for feed-grain production much of the acreage already diverted from wheat and cotton. Restrictions against grazing the soil bank acres will safeguard the interests of beef producers and dairymen.

Periodically livestock markets become glutted and prices disrupted. In such periods, where assistance will be constructive, timely and vigorous Government purchase and diversion programs are essential to bolster prices and help producers adjust to market demands. Such programs have been undertaken by this administration. The pork purchase program now in progress will shortly be stepped up to supply new and expanded outlets now being developed. Sales promotion and the development of better merchandising methods cooperatively with the livestock trade are part of this effort to meet the impact of heavy marketing.

Special programs of an emergency nature will be provided to help livestock producers as needed. For example, emergency credit and low-cost feed in the event of drought will be available whenever disaster strikes.

Increased research on nutrition, disease control, better breeding, more profitable use of byproducts and improved marketing will help lower production costs and facilitate the smooth flow of livestock products into consumption.

4. DOLLAR LIMIT ON PRICE SUPPORTS

The average size of farms in American agriculture, as measured by capital or by acres, has rapidly increased. To the degree that this trend is associated with the development of more economic and more efficient farm units it is in the interest of farm families and of the Nation. To the degree, however, that it has resulted in the removal of risk for large farm businesses by reason of price supports, it is much less wholesome and constitutes a threat to the traditional family farm.

Under the price-support machinery as it has been functioning, price-support loans of tremendous size have occasionally occurred. It is not sound Government policy to underwrite at public expense such formidable competition with family operated farms, which are the bulwark of our agriculture.

I ask the Congress to consider placing a dollar limit on the size of price-support loans to any one individual or farming unit. The limit should be sufficiently high to give full protection to efficiently operated family farms.

5. RURAL DEVELOPMENT PROGRAM

In my message of January 11, 1954, I pointed out that the chief beneficiaries of our farm programs have been the 2 million larger, more productive farm units. Production on nearly 3 million other farms is so limited that the families thereon benefit only in small de-

gree from the types of programs that heretofore have dominated our activities.

On April 26, 1955, I transmitted to the Congress recommendations of the Secretary of Agriculture for attacking the problems of low-income farm families. The Congress has met only in part these recommendations for legislation and appropriations. Despite the resultant handicaps, the interest in this program has been so great that pilot work is already under way in well over 30 counties widely spread throughout the United States. There is activity now in more than one-half of the States.

Four Departments of the Federal Government—Commerce, Labor, Health, Education, and Welfare, and Agriculture—are actively at work on this program with State and local leadership to aid low-income farm families.

Not only the welfare of these families but also of the people as a whole require that this program go forward. Once again, therefore, I urge the Congress to enact the full program recommended in my message of April 26, 1955.

6. THE GREAT PLAINS PROGRAM

Between the prairies of the Central West and the Rocky Mountains is a vast area embracing all or part of 10 States, in which erratic climate, wind and water erosion, and special problems of land use constitute a continuing hazard. For more than a year intensive new studies of conditions and problems peculiar to this Great Plains region have been in progress. The work has been carried on cooperatively between the leadership of the 10 States involved, the Department of Agriculture and the Great Plains Council, which includes technical people from the States of the region. This study will help to define the respective responsibilities of individuals and local, State, and Federal agencies.

The proposed soil bank, with its acreage-reserve program to reduce promptly production of crops in surplus and with its conservation reserve program to take less productive lands out of crops, will meet in part some of the conditions especially serious in the Great Plains. Other desirable modifications of existing legislation include:

1. Provision for longtime cost-sharing commitments under the agricultural conservation program; and

2. Relaxation of planting requirements to maintain base acreage for wheat allotments.

Shortly I will transmit to the Congress a report containing certain recommendations for providing a more stable agriculture in this important region.

7. RESEARCH

Scientific research has been the means of fundamentally important developments both in agriculture and industry. It has resulted in improved quality, new and better techniques, new products, new markets, new high levels of material well-being for our people, and new horizons for our future. Most individual farmers are not in a position to carry on scientific investigations. Government has special responsibility in this area—and particularly is this the case since the benefits of research related to agriculture are widely shared by all the people.

Not only can research provide for the material needs of future generations, but it also can contribute in many ways to the fuller utilization of our present abundance.

We must look for new uses of agricultural products that can contribute to human welfare, such as livestock by-products for medicinal purposes or such as coarse fibers for construction materials already have contributed.

We must find new markets, as we have for tallow in industry or as have followed upon the development of frozen and powdered juice concentrates.

We must find new crops offering such new opportunities and benefits as are exemplified by soybeans and sorghums.

We must further improve our marketing mechanism, as already has been done through refrigeration and new processing techniques, so that the benefits of our abundance may be still more widely distributed. Marketing margins have continued to increase, even while farm prices have been declining. Thus the farmer's share of the retail food dollar has shrunk appreciably. Retail prices have changed little, thereby impeding desired increases in consumption. We must find ways to lower costs of food distribution. Research is an effective way to help attain that important goal. The Secretary of Agriculture is actively engaged in an expanded inquiry directed toward reducing the costs of distribution.

Our basic scientific knowledge from which all practical applications of science are made is vitally important and must be expanded. This knowledge is essential also to continue the attack on the ravages of plant and animal pests and diseases. We cannot use or reap benefits from what we do not know. A major frontier of agriculture lies in our laboratories and experimental fields.

In the budget message, I will request the maximum increase in agricultural research funds that can be effectively used next year with the technical manpower and facilities available. This will be an increase of one-fourth, to a total of $103 million.

8. CREDIT

In making the transition from war to peace, and similarly in making the investment adjustments associated with a dynamic agriculture, farmers are experiencing increased need for credit. This is especially true for young men, particularly veterans, who have started farming in recent years.

Private financial institutions, individuals, and Government agencies are furnishing credit for agriculture. Administrative, budgetary, and legislative changes now being developed in Government all point toward assuring adequate and sympathetic coverage of agricultural credit requirements, which cannot be met by private financial institutions.

Loans made by the Farmers' Home Administration have increased gradually during the past 4 years from $212 million to well over $300 million, and can increase further as the new provisions for insured loans become more widely used.

The Farm Credit Administration has been reorganized to give farmers a greater voice in its operation. Further legislation will be proposed to combine the Production Credit Corporations and the Federal intermediate credit banks. Federal land-bank loans made by the Farm Credit Administration have increased from $237 million 4 years ago to more than $400 million last year.

The administration is determined to see to it that an adequate supply of credit remains readily available to our farmers at all times.

9. GASOLINE TAX

One of the farmer's operating costs is the Federal tax on gasoline. About one-half of the gasoline bought by farmers is used on the farm. I recommend that legislation be passed to relieve the farmer of the Federal tax on purchases of gasoline so used.

Historically agricultural policy in this country has sought to foster family-sized owner-operated farms. This has been a sound and wise policy—not only in the development of an efficient agriculture which has become the envy of the world, but also in fostering a sturdy, resourceful, self-reliant citizenry.

Farm organization and farming operations are undergoing profound change as science and technology rapidly alter the structure of agriculture. Great care must be exercised that these changes do not result in huge corporation farms on the one hand or in unrewarding subsistence units on the other. The time-proven commercial family farm must continue as the basic social and economic unit of agriculture. Accordingly farm policy must encourage such farms, sufficiently large and productive to provide satisfactions in farm living equal to those enjoyed by other Americans.

Insofar as the problems of agriculture can best be solved by Government action, Government should accept the responsibility.

The proper role of Government, however, is that of partner with the farmer—never his master. By every possible means we must develop and promote that partnership—to the end that agriculture may continue to be a sound, enduring foundation for our economy and that farm living may be a profitable and satisfying experience.

Assisted by experienced farm people both in and out of Government, I have been earnestly studying this problem for many months. I believe that the 9-point program, set forth in this message, building on our present program, meets the urgent needs of our farmers today and does so in a way consistent with our basic traditions. It offers no nostrums or panaceas. Our farm folk expect better of us than to deal in that kind of specious practice.

Farmers expect programs that are forward looking, economically sound and fair.

This program offers a workable approach to reducing the surpluses, bringing production and markets into balance at fair prices, and so raising the income and advancing the security of our farm families.

Should this program be enacted, its degree of success will be dependent upon the degree of farmer participation and upon a common determination to work together in ridding ourselves of burdensome surpluses. With such a spirit, this program will speed the transition to a stable, prosperous and free peacetime agriculture with a bright future.

Again I urge upon the Congress the need for swift legislative action on these recommendations, in the interest of our farm people, in the interest of every American citizen.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *January 9, 1956.*

INTERFERENCE IN ADMINISTRATION OF CRIMINAL LAWS IN GEORGIA

Mr. LANHAM. Mr. Speakder, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. LANHAM. Mr. Speaker, on Thursday last, I and several of my colleagues made on the floor of the House the strongest possible protest to the action of the FBI in presuming to interfere in and thwart the administration of the criminal laws of the State of Georgia. The question at issue turned upon the question of whether or not Negroes were systematically excluded from the jury panels. I gave what information I had at the time about the situation in this respect in Cobb County. I did not, however, at that time have in my possession an editorial which appeared in the Marietta (Cobb County) Daily Journal on Sunday, January 1, 1956. This editorial is well reasoned and makes it perfectly clear that there was no earthly excuse for the interference by the Federal Bureau of Investigation and the United States Department of Justice with the administration of the criminal laws of the State of Georgia.

Consequently, I am including this statement herewith:

NEGROES SERVE ON OUR JURIES

Through an unfortunate series of coincidences, Cobb County seems to have become a temporary whipping boy for the Republican administration.

The Negro vote in several Northern key States can mean the difference between victory and defeat in a presidential election. The GOP is currently wooing that vote by kowtowing to the wishes of the NAACP as regards the Negro question.

Today, our Cobb jury system is under investigation by the United States Department of Justice. This probe originated in Washington as a result of the United States Supreme Court's decision in the Amos Reece rape case. We feel that the investigation has political overtones that smell to high heaven.

Undoubtedly there are counties in the South that still cling to the outmoded practice of excluding Negro citizens from jury service. Cobb County is not one of them.

For several years Negroes have served on Cobb County petit and grand juries. This newspaper has noted this fact with pictures of the Negro jurors and stories about their service.

We took justifiable pride in the knowledge that these Negroes became jurors through the efforts of local citizens and officials. No outsiders or Department of Justice agents ordered us to put Negroes on jury duty.

If one could examine our jury lists and distinguish the Negroes from the white (which is impossible unless you know the individuals by name), one would likely find a larger percentage of Negro jurors in comparison to Negro taxpayers than one might expect.

Cobb County has made great strides within the past few years to share the burden of jury service with our Negro citizens. This action was taken spontaneously, on the local level, without outside pressure or interference.

It is particularly galling, in the light of all this, to have Republican politicians cast a shadow on our administration of justice merely for political gain.

A column by the Alsop brothers which appeared in the Washington Post and Times Herald on Monday, January 9, 1956, throws light on the methods used by Mr. Brownell, the Attorney General, when it suits his political purposes, without regard for the persons or institutions slandered by his careless and unfounded charges and investigations.

I am including this article as part of this statement:

MATTER OF FACT

(By Joseph and Stewart Alsop)

DISGRACE ABOUNDING

The Japanese internment camp in Hong Kong was a fairly disagreeable place, in which public spirit was less common than the spirit of "devil take the hindmost." A small minority did the work of the community. The rest played the black market, or made a hobby of envy, or simply lost faith and abandoned hope.

In these circumstances, the small, determined, bearverlike man, who was to be seen busily trotting about on every work detail, was a not inconspicuous figure. He appeared to be, as indeed he was, dedicated to the public service. He was one of the real workers among the three hundred-odd Americans who were locked up in Stanley Camp along with more than 3,000 Britishers—the human refuse of a collapsed colonial society.

At gatherings of that dreary little camp's discussion group (which met in a patch of scrub under the shelter of the low pines to elude Japanese eyes) this brisk little man spoke up for a rather simple new deal view of the world. But he also showed far more sympathy for the problems of Generalissimo Chiang Kai-shek than the British colonial officials. And it was understandable, since he was an expert on the staff of the Generalissimo's Chinese Stabilization Board, on loan from the United States Treasury.

Such was William Henry Taylor when one of these reporters first encountered him in the grim winter of 1942. In Stanley Camp we had had our Communist agents—little, black-a-vised Izzie Epstein of the Sorge ring and his tall, blonde English mistress, who might have been very beautiful if she had ever washed. But they had escaped very early and with great bravery, one had to admit.

But poor Taylor stayed with the work detail until the Americans were exchanged. So when Taylor reentered the reporter's life some years ago, telephoning to ask for a letter to a loyalty board, it was easy to comply with his request. The reporter wrote that as far as he knew Mr. Taylor, the proceeding against him was a disgrace, not to Taylor, but to the Government of the United States.

It had been Taylor's bad luck to work in Harry Dexter White's department of the Treasury. For this reason he had been denounced by Elizabeth Bentley as a Communist agent. Originally, in answer to a question about the persons who passed Treasury documents to her, Miss Bentley declared that sometimes "it was William Taylor."

Later, she revised, or at least diluted, her testimony to read that she had merely heard from Nathan Gregory Silvermaster that Taylor was a member of the Communist underground in the United States Government.

Because of Miss Bentley, Taylor was first visited by the FBI in 1947. Thereafter he was called before four successive grand juries. He made three appearances before congressional committees (twice McCarthy and once McCarran). In the end, in 1953, his case was taken up by the international organization's loyalty board.

He went before this rather special board because, in 1946, he had left the Treasury for a job with the International Monetary Fund. Two successive Secretaries of the Treasury, John Snyder and George M. Humphrey, urged the director of the fund, Ivar Rooth, to fire Taylor without further quibbling. But Dr. Rooth had an old-fashioned Scandinavian sense of fairness. He awaited the board's verdict.

Having begun hearings in the autumn of 1953, and having closed the case in December of that year, the Loyalty Board rather oddly waited until the spring of 1955 to hand down its first verdict. The Board then advised Dr. Rooth that Taylor had been an active Communist spy. But in order to convince Dr. Rooth the Board had to be much more specific about the charges against Taylor than the regulations had allowed when Taylor was on trial.

The Board Chairman, Henry S. Waldman, of Elizabeth, N. J., admitted as much to one of these reporters. Waldman explained that the first verdict against Taylor had revealed to Taylor's courageous lawyer, Byron Scott, what might be needed to prove Taylor's innocence. Taylor immediately applied for a rehearing. His request was granted. And now, only a little more than half a year after the first terrible verdict that he was an active and conscientious Communist spy, the same international organization's Loyalty Board has held that there "is no reasonable doubt" as to the loyalty of William Henry Taylor.

The courage and fairness of the Loyalty Board, in thus admitting its own hideous error, cannot be overpraised, but what about the testimony of Miss Bentley, who started the whole business? What about the Government preparation of the case against Taylor, which was a mass of smears and poison-pen letters, by the Loyalty Board's own final verdict?

And what about Attorney General Herbert Brownell, Jr., who had the responsibility for the preparation of the Government case?

Brownell publicly renounced Taylor as a spy on the basis, apparently, of the cheap, trumped-up stuff that the Loyalty Board has now decisively thrown out of court. What has he to say now? These are questions that have to be answered if American justice means anything at all.

PRESIDENT'S AGRICULTURAL MESSAGE

Mr. ABERNETHY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. ABERNETHY. Mr. Speaker, we have just heard read 14 pages, legal size

and single spaced, of a message from the President of the United States. It is quite different from the type of message we have received in the months and years gone by, regarding agriculture.

This 14-page message, Mr. Speaker, represents an admission on the part of the administration that its farm policies for the past 3 years have been an utter failure. It makes one other admission, that the administration is going all out to buy the American farmer in an election year.

The thing which has moved Benson into action is not the disastrous situation confronting farmers. Politics forced him to move.

This is a big election year. It was politically expedient for him to move and so he has moved. If he had his choosing he would stick with what we have and no more.

He and the President and their followers have been insisting for months and months that there was nothing wrong with agriculture. Time and again they have claimed that things were leveling off and that we were moving in the right direction. It was only after farm income reached depression levels under their leadership, plus an early approaching election day, that they have moved to act. They are trying to buy farmers off on an election year. But they will find out that the farmers cannot be bought.

So, of course, everyone, including the farmers, will view with suspicion their purposes and also their recommendations.

Farmers and all of us well remember their promises made 4 years ago. They talked about 100 percent of parity at the market place and a free agriculture. Under them things would be different. Indeed they were—and how. Their promises were promptly broken and rebroken again and again. In fact they were never thereafter considered. Controls are still with us and Benson has not until this good day, even in the present recommendations, sought the repeal of one single element of the controls on cotton, wheat, and some other basic crops.

No immediate relief can come from this program. It is too little and too late to be of help in 1956. Agriculture's immediate problem is surpluses. Immediate relief can come only from immediate disposition of the surpluses. Benson and the administration have ample authority to get rid of them but they refuse to act.

THE LATE MARTIN P. DURKIN

Mr. MURRAY of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MURRAY of Illinois. Mr. Speaker, Martin P. Durkin, a distinguished public servant and one of the Nation's most outstanding labor leaders, died on November 13, 1955. His passing is an irreplaceable loss to the people, to the labor movement which he represented, and to his many friends.

Martin P. Durkin, for many years a resident of my district in Chicago's southwest side, was born in the back-of-the-yards district of Chicago on March 18, 1894, the son of Irish immigrants. From this neighborly district have come some of our greatest political leaders, our best industrial leaders, our most notable labor leaders. Martin P. Durkin occupies a lofty place among their ranks. His father was an ardent trade unionist who, during his early employment labored 12 hours a day, 7 days a week, for the meager earnings of $2 a day. Martin Durkin attended grammar school at Visitation parochial school. Being the eldest of eight children, he was required to go to work after the eighth grade to help support his family. He became an apprentice steamfitter in 1917. While working at his trade, he attended night school to further his education.

He served in World War I, and, subsequent to his service in the Army, resumed work in his chosen trade and became increasingly active in union affairs. In 1921, he became assistant business manager of the Steamfitters Protective Union of Chicago, Local Union No. 597. During his tenure as assistant business manager of this local union, he increased his participation in civic affairs, serving upon many Chicago local municipal boards and commissions. He was elected vice president of the Chicago Building Trades Council in 1927.

In 1933, during the depths of the depression, Gov. Henry Horner appointed Martin Durkin director of labor of the State of Illinois. It was as a result of his efforts as director of labor of the State of Illinois that that department became a model of State departments of labor throughout the United States.

To Martin Durkin belongs a great deal of the credit for passage in Illinois of a minimum-wage law for women and children, an 8-hour law for women, a law establishing the public employment service and providing for unemployment insurance. He assisted in securing improvements to the State workmen's compensation law.

The late Governor of Illinois stated that Martin Durkin's appointment was the best he ever made. Mr. Durkin continued to serve as director of labor under Governor Stelle and Governor Green. Probably the best recognition of his stewardship as director of labor is typified by a story that is told in and about Chicago. As the story is related, Gov. Dwight Green a Republican, requested State labor officials to name three candidates whom they felt might be appropriate to succeed Martin Durkin, a Democrat. The officials of the State labor organizations replied with these names: First, Martin P. Durkin; second, Martin P. Durkin; and, third, Martin P. Durkin.

Subsequent to his tenure as director of labor, Martin Durkin was elected general secretary-treasurer and later president of the United Association of Journeymen and Apprentices of the Plumbing and Pipefitting Industry.

In addition to his union duties, during World War II, Martin Durkin was designated American Federation of Labor member of the National War Labor Board.

In 1953, Mr. Durkin accepted a request of President Eisenhower to become Secretary of Labor. His appointment as Secretary of Labor was considered by many who did not know him as a surprise because he had been noted throughout his life as an outspoken Democrat and had favored the President's opponent, Adlai E. Stevenson, in the prior election.

To those who knew Martin Durkin, his appointment as Secretary of Labor was the best Cabinet appointment the President has made. Martin Durkin's career as Secretary of Labor, though shortlived, was characterized and ended upon a question of principle to which he had adhered throughout his life. He explained his resignation simply as: "Adherence to an agreement was a matter of principle with me and I could not disregard my principles at this late date in my life."

A statement of the sterling qualities and characteristics of Martin P. Durkin is beyond the capacity of this speaker. However, it was eloquently and most beautifully portrayed in the sermon at the funeral of Martin P. Durkin by the Very Rev. Msgr. George G. Higgins at the Church of the Little Flower in the district which I represent in Chicago, held on November 18, 1955.

With the permission of this House, I would like to quote this sermon:

SERMON AT THE FUNERAL OF MARTIN P. DURKIN BY VERY REV. MSGR. GEORGE G. HIGGINS, CHURCH OF THE LITTLE FLOWER, CHICAGO, ILL., NOVEMBER 18, 1955

"My son, do thy works in meekness, and thou shalt be beloved above the glory of men.

"The greater thou art, humble thyself the more in all things and thou shalt find grace before God.

"For great is the power of God alone, and He is honored by the humble." (Ecclesiasticus, III 19–21.)

Meekness is a word which is seldom used nowadays as a compliment except in the Lives of the Saints and in the literature of devotional or ascetical theology. The word has been drained of all its manly strength and vigor until today it is widely regarded as a synonym for weakness rather than 1 of the 7 Beatitudes to which our Lord Himself attached an infallible guarantee. "Blessed are the meek," He told us in His beautiful Sermon on the Mount, "for they shall possess the earth." I dare say that most of us find this difficult to understand. Blessed are the merciful—yes. Blessed are the clean of heart—yes. By the mercy of God, even the lecher in his heart of hearts and in his faltering moments of repentance knows this to be true. Blessed are they who hunger and thirst after justice. This, again, we can understand, to some extent at least, on the basis of our own experience.

But meekness is something else again. Somehow or other, meekness, as the word is commonly used in the vernacular, seems to suggest a certain lack of character. It brings to mind a Milquetoast, a likable weakling who is easily pushed around, or, an unlikable hypocrite like Dickens' Uriah Heep, who bows and scrapes to curry favor with his superiors whom, of course, he secretly despises.

We seldom, if ever, associate the quality of meekness with a man who has attained eminent success in the competitive rough-and-tumble world of business or labor or politics. These men are publicly esteemed as men of character and strong convictions who will brook no opposition when they are convinced that what they are doing is good for the cause. We hardly ever hear them characteried or described as being meek; for this would imply to many people that they were also weak—and a weak leader, of course, is almost a contradiction in terms.

Our good friend Martin Durkin was a notable exception to this rule. He was one of the strongest characters I have ever known, a man of extraordinary physical as well as moral courage, a man with an iron will and unusual tenacity of purpose, a man of dogged perseverance and persistence. And yet almost every major article that was written about Mr. Durkin during his brief term of public office in Washington paid him the richly deserved compliment of saying that he was preeminently a man who, in the words of Ecclesiastes, did his work in meekness. One of his biographers put it very well, indeed, when he said: "If I were pressed to say what I have learned from Martin Durkin, it would be that I think I understand a little more completely what the word 'meek' means, as used in the Bible. It doesn't mean groveling in your relations with others, or thinking yourself unworthy in comparison with them; perhaps it just means not thinking about yourself at all." Another biographer referred to Mr. Durkin as a man of great patience and profound calm. Still another said that he had never raised his voice in 30 years, to which he added, "except, of course, in prayer."

"Except, of course, in prayer." This little footnote was more than an incidental postscript or a casual afterthought. Constant prayer was the very center of Mr. Durkin's exemplary life, the secret of his sterling Christian character. It was the source of his many virtues—his meekness, his courage, his dogged devotion to duty, his never-failing courtesy, his extraordinary patience and his ability to "suffer fools gladly," his uncompromising sense of justice, his profound respect for women, his tender love of children, and, above all, his unassuming personal charity, the extent of which even his family and his closest friends can only roughly estimate.

Frequently during the past 15 years I had the privilege of spending a few hours with Mr. Durkin and his devoted family in the company of other priests. Some of those priests are here this morning for his final obsequies. They will bear me out when I say that we invariably came away from those little family gatherings saying to ourselves in all sincerity and with deep humility that there was a man who could put us all to shame when it came to personal prayer and the worship of Almighty God. He was truly an inspiration to all of us, and I like to think that by the grace of God we are better priests—more prayerful priests—for having been privileged to know him.

Many times in recent weeks during his lingering illness in Georgetown Hospital in Washington we have heard his lay associates say the same thing about the influence of his example upon their own lives. They were thinking of the fact that they never knew him to miss daily Mass and Communion even on the busiest day of the most hectic union convention. They were thinking of his frequent spiritual retreats. They were thinking, too, of the fact that they had never heard him say a word, either publicly or privately, which would have been embarrassing even to the most innocent child or offensive to the most refined and sensitive woman. Some of those who knew him longer than the rest of us were probably thinking that his patience and his meekness, his profound calm and self-possession were the result of intensive self-discipline, the result of constant prayer and mortification—for, unless I am badly mistaken, his natural temperament was rather brusque and fiery. He had the strong face of a man who had had to struggle, with the help of God's grace, to learn the manly art of self-control. He learned it very well indeed.

Under ordinary circumstances it would be contrary to Catholic practice and tradition to eulogize the deceased in such effusive terms, but I think you will agree with me that these are not ordinary circumstances. Mr. Durkin was an extraordinary man, and deserves to be honored as such for the consolation of his family, to which he was so tenderly devoted, but, even more important, for the inspiration of his associates in the labor movement, which he loved more than anything else in the world with the exception of his God, his family, his country and his church. Maybe there is a better way of stating that. Perhaps it would be more accurate to say that he loved the labor movement so much and served it so well for the better part of his life precisely because he regarded it as a necessary bulwark of the family and the flag and because he knew it to be the normal means of putting into practice in his working life the principles of justice and charity which were handed down to him by the church to which he was so passionately devoted.

It would be presumptuous on my part and completely superfluous to go into detail about Mr. Durkin's long and distinguished career in the American labor movement. The record speaks for itself and is known to everybody in this church. Suffice it to say that he brought to his work in the labor movement, in addition to a deep sense of justice, which, of course, is fundamental, a spirit of personal charity, which is equally important but for most of us, I should think, much more difficult to acquire and to put into practice. One of his biographers tells us, for example, that during the depression years in Chicago unemployed members of his local union would show up at his home every evening, silent, worried, depressed men. Mr. Durkin gave them more than encouragement. Out of his personal income he gave them food and the other necessities of life to tide them over the crisis. This was characteristic of the man.

The story of his personal charity during his 15 years in Washington is an inspiring legend. One of the reporters tells the story very simply:

"Years ago, Mr. Durkin decided, without saying much about it, always to keep some poor family under his wing. But it occurred to him merely to write a check, giving up only the cash and a moment out of his day, was an act without significance, so he buys food for his protege family in person. Once a week he turns up at a Washington market and walks among the counters, thoughtfully assembling a basket of groceries. When his current poor family includes small children, he confers with his wife or daughters-in-law about what sort of baby food to buy. Collecting groceries for folks who need them is a pleasant occupation for Durkin, but collecting thanks is not. So when he has made up his bundle of groceries, he usually sends it over by one of his sons or a messenger. When one family graduates to solvency, through recovery from illness or a new job, he looks about for another family, sometimes asking a priest to scout one for him."

As well as I knew Mr. Durkin over a period of 15 years I have never heard him mention this weekly act of private charity, and I never would have known about it if the reporters hadn't ferreted out the story and publicized it so widely at the time of his appointment to the President's Cabinet.

I mention Mr. Durkin's personal charity to point a moral for his associates in the labor movement and for all of us who are connected in any way with movements of social reform. Pope Pius XII reminds us in one of his recent statements that "The greatest temptation in an age that calls itself social—an age in which, besides the church, the State, the municipalities, and other public bodies are devoting themselves to so many social problems—is that when the poor man knocks on their door, people, including the faithful, may simply refer him to an agency, a social center or to some organization, in the belief that their personal obligation has already been fully satisfied by their contributions in taxes or in voluntary offerings to those institutions.

"Undoubtedly," the Holy Father continues, "the poor man will receive your help in this latter way. But often he counts also on you yourself, at least on a word of kindness and comfort from you. Your charity ought to resemble God's, who came in person to bring His help. This is the meaning of the message of Bethlehem."

The moral is obvious. Our charity "ought to resemble God's, who came in person to bring His help." This, it seems to me, is one of the lessons, one of the many lessons, we can learn from the example of our distinguished friend, Mr. Durkin, and one which is very timely. The personal approach, which has always characterized the greatest of our labor leaders—a Gompers, a Murray, a Green—is more important than ever before as we approach the long-awaited merger of the American Federation of Labor and the Congress of Industrial Organizations. Labor unity can be and, in our opinion, will be good for the country and good for the cause of labor. On the other hand, honesty compels us to suggest that a unified labor movement could also be a detriment to the cause of labor if, because of its very size, its very bigness, it were to sacrifice the personal charity and personal concern, for the particular and peculiar needs and problems of individual men and women ought to go hand in hand with better organizational techniques and better legislation, which, of course, are also indispensable.

There is a further lesson to be learned from Mr. Durkin's granite-like integrity. He was a man of his word. He said what he meant and meant what he said. As a general rule, he said it very calmly and very gently, but when he had said it, you knew that he could not be persuaded or induced or frightened into going back on his word by any amount of pressure or flattery or cajolery even from his closest friends. There was a quality of fearlessness and quiet strength about the man which even the toughest gangsters must have learned to respect in the early days in Chicago when they were trying to capture his local union. At that time, as one of his friends has pointed out, he didn't get the least bit exicited; he merely prayed a little harder.

We are back again to prayer—the key to Mr. Durkin's sterling Christian character and the explanation of his remarkable self-possession which revealed itself externally in a very warm and very friendly smile even when things were not to his liking. As one of the Catholic weeklies pointed out at the time of his resignation from the Cabinet, the remarkable self-possession of Mr. Durkin, always the calmest person in the political storms that raged around him, was the result of his application of religious principles to his whole life. This attitude, it was rightly suggested was epitomized to his response to the question of a reporter at the time of his resignation as to why he seemed so happy. "I'm always happy," Mr. Durkin quietly replied. Those who knew of his strong religious faith, the article concluded, will already understand the reason for his enigmatic contentment and happiness even amidst the most difficult circumstances.

This, of course, was an exaggeration. Mr. Durkin wasn't always happy, and thanks to his extraordinary deep religious faith, he knew that he was never meant to be perfectly happy in this vale of tears. Even as a little child, he learned from his God-fearing parents, who incidentally must have been the very salt of the earth, that God made him to know Him, to love Him, and to serve Him with all his heart and soul in this life and to be happy with Him forever in the next. It was this sense of realism, grounded in supernatural faith in God and supernatural hope in a life of perfect happiness to come, which made it possible for Mr. Durkin to face up so calmly and with such manly courage to the inevitable fate which he must have known awaited him after his second operation. I am sure that I speak for all of you as well as for myself when I say that I hope and pray that you and I will be as well prepared for our own death as he was for his.

It was this same sense of realism which enabled Mr. Durkin to keep a sense of humor and to see things in perspective in the midst of his tireless efforts on behalf of social justice. It was this which made it possible for him to keep his feet on the ground. Pope Pius XII tells us in a recent allocution that men are obliged, as Christians, to take an active interest in social reform and social reconstruction. "However," he hastens to add, "man whom God created and redeemed cannot keep his feet on the ground without keeping his eyes raised toward God, toward the real end of human life, namely, union with God in heaven, where alone all order and all justice will definitely be achieved.

"Therefore," His Holiness concludes, "those men, who in thought or in action, give themselves completely to this world, or who even deny the existence of the heavenly home have no solid foundation even in this world, even though externally they may seem to have one or may themselves boast of their alleged realism."

Mr. Durkin was able to keep his feet on the ground because he always kept his eyes raised toward God, toward the real end of human life, namely, "union with God in Heaven, where alone all order and all justice will definitely be achieved." May his passing remind us that we, too, must give an accounting of our stewardship in the not too distant future, and may his example of unselfish and religiously motivated service to the cause of humanity be an inspiration to those of us who are left behind to carry on the work of social justice.

If Mr. Durkin could have read the manuscript of this sermon before it was delivered, he would have asked us to eliminate everything which we have said up to this point and to confine ourselves exclusively to an earnest appeal for your continued prayers for the repose of his immortal soul. He was very conscious of his faults and imperfections. His frequent recourse to the sacrament of penance was eloquent proof of the sincerity of his deep feeling of unworthiness and his lively sense of absolute dependence upon the infinite mercy of Almighty God. In his name, therefore, we ask you in conclusion to remember him constantly in your masses and prayers so that he may be summoned as soon as possible to the reward which God Himself has promised to those who do their works in meekness.

"My son, do thy works in meekness, and thou shalt be beloved above the glory of men. The greater thou art, humble thyself the more in all things and thou shall find grace before God. For great is the power of God alone, and He is honored by the humble."

It is not for us to judge either the living or the dead, but surely we can say with full propriety that God was honored by this humble man and that we, his friends and associates, were privileged beyond our just deserts to have known him personally and to have benefited from the example of his thoroughly Christian life. May his soul and the souls of all the faithful departed through the mercy of God rest in peace. Amen.

Martin P. Durkin is survived by his wife, Anne H. MacNicholas Durkin, and his three sons, Martin B., William J., and John F. Durkin, to all of whom I extend my deepest sympathy.

I conclude my remarks with the prayer that the principles which guided Martin Durkin's life may now guide ours in legislating for the welfare of the people whom we represent.

TRAFFIC AND HIGHWAY SAFETY

Mr. FRIEDEL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. FRIEDEL. Mr. Speaker, on Tuesday, January 3, I introduced House Resolution 349, which provides for the appointment of a select committee of five members to conduct a study and investigation of traffic and highway safety. This committee is to recommend suitable legislation to achieve the desired objective.

About 6 weeks ago, a Baltimore inventor, Mr. Charles Adler, Jr., sent a telegram to the President proposing the creation of a new Cabinet post of Secretary of Traffic. It is because of my great concern about this urgent matter that I am introducing this measure. In drafting it, I was careful to provide that the rights of the States should not be infringed.

The alarming and appalling accident rate and death toll, with the consequent economic losses, constitute daily and constant proof of the need of Federal legislation. The solution of the problem may lie in the creation of an agency, rather than in the creation of a Cabinet or sub-Cabinet post, but under the circumstances immediate action must be taken.

Headlines all over the Nation tell a tale of road slaughter over the Christmas holidays. These headlines are a gruesome confirmation of the worst fears expressed by me 6 weeks ago.

Last year alone, there were nearly 10 million traffic accidents in our country. Every 25 seconds someone was injured; over 36,000 people were killed, over 1,250,000 were disabled beyond the day of the accident. Last year, traffic accidents alone cost over $4.4 billion; the losses in wages came to a towering $1.2 billion; the medical expenses hit $100 million. The economic loss is truly staggering. Economic loss, however great, is secondary to loss of life and limb. A human life lost can never be replaced. Surgery and medicine, with all of their miracles and wonders, cannot make whole again the maimed and the crippled. The protection and the safety of human beings should be our first concern.

The stark tragedy wrought each day by the automobile is a national shame. The motor vehicle is an integral part in the life of each and every American family. It is a vehicle for commerce and it is a vehicle for pleasure. It takes citizens to and from their daily tasks. Our Nation is truly a nation on wheels. The automobile is a vacation vehicle for many millions of Americans. It can be, and it ought to be, a boon. The tragedies that are occurring on our streets and highways every day of our lives are not necessary. I am convinced that the genius of America, concentrated on this problem under unified direction, can eliminate the death and hazard from our highways.

At the present time, traffic safety is the responsibility of many unrelated agencies at local, State, and National levels. Each agency, department, or bureau has a more or less limited interest or responsibility for some particular phase of traffic safety. And we know that there are many official and even nonofficial agencies which prepare statistics, marshal public opinion and develop programs of education for traffic safety. All of this is illustrative of the saying that, "That which is the business of everybody is the business of nobody." In other words, there must be some central coordinating agency with authority which can utilize and bring together the work and efforts of all of the fine, splendid officials—and volunteer agencies—now working in the field of traffic safety. I could cite a parallel instance in government. Each State—and many local governments—have pure food and drug sections. However, it was not until the Federal Pure Food and Drug Act, with its administrative and enforcement Agency, that protection of the citizen against impure and toxic foods, drugs, and substances was assured. Today, the Pure Food and Drug Agency of the Federal Government works closely with the State and local agencies for the protection and well-being of all our citizens.

Establishment of a Federal agency to cope with the problem of traffic safety need not, and will not, displace or interfere with States rights and local governments in their diverse efforts to cope with the problem. It will assure to them, however, cooperation, coordination, and sanction, where necessary, at Federal level, to accomplish that result which we all devoutly desire—minimum loss of life on the streets and highways of our Nation. It is obvious that all of our good wishes and intentions in establishment of the many and unrelated agencies in the field of traffic safety have been unable to cut down the slaughter of our citizens which is taking place daily on our streets and highways.

I do not believe that we can wait any longer. The President of the United States displayed his concern on this subject when he proclaimed an annual Safe-Driving Day. By his action he left no doubt but that there is a Federal concern and a role that the Federal Government ought to play in attempting to check the daily massacre of our citizens by motor vehicles plying our streets and highways. I do not believe that we can any longer afford to engage in wishful thinking and pious hopes. Affirmative action setting up an agency with authority and the power of

sanction is the only answer to this menace on the highways.

Therefore, I respectfully urge your support of House Resolution 349.

RECOMMENDATIONS OF THE SECOND HOOVER COMMISSION

Mrs. CHURCH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Illinois?

There was no objection.

Mrs. CHURCH. Mr. Speaker, I am today introducing 12 bills which embody further suggestions for the implementation of certain recommendations of the second Hoover Commission.

The House may remember that on last July 13, at the time that I introduced the first 50 bills suggested for such fulfillment of the recommendations of the second Hoover Commission, I stated that I was glad to take this action because of the continuous and signal interest of constituents of the 13th District of Illinois in both Hoover Commissions and, also, in their findings; and, because, as a former member of the Committee on Government Operations, all proposals and actions on executive and legislative reorganizations have consistently held my signal interest.

I would like to repeat today, however, what I then stated; that my introduction of these bills does not necessarily mean in every case, complete agreement either with the proposal or with the suggested implementation. In some instances, I, personally, may possibly find good reason for objection. These proposals, however, and the supporting legislation, merit the prompt and serious consideration of the Congress. I am accordingly introducing the measures—and shall continue to do so as others are prepared—in order that the proposed legislation may be placed before the appropriate committees for study and, in particular, be brought to the attention of every House Member.

PROPOSED FEDERAL ESTATE TAX INSURANCE

Mr. YOUNGER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. YOUNGER. Mr. Speaker, I am today introducing a bill relating to life insurance taken out to cover estimated liability for the Federal estate tax.

The purpose of this bill is to permit an individual to anticipate his Federal estate tax by taking out a life insurance policy payable to the United States, the proceeds of which will not be considered as a part of the corpus of the estate.

An individual can indirectly accomplish this purpose under the present law by taking out a policy on the life of his child, with an agreement with the beneficiary of the policy that the proceeds of the policy will be used to pay the estate tax. This bill if enacted would permit the taxpayer to do directly what he is now permitted to do indirectly.

Many estates are tied up in family owned corporations or businesses, and upon the death of the head of the family, the heirs are frequently at a loss to raise the necessary amount to pay the Federal estate tax unless they sell an interest in the family business or encumber the business with what might be a crippling debt.

The enactment of this legislation, in my opinion, will not deprive the Federal Government of any tax, but on the other hand will stimulate a lot of life insurance business from which the underwriters and companies will pay increased taxes into the Government.

INAUGURATION OF PRESIDENT TUBMAN

Mrs. FRANCES P. BOLTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Mrs. FRANCES P. BOLTON. Mr. Speaker, Liberia has been celebrating the third inauguration of William V. S. Tubman as President. The confidence expressed in him at the last election makes possible the continuation of an administration which appears to have more sincere desire to raise the standard of living of the Liberian people and greater capacity to do so than did earlier administrations. President Tubman has exceedingly difficult problems crying for solutions, problems which are far more complex than can be solved overnight. He will need to feel here in the United States we are sympathetic and understanding.

The people of Liberia are to be congratulated in the decision they made to make possible another tour of duty for their President.

The United States sent over a very fine group to represent this country at these celebrations. This fact alone will be of real assistance to Liberia, for they look to us in more ways than most Americans know, not the least of which is the approval of their efforts. It is with pleasure that I list the members of the United States delegation to the inauguration of President Tubman of Liberia:

The Honorable Richard L. Jones, United States Ambassador to Liberia, as personal representative of President Eisenhower and with the rank of Special Ambassador.

The Honorable Robert W. Upton, former United States Senator, as personal representative of President Eisenhower and with the rank of Special Ambassador.

Lt. Gen. Leon W. Johnson, commander, United States Continental Air Command, as special representative of the Secretary of Defense and Armed Forces of the United States.

Mrs. Jessie L. Vann, publisher of the Pittsburgh Courier.

Mr. Asa Timothy Spaulding, vice president of the North Carolina Mutual Life Insurance Co.

Mr. Garfield I. Kass, Washington realtor.

Advisers to the delegation were:

Mrs. Thomas W. Simons, counselor of the United States Embassy in Liberia.

Brig. Gen. Harold H. Twitchell.

THE RULES OF THE GAME

Mr. HILL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. HILL. Mr. Speaker, in every type of contest, friendly or otherwise, that we Americans engage in, there is a basic set of rules or procedures that govern the conditions under which the contest is run. Sometimes they are written—often they are established by custom, but they always exist. To challenge the rules under which the game is played is usually resorted to by the losing side to cover up or alibi for their loss.

I was amazed to read in the RECORD of last Thursday where one of my colleagues who serves on the Committee on Agriculture took violent exception to the Republican members of the committee meeting informally with Secretary Benson prior to the submission of the state of the Union message to Congress. We Republicans are accused of all sorts of dire political shenanigans.

Apparently the rules of the game are being challenged. I have been in this Congress more than 15 years, and I cannot count the number of times that my Democratic friends have met with Cabinet officers in similar circumstances without inviting the opposition.

It might be interesting to note that several of us had asked the Secretary for an audience. He countered with the suggestion that all of us get together to discuss mutual problems. We took advantage of his offer and that accounts for the breakfast.

I would suggest that had the gentleman, and those on his side of the aisle, made a similar request he, too, would have had a free breakfast with the Secretary. In fact, I have an idea that the gentleman and his Democratic colleagues on the committee will be invited to meet with the Secretary whether they initiate the move or not. Of course, I doubt if the gentleman will attend such a gathering since he so violently disapproves of partisan gatherings. That is his privilege.

But let us not forget that similar meetings have been held many, many times in the past by both parties and we Republicans will continue to meet with Cabinet officers any time we have problems to discuss with them.

THE SOIL BANK PROPOSAL

Mr. HARVEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HARVEY. Mr. Speaker, the President's message was an excellent

one and dealt with the problems of agriculture positively and constructively. It is apparent that any approach to their solution must be aggressive. The soil bank proposal will, if enacted, provide a strong treatment for the burdensome surpluses. These surpluses must be removed by direct action before our farmers can enjoy prosperity. In a later statement, I will discuss some of the details of the President's message.

SHORTAGE OF NEWSPRINT SUPPLY

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SPRINGER. Mr. Speaker, tomorrow morning there will be a meeting of the Subcommittee on Commerce and Finance of the entire Committee on Interstate and Foreign Commerce to hear the representative of the Department of Commerce and others on the newsprint-supply situation in the United States. I am sure that almost every Member of this body is acquainted with the critical situation in the suppy of newsprint.

I know that this subcommitee, through its chairman, Mr. KLEIN, will delve thoroughly into this situation in order to understand why many companies are not fulfilling their contracts with the newspapers of this country while these same companies are allowing their newsprint to appear on-the-spot market at prices almost 40 percent more than the prices contained in contracts with newspapers. Some of the large companies supplying almost 75 percent of the newsprint of this country have indicated that they will not make up for their failures to comply wtih their contracts in 1955. In addition, they have notified most of their customers that they intend to cut back 7½ percent on their contract for 1956. All of this has been taking place while their same paper is appearing on what I would term "the gray market" at tremendously increased prices.

In normal times the spot-market price would be somewhat below the contract prices between the newsprint company and the newspaper. Today in the Middle West the ordinary contract price between the newsprint company and the newspaper is around $130 to $140. In spite of this the spot-market operator is sending out letters like the folowing:

> Gentlemen, we are looking ahead for 1956 as newsprint is getting very scarce and prices are going up. We suggest, in the event you should require additional tonnage for the year, we want to offer our services to you in purchasing your requirements.
>
> We would like you to let us know ahead of time the sizes you use, so that we can scout around this market to get you newsprint at a low price, instead of paying very exorbitant prices on short notice when you need it.
>
> We promise you that at all times we will deliver to you the finest quality of newsprint, in the proper size that you use, as we did in the past.
>
> Please advise us immediately if you are interested for immediate or future delivery and we will quote you our lowest price.
>
> P. S.—Canadian or American.
>
> Immediate shipment 2 carloads, between January 2 and 10.
>
> Sizes: 15-, 15½-, 16-, 30-, 31-, and 32-inch Canadian.
>
> Wire immediately if interested.

You will note that in this letter he does quote his prices. However, newspapers in the Middle West who have contacted these kind of operators find that the going price today is about $210. There is a rumor now in the Chicago-Detroit area that the gray-market price is to be increased to $220.

I think it is apparent to any reasonable observer that when legitimate newspapers cannot get newsprint at contract prices and when apparently gray-market paper is available in almost any quantities for 40 percent more in price, something is seriously wrong in the newsprint industry.

Letters similar to the one I have indicated above are being sent out in great numbers by the spot-market or gray-market operators, indicating that paper in almost any amount can be bought providing the newspaper is willing to pay the gray-market price. From figures I have at this time from the American Newspaper Publishers Association, the four large newsprint companies last year made excellent dividends. In addition these companies within the past few months have increased prices $10 per ton.

It would appear to me at this time that there is concerted effort at price-fixing in the newsprint field. I am hoping that a determination of this question will be made in these hearings beginning tomorrow. If there is violation of the law either by the newsprint companies or the spot merchants, this matter should be referred to the Attorney General's office for whatever action the evidence justifies.

LOW-INTEREST CREDIT FOR FARMERS AND LIVESTOCK PRODUCERS

Mr. FERNANDEZ. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. FERNANDEZ. Mr. Speaker, I am disappointed that the President did not recommend long-term, low-interest credit for farmers and livestock producers, which is sorely needed. We had legislation to that effect introduced last year but it was not acted upon, because of opposition on the part of the Department of Agriculture, notwithstanding that they admitted emergency conditions in at least two States, my own State of New Mexico, and Florida. They indicated to us at the time that they might recommend passing such legislation at this session if conditions were not alleviated. They have not been alleviated. On the contrary the emergency need has spread beyond New Mexico and Florida.

I hope the Committee on Agriculture will take up for further consideration the legislation we introduced last year.

PRICE SUPPORT CEILING

Mr. POFF. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. POFF. Mr. Speaker, the big farm operator has grown fat on the farm price-support program at the expense of the little farmer. The big farmer sells his crops to the Government, either by direct sales or be defaulting on price-support loans. The little farmer consumes his crop on the farm and often has to buy additional feed and seed from the big farmer at subsidy-inflated prices.

The big farmer's abuse of the program has been shockingly expensive. In 1954, the Delta & Pine Land Co., of Scott, Miss., which operates a 38,000-acre farm, received a price-support loan on cotton totaling $1,292,472.25. Another cotton farmer received $814,801, and still another $624,754. The Campbell Farming Corp., of Hardin, Mont., received a wheat loan in the sum of $430,691 on 209,000 bushels of wheat. Thirty-seven individual farm operators received loans in excess of $200,000 each on 1954 crops of wheat, cotton, and rice, and another 16 farmers received in excess of $100,000 each. These are the farmers who have piled up $7 billion worth of price-depressing surplus commodities in Government warehouses at a storage cost of a million dollars a day. They have been the beneficiaries and the little farmers the victims.

In an effort to protect the little farmer and the taxpayer from such abuses, I have today introduced a bill placing a support money ceiling of $25,000 on each basic crop raised by a farm operator, whether that operator be an individual, partnership, or corporation.

This bill would tend to discourage the overproduction of unneeded crops, bring the supply more nearly in balance with demand and help to stabilize the price in the market place. The annual savings realized could be used in basic agricultural research, soil and water conservation, development of new commodity uses and expansion of domestic and foreign markets for the benefit of all farmers, big and little alike.

PEANUTS

Mr. BONNER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. BONNER. Mr. Speaker, I presume that the message on agriculture was prepared for the President by the Department of Agriculture. If the entire message is as inconsistent as that portion dealing with peanuts, then no one can depend on the message.

Only last year the Department of Agriculture, at the behest of the confectioners and candymakers, appeared before the Tariff Commission and asked

that the tariff on peanuts be temporarily lifted, stating that there were not enough peanuts under the program produced in America to supply the market. Here in this message the President recommends eliminating the provision of minimum national acreage. Where is consistency in this particular case? I would like for someone to tell me.

THE PRESIDENT'S FARM MESSAGE

Mr. COOLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. COOLEY. Mr. Speaker, we have waited patiently for the message we have just received from the President and I am certain that all of us are interested in the message which has just been presented.

As chairman of the House Committee on Agriculture, I would like to say that it is my purpose now to call a meeting of our committee for 10 o'clock tomorrow morning for the purpose of considering every part and parcel of the President's message pertaining to agriculture.

I want to conclude by saying that during the entire time I have served on that committee, and I have served on the committee for more than 20 years, it has been my purpose to keep partisan politics out of our deliberations; and that has been true with reference to all chairmen under whom I have served from Marvin Jones up to the present time. I am certain our committee will give careful consideration to this message and I hope it may be considered without regard to partisan politics.

Mr. MATTHEWS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. MATTHEWS. Mr. Speaker, along with other Members of the House I listened with a great deal of interest to the President's message on agriculture. It seems to me that one of the most important problems in my district at the present time is without a specific solution, and that is, How can the farmer get his full share of the consumer's dollar?

As you know, the Secretary of Agriculture has announced that the farmer this month will get 39 cents out of each consumer's dollar spent for agricultural commodities. I listen at times with a great deal of pleasure to one of my colleagues on the other side who talks about the prosperous farmer with a ham under each arm. I want to say to you here this afternoon that is about the only place the farmers in the Eighth Congressional District of Florida can put the wonderful hams they produce, because they are getting less than production cost.

I hope that during our consideration of this problem we can come out with some system fair to the consumer, fair to the taxpayer, and fair to the American farmer who does not receive a livable share of the consumer's dollar spent for agricultural commodities.

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. FEIGHAN. Mr. Speaker, I note in the message from the President which has just been read another example of appeasing the Communist conspiracy and an expression of lack of confidence in the ability of free nations to exist and prosper in an arrangement which excludes the participation of Communist and Communist-dominated nations. Congress gave long and thoughtful consideration to the state of world affairs which now exist when it enacted into Public Law 480, 83d Congress, the section 304. I am amazed that at this time when the security, liberty, and freedom of the American people are in greater danger than ever before in our history that the President's message leads from fear and lack of confidence in our ability to use our surplus agricultural commodities in the cause of peace and freedom.

Mr. Speaker, it was my opportunity to spend 7 weeks in southeast Asia and north Asia on an official inspection trip recently concluded. During that trip I saw innumerable opportunities where our surplus agricultural commodities could be used to strengthen the cause of freedom and individual liberty in those newly independent nations of Asia.

I can assure Members of this House that vast amounts of our surplus food could be used in that part of the world without in any way interfering with the normal commercial channels and trade. I must also say that I felt warmed by the wisdom of Congress in providing wide authority for the administration to use up to $1 billion of our surplus commodities over a 3-year period in programs calculated to advance the cause of peace and freedom.

There is scarce a Member of this House who is not acutely aware of the vital struggle now taking place throughout all of Asia between those who stand for decency and human dignity and those who support the Russian drive for world domain. All of us realize the grave possibility that world war III could result from the political struggle now taking place throughout all of Asia. We must use every one of our assets together with imagination and courage if we are to save the day in Asia for human freedom and at the same time prevent world war III.

What we need more than anything else is imagination and old-fashioned American ingenuity in order to put our surplus agricultural commodities to work in the cause of a just and lasting peace. Up to the present, the administration has been timid, hesitating, and unimaginative in applying the obvious benefits of Public Law 480, 83d Congress, section 304. In fairness, I must say that in some instances, notably in Vietnam, the Crown Colony of Hong Kong, and in Korea, where the administration has used initiative and imagination in the use of our surplus agricultural commodities, results have been most gratifying. But looking at the world as a whole and knowing that one-half of the people of the world still go to bed hungry, it should be obvious to all that the administration should immediately engage in a wide-scale program using our surplus foods as weapons for peace.

On March 22, last year, President Eisenhower, in an address before the Advertising Council at its meeting in Washington, showed a real grasp of the world crisis when he called for a program which would develop a trading bloc made up of all the free nations of the world. The President then advocated—and I quote—"a legitimate economic union of the free world in order that it may cleave to these great spiritual truths, which in turn make it a unity in opposing communism." This plan envisions the utilization of the resources of the free world to strengthen all those countries who are fighting to keep their national independence and freedom. He also pointed out the economic pressures the Russian Communist bloc was exerting upon certain countries and the need of still other countries for foreign trade as a means of existence. There are a considerable number of countries of the world who cannot produce enough food to meet the requirements of their people and who therefore must acquire a favorable foreign trade balance in order to meet their food deficit. I commend the proposal made by President Eisenhower on that occasion because it was clear to me that this was one method by which we would finally put to work our surplus agricultural commodities which unfortunately some people have been regarding as a liability rather than an asset unprecedented in all of history. From this latest message of the President, it appears that the President has made a complete flip-flop on the position which he took on March 22, 1955, in his speech before the Advertising Council of Washington.

This latest recommendation of the President arouses the suspicion that the "fast buck" boys are busier than ever in putting across their program with the present administration. There are interests at work in this country who see in trade with the Russian Communists and their widespread empire, a harvest of lush profits. These same interests completely disregard the security interests of the people of the United States and in no way are concerned with the need to strengthen the cause of human freedom in those areas of the world where today it is fighting for its very existence. These same interests are not concerned to prevent world war III because their only interest is milking lush profits from the misery of the human race.

I strongly urge that Congress take a good look at what lies behind the recommendation of the President with respect to Public Law 480, 83d Congress, section 304. I also urge the President of the United States to renew his efforts to find people possessed of the initiative, the imagination, and the leadership qualities necessary to bring about the full benefits Congress intended when it passed Public Law 480, 83d Congress.

THE PRESIDENT'S MESSAGE ON AGRICULTURE

Mr. FLYNT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. FLYNT. Mr. Speaker, I have just listened to the reading of the President's message to the Congress on agriculture. In it he lists his nine-point program for alleviating the ills which threaten the economy of the agricultural portion of the American population.

The absence of a proposal for a rigid price-support law based on 90 percent of parity did not surprise me. We remember full well that during the presidential campaign of 1952 the Republican presidential candidate said, "I think farm prices ought to be based on 100 percent of parity." But during the nearly 3 years he has served as President of the United States he has successfully sought to prevent the enactment of a price support law based on 90 percent of parity.

I do not for one moment contend that a rigid price support law based on 90 percent of parity is either a panacea or a cure-all which will immediately solve the farm problem. I do believe, however, that if we are to have a farm price support law that it must be based on rigid terms and that the support prices of agricultural commodities covered by it shall not drop below 90 percent of parity.

Mr. Speaker, it is well known that farming is a hazardous occupation, economically speaking, and that year in and year out, a 10 percent marginal profit is better than most farmers receive. This is especially true of the small family-size farmer in whom I am primarily and vitally interested.

The President is correct in his statement that the present agricultural surpluses present the main problem confronting the American farmer at this time. If the present Secretary of Agriculture had approached this matter from a realistic viewpoint during the past 3 years these surpluses would not have reached the staggering proportions which they have assumed. During the past 3 years the Department of Agriculture has done little or nothing to further the causes of research for new uses for basic commodities, especially cotton, and has permitted an annual increase in the stockpiles of the basic agricultural commodities.

The President's approach to the soil bank and acreage reserve program are both unrealistic. They would work directly in favor of the already huge corporate type farmers and it would be one step more toward the complete liquidation of the American family size farm. In the Fourth District of Georgia there are good farmers, conscientious and hard working, who formerly operated what we call 1- and 2-horse farms with from 20 to 40 acres of cotton who are now reduced to 3 and 4 acres. What earthly good would it do such a farmer to put 1 acre in a soil bank?

The present administration of the Department of Agriculture has reduced the cotton acreage in Georgia for 1956 more than 47,000 acres over what it was in 1955. At the same time they have increased the cotton acreage for California and Arizona—combined—by 13,426 acres. The net result of this will be that the irrigated and moisture-controlled farms in the fertile irrigated valleys of these two fine Western States will produce more cotton than would have been produced on the 47,597 acres of upland cotton farms in Georgia. Instead of helping reduce the surplus, this will do much to increase the already staggering size of the cotton surplus.

The President's proposal to raise the present designation of middling seven-eighths-inch cotton as the standard grade for parity calculations and price support will have the immediate effect in next year's crop of reducing both the gross and net income to the cotton growers of America.

The President's recommendation for elimination of the provision for the minimum national acreage allotment for peanuts is in direct contradiction to the administration's proposal in 1955 to admit into this country duty free millions of pounds of peanuts because of an alleged shortage of peanuts in this country.

The President's recommendation for legislation to relieve the farmer of the Federal tax on gasoline used in tractors and other nonhighway vehicles is a sound proposal. It is already the law in the State which I have the honor to represent. I have favored this proposal not only since I have been in Congress but prior to coming to Congress. I cannot help but wonder if there is any connection between this proposal and the fact that 1956 is a Presidential election year.

Mr. Speaker, in the President's agricultural message it is evident that the voice is the voice of Jacob, but the hand is the hand of Esau. The present Republican administration and the Department of Agriculture under Secretary Benson have had 3 years in which to help the American farmer. It is quite evident that the nearness of the 1956 elections has increased the desire of the administration to help the American farmer. I do not believe that the American farmer and his votes in the 1956 elections can be bought by empty promises in election year which are diametrically opposed to the record of the present Republican administration from January 1953 until now.

THE SMALL TOBACCO FARMER

Mr. BURNSIDE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. BURNSIDE. Mr. Speaker, the small tobacco farmers were not even mentioned by the administration in its farm message. We have in West Virginia about 4,360 small tobacco farmers with an average of about six-tenths of an acre for their cash crop. We have many, many thousands of small tobacco farmers all over these United States that are sadly in need of help.

There are the burley tobacco farmers with small acreage just existing in the narrow valleys between the mountains suffering on account of lack of clothes in these cold winter months, suffering from lack of medical attention and proper housing, yet the administration does not even mention them.

It is a sad commentary that in these great United States they do not even mention these people.

THE DIXON-YATES CONTRACT

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOLIFIELD. Mr. Speaker, the gentleman from Illinois [Mr. PRICE] and I have this day dropped into the hopper a joint resolution asking that the Congress authorize the appointment of special counsel to guard the taxpayers' interest in the Dixon-Yates contract cancellation case.

It will be remembered that last year we led, against great odds, the fight for termination of this contract. But eventually the administration came around to our point of view and held that it was a contract that was not in the best interest of the United States. The Dixon-Yates corporate interests have requested several million dollars in special damages.

In view of the fact that the Attorney General and the counsel for the Atomic Energy Commission have both rendered opinions at various times attesting to the validity of this contract, we feel they are disqualified to proceed in this suit for the taxpayers. We therefore believe that special counsel should be appointed to do this job and we have dropped into the hopper this joint resolution.

THE COMMITTEE ON AGRICULTURE

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ARENDS. Mr. Speaker, I want to commend the gentleman from North Carolina [Mr. COOLEY] for the statement he made on the floor of the House this morning to the effect that as chairman of the House Committee on Agriculture, it is his purpose to treat the agricultural problem when before his committee for consideration in a manner in which it should be treated as an economic question and not as a political proposition.

As one who represents a great agricultural district, I am at a complete loss to know how anyone can try to legislate for a Republican farmer on one side of the road as against a Democratic farmer on

the other side of the road, or vice versa. It simply cannot be done; and I, for one, would never attempt it. My responsibility, as the Representative of a splendid agricultural district is to legislate in the best interests of agriculture as a whole. This is an economic problem confronting us, not a political question. As the President pointed out in his state of the Union message, there is too much at stake to have this become "the field for political warfare."

Mr. Speaker, I exceedingly regret that a few minutes ago the gentleman from Mississippi [Mr. ABERNETHY] saw fit to refer to the President's message on agriculture in the manner he did. He characterized it as a Republican vote-buying proposal. Let me say to him that the farmers of my district are not for sale, nor do I believe they are anywhere. I think, therefore, he should reconsider the statement he has made.

AGRICULTURE

Mr. CHRISTOPHER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CHRISTOPHER. Mr. Speaker, along with a lot of the other Members of the House, I have listened very attentively to the reading of the President's message on agriculture. He did exactly what I expected him to do. It brings us a lot of window dressing with a lot of frosting to decorate the cake, but it left the keystone completely out of the arch.

That keystone is firm and adequate price supports, without which any farm program is bound to collapse, leaving the individual farmer where he has been for the last 3 years, namely, at the mercy of the buyer.

ADJOURNMENT UNTIL THURSDAY

Mr. COOPER. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at noon on Thursday next.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

THE FARM SITUATION IN MISSOURI

The SPEAKER. Under previous order of the House, the gentleman from Missouri [Mr. JONES] is recognized for 1 hour.

Mr. JONES of Missouri. Mr. Speaker, I would like to preface my remarks here this afternoon with a reminder that the 1st session of the 84th Congress adjourned sine die at 11:36 p. m. on August 2, 1955.

This speech would have been made on August 3, 1955, had Congress been in session. However, I would like to remind my colleagues that this is the first opportunity that I have had to make the remarks which are in the nature of a reply or comment on the remarks of my colleague, the gentleman from St. Louis County, Mo., which appear on page 12985 of the RECORD of August 2, 1955, the day that the 1st session of the 84th Congress adjourned.

Actually, these remarks could and probably would have been made on the closing day of the session, August 2, 1955, had I been apprised of the context of the remarks by my colleague, which appeared in the RECORD of that day, but which, of course, I did not hear although I was on the floor of the House. I also will direct my remarks to certain statements which appeared in a letter under date of August 2, 1955, addressed to the Honorable Ezra Taft Benson, Secretary of Agriculture, and signed by my colleague from Missouri, which letter, as he stated, was widely publicized and also appeared in the CONGRESSIONAL RECORD of August 3, 1955.

I think it should be understood, Mr. Speaker, that the remarks inserted by my colleague and which appeared to have been made on the floor of the House actually were an extension of remarks "at this point in the RECORD," and there was no opportunity for me to answer those remarks which both directly and indirectly referred to remarks which I had made here on the floor of the House when my colleague was present.

To refresh your memory, let us refer to page 12985 of the CONGRESSIONAL RECORD of August 2, 1955, the closing day of the 1st session of the 84th Congress, when House Resolution 333 was under consideration. Now this particular resolution would make in order the consideration of H. R. 7718, which was a bill to authorize the Capital Transit Co. to surrender its franchise. I was on the floor during the consideration of that resolution, and, to refresh your memory, I think you will recall that the gentleman from Virginia, the distinguished chairman of the Rules Committee, was rather anxious to have the resolution considered in a minimum of time in order that we could get down to a discussion of the bill dealing with the Capital Transit Co. An emergency was in effect at that time, as you will recall. Now during the consideration of the resolution on the rule, the gentleman from Illinois was allotting time, and on page 12985 we read:

> Mr. ALLEN of Illinois. Mr. Speaker, I yield such time as he may desire to the gentleman from Missouri [Mr. CURTIS].

The RECORD also states at that point:

> (Mr. CURTIS asked and was given permission to extend his remarks at this point in the RECORD.)

Now, I want to make this point clear, Mr. Speaker. While my colleague the gentleman from Missouri [Mr. CURTIS] did get permission to extend his remarks at this point in the RECORD, he did not ask permission to speak out of order. There was nothing said at that time and I was on the floor of the House when those proceedings took place, and I know that the RECORD is correct when it states that he was merely "given permission to extend his remarks at this point in the RECORD," and it was presumed both by myself and, I believe, by other Members or the House who were here on the floor when we were discussing the Capital Transit Co., that my colleague intended and he certainly left the impression that he wanted to insert his remarks which pertained to the Capital Transit Co. legislation. Instead, Mr. Speaker, when the RECORD appeared on the day following the adjournment of Congress, I was amazed to learn that there had been inserted a highly controversial, political speech in the RECORD, dealing with the conduct of the Department of Agriculture, specifically with the ASC program in Missouri.

Now, Mr. Speaker, I want to take this time to call your attention to my colleague's own statement of what he has referred to as a device, which in his own words he says, "leaves open to question by fairminded people the sincerity and accuracy of their charges." Mr. Speaker, I should mention that I have notified my colleague from Missouri that I would direct my remarks at certain statements which he caused to have inserted in the RECORD on August 2, 1955.

Now, Mr. Speaker, I am not at this time and place questioning the sincerity of my colleague in using this device and his employment of this technique, although I am questioning and will at this first opportunity that I have had challenge the accuracy of the statements which he caused to have inserted in the RECORD on August 2, 1955—at which time he did not indicate that he would speak out of order—and would discuss a subject entirely foreign to the resolution under consideration.

Neither, Mr. Speaker, would I suggest that the gentleman from Missouri did not realize that he was acting in a manner which he had on that very day condemned.

I have said that my colleague from Missouri, has brought upon himself this self-indictment, which appears in a letter written on the very day that he caused to have inserted in the RECORD the remarks which were unavailable for reply or comment until the following day when the 1st session of the 84th Congress had been adjourned.

In the letter referred to, under date of August 2, 1955, addressed to the Honorable Ezra Taft Benson and signed by my colleague, which letter was given wide publicity, including its reproduction in the CONGRESSIONAL RECORD, my colleague sets forth what I presume to be his code of ethics. Incidentally, this letter appeared in the RECORD, not as an extension of remarks of my colleague, but was inserted by a Member of the other body, presumably because my colleague was anxious not to violate the rules of the House by openly criticizing a Member of the other body.

I will now read from the third paragraph of that letter, omitting the names of two Members of the other body, and here I quote from the letter addressed to Secretary Benson and signed by my colleague:

> Now, almost from the time that the Eisenhower administration took office they have been making general charges of political manipulation of the farm program in Missouri. Congressman PAUL JONES also has been making general charges in the beginning on the floor of the House, but I am happy to state not on the floor of the House since I challenged him to either back up his charges with details or desist.

Is not that a laugh, Mr. Speaker? The membership of this House knows, and I believe my colleague knows that I have never made a statement of the floor of this House that I could not back up, and as far as my good friend from Missouri, the self-appointed spokesman for the Republican Party in Missouri, causing me to cease and desist from such remarks, I can only say that he has added coals to the fire which while it has been burning evenly and steadily is now ready to burst into a big hot flame which I promise you will not only smoke them out in the open, but which will cause more than one to seek to get away from the heat of burning truth.

But before we get on with a reply to some of the political propaganda which my colleague had inserted in the RECORD, but which, of course, was never made on the floor of this House, let me proceed with a recitation of the Curtis code of ethics.

Mr. CURTIS of Missouri. Mr. Speaker, will the gentleman yield at that point for a comment on what he has stated?

Mr. JONES of Missouri. I yield for a minute.

Mr. CURTIS of Missouri. I simply wanted to point out that in my comments I started out by saying that on July 29 there were some 10 pages of the CONGRESSIONAL RECORD filled by Members of the other body alleging that there were political manipulations in the farm program in Missouri.

The RECORD will also show, and I think the gentleman will recall, that the Speaker had ruled, I believe it was on Thursday, that in the last few days there would be nothing other than extensions of remarks allowed in the RECORD, that we would not be permitted special orders, or given special time on the floor. I can assure the gentleman that if the circumstances had been otherwise, I would have been on the floor and I would have notified the gentleman about it, because I do feel that is the correct procedure. I think, to that extent, the gentleman's remarks have pertinency.

I think without those explanations, the gentleman's criticism of what was done would be justified. But with those explanations, and in view of the 10 pages in the CONGRESSIONAL RECORD attacking the Missouri farm program, made in the other body, there was no other way to answer that before the hearings which were held by a subcommittee of the other body, in Missouri, this last fall, were had. That was the reason.

I simply wanted to get that point across. I want to ask the gentleman if he does not recall that toward the end of the session the Speaker ruled that there would be no special orders allowed, no 1-minute speeches, but only extensions in the RECORD.

Mr. JONES of Missouri. I decline to yield further. I will yield to the gentleman at the conclusion of my remarks.

Mr. CURTIS of Missouri. Will the gentleman answer the question?

Mr. JONES of Missouri. I decline to yield further, but I will answer that as I continue with this speech. I am glad to see the gentleman admits he has made a mistake.

Mr. CURTIS of Missouri. I did not.

Mr. JONES of Missouri. I refuse to yield further at this point.

Mr. CURTIS of Missouri. A point of order, Mr. Speaker. He said I admitted I made a mistake.

The SPEAKER pro tempore (Mr. EDMONDSON). The gentleman will state his point of order.

Mr. CURTIS of Missouri. The point of order is that the gentleman has misstated what I said. I did not admit any mistake at all. I simply said there was an explanation for the thing. I made no mistake. I would do the same thing again.

The SPEAKER pro tempore. The gentleman will proceed in order.

Mr. JONES of Missouri. Continuing with the reading of my colleague's letter to the Secretary, and I am reading only his words, it states:

> Most of the charges made have been ex parte in political speeches and in releases to the newspapers.

Now get this next statement, if you will, Mr. Speaker, when my colleague writes:

> Seldom have the charges been made on the floor of the House or Senate where they were subject to rebuttal.

Now, Mr. Speaker, I interpret this to mean that my colleague considers this a reprehensible practice when one makes statements which cannot be answered in rebuttal.

He writes further:

> The statements appearing in the CONGRESSIONAL RECORD of July 29, 1955, were essentially insertions in the RECORD and not matters openly expressed on the floor of the Senate.

But here is the crowning statement, and I hope that my colleague will be listening carefully as I read this statement from his letter to the Secretary:

> It is a well-recognized device and all too frequently used by Senators and Congressmen to insert material in the RECORD as if—

And I repeat "as if"—

> it had been presented orally on the floor.

Now here comes the part that I like to refer to as the Curtis code of ethics, in which my colleague outlines what he considers "proper technique":

> The only proper technique to use when attacking a program, or a policy, or a man, or a group of men, is to notify ahead of time those you know take a contrary position to yours, that you intend to take the floor at such and such a time, and discuss the matter. I—

And remember this is my colleague writing—

> have many times used this technique in launching an attack on something I thought was wrong or improper. The failure of any Senator or Congressman to employ this technique leaves open to question by fairminded people the sincerity and accuracy of their charges.

Now, I am certain that my colleague considers that he is a fairminded person, and I feel just as certain that it will be enlightening, as well as entertaining to hear him justify his action of August 2, 1955, on the last day of the session when he followed the same practice he has condemned in his letter. Naturally I will be glad to yield to my colleague from Missouri, for any reply he may care to make, at the conclusion of my remarks directed specifically at the charges made in his written remarks which were inserted in the RECORD on August 2, 1955, and which were unavailable to me until after Congress had adjourned, depriving me of the opportunity, until now, of making the reply that would have been made on August 2, 1955, had there been any notice given that my colleague was speaking out of order when he had these remarks inserted in the RECORD.

Yes, I have been critical of the operation of the ASC program in Missouri. I have cited cases, both on and off this floor, in letters and telegram, and in personal conversation with Secretary Benson, his Under Secretary, True Morse, and to other officials in the Department of Agriculture that a politically dictated and politically operated program was being imposed on the farmers in Missouri.

I have in the past made specific charges in my criticism of the politically dominated operation of the ASC program in Missouri. I have said in the past and I repeat now that the policies enunciated by the Department of Agriculture here in Washington are not being carried out in Missouri in the selection and appointment of county office managers. Despite any denials to the contrary, there is every evidence that in many counties competent, qualified, and experienced men who have been recommended and hired by county committees have been disapproved for employment by the State committee solely because they were Democrats and the county committees forced under pressure, including threats of suspension, to hire other persons of less experience whose competence has been challenged, and who have not possessed the so-called minimum requirements.

In Missouri, and out of fairness to those officials of the Department of Agriculture here in Washington who are trying to do a good job, I want to say that there appears to be the most flagrant violation of the regulations in my State where the program has been not only dominated by the chairman of the Republican State committee, but he has actually been vested with the authority of hiring and firing those employees whom the Department of Agriculture contends are selected by the county ASC committees.

Mr. Speaker, a public hearing conducted by a committee of Congress was held in Jefferson City, Mo., on November 14 and 15, when scores of witnesses were heard, and during which more than 200,000 words of testimony, mostly under oath, were taken.

This testimony is, I am certain, available to Secretary Benson. I am of the opinion that after he reads this sworn testimony he should be convinced that the policies which he contends are followed by his Department are not being carried out in Missouri where the chairman of the State ASC committee

appears to be a puppet in the hands of the chairman of the Republican State committee.

The Secretary of Agriculture may be amazed to find out that in certain counties where the office manager has been discharged by the county committee that the discharged office manager is still being paid from public funds, which in itself appears to be a violation of the law, apparently condoned by the State committee as well as by Secretary Benson, despite the clearness of his own regulations which state that the county committee does have the authority to discharge a county office manager.

Mr. Speaker, the sworn testimony at the hearing in Jefferson City, on November 14 and 15, shows that in Calloway County a county committee was suspended solely on the ground that it would not employ an office manager selected by the State committee which refused to approve any of several qualified men selected by the county committee, all of whom met the standards and qualifications set forth in the regulations.

It appears, Mr. Speaker, that I have been correct in the charges that I have made since the reorganization of the farm program, which charges have been reiterated from time to time, that in Missouri, at least, one of the unwritten regulations is that before any person can be approved as an office manager he must be approved by the Republican State committee.

Perhaps, Mr. Speaker, my resentment to this procedure is unduly influenced by a personal experience in my home county of Dunklin, which is one of the leading Democratic counties in Missouri. We have never had any partisan politics in the operation of the farm program in Dunklin County. Under the long Democratic administration the farmers elected their own farm committees with no thought as to politics and both Democrats and Republicans served efficiently and harmoniously. For many years a good Republican friend of mine served as a member of the county committee; later as chief clerk of the committee and at the present time as the office manager. In each of these positions he has done an excellent job. Had there been any desire to operate the program on a political basis, this man could never have been elected, but as I say there was no politics in the operation of the farm program in Dunklin County under the last Democratic administration and that is why I am so concerned now when it is so apparent that all over Missouri this administration has permitted a vicious ruthless Republican political organization to take charge of what has always been a farmer-operated program, and to ride roughshod over our farmers in Missouri.

Mr. Speaker, I am sure my colleagues from other States will be amazed when I tell you that in Missouri, during the administration of the farm program during the last 3 years, a total of 55 members of county committees, duly elected by the farmers in their counties have been suspended or discharged by the Missouri ASC State committee, dominated and controlled by the chairman of the Republican State committee in Missouri. Mr. Speaker, those 55 duly elected committeemen who have been suspended or discharged in Missouri represent more than 25 percent of all of the county committee members who have been suspended or discharged throughout the entire 48 States. Can you wonder that we in Missouri feel that the program has not been operated in the best interest of the farmer, and why we of the Missouri delegation have protested over the high-handed manner in which partisan politics has been allowed to dictate the operation of this program?

Mr. Speaker, I am interested in the farm program, and I have worked hard trying to bring about changes which will be most helpful to the farmers of my district, the State of Missouri and the entire Nation.

It is unfortunate, of course, that some of our colleagues, particularly those who come from metropolitan areas, who have one or no rural agricultural counties in their districts, and who know little, if nothing, about the problems, seek to set themselves up as spokesmen for their State ASC committees, and the Department of Agriculture, echoing statements which they later have to retract upon being confronted with the facts.

Mr. Speaker, with reference to the hearings recently held in Jefferson City, and of course I am not going to include the more than 200,000 words in this speech since the hearings will be printed, I will only point out some typical examples of the high-handed manner in which the Republican-controlled ASC committee in Missouri has been operating.

Not only does the chairman of the State committee, Mr. Murray Colbert, under oath, admit that his committee told a county committee that unless they appointed a man selected by the State committee as county office manager that the county committee would be suspended or dismissed, but in his admission he frankly stated on interrogation that, "maybe I didn't correctly have the authority," and added, "I haven't been perfect all my life." After admitting, under oath, that the man selected by the county committee did have the minimum qualifications, Mr. Colbert went on to admit further that the county committee was dismissed solely on the grounds that the committee would not employ the office manager selected by the State committee. It is interesting, Mr. Speaker, to read in this same testimony that Mr. Colbert, the State ASC chairman, still insists that his committee is operating under procedures set forth by the Department of Agriculture.

But the real tragedy of this situation, Mr. Speaker, is that the Secretary of Agriculture, apparently not only condones, but actually approves the illegal practices which are taking place in Missouri, for no later than last week, the announcement was made that the chairman of the Missouri ASC committee has been reappointed. And remember, this announcement of the reappointment of this man was made after Secretary Benson had an opportunity to read the sworn testimony of the hearings in Jefferson City, including the statement of the chairman of the State committee when he admitted that he took action in the discharging of members of county committees which action was in direct violation of the law and the regulations issued by the Secretary of Agriculture.

In a letter, under date of December 30, 1955, addressed to the two distinguished Senators from Missouri, and signed by True D. Morse, Acting Secretary of Agriculture, that official, presumably acting in the absence of Secretary Benson, seeks to evade the responsibility which rests directly on the shoulders of the Secretary, by declining to review the illegal operation of the ASC program in Missouri. Instead he suggests that those 55 committeemen who have been suspended, dismissed, and discharged, file an appeal with the State ASC committee in Missouri. Imagine, those who have been unjustly wronged filing an appeal with a committee, the chairman of which has already under oath admitted practices which the Department of Agriculture regulations clearly state are violations of the law.

It is most unfortunate, Mr. Speaker, that it now appears that the only relief that the farmers of Missouri can expect under such disgraceful conditions as Secretary Benson has permitted to exist in our State is for Congress to pass legislation which will spell out specifically that the selection of members of the county committees shall rest solely with the farmers of that county, and that they be permitted to select the employees of their own office without interference from any partisan political committee.

Mr. Speaker, I have told you some of the political things that are taking place in Missouri in the administration of the farm program. That is why it is distressing to me to read in the President's message on the state of the Union the statement that we should approach the agricultural problem on a bipartisan or nonpartisan basis; and yet we have the farm program under the direction of a Secretary of Agriculture who has refused even to see that the law is enforced in his own Department in the State of Missouri as it refers to the political activity of the Republican State committee. Remember, we have sworn testimony there that his State committee has openly violated the law, yet he refused to review the actions of that State committee.

What can we expect when we read in this message today talking about putting payments through the ASC committee? Am I to expect that in my county that a committee—and I should not say in my county because we have a good committee in my county and have had all the time; but are we going to permit the State committee to appoint political hacks to run the farm program in Missouri? Does it mean that they are going to have control of these funds that we are going to pay? These are some of the things we have got to look into. I have got to see the Secretary get his hands clean before he starts this program; they are not clean at this time. He has refused to review these charges that have been brought to his attention, but tells us to go to the State committee dominated by Republicans to get redress.

I have one other comment to make about the President's message today and that is with regard to his suggestion on

the farm program. This message contains a lot of promises, and I do know that sometimes when your farmers are in distress they are misled by promises just as they were in 1952 when candidate Eisenhower promised them 100 percent of parity. Some were misled and voted the Republican ticket, and I have letters in my files from Republicans who apologized for their mistake at that time. Let me call your attention to this statement in the President's message of today:

I ask the Congress to consider placing a dollar limit on the size of price-support loans to any one individual or farming unit. The limit should be sufficiently high to give full protection to efficiently operated family farms.

I wonder if sometime later we will have someone trying to explain that "full" does not mean 100 percent. When I think about "full," I think about 100 percent and running over. We are going to have to have that explained, too. I am not going to take any further time.

Mr. COOLEY. Mr. Speaker, will the gentleman yield?

Mr. JONES of Missouri. I yield to the gentleman from North Carolina, the distinguished chairman of the House Committee on Agriculture.

Mr. COOLEY. I would like to ask whether or not in connection with these committeemen the gentleman referred to the Department of Agriculture through its officials preferred any charges against them that were dismissed?

Mr. JONES of Missouri. In many cases they suspended people, keeping them off the job for as long as 30 days, during which time they consistently refrained from filing any charges. In some instances those committeemen were reinstated without charges ever having been filed at any time.

Mr. COOLEY. I am referring specifically to those who have been dismissed. Were they given a day in court?

Mr. JONES of Missouri. They were not.

Mr. COOLEY. Were they given an opportunity to see, to read, and to understand the charges that had been preferred against them?

Mr. JONES of Missouri. I could not say in all cases, but I do know in some of the cases with which I am familiar that members of the committee who were dismissed were denied the opportunity of seeing any of the charges that were made against them.

Mr. COOLEY. The gentleman indicates that he thinks these dismissals were prompted by politics.

Mr. JONES of Missouri. The sworn testimony of the hearing at Jefferson City bears that out. Witness after witness, and even Mr. Colbert, the chairman of the State committee, admitted that he told these people he would fire them if they did not hire a Republican appointee as county office manager.

Mr. COOLEY. As I understand the program, it is contemplated that the local committeemen shall be elected by the farmers.

Mr. JONES of Missouri. That is right, that is what has been our understanding.

Mr. COOLEY. By what authority does the Secretary dismiss duly elected committeemen except for corruption or malfeasance in office or something of that kind?

Mr. JONES of Missouri. I think the charges have been made through the State committee that they will not cooperate with the State committee in the majority of cases and it is stated that that cooperation, or lack of cooperation, has been based upon refusal of the county committee to hire a county office manager selected by the State committee, whereas the rules and regulations clearly state that the county committee has the right to select the county office manager with the approval of the State committee.

Mr. COOLEY. When a committeeman is once dismissed, as I understand what the gentleman is saying, the Secretary of Agriculture takes it upon himself, operating through the State committee, to fill the vacancy which has been created by appointing someone to take over the duties of the man who had theretofore been duly elected by the farmers?

Mr. JONES of Missouri. I think that is right, although I do not want to state that as a fact.

Mr. CHRISTOPHER. Mr. Speaker, will the gentleman yield?

Mr. JONES of Missouri. I yield to the gentleman who has served on a county committee and who was also at the hearing at Jefferson City.

Mr. CHRISTOPHER. When a committeeman is discharged, the alternate comes in and takes his place. If the alternate is discharged, another election is held.

Mr. CURTIS of Missouri. Mr. Speaker, will the gentleman yield for about 5 minutes?

Mr. JONES of Missouri. I yield to the gentleman from Missouri.

Mr. CURTIS of Missouri. Mr. Speaker, first I want to comment on what my colleague said in reference to the Curtis code of ethics having to do with presenting and debating matters on the floor of the House. What he read in that letter I reiterate. I think it is very important that all of us, if we can, follow that procedure.

I want to point out that far from launching an attack on August 2 I was trying to answer an attack that had been launched on July 29 on the floor of the Senate which was given wide publicity and laying the groundwork, I might state, for this Senate subcommittee hearing out in Missouri.

It was impossible in the last few days of the session—I know we all realize that—under the Speaker's ruling to secure special orders for any length of time, or even to get one minute to speak. The best we could do was to insert something in the RECORD. I know the gentleman from Missouri also recognizes that those last few days are hectic ones. Personally, I regret that there was not the opportunity available to either him or me to have taken the floor of the House so that we could have conducted a debate somewhat along these lines in order to go into the charges that had been made and to see whether or not they were justified. I do not apologize for using that procedure at the tail end of the session because it was the only method we had available. I would do so again. I do believe, however, that whenever possible—which is usually most of the time—this procedure should be followed. I want to commend the gentleman from Missouri also for notifying me ahead of time that he was going to bring this matter up on the floor of the House today. I think that is proper.

Now just one general remark in regard to these hearings in Missouri. Regrettably, the hearings, at least as far as I know, are not available yet and have not been printed up. I know the Senate subcommittee has not even commented on it, so I think it is highly improper for us here today to be debating conclusions from what that evidence might adduce, as well as—and we are unable to do this, I might state—even comment on the procedures used at the hearings, because it happens to be a Senate subcommittee. It is going to be pretty difficult for us to debate what went on in a Senate subcommittee hearing here on the floor of the House. I regret it.

Mr. JONES of Missouri. Mr. Speaker, will the gentleman yield?

Mr. CURTIS of Missouri. I yield to the gentleman from Missouri.

Mr. JONES of Missouri. It was a public hearing. The gentleman was there.

Mr. CURTIS of Missouri. Yes, I was there.

Mr. JONES of Missouri. And other people were there, and everything said there was available to the public and to the Secretary of Agriculture who declined an opportunity to be represented and to be heard at that hearing.

Mr. CURTIS of Missouri. To that extent I thoroughly agree with the gentleman. The matters brought up in that hearing and the testimony adduced, if we can refer to that specifically and agree on what was said, why then, yes, we can, but the difficulty lies in the fact—and I do not want to traduce our rules on this. Let us put it this way. There is some question as to the equitableness, the fairness of the procedures of that hearing or any hearing, for that matter. There is always that question of whether or not both sides were given ample opportunity to present their side of the case as well as to cross-examine witnesses, and so forth, and so forth. Those things always come up. I believe that there will be quite a bit of discussion on the floor of the Senate in regard to that matter. But, as far as some of the general conclusions that my colleague drew from testimony that was adduced at Jefferson City, I must say that I was there the entire time with the exception of a few hours. Incidentally, those hearings went from 9 o'clock one morning until midnight. I missed the after-dinner session that one evening, but then we took up again the next day at 9 o'clock and quit at 1 o'clock in the morning, and I was there the entire time, and I can state that I cannot agree with my colleague from Missouri as to either the testimony or certainly the conclusions

drawn from that. I, myself, have already commented in a letter that I wrote to the Department of Agriculture giving them the benefit of my views and the conclusions I drew from the hearings.

I might say to my colleague from Missouri that there incidentally was a forum for him to have presented some of these charges that he had been making which lay at the base for this trouble in Missouri. I certainly was there those 2 days in order to do what I could to refute those charges which I think were not correct, but the gentleman from Missouri [Mr. JONES], did not avail himself of that forum; at least, he was not present there, and that is one of the places where we can iron these things out to find out whether they are true or not.

Mr. JONES of Missouri. The gentleman did not mean to infer that at a congressional hearing is the time for Members to debate the program.

Mr. CURTIS of Missouri. It is the time to get the facts out in the open to find out if there are specific data that will back up general charges, yes, I do, and it is from those things that you can then go on to debate.

And, I want to point out one other thing. Your quotation of Mr. Colbert saying that they would have to hire Republicans is directly contrary to the evidence. In fact, Mr. Colbert said just the opposite. And, the test of whether or not political hacks have been hired in Missouri, is that 70 percent of the county managers that have been hired under the present program have had bachelor of science degrees in agriculture, and that is something no other State in the Union can match, and I think if we can only go on that plane to try to get better qualified people on those jobs, the program is going to benefit. Senator HUMPHREY at the tailend of the hearing said that: At any rate, at least, it looks like the farm program is going on all right even though there is a lot of argument over the technical personnel administration of the thing.

Mr. JONES of Missouri. The gentleman is talking about getting the facts. Does he not think the best way to get the facts is to bring in witnesses and place them under oath?

Mr. CURTIS of Missouri. Yes.

Mr. JONES of Missouri. And that was done at this hearing.

Mr. CURTIS of Missouri. But there was no opportunity to cross-examine or bring in rebuttal witnesses.

Mr. JONES of Missouri. The gentleman is not saying at this time that Mr. Colbert did not admit that he fired one county committee because specifically they would not hire the county office manager that had been recommended by the State committee? The gentleman would not say he did not testify to that?

Mr. CURTIS of Missouri. No; it is a great deal more complicated than that. He did not.

Mr. JONES of Missouri. The gentleman says that he did not admit that?

Mr. CURTIS of Missouri. That is right; not in the words that the gentleman has used. The gentleman asked a specific question. He asked whether he said this and that, and I said, "No; he did not"; the question involved was a great deal more complicated than the way the gentleman presented it. I think if the gentleman had listened to the witnesses at those hearings, he would have seen that it was a great deal more complicated. It was not an open-and-shut thing.

There is a real area here where we, in Congress, ought to be figuring out just how we want these committees set up and we must not blame people down the line for a failure to clarify the picture.

Mr. JONES of Missouri. I still say that I am blaming the operation of the program in Missouri where 55 committeemen were suspended or dismissed. That represents 25 percent of all the dismissals which have taken place in the United States. Surely there is something wrong there.

Mr. CURTIS of Missouri. There was something wrong. My allegation was that there were political manipulations before.

Mr. JONES of Missouri. In closing, Mr. Speaker, I merely want to say this. The gentleman from Missouri, from St. Louis County, will not deny, I believe, that the chairman of the State committee in Missouri made this specific statement that I quoted: "Maybe I did not correctly have the authority," and "I have not been perfect all my life."

Does the gentleman deny that he did not make those statements?

Mr. CURTIS of Missouri. If the gentleman will give the rest of the context of the statement, it would clear it up. Does the gentleman not admit that he makes mistakes too? There are a lot of mistakes made, and some of them are honest ones.

Mr. JONES of Missouri. In the particular case I am talking about where he said he fired the committee because they would not select a certain county office manager—one that the State committee had selected.

Mr. CURTIS of Missouri. No; that is not the fact.

Mr. JONES of Missouri. I have a copy of the sworn testimony in which that statement is made.

Mr. CURTIS of Missouri. I would like to see it.

Mr. JONES of Missouri. And I will state it as a fact.

Mr. CURTIS of Missouri. I was present.

Mr. JONES of Missouri. Mr. Speaker, I refuse to yield further.

I shall also state that the Secretary of Agriculture has been furnished with copies of this sworn testimony. It has been documented to him under oath showing where this program has been operated illegally in Missouri. And in a letter, which I have here, he refused to review the situation in Missouri, to see that that politically dominated machine does not still operate the ASC program in Missouri.

I am stating that as a fact.

Mr. COOLEY. Mr. Speaker, will the gentleman yield?

Mr. JONES of Missouri. I yield to the gentleman from North Carolina.

Mr. COOLEY. I think the gentleman should correct his remarks. The gentleman referred to the county committee when I think he intended to refer to the manager of the county office. If I understand the gentleman, these men were fired because they did not employ a certain person as manager of the office.

Mr. JONES of Missouri. That is correct.

Mr. COOLEY. Who was recommended to them to be employed.

Mr. JONES of Missouri. That is correct.

Mr. COOLEY. And that is what happened?

Mr. JONES of Missouri. That is what happened.

Mr. COOLEY. The gentlemen is a member of the Committee on Agriculture and if the gentleman thinks that this matter needs to be further investigated, I am sure the gentleman knows that the House has authorized our committee, through subcommittee or otherwise, to investigate charges such as the gentleman is now bringing to the attention of the House. If the gentleman is unable to obtain accurate information in regard to the dismissal of these 55 county committeemen in the State of Missouri, I can assure the gentleman that our committee will cooperate with him in trying to obtain accurate information.

Mr. JONES of Missouri. I appreciate the statement of the chairman of the committee, but I think that all of this information taken under oath will be available to the Congress. I think we perhaps will want to take some action in passing legislation. We have found in the past that frequently when we pass legislation in which there is some discretion left to the administrator the intent of Congress is not carried out and later we must come back and amend that legislation. I think that is what is taking place here. The Secretary of Agriculture has gone beyond the intent of Congress in his interpretation.

I will say this, and I want to be perfectly fair in this matter. There are some employees in the Department of Agriculture who have apologized to me for some of the things that have taken place there in Missouri. I have been told by people in high position in the Department of Agriculture that they should have stopped this thing several months ago when it was first called to their attention. In fact, they brought the State committee up here one time, and it was generally understood at that time that either the State committee was going to be discharged or at least they were going to be disciplined to get the thing back on the beam.

In that connection, may I ask my colleague from St. Louis County one question: Does he know of the chairman of the ASC committee in Missouri ever coming to Washington on official business when he was not accompanied by the chairman of the Republican State committee?

Mr. CURTIS of Missouri. I will answer that.

Mr. JONES of Missouri. I will yield the gentleman 2 minutes to answer that question. He could answer it yes or no. Does he know of any such occasion?

Mr. CURTIS of Missouri. I had only one occasion to meet the gentleman concerned, Mr. Colbert, in Washington. On

that occasion it was the time I referred to when he was brought here to answer these charges, and he was accompanied by the State chairman, which I thought was quite appropriate, inasmuch as the charges were made that there had been political manipulations.

Mr. JONES of Missouri. I asked the gentleman a simple question. Does he know of any visit the chairman of the State ASC committee in Missouri has made to Washington on official business—and he has made several such visits here—when he was not accompanied by the chairman of the Republican State committee?

Mr. CURTIS of Missouri. I answered within my knowledge, that there was only one time that he was in Washington that I knew about.

Mr. JONES of Missouri. I asked the gentleman to answer "Yes" or "No." Does he know about any?

Mr. CURTIS of Missouri. The one time I saw him it was true. I may say to the gentleman that as far as that particular occasion is concerned, it involved the Mississippi County situation, which I personally went into. I am very happy that the Department of Agriculture had the good sense to back up the State committee on that thing in the final run, because the action taken I think was clearly proven to be in the best interests of the farmer and the farm program, and yet politics was alleged in that instance, too.

Mr. JONES of Missouri. I will not agree with anything that is said about that, because the gentleman is just as wrong about that as he has been in some of the other cases. He is just as wrong about that as he was when he went before a committee and told about a man being put in the penitentiary and serving a sentence, and then later he had to retract that and admit the man got a $100 fine.

WHITHER STATESMANSHIP?

Mr. MARTIN. Mr. Speaker, I ask unanimous consent that the special order granted to the gentleman from New York [Mr. COLE] for this afternoon be vacated, and that he be permitted to extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. COLE. Mr. Speaker, Saturday, September 24, 1955, will take its place in history as one of the dark and fateful days of American history.

In the early hours of dawn, on that day, our great President and patriot, Dwight D. Eisenhower, suffered a heart attack of unknown intensity and the distressing news was dispatched to the four corners of a stunned and sorrowful world. Bewilderment and disorder of panic proportions began. Humble, but fervent, prayers were soberly chorused in scores of foreign tongues and foreign lands, as well as in our great country. The whole world waited with bated breath for the successive bulletins issued from the bedside at Denver, Colorado. God be praised. Our prayers were answered, and the bulletins almost immediately struck a note of encouragement and hope. Our gloom gradually became dispelled—at least temporarily.

Since that time there has been a constant din of speculation as to whether President Eisenhower would run for reelection—little, if anything, has been said as to whether he should be the candidate again.

Today, I feel it my duty to voice my own personal opinion on this momentous question, involving as it does, not only the welfare of our beloved President, but also the destiny of his beloved Nation. In speaking primarily to my Republican colleagues in this and the other body, I also address my remarks to my friends on the Democratic side of the aisle, and in all humility to the citizens of this great Nation.

Although my remarks are directed to all those persons, if but one man hears and heeds them, I shall have fulfilled my purpose for what I have to say concerns that one man.

In speaking today as I do, it is as a Republican of deep and abiding faith in the principles and purposes of our great party, but also with a consciousness of its responsibilities to our country. But I do not speak today as a Republican partisan. As a Member of this great legislative body, I speak with confidence that my words will be heard with understanding on both sides of the aisle. I speak as an American citizen with an appreciation for the priceless heritage of freedom, and also with the awareness of the concomitant obligations of those who would enjoy it.

The matter of which I speak, undoubtedly, is upon the conscience of more Americans than have given it expression. It has been upon my own for many months.

I speak in opposition to those who would urge a President of admittedly uncertain health to seek a second term. This I do for many reasons, the principal ones of which are that it is not fair to Dwight Eisenhower to appeal to his sense of duty by urging him to run again; and that it is not for the best interest of the country that he attempt a second term.

Four years ago, under the banner of the Republican Party, an American who had already given a lifetime of service to his country culminating in the commanding generalship of our victorious armies in World War II, again responded to the call of duty and assumed the heaviest burden of leadership in the history of the world.

With full recognition of the great contributions this man had already made to the freedom and security of the Nation and the world, Democrats joined the Republicans to demand a continuance of his service and sought his leadership by placing him in the highest office of the land.

Their call was an unprecedented demonstration of affection and gratitude. It was an expression of boundless confidence that his seasoned hand could hold our ship of state on a steady course through dangers as great as any which ever faced this or any other nation of free men.

This is neither the time nor place to expound on the great service to our country and the world which Dwight Eisenhower has rendered. We are all aware of it, and history will confirm it. Nor do I have the ability to give proper expression to the eternal debt which is owed to him. I can only acknowledge it on behalf of millions of men of all nations, all colors, and all creeds.

As for his service to the United States, it is a sufficient statement to say he has given 41 of his 65 years. He has given it unstintingly, proudly, willingly, industriously, effectively—yes, gloriously.

We have bestowed upon him the highest honor within our power. He has responded to the limit of endurance.

What is the limit of a man's patriotic duty. Does the superior quality of his leadership condemn him forever to its burdens?

Will the Nation not be content with 41 years of a man's life in public service or do we demand all of it?

It is with sorrow and with regret that I contemplate our greed and insatiability. No matter how great a man's service, no matter how much of his life he has given to the public weal, there are those who would demand more.

Already the pressures are being built up to deny Dwight Eisenhower the well-earned right to lay aside the mantle of state with a sense of duty fully done.

My sense of Christian charity prompts me to forgive all those who would take advantage of Dwight Eisenhower's sense of duty in this way, because I am sure they do not do so in selfishness, but in what they conceive to be the best interest of our country. I do not have to defend on the floor of this House my devotion to President Eisenhower. This body well knows the manner in which I have supported his principles and programs. Today, I am again speaking in his behalf.

But I am also speaking in behalf of the Nation. What is the situation we face? The burdens of the Presidency have been described in the past as "killing." In these days of hydrogen weapons, of intercontinental bombers and missiles, can any man foresee these burdens as becoming less onerous?

The high challenges and deep obligations of the Presidency in our times are fully known to Dwight Eisenhower. No man knows better than he the great opportunity for personal service and dutiful patriotism that the Presidency offers, and the wearing demands it places upon him who fills it. No man's life exemplifies better than Eisenhower's a full and complete response to the call of duty, on the battlefield, in the council chambers, and in the highest office of our Government.

I say that if Dwight Eisenhower again becomes a candidate for President, he will be elected, and if he were in full and sound health, I would urge him to run. But I believe that Dwight Eisenhower should not, and will not again become a candidate for public office. He will not because of the very sense of duty that is synonymous with his name. He will transcend the immediate, and, in an ultimate act of patriotism, step down for his country's good.

To ask him to do otherwise is to belie his sense of duty and it is unfair to him personally.

But there is more at stake than our sense of justice and gratitude, and more is involved than our respect for this beloved man. We would be unworthy of his leadership if we failed to consider our country.

My colleagues in the House will acknowledge the need for frankness. They will be quick to acknowledge, too, that the burdens of the Office of the President are greater than those of any Member of this or of the other body, and far greater than those of any other post which mortals are called upon to fill.

And never in our history has the Presidency called for greater reserves of energy, greater reservoirs of patience, and greater capacity for searching analysis and aggressive solution of crushing problems. It is very well to speak of the return to a normal life of those other persons who have suffered heart attacks, but there is nothing normal about the Presidency.

There is nothing normal about the Presidency and there is nothing normal about the times.

I said when I began that I spoke as a Republican but not as a partisan. As a partisan, it would serve the short-term interest of my party to have our great leader once again at the head of the ticket. But as a Republican it would be to substitute expediency for right, politics for principle.

We owe it to Dwight Eisenhower, we owe it to ourselves, and we owe it to our country so to comport ourselves in compassion and understanding that in fulfillment of his highest duty he may relinquish with honor the heavy burdens of his office, and for decades to come continue to live among us, giving of his wisdom, his humanity, and his vision.

THE PRESIDENT'S FARM MESSAGE

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTEN. Mr. Speaker, this administration has reduced the farmer's price, increased his cost and cut his acreage. The Department of Agriculture has held the products of American farmers off world markets while the United States Government provided funds to increase foreign production of the same commodities.

Our Government has provided hundreds of millions of dollars for tractors, gins and combines, yes and good seeds, for irrigation and for flood control, all to expand foreign production for export. We have granted tax concessions to Americans for foreign investment and held our commodities off world markets in order to give it to them.

Mr. Speaker, today the United States is paying the salaries of 740 American agriculturists who are busy teaching foreign countries how to add to world surpluses.

Actually we are giving away commodities the Department would not offer for sale for dollars through normal channels.

Through these giveaway programs we are supplying world needs, until through foreign aid we get foreign production increased to the point United States farmers will never have a foreign market.

No, Mr. Speaker, the President's message does not correct this situation, but rather, he recommends that we take United States land out of production by paying the American farmer this election year. Could it be they will use this cash payment to obtain votes? Could it be they would use this means to get the American farmer to cut back to the point of producing for the American consumer only? That is where the policies of the past few years lead.

The message overlooks many facts if the farmer is to obtain a fair share of the national income.

I would like to present some of the facts which have been largely overlooked:

Present law provides two price systems; First, sales on domestic markets at support level plus reasonable carrying charges; second, sales in world markets at any price.

Discussions of two price systems really have to do with two-level support price, or rather a support price for domestic consumption only.

Modern parity formula divorced supports from costs the farmer pays and now is a percentage of the average price the farmer has received for the past 10 years. Thus increasing costs will not be reflected.

Flexible provisions of present law would lower percentage of modern parity as United States supplies on hand increase. Thus any commodities not sold because the United States would not offer at competitive price would reduce percentage of parity-support level.

Under law governing acreage, reduced exports cut acreage, quantity on hand above normal supply cuts acreage.

Price supports not tied to the cost of what the farmer has to buy are misleading and to a large extent meaningless.

In view of high-concentrate fertilizers, cutting out acreage with no restriction on how much can be grown on the remaining acreage will not substantially cut production.

Cutting United States production will not reduce world supplies—unless United States supplies are kept constantly on the world markets for sale at competitive prices—United States acreage merely moves overseas.

The present program—where the United States is furnishing capital, machinery, fine seed, technical assistance, tax concessions for United States investors abroad, plus holding United States commodities off world markets at competitive prices, thereby holding an umbrella over foreign expansion for export—can only have the effect of wrecking any farm program.

Present programs of making grants, gifts, and sales for foreign currencies in substitution for sales through normal channels cannot retain or regain customers for United States farmers.

This year's proposals must be accepted as an election-year deal—for the same people have sponsored foreign aid to finance increases in foreign production for export. They have tried to eliminate the existing soil-conservation program, for which the Federal Government pays only a third of the cost. They recommended and obtained a change in the parity formula so that it is not longer tied to the cost of what the farmer buys. They refused to offer to sell at truly competitive prices in world trade. They have tried to cut the school-lunch program each year.

A recommendation from this group for a direct payment from the Treasury to the farmer should be taken with tongue in cheek.

If the farmers sell they must accept this billion dollars offered this election year to offset high cost, lower price, and restricted acreage—all of which have been supported by Mr. Benson and these particular farm leaders—the farmers had better get commitments for 1957, 1958, and 1959. Election year payments will run mighty thin when spread over 4 years.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. YATES (at the request of Mr. O'BRIEN of Illinois), on account of illness.

Mr. DAVIS of Tennessee (at the request of Mr. PRIEST), for this week, on account of official business.

Mr. METCALF (at the request of Mr. BOLLING), for this week, on account of official business.

Mr. CLARK (at the request of Mr. DENTON), for this week, on account of official business.

SENATE BILLS, JOINT AND CONCURRENT RESOLUTIONS

Bills, joint and concurrent resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 65. An act to amend section 1 (d) of the Civil Service Retirement Act of May 29, 1930, as amended; to the Committee on Post Office and Civil Service.

S. 530. An act for the relief of the Sacred Heart Hospital; to the Committee on the Judiciary.

S. 637. An act to provide for the conveyance of Camp Livingston, Camp Beauregard, and Esler Field, La., to the State of Louisiana, and for other purposes; to the Committee on Armed Services.

S. 792. An act for the relief of Spyros Nicholaou Lekatsas; to the Committee on the Judiciary.

S. 872. An act for the relief of Sam Bergesen; to the Committee on the Judiciary.

S. 938. An act to provide for the payment and collection of wages in the District of Columbia; to the Committee on the District of Columbia.

S. 1255. An act for the relief of Brigitta Poberetski; to the Committee on the Judiciary.

S. 1352. An act for the relief of A. J. Crozat, Jr.; to the Committee on the Judiciary.

S. 1584. An act for the relief of Raymond D. Beckner and Lulu Stanley Beckner; to the Committee on the Judiciary.

S. 1748. An act to authorize the appointment of Reserve midshipmen in the United States Navy, and for other purposes; to the Committee on Armed Services.

S. 1749. An act adopting and authorizing the improvement of Rockland Harbor, Maine, to the Committee on Public Works.

S. 1959. An act to direct the Secretary of the Army or his designee to convey a six and eighty-nine one-hundredths acre tract of land out of a one hundred ninety-nine and nine hundred fifty-nine one-thousandths acre tract of land situated in the vicinity of Houston, Harris County, Tex., to the State of Texas; to the Committee on Armed Services.

S. 2130. An act for the relief of Nicholas John Beltsos; to the Committee on the Judiciary.

S. 2154. An act for the relief of Lucia Mary Ann Lucchesi Marchi; to the Committee on the Judiciary.

S. 2166. An act for the relief of Nickolas Menis; to the Committee on the Judiciary.

S. 2182. An act for the relief of the city of Elkins, W. Va.; to the Committee on the Judiciary.

S. 2364. An act to amend the Federal Property and Administrative Services Act of 1949, as amended, and for other purposes; to the Committee on Government Operations.

S. 2374. An act to authorize the Secretary of the Army to enter into contracts to furnish water for municipal water supplies from flood control and river and harbor projects; to the Committee on Public Works.

S. 2446. An act to permit sale of Commodity Credit Corporation stocks of cotton that are in excess supply for unrestricted use at current market prices; to the Committee on Agriculture.

S. 2568. An act to amend title I of the act entitled "An act to authorize and direct the construction of bridges over the Potomac River, and for other purposes"; to the Committee on the District of Columbia.

S. 2587, an act to amend the Public Health Service Act to authorize the President to make the commissioned corps a military service in time of emergency involving the national defense, and to authorize payment of uniform allowances to officers of the corps in certain grades when required to wear the uniform, and for other purposes; to the Committee on Interstate and Foreign Commerce.

S. 2591. An act to amend section 602 of the Federal Property and Administrative Services Act of 1949 with respect to the utilization and disposal of excess and surplus property under the control of executive agencies; to the Committee on Government Operations.

S. 2624. An act to amend an act entitled "An act to provide for the sale of the Port Newark Army Base to the city of Newark, N. J., and for other purposes," approved June 20, 1936, as amended; to the Committee on Armed Services.

S. J. Res. 93. Joint resolution authorizing the acceptance of a gift from the Ericsson Memorial Committee of the United States; to the Committee on House Administration.

S. J. Res. 104. Joint resolution equalizing the salaries of employees in the Senate Press Galleries with those of employees in the House of Representatives Press Galleries; to the Committee on House Administration.

S. Con. Res. 49. Concurrent resolution to print certain matters in connection with the acceptance by Congress of the statue of the late Chief Justice Edward Douglass White, of Louisiana; to the Commitee on House Administration.

S. Con. Res. 51. Concurrent resolution to print for the use of the Committee on Banking and Currency additional copies of hearings entitled "Stock Market Study"; to the Committee on House Administration.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House following the legislative program and any special orders heretofore entered was granted to:

Mr. WILLIAMS of Mississippi, for 45 minutes on Thursday.

Mr. GENTRY, for 30 minutes on Thursday next.

Mr. COLE, for 30 minutes on today.

Mr. GUBSER, for 30 minutes on Thursday next.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. WILLIAMS of Mississippi and to include extraneous matter.

Mr. MACHROWICZ.

Mr. BOLLING and to include extraneous matter.

Mr. GRAY and to include extraneous matter.

Mr. BURDICK.

Mr. GAVIN in regard to the late Mrs. Vera Buchanan, and that his remarks be included in the permanent RECORD with remarks of other Members concerning Mrs. Buchanan.

Mr. VAN ZANDT (at the request of Mr. GAVIN).

Mr. REED of New York (at the request of Mr. MASON) and to include extraneous matter.

Mr. DAWSON of Utah (at the request of Mr. MARTIN).

Mr. CRETELLA.

Mr. JOHANSEN.

Mr. FEIGHAN and to include extraneous matter.

Mr. WRIGHT.

Mr. DIXON in two instances.

ADJOURNMENT

Mr. COOPER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock), under its previous order, the House adjourned until Thursday, January 12, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1335. A letter from the Assistant Secretary of Agriculture, transmitting the report of operation, expenditures, and obligations under the Soil Conservation and Domestic Allotment Act for the fiscal year ending June 30, 1955, pursuant to the act of June 28, 1937 (50 Stat., 329); to the Committee on Agriculture.

1336. A letter from the Secretary of the Army, transmitting a report on Department of the Army aviation personnel above the rank of major and by age group, with the average monthly flight pay authorized by law to be paid such officers for the period July 1, to December 31, 1955, pursuant to Public Law 301, 79th Congress; to the Committee on Armed Services.

1337. A letter from the Acting Secretary of the Navy, transmitting a draft of proposed legislation entitled "A bill to require enlisted members of the Armed Forces to make up time lost during enlistments"; to the Committee on Armed Services.

1338. A letter from the Acting Secretary of the Navy, transmitting a draft of proposed legislation entitled "A bill to amend title II of the Women's Armed Services Integration Act of 1948, by providing flexibility in the distribution of women officers in the grades of commander and lieutenant commander, and for other purposes"; to the Committee on Armed Services.

1339. A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of proposed legislation entitled "A bill to authorize the Commissioners of the District of Columbia to designate and regulate holidays for the officers and employees of the Government of the District of Columbia for pay and leave purposes"; to the Committee on the District of Columbia.

1340. A letter from the vice president, the Chesapeake & Potomac Telephone Co., transmitting a report of the Chesapeake & Potomac Telephone Co. to the Congress of the United States for the year 1955; to the Committee on the District of Columbia.

1341. A letter from the chairman, Council on Law Enforcement in the District of Columbia, transmitting a report of the official operations of the Council on Law Enforcement in the District of Columbia from January 1, to December 31, 1955, pursuant to title IV, section 401 (c) of an act to provide for the more effective prevention, detection, and punishment of crime in the District of Columbia, approved June 29, 1953; to the Committee on the District of Columbia.

1342. A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of proposed legislation entitled "A bill to amend section 345 of the Public Health Service Act"; to the Committee on Interstate and Foreign Commerce.

1343. A letter from the Attorney General transmitting a draft of proposed legislation entitled "A bill to amend title 18, United States Code, so as to prohibit intrusion upon the privacy of Federal juries"; to the Committee on the Judiciary.

1344. A letter from the Director, Administrative Office of the United States Courts, transmitting a draft of proposed legislation entitled "A bill to amend section 1292 of title 28 of the United States Code relating to appeals from interlocutory orders"; to the Committee on the Judiciary.

1345. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation entitled "A bill to assist areas to develop and maintain stable and diversified economies by a program of financial and technical assistance and otherwise, and for other purposes"; to the Committee on Banking and Currency.

1346. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated April 19, 1955, submitting a report, together with accompanying papers and an illustration on a review of reports on Juneau and Douglas Harbors, Alaska, requested by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted on October 30, 1945 (H. Doc. No. 286); to the Committee on Public Works and ordered to be printed with an illustration.

1347. A letter from the president, Gorgas Memorial Institute of Tropical and Preventive Medicine, Inc., transmitting the 28th Annual Report of the work and operation of the Gorgas Memorial Laboratory, covering the fiscal year ended June 30, 1955, pursuant to section 3 of the act of Congress approved on May 7, 1928, as amended (22 U. S. C. 278a) (H. Doc. No. 287); to the Committee on Foreign Affairs and ordered to be printed.

1348. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation entitled "A bill to transfer certain responsibilities of the Secretary of the Interior to the Public Housing Commissioner and the Secretary of Agriculture, and for other purposes"; to the Committee on Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, pursuant to the order of the House of January 5, 1956, the following bill was reported on January 6, 1956:

Mr. SPENCE: Committee on Banking and Currency. H. R. 7871. A bill to amend the Small Business Act of 1953; with amendment (Rept. No. 1633). Referred to the Committee of the Whole House on the State of the Union.

[Submitted January 9, 1956]

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DAVIS of Tennessee: Committee on Public Works. H. R. 7930. A bill authorizing the completion of the initial stage of development for flood control and other purposes in the Russian River Basin, Calif.; without amendment (Rept. 1634). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CHRISTOPHER:

H. R. 8218. A bill to prohibit insurance companies doing insurance business of an interstate character from issuing group health, hospitalization, and accident insurance which may be canceled after a period of 3 years for any reason other than nonpayment of premium; to the Committee on Interstate and Foreign Commerce.

H. R. 8219. A bill to amend section 8 (b) of the Soil Conservation and Domestic Allotment Act, as amended, to provide for administration of farm programs by democratically elected farmer committeemen; to the Committee on Agriculture.

By Mr. SAYLOR:

H. R. 8220. A bill to assist areas to develop and maintain stable and diversified economies by a program of financial and technical assistance and otherwise, and for other purposes; to the Committee on Banking and Currency.

By Mr. CARRIGG:

H. R. 8221. A bill to assist areas to develop and maintain stable and diversified economies by a program of financial and technical assistance and otherwise, and for other purposes; to the Committee on Banking and Currency.

By Mr. FENTON:

H. R. 8222. A bill to assist areas to develop and maintain stable and diversified economies by a program of financial and technical assistance and otherwise, and for other purposes; to the Committee on Banking and Currency.

By Mr. VAN ZANDT:

H. R. 8223. A bill to assist areas to develop and maintain stable and diversified economies by a program of financial and technical assistance and otherwise, and for other purposes; to the Committee on Banking and Currency.

By Mr. ALLEN of Illinois:

H. R. 8224. A bill to provide for the issuance of a postage stamp in commemoration of the 100th anniversary of the Lincoln-Douglas joint debates; to the Committee on Post Office and Civil Service.

By Mr. H. CARL ANDERSEN:

H. R. 8225. A bill to authorize the addition of certain lands to the Pipestone National Monument in the State of Minnesota; to the Committee on Interior and Insular Affairs.

By Mr. BARTLETT:

H. R. 8226. A bill to amend section 1 of the act of March 4, 1915, as amended (48 U. S. C., sec. 353); to the Committee on Interior and Insular Affairs.

By Mr. BENTLEY:

H. R. 8227. A bill to amend the Vocational Rehabilitation Act to provide additional Federal support to States and certain nongovernmental agencies to enable them to carry out adequate demonstration programs for the vocational rehabilitation of the homebound; to the Committee on Education and Labor.

By Mr. BOGGS:

H. R. 8228. A bill to suspend for 2 years the duty on crude bauxite and on certain calcined bauxite; to the Committee on Ways and Means.

H. R. 8229. A bill to amend the Tariff Act of 1930 to provide that nickel ore concentrates imported into the United States shall be exempt from duty; to the Committee on Ways and Means.

By Mr. BOYLE:

H. R. 8230. A bill to amend the Railroad Retirement Act of 1937 to provide a new method for determining monthly compensation in computing annuities, and to eliminate all restrictions upon the right of a spouse to receive benefits simultaneously under that act and the Social Security Act; to the Committee on Interstate and Foreign Commerce.

H. R. 8231. A bill to provide for a 15-percent increase in the annuities and pensions payable to railroad employees and their survivors; to the Committee on Interstate and Foreign Commerce.

By Mr. BROWN of Ohio:

H. R. 8232. A bill to authorize the Secretary of Agriculture to assist landowners and operators to conserve and store water; to the Committee on Agriculture.

By Mr. BUCKLEY:

H. R. 8233. A bill to authorize the Chief of Engineers to publish information pamphlets, maps, brochures, and other material; to the Committee on Public Works.

By Mr. CANFIELD:

H. R. 8234. A bill to provide for an experimental national flood indemnity and reinsurance program, and for other purposes; to the Committee on Banking and Currency.

By Mr. CELLER:

H. R. 8235. A bill to amend section 1114 of title 18 of United States Code relating to the protection of officers and employees of the United States; to the Committee on the Judiciary.

By Mrs. CHURCH:

H. R. 8236. A bill to provide for comprehensive reports by the Bureau of the Budget with respect to all branches of the Government and the executive agencies thereof; to the Committee on Government Operations.

H. R. 8237. A bill to provide for the mutualization of the Federal intermediate credit banks, and for other purposes; to the Committee on Agriculture.

H. R. 8238. A bill relating to the premiums to be charged for insurance issued by the Federal Crop Insurance Corporation; to the Committee on Agriculture.

H. R. 8239. A bill to require certain agencies of the United States engaged in activities affecting the fiscal policy of the Government to advise and consult with the Secretary of the Treasury, or his designee, with respect to the credit policy of the Government of the United States; to the Committee on Banking and Currency.

H. R. 8240. A bill to provide for reorganizing the insurance operations of the Veterans' Administration, to create a Veterans' Insurance Corporation, and for other purposes; to the Committee on Veterans' Affairs.

H. R. 8241. A bill transferring to the Secretary of Defense the management of certain properties presently classified in the national industrial reserve, and for other purposes; to the Committee on Government Operations.

H. R. 8242. A bill to require agencies of the United States engaged in lending operations, or the insuring or guaranteeing of loans, to make certain annual reports to the Congress and the Secretary of the Treasury; to the Committee on Banking and Currency.

H. R. 8243. A bill to authorize the Rural Electrification Administration to borrow money, and for other purposes; to the Committee on Agriculture.

H. R. 8244. A bill relating to the direction and supervision of the comptroller organization of the Department of Defense; to the Committee on Armed Services.

H. R. 8245. A bill to provide for improving management and technical personnel in the support activities of the Department of Defense, and for other purposes; to the Committee on Armed Services.

H. R. 8246. A bill authorizing the Federal Housing Administration to provide for its financing through the issuance of bonds, and for other purposes; to the Committee on Banking and Currency.

H. R. 8247. A bill relating to the lending activities of the Export-Import Bank of Washington, and for other purposes; to the Committee on Banking and Currency.

By Mr. CRETELLA:

H. R. 8248. A bill to provide for an experimental flood indemnity and reinsurance program and for other purposes; to the Committee on Banking and Currency.

By Mr. CURTIS of Massachusetts:

H. R. 8249. A bill to establish a national policy with respect to commercial fisheries; to establish the Office of Assistant Secretary of Commerce for Commercial Fisheries, and define his functions, powers, and responsibilities; to strengthen the commercial fisheries segment of the national economy, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. DEMPSEY:

H. R. 8250. A bill to require conformance with State and Territorial fish and game laws and licensing requirements on Federal lands not subject to such laws; to the Committee on Merchant Marine and Fisheries.

By Mr. DORN of New York:

H. R. 8251. A bill to amend title II of the Social Security Act to prevent the payment of any pensions thereunder to individuals who have been convicted of espionage, sabotage, or subversive activities; to the Committee on Ways and Means.

By Mr. FENTON:

H. R. 8252. A bill to amend the Small Business Act of 1953; to the Committee on Banking and Currency.

By Mr. FERNANDEZ:

H. R. 8253. A bill to require that hunting and fishing on military reservations, when permitted, shall be in full compliance with the game and fish laws of the State or Territory wherein such military reservations are located; to the Committee on Merchant Marine and Fisheries.

By Mr. FINO:

H. R. 8254. A bill to amend title II of the Social Security Act so as to increase the minimum amount of the monthly insurance benefits payable thereunder; to the Committee on Ways and Means.

By Mr. FLYNT:

H. R. 8255. A bill to provide benefits under title II of the Social Security Act for the survivors of certain individuals who died prior to 1940; to the Committee on Ways and Means.

By Mr. HESELTON:

H. R. 8256. A bill to provide for an experimental national flood indemnity and reinsurance program, and for other purposes; to the Committee on Banking and Currency.

By Mr. HILLINGS:

H. R. 8257. A bill to make it a crime to eavesdrop on a Federal jury; to the Committee on the Judiciary.

By Mr. HYDE:

H. R. 8258. A bill to amend the Internal Revenue Code of 1954 to assist small business by increasing the amount which is exempt from the surtax on corporate taxable income; to the Committee on Ways and Means.

By Mr. JENKINS:

H. R. 8259. A bill to amend the Internal Revenue Code of 1954 to relieve farmers from the excise tax on gasoline and lubricating oils used exclusively in farm tractors or farm machinery or for other agricultural purposes; to the Committee on Ways and Means.

By Mr. JOHNSON of California:

H. R. 8260. A bill to provide for an experimental national flood indemnity and reinsurance program and for other purposes; to the Committee on Banking and Currency.

By Mr. JOHNSON of Wisconsin:

H. R. 8261. A bill to increase the funds available for the school milk program; to the Committee on Agriculture.

By Mr. JONES of Alabama:

H. R. 8262. A bill to amend the Agricultural Adjustment Act of 1938 so as to increase acreage allotments for the 1956 crop of cotton; to the Committee on Agriculture.

By Mr. KLEIN:

H. R. 8263. A bill to authorize the Public Housing Commissioner to enter into agreements with local public housing authorities for the admission of elderly persons to federally assisted low-rent housing projects; to the Committee on Banking and Currency.

H. R. 8264. A bill to amend section 27–114 of the Code of Laws of the District of Columbia, 1951 edition; to the Committee on the District of Columbia.

By Mr. LANDRUM:

H. R. 8265. A bill relating to the use of storage space in the Buford Reservior for the purpose of providing Gwinnett County, Ga., a regulated water supply; to the Committee on Public Works.

By Mr. LANHAM:

H. R. 8266. A bill to amend the Internal Revenue Code of 1954 to assist small business by increasing the amount which is exempt from the surtax on corporate taxable income; to the Committee on Ways and Means.

By Mr. LANKFORD:

H. R. 8267. A bill to require the inspection and certification of certain vessels carrying passengers; to the Committee on Merchant Marine and Fisheries.

By Mr. McCORMACK:

H. R. 8268. A bill to authorize the attendance of the United States Marine Band at the celebration of the 180th anniversary of the fortification of Dorchester Heights, Mass., and the evacuation of Boston, Mass., by the British, to be held in South Boston, Mass., on March 17, 1956; to the Committee on Armed Services.

By Mr. McGREGOR:

H. R. 8269. A bill to amend and supplement the Federal-Aid Road Act approved July 11, 1916 (39 Stat. 355), as amended and supplemented, to authorize appropriations for continuing the construction of highways, and for other purposes; to the Committee on Public Works.

By Mr. MOLLOHAN:

H. R. 8270. A bill to amend the act providing for Federal aid for State veterans' homes to permit payments to homes not primarily furnishing domiciliary care; to the Committee on Veterans' Affairs.

By Mr. O'HARA of Minnesota:

H. R. 8271. A bill to amend the Federal Food, Drug, and Cosmetic Act for the protection of the public health, by prohibiting new food additives which have not been adequately pretested to establish their safe use under the conditions of their intended use; to the Committee on Interstate and Foreign Commerce.

By Mr. OSTERTAG:

H. R. 8272. A bill to amend title II of the Social Security Act to prevent the payment of certain benefits thereunder to individuals who are convicted of espionage or subversive activities; to the Committee on Ways and Means.

By Mr. PATMAN:

H. R. 8273. A bill to amend the Federal Credit Union Act so as specifically to authorize the organization of Federal central credit unions and to authorize Federal credit unions to invest in the shares of, and become members of, central credit unions organized under such act or other laws; to the Committee on Banking and Currency.

By Mr. POFF:

H. R. 8274. A bill to limit price supports on an individual crop on an individual farm; to the Committee on Agriculture.

By Mr. PRIEST (by request):

H. R. 8275. A bill to amend the Federal Food, Drug, and Cosmetic Act for the protection of the public health, by prohibiting new food additives which have not been adequately pretested to establish their safe use under the conditions of their intended use; to the Committee on Interstate and Foreign Commerce.

By Mr. ROGERS of Florida:

H. R. 8276. A bill to provide for a preliminary examination and survey of the Little Gasparilla Pass, gulf coast, Charlotte County, Fla.; to the Committee on Public Works.

By Mr. SADLAK:

H. R. 8277. A bill to provide for an experimental national flood indemnity and reinsurance program and for other purposes; to the Committee on Banking and Currency.

By Mrs. ST. GEORGE:

H. R. 8278. A bill to provide for an experimental national flood indemnity and reinsurance program and for other purposes; to the Committee on Banking and Currency.

By Mr. SAYLOR:

H. R. 8279. A bill granting consent of the United States of America to be sued by the Crow Tribe of Indians of Montana; to the Committee on Interior and Insular Affairs.

H. R. 8280. A bill to permit the interment of the last survivor of the Union Army and the last survivor of the Confederate Army within the Gettysburg National Military Park, and to provide for the erection of a suitable memorial therein; to the Committee on Interior and Insular Affairs.

H. R. 8281. A bill to reduce the individual income tax by 10 percent; to the Committee on Ways and Means.

H. R. 8282. A bill to increase from $600 to $700 the personal income tax exemptions of a taxpayer (including the exemption for a spouse, the exemption for a dependent, and the additional exemption for old age or blindness); to the Committee on Ways and Means.

By Mr. SILER:

H. R. 8283. A bill to create a corporation to restore normal employment in labor surplus areas of group IV classification and produce industrial development in such areas; to the Committee on Education and Labor.

By Mr. SMITH of Virgina:

H. R. 8284. A bill to incorporate the George Washington Boyhood Home; to the Committee on the Judiciary.

By Mr. TEAGUE of California:

H. R. 8285. A bill to establish a national policy with respect to commercial fisheries; to establish the Office of Assistant Secretary of Commerce for Commercial Fisheries, and define his functions, powers, and responsibilities; to strengthen the commercial fisheries segment of the national economy, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. UDALL:

H. R. 8286. A bill to require conformance with State and Territorial fish and game laws and licensing requirements on Federal lands not subject to such laws; to the Committee on Merchant Marine and Fisheries.

By Mr. UTT:

H. R. 8287. A bill to provide for an elective Governor and an elective Lieutenant Governor of the Territory of Alaska; to the Committee on Interior and Insular Affairs.

H. R. 8288. A bill to establish a national policy with respect to commercial fisheries; to establish the Office of Assistant Secretary of Commerce for Commercial Fisheries, and define his functions, powers, and responsibilities; to strengthen the commercial fisheries segment of the national economy, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. VAN ZANDT:

H. R. 8289. A bill to authorize appropriations for the conversion and operation of a merchant vessel and for the construction and installation of an atomic propulsion facility and auxiliary equipment, and for other purposes; to the Joint Committee on Atomic Energy.

By Mr. VINSON:

H. R. 8290. A bill to provide for the appointment and promotion of the director and assistant directors of the band of the United States Marine Corps, and for other purposes; to the Committee on Armed Services.

By Mr. WAINWRIGHT:

H. R. 8291. A bill to provide for the establishment of a Federal Advisory Commission on the Arts, and for other purposes; to the Committee on Education and Labor.

H. R. 8292. A bill to provide that urban planning grants may be given to municipalities having a population of less than 50,000; to the Committee on Banking and Currency.

By Mr. WESTLAND:

H. R. 8293. A bill to authorize the construction of a project for improvement of Port Townsend Harbor, Wash., for navigation; to the Committee on Public Works.

H. R. 8294. A bill to provide that certain aircraft may travel between the United States and Canada without requiring the owners or operators thereof to reimburse the United States for extra compensation paid customs officers and employees; to the Committee on Ways and Means.

By Mr. WIGGLESWORTH:

H. R. 8295. A bill to provide for an experimental national flood indemnity and reinsurance program and for other purposes; to the Committee on Banking and Currency.

By Mr. WILLIAMS of New York:

H. R. 8296. A bill to amend the Internal Revenue Code of 1954 to relieve farmers from the excise tax on gasoline and lubricating oils used exclusively in farm tractors or farm machinery or for other agricultural purposes; to the Committee on Ways and Means.

By Mr. YOUNGER:

H. R. 8297. A bill relating to life insurance taken out to cover estimated liability for the Federal estate tax; to the Committee on Ways and Means.

By Mr. ENGLE:

H. J. Res. 462. Joint resolution authorizing the Secretary of the Interior to enter into an agreement for the coordinated operation of the Central Valley project and the flood control features of the multiple purpose Oroville Dam proposed to be constructed by the State of California on the Feather River; and to authorize a monetary contribution for the flood-control accomplishments of the said Oroville Dam; to the Committee on Interior and Insular Affairs.

By Mr. HOLIFIELD:

H. J. Res. 463. Joint resolution to provide for the appointment of a chief special counsel and an assistant special counsel to represent the United States in litigation brought against the United States to recover damages under the so-called Dixon-Yates contract; to the Committee on the Judiciary.

By Mr. PELLY:

H. J. Res. 464. Joint resolution to permit articles imported from foreign countries for

the purpose of exhibition at the Washington State Fifth International Trade Fair, Seattle, Wash., to be admitted without payment of tariff, and for other purposes; to the Committee on Ways and Means.

By Mr. PRICE:

H. J. Res. 465. Joint resolution to provide for the appointment of a chief special counsel and an assistant special counsel to represent the United States in litigation brought against the United States to recover damages under the so-called Dixon-Yates contract; to the Committee on the Judiciary.

By Mr. RAY:

H. J. Res. 466. Joint resolution granting the consent of Congress to the States of New York, New Jersey, and Connecticut to confer certain additional powers upon the Interstate Sanitation Commission, established by said States pursuant to Public Resolution 62, 74th Congress, August 27, 1935; to the Committee on the Judiciary.

By Mr. SILER:

H. J. Res. 467. Joint resolution relating to burley tobacco acreage allotments and marketing quotas; to the Committee on Agriculture.

By Mr. BURLESON:

H. Res. 359. Resolution to provide funds for necessary expenses of the Committee on House Administration; to the Committee on House Administration.

By Mr. FOGARTY:

H. Res. 360. Resolution to request review of reports on Wickford Harbor, R. I.; to the Committee on Public Works.

By Mr. KARSTEN:

H. Res. 361. Resolution creating a select committee to conduct an investigation and study of the mass transportation problems confronting the large cities of the United States; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOGGS:

H. R. 8298. A bill for the relief of Westfeldt Bros.; to the Committee on the Judiciary.

By Mr. CEDERBERG:

H. R. 8299. A bill for the relief of David Chih-Wei Kwok; to the Committee on the Judiciary.

By Mr. DEVEREUX:

H. R. 8300. A bill for the relief of Forest H. Byroade; to the Committee on the Judiciary.

By Mr. DORN of New York:

H. R. 8301. A bill for the relief of Edward L. Raymond; to the Committee on the Judiciary.

By Mr. FORRESTER:

H. R. 8302. A bill for the relief of Lester D. DeLumpa; to the Committee on the Judiciary.

By Mr. GORDON:

H. R. 8303. A bill for the relief of Fong Bick Sem; to the Committee on the Judiciary.

H. R. 8304. A bill for the relief of Janina Konsewicz; to the Committee on the Judiciary.

By Mr. HOLIFIELD:

H. R. 8305. A bill for the relief of Toy Kin San; to the Committee on the Judiciary.

By Mr. LANE:

H. R. 8306. A bill for the relief of Eugene Gardner, Byron M. Barbeau, John R. Reaves, and Jackson L. Hardy; to the Committee on the Judiciary.

H. R. 8307. A bill for the relief of Nathan A. Kahn; to the Committee on the Judiciary.

H. R. 8308. A bill for the relief of Arthur E. Weeden, Jr.; to the Committee of the Judiciary.

H. R. 8309. A bill for the relief of Col. Henry M. Zeller; to the Committee on the Judiciary.

H. R. 8310. A bill for the relief of C. W. O. George C. Carter; to the Committee on the Judiciary.

H. R. 8311. A bill for the relief of Daniel O. Hulse, Jr.; to the Committee on the Judiciary.

By Mr. NICHOLSON:

H. R. 8312. A bill for the relief of Gabriel Neves da Rosa; to the Committee on the Judiciary.

By Mr. POWELL:

H. R. 8313. A bill for the relief of Tom Pritchard; to the Committee on the Judiciary.

By Mrs. ST. GEORGE:

H. R. 8314. A bill to provide for the issuance of a license to practice chiropractic in the District of Columbia to George R. Stilson; to the Committee on the District of Columbia.

By Mr. VAN ZANDT:

H. R. 8315. A bill for the relief of Mrs. Maureen L. Filson; to the Committee on the Judiciary.

By Mr. WESTLAND:

H. R. 8316. A bill for the relief of Verulo M. Herrera; to the Committee on the Judiciary.

Mr. WIGGLESWORTH:

H. R. 8317. A bill for the relief of George W. Arnold; to the Committee on the Judiciary.

By Mr. WITHROW:

H. R. 8318. A bill for the relief of A. W. Mussallem; to the Committee on the Judiciary.

By Mr. ZELENKO:

H. R. 8319. A bill for the relief of Isaias Antoine Elias Khoury, Mary (Marie) Khoury, Henri Antoine Khoury, Alexis Elias Khoury, and Matilde Gladis Khoury; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

418. By Mr. BUSH: Petition of residents of Williamsport, Pa., favoring passage of legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce, and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

419. Also, petition of residents of Towanda and Bradford County, Pa., favoring the passage of legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce, and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

420. By Mr. HALE: Petition of the Biddeford-Saco Chamber of Commerce urging Congress to establish promptly import quotas on textiles and apparel adequate to maintain the jobs of Maine and American textile workers and safeguard the billions invested in these industries, and to establish in legislation regarding said import quotas suitable machinery for administration and enforcement as well as specific direction that the imports be equitably distributed between different types of cloth; to the Committee on Ways and Means.

421. By Mr. WOLCOTT: Petition of Vera E. Sutherland and others, urging legislation prohibiting the transportation of alcoholic beverage advertising in interstate commerce; to the Committee on Interstate and Foreign Commerce.

EXTENSIONS OF REMARKS

Natural Gas Issue

EXTENSION OF REMARKS
OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Monday, January 9, 1956

Mr. WILEY. Mr. President, earlier today it was my privilege to deliver an address before a variety of public-spirited individuals and organizations which have banded together to protect the interests of American consumers of natural gas by advocating defeat of the Fulbright bill.

It is my intention to do everything I can toward the objective of protecting the public interest by carrying on my share in this battle, as I have down through the years, when the predecessor legislation to this bill came up.

I send to the desk the text of the statement which I delivered, and I ask unanimous consent that it be printed in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

SENATOR WILEY URGES AVALANCHE OF PUBLIC REACTION TO PROTEST AND KILL NATURAL GAS EXEMPTION BILL—SAYS BOTH PARTIES HAVE TO IMPROVE THEIR POSITION ON ISSUE

(Excerpts of address delivered by Hon. ALEXANDER WILEY, of Wisconsin, ranking Republican on Senate Judiciary and Foreign Relations Committees, before meeting of consumer-labor-women's-business groups opposed to national gas-exemption bill, Washington, D. C.)

It is a pleasure for me to greet this fine assembly of civic-minded citizens.

I am particularly pleased with the wide variety of groups which you represent, because the task which you have undertaken—the protection of the interests of upward of 29 million American consumers of natural gas—is one which definitely requires the strongest possible alliance of grassroots Americans in every walk of life.

I am going to talk to you today exclusively about the practical aspects in the battle now looming before us.

OUR PURPOSE TODAY IS TO PLAN FOR BATTLE

I am not going to attempt at this point to make a detailed evaluation of the Fulbright-Harris bill which would basically exempt producers of natural gas from Federal control. There is not time on this occasion for either a detailed legal evaluation or a detailed economic evaluation.

I believe, of course, that you are already familiar with the evil effects of the legislation in its arbitrary nullifying of effective regulation under the Natural Gas Act of 1938 and its deliberate overturning of the Supreme Court's decision in the Phillips case.

Let us therefore use this brief occasion as a public planning session. Planning for what? Planning for the battle to protect the public interest. This is deservedly a factual public session because, unlike our

opposition, we are trying to thwart ignorance and misinformation and behind-the-scenes deception. We seek an informed, aroused public, eager to do battle against greedy, entrenched monopolistic forces.

Now, let me spell out a few of the points which I think should command our attention, as we prepare to do battle:

AN AVALANCHE REACTION OF PROTEST BY THE PUBLIC IS NECESSARY

1. First and foremost, I want to emphasize that nothing short of an avalanche reaction from the grassroots of America will suffice to defeat this legislation.

I mean an avalanche through the air and on the ground—an avalanche of responsible phone calls, personal visits, telegrams, letters, postal cards, petitions, and every other means available to the people at the grassroots of this Republic.

I am not asking for any blind or artificial propaganda effort, such as may sometimes occur on an issue which the people do not understand, but on which they are told to communicate to the Congress.

Instead, I am urging the only sort of voluntary, enlightened campaign in which I feel you of this audience and I are interested. It must be an intelligent reaction, based upon at least a general understanding of the issues. I refer to an understanding that this bill can have disastrous consequences on our economy by skyrocketing inflationary pressures, an understanding that this is perhaps one of the final, decisive rounds in a long effort by a relatively small group of individuals ruthlessly to exploit the American public by charging all that the traffic will bear.

Of course you in this audience today will be engaged in the very democratic process which I am urging—responsibly contacting Members of the Congress. But I want to say that infinitely more must be done by your associated groups and affiliated members throughout the Nation, and it must be done now.

MARGIN OF VICTORY IN DOUBT

Now, of course, both sides in the approaching Senate fight have been making nose counts, so to speak.

They have counted up the Senators who are committed for and against the bill.

They have counted up those who are still uncommitted, but who may lean in one direction or another.

As a result of the nose counts, opinion may vary as to the precise number of Senators in each category.

Fortunately for America, it is certain that our side, the public side, has been gaining strength in past months. It is certain that the superoptimistic outlook—"it's in the bag"—on the part of our opponents has been dampened a good deal by recent impressive additions, allies to our side, the public's side.

Nevertheless, as of the present date, January 9, 1956, I want to state very factually and frankly that, in my personal opinion, we definitely do not have a margin of superiority to defeat this bill.

That does not mean, however, that the opposition has a decisive margin.

On the contrary, the group of Senators who are today uncommitted, will swing this vote either way. And I want to stress that an objective view of the facts, an objective view of the enormous pressures being brought to bear from the other side, seems to signify this: Unless there is a blizzard of protest against this bill, then the chances are probably better than even, that the supporters of the Harris-Fulbright bill will win out.

In other words, the time for the American people to act in their own enlightened self-interest is now. They have the opportunity to protect themselves, and they must not lose this fleeting opportunity.

FUEL RATES WILL SHOOT UPWARD

If the bill is enacted, you can expect another type of blizzard to occur. It will be a blizzard of rate increase applications—which will cost consumers upwards of three-fourths billion dollars per year.

Not only will producers charge more and more for natural gas, but you can expect petroleum prices to edge upward as well.

The whole situation resembles a contrived Alphonse-Gaston act. The petroleum people will say to their friends and affiliates—the natural-gas people—"our rate increase after yours my dear Alphonse." And the gas people will say, "after yours, my dear Gaston."

First, the gas price will go up, then petroleum, then gas, then petroleum. And the net result will be that the consumers will more and more lose out while the gas industry, already representing $16 billion in assets will enrich its owners further.

IF PEOPLE ACT NOW, CONGRESS WILL PROTECT THEM

Some months from now, if this evil, greedy bill is approved, we can almost imagine the scene in the average American breakfast room. The husband will be reading his morning paper. His wife will be telling him, "John, I don't know where we're going to find the money to pay all these increasing bills. Our gas rate has gone up still again."

And one can almost imagine John replying, "Well, it's probably those fellows in Washington who are responsible."

Well, the so-called "fellows in Washington" would certainly be partly responsible. But it is really John, Mary, Susan, and Jack at the grassroots who would be responsible for the fate of this legislation—for the trend, vertically upward of their own gas rate.

Let no one pass the buck exclusively to the Congress. It is we in the Senate, of course, who are responsible for actually writing the bill at this stage.

But the Congress is only the voice and reflection of the American people.

If the American people choose to be silent (while eloquent proponents of the natural-gas interests are busily talking up their case), if the American people choose to sit on their hands, while the multi-million-dollar natral-gas lobby works tirelessly, night and day, 12 months a year, then the result is forecast.

But we need not get a negative result. We, the people, can achieve success, if we set our minds and our hearts and, yes, our shoe leather to it.

I am delighted at the support which has already been given to the battle against the bill. In my own State, with its outstanding tradition of safeguarding the public, an impressive number of public officials, organizations, and individual citizens have given me the fullest support in my personal efforts.

I am particular delighted that throughout our country, local gas distribution companies are acting with commonsense and devoted public spirit in this fight to inform the American people of precisely the peril that is involved to the United States.

But infinitely more needs still be done.

BILL SHOULD HAVE BEEN RECOMMITTED TO COMMERCE COMMITTEE

2. The second major point that I should like to make is that, in the judgment of many people, including myself, the bill should really have been recommitted to the Senate Interstate Commerce Committee.

I do not believe that the record of that committee is complete in either the necessary legal or the economic data.

I point out, too, that a considerable amount of new evidence has come in since the committee, by a vote of 11 to 4, reported it out.

I do not question the fact that the bill has nominally been on the Senate Calendar for some months. But I think that the people would have been entitled to be heard further on this matter before the Commerce Committee.

Let me point out very clearly that, as a believer in the democratic, representative process, I definitely do not believe in arbitrarily pigeonholing or bottling up legislation. That is particularly my feeling when an expert committee of the Senate has already made its report and a recommittal proposal is considered.

Rather, I would have hoped that this committee could have studied the issue anew in all of its serious implications to our economy, in the light of the facts which are known as of January 1956. Then, the committee could have reported the bill out in its original or amended form, with comparatively little time elapsing.

Of course, the bill is now the pending business of the Senate.

If the Senate is disinclined to recommit the bill, if it wants a showdown now, then I say that, at the very minimum, there must and will be the fullest possible debate of every single angle of this issue. There are going to be a very considerable number of amendments which are going to have to be taken up one by one, slowly and surely.

Let me make it quite clear that I fully recognize that the general arguments over this issue are old ones. Most of the principal points have been hashed and rehased many times. But that does not diminish our obligation to give to the American people, to give to the Federal Power Commission, to give to the courts—the fullest and most complete possible record, for their later study of this issue, as it may come up.

BOTH PARTIES SHOULD STRENGHTEN THEIR POSITION IN PROTECTING THE CONSUMER

3. Now, the third point that I should like to make relates to the political parties. I am not going to make a partisan statement at the present time, because this is of course, not a partisan occasion or issue.

We all know that party lines and so-called 'liberal'—conservative lines within the parties have tended to be somewhat scrambled on this issue.

We have seen men who are commonly called liberals reverse their pattern and support the Harris-Fulbright bill for exemption from Federal control.

We have seen men who are regarded as so-called rock-ribbed conservatives fight ably against the bill for exemption from Federal controls. (These latter colleagues of mine will be somewhat surprised, incidentally, to note the fantastic charges by the opposition that they—uniformly respected as conservative Senators—are supporting a measure which allegedly leads to socialism and public ownership. Such charges are obviously absurd; they are an insult to the intelligence of any thinking person who notes the thousand and one precedents, yes, during Republican, as well as Democratic Administrations, for Federal regulation in the public interest.

In any event, in this election year of 1956, I want to say very frankly that neither of the major political parties has covered itself with honor in this respect—neither my friends in the Democratic camp, nor my own Republican Party.

WHO IS SO-CALLED FRIEND OF BIG BUSINESS?

I would hope that my own party would strive to improve its position on this issue in both legislative and executive branches. And, if I may be permitted, I would certainly hope that those Democrats who so often have criticized my party as the so-called friend of big business would take the blinders off their own eyes and see exactly who is fighting for so-called Big Business on this issue.

The facts are that this Harris-Fulbright bill, will add perhaps 20 or more billion dollars in value to reserves in the ground, held by gas blue-chip companies. And this little unearned bonus to them—has been sponsored by Democratic, steamrollered through Democratic controlled committees, and rushed to

Senate and House floors, to be led rather ably—I may say, by Democratic leadership.

Concerning the question of so-called big business and free enterprise, I shall say—somewhat more later on.

FINE EFFORTS BY SOME SEGMENTS OF DEMOCRATIC PARTY

To keep the record straight, however, I want to say right now in all fairness, that there are segments of the Democratic Party which have nobly fulfilled the traditions of Woodrow Wilson and other great Democratic leaders of both North and South on this issue. Yes, from Virginia, mother of Presidents, from "little Rhodie," Rhode Island, and from other Democratic strongholds have come magnificent support.

In the Senate, in particular, this Nation is indebted to a great many individual Democrats, without whose help we who are fighting for the public could not possibly be as far advanced as we are in our uphill efforts toward victory. And if I were to single out any one champion, it would, of course, be the gentlemen from Illinois, Senator PAUL DOUGLAS, who, true to his valiant marine record of ably fighting against odds, come what may, has been masterfully leading the fight for what he holds dear to his conscience, as do you and I.

VOTERS SHOULD QUESTION SENATORS ON THEIR STAND

In any event, one-third of the United States Senate wil go to the people in November and even before that, will face the people in a good many primary fights, as well.

And I should think that not a single one of them should be excused from stating, at the outset, in his campaign precisely why he voted one way or the other on this evil bill.

Yes; the American people have a particular right to ask every supporter of the Harris-Fulbright bill in the House, the Senate, why he did not act to protect the rights of the public in this battle.

ALL-OUT, NOT TOKEN ACTION REQUESTED

I say "act," not just "vote." I am not seeking simply votes for our side; I am seeking all-out action.

Let none of us—inside or outside the Senate—who are opposing the Harris-Fulbright bill think that a half-hearted, token fight on any of our parts will suffice. All-out action—a fight to amend this bill in the public interest from stem to stern, to debate it in fullest detail rather than willy-nilly chitchat merely over the Fulbright or Harris versions—this is what is called for.

THE MASQUERADE OF THIS BILL

4. Now, fourth, I want to turn briefly to the bill itself and to the arguments which have been advanced by its supporters.

First, let me say, however, that as individuals, I have a tremendously high personal regard for many of the Members of the Senate who happen to be leading the effort for this bill. I am sorry to have to oppose them on it, first, because they are able battlers, and, second, because I wish they would put their abundant talents to better use right now in terms of fulfilling the needs of the American people.

ABLE OPPONENTS ARRAYED

I am thinking of that young, masterful Texan, the Senate's tireless majority leader, who the entire Nation rejoices, has recovered from his sudden physical misfortune. I am thinking of my good, scholarly friend from Arkansas, who has contributed so expertly on the Foreign Relations Committee, on which I am privileged to serve. And I am thinking of the two able scrappers from Oklahoma and the junior Senator from Texas, and others. Yes, I am thinking, too, of "Mr. Sam" over on the House side, whose long record of service to the Republic is hailed by friend and foe alike.

My remarks, of course, carry no imputation whatsoever on the individual Members of the Senate or House as legislators. I believe that they, in good faith, are fighting for what they believe will best serve the interests of the American people.

I believe, however, that my good friends of the opposition are wrong in their beliefs and evaluation. But I believe, too, that we can lock horns in this fight, as we have in the past, on the level of issues and never on personalities.

THIS BILL IS STRICTLY A PHONY

It just so happens, in my judgment, that this bill is now and has always been as phony as a 3-cent piece or a $4 bill. It was a phony as the Moore-Rizley bill. It was a phony as the Kerr bill. It is a phony as the Harris-Fulbright bill. (The last named, i. e., the present bill before us, is incidentally even worse than the Kerr bill in that it would go so far as to extend the "carte blanche" exemption from control not only to independent producers, but even to production activities of the pipeline companies and to producing affiliates of the pipelines).

Why is this bill a phony? Because the bill is not anything like what its supporters say it is.

YOU CAN'T CONTROL A PRICE IN MIDSTREAM

It is a phony because every thinking person knows that you cannot control a price in midstream; you've got to control, if the control is to be at all effective, at the source. But section 2 trickily redefines "sales" so that they are to be considered in interstate commerce only after transportation has commenced. Thus, the Federal Power Commission loses all effective control authority.

So, we are supposed to have controls without controls—now you see them, now you don't.

Continuing, the bill's so-called protections to consumers are a farce, so ambiguous and unenforceable are the so-called standards for fixing the price of natural gas at the source.

And there are other sham features as well.

It is alleged that this is a free-enterprise bill, but it is basically a bill to advance the cause of monopolistic forces which are the very contradiction of free enterprise.

THE GAS INDUSTRY HAS PIONEERED

It is alleged that if this bill is not enacted, the natural-gas industry will not have sufficient incentive to expand.

That phony argument is riddled by the whole record of the past, in which the natural-gas industry, despite admitted doubts over this legislation and the status of controls, has been skyrocketing in expansion.

Now, I want, at this point, to say a sincere word of tribute to the natural-gas industry. Starting from scratch to the point where today it serves approximately 25 percent of the energy market of the Nation, it is a breathtaking example of the dyanmic force which the profit-and-loss system provides.

Here we have an amazing material which was formerly regarded as mere waste, emerging by the wizardry of production, transportation, and storage as a tremendous economic asset to the United States and to the free world.

I want to pay tribute to the men inside and outside the Lone Star State who had the vision, the financial acumen, the pioneering strength to take risks and build this industry up as one of the great pillars on the American scene. The fact that I oppose them in their effort to reach out greedily for too much profit does not mean that I have any less regard for their building of the industry so fast.

It is a big business, but I, for one, welcome large-scale enterprise in this complex, technological age, so long as it does not trample the little fellow or the public.

One would think from some of the artificial groans issued by the big companies' skilled public relations and advertising agencies, that this industry would hover at death's door if this bill is not enacted. But the contrary facts have shown, I believe, that in our entire country, no individual industry, but one, has a better record of avoiding business failures, that is, in the terms of the number of companies which have gone out of business. Yes, the only industry which has had relatively fewer business failures in our country is that old standby, the undertaking industry.

The natural-gas industry has prospered, and I hope it will continue to prosper. I want its stockholders and its bondholders to get a fair break. I believe 100 percent in Americans being entitled to the fruits of their labor, the fruits of their savings and investment—subject, of course, to any possible infringements of the public's rights.

But one may rightly ask just how much incentive does this industry reasonably expect it is entitled to? Does it think it must have say, an astronomic 25 or 30 percent return on its investment in order to expand?

Would it also prefer, say, a 50 percent depletion allowance, to begin with? Does it not believe that the public has any rights—or the United States Treasury? Or does it feel, the "public be damned" as some other mistaken sources seemed to feel at odd times in American history?

Remember, it is 29 million United States consumers whose interests are right now at stake—small consumers with an enormous investment in gas appliances which they are stuck with—if prices skyrocket. Last year, there were 200 household customers of natural gas for every 15 commercial customers and every single industrial customer.

CONCLUSION

Now, friends, I have spelled out a few of what I regard to be major elements in this fight. I could have referred in detail to a great many more issues involved in it.

I have spoken frankly, because I believe that this is a time for frankness.

I have spoken grimly, because I believe that it is no time for a Polyanna-like optimism, which assumes that there will be success for the public side automatically, when we know the reverse could be the case.

Victory will not come automatically, but it can come and it should come—with lots of sweat.

In any event, we are in the battle for the duration—in the Congress, in the Federal Power Commission, and yes, in the courts, beyond.

I am humbly proud of the role which my State, the Badger State, has played thus far—in the long Phillips battle from Bartlesville to Washington. You can be sure that this particular son of the Badger State is not going to give in nor will you, of Virginia, or New York, or Illinois, or Michigan, or Ohio, or the other States as well.

It has been a great pleasure to be with you today, and I wish you every success in your efforts to protect the public interest.

Elective Governor of Alaska

EXTENSION OF REMARKS

OF

HON. WILLIAM A. DAWSON

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Monday, January 9, 1956

Mr. DAWSON of Utah. Mr. Speaker, today I have introduced legislation to provide for an elective Governor and an elective Lieutenant Governor of Alaska. I have taken this action as a stanch supporter of full statehood for Alaska.

My research has convinced me enactment of the legislation I introduced today would hasten, rather than delay, the day when Congress will finally recognize that the people of this vast and rich area are entitled to full citizenship rights—including the right to be represented in this Chamber.

This legislation is not being introduced as a substitute for statehood. There is no substitute for the full representative rights of the United States citizen. This measure is introduced as a step toward full statehood.

But this legislation is more than just a step toward full statehood. It fills an immediate administrative need of the Territory of Alaska. All issues of statehood aside, the present method of governing Alaska is outmoded and some rather serious administrative troubles are developing that this measure would correct.

An appointive governor was first provided for Alaska by an act of Congress in 1884. Since that time, there have been only two other measures enacted by Congress having any marked impact on Alaska's governmental setup. In 1906, Congress granted the Alaskan people the right to send an elected delegate to this House and in 1912 an act of Congress created the Territorial Legislature.

Congress has not enacted any legislation to add to Alaska's powers of self-government since 1912—44 years ago. This is a sorry record.

As a member of the House Interior Committee, I went to Alaska during adjournment and learned first hand of some of the problems Alaskans are having. Many of them could be solved by passage of this legislation.

The Governor of Alaska administers laws enacted by an elected legislature. But the Governor is responsible—not to the legislature, not to the electorate of Alaska—but to the President of the United States. Fortunately, because of the caliber of appointive governors, no serious conflicts have as yet occurred. But the potential is certainly there.

Knowing that they have no voice in the selection of their chief territorial executive, the people of Alaska, through their elected legislators, are reluctant to vest him with any authority over their affairs. This is understandable and is no reflection on the integrity of the present or past governors of Alaska.

As a consequence of this reluctance to give the governor authority to govern, there has now grown up in the Territory of Alaska a government by boards, and commissions, of which the governor is not even allowed to sit as a member. This system is creating all sorts of administrative difficulties, and I am confident it would cease to exist if the Alaskan people had a right to elect their own chief executive and it would never have come into being if this power had been given the Territory years ago when the complexities of government first showed it was needed.

The people of Alaska, I am sure, would not tolerate an unwieldly government by boards and commissions if they had the power to elect, and vote out, their own governor. This legislation is needed during the period when the fight for statehood is still going on. I hope you all can give it your support, regardless of your position on full statehood for Alaska.

Address of United States Senator Thomas C. Hennings, Jr., of Missouri, Before the Lawyers' Association of St. Louis, St. Louis, Mo., November 3, 1955

EXTENSION OF REMARKS
OF
HON. RICHARD BOLLING
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES

Monday, January 9, 1956

Mr. BOLLING. Mr. Speaker, the following fine address by the distinguished senior Senator from Missouri, the Honorable THOMAS C. HENNINGS, JR., deserves the attention of all those who love liberty:

Mr. Chairman, distinguished guests, ladies, and gentlemen, about a year ago you graciously invited me to address the Lawyers Association of St. Louis on its 20th anniversary. And now again you have honored me with an invitation to participate in an equally significant ceremony. It is a privilege to join with you tonight in paying tribute to the members of our Federal and State judiciary who sit here in St. Louis and in St. Louis County. We Missourians, indeed, are most fortunate in having as judges, lawyers of such outstanding ability and character. This fact is the pride of our bar. It is also the pride of the people of the State of Missouri.

This meeting is also held as part of the Lawyers Association's observance of the John Marshall bicentennial. We cannot discuss questions of American constitutional law, as we shall do tonight, without bringing vividly to mind John Marshall and his great leadership in shaping American constitutional doctrine. He has become a symbol of the Constitution of the United States. John Marshall was the first who fully understood the role of the Constitution in molding a national government. During his 34-year tenure as the Chief Justice of the United States he enunciated and implemented the constitutional position of the Supreme Court as 1 of the 3 great powers of our constitutional government and thus decisively determined the course of American democracy. With reverence we commemorate him tonight.

Last year, I emphasized that an incorruptible, independent judiciary and a learned, gallant bar are the mainstays of our country and of our civilization—one of the cornerstones of constitutional democracy. Liberty of person and security of property depend on our ancient tradition to provide a fair trial and an adequate defense for one accused of crime.

The highest dignity of law finds its manifestation in the administration of criminal justice, because here the State pits its authority against the honor of human personality. In a democracy, where the individual enjoys the constitutional guaranties of freedom, a criminal trial is also the crucial test of dedication to the principles of democratic society. And in this test the harmonious interaction between a high-minded, impartial judge and informed and fearless advocates is indispensable.

We lawyers often bear the brunt of heavy criticism for being conservative, for resisting change, for reactionary defense of the status quo. We lawyers and judges alike are proud of our conservatism. It is our tradition, our heritage. It flows naturally from our knowledge of history and from our intimate acquaintance with legal institutions—an acquaintance which is constantly renewed by our daily contact with the law courts. We know that liberty and security are, at best, precarious. Our training and our traditions at the bar impel us, in spite of the calumny that is heaped upon us from time to time as individual advocates and judges, to do everything within the law to preserve the hard-won rights of our people—the rights our ancestors wrung from the British Crown by revolutionary action. Most important of these rights is the right of one accused of crime, however heinous, to receive a fair trial and an adequate defense.

Where a government of law prevails, the legal profession exerts a decisive influence in society. Because of our training, we know intimately the protective value of our traditional institutions and fully realize the dangers of change occasioned by hasty rulings and hurried enactments. We are keenly aware of the dynamic quality of the law which may easily affect the balance of the social order. We recognize that, carelessly used, it may destroy the very rights and freedoms that our forefathers have fought for generations to establish. For these reasons—and rightly so—we instinctively follow the exhortation of Tacitus: "Think of your forefathers! Think of your posterity!"—as it was rendered by John Quincy Adams in his historic speech in Plymouth in the year 1803.

If this attitude of lawyers—our respect for the past and our care for the future—is termed conservatism, let us accept it as a compliment—as proof that we are fulfilling our highest duty to society and to our free institutions.

In this spirit, I sponsored in the Senate one of several resolutions calling for more orderly procedures of investigating committees. None of these have been passed, but several Senate committees have, on their own, established rules for a fairer treatment of witnesses and issues. The effort, as you see, was not in vain, and the dangerous investigative trends on which I reported to you last year, have subsided. The same ideas led me to oppose such radical constitutional innovations as the Bricker amendment. And I have said, over and over again, that I shall resist with all my force any efforts to treat lightly the provisions of the Constitution.

In the same spirit of conservatism, I have looked with growing apprehension at some hasty, yet far-reaching, changes which recently took place in our municipal law. Their effect on individuals has been noticed by many, but their impact on the foundations of our law, I think, has escaped general notice.

As a lawyer, identifying myself with the conservative essence of the law, I shall discuss with you my apprehensions regarding some of these radical departures from our legal traditions.

The threat of Communist ideology and subversive activities to the survival of democracy calls for measures to secure our national integrity. This urgent task confronts us with the fateful problem: How to curb subversive elements without seriously jeopardizing democratic institutions—the cherished patrimony which we defend. The seriousness of our problem is highlighted by the fact that a totalitarian regime is burdened with no such considerations; it simply destroys its internal enemies.

The guarantee of a constitution lies, as Hegel said, "in the indwelling spirit and the history of the nation by which constitutions have been made and are made." It is a proud task to examine, in this light, our national record.

The greatness of our Constitution is in its realism. With admirable skill and vision

the Founding Fathers translated the spirit of our country into simple, restrained yet forceful words. For this reason, the Constitution has become our life, and our life—the Constitution. Not only do we Americans feel this, but it is a fact recognized the world over—by free peoples, with reverence; by totalitarians, with hatred and misgivings.

The Constitution was born in the 18th century when man began to free himself from the political and economic shackles of feudal estatism and started on the road of individual self-determination. Our Constitution was the first political document that unreservedly gave expression to the new order of things and thus became the starting point of a new epoch based on the principle of individual liberty. Our social order is that of an association of free men protected in the expression of their personality.

The spiritual core of our Constitution is the Bill of Rights. Although the body of the Constitution itself contains few protective clauses, we know from the debates in the Constitutional Convention and in the First Congress, which passed the first 10 amendments that, in the view of the Founding Fathers, the Constitution itself embodied by implication the ideas of the Bill of Rights.

Through our entire history, these facts and principles have been recognized by the American people. Every generation of Americans dedicated itself to sustain them as the way of our life, despite some tendency in times of international and internal strain to depart from this straight road. Examples of such temporary departures can be found in the turbulent episode of the Alien and Sedition Acts and in the suppression by President Lincoln of the writ of habeas corpus during the Civil War.

Our consistent dedication to the supreme principle of individual freedom and dignity imposes on us additional strains today when, in the unprecedented conditions of the cold war with the Communist world, we seek a way to expose and to fight totalitarian subversion without endangering the tenets and practices of democracy. It is, therefore, not surprising that in our attempt to perform such a formidable task, we witness relaxations in the operation of the Bill of Rights.

Last February, Chief Justice Warren, speaking here at Washington University, called the attention of the country to the erosion of individual rights which the Constitution guarantees. Some thoughtful people, said the Chief Justice, have begun to doubt that the Bill of Rights would be passed by Congress at the present time. It was a shocking experience to hear from Justice Warren of a case where Government employees hesitated to display the Bill of Rights because, they argued, it is a controversial document.

Similar warnings have been and are sounded by other distinguished judges, by members of the bar and by church and civic groups and leaders. Recently, the Federal courts, by reversing administrative rulings involving individual rights, have indicated that grave constitutional questions confront us as a people. The fact of erosion cannot be doubted.

To understand the causes underlying the present abridgements of constitutional rights, however, does not justify apathy, nor does it minimize the seriousness of the relevant facts. The democratic traditions of our country forcefully demand a considered discussion of the issues that threaten their survival.

As lawyers, we all know a number of cases where individual rights have been violated and—this is most important—where the ax of infringement fell not on Communists or subversives but upon innocent people caught in the meshes of administrative practices. The cause of this evil, it seems to me, lies in a creeping but inordinate extension of administrative law, a kind of creeping statism. Such extension spells dangers not only to the constitutional guaranties but if unchecked, will seriously affect our traditional concepts of justice and fair play. In this light, then, we must examine the practices of the Department of State governing the issuance of passports, and some features of the loyalty-security program.

According to the recent article of Chief Justice Warren in Fortune magazine, the loyalty-security program alone affects more than 8 million Americans, including some 3 million in the Armed Forces, 2.4 million civilian Government employees, and nearly 3 million employees of defense contractors.

Actually, this figure is higher if we consider security investigations in nondefense industry and the families of these people. On this basis, the editors of Fortune magazine say that the total number of Americans now subject to Federal security investigations might be as high as 20 million. This program, as we see, is no longer remote; it has become a truly national problem. Now it touches you and me, our friends and our neighbors.

The administrative innovations, in their newest development, decisively deviate from our legal traditions. The use of undisclosed witnesses in security hearings who cannot be confronted or cross-examined; the shifting of the burden of proof to the accused (which is tantamount to a presumption of guilt); the doctrines of guilt by association, guilt by friendship, and guilt by kinship—these are some of the strange aspects of the growing new body of law. If fully accepted and consistently followed, they may destroy our civil liberties and, in fact, nullify the protective clauses of the Constitution. The application of such doctrines, tending to make the Bill of Rights a simulacrum of right, can result only in the subversion of democracy and the destruction of the spirit of our country.

Considering the far-reaching and dangerous implications of these new legal practices, why is it that the discussion of this trend is not more widespread and that more people are not deeply concerned; In a country with our traditions, this lack of keener interest cannot be accidental. In my opinion, it derives from our failure to evaluate in technical traditional terms the significance of these novel and undemocratic doctrines within the framework of our legal system. Into what part of our law do they fall? The answer is that they belong to a new branch of law which I would call administrative criminal law and which appears incompatible with the Anglo-Saxon ideas of justice, at least as we have known them in the past.

Administrative law came into being during the last few decades as a result of the growing complexity of government. It introduced into our law a principle repugnant to our traditional notions of justice—the principle that an administrative agency, which, as distinguished from a court, may be a party in interest, has the power to decide controversies and to dispose of property rights involving individuals and corporations. The development of administrative law was recognized as a threat to individual rights, and administrative proceedings were subjected to judicial review. In this way, the danger to the operation of the due process clause was, at least in part, checked. Even so, some of us who have practiced before administrative tribunals feel that much more should be done to limit the authority of these agencies.

The position of administrative proceedings within the system of our law was pointedly defined in the following words of the United States Supreme Court:

"The vast expansion of the field of administrative regulation in response to the pressure of social needs is made possible under our system by adherence to the basic principles that the Legislature shall appropriately determine the standards of administrative actions and that in administrative proceedings of a quasi-judicial character the liberty and property of the citizen shall be protected by the rudimentary requirements of fair play." (*Morgan* v. *United States* (304 U. S. 1, 58 S. Ct. 773, 999).)

Furthermore, in the process of judicial review, the United States Supreme Court established more detailed tests for the validity of administrative determinations. Aside from jurisdictional competence, a valid administrative proceeding must be based on a hearing where the party in interest has the opportunity to submit and to scrutinize evidence. An administrative determination cannot stand unless it is supported by substantial evidence. Inversely, it is reversible of arbitrary and capricious. In short, administrative proceedings are admitted into our law only insofar as they represent administrative trials.

At this point, it is important to keep in mind that administrative proceedings were conceived as being in the nature of civil actions. Administrative law was intended primarily to regulate property rights. When it tends to enlarge the scope of its subject matter, we are confronted with a new situation. The fact that we have adopted administrative procedures into our law does not imply that we are willing to permit without a scrutiny de novo, the extension of administrative law to other domain of social relationships.

Suppose for a moment that an administrative agency would attempt to decide a divorce case, claiming jurisdiction because one or both parties are its employees. Would we recognize the validity of such arrogation just because we recognize administrative proceedings as an institution of our law? The answer is, of course, an emphatic no. The subject matter of the issue would stamp the proceeding as an administrative divorce case, an institution utterly foreign to our legal tradition.

Some of you may consider this example as too remote and as such lacking persuasion. To this I would reply that institutions, like principles, once established and recognized have the tendency to expand themselves to the limit of logic. I still also remind you that equity acquired its jurisdiction by setting forth the doctrine of adjudication in personam. This doctrine, when first asserted, caused a violent clash between the Chancellor and the courts of common law, and, as a result, equity jurisdiction found its beneficial though limited place, in the system of Anglo-Saxon jurisprudence.

At the present time, administrative law has invaded fields hitherto not within its domain. In this sense, though under different historical circumstances, the struggle between the courts of common law and the King's Chancellor, is revived. To understand this fact is our duty as citizens and as lawyers. It is also our duty to seek a sensible solution of the controversy.

For this reason, I feel it necessary to emphasize that in the loyalty-security program, administrative law has specifically invaded the domain of criminal law, and that these proceedings are administrative criminal trials.

If we detach ourselves from border cases, we have no difficulties in discerning the nature of criminal law. In the course of this discussion, a general definition is impossible and unnecessary, but we will all agree that it is severe law operating directly against the person of the individual, placing in jeopardy his life, social status, and honor. We will also agree that punishment is the outward manifestation of the logic of criminal law.

It is my submission that loyalty-security proceedings are substantially trials for treason which in the eyes of our law belong to the category of infamous crimes. As a mat-

ter of fact, our Constitution regards treason as the infamous crime and takes special care to afford the accused a special protection.

There is no question, I believe, that loyalty-security proceedings place the individual in jeopardy of infamy and punishment. As a matter of fact, the punishment that hangs over his head is a severe punishment. At first glance we may not see this, but it is clear the moment we determine legally the kind of punishment it is. In substance, it is outlawry. Modern criminal law does not recognize it, but primitive Anglo-Saxon law and early common law did. The security risk not only is stigmatized as a traitor, he is, in fact, expelled from the community, and his stigma may strike his entire family. In these circumstances, it is irrelevant to consider whether Government employment is a right or a privilege.

I am aware of the argument that a punishment which is not on the statute books cannot technically be considered as such. As lawyers we all appreciate the significance of statutory words and phrases. But in our time and age where the law has shed the idea of formulas magic, we cannot close our eyes to situations which do violence to our ideas of justice.

I am also aware that our statute books carry criminal provisions which deal with certain offenses akin to treason. The fact that these statutes do not mention treason, does not, however, lift them from the class of treasonable actions.

Here we come to another aspect of criminal jurisprudence. The recognized severity of criminal law has led to a special care for the protection of the accused person's rights.

It is certainly not accidental that modern criminal law rests on the principle nulla poena sine lege. Nor is it accidental that criminal statutes must be based on the traditional formulations of the common law or must be the result of considered legislative actions. This position is fortified by the corollary that criminal statutes are subject to strict interpretation and that there can be no prosecution for analogically constructed offenses. In the light of these principles, it seems an incredible thought that an individual may today be placed in jeopardy of infamy and outlawry on the basis of administrative regulations which can be altered by arbitrary administrative action. In this connection, it is sufficient to mention the 1950 amendment of the loyalty order of March 21, 1947. In the original order, the standard of disqualification of Government employees was reasonable grounds for belief that the person involved is disloyal. But by a stroke of the pen, the amendment substituted the words "reasonable doubts" for "reasonable grounds." This substitution largely escaped notice but we as lawyers should not fail to realize that the change destroyed the presumption of innocence. From then on, the accused had the burden of proving his loyalty beyond reasonable doubt.

Here we have a flagrant example of how an easy administrative reformulation may, under the color of administrative law, casually remove an agelong protection of our legal institutions.

This example of the easy mood in which the loyalty-security program is operated is not unique. Another, by no means less significant, illustration is the Attorney General's list of subversive organizations. The International Military Tribunal in Nuremberg took months of hearings to declare some of the Nazi organizations criminal. Vast evidence was submitted, witnesses were heard and cross-examined and the issue was argued by counsel. Even so, the prosecution was granted only a part of its recommendations. But here, in the United States of America, where the issue touches on the dignity of United States citizens, the Attorney General, without hearings, on the basis of undisclosed evidence, declares innumerable organizations subversive with the inevitable result of stigmatizing their members automatically. And such a list now determines not only the fate of our Government employees, but has become a decisive factor in private employment.

The loyalty-security program equally disregards other rules of criminal procedure devised to protect the individual right of the accused to his freedom. Especially grave is the denial of confrontation with accusers and the resulting impossibility of cross-examination.

The argument for such denial is the reluctance of the Government to expose its sources of information. The detrimental consequences to the accused, however, create a situation which may be repugnant to constitutional guaranties. This issue has not yet been finally resolved by the courts.

The Supreme Court has not yet spoken. But last week the Circuit Court of Appeals for the Ninth Circuit in a 2 to 1 decision declared unconstitutional the Coast Guard's Port Security Regulations. The court's decision is squarely placed on the issue of confrontation and cross-examination. "It is a matter of public record," the decision states, "that the somewhat comparable security risk program directed at Government employees has been used to victimize perfectly innocent men." "The objective of perpetuating a doubtful system of secret informers likely to bear upon the innocent as well as upon the guilty, and carrying so high a degree of unfairness to the merchant seamen involved cannot justify an abandonment here of the ancient standards of due process."

This decision confirms me in my doubts as to the fairness of the Federal loyalty-security procedures.

Those of us who have had experience as prosecutors well know the necessity of relying on the testimony of informers and accomplices. During my many years as an assistant circuit attorney and later as a circuit attorney, I had occasion in a good many cases to use the testimony of informers before grand juries and in trials in open court. No one knows better than I how important such testimony is in obtaining indictments and in finally convicting the guilty. But not informers themselves are here at issue—only their ominous anonymity, which utterly destroys the principles of our law. Anglo-Saxon legal history retains a vivid recollection of the trial and execution of Sir Walter Raleigh. The chief evidence against him came from a confessed conspirator whose testimony thus was tainted by the suspicion that by accusing Raleigh he expected to save his neck. The court received his written statement but refused to permit confrontation and cross-examination. In this refusal, the court persisted even after the accused had produced a retraction. Finally, the judgment was passed when the prosecution produced a retraction of the retraction. But Raleigh was lucky. At least he knew the name of his accuser.

Incredibly enough, in the security proceedings, this anonymity does not stop with the accused. Not even the determining security officers and boards are permitted to hear the secret informers, but must rely on unevaluated summaries of investigative agencies. Even if we assume that by submitting its report the investigative agency expresses its belief in the trustworthiness of the informer, we still have only its word for it, a conclusion which no one else can check, reached by men, who being human, might err. And we know that men do err. The recognition of this fact is embodied in the sixth amendment.

Still another feature of the loyalty-security program is the lack of provision for the standards of its personnel. It is known, for instance, that the charges in the Fort Monmouth case were prepared by a man whose sole qualifications as a security officer were those of a chauffeur and a uniformed plant guard. By comparison, the administration of criminal justice lies exclusively in the hands of experienced judges and government attorneys, excluding even referees and arbitrators recognized in civil procedure.

The advocates of the loyalty-security program emphasize that it is carried out in good faith and that administrative proceedings themselves supply avenues of righting wrongs. Secretary Benson, for instance, was finally compelled to admit the injustice of declaring Ladejinsky a security risk. As now conceded by the Secretary, the loyalty-security stigma was used simply as an expedient. The real reason for dismissal was the opinion of Mr. Benson that the Department of Agriculture must be staffed with native-born Americans.

This case, relating to a recognized expert on agriculture and a faithful servant of our country, conclusively proves how dangerous it is to substitute the rule of men for the rule of law, and unchecked administrative procedures for established procedures of our traditional law. Even if it is true that our security procedures have the means of rectifying wrongs, it is a fact that the majority of our security cases were reversed only under the pressure of the press and public opinion.

During the last decade we have successfully checked the arbitrary growth of administrative law in order to protect property rights. And it seems inconceivable to me that now administrative law shuold be permitted free rein when it attempts to invade individual freedoms, freedoms which are the foundation of our Constitution. I respectfully submit that judicial review and legislative action are urgently needed to protect our citizens from administrative criminal trials where not only the principles of criminal law are being violated but where even the accepted rules of administrative proceedings—including confrontation and cross-examination—are disregarded.

I fully realize that the clash between the reluctance of the Government to disclose the sources of its information and the right of the accused to be confronted with witnesses against him, presents difficulties of the first order. But even this issue, I believe, with good will, is capable of practical solution. It occurs to me—and I submit this idea for your consideration and study—that it might be possible to appoint a sufficiently large panel composed of members of the bar who would get a top security clearance, and whose character would not be tainted by religious, racial, and other bias. The lawyers so appointed will have the right, on the request and in behalf of the accused or his counsel, to confront and to cross-examine the undisclosed witnesses. For their services these attorneys will be compensated by the Government and it should be provided that any indiscretion on the part of these, let us call them public defenders, will be subject to criminal prosecution and punishment.

The seriousness of the issues just discussed moved the members of the Senate Subcommittee on Constitutional Rights to undertake the difficult task of inquiring into the state of individual rights under the Constitution.

It was a task never before undertaken in our Nation's history, and we decided to make a comprehensive study of the questions before us. For the sake of completeness and objectivity we decided on a systematic examination of grievances following, clause by clause, the first 10 amendments, the Civil War amendments, and then the relative provisions of the Constitution. Also—and this seemed to me particularly important—we decided to examine individual cases indicative of some policy or rule or practice which in itself constitutes an infringement of some constitutional right.

In making this latter decision we knew that the facts revealed might, in many instances, be unpleasant and shocking. We knew that, in consequence, we might find ourselves in the realm of sharp controversy, personally unpopular, and subject to slander and political attacks.

We realized that extremists of all sorts and disgruntled individuals might do everything to frustrate and discredit our work. They might attempt by every devious means of innuendo, trickery, and downright deceit to impeach our motives, to stir animosities among us, and to demoralize our staff.

These tactics are not new and, unfortunately, I have been exposed to them before. Many of you, I am sure, will recall that these same unsavory methods were used in an effort to halt the work of several committees on which I served—committees which were assigned the duties of investigating the 1950 Maryland election campaign, of inquiring into the affairs of the junior Senator from Wisconsin, of investigating campaign expenditures. In none of these instances did the committee allow itself to be diverted from its purpose, and I know I speak for my fellow members on the Constitutional Rights Subcommittee when I say they will not be intimidated. We have chosen an uphill road, but, in good conscience, we could not choose the alternative.

This judgment of free men by governmental boards or officials without either the safeguards given to property rights under administrative boards or the safeguards given to accused criminals in our courts may be illegal. It may be suicidal. This return to outlawry as a punishment without benefit of legal trial could produce public sympathy for those convicted as dangerous to our rule of law as that once given to Robin Hood. If our new and radical ways of weeding out traitors are, even though meant in good faith and for desirable ends, unconsciously leading us toward the destruction of our Constitution and our freedom under the Bill of Rights, we must know it. Our committee will try to find out the facts and show them to you as lawyers and to all the American people.

The peoples of the world have awakened to the unlimited possibilities of present-day technological revolution. They strive for a share in its benefits, and there is no doubt that they will proceed on the road of technical progress with ever-increasing insistence. This promising and happy development, however, is unfortunately not unmarred. In many parts of the globe, the break-through to technological mastery has been accompanied by social upheavals. It is tragic that the national and economic awakening resulted in the establishment of a number of totalitarian regimes. Never before was totalitarianism so strong and so beguiling. This plague seems to be the historical price mankind has to pay for its onward march. As a result, never has the struggle for freedom and dignity of the individual reached such tensity and sharpness. In fact, the deadly struggle between the free and the Communist world is waged on this spiritual issue. Dangers surround our social order.

In addition, experts tell us that the Communist world has challenged our technical ability and gradually matches our weapons and military strength. In the face of this threat to our national security, we must keep strong and dedicate our ingenuity to meeting the challenge. Yet it is possible that we are approaching a stalemate. If so, it is time that we search the arsenal of democracy for a superweapon.

In my view, democracy possesses it, a weapon unsurpassed and unsurpassable—I mean the Bill of Rights which guarantees man his individual liberty and dignity.

To defend it in its operation is the duty of all the people of the United States. It is a special duty of the American bar to guide the people in this sacred and fateful fight.

Such is the present. But time will pass, the intoxication of technical achievement will wear off. The achievements of our technological revolutionary age will solve economic problems which prior generations, because of scarcity, were unable to resolve. Then, I am convinced, a period of meditation will set in, and people the world over will long for individual freedom and dignity. When that happens, democracy will fulfill its historic destiny and the world will greet us as the fathers of the blessings of liberty.

With this faith in my heart, I say to our country the solemn words once addressed to Constantine the Great: "In this sign thou shalt conquer."

Russia Objects

EXTENSION OF REMARKS
OF

HON. USHER L. BURDICK

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 9, 1956

Mr. BURDICK. Mr. Speaker, Mr. Nikita S. Khrushchev, head of the Communist Party in Russia, got on his "high horse" last week and bawled out the President of the United States for sending Christmas greetings to the people of Eastern Europe and expressing the hope that someday they might be free and have a government of their own choosing. That was the most Christian greeting that could be imagined. It did not fit in, however, with the ideas of the dictatorship of Russia, where 3½ percent of the population govern absolutely the other 96½ percent.

The President replied to that tirade and announced that it has been, still is, and will continue to be the policy of the United States to liberate the voiceless people behind the Iron Curtain, and that we will not cease our efforts until we are successful. That was all he had to say, period. That gave Mr. Khrushchev something to chew over, and I am glad someone gave this bragging, chest-pounding dictator something to digest. I do not think we need fear enemies of this stamp, for usually anyone who prances around, pounds his chest, exhibits his biceps and announces what he is going to do, uses up all his energy before the fight begins, and such boasters are not difficult to dispose of.

While I am glad the President tackled Khrushchev for a loss, it will be a long costly grind if we undertake the liberation of all peoples behind the Iron Curtain. Those people must realize that they themselves will have to fight for their liberty. They did that before in Russia, and they can do it again. They cannot count too much on our intervening in their revolution.

First of all, it is a costly undertaking in money and men, and many of the people here, or their ancestors, came to America in the first place to get away from the wars in Europe. They saw how useless it was to try to keep the peace, as history shows that every three years from the date of recorded history there has been some conflict raging somewhere. They objected to having their boys compelled to join the armed forces, and were tired of being submerged in a sea of taxation. They pulled stakes and came here and proceeded to build on these shores a government that existed for the people, and which guaranteed liberty and freedom. How well they succeeded is evidenced by the wonderful progress made by the United States in the last 150 years. We started out with 13 settlements, called Colonies, with no fixed central government, and were probably the weakest-looking nation in the then list of nations. After 150 years of free government we became the world's strongest government, and one which many other nations envied and endeavored to copy.

Our first step in European entanglements was taken in 1917. Again in 1941 we got enmeshed, then once more in Korea. After World War II stopped we endeavored to use our money, men and resources to establish peace. Since that date we have expended the following sums: Outright gifts to foreign governments, $44,103,112,291; credits—which will not be paid—$12,347,775,908; other credits—still gifts—$10,123,872,197.

Today everyone will admit that we are no nearer to world peace than we were before we began this program. In the meantime we have increased our debt limit, and now again we are dangerously near the new limit. In addition, we are running on an unbalanced budget. Other countries like Great Britain and Yugoslavia have balanced their budgets from gifts made by the United States. What is more important, the above costs do not take into consideration that other awful price element which was inflicted on our troops by death, wounds, imprisonment and torture.

The argument is made that it will not take us long to carry out our intention of liberating the enslaved people of other countries. It has been 10 years since the end of World War II, and still we have not accomplished our purpose, nor have we made much progress. As the second session of Congress starts, one of the first things to come before it will be a request for a further appropriation of $4 billion in foreign aid.

The official opinion seems to be that in this atomic age a war will not last long. It will be a matter of days, not years. The people have been given to understand that one bomb, or at best a very few of them, will destroy the earth itself. I do not subscribe to this theory at all. This earth was created by divine power, and people were put here on this planet by that same power. It is consistent with faith to say that a few insignificant creatures inhabiting the earth by the grace of this divine power can undo in a matter of minutes all that the Almighty has done? This is fear in the nth degree. If the mind of man can contrive such a dangerous instrumentality the brain of man can also contrive a means of making it ineffective. Every positive has a negative, and the whole world and everything in it constitutes a system of balances.

I would like to see the people of Russia liberated, but remember that when a reigning government which has 3½ per-

cent of the people voluntarily supporting it and the other 96½ percent of the population are vassals living under the heel of dictators, any change will have to come from within. The people themselves will finally have to take action to emerge from their condition of serfdom. There will be much blood spilled, but the road to freedom is costly, and no nation knows it better than we do.

However, there are certain things that we can do now to help the people of Russia and other dictator-dominated countries. They are: First, withdraw recognition from this bloody regime of Russia; second, oust Russia from the United Nations or get out ourselves.

We know now, and should have known right along that Russia is our enemy, and has, does, and will continue to oppose every move we make in the interest of world peace. While we sit in the United Nations with our arm around our beloved brother, with both of us pledged to world peace, this beloved brother is looking for the most favorable opportunity to stab us in the back, and is working with unremitting energy to destroy us and all we stand for.

If we take the steps above suggested these moves will give the people behind the Iron Curtain new hope, and they will gain new strength when they see that the United States will no longer uphold or condone the tyranny of the Russian leaders.

Statement in Praise of the President's Message on Agriculture and the Method and Spirit in Which It Was Evolved

EXTENSION OF REMARKS
OF
HON. HENRY ALDOUS DIXON
OF UTAH
IN THE HOUSE OF REPRESENTATIVES
Monday, January 9, 1956

Mr. DIXON. Mr. Speaker, President Eisenhower in his state of the Union message, Senator ELLENDER, Democrat, Louisiana, chairman, Senate Agriculture Committee, and Representative COOLEY, Democrat, South Carolina, chairman, House Agriculture Committee, have made earnest pleas that farm legislation be kept out of partisan politics. If it is possible for both parties to hold the line for this approach, which I devoutly hope will be possible, I am satisfied that we will come out with an excellent farm program.

The more political and emotional the issue becomes the greater the likelihood for the disputants to freeze on one solution to the exclusion of many other equally good solutions and to become insensitive to the recommendations of the farmers, the farm organizations, the professional people, the United States Department of Agriculture, and to the National Agricultural Advisory Committee.

The less political the issue becomes the greater the opportunity for a scientific approach and the greater the opportunity to include in the legislation the best ideas that have been developed regardless of their source and regardless of who gets the credit.

The President's message on agriculture still retains the flexible price support principle; yet he and Secretary Benson adopted the scientific approach in seeking from all sources suggestions for modifications in the former program.

I commend the President, Secretary of Agriculture, and the many people and organizations representing different parties and different points of view upon the democratic way in which the message was evolved, and also upon the great merit of this message.

Van Zandt Urges Congressional Action on Proposed Amendments to the Railroad Retirement Act

EXTENSION OF REMARKS
OF
HON. JAMES E. VAN ZANDT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, January 9, 1956

Mr. VAN ZANDT. Mr. Speaker, as the Representative in Congress of a large group of active and retired railroad employees, at their request I introduced on January 3 a series of bills designed to liberalize the Railroad Retirement Act and increase benefits.

During the past several months in covering the 20th Congressional District of Pennsylvania I had the opportunity of meeting and talking personally with hundreds of active and retired railroaders as well as widows of deceased railroad employees and other survivors. Not only did I find a lot of dissatisfaction among the retired people because of the failure of Congress to increase benefits, but also a general feeling among active railroaders that the retirement law should be revised for the purpose of providing a more adequate annuity at the time of retirement.

The series of bills introduced today are in addition to the following bills introduced in January 1955 at the beginning of the first session of this Congress, namely:

H. R. 856, which provides full annuities at compensation of half salary or wages based on the 5 years of highest earnings, for individuals who have completed 35 years of service or have attained the age of 60.

H. R. 858 provides retirement on a full annuity at age 60 or after 30 years of service and that such annuity for any month shall not be less than one-half of the individual's average monthly compensation for the 5 years of highest earnings.

H. R. 859 provides for an across-the-board increase of 25 percent in the annuities and pensions payable to retired railroad employees or their survivors.

H. R. 2443 provides that an annuitant may be eligible for his retirement annuity even though he renders compensated service for an employer other than railroads by whom he was last employed before his annuity became effective. This bill covers the situation where a retired employee is denied the opportunity to serve as a clerical employee of a church, civic, fraternal, or social organization.

In regard to the series of bills which I have introduced this date they are as follows:

H. R. 7982 provides that the present dual benefit restrictions on spouse's annuities shall be eliminated. If this bill becomes a law some 6,000 spouses who have earned social-security benefits in their own right will be entitled to receive such benefits without having the amount deducted from their railroad retirement benefits as is being done at the present time.

H. R. 7984 provides for a 25-percent across-the-board increase in the annuities and pensions payable to retired railroad employees, their widows, or other survivors. This bill is a revision of H. R. 859 and is necessary because of changes made by the 1955 amendments to the Railroad Retirement Act.

H. R. 7990 provides a 10-percent across-the-board increase in the annuities and pensions payable to retired railroad employees, their widows, or other survivors.

H. R. 7988 provides a 15-percent across-the-board increase in the annuities and pensions payable to retired railroad employees, their widows, or other survivors.

H. R. 7986 provides a 20-percent across-the-board increase in the annuities and pensions payable to retired railroad employees, their widows, or other survivors.

H. R. 7983 is a bill designed to provide a 25-percent increase in widows' annuities.

H. R. 7989 provides a 10-percent increase in widows' annuities.

H. R. 7987 provides a 15-percent increase in widows' annuities.

H. R. 7985 provides a 20-percent increase in widows' annuities.

Mr. Speaker, on November 1, 1955, the Railroad Retirement Board was paying 313,116 annuities and pensions to retired railroaders, 108,896 annuities to spouses of retired employees, and 205,371 monthly survivor benefits to widows and other survivors, or a grand total of 627,383 monthly annuities. Many of these beneficiaries under the Railroad Retirement Act live in my congressional district, and it is at their request that I have introduced railroad retirement legislation in both sessions of this Congress.

Already in an effort to secure prompt consideration of the bills mentioned I have written to Chairman PERCY PRIEST, of the House Interstate and Foreign Commerce Committee, and to A. E. Lyon, secretary, Railway Labor Executives Association, as well as to the legislative representatives of the railroad brotherhoods, the International Association of Machinists, and the A. F. of L.-CIO.

Mr. Speaker, the interest of the active and retired railroad employees in seeking amendments to the Railroad Retirement Act should receive serious consideration by Congress. This is their retirement system supported entirely by contributions from the employees and railroad

management, and its is the duty of Congress to give full consideration to the request for liberalization of the Railroad Retirement Act and an increase in benefits.

Fort Worth: 100 Years of Progress or When the West Began Beginning

EXTENSION OF REMARKS
OF
HON. JIM WRIGHT
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Monday, January 9, 1956

Mr. WRIGHT. Mr. Speaker, on the banks of the Trinity River in Texas, a city rises out of the open prairie. It is Fort Worth, where the West begins. It is the capital and queen city of west Texas, a 120,000 square mile domain.

Down the canyon of West Seventh Street the wind whistles off the plain at 45 miles an hour between tall buildings that stab at the sky as if pointing the direction of Fort Worth's future. It is a friendly, big, garrulous, open-hearted town. Here live 350,000 people in this year 1956.

All of this began 100 years ago with four events noted at the time by only a handful of interested and determined settlers. In 1856, the first general school was created by community action. The first industry was launched. A post office was established. And in that fateful year, by dint of undaunted determination, Fort Worth became the county seat.

The future was pregnant with promise. Fort Worth's hour of destiny had not yet struck, but the wheels of history had been set in motion.

Only 6 years earlier, the United States Army had founded here on the untamed prairie a fort, charged with the mission of protecting the increasing wagonloads of settlers from the ravages of the savage Indian tribes which roamed the area.

In 1853, with the thin edge of settlement pushing westward, the fort had been abandoned and in its place had sprung up a tough-rooted little civilian community on a bluff overlooking the Trinity Valley and the southward tilt of the rolling plain.

Other settlements, to be sure, had clawed a tenuous foothold in this new frontier. Others opened schools and post offices, hopefully started infant industries, became county seats.

But there was, even then, something about the spirit of this frontier village which marked it for permanency. It was like a hardy little prairie flower, determined not to wither on its vine under the scorching southwestern sun.

Wagon trains of settlers were rolling westward, looking for a place to get a new start and stake the family future. Some 30 miles to the east lay Dallas, already established, like a roadblock across the trail.

When the wagons rumbled through on the westward track, Dallas men would stop them with lurid tales of danger to the west. "The Indians will surely scalp you if you venture to Fort Worth," they warned. Here, perhaps, began Fort Worth's much vaunted early reputation as a wild and woolly place.

Here, too, began an intense rivalry which has raged for a hundred years. Picking up the challenge, the Fort Worth settlement sent riders to intercept the wagons east of Dallas and escort them to Fort Worth along a trail that bypassed the neighboring village.

And here, also, was born a tradition of resourcefulness in building a city. Fort Worth had no doctor. When Julian Field, a leading community figure, became ill, it was necessary to send to Dallas for young Dr. Carroll Peak. The townspeople immediately set upon him with blandishments. They would not hear of his leaving. He and his wife were put up in an abandoned barracks, and he stayed in Fort Worth.

Unwilling to trust the schooling of the children to the erratic comings and goings of wandering tutors, the infant community in 1856 called an election, chose a school board, imported two regular teachers, and erected a crude school building.

The first industry, appropriately enough, was milling. Julian Field, R. S. Mauk, and David Man built a gristmill to make flour from the wheat brought in from neighboring farms.

The nearest post office was Dallas. Dr. Peak hired a horseman to ride over semiweekly and bring back all missiles addressed to Fort Worth's residents, and for this service he charged a dime a letter. In 1856, President Franklin Pierce recognized the new community carved out of the frontier by appointing Julian Field as the postmaster, and Fort Worth built its own post office.

The dauntless tradition then aborning was most dramatically portrayed, however, in the circumstances surrounding the removal of the county seat to Fort Worth from Birdville, then a separate village some 5 miles to the east.

A delegation went to Austin, buttonholed lawmakers, finally prevailing upon the legislature to call an election in which Tarrant County's settlers could choose between the two villages for their seat of justice.

The competition was keen, if not entirely clean. As an added lure to voters, Birdville leaders cached a big barrel of whisky in an oak grove at the edge of town. Fort Worth merchants, with less propriety but not to be outdone, stationed huge barrels of free whisky on the public square. Adding insult to injury, an overzealous group of Fort Worthers stealthily made their way into Birdville's grove and siphoned away their neighbors' liquor, leaving the adversary dispirited in more ways than one.

Riders went out from both cities in all directions to round up voters. It was afterward contended that the total vote far outnumbered the aggregate male population of the county, but a precise census was virtually impossible. Sam Woody, of Decatur, told in later years of having brought in 14 men from Wise County to vote for Fort Worth that day in 1856. When all ballots were in, Fort Worth had carried the election by seven votes.

That night a torchlight procession gleefully made its way to Birdville and physically removed the courthouse effects, then and there conveying them to their new and permanent home.

This same instant resourcefulness and unashamed partisanship have characterized every step of Fort Worth's ascent up the ladder to eminence.

Two decades later, the Civil War-disrupted Texas economy was pulled out of the doldrums by the cattle drives which took bawling herds of rangy longhorns up the long, dusty trail to Abilene, Kans. It was in this era that Fort Worth, still a drowsy hamlet of but a few hundred people, seized upon opportunity and became the base of supply for West Texas stockmen.

Adjusting its pace to the trail-driving age, the town provided a welcome release for the pent-up energies and appetites of the cowhands after long, dull months on the range. It was a noisy, lusty, brawling place, but nobody cared. The cowboy was king; and this was Cowtown.

The open sesame for any aspiring township of the day was a railroad, and Fort Worth set out to have one. In the 1870's B. B. Paddock, editor of the Fort Worth Democrat, displayed the town's unrestrained ambition when he published a drawing that he called the Tarantula Map. Its center was a heavy blob denoting Fort Worth, while lines, like the hairy legs of the huge Southwestern spider, reached out in 9 directions to represent the 9 railroads which the editor prophesied would 1 day serve the town. Although rival towns scoffed, his prediction eventually came to pass.

With enthusiasm, Fort Worth leaders set out to promote their first railroad. An agreement was struck whereby the Texas & Pacific would be given large land grants from the State of Texas and 320 acres at Fort Worth, donated by such local enthusiasts as Van Zandt and Daggett, upon the condition the road reached Fort Worth by January 1, 1874. Work was begun, and the town danced with excitement over the prospects.

Catastrophe loomed when the powerful northern financial house of Jay Cook & Co. went broke. Risk capital froze in panic throughout the Nation, and the twin rails were halted in the middle of nowhere, several miles east of town.

Not to be denied, Fort Worthers determined they would have the road completed, if they had to build it themselves, foot by painful foot. They organized the Tarrant County Construction Co., subscribing its stock with cash, materials, labor, supplies—whatever they had. A bargain was driven with the T. & P., whereby the local company agreed to prepare the roadbed, the railroad to lay the track.

In a dramatic night-and-day race against time, with townswomen bringing food and coffee to the perspiring workmen and section crews resorting to the most unorthodox improvisations, the tracks were laid and an old wood-burning engine puffed into town to beat the second deadline set by the State legislature.

A churning cauldron of activity then erupted upon the prairie. Oliver Knight in his excellent work, Fort Worth, Outpost Upon the Trinity, from which most of this information was derived, has said that this was "by all odds the greatest

day in the history of Fort Worth," pointing out that within a few weeks after the first train rolled into town 59 new businesses had opened, and that within 4 years there were no less than 460.

Now joined to the East by railroads, the rapidly growing city attracted a web of stagecoach lines, becoming in 1878 the eastern terminal for the world's longest stage route which stretched for 1,500 aching miles to the California border at Fort Yuma, Ariz.

The Fort Worth story is one of vision, and of a community's ability to adapt to changing circumstances. While money flowed into town on the wings of transportation and cattle drives, Fort Worth was not content to soak up this boon with the impassivity of a sponge. Why not capitalize permanently upon these two advantages?

On Fort Worth's old North Side, where all the accoutrements of the early West are still much in evidence, a group of farsighted leaders founded the Texas Dressed Beef & Packing Co. A stockyard and slaughtering pens were built. Meat was dressed and shipped under refrigeration to the eastern markets, and the plant paid ranchmen 50 cents a head above the prevailing Kansas City price.

The taproot was driven deeper into the bruised soil upon the Trinity's banks. Fort Worth had industry.

It was then, near the turn of the century, that an air of real permanence began to settle upon the ebullient Cowtown. Other industries slowly took hold. Municipal improvements came in a wave—a dependable water system, sanitary sewers, street paving and a modern fire department. Law and order took firmer grasp, churches thrived and women's clubs burst upon the scene.

The boisterous, rough-neck town was growing up. Like a self-conscious overgrown farm youngster in the city, the seam-splitting prairie colossus developed a newfound interest in higher education.

The Methodists in 1881 founded Polytechnic College on the present Texas Wesleyan site, then some 4 miles southeast of Fort Worth.

The Christian church in 1889 took over Add-Ran Institute, began in Fort Worth as early as 1869 but moved by its founders to Thorp Springs to avoid "the alluring vices of the city." The Church transplanted the Institution for a time in Waco, then brought it home to Fort Worth in 1910 as Texas Christian University.

In that same year, the Baptists opened Southwestern Baptist Theological Seminary which has flourished ever since.

But even with the stabilizing influences of culture, the spontaneity of fierce community pride continued. With the new century came the automobile, and Fort Worth took up the craze.

In their penchant for new horizons, the town's civil leaders foresaw that highways would one day be the new arteries of commerce. The State adopted a constitutional amendment in 1904 permitting counties to issue road bonds, and with characteristic vision Tarrant County became the very first in the entire Southwest to approve road and bridges bonds for $1,600,000.

Aviation evoked immediate enthusiasm in Fort Worth. The first daredevils to schedule a barnstorming tour through this part of the country made the mistake—or perhaps it was not a mistake for them, as it turned out—of booking an exhibition in Dallas but none in Fort Worth. This would not do. Amon Carter raised a public subscription and paid the four-man troupe $5,000 to demonstrate their talents in Fort Worth.

Fort Worth became an early aviation center at the outset of World War I. The Canadian Government established three flying fields near the city—Hicks, Everman, and Benbrook—where pilots were trained for the Royal Canadian Flying Corps.

In recent years, Fort Worth has carved itself a permanent niche in the history of aviation. During World War II, its Convair plant performed the impossible in production of our B–24 Liberator bombers. And in 1949 a new epoch in world history may even have come into being with the very first nonstop flight around the earth, originating and ending at Fort Worth's Carswell Air Force Base.

It is today the home of one of the world's most thoroughly modern international airports, known as Amon Carter Field.

As it had become the capital of the cattle industry, Fort Worth in the 1920's again grasped the elusive figure of opportunity and gambled on oil. With the throbbing exhilaration of west Texas boomtowns, Fort Worth girded itself as the gateway and supply base for the oil kingdom.

Just bring out something new, and it will find a home in Fort Worth. In 1921, Harold Hough held the torch of vision which had lighted the wilderness for Cowtown's early planners when he pioneered radio with WBAP. Twenty-seven years later, Fort Worth had the first television station in Texas.

The most recent sales management survey indicates that during the decade just ended, Fort Worth was the fourteenth fastest-growing city in the Nation. In the latest census of manufactures, Fort Worth's rate of industrial growth is shown to outstrip that of any other industrial center in the United States.

Today, the city's skyline glistens in the bright Texas sunlight. The rather tired old courthouse overlooks the Trinity in the same spot where the Army dragoons built their fort more than a hundred years ago. But in the city's heart pulsates the rhythm of change, of growth, of still untamed ambition. It dreams new dreams and still believes in a better tomorrow.

The Anniversary of President Wilson's 14 Points

EXTENSION OF REMARKS
OF

HON. THADDEUS M. MACHROWICZ

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, January 9, 1956

Mr. MACHROWICZ. Mr. Speaker, under leave to extend my remarks, I wish to place into the RECORD a statement on the 14 points of President Wilson, whose birth we celebrate this year.

The hundredth birthday anniversary of one of our greatest Presidents, Woodrow Wilson, will be celebrated this year all over the United States. During his Presidency, at the turning point of American history, the ideals of the American Declaration of Independence spread all over the world.

At that time the United States made a colossal effort to establish a just peace among nations, and for these efforts President Wilson, still in the White House, was awarded the Nobel Peace Prize in 1919.

President Wilson's idea of a just peace was based on the principle of every nation's self-determination and full independence, notwithstanding the size of the country, or the number of people, or their importance in the world. The most powerful expression of President Wilson's ideas was his attitude toward Poland. During the First World War the international situation put the problem of Poland into the foreground. Even before the United States entered the First World War, President Woodrow Wilson said in his message of January 22, 1917:

> Statesmen everywhere agreed that there should be a united, independent, and autonomous Poland.

Now it is fitting to remember, that on January 8, 1918, President Wilson announced his famous 14 points, which expressed fully his peace program. And it is also fitting to remember that his peace terms announced on January 8, 1918, were fully accepted by the defeated Germans on November 11, 1918.

President Wilson's 13th point, concerning Poland, made the greatest impression of all. This point reads as follows:

> An independent Polish state should be erected which should include the territories inhabited by indisputable Polish populations, which should be assured a free and secure access to the sea, and whose political and economic independence and territorial integrity should be guaranteed by international covenant.

At that time the message of the President made it clear to all, that the regaining of independence of Poland is one of the main aims for which the war was fought by the Allies.

When Poland regained her freedom and independent after the First World War, the Polish nation never failed to express its gratitude for President Wilson. His message of January 8, 1918, strengthened and deepened the traditional ties of friendship between the American and Polish nations.

The fundamental principles of the American foreign policy still follow the tradition of American ideals: The ideals of every nation's self-determination, their full independence in a just and lasting peace—these ideals are still alive. This policy was reaffirmed by Presidents Franklin D. Roosevelt and Harry Truman. They were expressed in the declaration of December 30, 1955, on behalf and with the approval of President Eisenhower:

> The peaceful liberation of captive peoples has been, is, and until success is achieved, will continue to be a major goal of the United States foreign policy.

Unemployment in Economically Depressed Areas

EXTENSION OF REMARKS
OF

HON. KENNETH J. GRAY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, January 9, 1956

Mr. GRAY. Mr. Speaker, on the opening day of the 2d session of the 84th Congress, I introduced H. R. 7902, a bill to establish an effective program to alleviate conditions of excessive unemployment in certain economically depressed areas.

It is of the utmost importance to all the people of southern Illinois that this bill become law in this session of the Congress. I hope we will be able to hold early hearings on this bill and that it may be passed without undue delay in order to alleviate human suffering.

Under unanimous consent request, I wish to have inserted the following statement by me made before the United States Senate Labor Subcommittee on January 6, 1956:

STATEMENT BY THE HONORABLE KENNETH J. GRAY, REPRESENTATIVE IN CONGRESS, 25TH DISTRICT, ILLINOIS, BEFORE THE UNITED STATES SENATE LABOR COMMITTEE, ON JANUARY 6, 1956

Mr. GRAY. Mr. Chairman and members of this fine committee, I am indeed grateful for the invitation and opportunity to appear before your committee which is studying the economic conditions in depressed areas of our country.

I have the honor of representing the 15 southernmost counties in the great State of Illinois and before settling down to specific facts concerning our true economic conditions as they now exist in southern Illinois, please let me first preface my remarks by saying that due to coal and fluorspar mine closures and other factors, the economy of southern Illinois has been slipping for the past 10 years. The people of this region, through their chambers of commerce, Southern Illinois, Inc., community development programs, and other groups have done an outstanding job in trying to promote private industry to our region to take up some of the unemployment slack; however, the economic decline has been so great that the results of their endeavors have not been fast enough to prevent an economic recession in which we find ourselves at the present time.

Southern Illinois is made up of fine people, good schools, churches and bounded on both sides by two of the greatest navigable streams in the world, the Ohio and Misssissippi Rivers, but is severely hurt economically and if Federal help is not forthcoming, thousands of additional people will be forced to leave the area to seek employment. There are 31,000 able-bodied men and women in my congressional district unemployed and according to the latest figures from the Illinois Public Aid Commission there are 51,876 persons receiving Government surplus food in the 15 lower counties of southern Illinois. In an effort to spotlight the needs of Southern Illinois and to give each community a chance to stand up and speak out in behalf of their wants and needs, I called a nonpolitical factfinding forum for December 31, 1955, and urged every man, woman, and child in southern Illinois to attend. I invited every State and Federal official, concerned with this type of problem, from President Eisenhower on down. I was indeed gratified by the huge success of the meeting which was made possible by the attendance of 35 southern Illinois mayors, an estimated 5,000 private citizens and a score of various chambers of commerce and other spokemen who came to the "sink or swim" meeting to tell their story and every word uttered received the utmost attention of the following State and Federal officials who were in attendance:

LIST OF STATE AND FEDERAL OFFICIALS ATTENDING "SINK OR SWIM" MEETING HELD AT WEST FRANKFORT, ILL., DECEMBER 31, 1955

PAUL H. DOUGLAS, United States Senator, chairman, Joint Committee on Economic Report.

Bert Baker, State representative, Illinois.

Russel Travis, representing Illinois State Director of Labor.

Lester E. Leigh, representing Ezra T. Benson, Secretary, United States Department of Agriculture.

Harry P. Raymond, Interstate Commerce Commission.

J. M. Ballard, representing Administrator Wendell Barnes, Small Business Administration.

Charles S. Green, representing Illinois Department of Labor.

Paul Dorris, representing Illinois Industrial and Planning Commission.

CHARLES W. VURSEL, Member of Congress, 23d District of Illinois.

G. R. "Bob" Beckmeyer, State representative, Illinois.

Dean Hammick, State representative, Illinois.

Clyde Miller, United States Department of Commerce, personal representative of President Dwight D. Eisenhower.

A. L. Rascher, Jr., United States Department of Commerce, personal representative of President Dwight D. Eisenhower.

Paul Zeigler, State representative, Illinois.

Clyde Choate, State representative, Illinois.

V. O. Verhines, State representative, Illinois.

E. Bishop Hill, representing United States Health, Education, and Welfare.

L. D. Norman, representing Department of Public Welfare.

Clyde W. Campbell, representing Interstate Commerce Commission.

John M. Darr, representing Wendell Barnes, Administrator, Small Business Administration.

Ralph Warnack, representing Wendell Barnes, Administrator, Small Business Administration.

Russell L. Kelly, representing Illinois Department of Labor.

H. K. Olds, representing State of Illinois auditor's office.

E. E. Crawford, representing United States Department of Interior.

H. E. Stiles, representing United States Department of Interior.

I expended months of hard work in organizing such a factfinding forum and I believe it was well worth the effort because it accomplished at least three specific things: (1) It gave the people of southern Illinois a chance to tell of the true economic conditions existing in their respective communities; (2) through questionnaires an opportunity was provided to list projects needed to stimulate the local economy; and (3) focused State and Federal attention on our plight with a view that the information derived from each community will be helpful in setting up a distressed-areas program. Speakers came from every walk of life—rich man and poor man, banker and coal miner, and each one reiterated a common plea to officials in attendance that "we don't want charity or doles, we want to work"—but they pointed out they had no chance to work. No jobs were to be found, they said, unless they left their homes and went to some other place.

It was brought out in the meeting that the people are very disgruntled with the Government for sending billions of dollars overseas in foreign aid while communities in the United States could be utilizing these funds to alleviate human suffering in this country.

We were privileged to have Senator DOUGLAS at our meeting to discuss some of our problems and offer ways of improving conditions and have him explain the provisions of his depressed-areas bill, S. 2663.

President Eisenhower personally directed that Mr. Clyde Miller and Mr. A. L. Rascher, of the United States Department of Commerce, report back to him their findings of the forum. They summed up conditions in southern Illinois by including in their report that the "area is economically depressed and needs Federal assistance."

Gentlemen, I call these facts to your attention because they reflect the opinion of unbiased individuals who were sent into our area to review our economic plight. Similar reports will be forthcoming from other State and Federal officials in attendance.

In addition to our industrial plight, our farmers are also experiencing undue hardship. In a survey that I conducted in my district in cooperation with the Bureau of Census, it was determined that there has been a net loss of 4,000 farms in my congressional district since 1951. This means only one thing—the small farmer is being forced out of business and has been selling his acreage to the larger farmer. This can be substantiated by the fact that the average acreage per farm has increased. We have also lost over 25,000 people in the past 5 years who have moved to other sections of the country to find work.

I think I have expounded long enough as to our need. The main concern of mine at this time is what can we do about it. I believe it is incumbent upon the Congress to pass some type of depressed areas bill in this session so we may go about the task of stimulating the economy of our communities without further delay. I have read thousands of questionnaires that have been filled out by individuals, organizations, and cities. I am thoroughly convinced that a program designed merely to loan money will not be sufficient to cope with the problem. In addition to loans to communities with which to induce new industry, other things will be needed—public works projects such as new highways and streets, city halls, new schools and additions to old ones, improved water and sewerage systems, artificial lakes to insure an adequate water supply, increased dredging projects for navigation and flood control, and new sources of electrical power. To help carry out some of the aims of area development, I have just introduced H. R. 7902 which is similar to S. 2663 introduced by Senator PAUL DOUGLAS in the Senate. I expect to have some slight changes in my bill after completion of the study of the thousands of suggestions contained in the questionnaires I circulated in conjunction with the "sink or swim" meeting held last week.

On behalf of all the fine people of southern Illinois, may I urge upon you very strongly to take drastic action in an effort to alleviate the critical unemployment situation existing not only in southern Illinois but the other economic sore spots in the country. We do not ask for handouts, but merely be given some projects and tools with which to work so that we may make our area more attractive to private industry.

Thank you very kindly for your attention and for this opportunity to testify before this committee.

Senator DOUGLAS (chairman of Subcommittee on Labor, presiding). May I interrupt a moment? You know, of course, that section 9 of S. 2663 authorizes the appropriation of an additional $100 million for public works and public facilities outside the sums carried in other appropriation bills?

Mr. GRAY. That is exactly right. As I have said, I have had the honor of introducing a companion measure to your bill in the House, H. R. 7902, and I realize that. I merely mention this because I think some of the supporters of depressed areas bills will merely want to make money available to lend to these various communities. I don't think that is going to do the job by itself. I don't think the economy of some of these communities will allow them to put up the necessary capital to obtain a loan. I think there are going to have to be types of projects other than just lending money to these various communities. That is the reason I pinpoint and mention this.

Senator DOUGLAS. Yes. May I ask this question? It is not true that though the averag rainfall over a period of years in southern Illinois has in the past been adequate, though not in certain years, that nevertheless there is something connected with the soil so that there are not natural lakes in the region, and it would be necessary probably in order to build up the region to have a series of artificial lakes or reservoirs both for the use of the community and to provide industrial water for new industry which may come there? It would be, therefore, necessary to have a public-works and public-facilities program to go along with loans to new industries.

Mr. GRAY. That is exactly right, Mr. Chairman; not only for possible irrigation farming and industry, but in the past 3 years almost every city reservoir in southern Illinois has dried up, and they have had to pump water from as far as 30 miles away to supply their local communities.

I might say that after looking over thousands of these questionnaires I may have some additional recommendations to make to this committee. There is some wonderful testimony in the questionnaires, both from individuals and groups, and due to the fact that the meeting was only last Saturday, I haven't had a chance to go over all of them.

Every person who came to the microphone to speak at the meeting told that we didn't want doles, but we would like to have some things to raise our economy up with the economy of the rest of the country, and to provide these people with a decent living.

As I say, there are 31,000 unemployed in my district, plus the 25,000 who have had to move off to other places, including the potash mines of New Mexico. Many own their homes, and would like to come back to them. So if you added that figure, we probably would have 50,000 or 75,000 unemployed if they all could come back home. This is a matter that has been discussed pro and con as to whether or not the Government should help these areas, and in my opinion, after listening to this nonpolitical fact-finding forum, it is a must, for some Federal action if these communities are to survive. My home town of West Frankfort, Ill., in 1940 had a population of 15,800. Today it has an estimated population of 9,000. Imagine such a loss in population when most cities have grown considerably since the war.

Last week, on the very day that I called the fact-finding forum, we had a very large department store on Main Street, one of the largest in town, close after 35 years of operation, because of economic conditions. Thirty-five years in the same spot, and it closed the very day we had this forum.

Senator DOUGLAS. That is the same thing that happened in Johnson City.

Mr. GRAY. That is right. All those towns.

I again say I certainly appreciate this opportunity. I am at the disposal of this committee any time that I can give information that I have derived from these questionnaires or from personal knowledge of the problem. The questionnaires contain the unbiased opinions of the people of southern Illinois, regardless of political affiliations, and we are at your command at any time.

Address by Congressman John J. Flynt, Jr., to the National Association of County Officials

EXTENSION OF REMARKS
OF
HON. JOHN BELL WILLIAMS
OF MISSISSIPPI
IN THE HOUSE OF REPRESENTATIVES
Monday, January 9, 1956

Mr. WILLIAMS of Mississippi. Mr. Speaker, on July 17, 1955, our distinguished colleague, Hon. JOHN J. FLYNT, Jr., of Georgia, delivered a memorable address to the National Association of County Officials at their annual meeting in Richmond, Va. Congressman Flynt's address emphasized the importance of local governments and stressed the very pressing need of our people for the right of local self-determination. Under leave to extend my remarks in the CONGRESSIONAL RECORD, I am pleased to include the major portion of Congressman FLYNT'S address:

EXCERPTS FROM ADDRESS BY CONGRESSMAN JOHN J. FLYNT, JR., TO THE NATIONAL ASSOCIATION OF COUNTY OFFICIALS ANNUAL MEETING IN RICHMOND, VA.

Mr. President, ladies and gentlemen, I am grateful to you and your executive committee for the invitation to meet with you today, and I am especially delighted to discuss with you our joint responsibility to the respective subdivisions of Government which we serve. In most instances you who serve your counties, districts, and parishes do so because of a genuine desire to be of public service. It matters not what capacity in which you serve. I believe I make a safe statement when I say that each of you put far more into the job you perform than you receive out of it in monetary compensation.

In the entire history of the American people of our Nation and of the States and local subdivisions of government which comprise our Nation, it has been a historical fact that the best public servants and the best public officials are those who serve out of a genuine and conscientious desire to improve the community, State and Nation in which they live.

The principle is well established that the responsibility of government under our law and Constitution rests with the people. The American people are the only sovereign power under our form of Government. We who in one form or another have been chosen to elective office have received from this sovereign power our commission and our mandate to be public servants in a representative form of Government. If ever we fail to realize that we are a part of a representative form of Government and if ever we fail to fulfill the commission entrusted to us, then we have failed in the basic concept of the form of Government which has made this Nation the greatest in the history of civilization.

There is a phrase in the State constitution of my own State of Georgia. In fact, it is paragraph 1 of article I of our State constitution. It reads:

"All government, of right, originates with the people, is founded upon their will only, and is instituted solely for the good of the whole. Public officers are the trustees and servants of the people, and, at all times, amenable to them."

Of the responsibilities which rest upon you as a governing official of the county in which you live, three of them stand out above all. First, there is a responsibility to your own local government of which you are a part to lend to it a dignity and stature so that all persons may have a genuine and deserved respect for constituted authority.

In this connection, it seems to me that the first responsibility of local officers, indeed the first responsibility of all public officials, is to maintain and preserve the principle of local self-government and local self-determination. This country of ours and our government on every level has become the great Government that it is and the great Nation which we are because of strong foundations on the local level.

We could no more have built a strong national government with weak local foundations that you could build a pyramid on its point or suspend this building in space without solid, genuine foundations.

It is for this basic, underlying reason that we who live in the South are so firm and so confident of the rightness of our position which the Supreme Court of the United States has recently sought to overturn and overthrow. If the Supreme Court of the United States, or any other tribunal by whatever name it may be known, can destroy the principle of local self-government and local self-determination on the issue of public schools, then it can also do it in every phase of local government. This decision of the Supreme Court to which I refer was aimed at the South, and under the guise of a legal decision it overturned every precedent known to legal minds. Those of you who have read the Supreme Court decision are well aware of the fact that it admitted that it was not based on law but was based on sociological and psychological factors.

Therefore, we urge and call upon you who live in other parts of the United States to join with us as we seek to preserve the principle of local self-government and local self-determination.

Don't say it can't happen to you, for just as surely as the principle of local self-government is destroyed in Georgia or Virginia or Alabama, then before you know it, even perhaps before the moon changes again, you will lose certain rights which you think are safe and secure to you today.

So, never send to know for whom the bell tolls, it tolls for you.

We have long believed that we enjoy more freedoms than any other people in the world, and yet by recent decisions of the Supreme Court of the United States, that Court has destroyed the most basic and fundamental freedom of all, the freedom of choice.

Secondly, a public official owes a responsibility to the citizens of the political subdivision he serves, whether it be on a municipal, county, State or national level. "A public office is a public trust." Any public official who undertakes to conduct the duties of his office in any spirit other than that he is performing a sacred trust is unworthy to hold the position to which he has been chosen.

The third of the three responsibilities which are enumerated here is the responsibility to one's self. "This above all: To thine own self be true, and it must follow, as the night the day, Thou canst not then be false to any man." If and when this thought becomes the guiding spirit which motivates each public official in the performance of his public duty then we shall be assured for all time of better and finer government on every level of government known to American people.

Public confidence in public officials and in local self-government is determined largely by the manner in which the duties of local public offices are conducted and carried out. Each and every public official is, and at all times should be, responsible for his every public action.

It is, of course, necessary on all levels of government to hold what are known as executive sessions, that is in certain phases of

legislation and certain phases of carrying out administrative and executive duties, it is necessary that these sessions be conducted in relative privacy. But one indispensable part of our form of government is that the results and actions of these executive sessions, once they have been made, be made freely and openly available to inspection by the public generally. This is as it should be, because truth is a weapon of freedom; and conversely the suppression of truth is a weapon of dictatorship.

There are two essential characteristics which a successful public official must possess. One is a thick skin and the other is courage.

It is not necessarily right, but it is nevertheless true and correct that any public official, good or bad, is at all times subject to attacks sometimes minor and on the other hand sometimes extremely vicious. He, therefore, must at all times be ready, willing and able to withstand any attack which may be made upon him as an individual or as an office holder. He must be able to laugh at those which are made in either a joking or half-joking fashion, and at the same time, he must be able to repel by whatever means necessary those of a vicious and scurrilous nature.

The other characteristic which every public official must have is that of courage. He must be able to make decisions and to stand upon the decision he has made so long as he believes that decision to be right and just. He cannot vacillate and he cannot change his mind with each changing wind or each waxing moon.

There is a story told that during the reign of Henry VIII, of England, there was a bishop of Westminster by the name of Hugh Latimer. Whatever faults Henry VIII had, he was a regular attendant at worship services in Westminster Abbey Sunday in and Sunday out. One difference between him and other worshippers was that he didn't sit in the congregation as you or I do; Henry VIII sat in his royal box and looked down upon the pulpit and congregation alike. Whenever he disagreed with anything contained in one of Bishop Latimer's sermons, he would voice something akin to a negative amen. One day at the end of Bishop Latimer's sermon, Henry VIII rose in his royal box and said, "Bishop Latimer, your King is speaking to you. On next Sunday morning, you will return to this cathedral and renounce and recant every word which you have spoken today." Needless to say, it was not necessary to send out notices to fill the pews the following Sunday. When next Sunday rolled around, the bishop was in his pulpit, the King was in his royal box, and every available pew and standing space was filled. After the prayer was prayed and after the hymns were sung, Bishop Latimer took his place. He first turned in the direction of the King and addressed himself: "Bishop Latimer, Bishop Latimer, understandest thou that thou are in the presence of the Sovereign King of England who has the power to sever thy head from thy shoulders?" Then Bishop Latimer lifted his eyes toward the sky and again addressed himself, saying, "Hugh, Hugh, knowest thou that thou comest from Almighty God who has the power to cast thy body and soul into everlasting hell. Speak the truth, man, speak it with all thy heart." And then he proceeded to preach the identical sermon he had preached the Sunday before. There wasn't a sound in the cathedral as he finished. Everyone was waiting for what would come next. Presently, Henry VIII rose, faced the bishop and faced the congregation, and said, "I thank God for one man in my kingdom with the wisdom to know what is right and the courage and strength to say it, even in the face of death."

A great many, perhaps most of you, are men and women who occupy positions charged with the building and maintenance of public roads and highways. In view of this, I am sure that you are vitally interested in the legislative deliberations in the United States Congress on the proposal known as the Federal highway program. I think that you might be interested to learn of the plans that have been advanced. The administration plan, oftentimes called the Clay plan, has not been passed and probably will not be passed by either House of Congress, and I am one of those who would have opposed it if the administration's plan had reached the floor of the House of Representatives. This particular plan had what I consider five basic defects which would render it unsound, ineffective and actually un-American legislation.

1. Under the pending proposal contemplated in the administration plan, every dollar's worth of road would eventually cost the taxpayers $1.55.

2. The average life of a road is 20 years. Under the administration plan, it would take our children 30 years or more to pay for the cost of roads which had long since been worn out.

3. The administration plan would completely unbalance our road program, by freezing all work on our regular primary and secondary systems at $622½ millions annually while spending $2 billion each year (three times as much) on an interstate network of super-highways. Three-fourths of all Federal road funds on a system which constitutes only about 2 percent of our highway mileage and carries only one-seventh of our traffic.

4. The increase the administration plan seeks to provide is too abrupt. During the fiscal year just ended, we've appropriated $25 million for this particular network. The administration bill would increase this to approximately $2 billion, or 80 times as much * * * an increase of 8,000 percent.

5. The administration plan would increase our national indebtedness by $31.5 billion and ultimately mean an unavoidable increase in taxes.

I hope that you and each of you can and will make your views on Federal highway legislation known to your respective Members of Congress, for I believe I speak the sentiments of my colleagues in the House of Representatives when I say that we have a great deal of confidence and faith in the county officials who serve the counties which comprise the districts we have the honor to represent.

I am confident that I speak the feelings and sentiments of all of us when I say we are truly living in a changing world. We are living in a world which perhaps stands on the brink of the greatest era of world progress in which the American Nation will naturally play a leading part, or we stand on the threshold of destruction and eternity.

There are many people who believe that the cold war is almost over and that that which will follow will be peace or destruction. Whichever comes, we will go through a considerable change—an era of transition.

Public officials are called upon to take the lead, to make decisions, and above all, to show courage in times of crisis and on days of decision.

If you and I, as public officers, are to serve our Nation, our States, our counties, our families, and ourselves, it is the solemn responsibility of each of us to accept the challenge which comes our way and to meet with courage and determination each decision which we have to make.

An Italian poet, Alighieri Dante, once said:

"There is one heaven and one hell, but there are many roads which lead to each."

To that he added:

"The hottest places in hell are reserved for those who in a period of moral crisis maintain their neutrality."

The United States of America, the youngest of the great nations of the world, has become the greatest economic, moral, and spiritual force in the history of civilization. This has been no accident; it has been because of the will and the determination of the American people. These people, even as you and I, who have carved out of the wilderness the greatest Nation in the history of mankind, have done so because of their intense desire for a way of life similar to that preached by the Man of Galilee 2,000 years ago. They have lived it in their daily lives; they have charted their course for the future in times of prosperity and times of adversity, and that course has been based upon the same principles and ideals which are expressed in a quotation on a statute on the capital grounds in Atlanta, Ga.:

"Give us the fortitude, which through the clouds, and gloom, and sorrow of apparent failure, can see the distant pinnacles upon which the everlasting sunlight rests."

Some time ago, I read a pamphlet in which a 10 or 12-year-old, barefoot boy dressed in overalls and a straw hat, freckled face with a fishing pole over one shoulder and a can of worms in his hand, was looking up to you and me. This boy, my friends, is typical of American boys all over, and this is (in essence) what he said:

"Why not hold off turning everything over to the Government, so that the Government can issue it back in the form of so-called 'security and welfare benefits?' How about giving me a chance at America the way you found it when you first came of age?"

We owe the greatest of all responsibilities to this boy who asks you and me that simple question. We owe it to him and to all others like him to fulfill our responsibilities and obligations to them as well as to the Nation we love and serve and thereby leave to him the kind of country he wants to live in and has a right to live in.

Our democratic institutions, and with them our American way of life, exist by reason of their very virtue. If ever they cease to exist, it will be when you and I have forgotten the past, have become indifferent to the present, utterly reckless as to the future.

Courage has been exemplified in the lives of four centuries of Americans who by their lives have kept up the installments on our contract with freedom, and the blood of American heroes who have given their lives in defense of our Nation has been the moisture content which has built the concrete structure we call America—this same America of which Oliver Wendell Holmes spoke when he said:

"The thing that sets America apart from the rest of the world is that we always sail on. Sometimes we sail with the wind, sometimes against the wind; but we always sail. We never drift or lie at anchor."

Anniversary of Ukrainian Independence

EXTENSION OF REMARKS
OF
HON. ALBERT W. CRETELLA
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Monday, January 9, 1956

Mr. CRETELLA. Mr. Speaker, January 22 marks the 38th anniversary of the declaration of independence by the 40 million people of the Ukrainian National Republic.

Ukrainia is a traditionally democratic nation lying within the orbit of Soviet tyranny. The people of this tiny repub-

lic have always cherished freedom above all material treasure and have never ceased their long struggle for this liberty.

I point with pride to the fact that New Haven, Conn., located in the district which I represent, was the first city in the United States to recognize Ukrainian Independence Day. Again this year the blue and gold colors of Ukrainia will fly over our city hall. It is a fitting ceremony in these times which clearly demonstrates our protests to the international Communists who treacherously design the envelopment of the entire world.

The historic claim of Ukrainia to national freedom and independence cannot be ignored. Its place as a sovereign and equal partner in the mutual construction of the free world of tomorrow must be assured if the foundation of permanent peace among freedom-loving nations is to be impregnable.

Farmers Should Be Relieved From Federal Gasoline Tax

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, January 9, 1956

Mr. REED of New York. Mr. Speaker, I have just introduced a bill which carries out President Eisenhower's recommendation that farmers be relieved of the burden of the present Federal excise taxes on gasoline and lubricating oil when used in tractors, trucks, and other farm equipment for agricultural purposes. I predict that Congress will act promptly and favorably on this proposal.

I do not consider this to be a tax-reduction measure but an act of simple equity designed to correct a long-standing injustice against the American farmer. These Federal excises merely serve to increase the farmer's production costs. In so doing, they add materially to the severe price-cost squeeze from which, in the words of President Eisenhower, "our farm people, with the help of Government, must be relieved."

Of course, it is true that the farmer today can deduct, in computing his income taxes, these Federal excises to the extent that they are business expenses. By this means, he is partially relieved of their burden. Unfortunately, this relief varies widely between different taxpayers. The average small farmer with only a small taxable income gets very little benefit from the deduction. The farmer who does not have enough income to be subject to the income tax at all gets absolutely no benefit whatsoever. My bill will correct this discrimination and will relieve all farmers of this burden.

Congress will again consider this session a highway program. It has been widely proposed that the cost of this program be met, at least in part, by increased taxes on gasoline. In my opinion, it would be unconscionable for nonhighway farm operations to be forced to share this burden when such operations would receive no benefit from the program. I consider this to be an important reason for prompt action on my bill.

Thirty-Eighth Anniversary of Ukrainian National Independence

EXTENSION OF REMARKS
OF
HON. MICHAEL A. FEIGHAN
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, January 9, 1956

Mr. FEIGHAN. Mr. Speaker, on January 21, the eve of the celebration of the 38th anniversary of Ukrainian National Independence, it was my privilege to be the guest speaker at a dinner sponsored by the Ukrainian Congress Committee of America and Ukrainian Association of Washington, D. C.

I was happy to see so many of my colleagues in the Senate and the House in attendance at this dinner, and to hear stirring words of encouragement for the cause of human freedom. It was also significant that in attendance at this dinner were many representatives of organizations which advocate the restoration of national independence to all of the nations now enslaved. Because I feel my remarks on this occasion will be of interest to those Members of Congress who did not have an opportunity to attend this dinner, under unanimous consent I insert my address in the RECORD:

RUSSIAN COMMUNIST COLONIALISM: THE SCOURGE OF ALL MANKIND

Mr. Chairman, it is a real pleasure for me to join with you on this occasion when we commemorate the 38th anniversary of national independence of the Ukrainian nation. An occasion such as this is always a welcome one because it affords me the opportunity to meet so many old friends and to take part in a program which is always sure to bring forth some new ideas beneficial to the cause of individual liberty. This year, in my judgment, is a unique one because world developments are compelling us to return to fundamentals and to decide upon a course of action capable of beating the Russian Communists at their insidious game of peaceful coexistence. I believe it is apparent to all gathered here tonight, that the Russian Communists used the conferences at the so-called summit which took place in Geneva, Switzerland, to launch their latest political offensive, and that we have not yet awakened from the sedatives applied to liberty-loving men at the Geneva conferences, because we have failed to launch anything that could be called a political offensive against the Russian Communists. I am equally certain that everyone gathered here this evening would like nothing better than to see such a political offensive launched, if one could be produced, which would give better hopes than the sterile containment policy, or the latest version of containment which has been appropriately called evolution, not revolution.

I think it is very fitting that on this occasion we should discuss ways and means of restoring national independence to all those nations which have lost it to the Russian Communists. We meet each year on occasions such as this in order to keep bright the happy memory of the times when those nations were free and independent. We also hope that by keeping this memory bright, we will give added hope and promise to the hundreds of millions of people in those enslaved nations, that they are not forever doomed to a life of tyranny and colonial exploitation. More than anything else, it is high time that we developed a practical and winning program in order to give real purpose to our hopes and aspirations for all the people of the world.

In my considered judgment, the greatest threat confronting the free world today is that presented by colonialism. I mean, of course, Russian Communist colonialism because that is the only colonial power today which is in the acendency and which, in fact, does threaten all of mankind. I believe it is fair to say that whatever is left in the world of colonial empires, other than the Russian, represents nothing more than the death-bed throes of an archaic system which civilized mankind completely rejects. All of us are heartened to see so many nations formerly in colonial status, securing their national independence. We all hope that the number of nations regaining their national independence, while breaking the chains of colonial status, will continue to grow with each passing year. We cannot help but hope that the day has come when not one more nation on the face of this earth will be subjected to the degradation and agony of colonial status.

But we have not yet had the courage to face up to the many questions raised by the ruthless colonial practices of the Russian Communists. In fact, I am told that it is quite improper, while moving in certain circles here in Washington, to even make mention of the ruthless colonial practices of the Russians, or to even infer that the Russians are Communists. In those same circles, the rules of etiquette require that the word Soviet be used when referring to Russians, Communists, and Red colonialism.

This same phony etiquette has caused many Americans to become very confused as to whether the enemy is communism, Russian imperialism, or the workers, soldiers, and peasants of Russia. I say this because as most of you know, the only understandable meaning of the word "soviet" is a council of workers, peasants, and soldiers. I find it very difficult to believe that the American people would ever align themselves against a council comprised of workers, peasants, and soldiers. Certainly our basic traditions require us to take an unalterable stand against Russian colonialism and communism, regardless of what cover name these twin evils may be operating under.

With this understanding and with the assurance that I intend to break every rule of etiquette established by that crop of global strategists who acclaim themselves to be Russians experts, I would like to say a few words about the colonial practices of the Russian Communists. All one has to do is to consult any global map, other than those prepared in Moscow or by Russian sympathizers elsewhere in the world, and it becomes immediately obvious that the area of the world now occupied by the Russian Communists constitutes the greatest colonial empire in all of recorded history. That empire stretches from the Baltic Sea in north Europe all the way across the Eurasian continent to the Pacific Ocean. At a glance, one immediately realizes what a tremendous expanse of geography this empire occupies, but it takes a second glance to notice all the non-Russian nations which comprise this land mass, and which, in every sense of the word, are abject colonies being subjected to the most ruthless exploitation. It takes a little more study to learn that well over 900 million people are held within the bondage of this empire and that less than 9 million of that total population comprise

the new elite class called members of the Communist Party. It takes not only a little more study, but indeed a great deal more objectivity to acknowledge that in this empire of over 900 million human beings, less than 90 million of them are Russians. The importance of this last statement can best be measured by recalling to memory that Stalin frequently referred to the Russians as the superior people of the Soviet Union.

I am sure the record will bear me out when I say that the present empire over which the Russian Communists rule, is made up of more once free and independent nations than any other colonial empire in the history of mankind. It is startling when one recognizes that in addition to Ukraine the following nations are held in colonial bondage by the Russian Communists—Estonia, Latvia, Lithuania, Byelorussia, Poland, East Germany, Czechia, Slovakia, Hungary, Rumania, Bulgaria, Albania, Georgia, Armenia, Azerbaijan, Turkestan, North Caucasia, Idel-Ural, Inner and Outer Mongolia, Manchuria, China, North Korea, North Vietnam, and Tibet.

This empire certainly goes far beyond the imperialistic dreams of the czars, Peter and Ivan. Moreover, it dwarfs the conquests of Caesar, Genghis Khan, Attila, and Tammerlane. There can be no doubt, therefore, that the great problem of mankind in our times is that of Russian Communist colonialism.

It is one thing to recognize the menace created by the ruthless colonial practices of the Russian Communists, but it is still another thing to develop a program to counteract and defeat the Russian imperial empire. I feel that the platform afforded me here this evening is an ideal one from which to launch a four-point program which, at least, represents the beginning of a political campaign to eradicate the plague of colonialism from the face of the earth.

As a starting point, I believe it is necessary that we fully identify and then expose the Russian colonial empire for what it really is. The time has come for us to stop talking about Soviet imperialism and Red imperialism and to start using language that the man on the street the world over, understands. We must make it known to all the people of the still free world, particularly those who are indulging in the dangerous practice of neutralism, the unvarnished facts concerning the colonial empire of the Russian Communists.

When one understands the political struggle now taking place in Southeast Asia, it immediately becomes elementary that we expose to the world the fact that the Asian nations of Turkestan, Idel-Ural, Inner and Outer Mongolia, as well as Manchuria, China, Tibet, North Korea, and North Vietnam, are now being subjected to a colonial exploitation unequaled in any chapter of history. This same political principle applies in a geopolitical sense to every quarter of the world. As a first task, therefore, we must fully and objectively identify Russian Communist colonialism and then we must, by all the information media at our command, expose the ruthless practices to all the world.

As a second step in this political campaign, I feel it is necessary to acquaint the people of the world with our traditional stand on colonialism and imperialism. From my own personal experience, I state that there is a great deal of confusion in the world today concerning our position on colonialism. For example, throughout most of Asia, the people there who want terribly to be our friends, find it difficult to understand our basic stand on colonialism. This is so because we have attempted to straddle an issue which it is not possible to straddle. I am sure the people of Asia understand our desire to help them in their aspirations for national independence, but I am sorry to say that they still have grave doubts concerning our position on the question of colonialism. I believe this same situation applies throughout other areas of the world such as Africa, the Near and Middle East. This poses a problem which must be quickly resolved if we are to hold the confidence and good will of millions and millions of people, most of whom reside in the so-called twilight zones of the world.

One has only to recall the effort being made by the Russian colonizers in these twilight zones to understand the importance of the need for getting across our basic position on colonialism and imperialism.

It is fortunate that we already have a powerful instrument which properly conveys the position of the American people on the subject of colonialism and imperialism in order to meet this crying need in our foreign policy. I refer to House Concurrent Resolution 149, which was introduced in the Congress by the distinguished majority leader of the House—a great American patriot, the Honorable JOHN W. MCCORMACK, of Massachusetts. That resolution, in clear and inspiring fashion, sets forth our traditional policy against all forms of colonialism and imperialism as well as our unqualified support for the principle of national self-determination and the right of nations to national sovereignty. It restates our time-honored position of support in enabling all nations to assume and maintain an equal station among all the nations of the world. The McCormack resolution is an ideal starting point from which we can and must acquaint the people of the world of our stand against colonialism and imperialism. That resolution, in my judgment, is a magnificent weapon to remove the uncertainty which exists in the minds of so many people of the world who want to be our steadfast allies and warm friends.

Finally, it is an excellent vehicle to eliminate our fence straddling position on the subject of colonialism and imperialism which has caused us to lose a major part of the initiative in the conduct of the cold war.

As a third step, I believe it is urgently necessary that we shake the dust, feathers, and fuzz out of our foreign policy. In order to do this, I feel it is necessary that we make our primary national objective the eradication of colonialism and imperialism from the face of the earth. Once having taken this step, we must then harness the full strength of our diplomatic, political, and economic capabilities to the task of winning through on that objective. I would like particularly in this connection to point out the great opportunity that is ours in the forum of the United Nations to strike a blow on behalf of all the enslaved non-Russian nations in the Russian colonial empire. I am sure most of you are acquainted with House Resolution 183 which sought to require the United States Delegate to the United Nations to introduce a resolution branding Soviet Russia as an aggressor and therefore a threat to the peace. This same resolution will, if furthered by the Department of State, unavoidably raise all the pertinent questions on Russian Communist colonialism and the exploitation of the non-Russian nations.

I fervently hope and pray that House resolution 183 will be passed by the present session of Congress and that the United States delegation to the United Nations will have the honor to be joined by other nations in leading the fight against colonialism, in which fight they will surely be joined by the overwhelming majority of the nations holding membership in the United Nations.

As a fourth step in this program, it is necessary that we take maximum advantage of all the media of communications in getting across to the people of the world our determined position on colonialism and imperialism and our fervent desire to assist each and every nation which struggles against colonialism and for their national independence.

In the last session of Congress, I introduced House Resolution 433 calling for the creation of a joint committee of Congress on United States international information programs. The reason I introduced this resolution is that I am convinced that unless and until we begin to use all our scientific advances in the field of communications to bring our fundamental beliefs and aspirations to all the people of the world, we will continue to remain on the defensive in the face of the political offensive being carried out by the Russian Communist colonizers.

In connection with my resolution, I want to make one thing crystal clear. The purpose of this joint committee would be to work with the officials responsible for all our information programs in order that we can begin to build a program based upon long-range objectives and one clearly calculated to both expose and offset the massive propaganda output carried on by the Communist conspirators. The governing spirit of such a joint committee should be that it is one thing to criticize and find fault, but it is still another thing to create a long-range winning program in which the best brains and leadership in this country all play a responsible part.

All of us are heartened by President Eisenhower's advocacy of an enlarged and a more dynamic program for the United States Information Agency. I have no doubt but that Congress, in the face of the present world situation, will support the President in his call for an expanded and more dynamic program for the United States Information Agency. President Eisenhower's recommendation to the leaders of Congress underscores the need for a practical bipartisan approach to building the type of United States international information program demanded by the political offensive of the Russian Communists.

I hope that my resolution will pass in the present session and that we will thereby, in the years ahead, reap a rich reward from the benefits which will certainly come from a constructive, bipartisan approach in the field of international information programs.

I have this evening attempted to lay the cornerstone of a foreign policy that would give practical purpose to our long expressed hope that all the nations enslaved within the Russian colonial empire, will soon again be free and independent. I recommend this program as an expression of my fervent desire that Ukraine and all the other nations enslaved within the Russian Communist empire, will, in the foreseeable future, attain their God-given rights of equity among nations and a position of equality in the family of nations. I remain convinced that there shall be no true and just peace in this world until all nations are free and independent.

Liberalization of Agricultural Credit

EXTENSION OF REMARKS

OF

HON. HENRY ALDOUS DIXON

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Monday, January 9, 1956

Mr. DIXON. Mr. Speaker, basically agriculture, in spite of low prices and declining farm income of the last few years, is in a relatively sound condition. For example, the market value of total farm assets is nearly $163 billion. This, Mr. Speaker, is only $3 billion less than

the total of all farm assets in the peak year of 1955. Compared with total farm assets of $163 billion, total debt obligations of all farms is only 11 percent of the total assets, about $18 billion.

Also, Mr. Speaker, only 3 out of every 10 farmers have mortgage debt obligations, and over one-half of all farms mortgaged are mortgaged for less than 30 percent of their market value. In 1955, according to the administrative office of the Federal court system, only 386 bankruptcy cases out of some 59,404 involved farmers. Farm bankruptcies for the last 5 years have comprised less than one percent of the annual number of such proceedings. I believe, Mr. Speaker, these facts indicate the basically sound financial position of American agriculture.

However, Mr. Speaker, certain storm warning signals are beginning to appear which make it prudent for us to consider legislation at this time to help good farmers who cannot obtain credit from private or cooperative sources. For example, farmers in 1955 had to borrow $487 million from the Federal Lank Bank System and their 1,100 local farm loan associations. This was an increase of 59 percent in the amount of such loans over 1954. Also, $338 million of this money loaned in 1955 was "new money borrowed"—a 50 percent increase over 1954.

During the first 10 months of 1955, 498 production credit associations lent their farmer-members some $1.1 billion. As you know, Mr. Speaker, these associations lend funds obtained from investors in obligations held by the Federal intermediate credit banks.

You can see, therefore, Mr. Speaker, that even those farmers who have adequate collateral and satisfactory credit ratings are beginning to borrow in increasing amounts and at an increased rate. The Farmers' Home Administration of the Department of Agriculture, on the other hand, Mr. Speaker, has had the difficult responsibility of extending credit to good farmers who for various reasons simply cannot meet the standards set by commercial credit institutions, including the local loan and production credit associations I just referred to. The cost-price squeeze that farmers have been experiencing since 1951 has had the greatest effect upon farmers who find themselves in this unenviable position. But as Secretary Benson said at his address of last October 15, before the National Association of Mutual Credit Companies at St. Louis, Mo.:

> When disaster strikes in agriculture, credit is urgently needed. If there is real distress, farmers often cannot meet the standards of commercial credit. Collateral is insufficient, terms needed for repayment are too long, and administrative costs are too great. It is in the interest of these farmers—and the Nation's interest—to help them get onto their feet. These farmers are good credit risks if the lender can afford to wait. Our Farmers Home Administration makes substantial loans to farmers who cannot meet the standards of commercial credit. Their records of 9 years of operation show 93 percent of the principal repaid.

So you see, Mr. Speaker, F. H. A. borrowers, as they are called in general are good farmers and they are good credit risks provided they are given adequate repayment conditions commensurate with their ability to repay. But many FHA borrowers throughout the country are having extreme difficulty meeting their present obligations. Many other would-be FHA borrowers, especially among the younger farmers, are not going to stay in agriculture unless they can obtain FHA loans on more liberal terms than the Farmers' Home Administration has authority to make at the present time. With these farmers in particular experiencing a great intensive negative effect due to the cost-price squeeze, it is essential that the terms of FHA loans be more readily adapted to meet their needs. Especially is this true in drought disaster areas such as those which have been designated in Utah.

Therefore, I send to the desk two bills for introduction and proper referral, which will expand the Farmers Home Administration's loan program.

The first would authorize the Secretary of Agriculture, through the Farmers Home Administration, to—

First. Make or insure loans for the purpose of refinancing, consolidating, renewing, or extending all, or part, of the existing debts of the applicant for farm operating and subsistence expenses, whether secured or unsecured by real or personal property.

Second. Such loans are to be made to farmers operating family type farms who are unable to repay their existing indebtedness in accordance with present repayment schedules and who cannot secure refinancing through private or cooperative sources on terms that they could be expected to meet under present circumstances.

Third. Such loans are to be repaid when it appears that the borrower can obtain a loan from cooperatives or private sources, including the local loan associations and Production Credit Associations under the terms borrowers can meet.

Fourth. Such loans are to carry such interest rates and conditions of repayment as the Secretary of Agriculture deems advisable under the circumstances, provided, however, that the total principal indebtedness of a borrower shall not exceed the fair value based on earning capacity or the normal market value of the farm.

Fifth. The aggregate total of such loans shall not exceed $45 million in any 1 fiscal year.

The second bill, Mr. Speaker, will permit the Farmers Home Administration to provide more effective assistance to production and subsistence loan borrowers by providing that—

First. The term of any such loan shall not exceed 11 years from the date the original loan was made. This extends from 7 to 11 years the repayment period.

Second. No person who has failed to liquidate his indebtedness in 11 consecutive years shall be eligible for additional loans until such indebtedness has been paid.

Postal Decentralization

EXTENSION OF REMARKS

OF

HON. AUGUST E. JOHANSEN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, January 9, 1956

Mr. JOHANSEN. Mr. Speaker, under permission to extend and revise my remarks, I include the following statement regarding decentralization of post-office administration and operations which I have sent to my colleagues on the House Committee on Post Office and Civil Service:

I wish to make a brief statement with respect to the report of the Subcommittee on Post Office and Postal Operations which the House Committee on Post Office and Civil Service today voted to make a House document.

In making this statement I speak for myself alone and entirely on my own initiative, and at the request or suggestion of no one else.

I do so with misgivings because of my great respect for the chairman and every member of the subcommittee, as well as for the two ex officio members of the subcommittee. In what I have to say, I would not knowingly transgress any rule of propriety or courtesy toward my colleagues. Particularly I do not want to appear to arrogate to myself knowledge or wisdom equal to that of the subcommittee in a field which has been the subcommittee's special area of investigation. My sole motive is to seek more information.

My comments are directed to the section of this subcommittee report dealing with postal reorganization and decentralization, covering pages 4 to 18, inclusive, of the committee print.

This section contains what appear to me to be very categorical findings and conclusions. I shall itemize the particular findings and conclusions with which I am concerned later in this statement. First of all, however, I should like to make a few very brief comments about these findings and conclusions.

1. It is my understanding, and I state this simply as a matter of fact and not critically, that these findings and conclusions are not documented by any printed hearings and lack any detailed elaboration within the subcommittee report itself.

2. The scope and character of these findings and conclusions constitute, in my judgment, a definite and severe indictment either of the soundness and validity of much of the postal decentralization program or the soundness of its present administration and operation.

3. These findings and conclusions, and the publicity already given to them, seem to me to cast a shadow of concern and uncertainty over the Post Office Department, over the key personnel of the regional and district offices, and over the postmasters in relation to the decentralization program, which ought to be cleared up as speedily as possible in the interests of the postal service.

4. It seems to me that because of these considerations it is desirable that the Post Office Committee as a whole, or through this same subcommittee, further explore and disclose the full facts on which its findings and conclusions are based, to the end of either correcting any mistaken impressions or of recommending further constructive corrective procedures by the Post Office Department.

5. For the same reasons, it would seem to me that the Post Office Department should and would welcome further exploration of

the matter, with a full opportunity for Department officials to present all relevant information and views they may have to offer on the matter. My feeling on this score is strengthened by the fact that simultaneously with the release of this subcommittee report, the Post Office Department prepared and issued to the committee members a mimeographed statement in the nature of an analysis and rebuttal of some of the subcommittee's findings and conclusions. Indeed, I believe the Department has an obligation to present in even greater detail its views with respect to the subcommittee's findings and conclusions.

6. Finally, I am deeply interested, as a member of this committee, in further clearing up the entire picture because the findings and conclusions of the subcommittee are, in so many particulars, completely opposite to the impression I have gained with respect to the decentralization program. My impressions, admittedly limited, are based on conversations with postmasters and other members of the postal service both within and outside my own district, and on my own most satisfactory experience with the services extended to my constituents and to me under the regional and district office setup.

Let me say, at this point, that I am not posing as a champion of the Post Office Department in this matter, beyond being concerned that full justice should be done the Department in view of the herculean efforts it has devoted to the decentralization program and in view of its vast importance, for good or ill, to the postal service.

Certainly I do not contend—and I am sure the Department would not contend—that the program is perfect, either as to plan or operation. Certainly I share the concern of the subcommittee that no topheavy or costly and unproductive bureaucracy be set up under this program. I do not wish any facts to be concealed for any imagined benefit to the Post Office Department or its present administration. On the contrary, I hope there will be an opportunity to secure more facts—many more facts. I am simply concerned that the findings and conclusions contained in the subcommittee report do not prove to be a verdict based on inadequate facts.

Now permit me to cite some of the specific findings and conclusions in this subcommittee report which are the basis of the concern I have expressed:

1. The statement (p. 14) that "analysis by the subcommittee of the organizational structure which has been placed in effect within the regions visited discloses information and evidence that the present provision for 91 district managers, with office staffs, is neither essential nor desirable to the efficient functioning of the regional organizations."

2. The statement (also p. 14) that "the interposition of this additional layer of supervision * * * will, it is believed, create a serious impediment to postmasters in the management of their offices which would not exist if the plan were revised to require that the postmasters report direct to the heads of the regional offices."

3. The statement (p. 15) that "the subcommittee found that there is no clear-cut definition of authority retained by the Department and that delegated to postmasters," and that "such a condition obviously tends to foster confusion and misunderstanding."

4. The statement (again on p. 15) that "the establishment of district managers to function between the regional organizations and the postmaster would seem to bring about conflict in authority and might eventually make the postmaster an impotent figurehead."

5. The further statement (p. 16) that "any increase in staff or authority for the district managers would cause further conflict in authority and eventually place the postmasters who, in 23,000 offices, are appointed by the President and confirmed by the Senate, in a rather unimportant position."

6. The statement (also on p. 16)—and one to which I must respectfully take exception both as to content and tone—that "it is not believed to be the intention of the Department to eliminate the position of postmaster and replace that official with a lower-salaried supervisor."

7. The statement (p. 15) that "Postmasters have been and should continue to be the local managers of the postal service." It had been my understanding that because of the necessity, prior to decentralization, for postmasters to clear so many details of authority and operation with Washington, they previously fell far short of any business concept of being true local managers. It has also been my understanding that by bringing the Department closer to the postmasters through decentralization, their role as local managers has been greatly improved.

8. The statement (again on p. 16) that "the subcommittee believes that in any reorganization of the Department's affairs a great deal more authority should be delegated to the postmaster"—which statement I cite particularly because of an impression I have gained that the postmasters feel that the present decentralization program has, in intent and in fact, actually served to enhance and strengthen the efficiency, authority, and prestige of the postmaster by providing him a more direct and prompt contact with the Post Office Department.

9. The statement (p. 17) that "if the Department considers it desirable to have field representatives in the areas where district offices have presently been established, these district managers could remain at their same locations, not in the capacity of supervisors of postmasters but in the capacity of service representatives of the regional operations manager or the regional director." I cite this statement particularly because I believe that any confusion (either in fact or in the subcommittee's mind) as to the supervisory versus service representative status of the district manager needs to be cleared up.

10. A final statement, appearing on page 8 of the report, that "Since the Department has undertaken this reorganization program, it is the judgment of the subcommittee that it should be accomplished expeditiously." I cite this statement because it seems to me to stand in absolute contradiction to the clearly critical and condemnatory content of so much of the report with respect to the decentralization program. If the program is as bad, and is fraught with as grave evils as much of the report seems to imply, the consistency of urging a speeding up of the completion of the program somehow escapes me.

In conclusion—in view of what seems to me to be the great importance of the findings and conclusions I have cited, and because I believe there should be further opportunity for the architects of this decentralization program to review that program with the subcommittee or the full committee, I feel I must reserve judgment on the subcommittee report and await more information. I hope this committee will, in its wisdom, be of like mind.

SENATE

THURSDAY, JANUARY 12, 1956

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father, strong to save, amid the shifting shadows of the temporal, give us clear and clean eyes to discern the shining truth of the eternal. Forgive us that in the heat of partisanship so often we have forgotten that, above our selfish ambitions and our hollow pride, lie unchangeable verities like granite peaks piercing the sky.

Facing days which tax all our resources, give us the untroubled calm which illumines faith in the final triumph of every true idea let loose in the world, and against which the gates of hell cannot prevail. And, in a world which is a battlefield where truth and falsehood are locked in mortal combat—even as we face unnumbered foes, bar our own hearts to all cynicism and hatred, and as we fight the good fight, may our strength be as the strength of ten because our hearts are pure. We ask it in the name of that Holy One who declared, "Blessed are the pure in heart, for they shall see God." Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Monday, January 9, 1956, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

EXPANDING EDUCATIONAL NEEDS—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 292)

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States, which was read and referred to the Committee on Labor and Public Welfare.

(For President's message, see House proceedings for today.)

REPORT ON DISPOSAL OF UNITED STATES SURPLUS AGRICULTURAL COMMODITIES—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 294)

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States, which was read, and with the accompanying report, referred to the Committee on Agriculture and Forestry.

(For President's message, see House proceedings for today.)

REPORT ON FOREIGN SERVICE RETIREMENT AND DISABILITY FUND—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 295)

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States, which

was read and, with the accompanying papers, referred to the Committee on Foreign Relations.

(For President's message, see House proceedings for today.)

REPORT OF ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 293)

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States, which was read and, with the accompanying papers, referred to the Committee on Public Works.

(For President's message, see House proceedings for today.)

REPORT ON EFFECTS OF MALNUTRITION AND OTHER HARDSHIPS IN CERTAIN CASES—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 296)

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States, which was read and, with the accompanying report, referred to the Committee on Labor and Public Welfare.

(For President's message, see House proceedings for today.)

EXECUTIVE MESSAGES REFERRED

As in executive session.

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

CONVENTIONS RELATING TO CUSTOMS FACILITIES FOR TOURING AND ON TEMPORARY IMPORTATION OF PRIVATE ROAD VEHICLES—REMOVAL OF INJUNCTION OF SECRECY

The PRESIDENT pro tempore. As in executive session, the Chair lays before the Senate Executive A, 84th Congress, 2d session, a convention concerning customs facilities for touring, signed at New York on June 4, 1954, and Executive B, 84th Congress, 2d session, a customs convention on the temporary importation of private road vehicles, signed at New York on June 4, 1954. Without objection, the injunction of secrecy will be removed from the conventions, and they will be referred to the Committee on Foreign Relations, and the message from the President will be printed in the RECORD. The Chair hears no objection.

The messages from the President are as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith certified copies of (1) a Convention Concerning Customs Facilities for Touring, signed at New York on June 4, 1954, and (2) a Customs Convention on the Temporary Importation of Private Road Vehicles, signed at New York on June 4, 1954.

The purposes of the conventions are explained in the report of the Secretary of State which is transmitted herewith for the information of the Senate.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *January 12, 1956.*

(Enclosures: 1. Certified copy of a Convention Concerning Customs Facilities for Touring. 2. Certified copy of a Customs Convention on the Temporary Importation of Private Road Vehicles. 3. Report of the Secretary of State.)

CONVENTION FOR PROMOTION OF INTER-AMERICAN CULTURAL RELATIONS—REMOVAL OF INJUNCTION OF SECRECY

The PRESIDENT pro tempore. The Chair lays before the Senate Executive C, 84th Congress, 2d session, a convention for the promotion of Inter-American cultural relations, signed at Caracas on March 2[illegible], 1954. Without objection, the injunction of secrecy will be removed from the convention, and it will be referred to the Committee on Foreign Relations, and the message from the President will be printed in the RECORD. The Chair hears no objection.

The message from the President is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith a certified copy of the Convention for the Promotion of Inter-American Cultural Relations, signed at Caracas on March 28, 1954.

The purposes of the convention are explained in the report of the Acting Secretary of State which is submitted herewith for the information of the Senate.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *January 12, 1956.*

(Enclosures: 1. Certified copy of the Convention for the Promotion of Inter-American Cultural Relations. 2. Report of the Acting Secretary of State.)

CONVENTION ON INTERNATIONAL PLANT PROTECTION—REMOVAL OF INJUNCTION OF SECRECY

The PRESIDENT pro tempore. The Chair lays before the Senate Executive D, 84th Congress, 2d session, the International Plant Protection Convention, which was open for signature at Rome from December 6, 1951, to May 1, 1952, and during that period was signed on behalf of the United States of America and 36 other states. Without objection, the injunction of secrecy will be removed from the convention, and it will be referred to the Committee on Foreign Relations, and the message from the President will be printed in the RECORD. The Chair hears no objection.

The President's message is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith a certified copy of the International Plant Protection Convention, which was open for signature at Rome from December 6, 1951, to May 1, 1952, and during that period was signed on behalf of the United States of America and 36 other states.

The purposes of the convention are explained in the report of the Secretary of State, which is transmitted herewith for the information of the Senate.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *January 12, 1956.*

(Enclosures: 1. Certified copy of the International Plant Protection Convention. 2. Report of the Secretary of State.)

TREATY OF AMITY, ECONOMIC RELATIONS, AND CONSULAR RIGHTS WITH IRAN—REMOVAL OF INJUNCTION OF SECRECY

The PRESIDENT pro tempore. The Chair lays before the Senate, Executive E, 84th Congress, 2d session, a treaty of amity, economic relations, and consular rights between the United States of America and Iran, signed at Tehran on August 15, 1955. Without objection, the injunction of secrecy will be removed from the treaty, and it will be referred to the Committee on Foreign Relations, and the President's message will be printed in the RECORD. The Chair hears no objection.

The President's message is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith a treaty of amity, economic relations, and consular rights between the United States of America and Iran, signed at Tehran on August 15, 1955.

I transmit also, for the information of the Senate, the report by the Secretary of State with respect to the treaty.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *January 12, 1956.*

(Enclosures: 1. Report of the Secretary of State. 2. Treaty of amity, economic relations, and consular rights, signed at Tehran August 15, 1955.)

PROTOCOL RELATING TO CERTAIN AMENDMENTS TO CONVENTION ON INTERNATIONAL CIVIL AVIATION—REMOVAL OF INJUNCTION OF SECRECY

The PRESIDENT pro tempore. The Chair lays before the Senate Executive F, 84th Congress, 2d session, a protocol dated at Montreal June 14, 1954, relating to certain amendments to the Convention on International Civil Aviation. Without objection, the injunction of secrecy will be removed from the protocol, and it will be referred to the Committee on Foreign Relations, and the message from the President will be printed in the RECORD. The Chair hears no objection.

The President's message is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification,

I transmit herewith a certified copy of a protocol dated at Montreal June 14, 1954, relating to certain amendments to the Convention on International Civil Aviation.

I also transmit, for the information of the Senate, the report made to me by the Secretary of State with respect to this matter.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *January 12, 1956.*

(Enclosures: 1. Certified copy of protocol dated at Montreal June 14, 1954, relating to certain amendments to the Convention on International Civil Aviation. 2. Report of the Secretary of State.)

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Committee on Finance was authorized to meet during the session of the Senate today.

COMMITTEE SERVICE

Mr. JOHNSON of Texas. Mr. President, I send to the desk an order, and request that it be read.

The legislative clerk read the order, as follows:

Ordered, That the Senator from Tennessee [Mr. GORE] is hereby excused from further service as a member of the Committee on the District of Columbia, and that the Senator from Delaware [Mr. FREAR] is hereby appointed to fill the said vacancy.

Mr. JOHNSON of Texas. Mr. President, I should like to say at this time for the information of the Senate, before it considers the order which has just been read, that the resignation of the Senator from Tennessee was entirely voluntary and at his request. He has served ably on the District of Columbia Committee, and I wish to take this opportunity of expressing my gratitude for this fine service.

I feel sure that the Senator from Delaware, who is replacing the Senator from Tennessee on the committee, will bring to the committee the same vigorous and conscientious spirit of cooperation and interest which makes our committees function as well as they do.

I have informed the acting minority leader of this order. Inasmuch as it is more or less an internal order, I should like to have it acted on at this time.

The PRESIDENT pro tempore. Without objection, the order is entered.

MEMBERS OF BOARD OF VISITORS TO COAST GUARD AND MERCHANT MARINE ACADEMIES

Mr. MAGNUSON. Mr. President, I wish to announce that I have reappointed the Senator from Rhode Island [Mr. PASTORE] and the Senator from Connecticut [Mr. PURTELL] as members of the Board of Visitors to the United States Coast Guard Academy.

I have also reappointed to the Board of Visitors to the United States Merchant Marine Academy the Senator from North Carolina [Mr. ERVIN] and appointed the Senator from Maine [Mr. PAYNE].

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there be the usual 2-minute limitation on statements made during the morning hour.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. JOHNSON of Texas. Mr. President, I desire to make a brief announcement. Calendar Order No. 1246, H R. 5614, to amend the Communications Act of 1934, was cleared by the majority policy committee. I conferred with the distinguished minority leader immediately after the policy committee met last week. In making an announcement on the legislative program on Monday last, I did not, purely through an oversight, include that bill as one which would be considered today, although previous announcement had been made concerning the bill.

It will be the intention of the leadership, if action is completed on other bills which are scheduled, and provided the Senator in charge of H. R. 5614 is ready to proceed with it, to call it up today.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the Senator from Rhode Island.

Mr. PASTORE. I wish to assure the distinguished majority leader that I am ready to proceed with the bill.

Mr. LANGER. Mr. President, will the Senator from Texas yield to me?

Mr. JOHNSON of Texas. I yield to the Senator from North Dakota.

Mr. LANGER. It was announced on the radio this morning that the Harris bill would be taken up on Monday. I desire to ask the majority leader if that is correct?

Mr. JOHNSON of Texas. I think the Senate will probably make the Fulbright bill the unfinished business at the conclusion of its session today, but no discussion of the bill will take place today. It is the intention of the leadership to have a call of the calendar on Monday, and when the call of the calendar is completed, to discuss the Fulbright bill.

Mr. LANGER. I thank the Senator.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following communication and letters, which were referred as indicated:

AGRICULTURAL PROBLEMS IN THE GREAT PLAINS AREA

A communication from the President of the United States, relating to agricultural problems in the Great Plains area (with an accompanying document); to the Committee on Agriculture and Forestry.

PROCUREMENT OF MEDICAL AND DENTAL OFFICERS OF THE ARMY, NAVY, AND AIR FORCE

A letter from the Director, Legislative Programs, Department of Defense, transmitting a draft of proposed legislation to provide for the procurement of medical and dental officers of the Army, Navy, and Air Force (with accompanying papers); to the Committee on Armed Services.

REPORT ON DISPOSAL OF GOVERNMENT-OWNED SYNTHETIC RUBBER PLANT, INSTITUTE, W. VA.

A letter from the Chairman, Rubber Producing Facilities Disposal Commission, Washington, D. C., transmitting, pursuant to law, a report on the disposal of the Government-owned synthetic rubber plant at Institute, W. Va. (with an accompanying document); to the Committee on Banking and Currency.

DISTRICT OF COLUMBIA REDEVELOPMENT LAND AGENCY—NOMINATION

A letter from the Secretary, Board of Commissioners, District of Columbia, as in executive session, transmitting the nomination of James E. Colliflower for reappointment as a member of the District of Columbia Redevelopment Land Agency (with accompanying papers); to the Committee on the District of Columbia.

REPORT OF GEORGETOWN BARGE, DOCK, ELEVATOR & RAILWAY CO.

A letter from the law firm of Steptoe and Johnson, Washington, D. C., transmitting, pursuant to law, a report of the Georgetown Barge, Dock, Elevator & Railway Co., Washington, D. C., for the year ended December 31, 1955 (with an accompanying report); to the Committee on the District of Columbia.

AUDIT REPORT ON INLAND WATERWAYS CORPORATION

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Inland Waterways Corporation, for the fiscal year ended June 30, 1955 (with an accompanying report); to the Committee on Government Operations.

REPORT OF COMPTROLLER GENERAL OF THE UNITED STATES

A letter from the Comptroller General of the United States, transmitting, pursuant to law, his report on the activities of the General Accounting Office, for the fiscal year 1955 (with an accompanying report); to the Committee on Government Operations.

AUDIT REPORT ON FARMERS' HOME ADMINISTRATION

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Farmers' Home Administration, Department of Agriculture, for the fiscal year ended June 30, 1954 (with an accompanying report); to the Committee on Government Operations.

LAWS ENACTED BY LEGISLATURE OF VIRGIN ISLANDS

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, copies of laws enacted by the First Legislature of the Virgin Islands (with accompanying papers); to the Committee on Interior and Insular Affairs.

PROPOSED CONCESSION PERMIT, SEQUOIA NATIONAL PARK, CALIF.

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, a proposed concession permit in the Sequoia National Park, Calif. (with an accompanying paper); to the Committee on Interior and Insular Affairs.

TEMPORARY ADMISSION INTO THE UNITED STATES OF CERTAIN ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders granting temporary admission into the United States of certain aliens (with acompanying papers); to the Committee on the Judiciary.

ADMISSION INTO THE UNITED STATES OF CERTAIN DEFECTOR ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law,

copies of orders granting admission into the United States of certain defector aliens (with accompanying papers); to the Committee on the Judiciary.

COMPENSATION AND TERM OF OFFICE OF JUDGE OF DISTRICT COURT OF GUAM

A letter from the Director, Administrative Office of the United States Courts, Washington, D. C., transmitting a draft of proposed legislation relating to the compensation and term of office of the Judge of the District Court of Guam (with an accompanying paper); to the Committee on the Judiciary.

EXTENSION OF CIVIL SERVICE RETIREMENT ACT TO CIVILIAN FACULTY MEMBERS IN CERTAIN CASES

A letter from the Secretary of the Navy, transmitting a draft of proposed legislation to extend the benefits of the Civil Service Retirement Act of May 29, 1930, as amended, to members of the civilian faculties of the United States Naval Academy and the United States Naval Postgraduate School (with an accompanying paper); to the Committee on Post Office and Civil Service.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A resolution adopted by the Philadelphia (Pa.) Federation of American Hellenic Socities, relating to certain atrocities in Istanbul and Ismir, Turkey; to the Committee on Foreign Relations.

By Mr. PASTORE (for himself and Mr. GREEN):

A resolution of the General Assembly of the State of Rhode Island; to the Committee on Banking and Currency:

"Resolution memorializing Congress to enact legislation for the creation of Federal disaster insurance

"Whereas the tremendous losses, suffering and economic dislocation which are caused by hurricanes and floods are too great to be borne alone by those who are directly affected, and private insurance companies have found no feasible means of writing insurance protection against the risks of such natural disasters; and

"Whereas the need for disaster insurance protection in Rhode Island is immediate and particularly urgent while flood-protective devices are being studied and constructed so that Rhode Island citizens will have effective protection against floods and hurricanes before they strike again. Now, therefore, be it

"Resolved, That the General Assembly of the State of Rhode Island and Providence Plantations hereby urges the Congress of the United States to act boldly in creating a Federal disaster insurance program which will include the following:

"1. Reasonable premium rates.

"2. Comprehensive coverage to be available to business and industry, municipalities and States, and also to the average family, both homeowner and tenant.

"3. The total amount of disaster insurance to be written large enough so that the program will provide more than token protection.

"4. No arbitrary upper limit on compensation to individual firms and businesses, since adequate compensation is necessary for prompt restoration of jobs; and be it further

"Resolved, That the Senators and Representatives from Rhode Island in said Congress, be, and they hereby are, earnestly requested to use their concerted effort to bring about the enactment of such legislation in the 2d session of the 84th Congress; and be it further

"Resolved, That the Secretary of State be, and he is hereby authorized and directed to transmit to the Senators and Representatives from Rhode Island in the Congress of the United States duly certified copies of this resolution."

COTTON CROP ALLOTMENT—RESOLUTION OF VALLEY CHAMBER OF COMMERCE

Mr. JOHNSON of Texas. Mr. President, the production of cotton is of great economic importance to the lower Rio Grande Valley of Texas. A special situation regarding cotton production exists in this four-county area of Cameron, Hidalgo, Starr, and Willacy.

The board of directors of the Valley Chamber of Commerce, a regional organization, recently passed a resolution calling attention to this special situation, and I ask unanimous consent that the text of the resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas the Lower Rio Grande Valley Chamber of Commerce recognizes the need for an equitable distribution of acreage for farm crops as provided by law and as administered by the Department of Agriculture and the State Agriculture and Stabilization Committee of Texas; and

Whereas the Lower Rio Grande Valley Chamber of Commerce desires to cooperate with all farmers on all types of farms, whether extensive, family-size, or small, and

Whereas farmers throughout the State of Texas deserve the right to an equitable apportionment of the crop acreage: Now, therefore, be it

Resolved, That the Lower Rio Grande Valley Chamber of Commerce, a regional chamber, serving the counties of Cameron, Hidalgo, Starr, and Willacy, call attention to the early planting date of cotton in this area of the State of Texas to all parties concerned, and furthermore respectfully suggest that any formula for crop allotments be apportioned to each farmer in the lower Rio Grande Valley and the entire State of Texas on the same formula. And we further respectfully suggest that each crop year be analyzed and allotments based on factual conditions.

DEVELOPMENT OF MISSOURI RIVER BASIN—RESOLUTIONS

Mr. LANGER. Mr. President, I present two resolutions coming from the State of North Dakota, and ask that they be printed in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

Whereas local, State, and Federal agencies interested in river management and the development of the water resources of the Missouri River Basin, particularly in the control and use of the water therein for generation of needed electric energy, irrigation, municipal, and industrial water supplies, recognize that in order to obtain these benefits the waters of the Missouri River must be impounded in the Oahe, Big Bend, and other reservoirs in the Dakotas as envisioned and authorized by the Flood Control Act of 1944; and

Whereas funds appropriated by the Congress for the construction of the Oahe Dam in South Dakota have so far been inadequate to maintain the construction schedule agreed upon by all agencies involved and approved by the Missouri Basin Interagency Committee; and

Whereas planning funds for the Big Bend Dam in South Dakota have not yet been provided notwithstanding their authorization in the said Flood Control Act of 1944: Now, therefore, be it

Resolved by the North Dakota State Water Conservation Commission, in regular session this 17th day of August 1955, That the Federal Bureau of the Budget be, and it is hereby, respectfully requested and urged to develop, approve and recommend increased and adequate estimates for fiscal year 1957 for continuing construction on the Oahe Dam in the most orderly and economical schedule, and for planning of the Big Bend Dam at the earliest possible time, in order that the benefits from said projects may be available as and when the need and demand therefor may require; and be it further

Resolved, That the Secretary of the Commission be and is hereby directed to mail a copy of this resolution to the President, the Director of the Bureau of the Budget, and to each of our State delegation in Congress.

Whereas Public Law 566, commonly known as the Watersheds Protection and Flood Prevention Act, is designed primarily to furnish financial assistance to local groups interested in the prevention and control of floods; and

Whereas several surveys of small watersheds in Montana are now in progress, but there are only remote possibilities that any of them will qualify under this act as now written; and

Whereas at its annual meeting in Butte last year, the Montana Association of Soil Conservation Districts petitioned the Congress of the United States to so amend the act to permit Federal financial and technical assistance in making beneficial uses of impounded floodwater, pointing out that in this semiarid cilimate water for irrigation is of primary importance and that flood conditions are usually caused by a combination of mountain snow melt and rainfall during the spring season followed generally by drought conditions, making the storage of sufficient water to carry crops through the summer the major problem. The resolution further stated that structures to handle flood waters in excess of irrigation requirements are necessary, but should be made the secondary objective of most projects in Montana and other semi-arid States; and

Whereas the feasibility of projects at present is based upon flood damages which, in most cases in Montana, are insufficient to qualify the project, but total benefits from beneficial use of the impounded water would make such qualification possible: Now, therefore be it

Resolved, That the Montana Association of Soil Conservation Districts again petition the Congress to enact such amendments at the earliest possible date so that operation of the act under our conditions will be more practical and groups interested in obtaining irrigation benefits as well as flood control will be encouraged to go ahead with plans for maximum watershed development; and be it further

Resolved, That copies of this resolution be sent to the Montana and other Western State congressional delegations, the chairman of the Senate and House Agricultural Committees, the director of the Bureau of the Budget, the Secretary of Agriculture, the Administrator of the Soil Conservation Service, the president of the National Association of Soil Conservation Districts, the governors of the State of Montana and other Western States and the chairman of the State Soil Conservation Committee.

PROHIBITION OF TELEVISION AND RADIO ADVERTISEMENTS OF LIQUOR—PETITIONS

Mr. LANGER. Mr. President, I present petitions from the State of Illinois, in behalf of the proposed legislation to prohibit liquor advertising by television and radio stations. I ask unanimous consent that the names be printed in the RECORD, together with the petitions.

There being no objection, the petitions and signatures were ordered to be printed in the RECORD, as follows:

PETITION: INTERSTATE ADVERTISING BILLS, S. 923, LANGER; H. R. 4627, SILER

We, the undersigned, respectfully petition you to exercise the proper discretion vested in you by passing legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce, and its broadcasting over the air, a practice which nullifies the rights of the States under the 21st amendment to control the sale of such beverages. At a time when 1 out of 10 drinkers is becoming an alcoholic there should be no encouragement to increasing the use of such beverages. Children and youth are being misled to consider them harmless, especially by the powerful audio and visual suggestions of radio and television.

Myra Earley, Lora Bowman, Myrtle John, Lois E. Cline, Zulah E. Duncan, Letha Simpson, Lucille Thursby, Esther Jesse, Dorothy Bettis, Melvin Bettis, Russell Lemarr, Clara Etta Lemarr, Shirley Masten, Loren Ross, Laura Ross, Hazel L. Turner, Donald L. Vance, Norman E. Turner, Howard Thursby, Mildred Vance, Leo Clevenger, Gerald Vance, Willis A. Earley, John Jesse, Joanne Thursby, Wendell Ross, Florence M. Gordon, Mary Lou Scroggins, Ralph Vance, Walter Lane, Ida Lane, Lena M. Ross, Mary Thaxton, Elmer Thaxton, Otella Patterson, Charles Thursby, Hattie Sims, Nellie Young, Clyde D. Marten, Sarah R. Angelo, Palmyra, Ill.

DEAR SIR: We, the undersigned, respectfully petition you to exercise the proper discretion vested in you by passing legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce, and its broadcasting over the air, a practice which nullifies the rights of the States under the 21st amendment to control the sale of such beverages. At a time when 1 out of 10 drinkers is becoming an alcoholic there should be no encouragement to increasing the use of such beverages. Children and youth are being misled to consider them harmless, especially by the powerful audio and visual suggestions of radio and television.

(Each must sign with ink as registered at the polls.)

Sheila Mitchell, Lucille Button, George Mitchell, Isa L. Winnett, Bonnie Hardy, Edna Waterford, Lura E. Decker, Wm. V. Decker, Nellie Mills, Fern Ward, Mildred Gressel, Eunice Carson, Bertha Cartright, Eileen Armistead, Iva Levin, F. R. Waterford, Anna Stewart, Sena Tinsman, Edith Hocking, Leona Paul, H. J. Paul, Mabel Ross, Herman Ross, Violet Couger, C. E. Couger, Rufus A. Carrell, Marjorie McMorris, Florence Stroin, Marjorie W. Craig, Marjorie Brooks, Lois Newlin, Lowell M. Newlin, John Couger, Wayne Couger, Dorotha Ewart, M. C. Ewart, E. E. Holsapple, Maxine Nichols, Ray W. Nichol, Opal Nichols, Agatha Holsapple, Rev. Virgil L. DeVore, Louise DeVore, George E. Grigsby, Greenup, Ill.; B. W. Dalyrmple, Toledo, Ill.; Norma Heddins, Arthur Heddins, Oltre Edwards, Anna Scales, Nellie Hardy, Eleanor Hardy, Erma Paul, Effie Holsapple, Richard Harris, Odessa Harris, Greenup, Ill.; Margaret Dalrymple, Toledo, Ill.; Marie Stevens, Greenup, Ill.

MODESTO, ILL.

Hon. WILLIAM E. LANGER,
United States Senate,
Washington, D. C.

DEAR SIR: We, the undersigned, respectfully petition you to exercise the proper discretion vested in you by passing legislation to prohibit the transportation of alcoholic-beverage advertising in interstate commerce, and its broadcasting over the air, a practice which nullifies the rights of the States under the 21st amendment to control the sale of such beverages.

At a time when 1 out of every 10 drinkers is becoming an alcoholic, there should be no encouragement to increasing the use of such beverages. Children and youth are being misled to consider them harmless, especially by the powerful audio and visual suggestions of radio and television.

Mrs. Maude Cox, Mrs. Janie Feely, Mrs. Evelena Brown, Mrs. Emma L. Conlee, Lucetta Rathbun, Gertrude Cox, Maude M. Butler, Margaret L. Henry, Frieda Molen, Ettie A. Shearburn, Golda Snyder, Anna Mae Love, Albert Love, Lucille M. Smith.

We favor S. 923, the Langer bill.

Mr. LANGER. Mr. President, I send to the desk and ask to have printed in the RECORD a series of letters which I have received from various persons in connection with the so-called liquor advertising bill.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

WARREN, ILL., *January 1, 1956.*

Hon. W. E. LANGER,
Washington, D. C.

DEAR SIR: We are in favor of the Langer bill—S. 923—to prohibit the transportation in interstate commerce and over the air of alcoholic beverage advertising.

Respectfully,

Mrs. EMERY WERKHEISER.

WOODLAWN, ILL., *January 2, 1956.*

Hon. WILLIAM E. LANGER,
United States Senate,
Washington, D. C.:

We favor Langer bill to prohibit the transportation in interstate commerce and over the air of alcoholic beverage advertising.

Yours truly,

Mrs. MARIETTA BOLDT.

I'm president of the Ashley Women's Christian Temperance Union.

FOWLER, ILL., *January 3, 1956.*

Hon. WILLIAM E. LANGER,
United States Senate.

DEAR SIR: We are in favor of S. 923, Langer bill, to prohibit the transportation in interstate commerce and over the air of alcoholic beverage advertising.

Sincerely,

Mr. and Mrs. OSCAR OETKER,
Mrs. SADIE BITTE.

MOUNT CARMEL, ILL., *January 3, 1956.*

DEAR SIR: We favor S. 923, the Langer bill.

C. J. WOOD.

NORMAL, ILL., *January 2, 1956.*

Hon. WILLIAM E. LANGER,
United States Senate,
Washington, D. C.

DEAR MR. LANGER: You certainly are right about the distribution of alcoholic beverages. It has gone too far. I am very much in favor of the Langer bill (S. 923). I hope it will be enforced.

Mrs. IMOGENE AYER,
WCTU Member.

JANUARY 5, 1956.

DEAR SIR: I am writing you this letter, in reference to alcoholic beverages. I think it is a disgrace to have it on the air, or television. I am hoping you will have good luck in putting it out. I am pleased to know that you are against it.

It isn't only on television or radio but on the highway or any place.

Hoping to hear from you real soon, in reference to this letter.

Wishing you a happy and prosperous new year.

In regards.

MAXINE BARR.

BEECHER CITY, ILL.

JANUARY 6, 1956.

Hon. WILLIAM E. LANGER,
United States Senate,
Washington, D. C:

KIND SIR: We heartily endorse the Langer bill S. 923 and wish you to know we are strongly in favor of protecting our families from such aggression as is being made by the liquor traffic in their methods of advertising.

Respectfully yours,

Mr. and Mrs. C. V. IAGGI.

DUNDAS, ILL.

MODESTO, ILL., *January 2, 1956.*

Hon. WILLIAM E. LANGER,
United States Senate,
Washington, D. C:

We favor S. 923, Langer bill, To prohibit the transportation in interstate commerce, and over the air, of alcoholic beverage advertising.

ELVA SNIDLE.

MODESTO, ILL., *January 2, 1956.*

Hon. WILLIAM E. LANGER,
United States Senate,
Washington, D. C.:

We favor S. 923, Langer bill, to prohibit the transportation in interstate commerce, and over the air of alcoholic beverage advertising.

H. C. SNIDLE.

MODESTO, ILL., *January 2, 1956.*

Hon. WILLIAM E. LANGER,
United States Senate,
Washington, D. C.:

We favor S. 923, Langer bill, to prohibit the transportation in interstate commerce, and over the air of alcoholic beverage advertising.

CLARA CAMPBELL.

MODESTO, ILL., *January 2, 1956.*

Hon. WILLIAM E. LANGER,
United States Senate,
Washington, D. C.:

We favor S. 923, Langer bill, to prohibit the transportation in interstate commerce, and over the air of alcoholic beverage advertising.

DAVID CAMPBELL.

BARRINGTON, ILL., *January 1, 1956.*

Hon. WILLIAM E. LANGER,
United States Senate,
Washington, D. C.

DEAR SIR: We favor your bill S. 923 to prohibit the transportation in interstate commerce and over the air of alcoholic beverage advertising.

Our prayers are with you.

Sincerely,

Mr. and Mrs. E. H. TATE.

MODESTO, ILL., *January 2, 1956.*

Hon. WILLIAM E. LANGER,
United States Senate,
Washington, D. C.:

We favor S. 923, Langer bill, to prohibit the transportation in interstate commerce, and over the air of alcoholic beverage advertising.

LOREN O. ROSS.

MODESTO, ILL., *January 2, 1956.*
Hon. WILLIAM E. LANGER,
United States Senate,
Washington, D. C.:

We favor S. 923, Langer bill, to prohibit the transportation in interstate commerce, and over the air of alcoholic beverage advertising.

LAURA ROSS.

CEDARVILLE, ILL., *January 5, 1956.*
Hon. WILLIAM E. LANGER,
United States Senate,
Washington, D. C.

DEAR SIR: We who live in this lovely little town where Jane Addams was born, are much interested, as she was, in the welfare of its citizens and those of our wonderful country. Therefore we favor bill S. 923—to prohibit transportation in interstate commerce, and over the air of alcoholic beverage advertising.

Yours truly,

MRS. DONALD FINK.

MODESTO, ILL., *January 2, 1956.*
Hon. WILLIAM E. LANGER,
United States Senate,
Washington, D. C.

We favor S. 923, Langer bill, to prohibit the transportation in Interstate Commerce, and over the air of alcoholic beverage advertising.

LENA M. ROSS.
MORRIS R. ROSS.

MODESTO, ILL., *January 2, 1956.*
Hon. WILLIAM E. LANGER,
United States Senate,
Washington, D. C.

We favor S. 923, Langer bill, to prohibit the transportation in Interstate Commerce, and over the air of alcoholic beverage advertising.

LENA M. ROSS.

PITTSFIELD, ILL., *January 5, 1956.*
Hon. WILLIAM E. LANGER,
United States Senate,
Washington, D. C.

DEAR SIR: I am writing to say we favor the bill S. 923 to prohibit the transportation in interstate commerce and over the air of alcoholic beverage advertising.

Please do all you can to help protect the public from such aggression.

Yours for a better America.

MRS. GUY GRAY.

TRANSPORTATION IN INTERSTATE COMMERCE OF ADVERTISEMENTS OF ALCOHOLIC BEVERAGES—NOTICE OF HEARINGS

Mr. MAGNUSON. Mr. President, I am sure the announcement I am about to make will be of interest to all Senators, and particularly to the Senator from North Dakota [Mr. LANGER], who is now present on the floor.

On February 15 and 16, the full Committee on Interstate and Foreign Commerce will hold public hearings on a bill introduced by the Senator from North Dakota [Mr. LANGER], S. 923, to prohibit the transportation in interstate commerce of advertisements of alcoholic beverages, and for other purposes.

The first day of the hearings will be devoted to the testimony of the proponents. On the second day the committee shall hear from the opposition.

In view of the widespread, intense interest in this proposed legislation, I thought Senators would like to be informed of the forthcoming hearings.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. LANGER. Will the full committee or a subcommittee hold the hearings?

Mr. MAGNUSON. It was felt that the members of the committee are so busy and serving on so many subcommittees that to create another subcommittee would decrease attendance rather than increase it. It is hoped to have a goodly number present. The chairman himself will be present. I am sure the hearings will be not only fruitful, but will also bring to light the very serious question proposed by the Senator from North Dakota.

CONSTRUCTION OF ATOMIC-ENERGY PLANT AT ELK RIVER, MINN.—RESOLUTIONS

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD, and appropriately referred, two resolutions supporting a proposal that the Atomic Energy Commission construct an atomic energy powerplant at Elk River, Minn.

One of the resolutions was adopted at an annual meeting of the Minnesota Association of Cooperatives held on October 31 and November 1, 1955.

The other resolution was adopted at a regular meeting of the board of directors of the Northern Electric Cooperative Association on December 14, 1955.

There being no objection, the resolutions were referred to the Joint Committee on Atomic Energy, and ordered to be printed in the RECORD, as follows:

"Whereas Rural Cooperative Power Association has proposed to the Atomic Energy Commission a reasonable plan whereby a relatively small experimental atomic power generating plant might be constructed at Elk River, Minn., which is located in one of the highest fuel cost areas in the United States; be it

"*Resolved*, That M. A. C. hereby express its support for RCPA's proposal, and recommend its acceptance by AEC; be it further

"*Resolved*, That we commend RCPA for providing active leadership in the vital matter of seeking a way to adopt the use of atomic energy to generation of electric power by relatively small powerplant units that will fit the needs of rural electric cooperatives and small municipalities."

This will certify that the above resolution appears in its exact form in the official minutes of the annual meeting of the Minnesota Association of Cooperatives held on October 31 and November 1, 1955, at the Hotel Lowry, St. Paul, Minn.

HARRY J. PETERSON,
Executive Secretary.

"Whereas the Rural Cooperative Power Association of Elk River, Minn., has made a proposal to the Atomic Energy Commission for the installation and operation of an atomic nuclear steam electric powerplant; and

"Whereas Congress has provided funds available to the Atomic Energy Commission for the purpose of testing the feasibility of using atomic power for peacetime uses in small industry; and

"Whereas Minnesota is in a high fuel-cost area and the Rural Cooperative Power Association is supplying electric power to a large rural area in Minnesota and is ideally situated to determine the feasibility of using nuclear energy as a substitute for fuel in generating electricity in relatively small plants and thereby bringing the benefit of atomic energy to rural America where the need for low-cost power is the greatest: Now, therefore, be it

"*Resolved*, That the directors of the Northern Electric Cooperative Association, Virginia, Minn., hereby urge the Atomic Energy Commission and the Rural Electrification Administration to give favorable consideration of the proposal submitted by the Rural Cooperative Power Association; be it further

"*Resolved*, That copies of this resolution be forwarded to the Atomic Energy Commission, Rural Electrification Administration and the Minnesota congressional delegation."

I, Emil H. Sande, do hereby certify that I am the duly elected, qualified, and acting secretary of the Northern Electric Cooperative Association, and the keeper of its records; that the foregoing copy is a true and correct copy of the resolution as adopted at the regular meeting of the board held on December 14, 1955, at its principal office of business, in the city of Virginia, Minn.

In witness whereof, I have hereunto set my hand and affixed the seal of the cooperative this 29th day of December 1955.

EMIL H. SANDE,
Secretary.

ELIMINATION OF CONTROL OF COMPANIES CARRYING NATURAL GAS TO MINNESOTA—RESOLUTIONS

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD, and appropriately referred, three resolutions expressing opposition to the Fulbright bill, S. 1853; and the Harris bill, H. R. 4560, which would eliminate regulation of companies carrying natural gas to Minnesota.

One resolution was adopted by the St. Paul Trades and Labor Assembly on November 25, 1955; one resolution is from the St. Paul City Council, adopted December 16, 1955, and one resolution was adopted by the City Council of Minneapolis on December 9, 1955.

There being no objection, the resolutions were ordered to lie on the table and to be printed in the RECORD, as follows:

Whereas the Fulbright bill (S. 1853) would limit jurisdiction of the FPC and thereby raise the cost of natural gas the undersigned wish to solicit the aid of the St. Paul Trades and Labor Assembly in expressing opposition to the so-called Fulbright bill (S. 1853) now pending in Congress; and

Whereas recent press reports disclose that this bill was recommended to pass by the Committee of Interstate and Foreign Commerce of the House of Representatives on Wednesday, June 8, 1955, by a vote of 16 to 15; and

Whereas the Fulbright bill proposes to limit jurisdiction of the Federal Power Commission to regulate natural-gas industry so as to only reach sales for resale of such gas occur after the completion of production and gathering of the same and after delivery is made of such gas to pipeline companies. In other words, the price charged by producers would no longer be subject to control by the Federal Power Commission; and

Whereas we, the undersigned, feel that if this bill passes and becomes law the sale price of natural gas will become so high that it will not be competitive with other fuels; and

Whereas if this bill were passed, it would affect not only the members in our unions, but it would directly affect the consumer inasmuch as he would have to pay more for his gas: Therefore be it

Resolved, That the St. Paul Trades and Labor Assembly go on record opposing the

Fulbright bill (S. 1853). Copies of this resolution shall be sent to Senators and Congressmen, notifying them of the action taken.

(Adopted by the St. Paul Trades and Labor Assembly, November 25, 1955.)

Whereas the city of St. Paul through the city council has at all times heretofore expressed its opposition to the passage of the so-called Harris bill (H. R. 4560) by the House of Representatives of the United States of America, said opposition as expressed by the city council having been based upon conclusions that said legislation would be inimical to the economic welfare and well-being of all of the citizens of the city of St. Paul who are users of natural gas, in that passage of such legislation could lead to only one result and that would be higher rates for the ultimate consumers of this natural resource; and

Whereas the council of the city of St. Paul further expresses the conclusion that producers of natural gas are entitled to a fair and reasonable rate of return and can secure such return under the proper Federal regulatory authority; and

Whereas, further, the Council of the City of St. Paul is firmly of the mind that the proper regulation of natural gas producers would in no manner defeat any economic or financial incentive which it is asserted is necessary to attract investors and to stimulate discovery and recovery of natural gas; and

Whereas, further, the Fulbright bill (S. 1853) is now on the calendar of the Senate, having been reported out by the Senate Interstate and Foreign Commerce Committee; and

Whereas the said Fulbright bill, while differing in some extent from the provisions of the Harris bill, is similar in import and effect and could lead to only one end result in the consumer market, and that would be an increased rate to be paid by the ultimate consumer of natural gas: Now, therefore, be it

Resolved by the City Council of the City of St. Paul, That it reiterates its conclusions, heretofore arrived at, that the Harris and the Fulbright bills, as amended, are contrary to the best interests of the whole gas-consuming public in this city; and be it further

Resolved, That the Council of the City of St. Paul herein again records its full and complete opposition to the Harris bill, as amended, and also to the Fulbright bill, and respectfully requests that the Senate of the United States return said Fulbright bill, as amended, to the Senate Committee on Interstate and Foreign Commerce for further hearings on said bill and the amendments which have been added to it since the last public hearing thereon. Said referral of the bill back to the Senate Committee on Interstate and Foreign Commerce will, at least, give the public of the United States an opportunity to present its side of the case before the honorable Senate committee; and be it further

Resolved, That the City Council of the City of St. Paul hereby again urgently requests the Senators and Congressmen from the State of Minnesota to exercise their utmost efforts to defeat this legislation which is not in the public interest; and be it further

Resolved, That a copy of this resolution be forthwith transmitted to the Honorable Senators and Congressmen from the State of Minnesota, to each member of the United States Senate Committee on Interstate and Foreign Commerce, and to the clerk of said committee and the clerk of the Senate of the United States.

Adopted by the council December 16, 1955.

Approved December 16, 1955.

JOSEPH E. DILLON,
Mayor.

CITY OF MINNEAPOLIS, *December 14, 1955.*

Hon. HUBERT H. HUMPHREY,
United States Senator,
Washington, D. C.

DEAR SIR: Attached you will find copy of a resolution passed by the City Council of the City of Minneapolis, Minn., at a meeting held December 9, 1955, expressing opposition to the Harris and Fulbright bills to remove Federal regulation of producers of natural gas, and requesting further hearings thereon.

Very truly yours,

LEONARD A. JOHNSON,
City Clerk.

Resolution expressing opposition to the Harris and Fulbright bills to remove federal regulation of producers of natural gas, and requesting further hearings thereon

Whereas on March 11, 1955, the city council adopted a resolution in opposition to the passage of the so-called Harris bill (H. R. 4560) by the House of Representatives in Congress, and requested Members in Congress from Minnesota to oppose said bill; and

Whereas on June 10, 1955, the city council again adopted a resolution in opposition to said bill and any legislation having a similar effect; and

Whereas amendments were made to the Harris bill in the Interstate and Foreign Commerce Committee of the House of Representatives in Congress, and said bill was passed as amended; and

Whereas the so-called Fulbright bill (S. 1853), which differs from the Harris bill, but which proposes similarly to remove the producers of natural gas from regulation by the Federal Power Commission, has been considered by the Interstate and Foreign Commerce Committee of the United States Senate, and amended and recommended for passage by said committee; and

Whereas the city council firmly believes that both the Harris and the Fulbright bills as amended are contrary to the best interests of the gas consumers in the city of Minneapolis, and in its judgment are likely to increase the cost of natural gas to said consumers: Now, therefore, be it

Resolved by the City Council of the City of Minneapolis, That it again records its opposition to said Harris bill as amended, and likewise records its opposition to the Fulbright bill as amended, and respectfully requests that the Senate of the United States refer said Fulbright bill as amended back to its Committee on Interstate and Foreign Commerce for further hearings on said bill and the amendments that have been made to it since the hearings which have previoulys been held; be it further

Resolved, That the City Council of the City of Minneapolis urgently requests the Senators and Congressmen from the State of Minnesota to exercise their utmost efforts to defeat said bill, and that a copy of this resolution be forthwith transmitted to each Congressman and Senator from the State of Minnesota, and to each member of the Senate Committee on Interstate and Foreign Commerce.

Passed December 9, 1955.

GEORGE W. MARTENS,
Vice President of the Council.

Approved December 13, 1955.

ERIC G. HOYER,
Mayor.

Attest:

LEONARD A. JOHNSON,
City Clerk.

RESOLUTIONS OF GREAT LAKES COMMISSION

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD, and appropriately referred, two resolutions adopted by the newly established Great Lakes Commission at its initial meeting in Chicago on December 12, urging early and favorable consideration of legislation pending in the Congress approving the Great Lakes Basin Company and authorizing the deepening of the connecting channels in the upper Great Lakes.

There being no objection, the resolutions were referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

CONGRESSIONAL CONSENT TO THE GREAT LAKES BASIN COMPACT

(Resolution adopted by the Great Lakes Commission, Chicago, Ill., December 12, 1955)

Whereas the Great Lakes Basin Compact provides that the eight Great Lakes States—Illinois, Indiana, Michigan, Minnesota, New York, Ohio, Pennsylvania and Wisconsin—and the Provinces of Ontario and Quebec may become party to the compact; and

Whereas ratification of the compact by Illinois, Indiana, Michigan, Minnesota and Wisconsin, has made the compact effective; and

Whereas the approval of the Great Lakes Basin Compact by the Congress is desirable and essential to obtaining the participation of the Canadian provinces; and

Whereas legislation introduced in the first session of the 84th Congress—S. 2688, H. R. 7550 and H. R. 7812—grants approval to the compact: Therefore be it

Resolved, That the Great Lakes Commission meeting in Chicago, Ill., on December 12, 1955, urges early consideration and approval by the United States Congress of the Great Lakes Basin Compact; be it further

Resolved, That the compact of State Governments be requested to send copies of this resolution to the Members of the Congressional delegations from the eight Great Lakes States and to members of the Senate Committee on Foreign Relations and the Committee on Foreign Affairs in the House of Representatives.

DEEPENING OF THE CONNECTING CHANNELS OF THE UPPER GREAT LAKES

(Resolution adopted by the Great Lakes Commission, Chicago, Ill., December 12, 1955)

Whereas improvement by deepening the connecting channels in the upper Great Lakes will result in important benefits to the economy and defense of the Nation; and

Whereas a study by the Corps of Engineers of the cost of such improvements has clearly demonstrated a favorable benefit-cost ratio; and

Whereas the House of Representatives of the 84th Congress, 1st session, has approved H. R. 2552 authorizing such improvement; and

Whereas identical legislation has been introduced in the Senate: Therefore, be it

Resolved, That the Great Lakes Commission meeting in Chicago, Ill., December 12, 1955, urges early consideration and enactment of legislation now pending in the United States Senate for deepening the connecting channels in the upper Great Lakes in accordance with the recommendations of the Corps of Engineers; be it further

Resolved, That the Council of State Governments be requested to send copies of this resolution to the Members of the congressional delegations from the eight Great Lakes States and to Members of the Senate Committee on Public Works.

PAYMENTS IN LIEU OF TAXES—LETTER AND RESOLUTION

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed

in the RECORD, and appropriately referred, a letter that I received from Mr. Patrick Healy, Jr., executive director of the American Municipal Association. I also ask unanimous consent to have printed following the letter, the resolution adopted by the 32d annual American Municipal Congress at its recent meeting in Miami, Fla., approving calling upon the Congress to enact a broad program of payments to municipalities in lieu of taxes on federally owned property.

There being no objection, the letter and resolution were referred to the Committee on Government Operations and ordered to be printed in the RECORD, as follows:

AMERICAN MUNICIPAL ASSOCIATION,
Washington, D. C., January 3, 1956.

The Honorable HUBERT H. HUMPHREY,
United States Senate,
Washington, D. C.

DEAR SENATOR HUMPHREY: At the 32d annual American Municipal Congress just concluded at Miami, Fla., the membership which represents 12,000 municipalities unanimously approved the enclosed resolution calling upon Congress to enact a broad program of payments to municipalities in lieu of taxes on federally owned property.

We feel that the legislation which was passed in the last Congress, granting relief to some 60 communities in which are located federally owned factory properties, is a step in the right direction. This legislation, however, does not begin to meet the needs of our cities, particularly those in which a large percentage of the property is owned by the Government.

Our members urge you to support a comprehensive program of payments in lieu of taxes as recommended by the Commission on Intergovernmental Relations (Kestnbaum report).

We will be happy to provide additional information on this vital subject or to otherwise assist the Congress in this matter.

Sincerely yours,

PATRICK HEALY, Jr.,
Executive Director.

This association and the 12,000 cities which it represents consistently have urged the Congress to authorize the payment to municipalities by the Federal Government of local property taxes or the payment of an annual sum in lieu of taxes on Federally-owned property. The Commission on Intergovernmental Relations in its report to the President noted that the immunity of the National Government from State and local taxation requires urgent attention. This immunity reduced the tax base of municipalities. The burden falls unevenly, being most severe in areas where the value of Federal property is large in proportion to the total property value, the Commission reported.

Congress has from time to time recognized the necessity of obligating the Federal Government to pay some State and local taxes or their equivalent. In the last session, Congress passed Public Law 388, which grants temporary relief to about 60 communities by authorizing Federal agencies to make payments to local authorities in lieu of property taxes on property transferred since 1946 by the Reconstruction Finance Corporation.

The American Municipal Association commends the Congress for its efforts but recognizes that the measure does not meet the needs of our cities. What is needed is a greatly expanded and permanent program for payments in lieu of taxes. The association urges the Congress to adopt the recommendations of the Commission on Intergovernmental Relations and "* * * inaugurate a broad system of payments in lieu of property taxes to State and local government."

(Passed unanimously November 30, 1955, Miami, Fla.)

LONG-RANGE MERCHANT MARINE PROGRAM—RESOLUTION

Mr. MAGNUSON. Mr. President, it has been my privilege on numerous occasions in the past to bring to the attention of the Senate various formal activities by the American Legion in behalf of the American merchant marine.

This great veteran organization has been indefatigable in its efforts to sustain and strengthen this vital arm of our country's commerce and security.

As further evidence of the enlightened interest and activity of the Legion in this respect, I send to the desk a copy of the resolution adopted at the 1955 national convention by the Legion held October 10 to 13, 1955, embodying a 16-point long-range merchant marine program.

In the conviction that this resolution warrants the attention of Congress and the American public alike, I ask unanimous consent that the resolution be printed in the body of the RECORD at this point in my remarks.

There being no objection, the resolution was referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

RESOLUTION No. 622

Whereas in the event of a national emergency, attack with atomic weapons is a certainty and will require instantaneous use of a fleet of fast ships in being and ready for action; and

Whereas the cold war, the extended global commitments of United States foreign policy, and the increased technical development in warfare, all require added naval power, greater speed and lift capacity for the American merchant marine; and

Whereas previous experience has proven that reliance upon the merchant fleets of foreign nations not only is inadequate and costly, but dangerous to our national security; and

Whereas American industry depends upon imports for industrial metals and minerals designated as critical by the President's Materials Supply Commission; and

Whereas the national maritime policy as set forth in the Merchant Marine Act of 1936 has proven itself to be vital to our national security and is contributing to our economic welfare; and

Whereas the Department of Defense is dependent upon the continuous availability of shipyards, plant know-how and a nucleus of skilled shipyard workers; and

Whereas the American Legion has long recognized that a strong American flag fleet is essential to the defensive strength of the Nation and to the prosperity of our country: Therefore be it

Resolved, That the American Legion reaffirms its 37-year support of a strong, privately owned and operated American merchant marine, and urges the adoption of such policies and procedures as will:

1. Implement as fully as possible the sound national maritime policy established in the Merchant Marine Act of 1936.

2. Assure that operating differential payments to contract lines will continue to be based on the concept of parity with foreign flag competitors.

3. Encourage the Congress of the United States to keep Government obligations incurred by operating differential contracts with American flag steamship lines on a current basis.

4. Encourage further steps to stabilize the industry and attract private investment in it, such as (a) assuring that there is final agreement on the amount of construction differential to be paid on a vessel before the contract is completed; (b) and providing 100 percent mortgage guaranties to finance the construction of American ships by qualified American operators.

5. Establish an orderly and evenly scheduled ship replacement program so as to avoid block obsolescence of the fleet and to provide a steady workload for American shipyards.

6. Inform Congress and the Administration more fully on the mechanics of the Cargo Preference Act of 1954 (the 50–50 law), pointing out that the 50/50 policy is designed so as not to impede farm surplus disposal programs or deprive foreign-aid programs of United States dollars.

7. Encourage United States exporters and importers to use American ships wherever possible.

8. Withdraw ships operated by Government agencies from service where private ships can provide adequate ocean transportation.

9. Work to remove discriminatory practices of foreign nations against American shipping through diplomatic negotiations.

10. Seek to restore our American coastwise fleet, the hardcore of merchant shipping, so that it will again be available for any emergency.

11. Encourage intercoastal shipping by revising tolls on United States ships for passage through the Panama Canal to provide that such tolls should be adequate to pay the costs actually attributable to the operation of the waterway but should not defray the overall cost of maintaining the Canal Zone.

12. Reactivate the Merchant Marine Naval Reserve as an effective component of the United States Naval Reserve.

13. Maintain the United States Merchant Marine Academy at King's Point, N. Y. as a permanent institution comparable to the service academies and to continue to encourage and support the maritime academies in Maine, Massachusetts, California and New York.

14. Urge the Congress of the United States to weigh carefully all proposals that have been made to assure that America shall sail the seas with the first atomic ship.

15. Recommend a more equitable distribution and utilization of available shipbuilding facilities throughout the United States.

16. We recommend the operation and continuance of an American-owned oceangoing ore-carrier fleet.

Whereas, the American Legion has adopted and intends to continue a program of direct action for a strong American merchant marine; and

Whereas in order to implement the broad and extensive information and educational campaign by the American Legion on behalf of a strong American merchant marine for our national security; now, therefore, be it

Resolved, That the director of the national security commission and the chairman of the merchant marine committee of the American Legion are hereby directed to continue to seek and obtain from all possible sources such information and assistance as will insure the effectiveness of the mandates of this convention concerning the American merchant marine; and to encourage public relations officers of the various departments of the American Legion to arrange meetings and forum discussions on maritime affairs and recommend that the department commanders invite informed speakers on such subjects to appear before their annual department conventions; and, further, that the director and the chairman of the merchant marine committee be, and are hereby

authorized, to participate in all hearings affecting said program; and be it further

Resolved, That the American Legion at its 37th Annual National Convention, assembled in Miami, Fla., October 10–13, 1955, instructs the national headquarters of the American Legion to prepare and to conduct an extensive informational and educational program about the American merchant marine as "our fourth arm" of national security.

APPRENTICESHIP TRAINING—RESOLUTION OF WISCONSIN STATE FEDERATION OF LABOR

Mr. WILEY. Mr. President, today I received a letter from George W. Hall, who is secretary-treasurer of the Wisconsin State Federation of Labor, enclosing a resolution with reference to apprenticeship training. I ask unanimous consent that the letter and the resolution be printed in the RECORD.

There being no objection, the letter and resolution were ordered to be printed in the RECORD, as follows:

MILWAUKEE, WIS., *January 10, 1956.*

The Honorable ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WILEY: I am enclosing a copy of a resolution adopted by our last convention which you will find is self-explanatory.

We request your assistance in carrying out the intent and purposes of this resolution.

With personal best wishes, I am

Very truly yours,

GEORGE W. HALL,
Secretary-Treasurer,
Wisconsin State Federation of Labor.

RESOLUTION NO. 2

Whereas it has come to our attention that two field offices of the Bureau of Apprenticeship, United States Department of Labor, located in the State of Wisconsin, have been closed because of curtailment of funds; and

Whereas the training of tradesmen is absolutely essential to the national health and welfare; and

Whereas history shows that governmental assistance is needed in the promotion of on-the-job training for the youth of our land as part of the civilian defense program which sustains the front line of defense; and

Whereas the curtailment of promotional efforts to train young men as tradesmen in the metal and manufacturing firms will seriously jeopardize our position in national and international prestige: Therefore, be it

Resolved, That the delegates to the Wisconsin State Federation of Labor in convention assembled in the city of Oshkosh, Wis., August 15 through 18, 1955, go on record as vigorously opposing any reduction in the personnel of the Bureau of Apprenticeship, United States Department of Labor; and be it further

Resolved, That every effort be made to reestablish those offices already closed in Wisconsin; and be it further

Resolved, That copies of this resolution be sent to the President of the United States and to all Wisconsin Senators and Representatives; and be it further

Resolved, That copies of this resolution be sent to the Secretary of Labor, United States Department of Labor, William F. Patterson, Director of Bureau of Aprenticeship, United States Department of Labor, and to Brother Al Hayes, president, International Association of Machinists.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. GREEN, from the Committee on Rules and Administration, without amendment:

S. Con. Res. 60. Concurrent resolution authorizing the printing of additional copies of the hearings on automation and technological change for the use of the Joint Committee on the Economic Report (estimated cost $2,088.75);

H. Con. Res. 94. Concurrent resolution favoring the waiver of State residence requirements in certain elections (Rept. No. 1372);

S. Res. 144. Resolution to print as a Senate document a revised edition of a document entitled "How To Obtain Birth Certificates" (estimated cost $361.59); and

S. Res. 159. Resolution extending the time for certain expenditures by the Committee on Public Works (Rept. No. 1373).

By Mr. GREEN, from the Committee on Rules and Administration, with an amendment:

S. Con. Res. 61. Concurrent resolution authorizing the printing of additional copies of the joint committee print entitled "Federal Tax Policy for Economic Growth and Stability," for the use of the Joint Committee on the Economic Report (estimated cost $2,830.68); and

S. Con. Res. 62. Concurrent resolution to print as a document a pamphlet entitled "A Handbook for Americans" (estimated cost $5,963.24).

By Mr. GREEN, from the Committee on Rules and Administration, with amendments:

S. Con. Res. 55. Concurrent resolution to print for the use of the Senate copies of certain hearings and reports of the Internal Security Subcommittee of the Judiciary Committee of the Senate (Rept. No. 1371).

By Mr. GEORGE, from the Committee on Foreign Relations:

H. R. 5844. A bill to increase the fee for executing an application for a passport from $1 to $3; with an amendment (Rept. No. 1370).

By Mr. BYRD, from the Committee on Finance, without amendment:

H. R. 4582. A bill to amend the Internal Revenue Code of 1954 with respect to deductions from gross income of amounts contributed to employees trusts (Rept. No. 1375);

H. R. 5428. A bill to amend the Internal Revenue Code of 1939 with respect to the period of limitation for filing claims by certain transferees and fiduciaries for credit or refund of income taxes (Rept. No. 1376);

H. R. 7036. A bill to amend section 37 of the Internal Revenue Code of 1954 with respect to the earned income limitation on retirement income (Rept. No. 1377);

H. R. 7282. A bill relating to the allowance of the credits for dividends received, for dividends paid, and for a Western Hemisphere trade corporation in computing the alternative tax of a corporation with respect to its capital gains (Rept. No. 1378); and

H. R. 7364. A bill relating to the application of the documentary stamp tax to transfers of certain obligations paid for in installments (Rept. No. 1379).

EXPENDITURES AND TEMPORARY PERSONNEL, COMMITTEE ON RULES AND ADMINISTRATION (S. REPT. NO. 1374)

Mr. GREEN, from the Committee on Rules and Administration, reported the following original resolution (S. Res. 176), which was placed on the calendar:

Resolved, That the Committee on Rules and Administration, or any duly authorized subcommittee thereof, is authorized under sections 134 (a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdictions specified by rule XXV of the Standing Rules of the Senate, to examine, investigate, and make a complete study of any and all matters pertaining to—

(1) the election of the President, Vice President, or Members of Congress;

(2) corrupt practices and contested elections;

(3) credentials and qualifications;

(4) Federal elections generally;

(5) presidential succession.

SEC. 2. For the purposes of this resolution the committee, from February 1, 1956, to January 31, 1957, inclusive, is authorized to (1) make such expenditures as it deems advisable; (2) to employ upon a temporary basis, technical, clerical, and other assistants and consultants; and (3) with the prior consent of the heads of the departments or agencies concerned, and the Committee on Rules and Administration, to utilize the reimbursable services, information, facilities, and personnel of any of the departments or agencies of the Government.

SEC. 3. The committee shall report its findings, together with its recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than January 31, 1957.

SEC. 4. Expenses of the committee, under this resolution, which shall not exceed $50,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

EMPLOYMENT OF TEMPORARY ADDITIONAL CLERICAL ASSISTANTS BY COMMITTEE ON FOREIGN RELATIONS—REPORT OF A COMMITTEE (S. REPT. NO. 1369)

Mr. GEORGE, from the Committee on Foreign Relations, reported an original resolution (S. Res. 161), which was placed on the calendar, as follows:

Resolved, that the Committee on Foreign Relations is authorized to employ two additional clerical assistants from February 1, 1956 through January 31, 1957.

INVESTIGATION OF MATTERS PERTAINING TO TECHNICAL ASSISTANCE AND RELATED PROGRAMS

Mr. MANSFIELD, from the Committee on Foreign Relations, reported the following original resolution (S. Res. 162), which was placed on the calendar:

Resolved, That the subcommittee (as authorized by S. Res. 214 of the 83d Cong., 2d sess., agreed to July 6, 1954) of the Committee on Foreign Relations is authorized under sections 134 (a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with the jurisdictions of the Committee on Foreign Relations specified by rule XXV of the Standing Rules of the Senate, to examine, investigate, and make a complete study of any and all matters pertaining to technical assistance and related programs.

SEC. 2. For the purposes of this resolution the committee, from February 1, 1956, to January 13, 1957, inclusive, is authorized to (1) make such expenditures as it deems advisable; (2) to employ upon a temporary basis, technical, clerical, and other assistants and consultants; and (3) with the consent of the heads of the departments or agencies concerned, and the Committee on Rules and Administration, to utilize the reimbursable services, information, facilities, and person-

nel of any of the departments or agencies of the Government.

SEC. 3. The committee shall report its findings, together with its recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than January 31, 1957.

SEC. 4. Expenses of the committee, under this resolution, which shall not exceed $27,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

INVESTIGATION OF CERTAIN PROBLEMS RELATING TO INTERSTATE AND FOREIGN COMMERCE

Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce, reported the following original resolution (S. Res. 163), which was placed on the calendar:

Resolved, That the Committee on Interstate and Foreign Commerce, or any duly authorized subcommittee thereof, is authorized under sections 134 (a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdictions specified by rule XXV of the Standing Rules of the Senate, to examine, investigate, and make a complete study of any and all matters pertaining to—

(1) interstate and foreign commerce generally;

(2) maritime matters;

(3) domestic surface transportation;

(4) communications;

(5) civil aeronautics; and

(6) fisheries and wildlife.

SEC. 2. For the purposes of this resolution the committee, from February 1, 1956, to January 31, 1957, inclusive, is authorized to (1) make such expenditures as it deems advisable; (2) to employ upon a temporary basis, technical, clerical, and other assistants and consultants; and (3) with the consent of the heads of the departments or agencies concerned, and the Committee on Rules and Administration, to utilize the reimbursable services, information, facilities, and personnel of any of the departments or agencies of the Government.

SEC. 3. The committee shall report its findings, together with its recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than January 31, 1957.

SEC. 4. Expenses of the committee, under this resolution, which shall not exceed $250,000 shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

STUDY OF MATTERS PERTAINING TO CONSTITUTIONAL RIGHTS

Mr. KILGORE, from the Committee on the Judiciary, reported the following original resolution (S. Res. 165) which was referred to the Committee on Rules and Administration:

Resolved, That the Committee on the Judiciary, or any duly authorized subcommittee thereof, is authorized under sections 134 (a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdiction specified by rule XXV of the Standing Rules of the Senate to examine, investigate, and make a complete study of any and all matters pertaining to constitutional rights.

SEC. 2. For the purposes of this resolution, the committee, from February 1, 1956, to January 31, 1957, inclusive, is authorized to (1) make such expenditures as it deems advisable; (2) to employ upon a temporary basis, technical, clerical, and other assistants and consultants; and (3) with the consent of the heads of the departments or agencies concerned, and the Committee on Rules and Administration, to utilize the reimbursable services, information facilities, and personnel of any of the departments or agencies of the Government.

SEC. 3. The committee shall report its findings, together with its recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than January 31, 1957.

SEC. 4. Expenses of the committee, under this resolution, which shall not exceed $115,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

INVESTIGATION OF MATTERS PERTAINING TO IMPROVEMENT OF FEDERAL CRIMINAL CODE

Mr. KILGORE, from the Committee on the Judiciary, reported the following original resolution (S. Res. 166), which was referred to the Committee on Rules and Administration:

Resolved, That the Committee on the Judiciary, or any duly authorized subcommittee thereof, is authorized under sections 134 (a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdiction specified by rule XXV of the Standing Rules of the Senate to examine, investigate, and conduct a full and complete study of any and all matters pertaining to the improvement and strengthening of the Federal Criminal Code, including ways and means of improving the laws and enforcement procedures designed to control the illegal trafficking in narcotics, marihuana, and similar drugs in the United States.

SEC. 2. For the purposes of this resolution the committee, from February 1, 1956, to January 31, 1957, inclusive, is authorized to (1) make such expenditures as it deems advisable; (2) to employ upon a temporary basis, technical, clerical, and other assistants and consultants; and (3) with the consent of the heads of the departments or agencies concerned, and the Committee on Rules and Administration, to utilize the reimbursable services, information, facilities, and personnel of any of the departments or agencies of the Government.

SEC. 3. The committee shall report its findings, together with its recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than January 31, 1957.

SEC. 4. Expenses of the committee, under this resolution, which shall not exceed $35,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

EXAMINATION OF ADMINISTRATION OF THE PATENT OFFICE

Mr. KILGORE, from the Committee on the Judiciary, reported the following original resolution (S. Res. 167), which was referred to the Committee on Rules and Administration:

Resolved, That the Committee on the Judiciary, or any duly authorized subcommitttee thereof, is authorized under sections 134 (a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdiction specified by rule XXV of the Standing Rules of the Senate, to conduct a full and complete examination and review of the administration of the Patent Office and a complete examination and review of the statutes relating to patents, trademarks, and copyrights.

SEC. 2. For the purposes of this resolution, the committee, from February 1, 1956, to January 31, 1957, inclusive, is authorized (1) to make such expenditures as it deems advisable; (2) to employ upon a temporary basis, technical, clerical, and other assistants and consultants; and (3) with the consent of the heads of the departments or agencies concerned, and the Committee on Rules and Administration, to utilize the reimbursable services, information, facilities, and personnel of any of the departments or agencies of the Government.

SEC. 3. The committee shall report its findings, together with its recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than January 31, 1957.

SEC. 4. Expenses of the committee, under this resolution, which shall not exceed $128,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

INVESTIGATION OF CERTAIN PROBLEMS IN CONNECTION WITH EUROPEAN REFUGEES

Mr. KILGORE, from the Committee on the Judiciary, reported the following original resolution (S. Res. 168), which was referred to the Committee on Rules and Administration:

Resolved, That the Committee on the Judiciary, or any duly authorized subcommittee thereof, is authorized under sections 134 (a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdictions specified by rule XXV of the Standing Rules of the Senate, to examine, investigate, and make a complete study of any and all matters pertaining to the problems in certain Western European nations created by the flow of escapees and refugees from Communist tyranny.

SEC. 2. For the purposes of this resolution, the committee, from February 1, 1956 to January 31, 1957, inclusive, is authorized (1) to make such expenditures as it deems advisable; (2) to employ on a temporary basis, technical, clerical, and other assistants and consultants; and (3) with the consent of the heads of the department or agency concerned and the Committee on Rules and Administration, to utilize the reimbursable services, information, facilities, and personnel of any of the departments or agencies of the Government.

SEC. 3. The committee shall report its findings, together with its recommendations for such legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than January 31, 1957.

SEC. 4. The expenses of the committee under this resolution, which shall not exceed $33,361.75, shall be paid from the contingent fund of the Senate by vouchers approved by the chairman of the committee.

INVESTIGATION OF NATIONAL PENITENTIARIES

Mr. KILGORE, from the Committee on the Judiciary, reported the following original resolution (S. Res. 169), which was referred to the Committee on Rules and Administration:

Resolved, That the Committee on the Judiciary, or any duly authorized subcommittee thereof, is authorized under sections 134 (a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdiction specified by rule XXV of the Standing Rules of the Senate to examine, investigate, and inspect national penitentiaries.

SEC. 2. For the purposes of this resolution the committee, from February 1, 1956, to January 31, 1957, inclusive, is authorized to (1) make such expenditures as it deems advisable; (2) to employ upon a temporary basis, technical, clerical, and other assistants and consultants; and (3) with the consent of the heads of the departments or agencies concerned, and the Committee on Rules and Administration, to utilize the reimbursable services, information, facilities, and personnel of any of the departments or agencies of the Government.

SEC. 3. The committee shall report its findings, together with its recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than January 31, 1957.

SEC. 4. Expenses of the committee, under this resolution, which shall not exceed $8,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

STUDY OF ANTITRUST LAWS AND THEIR ADMINISTRATION

Mr. KILGORE, from the Committee on the Judiciary, reported the following original resolution (S. Res. 170), which was referred to the Committee on Rules and Administration:

Resolved, That the Committee on the Judiciary, or any duly authorized subcommittee thereof, is authorized under sections 134 (a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdiction specified by rule XXV of the Standing Rules of the Senate to make a complete and comprehensive study and investigation of the antitrust laws of the United States and their administration, interpretation, operation, enforcement, and effect, and to determine the nature and extent of any legislation which may be necessary or desirable to (a) clarify existing statutory enactments, and eliminate any conflicts which may exist among the several statutes comprising such laws; (b) rectify any misapplications and misinterpretations of such laws which may have developed in the administration thereof; (c) supplement such statutes to provide any additional substantive, procedural, or organizational legislation which may be needed for the attainment of the fundamental objects of such statutes; and (d) improve the administration and enforcement of such statutes.

SEC. 2. For the purposes of this resolution, the committee, from February 1, 1956, to January 31, 1957, inclusive, is authorized to (1) make such expenditures as it deems advisable; (2) to employ upon a temporary basis, technical, clerical, and other assistants and consultants; and (3) with the consent of the heads of the departments or agencies concerned, and the Committee on Rules and Administration, to utilize the reimbursable services, information, facilities, and personnel of any of the departments or agencies of the Government.

SEC. 3. The committee shall report its findings, together with its recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than January 31, 1957.

SEC. 4. Expenses of the committee, under this resolution, which shall not exceed $275,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

EXAMINATION OF ADMINISTRATION OF TRADING WITH THE ENEMY ACT

Mr. KILGORE, from the Committee on the Judiciary, reported the following original resolution (S. Res. 171), which was referred to the Committee on Rules and Administration:

Resolved, That the Committee on the Judiciary, or any duly authorized subcommittee thereof, is authorized under sections 134 (a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdiction specified by rule XXV of the Standing Rules of the Senate to conduct a full and complete examination and review of the administration of the Trading With the Enemy Act.

SEC. 2. For the purposes of this resolution, the committee, from February 1, 1956, to January 31, 1957, inclusive, is authorized to (1) make such expenditures as it deems advisable; (2) to employ upon a temporary basis, technical, clerical, and other assistants and consultants; and (3) with the consent of the heads of the departments or agencies concerned, and the Committee on Rules and Administration, to utilize the reimbursable services, information, facilities, and personnel of any of the departments or agencies of the Government.

SEC. 3. The committee shall report its findings, together with its recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than January 31, 1957.

SEC. 4. Expenses of the committee, under this resolution, which shall not exceed $60,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

STUDY OF IMMIGRATION AND NATURALIZATION MATTERS

Mr. KILGORE, from the Committee on the Judiciary, reported the following original resolution (S. Res. 172), which was referred to the Committee on Rules and Administration:

Resolved, That the Committee on the Judiciary, or any duly authorized subcommitte thereof, is authorized under sections 134 (a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdiction specified by rule XXV of the Standing Rules of the Senate to examine, investigate and make a complete study of any and all matters pertaining to immigration and naturalization.

SEC. 2. For the purposes of this resolution the committee, from February 1, 1956, to January 31, 1957, inclusive, is authorized to (1) make such expenditures as it deems advisable; (2) to employ upon a temporary basis, technical, clerical, and other assistants and consultants; and (3) with the consent of the heads of the departments or agencies concerned, and the Committee on Rules and Administration, to utilize the reimbursable services, information, facilities and personnel of any of the departments or agencies of the Government.

SEC. 3. The committee shall report its findings, together with its recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than January 31, 1957.

SEC. 4. Expenses of the committee, under this resolution, which shall not exceed $102,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

STUDY OF JUVENILE DELINQUENCY

Mr. KILGORE, from the Committee on the Judiciary, reported the following original resolution (S. Res. 173), which was referred to the Committee on Rules and Administration:

Resolved, That the Committee on the Judiciary, or any duly authorized subcommittee thereof, is authorized under sections 134 (a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdiction specified by rule XXV of the Standing Rules of the Senate insofar as they relate to the authority of the Committee on the Judiciary to conduct a full and complete study of juvenile delinquency in the United States, including (a) the extent and character of juvenile delinquency in the United States and its causes and contributing factors; (b) the adequacy of existing provisions of law, including chapters 402 and 403 of title 18 of the United States Code, in dealing with youthful offenders of Federal laws; (c) sentences imposed on, or other correctional action taken with respect to, youthful offenders by Federal courts, and (d) the extent to which juveniles are violating Federal laws relating to the sale or use of narcotics.

SEC. 2. For the purposes of this resolution, the committee, from February 1, 1956, to January 31, 1957, inclusive, is authorized to (1) make such expenditures as it deems advisable; (2) to employ upon a temporary basis, technical, clerical, and other assistants and consultants; and (3) with the consent of the heads of the departments or agencies concerned, and the Committee on Rules and Administration, to utilize the reimbursable services, information, facilities, and personnel of any of the departments or agencies of the Government.

SEC. 3. The committee shall report its findings, together with its recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than January 31, 1957.

SEC. 4. Expenses of the committee, under this resolution, which shall not exceed $150,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

INVESTIGATION OF ADMINISTRATION OF INTERNAL SECURITY ACT OF 1950

Mr. KILGORE, from the Committee on the Judiciary, reported the following original resolution (S. Res. 174), which was referred to the Committee on Rules and Administration:

Resolved, That the Committee on the Judiciary, or any duly authorized subcommittee thereof, is authorized under sections 134 (a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdiction specified by rule XXV of the Standing Rules of the Senate insofar as they relate to the authority of the committee hereunder, to make a complete and continuing study and investigation of (1) the administration, operation, and enforcement of the Internal Security Act of 1950; (2) the administration, operation, and enforcement of other laws relating to espionage, sabotage, and the protection of the internal security of the United States; and (3) the extent, nature, and effect of subversive activities in the United States, its Territories and possessions, including but not limited to, espionage, sabotage, and infiltration by persons who are or may be under the domination of the foreign government or organizations controlling the world Communist movement or any other movement seeking to overthrow the Government of the United States by force and violence.

SEC. 2. For the purposes of this resolution, the committee, from February 1, 1956, to January 31, 1957, inclusive, is authorized to (1) make such expenditures as it deems advisable; (2) to employ upon a temporary basis, technical, clerical, and other assistants and consultants; and (3) with the consent of the heads of the departments or agencies concerned, and the Committee on Rules and Administration, to utilize the reimbursable services, information, facilities and person-

nel of any of the departments or agencies of the Government.

SEC. 3. Expenses of the committee, under this resolution, which shall not exceed $285,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

MYRTLE E. CARRICO

Mr. GREEN, from the Committee on Rules and Administration, reported the following original resolution (S. Res. 177), which was placed on the calendar:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Myrtle E. Carrico, widow of Everett C. Carrico, Sr., an employee at the time of his death, a sum equal to 1 year's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

GEORG B. TENNYSON

Mr. GREEN, from the Committee on Rules and Administration, reported the following original resolution (S. Res. 178), which was placed on the calendar:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, jointly to Christine Himes, daughter, and Georg B. Tennyson, son, of Emily I. Tennyson, an employee of the Senate at the time of her death, a sum equal to 11 months' compensation at the rate she was receiving by law at the time of her death, said sum to be considered inclusive of funeral expenses and all other allowances.

ANNUAL REPORT OF SELECT COMMITTEE ON SMALL BUSINESS (S. REPT. NO. 1368)

Mr. SPARKMAN. Mr. President, from the Select Committee on Small Business, I submit the sixth annual report of that committee. I ask unanimous consent that the report be printed, with illustrations.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Alabama? The Chair hears none, and it is so ordered.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce:

Ector B. Latham, and sundry other persons, for permanent appointment in the Coast and Geodetic Survey.

By Mr. GEORGE, from the Committee on Foreign Relations:

Exec. F, 83d Congress, 2d session, a protocol amending the slavery convention of September 25, 1926; without reservation (Ex. Rept. No. 1); and

Exec. P, 82d Congress, 2d session, a protocol modifying the convention of July 6, 1890, concerning creation of an International Union for the Publication of Customs Tariffs; without reservation (Exec. Rept. No. 2).

By Mr. BYRD, from the Committee on Finance:

Russell C. Harrington, of Rhode Island, to be Commissioner of Internal Revenue;

William E. Dowling, of Michigan, to be a member of the United States Tariff Commission for the remainder of the term expiring June 16, 1957, vice James Weldon Jones; and

Lowell Thelwell Coggeshall, of Illinois, to be Special Assistant on Health and Medical Affairs to the Secretary of Health, Education, and Welfare, vice Chester Scott Keefer, resigned.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and by unanimous consent, the second time, and referred as follows:

By Mr. BUTLER:

S. 2893. A bill to authorize an appropriation for the development, construction, and operation of an atomic-powered railway locomotive; to the Joint Committee on Atomic Energy.

(See the remarks of Mr. BUTLER when he introduced the above bill, which appear under a separate heading.)

By Mr. WILEY:

S. 2894. A bill to amend the Agricultural Act of 1949, as amended, so as to continue and increase the consumption of fluid milk by children in nonprofit schools of high school grade and under; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. WILEY when he introduced the above bill, which appear under a separate heading.)

By Mr. NEELY (by request):

S. 2895. A bill to amend the acts of February 28, 1903, and March 3, 1927, relating to the payment of the cost and expense of constructing railway-highway grade elimination structures in the District of Columbia; and

S. 2896. A bill to amend the act relating to cemetery associations; to the Committee on the District of Columbia.

By Mr. GOLDWATER:

S. 2897. A bill for the relief of Lim Gin Wey; to the Committee on the Judiciary.

S. 2898. A bill directing the Administrator of Veterans' Affairs to permit retired officers and enlisted men to use available hospital facilities; to the Committee on Labor and Public Welfare.

By Mr. LANGER:

S. 2899. A bill to provide for accrued servicemen's indemnity payments in certain cases; to the Committee on Finance.

(See the remarks of Mr. LANGER when he introduced the above bill, which appear under a separate heading.)

By Mr. LANGER (for himself and Mr. YOUNG):

S. 2900. A bill to provide for the establishment and maintenance of a forest experiment station in the State of North Dakota; to the Committee on Agriculture and Forestry.

By Mr. PAYNE:

S. 2901. A bill for the relief of Frederika Anna Elizabeth Leitl; to the Committee on the Judiciary.

S. 2902. A bill to extend for a period of 2 years the education and training provisions of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. PAYNE when he introduced the last above-mentioned bill, which appear under a separate heading.)

By Mr. HILL (for himself and Mr. SPARKMAN):

S. 2903. A bill to amend the cotton-acreage allotment provisions of the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agricultural and Forestry.

By Mr. SMITH of New Jersey:

S. 2904. A bill for the relief of Rosalind Chang; to the Committee on the Judiciary.

By Mr. SMITH of New Jersey (for himself, Mr. CASE of New Jersey, and Mr. DUFF):

S. 2905. A bill to authorize a 5-year program of Federal assistance to States and communities to enable them to increase public elementary and secondary school construction; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. SMITH of New Jersey when he introduced the above bill, which appear under a separate heading.)

By Mr. LEHMAN (for himself, Mr. DOUGLAS, Mr. HUMPHREY, and Mr. MCNAMARA):

S. 2906. A bill to amend the Immigration and Nationality Act to provide that no deductions pursuant to the Displaced Persons Act of 1948 shall be made from the immigration quota of any quota area after the close of the fiscal year 1955; to the Committee on the Judiciary.

By Mr. KILGORE:

S. 2907. A bill to amend section 4161 of title 18, United States Code, relating to commutation for good conduct; to the Committee on the Judiciary.

(See the remarks of Mr. KILGORE when he introduced the above bill, which appear under a separate heading.)

By Mr. HOLLAND:

S. 2908. A bill for the relief of Tsui Yung Wong; to the Committee on the Judiciary.

By Mr. MAGNUSON (by request):

S. 2909. A bill to authorize the Secretary of Commerce to prescribe seals for bureaus and offices of the Department of Commerce, and for other purposes; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. MAGNUSON when he introduced the above bill, which appear under a separate heading.)

By Mr. THYE:

S. 2910. A bill to provide for the issuance of a special series of stamps in commemoration of the 100th anniversary of the birth of Dr. Nikola Tesla; to the Committee on Post Office and Civil Service.

By Mr. JENNER:

S. 2911. A bill to amend title 18 of the United States Code in order to provide that certain acts of violence committed on certain aircraft and motor vehicles shall be a criminal offense; to the Committee on the Judiciary.

(See the remarks of Mr. JENNER when he introduced the above bill, which appear under a separate heading.)

By Mr. CASE of South Dakota:

S. 2912. A bill authorizing issuance of patent in fee to Joshua Standing Elk; to the Committee on Interior and Insular Affairs.

By Mr. CASE of South Dakota (for himself, Mr. ANDERSON, Mr. YOUNG, Mr. BARRETT, Mr. MAGNUSON, Mr. PASTORE, Mr. MUNDT, Mr. BRICKER, Mr. O'MAHONEY, Mr. KUCHEL, Mr. WATKINS, and Mr. HRUSKA):

S. 2913. A bill to extend for 2 years the Advisory Committee on Weather Control; to the Committee on Interstate and Foreign Commerce.

By Mr. HUMPHREY:

S. 2914. A bill for the relief of Choh-Hsien Li; to the Committee on the Judiciary.

By Mr. BIBLE:

S. 2915. A bill for the relief of Peter Panos; and

S. 2916. A bill for the relief of Mrs. Alberta Bernard; to the Committee on the Judiciary.

By Mr. ANDERSON:

S. 2917. A bill authorizing the transfer of certain Presidential authority with respect to certain functions required by the Atomic Energy Act of 1954; to the Committee on the Judiciary.

(See the remarks of Mr. ANDERSON when he introduced the above bill, which appear under a separate heading.)

By Mr. MAGNUSON:

S. 2918. A bill to provide for certain reductions in the reimbursable construction cost

of the Kittitas division of the Yakima reclamation project, Washington; to the Committee on Interior and Insular Affairs.

By Mr. MCCARTHY:

S. 2919. A bill for the relief of Stephanos Styris; to the Committee on the Judiciary.

By Mr. BENDER:

S. 2920. A bill to extend the time for making application for compensation for unused leave accumulated on September 1, 1946, by members or former members of the Armed Forces; to the Committee on Armed Services.

S. 2921. A bill to increase the education and training allowances under the Veterans' Readjustment Assistance Act of 1952; to the Committee on Labor and Public Welfare.

S. 2922. A bill to amend the Railroad Retirement Act of 1937 so as to provide a 15-percent increase in widows' annuities; and

S. 2923. A bill to provide for a 15-percent increase in the annuities and pensions payable to railroad employees and their survivors; to the Committee on Labor and Public Welfare.

By Mr. SCOTT (for himself, Mr. MURRAY, and Mr. MANSFIELD):

S. 2924. A bill for the relief of Mrs. Elsbe Hermine van Dam Hurst; to the Committee on the Judiciary.

By Mrs. SMITH of Maine (for herself, Mr. GEORGE, Mr. CHAVEZ, Mr. GREEN, Mr. WILEY, Mr. LANGER, Mr. AIKEN, Mr. YOUNG, Mr. SPARKMAN, Mr. IVES, Mr. WATKINS, Mr. KERR, Mr. CASE of South Dakota, Mr. HENNINGS, Mr. MONRONEY, Mr. CARLSON, Mr. BUTLER, Mr. WELKER, Mr. DUFF, Mr. POTTER, Mr. BEALL, Mr. BARRETT, Mr. MANSFIELD, Mr. PAYNE, Mr. BENDER, Mr. CASE of New Jersey, and Mr. NEUBERGER):

S. 2925. A bill to authorize a 5-year program for expansion of medical education and research; to the Committee on Labor and Public Welfare.

By Mr. MALONE:

S. 2926. A bill to amend the Tariff Act of 1930, and for other purposes; to the Committee on Finance.

(See the remarks of Mr. MALONE when he introduced the above bill, which appear under a separate heading.)

By Mr. LEHMAN:

S. 2927. A bill for the relief of Angelos Karydis and his wife, Maria Karydis; to the Committee on the Judiciary.

By Mr. BARKLEY:

S. J. Res. 115. Joint resolution designating the month of February in each year as American Heart Month; to the Committee on the Judiciary.

(See the remarks of Mr. BARKLEY when he introduced the above joint resolution, which appear under a separate heading.)

By Mr. THURMOND:

S. J. Res. 116. Joint resolution proposing an amendment to the Constitution of the United States to provide that the electoral votes of each State for President and Vice President shall be cast in proportion to the popular votes cast in such State; to the Committee on the Judiciary.

(See the remarks of Mr. THURMOND when he introduced the above joint resolution, which appear under a separate heading.)

By Mr. HUMPHREY:

S. J. Res. 117. Joint resolution to provide for United States cooperation with other nations through the International Labor Organization to Abolish Forced Labor; to the Committee on Labor and Public Welfare.

By Mr. ANDERSON:

S. J. Res. 118. Joint resolution relating to the compensation of the staff director of the Joint Committee on Atomic Energy; to the Joint Committee on Atomic Energy.

DEVELOPMENT OF ATOMIC-POWERED RAILWAY LOCOMOTIVE—INTRODUCTION OF BILL

Mr. BUTLER. Mr. President, I ask unanimous consent that I may proceed for 4 minutes.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Maryland? The Chair hears none, and the Senator may proceed.

Mr. BUTLER. Mr. President, I introduce, for appropriate reference, a bill to authorize an appropriation for the development, construction, and operation of an atomic-powered railway locomotive.

Since my return from the Atoms-for-Peace Conference in Geneva, Switzerland, I have often been asked to summarize my impressions of this remarkable meeting. In a few short words, these feelings are contained in the statement that an understanding of the atom offers a great promise for good. If we have faith in man's future, and in the future of our country, we must demonstrate that the potential of the atom for good is even greater than its potential for destruction. Mankind must develop the wisdom to make this true, for it is in his grasp to do so.

This is indeed the age of the atom. From the horrendous, awesome spectacle of the A-bomb and the H-bomb, men of science have emphasized the great potential for the application of atomic energy for peaceful uses, for the betterment of all mankind. In the fields of medicine, agriculture, industry, transportation, and a host of others, the possibilities are unlimited. It could even be said that, in terms of energy and power sources, we are on the precipice of an industrial evolution of unprecedented proportions.

Our position as first partner in the community of free nations requires that we continue to evidence leadership in the development of all peaceful uses of atomic energy. To this end, President Eisenhower's dramatic plan to build an atomic-powered merchant ship which could tour the world as a floating manifestation of our atomic progress deserves favorable action. Last year, I was the cosponsor of legislation to undertake the prompt construction of this vessel. Surely, the Congress should approve the President's proposal in its present session, and this objective will have my full support.

It has also been my opinion that the American people—in spite of press, radio, and television coverage—cannot fully comprehend the wonders of atomic energy until they likewise have the chance to view such exhibits. For this reason, I am today offering another bill to authorize the speedy construction of an atomic-powered locomotive. The development of this essential new device should forerun a further evolution in domestic transportation.

An atomic-powered locomotive, as I envision it, could travel throughout the United States leading an exhibit train which would feature the coming changes.

Every American could thereby experience the thrill, and gain the vital knowledge which good citizenship demands, of the marvels of the atom. Almost certainly, an exhibition train of this nature would stimulate new applications of atomic methods, and could do as much as any single act to spark our expansion in a new economic age.

Private capital, with opportunities unlimited for many small businesses and larger companies as well, must find its own future in this field. It is only as we can make information available, and license more broadly the processes and materials of atomic energy, without detriment to basic security, that this American ingenuity can come into play on a broad front. This, it is most important that we do.

In introducing this measure, I think it only fair to state that the Baldwin-Lima-Hamilton Corp. of Philadelphia, and the Denver and Rio Grande Railroad are currently conducting studies of the engineering, technical, and economic aspects of an atomic locomotive at the instigation of the Atomic Energy Commission. Results of these studies will be made known in March, and I am confident that they will confirm the opinions as to the feasibility and practicality of an atomic locomotive which have been shared with me by a number of leading physicists, scientists, and industrialists.

Mr. President, in expressing the hope that my bill will receive immediate consideration, I ask unanimous consent that the full text of the measure be printed in the body of the RECORD at this point in my remarks.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2893) to authorize an appropriation for the development, construction, and operation of an atomic-powered railway locomotive, introduced by Mr. BUTLER, was received, read twice by its title, referred to the Joint Committee on Atomic Energy, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That (a) for the purpose of developing the economic uses of nuclear transportation power in peaceful pursuits of domestic commerce, the Atomic Energy Commission, with the advice and assistance of the Interstate Commerce Commission, is authorized to develop and construct an atomic energy propulsion facility for adaptation to a railway locomotive of such characteristics and design as will make it usable in American railroad transportation. The Atomic Energy Commission, with the advice and assistance of the Interstate Commerce Commission, is authorized to arrange for the construction of such locomotive.

(b) Except as otherwise determined by the Atomic Energy Commission, the development, construction, and installation of the atomic energy propulsion facility herein authorized shall be so conducted as not to impair substantially the prosecution of other atomic energy research and development or construction projects of the Atomic Energy Commission.

(c) Upon completion of such locomotive, the Secretary of Commerce shall make suitable arrangements for such licenses as are required by the Atomic Energy Act of 1954, as amended, and for the display of such locomotive at such places as the Secretary of Commerce on direction of the President shall determine to be consistent with the common

defense and security and the health and safety of the public. In connection with the display of such locomotive the Secretary of Commerce may arrange for demonstrating the capabilities of such locomotive in providing both freight and passenger train service, and, in consultation with the Atomic Energy Commission, for an exhibit on a train drawn by such locomotive showing the peaceful uses of atomic energy. Such locomotive may be utilized to generate electricity from atomic energy and, under such terms, rates, or conditions as the Secretary of Commerce may prescribe, may be utilized to supply for demonstration or emergency purposes such electrical energy to the electric utility system of any place in which such locomotive is a visitor.

(d) No charge shall be made to any person visiting such locomotive or any train connected thereto containing exhibits while such locomotive and train are operated by the Government.

SEC. 2. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this act.

FUNDS FOR SPECIAL SCHOOL HEALTH PROGRAM

Mr. WILEY. Mr. President, I introduce, for appropriate reference, a bill to increase by $10 million the amount of funds allocated for the special school-milk program for the current year.

This bill proposes to amend the Agricultural Act of 1949, as amended, so as to increase the present authorization of Commodity Credit Corporation funds for the special school-milk program from $50 million to $60 million for the fiscal year ending June 30, 1956.

As I pointed out last Monday, this additional amount of funds is urgently needed to avoid a slowdown in the distribution of milk to schools.

I request unanimous consent that my letter of January 11 to the Senator from Louisiana [Mr. ELLENDER], chairman of the Senate Committee on Agriculture and Forestry, be printed at the conclusion of my remarks in the RECORD.

In this letter I have urged the committee to give this proposed legislation its early and favorable consideration, and that the committee report it to the floor at the earliest possible date.

I have been informed that my colleague from Wisconsin in the other House, Representative MELVIN R. LAIRD, is introducing a similar measure in the House of Representatives today. I have been happy to issue with him a joint news release on this subject.

I request unanimous consent that this release be printed in the RECORD, along with the letter to the Senator from Louisiana.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the letter and release will be printed in the RECORD.

The bill (S. 2894) to amend the Agricultural Act of 1949, as amended, so as to continue and increase the consumption of fluid milk by children in nonprofit schools of high-school grade and under, introduced by Mr. WILEY, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

The letter and release presented by Mr. WILEY are as follows:

JANUARY 11, 1956.

Hon. ALLEN J. ELLENDER,
United States Senator, Chairman, Senate Agriculture and Forestry Committee, Senate Office Building, Washington, D. C.

MY DEAR SENATOR ELLENDER: I wish to extend my best wishes to you and to your committee in the difficult and complex undertaking in which you are engaged in preparing farm parity and related legislation.

As you may know, I recommended on January 9 that Congress take prompt action to authorize increased funds to complete the special school milk program for the current year. A rapid expansion of the program has necessitated the additional funds.

I am initiating legislation on Thursday, January 12, to amend the Agricultural Act of 1949, as amended, to increase the present authorization of CCC funds for the school milk program from $50 million to $60 million for the fiscal year ending June 30, 1956.

I am advised by the Department of Agriculture, which is implementing the program, that the funds are needed promptly to avoid a slowdown in milk distribution.

I hope you will give this urgently needed legislation your favorable consideration and report it to the floor at an early date.

I have also introduced legislation (S. 2869) to provide a larger amount of funds for the special school milk program during the coming 1956–57 school year. My bill proposes to increase the total amount of money allocated for the special school milk program from $50 million to $75 million.

To be in full accordance with the President's message, I recommend that the program be extended through the 1956–58 (instead of 1956–57) school years, with an annual expenditure of $75 million.

I may say, incidentally, that I regard that $75 million figure a minimum floor, not a maximum ceiling. As the program expands, it may be necessary to further increase funds for the distribution of milk to our schoolchildren.

I respectfully urge early action on these bills for two specific reasons: First, the schools now under the program need to be assured for a continued program, so that they may plan accordingly; and, second, new schools or those not now under the program, need time to set up the machinery for participation in the 1956–58 programs.

With kindest personal regards, I am,

Sincerely yours,

ALEXANDER WILEY.

SENATOR ALEXANDER WILEY, REPUBLICAN, OF WISCONSIN, AND REPRESENTATIVE MELVIN R. LAIRD, REPUBLICAN, OF WISCONSIN, INTRODUCE BILLS TO PROVIDE URGENTLY NEEDED FUNDS FOR SCHOOL-MILK PROGRAM

Senator ALEXANDER WILEY, Republican, of Wisconsin, and Representative MELVIN R. LAIRD, Republican, of Wisconsin, announced today that they are introducing bills on Thursday, January 12, which would increase the amount of the special school-milk program fund from $50 to $60 million for the 1955–56 year.

The money is urgently needed to avoid a slowdown in the distribution of milk to the schools.

Wisconsin, for example, will need at least twice as much money as has been tentatively allocated, if the program is to be continued at the existing rates to the end of the school term.

Senator WILEY and Representative LAIRD have already introduced bills this session which would increase the total amount allocated for the coming 1956–57 school year from $50 million to $75 million. Both Senator WILEY and Representative LAIRD regard this $75 million figure as a minimum floor, not a maximum ceiling.

ACCRUED SERVICEMEN'S INDEMNITY PAYMENTS IN CERTAIN CASES

Mr. LANGER. Mr. President, I introduce, for appropriate reference, a bill to provide for accrued servicemen's indemnity payments in certain cases. I ask unanimous consent that the bill, together with a statement, prepared by me, relative to the bill be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and statement will be printed in the RECORD.

The bill (S. 2899) to provide for accrued servicemen's indemnity payments in certain cases, introduced by Mr. LANGER, was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That section 3 of the Servicemen's Indemnity Act of 1951 (38 U. S. C. 852) is hereby amended by substituting a comma for the period at the end of the section and adding the following: "except that there shall be paid to the estate of any beneficiary within the permitted class all installments which such beneficiary could have received during his lifetime, had not death intervened."

SEC. 2. This amendment shall be effective from June 27, 1950.

The statement presented by Mr. LANGER is as follows:

STATEMENT BY SENATOR LANGER

This bill would carry out the provisions of resolution No. 18 adopted at the November 19, 1955, meeting of the national executive committee of the American Legion.

Approval of the measure would permit payment to the estate of a deceased beneficiary of those monthly installments of the servicemen's indemnity which, based upon a claim filed by or on behalf of the beneficiary, could have been paid, except that such beneficiary died.

Amended would be the last sentence of section 3 of the Servicemen's Indemnity Act of 1951 (pt. I, Public Law 23, 82d Cong., approved Apr. 25, 1951), which now reads:

"Any installments of an indemnity not paid to a beneficiary during such beneficiary's lifetime shall be paid to the named contingent beneficiary, if any; otherwise, to the beneficiary or beneficiaries within the permitted class next entitled to priority: *Provided*, That no payment shall be made to the estate of any deceased person."

The amendatory legislation is proposed to be effective June 27, 1950, the initial date from which the protection of the servicemen's indemnity was provided.

If enacted, a typical case which would benefit is here cited. The person with indemnity protection died in active service on November 20, 1952. He had $3,000 contract insurance so $7,000 indemnity was payable. His wife was the named sole beneficiary for the contract insurance which was paid in one sum. The date of his death found her in an institution, mentally incompetent. Within a month a court appointed a guardian for her who took immediate steps to file a claim and submitted the evidence to prove her the widow. The Veterans' Administration on July 30, 1953, informed the guardian that the claimant, the widow, had been determined to be the surviving spouse eligible to the indemnity award. On October 15, 1953, the guardian was notified by VA that settlement was made and on the same date a check was issued covering the period November 20, 1952–October 20, 1953. The widow, a war

veteran herself, died October 25, 1953, before the check was received by the guardian. In consequence, the primary surviving beneficiary received no benefit whatever from the indemnity.

EXTENSION OF EDUCATION AND TRAINING PROVISIONS OF SERVICEMEN'S READJUSTMENT ACT

Mr. PAYNE. Mr. President, I introduce, for appropriate reference, a bill to extend for 2 years the education and training provisions of the Servicemen's Readjustment Act of 1944, as amended. I ask unanimous consent that a brief statement prepared by me on this bill, as well as the bill itself, be printed in the RECORD at this point.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the statement and bill will be printed in the RECORD.

The bill (S. 2902) to extend for a period of 2 years the education and training provisions of the Servicemen's Readjustment Act of 1944, as amended, introduced by Mr. PAYNE, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

The statement and bill are as follows:

STATEMENT BY SENATOR PAYNE

There is an increasing awareness in this country of the growing need for more and better trained citizens, particularly in the scientific and teaching professions. This bill to extend the education and training benefits of the Servicemen's Readjustment Act of 1944, as amended, for 2 years would help achieve this end in one small but important way.

Figures compiled by the Veterans' Administration show that there are now about 88,000 men and women studying under the world war GI bill. About 80 percent of these are studying on a part-time basis. Education and training benefits under this law will terminate on July 25, 1956, for all of these students. This bill would amend the law so that benefits would terminate on July 25, 1958.

It should be made clear, however, that this bill would not extend the educational benefits to anyone who did not begin his education or training within 4 years of the date of his discharge from the service or prior to the termination of World War II on July 25, 1947, whichever is later.

In addition, since 1951 such education or training ordinarily has had to be continuous from the time the course of study began in order that the student may qualify for the benefits. In other words, the number of students who could benefit by this bill generally is limited to the 88,000 now studying under the act. And by the date benefits terminate on July 25, 1956, the entitlement of some of these students will have run out.

It would clearly be to the benefit of the entire Nation to enable many of these students to continue their education. It has been estimated by the Veterans' Administration that about 5,000 of the total number of students are taking teacher training courses on a part-time basis. Many others are studying for advanced degrees in a wide range of subjects in order to enable them to enter into secondary, college, and graduate teaching. In many cases, these student because of their age, family responsibilities and the need to gain experience in their profession must work, thus making it possible for them to continue study only on a part-time basis. Studying on a part-time basis means, of course, that their entitlement is used up slowly and makes more necessary the need for a 2-year extension provided in this bill.

Besides teachers, many others would benefit, including scientific personnel, which this Nation needs so greatly in order to maintain and improve the level of its technical skills and the quality and scope of its research in a wide variety of scientific fields.

The benefits which can result from an extension of the World War II education and training benefits are so great in relation to the cost that it is my earnest hope that the Congress will thoroughly study this matter and, if the facts clearly show the need which I believe exists, extend the benefits at the earliest possible opportunity.

Be it enacted, etc., That the last proviso of section 1 of part VIII of Veterans' Regulation No. 1 (a) is amended by striking out "nine" and inserting in lieu thereof "eleven."

SCHOOL CONSTRUCTION

Mr. SMITH of New Jersey. Mr. President, I introduce, for appropriate reference, the administration's revised school-construction bill, which is in line with the message which the President sent today to both Houses of Congress, on the subject of school construction. The official title of the bill is "A bill to authorize a 5-year program of Federal assistance to States and communities to enable them to increase public elementary and secondary school construction."

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2905) to authorize a 5-year program of Federal assistance to States and communities to enable them to increase public elementary and secondary school construction, introduced by Mr. SMITH of New Jersey (for himself and other Senators) was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

Mr. SMITH of New Jersey. Mr. President, I ask unanimous consent to be permitted to proceed for 5 or 6 minutes to analyze the bill and present to the Senate its important features.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Senator from New Jersey is recognized for 5 minutes.

Mr. SMITH of New Jersey. Mr. President, before I begin my remarks, I wish to pay the highest possible tribute to my colleague, Mr. HILL, chairman of the Committee on Labor and Public Welfare. I was hoping that he would be able to join in sponsoring the bill, but he thought that, inasmuch as it was an administration bill, it would be more appropriate for me to introduce it rather than for him to introduce it, as he would have the right to do as chairman of the committee. During the past several months he has helped in endeavoring to arrive at certain conclusions in connection with the bill, and I wish to pay him this tribute as I begin these few remarks.

A number of school-construction bills were introduced last session. None of these measures received the approval of the Congress. This Nation is faced with a serious shortage of classrooms. The primary responsibility for eliminating this shortage rests squarely with the States and local communities. This has been and remains the philosophy of this administration. It is also the philosophy expressed by the White House Conference on Education, which I personally had the privilege of attending about a month ago.

But in order to assist the States in their efforts on a basis of financial need it has become necessary for the Federal Government to step in—on an emergency and temporary basis—with a school-construction program.

Last November the White House Conference on Education was held. At this conference there were over 1,800 representatives of all walks of life. They had gathered here in Washington not to pass resolutions, but to advise the President of the United States.

The conference dealt with six equally important questions affecting our Nation's school. At this moment, as legislators, our concern is with the problem of dealing with a nationwide shortage of classrooms. The White House Conference dealt with this problem. The delegates, on a genuinely grassroots basis, after their deliberations which lasted nearly a week, arrived at the following statement:

The participants approved by a ratio of more than 2 to 1 the proposition that the Federal Government should increase its financial participation in public education. Of those favoring such increase, the overwhelming majority approved an increase in Federal funds for school-building construction.

I may add that I heard some of the discussions. The delegates were opposed—as I think we all are—to the Federal Government getting into education, in the sense of paying running expenses, salaries, and so forth. However, school building construction appeared to be a different matter, and they all favored the Federal Government helping to solve the construction problem, which is so serious.

The report went on to note:

All States and Territories and the District of Columbia should be eligible for Federal funds but that they should be granted only on the basis of demonstrated needs.

The report concluded that "the destiny of our children and our free society demands that we use more of our wealth for education.

With these basic principles in mind, the administration is here proposing a new and expanded program of assistance to the States and communities to build badly needed classrooms.

This bill does not propose a permanent program. Rather, it is designed to eliminate the existing classroom deficit within the next 5 years.

I wish to point out that this bill is consistent with the principles expressed by the White House Conference, which the President initiated and the Congress approved.

Briefly summing up the provisions of the bill, title I of this bill is quite similar to title I in last year's bill, S. 968. It provides for a 5-year program of purchases by the Federal Government of bonds issued by local school districts, to finance school construction when such bonds cannot be sold to private investors at

reasonable rates of interest. For this purpose, funds not to exceed an aggregate of $75 million would be authorized for a 5-year period. These bonds would be purchased at the going Treasury rate for such long-term obligations, plus three-eighths of 1 percent. It is not the purpose of the Federal Government to preempt the school bond market. Rather, it is a proposal to put a ceiling on school bond interest rates and to improve that market.

Title II, as in last year's administration bill, provides for Federal credit assistance to State school building agencies. Under this title the States would be assisted by the Federal Government in supporting bonds issued by State school financing agencies for school construction, in such a way that local districts could obtain schools on a lease-purchase basis, without making capital outlays. This lease-purchase plan would be of special value in cases in which restrictive debt limits prevent further bond financing at that level. I point out that there is nothing compulsory about the opportunity afforded by this proposed legislation.

In the end, assuming successful operations under the leases, this title contemplates complete repayment to the Federal Government of the contribution to the reserve fund by the various State agencies. And the bonds issued by the State agencies would be retired by the school districts through the rental on the newly built schools.

The proposal would authorize participation by the Federal Government in establishing State-Federal reserve funds sufficient to back a maximum of $6 billion worth of State agency bonds issued for school construction. It is estimated that this would require total appropriations of $150 million for the 5-year program.

Of course, as those bonds are ultimately retired, the money will come back to the Federal Government, and this liability will come to an end.

Title III, the important part of the bill, provides for Federal grant assistance to the States.

The bill would authorize to be appropriated $250 million for the fiscal year beginning July 1, 1956, and $250 million for each of the four succeeding fiscal years, or $1¼ billion covering a period of 5 years.

These funds would be allotted to the States on the basis of the income per child of school age, the school-age population—I stress this next point—and the effort made by the States with respect to school construction.

The State educational agencies would administer the program in accordance with plans developed by each State.

The bill adjusts Federal grants in such a way as to induce States to make an effort equal to or above the average national school effort.

Following the same principle the bill attempts to assure that the States will, in planning the expenditure of Federal-State funds, give priority to those communities within the States which, despite real efforts, cannot meet fully their classroom needs.

The bill contains a "State efforts test." State and national school effort indexes will be established.

Any State whose school effort index as determined in two ways—on the basis of school expenditures in relation to State income, and on the basis of the relative level of such expenditures per school child—is lower in both respects than the national average of the school effort index would have its allotment proportionately reduced.

That language sounds rather complicated. However, after the bill has been introduced and referred, I shall send copies of it to every Member of the Senate. I am having copies of the bill made and shall send them to all Senators, so that they may study the provisions of the bill.

Any funds accruing as a result of such reductions would be reallotted among the States whose financial efforts were equal to or above the national school effort index.

This State-efforts test, together with the requirement of State matching, make it very unlikely that any State would reduce its present school building efforts.

The last section of title III contains the Davis-Bacon prevailing wage provisions, which are customarily included in legislation of this type. It will be recalled that this provision was also in S. 968, last year's administration bill, and in S. 5, the school construction bill sponsored by the senior Senator from Alabama and other Senators last year, and on which extensive hearings were held.

Title IV of the bill provides for Federal grant assistance to States to help pay administrative costs for developing State programs to improve State and local school-construction finance. It authorizes to be appropriated a sum totalling $20 million over a 5-year period. The funds would be allotted on the basis of relative school-age population. State matching on a dollar for dollar basis is required.

This title is identical with title IV in last year's bill, S. 968.

Title V is the general provision title of the bill and is almost identical with the general provisions in last year's bill, S. 968. It contains definitions of terms used in the bill, provides for judicial review, and establishes various general administrative requirements.

The last section of title V contains a specific guaranty prohibiting Federal interference with regard to personnel, curriculum, and programs of instruction in our public schools.

That is a new provision, which did not appear in any of the bills last year, so far as I know.

An outstanding feature of this revised proposal is the State efforts test which is patterned after the bipartisan aid to education measures which Senator Taft and others sponsored in the 80th and 81st Congress.

The Senator from Alabama [Mr. HILL], other Senators, and I were sponsors of those measures, and all of us approved the principle which was adopted in those measures.

This would inject into this program the theory of helping those who make an effort to help themselves. This test will also encourage all States to make that effort in order to receive Federal assistance.

The bill attempts to back up the general feeling of this administration and of the American public that Federal assistance should not be extended to those who have made no effort to solve their own school construction problems.

Mr. President, I ask unanimous consent that this bill be left open for cosponsors from both parties, until the end of business on Wednesday, January 18th.

I ask for that additional time because it is my purpose to circulate copies of the bill to all Members, on both sides of the aisle. I make the request with the approval of the Senator from Alabama. In that way all of us will be able to better understand the bill as it goes to the committee for consideration.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. SMITH of New Jersey. I also ask unanimous consent to have printed in the RECORD at the close of my remarks a document entitled "Fact Sheet" issued by the administration in connection with legislative proposals of 1956 for school construction.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

SCHOOL CONSTRUCTION

There was an ebb in school construction and maintenance from 1930 to about 1950. The first of these decades was marked by economic depression and low birth rate; the second by labor and material shortages caused by World War II. Thus, school construction deficiencies began to accumulate years ago.

In recent years the deficiencies have been intensified by rapid increases in public school enrollment—from 25,070,000 in the school year 1949–50 to about 30,500,000 this past fall. The enrollment increase is expected to continue—to about 37,300,000 pupils in 1959–60, about a 50-percent increase over 10 years. The classroom shortage also has been aggravated by increased mobility of the population.

EFFORTS TO DATE TO MEET THE SHORTAGE

In the face of these mounting needs, States and communities have been increasing their school construction effort. In 1949–50, they spent about $1 billion to build 36,000 new classrooms. They have increased their programs each year since then; this year, they estimate they are building 67,000 classrooms at a cost of almost $2½ billion.

For several years, even after the construction rate swung upward, new schools failed to keep pace with each year's expanding classroom needs. So the accumulated deficit continued to increase. For the past 2 years, however, the construction rate has slightly exceeded each year's new classroom needs. Thus, some progress has been made in reducing the deficit.

At the current rate of construction, however, it would take many years before the classroom shortage would be eliminated.

THE EXTENT OF NEED TODAY

It is impossible to state the exact number of additional classrooms needed today—or the precise number that will be needed over a period of years. Information is available,

however, to outline broad dimensions of the problem:

Over the next 5 years, based on population estimates, school enrollment increases alone will require about 210,000 new classrooms.

States report that this year, about 2,250,000 pupils are enrolled in excess of normal capacity of public schools in use. Thus, to relieve existing overcrowding, double shift school sessions or use of buildings not designed as schools, the States estimate an additional need of approximately 80,000 classrooms.

In addition to the future enrollment increase and the existing shortage of space—factors which can be measured with relative accuracy—there is a third and less precise area of classroom needs. This is the need for replacement of obsolete, unsafe, and otherwise unsuitable facilities. Sufficient information is not available for making precise determinations of replacement needs. It is a matter of judgment when a schoolroom becomes unfit for use. However, on the basis of the data available, the Office of Education has concluded that a reasonable goal would be the replacement of approximately 180,000 obsolete classrooms over the next 5 years.

In the light of all these needs, a reasonable goal for total classroom construction over the next 5 years would be approximately 470,000 rooms.

THE PURPOSE OF FEDERAL AID

The Administration is proposing Federal aid to accomplish two broad objectives:

First, to help the States and communities continue their current rate of increase in school construction. This is basic, for there is general agreement that the great bulk of financing will be State and local. (Local and State governments already are spending almost $2½ billion for school construction this year.)

Second, in partnership with the States, to provide grants to financially needy school districts to help overcome the remaining classroom deficit.

THE ADMINISTRATION'S PROPOSALS

Bond purchases: An appropriation of $750 million would be authorized during a 5-year period for the purchase, by the Federal Government, of all or part of an issue of bonds which local school districts have sought unsuccessfully to market to private lenders at reasonable rates of interest.

Federal purchase of these bonds would be contingent upon certification by the State that the legality of the bonds is supported by an opinion of a qualified attorney, and that the proceeds from sale of the bonds will be used for buildings which conform to State redistricting policies and school construction standards.

The local school bonds would be purchased, under this proposal, at the current interest rate borne by long-term United States Treasury obligations plus three-eighths of 1 percent. All bonds purchased would mature in 30 years or less.

Fundamentally, this proposal would work to set a ceiling on school bond interest rates. The Federal Government would not displace the normal channels for investment in school bonds.

State school financing agencies: Federal advances would be authorized to assist States to support bonds issued by State school financing agencies to finance school construction.

Under this lease-purchase plan, which is widely used for other public construction, the State would set up an agency coordinated with the State education department and empowered to issue bonds. Through equal contributions to a basic reserve fund equal to 1 year's payment of interest and principal, the State and Federal Governments would help strengthen the agency's bonds. This would help assure more favorable interest rates for these issues.

With the proceeds of its bonds, the State agency would finance the construction of schools in local school districts, which would pay rent for the new schools. Rentals would be sufficient to cover payment of interest and principal of the bonds outstanding, a small addition to a supplemental reserve fund, and a share of the administrative expenses of the State school financing agency.

In the event of defaults in rent by a number of school districts, the supplemental reserve fund would be used first to make up deficiencies. If necessary, the basic reserve would then be used. In that event, the Federal Government would replenish its half of the basic reserve fund, up to a maximum annual Federal contribution of one-half of the total debt service (interest and principal) for the year. When the total reserve funds of the State school financing agency equalled 2 years' debt service, the entire Federal advance would gradually be repaid by the agency.

The bill would permit Federal participation with respect to as much as $6 billion aggregate principal amount of State agency bonds issued during the 5-year period of the bill. If this amount of bonds is issued, it is estimated that the Federal advances to the initial reserve funds supporting such bonds would be in the neighborhood of $150 million. The amount required for possible subsequent advances to the reserve funds by the Federal Government cannot be readily estimated.

State programs to increase school construction: Appropriations totaling $20 million would be authorized over a 5-year period for allocation to the States for development of State programs designed to improve the ability of local school districts to finance school construction. Funds would be allotted on the basis of relative school-age population and would be matched by the States. Funds could be expended only for administrative costs of such State programs.

Grants to the States: A total of $1,250,000,000 would be authorized for Federal grants to all the States, Territories, and the District of Columbia, at the rate of $250 million each year for 5 years, for the construction of public schools in financially needy school districts in each State. Four principal features of the grant program are:

Matching requirements: Federal funds would be matched in the first year by the States and school districts and thereafter by the States alone. This requirement is designed to produce more school construction, encourage States to improve laws relating to financing of school construction, and promote sound administration of the program. Matching would be on a sliding scale. The State with the lowest income per child would put up $1 for every $2 of Federal grants received. The State with the highest income per child would put up $2 for every $1 received. The combined Federal-State payment would supplement such local funds as may be available for new schools.

Distribution according to need: Funds will be distributed according to relative State income per school-age child. The State with the least income per child would receive approximately 3 times as much per child as the State with the highest income per child. The purpose of allotting Federal funds in this way is to give the greatest help where there are the least resources for classroom needs.

A priority plan within each State. Such State plans would take into consideration the need for facilities to relieve or prevent double shifts, overcrowding, or unhealthful or hazardous conditions, and assure that the highest priority in granting assistance will be given to communities which are unable fully to meet their classroom needs because of lack of resources.

Recognition of effort commensurate with ability. The annual allotment would be reduced proportionately for States which are below the national average both in the proportion of their income devoted to schools and in their dollar expenditures per pupil. This provision gives recognition to the principle that reasonable State and local effort is fundamental to a sound program of Federal aid for school construction. It should give incentive to the few lagging States to increase their efforts.

State educational agencies would administer the school construction program in accordance with plans developed by each State.

SUMMARY

The provisions for purchase and support of school construction bonds, together with the grants for planning, are designed to help the States and communities continue to increase school construction. If they continue to expand construction by 5,000 rooms each year, as they have done for several years, States and communities would build 410,000 rooms over the next 5 years.

The provision for Federal grants, matched by the States, is designed to complete achievement of the goal of building 470,000 classrooms over the next 5 years.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. SMITH of New Jersey. I yield.

Mr. LANGER. How does the bill differ from the one introduced by the late Senator Taft, myself, and other sponsors?

Mr. SMITH of New Jersey. I cannot give the Senator the details on that point. I shall send him a copy of the bill, and we can then discuss it. I do not know all the details at this time. The bill includes plans for the issuance of bonds and also plans for grants. It differs somewhat in its approach, but covers many of the points raised in the past.

COMMUTATION OF TIME FOR GOOD CONDUCT

Mr. KILGORE. Mr. President, I introduce, for appropriate reference, a bill to amend section 4161 of title 18, United States Code, relating to commutation for good conduct, which has been recommended by the Director of the Bureau of Prisons, United States Department of Justice.

Mr. President, I ask that an attached memorandum in explanation of this proposal be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the memorandum will be printed in the RECORD.

The bill (S. 2907) to amend section 4161 of title 18, United States Code, relating to commutation for good conduct, introduced by Mr. KILGORE, was received, read twice by its title, and referred to the Committee on the Judiciary.

The memorandum presented by Mr. KILGORE is as follows:

MEMORANDUM TO ACCOMPANY BILL TO AMEND SECTION 4161 OF TITLE 18, UNITED STATES CODE, RELATING TO COMMUTATION FOR GOOD CONDUCT

The proposed amendment is to bring the section in line with the administrative construction of the statute since the revision effective September 1, 1948. Since that revision and until the decision in the case of *Hunter* v. *Facchine* (CA 10, 195 F. 2d, 1007),

the Bureau of Prisons had construed the revised version of the statute to authorize deducting the entire amount of good time possible for the prisoner to earn and prorating that deduction over the remainder of the sentence to be credited to the prisoner as earned. This was the policy which was urged upon the revisers and which they thought was accomplished by the change made in the old statute. In the Facchine case, however, the Court of Appeals disagreed with the construction with the result that prisoners would be required to serve a longer time than they did under the application of the statute before revision.

SEALS FOR BUREAUS AND OFFICES IN DEPARTMENT OF COMMERCE

Mr. MAGNUSON. Mr. President, by request of the Secretary of Commerce, I introduce, for appropriate reference, a bill to authorize the Secretary of Commerce to prescribe seals for bureaus and offices for the Department of Commerce, and for other purposes. I ask unanimous consent that there be printed in the RECORD at this point a statement of purpose and need for the proposed legislation, prepared by the Department of Commerce.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 2909) to authorize the Secretary of Commerce to prescribe seals for bureaus and offices of the Department of Commerce, and for other purposes, introduced by Mr. MAGNUSON (by request), was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The letter presented by Mr. MAGNUSON is as follows:

THE SECRETARY OF COMMERCE,
Washington, October 27, 1955.

HON. RICHARD M. NIXON,
President of the Senate,
United States Senate,
Washington, D. C.

DEAR MR. PRESIDENT: There are attached 4 copies of a proposed bill to authorize the Secretary of Commerce to prescribe seals for bureaus and offices of the Department of Commerce, and for other purposes.

There is also attached a statement of purpose and need for the proposed legislation.

We are advised by the Bureau of the Budget that it would interpose no objection to the submission of this proposed legislation.

Sincerely yours,

SINCLAIR WEEKS,
Secretary of Commerce.

STATEMENT OF PURPOSE AND NEED

The Department of Commerce, in performance of its diverse and widespread activities, functions through 11 primary organization units, each responsible to the Secretary for a defined area of department jurisdiction.

In the normal conduct of operations the bureaus and offices of the department are regularly called upon or required to certify certain documents for use as evidence in court proceedings or as official documents for purposes of recordation. Except in the case of the Patent Office and the Bureau of the Census, which have seals authorized by the Congress (66 Stat. 792 and 68 Stat. 1012, respectively), such papers are required to bear the seal of the Department of Commerce, which is in the custody of the Office of the Secretary in Washington, D. C.

Since many of these documents are located at installations of the primary organization units outside the District of Columbia, there is a constant exchange of documents between offices in the field and the office of the Secretary for the purpose of affixation of the department seal. The alternative is the use of original bureau documents for court use or official filing, which obviously precludes their availability to the bureaus and the public generally.

While many courts and States accept certification by the bureaus and offices without questioning the legal authority therefor, the question is raised for purely legalistic reasons or as delaying tactics in court proceedings in a sufficient number of instances to warrant enactment of legislation providing for seals of the individual units and judicial notice thereof.

The proposed legislation will not only result in considerable savings of time and money in the processing of certified papers and documents, but will also lend the proper dignity to documents of departmental bureaus such as the Weather Bureau and the Coast and Geodetic Survey, which operate more or less autonomously in substantive program areas.

PUNISHMENT FOR ACTS OF SABOTAGE ON AIRCRAFT AND MOTOR VEHICLES

Mr. JENNER. Mr. President, I introduce, for appropriate reference, a bill to provide penalties under Federal law for acts of sabotage on aircraft and motor vehicles in interstate commerce. Similar penalties are already provided for the sabotaging of trains in interstate commerce.

Our Nation has become increasingly a people in movement. Our commerce and our national defense both depend on the ability of goods and personnel to move from State to State. No nation has an interstate-transportation system nearly as well developed as ours. Our vast area, the distribution of our national resources make it essential that the acts of violence resulting in damage to aircraft and motor carriers in commerce should be swiftly punished.

Although I am a great believer in the power of the Federal Government and in maintaining State authority, I believe that this is properly a Federal problem, because of modern developments in transportation. For this reason, I believe that Federal authority must be exercised.

We all remember the recent incident in which an irresponsible youth brought about the death of an entire planeload of passengers in his desire to murder his own mother. I can see no more proper means of bringing such people to justice than through Federal legislation along the lines of the bill I have introduced.

The bill would provide a penalty of up to $10,000 fine and up to 20 years in prison.

If such acts result in the death of any person, the penalty is life imprisonment or, in the discretion of the court, death.

I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2911) to amend title 18 of the United States Code in order to provide that certain acts of violence committed on certain aircraft and motor vehicles shall be a criminal offense, introduced by Mr. JENNER, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That chapter 97 of title 18 of the United States Code is amended by adding at the end thereof the following new section:

"§ 1993. Aircraft and motor vehicles

"Whoever sets fire to any aircraft or motor vehicle used, operated, or employed in interstate or foreign commerce, or to the cargo of any such aircraft or motor vehicle, or tampers with any such aircraft or motor vehicle or any part thereof, or places any explosive in or upon such aircraft or motor vehicle, or wrecks, disables, or does any other act to or within such aircraft or motor vehicle while within the jurisdiction of the United States, with intent to injure or endanger the safety of the aircraft or motor vehicle, or of its cargo, or of any person on board, whether the injury or danger is so intended to take place within the jurisdiction of the United States or after the aircraft or motor vehicle has departed therefrom; or

"Whoever willfully attempts to do any of the aforesaid acts or things—

"Shall be fined not more than $10,000 or imprisoned not more than 20 years, or both.

"Whoever is convicted of any such crime, which has resulted in the death of any person, shall be subject also to the death penalty or to imprisonment for life, if the jury shall in its discretion so direct, or, in the case of a plea of guilty, if the court in its discretion shall so order.

"For the purpose of this section the terms 'aircraft' and 'motor vehicle' shall have the same meaning as in section 2311 of this title except that the term 'motor vehicle' shall include any trailer."

SEC. 2. (a) The caption of chapter 97 of title 18 of the United States Code is amended to read as follows:

"CHAPTER 97—RAILROADS, AIRCRAFT, AND MOTOR VEHICLES."

(b) The analysis of chapter 97 of title 18 of the United States Code immediately preceding section 1991 of such title is amended by adding at the end thereof "1993. Aircraft and Motor Vehicles."

(c) The analysis of part I of title 18 of the United States Code, immediately preceding chapter 1 of such title, is amended by striking out "97. Railroads" and inserting in lieu thereof "97. Railroads, Aircraft, and Motor Vehicles."

EXTENSION OF ADVISORY COMMITTEE ON WEATHER CONTROL

Mr. CASE of South Dakota. Mr. President, on behalf of myself, the Senator from New Mexico [Mr. ANDERSON], the Senator from North Dakota [Mr. YOUNG], the senior Senator from Wyoming [Mr. BARRETT], the Senator from Washington [Mr. MAGNUSON], the Senator from Rhode Island [Mr. PASTORE], my colleague, the senior Senator from South Dakota [Mr. MUNDT], the Senator from Ohio [Mr. BRICKER], the junior Senator from Wyoming [Mr. O'MAHONEY], the Senator from California [Mr. KUCHEL], the Senator from Utah [Mr. WATKINS], and the Senator from Nebraska [Mr. HRUSKA], I introduce, for appropriate reference, a bill to extend for 2 years the Advisory Committee on Weather Control. I ask unanimous consent that other Senators who

wish to, may add their names as cosponsors of the bill.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CASE of South Dakota. I ask unanimous consent that an explanation of the bill, prepared by me, be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bill (S. 2913) to extend for 2 years the Advisory Committee on Weather Control, introduced by Mr. CASE of South Dakota (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The statement presented by Mr. CASE of South Dakota is as follows:

STATEMENT BY SENATOR CASE OF SOUTH DAKOTA

Today I am introducing a bill which would extend the life of the Advisory Committee on Weather Control 2 years.

The Advisory Committee on Weather Control is a small and temporary but, in my opinion, important Federal agency created by legislation sponsored by myself and a number of other interested Members of the Congress.

The legislation specified that this committee study and evaluate public and private experiments in weather control with the view of recommending to the Congress the extent to which the Federal Government should experiment with, engage in, or regulate activities designed to modify the weather. The law asked for a report no later than June 30, 1956, whereupon the committee would go out of existence.

I now propose that the life of the Advisory Committee be extended 2 years, not because the committee has failed to get the job done in the time provided, but because it has succeeded in establishing some positive and important results which justify the Federal Government continuing its interest in the field.

When the Congress first considered making appropriations to get this work under way, I told one of the committees of the Senate that:

"If the Advisory Committee finds that weather modification experiments cannot produce important results, it will so report and thus deter farmers and ranchers from spending their money unwisely. This will, if such a report has to be made, save the public millions of dollars.

"If the Advisory Committee finds that weather modification activities work only in certain circumstances, it will find out what those circumstances are and thus encourage feasible projects and discourage those which are not feasible.

"If the advisory committee finds out it can confirm the results claimed by the reports it has so far received from reputable and scientifically competent operators—increases of from 7 to 50 percent and more—than the dollar benefits to agriculture, industry, and Government will be so great as to be incalculable."

In other words, I said at that time, whatever the committee reported, this would produce tangible and real economic benefits to the water users of this Nation.

Since the committee received its first appropriation on July 1, 1954, and began its evaluation work, I have followed its activities quite closely. The committee, appointed by President Eisenhower, has been composed of a group of unusually competent and able citizens with Capt. Howard T. Orville, United States Navy, retired, now associated with the Bendix Aviation Corp., as its chairman. My interest in the accomplishments of the committee have been furthered by the fact that its vice chairman is A. M. Eberle, dean of agriculture at South Dakota State College, and its executive secretary is Chas. Gardner, Jr., also of South Dakota.

I can now authoritatively state that of the three possibilities I outlined, when the Senate originally considered appropriating money for this activity, the second is the most nearly correct: "that weather modification activities work only in certain circumstances * * *."

I must, however, qualify that somewhat. The committee has produced a series of statistical evaluations showing that cloud seeding does produce ascertainable and economically important results in certain circumstances, but this does not at all mean that cloud seeding will not produce important results in other circumstances. What the committee has established so far provides the reason for requesting that its work be extended over another 2-year period.

Considering the obstacles faced by cloud seeders in attempting to produce results at a time when they have only begun to develop their techniques, and considering the great difficulty in establishing these effects statistically mainly because of the natural variability of weather, these results are quite important historically. They mean that the Nation has crossed an important ridge and now must consider the entire subject in a new light provided by this positive information.

The committee's results show that, in one area of the Nation, cloud seeding can produce precipitation increases running from 10 percent to 15 percent. Increases of this magnitude may not seem spectacular but the important thing is that now they have a reality never before established. Economic studies indicate that such increases are economically important and will create benefit-cost ratios ranging from 4 to 1 to 20 to 1, greatly in excess of those which we expect from ordinary water resources development and conservation projects.

These 10 to 15 percent increases should not be considered as a maximum. Further and less conservative evaluation might show larger results. In addition, we can reasonably expect that the cloud seeders will develop improved techniques. For one thing, they have begun to use radar as an instrument in their operations, equipment which enables them to find out when seedable storm situations approach and ascertain the effects of seeding at different times and in different situations. They are also developing a closer-in technique and are on the verge of developing new generators, including those remotely controlled by radio or telephone.

Now, an important aspect of the committee's results so far is that they apply to only one area of the country, in fact only to three States. This has come about for the very practical reason that the committee was under pressure to get some evaluations completed in a short time and on sound scientific grounds felt it should concentrate attention on an area where it felt it could most reasonably expect to detect important consequences.

I can reasonably and conservatively estimate that precipitation increases of the magnitude indicated could produce average annual benefits of $20 million and quite possibly up to $50 million in these States.

But it is also very important to see if these benefits can be extended to other States as well. Further statistical evaluation and physical evaluation as performed by the committee to date can help find out if present cloud-seeding techniques have worked in these other States or can be improved to produce economically important results. The committee has worked out an improved methodology for statistical evaluation and a program for expanded physical evaluation which it can get started without delay in its effort to broaden its answers.

I hope that farmers, ranchers, and other water users will continue to sponsor cloud-seeding projects, keeping in mind the uncertainty of results in some areas but also the importance of the benefits compared to the relatively small cost if the seeding succeeds. They should probably insist on more careful scientific design of these projects and should probably introduce greater permanency in the projects so as to make evaluation feasible.

The natural variability of weather is so great that a good or a bad precipitation year may simply be a natural consequence. In a good year the cloud seeder may not have created the apparent beneficial effects or in a bad year the cloud seeder may have still increased precipitation over what would have fallen naturally. In each case, however, those who hired the services of a cloud seeder might come to the wrong conclusion.

The only answer to this is to continue projects over a period of several years.

If farmers and ranchers will recognize this problem and contract for cloud seeding, not for what it will produce in any given storm or in any given season, but over the long run, then they stand a better chance of getting satisfactory results and will also assist the Government in its effort to establish more carefully and precisely the extent of those results.

I must mention another apparent result from the committee's investigation. In several areas of this country and in other countries cloud seeders have attempted to suppress hail. Unfortunately, most of these projects cannot be evaluated statistically because of a lack of data. However, the data in one very important case show a drastic reduction, and experience in at least one other area in this country shows a similar result. It is incumbent on us to encourage further research in this field and encourage further evaluation of those projects which private groups are willing to sponsor.

Such results hint at the possibility that with closed seeding techniques man might mitigate the effect of tornadoes and other severe storms. We should not now allow ourselves an extravagent view of the prospects but we should certainly continue our interest in uncovering the possibilities.

At a time when large areas of the country have been distressed by storms of great violence, we should, it seems to me, act promptly to extend the studies of the advisory committee on weather control for another 2 years.

DESIGNATION OF FEBRUARY EACH YEAR AS AMERICAN HEART MONTH

Mr. BARKLEY. Mr. President, all of us are tragically aware of the ravages of diseases of the heart. More than 10 million Americans are affected in some way by one form or another of heart disease. Heart disease is responsible for the death of more persons than tuberculosis, cancer, polio, pneumonia, typhoid fever, highway deaths, and many other categories.

In order that the attention of the American people may be drawn more definitely to this tragic situation, I introduce a joint resolution authorizing and requesting the President of the United States to designate the month of February of each year as a month devoted to the effort to secure funds, not from Congress or the Government, but

from the public, to continue the drive against heart disease.

Under the rule, the resolution will be referred to the Committee on the Judiciary. I hope there may be forthwith a favorable report on the joint resolution, because it designates the month of February; and if that month is to be designated this year, it is necessary to secure prompt action from the Congress.

If there is no objection, Mr. President, I should like to have the joint resolution read at this time, for the information of the Senate. This measure is not very long.

The PRESIDENT pro tempore. The joint resolution will be read for the information of the Senate.

The Chief Clerk read as follows:

Whereas diseases of the heart and circulation constitute our Nation's foremost health problem in that they affect more than 10 million persons at all ages, are responsible for more deaths than all other causes combined, result in the loss to our economy of 1¼ billion man-hours annually, and are a major cause of rejections from military service; and

Whereas recent progress in treatment and prevention gives hope and assurance that the control of heart disease can be achieved through the expansion of heart research, education, and community programs now being carried forward through voluntary public support of the American Heart Association, and through the Government by the National Heart Institute of the Institutes of Health of the Public Health Service; and

Whereas February is by custom the month of each year during which public attention is focused on the medical, social, and economic aspects of this primary health problem: Therefore be it

Resolved, etc., That the President of the United States is authorized and requested to issue annually a proclamation designating February as American Heart Month, and to invite governors of the States and Territories of the United States to issue proclamations for like purposes; and that the President's proclamations urge the people of the United States to give heed to the nationwide problem of heart and circulatory diseases, and to support all essential programs required to bring about the solution.

The PRESIDENT pro tempore. The joint resolution will be received and appropriately referred.

The joint resolution (S. J. Res. 115) designating the month of February in each year as American Heart Month, introduced by Mr. BARKLEY, was received, read twice by its title, and referred to the Committee on the Judiciary.

THE PROPOSED CONSTITUTIONAL AMENDMENT RELATING TO ELECTION OF PRESIDENT AND VICE PRESIDENT

Mr. THURMOND. Mr. President, I introduce, for appropriate reference, a joint resolution proposing an amendment to the Constitution of the United States to provide that the electoral votes of each State for President and for Vice President shall be cast in proportion to the popular vote cast in such State. This plan would—

First. Give electoral votes to candidates for elector for President and Vice President in proportion to the total number of votes cast by the people for each successful candidate for elector. Under the system followed by the political parties in placing slates of candidates for elector on the ticket, this would mean, generally, that electoral votes would be limited to the top three slates.

Technically, this would mean a division of the total electoral vote of each State so as to provide that any candidate for elector receiving a sufficient number of votes to rank him among a total number of candidates not exceeding three times the total number of electoral votes to which his State is entitled, would be entitled to an electoral vote equivalent to his ratio of the total number of votes cast for all successful candidates.

Example: New York has 45 electoral votes. Under this plan it would be possible for 135 candidates for elector to receive fractional electoral votes to cast for a candidate for President and Vice President. In South Carolina, which has 8 electoral votes, it would be possible for 24 electors to cast fractional votes.

Second. More accurately reflect in the national total of 531 electoral votes for President and Vice President the proportion of the popular vote cast for each candidate.

Third. Select electors in direct proportion to the will of the people.

Fourth. Preserve the independence of the individual elector.

Fifth. Retain the present electoral college without any change in the mechanics of the system.

Sixth. Protect the rights of the States—as the Constitution now does—for political parties to select their slates of electors by whatever method they desire.

Seventh. Eliminate splinter parties.

Mr. President, I ask unanimous consent that the full text of the joint resolution be printed in the RECORD.

The PRESIDENT pro tempore. The joint resolution will be received and appropriately referred; and, without objection, the joint resolution will be printed in the RECORD.

The joint resolution (S. J. Res. 116) proposing an amendment to the Constitution of the United States to provide that the electoral votes of each State for President and Vice President shall be cast in proportion to the popular votes cast in such State, introduced by Mr. THURMOND, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is hereby proposed as part of the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States:

"ARTICLE —

"SECTION 1. Notwithstanding the provisions of the second paragraph of section 1 of Article II of this Constitution and of the 12th article of amendment thereto, each State shall provide for the voting of its people for electors who shall cast their votes for President and Vice President. The people voting for electors in each State shall have the qualifications requisite for the electors of the most numerous branch of the State legislature. By such election, there shall be selected in each State from the candidates receiving the largest numbers of votes a number of electors equal to three times the number of electoral votes to which such State is entitled. Each elector so selected shall cast a whole or fractional, or a whole and fractional, number of electoral votes which shall bear the same ratio to the whole number of electoral votes to which his State is entitled as the number of votes received by such elector bears to the total number of votes received by all electors selected by such election. When the ballots cast by electors of all States are counted, the person having the greatest number of electoral votes for President shall be the President, if such number be a majority of the electoral votes so cast and the person having the greatest number of electoral votes for Vice President shall be the Vice President, if such number be a majority of the electoral votes so cast. If no person shall receive a majority of the electoral votes cast for President or Vice President, such officers shall be chosen in the manner prescribed by the 12th article of amendment to this Constitution.

"SEC. 2. This article shall take effect on the first day of March following its ratification, but shall not be so construed as to affect the election or term of any President or Vice President chosen before it becomes valid as a part of the Constitution.

"SEC. 3. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the States within 7 years from the date of its submission to the States by the Congress."

THE ADMINISTRATION'S AREA DEVELOPMENT PROGRAM—ADDITIONAL COSPONSORS OF BILL

Pursuant to the order of the Senate of January 12, 1956, the names of the following Senators were added as additional cosponsors to the bill (S. 2892) to assist areas to develop and maintain stable and diversified economies by a program of financial and technical assistance and otherwise, and for other purposes, introduced by Mr. SMITH of New Jersey (for himself and other Senators):

The Senators from Utah [Mr. WATKINS and Mr. BENNETT, and the Senator from California [Mr. KUCHEL].

ABOLITION OF FORCED LABOR

Mr. HUMPHREY. Mr. President, I introduce, for appropriate reference, a joint resolution which provides for United States cooperation with other nations through the International Labor Organization in abolishing forced labor.

I ask unanimous consent that the text of the joint resolution be printed at this point in my remarks.

The PRESIDENT pro tempore. The joint resolution will be received and appropriately referred; and, without objection, the joint resolution will be printed in the RECORD.

The joint resolution (S. J. Res. 117) to provide for United States cooperation with other nations through the International Labor Organization To Abolish Forced Labor, introduced by Hr. HUMPHREY, was received, read twice by its title, referred to the Committee on Labor

and Public Welfare, and ordered to be printed in the RECORD, as follows:

Whereas forced labor for political or economic purposes is abhorrent to all civilized nations and is repugnant to the constitutional and statutory concepts of the republican form of Government on which life in the United States is based; and

Whereas the people of some nations are subjected to forced labor for political or economic purposes; and

Whereas the existence of forced labor in any nation is inimical to the interests of the United States and other free nations morally, politically and economically and constitutes a threat to the security, well-being and even the existence of democratic institutions and free economic systems; and

Whereas to meet this threat and to promote the welfare and dignity of human beings throughout the world, the United Nations and the International Labor Organization, at the initiative of the American Federation of Labor, appointed an Ad Hoc Committee to study the nature and extent of forced labor for political or economic purposes throughout the world; and

Whereas the Ad Hoc Committee on forced labor issued a carefully considered and well documented report detailing the existence of forced labor for these purposes in a number of nations of the world; and

Whereas the International Labor Organization is now considering the adoption of an international instrument designed to abolish forced labor for political or economic purposes wherever it may exist; and

Whereas the United States Government has exercised leadership in the United Nations to mobilize world opinion for the abolition of forced labor for political and economic purposes: Now, therefore, be it

Resolved, etc., That the Government of the United States exercise leadership in the International Labor Organization to develop and adopt an international convention which will effectively outlaw forced labor for political and economic purposes.

Mr. HUMPHREY. Mr. President, I wish to make only a brief comment on the reason for my submitting the resolution. The International Labor Organization has made a study of the subject of forced labor and slave labor. The ILO sent out a questionnaire to every government, calling for observation and for comments, which any government may wish to make pertaining to the special study made by the ILO.

The questionnaire asks what the governments are willing to do to implement the recommendations of the study. Only one government has not responded, and that is the Government of the United States of America. Apparently we are too busy writing articles for Life magazine.

I suggest that our Government take the leadership, and respond to the questionnaire, and that it become a champion against forced and slave labor in any form.

TEMPORARY ADDITIONAL CLERICAL ASSISTANTS FOR COMMITTEE ON POST OFFICE AND CIVIL SERVICE

Mr. JOHNSTON of South Carolina submitted the following resolution (S. Res. 164), which was referred to the Committee on Post Office and Civil Service:

Resolved, That the Committee on Post Office and Civil Service is authorized, from February 1, 1956, through January 31, 1957, to employ one additional clerical assistant to be paid from the contingent fund of the Senate at rates of compensation to be fixed by the chairman in accordance with the provisions of Public Law 4, Eightieth Congress, approved February 19, 1947, as amended.

ADDITIONAL EXPENDITURES BY SELECT COMMITTEE ON SMALL BUSINESS

Mr. SPARKMAN submitted the following resolution (S. Res. 175), which was referred to the Committee on Rules and Administration:

Resolved, That the Select Committee on Small Business is authorized to expend from the contingent fund of the Senate the sum of $100,000 for the purpose of discharging obligations incurred by it from February 1, 1956, through January 31, 1957, in carrying out the duties imposed upon it by S. Res. 58, Eighty-first Congress. Such sum shall be in addition to any other moneys available to the committee for such purpose, and shall be disbursed upon vouchers approved by the chairman.

INVESTIGATION OF PRICES OF SHEEP, BEEF CATTLE, HOGS, AND PRODUCTS THEREOF

Mr. BARRETT (for himself, Mr. CASE of South Dakota, Mr. ALLOTT, Mr. YOUNG, Mr. WELKER, Mr. DWORSHAK, Mr. MANSFIELD, Mr. MURRAY, Mr. POTTER, Mr. O'MAHONEY, Mr. CURTIS, Mr. KUCHEL, Mr. HRUSKA, and Mr. GOLDWATER) submitted the following resolution (S. Res. 179), which was referred to the Committee on Agriculture and Forestry:

Resolved, That the Senate Committee on Agriculture and Forestry, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete study and investigation of (a) the difference between (1) the prevailing market price of sheep, beef cattle, and hogs on the hoof and (2) the prevailing retail market price of lamb, mutton, beef, and pork, and (b) whether such difference in price is greater than that obtaining in previous year, and if so, the reasons therefor.

SEC. 2. For the purposes of this resolution the committee, from the date of the adoption of this resolution until January 31, 1957, inclusive, is authorized to (a) make such expenditures as it deems advisable, (b) employ upon a temporary basis technical, clerical, and other assistants and consultants, and (c) with the consent of the heads of the departments and agencies concerned and the Committee on Rules and Administration, to utilize the reimbursable services, information, facilities, and personnel of any of the departments or agencies of the Government.

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than January 31, 1957.

SEC. 4. The expenses of the committee under this resolution, which shall not exceed $, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

ADDITIONAL FUNDS FOR COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. MAGNUSON submitted the following resolution (S. Res. 180), which was referred to the Committee on Interstate and Foreign Commerce:

Resolved, That the Committee on Interstate and Foreign Commerce is authorized to expend from the contingent fund of the Senate, during the 84th Congress, for the purposes specified in section 134 (a) of the Legislative Reorganization Act of 1946, $10,000 in addition to the amount authorized in such section.

PARTICIPATION BY THE UNITED STATES IN THE FOOD AND AGRICULTURE ORGANIZATION AND INTERNATIONAL LABOR ORGANIZATION—AMENDMENT

Mr. BRICKER submitted an amendment, intended to be proposed by him to the joint resolution (S. J. Res. 97) to amend certain laws providing for membership and participation by the United States in the Food and Agriculture Organization and the International Labor Organization and authorizing appropriations therefor, which was ordered to lie on the table and to be printed.

APPOINTMENT OF ADDITIONAL CIRCUIT AND DISTRICT JUDGES—AMENDMENT

Mr. KILGORE. Mr. President, on March 2, 1955, I introduced the bill, S. 1256, which was recommended by the Judicial Conference of the United States, providing for the appointment of additional circuit and district judges and for other purposes. That bill and similar bills have been the subject of hearings before the Committee on the Judiciary during the past session of Congress.

Since that time the Judicial Conference of the United States has held two sessions for the consideration of the subject of additional circuit and district judges. As the result thereof the Conference has recommended certain deletions and additions to S. 1256. I therefore submit, for appropriate reference, an amendment in the nature of a substitute to S. 1256 setting forth the recommendations of the Judicial Conference of the United States as they exist at the present time. I ask unanimous consent to have printed in the RECORD at this point a letter from the Administrative Office of the United States Courts, dated January 5, 1956, outlining the action of the Judicial Conference of the United States.

The PRESIDENT pro tempore. The amendment will be received, appropriately referred, and printed; and, without objection, the letter will be printed in the RECORD.

The amendment was referred to the Committee on the Judiciary and ordered to be printed.

The letter presented by Mr. KILGORE is as follows:

ADMINISTRATIVE OFFICE OF
THE UNITED STATES COURTS,
Washington, D. C., January 5, 1956.

Hon. HARLEY M. KILGORE,
Chairman, Senate Judiciary Committee,
United States Senate,
Washington, D. C.

DEAR MR. CHAIRMAN: On March 2, 1955, you introduced in the Senate, S. 1256, entitled "A bill to provide for the appointment of additional circuit and district judges" to

carry out recommendations of the Judicial Conference of the United States. Since that date two meetings of the Judicial Conference have been held at which further consideration was given to the state of the business of the courts of appeals and district courts and their needs for additional judges. The first of these meetings was a special session held March 24 and 25, 1955, and the second was the regular annual session held September 19 and 20, 1955. As a result of the consideration given at these meetings some of the recommendations for additional judges have been modified or withdrawn by the Conference and additional recommendations made. These changes are, of course, not reflected in S. 1256.

At its March session the Conference was informed that the judicial council of the ninth circuit was then of the opinion that the business of the Court of Appeals for the Ninth Circuit could be handled without the appointment of additional circuit judges. Consequently the Conference withdrew its previous recommendation for the creation of two additional permanent judgeships and one temporary judgeship for that circuit. The Conference recommended the creation of the following additional judgeships not theretofore proposed and these recommendations were reaffirmed at the September session:

One additional circuit judgeship for the Second Circuit.

One additional district judgeship for the district of Connecticut.

One additional district judgeship for the northern district of Texas.

One additional district judgeship for the eastern district of Michigan.

One additional district judgeship for the district of Colorado.

One additional district judgeship for the eastern district of New York (confirmation of a mail vote taken earlier).

The Conference also at the March session recommended one additional district judgeship for the middle district of Pennsylvania on a temporary basis and one additional district judgeship for the district of Arizona, but these recommendations were withdrawn at the September session.

At the September session the Judicial Conference recommended the following additional judgeships not theretofore recommended:

One additional district judgeship for the eastern district of Pennsylvania (making a total of two additional district judgeships recommended for this district).

One additional district judgeship for the district of Maryland.

One additional district judgeship for the western district of Texas.

There is enclosed for the consideration of your committee a proposed amendment to S. 1256 which would strike out all after the enacting clause and insert in lieu thereof the present recommendations of the Judicial Conference for additional judges. I hope that the recommendations of the Conference as embraced in this amendment may have the early consideration of your committee. Representatives of the Conference and of this office will be happy upon request to furnish you any additional information you may desire with regard to the recommendations.

With kind regards, I am,

Sincerely yours,

HENRY P. CHANDLER.

EXTENSION OF SUGAR ACT OF 1948—AMENDMENTS

Mr. MAGNUSON submitted amendments, intended to be proposed by him, to the bill (H. R. 7030) to amend and extend the Sugar Act of 1948, as amended, and for other purposes, which were referred to the Committee on Finance, and ordered to be printed.

RESOLUTIONS TAKEN FROM CALENDAR AND REFERRED

On motion of Mr. JOHNSON of Texas, and by unanimous consent, the following resolutions were taken from the calendar and referred to the Committee on Rules and Administration:

S. Res. 155. Authorizing the Committee on Banking and Currency to investigate certain matters and authorizing expenditures therefor; and

S. Res. 160. Authorizing further expenditures and temporary employment of additional assistants by the Committee on Banking and Currency to study public and private housing.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. LEHMAN:

Address delivered by him at the civil-rights rally at the Manhattan Center, in New York City, on December 15, 1955.

By Mr. BUTLER:

Address delivered by him before Executives' Industrial Relations Conference at Valley Forge Military Academy, Wayne, Pa., on September 24, 1955.

By Mr. GOLDWATER:

Address delivered by him before the American Mining Congress Convention, at Las Vegas, Nev., on October 10, 1955.

Address delivered by him before the National Association for the Advancement of Colored People, at Tucson, Ariz., on October 12, 1955.

By Mr. SCOTT:

Address on postal policy, delivered by Senator JOHNSTON of South Carolina at the annual meeting of the Associated Third-Class Mail Users, at Chicago, Ill., on September 13, 1955; and editorial entitled "Post Office Department: Service or Business?" published in the Progressive Farmer for January 1956.

By Mr. McCARTHY:

Four addresses delivered by him, and several letters and releases, all relating to the Communist conspiracy.

By Mr. DOUGLAS:

Article entitled "Federal Regulation of Independent Natural Gas Producers Is Essential," written by Senator DOUGLAS, and published in the October issue of the Public Utilities Fortnightly.

NOTICE OF HEARINGS ON CERTAIN NOMINATIONS BY COMMITTEE ON FOREIGN RELATIONS

The PRESIDENT pro tempore. As chairman of the Committee on Foreign Relations, the Chair desires to announce that the Senate received today the following nominations:

The following-named persons, who were appointed during the last recess of the Senate, to the offices indicated:

Herbert V. Prochnow, of Illinois, to be a Deputy Under Secretary of State.

Robert R. Bowie, of Maryland, to be an Assistant Secretary of State.

Isaac W. Carpenter, Jr., of Nebraska, to be an Assistant Secretary of State.

Wiley T. Buchanan, Jr., of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Luxembourg.

John D. Hickerson, of Texas, a Foreign Service officer of the class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Finland.

Thomas C. Mann, of Texas, a Foreign Service officer of class 2, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to El Salvador.

Robert H. Thayer, of New York, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Rumania.

I give notice that these nominations will be considered by the Committee on Foreign Relations at the expiration of 6 days.

INCREASED ANNUITIES TO ANNUITANTS OF FOREIGN SERVICE

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 1287) to make certain increases in the annuities of annuitants under the Foreign Service retirement and disability system, which was to strike out all after the enacting clause and insert:

That the annuity of an annuitant under the Foreign Service retirement and disability system pursuant to the Act of May 24, 1924 (43 Stat. 140), as amended, or the Foreign Service Act of 1946 (60 Stat. 999), as amended, shall be increased the first day of the second month following enactment of this act in accordance with the following rules:

If the annuitant was formerly a participant in the system, the annuity to which he is entitled shall be increased $324, provided he retired before July 1, 1949.

SEC. 2. In the case of an officer who elected a reduced annuity at time of retirement and who availed himself of the restoration clause in section 821 (b) of the Foreign Service Act of 1946, as amended, such officer shall be entitled to receive the increase provided by section 1 of this act.

SEC. 3. If the annuitant receives an annuity as the survivor of a former participant in the system, the annuity shall be increased in the amount of $324.

SEC. 4. If a wife of a Foreign Service officer who retired prior to July 1, 1949, becomes an annuitant subsequent to the effective date of this act, as a result of the election made by the officer at time of retirement, such widow shall be entitled to the same increase as though she was an annuitant on the effective date of this act.

SEC. 5. In any case where a widow survivor annuitant of a Foreign Service officer who retired before July 1, 1949, is receiving an annuity of less than $1,200, the Secretary of State is authorized and directed to make grants or loans to supplement such annuity by whatever sum is necessary to increase the annuity to a maximum of $1,200 for such period, and on such terms as he shall prescribe, out of such funds as may be appropriated for the purpose if he finds that such widow (whether remarried or not) is in actual need and without other adequate means of support.

SEC. 6. In any case where a participant under the Foreign Service retirement disability system died before August 29, 1954, leaving a widow who is not entitled to receive an annuity under the system, the Secretary of State is authorized and directed to make grants or loans not exceeding $100 per month to such widow, for such period and on such terms as he shall prescribe, out of such funds as may be appropriated for the purpose, if he finds that such widow (whether remarried or not) is in actual need and without other adequate means of support.

SEC. 7. In no case shall an annuity increased under this act exceed the maximum annuity payable under section 821 (a) or (b) of the Foreign Service Act of 1946, as amended.

SEC. 8. No annuity currently payable to any annuitant under the Foreign Service retirement and disability system shall be reduced as a result of the provisions of this act.

Mr. SPARKMAN. I move that the Senate disagree to the amendment of the House, request a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. SPARKMAN, Mr. MANSFIELD, and Mr. KNOWLAND conferees on the part of the Senate.

ADDRESSES AT THE CHRISTMAS PAGEANT OF PEACE

Mr. SMITH of New Jersey. Mr. President, last Monday, the distinguished Senator from Montana [Mr. MANSFIELD] called attention to the celebration at the Christmas Pageant of Peace here in Washington. It was my privilege to be associated in this endeavor, but unfortunately because of a bad cold I was unable to be present. The Senator from Montana outlined the spirit and general vision of the program, and he inserted in the RECORD, at pages 233 to 237 the remarks of the distinguished Senator from Rhode Island [Mr. GREEN], who presided on Saturday, December 31, and the remarks of the distinguished Ambassadors present on that day.

My distinguished colleague, the Senator from Utah [Mr. WATKINS], presided on Sunday, January 1, and presented an additional group of Ambassadors, who made further statements of peace and good will to the people of our country and the world.

Following the insertion by the Senator from Montana in the RECORD of the remarks of the Ambassadors who spoke on Saturday, under the chairmanship of the Senator from Rhode Island, I ask unanimous consent to have inserted in the body of the RECORD the remarks of the Senator from Utah [Mr. WATKINS], who presided on Sunday, January 1, 1956, and the messages of the various Ambassadors who so kindly participated with us in this important celebration on that day.

There being no objection, the addresses were ordered to be printed in the RECORD, as follows:

REMARKS OF ARTHUR V. WATKINS, SENIOR SENATOR, UTAH, ON THE ELLIPSE STAGE OF THE WASHINGTON PAGEANT OF PEACE, SUNDAY, JANUARY 1, 1956

I am pleased to join in this beautiful New Year's Day gathering. It is a tribute to Mr. Carr, president of the Pageant of Peace, and his committee, that distinguished representatives of nations from all parts of the world are gathered here today, each with a vitally important message for the American people and for the world at large.

May I express the regrets of my colleague, H. ALEXANDER SMITH, of New Jersey, for his inability to be here today. He has been indisposed by a cold and is quite unable to attend these beautiful ceremonies on the Ellipse stage. Many of the speakers here today are his warm personal friends and he has asked that I convey his regrets to this distinguished assemblage. We all wish him a speedy recovery.

The program today seems to dramatize the fact that international relations and diplomatic relations are in the last analysis, human relations.

It seems to go a step beyond that idea to an underlying spiritual theme—a theme that we must recognize our human limitations and in a spirit of humility and faith seek divine guidance and the divine inspiration that will lead us to the ideal of peace on earth, good will toward men.

This is a lofty goal. It is a goal that can be attained, and with God's help, will be attained on this earth.

To Mr. Carr and the officials of the Pageant of Peace, to all the participants and the unselfish supporters who have made it possible, our heartfelt congratulations.

We commend you for your idealism and for your hardheaded practicality. You have kept your feet on the ground while your head has been in the clouds. We hope, Mr. Carr, that you will continue to give your inspiring leadership to this great effort and this most worthy cause.

And now we will hear from the distinguished guests on the Ellipse stage at the Christmas Pageant of Peace.

THE NEW YEAR'S MESSAGE OF HIS EXCELLENCY, SADAO IGUCHI, AMBASSADOR OF JAPAN, TO THE AMERICAN PEOPLE AT THE NEW YEAR'S INTERNATIONAL GREETING OF THE 1955 PAGEANT OF PEACE

On behalf of the people of Japan, I wish to express to the American people the most sincere best wishes for a happy and prosperous New Year.

In the United States, there is the time-honored tradition of exchanging Christmas gifts and cards as an expression of good will and friendship among relatives, neighbors, and friends. In Japan, a similar time-honored tradition occurs during the New Year's holidays. At this time, congratulatory cards are sent to friends and acquaintances, expressions of success and happiness are offered to family and relatives, and the pine and bamboo decorations, which, like the Christmas wreath in this country, are placed before the entrance of each home symbolize the prayers for a long and happy life.

Although the origins of these two national traditions stem from differing cultural bases, they carry a meaning understood by all people. These traditions give expression to the very fundamental human desire for peace and good will among men. Each year finds this exchange of the season's greetings reaching farther and farther beyond our national boundaries. Cards and gifts flow between our two peoples in ever increasing numbers as evidence of the individual's desire for international friendship.

In this expression of good will between our two peoples, indeed between all peoples, we find our hope for a peaceful future and for greater understanding among nations. The pageant of peace here in the Capital of the United States is a beautiful dramatization of this hope. And in this, the Japanese people join people everywhere.

As once again we enter a new year, may we face with renewed courage and faith the problems of our day. And may we all, in the year of 1956, strive to bring about a greater realization of man's desire for peace and good will among all peoples and all nations.

EL-SHERIF MOHAMMED SHARAF, COUNSELOR OF THE EMBASSY OF JORDAN

Ladies and gentlemen, as I send this greeting to my people I am happy to greet you here at the same time.

My countrymen, the Ambassador of the Hashimite Kingdom of Jordan has asked me to send you a greeting in his name as the representative of the Embassy. Before my address, I would like to thank all those who have participated with Mr. John O'Brien in arranging for this international program in which 54 Embassies and legations are taking part. The aim here today is the well-being of mankind and peace for the world.

I am standing now in Washington, D. C., in the land of freedom, to let my voice be heard by my Arab sisters and brothers. Speaking to you is the happiest opportunity that has befallen me during this past year. It is difficult for me to speak of peace when I know what is now going on in the Holy Land. It saddens me as a spokesman of Jordan, the home of Jesus Christ and the cradle of Christianity, that this holy ground is a victim of aggression. A new year is here, I can't forget past injustices, but I pray that the New Year will bring happiness and contentment to the Arab world and all nonaggressive nations.

The past year has welded the Arab people together. The new year, we face it alertly, decisively, and full of confidence in our ability to achieve our national rights and in bearing our responsibilities toward our dear fatherland. We have more confidence now than ever before.

My best wishes this New Year is for prosperity and victory for the Hashimite Kingdom of Jordan and the whole Arab World.

To His Majesty, King Al Hussein the First, I pledge, on this occasion, the loyalty and best wishes of His Majesty's Embassy and the Jordanian community. God save the King!

In conclusion, I express my best and most sincere wishes to President Eisenhower and the noble American Nation. I pray that when this same ceremony is held next year that the world will be free of war, and that all nations on the globe understand well the value of justice in bringing forth peace to the world. There can be no peace without justice. There can be no justice without conscience. There is no conscience without God.

Thank you.

AMBASSADOR OUROT R. SOUVANNAVONG, EMBASSY OF LAOS

Ladies and gentlemen, I wish to thank Mr. Carr and the members of the committee of the Pageant of Peace for having given me the opportunity to address you.

First of all, may I invite you to join me in elevating our thoughts to President and Mrs. Eisenhower and to their family. May we renew the expression of our admiration and respect for them as well as the fervent hopes of each one of us for their happiness and their good health.

Let us pray to God to grant a long life to the President, for his life is necessary to the happiness of many of us and to the peace of the world.

Dear American friends, I am happy to transmit to you, on this first day of the new year, the cordial best wishes and a fraternal salute from the Lao people.

I know of your interest in my country, and am therefore pleased to tell you that a new day is dawning for Laos. For last December Laos was admitted to the United Nations. We already owed you so much for your economic and financial aid. We owe you even more today since you supported our cause to the final triumph. For we are quite aware that it was your Government, your statesmen, your diplomats, who labored so that the door of the international forum was finally opened to us.

Another piece of good news which I am pleased to announce to you is the victory of the pro-Western parties in the legislative

elections which have just taken place in Laos.

Since we are embarking upon a new year, let us have the pleasure of formulating the wish that 1956 may find you even more prosperous and even more powerful. Our wishes are all the more fervent because we are so aware of your extreme generosity and your noble heart, always offering to aid those less fortunate than you, and to help the least-developed countries to an ever higher standard of living.

To you then, all our thanks, and our very great thanks.

LIBERIAN PARTICIPATION IN PAGEANT OF PEACE AT WASHINGTON

(This statement by Ambassador Simpson was recorded prior to his leaving for Liberia for Christmas and the presidential inauguration.)

On behalf of the President of Liberia and my countrymen across the wide Atlantic in distant Africa, I send a message of good tidings to Liberia's friends everywhere. Distant though some of us are from each other in geographic location, there is at this time of year a strong feeling of the general oneness of peoples all over the world.

I have brought with me to these African shores the spirit of the great Pageant of Peace which I was privileged to experience with you last year in Washington. Irrespective of religion or politics or race, we stand in the sign of good will among men. Here in my homeland, Christmas arives during the summer season with temperatures in the middle eighties. The houses in the cities are decorated and the streets are gay with holiday lights and figurines. On Christmas Day families sit down to a holiday dinner of chicken, rice, and gravy, greens, mincemeat pie and ice cream, and other good things to eat. Firecrackers and colorful displays of fireworks mark the festivities. Young boys wander through the streets in groups singing and following one or another dressed in the unusual, Liberian Santa Claus costume with a unique headdress. The elders toss coins to the passing youngsters. A Christmas tree in Liberia usually is a palm tree decorated with bells and stars of gaily colored paper. In the interior of the land, the exchanging of gifts is not so prevalent, but there, too, natives dress in their best robes and lappas, dance to the beat of the drums in long celebrations, singing and feasting.

Liberians are a happy and peace-loving people and religious faith plays an important part in our daily lives. Fullest religious freedom exists. Though we are principally a Christian nation, our Government assists in the dissemination of religious teachings to which the majority of the population of a specific region subscribe—be it the Old or the New Testament or the Koran.

Right now there are congregating in Monrovia, our capital city, representatives from many nations of the globe and people from all walks of life in Liberia to help mark the reinauguration of the man who was most instrumental in establishing these broad-minded and far-sighted policies and who guides them—our President, William V. S. Tubman.

We Liberians are most heartily in support of international understanding and coworking to better the lot of all. That is the reason why we participate so fully in the activities of the United Nations and its specialized agencies where people truly work together.

We preach what we practice at home as applicable to world affairs. It is our fervent hope that the fine spirit illustrated by the Pageant of Peace will prevail throughout the New Year and throughout the wide world and that this annual event will continue to grow in stature, gain additional strength, recognition, and support.

NEW YEAR'S GREETINGS TO THE AMERICAN PEOPLE ON BEHALF OF P. ZADEIKIS, MINISTER OF LITHUANIA, BY MR. J. KAJECKAS, COUNSELOR OF THE LEGATION

First of all, I wish to express my sincere gratitude for the wonderful opportunity accorded me by the Christmas Pageant of Peace to address the American people on behalf of the enslaved people of Lithuania. It is indeed an honor and a great privilege to speak to you from the foot of a monument dedicated to the Father of this great country. Nearby, there stands a monument dedicated to another great American who said that a nation guided by its trust in God would not perish from the earth.

More than 4,000 miles from this spot, there live the freedom-loving Lithuanian people. They lost their God-given rights and liberties temporarily as a result of an unscrupulous aggression. Many of Lithuania's unfortunate sons and daughters have found in this country a secure haven from this aggression. America has always supported the hopes and efforts of the Lithuanian people, has sympathized with their plight, and condemned aggression wherever it appeared.

On this New Year's Day the heartfelt thanks of the people of my enslaved land go out to America—to its leaders—its Senators and Congressmen, to its governors and mayors, but above all to the common man of America, who has always believed that the inalienable rights of life, liberty, and the pursuit of happiness belong to all men. Our earnest prayer is that God during the coming year may grant universal peace which the American people so greatly desire and for the attainment of which they spare no efforts. May a peaceful world based on freedom, decency and justice crown your efforts. May the day approach when my people shall be freed from bondage and all people can live together in peace under God.

NEW YEAR'S MESSAGE FROM MR. MOHAMMED ALI, AMBASSADOR OF PAKISTAN TO THE UNITED STATES

Ladies and gentlemen, just as the Holy Bible exhorts Christians to seek peace and to pursue it, so does the Holy Koran set forth for the followers of Islam a pattern for peace.

For the seeking of peace is the first law of any religious ideology. When this law is broken, only suffering and ugliness can follow.

No amount of policing by great international bodies nor endless round-table discussions by learned leaders can guarantee freedom from fear—for that, after all, is the true meaning of peace. It must come from the mind, the heart, and the faith of the individual.

And so, in the words of a poet whose name has been lost to time, I give this wish to each of you:

"I pray the prayer the Easterners do,
May the peace of Allah abide with you,
Wherever you stay, wherever you go,
May the beautiful palms of Allah grow;
Through days of labor and nights of rest,
The love of good Allah make you blest.
So I touch my heart as Easterners do—
May the peace of Allah abide with you.
Salaam Alaikum—Peace be with you."

HIS EXCELLENCY SENOR DR. DON JOAQUIN JOSE VALLARINO, AMBASSADOR OF PANAMA

In the first place, I wish to express my sincere congratulations to President Carr, Mr. O'Brien, and to the other members of the Committee of the Christmas Pageant of Peace, for the great effort and tremendous amount of work devoted by them in carrying out this Pageant of Peace so successfully.

Secondly, I wish to express also my gratitude to the Voice of America for permitting us to send to the people of our country, and of the whole world, our greetings on this momentous occasion.

On this holiday season, when the Christian world is inspired by the divine phrase "Glory be to God in the highest and peace on earth to the men of good will," it is my pleasure and my privilege to send a fraternal message to the peoples of the world, and in particular of the American Continent and my country, Panama, along with my warmest wishes that the Almighty may enlighten and guide us so that we may reach the peace which we so anxiously seek.

At this particular point I place emphasis in sending a message of cordial regards to the President of Panama, Ricardo M. Arias, and to the President of the United States, Dwight D. Eisenhower, and my best wishes for their health and happiness during the coming year and the years to follow.

Our countries have been blessed to have their destinies ruled by men of ability and understanding, who have devoted a great deal of their time to the well-being of our people. The President of the United States is today the most outstanding person in his efforts to bring peace and prosperity to the whole world. In that respect he is not only a citizen of the United States but is considered a citizen of the universe, and everyone looks up to him as the person who can accomplish these purposes.

Humanity is faced with what we might call a dilemma: Either man conquers his present problems or will be destroyed by them. Union means strength, and if we, particularly in this hemisphere, continue united in our efforts and our endeavors, our countries will live in peace and prosperity. A very good friend of mine recently told me a very interesting anecdote: A large rock was to be removed and there were 21 men present to do the task. Each one attempting to move the rock separately found his efforts futile, but when the 21 joined their efforts, the rock was easily removed. Let us, therefore, live and work together and settle our differences, whatever they may be, in a friendly manner so that we may have peace and prosperity for the rest of our lives.

Again my sincere and warmest wishes for the happiness of all the people of the world.

NEW YEAR'S MESSAGE BROADCAST BY DR. V. K. WELLINGTON KOO, CHINESE AMBASSADOR TO THE UNITED STATES

Today begins the New Year 1956 and we all rejoice in entering upon it. As we look forward to the next twelve months, scan the international horizon and evaluate the prospect of peace, we naturally form our hopes and wishes. However different the freedom-loving nations may be from one another in history, geography, race and culture, there can be no doubt that they all long for peace and desire to devote all their energies, talents and knowledge to their peaceful pursuits. But whether our hopes and wishes can be realized depends not upon them but upon the leaders of the Communist world.

Both Moscow and Peiping profess peace and advocate peaceful coexistence with what they call the capitalistic world. But their actions belie their words. In different parts of the world they say different things and act differently. In fact, they are double-faced. In the East their top-ranking comrades have toured several countries as envoys to entice and deceive with their smiling faces and sweet words the emotional and simple-minded people of Asia and to sow the seeds of distrust in them toward the Western democracies. In the West they have now launched a triple-barreled political, diplomatic and economic offensive. Today the so-called Geneva spirit has entirely evaporated, and once again we begin to hear the howlings and growlings from the Kremlin and its satellite countries. The cold war, in all its ugly aspects and with increased tempo, is in full force again.

The fact is that the Communist parties and Communist countries of the world constitute but one body bent upon world domination. Whatever methods and means they adopt at any given time, their basic aim remains fixed and unalterable. The peoples of the free world and their leaders whether in Asia, Africa, Europe, or America, must not be misled by their smiles and soft talk any more than by their vituperation and threats. These guiles do not mean anything more than shifting tactics deliberately adopted by the Communists to serve their sinister purpose.

The best way to preserve world peace, in my humble opinion, is for the nations of the free world to understand fully the great danger of Communist imperialism to the cause of freedom and to realize the utter unscrupulousness of the Communist leaders in choosing methods to pursue their objective. With that understanding it will not be difficult for the free nations to achieve a unity of purpose and with that unity to combine their efforts to be firm and strong in defending the common cause of freedom against Communist aggression.

In the last analysis, therefore, it is the knowledge and awareness of the Communist menace that is most important not only for the leaders of the free world but also for their peoples. With that knowledge and awareness prevailing in the free world, not only the task of building a strong and united front against Communist imperialism would come easier, but also the danger of complacency and preference for expediency over principle would become easier, and also the danger of complacency and preference for expediency over principle would disappear. Only then can the free world succeed in preserving its precious freedom and establishing an enduring peace.

This is the message which I wish to leave with you today, but I cannot conclude it without extending to you all the greetings and best wishes for a very happy New Year from the people and government of the Republic of China which I have the honor to represent.

NEW YEAR'S GREETINGS—DR. MARIO NÚÑEZ DE VILLAVICENCIO, FIRST SECRETARY, CUBAN EMBASSY

It is with much pleasure and joy that on behalf of His Excellency, Dr. Miguel Angel Campa, Ambassador of Cuba, I wish to extend the greetings and best wishes of the people of Cuba to the people of the United States and to all the nations of this world for the new year of 1956.

At the beginning of each year, nations and individuals prepare and make new resolutions which they plan to carry out during the year with the highest spiritual determination.

Sometimes those new resolution cannot become a true reality because of the persistent obstacles that remain present in the course of the new year, and nations and individuals must comply with the circumstances created by those obstacles, notwithstanding their best wishes for peace on earth and their anxiety for the progress and well-being of all humans.

What to do—and how to act so as to eliminate those impending barriers that keep peace loving nations and peoples from carrying out their New Year's resolutions inspired by the deepest and most sincere desires for progressive human relations, is something that man, strangely enough in this day and age of fantastic material advancement, has not been able to formulate, as he has otherwise done in the field of science.

Perhaps one of the resolutions that we could make for this new year could be to take a little rest in our constant material endeavors and transfer that interest to the betterment of human relations even if we have to use the disciplines of science to the utmost.

God has given us faith and many spiritual and material instruments, let us not be partial in their application. Let us hope that during this year of 1956 we will be able to attain, with His help a spiritual "know how" for a worldly understanding which will support the aspirations that we have so heartily enclosed in all of our New Year's resolutions. And in a less global manner, we Cubans not only hope, but firmly know that the brotherly relations that have always existed between the United States and our country will continue to flourish during this year in the same friendly and simpatico way. Again, and with our thanks and congratulations to the organizers of the Christmas Pageant of Peace, the Ambassador and the people of Cuba extend their greetings and best wishes to everyone during the year that begins today.

STATEMENT OF THE AMBASSADOR OF IRELAND, MR. JOHN JOSEPH HEARNE, DELIVERED BY MR. DENNIS B. O'SULLIVAN

I am honored to have this opportunity on the occasion of the Christmas Pageant of Peace to send a New Year's greeting to my countrymen and to friends of Ireland everywhere.

May God's blessings descend on them and on all people of goodwill throughout the coming year, and may the gift of peace find welcome in all lands. Ireland, which it is my privilege to represent here today, will for her part strive earnestly, as a new member of the United Nations Organization, for the preservation of the spirit of peace and understanding, so well exemplified by the many countries and faiths participating in this Pageant of Peace.

THE SPIRIT OF BETHLEHEM

(By Gen. Carlos P. Romulo, delivered by Mr. Mauro Calingo, Minister Counselor)

This time of the year, as in all years since the Christian era began, the bells of Christendom will peal out the happy tiding of the advent of the Prince of Peace. There can be no more doubt left in man's mind that the Christmas we celebrate with undiminished luster through the centuries is an event truly God-given and not the mere invention of human fancy. The fervor of the first adoration before the manger has remained pure and unsullied in our Christian hearts. Through the long years each of us has stood in love and wonderment before the Christ Child just as the shepherd did under the Star of Bethlehem nearly 20 centuries ago.

We rededicate ourselves to that original act of faith. Symbolically, the Star of Bethlehem is before us again, and once more we kneel in reverent affection under its ineffable glory. There is no act as tender and sweet as this act of adoration in the collective spiritual life of all Christian peoples, and I can say that no event in our religious life can excell it in its power of inculcating good will in the minds of men.

The Holy Child was born into this world to establish peace. It was to be peace for all men of good will for, otherwise, there could be no peace. The first requisite was that anger and hate must leave the human heart, for angry men, hating men cannot be at peace with their own selves, let alone with others. What should follow from this proposition is that we must not think ill of others, that we must love our fellowmen. All barriers must go, all frontiers must give way to the flow of human feelings and ideas.

It is not Christian to shun the association of our fellowmen. The various races of mankind do not constitute airtight compartments antagonistic to each other; what is more, they have no reason for being, or have they any chance of continuing to exist, as such separate compartments. The absolute oneness of human destiny is indisputable in the philosophy of the Christian religion.

These thoughts come to me at this time of the year. I have little doubt that they must likewise to most men in the spirit of Christmas. We cannot avoid them. We are of the stuff of mortality, and one of our weaknesses is to be proud. The episode of Bethlehem was an example of perfect humility. No pride was involved, but only the truth that the Messiah had come in the tatters of absolute poverty. It is in the context of that demonstrated poverty that we must take stock of our values and no time of the year is more propitious for this inventory than Christmas.

The underlying principle is humility. This is not a widely observed virtue. The boast of heraldry and the pomp of power are still too much with us. The so-called big powers not unusually feel too big to give heed to the small ones, with the result that the small ones harbor grievances against the big. We are all familiar with big-power politics, and we know how in many cases the little peoples' interests are seriously injured in the exchange of blows. Not infrequently, the haves carry the day, leaving the have-nots to their desolate fate.

What I wish especially to emphasize as the central theme of this Christmas is that the world should think of the poor among the nations that compose it, in the same manner that the spirit of Bethlehem must turn our thoughts to the poverty enshrined in that dark stable on which the Star of God shed its pure effulgence on Christmas Eve.

The poor peoples of the world are we the peoples of the world deserving of the undivided attention of the international community. Our family of nations cannot live in peace so long as only a few of them have the goods of life and the most of them only the crumbs. The existing imbalance in the distribution of the earth's resources is manifestly not in consonance with the requirements of our Christian peace.

Thus we cannot but turn our thoughts now to the grave implications of so much wealth, or rather the whole wealth, of nuclear resources and know-how being concentrated in the hands of a few powers, leaving the rest of us dwelling in less developed areas completely at the mercy of the possessors of that wealth. And when we consider the fact that there has been, and is, clear hesitation to share the resources as well as the knowledge with the poorer sectors of mankind, we cannot but shudder at the possibility that one day we innocent bystanders might find ourselves all wiped out, or perhaps never find it out.

Let this Christmas lead us to ponder the problem of our life and death in all seriousness. Let us in all the humility, and in all the good will of which our hearts are capable, turn our minds to the very grave fact that we have peace today only because we are not shooting at each other, and that such is not the kind of peace we want—a temporary lull in our recurrent armed conflicts—but the kind that will endure because it is in the texture of our hearts and minds.

We want the peace of Bethlehem—the peace not of the proud but of the humble, not of the mighty but of the meek. With such a peace we will have need of no arsenals and no armies, and of no atomic and nuclear bombs. This Christmas should revive the hopes in us that the spirit of Bethlehem will prevail over the world to turn us farther away from the dire prospects of war. In this spirit I wish you all a Merry Christmas.

HIS EXCELLENCY MR. POTE SARASIN—AMBASSADOR OF THAILAND'S NEW YEAR MESSAGE

I wish to thank, first of all, the Washington, D. C. committee for the Pageant of Peace in giving me this opportunity to send New Year's greetings to the people of the United States and the world.

With the year's end, and as a Buddhist country, our thought usually turns to peace and security of the world. We wish the world to live in peace and tranquility, to be free both from fear and from want. And this is no doubt the true aim of the Christmas Pageant of Peace, too.

In leaving the year which just has passed, we recalled the good relations and bond between our country and the United States; and with the approach of the new year we shall look ahead with determination to continue working together in unity.

May I, on this occasion and on behalf of my people extend to the people of the United States and the world our good wishes for a peaceful and prosperous new year.

TEXT OF AMBASSADOR OF VIETNAM TRAN VAN CHUONG'S NEW YEAR GREETING AT THE CHRISTMAS PAGEANT OF PEACE, BROADCAST FROM THE ELLIPSE STAGE IN WASHINGTON, D. C.

To all my human brothers, let me express a wish: I wish freedom for all of you.

To those who are already free, as in the United States, I wish you could spend half a month, not in one of those favored countries frequented by millionaires, but in a Communist-ruled country, in Russia, in China, or in North Vietnam, the last victim of the Communists.

Then, after a half-month stay in one of those Red paradises, and unless you are deaf and blind, you will be much happier for the rest of your life, you will better enjoy your lot whatever it may be.

Now, you are enjoying freedom as you enjoy the air which you breathe, without knowing that you would prefer to die if you were deprived of it if you were to live under Communist rule.

You are very fortunate and you do not know it.

That is why I wish you could go and spend 2 weeks in a Communist-ruled country, in North Vietnam, for instance.

You will know how fortunate you are to be free, and how unfortunate are those who have fallen victim to the Communists.

You will understand that no efforts are too great to deserve and preserve your freedom and that, compared to the problem of stopping the Communists, all your other problems (some of which are only the result of excess of wealth) are very small, indeed.

You will understand that communism is too great an evil to be prevented or stopped by a greater evil; by the evil of war and atomic destruction; that this problem is too vital to each of you to be possibly solved by proxy, by some 100 scientists working for you on more powerful weapons. You will understand that material strength is necessary, yes, but not sufficient, and that this vital problem of protecting you, your family, and your country from the mortal danger of communism can only be solved by your own personal efforts and sacrifices, by your own efforts to understand and help your human brothers, particularly those who have fallen victim to the Communists and those who are directly threatened by them.

Too many millions of them already have slipped or been abandoned to the Communists. You cannot afford to lose any more without soon losing your own freedom, your own way of life.

Indeed, in a world where scientific progress has suppressed distances, where continents are no longer protected by oceans, no one can enjoy peace and plenty, in safety and for long, when hundreds of millions of his human brothers are hungry at his door, hungry for food or hungry for freedom.

After a half-month stay in a Communist-ruled country, you will also feel that half of mankind cannot be abandoned forever to such regimentation, such enslavement, and such darkness, that God and men cannot have abandoned them forever, and that they shall in some way be freed one day.

You will pray and work for this.

Thus you will better deserve and preserve your freedom.

This is the wish I extend to all of you, to those who are free and those who are not.

HIS EXCELLENCY SEÑOR DON JOSE M. DE AREILZA, AMBASSADOR OF SPAIN, NEW YEAR'S GREETING TO UNITED STATES

I wish to extend to the people of the United States, the message fom my country on the occasion of the New Year. We in Spain wish to all the people in this free country, a prosperous, a happy, a wonderful New Year. We believe you deserve it. You are not only the biggest and most powerful nation in the world, but also the one to which the hope of all the free world turns its eyes. North America is like a young giant. She has an overwhelming power. She has the biggest strength in the world, and in her hands she has the torch of the eternal values of the human soul. We Spaniards believe in those values. We believe there is only one difference in the world. Those who believe that a man should be an instrument, in the service of tyranical powers, or of the State, and those who as us, the free of the world, believe that a man is an instrument of God. That a man is a human being. And, inside he has an eternal soul full of fixed values. Therefore, in extending my best wishes, to the people of the United States, to President Eisenhower, for whose entire recovery we all pray from the depth of our hearts, I wish also that you shall have a very joyful, a very happy and a very prosperous 1956.

FEDERAL AID TO SCHOOL CONSTRUCTION

Mr. McNAMARA. Mr. President, the President's proposal of $250 million a year for Federal aid to school construction is a step toward meeting the crying need for more classrooms, but it is a timid, halting step. What we need today, and what we must have, are not timid, halting steps but giant strides toward ending the shocking shortage of classrooms for our children. Seven-league boots are called for—not Lilliputian hops.

Last year, I was cosponsor of a bill which would have provided a half billion dollars a year for 2 years. Even that was on the short side, but the quarter-billion dollars proposed today is woefully short even of keeping up with the annual snowballing need for classrooms.

Look at these figures issued just this week by the National Education Association. There are 31,238,863 children now in our public schools—an increase of 1,272,811 over the 1954–55 enrollments. Using the generally accepted yardstick of $1,000 per student or $30,000 per classroom, more than $1.2 billion is needed merely to catch up with 1 year's increase. In addition, 900,000 children are being forced to go to schools half-days, adding another $450 million to this need.

The $250 million program is, as I said, a step toward solving the problem. But it is far, far short of the part I believe the Government should play in this extremely vital matter.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a clipping from the Washington Post and Times Herald headed "900,000 Students Attend School on Half-Day Basis."

There being no objection, the clipping was ordered to be printed in the RECORD, as follows:

NINE HUNDRED THOUSAND STUDENTS ATTEND SCHOOL ON HALF-DAY BASIS

Nearly 1 million American children are being shortchanged in the school facilities offered them, according to the findings of a National Education Association survey.

The NEA Research Division reported yesterday that at least 900,000 students were attending school on half-day schedules.

The annual study on "Advance Estimates of Public Elementary and Secondary Schools" showed the Nation had entered its 11th straight year of increasing enrollment.

This year there are 31,238,863 youngsters in public schools, the report showed. This is an increase of 1,272,811 over 1954–55 enrollments.

With this increase, all 48 States have reported serious building shortages in urban elementary schools and the secondary-school shortage has now reached substantial proportions in 44 States, the survey said.

Although the District was not included in all phases of the NEA survey, figures show that Washington would need 263 additional grade-school classrooms if all classes were limited to 30 pupils. The District currently has no part-time classes, but the city-wide pupil-teacher ratio is more than 36 to 1.

To meet the tidal wave of pupils nationally, more than 75,000 additional classrooms are needed. In addition, 20,000 classrooms are needed to replace deteriorated and obsolete buildings.

According to the survey, approximately 171,000 new teachers are needed in 1955–56. The rising enrollment is compelling school systems to employ large numbers of teachers who are not fully qualified for standard teaching certificates.

The NEA study pointed out that the enrollment in teacher-education institutions was not gaining rapidly enough to meet the demand for instructors.

These institutions produced 86,696 qualified teachers in June 1955, but on the basis of 1954 experience only about 57,000 of them actually entered the profession in 1955–56.

This number subtracted from the 171,000 needed to reduce class size, fill vacancies and provide for new enrollments leaves a gap of more than 100,000 teachers, the survey reported.

The PRESIDENT pro tempore. Morning business is closed.

CONGRESSIONAL FELLOWSHIPS OF THE AMERICAN POLITICAL SCIENCE ASSOCIATION

Mr. GOLDWATER. Mr. President, some of my colleagues have commented on the American Political Science Association, and I should like to add a few words of my own.

I have recently become connected with this organization. It is a connection which developed through interest stimulated by my having had with me last year an intern from this association. This young man is one of the most outstanding young men who has ever come to my attention. I know, from having talked to those who have served as interns in the Senate and in the House with various Members of Congress, that they too possess the same high standards that he does.

I believe the program of the association is a worthy one. Sending these young men to the Halls of Congress broadens their education with respect to the needs of politicians and politics in general.

In connection with my remarks I ask unanimous consent that there be printed in the RECORD at this point an announcement issued by the American Political Science Association.

There being no objection, the announcement was ordered to be printed in the RECORD, as follows:

THE AMERICAN POLITICAL SCIENCE ASSOCIATION ANNOUNCES 10 CONGRESSIONAL FELLOWSHIPS FOR POLITICAL SCIENTISTS AND JOURNALISTS

Stipend: Approximately $4,000 for 9-month period.

Qualifications: Preference will be given to applicants in the age group 25 to 35. The following types of experience and training are suggestive rather than binding:

(1) Completion of 2 years' graduate work in political science plus 1 year of experience in politics, teaching, or public administration; or

(2) Bachelor of arts degree (honor graduate) in political science or international relations, with 2 years of full-time practical experience in newspaper, radio, or television work.

Program: One-month orientation period, 4 months as a staff member in the office of a Senator or House Member, 4 months as a staff member of a congressional committee or Congressman active on a committee.

Applications must be submitted prior to January 15.

Appointments will be for a 9-month period in Washington, D. C., November 1 to July 31. Awards will be announced in March. Preference will be given to candidates without extensive experience in Washington, D. C. Further information may be obtained from the American Political Science Association, 1726 Massachusetts Avenue NW., Washington 6, D. C.

Mr. SPARKMAN. Mr. President, I am sure that my colleagues are familiar with the program of congressional fellowships sponsored by the American Political Science Association, which has just been referred to by the Senator from Arizona. I had one of these congressional fellows serving on my staff for several months last year—William C. Gibbons of Harrisonburg, Va.—and I was very much impressed by the caliber of the work which he performed.

This program is made possible through a grant from the Edgar B. Stern Family Fund of New Orleans, La. This grant enables The American Political Science Association to make available the services of these congressional fellows free of charge to Members of Congress and congressional committees.

Each year 5 journalists and 5 teachers of political science are selected. They must be between 25 and 35 years of age. Applicants who are political scientists are required to have graduate training or experience in public affairs; journalists applying must have a bachelor of arts degree and at least 2 years of professional experience in either radio, television, newspaper or magazine work. Preference is given to candidates who have not lived or worked in Washington, D. C.

The applications for this year's program will close on January 15, 1956. I hope that my colleagues will encourage capable candidates to apply before the deadline. Application forms can be obtained from The American Political Science Association, 1726 Massachusetts Avenue NW., Washington 6, D. C. Those chosen in the competition will start their work in Washington immediately after the November election and stay here until July 31, 1957. They will receive a stipend of $4,000, plus travel expenses to and from their place of residence.

These congressional fellows have been able to do a remarkable variety of jobs, including research, writing, handling constituent inquiries, helping on radio and television programs, preparing legislation, and following through on some fairly complex assignments. I have heard some of my colleagues talk about them, and know that they have performed very well in many different situations.

After completing their service here, some of them go back to their home communities, better informed about Congress and able to help interpret the legislative process on their newspapers or in their universities. Others of them remain on congressional staffs. It is my understanding that three of last year's congressional fellows are now working on the staffs of my colleagues, Senators GOLDWATER, HRUSKA, and HUMPHREY. And Bill Gibbons, the congressional fellow who was in my office, is on the staff of Representative SIDNEY YATES.

A new group of congressional fellows arrived in Washington on November 1. They spent their first month in an intensive orientation course, including assigned readings on the legislative process and frequent interviews and discussions with Members of Congress, staff officials on Capitol Hill, and Washington correspondents. Starting in December, the fellows began working on the staffs of House Members and House committees. On April 1 they will all move to the Senate for 4 months of work on this side of the Capitol.

The assignments of these fellows is determined largely by the request of the individual fellow and his own appraisal of where he would like to work. Naturally, with only 10 fellows available, sometimes there is lively competition among Members of Congress interested in having a fellow assist them. In fact, I am told that when a Member of Congress wants a fellow to work with him, he almost has to carry on a "fraternity rushing week" to show the prospective pledge the superior advantages of working with his office.

This year's congressional fellows and their current assignments are:

Robert Blackburn, assistant professor of political science at the University of Rochester, working with Representative HALE BOGGS.

MacAlister Brown, instructor in political science at Dartmouth College, working with the House International Operations Subcommittee.

Jay H. Cerf, assistant in instruction at Yale University, working with Representative WAYNE L. HAYS.

Charles L. Clapp, assistant in the department of political science, University of California, working with Representative PETER FRELINGHUYSEN.

Robert P. Dorang, of the Buffalo Evening News, working with Representative ARMISTEAD SELDEN of my own State.

L. Boyd Finch, of the Ventura (Calif.) Star-Free Press, working with Representative LEE METCALF.

R. Gene Geisler, instructor of political science at the University of Indiana at Gary, working with Representative MELVIN PRICE.

Francis J. Kelley, reporter on the Hutchinson (Kans.) News-Herald, working with Representative WILLIAM H. AVERY.

Richard L. Milliman, reporter on the Lansing (Mich.) State Journal, working with Representative GERALD R. FORD, JR.

Teresa A. Polychronis of the American Broadcasting Co., working with Representative EDITH S. GREEN.

Mr. LEHMAN. Mr. President, will the Senator from Alabama yield?

Mr. SPARKMAN. I yield.

Mr. LEHMAN. I am deeply interested in the statement made by the Senator from Alabama. I was associated in business for 15 or 20 years with Mr. Edgar B. Stern and with his father and his brother. Since he retired and I retired we have maintained close associations in many other activities. I merely wish to say that I do not believe there are any finer people in the world than are Mr. Stern and his family.

Mr. SPARKMAN. I am glad to hear the distinguished Senator from New York make that statement. I know Mr. Stern and the Stern family. Of course, I do not have the familiarity or the close association with them the Senator from New York has had, but I agree with what the Senator said about the fine quality of the family. They have certainly done a wonderful thing in making this grant. From my experience in having one of these fellows in my office and seeing how eagerly he worked so that he might go back to his chosen work in the field of political science and in the field of communication, radio, television, or whatever it may be, I am sure he would certainly be fitted from a practical standpoint to do a fine job.

Mr. IVES. Mr. President, will the Senator from Alabama yield?

Mr. SPARKMAN. I yield.

Mr. IVES. I wish to commend the Senator from Alabama for the very fine remarks he has just made. For a number of years I served as a member of the Advisory Committee of the American Political Science Association, and I think the work which has been done is magnificent. I cannot praise it too highly.

Mr. SPARKMAN. I thank the Senator from New York.

Mr. BARKLEY. Mr. President, I wish to take the time of the Senate for only a moment to express my appreciation of the remarks of the Senator from Alabama concerning the program of the American Political Science Association.

From year to year I have been invited to become a member of the association, and I think I have done myself an injustice by not accepting the invitation to become a member.

In regard to its program, I have in mind a specific instance in my own State by which it can be abundantly justified.

The association is made up of men and women who are devoted to the public service, to political science, and to politics as related to political science. As a part of the program a young man came to Washington from Kentucky a few years ago and served in the House of Representatives under a fellowship in the office of a Member of Congress whose name I do not now recall. He then came to the Senate and served, I think, for approximately 8 months on a subcommittee of which the Senator from Tennessee [Mr. KEFAUVER] was chairman. His name is Ben Reeves.

He is now 33 years of age. He was born and reared in Bowling Green, Ky., and some 4 years ago he became connected with the Louisville Courier Journal as a reporter. He has been assigned by the Louisville Courier Journal to Frankfort, Ky., the capital of the State, to report on the activities of the legislature which is now in session.

If he were present at this time I am quite sure he would testify that his experience as a fellow under appointment of the American Political Science Association to a fellowship in Washington has enhanced his ability, his understanding, and his qualifications to serve the great Louisville Courier Journal, which is one of the outstanding journals of the Nation.

I have been acquainted with Mr. Reeves for 2 or 3 years. He came from that section of Kentucky where my mother was reared. Very naturally, I acquired an interest in his background, his welfare, and his future. From my knowledge of him and of his experience and also of the policy of the newspaper for which he works, I feel that he has a great future in the field of journalism, not only in Kentucky, but in a wider sphere. He is devoted to the welfare of my State and his. He feels a sort of sacred obligation to serve Kentucky politically, intellectually, morally, economically, and socially. I am glad to be able to predict for him a very bright future in journalism in Kentucky and in America, and I am sure that his future has been enhanced and enriched by his experience in Washington for a year through the operation of the association of which the Senator from Alabama has spoken.

I am glad to speak this brief word for the association itself, and particularly for this young man, who is, I think, a very honored member of the journalistic profession in Kentucky, and for whom I have the feeling that he will, in the years to come, enjoy a brilliant future in the field of journalism, and, through that field, in public service to the people of our State and the country as a whole.

Mr. HUMPHREY subsequently said:

Mr. President, I wish to add to comments about the congressional fellowship program of the American Political Science Association. As most of my colleagues now know, the program has been bringing outstanding young political scientists and journalists to work with us here on the Hill and so learn about the functioning of Congress at first hand. It is made possible through a grant from the Stern Family Fund of New Orleans.

This is the third year of the congressional-fellowship program. It began in 1953–54 with 6 fellowships. The recipients were then called internes. Last year and this year the number has been increased to 10. The name has been changed from interneships to fellowships, so as to eliminate confusion with the internes who come from colleges for only short periods to work in congressional offices.

The congressional fellows are an older group with considerably more experience than the able young people who come to us an internes. The average age of the congressional fellows is usually about thirty. They have a number of years experience as teachers of political science or practical working experience as newspaper reporters or radio-television newsmen behind them. They are selected by interviewing boards all over the country. They are usually chosen not only for their proven academic or journalistic ability, but also with an eye to their capacity to learn and grow through their experience in working with the Congress.

When they arrive here in Washington for their 9-month fellowship period, they have a brief orientation, much of which is spent in interviews with key people in the legislative process. These interviews continue through the year and play an important part in the program through which the congressional fellows learn about Congress and its relations with the rest of the Government. I think that all of us who have met with the fellows for one of these interviews know just how informed and probing their cross-examination can be.

Following the brief orientation period, the main part of the congressional fellows program is their work with Members of Congress or with congressional committees. They are required to divide their 9 months equally between the House and the Senate, but make their own choice as to which Member or committee they wish to work with.

Since they do spend at least four months in a Member's office or with a committee staff and are all unusually able men and women, it is possible for them to fit right in and take on the responsibilities of regular staff members. From my own experience of having a congressional fellow in my office last year, I can say that the program not only benefits the individual fellows, but is a benefit to the Congress as a whole.

Of course, the real benefit and purpose of the program is not merely to supply us with additional workers—though that is a pleasant byproduct. The real purpose is to bring these young professors and journalists into the real, day-to-day work of the Congress so that they come to learn how the legislative process actually works.

I am convinced in my own mind that these fellowships do more to make come alive the teaching processes in the field of political science once the fellow returns to his regular assignment than anything which possibly could be done.

The congressional fellowship program is aimed at giving key people in the academic and newspaper professions first-hand insights into the workings of Congress which can only be come by through the experience of working close to the Senate and House over a period of time.

My own observation—both as a former vice president of the American Political Science Association and as a Senator who had a congressional fellow working on his staff—convinces me that the congressional fellowship program is providing a unique opportunity to spread a truer picture throughout the Nation of how Congress makes the laws. I wish to call the program to the attention of my colleagues—if they should not already have had contact with it—and commend it to them as of great benefit to the fellows themselves, to the Congress, and ultimately to the Nation as a whole.

Mr. President, I ask unanimous consent that the statement which I have just made appear in the RECORD following the remarks of the Senator from Kentucky [Mr. BARKLEY].

The PRESIDING OFFICER. Without objection, it is so ordered.

FEDERAL POLICY ON INDIAN WELFARE

Mr. MANSFIELD. Mr. President, the Department of the Interior and the Bureau of Indian Affairs have for the past several years advocated a policy of gradual termination of Federal control over the American Indian; in brief, writing off its obligations and responsibilities to these people. The basic idea of assimilating the Indian into our society as an equal is proper, but it must be done with restraint and careful execution. Under the present program I feel that this is not being done. We must remember that the Indian is the historical responsibility of the Federal Government and this cannot be discarded lightly.

Too many sharp divisions and uncompromising policies exist under the present program. There are a number of Indian tribes which have been relieved of all Federal control, and rightly so. But there are many others which are not ready and will not be for some time to come. They are still in need of much welfare assistance, medical care and, above all, education to prepare them to compete with the remainder of the population. Hasty action in these matters only adds to the over-burdening of State and local governments and discredits the Federal Government.

The most discouraging aspect of the present situation is the apparent eagerness on the part of Interior Department officials to promote relocation and movement off the reservation, knowing full well that according to present policy the Indians will no longer be wards of the Federal Government and thus will be ineligible for Federal aid. Conditions among these Indians are often deplorable. State and local welfare agencies are unable to provide all the necessary assistance. An Indian on a reservation has an opportunity to fight for his rights, but when he leaves, he has lost all. We

must remember, an American Indian is an Indian and an American on or off the reservation

In Great Falls, Mont., there is a settlement of poverty-stricken Indians known as Hill 57. The conditions of this settlement are deplorable. These people live in squalid conditions, comparable to few situations of extreme poverty I have ever seen. They need food and clothing, and they are poorly educated. They are not capable of maintaining their own livelihood under these conditions. State and local welfare agencies are not prepared to give adequate help and the Department of the Interior and the Bureau of Indian Affairs have refused to give assistance because the Indian ceases to be a ward for welfare purposes when he moves away from the reservation. These Indians on Hill 57 are citizens and many are enrolled members of an Indian reservation.

These people cannot and are not prepared to go forth into society and compete with the other citizens of the Nation. If they are to be treated on a basis of equality with other citizens in the communities in which they reside, they need education, improved health facilities and adequate opportunities for economic progress, which they do not have at this time.

In a recent issue of the Great Falls, Mont., Leader there is a feature story on the plight of an Indian family living under circumstances which are similar to the general conditions prevailing on Hill 57. The family of Isaiah Benson, a Cree, his wife and 5 children live in a 14- by 14-foot room on the rise to the north of the Anaconda Co. wire mill. The room's furnishings consist of 2 wood stoves, 2 cots and a few dishes. Visitors to the room either sit on cots or stand.

During the holidays there was not one indication of Christmas in the room, not a branch of fir or a toy. The food was a few crackers in a box, and these were kept for the baby girl. The Benson's story of the past several months is that things were very difficult on the Fort Belknap Reservation, and the family has been wandering over Montana, with Benson seeking work. The children have only been briefly exposed to school. The family did receive food contributions from organizations in the city. This family is only one among many in our Indian population who find themselves in such conditions. It is a problem which cannot be faced alone by the State and local welfare agencies, which have limited resources.

On December 29, 1955, the senior Senator from Montana [Mr. MURRAY], Representative LEE METCALF, and I wrote the Commissioner of Indian Affairs urging a new awareness of the need for assistance and guidance in relocating Indians desirous of leaving their reservations. In order to make a relocation program successful it is necessary that the Indians be adequately briefed on what to expect outside. In addition an educational program is needed at the community level. A relocation program which would help both the Indian and the community in which he locates requires one trained relocation officer on each reservation.

This is a long range program in need of much planning and study. The Bureau of Indian Affairs has indicated that they are in the process of dealing with these problems on the reservation, but the off-reservation Indian who is in need of assistance is still out on a limb.

All indigent Indians should be the responsibility of the Federal Government, regardless of tribal affiliation or location. During the last session of Congress the Interior Department refused to render a favorable report on H. R. 7433, introduced by my colleague, Representative LEE METCALF of Montana, a relief bill for these Hill 57 Indians, after it had been reported favorably by the House Committee on Interior and Insular Affairs. A companion bill, co-sponsored by the senior Senator from Montana and myself, was passed by the Senate. How much longer will these people have to depend on sporadic assistance from various sources?

I have written the Department of the Interior, urging that they reconsider their position in this instance and withdraw the unfavorable report so that some assistance may be made available to these Indians early this year.

In closing I ask that my distinguished colleagues in the Senate give some time and thought to the plight of the American Indian.

Mr. President, I ask that the Department of the Interior letter dated December 2, 1955, the joint letter dated December 29, 1955, to the Commissioner of Indian Affairs, the news story from the Great Falls Leader, dated January 2, 1956, and my letter to the Department of the Interior, dated January 6, 1956, be printed at the conclusion of my remarks.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

UNITED STATES
DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D. C., December 2, 1955.

Hon. MIKE MANSFIELD,
United States Senate,
Washington, D. C.

MY DEAR SENATOR MANSFIELD: This will reply to your letters of October 17 and November 17, 1955, with reference to the Indians on Hill 57 in Great Falls, Mont. Your four questions and our answers are as follows:

1. What constitutes an Indian as a ward of the Federal Government?

The reference to certain Indians as "wards" is not an accurate indication of the relationship which exists between the Indians and the United States. The meaning of the term "ward" varies with the context in which it is used. It has been applied to Indians in at least 10 different senses, and the failure to distinguish among them has caused considerable confusion. (See Cohen: Handbook of Federal Indian Law, pp. 169–173.) Although Congress has broad constitutional power to legislate with respect to Indians—a power often called plenary—Congress has not seen fit to exercise its power by making all Indians eligible for some form of special Federal services. Historically, the United States dealt with certain Indian tribes by treaty or agreement. As reservations were established for Indian tribes or groups the Federal Indian program was applied to the Indians on those reservations, regardless of whether they were members of a tribe with which the United States had signed a treaty or agreement. In the earlier reservation period the Indians were more or less confined to the reservations and were discouraged from moving around. In more recent times, however, all Indians are as free as other citizens to live anywhere they wish to live, but the Federal program of special assistance for Indians has continued to be primarily one of various kinds of assistance for Indians who live on the reservations, and of property management services for Indians whose property is held in trust regardless of where they live.

Although the definition is not applicable to Federal programs, the Montana Statutes define an Indian ward for State welfare purposes as: "* * * A ward Indian is hereby defined as an Indian who is living on an Indian reservation set aside for tribal use, or is a member of a tribe or nation accorded certain rights and privileges by treaty or by Federal statutes. If and when the Federal social security act is amended to define a 'ward Indian,' such definition shall supersede the foregoing definitions." (Amended sec. 3, ch. 199, L. 1951; amended sec. 1, ch. 141, L. 1953.)

2. When does an Indian cease to be a ward of the Federal Government?

As used in the context explained above, namely eligibility for welfare assistance and for property management services, an Indian ceases to be a ward of the United States for property management purposes when the trust over his allotted real property is terminated, and he ceases to be a ward for welfare purposes when he moves away from the reservation.

3. What assistance is available to off-reservation Indians?

No general welfare assistance is available to such Indians through this Department. The Department's general assistance program is confined to needy Indian families who live on Indian reservations, who are not eligible for public assistance under the Social Security Act, and who do not receive general assistance from a county welfare office. Indians are free to leave their reservations as they wish, and they are now found in practically every State and in most cities throughout the Nation. If they become in need of social services or general assistance, it is expected that they will be assisted by the same welfare agencies in the community that serve other needy persons in similar circumstances.

4. What is the departmental policy relative to medical assistance to Indians, particularly if an Indian is away from his own reservation?

As the responsibility of providing medical care for Indians was transferred to the United States Public Health Service in the Department of Health, Education, and Welfare on July 1, 1955, you will probably want to consult that Department directly as to changes made, if any, since the transfer. The following policies applied before the transfer. A program of hospital and medical care of Indians was maintained on Indian reservations. Indigent Indians were entitled to hospital and medical care in the Federally operated Indian hospitals without charge, but Indians who were economically able to pay for the service were required to pay fees based upon the cost of service. (25 CFR 84.8.)

Indians were expected to utilize the medical facilities that were maintained and operated on their reservations for their benefit. If, by his own preference, an Indian sought care in a non-Indian facility, he had to defray the expense of such services from his personal resources.

If the necessary hospital service was not available in an Indian hospital, the superintendent of the reservation or his repre-

sentative was authorized to refer indigent Indians on the reservation to nearby non-Indian hospitals for treatment at the expense of the Government. Economically able Indians, however, were required to make their own arrangements for treatment in non-Indian hospitals. If an emergency case was received in a non-Indian hospital without prior approval of the superintendent or his representative, the hospital was required to obtain, as promptly as possible, a written authorization from the superintendent or his representative if the Indian was indigent and was to be treated at Federal expense. This Department could not pay for hospital services that were furnished to Indians in non-Indian hospitals located off the reservation unless the service was authorized by responsible Government officials. Any other rule would have made it impossible for the Department to operate within the limits of Congressionally appropriated funds.

The program planning concepts discussed by the Acting Chief, Program Coordinating Staff, at the Governors' Interstate Council meeting in Santa Fe, N. Mex., to which you referred in your letter, were based on Commissioner Emmons' announcements in his speech at the triennial conference of the National Fellowship of Indian Workers at Estes Park, Colo., on July 11, 1955. A copy of that speech is enclosed and your attention is called particularly to page 7, et seq., wherein he outlined in broad terms the long-range goals and the broad principles of how they should be attained. At present, guidelines to implement the Commissioner's policy are being prepared for the field staffs.

We are also enclosing a copy of the report on conditions on Hill 57 prepared by the Billings Area Office which you requested orally from the Area Director.

If you wish any additional information, we shall be glad to supply it.

Sincerely yours,

WESLEY A. D'EWART,
Assistant Secretary of the Interior.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., December 29, 1955.

Mr. GLENN L. EMMONS,
Commissioner, Bureau of Indian Affairs, Department of the Interior, Washington, D. C.

DEAR COMMISSIONER EMMONS: During hearings and meetings with Indian leaders this summer, we became aware of the need for the assistance and guidance which only relocation officers can give Indians desirous of leaving their reservations.

We heard of many Indians who left their reservation only to return in a short time because they had had no or inadequate briefing on what to expect outside.

Such incidents are unfortunate, because they discourage other Indians from leaving the reservation to take their rightful place in our society. As you know, the Indian land base is so small that it complicates the general problem of continuing to care for our Indians on reservations.

At the other end of the line is the community in which the Indian locates. There, too, a lack of knowledge of our ways on the part of the Indian, an inability to support himself in many cases because he had no vocational guidance, creates a welfare burden.

A relocation program would help both the Indian and the community in which he locates.

The one trained relocation officer in Montana is grievously overworked. There should be one on each reservation in the United States.

Very truly yours,

JAMES E. MURRAY,
United States Senator.
MIKE MANSFIELD,
United States Senator.
LEE METCALF,
Member of Congress.

[From the Great Falls (Mont.) Leader of January 2, 1956]

PLIGHT OF INDIAN FAMILY HERE OFFERS NEAR PERFECT EXAMPLE OF PROBLEM FACING UNITED STATES

In a 14 by 14 foot room on the rise to the north of the Anaconda Co. wire mill an Indian family of seven persons at present is existing.

The family of Isaiah Benson, a Cree, married to an Assiniboine ward of the Government from the Fort Belknap Indian Reservation, represents an almost perfect example, not only of human suffering, but of a problem facing Congress, the United States Department of the Interior's Indian Bureau, and State and local welfare agencies.

The problem was studied at a hearing conducted here last summer by ORVIN B. FJARE and LEE METCALF, Montana Congressmen, and other representatives of Federal and State Agencies.

Benson's 5 children range from a girl, 2, to a boy, 16.

The room's furnishings consist of 2 wood stoves, 2 cots, and a few dishes.

Visitors to the room either sit on the cots or stand.

Benson knew his first name, Isaiah, had some religious significance.

Isaiah, of course, is the prophet of Christmas time, who prophesied the virgin birth of Christ and who gave the most vivid prophecy of the passion of Christ.

There was not one indication of Christmas in the room, not a branch of fir or a toy. The food was a few crackers in a box and these were kept for the baby girl.

The Benson's story of the past several months is that things were very difficult on the Fort Belknap Reservation and the family has been wandering over Montana, with Benson seeking work. At Inverness this fall the family were briefly exposed to school.

Benson said the boys developed sores and the teacher asked that they see a doctor before they returned to school. He said he had no car then and as the nearest doctor was 45 miles away, the children were kept out of school.

This Christmas season he pursued his will-o'-the-wisp chase for a job here and arrived penniless. He is being trusted for the rent money. His car was stolen after the family arrived here and was recovered at Dutton. At present it is impounded pending payment of charges for its return here, Benson said.

Mrs. Benson said it is needed for hauling water, though she has nothing to wash clothing in.

And this is one more problem family on Great Falls' doorstep, and other Montana communities confront the same problem.

The solution still is being sought by Federal and State officials.

The Salvation Army, always burdened with the desire to help the unfortunate, helps such families with emergency supplies.

The County Welfare Department, when requested, extends limited emergency relief. Benson said a welfare worker had promised to call.

While the family's photo was being taken a car stopped outside the cabin.

Two women carried several boxes of food into the room.

The women, when asked, said they were members of the Carpenters Union Auxiliary. They explained the auxiliary carries on a year-around project helping unfortunate families.

A number of women in Great Falls church organizations carry on similar charitable work, as do some individuals. Lucky, too, for without such aid families like the Bensons would starve.

Congress meets Tuesday soon will be studying the reports of the committee who investigated the problem this summer.

UNITED STATES SENATE,
COMMITTEE ON FOREIGN RELATIONS,
January 6, 1955.

Hon. WESLEY A. D'EWART,
Assistant Secretary of the Interior, Department of the Interior, Washington, D. C.

DEAR MR. D'EWART: In response to your letter of December 2, 1955, relative to certain questions which I raised in reference to the dislocated Indians on Hill 57, I wish to state that while I appreciate the answers to the questions raised, I do not think that they indicate that the policy of the Interior Department is in accord with the facts. It appears to me that insofar as these first Americans are concerned, we should lean over backward to see to it that they are given every consideration and that humanitarian motives vis-a-vis their welfare, education, and economic status should be given primary consideration.

In recent years the Department of the Interior and the Federal Government have established a policy of gradual termination of Federal control over the American Indian; in brief, writing off its obligations and responsibilities to these people. The basic idea of assimilating the Indian into our society is proper, but it must be done with restraint and careful execution. Under the present program I feel that this is not being done. We must remember that the Indian is the historical responsibility of the Federal Government and this cannot be discarded lightly.

Too many sharp divisions and uncompromising policies exist under the present program. There are a number of Indian tribes and individuals who have been and are capable of being relieved of Federal guidance. This is proper in every respect.

What disturbs me about the present situation is the apparent eagerness on the part of the Interior Department officials to promote relocation and movement off the reservation, knowing full well that according to present policy the Indians will no longer be wards of the Federal Government and consequently ineligible for Federal aid. Hasty action in these matters only adds to the overburdening of State and local governments and discredits the Federal Government.

Conditions among many of the off-reservation Indians are deplorable. State and local welfare agencies are unable to provide all the necessary assistance. An Indian on a reservation has an opportunity to fight for his rights, but once he leaves, he has lost all. We must remember, an American Indian is an Indian and an American on or off the reservation.

As you know, in Great Falls, Mont., we have Hill 57, a settlement of poverty-stricken Indians. It is not necessary to elaborate on these conditions, for I believe the situation has been adequately covered by reports from the area office of the Bureau of Indian Affairs and other local sources.

These Indians do not live on a reservation so they must rely on local aid and private donations, which are not sufficient. These Indians are citizens of the United States and in most cases have a history as enrolled Indians in several different tribes. There is a small number who migrated from Canada, not the majority as stated by Department officials on several occasions. Our files contain great quantities of information from the Bureau of Indian Affairs and local sources substantiating the origin of these particular Indians.

These people cannot and are not prepared to go out into society and compete with the other citizens of the Nation. They need education, improved health facilities, and adequate opportunities for economic progress. This is a long-range program in need of much planning and study. The Bureau of Indian Affairs has indicated that they are in the process of dealing with these problems

on the reservation, but what about the off-reservation Indian who is in need of assistance to prepare for his own livelihood?

All indigent Indians should be the responsibility of the Federal Government, regardless of tribal affiliation or location.

I want to reemphasize the dire needs of the Indians on Hill 57, and strongly urge that the Department reverse its present stand in opposition to pending legislation, H. R. 7433 (S. 2556). This legislation would provide immediate aid for these Indians.

The Department of the Interior can be assured of my wholehearted support of any additional legislation necessary to provide assistance for these Indians.

With best personal wishes, I am

Sincerely yours,

MIKE MANSFIELD.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. MANSFIELD. I am delighted to yield.

Mr. LANGER. First, I wish to compliment my distinguished friend from Montana upon the very able statement he has just made.

Mr. MANSFIELD. I thank the Senator from North Dakota.

Mr. LANGER. The Senator from Montana is absolutely correct when he says that the plight of these Indians is deplorable. As a member of the subcommittee on juvenile delinquency, I went, as a committee of one, into Arizona, New Mexico, California, Montana, North Dakota, and South Dakota. I was accompanied a part of the time by the senior Senator from Tennessee [Mr. KEFAUVER], and a part of the time by Representative BERRY, of South Dakota. The situation which has been described by the junior Senator from Montana is absolutely true.

For example, in one reservation in North Dakota and in one in Montana, there were 600 unenrolled Indians, apparently wandering from one State to another, trying to find something to do. I think the Senator from Montana is familiar with that condition.

Mr. MANSFIELD. I certainly am.

Mr. LANGER. We have had the Indian matter under consideration time and again. The situation is still very unsatisfactory. As the Senator from Montana so well knows, because we have discussed it before, for every single white child who dies of tuberculosis, between 30 and 40 Indian children die of that disease.

Mr. MANSFIELD. If the Senator from North Dakota will yield to me, in return, at this particular point, I should like to say that among the northern Cheyennes, in southeastern Montana, the highest tuberculosis rate of the entire country exists. The northern Cheyennes are called the race of sorrows, and we are doing nothing to remedy the condition. They are living by themselves, and the Department of the Interior has no sympathy at all for the plight in which those Indians find themselves.

Mr. LANGER. That is not the only place where Indians have been neglected. As the Senator well knows, in Arizona, near Tucson, or within a hundred miles of Tucson, a hospital belonging to the Papago Tribe burned in 1947. The hospital was never rebuilt, and nothing at all has been done about it, apparently. In the investigation, Dr. Clarence G. Salsbury testified, as did Governor McFarland, of Arizona, and also the attorney general of New Mexico. It developed from the testimony of the doctor, the head of the board of health, that of every 100 Indian children born since the hospital burned, 17 died before they were 1 year old; 42 of them died before they were 6 years old; and 52 died before they were 17 years old.

I returned that report to the senior Senator from Tennessee [Mr. KEFAUVER]. We then contacted the senior Senator from Arizona [Mr. HAYDEN] and the junior Senator from Arizona [Mr. GOLDWATER], and the senior Senator from New Mexico [Mr. CHAVEZ] and the junior Senator from New Mexico [Mr. ANDERSON].

The Department of Health, Education, and Welfare then examined into this Indian problem and sent a man to investigate. He spent between 3 and 4 hours there.

The senior Senator from Arizona, who is now on the floor, immediately offered an amendment to a deficiency appropriation bill, providing $250,000 to start the immediate construction of a hospital. Furthermore, in the coming year, between $1,500,000 and $1,600,000 will be spent to complete the hospital. That is a magnificent piece of work on the part of the Senators from Arizona and the Senators from New Mexico. I have before publicly complimented those Senators on the fine job they did.

But that is only one situation. All over the country there are Indians who are in desperate circumstances. In New Mexico there are 16,000 Indians who cannot speak any English, because they have not been to school. Governor McFarland said there were in Arizona about 8,000 Indian children of school age who were not attending school. In California there are about 25,000 Indians from about 100 tribes who are in similar circumstances.

So it has been decided that the best way to handle the entire matter is to introduce a bill which will provide the Department of the Interior with sufficient funds, for once, properly to take care of the relatively small groups of Indians in the United States.

When John Collier became the Indian Commissioner, the Indian population was about 232,000. As the Senator from Montana knows, Mr. Collier found Indians who were graduates of Harvard and Yale whom he added to the rolls. He found several thousand Indians in New York, Minneapolis, and St. Paul. Some of them were lawyers and doctors. He placed them all on the lists, until the Indian population had been expanded to about 400,000. Many of those Indians are self-supporting.

It seems to me that a great government such as ours, which can send billions of dollars in aid to foreign countries should be able to take care of, roughly, two or three hundred thousand Indians.

I will help the Senators from Montana in this instance all I can. I know that that is the attitude also of the Senators from South Dakota and also of the junior Senator from North Dakota [Mr. YOUNG.]

I could stand here and give illustration after illustration.

At Rolla, N. Dak., there was an insane Indian woman who lived on the second floor of a house. She stayed there for months, living in filth and squalor. It was not until an investigation was made that something was done about the situation by the Department of the Interior.

I shall not go into further details; but when the bill comes up for consideration, I shall join with the Senator from Montana in making certain that, at least, justice will be done to those people.

Mr. MANSFIELD. I thank the Senator from North Dakota. I am only sorry there is not some way of providing more desirable living accommodations for the Indians of Montana—and I am sure the Indians of many other States, as well—who now live under such deplorable conditions. While I am only talking about Hill 52 at this particular time, there are "shanty towns" at Helena and Havre which are a disgrace. Congress ought to take action promptly to improve the welfare of these first American citizens.

Mr. O'MAHONEY. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. O'MAHONEY. I wish to compliment the junior Senator from Montana, and also his colleague, the senior Senator from Montana [Mr. MURRAY], who is the chairman of the Committee on Interior and Insular Affairs, for having presented the matter of which the junior Senator from Montana now speaks to the entire committee at its last session. They did so in a very forceful and persuasive manner.

The committee reported a bill which was agreeable to the Senators from Montana, and the passage of the bill by the Senate followed very speedily. The failure to secure legislation was due to the fact that the bill apparently was not passed in time to secure action upon the floor of the House, where, if I am correctly advised, objection in the closing days was raised.

I wish to have the RECORD made clear that the Senate has followed the recommendation of the junior Senator from Montana and his senior colleague in this matter. The Subcommittee on Indian Affairs was wholly convinced that the conditions which the Senator has been describing this morning existed upon that reservation, and that it was the responsibility of the Federal Government and the Bureau of Indian Affairs to handle the matter.

I shall be very glad to do anything I can, in private conversation with the leaders of the House, to endeavor to secure current action in that body.

Mr. MANSFIELD. I thank the distinguished Senator from Wyoming, my friend of many years, and the chairman of the Subcommittee on Indian Affairs, who handled this proposed legislation in the Senate.

Mr. President, I yield the floor.

PATENTS ISSUED TO AL SARENA MINING CO.

Mr. NEUBERGER. Mr. President, the subcommittee on legislative oversight of the Senate Interior Committee, on which I am privileged to serve, and the subcommittee on public works and natural resources of the House Government Operations Committee, are currently holding public hearings on the highly unusual procedures by which certain mining patents were issued to the Al Sarena Mining Co., by the present Secretary of the Interior, Mr. Douglas McKay, after they had previously been repeatedly denied by the Department under earlier administrations.

These hearings have received considerable attention from the press. The important issue at stake is whether, by extraordinary administrative procedures—or rather disregard of procedures—a favored applicant has been given a bonanza in standing timber in the Rogue River National Forest under the guise of patenting mining claims which are actually almost worthless. Such manipulation of technically legal administrative powers is beginning to be recognized as characteristic of the "giveaway" attitude of the present administration, toward the natural resources temporarily entrusted to its care.

As an example of this recognition, Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an editorial from today's edition of the Washington Post and Times Herald—a pro-Eisenhower newspaper—on the subject of the Al Sarena hearings, and an article by Mr. Russell Baker, from the New York Times of January 12, 1956, on the same subject.

There being no objection, the editorial and article were ordered to be printed in the RECORD, as follows:

[From the Washington Post and Times Herald of January 12, 1956]

ON THE STUMP

In the Al Sarena timber mining hearings which began on Wednesday before a joint congressional committee, the Democrats have unveiled one of their most formidable campaign issues to date. There is a prima facie case of profligacy against the administration quite substantial enough to warrant the most thorough probing. And the importance to the Nation of the natural resources involved makes the issue an extremely dramatic and significant one.

The gist of the Democratic charge in this case is that the Secretary of the Interior, or at any rate, his responsible subordinates, permitted a private company to cut timber in Oregon's Rogue River National Forest on the pretext of a mining claim invalidly obtained. A mining claim affords title to the standing timber, which is sometimes a great deal more valuable than the supposed mineral resources beneath it. Indeed, this is allegedly the case in the Al Sarena claim, which, according to Democratic critics, was obtained through a fraudulent assay of the gold and silver deposits asserted to be under the forest soil. It appears to be a fact that the Al Serena claim was denied a couple of times by Democratic predecessors of Secretary McKay on the ground that an assay of the subsurface gold and silver deposits did not justify the granting of mineral patents but that the incumbent administration granted the patents on the basis of an assay made by a remote firm unqualified to make it. The claimants are said to have garnered a profit in the neighborhood of half a million dollars, regardless of mining operations.

It is too early to judge the merits of this controversy. Mr. McKay has replied that the charge is a political smear; and, in a campaign year, it needs to be analyzed skeptically. The Democrats for a long time have been accusing Secretary McKay and his Department of engineering a "giveaway" program. The series of articles by Warren Unna, currently appearing in this newspaper, offer an examination and appraisal of this accusation. The hearings now in progress should do a great deal to illuminate it, if not to prove it conclusively. A demonstration that the Interior Department actually has been guilty of playing fast and loose with timber resources, with fish and wildlife refuges, with dam sites and with grazing lands, would leave a larger black mark on the Eisenhower administration than the stain given to the Truman administration by mink coats and deep freezers.

[From the New York Times of January 12, 1956]

MINE CONCERN GAINED $110,000 ON PUBLIC TIMBER, DEMOCRATS SAY

(By Russell Baker)

WASHINGTON, January 11.—Democratic congressional investigators charged today that the mining claim awarded to Al Sarena Mines by the Department of the Interior had yielded the company a $110,000 windfall in public-land timber.

Al Sarena received the right to mine silver and gold from Oregon National Forest land 2 years ago, but it has not yet done any mining at the site, said Representative EARL CHUDOFF, Democrat, of Pennsylvania.

The company has, however, cut more than 2 million board feet of timber in that period, according to Robert Redwine, chief counsel for the joint Senate-House investigating subcommittee.

Al Sarena was able to take the timber under a Federal mining law that gives claimholders on public lands the right to timber above ground.

Republicans on the subcommittee, who vigorously protested that the Al Sarena investigation was politically inspired, disputed Democratic estimates of the company's timber windfall.

The National Forest Service estimated in 1949 that the total value of all timber on the claims was only $77,000, the Republicans contended.

Throughout today's 5-hour session, the Republicans hammered away at the theme that the investigation was actually a veiled assault on the whole Eisenhower administration and, particularly, on Douglas McKay, Secretary of the Interior.

They contend that it is part of an attempt to smear Mr. McKay as a man who has used his office to give away public resources to private interests.

In one of the day's many flareups, Senator W. KERR SCOTT, Democrat, of North Carolina, and subcommittee chairman, announced that Mr. McKay would be called later to tell his side of the story.

"Yes," Representative CLARE HOFFMAN, Republican, of Michigan, replied. "After he's been smeared all over the place."

At the end of the day, Senator SCOTT declared that he intended to carry out the investigation thoroughly in spite of the repeated cries of politics and smear.

Mr. HOFFMAN countered with a three-page statement outlining the Republican objections in bitter terms and accusing the Democratic members and staff of having passed from "character assassinations to * * * conduct bordering on legislative committee lynching."

Among other charges, Mr. HOFFMAN accused the Democrats of bias and cowardly tactics; of making inflammatory, prejudiced statements; of relying on "New Deal smear artists"; of abusing the Constitution; of maligning a private company's reputation and of abandoning civil liberties, basic concepts of justice, and ordinary courtesy and decency.

Much of the day was spent in partisan quarreling and issuance of prepared statements and letters from interested Senators. These activities took up so much time that little progress was made in questioning witnesses and developing the case.

The case had its beginning during the Truman administration when Al Sarena, which has its home offices in Mobile, Ala., first applied for mining rights in the Rogue River National Forest near Medford, Oreg.

At that time, assays of the ore showed that the ground could be expected to yield only about 87 cents a ton in silver and gold.

Oscar Chapman, then Secretary of the Interior, held up the claim. Under mining law, the Government is bound to grant claims on public land only if the anticipated return is judged high enough to make the venture commercially feasible for a prudent man. An 87-cent-a-ton return, under almost any mining conditions, is regarded as negligible.

In late 1953, after Mr. McKay had taken over the Interior Department, Bureau of Mines officials in Spokane, Wash., were notified that Al Sarena agents would again take ore samples from the site.

Those samples were assayed by the A. W. Williams Testing Co. of Mobile. The assay report showed that the site might be expected to yield an average of more than $2 a ton in gold and silver.

On the basis of this report, Al Sarena received its claims. Since then, it has been cutting Douglas fir and sugar-pine timber at the claim site, but doing no mining, according to testimony.

DISCREPANCY IN TESTS QUESTIONED

The invesigators are curious about why the 1953 assays showed a much higher gold and silver content in the soil than the 1949 tests. They have also questioned why Al Sarena insisted on having the assaying done by a Mobile concern, whereas the standard practice of Northwest prospectors is to send their samples to west coast assayers.

The witnesses today included Malcolm E. Volin, who had been regional chief for the Bureau of Mines in Spokane when the 1953 samples were taken from the forest.

Mr. Volin testified that this operation was unique in his experience with the Bureau. Normally, it was explained, mining claims were the province of the Bureau of Land Management, not the Bureau of Mines.

Mr. Volin said he received a set of instructions, originating with Clarence A. Davis, Under Secretary of the Interior, for overseeing the Al Sarena sampling.

The instructions, he said, specified that the samples should be assayed by a firm mutually acceptable to himself and to Al Sarena.

After the samples were taken, he said, he proposed sending them to either of two reputable west coast assaying companies. Al Sarena, he said, objected to both companies and proposed the A. W. Williams Co. in Mobile.

Mr. Volin agreed, after checking the William Co.'s reputation with a Bureau of Mines representative in the South.

"If I had not had the instructions which made it necessary to reach an agreement with the mining company about the assayer, I would have sent the samples to one of the west coast firms," he said.

Yesterday, the committee staff produced a letter from the General Services Administration stating that the Williams Co.'s work for

it had in the past been incorrect and inadequate.

No matching samples were kept by the Bureau of Mines to check against those tested by the Williams Co. in case of dispute, Mr. Volin testified.

Richard N. Appling, Jr., the Bureau of Mines agent who actually watched the sample-taking, testified that on the spur of the moment he had decided to take a set of matching samples.

But these, he said, were taken solely against the possibility that those mailed to Mobile might be lost in transit.

When he received the Williams report, he said, he dumped his set in the Rogue River. They had never been intended as check samples, he said.

Mr. Volin said that he saw nothing irregular about this. After looking at the Williams report, he said, he thought that the samples showed only a very low grade mineral content.

The hearing was recessed until next Tuesday.

TWO HUNDRED AND FIFTIETH ANNIVERSARY OF THE BIRTH OF BENJAMIN FRANKLIN

Mr. O'MAHONEY. Mr. President, will the Senator from Oregon yield?

Mr. NEUBERGER. For what purpose?

Mr. O'MAHONEY. I desire to ask him to let the Senate proceed to the consideration of two noncontroversial resolutions, which have been unanimously reported by the Committee on the Judiciary, and which must be passed very speedily if they are to be at all effective.

One of the resolutions has to do with extending felicitations of the Congress to the States of Massachusetts and Pennsylvania for their action in celebrating the 250th anniversary of the birthday of Benjamin Franklin, which will take place on the 17th of January 1956. I am afraid that the birthday anniversary of Benjamin Franklin will have passed before action can be taken on the two resolutions on the calendar.

I am merely asking the Senator from Oregon if he will suspend his speech until the Senate can agree to the two concurrent resolutions.

Mr. NEUBERGER. I yield to the distinguished Senator from Wyoming for that purpose.

Mr. O'MAHONEY. I thank the Senator from Oregon.

Mr. President, the first concurrent resolution to which I referred is Calendar No. 1368. I ask unanimous consent——

The PRESIDING OFFICER. The clerk will state the concurrent resolution by title.

Mr. O'MAHONEY. I ask unanimous consent first that the pending business be laid aside so that the concurrent resolution may be considered.

The PRESIDING OFFICER. There is no pending business.

Mr. O'MAHONEY. I was misinformed by the Senator from Texas.

Mr. JOHNSON of Texas. H. R. 2889, to provide for the conveyance of certain land in Necedah, Wis., to the village of Necedah, is pending.

The PRESIDING OFFICER. The Chair is informed by the Parliamentarian that H. R. 2889, which is the unfinished business, will come before the Senate automatically at 2 o'clock, and not before that time.

The House Concurrent Resolution 199 will be stated by title.

The LEGISLATIVE CLERK. A concurrent resolution (H. Con. Res. 199) extending felicitations of the Congress to those participating in the celebration of the 250th anniversary of the birth of Benjamin Franklin.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. O'MAHONEY. Mr. President, 2 resolutions to this effect were introduced, 1 in the House and 1 in the Senate. The Senate concurrent resolution was submitted by the 2 Senators from Massachusetts [Mr. SALTONSTALL and Mr. KENNEDY], by the 2 Senators from Pennsylvania [Mr. DUFF and Mr. MARTIN], and by the Senator from Rhode Island [Mr. GREEN]. The House concurrent resolution, however, was agreed to last Thursday by the House of Representatives. So the Senate Committee on the Judiciary set the House Concurrent Resolution 199 ahead of the Senate concurrent resolution. They are identical in purpose. The committee unanimously recommended the adoption of the concurrent resolution. There has been no objection. I move that the concurrent resolution be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Wyoming.

The motion was agreed to.

The concurrent resolution (H. Con. Res. 199) as agreed to, is as follows:

Resolved by the House of Representatives (the Senate concurring), That the Congress extends its greetings and felicitations to all those who are participating in the commemorative ceremonies being held in Boston, Mass., and in Philadelphia, Pa., on the occasion of the 250th anniversary of the birth of Benjamin Franklin. The Congress joins with them and with all the people of the United States in expressing its appreciation of the great and indispensable part which Benjamin Franklin played, through his great and varied accomplishments in many fields, in the founding of our Nation and the establishment of a sound basis for the progress and development which our Nation has enjoyed over the years.

The preamble was agreed to.

Mr. SALTONSTALL. Mr. President, will the Senator from Wyoming yield?

Mr. O'MAHONEY. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. House Concurrent Resolution 199, extending the felicitation of Congress to the States of Massachusetts and Pennsylvania has to do with events which will take place in Boston and in Philadelphia in connection with the celebration of the 250th anniversary of the birth of Benjamin Franklin. I wish, through the Senator from Wyoming, to thank the Committee on the Judiciary for the action it has taken on the resolution.

The Senators from Pennsylvania and the Senators from Massachusetts submitted a similar resolution in the Senate. The resolution which came from the House is identical. We appreciate the prompt action, because certain events are going to take place and certain medals have been struck off by the Federal Government which are to be given to the appropriate societies and appropriate Government officials, both in Boston and in Philadelphia, very soon. So we appreciate this action on the part of the Congress.

Mr. O'MAHONEY. Mr. President, let me say that the adoption of the resolution will not involve the expenditure of any Federal funds. The action the resolution now calls upon the Congress to take can be transmitted to the States of Massachusetts and Pennsylvania under a congressional frank. So there will be no Federal expenditure.

Mr. MARTIN of Pennsylvania subsequently said: Mr. President, the name of Benjamin Franklin is a household name in Pennsylvania. He is a part of our past, our present, and our future.

He has been described as "the patron saint of Pennsylvania" and certainly he is the alltime number one citizen of our commonwealth.

He was born in Boston, Mass., January 17, 1706, the youngest son of Josiah Franklin and his second wife, Abiah. The father, a dyer and tallow-chandler, had sired 17 children.

Benjamin Franklin became a Pennsylvanian by his own choosing. He came from Boston to Philadelphia at the age of 17, and within a matter of weeks had made his presence felt.

Franklin's formal schooling was brief, but, as every school child knows, his self-education was enormous. He assisted his father in the candlemaking business, went to a school for writing and arithmetic, was apprenticed in the printing trade, and became an erudite scholar, learning foreign languages and Latin.

Soon after his arrival in Philadelphia, as a teen-age journeyman printer, he came to the attention of Pennsylvania's Governor Keith, who made him a proposition to become the public printer. After a trip to London and his marriage to Deborah Reed, he became public printer of all the Colonies in the middle area.

The rest of his inspiring career is known in detail by every American. He organized and headed literary, scientific, and political groups, did the staff work and thinking for the Revolutionary military officials, signed the Declaration of Independence, the Federal Constitution, and the treaty of peace with England. In addition, he was Ambassador to France, the founder of the University of Pennsylvania, and the Pennsylvania hospital, which is now the oldest hospital in America. He was brilliant and hard-working; a scholar, a discoverer and an inventor, laboring on all manner of inquiries and projects, from his kite experiment with electricity to his most profitable venture, Poor Richard's Almanac.

He was twice Governor of Pennsylvania: First as president of the Pennsylvania Committee of Safety which wrested control of the Commonwealth from the provincial governors, even before the Revolutionary War, and the second time as president of the Supreme

Executive Council. His son, William, became Governor of New Jersey.

While Gov. Benjamin Franklin served as a delegate to the Convention which framed the Constitution of the United States. Franklin College was named for him during his lifetime. It has since become Franklin and Marshall College.

Franklin died 2 years after he left office as governor, and the intelligence of his death created a profound sensation throughout America and in Europe, where his name was greatly revered.

Franklin and his wife now rest in the Christ Church burial ground in old Philadelphia, with other members of the Franklin family.

Their grave is covered by a plain flat stone with the simple inscription: "Benjamin and Deborah Franklin—1790."

Pennsylvania humbly and proudly pays tribute to this great American, among the greatest of all Americans, on the 250th anniversary of his birth, and solemnly and prayerfully joins in the commemoration.

Mr. MALONE. Mr. President, will the Senator from Pennsylvania yield?

Mr. MARTIN of Pennsylvania. I shall be glad to yield to the Senator from Nevada.

Mr. MALONE. I should like to ask the distinguished Senator from Pennsylvania if he remembers the question asked of Benjamin Franklin when he was called out of the Constitutional Convention at Independence Hall. It seems that lately we get our terms mixed. We get democracy mixed up with "democratic form of government." Franklin was asked by a lady when he emerged from the Convention Hall, "Well, Doctor, what have we got—a republic or a monarchy?" Then Dr. Franklin, with his usual forthright method of speaking, said, "A republic, if you can keep it." Does the Senator remember that quotation?

Mr. MARTIN of Pennsylvania. Mr. President, the distinguished Senator from Nevada, according to my memory, has correctly quoted the distinguished Dr. Franklin when he was called out from the Constitutional Convention.

Mr. MALONE. I thank the Senator from Pennsylvania.

NATIONAL JUNIOR ACHIEVEMENT WEEK

Mr. O'MAHONEY. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1367, Senate Concurrent Resolution 59.

The PRESIDING OFFICER. The clerk will state the concurrent resolution by title.

The LEGISLATIVE CLERK. Concurrent resolution (S. Con. Res. 59) requesting the President to issue a proclamation designating the week of January 29, 1956, through February 4, 1956, as National Junior Achievement Week.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. O'MAHONEY. Mr. President, the organization sponsoring National Junior Achievement Week came into being about 1942. It is an organization sponsored by businessmen on a nationwide basis to encourage the study of business practices by students in the local schools. The organization has made a request that the week of January 29, 1956, through February 4, 1956, be declared National Junior Achievement Week by the President of the United States.

The concurrent resolution in the Senate was submitted by the majority leader, the Senator from Texas.

There is no objection to the concurrent resolution, and I hope it will be agreed to. I so move.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Wyoming.

The motion was agreed to.

The concurrent resolution (S. Con. Res. 59), as agreed to, is as follows:

Resolved by the Senate (the House of Representatives concurring), That the President of the United States is requested to issue a proclamation designating the week of January 29, 1956, through February 4, 1956, as National Junior Achievement Week and urging all citizens of our country to salute the activities of Junior Achievers and their volunteer adult advisers through appropriate ceremonies.

The preamble was agreed to.

Mr. O'MAHONEY. I thank the Senator from Oregon very sincerely for his courtesy in yielding.

Mr. NEUBERGER. Mr. President, I have been happy to yield to my distinguished friend the Senator from Wyoming.

FREE PRESS IN UNITED STATES MUST BE SAFEGUARDED FROM GOVERNMENTAL PRESSURE AND COERCION

Mr. NEUBERGER. Mr. President, in our historical tradition, no area of American life has been more firmly held beyond the limits of governmental concern than the means of expression secured by amendment I to the Constitution of the United States—the rights of free expression, whether religious of secular, by speech or by the press.

In recent days, there has been widespread concern over a congressional investigation which, in the face of this heritage, has appeared to claim a congressional concern with the last named of these—the press. Mr. President, as one who has been a journalist and a writer throughout his adult life, I believe the time has come for a brief statement about the necessity of preserving the freedom of the press and about the danger to all our political freedoms implicit in any governmental investigation of the press or its personnel.

CONGRESS SHARES RESPONSIBILITY FOR PRESERVING FIRST AMENDMENT FREEDOMS

I should like to emphasize at the outset that we must recognize the guaranties enshrined in the first amendment as a beacon of policy, not merely as an irksome constitutional barrier. Too often, in the pursuit of some goal of apparent immediate importance, Congress seems to press to the limits of its powers, and perhaps beyond, leaving it to the courts to determine whether and where the barrier may have been breached. Yet, Mr. President, the freedoms to which the founders of this Nation accorded first place in our Bill of Rights represent the very heart of what sets us apart, as a free society, from our enemies, past and present. They are the crux of our claim to leadership. Their protection and promotion are the responsibility of the Congress and the Executive, as much as of the courts.

Investigation, like legislation, cannot be justified merely by the existence of some technically adequate source of power, some possible theory of legality. No doubt, Congress can and does often legislate in areas which affect the press. Newspapers are businesses. They pay taxes; they use the mails; they engage in collective bargaining. Information about the operation of a newspaper may be as relevant as that about any other business for congressional legislation in such matters. But if Congress begins to seek information on the characteristics and background of journalists and other newspaper personnel, we move onto dangerous ground.

PRESS SHOULD NOT BE INVESTIGATED UNDER GUISE OF EXPOSING COMMUNISTS

In my opinion, no arm of government ought to undertake an investigation of any segment of the press unless it can be affirmatively shown that our traditional press liberties have been abused in violation of law or in another manner adverse to the public interest.

Of course, Mr. President, the hearings which have recently been concluded, but which may be revised soon, I understand, have been defended as an investigation not of the press, but of communism. We have recently lived through a period when, apparently, any person or institution could be pilloried by investigation if charged in any quarter whatsoever with alleged communism. There have been investigations of charges of Communist infiltration into churches, but, of course, not an investigation of churches. Yet, Mr. President, under the open-book charges now in vogue, what is to prevent a committee which is bigoted against a certain church or religion from looking for communism in that particular church? Is this not carte blanche for committees of varying views to investigate trade unions, banks, colleges, libraries, telephone exchanges, fish hatcheries, schools, or temperance groups—all, of course, in the name of ferreting out communism? Can we separate an investigation of alleged communism among the staff of certain newspapers from an investigation, per se, of those papers? How are newspapers selected for an investigation of alleged communism on those papers? What if some other committee decided to probe alleged disloyalty on the staffs of certain newspapers which were suggesting opposition to a unanimous verdict of the United States Supreme Court?

DANGER OF SINGLING OUT NEWSPAPERS FOR INVESTIGATION

Yet what can be the significance of searching out and questioning newspaper employees whose background may include Communist associations, if it is not the implication that the presence of these employees has somehow affected the editorial practices and policies of a newspaper? If it is not the press which is being investigated, then why look for Communists or ex-Communists specifically among newspaper employees at all, any more than specifically among lawyers or farmers or nurses or musicians? Is it not Russia which has government control of its press?

The personnel of a free press probably represents a fair cross-section of society. Saints and sinners are undoubtedly present in the same percentage in the city room of a newspaper as they are in a garage, a beauty parlor, a railroad roundhouse, or a government agency.

In the 1930's a number of misguided people, perhaps disheartened by the mass suffering of the great depression, committed themselves temporarily to the totalitarian and oppressive theories of international communism. In due course, some of these people have turned up on the staffs of newspapers—just as others may be operating trolley cars, performing surgical operations, or selling cans of soup and vegetables.

But, Mr. President, it is both wrong and dangerous to encourage the inference that occasional newspaper employees with Communist backgrounds have shaped the press into a tool of a totalitarian conspiracy. It is wrong, because it takes no congressional investigators to know that the exact opposite is the case. It is dangerous, because it points the way to coercive pressure on the editorial policies of any newspaper which offends temporarily anyone in the position to investigate. It creates the threat that, by the very act of investigating one newspaper and not another, a congressional committee or grand jury may single out a segment of the press which reports facts or favors editorial policies not in agreement with those of a particular committee or prosecutor. Once started, such a course could be never-ending.

A committee in favor of public power could probe the personnel of a newspaper sympathetic to the private utility companies. A committee with a majority favorable to racial integration might decide to question the employees of a newspaper which promoted continued segregation in the public schools. If a newspaper supports liberalization of our immigration laws, a committee opposing that step may decide to investigate whether foreign-born citizens have conspired to infiltrate the press. When many newspapers supported the 21st amendment, should congressional supporters of continuing prohibition have undertaken an investigation of alcoholism among journalists and linotype operators?

Would such investigations be in the public interest? I think not. Quite to the contrary, they would put at the mercy of congressional committees the press freedom and integrity which ought never to be invaded by any arm of Government, at any level whatsoever.

The danger was well stated by the distinguished columnist, Mr. Walter Lippmann, in the Washington Post and Times Herald of January 10, 1956. Mr. Lippmann wrote:

The crucial question posed by the Eastland committee is whether Congress has the power to censor the individual employees of a newspaper. If a congressional committee has that power in case of employees who are, have been, or are charged with being Communists, what is to stop future congressional committees from censoring newspaper employment on other grounds? Let the political climate change, let it become again like that of the thirties, on what legal ground is Congress to be challenged if it chooses to investigate the influence on the press of corporate interests, if, for example, it demands a public accounting of the financial connections and interests of publishers, editors, and reporters?

Mr. President, I ask unanimous consent that Mr. Lippmann's column be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CONGRESS AND THE PRESS

(By Walter Lippmann)

The Eastland subcommittee announced last week that "this phase of our hearing is closed for the present." This phase has had to do with Communist infiltration of the newspaper press, and the specific target has been the New York Times.

The committee has shown that over a period of some 20 years, there have been employed on the Times some 30 men who have at one time or another been Communists. Considering that there are now more than 4,000 employees, considering how many thousands more must have worked for the Times in the course of 20 years, the percentage of the infiltrators has been minute. More significantly, almost all of them have held quite subordinate jobs, and none of them has had nearly enough editorial authority to exercise any discernible influence upon the news and opinions of the newspaper.

The objective test of whether there has in fact been infiltration is whether or not the pages of the New York Times show any evidence of the suppression or distortion of news by the members of the staff. If the paper had, indeed, been subverted, any competent investigator would have been able to point to the evidence that the Communist infiltrators had served their cause in the pages of the New York Times. As the Eastland committee has offered no such evidence, has not even hinted that it could offer such evidence, it is as certain as anything can be that there is no such evidence.

What the hearings have shown is that the paper has at one time or another employed a very small number of Communists, and that these Communists have not infiltrated, have not in any visible way subverted, what the paper has thought fit to print.

But while the investigation of the New York Times is a dud, the affair of this investigation has raised a hard question about the freedom of the press and about the rights and duties of newspapermen. Does Congress have the power to investigate the press, and if it has, what if any are the limits of that power? There is no clear and authoritative answer to the question for the very good reason that it is in American experiences a radically new question. Not for many generations, if ever before in our history, has any organ of Government claimed the power to examine and to pass judgment upon who shall work on newspapers.

The law on the subject has not been tested and it is not clear. Judicial opinion ranges from that of Judge Prettyman's decision in the Barsky case, which is that Congress may investigate whatever it suspects is a public danger, to the opinion of Chief Justice Warren in *Quinn* v. *United States* that "the power to investigate, broad as it may be, is also subject to recognized limitations." It has never been determined what those limitations are.

The practical situation is that congressional committees will tend to push the limits of their power as far as the newspapers and public opinion permit. The law on the subject is not set. It is now being made by what we all do and do not do.

The crucial question posed by the Eastland committee is whether Congress has the power to censor the individual employees of a newspaper. If a congressional committee has that power in case of employees who are, have been, or are charged with being Communists, what is to stop future congressional committees from censoring newspaper employment on other grounds? Let the political climate change, let it become again like that of the thirties, on what legal ground is Congress to be challenged if it chooses to investigate the influence on the press of corporate interests, if, for example, it demands a public accounting of the financial connections and interests of publishers, editors, and reporters?

Once it is the accepted principle that Congress has power to set up standards of newspaper employment, the inner spirit and the practical meaning of the first amendment will be deeply impaired. Congress has, of course, no power to pass laws dealing with the standards of newspaper employment. Has it the right to do the same thing by the power to investigate? As exercised by latter-day congressional committees, the power to investigate is a tremendous instrument, combining the power to make laws, to enforce those laws, to judge and to punish men under those laws. This tremendous instrument can be—notoriously it has been—used to harass, to intimidate, to punish, and to destroy. Were it to become the accepted practice that Congress may investigate the press, machinery would exist to nullify the first amendment.

The question, therefore, is whether the newspaper profession shall assent to or shall oppose the claim that Congress has the power to investigate the editorial management of newspapers. The hiring or firing of employees is an essential and a central part of the editing of a newspaper. My own view is that no part of the editorial management should, that no part can under the first amendment, be ceded legitimately to Congress. If we who are connected with newspapers acquiesce in the right of Congress to censor on any grounds whatever newspaper employment, we shall have opened the way to a grave invasion of the freedom of the press.

It has been said, among others, by the New York Times itself that the press is not sacrosanct and that the right of "any investigation of the press by any agency of Congress" should not be questioned. I submit that it must be questioned. Of course, the newspapers are not sacrosanct. They are subject, like every individual and corporation, to all the laws of the land—to the tax laws, to the antitrust laws, to the military laws, to the labor laws, to the building laws, and, if they have watchdogs, to the laws about rabies inoculations. What is sacrosanct is that the freedom of the press shall not be abridged by Congress. Congressional censorship of the employment of newspapermen would, if it is assented to and allowed to become the practice, threaten seriously to abridge the freedom of the press.

The sacrosanct principle of the first amendment was not adopted in order to favor newspapermen and to make them privi-

leged characters. It was adopted because a free society cannot exist without a free press. The first amendment imposes many duties upon newspapermen who enjoy the privileges of this freedom. One of the prime duties of free journalists is that they should to the best of their abilities preserve intact for those who come after them the freedom which the first amendment guarantees.

It is, therefore, our duty, as I see it, to refuse to assent to, and instead to oppose, the setting up of a precedent that can lead to the gravest abuse.

Mr. NEUBERGER. Mr. President, if support for the rights and liberties of our free press were to be granted only on a basis of reciprocity, no Senator would have less reason than I to make the speech I am making today. In my own State there are, I believe, 21 daily newspapers. In the 1954 campaign in Oregon, 18 of these papers suported my Republican opponent, and 3 backed me. That is about the ratio elsewhere in the Nation among the press as a whole—14 percent Democratic, 86 percent Republican.

PRESS OVERWHELMINGLY FAVORS REPUBLICAN CANDIDATES AND POLICIES

Indeed, Mr. President, about the only party that I know of which seems to have infiltrated our press to any degree is the Republican Party, for about 80 or 90 percent of our daily papers and national magazines seem to think the Republican Party can do no wrong. We need only consider the virtual idolatry with which the press discusses President Eisenhower, as contrasted with the verbal denunciations which were inflicted almost daily upon Presidents Roosevelt and Truman. At the same time, a great many reforms or proposals in behalf of the average family never get to first base with the American press.

But these circumstances, Mr. President, are quite apart from the freedom of the press and its protection. The press of my State tried to defeat me for the Senate. In 1952, the press of the Nation helped to defeat for President the man whom I thought best qualified for that great office. The press opposes many policies which I support. But I would not think of encouraging any congressional investigation which would put the slightest governmental pressure on any segment of our press, just as I trust that no segment of the press would try to coerce or intimidate me, other than through legitimate channels of discussion and criticism.

Whatever faults may be its as to political partisanship, taste, thoroughness, and literary quality—and I believe they are many—the American press has demonstrated a high and consistent degree of loyalty to the basic tenets of freedom and liberty on which this Nation was founded. Its faults are not a matter for congressional inquiry but, rather, are something to be judged by public opinion, and to be corrected by the press itself, from within.

Thomas Jefferson, the foremost liberal statesman in our history, said that "no government ought to be without censors; and where the press is free, no one ever will."

RESTRAINT IN THE FACE OF CRITICISM REQUIRED IF PRESS TO REMAIN TRULY FREE

We in Government must exercise restraint, in the face of press advocacies we do not like. Undoubtedly, if we turn loose our investigators on the staff of a large metropolitan newspaper, we can turn up a certain small percentage of former Communists, of alcoholics, of deviates of one kind or another—to the possible embarrassment of that paper. Such individuals exist in our society, and they get on the staffs of newspapers, just as they enter the Army, load boats, work in hospitals, or harvest crops.

In the course of some general inquiry, many individuals may be called to testify about themselves, or about information in their possession. If they happen to include newspapermen, no one is likely to be disturbed. But I doubt if it serves our free institutions of Government for a congressional committee to search for witnesses specifically on the staff of a newspaper, and thus to suggest inferences as to the manner in which the policies of a newspaper may have been shaped.

I repeat, Mr. President, by the very act of selecting one newspaper to investigate and another to escape investigation, a committee can subtly put pressure on a press which should be completely untrammeled and untouched. It will seem only natural that a committee will see grounds for suspicion and for investigation of the staffs of those periodicals which are most diametrically opposed to the committee's own views of public policy.

It is immaterial in this respect that the congressional committees of this Congress—and, we may confidently expect, of future Congresses—will undoubtedly always be motivated by a sincere concern for the public welfare as they see it. The judgments of even the most sincere people are fraught with possible error. The freedom of the American press to report the news as it sees it, and to comment upon it, cannot survive if it is always to be potentially contingent upon the judgment of congressional committtees as to the reliability, trustworthiness, and loyalty of the men and women who gather and write the news. In my opinion, therefore, Mr. President, if Congress shall make no law abridging the freedom of the press, let Congress also make no investigation singling out the personnel of the press, which will only more subtly abridge its freedom.

It may be fortunate, Mr. President, that the important issue which I have been discussing has arisen first with respect to the New York Times—a newspaper which is universally respected as one of the great papers of the world, and which stands as the living demonstration of the value of the free press which we are dedicated to preserve. On its record, the New York Times is in the strongest position to meet the issue squarely, to win the support of other great representatives of the free American press, and in the process to preserve the freedom of others less invulnerable than itself.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. NEUBERGER. I yield to the distinguished Senator from New York.

Mr. LEHMAN. Does not my distinguished colleague from Oregon agree that not only is it a question of an attack on one particular and particularly great newspaper, but that there is involved an attack on the freedom of the press as a whole? Does he not agree that an effect of this investigation, so far as it has been carried on, has been to cast the shadow of a real threat to the freedom of the press, not only for the New York Times, but for other papers as well?

Mr. NEUBERGER. I agree entirely with the distinguished Senator from New York. I think we need only consider this question: If out of the New York Times building there were issued, not a newspaper of wide circulation and influence, but perhaps cartons of groceries, would there ever have been an investigation of the people working in that particular building?

Mr. LEHMAN. Mr. President, will the Senator further yield?

Mr. NEUBERGER. I yield.

Mr. LEHMAN. As I read history it is clear that in adopting the Bill of Rights, the greatest emphasis was laid on the first amendment, which guaranteed freedom of the press.

Certainly anything that would impair the complete freedom of the press would be a disastrous step backward, from which this country would suffer for many years, if, indeed, it recovered at all.

I cannot conceive of anything more hazardous than to place restraints on a free press, to tie its hands, to tell it what it may say, or not say, whom it may employ, or how to handle its editorial policy.

Like every other public official, I have been attacked; I have been criticized; I have been vilified by the press. I have not always liked it, any more than the Senator from Oregon has liked it under similar circumstances. However, I can truthfully say that I believe in the right of the press to criticize me, however wrongfully. I judge it more important to have a free press than to escape even unjustified criticism—and I will admit that there were occasions when some of the criticism of me in the press was even helpful, even when it was based on incorrect facts. The press attacked certain policies which I had supported, policies which were subject to criticism, and made suggestions which proved to be constructive.

I cannot conceive of anything more dangerous to the free institutions of this country than for us to do anything which would limit or abridge the complete freedom of the press both in its editorial policy and its news policy.

On January 5, I felt greatly privileged to place in the RECORD that magnificent and eloquent editorial which was published in the New York Times on that day. It was a truly historical editorial. Subsequently I also placed in the RECORD two fine editorials published in the Washington Post and Times Herald, one entitled "Skating on Thin Ice," and the other "Subverting the Press." While I

have a special and towering respect for that great newspaper, the New York Times, I do not think this is a question just of the New York Times. I would feel exactly the same if an attack had been made on any other newspaper by a congressional committee, intimidating the editors, the reporters, the copywriters, and other members of the staff of the newspaper. Inevitably, because of such intimidation, a newspaper is affected and its courage and determination to present the facts to the public, to criticize where criticism is justified, and to condemn where condemnation is indicated may be affected. Thus the sacred freedom of the press and the rights of our citizens are thereby compromised.

I am very happy and proud at this point to associate myself with the remarks of the Senator from Oregon. They are valuable and useful remarks. I hope that all these remarks on this subject will be read not only by Members of Congress, but by the people of the United States.

I think this is one of the most important issues that can possibly arise in the life of the Republic. I believe that unless we set our faces firmly against any move to intimidate the press, we shall be in serious jeopardy.

I thank the Senator for yielding.

Mr. NEUBERGER. I very much appreciate the cogent observations of the distinguished Senator from New York, who, throughout his entire career, has been dedicated to the basic liberties which are a part of our country.

It seems to me significant that long ago a distinguished writer observed that a country, like a person, sometimes tends to become like that which it fears. Is it not true that it is in Russia, where the press is most intimidated, most coerced, and most suppressed? It seems to me that when we seek to avert communism, both in our country and in the rest of the world, we ought not to pattern our methods after those of the Communists. We ought to avoid, most diligently and scrupulously, any possible intimidation of the press which would smack of that choking off of precious liberties which has occurred in the Soviet Union. I say to the Senator from New York that precedent is a dangerous thing.

Some men may undertake investigation of a newspaper with the very best of intentions. They may feel the utmost patriotism in doing so. However, such investigations open a Pandora's box. It may well be that such an investigation may be undertaken because a man does not like a newspaper because it supported Eisenhower, or because it supported Stevenson, or because it favors a public power, or because it favors private power, or because it may be in favor of a sales tax, or because it may be against a sales tax.

Such investigators may decide that they can embarrass a newspaper on those grounds, or cite some person on the staff of that paper, resulting in the possible humiliation of that person or that paper.

Mr. President, when that has occurred—and I say this to my friend, the Senator from New York—amendment I to the Constitution of the United States, which guarantees freedom of speech, freedom of the press, and freedom of religion, is in danger.

Mr. LEHMAN. Mr. President, will the Senator yield further?

Mr. NEUBERGER. I yield.

Mr. LEHMAN. I know that the Senator has carefully read the thoughtful and sobering editorials which appeared in the New York Times, in the Washington Post and Times Herald, and in other newspapers throughout the country.

Mr. NEUBERGER. I have read those editorials.

Mr. LEHMAN. I should like to ask the Senator's permission to read briefly the last paragraph of the editorial which appeared in the Washington Post and Times Herald on January 5, 1956:

> Senator EASTLAND may not intend to impair the freedom of the press but his investigation threatens to do so. It threatens to impair newspaper independence by making newspapermen fearful that they may be haled before a committee of Congress and called to account for the opinions and associations—or for criticism of congressional committees. It threatens to impair newspaper independence by taking over an aspect of managerial responsibility from editors and publishers. The American press under private management has certainly not been free from serious defects and shortcomings. Nevertheless, it must remain exclusively under private direction if it is to remain American—and free in the American sense of the term. The Eastland subcommittee is skating on thin ice over treacherous and turbulent waters.

Does not the distinguished Senator from Oregon agree with that analysis of the situation?

Mr. NEUBERGER. I may say that I agree with the editorial in the Washington Post and Times Herald and that I concur with the distinguished junior Senator from New York.

It seems to me that the test of a newspaper and of its staff should be in the realm of public opinion. If a newspaper offends through being subversive or if it violates good taste, the American public will take care of that situation. I feel certain that in the long run the reading public is the best and final test of American newspapers.

In conclusion, Mr. President, I ask that there be included with my remarks in the CONGRESSIONAL RECORD an editorial from the New York Times of January 5, 1956, on the subject of the recent investigation of several of its present and former employees, and excerpts from editorials on the same issue from the Washington Post and Times Herald, the St. Louis Post-Dispatch, the Denver Post, the Louisville Courier Journal, the Atlanta Journal, the Minneapolis Tribune, the Kansas City Star, and the Christian Science Monitor.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the New York Times of January 5, 1956]

THE VOICE OF A FREE PRESS

In executive hearings held recently in this city, in public hearings held last summer in Washington, and now again in public hearings held in Washington, a Senate subcommittee headed by Senator JAMES O. EASTLAND, of Mississippi, has been looking for evidence of what it considers to be subversive infiltration of the press. A number of employees of this newspaper have been called to appear as witnesses before the subcommittee.

We do not question the right or the propriety of any investigation of the press by any agency of Congress. The press is not sacrosanct. It is as properly subject to congressional inquiry as any other institution in American life. It is the inescapable responsibility of Congress, however, to make certain that any such inquiry be conducted in good faith and not motivated by ulterior purpose.

A few employees of this newspaper who have appeared before the Eastland subcommittee have pleaded the fifth amendment. A few others have testified to membership in the Communist Party over periods terminating at various dates in the past. So far as we are aware, no present member of the Communist Party has been found among the more than 4,000 employees on our rolls.

The policy of this newspaper with regard to the employment of Communist Party members has been stated many times, and may be stated here again. We would not knowingly employ a Communist Party member in the news or editorial departments of this paper, because we would not trust his ability to report the news objectively or to comment on it honestly, and the discovery of present Communist Party membership on the part of such an employee would lead to his immediate dismissal.

In the case of those employees who have testified to some Communist association in the past, or who have pleaded the fifth amendment for reasons of their own, it will be our policy to judge each case on its own merits, in the light of each individual's responsibilities in our organization and of the degree to which his relations with this newspaper entitle him to possess our confidence.

We may say this, however. We do not believe in the doctrine of irredeemable sin. We think it possible to atone through good performance for past error, and we have tried to supply the security and the favorable working conditions which should exist in a democracy and which should encourage men who were once misled to reconsider and to reshape their political thinking.

We have judged these men, and we shall continue to judge them, by the quality of their work and by our confidence in their ability to perform that work satisfactorily. It is our own business to decide whom we shall employ and not employ. We do not propose to hand over that function to the Eastland subcommittee.

Nor do we propose to permit the Eastland subcommittee, or any other agency outside this office, to determine in any way the policies of this newspaper. It seems to us quite obvious that the Eastland investigation has been aimed with particular emphasis at the New York Times. This is evident from several facts: from the heavy concentration of subpenas served on employees of this newspaper, from the nature of the examination conducted at earlier hearings by the subcommittee's counsel, Mr. Sourwine, and from that counsel's effort, at those hearings, to demonstrate some connection between a witness' one-time association with the Communist Party and the character of the news published in this paper.

It seems to us to be a further obvious conclusion that the Times has been singled out for this attack precisely because of the vigor of its opposition to many of the things for which Mr. EASTLAND, his colleague, Mr. JENNER, and the subcommittee's counsel stand—that is, because we have condemned segregation in the southern schools; because we have challenged the high-handed and abusive methods employed by various congressional committees; because we have de-

nounced McCarthyism and all its works; because we have attacked the narrow and bigoted restrictions of the McCarran Immigration Act; because we have criticized a security system which conceals the accuser from his victim; because we have insisted that the true spirit of Amerian democracy demands a scrupulous respect for the rights of even the lowliest individual and a high standard of fair play.

If this is the tactic of any member of the Eastland subcommittee, and if further evidence reveals that the real purpose of the present inquiry is to demonstrate that a free newspaper's policies can be swayed by congressional pressure, then we say to Mr. EASTLAND and his counsel that they are wasting their time. This newspaper will continue to determine its own policies. It will continue to condemn discrimination, whether in the South or in the North. It will continue to defend civil liberties. It will continue to challenge the unbridled power of governmental authority. It will continue to enlist goodwill against prejudice and confidence against fear.

We cannot speak unequivocally for the long future. But we can have faith. And our faith is strong that long after Senator EASTLAND and his present subcommitee are forgotten, long after segregation has lost its final battle in the South, long after all that was known as McCarthyism is a dim, unwelcome memory, long after the last congressional committee has learned that it cannot tamper successfully with a free press, the New York Times will still be speaking for the men who make it, and only for the men who make it, and speaking, without fear or favor, the truth as it sees it.

[From the Washington Post and Times Herald of January 5, 1956]

THIN ICE

Despite its repeated protestations that it is not investigating the press, the Eastland subcommittee's current questioning of newsmen is moving in a dangerous direction. "We are not investigating newspapers or any one newspaper," Senator EASTLAND declared on Tuesday. But the persons subpenaed to testify at the subcommittee's executive sessions last month were employees of newspapers; and, in point of fact, they were predominantly employees of one newspaper.

Senator EASTLAND expressed hot indignation the other day at an admonitory statement issued by the American Civil Liberties Union. The ACLU warned the subcommittee against trespassing on the area protected by the first amendment, and Mr. EASTLAND accused it of trying to establish "guilt by anticipation"—a nice phrase but not a valid one. For the subcommittee's excursions in the past have compelled libertarians to be suspicious of it; for example, the subcommittee undertook what amounted to a purge of university professors while insisting piously that it was in no sense investigating universities.

Newspapermen do not have any special immunity by reason of the first amendment; they are, of course, as subject as any other citizens to the lawful processes of courts or congressional committees. But when they are questioned, as newspapermen, about past political vagaries which are suspected of having in some way influenced the editorial policies of their newspapers, the inquiry intimately touches the press as an institution.

The responsibility for keeping editorial staffs free from subversive influences, like the responsibility for determining editorial policies, belongs to the publishers and editors of newspapers. It is not a responsibility that can be shared in any way with the Government; and any assumption of this responsibility by a congressional committee, no matter how helpfully intended, is an unwarranted intrusion. In the American system, the press, so far from being subject to censorship of any kind by the Government, was meant, as Thomas Jefferson put it, to serve as a censor of the Government. It can fulfill this vital function only if it remains wholly independent of the Government—wholly free from any kind of governmental control or manipulation.

Senator EASTLAND may not intend to impair the freedom of the press, but his investigation threatens to do so. It threatens to impair newspaper independence by making newspapermen fearful that they may be haled before a committee of Congress and called to account for their opinions and associations—or for criticism of congressional committees. It threatens to impair newspaper independence by taking over an aspect of managerial responsibility from editors and publishers. The American press under private management has certainly not been free from serious defects and shortcomings. Nevertheless, it must remain exclusively under private direction if it is to remain American—and free in the American sense of the term. The Eastland subcommittee is skating on thin ice over treacherous and turbulent waters.

[From the New York Times of January 7, 1956]

EDITORIAL COMMENT FROM OTHER NEWSPAPERS

MIDWEST

St. Louis

Required Reading

The Post-Dispatch (Independent Democrat)

Our mirror of public opinion today contains an editorial from the New York Times that we strongly recommend in its entirety to every one of our readers. While the Post-Dispatch regrets deeply that conditions exist in the United States which make such a statement from that great newspaper necessary, we are glad to add to its circulation by reprinting it in full.

The Eastland subcommittee has for its chairman the senior Senator from Mississippi, who is in open defiance of the United States Supreme Court's unanimous decision in the antisegregation public school cases. He is as near to a Democratic version of Senator MCCARTHY, of Wisconsin, as the Senate contains today.

There are occasions when a newspaper has no choice but to come out swinging and swinging hard. Such an occasion is the investigation of the New York Times by the Eastland subcommittee.

Such an occasion was when Senator MCCARTHY tried to intimidate the New York Post by a star-chamber inquisition of its editor, James A. Wechsler. And in 1940, long before Communist infiltration became an issue, there was such an occasion when a circuit judge in St. Louis adjudged the Post-Dispatch guilty of contempt because we dared to criticize his handling of the Nick racketeering case.

And so we urge our readers to read the Times editorial to its last syllable. It is the voice of a free and aroused newspaper speaking.

Milwaukee

The Journal (Independent)

The New York Times has substantial reason for surmising that a prime objective of the Eastland subcommittee hearings on Communist infiltration of the press is to embarrass, if not smear, the Times, a world-renowned institution.

The Times has been strong and constant in opposing the bigotry and the methods of such as Senator EASTLAND himself, the Mississippi racist; Indiana's JENNER, also on this subcommittee; JENNER's hero, MCCARTHY, and the late Senator McCarran. And it can cite efforts of the subcommittee counsel to point the investigation at the paper's news treatment.

The Times editorial answer, published Thursday morning, is reprinted elsewhere on this page. It is wise, moderate, thoughtful, and rings with the power of truth and right. In its responsible viewpoint and real Americanism, it speaks for the whole free American press.

The editorial readily acknowledges the right of congressional inquiry into any American institution, including the press, so long as it is in good faith and not with ulterior design. Then it restates an employment policy that is a model of precaution combined with fairness and respect for individual rights.

The Times' concluding declaration of independence—its firmness against congressional or governmental pressure to mold newspaper policies, its vow to speak always for itself alone—is in the essential tradition of American democracy.

Louisville

Pigmy Blasts at Press

The Courier Journal (Independent Democrat)

Challenged by a blast from the New York Times, Mississippi's Senator EASTLAND denies that the Nation's great newspaper is under investigation. The Times, says he, "denies when no one has accused it."

We don't think the Eastland subcommittee will get anywhere in attempting to lower public confidence in the New York Times, much less in trying to influence its * * * policies but it can achieve a great deal in lowering public confidence in or respect for the subcommittee or for any congressional inquiry not conducted in good faith and defensible purpose and we are happily confident that long after Mr. EASTLAND himself has ceased to police his own brand of Americanism by counseling defiance of the Supreme Court, the New York Times, as it promises, will still be speaking for the men who made it and only for the men who make it, speaking without fear or favor, the truth as it sees it.

Denver

The Big Floperoo

The Post (Independent)

The past week witnessed a puerile attempt by the Eastland subcommittee of the United States Senate to smear the New York Times, which is perhaps the most influential American newspaper.

The disclosures produced were hardly earthshaking. It developed, for example, that a Times reporter joined the Communist Party 19 years ago and quit it 17 years ago. A proofreader refused to answer questions on various constitutional grounds. An index compiler said he has not been a member of the party for 7 years, leaving the inference that he was a member before that time.

Some members of the subcommittee seemed somewhat shamefaced that a hullabaloo should be made of this kind of trivia. Even Senator EASTLAND, Democrat, of Mississippi, felt called upon to remark that he knows of no evidence of any Communist attempt to influence the content of any recognized metropolitan newspaper.

He sought to justify the investigation with a statement that his subcommittee has a mandate to expose communism "wherever it may be found." Most amazing, although apparently well-intentioned, was a suggestion by Senator HENNINGS, Democrat of Missouri, that the inquiry might be broadened to permit any newspaper to submit evidence that it had not been affected by subversive influences.

He thus left an inference—intended or not—that newspapers should have the privilege of trooping before the subcommittee to proclaim their allegiance and loyalty to the country.

What kind of silly business is this?

Is this merely an attack on the Times? We have no fear that the Times cannot take care of itself in any match with Senator EASTLAND, Senator JENNER, Republican of Indiana, et al.

Of one thing we are sure. Antics of the subcommittee have done nothing to enhance the dignity or prestige of the United States Senate. That should be a matter of concern for all Senators and for all of us who believe our Government and all of its parts should be worthy of popular confidence.

[From the New York Times of January 8, 1956]

EDITORIAL COMMENT FROM OTHER NEWSPAPERS

EAST

Atlanta

The Journal (Democrat)

In all this Nation's history there have been few more flagrant attempted smears than that to which Senators EASTLAND, JENNER and company this week have subjected the New York Times.

With an abandon born of complete disregard for the traditional American concepts of justice and fair play the EASTLAND subcommittee has sought, by the age-old tactics of innuendo and guilt by association, to undermine public confidence in a newspaper which has consistently had the courage to speak out for the right as it sees it.

The New York Times needs no defense before any fair-minded jury. With more than four thousand employees, it would be a mathematical phenomenon if some one or two had not at some time in the threadbare thirties joined up with communism or Townsendism or Aimee Semple McPhersonism.

The point is that the few former Communists EASTLAND has uncovered are in jobs of such consequence that not even he can conscientiously conclude that they could conceivably have had a share in the shaping of Times' policies. Indeed they have no more to do with the thing with which Senator EASTLAND is really concerned—the editorials which cast the light of reason on his demagogics—than the man who sweeps the floor.

MIDWEST

Minneapolis

The Tribune (Independent)

Senator EASTLAND and Chief Counsel Sourwine appear to be chiefly interested in creating distrust in the newspaper which most experts in the field regard as the greatest newspaper in the world.

If EASTLAND, Sourwine and their collaborators in this fishing and smearing undertaking can make people believe that the New York Times has been infiltrated by Communists and Communist sympathizers, they will be able to create doubts about the dependability of news reports and comments in other newspapers and other media of information.

EASTLAND and Sourwine apparently hope by creating distrust in a free independent press, to influence the media of information to embrace their points of view.

The New York Times told EASTLAND and Sourwine that they are wasting their time if they think that a free newspaper's policies can be swayed by congressional pressure.

To those who may have been made uneasy by the EASTLAND-Sourwine insinuations we commend a careful reading of the pages of the Times and other good newspapers. No other institution provides a record of its work and attitude so easily checked upon as the newspaper. What is written under pressure of deadline and sometimes without wholly satisfactory means of checking to the last detail remains in print years after it is published.

Kansas City

The Times and Investigators

The Star (Independent)

The fact that stands out in the EASTLAND Committee's search for Communists among New York Times employees is the Times itself. The patriotism and integrity represented by this great newspaper cannot be questioned. And we have complete confidence in its management's ability to handle any situation that might develop from attempted subversive infiltration of its news and editorial departments. It is more capable than any Congressman of detecting perversion of the news or editorial comment.

Expressive of the character of the Times is the splendid editorial on the congressional investigation which was reprinted in the morning edition of the Star last Thursday. The Times upholds the right of a congressional committee to investigate the press the same as any other American institution—provided the investigation is made in good faith.

The power to investigate is basic in the American system of government. But used for ulterior purposes it can be a highly dangerous weapon readily turned against the fundamentals of our American system.

Probably there is no way to prove the Times' charge that the committee has subjected it to harassment because of its stand on major national issues. At least, the charge shows how the investigating power could be used to destroy the independence of the American press. The same principle applies to investigation of the teaching profession. The basic investigating power must be kept under rigid control or it becomes in itself the present danger to our American way of life.

In the fundamental issue of the last week we stand with the New York Times.

[From the Christian Science Monitor of January 10, 1956]

INTIMIDATION WOULDN'T SUCCEED

We do not share the alarm of those who fear the Eastland-Jenner subcommittee will do great harm to freedom of the press.

The committee has insisted that it was only investigating communism, not the press or any newspaper. The New York Times is persuaded that the inquiry so far has been aimed at it. It cites two facts: A preponderant number of those subpenaed are former or present Times men and witnesses have been asked whether they knew of any Communist influence on the paper. It further says that it was singled out in reprisal for its stand against certain activities of Senators EASTLAND and JENNER and of the committee's counsel.

This is hard to prove, for the committee can say that the very distinguished position of the Times naturally directs attention to it. Certainly the press cannot object if congressional inquiry into infiltration finally gets around to it. But it can reasonably point out that such investigation would have been far more useful in an earlier day—say before 1948 when working newspapermen were battling to break Red control of the American Newspaper Guild.

There is still value in exposure of infiltration. But it is fair to ask what is gained by publicly humiliating a fully cooperative witness who 20 years ago repented a brief excursion into communism.

The press can legitimately point out also that when congressional investigators exceed the constitutional function of inquiries necessary to the preparation of legislation they have double cause to operate with care. They may serve a useful purpose in alerting the people to some evil. But when they get beyond illegal acts and into the realm of personal beliefs, officials can easily slip over into an attempt to control opinion by punishing dissidents.

This was a very real danger when the fear of Communists was hot and when some men used official power most unfairly against weak individuals. But the press is not weak. And in the calmer atmosphere of today we are confident that if any purpose to intimidate or to punish the New York Times exists that purpose will fail. For every day Americans can see what the Times is. They know it as one of the finest examples of the intelligence and industry, the integrity and independence, which make a free press a basic weapon against the ignorance and iniquities of communism.

CRIMINAL OFFENSES AND CIVIL CAUSES OF ACTION COMMITTED ON INDIAN RESERVATIONS WITHIN CERTAIN STATES

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 361, Senate bill 51.

The PRESIDING OFFICER. The Secretary will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 51) to amend the act entitled "To confer jurisdiction on the States of California, Minnesota, Nebraska, Oregon, and Wisconsin, with respect to criminal offenses and civil causes of action committed or arising on Indian reservations within such State, and for other purposes."

Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary without amendment, and subsequently reported from the Committee on Interior and Insular Affairs without amendment.

Mr. JOHNSON of Texas. Mr. President, I have assured certain Senators that I would suggest the absence of a quorum before the Senate proceeded with debate of the bill.

First, however, I yield the floor to Senators who wish to transact routine business at this time.

AMENDMENT OF ATOMIC ENERGY ACT TO PERMIT THE PRESIDENT TO REDELEGATE CERTAIN AUTHORITIES REQUIRED TO BE EXERCISED BY HIM

Mr. ANDERSON. Mr. President, today I am introducing a bill to permit the President to redelegate some of the authorities required to be exercised by him under the Atomic Energy Act of 1954. It seems to me that the only way to reduce the load on the President is directly to reduce the load. If every committee in Congress would quietly study the statutes under their jurisdiction and make the same determination, the overwhelming burden on the Presidency would quickly be eased.

In studying the Atomic Energy Act of 1954 I have found the following sections which require Presidential action, which, I believe, can be delegated to someone else in the President's office:

Section 26: Appointment of members of the General Advisory Committee.

Section 27: Appointment of Chairman of Military Liaison Committee.

Section 61: Assent to determination of new material as source material.

Section 67: Permit exploration and mining of national park, monument or wildlife lands for source materials in interest of common defense and security.

Section 145d: To have investigations of groups of personnel made by the Federal Bureau of Investigation instead of by the Civil Service Commission.

Section 162: To exempt Commission contracts from provisions of law relating to contracts.

The sections requiring Presidential action in which no change has been made are:

Section 21: Designation of Chairman of the Commission.

Section 22: Appointment of members of the Commission—with Senate approval—and removal of members of the Commission.

Section 41b: Designation of amounts of special nuclear material to be manufactured by the Commission and the amount to be available for distribution to licensees.

Section 51: Assent to determination of new material and special nuclear material.

Section 91b: The authority to direct the Commission to transfer materials or weapons to the Department of Defense and authorize the Department of Defense to manufacture an atomic weapon or utilization facility for military purposes.

Section 123: To approve agreements for cooperation and determine that the proposed agreement does not constitute an unreasonable risk to the common defense and security.

Section 124. Enter into an international arrangement with a group of nations for cooperation in nonmilitary applications of atomic energy.

Section 144: Authorize agreements for cooperation which transmit certain items of restricted data.

I am introducing this bill as a means of starting the study of this problem. I do not think it should be too difficult. Indeed, consideration of many of the sections involved may easily lead to other solutions. I do think that this problem is an important one, and one which can be easily tackled in its major aspects by all of the committees.

Mr. O'MAHONEY. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield.

Mr. O'MAHONEY. Will the Senator say what the provision of the bill is with respect to the power of delegation? To whom may the President delegate the power?

Mr. ANDERSON. To any officer in the executive office.

Mr. O'MAHONEY. To any officer?

Mr. ANDERSON. In the executive office.

I may say to the Senator from Wyoming that I have not tried to say that what I am suggesting is the only way in which to accomplish the desired purpose. But we have gone carefully through the Atomic Energy Act—or, at least, I have; this has not been the work of anyone else on the committee—to ascertain what things are required of the President that need not be definitely required of him.

The designation of a member of the Military Advisory Committee is important, but it is not something which needs the personal attention of the President. In actual fact, it never receives his consideration until he is presented with a blank, which he sends to the committee telling us about it.

Mr. O'MAHONEY. The facts which the Senator has just related clearly point out the grave consequences of permitting the delegation of Presidential power. The Atomic Energy Act, of course, imposes upon the President great responsibility, which, undoubtedly, in many cases, could be discharged by other persons. But I remember why that was done when the act was passed.

When Congress undertook to give those powers to the President, it was because of the feeling that he was an elected officer of all the people of all the States.

Confirmation by the Senate is required of the nominations of all important officers in the Government, such as the members of the Cabinet, the heads of bureaus and commissions, and the members of bureaus and commissions.

But in this instance we are dealing with atomic energy, a power which is so great that no mind can comprehend what it may bring about. Therefore, I hope the Senator from New Mexico will consider the advisability of so redrafting the bill as to require that the person to whom the Presidential power imposed by Congress is delegated by the President shall be nominated by the President and his nomination confirmed by the Senate, so that the people may know to whom the work will go.

The executive branch of the Government, ever since the beginning of World War II, and perhaps even since the beginning of World War I, has been expanding steadily. More and more work has been imposed upon the President. The executive personnel of the White House has been tremendously expanded, until now, since the war, there are in the White House scores of persons who were not chosen by the people of the United States, and of whose judgment we have no knowledge.

I think it would be extremely dangerous to delegate powers of such gravity in the administration of a law like the Atomic Energy Act without requiring that the names of the persons to whom such delegation is made shall be submitted in the constitutional manner to the Senate for its confirmation.

As the Senator from New Mexico knows, I have the greatest respect for him and for his legislative capacity. I have deep understanding of the burden that is imposed upon the President of the United States, and I know how difficult it is for him to carry that burden. But this is a constitutional matter of the very greatest importance, and I hope that the Senator will ask that the bill be referred to the Committee on the Judiciary.

Mr. ANDERSON. I have no objection to having the bill referred to the Committee on the Judiciary, or to any other committee to which it may be referred. It seemed to me, in going over the Atomic Energy Act of 1954, that requirements were placed upon the President which, in reality, he would not actually exercise. A matter might be prepared by a staff officer, probably, and then transmitted in the normal, routine fashion.

Those matters as to which it seemed it was essential that the President himself should act, I want to retain for the President to act upon. The delegation of authority to the Chairman of the Atomic Energy Commission is extremely important. The appointment of members to the Commission has been important. It seemed to me that when the Senate received a nomination not long ago, I spent a considerable amount of time on it. I believe it is extremely important for the President to use a great amount of time on that kind of problem.

But when it comes to the question of determining whether a new material is a source material, the President has to depend upon the engineers of the Atomic Energy Commission, and upon the persons who are in charge of the program, to reach such a determination, and probably in reality he knows very little about it, as I would know very little about it. A technical question can only be handled, I think, by technical personnel.

I was merely trying to say that in every Department of the Government obligations must be placed upon the President which he need not personally administer. If we were to study the jurisdiction of the various committees and try to determine what those things are, we might substantially reduce the burdens imposed upon the President.

So far as I am concerned, I have no objection to the referral of the bill to whatever committee to which it may be referred. I want to have the subject studied. I did not try to consult the committee to ascertain if they felt the matter should be handled by someone in the executive branch or someone in another branch, or how it should be handled. I hoped that as they considered the bill, they might reach that determination.

Mr. O'MAHONEY. My point is not at all in criticism of the Senator, but is only to make it clear that we are dealing with a most important constitutional matter. Routine duties should not be imposed upon the President; they ought to be withdrawn. But when it is proposed to grant to the President authority to delegate powers which have been conferred upon him by statute a serious constitutional question is presented.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2917) authorizing the transfer of certain Presidential authority with respect to certain functions required by the Atomic Energy Act of 1954, introduced by Mr. ANDERSON, was received, read twice by its title, and referred to the Committee on the Judiciary.

CRIMINAL OFFENSES AND CIVIL CAUSES OF ACTION COMMITTED ON INDIAN RESERVATIONS WITHIN CERTAIN STATES

The PRESIDING OFFICER (Mr. McNAMARA in the chair). The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated by title.

The CHIEF CLERK. A bill to amend the act (H. R. 2889) to provide for the conveyance of certain land in Necedah, Wis., to the village of Necedah.

Mr. O'MAHONEY. Mr. President, by consultation between the leaders of both sides, the Senator from Texas [Mr. JOHNSON], representing the majority, and the Senator from California [Mr. KNOWLAND], representing the minority, it was decided to lay aside the unfinished business and to proceed with Calendar No. 361 (S. 51) to amend the act entitled "An act to confer jurisdiction on the States of California, Minnesota, Nebraska, Oregon, and Wisconsin, with respect to criminal offenses and civil causes of action committed or arising on Indian reservations within such States, and for other purposes," introduced by the Senator from Montana [Mr. MURRAY].

In compliance with that understanding, I am about to suggest the absence of a quorum.

Mr. HUMPHREY. Mr. President, will the Senator from Wyoming withhold that request?

Mr. O'MAHONEY. Yes.

Mr. HUMPHREY. I wish to join in statements made with reference to the fellowship program of the American Political Science Association.

The PRESIDING OFFICER. Is there objection to laying aside the unfinished business?

Mr. O'MAHONEY. Mr. President, I cannot submit my request until I ask for a quorum, so I was yielding to the Senator from Minnesota. It was understood there should be a quorum call first.

The PRESIDING OFFICER. Does the Chair understand the Senator is insisting on a quorum call?

Mr. O'MAHONEY. Yes. I withheld the request for a quorum call until the Senator from Minnesota could make remarks about another matter.

Mr. HUMPHREY. I may say to the acting majority leader that I would just as soon have a quorum call, if I may proceed after the quorum call, if that will get the motion to consider the bill before the Senate. Following that I should like to have the floor in my own right.

Mr. O'MAHONEY. Does the Senator from Minnesota desire to have the floor in his own right after the quorum call? If so, I cannot agree to that request.

Mr. HUMPHREY. Very well; I can speak now.

[Mr. HUMPHREY addressed the Senate on the question of congressional fellowships of the American Political Science Association. His remarks appear elsewhere in today's RECORD, under the appropriate headline, following the remarks of Mr. BARKLEY on the same subject.]

REQUEST FOR IMMEDIATE ACTION TO BOLSTER LIVESTOCK PRICES

Mr. HUMPHREY. Mr. President, some time ago it was my privilege to join with a number of my colleagues in presenting to the Secretary of Agriculture a letter, under date of December 30, 1955, asking the Secretary to "embark on an expanded purchase program of animal products for school lunch and relief distribution," and at the same time requesting that the program be "geared to increasing the returns to farmers, rather than increasing the profits to meatpackers and processors." I ask unanimous consent that the text of the letter be printed in the body of the RECORD, along with the names of the Senators who signed the letter.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DECEMBER 30, 1955.

The Honorable EZRA TAFT BENSON,
Secretary of Agriculture,
Department of Agriculture,
Washington, D. C.

DEAR MR. SECRETARY: On the eve of another session of the Congress, and a critical new year for American agriculture, the undersigned unite in directing your attention to the increasingly serious economic problem confronting America's producers of beef, pork, milk, eggs, and other animal products.

During the campaign of 1952, General Eisenhower repeatedly pledged to our farmers that such perishable commodities would be treated the same as other commodities designated by law as basic.

Those pledges have not been kept. Hog producers and beef producers are both in serious trouble. The responsibility for recommending a means of protecting them is yours. For 3 years we have waited in vain for any constructive recommendation aimed at carrying out the campaign promises held out to producers of these commodities.

It is generally recognized that these perishable products make up a great proportion of our country's total farm income, and account for a substantial share of the dangerous loss in that farm income.

You have personally said on many occasions that one of the flaws of past and present programs was that they were designed to protect only certain limited farm commodities. Yet we have seen no action on your part to extend that protection, as promised, to these other perishable commodities.

Now we call upon you and the administration to present such recommendations in the President's forthcoming farm message to the Congress.

While awaiting your legislative recommendations for effective protection to our producers of all forms of livestock and animal products, we call upon you to exercise the authority you already possess to alleviate the hardship conditions of depressed prices and income that now exist.

You have invited suggestions. We offer you the following:

We respectfully suggest that you immediately embark upon an expanded purchase program of animal products for school-lunch and relief distribution out of funds available to you for that purpose. Such an expanded program should be geared to increasing the returns to farmers rather than increasing the profits to meatpackers and processors.

We recommend that you immediately reorganize your purchase programs for these products to require bidders submitting offers to the Government to certify that they are buying an equivalent amount of the same product in the open market at prices reflecting to the farmer at least the level of parity authorized by law for the basic commodities.

Ample evidence is now available that your present hog-buying program is failing to bolster effectively hog prices to farmers. Instead, its benefits are going primarily to meatpackers whose profits have already soared during the past year as farm prices declined. The same valid objection was raised to your past beef-buying program. We respectfully suggest that such programs should provide some assurance of increased returns to producers, not just more profits for packers.

Rather than having your own department contribute to downward pressures in a falling market by trying to buy cheaply while expressing the hope prices will improve, we call upon you to take specific action toward stabilizing the livestock market at a level fair and reasonable to farm producers, by insisting that your suppliers certify they are basing their sales offers to the Government upon purchases reflecting a fair price to producers, according to the minimum standard we have suggested.

Ample outlets exist for a far greater distribution of meat and animal products in the school lunch program, through relief and welfare groups, and through voluntary agencies cooperating in overseas rehabilitation work, than you have so far been willing to undertake, despite availability of funds within your department earmarked for such purposes.

If seriously undertaken with a will to make it work, such an expanded purchase program conditioned upon requiring certification of prices paid to producers will surely help turn the tide of the existing economic depression in many of the major areas of agricultural enterprise.

If, at this late date, it proves to be a case of too little assistance too late, we in the Congress will face the task of providing whatever additional authority may be needed for more direct assistance.

But before we take such steps, it seems reasonable to exhaust every mean available under present law to relieve the economic distress caused by depressed prices. We respectfully urge your full and determined action.

Sincerely,

WAYNE MORSE, DENNIS CHAVEZ, W. KERR SCOTT, JAMES E. MURRAY, WARREN G. MAGNUSON, ROBERT S. KERR, PAUL H. DOUGLAS, HUBERT H. HUMPHREY, THOMAS C. HENNINGS, JR., ESTES KEFAUVER, RICHARD NEUBERGER, MIKE MANSFIELD, MIKE MONRONEY

Mr. HUMPHREY. Mr. President, this morning I was pleased to note that, as the Secretary of Agriculture testified before the Senate Committee on Agriculture and Forestry, considerable emphasis is now being placed upon the program for the purchase of meat products. The Secretary assured us that the programs for the purchase of pork products will be expanded over and beyond that which had been contemplated at its inception; and, second, that he was giving serious consideration to the purchase of beef products in order to bolster the beef market. It was my concern, and I may say quite candidly, my admonition that the purchase of beef products be started at once, because today the beef market is at a point lower than its point in 1953.

Mr. LANGER. Mr. President, will the Senator from Minnesota yield for a question?

The PRESIDING OFFICER (Mr. BIBLE in the chair. Does the Senator from

Minnesota yield to the Senator from North Dakota?

Mr. HUMPHREY. I yield.

Mr. LANGER. Did the Secretary of Agriculture say anything at all about imports of beef from Argentina and other countries?

Mr. HUMPHREY. He did not; and I regret to say that I do not recall that any of us interrogated him as to that, even though we should have.

Mr. MONRONEY. Mr. President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I yield.

Mr. MONRONEY. I heartily concur with my distinguished colleague, the Senator from Minnesota, regarding the need for the purchase of beef and pork to support the collapsing livestock market. Let me ask whether consideration was given to whether we have a program different from that which Mr. Benson has conducted in the past, which does not support the price of livestock to the farmer, but merely supports the high profits of Armour, Wilson, Cudahy, and the other giant packers.

It will not do any good to pay 10 cents a pound for the hog on the hoof, to relieve the farmers, and to have them receive the 10 cents a pound, but to have the big packers sell the canned pork and gravy for 65 cents a pound, because during the cattle-support program, with which I was familiar, and which was operated a year ago, I found that the buyers—and I have had this information directly from buyers working for the large packers—got out of the market whenever the purchasing program for Government account threatened to raise the market, which was the purpose of the program in the first place. Whenever the price began to go up 6 or 7 cents a pound, they would withdraw from the market, and would wait until the price went down again, and then would buy a little, and then would get out of the market. So the program under Mr. Benson served only to fatten the profits of the processors and to hold down the price, although $200 million or more went into that program.

I very seriously believe that under the program which is now operating on pork, the same thing will occur, namely, withdrawal from the market whenever the increase the Government seeks takes place on the market. In other words, at such a time the buyers for the large packers will withdraw from the market, and will wait for it to collapse again.

Unless the Secretary of Agriculture attaches a condition to reflect 90 percent of parity to the livestock raiser, in the price to be paid for the live animals, the program will serve only to aid the packers, not the livestock raisers.

Mr. HUMPHREY. I thank the Senator from Oklahoma; and his comments are not only timely and appropriate, but historically accurate. The very point the Senator from Oklahoma embraced in his comment a moment ago has been included in the letter to the Secretary of Agriculture; and, as the Senator from Oklahoma knows, he was one of those who joined in signing the letter about beef purchases, which was sent to the Secretary of Agriculture; and in the letter the Senator outlined the very situation to which he has just referred.

I think it is fair to say that the last beef-purchase program of the Government was very expensive; gravy is generally expensive.

Mr. MONRONEY. I thank the Senator from Minnesota.

NECESSITY OF ACTION TO PROTECT WILDLIFE REFUGES

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a letter I addressed to the Secretary of the Interior, the Honorable Douglas McKay, under date of December 29, 1955; and I make the same request in regard to a letter I addressed to the senior Senator from Montana [Mr. MURRAY], and in regard to a letter I addressed to the senior Senator from Washington [Mr. MAGNUSON]. All the letters are under date of December 29, 1955; and they refer to the action of the Interior Department in throwing open to oil and gas leasing the wildlife refuges.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

DECEMBER 29, 1955.

The Honorable DOUGLAS MCKAY,
Secretary of the Interior,
Department of the Interior,
Washington, D. C.

DEAR MR. SECRETARY: I am deeply disturbed by your action of December 2 having the effect of throwing open practically all of our 264 national wildlife refuges to oil and gas leasing. As a Senator who has devoted much of my efforts to preserving and protecting our natural resources, I cannot regard this as anything but a completely unjustified giveaway and a shocking betrayal of the trust imposed upon you as the cabinet officer responsible for the administration of our public lands.

Ever since some of us in the Congress warned last spring that with one stroke of your pen you had the power to dispose of and destroy our system of setting aside public lands for the protection and propagation of wildlife, you have publicly denied any such intentions and pledged yourself to preserving these refuges. I am sorry to say that your current action belies those words, and indicates a complete disregard for the intent of the Congress as well as responsibilities of your office.

I call your attention specifically to section 10 of Public Law 585, the Mineral Leasing Act, prohibiting such leases on lands administered for national park, monument, and wildlife purposes except when the President, by Executive order, finds and declares that such action is necessary in the interests of national defense.

I ask under what Presidential Executive order you have now acted to permit oil and gas leases in our wildlife refuges.

I further ask what justification you present as to the necessity of such action in the interests of national defense.

Historically, the United States Fish and Wildlife Service has been comprised of career employees dedicated to the responsibilities assigned them, able to withstand political or economic pressures counter to the objective of protecting our wildlife. I would certainly regret to see it ever become anything else. Yet I am deeply concerned over the effects your order may have in subjecting this service agancy to tremendous pressures of oil and gas interests.

It appears to me you have opened the door to the extent it will be impossible to control wholesale invasion of our refuges, then washed your hands of it by saying from now on responsibility of controlling petroleum operations in these refuges will be up to the Fish and Wildlife Service.

I would appreciate being informed as to what specific recommendation the Fish and Wildlife Service made to you as Secretary in regard to this oil and gas leasing code you have signed, and when. I am interested in seeing a copy of any written report that may have been submitted to you regarding this decision in advance of your decision, not just a statement of their concurrence after you have ordered it.

I would also like some explanation of your justification for approving a noncompetitive lease to a subsidiary of Seagram Distillers a day in advance of your signing the new code, at fees far below those normally obtained through competitive bidding on other public lands when they have been opened in the past to oil and gas leases, such as on Indian Service lands.

It is my understanding that former Assistant Secretary Orme Lewis has held up attempts to open these refuges to oil exploitation. It is rather interesting to note this change of policy was brought about within 6 weeks after Wesley D'Ewart assumed Mr. Lewis' post on an unconfirmed interim appointment as the assistant secretary in charge of public lands. I am sure Members of Congress, before acting on confirmation of Mr. D'Ewart, will certainly want to know more about his role in this deal.

Sincerely,

HUBERT H. HUMPHREY.

DECEMBER 29, 1955.

The Honorable JAMES E. MURRAY,
Chairman, Committee on Interior and Insular Affairs, United States Senate,
Washington, D. C.

DEAR JIM: Enclosed for your information is a copy of a letter I have just sent to Secretary of the Interior McKay, expressing my concern over his action in opening our national wildlife refuges to oil and gas leasing. I consider his action completely unjustified, and contrary to the expressed will of the Congress as spelled out in both the Mineral Leasing Act and the Atomic Energy Act of 1953. Each of those acts contains provisions providing for such leases on wildlife refuges only when the President by Executive order finds and declares such action is necessary in the interests of national defense. I know of no such finding or declaration to justify the present action.

For that reason I ask that your committee undertake a thorough inquiry into this drastic policy change so damaging to the conservation objectives for which sportsmen and others interested in preservation of our wildlife assets have long fought.

I hope you will make it an early order of business for your committee as the Senate reconvenes, and that you will call both Secretary McKay and Assistant Secretary D'Ewart before you to explain why they are going beyond their authority, why they are neglecting their responsibility to protect these refuges, why a lease was signed on one of these refuges a day in advance of the Secretary's December 2 order, and why such a lease was made on a non-competitive basis.

While I realize wildlife refuges normally come under the jurisdiction of the Interstate and Foreign Commerce Committee, the fact that your committee has jurisdiction over oil and gas leasing on public lands generally and will be concerned with any breakdown of the standards imposed in the Mineral Leasing Act and the Atomic Energy Act leads me to conclude that you have primary interest in this matter and should assume responsibility for a thorough-going investigation.

Sincerely,

HUBERT H. HUMPHREY.

DECEMBER 29, 1955.

The Honorable WARREN G. MAGNUSON,
Chairman, Committee on Interstate and Foreign Commerce, United States Senate, Washington 25, D. C.

DEAR WARREN: You no doubt have read of the recent action of Secretary of the Interior McKay in opening our wildlife refuges to oil and gas leases.

The attitude of the Interior Secretary toward these wildlife refuges, in my opinion, makes it imperative to seek early action on my bill now before your committee, S. 2101 requiring approval of the Congress before the Secretary of the Interior can relinquish all, or any part of, our wildlife refuges.

I urge you to schedule early hearings on this measure, which is of deep concern to all conservationists and sportsmen's organizations in the country.

Enclosed for your information are copies of letters I am sending Secretary of the Interior McKay, and Senator JAMES MURRAY, chairman of the Senate Committee on Interior and Insular Affairs.

Because both your committee and Senator MURRAY's committee have definite interests in this field, I am suggesting a two-way approach through asking Senator MURRAY to investigate Secretary McKay's evasion of the Mineral Leasing Act policy laid down by the Congress in Public Law 585, and urging you to proceed at once toward tightening existing legislation to prevent further raids against our wildlife refuges on the part of an Interior Department negligent in its responsibility to protect them.

HUBERT H. HUMPHREY.

Mr. HUMPHREY. Mr. President, I have asked both the Senate Committee on Foreign Commerce and the Senate Committee on Interior and Insular Affairs to look into this matter and to report to the Congress.

Mr. President, now I desire to discuss another subject.

The PRESIDING OFFICER. The Senator from Minnesota has the floor.

OUR FOREIGN POLICY UNDER SECRETARY DULLES

Mr. HUMPHREY. Mr. President, I have another item which I am sure will be of some interest to my colleagues. I do not know whether many of them have had the privilege of reading the January 16 issue of Life magazine. As usual, that magazine is decorative and attractive; and regardless of whether it is factual, let me assure my colleagues that it is interesting. In the January issue appears a feature article which deserves the attention of every Member of the Senate in an effort to preserve what I consider to be the intellectual integrity of this body and the integrity of the reports and actions of this body.

On June 30, 1955, I stated on the floor of the Senate:

> In recent years we have witnessed a growing trend toward the rewriting of history for political purposes. It is understandable that occasionally in the heat of political battle, something may be said which is not historically accurate. But I am speaking now of the calculated and documented attempt to distort historical facts for political gain.

On that occasion I said that I doubted that the hocus-pocus regarding the function of the Formosa Strait patrol would be the last example of the manipulation of historical fact in a politically imaginative way. My prediction turns out to be true.

Lest my colleagues do not have time to refresh their memories on this particular item, let me say that on June 30, last, I was referring to the Presidential statement that the President was removing the Seventh Fleet from the Strait of Formosa in its mission of protecting the Communists from attack by the Nationalists on Formosa, which is to paraphrase what the Chief Executive had to say.

Mr. President, this afternoon, when the fires of adverse world reaction to the statement of the Secretary of State on Goa have scarcely died down, Mr. Dulles apparently is again responsible for a public statement which is bound to reverberate everywhere to the detriment of America's world leadership.

In the January 16 issue of Life magazine, which is on the newsstands this very day, the chief of the Time-Life bureau in Washington quotes Mr. Dulles as saying:

> The ability to get to the verge without getting into war is a necessary art. We walked to the brink and we looked it in the face. We took strong action.

No other responsible American spokesman in our lifetime, so far as I know, has ever described America's diplomatic objective as "the ability to get to the edge without getting into war," or called that a necessary art of diplomacy.

Yesterday Mr. Dulles refused to affirm or deny his responsibility for this statement. I call upon him today to repudiate it. If it means what it says, the American people do not agree with him. If it is merely another artless phrase, tossed upon the winds of public opinion, it joins those artless predecessors like the talk about "unleashing," the talk about "massive retaliation," the talk about "Portuguese provinces," the talk about "new looks," "agonizing reappraisals," and all the other objectives and nonsensical terms which can be conjured up, with which this administration has previously embarrassed all of us.

I predict, with the assurance of the ordinary, casual observer of international affairs, that Mr. Dulles' latest statement will have aroused a storm of worldwide criticism before nightfall tonight. How many more of these indiscretions and miscalculations can we suffer before our image abroad is so distorted that we conform precisely to the requirements of Soviet diplomacy? Must we behave the way the Kremlin radio says we behave?

Is it not interesting, and is it not sad, that the President of the United States, in order to recapture some world opinion in our behalf when he was in Geneva for the conference at the summit, had to assure the statesmen of the world that the United States was for peace? Is it not interesting, and a sad commentary, that a nation of people who are devoted to peace, a nation of people who are generous, a nation which has given so much in the cause of peace, must send its Chief Executive to a world conference to assure the world that we are for peace, simply because of the clatter, the prattle, the loose talk, and the unfortunate statements of responsible official in the military and civilian aspects of our Government?

Few competent observers will agree with Mr. Dulles' rendition of history, as he claims credit for himself and the President for blustering our way out of the debacles of Korea, Indochina, and Formosa. The administration's policies on these matters will now be reopened for adverse reairing, not so much by spokesmen for the Democratic Party as by the great body of responsible commentators at home and abroad who do not recognize as facts what Mr. Dulles reports as facts. Mr. Dulles' history and remaking of history are his own. I doubt whether even the members of his own party have such short memories that they will accept Mr. Dulles' explanation of his role in the Indochina negotiations of 1954.

If the Life magazine article is correct as to what Mr. Dulles' role was in the Indochina war, then the Secretary misinformed the Senate Committee on Foreign Relations. I was present during his testimony, and I say that Mr. Dulles had better say to this Congress that he told us the truth in the Foreign Relations Committee or that he told the truth to the reporter for Life magazine, because he cannot have both stories. He cannot have Life magazine's report of his role in Indochina and, at the same time, his testimony before the Foreign Relations Committee, because they are diametrically opposite. I say regretfully that they are unalterably opposed.

I think we recall pretty well that Mr. Dulles, after the Indochina partition, laid the blame for that very unfortunate settlement on the backs of Eden and Mendez-France.

One of the most disgraceful periods in American diplomacy was when we let down our allies at the Geneva Conference. If this argument and this distortion of history persists, as one Senator, I am going to demand that the testimony given before the Foreign Relations Committee be made public, because Life magazine has too big a circulation to have nonsense and distortion made so-called legal and official history. I think I have said that loud enough so that it can be heard at the State Department.

Most of us had thought that the doctrine of massive retaliation had been so thoroughly discussed, analyzed, and exploded that it had gone into a well-deserved and massive sleep. Apparently Mr. Dulles' pride of authorship has again impelled him, however, to this fraudulent reassertion of a doctrine which, at the time, was widely regarded as having been asserted without thought and without any allies.

I have long insisted that our foreign policy should grasp the new dimensions of the Soviet challenge. Only this week this administration has said so, too. I believe they came around to it yesterday. The administration has said so in words that reflect the concern felt by our United Nations delegates over the rigidity of our past position. The new nonmilitary aspects of the long-range competition now confronting us are becoming more and more obvious. Mr. Dulles himself has belatedly stressed the height and importance which must be

accorded to the political, economic, and social ingredients of our foreign policy. As I recall, that point was stressed as of yesterday.

I regret to report to the Senate that it was not sufficiently stressed at the time Mr. Dulles appeared before the Committee on Foreign Relations a week ago. The political interview which the Secretary of State has just given to Life magazine is a dismally poor beginning at an effort to meet the new Soviet tactics. It will evoke derision, contempt, anger, and fear. It will cause untold trouble with our allies. It will set loose in this country an argument which may become bitter unless the facts are made clear. Needless to say, there will be editorial and political comments from all over the world, because when the Secretary of State becomes the central figure in a major piece in one of the largest publications in the world, and becomes involved in controversial statements which, on their face, at least, have no historical veracity or accuracy, it is bound to provoke bitter, prolonged, and hard debate.

Therefore I repeat that this interview was unnecessary and foolhardy. Furthermore, it is no way to promote bipartisan support for foreign policy. We do not obtain bipartisan support by letting the Democrats have a little "bi" and letting the Republicans have the full "part" in the program. We shall not attain bipartisanship by trying to tailor-make history with political shears, clipping off any part we do not like, rewriting, with the journalist's pencil, any part we choose to review, and then saying, "These are the facts. Accept them."

Mr. President, that is playing politics with our foreign policy. It can lead to nothing by trouble. I have said on the floor of the Senate repeatedly that if history is to be rewritten let the Soviet Union rewrite it. The Soviet Union specializes in the art of duplicity and hypocrisy. Let us not try to get into that field. Let us keep the history of America honorable. Let us keep the reports of our Government factual. Let us keep the statements of our responsible officials responsible and constructive.

I suggest that a disavowal of the article is still possible. However, there will be no graceful exit, I regret to say, from the consequences. I am afraid that a Pandora's box of trouble has been opened. There are those of us who are willing to join with responsible officials of the administration in trying to close the box, if we can have responsibility and if we can have cooperation and if we can have the kind of vision and imagination for future planning which this country deserves and needs in the present world situation.

CRIMINAL OFFENSES AND CIVIL CAUSES OF ACTION COMMITTED OR ARISING ON INDIAN RESERVATIONS—ORDER OF BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the unfinished business, H. R. 2889, to provide for the conveyance of certain land to Nedecah, Wis., be temporarily laid aside, and that the Senate proceed to the consideration of Calendar No. 361, S. 51.

The PRESIDING OFFICER. The Secretary will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 51) to amend the act entitled "To confer jurisdiction on the States of California, Minnesota, Nebraska, Oregon, and Wisconsin, with respect to criminal offenses and civil causes of action committed or arising on Indian reservations within such States, and for other purposes.

Mr. JOHNSON of Texas. Mr. President, three measures are to be considered by the Senate this afternoon. I understand that two of them are noncontroversial. I am hopeful that the Senate may proceed to the consideration of the measures, and that Senators who may wish to make speeches will understand that the Senate will be glad to accommodate them by remaining in session as long as they may desire, so that they may be heard.

The Senators in charge of the bills have remained on the floor, although I observe now that at least two of them have left the floor because of engagements elsewhere. I hope all Senators will permit the Senate to act upon the measures scheduled for consideration at this time before any Senator indulges in a long speech.

Mr. MARTIN of Pennsylvania. Mr. President, will the Senator from Texas yield to me for 3 or 4 minutes on another matter

Mr. JOHNSON of Texas. I cannot refuse to yield to my delightful friend from Pennsylvania. I have been yielding all morning. I do hope that the Senate may proceed to the consideration of the bills which have been scheduled for consideration today. However, I am very happy to yield to the Senator from Pennsylvania.

(Mr. MARTIN of Pennsylvania addressed the Senate on the subject of the 250th anniversary of the birth of Benjamin Franklin. His remarks appear at a prior place in today's RECORD following the adoption of House Concurrent Resolution 199.)

ORDER OF BUSINESS

Mr. MALONE. Mr. President, I should like to introduce a bill and then take perhaps 5 or 6 minutes to make a statement. I should like to have the Senator from Texas yield to me for that purpose after the bill to which he has referred is taken up for debate.

Mr. JOHNSON of Texas. The majority leader cannot refuse the request of the Senator from Nevada. The Senator from Nevada will have not only 5 minutes but 55 minutes, if he desires.

Mr. MALONE. I thank the distinguished Senator from Texas for his courtesy.

Mr. PASTORE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the rolll.

The legislative clerk proceeded to call the roll.

Mr. PASTORE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BIBLE in the chair). Without objection, it is so ordered.

CRIMINAL OFFENSES AND CIVIL CAUSES OF ACTION COMMITTED ON INDIAN RESERVATIONS WITHIN CERTAIN STATES

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas [Mr. JOHNSON] for the present consideration of Senate bill 51?

There being no objection, the Senate resumed the consideration of the bill (S. 51) to amend the act entitled "An act to confer jurisdiction on the States of California, Minnesota, Nebraska, Oregon, and Wisconsin, with respect to criminal offenses and civil causes of action committed or arising on Indian reservations within such States, and for other purposes."

Mr. O'MAHONEY. Mr. President, it was agreed by the leadership that the unfinished business should be laid aside, and that the Senate should proceed to the consideration of Calendar 361, Senate bill 51. I therefore ask unanimous consent that the unfinished business may be laid aside.

The PRESIDING OFFICER. That has already been done.

Mr. O'MAHONEY. Then I ask that the Senate may proceed with the consideration of S. 51.

The PRESIDING OFFICER. The bill is before the Senate. The clerk will state the committee amendment.

The LEGISLATIVE CLERK. On page 2, line 8, after the word "the", it is proposed to insert "adult."

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. O'MAHONEY. I ask that the consideration of amendments be deferred until I have had an opportunity to make an explanation of the bill.

The PRESIDING OFFICER. That was the only committee amendment, and no other amendments have been received.

Mr. O'MAHONEY. I understand. What I shall say may make the adoption of the committee amendment unnecessary, because there has been an agreement between those who have supported the action of the committee and those who have opposed it. Perhaps we can legislate by unanimous consent, if I may have an opportunity to explain the bill.

May I ask if the clerk has before him Calendar No. 361, Senate bill 51?

The PRESIDING OFFICER. That is correct.

Mr. O'MAHONEY. On August 15, 1953, Public Law 280 of the 83d Congress was enacted. The bill was introduced in the House by former Representative Poulson, of California. The purpose of the bill was to allow the State of California to assume civil and criminal jurisdiction over offenses committed upon Indian reservations or by Indians, and over civil cases arising upon the reservation. The bill was finally enacted, and pertained to the States of California,

Minnesota, Nebraska, Oregon, and Wisconsin. Under the concluding two sections of the bill, namely, section 6 and section 7, authority was granted to all States to assume jurisdiction over Indians without their consent. Under section 6 the various States which had enabling acts or constitutions or statutes prohibiting them from assuming jurisdiction over criminal offenses by Indians on the reservations, or civil actions, were given consent of the United States to change their restrictive constitutions and laws if the people approved.

Section 7 granted the consent of the United States to all other States to assume such jurisdiction.

So section 7 was a grant of Federal consent for the future. Section 6 was a grant in the present for the States to assume control over these civil and criminal offenses. But section 6 carries this proviso:

Provided, That the provisions of this act shall not be effective with respect to such assumption of jurisdiction by any such State until the people thereof have appropriately amended their State constitution or statutes, as the case may be.

Here was a direct declaration in the law that the States could not have Federal consent to assumption of such jurisdiction over Indians unless their laws were approved by the people of the State or by the legislature.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. WATKINS. That was required, was it not, because in the enabling act they were required to adopt a constitution having a provision which would prevent them from assuming jurisdiction?

Mr. O'MAHONEY. That was because the constitutions of some of them did not contain such a provision.

Mr. WATKINS. That was in the enabling act.

Mr. O'MAHONEY. That was the reason.

Mr. WATKINS. Following out the provision of the enabling act, they did adopt constitutional provisions.

Mr. O'MAHONEY. But the Senator did not get my point. My point is that the proviso which I have just read made it clear that the consent of the people of the various States affected by section 7 would have to be given before the provisions of their constitutions could be changed.

Mr. WATKINS. It would have to be given simply because constitutions had already been adopted to the contrary, and it would be necessary to change the constitutions.

Mr. O'MAHONEY. That is correct; and the constitutions could not be changed unless the people gave their consent. But then the statute—Public Law 280 of the 83d Congress—went on to provide that jurisdiction over the Indians could be taken by the States without the consent of the Indians.

So we were, on the one hand, saying, "You may do nothing to increase the burden of the State unless the people of the State agree," but on the other hand, we were saying "You may change the jurisdiction to which the Indians must submit without their consent."

The result was that when the President signed the bill——

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. WATKINS. The enabling act, of course, provided that the States had to include those provisions in their constitutions. That became a legal necessity. But with respect to the Indians, when the Indians became citizens of the United States and exercised their rights of citizenship, there was no longer any further consent necessary than the fact that they had representation; they had been given a part in the Government, the same as any other citizen.

Mr. O'MAHONEY. That is an argument; it is not a statement of fact, if the Senator will permit me to say so.

Mr. WATKINS. That is a conclusion of law, which I think is admissible.

Mr. O'MAHONEY. This particular law of 1953 which we are trying to amend did two things. It required the consent of the people of the State before the jurisdiction over the Indians could be assumed, but it did not require the consent of the Indians to enable the people of the States to take jurisdiction.

Mr. WATKINS. Only in those States which had constitutions containing such a provision.

THE PRESIDENT CRITICIZED 1953 ACT

Mr. O'MAHONEY. Of course, it makes no difference whether it was only those States or not. The point is that the white people were being treated in one way, and the Indian people in another. This so disturbed the President of the United States, Mr. Eisenhower, that in his statement accompanying the signature of the bill, he said:

My objection to the bill—

He was making an objection to the bill even though he signed it—

My objection to the bill arises because of the inclusion in it of sections 6 and 7. These sections permit other States to impose on Indian tribes within their borders, the criminal and civil jurisdiction of the State, removing the Indians from Federal jurisdiction, and, in some instances, effective self-government. The failure to include in those provisions a requirement of full consultation in order to ascertain the wishes and desires of the Indians and of final Federal approval, was unfortunate. I recommend, therefore—

This is the recommendation of President Eisenhower:

I recommend, therefore, that at the earliest possible time in the next session of the Congress the act be amended to require such consultation with tribes prior to the enactment of legislation subjecting them to State jurisdiction, as well as approval by the Federal Government before such legislation becomes effective.

In order to carry out the recommendation of the President, the junior Senator from Arizona [Mr. GOLDWATER] introduced Senate bill 27, amending the 1953 act so as to provide for the consent of the Indians.

The senior Senator from Montana [Mr. MURRAY], the chairman of the Committee on Interior and Insular Affairs, introduced an identical bill, the one now before us.

The bills were so drawn as to require, not consultation alone, but the consent of the Indians, and they provided the manner in which that consent should be obtained. The only issue before the Senate, if we desire to follow the suggestion of the President and the suggestion of the Senators from Arizona and New Mexico, and the recommendation of the Committee on Interior and Insular Affairs, is whether it is desired to acquire mere empty consultation with the Indians or to give them the right to demand the same consent now required in the case of the States.

That, in brief, is the meat of the bill. While we have been waiting to get the measure before the Senate, consultations have been proceeding between myself and the Senator from Utah, who is the ranking minority member of the Subcommittee on Indian Affairs and who was chairman of that subcommittee during the 83d Congress.

My colleague, the senior Senator from Wyoming [Mr. BARRETT], has also been consulted, as have other Senators. It has been suggested to me that if we should agree to amend the committee bill so as to make it merely a repealer of sections 6 and 7, to which the President made objection, we would have accomplished his purpose and the purpose of the committee. After consulting with members of the Committee on Interior and Insular Affairs, I think I am in position to say that the committee will agree to that modification.

Mr. BARRETT. Mr. President, will the Senator yield?

Mr. O'MAHONEY. Certainly.

Mr. BARRETT. If the bill before the Senate is amended and sections 6 and 7 of the Act of August 15, 1953, are repealed, then, so far as the Indians are concerned, the status quo will have been restored, and each State or group of States might come forward with separate bills. Is that correct?

Mr. O'MAHONEY. The Indians in particular States and the States themselves could then ask for Federal consent for transfer of jurisdiction.

Mr. BARRETT. And that would obviate the objections made by the President of the United States and those interposed by various Indian tribes throughout the country, would it not?

Mr. O'MAHONEY. It seems to me that is precisely what the result would be.

Mr. BARRETT. That is the situation, and it seems to me that would form a very fine compromise.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from New Mexico.

Mr. ANDERSON. I should like to ask the chairman of the committee a question. It is a little difficult to understand this matter. Does the proposal meet the objections of the Indians?

Mr. O'MAHONEY. It does; and I will assure the Senator that, as a matter of law, it does precisely what the President wanted to do.

Mr. ANDERSON. The Senator from Arizona [Mr. GOLDWATER] and I have spent a great deal of time on the matter, because we tried to exempt the Indians of our State at the beginning. It was as a result of an amendment brought up on the floor that we got into this situation.

I do not desire another floor amendment to accomplish the same result. Is it certain that the Indians of New Mexico and Arizona—I shall limit my inquiry to those States at the moment—will not be brought under the bill unless the Indians themselves give prior approval?

Mr. O'MAHONEY. Unless the Congress should pass another bill, which the Senators from New Mexico and Arizona might sponsor, to transfer jurisdiction, and I do not think the Senators would do that.

The whole trouble arises from sections 6 and 7. With those sections out, the only States affected would be those which are named in the law, namely, California, Minnesota, Nebraska, Oregon, and Wisconsin.

If any State not named in the bill assumed jurisdiction over criminal and civil affairs of Indians in any particular State, it would be done under the consent contained in the law we are trying to amend. Any action already taken would not be affected by the repealer of those sections, because this repealer has no retroactive effect. The repealer, however, would absolutely protect the Indians of New Mexico, Arizona, and all other States, not already affected by the 1953 act, from loss of their jurisdiction without their own consent.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Arizona.

Mr. GOLDWATER. I know the deep concern of the Senator from New Mexico over this legislation, because he and I joined forces in 1953 to try to prevent the happening of what the Senator suggested did happen.

Mr. WATKINS. Mr. President, will the Senator from Arizona yield to me for a question?

Mr. GOLDWATER. I yield.

Mr. WATKINS. I wish to call attention to the fact that sections 6 and 7 were not inserted in the bill on the floor of the Senate; that was done in the House.

Mr. ANDERSON. But there was an amendment made after the bill had been passed which did change the situation.

Mr. WATKINS. In the Senate?

Mr. ANDERSON. In the Senate.

Mr. WATKINS. What was that amendment?

Mr. ANDERSON. The amendment of the Senator from Wyoming [Mr. BARRETT], which I am sure he offered in complete good faith.

Mr. BARRETT. To which amendment does the Senator from New Mexico refer?

Mr. ANDERSON. To the jurisdictional provision.

Mr. BARRETT. I do not believe the Senator from New Mexico is correct about that. I am not on the Subcommittee on Indian Affairs at this time. The only matter brought up was the amendment offered by the committee itself.

Mr. ANDERSON. I accept the correction.

Mr. GOLDWATER. I think the Senator will recognize that the changes were made by House amendment.

After hearing the objections of the Indians in Arizona—and Arizona has more Indians than has any other State in the Union, so my primary concern is with them—I introduced S. 27, which was aimed at precisely what S. 51 proposes to do.

After discussing the matter with the chairman today, and with other members of the Committee on Interior and Insular Affairs, I believe that the suggestion made by the distinguished chairman to amend the bill so that sections 6 and 7 shall be removed from the original act will accomplish everything the Senator from Montana [Mr. MURRAY] and I desired to have accomplished by the bills which we introduced.

The Indians of my State, I feel confident, without having talked with them about the change, would welcome the deletion of the two sections from the law, as it would then apply to the five States specifically mentioned in the body of Public Law 280. If Arizona desired to come in under the provisions of the law at a later date, it could do so by State action or other action.

As a sponsor of the proposed legislation and as a member of the subcommittee, I concur in the suggestion made by the Senator from Wyoming.

Mr. O'MAHONEY. Mr. President, in order to present the matter formally and in parliamentary form, I offer the following amendment:

On line 3, page 1, of the bill, after the quotation marks and before the word "To," to insert the words "An act," which, of course, is the proper technical description of the act of August 15, 1953.

On page 2, line 1, to strike out all after "(67 Stat. 588)", including all of section 8, and substitute in lieu thereof the following language: "is hereby amended by striking out sections 6 and 7 of said act."

If that amendment is adopted, then it will be necessary to amend the title of the bill by inserting in the first line of the title, before the quotation marks, the words "an act". That is necessary to correct a technical error in the preparation of the bill.

Mr. President, that is the amendment I propose to offer.

Mr. LANGER. Mr. President, will the Senator from Wyoming yield for a question?

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). Does the Senator from Wyoming yield to the Senator from North Dakota?

Mr. O'MAHONEY. I yield.

Mr. LANGER. Aside from these five States, how will it affect other States?

Mr. O'MAHONEY. It will leave them exactly the way they are now, and they cannot assume jurisdiction unless they obtain the consent of Congress.

Mr. LANGER. The constitution of North Dakota and the constitution of Montana are different from the constitutions of other States.

Mr. O'MAHONEY. That is correct.

Mr. LANGER. I want to be certain about that.

Mr. O'MAHONEY. The Senator may be certain that if the amendment we propose is adopted the Indians will be protected.

Mr. ANDERSON. Mr. President, will the Senator from Wyoming yield to me?

Mr. O'MAHONEY. Certainly.

Mr. ANDERSON. Merely for the purpose of trying to establish the legislative history, let me say that I know the Senator from Wyoming understands the difficulties under which some of us who are not lawyers struggle. Will he state again whether this will or will not make it impossible to bring Indians under the civil jurisdiction of these States without their consent?

Mr. O'MAHONEY. No State which is not named in Public Law 280 of the 83d Congress and no State which, although not named in that law, took action under sections 6 and 7, will be affected by this amendment. No other State can take criminal or civil jurisdiction over the Indians under the 1953 act if this bill is passed.

Mr. ANDERSON. I should like to have the Senator state whether the Indians can be placed under the civil jurisdiction of the State without their consent?

Mr. O'MAHONEY. They cannot in any State except those States which are named in this act, Public Law 280, 83d Congress, and as to which the Indians consented, and in the States, like the State of Nevada, where there has been some action under this law.

Mr. WATKINS. Mr. President, if the Senator from Wyoming will yield, let me say that I doubt that it is the intention of the Senator from Wyoming to say that no Indians can be brought in without their consent.

Mr. O'MAHONEY. If I said that, I certainly made a mistake. What I mean is that this law, if amended as we recommend, will not empower any State to take over jurisdiction.

Mr. WATKINS. That is correct; the question of the consent of the Indians is not involved in the amendment. A State has to have the consent of Congress before it can move?

Mr. O'MAHONEY. That is correct.

Mr. WATKINS. And the question about the Indians giving or not giving consent would not be in this bill at all under the Senator's amendment?

Mr. O'MAHONEY. That is correct. Jurisdiction could not be assumed except by new special legislation.

Mr. WATKINS. That is correct.

In that connection, I should like to call attention to a part of my individual report on the bill S 51; I read now from page 3 of my report:

> 5. As a practical matter, no State that has a large Indian population is going to assume civil and criminal jurisdiction over Indians without Indian cooperation, and without some form of a termination program or a program for Indian contribution to the cost of law enforcement. Also, as a practical matter, in the States that already have assumed jurisdiction the system has worked well, even though the transition was originally opposed by the Indians.

I am calling attention to that statement because I recognized at that time that as a practical matter there would have to be a cooperative effort between the States, the Indians, and the United States. Although nothing was said about the consent of the Indians in sections

6 and 7, there would have to be consultation and cooperation with the Indians. In the past, the practice had been for each State, when it wanted jurisdiction and when it was in position to assume the obligations involved, to have a special bill introduced to take care of the situation so far as it affected that State and the Indians involved.

Also, I wish to call attention to the fact that these two sections, 6 and 7, were placed in the bill in the House of Representatives.

Mr. O'MAHONEY. Yes.

Mr. WATKINS. They were placed in the bill by amendments on the floor of the House of Representatives, as I understand.

When I talked to the President about these two sections, the President said he felt the Indians should be consulted, and that it had been reported to him that they had not been consulted with respect to those two sections, because they were added on the floor of the House of Representatives.

I certainly agree with the President that the Indians should be consulted. As a practical matter, it will be difficult for any State to take over jurisdiction of civil and criminal law in those States unless they have Indian help, particularly when there are large groups of Indians and when Indian property is for the most part held in trust by the United States. In other words, if the States cannot tax Indian property, the burden on the States will be a heavy one.

I had intended to submit an amendment to Public Law 280, or to introduce a separate bill, to authorize the Department of the Interior to enter into contracts with the States which were ready to assume jurisdiction over Indians, so as to provide for the payment of at least a part of the costs which would be incurred by reason of that action.

Mr. O'MAHONEY. I hope the Senator from Utah will introduce such a bill.

Mr. WATKINS. Because in many counties, three-fourths of the county is made up of Indian land, and that is where the Indians live; and those counties would be loaded with an extraordinary burden unless they received some help. In the transition period I think there should be some help on the part of the United States.

However, I assume that the Senator from Wyoming would not wish me to offer such an amendment at this time, although I have one prepared for that purpose.

Mr. O'MAHONEY. I may say to the Senator from Utah that it is important to have that measure introduced as a separate bill, so that we may submit it to the executive departments and have the opinion thereon of the Bureau of the Budget and the Bureau of Indian Affairs. I assure the Senator from Utah that if he will introduce such a bill, I will make it a matter of early action in the subcommittee, in order that we may dispose of the suggestion.

Mr. WATKINS. That same suggestion was offered in a statement made by the Senator from Oregon [Mr. MORSE] to the House subcommittee, on Indian affairs on June 27, 1955.

Mr. President, I ask unanimous consent to have the statement by the Senator from Oregon printed at this point in the RECORD.

Mr. O'MAHONEY. Mr. President, I hope such permission will be granted.

The PRESIDING OFFICER. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF HON. WAYNE MORSE, OF OREGON, BEFORE THE INDIAN AFFAIRS SUBCOMMITTEE OF THE HOUSE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS, ON H. R. 5957

Mr. Chairman and members of the subcommittee, I appreciate your courtesy in permitting me to make a few brief remarks in support of the bill H. R. 5957.

The worthy purpose of this bill came to my attention not long ago when a resident of Klamath County, Oreg., told me of the heavy burden that has been assumed by the county in maintaining law and order and in providing law enforcement for the Klamath Indian Reservation. The county has been doing an outstanding job in this respect.

The problem of law enforcement at the Klamath Reservation came into focus shortly after the enactment of Public Law 280 of the 83d Congress. As you will recall, the act conferred upon certain States, including Oregon, jurisdiction over criminal offenses and civil causes of action originating on Indian reservations. It also removed legal impediments to the assumption of such jurisdiction.

Public Law 280 became effective on August 15, 1953, but it was not followed by the State's assumption of actual jurisdiction over civil and criminal matters on the reservation, nor were Federal grants-in-aid made available to Oregon by the United States to assist in defraying the costs of administering the program of Public Law 280. As a result of this sudden shift of responsibility to the State government, the problem of law enforcement on the Klamath Reservation became increasingly difficult.

The problem was further complicated by the fact that there was uncertainty as to whether a political subdivision such as Klamath County could act, with respect to criminal and civil matters originating at the reservation, under the jurisdiction conferred upon the State of Oregon by Public Law 280. The question was resolved when the courts of Oregon handed down a decision to the effect that such jurisdiction could be exercised by political subdivisions.

The people of Klamath County, Oreg., are to be commended for the manner in which they met the problem of law enforcement on the reservation. They did not wait for outside financial assistance; they undertook voluntarily an exacting task. Their success shows what can be accomplished through the intelligent, well-planned action of a local community.

Despite the fact that Klamath County does not receive tax revenues from the reservation and will not receive such revenues until 1958, it assigned 3 deputies and 1 peace officer for service at the Indian reservation. The cost is substantial. For example, in May 1955, the salaries and travel expenses of the deputies and peace officer totaled $1,697.78. Also, Klamath County spent over $5,000 for the purchase of two police vehicles to be used at the reservation.

We think it is unfair and unjust to place this financial burden solely upon the taxpayers of Klamath County when it, in fact, involves primarily a Federal responsibility. Until the termination of Federal supervision over the reservation, as provided by Public Law 587 of the 83d Congress (August 13, 1954), there remains an obligation on the part of the Federal Government to assist in maintaining law and order and in administering justice at the reservation. This obligation continues until all Federal supervision is terminated by proclamation of the Secretary of the Interior.

Furthermore, I am pleased to advise the committee that there is no question about the fact that assumption of this law enforcement responsibility by county officials has greatly improved the administration of justice for the better protection of both Indian and white residents of the county. Very responsible citizens and officials of the county have informed me that the activities of the county have proved to be of great benefit in handling juvenile problems, in preventing breaches of the peace on the reservation, checking quarrels between Indians and white, and in reducing crime generally. I wish to make it clear that the removal of a conflict of law situation between the reservation and county is resulting in greater protection to all inhabitants of the county, Indian as well as white. Outstanding leaders of the tribe would deplore a situation in which law enforcement would revert to so-called tribal justice. Most of the white residents of the county would resent it. Uniformity of justice and equal protection of the law calls for the administration of law enforcement by county officials. It keeps at a minimum conflicts and misunderstandings between the Indian population of the reservation and the rest of the county.

The Federal Government has a definite financial obligation to assist in this matter and all that H. R. 5957 does is authorize the Secretary of the Interior to enter into a contract with county officials to undertake a fair share of such costs.

H. R. 5957, if enacted, will clear away legal obstables to the assumption of a share of the burdens of law enforcement on the Indian reservation. Its objectives are excellent. I respectfully recommend it for favorable consideration by members of this committee.

Mr. BARRETT. Mr. President, will my colleague yield to me?

Mr. O'MAHONEY. Certainly.

Mr. BARRETT. Do I correctly understand that my colleague's amendment will leave section 8 in the bill, and will add new language?

Mr. O'MAHONEY. Oh, no; it strikes out everything on page 2 of the bill, including the proposed section 8.

Mr. BARRETT. Everything after the parenthesis?

Mr. O'MAHONEY. I believe the amendment I have offered is at the desk; if so, Mr. President, let me ask that the amendment be read.

The PRESIDING OFFICER. The amendment will be read.

The LEGISLATIVE CLERK. On page 1, in line 3, after the word "entitle", it is proposed to strike out "To" and to insert "An act to."

On page 2, in line 1, after "(67 Stat. 588)", it is proposed to strike out the remaining language of the bill, and to insert: ", is hereby amended by striking out sections 6 and 7 of said act."

Mr. O'MAHONEY. Mr. President, my amendment was to strike out all after the parenthesis in line 1, on page 2, so that the bill then will read:

Be it enacted, etc., That the act entitled "An act to confer jurisdiction on the States of California, Minnesota, Nebraska, Oregon, and Wisconsin, with respect to criminal offenses and civil causes of action committed or arising on Indian reservations within such States, and for other purposes," approved August 15, 1953 (67 Stat. 588), is hereby amended by striking out sections 6 and 7 of said act.

Mr. BARRETT. I think that covers the matter very well.

Mr. O'MAHONEY. I offer that amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendments of the Senator from Wyoming, on pages 1 and 2 of the bill.

The amendments were agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment, the question is on the engrossment and third reading of the bill.

The bill (S. 51) was ordered to be engrossed for a third reading, and was read the third time.

The PRESIDING OFFICER. The question now is, Shall the bill pass?

The bill (S. 51) was passed.

The title was amended so as to read: "An act to amend the act entitled 'An act to confer jurisdiction on the States of California, Minnesota, Nebraska, Oregon, and Wisconsin, with respect to criminal offenses and civil causes of action committed or arising on Indian reservations within such States, and for other purposes'."

Mr. O'MAHONEY. Mr. President, I ask unanimous consent to have inserted in the RECORD, immediately following the passage of the bill, a copy of the President's statement with respect to this measure.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

AUGUST 15, 1953.

STATEMENT BY THE PRESIDENT

Although I have grave doubts as to the wisdom of certain provisions contained in H. R. 1063, I have today signed it because its basic purpose represents still another step in granting complete political equality to all Indians in our Nation.

The bill confers jurisdiction on the States of California, Minnesota, Nebraska, Oregon, and Wisconsin, with respect to criminal offenses and civil causes of action committed or arising on Indian reservations within such States. The bill has resulted from a process of exhaustive study of the innumerable laws and regulations applying to our several Indian groupments and was arrived at in the States affected after long negotiation in full consultation with the Indians themselves. The Indian tribes regard this as a long step forward in removing them from the status of second class citizens.

Indeed, in the five States where State jurisdiction will soon be paramount, the Indians have enthusiastically endorsed this bill. The bill preserves the basic safeguards against loss of property rights accorded the Indians by Federal treaties, agreements and statutes, and further safeguards the tribal customs and ordinances of the tribes affected when not inconsistent with the general laws of the respective States.

Three Indian tribes that have effective law and order organizations of their own, asked to be excluded from the purview of the bill. These tribes are the Red Lake band of Chippewa, in Minnesota; the Warm Springs tribe in Oregon; and the Menominee tribe in Wisconsin. Because of their effective organizations, they are, in response to their wishes, excepted from this bill.

My objection to the bill arises because of the inclusion in it of sections 6 and 7. These sections permit other States to impose on Indian tribes within their borders, the criminal and civil jurisdiction of the State, removing the Indians from Federal jurisdiction, and, in some instances, effective self-government. The failure to include in these provisions a requirement of full consultation in order to ascertain the wishes and desires of the Indians and of final Federal approval, was unfortunate. I recommend, therefore, that at the earliest possible time in the next session of the Congress, the act be amended to require such consultation with the tribes prior to the enactment of legislation subjecting them to State jurisdiction, as well as approval by the Federal Government before such legislation becomes effective.

I am requesting the Secretary of the Interior to press forward vigorously with the program of cooperative study that he has already so successfully undertaken with the Indians. I also wish to express my earnest hope that the Governors of the several States will fully cooperate with the Secretary of the Interior in this program, and will ascertain the views of the Indians of their States in connection with any action proposed to be taken under sections 6 and 7 of the bill.

Much progress has been made and much greater progress will result through full consideration being accorded our Indian citizens.

Mr. WATKINS. Mr. President, I ask unanimous consent to have inserted at this point in the RECORD, immediately following the statement submitted to the Senator from Wyoming, the minority views on the bill.

There being no objection the minority views were ordered to be printed in the RECORD, as follows:

I believe that the enactment of the bill will be contrary to the basic philosophy of our constitutional form of government and that it will not be in the best interest of the Indians themselves.

I believe also that the bill should be returned to the committee for further consideration in view of these facts:

1. The Department of the Interior reported adversely on the bill.

2. No departmental witnesses were heard.

3. The alternative approach recommended by the President and by the Department, and which I proposed as S. 1606, was never considered or scheduled for a hearing by the committee.

The issue presented, as stated in its simplest terms, is whether we shall obtain from the Indians their consent, or whether we shall follow a procedure of consultation with the Indians before they are subjected to State, civil, and criminal jurisdiction. The issue is consent versus consultation. Although the immediate issue is restricted to civil and criminal jurisdiction, there will be an inevitable tendency to expand the principle to all other fields of Indian administration.

When the President approved Public Law 280, 83d Congress, he recommended that the law be amended to require full consultation with the Indian tribes, before State law is made applicable to them. He did not recommend that the consent of the Indians be required. This is clearly indicated in a subsequent letter from the President to the Commissioner of Indian Affairs, which is quoted in the Department's letter printed on page 3 of the committee report.

The majority report states that, historically, the Federal Government has dealt with the Indians on the basis of consent, and cites a few specific examples. As a matter of fact, however, the overwhelming mass of Indian legislation is not based upon Indian consent. The practice of negotiating and contracting with Indians by treaty or agreement was ended in 1871. Since that time most Indian legislation has been enacted by following the same procedures that are applicable to legislation for all other groups.

The committee's citation of the law repealing the Indian liquor legislation is misleading, because although the Indians do have the option of prohibiting the sale of liquor on an Indian reservation, they may not permit the sale in violation of State law. Furthermore, the committee's citation of the part of Public Law 280 that excluded the Menominee, Red Lake, and Warm Springs Reservations from its scope, nevertheless fails to point out that Public Law 280 included the Umatilla Reservation over the express and emphatic objection of the Indians of that tribe because Congress felt that such action was in their best interest.

The majority report also states that to deny the Indians the right to consent is to deny them the right of self-government. The unsoundness of this argument is apparent from the fact that State government is itself self-government, based upon the participation of the citizens of the State. Indians are full-fledged citizens and have the same right to participate in self-government through State and local procedures that is enjoyed by all other citizens. No one would allege that the inhabitants of any town in the United States are denied the right of self-government merely because their consent is not a prerequisite to the application of State law. Indians were made citizens in 1924 and they are entitled to no more and to no less than other citizens.

Rather than merely criticize the views expressed in the majority report, I prefer to advance the following impelling reasons why Indian consent should not be required:

1. Under our representative form of government, the consent of the governed is expressed through their elected representatives. The Indians are qualified voters, and they participate in the election of the Members to this Congress, which passes laws affecting them. It is inconsistent with our constitutional form of representative government to give any group of citizens the right to exclude themselves from laws of general applicability because they happen to be born of Indian blood.

2. The concept that the Indian peoples exist within the United States as independent nations has been rejected. The Indians have all the rights of United States citizenship, and they should not have additional political rights that are denied to non-Indian citizens. We cannot be placed in the position of recognizing a nation within a nation. To do so would require us to obtain Indian consent before making any laws applicable to them.

3. In many instances the Indians' law and order system has broken down. The non-Indian population surrounding such areas have a legitimate interest in extending the State system under such circumstances. It is not in the best interest of either the Indian or the non-Indian population to perpetuate the ineffective Indian system because of the lack of Indian consent.

4. It is a point of no little concern that many Indian law and order systems are financed with gratuity funds appropriated by Congress. Is it reasonable that by withholding consent the Indians can require the Federal Government to appropriate money for the administration of a separate law and order program?

5. As a practical matter, no State that has a large Indian population is going to assume civil and criminal jurisdiction over Indians without Indian cooperation, and without some form of a termination program or a program for Indian contribution to the cost of law enforcement. Also, as a practical matter, in the States that already have assumed jurisdiction the system has worked well, even though the transition was originally opposed by the Indians.

I have found it necessary to file these independent views because there was no adequate opportunity to develop them before the committee. The hearings that were held

by the subcommittee were for the purpose of hearing certain Indians who were then in Washington and who desired to testify on this and other pending legislation before returning to their reservations. This convenience was extended to them in order to avoid the added expense involved in requiring them to return to testify at a later time. There was no advance notice of the hearings and there was no indication that further hearings would not be held to obtain the views of the Department and other interested persons.

ARTHUR V. WATKINS.

Mr. O'MAHONEY. Mr. President, I ask unanimous consent to have printed at this point in the RECORD an editorial entitled "Indian Consent," which was published in the New York Times of today.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

INDIAN CONSENT

Many Indian experts in this country—led by the Association on American Indian Affairs—have been expressing concern over the tendency to terminate Federal responsibility for the Indian tribes and to lessen various forms of Federal protection. They fear that such policies may leave the Indian prey once again to the kind of exploitation and degradation to which the white man subjected him decades ago.

While the Interior Department and its Bureau of Indian Affairs vigorously defend their approach, the lay critics, including representatives of numerous Indian tribes themselves, have repeatedly attacked the broad shift in emphasis by both administration and Congress away from guardianship over traditional Indian rights, privileges, and tribal organization.

As a case in point Congress passed more than 2 years ago a law authorizing any State to assume complete civil and criminal jurisdiction over all Indian reservations within its borders. We pointed out at the time that this bill was a threat to the historic rights of self-government of many Indian tribes, guarded by treaty, law, and custom, and we asked that it be vetoed. The President signed it, but in doing so did explicitly call for amendment "at the earliest possible time" to include provision for "full consultation" with the affected Indian tribes before such drastic change in their mode of life should become effective.

We do not think consultation is sufficient. We think that the key to the whole issue is Indian consent. The circumstances in which our tribal Indian populations find themselves are obviously different from those of any other American citizens, and we therefore think that the Interior Department is straining a point in stating that the principle of Indian consent "has most serious constitutional implication." A bill is in the Senate now to require consent by referendum before any State can assume civil or criminal jurisdiction over its Indian tribes. We think that such an amendment to the 1953 law is merely giving the Indian his just due.

Mr. GOLDWATER. Mr. President, I ask unanimous consent that there be printed in the RECORD at his point as a part of my remarks several telegrams from Indian leaders in Arizona.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

TUCSON, ARIZ., *January 11, 1956.*

Hon. BARRY GOLDWATER,
United States Senate Building,
Washington, D. C.

DEAR HONORABLE SENATOR GOLDWATER: I have been informed that Senate bill 51 will reach United States Senate this week for a vote. The Apache Tribe would like to go on record to support bill 51, which was introduced by Senator MURRAY. So, Honorable Senator, we are supporting this very strongly, the bill 51. Please support that bill for us.

I believe that bill is to the consent of the Indians. I also notice that bill, S. 27, was introduced which is similar, but I would rather support S. 51. I think this bill, S. 51, quite important to protect the interest of the Indians; so please do all you can to support the interest of the Indians; so please do all you can to support this bill with us.

Sincerely yours,

JESS J. STEVENS,
Chairman, San Carlos Tribal Council.

PEACH SPRINGS, ARIZ., *January 11, 1956.*

Hon. BARRY M. GOLDWATER,
United States Senate Office Building,
Washington, D. C.:

The Hualapai tribe through its official governing body, the Hualapai Tribal Council, favorably endorses Senate bill S. 51, to amend Public Law 280, now before the United States Senate. The Hualapai Tribal Council respectfully urges the United States Senate to favorably vote for said bill.

RUPERT PARKER,
President, Hualapai Tribal Council, Hualapai Reservation, Peach Springs, Ariz.

TUCSON, ARIZ., *January 10, 1956.*

Senator GOLDWATER,
Senate Office Building,
Washington, D. C.:

Ten Papago tribe urges that you support Senate bill 51. Our people are learning to adopt our customs to State laws and are modifying our law and order code every few years to bring it closer to State law. Any arbitrary interference with these orderly changes will be very hard on our people please let us do it our way.

MARK MANUEL,
Chairman, Papago Council, Sells, Ariz.

MALADMINISTRATION IN OFFICE OF COLLECTOR OF INTERNAL REVENUE, PHILADELPHIA, PA.

Mr. WILLIAMS obtained the floor.

Mr. PASTORE. Mr. President, I realize that a number of Senators are desirous of making speeches. I regret very much that they have been delayed. Before he left, the majority leader suggested that we might pass two more noncontroversial bills. I am quite sure that they will not take as much time as did the preceding bill. If Senators will be patient, we can dispose of them. The Senators in charge of the two bills have been in the Chamber since 12 o'clock noon.

Mr. WILLIAMS. That is where they are supposed to remain. However, I shall be glad to yield, with the understanding that I do not lose my right to the floor, in order that certain bills may be passed.

The PRESIDING OFFICER. The Chair observes that the name of the Senator from Oklahoma [Mr. MONRONEY] was first on the list. The Chair recognized the Senator from Delaware on the assumption that he desired to speak on a certain bill.

Mr. WILLIAMS. I beg the Chair's pardon. The Chair recognized the Senator from Delaware because he sought recognition. I claim the floor in my own right. I am willing to yield with the understanding that I do not lose the floor, in order that certain bills may be disposed of. Otherwise I shall proceed to speak.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. PASTORE. Will the Senator yield long enough for us to dispose of the other two bills? They are short, and the explanations are very brief.

Mr. WILLIAMS. I shall be glad to yield with the understanding that I not lose my right to the floor. Otherwise I shall proceed.

Mr. President, last week a Federal grand jury in the city of Philadelphia, Pa., submitted a most damaging endictment charging serious maladministration in the office of the collector of internal revenue of that city.

The charges made by this group of grand jurors are such that they cannot be ignored by the Congress of the United States.

The entire report will be incorporated in the RECORD, but first I quote excerpts to emphasize the seriousness of the conditions in that office:

It is the unanimous conclusion of the grand jurors that two causes were directly responsible for what occurred. The first cause was the clear inadequacy of the procedures employed by the Internal Revenue Service to detect nonfiling by an individual liable for income tax. The second was serious maladministration in the office of the then collector of internal revenue.

In pointing out a specific case of how an individual with an income of over $1¼ million had gotten away without either paying any taxes or filing returns for the 8-year period between 1947 and 1954, the grand jury stated "that this was no mere coincidence, and finds from the evidence that the failure to expose Mr. Schofield's delinquencies involved both gross inefficiency and lack of integrity on the part of those responsible to take action."

The grand jury also pointed out in this report that this same individual had, over a period of years prior to this nonfiling and nonpaying era, been an habitual delinquent in his taxes, and the grand jury in emphasizing the maladministration of the Philadelphia office said:

One of the situations which should lead to prompt discovery of failure to file returns arises where the taxpayer owes income taxes for prior years. Where a taxpayer's past deficiencies are large, it is the duty of the officers charged with collecting his deficiencies to verify that he has filed his current returns. Mr. Schofield's situation was one in which such verification should definitely have been made. The evidence revealed not only failure to perform this duty, but criminal misconduct within the Internal Revenue Service.

I repeat:

The evidence revealed not only failure to perform this duty, but criminal misconduct within the Internal Revenue Service.

The grand jury states in this report that "from documentary evidence produced before them the grand jurors have concluded that Mr. Schofield's failure to file his returns for 1947 and 1948 was known in 1949," and that "from all of the evidence the grand jury reached the conclusion that Mr. Schofield's failure

to file his 1947 and 1948 returns was a fact known to the chief field deputy, and that this knowledge was improperly and illegally suppressed."

The grand jury did not return any indictments against the individuals involved and gave as the reason that one of the major officials involved had since died and the others were excused for lack of sufficient evidence to support indictment for offenses committed within the period of the statute of limitations.

I quote their exact language:

These officials and all other Internal Revenue Service employees who were examined denied knowledge of Mr. Schofield's failure to file returns until public announcement was made after his death. After full consideration the grand jury concluded that there was insufficient evidence to support indictment against any of them for offenses committed within the period of the statute of limitations. Their names are therefore not disclosed in this presentment.

In this report the grand jury not only charges gross inefficiency and maladministration in the Philadelphia office but also recommends additional legislation as being required.

I ask unanimous consent that a copy of the entire grand jury report of January 5, 1956, be incorporated in the RECORD at this point.

The PRESIDING OFFICER. Is there objection?

Mr. LANGER. Mr. President, reserving the right to object—and I shall not object—I should like to ask the purpose. Does the Senator feel that the Statute of Limitations has run, so that there can be no prosecution?

Mr. WILLIAMS. That is the report of the grand jury, but I feel that such serious charges and recommendations are involved in this report, both as to current conditions in the office, and as to the need for additional legislation, that the situation should be called to the attention of Members of Congress, in order that we may give attention not only to the administrative policy, but also to the possible need for additional legislation. I feel that both the Congress and the Department should give recognition to the questions raised in this report.

Mr. LANGER. If the distinguished Senator from Delaware will draft legislation along that line, the Senator from North Dakota will be delighted to join in sponsoring such legislation.

Mr. WILLIAMS. I am asking the department to recommend to the committee any additional legislation which it deems necessary, after this report has been studied both by the department and by the Congress.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Delaware?

There being no objection, the report was ordered to be printed in the RECORD, as follows:

IN RE GRAND JURY INVESTIGATION (MATTER OF INCOME TAXES OF LEMUEL B. SCHOFIELD)

PRESENTMENT

To the HONORABLE J. CULLEN GANEY, Judge of the United States District Court for the Eastern District of Pennsylvania:

The grand jury for the eastern district of Pennsylvania, convened by this court on October 11, 1955, submits herewith its presentment of the results of its investigation into the matter of the income taxes of the late Lemuel B. Schofield, Esq.

Lemuel B. Schofield, an attorney at law, who had been for many years a member of the Philadelphia bar, died on July 3, 1955. On August 7 it was disclosed that no Federal income tax returns had been filed by Mr. Schofield for 6 years before his death. The responsibility for the failure to detect such delinquencies was the purpose of the investigation.

At the outset of the investigation it was ascertained that the last Federal income tax return ever filed by Mr. Schofield was his return for the calendar year 1946. No returns were ever filed in his lifetime for the years 1947 to 1954, inclusive. It was unmistakably established that the failure to file these returns was deliberate. The persons whom Mr. Schofield had employed for many years to keep his books and to prepare yearly summaries of his income and expense, testified that they had prepared such summaries for each of the years in which Mr. Schofield had omitted to file returns and had presented them to him so that the returns could be prepared, as customary, by an accountant. There was further testimony that Mr. Schofield was repeatedly reminded of his delinquencies, commencing with that for the calendar year 1947, but that he never permitted any of the returns to be prepared.

A serious and permanent loss of revenue has resulted from the failure to assess and collect Mr. Schofield's taxes as they fell due. For the years 1947 to 1954, inclusive, Mr. Schofield's gross income, his net income (subject to audit), and the taxes assessed were as follows:

Year	Gross income	Net income	Taxes
1947	$137,127.08	$81,130.42	$47,039.86
1948	183,942.09	120,165.95	73,214.22
1949	159,267.83	98,644.64	56,423.06
1950	115,565.05	60,397.56	29,916.78
1951	209,874.73	131,366.07	92,099.15
1952	190,619.36	103,311.54	69,016.39
1953	184,388.84	89,640.08	57,065.07
1954	172,165.67	35,822.84	10,450.74
Total	1,352,950.65	720,479.10	435,225.27

The addition of penalties and interest bring the total assessments to $931,009.14. Mr. Schofield's net estate is estimated at approximately $280,000.

In the attempt to discover how a taxpayer having total income of over a million and a quarter dollars, on which over $425,000 in taxes was due, could file no returns for 8 years without being called to account, 21 witnesses were called, and all existing documents which were in any way pertinent examined.

It is the unanimous conclusion of the Grand Jurors that two causes were directly responsible for what occurred. The first cause was the clear inadequacy of the procedures employed by the Internal Revenue Service to detect non-filing by an individual liable for income tax. The second was serious maladministration in the office of the then Collector of Internal Revenue.

Findings as to procedures

The procedures used to detect the nonfiling of Federal income tax returns were described in detail by experts in the Internal Revenue Service. These procedures were found to be totally inadequate to accomplish their purpose. The most glaring defect was the absence of any system to check the filing of current returns by taxpayers who had filed returns in previous years. A card index is made each year of taxpayers filing returns in that year, but the cards are then filed away and are not used to determine whether the same taxpayers are filing in subsequent years. Prior to 1940 a "master card" system was in use, under which each taxpayer was assigned a permanent card on which records of filing were posted each year. These records were continuously checked for current filings and delinquencies were automatically detected. The system was abandoned when the volume of taxpayers was greatly increased by a broader tax base, and was not replaced by any comparable substitute. A system similar to that in use before 1940 would have brought Mr. Schofield's delinquencies to light, since he had previously filed returns for over 20 years.

The only procedure now in use by the Internal Revenue Service which is designed for the purpose of detecting nonfiling is the information return system. Employers are required to report the names of all wage earners on W–2 forms, and corporations must report the names of payees of dividends on form 1099. These information returns are processed at a clearing center to determine whether the names of all payees reported match with returns filed by the payees. Where the name of the payee on a W–2 or 1099 form is not associated with a return, the forms are returned to the collection district as unmatched documents. It is then the responsibility of the district to follow through and require the filing of the return if investigation verifies that none was filed. In theory this system will automatically disclose nonfiling by all wage earners and all stockholders receiving dividends. In theory it would have disclosed Mr. Schofield's nonfiling, since he received both salaries and dividends which were duly reported throughout his period of delinquency.

In practice the system was valueless throughout the period under investigation. By 1944 the volume of unmatched documents returned to the districts was too great to be handled by personnel available. For 8 years no attempt was made to solve the problem. The unmatched documents were never inspected, and were destroyed periodically. It was not until after reorganization of the Revenue Service in 1952 that steps were taken to restore the operation of this system. Instead of sending back to the districts a mass of documents that could not physically be examined, certain segments selected alphabetically are returned for examination each year. The system is now approaching effectiveness, but the change came too late to be of use in the Schofield case.

There are eight other ways by which failure to file Federal returns may be detected. None of these is specifically designed for the purpose. Their success depends in the first instance upon the chance that the situation causing inquiry will arise. In the second instance success depends on the efficiency and integrity of the officials presented with the opportunity. It was disclosed by the evidence that in the course of the contacts of the Internal Revenue Service with Mr. Schofield 5 of the 8 situations which could lead to detection of his failure to file did in fact arise. The grand jury has concluded that this was no mere coincidence, and finds from the evidence that the failure to expose Mr. Schofield's delinquencies involved both gross inefficiency and lack of integrity on the part of those responsible to take action.

Findings as to maladministration

One of the situations which should lead to prompt discovery of failure to file returns arises where the taxpayer owes income taxes for prior years. Where a taxpayer's past deficiencies are large, it is the duty of the officers charged with collecting his deficiencies to verify that he has filed his current returns. Mr. Schofield's situation was one in which such verification should definitely have been made. The evidence revealed not only failure to perform this duty, but criminal misconduct within the Internal Revenue Service.

Mr. Schofield was a chronic delinquent in the payment of his income taxes. For many

years he had failed to pay the full taxes due on the returns he had filed, and warrants for unpaid taxes were constantly outstanding in the hands of tax collectors. By the end of 1947 his delinquencies had reached serious proportions. He had paid only half of his taxes due for 1944, a small fraction for 1945, and none of the tax due on his 1946 return. For these years he owed over $39,000. Warrants for collection of these deficiencies were outstanding, but the efforts at collection had been half-hearted, and the collections were comparatively small. In April of 1948 these warrants were assigned to a deputy collector who commenced vigorous action. This deputy succeeded in collecting over $10,000 from Mr. Schofield in less than 4 months and seemed well on his way to collect the balances owed. Nevertheless, in November 1948 he was called off the case and ordered to surrender the Schofield warrants. This order was given him without explanation by the chief field deputy, the official having supervision over collection of all delinquent taxes in the district, and a direct subordinate of the Collector of Internal Revenue. In obedience to this order the Schofield warrants were turned over to the chief field deputy. From November 1948 until January 1951 no collections whatever were made on Mr. Schofield's tax deficiencies. During this period his delinquencies, which had been reduced to $29,000 by the deputy who was called off the case, rose to $37,000 as the result of audits of his returns. During the same period Mr. Schofield's net income was $159,000, but he neither filed returns nor paid anything on his delinquent taxes.

The chief field deputy who had directed the surrender of the Schofield warrants died in 1952. Every one of his subordinates who was in any way concerned in the Schofield tax collections was called before the grand jury. There were some who knew of the incident resulting in the failure to make any collections from Mr. Schofield for over 2 years. They all denied knowledge of the reason or motive for the action of the chief field deputy.

From documentary evidence produced before them the grand jurors have concluded that Mr. Schofield's failure to file his returns for 1947 and 1948 was known in 1949. There was discovered among Mr. Schofield's effects a letter to him from the chief field deputy dated October 10, 1949, which read as follows:

"DEAR MR. SCHOFIELD: It is requested that you call at my office, room 1100, Gimbel Building, 35 South Ninth Street, Philadelphia 7, Pa., at 11 a. m., Wednesday, October 19, 1949.

"The enclosed financial statements, forms 433, are to be executed and presented in duplicate at the time of the conference. Please bring copies of income tax returns as filed for the years 1947 and 1948."

A memorandum of Mr. Schofield's shows that the date of the conference was changed to October 26. It was established that this letter was personally dictated by the chief field deputy. An examination of all of his case files in existence disclosed that in some 1,500 cases which he personally handled he had called upon a taxpayer for copies of returns in only 1 other case. In that case the chief field deputy's notes in the file showed that he had called for copies of the returns because the originals had not been found after search. It was the practice in all cases handled by the chief field deputy to have written memoranda made of his conferences with taxpayers, which were placed in the file of the taxpayer along with the case correspondence and notes as to the action decided upon. The evidence established that a file for Mr. Schofield's case had been maintained. No such file could be located, however, although in the course of an extensive search over 1,500 of the chief field deputy's case files covering the period from 1947 to 1950 were located, and appeared to be intact.

From all of the evidence the grand jury reached the conclusion that Mr. Schofield's failure to file his 1947 and 1948 returns was a fact known to the chief field deputy, and that this knowledge was improperly and illegally suppressed.

In November 1950, the warrants for collection of Mr. Schofield's tax deficiencies for 1944 to 1946 were reassigned to a deputy collector, who brought about the serving of levies in January 1951. After a conference between Mr. Schofield and the chief field deputy, the levies were withdrawn and an agreement was made under which Mr. Schofield was permitted to liquidate these deficiencies then amounting to $37,000, over a period which extended late into 1953. During this period the deputy collector assigned to the case and his supervisor were admittedly charged with the duty of checking on Mr. Schofield's current filings. Their failure to do this was, at the least, gross inefficiency. When Mr. Schofield in late 1953 completed payment of the deficiencies on his taxes through 1946 his accounts were cleared and he had from that time on no further dealings with the collection officials.

These officials and all other Internal Revenue Service employees who were examined denied knowledge of Mr. Schofield's failure to file returns until public announcement was made after his death. After full consideration the grand jury concluded that there was insufficient evidence to support indictment against any of them for offenses committed within the period of the statute of limitations. Their names are therefore not disclosed in this presentment.

In two other situations which arose in Mr. Schofield's dealing with the Revenue Service, efficient and intelligent performance of duties would have exposed or prevented his delinquencies.

Late in 1947 Mr. Schofield's returns for 1944 to 1946 were audited. At this audit it was learned that no estimated returns had been filed for any of those years, and penalties were imposed. Had the examining agent insisted upon the filing of an estimated return for 1947, as was his duty, the subsequent delinquencies might never have occurred.

From 1949 to 1954 Mr. Schofield had regularly made requests for extensions of time to file his income tax returns. The requests were granted (each for 30 or 60 days) but no further attention was given the matter and the failure to file the returns covered by the requests passed unnoticed. Mr. Schofield's letters requesting these extensions were filed away and are still in existence. The excuse for failing to verify the filing of these returns was that such action was not required. The Grand Jury has been advised that directives now specifically require followup of extension requests.

There were yet two further ways in which the Revenue Service had the means at hand to discover these delinquencies. One arose out of the fact that Mr. Schofield until his death regularly filed employer's Federal withholding returns. A crosscheck of his income tax returns, which is not an infrequent practice, would have revealed the whole situation. It did not happen. The final failure to employ a means at hand was an unfortunate coincidence. In late 1950, a revenue agent working on the case of another taxpayer felt that information in Mr. Schofield's returns for 1948 and 1949 could be helpful. He requested a requisition of those returns from his group chief. This request was denied for the reason that such a collateral investigation would be unproductive.

The end result was the failure of all the means of detection through a combination of inefficiency, design, and chance. The discovery of Mr. Schofield's delinquencies after his death was brought about by information from a person unconnected with the Revenue Service.

Recommendations

It is obvious from the facts disclosed by this investigation that the procedures of the Revenue Service must be drastically overhauled. The grand jury strongly recommends that a system be reinstated for keeping a complete record of individuals liable for income tax which is checked annually to verify current filings. The system should be adapted for machine operation by assigning a permanent account number to each taxpayer. The present system of matching information documents against returns should be integrated into the master index system. This system should be made as nearly foolproof and tamperproof as possible by substituting machine operation for manual operation to the greatest possible extent.

It is recommended that an effective control system be placed over the collection procedures, to avoid or detect such scandalous incidents as occurred in the Schofield case. One of the worst defects found in the organization of the collector's office was that such controls as were in use were left in charge of the very officials over whom the controls were intended to operate. This condition made it readily possible for prolonged delays in collection action to go uncorrected. A system of external controls appears essential.

The grand jury heard considerable evidence as to the action which has been taken to correct the causes of maladministration within the Internal Revenue Service. It is clear that the reorganization, which began to show its results in 1953, has already eliminated the condition of complete disorganization which existed in the former office of the collector of internal revenue for this district. There was convincing evidence of a marked improvement in morale in the present collection division within the last two year. The newly organized inspection service is a vast improvement over its predecessors. Appointments and promotions are apparently now being made on merit, directly contrary to the practice found to exist before the reorganization when in some instances promotion seemed the reward for neglect of duty. The vigorous continuance of such measures is obviously required.

Finally, the grand jury recommends legislation imposing severe penalties for nonpayment of income taxes. It was clear from the evidence that the practice of deliberately failing to pay taxes is widespread. It had been carried on by Mr. Schofield for nearly 20 years. If returns are filed, the only penalty for nonpayment of the taxes is the imposition of interest, which has proved an insufficient deterrent. Criminal penalties should be considered for the most flagrant cases.

The grand jury feels that no time should be lost in taking the corrective action recommended. The loss of revenue in the Schofield case alone is sufficient proof of the need for immediate action.

W. Wilson White, United States attorney; Morris Auritsky, Esther O. Beer, Onie O. Carter, Rose M. Cassidy, William T. Coulborn, Adele I. Dominitis, Frederick G. Fitt, Ruth R. Greenfield, Devere Kauffman, Florence E. Weeks, May R. Morton, Gertrude E. Mulrooney, Margaret S. Pollock, Hazel C. Romig, Solomon Rosenthal, Alba G. Scalella, Muriel I. Wetterau, Julia Morris, foreman, grand jurors.

JANUARY 5, 1956.

Mr. WILLIAMS. In addition to calling the grand jury report to the attention of the Congress, I think it should also be called to the attention of Members of Congress that the Treasury Department had been put on notice as to the conditions in that office over 4 years ago. There is no reason why the condition should have gone so long undetected.

For example, as early as December 28, 1951, I wrote the then Commissioner of Internal Revenue, Mr. John B. Dunlap, calling his attention to the Philadelphia situation. My letter was as follows:

UNITED STATES SENATE,
Washington, D. C., December 28, 1951.
Mr. JOHN B. DUNLAP,
Commissioner of Internal Revenue,
United States Treasury Department,
Washington, D. C.

DEAR MR. DUNLAP: I am receiving many complaints from taxpayers in the Philadelphia area, calling my attention to the fact that they are receiving bills for taxes for which they have receipts. These complaints are coming in in such number that I believe the Philadelphia office should be checked.

I would like to see a copy of the most recent report by your Audit Section of this office to see what conditions they found at their last examination.

Yours sincerely,
JOHN J. WILLIAMS.

That letter was replied to under date of January 17, 1952, at which time Mr. Dunlap said that similar complaints had been called to his attention. He stated that a supervisor of accounts was making an examination and that the supervisor would take the necessary steps to clean up the situation.

Later, under date of January 22, 1952, I again wrote Mr. Dunlap, to which he replied under date of January 31, 1952.

Again, on February 29, 1952, I wrote to Mr. Dunlap and I again called his attention to the urgency of his taking some steps to correct the conditions shown to exist in the Philadelphia office. That letter was replied to under date of March 7, 1952. In that letter Mr. Dunlap said:

The examination is being pushed as rapidly as possible commensurate with completeness. I expect that it will be some weeks yet before it is completed to my satisfaction.

On September 29, 1952, which was a considerable length of time after the matter had first been called to Mr. Dunlap's attention, I directed another letter to Mr. Dunlap, asking what conditions he had found to exist in the Philadelphia office.

Mr. Dunlap replied to my letter under date of October 13, 1952, in which he said that, although the examination had been completed, information as to the conditions that were found to exist would be made available only to the Committee on Finance, but that the report would not be made available to me.

I was given no information in answer to my inquiry, or with respect to any of the allegations that were turned over to him, or concerning any reports he had received from his investigators.

I ask unanimous consent that the entire correspondence be incorporated in the RECORD as a part of my remarks.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

UNITED STATES
TREASURY DEPARTMENT,
OFFICE OF COMMISSIONER
OF INTERNAL REVENUE,
Washington, D. C., January 17, 1952.
Hon. JOHN J. WILLIAMS,
United States Senate,
Washington, D. C.

DEAR SENATOR WILLIAMS: I have delayed answering your letter of December 28 relative to complaints you say you are receiving concerning our Philadelphia office until I could ascertain the facts.

One of our best Supervisors of Accounts and Collections, with a complete staff, has been examining the Philadelphia office meticulously since November 1, 1951, and will correct any deficiencies found.

It is true that a number of bills on accounts which had been paid were sent out by that office. This was occasioned by the fact that the remittances had been placed in suspense accounts pending identification, and due to shortage of help, it was impossible to identify the remittances and post them to the proper accounts as quickly as we usually do.

The Supervisor in Charge making the examination advises me that to date he has found nothing seriously wrong with operations of the Philadelphia office.

Sincerely yours,
JOHN B. DUNLAP,
Commissioner.

UNITED STATES SENATE,
Washington, D. C., January 22, 1952.
Mr. JOHN B. DUNLAP,
Commissioner of Internal Revenue,
United States Treasury Department,
Washington, D. C.

DEAR MR. DUNLAP: With further reference to your letter of January 17, 1952, regarding conditions existing in your Philadelphia office, you state that the Supervisor in Charge advised you that to date "he has found nothing seriously wrong with operations of the Philadelphia office."

Will you please furnish for my information a copy of the summary of the Supervisor in Charge which accompanied his most recent audit.

Yours sincerely,
JOHN J. WILLIAMS.

TREASURY DEPARTMENT,
OFFICE OF COMMISSIONER
OF INTERNAL REVENUE,
Washington, D. C., January 31, 1952.
Hon. JOHN J. WILLIAMS,
United States Senate,
Washington, D. C.

DEAR SENATOR WILLIAMS: In reply to your letter of January 22, 1952, you are advised that the supervisor of accounts and collections checking the Philadelphia office has not completed his investigation and therefore has not submitted his final report. We do not anticipate that he will complete his investigation before another 6 weeks have elapsed.

Sincerely yours,
JOHN B. DUNLAP,
Commissioner.

UNITED STATES SENATE,
Washington, D. C., February 29, 1952.
Mr. JOHN B. DUNLAP,
Commissioner, Bureau
of Internal Revenue,
Treasury Department,
Washington, D. C.

DEAR MR. DUNLAP: On previous occasions I have called your attention to the fact that I was suspicious of the conditions in the Philadelphia office of the Bureau of Internal Revenue.

I am not questioning the sincerity of your reply that there is nothing seriously wrong in that area; however, I continue to get complaints, and the nature of those complaints is such that I cannot help but feel there must be something radically wrong in the management of that office. We both know that loose management promotes conditions where irregularities can prevail.

As soon as you receive a report from the supervisor of accounts and collections, whose duty it is to audit that office, I would appreciate seeing a copy.

Yours sincerely,
JOHN J. WILLIAMS.

TREASURY DEPARTMENT,
OFFICE OF COMMISSIONER
OF INTERNAL REVENUE,
Washington, D. C., March 7, 1952.
Hon. JOHN J. WILLIAMS,
United States Senate,
Washington, D. C.

DEAR SENATOR WILLIAMS: In reply to your letter of February 29, 1952, relative to our examination of the office of the Collector of Internal Revenue at Philadelphia, Pa., you are advised that since our last correspondence on this subject I have found it advisable to greatly broaden the scope of the examination.

The examination is being pushed as rapidly as possible commensurate with completeness. I expect that it will be some weeks yet before it is completed to my satisfaction.

Sincerely yours,
JOHN B. DUNLAP,
Commissioner.

UNITED STATES SENATE,
Washington, D. C., September 29, 1952.
Hon. JOHN B. DUNLAP,
Commissioner of Internal Revenue,
Treasury Department,
Washington, D. C.

DEAR MR. DUNLAP: Earlier this year we had a series of correspondence relative to the conditions existing in the Philadelphia, Pa., office, and on March 7, 1952, you said that you had found it necessary to greatly broaden the scope of your examination but that you expected to have a report within the next few weeks.

I notice from tonight's paper you are now in the process of reorganizing this office.

I would appreciate having a report on the conditions as you found them.

Yours sincerely,
JOHN J. WILLIAMS.

TREASURY DEPARTMENT,
OFFICE OF COMMISSIONER
OF INTERNAL REVENUE,
Washington, D. C., October 13, 1952.
Hon. JOHN J. WILLIAMS,
United States Senate,
Washington, D. C.

DEAR SENATOR WILLIAMS: I have your letter of September 29, 1952, stating that you would appreciate a report on the conditions existing in the Philadelphia, Pa., office as revealed by our periodic examination thereof.

I will be most happy to furnish this report to the Finance Committee of the Senate upon proper request from the chairman thereof.

Sincerely yours,
JOHN B. DUNLAP,
Commissioner.

Mr. WILLIAMS. The last letter is dated October 13, 1952. In that letter I was advised that the information would be made available only upon application of the Committee on Finance.

At that time Congress was not in session.

Beginning in January 1953—on January 29, to be exact—I called this matter to the attention of the Committee on Finance. At that time I urged that we should continue the investigation of the Treasury Department. In particular, I emphasized the need of examining the situation in the Philadelphia office. In emphasizing the need for such an examination I outlined to the committee my previous correspondence which I had had with the Treasury Department, and recited some of the cases which had been called to my attention.

As Senators will remember, I was unsuccessful in persuading the committee to continue the investigation.

On March 30, 1953, as appears in the CONGRESSIONAL RECORD, I incorporated a letter in the RECORD, which I had directed to the chairman of the Committee on Finance, the Senator from Colorado [Mr. MILLIKIN]. The letter is dated March 18, 1953. In that letter I outlined a series of allegations with respect to certain offenses throughout the country. In the last paragraph I specifically mentioned the Pennsylvania area as one of the areas which needed to be examined.

I ask unanimous consent that my letter of March 18, 1953, be printed in the RECORD at this point. It was originally printed in the CONGRESSIONAL RECORD on March 30, 1953.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MARCH 18, 1953.

The Honorable EUGENE D. MILLIKIN,
Chairman, Committee on Finance,
United States Senate,
Washington, D. C.

DEAR SENATOR MILLIKIN: In accordance with your request I am outlining as nearly as possible the scope of the investigation which I think should be explored by a special subcommittee of the Senate Finance Committee.

In so doing I want it understood that I am not entering charges against any particular district office or individual in the Treasury Department; however, during the past few months certain allegations have been made which if correct should be exposed.

Among these allegations which should be further investigated are:

1. Bribes: Charges that certain employees (or recent employees) had accepted contributions or bribes from taxpayers whose cases they were handling.

2. Compromise settlements: Many instances have been discovered where compromise settlements have been made for small fractions on the basis of inability of the taxpayer to pay. Such settlements have been made without obtaining from the taxpayer the required financial net-worth statement. Large racketeers are among those who have settled their tax obligations for small factions without filing this net worth statement.

3. Overassessments: Charges that certain Government agents have deliberately overstated the taxpayers' deficiencies solely for the purpose of using such overstated figures for bargaining in compromise settlements.

4. Influence: Charges that undue pressure has been exercised to influence decision on certain tax cases.

5. Collections: There is one case which has been reported to the full Finance Committee wherein a collector of Internal Revenue in one of the mid-western offices just a few days prior to the deadline for the filing of his financial statement under the new Reorganization Act converted approximately $40,000 of unexplained cash into Government bonds. While we fully recognize that there is no law against a man's having cash in his possession, nevertheless for a collector of Internal Revenue to show up with $40,000 of unexplained currency raises a question which should be explored further.

6. Abatements: The allegation has been made that in certain collectors' offices, particularly in the New York area, unusually large amounts of taxes have been abated during recent months without the proper effort being made toward collection. A sample check should be made of at least one area, and if the fears are justified the check should be continued until satisfaction can be established that such practices were not prevalent throughout the Department.

7. Racketeers: The Kefauver Crime Committee made the specific charge that prominent members of the underworld were being given preferential treatment by the Treasury Department. Last year in conjunction with Commissioner Dunlap a sample check was made of 10 of the Nation's top racketeers, and it was found that in 7 of the 10 cases proper attention had not been given toward auditing or collecting taxes from this group. As a result of that sample check a further study should be made to determine who was responsible for this undue leniency.

8. Improper delay: Allegations have been made that large tax cases have been pigeonholed until the statute of limitations for criminal prosecution has expired, while the civil case unduly delayed until collection possibilities were negligible.

9. Audits: At irregular intervals the various district offices are audited by the Accounts and Collections Division (comparable to bank examiners); however, these reports are submitted to the Department here in Washington. In the past there have been many instances where damaging reports have been completely ignored. The subcommittee should request from the Department copies of these routine audit reports for those areas against which complaints are received, with particular attention being given to the Pennsylvania, California, and Illinois areas.

Yours sincerely,

JOHN J. WILLIAMS.

Mr. WILLIAMS. Mr. President, under date of August 22, 1955, after the most recent disclosure, I directed the following letter to the Honorable T. Coleman Andrews, then Director of Internal Revenue Service:

UNITED STATES SENATE,
Washington, D. C., August 22, 1955.

Hon. T. COLEMAN ANDREWS,
Commissioner of Internal Revenue, Department of the Treasury, Washington, D. C.

DEAR MR. ANDREWS: On several previous occasions I have called both to your attention and to the attention of your predecessor Mr. Dunlap certain complaints that the accounts in the Philadelphia Office were not being properly supervised and maintained. Cases involving duplicate and even triplicate payments have been noted, and recently there was disclosed the other extreme—a prominent citizen, Mr. Lemuel B. Schofield was not even filing any returns.

With the records of an office being maintained in such a manner that duplicate, triplicate, or no payments cannot be disclosed until they are first called to the attention of the Bureau by outsiders I am glad to note from the press that at last a more detailed examination of this office has been authorized.

In this connection I would appreciate receiving a copy of the report of the examiners when the new investigation has been completed.

Yours sincerely,

JOHN J. WILLIAMS.

On September 7, 1955, I received an acknowledgment from Mr. Andrews, in which he said he would be happy to see what he could find out and would submit a report on it. That is the last information I had until the grand jury rendered its report of last week.

I ask unanimous consent that the letter be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES TREASURY DEPARTMENT,
Washington, D. C., September 7, 1955.

Hon. JOHN J. WILLIAMS,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: I have your request of August 22, 1955, for a copy of the report of the investigation being made by the regional commissioner at Philadelphia to determine what circumstances or conditions existed which permitted to go undetected the alleged failure of Lemuel B. Schofield to file Federal income-tax returns for several years.

We will be happy to provide you with such information as may be properly disclosed when the report has been received and studied.

Very truly yours,

T. COLEMAN ANDREWS,
Commissioner.

Mr. WILLIAMS. Mr. President, under date of March 16, 1955, I incorporated in the CONGRESSIONAL RECORD a list of delinquent accounts in the various tax-collection districts of the United States. In that list was included the office of the city of Philadelphia. For the information of the Senate, I should like to read the situation as it existed in the Philadelphia office as of March 16, 1955.

At that time the delinquent accounts in that office amounted to $63,450,420.

The withholding tax cases delinquent totaled 16,991 and the amount of money involved was $15,027,004.90.

There were 74,363 delinquent individual tax cases and the amount of this delinquency was $42,436,595.51.

Delinquent corporation tax cases numbered 366, and amounted to $2,916,008.74.

In the case of corporation taxes, it should be noted that all of this might not have been actual delinquencies—although I do not know to what extent—this could be due to the fact that legally some of the corporation taxes were being paid in installments.

There were 3,078 delinquent cases on excise taxes, amounting to $2,199,549.84. Estate and gift taxes amounted to three cases, and $197,777.08. Delinquent unemployment tax, 1,023, amount of $673,-483.93.

I have asked the Internal Revenue Service for a more recent statement, which I expect to have available in the near future. I hope it will show the status of the accounts in that office to have improved since that date.

I have called the attention of the Senate to this grand jury report because I believe in this instance not only the Department of the Treasury, but Congress also, and, specifically, the two Committees on Finance, have the responsibility to study the grand jury report in connection with the allegations and recommendations which are made therein. To the extent that the charges involve inefficiency and mismanagement or maladministration, it is our responsibility to correct. To the extent that it shows the need for the enactment of additional legislation, we should likewise give that subject our prompt attention.

The men involved are not named by the grand jury. The statute of limitations has expired in these cases, and since they could not be prosecuted, the grand jury did not mention names.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. WILLIAMS. I shall be glad to yield in a moment. However, Mr. President, I do think that the American people and particularly the taxpayers in the Philadelphia area, have a right to know the facts and in all fairness to all other employees in that office who were

not involved they should not be left under any cloud. Therefore, it seems to me that those responsible and charged in the indictment should be named. The charges should be outlined even at this late date and an opportunity given to those involved to answer those charges.

We have a right to have that information. Those people who were guilty and are still on the Federal payroll should be removed forthwith. Although the statute of limitation may have expired, that fact does not excuse the moral question involved.

I believe that every official involved in this situation who knew about the existence of these conditions since 1949 and did nothing about it should be identified.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. LANGER. Did the Senator, in 1949, 1950, 1951, 1952, 1953, 1954, and 1955 bring this matter to the attention of the Attorney General?

Mr. WILLIAMS. No; I did not do so. I did not do it because I could not prove the charges and also at that time under the law, the Attorney General had no legal right to investigate the Treasury Department or any of its employees even though evidence of fraud had been presented.

That ridiculous situation was not corrected until late 1953 when Congress amended the law upon my request. I did call the matter to the attention of the Treasury Department, and I asked them to check on it but could get no report as to what they found. It seems to me the very least they could have done was to tell me whether the allegations submitted were founded or unfounded. They refused to give me any report whatever on the matter. Therefore, I do not know what the investigations disclosed. I do know, however, that no action was taken. Last week the grand jury brought forth the damaging indictment to which I have referred.

This grand jury report specifically charges certain unidentified officials as having been guilty of concealing evidence of irregularities until after the Statute of Limitations had expired. Those officials should be identified.

Mr. LANGER. Did the Senator get any report from the Treasury Department?

Mr. WILLIAMS. No; I did not. I referred to the Department for their investigation every allegation received except that I did not give them the source of my information. Some of the complaints refer to double and triple billing for tax. One man had paid his tax and then received bills on four different occasions. He kept explaining to the Department that he had paid his tax. They ignored his letters in which he gave the date on which the bill had been paid. He sent me a photostatic copy of the check. It showed that it had been properly cashed. Of course I do not know whether it had been properly credited. The Department went so far as to threaten the sale of the man's property for taxes which had been paid. Finally the Department had to admit that it had made an error and that the man's account had been paid up for two or three years.

They might have excused that as an error once but it kept being repeated thereby making it clear that to say the least there was gross inefficiency in that office. Still nothing was done.

There are any number of these complaints, Mr. President. In the case to which I have just referred their attention was called four times to the fact that the bill had been paid. Each time the man would receive a bill he would write back and tell them when it had been paid. Of course, Mr. President, I recognize the fact that in bookkeeping matters errors can be made, but when a man calls it to their attention four times, surely something was wrong.

In one case there was an amount of $89 involved, and they were trying to attach the man's wages for payment. He kept repeating the fact that instead of him owing the Government they owed him $89. It took them 2 years to get that situation straightened out, and then they found the he was correct only after I entered the case.

There were entirely too many cases of that kind pending which showed gross inefficiency. They were called to the Department's attention 4 years ago, and they did not do anything about it. That is the indictment against the Department. They should now tell us the whole story and put the names on the record and let us know whether or not those who have committed the errors are still on the public payroll.

Mr. President, I ask unanimous consent that an editorial appearing in the Philadelphia Inquirer of January 7, 1956, in which they raise these same unanswered questions be incorporated in the RECORD as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

GRAND JURY REPORT ONLY A START IN SCHOFIELD CASE

The Federal grand jury report on large-scale tax delinquencies of the late Lemuel B. Schofield raises as many questions as it answers. That's why it can be regarded only as a start toward cleaning up the shocking situation it reveals.

There are two key questions:

First, how much did Schofield owe the Government, and what has been done—or should be done—to collect?

Second, who in the Internal Revenue office was responsible for the astounding failure to collect Schofield's taxes at a time when ordinary taxpayers were made to pay in full, and on time?

With respect to the first question, the grand jury cites Schofield as owing the United States a total of $931,009. It notes that the Schofield estate is estimated at $280,000. But no suggestion is made as to an inquiry to see where his huge income was siphoned off, and how it might be recovered to settle his debt to the Nation.

As to the second question, the grand jury mentions various officials but since "there was insufficient evidence to support indictments against any of them within the period of the statute of limitations * * * their names therefore are not disclosed." Most of us will ask: Why not?

The jury's report finds that Schofield's failure to file returns was "deliberate"; that the failure was known in the Internal Revenue Bureau; that the knowledge was "improperly and illegally suppressed;" that the file on Schofield's case could not be located; and that such attempts as were made to collect his taxes were halted within the Bureau.

When Federal Judge J. Cullen Ganey asked why the grand jury presentment was made at all, since no indictments were returned, United States Attorney W. Wilson White replied that the purpose was to expose "a very mysterious case" and reveal "deplorable conditions" in the Internal Revenue Service.

That being so, Mr. White should now proceed vigorously to discover the whereabouts of Schofield's other income, and fix responsibility not on phantoms but on actual people in the Revenue Bureau. Even if those people cannot be prosecuted due to the statute of limitations—they certainly ought to be fired, and their other activities put under closest scrutiny.

This grand jury report is only a start—not a finish—to the Schofield case.

Mr. LANGER. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS. I yield.

Mr. LANGER. Has the distinguished Senator read the Thorpe case arising in North Dakota, in which Mr. Thorpe was arrested? The matter dragged along through 1951, 1952, 1953, and 1954. It was taken up at St. Paul, Minn., and in the regional office at Chicago. Finally it came before the Attorney General in Washington. Then the case went into the Federal court at Fargo, N. Dak. It went along for a week, and then on motion of the United States attorney it was dismissed when the attorneys for the defense showed that the men employed by the Internal Revenue Bureau had made the mistakes. In one case there was an error of $25,000; in another case, $2,000; and in another case, $6,000. The United States attorney stated in open court that the prosecution never should have been undertaken.

If the Senator from Delaware wishes me to do so, I shall be glad to furnish him with the information.

Mr. WILLIAMS. I should be glad to see it. I am not familiar with that case. Certainly the Department has a responsibility to protect the good name of every taxpayer the same as to protect the name of their good employees and let us not forget that the overwhelming majority of Government employees are honest.

Mr. LANGER. I agree with the Senator.

Mr. WILLIAMS. In some of the cases I called to their attention they were carrying individuals on their books and charging them with delinquency, when that was not true. It is inexcusable that the matter had to be called 3 or 4 times to their attention, and they did nothing to correct their errors. I admit that errors can occur, but certainly they have a responsibility to pay some attention to such complaints.

Let us hope that the new Commissioner who is just assuming his office will prove to be diligent in such cases.

It is mandatory that this agency of the Government which handles such a large percentage of our income maintain the confidence and respect of the American people.

I urge that every Member of Congress read this grand jury report, and that the Treasury Department give to the Congress their answer to the serious questions raised therein.

ORDER OF BUSINESS

Mr. MALONE. Mr. President, I understand that the acting majority leader has a matter to bring before the Senate.

Mr. PASTORE. Mr. President, I understand that one of the bills involves really a question of repassage, and I understand that it will not take much time.

Mr. MALONE. Mr. President, I do not intend to take very much time, but, in my opinion, what I shall have to say is more important than are the bills which are about to be passed. I am willing to yield for one of those bills. I shall yield only for one of them.

Mr. PASTORE. One of them involves only a formality.

Mr. MALONE. That is the one for which I intend to yield.

Mr. MAGNUSON. Will the Senator yield for the one that involves a formality?

Mr. MALONE. Yes. I do not wish to be interrupted when I begin my remarks.

Mr. MAGNUSON. We have been waiting all afternoon.

Mr. MALONE. So have I; and there is a line of Senators ready to speak, and it will be midnight before we get started.

Mr. MAGNUSON. It will take only about half a minute.

Mr. MALONE. I yield for half a minute, and then I shall start on my remarks.

AMENDMENT OF MERCHANT MARINE ACT OF 1936

Mr. MAGNUSON. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to consider Calendar 1175, Senate bill 2286.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2286) to amend the Merchant Marine Act of 1936, so as to provide for the utilization of privately owned shipping services in connection with the transportation of privately owned motor vehicles of certain personnel of the Department of Defense.

Mr. LANGER. Mr. President, may we have a brief explanation of the bill?

Mr. MAGNUSON. Mr. President, I am going to place in the RECORD an explanation of the bill. It merely provides that at the request of the Department, civilian personnel or military personnel may ship automobiles by MSTS or by private merchant marine ships if they choose.

The PRESIDING OFFICER. This bill was passed during the first session of the 84th Congress and the action was reconsidered and the bill restored to the calendar. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 2286) was considered and passed, as follows:

Be it enacted, etc., That section 901 of the Merchant Marine Act of 1936 is amended by inserting "(a)" after "SEC. 901."; and (2) adding to the end thereof a new subsection as follows:

"(b) (1) That notwithstanding any other provision of law, privately owned American shipping services may be utilized for the transportation at Government expense of motor vehicles owned by personnel of the Armed Forces and by civilian employees of the Department of Defense and of the Departments of the Army, the Navy, and the Air Force on other than temporary duty orders, except that nothing contained herein shall be construed to authorize the inland transportation of any motor vehicle within the United States. The Secretary of Defense may by regulations authorize such transportation by commercial means if available at reasonable rates and conditions or by Government means on a space available basis, and shall limit such transportation to one vehicle for the personal use of each authorized person. Transportation other than by water (unless in an overseas area as a part of a move involving transportation by water) shall not be authorized except upon approval in advance of the Secretary of Defense or such other officials as he may designate."

Mr. MAGNUSON. Mr. President, I ask unanimous consent to place in the RECORD an explanation of the bill; and I would say to the Senator from California [Mr. KNOWLAND] that the bill carries out the recommendations of the Hoover Commission on this subject.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

BRIEF SUMMARY OF S. 2286, TO AUTHORIZE TRANSPORTATION ON COMMERCIAL VESSELS OF PRIVATELY OWNED AUTOMOBILES OF DEFENSE PERSONNEL

S. 2286 would implement one of the recommendations of the Hoover Commission's Subcommittee on Transportation, namely, that "legislation be sought amending present law to permit shipment on private vessels of automobiles belonging to armed services personnel."

Transportation of such privately owned vehicles is authorized by congressional act (63 Stat. 1020; 10 U. S. C. 825) which allows them to be transported on Government-owned vessels. This law has been interpreted by the Defense Department to mean that they can be carried on Government vessels only.

With 71,667 such automobiles transported on MSTS vessels in fiscal 1954, restriction of their transportation to Government vessels creates a competitive situation greatly to the detriment of the United States merchant fleet. Automobiles are low weight cargo. When a substantial number are stowed aboard ship, it is necessary that weight cargo be placed in the lower hold to provide stability. Thus MSTS must keep more ships in active use to carry the automobiles, and for each load of vehicles, must carry a great deal of general-weight cargo, which commercial vessels could, and should, carry otherwise. Thus MSTS is forced to violate the spirit of the directive of October, 1949, which established the Service. This directive provides that there should be a nucleus fleet suitable in types and sizes to carry out logistics needs of military departments which cannot be met by commercial interests.

Passage of S. 2286, by removing the requirement that Government vessels be used, would pave the way for a reduction in the size of the Government nucleus fleet, and by so much reduce the competition with private shipping against which the Hoover Commission has levied such vigorous criticism.

It is the only legislative action necessary. The other problems arising out of MSTS competitive practices can be handled administratively by the Department of Defense.

Mr. LANGER. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield.

Mr. LANGER. Was the report of the subcommittee unanimous?

Mr. MAGNUSON. Yes; the report was unanimous.

I wish to thank the Senator from Nevada for yielding.

ORDER OF BUSINESS

Mr. MALONE. Mr. President, I do not wish to be placed in the position of delaying legislation, but I have a very important committee meeting at 3:30. I have been here an hour and a half. It will take me approximately 20 minutes to complete my remarks, and then I can go to my committee meeting, although I shall be late.

Mr. PURTELL. Mr. President, if the Senator will yield, I think the next matter can be disposed of in a minute and a half.

Mr. MALONE. I yield for a minute and a half.

Mr. PURTELL. Mr. President, I understand that the Senator from Rhode Island wishes to call up another bill.

Mr. MALONE. How long will it take?

Mr. PURTELL. About a minute and a half, I understand.

Mr. PASTORE. Mr. President, I shall wait.

Mr. PURTELL. Then I shall have to wait with the acting majority leader.

Mr. MALONE. Mr. President, I am willing to cooperate.

Mr. PASTORE. Mr. President, will the Senator from Nevada yield?

Mr. MALONE. Certainly.

Mr. PASTORE. I cannot read my statement in a minute and a half. I may take 8 or 10 minutes. If that is too long, I do not ask for any time.

REPEAL TRADE AGREEMENTS ACT AND RETURN TO THE CONSTITUTION OF THE UNITED STATES

Mr. MALONE. Mr. President, I introduce for appropriate reference a bill to amend the 1930 Tariff Act and to repeal the 1934 Trade Agreements—so-called reciprocal trade—Act as extended for 3 years during the 1st session of the 84th Congress.

The Constitution, in article I section 8, provides that the Congress shall have power to lay and collect taxes, duties, and imposts, meaning tariffs. The Constitution also states in the same article and section that Congress shall have power to regulate commerce with foreign nations.

RESPONSIBILITY OF LEGISLATIVE BRANCH

It is clear that the constitutional responsibility of Congress is to regulate foreign trade in the interest of the national economy, general welfare of the country and the common defense—article I, section 8.

Congress abdicated its power and responsibility to adjust duties or tariffs in the regulation of our foreign commerce in 1934 when it passed the Trade Agreements Act.

CONSTITUTION ILLEGALLY AMENDED WITHOUT SUBMISSION TO STATES

Congress, in effect, Mr. President, repealed these vital provisions of the Constitution and thus amended the Constitution without submitting it to the States, which it clearly has no power to do. The Trade Agreements Act is unconstitutional, of course; and if it were constitutional it would be unwise to shift the legislative power to the President with full authority to transfer it to Geneva, Switzerland, which he has done.

CONSTITUTIONALITY SUIT

There is at present before the United States Court of Appeals for the District of Columbia Circuit a case challenging the constitutionality of the 1934 Trade Agreements Act.

The suit contends that the act is unconstitutional because Congress illegally delegated its authority to the executive branch of the Government, contrary to article I, sections 1, 7, and 8, and article II, section 2 of the Federal Constitution.

MALONE BILL TO REPEAL TRADE AGREEMENTS ACT SUBMITTED

Mr. President, I ask that the bill which I am submitting for appropriate reference be printed at this point in the RECORD, as a part of my remarks.

MALONE BILL TO REPEAL TRADE AGREEMENTS SUBMITTED

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2926) to amend the Tariff Act of 1930, and for other purposes, introduced by Mr. MALONE, was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc.—

DECLARATION OF POLICY

SECTION 1. It is declared to be the policy of the Congress—

(a) to facilitate and encourage trade with foreign nations on the basis of fair and reasonable competition.

(b) to maintain an investment climate through the principle applying equally to the whole country.

(c) to provide necessary flexibility of import duties thereby making possible appropriate adjustments in response to changing economic conditions;

(d) to assure the accomplishment of these objectives by returning to the provisions of the Constitution (art. 1, sec. 8) in the control over American import duties now subject to international agreements.

RESTATEMENT OF EXISTING IMPORT DUTIES

SEC. 2. Title I, paragraphs 1 to 1559, inclusive, of the Tariff Act of 1930 are hereby amended by repealing the classifications and rates therein contained and substituting therefor the classifications and rates obtaining and in effect on the expiration of 90 days after the date of enactment of this act, by reason of proclamations of the President under section 350 of the Tariff Act of 1930 or otherwise; and all other acts and parts of acts inconsistent with any of the provisions of this act are hereby repealed.

ADMINISTRATION OF TRADE AGREEMENTS

SEC. 3. Title III, part II, of the Tariff Act of 1930 is amended by adding after section 331 the following new section:

"SEC. 331a. Administration of trade agreements.

"(a) All powers vested in, delegated to, or otherwise properly exercisable by the President or any other officer or agency of the United States in respect to the foreign trade agreements entered into pursuant to section 350 of this act are hereby transferred to, and shall be exercisable by the Commission, including, but not limited to, the right to invoke the various escape clauses, reservations, and options therein contained, and to exercise on behalf of the United States any rights or privileges therein provided for the protection of the interests of the United States.

"(b) The Commission is hereby authorized and directed—

(1) to terminate as of the next earliest date therein provided, and in accordance with the terms thereof, all the foreign trade agreements entered into by the United States pursuant to section 350 of this act;

"(2) to prescribe, upon termination of any foreign trade agreement, that the import duties established therein shall remain the same as existed prior to such termination, and such import duties shall not thereafter be increased or reduced except in accordance with this Act."

PERIODIC ADJUSTMENT OF IMPORT DUTIES

SEC. 4. Title III, part II, section 336, of the Tariff Act of 1930 is hereby amended to read as follows:

"SEC. 336. Periodic adjustment of import duties.

"(a) The Commission is authorized and directed from time to time, and subject to the limitations hereinafter provided, to prescribe and establish import duties which will, within equitable limits, provide for fair and reasonable competition between domestic articles and like or similar foreign articles in the principal market or markets of the United States. A foreign article shall be considered as providing fair and reasonable competition to United States producers of a like or similar article if the Commission finds as a fact that the landed duty paid price of the foreign article in the principal market or markets in the United States is a fair price, including a reasonable profit to the importers, and is not substantially below the price, including a reasonable profit for the domestic producers, at which the like or similar domestic articles can be offered to consumers of the same class by the domestic industry in the principal market or markets in the United States.

"(b) In determining whether the landed duty paid price of a foreign article, including a fair profit for the importers, is, and may continue to be, a fair price under subdivision (a) of this section, the Commission shall take into consideration, insofar as it finds it practicable—

"(1) The lowest, highest, average, and median landed duty paid price of the article from foreign countries offering substantial competition;

"(2) Any change that may occur or may reasonably be expected in the exchange rates of foreign countries either by reason of devaluation or because of a serious unbalance of international payments;

"(3) The policy of foreign countries designed substantially to increase exports to the United States by selling at unreasonably low and uneconomic prices to secure additional dollar credits;

"(4) Increases or decreases of domestic production and of imports on the basis of both unit volume of articles produced and articles imported, and the respective percentages of each;

"(5) The actual and potential future ratio of volume and value of imports to volume and value of production, respectively;

"(6) The probable extent and duration of changes in production costs and practices;

"(7) The degree to which normal cost relationships may be affected by grants, subsidies (effected through multiple rates of export exchange, or otherwise), excises, export taxes, or other taxes, or otherwise, in the country of origin and any other factors either in the United States or in other countries which appear likely to affect production costs and competitive relationships.

"(c) Decreases or increases in import duties designed to provide for fair and reasonable competition between foreign and domestic articles may be made by the Commission either upon its own motion or upon application of any person or group showing adequate and proper interest in the import duties in question; *Provided, however*, That no change in any import duty shall be ordered by the Commission until after it shall have first conducted a full investigation and presented tentative proposals followed by a public hearing at which interested parties have an opportunity to be heard.

"(d) The Commission, in setting import duties so as to establish fair and reasonable competition as herein provided, may, in order to effectuate the purposes of this act, prescribe specific duties or ad valorem rates of duty upon the foreign value or export value as defined in sections 402 (c) and 402 (d) of this act or upon the United States value as defined in section 402 (e) of this act.

"(e) In order to carry out the purposes of this act, the Commission is authorized to transfer any article from the dutiable list to the free list, or from the free list to the dutiable list.

"(f) Any increase or decrease in import duties ordered by the Commission shall become effective 90 days after such order is announced: *Provided*, That any such order is first submitted to Congress by the Commission and is not disapproved, in whole or in part, by concurrent resolution of Congress within 60 days thereafter.

"(g) No order shall be announced by the Commission under this section which increases existing import duties on foreign articles if the Commission finds as a fact that the domestic industry operates, or the domestic article is produced, in a wasteful, inefficient, or extravagant manner.

"(h) The Commission, in the manner provided for in subdivisions (c) and (f) in this section, may impose quantitative limits on the importation of any foreign article, in such amounts, and for such periods, as it finds necessary in order to effectuate the purposes of this act: *Provided, however*, That no such quantitative limit shall be imposed contrary to the provisions of any foreign trade agreement in effect pursuant to section 350 of this act.

"(i) For the purpose of this section—

"(1) the term 'domestic article' means an article wholly or in part the growth or product of the United States; and the term 'foreign article' means an article wholly or in part the growth or product of a foreign country;

"(2) the term 'United States' includes the several States and Territories and the District of Columbia;

"(3) the term 'foreign country' means any empire, country, dominion, colony, or protectorate, or any subdivision or subdivisions thereof (other than the United States and its possessions);

"(4) the term 'landed duty paid price' means the price of any foreign article after payment of the applicable customs or import duties and other necessary charges, as represented by the acquisition cost to an importing consumer, dealer, retailer, or manufacturer, or the offering price to a consumer, dealer, retailer, or manufacturer, if imported by an agent.

"(j) The Commission is authorized to make all needful rules and regulations for carrying out its functions under the provisions of this section.

"(k) The Secretary of the Treasury is authorized to make such rules and regulations as he may deem necessary for the entry and declaration of foreign articles with respect to which a change in basis of value

has been made under the provisions of subdivision (d) of this section, and for the form of invoice required at time of entry."

AMENDMENT OF SECTION 337

SEC. 5. Title III, part II, section 337, of the Tariff Act of 1930 is hereby amended as follows:

(a) Subdivision (a) thereof by striking out the word "President" and substituting therefor the words "Tariff Commission."

(b) Subdivision (b) thereof is hereby repealed.

(c) Subdivision (d) thereof is hereby repealed.

(d) Subdivision (e) thereof is hereby amended to read as follows:

"(e) Exclusion of articles from entry: Whenever the existence of any such unfair method or act shall be established to the satisfaction of the Commission, it shall direct that the articles concerned in such unfair methods or acts, imported by any person violating the provisions of this Act, shall be excluded from entry into the United States, and upon information of such action by the Commission, the Secretary of the Treasury shall, through the proper officers, refuse such entry."

(e) Subdivision (f) thereof is hereby amended to read as follows:

"(f) Entry under bond: Whenever the Commission has reason to believe that any article is offered or sought to be offered for entry into the United States in violation of this section, but has not information sufficient to satisfy it thereof, the Secretary of the Treasury shall, upon its request in writing, forbid entry thereof until such investigation as the Commission may deem necessary shall be completed; except that such articles shall be entitled to entry under bond prescribed by the Secretary of the Treasury."

(f) Subdivision (g) thereof is hereby amended to read as follows:

"(g) Continuance of exclusion: Any refusal of entry under this section shall continue in effect until the Commission shall find and advise the Secretary of the Treasury that the conditions which led to such refusal of entry no longer exist."

STATISTICAL ENUMERATION

SEC. 6. Title IV, part III, section 484 (e), of the Tariff Act of 1930 is hereby amended to read as follows:

"(e) Statistical enumeration: The Chairman of the Tariff Commission is authorized and directed to establish from time to time, after consultation with the Secretary of the Treasury and the Secretary of Commerce, a statistical enumeration of imported articles in such detail as he may consider necessary and desirable to effectuate the purposes of this act. As a part of each entry there shall be attached thereto or included therein an accurate statement giving details required for such statistical enumeration. The Secretary of Commerce is hereby authorized and directed to make such reasonable and proper digests from, and compilations of, such statistical data as the Chairman requests. In the event of a disagreement between the Chairman and the Secretary of Commerce as to the reasonable and proper nature of any request the matter shall be referred to the President, whose decision shall be final."

REVISED TEXT OF TARIFF ACT

SEC. 7. The Tariff Commission, as soon as practicable, shall prepare and cause to be printed as a public document available for public distribution a complete revised text of the Tariff Act of 1930 as amended: *Provided*, That all acts or parts of acts conflicting herewith are hereby repealed.

EFFECTIVE DATE

SEC. 8. This act shall take effect upon the expiration of 90 days after the date of its enactment; but no foreign trade agreement shall be entered into under section 350 of the Tariff Act of 1930, as amended, after the date of enactment of this act.

CONGRESS TO THE PRESIDENT TO GENEVA

Mr. MALONE. Mr. President, when in 1934 Congress transferred its constitutional responsibility of regulating foreign trade and the national economy to the President, it abdicated its constitutional authority.

The President, in 1947, transferred by Executive order the complete constitutional responsibility of Congress to regulate the national economy and foreign trade to the General Agreement on Tariffs and Trade, commonly referred to as GATT, at Geneva, Switzerland.

I do not believe there is a Member of the Senate who would have voted for the passage of the 1934 Trade Agreements (so-called reciprocal trade) bill if he had known that it contained full authority for the President to send it by Executive order to Geneva, Paris, London, or wherever the spirit moved him.

The 1934 Trade Agreements Act, as it has been amended and extended from time to time—it has now been extended for 3 years by this Congress—contained provisions giving the President the power to transfer the constitutional responsibility of Congress to Geneva, Switzerland, and to set up an organization which is called the General Agreement on Tariffs and Trade, or GATT.

UNITED STATES MARKETS COMPLETELY INTERNATIONALIZED

GATT is an organization consisting at present of 35 nations, whose members sit around a table and divide up the markets of the United States as though they were a nice, juicy beefsteak.

Congress has no authority over and little knowledge of this organization, and is not advised until the trades are made. Congress has no representation at Geneva, and even the President of the United States is only perfunctorily represented.

Mr. President, regardless of whether the Trade Agreements Act of 1934 violates the letter of article I, section 8, of the Federal Constitution, certainly it violates the spirit of that article and section. I agree with the declaration in the suit which has been filed that the act is unconstitutional.

WHO IS REPRESENTED AT GENEVA?

What part of the people of the United States is represented at Geneva, Switzerland? Article I, section 8, of the Constitution provides that the legislative branch of the Government shall regulate duties or tariffs, trade, and the national economy. It gives Congress not only the right but also the responsibility of regulating duties and tariffs.

Why was the legislative branch chosen for this important work? It was because every precinct in the United States is represented on the Senate floor, and every precinct in the United States is represented on the House floor. But there is no precinct in the United States which is represented at Geneva, Switzerland.

ORGANIZATION FOR TRADE COOPERATION

Last year a bill was introduced which is now before the Senate Committee on Finance, to provide for an agency to be called the Organization for Trade Cooperation. That is a clever piece of proposed legislation.

If Congress passes it, we shall be approving the transfer of the constitutional authority and the constitutional responsibility of Congress to the President, and his action of transferring that responsibility to Geneva, Switzerland. But if Congress does not approve it, we shall not touch the General Agreement on Tariffs and Trade, which will continue to function under the 1934 Trade Agreements Act. The proposal is very clever, since it appears that the whole question is being put before the Congress.

EVERY UNITED STATES PRODUCT IN THE HANDS OF FOREIGN NATIONS

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. MALONE. I yield.

Mr. LANGER. Does that include tariffs on such items as antimony, tungsten, silver, lead, and similar raw materials?

Mr. MALONE. Not only those items but it includes textiles, machinery, precision instruments, and 5,000 other products produced by our high-living-standard working men and women and our own investors hard-earned money.

Mr. LANGER. Everything that we import or export?

ALL AMERICAN TRADE AT MERCY OF GATT

Mr. MALONE. Everything we import, export, manufacture, or otherwise produce in this country is at the mercy of 35 foreign nations at Geneva with only one objective, that of each getting a part of the only real markets of the world.

Mr. LANGER. In other words, we have turned over that power to a group of people at Geneva.

Mr. MALONE. By the vote of the Senate and the House. I am sure the Members of Congress did not know what they were doing in 1934. I am certain they did not know that the act which they passed contained sufficient authority for the Executive in turn to transfer their power to Switzerland, or to Moscow, if the President so desired.

DULLES' TESTIMONY RECALLED

The Secretary of State testified before the Senate Committee on Finance last year that the 1934 Trade Agreements Act contained all the authority necessary to establish the General Agreement on Tariffs and Trade at Geneva. Therefore, if the 1934 act were extended it would not disturb the operations of the 35 nations at Geneva even if the Organization for Trade Cooperation, OTC, were not passed.

Mr. President, Congress was given the sole authority to lay and collect duties for a purpose—for two purposes, in fact. One was to provide for the common defense; the other was to provide for the general welfare of the United States.

TRADE ACT HAS IMPAIRED NATIONAL DEFENSE

Senate Report No. 1627 of the 83d Congress offers impressive proof that the Trade Agreements Act, which Congress substituted for the Constitution, has impaired the common defense, and has made us dependent on distant foreign lands for many, if not most, of the strategic and critical materials without

which we cannot fight a war or live in peace.

To digress, the foreign nations can stop the shipment of these materials to us in peacetime, as well as in war.

India, for example, stopped the shipment of monazite sands to the United States in peacetime. Luckily, we are not dependent upon India for monazite sands. As a matter of fact, we can make the Western Hemisphere self-sufficient for all the materials we need, whether in peacetime or to fight a war.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. MALONE. I yield.

Mr. LANGER. Is it not true that when monkeys were needed for experimental purposes in connection with the study of poliomyelitis, India stopped the exportation of monkeys to the United States for a short time, until pressure was brought to permit the monkeys to be shipped?

Mr. MALONE. I think that is true; and I think India had a perfect right to do that, and we could not quarrel with them. The only thing we can quarrel with is Congress, which has put us in such a position that foreign countries can do that.

Mr. LANGER. The Senator from Nevada knows, does he not, that if 2 or 3 of his constituents, for example, mine owners, came to Washington, they would meet, first, with a small group of so-called experts who would be going on to Geneva. They would meet, first, with a group of men who were not elected by the people. If the Senator wanted to talk to them about tungsten, antimony, copper, or whatever it might be, he would have to bow down before that group and say, "Gentlemen, will you not be so good as to let a United States Senator speak with you for about 5, 10, or 15 minutes?"

UNITED STATES INDUSTRIES HAVE NO REPRESENTATIVE OR VOICE AT GENEVA

Mr. MALONE. I would say to the Senator from North Dakota that he could not go to Geneva and get an audience, unless it would be for some purpose which has not been allowed up to now. Here in the United States one would go before a committee which would have no knowledge of what he was talking about.

At Geneva there is a long-range international policy which amounts, in effect, to the worldwide socialistic principle of the division of wealth, and of seeking to police all the nations of the world in order to divide the markets which are the basis of our wealth.

UNITED STATES INVESTMENT CLIMATE DESTROYED BY TRADE ACT

The Trade Agreements Act has utterly and completely destroyed the favorable investment climate this country once enjoyed, except in the public utilities and dominant American industries which for the most part now have or contemplate branch plants in lands behind the low-wage curtain.

Such plants enable these companies to manufacture their product abroad and to furnish the rest of the world with products from the low-wage locations. Then these foreign-produced products can then be shipped back to the United States under our free trade policy, with their shipment involving only the low-cost water transportation between the foreign countries and the United States market, the only real market in the world, and which ultimately will have been destroyed.

I shall have more to say about this later in my remarks.

TRADE ACT ENDED PRINCIPLE OF EQUALITY IN UNITED STATES MARKETS

The Congress, when it abandoned its constitutional responsibilities over foreign trade and commerce in 1934, also abandoned the historic principle which had guided our economy for 140 years, and had brought us from a struggling group of colonies with 3 million poverty-ridden citizens to the richest and most powerful nation in the world.

That principle was equality in our markets, brought about by flexible duties or tariffs adjusted by the people's representatives in Congress upon a basis of fair and reasonable competition. For this principle Congress substituted the policy of trying to establish world peace through the division of wealth, while it is the people's representatives in Congress who have to go home and face the votes of their people every so often.

Representation of the people by Congress on the basis of a principle was the reason that provision was placed in the Constitution of the United States, and why it was provided that the legislative branch should have jurisdiction, so that tariffs and the regulation of our commerce could not be transferred to Geneva or Moscow or Paris or Peking, and allow other nations to say what the people in North Dakota, Nevada, Pennsylvania, or Vermont are going to do. That can be done now.

STATE DEPARTMENT WANTS TAXPAYERS TO REIMBURSE INDUSTRIES IT DESTROYS

There is a bill in Congress on the subject, which has just been introduced. And there has been talk for several years of an arrangement whereby we would put up the money in the event certain industries are destroyed, as they may be, and as Mr. Dulles stated before our committee. It was stated that if any industry in this country is destroyed because of this Government's following a certain foreign policy, there is a right to do that. I invite my colleagues to read the evidence. It will scare them to death.

BILL TO CARRY OUT ACHESON-DULLES' PROPOSALS NOW PENDING

There is a bill now before the Congress to provide funds if such a thing happens. The State Department has advocated such a principle for 10 or 15 years. Mr. Acheson advocated it when he was Secretary of State. What is it proposed to be done when communities or industries are destroyed or distressed economically? That we reimburse the investors and furnish money to transfer working men and women.

IRON-CURTAIN PROGRAM OF TRANSFERRING WORKERS ADVOCATED

Mr. President, I was behind the Iron Curtain for 2 months and a half last year, and that is what is done there, only behind the Iron Curtain it is not necessary to introduce a bill.

I hope no such bill passes this Congress, that we get our feet on the ground, and that we again adhere to the Constitution of the United States and the Bill of Rights, which provided us the means of having and maintaining the principle of developing industries in the whole country alike, and did not allow the Executive or the State Department, or Geneva to remake the industrial map of the United States.

BILL ASKS DISTRESS VICTIMS TO HELP FINANCE OWN RELIEF

The Congress of the United States is asked, through the same taxpayers who may be distressed because of such policies, to put up money to reimburse investors who are in bad straits or without jobs. They are in poor straits or unemployed because of the very legislation enacted by the Congress in 1934, and extended from time to time, until we now have 3 more years facing us in which Geneva will run the industrial setup of this country.

No private investor can possibly spend money wisely under such a situation.

The last tariff law based on fair and reasonable competition was in 1930. Under that law if any person just out of school or anyone else who desired to go into business—if he could figure out how to manufacture a product in competition with any other American producer—could go to his friends for money and go into business.

Then he had to compete only with his own people, and would pay the same taxes and approximately the same wages as his competitor.

BUSINESSMEN NOW MUST FACE COMPETITION FROM EVERY COUNTRY OF THE WORLD

Now such a person has to figure out what the competition will be from South Africa, from Italy, from Yugoslavia, from France, from Japan, and from other countries.

The textile industry is beginning to think about that now, of course. Mr. Dulles was able to persuade Japan, according to reports, that it would be unwise for them to flood this country with textiles until this Congress is out of the way. But the textile industry, too, is utterly in the power of Japan, as is every industry in the power of the chief competitive nation making a particular product.

Equality of opportunity and equality of competition was assured all of our citizens, investors, industry, and labor under the constitutional principle which the Congress abandonded in 1934.

STATE DEPARTMENT ENABLES FOREIGN COMPETITORS TO UNDERCUT ALL AMERICAN PRODUCERS

Today no textile worker, no livestock grower, no coal or metal miner, no craftsman, or manufacturer has any assurance of equality of competition with foreign producers in his own American market, and he has no such assurance because the Trade Agreements Act permits the State Department to arrange for foreigners to undercut him in our markets with products of low-wage, low-tax, low-living-standard foreign labor.

FOREIGN COMPETITION SUBSIDIZED BY BILLIONS IN UNITED STATES AID

Cut-rate foreign competition against American producers has been subsidized

by more than 52 billion taxpayers' dollars, including dollars from the same textile workers, miners, and craftsmen being hurt by the deals arranged by our State Department to flood our markets with foreign products and enrich foreign manufacturers with greater profits.

TRADE ACT REPEAL WOULD TAKE PROFIT OUT OF SWEATSHOP FOREIGN LABOR

Repeal of the Trade Agreements Act will take the profit out of foreign sweatshop labor and put dollars back in the pockets of America's own working men and women.

It will compel the foreign producer to compete on equal terms with the American manufacturer and wage earner, which he will be able to do when he brings his own wage standards up to ours, and is content with profit margins no greater than those enjoyed by American producers.

That is to say, Mr. President, give them equal access to our markets, but no advantage. No one objects to that. But when machinery, which has been largely paid for by our taxpayers, is transferred to low-wage countries, that is unfair. Many times our own investors, for their own salvation have gone behind that low-wage curtain after this principle was established. Superintendents and other skilled personnel have gone into foreign mines and other industries. Only low-cost water transportation is between them and the finest market in the world.

FREE TRADE POLICIES MAKE LOW FOREIGN WAGES PROFITABLE

By our own policies we make the maintenance of low-cost wages profitable to producers in foreign lands. If the profits were taken out of sweatshop labor at the water's edge, then competition would be equal. If the profits from sweatshop labor were taken out when competitive products reached this shore, how long do my colleagues think the wages in foreign countries would be held down? Wages there would be permitted to go up, because that would encourage markets in their own foreign countries. That is the only way a market was created in this country.

MALONE BILL RESTORES HISTORIC PRINCIPLES TO FOREIGN TRADE

There is nothing drastic about my bill. All that it does is to put the economy and foreign trade back on the same safe track it was on from 1789 to 1934, when we were constantly expanding our national economy without wars, inflation, and high taxes.

Here is what the bill would do:

CONGRESS WOULD DECLARE POLICIES

First, it would declare a policy of the Congress.

Congress has no policy now on foreign trade and commerce, except to leave everything in the hands of the executive branch and its State Department, which has transferred that authority to Geneva 3,000 miles away, and left it in the hands of 35 foreign nations, each with an eye on a part of the United States market.

The State Department has no policy except to turn the whole problem over to GATT—the General Agreement on Tariffs and Trade—and to bow to the policy set by the 34 other nations who are members of GATT.

FREE TRADE FOR THE UNITED STATES; PROTECTION FOR REST OF WORLD

The policy of these foreign nations is free trade for the United States and high protection for themselves, through high tariffs, import licenses, quotas, and other devices, such as multiple exchange rates for trade advantage.

There is no nation on the face of the earth, except the United States, which does not protect its own workingmen and its own industries, once they are established within its borders, even if the industries are branches or subsidiaries of American firms.

For instance, Mr. President, just try to ship a little oil into Venezuela or a little copper into Chile or a few textiles into Japan, and see how far you get. That is nothing against the people of those countries. I am in favor of all of them, because they have sense enough to protect their own men and women who are working for a living or who are investing their hard-earned cash in a business.

As a corollary of the policy of "free trade for the United States, protection for ourselves," these foreign nations also have a policy of requiring the United States to furnish them dollars for purchases of products they buy from us. So they win and we lose, both ways.

FOREIGN-AID, FREE-TRADE TWINS HELP FOREIGN NATIONS INVADE OUR MARKETS

Tariff reductions give foreign nations greater access to our markets and a greater potential profit margin, and foreign aid gives them the money to pay for what they need from us. This is the old world policy our State Department has gone along with for 20 years, but it is the old world's policy, not ours, except through adoption, if one can adopt an illegitimate offspring of foreign free traders. They call themselves liberals. I would say to you, Mr. President, that, far from being liberals, they are following the oldest policy in the world, one which is centuries old, namely, free trade and the one-world economic policy that our so-called foreign traders are so fond of.

GATT SETS THE POLICY AT SECRET SESSIONS

GATT members shape the policy at secret meetings in Geneva, Switzerland. We blindly accept its policy after the GATT sessions have ended and the State Department has informed us what it is.

Mr. President, I think it is time that the United States determines its own policies of trade and commerce, and that this be done in the constitutional way, through the Congress, as the Constitution directs.

MALONE PROPOSAL FOR CONGRESS' POLICY DECLARATION

So my bill contains a declaration of policy as follows:

It is declared to be the policy of Congress—

A. To facilitate and encourage the importation into the United States of foreign goods and products in quantities sufficient to supply the needs of the United States economy,

B. To foster and provide for the export of the products of American industry and agriculture in quantities sufficient to pay for the needed imports,

C. To develop and promote a well-balanced, integrated and diversified production within the United States so as to maintain a sound and prosperous national economy and a high level of wages and employment in industry and agriculture.

D. To provide necessary flexibility of import duties thereby making possible appropriate adjustments in response to changing economic conditions;

E. To assure the accomplishment of these objectives by returning to and maintaining hereafter in the United States the control over American import duties now subject to international agreements.

Mr. President, my bill would encourage trade among the nations on a basis of fair and reasonable competition.

HOW BILL WOULD APPLY TO JAPANESE TEXTILES OUTLINED

Let us consider the situation in a foreign nation producing textiles as its chief competitive product. If Japan raises its standard of living, the tariff or duty would be correspondingly reduced; and when the Japanese begin to live under about the same standard as ours, free trade would automatically result. There would be no incentive to hold down Japanese wages, as is now the case, to 19 cents an hour, when $1.80 or $2 is paid in the United States, because American investors are going into Japan; they have to, if they are going to remain alive. Similarly, American investors go into England and into Scotland.

But if the profit is taken out at the water's edge, these persons would remain in the United States, invest their money here, and give employment to American working men and women.

MALONE BILL WOULD RESTORE ECONOMIC INDEPENDENCE

Mr. President, the policy of my bill is an American policy, for Americans and by Americans. It is substantially the policy that guided America for the first 140 years of our Republic, 140 years of economic independence as well as political independence. Economic independence is almost, if not equally, as important as political independence, as President Washington well knew. It was under George Washington that the first Tariff Act was enacted, and enacted by the 1st Congress at the beginning of its 1st session.

WASHINGTON QUOTED ON TRADE, INTERNATIONAL COMMERCIAL ENTANGLEMENTS

Washington was a champion of economic independence. He warned against placing our reliance on foreign sources of supply for defense materials, as we do now; and he asked:

Ought our country to remain dependent on foreign supply; precarious because liable to be interrupted? If the necessary article should in this mode cost more in time of peace, will not the security and independence thence form an ample compensation?

Washington would have frowned upon our subservience to GATT and its control over our commerce and import duties. He said:

The great rule of conduct for us in regard to foreign nations is, in extending our commercial relations—

Meaning trade and tariffs—

To have with them as little political connection as possible.

STATE DEPARTMENT IGNORES WASHINGTON'S ADVICE

Yet today our State Department maintains direct political connections with 34 foreign nations through GATT, and wants to strengthen these political connections through creation of a new international agency, to be called OTC, or Organization for Trade Cooperation, which is merely to be a protective disguise for GATT.

Washington was in favor of an American policy and so were Lincoln, William McKinley, and all our other great Presidents who helped make this Nation strong and economically independent.

Mr. President, in passing I wish to say—and at this session of Congress I shall have more to say in this regard—that there are several approaches to destroying the United States through international socialistic schemes. There are political approaches which include the communistic approach and such political developments as resulted not long ago in the arrangement by which a GI or any other person in our Army is subject to the rules and laws of a foreign country in which he is quartered if charged with the commission of certain acts. There is the economic approach, such as we witness through GATT, and all of it forms a gigantic web surrounding the United States with foreign policies, foreign made. That situation exists at this time; we simply have not waked up to the fact.

As a result, today we are on a war economy, with $34 billion or $35 billion a year in expenditures to defend ourselves and hold up our economy.

ABRAHAM LINCOLN'S PLATFORM PLEDGED FAIR TARIFFS TO DEVELOP INDUSTRIAL INTERESTS OF THE WHOLE COUNTRY

In 1860 President Lincoln ran on a platform pledged to adjust duties on imports so as "to encourage the development of the industrial interests of the whole country."

Mr. President, North Dakota, Nebraska, Oklahoma, and all the other Western States would never have been developed under the policy we now have, which is designed to move the industries out of those areas, so that the benefits will accrue to those who trade at the waterfront. Our industrial production is being traded for what? It is being traded for the benefit of a group of waterfront brokers who receive a commission of 10 percent, no matter which way the traffic passes through the ports.

CONGRESS IN LINCOLN'S ADMINISTRATION PROTECTED UNITED STATES INDUSTRY

During Lincoln's administration Congress did adjust tariffs, almost doubling the protection given American industry, until by 1865 the North was collecting more revenue from duties than it had ever collected before the war, when both North and South were united. The Congress had a policy, and the Government had a policy.

Today, Congress should have a policy on foreign trade and commerce; and my bill would provide it—a policy based on principle.

Mr. President, it is Congress that fixes the policy, in accordance with the Constitution.

We often hear it said in various organizations that they are going to hold a meeting at which they will write down the policies and principles the United States should follow. One of the hardest things to obtain in a book store, today, is the Constitution of the United States. If we just read it again, together with the Bill of Rights, we shall find in those two documents all the rules and regulations we need.

ONLY THE PEOPLE HAVE A RIGHT TO AMEND CONSTITUTION

We do not need any trick organizations forming a new set of rules for us to live by. If we are to change the Constitution, if it appears to Congress that it is necessary that it be changed, let us not violate the Constitution by seeking to amend it through a mere act of Congress, and then, regardless of its constitutionality, following it through.

We should submit the question to the people, as the Constitution of the United States provides. If they say they want their industry, their labor, and their investments in industry regulated in Geneva, Switzerland, no more will be heard on that question from the senior Senator from Nevada. But the question has never been so submitted.

TARIFF COMMISSION NOW HELPLESS TO CARRY OUT ITS FUNCTIONS

Mr. President, under my bill tariff functions now nominally performed by the President, but actually by the State Department, and subordinates in the State Department at that, would be vested in the Tariff Commission, an agency of Congress, its membership divided equally between the two major parties.

That is what we decided long ago. That policy can be changed by Congress; but let Congress change it in accordance with the Constitution of the United States.

The Tariff Commission is now as helpless as a babe in arms. It has no authority whatever except to follow the direction of a State Department which is at this moment subservient to the General Agreement on Tariffs and Trade, at Geneva, 3,000 miles away.

When the tariff function is vested in the Tariff Commission, then, and then only, can we have a truly bipartisan foreign trade and economic policy, while now, as I said before, we have no policy at all except one fixed 3,000 miles away from us, so far as trade is concerned.

HOW MALONE BILL WOULD RESTORE COMMISSION'S FUNCTIONS

The Tariff Commission, under section 3 of my bill, would be authorized and directed—

First. To terminate as of the next earliest date therein provided, and in accordance with the terms thereof, all the foreign trade agreements entered into by the United States under the Trade Agreements Act.

Second. To prescribe, upon termination of any foreign trade agreement, that the import duties established in the agreement shall remain the same as existed prior to the termination, and that import duties shall not be increased or reduced except after a determination by the Commission based on certain factors embodying the principle of fair and reasonable competition and submission of such determination to the Congress.

In other words, Mr. President, tariffs could be modified only on the basis of principle under my bill, and the Congress could accept or disapprove the Commission's determinations.

COMMISSION WOULD ACT ON BASIS OF FIXED PRINCIPLE

What is the principle? First, it is simply the principle of fair and reasonable competition between domestic articles and like or similar foreign articles in the markets of the United States.

A foreign article would be considered as providing fair and reasonable competition to United States producers when the landed duty-paid price represented a fair price, including a reasonable profit to the importers. It would not be a fair price if substantially below the price an identical or similar article produced in the United States, could be offered to consumers in the United States markets.

CRITERION ESTABLISHED TO GUIDE AND AID COMMISSION

The commission would have, to assist it in determining when there is a fair or unfair price on an imported article, a criterion set by statute and by Congress. Under this criterion the commission would consider the following:

First the lowest, highest, average and median landed duty paid price of the article from foreign countries offering substantial competition.

Second, any change that may occur or may reasonably be expected in the exchange rates of foreign countries either by reason of devaluation or because of a serious imbalance of international payments.

TAKE PROFIT OUT OF DISHONEST CURRENCIES

Mr. President, the way the system operates at present is this: When the State Department or the Executive adopts a trade agreement for 3 years, a simple change in the exchange rates completely nullifies the effect of the trade agreement, and the foreign products continue to pile in. But the Tariff Commission could take that situation into consideration. It could make it unprofitable for foreign countries to have dishonest currencies.

Ninety percent of the nations of the world have dishonest currencies, because they set the price of their currencies in dollars, above the market price, and naturally no one will pay it except a Congress through appropriations such as the $5 billion now proposed for foreign nations, and the some $57 billion previously voted.

The Commission would consider:

Third. The policy of foreign countries designed substantially to increase exports to the United States by selling at unreasonably low and uneconomic prices to secure additional dollar credits.

Mr. President, the governments of foreign nations control the trade. They

can subsidize an exporter of a product which they want exported, and make up the loss through an unfair or dishonest exchange rate.

FOREIGN AID SUBSIDIES TO BE FACTOR IN ADJUSTING TARIFFS

The Commission would also weigh and study:

Fourth. Increases or decreases of domestic production and of imports on the basis of both unit volume of articles produced and articles imported, and the respective percentages of each.

Fifth. The actual and potential future ratio of volume and value of imports to volume and value of production.

Sixth. The probable extent and duration of changes in production costs and practices.

Seventh. The degree to which normal cost relationships may be affected by grants, subsidies, excises, export taxes, or otherwise, in the country of origin, and other factors which appear likely to affect production costs and competitive relationships.

In other words, they can compensate for the manipulations which now completely eradicate any competition from the United States whatever, even in its own market.

COMMISSION EQUIPPED TO DEAL WITH PROBLEM BUT NOW HAS NO POWER

This operation would not impose an undue burden on the Commission, Mr. President.

Most of these factors are considered and weighed now by the Commission in its escape-clause cases. But the escape-clause procedure now is a travesty for a number of reasons, and can be nothing else.

Duties in effect were not set on the basis of any principle or criterion but at the whim of some subordinate in Government here or abroad to further some real or imagined political advantage.

That is what the Secretary of State testified before the Senate Finance Committee. He testified that the Department had the right, under the 1934 Trade Agreements Act, to do just what I have described, to carry out any foreign policy. It could dry up any industry in the United States by carrying out the foreign policy.

PRESENT DUTIES MEANINGLESS AS YARDSTICK IN DETERMINING FAIR TARIFF

Duties, in effect, were not set on the basis of any principle or criterion, but at the whim of some subordinate. Thus the existing duties are meaningless as a yardstick, in terms of mutual trade or economy. There is no yardstick. There is no fundamental principle laid down, of fair and reasonable competition. The purpose of present tariff rates was simply to carry out the foreign policy, whatever it might be, and use the markets of the United States to trade for any policy advantage, either imagined or real. Experience shows that in the long run the policy for which we have traded our markets, jobs, and industries is never carried out.

Tariff duties have been chopped, cut, and reduced until they are valueless either for revenue purposes or protection.

TRUE COSTS OF FOREIGN PRODUCTION HIDDEN BY DOLLAR HANDOUTS AND FOREIGN MANIPULATION

Actual costs to the foreign producer have been obscured by dollar subsidies and foreign aid, manipulated exchange, tax and other rebates, or government controls over allocations and pricing of raw materials. As long as the United States continues to pour out billions of dollars to foreign countries to stimulate foreign competition against American products, foreign cost determinations will continue to puzzle tariff commissioners in escape clause cases.

Furthermore, whatever may be the conclusions of the Tariff Commission in escape clause cases they are without force or effect, but are subject to rejection or modification by the executive branch, which has made no study of the facts, has little if any knowledge of the domestic industry or its problems, and is, in the main, more concerned with encouraging foreign trade and expansion than in the plight of the applicant American industry.

We use the phrase "foreign trade and expansion." That has come to mean domestic investments abroad, behind a low-wage curtain, not only to supply the markets of the nation in which the investments are located, but the remainder of foreign nations, all low-wage nations; then, through free trade, bringing the products back here in competition with American investors and workingmen.

LEAD AND ZINC ESCAPE CLAUSE FIASCO CITED

As an example, in the lead and zinc escape clause case, the Tariff Commission was unanimous in recommending tariff relief. Several of the departments were reliably reported to have concurred. However, the State Department, according to the same sources, protested, and no relief was granted. Even if relief is granted in a case, it is not granted on the basis of any policy or principle. Moreover, 10 minutes after relief is granted under an escape clause, more manipulation of the currency for the foreign country's advantage could eliminate any fairness included in the escape.

CONGRESS IMPOTENT IN ESCAPE CLAUSE CASES

Finally the Tariff Commission, and the injured industries that appeal to it, have no relationship, insofar as their problems are concerned, with the Congress, and can obtain no assistance or backing from the Congress, which under the Constitution is the branch of our Government designated to represent every State, county and precinct in the Nation and to serve their common defense and general welfare.

I still remember, when I was acting as consulting engineer to the old Senate Military Affairs Committee during World War II, and the Senator from Colorado, Big Ed Johnson, now the distinguished Governor of Colorado, a member of the Military Affairs Committee, which is now the Committee on Armed Services, asked me to go before the Commission, which represented the State Department, and to hold the Commission in session until he could get there to make a case on one of the minerals which is mined in Colorado. I did that.

I have the picture in my mind now—and I shall never forget it—of Big Ed Johnson standing in front of the Commission, of which none knew any of the background of the situation, and none of them speaking with any authority, but merely listening to testimony which later would be filed away in some nook or cranny, with no one ever looking at it again—of Big Ed Johnson figuratively standing before that Commission, with hat in hand, and begging the Commission not to shut down that industry until it had a chance to investigate it. But they did shut it down.

The irony of it is that some of the same Senators who one by one went before that little nonentity of a Commission and begged it not to shut down an industry in their States, voted for the act which allowed the Government to set up that Commission. Two years later that work of the Commission was transferred to Geneva, where 34 or 35 nations sit down and divide the markets of the world in the same way that a juicy steak is divided up.

COMMISSION HELPLESS TO ENFORCE FINDINGS AND RECOMMENDATIONS

The Tariff Commission, which could be the most useful agency of our Government in preserving our free-enterprise system and strengthening our economy, and which is an agency of Congress, is therefore hamstrung and impotent.

It is impotent because the Trade Agreements Act set up the Executive as the supreme voice in matters of foreign trade and commerce, just as the Reichstag in prewar Germany set up Hitler as the supreme voice in all matters of government both domestic and foreign, and as other legislative bodies in other lands turn over their authority to an all-powerful executive.

My bill would restore to the Tariff Commission the responsibilities and functions for which it was created, subject to the concurrence of the Congress, representing the people and the Constitution.

INJURED INDUSTRIES HAVE RECOURSE ONLY TO BUSY PRESIDENT

Today, under our present system and the Trade Agreements Act, the injured industrialist has ultimate recourse only to the Chief Executive. He has none to the courts, and will have none until the Supreme Court ultimately passes on the constitutionality of the Trade Agreements Act, which the Justice Department is seeking to avoid. Meanwhile GATT or the State Department, or both in close collusion, may conspire to injure him further, or destroy him.

That is the point, Mr. President, that Congress should understand, namely, that no individual investor now dares to invest his money in the manufacture of any one of 5,000 products, because they can be manufactured cheaper in low-wage countries and find a free-trade market here. All of that takes jobs and trade away from the workingmen and investors of this country.

MALONE BILL WOULD GIVE STRICKEN INDUSTRIES RECOURSE TO THE CONGRESS

My bill would offer him recourse to the Congress, through Representatives for

which the citizens of his State or district voted, and who have a direct interest in the welfare of their districts and their economy.

The Tariff Commission, under my bill, would have authority to make adjustments in import duties to provide for fair and reasonable competition between foreign and domestic articles either upon its own motion or upon application of any person or group showing proper interest in the import duties in question, subject to three specific conditions.

One is that any change in any import duty could not be ordered by the Commission until after it first conducted a full investigation and held a public hearing.

The second is that no increase in duties could be ordered when the Commission finds that the domestic industry threatened by cut-rate imports is operating in a wasteful, inefficient or extravagant manner.

And, third, that before any order of the Commission becomes effective it must be submitted to the Congress. Congress would have full power to disapprove the order, in whole or in part, by concurrent resolution within 60 days after it was submitted.

QUOTAS PERMITTED IN MALONE BILL

Mr. President, my bill also provides that Congress, through the Commission, may impose quantitative limits on the importation of any foreign article, in such amounts, and for such periods, as it finds necessary in order to effectuate the purposes of the act.

Quantitative restrictions are more popularly known as quotas. Many foreign countries, including the United Kingdom, apply quotas to imports of articles from other countries. The United States employs quotas, properly I think, to restrict importation of agricultural commodities which receive price supports at taxpayers' expense.

Supporters of quotas as a preferred method of safeguarding our economy should find the remedies they seek in this bill, as well as those who advocate fair and reasonable tariff rates in the interest of our common defense and general welfare.

TRADE ACT A PRIMARY CAUSE OF NATION'S DISTRESSED AREAS

Mr. President, in my opinion this is necessary legislation. It is forthright legislation to relieve an acute problem in the most direct and less costly method possible.

We know there are distressed areas.

We know there are distressed industries.

The administration is concerned about them.

The Republican Party, and I am sure the Democratic Party as well, is concerned about them. It is a shameful thing, Mr. President, that in a country in which most of the population is enjoying unprecedented prosperity there are still hundreds of thousands who are hungry, who are unemployed.

It is a shameful thing that a city or an area may be stagnating in the depths of a depression while only a few miles away other cities are enjoying their greatest boom.

BASIC INDUSTRIES, JOBS, DESTROYED BY GATT

The reason for this disparity is obvious. The hungry and the unemployed are those who had the misfortune to make their life's work employment in an industry the State Department, or its master, GATT, has decided to destroy for the advantage of a foreign competitor.

The distressed area or city is one which throughout its history, or over a period of many years, developed an industry which the State Department now chooses to sacrifice.

Unemployment, in this era of widespread prosperity, is a matter of great embarrassment to the administration, as it was to the preceding administration, or to any administration which experiences it.

PRICE OF FREE TRADE—ECONOMIC DISTRESS

The present administration has been spending many hours and much thought on how to erase the black spots in our economy, and at the same time avoid the inevitable direct solution.

The only solution to our checkerboard economy, Mr. President, is to equalize the opportunities of each community and each industry to meet the ever-mounting competition, and this can only be done by a flexible import fee or tariff adjusted in the manner provided by the Constitution.

The administration, which for some strange reason does not want to admit a mistake which was not made by it, but made by a predecessor administration of opposite party, has come up with a purported solution which, in reality, is no solution at all but a compounding of the difficulties.

The administration now wants to extend a pittance of foreign-aid type assistance to our own depressed areas which have been stricken by a deluge of imported products undercutting and flooding their markets, many of these products the produce of far vaster amounts of aid to foreign countries.

Instead of the $50 billion plus in foreign aid to build up the economies of foreign countries, the administration would set up a mere $50 million revolving fund to aid our own economically distressed and suffering communities and their citizens and industries. Fifty million is one-tenth of 1 percent of $50 billion.

Of the $50 billion plus given to foreign countries, $41 billion were in outright grants, meaning that no monetary return was expected, but that foreign countries would have that much money to play with in increasing their production of goods, including goods to send back to the United States, entering our markets at low tariff rates or free of duty.

Another $11 billion were in loans and credits to be paid back over the years with the budget recommending additional billions per year to replace the money that might be paid back or not be paid back, as the foreign country chooses.

But the pitiful little $50 million proposed for our own unfortunate and distressed citizens would be in the form of a revolving fund.

Then too, the administration is sponsoring an appropriation of $370,000 for area development in our depressed regions stricken by the folly of free trade, and a sort of point 4 program for these communities.

HOW PLAN TO HELP UNITED STATES DISTRESSED AREAS AND FOREIGN AID COMPARE

Communist Yugoslavia has received 15 times more aid, India 7 times more aid, and Pakistan 3 times as much as it is proposed to spend under this proposed program on our own distressed areas. Indochina has received 6 times as much and Indonesia 5 times as much as would all of our depressed districts combined if the administration program is approved.

Mr. President, real relief can be offered to these areas without the expenditure of one taxpayer's dime. It can be offered by affording an opportunity for these areas to produce their historic products, maintain their historic industries and crafts and skills, without being destroyed by free trade and cut-rate imports.

Have not these foreign countries received enough in taxpayers' dollars without giving them our markets, too? Can they not, with the $50 billion plus that we have given them, compete in our markets on equal terms with American producers, or must we forever give them preference and advantage in deals arranged through GATT, meeting at Geneva?

Passage of my bill would still afford them full privilege to compete against American labor and investors in our markets on equal terms with our own producers, but would remove the free trade bonus and advantage.

Mr. President, the administration's interest in these distressed areas seems to me to be somewhat belated.

As early as March 31, 1954, I was speaking on the Senate floor, calling attention to their plight, and pleading for the Senate to let the Trade Agreements Act expire so that these areas would have a chance to recover under their own power.

On April 1, 1955, I addressed the Senate again on this matter, and listed the areas which were distressed, and their principal industrial or other source of distress.

I said then, and I repeat today, that in the great preponderance of these areas, the industries that were suffering were those which have been forced into unfair and cut-throat competition with imports from foreign countries which have had the advantage of reduced tariffs negotiated under the Trade Agreements Act or through GATT. The employees who had lost their jobs had lost them not to other Americans but to foreign workers receiving a fraction of the wages paid American labor.

CITIES IN DISTRESSED AREA LIST 2 YEARS AGO STILL IN DISTRESS

In my original speech on distressed areas I mentioned Lawrence and Lowell, Mass., as long victims of unemployment and distress. That was nearly 2 years ago, Mr. President, when I first called attention to their plight. In December 1955, only a few weeks ago, they were still on the Labor Department's distressed area list which the Labor De-

partment designates as "areas of substantial labor surplus," meaning people without jobs.

Textiles were the industries in those cities most severely hurt by imports.

I mentioned Biddeford, Maine, where declines in jobs had centered in the manufacture of textile machinery, and Providence, R. I., where textile employment had slumped sharply as foreign countries dumped their textile products on the United States market.

FUEL OIL IMPORTS WRECK COAL INDUSTRY CENTERS

I mentioned Cumberland, Md., which once employed 11,000 citizens in its textile industry, and thousands more in coal mining, hit by imports both of foreign textiles and foreign fuel oil.

I mentioned Scranton, Pa., and Wilkes-Barre, both once great coal centers, and Charleston, W. Va., where glass, chemicals, and coal production once had thrived; Jasper, Ala.; Hazard and Madisonville, Ky.; Middlesburg-Harlan, and Paintsville-Prestonburg, also in Kentucky, all coal-mining areas, and, yes, Pikeville, Ky.-Williamson, W. Va. Coal mining. Imports of fuel oil from Venezuela, the Near East, other remote foreign areas, had knocked thousands of miners off their jobs.

I mentioned Terre Haute and Vincennes, Ind., more coal-mining areas—or at least they used to be—Herrin-Murphysboro-West Frankfort, Ill., and Tacoma, Wash., where lumber and plywood workers had to compete with imports, and many other communities across the Nation.

Well, these cities are still on the distressed area list and so are 62 others and it is proposed to put them on a tiny dribble of point four and foreign aid. That is like sending dandelions to a dying patient or promising to contribute a meager amount to the expenses of his funeral.

Mr. President, every Member of the Senate wants to help these areas and the industries scattered throughout the United States which are in distress.

I think they want to extend real help, not a mere token of the assistance we have been pouring out in Egypt, Indochina, Africa, and to Europe's far-flung desert and jungle colonies scattered around the world—or a bargain basement imitation of the foreign boondoggle that has gone on ever since the war.

SOUND INDUSTRIAL CLIMATE THE GREATEST NEED

To give them real aid we must improve our own industrial climate, and to do that we must give American producers equal access to own markets. My bill will provide that access in the traditional American way, the constitutional way.

We could give our depressed industries and distressed areas $500 million or $5 billion and it would be only money if they could not sell their goods in the rich American market.

When the money was gone they would be in the same dire predicament they are in now—competing against the products of foreign labor receiving peon, coolie, or sweatshop wages.

If they are shifted to other industries they first dilute the employment already existing in those industries—spreading the jobs as it were and spreading them thinner throughout the Nation—or they set up new targets for foreign competitors to shoot at with the State Department helping their aim with more tariff cuts.

AMERICA MUST RETURN TO AMERICAN POLICY FOR AMERICANS

Mr. President, there is only one way to permanently help the economy of the whole country as President Lincoln put it. That is to get back to the American policy, the Washington and Lincoln and McKinley policy of establishing tariffs requiring foreigners to enter our markets with their products on equal terms with our own people. We must serve the whole people.

My bill provides that that be done.

Mr. President, for many years we have heard the fiction that our tariff rates are high; that they are barriers to world trade. The facts belie this free-trade propaganda.

FICTION OF HIGH TARIFFS EXPOSED

The Tariff Commission recently prepared tables showing up that myth of high tariffs in the present era.

One table shows the imports for consumption from 1791 to 1890, those free and those dutiable, the total, the duties collected, and the average ad valorem rate of duty on all imports.

The second shows the same plus the percentage of imports free and imports dutiable from 1890 to and including 1954.

RETURN TO WASHINGTON, LINCOLN, M'KINLEY TARIFF POLICIES IMPERATIVE

Mr. President, there is only one way permanently to alleviate the situation that exists today, and that is to follow the constitutional policy of Washington, Lincoln, and McKinley, the policy of establishing duties or tariffs requiring foreigners to enter our market on equal terms with our own people.

When an American investor, someone who is willing to borrow the money, who is endeavoring to establish an industry and who is young enough to do so, finds he can compete with another American company in the American market, he can establish a very good business, but businessmen not only have to estimate whether they can produce and sell in competition with American labor, but they have to know whether they can compete with all the sweatshop labor of the world in areas where they can manufacture or produce similar articles. It is an impossible situation today.

OFFICIAL TARIFF RECORD BY YEARS SINCE 1791

Mr. President, I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, tables showing imports into the United States with duties collected and average ad valorem rates of duty from 1791 to 1890, inclusive.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Imports into the United States with duties collected and average ad valorem rates of duty,[1] 1791–1890

[Years ended Sept. 30, 1791–1842; June 30, 1843–90]

Year	Imports for consumption[2]					Year	Imports for consumption[2]				
	Free	Dutiable	Total	Duties collected	Average ad valorem rate of duty[3] on free and dutiable		Free	Dutiable	Total	Duties collected	Average ad valorem rate of duty[3] on free and dutiable
					Percent						*Percent*
1791	(1)	(1)	$28,687,959	$4,399,473	15.34	1808	(1)	(1)	$43,992,586	$10,662,508	18.71
1792	(1)	(1)	29,746,902	3,433,071	11.54	1809	(1)	(1)	38,602,469	10,845,756	18.26
1793	(1)	(1)	28,990,428	4,255,307	14.68	1810	(1)	(1)	61,008,705	15,268,356	17.88
1794	(1)	(1)	28,073,767	4,801,065	17.10	1811	(1)	(1)	37,377,210	9,880,868	18.50
1795	(1)	(1)	61,266,796	5,588,461	11.21	1812	(1)	(1)	68,534,873	14,373,782	18.66
1796	(1)	(1)	55,136,164	6,657,988	12.02	1813	(1)	(1)	19,157,135	7,200,583	32.72
1797	(1)	(1)	46,379,406	7,549,650	15.60	1814	(1)	(1)	12,819,831	4,241,482	32.72
1798	(1)	(1)	35,551,700	7,106,062	19.99	1815	(1)	(1)	106,457,924	38,050,761	33.66
1799	(1)	(1)	33,546,148	6,610,449	19.70	1816	(1)	(1)	129,964,844	32,829,923	22.32
1800	(1)	(1)	52,121,891	9,080,933	17.42	1817	(1)	(1)	79,891,931	22,134,078	22.30
1801	(1)	(1)	64,720,790	10,750,779	16.61	1818	(1)	(1)	102,323,304	25,860,328	21.24
1802	(1)	(1)	40,558,362	14,843,133	19.45	1819	(1)	(1)	67,959,317	21,345,916	24.50
1803	(1)	(1)	51,072,594	14,265,346	22.06	1820	(1)	(1)	56,441,971	16,591,215	22.29
1804	(1)	(1)	48,768,403	19,888,622	23.40	1821	$1,730,725	$41,965,680	43,696,405	18,883,252	34.64
1805	(1)	(1)	67,420,981	22,299,968	18.49	1822	3,554,146	64,841,527	68,395,673	24,095,337	30.17
1806	(1)	(1)	69,126,764	24,825,592	19.18	1823	2,626,630	48,684,106	51,310,736	22,416,277	30.93
1807	(1)	(1)	78,856,442	25,530,990	18.43	1824	3,083,408	50,763,159	53,846,567	25,516,966	35.36

[1] Values are estimated for the years 1791 to 1820, inclusive. No statistics are available showing the value of free and dutiable imports separately for that period.

[2] Net imports, 1791–1866.

[3] The annual average ad valorem rates of duty prior to 1853 are based upon the values of the gross imports; from 1853 to include 1866, upon the value of the net imports, and after 1866 upon the values of imported merchandise entered for consumption, as returned by collectors of customs, considering ordinary duties only. The reason for basing the average ad valorem rates of duty prior to 1853 upon the values of the gross imports is that the amounts of "duty collected" for those years include the duties afterward refunded upon exports of foreign merchandise.

Imports into the United States with duties collected and average ad valorem rates of duty, 1791–1890—Continued

[Years ended Sept. 30, 1791–1842; June 30, 1843–90]

Year	Imports for consumption					Year	Imports for consumption				
	Free	Dutiable	Total	Duties collected	Average ad valorem rate of duty on free and dutiable		Free	Dutiable	Total	Duties collected	Average ad valorem rate of duty on free and dutiable
					Percent						*Percent*
1825	$3,707,960	$62,687,762	$66,395,722	$31,683,096	35.13	1858	$55,292,929	$187,385,484	$242,678,413	$42,046,722	17.33
1826	4,650,373	53,002,204	57,652,577	26,108,255	33.43	1859	66,856,406	249,966,964	316,823,370	48,894,684	15.43
1827	2,890,130	52,010,978	54,901,108	27,962,145	39.20	1860	68,391,038	267,891,447	336,282,485	52,692,421	15.67
1828	4,012,196	62,963,309	66,975,505	29,966,472	36.99	1861	67,421,022	207,235,303	274,656,325	39,038,269	14.21
1829	3,481,946	51,259,625	54,741,571	27,769,769	41.39	1862	49,842,947	128,487,253	178,330,200	46,509,215	26.08
1830	3,511,586	46,063,513	49,575,099	28,417,056	45.31	1863	30,026,756	195,348,524	225,375,280	63,729,203	28.28
1831	5,508,094	77,300,016	82,808,110	36,623,270	38.19	1864	38,162,565	262,950,757	301,113,322	96,465,957	32.03
1832	6,996,732	68,330,956	75,327,688	29,356,057	30.86	1865	40,097,208	169,559,317	209,656,525	80,635,170	38.46
1833	20,211,675	63,258,392	83,470,067	24,196,104	23.95	1866	57,121,369	366,349,277	423,470,646	177,056,523	41.81
1834	39,724,515	47,248,632	86,973,147	18,987,953	17.48	1867	17,033,130	361,125,553	378,158,683	168,503,750	44.56
1835	57,796,380	64,211,594	122,007,974	25,931,233	18.95	1868	15,147,618	329,661,302	344,808,920	160,532,779	46.49
1836	70,120,705	88,690,687	158,811,392	30,991,511	17.55	1869	21,692,532	372,756,642	394,448,174	176,557,584	44.65
1837	50,977,428	62,333,143	113,310,571	18,191,605	13.94	1870	20,214,105	406,131,905	426,346,010	191,513,974	44.92
1838	38,161,583	48,391,015	86,552,598	19,998,862	20.84	1871	40,619,064	459,597,058	500,216,122	202,446,673	38.94
1839	65,188,174	80,682,642	145,870,816	25,631,888	16.38	1872	47,683,747	512,735,287	560,419,034	212,619,105	37.00
1840	42,110,829	44,139,506	86,250,335	15,178,975	15.45	1873	178,399,796	484,746,861	663,146,657	184,929,042	26.95
1841	57,078,044	57,698,265	114,776,309	19,941,090	16.22	1874	151,694,834	415,748,693	567,443,527	160,522,285	26.88
1842	23,346,171	64,650,147	87,996,318	16,686,342	17.37	1875	146,465,463	379,795,113	526,260,576	154,554,983	28.20
1843 [1]	11,571,486	25,722,643	37,294,129	7,508,627	17.70	1876	140,561,381	324,024,926	464,586,307	145,178,603	30.19
1844	16,684,902	79,705,646	96,390,548	29,395,763	28.65	1877	140,840,149	298,989,240	439,829,389	128,428,343	26.68
1845	15,664,548	89,934,993	105,599,541	30,978,558	27.37	1878	141,339,059	297,083,409	438,422,468	127,195,159	27.13
1846	18,647,378	91,401,481	110,048,859	30,484,716	25.85	1879	142,550,159	296,742,215	439,292,374	133,395,436	28.97
1847	15,838,500	100,419,095	116,257,595	28,137,923	22.98	1880	208,049,180	419,506,091	627,555,271	182,747,654	29.07
1848	14,946,012	125,705,826	140,651,838	33,034,306	22.22	1881	202,557,412	448,061,588	650,619,000	193,800,880	29.75
1849	13,710,610	118,854,498	132,565,108	31,027,772	21.97	1882	210,721,981	505,491,967	716,213,948	216,138,916	30.11
1850	15,982,458	148,051,575	164,034,033	40,181,813	23.16	1883	206,913,289	493,916,384	700,829,673	210,637,293	29.92
1851	17,910,930	182,565,378	200,476,308	48,626,600	23.07	1884	211,280,265	456,295,124	667,575,389	190,282,836	28.44
1852	21,649,731	173,737,583	195,387,314	47,577,633	22.94	1885	192,912,234	386,667,820	579,580,054	178,151,601	30.59
1853	24,732,613	225,424,532	250,157,145	58,467,815	23.37	1886	211,530,759	413,778,055	625,308,814	189,410,448	30.13
1854	22,552,835	253,535,495	276,088,330	64,931,607	23.52	1887	233,093,659	450,325,322	683,418,981	214,222,310	31.02
1855	29,913,974	201,736,366	231,650,340	54,119,677	23.36	1888	244,104,852	468,143,774	712,248,626	216,042,256	29.99
1856	49,603,470	246,047,468	295,650,938	64,084,401	21.68	1889	256,574,630	484,856,768	741,431,398	220,576,989	29.50
1857	49,942,107	283,569,188	333,511,295	63,664,864	19.09	1890	266,103,048	507,571,764	773,674,812	226,540,036	29.12

[1] Nine months, October 1842 to June 1843, inclusive.

NOTE.—For the period 1791 to 1866, inclusive, net imports are shown, that is, total United States imports less foreign exports. Exports of foreign merchandise include commodities of foreign origin which have entered the United States as imports and which, at the time of exportation, are in the same condition as when imported.

From 1867 to 1890 inclusive, United States imports for consumption are shown, that is, imports for immediate consumption plus withdrawals from warehouse for consumption.

Source: Youngs' Tariff Legislation of the United States, 1872 (years 1791–1801); Statistical Abstract of the United States, 1890 (years 1802–90).

Mr. MALONE. Mr. President, I also ask unanimous consent to have printed in the RECORD at this point a table of average ad valorem rates of duty on imports into the United States, by years, under specified tariff acts.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Average ad valorem rates of duty on imports into the United States, by years, under specified tariff acts

[There are 2 fundamental difficulties in measuring average rates of duty under different tariff acts by the use of statistics of imports: (*a*) The change in the character and quantity of the articles imported from year to year, and still more from decade to decade; (*b*) the change in the general price level and even in the prices of single major commodities. Unless due regard is given to these changes, comparisons between different years are likely to be misleading.]

[Value in thousands]

Fiscal years 1891-1909	Imports for consumption						
	Free	Percent free	Dutiable	Percent dutiable	Total	Duties collected	Equivalent ad valorem rates free and dutiable (percent)
McKinley law: Effective Oct. 6, 1890:							
1891	$379,028	44.8	$466,455	55.2	$845,483	$215,791	25.5
1892	448,771	55.8	355,527	44.2	804,298	173,098	21.6
1893	432,450	51.9	400,283	48.1	832,733	198,373	23.8
1894	372,462	59.1	257,646	40.9	630,108	128,882	20.6
Annual average, McKinley law	408,178	52.4	369,978	47.6	778,155	179,036	23.0
Wilson law: Effective Aug. 28, 1894:							
1895	376,890	51.6	354,272	48.4	731,162	147,901	20.2
1896	368,898	48.6	390,797	51.4	759,694	156,105	20.6
1897	381,902	48.4	407,349	51.6	789,251	171,779	21.8
Annual average, Wilson law	375,897	49.4	384,139	50.6	760,036	158,595	20.9
Dingley law: Effective July 24, 1897:							
1898	291,534	49.6	295,620	50.4	587,154	144,259	24.6
1899	299,669	43.7	385,773	56.3	685,442	200,873	29.3
1900	366,760	44.2	463,759	55.8	830,519	228,365	27.6
1901	339,093	42.0	468,670	58.0	807,763	232,641	28.9
1902	396,542	44.0	503,252	56.0	899,794	250,550	28.0
1903	437,291	43.4	570,669	56.6	1,007,960	279,780	27.8
1904	454,153	46.3	527,669	53.7	981,823	257,331	26.3
1905	517,073	47.6	570,045	52.4	1,087,118	257,898	23.8
1906	548,696	45.2	664,722	54.8	1,213,418	293,558	24.2
1907	641,953	45.4	773,449	54.6	1,415,402	329,122	23.3
1908	525,705	44.4	657,416	55.6	1,183,121	282,273	23.9
1909	599,376	46.8	682,266	53.2	1,281,642	294,377	23.0
Annual average, Dingley law	451,487	45.2	546,942	54.8	998,430	254,252	25.5

Source: U. S. Tariff Commission, Statistical Division, June 1947.

Mr. MALONE. Mr. President, I ask unanimous consent to have printed in the RECORD at this point in my remarks a table showing average ad valorem rates of duty on imports into the United States, by years, under specified tariff acts.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Average ad valorem rates of duty on imports into the United States, by years, under specified tariff acts

[Value in thousands]

Fiscal years 1910–18; calendar years 1919 and succeeding years	Imports for consumption						
	Free	Percent free	Dutiable	Percent dutiable	Total	Duties collected	Equivalent ad valorem rates free and dutiable (percent)
Payne-Aldrich law: Effective Aug. 6, 1909:							
1910	$761,353	49.2	$785,756	50.8	$1,547,109	$326,562	21.1
1911	776,964	50.8	750,981	49.2	1,527,945	309,966	20.3
1912	881,513	53.7	759,210	46.3	1,640,723	304,899	18.6
1913	986,972	55.9	779,717	44.1	1,766,689	312,510	17.7
Annual average, Payne-Aldrich law	851,701	52.6	768,916	47.4	1,620,617	313,484	19.3
Underwood law: Effective Oct. 4, 1913:							
1914	1,152,393	60.4	754,008	39.6	1,906,400	283,719	14.9
1915	1,032,863	62.7	615,523	37.3	1,648,386	205,747	12.5
1916	1,495,881	68.6	683,153	31.4	2,179,035	209,726	9.6
1917	1,852,531	69.5	814,689	30.5	2,667,220	221,659	8.3
1918	2,117,555	73.9	747,339	26.1	2,864,894	180,590	6.3
1918 (July–December)	1,149,882	79.1	303,079	20.9	1,452,961	73,854	5.1
1919	2,711,462	70.8	1,116,221	29.2	3,827,683	237,457	6.2
1920	3,115,958	61.1	1,985,865	38.9	5,101,823	325,646	6.4
1921 [1]	1,564,278	61.2	992,591	38.8	2,556,869	292,397	11.4
1922 [1]	1,888,240	61.4	1,185,533	38.6	3,073,773	451,356	14.7
Annual average, Underwood law	1,903,268	66.3	968,211	33.7	2,871,479	261,279	9.1
Fordney-McCumber law: Effective Sept. 22, 1922:							
1923	2,165,148	58.0	1,566,621	42.0	3,731,769	566,664	15.2
1924	2,118,168	59.2	1,456,943	40.8	3,575,111	532,286	14.9
1925	2,708,828	64.9	1,467,390	35.1	4,176,218	551,814	13.2
1926	2,908,107	66.0	1,499,969	34.0	4,408,076	590,045	13.4
1927	2,680,059	64.4	1,483,031	35.6	4,163,090	574,839	13.8
1928	2,678,633	65.7	1,399,304	34.3	4,077,937	542,270	13.3
1929	2,880,128	66.4	1,458,444	33.6	4,338,572	584,837	13.5
1930 (Jan. 1–June 17)	1,102,107	64.6	603,891	35.4	1,705,998	269,357	15.8
Annual average, Fordney-McCumber law	2,565,490	63.8	1,458,080	36.2	4,023,570	561,615	14.0
Hawley Smoot law. Effective June 18, 1930:							
1930 (June 18–Dec. 31)	979,016	69.5	429,063	30.5	1,408,079	192,528	13.7
1931	1,391,693	66.6	696,762	33.4	2,088,455	370,771	17.8
1932 [2]	885,536	66.8	439,557	33.2	1,325,093	259,609	19.6
1933	903,547	63.1	529,466	36.9	1,433,013	283,681	19.8
1934 [3]	991,161	60.6	644,842	39.4	1,636,003	301,168	18.4
1935	1,205,987	59.1	832,918	40.9	2,038,905	357,241	17.5
1936	1,384,937	57.1	1,039,040	42.9	2,423,977	408,127	16.8
1937	1,765,248	58.6	1,244,604	41.4	3,009,852	470,509	15.6
1938	1,182,696	60.7	766,928	39.3	1,949,624	301,375	15.5
1939	1,397,280	61.4	878,819	38.6	2,276,099	328,034	14.4
1940	1,648,965	64.9	891,691	35.1	2,540,656	317,711	12.5
1941	2,030,919	63.0	1,191,035	37.0	3,221,954	437,751	13.6
1942	1,767,592	63.8	1,001,693	36.2	2,769,285	320,117	11.6
1943	2,192,702	64.7	1,197,249	35.3	3,389,951	392,294	11.6
1944	2,717,986	69.9	1,169,504	30.1	3,887,490	382,109	9.8
1945	2,749,345	67.1	1,348,756	32.9	4,098,101	391,476	9.6
1946	2,934,955	60.8	1,889,946	39.2	4,824,902	498,001	10.3
1947	3,454,647	61.0	2,211,674	39.0	5,666,321	445,355	7.9
1948	4,174,523	58.9	2,917,509	41.1	7,092,032	417,401	5.9
1949	3,883,186	58.9	2,708,454	41.1	6,591,640	374,291	5.7
1950	4,766,778	54.5	3,976,304	45.5	8,743,082	529,621	6.1
1951	5,993,442	55.4	4,823,900	44.6	10,817,341	603,468	5.6
1952	6,256,950	58.2	4,490,546	41.8	10,747,497	574,733	5.3
1953 [4]	5,919,168	54.9	4,860,332	45.1	10,779,500	599,835	5.6
1954 [4]	5,661,486	55.3	4,569,575	44.7	10,231,061	556,024	5.4

[1] The Emergency Tariff Act became effective on certain agricultural products on May 28, 1921, and continued in effect until Sept. 22, 1922.

[2] Subsequent to June 21, 1932, certain commodities which had previously been on the free list were made taxable, and since that date have been reported as dutiable commodities. The principal commodities affected were petroleum, copper, lumber, and coal.

[3] Trade Agreements Act passed as amendment to Hawley-Smoot law June 12, 1934. Under it many rates of duty have been decreased from time to time. First agreement effective Sept. 12, 1934, with Cuba.

[4] Preliminary.

Source: U. S. Tariff Commission, Statistical Division, March 1955.

FREE TRADE PROPAGANDA BELIED BY FACTS

Mr. MALONE. Mr. President, for many years we have heard the fiction that our tariff rates are too high and that they are barriers to world trade. The facts belie this free-trade propaganda. I have just submitted tables showing the unreliability of such information. One table shows imports from 1791 to 1890, those free and those dutiable, with the total duties collected and the average ad valorem rate of duties on all imports.

I wish to say, in closing, that there are slogans and catch-phrases coined and put out all over the Nation. Of course we have the slogan "dollar shortage"; we have "trade, not aid"; we have "reciprocal trade"; and no one can define any of them. If they were defined, the people would immediately stop supporting them.

The people have been taught to say, "We must have foreign trade; so we must have free trade." Mr. President, at this time there is a smaller percentage of exportable goods being exported from this country than there was in 1934 when the act was passed.

AMENDMENT OF COMMUNICATIONS ACT OF 1934

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar 1246, House bill 5614.

The PRESIDING OFFICER. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 5614) to amend the Communications Act of 1934 in regard to protests of grants of instruments of authorization without hearing.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, I yield to the Senator from Rhode Island [Mr. PASTORE], who has prepared a brief explanation of the bill.

Mr. PASTORE. Mr. President, H. R. 5614 amends section 309 (c) of the Com-

munications Act of 1934, as amended, so as to remove ambiguities; to make definite and certain, procedural and legal steps involved in protests; and to prevent an abuse of the protest procedure and promote the public interest. Generally, the bill attempts to remedy the situation by three principal means:

First. Eliminating the necessity for holding full evidentiary hearings with respect to facts alleged by a protestant which, even if proven to be true, would not constitute grounds for setting aside the grant which the Commission has made;

Second. Giving the Commission some discretion to keep in effect the authorization being protested where the Commission finds that the public interest requires the grant to remain in effect, but requiring the Commission to affirmatively find and set forth in a decision that the public interest requires the grant to remain in effect; and

Third. Authority to the Commission to redraft issues urged by the protestant in accordance with the facts or substantive matters alleged in the protest.

Our committee was specifically concerned about the possible retroactive effect of enactment of the proposed legislation upon pending protest proceedings. The Commission through its witnesses and in a letter made part of the committee report stated that where the Commission has already made a determination that a protest should be set for evidentiary hearing or that the effectiveness of a grant should be postponed pending such hearing and the matter has proceeded on this basis, reconsideration of these determinations would not appear to be required and would normally appear to serve no public purpose. Our committee concurred with this view and construes this to apply to any protest on file with the Commission prior to the enactment of this bill. In addition, our committee agrees with the Commission's view, however, that where it has finally acted on a protest and has denied it, either with or without an evidentiary hearing, and where, as a result, the grantee has built his station and is on the air, the Commission should have the authority, in the event its decision is subsequently reversed on appeal, to consider such further proceedings as may be required by the court's decision in the light of the amended provisions of section 309 (c), if they have been enacted into law. This special authority is necessary in view of the real problems involved of depriving the public of established service upon which it has come to rely. The retroactive effect of this legislation shall apply only to those situations where the stations are now on the air and shall not apply to any other protest pending prior to the enactment of this bill.

Mr. PURTELL. Mr. President, will the Senator yield for a question?

Mr. PASTORE. I yield.

Mr. PURTELL. The Senator referred to page 4 of the report, from which he quoted the following:

Your committee was specifically concerned about the possible retroactive effect of enactment of this legislation upon pending protest proceedings. The Commission through its witnesses and in a letter made part of this report stated that where the Commission has already made a determination that a protest should be set for evidentiary hearing or that the effectiveness of a grant should be postponed pending such hearing and the matter has proceeded on this basis, reconsideration of these determinations would not appear to be required and would normally appear to serve no public purpose.

I believe the Senator has referred to the same thing.

Your committee concurs with this view and construes this to apply to any protest on file with the Commission prior to the enactment of this bill.

Is it the Senator's understanding that the language I have just read refers not only to protests filed under section 309 (c), but also to objections filed under section 309 (b), prior to the enactment of the bill?

Mr. PASTORE. The subject matter to which the Senator from Connecticut now refers and calls to my attention in the form of a query was called to my attention by him yesterday. So as to obviate any doubt at all about our position in answering that question, I had a member of the staff communicate with the Federal Communications Commission in order to get a direct, positive answer to the question. This is the answer I have, and I think it answers the Senator satisfactorily and in the affirmative.

Mr. PURTELL. It does.

Mr. PASTORE. It reads as follows:

I was specifically concerned about the possible retroactive effect of enactment of this legislation upon pending proceedings. Insofar as the protests that are pending prior to the enactment of this bill, the report is very clear. In order to avoid any possible misunderstanding as to the situation where a party in interest has filed an objection or opposition in a proceeding prior to the enactment of this bill and such objection or opposition is denied without a full hearing, and a protest under 309 (c) is filed by such a party in interest at a later date, this bill will not apply. In other words, 309 (c) as it presently is written will apply.

In other words, section 309 (c) as it is written at present will apply. This is no denial of any pending rates; it is merely to simplify the procedure before the Federal Communications Commission.

Mr. PURTELL. I thank the Senator from Rhode Island.

Mr. IVES. Mr. President, in this connection, I have prepared a statement in support of the bill, which I ask unanimous consent to have printed in the RECORD at this point in my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR IVES

In 1952, section 309 (c) was added to the Communications Act of 1934. It was an attempt by Congress to insure that an interested party could obtain a hearing when he alleged considerations of public interest to the effect that an authorization granted without a hearing should not have been made. It was thought that the status quo should be maintained and the proposed authorization should be frozen until disposition of the protest hearing.

A few years of experience with this section has demonstrated that, while it has its merits, it has been used by competitors to effectively prevent a new radio or television station from going on the air for a considerable period of time. In section 309 (c), certain radio and television stations have found a ready tool to postpone competition effectively. Whenever we find that a law, such as this, lends itself to abuse, we should be alert to correct it, while preserving the protection to the public that it was designed to give.

In my opinion, that is what the bill as reported would accomplish. It eliminates the necessity for holding full evidentiary hearings with respect to facts alleged by a protestant which, even if proven to be true, would not constitute grounds for setting aside the grant which the Commission has made. It gives the Commission some discretion to keep in effect the authorization being protested where the Commission finds that the public interest requires the grant to remain in effect. It grants the Commission the power to redraft issues to make them conformable with the facts or substantive matters alleged in the protest.

There is no excuse for continuing a system which lends itself to dilatory tactics. The accelerated expansion of wire and radio services and the complexities of new technical developments have multiplied greatly regulatory and administrative burdens. In the past 5 years, the Commission's workload has more than doubled. Figures for a recent period indicate that over 25 percent of the Commission's time was devoted to protest cases.

This is an area where we can give the Commission definite help without cost, at a saving of time and expenditures and without sacrificing the public interest. I am convinced that this is what H. R. 5614 would do.

Mr. LANGER. Mr. President, may I ask the Senator from Rhode Island if the report of the committee was unanimous?

Mr. PASTORE. Yes; it was.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. LEHMAN. I am very strongly in favor of the bill. I do not understand that the bill goes into the merits of any application whatsoever. It simply makes it possible for the Commission to use its discretion in suspending a license for the operation of a plant during the time between the filing of a protest and the hearing thereon.

It would be entirely possible to work a great hardship on large communities if a television system were forced to go out of business pending a delay which ensued between the time of the filing of a protest and the earliest time at which the Commission could hear the protest.

I favor the bill.

Mr. PASTORE. Mr. President, I ask unanimous consent that remarks prepared by the senior Senator from Ohio [Mr. BRICKER] on the proposed legislation may be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BRICKER

The Federal Communications Commission is one of the busiest agencies of the Government. In the last fiscal year, for instance, it had to process 430,000 applications of all kinds, 850,000 incoming letters and 20,000 tariffs and reports of common carriers requiring review. In addition, there were 500 hearing cases, thousands of petitions and other legal findings in connection with hearings and rule-making proceedings. Attention had to be devoted to nearly 100 court

cases affecting the Commission. When we consider the fact that the Commission operates with less than 1,100 employees, it is truly remarkable that it can accomplish as much as it does.

In 1952, the Congress enacted section 309 (c) to the Communications Act of 1934.

It was our intention by so doing to protect the public interest, without adding unnecessary redtape. Under section 309 (c), the Commission has the power to grant certain routine authorizations without a public hearing, but a party in interest is permitted to raise questions of public interest by way of protest.

Experience has shown that this provision is being abused by persons who wish to stifle competitors.

The Commission has pointed this out to the Interstate and Foreign Commerce Committee. The Commission says this section is being used as a tactic by competing radio or television interests to delay a proper grant for a year or more for their own selfish interest.

The amendment to the act reported by the committee protects the public interest. It would continue the policy of allowing a hearing in meritorious cases or in cases raising serious considerations of public interest. However, it would also permit the Commission to dispense with a full evidentiary hearing when the facts alleged would not be grounds for setting aside the grant, even if later proved true in a full hearing. This is a power commonly possessed by courts and administrative boards. It is plain common sense.

Furthermore, the bill would grant the Commission some discretion to keep in effect the authorization being protested where the Commission finds that the public interest so requires. In such a case, however, the Commission must make a specific finding to that effect and set it forth in its decision.

Finally, the Commission would be authorized to redraft issues to make them conform to facts or substantive matters set out in the protest. This is in harmony with better administrative procedures and would further a prompt disposition of the case.

In short, the bill before us gives the Commission an efficient tool which should prove of great value in lightening somewhat the enormous administrative load we have placed on its shoulders. In view of the heavy demands on the Commission's time, this is the least we can do to assist it in disposing of applications with promptness and efficiency in the public interest.

The PRESIDING OFFICER (Mr. LONG in the chair). If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H. R. 5614) was ordered to a third reading, read the third time, and passed.

ORDER FOR ADJOURNMENT UNTIL MONDAY

Mr. JOHNSON of Texas. Mr. President, before announcing the program for Monday, January 16, I ask unanimous consent that when the Senate completes its business today, it adjourn until Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM FOR MONDAY—CALL OF THE CALENDAR

Mr. JOHNSON of Texas. Mr. President, on Monday, January 16, it is planned to have a call of the calendar from the beginning. I ask unanimous consent that at the conclusion of the morning business on Monday there be a call of the measures on the calendar to which there is no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

ANNOUNCEMENT OF HEARINGS ON THE FARM BILL

Mr. DOUGLAS. Mr. President, I should like to announce that the senior Senator from Louisiana [Mr. ELLENDER] desires the Members of the Senate to know that the Senate Committee on Agriculture and Forestry will hear Members of Congress—both Senators and Representatives—on the farm bill, beginning at 10 o'clock in the morning, next Tuesday, January 17.

AMENDMENT OF THE NATURAL GAS ACT, AS AMENDED

Mr. JOHNSON of Texas. Mr. President, following the call of the calendar on Monday, as previously announced, the Senate will proceed to the consideration of Calendar No. 1234, Senate bill 1853, the so-called natural-gas bill. I ask unanimous consent that that bill may now be made the unfinished business.

The PRESIDING OFFICER. The clerk will state the bill by title.

The CHIEF CLERK. A bill (S. 1853) to amend the Natural Gas Act, as amended.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the bill (S. 1853) to amend the Natural Gas Act, as amended, which had been reported from the Committee on Interstate and Foreign Commerce with an amendment.

SOUTHERN CALIFORNIA AND THE UPPER COLORADO RIVER STORAGE PROJECT

Mr. WATKINS. Mr. President, for several years, now, residents of 16 western reclamation States have watched with dismay as southern California water interests have spent millions of dollars in pernicious propaganda which they hoped would retard or defeat development of Colorado River water by the States of Arizona, Colorado, New Mexico, Utah, and Wyoming. This unjustified and atrocious program of misrepresentation and untruthful propaganda has held up very worthwhile water resource projects proposed by those five States, and also has caused great damage to the reclamation movement as a whole.

During this bitter and frustrating battle, most Californians from the central and northern sections of the State have kept silent, approving by their silence the tactics of their associates from below the Tehachapi. This was not true, I hasten to add, of a few stalwart exceptions, such as Representative CLAIR ENGLE and Representative B. F. SISK, both of whom have cautioned their colleagues from southern California that their unwarranted attack upon reclamation could have serious repercussions upon the State of California in its $15 billion program of future water development. Representative ENGLE also has given loyal and continued support to the proposed upper Colorado River water development program.

However, now it appears that other advocates of water development in California are becoming concerned about the efforts and tactics of the well-organized and heavily-financed southern California water lobby.

In fact, the suspicion has dawned on the good residents of northern California that the Colorado River Basin States are not the only ones concerned about southern California's poorly concealed designs to get water that doesn't belong to them. Southern California, it appears now, also is out to take over a vital dam site required for a desperately needed water development project in California's Central Valley.

This latter admission is made in a two-article series on the Colorado River Board of California, which appeared last week in the highly respected Sacramento Bee.

The Bee articles, in fact, make two rather serious charges against southern California:

First. That southern California's lobbying activities have resulted in such ill repute throughout the country that the Colorado River Board probably will be kept out of the the New California State Water Department, now in formation.

Second. That while Governor Knight and other State officials have favored construction of the proposed San Louis project as a Federal project, integrated with State water development plans, southern California interests have tried to forestall this program, which they may not be able to control, by urging immediate State purchase of the San Luis site.

The Bee articles also disclose that my estimates last session of the high finances involved in the Southern California fight against non-California development of the Colorado River were entirely sound.

I had a compilation made last spring of receipts reported by three major lobbying organizations maintained here in Washington by southern California interests. These reported lobbying receipts totaled roughly $855,000 for a period beginning in 1951, following announcement of the upstream development plans, and I made the charge that southern California was spending millions to acquire a water resource worth billions.

Now the Sacramento Bee reports that the total cost of supporting the Colorado River board, including legal expenses furnished the State attorney general's office, will be an estimated $425,000 during the current fiscal year. The articles also indicated that a similar amount would be requested of the State legislature for 1956, and stated that Mr. Northcutt Ely, southern California's chief lobbyist, would earn $75,000 from State sources this year.

This means that, if State contributions to this southern California water

board amounted to only half the present level since its organization, the total California tax money contributed for this legal and lobbying service has amounted to more than $4 million since 1937. When current lobbying receipts reported by other southern California water interests are added for the period 1951–55, the grand total will be more than $5 million to supposedly protect California's interests in a river which has been almost fully developed in the California portion of the lower basin, largely at Federal expense.

In view of the interest shown by other States in the efforts of southern California to spend millions to prevent upstream development of water allocated by solemn interstate compact in 1922, I ask unanimous consent to have these two articles, written by Mr. Robert J. Markson, reproduced in the RECORD following these remarks. I also wish to express appreciation to the McClatchy Newspapers, Inc.—publishers of the Sacramento, Fresno, and Modesto Bees—for publishing this revealing information as a service to California and the other 47 States.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

COLORADO RIVER BOARD FIGHTS INCLUSION IN STATE AGENCY

(By Robert J. Markson)

A movement is afoot to keep the Colorado River board out of the proposed new State water department. This would leave the agency, as it is now constituted, free to speak and act independently of the State government although it is State tax supported.

The board would be, as it has been for the past 18 years, a powerful, uncontrolled force in water politics, yet representing only six special interest groups in southern California.

Board critics have complained its policies have not always been in the best interests of the State as a whole.

FAVOR ONE DEPARTMENT

Many leading water spokesmen believe the first thing necessary to solve California's water problems is an effective State water department with one voice expressing statewide water policy.

The State assembly committee on government organization, under the chairmanship of Assemblyman Caspar W. Weinberger, Republican, of San Francisco, is preparing a bill to accomplish this. Governor Goodwin J. Knight will call a special legislative session in March if an acceptable measure is drafted.

The Weinberger committee will hold hearings on the water consolidation bill in San Francisco Thursday and in Sacramento Friday.

BOARD EXCEPTED

The group's announced objective is to put in the proposed new department practically all the various independent State agencies dealing with the water problem except the Colorado River Board.

At the committee's recent Los Angeles hearings board members strenuously objected to being included at least until the end of a lawsuit involving rights to Colorado River water pending in the United States Supreme Court.

CREATED IN 1937

What is the Colorado River Board?

It was created by the 1937 legislature to protect southern California's rights to Colorado River water.

The board comprises 6 members. They must be picked from 6 southern California agencies: The Palo Verde irrigation district, the city of San Diego, the Imperial irrigation district, the Coachella Valley County water district, the Metropolitan water district of southern California and the Los Angeles Department of Water and Power.

BEYOND CONTROL

Although the board is one of the most powerful State water agencies, its members are beyond the control of the governor's office.

This is why: Each of the participating agencies submits to the governor a list of not less than 2 persons for nominations to fill vacancies. The governor must appoint 1 person from each list.

Thus, should the governor wish to discharge a member for any reason at all the successor would be picked from the special-interest agency, which could submit the names of the ousted man and only 1 other.

The effect of this is to give the board a freedom from administrative regulation not available to other State governing bodies.

This is irksome to Governor Knight, although he has not commented on the situation, because it is contrary to his expressed stand in favor of direct chain of command arrangements for good governmental operations.

SUPPORT IS STRONG

The board's support is strong in the State legislature because of the large Southern California delegation of assemblymen and senators and because its members also are members of the strongest water groups south of the Tehachapi.

While the latter is true, the board members do not represent a unanimity of opinion so far as Southern California is concerned.

For example, Harold W. Kennedy, Los Angeles County counsel, and the California Mutual Water Co.s, representing citrus interests in the south, have voiced opinions on State water policy sometimes at odds with the other groups.

CONFUSION SURROUNDS MAKEUP OF COLORADO RIVER BOARD

(By Robert J. Markson)

The confusion which surrounds the makeup of the Colorado River Board is typical of the jumbled morass of California water policy, expressed by a myriad of disconnected State governmental agencies. The State Assembly Committee on Government Organization is attempting to bring order by proposing a bill to consolidate in one statewide agency the various water groups. The committee will meet in San Francisco tomorrow and in Sacramento Friday.

Present talks tend to exclude the Colorado River Board from the proposed new organization.

SPECIAL INTEREST GROUPS

The board is composed of 6 members who also are leaders in 6 special-interest groups in southern California.

When speaking for the board, they say one thing; when acting as officials of their own organizations they say another.

For instance, Evan T. Hewes of El Centro is a member of the board and also a leader in the Imperial Irrigation District, the largest and richest such district in the State. It is the dominant force in the Irrigation Districts Association of California.

Speaking before the assembly committee in Los Angeles recently Hewes said the association favors independent counsel for the new State water agency, thereby restricting more the attorney general's activities in water law.

Yet he also admitted the Colorado River Board is working suitably hand in hand with the attorney general in southern California's court fight over rights to Colorado River water.

Hewes also says the irrigation group wants a State board to make water policy instead of a director appointed by the Governor.

DIRECTLY OPPOSITE

This statement, made by a member of a State agency supposedly under the control of the Governor, is directly opposite to Gov. Goodwin J. Knight's ideas. Knight wants an effective chain-of-command operation.

The Colorado River Board wants to stay out of the new department because of its restricted sphere of action, confined to protecting rights on the Colorado River.

Board spokesmen say this ultimately will be of definite benefit to the entire State. They say unless southern California continues to get all the Colorado River water it needs it will have to turn to northern California for additional supplies.

Thus, the board says it wants to stay independent because of its restricted field of activity but wants State support because it contends its problem is statewide.

OPPOSE PLAN

Governor Knight has favored exploring the possibility of Federal construction of the San Luis Reservoir with integration with the State's proposed Feather River project. But the Metropolitan Water District of Southern California, the Los Angeles Water and Power Department and the Irrigation Districts Association, all members of the Colorado River Board, have urged immediate State purchase of the San Luis site. Federal officials have stated this would block Federal construction.

From recent events in Washington, D. C., it can be assumed the Colorado River Board would be a powerful voice free to act independently of statewide water policy if it were kept out of the new department.

When the board speaks in the Nation's Capital it is difficult for Congressmen from other States to realize it is not voicing the official policy of California's government.

Concern has been expressed that the board's uncompromising lobbying activities in Washington on behalf of its own special interests will have an adverse effect on efforts to obtain such Federal projects as the Trinity River and San Luis developments. There is fear the board will alienate Congresssmen from other States who otherwise would be friendly to these and like western projects.

COSTS $425,000

The total cost of supporting the Colorado River Board, including legal expenses furnished the State attorney general's office, will be an estimated $425,000 during the current fiscal year.

A similar amount is expected to be requested in the 1956–57 budget which will be viewed by the legislature in March.

The money is supplied from the State general fund but no administrative control over the board's functions is provided the governor's office. Under the board's setup the members can name their own successors.

HIGH PAID LOBBYIST

The board has the second highest paid lobbyist in Washington, Northcutt Ely, whose total income from California government sources this fiscal year may reach $75,000.

The board members receive no pay but the chief engineer, Raymond Matthew is paid $15,000 annually, more than several State division chiefs receive.

The decision whether to put the Colorado River Board into the new State department may be the subject of a fight in any special legislative session on water. The board has strong support from the large southern California legislative delegation.

But a compromise to avoid such a fight is being studied by the assembly committee on government organization under the chairmanship of Assemblyman Caspar W. Weinberger (R) of San Francisco, which is preparing the water department bill.

This proposed arrangement would leave the board outside the new water setup until the court fight over Colorado River water rights is completed. Then it would be absorbed into the new department.

Mr. WATKINS. Mr. President, on another occasion, I will discuss how southern California has alienated support from other States for needed water resource development for its own State, and how southern California, at the same time, has managed to get the lion's share of water resource appropriations allocated to the Golden State.

Mr. MONRONEY obtained the floor.

Mr. KUCHEL. Mr. President, I wonder if my good friend from Oklahoma will be generous enough to yield to me for a few moments, so that I may make a brief comment on the statement of the Senator from Utah.

Mr. MONRONEY. Mr. President, I yield for only a very brief comment, so that I may protect the rights of Senators following me on schedule.

Mr. KUCHEL. I thank my friend very much.

Mr. President, I have had the honor of representing, in part, the State of California in the United States Senate for 3 years. I have tried, to the best of my ability, to present the position which I thought ought to be taken in behalf of the 13½ million people of that State upon every question which has come before the Senate for debate and discussion. In all that time I have never denounced any other State of the American Union or any other Member of the Senate of the United States, or any of the people any other Senator represents.

In all I have endeavored to do, either in favor of proposed legislation or in opposition to it, Mr. President, I have done it as courteously as I could, as vigorously as I could, and as persuasively as I could.

Mr. President, on a number of occasions I have brought forward proposed legislation of interest to the people of California, and I am glad that upon many of those occasions my friend from Utah has helped me to have such measures passed by the Senate. But, Mr. President, I very much wish that my good friend from Utah would not take the time of this body in an endeavor to punish any people from any segment of the State from which I come simply because they may have a different opinion of legislation than does my good and honorable friend from Utah.

In the future I intend to conduct myself in exactly the same fashion as I have in the past. I will stand on this floor, and I will honorably debate against those bills which I feel are inimical to the best interests of the people of California, or the United States, but there shall never come from my lips any invective against people simply because they sincerely disagree with my position.

Mr. WATKINS. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. LONG in the chair). The Senator from Oklahoma has the floor. Does the Senator from Oklahoma yield?

Mr. MONRONEY. I do not want to become involved in any debate between Representatives of two great States.

Mr. WATKINS. I merely wished to reply to what the Senator from California has just said. I am not criticizing the Senator from California. I stand on the statement I have made. I think it is a fair criticism of the activities of some people in central California. I think it is a proper introduction to the articles from the Sacramento Bee, one of the leading papers in southern California. I intended to cast no reflections upon my friend from California. He has been courteous. However, many times when we are faced with a situation such as the people in my area of the country face, it is necessary to bring the truth before the people. That is what I intend to do, no matter what section of the country may be involved. Even if people in my State were affected, I would bring out the truth.

Mr. KUCHEL. If my friend will yield for a moment more.

Mr. MONRONEY. Mr. President, I shall be glad to yield to my fellow Episcopalian for the purpose of closing the debate with a second rebuttal.

Mr. KUCHEL. I thank the Senator for his fine generosity.

Mr. President, sometimes in representing our States—certainly it is true in a commonwealth which now is the second largest in population in the American Union—there are going to be differences of opinion between people whom one represents on all questions which come before the United States Senate.

Mr. President, I endeavor to resolve those differences and to speak out as I see the light; but certainly, whether they be in Utah or California or Oklahoma, I do not want to punish any people in any one State of the American Union who happen to disagree with Senators from other States.

I thank the Senator for his personal comment about me.

MONTHLY DISCLOSURES ON GAS BILLS TO CONSUMERS IN THE DISTRICT OF COLUMBIA

Mr. MONRONEY. Mr. President, I am most happy to announce to the United States Senate that the chairman of the Senate Committee on the District of Columbia has agreed to refer to the full committee the truth-in-billing legislation, which I introduced for myself, the Senator from Arkansas [Mr. FULBRIGHT], the Senator from New Mexico [Mr. ANDERSON], and the Senator from Texas [Mr. DANIEL], last Monday.

The chairman of the District of Columbia Committee, the Senator from West Virginia [Mr. NEELY], has agreed to refer the bill to the full District of Columbia Committee as soon as practicable, and has said he would be glad to hold hearings on this proposed legislation for truth in billing.

The bill, as my colleagues know, provides the simple requirement that the franchised gas utility shall show on the face of each and every household consumer's bill the average price paid to the producer for the raw gas for the nearest calendar period for which statistics are readily available, and also to show the cost of the gas to the franchised gas utility at the city gate. Such information would be in clear and ordinary terms used in the natural gas industry. The bill would also require the franchised gas utility to show the spread between its cost at the city gate and its charges for delivery to the burner tip, which might be called the city delivery cost.

Mr. President, it is a simple bill, which merely provides that the public—the consuming public—has a right to see what share of its gas cost goes for the material it burns, how much goes for the overhead of interstate transportation, and how much goes for cost of delivery within the Washington area—the District of Columbia, and the nearby Maryland and Virginia.

Mr. President, I have been rather astounded by some of the comments appearing in the newspapers. I was particularly astounded by articles which appeared in the Evening Star and the Washington Post and Times Herald which quoted President Everett J. Boothby, as claiming that Senate bill 2890, requiring truth in billing for gas sold in the District of Columbia, is an effort to punish the Washington Gas Light Co. for its sacrificial devotion to the interests of its customers. Mr. Boothby is mistaken. Even if devotion to consumer interest were a punishable offense, the Washington Gas Light Co. is clearly not guilty of any consumer devotion.

The Washington Gas Light Co.'s innocence is demonstrated by the fact that the great benefits from its conversion from mixed artificial gas to natural gas have been reserved to and received by stockholders rather than the consumers of gas.

The cost of gas, measured in heating units, to the Washington Gas Light Co. in 1954 was 5 cents per 1,000 cubic feet less than the cost for mixed artificial gas in 1946, the last full year prior to conversion to straight natural gas.

During the same period, the average price charged the residential consumer increased 11 cents for cooking gas to 12 cents for heating gas. This resulted in a total increase in the spread between the company's cost of gas and its sale price of 16 to 17 cents. This increased spread meant greatly increased profits. It was reflected in the company's net earnings, which increased 350 percent over 1946. I repeat, the net earnings increased 350 percent over earnings in 1946.

It was reflected in its dividends, which increased 300 percent during the same period. It was thus the Washington Gas Light Co.'s stockholders, rather than the consumer, who received the benefit of its conversion to natural gas. They got cheaper gas by 5 cents a thousand cubic feet, a rate increase of 12 cents, and an increase of 17 cents in the spread between its cost and the rate charged the consumer; and this increase in the spread between the company's cost and the amount paid to it by its customers represented an additional revenue from resi-

dential consumers only. In fact, Mr. President, I am speaking here only of the residential consumers.

At the current volume of sales, this 17 cents increase in the spread between the company's costs and prices received represents, in additional revenues from residential consumers, a grand total of $2,516,000.

Mr. Oscar Berry, the attorney for the Washington Gas Light Co., complains that the producer has increased his prices by 120 percent. Mr. Berry does not mention the cost in cents; he does not say that since 1950 the producer got a 1.7-cent increase. After all, when we deal in percentages, if a price of 1 cent is increased to 2 cents, that is a 100-percent increase, but it is still an increase of only 1 cent. However, when a rate already is high—such as the rate the Washington Gas Light Co. charges—then an increase of 12 cents in the rate does not appear to constitute a very important or large percentage. However, it is an important part of the consumers' gas bill, which has been added, even though the supply of natural gas is 5 cents a thousand cubic feet cheaper than it had been before the conversion to natural gas from artificial gas.

I do not know why Mr. Berry is so anxious to refer to what he says is a 120-percent increase to the producers, because the Washington Gas Light Co. does not purchase natural gas from the producers. It purchases the gas from the long interstate pipeline; and the important figure, if there is a figure which is important to Mr. Berry, is in connection with his claim that there was a 64-percent increase to the pipelines. Well, Mr. President, there is a difference between the 120-percent increase which he says the producer got and the 64 percent which he says the pipeline got; and in that connection it might be well for us to consider the increased revenues the Washington Gas Light Co. received, as that increase is reflected in the 350-percent increase in its earnings and the 300-percent increase in its dividends. Mr. Berry seems to think that the few cents per thousand cubic feet increase received by the producer and by the pipeline company constitutes a curse. However, Mr. President, it seems to me that instead of trying to place the blame on the few cents increase which they receive—the 1.7-cent increase received by the producer since 1950—Mr. Berry might well look a little closer to home, to see why the Washington Gas Light Co.'s rates to the consumers are high.

The Washington Gas Light Co.'s lack of enthusiasm for truth in billing—requiring them to show the part of the consumer's gas bill represented by the cost of gas and by distribution charges—is understandable.

Mr. President, at this time let me refer to the chart displayed in the rear of the Chamber. It has been prepared by the Library of Congress, and it shows rather clearly exactly how the consumer's bill for natural gas is shared. For each thousand cubic feet of natural gas which reaches the city gate of Washington, and is burned at the burner tips in the households of the Washington consumers, 12½ cents goes to the producer; that is the average amount he receives. The price delivered at the Washington City gate is 41 cents a thousand cubic feet. That amount includes the 12½ cents per thousand cubic feet which is received, on the average, by the producer. The big spread or increase, in the amount of an additional 90 cents, occurs between the time the gas is received at the city gate of Washington and the time when it is burned in the burner in the consumer's home—for instance, in the burner that it is used to heat my home.

I have obtained these figures by referring to the gas bill which I have to pay. I began to study it, in an attempt to ascertain how much I was really paying for the gas used in my home, and in an attempt to penetrate the curtain of confusion which exists in connection with the billing for this gas. So I find that I pay a spread or increase of 90 cents per thousand cubic feet, in order to obtain the gas used in my home; that spread or increase occurs after the natural gas is delivered at the city gate of Washington. I find that the charge to move that gas from the Washington City gate to my home is 90 cents a thousand cubic feet, or about eight times what the gas cost when it left the wells in Oklahoma, Arkansas, or Texas. I am sure that in passing through the lines, the gas does not wear out by friction the obsolete plant of the Washington Gas Light Co.

I may even say that there is a difference between natural gas and artificial gas, as regards the condition of the lines. In the use of lines over a period of many years, there is an accumulation of tar, which tends to coagulate within the lines used to transport or transmit artificial gas. As a result, the lines become somewhat worthless; they deteriorate. But I am advised by competent authority that when natural gas runs through the lines, because of its chemical properties, it acts as a cleansing agent, and cleans out the tar within a few years, and restores the lines to their capacity usefulness. Of course some of the lines are so old that when the tar is cleaned out, the lines leak. I have an idea that some of the high cost of conversion to the use of natural gas arises from the necessity to repair obsolete lines which, once the natural gas cleaned out the tar, were found to spring a few leaks.

But it a is a little strange to me that, with all the spread in price, which is so obvious—and on the chart which Senators now see, here in the rear of the Chamber, I point out that the total rate is shown, and the chart or graph shows the delivered cost at the city gate and the cost when it is delivered to the burner tip in the consumer's home—there is an increase of 90 cents in the charge per thousand cubic feet for delivery of the gas from the city gate to the consumer. Of course, if the natural gas is used for cooking purposes, there is a spread of $1.10 a thousand cubic feet; but if the gas is used for heating, the spread is 84 cents a thousand cubic feet.

So it is a little strange that such big tears should be shed by Mr. Boothby, as reported in the articles published in the Washington Star and the Washington Post and Times Herald.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. FULBRIGHT. Is it not a fact that under the terms of the bill which has been introduced the escalator clause to which Mr. Boothby objects so strongly in the article—the so-called favored nation escalator clause—is subject to review by the Commission?

Mr. MONRONEY. Absolutely. I am surprised that anyone charged with the management of a gas company of this size has not bothered to read the bill, or, if he has read it, does not understand it.

Mr. FULBRIGHT. The Senator will remember that such clauses were objected to by some of the distributors; and the committees in both Houses, specifically to meet such objections, inserted the provisions which make such clauses subject to review. No increase under such clauses can be passed on to the consumer without the approval of the Commission.

Mr. MONRONEY. The distinguished junior Senator from Arkansas is entirely correct. All the escalator clauses, including the favored-nation clause which the Senator mentions, are subject to the approval of the Federal Power Commission, as to whether or not the cost can be passed on to the consumer.

The only one that is exempt is the regular 20-year type of contract, which has fixed periodic step-up stages. If one leases a building for 20 years, for example, he agrees to pay a low rent when he starts in business, for the first 5 years. He agrees, as his business grows, to pay a little higher amount during the following period. It was known to Mr. Boothby, or to the company which supplies Mr. Boothby with the gas, exactly what the periodic stepups were. They are in there for a very good reason, and I should like to explain it, because they benefit the gas consumer; they benefit the pipeline; and they benefit the distributing company. The step-up stages benefit the distributing company by giving it a low rate at the start, and stepping up the rate gradually. The low rate at the start enables the distributor to build its gas load. Thereby it is in better shape to pay the next stage of the rate increase, perhaps at the end of 5 years, the increase being perhaps 2 cents, or something of that kind.

Mr. FULBRIGHT. I know the Senator and other Senators will explain the bill on its merits when we reach that point in the debate. What amazes me is that the manager of a large distributing utility could display such complete ignorance of legislation which he is opposing.

Mr. MONRONEY. Let me say to the Senator that I doubt whether it is complete ignorance. I think the distributor is a member of a club which has been formed by some distributors, which includes the richest, oldest, companies and those with the widest cost-of-delivery spreads in the country. They organized behind an attack on the producers, to conceal the unconscionable profits which they are exacting for the job of distributing the gas from the city gates to the burner tip.

Mr. FULBRIGHT. I thought it was more charitable to allege ignorance than to question his motives at this time. I agree that perhaps that might be well, but, having no personal knowledge of the situation, I did not wish to question his motives at this time.

Mr. MONRONEY. I do not wish to question his motives.

Mr. FULBRIGHT. It is obviously one thing or the other, because his statement is clearly untrue.

Mr. MONRONEY. Let us not question his motives, but let us read his words in the article which the distinguished Senator placed in the RECORD. I read from the article in the Washington Star:

To that proposal—

For truth in billing—

Mr. Boothby and his associates say they will comply to the best of their ability if it becomes law. But they doubted it would have any useful purpose, and rather confuse the bills and cause a substantial extra cost which would become a charge against consumers.

He talks about confusion of bills. I think if anyone were to read the printing on the back of the bill, in terms of therms, four-stage steps, with decimal points, and the fine print as to how additional costs are taken care of, he would like to be "confused." I believe the Washington consumers would love to be "confused" by having a simple statement of the breakdown, showing who gets what part of the dollar they are paying for gas. Incidentally, the gas rates in Washington are among the highest in the country, as I shall show.

The Washington Gas Light Co. doubted it would have any useful purpose.

They doubt whether the information called for would serve any useful purpose. They say that the expense of compiling the data would be substantial, and would be an unnecessary burden on the gas consumer.

One could call the gas company this afternoon and the company could tell him exactly the breakdown. It is in the record book. The printer's ink to put it on the bills would not cost much. The printing would not be required until 90 days after the passage of the act, so the company could prepare for it. We even provide that the company may use the figures for the most convenient calendar year for which data are readily obtainable.

Who is misleading whom? Who was misleading the public with respect to the escalator clause? I am sure that Mr. Boothby is laboring under a misapprehension when he states that the information called for would serve no useful purpose.

The poor, disfranchised people of the District of Columbia have no voice in their government and no representation in the District of Columbia in framing their laws or appointing their public utility commissioners. They have only the Congress and the newspapers. Strangely enough, this seems to be a story for the want-ad page. Perhaps the newspapers themselves do not feel that there is any keen interest on the part of citizens to know the composition of their gas rate, and what city delivery costs them. I wish I could persuade the newspapers to print an invitation to the disfranchised thousands of citizens of the District of Columbia to write letters to the editors of their newspapers, stating whether they oppose or favor the idea of truth in billing. Perhaps we might focus for those disfranchised people, over and beyond the Washington Board of Trade, the high cost of gas in the District of Columbia.

Why is there such a strange reluctance to override the Washington Board of Trade? Perhaps the opposition to telling the facts as to the composition of the rates of one of the leading members of the Washington Board of Trade is understandable. But the people can be heard if they will write the editors of newspapers and tell them that they are interested; and I should like to receive carbon copies of such letters, if the people are interested in this problem.

Mr. LONG. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. LONG. Do I correctly understand the Senator to say that since Washington converted to natural gas the cost to the distributor in the city has been reduced by about 5 cents a thousand cubic feet?

Mr. MONRONEY. That is correct.

Mr. LONG. Am I to understand that, notwithstanding the reduction of 5 cents a thousand the gas company had raised rather than reduced the price of gas?

Mr. MONRONEY. The Senator is exactly correct.

Mr. LONG. Can the Senator tell me how much?

Mr. MONRONEY. By 12 cents.

Mr. LONG. So, while the price should have gone down by 5 cents, it went up by 12 cents.

Mr. MONRONEY. That is correct.

Mr. LONG. Then if I correctly understand, the increase, for no other purpose than merely to increase the profits of the Washington Gas Light Co. is almost as much as the entire price the producer is receiving for the gas.

Mr. MONRONEY. The Senator is correct. The increase in the price of gas for house heating has been 12 cents. It has gone up from $1.13 for house heating to $1.25, or an increase of 12 cents. For purposes other than heating, it has gone up from $1.40 to $1.51 since conversion.

Mr. LONG. Looking at the problem from the standpoint of the housewife, the Washington corporation, which had its cost reduced by 5 cents, proceeded to increase the price to the housewife by 12 cents.

Mr. MONRONEY. The Senator is correct.

Mr. LONG. The amount of the increase is approximately 50 percent more than the gas producer receives for producing the gas. That was the markup imposed on the housewife.

Mr. MONRONEY. That accounts for the 350-percent increase in net earnings, and the 300-percent increase in dividends paid to stockholders.

Mr. Boothby says that the 40 fat distributing utilities have been organized to protect the consumer. So far as the fat distributing companies are concerned, the consumer is the forgotten man.

As practically all of them increased tremendously their earnings after conversion to natural gas, a precious little has been passed on to the consumer.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield to the distinguished Senator from Texas and leader of the Senate.

Mr. JOHNSON of Texas. It seems to me that the very able argument which the Senator from Oklahoma is making is that if the Washington Gas Light Co. follows in the future the practice it has followed in the past, the only effect, if the producers reduced their price, would be that the consumer would have to pay a sizable increase in his rate.

Mr. MONRONEY. That is correct. In other words, I do not believe that the consumer could stand any more of a so-called reduction in the gas rate, because such a reduction would undoubtedly be passed on to the consumer in the form of an increase in his rate.

Mr. JOHNSON of Texas. In other words, when the Washington Gas Light Co. benefited, to the extent of a material reduction in cost by conversion from manufactured to natural gas, the consumer received a substantial increase?

Mr. MONRONEY. The Senator is correct.

Mr. JOHNSON of Texas. Now the president of the Washington Gas Light Co. says to the consumer in effect, "I want to protect you from the producer who got a 10-cent increase in his rate by charging you a dollar." Is that correct?

Mr. MONRONEY. That is correct.

Mr. JOHNSON of Texas. It may be that the consumers will understand the truth before this fight is over.

Mr. MONRONEY. If we could let the consumers know that by writing letters to the editors of the local newspapers they have a voice in the Government, I am sure something could be done. If that could be done, instead of letting all of it go by default to the Washington Board of Trade, of which, I am certain, the Washington Gas Light Co. is a substantial member, the people of Washington could have a part, as the people of other cities have, in forcing down the rate. The people in other cities, who can vote, have considerably lower rates, in many cases. The average charge for Washington city delivery—and that is for delivery from the city gate to the burner tip—is 98 cents. That is the average charge. Detroit, where people can vote, has an average delivery charge of 49 cents. That is for city delivery. Detroit is a comparable city to the city of Washington. Atlanta, Ga., another comparable city, pays 47 cents, as compared with Washington's 98 cents.

Memphis pays 46 cents. Memphis has a municipally owned gas company, which operates in the TVA pattern. They are trying not to make a profit, but are making a profit on the 46-cent delivery charge, which is less than half of the Washington charge. Louisville, Ky., has a charge of 35 cents, as compared with the 98-cent charge in Wash-

ington. Kansas City has a charge of 28 cents. The Denver amount is 26 cents.

I could talk about the rates in Oklahoma, but it might be confusing to do so, because Oklahoma is near the gas field. The other cities I have mentioned are on long lines.

After all, Mr. President, it does not matter how far a city is from a gas field. The city delivery spread is about the same comparative charge, or should be, wherever a city is located, because certainly it is not necessary to drill through granite in the District of Columbia to lay pipe lines. Apparently it was necessary to do so, judging by the distribution rate we are being charged in the city of Washington.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield further?

Mr. MONRONEY. I am happy to yield.

Mr. JOHNSON of Texas. Does the Senator mean to tell the Senate that this outfit, called the Washington Gas Light Co., is charging the people of the District of Columbia twice as much for gas as is charged in the city of Atlanta, or in Detroit?

Mr. MONRONEY. It is charging almost four times as much as in Denver. It is charging nearly four times as much as in Kansas City, and about two and a half times as much as in Louisville, Ky. It is charging about twice as much or more than is being charged in Memphis, Atlanta, or Detroit.

I do not know the reason for it. I am certain it is not because of lack of volume, because the Washington Gas Light Co. increased its volume by about 300 percent since its conversion to natural gas. It has many more customers today than ever before. In fact, it boasts of about a 40 percent increase in consumers.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield to the Senator from Arkansas.

Mr. FULBRIGHT. Perhaps it is because the other companies do not have Mr. Boothby at their head.

Mr. MONRONEY. Or perhaps it is because the managers of the other companies understand the escalator clause. I would rather not say.

Mr. LONG. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. LONG. When a company has a monopoly like the monopoly the Washington Gas Light Co. has and is supposed to be limited to a fair return on its investment, how can a 300 percent increase in profit be justified?

Mr. MONRONEY. I am trying to get the figures. They will show some interesting facts. There has been a write-off of $4,700,000 because of conversion costs. That writeoff has occurred in 5 years. We might well inquire what happened to the best real estate in Washington, on Virginia Avenue, overlooking the broad Potomac River, which land belonged to the Washington Gas Light Co., but is now being developed as a multi-million-dollar apartment site. Was that land worth less after the gas tanks were removed, or more? Were those gas tanks and the land on which they stood worth less or more than the land after it had been cleared of those gas tanks. Yet there is that $4,700,000 chargeoff in about a 5-year period for the conversion and to take care of the obsolescence of the plant.

It is worth quite a study. I hope when the Senator from West Virginia [Mr. NEELY], chairman of the Committee on the District of Columbia, conducts hearings on the subject, he will permit us to go before the committee to urge the passage of the truth-in-billing bill, and that the committee will ask some questions about the company's writeoff, and about who got an advantage from the writeoff on that very valuable real estate. It is rather difficult to get figures on those points. It is not difficult to get figures on the rate. All that is necessary to get those figures is to pick up a telephone and to call the company. However, it is difficult to find out about the bookkeeping that goes on in the establishment of a rate basis. We are trying to get that information. I hope I will be able to supply it to the distinguished Senator.

Mr. President, I feel this is a matter of vital importance, not only to the Senate, but to the hundreds of thousands of silent people in Washington who are paying this exorbitant rate for city delivery, as compared with the rates charged in other cities of comparable size.

I hope that the Washington newspapers will see the wisdom of the truth in the billing proposal, and notify their subscribers in a prominent place in their papers that they will print letters from their subscribers, for and against the bill, and in that way give the people of the District of Columbia an opportunity to be heard. The greatest public forum in the world is still in the newspaper columns of the free press of America.

During the delivery of Mr. MONRONEY'S speech,

Mr. FULBRIGHT. Mr. President, will the Senator from Oklahoma yield to me?

Mr. MONRONEY. I am glad to yield.

Mr. FULBRIGHT. Did the Senator from Oklahoma place in the RECORD the article by Mr. Warren, quoting Mr. Boothby?

Mr. MONRONEY. I was going to refer to it. I shall appreciate having the Senator from Arkansas place the entire article in the RECORD, and I should be glad to have the full article follow my remarks in the RECORD. I shall quote from the article, if I may, so as not to delay the Senate unduly in carrying out its program for today.

Mr. FULBRIGHT. Mr. President, will the Senator from Oklahoma yield to me for 2 minutes, so as to enable me to place the article in the RECORD, along with a short comment by myself?

Mr. MONRONEY. I shall be glad to do so, if that is agreeable to the distinguished Senator from Maine [Mrs. SMITH], who is to be the next speaker.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent to have printed in the RECORD the article by Mr. Warren, together with a comment by me, both to be printed in the RECORD at the conclusion of the remarks of the Senator from Oklahoma.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. FULBRIGHT. Mr. President, first I submit the article by Mr. Warren, published in the Washington Star of January 11.

The article is as follows:

BOOTHBY SEES RATE RISE IF GAS MOVE SUCCEEDS

(By Don S. Warren)

Passage of the Fulbright-Harris measure to exempt producers of natural gas from Federal regulation "undoubtedly would result in unnecessarily higher costs" to the consumers, Everett J. Boothby, president of the Washington Gas Light Co., declared today.

That, he told the Star, is why his firm is represented in the Council of Local Gas Companies, an organization of distributors fighting the exemption bill.

He said his officers and directors knew they could expect to be singled out for criticism from proexemption factions in Congress. But he said they agreed they had to join in the fight against the "powerful producer lobby" because they felt they must serve the interests of their own customers.

ATTACKED IN SENATE

The gas company has been attacked on the Senate floor by Senator MONRONEY, Democrat, of Oklahoma, supported by Senators FULBRIGHT, Democrat, of Arkansas, and DANIEL, Democrat of Texas.

These three, with Senator ANDERSON, Democrat of New Mexico, had joined in introduction of a bill to require the company to print on its monthly consumer bills a statement of a breakdown of the average consumers' bill here—this is designed to show how much of the average bill goes to the company as against a smaller portion to the pipeline companies and a still smaller amount to the gas producer.

To that proposal, Mr. Boothby and his associates say they will comply to the best of their ability if it becomes law. But they doubted it would have any useful purpose, and rather confuse the bills and cause a substantial extra cost which would become a charge against consumers.

They voiced the belief, also, that without new law the District Public Utilities Commission could order such a change if it found it to be in the public interest.

Senator MONRONEY and others from gas-producing States joined in accusing the Washington company of charging excessive rates and with getting an exorbitant and an unconscionable share of the ultimate consumer prices for the natural gas.

All this Mr. Boothby and his associates deny.

Mr. Boothby told how and why the gas company—its officers and directors all reside in the metropolitan area, and 63 percent of its common-stock holders also live here—got involved in the bitter national fight over free enterprise or regulation for gas producers, thousands of miles west.

TELLS HIS STORY

This is how he described his part of the story:

"The decision of the Supreme Court rendered June 7, 1954, held that independent producers of natural gas are subject to Federal regulation under the Natural Gas Act and should be regulated in the consumer interest.

"At first this was repugnant to our basic philosophy. The thought of extending any regulation was in conflict with our belief that business, as far as possible, should be regulated by competition.

"Later, as steps were taken by the producer interests to prepare the way for legislation to nullify the effect of the Supreme Court decision, we were asked to join the producers' team to seek such legislation. We did not join their team.

In view of what was happening to producers' gas prices as the result of favored-nation clauses and escalator clauses in their contracts, we reluctantly came to the conclusion that such legislation should not give the producers complete freedom.

JOINED IN PROPOSAL

We were among others who proposed, in connection with the Harris bill in the House, that the legislation should provide freedom from regulation provided the insidious forms of favored-nation and escalator clauses were omitted from the producer's contracts.

Meanwhile, independent producers of natural gas have staged a tremendous publicity campaign, spending millions of dollars in an effort to convince the public that the decision of the Supreme Court should be nullified by the passage of the bill exempting gas producers.

Feeling strongly that the passage of the Fulbright bill exempting producers from regulation would undoubtedly result in unnecessarily higher costs of natural gas which would have to be paid by their customers, 60 local gas distributing companies formed the Council of Local Gas Companies.

The objective of the council is to see that all of the facts concerning the effect on their customers of the exemption of gas producers are made known to the public and the Congress.

While the council cannot hope to match the lavish spending of the producer's lobby, we are making an earnest effort to protect our customers from higher costs.

REALIZED POSITION

The company realized, when it joined the council, that because of its location in the District, it could be singled out for criticism by those who are proposing the exemption of gas producers from regulation. Nevertheless, this company will not refuse to recognize its responsibility to the public it serves, and will not stand idle while incomplete and misleading information is disseminated by the powerful producer lobby for the purpose of securing passage of their exemption legislation.

"The proposal to exempt gas producers would make it possible for the few thousand gas producers to get substantial windfall profits from millions of gas users.

"The provisions of the bill purporting to protect consumers will not give the protection that consumers deserve, in our opinion, and will only serve to validate higher charges by gas producers if they should be free from regulation.

"The gas company stands, with the Council of Local Gas Companies, unalterably opposed to the passage of the Fulbright bill."

CALLED DANGEROUS

Local distributors say the so-called favored nation and escalator clauses are most dangerous.

As Washington gas officials explain it, this means a lot of things they never before understood to be free-enterprise. They say, for instance, that if their pipeline company made a contract with a producer for a certain price for a certain quantity that didn't mean just that.

If, later, that pipeline made a deal with another producer for a higher price both lines and all parties would be affected. But further, they say, if another pipeline outfit made a contract for a still higher price with a different producer that would mean that the latest highest price would apply to everybody, even in the earlier contracts.

While pipeline company rates are subject to Federal Power Commission regulations, there is a gimmick to this, gas company officials explained.

The local company has no control over such gateway prices. They automatically become charges against operating expenses, paid by the ultimate consumer. But since 1954, this has become more definite. If the pipeline files a new tariff with the FPC it goes into effect after 30 days unless the FPC takes adverse action and the case is adjudicated. And under regulations, any change in pipeline gas service is automatically reflected in Washington consumer rates.

Mr. FULBRIGHT. Mr. President, in connection with that article, I wish to make the following statement.

Everett J. Boothby, president of the Washington Gas Light Co., has evidently not even read the Fulbright-Harris bill which he opposes. The bill spells out Federal review and control of natural-gas prices in the field. It does not—it positively does not—exempt from regulation the amounts paid to producers.

The bill will also make it possible to continue all the competitive bargaining which has keep field prices of natural gas to the low levels which the Nation enjoys today. The actual prices arrived at, through this competitive action, however, will be reviewed by the Federal Power Commission, and the Commission must be completely satisfied that these prices are reasonable.

In denouncing the producing industry for price adjustments in the field which have occurred in the past few years, Mr. Boothby and others completely avoid the fact that these price changes were specified and spelled out in writing in contracts between the pipeline companies and the producers. A person would have to be incredibly naive to think that distributors did not know exactly what went into these contracts or, in fact, may actually have dictated many of the terms.

We must remember that in the competitive United States economy, sellers have no more control over conditions of sale than do purchasers. An auctioneer can ask for any price he wants, but a buyer must actively initiate a bid, if an agreement is to be reached.

If the prices paid by a few distributors, including Washington Gas Light Co., are unsatisfactory to them, they must have displayed a great deal of ineptitude in not examining the contracts at the time of purchase.

However, the Fulbright-Harris bill will definitely help these distributors in their problems, even though these problems are of their own making. Mr. Boothby specifically objects to favored-nation clauses and escalator clauses in contracts to which he, at one time, gave hearty approval.

If Mr. Boothby will read the Fulbright-Harris bill, he will find that price changes under these clauses are subject to review by the Federal Power Commission, and cannot be placed into effect unless the Commission finds that they are entirely reasonable.

I think the public should know that by far the greatest share of the consumers' payment goes to the distributor. In 1954, for example, for gas sold in Washington, D. C., the producer received 12.5 cents per thousand cubic feet, the pipeline company received a little less than 29 cents for a thousand cubic feet, but Washington Gas Light Co. received—over and beyond these figures—96 cents per thousand cubic feet. In other words, Washington Gas Light got nearly 800 percent more for the gas than did the producer—and with a minimum of risk.

I am in sympathy with the need of local utilities to raise rates because of costs being affected by inflation. It does not make sense, however, for these utilities to denounce the producing industry for much smaller changes. Truly this is a case of an elephant denouncing a mouse for taking up too much room in the zoo.

The Fulbright-Harris bill is endorsed strongly by the Federal Power Commission, which probably is the best informed of all gas regulatory agencies. The bill meets the objectives set forth by President Eisenhower's Cabinet Committee on Energy Supplies and Resources Policy. The Senate bill had bipartisan support in committee, and was recommended by an 11 to 4 majority.

The bill is supported by all producers and by all major pipeline companies. The only resistance to it comes from some forty-odd utilities which have banded together in a high-pressure lobby. Many utilities, however, do not oppose passage of the bill.

In talking with representatives of some very vocal companies that make up the Council of Local Gas Companies, I have learned that these companies are primarily concerned about price competition from other fuels. These companies are buying gas for as little as they had anticipated, the terms for such purchase having been spelled out in contracts for 20 years to come, but they are not able to sell to industrial accounts in some communities because other fuels are cheaper.

In other words, competition is keeping prices down. This is what the producing industry has said all along.

However, the Fulbright-Harris bill adds the additional safeguard of Federal review of field prices. If distributors will just read the bill, they will get much comfort from it.

I thank the Senator from Oklahoma for yielding to me.

Mr. MONRONEY. I thank my distinguished colleague, because what he has just said helps bear out and to show more clearly the wide discrepancies and the lack of public knowledge regarding the items on which the rate charged by the Washington Gas Light Co. for natural gas for household use is based.

PRINTING OF ADDITIONAL COPIES OF COMMITTEE PRINT ON AUTOMOBILE MARKETING PRACTICES

Mr. MONRONEY. Mr. President, I submit a resolution which provides for the publication of the result of the automobile dealers' poll which was sent to 40,000 automobile dealers throughout the country, and on which an unusually large number of returns were received. The poll was broken down State by State. We would like to have a sufficient number of copies printed so that they may be sent to all the automobile dealers who answered the poll, and to others.

We would like to permit Senators to send out those copies, and we would be glad to address and insert those booklets if the Committee on Rules and Administration should see fit to allow us to have additional copies printed.

The PRESIDING OFFICER. The resolution will be received and appropriately referred.

The resolution (S. Res. 181) submitted by Mr. MONRONEY was received and referred to the Committee on Rules and Administration as follows:

Resolved, That there be printed 45,000 additional copies of a committee print of the report of the Subcommittee on Automobile Marketing Practices of the Senate Committee on Interstate and Foreign Commerce.

PROPOSED 5-YEAR MEDICAL RESEARCH PROGRAM

Mrs. SMITH of Maine. Mr. President, I have today introduced a bill designed to initiate a bold new program of medical research in this great Nation of ours.

Before outlining the details of my proposal, I wish to make it clear that I am following in the footsteps of some of the most distinguished Members of this body—such leaders and experts as the Senator from Alabama [Mr. HILL]—in proposing an expanded program of medical research. During the 1st session of the 84th Congress, the Senator from Alabama, together with the Senator from New Hampshire [Mr. BRIDGES] sponsored a bill for research laboratory construction, and the Senator from Alabama, and an additional 11 Senators from both parties, sponsored a bill to aid medical education. I heartily commend these efforts and I am deeply and humbly aware of the inspiring leadership of these distinguished Senators.

I believe that my proposal is unique in one very important respect. It is an attempt to blueprint a long-range plan for medical research. It is an omnibus proposal, inasmuch as it covers all the elements which we must combine to create a total offensive against disease.

Mr. President, I propose that the Federal Government spend an additional $1 billion over the next 5 years for 3 major purposes:

First. A doubling of the present research and training expenditures of the National Institutes of Health, the research arm of our National Government. During the current year the Institutes have been allocated approximately $100 million for their research, training, and related activities. I propose that, starting with fiscal 1957, this be raised to $200 million a year.

Second. A desperately needed program for the construction of laboratories and other medical research facilities. These construction funds shall be made available at the rate of $30 million a year for the next 5 years, and they shall be matched in equal part by the institutions receiving them.

Third. A long-range plan of aid to our medical schools, the keystone of medical research in this country. I propose that $70 million a year be allocated over the next 5 years for the construction of medical-school teaching facilities, and that these sums be matched by the medical schools receiving them.

I have been concerned with the question of medical research for a long time. However, an editorial in a great Maine newspaper—the Bangor Daily News—last July set me to thinking about ways in which I, as a legislator, could further medical research and save thousands of precious American lives. The editorial, entitled "How About $1 Billion for Health?" got to the heart of the problem in these simple but eloquent words:

There are occasions when we feel Congress is too generous about spending the taxpayers' money. But today we'd like to point out an instance in which we think the Federal legislators are being downright niggardly. We refer to funds for medical research on major killing diseases * * * Why not $1 billion? This may sound startling, at first. Yet what better investment could be made for the welfare of the Nation? Let us suppose the sum found the answer to dreaded cancer, for instance. Suppose it gave us new information on heart ailments and their treatment * * * It occurs to us that we Americans may have lost our perspective as to the relative importance of things. A Federal highway program running into many billions undoubtedly will be put on the books within a short time. We are spending billions upon billions for national defense. Other billions have been poured overseas in the form of foreign aid. Yet we discuss medical research in terms of only millions. * * * We startled and frightened the world with the atomic bomb. Would we not win the gratitude of the world if, by a billion-dollar research program, we were able to give the human race the answers to the diseases that kill and cripple?

On November 19 of last year, in a follow-up editorial, the Bangor Daily News urged immediate action in this editorial statement:

The important thing is to set our sights higher and get busy. We know that a single billion dollar appropriation isn't going to win the war against disease, any more than a single billion can win a modern war between humans. But it would be a starting point. It would put the problem in proper perspective. There's something wrong in our thinking when Americans spend more on lipstick than on cancer research, more on ball-point pens than on heart studies.

For some time I have studied the facts underlying this problem and last winter I began the drafting of the proposal which I submit to the Senate today.

My first line of study was to determine the dimensions of the problem of disease in this country. Were the proponents of expanded medical research exaggerating the size and extent of the problem?

In my study of this subject I leaned heavily upon the volumes of hearings issued by the House Interstate and Foreign Commerce Committee following more than 6 months of intensive investigation during 1953 and 1954. Under the brilliant guidance of its chairman, Representative CHARLES A. WOLVERTON, the House committee conducted the most thorough study to date of the impact of illness upon our economy.

In a statement on January 28, 1954, Representative WOLVERTON summed up the highlights of the committee findings in these words:

We were told that heart disease is the leading cause of death in the United States, causing more than 1 out of every 2 deaths each year. It is the leading cause of death among children, and exacts a toll from every age group.

At the rate at which we are acquiring cancer, 50 million of the present population of the United States probably will acquire cancer, and about 25 million will die from that disease.

The number of mentally ill patients in the United States exceeds the number of patients suffering from any other type of disease. Furthermore, approximately one-half of the 1,425,000 hospital beds in the United States are needed and used for the various mental illnesses.

Arthritis, with a total of 10 million victims today, and with 1 million people permanently disabled, afflicts more people, cripples and disables more people, and brings more pain to more people than any other chronic disease.

Last year more than 250,000 Americans of working age were unable to work because of active tuberculosis.

In the committee report summing up the massive evidence gathered from more than 100 physicians and scientists and from countless agencies, there is this statement which should give pause to every single one of us in this great country.

Four major diseases alone—heart, cancer, tuberculosis and arthritis—have resulted in an annual loss of 370 million man-days of productivity. This accounts for over half of the total man-days lost annually due to chronic diseases.

During the course of our hearings we received startling testimony that the annual cost to the Nation from illness is roughly equivalent to the total income tax revenue, or $30 billion annually.

Mr. MONRONEY. Mr. President, will the distinguished Senator from Maine yield?

Mrs. SMITH of Maine. I would prefer to complete my statement, but I am glad to yield to the Senator from Oklahoma.

Mr. MONRONEY. I merely wished to compliment the distinguished Senator from Maine for the tremendously hard but effective work she has done in preparing a comprehensive aid-to-health bill which she is now presenting and explaining to the Senate. I was glad to cosponsor the bill and cooperate with the Senator from Maine. The purpose of the bill is to facilitate the discovery of new remedies, new cures, new vaccines, such as the polio vaccine, which will pay off in the saving of human lives and in economic savings the money invested by the Congress.

I merely wish to compliment the Senator for her outstanding work in this field and for bringing the matter to the attention of the country.

Mrs. SMITH of Maine. I thank my distinguished and able colleague for his kind words, and I wish to say that it has been a very great help to have him cosponsor the bill. I thank him very much.

Mr. President, I do not think I need present any further evidence of the staggering size of the problem. But what have we done in the way of mounting an offensive against these diseases which bring heartbreak to millions of American families?

In 1953 the President's Commission on the Health Needs of the Nation summed

up our national medical research effort in these words:

Last year's (1952) total expenditure of $180 million amounted to only three-tenths of 1 percent of the Nation's defense budget. It was less than the amount spent on monuments and tombstones * * *. Last year, one industrial company spent more on business and product research than our entire Nation spent on research into heart and circulatory diseases. * * * The Federal Government itself spends over 200 times as much on military research as on research in heart disease.

A year later, the National Science Foundation released a set of figures which dramatically illustrated how little of all research moneys was going into medical research. It listed total governmental and nongovernmental research of all types as exceeding $4 billion annually. Industry spends more than a billion dollars annually searching for new products and improving existing ones. The chemical industry alone spends $300 million annually and this expenditure has made possible a four-fold increase in chemical sales from 1939 to 1954. Furthermore, American industry will spend $300 million in the next 4 years on atomic-energy research.

In 1954 the Federal Government spent approximately $2 billion on research of all kinds. Of this sum more than 85 percent, about $1,700 million, was allocated to military-weapons research. Medical research expenditures were near the bottom of the list.

The major criticisms of the inadequate level of Federal support for medical research have come most recently from the distinguished reports of the Hoover Commission. In both task force and full Commission reports, the Commission has criticized both the inadequate sums expended for medical research and the lack of any long-range plans. In these reports there is a recurrent plea for a 5-year program, and I am frank to state that the arguments of the Commission have had a great influence upon me in proposing an overall 5-year plan. I would like to quote just a few of the more telling points made in these Hoover Commission reports released during 1955:

A. Task Force on Federal Medical Services of the Hoover Commission. In its report, released in February 1955, the task force gave powerful support to the whole idea of a 5-year plan. Criticizing short-term annual research grants as uneconomic and lacking in stability, the report stated:

Where the Federal Government has made its grants for research in the form of 5-year block grants to institutions or agencies instead of short-term awards to individuals, persons conducting the research have been able to plan their studies without fear of an abrupt end of financial support; and also the Federal administrative authority has had help from the institutions in the difficult task of appraising individual requests for research grants. * * *

The task force recommends that the present system of project grants for research pertinent to health be modified and that it be gradually replaced by a system of 5-year block grants to institutions or agencies which would be in accordance with an approved overall plan for health research submitted by each.

The task force also attacked what it referred to as a 35 percent cut between 1952 and 1954 in Federal health grants for preventive campaigns against the major diseases. As an example, it singled out the inadequate sums being spent against mental illness. It proposed a $5 million additional annual Federal appropriation in the mental-health field, with most of the money earmarked for increases research grants to universities and other research centers for investigation of mental health and disease and for continued and expanded grants for advanced training for psychiatrists and workers in allied fields.

B. The full Hoover Commission Report on Research and Development in the Government, released in May 1955 included a sharp criticism of the Department of Health, Education, and Welfare for requesting inadequate sums for medical research, and for neglecting basic research. The report noted:

Of all the special research and development activities inside and outside the Federal Government, the most beneficent to mankind has been in medical and health research. Basic research in these fields covers such subjects as anatomy, physiology, biochemistry, bacteria, viruses, their contagions and their control. * * * The actual Federal expenditure applicable to basic research in the medical field is only about $18 million, or less than 1 percent of the total Government research and development expenditures. The report of this Commission on Federal medical services, together with our task-force report, have outlined constructive steps toward better organization and support in this field.

It should be noted that, although Congress has treated appropriations requests for medical research and development generously, there are still many approved projects which have not been undertaken because of the lack of funds. These projects, primarily in the field of basic research, have been approved by several important research agencies.

An instance is the so-called backlog of 723 projects totaling about $7,400,000 which the National Institutes of Health predict will not be undertaken by them in fiscal year 1956 because funds have not been requested by the Department of Health, Education, and Welfare or the Bureau of the Budget. Of this amount, about $1,900,000 is for basic medical research. We are concerned over the apparent failure of the executive branch to indicate these backlog projects to the Congress. That such amounts have not been recommended to the Congress or supported by the Congress may indicate a tendency to deemphasize basic and medical research. Possibly, this results from the belief that the Congress will be more receptive to requests for funds devoted to projects likely to produce startling and dramatic results. But it should be noted that there are also the dramatic accomplishments of basic and medical research.

* * * We must make sure of general support to this field which daily demonstrates such potential benefits for mankind. We urge also that this is a problem for the Nation as a whole. We therefore recommend that greater Federal support be given to basic and medical research.

I was additionally influenced in making my proposals by some remarkable figures recently released by the National Health Education Committee. Startling as they are, they deserve the sober attention of all of us.

With 10 million American men and women victims of heart disease, we are spending only about $1.60 per person afflicted to find cures and better methods of treatment for this most vicious of killers.

With the American Cancer Society estimating that 25 million Americans now alive will die from cancer unless new treatments, cures, or preventive measures are found, we are spending only $1 on research for each of these potential victims.

With mental illness costing this country approximately $2½ billion a year, we are spending far less than 1 percent of this sum for psychiatric research.

In May of last year Dr. Paul Dudley White, the distinguished cardiologist who is now attending our great President, appeared before a Senate appropriations subcommittee to testify about medical research on heart disease. Dr. White, in his quiet methodical way, startled the committee with some of the evidence he presented. He pointed out that each year heart disease was growing in its power to destroy precious American lives. In 1935 heart disease claimed 450,000 victims; in 1945, 600,000 victims, and in 1954 more than 800,000 victims.

Dr. White also presented figures on the ravages of heart disease during World War II. During the 4 years of our participation in that conflict, 2 million people die in this country of diseases of the heart and circulation—nearly 8 times as many people as were killed in action in the Armed Forces. More than 300,000 men in the prime of their life were refused induction into the Armed Forces because of heart disease. In addition, 97,500 men were given disability discharges from military service or died in military service from heart disease during the years 1942–45. This manpower loss from heart disease, a total of 397,500 men, would have been sufficient to man 27 army infantry divisions.

During the Korean conflict, the ravages of heart disease increased far beyond the World War II figures. Out of 245,000 registrants for military service examined between July, 1950, and June, 1951, 16 percent, or close to 40,000, were rejected for heart disease.

Dr. White also pointed out that heart disease causes tremendous productive and economic losses on the mobilization front. According to the United States Department of Commerce, heart disease causes a $2 billion annual loss to our economy. In a period when we are trying to stretch every dollar to increase our military procurement, this $2 billion could purchase 1,500 to 2,000 of our latest combat fighter planes, or it could outfit 29 infantry or airborne divisions at a per division cost of $69 million. In addition to all this we must remember that compensation and pension payments to veterans with heart disease are costing us another $200 million a year.

Dr. White also stressed the fact that, contrary to popular impression, heart disease is far from confined to the elderly. For example, among children under 15 more than twice as many die of heart disease as of polio. More significant is the fact that heart disease cuts down 1 out of every 3 Americans in the prime of life in the years from 40 to 65. Only in recent years has American industry begun to face one of the most serious challenges in our productive economy—that many of its young executives, after years of training for top posts, fall victim of coronary heart disease and hypertension just as they begin to realize their full potential.

If heart disease continues to exact its present annual toll, 83 million Americans now alive will eventually fall victim to it.

Appealing for greatly increased funds for heart research, Dr. White, in forthright fashion, laid the facts on the table in these memorable words:

It happens that the United States is one of the most unhealthy countries in the world today, in large part because of this serious threat of coronary heart disease. I have traveled widely and have found that any citizens of any country in the world who live the way we do are subject to this disease. In most countries, however, only a relatively small percentage of the population can afford to live the way we do and in that sense can afford to be sick in the same serious way. While everyone knows about the very bad health conditions in south Asia and Africa due to infections and undernutrition, not so many have realized that at the opposite extreme, in countries like the United States which boast of their sanitary conditions, the health of the professional and business leaders is constantly threatened and apparently more and more so every year. This problem, therefore, is just as vital as that of the starving multitudes in countries far away.

Despite the fact that there are many researches going on in this country on animals and to a certain extent on man, we have not the answer yet * * *. If I had had time, I would have shown you today a man in the thirties crippled by angina pectoris at this early age because we don't know how to prevent the disease as yet or even how to delay its onset. There are many thousands of patients of his age and a little older but still relatively young men who are similarly affected. This problem seems to have been increasing greatly within the last decade or two. Why this is so and what we can do about it remains the $64 question. Fortunately, researches in this field have been increasing steadily but many more are being contemplated, more than we can afford to pay for now.

These are the considered words of a great scientist who today is treating our President and who has treated members of this body. And this man, in 1955, had to spend money out of his own pocket because Government funds were not available for the vital research he was pursuing.

In the light of all the foregoing evidence, I think that it is beyond dispute that this country must spend vastly increased sums to reduce the toll exacted by disease and premature death. I, therefore, regard my proposal for an additional $100 million a year over the next 5 years as a modest one, limited in scope only by the availability of the research scientists and facilities needed to carry on this additional research. During the past few years congressional committees of both Houses have received documented evidence from the Nation's most eminent scientists that inadequate financial support is the great bottleneck to a major expansion of medical research.

However, there are always those who argue that expansion cannot go much further because the men and the laboratories are not immediately available. In answer to them, I cite the example of the magnificent clinical center of the National Institutes of Health. It cost $60 million to construct and it is regarded today as the finest research plant in the entire world. Yet when appropriations for it were under consideration before Congress a few years ago, there were some who argued that it would never be possible to staff so enormous a research enterprise. How wrong they have been proved. On the site of what was once a sleepy Maryland farm, there are now more than 4,000 medical researchers and auxiliary personnel engaged in a magnificent offensive against the killers of our time. And all this has happened within the past decade.

As the various Hoover Commission reports noted, and as prominent scientists have pointed out in congressional testimony, there are thousands of research ideas in all parts of this land which need only financial backing to come to fruition. Furthermore, many of our most talented young research workers leave the field because they see no real evidence of a long-range plan with some guaranty of continued financial support. We must plan, and plan boldly, if we are to win the total war against disease.

Mr. President, I should now like to address myself to a very important question. If we double our present research expenditures over the next five years, what kind of return can we expect on our investment? In other words, apart from humanitarian considerations, is it good business sense to invest additional moneys in medical research?

The history of medical research over the past few years offers an eloquent answer. Over the past decade alone, medical research has added five full years to the life expectancy of the average American. This increase which encompasses a reduction in deaths from all causes of about 10 percent, occurred between 1944 and 1952. We all know something of the wonders of penicillin, streptomycin, isoniazid, cortisone, and a host of other battlers against disease. These miraculous products of medical research, along with new surgical techniques and blood plasma, have brought about these percentage reductions in the death rates of some of the major killers and cripplers:

	Percent
Influenza	77
Appendicitis	69
Acute Rheumatic Fever	66
Syphilis	56
Tuberculosis	50
Pneumonia	50
Kidney Diseases	43

Now let us translate this into terms which a hard-headed businessman can appreciate. During those 8 years, a total of 845,000 American lives were saved. These 845,000 people, who would have died if research knowledge had remained constant, earned and added approximately $1,500,000,000 to the national income in 1952 alone. And from these earnings in 1952, the Federal Treasury received approximately $234 million additional in income and excise tax receipts. Please note that this increase in tax receipts was more than 7 times the $33 million spent on research in 1952 by all the major institutes of the United States Public Health Service. Putting it very simply, medical research has returned $7 in Federal taxes for every dollar spent by the United States Public Health Service.

Medical research has even made for better and cheaper agricultural crops and fatter and healthier cows, pigs, and chickens. The antibiotics provided by medical research have initiated a revolution in both the quality and quantity of livestock and poultry production.

Mr. President, I could cite scores of examples of the savings resulting from medical research. All of us in this body know that tuberculosis, once one of the most terrible scourges visited upon man, is now coming increasingly under control due to the new drugs supplied by medical research. In the past 7 or 8 years, the tuberculosis death rate has dropped a gratifying 66 percent. Tuberculosis hospitals all over the country are closing their doors. Last year, New York City saved $46 million in hospital and construction costs because of the new advances in tuberculosis therapy.

We all know of the wonders of the Salk vaccine, and we have high hopes that poliomyelitis will soon fade into insignificance.

Mr. President, let me give one small example of what a single Federal research grant did in one area of disease. It was a grant of only $41,000, but it resulted in the discovery of the cause of a condition which was producing blindness in prematurely born children.

Over the past decade 8,000 children had been blinded by this disease. Their special care and training through their average life span will cost $100,000 each, or a total of $800 million, according to Dr. Cornelius Traeger, one of the Nation's leading neurologists.

As Dr. Traeger pointed out before a Senate committee, had that $41,000 worth of research been undertaken 10 years earlier we would have saved that $800 million. But the grant was finally made, the research was successful, and for the small investment of $41,000 we will, through each future decade, save the precious sight of 8,000 children and save ourselves hundreds of millions of dollars.

Granted, then, that medical research is a blue-chip investment paying fantastic dividends, can this Nation afford additional expenditures for it? One of the most eloquent answers to this question is contained in a volume of the 1953 report of the President's Commission on the Health Needs of the Nation, devoted to how we can finance a broader health and medical-research program for America.

The testimony of some of the Nation's economists recorded in that volume reflects deep puzzlement and concern as to why this Nation is not spending more for medical research and health services. Economists, aware of the fact that in an expanding economy we must provide millions of new jobs to achieve a growing rate of national productivity, do not understand why we are not making plans now to shift many of our workers into medical research and health services.

Viewed in the cold perspective of an economist, our national research and medical plant is woefully underfinanced, handicapped by obsolescent physical facilities, and hamstrung by severe shortages of manpower and inadequate salaries. These deficiencies reap an inevitable harvest.

Those areas of the country where medical research and health services are at the lowest point are the very same areas where industrial productivity is low, and consequently, Federal and State tax revenues are low.

In pointing out that this Nation could not much longer afford a $30 billion annual drain upon its productivity, the 1953 report argued that medical research must become big business if it is to succeed. It recommended that the Federal Government spend an additional billion dollars a year for medical research and related health activities. It put the problem this way:

Medical research must learn from American industry the cardinal fact that it cannot expand properly until it recruits and holds more of this country's top brains. It cannot do this on a skimpy financial base. If medical research is to compete with industrial research for skilled investigators, it must build up its physical plant and it must offer these workers good salaries and reasonable security.

I submit, Mr. President, that human life is the most precious commodity we have in this democracy of ours. However, our federal budget seems to belie this. During the current fiscal year, about $60 million will be spent by the National Institutes of Health on research activities designed to save human lives.

Compare this with more than $90 million appropriated by the last session of Congress for the research activities of the Department of Agriculture. And add to this $90 million for the Department of Agriculture the sum of $250 million which is paid out to farmers for soil conservation practices.

I do not want to imply that I am not heartily in favor of greatly expanded agricultural research. I have always supported these research activities, but I think it is about time this country brought research on human lives up to the level of research on animals and plants.

I have proposed a medical research expenditure of $200 million a year with full knowledge of comparable expenditures by the American people. In 1955, the people of this Nation spent approximately $10 billion on alcoholic beverages and more than $5 billion on tobacco products. Our annual expenditure for chewing gum, $264 million, is $64 million more than I am asking for research to save human lives.

Mr. President, the second part of my proposal would provide $150 million over a 5-year period in matching grants for the construction of research laboratory facilities. For the most part, these grants would go to hard-pressed medical schools, hospitals, and private foundations in all parts of the country.

This proposal is a most conservative one. In 1953, the Senator from Minnesota [Mr. THYE], then chairman of the Senate Appropriations Subcommittee on Health, Education, and Welfare, sent out a questionnaire to all research installations in the country, asking them for a detailed analysis of what additional laboratory facilities were needed to expand medical research in this country. He received replies indicating that these installations needed in excess of $150 million in matching grants to expand their very vital work.

I commend the two volumes of the Thye report to every Member of this body. It presents a picture of the shocking physical conditions under which medical research is carried on in many parts of this land. I think millions of Americans would be ashamed to learn that much medical research today is being carried on in firetraps, reconverted barns, and abandoned tombstone factories.

After a careful study of the Thye report, the members of the Senate Committee on Labor and Public Welfare voted unanimously in 1955 to hold a series of hearings on this critical situation in medical research. In that same year the Senator from Alabama [Mr. HILL], and the Senator from New Hampshire [Mr. BRIDGES], introduced a bill providing $90 million over the next 3 years in matching laboratory construction grants. In 3 days of hearings, the Senate committee received irrefutable documentation to the effect that this country's rundown medical research plant was holding back hundreds of vitally important research projects.

In the report unanimously adopted by the full Senate Labor and Public Welfare Committee, the research laboratory crisis is stated in these words:

Actual experience in the making of research grants through the National Institutes of Health has disclosed a serious deficiency which is not only holding up already planned and much-needed research projects but which threatens the future of medical research insofar as it is serving to block the entry of young scientists into this field. Experience has shown that often the most potentially gifted men in the field of research, men who could and would devote their lives and their talents to the attempt to conquer diseases, men who had been chosen by the advisory councils of our National Institutes of Health as admirably qualified to carry on essential research projects, are unable to make their services available to the people of America simply because they do not have the laboratories, facilities, and equipment with which to do the work the Nation and the Congress very much want to have done.

We have, of course, provided excellent facilities and equipment, chiefly at the National Institutes of Health, where men of science employed by our Government have been and are carrying on promising research projects. But we neither can nor should we try to concentrate all medical research in Federal laboratories. Hundreds of established leaders in medical research and thousands of young scientists eager to work with them if it were possible are identified with non-Federal hospitals, universities, and other nonprofit research institutions scattered throughout the Nation. If we are to enlist their services in our behalf, we must help build the laboratories and other essential facilities where they and their patients are.

In the course of the hearings, many of the Nation's most distinguished scientists not only urged passage of the bill, but pointed out that research construction grants made by the Congress prior to the Korean conflict had meant an enormous saving of human lives. The report has this to say of the testimony of Dr. Cornelius Rhoads, generally regarded as America's greatest cancer researcher:

Dr. Cornelius Rhoads, scientific director of the oldest cancer hospital in the United States, the Memorial Center for Cancer and Allied Diseases in New York, and director of the Sloan-Kettering Institute for Cancer Research, gave us three succinctly stated reasons for his enthusiastic endorsement of this bill. He said:

"1. It is the best possible investment in terms of the economic as well as the social welfare of this country.

"2. It is an absolute necessity that these facilities be made available if hundreds of thousands of lives are not to be needlessly lost.

"And, thirdly, if they are made available, this wastage of life can be prevented, from all the indications presently before us."

Dr. Rhoads went on to tell us that cancer is costing us from three to ten billion dollars a year directly and indirectly and explained how a $250,000 laboratory has saved nearly a thousand lives over the last 5 years in his institution alone. Two hundred and fifty dollars for a human life.

Dr. Sidney Farber, director of research at the Children's Cancer Research Foundation in Boston, told the Senators of how a construction grant to his institution speeded up the miraculous development of the Salk vaccine. I quote the committee report on Dr. Farber's testimony:

He told of a $300,000 grant made to the Children's Cancer Research Foundation by the National Institutes of Health some years ago. With that seed money to go on, the trustees of the foundation went out and raised $1,600,000 more.

It was in the building thus created that Dr. John Enders conducted that epochal research which resulted in the discovery of a method of growing the poliomyelitis virus in tissue culture and won for Dr. Enders the Nobel prize. It was this discovery which made possible first the mass testing and now the mass-immunization program with Salk vaccine. As Dr. Farber told us, because of the construction of this one building, as the result of a Federal grant, it is conservative to say that Dr. Enders' work was brought to fruition some 2 to 3 years ahead of the time it would have taken in his former antiquated and totally inadequate quarters.

In the light of this impressive testimony, the Senate unanimously passed the Hill-Bridges research construction bill in July of last year. I hope that the House will take immediate action on this problem and that it will vote the full $150 million provided in my proposal. I am confident that the Senate will accept the higher figure in conference.

The final section of my bill would provide $70 million a year over the next 5 years in matching grants for the construction of medical-school teaching facilities.

The medical school is the backbone of our medical-research effort in this country. Our Nation's 81 accredited medical schools not only do the bulk of medical research but they train practically all our research scientists. However, with the decrease in private endowments and the rise in the cost of modern medical education, our Nation's medical schools have run increasingly into the red.

The full Hoover Commission report on Research and Development in the Government expressed itself in the strongest possible terms on the manner in

which the financial plight of the medical schools was causing an alarming restriction of medical research and a desperate shortage of doctors and research technicians. I quote from that report, as follows:

We are greatly concerned over the inadequate public and State support of our medical schools where our research technicians are trained and an important part of basic medical research is carried forward. No greater instance of university research need be cited than the dramatic accomplishment at the University of Pittsburgh by Dr. Jonas Salk in basic research which produced the polio vaccine. The universities have contributed much to understanding and alleviation of mental diseases, cancer, and many other fields. The National Fund for Medical Education, which raises about $2 million annually to support the medical schools, has repeatedly stated that these institutions in the United States are carrying an aggregate annual deficit of $15 million which in the instances of university medical schools must be made up by diversions from other branches of education. One consequence is that the medical schools are compelled to restrict the amount of their research, and the number of their students. The Nation is today short of both technicians and doctors. And there are today a large number of youths who have completed their premedical education and cannot find admission to medical schools.

We cannot afford stagnation of our medical research in our medical schools or the training of our technicians.

The task force on Federal medical services of the Hoover Commission also pounded away at the need for greater Federal support for medical education. It singled out the schools of public health as an illustration of how inadequate financing was jeopardizing the Nation's health. I read the following statement prepared by the task force:

The United States needs additional trained public health personnel—physicians, dentists, engineers, nurses, health educators, laboratory scientists, and other types of professional people, the report noted. "Many positions in public health agencies now are unfilled because of the lack of qualified applicants. A tenth of all budgeted positions for public health personnel in official health agencies—Federal, State, and local—were unfilled in 1951 (the latest study) with the budgeted positions representing only a fraction of the real need. More than half of the over 35,000 persons now employed in public-health work have received inadequate training. It has been estimated that to meet its needs, the Nation's schools of public health should, in the next 5 years, provide postgraduate education for some 20,000 people. Yet, as of 1952–53, these schools were granting postgraduate degrees to only about 600 persons each year.

Obviously, the Nation's 10 accredited schools of public health cannot, as they now operate, educate enough students to meet the Nation's needs for additional trained public-health personnel. Already the schools have serious financial problems; increased enrollment based on present financing methods would only compound existing difficulties. * * * The average cost to the schools of educating 1 student in 1952–53 was $4,100, only 14 percent of which was met by tuition and fees. * * *

We believe that these schools should have Federal financial assistance. * * * The majority of the task force concluded that the Federal Government, without interfering with the internal affairs of the schools, should make grants to accredited schools for training at the graduate level, and provide funds on a matching basis for capital outlays at the schools.

The National Fund for Medical Education, of which former President Herbert Hoover is honorary president, has estimated that the Nation's medical schools need from $250 million to $300 million in construction funds, and an additional $15 million a year to overcome operating deficits.

Early this year the Senator from Alabama [Mr. HILL], and other Senators from both parties, introduced S. 1323, a bill which would provide $250 million in matching construction grants to the medical schools over a 5-year period. At Senate hearings in May 1955, the Committee on Labor and Public Welfare was informed that 96 percent of the medical school deans endorsed the bill. It has also been strongly endorsed by the American Medical Association.

It is important to realize that research knowledge is of no use unless there are enough doctors to apply it to sick people. In testifying for S. 1323, Dr. Howard A. Rusk, chairman of the Health Resources Advisory Committee, warned the Senate committee that the doctor shortage in this Nation had reached a critical point. Dr. Rusk quoted the following from an official report which his committee, made up of some of the Nation's leading physicians, had transmitted to the Office of Defense Mobilization in February of last year:

There are unmet demands today in medical education, public health, mental and tuberculosis hospitals, industry, and rehabilitation, to name only a few areas. Many rural areas and small towns are in need of practicing physicians. * * * If the threat of attack on the cities of this country were to materialize in any of the presently predicted forms, the combined effect of civilian casualties and casualties in the health professions would place a considerably heavier burden on the population than did the last war, when the civilian population suffered neither military attack nor such an occurrence as the influenza pandemic of the First World War. A civilian disaster of the magnitude possible today could put an incredible load on the civilian health personnel.

The sum of $350 million is recommended for the medical schools as an absolute minimum. S. 1323 provides for construction only. However, there is need for at least $20 million a year for the next 5 years to bolster the operations of the medical schools.

There is no argument about this. The Rusk Report pointed out that only 21 of the 72 4-year medical schools meet present faculty standards set by the American Medical Association. There are close to 300 unfilled full-time positions on medical-school staffs, due to the desperate shortage of doctors. Eighty percent of the medical school faculties are composed of part-time men.

I view this Federal grant program as complementary to the many commendable private efforts being made to bolster the financial condition of our medical schools. I was heartened, as I know all of us were, by the recent announcement that the Ford Foundation would grant $90,000,000 in endowment income to the Nation's 42 private medical schools.

In a comprehensive article analyzing the impact of the Ford grants upon the medical schools, Earl Ubell, the distinguished science editor of the New York Herald Tribune, pointed out that the Ford grant will merely enable the medical schools to keep up with the ever-rising cost of medical education. Here is what Mr. Ubell wrote:

Because the needs have run so far ahead of income, the Ford grant, even though it will increase by 10 percent the medical schools' annual funds for instruction, can do no more than hope to preserve the status quo. The total additional money which will become available annually out of interest from endowment will be between $3,500,000 and $4 million. Even $10 million a year—if it could be raised—would not keep up with medical school budgets growing at a rate of $11 million a year.

Furthermore, it is important to realize that the Ford grant provides no money for construction or equipment. In my proposal, a minimum of $250 million, and possibly $300 million, would go for construction.

Mr. President, I want to emphasize very strongly that my overall proposal has absolutely nothing to do with any aspect of socialized medicine. I am unalterably opposed to socialized medicine. This program would have no aspects of socialized medicine, since it is in keeping with recommendations and endorsements made by the Hoover Commission, the American Medical Association, the Administration's Health Resources Advisory Committee, the Nation's medical school deans, and the country's leading research scientists.

Mr. President, I believe there is nothing closer to the heart of Americans than medical research. Surely it is not a matter on which to practice false economy. Surely it is a matter for imperative, immediate, and sustained expansion. Surely it is a wise investment that American taxpayers will gladly and unstintingly make and give.

The promise of medical research is a really fabulous one. It is now merely on the threshold of its greatest advances against disease and premature death. Our young children growing up today will live longer and be more productive and useful citizens because in the past 15 years we have begun to support medical research. On November 7, 1955, Dr. Leonard A. Scheele, the distinguished Surgeon General of the United States Public Health Service, expressed this magnificent potential of medical research in words far more eloquent than any I can summon. I quote Dr. Scheele:

It would seem then that in another generation—2 or 3 decades hence—the population of the United States could be as free of venereal disease, tuberculosis, paralytic poliomyelitis, rheumatic fever and rheumatic heart disease, and the complications of streptococcal infections as it is today from smallpox, typhoid fever, yellow fever and malaria.

This healthier population would present the Nation with a military potential virtually free of such former causes of rejection as dental decay, ear defects due to streptococcal infections, chronic nephritis, tuberculosis, disabling rheumatic heart disease, and crippling due to poliomyelitis. * * *

As the scientific, medical, and public-health professions have overcome difficult

problems in the past, we may expect to solve many of the remaining problems through full cooperation of our scientific, medical, and health services potential. Healthier in its freedom from many diseases now prevalent, the population of tomorrow will expect, and will enjoy, higher levels of physical and mental health.

Mr. DOUGLAS. Mr. President, I wish to congratulate the Senator from Maine for her very able and public-spirited address.

Mrs. SMITH of Maine. I thank the Senator from Illinois.

THE NATURAL GAS BILL

Mr. DOUGLAS. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a very able article entitled "Gas Producers Planned Consumers' Gouge." The article was written by Mr. Charles S. Rhyne, general counsel of the National Institute of Municipal Law Officers, and appeared in the Alabama Municipal Journal for October 1955.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GAS PRODUCERS PLANNED CONSUMERS' GOUGE

(EDITOR'S NOTE.—We are pleased to present this article which is an exposé of the plans of the big natural gas producers to exploit the Nation's natural gas consumers to the extent of approximately $40 to $50 each year. It is written by one of the Nation's most capable young men—Mr. Charles S. Rhyne. He followed the fight in the last session of the Congress on the so-called Harris bill. He knows it to be not in the public interest and he points out the reasons why it isn't.)

The Harris-Fulbright bill, which will be considered by the Senate in the next session of Congress, is the most important bill to natural gas consumers before the Congress. If Congress adopts it, the estimated increased cost to each consumer, as computed by informed experts, will be from $40 to $50 or more a year.

The bill squeaked by the House Committee on Foreign and Interstate Commerce, after protracted and hotly-contested hearings, by a vote of 16 to 15. Originally the vote was 14–14 but the proponents mustered 2 more votes for a 1-vote majority.

ROUGH SAILING IN HOUSE

The House Rules Committee voted it out by a 6–5 margin, 1 member not voting. The non-voting member subsequently voted against passage of the bill on the floor of the House.

Finally, the Harris bill passed the House by a vote of 209 to 203 after lengthy debate and an attempt to recommit to committee failed.

The Senate committee voted it out by 11–4 with 2 of the 11 giving separate half-hearted approval.

Why the great hue and cry regarding this bill? Why the closeness of the vote, the splitting of party lines, the unusual voting by the Members of Congress? The answer is quite simple. A powerful, rich, and well-organized group is directing the fight by means of clever propaganda and sophistry unparalleled in congressional history. Their admitted operating expenses are $1,500,000, which they have put to the most effective use. Page advertisements have been inserted in all major newspapers in the Nation. A great selling job has been done. In order to see the reason behind this great campaign, the background of events leading up to the drafting of the bill is quite enlightening.

In 1938 Congress passed the Natural Gas Act.

Under this act, the Federal Power Commission was granted jurisdiction to determine whether rates charged in all sales of natural gas in interstate commerce for resale, by producers, gatherers, pipelines, or any other persons were just and reasonable. The act requires that the FPC allow natural gas companies a just and reasonable rate of return, and these companies may compel the granting of such a return by appeal to the courts.

PRICE GOUGING OF CONSUMERS

The Natural Gas Act grew out of an investigation by the Federal Trade Commission which revealed price gouging and exploitation of consumers by sellers of natural gas in interstate commerce. The Supreme Court of the United States had previously held that neither the State of origin nor the State of destination could stop this gouging and exploitation by controlling the rates charged by these sellers in interstate commerce. The Court held that under the Constitution, the Federal Government has exclusive jurisdiction in this field. The act was thus adopted to bridge this gap or hiatus in Federal-State jurisdiction by providing Federal protection for consumers which the States may not constitutionally provide. The Harris-Fulbright bill removes the jurisdiction of the Federal Power Commission (FPC) over these sales for resale by independent producers, effectively scuttles the Natural Gas Act and returns consumers to the very uncontrolled price gouging and exploitation which the Natural Gas Act was adopted to end.

PRICE REGULATION DODGING

Ever since the inception of the act, the independent producers have been attempting to squirm out from under FPC regulation. A running battle has been waged for years and various bills, such as the Moore-Rizley, the Lyle-Harris, the Kerr, and other bills, have been introduced in the Congress to scuttle FPC jurisdiction over these independent producers.

On June 7, 1954, after a 4-year court battle, the Supreme Court held that the FPC had jurisdiction over independent producers and gatherers and that such jurisdiction must be exercised. This was the famous case of *Phillips Petroleum Co.* v. *State of Wisconsin, City of Detroit, et al.* (347 U. S. 672). Should the Senate pass the Harris-Fulbright bill, the price at which gas enters the pipelines will no longer be subject to any real regulations by the FPC and all consumer protections will be effectively destroyed. With Federal protection removed, and the States constitutionally helpless to protect consumers, an unregulated, and unprotected, twilight zone would result. Captive natural-gas consumers, who cannot turn to other fuels without losing their investment of several billions in burning equipment, will be gouged and exploited any way the oil and gas interests may desire. No one can stop them.

When the Natural Gas Act went into effect, the FPC conducted numerous rate investigations which, up to 1946, resulted in rate reductions to consumers aggregating in excess of $157 million in such cities as Detroit, Kansas City, Cleveland, Fort Wayne, Dallas, and other cities located in Illinois, Kansas, Nebraska, Ohio, Pennsylvania, Michigan, and other States. This experience demonstrates that the consumers needed protection and that the act provided such protection.

However, since World War II there has been a tremendous growth in the natural-gas industry. A tremendous network of pipelines now brings natural gas to nearly all the major cities in the Nation. The pipelines were built for the most part under the present act and under the representation that natural gas would be made available to consumers at a reasonable rate, much cheaper than other fuels. Municipalities and consumers supported this pipeline development in reliance on these representations. Local distribution companies have instituted, city by city, a changeover in equipment as natural gas became available. Millions of consumers are now absolutely dependent upon those who sell gas in interstate commerce for resale. Natural gas is now a public service commodity just as are water, electricity, and other historically regulated public service commodities. Stoves, heating units, and hot water heaters have been converted to this fuel at an expense of millions of dollars. Gas is the only fuel that can be utilized by this equipment. Consumers cannot change suppliers if the particular company upon whom they have become dependent increases the price. Distributors are committed under long-term contracts to buy gas from the pipeline which serves them at a price fixed by the FPC. Interstate pipelines, in turn, are bound to sellers in a given field or fields by the physical location of their pipelines, which cannot readily be moved to a new field in search of a better price. Unless the FPC has jurisdiction to control that initial price in the field, no effective control exists.

SERVICE BY VIRTUAL MONOPOLY

Should the gasoline for his automobile prove unsatisfactory, or should his cigarettes disagree with him, there is the simple expedient open to the user of changing brands. But the only choice open to the person who is serviced by a natural-gas company, which furnishes the wherewithal to enjoy a warm home, or a hot meal, is to endure whatever the particular inconvenience is or to use another fuel.

This, patently, is no choice at all. Once a person has installed costly gas-burning equipment with which to heat and cook, then the cost of changing to another fuel, measured in terms of time, inconvenience, and most important of all, money, is absolutely prohibitive. Congress was fully aware of these facts when it provided that the Federal Power Commission should regulate all sales in interstate commerce for resale. To limit the act to sales by pipelines, as the pending bills propose, eliminating sales to pipelines in interstate commerce would be to ignore obvious evils which the present act eliminates.

LACK OF PRODUCER COMPETITION

The great danger in this is the fact that there is a lack of producer competition which results in a monopoly market since competition is only between buyers—not sellers.

In Wisconsin, one producer—Phillips Petroleum Co.—supplies all of the gas sold in that market. And elsewhere the competition which exists is competition between buyers—the very reverse of the true competitive situation that protects consumers by competition between sellers. An FPC study shows that 42 producers sold 70 percent of all gas purchased by pipeline companies in 1953. And 10 companies own 43 percent of the total reserves in the United States. Whether there are 2,300 producers, 4,000 producers—or, according to the industry's latest figure—8,000 producers, is indeed of little consequence since the small producers own so little of the existing gas reserves.

MORE COMPELLING FIGURES

Even more compelling figures were published in the Wall Street Journal of November 2, 1954. Therein it was shown that two companies, the Phillips Petroleum Co. and Humble Oil, lead all other producers in estimated reserves of natural gas. Humble, which is a subsidiary of Standard Oil Company of New Jersey, estimated its reserves at 16 trillion cubic feet. This fantastic amount of gas is topped only by the gas reserves of the Phillips Petroleum Co., whose holdings exceed 18 trillion cubic feet. Thus, 2 companies control 34 trillion cubic feet,

or one-sixth of the total natural gas reserves of the entire industry in the United States.

Each 5 cents per thousand cubic feet added to field prices increases the value of their combined reserves by $1,700,000,000. Is it any wonder they oppose regulation? If the Harris-Fulbright bill causes an increase of 15 cents per thousand cubic feet, these two companies alone stand to profit by $5,100,000,000.

FIELD DOMINATED BY FEW

The great Hugoton field in Kansas and Oklahoma is dominated by 6 pipeline companies and 16 independent producers who control 75 percent of the acreage. Phillips Petroleum, Stanolind Oil & Gas (Standard Oil of Indiana), Panhandle Eastern Pipeline Co., Republic Natural Gas Co., Cities Service, Northern Natural Gas Co., Skelly Oil Co., Magnolia Petroleum Co., and Peerless Oil & Gas own two-thirds of the total natural-gas acreage.

They operate in a monopoly market. A small percentage of the industry controls more than the lion's share of a valuable commodity which is in great demand. What chance does a small consumer have competing against giant oil companies? Either Congress retains the present act's protection of just and reasonable rates or the consumer really has no chance.

AT MERCY OF BIG COMPANIES

Sixty million consumers will be placed at the mercy of the big oil and gas companies—the monopolistic producers—who can raise prices $200 million to $800 million annually or higher.

If the FPC is not allowed to effectively regulate the price to be charged by these producers on wholesale interstate sales to the pipelines, the consumers are absolutely without protection against price gouging because the States are constitutionally prohibited from acting in this area.

There was 8.7 trillion cubic feet of natural gas (8.7 billion mcf) consumed in 1954. Contract prices since 1949 have more than doubled for gas sold wholesale in interstate commerce at the point of initial sale in interstate commerce, i. e., the wellhead, in the well, or 50 miles from the well. In many incommerce, i. e., the wellhead, in the well, or 50 miles from the well. In many instances, producers have already received 3 to 5 price increases. And due chiefly to such increases, $106 million in yearly rate increases were granted in 1954 by FPC. And $286 million in additional increases were pending before FPC at the end of that fiscal year.

SHALL CONGRESS O. K. INCREASES?

The Congress will be legislating into effect these vast rate increases—those now pending, and all future producer increases—if it adopts the Harris-Fulbright bill. It is not amiss to assume that because of the monoply in production control, and lack of competition between sellers in the field, prices will rise 2 cents to 5 cents per mcf annually. And these prices, of course, will be paid by the ultimate consumer. Over the estimated 20-year life of the existing reserves, even these modest increases would amount to from $4.5 billion to $17.6 billion.

A quick appraisal of the main tenets of the bill shows that it is definitely not in the public interest. It is designed in the main to free the so-called independent producers of natural gas who sell their gas in interstate commerce from regulation under the Natural Gas Act of 1938. The United States Supreme Court, in the Phillips case, on June 7, 1954, held that the Federal Power Commission had jurisdiction "* * * over the rates of all wholesales of natural gas for resale in interstate commerce whether by a pipeline company or not and whether occurring before, during or after transmission by an interstate pipeline company." The proposed legislation, if enacted into law, would overrule this decision but it would also go much further towards negating the primary aim of the Natural Gas Act which the Supreme Court held to be the "protection of consumers against exploitation at the hands of natural gas companies."

WOULD EXEMPT INTERSTATE FOLKS

The provisions of the two new subsections to section 2 (10 and 11) vitally constrict the reach of the Natural Gas Act with respect to interstate transportation and sale of natural gas.

Since the provisions of the bill apply equally to the so-called independent producers and to pipeline companies and their affiliates, the transportation of natural gas in interstate commerce by any person in or near the vicinity of the field or fields where the gas is produced would be exempt from regulation.

Proposed subsection 11 includes only such sales as are made after commencement of transportation of natural gas as defined in subsection 10 and excludes any sale occurring in or within the vicinity of the field or fields where the gas is produced at or prior to the commencement of such transportation. This definition would exclude from the jurisdiction of the Federal Power Commission sales of natural gas in interstate commerce within or in the vicinity of the gas fields where made.

(1) by an independent producer to a pipeline company,

(2) by an affiliate to a pipeline company, or

(3) by one pipeline company to another pipeline company.

Thus, the amendment would limit the Commission's jurisdiction over sales in interstate commerce for resale to those sales between pipeline companies or sales by pipeline companies to distributing utilities which occur outside of the vicinity of the fields where the gas is produced.

WHAT IS REASONABLE PRICE?

New subsection (b) proposed to be added to section 5 of the act requires the Commission to consider whether the price paid, pursuant to contract with a producer, is the "reasonable market price" when the pipeline company is asking for an increase in rates based upon a new or renegotiated contract. In such consideration, the Commission is directed to consider the effect of the contract upon the assurance of supply and the reasonableness of the contract provisions as they relate to existing or future market field prices. The meaning of this directive as to what should be considered by the Commission is quite unclear. After the Commission has considered, it is directed to allow the pipeline company to charge as an operating expense for the gas purchased under the contract only such market price plus a fair gathering charge in those cases where the price is determined before gathering is completed.

SO-CALLED ESCALATION CLAUSE

In the first place, the control proposed would only apply to new or renegotiated contracts which form the basis of an application for an increase in rates submitted to the FPC by a pipeline company. This means that the Commission could not consider prices in existing contracts which were increased through escalation and favored-nation clauses.

Further, "new contract" is not defined. If a pipeline company entered into a contract with a producer for a new gas supply to be connected 6 or 9 months later to the pipeline system and 1 month after connection is made the pipeline company applies for a rate increase, the question would immediately arise as to whether the contract was a new contract within the meaning of the subsection.

CRITERION FOR RATEMAKING

However, the biggest gimmick of all is the use of "reasonable market price" as the criterion for setting rates. In order to ascertain what is a reasonable market price, the Commission would have to check it against other contract prices existing in the particular field where the conditions of sale are comparable as to quality and quantity of the gas, contract terms, the contracted volume of reserves dedicated to the service and other factors which enter into contract negotiation for the purchase and sale of natural gas in the field. But other contract prices, unless they were executed at about the same time and were also comparable in other respects, would not serve to test the reasonableness of the contract price under review. An impossible burden of proof would be placed upon the Commission or consumers in order to show that the contracted volume of gas could not be purchased for a lesser price from other producers. It would seem in the absence of such proof or proof of collusion that the negotiated contract price would be the evidence which the Commission must perforce accept as the reasonable market price.

One of the more flagrant examples of windfall profits which the bill presents to producers is section 5 (c).

COMMISSION'S HANDS TIED

The Commission is directed by new subsection (c) to include in operating expenses of pipeline companies the "reasonable market price" for gas they produce from their own gas wells and to treat the gas produced by their affiliates in the same manner. This proposal is similar to that included in the Moore-Rizley bill, H. R. 4051, 80th Congress. It makes mandatory the new regulatory theory which the Commission used in the recent Panhandle Eastern Pipe Line Co. rate case which is now being litigated by the city of Detroit, in the United States Court of Appeals for the District of Columbia circuit.

PRICES IN FIELDS JUMP

The "reasonable market price" is presumably to be determined in the same manner as indicated above with respect to the gas purchased from nonaffiliated producers. Under this method, the most recent market price for comparable gas must be used by the Commission. The trend of prices in the field has been progressively higher and higher in the past 10 years and there is no reason to believe they will decrease in the future or even level off in the absence of Federal control. Thus, the pipeline company having gas reserves of its own will be able to inflate its operating expenses and add to its profits in the future through higher and higher allowances for its produced gas. It is granting a fictitious price to pipeline companies for which the consumers will pay.

TAILORED FOR SPECIAL INTERESTS

There are many other aspects of the bill which cannot be covered because of space limitations. However, the main points have been touched and we believe it has been shown that the proposed bill is tailored to meet the desires of so-called independent producers for exemption from Federal regulation and of the pipeline companies who own natural-gas reserves and desire higher profits therefrom. At the same time, the bill is intended to present the appearance of providing a measure of protection to consumers from excessive field prices of natural gas. But, the purported protection would be ineffective, impractical, costly of application, and in certain respects it is clearly in conflict with constitutional limitations on public utility ratemaking.

PROTECTING LITTLE FELLOW

It is a basic tenet of our free-enterprise system that the helpless little fellow must be protected from those in a position to exploit him. We have antitrust laws, laws requiring fair and truthful advertising, a minimum-wage law, and a whole series of other regulatory acts designed for this express purpose.

The Natural Gas Act, with its "primary aim of preventing exploitation of consumers," fits clearly within the basic tenets of our free-enterprise system and should not be changed so as to place these helpless little people at the mercy of sellers of natural gas in interstate commerce. It must be kept in mind that this is regulation of an essential public service and not an unreasonable interference with private business or private ownership of business.

SEEKING CONGRESSIONAL EDICT

It is contrary to the traditions of our free-enterprise system, whereby Government regulations are designed to protect the weak who cannot protect themselves, to subject these thousands of helpless consumers to exploitation by the great oil and gas companies—the real sponsors of this proposed legislation. These companies are seeking a congressional edict freeing them from all possible controls whereby consumers can be protected against their exploitations. This legislation should not be passed by the Senate.

Mr. DOUGLAS. Mr. President, in the last few weeks I have had compiled some very interesting figures on the amount of gas shipped in interstate commerce from various States and the amount of receipts of natural gas brought into States, so that we may see which States are the producing States and which are the consuming States. I ask unanimous consent that the table, which I believe to be as accurate as the figures from Gas Facts and the Federal Power Commission make possible, be printed at this point in the body of the RECORD.

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). Without objection, it is so ordered.

The table submitted by Mr. DOUGLAS is as follows:

Interstate shipments and receipts of natural gas, classified by States, 1953

State	Number of producers [1]	Interstate shipments, M c. f.	Percent of total interstate shipments	Number of consumers	Interstate receipts, M c. f.
I. GAS-PRODUCING STATES EXPORTING MORE NATURAL GAS THAN IS IMPORTED					
Kansas	228	295, 677, 000	7.10	440, 900	174, 520, 000
Louisiana	254	772, 025, 000	18.54	486, 200	80, 974, 000
Mississippi	22	121, 832, 000	2.93	192, 600	86, 032, 000
New Mexico	271	232, 257, 000	5.58	113, 500	52, 688, 000
Oklahoma	229	261, 940, 000	6.29	499, 700	26, 863, 000
Texas	829	2, 218, 689, 000	53.30	1, 683, 400	104, 347, 000
Wyoming	19	36, 030, 000	.86	49, 900	2, 999, 000
Total	1, 852	3, 938, 450, 000	94.60	3, 466, 200	528, 423, 000
II. GAS-PRODUCING STATES IMPORTING MORE GAS THAN IS EXPORTED					
Alabama	[2]	45, 000	[3]	236, 900	139, 890, 000
Arkansas	27	1, 441, 000	.03	209, 900	142, 014, 000
Colorado	17	19, 434, 000	.47	253, 300	108, 035, 000
Illinois	[2]	1, 000	[3]	895, 700	363, 609, 000
Indiana	[3]	861, 000	.02	291, 800	112, 825, 000
Kentucky	251	43, 667, 000	1.05	311, 000	80, 739, 000
Maryland	14	653, 000	.02	429, 900	30, 426, 000
Michigan	[3]	45, 000	[3]	1, 193, 800	195, 385, 000
Montana	80	536, 000	.01	85, 100	6, 684, 000
New York	12	103, 000	[3]	2, 097, 600	209, 273, 000
North Dakota	[2]	36, 000	[3]	12, 800	3, 181, 000
Ohio	54	44, 000	[3]	1, 792, 400	421, 241, 000
Pennsylvania	993	36, 396, 000	.87	884, 900	312, 570, 000
Utah	2	10, 000	[3]	94, 700	28, 546, 000
Virginia	2	3, 632, 000	.09	261, 300	29, 592, 000
West Virginia	[4] 1, 424	117, 892, 000	2.84	312, 800	119, 970, 000
Total	2, 876	224, 796, 000	5.40	9, 363, 900	2, 303, 980, 000

State	Number of producers [1]	Interstate shipments, M c. f.	Percent of total interstate shipments	Number of consumers	Interstate receipts, M c. f.
III. STATES WHICH EXPORT NO NATURAL GAS					
Arizona				177, 000	73, 709, 000
California				3, 319, 800	357, 108, 000
Connecticut				132, 000	6, 402, 000
Delaware				[4]	2, 138, 000
District of Columbia				181, 700	13, 658, 000
Florida				15, 700	19, 670, 000
Georgia				262, 200	124, 793, 000
Idaho					
Iowa				273, 100	109, 197, 000
Maine					
Massachusetts				527, 700	19, 435, 000
Minnesota				329, 800	105, 462, 000
Missouri				655, 500	179, 027, 000
Nebraska				218, 200	77, 122, 000
Nevada				[5]	
New Hampshire				26, 700	921, 000
New Jersey				283, 900	62, 850, 000
North Carolina				37, 400	6, 885, 000
Oregon					
Rhode Island				20, 600	690, 000
South Carolina				13, 600	9, 115, 000
South Dakota				34, 600	13, 963, 000
Tennessee				205, 100	109, 023, 000
Vermont					
Washington					
Wisconsin				414, 500	39, 616, 000
Total	[6] 62			7, 129, 100	1, 330, 784, 000
Grand total	[7] 4, 790	4, 163, 246, 000	100.00	19, 959, 200	[8] 4, 163, 246, 000

[1] Source: FPC Study.
[2] No breakdown available. Are included in total of 62 for group III.
[3] Less than 0.005 of 1 percent.
[4] Not available.
[5] Nevada acquired natural gas in 1954, although none is reported for 1953.
[6] No breakdown available.
[7] Includes 435 duplications of producers who operate in more than 1 State.
[8] Includes 59,000 M c. f. for which no breakdown is available.

Source: Gas Facts, 1954.

Mr. DOUGLAS. Mr. President, I should like to comment on some of the figures which are revealed in the table.

In the first place, there are only 7 States, out of the 48 States plus the District of Columbia, which in 1953 exported more natural gas than they imported. The most notable State is of course, Texas, which exported 2,218,689,000 M. c. f.—or thousand cubic feet—of gas, and imported only 104,347,000 M. c. f.

Then we have Louisiana, which exported 772,000,000 Mcf and imported only approximately 81,000,000 M. c. f.

Other exporting States were Kansas, Oklahoma, and New Mexico, while Mississippi and Wyoming were small net exporters. These are the seven exporting States whose producers would gain by the passage of the gas bill.

Even here, Mr. President, I should like to call attention to the large number of consumers of gas in the seven so-called gas exporting States.

For example, in the State of Texas there are 1,683,000 consumers of natural gas, and only 829 producers. It has always seemed extraordinary to me that there is a tendency to consider the producing interest of a State and to ignore the consuming interest of a State. If the pending gas bill passes Congress and is signed by the President—and I say God forbid that it should be—and we have an increase of 10 cents a thousand cubic feet, while it may actually benefit the 829 producers in Texas, it will injure the 1,683,000 consumers in the State of Texas.

In the State of Louisiana there are 486,000 consumers, as compared with only 254 producers. It seems to me that the interests of the nearly half a million consumers should be considered in this matter, and not merely the interests of the 254 producers, because the half million consumers in Louisiana will pay more if this bill passes.

Similarly, in Kansas there are 441,000 consumers and only 228 producers.

In Oklahoma there are almost precisely half a million consumers and only 229 producers.

I urge that these figures be studied by Members of this body from the exporting States, to see where the real interest of their States actually lies. If these figures are studied I think they should produce a change of attitude on the part of many Members of the Senate from such States.

There are 16 States which, while they exported some gas, imported appreciably more gas than they exported. Those States are Alabama, Arkansas, Colorado, Illinois, Indiana, Kentucky, Maryland, Michigan, Montana, New York, North Dakota, Ohio, Pennsylvania, Utah, Virginia and West Virginia.

The figures for some of these States are very interesting. The figures for the State of Arkansas are extremely interesting.

There are only 27 producers in the State of Arkansas, and they shipped out 1,441,000 thousand cubic feet, only three

one-hundredths of 1 percent of the total amount of gas which crossed State lines. However, they imported 142 million thousand cubic feet, or 100 times as much.

It is sometimes forgotten that Arkansas is a great gas importing State. In addition, there were 210,000 consumers in the State, who burned gas either to heat their homes or to heat water, or to cook with. Thus there are 210,000 consumers in Arkansas, but only 27 producers.

The State of Colorado has 253,000 consumers and 17 producers, with imports of more than five times the quantity of gas which they exported.

In the State of Pennsylvania there are a great many small producers. There are 923 producers. Nevertheless, this State imports approximately nine times the amount of gas which it exports.

Ohio, with 54 producers, has nearly 1,800,000 consumers, and imports approximately 10,000 times as much gas as it exports.

West Virginia, which has more than 1,400 very small producers, represents about a standoff. It imports slightly more gas than it exports, but it has 313,000 consumers.

I hope that these figures will give Senators from the various States a little sense of proportion. I hope they will be studied carefully.

There are 26 States, if we include the District of Columbia, which export absolutely no gas whatever, but which import large quantities of gas. These are: Arizona, California, Connecticut, Delaware, District of Columbia, Florida, Georgia, Idaho, Iowa, Maine, Massachusetts, Minnesota, Missouri, Nebraska, Nevada, New Hampshire, New Jersey, North Carolina, Oregon, Rhode Island, South Carolina, South Dakota, Tennessee, Vermont, Washington, and Wisconsin.

There are 6 of those States which imported no gas in 1953, 1 of them being the State of the distinguished senior Senator from Maine [Mrs. SMITH]. I will comment upon those States in a moment. What I should like to point out is that in the 26 States, if we include the 6 which consume no gas, there are more than 7 million consumers. I hope that the real interest of the people of those States will be studied.

There is a tendency on the part of some people in the six States referred to—namely, Idaho, Maine, Nevada, Oregon, Vermont, and Washington—which import no gas, to say that they are not concerned in this struggle.

I should like to point out in this connection that the prices of gas and oil are interconnected, and that if the price of gas rises as a result of this bill, we may expect, in all probability, an increase in the price of fuel oil, so that States which at the moment seem to be economically remote from this struggle will be very seriously affected. I call this fact also to the attention of the distinguished Senators who represent those States.

In all, there were some 19.9 million households in 1953 and some 21 million households in this country in 1955 which burned natural gas. There are not far from 5,000 producers in this country who sell gas in interstate commerce; and in the debate which will open next week on the floor of the Senate, I shall point out who some of those producers are.

The truth is that, although there are 5,000 producers, the vast majority of them are small producers who can produce very little gas. Twenty-three hundred of them are in the States of Pennsylvania and West Virginia in the so-called Appalachian gas field, which is now a relatively small field, quantitatively speaking.

I have a bill before the Senate, which, at the proper time, I intend to submit as a substitute for the Harris-Fulbright bill. It would exempt from regulation the small producers who produce less than 2 billion cubic feet a year. It would exempt all but 197 producers. Thereby it would make the problem of regulation a manageable one. However, it would exempt from regulation only approximately 10 percent of the natural gas. Ninety percent of the gas is produced by the 197 producers who produce and ship in interstate commerce more than 2 billion cubic feet.

Therefore, Mr. President, I venture to express the pious hope that these figures, which I believe to be approximately accurate, and which have been computed with, I assure the Senate, a great deal of care from a volume of gas facts and from studies of the Federal Power Commission, will be studied, not only by the Senators representing the 48 States, but by the newspapers and by the general public, so that we may find out where the real interests of the American people lie.

ADJOURNMENT TO MONDAY

The PRESIDING OFFICER. What is the pleasure of the Senate?

Mr. DOUGLAS. Mr. President, in accordance with the order previously entered, I move that the Senate adjourn until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 6 o'clock and 33 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until Monday, January 16, 1955, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate January 12, 1956:

DEPARTMENT OF STATE

The following-named persons, who were appointed during the last recess of the Senate, to the offices indicated:

Herbert V. Prochnow, of Illinois, to be a Deputy Under Secretary of State.

Robert R. Bowie, of Maryland, to be an Assistant Secretary of State.

Isaac W. Carpenter, Jr., of Nebraska, to be an Assistant Secretary of State.

DIPLOMATIC AND FOREIGN SERVICE

Wiley T. Buchanan, Jr., of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Luxembourg.

John D. Hickerson, of Texas, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Finland.

Thomas C. Mann, of Texas, a Foreign Service officer of class 2, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to El Salvador.

Robert H. Thayer, of New York, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Rumania.

The following-named persons, who were appointed during the last recess of the Senate, to the offices indicated:

Elbridge Durbrow, of California, now a Foreign Service officer of the class of career minister and a secretary in the diplomatic service, to be also a consul general of the United States of America.

Tyler Thompson, of Maine, now a Foreign Service officer of class 1 and a secretary in the diplomatic service, to be also a consul general of the United States of America.

FOR APPOINTMENT AS FOREIGN SERVICE OFFICERS OF CLASS 1, CONSULS, AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA

William S. B. Lacy, of Virginia.
Edwin M. Martin, of Maryland.
Frederick E. Nolting, Jr., of Virginia.
David W. Wainhouse, of the District of Columbia.

NOW FOREIGN SERVICE OFFICERS OF CLASS 2 AND SECRETARIES IN THE DIPLOMATIC SERVICE, TO BE ALSO CONSULS GENERAL OF THE UNITED STATES OF AMERICA

Mallory Browne, of Virginia.
Lionel M. Summers, of the District of Columbia.

FOR APPOINTMENT AS FOREIGN SERVICE OFFICERS OF CLASS 2, CONSULS, AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA

Robert W. Barnett, of New York.
William O. Baxter, of the District of Columbia.
Edward A. Bolster, of Virginia.
Richard C. Breithut, of Maryland.
Henry Brodie, of Virginia.
Seaborn P. Foster, of North Carolina.
James Frederick Green, of Maryland.
John W. Harrison, of Virginia.
Ralph Hilton, of Mississippi.
Edward Poor Montgomery, of the District of Columbia.
Howard L. Parsons, of Iowa.
Richard H. Sanger, of Maryland.
Alfred G. Vigderman, of Maryland.
Barr V. Washburn, of Utah.
Lincoln White, of Maryland.
David Wilken, of New Jersey.

NOW FOREIGN SERVICE OFFICERS OF CLASS 3 AND SECRETARIES IN THE DIPLOMATIC SERVICE, TO BE ALSO CONSULS GENERAL OF THE UNITED STATES OF AMERICA

Eldred D. Kuppinger, of Ohio.
Paul H. Pearson, of Iowa.

FOR APPOINTMENT AS FOREIGN SERVICE OFFICERS OF CLASS 3, CONSULS, AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA

Morris Allen, of Rhode Island.
Kenneth B. Atkinson, of Virginia.
Louis F. Blanchard, of California.
Frank W. Blanchette, of New York.
Francis Boardman, of the District of Columbia.
R. Bernard Crowl, of Virginia.
Leroy F. Day, of Maryland.
Paul C. Domke, of Virginia.
Halvor O. Ekern, of Montana.
Arnold Fraleigh, of Virginia.
William L. Franklin, of Virginia.
William J. Galloway, of Texas.
Walter B. Gates, of Texas.
Edward J. Gaumond, of Illinois.
Edmund E. Getzin, of New York.
Robbins P. Gilman, of Virginia.
Robert E. Hoey, of Virginia.
Judson C. Jones, of the District of Columbia.
F. Patrick Kelly, of Virginia.

Millard L. Kenestrick, of Indiana.
Alexander F. Kiefer, of New York.
R. Clyde Larkin, of Maryland.
Orion J. Libert, of Wisconsin.
J. David Linebaugh, of the District of Columbia.
Sylvain R. Loupe, of Louisiana.
Jack W. Lydman, of New York.
Bruce L. McDaniel, of Texas.
John F. McJennett, Jr., of Massachusetts.
Melvin L. Manfull, of Utah.
John P. Meagher, of Illinois.
Miss Dewilda E. Naramore, of the District of Columbia.
Robert B. Parke, of Nebraska.
David Persinger, of Virginia.
Oliver A. Peterson, of Maryland.
Donald M. Ralston, of California.
Frederick T. Rope, of New York.
Henry J. Sabatini, of the District of Columbia.
Fred H. Sanderson, of Virginia.
Henri Sokolove, of Pennsylvania.
Robert Adams Thayer, of Virginia.
Lawrence W. von Hellens, of Washington.
Victor E. von Lossberg, of New York.
Herman Walker, Jr., of Maryland.
Grant G. Hilliker, of Virginia, for reappointment in the Foreign Service as a Foreign Service officer of class 4, a consul, and a secretary in the diplomatic service of the United States of America, in accordance with the provisions of section 520 (a) of the Foreign Service Act of 1946.

FOR APPOINTMENT AS FOREIGN SERVICE OFFICERS OF CLASS 4, CONSULS, AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA

Henry W. Allen, of Virginia.
Rudolf O. Altroggen, of Virginia.
William O. Anderson, of Indiana.
Powhatan M. Baber, of West Virginia.
Stuart Blow, of Virginia.
Philip S. Bogart, of New York.
Edward T. Brennan, of Massachusetts.
Allan Chase, of Virginia.
Albert J. Ciaffone, of Virginia.
Mario R. DeCapua, of Connecticut.
Gordon Donald, Jr., of Virginia.
Lester E. Edmond, of Maryland.
Miss Virginia Ellis, of the District of Columbia.
Louis C. Feffer, of Maryland.
Harry Feinstein, of Georgia.
Joseph Fernandez, of Pennsylvania.
Mrs. Magdalen G. H. Flexner, of the District of Columbia.
Ronald A. Gaiduk, of California.
Russell L. Gibbs, of Michigan.
Walker Givan, of the District of Columbia.
Juan L. Gorrell, of New Hampshire.
Joseph A. Greenwald, of Illinois.
Martin Y. Hirabayashi, of Maryland.
Herschel Hancock Helm, of Kentucky.
H. Franklin Irwin, Jr., of New Jersey.
William G. Keen, of Tennessee.
Miss Eleanor V. Levy, of the District of Columbia.
Robert S. Lindquist, of Michigan.
Michael B. Lustgarten, of New York.
Mrs. Mary D. Mack, of Virginia.
Martin G. Manch, of Virginia.
G. E. Robert Meyer, of Ohio.
Harry J. Milton, of Pennsylvania.
Virgil L. Moore, of Virginia.
Bernard Norwood, of New Jersey.
Richard F. Pedersen, of California.
Jack R. Queen, of Ohio.
Peter Roberts, of California.
William T. Sandalls, of Colorado.
Cecil B. Sanner, of Florida.
Curtis C. Strong, of Oregon.
Frank D. Taylor, of Maryland.
Henry L. Taylor, of Washington.
Conrad J. Thoren, of Illinois.
Thomas C. Tilson, of Virginia.
John Edwin Visher, of Virginia.
George D. Whittinghill of New York.

Robert W. Weise, Jr., of Minnesota, now a Foreign Service officer of class 5 and a secretary in the diplomatic service, to be also a consul of the United States of America.

FOR APPOINTMENT AS FOREIGN SERVICE OFFICERS OF CLASS 5, VICE CONSULS OF CAREER, AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA

Elwood B. Acker, of Connecticut.
Frederick O. Beattie, of Virginia.
Arnold K. Childs, of Ohio.
Norbert Chwat, of Virginia.
John Dubois, of Massachusetts.
Athol H. Ellis, of Maryland.
Arthur W. Feldman, of Washington.
William C. Hamilton, of Connecticut.
Tobias Hartwick, of Montana.
Robert A. Jackson, of Michigan.
William R. Jochimsen, of California.
William C. Jones, III, of Texas.
Henry A. Lagasse, of New Hampshire.
Charles A. Lemmo, of Pennsylvania.
John L. Loughran, of Pennsylvania.
Miss Margaret J. McClellan, of Pennsylvania.
John F. McDermott, of Massachusetts.
Warren H. McMurray, of Georgia.
Ernest J. Mansmann, Jr., of Massachusetts.
Curtis L. Mills, of West Virginia.
Gordon K. Mott, of Ohio.
Paul Moy, of Illinois.
Miss Alice G. Mulhern, of Massachusetts.
Anton N. Nyerges, of Indiana.
David B. Ortman, of Maryland.
John Marshall Pifer, of Virginia.
Woodward Romine, of Maryland.
Arthur H. Rosen, of Missouri.
Edward W. Schaefer, of Connecticut.
Robert W. Schleck, of the District of Columbia.
Thomas P. Shoesmith, of Pennsylvania.
Denman F. Stanfield, of California.
Joseph M. Swing, of Washington.
Jacob Walkin, of New York.
George J. Warren, of Florida.
Richard W. White, of Maryland.

FOR APPOINTMENT AS FOREIGN SERVICE OFFICERS OF CLASS 6, VICE CONSULS OF CAREER, AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA

Robert B. Allen, of Virginia.
John A. Anderegg, of New Jersey.
S. Morey Bell, of Virginia.
C. Arthur Borg, of New York.
Donald W. Born, of Massachusetts.
Merritt C. Bragdon, Jr., of the District of Columbia.
Edward J. Chesky, Jr., of Kansas.
Herman J. Cohen, of New York.
John G. Day, of New York.
Anton W. DePorte, of Oklahoma.
Jacques M. Downs, of California.
Harland H. Eastman, of Maine.
Harold F. Eberle, Jr., of California.
Michael E. Ely, of New York.
Hunter L. Estep, of New Mexico.
Fred Exton, Jr., of the District of Columbia.
Gerald A. Friedman, of Massachusetts.
Mark J. Garrison, of Indiana.
Miss Joan Gillespie, of Connecticut.
Wever Gim, of Utah.
Meyer Glickman, of California.
Ralph H. Graner, of New York.
John E. Guendling, Jr., of Indiana.
James D. Hataway, Jr., of Georgia.
Miss Theresa A. Healy, of New York.
Theodore J. C. Heavner, of Ohio.
Erland H. Heginbotham, of Utah.
William A. Ispirian, of New York.
Ralph T. Jans, of Michigan.
Lee R. Johnson, of Ohio.
Ellis O. Jones III, of Connecticut.
Dennis H. Kux, of New York.
Owen B. Lee, of Massachusetts.
John Donnelly Leonard, of Michigan.
John M. Lord, Jr., of Massachusetts.
Walter H. Lubkeman, of New York.
John W. MacDonald, Jr., of New York.
James W. Mahoney, of Indiana.
Frazier Meade, of Virginia.
Will S. Myers, Jr., of Kentucky.
William C. Nenno, of New York.
Gerald R. Olsen, of Michigan.
Lorin N. Pace, of Utah.
Chris C. Pappas, Jr., of New Hampshire.
J. William Piez, of Rhode Island.
Arthur L. Price, of Illinois.
Russell A. Price, of California.
Glenn R. Ruihley, of Ohio.
Howard B. Schaffer, of New York.
Joseph G. Simanis, of Connecticut.
William N. Simonson, of Virginia.
Clyde H. Small, of California.
Peter F. Warker, Jr., of Pennsylvania.
John P. Wentworth, of Washington.
Robert E. White, of Massachusetts.
Miss Suzanne White, of Illinois.

FOREIGN SERVICE STAFF OFFICERS TO BE CONSULS OF THE UNITED STATES OF AMERICA

Gilbert E. Bursley, of Michigan.
Howard W. Calkins, of Ohio.
Robert G. Glover, of Oregon.
Alfred L. Grigis, of New Jersey.
Joseph A. Horne, of the District of Columbia.
Robert H. Marsh, of California.
Marshall W. S. Swan, of Maryland.

FOREIGN SERVICE RESERVE OFFICERS TO BE CONSULS AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA

L. Eugene Milligan, of Missouri.
John H. Richardson, of Maryland.

FOREIGN SERVICE RESERVE OFFICERS TO BE CONSULS OF THE UNITED STATES OF AMERICA

Robert D. Gahagen, of Kansas.
James Moceri, of Washington.
Sam H. Wright, of Tennessee.

FOREIGN SERVICE RESERVE OFFICER TO BE A VICE CONSUL AND A SECRETARY IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA

Thomas J. Flores, Jr., of New York.

FOREIGN SERVICE RESERVE OFFICERS TO BE VICE CONSULS OF THE UNITED STATES OF AMERICA

John K. Allen, Sr., of Delaware.
Bertram C. Cooper, of Virginia.
John L. Leader, of New York.
George B. Lester, of Connecticut.
Rudolph Marinette, of New York.
Vivian L. N. Parker, of California.
Frederick C. Randall, of Maryland.
Walter Trenta, of New York.

FOREIGN SERVICE RESERVE OFFICERS TO BE SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA

Morrill Cody, of the District of Columbia.
J. Foster Collins, of Virginia.
Raford W. Herbert, of Mississippi.

DEPARTMENT OF DEFENSE

Mansfield D. Sprague, of Connecticut, to be General Counsel of the Department of Defense.

DEPARTMENT OF THE AIR FORCE

Donald Aubrey Quarles, of New Jersey, to be Secretary of the Air Force.

DEPARTMENT OF THE INTERIOR

Wesley A. D'Ewart, of Montana, to be an Assistant Secretary of the Interior.

DEPARTMENT OF COMMERCE

Harold Chadick McClellan, of California, to be an Assistant Secretary of Commerce.
Louis F. Kreek, of the District of Columbia, to be an Examiner in Chief in the Patent Office, Department of Commerce.

POST OFFICE DEPARTMENT

Maurice H. Stans, of Illinois, to be Deputy Postmaster General.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Herold Christian Hunt, of Massachusetts, to be Under Secretary of Health, Education, and Welfare.

VIRGIN ISLANDS

Walter A. Gordon, of California, to be Governor of the Virgin Islands.

RAILROAD RETIREMENT BOARD

Thomas M. Healy, of Georgia, to be a member of the Railroad Retirement Board for the remainder of the term expiring August 28, 1958.

SUBVERSIVE ACTIVITIES CONTROL BOARD

Francis Adams Cherry, of Arkansas, to be a member of the Subversive Activities Control Board for a term expiring March 4, 1960.

EXPORT-IMPORT BANK OF WASHINGTON

Samuel C. Waugh, of Nebraska, to be President of the Export-Import Bank of Washington.

FEDERAL TRADE COMMISSION

Sigurd Anderson, of South Dakota, to be a Federal Trade Commissioner for the unexpired term of 7 years from September 26, 1952.

COAST AND GEODETIC SURVEY

Rear Adm. H. Arnold Karo, to be Director of the Coast and Geodetic Survey for a term of 4 years.

ATOMIC ENERGY COMMISSION

Harold S. Vance, of Indiana, to be a member of the Atomic Energy Commission for the term expiring June 30, 1960.

MISSISSIPPI RIVER COMMISSION

Col. John L. Person, Corps of Engineers, to be a member of the Mississippi River Commission, under the provisions of section 2 of an act of Congress, approved June 28, 1879 (21 Stat. 37) (33 U. S. C. 642).

ASSAYER OF THE MINT

S. Power Warren, of Colorado, to be assayer of the Mint of the United States at Denver, Colo.

TAX COURT OF THE UNITED STATES

John Edward Mulroney, of Iowa, to be a judge of the Tax Court of the United States for the unexpired term of 12 years from June 2, 1944.

UNITED STATES DISTRICT JUDGES

Simon E. Sobeloff, of Maryland, to be United States circuit judge, fourth circuit, vice Morris A. Soper, retired.

Warren E. Burger, of Minnesota, to be United States circuit judge, District of Columbia Circuit, vice Harold M. Stephens, deceased.

John M. Cashin, of New York, to be United States district judge for the southern district of New York.

William B. Herlands, of New York, to be United States district judge for the southern district of New York.

Frank M. Johnson, Jr., of Alabama, to be United States district judge for the middle district of Alabama.

Ewing T. Kerr, of Wyoming, to be United States district judge for the district of Wyoming.

C. William Kraft, Jr., of Pennsylvania, to be United States district judge for the eastern district of Pennsylvania.

Joseph P. Lieb, of Florida, to be United States district judge for the southern district of Florida.

R. Dorsey Watkins, of Maryland, to be United States district judge for the district of Maryland.

UNITED STATES ATTORNEYS

Henry J. Cook, of Kentucky, to be United States attorney for the eastern district of Kentucky, for a term of 4 years, vice Edwin R. Denney, resigned.

Ruben Rodriguez-Antongiorgi, of Puerto Rico, to be United States attorney for the district of Puerto Rico, for a term of 4 years, vice Harley A. Miller, resigned.

UNITED STATES MARSHALS

John Wesley Thompson Falkner IV, of Mississippi, to be United States marshal for the northern district of Mississippi, for a term of 4 years. (Reappointment.)

Gerald Francis Bracken, of Maryland, to be United States marshal for the district of Maryland.

James F. Brophy, of Georgia, to be United States marshal for the southern district of Georgia.

Santos Buxo, Jr., of Puerto Rico, to be United States marshal for the district of Puerto Rico.

Albert Di Meolo, of Pennsylvania, to be United States marshal for the western district of Pennsylvania.

Oliver H. Metcalf, of Pennsylvania, to be United States marshal for the middle district of Pennsylvania.

Donald C. Moseley, of Louisiana, to be United States marshal for the western district of Louisiana.

COLLECTORS OF CUSTOMS

Wilbert H. Beachy, of Pennsylvania, to be collector of customs for customs collection district No. 12, with headquarters at Pittsburgh, Pa.

Frederick C. Peters, of Pennsylvania, to be collector of customs for customs collection district No. 11, with headquarters at Philadelphia, Pa.

Charles J. Walker, Sr., of Texas, to be collector of customs for customs collection district No. 22, with headquarters at Galveston, Tex.

Frank D. Yturria, of Texas, to be collector of customs for customs collection district No. 23, with headquarters at Laredo, Tex.

DISTRICT OF COLUMBIA REDEVELOPMENT LAND AGENCY

James E. Colliflower, of the District of Columbia, to be a member of the District of Columbia Redevelopment Land Agency, for a term of five years. (Reappointment.)

HOUSE OF REPRESENTATIVES

THURSDAY, JANUARY 12, 1956

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou blessed Lord, as we again engage in a moment of prayer, wilt Thou make our souls the sanctuaries of Thy presence and Thy peace.

Lo, Thou art here and Thou art everywhere, waiting to be welcomed and trusted and seeking to inspire us with a nobler and more magnanimous spirit.

Grant that Thy holy and divine will may be resident and regnant in our minds and hearts, constraining us to walk the highways of honor and integrity, of goodness and helpfulness.

May our faith in Thee be manifested and fulfilled in faithfulness and our love for humanity reveal itself in deeds of kindness and friendship.

Hear us in the name of the Master who went about doing good. Amen.

The Journal of the proceedings of Monday, January 9, 1956, was read and approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the House by Mr. Tribbe, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, its clerk, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 199. Extending the felicitations of the Congress to those participating in the celebration of the 250th anniversary of the birth of Benjamin Franklin.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 1287) entitled "An act to make certain increases in the annuities of annuitants under the Foreign Service retirement and disability system, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. SPARKMAN, Mr. MANSFIELD, and Mr. KNOWLAND to be the conferees on the part of the Senate.

FEDERAL AID TO EDUCATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 292)

The SPEAKER laid before the House the following message from the President of the United States, which was read, referred to the Committee on Education and Labor, and ordered printed:

To the Congress of the United States:

For several years now, our educational system has been the object of intensified appraisal.

Signs of heartening progress have come to light. Among these are: Classroom construction at a higher rate than ever before; teachers' salaries increased in many communities; the number of small, uneconomical school districts reduced; substantially more young people preparing for the teaching profession; private gifts to higher education at new heights; support of education at all levels greater than ever before.

Encouraging as these advances are, they are not enough to meet our expanding educational needs. Action on a broader scale and at a more rapid rate is clearly imperative.

We still do not have enough good classrooms for our children. There is insufficient emphasis on both short-range and long-term research into the core of educational problems. We need examination and study, from a broad viewpoint, of the increasing needs of higher education. These lacks are magnified by an ever-increasing stream of student enrollment and the increasing complexity of modern society.

THE WHITE HOUSE CONFERENCE ON EDUCATION

Two years ago, the Congress approved my recommendation of a program to direct nationwide attention and action to our educational problems and opportunities. As a consequence, more than 4,000 State and local conferences were held throughout 1955. The White House Conference on Education, the first such Conference in our history, was held last November. The work of the conferences has aroused the Nation. The final report of the White House Conference Committee should receive wide and serious attention.

Benefits already are apparent. About half a million people across the Nation,

representing all segments of life, came to grips with the problems of education. The status of American education—where it is; the future of American education—where it should and can go—have been illuminated as perhaps never before. Most important of all, there has been a reawakening of broad public interest in our schools. The conferences helped to erase the corroding notion that schools were the other person's responsibility.

In our society no firmer foundation for action can be laid than common understanding of a problem; no more potent force can be devised for assailing a problem than the common will to do the job. For the improvement of our educational system, the people themselves have laid the foundation in understanding and willingness.

THE NEED FOR FEDERAL AID IN MEETING THE CLASSROOM SHORTAGE

The responsibility for public education rests with the States and the local communities. Federal action which infringes upon this principle is alien to our system. But our history has demonstrated that the Federal Government, in the interest of the whole people, can and should help with certain problems of nationwide scope and concern when States and communities—acting independently—cannot solve the full problem or solve it rapidly enough.

Clearly, this is the kind of situation we face today in considering the school classroom shortage. In the war and postwar periods, school construction was drastically curtailed by shortages of materials. And then schools were filled to overflowing by the largest, most rapid enrollment increase in history. Today, hundreds of thousands of children study under overcrowded conditions, in half-day or doubled-up school sessions, or in makeshift buildings not designed as schools. Further, many classrooms in use today are obsolete, inadequate—and each year more rooms become so. School enrollments will continue to increase rapidly over the years ahead—and this will require still more classrooms.

Against this backdrop of needs, States and communities are substantially increasing their classroom construction. But many communities simply do not have available locally the resources needed to cope both with the legacy of shortages from past years and with future needs. Unless these communities get help, they simply cannot provide enough good schools. The best estimates indicate that, on a nationwide basis, the current rate of construction only a little more than meets each year's new enrollment and replacement needs. This rate barely dents the large accumulation of needs from past years.

The rate of classroom construction must be further increased, as the White House Conference on Education asked, by a greater combined effort of local and State governments. And the Conference concluded that Federal assistance also is necessary. The facts support this conclusion.

THE ADMINISTRATION'S PROPOSALS

A year ago, I proposed a Federal program designed to aid the States and communities in overcoming the classroom shortage. The Congress has not yet enacted legislation. In the light of a full year of further experience and study, in the light of congressional hearings and the White House Conference on Education, I now submit a revised and broadened program to meet our pressing classroom needs. I propose:

A program of Federal grants amounting to $1,250,000,000, at a rate of $250 million annually for 5 years, matched with State funds, to supplement local construction efforts in the neediest school districts.

A program to authorize $750 million over 5 years for Federal purchase of local school construction bonds when school districts cannot sell them in private markets at reasonable interest rates.

A 5-year program of advances to help provide reserve for bonds issued by State school financing agencies. These bonds would finance local construction of schools to be rented and eventually owned by the local school systems.

A 5-year, $20 million program of matching grants to States for planning to help communities and States overcome obstacles to their financing of school construction.

If speedily and fully utilized, this Federal program—added to the increased basic efforts of States and communities—should overcome the Nation's critical classroom shortage within 5 years. Once this shortage is overcome, the Federal grant program can and must terminate. The States and localities should then go forward, without Federal funds, to meet their current and future needs. Present construction levels indicate their ability to do this.

I am confident the Federal Government with this program can help construct schools without in any way weakening the American tradition that control of education must be kept close to the local communities. Any legislation enacted should embody this principle.

ESSENTIAL PRINCIPLES IN FEDERAL GRANTS

I strongly urge the Congress, in providing grants for school construction, to follow certain principles, which are indispensable if Federal aid is to serve the cause of American education most effectively.

The first broad principle is that Federal grants must not reduce the incentive for State and local efforts—but rather should stimulate an increase in such efforts. If Federal funds are used merely to replace funds which otherwise would or could be provided at State and local levels, there is no net gain of schools for our children. I propose, therefore, that Federal grants be matched by State appropriations. Because many of the State legislatures will not have a session this year, I recommend, in order to speed the program at the outset, that during the first year of the 5-year period the matching of Federal funds may be by either the States or by local school districts. The requirement for State matching will result in a larger total program of school construction, and will assure active participation of the States in improving laws relating to financing of school construction, as well as sound administration of the program.

Furthermore, I propose a formula to reduce the proportion of Federal funds for those few States which are noticeably lagging, behind their ability, to support their public schools. This feature should act as an incentive for the lagging States to increase their effort.

Another fundamental principle is that Federal funds, under this type of program, should be distributed according to relative need. We must recognize that some States have more financial resources than others. We must recognize that a weakness in education anywhere is a weakness in the Nation as a whole. Federal appropriations will most quickly accomplish the most good if a relatively larger share of Federal funds is distributed where local and State resources are least adequate to meet classroom needs.

I propose that this principle be fulfilled in three ways. First, in distributing Federal funds; larger amounts per school-age child should be allotted to States with lower income per child. Second, in fixing matching requirements; States with lower income should not be required to put up as large a proportion of funds as higher income States. For the Nation as a whole, the total of State matching funds would approximately equal the total of Federal funds. Third, as the States distribute these funds, the highest priority should be given to school districts with the least economic ability to meet their needs.

CREDIT SUPPORT FOR SCHOOL CONSTRUCTION

Some school districts find difficulty in marketing bonds to finance needed school construction. To meet this situation, I again recommend that the Congress authorize Federal purchase of local school construction bonds unmarketable except at excessive interest rates.

Some school districts, however, are unable to raise capital funds needed for school construction because of bonding limits. To encourage school construction in these districts, as well as in districts where construction would be speeded by the lease-purchase method, I propose again that Congress authorize advances to the States as a reserve for bonds of State school financing agencies.

Several States have made marked progress in building schools through State agencies which issue long-term bonds to finance school construction in the districts. The school district leases the new building. Revenue from rents it used by the agencies to retire their bonds. After the bonds have been paid, title to the school is transferred to the local district. The program of Federal support is aimed at helping more States start such school financing agencies, and thus at helping local districts overcome barriers to building more schools.

The credit support for bonds of communities and State agencies, taken together with the planning grants, should help the States and communities continue their present annual rate of substantial increase in school construction over the next 5 years. The partnership program of Federal grants, matched by the States, should complete the task of

building the classrooms that are critically needed.

AID TO FEDERALLY AFFECTED AREAS

In considering the school construction problem, there is a special, related area which should have the attention of the Congress at this time. The Congress has for some years recognized the responsibility of the Federal Government to aid communities where Federal activities result in excessive burdens on the local school system. Authority to provide Federal funds for school construction in Federally affected school districts will expire next June and should be extended.

EDUCATIONAL RESEARCH

Basic to all endeavors in improving education is a vigorous and farsighted program of educational research. This has been a sorely neglected field.

Such a program should be comprehensive in its approach, planned on a broad scale and executed thoroughly. In this way, educational research can, among other things, point the way to advances in making life more meaningful to more people and in the more efficient use of manpower and funds for education.

To increase the effectiveness of education, national leadership could well be directed to research in such areas as: ways of educating more people to their fullest capacity; staffing and housing the Nation's schools and colleges; educating the retarded child to help him lead a more normal life, and educating the child of special abilities so that he may utilize these abilities more fully; the relationship of schools to juvenile delinquency; educational effects of population mobility; educational needs of low income families. These studies would be conducted through the Office of Education in cooperation with the Nation's colleges, universities, and State departments of education, thus encouraging and strengthening existing research efforts.

It is imperative that we now give renewed attention and support to this arm of education—to the end that the country may have a sound, factual basis for identifying and analyzing problems and finding solutions. For these research purposes, and also to expand and improve other services, I urge the Congress to provide a major increase in funds for the Office of Education.

EDUCATION BEYOND HIGH SCHOOL

Our vision would be limited if we failed at this time to give special thought to education beyond the high school. Certain problems exist now in this field, and already we can foresee other needs and problems shaping up in the future.

Shortages now exist in medicine, teaching, nursing, science, engineering, and in other fields of knowledge which require education beyond the level of the secondary school. Changing times and conditions create new opportunities and challenges. There are new possibilities for older persons—properly trained—to lead more productive and rewarding lives. The tide of increasing school enrollment will soon reach higher educational institutions. Within 10 years, we may expect 3 students in our colleges and universities for every 2 who are there now.

Higher education is and must remain the responsibility of the States, localities, and private groups and institutions. But to lay before us all the problems of education beyond high school, and to encourage active and systematic attack on them, I shall appoint a distinguished group of educators and citizens to develop this year, through studies and conferences, proposals in this educational field. Through the leadership and counsel of this group, beneficial results can be expected to flow to education and to the Nation in the years ahead.

TEACHING

In all our efforts for education—in providing adequate schools, research, and study—we must never lose sight of the very heart of education; good teaching itself.

Good teachers do not just happen. They are the product of the highest personal motivation, encouraged and helped in their work by adequate salaries and the respect, support, good will of their neighbors. The quality of American teaching has never been better. But the rewards for too many teachers are not commensurate with their work and their role in American life.

It is my earnest hope that, along with progress in other aspects of education, the States and communities will give increasing attention to this taproot of all education—good teachers, and hence good teaching.

CONCLUSION

These several proposals are designed, not only to correct current problems, but to build for the future. For today's decisions will influence tomorrow's education—and, hence, the welfare of the Nation.

The actions here proposed, I believe, constitute a sound and realistic approach to those educational problems on which the Federal Government should now act. They have a primary reliance on the private initiative which wells from the free spirit of a free people.

With this program, we can lay the basis for better education in America in the years ahead. In this way we keep faith with our children.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *January 12, 1956.*

ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 293)

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on Public Works and ordered to be printed with illustrations:

To the Congress of the United States:

Pursuant to the provisions of section 10 of Public Law 358, 83d Congress, I transmit herewith for the information of the Congress the report of the St. Lawrence Seaway Development Corporation covering its activities for the fiscal year ended June 30, 1955.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *January 12, 1956.*

PUBLIC LAW 480, 83D CONGRESS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 294)

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on Agriculture and ordered to be printed with illustrations:

To the Congress of the United States:

I transmit herewith the third semiannual report on activities under Public Law 480, 83d Congress, as amended, showing operations under the act during the period July 1, 1955, to December 31, 1955.

The administrative arrangements governing the responsibilities of the various agencies of the executive branch of the Government established by Executive Order 10560 of September 9, 1954, continue to function satisfactorily. I believe they have proved effective in accomplishing the purposes of this law.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *January 12, 1956.*

FOREIGN SERVICE RETIREMENT AND DISABILITY FUND—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 295)

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on Foreign Affairs and ordered to be printed:

To the Congress of the United States:

I transmit herewith a report by the Secretary of State, showing the condition of the Foreign Service retirement and disability fund for the fiscal years ended June 30, 1954 and 1955, in accordance with section 862, Foreign Service Act of 1946 (Public Law 724), 79th Congress.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *January 12, 1596.*

(Enclosure: Report concerning retirement and disability fund, Foreign Service.)

EFFECTS OF MALNUTRITION AND OTHER HARDSHIPS ON THE MORTALITY AND MORBIDITY OF FORMER UNITED STATES PRISONERS OF WAR AND CIVILIAN INTERNEES OF WORLD WAR II—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 296)

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on Interstate and Foreign Commerce and ordered to be printed, with illustrations:

To the Congress of the United States:

Pursuant to the provisions of section 203 of the War Claims Act Amendments

of 1954 (Public Law 744, 83d Cong.), I transmit herewith for the information of the Congress the report of the Secretary of Health, Education, and Welfare entitled "Effects of Malnutrition and Other Hardships on the Mortality and Morbidity of Former United States Prisoners of War and Civilian Internees of World War II: An Appraisal of Current Information."

DWIGHT D. EISENHOWER.
THE WHITE HOUSE, *January 12, 1956.*

RUSSIAN RIVER BASIN, CALIF.

Mr. JONES of Alabama. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 7930) authorizing the completion of the initial stage of development for flood control and other purposes in the Russian River Basin, Calif.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

Mr. McCORMACK. Mr. Speaker, reserving the right to object and, of course, I shall not object, because it has been cleared through the leaders on both sides, nevertheless I would like to ask the gentleman from Alabama to give a brief explanation of the bill and also the necessity for consideration at this time.

Mr. JONES of Alabama. Mr. Speaker, this is an amendment to the Flood Control Act of 1950 that authorized a comprehensive flood-control works on the Russian River in California. At the time it was authorized the estimated cost of the project was some $17 million; $5 million was to be used by the local community through the issuance of bonds. The cost of the project has increased about a million dollars by the increased cost of construction that has come about since the time of the authorization in 1950 up until the present moment.

Now, there is some pending legislation in the State courts of California seeking to prohibit the construction of the project due to to the fact that there is an expiration date on the bonds. This amendment does nothing more than to take care of the increased cost of construction of the Coyote Dam on the Russian River that was authorized in the year 1950.

Mr. McCORMACK. It is important that there be early action; is that right?

Mr. JONES of Alabama. In the event that this bill is passed prior to January 16, it means that the litigation now pending in the States, in California, will be abated and the conflict resolved between the local interests and the interests of the Federal Government under the original authorization bill.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. JONES of Alabama. I yield to the gentleman from West Virginia.

Mr. BAILEY. Does not the gentleman think it would be an excellent idea to change the name of the Russian River, in this bill?

Mr. JONES of Alabama. There have been several suggestions along that line.

Mr. BALDWIN. Mr. Speaker, reserving the right to object, and I shall not object, this bill has to do with an urgent flood control project which is in the district of the gentleman from California [Mr. SCUDDER] who is now out in California with a special subcommittee of the Committee on Public Works, inspecting flood damage, which was very serious in his district. It has been approved in our Flood Control Subcommittee of the Committee on Public Works. The particular area mentioned by the gentleman from Alabama [Mr. JONES] on the Russian River, was subjected to very severe flood damage Christmas week. This is a most important project and I certainly am greatly pleased that the gentleman from Alabama brought it up today. I would like to urge its immediate passage.

Mr. JONES of Alabama. Mr. Speaker, I would say to the gentleman from California [Mr. BALDWIN] that this has been a bipartisan approach to the tremendous flood control problems that exist in the State of California due to the recent floods. It is further evidence of the fact that the Congress is conscious of its responsibility. Therefore we have acted with dispatch in order to give relief to the people who have suffered as the result of the disastrous floods that occurred recently in that State.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. JONES of Alabama. I yield.

Mr. GROSS. This is strictly a flood-control dam?

Mr. JONES of Alabama. Yes, it is a flood-control dam. Had the project been constructed prior to the recent floods it would have saved some $2 millions. The ratio of benefit to cost is in excess of 2 to 1.

Mr. GROSS. Do I understand that this does not provide for irrigation?

Mr. JONES of Alabama. It does not provide for irrigation. It does provide regulation of flow to preserve the stream flow of the Russian River and for that reason the local interests thought it was necessary to participate in the financing of the project. As a result of that development, the local people raised some $5 million. It is nothing but an obligation of the Congress to recognize its contractual relationship with the people who have raised the money by bonds for the construction of the project.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That in addition to the authorization of $11,522,000 for accomplishment of the initial stage of the plan for flood control and other purposes in the Russian River Basin, Calif., authorized by the Flood Control Act of 1950, there is hereby authorized the completion of the initial stage at an estimated additional cost of $1,165,000.

SEC. 2. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ELECTION TO COMMITTEE ON WAYS AND MEANS

Mr. ROONEY. Mr. Speaker, by direction of the Democratic caucus, I offer a privileged resolution (H. Res. 362), and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That THADDEUS M. MACHROWICZ, of Michigan, be, and he is hereby, elected a member of the standing Committee of the House of Representatives on Ways and Means.

The resolution was agreed to, and a motion to reconsider was laid on the table.

RESIGNATION FROM COMMITTEES

The SPEAKER. The Chair lays before the House the following resignation from committees.

The Clerk read as follows:

JANUARY 12, 1956.

Hon. SAM RAYBURN,
Speaker, House of Representatives,
Washington, D. C.

DEAR MR. SPEAKER: I hereby tender my resignation as a member of the House Committee on Merchant Marine and Fisheries, effective this date.

Very respectfully yours,
THADDEUS M. MACHROWICZ,
Member of Congress.

The SPEAKER. Without objection, the resignation is accepted.

There was no objection.

The Clerk read as follows:

JANUARY 12, 1956.

Hon. SAM RAYBURN,
Speaker, House of Representatives,
Washington, D. C.

DEAR MR. SPEAKER: I hereby tender my resignation as a member of the House Committee on Public Works, effective this date.

Very respectfully yours,
THADDEUS M. MACHROWICZ,
Member of Congress.

The SPEAKER. Without objection, the resignation is accepted.

There was no objection.

AUTHORIZING THE SPEAKER TO DECLARE A RECESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that it may be in order at any time on Thursday, February 2, for the Speaker to declare a recess for the purpose of receiving the Prime Minister of Great Britain.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

ADJOURNMENT UNTIL MONDAY NEXT—PROGRAM FOR NEXT WEEK

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. ARENDS. Reserving the right to object, Mr. Speaker, and I shall not object, will the gentleman from Massachusetts, the majority leader, announce any program we may anticipate for next week?

Mr. McCORMACK. I shall be very glad to do so.

I cannot give a definite answer at this time because I am waiting for a report

from the Committee on Rules which had hearings this morning on requests for several rules.

On Monday the Consent Calendar will be called.

There is one bill that will be on the program for next week, although I cannot say now which day. It is H. R. 5649, to amend a section of the United States Code with reference to applications for writs of habeas corpus by persons in custody pursuant to the judgment of a State court. A rule on that bill was reported out of the Committee on Rules in the last session.

On Tuesday the Private Calendar will be called.

Later in the day I will announce the program for next week, but that is dependent on what rules are reported out of the Rules Committee.

Mr. ARENDS. I thank the gentleman.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

COMMITTEE ON RULES

Mr. COLMER. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file reports.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

RESOLUTIONS RECOMMITTED TO THE COMMITTEE ON RULES

Mr. COLMER. Mr. Speaker, I ask unanimous consent that House Resolutions 324 and 325 be recommitted to the Committee on Rules.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

APPOINTMENT OF MEMBER TO COMMITTEE TO INVESTIGATE NONESSENTIAL FEDERAL EXPENDITURES

The SPEAKER. Pursuant to the provisions of section 601, title VI, Public Law 250, 77th Congress, the Chair appoints as a member of the Committee to Investigate Nonessential Federal Expenditures the following member of the Committee on Ways and Means to fill the existing vacancy thereon: Mr. MILLS, of Arkansas.

ADMITTING SINGLE PERSONS TO FEDERALLY AIDED PUBLIC HOUSING

Mr. RODINO. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. RODINO. Mr. Speaker, it is always a real pleasure to raise my voice in behalf of the less fortunate, who by chance or misfortune do not have the American privilege of living in a decent home of their own which bids fair to make them into responsible citizens of their communities. During the last session of Congress, I introduced H. R. 5178, which is designed to meet one important aspect of that problem, namely, the single person in hardship cases who is without adequate shelter.

This bill would authorize the Public Housing Commissioner to enter into agreements with local public housing authorities for the admission of single persons, in hardship cases, to federally assisted low-rent housing projects.

Be it enacted etc., That section 15 of the United States Housing Act of 1937 (42 U. S. C., sec. 1415) is amended by adding at the end thereof the following new subsection:

"(10) The Commissioner shall include such provisions in contracts made pursuant to this act after the date of enactment of this subsection, and he shall negotiate with the public housing agencies involved such modifications of previously existing contracts, as may be necessary (A) to permit single persons whose incomes do not exceed applicable maximum income limits to be admitted to any low-rent housing project in any case where a duly authorized official of the public housing agency involved determines that exceptional circumstances exist which warrant such admission and that such admission will not prevent or delay the admission of any eligible family to the project, and (B) to provide for persons so admitted the same conditions for continued occupancy as apply with respect to family tenants."

We tend to forget the true rule that the Federal Government should play in assisting communities to perform essential public services which are both national and local in scope. It is important, therefore, that we recall once more that we have a general welfare clause in our Federal Constitution. Happily, the preamble to our Constitution expresses this philosophy perfectly when it states:

We, the people of the United States, in order to form a perfect Union, establish justice, insure domestic tranquillity, provide for the common defense, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity, do ordain and establish this Constitution for the United States of America.

I particularly want to call your attention to the words: "promote the general welfare." These words mean exactly what they state. They cover every section of the United States and they cover every individual who resides therein.

The framers of our Constitution did not intend to promote the welfare of one class and deny it to another. Rather, their intent was to promote the general welfare and the general well-being of all its citizens. Assuredly, this includes single persons as well.

When the Constitution of the United States was drawn, the distinguished statesmen who framed that document were not satisfied with a mere preamble or general philosophy which expressed their feelings and legislative intent. Rather, they did something much more definite about it. Specifically, they gave the Congress the power over taxation to thus promote the general welfare. Permit me to read to you the salient part of the Constitution which covers these vital powers of Congress. I am reading from section 8, clause 1 of the Constitution of the United States:

SECTION 8. The Congress shall have power to lay and collect taxes, duties, imposts, and excises, to pay the debts and provide for the common defense and general welfare of the United States.

I particularly want to call your attention to the language that the Constitution gave Congress the clear right to collect taxes in order to "provide for the general welfare of the United States." Here, again, the Constitution means exactly what it says. Congress has the complete right to raise money for those things which are essential in order to promote the general welfare and the general well-being of all the citizens of this country.

I have recited these constitutional provisions in order to lay at rest any doubt that the Congress has full and complete authority to engage in the activities which are the subject matter of my bill.

It is essential also that we consider some other essentials as a prelude to the specific consideration of my bill H. R. 5178, and that is why Congress assists local communities in providing public housing at all. To begin with, we should recognize that Congress has long taken an interest in understanding the problems that afflict local communities in their attempts to eliminate blight, slums, and other forms of dilapidated housing that impoverish the community and lead to ill health, tuberculosis, and a host of other social maladies, including juvenile delinquency and crime. Thus, over 60 years ago, 1892 to be exact, Congress began its first important action in this field. It is a long way from that humble start to the numerous accomplishments in our day.

However, it is necessary to see where we started from in order to appreciate where we are today. In 1892, Congress provided the token sum of $20,000 for the Secretary of Labor in order to have an investigation made of the slums in our large cities. As was expected, the final reports prepared by the Commissioner of Labor disclosed some very bad slum conditions that existed in the blighted areas of the large cities of this country. It revealed plainly what we now know—that there is a close correlation between bad social conditions and slums.

Over 40 years were to elapse before Congress did something specific about relieving such bad housing conditions when it passed the Emergency Relief and Construction Act of 1932. For the first time, Congress authorized one of its Federal agencies, the former Reconstruction Finance Corporation, to make loans to corporations that were formed, in order to provide housing for families of low income, or for the reconstruction of slum areas.

It is instructive to learn that Congress established a genuine partnership policy of the local communities and your Federal Government from the day that the first type of Federal aid was provided the local areas to assist them in providing decent housing. In the above act of 1932, all loans were subject to State and local laws, as regards rents, charges, capital and the rate of return.

This principal is as valid today as it was when Congress first formulated it some 23 years ago.

From this first Federal effort in 1932, there followed the National Industrial Recovery Act of 1933. While the purpose of this law was to stimulate employment during the depression, this act also authorized the use of Federal funds to finance low-cost housing, slum clearance and subsistence homesteads.

Again, in 1935, Congress passed the Emergency Relief Appropriation Act. In its large appropriation for public works, Congress included funds for housing.

It was not until 1937, however, that Congress passed the first legislation to establish a Federal agency that was to deal exclusively with assisting local communities in their public-housing program. The pattern which Congress established then has continued with variations to date. Congress then provided loans and annual contributions to local public-housing agencies for low-rent housing and slum-clearance projects.

The purpose of reciting these pioneering acts showing how the Federal Government has aided the local communities in handling the local housing problem for low-income families, which legislation has been supplemented and amended to date, is to indicate that a legislative program has been evolved by Congress which has for its purpose the providing of decent housing for the neediest elements in our communities who cannot pay prevailing rents, and who are not being supplied by present building groups because they cannot afford to pay the rents.

Once this basic principle is recognized, there is no major distinction that can be made and justified which would differentiate between different kinds of people in the low-income backet who need decent housing. For the object of providing such housing at rents they can afford to pay is to replace despair and dilapidated housing with hope and a decent place where they can afford to live.

Many of the same objections that apply to substandard housing and slum conditions created by bad housing, also apply to single persons and hardship cases when they, too, are not housed decently. I refer to the excessive municipal cost of maintaining such dilapidated housing which results from the low income of such persons which prevents them from becoming responsible tax-paying members of their community. I refer to the dangerous conditions existing in such blighted areas that are the causes of numerous fires which are very costly to the community. I refer to the bad state of their health, which is costly to the community in providing the needed medical services. I refer to the crimes and related conditions that are perpetrated where hope and despondency exist. In short, it is financially profitable for the community—State and Federal—to have all of its citizens housed decently.

Once the Federal Government enters into a genuine partnership with the local communities to assist them in performing an essential public service, the same logic, which led to Federal aid to such communities in the first place, extends logically to aiding any type of person—including single persons—who need and require decent housing. Otherwise, we are in the absurd position of providing aid for one type of individual of low income in the local community, and denying it to another, who should have it for the same reasons.

In various parts of the world where they had the caste system, certain individuals were branded and marked by the community as undesirables. Such a concept is wholly revolting to our American concept of democracy. Under our form of government, no individuals, single or otherwise, are set apart as an object for special discrimination. On the contrary, in law, in our Constitution, and our American way of life, we regard all of them equally. In this American democratic spirit, I express the hope that H. R. 5178—by providing persons with housing whose incomes do not exceed the applicable maximum limits, now provided, be admitted to any low-rent housing project in any case where duly authorized officials of the local public-housing agency involved, determine that exceptional circumstances exist which warrant such admission, and that such admission will not delay the entrance of any other eligible family to that project.

SMALL BUSINESS

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, I have today introduced a revised bill for freedom of choice in trade and the protection of small business.

I particularly would like to point out to the Members of the House that both parties have from time to time pressed the importance of independent and free small business in our economic society. I think the time has come when we need to do something constructive in order to protect the position of small business. I sincerely hope that the Members of this House will look with favor upon the legislation which has been introduced today.

Mr. Speaker, the studies and investigations of the House Small Business Committee as well as those of other committees of both Houses, have disclosed that a substantial number of small-business men, particularly in the retail field, are controlled and often exploited by dominant firms, which are their suppliers, through the use of such devices as short-term leases, franchises, and contracts, and arbitrary cancellation provisions and refusals to sell. We have found out that while many large suppliers represent to their own dealers and to the public that the dealer is an independent businessman, in practice the supplier denies the dealer the freedom and the rights of an independent businessman. This denial of freedom of choice has resulted in the suppression of competition and the creation of monopoly conditions.

I am therefore introducing a bill for freedom of choice in trade to amend sections 3 and 4 of the Clayton Act to free those in commerce from restraints of trade and to allow small-business men freedom of choice in the conduct of their respective businesses as independent enterprises. This bill supersedes and improves H. R. 7096 which I introduced at the last session.

Section 1 of the bill amends section 3 of the Clayton Act by providing for two subsections, (a) and (b). Subsection (a) makes no substantial changes in the existing law under section 3, as interpreted by the courts. It does, however, strengthen section 3 in several respects which, I believe, are necessary if we are to insure free competition and efficient antitrust enforcement.

"Services or facilities" are added to the type of products coming within the restrictions of the section. The section is further expanded by making illegal not only those acts which prevent a lessee or purchaser from using or dealing in goods of a competitor of the lessor or seller, but also any conduct "which operates against (his) freedom of choice in using or dealing in such goods." This broadening of section 3 is based upon our findings that in many cases the supplier will wink at the handling of a competitor's product on the condition the product is kept hidden, not displayed, and not sold unless the customer demands the product. While short of outright exclusive dealing, this practice has equally serious and pernicious effects upon free competition.

For instance, in testimony before our House Small Business Committee, the president of the Pennzoil Company of California, testified that approximately 65 percent of the gasoline service station dealers who were potential customers for Pennzoil refused to handle the product because of their fear that they would suffer retaliation from their oil company suppliers and landlords. Of the 35 percent of the retail gasoline station operators who did purchase Pennzoil, the majority did not display the Pennzoil but kept it hidden. As stated by the president of Pennzoil:

> In many instances our delivery truck cannot even deliver to their (the retail gasoline dealers) place of business. They are afraid they will be caught by the major company representative and so we deliver oil and it is written right on the order that our delivery truck carries it to a man's home or to a small independent business alongside of him with whom he is friendly. Our oil is stored in the backs of automobiles, is stored in locked-up cabinets, in restaurants * * * it is stored where the major gasoline company representative is not likely to find it.

Finally, subsection (a) amends the present section 3 by writing in the Supreme Court's interpretation of section 3 in the Standard of California case on exclusive dealings so that exclusive dealing practices are specifically defined as illegal where their "effect may be to prevent or eliminate a substantial amount of competition in any section, community, or trading area." This interpretation of the Supreme Court is expressly in-

cluded in section 3 because the Court's decision has been under vigorous attack by those who would like to weaken our antitrust laws.

Subsection (b) of section 3 of the proposed bill is entirely new. Under present short-term leases and franchises, or where there are arbitrary cancellation provisions, the supplier may maintain the legal fiction that his dealer is an independent businessman while in practice he exercises absolute control over virtually every aspect of his business. This subsection does not, of course, interfere with the supplier's contractual right to expressly impose whatever controls he wants over his dealer as long as they are otherwise legal under the antitrust laws and the Federal Trade Commission Act. The subsection does provide, however, that as long as the supplier holds out to the dealer and the public that the dealer is an independent businessman, then in practice the dealer must have all the rights of an independent businessman.

The subsection also provides that the dealer may establish a prima facie case whenever there has been a threat or an act of cancellation, termination, or refusal to renew of a contract to sell, lease, license, or franchise, for reasons not expressly provided for and specified in the agreement, and where the supplier engages in a substantial amount of the trade in the goods in the trading area to which the act or threat of cancellation applies. This provision for a prima facie case is not new to the Clayton Act but follows a similar provision in section 2 where the burden is upon the seller to rebut the prima facie established where he has granted price discriminations between customers. It was felt that this prima facie provision was necessary because of the almost insurmountable burden of proof upon a dealer when the supplier may cancel or refuse to renew on arbitrary grounds. The burden therefore is, in effect, shifted to the supplier to justify a cancellation or a refusal to renew. But the amendment specifically provides that the prima facie case does not arise where the threat or act of cancellation or refusal to renew is for reasons expressly provided for in the contract, and that even though a prima facie case is established it may be rebutted by a showing of justification or good cause. The qualification that the supplier must be engaged in a substantial amount of the trade involved is for the purpose of limiting the use of the prima facie provision to those cases where a significant amount of competition is at stake.

Section 2 of my bill amends section 4 of the Clayton Act in two respects. First, it provides that a private litigant, when he is successful in obtaining equitable relief, shall recover from the defendant his cost of suit and a reasonable attorney's fee. The present law, both to encourage private antitrust enforcement and to impose a penalty for antitrust violations, allows the successful plaintiff in an action at law to recover treble his actual damages. There is, however, no such similar encouragement to the plaintiff or penalty upon the defendant when equitable relief is granted pursuant to section 16 of the Clayton Act. While in an action at law, the plaintiff may recover threefold damages and costs of suit and a reasonable attorney's fee, in an action in equity, the plaintiff not only does not recover damages but is also forced to bear his costs of suit and attorney's fee. Under the present law, therefore, there is a great incentive to the plaintiff to ignore requests for equitable relief and to concentrate upon the recovery of damages. Thus, the unfair competition is not stopped but often continues, while in an equity action the fair competition is automatically restored.

However, both the public interest and the plaintiff's interest is often better served by injunctive relief instead of compensatory damages. If, for instance, there has been a suppression of competition, the public benefits more by a restoration of that competition than by pecuniary compensation to an individual for its suppression. Accordingly, I believe that the amendment allowing the plaintiff his costs of suit and a reasonable attorney's fee in equitable actions is consistent with and strengthens the public policy behind private antitrust enforcement as it is presently expressed in section 4 of the Clayton Act.

The second amendment in my bill to section 4 of the Clayton Act is undoubtedly more controversial. It is, however, based upon the sound principle that one of our best and most efficient means of antitrust enforcement is private antitrust enforcement. At present, however, the cost to the plaintiff of such private antitrust enforcement is so great that it has become out of the reach of the ordinary citizen harmed by antitrust violations and can only be undertaken by the wealthy and affluent plaintiff. The plaintiff's cost of suit and attorneys' fees in an antitrust action may, and often does run as high as one-half million dollars. It takes, therefore, not only a courageous but a rich man to embark upon an antitrust case. The ordinary plaintiff, however, whether courageous or not, has no real choice whatsoever. He does not have the financial resources to bring his case to court.

To bring, therefore, private antitrust enforcement within the reach and means of all, my proposed bill amends section 4 of the Clayton Act by providing that the plaintiff may at any time ask the court to determine and certify whether his cause of action is or is not based upon probable cause. If the court does make a finding and certifies that the action is so based on probable cause, then the plaintiff, even if he should not win the final judgment, is entitled to recover from the United States his cost of suit and reasonable attorneys' fees in the event that such costs would impose undue hardship upon the plaintiff if borne by himself.

I do not believe that this provision is in anyway a radical departure from established antitrust policy. For instance, the Department of Justice or the Federal Trade Commission themselves in practice always make their own determination of whether an antitrust complaint has probable cause by making the decision of whether or not the complaint should be filed. And, of course, if the Government loses the final judgment, the taxpayer or the United States Government must still bear the full cost of the suit. If, of course, the law provided that the Attorney General or the Chairman of the Federal Trade Commission had to pay out of his own pocket for the cost of every suit lost, then we would have no public antitrust enforcement whatsoever. The public is willing and asked to pay for the cost of suits lost by the Government because it knows that once the Government has decided that there is probable cause for the suit, then the same should be diligently prosecuted without fear of what might happen if the final judgment is against the Government.

Under my proposed bill the same decision as to whether there was or was not probable cause would be made in private antitrust suits by the court. And it is clear that once the court has found probable cause, then the plaintiff should be given the means to prosecute his action if he cannot bear the cost himself or if he cannot bear it without suffering undue hardship.

I also think it safe to say that the resulting public antitrust enforcement from private litigation will be just as cheap, if not cheaper than our present Government enforcement. For instance, since 1915, the Federal Trade Commission has expended approximately $22 million on antimonopoly work. Of the cases filed during this period by the Federal Trade Commission, the Government has lost approximately one-half. In other words, the public has paid $11 million for antimonopoly cases, which although based upon probable cause were nevertheless lost by the Government. At the present time the average cost for handling an antimonopoly case filed by the Department of Justice is approximately $125,000. It is difficult to conceive that the average cost under my proposed amendment to section 4 of private antitrust enforcement could equal this amount.

There is another important point to be made in connection with this proposed amendment to give private parties adequate resources to prosecute antitrust violations. It is namely that the present procedures and enforcement policies of the Department of Justice and the Federal Trade Commission are inadequate to achieve effective and permanent relief for the public and for individuals harmed by antitrust violations. For instance, in the petroleum industry complaints by gasoline retail dealers of exclusive dealing and discriminatory pricing practices on the part of the major oil company suppliers have not only persisted over a period of 15 years but have actually increased in volume. I think we must all candidly admit that certainly in this field Government enforcement of the antitrust laws has been a real failure. In some cases, this has been the fault of the Government. For instance, early this spring the Federal Trade Commission advised gasoline operators that they would not even investigate complaints of price discrimination because it felt the Supreme Court in the Standard of Indiana case had declared

such discriminations lawful. Yet when an individual retail operator brought his own action in Connecticut alleging such discriminatory pricing practices, the court found that they were illegal. We must therefore give the greatest encouragement to such private antitrust actions for they are the public's only safeguard against the Government's refusal to take action and vigorously to enforce the antitrust laws.

In other cases, however, the failure of antitrust enforcement cannot be blamed on the Department of Justice or on the Federal Trade Commission. For instance, and again I use the petroleum industry as an example, the Government filed in 1940 a complaint against all the major oil companies and their affiliates alleging comprehensive monopolistic practices and asking for full relief. The complaint was certainly based upon probable cause and the relief was needed. There was, however, one insurmountable problem to the Government in prosecuting its case. There was no convention hall, let alone a courtroom, large enough to hold all of the defendants, their attorneys, and the witnesses. As a result, the Government was finally forced to dismiss its complaint without, of course, prejudice to bringing individual segmentized suits. Yet even now the Government has been unable to prepare or to bring these necessary suits.

I think, therefore, that it is clear that the only way we can get effective public antitrust enforcement and relief in this situation—and in many others—is to give to the thousands of individual complainants harmed by monopolistic practices the ability, resources, and encouragement necessary to enable them to file and diligently prosecute their own private actions.

In concluding my remarks upon this bill for freedom of choice in trade, it might perhaps be helpful and appropriate to state what the bill does not do.

It does not prohibit exclusive dealing contracts or arrangements except where they are already illegal under the present laws.

It does not prohibit a supplier from imposing conditions upon the business operation of a dealer handling the supplier's product. It provides only that such conditions must be expressly stated in the contract, lease, or franchise.

It in no way penalizes a supplier for terminating his relationship with his dealer for good cause.

It does not provide either the plaintiff or his attorney a windfall in the recovery of the plaintiff's cost of suit and attorney's fee, for such a recovery may be denied by the court where the plaintiff would not suffer undue hardship. The amendment does, however, prevent undue hardship upon the plaintiff when the court has certified that his complaint is based upon probable cause and is therefore in the public interest.

Mr. Speaker, I hope that my bill for freedom of choice in trade will not be regarded as partisan in either the economic or political sense. Because I believe it is based upon sound principles and in response to just complaints, I hope it will have the support of both big business and small business, of both Democrats and Republicans.

If this bill is passed, the 84th Congress will have done much to secure the position of independent small business in the framework of free American trade.

JOHN J. FORBES

Mr. KELLEY of Pennsylvania. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. KELLEY of Pennsylvania. Mr. Speaker, there departed recently from the service of the Government a most faithful, intelligent, and loyal public servant. I am speaking about Mr. John J. Forbes, who, until recently, was the Director of the Bureau of Mines. Jack Forbes was in the unique position of having the full confidence, admiration, and support of the coal operators as well as the miners. His years of public service have undoubtedly contributed to the saving of many lives and much property in the mining industry.

Mr. Forbes is an educated man through his own efforts, beginning as a young man as a breaker boy in the anthracite mines. There scarcely has been an explosion or major disaster in the last 40 years in which Jack has not contributed and attended rescue work. Many operators and miners look with trepidation upon the approaching appointment of a predecessor. This is an all-important position in the lives and properties of the coal-mining industry and requires a man who will match the intelligence, ability, and qualifications of Jack Forbes.

DEVELOPMENT OF SCIENCE IN THE UNITED STATES

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Speaker, I hold in my hand a news story from the New York Times which says that the Department of State science program launched on an ambitious scale 5½ years ago appears to have totally collapsed. I hear on this floor daily, as a matter of fact over a period of a number of years, and in the press and on the radio the importance of the development of science to this Nation and to national defense, and for our domestic welfare. I hear of the great attention being paid to science by certain behind the Iron Curtain nations and yet, I am sure, you join with me in the grave concern that the Department of State has now totally abandoned the provisions for scientific sections and attachés in the Department in Washington and at the legations and embassies throughout the world.

REMOVE INEQUITIES IN OUR IMMIGRATION LAWS

Mr. DINGELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DINGELL. Mr. Speaker, there are many aspects of our immigration policies which are gravely in need of change. I hope to work to supplant each and every one of these inequities as I serve in this great House of Representatives, both by joining in the support of liberal legislation authored by other Members of the House of Representatives and by sponsoring wholesome immigration legislation myself.

One of the most deplorable aspects of the present immigration policies of this country is the practice of placing quotas on the various races and limiting our immigrants according to their place of origin. Not only does this rob our country of many who would be useful citizens, but, the result is that we find ourselves in the position of saying to ourselves and to the nations of the world, friend and foe alike, that some are less fit than others to become citizens of our great country; and that people are worthy of entering our country according to their place of origin and not according to their ability. I abhor discrimination, and this is discrimination in its most vicious and ultimate form.

Since the enactment of the various laws which permitted refugees to enter this country this form of discrimination has become most obnoxious. Refugees are charged off against future quotas of the country of their origin. The result is that many of the already niggardly quotas which we extended to the peoples of Europe, most in need of a place of refuge, are now halved or mortgaged many years into the future. To show how far into the future, Mr. Speaker, the quota of the country of Lithuania is reduced until the year 2090; the quota of Estonia is halved until 2146; that of Greece is halved until 2018; and the Latvian quota until the year 2274. The quota of the country of the origin of my forebears, Poland, is halved until the year 2000. This is an absurdity not to be borne by an enlightened country.

This means that the few people that would be able to come in under those ridiculously small quotas in normal times is reduced by half in time of real need. For example, instead of 308 people of Greek origin, or 933 of Yugoslavian origin, or 6,488 people of Polish origin, only half those numbers could come in. Other peoples find their quotas reduced in the same way. Indeed, Mr. Speaker, with people who flee from the oppression of communism in dire need of sanctuary, and in view of America's ability to absorb far more immigrants, I would strongly urge that this Congress take action at a very early date, not only to repeal the mortgages on the quota system, but to repeal the quota system itself.

For that reason, Mr. Speaker, I have today introduced a bill which is aimed

at removing the mortgage from the quota system. It is my hope that Congress will act in a favorable manner upon this piece of legislation as soon as possible. I am honored that an identical bill is introduced in the House at this time by my distinguished colleague, Congressman THADDEUS M. MACHROWICZ, of Michigan. A like piece of legislation is jointly sponsored in the Senate by the distinguished senior Senator from New York, Mr. LEHMAN, and by the distinguished junior Senator from Minnesota, Mr. HUMPHREY, and by the distinguished junior Senator from my own State of Michigan, Mr. MCNAMARA.

I urge the passage of this bill at a very early date, and I join with the other Members who call upon this House to pass one of the excellent omnibus bills now pending to remove the other inequities in our immigration laws, such as the Lehman-Celler bill, or the Humphrey bill.

COTTON ACREAGE ALLOTMENTS

Mr. ELLIOTT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. ELLIOTT. Mr. Speaker, I have introduced in the United States House of Representatives today two bills that I consider to be of the utmost importance to the southern cotton farmer.

The first of these bills provides that cotton acreage allotments in each State be frozen at the 1955 levels. Alabama's cotton allotment for 1956 would be increased by approximately 23,000 acres.

In addition, the bill provides for a minimum allotment of 5 acres for each cotton farmer.

An important feature of the bill is a provision that the first 5 bales of cotton grown by any farmer who has an allotment of 11 acres or less shall be supported at 100 percent of parity. Also, it is provided that all bales over 5 will be supported at 90 percent of parity.

The second of my bills provides that the Department of Agriculture measure, at Government expense, the farmer's cotton acreage before planting.

The experience of recent years has indicated that measurement of cotton acreage before planting is absolutely necessary to prevent continued loss of acreage under the allotment system.

A system of minimum allotments is imperative in order to protect the integrity and well-being of the family-sized farm. My bill provides for a 5-acre minimum allotment. It further provides that the first 5 bales grown by a small farmer be supported at 100 percent of the parity price.

There is a lot of talk these days about helping the farmer. My two bills will do it. They meet the problem head on.

I am one of those who believe that the Government should do everything possible to encourage the family-sized farmer to stay in business. He cannot stay in business unless he has some assurance that his efforts will be reasonably rewarded.

If he is a cotton farmer, he must have an allotment large enough to at least contribute something toward the economic well-being of his family. His children have to eat and have clothes, and shelter, and medical care, and schooling—like everybody else's children.

The small farmer has always been an important element in our economic and social structure. Let us make it possible for him to remain such.

A minimum allotment of 5 acres, 100 percent parity price supports on the first 5 bales of cotton produced, and preplanting measurement of his allotted cotton acres are all steps toward a workable and reasonable program for the small cotton farmer.

THE PRESENT FARM CRISIS

Mr. CHELF. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. CHELF. Mr. Speaker, a portion of the President's farm message that was read a few days ago was prepared in secret sessions at the Department of Agriculture, several days before its public release. It was drafted behind the locked door of a conference room—I can call the exact number—in the main Agriculture building with the counsel and assistance of a considerable number of big corporation farmers, the "fat cats" of agriculture. This all happened before Secretary Benson took his cure-all program to the President for clearance down at Key West.

For almost 3 years now, Secretary Benson has made speech after speech that there was nothing wrong with the present farm program. He indicated that if the farmer would be patient, everything would just be wonderful. In the past 3 years, Secretary Benson has issued at least one-half dozen statements about how well off the American farmer really was. Mr. Benson was looking at the world through rose-colored glasses.

Suddenly and without warning, the full impact of the sliding scale slid and hit him squarely between the eyes. While this might have caused him to see stars, it did cause him to see the light like St. Paul on the road to Damascus. Mr. Benson was converted from a pleasant theory he had been expounding to cold, hard facts and a realization that things were not as rosy with the farmer as he had been telling them they were, for it took the good Secretary, his experts, and all of the "fat cats," together, 14 pages of long legal cap, small type to cover the farmers' present dilemma. This was the very problem that he had previously refused to recognize, completely ignored or had even insisted did not exist. He has waited until the patient is almost in the last throes of a death rattle before he has even dared admit that the farmer has a slight financial headache or economic indigestion.

Whether Secretary Benson recognizes it or not, agriculture is seriously and dangerously ill. The patient is "sick to the quick."

Mr. Benson has had the President recommend the soil bank, yet only a few months ago, his Assistant Secretary, True Morse, wrote a letter to Representative COOLEY, chairman of the House Agriculture Committee, saying that such plan was not feasible, that it would cost too much money. Just how did it become palatable, useful and reasonably priced all of a sudden? Maybe the big corporation and agricultural farmers from the Midwest—those "fat cats," smoking big, long, black cigars in the conference room helped to arouse him, especially the big operator from Colorado who was dashing in and out of that meeting. This immortal document that is now simply bursting at its seams, describing the farmer's economic illness, also contains the same old medicine man's antiquated remedies that have the potentials sufficient to cause a 1,200-pound heifer to "upchuck."

This administration is giving to big business various and sundry subsidies, tax bonanzas, tax rebates, tariff protection, and oil depletion rights to the tune of 27½ percent, on the theory that the oil pumped and the rock dug from the ground cannot be replaced. What about the farmer getting this type of tax break? He is depleting his soil every day. He takes something out of it that cannot be restored, not even with fertilizers concocted by modern science. When the farmer's topsoil is washed away, he most certainly ought to have something more than just a soil-conservation program because that good earth is gone for generations to come. Posterity and our children's children will be the losers. After all, we who are here today are merely custodians of the soil of our country for future unborn generations. Therefore, since the loss of topsoil is a most vital and serious thing, the farmer, in addition to help from the soil-conservation program, ought to have compensation, a depletion allowance, if you please, for the very good reason that that soil that has been washed down the Mississippi or some other river is gone forever. If this is not depletion, I do not know what the word means. I am told that it takes several hundred years to recreate, recapture or rebuild any topsoil that is washed away. This in itself is sufficient reason for a depletion allowance to the farmer.

There may be some who would call my suggestion upon this subject matter socialism, subsidization, or regimentation. If this be true, then big business is up to its ears in it. A few years ago when there was some talk here on Capitol Hill of repealing the depletion allowance, every oil company, large and small, beat a path to Washington to plead for its retention. Apparently, they love this particular type of socialism or regimentation.

The farmer is not only depleted but almost completed as well. Another big

reason why the farmer is having troubles is due to the labor situation. He simply is not in a position to compete with the wages paid by factories located in the metropolitan centers. For instance, a good portion of the Fourth Congressional District of Kentucky, which I have the honor to represent here in Congress, is contiguous to Jefferson County, in which Louisville is located. In the counties of Oldham, Shelby, Spencer, Bullitt, Nelson, Hardin, and Washington, there is an average of approximately five to six hundred per county who commute daily to Louisville and the General Electric and other factories there. To show how desperate the situation is with respect to the little farmer and the tenant farmer, there are over 700 from my hometown of Lebanon and Marion County that have been driven from the farm because of their inability to make a living. The fact that Lebanon, Ky., is 67 miles south of Louisville is a positive indication how tragic, desperate, and serious the situation is.

If this trend of leaving the farm continues, the country, as a whole, is in for much trouble. There are those who believe that Mr. Benson is delighted with this migration to the city on the theory that if there are fewer people on the farm, less will be produced. However, it has gotten far beyond that stage for the very good reason that I do not know of a single farmer in my entire county who is not having a great difficulty in locating a tenant. There just are not any.

The do-nothing attitude of the Department of Agriculture, while our farmers' income goes down, is about as popular to the American farmer as a payment due on his mortgage when he is overdrawn at the bank. Every moment the purchasing power of the farmer goes lower while the cost of his basic needs soars higher. While the farmer's troubles mount and his income dwindles, the dividend checks for big business get bigger and bigger from their many hidden Government subsidies.

What would I do about it? I would propose that the farmers of this country, and especially the small farm owner, be given by law the same tax benefits and credits that are now being bestowed upon the barons of big business. I propose also that farmers who owe a debt of any kind to any governmental agency be given a moratorium, and that any interest due and payable shall likewise not be charged to the farmer, at least until this emergency is over. If we are really going to do something about helping the farmer, let us do it without taking 14 pages to remind the farmer how bad off he is.

President Lincoln once said that this country cannot long endure half slave and half free. If I may be permitted to do so, I would paraphrase that statement today by saying: This country cannot continue to grow, develop and prosper with one-half making a financial killing, all at the expense of the other half, with one segment getting all the breaks and the other getting none, one-half getting richer and fatter while the other gets poorer and thinner. Something must be done about it now.

In the last quarter, the earnings of big business went from $3,800,000,000 to $5 billion and dividends were the highest in history but during the same period of time, the farmer's income dropped another 8 percent. I am no agricultural expert or economist but if the present predicament of the farmer continues, we are headed for the biggest bust in our entire history. The bottom will fall out of our economic basket with such force that it will make the black thirties look like a gold rush, an oil strike or a Florida real-estate boom.

I shall support that portion of the President's proposal to repeal section 304 of Public Law 480 that prevents us from selling food and commodities to Russia or her satellites. We must export in order to get rid of our surplus. As long as we do not export guns, planes, tanks and other crictical materials to Russia, I am of the opinion that the shipment of food is strictly all right and will benefit us.

I shall also vigorously support the repeal of the Federal tax on the gasoline used by our farmers in their farm equipment. We already have this law in Kentucky and it is not only a fair one but it is working out very well indeed.

I am informed that Representative HAROLD COOLEY, chairman of our House Agriculture Committee, has recently stated that no new law is needed for the administration of the so-called soil bank proposal. Mr. COOLEY, I am advised, believes that Mr. Benson has the power already to act. Frankly, I am not surprised because this is another concrete example of the incompetence of Mr. Benson as an administrator, and it is further proof of his not being in sympathy with the entire farm program. I really do not believe that this good man knows what is going on. If he has the authority and has refused to act, then he is guilty of nonfeasance in office. It would appear that he is not only violating the law but is showing an utter contempt for the representatives of the people of this Nation. If, on the other hand, he does not have the authority and now seeks it, he is guilty of neglect of duty for not doing something that he ought to have done in order to carry out the primary object, intent, and purpose of the office of a Secretary of Agriculture. If it should develop that the experts who have analyzed the present law are wrong and legislation is needed, I shall definitely support it.

Let us go back to the 90 percent rigid parity supports—I voted for 90 percent parity passed at 206 to 201 in the House over Mr. Benson's stubborn opposition in the 1st session of the 84th Congress—because most of this mess the farmer is now in really started when this administration passed its sliding scale. The full impact of that legislation is just beginning to hit with all its fury. The sliding scale has slid clear out of sight. The farmer today is not the rugged individual that Secretary Benson said he was. Without any aid or consideration, coupled with Mr. Benson's inactivity, disinterest, and his disbelief in the entire program, the poor farmer has become a ragged individual.

When the patient is as ill as the agriculture of this Nation is at the present time, we need to bring in the best doctors and the latest and best medicine in order to cure him. I am not a doctor, but I sincerely believe that, for the present at least, the best possible medicine for the patient is a good big dose of 90 percent parity, a prescription of 27½ percent depletion allowance, a large-sized dose of debt moratorium, without interest, some pills containing soil-bank ingredients, a few powders of surplus exports, together with a good healthy swig of increased income-tax exemptions, especially for the little farmer.

If we do this, I have a feeling that the patient may have a chance to recover fully. This is not the full and complete solution or cure, but it surely will help. There is nothing wrong with the farmer that a good, big financial "shot in the arm" will not cure. This treatment will surely bring him bouncing out of his sick bed. Then with care, diet, and proper treatment—such as big business has been and is now getting—he should remain strong and healthy.

ADMINISTRATION OF KOREAN PRISONER OF WAR BENEFITS (PUBLIC LAW 615, 83D CONG.) BY FOREIGN CLAIMS SETTLEMENT COMMISSION

Mr. ASHLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. ASHLEY. Mr. Speaker, I rise on this occasion to call the attention of Congress and the American people to the dangerous development of a new kind of criminal law wherein American citizens are tried and convicted by administrative star-chamber bodies, without enjoying any of the rules of due process, without having the right to confront and to cross-examine their accusers, and above all—if we are to accept the contention of the star-chamber judges—without having the right to appellate review in the courts.

Specifically, Mr. Speaker, this noxious legal development can be traced to the quasi-judicial Government agencies, particularly those concerned with veterans benefits. As a result of loosely worded and administratively construed statutes, these agencies have asserted the power to withhold benefits on the basis of secret allegations of wrongdoing or disloyalty which the claimant has no adequate opportunity to rebut. Even the most cursory examination of a typical case history will show that the administrative withholding of a grant or benefit under these conditions is tantamount to a conviction in a court of law. It fastens what the Supreme Court has called a badge of infamy upon the denied claimant which stays with him for the rest of his life.

The press recently has carried the fantastic story of an attempt by the Veterans' Administration to rescind the dis-

ability pension of a legless veteran of World War II because of alleged utterance in 1950 and 1951 which some bureaucrat thought rendered the veteran "guilty of rendering assistance to an enemy of the United States." This attempt was scotched by the veteran's insistence on trying his case in public so the press could take down in print such astounding maxims of the new jurisprudence as "I'll make the rules as we go along."

After a careful study of the facts, Mr. Speaker, I have come to the conclusion that what the Veterans' Administration has been doing in retail fashion, the Foreign Claims Settlement Commission has been and is doing in wholesale lots. This Commission is charged with the responsibility of administering claims for Korean prisoners of war benefits. You will recall that the law authorizing these benefits provides for the payment of compensation to eligible claimants at the rate of $1 for each day of detention that the ex-prisoner of war failed to receive the quality or quantity of food prescribed by the Geneva Convention of 1929, and an additional $1.50 per day for each day that the hostile force which held him failed to meet the standards outlined by that convention with respect to labor of prisoners and inhumane treatment. The law voting these benefits also contained a provision defining a prisoner of war as one who did not "voluntarily, knowingly, and without direct duress" give aid to or collaborate with the enemy.

I consider this latter provision unfortunate, not because I disagree with its intent to withhold benefits from collaborators—on the contrary I believe that the intent was admirable—but because no proper machinery was provided for fair adjudication of this provision. While its insertion in the law may be unfortunate, certainly this is no excuse for the unbelievable and hypercritical botch the Commission has perpetrated in administering the provision.

To understand the present policy of the Commission, it is necessary to keep in mind that the law requires each claimant to satisfy the Commission as to the exact number of days he received insufficient food or was subject to inhumane treatment. This provision has always been interpreted by presumption—that is to say, the Commission would presume on the basis of general facts that all the prisoners of war in a given camp or in a given country were insufficiently fed and inhumanely treated during their entire period of captivity. The Foreign Claims Settlement Commission is still making this presumption in the case of all Korean POW's against whom no allegations of collaboration have been brought. In short, these claimants receive benefit for the entire period of their captivity at the rate of $2.50 per day without having to actually prove their eligibility.

A very different situation exists, however, in the processing of claims of prisoners of war against whom derogatory information, secret and unsubstantiated, has been received relating to the activity, treatment and attitude of the POW during his captivity.

Upon receipt of this secret and often hearsay information against a claimant, the presumption that he received substandard food and inhumane treatment is immediately "suspended" and the claimant is thereupon required to establish his eligibility by affirmative proof. In short, where the Department of Defense furnishes the Commission with secret, unsubstantiated and derogatory information against any claimant, the Foreign Claims Settlement Commission, upon primary examination, disallows the claim, and in effect imposes the presumption either that the claimant was guilty of knowingly aiding and collaborating with the enemy, or else that he did not, in fact, receive bad food and inhumane treatment. Thus, when a claim has been turned down after primary examination, the claimant is then allowed a hearing in which the burden of proof is upon him to establish either that he received substandard food and treatment each day during his imprisonment or that he was not a collaborator.

Now let me point out two important considerations. In the first place, the presumption which the claimant must rebut in order to establish his claim after it has been disallowed is not based upon fact, but rather upon charges which have not been substantiated either by the Army or the Commission—raw charges that are thrown at the claimant without benefit of source and hence without benefit of the time-honored right of the defendant to face his accuser.

In the second place, a claimant is completely in the dark, under this misplaced burden of proof, as to whether he must affirmatively prove that he was subjected to bad food and inhumane treatment or whether he must prove that he was not a collaborator with the enemy—or whether he must prove both.

This is the grisly and confused position which hundreds of American veterans have been subjected to by a procedure which denies the very rights, basic to our very system, which these veterans themselves have suffered and fought to defend.

There can be no doubt of the slippery and shameful rationale devised by the Foreign Claims Settlement Commission in administering the payment of these claims. Instead of tackling the issue of collaboration separately and on its own merits, the Commission worked out an ingenious policy—and in my considered opinion a dishonest policy—of shuttling back and forth between the question of collaboration and the question of eligibility on a mathematical showing of number of days of ill treatment and improper food. The General Counsel of the Commission stated the policy in these words in a memorandum to the members of the Commission:

> It is suggested that in the disallowance of claims under section 6 (e) of the act in which collaboration is an issue, the decision be based upon the finding that the evidence is insufficient to warrant the conclusion that the claimant, while imprisoned, was not fed or treated as provided in the Geneva Convention of July 27, 1929. No reference, expressed or implied, need be made therein to any official document or report which the Commission may have considered.

In the same memorandum, the counsel forces the Commission to rule that "the claimant shall not have recourse to the confidential records or reports furnished to the Commission by the Department of Defense." What the counsel's memorandum says is that the Commission may come to its conclusion on the basis of the issue of collaboration, and then write up its decision, in the same case, on the basis of another issue entirely, namely, the mathematical lack of eligibility; and further, that the Commission in determining the issue of collaboration can use the unevaluated derogatory information of the Department of Defense, hide this information from the claimant, and then pretend that this information never entered into its decision.

That the Commission is following this outrageous policy is confirmed by a letter I have just received from Mr. Whitney Gillilland, Chairman of the Foreign Claims Settlement Commission, a copy of which I have before me and which I request unanimous consent to insert in the RECORD following my remarks. In his letter, Mr. Gillilland states that—

> In order to expedite and uniformly process this claims program, the Commission established certain presumptions concerning the failure of the hostile forces in the Korean conflict to observe the standards set forth in the Geneva Convention of 1929 respecting food furnished to and humane treatment of prisoners of war * * *. These presumptions, however, are rebuttable. If, during the course of the settlement of a claim, the Commission receives information to the contrary which appears to be credible, the presumption is then suspended and the claimant is thereupon required to establish his eligibility as required by the act.

Mr. Speaker, I am no great student of the law, but on the basis of the legal training which I have had, I am completely in the dark as to what Mr. Gillilland means by the phrase "the presumption is then suspended." I have never heard of a presumption relegated to this state of limbo. A presumption is either rebutted or unrebutted, and the burden of proof depends on which. If the presumption is suspended, then why does the burden of proof shift to the claimant?

What Mr. Gillilland is saying, of course, is that because of unevaluated, derogatory information supplied by the Army—and the Army alone of all the services has entered objections to the payment of prisoner-of-war claims—a veteran finds himself at the last minute deprived of his benefits and given a false reason, to boot.

At no time has the Commission requested a claimant to furnish mathematical proof of the number of days of improper food and inhumane treatment. When he files his claim, he is asked only to certify his noncollaboration. But when the claim is denied, he is given an enigmatic and inaccurate statement that after consideration of all the evidence of record, including a summary of information from the Department of Defense, the Commission has decided that the claimant has failed to sustain the burden of proof as to his eligibility. The statement is enigmatic because it does not tell the untutored veteran what precise burden of proof he has failed to sustain. And the statement is inaccurate because

it says that the Defense Department's summary of information is evidence of record. Clearly, if it is evidence of record, it should have been shown to the claimant. When a veteran appeals from the primary examination denying his claim, he is given an abbreviated, noninformative list of charges based on the secret summary of information having to do with the issue of collaboration. He is asked to defend himself on these charges and he is encouraged to bring affidavits as to his noncollaboration. At the hearing, the claimant may be asked vaguely as to what the food and treatment conditions were in various camps and during various periods. But since he has not been advised to supply detailed information on bad food or improper treatment, he can only reply to vague questions with equally vague replies. And it is on this farcical basis that a claimant can be denied his appeal and given the excuse that he failed to supply proof of his suffering.

Mr. Speaker, it is outrageous to apply this kind of shell game to anybody. It is unbelievably outrageous to apply it to men who have gone through all the horrors of hell in the Communist prison camps.

Let me give you just a few facts on the case of a Korean veteran who has just had his appeal denied and his petition for a rehearing rejected out of hand. He is Joseph Hammond, of 415 Ascot, Toledo, and one of my constituents. He draws 40 percent disability compensation—10 percent for gunshot wounds sustained during his capture, and 30 percent as a result of suffering during his imprisonment. He is a holder of the Bronze Star. After his release he was questioned at length by G–2, as were all POW's. Subsequently, he received an honorable discharge from the Army and returned to civilian life.

Hammond filed his application on December 23, 1954, for Korean prisoner-of-war benefits. The claim was denied at the end of November 1955, 1 month before the deadline for the final determination by the Commission. He wrote and asked for a hearing and a statement of charges. The hearing was scheduled on December 19, but the statement of charges was lost in transit so that Hammond actually did not receive them until December 16, 3 days before the hearing. At the hearing he was defended by Charles W. Stevens, assistant director of the national rehabilitation commission of the American Legion. Mr. Stevens has personally assured me, as he assured the commission, that he is convinced of Mr. Hammond's innocence of any activities of voluntary collaboration.

The hearing was held in Washington before a hearing officer, a certain Mr. Colish, and according to both Mr. Stevens and Mr. Hammond the hearing was terminated before Mr. Hammond and his witness had presented all the evidence they intended to present. It was terminated with the remark by the examiner: "There is enough in the record now." This remark gave everybody the impression that Mr. Hammond had successfully made his case.

On December 23, the Commission voted to deny Mr. Hammond's appeal. And yet it is an uncontested fact that at the time of the Commission's decision, no transcript of the hearing had been written up. The Commission's own rules provide that "hearings shall be stenographically reported and a transcript thereof shall be a part of the record." But Mr. Gillilland writes me that the absence of a stenographic transcript is of no importance to the Commission in reaching its decision. I would like to know how a decision can possibly be made on the basis of the record, when the record didn't exist until about 2 weeks after the decision.

Mr. Gillilland answers this by saying that "Mr. Colish"—the hearing examiner—"and the stenographer who reported the testimony were available to advise the Commission as to what transpired at the hearing."

I suppose, Mr. Speaker, that it should come as no surprise that a Star Chamber body which accepts secondhand and hearsay information as evidence should also come to its decision on the basis of the secondhand and hearsay report of its hearing examiner.

Last week a petition for a rehearing was filed on behalf of Mr. Hammond by his counsel, Joseph L. Rauh, Jr. The petition has now been rejected on the ground that the 12-month period for the consideration of Hammond's claim expired on December 23, 1955, and that the Commission therefore has no discretion in affording Mr. Hammond any further consideration. This statement is made in the face of the fact that the 12-month provision was written for the benefit of claimants in order to assure expeditious adjudications, and that it was the Commission who, by using up eleven and a half months in preliminaries, turned the 12-month provision into a device for denying Mr. Hammond a fair and proper hearing and a fair and orderly adjudication.

I would like to point out in all justice to the members of the Foreign Claims Settlement Commission that not all of them agree with Chairman Gillilland's views. Commissioner Clay in particular has been quoted in the New York Times and at a semipublic hearing to the effect that he considers the denial of claims under these conditions to be an outrage because it brands the claimants for life as collaborators. He blames the outrage on the fact that the Army has set the ground rules for this claims operation. The law, however, has not given any responsibility to the Army, but has concentrated all responsibility in the hands of the Commission.

I do not need to dwell on the dangers of letting this type of claims adjudication get rooted into our law and practice. I think we must put a stop to it now—not merely in order to render justice to the brave and loyal veterans involved, but in order to cut out this cancer from our law before it poisons the whole body and destroys the principles of our traditional jurisprudence.

The Senate Subcommittee on Constitutional Rights has already announced that it has launched an inquiry into the administration of the POW claims. I have requested Senator HENNINGS to schedule early public hearings on the subject, and to call before the committee the victimized POW's, the representatives of all veterans organizations, the members of the Foreign Claims Settlement Commission and the representatives of the Defense Department dealing with this problem.

I have also asked Representative PERCY PRIEST, chairman of the Interstate and Foreign Commerce Committee—the committee which handled POW legislation in the House—to schedule hearings with a view to framing new legislation.

It is my further intention, in the immediate future, to introduce corrective legislation myself—legislation which not only will afford an opportunity for justice for those POW's whose rights have been denied, but which will afford protection to the rights of servicemen whose claims have not yet been decided.

I am confident that, with your support, these efforts will bring beneficient results. We must act quickly—we must act before the cancer of criminal administrative law spreads too far and makes a cure impossible.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., January 6, 1956.

Mr. WHITNEY GILLILLAND,
Chairman, Foreign Claims Settlement Commission, Washington, D. C.

DEAR MR. GILLILLAND: I am writing you in the matter of Mr. Joseph Hammond of 2347 Auburn Avenue, Toledo, Ohio, (FCSC Claim No. 251435), who has petitioned your Commission for a rehearing in connection with his prisoner-of-war claim.

I respectfully submit that ample reason exists for allowing this petition. On the basis of the record and all that I have been able to learn in connection with the December 19 hearing, it appears to me that no actual evidence has been introduced against Mr. Hammond. It is certainly a matter of record that Mr. Colish, the hearing officer, terminated proceedings prior to the conclusion of the presentation of Mr. Hammond's case.

It also comes to my attention that the decision of the Commission on December 23, 1955, denying Mr. Hammond's appeal was made before a transcript of the hearing was available to the Commission. Inasmuch as the Commission was not present at the December 19 hearing, it would appear that your decision served to deprive Mr. Hammond of the kind of hearing to which he was and is entitled, not only by the Constitution and the statute, but by the Commission's own rules.

I think that a careful review of the entire record, Mr. Gillilland, will reveal that it has been impossible for Mr. Hammond to know whether his claim was initially refused because of failure on his part to prove that he was, in fact, the recipient of inhumane treatment by the hostile forces, or whether the claim was denied because of secret, unsubstantiated accusations that he collaborated with the enemy. I feel very strongly, as I am sure you do, that Mr. Hammond should be specifically informed of the grounds for the denial of his claim.

For these reasons, I submit that Mr. Hammond is entitled to a public hearing at which the Commission's interpretation of the law is made known and at which the claimant is given an opportunity to confront his accusers and to answer specific charges against him. I do not believe, on the basis of facts and information available to me, that Mr. Hammond has had a true hearing and a fair adjudication of his case, and it

is for this reason that I request that immediate attention be given his petition for an early hearing on the merits.

Very truly yours,

THOMAS LUDLOW ASHLEY,
Member of Congress.

FOREIGN CLAIMS SETTLEMENT
COMMISSION OF THE UNITED STATES,
Washington, D. C., January 10, 1956.

Re FCSC claim No. K–251435, Hammond, Joseph.

Hon. THOMAS LUDLOW ASHLEY,
House of Representatives,
Washington, D. C.

DEAR MR. ASHLEY: This will acknowledge receipt of your letter dated January 6, 1956, relative to the claim of Mr. Joseph Hammond, 2347 Auburn Avenue, Toledo, Ohio (FCSC claim No. K–251435).

Pursuant thereto I have inquired into the background of this matter. At the outset, with respect to the petition for a rehearing, let me explain that Mr. Hammond's claim was filed with the Commission on December 23, 1954. By virtue of a mandate contained in the statute which provides these benefits to former prisoners during the Korean conflict (Public Law 615, 83d Cong.), the Commission is required to complete its determinations in each instance within 1 year from the date upon which the claim was filed. Accordingly, the Commission was bound to finally dispose of Mr. Hammond's claim on or before December 23, 1955, and it is without jurisdiction and has no discretion to afford Mr. Hammond further consideration of his claim at this time.

I have particularly inquired concerning your suggestion that Mr. Colish, who conducted the hearing as the representative of the Commission, terminated the proceedings prior to the conclusion of the presentation of Mr. Hammond's case. In that respect let me first say that Mr. Hammond specifically requested that the hearing be closed and private. In that sense, at very least, I do not feel at liberty to discuss the merits of his claim. Moreover, I have examined most carefully the 25-page transcript of the hearing and at no place do I find that there was any attempt to restrict the introduction of evidence. Mr. Colish advises that at one point during the testimony of Mr. Salvadore Conte, he, Mr. Colish, in an aside to Mr. Stevens, who represented Mr. Hammond, asked if Mr. Stevens thought he had adduced sufficient testimony. Thereafter, Mr. Conte continued to testify at length, and the record discloses that all participants were specifically asked if they had anything further to add before the hearing adjourned.

You also suggest that the Commission in its deliberation on the claim did not have the transcript of the testimony before it. This may, of course, be true, but I am sure you understand that there is no legal requirement that it specifically be considered. The Commission did have available to it the entire record, including Mr. Hammond's testimony in the general court-martial of Sergeant Olsen which was introduced by Mr. Hammond. Moreover, Mr. Colish and the stenographer who reported the testimony were also available to advise the Commission as to what transpired at the hearing. There is no doubt in my mind but that the Commission was fully informed concerning the evidence introduced in support of Mr. Hammond's claim.

Concerning your suggestion that Mr. Hammond be informed of the information before the Commission, you may be interested to learn that in order to expedite and uniformly process this claims program, the Commission established certain presumptions concerning the failure of the hostile forces in the Korean conflict to observe the standards set forth in the Geneva Convention of 1929 respecting food furnished to and humane treatment of prisoners of war. In establishing these presumptions that the North Koreans and Chinese Communist forces failed to observe these conditions and requirements, the Commission relied among other material to a very great extent upon Senate Report No. 848, 83d Congress, 2d session (frequently referred to as the Potter report), which was prepared by the Subcommittee on Korean War Atrocities of the Committee on Government Operations. These presumptions, however, as other legally established presumptions, are rebuttable. If, during the course of the settlement of a claim, the Commission receives information to the contrary which appears to be credible, the presumption is then suspended and the claimant is thereupon required to establish his eligibility as required by the act.

Mr. Hammond's claim falls into this category. His claim was denied on primary settlement and in accordance with the provisions of the act he was afforded the opportunity of a hearing. Upon his request for hearing, he was furnished a detailed summary of the information before the Commission in relation to his claim. Much of the material before the Commission because of security purposes is classified under the law and for this reason the Commission is not at liberty to make it available. You may be assured, however, that in every instance the Commission seriously weighs all of the evidence before it in arriving at its determinations.

I note in your letter that you make reference to "accusations" and "charges" and the like. In the administration of this type of legislation there is no adversary aspect. No one prefers charges or makes accusations. The legislation is of a beneficial nature and the determinations of the Commission are based solely upon whether or not a claimant factually meets the eligibility requirements.

Let me further assure you that the Commission has absolutely no desire to be arbitrary in this or any other matter. It is, however, bound within the limitations of the laws which it has been established to administer.

I appreciate the seriousness of matters of this kind and I think I made my views in that regard quite clear at the time this legislation was being considered by the House Committee on Interstate and Foreign Commerce. I also fully appreciate your interest in the matter and the position you have taken. I can only hope that this response to your inquiry may in some measure serve to clarify in your mind the bounds within which the Foreign Claims Settlement Commission must operate. Any further information you may require will be readily furnished.

Sincerely yours,

WHITNEY GILLILLAND,
Chairman.

FISH AND WILDLIFE SERVICE

Mr. BONNER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. BONNER. Mr. Speaker, the Committee on Merchant Marine and Fisheries held its initial meeting today to discuss its program for this session and to establish the framework of a working agenda which would permit us to handle expeditiously and effectively the important legislation and other matters under our jurisdiction. We will continue to watch carefully the administration of all laws covering matters within the jurisdiction of the committee in accordance with the mandate laid down by section 136 of the Legislative Reorganization Act of 1946. Such a program was initiated in the first session and extensive hearings were held on the subject of the administration and operations of the Maritime Administration and Maritime Board, Fish and Wildlife Service, Coast Guard, Coast and Geodetic Survey, and the Panama Canal Company.

My remarks today, however, are directed primarily to the administration and operation of the Fish and Wildlife Service of the Department of the Interior. During the course of extensive hearings in connection with the operations of the Fish and Wildlife Service conducted by this committee early last year, I became convinced that the taxpayer, the sportsman, the commercial fisherman and the nature lover of this country are not receiving for their investment the benefits and value which they have the right to expect from the vital work of this agency of the Department of the Interior.

Accordingly, I instructed our committee staff to continue to study, during the adjournment period, the various phases of the Fish and Wildlife Service operations and the laws under their administration.

Let me mention the sort of thing which I find disturbing:

Only yesterday there appeared in the Washington Post and Times Herald a story quoting the distinguished former Chief Judge William C. Coleman of the United States District Court in Baltimore, to the effect that conflicting Federal and Maryland laws on baiting of migratory fowl were senseless. Judge Coleman said:

> The sport is in a deplorable muddle due to the existence of the two sets of regulations * * *. It is incredible that the Federal and State authorities have not been able to get together.

He pointed out that the existence of the dual regulations has led hunters to violate both regulations and that neither set of rules is adequately enforced; he urged that the dual system be abolished, and that Congress provide more inspectors to enforce the anti-baiting regulation.

This very subject was brought up during our hearings last year. At that time, the Director of the Fish and Wildlife Service seemed to brush off the entire problem by stating that there had been only 1 or 2 cases which had arisen, those only in the State of Maryland. In those same hearings, I was told there was no way that the Federal Government could enforce sanctions by way of withholding funds for conservation projects from the States. I consider this almost unbelievable that the Federal Government, which advances large amounts of money to the States for the development of conservation projects is virtually powerless to assure observance of the Federal laws in the States receiving such aid.

Therefore, I have been having our Committee staff prepare a bill which will provide that no State having regulations more liberal than the Federal regulations concerning the taking of migratory birds under the Migratory Bird Treaty

Act shall be eligible to receive Pittman-Robinson funds. Perhaps that will provide some check to the defiant attitude of States who are willing to accept Federal money but who are unwilling to observe measures designed to protect and conserve the migratory birds.

Another subject, Mr. Speaker, is the handling of our wildlife refuges throughout the country. In the last session, bills were before our committee which stated the long-established policy of the Congress to maintain and preserve the areas of our National Wildlife Refuges and to this end provided that—

> The Secretary of the Interior shall not dispose of, or relinquish any of the National Wildlife Refuges, or parts thereof, without the prior approval of the Congress.

Unfortunately, the committee's agenda was so full during the weeks immediately preceding adjournment that we were unable to hold hearings on these bills. However, in order to forestall any action by the Department of the Interior in disposing of refuges while these bills were pending, I asked for and received assurances from the Director of the Fish and Wildlife Service that there were no plans for disposing of any wildlife refuge at that time; that I would be informed of any proposal for the disposal of any refuge; and that no action would be taken on such proposals without a thorough review of the proposal, including appropriate public hearings. In other words, I was assured that the committee would have a reasonable opportunity to consider the legislation and the wildlife refuge program before any disposal action would be taken by the Department. Therefore, I was shocked when on December 2, 1 month before this session convened, I received a letter from the Fish and Wildlife Service advising me of the transfer of the Lenore Lake National Wildlife Refuge in the State of Washington from the Fish and Wildlife Service to the Washington State Game Department. Not only was this a notice of an accomplished fact rather than advance information regarding a contemplated action, but to add insult to injury, I later discovered that the Department of the Interior had issued a press release announcing the disposal of the Lenore Lake Refuge a full week before I received their letter. In this instance, I immediately advised the Director of the Fish and Wildlife Service that I felt the action taken was contrary to the clear understanding I had had with him last summer and advised him of my intention to hold hearings on this subject immediately after Congress reconvened. Notwithstanding the action taken by me in this instance, I received three more notices regarding disposals of wildlife refuges between December 8 and January 3.

I do not mean to imply that the disposals in question were necessarily unjustified, but I feel very strongly that the Congress is entitled to know what the circumstances are and to have a full and complete explanation of the urgency which has brought about these actions contrary to earlier assurances and immediately in the face of the convening of this session of Congress.

I need not prolong this statement by going into the details of the recent opening of the National Wildlife Refuges to oil and gas leasing. The papers have been full of this subject and I am sure all are acquainted with the existence of the situation.

However, I have cited these three instances merely to call attention to the broad scope of the problems which I feel we must take up immediately.

Where there is smoke, there may be fire, and all signs point to the possible existence of unsavory conditions down there in the Fish and Wildlife Service which ought to be brought into the open. The committee is prepared to devote considerable time and attention during this session to these problems.

THE FARM PROBLEM

Mr. WIER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. WIER. Mr. Speaker, I suppose that we can be grateful that the President has finally conceded that the problems facing American farmers need the urgent attention of the Congress. The farmers of my district, I think, would have said this last year or the year before.

Like the state of the Union message, however, this belated message on agriculture seems to arouse more questions than answers.

The most obvious question, of course, is: Why so little, so late?

When the administration was shouting prosperity from the treetops, was it unaware that farmers were being caught in a cost-price squeeze that could only lead to disaster?

But more specific questions are raised by the recommendations of the message for new authority where authority already exists. It asks for action in areas so far characterized only by inaction.

The so-called soil-bank proposal is hailed as an "immediate need." Is the administration unaware that this plan was introduced by my colleague the gentleman from Minnesota [Mr. MARSHALL] on February 2, 1954, and reintroduced on January 17, 1955? Is the President unaware that the Department of Agriculture submitted an unfavorable report on the bill to the House Committee on Agriculture as late as July 27, 1955?

We are naturally glad to see that the merits of this plan have finally been recognized by the administration, but we fear that the recognition may be too late.

In outlining his suggestions for surplus disposal, has the President failed to read the Commodity Credit Corporation Act which already provides authority for export subsidies, donations to relief agencies, the school lunch program, and so forth?

The tools for strengthening commodity programs under point 3 of the message exist in present law. Surely, failure to administer existing law does not demand new law to be administered by the same people.

The President now asks for an expanded school milk program. Yet the Agricultural Appropriations Subcommittee of this House a short time ago had to insist that the Secretary of Agriculture accept and use the funds it made available for the program.

We also note a belated concern for small farmers under point 5 of the message, yet the Organic Act establishing the Farmers Home Administration has been the law of the land during this administration. Again we ask, Why have the tools provided been unused so long?

Surely no one can deny that the Congress has been more than liberal in providing funds for agricultural research. The question now is: When do we see the results?

Again, we all agree that sound and reasonable credit must be made available, particularly to small farmers. How has the administration pursued this goal? By increasing interest rates?

And finally, we again welcome the President's change of heart on repeal of the Federal tax on gasoline used on farms. As late as October 1955, administration spokesmen were opposing the bills pending before the House Committee on Ways and Means which were specifically intended to do this job. The administration, I trust, will accept the President's recommendation and revise its own recommendations to the committee in order to support the bills which have been pending so long.

All in all, Mr. Speaker, the message is a statement of pious intentions to carry out old laws, but it proposes little of value to the dairy farmers and small farmers of my district who are concerned with maintaining a decent family income.

THE FARM PROGRAM

Mr. MARSHALL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. MARSHALL. Mr. Speaker, I find it necessary to rise in order to disavow a well-intentioned rumor circulated by some of my colleagues charging me with writing planks in the President's farm program.

It is true that on February 2, 1954, I introduced H. R. 7662, a bill to authorize the Secretary of Agriculture to establish policies and programs for use of acreage diverted from production by the establishment of acreage allotments.

It is true that on April 6, 1954, the Department of Agriculture wrote a letter to the respected chairman of the House Committee on Agriculture, at that time, the gentleman from Kansas [Mr. HOPE], recommending against passage of the bill.

It is true that I reintroduced this plan as H. R. 2420 on January 17, 1955.

It is also true that on July 27, 1955, the Department of Agriculture wrote a letter to the present chairman of the House Committee on Agriculture, the gentleman from North Carolina [Mr. COOLEY],

again recommending against passage of the bill.

While I cannot accept credit for the change of heart undergone by the administration in the past 5 months, it is gratifying to know that the President felt the plan worthy to be included in his special message to the Congress on agriculture.

This gratification is tempered, however, by two factors. One is that the situation has become considerably worse in the last 2 years and failure to adopt the plan promptly must necessarily handicap its operation.

The other factor that disturbs us, Mr. Speaker, is that this plan will have to be administered by the very officials of the Department who twice recommended that it not be enacted by the Congress.

We sincerely hope that the present conversion, though late, is a sincere one. No petty pride of authorship could prompt us to wish ill to the President's proposal at the expense of the farm people whom we both serve.

I also want to state emphatically that this plan, as we conceived it, was never intended to be a cure-all for the many problems causing so much distress among farm families today. It was intended as one part of a well-rounded and realistic farm program designed specifically to maintain farm income during a period of adjustment.

It was not intended merely as a negative approach—to reduce acreage and cut production. Instead, it was intended as a positive approach—as an investment in the fertility of our precious soil resources and our food supply for the future.

Administered honestly and with this goal in mind, it could become an important part of the long range farm program so sorely needed. We only wonder what the delay has cost us so far? And certainly we can be forgiven for wondering how men who opposed it 5 months ago can now wholeheartedly accept its administration?

The distress in agriculture is a national ailment and it demands the best efforts of all of us. Therefore, we are glad to have the President's cooperation and want to assure him of ours.

FORTY THOUSANDTH VISA ISSUED FOR ITALY UNDER REFUGEE RELIEF PROGRAM

Mr. MORANO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. MORANO. Mr. Speaker, I am sincerely pleased that this week the 40,000th visa was issued for Italy under the refugee relief program.

Nicolo Calabrese, of Naples, received this prize visa. He will come to the United States within the next 2 months with his wife Maria, and their 3 year old daughter Poala. The entrance of this family to our country was sponsored by 2 Americans: Raffaele Calderone, of Newton, Mass., the principal sponsor providing the housing assurance and the assurance against becoming a public charge; and Abraham Levine, also of Newton, has provided the employment assurance. This is a sterling example of the principles of brotherhood as practiced in America.

In view of the fact that the refugee relief program is under the direction of my distinguished friend and constituent, the Honorable Pierce J. Gerety, of Southport, Conn., I would have been delighted to have this honored refugee family settle in my district. I regret that this is not so. They are going to Massachusetts. My consolation, however, is that they will be in good hands in the district of my colleague from the 13th Congressional District of Massachusetts, RICHARD B. WIGGLESWORTH.

While the issuance of the 40,000th visa is a happy and important milestone in the refugee relief program as applied to Italy, Mr. Speaker, I feel compelled to call to the attention of my distinguished colleagues other facts with regard to Italy.

We now know that the 60,000 visas allocated for Italy under the Refugee Relief Act will be used by the end of 1956. So many applications are now on file that the cut-off date was announced as of December 28 and no new cases are being accepted for processing. This means that for all practical purposes we will be clamping down on immigration from Italy unless we give prompt consideration to the recommendations of the President in his state of the Union message. He has recommended that the unfilled opening from various countries under the Refugee Relief Act be distributed to Italy, Greece, and other areas of need.

SCHOOL-LUNCH PROGRAM

Mr. LAIRD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. LAIRD. Mr. Speaker, I take this time to inform the House that I have introduced H. R. 8373, which provides for an additional $10 million for this fiscal year for the school-milk program.

There are 12 States in which additional funds are needed during the fiscal year 1956.

In addition to this, this bill provides for an additional $4,500,000 for the brucellosis-control program. There are 22 States that need this additional $4½ million. I hope the House and the Senate will take action on this bill, as it is important and immediately needed in these 34 States.

DISASTER RELIEF

Mr. McDONOUGH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. McDONOUGH. Mr. Speaker, I am taking this time to call your attention to a bill which the House Banking and Currency Committee has reported out and on which a rule has been granted. I understand that this bill will be called up for consideration next week. It has to do with the increase in the authorization of funds for disaster loans under the Small Business Administration.

The amount authorized in the bill is $50 million. I do not think this is enough, and I hope the House will consider seriously increasing it to $100 million, because this is not an addition to the national debt, it is a loan; it is money loaned at 6 percent interest to small business that is injured as a result of disasters such as floods, hurricanes, droughts, or earthquakes.

I think because of the disasters we have had in various parts of the Nation during the last year we should provide in this bill an adequate amount to meet any contingency that may result from disasters in the future.

AGRICULTURAL CONSERVATION POLICIES

Mr. HOSMER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOSMER. Mr. Speaker, the President has made a very commendable proposal to relieve our farm problem by placing some 40 million acres of farm land in a soil bank. Few people know that we already have some 21 million acres of good land in such a bank right now, comprised of idle farmlands in the Midwestern States, southern, and southeastern sections of the country.

The effectiveness of these two soil banks and the interest that the Nation and its taxpayers might receive from these soil-bank accounts should not be diminished by inconsistent proposals for reclamation programs, such as the upper Colorado River storage project, which would put large amounts of agricultural land into production.

I will discuss this matter in detail at the conclusion of today's legislative business and special orders, and take this opportunity to call your attention to the location in this RECORD of the full discussion.

THE ISRAEL-ARAB SITUATION

Mr. LECOMPTE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and include a newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. LECOMPTE. Mr. Speaker, Prof. Joseph Dunner, chairman of the political

science department of Grinnell College, is honorary president for the Central States area of the Zionist organization of America. An article he wrote recently appeared in the Des Moines Register of November 25, 1955, and believing that his ideas on turning Israel into a Jewish-Arab State are worthy of consideration, I include his article in the RECORD:

DUNNER ADVOCATES TURNING ISRAEL INTO A JEWISH-ARAB STATE

(By Joseph Dunner, chairman of the political science department of Grinnell College, honorary president for the Central States area of the Zionist Organization of America)

A new war between Egypt and Israel can only be deterimental to the social and economic aspirations of all middle eastern countries.

Egypt's case, as that of all Arab nations against Israel, includes these points:

1. In order to accommodate the Jewish refugees from Europe, Israel, with the help of the U. N., has created an Arab refugee problem. It is, therefore, Israel's and not the Arabs' task to solve that problem.

2. In the Arab-Israeli war of 1948–49 the Israeli conquered territory which was not allocated to them by the U. N. As the mediator in the Palestine conflict, Count Bernadotte, suggested in his report to the U. N. Security Council on September 18, 1948, part of the Negev should be defined as Arab territory, the port of Haifa should be declared a free port, the city of Jerusalem should be placed under U. N. control.

3. Arab leaders justify Arab arming and the recent Egyptian arms purchases in the Soviet orbit by pointing to Israel's "aggressive" aims.

A HOME FOR MILLIONS

They cite Ben Gurion's assertion that the doors of Israel must remain open for the millions of Jews from the Soviet Union who might some day be allowed to emigrate to Israel, and the statements of the Herut, the party of the former Jewish terrorists, that the Jews should by right occupy all of historic Palestine—inclusive of today's Kingdom of Jordan.

Israel's case rests on the claim that the Jews, exiled from Palestine by the Roman legions in A. D. 70, have never given up their hope to live in the birthplace of the Jewish people.

PERMITTED TO RETURN

When at the end of the nineteenth century, the Turkish rulers of Palestine allowed the Jews to return in ever larger groups, they reclaimed the soil abandoned by the Arabs for centuries, transformed desert wastes into oases, built modern cities and villages, revived the Hebrew language and brought the blessings of western progress to all the inhabitants of the Holy Land.

The claim of the Jewish Zionists was the more readily recognized by both the League of Nations and the U. N. since the Arabs themselves had come as conquerers to Palestine in the eighth century A. D. and, unlike the Jews, had never considered Palestine their national or religious center.

RIGHT TO STATEHOOD

From the point of view of traditional power politics, and particularly in view of the rich oil resources of the Arab territories, United States policy makers would be foolish to oppose the wishes of the Arab leaders.

From the point of view of international morality which has a curious way of asserting itself in history, the United States would be well advised not to sacrifice a democratic and courageous Israel to Arab intimidation and the agitation of the oil lobby.

On the basis of international law and morality, the Jews of Israel have a perfect right to their statehood in a land which they built with their own labor.

INVASION IN 1948

The Arab nations invaded Israel in 1948 and called on the Arabs of Palestine not to cooperate with the Jews but to leave the area. Israel, legally speaking, has a good case for refusing to repatriate all those Arabs who left the country under the pressure of Arab propaganda.

But it is at this point that this writer disagrees with the policymakers of Israel and many of his fellow Zionists in this country.

The Arab States have refused to absorb the Palestine refugees.

FOR LIVING JUDAISM

Israel was created not only as a physical abode of the persecuted and homeless of the Jewish people but primarily as a center of a living Judaism based on the message of the Hebrew prophets.

No Jew who wants to be true to his traditions can forget that there are some 900,000 human beings at Israel's frontiers who live in a no-man's land and without hope. Jews know what it means to be refugees.

Why should the Palestine Arab have less of that attachment to Palestine than a European Jew?

There is room in Galilee and in the Negev. The United States has declared its willingness to help financially in any scheme which removes the clouds of war from the horizon of the Middle East.

THE BIG CLOUD

No other problem beclouds that horizon as much as the problem of the Arab refugees. Since Israel fears that these refugees once repatriated might constitute a formidable fifth column and conspire with the Arab States for the destruction of the Jewish Republic, the big powers would have to give ironclad guaranties for the protection of Israel's integrity.

Minor frontier rectifications should take place under the auspices of the U. N. There is no good reason why a peaceful Jordan should not be given access to Haifa as a free port.

There is no good reason why all the holy places in Arab as well as Jewish-held Jerusalem should not be internationalized.

Israel's doors should, of course, be open to any Jew who is persecuted because of his religion or race. But unless the Arabs are prepared to push the Jews out of Morocco or Egypt, no further large-scale immigration of Jews to Israel can be assumed. The chauvinistic claim of some Fascist-minded Israeli, fortunately but a handful, that Israel should occupy all of Palestine, must be silenced once and for good.

CULTURAL PROBLEM

There remains the cultural problem. The absorption of the Palestine refugees with their offspring born since 1948 will make of Israel a country half Jewish, half Moslem-Arab. Given equal chances for education and advancement, many cultural differences between both groups will disappear. Both Hebrew and Arabic could well be the official languages of the land. Both groups could have the fullest freedom to develop their religious institutions.

A binational Israel could teach the world racial, national, and religious harmony. As things stand, Israel is forced to stress military preparedness and all the other paraphernalia of a modern nation state. This was never the objective of Zionism which hoped to make of Zion a house of God.

MESSAGE FROM HIS EXCELLENCY HAILE SELASSIE I, EMPEROR OF ETHIOPIA

Mrs. FRANCES P. BOLTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Mrs. FRANCES P. BOLTON. Mr. Speaker, it was my privilege during the past months to make a very exhaustive trip to Africa. During that time I had the pleasure of talking at some length with Emperor Haile Selassie, of Ethiopia. He expressed himself as being very appreciative of the courtesies extended to him in this country, particularly that of addressing this great democratic legislative body. He asked me if I would at the earliest possible moment extend to the Members a message of goodwill.

I ask unanimous consent to extend the Emperor's message at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

(The message referred to follows:)

MESSAGE FROM HIS IMPERIAL MAJESTY HAILE SELASSIE I, EMPEROR OF ETHIOPIA, TO THE 84TH CONGRESS OF THE UNITED STATES OF AMERICA

Members of the 84th Congress:

It was, for me, a memorable occasion when I appeared, last year, before the joint Houses of Congress, to testify to my admiration for and confidence in the leadership which the United States, today, is giving to the world.

In so doing, I was expressing, at the same time, the feelings of my beloved people, and, I am sure, of freedom-loving peoples everywhere.

I was deeply touched by the great courtesy which you, Members of Congress, extended to me, and by your attentive and favorable reception of the sentiments and hopes which I voiced on that occasion.

On the opening of the 84th session of Congress, I give expression to the prayer that the Almighty may continue to uphold you in wisdom, in statesmanship and in leadership of liberty—and of the great American people.

DECEMBER 19, 1955.

RELIEVING FARMER OF FEDERAL TAX ON GASOLINE

Mrs. ST. GEORGE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Mrs. ST. GEORGE. Mr. Speaker, the President in his recent message on agriculture delivered to the House said the following:

One of the farmer's operating costs is the Federal tax on gasoline. About one-half of the gasoline bought by farmers is used on the farm. I recommend that legislation be passed to relieve the farmer of the Federal tax on purchases of gasoline so used.

Mr. Speaker, I introduced a bill H. R. 7959 to carry out this proposal in the beginning of this session of the Congress. I am reliably informed that many similar bills are still languishing in the Committee on Ways and Means. Some people, who feel they must be critical at all times, like to berate the admin-

istration for not doing certain things, but it might be well if we looked around and found out some of the things that we can do ourselves.

My bill is completely nonpartisan. It will benefit the southern farmer, the northeastern farmer, the western farmer—all farmers in our country. I urge that these bills be given speedy attention and that a bill covering this matter be passed by the Congress in the very near future.

NATIONAL COMMANDER J. ADDINGTON WAGNER, OF BATTLE CREEK, MICH.

Mr. JOHANSEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include a biographical sketch.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. JOHANSEN. Mr. Speaker, this forenoon, through the courtesy of the House Committee on Veterans' Affairs, I had the high privilege of presenting for the first time to that committee the new national commander of the American Legion, J. Addington Wagner, of Battle Creek, Mich., who gave an able presentation of the Legion's legislative recommendations.

Commander Wagner, who is not only a constituent of the Third Congressional District of Michigan and a fellow townsman, but a greatly respected personal friend, brings to the leadership of the American Legion a wealth of experience, the vigor of youth, a deep-rooted and whole-souled patriotism, and a sincere and proven interest in the welfare of the former serviceman both as veteran and fellow citizen.

In order that this House may become better acquainted with Commander Wagner's distinguished career as an officer in the United States Navy, as a Legionnaire, and as a private citizen, I insert a biographical sketch of Commander Wagner at this point in the RECORD:

J. Addington (Add) Wagner, attorney of Battle Creek, Mich., and a Purple Heart Navy veteran of World War II, was elected national commander of the American Legion by the 37th national convention at its closing session in Miami, Fla., on October 13, 1955.

His rise to the highest office in the American Legion came as a climax to 9 years of outstanding service in his post, his department and in the national organization. At the 34th national convention at New York City in 1952, he was unanimously elected national vice commander for 1952–53. After his term of office as national vice commander, he was appointed chairman of the national Americanism Commission for 1953–54, and vice chairman for 1954–55.

Add Wagner enrolled in General George A. Custer Post No. 54 of the American Legion at Battle Creek, immediately upon his return from his military service in World War II in March 1946. He served in succession as post adjutant, post commander, 3d District judge advocate, member of the department constitution and bylaws and legislative committees and as department commander during 1950–51. He is a member of Voiture 181 of the Forty and Eight.

Wagner was born at Battle Creek, January 22, 1914. He is the son of John A. and Alice M. Wagner. He was graduated from the Battle Creek Central High School in 1932; attended Hillsdale College in Michigan from 1932 to 1934 and received his law degree from the Washington and Lee University Law School in 1937. An outstanding athlete, Add Wagner captained his high school swimming team to a State championship, then as cocaptain at Washington and Lee he led his university swim team to a Southern Conference championship in 1936 and 1937.

Wagner was admitted to the Michigan State Bar immediately after his graduation from college. He has been practicing law with the family firm of Wagner, Wagner & Wagner at Battle Creek since 1937. He is married to the former Virginia Dare Beagle and they have one son, John A. Wagner III.

During 1940–41, Wagner was assistant attorney general for Michigan, and he served also from 1946 to 1948 as chief assistant city attorney of Battle Creek. He has been very active in civic and community affairs. His achievements in this field include membership on the executive board of the Battle Creek Area Council of the Boy Scouts of America; a directorship on the Community Chest; membership on the Greater Battle Creek Industrial Development Committee; affiliation with the Episcopal Church, the Calhoun County and Michigan State Bar Associations, the Battle Creek Chamber of Commerce, the Masons, the Exchange Club, Delta Tau Delta and Phi Delta Phi Fraternities.

Wagner entered the United States Navy, April 6, 1942, and was commissioned as an ensign in the United States Naval Reserve. After completing his training at various centers, he was put in command of an LCI and took this ship for a shakedown cruise via the Great Lakes and the Illinois and Mississippi Rivers to Galveston, Tex. From there he proceeded via the Panama Canal to San Diego, Calif., where his ship became a part of LCI flotilla 36 and proceeded to Pearl Harbor. There the ships were converted to rocket firers for close-up support in amphibious landings. Wagner was wounded during an air attack in the Okinawa operation and sent to fleet hospital III, at Guam. He recovered in time to rejoin his ship to participate in the initial occupation of Japan. He was presented the Purple Heart by Adm. Chester W. Nimitz.

After serving alternately with the 3d and 5th Fleets in the Pacific, Wagner was released to inactive duty on March 23, 1946, as a lieutenant. He was promoted to the rank of lieutenant commander, United States Naval Reserve in 1947. He helped to organize the Naval Reserve unit at Battle Creek and still is a naval reservist.

PETROLEUM PRODUCTS PROFITS DISCLOSURE BILL OFFERED

Mr. HESELTON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD in two instances and to include the text of bills I am today introducing.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HESELTON. Mr. Speaker, over the weekend the natural gas industry seems to have perfected its latest weapon in its drive to free itself from Federal regulation.

Its attack upon the Washington Gas Light Co. is transparent. The fact that the local company has joined many other distributing companies in opposing passage of the Harris-Fulbright bill must be very disturbing. So, under the guise of requiring disclosure to the consumers of natural gas, we have the spectacle of punishment for expressing an honest opinion as to merits of legislation proposed to Congress.

But the principle of disclosure is one most people can support.

I happen to believe that it can and will be extended. I know of no valid reason why purchasers of gasoline, grease, fuel oils or any other petroleum product should not have the right to know where their dollars and cents go as much as the consumers of natural gas. At this time, when three increases in the cost of fuel oil already have been put into effect, there is more reason for full disclosure than in the case of natural gas.

I regret that the suggested disclosure of the elements of cost of natural gas did not include the amount of subsidy by the Federal Government in the form of depletion allowances, writing off exploration expenses, rapid amortization of plant facilities and the like. I have drafted a bill which covers this as to gasoline and petroleum products. I assume that the sponsors of the disclosure principle in the case of natural gas will promptly offer amendments to their bills to cover this. Possibly other major elements of cost should be specified.

The text of the bill I have filed in the House today follows:

H. R. 8358

A bill to provide that each person selling gasoline or other petroleum products shall make full disclosure to the purchasers with respect to the costs, profits, and Federal subsidies properly allocable to such products

Be it enacted, etc., That this act may be cited as the "Gasoline and Petroleum Products Full Disclosure Act of 1956."

INFORMATION REQUIRED TO BE SET FORTH ON FACE OF BILLS

SEC. 2. Each person who sells any petroleum, gasoline, or other petroleum product which has been transported in interstate or foreign commerce, shall, with respect to such article, set forth on the face of the bill relating to such sale a clear and concise statement of—

(1) the extraction costs,

(2) the refining costs,

(3) the transportation costs,

(4) the sales costs,

(5) any other major item of cost reflected in the price for which such article is being sold, and

(6) the amount of profits received by each person who has handled such article.

In addition, on the face of the bill there shall be set forth a clear and concise statement of the total amount of subsidy under the laws of the United States (whether in the form of the allowance of percentage depletion, in the form of the allowance of exploration expenditures, in the form of tax certificates for the rapid amortization of plant facilities, or otherwise) granted to all persons who have handled such article and which is properly allocable to such article.

INFORMATION WHERE NO BILLS ARE RENDERED

SEC. 3. In the case of any sale described in section 2 for which no bill is to be rendered, the information required by section 2 shall be posted on the fuel pump or other dispenser, or shall otherwise be posted prominently and conspicuously on the premises at which the product is being sold.

INFORMATION TO BE KEPT CURRENT

SEC. 4. The information required to be disclosed by this act shall be revised by each person subject to this act as frequently as may be necessary to ensure full and current disclosure, but in no case shall any such person make such a revision less frequently than once each 6 calendar months.

BASIS FOR INFORMATION

SEC. 5. All information required to be disclosed by this act shall, to the maximum extent practicable, be compiled on the basis of the actual figures. In any case where it is impossible to ascertain any actual figure, there may be substituted for such actual figure a reasonable estimate, but only if such reasonable estimate is arrived at by the proper application of sound principles of accounting.

SPECIAL RULE FOR INDEPENDENT RETAILERS

SEC. 6. (a) Any independent retailer of gasoline or other petroleum products shall be deemed to have complied fully with this act, and shall not be liable for any penalty under this act, if he displays prominently and conspicuously on his premises the information made available to him pursuant to this act as a purchaser of such products.

(b) For purposes of this section, the term "independent retailer of gasoline or other petroleum products" means any person who sells such products at retail other than a person who—

(1) is a producer, refiner, distributor, or wholesaler of such products, or

(2) is directly or indirectly affiliated with a person described in paragraph (1); or

(3) is a lessee of a person described in paragraph (1) or (2).

PENALTY

SEC. 7. Any person who violates any provision of this act shall be fined not more than $100 for each such violation. For purposes of the preceding sentence, each day during which section 3 of this act is violated with respect to any place of business shall be treated as a separate violation.

RESTRAINING VIOLATIONS

SEC. 8. (a) The United States district courts shall have jurisdiction to prevent and restrain violations of this act. The United States attorneys, in their respective districts, under the direction of the Attorney General, shall institute civil actions to prevent and restrain such violations. Such civil actions may be by way of petition setting forth the case and praying that such violation shall be enjoined or otherwise prohibited. When the parties complained of shall have been duly notified of such peition, the court shall proceed, as soon as may be, to the hearing and determination of the case. Pending such petition, and before final decree, the court may at any time make such temporary restraining order or prohibition as shall be deemed just in the premises.

(b) Whenever it shall appear to the court before which any civil action under this section may be pending that the ends of justice require that other parties should be brought before the court, the court may cause them to be summoned, whether they reside in the district in which the court is held or not, and subpenas to that end may be served in any district by the United States marshal therof.

EFFECTIVE DATE

SEC. 9. This act shall take effect on the day which is 90 days after the day on which this act is enacted.

BILL OFFERED TO REQUIRE RAILROADS TO FURNISH ADEQUATE PASSENGER SERVICE

Mr. HESELTON. Mr. Speaker, I have filed in the House today a resolution which would require every common carrier by railroad to render safe and adequate passenger service. The Interstate Commerce Commission would be given jurisdiction and responsibility to require such service and would be empowered to establish penalties and other sanctions for the nonobservance by such railroads of its rules or regulations.

Apparently there is a difference of opinion as to the power of the Interstate Commerce Commission to take any action in this vitally important field of interstate transportation. Since the public utilities commissions of the States cannot take any effective action as to interstate transportation, this leaves a no-man's land in which the traveling public has no protection.

It is gratifying that when Mr. McGinnis sought to withdraw Monday in Boston his effort to become president of the Boston & Maine, Mr. William Griffin, his counsel is reported to have told the ICC examiner that Mr. McGinnis could not be present because he was busy dealing personally with a service breakdown "that I make not the slightest effort to conceal or minimize." However, I believe that the traveling public is entitled to more than that and that the Interstate Commerce Commission should be in a position as soon as possible to act promptly and vigorously in guaranteeing safe and adequate passenger service whenever and wherever responsible railroad officials cannot or will not provide it.

The text of the bill follows:

H. R. 8359

A bill to amend the Interstate Commerce Act to require railroads to furnish adequate passenger service

Be it enacted, etc., That section 1 of part I of the Interstate Commerce Act is amended by inserting after paragraph (4) the following new paragraph:

"(4½) It shall be the duty of every common carrier by railroad subject to this part to render safe and adequate passenger service (including commutation service). The Commission may establish reasonable rules, regulations, and practices with respect to passenger service by common carrier by railroad subject to this part, and the penalties and other sanctions for nonobservance of such rules, regulations, or practices."

SEC. 2. The amendment made by this act shall take effect on the first day of the first month which begins more than 30 days after the date of the enactment of this act.

THE SCHOOL-HOUSING PROBLEM

Mr. RHODES of Arizona. Mr. Speaker, I believe the President has taken the steps that are necessary in solving our school-housing problems. His proposals are in line with the recommendations of the recent White House Conference, and I am sure these recommendations reflect the will of a majority.

I am particularly pleased that the new proposals place the Federal Government in the role of supplementing State and local initiative and resources and that Federal aid will not be permitted to displace State and local effort.

I believe it is absolutely proper that Federal funds be used to help eliminate the existing deficit of classrooms, and, once that is done, to expect the States and localities to keep up with their current needs without the necessity of Federal help.

The President has earned the heartfelt thanks of everyone in this Nation who is concerned about our school-construction problem, for recommending a sound approach to its solution.

ECONOMIC RACE WITH SOVIET RUSSIA

Mr. SMITH of Wisconsin. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SMITH of Wisconsin. Mr. Speaker, today we are on notice that our Government expects to enter into an economic race with Soviet Russia. To me this is startling news. When we analyze the statement we must realize what is happening to us. It is suggested that every American taxpayer will now compete with the Russian Government, a slave state. If anything will lead to economic collapse in this country, it seems to me that it is this kind of a program. Now that Congress is on notice it seems to me that we have a great responsibility to the taxpayers of this country to make certain that we do not take this first plunge into economic disaster. The Soviet cannot defeat us militarily, but since 1945 they have done it politically, as the continued march of communism will attest. Now our leaders are falling for the propaganda they are spewing on the economic front. We can lose that fight and bankrupt the Nation. Let us use the common horsesense that God gave us.

THE LATE JOHN E. PEURIFOY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, the recent death of our Ambassador to Thailand, John E. Peurifoy, is a personal loss to his many friends and admirers. His tragic death is a great loss to America and to the free world. For John Peurifoy, in his ability to effectively meet and combat communism in the diplomatic field, had made an outstanding name for himself.

He met successfully the destructive efforts of the Kremlin in Greece, later in Guatemala, and at the time of his tragic death, was giving the same type of leadership in Thailand—another danger area of the world.

The life of John Peurifoy is like a Horatio Alger story. There are very few countries in the world where success like his could happen, where real opportunity under the law exists for all. John Peurifoy took advantage of our institutions, and with high-minded ambitions, and his remarkable ability coupled with his determination, advanced step by step to

the high and grave positions of responsibility, and to the one he occupied at the time of his untimely death.

His life is an example for all others to follow, and particularly the youth of America.

It was my pleasure to know John Peurifoy personally and to number him among my valued friends.

Some 3 or 4 months ago, on the occasion of his last visit to Washington, he called in to see me, during which visit we discussed world conditions and southeast Asia, and the Far East in particular.

While he did not tell me in so many words, it was apparent to me that he was concerned with the situation in the Far East. It was clear to me that he had a deep respect and friendship for the government and the people of Thailand. He was warn in his praise of them.

It was also apparent to me that he placed great emphasis on the future of South Vietnam to remain free from Communist domination, and the importance of such freedom to the whole Far East area, from Indonesia to Japan.

In evaluating what he told me, I deducted that it was his opinion that if South Vietnam becomes Communist-dominated, it would be difficult to save Laos and Cambodia from Communist infiltration and control. And if this happened, then Thailand would be directly threatened, which would involve the rest of southeast Asia, with probable effects as far as Japan.

With Thailand strongly anticommunistic and friendly to our country, if South Vietnam, Laos, and Cambodia go to the Communists, both Thailand and the United States will be faced with the making of quick and important decisions. I also drew this deduction from what he had to say.

To Mrs. Peurifoy I extend my deep sympathy in the tragic deaths of her beloved husband and her dear son.

Mr. GARY. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Virginia.

Mr. GARY. Mr. Speaker, It was my privilege to serve on the subcommittee of the Committee on Appropriations which handled the State Department bill at the time John Peurifoy was serving as Assistant Secretary of State.

I remember quite well that when General Marshall became Secretary of State he selected John Peurifoy for a most sensitive assignment. Secretary Marshall gave him instructions to go through the State Department and weed out any subversive persons. John Peurifoy discharged that duty with great ability. He cleaned up the State Department at that time, as the subsequent record has shown. In fact, the excellence of his work in that assignment has recently been borne out again by published disclosures in the "security risk" controversy. His talents were needed, and his job was well done.

I followed his career with great interest after that, and was indeed pleased to see that the present Republican Administration recognized his abilities. His work in Guatemala and Thailand was brilliant. He was a great American. It was my privilege to know him. I want to pay my respects today to John Peurifoy for his outstanding service to America, and for the great contribution he made toward the promotion of world peace.

His tragic death was a loss to millions of people who may never know his name.

Mr. DORN of South Carolina. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from South Carolina.

Mr. DORN of South Carolina. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. DORN of South Carolina. Mr. Speaker, as a distant relative, personal friend and admirer of the late John E. Peurifoy, I appreciate the kind remarks of the gentleman from Massachusetts and the gentleman from Virginia. Jack Peurifoy was born and reared in South Carolina. He was from a family with a tradition of distinguished service to community, State, and Nation. On the maternal side he was related to the Wrights and Bleases and others prominent in the affairs of Newberry County. On the paternal side his grandfather was Daniel Byrd Peurifoy, a famous legislator of historic Edgefield County. Later that portion of Edgefield County became Saluda.

My father, the late T. E. Dorn, established the first accredited rural high school in Saluda County, at Zoar. Later I was privileged to attend Zoar school which had become famous. Jack Peurifoy's father taught at Zoar school and later became circuit solicitor at Walterboro in the lower part of South Carolina. Ambassador Peurifoy's uncles, Daniel Byrd Peurifoy II and James E. Peurifoy, were distinguished lawyers, the latter becoming circuit judge.

Jack Peurifoy was one of the greatest South Carolinians of all time. He had the love and respect of both political parties in Washington. His service to America in Greece, Guatemala, and Thailand will be long remembered as an example of astute and loyal diplomacy to the cause of freedom. He was not only a great South Carolinian but an outstanding American. His service to democratic principles and ideals is recognized not only in America but throughout the free world. He stemmed the march of communism in Greece and Guatemala and was on the road to doing the same at the time of his untimely death in Thailand.

As Assistant Secretary of State, he will be noted and admired for years to come. Before his death, he had been mentioned prominently as suitable material for Governor of South Carolina, the United States Senate and the Presidency of the United States. By perseverance, determination, courage, and adherence to high ideals, he went from elevator operator to a position of high esteem in the diplomatic world. He was respected and known by all the great leaders of our time. His neighbors, relatives, and friends in South Carolina join me in extending to Mrs. Peurifoy and the surviving son our deepest sympathy. We will miss "Jack" and his lovely little son, Daniel Byrd, whom I remember so affectionately from a wonderful night with them in Athens, Greece.

The cause of freedom everywhere will miss the forthrightness and ability of John E. Peurifoy.

MAJOR ACCELERATION OF FLOOD CONTROL PROGRAMS

The SPEAKER. Under previous order of the House, the gentleman from Mississippi [Mr. SMITH] is recognized for 30 minutes.

Mr. SMITH of Mississippi. Mr. Speaker, sometime within the next few days the President will submit to Congress his budget for the fiscal year 1957. It is probable that the administration will ask for a larger sum for flood control during the coming year than was requested in 1955. Those of us who are concerned about the protection of our natural resources and the lives and property of American citizens are, of course, pleased at the prospective increase.

We are not too happy, however, at the realization that this increase will be forthcoming only because of the flood disasters which struck along the eastern seaboard and in California during recent months. As with agriculture, there are too many indications that those in control of the fiscal policy of this administration prefer to ignore problems until disaster strikes. The Congress must not accept the idea that we can agree to anything short of a major acceleration of our flood control program if our Nation is to be given full protection against this menace.

The Congress has two important jobs to do in the flood control field. First, there must be a major increase in flood control appropriations to meet the immediate needs in this field. There are vast demands for funds for work long overdue. Secondly, the entire authorized flood control program needs to be reviewed, primarily with a view of modifying existing projects to meet changing conditions. Such a review will undoubtedly bring to light many new projects which should be authorized, and it is likely that many will be found to be obsolete.

APPROPRIATIONS

Let us look at the record, for a moment, in regard to this matter of flood-control appropriations. I hope that the Congress will see fit to greatly improve the record of the present administration by the action we take in this session of Congress.

Through the years, Congress has met the responsibility of providing funds for flood control. This was done in increasing amounts until World War II. Only those projects essential to the national defense were carried on during that period of crisis.

Following the war the Corps of Engineers was again able to resume its peacetime activities full-force. Congress resumed its appropriations for flood control. In the fiscal year 1946, $134 million was appropriated for construction

of flood control projects. Appropriations increased annually, reaching a postwar high of $403 million in 1950.

During the Korean crisis appropriations continued at a relatively high level, but fewer new projects were started.

A review of flood control appropriations for the present administration shows a sharp decrease during the 83d Congress and an attempt to restore some the decreases in the 1st session of the 84th Congress. The accompanying table shows graphically what has been done—and what has not been done—on this subject over the past few Congresses. These figures represent the type of expensive economy that the Eisenhower administration has pursued. Healthful progress toward attaining eventual near-complete protection from disastrous floods has been slowed to a snail's pace. The good work of previous administrations, which first recognized and gave form to Federal responsibilities in the area of flood control, is being throttled. If the policy of the 83d Congress in regard to flood control appropriations, on the somewhat specious plea of balancing a budget which never balanced, is continued, many more lives will be lost and much more property will be damaged. Disasters like this can be prevented by a continuation of the policies of previous Congresses.

In his message accompanying the last budget he submitted to the Congress, President Truman said:

> I believe we should no longer defer certain flood-control and power projects which we have repeatedly postponed since the beginning of World War II.

In the message, therefore, he asked for funds for six new starts and additions to projects already in process of construction. In all, funds were requested for 43 projects. In asking for funds for the new projects, he noted that they were required to protect areas which were highly vulnerable. The total requested for construction was some $20 million more than that for the previous year.

EIGHTY-THIRD CONGRESS

However, there was a new administration; new hands were at the helm, and there was another Congress—the 83d. For several months nothing happened in Congress. Then on April 20, 1953, there arrived a supplemental budget with requests for flood-control funds. This request eliminated the six new projects and cut the request for funds for construction from the $116,063,000 proposed by President Truman to $69,669,000. Eliminated also was the highly important item of emergency funds of $6,925,000.

By the time the 1st session of the 83d Congress had finished with even the supplemental budget, the money available for this vital purpose had shrunk to $49,209,000, less than half of what had been requested by the Democratic administration.

That was only half of the darksome tale of the 83d Congress and its ruthless economy.

The following year, in his 1955 fiscal year budget message to the Congress, President Eisenhower included a request for a very modest increase in flood control construction funds. This was for $62,832,000. The opponents of flood control in the Congress went to work. The result—an appropriation of $56,765,000. No new starts were included. No badly neded emergency funds were asked for, nor provided.

A YEAR LOST

The effect of these cutbacks was that the equivalent of a whole year or more has been lost in our ceaseless struggle against the evil forces of nature—a whole year in which many lives could be lost, many homes destroyed, many businesses wiped out, and many jobs lost. In the past few months we have seen floods take their toll. We know that a major part of this damage could have been avoided or sharply reduced.

The 84th Congress in its 1st session has been able to lighten somewhat the otherwise dark picture. Over stormy opposition, the new Congress advanced the total appropriation for flood control construction from the budget request of $85,327,000 to $99,652,000, an increase of 75 percent over the previous year. It is hoped that this trend will continue during the 2d session of this 84th Congress.

Examination of the appropriations of the 83d Congress as they were allocated to the Corps of Engineers for flood control projects is illuminating. What do we find? Bear in mind the disastrous floods in the northeastern States and in California of recent history. In the fiscal year 1954 appropriations, not 1 cent was appropriated for construction of New England flood control projects, and only $290,000 was spent from previously appropriated funds throughout New England. In 1955 only $560,000 was appropriated for this purpose.

Again it is worth noting that for all of the 11 States horribly damaged by the floods following in the wake of hurricane-induced torrential downpours in the past 2 years, the administration requested funds for only a few minor flood-control projects.

BACKLOG AWAITING ACTION

In 1927 when the disastrous flood of that year had created nationwide interest in river control, the total approved program of civil works amounted, in estimated cost, to about $1,200 million, that is, some $1.2 billion. About $800 million had at that time been appropriated to carry out this authorized program, which means that a backlog existed even then of about $400 million worth of work, at 1927 prices.

In 1937, following the increased interest in flood control and waterway development reflected in the passage of the 1936 Flood Control Act—with its declaration of policy that prevention of floods in cooperation with the States and other local political subdivisions was a proper activity of the Federal Government—the backlog of uncompleted projects had grown from $400 million in 1927 to $900 million worth of construction, at 1937 prices. In 1947, after World War II, and when the concept of basinwide development was being generally accepted, the backlog had grown to $5.4 billion, at 1947 prices.

Today the estimated cost of construction of all civil works projects which have been approved for construction by the Congress is approximately $19 billion, of which a total of less than $7 billion has been appropriated; thus, there exists today a backlog of projects, either not started or not completed, of about $12 billion worth of work, at today's prices.

Admittedly many of the projects in this backlog have now become obsolete, or for some other reason should not be built. For the sake of discussion, let us assume that one-third of all the work represented by today's accumulated backlog should, for some reason or another, never be built. Even so, there would still remain $8 billion worth of economically sound, urgently needed, congressionally approved work either not started or not finished. This amount—$8 billion—is greater than the accumulated total of all appropriations made since 1824 for new construction for the Corps of Engineers' civil-works projects.

Now certainly, Mr. Speaker, if there is any statistical support needed for my belief that our water-resources program is critically lagging, it can be found in this ever-mounting backlog of from $400 million in 1927 to the $8 billion of today. I submit that this is at least a red flag we must heed in connection with our endeavors to insure the welfare and even the survival of future generations.

EXAMINATIONS AND SURVEYS

A minor but vastly important failure of the Congress in the matter of appropriations in the past few years has been the drastic reduction in the funds for examinations and surveys. These funds have been reduced so greatly that any major surveys must receive special earmarking from the Bureau of the Budget and the Congress. The reduction in survey funds has been defended with the false logic that there is such a huge backlog of already authorized projects that there is no point to allowing further studies for any new project that might be authorized.

This is a splendid example of that overworked term "false economy." It means that the Corps of Engineers is prevented from making adequate studies of any flood-control problem until some major or minor disaster occurs in the area, bringing sufficient pressure upon the Bureau of the Budget and/or the Congress to make special funds available for the study. It means the corps is barred by lack of funds from exercising the normal review of the worth of existing projects which should be carried on at all times. I hope that Congress during this session will rid itself of this burden of sharply restrictive survey funds.

According to the United States Weather Bureau, the climatic patterns of the Northern Hemisphere are undergoing a change. It is believed that our country will be more and more affected by tropical hurricanes. More in recent years, and even more in the near future, it is believed, of these dreaded hurricanes will strike the United States main-

land with their unleashed fury. Most of them bring torrential downpours. Since the newly developing patterns carry the hurricanes through the most highly industrialized and densely populated sections of the country, the awful possibilities, nay, probabilities, for disastrous catastrophies are truly frightening. Already this new pattern has cost the country 500 lives and an unknown amount of property damage variously estimated at between $1 and $2 billion.

RECENT FLOODS

What is true of the Northeastern States is in varying degrees true of the entire Nation. There have been floods of major proportions elsewhere, too. In 1952 the upper Mississippi River Basin was the scene of a flood of disaster proportions; this and lesser floods throughout the Nation snuffed out lives of 54 human beings and wreaked damage up to an estimated quarter billion dollars. Again in 1953, the State of Maine experienced a sudden thaw which swelled most of its rivers out of their banks; northwestern Iowa and most of the State of Louisiana were the scenes of major flooding. These and numerous smaller floods cost 40 lives and over $120 million in property damage.

In 1954 the Midwest suffered three major floods, the Des Moines River, the Ohio River Valley, and the Chicago area were the worst sufferers. In the same year the Rio Grande Valley was a heavy sufferer from flood waters. High waters in the wake of Hurricane Hazel wreaked considerable damage to the northeastern section of the country. Total damage last year amounted to over $1.6 billion and 44 people lost their lives. As yet, the final toll of the Christmas disaster in California has not been determined.

DISASTER PROGRAM

Special emphasis has been given by the administration and many Members of Congress toward developing some type of disaster-insurance program to cope with situations such as developed in New England last year. I hope that some program can be worked out to alleviate the financial hardship brought on by tragic disasters which cannot be prevented by man, such as hurricanes which come in from the sea. Perhaps there is even some way of helping to establish some reasonable type of flood insurance.

It would be a legislative disaster, however, if the Congress were to accept the idea that the only help we can give the country in our fight against floods is some type of insurance to compensate for damage. The only real insurance there can be is in the form of flood-control projects which will prevent floods. It will be far cheaper in the long run and it is the type of forwardlooking, affirmative approach to the problem which is consistent with every ideal of our American economy.

Our country should no more turn to insurance as a remedy for floods than it should turn to insurance for polio victims instead of devoting the funds to study and research for the development of the Salk vaccine to prevent the disease. Our primary job with floods should be to prevent them, not to alleviate the suffering they cause, as much as we want to do this when a disaster does strike an unprotected area.

REAUTHORIZATION PLAN

The Committee on Public Works hopes to play an active role in the reexamination of our entire national flood-control program that is obviously needed today. Our chairman, the Honorable Charles A. Buckley, has given full rein to Representative CLIFFORD DAVIS, chairman of the Flood Control Subcommittee, and the members of that group to conduct the hearings and studies that are needed.

The reexamination is called for, not because of any failure of the existing program, but because it is obvious that changed conditions and the continual expansion of the American economy make imperative revisions and expansions of currently authorized projects, and necessitate new authorizations that were not considered feasible when the first nationwide surveys were made some 20 years ago.

I am confident that the Congress will be glad to accept sound legislation designed to meet the needs for changes in the authorizations. These new authorizations cannot be properly studied, however, unless there is a change in policies allowing greater funds for examinations and surveys, a problem to which I referred a few minutes ago.

I hope the Congress will meet the challenge brought home to us by the flood disasters over the country last year. We will be derelict in our duty if we attempt to cover up the trouble with some patchwork designed to meet a few of the more publicized needs rather than by providing for new, basic, acceleration in our nationwide flood-control program.

We must provide an adequate and complete flood-control program for the entire United States. To accomplish this program before further major disasters strike, we must sharply accelerate the rate of flood-control appropriations. The program is going to cost money, but it will cost far less to appropriate money for flood-control measures than to pour vast sums into flood relief and subsidies for insurance programs. Beyond that, the cost of flood control is an investment in our national economy that is already yielding dividends in increased national income. The same and an even greater proportionate return can be expected as we complete the program over the country.

Nature will not wait for appropriations. Floods continue, the winds blow, and our loved ones will continue to lose their lives, or their homes, or their jobs, unless the finest and most competent minds, and ample funds, are concentrated on putting a stop to these dreadful things.

One cannot put a dollar value on human life, but the economic loss is measurable and cries for a cessation.

The record of niggardliness in this regard by the 83d Congress must not be repeated. The combination of lessened efforts to control floods and the increased losses calls for, at the very least, a reexamination of policy. It calls for forthright facing up to the problem, a positive and vigorous attack to end as soon as possible the dread fear of roaring, destructive waters on their rampage of wanton destruction. It calls for these things now, before it is too late.

Appropriations for flood-control construction, including multiple purpose projects, fiscal years 1946–56

	Millions
1946	$142.9
1947	166.1
1948	269.7
1949	385.3
1950	403.6
1951	391.2
1952	352.5
1953	288.0
1954	174.2
1955	177.0
1956	224.6

PROGRAM FOR NEXT WEEK

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ARENDS. Mr. Speaker, I asked for this time in order to inquire of the majority leader if he can tell us the program for next week.

Mr. McCORMACK. I am now in a position to do that.

Monday: Consent Calendar—H. R. 1614, veterans, increased compensation, service-connected disabled; H. R. 1821, checks forwarded, Veterans' Administration.

Tuesday: Private Calendar—H. R. 5055, veterans, cadets, and midshipmen in Spanish War and World War I, benefits.

Wednesday: H. R. 7871, Small Business Act, Sec. 204 (b) Increase Amount; H. R. 6376, Alaska, Hospitalization of mentally ill.

Thursday: H. R. 5649, restrain abuse of habeas corpus; S. 180, construction, operation, and maintenance of Washita River reclamation project, Passamaquody inquiry.

Any further program will be announced later. Conference reports may be brought up at any time.

It is understood by the leadership on both sides that if there are any rollcalls on Tuesday or Wednesday, and I doubt there will be any rollcalls on Tuesday, they will go over until Thursday, because there is a gubernatorial contest in Louisiana. I want the House to be informed on that understanding.

Mr. ARENDS. I thank the gentleman.

CALENDAR WEDNESDAY BUSINESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of next week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

THE FARM SITUATION

The SPEAKER. Under previous order of the House, the gentleman from Missouri [Mr. CHRISTOPHER] is recognized for 40 minutes.

Mr. CHRISTOPHER. Mr. Speaker, I have sought this time to analyze the farm situation, not to deal with theory but to bring some facts to the Members of this House.

We hear it on every hand that the Democrats should approach farm legislation in a nonpartisan manner, that we should seek to keep politics out of the farm problem. In my opinion, the present farm problem is due to politics, poor politics.

It is not the first time we have encountered this situation. I do not know how many actual farmers are serving on the floor of this House but I myself am a farmer. I have always been a farmer. I am still a farmer. My farm has never had anything to support it and my family except the products of the soil on that farm. I will admit that at the present time it is taking most of my congressional salary to keep that good farm out of the red, but until we get around to the place of changing administrations I do not know whether or not anything will be done about it. I am rather helpless along that line.

As far as the Republican Party is concerned, I think we Democrats will go along and help them enact a good farm program even though they propose it themselves. We Democrats have never had a dog-in-the-manger attitude. As far as I am concerned, I do not care who the author of a good farm program is if it is practical, workable, and will lift the American farmer out of the depression he is in. I do not care who brings this program before the Congress of the United States. Whoever proposes the legislation, I will support it.

That attitude has not been demonstrated by the Republican leadership of the House in this Congress or in past Congresses. I remember back in 1919 when the people wanted a change in the United States and they went to the polls and voted for it and got it. The same thing happened then that is happening now.

In June of 1921, corn in Missouri was worth $1.80 a bushel. In November of that same year, corn was worth 46 cents a bushel. I remember it so very well because I had 3,000 bushels of corn that I wanted to sell. I said, "No, I cannot take 46 cents a bushel for this corn. It was worth $1.80 a bushel last June." So I kept it until the following August and then I sold that corn for 26 cents a bushel instead of 46 cents a bushel. That was in November of 1921. We never have had a Republican victory at the polls in the United States which has not resulted in five things: Lower prices for the food and fiber produced on American farms, higher interest rates, tighter credit, a stock market that broke right out through the ceiling, and a tax cut, 95 percent of the benefits of which went to the superrich and the giant corporations. I ask you, "Does this administration qualify on those 5 counts or does it not qualify on those 5 counts?"

Mr. ARENDS. Mr. Speaker, will the gentleman yield?

Mr. CHRISTOPHER. I yield.

Mr. ARENDS. I was very much interested when the gentleman said that he wanted politics left out of the farm problem.

Mr. CHRISTOPHER. No; I did not say that—I said that the farm problem is full of politics.

Mr. ARENDS. Let us set all politics aside, and let us get the farm problem solved. I want to try to do something to get the farm problem solved for both Democrats who are my friends, as well as Republicans. We are not going to cure it by making political potentials rather than economic realities our approach to this vital question. The question is not so much who is responsible, for each blames the other, but rather how to meet the question before us. Let us try to make suggestions which are objective and constructive, based on economic realities, causes, and effect. I do not care who gets the credit for the solution just so long as we reach a sound solution.

Mr. CHRISTOPHER. I yield to the gentleman to ask a question of me. Now will the gentleman answer this question?

Mr. ARENDS. Yes, I will try.

Mr. CHRISTOPHER. What law can the gentleman point to that has been passed since the turn of the century, which was passed by a Republican House and a Republican Senate and signed by a Republican President that has been good for the farmers of the United States? Will the gentleman tell me of one and what it provided?

Mr. ARENDS. Now the gentleman is getting right back into the question of political credit and political responsibility that I have asked him not to get into. This is not a political question. The farm problem is an economic one.

Mr. CHRISTOPHER. Certainly, your party has never done anything for agriculture except to drive it into bankruptcy.

Mr. ARENDS. Now will the gentleman wait just one moment. There are many factors that have operated to adversely affect agriculture.

Mr. CHRISTOPHER. Oh, yes, European finance and all that kind of stuff.

Well, first you have to get a diagnosis of what ails the patient before you can prescribe a cure.

Mr. ARENDS. The gentleman is just trying to prod me into saying something that I do not want to say.

Mr. CHRISTOPHER. I do not mean to lead the gentleman into saying anything that goes against the dictates of his conscience. If you do not want to say it, do not say it. The gentleman must follow the dictates of his own mind and conscience. Do not pay any attention to me. I can take it.

Mr. ARENDS. Let us try to find a cure for the problem if we can. You are of agriculture and so am I. Let us try to find a cure now and let us quit talking about what has happened.

Mr. CHRISTOPHER. All right, then, I am going to diagnose the patient so that we can know what is wrong.

Mr. ARENDS. All right, let us do that.

Mr. CHRISTOPHER. I am going to find out from whom he got the infection that has made the farmer as sick as he is.

Mr. VURSELL. Mr. Speaker, will the gentleman yield?

Mr. CHRISTOPHER. I yield.

Mr. VURSELL. If I understood the gentleman correctly, the statement made a moment ago on the floor of this House is a gross misrepresentation to the effect that the tax bill which was passed benefited only the giant corporations and big business and that it trickled down from the top.

Mr. CHRISTOPHER. General Motors got $192 million of it in 1 year.

Mr. VURSELL. I want to tell you that the figures show two-thirds of the $7.4 billion went to people in the lower tax brackets at the same time that General Motors and all of the corporations had the high excess-profits taxes on them and the other high corporation taxes. And the only people we really benefited which resulted in getting this country on its feet to produce a market for farm products with the prosperity that we have now was through the tax bill that we passed, which gave the green light to small business and gave everyone an honorable and honest tax reduction; and you know that is a fact.

Mr. CHRISTOPHER. I still stand on my statement that General Motors, when you repealed the excess-profits tax, received a tax reduction of $192 million in 1 year. That was 1954. It will exceed that this year. The gentleman speaks of prosperity. Prosperity for whom? How much prosperity does the American farmer have today? Do 10-cent hogs mean prosperity?

Mr. VURSELL. Mr. Speaker, will the gentleman yield just once more?

Mr. CHRISTOPHER. I yield.

Mr. VURSELL. Is it not a fact that the excess-profits-tax legislation, which was passed by a Democratic Congress, was supposed to be taken off, and the Republicans would not allow it to be taken off at that time?

Mr. CHRISTOPHER. I refuse to yield further. You boys would euchre me completely out of my time if I permitted you to do it.

On October 31, 1955, I wrote a letter to the Honorable Ezra Taft Benson, Secretary of Agriculture, United States Department of Agriculture, Washington, D. C.

Let me say in passing that I am tired of having this farm debacle that has bankrupted the American farmer, referred to as the Benson program. Secretary Benson is an estimable Christian gentleman. I consider him such. He has been maligned from one end of this country to the other. I want this farm program referred to as the Republican farm program; yes, the Eisenhower farm program. There was never anybody very careful about criticizing Franklin Delano Roosevelt from the left side of this aisle. Nobody seemed to hesitate on that side of the aisle in criticizing Harry Truman, of Missouri, when he was President of the United States. Ezra Taft Benson is the President's hired man. He does not need to employ him a second month when he does not agree with what Mr. Benson is doing. It is high time we quit blaming Mr. Benson for these things and put

the blame where it belongs, on President Eisenhower and this Republican administration, and let Mr. Benson have a rest.

Now I want to read the letter that I wrote to Mr. Benson:

OCTOBER 31, 1955.

The Honorable EZRA TAFT BENSON,
Secretary of Agriculture,
United States Department of Agriculture, Washington, D. C.

DEAR MR. SECRETARY: The Associated Press report of your recent conference with the President at Denver, Colo., as it appeared in the Kansas City Star of October 30, 1955, has just reached my desk.

Being a farmer myself, I have read this article with a great deal of interest. It is reported that you believe the future of agriculture is bright and that the President shares this belief. You are also reported as having said that farm debts are at a record low level. That statement in no way agrees with the record.

Quoting from Agricultural Statistics, 1954, prepared under the direction of the Yearbook Statistical Committee, Department of Agriculture, page 502, table 619, I find that during the first 2 years of your administration of the Department, namely 1952 to 1954, the total mortgage debt on farms in the United States rose from $6.5 billion to $7.6 billion, or an increase of $1.1 billion.

During the same period, from table 696, page 506, it is shown that farmers increased their bank borrowings from $3.4 billion to $4.4 billion, indicating they were forced to increase their bank borrowings $1 billion during the first 2 years of your administration.

Again this book shows, page 432, table 609, that the inventory value of farmland and buildings decreased from $93.6 billion to $89.8 billion, for an inventory loss of $4.5 billion. During this same period, it is noted on the same page of the above mentioned table, the value of livestock on farms decreased from $19.5 billion to $11.8 billion, for an inventory loss of $7.5 billion, notwithstanding the fact there were more livestock on farms in 1954 than there were in 1952.

The September 1955 issue of Farm Income Situation, Agricultural Marketing Service, shows that total net farm income in 1952 was $14.3 billion, for 1953 it was $12.3 billion, and in 1954 it was $12.0 billion which means a loss of $2.3 billion during that period.

The farmer is spending his savings; he is increasing his bank debt and raising the mortgage on his farm. He is apparently following the same road traveled in the twenties, and unless the trend is reversed, we will all find ourselves in the same national chaos experienced in 1932. If the American farmer is not receiving the cost of production plus a reasonable profit for the food and fiber produced on his farm, he will spend his savings and when that is exhausted, reach up in desperation, lay hold of every segment of our economy, and pull it down to ruin—just as he was forced to do in the early thirties.

Industry has its protective tariff; labor has its minimum wage; the oil and mining industry has its depletion allowance. Every segment of our economy is subsidized and protected to a greater or lesser extent by the Federal Government, and the farmer must have adequate price supports if he is to survive in a protected and subsidized economy.

I would respectfully suggest that as Secretary of Agriculture you cease whistling in the dark and take effective action while there is still sufficient time.

Yours very truly,

GEO. H. CHRISTOPHER,
Member of Congress.

I mailed that letter to the Secretary on October 31, 1955. I quote the first paragraph of his reply to my letter:

The correctness of the figures you quote is hereby acknowledged.

That letter is on file in my office. If anybody doubts it they can come to my office and read it. Those are the figures I just gave you. The Secretary of Agriculture wrote back to me and said:

The correctness of those figures is acknowledged.

Mr. BYRNES of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. CHRISTOPHER. No.

Mr. BYRNES of Wisconsin. Why does not the gentleman read what further the Secretary wrote him? Why not put the whole letter in?

Mr. CHRISTOPHER. It is over in the office. I will lend it to you. You can put it in if you want to. I am not afraid of it.

Yesterday I sent to the Department of Agriculture and got the recent parity index. It shows that corn as of December 15 was selling for 63 percent of parity; barley at 69 percent of parity; cottonseed at 64 percent of parity; flaxseed 64 percent of parity; beef cattle at 64 percent; hogs at 50 percent of parity; lambs at 71 percent of parity; and sheep at 55 percent of parity.

They talk about a sliding scale of price supports. It is contrary to the law of gravity for anything to slide any way except down; when anything goes up it has got to be pulled up or pushed up, it does not slide up. The same is true of the sliding scale of parity.

Now if you want to compare Republicans and Democrats—it would be just as well to get used to doing it because you are going to have to if you survive—we have demonstrated as a fact just last year—I want to apologize for my remarks to the 21 Republicans who stood up on the left-hand side of this aisle and voted for 90 percent price supports last year. It takes more courage to do that on the left-hand side of the aisle than it does on the right. But those 21 stood up and demonstrated by their votes that they cared what happened to the American farmer. One hundred and seventy-two Republicans, however, stood over there and voted the other way. That is a matter of record; that is not propaganda; you can find that in the CONGRESSIONAL RECORD. That is the way it has been all during the history of these programs.

The Republican Party could have given us the Federal land bank. Did they do it? No. A Democratic House and Senate gave us the Federal land bank. Woodrow Wilson, a Democratic President, signed that legislation. Incidentally, those Federal land bank organizations have retired their last Government bonds. They put a stop to the 7, 8 and 9 percent mortgage interest on contracts that became due every 5 years in which the loan company charged 5 percent commission on top of the interest to secure the loan and at the end of 5 years charged a renewal commission of 2½ percent. Did we get Federal land banks from the Republican Party? We did not. We got them from the Democratic Party and over all the opposition that the Republican Party could muster. It was not by and with their consent but in spite of everything they could do to keep us from getting them.

I wonder how we got our bank deposits guaranty? Did they do that? Oh, no. Mr. Alf Landon, at one time Republican candidate for President of the United States, stated in one of his speeches that you could not insure or guarantee bank deposits, and it would not be right to do it if you could. But the Democratic Party under that greatest of all our Presidents, Franklin Delano Roosevelt, not only could do it but did do it and it was right.

Did the Republican Party ever give us a price support program? Did they ever slip a floor under any agricultural prices? Did they give us REA? Did they give us a Securities and Exchange Act to protect the American public against swindlers and speculators? Did they give us TVA? Oh, no. But they gave us Dixon-Yates, do not forget that. They talk about taking politics out of the farm program. I have asked many Republicans the same question that I asked the gentleman from Illinois and I got the same answer that the gentleman from Illinois gave me. No answer. The reason is plain, there is no answer.

Mr. Speaker, the people of these United States received all the good liberal legislation that was ever passed in their favor, not only the farmers but everybody that had to earn a living some way except by clipping coupons, from the Democratic Party.

Texas voted for this administration, believe it or not. I want to just use a few minutes here to show you how this administration rewarded Texas for that Republican victory down there. In 1952 their cattle at inventory value on their farms and ranches was worth $832,200,000. That was the total value of cattle on Texas farms and ranches. Two years later those same cattle were worth $592,000,000, which took $240,100,000 off the price of their cattle in those 2 years. They will not vote for another Republican administration. Well, with that kind of inventory value on their cattle, Texas farmers, instead of paying their mortgages, borrowed $113,600,000 more from the loan companies because they could not make it on their farms and ranches. They went to their bankers for $2,700,000 more money in 2 years. The chattel mortgages on their farms, implements and livestock increased an additional $194,000,000 in 2 years. This administration cost Texas farmers a grand total of $754,700,000 in its first 2 years and the end is not yet.

The authority for the above figures? The Book of Agricultural Statistics of the Department of Agriculture for 1954. That is what the administration Texas voted for did to Texas.

Any time a man that has to earn his living with his hands or his brains votes the Republican ticket he is voting against his own interest, and it is high time the Democrats had the courage to get up and face the public on the floor of this House

and all over this Nation and tell the American people the truth and let the chips fall where they will.

What has happened to the farmers of the United States? I cannot get all the figures for 1955. I hope by April or May I can get them, because the trend in 1955 has been just the same as the trend was in 1954 and 1953, only it has, as it has rolled down the hill, gained much momentum. I wish I had the figures for 1955, with 10-cent hogs. The only reason the grain market has not gone down any more than it has is because there is a little hamstrung, emaciated skeleton of our old price-support program left, and Republicans are seeking to destroy it just as fast as they can. Mr. Eisenhower says that the deepseated farm problem has been attacked with forthrightness. Well, if this is the result of the attack, I wish to God he had not attacked it. In inventory and loss of income this administration has cost the American farmer $14 billion in 3 years, and that is more than they are worth, as far as Ezra Taft Benson and as far as their legislative program is concerned.

"Oh," Republicans say, "all that liberal legislation was passed by Democrats because we never had a chance." They have been in power more years in the last century than the Democrats, and still every piece of liberal legislation that was good for men and women who have to earn their living was passed by the Democratic Party. The Reconstruction Finance Corporation is the only piece of liberal legislation that the Republican Party can claim in 50 years, and that was designed not to help the little businessman but so they could loan Charley Dawes, of Chicago, $90 million. That is why it was designed. Now, I am not saying they should not have loaned Charley $90 million. They had to to save his bank from going broke. But, there were a lot of other little banks all over the country that were just as deserving as Charley and his bank that did not get anything. Not even honorable mention. More than 9,000 banks failed during the period 1920 to 1932 and not a single deposit in any one of them insured.

You know, if I was worth $100 million, I might be a Republican, but I am just too poor to be a Republican, because all they will seek to do is to make me poorer. If I had $100 million, they would seek to make me richer. This is an old story. It is as old as I can recollect. And I can recollect back a long time. I can recollect back to the time that William McKinley lived out here in the White House and Mark Hanna, of Ohio, was Acting President of the United States. Then I lived through the Harding, Coolidge, and Hoover administrations and produced beef and pork and milk and eggs and wheat, and the more of it I produced the poorer I got. And while those three Presidents and their families lived out here on Pennsylvania Avenue in the White House, Andrew W. Mellon was Acting President of the United States, and it is very little commemoration or acknowledgment to just put his name on a postage stamp. Why, for a man that was Acting President of the United States for 12 years and then just honoring him by putting his name on a postage stamp, I do not think they are treating his memory right. Now we have two generals taking care of us: General Eisenhower living in the White House and General Motors running the United States.

What we have to have—and all farmers know it—is a minimum of $20 a hundred for No. 1 butcher hogs; we have got to have a minimum of $30 a hundred for choice, prime cattle; we have got to have a minimum of $2.25 a bushel for wheat, $1.60 for corn, and $6 a hundred for grade-A milk. And if we do not have it, we cannot go anywhere except to a foreclosure sale or a sheriff's sale. Those are the only two things we can attend unless we get those prices.

Whether we get them by price supports, whether we get them by production payments, does not make any particular difference. This heralded soil-bank proposal I am not going to condemn, but the Republicans did not think of it. It is a carryover from our old diverted acres that we had in the corn-hog program. And, just like everything else, if it is put in operation, the big man will get a big payment and the little man will get practically nothing. It is designed for the broad acreage landholder and the rancher. He has more land than he needs so he can rent the Federal Government some. But the little old boy who has only 5 acres in cotton, what is he going to do? The diversified farmer in Missouri and Iowa and Illinois, who has 80 or 120 acres, has not got enough land to operate efficiently as it is. How can he rent part of his land to the Government? It is all right as an adjunct, but prices are the keystone that goes into the top of the arch. Without it, the whole structure collapses. I do not care if you dress it in silk and deck it with diamonds. We have got to have prices.

An Assistant Secretary of Agriculture says that these farmer losses in inventory were just statistical losses. Anything is statistical if you keep a record of it. If you run out of money and go down to the bank, if the banker will still lend you some money, you give him a statistical note. But if you cannot make enough money to pay it, he can statistically sue you for it and then the sheriff can statistically sell your home to satisfy the judgment. It is just that simple.

If the Republican Party wants this farm issue approached in a nonpartisan manner, let them bring out a good farm bill that will do the farmer some good in 1956; not in 1958 or 1959 or sometime away in the future.

The farmer needs a blood transfusion. He does not need orange juice and vitamin pills. He is too far gone for that. If we give him a blood transfusion, then maybe they can feed him some vitamin pills and orange juice and keep him in good health. But for 3 years he has been bled to death. This acreage retirement program, under the soil bank plan, might help him sometime in the distant future. It is not without merit. It is a good old Democratic idea that they have dug up and revived and dressed in a new suit of clothes.

Republicans said all during the first 2 years of this administration we did not have any farm problem. The adjustment was over. We were all right. There was not anything wrong with us.

It is just like that old jingle:

> Last night I saw upon the stair
> A little man who was not there.
> He was not there again today
> Lord how I wish he would go away.

That was their attitude through the first 2 years. But now they admit that the little man is on the stairs. But they want him to jump down. They do not want to put up a ladder to him so that he can get down.

This Congress must do something effective about the agricultural situation; and whatever is done must be effective in 1956. This House voted to restore 90 percent price supports to basic commodities last year. I trust the Senate will pass that bill soon. Equalization payments should be instituted for all other farm commodities, at not less than the difference between the selling price on the open market and 90 percent of parity. Of course, allotments and acreage controls will have to continue. Perhaps the so-called soil bank plan would help. But it is by no means the cure-all which its present sponsors would have us believe.

Look at milk. My farm revolves around a Holstein dairy herd. It says here in this price index put out by the Department of Agriculture that milk was bringing the producer on the farm a price of $3.99 per hundredweight. It says that milk was selling at retail at 21.2 cents per quart during this same period.

Mr. Speaker, there are 50 quarts of milk in a hundred pounds. Half of $21.20 is about $10.60. According to this book, the farmer produced milk for $3.99 a hundred and the milk is being sold to the consumer for $10.60 a hundred. To say that I do not like that is the under statement of 1956 to date. Eight cents per quart to the farmer and 21.2 to the consumer; 8 cents for the farmer 13.2 cents for the distributor. But we get that every time we elect a Republican administration. Do not forget it. You can forget politics if you want to on the floor of the House and in committee rooms and in the handling of this legislation, but whenever you forget politics in the voting booth you are not taking care of your own interests.

THE LATE MORGAN G. SANDERS

The SPEAKER pro tempore (Mr. FASCELL). Under previous order of the House, the gentleman from Texas [Mr. GENTRY] is recognized for 30 minutes.

Mr. GENTRY. Mr. Speaker, it is with great regret that I advise the House of the passing on last Saturday of an esteemed former Member, the Honorable Morgan G. Sanders, of Texas.

Congressman Sanders had a distinguished career, not only in the public service but in the pursuits of private life.

He was born in Van Zandt County, Tex., and that country remained his home throughout his long and useful life. A descendant of a fine, pioneer family, he graduated from Alamo Institute at the youthful age of 17 and immediately became a school teacher, a

profession he followed for 3 years. At the age of 20 he was the owner and publisher of a weekly newspaper, after 4 years of which he resumed his formal education by commencing the study of law in the University of Texas. During his years of attendance at the university he was assistant journal clerk of Texas State Senate, his first position in the service of the people.

In 1902 Mr. Sanders was admitted to the practice of law and in the same year was elected as a representative of his county in the Texas Legislature. That was the beginning of 28 years in elective public office, the last 18 of which were as a Member of Congress. With great distinction he served successively as State representative, county attorney, district attorney and congressman. He was a Member of this House from March 4, 1921, to January 3, 1939. Upon his retirement from public service at the age of 59 he became the senior member of a prominent law firm in his home town of Canton, an association that existed until his death.

A lifetime member of the Baptist faith, he was for many years the teacher of the Morgan G. Sanders Bible class of his home church.

Congressman Sanders was a man of high integrity, tireless industry, and keen intellect. It has often been said to me by those who served with him here that he utilized his great talents both in his labors on the floor of the House and as a member of the Naval Affairs and Ways and Means Committees. He was a gifted speaker, a reminder of the days when he was known as a boy orator, and he was especially effective in the daily rough and tumble of House debate. He had strong convictions and he possessed the courage to frankly express them, a very rare virtue in public life today. One of his greatest virtues was unswerving loyalty to his friends.

Congressman Sanders served faithfully in the great American tradition and he enriched the lives of many devoted friends. While his earthly tenure is ended, the pages of his country's history which he helped write are a rich heritage to be cherished by his family and the many others who admired him.

In addition to his widow, Congressman Sanders is survived by one son and two grandsons, all three of whom are prominent doctors, his son being the mayor of his city.

The people of the Third Congressional District of Texas have lost a most worthy citizen and the Congress an outstanding former Member.

Mr. POAGE. Mr. Speaker, will the gentleman yield?

Mr. GENTRY. I yield.

Mr. POAGE. Mr. Speaker, it was my pleasure to serve with the Honorable Morgan Sanders when I first came to the Congress. In fact, he was the first Member of the Congress I ever had an opportunity to visit and talk to in regard to the workings of the Congress and the mechanics of what was expected of a new Member. I found Mr. Sanders to be one of the most sympathetic and most helpful and most intelligent gentlemen I have ever had the opportunity to associate with. He was an outstanding Member of the House of Representatives. He rendered a great service to his State and Nation. The entire country is a loser as a result of his passing.

WE ALREADY HAVE AN IMMENSE SOIL BANK

Mr. HOSMER. Mr. Speaker, I ask unanimous consent to extend my remarks at the conclusion of today's special orders.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOSMER. Mr. Speaker, the President has made a very commendable proposal to relieve the farm problem by use of soil banks. Few people know that the deposits he envisions will be additional to nearly 21 million acres of fine farmland in 19 Eastern, Southern, and Midwestern States already in the bank.

These 21 million acres are good cropland now lying idle in the farms of these 19 States—States and acreage amounts tabulated below. They are not woodland or pastureland. They are good, unused farmland in soil classes I, II, and III.

The interest the Nation will be paid by the existence of these two soil banks should not be diminished by inconsistent reclamation programs, such as the upper Colorado River project, which would bring large amounts of new land into production.

If 40 million acres are to be taken out of production, as proposed by the President, and placed in a soil bank and reserve for future use, then these idle 21 million acres must be added to the total. Thus, the proposed soil bank would have deposited in it a total of more than 60 million acres.

Early last fall I began a study to determine the amount of idle cropland in certain areas of the Nation.

Specifically, the question I wanted answered was this: How much good agricultural land is unused in farms in the humid sections of the United States?

PURPOSE OF SURVEY

Evidence has indicated to me that there was a large amount of good land in eastern, southern, and midwestern farms that was not producing crops.

How much?

In line with my opposition to the proposed multi-billion dollar upper Colorado River project, I considered this a matter of great significance.

The upper Colorado River project would bring into production more than half a million acres of cropland, the major part of which would produce crops of the kind already in great surplus and heavily supported by the taxpayers.

In the present session of the Congress, the problem of our mounting surpluses has priority on the legislative calendar. Congress will consider a plan for decreasing the number of acres producing crops in surplus.

Yet, while Congress is struggling to decrease the number of acres now producing agricultural products, it is being asked to approve a gigantic irrigation project that would bring more acreage into production at extremely high cost.

Data before me at the time Congress adjourned last year showed that large amounts of the acreage contained in farms was literally soil in the bank. That is, we already had a large soil reserve that might be brough into production when and if this country needed it to produce food and fiber.

My observations were begun before any specific soil bank program was officially tendered the Congress for consideration. Now that has been done. However, I shall not dwell on the present legislation designed to curtail our agricultural production and decrease the enormous load of surpluses.

I shall report on the findings of my study of idle land in farms. These findings show us that all during the time we have been burdened with the dilemma of a mounting agricultural surplus, we already had an enormous amount of our best farmland lying completely unused.

Here, on the one hand, are millions of acres of first-class agricultural land lying idle in areas of adequate rainfall. On the other hand, legislation before Congress proposes to spend enormous amounts of public money to bring more acreage into production in such developments as the upper Colorado River project. In addition, the Reclamation Bureau is proposing an extensive program for developing hundreds of other projects, all designed to increase our agricultural production with money from the same taxpayers who are paying heavily to support crops and store them.

IDLE LAND SURVEY FINDINGS

My survey of idle land in farms showed there are nearly 21 million acres of fine farmlands now lying idle in 19 Eastern, Southern, and Midwestern States.

In determining this total—precisely 20,937,153 acres—only agricultural lands in classes I, II, and III, the best farm land, was included in the survey.

The acreage tabulated was contained in privately owned farms.

Woodlands, pasture, or lands owned by the Federal Government, municipalities, or school districts was not considered.

Some of the land tabulated had a history of agricultural usage, but was idle in all respects, according to the latest data available.

Official records of the United States Soil Conservation Service were the basic source of the information obtained. Permission to examine records and to confer with field officials was obtained from Soil Conservation Service headquarters.

A trained researcher visited each of the 19 States in which the survey was conducted, and at State headquarters of the Soil Conservation Service conferred with soil scientists and engineers.

Every effort was made to obtain the most factual data, and no information was included that was not approved by the Service officials.

THE STATES SURVEYED

The States in which my survey was conducted all lie in the humid section of the country, where crops depend upon rainfall, and where irrigation, if used, is supplemental. It is interesting to note that even in these sections of more-or-less dependable rainfall, supplemental

irrigation is being used increasingly to assure annual production. Thus, in the Eastern, Southern and Midwestern areas of the Nation, supplemental irrigation is helping to increase production and contributing to the prevention of crop failures.

The States selected for my study may be divided into three general geographic sections.

Midwestern States: Ohio, Indiana, Illinois, Michigan, Wisconsin, Minnesota, Iowa, Missouri.

Southern States: Arkansas, Louisiana, Mississippi, Alabama, Tennessee, Kentucky.

Southeastern States: Florida, Georgia, South Carolina, North Carolina, Virginia.

Tabulation of idle farm land, in classes I, II, and III only, in the South, Southeast, and Midwest as obtained from the U. S. Soil Conservation Service

SOUTH

State:	Acres
Alabama	823,564
Arkansas	2,723,547
Kentucky	671,673
Louisiana	2,487,300
Mississippi	1,270,691
Tennessee	279,563
Total	8,256,338

SOUTHEAST

State:	Acres
Florida	2,037,392
Georgia	972,748
North Carolina	4,264,763
South Carolina	492,309
Virginia	919,307
Total	8,686,519

MIDWEST

State:	Acres
Illinois	627,185
Indiana	231,780
Michigan	1,761,390
Minnesota	564,702
Ohio	491,098
Wisconsin	124,133
Iowa	50,759
Missouri	143,249
Total	3,994,296
Grand total	20,937,153

CONCLUSIONS

Here is evidence to show that while Congress is being asked to approve enormous costly new irrigation projects, at least 20,937,153 acres of the best American cropland are unused for any purpose.

Right now we have before us in Congress the gigantic upper Colorado River project. Unquestionably the most expensive and unsound scheme yet devised, it alone would bring into production more than half a million acres in high barren, remote areas of Wyoming, Colorado, Utah, and New Mexico.

With millions of acres of the best farmland awaiting the plow in areas where the rainfall is heavy and the growing season long, it is proposed to force this great new burden of the upper Colorado River project on the American taxpayers.

I consider the findings of this survey nothing short of amazing. In addition to the 21 million acres of the best farmland that is now idle in 19 States there are millions of other acres in lower soil classes and in other States that are idle in the humid area of the Nation. Much of this idle lower class land could be improved with little cost and developed into pasture.

These millions of idle acres of the best lands are close to markets, to population centers, with roads and transportation running through them, and with schools and municipal governments established.

Where the multi-billion dollar upper Colorado River project would be built, there is little population, few roads, no metropolitan markets, few towns. The enormous cost of establishing municipal governments, police forces, schools, building of highways and new towns must be added to the cost of developing the arid lands.

It is an unbelievable proposal for the purpose of growing more farm products of the kinds already in great surplus while there are these millions of acres of good idle land in the Midwest, South, and East.

The Bureau of Reclamation would have us believe that we must spend billions to develop projects like the upper Colorado in order to provide food and fiber for our growing population.

That simply is not true. On the presently producing farmlands we are growing so much food and fiber that we cannot find adequate space to store it. The President has asked that 40 million acres of our presently producing lands be placed in a soil bank.

Each year new methods are reported for increasing per acre yields.

Yet the Bureau of Reclamation would have Congress appropriate billions of dollars for such unnecessary and wasteful projects as that proposed in the upper Colorado Basin. This project alone would saddle a new $4 billion tax loss on the Nation's taxpayers. The four States benefiting would pay less than 2 percent of the cost. Taxpayers of the other 44 States would have to pay the balance.

The cost of bringing the millions of acres of good farmland now idle into full production would run from only $15 to $150 an acre—when and if they are needed.

Compare that with the $5,000 an acre cost of building the upper Colorado project and you see how inconceivable the scheme is. Bringing into production the good lands now idle in the East, Midwest, and South would cost the taxpayers nothing. In the upper Colorado project the taxpayers would have to pay not only the excessive cost of building the irrigation projects, the roads, schools and other necessary comunity projects, but then the taxpayers would have to subsidize the crops that would be grown, such as dairy products, grains and wool. The whole thing is nothing short of economic idiocy.

UNITED STATES FISHERIES

Mr. WILSON of California. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WILSON of California. Mr. Speaker, on January 3 I introduced a bill, H. R. 8001, which had as its purpose the strengthening of the commercial fisheries segment of the national economy. On Monday three of my colleagues introduced identical legislation and I am informed that a number of other members of the House who come from districts around the rim of the country where the fishing industry has its home ports are preparing similar legislation for early introduction.

A press release issued yesterday by the Department of the Interior entitled "Fish Volume and Value Drop Below 1954 Level," highlights the reason why we are all interested in such legislation at this time.

The salmon pack of 1955 was the lowest since 1906 and its value was $10 million less than in 1954. The Maine sardine fishery production was the lowest since 1940. Halibut landings were off six million pounds and earnings to halibut fishermen were down $2.6 million. Shrimp which have recently passed tuna as being the most valuable fishery on the basis of income to fishermen was off in both catch and value. The catch of tuna was down by a full 20 percent and earnings for tuna fishermen were a full $17,000,000 less in 1955 than in 1954.

At a time when the general economy of the country is prospering at record levels, the commercial fisheries section of the Nation is not only not sharing in this prosperity but it is retrogressing in a sharp manner. This is causing distress in thousands of homes in the maritime districts of the country which send their menfolks out to harvest the sea.

These cited figures do not represent a simple short-term variation in the yield of the fisheries. They represent a continuing trend which has been apparent for the past 5 or 6 years and which shows no sign of an upturn. Many of our small fisheries which once contributed so much to so many fishermen have almost or quite disappeared under the crushing weight of cheap imports. Examples of this in my own district are the once prosperous fisheries for bonito, for swordfish and for sharks, none of which are fished any longer because the fishermen cannot afford to go to sea for them.

The great New England fisheries which were the Nation's first industry have been progressively decaying under the crush of cheap imports in the past several years. The salmon fisheries of Alaska, which are by far the most valuable industry of that Territory, have been shrinking steadily in production for many years because a lack of research has made adequate conservation impossible. The shrimp fishery of the gulf and South Atlantic States which has grown sharply in the past 10 years has now leveled off and begun its decline as the production of newly established foreign fisheries begins to be felt in our markets. The crab fishery of Alaska and the Pacific Northwest is hard put to keep alive. The sardine fishery of southern California which was the

largest fishery of the Nation, as short a time as 10 years ago, has reached such a low ebb that it is no longer mentioned among the important fisheries of the country. Monterey, Calif., which for many years was the largest port for fish landing in the country is no longer even among the first 10. The lobster fishermen of Maine can scarcely keep their heads above water in the flood of lobster tails from abroad.

In my district is located the tropical tuna fishery of the eastern Pacific which until the last 2 or 3 years was the most valuable single high-seas fishery that the United States had. It is important in the entire economy of San Diego. The Department of the Interior figures cited above show that the tuna fishermen landed $17 million less tuna in 1955 than in 1954. Nearly all of this drop in value of tuna landings was absorbed by San Diego fishermen.

These cold figures mean little when compared to the national income, but when they are translated into the income of several thousand homes in San Diego they mean a tremendous amount in human values.

The difficulties of the tuna industry have been building up steadily since 1950. They are complex. Their sources are several. The import problem has been a major consequence. The inability of vessel owners to obtain long-term credit for vessel construction and maintenance, lack of oceanographic research to make the catching of tuna cheaper, unpredicted and violent variations in the size of the market, and other causes have contributed to the problems of the industry. This trend is summed up in the fact that in 1951, 214 large tuna clippers operated out of San Diego and at the beginning of 1956 only 158 do so.

In talking with my colleagues from other fishing districts on the west coast, the gulf coast, the east coast, and the Great Lakes, I find that they have the same worries as we do in our area and that the reasons for the decline of the commercial fisheries in their areas is similarly complex and does not arise from the same causes in all areas.

We have considered that these conditions are general in the fishing industries of the Nation and that their solution must be sought in legislation of a general nature rather than specific legislation for each fishery.

We think that the first thing that is needed is for the Congress to state a policy for the commercial fisheries of the country, for the guidance of the Executive, to say that the commercial fisheries make a material contribution to the food-producing segment of the national economy and strengthen the defense of the United States, and to declare that it is the intent of Congress that the fishing industry should be kept in a healthy, prosperous, and productive condition.

Secondly, we believe that there should be created in the executive branch of the Government an office on a policymaking level which will have as its primary responsibility the carrying out of such policy for the commercial fisheries.

Thirdly, we believe that this office should be granted sufficient functions to enable it to carry out such a policy adequately and expeditiously.

These are the three purposes of the legislation which my colleagues and I have introduced. If this legislation becomes law, we believe that the downward trend of this valued segment of our economy will be arrested and that the commercial fishing industry can once more become strong, prosperous, efficient, and thriving and can once more be in an adequate position to contribute to the welfare and defense potential of the country as it has done since Pilgrim days.

FEDERAL AID TO EDUCATION

Mr. SCHENCK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SCHENCK. Mr. Speaker, my long experience and close association with public-school problems enables me to carefully appraise the value of any suggested plans for Federal aid to education.

Federal aid to anything is often misunderstood because of the failure to recognize that any aid distributed by our Federal Government must first come from local taxpayers in every community throughout our Nation. Also, the furnishing of Federal aid to education must be carefully done so that complete control of our schools will remain under local boards of education serving in accordance with State laws.

Justification for a national interest in assuring proper educational opportunities for all our children rests, of course, on the knowledge that people and their children move about a great deal in our Nation. Youngsters now of school age will, in an almost unbelievably short time, assume all the responsibilities of citizenship as parents, employees, business and professional people and public officials. Therefore, we must have proper school facilities and well qualified teachers if we are to continue to have a great nation. Children who are denied educational opportunities because of the lack of facilities and well trained teachers can never entirely regain this time lost. We cannot declare a moratorium in the lives of children because they continue to grow and develop one way or another every day.

There is a wide difference of ability throughout our Nation in the ability to provide proper public schools. This can be brought right home to us by even a cursory look at the differences in the financial ability of our school districts within our own area.

Therefore, there is considerable merit in the President's proposal for some Federal aid to provide at least the basic needs for the education of our rapidly increasing number of children.

These needs were clearly pointed up in the White House Conference on Education late last year which was preceded by other conferences held in each State. President Eisenhower's special message follows these recommendations and points up clearly some of the steps which should be taken by Congress. The Committee on Education and Labor in the light of these recommendations will make detailed legislative proposals during this session and I intend to study them very carefully in light of the need and my own experiences with these problems.

It is my earnest hope that no extraneous situations will prevent proper consideration and action.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House following the legislative program and any special orders heretofore entered were granted to:

Mr. WILLIAMS of Mississippi (at the request of Mr. WINSTEAD), for 45 minutes on Monday next.

Mr. SISK, for 45 minutes on Tuesday, January 17, 1954.

Mr. DONOVAN (at the request of Mr. DELANEY), 1 hour on Tuesday next, following the legislative business of the day and any special orders heretofore entered.

Mr. SIKES, for 15 minutes on Monday next, following the legislative business of the day and any special orders heretofore entered.

Mr. BAILEY, for 20 minutes on Wednesday next.

Mr. HILL, for 1 hour on Tuesday next.

Mr. POWELL (at the request of Mr. MCCORMACK), for 1 hour on Wednesday next.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. FISHER.

Mr. VANIK.

Mr. PRICE (at the request of Mrs. SULLIVAN) and to include extraneous matter.

Mr. GENTRY to include a speech made by him before the national convention of the American Automobile Association notwithstanding that the cost is estimated by the Public Printer to be $300.

Mr. LESINSKI.

Mr. GROSS and to include extraneous material.

Mr. PATTERSON and to include extraneous material.

Mr. MCGREGOR (at the request of Mr. SCHENCK).

Mr. MASON on the subject of Federal aid to education.

Mr. JENKINS and include appropriate matter.

Mr. MILLER of Nebraska.

Mr. BETTS and to include excerpts from two agricultural publications.

Mr. HOLT.

Mr. BALDWIN.

Mr. VAN ZANDT (at the request of Mr. ARENDS) and to include extraneous matter.

Mr. MACHROWICZ and to include an address delivered by JOHN W. MCCORMACK.

Mr. DAVIDSON.

Mr. SCHERER (at the request of Mr. ARENDS).

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. GRIFFITHS (at the request of Mr. MACHROWICZ) for 5 days, on account of illness in family.

Mr. POWELL (at the request of Mr. DIGGS), for today and the remainder of the week, on account of illness.

Mr. YATES (at the request of Mr. ANFUSO), from January 12, 1956, to January 20, 1956, on account of illness.

ADJOURNMENT

Mr. MARSHALL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 43 minutes p. m.), under its previous order, the House adjourned until Monday, January 16, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1349. A communication from the President of the United States, transmitting a report and recommendations relative to a program for the Great Plains (H. Doc. No. 289); to the Committee on Agriculture and ordered to be printed, with illustrations.

1350. A letter from the Comptroller General of the United States, transmitting a report on the audit of Inland Waterways Corporation for the fiscal year ended June 30, 1955, pursuant to the Government Corporation Control Act (31 U. S. C. 841) (H. Doc. No. 290); to the Committee on Government Operations and ordered to be printed.

1351. A letter from the Comptroller General of the United States, transmitting a report on the audit of the Farmers Home Administration, Department of Agriculture, for the fiscal year ended June 30, 1954. This is the third report on the audit of this agency; to the Committee on Government Operations.

1352. A letter from the Comptroller General of the United States, transmitting the annual report of the Comptroller General of the United States for the fiscal year ending June 30, 1955, pursuant to section 312 (a) of the Budget and Accounting Act of June 10, 1921; to the Committee on Government Operations.

1353. A letter from the Director, Legislative Programs, Office of the Assistant Secretary of Defense, transmitting a draft of proposed legislation entitled "A bill to provide for the procurement of medical and dental officers of the Army, Navy, and Air Force"; to the Committee on Armed Services.

1354. A letter from the Sergeant at Arms, United States House of Representatives, transmitting a statement in writing exhibiting the several sums drawn by him pursuant to sections 78 and 80 of title 2, United States Code, the application and disbursement of the same, and the balance, if any, remaining in his hands, pursuant to title 2, United States Code 84; to the Committee on House Administration.

1355. A letter from the Attorney General, transmitting a draft of proposed legislation entitled "a bill to amend section 3 of the act of January 2, 1951, prohibiting the transportation of gambling devices in interstate and foreign commerce"; to the Committee on Interstate and Foreign Commerce.

1356. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders entered in cases where the authority contained in section 212 (d) (3) of the Immigration and Nationality Act was exercised in behalf of such aliens, pursuant to section 212 (d) (6) of the Immigration and Nationality Act; to the Committee on the Judiciary.

1357. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders entered in the cases of certain aliens who have been found admissible into the United States pursuant to section 212 (a) (28) (I) (ii) of the Immigration and Nationality Act; to the Committee on the Judiciary.

1358. A communication from the President of the United States, transmitting proposed supplemental appropriations for the fiscal year 1956 in the amount of $60,439,500 for disaster relief, for the Department of Defense–Civil Functions, for the Veterans' Administration, and for the District of Columbia. (H. Doc. No. 291); to the Committee on Appropriations.

1359. A letter from the Chairman, Rubber Producing Facilities Disposal Commission, transmitting a report relative to the disposal of the GR–S copolymer plant at Institute, W. Va., pursuant to Public Law 336, 84th Congress; to the Committee on Armed Services.

1360. A letter from the Director, Administrative Office of the United States Courts, transmitting a draft of proposed legislation entitled "A bill relating to the compensation and term of office of the Judge of the District Court of Guam"; to the Committee on Interior and Insular Affairs.

1361. A letter from the Assistant Secretary of the Interior, transmitting copies of certain laws enacted by the First Legislature of the Virgin Islands, pursuant to section 9 (g) of the Revised Organic Act of the Virgin Islands of the United States, approved July 22, 1954; to the Committee on Interior and Insular Affairs.

1362. A letter from the Secretary of the Navy, transmitting a draft of proposed legislation entitled "A bill to extend the benefits of the Civil Service Retirement Act of May 29, 1930, as amended, to members of the civilian faculties of the United States Naval Academy and the United States Naval Postgraduate School"; to the Committee on Post Office and Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 3083. A bill to transfer certain land within United States survey 1474, tract A, of the townsite of Sitka, Alaska, to the city of Sitka, Alaska; with amendment (Report No. 1635). Referred to the Committee of the Whole House on the State of the Union.

Mr. BOLLING: Committee on Rules. House Resolution 363. Resolution for consideration of S. 180, an act to authorize the Secretary of the Interior to construct, operate, and maintain the Washita River Basin reclamation project, Oklahoma; without amendment (Rept. No. 1636). Referred to the House Calendar.

Mr. SMITH of Virginia: Committee on Rules. House Resolution 364. Resolution for consideration of Senate Joint Resolution 12, a joint resolution to request the Secretary of State to arrange for the International Joint Commission, United States and Canada, to conduct a survey of the proposed Passamaquoddy tidal power project, and for other purposes; without amendment (Rept. No. 1637). Referred to the House Calendar.

Mr. THORNBERRY: Committee on Rules. House Resolution 365. Resolution for consideration of H. R. 1614, a bill to amend the Veterans Regulations to provide an increased statutory rate of compensation for veterans suffering the loss or loss of use of an eye in combination with the loss or loss of use of a limb; without amendment (Rept. No. 1638). Referred to the House Calendar.

Mr. TRIMBLE: Committee on Rules. House Resolution 366. Resolution for consideration of H. R. 1821, a bill to provide that checks for benefits provided by laws administered by the Administrator of Veterans' Affairs may be forwarded to the addressee in certain cases; without amendment (Rept. No. 1639). Referred to the House Calendar.

Mr. MADDEN: Committee on Rules. House Resolution 367. Resolution for consideration of H. R. 5055, a bill to provide that service of cadets and midshipmen at the service academies during specified periods shall be considered active military or naval wartime service for the purposes of laws administered by the Veterans' Administration; without amendment (Rept. No. 1640). Referred to the House Calendar.

Mr. COLMER: Committee on Rules. House Resolution 368. Resolution for consideration of H. R. 6376, a bill to provide for the hospitalization and care of the mentally ill of Alaska, and for other purposes; without amendment (Rept. No. 1641). Referred to the House Calendar.

Mr. O'NEILL: Committee on Rules. House Resolution 369. Resolution for consideration of H. R. 7871, a bill to amend the Small Business Act of 1953; without amendment (Rept. No. 1642). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ABERNETHY:

H. R. 8320. A bill to amend the Agricultural Act of 1949 and the Agricultural Act of 1954 with respect to the special school milk program and the brucellosis eradication program for the fiscal year ending June 30, 1956; to the Committee on Agriculture.

H. R. 8321. A bill to amend the Soil Conservation and Domestic Allotment Act, as amended; to the Committee on Agriculture.

H. R. 8322. A bill to encourage the sale of cotton for export and to limit imports of manufactured cotton products; to the Committee on Agriculture.

By Mr. BLATNIK:

H. R. 8323. A bill to establish an effective program to alleviate conditions of excessive unemployment in certain economically depressed areas; to the Committee on Ways and Means.

By Mr. BUDGE:

H. R. 8324. A bill to provide for the conveyance of certain real property of the United States to the city of Boise, Idaho; to the Committee on Agriculture.

H. R. 8325. A bill to recognize and confirm the authority of arid and semiarid States relating to the control, appropriation, or distribution of water within their geographic boundaries, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BYRD:

H. R. 8326. A bill to regulate the foreign commerce of the United States by establishing import quotas under specified conditions, and for other purposes; to the Committee on Ways and Means.

H. R. 8327. A bill to amend the act providing for Federal aid for State veterans' homes to permit payments to homes not primarily furnishing domiciliary care; to the Committee on Veterans' Affairs.

By Mr. CELLER:

H. R. 8328. A bill to amend title 18, United States Code, so as to prohibit intrusion upon the privacy of Federal juries; to the Committee on the Judiciary.

H. R. 8329. A bill to require the establishment of congressional districts composed of contiguous and compact territory for the election of Representatives, and for other purposes; to the Committee on the Judiciary.

H. R. 8330. A bill to provide for the appointment of an additional circuit and district judges; to the Committee on the Judiciary.

H. R. 8331. A bill to amend section 1292 of title 28 of the United States Code relating to appeals from interlocutory orders; to the Committee on the Judiciary.

H. R. 8332. A bill to amend the Clayton Act as amended by requiring prior notification of certain corporate mergers; to the Committee on the Judiciary.

By Mr. CHIPERFIELD:

H. R. 8333. A bill providing for construction of a highway, and appurtenances thereto, traversing the Mississippi Valley; to the Committee on Public Works.

By Mr. CHUDOFF:

H. R. 8334. A bill to permit the importation free of duty of racing shells to be used in connection with preparations for the 1956 Olympic Games; to the Committee on Ways and Means.

By Mr. COOLEY:

H. R. 8335. A bill directing a redetermination of the national marketing quota for fluecured tobacco for the 1956–57 marketing year, and for other purposes; to the Committee on Agriculture.

By Mr. COOPER:

H. R. 8336. A bill to amend the Internal Revenue Code of 1954 to relieve farmers from the excise tax on gasoline and lubricating oils used exclusively in farm tractors or farm machinery or for other agricultural purposes; to the Committee on Ways and Means.

By Mr. CURTIS of Missouri:

H. R. 8337. A bill to exempt rerefined or reclaimed oil from the tax on lubricating oil; to the Committee on Ways and Means.

By Mr. DAVIS of Georgia:

H. R. 8338. A bill to amend the Railroad Retirement Act and the Social Security Act to eliminate all restrictions upon the right of an individual to receive benefits simultaneously under both acts or to receive more than one annuity under the Railroad Retirement Act; to the Committee on Interstate and Foreign Commerce.

H. R. 8339. A bill to amend the Railroad Retirement Act of 1937 to reduce from 60 to 50 the age at which certain permanently disabled individuals become entitled to receive their annuities; to the Committee on Interstate and Foreign Commerce.

By Mr. DAVIS of Wisconsin:

H. R. 8340. A bill to authorize the appropriation of $20 million for each of 5 fiscal years for payment of indemnities by the United States for cattle destroyed because of brucellosis; to the Committee on Agriculture.

By Mr. DINGELL:

H. R. 8341. A bill to amend the Immigration and Nationality Act to provide that no deductions pursuant to the Displaced Persons Act of 1948 shall be made from the immigration quota of any quota area after the close of the fiscal year 1955; to the Committee on the Judiciary.

By Mr. DONOHUE:

H. R. 8342. A bill to authorize the construction of flood protection measures, with particular reference to areas where severe damages have recently occurred as the result of extraordinary floods; to the Committee on Public Works.

H. R. 8343. A bill to authorize the construction of flood protection measures, with particular reference to areas where severe damages have recently occurred as the result of extreme rainfall accompanying hurricane storms; to the Committee on Public Works.

By Mr. ELLIOTT:

H. R. 8344. A bill to provide that measurement prior to planting of cotton acreage allotments made at the request of farmers shall be without cost to them; to the Committee on Agriculture.

H. R. 8345. A bill relating to price support and acreage allotments for cotton; to the Committee on Agriculture.

By Mr. ENGLE:

H. R. 8346. A bill to amend the wheat marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agriculture.

H. R. 8347. A bill to recognize and confirm the authority of arid and semiarid States relating to the control, appropriation, use, or distribution of water within their geographic boundaries, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. FASCELL:

H. R. 8348. A bill to provide for research and technical assistance relating to the control of salt-marsh and other pest mosquitoes of public-health importance and mosquito vectors of human disease; to the Committee on Interstate and Foreign Commerce.

By Mr. FOGARTY:

H. R. 8349. A bill to amend the War Risk Insurance Act so as to provide relief for victims of disasters resulting from the forces of nature; to the Committee on Interstate and Foreign Commerce.

By Mr. FRELINGHUYSEN:

H. R. 8350. A bill to establish a Commission on Civil Rights; to the Committee on the Judiciary.

By Mr. GARMATZ:

H. R. 8351. A bill to authorize the participation by certain Federal employees, without loss of pay or deduction from anual leave, in funerals for deceased members of the Armed Forces and for deceased honorably discharged veterans of any war, campaign, or expedition for which a campaign badge has been authorized by the United States Government; to the Committee on Post Office and Civil Service.

H. R. 8352. A bill to amend section 9 (c) (2) of the Merchant Ship Sales Act of 1946, as amended; to the Committee on Merchant Marine and Fisheries.

By Mr. GUBSER:

H. R. 8353. A bill to further the economic and efficient operation of the business of the Post Office Department by the expansion of the existing research and development program of such Department and the establishment of a postal service automatic equipment program, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. HARRISON of Nebraska:

H. R. 8354. A bill to provide for the orderly liquidation of Government-owned surplus stocks of agricultural commodities, prevent the wasteful use of the Nation's soil fertility, and help to provide a balanced flow of agricultural commodities in interstate and foreign commerce, and for other purposes; to the Committee on Agriculture.

By Mr. HAYS of Arkansas:

H. R. 8355. A bill to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment and to provide transportation and other services to the Boy Scouts of America in connection with the World Jamboree of Boy Scouts to be held in England in 1957, and for other purposes; to the Committee on Armed Services.

H. R. 8356. A bill to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment and provide certain services to the Boy Scouts of America for use at the Fourth National Jamboree of the Boy Scouts of America, and for other purposes; to the Committee on Armed Services.

By Mr. HÉBERT:

H. R. 8357. A bill to amend the Rubber Producing Facilities Disposal Act of 1953, as heretofore amended, so as to permit the disposal thereunder of Plancor No. 1207 at Louisville, Ky.; to the Committee on Armed Services.

By Mr. HESELTON:

H. R. 8358. A bill to provide that each person selling gasoline or other petroleum products shall make full disclosure to the purchasers with respect to the costs, profits, and Federal subsidies properly allocable to such products; to the Committee on Interstate and Foreign Commerce.

H. R. 8359. A bill to amend the Interstate Commerce Act to require railroads to furnish adequate passenger service; to the Committee on Interstate and Foreign Commerce.

By Mr. HOSMER:

H. R. 8360. A bill to establish a national policy with respect to commercial fisheries; to establish the Office of Assistant Secretary of Commerce for Commercial Fisheries, and define his functions, powers, and responsibilities; to strengthen the commercial fisheries segment of the national economy, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. IKARD:

H. R. 8361. A bill to amend the Internal Revenue Code of 1954 to permit a taxpayer to deduct expenses paid during the taxable year for the repair (including painting and papering) of property used by him as his principal residence to the extent that such expenses do not exceed $500; to the Committee on Ways and Means.

H. R. 8362. A bill to amend the Internal Revenue Code of 1954 to relieve farmers from the excise tax on gasoline and lubricating oils used exclusively in farm tractors or farm machinery or for other agricultural purposes; to the Committee on Ways and Means.

By Mr. JOHNSON of California:

H. R. 8363. A bill to establish a national policy with respect to commercial fisheries; to establish the Office of Assistant Secretary of Commerce for Commercial Fisheries, and define his functions, powers, and responsibilities; to strengthen the commercial fisheries segment of the national economy, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. KEARNEY:

H. R. 8364. A bill to readjust size and weight limits on fourth-class (parcel post) mail matter at the post office at Amsterdam, N. Y.; to the Committee on Post Office and Civil Service.

By Mr. KEARNS:

H. R. 8365. A bill to provide for the establishment of a harbor of refuge for light-draft vessels at North East, Pa.; to the Committee on Public Works.

H. R. 8366. A bill to provide for the establishment of a harbor of refuge for light-draft vessels at Lake City, Pa.; to the Committee on Public Works.

By Mr. KEOGH:

H. R. 8367. A bill to amend section 391 of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. KILGORE:

H. R. 8368. A bill to establish a national policy with respect to commercial fisheries; to establish the Office of Assistant Secretary of Commerce for Commercial Fisheries, and define his functions, powers, and responsibilities; to strengthen the commercial fisheries segment of the national economy, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mrs. KNUTSON:

H. R. 8369. A bill to establish a conservation acreage reserve, to promote conservation improvement of agricultural soil and water resources in relation to watershed development, to stabilize farmers' income, to adjust total agricultural production to consumer and export needs, to maintain an abundant

and even flow of farm commodities in interstate commerce, and for other purposes; to the Committee on Agriculture.

H. R. 8370. A bill to promote the welfare of the American Indian citizens of Minnesota and to facilitate the orderly termination of Federal supervision and control over Indians and Indian property in that State, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. KRUEGER:

H. R. 8371. A bill to amend the wheat marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agriculture.

H. R. 8372. A bill to amend the wheat marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agriculture.

By Mr. LAIRD:

H. R. 8373. A bill authorizing increases in the funds available for eradication of brucellosis in cattle and for increasing the consumption of fluid milk in certain schools; to the Committee on Agriculture.

By Mr. LANE:

H. R. 8374. A bill to appropriate funds for the construction of the local flood protection project at North Andover and Lawrence, Mass., and for a survey of the Mystic River; to the Committee on Appropriations.

By Mr. LIPSCOMB:

H. R. 8375. A bill to establish a national policy with respect to commercial fisheries; to establish the Office of Assistant Secretary of Commerce for Commercial Fisheries, and define his functions, powers, and responsibilities; to strengthen the commercial fisheries segment of the national economy, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. LATHAM:

H. R. 8376. A bill to make it a crime to eavesdrop on a Federal jury; to the Committee on the Judiciary.

By Mr. McCULLOCH:

H. R. 8377. A bill to provide for the appointment of an additional district judge for the Northern District of Ohio; to the Committee on the Judiciary.

By Mr. McDONOUGH:

H. R. 8378. A bill to establish a national policy with respect to commercial fisheries; to establish the Office of Assistant Secretary of Commerce for Commercial Fisheries, and define his functions, powers, and responsibilities; to strengthen the commercial fisheries segment of the national economy, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. McINTIRE:

H. R. 8379. A bill to amend the Federal Farm Loan Act to extend the maximum maturity of loans, advances, and discounts made or discounted by the Federal Intermediate Credit Bank; to the Committee on Agriculture.

By Mr. MACHROWICZ:

H. R. 8380. A bill to amend the Immigration and Nationality Act to provide that no deductions pursuant to the Displaced Persons Act of 1948 shall be made from the immigration quota of any quota area after the close of the fiscal year 1955; to the Committee on the Judiciary.

By Mr. MOLLOHAN:

H. R. 8381. A bill to regulate the foreign commerce of the United States by establishing import quotas under specified conditions and for other purposes; to the Committee on Ways and Means.

By Mr. MORANO:

H. R. 8382. A bill to provide for an experimental national flood indemnity and reinsurance program and for other purposes; to the Committee on Banking and Currency.

By Mr. NELSON:

H. R. 8383. A bill to regulate the foreign commerce of the United States by establishing import quotas under specified conditions and for other purposes; to the Committee on Ways and Means.

By Mr. NICHOLSON:

H. R. 8384. A bill to amend section 8c (2) of the Agricultural Marketing Agreement Act of 1937, as amended; to the Committee on Agriculture.

By Mr. O'BRIEN of New York:

H. R. 8385. A bill to transfer certain responsibilities of the Secretary of the Interior to the Public Housing Commissioner and the Secretary of Agriculture, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. PHILLIPS:

H. R. 8386. A bill to establish a national policy with respect to commercial fisheries; to establish the Office of Assistant Secretary of Commerce for Commercial Fisheries, and define his functions, powers, and responsibilities; to strengthen the commercial fisheries segment of the national economy, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. POFF:

H. R. 8387. A bill to make it a crime to eavesdrop on a Federal jury; to the Committee on the Judiciary.

By Mr. RAINS:

H. R. 8388. A bill to amend the Agricultural Adjustment Act of 1938 so as to increase acreage allotments for the 1956 crop of cotton; to the Committee on Agriculture.

By Mr. REED of New York:

H. R. 8389. A bill to amend the Internal Revenue Code of 1954 to relieve farmers from the excise tax on gasoline and lubricating oils used exclusively in farm tractors or farm machinery or for other agricultural purposes; to the Committee on Ways and Means.

By Mr. RILEY:

H. R. 8390. A bill to amend the act entitled "An act to recognize the high public service rendered by Maj. Walter Reed and those associated with him in the discovery of the cause and means of transmission of yellow fever"; to the Committee on Armed Services.

H. R. 8391. A bill to amend section 47 (c) (2) of the Internal Revenue Code of 1939 and section 443 (b) (2) (C) of the Internal Revenue Code of 1954 (relating to computation of tax on change of annual accounting period) to extend the period during which application for the benefits of such provisions may be made; to the Committee on Ways and Means.

By Mr. RODINO:

H. R. 8392. A bill to amend and revise the laws relating to immigration, naturalization, nationality, and citizenship, and for other purposes; to the Committee on the Judiciary.

By Mr. ROGERS of Colorado:

H. R. 8393. A bill to provide for the appointment of an additional district judge for the District of Colorado; to the Committee on the Judiciary.

By Mr. ROGERS of Texas:

H. R. 8394. A bill to amend section 27 of the Mineral Leasing Act of February 25, 1920, as amended (30 U. S. C., sec. 184), in order to promote the development of phosphate on the public domain; to the Committee on Interior and Insular Affairs.

By Mr. ROOSEVELT:

H. R. 8395. A bill to amend sections 3 and 4 of the Clayton Act to free those in commerce from restraints of trade and to allow small-business men freedom of choice in the conduct of their respective businesses as independent enterprises; to the Committee on the Judiciary.

By Mr. SCOTT:

H. R. 8396. A bill to create additional district judges for the Eastern District of Pennsylvania; to the Committee on the Judiciary.

H. R. 8397. A bill for the allowance of certain claims, not heretofore paid, for indemnity for spoliations by the French prior to July 31, 1801, as reported by the Court of Claims; to the Committee on the Judiciary.

By Mr. SCRIVNER:

H. R. 8398. A bill to provide direct aid to States and Territories for educational purposes only; to the Committee on Ways and Means.

By Mr. SIKES:

H. R. 8399. A bill to amend section 2 (e) of the Railroad Retirement Act to eliminate all restrictions upon the right of an individual to receive a spouse's annuity under that act while entitled to benefits under the Social Security Act; to the Committee on Interstate and Foreign Commerce.

H. R. 8400. A bill to provide for research and technical assistance relating to the control of salt marsh and other pest mosquitoes of public health importance and mosquito vectors of human disease; to the Committee on Interstate and Foreign Commerce.

By Mr. SILER:

H. R. 8401. A bill to provide for local taxation of real estate and improvements thereon owned by the United States, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SMITH of Wisconsin:

H. R. 8402. A bill to allow the cost of meals and lodging to be taken into account as traveling expenses in computing the income tax deduction for medical care; to the Committee on Ways and Means.

By Mr. THOMPSON of New Jersey:

H. R. 8403. A bill to repeal the cabaret tax; to the Committee on Ways and Means.

By Mr. THOMSON of Wyoming:

H. R. 8404. A bill to provide for the conveyance of a portion of the former prisoner of war camp, near Douglas, Converse County, Wyo., to the State of Wyoming, and for other purposes; to the Committee on Government Operations.

By Mr. UTT:

H. R. 8405. A bill to amend the Organic Act of the Territory of Alaska, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. VAN ZANDT (by request):

H. R. 8406. A bill to amend part III of Veterans' Regulation No. 1 (a) to liberalize the basis for, and increase the monthly rates of, disability pension awards; to the Committee on Veterans' Affairs.

By Mr. VINSON:

H. R. 8407. A bill to require enlisted members of the Armed Forces to make up time lost during enlistments; to the Committee on Armed Services.

By Mr. WIDNALL:

H. R. 8408. A bill to provide for an experimental national flood indemnity and reinsurance program and for other purposes; to the Committee on Banking and Currency.

By Mr. WILSON of California:

H. R. 8409. A bill to recognize by honorary promotion service in either Spanish-American and World War I or service in World War I and World War II; to the Committee on Armed Services.

By Mr. DONOHUE:

H. J. Res. 468. Joint resolution to establish a Northeastern United States Watershed Development and Flood Protection Commission; to the Committee on Public Works.

By Mr. DORN of New York:

H. J. Res. 469. Joint resolution setting aside the 7th day of December in each year in memory of the achievements and sacrifices of the American people during World War II; to the Committee on the Judiciary.

By Mr. FRELINGHUYSEN:

H. J. Res. 470. Joint resolution granting the consent of Congress to the States of New York, New Jersey, and Connecticut to confer certain additional powers upon the Interstate Sanitation Commission, established by said States pursuant to Public Resolution 62,

74th Congress, August 27, 1935; to the Committee on the Judiciary.

By Mr. SPENCE:

H. J. Res. 471. Joint resolution to permit FHA title I repair assistance to new homes damaged by major disasters; to the Committee on Banking and Currency.

By Mr. BENTLEY:

H. Res. 370. Resolution to continue the policy of the United States concerning reunification of certain peoples, the admission of Japan into the United Nations, and regarding Communist enslavement; to the Committee on Foreign Affairs.

By Mr. MOULDER:

H. Res. 371. Resolution to authorize the Committee on Interstate and Foreign Commerce to conduct an investigation and study relating to the share of moneys paid by consumers for food products that is absorbed by carriers, and by processors and wholesalers; to the Committee on Rules.

By Mr. PATMAN:

H. Res. 372. Resolution to provide additional expenses to conduct the study and investigation authorized by House Resolution 114; to the Committee on House Administration.

By Mr. RAINS:

H. Res. 373. Resolution to provide additional funds for expenses of conducting studies, investigations, and inquiries, incurred by the House Committee on Banking and Currency; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BALDWIN:

H. R. 8410. A bill for the relief of Toha Bin Hadji Dulah; to the Committee on the Judiciary.

By Mr. BARTLETT:

H. R. 8411. A bill for the relief of Spiridon Todoulos and Kalliroi Todoulou; to the Committee on the Judiciary.

By Mr. BOYLE:

H. R. 8412. A bill for the relief of Michael D. Kiriazis; to the Committee on the Judiciary.

By Mr. BUCKLEY:

H. R. 8413. A bill for the relief of John F. W. Petch; to the Committee on the Judiciary.

By Mr. CUNNINGHAM:

H. R. 8414. A bill for the relief of Anatoly Hoffeins; to the Committee on the Judiciary.

By Mr. DAVIDSON:

H. R. 8415. A bill for the relief of Sylka Goldwag; to the Committee on the Judiciary.

By Mr. DELANEY:

H. R. 8416. A bill for the relief of Diran G. Aivazian; to the Committee on the Judiciary.

H. R. 8417. A bill for the relief of Josip Maracic; to the Committee on the Judiciary.

H. R. 8418. A bill for the relief of Anna Chiodi; to the Committee on the Judiciary.

H. R. 8419. A bill for the relief of Mrs. Georgia Loizos; to the Committee on the Judiciary.

By Mr. DONOVAN:

H. R. 8420. A bil for the relief of Dr. Ying Ming Yen; to the Committee on the Judiciary.

H. R. 8421. A bill for the relief of Giuseppe Favorito; to the Committee on the Judiciary.

By Mr. DORN of New York:

H. R. 8422. A bill for the relief of Mrs. Jane Barnes; to the Committee on the Judiciary.

By Mr. FULTON:

H. R. 8423. A bill for the relief of Maria Febbrara; to the Committee on the Judiciary.

By Mr. GUBSER:

H. R. 8424. A bill for the relief of Han Liang Huang and Zing Wei Tang Huang; to the Committee on the Judiciary.

By Mr. GWINN:

H. R. 8425. A bill for the relief of Ciro Motti; to the Committee on the Judiciary.

By Mr. HAYS of Arkansas:

H. R. 8426. A bill for the relief of Clarence L. Harris; to the Committee on the Judiciary.

By Mr. HAYS of Ohio:

H. R. 8427. A bill for the relief of Domenico Bruno Caruso; to the Committee on the Judiciary.

By Mr. KELLEY of Pennsylvania:

H. R. 8428. A bill for the relief of Gertrud Baxter and son, Helmut; to the Committee on the Judiciary.

By Mr. KEOGH:

H. R. 8429. A bill for the relief of Ethlyn Mae Grant; to the Committee on the Judiciary.

By Mr. KLEIN:

H. R. 8430. A bill authorizing the presentation of the Bronze Star Medal to Sidney Clinton Stern; to the Committee on Armed Services.

H. R. 8431. A bill for the relief of Giuseppe Faraci; to the Committee on the Judiciary.

H. R. 8432. A bill for the relief of Lambert Kwok, Nancy Li Kwok, and Evelyn Chi Ngan Kwok; to the Committee on the Judiciary.

H. R. 8433. A bill for the relief of Emma Brajuha; to the Committee on the Judiciary.

H. R. 8434. A bill for the relief of Helen Lillian Deutsch Lowi; to the Committee on the Judiciary.

H. R. 8435. A bill for the relief of Kalman Berger; to the Committee on the Judiciary.

H. R. 8436. A bill for the relief of Charles Cuni; to the Committee on the Judiciary.

By Mr. LESINSKI:

H. R. 8437. A bill for the relief of Mariko Kimizuka; to the Committee on the Judiciary.

By Mr. McCONNELL:

H. R. 8438. A bill for the relief of Anton Steigerwald; to the Committee on the Judiciary.

By Mr. MILLER of Nebraska:

H. R. 8439. A bill for the relief of Joaquin Flores-Munoz; to the Committee on the Judiciary.

By Mr. MORANO:

H. R. 8440. A bill for the relief of Catherine Callimanopulos and Mary Callimanopulos; to the Committee on the Judiciary.

H. R. 8441. A bill for the relief of Mrs. Magdalena Simonavicius; to the Committee on the Judiciary.

By Mr. O'BRIEN of New York:

H. R. 8442. A bill for the relief of Mrs. Lucienne J. Seftel (nee Gachoud); to the Committee on the Judiciary.

By Mr. OSTERTAG:

H. R. 8443. A bill for the relief of George D. LaMont; to the Committee on the Judiciary.

By Mr. PHILLIPS:

H. R. 8444. A bill for the relief of John Williams and Catherine Williams; to the Committee on the Judiciary.

By Mr. ROGERS of Colorado:

H. R. 8445. A bill for the relief of Western Instruments Associates; to the Committee on the Judiciary.

By Mr. SIKES:

H. R. 8446. A bill for the relief of James L. Bostwick; to the Committee on the Judiciary.

H. R. 8447. A bill for the relief of Mrs. Maria Kilpatrick (nee Lubiana); to the Committee on the Judiciary.

By Mr. SMITH of Kansas:

H. R. 8448. A bill for the relief of Maria Anna W. Harris; to the Committee on the Judiciary.

By Mr. THOMPSON of Texas:

H. R. 8449. A bill for the relief of Annunziata Gambini and Tomazo Gambini; to the Committee on the Judiciary.

By Mr. WALTER:

H. R. 8450. A bill for the relief of Geu Lau; to the Committee on the Judiciary.

H. R. 8451. A bill for the relief of Elda Mondillo; to the Committee on the Judiciary.

By Mr. WILLIAMS of Mississippi:

H. R. 8452. A bill to authorize and direct the conveyance of certain tracts of land in the State of Mississippi to Richard C. French, Lewis M. French and Ruth French Hershey; to the Committee on Interior and Insular Affairs.

By Mr. WILSON of California:

H. R. 8453. A bill for the relief of Genoveva Ibarra-Arribeno de Martinez; to the Committee on the Judiciary.

By Mr. WALTER:

H. J. Res. 472. Joint resolution for the relief of certain aliens; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

422. By Mr. BUSH: Petition of citizens of Bradford County, Pa., favoring the passage of legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

423. By Mr. FORAND: Petition of Mary M. Eldridge, legislative director of the Woman's Christian Temperance Union of Rhode Island and 83 others from Rhode Island, urging enactment of legislation to get alcoholic beverage advertising off the air and out of the channels of interstate commerce and thus protect our people and the rights of States to prevent advertising of commodities which have been declared unlawful by the rights of local option granted them under State law; to the Committee on Interstate and Foreign Commerce.

424. By Mr. HOSMER: Petition of residents of Long Beach, Calif., urging Congress to pass legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce, and its broadcasting over the air, a practice which nullifies the rights of the States under the 21st amendment to control the sale of such beverages; to the Committee on Interstate and Foreign Commerce.

425. By Mr. HOEVEN: Petiton to prohibit the transportation of alcoholic beverage advertising in interstate commerce; to the Committee on Interstate and Foreign Commerce.

426. By Mr. LECOMPTE: Petition of citizens of Grinnell, Iowa, who urge the adoption of legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce, and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

427. By Mr. MORGAN: Petition of Mrs. David W. Hughes and 2,497 other residents of Washington County, Pa., urging enactment of legislation which would outlaw all interstate alcohol advertising, including magazines, newspapers, radio, and TV; to the Committee on Interstate and Foreign Commerce.

428. By Mr. MUMMA: Petition of N. J. Zeigler and 28 other residents of Duncannon, Pa., urging enactment of legislation prohibiting the transportation of alcoholic beverage advertising in interstate commerce, and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

429. By Mr. SHORT: Petition of Rev. J. W. Dilley and other residents of Springfield, Mo.; to the Committee on Interstate and Foreign Commerce.

430. Also, petition of Mamie Shelton and more than 2,000 citizens of southwest Missouri; to the Committee on Interstate and Foreign Commerce.

EXTENSIONS OF REMARKS

Atomic Energy and Its Future Effects in Industry

EXTENSION OF REMARKS
OF
HON. JOHN MARSHALL BUTLER
OF MARYLAND
IN THE SENATE OF THE UNITED STATES
Thursday, January 12, 1956

Mr. BUTLER. Mr. President I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a speech entitled "Atomic Energy and Its Future Effects in Industry," which I delivered on September 24, 1955, before the executives' industrial relations conference, sponsored at Valley Forge, Pa., by the Past Presidents Association of the Pennsylvania Industrial Management Clubs.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ATOMIC ENERGY AND ITS FUTURE EFFECTS IN INDUSTRY

(Address by Hon. JOHN MARSHALL BUTLER, of Maryland, before the executives' industrial relations conference, sponsored by the Past Presidents Association of the Pennsylvania Industrial Management Clubs, September 24, 1955, Valley Forge Military Academy, Wayne, Pa.)

It is my intention today to discuss some aspects of the industrial future of atomic energy. This great new source of power and varied tool for industrial applications has received much attention recently. I may be able to suggest very few new uses to a group of informed men who have followed the public press and listened to the radio. But I do have fresh impressions to offer you, based upon my experiences at the Atoms-for-Peace Conference in Geneva. I also can offer some thoughts on the future of the atom from the vantage of the Senate, as I have studied these problems in Washington.

I think it is safe to say that no one can really know what exciting new developments will come from atomic research already completed or underway today. It does seem certain that it is destined to bring about great changes, improving our lives and creating fresh business opportunities. Although life will go on much as it always has, with many serious economic problems remaining to be solved, nonetheless the atomic future shows greater promise than the so-called realists were conceding not so long ago. And these changes are coming sooner than many expected.

We can recall the first announcements of our conquest of nuclear fission made at the close of World War II. Public speculation ran all the way from fearing the world would blow up in some chain reaction carried beyond human control to stories of a world with all goods virtually free. Our automobiles were to run for a year on a small pill dropped in a tank of water. Both the military hazards, great though they may be, and the peacetime uses, promising as they are, were exaggerated in that first flush of excitement.

Then it became popular to debunk the atom. The bombs were shown to do little damage to many types of targets, and to be insignificant as compared with the power of nature on a rampage in a hurricane or a flood. Power costs were demonstrated to be very high and shielding problems of radiation too great to warrant the use of mobile powerplants. While the public debunking became more scientific and conclusive, the secret work in our laboratories and those of other countries continued.

Now a large number of the debunking claims are clearly obsolete just as were the first stories which went to the other extreme. The so-called little bombs which were dropped on two Japanese cities have been superseded by giant fusion weapons of many megaton yields. Their radioactive fallout can destroy great nations. These weapons at first were also "debunked" as nondeliverable, but that has changed, too. There are aircraft in being that can deliver such weapons. We all know these things, and one of the adjustments of our life, economic and political, must be to these realities.

But fortunately, the understanding of the atom has brought great promise of good as well. If we have faith in man's future, and in the future of America, we must believe that its potential for good is even greater than its potential for destruction. Mankind must develop the wisdom to make this true, for it is in his power to do so.

Developments in the laboratories are coming so fast that we cannot now see all the applications which will be made of this new knowledge. It is most important that we sustain our effort in research, to push back the frontiers of the unknown in the basic sciences. This is necessary if we are to achieve the practical applications of the atom which seem to rest in it. For example, one of the most exciting discussions at Geneva involved the possibilities of harnessing the fusion method of the so-called hydrogen bomb to create controlled release of energy. This would be a tremendous step forward. But much hard work will be required to make it a reality, if it can be done. New basic research will have to aid this effort.

But while we are waiting for this kind of development, and others still more startling, there is already available for the taking a tremendous business future in the atomic field. For convenience of discussion, let me suggest by categories some of the opportunities which confront businessmen.

ATOMIC POWER

Large power plants now being built in this country, the United Kingdom, and the Soviet Union will not deliver power at very low cost. This is because they are based upon simple and tested designs of a rather primitive nature. Our first of this type is, of course, here in Pennsylvania at Shippingport. The British equivalent is the plant at Calder Hall which will probably be in operation sooner. The presently operating Soviet plant outside Moscow is only a tenth the size of our plant. But the Russians also seem to be in the preliminary steps of developing some large plants, quite possibly as soon or sooner than this country.

Such plants, whatever their delivered power cost, will give an invaluable amount of experience so necessary to the lowered cost revolution which can be expected. Presently published data indicate that improved breeder and homogeneous reactors offer power prospects whose costs will rival the lowest of modern thermal or hydroplants. We can expect additional powerplant construction to come at an accelerated pace. This may rival the great railway boom of a century ago.

The significance of these developments is at least threefold. In the first place, there is the promise of tremendous capital expenditures which will help to expand our whole national economy. In the second place, the location of new industries will be oriented less by bodies of coal or oil or gas, than by markets and other resources. In the third place, the threat of rising power costs caused by the exhaustion of the most accessible chemical fuels will not be the danger it was.

But probably it is necessary to add one qualification to this very happy outlook. It is apparent that power will not be free. The capital investment in facilities for the preparation of atomic fuels, for the operation of the pile, and for the recycling of spent fuels will be very great. There is also the normal investment cost for turbines and for electric generating and distribution systems. The future is glorious enough without asking the impossible. This means that exploitation of our present knowledge of the atom will guarantee us fresh new supplies of power, soon at competitive costs. But there will not be any revolutionary cost reduction for those areas which already enjoy the advantage of moderate cost chemical fuels or good hydro sources.

One distinct impression I bring back from Geneva is the necessity for speedy development of moderate-sized atomic powerplants which operate with good efficiency. In the United States, our hope for making atomic power costs competitive has been to build much larger plants, in the range of from 50,000 to 250,000 kilowatts. This promises to bring us economies per kilowatt of capacity. Plants of such size at so early a stage of development of the science run the risk of becoming obsolete almost as fast as they can be completed. But we must build them for the invaluable experience they will give us. Only a rich country with very large supplies of both private and public capital can afford this kind of developmental risk.

The many delegates from the smaller countries of the world who came to Geneva were greatly impressed by what they saw and heard. Yet they knew, in many instances, that they will have only limited opportunities to share immediately in this new source of power. This is because they cannot afford to build very large atomic powerplants, and their needs are not yet for such concentrations of power output. They want experimental reactors, which our Government is prepared in the interest of world peace to help them construct.

They also would like moderate-sized plants which will produce usable power at a cost which is lower than they now pay in conventional plants.

It is important to recognize that one reason commercial atomic power in this country may have lagged, if indeed it has, behind that of the United Kingdom and possibly the Soviet Union, is that most of our country already has available fairly cheap power from conventional sources. The business realities of breakeven costs have tended to rule out any rush to build atomic power plants on a purely commercial basis in competition with modern thermal plants or with favorably situated hydro sources. The only hope of breaking even, as I have suggested, has been with very large plants.

In many of these foreign countries, however, the problems are different. The British for example have faced many years of declining availability of cheap coal and rising needs for imported oil. The Japanese will face similar problems. The Russians are notably short of good fuel near their largest industrial cities of Moscow and Leningrad. Many other countries have been held back in their development by either a lack of fuel or by its very high cost. Some of these, then, are places where even a fairly primitive atomic power source which we would not consider competitive would be a great aid

to the users. It is for this reason that some of the first spurts of construction in plants may come in foreign countries rather than in our own.

But we cannot afford to sit back, or to play a passive role in the development of these more modest power plants which other countries could use. We must apply ourselves to increasing the efficiency and lowering the costs of such plants, for they can be useful to us in several ways.

In the first place, such power plants developed by our know-how and our manufacturing companies will keep us in the atomic lead. We must do this in a rapidly changing world, where American strength is so important to our survival. In the second place, unless we demonstrate this kind of progressive cooperation, we are likely to find that foreign rivals both friendly and otherwise, will be taking the orders for equipment, supplying the technicians, controlling the fuel sources. This would isolate us from other peoples with whom we should maintain close relations in the interest of peace and prosperity.

In the third place, we must not neglect the advantages which can accrue to our own country if we develop competitive modest-sized power plants. We know that once electricity has been generated, there are great losses of that power if it must be transmitted any considerable distance. There are many parts of the United States which would enjoy a better development and be able to bring into full use their other resources if they were able to generate power at moderate cost without either long hauls of heavy fuel or long distance transmission of electric power. The established areas of our country should not worry about new home rivals brought by cheaper local power. The whole country can expect to go forward with the general growth and prosperity which is within our reach if we show the right wisdom in ordering our affairs.

For the future, we are faced with more speculative conclusions than the ones I have emphasized. Perhaps we will learn to convert on a large scale, atomic energy directly into electricity without having to go through a steam-turbine, heat-transfer cycle. Perhaps we will learn to control the fusion process. Perhaps there are other even more economical methods waiting to yield to determined research.

RADIOISOTOPES

I am sure that most of you are aware that the byproducts of atomic fission are more than a radiological hazard. These byproducts are some of the most surprisingly important consequences of the new peacetime use of the atom. After all, uranium, thorium, and plutonium are today only different fuels which are used to generate heat to create conventional power no less in cost than that available many places already. But the radio isotopes created in atomic piles have opened up a host of new applications limited only by the ingenuity and inventiveness of our people. There are almost certain to be many new uses for such isotopes in the years ahead; we have barely scratched the surface.

Among my listeners, almost certainly there are some who are making applications of these new tools for research and for production. In manufacturing we see how the introduction of small amounts of radioactive materials into a product can create the means for measuring the thickness of materials with great ease. The uniformity and thickness of coatings can be measured on a production line without taking time out for laborious analyses. With tracer elements it is possible to test the effectiveness of designs, such as internal friction and wear in engine parts. In the chemical industry the movement of catalysts, the travel and behavior of many elements can be identified for the first time.

Biology and medicine are making similar new aplications. Some of these are in basic research, particularly as tracer elements. But, also, anyone of us here may have a better chance to stay alive because of the availability of new tracer elements which can identify the functioning of parts of our bodies and locate troubles within them. An illustration of the dual use of isotopes is the ability of one of these materials to locate a brain tumor if present, and for another radioisotope to serve as a directed source of energy. It can selectively destroy cancerous cells which might be almost impossible to reach through surgery. Our supplies of these isotopes have been the equivalent of an almost unbelievable increase in the amount of radium available to hospitals everywhere. Radium is expensive, and only very small amounts are available. Now, for the same purpose, radio-cobalt can be used with much greater freedom from limitations in cost or quantity.

In the field of agriculture the isotopes are providing much help to research. Serving as tracer elements, it is possible to determine the effectiveness of fertilizers and methods of their use, the importance of specific elements in plant growth, and even to probe the secrets of photosynthesis. If we solve all the mysteries of how plants can create food from sunlight, carbon dioxide, and water we may change the problems of food shortage for those parts of the world which are feeling population pressure. We may be able to create new synthetic foods, industrial raw materials, and chemical fuels which will mean a more abundant life for our people. Many problems promise to yield to research made possible by the new applications of radioisotopes. Controlled exposure of foods to radiation may serve as an efficient substitute for refrigeration.

Some of you probably recall another application of isotopes which is both simple and effective, although one of the surprise bonuses of the new age. Now we control the movement of different batches of petroleum products through pipelines by introducing tracer elements which can be monitored along the way to identify the beginning and end of a particular shipment.

The opportunities for further applications are a matter of individual ingenuity, and many a small business in this country has as much chance to think up and apply these new uses as do the larger corporations. The size of the investment is often not a serious obstacle to success.

MOBILE SOURCES OF ENERGY

Although the day of the atomic-powered automobile is not here yet, there has been significant progress in learning how to use atomic energy to move vehicles. This, of course, has had its initial impetus under the pressures of military rivalry.

The *Nautilus* is now an operating reality, and the *Sea Wolf* will presently join the fleet, too. Not only do these submarines represent a significant advance in naval power to safeguard America, but they have immensely speeded the development of the land-based powerplants which I have discussed earlier. A larger seagoing reactor is likely to be installed in some of the big aircraft carriers of the *Forrestal* class. Not many people doubt that our country leads the world in military applications of mobile powerplants.

But our position as first partner in a world of friendly nations requires that we demonstrate leadership in peacetime use of atomic-powered ships. The President's dramatic plan to build an atomic-powered merchant ship which could tour the world as a floating exhibit of our peacetime atomic progress was a very important proposal.

I was the cosponsor of a bill this year introduced into the Senate to undertake the construction of such a ship. It was a simple and direct plan to give the President the authority he required to accomplish the construction of such a vessel at the earliest practical date. I hope very much that the Congress will again take up this bill and make it law. Such a ship, carrying an atomic powerplant would allow it to cruise for months at high speed without the necessity of refueling. It could give us invaluable experience for the day when perhaps most ships will carry such powerplants and do so with economy. Further, the kind of wonderful exhibits which I saw at Geneva, instead of being limited to the few people who can reach Switzerland would enable millions near the great seaports of the world to share in a glimpse of the new age we are entering so rapidly.

The nuclear-powered aircraft seems destined to come first in a military version, and our step-up of funds for research and prototype building suggests important breakthroughs in our attack on what had seemed like insurmountable problems. One of the most critical has been how to reduce the weight of shielding the airborne atomic pile required for the protection of the human beings in the craft. This problem is being solved, and we should see an atomic-powered plane in the air within a very few years. But here, too, conventionally-powered turbine planes are likely to have a long future, for passenger transports are not yet ready to shift to the newly designed atomic engines.

On land, it is likely that the first practical application of mobile atomic power will be in a railway locomotive. Because shielding is still a problem, few other vehicles are immediately ready to carry the weight that will be involved. Detailed plans for an atomic-powered locomotive have been offered publicly in engineering circles. These designs may be further improved by new principles which allow the moderator-coolant-heat exchanger part of the pile also to serve as its shielding agent. If the concepts proposed for this advance prove successful, the day of both airborne and land-carried atomic power-plants will be greatly speeded.

The exhibits at Geneva were an eye-opener even to the most blase observer. The great variety of applications, the number of firms prepared to manufacture components were a revelation that the atomic age which has been hidden by security is about ready to burst forth with revolutionary swiftness. I have told you I think the atomic-powered ship with its traveling exhibit is a very necessary move in our world relations. I am of the opinion that the American people, even with the splendid coverage our press and radio give the news cannot be fully aware of these great changes until they see such exhibits first hand. For this reason when the Congress convenes again in January, I am going to offer a new bill to authorize the speedy construction of an atomic-powered railway locomotive. This forced development of a vital new device will speed the revolution in domestic transportation, and will also serve the same purposes as the atomic-powered floating museum on the seas.

Such a locomotive could tour the United States pulling an exhibit train which would dramatize the changes coming. Every American could experience the thrill, and gain the vital knowledge good citizenship requires, of the atomic wonders which we can have. Almost certainly such an exhibit train as a result of its tour would stimulate new applications of atomic methods, and increase interest in capital expenditure for new atomic power sources. Thus it could do as much as any single act to spark our expansion in a new economic age.

CONCLUSIONS

Our Government has spent vast sums of money in creating its atomic industry, its nuclear weapons, and its prototype power sources. This has been necessary to launch so revolutionary a change. Government control was necessary, too, because there was a period where a major attempt to maintain security of information was important in a world torn by dissention.

But conditions have changed, and Geneva was living proof of this change. On the one hand, we have learned enough about the workings of the atom to be ready for aggressive development of the science and its engineering applications. Private capital, with opportunities unlimited for both large corporations and many small businesses, must find its own future in this field. It is only as we can make information available, and license more broadly the processes and materials of atomic energy that this American ingenuity can come into play on a broad front. This, it is most important that we do.

On the other hand, Geneva revealed that although our policies were wise at the earlier stage to maintain security of information, conditions in this respect have changed, too. Some of our secrets were stolen by rival powers. But in their own right, drawing upon a common fund of worldwide scientific knowledge and upon the resourcefulness of their own scientists and engineers, other countries are moving rapidly into applications of this atomic know-how. We can no longer pretend to any monopoly of such knowledge. This we must accept, and adjust our policies and our laws accordingly. For it is in our interest not only to share our information on peacetime uses of atomic energy, but to learn from other countries, too. Scientific knowledge has never been the monopoly of any one country, and the exhibits and the technical papers at Geneva certainly made this clear.

Of course, judgment must be used as to what we are to disclose, and we must show commonsense in knowing what is to be left hidden by security rules. We must decide what is to be licensed, and what is to be freely exchanged with other countries for mutual advantage. The reasons for this exchange are many, and some of them I have suggested already in my talk. They are partly military, partly political, and partly technical. Others are a matter of good business. Freedom of access to markets, of availability of fuels, of design competition, offer us the best hopes for rapid atomic development. Such development in turn will help to create a world in which all men including our own people will be more prosperous and contented.

Valley Forge is a name famous in American history. It combines for us memories of our own political revolution and military struggle against heavy odds and great hardships to create the country we love and serve today. It also suggests the industrial beginnings of our country. Now with the passage of time this region is part of the great industrial concentration of the Delaware Valley. In this part of the country, we know that a good future lies ahead, with proper effort made to develop our potentialities.

The facts now are different because we live in another age, but we must have the same spirit of faith in the future of our country and in our own ability to meet the challenges of today. Valley Forge is a fit symbol of the force which must motivate us to continue our development and to take in stride the industrial and political changes which the new atomic era will bring us.

Mental Problems of the Aging

EXTENSION OF REMARKS
OF
HON. GORDON H. SCHERER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 12, 1956

Mr. SCHERER. Mr. Speaker, there are approximately 14 million persons in the United States today who are over 65 years of age. Their number is increasing at the rate of 400,000 a year.

In view of the growing number of senior citizens in the Nation a symposium on gerontology in Cincinnati today takes on added importance.

The meeting, titled "Constructive Medicine in Aging: Problems of the Mind in Later Life," is the second annual symposium on gerontology sponsored by the Wm. S. Merrell Co., of Cincinnati. Producer of medicines since 1828, Merrell is recognized as a leader in gerontological research. It is directing currently over 50 percent of its research activities toward the development of new and better drugs for our older citizens.

Although gerontological research is comparatively new, several drug discoveries already have been made possible through research activities at Merrell.

The first drug, meratran, was released early in 1955. Dr. Howard Fabing, of Cincinnati, has reported it is highly effective in combating mild depression and emotional fatigue. Since these are often complaints of the older patient, the drug is valuable for geriatric use.

Frenquel, the second drug, was made available in December 1955. It is anticipated that this drug may provide new hope and a return to normal life for many mentally ill patients suffering from acute schizophrenic hallucinations.

Merrell also has produced tace, a unique type of estrogen valuable for treatment of certain ailments striking chiefly our older men and women. The Journal of the American Medical Association recently editorialized on the properties of the ideal estrogen and compared tace favorably with the ideal standards.

Merrell is aiding the medical profession's attempts to meet an impending challenge to our social stability. It is accepted generally that medicine has been largely responsible for prolonging life and now is gravely concerned with finding ways and means to make these extra years productive and enjoyable. Through the combined efforts of the medical and allied professions it is hoped that later years will become golden years.

Thus, this increasingly important challenge of medicine—the search for ways to make the sunset years productive and useful—is bringing several hundred doctors to Cincinnati to hear eight experts tell of the most recent developments in the field of mental problems of the aging.

Paint Mixing Facility at Mare Island Naval Shipyard

EXTENSION OF REMARKS
OF
HON. JOHN F. BALDWIN, JR.
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 12, 1956

Mr. BALDWIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I would like to insert a statement which I made on Tuesday, January 10, 1956, before the House Appropriations Committee in opposition to the proposed closing of the paint-mixing facility at Mare Island Naval Shipyard, Vallejo, Calif.:

Mr. Chairman and members of the committee, it is my understanding that the Defense Department has provided notice to the House and Senate Appropriations Committees that certain activities of the Navy and Army will be terminated unless an objection is received from the House Appropriations Committee or the Senate Appropriations Committee. It is my further understanding that one of the activities which the Defense Department proposes to terminate is the Navy's paint mixing facility at Mare Island Naval Shipyard, Vallejo, Calif.

I should like to register a strong protest against the proposed closing of this paint mixing facility, and I hope that this committee will disapprove this proposal. In my opinion the closing of this paint mixing facility would be most unfortunate, and would be against the best interests of our national defense.

During World War II the Mare Island paint mixing facility was an essential operation in manufacturing paint for naval use, much of it a special plastic paint for ships' bottoms. This special plastic paint had been developed at Mare Island after more than 7 years of laboratory work and field testing. It is important to note that the paint industry did not develop this formula—the Navy Department did at Mare Island Naval Shipyard.

This bottom paint permits ships to remain at sea in war areas for years without having to leave their station to proceed to a drydock, which may be many days' sailing, and hundreds, or even thousands, of miles away. Before the successful development of this formula, ships had to drydock frequently, as a clean bottom, as you well know, is an important factor in making maximum speed. A foul bottom also means that ships use more bunker fuel per mile, which means more frequent fuelings. The logistics supply of fuel to a fleet at sea over great distances is always a serious problem, as tankers can be sunk.

With the extension of our sea frontiers to far horizons as an implementation of national policy, bases are often inaccessible, and anything which can be done to extend the sea-keeping days of a fleet is vitally important, as I see it. Thus it is important that the bottom paint furnished the fleet be of impeccable quality and in exact conformity to the formula. The Navy's manufacture of its own paint under its own formula has met all service tests. We should not tamper, in my opinion, with a proven system and a proven product. The paint industry, although it has had every opportunity to conduct a similar laboratory and testing program, was never able to develop this bottom paint. The Navy, on the contrary, is consistently experimenting in laboratory and testing facilities to improve paint for the Navy's peculiar need. This was the reason why the Navy established the paint-mixing facility at Mare Island Naval Shipyard. This facility meets special requirements which industry cannot, or at least has not, met.

At the present time, the Mare Island paint-mixing facility is limiting its production to the special plastic paints solely for Government use. If this work were transferred to commercial plants, it would be necessary for the Navy to establish a costly inspection corps at each commercial plant involved, as it is vital to national defense that this paint be manufactured exactly to formula. In addition, such a transfer would mean that the expenditure and investment that the Government has already made for the equipment and buildings occupied by the Mare Island Paint Mixing Facility would lie

idle. It would certainly appear that using plastic paint produced commercially would add to the Navy's costs, rather than being an economy.

I fully understand that it is the Defense Department's desire to stop Government competition with private industry whenever there is no harm to the national defense involved. However, in this case, I am convinced there would be harm to the national defense.

Another factor which to me seems important to national defense is that if the Mare Island paint-mixing facility be closed, the skills of the group of employees which grew up with the development of this paint would be dissipated and lost. Without these skilled men, the paint-mixing facility will be an empty shell when the next national emergency requires its reopening.

It seems to me of essential importance to the Nation that the Mare Island paint-mixing facility be allowed to continue to operate in the modest way in which it is now operating in the manufacturing of special plastic paints, and be allowed to continue its research and tests looking toward the further betterment of this product. It would seem most important that the research and testing which has been in progress for many years be continued.

Of extreme importance is the complete flexibility of this paint-mixing facility. Production of urgently needed paint can be started immediately on receipt of even a dispatch order, with no lead time as commonly required in commercial practice for special type paint.

The Mare Island paint-mixing facility now employs only approximately 50 people, and specializes in this special antifouling and anticorrosion bottom paints and vinyl system paints specifically designed for the Navy's own use. The continuation of this specialized operation certainly can have no great adverse impact on our country's huge paint industry, and yet could have a most unfortunate result on our readiness for the expansion of production of this most essential naval paint in time of war.

In view of these facts, I should like to recommend strongly that the House Appropriations Committee disapprove the proposed closing of this paint-mixing facility. I believe this closing would be a false economy and a definite disadvantage to the Nation's defense.

Federal Aid to Education

EXTENSION OF REMARKS
OF
HON. JOSEPH F. HOLT
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 12, 1956

Mr. HOLT. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

Congressman JOE HOLT, Republican, from California, author of the legislation which created the White House Conference on Education, today issued the following statement:

"President Eisenhower's special message on education fulfills his promise to the White House Conference on Education to give careful consideration to their findings. In almost every instance, his school-construction proposals jibe with the White House Conference recommendations.

"Those who charged that the White House Conference on Education was an administration device for avoiding action have been proven wrong. President Eisenhower has translated the will of the people into a positive, sound program of action.

"The President's school-construction proposals embodies the following principles expressed by the White House Conference on Education:

"1. Federal aid 'Should be granted only on the basis of demonstrated needs.'

"2. 'Federal aid should never be permitted to become a deterrent to State and local initiative in education.'

"3. 'State aid should be increased.'

"4. 'The administration of Federal funds should be through the appropriate State agencies for education.'

"5. 'These State agencies should determine the relative needs of local school districts.'

"6. There should be no 'Federal control or educational use of funds in local school districts.'

"7. 'All States and Territories and the District of Columbia should be eligible.'

"The President's recommendations provides the foundation for much sounder and safer education legislation than the Kelley bill, now before the Rules Committee.

"The need for Federal aid to education, State by State, has not yet been proven to me personally, either by the hearings held before our committee or by the newspaper and oral reports I have heard on the results of the White House Conference on Education. For that reason I have requested the chairman of the Education and Labor Committee to have the officials in charge of the White House conference come before the full committee and give a report on the manner in which the conference was held, delegates selected, the results, and how they were reached.

"As a Representative in Congress from the State of California, there is doubt in my mind whether any Federal-aid legislation will be proven beneficial to our community and State in the long run. We are doing a very good job of solving our own problems. The amount of effort being put forth by other States and the taxes their people are paying for their schools in comparison to the high taxes our people pay for schools must be taken into consideration before any definite conclusions are reached."

Rural Mail Delivery

EXTENSION OF REMARKS
OF
HON. JACKSON E. BETTS
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 12, 1956

Mr. BETTS. Mr. Speaker, on February 7, 1955, I introduced a bill, H. R. 3655, which would extend rural mail delivery to the homes of all persons living on improved highways. Since then I have noted interest in this problem on the part of various farm organizations. At its national convention in Chicago in December 1955 the American Farm Bureau Federation included extension of rural mail delivery among its resolutions. The following was taken from the American Farm Bureau Official News Letter of December 19, 1955:

Rural mail delivery should be made available to every accessible farmstead. We urge that legislation be enacted or administrative action taken to accomplish this. This may necessitate consolidation, extension, or relocation of routes. In some instances it may be advisable to eliminate post offices and replace them with rural routes. It is apparent that many of these changes will come more quickly if rural people take an interest in this problem in their own communities.

The Ohio Farm Bureau endorsed the same policy at its convention in Columbus in November 1955. The following resolution, as adopted by their organization, appeared in the Ohio Farm Bureau News of January 1956:

RURAL POSTAL SERVICE

We insist that rural mail delivery be made available to every farm home on a passable highway. Since direct-to-farm rural mail service is vital to every farm family, we recommend that county farm bureaus give such assistance to farm families as is necessary to bring their problems to the attention of proper postal authorities.

Mr. Speaker, it is my hope that such actions as these will stimulate interest in H. R. 3655.

Federal Aid to Education

EXTENSION OF REMARKS
OF
HON. NOAH M. MASON
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 12, 1956

Mr. MASON. Mr. Speaker, the crux of the recent White House Conference on Education was whether or not the Federal Government should grant more Federal Aid to public education. The central question of all the discussions was, "Shall or shall not the Federal Government launch out on a broader basis than at present in giving Federal Aid to schools?"

One of the pertinent factors in the problem of Federal Aid is the way Federal Aid is being distributed to the schools at the present time. Federal grants-in-aid to schools today are distributed not on the basis of need, not even on the basis of the average pupil daily attendance, as one would expect. It is distributed today in direct contradiction to these three basic criteria.

For example, Federal grants-in-aid to schools during the fiscal year 1954 shows the following inconsistencies:

State	Rank according to State effort	Number of pupils enrolled	Federal grants-in-aid	Average grant per pupil
West Virginia	17	448, 280	544, 963	1. 21
Nevada	39	42, 187	1, 664, 385	39. 45
Virginia	28	702, 671	14, 950, 285	21. 27
Mississippi	16	540, 157	2, 551, 600	4. 73
Illinois	43	1, 490, 000	4, 170, 345	2. 79
Wisconsin	35	561, 000	1, 150, 359	2. 05
Washington	23	490, 184	8, 522, 481	17. 39
Wyoming	1	63, 837	1, 257, 060	19. 69
New Mexico	2	187, 480	5, 003, 917	26. 68
Kansas	20	386, 915	5, 498, 760	14. 21

Mr. Speaker, anyone can readily see from the above table that there is little rhyme or reason in the present method of granting aid. For instance, Nevada, a State that stands high on the basis of per capita income and ability to finance her own schools, stands 39th in her effort to support her schools, yet she receives $39.45 per pupil Federal aid; while West Virginia, a State that stands quite low on the basis of per capita income and ability to finance her schools—her coal

mines, potteries, and glass factories being very hard hit—although she ranks high in effort, receives only $1.21 per pupil in Federal aid. Wyoming, the State that ranks No. 1 in her effort to support her schools, gets less than half the aid given Nevada, the State ranking 39th in effort. If this is a sample of the way Federal aid to education is being distributed today, do we want to extend these basic inequities? What guaranty will there be that the present inequitable method of distribution will be improved or corrected?

Mr. Speaker, three other real factors enter into the problem of extending Federal aid to schools, if Federal aid is for the purpose of equalizing educational opportunities between the States as claimed by its advocates:

First. The problem of segregation in the schools of the South. Will Federal aid accentuate this problem or diminish it?

Second. The problem of Federal aid for our parochial schools. Will Federal aid to education be provided for parochial schools in order to create equal educational opportunities? If not, why not?

Third. The problem of Federal supervision and Federal control of schools that are subsidized by Federal taxes. Federal supervision and control always accompany Federal aid. The present United States Commissioner of Education has said:

> If Federal aid is to bring about better schools, it seems apparent that there must be some Federal control.

Mr. Speaker, Federal aid to equalize educational opportunities is not as simple as it appears on the surface. It is both complicated and controversial. Cautious exploration and consideration are required before a proper solution can be found under our Constitution.

I have been, and still am—because of the above reasons—opposed to Federal aid for schools.

The Polish Daily News of Detroit, Mich.

EXTENSION OF REMARKS
OF
HON. JOHN LESINSKI, JR.
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 12, 1956

Mr. LESINSKI. Mr. Speaker, one of the most familiar objects in the majority of American homes today is a newspaper, either one from the hometown or one from the local area in which one lives. Without a morning or evening paper a family would be lost for complete news of the world or the locality. And in these days it is important that we, as citizens of the greatest nation in the world, keep informed about world and local happenings. I realize, of course, that radio and TV provide a source of news, but this is more or less of an outline coverage. We must depend on newspapers for the more complete details of current events and also for some of the news that is not deemed of sufficient importance to be included in a news broadcast over radio or TV. I believe we are all the more impressed with the part a newspaper plays in our daily lives when suddenly we have no local paper to read.

The majority of the people of Detroit and the vicinity have almost found themselves in such a situation. For over 42 days, since December 1, 1955, the three major newspapers serving the Detroit area, the morning Free Press and the afternoon News and Times have not been issued because of a strike. However, because of the ingenuity of one of the smaller local newspapers, the citizens of the area are still being served. Within 24 hours after the announcement of the strike of the workers on the major dailies in Detroit, the Dziennik Polski, the Polish Daily News, started printing a limited edition in English. Ordinarily, the paper is printed in the Polish language, as it has been since 1904, to serve the Americans of Polish descent. In its English edition, it carries stories of local and national importance and includes a sports page and the radio and TV programs, as well as some advertisements and the funnies.

I want to take this occasion to commend the publisher of the Polish Daily News, Stephanie Januszewski, and her staff for the wonderful public service they are rendering to the people of their community. They are doing a magnificent job in this emergency. They have stepped up at a time of need, as is characteristic of Americans of Polish descent, to lend a helping hand to their fellow citizens. The publisher and staff of the Polish Daily News can, I am sure, take justifiable pride in their accomplishments. I am sure that the people of Detroit are most grateful to them for their efforts.

An Answer to the Unsubstantiated Charge of Giveaway of Our Natural Resources Levied Against the Eisenhower Administration

EXTENSION OF REMARKS
OF
HON. JAMES E. VAN ZANDT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 12, 1956

Mr. VAN ZANDT. Mr. Speaker, in the interest of the traditional American spirit of justice and fair play I have been greatly disturbed over the unsubstantiated charges of giveaway that are being frequently and recklessly hurled about our natural resources. These politically inspired charges are directed at the record of the Eisenhower administration and as a result of my inquiries I am pleased to furnish the "answer" which in my opinion will permit any fair-minded American to point with pride to the record of the Eisenhower administration in strengthening and advancing the cause of resource conservation. Here is what the record of the Eisenhower administration actually shows:

National park system: the national park system today is larger, more adequately staffed and more efficiently administered than it ever has been. In 1953, the year this administration entered office, 65,000 acres were added to our national park system. The boundaries of the Everglades National Park were extended to take in an additional 271,000 acres. Last year 40,400 acres were acquired. In the first 9 months of 1955, 29,560 acres were added to the park system.

Two new and historically important areas were added to the system with the establishment of Fort Vancouver National Monument in 1954 and Cumberland Gap National Historical Park in 1955. Establishment of Fort Union National Memorial in New Mexico was authorized last year and the National Park Service now is in the process of acquiring necessary lands. The West Virginia portion of the Harpers Ferry National Monument has been accepted for administration pending formal establishment of the area upon tender of the Maryland portion.

Establishment of the City of Refuge National Historical Park, in Hawaii, was authorized in legislation approved by the President in July 1955, and the Department of the Interior has recommended that the Congress authorize establishment of a Virgin Islands National Park. Moreover, the Department has signified its willingness to designate Chimney Rock, Nebr., and Promontory Point, Utah, as national historic sites in non-Federal ownership.

Important progress has been made toward fulfillment of the Cape Hatteras National Seashore Recreation Area project and all but 5,000 of the 28,500 acres within the project boundaries have been acquired. Negotiations for the majority of tracts needed for the Independence National Historical Park are in their final stages.

The integrity of the national park system has been maintained under this administration. Not only have park boundaries been protected and extended but vigorous support has been given the National Park Service in resisting developments which would unjustifiably intrude upon the natural beauty of park areas. Among such proposals which the administration rejected were:

An effort to obtain authority to construct a dam at Glacier View which, if built, would flood 20,000 acres of Glacier National Park. Rejected.

Efforts to obtain permits for construction of tramways at Mount Rainier National Park, Rocky Mountain National Park, Crater Lake National Park, and Grand Canyon National Park. Rejected.

Efforts to modify the newly extended boundaries of Olympic National Park. Rejected.

Efforts to construct a TV transmission tower in Scotts Bluff National Monument. Rejected

Efforts to open Joshua Tree National Monument to mineral prospecting and mining, or to abolish it altogether. Rejected.

Protection of Joshua Tree National Monument was strengthened when 10,000 acres inside the monument boundaries were acquired in exchange for 10,000 acres of federally owned grazing land outside the park.

One of the first acts of this administration was to reverse the unfortunate 15-year cycle of neglect of our parks which was touched off by World War II and prolonged by the Korean conflict. An administration program calling for substantial increases in parks appropriations has been approved by the Congress.

In January 1953 the National Park Service was operating under a fiscal-year budget of $33,162,330.

For the current fiscal year the park budget is $45,029,300—an increase of some 40 percent.

The new budget provides for 4,650 man-years employment in the parks system, an increase of 25 percent over the man years provided in the 1952–53 budget. One result has been to raise the park ranger force to its greatest strength in history.

Increased appropriations have enabled the National Park Service to make a good start on reducing the accumulated backlog of uncompleted and projected projects for road and trail construction and improvement of public facilities and park housing. Working cooperatively, the Park Service and concession operators have made great strides in development of a more realistic program for the modernization of privately operated facilities in the parks. For instance, in Grand Teton National Park, where travel has increased more than 500 percent over 1946, public use facilities are being developed in a program calling for an investment of more than $5 million in private capital; a building and expansion program under way at Grand Canyon National Park calls for expenditure of about $1 million by the concessioner; and similar forward looking programs are either under way or contemplated in other areas.

Gratifying progress is being made in the task of catching up with the demands being made upon the parks today. But that is not enough. The increasing number of visitors to national park areas—21 million in 1946—about 50 million in 1955—demands action on a dynamic program which will place the Park Service in a position to cope with an expected visitor load of 80 million a decade hence.

Such a program is now being formulated by the National Park Service. Its preparation already has revitalized the Service. Called Mission 66, its objective is to fully equip the national park system to carry out its basic purposes by 1966, the 50th anniversary of the Service.

It is the sincere belief that Mission 66 will prove to be the finest contribution to our national parks since the Service was established as a Bureau of the Department of the Interior in 1916.

Sport fishing: Funds for financing the program of Federal aid to the States for fish restoration have been available at record levels under the Eisenhower administration. Under this nationwide program significant progress has been made in Pennsylvania.

The Pennsylvania Fish Commission has emphasized the creation and purchase of public fishing waters. Federal funds have been used to defray 75 percent of the cost of the following projects:

Project:	Cost
Somerset Lake and Dam	$127,042
Glade Run Lake and Dam	66,647
Glade Run Lake and Dam site (Butler County)	21,614
Ice Dale Lake (Chester County)	21,000
Virgin Run Dam and Lake (Fayette County)	68,166
Somerset Lake site (Somerset County)	75,682
Total	380,151

In addition to the foregoing, project plans have been approved for 2 additional projects, which, when completed, will cost an additional $66,300, as follows:

Goldsboro Lake (Wayne and Monroe Counties)	$30,000
Lower Woods Pond (Wayne County)	36,300
Total	66,300

When completed, the work which has been approved to date will have added materially to the recreational opportunities available to Pennsylvania's anglers.

The Fish and Wildlife Service is conducting a nationwide survey to determine the amount of money and time spent annually by American sportsmen afield and on the water. This survey is being undertaken to determine what help the sportsman needs in the form of legislation. It is hoped by this survey to make the public better aware of the sizable contribution of sportsmen to our national income so that greater attention might be focused on their needs.

Wildlife protection: False rumors of a giveaway of wildlife refuges and a land grab of refuge areas by the military have caused sincere conservationists much undue concern. Again, let us examine such rumors in the light of hard facts on the public records.

Not one acre of wildlife refuge area under the primary jurisdiction of the Fish and Wildlife Service has been transferred to the military since the Eisenhower administration took office.

Since January 1953 the Department of the Interior has established 8 new wildlife refuges and 3 more are in the process of being established. During that period the Department acquired 79,946 additional acres for wildlife preservation through purchase, lease, or transfer of federally owned lands.

Under the Eisenhower administration Federal wildlife refuges have been established for the first time in Kansas and Colorado and new lands have been added to the Federal refuge program in Louisiana, North Dakota, Kentucky, Tennessee, South Carolina, Texas, Washington, Florida, Maine, Oregon, Idaho, Michigan, and New York.

During the fiscal year ending June 30, 1955, wildlife refuges received the largest allocation ever made for acquisition, development, and maintenance. This totaled $6,614,200 and was $2 million more than the refuges had been allocated in the annual budget when this administration assumed office.

It is gratifying to know that during the fiscal year ending June 30, 1955, the Migratory Bird Conservation Commission approved purchase of 30,189 acres of refuge lands at a cost of some $645,000—the largest expenditure of duck-stamp funds for refuge acquisition since 1945.

In administration of a national wildlife-refuge program that has been carried out over a period of 52 years, it must be expected that some refuge areas would outlive their usefulness, especially where they were established to meet temporary emergencies until more efficient areas could be acquired.

In the 6 years preceding the Eisenhower administration, for instance, 36 wildlife refuges were abolished. The total Federal wildlife reserves were reduced by 408,527 acres.

The Eisenhower administration has dropped 7 refuges totaling 6,226 acres, made up of small units of low productivity, where administrative costs were not justified.

Secondary use for wildlife of the 56,954-acre Fort Keogh Refuge in Montana, administered by the Department of Agriculture, was relinquished by the Fish and Wildlife Service because of administrative duplication and limited wildlife values. Wildlife potentials of this area will continue to be maintained by the Department of Agriculture.

The Eisenhower administration has not and will not voluntarily surrender any refuge of proven value to wildlife as long as it continues to meet wildlife conservation needs. Wildlife refuges, as well as national parks and forests, are regarded by the administration as irreplaceable national assets whose value is clearly established.

A refuge of proven value is the Wichita Mountains National Wildlife Refuge. Currently, the Department of the Interior is negotiating with the Department of the Army in an effort to maintain the refuge boundaries intact. In 1953, the Department of the Interior, of which the Fish and Wildlife Service is a part, made known its strong opposition to any reduction in the size of the Wichita refuge, and Secretary McKay has reiterated this position.

In the last session of Congress, legislation was enacted authorizing the expansion of Fort Sill, which adjoins the Wichita refuge. The Army's plans, as outlined before congressional committees, called for the acquisition of some 20,000 acres of privately owned lands and the transfer of some 10,700 acres of the Wichita refuge.

The Fish and Wildlife Service has proposed an alternative plan under which the refuge boundaries would remain intact while the Army would be permitted to set up areas within the refuge from which projectiles could be fired to land on target areas within the military reservation.

The Military Establishments have been cooperative in allowing large areas over which they hold primary jurisdiction to be used as wildlife refuges. It is the hope that a mutually satisfactory solution of the problem at Wichita can be found.

In this connection, a significant agreement between the Fish and Wildlife Service and the Corps of Engineers was completed in August 1954. Under this plan, the transfer of wildlife lands to the Service and to the State conservation departments has been expedited. The Service now assists the Corps of Engineers in conducting hearings at which there is full public consideration of the importance of integrating fish and wildlife protection measures into planning for flood control and navigation developments.

The national wildlife refuges, under the programs of this administration, are contributing importantly to the Nation's recreational needs without interfering with the paramount conservation objectives for which the refuges were established. Last year over 5,200,000 persons visited the refuge areas, an increase of more than 11 percent over the 1953 record of visitors.

Public lands and forests: One of the most important conservation measures in many years—Public Law 167—was signed by President Eisenhower on July 23, 1955.

A major provision of this law gives the Department of the Interior authority to control surface resources on mining claims. This is a conservation tool for which the administration worked ever since taking office.

Another major provision removed commonly occurring minerals such as sand, gravel, and cinders from the general mining laws and placed them under jurisdiction of the Materials Act of 1947.

Now, at long last, the Government has authority to end many of the abuses which had developed over the years under the old mining laws. Prior to enactment of Public Law 167, location of a mining claim conferred upon the locator rights of exclusive possession of the surface. It was possible to establish claims for low-value minerals and acquire far more valuable surface resources, such as rich timber stands, or a summer home or business site, or a water hole on grazing land. Many such claims were established in our national forests and under the law the Government was required to honor them.

The Government now has the authority, prior to issuance of a patent on a mining claim, to manage the surface resources of the claim. This includes, of course, the cutting and sale of timber, grazing of livestock, and use of the surface of the claim for access to adjacent lands.

Important measures for the conservation of the open public rangelands of the West have been taken by the Eisenhower administration. The Department of the Interior's new 20-year program for soil and moisture conservation is but one of the progressive steps that have been taken to conserve our important natural resources. Under this program, the Federal range is being reseeded and effective measures are being taken to halt heretofore unchecked erosion of the soil.

Good conservation calls for wise use without abuse of the vast expanses of public domain land beyond the boundaries of national park and wildlife refuge areas. Many citizens do not realize that the Federal Government still retains control of about 1 out of every 4 acres in the United States. As our population expands, so do public demands for use of undeveloped Federal acres. A number of laws provide that public domain lands must be transferred to private ownership when all requirements of those laws are met. The Department of the Interior has the responsibility of so classifying the vacant public land that it is put to its highest use possible under the law. Often when the administration complies with the law—and I am sure that no citizen would want it to do otherwise—the cry of giveaway is raised in some political quarters. It is significant that not one allegation of giveaway has been, or can be, substantiated.

Water resources: Regarding the problem of water as a diminishing resource, the Eisenhower administration has also been moving forward on that front. Realizing the importance of the Nation's water resources and that the conservation and use which we make of them may in large measure determine our future progress, President Eisenhower last year established a Presidential Advisory Committee on Water Resources Policy.

The President realized that policies in this field have been modified repeatedly and that unfortunately the Government has often relied on piecemeal or stopgap measures. Accordingly, he charged the committee with the task of undertaking a comprehensive review looking toward strengthening and modernizing Federal policies and programs in the field of water resources.

The Presidential Advisory Committee's report is now nearing completion and will provide the administration with a sound basis on which to make recommendations for the solution of these tremendously important and complicated problems.

In conclusion this report of progress will do much to convince the American people that the Republican administration is faithfully exercising its stewardship of the Nation's natural resources. Our record is ineed creditable and it is up to us to bring it to the attention of the people thus revealing that the charges of giveaway are wholly unsubstantiated.

Address by Hon. Herbert H. Lehman, of New York, at Civil Rights Rally of the Conference on Civil Rights

EXTENSION OF REMARKS
OF
HON. HERBERT H. LEHMAN
OF NEW YORK
IN THE SENATE OF THE UNITED STATES

Thursday, January 12, 1956

Mr. LEHMAN. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD the text of remarks I made at a civil rights rally held at the Manhattan Center, in New York City, on Thursday, December 15, 1955.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

It is my pleasure and privilege to be here tonight at this rally sponsored by the Leadership Conference on Civil Rights, in a cause to which I am committed with all my heart.

I began fighting for Federal civil rights legislation 7 years ago, as soon as I became a Member of the Senate. Your organization, the Leadership Conference on Civil Rights, was brought into being at about the same time. Our efforts, mine in the Senate, and yours, within the framework of this Leadership Conference, have been both contemporaneous and collaborative.

In these 7 years, marked progress has been made toward the goal of equal human rights for all our citizens. Indeed, we have moved steadily forward during the past 30 years.

One redoubt after another has been captured in the assault against the destructive institutions of discrimination and segregation. One area of activity after another has been liberated, or partly so, from these degrading practices. This progress has been made, and continues to be made, as a result of action by State and local law-making bodies, administrative agencies and officials, and by the courts of the land.

This progress has been made possible—indeed it has been forced—by the militancy of the groups you represent, armed with the massive support of public opinion. And to you, and the groups you represent, will belong an important share of the credit for the future progress that will and must be made.

But in giving credit, let us not forget to name one individual—one very dear to me, and to many of you—the founding and driving spirit of the Leadership Conference from its inception until his untimely death—a rare spirit with a dream in his heart and unquenchable courage in his soul—the late, beloved Walter White.

Yes, there has been progress. But the distance left to go is farther—much farther—than that which we have already come.

I believe, with all my heart, that the fight for equal human rights must be pressed, in full vigor, and at all levels—in the executive branch of Government, in the courts, and in every law-making body throughout the land. And I mean to include not only the State legislatures, the city councils, and the school boards, but also, and even primarily, the Congress of the United States.

I believe that the whole struggle for civil rights—for equal treatment under law and equal opportunity for every man, woman, and child, regardless of race, creed, or national origin—must be carried forward relentlessly and tirelessly until victory is won. There must be no delay in this struggle for reasons of political expediency—or any other.

The demand by one-eighth of our population for the full minimum rights of citizenship—and for all the protections which our Constitution affords to each and all—cannot be postponed, denied, or repressed.

The electric shock which passed through a major section of our people as a result of the shameful murder of Emmet Till and the acquittal of his assailants has given new meaning to the demand for equal justice under law for every American.

We must and will demand action in the months ahead, including, as I have said, in the Congress of the United States. That is my forum of action—the Senate. I pledge you my efforts, for what they are worth, up and down the line, on this front.

I have referred to the progress that has been made in the past. Congress has played a role in this progress. Its role has been to supply pressure and to exert, through the threat of national FEP legislation, for instance, a strong impetus for action at other levels and on other fronts.

But it is an astounding fact that Congress has not passed one single piece of major civil rights legislation—not one—not only in the last 30 years, but in the last 78 years. Think of that.

You all know the reason for that—the filibuster, and the threat of the filibuster—in the Senate.

That weapon is still available to those who desperately oppose civil rights legislation.

The only cure for the filibuster is a change in the rules of the Senate—an antifilibuster or cloture rule—a change in rule 22. For the past 5 years we have concentrated on getting such a change in the rules—but, thus far, in vain.

There wasn't much of an effort last year, in the first session of the Congress. I doubt whether there will be much more of an effort in the next session.

I hope that in 1956 a Congress will be elected which will make such an effort, and succeed. But that is up to you and to all the voters of the United States. The civil-rights issue must be framed in 1956, and the voters must give a clear mandate for action by the Senate on, among other things, its own rules of procedure. If such a mandate is given, an effective antifilibuster cloture rule can and will be adopted.

But I want to say a few words about the session of Congress that will meet, not in 1957, but next year—in fact, in about 3 weeks from tonight.

A great number of civil rights bills were introduced in the first session of this Congress which ended last August. These bills are pigeonholed in committee. With some exceptions and modifications, these are the same civil rights bills which have been before the Congress for a number of years. Included among them are FEP bills, anti-poll tax bills, and antilynch bills.

I doubt if any substantial legislation on these subjects will get very far, or even be given much genuine consideration. I hope that my prediction will turn out to be wrong; I will do my best to prove it wrong, but I'm afraid it is going to be sadly right.

There are, however, some less controversial civil rights measures which might be favorably acted on. One is a bill I have introduced to make it a Federal offense for a civilian or group of civilians to attack or assault a GI while on duty. This is a common occurrence in some parts of our country, especially if the GI is of a minority race or national origin. Local sheriffs and police officers are frequent offenders in this regard, and the bill I have introduced would provide GI's with the protection of Federal law. There is some prospect that such a bill might pass since the Defense Department has been in favor of it.

A second measure which might pass is a constitutional amendment prohibiting poll taxes. The majority leader of the Senate, Senator LYNDON JOHNSON, has announced that he will use his influence in behalf of such a measure.

With his support, and that of the majority policy committee, such a constitutional amendment might well pass the Senate, and the House, too. Such an amendment would then require the approval of the legislatures of 36 of the 48 States of the Union. Whether ratification by such an overwhelming number of State legislatures is practically possible, I do not know. It would, of course, be much easier for Congress to pass a simple law outlawing the poll tax. I, myself, would prefer such a course of action, but there is not much chance of that in this session.

But even approval of a constitutional amendment would represent some action on this front by the Congress. As such, I will vote for such a constitutional amendment, if it is, in fact, brought up for a vote. But let me make myself clear.

I am not going to be content—and I don't think you are going to be content—with congressional action on a constitutional poll-tax amendment if such action is offered in satisfaction of our demands for substantial and significant civil-rights legislation.

The time has come for Congress to take some real action on civil-rights legislation, and this Congress, at this forthcoming session beginning in January, is going to be faced, whether some like it or not, with some meaningful honest-to-goodness civil-rights issues.

There is going to be a demand, I am sure, for a strenghening of the civil-rights section of the Justice Department, so that there can be no doubt of the right of the Federal Government to act in such cases as the Emmet Till tragedy.

I favor such legislation, and am a sponsor of a bill to this effect.

There is also the matter of an antisegregation amendment to the school-construction bill.

There are pending in Congress several measures for Federal grants of money to the States to help build more public schools. There is nationwide support for this legislation. We are, indeed, in critical need of more and better public schools for our children.

I strongly favor this legislation, in the version proposed by Senator HILL.

Yes; I favor the principle of Federal aid to help build more and better schools for all our children. But it seems almost elementary to me that for the very purpose of improving and expanding our public-school facilities, it is essential to carry out the decision and decrees of the Supreme Court with regard to school segregation.

The question is: Shall we distribute tax money, raised by taxation of all the people, to States which are trying to avoid, evade, and defy the Supreme Court decree? Shall we help some States and school districts perpetuate segregation and defy the law of the land? Shall we in Congress say that school segregation is not our concern but only the business of the courts? Shall we in Congress stand above the battle and let the issue be fought out exclusively in the courts?

To these questions, I, personally, answer with all the fervor at my command, "No."

I am going to propose an antisegregation amendment to the Federal school construction bill, even if I am the only one in the Senate to support it. I shall offer such an amendment, although I reserve decision as to the time and place for offering this amendment, whether in committee or on the floor of the Senate. And I shall fight for it, with all the strength I have.

But believing with equal fervor in the cause of Federal aid to education, I shall vote for and support a Federal aid to education bill, even if, despite my efforts, the anti-segregation amendment is defeated. I want to be frank with you about that.

Now I said a few moments ago that the kind of Congress that is elected in 1956 will determine the kind of action that is to be expected on major civil rights legislation in the Congress that convenes in January, 1957. And I indicated that the voters and citizens have it in their power to determine the kind of Congress that is elected and the kind of mandate that is given to that Congress.

But I am well aware that in some parts of our country there are large groups of potential voters who are denied the right to register and vote—not by the poll tax, but by naked intimidation—moral, physical or economic.

Among the areas in which this is true are some in the North, but mostly in the South.

This is not democracy. It is a subversion of democracy.

I propose that we remedy this situation. I propose that we establish Federal machinery to insure to every citizen protection against intimidation, direct or indirect, physical or moral, in exercising his constitutional right of voting and participating in the political life of community, State, and Nation.

I propose that a Federal electoral commission with enforcement powers be established for this purpose. I am going to introduce legislation to accomplish this purpose. I have been working on a draft bill. As soon as I perfect it, I am going to introduce it. I don't know how far it will get in the coming session, but such a bill must be passed eventually. I commend this measure to you. I hope that the organizations represented here tonight will consider such a proposal worthy of support.

My friends, I have not given you an optimistic report on the prospects of major legislative action on civil rights in the coming session of Congress. But I have not meant to be discouraging, only realistic. I offer no counsel of despair, but I believe we should see the situation for what it is and commit our forces and energies accordingly.

Speaking for myself, I believe the struggle has got to be waged—not sometime in the distant future, but next year, now, beginning tonight. I believe, and strongly feel, that we need to offer full-scale battle in this good cause, no matter how great the odds, nor how bleak the prospect.

The greater the difficulty, the greater the challenge. Let us hereby resolve with sober and measured determination, that we will not give up, nor diminish our effort, nor lose hope, nor surrender—until victory is ours.

In these efforts, we know we are on the side of right. We know that we are animated by high moral purpose. We know that much of the world watches what we do, and measures our country by the dedication we show in this cause. Let us not flag nor fail.

Address Delivered by Hon. Barry Goldwater, of Arizona, Before the American Mining Congress

EXTENSION OF REMARKS

OF

HON. BARRY M. GOLDWATER

OF ARIZONA

IN THE SENATE OF THE UNITED STATES

Thursday, January 12, 1956

Mr. GOLDWATER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address I delivered before the American Mining Congress convention, at Las Vegas, Nev., on October 10, 1955.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Gentlemen, it's a privilege and a pleasure for me to be here, and to have this opportunity of discussing with you the problem of public relations.

I must admit when I received your gracious invitation, my immediate reaction was: "Who, me?"

This is an opportunity I cherish and shall try to deal with honestly and objectively.

I am not an expert at public relations. There is an old definition that an expert is someone who knows more and more about less and less. But I have lived all my life in a State where mining is a basic industry. During my boyhood, mining was the major source of income. Every student of American history knows that gold and silver and copper built and populated the West.

I am reminded of the experience of a friend of mine who, while driving to work one Friday morning realized he had a scratchy throat. He decided to stop by his

doctor's office and get a shot of a new antibiotic and insure his ability to enjoy the upcoming weekend.

In the doctor's wating room he said to the receptionist: "I'd like to see Joe for just a minute. He knows me and * * * well * * * I'm not very sick. I'd just like to see him for a minute or two if I may."

The receptionist demanded to know his name and all the items they put on the case history sheet.

My friend reluctantly complied with her request. Then she ushered him into a small waiting room. A moment later a nurse came in, told him to stand on the scales, jabbed a thermometer in his mouth, and made her notations on the chart.

When my friend could speak again, he said, "Look, I'm not sick. There is really nothing wrong with me. I know Joe, he knows me, and I just want to see him for a minute. Well, to tell the truth, I have a little scratchy throat and I just want a shot of penicillin or some aureomycin or one of those things to keep me in shape for my golf game tomorrow."

The nurse nodded and ushered him into a second room, and after 4 or 5 minutes a second nurse came in bearing one of those ridiculous little smocks they sometimes give you in a doctor's office.

"Hang your clothes in the closet and put this on," she said and ducked out the door before my friend could object.

He stared at the smock and he stared at the closet and he stared at the door and, finally, he surrendered. He hung his clothes in the closet and put on the smock and stood there feeling quite naked and inadequate.

The nurse returned and ushered him into a third waiting room. Here he found three other men attired in the same smocks. After a moment or two my friend said, "Look, fellows, I'm not really sick. I * * * I shouldn't be here. I * * * I'm kind of embarrassed to be here with you."

Over in the corner of the room a little fellow looked at him, grinned, and said, "You're embarrassed! I just came in to deliver a telegram."

May we consider that I am here to deliver a telegram, a message from one concerned individual to a group of industrial leaders who are also concerned.

This concern of ours must not stop within the limits of our own particular industry or our own job or our own State. You and I are involved in a process far bigger than mining or department stores or politics or the United States Senate. We are involved in the destiny of man, and man is more than just an economic unit or a physical unit or a political unit. Man is also a spiritual entity, destined by Almighty God to enjoy the blessings and the responsibilities of economic, physical, political, and spiritual freedom.

If we are to approach the problem of public relations with any chance of finding a successful solution, we must begin with a clear and basic concept of man.

Public relations is one of those $64 phrases developed by professionals to confuse the layman.

Public relations is not radio or television or newspaper editorials or newspaper news stories or newspaper advertising. Public relations is not gifts to the Community Chest or to the boys club or scholarships to the university. Public relations is not putting a key man from your industry in every service club, or making sure that your men control the board of directors of the chamber of commerce.

Public relations is a person to person acceptance.

And acceptance exists only where there is mutual understanding, mutual respect, and mutual confidence.

Radio, TV, newspapers, service clubs, community organizations, are the tools available with which you can do this job, but they aren't to be used as weapons to force your opinions down someone else's throat.

Every man in this room knows a great deal more than I know about the basic contributions your mining industry has made to the political, economic, social, moral, and cultural development of our society. And I suspect most of you are more keenly aware of the failures of your industry.

For more than 20 years during the great experiment of the New Deal and the Fair Deal, big business was used as a whipping boy by the demogogues and the opportunists.

Following the great depression and under the pressure of political, economic and social change, there was and continues to be a planned program designed to divert the attention of the average American citizen away from the goals and objectives of those men of vision who "dedicated their lives, their properties, and their sacred honor" to the creation of this Republic, and away from the concept of a free society where all men should stand equal, where all men should be free.

Many of these advocates of security from womb to tomb are well motivated individuals, men and women who, recognizing the imperfections in our economy and our society, are attempting to do something about it. And there is little to be gained by dismissing their activities with harsh names and anger.

As you and I grow older we resist change. We cling firmly to the practices of the past. We are inherently suspicious of innovation. Yet in business we constantly contradict ourselves by adopting new production practices, new processes which were completely visionary just a few years ago.

May I suggest that if and when this attitude of eagerness to learn, this willingness to listen, inspect and consider is applied to the problem of public relations, true progress will commence.

Acceptance is a two way street, and when a business or an industry becomes big and important and successful by following a prescribed program, it is dangerously easy for that busines or industry to forget to listen. And when we forget to listen we build a wall around ourselves.

If we want the general public, and this includes our employees, our customers, and our stockholders, to listen to us and to respect our problems, we must break down and destroy every barrier which serves to separate us from them and their problems.

A great many men with more background and more qualifications than I offer you have devoted time and effort to an examination of this problem which confronts us. Immediately upon accepting your invitation to appear here, I directed my Washington staff to make a study of public relations in the mining industry. That study lasted the better part of 4 months and produced a lot of encouraging and inspiring information.

The editorial staff of Fortune magazine addressed itself to this problem. In September 1950, Fortune stated bluntly that American industry was failing to sell free enterprise and to be intelligently and consistently concerned that free enterprise be forever accepted as the only system under which the people of this Republic can prosper.

Fortune said the root of the trouble was a lack of the feeling of participation and the need for self-expression both on the part of the worker and of management.

If you will forgive me, I should like to quarrel with that word "sell" as used by Fortune. It has a connotation which offends me. We think of the supersalesman as a man who persuades you to buy some article, idea, or process which results primarily in a profit for the salesman.

Successful public relations must produce a profit for all participants. Far too many public-relations programs are little more than high-pressure, selling campaigns. You and I know that unless the product itself justifies the purchase, there will be no repeat orders.

In our survey of public relations in the mining industry, we solicited opinions and information from all the major producers and operators. As might be expected, we found the leaders and the laggards. Many of your companies have instituted complete programs with all the outward trappings and a careful exploitation of all the tools available. But we failed to find a united effort equal to the programs of such comparable industries as the railroads and the oil companies.

Everywhere in our world today there is evidence of a desire for political self-determination, a desire for independence. This trend is partially economic, partially political. It provides good use for a word coined by one of my staff members, polynomics, which describes the practical wedding of politics and economics.

You gentlemen are dedicated to free enterprise, to individual opportunity, and to independent action. This is both a political and an economic problem. May I suggest that as free men and women dedicated to the concept of man as a child of God, with an important, individual, immortal soul, it is up to us to preach what we practice as well as to practice what we preach.

In my own State the mining industry has long been interested in politics. And while these political activities may actually be no more than necessary self-protection, the manifest political strength of the industry, coupled with its economic importance, has made it a bigger target for those who preach a planned economic and social state. Because of its size, some of the wildest shots have had a telling effect on some portion of that target.

The mining industry has been politically conscious of taxes for a long time, and necessarily so, because the mining industry pays a substantial portion of the total cost of government in the State in which they operate.

It is quite natural that this political interest should have as its first concern the protection of its sponsor. But I have discovered big companies, contrary to popular conception, are not totally selfish and, in many cases, the mining industry has urged and sponsored development of schools, roads, and local governments with full knowledge that a large proportion of the cost of these improvements will be paid by the industry. For sure industry polices government against harebrained fiscal policies which would result in damage not only to industry but to the economy as a whole. Many times a policeman is not very popular, particularly with vociferous self-seeking minorities.

May I suggest there is no reason for American big business, the mining industry or any other facet of our economic life, to be on the defensive just because it is big.

Certainly you are the target for the demagog, the opportunist who seeks to use envy and discouragement to gain his personal objectives.

Let's get off the defense. Let's put in the first team. Let's tell the story of free enterprise and free political government to all the world, and most especially to our own friends and neighbors, our employees and customers and stockholders.

You and I know the American system of free enterprise has created the greatest opportunity for the individual known to history. We know the American free enterprise

has made possible a higher standard of living for the average American than has ever been possible anywhere else on the face of the earth. You and I know the American system of free enterprise is the only social, political, and economic system which can meet the challenge of tomorrow and still preserve the basic freedoms of the individual.

We know that with all the progress and growth of our Nation, there is still room for improvement and that improvement will never come from the social planners who seek to regiment the lives of men.

Let us forget about defending freedom and begin to proclaim freedom.

Mankind was not destined to be called a class, a collective, or a group. And what we seek is a basic person to person understanding and acceptance, and the place to begin is with the individual.

Let's look at this American citizen for a moment, this individual human unit in the multitude of customers, employees, and stockholders we are trying to serve and whose understanding and acceptance we seek.

I promise you this is going to be the most convenient study we have ever undertaken because our subject is here in this room, a fellow who is already pretty well known to us. He is the engineer, he is the office manager, he is the mucker, he is the shift foreman, he is the clerk, he is the office boy.

This fellow is concerned first of all with his own problems. His own wife and his own kids are most important to him. He'd like to have a little better home than mom and dad had. He wants to advance in his work.

This fellow glows with pride when the boss appreciates him. He wants you to accept and respect him, and in turn he will accept and respect you.

Oh, he's cantankerous at times, at times he's lazy. Sometimes he just doesn't have the ability to do the job the way it should be done. Envy and self-pity will give his thinking a quick twist in the wrong direction. He's more apt to be vocal about his dislikes than his likes.

And when he fails at something, he finds it pretty easy to blame the other fellow.

He has lived long enough to discover that life is a pretty grim struggle, but he has been able to conquer some disappointments.

He may not exactly wear a chip on his shoulder, but he is determined that nobody is going to sell him a bill of goods, and when he listens to you, if he does listen to you, you can bet that behind the appearance of outward attentiveness, he is saying to himself, "What's his angle? What does this guy want from me?"

A proper public-relations program must begin at home with your fellow workers, your own employees. Let them have a share in your problems. Let them work with you and not for you. Let them know you on a person-to-person basis, and take the trouble to know them in the same way.

And when they become convinced that you are concerned with their problems, they will, in turn, be concerned with yours.

By all means participate in community projects and undertakings. But do it on an individual, personal basis. Forget the notion that you are to be treated with respect just because you are the representative of the big XYZ company.

Use radio and TV and newspapers, but don't think you can buy understanding or overpower opposition by the size of your ad or the editorial comment of a company-owned newspaper.

Be willing to listen, to accept suggestions, to make changes, to eliminate company practices which make you vulnerable to the sniper.

When the mining industry developed the West, it was necessary for many companies to build company-owned towns, to operate stores, to provide medical dispensaries and hospital services.

We are all familiar with the company town of 50 years ago with its rows of identical houses, the company store where the mining employee was always in debt, the company doctor whose office bore the stamp of socialized impersonal medicine, the frequently well-intentioned paternal policies which provided a lot of the security the social planners think is a new idea today, but at the same time robbed the individual of his feeling of independence and in some instances of his self-respect.

This human being you are dealing with is an independent creature. He wants and deserves to experience the pride of ownership. He may let his house go to rack and ruin but still it's his. He may be unwilling to provide the same standard of medical care offered by the company, but still he wants and deserves the right of independence in his family living.

This man may buy his groceries from a merchant and pay higher prices for an inferior quality, but his wails of complaint will never match his resentment against the company store and the compulsion implied in that feudal arrangement.

You gentlemen represent a fascinating, dynamic industry. Your investments, your technological know-how, and your management skills have materially contributed to man's progress.

You transform unusable raw material from mother nature into items of utility and beauty to satisfy man's longing for a better world. You have a story of romance and ingenuity and devotion unequalled in history. And the 20th century, with our methods of mass communication gives you the opportunity to make all men everywhere partners in your progress. Begin your public relations programs by granting to all men, to the janitor and the boss, to the stockholder and the customer, the respect you would like to receive.

Dedicate yourself to defending the right of every individual to be free, to cherish ambition, to struggle for advancement and to control his own life. Proclaim your devotion to the concept of man as a child of God, endowed by his Creator with freedom of choice. Demonstrate your willingness to accept every individual on a person-to-person basis.

Our world today is joined in mortal combat which can only end in total victory for one side or the other. The issue is simple: Shall men be slaves or free. The basic premise of communism views man as an economic animal, a social animal, and a physical animal incapable of thinking for himself, or exercising independent judgment, of guiding his own destiny.

Every voice in our Nation today which speaks out in favor of the regimentation of men, every political demagog who denies man the right to think for himself is echoing the thinking of Karl Marx who said: "The democratic concept holds that each man is a sovereign being. This is the illusion, dream and postulate of Christianity."

In this time of peril and crisis let us rededicate our lives, our fortunes, our sacred honor to the perpetuation of the integrity of the individual.

Let us use the skill and the resources and all the technological gains of the 20th century to reaffirm the truth that man's destiny is freedom and that man's obligation is fully expressed in that ancient law:

"Thou shalt love the Lord thy God with all thy heart and with all thy soul and with all thy mind, and thou shalt love thy neighbor as thyself."

I thank you.

The Communist Conspiracy

EXTENSION OF REMARKS

OF

HON. JOSEPH R. McCARTHY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Thursday, January 12, 1956

Mr. McCARTHY. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD several addresses I delivered on the subject of the Communist conspiracy.

The first was an address I delivered at the Boston Arena, in Boston, Mass., on October 30, 1955.

The second was an address at the annual fall meeting of Sertoma International, in Chicago, Ill., on December 5, 1955.

The third was an address delivered in Tulsa, Okla., on December 7, 1955.

The final one was an address I broadcast on January 8, 1956.

There being no objection, the addresses were ordered to be printed in the RECORD, as follows:

ADDRESS BY HON. JOE MCCARTHY, OF WISCONSIN, BOSTON ARENA, BOSTON, MASS., OCTOBER 30, 1955

My fellow Americans, I always like to come to Boston because we don't have to spend our time discussing elementary things. I always feel that Bostonians—unlike some of the people in Washington—have a pretty good understanding of what the Communist fight is all about.

There is no need, for example, to tell a Boston audience that the spirit of Geneva is the spirit of illusion, folly, and appeasement.

In Boston, it is unnecessary to explain that when you propose friendship with tyrants and murderers—however good your intentions—you advance the cause of tyranny and murder.

There is no hesitation in this audience, I am sure, to refer to Communists as the eternal enemies of God and the human race, and to the Soviet Union as an unregenerate international bandit—even though the Paul Hoffmans and the Milton Eisenhowers tell us that the use of such words is a serious breach of coexistence etiquette.

I trust that you good Americans will never lose sight of, or minimize, the central fact of this struggle—namely, that whatever be the current twist of Soviet diplomacy, international communism is irrevocably committed to destroy this Nation and our way of life.

We cannot do business, we can never make friends, with that sort of enemy.

Creating the spirit of Geneva was, of course, a great triumph for Communist diplomacy, and the Kremlin leaders are still exploiting that triumph to the hilt. But we must not suppose the Communists have placed all their bets on their ability to outguess us in the diplomatic chess game. In case they fail to defeat us in this way, they are plotting our military defeat.

It is this aspect of the struggle that I want to discuss with you tonight. Tonight I shall discuss the life-and-death race between the United States and Russia in the intercontinental guided ballistic missile field, and whether at our end of the race we are being sabotaged.

A vital part of the job of destroying us militarily has been assigned to the Soviet Union's undercover agents in this country. The mission of the Soviet fifth column is

twofold: Communist espionage agents are ordered to steal our secrets, and Communist policy-subversion experts are instructed to cause disastrous slow-downs in the development and production of vital military weapons.

We are most familiar with the first type of sabotage—that of stealing our secrets—and most Americans realize how it has jeopardized our national security. We know that had it not been for Communist agents turning over our most valuable secrets to the Soviet Union, the danger to this country today would not be nearly as great as it is. Take, for example, what happened to our atom bomb monopoly.

In the years immediately following World War II—while we had exclusive possession of the atom bomb—it was inconceivable that the Soviet Union would attack the United States. But in 4 short years this magnificent balance of power in our favor evaporated and our own country was in very great peril. And why? Because Klaus Fuchs, the British scientist, and American spies, such as the Rosenbergs, gave the Russians the vital secrets of the atom bomb. The Communists were thus able to produce an atom bomb in 1949, a full 4 years ahead of schedule.

You might think, after the great A-bomb treason, that those who had pooh-poohed the internal Communist threat through the late forties would have learned their lesson. But no: Irresponsible individuals—who pose as intellectuals—started making jokes about hunting Communists in the Bureau of Wildlife and Fisheries, and, at the same time, renewed their smear campaign against those who were trying to tighten up our security system. Those left-wingers are responsible—those scoffing, sneering pseudo-intellectuals, supported by wealthy, tax-exempt anti-anti-Communist organizations such as the Ford Foundation—they are responsible, no less than the Communists themselves, for the fact that many Soviet agents remain unexposed, and to this day have access to our newest military secrets.

According to testimony of former Communist spies, a number of unidentified Communist espionage rings are still operating in the United States Government. Because they are not identified, it is only prudent to assume that Communist agents are gathering information every day about our Military Establishment and sending it to the Soviet Union.

Let me say, in passing, with regard to that fantastic suggestion that we give the Communists blueprints of our Military Establishment, that one likely reason the Communists did not at first accept the plan is that copies of our blueprints are already in Kremlin safes.

But important as it is to protect ourselves against spies, we must not lose sight of the other, and even more important assignment of the Soviet fifth column. If Communists are successful in slowing down the development of new weapons, and the production of already-developed weapons, it won't matter much whether the spies are successful in stealing secrets.

For remember: The Russians have a highly trained scientific establishment of their own, and they employ some of the most efficient methods of mass production. If, through policy sabotage, we are held back in the race to develop and produce a decisive weapon, the Communists can beat us on the strength of their own knowledge and skills.

Today the decisive weapon is the hydrogen bomb; yesterday, it was the atom bomb. Tomorrow—and by tomorrow I mean possibly within the next year—the decisive weapon with be the intercontinental ballistic missile. The race to produce this weapon could well determine the fate of Western civilization. Yet tonight I must report to you that the available evidence is (1) that the Soviet Union is winning that race, and (2) that it is possible that the Soviet Union is winning the race because well-concealed Communists in the United States Government are putting the brakes on our own guided missile program. The Killian report is to the effect that within a short time the Communists will be ahead in the ICBM race.

The subject of the intercontinental missile race is both interesting and frightening, and I want to discuss it with you in some detail. But first, it would be well to square off to that type of thinking that says it is inconceivable that Communists are in such elevated and strategic positions as to effect slowdowns in our secret-weapons program. Nothing could be more dangerous than to rule out the possibility that Communist agents have infiltrated the uppermost echelons in our Defense Establishment—and nothing demonstrates so well an ignorance of very recent history.

In the fall of 1953, you may remember, I was viciously attacked by the left-wing press for stating that certain highly placed individuals in our Government had deliberately caused a slowdown—and for a while, a complete cessation—of the American hydrogen bomb program. You remember the reaction: "McCarthy makes a wild charge"; "a baseless accusation"; "an unfounded smear," and so on. But the truth was known in high places, and the administration, through fear of exposure, was forced to act.

In a matter of weeks, my charge that a slowdown had occurred was verified and the American people finally learned that the man who was primarily responsible for the slowdown—had paid according to his own admission over $1,000 per year to Communist causes up until the very week he was asked to participate in our top secret atom bomb development program. This man was J. Robert Oppenheimer.

Oppenheimer persuaded Harry Truman that it was immoral for the United States to develop the hydrogen bomb—when, as an expert in the field, he knew full well that it would only be a matter of time before the Communists had a hydrogen bomb of their own.

I shudder to think what would have happened had Oppenheimer had his way for another 5 years. The Communists would then have had an H-bomb stockpile, before we had produced a single hydrogen bomb—which means that in 1954, or possibly this year, the Communists could have annihilated the United States.

Of course, today J. Robert Oppenheimer, like Alger Hiss and Owen Lattimore before him, is the darling of the leftwing. Books are written about Oppenheimer's persecution. Edward R. Murrow made Oppenheimer the hero of one of his "unbiased objective" television shows. The Ford Foundation's Fund for the Republic is distributing this Murrow film, free of charge, throughout the country. And, to round out the picture, it has recently been brought to my attention that Murrow's film, eulogizing this man Oppenheimer, was included in an employees' training program in a department of the United States Government—to be exact, the General Services Administration.

The Oppenheimer case is worth keeping in mind on two counts. It shows how easy it has been for men even with the most flagrant Communist backgrounds to rise to the top in our secret-weapons program; and it holds out the prospect, moreover, that the man who deliberately sandbags the development of a weapon on which the survival of this Nation depends will be treated, not as a criminal, not even as a rascal—but as a serious candidate for national sainthood.

When the liberals say that sabotage of the new weapon is inconceivable, my answer to them is that I consider such sabotage not only conceivable but likely because I realize the power and influence of the liberals, and because the manifest purpose of the liberals' pro-Oppenheimer propaganda is to see to it that the next J. Robert Oppenheimer keeps his job.

Now, what about this new decisive weapon—the intercontinental ballistic missile? Most of you have heard vague and mysterious references to the ICBM—and you may have gotten the impression that intercontinental missiles, like spaceships to the moon, are something of the distant future, a Buck Rogers' fantasy. But this is a dangerous illusion. For the scientists have nearly caught up with the science-fiction writers. The development, production, and use of the ICBM as a weapon of war may be—as I indicated earlier—just around the corner.

Work on the ICBM began in Germany during the Second World War. The German V–2 rocket, which was used with devastating, though erratic, effect during the closing months of the war, was an adolescent ICBM. The V–2 lacked the necessary range and accuracy for effective use in intercontinental warfare—and, of course, it did not have a nuclear warhead. But the V–2 rocket embodied the basic principles of the weapon that may decide all of our futures.

The intercontinental ballistic missile will revolutionize warfare in our day—as, in the past, warfare was revolutionized by the invention of gunpowder, later by the airplane, and, more recently, by the atom and hydrogen bombs. And, as always—when one side has the revolutionary weapon and the other does not—the latter is at the absolute mercy of its enemies. If the Communists develop a long-range guided missile before we do, the balance of world power will shift completely, and this country will face the alternative of surrender to the Communists, or utter destruction.

The long-range guided missile will be "the" decisive weapon because there is no known way of defending against it. This is due to the terrific speed that can be generated in a rocket-propelled missile. We tend to think of our present jet planes that travel at or near the speed of sound, as just about the fastest things that man can make. But present estimates indicate that the first intercontinental missiles will travel at least 8,000 miles an hour—or 12 times the speed of sound!

At the present time we are developing means of defending ourselves against hydrogen bombs delivered by planes. Our defenses against bombing attacks are by no means foolproof, but guided missile antiaircraft fire will be able to knock down many—perhaps most—enemy planes before they reach the United States.

For defense against H-bomb attacks, we are now relying most heavily on the Army's famous Nike missile. Should enemy planes approach this country, a Nike installation in the area of the enemy approach will launch a missile into a radar beam with which our plane-spotters are tracking the oncoming aircraft. After the missile has reached the center of the radar beam, an electronic mechanism inside the missile will cause it to "ride" the beam until finally the missile reaches the plane and destroys it. This is not as easy as it sounds because the Communists may have ways of distorting or deflecting the radar beam, and also may be able to concentrate their bombers so heavily as to make it impossible for Nike to knock down all the planes.

Others, and possibly more effective, defensive missile systems are being put into operation. For example, the Air Force has developed an aircraft-to-aircraft guided missile, called the Falcon—which is launched by fighter planes. Air Force detachments in the Arctic are being supplied with the Falcon, so that we will have a fair chance of stopping Communist bombers before they reach continental United States.

We thus have some defense against aircraft-delivered bombs. But against superspeed guided missiles, that can make the trip from Russia in less than half an hour, defense is practically impossible.

The question is often asked: Will Russian missiles, traveling at such speeds, be able to hit American cities and other strategic points with any degree of accuracy? The answer here is, unfortunately, yes. Russian intercontinental missiles will have self-contained guidance mechanisms that will guarantee a hit within 2 to 10 miles of the center of the target area. With hydrogen bomb warheads, the missiles will thus be accurate enough to knock out any metropolitan area at which they are aimed.

The guided mechanism of the Russian missile is a tremendously intricate piece of machinery—but marvelously simple in concept. The guidance mechanism will give the missile a "brain" of its own. By means of an accelerometer, which will tell the missile how far it has traveled, and a gyrocompass which, when corrected by automatic star sights, will "inform" the missile of its course, the missile will "know" where it is at every moment of its flight from Russia to the United States. The missile will also have been "told" by prelaunching instrument settings, the total distance it has to go and the course it must follow in order to reach a given American city. By putting these two pieces of information together—namely, where the missile ultimately has to go, and where it is at the moment—the guidance mechanism "figures out" the direction and distance left to travel, and automatically sets the missile at the proper speed and course.

The grave danger to every American city is, thus, self-evident. As soon as the Russians perfect this guidance mechanism, and develop sufficient range for their rockets, Milwaukee or Washington or Boston can be wiped out by pushing a button.

But the peril is even more imminent than that. American cities may be in mortal danger, even before the era of push-button warfare, because the Russians are now working on an aircraft-to-ground missile that will not require the four to five thousand mile intercontinental range. If this relatively short-range air-to-ground missile is perfected, the Communists will be able to fly their jet bombers up to the outer range of our Nike defenses—say, somewhere off our Atlantic coast—and launch guided missiles from that point. Such missiles will probably have the 8,000 mile per hour speed we mentioned earlier, and thus would be unstoppable before they reach American cities.

Now, my good friends, the best and the only known defense against a Communist guided missile attack is an intercontinental guided missile arsenal of our own. If we get to the finish line in the race to develop this weapon by the time, or before, the Communists do, the fear of retaliation may discourage the Soviet Union from launching such an attack. But if the Communists win the race, it is "curtains" for us all.

How is the race developing? The Communists were given a handicap at the opening gun. In the closing days of the war, two V-2 plants located in Eastern Germany, and 160 German scientists, who had been working on the rocket, fell into the hands of the Red Army. The important machinery from the plants, and the scientists, were promptly toted off to Russia, and put to work for the Soviet Union. Consequently, the Communists got a huge head start in the race to build the intercontinental guided missile. Our most reliable intelligence reports indicate that the Russians have given top priority to their guided missile program ever since, and with the invaluable aid of the German scientists, have taken huge strides toward perfection of the weapon.

But just as top priority has been given to the Russian ICBM program, just so the slow-down of the American program is the top priority mission of Communist agents in this country. That is their most important job. Has the Communist fifth column been successful?

We know this much: Ever since the war, our guided-missile program has been a relatively low-priority project. The program got off to a slow start at the end of the war, and in 1949—just at the time, you will recall, that Oppenheimer was convincing President Truman that the H-bomb was "immoral"—the guided-missile program was cut back even further. Why? That question must be answered—and until it is answered, and until those who were responsible have been apprehended, the security of this country remains in the gravest peril.

Since 1949 the guided-missile program, as a whole, has been stepped up slightly. Guided missiles for defense against jet attack—like Nike, Falcon, and the Navy's Terrier—have finally been developed. But very little, if any, progress has been made in developing the all-important intercontinental ballistic missile.

The American people have a right to know why this aspect of our guided-missile program is moving at a snail's pace. Is it because our scientists are inferior to the Russians? Is it because of innocent bureaucratic bungling? Or is it because highly placed Communist agents have been successful in sabotaging the program?

I doubt that American scientists are inferior. I find it hard to believe that any amount of bureaucratic inefficiency could, alone, and over a long period of time, be responsible for the neglect of our single most important defense weapon. I therefore find frighteningly compelling the alternative that Communist agents are making good on their assignment.

Back in 1950, the leftwingers told us, in effect, that Alger Hiss had been the last Communist in Government. Hiss was gone, they said, so there was no need to continue the so-called witch hunts—we could let down our guard. But the American people, in their wisdom, demanded and got relentless investigations by congressional committees. One traitor after another was exposed, until we began to get some picture of the extent of Communist infiltration. Today, the leftwingers are saying, once again, that all the Communists are gone.

This is an assumption that Americans can never afford to make if they are to remain free. Especially, can we not afford to make it when, for some curious and unexplained reason, some person—or persons—is giving low priority to the weapon on whose rapid and successful development the fate of America rests.

We live in a time of great tension, my good friends, and of great anxiety. We all want to relax the tensions and remove the anxieties. We thus may be tempted to "play along" when wily Communist diplomats turn on the charm. We may be tempted to roll out the carpet when Communist bureaucrats, disguised as "farmers," pay a "good-will visit" to Iowa. We may be tempted to listen to those who tell us we cannot expose and prosecute Communists in Government because this would violate the "spirit of Geneva" and offend the Soviet Union. But nothing could be more foolhardy. If there were no other reason to puncture and deflate the spirt of Geneva, it is enough that this spurious love fest is causing us to let up in our efforts to expose subversion. Since we are losing the race to produce the decisive weapon, the guided missile slowdown must be investigated exhaustively and relentlessly until the culprits are uncovered.

We simply cannot afford to play the game of being "nice" to Communists.

However much we want peace, we must not lose sight of the hard truth that there will be no lasting peace so long as the Communist conspiracy survives.

We must not buy tranquillity today at the price of slavery tomorrow.

We must not forget our solemn duty to leave for our children the blessings that God has given us.

ADDRESS BY HON. JOE MCCARTHY, OF WISCONSIN, ANNUAL FALL MEETING OF SERTOMA INTERNATIONAL, ALLGAUER'S RESTAURANT, CHICAGO, ILL., DECEMBER 5, 1955

My fellow Americans, a little over a month ago, a remarkable event occurred in the city of Milwaukee. In a small, dingy auditorium, known as Wetzel's Hall, some 40 persons gathered to hear an announcement. The 40 shifted in their seats somewhat nervously, as the speaker arose behind a rickety, makeshift rostrum. Many of those in the audience had not seen this man for 5 years.

"I went away," the speaker began, "to carry on the struggle for the rights of the people, for democracy and peace. Where I went and what I did is not important. But what is important is what is happening today at Geneva. I decided to come back."

Who was the speaker? He was Mr. Fred Bassett Blair, chairman of the Communist Party of Wisconsin. And the audience? The 40 persons in the audience were the hard core of a Communist Party unit, who had responded to the party's call to come out into the open again.

"We disappeared," Mr. Blair went on, "because of the people who fostered the menace of McCarthyism. They made it impossible for us to carry on our work."

But now, said Blair triumphantly, with a smile as big as Khrushchev's, there have been wonderful changes. "We are no longer political exiles in our own country. Since the Geneva Conference of the Big Four powers, people are waking up because they realize there is no such thing as a Communist conspiracy. This thinking makes it possible for us to return."

This scene I have just described to you, my good friends, was reenacted in numerous American cities last month, possibly right here in Chicago, as the Communist underground decided to crawl up from under the planks, and renew a public campaign to overthrow our Government. The spirit of Geneva, and the supposed defeat of McCarthyism—these are the things that, according to the Communists, make it possible for them to show their faces again.

The local party leaders did not, of course, make their decisions independently—they were operating under direct instructions from Moscow—instructions that were revealed recently by Mr. Herbert Philbrick, a former FBI undercover agent who still has contacts in the Communist underground. Here is what Mr. Philbrick wrote just a few days before the public meeting in Milwaukee:

"The Cominform, world headquarters of the Communist International, has ordered top Red agents here to bring the Red network in the United States above ground, and to reinstate the American Communist Party as a 'legitimate national political party.' The new instructions, obviously part of the Red pattern, since the Geneva Conference, signals a major and abrupt shift for the Communist movement in the United States, which, for the last 4 years, has operated almost entirely as an underground apparatus."

"Couriers from national headquarters"—and I am still quoting—"are now being assigned to go into some 21 specific areas in the United States. Among the cities pinpointed for district Communist headquarters are Boston, Philadelphia, Buffalo, Pittsburgh, Cleveland, Detroit, Chicago, Minneapolis, Los Angeles, Seattle, and Denver. A target city for a forthcoming party building effort will be Houston, Tex."

The Communists are optimistic about the success of open party activities because they believe—and now Mr. Philbrick is quoting from the Cominform instructions—that "* * * 'attacks and persecution' of party members will come only from 'Fascist and war-mongering reactionary elements,' who are clearly attempting to sabotage President Eisenhower's policies and program for world peace." These "savages," according to the Communist instructions, "are to be 'condemned' as 'enemies of the United States'."

I trust you realize that one such "savage" is speaking to you right now. This point was driven home by the chairman of the Wisconsin Communist Party at the Milwaukee meeting. In explaining the Communists' mission, Blair said: "We are back here to fight against the rise of McCarthyism."

Now, my good friends, I have no desire to exploit the implications of personal flattery contained in that statement. The Communists use the term "McCarthyism"—a word they coined—to describe everything they don't like. They mean by it, not only Senator McCARTHY, but also Congressional investigating committees. They mean the FBI and the Government security program. They mean patriotic organizations who have been striving valiantly over the years to alert the American people to the dangers of communism. They mean those who favor a realistic foreign policy that recognizes the Soviet Government for what it is—a ruthless tyranny whose ultimate aim is the conquest of the United States. It is these people the Communists are going to fight against—and now, fight against in the open.

I first learned of the Milwaukee Communist meeting from a news clipping sent to me by one of my constituents. Across the top of the story I read this note from the sender: "How can they have the nerve?"

How can they have the nerve? What makes the Communists think they can pull off this new campaign to deceive the American people?

Part of the answer is painfully clear. The Communists are bound to be optimistic as long as we try to keep alive the spirit of Geneva—as long as the administration nourishes the myth that the Soviet Union is a peace-loving nation. Why shouldn't the Communists be optimistic when our own Government endorses the principal plank of their propaganda platform?

But there is a further reason for the Communists' optimism, namely, the increasingly successful anti-anti-Communist campaign here at home. This is the matter I want to discuss with you tonight—the efforts to reduce awareness of the Communist menace, to destroy our security program, to whip up public hysteria against anti-Communist measures. This campaign is being waged by the Communists, to be sure; but the heaviest blows are being struck by their numerous, and influential and very wealthy liberal allies, who, I insist, are doing as much damage to this country as the Reds themselves.

Take, for example, the Ford Foundation's notorious Fund for the Republic. Three years ago the Ford Foundation gave $15 million tax-exempt funds to a group of allegedly respectable, and distinguished liberals, and told them to conduct a number of study projects that would advance understanding of civil liberties. After 3 years' performance, it is now plain that this so-called research organization is nothing of the sort: It is a vicious anti-anti-Communist propaganda machine.

Many Americans have by now caught on to the fund's real purposes; but with its tax-exempt millions, and with the unanimous backing of the liberal press, this false-front organization is bound to have a profound influence in creating an atmosphere conducive to a Communist revival.

One of the reasons the fund is so helpful to the Communists is its president, Dr. Robert Hutchins. This so-called scholar, the former head of Chicago University—whose organization is now advising the American people that our security program is too tough—has some rather interesting ideas about those against whom the program is directed.

Let's listen to Dr. Hutchins' views on Communists, as he related them in 1949 to a committee of the Illinois Legislature. This testimony was given under oath.

Question: "So far as those who have stated they are Communists are concerned, do you not assume that their purpose must be subversive by definition?"

Dr. Hutchins' answer: "It is not yet established that it is subversive to be a Communist."

Next question: "There is no doubt in your mind about the Communist Party, itself, being a subversive organization, is there, Doctor?"

Hutchins' answer: "Well, I can't believe that that is true here, or the Communist Party would long since be illegal."

In other words, the man, whose organization is passing judgment on our security program, says that he doubts that the Communist Party is a subversive organization.

I think we should listen to one more observation by Dr. Hutchins.

Question: "Is there any doubt that the Communist Party is a conspiratorial fifth column operating in the interest of a foreign state?"

Hutchins' answer: "I am not instructed on this subject. I understand many Communists say they do not operate under instructions of a foreign state."

Thus, the former chancellor of one of our leading universities, the "boy wonder," as you may recall, of the academic world during the thirties, says he is "not instructed" as to whether the Communist Party is a Moscow-directed conspiracy.

Now, my good friends, let's compare this statement with the recent claim of the Wisconsin Communist chairman that we mentioned a moment ago. Remember: He said the American people "realize there is no such thing as a Communist conspiracy?" This judgment might be a little premature, but why shouldn't they be optimistic when they can count on the Hutchins and organizations like the Fund for the Republic to peddle their line for them?

Incidentally, Hutchins hasn't changed his views a whit since 1949. Last month, at a press conference in New York, he said he would be glad to hire Communists to work for the Fund for the Republic—an organization that is supposed to be fighting communism; also he said that he had no objection to those who take the fifth amendment and refuse to tell whether they are Communists on the ground that the truth might tend to incriminate them.

Another reason the fund can be counted on to give the Communists a helping hand is in the person of its vice president, Mr. W. H. Ferry. "Ping" Ferry, as he is known, used to be director of public relations of the infamous CIO Political Action Committee. The CIO-PAC, as you will recall, spearheaded a Communist-inspired attempt to take over the Democrat Party in the middle forties—and was itself riddled by Communist Party members.

This former PAC propaganda chief, now second in command at the Fund for the Republic, still, evidently, likes the same kind of company. Last year, for example, he joined a host of notorious Communist-fronters to protest the holding of hearings by the Senate Internal Security Subcommittee on the Southern Conference Educational Fund. The subcommittee found that the Southern Conference Educational Fund was, in effect, simply a new name for the Southern Conference for Human Welfare, which was "conceived, financed, and set up by the Communist Party in 1938 as a mass organization to promote communism through the Southern States."

We get an even better idea of the fund's bias by taking a close look at some of its activities over the past year—activities which betray a single underlying purpose: To belittle the Communist menace and to create a fantastically distorted picture of the civil-liberties issue.

Take, for example, the fund's famous study of the Government loyalty-security program. The results of this investigation have now been published in a book entitled "Case Studies in Personnel Security"—a case-by-case story of how harshly our security program deals with suspected Communists.

Now, do you know how the fund went about making this survey? First, it appointed one Adam Yarmolinsky to head up the project. Yarmolinsky then enlisted members of unsuspecting law firms throughout the country to interview the defense attorneys of Government employees who had been fired as security risks, so as to get the defense version of each case. These tales of woe were forwarded, unevaluated, to Mr. Yarmolinsky and his staff. The Yarmolinsky crew then culled from the field reports—still representing only the employee's side of the story—what appeared to be the worst cases, and prepared them for publication. The book is now palmed off to the American people as a balanced study of the Government security program.

It is interesting to note one method by which the fund's propaganda machine accomplishes its mission. In his introduction to the book, Mr. Yarmolinsky is careful—lest the fund be caught with its red underwear showing—not to call these cases typical. However, the claim is made that the cases are representative, in a highly charged emotional article on the Yarmolinsky collection appearing in the Saturday Review of Literature. Copies of this Saturday Review article are now being distributed throughout the country by, guess who?—the Fund for the Republic.

Let's look at another of the fund's projects. Two years ago, the fund appropriated $185,500 for a study of attitudes toward communism and civil liberties. This study eventually begot a book called Communism, Conformity, and Civil Liberties, published this year—the main themes of which are (1) that Communists are merely a "nonconformist" "minority"; and (2) that this country has a distressingly small number of "tolerant" people, as the book describes them, who are willing to let avowed Communists spread Red propaganda in their communities. Incidentally, one of the professors who helped put this book together has a record of 15 Communist-front affiliations.

Take another of the fund's projects. A year ago this month the fund appropriated $75,000 of its tax-exempt money for "awards for outstanding original drama and documentary scripts on civil liberties themes." In September of this year the fund selected 19 prize-winning scripts and offered them to the television industry. As might be predicted, not a single dealt with the threat to civil liberties from communism. Instead, the dramas ridiculed the fight against communism, depicting situations that even the most imaginative Communist would be proud to have dreamed up. Here are some typical award-winners, described in the fund's own language.

"The invisible accuser: The fight of a woman surgeon to clear herself of malicious loyalty charges.

"The burden of the day: A prominent lawyer takes on the defense of a former Communist knowing his act will end his political hopes.

"The claws in the cat's paw: The smear of a teacher as a Communist by economy-minded citizens to forestall spending for school improvements.

"The inner curtain: A practical joke involving communism at a large industrial plant ultimately forces the perpetrator of the joke to resign."

Perhaps, the Communists didn't write these scripts, but they know a good thing when they see it. The Daily Worker devoted several columns in its September 16 issue, to a laudatory discussion of the prize-winning scripts.

Another project of the Fund for the Republic is its financing of the so-called freedom agenda. The freedom agenda has published a series of pamphlets designed to show that Communists are operating in the tradition of Thomas Jefferson, and that measures for protecting our Government against Communist subversion are a violation of Constitutional safeguards for "dissenters."

Still another fund project is its distribution of 35,000 copies of a book called the Fifth Amendment Today, by Erwin Griswold, dean of the Harvard Law School. Dean Griswold attempts through highly selective legal arguments to prove that one may not infer Communist leanings from the fact that a man refuses to answer questions about alleged Communist connections on the ground that a truthful answer might incriminate him. This book is being energetically promoted by Communist Party publications and Communist-front organizations and, of course, by the Fund for the Republic.

One more example: In a recent president's report, Dr. Hutchins states that the Fund for the Republic "has made an expanded version of the television film of Edward R. Murrow's interview with J. Robert Oppenheimer available to educational institutions and groups concerned with public affairs."

This Murrow film, as you may recall, is a thinly disguised attempt to elevate to national martyrdom one of the most dangerous security risks this country has ever known.

I don't think it necessary to go into Oppenheimer's record tonight: suffice it to say that this man admittedly contributed money to the Communist Party right up until the time he was asked to serve in our top-secret atomic-energy program—and then, after he had achieved unrivaled influence in the atomic-weapons field, told Harry Truman it would be immoral for us to produce a hydrogen bomb, knowing full well that the Soviet Union would soon produce an H-bomb of its own. The Fund for the Republic is now spending tax-exempt funds to make this man a hero.

I am sure that you in this audience have as much contempt for the work of the Fund for the Republic as I do. I am sure you are as outraged as I am that the United States Government—through its tax-exemption regulations—is, in effect, subsidizing this brazen campaign to belittle the Communist menace and undermine our security program. Don't you agree that the least we can ask of the "Fund To Destroy the Republic" is that it pay its taxes like everybody else?

Even the Communist Party has to pay an income tax.

I could go on and on, citing examples of how the spirit of Geneva is being implemented here at home—of how liberals are giving aid and comfort to the Communists. If there were time, for example, I would like to discuss the activities of the Senate Subcommittee on Constitutional Rights—so-called—headed by Missouri's contribution to the leftwing bleeding-hearts club, Senator HENNINGS. HENNINGS is operating hand in hand with the "Fund To Destroy the Republic" in trying to persuade Congress to rip the guts out of the Government security program. No wonder the Communists are rejoicing, no wonder the Kremlin leaders are congratulating themselves on their smashing diplomatic victories, no wonder the Communist Party in the United States is coming above ground again. I suggest, my good friends, that it is time the American people start fighting back.

Tonight I want to mention three ways in which we can combat this new offensive by the Communists and leftwingers.

No. 1: We must rise to the defense of an effective security program, and insist that effective security standards be vigorously enforced. We must reaffirm the principle that working for the United States is a privilege and a trust—that it is not a "right," as the Communists and leftwingers claim, that is available to persons who have played ball with the Communists, and thus for all we know may be members of the conspiracy.

If a man has compromised himself in the past by joining Communist fronts and associating with known party members, he must suffer the consequences. If there is reasonable doubt that a man's loyalty is, foursquare, to the United States, the benefit of that doubt must go to the Government and to the American people.

But we cannot save our security system unless we come to grips with those who are attempting to destroy it. We must therefore recognize that our enemies are not only the Communists but their leftwing allies—the Fund for the Republic, the ADA, the anti-anti-Communists in Congress and the executive branch—who are trying to whip up public sentiment against measures that will protect our country.

Some persons say, "Oh, MCCARTHY, aren't you being a little hard on the leftwingers," "Isn't it true," I am sometimes asked, "that the lefties are good Americans, misguided perhaps, but who have been genuinely taken in by the 'civil liberties' red-herring?" My answer is yes, this may be true. But I have neither the patience nor the resources to attempt to find out the inner motivations of every person who helps peddle Communist propaganda. I say, don't call them Communists. Let's concede they are well-meaning people who have been "taken in" by Communist propaganda; but let's also be very clear about what team they are playing on. In terms of the damage they do, they are every bit as dangerous to this Nation as the Communists themselves. This Republic will not last one day longer by being able to say that its destroyers had good intentions.

No. 2, we must show those arrogant, gloating Communists—who say the American people are ready to welcome them back as just another political party—that they are dead wrong. The Communists are hopefully getting under steam a massive propaganda campaign, and a vigorous drive to recruit new party members. Our answer to them should be sharp and decisive. We should outlaw the Communist Party.

I submit that a criminal, conspiratorial fifth column, under instructions by a foreign power to try to overthrow our Government, has no legitimate claim to the protection of our laws. No nation that has any intention of surviving can afford to give legal license to those who, by intrigue, sabotage and lies, seek to destroy its institutions and way of life.

I am aware of the argument that outlawing the party would drive the Communists underground. This argument forgets, however, that the Communists need and desire an open party—as well as an underground. They want to maintain both, an underground of secret party members who do the party's conspiratorial work of sabotage, espionage and policy subversion; and an open party that conducts propaganda and recruiting activities. One effect of outlawing the party would be to block overt efforts to sell to the American people under false and deceptive colors, the Communist package of lies.

And please don't let me hear that old canard about free speech. For one thing, a Communist does not engage in free speech and free thought: He is told what to say and think. For another, Communists are not just carriers of a political ideology: They are criminal conspirators, dedicated to the overthrow of our Government, and must be dealt with as such.

When a man commits a murder you don't, in the name of free speech, present him with a soapbox and invite him to try to win converts to the cause of murder.

No. 3—and this is most important of all—we must puncture and deflate the illusory and farcical spirit of Geneva. This means getting our foreign policy back on a realistic and moral footing—acknowledging that international communism is our implacable enemy, and that world communism will either destroy us or be destroyed.

The spirit of Geneva is the natural consequence of our having taken as our own policy guide the Communist line of peaceful coexistence. I hold that coexistence with communism is neither desirable nor possible nor honorable.

As I said to the Senate on August 1—just 3 days after the Geneva summit meeting, when most of the Senators were gushingly congratulating the President for having made friends with the Kremlin leaders—"Is it not still self-evident that hostility to communism—overt, articulate, unyielding hostility—is both necessary and desirable? We must be hostile to communism for the same reason that good is hostile to evil. Good cannot clasp the hand of evil without becoming evil, and without inviting destruction by evil. You cannot offer friendship to tyrants and murderers without advancing the cause of tyranny and murder."

God gave us these great United States and inlaid on our broad land the peerless gem of freedom. We owe it to God and to ourselves to guard that freedom today against the most monstrous tyranny in history. Let us ask God to give our generation that strength and courage and wisdom with which He has never failed to grace the American people in time of great trial.

ADDRESS BY HON. JOE MCCARTHY, OF WISCONSIN, MUNICIPAL THEATER, TULSA, OKLA., DECEMBER 7, 1955

My fellow Americans, I always like to speak in the Midwest, here in the heart of the United States, because we don't have to spend our time discussing elementary things. You people in Oklahoma—unlike some of the persons I know in Washington—don't need a grade-school education on what the Communist fight is all about.

There is no need, for example, to tell a Tulsa audience that the so-called spirit of Geneva is the spirit of illusion, folly, and appeasement.

In Tulsa, it is unnecessary to explain that when you propose friendship with tyrants and murderers—however good your intentions—you advance the cause of tyranny and murder.

There is no hesitation in this audience, I am sure, to refer to Communists as the eternal enemies of God and the human race, and to the Soviet Union as an unregenerate international bandit—even though the Paul Hoffmans and the Milton Eisenhowers tell us that such words constitute a serious breach of coexistence etiquete.

I trust that you good Americans will never lose sight of, nor minimize, the central fact of this struggle—namely, that however broad the smiles of the Kremlin leaders become, international communism is irrevocably commited to destroy this Nation and our way of life.

We cannot do business, we can never make friends, with that sort of enemy.

Creating the spirit of Geneva was, of course, a great triumph for Communist diplomacy, and the Kremlin leaders are still exploiting that triumph to the hilt. But the spirit of Geneva was not only a diplomatic victory for the Communists, it has had repercussions here at home.

A little over a month ago, an event occurred in the city of Milwaukee that gives some idea of why the Communists were so anxious to create the spirit of Geneva. In a small, dingy, auditorium, known as Wetzel's hall, some 40 persons gathered to hear an announcement. The 40 shifted in their seats somewhat nervously, as the speaker arose behind his rostrum. Many of those in the audience had not seen this man for 5 years.

"I went away," the speaker began, "to carry on the struggle for the rights of the people, for democracy, and peace. Where I went and what I did is not important. But what is important is what is happening today at Geneva. I decided to come back."

Who was the speaker? Who was the man who decided to come back? He was Mr. Fred Bassett Blair, chairman of the Communist Party of Wisconsin. And the audience? The 40 persons in the audience were the hard core of a Communist Party unit, who had responded to the party's call to come out into the open again.

"We disappeared," Mr. Blair went on, "because of the people who fostered the menace of McCarthyism. They made it impossible for us to carry on our work."

"But now," said Blair triumphantly, with a smile as big as Khrushchev's, "there have been wonderful changes. We are no longer political exiles in our own country. Since the Geneva Conference of the Big Four powers, people are waking up because they realize there is no such thing as a Communist conspiracy. This thinking makes it possible for us to return."

This scene I have just described to you, my good friends, was reenacted in numerous American cities last month, possibly right here in Tulsa, as the Communist underground decided to crawl up from under the planks, and renew a public campaign to overthrow our Government. The spirit of Geneva, and the supposed defeat of McCarthyism, these are the things that, according to the Communists, make it possible for them to show their faces again.

The local party leaders did not, of course, make their decisions independently: they were operating under direct instructions from Moscow, instructions that were revealed recently by Mr. Herbert Philbrick, a former FBI undercover agent who still has contacts in the Communist underground. Here is what Mr. Philbrick wrote just a few days before the public meeting in Milwaukee:

"The Cominform, world headquarters of the Communist International has ordered top Red agents here to bring the Red network in the United States above ground, and to reinstate the American Communist Party as a 'legitimate national political party.'"

Philbrick went on to say "the new instructions, obviously part of the Red pattern * * * since the Geneva Conference, signals a major and abrupt shift for the Communist movement in the United States, which, for the last 4 years has operated almost entirely as an underground * * * apparatus."

"Couriers from national headquarters"—and I am still quoting from Philbrick—"are now being assigned to go into some 21 specific areas in the United States * * * among the cities pin-pointed for district Communist headquarters are Boston, Philadelphia, Buffalo, Pittsburgh, Cleveland, Detroit, Chicago, Minneapolis, Los Angeles, Seattle, and Denver. A target city for a forthcoming 'party building' effort will be Houston, Tex."

The Communists are optimistic about the success of open party activities because they believe—and now Mr. Philbrick is quoting from the Cominform instructions—that "* * * 'attacks and persecution' of party members will come only from 'Fascist and war-mongering reactionary elements,' who are 'clearly attempting to sabotage President Eisenhower's policies and program for world peace'." These "savages," according to the Communist instructions, "are to be 'condemned' as 'enemies of the United States'."

I trust you realize that one such "savage" is speaking to you right now. This point was driven home by the chairman of the Wisconsin Communist Party at the Milwaukee meeting. In explaining the Communists' mission, Blair said: "We are back here to fight against the rise of McCarthyism."

Now, my good friends, I have no desire to exploit the implications of personal flattery contained in that statement. The Communists use the term "McCarthyism"—a word they coined—to describe everything they don't like. They mean by it, not only Senator McCarthy, but also congressional investigating committees. They mean the FBI and the Government security program. They mean patriotic organizations, and people, who have been striving valiantly over the years to alert the American people to the dangers of communism. They mean those who favor a realistic foreign policy that recognizes the Soviet Government for what it is—a ruthless tyranny whose ultimate aim is the conquest of the United States. It is these people the Communists are going to fight against—and fight against in the open.

This new Communist declaration of war is one reason that no politician—whether he be Republican or Democrat—can come before the American people in 1956 and, in good conscience claim to have brought peace to the world. There will never be real peace so long as the Communists own one-half of the earth and are determined to enslave the other.

I first learned of the Milwaukee Communist meeting from a news clipping sent to me by one of my constituents. Across the top of the story I read this note from the sender: "How can they have the nerve?"

How can they have the nerve? What makes the Communists think they can succeed in this new campaign to deceive the American people? This is the subject I want to deal with tonight. I want to talk about some recent events that make it all too clear why the Communists are optimistic about the future.

On November 7, just 1 month ago today, a message was sent from Denver, under the signature of President Eisenhower, to Klementi Voroshilov, chairman of the Presidium of the Supreme Soviet of the U. S. S. R. Before reading it, let me say I am reluctant to attribute the inspiration for this message to the President. He was on his sick bed and was probably under the influence of the "palace guard," that shadowy left-wing cabal consisting of the Paul Hoffmans, Harold Stassens, and Milton Eisenhower—men who are masterminding our foreign policy even though they were not elected to office and will surely be repudiated by the American people if they ever become candidates.

Here is what the Eisenhower message said: "On this national anniversary of the Soviet Union, I am happy to convey to your Excellency and the people of the Soviet Union the best wishes of the people of the United States for progress toward a permanent and just peace."

And what was this "national anniversary" that we helped the Communists commemorate? It was the day of the Russian revolution—the day that marks the beginning of slave labor camps, of collectivized farms, of the closing of the churches, of the enthronement of the worst tyranny the world has ever known.

No wonder the Communists are cocky about the future, when our President, in effect, congratulates the Communist leaders on the anniversary of the day they managed to enslave 200 million people.

The incredible thing about this message is that it was sent on behalf of the people of the United States. How many of you people in Tulsa were consulted about it? How many in this audience thought it proper to congratulate the peoples of Russia on the anniversary of the day they were put in chains. Yet this is exactly what was done in your name—and in mine.

The fact that we keep making degrading overtures to the Kremlin is one of the reasons the Communists think they have a rosy future ahead. But there are others. Most important are the increasingly successful attempts to whip up public hysteria against anti-Communists and any effective efforts to protect our Government against Communist subversion. This campaign was inspired by the Communists; but the heaviest blows are being struck by their numerous, and influential, and wealthy liberal allies who, let me assure you, are doing as much damage to this country as the Reds themselves.

Take, for example, the Ford Foundation's notorious Fund for the Republic which claims to be conducting an objective study of the Communist menace and of the Government security program. The other night in Chicago I discussed the activities of this organization in some detail—activities that show it is an anti-anti-Communist propaganda machine.

I wish I had the time tonight to go into the full story of an organization that is spending $15 million of tax-exempt money to help spread the Communist line. But we can get some valuable insights into the Fund for the Republic by taking a quick look at its president, Dr. Robert Hutchins.

In 1949, Dr. Hutchins was asked about his views on communism by a committee of the Illinois Legislature. Here is his testimony given under oath:

Question. "So far as those who have stated they are Communists are concerned, do you not assume that their purpose must be subversive by definition?"

Dr. Hutchins' answer: "It is not yet established that it is subversive to be a Communist." (This was in 1949.)

Next question: "There is no doubt in your mind about the Communist Party itself being a subversive organization is there Doctor?"

Hutchins' answer: "Well, I can't believe that that is true here, or the Communist Party would long since be illegal."

In other words, the man, whose organization is passing judgment on our security program, says that he doubts that the Communist Party is a subversive organization.

Let's listen to one more observation by Dr. Hutchins.

Question: "Is there any doubt that the Communist Party is a conspiratorial fifth column operating in the interests of a foreign state"?

Hutchins' answer: "I am not instructed on this subject. I understand many Communists say they do not operate under instructions of a foreign state."

Thus, the former head of one of our leading universities, the "boy wonder" as you may recall, of the academic world during the thirties, says he is "not instructed" as to whether the Communist Party is a Moscow-directed conspiracy.

Now let's compare this statement with the recent claim of the Wisconsin Communist leader that we mentioned a moment ago. Remember: Blair said the American people "realize there is no such thing as a Communist conspiracy." This judgment might be a little premature, but why shouldn't the Communists be optimistic when they can count on the Dr. Hutchinses and organizations like the Fund for the Republic to peddle their line for them?

With Hutchins feeling the way he does about communism, is it any wonder that the Fund for the Republic's method of "investigating" the security program was to gather together the complaints of dis-

charged Communist suspects, and then palm them off to the American people as an objective account of how the program works.

Is it any wonder that the fund sponsored a book on communism the main themes of which are (1) Communists are merely a "nonconformity minority," and (2) that this country has a distressingly small number of "tolerant" people who are willing to let avowed Communists spread Red propaganda in their communities.

Is it any wonder that the fund appropriated $75,000 in prizes for television scripts that ridicule and dsparage the efforts of those who are attempting to oppose Communists?

Is it any wonder that the fund distributed a book by the dean of the Harvard Law School, who tells his readers they may not infer Communist leanings when a man refuses to answer questions about alleged Communist connections on the ground that a truthful answer might incriminate him?

Is it any wonder that the fund financed the distribution of Edward R. Murrow's television film on J. Robert Oppenhimer—which attempts to elevate to national martyrdom a man who admittedly gave money to the Communist Party right up until the time he was asked to serve in our top secret atomic-energy program, and after that was responsible for the disastrous postponement of our hydrogen-bomb program?

I am sure that you people in Tulsa have as much contempt for the work of the Fund for the Republic as I do. I am sure you are as outraged as I am that the United States Government—through its tax-exemption policies is, in effect, subsidizing a brazen campaign to belittle the Communist menace and undermine our security program. Don't you people in this audience agree that the least we can ask of the "Fund to Destroy the Republic" is that it pay its taxes like everybody else?

Even the Communist Party has to pay an income tax.

Unfortunately, however, the heaviest blows on the Communists' behalf are being struck in the Halls of the United States Congress. Last May, the Democrat-controlled Senate set up a committee, headed by Missouri's special contribution to the "leftwing bleeding hearts club," Senator HENNINGS, to investigate the alleged threat to civil liberties. The Communist Party had been calling for such an investigation for many months. Ever since then Senator HENNINGS has used all the power of a Senate committee in an attempt to wreck the Government security program.

Recently I issued a public statement, pointing out that HENNINGS was waging jungle warfare against the security system, and was making it easier for the Communists to infiltrate our Government. HENNINGS replied the next day and said, in effect, MCCARTHY doesn't understand what we are trying to do when we attack the security program: we are trying to "strengthen the security program."

For hypocrisy and doubletalk, I have seen few equals to that statement. Let's look at the record. A little over a month ago in St. Louis, Mo., HENNINGS demanded three changes in our security program. He said (1) we can no longer utilize the doctrine of "guilt by association." This is leftwing gobbledygook for saying that the fact a man has belonged to 5 or 15 or 30 Communist fronts, and regularly associates with espionage agents and members of the Communist Party, must not even be taken into account in deciding whether he should be given a sensitive Government job.

Then (2) HENNINGS insisted we must do away with a "system of secret informers." This is leftwing gobbledygook for saying that FBI undercover agents cannot disclose the treasonous activities of Government employees, unless they reveal their own identity—which would, of course, destroy our counter-espionage system overnight.

But HENNINGS was not satisfied with that. He also contended (3) that we should get rid of the "reasonable doubt" loyalty standard. This means—as HENNINGS well knows—that John Stewart Service, John Patton Davies, Esther Brunauer, and dozens of others suspected of Communist activities would be back behind their desks in the State Department. These proposals are not exactly what I would call "strengthening our security program."

Senator HENNINGS is no fool. He knows that if these recommendations were put into effect, the security program would be left in shambles. He is bright enough to realize that this would open the floodgates to wholesale Communist infiltration of our Government. HENNINGS, of course, is playing politics. He is trying to prove—although he knows better—that Republicans are unmindful of civil rights. But this kind of cheap politics cannot be tolerated when the life or death of this country is at stake.

Another aspect of the security program about which HENNINGS has raised a great hue and cry is what he and the leftwingers call "guilt-by-kinship." This issue has been so misrepresented and distorted by the leftwing press that the public has very little idea of how family relationships actually figure in a security determination. Actually, of course, a security decision does not involve the question of guilt at all—the question is whether a person is suitable for a sensitive job, whether he is a good security risk. So the term is, to begin with, a deceptive misnomer. But beyond that, it is not the policy of the Government—contrary to what the leftwingers allege—to make an adverse finding on the basis of family relationships alone; this is just one of the factors to be taken into account.

Now: Does it make sense, as HENNINGS says, to pay no attention whatever to the fact a man's relatives are Communists? Let's test HENNINGS' theory by an actual case, the facts of which have now been documented. Let's suppose that, several years ago, a man named Harold Ware applied for a job in the State Department. Assuming the State Department was operating as it should, it would have called for an investigation and the FBI would have reported as follows: This man Ware's mother was a member of the central committee of the Communist Party, was Communist candidate for Governor of Pennsylvania in 1938 and for Congress in 1940; his mother's first husband was the Communist candidate for Governor of North Dakota in 1932; his brother was a Communist organizer and was the Communist candidate for Governor of Minnesota in 1930; his first wife was a Communist pamphleteer; and his sister conducted a music studio at which Communist meetings were held.

Now, according to HENNINGS, the State Department should not have taken these factors into account because that would have been endorsing the doctrine of guilt by kinship. I suggest, however, that the Department would have been wise to look a little further into the case of Mr. Harold Ware. A further look might have been rewarding, for the Department might have found that this man with the highly suggestive family tree was, himself, the organizer of one of the Washington cells of the Communist Party later exposed by Whittaker Chambers.

Now, does the fact his relatives were Communists prove that Harold Ware was a Communist? Of course not. But it should raise a flag, a warning to security officers and be considered as part of the whole picture. HENNINGS would have us ignore this information altogether—indeed, it seems he would have us ignore every type of circumstantial evidence of treason.

The thing we must remember is that the Communist conspiracy is a covert operation, and that Communist agents are usually successful in covering up their tracks. Clues of disloyalty are few and hard to find. HENNINGS must know that we cannot rule out, one by one, every method of spotting Communists and still hope to catch them.

Yet this is exactly what he is attempting to do. Three weeks ago, the Hennings committee began attacking the Army for trying to correct lax security practices that had been exposed by the Senate Investigations Subcommittee under my chairmanship. You will recall that we discovered in the Peress and Belsky cases (incidentally, has anybody discovered who did promote Peress?) that the Army was giving honorable discharges to soldiers who took the fifth amendment when asked about their Communist connections. After the Peress case, the Army corrected that particular situation—corrected it, that is, until HENNINGS arrived on the scene. Last month the Hennings committee, day after day, hammered away at Army officials for refusing to grant honorable discharges to fifth-amendment Communists.

At one point in the barrage, HENNINGS berated the Army for merely including as one of the items to be taken into account in deciding a security case the fact that the man took the fifth amendment. HENNINGS' counsel said: "How can you justify that, either on the constitutional basis, or on just the basis of morals? If a man is entitled to rely upon his constitutional privilege, how can the Army hold that against him?" Now do you get this picture? The Army, as part of a routine security investigation, makes a list of all of the information about a man that might possibly be considered derogatory—that is before any decision is made about the man—and it includes in this list the fact that the soldier says "I refuse to tell whether I am a Communist on the grounds that the truth might tend to incriminate me." But the Hennings committee says, "No, you can't do that; that's immoral."

There is, however, a sequel to this story. Due to Hennings' daily browbeating of Army officials, the Army changed its regulations and they are now worse than they were before the Peress case. The other day, the Army issued an amazing new directive. In effect, the new directive says to Communists and Communist party-liners who are drafted into the Army: All you have to do is take the fifth amendment, and then you will be able to avoid military service altogether, and go back to civilian life with no disgrace or stigma attached to your name.

I simply cannot understand the topsy-turvy moral standard that prevails in some quarters. How can we, in good conscience, ask loyal American boys to give several years of their lives to their country's service, when we allow Communists and Communist party-liners—by pleading the fifth amendment—to go scot free, neither drafted nor disgraced?

After this directive was issued, Hennings said, "We are making progress. I look forward to further improvements in the regulations as the subcommittee prosecutes this inquiry."

If what Hennings is doing represents an improvement to our security system, then I suggest we need some improvement in the type of men who conduct congressional investigations, and we need it as fast as we can get it.

I have no desire to get into politics tonight but I feel we must talk some now about Hennings, the Democrat. There is no way in the world of divorcing responsibility for the activities of a Senate committee from the political party which has control of the Senate. Moreover, the activities of Hennings' committee are the responsibility of the national leaders of the Democrat Party—who, anytime they choose, can find ways to call off the dogs, to stop the efforts to destroy our security program.

Several days ago I addressed a letter to the three leading candidates for the Democrat presidential nomination—Adlai Stevenson, Estes Kefauver, and Averell Harriman—asking them to repudiate Senator HENNINGS and his committee. None of them has done so. As a matter of fact, I am unaware that a single Democrat leader has spoken up and condemned HENNINGS on the grounds that the proper concern of the United States Senate is with exposing Communists and not with protecting them.

Therefore, we must face facts and start talking about the qualifications of the two major political parties to lead our country. I would like to be able to tell the American people that the Democrat Party is alert to the dangers of the Communist menace—for I know that millions of rank and file Democrats throughout the country abhor communism. But I cannot and I will not overlook the demonstrable fact that the Roosevelt-Truman-Stevenson leadership of the Democrat Party has, for the past 23 years, made life easier for the Communist Party-liners.

Most of that record is well known. Let's look, however, at the most recent chapters. A year ago this month, Democrat Senators, en bloc, voted to censure me—and why? Was it because I had tried to cover-up a tax delinquency? That question was pretty well settled when the Government admitted it owed me $1,056.75 for overpayment of taxes. Was it because General Zwicker was mistreated? As of this moment, General Zwicker's case is being examined by the Criminal Division of the Justice Department, on the recommendation of the McClellan committee, for possible perjury prosecution. No, these things—as everybody knew—were window dressing. The real crime was McCarthyism—i. e., tough anticommunism.

But after that the Democrats were anxious to cover their tracks. So on January 10th of this year, after they had obtained control of the Senate, a resolution was introduced and passed which said: "it is the sense of the Senate that its appropriate committees should continue diligently and vigorously to investigate, expose, and combat * * * [the Communist] conspiracy and all subversive elements and persons connected therewith." Now, this resolution was manifestly an attempt to offset the impression that the Democrats' censure vote was a vote in favor of letting up on prosecution and exposure of Communists. Nonetheless, I thought we should give the Democrats a chance to make good on their promise. So I said at that time on the Senate floor that I would give the Democrats 1 year to prove they meant what they had said about exposing Communists.

That year is now almost up. What do the Democrats have to show for that year? What is the box score? During the course of this past year not a single Communist in Government has been exposed by the Democrat-controlled Congress—not a single one. But worse than that: instead of trying to expose Communists, Democrats have concentrated their efforts on trying to emasculate our security program.

First, there was the Johnston committee that spent its time parading discharged Communist suspects before the public to tell their tales of woe. Then came the Hennings committee with its stepped-up assault on efforts to rid the Government of Communist influence. Such is the record for the Democrat Congress. In the light of that record, it is to imperil the safety of this country to say that communism should not be a political issue in 1956.

After 20 years of being soft on communism, there are no signs that the Democrat leadership has improved—not the slightest hint of repentance or acknowledgement of past errors. Yet have the American people not a right to demand some evidence of repentance and improvement if communism is to be dropped as a political issue? Did Harry Truman repent when he lied about his actions protecting Harry Dexter White, and then tried to defend those actions? Has Adlai Stevenson ever indicated a change of heart after his wisecracks in the 1952 campaign about Communists in the Bureau of Wildlife and Fisheries? Do the activities of the Hennings committee suggest that Democrats are ready to stop following the party line on the subversion issue?

Political leaders must learn that they cannot dance to every tune the Communists play and then expect to be entrusted with the conduct of our national affairs. Until they do learn this—whether they be Democrats or Republicans—they must answer to the American people at the ballot box.

The Communists are gloating today. They are congratulating themselves on their smashing diplomatic victories, and on their remarkable success in getting non-Communist Americans to wage their propaganda war for them. Of course, they have good reason to rejoice.

At the same time, I am convinced the Communist victory celebration is a little premature. The Communists may have the majority of the Nation's press, and tax-exempt foundations, and Senate committees doing their leg work for them. But if they think this means that victory is theirs, they have not reckoned with the ordinary American when he gets aroused and decides to fight back.

We are still, thank God, a Republic. By the power of the vote, the American people can see to it that their own wholehearted, unconfused, militant opposition to communism becomes the policy of the United States Government. We have our work cut out for us in 1956. Let's do a job for America.

ADDRESS BY HON. JOE MCCARTHY, OF WISCONSIN, MANION FORUM OF OPINION, MUTUAL BROADCASTING SYSTEM, JANUARY 8, 1956

My fellow Americans, tonight I want to talk about the most serious problem confronting us: Our losing battle against international communism; and I want to discuss what I believe to be the basic cause of our continuing defeats, namely, that we have permitted the Communists to write our foreign policy, as well as their own.

Any man who is honest and who views the situation objectively will admit that, since the Communist-inspired Geneva summit meeting, America's world position has progressively deteriorated. In Western Europe, instead of honoring their commitments to NATO, our allies are decreasing their armed forces. The West Germans are losing faith in us and are in danger of being forced into a neutralization deal with the Communists. A Communist arsenal is being established in Egypt. The Near East is torn with anti-American riots. In North Africa, anti-Western feeling is at a fever pitch. Millions in India cheer the Communist leaders. Communist enslavement of Eastern Europe has, in effect, been ratified by the United Nations by its admission of Soviet puppets in the infamous package deal.

Our fighting allies in Asia have been abandoned and one of them, Free China, has been threatened with blackmail for taking a moral position on the package deal. Indeed, President Eisenhower personally sent three cables to Chiang Kai-shek, urging him not to veto the admission of Outer Mongolia to the U. N.

Now, what has happened since that proud day in 1952 when the American people endorsed a militant, realistic foreign policy, grounded firmly on moral principle; when we told the world that we would not only oppose further Communist advances, but would seek to roll back the Communist tide? On November 4, 1952, we elected a President whose party platform had said: "We shall again make liberty into a beacon light of hope that will penetrate the dark places. * * * (We will) end * * * the negative, futile, and immoral policy of containment which abandons countless human beings to a despotism and godless terrorism, which, in turn, enables the rulers to forge the captives into a weapon for our destruction."

That statement in the Republican platform of 1952, and its overwhelming endorsement by the American people, struck terror into Communist hearts; and that terror was redoubled in the first few months of the Eisenhower regime by deeds—when, for example, President Eisenhower wisely revoked Truman's orders to the Seventh Fleet to protect Communist China. The Communists feared that if this new policy continued, their plans for world conquest would be frustrated.

It was therefore essential for the Communists to persuade the Eisenhower administration to get back on the road of cringing appeasement that had been traveled for 20 years under Democrat rule. This was to be their supreme mission in the months ahead.

Let us see how the Communists went about their task. On August 8, 1953, the then dictator of the Soviet Union, Georgi Malenkov, made a major foreign policy speech which laid down the line for a dramatic switch in Communist international tactics. The world situation, according to Malenkov, required the easing of international tensions. (How many times, incidentally, have we heard that Communist phrase parroted by Western statesmen during the past year?) Malenkov then went on to explain that the easing of international tensions could be accomplished by great power negotiations. This, then, was the Kremlin's strategy.

The job of undermining America's new moral position was assigned to the international Communist apparatus. In the fall of 1953, the Communist Party of the United States called a secret national conference. Let me read from the main report delivered at that conference. These were Moscow's instructions to the American Communist Party in 1953: "Both the needs and the possibilities of the present moment call for the development of a veritable crusade for peaceful negotiations, for a top-level meeting of the big powers. * * * It is to this end that we must turn all our energies, our utmost skill, tenacity and resourcefulness * * * We must develop a full-throated demand for peaceful negotiations that will ring from one end of the country to the other."

We all know that this Communist propaganda drive, like so many others in the past, was completely successful. Last spring, a year and a half later, the administration reversed its policy and agreed to a meeting at the summit. A black headline in the Communist Daily Worker screamed: "Geneva: A peoples' victory." And well the Communists might have rejoiced, for when officials of the United States Government shook hands, smiled and drank vodka with the Kremlin despots, our moral position had been smashed beyond recognition. We had adopted a foreign policy that had been devised in Moscow. Thereafter, the spirit of Geneva became the keystone of American policy, and concrete Soviet political victories began to pile up, one after the other.

Today, many people are saying, "Yes, Geneva was a mistake, but we know this only through hindsight." But I say this knowledge does not come to us through hindsight. The tragic consequences of falling for the Communist coexistence line were, I believe, foreseen by the majority of the American people—as, indeed, they must have been by anyone who possessed the most rudimentary knowledge of Communist teachings.

On June 16 of last year, just a few days after the President first announced that he

was going to meet with the Kremlin leaders, I advised the Senate that the Soviet peace offensive was a fraud, and that we were falling for a Communist ruse. I reminded the Senators of a speech delivered by Dmitry Manuilsky in 1930 to the Lenin School of Political Warfare—which is just one example of traditional Communist teaching. Here is what Manuilsky said 26 years ago: "War to the hilt between communism and capitalism is inevitable. Today, of course, we are not strong enough to attack. Our time will come in 20 or 30 years. To win we shall need the element of surprise. The bourgeoisie will have to be put to sleep. So we shall begin by launching the most spectacular peace movement on record. The capitalist countries, stupid, and decadent, will rejoice to cooperate in their own destruction. They will leap at another chance to be friends. As soon as their guard is down, we will smash them with our clenched fist."

I warned the Senate that by acceding to Communist demands for the summit meeting, we were helping to fulfill Manuilsky's prediction.

On June 20, when it was apparent that the administration was determined to go through with the conference, I urged the Senate to recommend that the subject of the Communist satellites be put on the Big Four agenda. It was, after all, ludicrous to attempt to ease world tensions without so much as discussing the real cause of those tensions—namely, the Communist slave empire. But the Senate refused to so advise the President because—the argument ran—that would be tying the President's hands.

Because the Senate was too timid to exercise its constitutional right to advise the President on matters of foreign policy, the Communist slave empire was never discussed by the Big Four; and, as a result, the hopes of the captive peoples for obtaining their freedom were dealt a death blow.

By thus abandoning our liberation policy and substituting for it the Communist inspired spirit of Geneva, we courted the disastrous events of recent months.

The overriding fact of the present situation is this. There is not a single square mile in the entire Communist empire that is threatened by, or under pressure from, the free world. Thanks to our policy of peaceful coexistence—which we dutifully observe and the Communists do not—the Communists have absolute freedom to maneuver in any direction they choose. They are therefore on the offensive everywhere in the world. The free world, on the other hand, has denied to itself the right to try to liberate Communist territory, and is thus completely on the defensive. The result is that we are frantically trying to plug the holes and build up the dikes in a hundred places on the globe. We spend millions of dollars in one area, only to find that the Communists have advanced in another area. We then discover, several months later, that the millions we spent produced only more anti-Americanism.

I am not one of those who believe that the world situation can be repaired by the American taxpayer handing out more money. This is the argument of the Democrat leaders and the administration, which now wants to double our foreign-aid bill from two and one-half to five billion dollars. Handouts are no substitute for a foreign policy. We received startling evidence of this fact when the most enthusiastic welcome in India for Khrushchev and Bulganin occurred in a town built with American money.

What is really needed today is a return to the principles of the Republican platform of 1952. We must give all the aid we can spare, not in bribes to the neutralists, but to our fighting allies, the Free Chinese, the South Koreans, the South Vietnamese. Above all: We must give hope to the enslaved peoples all over the world by refusing to recognize their Communist rulers and by encouraging them to throw off their chains.

Now, it goes without saying, I think, that we cannot restore a liberation policy by returning the Democrat Party to power in 1956. Under the Roosevelt-Truman leadership, the Democrats appeased the Communists for 20 years; and they took the lead last spring in insisting that we accept Communist demands for top-level negotiations. (In fact, it was WALTER GEORGE, Democrat, chairman of the Senate Committee on Foreign Relations, who first urged the President to agree to the meeting.) Moreover, the definitive answer as to how the Democrat Party feels about communism was provided a year ago when, without a dissenting vote, Senate Democrats fell into line and carried out Democrat Party orders to censure a man who had fought Communists too vigorously and too successfully. At the same time, a majority of Republicans voted against condemning hard anticommunism.

We will get the kind of foreign policy we need only by electing those Republicans who, over the years, have proved they understand that America will never defeat communism by appeasing communism.

We must all work for a rejuvenated foreign policy in the months ahead. I trust that you, my fellow Americans, will lend to this fight the time, energy, and devotion that are necessary to save our country.

Why Public Law 875 Should Be Amended

EXTENSION OF REMARKS

OF

HON. JAMES T. PATTERSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 12, 1956

Mr. PATTERSON. Mr. Speaker, every Member of this distinguished body knows of the devastating flood disasters that occurred along the eastern seaboard last August and October when the boundless might of nature destroyed human lives and caused untold destruction to property.

It was my district, Mr. Speaker—the Naugatuck Valley of Connecticut—that suffered worst of all from those two successive floods; and during those tragic hours of the August flood, I was a constant observer of the illimitable courage and heroism of those whom I was born amid, grew from youth to manhood with, and for whom I established an everlasting admiration and love.

However, Mr. Speaker, during the aftermath of those horrible tragedies of August and October of last year, I also observed the execution of a law of the land that this great body had enacted—Public Law 875. But it soon became clear, Mr. Speaker, that despite the many good provisions of this law, it was still inadequate to meet the impact occasioned by such a natural disaster as that which struck the State of Connecticut and five other States and afford immediate relief to victims in such disaster areas, as the Congress had expressly intended this bill to do. It is for that reason, Mr. Speaker, that I am introducing amendments to Public Law 875, and also for the following reasons:

When sudden disasters strike homes, farms, and factories, the American people plead for greater opportunities to help those in need. They realize that earthquakes, fires, floods, tornadoes, and hurricanes sweep asunder the lives, possessions, hopes, and dreams of many persons. They know that even creeping disasters cut away coastlines, alter rivers' courses, cause droughts, and take their tolls regardless of a person's race or color, religion, amount or lack of money, political affiliation, or where he lives.

The people respond gladly to public subscriptions and other forms of relief, but these efforts are usually insufficient. Many people feel that their eagerness to help has been frustrated.

Rivers once flowed unhampered to the sea. But streams are being increasingly constricted by bridge piers, bridges, transportation, rights-of-way, pipelines, factories, and other obstructions. Consequently, the dangers and damages of floods grow.

Even the well-intentioned efforts of our Government officials are too slow, too meager, and too cumbersome, mainly because of inadequate Federal disaster laws.

PUBLIC LAW 875

The principal authority for Federal disaster relief is Public Law 875, approved on September 30, 1950. This act authorizes the President to coordinate the disaster assistance activities of the National Government and to direct Federal agencies to utilize their available personnel, equipment, supplies, facilities, and other resources. This act has been amended to permit greater Federal assistance, by Public Law 107, 82d Congress, approved August 3, 1951, which authorizes housing relief in major disasters; and Public Law 134, 83d Congress, approved July 17, 1953, which authorizes Federal surplus property use in major disasters.

Basic statutory authority of the United States Department of Agriculture was amended by Public Law 115, 83d Congress. This amendment assists particularly in relief of drought areas.

Authority to administer Public Law 875 is lodged in the Federal Civil Defense Administration. Before Federal disaster assistance can be given the governor of the affected State must formally certify the need for Federal help and assure the expenditure of a reasonable amount of funds for relief purposes by the State or local governments. Then the President has to determine that the catastrophe is serious enough to be classified as a major disaster. This has been done 51 times up to June 30, 1954.

THE NEED TO IMPROVE PUBLIC LAW 875

Public Law 875 needs to be improved so that help can be more direct and more financial assistance can easily be made available. At present the officials charged with administration of the law have virtually no guidance for how much the State and local governments must spend. This should be made more definite, and the act should recognize differences in fiscal capacity among the States. Recognition should also be given to the disaster's crippling effect upon an area's ability to pay.

The specification that $5 million be appropriated to the President for purposes of the act is much too small and

restrictive. It should be omitted and terms such as "whatever funds are necessary" should be substituted. It is difficult to specify an exact amount. Actual appropriations for Public Law 875 purposes through the fiscal year 1955 amounted to $59.3 million—$28 million of these funds were advanced to the USDA for drought relief and subsequently the USDA reimbursed Civil Defense from its appropriated funds. This is to be contrasted with property losses from major disasters during the same period of about $4 billion.

Apparently the total amount of public money spent to recover from disasters is small compared to the total damage. The Federal investment—$59.3 million—since its enactment has averaged only 14 percent of the total public funds spent for disaster relief. The local authorities have furnished about 73 percent of these payments and the States have paid about 13 percent. In other words, those areas hit by the floods, hurricanes, earthquakes, and other disasters were the very ones which were least able to pay but they furnished three-fourths of the money. These people realize that we spent over $21 billion for foreign aid in the last 4 years. They know that the money for foreign aid comes out of the pockets of all the taxpayers, including those in disaster areas—to help outsiders. Regardless of the merits of foreign aid it is shocking to note that during the last 5 years Congress appropriated only $59.3 million for natural disaster sufferers in our country.

Evidently private insurance did not and probably could not fill the gap between total public expenditures—somewhat over $400 million—and total disaster losses of about $4 billion in the last 5 years. For example, of the 1951 Kansas-Missouri $1 billion flood loss, only 5 percent was covered by insurance—United States Congress, Senate, Committee on Banking and Currency, Federal disaster insurance, staff study, 84th Congress, 1st session, committee print, November 30, 1955, Washington, Government Printing Office, 1955: 14. Floods, whether caused by hurricanes or other factors, do the most damage, are hardest to insure and are apparently the least covered by any type of insurance. Insurance is scarce also for tidal waves, certain water damage from hurricanes, and air pollution.

The authority of the President and the several agencies to act quickly should be more definite and less restrictive. For example, the disaster in New England in the fall of 1955 required a decision as to whether or not a special session of Congress was necessary. Fortunately, that was not demanded. The chairmen of the congressional Appropriations Committees approved the emergency expenditure of additional Federal funds. This was admirable action but for a while a condition of uncertainty existed and valuable time was taken to get a decision. In contrast, if the law permitted more automatic and direct authority by the President to pledge the credit of the United States to necessary amounts, then private funds would be more quickly available and many frustrations and uncertainties would be avoided. More direct authority for the President to pledge credit would put less of a burden on the Small Business Administration which is empowered to make disaster loans, but naturally many safeguards are applied and the approvals of loan applications take considerable time.

Public Law 875 does relatively nothing to stimulate pre-disaster planning or post-disaster permanent reconstruction. To cite another example, numerous factories located in or near streams are damaged or washed away by floods, but they relocate at or near their original, dangerous sites. The Office of Area Development, United States Department of Commerce, has some specialists who could help advise businessmen on new locations. However, this agency has only about 15 employees and its services to distressed areas are thus quite limited.

Public Law 875 generally confines Federal agencies' aid to temporary, emergency assistance, and authorizes permanent restoration work only for Federal structures. This is a great hardship in some cases. There should be some provisions to explain Federal assistance on certain types of permanent restoration work.

It is sometimes said that some people will save taxes on disaster losses, but those individual savings will not be as large as is generally supposed. Such losses have to be applied first to the year's pretax income. It is only if the loss exceeds income that the excess can be "carried back" against the income of the preceding 2 years, with a possible tax refund.

The following table shows estimated losses from major disasters in the United States during 1951–55. It should be noted that it is difficult, if not impossible, to segregate hurricane and flood losses:

Major disaster losses in the United States, 1951–54, 1955 preliminary

[Not counting droughts]

[Property damage in millions of dollars] [1]

	1951	1952	1953	1954	1955 [2]	1951–55
Property damages:						
Floods and hurricanes (tropical storms)	$1,031	$257	$128	$755	[3] $1,776	[3] $3,947
Tornadoes	30	35	224	28	31	348
Earthquakes	3	60	----------	1	----------	64
Total damages	1,064	352	352	784	[3] 1,807	[3] 4,359
Lives lost:						
Floods and hurricanes (tropical storms)	51	57	42	193	231	574
Tornadoes	34	230	516	35	123	938
Major earthquakes	----------	13	----------	----------	----------	13
Total	85	300	558	228	354	1,525

[1] Figures rounded.
[2] 1955 estimates are preliminary and partly estimated. Large flood damages occurred in December 1955.
[3] Hurricanes often cause floods. In attempting to avoid duplication, the costs of these 2 disasters were combined for 1951–53 when hurricane damages were reported as small and flood losses large. For 1954 and 1955 the reported damages from hurricanes which included large flood losses were used.

Source: U. S. Congress. Senate. Committee on Banking and Currency. Federal disaster insurance. Staff study, 84th Cong., 1st sess. Committee print. Nov. 30, 1955. Washington, D. C., GPO. 1955. pp. 5, 37, 124, 133, 149.

Disasters hurt more people than their direct victims. By causing losses in incomes they reduce taxes collectible and by destroying factories, homes, and lives they weaken the strength of the whole Nation. It is high time the Congress enacts legislation to provide broader, more direct, and more permanent relief from natural disasters.

Postal Policy

EXTENSION OF REMARKS

OF

HON. W. KERR SCOTT

OF NORTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Thursday, January 12, 1956

Mr. SCOTT. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a speech on postal policy made during the recess by my distinguished colleague, the Senator from South Carolina [Mr. JOHNSTON]. I also ask unanimous consent to have printed also an editorial from this month's Progressive Farmer, Dr. Clarence Poe's great southern farm journal, complimenting the Senator on his forthright stand regarding the so-called postal deficit.

There being no objection, the address and editorial were ordered to be printed in the RECORD, as follows:

ADDRESS BY HON. OLIN D. JOHNSTON, OF SOUTH CAROLINA, DELIVERED AT THE ANNUAL MEETING OF ASSOCIATED THIRD CLASS MAIL USERS, THE MORRISON HOTEL, CHICAGO, ILL., SEPTEMBER 13, 1955

Ladies and gentlemen, your association was kind enough to invite me to be its speaker at Milwaukee in October 1952. I looked forward to that meeting, but unforeseen developments made it impossible for me to join you. I understand my very able colleague, Senator DENNIS CHAVEZ, of New Mexico, addressed you on that occasion.

When you met in Detroit in 1953, you were fortunate to have Senator FRANK CARLSON, of Kansas, as your speaker. I read the fine address he delivered on that occasion. Although Senator CARLSON and I belong to different political parties, we hold similar views regarding the need for an improved postal establishment. I can assure you that the members of our Senate Post Office and Civil Service Committee will continue their efforts to achieve a realistic, modern postal policy for the United States.

Your association's practice of inviting to its annual meetings speakers from the leg-

islative and executive branches of Government is a wise one. I know of no more complex or more misunderstood subjects than the creation of a modern postal establishment and the continuing request for higher postal rates. More often than not the prepondenance of pressure on these issues is exerted by appointees in the executive branch. Since all wisdom does not repose in these public servants, the Congress is extremely anxious to recruit the ideas, the thinking and the cooperation of persons and business firms whose own livelihood, plus that of their millions of employees, depends on what we legislators do in Washington.

The Congress has refused to be stampeded into hasty and ill-advised action. It has stood firm in the face of the severest pressures by the administration to have legislation enacted divesting Congress of the rate-making power and hiking mail rates to ruinous levels.

The Constitution clearly directs that the Congress shall have full responsibility for United States postal policy.

You have my personal assurance that I will fight to the limit of my endurance to protect that prerogative.

Both major political parties are anxious that post office operations be modernized, that improvements long overdue be inaugurated. Unless we agree in the beginning that there are broad areas where economies can be achieved through modern business practices, it will be impossible to tackle the problem intelligently. Certainly we cannot legislate on postal rate legislation wisely until a sound course has been set for the Department. If, as many qualified observers believe, $250 million can be saved by elimination of waste in the postal establishment, it is unfair to the taxpayer to do nothing about it and then require the users of the mails to pay for such waste through increased rates.

The keystone of the administration's present program is what they choose to call "temporary" rate increases. The enactment of this rate bill would only compound the ills which plague our postal service. There would be a declining volume of mail and, at the same time, a spiraling of postal costs. If Congress should relax its inquiry into postal problems, top officials would continue to ignore defects which are so costly and make for poor postal service.

A complete overhaul of the Department is in order. Like Barkis in David Copperfield, Congress is willing, yet all attempts to get under way have met with the firmest resistance by the present Postmaster General.

This is not simply political talk. It is not the natural aversion for one who foully characterizes my political party as "the party of treason." Testimony from all sides is available to show that Mr. Summerfield has played fast and loose with the facts to trick the public into believing that the postal establishment, under his guidance, has achieved almost revolutionary improvement.

There came a time a year or so ago when the Post Office Department was issuing press releases designed to convince the unwary that their management policies had produced savings of $1 million each working day. I took them to task on that one. I simply pointed out that they had conveniently neglected to show that $70 million of airmail subsidies had been transferred from Post Office accounts to the Civil Aeronautics Board, that $36 million of franked and penalty mail, in a bookkeeping transaction, had been moved elsewhere. He neglected further to state that postal rate increases totaling over $200 million ordered by the 82d Congress are also included in the million dollar a day savings.

In a speech at Buffalo on August 17, Mr. Summerfield stated: "You will recall that earlier I stated that the postal deficit was $727 million for the fiscal year 1952, the last full year before we assumed responsibility.

"In 1954, when the effects of new management policies were first reflected, the deficit was reduced to $399 million. This is a 45 percent reduction in 2 years."

He never seems to be bored with claiming that his policies have reduced the postal deficit.

Sometimes I feel like taking him at his own word. I am inclined to say, "Mr. Summerfield, you are an amazing administrator. In only 2 short years you have lopped $328 million off the postal deficit. Why, give you another 2 years to work your wonders and we will have this deficit licked."

In one of their first official appearances before a congressional committee, post-office spokesmen assured the House appropriations group they could achieve savings of $200 million within 2 years. They have a very neat formula for postal economies. They ask the Appropriations Committees of the House and Senate for a certain amount of money to operate the Department, based on a predicted volume of mail in the ensuing year. Invariably the estimates of the volume of mail have been too high. Since the Department gets more money than it needs, it always has funds to turn back to the Treasury—although never quite equal to the overestimate of volume.

The most ridiculous waste of postal funds is the way the Nation is presently being bombarded with press releases.

But publicity will not solve the postal troubles.

Let me tell you of some things we have done about the postal problems and what we propose to do in the months ahead.

You will recall that the last Congress approved Senate Resolution 49. That measure provided for an investigation of the postal establishment under the guidance of a Citizens Advisory Council. The Advisory Council came up with some startling findings. They urged many reforms. They set the groundwork for a realistic, modern, business-like, efficient postal service. That report was severely criticized by the Department. Many of the suggestions have been adopted. On the major issues, however, the Department has refused to act. I was shocked when the work of the very fine Advisory Council under Senate Resolution 49 met with such strong opposition from the Department. If the major recommendations had been adopted, we would now have a sound postal policy.

As I have said, this is not a partisan issue. There have been Democratic Postmasters General, too, who failed to inaugurate needed reforms.

That the issue is bipartisan is best evidenced by the unanimous approval given both House and Senate resolutions in the last session of Congress to further investigate the postal service. Our Senate Post Office and Civil Service Committee is operating under Senate Resolution 33. I can assure you that we are not taking our task lightly. As agents of the United States Senate, we are expected to do as complete a job as possible and to make recommendations for the permanent improvement of the postal service. The Congress is anxious to dispose of this issue once and for all.

Here are some of the questions we will try to answer:

One. Is the manpower of the Department—500,000 employees in all—being utilized efficiently?

We know that postal workers are hard working and loyal Federal employees. For too long a period they were denied a rightful increase in their salaries. In spite of two Presidential vetoes of pay bills, they finally had their salaries hiked. I am as sure of this as anything: If we give them the tools, better supervision, more modern working conditions, they will outproduce anybody. Their morale has necessarily been low. Their top boss has managed to convince a large segment of the public that the Post Office Department is the least important of Government agencies. The contrary, of course, is true.

That postal workers have continued working on so loyally in the face of the inability of Department officials to assess their true worth and the wonders performed by the postal establishment for the American economy is tribute to their tenacity.

Two. Is the postal service purely a business, or is it a service to all the people?

In this area, we have got to pin-point those services performed by the Department under legislative mandate at a calculated loss in the public welfare. We know, for instance, that only about 2,000 of the 40,000 offices take in sufficient revenue to meet their overhead.

We know that rural free delivery was established to serve millions of people remotely situated throughout America. The Congress knows that this service will never be able to show a profit. We should stop calling the cost of these needed services a deficit. Rural delivery is no different from the lighthouses operated by the Treasury Department. Shipowners do not pay a fee every time they pass one of them. They are operated at a calculated loss in the interest of better, safer shipping. The benefits of the postal service to the people are every bit as direct as is the lighthouse service to the ship owner and the sailor, and they do exist.

The Congress has established low rates on many categories of mail. In these instances the question of profit has been shoved aside. I refer, of course, to free mail for the blind, free-in-county newspapers, philanthropic, educational and religious mail.

Under our agreements with the Universal Postal Union, the United States knowingly takes a calculated loss.

There are many, many more such items. Added up, they cost many millions of dollars. They are worth-while services. They will be continued by the Congress. I enjoyed reading in one of your trade magazines, the Reporter, a short list of nonpostal services performed by the Post Office Department. Permit me to read from the article:

"The Armed Forces ask that relatives of deceased men be located.

"The Housing Administration asks that former tenants be found.

"The Treasury pressures the sale of savings stamps and documentary stamps.

"The Department of the Interior depends upon the post offices to sell bird-hunting stamps.

"The Veterans Administration asks that we deliver flags for veterans' funerals.

"The Civil Service requests that we supply blanks and information on every vocation from lens grinders to linguists.

"Charitable organizations ask that money be received and transmitted for Heart, Polio, and Cancer.

"We count doves for the Agricultural Department.

"We answer inquiries from Selective Service.

"We give applicants blanks for alien registrations and their changes of address for the State Department.

"Even the Federal Bureau of Investigation enlists our aid and the 1040's we give away for Uncle Sam.

"What would happen to the revenues, if every post office didn't have income-tax blanks available on January 1 to April 15?

"Widows and children are certified in January and July for continued pension benefits.

"The Post Office Department operates the biggest savings bank in the world. Money orders are sold and cashed in the most remote places. The big mail-order houses look impressive, and they are, but the little people in the little places, using the money-order and parcel-post services, make them possible and big.

"The Post Office Department is the Government agency which deals most closely with every American citizen."

The only difficulty is that when the Post Office Department incurs these expenses on behalf of the people, the term "deficit" is used. With respect to expenditures for all other Government agencies, the nicer word "appropriation" is employed.

Post Office Department officials have made a bogeyman of the postal deficit. If they would only announce—as they should—that their Department creates more in wealth, taxes, and employment than any other Federal agency, people would realize that for millions spent, billions are earned.

3. In the dull realm of accounting, statistics, regional management, classification, etc., our committee expects to uncover many glaring deficiencies.

4. The controversy over parcel post is another of the many questions our committee will examine.

The Hoover Commission hints that parcel post should be discontinued. The Railway Express people contend that parcel post competes with private enterprise. The Postmaster General, in effect, recommends repeal of Public Law 199.

Representatives and Senators, snowed under by the pros and cons of the fourth-class issue, are looking to our committee for some sound recommendations.

Our committee will be calling on many of you for help and guidance. We feel confident you will give us all-out cooperation.

These are just a few of the matters our committee and the House committee will look into. We fully expect that any recommendations we make to the Senate and House will be favorably received.

I suppose your own industry is the best evidence of how much good can be created by Government acting wisely in the people's interest.

Direct mail has been the subject of attack in the press and, sometimes, in the Halls of Congress. For the most part, these attacks have been unfair. Your very success has probably stimulated many of them.

I should like to outline some of the facts regarding third-class mail, not necessarily for your own edification but rather for those outside the industry who at some future time may read these remarks.

Many people have been led to believe that you are taking a free ride. They assume that it costs as much to handle a third-class letter as it does a first-class mailing. They fail to realize that the factors which prompted the creation of this category of mail warrant charging a lower rate of postage for it.

Back in the depression-ridden thirties someone figured out that there wasn't a sufficient volume of mail to keep each postal employee fully occupied for an 8-hour period. It was recognized that first-class mail doesn't flow in evenly all day. At certain peak periods it floods in. This first-class mail properly receives preferred treatment. During peak periods, every clerk was needed to speed first-class mail on its way. The job was usually completed in several hours. How to keep these clerks profitably occupied during slack periods?—whoever answered that question would raise revenues for the Department not otherwise obtainable. Lower rates during the evening hours paid off for the telephone and telegraph companies. Why not for the Post Office Department? The charge for a 50-word telegram at straight rates from Washington to San Francisco is $3.45. The same 50 words at night rates, which received deferred service, cost only $1.30. Why the lower rate? Overhead remains the same, and employees get higher rates of pay.

The answer was, of course, obvious. It was better to use these expensive facilities at a lower rate than not at all.

The same thing applies in other fields. You pay less to see a movie in the afternoon than at night. Natural gas companies often contract on the basis of lower rates during slack periods.

The reverse principle is sometimes applied. Barbers may charge more for children's haircuts on Saturdays. They figure the youngsters can come in after school any day when other customers are scarce.

It was this economic principle which prompted Congress to lower the minimum piece rate on bulk third-class mail to 1 cent. In order to qualify for the special rate, the mailer had to sort the mail into State and city bundles, face the letters on either side of the bundle, tie the bundles, use printed indicia or precanceled stamps (this eliminated the canceling indicia expense), place the bundles in mail sacks, and deliver them to the post office. All that was left to be done was to put the sacks on an outgoing train. In other words, the mailer himself had to do 7 of 11 expensive handling operations. These rules still apply to third-class mail. In addition, third-class mail is not handled until all other mail is out of the way. This category of mail is sort of a byproduct of the postal service, a fill-in operation, if you please, to keep valuable clerks busy in periods when they might otherwise be idle.

The results of this congressional action have been fantastic. The volume of third-class mail has increased from 4½ billion pieces in 1944 to 13 billion pieces in 1954. Direct mail today is the second largest advertising medium, surpassed only by newspapers.

This phenomenal growth of direct mail undoubtedly stems largely from the fact that countless small-business men have been able to use it profitably.

Large corporations have advertising budgets which permit nationwide television, radio, and magazine coverage. Direct mail permits the smallest company to market its goods in any or every part of the Nation on a small budget.

In this era of big-business mergers, it is essential that small-business men be encouraged and protected. A Democrat-controlled Congress will, as it has in the past, be always on the alert against efforts to destroy our Nation's greatest asset, its small-business men.

Only in the aggregate may it be said that you are big business. The vast outpouring of direct mail by the 250,000 bulk permit holders means millions of jobs for those creating the advertising and those Americans who produce the goods and services sold.

In 1944 the Post Office received $62 million in revenue from third-class mailers. By fiscal 1955 the figure had reached $250 million.

If we were to further raise the rate for third-class mail, we might very well set off a disastrous chain of events which would cause a reduced volume of such mail, unemployment, and lower taxpayments. As recently as July 1952, we raised the rate on third-class mail by 50 percent. I tried in that particular Congress to hold the increase to 25 percent, but without success. I am certainly opposed to increasing it the full 100 percent over the original 1-cent rate, as the Postmaster General wants to do.

It is highly doubtful that the overhead of the Department would be reduced to any extent if third-class mail were legislated out of the service entirely. The only sure result would be the loss of one-quarter billion dollars in revenue to the Department, aside from the economic hardships you businessmen would endure. Postal rates should not be changed until a sound postal policy has been established by Congress.

It has been a pleasure being here today. I only wish other Members of Congress had an opportunity to meet with you in person, to learn of your business operations. Since all of you cannot get to Washington, you are well advised to continue your trade association there. When the Advisory Council was functioning during the last Congress, your director, Mr. Jack Tillotson, was a source of unending information. He worked as hard as anyone on the Advisory Council. He deserves a vote of thanks from all.

Your executive manager, Harry Maginnis, has cooperated fully with the House and Senate Post Office Committees. His testimony before the House group in July 1953 was a gem of logic presented in your behalf.

Senators and Representatives are busy considering many problems. It is particularly important, therefore, that associations such as yours continue to exist. We are constantly bombarded with propaganda from the executive branch of Government, and it is essential that we hear from you.

If ever the time comes when we hear only one side of the postal picture, I am afraid it will be a sad day for small-business men like yourselves.

I wish you a successful meeting. Keep the mail rolling. We will do all we can in Washington to keep you in business.

Post Office Department: Service or Business?

The Post Office Department costs the Federal Government several hundred million dollars a year more than it receives from those who use the mails. The postal deficit has led to a demand for increased postal rates on the first-class mail, such as letters; on second-class material, such as magazines; and on circular letters and other third-class mail. You have also heard it claimed that present rates give a huge subsidy to those magazine publishers that deliver their publications to subscribers through the mail. Farm organizations have taken certain publishers to task for opposing subsidies to farmers, claiming publishers themselves are the recipients of millions of dollars in postal rate subsidies.

All this leads to some very pertinent questions that should be earnestly considered by all users of the mails, including Progressive Farmer subscribers.

Is the postal service purely a business, or is it a service to all the people?

If it is purely a business, then the logical thing to do is to insist that the Post Office Department put into effect every possible economy consistent with good service. Then charge the users of the mail what it costs to deliver it. But before you decide that the postal service is purely a business, let's see what services it gives, to whom they are rendered, and why they cost so much.

First off, Progressive Farmer readers should know that there are 40,000 post offices in the United States. And only about 2,000 of them take in enough revenue to meet their overhead costs. Perhaps your own post office is one that does not pay its way. Why then is it kept open? Certainly, not as a service to magazines, such as the Progressive Farmer. Monthly magazines can be delivered from 20,000 post offices just about as effectively as from 40,000. If you have a post office that costs the Government money, it is not as a favor to magazines. It is because the people in your community want it. It renders services they would not willingly give up.

The rural free delivery was established to serve millions of people living a good way out from town. Congress knows that it would be out of the question to raise rates enough for this service to show a profit. Yet, if the postal service is purely a business, shouldn't rural free delivery show a profit?

As Senator Olin D. Johnston, of South Carolina, chairman of the Senate Post Office and Civil Service Committee, so aptly illus-

trates, "We should stop calling the cost of these needed services deficit. Rural delivery is no different from the lighthouses operated by the Treasury Department. Ship owners do not pay a fee every time they pass one of them. They are operated as a calculated loss in interest of better, safer shipping. The benefits of postal service to the people are every bit as direct."

There are a number of categories of mail that are either carried free of charge or at very low rates. An enormous volume of official Government mail—correspondence and publications of Congress and all Government agencies, and organizations—is carried free. Other such mail carried free of charge or at low rates includes free-mail-for-the-blind, free-in-county newspapers, charity, educational, and religious mail. And there are many other nonpostal services performed by the Post Office Department from which it receives no revenue. Here are just a few of them; as listed by Senator JOHNSTON:

1. Relatives of deceased men in Armed Forces are located.

2. Former tenants are located for the Housing Authority.

3. Doves are counted for the USDA.

4. Post offices receive and transmit money for heart, polio, and cancer organizations.

All these services cost money. If they were rendered by any other department of the Government, their cost would be taken care of by congressional appropriations. But when the Post Office Department incurs them, they become deficits. And those who use the mails are held responsible.

There is nothing wrong in the Federal Government spending money for these good services. And it is entirely proper for the Government to have 38,000 money-losing post offices, if they are a service to poeple and the people want them and are willing to pay for them. But it is decidedly unfair to say that the cost of these services to all the people should be charged largely against the comparatively few concerns that must use the mails to conduct their business.

Is the postal service purely a business, or is it a service to all the people? Until this question is answered by Congress, there can be no sound basis on which to establish postal rates. If the Post Office Department is a service to all the people, it does not follow that publications such as the Progressive Farmer should be carried free of charge. But it should mean rates somewhat lower than are necessary for the Post Office Department to show a profit. And it would also be recognized that the deficits of the Department are not a subsidy to publishers, but rather a service to the people that creates more in wealth, taxes, and employment than any other Federal agency.

Insofar as the Progressive Farmer is concerned in postal rates, we can say this: If we have been subsidized by low postal rates, it has not gone into the pockets of Progressive Farmer owners. If we have received a subsidy, then that subsidy has been passed on to our subscribers in low subscription rates. We give 60 big issues of from 100 to 200 pages an issue for the low cost of $2. That's 3½ cents an issue. To send a 176-page issue to a subscriber costs the Progressive Farmer 20 cents.

Three increases of 10 percent each were made in second-class postage rates in 1952, 1953, and 1954. The Progressive Farmer does not oppose further increases, if they are found necessary after Congress has established a sound fiscal and postal policy for the Post Office Department. But we do object to the continual agitation of the rate question by the Postmaster General and his attempt to make it appear that publishers are the recipients of huge Government subsidies.

Grand Island, Nebr., the All-America City

EXTENSION OF REMARKS
OF
HON. A. L. MILLER
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 12, 1956

Mr. MILLER of Nebraska. Mr. Speaker, I should like to make the following remarks about one of America's all-America cities, and to extend the same in the CONGRESSIONAL RECORD.

GRAND ISLAND, NEBR., THE ALL-AMERICA CITY

Last Thursday, January 5, 1956, the largest city in my congressional district celebrated a well-deserved honor. The occasion, high-lighted by national celebrities who are proud to claim Nebraska's third city as their home town, marked Grand Island's recognition as a Look magazine all-America city for 1955.

The idea that Grand Island might compete for this honor was suggested by the city manager. The chamber of commerce gave it impetus. An all-out community effort sold it.

The comprehensiveness of the community improvement program was remarkable, but most significant were these projects developed or realized in 1955: A $4 million school bond issues; a Community Lutheran Hospital fund drive that brought in contributions exceeding $400,000; a vigorous and expended youth recreation program, emphasizing little league baseball, a concerted drive to increase religious and church activity; and a new home for the Hall County Fair, pari-mutual horse racing, 4–H shows, and farm youth activities.

These accomplishments were the backbone of the case presented on May 5, 1955, to the National Municipal League in New York City by Walter P. Lauritsen, chamber of commerce president, and Chamber Secretary William E. Dauer.

Grand Island can be justifiably proud to receive the coveted Look magazine award, to be recognized as one of the 10 outstanding cities in the United States in 1955. More deeply, however, they can be proud of the people and the forward-looking community of individuals who made this recognition possible.

The mark of a good home town is its emphasis on the church, the school, and the home. Grand Island is a city of 25,000 people. There are 36 churches providing places of worship for their congregations. In the past 10 years, these churches have spent nearly $2 million on new buildings, additions, and schools, and their membership has increased by nearly 10,000.

Grand Island, no different in this respect from many other cities and towns in America, was faced with a serious classroom shortage. The citizens rescued themselves. First, a campaign was conducted that led to a special building fund in 1947. Out of this fund came the wherewithal for urgent and immediate building. The long-range program was then agreed upon by a citizens' planning committee, their campaign was started and, with the untiring effort of an organized community, a $4 million school-bond issue was approved by a near-record number of Grand Island voters. The $2.7 million spent to date from this fund has gone a long way toward solving the third city's classroom problems, but these forward-looking people say "it has not completed the job," and pledge fulfillment.

New and beautiful homes have sprouted on practically every one of the hundreds of vacant lots that existed before World War II. In 1953 alone more than $5 million was spent on new home and dwelling construction, and in the 10 years following World War II, nearly 2,000 homes have come into being at a cost of more than $20 million. This home-growth record undeniably influenced the selection of Grand Island as an all-America city.

Many other community projects deserve praise: Beautiful new Fonner Park, internal improvements to streets, water and sewer systems, outstanding hospitals, commercial air service, and many others. It was this atmosphere of progress and achievement that induced at least six large industries to take notice of the prospecting in 1955 campaign of the chamber of commerce, and locate plants in Grand Island. This, and the inherent assurance that in Nebraska there is a labor supply of men and women who will do a day's work for a day's pay.

Grand Island's beauty is not confined to its homes, churches, or schools, or even the community spirit that evolves from a united and common campaign. The ethereal qualities of two daughters of Mr. and Mrs. Forrest Ritchie, of that city, last year received national recognition. Sharon Kay Ritchie is Miss America for 1956; her sister, Mrs. Donna Jo Strever, was a finalist in last year's Miss Universe contest.

No wonder its splendid citizens say "It's grand to live in Grand Island."

Consumer Gas Bills

EXTENSION OF REMARKS
OF
HON. CHARLES A. VANIK
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 12, 1956

Mr. VANIK. Mr. Speaker, in yesterday's newspapers I was dismayed to learn of the introduction of legislation by Senators MONRONEY, FULBRIGHT, ANDERSON, and DANIEL which would require the Washington Gas Light Co. to print on its monthly consumer bills a breakdown statement to show how much of the bill goes to the distributing company, the pipeline and the producer. This legislation is propounded in part to point up the smaller portion of the bill representing production.

The obvious purpose of this legislation is more sinister than sincere and purports to take punitive action against this

company for joining the Council of Local Gas Companies in a legitimate protest against the Harris-Fulbright gas steal bill.

The technique is completely in keeping with the resolution to investigate the distributors of natural gas because of their opposition to the Harris bill in the House last summer.

The Congress of the United States is no place for vindication and recriminations—it is a place for sober and conscientious deliberation.

I am proud of the forthright courage of the gas distribution industries to resist the efforts of the oil and gas industry to run roughshod over the interests of the gas-consuming public.

The records and cost figures of the distribution of natural gas in the Washington area as well as the other gas consuming areas are public records—open for public scrutiny. The gas-consuming public in any given area has the right to inquire, investigate and dispute a gas rate before its utility commission and in the courts. It is that very right which the Harris-Fulbright bill seeks to take away from the public with respect to gas production. The measure is no give-away—it is the "takeaway" of 1956.

It is my earnest hope that the Senate will exercise more wisdom than the House on this measure and defeat it for all time.

Address Delivered by Hon. Barry Goldwater, of Arizona, Before the National Association for the Advancement of Colored People

EXTENSION OF REMARKS
OF
HON. BARRY M. GOLDWATER
OF ARIZONA
IN THE SENATE OF THE UNITED STATES
Thursday, January 12, 1956

Mr. GOLDWATER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address I delivered before the National Association for the Advancement of Colored People at Tucson, Ariz., on October 12, 1955.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Three years ago, I met with this organization in Tucson, I answered specific questions as to my position in regards to governmental policies that effected the Negroes of America, and my answers to these questions indicated to you, I believe, that I was wholeheartedly in sympathy with the program outlined, at that time, by our candidate for President, Mr. Eisenhower.

I believed then, and I believe now, in the equal dignities of all our people, whatever their racial origin or background may be. I believe in their equal right to freedom and opportunity and benefits of our common citizenship.

I am happy to be able to stand here tonight and report to you the accomplishments of this administration, in the field of what we might call civil rights. Actually though, it is a report on what has been accomplished for all Americans, because I don't think we should continue to look on Americans as a nation of minorities and majorities, but rather as a nation dedicated to the proposition that all men are created equal and that they are endowed by their Creator with certain inalienable rights, and that among these, are life, liberty, and pursuit of freedom. I believe that we should recognize in these words of Jefferson, the source of our freedom and the fact that freedom given by God is given to all people whether they be white or black, or Catholic, Protestant, or Jew.

These accomplishments have been American accomplishments and I am proud to have participated in bringing them about. In these accomplishments we find the fulfillment of promises made to all American people in 1952 and I would like to indulge you for a few moments in a recitation of these accomplishments.

1. A Republican administration will win an honorable and just peace.

The Korean war ended shortly after President Eisenhower was inaugurated. Servicemen who had been prisoners of war for as much as 3 years were brought home to their families. Not since that time has it been necessary for mothers and wives to send their sons or husbands to war.

2. A Republican administration will end segregation in the Nation's Capital.

By agreement with the administration, racial restrictions were lifted in theaters, hotels, and all other public places during Inauguration Week, beginning January 19, 1953. Most places of business cooperated. It was understood that while it would not be advertised (even after the inauguration), if Negroes presented themselves they would be accepted. With few exceptions, this plan of action was carried out. In August 1953 racial bars were dropped officially. Negroes now attend theaters, restaurants, and other public places, as well as public schools, in the District of Columbia. There has not been one reported incident as a result of the general integration. The Bell Telephone Co., Capital Transit, and other private industries are hiring colored employees on all levels. This is the result of the work of the President's Committee on Government Contracts, which has worked quietly but diligently to eliminate the evils of segregation and discrimination in hiring.

All recreational facilities are now operated on a nonsegregated basis.

Segregation among District of Columbia employees has been eliminated, even to the controversial Fire Department, which was an issue for so many years.

The District of Columbia public housing (National Capital Housing Authority) program is now operating on an integrated basis.

Civilian as well as uniform personnel are included in the integration program on all bases and in all departments of the District of Columbia government.

3. A Republican administration will stop bias and Jim Crow in Federal departments and bureaus, which the Democrats have not done.

On January 18, 1955, the President created, by Executive order, the President's Committee on Employment Policy, which automatically abolished the old Fair Employment Board. This Committee has increased in stature and reports directly to the President. Its purpose is to look into and straighten out problems on racial discrimination in the various executive departments.

When this administration took office there were many areas in which Negroes were not employed above a messenger; in some few there were none whatsoever. These inequities have been practically eliminated—opening up unlimited opportunities to youth—men and women all over America. No longer can it be said that our great sacrifices for education and preparation for participation in the American way of life are futile.

When President Eisenhower took office nearly half of the Negro units were still intact in the Army. Today, there are none. Over three-fourths of the Negroes in the Navy were in mess halls as servants when President Eisenhower took office. This system has been eliminated, and they are now serving in all branches of the Navy on an integrated basis.

All segregated schools at Army, Navy, and Air Force installations had been eliminated by the administration long before the Supreme Court handed down its decision against segregated schools.

There is no segregation in naval installations in the South; cafeterias, restrooms, and drinking fountains were all separate when the Republicans took over our Government in 1953.

Racial segregation has been eliminated from all the veterans' hospitals in the South, a feat said to have been impossible whenever this subject was discussed.

4. A Republican administration will make Negro Federal appointments of real importance, commensurate with the demonstrated ability of Negroes, as it did when in power before.

This is one of the brightest spots of this entire administration. Negroes are serving in administrative positions in practically every department of Government—many on a policymaking level, such as:

J. Ernest Wilkins, Assistant Secretary of Labor, the first Negro subcabinet officer. Wilkins was first appointed Vice Chairman of the President's Committee on Government Contracts, and as a result of his outstanding ability was chosen by Secretary of Labor Mitchell to be one of his assistants;

Scovel Richardson, Chairman of the Federal Parole Board—the first and only Negro ever to be appointed to the Board;

E. Frederic Morrow, Administrative Officer for the Special Projects Group in the Executive Office of President Eisenhower, promoted from Adviser on Business Affairs in the Department of Commerce;

Hon. Charles H. Mahoney, lawyer and insurance executive, first full delegate to the United Nations;

Marron W. Fort, Light Chemical Engineer in Israel under the Foreign Operations Administration (International Cooperation Administration) program, first to have ever served in such capacity;

Archie Alexander, Governor of the Virgin Islands;

Richard L. Jones, Ambassador to Liberia, who was first appointed Chief of Mission for Foreign Operations Administration (ICA);

Joseph H. Douglass, Special Representative of the Secretary of Health, Education, and Welfare;

John W. Roxborough II, Consultant to the Secretary of State;

Dr. Frank Snowden, Cultural Attaché, United States Embassy, Rome, Italy;

Samuel Pearce, Assistant to the Under Secretary of Labor;

Joseph Clark, Special Assistant to the Assistant Postmaster General;

Vernon Greene, Assistant General Counsel, Post Office Department;

Joseph Birch, member of the legal staff in the Fraud Division, Post Office Department;

Hon. Archibald J. Carey, Alternate Delegate to United Nations—and now Vice Chairman of the President's Committee on Employment Policy.

Attorney Julia Cooper, member of the legal staff of the Justice Department—was transferred and promoted from the legal staff of the General Services Administration. She was the first Negro to serve in the Legal Division of the General Services Administration, and is the first woman to serve in the Criminal Division of the Justice Department;

Brig. Gen. B. O. Davis, Jr., United States Air Force, is the first colored brigadier general in the Air Force;

Alexander Laneuville, Special Assistant in the Office of Veterans' Administrator

stationed in New Orleans—the first Negro to serve in such a capacity in the South;

Dr. Francis Hammond, Information Specialist, United States Information Agency;

Frank Walker, Administrative Aid in Postal Transportation in New Orleans—the first to serve in such a capacity in the South;

Attorney George E. C. Hayes, Chairman of Public Utilities Commission for the District of Columbia, is the first Negro to receive a Presidential appointment on any commission in the District of Columbia;

Joseph Ray, Racial Relations Adviser to the Administrator of Housing and Home Finance Agency;

Philip Sadler, Racial Relations Adviser, Public Housing Administration;

Joseph Rainey, information specialist, Housing and Home Finance Agency—this is a first;

Carmel Carrington Marr, area advisor on the staff of Ambassador Henry Cabot Lodge, Jr., the first and only Negro ever to serve in such a capacity;

L. B. Toomer, Register of the Treasury, the first to be so appointed since the administration of President William Howard Taft, also a Republican.

5. A Republican administration will appoint a Negro to an administrative office in the White House.

With the appointment of E. Frederic Morrow to the White House staff the 14-point program of campaign promises to minorities has been fulfilled. With still a year and a half to go in his first term, President Eisenhower will move on from here to attain greater rights and freedoms for all of us. A continuing program for the good of our great country and all its citizens can be expected as long as President Dwight D. Eisenhower, with his high religious and democratic concepts of the dignity of man, remains in the White House.

6. A Republican administration will make it possible for Negroes—not just one Negro, as now—to be placed in policymaking jobs in governmental agencies.

Of the more than 250 appointments by the Republican administration, such men and women as J. Ernest Wilkins, E. Frederic Morrow, Joseph Ray, Scovel Richardson, Joseph Douglass, Samuel Pierce, Richard L. Jones, George Maceo Jones, Charles Mahoney, Archibald J. Carey, Jr., Roberta Church, Carmel Carrington Marr, and others are on a policymaking level. This is a positive unmistakable demonstration by President Eisenhower and the Republican Party that the qualifications and ability of men and women of all races is the yardstick by which appointments are made. The color of the skin no longer is a barrier.

7. A Republican administration will strengthen the civil-rights section of the Justice Department.

In this particular field the administration has been outstanding. The Justice Department has been relentless in its attacks on the offenders of the civil rights of others; for example:

(a) In 1954 prosecution of the Ku Klux Klan in Florida and the Carolinas resulted in the conviction of nine North Carolina klansmen under the Lindbergh kidnap law. This brought a total of 40 convictions for floggings of citizens by lawless Kluxers who were taking many of their victims across State lines.

(b) In Alabama, Fred and Oscar Dial were convicted of peonage and sentenced to 18 months in prison. They would buy prisoners out of jail, then hold and work them for nothing on their plantation. One victim died after a beating inflicted upon him by one of the brothers.

(c) The courts upheld the Justice Deparment's contention that flogging is a crime under the Federal civil-rights laws in all State institutions. Thus there can be no more flogging of prisoners.

(d) The courts upheld the Justice Department's contention that civil-rights statutes pertain to Federal officers as well as those of States and municipalities. This resulted in the first conviction of a Federal employee for brutal treatment of a member of a minority race.

One of the most effective measures on the civil-rights front instituted by the Justice Department has been the inauguration of a program of indoctrination and preliminary training of all United States attorneys appointed by President Eisenhower. This was followed up by close liaison and direct supervision in civil-rights cases.

The new procedures have been very valuable in eliminating many of the misunderstandings and problems which existed in the civil-rights field in the past.

8. A Republican administration will not be tied down by a southern anti-Negro bloc in control of Congress and committees.

The 83d Congress was headed by Republican leaders. The committees were chaired by northern and western Republicans. We saw no such disgraceful performance as in the present Democratic Congress, when the chairman of a District of Columbia Subcommittee, Representative JAMES C. DAVIS, of Georgia, conducted hearings for the sole purpose of ending the integration program in the Fire Department, which had been placed in operation by the Eisenhower administration; nor the disgraceful spectacle of one Democratic Congressman, ADAM CLAYTON POWELL, being attacked physically by a southern Democrat, Congressman CLEVELAND M. BAILEY, of West Virginia, in a committee meeting just because he insisted that the constitutional rights of Negroes be protected in the school-building program.

9. A Republican administration will be able to better enforce the antibias laws already on the books, but seldom invoked by prejudiced white officers.

All instances of encroachment on constitutional rights of Negro citizens anywhere in the United States have been investigated by the Justice Department and action taken to correct these abuses; for example, the quick action and fervor with which the FBI is investigating the murder of Rev. George Lee in Belzoni, Miss., has seldom been equaled in its history.

10. A Republican administration will really enforce the nondiscriminatory clauses of the Taft-Hartley Act which will break the grip of negrophobic labor unions.

A magnificent job has been done in this field; slowly but surely Negroes are being employed in all occupations. This has been done through the President's Committee on Government Contracts. The Capital Transit, the Chesapeake & Potomac Telephone Co., and many others are now hiring Negroes. The Armour Meat Packing Co. is now hiring colored white-collar workers. Many labor unions that formerly barred Negroes now include them as members.

11. A Republican administration will reduce taxes.

Taxes were reduced by the Republican Congress nearly $7½ billion. This is the largest tax cut ever given. This is the first substantial cut made by our Federal Government since 1948 when the 80th Congress, also Republican led, cut taxes $5 billion.

12. A Republican administration will protect the basic freedom of all people and stop the trend toward all powerful and costly centralized government.

This administration has reversed the 20-year trend toward centralization of power in Washington. Free enterprise is again operating full steam ahead, and we now have the greatest prosperity in the history of our country. More people are working than ever before, over 64 million workers are averaging over $70 per week take home pay. Thus more people benefit from this great prosperity than in any other period of history.

13. A Republican administration will not arouse false hopes of Negroes by promising what it never intends to deliver.

Candidate Eisenhower made no wild promises on civil rights. His approach has been one of action, not words. Every move has been directed toward the complete elimination of every vestige of segregation and discrimination in American life with first-class citizenship for all as a goal.

It would be an easy matter for me to stand here tonight and give the Republican Party full credit for these achievements, but in effect the people of America deserve an equal share in this instance. Inherently, an American has a sense of fair play and they realize that all of us are bound in a common destiny, namely, our spiritual faith in the dignity of all men under God. The achievement of this dignity rests with the individual and not with a bureaucratic Federal Government. Given the opportunity, all Americans who possess initiative and courage and a faith in our fundamental strength can achieve and maintain the dignity of material success, but more importantly he can retain that dignity granted him as a free child of God if he but does unto others as he would have them do unto himself.

Too Poor For Defense?

EXTENSION OF REMARKS

OF

HON. MELVIN PRICE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 12, 1956

Mr. PRICE. Mr. Speaker, we have been warned by the President of the United States that Soviet Russia and Red China continue to pose a serious threat to the free world. The threat is heightened by Soviet achievements in nuclear research, in technology, and in aircraft production. The air-atomic balance between the United States and the Soviet Union is tilting precariously, for us, in the direction of the Communist bloc in Europe and Asia. Marshal Bulganin has himself boasted that the Soviet armed forces would soon have an intercontinental ballistic missile. By now we should have learned that Soviet boasts usually precede by a narrow margin our own discovery, through intelligence channels, of Soviet accomplishments.

It was only a few years ago that Secretary of Defense Wilson pooh-poohed research as something that discovered why potatoes turn brown when they are cooked. Fortunately, Mr. Wilson was persuaded not to cancel all research being conducted by our Armed Forces, and after considerable unnecessary delay, we are now really getting somewhere in guided missile research and development.

Whether we are keeping up the production of manned aircraft and conventional weapons at a rate sufficient to insure our defense until we have better guided missiles, is another question. The answer is not reassuring. Soviet output is now far ahead of American output in 3 of the 4 major categories of combat aircraft, day fighters, night fighters, and long-range jet bombers. In fact, the only category in which they are not

ahead of us is medium range jet bombers. We got a head start with our B–47, and still maintain a lead in the production of this type of plane, which is the backbone of our Strategic Air Command's striking force.

These facts have caused hardly a ripple in the American attitude toward defense, because of public ignorance and the failure of responsible officials to correct it. Fortunately, if no truthful announcements come from the Pentagon, they still leak to Congress and the public. The periodic reporting of Mr. Joseph Alsop and his brother, Mr. Stewart Alsop, help to correct the situation in respect to vital information, though admittedly no individual outside the Government can command the attention—with the authority—of an administration spokesman.

We have now had a report on the state of the Union. We await with eagerness the President's budget message. But we wait with foreboding. The Alsops tell us that "one of the great secret dramas of the struggle over this year's budget was caused by General LeMay's bold demand for an urgent program to produce no less than 1,900 B–52's" to replace the B–47 and to bring us up to Soviet production of their comparable Bison, which they are producing at the rate of 13 per month.

If the commanding general of the Strategic Air Command lost out in geting this recommendation into the budget, it need not follow that his recommendation be ignored in the appropriations bill for 1957 which it is the responsibility of this Congress to prepare. And an appropriation for these heavy bombers of true intercontinental range need not be omitted—unless the richest country in the world is still too poor to pay for its own defense.

Mr. Speaker, I call my colleagues attention to two articles—the first of a series—by Joseph and Stewart Alsop, reporting current changes in the balance of strength between the U. S. S. R. and the United States of America. These articles appeared in the New York Herald Tribune of January 2 and 4, 1956, and have been inserted in the CONGRESSIONAL RECORD by the distinguished Senator from Missouri, the Honorable STUART SYMINGTON. They appear in the RECORD of January 9 on page 238. Every Member of Congress should read these articles.

Iowa Businessmen Demand Economic Justice for Farmers

EXTENSION OF REMARKS
OF
HON. H. R. GROSS
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 12, 1956

Mr. GROSS. Mr. Speaker, more and more businessmen in Iowa cities and towns are feeling the affects of the serious and unwarranted economic punishment that has been visited upon Iowa farmers. The merchant on Main Street realizes that the success or failure of his business depends to an important degree on the financial well-being of agriculture.

Mr. Speaker, there is a job to be done, and immediately. The time is long overdue for emergency, remedial action to assist the farmers of this Nation. Early last fall I urged the Secretary of Agriculture to use his authority to put an emergency floor under livestock prices. His only response has been a too-little and too-late pork buying scheme which has been a dismal failure. To that, thousands of hard-pressed Iowa farmers can attest.

If the Secretary of Agriculture persists in his steadfast refusal to take effective action on his own, this Congress must act. Without regard to politics, immediate passage of legislation may be necessary to put an emergency floor of $18 under top hogs and $25 under choice cattle at Chicago. We simply cannot permit another crop of hogs to go to market this spring at the bankrupt prices paid in the fall.

This must be followed with long range legislation to provide the farmer cost of production prices for his products in the market place. In this regard, I have introduced a cost of production farm bill (H. R. 8128) which I commend to the attention of all Members interested in the economic welfare of agriculture and our Nation as a whole.

Mr. Speaker, as part of my remarks, I want to include an excellent resolution approved by the board of directors of the Clear Lake (Iowa) Chamber of Commerce. Clear Lake is a progressive community in the heart of an important agricultural section of my district. The resolution, which clearly recognizes the seriousness of the present situation on Iowa farms, is as follows:

Whereas the board of directors of the Clear Lake Chamber of Commerce fully realizes the great importance of the farmers in the Clear Lake trade area to Clear Lake merchants, and

Whereas the directors note with concern the continued downward trend of farm prices which is taking place while the prices of the articles the farmer has to purchase is rising; and

Whereas recent predictions by some leading economists indicate a further drop in farm income in 1956, but a continuing increase in other business; and

Whereas no evidence is noted that anything concrete has been done in Washington to alleviate and correct the above discrepancies; be it therefore

Resolved, That we, the said board of directors of the Clear Lake Chamber of Commerce, in meeting assembled in Clear Lake this third day of January 1956, do hereby urge the administration and Congress to immediately put into effect such temporary measures as may be necessary to assure farmers of fair hog and cattle prices during the present emergency; and be it further

Resolved, That we urge the administration and Congress to prepare, pass, and put into effect with as much celerity as circumstances will permit, legislation that will assure farmers of equitable prices for their products in times of maladjustment without instituting any permanent controls that would limit their freedom of operations and opportunity; and be it further

Resolved, That copies of this resolution be forwarded to President Eisenhower, Secretary of Agriculture Benson, Senators Hickenlooper and Martin, to Congressman Gross, to Governor Leo Hoegh, to Cerro Gordo County Farm Bureau officials and to Clear Lake and Mason City newspapers.

In witness whereof, the following officers of the said organization hereto attach their signatures.

S. T. THOMPSON,
President.
G. W. WILCOX,
Vice President.
JAMES R. SMITH,
Managing Secretary.

In addition, Mr. Speaker, I want to include as part of my remarks an explanation of the cost of production farm bill which I have introduced:

PROVISIONS OF COST OF PRODUCTION FARM BILL INTRODUCED IN HOUSE OF REPRESENTATIVES ON JANUARY 5, 1956, BY CONGRESSMAN H. R. GROSS

1. Cost of production plus a reasonable profit to farmers on that portion of crops consumed domestically. Cost of production prices, to be established for each farm product by the Secretary of Agriculture following public hearings by farm organizations and other interested parties, will account for all production expenses, including hired and family labor, interest, taxes, depreciation, soil depletion, 4 percent on investments, and compensation to average farm operator equivalent to average weekly earnings of the industrial worker as found and determined by Secretary of Labor.

2. Cost of production prices to be paid at and by the market place, not by the Federal Government.

3. No acreage allotments. Each farmer shall determine his own acreage and what he wants to plant, and shall have a chance to sell his surplus, if any, on world market at world price, but cost of production prices to farmers will be high enough to insure a good income without having to produce back-breaking surpluses.

4. Cost of production prices and amounts of each crop needed for total domestic consumption, a reasonable reserve, and export, to be announced by the Secretary of Agriculture once a year in advance of planting season, and will apply farm-by-farm. For example, if the Secretary announced that five-sixths of the Nation's corn crop will be needed for domestic consumption, each farmer will be allowed the cost of production price for five-sixths of his corn crop.

5. Competing foreign farm products can be imported into the United States only if importer pays 5 percent above prevailing United States cost of production prices. (Department of Agriculture figures show that for the first nine months of 1955 only, foreigners shipped into this country 90,700,000 pounds of beef and 124,148,000 pounds of pork products or a total of 214,848,000 pounds of meat. To this must be added 240,135 head of live cattle, mostly from Mexico. A substantial share of foreign canned ham came from Communist Poland. Aside from the live animals, every pound of these imported meat products displaced a market for United States feed grains. This is a fantastic situation and must be stopped).

6. Commercial buyers of farm products to be licensed and must pay, under penalty of law, cost of production prices on products needed for domestic consumption.

7. This bill covers any and all kinds of poultry, livestock, and any product of the soil, and any product or byproduct thereof, produced in the United States, in an unmanufactured or unprocessed state, which have a farm value in excess of $30 million during the preceding marketing year.

It is difficult to believe that farmers, assured cost of production for the major portion of their crops, would wear out machin-

ery, themselves and their families to produce unmanageable surpluses which they would be compelled to market at world prices. It is the conviction of many that this cost of production bill, translated into income to the farmer, would go far toward stabilizing the economy of the Nation because it would assure farmers buying power for products of industry, creating more income for industry and more jobs for those who in turn could buy more of the products of agriculture. A dollar of farm income generates approximately $7 in national income. Agriculture is the Nation's basic economy. Every depression or period of prosperity has begun on the farm.

The cost of production bill I have introduced (H. R. 8128), is a long-range program. It in no way obviates the absolute necessity for immediate emergency action on the part of President Eisenhower and Secretary Benson, who have always had administrative authority and ample money available to stabilize livestock prices at levels which would have prevented a farm depression pending the establishment of machinery that would provide economic justice to agriculture.

Results of McGregor Poll on National Issues

EXTENSION OF REMARKS
OF
HON. J. HARRY McGREGOR
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Thursday, January 12, 1956

Mr. McGREGOR. Mr. Speaker, under permission to extend my remarks, I would like to place in the RECORD the results of a questionnaire I sent to the citizens in the 17th Ohio District of whom it is my proud honor to represent in the Congress of the United States. The questions were concerned with pertinent national and international problems facing Congress today.

I regret I could not send a questionnaire to each of my constituents in the district but it is my belief that the replies received represent the opinions of a cross section of those I represent. In the questionnaire I ask them to list their occupation or profession. This gives me the opportunity to tabulate them as separate groups, which in turn, helps me obtain a more complete analysis of their thinking. Especially gratifying to me is the large percentage of the completed forms which contain comments on the questions and proves to me that the average constituent of my district is interested in the important issues now before this legislative body and is anxious to express his views on them.

The population of my district is composed of about half rural and half urban with nearly all of the labor and farm organizations represented as well as large and small business. Included also are 2 colleges and 2 universities. Through the medium of this questionnaire I feel that I have gained the majority opinion of those I represent.

The questionnaire and the results are as follows:

A QUESTIONNAIRE

In an endeavor to learn the views of the "folks back home" relative to several subjects of national importance that will be before the next session of the Congress, may we have your considered opinion?

THE FARM PROGRAM

Which plan do you favor?

(a) 100 percent price support with acreage control. Yes, 0.7 percent; no, 99.3 percent.

(b) Flexible price support with acreage control. Yes, 37 percent; no, 63 percent.

(c) Elimination of all price supports and acreage controls. Yes, 54 percent; no, 46 percent.

THE TAX REDUCTION PLAN

Which plan do you favor?

(a) A uniform (percentage) tax reduction for all. Yes, 50 percent; no, 50 percent.

(b) An increase in the amount allowed for each dependent. Yes, 47 percent; no, 53 percent.

TARIFF ON IMPORTS

Do you favor?

(a) Tariff rates be increased on manufactured items brought into this country. Yes, 48 percent; no, 52 percent.

(b) Tariff rates be increased on agricultural products brought into this country. Yes, 60 percent; no, 40 percent.

Signature _____
Street _____
City and State _____
Occupation _____

Please fill out and return this questionnaire to: J. HARRY MCGREGOR, Member of Congress, 1434 New House Office Building, Washington 25, D. C.

Percentage distribution of replies to questionnaire

THE FARM PROGRAM: WHICH PLAN DO YOU FAVOR?

[Percent]

	Yes	No
(a) 100 percent price support with acreage control: Total replies	0.7	99.3
Attorneys	.7	99.3
Business, industry, and salesmen	.1	99.9
Farmers	23.0	77.0
Housewives	.4	99.6
Labor	.7	99.3
Ministers	0	100.0
Occupation not given and organizations	.5	99.5
Professionals	.4	99.6
Public officeholders and Federal employees	.6	99.4
Retired	.2	99.8
Teachers	.5	99.5
Students	26.0	74.0
(b) Flexible price support with acreage control: Total replies	37	63
Attorneys	38	62
Business, industry, and salesmen	41	59
Farmers	17	83
Housewives	15	85
Labor	35	65
Ministers	50	50
Occupation not given and organizations	20	80
Professionals	42	58
Public officeholders and Federal employees	40	60
Retired	33	67
Teachers	64	36
Students	66	34
(c) Elimination of all price supports and acreage controls: Total replies	54	46
Attorneys	56	44
Business, industry, and salesmen	60	40
Farmers	63	37
Housewives	77	23
Laborer	60	40
Ministers	37	63
Occupation not given and organizations	60	40
Professionals	50	50
Public officeholders and Federal employees	61	39
Retired	64	36
Teachers	24	76
Students	19	81

Percentage distribution of replies to questionnaire—Continued

THE TAX REDUCTION PLAN: WHICH PLAN DO YOU FAVOR?

	Yes	No
(a) A uniform (percentage) tax reduction for all: Total replies	50	50
Attorneys	56	44
Business, industry, and salesmen	55	45
Farmers	60	40
Housewives	48	52
Labor	60	40
Ministers	52	48
Occupation not given and organizations	75	25
Professionals	66	34
Public officeholders and Federal employees	33	67
Retired	58	42
Teachers	34	66
Students	72	28
(b) An increase in the amount allowed for each dependent: Total replies	47	53
Attorneys	46	54
Business, industry, and salesmen	52	48
Farmers	51	49
Housewives	43	57
Labor	52	48
Ministers	34	66
Occupation not given and organizations	18	82
Professional	37	63
Public officeholders and Federal employees	66	34
Retired	41	59
Teachers	64	36
Students	48	52

TARIFF ON IMPORTS: DO YOU FAVOR?

(a) Tariff rates be increased on manufactured items brought into this country. Total replies	48	52
Attorneys	30	70
Business, industry, and salesmen	45	55
Farmers	50	50
Housewives	43	57
Labor	80	20
Ministers	36	64
Occupation not given and organizations	40	60
Professional	46	54
Public officeholders and Federal employees	50	50
Retired	46	54
Teachers	33	67
Students	76	24
(b) Tariff rates be increased on agricultural products brought into this country. Total replies	60	40
Attorneys	50	50
Business, industry, and salesmen	60	40
Farmers	63	37
Housewives	63	37
Labor	69	31
Ministers	43	57
Occupation not given and organizations	65	35
Professional	60	40
Public officeholders and Federal employees	84	16
Retired	72	28
Teachers	58	42
Students	51	49

The Communist Conspiracy

EXTENSION OF REMARKS
OF
HON. JOSEPH R. McCARTHY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES

Thursday, January 12, 1956

Mr. McCARTHY. Mr. President, I ask to have printed in the CONGRESSIONAL RECORD the following letters and press releases regarding the Communist conspiracy:

Letter from me to the President of the United States dated August 24, 1955.

Letter from me to the President dated September 21, 1955.

Letter from me to the senior Senator from Arkansas [Mr. McCELLAN] dated November 2, 1955.

Press release from my office dated November 9, 1955.

Another release dated November 13, 1955.

Another release dated November 25, 1955.

Letter from me to the senior Senator from Missouri [Mr. HENNINGS] dated November 29, 1955.

Letter from me to the Senator from Tennessee [Mr. KEFAUVER] dated December 2, 1955, copies of which were sent to Governor Averell Harriman of New York and Hon. Adlai Stevenson.

Letter from me to the Attorney General dated December 16, 1955.

Letter from me to the senior Senator from Arkansas [Mr. McCLELLAN] dated December 16, 1955.

There being no objection, the letters and releases were ordered to be printed in the RECORD, as follows:

AUGUST 24, 1955.

The PRESIDENT,
The White House,
Washington, D. C.

DEAR MR. PRESIDENT: Your administration claims to have brought prosperity to the country. I think there is an important sense in which this is untrue.

Some areas of the economy are, thanks to huge Government expenditures on our defense and foreign-aid programs, quite prosperous. But the prosperous times being enjoyed by industry and labor are not being shared by the farm community. A boom in industry exists side by side with a depression in agriculture.

In such circumstances it is difficult for the farmer to take your administration's prosperity claims seriously; before long the falacy will be brought home to the whole country. For prosperity in America is indivisible: we cannot have an unhealthy farm community without the disease soon spreading to the rest of the economy. As you know, the great depression of 1929–39 was preceded by a depression on the farms, and was caused in large measure by depressed farm prices with consequent loss in farmers' purchasing power.

The current farm depression is not only being tolerated by your administration; it is a direct and predictable result of your administration's farm program, which I can only describe as one of persecution of the farmer. Although I cannot imagine why this should be the case, it seems to me that your administration is engaged in open war against the farm community.

My feelings might be considerably different if your administration's farm program reflected a general economic policy, consistently applied to all segments of our economy. I would, that is to say, understand—and to a large extent sympathize with—a determination by your administration to reestablish throughout the economy the free-enterprise system, and to restore, gradually, to all aspects of our economic life the sovereignty of the free market place.

But your administration has shown no such inclination, except with respect to the farmers. As you well know, the Federal Government continues to give subsidies, directly or indirectly to industry and labor—so that there is probably not a major industry existing today that would not suffer serious dislocation if the Government were to single it out and force it to compete in an otherwise subsidized economy. The various subsidies to the nonagricultural elements of the economy have resulted in incomes to these elements, that have, in nearly every case, kept pace with national income trends. But under the Benson farm program of lower commodity loans and Government selling at depressed price levels, the farmer is experiencing economic hardships that have not been visited upon any other segment of the economy. The farmer is asked to compete for economic survival where his costs and taxes are as high as those of other elements of the economy but where his wages—i. e., farm prices—are deliberately being forced downward.

The parity concept suggests nothing more nor less than that farm prices should advance or retreat in unison with prices received for nonagricultural goods. When farm prices are at 100 percent of parity, the farmer is getting his fair share of the national income. But the farmer can never get prices at 100 percent of parity when the Government is in a position to establish the market price, and then goes on to buy and sell farm products at less than parity prices.

I simply cannot understand why your administration should want to work an injustice on the farmer. The Wisconsin dairy farmer—for an example—whose prices are now supported at 75 percent of parity—is asked to receive less for his labor than heretofore, while he continues to face the same taxes and the same costs of production.

The farmer is constantly assured by Mr. Benson and his lieutenants that he is better off than ever before. The farmer knows this to be untrue, and he can cite no less an authority than your own Department of Agriculture. Let me remind you of the statistics recently issued by the Department of Agriculture comparing the farmer's income of the past 4 years with that of the rest of the economy.

Date	Gross farm income	National income	Percentage
	Billion	*Billion*	
1951	$36.4	$277.0	13.1
1952	36.9	291.0	12.6
1953	35.5	305.0	11.6
1954	33.9	300.0	11.3
Average, 1946–50	32.2	211.0	15.2

In the light of these figures—which show not only that farm income itself is dropping, but that the farm community's relative share of the national income is steadily dropping—it is hard to deny that the farmer is getting a raw deal. I can assure you that your administration's claim of bringing prosperity to the country is a huge and tragic joke to the Wisconsin dairy farmer—and, of course, to other members of the farm community.

If your administration is willing to put the country back on a free-enterprise footing, with no subsidies to anybody, that would create an entirely different situation. But a policy of favoritism in subsidies will never wash with the American people's sense of justice.

At one point in your political career, Mr. President, you apparently appreciated the farmer's claim to justice. On Ocober 4, 1952, at Brookings, S. Dak., you told the American farmers:

"The Republican Party is pledged to the sustaining of the 90 percent parity price support and it is pledged even more than that to helping the farmer obtain his full parity, 100 percent parity, with the guaranty in the price supports of 90."

You may have forgotten that solemn pledge, Mr. President, but I assure you that the farmer has not. I earnestly urge you to reexamine the position you took then, and see if it was not based on principles of justice and fair play.

A year ago, about this time, I asked you to honor your campaign pledge by urging Congress to enact such a farm program, and by instructing your subordinates to administer it in such a fashion, as would result in 100 percent of parity in prices at the market place. I predicted that if you administration failed in this, our party would lose the 1954 congressional elections. The experts seem to agree that the Republican Party's defeat in 1954 was caused primarily by the vote of an alienated, betrayed, and disillusioned farm community. There is every reason to suppose that the farmers will return precisely the same verdict in 1956 if your administration continues to press its war against agriculture throughout the next year.

I hope the Republican Party can honestly campaign under the "prosperity" banner in 1956. But we cannot do so unless your administration adopts a farm program that gives justice to the farmer and real prosperity to the country. May I suggest, Mr. President, that the problem is urgent, and deserves your earliest consideration.

Sincerely yours,

JOE MCCARTHY.

SEPTEMBER 21, 1955.

The PRESIDENT,
The White House,
Washington, D. C.

DEAR MR. PRESIDENT: I am deeply concerned, as I am sure you are, over the mounting assault on the administration's security program. Left-wing Democrats, in alliance with liberal-front organizations, have launched a full-scale attempt to discredit the Government security system. The current attack is, in part, politically inspired by men who desperately seek an "issue" for 1956; but it is also the fruit of an unrelenting Communist and left-wing propaganda campaign that for many years has sought to undermine public confidence in security measures—and, ultimately, to bring about the dismantling of the security system itself. The attackers are scoring new successes every day, and I predict they will continue to do so until the administration stands up on its hind legs and fights back.

Those who would keep Communists and security risks in Government have become so drunk with their successful attack on the security program, that in the case of the Communist Party of the United States versus the Security Control Board, even a United States Senator joined with the Communist Party in their demand that our security laws be declared unconstitutional.

The left-wing Democrats and the "civil liberties" cultists have hit upon a remarkably effective formula for discrediting the security program; thanks to the executive secrecy policy inaugurated by President Truman—which prevents the Government from telling its side of the story—the left-wingers have only to publicize the alleged grievances of discharged Government workers in order to make their point that we are back in the days of the star chamber.

With the deck thus safely stacked against the administration, Democrat-led committees parade before the public one ex-employee after the other to recount his "ordeal." The Democrat committee members and counsel express profound shock at what, in the absence of evidence in support of the Government's case, appears to be a terrible injustice to the employee. The Liberal press then gleefully retells the employee's story as though it were the whole story, and the public is led to believe that the administration of the security program is arbitrary, brutal, and unintelligent.

The Ford Foundation's Fund for the Republic, of which your personal friend and adviser, Mr. Paul Hoffman, is chairman of the board, has followed a similar approach. The fund's method of "evaluating the security program" is to compile alleged employee grievances, supplied by defense counsel of discharged security risks, and on

the basis of such data, to publicize selected "cases" that seem to prove the Communist and liberal contention that the security program is a guise for a political witch-hunt.

So far, the left-wing Democrats and the liberal fronts have had a free hand. So far, responsible administration officials have been unwilling, or unable, to stand up against the attacks and effectively defend the program. As a result, the vicious anti-security propaganda campaign—originally inspired by the Communists—is making headway and we are in serious danger of losing any semblance of the sort of security program that is needed to protect the Government against Communist subversion.

The dilemma of the administration is, of course, very real: as long as security officers are forbidden to discuss security cases, they are hard put to defend their actions before congressional committees. But in the interests of the Nation's security, a way must be found, and soon, to combat the new left-wing offensive.

In my judgment, the best way to protect the security program is to revoke Executive secrecy orders, insofar as they prevent security information from being divulged to United States Senators and Congressmen. I have, of course, always been opposed to the "blackout," and continue to regard it as a violation of legislative prerogatives. The Executive branch defies both the Constitution and principles of sound government when it denies to Congress information it needs to discharge its responsibilities. And now the evil has returned to plague its creators.

During the Truman regime, the blackout order was issued for the purpose of keeping from Congress data that would have exposed criminal negligence in the administration of the security program. But now by keeping the Truman order in force, the executive branch has been hoisted by its own petard. The secrecy order prevents the administration from showing that the program has improved, and from defending itself against the charge of overtoughness.

Congressional investigating committees should be given access to security files so that they may properly evaluate criticism of the program—whether the charge be that the program is too tough, or that it is not tough enough. Should you decide to divulge to committees the information to which they are entitled, I shall, for my part, urge the Congress to provide that no member of a committee or its staff be permitted to examine the files until he has received top security clearance, and that no specific information be divulged to the public that would, in the judgment of the Executive, endanger national security. Security would thus be protected, and congressional committees would be in a position to present to the American people a balanced, informed report on the administration's program.

Another possible consequence of the secrecy order should be noted—namely, that those responsible for the administration of the program may become demoralized by the sort of attack the left-wing is now waging. On several occasions, security officers have been hauled before Democrat-led committees, and asked to justify discharges or suspensions that appeared to be unwarranted on the basis of employees' complaints. The security officers were not, of course, at liberty to explain their actions. But knowledge of this fact did not prevent the committee or its staff from berating and ridiculing men who had been denied the means of defending themselves. In one case, Mr. Derrell Peterson, a Veterans' Administration security officer, was severely browbeaten by interrogators who showed little sympathy for his claim that silence had been imposed on him by Presidential directive. It is easy to see that such incidents can hamper sound administration of the program, for a security officer is certainly less likely, in a close case, to apply strict standards when he may be required to justify his decision publicly without being permitted to give his reasons.

If, however, you are unwilling to revoke the secrecy order, I suggest that you take the next best step—namely, commence a vigorous educational campaign to inform the public about the security program. If the executive secrecy order is to remain in force, administration spokesmen should make it absolutely clear to the American people that, for security reasons, they are getting, and can get, only one side of the story.

The public must be told that the "letter of charges" made public by the employee is at times incomplete and that the Government's evidence in support of the charges is either withheld entirely or disclosed in miniscule fragments.

In addition, the administration can, without violating the secrecy order, explain certain security practices that are now under attack.

Take, for example, the "suspension" issue: the left-wingers falsely claim that the fact a suspended employee is subsequently cleared proves he was dealt with unjustly in the first instance. The public should be informed that a case of reinstatement after suspension does not demonstrate a miscarriage of justice. Security officers are required to suspend an employee when derogatory information appears in his file, pending more extensive evaluation of the information and further investigation. The fact an employee is later cleared means only that he was able to explain the derogatory information to the satisfaction of the security board or of his department head; it most definitely does not mean the employee should not have been suspended, pending such explanation or the development of additional evidence. I believe, as I am sure you do, that mandatory suspension on the receipt of derogatory information is absolutely essential if our country is to be given adequate protection against the Communist conspiracy.

Or take the charge that too many jobs are considered "sensitive": the liberals contend for a security system that would recognize the sensitivity of a few select (but always unidentified) positions, and their argument is invariably made at the level of Adlai Stevenson's crack about spies in the Bureau of Wildlife and Fisheries. Administration spokesmen should make it clear that the great majority of Government jobs are sensitive in varying degrees—and should explain, with some examples, why this is so, and let them make the further point that while there may be some positions that would be utterly useless to the Communists, it is practically impossible to draw a hard and fast line that will separate sensitive from nonsensitive jobs.

Even more important is the need for the public to appreciate the wide differences between the demonstrable Communist and the "security risk," that is, between the traitor and the potential traitor—and to understand that neither type can be entrusted with a Government job. The public should understand that a security officer is not required to make out a case of treason that would stand up in a court of law—is not even required to show that the employee is, more likely than not, a Communist. If the department head or his representative entertains a reasonable doubt about the man's allegiance, he must order that man to leave the Government service. Those who quarrel with this strict standard entirely miss the point about the covert nature of the Communist conspiracy and the difficulties of obtaining legal evidence of treason.

Unfortunately, the security net will inevitably catch some persons who are not Communists. This is one of the prices of national safety. But the public must realize that the personal injustice allegedly involved in such cases is much less than the disgruntled employee or his lawyer may claim. Every Government employee is aware that working for the Government is a privilege, and is on notice that the Government may at any moment—and at its discretion—revoke that privilege. The employee is thus forewarned that associations, past or present—or, indeed, the associations and circumstances of relatives who are susceptible to Communist pressures—may cost him his job. If a man believes that the well-advertised risks of placing his economic bets on a Government job are too great, he is free to seek employment elsewhere.

These and other aspects of the security program should be emphasized vigorously and often. The leftwing attack is proceeding with increasing viciousness and irresponsibility. We must fight back. And I believe that you, Mr. President, should assume personal leadership of the defense. May I suggest that you devote a major speech to this subject in the very near future. Republican leaders throughout the country should then be urged to take their positions in the line. We should also attempt to enlist conservative Democrats in the fight, for our national security is surely an issue that transcends party lines.

We should not claim that the security program is beyond reproach. It has improved, but it is far from perfect. For example, recent investigations have disclosed delays in the handling of security cases that appear unreasonable. That situation ought to be remedied. Much more important: an impartial investigation would reveal that certain Government departments are still too lax in the application of security standards, and that potential traitors are still in Government.

We can undertake to remedy these defects and, at the same time, restore and maintain public confidence in the basic ideas of the program. We will have taken a firm step in the right direction, should you see fit to repeat your excellent speech on the Communist menace made at Milwaukee, Wis., on October 3, 1952, in the course of which you said that:

"To work for the United States Government is a privilege, not a right. And it is the prerogative of the Government to set the strictest tasks upon the loyalty and the patriotism of those entrusted with our Nation's safety."

The leftwingers are having a field day at the expense of the Nation's safety. It is our imperative duty to the American people to resist their unprincipled campaign—a campaign that, if successful, will open the door once again to large-scale Communist infiltration of our Government.

Sincerely yours,

JOE MCCARTHY.

NOVEMBER 2, 1955.

Hon. JOHN MCCLELLAN,
United States Senator, Chairman, Senate Permanent Investigations Subcommittee, United States Senate, Washington, D. C.

DEAR SENATOR MCCLELLAN: After an intensive investigation which dates back to nearly a year ago, I have succeeded in uncovering facts which, if true, establish the existence of a currently functioning Communist cell in one of the Federal agencies.

Since I am no longer chairman of the investigations subcommittee, and do not have the power of subpena, the job of tracking down and verifying the leads that have been given to me over this period has been extremely difficult. Nevertheless, sufficient information has now accumulated to convince me of the existence of a grave and present threat to the security of this country.

My information indicates that the National Labor Relations Board is literally

honeycombed with individuals identified either as members of the Communist Party, or as having had years of constant and close association with know and/or suspected Communists and Soviet agents. Moreover, it appears that this shocking situation has been condoned by the responsible NLRB authorities for many years.

I am now prepared to turn over to you, as chairman of the Senate Permanent Investigations Subcommittee, the results of my investigation so that the Committee's staff of investigators with its power of subpena may prepare the individual cases for public hearings. I should therefore like to urge that you immediately call an executive session of the Committee so that I may furnish you and the other members with the information I have gathered.

May I emphasize that my information incriminates a large number of individuals who at this very moment hold top-level jobs in this Government agency. I understand that another congressional group is in possession of information concerning past subversive activity in the NLRB. While it is of great importance that such evidence of past subversion be brought to light, the present situation appears to be so critical that, in my opinion, the investigations subcommittee must immediately undertake an inquiry of the facts I am prepared to present.

With a limited staff and no public funds, it has been impossible for me to follow up every lead and double-check every datum that has been brought to my attention. I can, however, assure you that all of my information has been furnished by informants of high reliability and with indisputable access to the pertinent facts. I am sure that, after you have heard the evidence, you will agree that it constitutes a cogent and alarming prima facie case against the adequacy of security enforcement in this Government agency.

Undoubtedly, powerful and bi-partisan pressures will be exerted upon you and the committee to prevent an investigation. For the evidence reflects not only upon the past Democrat administration of Mr. Roosevelt and Mr. Truman but also upon the present administration of Mr. Eisenhower.

The Nation is well aware that the Communists successfully infiltrated the Government during the 20 years of Democrat rule. Many Americans, however, have been led to believe that since January 1953 the Republican administration has dislodged most, if not all, subversives. I was among those in 1952 who were sure that this would be done if the Republican ticket were elected, and I campaigned for the Republican candidate on the basis of the pledge that Communists and security risks would be eliminated from the Government. Consequently, no one can be more distressed than I by the realization that the well-meaning efforts of the present administration in that direction have at least partially failed.

Both parties stand to be embarrassed by an exposé of the NLRB situation; yet I am confident you will frustrate any politically inspired attempts to prevent the Committee from performing its clear duty. I know you agree that partisan considerations must pale in the face of a common threat to us all.

As you know, no Federal agency during the last 20 years has had more influence upon the economic and social structure of the Nation than the National Labor Relations Board. The subversion of the Board is consequently a prime goal for those whose mission is to destroy our way of life.

With its network of branch offices—in New York, Philadelphia, Baltimore, Atlanta, Boston, Chicago, Buffalo, Cleveland, Cincinnati, Detroit, Los Angeles, Minneapolis, Pittsburgh, St. Louis, San Francisco, and other large cities—and in the light of its tremendous daily impact on labor-management relations, the NLRB, from its inception in 1935, presented an ideal target for Communist infiltration. The record is replete with evidence that the Communists were very successful in placing their agents in top-level jobs. In 1940, when the nature of the Communist conspiracy was only vaguely understood in Congress, a House committee headed by Representative SMITH of Virginia reported that the NLRB was heavily infiltrated. My information is that the conspirators still wield a powerful influence in the Board's operations.

To give you an idea of the situation now existing in the NLRB, I am herewith setting forth some of the data in eight of the cases, as an indication of the nature of the evidence gathered in my investigation. You will note that one of the cases, No. 8, is a Truman presidential appointee, a member of the five-man National Labor Relations Board. I shall, of course, mention no names here since these individuals are entitled to testify under oath at executive committee sessions and furnish whatever explanations are available. However, I shall be glad to give the committee full details on the names, dates and circumstances surrounding these and the other cases.

Case No. 1: This National Labor Relations Board official enjoys high connections both on Capitol Hill and in the Washington office of the Board. He was fired from the Labor Board in 1954 after a hearing during which he admitted under oath that he had been a Communist Party member. He admitted that he had made false statements in denying this fact when he applied for employment, attempting to justify this position by asserting that he had never been an American Communist—only a British Communist.

Despite his denying having been a member of the Communist Party of the United States, the evidence is that this man taught in a Communist Workers school in this country. He also supported the campaign of a western Congressman who has since invoked the fifth amendment when questioned about his Communist connections.

This man was properly dismissed on grounds of questionable loyalty. The almost incredible fact is that he was rehired a short time later, reportedly on the intervention of a member of the NLRB itself, by the NLRB, which had discharged him as a potential traitor. He is presently employed by the NLRB.

Case No. 2: This woman was a secretary to the Regional Director of the National Labor Relations Board. She was fired in 1954 after a loyalty hearing on the basis of past and present association with known Communists and subversives. She was rehired a few weeks later and given back pay upon the reported intercession of the same Board official. She is an employee today.

Case No. 3: This individual was fired in 1953 after a Loyalty-Security Board had unanimously recommended his separation upon hearing the record of his Communist activities. He was rehired 8 months later, in 1954, again upon the reported intercession of the same high official.

Case No. 4: This individual, an ex-convict, was a reported close associate of a foreign atomic scientist who fled behind the Iron Curtain. He was identified as a member of the Communist Party in a western State. He was given a clearance, despite these facts. Even though he remains employed in the office of the Chairman of the NLRB in Washington, D. C., his case has been referred to the Department of Justice for possible perjury prosecution.

Case No. 5: This employee was identified as a member of the Communist Party. At a loyalty board hearing in 1949, he at first denied, then admitted that he may have been a Communist. He was given a second loyalty hearing in 1955 and cleared because the confidential informants of the FBI could not be produced. A recommendation for perjury action against him has been sent to the Justice Department. Nevertheless, he remains presently employed by the NLRB.

Case No. 6: This young woman admitted in applying for employment that she had been a member of the Young Communist League. She was nevertheless hired. Investigative reports show that she has continued extensive Communist Party activities, and that her husband was also a member of the Young Communist League. Recommended loyalty board hearings on this person have not been held. She is presently employed as a field examiner with access to classified defense installations.

Case No. 7: This man is currently a regional director of the National Labor Relations Board. He was appointed to that position by Nathan Witt. This regional director was a lecturer at the Philadelphia School of Social Sciences and Art which was cited by the Attorney General as "an adjunct of the Communist Party." Recommended loyalty board hearings on this man have not been held.

Case No. 8: This individual is a prominent member of the National Labor Relations Board. The evidence relative to this case is sufficiently alarming to justify an immediate investigation. The derogatory information on him was so extensive and his position so important that his case was submitted to the White House. His complete file is reported to have been taken to Independence, Mo., by President Truman when he retired from office. Yet he remains in his high office with the National Labor Relations Board.

The American people have been told that communism in the United States is an exaggerated menace. As you know, this is a myth propagated by the Red leaders and the left-wingers. Communism is still an ugly, evil, and powerful threat to our Government and to our liberties. The American people have a right to know that men devoted to a godless ideology have been installed in high office in our Government, have successfully run the gauntlet of the loyalty security system, and remain in positions where they are able to influence policy and shape the destiny of our Nation. This fact will be brought home to the public if this investigation is pressed with vigor and determination. I am confident you and the committee will do just that.

Sincerely yours,

JOE MCCARTHY.

PRESS RELEASE, NOVEMBER 9, 1955

Mr. Molotov's vigorous restatement yesterday of the Soviet Union's intention to communize Germany leaves Secretary Dulles with no alternative but to break off the Geneva negotiations. To continue the conference in the teeth of this reaffirmation of Soviet imperialistic designs would serve no useful purpose, and would create still further dangers to the western position.

On August 1, I told the Senate that, despite all the smiles and handshakes, the Geneva summit meeting produced not the slightest change in the traditional Soviet position on German unification and European security, and that it was thus inviting disaster for us to play the Communists' friendship game. Some of my colleagues advised postponing judgment until the October Foreign Ministers' meeting. That meeting has been held, and with it has disappeared even the most visionary basis for hoping for a Soviet change of heart.

Obviously, there is nothing more to be said at Geneva, by either the Communists or ourselves, on the questions of Germany and European security. This means the conference will dribble off on the subjects of East-West trade and cultural contacts. It approaches insanity, in the light of Molotov's reaffirmations of Communist objectives, for our diplomats to try to work out agreements that will strengthen the Russian economy, and that will further facilitate the sending of Com-

munist cultural delegations to the United States and other western countries.

The deceptive and farcical spirit of Geneva was at the outset, and remains, the chief propaganda tool of our admittedly implacable enemy. Any attempt to keep it alive is fraught with perils for the free world.

Mr. Dulles deserves credit for standing firm at Geneva for the American policy of a free and unified Germany. It is his duty now to return to the United States, to advise the American people that the recent Communist peace offensive has been root-and-center fraudulent, and to set about restoring our Soviet policy to a realistic basis.

PRESS RRLEASE, NOVEMBER 13, 1955

There is a pressing need for the administration to correct an absurd situation that deprived the country of the invaluable services of one of its greatest sons. Ever since 1951 when President Truman, for partisan reasons, relieved him of his far eastern commands, Gen. Douglas MacArthur has been compelled to sit on the sidelines of the free-world's struggle against communism. This has been an extraordinary exile inasmuch as General MacArthur is a world statesman of unchallenged stature, and unquestionably one of our foremost experts on the Far East—the area where the fight against communism will probably be won or lost.

But today there is an additional reason for summoning General MacArthur's services. Due to his unfortunate illness, President Eisenhower is not now able to carry, personally, the full burdens of his office. In view of the continuing crisis in the Far East, the President's task would be immensely facilitated if he and his advisers had the benefit of the daily counsel of this wise man and seasoned area expert.

I therefore urge that General MacArthur be asked to serve as special Presidential adviser on far east affairs. The appointment would considerably lighten the President's workload and worries, and would assure the American people that their affairs are in capable hands.

PRESS RELEASE

The leadership of the Democrat Party should immediately call a halt to the disgraceful and dangerous activities of the Democrat-controlled committee under the chairmanship of Senator HENNINGS, of Missouri. Under HENNINGS all the power of a Senate committee is being used to wage jungle warfare against the Government security system on the argument that it is too tough on Communist suspects. The Hennings committee is being used as a "front" for leftwing organizations such as the Fund for the Republic and the ADA, whose principle objective is to torpedo any effective security program.

The Hennings committee activities are not only a disgrace to the Senate and to the Democrat Party, they pose a grave threat to the security of the United States. I note that not one Democrat leader has come forward to condemn the Hennings spectacle—which indicates that the national Democrat leadership is as soft as ever on the Communist issue.

The Communists-in-government question should not be an issue between America's two political parties. They should be united in efforts to fight Communist infiltration. However, unless the Democrat leadership does something to curb the activities of the Hennings committee, Communist subversion will be a major issue in the 1956 campaign. If the Democrat leadership does not remedy the situation then the millions of Democrats throughout the country, who abhor communism, will have no alternative but to put Republicans in control of the congressional committees.

When I was chairman of a committee that was attempting to expose Communists in government and in defense plants, there was a great hue and cry by the Democrat leaders and the leftwing press against one-man committee hearings. I note that now—when HENNINGS is conducting one-man hearings to "protect the rights" of Communist Party-liners in government—not a single objection is to be heard from the Democrat leaders or from the leftwing press.

NOVEMBER 29, 1955.

Hon. THOMAS C. HENNINGS, Jr.,
United States Senate,
Washington, D. C.

DEAR SENATOR HENNINGS: Last Friday I commented on the activities of your one-man committee, pointing out that you were making it easier for Communists to infiltrate our Government. Your reply to that statement has been brought to my attention, and let me say that the Sir Galahad pose you attempted to strike did not quite come off. The only people who can reasonably call you their hero are the Communist Party liners whose antisecurity propaganda campaign your one-man committee is so energetically promoting.

You stated that you are attempting to strengthen our security program. This claim was double-talk and hypocrisy at its worst: One November 3d at St. Louis, you demanded three changes in security procedures which, if adopted, would leave the security program in shambles. You urged, in effect, that we get rid of the reasonable doubt standard under which the benefit of the doubt in loyalty cases is given to the Government. You contended that the facts that a man's associates are Communists and that he has joined Communist organizations should not even be taken into account in determining his security status. Finally, you insisted that the Government be forbidden to make use of derogatory information gathered by undercover FBI agents. Far from strengthening the security program, these changes would open the floodgates to wholesale Communist infiltration of our Government.

Most recently, you brought the Army under attack for trying to correct lax security practices that were exposed by the Senate committee under my chairmanship in the Peress and Belsky cases. Day after day, your committee hammered away at the Army for refusing to grant honorable discharges to soldiers who take the fifth amendment when asked about their Communist connections. During one of the sessions (vol. 7, pp. 1049–1065), your chief counsel, supported by you, berated the Army for merely including as one of the charges against a soldier the fact he had taken the fifth amendment when asked about Communist activities. Mr. Hocker said: "How can you justify that, on either a constitutional basis, or on just the basis of morals? If a man is entitled to rely upon his constitutional privilege, how can the Army hold that against him?"

The result of this daily browbeating of Army officials was the promulgation of an amazing Defense Department directive. In effect, the new directive says to Communists and Communist Party liners who are drafted into the Army: "All you have to do is take the fifth amendment, and you will be able to avoid military service and go back to civilian life with no disgrace or stigma attached to your name." In other words, loyal American youths must give several years of their lives to their country's service, but Communists and Communist Party liners go scot-free—neither drafted nor disgraced.

After that directive was issued, you commented: "We are making progress. I look forward to further improvements in the regulations as the subcommittee prosecutes this inquiry." Progress for whom, improvement in whose behalf, Senator?

The frightening thing about your efforts to wreck the security program is that they apparently have the support of national Democrat leaders—none of whom have yet repudiated you or your committee. It is a sad commentary on Democrat leadership that the only Senate Committee now holding hearings on the Communist issue is waging jungle warfare against our security system instead of attempting to expose and get rid of Communists and Communist Party liners. For this choice of objectives the Democrat Party bears full responsibility. I do not want Communist subversion to be an issue in the next campaign, but I assure you it will be an issue, unless your committee desists from activities that give aid and comfort to this country's enemies.

I am sure that the millions of Democrats throughout the Nation who abhor communism join me in this protest against your committee's activities.

Sincerely yours,

JOE MCCARTHY.

LETTER WRITTEN TO SENATOR ESTES KEFAUVER, GOV. AVERELL HARRIMAN, HON. ADLAI STEVENSON

DECEMBER 2, 1955.

DEAR SIR: It is evident that you are being seriously considered for the Democrat presidential nomination in 1956. Therefore, I think it proper that at this time you take a stand on one of the major issues that will confront the American people in the coming election, namely, how to deal with the never-ceasing Communist attempts to infiltrate our Government. I think it is important that the public, and especially the delegates who select the Democrat nominee, know your views on this vital question.

On January 10, 1955, after the McCarthy censure, and after the Democrat Party had obtained control of the Senate, a resolution was introduced and unanimously passed which said, in part:

"It is the sense of the Senate that its appropriate committees shall continue diligently and vigorously to investigate, expose and combat * * * (the Communist) conspiracy, and all subversive elements and persons connected therewith."

That resolution was admittedly designed to counter the impression that the unanimous vote of the Democrat Party on the censure issue meant that "the Senate would terminate or soften its investigation of communism and subversion."

Although I voted for the resolution, I commented at the time that the resolution amounted to a declaration against sin, and that the Democrat Party would have to prove by deeds that it had ceased to be soft on the Communist issue. I added that I would give the Democrats 1 year to demonstrate that they had meant what they said.

That year is now nearly up. So far, under Democrat leadership, congressional investigating committees have not exposed a single Communist in Government. But this is not the most serious indictment of the Democrat Party. Instead of exposing Communists, the Democrat leadership has seen fit to join in the Communist-inspired campaign to discredit existing measures for combating subversion. While I did not expect any progress to be made in exposing Communists, I could hardly anticipate this development: That the Democrat Party would flagrantly and unabashedly expose its softness toward communism by attempting to destroy the security measures now in force.

First, the Johnston committee attempted to whip up hysteria against the security program by parading before the public a long line of discharged Communist suspects and inviting them to relate how badly they had been treated. No attempt was made to evaluate the complaints or to present the Government's side of the cases.

But the most serious threat to the safety of this country is the activities of the Democrat-controlled subcommittee under the

chairmanship of Senator HENNINGS. The manifest objective of the Hennings subcommittee is nothing less than the total emasculation of the security system.

Under the guise of protecting constitutional rights, HENNINGS has brought under attack practically every security procedure that is useful in detecting Communists and getting rid of them. If HENNINGS has his way the only person who would be caught in the security net is the man who announces "I am a present member of the Communist Party, and here is my party card to prove it." The procedure changes urged by the Hennings subcommittee would open the floodgates to wholesale Communist infiltration of our Government.

Inasmuch as the Democrat Party now controls the Senate, the activities of the Hennings subcommittee are the direct responsibility of the Democrat Party. The Democrat Party therefore has been put on record as being more concerned with protecting Communists than with exposing them. As things stand now, this is the record upon which the Democrat Party will have to campaign in 1956.

I have often said that it is not my wish for Communist subversion to be an issue between our two political parties. But the American people will make this an issue, unless the Democrat national leadership repudiates activities that give aid and comfort to our country's enemies. The public is fast losing patience with politicians who dance to every tune the Communists play and then ask to be entrusted with the conduct of the Nation's affairs.

I therefore call upon you to repudiate the antisecurity vendetta being conducted by Senator HENNINGS and to condemn all other attempts to weaken our national security. If you fail to take this action then you have no right to ask the American people, either in the primaries or in the national election, to endorse your candidacy.

Sincerely yours,

JOE MCCARTHY.

DECEMBER 16, 1955.

Hon. HERBERT BROWNELL, Jr.,
Attorney General, Department of Justice, Washington, D. C.

DEAR MR. BROWNELL: I make reference to a letter addressed to you on November 14, 1955, by Hon. JOHN L. MCCLELLAN, chairman of the Senate Permanent Subcommittee on Investigations, which reads:

"Reference is made to my letter of April 12, 1955, wherein I referred to you various material concerning Brig. Gen. Ralph W. Zwicker. At that time, I requested that your office advise whether there appeared to be a violation of the perjury statute and what action your Department intended to pursue.

"It would be appreciated if you would advise me as to the status of the case."

I am informed that your office has replied to this letter to the effect that the Zwicker case has been referred to the Criminal Division, but that no action has, as yet, been taken.

As the ranking Republican member of this subcommittee, I feel obliged to remind you that continued delays in the disposition of this case may reflect adversely on the present administration. The case was originally referred to your Department 8 months ago, because this subcommittee was of the opinion that General Zwicker's testimony might constitute the basis of a perjury prosecution. I submit that any further delay will arouse suspicions that the Department is permitting political considerations to interfere with the administration of justice.

May I be advised at the earliest possible moment of what action is to be taken.

Sincerely yours,

JOE MCCARTHY.

DECEMBER 16, 1955.

The Honorable JOHN L. MCCLELLAN,
Chairman, Permanent Investigations Subcommittee, United States Senate, Washington, D. C.

DEAR SENATOR MCCLELLAN: I am deeply concerned over the attacks by the Johnston and Hennings committees on the Government security program. In my opinion, these committees have consciously sought to discredit anti-Communist security measures by means of ridicule, unfair emphases and downright misrepresentation. The committees are deliberately portraying the security program as a ruthless, bungling Gestapo-like operation and this distorted picture is being passed on to the public with great gusto by the left-wing press. The result is that the Communist Party is winning a stupendous propaganda victory and may soon achieve its objective of destroying the security system altogether.

I enclose for your careful reading a photostat of an article published in the Washington Star of December 11, 1955—one of literally hundreds of the same tendency—which shows the kind of games the left-wingers are playing with the security issue. This article deals with the Hennings committee's so-called investigation of the Army's policy of assigning to "controlled duties," and refusing to grant honorable discharges to, inductees who take the fifth amendment when questioned about their loyalty to the United States.

I have read in their entirety the relevant transcripts of the Hennings committee hearings, and let me say that this story faithfully records the distorted version of security procedures developed by that committee. This team of clever publicists so twists the facts as to make the Army's position look ridiculous. The article, for example, "proves" that the Army compels an inductee to exercise his constitutional privilege, then punishes him for doing so.

When considered step by step by anyone who is acquainted with the security problem, and who takes a realistic view of the measures that are necessary to protect our country, the Army procedures that are under fire are utterly reasonable. To begin with the Army asks the inductee, in effect, whether he is loyal to the United States. (Do Hennings and left-wingers want the Army to induct persons without obtaining this information?) It then tells the inductee that if he chooses not to disclose whether he is loyal to the United States, the way to avoid such disclosure is to invoke his constitutional privilege. (Do left-wingers have in mind some other way in which an inductee can justify refusing to assert his loyalty?) The Army then must determine what bearing the invocation of the fifth amendment has on the inductee's security status; it usually decides against giving him full security clearance and an honorable discharge. (Are the left-wingers saying that the Army should completely ignore the implications of an inductee saying, "I cannot tell the truth about Communist connections because the truth might tend to incriminate me?")

Of course, the left-wingers never commit themselves on just what step in the process is wrong. Their purpose is to whip up public sentiment against a caricature of the whole—and thus to pressure the Army into emasculating its program or dismantling it altogether.

Daily browbeating of security officers by the Hennings committee has forced the Army to revise its procedures for dealing with fifth-amendment cases, and the new regulation creates a situation more absurd and more dangerous than existed when our committee went into the Peress case. The new regulations call for a loyalty investigation prior to induction. The result is that a Communist or Communist Party liner—or, for that matter, anyone who wants to dodge the draft—can, by merely invoking the fifth amendment, avoid the draft and return to civilian life with no mark or stigma attached to his name.

I am informed that ridicule and intimidation by Senate committees and the press has caused a general relaxation of efforts by the executive departments to expose and get rid of Communist suspects. My purpose in writing you is to suggest that our committee, which is charged with overseeing the operations of the executive branch of the Government, has a clear duty to attempt to repair the damage done by the Hennings and Johnston committees. First, we should give the Defense Department and the other Government agencies an opportunity to explain the operation of the security program in an atmosphere other than that of a "kangaroo court." We should make it clear to the executive officials that our interest is in strengthening the security program, not in weakening it.

Second, our committee should resume efforts to expose the Communists who are still in our Government. It is truly a sad commentary on the political leadership of the Senate that the only committees dealing with the Communists-in-Government issue are directing their fire at those who are attempting to prevent Communist infiltration, instead of at those who are doing the infiltrating.

This gets me over to a subject to which I hope you will give the most careful consideration. Unless Senate committees—all of which are Democrat-controlled—start fighting Communists instead of helping them, there is no way on earth to prevent the Communists-in-Government problem from becoming a political issue in 1956. The two parties should be united in their determination to fight Communist subversion, but on the basis of the Democrat Party's Senate performance to date, they are not united; and unless this situation changes, it will be the duty of Republican candidates to point out the differences to the electorate.

On January 10 of this year, the Democrat-controlled Senate passed a resolution that provided, in part:

"It is the sense of the Senate that its appropriate committees shall continue diligently and vigorously to investigate, expose and combat . . . [the Communist] conspiracy, and all subversive elements and persons connected therewith."

I voted for that resolution, though I felt that its real purpose was to offset a widespread impression that the unanimous Democrat vote on the censure issue foreshadowed a letup in efforts to expose and get rid of Communists in Government. I stated at that time that I would give the Democrat leadership 1 year to prove that it had meant what it said.

That year is now nearly up and so far, not a single Communist in Government has been exposed by a Senate committee. Moreover, so far as I have been able to discover, no attempts to uncover subversives in Government are being made by a Senate committee. Instead, Democrat-controlled committees have concentrated on discrediting the security program. The responsibility for this strange choice of objectives must be laid directly to the Senate Democrat leadership and to Democrat committee chairmen.

I believe that you personally, along with many other Senate Democrats, are anxious to expose Communists; but I also believe you have been hamstrung by the left-wing leadership of the Democrat Party. The interests of the country require that good Democrats emancipate themselves from left-wing domination. Unless this is done, unless the Senate starts providing some opposition to the Communist-inspired anti-

security campaign, instead of abetting it. Republicans in 1956 will have no choice but to cite the Communist issue as reason for restoring to them the chairmanships of Senate committees.

Sincerely yours,

JOE MCCARTHY.

Unless Nonessential Spending Is Trimmed and Budget Is Balanced, Congress May Fritter Away Chance To Give People Some Honest Tax Relief

EXTENSION OF REMARKS
OF
HON. O. C. FISHER
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 12, 1956

Mr. FISHER. Mr. Speaker, if this Congress wants to do it, the American people can be given some badly needed tax relief this year. And it can now be done on a sound basis. Indeed it is possible, if we set our minds to it, to have moderate tax reduction and also pay a billion or so dollars on the mounting public debt.

But we all know that we cannot have honest tax reduction that really means something unless at the same time the budget is balanced. Otherwise the Congress would find itself in a position of borrowing money, adding it to the public debt, and of in effect paying that borrowed money to ourselves as taxpayers.

In other words, if the Federal Government spends more than it takes in it engages in deficit financing to that extent. That deficit is made up by the Government borrowing that amount and adding it to the public debt. We now pay nearly $7 billion annually in interest on that debt.

It is an unsound business practice, under present conditions, to borrow money for tax-relief purposes. That is not really tax relief—it is tax postponement. In a way it is a fraud because it unloads that much more on future generations to pay, while leading the people to think we have really down something for them.

Let us hope, Mr. Speaker, that as we approach this subject of tax reduction this year we keep these basic considerations in mind.

TAX REDUCTION IS CONDITIONED ON REDUCED SPENDING

If we do that, if we really want to take advantage of this opportunity to give some tax relief on a sound basis, we will start looking right now for ways to cut down on nonessential spending. That is the only approach to honest—not phony—tax reduction.

Now, how can we reduce spending? There are many ways. We can, for example, take the fat out of foreign aid and limit it in the main to necessary military assistance, with economic aid going only to those countries that are on the side of the Free World, that are strategic and cooperative, and which without our help are in danger of falling into Communist hands—thereby further endangering our own security and world peace.

END OF PUBLIC HOUSING WOULD HELP TAXPAYERS

Another obvious saving would be to discontinue the expensive public housing which each year is becoming increasingly burdensome to American taxpayers. It will be recalled that this House last summer reversed an earlier position and at the end of the session voted to continue public housing—a billion dollars worth of it having been committed at that time. Those who support that sort of reckless spending should be the last to talk about tax reduction unless and until the budget is balanced.

Indeed, the Congress should begin steps now to liquidate socialized housing and get out of this business that private enterprise can handle so much better. About $10 billion is involved in outstanding commitments, loss of revenue to local communities in foregoing local taxes on such housing projects, and other factors. Let us get the Government out of that kind of business and give the taxpayers a break.

TO HAVE TAX AND DEBT REDUCTION WE MUST FOLLOW CONSISTENT POLICIES FROM YEAR TO YEAR

Mr. Speaker, it should be evident to everyone that our approach to these problems should be consistent from year to year; planning for a sound fiscal policy should be projected into the future and not be haphazard. Such policies should be the same—the objectives should be the same—on nonelection years as they are on election years. The same basic principles of economy should be practiced every year—not just occasionally.

It happens that I have been one of those who in the past has tried to follow that rule of consistency. I have consistently opposed nonessential spending and phony tax cut proposals. I was constrained to vote against the big package foreign aid bills the past 3 years because they contained, in my judgment, too much fat, too much waste, along with the desirable features. We are told, for example, that Denmark was given $100 million last year to be used in helping balance its budget. And it was reported that $200 million was handed as a gift to Great Britain shortly before their last general election.

We simply cannot go on with irresponsible spending if we are to have responsible tax reduction and debt retirement. It is just that simple.

MORE PEOPLE NOW REALIZING THAT TAX CUT IS MEANINGLESS UNLESS BUDGET IS BALANCED

As I said at the beginning, we now have a chance to give the people some honest tax relief because we are within sight of a balanced budget. But that possibility can be frittered away by excessive spending.

There is another encouraging sign: many who last year and the year before insisted upon additional tax cuts despite the unbalanced condition of the budget are now, according to press reports, realizing the fallacy of that position and are calling for caution in applying similar tax cuts at this time unless the budget is brought into balance. That change in attitude is commendable.

Let us hope, Mr. Speaker, that those who now admit that honest tax relief can be had only with a balanced budget, will join with those of us who make annual fights for reduction in nonessential spending. Let us bear in mind that 10 percent of all taxes now collected is used just to pay annual interest on the public debt. Even if we paid a billion dollars a year on that debt it would require 280 years to retire it. The use of commonsense economy is the key to prospects for tax relief this year—and for a sound fiscal policy throughout the foreseeable future.

Federal Regulation of Independent Natural Gas Producers Is Essential

EXTENSION OF REMARKS
OF
HON. PAUL H. DOUGLAS
OF ILLINOIS
IN THE SENATE OF THE UNITED STATES
Thursday, January 12, 1956

Mr. DOUGLAS. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an article which I wrote for the October issue of the Public Utilities Fortnightly. The article is entitled "Federal Regulation of Independent Natural Gas Producers Is Essential," and contains my general views on this question.

I wish to point out, however, that because of its length, I was not able to include all the supporting data which I shall later present to the Senate when the gas bill is debated. In addition, we now have figures for 1954 and, in some cases, for 1955, which have been provided to me by the Federal Power Commission since the article was published. In every case the new figures strengthen the position against exempting from Federal regulation the sales for resale of natural gas in interstate commerce. In fact, new figures for the price of gas, the domination of supplies by a few, and the ultimate costs to consumers involved if the bill is passed, all fortify the case against exemption.

The Public Utilities Fortnightly deserves credit for making available to its readers various views on the natural gas bill, and I wish to commend them for the fairness with which they have presented divergent views to their readers and the public.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FEDERAL REGULATION OF INDEPENDENT NATURAL GAS PRODUCERS IS ESSENTIAL

(By the Honorable PAUL H. DOUGLAS, United States Senator from Illinois)

The United States Senate will have before it in January the Fulbright bill to exempt sales of natural gas for resale in interstate commerce by the so-called independent nontransporting producers from regulation by the Federal Power Commission. The bill would also provide large windfall profits to interstate pipeline companies owning natural gas reserves. I have opposed similar

legislation in the past. And I am opposed to this bill and its counterpart, the Harris bill, which passed the House of Representatives by a very narrow margin at the end of the 1st session of the 84th Congress.

I

Historically, the legislative efforts to win exemption for these producers' sales and to provide bonanzas for pipeline companies began with the Moore-Rizley bill in 1947–48. This bill was too extreme even for the Republican 80th Congress. It was shelved. An exemption measure (the Kerr bill) was unfortunately passed in 1950, but President Truman courageously vetoed it.

A majority of the Federal Power Commission in 1951 held in the Phillips Petroleum Co. case that the Commission did not possess jurisdiction over sales of natural gas in interstate commerce which were related to the activities of production and gathering.

The Supreme Court in 1954 reversed this self-denial of jurisdiction. The Court held that the Natural Gas Act gave the Commission power to regulate the interstate sales of producers and indicated that it should get on with the job of protecting the consuming public against exploitation at the hands of natural gas companies. Now the oil and gas producers are back again seeking clarification of the Natural Gas Act or—more precisely—exemption therefrom.

At the present time, then, the Federal Power Commission has the legal power to regulate the rates charged for natural gas sold in interstate commerce for resale at all points in its interstate journey, commencing at the wellhead. The various State regulatory commissions have the authority to regulate the sales to ultimate consumers. The regulatory scheme is complete, and no regulatory gap exists.

The effect of the Fulbright bill would be to reopen the gap and permit producers to charge all that the traffic will bear for this much-sought-after-fuel. Whatever is charged would be passed along by the pipeline companies and the distributing utilities, and included as a legitimate cost in determining the final price to consumers.

I oppose this legislation because it would exempt from Federal regulation a vital segment of an industry engaged in interstate commerce which is affected with a public interest just as much as electricity, water, public transportation, or the telephone industry. This fact was established legally by Congress in 1938. The decisions of the Supreme Court have confirmed it.

Basically, however, it was neither Congress nor the Supreme Court which made the industry one affected with a public interest and therefore subject to reasonable regulation. This is due instead to the fundamental nature of the industry itself. An examination of the industry structure and its business methods and operations led me, and many of my colleagues, to the view that continued regulation by the Federal Power Commission of the type of sales covered by the Phillips decision is clearly in the public interest.

Natural gas is a necessity in the daily lives of millions of Americans just the same as electricity, telephones, and water. These services are furnished by utilities. If a householder needs such services, there is only one place where they may be obtained on a practical or economical basis, and that is from the local utilities. In the economic sense, these householders are captive customers of the utilities.

It is true that there are alternatives. Candles and oil lamps may be used for light in place of electricity. Water may be bought in bottles, or one can dig one's own private well. However, the investment made by the American consumer in appliances negatives the opportunity afforded by such alternatives. Once the consumer has purchased a gas furnace, gas range, gas water heater, gas refrigerator, or gas clothes dryer, or other gas-burning appliance, he has no real alternative to gas as fuel.

Americans have now invested upwards of $10 billion in gas furnaces and appliances which cannot be economically or physically converted to electricity, coal, oil, or wood. Even if the conversion were practical, few consumers would shift because gas is cleaner, more convenient, and its utilization requires little physical labor. But the conversion is impractical: The costs would be prohibitive for the consumer to junk his existing gas-burning equipment and replace it by electric appliances or by coal- or oil-burning furnaces.

The argument that the residential consumer has an effective alternative to the continued use of natural gas and can switch to another fuel if he objects to high gas rates is pure sophistry.

II

A phenomenal increase in the prices of natural gas in the producing fields has taken place since the close of World War II, and, more particularly, in the last 2 or 3 years. This rising cost of gas in the field has had a pronounced effect upon the rates of the interstate pipeline companies and has likewise been reflected in the natural gas retail rates in many sections of the country. These increases have been so drastic that many distributing utilities actively participated in the hearings on the Fulbright bill in the Senate and the Harris bill in the House, strongly opposing this giveaway legislation. Likewise, State regulatory commissions and State and municipal officials joined in opposition to these measures.

The magnitude of the increases in the field cost of gas is demonstrated by the experience of 17 major pipeline companies, which in 1953 acquired 96 percent of the total volume of gas purchased from independent producers by companies reporting to the Federal Power Commission. In 1946 the weighted average price paid by these companies was 4.4 cents per thousand cubic feet. In 1953 the average cost had risen to 8.857 cents per thousand cubic feet. Based on filings for rate increases in the year 1954, the weighted average price had reached 9.723 cents per thousand cubic feet, an increase of 120 percent above the 1946 level. Almost two-thirds of this increase has occurred since 1951. The increased cost of natural gas in the field to the 17 major pipeline companies when placed upon an annual basis amounts to $196 million. This is no small sum, even in our billion-dollar economy.

In turn, these increases in the field cost of gas have meant higher resale rates. Between July 1, 1949, and March 1, 1955, natural gas pipeline companies filed 163 requests with the Federal Power Commission for increases in their resale rates aggregating more than $505 million on an annual basis. Of this amount, $157 million was disallowed or withdrawn; $199 million was placed in effect; and $149 million was pending as of March 1, 1955.

Natural gas distributing utilities have been forced to pass on the higher cost of gas purchased from the pipeline companies to their customers. This fact is reflected clearly in the statistics published by the American Gas Association. On a nationwide basis the average unit cost of natural gas to residential consumers increased during the period 1945–54 from 6.32 cents to 8.06 cents per therm; for commercial customers the increase was from 4.16 cents to 6.19 cents per therm; and for industrial users from 1.65 cents to 2.37 cents per therm. In some States the increases are even more striking.

At the same time that the cost of natural gas has been going up, the unit cost of electricity to the residential consumers has been declining. In fact, between 1945 and 1954 the residential unit cost of electricity dropped from 3.47 cents to 2.79 cents per kilowatt-hour, a decrease of 24.3 percent. The residential cost of natural gas, however, increased 27.5 percent.

Convincing evidence was presented by representatives of distributing utilities before the congressional committees to the effect that the increased cost of natural gas was seriously hampering their efforts to expand natural gas sales, that in some areas they were being priced out of the market, and that if the upward trend in field prices continued, they would meet with financial disaster. The difficulties faced by the distributing utilities are evidenced not only by the statements made before the congressional committees, but are to be found in testimony in rate proceedings before the State utility commissions and before the Federal Power Commission and in articles in trade magazines.

The problem of distributing utilities in coping with the rising cost of gas is not confined to those companies in the consuming States of the North. The problem is being faced by distributors in the producing States as well. Illustrative is the following statement made by Arkansas Louisiana Gas Co. in its annual report to stockholders for the year 1954:

> The serious problem of increasing costs of purchased gas discussed in the annual report of 1953, became even more severe in 1954. These increased prices, together with increasing volumes required from purchased sources, have been a major factor in the decrease of the company's earnings. The system-wide average price paid by the company for purchased gas has increased from 4 cents per thousand cubic feet in 1949 to 9 cents per thousand cubic feet in 1953, and in 1954 increased to 10 cents per thousand cubic feet. The cause of this upward spiral is the tremendous competition for new gas reserves by the many long-line transmission companies serving other sections of the country, compounded by the fact that the development of gas reserves has not kept pace proportionately with the increased demand for natural gas throughout the United States. Competing companies are presently paying more for large gas reserves in the field under new long-term contracts than our company is receiving as a retail price from large industrial customers. This is a dramatic illustration of the company's inability to maintain adequate reserves with its present rate structure.

Now the big oil and gas producers are making an allout effort to explain away these increases in the retail prices of natural gas and to shift the blame for such increases from their own shoulders. The producers' representatives, in their congressional appearances and through the so-called educational campaign which they have conducted in the press and by other means, have sought to show that the drastic increases in the field price of gas have had only a small percentage effect on the bills of the ultimate consumers and further that the field cost of gas itself is a small percentage of the total bill. It was implied that consumers were being gouged by the local gas utilities with the acquiescence of the State regulatory commissions.

These sorry diversions were part of a none-too-subtle scheme to turn public opinion into channels favorable for the exemption legislation being demanded of Congress. It was repeated over and over again that since these increases in retail gas rates were authorized by regulatory agencies, further increases in natural gas rates would surely be forthcoming if the producers were placed under regulation. In other words, rate increases according to them were the natural product of regulation.

Industry spokesmen cast the Federal Power Commission (which I, too, have had some occasion to criticize), the State regulatory commissions, and the distributing utilities in the role of the principal villains who were responsible for the increasing cost of gas to the ultimate consumer. Regulation of producer rates was described on the other hand as confiscatory and therefore destructive of our free-enterprise system, socialistic, and very close to communism.

Efforts were even made to cause a congressional investigation to be made of the transmission and distribution segments of the industry. It was charged by proponents of the legislation that interlocking relationships and combinations in these segments of the industry were responsible for the increases in gas rates, and not the producers.

They have cast aspersions on the cost of operations and profits of the regulated pipeline and distributing companies, which are a matter of public record. But no producers have come forward to reveal their own profits from gas-producing operations or furnish any comparison with pipeline and distributing profits which would clearly reveal the responsibility for rising retail gas costs.

Whether these unfair and diversionary tactics will pay off, of course, remains to be seen. I doubt, however, if the producing segment of the industry won any friends among the marketeers of their product or shed any real light on the picture by such machinations.

III

Spokesmen for the producers pitch their plea for exemption from regulation upon the proposition that the producing segment of the industry is intensely competitive and thus regulation is not necessary to maintain reasonable prices for natural gas.

If the industry really were as competitive as claimed, and if one could depend upon the natural processes of supply and demand to keep prices to the consumer at reasonable levels, neither I nor my colleagues could reasonably oppose the exemption. That is why the industry has worked so hard in its efforts to argue the slogan of "free enterprise" while ignoring the facts about the concentration of power within the industry. But competition of the nature claimed is not present, and an examination of the facts concerning the so-called independent producers and the conduct of their business of producing and selling gas will show that competition cannot be depended upon to protect the consumer against exploitation.

The latest available figures compiled by the Federal Power Commission show that in 1953 a total of 4,365 nontransporting producers sold natural gas to interstate pipeline companies reporting to the Federal Power Commission. These producers sold 4.249 trillion cubic feet to the pipeline companies. Abundant evidence of concentration in the production phase of the industry is found in the fact that of the 4,365 producers, 85.59 percent of the number, or 3,736, sold only 2.1 percent of the total gas purchased by the pipeline companies. Thus, only 629 producers, accounting for 14.41 percent of the total volume purchased.

Broken down even further, 90.7 percent of the sales were made by 174 producers. Twenty-nine producers—whose sales exceeded 35 million thousand-cubic-feet in 1953—produced almost two-thirds of the natural gas sold to interstate pipeline companies. The 29 largest producers who sell two-thirds of the natural gas are not a poor or impecunious group. Over half of them are on the most recent list of America's 100 largest industrial corporations. The argument used by industry spokesmen, that intense competition exists in the producing fields between many thousands of producers and that reasonable prices of natural gas are thus assured, is not borne out by the facts.

The producing segment of the natural-gas industry, although not necessarily monopolistic in the legal sense, is certainly monopolistic in the economic sense. Natural-gas transmission lines are expensive. Their cost is estimated at from $40,000 to $100,000 per mile. They are not easily moved. Once they have been laid the interstate pipeline company is practically at the mercy of the producers. For these lines cannot be picked up and relaid to other fields to escape an increase in the price of gas or to secure gas at a lesser cost. Thus, the pipeline company buyer is a captive customer of the relatively few nontransporting independent producers who provide the overwhelming share of natural gas for the utility market.

There are other reasons why competition among the so-called independent producers is ineffective and furnishes no protection to consumers against unreasonable prices. The first is that there now appears to be a diminishing supply of natural gas and an expanding market. With demand exceeding supply, the result is a seller's market.

As evidenced by the testimony before the congressional committees and in the certificate and rate proceedings before the Federal Power Commission, the competition for natural gas is between buyers seeking a supply rather than between sellers seeking a market for their product. We have then a natural resource which is diminishing in relation to annual use and which is a necessity to most users, and, on the other hand, a demand which is increasing. Fair and reasonable regulation in such circumstances is necessary to protect the consumer against skyrocketing prices. Competition among producers cannot be depended upon to do so.

Second, because the large blocks of reserves which must be secured in order to make feasible any major expansion of transmisson line capacity are held by the major oil companies who control most of the gas reserves in the Southwest, it is necessary for the pipeline companies to deal with these relatively few large producers. This also limits competition. Thus, if a pipeline company desires a large block of reserves it has no practical alternative but to go to the major producers and accept the prices which they dictate. The many thousands of small producers have been and will continue to be an ineffective source of competition in such circumstances. Moreover, while the southwest region supplies more than 95 percent of the gas supply of the interstate pipeline companies, more than 60 percent of the 4,365 producers are located in the Appalachian area which produces only 3.4 percent of the total gas supply.

The competitive situation in the gas fields in nowise resembles the normal competition involved in the buying and selling of commodities on the open market. If producers of coal or fuel oil raise their prices, buyers can use several transportation media to obtain supplies from other sources. Because of the high-cost fixed investment in gas transmission lines, the expense of tearing up a pipeline and laying a new one prevents the pipeline company from shopping around for lower prices. Thus, the type of competition which is present today in the gas fields does not and cannot operate to maintain reasonable prices of natural gas.

The almost universal inclusion of escalation clauses of one or more types in gas purchase contracts entered into in the last few years is conclusive demonstration of the lack of bargaining power on the part of pipeline companies. These clauses, which provide for future increases in the price of gas, many of them by reason of actions over which the buyer has no control, place burdens upon pipeline buyers which anyone having a free choice of suppliers would refuse to accept. The evidence is clear that the pipeline companies had no choice. If they wanted natural gas they were compelled to accede to the demands of producers that such clauses be inserted in the gas purchase contracts.

The existence of such clauses in gas purchase contracts belies assertions by producer representatives that there is free and open competition in the purchase and sale of natural gas in the producing fields of the Southwest.

IV

It has been asserted time and time again by proponents of this legislation that the regulation of independent producers is not feasible, that the cost of regulation will be staggering and the benefits, negative. I do not believe there is any merit to these assertions. Regulation of natural-gas companies—pipeline companies—who are engaged in exploration, development, and production of natural gas in most of the fields in which the nontransporting producers conduct their operations has been conducted by the Federal Power Commission since 1938. As a matter of fact, approximately 50 percent of the total number of gas wells in the United States are owned by pipeline companies reporting to the Federal Power Commission. Thus, the Commission has had considerable experience in dealing with a major producing segment of the industry and has successfully regulated that segment.

Since the Phillips decision by the Supreme Court, the Commission has been going forward with the regulation of the so-called independent producers. It has adopted rules and regulations. It has required the compliance filing of rate schedules and of applications for certificates. According to a press release of the Commission issued on March 10 of this year, 10,000 rate schedules of producers had been processed, and the situation was current.

While the certificate applications had not been processed quite so rapidly since each application requires a mandatory hearing, remarkable progress is being made in clearing up the backlog. Thus, there is no substance to the charge that regulation of producers is an impossible task which will bog down the Commission.

Some of us are quite willing, however, to reduce the regulatory burden very substantially by exempting the interstate sales of all those producers who sell for resale less than 2 billion cubic feet of gas a year. The 174 producers whose sales would be thus kept subject to Federal regulation sell more than 90 percent of the gas purchased for interstate commerce by the pipelines. I am confident that adequate protection can be afforded the consumers and distributing companies if regulation is concentrated on this major segment of the nontransporting producers.

No one expects the Commission to handle this regulatory task without some turmoil and strife. With less than a year of actual experience in processing rate and certificate applications filed by nontransporting producers, it would be too much to expect that all of the regulatory bugs have been eliminated and the problems solved. But these problems do not appear to be any more insurmountable than the problems and legal attacks which the Commission experienced after the Natural Gas Act became law in 1938. The road ahead may not be smooth, but at least the Commission has started on a task which, if it is permitted to complete the job, would be of immeasurable value to the people of the United States.

V

The sponsors and proponents of the Fulbright bill and the Harris bill point to certain provisions of these bills as furnishing all the protection necessary to save natural

gas consumers from unreasonable rates. I have examined these alleged protections. My analysis shows they are ineffective, futile, and of doubtful legality, and will not work to protect the natural gas consumers. They were not designed to do so and are mere sugar-coating which has been applied to give the appearance of regulation without providing its substance.

One provision of the bill purports to give the Commission authority to disallow as an operating expense of the pipeline company that part of the price paid for natural gas in a new or renegotiated contract which is in excess of the reasonable market price. Aside from the doubtful legality of this provision (which would deny recovery through rates of payments made by a pipeline company in good faith under contracts entered into at arm's length), it is incomprehensible to me that the Federal Power Commission would require the regulated utility to suffer losses through the disallowance of payments in excess of the reasonable market price while the producers selling the gas were able to secure excessive profits under the contract arrangement. Such a proposal is illogical, unfair, and completely contrary to regulatory purposes. The results would be inevitable. Contract prices would be accepted as the reasonable market price. The proposed control is of no help whatsoever to the consumer.

Another section of the bill dealing with certain types of escalation clauses in existing contracts purports to relieve the pipeline company from paying producers any amount for gas which is in excess of the reasonable market price as determined by the Commission. This proposal flies directly in the face of section 1 of the Fulbright bill, which defines such sales as not being in interstate commerce. The validity of such proposal is very much in doubt, since it would appear impossible for the Federal Power Commission to regulate a sale by a producer to a pipeline company which Congress has declared not to be a sale in interstate commerce.

The reasonable-market-price standard, as it is defined in the bills and in the reports of the Interstate and Foreign Commerce Committees of the Senate and House, is of no practical benefit in providing reasonable natural-gas prices. This is so because as the standard is defined it can mean only the contract price which has been agreed upon by the buyer and seller. The reasonable-market-price standard is contrary to utility regulatory principles. Its adoption would result in no effective control being imposed on field prices of natural gas.

Moreover, these alleged consumer protections apply only where the pipeline company is seeking a rate increase from the Federal Power Commission. They do not apply to the pending rate increases or to the excessive contract prices which have already become effective. In my opinion, it would be far better to repeal the Natural Gas Act in its entirety than to give the natural-gas consumer the illusion that he would be protected by Federal regulation of the character proposed in the bills.

VI

The provision in the Fulbright bill requiring the Federal Power Commission to allow natural-gas pipeline companies owning gas reserves to include in operating expenses the reasonable market price of the gas produced from their own leases is nothing less than an invitation to the pipeline companies to pay higher and higher prices to the independent producers for the gas which they purchase, since such higher prices can be passed on to the consumer and at the same time act as a basis for increases in their profits from their own produced gas.

What possible justification can there be for this windfall to the pipeline companies? As the pipeline companies and producing affiliates own more than 28 trillion cubic feet of natural gas, they stand to gain huge profits over and above a fair return under this section of the Fulbright bill. The values of their reserves will increase as the prices rise. An indication of the bonanza which will come their way is to be found in the 1954 annual report of Panhandle Eastern Pipe Line Co. to its stockholders. The report states that the company's owned reserves are carried at a book cost aggregating less than $3 million, which the company estimates is approximately 1 percent of their replacement cost under present conditions.

In other words, natural gas reserves which cost $3 million and the costs of exploration, acquisition, and development, of which the customers of the company paid through rates, would under the Fulbright bill be sold to their customers for 100 times that cost or $300 million. Under these circumstances, how is it that the pipeline companies can be counted upon as guardians of the consumer interest in the purchase of natural gas from producers as some propaganda argues?

As a matter of fact, 7 of the major pipeline companies already have pending or have received rate increases from the Federal Power Commission based in part on the substitution of the commodity value or average field price of gas in the field, for their cost of production plus a fair return on producing properties devoted to the public interest. These requested or allowed increases cost consumers approximately $40 million annually. The Fulbright bill would make this method of regulation mandatory. Thus the reasonable gas rates which consumers have secured over the years through regulation under the Natural Gas Act would be obliterated.

VII

What will be the effect on natural gas consumers if the oil and gas industry is successful in its campaign against fair and reasonable regulation? To answer this question we need only to look at the trend of gas prices in recent times and to statements by industry spokesmen that higher gas prices are anticipated.

We have seen that the average cost of natural gas at the wellhead in the Southwest has increased from about 5 cents to 10 cents per thousand cubic feet between 1947 and 1953. Prices in new contracts range from 15 cents to 24 cents per thousand cubic feet. These increases in the field cost of natural gas occurred in the absence of effective Federal regulation because of the Commission's self-denial of jurisdiction. In 1954 utilities sold approximately 5.8 trillion cubic feet of natural gas to ultimate consumers, an increase of approximately one-half trillion cubic feet over the volume sold in 1953. However, using a volume of 5 trillion cubic feet, a modest 5 cents per thousand cubic feet increase in the average cost of natural gas at the wellhead—a rise from 10 cents to 15 cents—would cost consumers an additional $200 million a year. If the average cost of gas rises to 25 cents per thousand cubic feet, and this price has been indicated by industry spokesmen to be in range of what may be expected in the future, the consumer would be hit for $600 million a year above present gas costs. This is the kind of bonanza which motivates the $1,500,000 war chest which the industry has gathered to finance its campaign.

The attempt to minimize the impact of higher prices on gas consumers by saying "it will cost each family only a few pennies a day" is a shocking argument. Pennies extracted from the many will mean millions for the few. The whole purpose of rate regulation is to save modest sums for the users of utility services by restricting profits to a reasonable level.

Much of the industry propoganda also argues that with no regulation there will be more exploration and more gas for consumers, the implication being that reasonable regulation will stifle discovery of natural-gas reserves. No reasonable person can believe, however, that the mammoth oil industry, whose discovery and marketing of gas is incidental to its exploration and development of oil, will ever stop or slow down or speed up its primary oil exploration work because the sideline, natural gas, is subjected to fair regulation. The exploration for oil and gas will not subside in any case.

This argument then gets down to an implied threat by the oil industry that it will waste or flare the gas rather than let it come to the consumers outside of the producing States under fair regulation. I just do not believe that the industry would be guilty of such a holdup, and I do not feel that Congress should fix national policy on the basis of such implied intimidation.

One final point should be noted: If the industry succeeds in gaining exemption from Federal regulation and the average prices at the wellhead increase from the present 10 cents to 15 cents or 20 cents or 25 cents, the industry stands to gain enormous windfalls from the increased value of the natural-gas reserves which they own. At the present time such reserves amount to about 210 trillion cubic feet of gas. An increase of only 5 cents per thousand cubic feet would result in an increase in the value of the gas reserves of over $10 billion. If the prices go to 20 cents or 25 cents this windfall would be doubled or tripled. These are the vast sums which the industry stands to gain from exemption, and no one should be fooled by claims made in the name of free enterprise, freeing the small producer from Federal red tape, States' rights, or the sanctity of contracts.

Free enterprise is an essential part of our national welfare. It should by all means be preserved. But freedom of private enterprise and of contract cannot be allowed, nor has it ever been allowed, to supersede the public interest and justify exploitation of captive consumers by a noncompetitive supply system of a basic necessity. Wherever there is a conflict, it has been our traditional national policy to establish reasonable regulation to protect the public interest. That policy with respect to interstate sales of natural gas was established in 1938, and it should be preserved.

VIII

In summary, competition cannot be relied on to protect the consumer against exorbitant prices for natural gas. The industry is not really competitive at the production, transmission, or distribution levels. Once the pipelines and the gas mains are laid and the consumers have invested in appliances, a natural monopoly with captive customers is created. The natural gas industry is an industry affected with the public interest, and regulation has been and should continue to be applied. The industry has grown to the sixth largest in the Nation and has become extremely profitable. It will gain billions of dollars in windfall profits if it is exempted from regulation. It is an industry which already receives special tax treatment through the 27½ percent depletion allowance.

The industry seeks protection against loss by way of tax policy, escalation clauses, minimum wellhead prices, and conservation agreements, and at the same time complete freedom to charge what the traffic will bear to captive customers. It is my considered judgment that legislation should not be passed by this Congress, the effect of which will be complete nullification of the Natural Gas Act as an effective regulatory instrument.

We Are Awake, Mr. Dulles

EXTENSION OF REMARKS
OF
HON. IRWIN D. DAVIDSON
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 12, 1956

Mr. DAVIDSON. Mr. Speaker, in this morning's New York Times, I saw the headlines "Dulles Spurs United States in Economic War with Soviet Union." Our Secretary of State is quoted to the effect that in the cold war, he saw new emphasis on economic and social problems as the major turning point in the struggle between communism and freedom. He has asked the country to wake up to this very important new aspect of the foreign-aid program which he said our citizens had not yet sufficiently appreciated.

In a statement issued by the Secretary, he pointed out that the way to counter Soviet's efforts is "not by outbidding communism in sheer amounts of economic aid" but by making the newly independent nations of Asia feel that their needs can best be satisfied if they become and remain part of the free world. The importance of Mr. Dulles' observation is indicated by the statement "defeat in this contest would be as disastrous as a defeat in an armaments race." He characterized certain aspects of the Geneva talks as disappointing. He says, "We could lose this economic contest unless the country as a whole wakes up to all its implications."

Wake up indeed. I am glad that the Secretary has at last awakened to this shift of tactics by the Communists which I warned about in a speech in Congress exactly 6 months ago today. It was on July 12, 1955, that I tried to call attention to the new phase of the cold war, namely, the economic phase which Mr. Dulles now for the first time seems to be concerned with. Fortunately, it is not too late. But Mr. Dulles should know that some segments of our people have been awake for a long time. I take the liberty of inserting at this point in the RECORD my speech of July 12, 1955:

THE BIG FOUR CONFERENCE—NEW SOVIET PRESSURE

(Speech of Hon. IRWIN D. DAVIDSON, of New York, in the House of Representatives, Tuesday, July 12, 1955)

Mr. DAVIDSON. Mr. Speaker, I join with my distinguished colleagues in praying that the imminent conference at the summit which will be participated in by the Big Four may serve to encourage the recent seeming trend toward a reduction in the cold-war tensions. Our goal is peace. To achieve it, we shall and we must strive with all the strength and energy which, in the past, we have used to build America and to make it great.

The historic worldwide disregard for the Biblical commandment, "Thou shalt not kill," has brought us now to the point where if once again we take up the arms of war, we shall surely kill ourselves. And yet our President must go to Geneva fortified and backed by strength. There can be no relaxation of our preparedness. It has undoubtedly been our relentless struggle to maintain a sound military posture which has finally brought this first glimmer of hope in the cold war. To relent now would be to make those years of sacrifice count for naught. Make no mistake, the cold war has been costly, and we have sacrificed much in the waging of it. Our schools and children have suffered as a result. Economic and technical assistance here at home and abroad have taken second place to military preparedness.

The proof of this is the new Soviet approach. They have failed to frighten us by bluster and calculated military gambits. They were stopped in Korea because President Truman had the courage and foresight to see that failure to respond to the invasion of South Korea would mean the eventual fall of one friendly nation after another into the Soviet orbit. He saw also that it would spell the end of the United Nations. We won a round on points, but the struggle is far from over. This is one of those old-time, no-holds-barred affairs and we are now entering another round.

Among the mail which I received yesterday were appeals from natives of 2 captive countries now dominated by Russia. The Committee for Hungarian Liberation wrote calling attention to a provision of the Hungarian Treaty of Paris which provides for the withdrawal of the Russians from Hungary within 90 days after the evacuation of Soviet troops from Austria. Here it would seem exists a sterling opportunity for Russia to give evidence of its sincerity at the Geneva Conference in the light of the recent Austrian Treaty. I also received a copy of the plea for Polish freedom which was sent to the President.

The liberation of enslaved peoples must continue to be a basic objective of American policy.

In yesterday's mail, we received the next to last report to Congress of the operations under the Mutual Defense Assistance Control Act of 1951. This report emphasized the new sphere of attention in the cold war and reverts to the course which was staked out by General Marshall and President Truman. In this report, we read of the recent developments in Soviet-bloc foreign economic activities, especially in underdeveloped countries. The report graphically describes the Soviet attempts at economic penetration so we see that where the way to military expansion is barred, Communist Russia switches to conquests through economics. The goal is the same. The targets are the same, conquest and enslavement of the world, starting with the most susceptible areas.

The Marshall and Truman plans outlined our defense in this field. We have recently approved a new foreign-aid program. As I said when the bill was before us, its primary emphasis was on defense support, and I felt that the development assistance and economic and technical aid portions were not large enough. These should be increased and our efforts directed toward the new arena in which the world struggle is now patently being waged. Please do not misunderstand. I do not mean that we can in any way reduce our military preparedness. The Russians will maneuver to strike in whichever field they think there is the most chance of success. They are shifting to the economic field now and we must move with them. In fact, I urge that we move ahead of them and beat them at their own game.

The underdeveloped areas of the world are ripe for subversion and subtle economic pressure. Japan needs markets for her goods. Britain, France, and Germany likewise. As do Israel and Egypt. The Arab States, Asian countries, and the South American Republics need to import and export many goods. The smaller countries need aid in building up their lands. They need technical advisers on modern methods of farming and construction. They need schools, books, and most of the commodities which we have come to regard as necessities. To them these commodities are luxuries, enjoyed only by the very rich. Unless we help them to help themselves, we will lose this next round, and if we do, the loss is just as efficacious as if an army of Soviet troops had marched into these underdeveloped areas of the world.

We may view this in a sense of enlightened self-interest for if these depressed and possibly envious countries cannot support an adequate standard of living, they will be unable to buy the goods we produce and which we must sell for our own well-being. This country is not self-sufficient. We must import many essential supplies. We must export much to sustain our industry and continue a high level of employment. In short, we need friendly free nations throughout the world with which we can trade. If we fail to help these countries now, the Russians will see to it that they drop into the Communist field of influence and become lost to us as friends and economic partners forever.

At Geneva we must be prepared to deal with the Soviets in language they understand. We must be strong militarily and we must be strong economically. We can expect a concerted effort by the Communists to expand their program of conquest by economic subversion. I believe that that will be the base strategy of their participation in the conference at the summit.

We can win this phase of the cold war in a walk if we try. We are world champions in the economic field. We have the know-how, the ability, and the wherewithal, which the Russians cannot acquire in a hundred years regardless of what the Pravda propaganda machine might say. The important thing is that we must understand what the Russians are trying to do. We must at all times keep our attention fixed upon their motivation notwithstanding sweet talk, lessening of tension, or even a few good deeds. We must be willing to be fair, but not fooled. We must be kindly, but not kidded. We are justified in having faith in ourselves, albeit our trust must repose with the Almighty.

We are awake, Mr. Dulles; who do you really believe has been asleep at the switch?

Highway Legislation

EXTENSION OF REMARKS
OF
HON. BRADY GENTRY
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 12, 1956

Mr. GENTRY. Mr. Speaker, under leave to extend my remarks, I include the following address made by me to the annual convention of the American Automobile Association in the city of Washington on September 21, 1955:

President Sordoni, members of the American Automobile Association, ladies and gentlemen, it is unfortunate that the highways needed by today's traffic will cost so much money. It can hardly be denied that most of our main highways are grossly inadequate and are causing our motorists great losses in time, deaths, injuries, and destruction to property. While we are told by eminent authorities that it will cost motorists more in actual dollars and cents to continue using our present roads than to pay the taxes necessary to modernize and then enjoy good thoroughfares, recent happenings in the Congress are proof that modern highways are no early certainty.

Several points of difference on this problem seem to divide us. A few say that our 40,000 miles of most important highways comprising the interstate system do not need the major treatment outlined in the Highway Advisory Committee plan. Others contend that the interstate system deserves no better treatment than the remaining 700,000 miles of the Federal-aid system. While these groups helped defeat highway legislation, they constituted a minority of the opposition.

There is little question that the problem of financing caused the major opposition to this legislation or served as an excuse for such opposition. Since that problem must be resolved if we are to secure favorable results, let us proceed to its discussion.

The President, speaking through Vice President NIXON at a Governors' Conference in July 1954, called public notice to the need of a modernized system of highways. Subsequently the President appointed an advisory committee and named General Clay as chairman.

The advisory committee forthwith appointed a staff, comprised of highway and financial experts. Characteristic of the committee approach to this problem was the instruction to the staff that it evolve a plan that would spend $25 billion on highways without increasing taxes or debt.

Just think for a moment! Spend $25 billion without increasing taxes or debt! Your reaction must be that that simply could not be done. It would seem to be an utter impossibility. That a solution was even claimed is a credit to man's ingenuity.

Generally, what would the advisory plan, as formulated by the staff and committee, and recommended by the President, have done? It established a Federal Highway Corporation with a board of 5 members, 2 of whom were the Secretaries of Commerce and Treasury, or their representatives, the other 3 being public members. In the event of dispute this board, instead of the Bureau of Public Roads, would have final authority in road location, kind of roads, etc.

The board would issue $20½ billion in bonds, with interest of $11½ billion or 55 percent of the principal. Each bond would disclaim Government responsibility for its payment. The bonds finally would be retired in 1987 from a 32-year dedication and so-called capitalization of the Federal gas, diesel and lubricating oil taxes, taxes now levied as general revenue.

No revenues from these taxes would be available for construction between 1965 and 1987, all revenues in that lengthy period being pledged for payment of the $20½ billion in bonds and their $11½ billion interest.

The money derived from these bonds, plus $4½ billion, would pay the Federal Government's $25 billion share of construction in 1955 to 1965 of the interstate system.

In addition, regular Federal aid, now $700 million, would be set at $600 million and frozen at that yearly figure for the next 32 years.

Up to the present, every dollar expended by the Government on roads has been subject to authorizing legislation by Congress, full budgetary control, complete appropriation procedure, has been paid out of general revenue, and accounted for within the statutory debt limit. Such is the pattern of present Federal financing.

The advisory plan would discard each and every one of these safeguards of responsible financing. It would effectuate a complete and revolutionary departure from fiscal fundamentals and long recognized principles in Government practices.

If we dedicate to highway purposes taxes heretofore levied as general revenue, it could be adopted for a host of other purposes and finally result in the complete destruction of congressional authority over the appropriation of public funds. Actually the revenues from these particular taxes, in effect, have already been capitalized. They were capitalized, along with all other revenues from present Federal taxes, by the issuance of $280 billion in obligations by the Government with such tax revenues as security. What is being attempted here could result in stripping these $280 billion in obligations held by our people of every bit of security by reason of which they purchased them.

This Highway Advisory Committee or Clay plan would create a dummy corporation—one without assets but with authority to issue $20½ billion in bonds. And, although an entirely Government-owned corporation, it would recite in each bond that it was not a Government debt. Regardless of the facts, including contrary language in the bill incorporating the plan, it was claimed that this recital in the bonds eliminated their having to be shown as a part of the public debt, necessitating debt increase legislation by Congress. Yet, Government witnesses appearing before our committee, while disclaiming the bonds as Government debts, immediately hastened to add that the Government would have to pay them. But why, since we must pay them, should we say in the bonds that they are not debts of the Government when it causes our taxpayers to have to pay hundreds of millions of dollars in needless interest? Mr. Humphrey testified that this recital alone would increase their interest from one-eighth to one-half percent, or by $475 million to $1,900,000,000.

Just what does the legislation incorporating the advisory plan provide regarding the debt character of the bonds? It first stated that each bond must contain a recitation that it was not guaranteed by the United States and that it was not a debt or obligation of the United States. This recital of itself would restrict the bondholders to the revenues dedicated to bond payment.

In the very next section of the bill, however, it recited that the corporation could call on the Treasury for $5 billion when tax revenues were insufficient for debt service. That positively and irrevocably guaranteed $5 billion of the bonds and made them a debt of our taxpayers, regardless of the prior provision. But that is not all.

In the following section, it made the entire bond issue a lawful investment for fiduciary trust and public funds of any officer of the United States, including the Secretary of the Treasury. That meant that any Government funds, including social security and unemployment insurance funds, could buy these bonds. There was no restriction as to when they could buy them. Seemingly, it could be when offered by the Highway Corporation or when offered by some bond house originally purchasing them.

Even though it is contradictory, if not questionable, for bonds reciting that they are not Government obligations to be made eligible for investment in all Government funds, was this not an assurance to bond buyers that these bonds were recognized as Government obligations and would be paid by the Government? Was not this meaning made clear by Mr. Humphrey's public assurance that the Government would pay them if the tax revenues were insufficient? Under this provision, the Treasury's purchase of these bonds would, in effect, constitute a payment of them by the Government.

What was the testimony of Government witnesses concerning this? In effect, here is what they said:

"These bonds are not debts or obligations of the Government, but they are moral obligations, and the Government will, of course, have to pay them. It will have to do that to protect its credit."

Doesn't it seem unusual that anyone would question classifying as debt something which they say the Government must pay?

Just why would the Government have to pay them to protect its credit? Both because they are issued by a solely Government-owned corporation and because it obligated itself not only in the $5 billion provision of the bill but in the succeeding provision making them eligible for investment in all Government funds.

What was the result of all this mumbo-jumbo of the committee plan? Everybody got what they wanted. The Treasury could rely on the recital in the bonds that they were not Government debts and thus say that neither the debt nor debt limit would be increased. The bond buyers, regardless of the bond recital, could rely not only on the further provisions of the legislation which did obligate the Government but also on the assurances of the Secretary of the Treasury that the Government would pay them. Who was losing by all this financial word-juggling? You taxpayers were losing and so was responsible fiscal policy.

If the Government is to do further major deficit spending, there should be no question of its true character and it should mean the same thing to all people. Mr. Humphrey, as Secretary of the Treasury, can issue these bonds in the same number, of the same denomination, of the same maturities, at the same time, just as he can as the guiding member of the Highway Corporation Board. He can pay each bond of the same number, same denomination, same maturity, with the same funds from the same bank, and on the same date, just as he can as a Board member. Whether done by him as Corporation Board Member or as Secretary of the Treasury, it is deficit financing, pure and simple.

The great difference would be that our taxpayers would pay a penalty up to $1,900,000,000 in additional interest if it is done through the Highway Corporation. But the greatest loss would not be this large sum in unnecessary interest, great as it is, but the deadly precedent it sets in fiscal policy. In passing, it seems worth noting that before announcement to the public was made of the advisory plan, a convocation of investment bankers from New York and Chicago was held in Washington to consider the unusual language of its bond provisions.

The idea of the Federal Highway Corporation is represented as the easy way. It is the painless solution. It would have us believe we are getting something for nothing—billions in highways, without debt and without taxes. What could be more vicious in its evil potentiality for a Government's fiscal soundness? It could be the beginning of a chain of Federal corporations, each nibbling away a portion of the Government's general revenues which, even during the boom time of the last few years, still have been insufficient for us to live within our income. The danger is illustrated by the fact that a newspaper of the integrity of the Christian Science Monitor suggested in a front-page article a few days after the advisory financing plan was publicized that the billions needed to correct the schoolroom shortage might also be solved through the organization of a Federal School Corporation and assigning to it part of the present general revenue of the Treasury for dedication and capitalization. No specific taxes were suggested to be taken from the Treasury for this purpose. It could be the cigarette tax, or 5 percent of the income tax, or 10 percent of the corporation tax, or all or part of any tax now levied for general-revenue purposes. Just what will happen to the present manifold obligations of the Government if a great portion of its revenues are assigned to newly organized Federal corporations in order to secure new or greatly enlarged services? If this precedent is established, there is no earthly reason to doubt that other Congresses might utilize it to effect possible demoralization in Government financing.

Has the Congress ever passed legislation disclaiming the obligations of its corporations, while Government officials insisted the Government would pay them? In a recent release Senator BYRD, Senate Finance Committee chairman and long experienced in Government finance, said:

"I have searched the records and never before has such a proposal as this been seriously considered by the Congress."

The Senator aptly characterized the advisory plan when he said:

"We must remember that we cannot avoid financial responsibility by legerdemain nor can we evade debt by definition."

Comptroller General Campbell was appointed by President Eisenhower only last year. It is a duty of the Comptroller to prevent irregular action by Congress and the executive department. Testifying before the Senate committee considering highway legislation, Comptroller Campbell, with understandable restraint, said:

"We feel that the proposed method of financing is objectionable because the result would be that the borrowings would not be included in the public debt obligations of the United States.

"The total amount of borrowings by the corporation would amount to the very substantial sum of $20½ billion and, in our opinion, would be borrowings of the United States Government, irrespective of the terminology applied.

"It is our opinion that the Government should not enter into financing arrangements which have the effect of obscuring the financial facts of the Government's debt position."

The President appointed a Commission on Intergovermental Relations in 1953. Composed of many of America's ablest minds, it was directly to examine the role of the National Government in relation to the States. Making its report last June, after long and careful study of the advisory committee plan, it said:

"The Commission recommends that the expanded highway program be financed substantially on a pay-as-you-go basis and that Congress provide additional revenues for this purpose, primarily from increased motor-fuel taxes.

"The effect of our recommendation on highway aids will be to increase Federal expenditures. An increase in taxes is preferable to deficit financing as a means of supporting major highway outlays by the National Government. The latter method would result in high interest charges and would shift the burden to citizens of future generations, who will have continuing highway and other governmental responsibilities of their own to finance."

You are told to accept the advisory plan, pay as you use, and your days of worry are over. It is presented as solving the problems of the interstate system and regular Federal aid, with no additional taxes and no additional debt.

I should now like to try to show you that in addition to all its dangers to sound fiscal policy, it is fatally defective for a second reason, the basic one that it does not solve the problems of the interstate system and Federal aid for 32 years but actually will involve us in an even more difficult position than we are in today.

Regular Federal aid for the current year is $700 million. Considering the great traffic problem and the Government's responsibility as prescribed by our Constitution, I doubt if this sum is reasonably sufficient for the Government's contribution to the 700,000 miles of the regular Federal-aid system. But, granting that it is reasonable today, what would be reasonable Federal aid in 1987, one-third of a century hence, a year in which the advisory committee tells us that traffic on the highways will be more than twice as great as that today. Based on these figures, would not $1,500,000,000 be modest Federal aid in that faraway year. Starting with $700 million in 1955 and increasing Federal aid $25 million yearly would attain the figure of $1,500,000,000 in 1987, which was a provision of the Fallon bill.

What does the advisory plan do on regular Federal aid? It sets Federal aid at $600 million for 1955 and freezes it at that figure through 1987, decades after it would be a mere pittance. Why does it do that? It had to because its plan for capitalization of the gas, diesel, and lubricating taxes would not permit more after meeting bond and almost $12 billion interest payments. How much deficiency, then, is created in construction on the regular Federal-aid system by reason of insufficient aid from 1955 to 1987 under the facts here outlined? The answer is $16,700,000,000.

Now, let's revert to the interstate system, also supposedly solved for 32 years. Not one cent would be available from the capitalized revenues with which to do additional construction on the interstate system during the period 1965 to 1987, almost a quarter of a century. Remember that some of these roads would be constructed in 1955, 32 years before, and that all of them would be constructed by 1965.

On the interstate system 7,000 of the 40,000 miles will be constructed as two-lane roads because four lanes are not now required. What does the advisory plan do for that portion of these 7,000 miles on which the impact of more than doubled traffic will necessitate four-lane highways before 1987? Much of these 7,000 miles will need to be four-laned before that time.

What about the four-lane roads on which mounting traffic before 1987 necessitates six-lane highways? Thousands of miles will fall into this category.

What about those interstate routes where tremendous traffic increases necessitate additional parallel highways before 1987? There will be many of these. The advisory plan would leave traffic in a complete state of strangulation on four-lane highways falling in this category.

What would the advisory plan provide for interstate roads constructed between 1955 and 1965 which will have to be newly constructed long before 1987? Actually, how many miles of interstate highways constructed in the year 1955 would have to be reconstructed before 1987? Certainly many of them. What about those that would be constructed in 1956? In 1957? In 1958? The advisory plan does not meet this serious problem. If not met by the Congress, much of the traffic on the interstate system in 1987 will be traveling on jagged, broken concrete.

Do I exaggerate the insufficiency of the advisory plan as to the interstate system? I have here House Document 120 entitled "Needs of the Highway Systems, 1965–84," a report from the Bureau of Public Roads.

On page 14 it shows that if the interstate system is constructed between 1955 and 1965, additional construction, not maintenance, will be needed thereon between 1965 and 1984—not 1987—of $9,700,000,000. The advisory plan makes no provision whatever for that. Its revenues in that period are paying bonds and interest.

Let's estimate that construction deficits on the interstate system up to 1987 are $11 billion, probably an underestimate. The two deficiencies, therefore, that on the interstate of $11 billion and that of $16,700,000,000 on the Federal-aid system, total $27,700,000,000. But that is what it would have cost had it been done as the need materialized. Based on experience, what would it cost in 1987 to then build the roads which could and should have been constructed for almost $28 billion during the previous 32 years? It would be quite a sum, probably not less than $35 billion.

But, that is not all. What about the losses suffered by motorists in time, deaths, injuries, and property destruction solely because $28 billion in needed highway construction is left undone over a 32-year period? That would be many, many additional billions.

So, how do we stand in 1987 under the advisory plan? Will we not have woefully failed to meet the problem that was so obvious back in 1955?

What do these facts mean? They mean that we have never had enough available tax revenue to build the highways we needed; that we don't have enough available tax revenue today; and, that we delude ourselves if we think we will solve this problem by deficit spending through bond issues. If we do this, we simply compound our problem by using a part of insufficient and greatly needed revenue in paying interest.

In seeking an answer to our problem, let's consider recent statements by two men distinguished in the automotive field.

James J. Nance, president, Automobile Manufacturer's Association, appeared before the House Public Works Committee. He showed that the losses of motorists occasioned by inadequate roads amount to $5,300,000,000 yearly; $2,600,000,000 of this loss is on the interstate system. The Fallon bill, the last highway measure to be voted on recently, would have imposed taxes of three-quarters of $1 billion annually, only one-quarter of the yearly loss being suffered on the system which it would have modernized, a modernization that would have eliminated all labor, gas, brake, and tire losses due to inadequacies, and a major portion of the thousands of deaths and hundreds of thousands of injuries occurring each year on that system.

In a New York City address last February 14 before the Switzerland Road Commission, Karl M. Richards, head of the motor truck division of the Automobile Manufacturer's Association and secretary of its highway policy committee, said that the commercial trucking industry would save $1,450,000,000 yearly in labor, gasoline, tire and brake economy by the construction of the interstate system. This yearly saving would have been twice the amount of yearly taxes imposed in the Fallon bill, not on just the commercial trucking industry but on the entire 60 million automobile, small truck, and commercial truck owners. The Fallon bill not only would have modernized the interstate system in less than 16 years, it would also have provided reasonable Federal aid for the regular Federal aid system.

It seems material in this connection not only that Mr. Richards and Mr. Nance both stated that motor transport income is now over $50 billion annually, but that the commercial trucking industry can pass on increased tax charges, a privilege not available to a majority of other motorists.

If we do not build these roads, our motorists must continue suffering losses each year of several times what it would cost to construct, within a relatively short time, a modern interstate system that would, if reconstruction and expansion is provided for, eliminate further inadequacy losses forever.

Nothing would seem more unjust to the automobile and small truck owner than to have road construction financed almost solely by a gas tax, now that the Government for the first time contemplates major highway expenditures. The fact that a heavy vehicle derives more than four times as many ton-miles from a gallon of gas than does an automobile makes a gas tax a very highly inadequate measure of road use for the former. This disparity is further emphasized by the fact that the heavy truck carries an axle load of approximately 10 times that of the automobile and its weight is 18 times as great. This disparity is multiplied many times in related damage to highways.

Would it not, therefore, seem that the course which we should follow was charted in the Fallon bill which was rejected? Surely we will not at this late date take the easy road

by yielding to fear and political expediency. That will never get us the highways our motorists need and should have. Certainly we ought to do that which will neither involve us in deadly precedent nor lead us into fiscal irresponsibility. Neither should we accept a plan that is wholly insufficient and can only result in growing highway inadequacies and greater financial losses. We need legislation that is not only fiscally responsible, but also equitable as between various road-user groups. It should not be sufficient for a season only, but that which will give us the highway system required today and permit expansion as it is needed on tomorrow. Then and only then can we say that we are on the high road to solving our highway problem.

Excise Tax on Nonhighway Gasoline to Farmers Should Be Repealed

EXTENSION OF REMARKS
OF
HON. THOMAS A. JENKINS
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 12, 1956

Mr. JENKINS. Mr. Speaker, a few days ago I introduced a bill which I think will be of great interest to the farmers of the country, and which I think will tend to relieve the complaints made by the farmers with reference to legislation heretofore passed that has been to their disadvantage. My bill, H. R. 8259, is a bill to amend the Internal Revenue Code of 1954 to relieve farmers from the payment of excise tax on gasoline and lubricating oils used exclusively in farm tractors or farm machinery or for other agricultural purposes. A copy of this bill is as follows:

Be it enacted, etc., That section 6416 (b) (2) of the Internal Revenue Code of 1954 (relating to special cases in which taxpayments are considered overpayments) is hereby amended by striking out the period at the end of subparagraph (H) and inserting in lieu thereof "; and", and by adding after subparagraph (H) the following new subparagraph:

"(I) in the case of gasoline and lubricating oils, used or resold for use exclusively in farm tractors or farm machinery or for other agricultural purposes."

SEC. 2. The amendments made by the first section of this act shall apply only with respect to gasoline and lubricating oils sold by the manufacturer, producer, or importer thereof on or after the first day of the first quarter which begins more than 10 days after the date of the enactment of this act.

Immediately following the introduction of this bill I made a public statement, which is as follows:

I have just introduced a bill to carry out the recommendation of President Eisenhower that the Nation's farmers be relieved of the payment of Federal excise taxes on purchases of gasoline and lubricating oils used exclusively for agricultural purposes. This recommendation was contained in the President's farm message delivered to the Congress.

Many States already exempt farmers from their own gasoline tax. I believe that the time has come for the Federal Government to grant a similar exemption. The present Federal taxes on gasoline and lubricating oils simply go to increase the farmer's cost of production. As a result, these taxes contribute to the price-cost squeeze from which our farmers are suffering today.

I shall press for prompt and favorable consideration of my bill.

This legislation which I have proposed has met with the approval of practically all of the farm organizations and farmers of the country who know about it.

The American Farm Bureau was anxious to have this information sent out to its members all over the country and to accomplish this their representative, Mr. John F. Lewis, arranged for radio time, and, as a result, I made a statement for the radio which I hope was heard by farmers all over the country, because they are very much interested in this matter:

This is what I said over the radio:

For some years the farmers of this Nation have had to pay Federal taxes on the gasoline used on their farms.

Since the inception of this levy, it has been pointed out that this is unfair taxation since the revenues derived are usually utilized to finance the construction of highways and in no sense provide any direct benefit to the man who is running a tractor or other farm equipment on his farm.

I have been impressed lately by the efforts of the membership of the Farm Bureau in my State of Ohio and other farm organizations across the Nation in having taxes on non-highway-used gasoline repealed.

It was heartening to me to hear the President endorse the repeal of these unfair taxes in his farm message to the Congress.

In connection with this I have introduced, and will push to enactment, a bill, H. R. 8259, to carry out this recommendation of President Eisenhower.

Farmers use an estimated three billion gallons of gasoline on their farms and ranches in the United States each year.

If my bill becomes law, it will save the farmers of this Nation some $60 million annually in relief from the present 2-cent Federal gas tax. If, under pending proposals for financing an expanded Federal highway building program, the tax is increased to 3 cents, my bill will save farmers $90 million a year.

I am happy to have sponsored this bill which embodies recommendations strongly advocated by the farmers in Farm Bureau and other farm organizations in the country. This is something in legislation that they have long sought, long deserved, and should have.

Mr. Speaker, I hope the Congress will give immediate consideration to this very appropriate and very necessary legislation.

Address by Hon. John W. McCormack, of Massachusetts, at Butler County Democratic Committee Annual Dinner, Butler, Pa.

EXTENSION OF REMARKS
OF
HON. THADDEUS M. MACHROWICZ
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 12, 1956

Mr. MACHROWICZ. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address:

Mr. Toastmaster, distinguished and invited guests, my fellow Americans, and fellow Democrats, I am highly honored in your invitation to be with you tonight, and to participate in and address this gathering of fine Americans and Democrats.

I am happy to be in the district represented so ably in the Congress by my friend and colleague, Congressman FRANK CLARK. The people of the 25th Pennsylvania Congressional District are justified in being proud of Congressman CLARK. His ability, sincerity, and devotion to duty have already made him an outstanding Member of the national House of Representatives. He enjoys the respect and confidence of his colleagues and of the Democratic leadership; Speaker RAYBURN and myself.

It is in the best interest of a district to keep a public official like Congressman CLARK in office, giving him seniority and prestige, and enabling him to broaden his service for district, State, and Nation.

I am pleased to be again in Pennsylvania where I campaigned in 1952 for Governor Leader, the State ticket, and congressional candidates. In Governor Leader Pennsylvania has a chief executive of whom you can be proud. His leadership is outstanding. He has already made a national name for himself, and it is growing rapidly. His ability, coupled with his humbleness and simplicity, is most noticeable.

I am so glad to see again and to pay proper tribute to one who, with her distinguished brother, has given a lifetime of service to the Democratic Party—your fighting national committeewoman, Mrs. Emma Guffey Miller. No tribute from anyone is too great for her.

All of us feel very sorry for the President and Mrs. Eisenhower in the President's illness, and we sincerely hope and pray for his rapid improvement and recovery to good health.

The President's illness is most unfortunate at this time in the world's history, because no one, under our constitutional setup, can decide and act as can the President. It is difficult to substitute anyone else, or a council, or a committee, or whatever a group might be termed, for the President. The battle for position—the conflict of interests—the ambition of individuals—human emotions—and efforts of groups within the administration and the Republican Party to gain control of the party machinery, and control the next convention, particularly if the President is not a candidate for reelection, comes into forceable operation with dividing results.

During the President's illness the Democratic Party will do everything possible to stabilize conditions, and particularly in the field of foreign affairs, to give strength to our policies and our position. We can and we will render, if consulted, outstanding service for our country, because particularly in the field of foreign affairs the Democratic Party is united, while the Republican Party, unfortunately, is sharply divided.

I look in the next several months for the GOP Old Guard and the Republican isolationists to come out of their political underground where they were driven by President Eisenhower.

The Democratic Party in Congress will continue its constructive attitude. However, the responsibility for policy and action will rest upon the Republican administration, which controls the machinery of our Government. While we will be a cooperative and stabilizing influence, that does not mean that we will not comment or constructively criticize the domestic and foreign policies of the present administration. Under our constitutional form of government it is our duty to do so, and we shall not fail in our duty to the people.

In 1952, the Republican candidates ran against the Democratic Party. They played upon every gripe and dissatisfaction possible, and some of their candidates for high office,

and I refer particularly to Vice President NIXON, resorted to statements that were not only undignified and unfair, but false. If some person stated that some of his charges were comtemptible, I would not challenge such an assertion.

In 1956, the situation will be different. The Republican candidate for President, and other Republican candidates, will not be able to run against the Democrats—they will have to run on the record of their own administration. They will not be on the delivering end in 1956.

And the Republican record is one of broken promises.

Let me refresh your memory on some of their broken promises.

1. A balanced budget. They are now frantically, for campaign purposes, after 3 years, trying to balance the budget in this fiscal year, and it can only be done at the expense of our national defense and our national security.

2. To reduce the national debt. Instead, it has been increased.

3. To be fair to labor. We find instead the stacking of the National Labor Relations Board, a majority of which members have administratively made decisions adverse to labor. What about the promise made to labor to amend and remove the harsh provisions of the Taft-Hartley Act? The promise was made—amendments were drafted which labor would not oppose, and before the President sent his message to Congress, someone "leaked," and big interests immediately opposed. The message was never sent to Congress. You will remember that former Secretary of Labor, Martin Durkin, a great man, and the only Democrat in the Cabinet, resigned over this broken promise.

4. The promise to the farmers of our country. Everyone knows what has happened to our farming communities under the present Republican administration. It will be remembered that the Republicans promised to reduce farm surpluses and also to reduce losses to the farmer. Instead, under the Republicans, there is reduced farm income, and in the last fiscal year—the largest loss in the history of the farm program, in the sum of $799 million. And after nearly 3 years of Republican control, the only excuse they can offer is to still blame the Democrats.

5. The promise to give fair and equitable treatment to small and independent businesses. Instead, we find Government contracts sharply reduced; bankruptcy among this group sharply increasing; mergers; and the frantic desire for "bigness" running rampant, resulting in a "squeeze play" upon this important segment of our society. When the Republicans terminated the Reconstruction Finance Corporation, which was very helpful to this type of business, they established the Small Business Administration; but, by law, curtailed its ability to act effectively. I can say with pride that in the last session, the Democratic Congress, despite Republican opposition, extended this law, and in a manner where this important segment of American business can receive fair and effective consideration. One illustration is that we increased the maximum loan capacity from $150,000, under the Republican law, to $250,000, under the Democratic measure. We also struck out other restrictive provisions of the Republican law.

6. The promise made to help, through contracts, labor-distressed areas. Under the Democrats we allowed a certain differential in bid price to firms located in such areas; as well as to small and independent businesses. Under the Republicans, this was wiped away.

7. The new military look. Our Army and Navy and Marine Corps have been sharply reduced, particularly our Army. And the Communist leaders in the Kremlin smile and slap some of our officials on their backs and boast openly that they are still intent on world revolution and world domination—with the determination and hope of taking over by internal subversion nation after nation in an effort to try and have America alone in the world.

8. Massive retaliation. Do you remember that promise? There has been a constant retreat from that to "peaceful co-existence"; then, "peace through trade," later, "cooperative peace"; and now, we have reached the policy of "no force"—whatever that means. To other free countries that is construed as weakness, uncertainty, and even appeasement.

9. To unleash Chiang Kai-shek. Do you also remember that promise? Everyone was led to believe that this meant that forces of Nationalist China would invade Red China in an effort to defeat the Red Chinese and regain continental China. The present administration has retreated from that dynamic policy, widely proclaimed, and widely acclaimed. And now Chiang and his forces are tied to Formosa and the Pescadore Islands, and in fear of further restrictions.

I could talk of other policies such as agonizing reappraisal directed at the time it was uttered toward France. And as we view the evidence since the meeting at the summit, it is apparent that we should undergo an agonizing reappraisal of our present situation.

While the Democratic Party has shown great statesmanship in its bipartisan cooperation, it is the right and the duty of the Democrats—in fact, members of both parties—to speak out and to alert and warn the people.

It was only the other day that Admiral Radford, Chairman of the Joint Chiefs of Staff, called for the maintenance of great "military and moral strength" and that "for the time being"—and that may be for a very long time—"our job is to stay strong and help our allies to stay strong." And Admiral Radford said further, "Never has the need for unity among nations been so great. Now is not the time to relax our vigilance."

Both President Eisenhower and Secretary Dulles have repeatedly said that the intent of the Communists for world revolution and world domination has not changed.

Only a few days ago, Senator KNOWLAND, Republican leader in the United States Senate, in lashing out against the Soviet Union, said, "There is no reason to believe there is any change in the basic premise of the Kremlin. There has been no demonstration of a change by deeds. They lie, cheat, and violate agreements and other things."

And what better evidence can we get than from what recently came from the lips of Khruschev, the present No. 1 Communist leader in the Soviet Union, while speaking on September 17, 1955, only a few days ago, to the East German delegates to Moscow, in observing that since the Geneva Conference people in the West have talked about how the Soviet leaders now smile, said, "That smile is genuine, it is not artificial. We wish to live in peace, tranquilly." Then he warned, "If anyone believes that our smiles involve abandonment of the teachings of Marx, Engels, and Lenin, he deceives himself poorly. Those who wait for that must wait until the shrimp learns to whistle."

And yet, in the light of this fact, there are some persons in America who believe that the Communist leaders in the Kremlin are sincere in their desire for peace.

Yes, the Communist peace of submission to communism, of enslavement, persecution, imprisonment, and death—but that is not our peace, the peace of men and women who desire and are determined to be free under God and under law.

We read of the spirit of Geneva. What should concern us is not words, but deeds and results that flow from Geneva. And if we are frank with ourselves we can only view the results to date with great concern. We should be greatly concerned about what is self-evident to anyone who is honest with himself:

1. The free world is being lulled into blissfulness, which is what the Communists want, and

2. The Communist leaders in the Kremlin are showing and convincing captive peoples—and even Russians who oppose communism—that they are forgotten by their Western friends, and that they had better accept as final their fate under communism.

The policy of peace through strength, which the Democratic Party stands for, with a consistent policy of military strength and power, and firm diplomatic policies, is the best course for America and the free world—not frequent changes and shifts, or signs of weakness, such as "massive retaliation" of about 3 years ago, to "no force" of today.

The Democratic Party stands for constant vigilance—recognizing that the price we pay for military strength and power that will create fear through respect, and deter aggressive action or a sneak attack by Communist Russia, is the premium we pay for liberty and preservation.

The fact is the only thing the Communists respect is what they fear, and that is military strength and power greater than they possess—and that is just as true today as it was before "the summit" conference. And we should not forget that the effective instruments by and through which our national objectives are attained in the field of foreign affairs is our military strength and power. We must be realistic. There is too much involved if we are not.

It is all right to negotiate, but not to compromise ideals and principle and truth which we believe in. And successful negotiations with Communist Russia, as long as the Communist leaders adhere to the Lenin-Stalin intent of world revolution and domination, can only be on the basis of strength.

The Democratic Party has oposed the military cuts that have been made.

Under Roosevelt and Truman we stood for peace through strength. We kept our allies united with us through friendship.

We view with concern the weakening of NATO, the spread of neutralism, the situation at Cyprus, the sale of Communist arms to Egypt, the suspicions growing against us in South Korea and in Formosa—all of which have taken place since "the summit" conference, as well as the situation in South Vietnam and Southeast Asia.

It seems to me that immediate consideration should be given by the administration to get back to the foreign policies of Roosevelt and Truman, which the present administration followed until the summit meeting—the sound policy of peace through strength.

This gathering is representative of the political life and history of America. How fortunate we are to be citizens of our beloved country in which free and untrammeled elections are held, the voters with complete freedom to exercise their judgment and conscience, and to vote for such candidates or party as they desire. It is our duty and obligation to preserve our institutions of government for ourselves and for future generations.

We are fortunate in having the two-party political system—bringing political stability and enabling responsibility to be placed on the party in power. We want this effective party system to continue, rather than a multiple party system of other democratic countries, which usually results in instability. Neither do we want the one party controlled system of dictatorial or totalitarian regimes.

While we oppose and criticize the political mistakes of our political opponents, we respect them. For over and above all, we are Americans, and our country comes "first, last, and always."

While we respect our political opponents, we feel that the Democratic Party in control of our Government is for the best interests of our people. Our policies and leadership have so impressed our people that, today, the Democratic Party is the stronger of our two great political organizations. During the past 25 years, in particular, our party has gained rapidly in strength throughout the Nation. And despite the temporary setback of 1952, the Democratic Party is steadily increasing in strength.

For the backbone of America—the workers, the farmers, the housewives, the small independent businessmen, the average American, are realizing more and more that the Democratic Party is their true friend, that the policies and leadership of our party are dedicated to the service and the best interests of all the people, and not of a select few. They realize that the Democratic Party is not dominated by a combination of certain big-finance and big-business interests, who are nonelected, and who meet in secrecy, and in the main, determine the policies of the Republican Party.

For there is one thought that is rapidly growing in the minds of average Americans, and that is that certain big-finance and big-business interests are in control of the present Republican administration and the evidence of the past 3 years justifies that thought.

The giveaways of the Republican 83d Congress, with the Dixon-Yates contract of ill repute, tax benefits for the few, the attempt to permit big business to exploit the great natural resources of our public domain, which, fortunately, the Democrats in Congress stopped; permitting the wave of mergers, many of them in violation of our antitrust laws, and designed to eliminate competition and increase prices; the disregard of small and independent businesses; the tremendous influence exercised by representatives of the financial and business barons of our country as advisers on policy of this administration, and occupying positions of conflict, for no man can serve two masters; the bypassing of Congress through the stretched interpretation of some provisions of law, so that they will not have to go to Congress for necessary authorization, which would mean penetrating inquiry and public information; the Republican policy of private utility exploitation of our great natural resources, as evidenced by Hells Canyon and other administrative acts; the breaking of their promises to the workers and the farmers, and to the Government employees, are some illustrations of the extent to which big-business thinking dominates and controls our Government.

But, fortunately, as a result of the election of a Democratic Congress in 1954, the Republicans cannot put through any more giveaways in the Congress. The big interests now look to administrative action by the executive branch, controlled by the Republicans, to accomplish their purposes.

As the 80th Republican Congress is remembered as the do-nothing Congress, so is the 83d Republican Congress remembered as the giveaway Congress.

It is due to the courageous fight made by the Democrats in Congress that some of the proposed giveaways of the Republican 83d Congress were defeated. One thing is certain, in the present 84th Democratic-controlled Congress giveaways by legislative action have been stopped.

The Democratic Party as the minority party in the 83d Congress, and as the majority party in the present 84th Congress, has been a constructive influence. Instead of being a party of "blind opposition," which the Republican Party was during the administrations of the late beloved Franklin D. Roosevelt and the fighting Harry S. Truman, our party has supported good measures, and, when in disagreement with the President, we constructively criticized, constructively opposed, and constructively proposed. As an example, let me refer to the road bill. The plan of the administration would have meant an abdication on the part of Congress of its constitutional powers for a period of from 10 to 30 years. The road plan of the present administration in a period of 30 years would have cost the taxpayers $11,500,000,000 more than the Democratic plan. This bill was well termed "The Banker's Dream."

Our party has lived up to the highest ideals of a political party. There is every reason for every Democrat, or any person who voted Democratic, to be proud of the action of the Democratic Party. There is every reason for progressive-minded Republicans and Independents to vote for Democratic candidates in the future.

The $1 minimum wage bill is a great Democratic victory for the workers. You will remember that President Eisenhower recommended an increase only from 75 cents to 90 cents per hour. It was over the opposition of the great majority of the Republicans, who voted for a lesser amount—in the Committee of the Whole—that we put this meritorious bill through.

The passage by the House, which the Senate will pass next year, of the expanded social security bill is further evidence of the constructive leadership of the Democratic Party.

The Democratic Party has always been dedicated to the passage of legislation that will preserve and strengthen the family life of America. For the family life of a nation is the very basis of its strength or weakness. A strong family life means a strong America; a weak family life means a weak America. And the modern history of the Democratic Party under the immortal Franklin D. Roosevelt, and courageous Harry S. Truman, has been one of fighting for legislation that will preserve and strengthen the family life of our country. And what more noble motive and purpose can any political party have than this?

There are so many bills to which I could refer in support of this statement—among which would be included unemployment compensation, earned annuities, old-age assistance, aid to the sick and the blind, appropriations for medical research, minimum-wage legislation, developing the great natural resources of our country for the benefit of our people, the right of labor to organize and bargain collectively, proper consideration for the farmers, just consideration for small and independent businessmen, protection of bank deposits, housing legislation, proper consideration of our Federal employees, and many other progressive measures, most of which were enacted into law over the bitter opposition of the great majority of Republican Members.

The Democratic Party of today is living up to the traditions and noble ideals of Jefferson, Jackson, Cleveland, Wilson, Roosevelt, and Truman. And I might also say that the few progressive measures recommended by President Eisenhower which have become law were passed only because of Democratic support.

During the past 3 years we have repeatedly read statements by economists and Republican leaders that we will never have another depression, due to "the cushions that exist in the law." Yes; but who put those cushions into the law? It was under the leadership of Franklin D. Roosevelt and Harry S. Truman that the Democratic Party, usually over the bitter opposition of the Republicans, put those cushions into the law.

Whether as a majority or a minority party in Congress—whether under a Democratic President or a Republican President—the Democratic Party in Congress has acted affirmatively and constructively.

So, with the record of broken promises of the present Republican administration, of its domination by certain big business interests, and with the other issues that we have, we can look forward to the 1956 elections with confidence of victory for the Democratic candidate for President, and an increased Democratic House and Senate in Congress, and of further Democratic gains on the State and local level.

SENATE

MONDAY, JANUARY 16, 1956

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal God, who hast been the hope and strength of many generations and who, in all ages, hast given men the power to seek Thee and, in seeking Thee, to find Thee: To these servants dedicated to the public welfare grant, we beseech Thee, a clearer vision of Thy strength, a greater reliance on Thy unlimited resources, and a more confident assurance of the final victory of Thy kingdom of love. Forbid that facing problems so vast in their ramifications, claiming for their solution our highest powers, any one of us should stain the brightness of the morning or darken the noontide with any shameful deed, mocking our possible best.

In a tangled day, fraught with destiny for the whole world, curb wild tongues that have not Thee in awe. And here, with all mankind looking and listening, let all bitterness and wrath and clamor and evil speaking be put away with all malice; and may we be kind to one another, tenderhearted, forgiving even as God for Christ's sake hath forgiven us. In His name we ask it. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, January 12, 1956, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed a bill (H. R. 7930) authorizing the completion of the initial stage of development for flood control and other purposes in the Russian River Basin, Calif., in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H. R. 7930) authorizing the completion of the initial stage of devel-

opment for flood control and other purposes in the Russian River Basin, Calif., was read twice by its title and referred to the Committee on Public Works.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Committee on Finance was authorized to meet during the session of the Senate today.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business for action on the nominations on the executive calendar.

The motion was agreed to; and the Senate proceeded to consider executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting several nominations, and withdrawing the nomination of Robert R. Bowie, of Maryland, to be an Assistant Secretary of State, which nominating messages were referred to the Committee on Foreign Relations.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. JOHNSON of Texas. Mr. President, I wish to report favorably two nominations to be placed on the calendar.

The PRESIDENT pro tempore. The nominations will be received and placed on the calendar.

Mr. LANGER. Mr. President, will the Senator from Texas yield for a question?

Mr. JOHNSON of Texas. I yield.

Mr. LANGER. May I ask the Senator from Texas to state what the nominations are?

Mr. JOHNSON of Texas. The nominations are from the Committee on Finance and concern two customs collectors.

The nominations are as follows:

James Weldon Jones, of Texas, to be a member of the United States Tariff Commission; and

Charles J. Walker, Sr., of Texas, to be collector of customs for customs collection district No. 22, with headquarters at Galveston, Tex.

The PRESIDENT pro tempore. If there be no further reports of committees, the clerk will state the nominations on the executive calendar.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

The Chief Clerk read the nomination of Lowell Thelwell Coggshall, of Illinois, to be Special Assistant on Health and Medical Affairs to the Secretary of Health, Education, and Welfare.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

UNITED STATES TARIFF COMMISSION—NOMINATION PASSED OVER

The Chief Clerk read the nomination of William E. Dowling, of Michigan, to be a member of the United States Tariff Commission.

Mr. JOHNSON of Texas. Mr. President, I have had a request that the nomination go over, and I ask that it go over.

Mr. POTTER. Mr. President, will the Senator from Texas yield?

Mr. JOHNSON of Texas. I yield.

Mr. POTTER. Is the Senator from Texas asking that the nomination go over?

Mr. JOHNSON of Texas. Yes.

Mr. POTTER. Will the nomination be taken up at the next call of the Executive Calendar?

Mr. JOHNSON of Texas. I would not say that it will be taken up at the next call. I do not know when it will be taken up, but at the present time it is going over, because a Senator asked that it be done. That is the course usually followed.

The PRESIDENT pro tempore. The nomination will be passed over.

COMMISSIONER OF INTERNAL REVENUE

The Chief Clerk read the nomination of Russell C. Harrington, of Rhode Island, to be Commissioner of Internal Revenue.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

COAST AND GEODETIC SURVEY

The Chief Clerk proceeded to read sundry nominations in the Coast and Geodetic Survey.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the nominations in the Coast and Geodetic Survey be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations are confirmed en bloc.

Mr. JOHNSON of Texas. Mr. President, I ask that the President be notified forthwith of the nominations today confirmed.

The PRESIDENT pro tempore. Without objection, the President will be notified.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that statements made during the morning hour be limited to the usual 2 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT ON OVEROBLIGATION OF AN APPROPRIATION

A letter from the Chairman, United States Atomic Energy Commission, Washington, D. C., reporting, pursuant to law, on the overobligation of an appropriation in that Commission; to the Committee on Appropriations.

REPORT ON FLIGHT PAY FOR CERTAIN COAST GUARD OFFICERS

A letter from the Assistant Secretary of the Treasury, reporting, pursuant to law, on the flight pay of certain Coast Guard officers; to the Committee on Armed Services.

AMENDMENT OF REVISED STATUTES RELATING TO REQUIREMENT FOR CERTAIN REPORTS

A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to amend the Revised Statutes, as amended, relating to reports required to be made by national banking associations (with accompanying papers); to the Committee on Banking and Currency.

AUDIT REPORT ON EXPORT-IMPORT BANK OF WASHINGTON

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Export-Import Bank of Washington, for the fiscal year ended June 30, 1955 (with an accompanying report); to the Committee on Government Operations.

PROPOSED CONCESSION PERMITS IN CERTAIN NATIONAL PARKS

Five letters from the Assistant Secretary of the Interior, transmitting, pursuant to law, copies of proposed concession permits in Everglades National Park, Fla., and Olympic National Park, Wash. (with accompanying papers); to the Committee on Interior and Insular Affairs.

REPORT ON SALINE WATER CONVERSION

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, his report on saline water conversion, for the year 1955 (with an accompanying report); to the Committee on Interior and Insular Affairs.

AMENDMENT OF CIVIL AERONAUTICS ACT RELATING TO IMPOSITION OF CIVIL PENALTIES

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend section 610 (a) of the Civil Aeronautics Act of 1938, as amended, to provide for the imposition of civil penalties in certain additional cases, and for other purposes (with an accompanying paper); to the Committee on Interstate and Foreign Commerce.

REPORT ON SETTLEMENT OF CLAIM OF THE SUIATTLE-SAUK TRIBE OF INDIANS v. THE UNITED STATES

A letter from the Chief Commissioner, Indian Claims Commission, Washington, D. C., transmitting, pursuant to law, a report on the settlement by that Commission of the claim of the Suiattle-Sauk Tribe of Indians on relation of George Enick, Chairman of the General Council, v. The United States of America (with accompanying papers); to the Committee on the Judiciary.

SCHOOL CONSTRUCTION

A letter from the Secretary, Department of Health, Education, and Welfare, transmitting a draft of proposed legislation to authorize a 5-year program of Federal assistance to States and communities to enable

them to increase public elementary and secondary school construction (with accompanying papers); to the Committee on Labor and Public Welfare.

INCREASED MAXIMUM AMOUNT FOR MAILING OR SHIPPING OF CERTAIN PERSONAL PROPERTY OF DECEASED VETERANS

A letter from the Administrator, Veterans' Administration, Washington, D. C., transmitting a draft of proposed legislation to increase the maximum amount payable by the Veterans' Administration for mailing or shipping charges of personal property left by any deceased veteran on Veterans' Administration property (with an accompanying paper); to the Committee on Labor and Public Welfare.

REPORT ON SALARY SCHEDULES AND PERSONNEL, POST OFFICE DEPARTMENT

A letter from the Postmaster General, transmitting, pursuant to law, a report on salary schedules and personnel in the Post Office Department (with accompanying papers); to the Committee on Post Office and Civil Service.

PROPOSED AUTHORIZATION FOR CERTAIN APPROPRIATIONS FOR ATOMIC ENERGY COMMISSION

A letter from the Chairman, Atomic Energy Commission, transmitting a draft of proposed legislation to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes (with an accompanying paper); to the Joint Committee on Atomic Energy.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A resolution adopted by the Philadelphia (Pa.) Associates of the Emergency Civil Liberties Committee, favoring the repeal of the Internal Securities Act, and so forth; to the Committee on the Judiciary.

A resolution adopted by the Council of the village of Mountain Lake, Minn., protesting against the enactment of Senate bill 1853, relating to the regulation of natural gas; ordered to lie on the table.

By Mr. JOHNSTON of South Carolina:

A concurrent resolution of the Legislature of the State of South Carolina; to the Committee on Agriculture and Forestry:

"Concurrent resolution memorializing Congress to enact such legislation as will prohibit the Federal Government from further reducing tobacco allotments

"Whereas tobacco has become the No. 1 cash crop of South Carolina, having detroned King Cotton; and

"Whereas in the production of tobacco the amount that may be planted is being allotted by the Federal Government on an acreage basis which at the outset was very small; and

"Whereas many small farmers in this State who earn their living on the farm have found it extremely difficult to earn a livelihood on the farm due to the stringent tobacco allotment program and because the cost of raising this crop has greatly increased it would work a hardship and be very detrimental to the small farmers of South Carolina for the tobacco allotment to be further reduced; and

"Whereas the use of tobacco products is no longer condemned generally but rather has become a favorite enjoyment of the public and is now highly used throughout the world: Now, therefore, be it

"Resolved by the senate (the house of representatives concurring), that the Congress of the United States be memoralized to enact without delay such legislation as will prohibit the Federal Government or any of its agencies from further reducing the tobacco allotment; be it further

"Resolved, That a copy of this resolution be forwarded to the Secretary of Agriculture, the two Members of the United States Senate from this State and to each Member of the House of Representatives of Congress from South Carolina."

A concurrent resolution of the Legislature of the State of South Carolina; to the Committee on Finance:

"Concurrent resolution memorializing the Congress of the United States to amend the social-security laws so as to enable persons under 65 years of age who become disabled to receive social-security benefits

"Whereas under the present social-security law benefits are not payable to persons under 65 years of age; and

"Whereas it is the opinion of the General Assembly of the State of South Carolina that persons under 65 years of age and covered by the social-security law who become disabled should be entitled to receive immediate benefits: Now, therefore, be it

"Resolved by the senate (the house of representatives concurring), That the Congress of the United States be memorialized to enact such legislation as may be necessary to enable persons under 65 years of age and covered by the social-security law who became disabled to receive immediate benefits by virtue of their coverage under the social security law; be it further

"Resolved That a copy of this resolution be sent to each Member of the Congress of the United States from South Carolina."

CONCURRENT RESOLUTIONS OF SOUTH CAROLINA LEGISLATURE

Mr. THURMOND. Mr. President, I present 2 concurrent resolutions adopted by the General Assembly of the State of South Carolina, 1 entitled "A concurrent resolution memorializing the Congress of the United States to amend the social-security law so as to enable persons under 65 years of age who become disabled to receive social-security benefits," and the other, "A concurrent resolution memorializing the Congress to enact such legislation as will prohibit the Federal Government from further reducing the tobacco allotments."

I ask unanimous consent that the resolutions be referred to the appropriate committee for consideration.

There being no objection, the concurrent resolutions were received and referred as follows:

To the Committee on Finance:

"A concurrent resolution of the Legislature of the State of South Carolina, relating to the amendment of the social-security laws so as to enable persons under 65 years of age who become disabled to receive social-security benefits."

(See text of concurrent resolution, identical with the foregoing, which was printed in full when presented by Mr. JOHNSTON of South Carolina today.)

To the Committee on Agriculture and Forestry:

"A concurrent resolution of the Legislature of the State of South Carolina, relating to the enactment of legislation to prohibit the Federal Government from further reducing tobacco allotments."

(See text of concurrent resolution, identical with the foregoing, which was printed in full when presented by Mr. JOHNSTON of South Carolina today.)

ESTABLISHMENT OF FOREST RESEARCH CENTER IN NORTH DAKOTA—RESOLUTION

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the State Farm Forestry Committee at Bismarck, N. Dak., relating to the establishment of a Forest research center in North Dakota.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Be it resolved, That—

1. Since the McSweeney-McNary law of 1928 authorized the establishment of forest experiment stations, one of which was to be in the Great Plains;

2. All of the authorized experiment stations, with the exception of the one for the Great Plains, were established and have contributed much to the progress of forestry in the areas where they are located; and

3. That none of the existing experiment stations conduct research pertaining specifically to problems encountered in the growing and utilizing of trees in the Great Plains.

The North Dakota State Farm Forestry Committee requests that a forest research center, under the supervision of the United States Forest Service, Bureau of Research, and financed by an appropriation to the United States Department of Agriculture, be established in the State of North Dakota.

STATE FARM FORESTRY COMMITTEE,
By JOHN M. MOLBERG,
Secretary-Treasurer.

Membership of Farm Forestry Committee: Representatives of North Dakota Extension Service, Great Plains Field Station, North Dakota State Forester, Association of American Nurserymen, North Dakota Game and Fish Department, United States Fish and Wildlife Service, North Dakota State Tree Nurseries, Soil Conservation District Tree Nurseries, North Dakota Farm Forester, Soil Conservation Service, Bureau of Reclamation, North Dakota Agriculture College Department of Horticulture.

RESOLUTIONS OF McKENZIE COUNTY (N. DAK.) FARMERS' UNION

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a series of 15 resolutions adopted by the accredited delegates of the McKenzie County Farmers' Union at Cartwright, N. Dak.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

RESOLUTIONS PASSED BY THE ACCREDITED DELEGATES OF THE MCKENZIE COUNTY FARMERS UNION, REPRESENTING 989 PAID-UP MEMBERS, AT ITS FALL CONVENTION HELD AT CARTWRIGHT, N. DAK., OCTOBER 15, 1955

RESOLUTION 1

It has come to our attention that the administration in Washington, D. C., has discussed the possibilities of merging the FHA, the ASC, and Soil Conservation with the county agent's office. We feel that the county agent's office at the present time is performing its service well in a nonpolitical atmosphere and for the good of all concerned, it should be left alone.

We also feel that the services of these officers would be curtailed and restricted before being brought under this new head: Therefore be it

Resolved, That in order to keep the programs we gained from an administration friendly to farmers intact, and operation to

good interest of all farmers, we go on record as favoring this resolution.

RESOLUTION 2

Whereas Senator YOUNG has been seeking proposals for durum acreage; and

Whereas one of his suggested proposals has been to let farmers in this area plant up to 50 acres of durum in addition to their regular wheat-acreage allotment; and

Whereas this would be a boost for the family-type farmer: Now, therefore, be it

Resolved, That we wish to support this proposal, and urge our Senators and Representatives to try to secure such legislation.

RESOLUTION 3

Whereas the Hoover Commission has recommended the abolition of REA, and the establishment of a corporation which would be forced to increase interest rates, and slash services to members; and

Whereas the adoption of the Hoover recommendation or the passage of the McCarthy-Church bills would be utterly destructive of the rural electric and telephone programs: Now, therefore, be it

Resolved, That we are opposed to any of these proposals which would hurt our present REA and RTA programs, and urge our Senators and Representatives to take a vigorous stand against them.

RESOLUTION 4

We are vigorously opposed to the Poage bill or any other bill which deals with selling submarginal land owned by the United States in North Dakota. Some years ago the various counties acquired a good portion of this rough and hilly land by default in the payment of taxes by the original owners. They failed to make a living and pay taxes on this type of land because it was not productive and was unsuited for grain farming. During the thirties this same land was purchased by the United States Government for grazing purposes. Under a well-managed plan by the various grazing associations, together with Government regulations, practically all of this land has been seeded back to grass, which has been preserved by not overgrazing, and a much needed land-erosion problem has been solved.

Should this land ever go back into private hands much of it would be plowed up and placed back in direct competition with the grain farmer who is already overproducing wheat, and is being accused of saturating the country with surplus wheat. The same land-erosion problems would reoccur, such as we witnessed during the twenties and the thirties. We can ill afford to lose more top soil on any land. The large percentage of cattlemen are medium to small operators making only a decent living from their operation. We believe that under the present system of grass and soil-conservation methods that the title of this land should remain where it is, and we beg your fullest cooperation and ask that you support us in what we think is sound and logical reasoning. We further believe that a program of submarginal land is good for the people and the Nation under anybody's administration.

RESOLUTION 5

Whereas it is our opinion that the continued practice of overseeding the allotted wheat acreage per farm will destroy the intent of the program, and eventually the program itself. The wheat acreage allotment was set up to control the ever increasing surplus of wheat now held in stock by the Government. The overseeding loophole in the law directly defeats the acreage control clause and makes it possible for the noncooperator to realize a price for his grain almost equal to the loan value at the expense of those who stay within their limited acreage and keep the program alive or intact: Therefore be it

Resolved, That the overseeding loophole be stricken out and abolished and its practice be discontinued, and that the full impact of the penalty provision be applied and also eliminate the posting of bonds as a way of escaping the penalty for overseeding.

RESOLUTION 6

Whereas at the American National Cattlemen's meeting recently held at Williston, N. Dak., a resolution in support of Benson's sliding scale was passed, while at the same time the members recognizing the danger of a drop in the livestock market, decided to carry on an aggressive campaign to induce the public to eat more beef; and

Whereas this plan might increase the consumption of beef to some extent but would decrease the consumption of other meats, such as pork, mutton, and poultry, which have already dropped to a dangerously low point; and

Whereas it is an established fact that the only factor that decides the consumption of meat products, and also all the other branches of our economics is the purchasing power of the consumer: Now, therefore, be it

Resolved by this convention, That we declare that the only way the purchasing power of the people can be raised is by establishing a parity price of 100 percent for the family-type farmer, and full employment for labor at not less than $1 per hour; and be it further

Resolved, That we urge Congress to take immediate steps to put this plan into effect and thus avoid an economic depression while there yet is time.

RESOLUTION 7

Whereas it appears that Congress may pass a new farm plan, known as the two-price system; and

Whereas this system would guarantee the farmer 100 percent of parity on that portion of his crop that would be used for home consumption, and the balance would have to be sold on the world export market; and

Whereas this export market would be much below parity and would result in lowering the average price of wheat and other commodities to a price equal or lower than the sliding scale: Now, therefore, be it

Resolved, That we urge that if Congress should pass this two-price plan that the following provisions be included, as follows: "That the first $10,000 sale of farm products be granted a price equal to 100 percent of parity, the next $10,000 sale of farm products be guaranteed 90 percent of parity, and all over $20,000 be sold on the world market."

RESOLUTION 8

Whereas the reduction of the 90 percent base of parity to a flexible base as low as 82½ percent, and the drastic cut in acreage allotment will reduce the income of the family-type farmer to such an extent that they cannot possibly pay running expenses, and support the family on the farm: Now, therefore, be it

Resolved, That we urge Congress to take immediate action to fix a base of 100 acres of wheat to be exempt from any allotment—this to apply to all farmers; and be it further

Resolved, That allotment over the 100-acre base be on a graduate base cut, increasing as the total acreage increases.

RESOLUTION 9

Whereas there is a constant propaganda carried on by those who wish to exploit our national resources for private profits to create distrust in the ability of our Government to handle its business; and

Whereas their assumed fear of Government monopoly and creeping socialism is used only to divert the attention of the real danger—that of control of our Government by powerful corporations; and

Whereas in a democracy the people are the government, and we could certainly not very well enslave and expoit ourselves: Now, therefore, be it

Resolved, That we resent any such propaganda, as a democratic government is of the people, by the people, and for the people, whose duty it is to provide for the general welfare of its people; and be it further

Resolved, That we recognize that, "eternal vigilance is the price of liberty," and that we can only lose democracy in America if we fail to avail ourselves of our rights and duties by not keeping ourselves informed on State and national issues and by not going to the polls on election day, and casting an intelligent vote.

RESOLUTION 10

Whereas the continuous cold war raging in the world today can never bring world peace but only create more hatred between nations; and

Whereas unless some means can be found to end the cold war it will eventually result in a third world war; and

Whereas there can be no victory won in a shooting war and its devastation would in all probability destroy the human race: Now, therefore, be it

Resolved, That we urge our Government to take immediate steps, through diplomatic channels, to work out a plan for coexistence with nations whose ideologies and views differ from ours; be it further

Resolved, That no sacrifice is too great for any nation to make if thereby world peace can be established.

RESOLUTION 11

Whereas we in the Farmers Union recognize that organized labor has proved to be our friends and supporters; and

Whereas except by joining our forces can either of us hope to get just laws passed by Congress for our protection: Now, therefore, be it

Resolved, That we pledge our support to the American laborers in their struggle to maintain a wage scale sufficiently high to maintain a decent standard of living for themselves and their families.

RESOLUTION 12

Whereas the present administration is favoring private utilities in preference to federally owned and operated hydroelectric plants and transmission lines: Now, therefore, be it

Resolved, That we oppose this line of action because the REA co-ops must have a source of cheap power, and the preference clause must be continued in order for the REA co-ops to be able to operate and pay off their loan to the Federal Government.

RESOLUTION 13

Whereas Congress has seen fit to remove a definite base from many farm products and passed in its place a flexible scale of support, thereby establishing an uncertain market; and

Whereas this has caused the market on grain, livestock, and dairy products to drop far below parity; and

Whereas agriculture is, and always has been, in America the basic industry whereupon all prosperity depends: Now, therefore, be it

Resolved, That we urge Congress to repeal the sliding scale and reinstate the 90-percent of parity, and to constantly work for 100-percent of parity.

RESOLUTION 14

Whereas we view with serious concern the passage of the compulsory reserve bill, which in reality is just another name for universal military training; and

Whereas plans are already in the making to introduce amendments to the Reserve Law as it now is written, to give it the full effect of a compulsory military training; and

Whereas this would give the military control over every eligible male, continuously and unabetted for a period of years, which means nothing other than finding ourselves under the heel of totalitarian militarism: Now, therefore, be it

Resolved, That for the safety of our democratic form of government there should be

no amendment added to the Reserve Act that would strengthen it in any way; and be it further

Resolved, That we maintain that Congress should repeal the Compulsory Reserve Act, that was passed by the last session of Congress, as quickly as possible.

RESOLUTION 15

Whereas there is now before Congress bills to make constructive use of our surplus food and fiber, by making them available to hundreds of thousands of our people who suffer from lack of proper food, countless of which are actually starving: Now, therefore, be it

Resolved, That we most emphatically urge Congress to pass the food-stamp bill, and the International Food and Fiber Act.

RESOLUTIONS COMMITTEE,
ROY JOHNSON,
ERNEST SONDROL,
DON NOTEBOOM,
OLIVER ERICKSON,
Secretary, McKenzie County Farmers' Union.

LOW PRICES FOR AGRICULTURAL COMMODITIES—RESOLUTION

Mr. YOUNG. Mr. President, on behalf of myself and my colleague, the senior Senator from North Dakota [Mr. LANGER], I present, for appropriate reference, and ask unanimous consent to have printed in the RECORD, a very important resolution adopted by the recent North Dakota State Convention of County Commissioners. This resolution is signed by all the county commissioners of the State of North Dakota.

It is unusual in that respect.

It deals with one the most important problems facing our Nation today—that of the low price for agricultural commodities.

Mr. President, the very fact that all the county commissioners of one of our most important agricultural States would go on record requesting Congress to take immediate action to relieve the desperate agricultural situation is indication itself of the seriousness of the problem.

There being no objection, the resolution was received, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

RESOLUTION OF THE COUNTY COMMISSIONERS' ASSOCIATION OF NORTH DAKOTA

Whereas agriculture is the foundation of our national wealth, it is the basic industry of the entire world, along with forestry and mining the first link in our economic chain; and

Whereas the economic structure of our township, county, State, and Federal Government is based on the existance and the purchasing power of the American farmer; and

Whereas the family-type farm and the continuing existence of the family-type farm is contingent upon the prices received for the products produced; and

Whereas the prices received for farm commodities have greatly reduced compared to prices received for other basic commodities thus imperiling the standard of living of the American farmer; and

Whereas, the standard of living established on the American farm must be maintained in order to preserve the very fundamentals of our American democracy; and

Whereas the average North Dakota farmer retained a net income of 49 cents from each cash dollar he received in 1950 compared to a net income of 27 cents per cash dollar received in 1954; and

Whereas from 1910 until 1949 farm income and national income rose and fell together, resulting in parity purchasing power for the American farmer; and

Whereas since 1949 the national income has risen steadily and the farm income has decreased steadily until it is a peril to economic stability for all segments of the economy in America: Be it

Resolved, That if the powers of our democracy can justifiably be used to stabilize the many major segments of our economy that those same powers be used to stabilize the most basic of all economic segments, the American agriculture; be it further

Resolved, That greater recognition be given the family-type farm, that the economy and standard of living be maintained on a level deserving of our democracy; be it finally

Resolved, That the County Commissioners Association of North Dakota ask and petition the President of the United States, Secretary of Agriculture Ezra Benson, and the Congress, that immediate recognition be given the problems of agriculture and a positive program be initiated.

Dated at Minot, N. Dak., this 10th day of January 1956.

JACOB SWENSON,
President.
FRANK J. WARMER,
Vice President.
GILMAN WASTVEDT,
Secretary.

MEMBERS OF THE COUNTY COMMISSIONERS ASSOCIATION PRESENT

Chas. L. Truax, Ward County; Mike Gerring, Morton County; Albert Budihl, Stutsman County; Aile Gehlliar, Stutsman County; Christ Rare, Stutsman County; O. H. Hunderson, Stutsman County; Albert Bauman, Mercer County; Edward Schuky, Mercer County; Natt Wezstein, Jr., Foster County; Zeller Schmid, Foster County; Elmer Dick, Ransom County; Fred F. Wolf, McIntosh County.

Annenty, Sheridan County; Melvin Flatlier, Sheridan County; R. B. Luger, Sioux County; Ole O. Olson, Sioux County; Carl Helgeson, Ransom County; Henry Hoffman, La Moure County; Edwin C. Boschee, McIntosh County; Clarence Poling, Williams County; Manley Darling, Cavalier County; S. R. Siverson, Williams County; Herman Koelberger, Morton County; Walter Christensen, Ward County; Joseph L. Bina, Walsh County; Carl J. Roshan, Dunn County; Shaw P. Merrill, Dunn County; George Lauinger, McHenry County; J. O. Docketer, McIntosh County; Theo. J. Gulke, Dickey County; Ed. Backhaus, Bottineau County; Elmer Jesme, Bottineau County; Perry Haaland, Griggs County; Levi Hall, Cavalier County; Helgert J. Rowfe, Cavalier County.

Clarence A. Bye, Rolette County; Victor Nordloef, Burke County; S. F. Thomas, Towner County; Reuben Parker, Towner County; Alex Munyer, Pierce County; Vern Clark, Pierce County; Pete Koulonoy, Billings County; James Bolger, Grand Forks County; William Grieue, Steele County; Gust Hafrue, Grant County; R. E. Nelson, Burleigh County; Groeo Broate, Burleigh County; Vaughn Cerlf, Barnes County; Fred Ohettle, Barnes County; Alf Nelson, Barnes County; John Vnke, Pembina County; R. E. Chambers, Pembina County; Howard Bellamy, Pembina County; Floyd Lyste, Steele County; J. W. Howe, Ward County; R. A. Gremin, Wells County.

O. M. Coffin, McHenry County; Ingolf Sandbeck, Kindred, N. Dak.; E. V. Deibold, Wells County; R. O. Everson, McLean County; Lewis Sutton, Cass County; J. D. Malercek, Walsh County; J. E. Savagear, Cass County; Charles J. Tifu, Ransom, Enderlin County; H. L. Hanson, Adams County; Arnold Ruud, Barnes County; Albert Schindele, Nelson County; Fred Henry, Divide County; C. O. Johnson, Hannaford, N. Dak., Griggs County; Erney Ronninger, Binford, N. Dak., Griggs County; A. L. Felurr, Griggs County; C. J. Stensland, Walsh County; Helaray Riske, Walsh County; C. A. Bye, Ramsey County; J. W. Howe, Ward County.

Nels Tragsled, Williams County; Wm. St. Jeffrey, Williams County; A. C. Farland, Williams County; John Reiler McHenry, N. Dak.; L. G. Larson, Mountrail, N. Dak.; Fred H. Miller, McHenry County; Alfred Bender, Wells County; Ben Rogelstad, Wells County; M. P. Baler, Adams County; Pins M. Keis, Logan County; Henry A. Becker, Logan County; Peter L. Hoffart, Pierce County; Arthur S. Gunness, Richland County; Leonard Tetrault, Pembina County; Edor S. Grubb, Burke County; Art Bloom, Burke County; Ole Aletten, Divide County; Reinhold Flechman, Dickey County; Richard Herman, La Moure County; F. A. Ferch, La Moure County; Benjamin Hanson, Griggs County.

Ernest W. Hagen, Ramsey County; Walter Moen, Ramsey County; Nick P. Antmann, Pierce County; Arthur J. Else, Pierce County; Raymond S. Olson, Richland County; Fred W. Nelson, Dickey County; Einar Holden, Barnes County; Murphy Christensen, Benson County; Ernest Toro, Benson County; John Peterson, Benson County; Walter Christensen, Billings County; A. C. Berg, Benson County; Bennie O. Dahl, Ward County; Claude Christianson, Divide County; Emmett Carroll, Burleigh County; Erling Mugaas, Renville County; Albert Nelson, Renville County; Harry Olaf, Palermo, N. Dak.; E. M. Degerness, Watford City, N. Dak.; J. I. Wegge, Traill County; Arthur Lindbo, Rolette County; Walter Tostod, Rolette County.

Fred C. Pfeifle, Sheridan County; Warren L. Gullichson, Sioux County; Harold Haner, Ward County; Oscar Lmaen, Walsh County; Arnt Williamson, Ransom County; John Bruner, Jr., McHenry; T. R. Hanson, Nelson; H. B. Lemieux, Ranson County, Lisbon, N. Dak.; Jos. J. Blomgen, McLean County, Douglas, N. Dak.; Math Baufany, Dunn County; Otto L. Kibbel, Hettinger County; Chas. Gehringer, Renville; Olto Bauer, Butte, N. Dak., McLean; Ongval Berkan, Bottineau; Almer Lendberg, Bottineau; Clifford Albright, Bottineau County; Alfred Anderson, McKenzie County; Julius Sukut, Logan County; John Copeland, Pembina County; Ted Bergman, La Moure County; George Nelson, Burleigh County; El Die Cummings, Grand Forks; Jake Stern, Wells.

THE FOREIGN AID PROGRAM—TELEGRAM

Mr. McNAMARA. Mr. President, I ask unanimous consent to have printed in the RECORD a telegram I have received from the Honorable G. Mennen Williams, Governor of the State of Michigan, in which the Governor gives his views on the foreign-aid program.

In bringing this statement to the attention of Congress, I should like to say that I am in agreement with the opinions expressed by Governor Williams.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

LANSING, MICH., *January 13, 1956.*
Senator PAT MCNAMARA,
Senate Office Building,
Washington, D. C.:

Recently I read that several of our distinguished Democratic leaders in Congress have advocated either curtailment or ending of our program of economic assistance to our friends abroad. In order that such views are not interpreted as representative of the Democratic party throughout the Nation, I feel compelled to present my profound disagreement with such opinions. In doing so, however, let me emphasize my high regard

for the great service which these gentlemen and their colleagues have given the American people.

We now find ourselves in a state which has been described by both the administration and the Communists as one of "competitive coexistence." The Communists have made great inroads in underprivileged countries by indicating a concern, empty as it may be, for the problems of survival and development in such nations. No one can doubt that India does have an almost insuperable task to provide a standard of living for her people, which by American standards, would be classified as almost abject poverty. My visits to Turkey, Greece, and the Middle East have impressed upon me the fact that these nations have the same problems, in greater or lesser degree. I am sure that these problems exist in all but a few areas of the world. We cannot tolerate the creation of opinion in these friendly nations that we in America are indifferent to the welfare of other freedom-loving people. This is particularly true when the Soviet Union is ready to use whatever chicanery necessary to win, at the least, the trust of our friends, and at the most, actual working alliances with these nations.

It is my belief that the President's proposals for economic aid fall far short of realistic needs and certainly far short of what our traditional private enterprise philosophy of competition would demand. We may fervently hope that the Democratic Congress will take the lead and enact a responsible program of ecenomic aid, which must, of necessity, be considerably broader in scope and resources than that of the Eisenhower administration. We won the respect of the free world because of enlightened democratic leadership in the past. To squander such respect by ill-conceived economy could spell disaster in our efforts to insure a democratic world community.

G. MENNEN WILLIAMS,
Governor of Michigan.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CHAVEZ, from the Committee on Public Works:

H. R. 7930. A bill authorizing the completion of the initial stage of development for flood control and other purposes in the Russian River Basin, Calif.; without amendment (Rept. No. 1394).

Mr. GREEN. Mr. President, from the Committee on Rules and Administration I desire to report certain resolutions, authorizing subcommittees of Senate committees to make investigations. I ask that all 13 resolutions be placed upon the calendar.

The PRESIDENT pro tempore. The reports will be received, and the resolutions will be placed upon the calendar.

The reports are as follows:

By Mr. GREEN, from the Committee on Rules and Administration, without amendment:

S. Res. 175. Resolution authorizing additional expenditures by the Select Committee on Small Business (Rept. No. 1381).

By Mr. GREEN, from the Committee on Rules and Administration, with an amendment:

S. Res. 155. Resolution authorizing the Committee on Banking and Currency to investigate certain matters and authorizing expenditures therefor (Rept. No. 1386);

S. Res. 166. Resolution to investigate matters pertaining to the improvement of the Federal Criminal Code (Rept. No. 1382);

S. Res. 169. Resolution to authorize an investigation of national penitentiaries (Rept. No. 1383);

S. Res. 172. Resolution to make a study of immigration and naturalization matters (Rept. No. 1384); and

S. Res. 174. Resolution to investigate the administration of the Internal Security Act of 1950 and other laws for protection of the internal security of the United States (Rept. No. 1385).

By Mr. GREEN, from the Committee on Rules and Administration, with amendments:

S. Res. 160. Resolution authorizing further expenditures and temporary employment of additional assistants by the Committee on Banking and Currency to study public and private housing (Rept. No. 1393);

S. Res. 165. Resolution to make a study of matters pertaining to constitutional rights (Rept. No. 1387);

S. Res. 167. Resolution to examine the administration of the Patent Office (Rept. No. 1388);

S. Res. 168. Resolution to investigate certain problems arising in connection with European refugees (Rept. No. 1389);

S. Res. 170. Resolution to make a study of the antitrust laws of the United States and their administration (Rept. No. 1390);

S. Res. 171. Resolution to examine the administration of the Trading With the Enemy Act (Rept. No. 1391); and

S. Res. 173. Resolution to conduct a study of juvenile delinquency in the United States (Rept. No. 1392).

ADDITIONAL FUNDS FOR COMMITTEE ON INTERIOR AND INSULAR AFFAIRS—REPORT OF A COMMITTEE

Mr. MURRAY, from the Committee on Interior and Insular Affairs, reported an original resolution (S. Res. 184), which was placed on the calendar, as follows:

Resolved, That the Committee on Interior and Insular Affairs is authorized to expend from the contingent fund of the Senate, during the 84th Congress, $10,000 in addition to the amount, and for the same purposes, specified in section 134 of the Legislative Reorganization Act of 1946.

REPORT ON TEXTILE PROCUREMENT IN THE MILITARY SERVICES (S. REPT. NO. 1380)

Mr. McCLELLAN. Mr. President, from the Committee on Government Operations, I submit a report entitled "Textile Procurement in the Military Services." The report was prepared by the Permanent Subcommittee on Investigations. I ask unanimous consent that the report may be printed.

The PRESIDENT pro tempore. The report will be received and printed, as requested by the Senator from Arkansas.

Mr. McCLELLAN. Mr. President, I wish to say that in the course of these hearings evidence presented before the subcommittee showed that unscrupulous contractors had obviously bribed both civilian and military personnel attached to the Armed Services Textile and Apparel Procurement Agency to obtain contractual favors and to pass defective material on inspection.

In the light of the evidence before the subcommittee, studies were made which showed that the contractors involved, including Harry Lev and his affiliate companies, owed the Government over a half million dollars because of deviations in the terms of the contracts and the delivery of defective material.

The subcommittee has recommended the prompt institution of criminal proceedings against those guilty of illegal activities and has also recommended that civil proceedings be expedited to effect collection of the large amount in claims due to the Government arising out of procurement contracts examined by the subcommittee.

The subcommittee intends to expand its investigation into procurement matters and to examine into other instances of waste, inefficiency, fraud and corruption. The work of the subcommittee in this field should serve notice to others guilty of similar infractions that these practices will not be tolerated.

I may say that in the instance to which I have just referred I think the work of the committee has saved the Federal Government enough to more than pay the expense of operating the subcommittee for the next 4 or 5 years.

INVESTIGATION OF INTERNAL SECURITY ACT OF 1950—REPORT OF A COMMITTEE (S. REPT NO. 1395)

Mr. EASTLAND. Mr. President, I ask unanimous consent to submit a report to accompany the resolution (S. Res. 174) to investigate the administration of the Internal Security Act of 1950 and other laws for protection of the internal security of the United States, which was reported from the Committee on the Judiciary by the Senator from West Virginia [Mr. KILGORE] on January 12, 1956, and I ask that it be printed.

The PRESIDENT pro tempore. Without objection, it is so ordered.

PRINTING OF ADDITIONAL COPIES OF REPORT OF SUBCOMMITTEE ON AUTOMOBILE MARKETING PRACTICES OF THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE—REPORT OF A COMMITTEE

Mr. GREEN. Mr. President, from the Committee on Rules and Administration, I report, with an amendment, Senate Resolution 181, authorizing the printing of additional copies of a committee reprint of the report of the Subcommittee on Automobile Marketing Practices of the Senate Committee on Interstate and Foreign Commerce, with recommendations. I ask unanimous consent for the present consideration of the resolution. The total cost of the additional copies will be $1,200.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution, which had been reported from the Committee on Rules and Administration with an amendment in line 1, after the word "printed" to strike out "forty-five" and insert "thirty-six," so as to make the resolution read:

Resolved, That there be printed thirty-six thousand additional copies of a committee print of the report of the Subcommittee on Automobile Marketing Practices of the Senate Committee on Interstate and Foreign Commerce.

The amendment was agreed to.

The resolution, as amended, was agreed to.

REPORT OF JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES—SUMMARY OF MONTHLY PERSONNEL REPORTS OF CIVILIAN EMPLOYMENT IN EXECUTIVE BRANCH

Mr. BYRD. Mr. President, as chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, I submit a summary of monthly personnel reports on civilian employment in the executive branch of the Federal Government issued during the recess of the Congress. These reports were concerned with employment and payrolls during the period June-November 1955, inclusive.

In accordance with the practice of several years' standing, I request that it be printed in the body of the RECORD as a part of my remarks, together with a statement by me.

There being no objection, the report and statement were ordered to be printed in the RECORD, as follows:

Personnel and pay summary, June through November 1955

Total and major categories	Civilian personnel in executive branch			Payroll (in thousands) in executive branch		
	In November numbered	In June numbered	Increase (+) or decrease (−)	In October was	In May was	Increase (+) or decrease (−)
Total [1]	2,362,142	2,384,288	−22,146	$836,979	$814,384	+$27,595
Agencies exclusive of Department of Defense	1,182,495	1,197,607	−15,112	424,001	404,628	+19,373
Department of Defense	1,179,647	1,186,681	−7,034	412,978	409,756	+3,222
Inside continental United States	2,154,836	2,170,128	−15,292			
Outside continental United States	207,306	214,160	−6,854			
Industrial employment	713,420	711,971	+1,449			
Foreign nationals	309,007	323,109	−14,102	27,914	28,390	−476

[1] Exclusive of foreign nationals shown in the last line of this summary.

TABLE I.—*Consolidated table of Federal personnel inside and outside continental United States employed by the executive agencies during November 1955, and comparison with June 1955, and pay for October 1955, and comparison with May 1955*

Department or agency	Personnel				Pay (in thousands)			
	November	June	Increase	Decrease	October	May	Increase	Decrease
Executive departments (except Department of Defense):								
Agriculture	78,143	85,572		7,429	$26,678	$23,729	$2,949	
Commerce [1]	43,096	46,058		2,962	18,529	18,185	344	
Health, Education, and Welfare [2]	44,896	40,456	4,440		16,603	14,782	1,821	
Interior [2]	47,428	55,144		7,716	19,250	19,414		$164
Justice	30,576	30,686		110	13,787	13,745	42	
Labor	5,277	5,061	216		2,354	2,134	220	
Post Office	510,870	511,613		743	175,016	163,240	11,776	
State [3]	28,995	20,983	8,012		10,535	6,880	3,655	
Treasury	78,909	79,187		287	32,335	32,437		102
Executive Office of the President:								
White House Office	372	290	82		212	150	62	
Bureau of the Budget	424	444		20	267	264	3	
Council of Economic Advisers	34	35		1	24	21	3	
Executive Mansion and Grounds	70	70			22	23		1
National Security Council [4]	28	28			17	17		
Office of Defense Mobilization	284	299		15	164	158	6	
President's Advisory Committee on Government Organization	5	5			3	3		
President's Commission on Veterans' Pensions	29	23	6		14	2	12	
Independent agencies:								
Advisory Committee on Weather Control	13	16		3	8	4	4	
Alexander Hamilton Bicentennial Commission	8	2	6		4	1	3	
American Battle Monuments Commission	781	775	6		102	104		2
Atomic Energy Commission	6,211	6,077	134		3,084	2,956	128	
Board of Governors of the Federal Reserve System	562	591		29	266	260	6	
Civil Aeronautics Board	569	528	41		295	279	16	
Civil Service Commission	3,929	3,864	65		1,702	1,647	55	
Commission of Fine Arts	10	11		1	1	1		
Commission on Intergovernmental Relations [5]		52		52		22		22
Defense Transport Administration [6]		17		17		9		9
Export-Import Bank of Washington	164	148	16		93	79	14	
Farm Credit Administration	1,049	1,079		30	495	518		23
Federal Civil Defense Administration	912	749	163		448	377	71	
Federal Coal Mine Safety Board of Review	8	8			4	4		
Federal Communications Commission	1,101	1,094	7		522	534		12
Federal Deposit Insurance Corporation	1,138	1,125	13		482	499		17
Federal Home Loan Bank Board [7]	627		627		281		281	
Federal Mediation and Conciliation Service	344	357		13	228	228		
Federal Power Commission	673	657	16		363	314	49	
Federal Trade Commission	609	584	25		327	313	14	
Foreign Claims Settlement Commission	153	161		8	69	64	5	
Foreign Operations Administration [3]		6,527		6,527		2,963		2,963
General Accounting Office	5,670	5,764		94	2,481	2,402	79	
General Services Administration	25,854	25,734	120		8,712	8,394	318	
Government Contract Committee	14	15		1	8	5	3	
Government Printing Office	6,720	6,723		3	2,708	2,943		235
Housing and Home Finance Agency	10,374	11,082		708	4,646	4,768		122
Indian Claims Commission	13	13			9	9		
Interstate Commerce Commission	1,888	1,822	66		911	855	56	
Jamestown-Williamsburg-Yorktown Celebration Commission	3	3			2	2		
John Marshall Bicentennial Celebration Commission	2	2			1		1	
National Advisory Committee for Aeronautics	7,541	7,508	33		3,347	3,273	74	
National Capital Housing Authority	267	276		9	92	93		1
National Capital Planning Commission	31	24	7		14	11	3	
National Gallery of Art	318	316	2		100	99	1	
National Labor Relations Board	1,127	1,150		23	604	596	8	
National Mediation Board	102	110		8	68	81		13
National Science Foundation	242	175	67		93	87	6	
National Security Training Commission	4	5		1	2	4		2

[1] Includes seamen on the rolls of the Maritime Administration and their pay.

[2] In accordance with Public Law 568, 83d Cong., 3,404 employees were transferred to the Public Health Service, Department of Health, Education, and Welfare in July from the Bureau of Indian Affairs, Department of the Interior.

[3] Executive Order 10610, dated May 9, 1955, abolished the Foreign Operations Administration and established the International Cooperation Administration in the Department of State, effective at the close of June 30, 1955. Figure for State Department for November includes 7,369 employees of the International Cooperation Administration.

[4] Exclusive of personnel and pay of the Central Intelligence Agency.

[5] Ceased to exist.

[6] The Defense Transport Administration was transferred to the Interstate Commerce Commission pursuant to DTA order No. 1, as amended June 27, 1955, title 32A, National Defense Appendix, ch. 8.

[7] Transferred from Housing and Home Finance Agency. In accordance with Public Law 345, 84th Cong., the Federal Home Loan Bank Board became an independent agency effective Aug. 11, 1955.

TABLE I.—*Consolidated table of Federal personnel inside and outside continental United States employed by the executive agencies during November 1955, and comparison with June 1955, and pay for October 1955, and comparison with May 1955*—Continued

Department or agency	Personnel				Pay (in thousands)			
	November	June	Increase	Decrease	October	May	Increase	Decrease
Independent agencies—Continued								
Panama Canal	15,233	15,320		87	$3,161	$2,609	$552	
Railroad Retirement Board	2,226	2,344		118	820	653	167	
Renegotiation Board	486	540		54	363	308	55	
Rubber Producing Facilities Disposal Commission	10	19		9	4	11		$7
St. Lawrence Seaway Development Corporation	26	33		7	19	16	3	
Securities and Exchange Commission	697	666	31		378	371	7	
Selective Service System	6,840	7,123		283	1,620	1,643		23
Small Business Administration	772	736	36		415	395	20	
Smithsonian Institution	698	670	28		247	227	20	
Soldiers' Home	996	1,020		24	213	201	12	
Soo Locks Centennial Celebration Commission [8]		2		2				
Subversive Activities Control Board	33	32	1		21	19	2	
Tariff Commission	200	198	2		117	108	9	
Tax Court of the United States	142	141	1		90	85	5	
Tennessee Valley Authority	16,962	19,854		2,892	7,402	8,793		1,391
United States Information Agency	10,435	10,155	280		2,632	2,533	99	
Veterans' Administration	178,281	177,656	625		58,117	56,674	1,443	
Total, excluding Department of Defense	1,182,495	1,197,607	15,174	30,286	424,001	404,628	24,482	5,109
Net change, excluding Department of Defense			15,112				19,373	
Department of Defense:								
Office of the Secretary of Defense	1,958	2,005		47	1,065	1,042	23	
Department of the Army	443,139	462,004		18,865	153,533	151,481	2,052	
Department of the Navy	411,415	410,567	848		151,476	151,429	47	
Department of the Air Force	323,135	312,105	11,030		106,904	105,804	1,100	
Total, Department of Defense	1,179,647	1,186,681	11,878	18,912	412,978	409,756	3,222	
Net change, Department of Defense			7,034				3,222	
Grand total, including Department of Defense	2,362,142	2,384,288	27,052	49,198	836,979	814,384	27,704	5,109
Net change, including Department of Defense			22,146				22,595	

[8] Ceased to exist Sept. 30, 1955, in accordance with Public Law 252, 81st Cong.

TABLE II.—*Federal personnel inside continental United States employed by the executive agencies during November 1955, and comparison with June 1955*

Department or agency	November	June	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	76,932	84,329		7,397
Commerce [1]	40,082	42,982		2,900
Health, Education, and Welfare [2]	43,122	39,910	3,212	
Interior [2]	42,787	48,376		5,589
Justice	30,051	30,128		77
Labor	5,150	4,928	222	
Post Office	508,369	509,270		901
State [3]	7,610	5,939	1,671	
Treasury	77,925	78,195		270
Executive Office of the President:				
White House Office	372	290	82	
Bureau of the Budget	424	444		20
Council of Economic Advisers	34	35		1
Executive Mansion and Grounds	70	70		
National Security Council [4]	28	28		
Office of Defense Mobilization	284	299		15
President's Advisory Committee on Government Organization	5	5		
President's Commission on Veterans' Pensions	29	23	6	
Independent agencies:				
Advisory Committee on Weather Control	13	16		3
Alexander Hamilton Bicentennial Commission	8	2	6	
American Battle Monuments Commission	15	16		1
Atomic Energy Commission	6,194	6,061	133	
Board of Governors of the Federal Reserve System	562	591		29
Civil Aeronautics Board	565	525	40	
Civil Service Commission	3,913	3,847	66	
Commission of Fine Arts	10	11		1
Commission on Intergovernmental Relations [5]		52		52
Defense Transport Administration [6]		17		17
Export-Import Bank of Washington	164	148	16	
Farm Credit Administration	1,037	1,069		32
Federal Civil Defense Administration	912	749	163	
Federal Coal Mine Safety Board of Review	8	8		
Federal Communications Commission	1,073	1,068	5	
Federal Deposit Insurance Corporation	1,137	1,124	13	
Federal Home Loan Bank Board [7]	627		627	
Federal Mediation and Conciliation Service	344	357		13
Federal Power Commission	673	657	16	
Federal Trade Commission	609	584	25	
Foreign Claims Settlement Commission	153	161		8
Foreign Operations Administration [9]		1,668		1,668
General Accounting Office	5,621	5,705		84
General Services Administration	25,749	25,630	119	
Government Contract Committee	14	15		1
Government Printing Office	6,720	6,723		3
Housing and Home Finance Agency	10,225	10,939		714
Indian Claims Commission	13	13		
Interstate Commerce Commission	1,888	1,822	66	
Jamestown-Williamsburg-Yorktown Celebration Commission	3	3		
John Marshall Bicentennial Celebration Commission	2	2		
National Advisory Committee for Aeronautics	7,541	7,508	33	
National Capital Housing Authority	267	276		9
National Capital Planning Commission	31	23	8	
National Gallery of Art	318	316	2	
National Labor Relations Board	1,106	1,128		22
National Mediation Board	102	110		8
National Science Foundation	242	175	67	
National Security Training Commission	4	5		1
Panama Canal	549	541	8	
Railroad Retirement Board	2,226	2,344		118
Renegotiation Board	486	540		54
Rubber Producing Facilities Disposal Commission	10	19		9
St. Lawrence Seaway Development Corporation	26	33		7
Securities and Exchange Commission	697	666	31	
Selective Service System	6,646	6,925		279
Small Business Administration	772	736	36	
Smithsonian Institution	697	668	29	
Soldiers' Home	996	1,020		24
Soo Locks Centennial Celebration Commission [8]		2		2
Subversive Activities Control Board	33	32	1	
Tariff Commission	200	198	2	
Tax Court of the United States	142	141	1	
Tennessee Valley Authority	16,962	19,854		2,892
United States Information Agency	2,386	2,330	56	
Veterans' Administration	177,024	176,393	631	
Total, excluding Department of Defense	1,120,989	1,136,817	7,393	23,221
Net decrease, excluding Department of Defense			15,828	
Department of Defense:				
Office of the Secretary of Defense	1,897	1,949		52
Department of the Army	372,822	381,957		9,135
Department of the Navy	378,106	378,789		683
Department of the Air Force	281,022	270,616	10,406	
Total, Department of Defense	1,033,847	1,033,311	10,406	9,870
Net increase, Department of Defense			536	
Grand total, including Department of Defense	2,154,836	2,170,128	17,799	33,091
Net decrease, including Department of Defense			15,292	

[1] Includes seamen on the rolls of the Maritime Administration.

[2] In accordance with Public Law 568, 83d Cong., 2,406 employees were transferred to the Public Health Service, Department of Health, Education, and Welfare in July from the Bureau of Indian Affairs, Department of the Interior.

[3] Executive Order 10610, dated May 9, 1955, abolished the Foreign Operations Administration and established the International Cooperation Administration in the Department of State effective at the close of June 30, 1955. Figure for State Department for November includes 1,605 employees of the International Cooperation Administration.

[4] Exclusive of personnel of the Central Intelligence Agency.

[5] Ceased to exist.

[6] The Defense Transport Administration was transferred to the Interstate Commerce Commission pursuant to DTA order No. 1, as amended June 27, 1955, title 32A, National Defense Appendix, ch. 8.

[7] Transferred from Housing and Home Finance Agency. In accordance with Public Law 345, 84th Cong., the Federal Home Loan Bank Board became an independent agency effective Aug. 11, 1955.

[8] Ceased to exist Sept. 30, 1955, in accordance with Public Law 252, 81st Cong.

TABLE III.—*Federal personnel outside continental United States employed by the executive agencies during November 1955, and comparison with June 1955*

Department or agency	November	June	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	1,211	1,243	----	32
Commerce	3,014	3,076	----	62
Health, Education, and Welfare [1]	1,774	546	1,228	----
Interior [1]	4,641	6,768	----	2,127
Justice	525	558	----	33
Labor	127	133	----	6
Post Office	2,501	2,343	158	----
State [2]	21,385	15,044	6,341	----
Treasury	975	992	----	17
Independent agencies:				
American Battle Monuments Commission	766	759	7	----
Atomic Energy Commission	17	16	1	----
Civil Aeronautics Board	4	3	1	----
Civil Service Commission	16	17	----	1
Farm Credit Administration	12	11	1	----
Federal Communications Commission	28	26	2	----
Federal Deposit Insurance Corporation	1	1	----	----
Foreign Operations Administration [2]	----	4,859	----	4,859
General Accounting Office	49	59	----	10
General Services Administration	105	104	1	----
Housing and Home Finance Agency	149	143	6	----
National Labor Relations Board	21	22	----	1
Panama Canal	14,684	14,779	----	95
Selective Service System	194	198	----	4
Smithsonian Institution	1	2	----	1
United States Information Agency	8,049	7,825	224	----
Veterans' Administration	1,257	1,263	----	6
Total, excluding Department of Defense	61,506	60,790	7,970	7,254
Net increase, excluding Department of Defense	----	----	716	
Department of Defense:				
Office of the Secretary of Defense	61	56	5	----
Department of the Army	70,317	80,047	----	9,730
Department of the Navy	33,309	31,778	1,531	----
Department of the Air Force	42,113	41,489	624	----
Total, Department of Defense	145,800	153,370	2,160	9,730
Net decrease, Department of Defense	----	----	7,570	
Grand total, including Department of Defense	207,306	214,160	10,130	16,984
Net decrease, including Department of Defense	----	----	6,854	

[1] In accordance with Public Law 568, 83d Cong., 998 employees were transferred to the Public Health Service, Department of Health, Education, and Welfare, in July from the Bureau of Indian Affairs, Department of the Interior.

[2] Executive Order 10610, dated May 9, 1955, abolished the Foreign Operations Administration and established the International Cooperation Administration in the Department of State, effective at the close of June 30, 1955. Figure for State Department for November includes 5,764 employees of the International Cooperation Administration.

TABLE IV.—*Industrial employees of the Federal Government inside and outside continental United States employed by the executive agencies during November 1955, and comparison with June 1955*

Department or agency	November	June	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	2,821	2,836	----	15
Commerce	2,427	2,301	126	----
Interior	7,864	8,080	----	216
Treasury	5,779	6,173	----	394
Independent agencies:				
Atomic Energy Commission	145	144	1	----
Federal Communications Commission	13	12	1	----
General Services Administration	939	1,066	----	127
Government Printing Office	6,720	6,723	----	3
National Advisory Committee for Aeronautics	7,541	7,508	33	----
Panama Canal	7,351	7,365	----	14
Tennessee Valley Authority	14,091	16,759	----	2,668
Total, excluding Department of Defense	55,691	58,967	161	3,437
Net decrease, excluding Department of Defense	----	----	3,276	
Department of Defense:				
Department of the Army:				
Inside continental United States	[1] 207,200	208,229	----	1,029
Outside continental United States	[1] 35,500	36,681	----	1,181
Department of the Navy:				
Inside continental United States	238,859	236,704	2,155	----
Outside continental United States	6,670	6,854	----	184
Department of the Air Force:				
Inside continental United States	163,668	159,471	4,197	----
Outside continental United States	5,832	5,065	767	----
Total, Department of Defense	657,729	653,004	7,119	2,394
Net increase, Department of Defense	----	----	4,725	
Grand total, including Department of Defense	713,420	711,971	7,280	5,831
Net increase, including Department of Defense	----	----	1,449	

[1] Subject to revision.

TABLE V.—*Foreign nationals working under United States agencies overseas, excluded from tables I through IV of this report, whose services are provided by contractual agreement between the United States and foreign governments, or because of the nature of their work or the source of funds from which they are paid, as of November 1955 and comparison with June 1955*

Country	Total		Army		Navy		Air Force	
	November	June	November	June	November	June	November	June
Austria	----	169	----	----	----	----	----	169
Denmark	2	----	----	----	----	----	2	----
England	7,135	7,490	----	----	30	33	7,105	7,457
France	24,006	24,005	16,500	16,712	----	----	7,506	7,293
French Morocco	6,060	5,657	241	232	1,048	868	4,771	4,557
Germany	111,671	117,816	88,000	94,048	2,015	1,921	21,656	21,847
Japan	150,390	157,605	88,553	95,942	18,421	18,614	43,416	43,049
Korea	8,300	8,664	8,300	8,664	----	----	----	----
Libya	411	339	----	----	----	----	411	339
Netherlands	46	----	----	----	----	----	46	----
Norway	17	----	----	----	----	----	17	----
Ryukus	----	254	----	----	----	254	----	----
Saudi Arabia	463	465	----	----	----	----	463	465
Trinidad	506	645	----	----	506	645	----	----
Total	309,007	323,109	201,594	215,598	22,020	22,335	85,393	85,176

NOTE.—The Germans are paid from funds provided by German Governments. The French, English, and Austrians reported by the Army and Air Force are paid from funds appropriated for personnel services. All others are paid from funds appropriated for other contractual services.

STATEMENT BY SENATOR BYRD

Civilian employment in the executive branch of the Federal Government decreased by 22,146 during the period June through November 1955. The total in June was 2,384,288. In November there were 2,362,142 civilian employees.

Employment by civilian agencies of the Government showed a net decrease of 15,112 during the period from June through November 1955, dropping from 1,197,607 in June to 1,182,495 in November. Civilians employed by the Department of Defense decreased 7,034 during the same period, dropping from 1,186,681 in June to 1,179,647 in November.

In the Department of Defense white-collar employment decreased 11,759 from 533,677 in June to 521,918 in November; and industrial employment increased 4,725 from 653,004 in June to 657,729 in November.

In May the Federal civilian payroll was running at an annual rate of $9,773,000,000,

and in October it was running at an annual rate of $10,044,000,000.

These figures summarize compilations of monthly personnel reports certified by executive branch agencies to the Joint Committee on Reduction of Nonessential Federal Expenditures.

In addition to this regularly reported employment, there were foreign nationals working under United States military agencies overseas, excluded from usual personnel reporting, whose services are provided by contractual agreement between the United States and foreign governments, or because of the nature of their work or the source of funds from which they are paid. These numbered 323,109 in June and 309,007 in November, a decrease of 14,102.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JOHNSTON of South Carolina:

S. 2928. A bill to establish longevity pay increases for Wage Board employees; to the Committee on Post Office and Civil Service.

(See the remarks of Mr. JOHNSTON of South Carolina when he introduced the above bill, which appear under a separate heading.)

By Mr. POTTER:

S. 2929. A bill to amend the Federal Trade Commission Act with respect to certain contracts, agreements, or franchises to enable manufacturers of automobiles and trucks and their franchise dealers to protect their good will in the business of manufacturing and distributing automobiles and trucks made or sold by them by restricting franchise dealers from reselling to certain unauthorized persons; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. POTTER when he introduced the above bill, which appear under a separate heading.)

By Mr. McNAMARA:

S. 2930. A bill for the relief of Eladio Ledesma-Gutierrez; to the Committee on the Judiciary.

By Mr. SALTONSTALL (by request):

S. 2931. A bill for the relief of Oksanna Oztemel; and

S. 2932. A bill for the relief of Carlo Favazza; to the Committee on the Judiciary.

By Mr. SALTONSTALL (for himself and Mr. KENNEDY):

S. 2933. A bill to amend section 8c (2) of the Agricultural Marketing Agreement Act of 1937, as amended; to the Committee on Agriculture and Forestry.

By Mr. YOUNG:

S. 2934. A bill to continue through December 31, 1960, the existing method of computing parity prices for basic agricultural commodities; to the Committee on Agriculture and Forestry.

By Mr. YOUNG (for himself and Mr. LANGER):

S. 2935. A bill authorizing the Secretary of the Interior to convey certain land to the State of North Dakota for the use and benefit of the North Dakota State School of Science; to the Committee on Interior and Insular Affairs.

By Mr. CARLSON:

S. 2936. A bill to provide for the issuance of a special postage stamp in honor of Dr. Samuel J. Crumbine who pioneered in the field of public health education; to the Committee on Post Office and Civil Service.

(See the remarks of Mr. CARLSON when he introduced the above bill, which appear under a separate heading.)

By Mr. PAYNE:

S. 2937. A bill to increase from $50 to $75 per month the amount of benefits payable to widows of certain former employees of the Lighthouse Service; to the Committee on Interstate and Foreign Commerce.

S. 2938. A bill to amend section 4 (a) of the Railroad Retirement Act of 1937, as amended to authorize the crediting thereunder of certain military service; to the Committee on Labor and Public Welfare.

By Mr. MUNDT:

S. 2939. A bill declaring September 17 a legal public holiday to be known as Constitution Day; to the Committee on the Judiciary.

(See the remarks of Mr. MUNDT when he introduced the above bill, which appears under a separate heading.)

By Mr. CURTIS (for himself, Mr. HRUSKA, Mr. AIKEN, Mr. MUNDT, Mr. CASE of South Dakota, Mr. BARRETT, Mr. ALLOTT, Mr. YOUNG, Mr. MARTIN of Iowa, Mr. HICKENLOOPER, Mr. BRICKER, Mr. BENDER, Mr. JENNER, Mr. McCARTHY, Mr. WATKINS, Mr. GOLDWATER, Mr. WELKER, and Mr. DIRKSEN):

S. 2940. A bill to establish a Commission to prepare legislation providing for increased industrial use of agricultural products; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. CURTIS when he introduced the above bill, which appear under a separate heading.)

By Mr. CASE of New Jersey:

S. 2941. A bill for the relief of Lotte Windschild; to the Committee on the Judiciary.

By Mr. DOUGLAS:

S. 2942. A bill for the relief of Panagiotis Patsoureas (also known as Peter J. Paterson); to the Committee on the Judiciary.

By Mr. HAYDEN:

S. 2943. A bill for the relief of Moses Rakocinski (Rakoczynski); to the Committee on the Judiciary.

By Mr. SMATHERS:

S. 2944. A bill for the relief of William Jeffrey Jonas; to the Committee on the Judiciary.

By Mr. THURMOND:

S. J. Res. 119. Joint resolution to establish a Commission on Problems of Agriculture; to the Committee on Agriculture and Forestry.

By Mr. FULBRIGHT:

S. J. Res. 120. Joint resolution to establish a joint congressional committee to be known as the Joint Committee on United States International Exchange of Persons Programs; to the Committee on Foreign Relations.

LONGEVITY PAY INCREASES TO WAGE BOARD EMPLOYEES

Mr. JOHNSTON of South Carolina. Mr. President, under both the Classification Act and the Postal Pay Act, employees who are at a "dead end" by virtue of having reached the top of their pay grades are given not to exceed three longevity increases at prescribed intervals as a reward for long and faithful service. These provisions apply to about 1½ million of the 2 million and over Federal employees.

It is of concern to me that one large group of our good and competent employees are not similarly treated. The group to whom I refer is comprised of wage board employees. There are in the neighborhood of 800,000 such employees. Between six and eight thousand of this group are employed in the Charleston, S. C., shipyards. On the basis of personal knowledge, I can assure the Senate that the Government has no finer, more loyal, competent, and hard-working group of career employees anywhere than these fine South Carolinians who toil day in and day out to maintain the effectiveness of our great Navy.

Mr. President, I introduce, for appropriate reference, a bill to provide longevity increases to wage board employees. Early and favorable action to this bill is warranted as a matter of equity.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2928) to establish longevity pay increases for wage board employees, introduced by Mr. JOHNSTON of South Carolina, was received, read twice by its title, and referred to the Committee on Post Office and Civil Service.

AMENDMENT OF FEDERAL TRADE COMMISSION ACT, RELATING TO RESALE OF CERTAIN AUTOMOBILES AND TRUCKS

Mr. POTTER. Mr. President, during the past few months, information has been presented to my office which would indicate that the businesses of many, many automobile dealers have been unjustly jeopardized by loss of their territorial security.

It is my feeling that an appropriate subcommittee of the Committee on Interstate and Foreign Commerce should thoroughly investigate this phase of the automotive business, and certainly if it is found that inequities exist which can be corrected by proper legislation, the matter should be attended to at once. Therefore, I introduce, for appropriate reference, a bill to amend the Federal Trade Commission Act with respect to certain contracts, agreements, or franchises to enable manufacturers of automobiles and trucks and their franchise dealers to protect their good will in the business of manufacturing and distributing automobiles and trucks made or sold by them by restricting franchise dealers from reselling to certain unauthorized persons.

At this time I am concerned over the so-called bootlegging of new cars. The practice of selling new cars for resale is not only unfair to individual, reputable new-car dealers, but is a detriment to the industry as a whole. It is not right that an unauthorized dealer, perhaps operating out of a gas station—with little or no overhead, and with little responsibility to the buyer—should realize the profits from the sale of admittedly new cars. I ask that the bill be appropriately referred.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2929) to amend the Federal Trade Commission Act with respect to certain contracts, agreements, or franchises to enable manufacturers of automobiles and trucks and their franchise dealers to protect their good will in the business of manufacturing and distributing automobiles and trucks made or sold by them by restricting franchise dealers from reselling to certain unauthorized persons, introduced by Mr. POTTER, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

ISSUANCE OF SPECIAL STAMP IN HONOR OF DR. SAMUEL J. CRUMBINE

Mr. CARLSON. Mr. President, I introduce, for appropriate reference, a bill to provide for the issuance of a special postage stamp in honor of Dr. Samuel J. Crumbine who pioneered in the field of public health education. I ask unanimous consent that I may speak on the bill in excess of the 2 minutes allowed under the order which has been entered.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the Senator from Kansas may proceed.

The bill (S. 2936) to provide for the issuance of a special postage stamp in honor of Dr. Samuel J. Crumbine who pioneered in the field of public-health education, introduced by Mr. CARLSON, was received, read twice by its title, and referred to the Committee on Post Office and Civil Service.

Mr. CARLSON. Mr. President, Dr. Crumbine was a Kansas citizen who made a most valuable contribution to public health, not only in our State, but in the Nation.

One of Dr. Crumbine's best known contributions was the elimination of the public drinking cup. His efforts made great progress in the elimination of the common roller towel, which was prevalent at that time. His slogan, "Bat the rat and swat the fly," is still in effective use.

Dr. Crumbine began his practice in Kansas as a country doctor in Dodge City, Kans., in 1885. During those early days his practice often took him by horse and buggy or on horseback to points as far as 50 miles across the prairies. Several times he was thrown from his mount and left stranded in remote places. Once he was lost for hours in a snowstorm. Once, too, he was forced at pistol point by a patient at an isolated ranch to stay there overnight to make sure that there would be no complications in the fractured leg the doctor had just set.

In 1900 Gov. W. T. Stanley appointed him to serve as a member of the Kansas State Board of Health. Two years later Dr. Crumbine was nominated as board secretary and executive officer of the Kansas State Board of Health.

When Dr. Crumbine took office the term "public health education" had not yet been formulated as the name for a specific activity, and there were few persons in public health work who made extensive use of education. However, Dr. Crumbine was an exception to the general rule, and from the outset devoted much of his attention to education of the public with regard to health matters.

One of his first decisions after assuming office was to issue the monthly Bulletin of the State Board of Health, which was sent to doctors, teachers, editors, legislators, manufacturers, and dealers in foods and drugs, and leaders of social and civic groups.

In the bulletin he gave health facts and attacked health superstitions. Through this and other means he was able in 1907 to secure passage by the legislature of the State's first food and drug act and its first water and sewerage law. These were among the first legislative measures in the country to give such powers of sanitary control to a State health department.

But his success in having legislation enacted to bring better health protection to the people of Kansas forced him to decide whether he would make a career of public health or private practice when the position of State health officer was made a full-time job. He later wrote that by then "public health work had become excitingly absorbing." So that same year, 1907, he became the State's first full-time health officer.

The investigations made under his direction into sewage disposal and water pollution blasted many long-held theories, and resulted in important contributions to knowledge of the control of stream pollution.

If his efforts to arrange for the joint sanitary control of the Missouri River by the States of Iowa, Nebraska, Missouri, and Kansas had been successful, this would have been the first time that any group of States had joined together in a program for the control of pollution of their waterways.

But Dr. Crumbine was more successful in securing the establishment of an agency to deal with another interstate health problem which he discovered. A study of the incidence of tuberculosis in southeastern Kansas revealed that the tuberculosis-producing conditions of that lead-, zinc-, and coal-mining area extended into portions of Missouri and Oklahoma also, and that miners living in any one of the States might work in either of the others.

Dr. Crumbine persuaded the health officers of Missouri and Oklahoma to join him in petitioning the United States Public Health Service to set up a tri-State sanitary district with full authority to act in all three States. This was done, and Dr. Thomas A. Parran, Jr., who later became Surgeon General of the Public Health Service, was named the first officer in charge of the district.

Long before the study in southeastern Kansas Dr. Crumbine had determined to wage a campaign against tuberculosis. He secured a State law requiring that physicians report all cases of tuberculosis, and was a prime mover in the organization of the Kansas Association for the Study and Prevention of Tuberculosis, whose activities were largely educational, although for a time it provided a nursing service.

His board of health also carried on a sustained educational program. One of his slogans, "Don't spit on the sidewalk," which he developed for this program so impressed a Topeka brickmaker that for years the bricks of many of the streets there were embossed with the slogan. And he prodded the legislature into providing the money for the State's first tuberculosis sanatorium.

It was as part of this campaign against tuberculosis that the State board of health employed its first public health nurse, although her title was visiting nurse.

The 1907 legislature had voted $1,000 to pay for a traveling tuberculosis exhibit at Dr. Crumbine's request. The assigned duty of the new visiting nurse was to travel with the exhibit and give information to the public about tuberculosis prevention.

By 1911, five graduate nurses and one practical nurse were employed in the State. Each was assigned to a district where she visited reported cases of tuberculosis and set up preventive measures in cooperation with the reporting physicians. Dr. Crumbine finally secured authority to create a separate Bureau of Public Health Nursing in 1919.

While making a train trip in July 1907, Dr. Crumbine became aware of the many obviously tuberculous passengers, probably on their way to the southeast, where they hoped to be cured. He was horrified to see that when these persons went to the water cooler for a drink they used a common cup provided there for all passengers to share. As soon as possible thereafter, Dr. Crumbine arranged for cultures to be made from swabbings taken from the common drinking cups and glasses of all trains entering Union Station at Kansas City, and also from the cups used in a suburban public school. These tests provided all the evidence Dr. Crumbine required to prove the potential danger of common cups as the transmitters of disease.

Armed with this proof, he was able to secure at the next meeting of the State board of health the first regulation adopted in any State outlawing the use of a common cup. Other States quickly followed suit, until now it is illegal to offer a common cup in any public place in the country. And before long Dr. Crumbine had the satisfaction of seeing that, due to his initial efforts in Kansas, individual paper cups were furnished for public use on all trains, not only within his own State of Kansas but no matter where else he might travel in the country.

A similar menace of common use also came to his attention during his investigation of a smallpox outbreak. He found that all persons involved had used a common towel in a hotel. Bacteriological analysis of common towels collected from a number of public places showed transmissible contamination on many.

In 1911, therefore, the State board of health issued an order forbidding common towels on railroad trains, in public schools, restaurants and hotels in the State of Kansas. This order, too, was the first of its kind ever officially adopted.

Dr. Crumbine had not been long in office before he became concerned about the infant mortality rate in his State. When he learned that a division of child hygiene had been set up in New York State, he appealed to the Kansas Legislature to authorize the establishment of a similar division. With the approval granted in 1915, Kansas become the second State in the country to have a separate division in its State health department devoted exclusively to child health and hygiene.

Concerned too, about the high rates of typhoid and typhus in his State, Dr. Crumbine determined to launch educational campaigns for the extermination of rats and flies, which he was convinced were the principal carriers of these diseases.

For his campaigns he coined the phrases "Bat the rat" and "Swat the fly," slogans which spread all over the country as other organizations joined the battle against these dangerous pests.

It was during his time, and not a little due to his educational efforts, that house screening and the fly swatter came to be regarded almost everywhere in the country as indispensable in every house.

From the outset of his appointment as executive officer of the State board of health, Dr. Crumbine had benefited by the cooperation and assistance of the various departments of the University of Kansas.

In 1911, he was named dean of its school of medicine, which gave him an even better opportunity to correlate the work of the board with the work of the university's divisions. He continued in this dual role until 1919.

In 1923, Herbert Hoover, then president of the American Child Health Association, called in Dr. Crumbine as medical consultant to the association. Two years later he became its general executive. In 1930, Mr. Hoover, as President of the United States, again called on Dr. Crumbine to make a 3-month survey of children's health conditions in Puerto Rico. As a result of his report, the President set up a 6-year plan for the rehabilitation and relief of children in Puerto Rico.

Dr. Crumbine gave up his post as general executive of the American Child Health Association in 1936. In 1938, he became executive vice chairman of the Save the Children Federation, which position he held until 1954, when he became honorary member of the board. Throughout the entire period he was medical consultant to the organization.

Indication of the esteem in which he was held nationally by public-health figures is to be found in the fact that he was a one-time president of both the Association of American Food, Dairy, and Drug Officials and the Conference of State and Provincial Boards of Health.

At the time of his death, in 1954, at the age of 91, he was still mentally alert and continuing to make his contribution to public health as a consultant to the public health committee of the Paper Cup and Container Institute.

DESIGNATION OF SEPTEMBER 17 AS A LEGAL HOLIDAY TO BE KNOWN AS CONSTITUTION DAY

Mr. MUNDT. Mr. President, I introduce, for appropriate reference, a bill declaring September 17 a legal public holiday to be known as Constitution Day.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2939) declaring September 17 a legal public holiday to be known as Constitution Day, introduced by Mr. MUNDT, was received read twice by its title, and referred to the Committee on the Judiciary.

Mr. MUNDT. Mr. President, I have just introduced a bill in the Senate which is drawn for the purposes of making Constitution Day, September 17, a legal holiday.

There has been widespread interest in such a move, and many patriotic organizations and patriotic citizens have urged some such move which will increase understanding of the Constitution and create greater reverence for it.

September 17, 1787, was perhaps the most significant day in American history. It was on this date, 169 years ago, that 39 delegates, assembled in Independence Hall in Philadelphia, affixed their signatures to the Constitution of the United States.

This is a day that we Americans ought to remember and to celebrate throughout our Nation as Constitution Day, a legal holiday.

The Constitution expresses the fundamental law of our land. It provides for the organization of our Government into three branches—the executive, the legislative, and the judicial. It describes the powers and limitations upon each of these branches, and it outlines the relationship between the Federal Government and the States. It leaves the ultimate authority in the hands of the people.

But the Constitution is far more than a statement of our basic law or an outline of the structure of our Government. It is one of the noblest and most durable testaments in all of history to man's love of free government. It is a continuing source of inspiration and hope, not only to those of us fortunate enough to live under it, but also to freedom-loving people throughout the world.

Yet, despite the immeasurable importance of our Constitution, no separate day is set aside by law for the nationwide observance of its signing. Surely this event, which so profoundly influenced American history, should be given official recognition.

By establishing Constitution Day on September 17 of each year as a legal holiday, the Congress would give to the American people the opportunity to rededicate themselves to the basic principles of free government for which our Constitution stands. The Congress owes this to the people of the United States.

I ask permission to insert in the RECORD at this point, an editorial from the Cotton Trade Journal of September 16, 1955, which was written by Seton Ross, entitled "Constitution Day." Mr. Ross has been one of the most active proponents of legislation of this type and has done much through his articles and editorials to inform Americans about the worthiness of such a holiday calling attention to the anniversary of the signing of the Constitution.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CONSTITUTION DAY

September 17 is Constitution Day. Few of us will be fully aware of the vital significance of that date in the history of our country; some will note the date fleetingly; most Americans, unfortunately, will take no note of it at all. Yet, if the framing of our Constitution were accorded its true value, September 17 would be a national holiday at least equal in importance to Independence Day.

More than just another government was born on that eventful September 17, 1789, when 39 delegates, under the chairmanship of George Washington, signed the Constitution. It marked the longest step forward ever taken by man in the evolution of the science of human government. It blazed new trails of individual dignity, political liberty, and economic opportunity for the relatively small handful of Americans scattered mostly along the country's eastern seaboard—and for the hundreds of millions of Americans of future generations. It lit a torch that shone and still shines around the world as a beacon light of hope to oppressed and enslaved peoples.

Human ingenuity has failed to improve upon our constitutional principles. Other governments have been forced, by popular pressure, to give their people more and more political and legislative freedom—but of all government charters only the American Constitution is based on the fundamental premise that the individual is the master, not the servant, of the state.

Stated simply, American constitutional principles cannot be improved upon because they are founded on the brotherhood of man under the fatherhood of God.

The Constitution is a sacred trust conveyed to us by the Founding Fathers. It is ours to hold inviolate, to protect against attacks from within or without, whether by an alien tyranny or under the guise of domestic paternalism. Attacks against our Constitution openly revolutionary doctrines are readily discerned; countermeasures are obvious. The chief danger today lies in the lack of vigilance which has allowed an increasing centralization of government to the point where the people willingly surrender their birthright of freedom for a mess of illusory security.

Edmund Burke, the great conciliator who defended the American Colonies in the British Parliament, said, "The people never give up their liberties except under some delusion." Let us not be deluded by promises of greater material security to surrender the spiritual values upon which our Constitution rests.

Benjamin Franklin said, "They that give up essential liberty to obtain a little temporary safety deserve neither liberty nor safety."

The living significance of the Constitution should be brought home to every American. We would like to see a bill introduced in the next session of the Congress to make Constitution Day a legal holiday throughout the country. We believe this would be more effective than the issuance of a Presidential proclamation. It should be an occasion not for merrymaking primarily, but for appropriate public observance, an occasion for our rededication to the defense of our constitutional rights and liberties.

INCREASED INDUSTRIAL USES OF SURPLUS AGRICULTURAL PRODUCTS

Mr. CURTIS. Mr. President, on behalf of myself, my colleague, the senior Senator from Nebraska [Mr. HRUSKA], the Senator from Vermont [Mr. AIKEN], the senior Senator from South Dakota [Mr. MUNDT], the junior Senator from South Dakota [Mr. CASE], the Senator from Wyoming [Mr. BARRETT], the Senator from Colorado [Mr. ALLOTT], the Senator from North Dakota [Mr. YOUNG], the junior Senator from Iowa [Mr. MARTIN], the senior Senator from Iowa [Mr. HICKENLOOPER], the senior Senator from Ohio [Mr. BRICKER], the junior Senator from Ohio [Mr. BENDER], the Senator from Indiana [Mr. JENNER], the Senator from Wisconsin [Mr. MCCARTHY], the Senator from Utah [Mr. WATKINS], the Senator from Arizona

[Mr. GOLDWATER], the Senator from Idaho [Mr. WELKER], and the Senator from Illinois [Mr. DIRKSEN], I introduce, for appropriate reference a bill to establish a commission to prepare legislation providing for increased industrial use of agricultural products.

The bill relates to our agricultural situation, and deals with the problem of farm surpluses. It is entitled "A bill to establish a commission to prepare legislation providing for increased industrial use of agricultural products."

There are many very capable persons throughout the country who believe the time is at hand to utilize the research which has already been made to the end that we may use our surplus farm crops for greater industrial purposes. The bill proposes that a commission be appointed to prepare such legislation. The gist of their duties is found in the following language:

It shall be the duty of the Commission to prepare and present to the Congress not later than January 15, 1957, the necessary draft, or drafts, of legislation which in its opinion will bring about the greatest practical use for industrial purposes of agricultural products not needed for human or animal consumption, including, but not limited to, use in the manufacture of rubber, industrial alcohol, motor fuels, plastics, and other products.

Mr. President, in dealing with the nationwide, costly problem of handling farm surpluses, we have long groped for an answer.

It is my opinion that the only greatly expanding market we have is in the United States. Foreign nations are producing more and more of their food. Many foreign nations are plagued with a surplus. There are very definite limits as to how much more, if any, of our agricultural products we can dispose of abroad.

The potential capacity of American agriculture is almost unlimited. The high costs of operating the farm are such that we cannot solve this problem merely by asking further and further reduction of acreage or bushels on the part of the farmers. This is particularly hard on the small- or family-size farm, which is already so restricted that its unit becomes a costly operation.

The logical place to find a worthwhile use for these crops not needed for human or animal consumption is for industrial uses, such as synthetic rubber, industrial alcohol, motor fuels, and the like.

Automobiles in the United States of America consume some 36 billion gallons of gasoline per year. If they were required to use only 5 percent of alcohol blended in gasoline, it would consume some 700 million bushels of grain yearly. Ten percent would consume some 1,400,000,000 bushels. That is far more than our burdensome yearly grain surplus.

The alcohol from 1 bushel of grain will produce about 6 pounds of butadiene, and this in turn will produce about 6 pounds of synthetic rubber. Should all the synthetic rubber used in America be made from grain alcohol, it would consume some 200 million bushels of grain yearly.

Our Government is presently buying large quantities of alcohol as fuel for jet planes, rockets, guided missiles, turbojets, and reciprocating engines. Most of this alcohol is now made from imported blackstrap molasses or from petroleum fractions. Government purchases are large.

Within the last few years, a high official in the Department of Agriculture has said, "The motor fuel use is the only known outlet that is large enough to absorb the quantities of grain that might be available."

The competitive producers of motor fuel should not become unduly alarmed over such a program. The number of cars and the amount of travel are increasing so rapidly that agriculture could well share a portion of this increased market without taking any existing market away from any other source in our country. It should also be borne in mind that all of our industries are taxpayers and that the matter of finding a solution to the farm problem is the whole Nation's problem.

It is my opinion that such a program can be set into operation within the framework of our private enterprise system. By the very nature of the situation relating to agricultural controls, agricultural supports, Government purchases and Government fixed standards for motor vehicle fuel, Federal legislation is necessary to set such a program in operation and to give the stability upon which farmers and businessmen can rely.

Such a program would be much less costly than our present methods of dealing with surpluses wherein we are spending a million dollars a day on storage alone. Other nations have used such a program with great success.

Mr. President, I ask unanimous consent that the text of the bill may be printed at this point in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the Record.

The bill (S. 2940) to establish a Commission to prepare legislation providing for increased industrial use of agricultural products, introduced by Mr. CURTIS (for himself and other Senators), was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That (a) there is hereby established a Commission on Increased Industrial Use of Agricultural Products (hereafter referred to as "the Commission." The Commission shall be composed of five members to be appointed by the Secretary of Agriculture. One of the members so appointed shall be designated as Chairman by the Secretary of Agriculture.

(b) Members of the Commission shall be paid compensation at the rate of $50 per day and shall be reimbursed for necessary traveling and other expenses incurred by them in the performance of their duties as members of the Commission.

(c) The Commission is authorized to appoint and fix the compensation, without regard to the civil-service laws and the Classification Act of 1949, as amended, of an executive director and such chemists, engineers, agriculturists, attorneys, legislative draftsmen, and other assistants as it may deem necessary. The Secretary of Agriculture is authorized to provide the Commission with necessary office space, and may detail, on a reimbursable basis, any personnel of the Department of Agriculture to assist the Commission in carrying out its work.

(d) Upon request of the Commission, any other department or agency of the Government having information or data needed by the Commission in carrying out its duties under this act, shall make such information or data available to the Commission for such purposes. The Commission shall take such steps as may be necessary to protect against unauthorized disclosure any such information or data which may be classified for security purposes.

(e) Service of an individual as a member of the Commission or employment of an individual by the Commission in a technical or professional field, on a part-time or full-time basis, shall not be considered as service or employment bringing such individual within the provisions of sections 281, 283, 284, 434, or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U. S. C. 99).

SEC. 2. It shall be the duty of the Commission to prepare and present to the Congress, not later than January 15, 1957, the necessary draft, or drafts, of legislation which in its opinion will bring about the greatest practical use for industrial purposes of agricultural products not needed for human or animal consumption, including, but not limited to, use in the manufacture of rubber, industrial alcohol, motor fuels, plastics, and other products.

SEC. 3. There are hereby authorized to be appropriated such sums as may be necessary to enable the Commission to carry out its functions.

SEC. 4. Upon submission of the draft or drafts referred to in section 2, the Commission shall cease to exist.

SEC. 5. (a) Any bill or joint resolution embodying a draft or drafts of proposed legislation presented to the Congress under section 2 of this act shall, upon introduction in the Senate or House of Representatives, be referred to the Committee on Agriculture and Forestry of the Senate or the Committee on Agriculture of the House of Representatives, as the case may be. Such committee shall proceed to consider such bill or joint resolution and shall report it to the Senate or House either with or without amendment and either with or without recommendation, within 60 calendar days following the date of its referral to such committee. In the event of the failure of such committee to report the bill or joint resolution within such time, the committee shall be considered to have been discharged from consideration thereof and such bill or joint resolution shall be placed on the appropriate calendar.

(b) This section is enacted by the Congress (1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such shall be considered as part of the rules of each House, respectively, and (2) with full recognition of the constitutional right of either House to change such rules (so far as they relate to the procedure in such House) at any time, in the same manner and to the same extent as in the case of any other rule of such House.

REQUEST THAT THE SECRETARY OF THE INTERIOR REFRAIN FROM GRANTING CERTAIN PERMITS

Mr. MURRAY. Mr. President, I submit, for appropriate reference, a concurrent resolution requesting the Secretary of the Interior to refrain from granting further geological and geophysical prospecting permits. I ask unanimous consent that a letter relating to the concurrent resolution, addressed by me

to the Secretary of the Interior, be printed in the RECORD.

The PRESIDENT pro tempore. The concurrent resolution will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The concurrent resolution (S. Con. Res. 63) was referred to the Committee on Interior and Insular Affairs, as follows:

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that, in the administration of the Mineral Leasing Act of 1920 (41 Stat. 437), the act of August 13, 1954 (68 Stat. 708), and all acts which are amendatory of or supplementary to the foregoing acts, the Secretary of the Interior should refrain from granting further geological and geophysical prospecting permits, and oil and gas leases on lands administered by the Fish and Wildlife Service as refuges for wildlife conservation until such time as the Committees on Interior and Insular Affairs of the House and Senate of the United States have had an adequate opportunity to explore fully whether or not the issuance of such permits and leases is consistent with the public interest.

The letter, presented by Mr. MURRAY, is as follows:

UNITED STATES SENATE,
COMMITTEE ON
INTERIOR AND INSULAR AFFAIRS,
January 13, 1956.

Hon. DOUGLAS MCKAY,
Secretary of the Interior,
Department of the Interior,
Washington, D. C.

DEAR MR. SECRETARY: Thank you for sending me a copy of the transcript of proceedings of the meeting on January 4, at which time representatives of your Department discussed with representatives of conservation groups the purposes and provisions of the new regulations governing oil and gas leasing on Federal wildlife refuges. The accompanying copies of the old and new regulations also will be of interest to the members of this committee.

As you know, there has been a great deal of concern expressed in the press and elsewhere over the impact of these new regulations on both Federal and State wildlife conservation policies and programs. As chairman of a Senate committee charged with the responsibility of acting on measures and legislation affecting oil and gas leasing on public lands, I consider it a duty to obtain all relevant facts pertaining to this problem or any other situation involving the way in which the intent of the Congress as expressed in the Mineral Leasing Act of 1920, as amended, is being interpreted and administered by the officials of the Department of the Interior.

More specifically, I have in mind the possibility that further amendatory legislation affecting oil and gas leasing on lands administered for national park, monument, and wildlife purposes may be introduced and referred to this committee during the present session. I am also considering the introduction of a resolution expressing the sense of the Congress that the Secretary of the Interior should refrain from granting further prospecting permits, and oil and gas leases on lands administered by the Fish and Wildlife Service as refuges for wildlife conservation until such time as the appropriate committees of Congress have had an opportunity to determine whether or not the issuance of such permits and leases is in the public interest.

Apparently the first lease issued under the new regulations has been the subject of the most vigorous public condemnation in both the press and in statements made by Members of Congress. As I understand it, this lease was issued on the day preceding the issuance of the new regulations and that it will permit oil and gas development on some 12,000 acres on the Lacassine National Wildlife Refuge in Louisiana. It is also my understanding that this was a noncompetitive lease and that as a consequence the fees charged the lessee are less than those that would obtain had the lease been issued on a competitive basis.

Unquestionably, this particular matter will be the subject of considerable discussion by members of this committee. I therefore feel it incumbent upon me to request you to furnish me with all information available in the files of the Department together with a copy of the lease, the operating plan, and all correspondence, records, and memoranda of communications that relate to this particular oil and gas lease. Any justification or facts that have not been revealed that would tend to clarify the alleged necessity for the issuance of this lease will of course be welcome.

It is hoped that the file can be assembled and transmitted to the committee by the end of next week so that members of the committee and the professional staff may have an opportunity to examine into the factual record in this case. Your cooperation will be appreciated.

Sincerely yours,
JAMES E. MURRAY, *Chairman.*

NEWSPAPER PUBLICATION OF TESTIMONY TAKEN IN EXECUTIVE SESSION BY THE FOREIGN RELATIONS COMMITTEE

Mr. LANGER. Mr. President, I submit a resolution, which I send to the desk for appropriate reference. I ask unanimous consent that the resolution and a statement in connection with it be read by the reading clerk. That will take only approximately 3 minutes.

The PRESIDENT pro tempore. The resolution will be received and appropriately referred; and, without objection, the resolution and statement will be read by the clerk.

The resolution (S. Res. 182) was received, referred to the Committee on Foreign Relations, and read, as follows:

Whereas testimony of the Secretary of State given in executive session of the Senate Committee on Foreign Relations has been reported to Drew Pearson, who published the same in this morning's edition of the Washington Post, quoting almost verbatim what actually transpired in the meeting: Therefore be it

Resolved, That the chairman of the Committee on Foreign Relations be directed not to have any testimony, the publishing of which might be injurious to the Armed Forces of this country or to the people as a whole, taken before the full committee but that he be directed to have such testimony taken only before himself, the ranking members of the majority and minority parties, Mr. GREEN and Mr. WILEY, and the leader of the minority party, Mr. KNOWLAND, until the further order of the Senate; and that at all other meetings of the Committee on Foreign Relations, newspapermen be publicly invited to attend.

The statement, presented by Mr. LANGER, was read as follows:

STATEMENT BY SENATOR LANGER

In this morning's Washington Post in Drew Pearson's column there appeared true statements that occurred at the executive meeting of the Foreign Relations Committee.

Inasmuch as this was an executive meeting, it must be apparent to anyone that a Senator spoke to Mr. Pearson or one of his representatives. I believe that Mr. Pearson has rendered a great service to this Senate, and to the people of the country by reporting the statements made to him or his representatives by this Senator.

The Senate Foreign Relations Committee is one of the most important committees dealing in the lives of the hundreds of thousands of our soldier boys stationed all over the world and certainly a Senator that states to a newspaper man what had been reported in the executive session to the Senate Committee on Foreign Relations is hardly worthy to be a United States Senator. He is a traitor, he is a spy and is as inimicable to the ways of this country as a vulturous enemy picking the bones of our American soldiers in the field of battle. In my opinion, hanging is too good for a Senator who would betray his colleagues, the soldier boys and the people of this country. Had I the power, I would tear out his tongue by the roots. This Senator, taking advantage of his position to which he has been entrusted by the people of his State, has not only disgraced himself but disgraced the Senate and is evidently going upon the assumption that the Senate is powerless to protect itself. When he thinks that, he fails to realize the ingenuity of other Senators.

With this in mind, I am introducing a resolution directing the Chairman of the Foreign Relations Committee of the Senate that the Secretary of State or any of his subordinates shall not testify hereafter in executive session before the Senate Foreign Relations Committee, except to a bipartisan board consisting of Chairman Senator GEORGE, ranking member THEODORE GREEN of Rhode Island, ranking member ALEXANDER WILEY of Wisconsin, and Senator WILLIAM KNOWLAND, leader of the minority who is a member of the committee, and that other hearings before the committee shall be open to all newspapermen including Mr. Pearson and to the public. It is a sad state of affairs when a situation arises where this sort of action is necessary but the passage of this resolution will show to this traitor of the Senate, traitor to his colleagues, traitor to the American people, that in this great democracy of ours the United States Senate is capable of dealing with traitors even though one appears within our own body. For the information of the Senate, I am attaching hereto the article of Mr. Pearson that appeared in the Washington Post this morning. (See Exhibit A.)

The above is self-explanatory and I want everyone in the Senate body to know that the Senior Senator from North Dakota would vote to expel from this body any Senator who would do such a disservice to this body and to the Secretary of State and to the Nation.

I hope I get this resolution passed so that the Secretary of State will not testify to the Foreign Relations Committee except as indicated above.

EXHIBIT A

SENATORS LISTEN TO DULLES' GLOOM

(By Drew Pearson)

Less than a week ago Ike's state of the Union message stressing the rosy foreign outlook Secretary of State Dulles gave a long, gloomy, country by country report to the Senate Foreign Relations Committee behind closed doors.

Dulles complained about Communist gains in the French General Assembly, the West German political realinement reducing Chancellor Adenauer's majority, and Prime Minister Eden's slipping prestige in England. He also confessed concern over the brewing trouble in the Middle East, North Africa, and the Far East.

Listening carefully, Minnesota's blunt-tongued Senator HUBERT HUMPHREY finally

blurted: "I am having a little difficulty, Mr. Secretary, squaring your account of these trouble spots with the President's state of the Union message."

Dulles stammered something about the "overall picture" being good, then Indiana's GOP Senator HOMER CAPEHART came to his rescue.

"Would you say, Mr. Secretary, that, taking the free world as a whole, conditions are much, much better than they were and people are much better off than they were?" he asked helpfully.

Hastily, Dulles agreed.

"You mean conditions in India are good?" demanded Senator BILL FULBRIGHT, Arkansas Democrat.

"Conditions in India are better," defended the Secretary.

"Since the subject of India has come up," broke in HUMPHREY again, "I would like to know why you made your Goa statement."

This diplomatic pronouncement, favoring Portuguese rule over the disputed Goa colony in India, caused outraged reaction throughout India.

Dulles admitted he was trying to please the Portuguese Foreign Minister, who was visiting this country at the time.

"I knew my statement would cause some concern in India," the Secretary said. "But failure to make a statement would have caused concern in Portugal. You can't please everyone. Sound diplomacy called for us to make the statement while the Portuguese Foreign Minister was in this country."

Both HUMPHREY and FULBRIGHT disputed whether this was sound diplomacy, and the closed-door meeting ended on a note of bipartisan strain.

STUDY OF MINERALS, MATERIALS, FUELS, AND CERTAIN OTHER MATTERS

Mr. MURRAY submitted the following resolution (S. Res. 183), which was referred to the Committee on Interior and Insular Affairs:

Resolved, That the Committee on Interior and Insular Affairs, or any duly authorized subcommittee thereof, is authorized under sections 134 (a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdictions specified by Rule XXV of the Standing Rules of the Senate, to examine, investigate, and make a complete study of any and all matters pertaining to—

(1) Minerals, materials, and fuels.

(2) Irrigation, reclamation, and power development.

(3) Public lands.

(4) Indians.

(5) Territories and insular affairs.

(6) National Parks.

(7) Resource management and development.

SEC. 2. For the purposes of this resolution the committee from February 1, 1956, to January 31, 1957, inclusive, is authorized to (1) make such expenditures as it deems advisable; (2) to employ upon a temporary basis, technical, clerical, and other assistants and consultants; and (3) with the consent of the heads of the departments or agencies concerned, and the Committee on Rules and Administration, to utilize the reimbursable services, information facilities, and personnel of any of the departments or agencies of the Government.

SEC. 3. Expenses of the committee, under this resolution, which shall not exceed $177,000 shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

CONTROL AND DISTRIBUTION OF WATER—AMENDMENTS

Mr. BARRETT submitted amendments, intended to be proposed by him, to the bill (S. 863) to govern the control, appropriation, use, and distribution of water, which were referred to the Committee on Interior and Insular Affairs, and ordered to be printed.

ADDITIONAL COSPONSORS OF BILLS

Mrs. SMITH of Maine. Mr. President, last Thursday I introduced on behalf of myself and 26 other Senators from both sides of the aisle, S. 2925, proposing a 5-year medical-research program.

Inadvertently, the senior Senator from Pennsylvania [Mr. MARTIN], the junior Senator from Minnesota [Mr. HUMPHREY], and the junior Senator from Rhode Island [Mr. PASTORE] were delayed in notifying me of their desire to be cosponsors of the bill.

I so ask unanimous consent that they be added as cosponsors of the bill.

The PRESIDENT pro tempore. Without objection, it is so ordered.

SCHOOL CONSTRUCTION

Pursuant to the order of the Senate of January 12, 1956, the names of the Senator from Minnesota [Mr. THYE] and the Senator from South Dakota [Mr. CASE] were added as additional cosponsors of the bill (S. 2905) to authorize a 5-year program of Federal assistance to States and communities to enable them to increase public elementary and secondary school construction, introduced on January 12, 1956, by Mr. SMITH of New Jersey (for himself and other Senators).

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. BYRD:

Address delivered by Senator MARTIN of Pennsylvania on September 22, 1955, at a convocation at the College of William and Mary on the occasion of the bicentennial of the birth of Chief Justice John Marshall.

By Mr. DOUGLAS:

Editorial and comments by him dealing with proposed legislation on natural gas.

By Mr. CARLSON:

Article on post-office operations, written by Postmaster General Summerfield, and published in Nation's Business for January 1956.

NOTICE OF HEARING ON NOMINATION OF DR. FREDERICK J. BRADY, OF MARYLAND, TO BE REPRESENTATIVE ON EXECUTIVE BOARD OF WORLD HEALTH ORGANIZATION

Mr. GEORGE. Mr. President, the Senate received today the nomination of Dr. Frederick J. Brady, of Maryland, to be the representative of the United States on the Executive Board of the World Health Organization. I wish to give notice that this nomination will be considered by the Committee on Foreign Relations at the expiration of 6 days.

NOTICE OF HEARINGS CONCERNING CERTAIN NOMINATIONS BEFORE COMMITTEE ON THE JUDICIARY

Mr. KILGORE. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

Simon E. Sobeloff, of Maryland, to be United States circuit judge, fourth circuit, vice Morris A. Soper, retired.

Warren E. Burger, of Minnesota, to be United States circuit judge, District of Columbia circuit, vice Harold M. Stephens, deceased.

John M. Cashin, of New York, to be United States district judge for the southern district of New York.

William B. Herlands, of New York, to be United States district judge for the southern district of New York.

Frank M. Johnson, Jr., of Alabama, to be United States district judge for the middle district of Alabama.

Ewing T. Kerr, of Wyoming, to be United States district judge for the district of Wyoming.

C. William Kraft, Jr., of Pennsylvania, to be United States district judge for the eastern district of Pennsylvania.

Joseph P. Lieb, of Florida, to be United States district judge for the southern district of Florida.

R. Dorsey Watkins, of Maryland, to be United States district judge for the district of Maryland.

Henry J. Cook, of Kentucky, to be United States attorney for the eastern district of Kentucky for a term of 4 years, vice Edwin R. Denney, resigned.

Ruben Rodriguez-Antongiorgi, of Puerto Rico, to be United States attorney for the district of Puerto Rico, for a term of 4 years, vice Harley A. Miller, resigned.

John Wesley Thompson Falkner IV, of Mississippi, to be United States marshal for the northern district of Mississippi, for a term of 4 years.

Gerald Francis Bracken, of Maryland, to be United States marshal for the district of Maryland.

James F. Brophy, of Georgia, to be United States marshal for the southern district of Georgia.

Santos Buxo, Jr., of Puerto Rico, to be United States marshal for the district of Puerto Rico.

Albert Di Meolo, of Pennsylvania, to be United States marshal for the western district of Pennsylvania.

Oliver H. Metcalf, of Pennsylvania, to be United States marshal for the middle district of Pennsylvania.

Donald C. Moseley, of Louisiana, to be United States marshal for the western district of Louisiana.

James Warren McCarty, of Texas, to be United States marshal for the southern district of Texas, for a term of 4 years, vice Emmett Mitchell Smith, resigned.

R. Lockwood Jones, of Oklahoma, to be a member of the Subversive Activities

Control Board for the remainder of the term expiring August 9, 1960, vice David J. Coddaire, resigned.

Francis Adams Cherry, of Arkansas, to be a member of the Subversive Activities Control Board, for a term expiring March 4, 1960.

Charles K. Rice, of New Jersey, to be an Assistant Attorney General, vice H. Brian Holland, resigned.

Louis F. Kreek, of the District of Columbia, to be an Examiner in Chief in the Patent Office, Department of Commerce.

Notice is hereby given to all persons interested in these nominations to file with the committee on or before Monday, January 23, 1956, any representations or objections in writing they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

MESSAGE OF GOVERNOR TIMMERMAN OF SOUTH CAROLINA TO SOUTH CAROLINA GENERAL ASSEMBLY

Mr. THURMOND. Mr. President, I ask unanimous consent to have printed in the RECORD the second annual message of Gov. George Bell Timmerman, Jr., of South Carolina, to the general assembly, on January 11, 1956.

There being no objection, the message was ordered to be printed in the RECORD, as follows:

Mr. President, Mr. Speaker, members of the general assembly, 1955 has been a year of broad change. The basic problems confronting us have altered little, but contributing influences have undergone constant change.

Perhaps one of the most important basic factors that you must consider is the general economy.

When I spoke to you a year ago, our farmers had closed their books on one of our worst drought years. The effect on the general economy was plain.

While you were still in session, freezing temperatures, wind and hail struck the rich orchard areas, destroying our peach crop, an important contributor to the agricultural income.

In other phases of agriculture, we generally enjoyed a good year. Although the dollar value of agriculture in 1955 may have been slightly lower than recent averages, it was considerably higher than in 1954.

The biggest impact upon our economy is our industrial development. In recent years, industry has poured millions of dollars into our State for new plants, creating new jobs and new payrolls.

Since your last adjournment, figures have been compiled for the past 12 months. Compared to the preceding 12-month period, there were almost 3,000 more South Carolinians employed in manufacturing plants. Annual wages in manufacturing industries had leaped more than $20 million and are now in excess of $494 million. The yearly value of our manufacturing product was increased by more than $140 million, and is now almost $2½ billion.

By all standards, 1955 was the greatest year of our industrial development. Plans were announced for the building of 43 new plants and 72 major expansions. When completed, they will provide 12,000 additional jobs with new payrolls approximating $32 million annually. This expansion represents a capital investment of $225 million.

Our economic growth is reflected in the State's income.

General fund revenue for the first 6 months of the current fiscal year is approximately $7½ million above what it was for the same period last year. The rise in revenue includes a $3½ million increase in revenue from the retail sales tax; $500,000 increase in revenue from the beer and wine tax; a $700,000 increase in revenue from the income tax; and a $1½ million increase in revenue from the inheritance tax.

The increase in the revenue from the inheritance tax is due mostly to the size of one unusually large estate and does not reflect an economic change. Other increases involve both economic and tax changes.

We entered the current fiscal year with an operating deficit of $1.8 million, and no general fund reserve.

Total expenditures and reserves for the current fiscal year and the deficit from last year will exceed the estimated revenue for the current year, leaving an estimated deficit of approximately $650,000 at the end of the current fiscal year. It is in the light of this that appropriations must be made for the next year. Appropriation requests exceed the revenue estimate.

I seriously question the advisability of additional taxation.

During the past year, a number of legislative committees was created to study various fields. Perhaps no general assembly has been more active in the pursuit of information for the effective operation of our Government. It is hoped that out of these studies, much valuable material will be made readily available to each member of the general assembly. Time will not permit discussing each separately.

During the past year, the South Carolina Law Enforcement Division was reorganized and a training program inaugurated. A special unit was created to curb the illegal manufacture of whisky. During the 5 months of its operation, 613 stills were destroyed; 360,000 gallons of mash, and 5,000 gallons of whisky were seized and disposed of as required by law; 61 motor vehicles were confiscated and turned over to proper authorities; and 325 arrests were made. As a result, fines totaling more than $10,000 were paid, sentences totaling more than 13 years are being served, and 150 cases are pending for trial in State and Federal courts.

In addition, a unit to deal with the importation of illegal whisky was established under the control of the South Carolina Tax Commission. Tax officials have announced that their operation is successful.

Current statutes affecting liquor-law enforcement do not work to the advantage of police agencies, and in some instances handicap effective enforcement.

During the last session, I recommended that the liquor-law enforcement statutes be recodified and strengthened.

Such a bill was passed by the senate. It is now in the house judiciary committee for study.

I recommend its passage with such amendments as may be appropriate.

There are State positions for which the statutes do not provide a complete method for filling vacancies when caused by death or resignation. Since the law contemplates that no office remain vacant, I recommend that you provide some statutory procedure for filling such vacancies.

After World War II, the Southern States realized heavy demands for professional, technical, and graduate education.

To meet this acute need, 14 States entered into a compact in 1949 to provide voluntary pooling of higher educational facilities.

The compact set up the Southern Regional Education Board and South Carolina is a charter member.

In this connection, the general assembly will have before it two matters.

One is the approval of a joint resolution to admit the States of West Virginia and Delaware to the compact. I recommend that the resolution be adopted.

The second proposal is to add a legislator from each State to the governing board of the compact. I recommend enabling legislation for this purpose.

The alarming number of highway accidents and traffic deaths is a cirtical problem.

In 1950 and again in 1951, we had the second highest traffic death rate in the Nation. In 1952 we had the highest traffic death rate. In 1953 we had the second highest traffic death rate. In 1954 our State was recognized and honored for achieving the largest percentage decrease in traffic deaths, but we still had the sixth highest traffic death rate.

In 1955 traffic deaths soared. While final comparative figures for all the States are not available, we do know that 706 persons were killed upon our highways, a death rate 50 percent above the national average.

One essential for highway safety is a system of roads that meets the needs of traffic.

The State Highway Department, within the limits of its authority, has sought by exceptional maintenance to meet this need.

Engineers and officials in other parts of the country attest to the quality of our maintenance.

However, no amount of maintenance can erase the fact that our present highway system is outdated.

We will not make our highways safe until we build a system designed to meet our needs.

The State highway department has the engineering knowledge and the engineering personnel to construct such a system.

The department has sufficient funds to start immediately.

The only thing lacking is enabling legislation to provide control of access as needed. I recommend such legislation.

The demands upon water for agricultural, domestic, industrial, and municipal purposes continue. I hope that you will consider the establishment of a sound water-rights law and a sound water conservation program, but, as mentioned in my last annual message, care must be taken to avoid provisions that would hamper economic progress.

Forestry is our second largest industry.

Unfortunately our forests are vulnerable to fire. I recommend that you consider strengthening the laws to protect our forests.

Demands for forest seedlings exceed the capacity of our State tree nursery. The committee created to study the forest fire problem has recommended the establishment of a nursery in the Piedmont area. The forestry commission believes such a nursery would become self-sustaining and return to the State within 7 years the capital investment. This nursery would concentrate on species adaptable to the Piedmont.

I commend to your careful consideration the report of the committee established to investigate the insurance department. I hope that you will take such action as you deem advisable to improve and strengthen our insurance laws and our insurance department for the better protection of the public.

We must continue to insist that the Central Government protect our textile workers and our textile industry against cheap, foreign goods. The textile industry provides more jobs and payrolls for our people than any other industry.

At the recent southern governors' conference, I coauthored and cosponsored a resolution to protect our people against this threat. We must continue this effort.

In view of recent developments, I recommend that you consider strengthening the law governing our State parks.

A well-organized drive for Federal taxation has been launched to raise funds within the States to be spent in the public-school systems now operated and supported by the States.

The effect would be to shift the major responsibility for levying taxes for school purposes from the State legislature to the Central Government. Federal aid is sugar-coated Federal taxation.

It is a fanciful dream to think that the Federal Government could assume this tremendous expenditure without additional heavy taxation. It might rely on its method of deficit financing for a short time, but as the States become dependent upon the Central Government, additional heavy taxes upon the low-income groups become inevitable.

It is inconceivable that the Federal Government would cut vast expenditures for national defense, foreign aid, and public welfare assistance—and debt service which it cannot cut—in order to give money to South Carolina for school purposes.

The folly of Federal taxation for State services is demonstrated in the field of highway-user taxes—taxes levied in the name of better roads. In reality, much goes to support other Federal programs. That is the reason additional heavy Federal taxation has been proposed for the pending Federal highway-construction program.

Propaganda for so-called Federal aid to education ignores these factors.

It fosters upon us a big political hoax, the claim of an acute shortage of school buildings. The claim is simply untrue.

More school buildings have been constructed in America within the last decade than during any other comparable period. We have more schoolhouses and better schoolhouses than any country in the world.

The real need is to meet the normal increase in school enrollment, a need which can be met by the several States without resort to the Central Government.

In South Carolina, we are meeting our construction needs both at the public-school level and at the public-college level.

Under our school-equalization program, 389 schoolhouses have been constructed. Sixty-four percent are for Negro pupils. Within the last year $29¼ million was allocated for 1,300 new classrooms. Permanent improvements at our State colleges are being made at a multimillion-dollar pace. Last year funds for additional construction totaled almost $4 million.

As for me, if I must be taxed, I would rather be taxed sensibly by representatives of my own State than be taxed heavily by representatives from other States.

I again recommend that you consider providing scholarships for prospective teachers to encourage students to enter the teaching field.

Estimates are that there will be 11,000 more children in our public-school system next September. Based upon the number of children under school age, public-school enrollment in the next 3 years is expected to increase by 11,000 to 15,000 children annually.

Our State is providing a modern school transportation system. Forty-five percent of our buses are used by Negro children. We are operating an average of 4,000 school buses, which is almost 300 more than were in operation last year. According to estimates, we will need 175 more buses starting next September.

A major problem still before us is the preservation of public schools acceptable to the people of our State.

The problem is foremost in the minds of our people. I am confident it is foremost in the mind of each of you.

There have been many suggestions for preserving our separate but equal school facilities, including the doctrine of interposition.

Two principles distinguish our form of government and provide it with stability and greatness. Both are essential to protect our form of government. Both are essential to preserve the rights of the States and the people.

One is the historic balance between the authority delegated to the Federal Government and the power reserved to the States and the people. It is expressed in the tenth amendment to the Constitution in these words:

"The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people."

Nowhere does the Constitution delegate to the Central Government the power to control public schools.

The other principle is the process of amendment expressed in Article V of the Constitution which forbids any change in the basic law without the approval of the States.

The Supreme Court has flagrantly violated both of these principles.

It has undertaken to upset the balance between Federal authority and State sovereignty.

It has weakened the stability of the written Constitution.

If the opinion is accepted, it will have established a precedent for destroying the greatest system of government ever established.

In striking down the separate but equal doctrine, the Court has not only usurped the authority of Congress to propose changes in the fundamental law, but it has also usurped the sovereignty of the States to approve changes in the Constitution.

It is unlikely that all of the members of the Supreme Court could have been ignorant of what they were doing.

In their opinion, they confessed that they would not interpret the Constitution according to its meaning when it was adopted, or in the light of how it had been interpreted by the Court. In making this confession, they had this to say:

"We cannot turn the clock back to 1868 when the amendment was adopted, or even to 1896 when *Plessy* v. *Ferguson* was written."

No document can be interpreted truthfully except in the light of what it meant when it was written. For the purposes of judicial interpretation, consideration of previous Court decisions is also essential to a correct interpretation.

Rather than resting their opinion upon established law, the present members of the Supreme Court based their opinion upon writings on sociology and psychology.

It must be remembered that the Congress has the authority to curb the Court and restore constitutional government.

Among many things, the National Senate must exercise greater care in confirming appointments to our Federal courts. An active constitutional bloc could soon force any President to give more consideration to judicial qualifications and less consideration to politics. In this way a great service would be rendered our Nation.

Throughout this crisis we have pursued a policy of working within the framework of the law, resorting to lawful means to preserve an acceptable system of public schools.

Your attitude has been one of intelligent restraint and commendable action. It is in sharp contrast to the attitude of those who seek to destroy our schools.

Last year the sovereignty of our State was interposed between the Central Government and local trustees when you wrote into the law that no funds appropriated for school purposes shall be used for any school from which or to which any pupil may be assigned by the order of any court.

This year our schools are operating in peace and in conformity with the pattern of racial separation which was made for that peace.

Not one child has sought to gain admittance to a school for the children of the other race. Many Negro parents living in Washington and other cities to the north of us are leaving their children with relatives in our State so that their children can enjoy the benefit of a southern climate in segregated public schools.

Nevertheless no one can offer a magic solution to the threats that continue to face us.

It is imperative that we continue to consider with great care each move that we shall undertake.

I think it advisable that we give consideration to joining, if possible, our sister States at an appropriate time in a lawful and formal protest against the effort to destroy our form of government; but I would caution again against premature action.

I also recommend that we make an earnest effort to expedite the work of our State, looking toward an early adjournment. I believe it in the best interest of our State at this time.

There is growing evidence of an effort to not only disrupt our public schools but also to relegate to a second-class status religious faith and racial heritage.

In his state of the Union message the President of the United States lent the prestige of his office to the effort to pour all religious faith and all racial heritage into a melting pot of lost identity.

In announcing the determination of the administration to use Federal authority to promote integration he said:

"We must strive to have every person judged and measured by what he is rather than by his color, race, or religion."

Never before has a national administration proclaimed as unimportant a person's race and religion.

How better can a person be judged and measured as to what he is? A man's most priceless possession is his heritage. A man's most priceless achievement is his religious faith.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I have a brief announcement to make.

At the conclusion of the morning hour the leadership will suggest the absence of a quorum before the calendar is called; and at the conclusion of the call of the calendar, before the Senate resumes consideration of the unfinished business, namely, the gas bill, the leadership will make the point of no quorum again, so that Senators may be notified.

PORTLAND, OREG., SHOULD BE INCLUDED IN MONTHLY RETAIL TRADE REPORTS

Mr. NEUBERGER. Mr. President, I would like to state for the RECORD that I believe there is at present unwise and unfair exclusion of the Portland, Oreg., retail trading area statistics from the monthly Retail Trade Report of the Bureau of the Census. I rise briefly to protest this situation, which has existed for the past 20 years.

Let me show briefly why I think this exclusion is unfair, and why I feel that it is most imperative to include this marketing area in the sampling of retail trade throughout the United States.

The samples of retail trading reported monthly are a valuable service to marketers and advertisers all over the coun-

try. On page 12 of the recently printed 1955 report on economic statistics of the Joint Committee on the Economic Report, recommendation number 19 States:

> We recommend that the scope of the Census Bureau's monthly retail trade report, which now covers sales of all types of stores and inventories of chainstores, be expanded to provide inventory data for independent retail stores other than department stores.

I understand, however, Mr. President, that contrary to the sense of this recommendation, the Department of Commerce has decided that most of the figures presently given in the monthly retail sales reports on metropolitan areas are now to be discarded as byproducts of the national totals. The sampling of large stores throughout the country is to be cut by two-thirds. Here is another example of the adverse results of an economy drive and budget cut—a valuable service is about to be eliminated, a service which provides benefits to our business economy out of all proportion to the costs involved.

I urge a continuation of the monthly retail-trade statistics presently given for metropolitan areas in this country.

With the growing importance of Portland to the West and of the West to the Nation, I feel it is important to indicate that the picture as presently given must of necessity be somewhat less than balanced with the absence of separate figures for Portland.

Portland's metropolitan area, estimated today to have almost 800,000 in population, grew by more than 40 percent from 1940 to 1950. It is the 23d ranking city in population in our country. In retail trade, Portland ranked 19th in the country with sales amounting to $374,822,000 for the year 1948—$674,783,000 in 1954. Sales of Portland's largest department store compare in volume with those of any store on the entire west coast. Portland, at present not reported separately, has 5,308 individual retail stores. Meanwhile, Sacramento, Calif., with only 2,496 stores is reported, as is Rochester, N. Y., with 4,123 stores. Portland is in the most rapidly growing region of the Nation.

In a letter to me, Mr. Edward N. Weinbaum, the able manager of the Portland Retail Trade Bureau, has written:

> Why should the State of California have 4 cities reported, Washington State 1, and Oregon none?

The samples taken by the Bureau of the Census include for the west coast, the Los Angeles, Sacramento, and San Francisco-Oakland metropolitan areas, all in California, Seattle in Washington, and no city in Oregon. Portland tallies within its marketing area almost 2 million people. It seems manifest that the west coast picture must be lopsided under such conditions.

For these reasons, primarily, I would repeat, Mr. President, the Bureau of the Census engages in an ill-advised economy in eliminating the Monthly Retail Trade Statistics relating to metropolitan areas. It unfairly discriminates in its choice of sample areas for its monthly retail trade reports, and further seriously jeopardizes the value of its findings by the omission of the Portland standard metropolitan area from these surveys.

AMENDMENT OF NATURAL GAS ACT, AS AMENDED

Mr. DOUGLAS. Mr. President, I ask unanimous consent to have printed in the body of the RECORD at this point a copy of the telegram I sent last week to the 35 leading natural-gas producers, asking for details on their costs and the profits, together with a statement which I have prepared, on the subject.

The purpose of the telegram is to obtain from the gas-producing industry the same type of information which my good friend, the Senator from Oklahoma [Mr. MONRONEY], is trying to obtain from the gas-distributing companies.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. MONRONEY. I hope the distinguished senior Senator from Illinois will be more successful with his request of the gas producers than I have been with my request of the gas-distributing companies, which are public utilities and which have readily available the kind of information I requested.

Mr. DOUGLAS. The Senator from Illinois will use due diligence in trying to get the information from the producers. If and when he obtains it, he will share it with the Senate and with his good friend, the Senator from Oklahoma.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Illinois? The Chair hears none, and it is so ordered.

The text of Senator DOUGLAS' telegram to the big natural-gas producers is as follows:

"Spokesmen for gas producers submitted in hearings on Harris-Fulbright bill considerable material seeking to prove that consumers are being gouged by local gas utilities with implied acquiescence of State regulatory commissions. But such spokesmen did not present any basic information on economics of gas production. Our hearings record is therefore devoid of such essential data, and it is not otherwise publicly available. In order that full facts may be available for Senate consideration, it is requested that you furnish me with answers to the following questions at your earliest convenience, since the managers of the bill propose its immediate consideration. Please state as of the most recent available date and as of the end of each of your last 5 fiscal years, first, the volume of your gas reserves in producing gas lands; second, the volume of your gas reserves in nonproducing gas lands; third, your gross investment in gas leases and production facilities; fourth, your depreciation and depletion reserves; and, fifth, any unamortized exploration costs not included in your gross investment figure. Please state also for each of the years 1950 through 1954, for the most recent available 12-month period, and for the first full year in which you sold gas for interstate markets, the following figures with respect to your gas business: First, total volume of gas sales; second, total revenues; third, cost of production exclusive of taxes; fourth, Federal income taxes; fifth, other taxes; sixth, depreciation and depletion accounts; seventh, net income; and, eighth, the percentage which net income from sales of gas after taxes bears to total investment in gas-producing properties.

"PAUL H. DOUGLAS,
"United States Senate."

Addressees: Phillips Petroleum Co., Bartlesville, Okla.; Stanolind Oil & Gas Co., Stanolind Building, Tulsa, Okla.; Stanolind Oil & Gas Co., 910 South Michigan Avenue, Chicago, Ill.; Humble Oil and Refining Co., Humble Building, Houston, Tex.; Shell Oil Co., 50 West 50th Street, New York City, N. Y.; The Chicago Corporation, 135 South La Salle Street, Chicago, Ill.; Atlantic Refining Co., 260 South Broad Street, Philadelphia 1, Pa.; The Texas Co., 135 East 42d Street, New York 17, N. Y.; Shamrock Oil & Gas Corp., First National Bank Building, Eighth Street, Amarillo, Tex.; Sun Oil Co., 1608 Walnut Street, Philadelphia, Pa.; Skelly Oil Co., Skelly Building, Tulso, Okla.; Gulf Oil Corp., Gulf Building, Pittsburgh, Pa.; American Gas Production Co., Care of Cities Service Co., 60 Wall Street, New York, N. Y.; Magnolia Petroleum Co., Care of Socony-Vacuum Oil Co., 26 Broadway, New York City, N. Y.; The Pure Oil Co., 35 East Wacker Drive, Chicago, Ill.; Gulf Refining Co., Gulf Building, Pittsburgh, Pa.; The Superior Oil Co., 601 West Fifth Street, Los Angeles, Calif.; Republic Natural Gas Co., Life of America Building, 311 South Akard Street, Dallas, Tex.; Tide Water Associated Oil Co., 17 Battery Place, New York City, N. Y.; Ohio Oil Co., 539 South Main Street, Findlay, Ohio; Sunray Oil Corp., First National Bank Building, Tulsa, Okla.; Western Natural Gas Co., et al., 1006 Main Street, Houston, Tex.; Southern Production Co., Inc., Fort Worth National Bank Building, Fort Worth, Tex.; Union Oil Company of California, Union Oil Building, 617 West Seventh Street, Los Angeles, Calif.; Sinclair Oil & Gas Co., 600 Fifth Avenue, New York City, N. Y.; Warren Petroleum Corp., 2100 National Bank of Tulsa Building, Tulsa, Okla.; United Carbon Co., Charleston, W. Va.; Union Sulphur & Oil Corp., 663 Gulf Building, Houston, Tex.; Taylor Oil & Gas Co., Taylor, Tex.; Continental Oil Co., Ponca City, Okla.; Sohio Petroleum Co., Care of The Standard Oil Co., Midland Building, Cleveland, Ohio; The California Co., 800 California Building, New Orleans 12, La.; Dorchester Corp., 701 First National Bank Building, Amarillo, Tex.; Texas Gas Products Corp., Post Office Box 1409, Tulsa, Okla.; Carthage Corp., 505 Walnut Street, Cincinnati, Ohio.

STATEMENT BY SENATOR DOUGLAS

In my request I pointed out that the gas producers' advocates have accused the distributing companies of gouging the consumers, but have not furnished economic data about their own operations. My message asked for full information on their investment, reserves, sales, costs, and profits for the past 5 years.

I have no objection to Senator MONRONEY's recent request for further information from the distributing companies. I said in a statement accompanying release of my message to the producers. But I want to get all the facts on the table, not just a part of them. Fair comparisons between the different segments of the industry can be made only if the gas producers' profit rates on their gas operations and other basic figures are made just as available to the Senate as the pipelines' and distributing companies' cost and profit data already are.

Although the big gas producers have withheld the economic information about themselves up to now, I hope they will respond promptly and fully to my request for this data. Surely they do not expect the Senate to pass on this measure which would undoubtedly greatly enrich them at the expense of 80 million users of gas without even furnishing the essential facts about themselves.

CRITICISM OF SECRETARY OF STATE DULLES

Mr. SMITH of New Jersey. Mr. President, I ask unanimous consent to speak for 6 minutes in connection with the recent criticism made of Secretary Dulles.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Senator from New Jersey may proceed.

Mr. SMITH of New Jersey. Mr. President, our distinguished Secretary of State, Mr. John Foster Dulles, has been under sharp criticism during the last few days from Democratic presidential candidates and from some Members of the House and Senate. In an election year this is, of course, understandable, but we should be on our guard lest misinterpretation of the Secretary's intent do harm to our international position.

The criticisms are mainly on two counts: First, the proposal for assurance of continuity in economic assistance for development projects in underdeveloped countries. This has been exaggerated into an alleged 10-year commitment. Second, the brink of war statement in the article in the most recent issue of Life magazine.

Let me outline briefly my understanding of both these matters. In doing so, I must emphasize that I am not speaking by authority of Mr. Dulles, or endeavoring to interpret his thinking, or the thinking of the President in his state of the Union message. I am taking these statements at their face value and what they mean to me as a member of the Foreign Relations Committee of the Senate.

I. THE ASSURANCE OF CONTINUITY IN ECONOMIC ASSISTANCE FOR DEVELOPMENT PROJECTS IN UNDERDEVELOPED COUNTRIES

The criticism on this count is undoubtedly based on the statement in the President's state of the Union message where he says:

> We must sustain and fortify our mutual security program. Because the conditions of poverty and unrest in less developed areas make their people a special target of international communism, there is a need to help them achieve the economic growth and stability necessary to preserve their independence against Communist threats and enticements.

I continue to quote from the President's state of the Union message. This is the important part of the quotation:

> In order that our friends may better achieve the greater strength that is our common goal, they need assurance of continuity in economic assistance for development projects and programs which we approve and which require a period of years for planning and completion. Accordingly, I ask Congress to grant limited authority to make longer term commitments for assistance to such projects to be fulfilled from appropriations to be made in future fiscal years.

As one who has traveled extensively in the Middle East and Far East and who has studied the immediate pressing problems of the underdeveloped countries I can say without hesitation that I am entirely in accord with this statement of policy by the President and the Secretary of State. In the great upheavals of today these overpopulated countries are seeking freedom, independence, and self-determination, and are opposing the imperialism and colonialism of the past. They have felt the breath of free fresh air. They have hoped and prayed that our America, built on the foundation of the sacredness of the individual human being and his freedom under God, might lend the helping hand to assist them in attaining that freedom. This does not mean handouts by us to buy friendships. It means a sympathetic partnership understanding of their eagerness for our know-how and our willingness to share that know-how with them. In order to make this philosophy work in our assistance programs it may be necessary to obtain greater assurance of continuity in some economic aid programs, especially in the underdeveloped countries. It may be that this kind of longer term commitment will be necessary to assist in village development programs in the overpopulated areas, in the important construction projects, such as the big Egypt dam, or the proposals for refugee resettlement in the Middle East, where the problem is so difficult because of the Arab-Israeli conflict.

The interests of the United States under this proposal would continue to be protected. Congress must act year by year. No Congress can irrevocably commit any succeeding Congress. Appropriations can only be made year by year. This constitutes an important check on the limited authority the President asks for.

I turn now to the second part upon which Mr. Dulles is being criticized.

II. THE BRINK OF WAR ARTICLE IN LIFE

My distinguished colleague and fellow member of the Foreign Relations Committee the Senator from Minnesota [Mr. HUMPHREY] has developed an astonishing fear complex and has practically demanded the repudiation by President Eisenhower of his Secretary of State.

But, of course, as I said before, this is an election year, and, as the late Senator Vandenberg used to say to me, "We who are in public life, sometimes do and say things in an election year which we hardly even recall in normal times." I believe that is the best explanation of the hysteria on this point.

What is the mortal sin with which Secretary Dulles is charged? He simply relied on historical facts. If the Kaiser of Germany in World War I had known that the United States was able and willing to help save the world, that war would never have been started. Had Hitler known of our ability and willingness to join the Allies in World War II, that war might well have been averted; had Russia and Red China not been misled into thinking that Korea was outside the defense perimeter of the United States, the Korean war probably never would have broken upon us.

Mr. Dulles, as I understand him, believes that our military preparedness and our solemn determination to face up to the threat of war, if it should come to that, has saved and will save us from world war III. Any other attitude would mean a craven retreat even from moral principles and an inexcusable betrayal of our friends and allies abroad.

If we review Yalta and Potsdam—and we do not need to place blame at this point to do so—we will see clearly that retreat, compromise, appeasement, and fear can lead to dangers as great as war itself.

Mr. President, for myself, I thank God today and every day for the vision and courageous leadership of our great President Eisenhower and his distinguished Secretary of State.

Mr. SALTONSTALL. Mr. President, will the Senator from New Jersey yield for one question?

Mr. SMITH of New Jersey. I am glad to yield.

Mr. SALTONSTALL. Is it not true that in the three instances which were mentioned in the Life magazine article, the steps which were taken had satisfactory results? In other words, the Korean war was stopped, and it has not started again; Formosa is still in friendly hands; at least half of Indochina is still in friendly hands. The results speak for themselves. Is that not correct?

Mr. SMITH of New Jersey. I thank the Senator. His statement is absolutely correct, and in line with the statement I have just made.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed, without amendment, the following bills of the Senate:

S. 1166. An act to amend section 6 of the act of August 30, 1890, as amended, and section 2 of the act of February 2, 1903, as amended; and

S. 2170. An act to permit sale of Commodity Credit Corporation stocks of basic and storable nonbasic agricultural commodities without restriction where similar commodities are exported in raw or processed form.

The message also announced that the House had insisted upon its amendment to the bill (S. 1287) to make certain increases in the annuities of annuitants under the Foreign Service retirement and disability system, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. RICHARDS, Mr. CHATHAM, Mr. SELDEN, Mr. VORYS, and Mr. BENTLEY were appointed managers on the part of the House at the conference.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H. R. 5614) to amend the Communications Act of 1934 in regard to protests of grants of instruments of authorization without hearing, and it was signed by the President pro tempore.

ARTICLE BY GEN. MATTHEW B. RIDGWAY PUBLISHED IN THE SATURDAY EVENING POST

Mr. SYMINGTON. Mr. President, I ask unanimous consent to speak for not more than 5 minutes with respect to a magazine article.

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). Is there objection to the request of the Senator from Missouri? The Chair hears none; and the Senator from Missouri may proceed.

Mr. SYMINGTON. Mr. President, in tomorrow's Saturday Evening Post there will appear an article, now being circulated among various people, by a great soldier, Gen. Matthew B. Ridgway.

There have been those among the money-firsters, including prominent civilians who picked up the military art after a few weeks' effort, who criticized the military opinions of General Ridgway; and, as the article shows only too well, put incredible pressure on him. But there has never been anyone, anywhere, who ever criticized the integrity of this great officer.

Many times we have presented to the Senate the fact that the military security of the United States was now being sacrificed by those who believe figures come before forces; in other words, money before adequate national defense.

Many times, also I have said that undue persuasion was being used, yes, what might justly be called threats were being made, against our military leaders, to line them up prior to their testimony before Congress, behind a program with which they did not agree.

Many times some have cautioned that the American people would never argue against any program which had the approval of another former Army Chief of Staff, General Eisenhower.

Mr. President, I did not come to the Senate to present only those matters which might be considered popular.

If people agree with those of us who are against the sacrifice of security and principle—principle in the American tradition—they would be agreeing with men who had as much to do with winning the past war as anyone else—such great soldiers as General Bradley, General Spaatz, General Ridgway, and a great many others.

Now the whole factual story is out.

In effect, this article says that the security of the Nation is being thrown into the market place, to be traded for political advantage.

It will be interesting to see what the answer will be to this latest authoritative statement about the current policy of "figures before forces."

After reading General Ridgway's article, I do not see how anyone can honestly doubt his narration of facts as to how these military budgets are being made; and how the Members of this Congress are being deluded by misrepresentations now being employed to justify reductions in defense expenditures.

If there is a policy of putting a price tag on survival, let it be brought out into the open. The people have the right to know.

In an address delivered in Chicago last September 30, I asked:

> How many people realize that all the vaunted talk about reducing the cost of Government during this administration has been entirely at the expense of our national defense? Whereas during the fiscal years of 1954, 1955, and 1956 there have been cuts totaling almost $3 billion in defense expenditures, the record shows that the cost of conducting the other branches of the Federal Government has increased almost $4 billion.

I ask, further, How many people realize that, in the face of the unquestioned facts of the Soviet military buildup, for 3 years the people have been asked to spend a smaller percentage of their gross national product, each year, for national security?

Whatever the cost for defense against the Communist threat, the American people will gladly pay it. But they will not even get that chance, any more than the British people did before 1938, unless their Government gives them the truth.

I suggest that everyone read this article by General Ridgway—and then decide whether or not the people are being given the truth at this time.

Mr. SALTONSTALL. Mr. President, will the Senator from Missouri yield for a question?

Mr. SYMINGTON. I shall be glad to yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I have on my desk the article to which the Senator from Missouri has referred. I do not mean to discuss the article with my colleague from Missouri. I heard him use the word "principle." I am not quite sure how he used it, but I am confident that he will agree with me that our present President will do what he believes to be right. My colleague may not agree that the security which is worked out is the best security. There can be a difference of opinion, but I hope there is no difference of opinion as to the fact that the present President of the United States is going to do what he believes to be right and that he is in that way living up to the principles to which he has always adhered.

Mr. SYMINGTON. I do not know who in this administration is responsible for urging various people in the Defense Establishment to testify before congressional committees to what they did not believe was in the interest of the security of the United States. But whoever is responsible for that incredible action should take the responsibility and accept the blame for it. I believe it to be against the principles for which our country stands. It is a fact, as a reading of the article will disclose, that General Ridgway states he was pressured "crudely" at times—because it was suggested to him that he not say what he believed. Mr. President, when a military man is placed in that position just prior to his appearance before a congressional committee, where in effect, he is under oath, it is against the American principle. Now this is not the first time such reprehensible action has occurred. It is not the first time people have said pressure was being brought in this fashion by members of this administration.

The late great General Vandenberg would confirm completely the position taken in this article by a former member of the Joint Chiefs of Staff.

Mr. SALTONSTALL. We can discuss the details of this matter later, but, knowing General Ridgway, I am confident that no man would try to pressure him into saying something he did not believe.

Mr. SYMINGTON. In the article he states that is exactly what was done. He said he had had many shocks in his life, including moments in battle, but none to exceed his shock and surprise when he read the President's annual message for 1954.

The PRESIDING OFFICER. The time of the Senator from Missouri has expired.

Mr. SYMINGTON. Mr. President, I ask unanimous consent to proceed for 2 more minutes.

The PRESIDING OFFICER. Without objection, the Senator from Missouri may proceed.

Mr. CHAVEZ. Mr. President, will the Senator from Missouri yield?

Mr. SYMINGTON. I yield.

Mr. CHAVEZ. Mr. President, I happen to be chairman of the subcommittee on appropriations for the Defense Department, and I can assure the Senator from Missouri that what he has stated about General Ridgway is correct. He was the only official from the Pentagon who stood fast in the effort to get appropriations to carry out the ideas which the Senator from Missouri has in mind.

Mr. SYMINGTON. I thank my distinguished colleague as he defends the good name of a great soldier.

Mr. CHAVEZ. I asked the General, point blank, "Do you mean this?"

He said, "I certainly do."

Mr. SYMINGTON. I thank the distinguished senior Senator from New Mexico.

Mr. MANSFIELD. Mr. President, will the Senator from Missouri yield?

Mr. SYMINGTON. I yield.

Mr. MANSFIELD. I am delighted that the Senator from Missouri has seen fit to make the speech he has just made on the floor of the Senate. I think it is a good antidote for some of the matters set forth in the state-of-the-Union message. I believe it is time the American people knew that the situation in which we find ourselves is perhaps the most gloomy since the end of the Second World War.

I am also delighted to know that the Defense Department is taking a new look at the New Look they gave the American people when this administration came into power in 1953, at which time they reduced the Army, the Air Force, the Navy, and the Marine Corps, none of which branches has been restored to the optimum position held at the time when the new administration came into power.

I hope all Senators will see to it that the American people are told the truth about the situation which exists in the world today.

Mr. SYMINGTON. I thank the distinguished Senator from Montana. What he says is true. These reductions in the face of growing Communist strength are bad enough. But what is worse is the accusation, now being made by a man who resigned under the fire created by his criticism, namely, that crude, unfair pressure was brought to bear on him; and that prior to his testifying before the committees of Congress, that body which under the Constitution appropriates the money to keep this country secure; pressure was exerted on

him to make him state as fact something he did not believe.

Mr. MANSFIELD. Mr. President, will the Senator yield for one more comment?

Mr. SYMINGTON. I yield.

Mr. MANSFIELD. I point out that no one can ever question the courage of General Ridgway. He is one soldier who would never bow to pressure.

Mr. SYMINGTON. I thank the Senator; and would, among others, add the names of Billy Mitchell and Hoyt Vandenberg.

Mr. MANSFIELD. Yes.

SEVENTY-THIRD ANNIVERSARY OF SIGNING OF THE CIVIL SERVICE ACT OF 1883

Mr. CARLSON. Mr. President, today marks the 73d anniversary of the signing of the Civil Service Act of 1883. The establishment of the merit system in the Federal Government which was made possible by this act becomes more significant each day because of the increasing complexity and importance of the activities carried on by the Federal Government.

The civil-service system in America was born of the martyrdom of a President. The assassination of James A. Garfield in 1881, by a disgruntled jobseeker, stirred the American people to act to end the spoils system, under which public jobs were awarded on the basis of politics rather than merit and fitness. On January 16, 1883, the present Civil Service Act—also known as the Pendleton Act—was signed into law by President Chester A. Arthur, laying the groundwork for a competitive civil service which today embraces a career work force of more than 2 million Federal employees.

At the beginning of our national history, merit and fitness for a job were the primary considerations of our first Presidents in making job appointments, but gradually these factors became subordinated to the question of party loyalty. By 1829, the full-scale spoils system had arrived, bringing to vogue the cry: "To the victor belong the spoils."

The signing of this act marked the beginning of a new era and sounded the death-knell for the spoils system. The years which followed have demonstrated how our Government can become more effective and more efficient under a civil-service system.

The Civil Service Act itself represents not only a landmark which gives inspiration to all men of vision, but also it is a bulwark against attacks by those who would seek to destroy the civil-service system.

The past few years have given real meaning to the intent and purpose of the Civil Service Act. The progress which has been made and the achievements which have been secured demonstrate that we are keeping faith with those statesmen whose dreams have come true.

In the future we will see an efficient worldwide civil-service system which will be forever strengthened by our determination to preserve, protect, and extend the benefits and privileges for all Federal employees.

Mr. President, I ask unanimous consent that a statement issued today by the Honorable Philip Young, Chairman of the Civil Service Commission, may be printed at this point in the RECORD as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY CHAIRMAN PHILIP YOUNG, UNITED STATES CIVIL SERVICE COMMISSION, ON THE 73D ANNIVERSARY OF THE SIGNING OF THE CIVIL SERVICE ACT, JANUARY 16, 1956

On January 16, 1956, the 73d anniversary of the signing of the Civil Service Act, the Federal merit system established by that act is stronger than it has been at any time in civil-service history.

The past year has brought far-reaching improvements in the administration of the merit system, the benefits of which will continue to be felt for years to come. Some of the most significant facts can be briefly stated.

A completely new appointment system for the competitive service has been established. Known as the career-conditional system, it has opened the way to full careers under the merit system for the first time in 5 years, and has reestablished the importance of competitive examinations. With the aid of a greatly accelerated examining program, over 600,000 employees who held indefinite appointments in the competitive service have met the competitive standards for career or career-conditional status. In the future, career-conditional appointments will be made only through competitive examinations; few if any indefinite appointments will be made; and the permanent career service will be relatively undisturbed by the fluctuations in the size of the Government work force that are inevitable in a changing world.

Having built the framework for a true career service in the Federal Government, the Civil Service Commission was able to give attention to the need for real career recruiting. In order to assure a regular intake of highly qualified young men and women with the capacity to grow with the service and become the career leaders of the future, the Commission developed and put into effect the Federal service entrance examination. The new examination replaces over 100 college-level entrance examinations, and provides in their place a single avenue of entrance into the Federal career service. Announced on October 18, 1955, after an intensive promotion campaign, the Federal service entrance examination attracted over 30,000 applications for the first written test—the largest filing for any Federal college-level examination in more than 10 years. The examination will remain open continuously; applications will be accepted at any time, and written tests will be given at convenient intervals throughout the year.

The new examination has broad appeal, offering opportunity to college graduates in all fields of study and also to people without college degrees who have qualifying experience. It will be used to fill not only a greater number, but a much wider variety of entrance-level positions, all of which can serve as a first step on the career ladder. The success of this program will insure for the Federal service the trained and experienced career executives and professional leaders we will need in order to meet the challenging problems of tomorrow.

The program will also contribute to another permanent improvement of striking proportions that took place during 1955, namely, the extension of the competitive service to a large block of overseas positions held by United States citizens. The positions were formerly excepted under schedule A of the civil-service rules, on the assumption that it was impracticable to hold competitive examinations for them. The practical obstacles having been overcome, we are now on the way toward building, for the first time, a worldwide career system under which employees may be reassigned freely to and from overseas positions while retaining their standing in the career service.

About 10,000 excepted positions in Alaska were brought into the competitive service in August, and plans have been completed for bringing in an additional 20,000 positions in foreign countries and United States island possessions on April 1, 1956. Present incumbents of these positions will be eligible for conversion to career or career-conditional status if they can meet competitive standards, and future appointments to the positions will be made through the regular competitive examining processes.

Another development of the past year that has even greater significance for the long-range future than for the immediate present is the implementation of the Federal employees incentive-awards program. From December 1954 to July 1955, employee participation in this program increased by 34 percent over the previous year. Federal employees submitted 138,000 suggestions for the improvement of Government operations; 35,000 suggestions were adopted; 3,850 superior performance awards were granted; cash awards to employees totaled $1,519,400; and the first-year benefits to the American taxpayers amounted to more than $40,700,000.

The possibilities of this program are almost unlimited. The Federal Government has never before had so effective a means of stimulating suggestions, ideas, inventions, and high levels of performance, and for giving suitable recognition and reward to outstanding employees. Even more impressive than the program's initial results are its implications for the future. Increasing participation will bring increased benefits as the program develops. And we have by no means felt the full impact of even those suggestions that have already been adopted, for many suggestions continue to yield benefits for many years.

An outstanding achievement of 1955 was the completion of one of the Civil Service Commission's major projects, of which the overseas personnel program is actually one facet. This project, which was undertaken in 1953, was the identification of the true career service by clarifying the relationship of the competitive and the excepted areas of Federal employment and establishing a clear line of demarkation between them. The first step in the over-all program was the establishment of schedule C and the inclusion therein of the positions (most of which had been excepted under schedule A) that should be excepted from competitive requirements because of their confidential or policy-determining nature. The final step, which was completed during 1955, was a reexamination of all positions remaining in schedules A and B, with a view to determining whether continued exception was warranted in all cases. As a result of this review, many of the positions have been discontinued, revised, or returned to the competitive service.

Total Federal employment is now about 2,375,000. Eighty-five percent of all Federal employees are in the competitive civil service. The remaining 15 percent breaks down as follows: 5 percent are in jobs excepted from the competitive service by statute; 1 percent is made up of the 30,000 American citizens in Alaska and overseas jobs who have been or will be brought into the competitive service; 5 percent consists of 107,000 foreign nationals in overseas jobs who are ineligible for competitive appointment; 1 percent is the total of 8,000 attorneys and 17,000 substitute rural

mail carriers; and the remaining 3 percent, outside of 1,100 employees in schedule C and about 8,000 in schedule B, is composed mainly of employees in temporary, intermittent, seasonal, part-time, and consultant jobs.

Thus it can be seen that virtually all Federal positions that can be brought into the competitive service by executive action have been, or are being, brought in. This fact, coupled with the many far-reaching improvements in merit-system administration that I have outlined, gives us good reason to regard 1955 as a most significant year in civil-service history.

I consider 1954 outstanding for civil-service legislation; 1955 has been outstanding for administrative achievement. The Fringe Benefits Act and other legislation of 1954 opened the way for tremendous improvements to be made in the merit system, and in 1955 we have constructed and set in motion the administrative machinery to put those and other improvements into effect. In fulfilling the promise of 1954, we have created new and positive promise for the future.

FRANK PELLEGRINI

Mr. MONRONEY. Mr. President, on Saturday last one of the fine, faithful, and efficient servants of the Senate died of a heart attack while playing golf at the Manor Country Club, which is located in nearby Maryland. I speak of Mr. Frank Pellegrini, who, for many years, had served most ably the Senate Committee on Interstate and Foreign Commerce. He came to us as counsel for the Subcommittee on the Merchant Marine, and was promoted by the Senator from Washington [Mr. MAGNUSON] to become general counsel for the Senate Committee on Interstate and Foreign Commerce.

During Mr. Pellegrini's service, both in the subcommittee and as counsel for the full committee, no member of our committee could have asked for a greater degree of loyalty, more efficient, performance, and more energy, than were always manifested by Mr. Pellegrini. The hours he had to work were never too long or the task too difficult to prevent Mr. Pellegrini's responding and giving the best of his energy to meet the needs of committee members when they asked for information or help in working on the complicated legislation with which our committee deals.

Mr. Pellegrini did not limit his service to one side of the committee, but he tried to, and did, serve both the majority and minority members of the committee. He did not specialize only for those members with whose side in a particular issue he might have agreed, but he was ready to help all of us, no matter how greatly our personal position on legislation might have differed from his or from that of the majority of the committee.

Mr. President, it is on that type of faithful public service on the part of persons who do much of the hard, difficult spade work, that there is framed the sound legislation which makes the Senate the great institution it is. We Senators receive much credit for the information, statistics, and logic we accumulate; but many, many hours go into the culling of data, and much research work is conducted by men whose activities and service, rendered without public credit or notices in the newspapers, or public acclaim, help the Senate arrive at the best possible decision, based on the facts, of the question presented.

Mr. President, I know I speak for every member of the Interstate and Foreign Commerce Committee when I express a deep sense of personal loss, as well as a feeling of public loss, in Mr. Pellegrini's untimely passing, and our heartfelt sympathy goes to the family of Mr. Pellegrini, his wife, his twin children, and others who survive him. The service which he rendered is measured by the long space of time and the contributions which he effectively made through the years to the work of the Interstate and Foreign Commerce Committee.

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE CALENDAR

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Texas will state it.

Mr. JOHNSON of Texas. Under the unanimous-consent agreement entered into at the last session of the Senate prior to today, it is now in order for the calendar to be called, is it not?

The PRESIDING OFFICER. That is correct.

Mr. JOHNSON of Texas. At the conclusion of the call of the calendar, the unfinished business will be considered.

Mr. President, I wish to announce that at the conclusion of the call of the calendar, I shall again suggest the absence of a quorum. But first we shall proceed with the call of the calendar, and then we shall proceed with the further consideration of Senate bill 1853, Calendar No. 1234, the bill to amend the Natural Gas Act, as amended.

The PRESIDING OFFICER. Under the order previously entered, the clerk will proceed to state the bills and other measures on the calendar.

RESOLUTION AND BILLS PASSED OVER

The resolution (S. Res. 17) to amend rule XXV of the Standing Rules of the Senate was announced as first in order.

Mr. ERVIN. Let the resolution go over.

The PRESIDING OFFICER. The resolution will be passed over.

The bill (S. 300) to authorize the construction, operation, and maintenance by the Secretary of the Interior of the Fryingpan-Arkansas project, Colorado, was announced as next in order.

Mr. ERWIN. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The joint resolution (S. J. Res. 31) proposing an amendment to the Constitution of the United States, providing for the election of President and Vice President, was announced as next in order.

Mr. BIBLE. Let the joint resolution go over.

The PRESIDING OFFICER. The joint resolution will be passed over.

The bill (S. 63) to provide for the appointment of the heads of regional and district offices of the Post Office Department by the President, by and with the advice and consent of the Senate, was announced as next in order.

Mr. ERVIN. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 636) to revise the Federal election laws, to prevent corrupt practices in Federal elections, and for other purposes, was announced as next in order.

Mr. ERVIN. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The resolution (S. Res. 131), relating to the refusal of Harvey M. Matusow to answer questions before a Senate subcommittee was announced as next in order.

Mr. BIBLE. I ask that the resolution go over.

The PRESIDING OFFICER. The resolution will be passed over.

The bill (S. 2603) to authorize the providing of family housing for the Chairman of the Joint Chiefs of Staff was announced as next in order.

Mr. BIBLE. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 6043) to amend section 216 (b) of the Merchant Marine Act, 1936, as amended, to provide for the maintenance of the Merchant Marine Academy, was announced as next in order.

Mr. BIBLE. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2577) to define bank holding companies, control their future expansion, and require divestment of their nonbanking interests, was announced as next in order.

Mr. ERVIN. I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The joint resolution (S. J. Res. 97) to amend certain laws providing for membership and participation by the United States in the Food and Agriculture Organization and International Labor Organization and authorizing appropriations therefor, was announced as next in order.

Mr. BIBLE. Let the joint resolution go over.

The PRESIDING OFFICER. The joint resolution will be passed over.

The concurrent resolution (S. Con. Res. 36) requiring conference reports to be accompanied by statements signed by a majority of the managers of each House was announced as next in order.

Mr. ERVIN. Let the concurrent resolution go over.

The PRESIDING OFFICER. The concurrent resolution will be passed over.

The bill (H. R. 2889) to provide for the conveyance of certain land in Nedecah, Wis., to the village of Nedecah, was announced as next in order.

Mr. BIBLE. I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1853) to amend the Natural Gas Act, as amended, was announced as next in order.

Mr. BIBLE. Since Senate bill 1853 is the unfinished business, I ask that it be passed over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 6645) to amend the Natural Gas Act, as amended, was announced as next in order.

Mr. BIBLE. I ask that the bill be passed over; it is a companion bill to the unfinished business.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2523) to amend section 212 of the Merchant Marine Act, 1936, to authorize the construction of a nuclear-power prototype merchant ship for operation in foreign commerce of the United States, to authorize research and experimental work with vessels, port facilities, planning, and operating and cargo handling on ships and at ports, and for other purposes, was announced as next in order.

Mr. ERVIN. I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 898) to amend the Interstate Commerce Act, with respect to the authority of the Interstate Commerce Commission to regulate the use by motor carriers (under leases, contracts, or other arrangements) of motor vehicles not owned by them, in the furnishing of transportation of property, was announced as next in order.

Mr. ERVIN. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 6857) to authorize the Administrator of the General Services Administration to convey certain land to the city of Milwaukee, Wis., was announced as next in order.

Mr. BIBLE. I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

SHIH MING WANG

The bill (S. 31) for the relief of Shih Ming Wang was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Shih Ming Wang shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

OTTILIE HITZLBERGER LACHELT

The bill (S. 83) for the relief of Ottilie Hitzlberger Lachelt was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 212 (a) (9) of the Immigration and Nationality Act, Ottilie Hitzlberger Lachelt may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

MRS. MARIA MICHELA FEDERICO

The bill (S. 133) for the relief of Mrs. Maria Michela Federico was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 212 (a) (9) of the Immigration and Nationality Act, Mrs. Maria Michela Federico may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

ELLEN KJOSNES AND UNNI KJOSNES

The bill (S. 267) for the relief of Ellen Kjosnes and Unni Kjosnes was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Ellen Kjosnes and Unni Kjosnes shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

JEAN PFEIFER

The bill (S. 277) for the relief of Jean Pfeifer was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, in the administration of the Social Security Act, as amended, any application which may be filed under section 202 (i) of such act by Jean Pfeifer within 6 months after the date of enactment of this act for payment of a lump-sum death payment with respect to the death of her son, John S. Inches (501–05–7167), who died on August 7, 1951, shall be acted upon as if such application had been filed, and any expenses incurred by the said Jean Pfeifer for the burial of the said John S. Inches had been paid, within 2 years after the date of death of the said John S. Inches.

CHIH SHING HWA

The bill (S. 318) for the relief of Chih Shing Hwa was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Chih Shing Hwa shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

GIUSEPPE AIRO-FARULLA AND JOSEPH ANTOINE AIRO-FARULLA

The bill (S. 499) for the relief of Giuseppe Airo-Farulla and Joseph Antoine Airo-Farulla was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Giuseppe Airo-Farulla and Joseph Antoine Airo-Farulla shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

VICTORIANA AREITIO BERINCUA

The bill (S. 508) for the relief of Victoriana Areitio Berincua was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Victoriana Areitio Berincua shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

ANTHONY AGUSTINO SCRIVANICH

The bill (S. 551) for the relief of Anthony Agustino Scrivanich was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Anthony Agustino Scrivanich shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

ERICH ANTON HELFERT

The bill (S. 897) for the relief of Erich Anton Helfert was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Erich Anton Helfert shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

EUGENE ALEXANDER FIGUEIREDO

The bill (S. 993) for the relief of Eugene Alexander Figueiredo was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted etc., That, for the purposes of the Immigration and Nationality Act, Eugene Alexander Figueiredo shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

KATHLEEN SCHRATER

The bill (S. 1009) for the relief of Kathleen Schrater was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Kathleen Schrater shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

CHUNG HERP YOUN

The Senate proceeded to consider the bill (S. 1037) for the relief of Chung Herp Youn, which had been reported from the Committee on the Judiciary, with an amendment, in line 7, after the word "fee", to strike out "Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available", so as to make the bill read:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Chung Herp Youn shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

DOMENICO LEONARDI AND HIS WIFE, CLARA CORRADI LEONARDI

The bill (S. 1055) for the relief of Domenico Leonardi and his wife, Clara Corradi Leonardi, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Domenico Leonardi and his wife, Clara Corradi Leonardi, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

MOOSA EBRAHIMIAN

The bill (S. 1193) for the relief of Moosa Ebrahimian was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Moosa Ebrahimian shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

PINGFONG NGO CHUNG AND PEARL WAH CHUNG

The bill (S. 1375) for the relief of Pingfong Ngo Chung and Pearl Wah Chung was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Pingfong Ngo Chung and Pearl Wah Chung shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the appropriate quota for the first year that such quota is available.

SUMIKO ARIUMI BILSON

The Senate proceeded to consider the bill (S. 1616) for the relief of Sumiko Ariumi Bilson, which had been reported from the Committee on the Judiciary, with an amendment, in line 6, after the word "natural-born", to insert "minor", so as to make the bill read:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Sumiko Ariumi Bilson, shall be held and considered to be the natural-born minor alien child of Maj. John G. Bilson, a citizen of the United States.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PETER B. VARDY AND HIS WIFE LILIAN M. VARDY

The bill (S. 1629) for the relief of Peter B. Vardy and his wife Lilian M. Vardy was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Peter B. Vardy and his wife, Lilian M. Vardy, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

FELISA HO (NEE CHANG-KUON)

The bill (S. 1651) for the relief of Felisa Ho (nee Chang-Kuon) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Felisa Ho (nee Chang-Kuon) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

BRUNO ROMEO

The bill (S. 1672) for the relief of Bruno Romeo was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That for the purposes of the Immigration and Nationality Act, Bruno Romeo shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

MOHAMMED AKBAR ASHRAF

The bill (S. 1686) for the relief of Mohammed Akbar Ashraf was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Mohammed Akbar Ashraf shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the

proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

BALBINO ACUSIN ARIASA

The bill (S. 1793) for the relief of Balbino Acusin Ariasa was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Balbino Acusin Ariasa shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

ADEL KAMAL

The bill (S. 1827) for the relief of Adel Kamal was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Imigration and Nationality Act, Adel Kamal shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

CARMEN AGUADO

The bill (S. 2020) for the relief of Carmen Aguado was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Carmen Aguado shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

MRS. ELENA APOSTOLESCU BUSTIUC

The bill (H. R. 938) for the relief of Mrs. Elena Apostolescu Bustiuc was considered, ordered to a third reading, read the third time, and passed.

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Mrs. Elena Apostolescu Bustiuc shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

Passed the House of Representatives July 5, 1955.

Attest:

RALPH R. ROBERTS, *Clerk.*

MR. AND MRS. DERFERY WILLIAM WRIGHT

The bill (H. R. 1015) for the relief of Mr. and Mrs. Derfery William Wright was announced as next in order.

Mr. PURTELL. Mr. President, reserving the right to object—although I shall not object—since the bill, if enacted, might be considered as setting a precedent, may we have an explanation of it?

Mr. EASTLAND. Mr. President, this bill would pay to the parents of a soldier first reported as missing in action, and later determined to have been killed in action on December 17, 1944, the amount which the Administrator of Veterans' Affairs certifies would have been payable to them as death compensation for the period from February 1948 to November 10, 1952, the date on which they began receiving such death compensation.

The Veterans' Administration states that a letter dated April 27, 1945, was addressed to the claimants at Amherst, Va., advising that under existing law, payment of death compensation to dependent parents of persons who die in service in line of duty is authorized, and further advising that if they so desired, they could file a claim on a form which they enclosed. No reply was received to that letter, and the parents maintain that they never received any such letter.

Under the law, an award of death compensation for dependency, if claimed within 1 year from the soldier's death, could be made retroactive, so that payments would begin from the date of death. If such claim is not made within 1 year, but is thereafter made, the payments begin only from the time of application therefor.

Late in 1947, the parents were notified that their son's body was being returned to the States; and they were sent certain papers to be filled out and signed. Needing assistance to fill out the papers, they contacted the director of the area office of the division of war veterans claims, an agency of the State of Virginia, who assisted them with the application, and inquired if they had filed an application for dependency pension on account of their son's death in action. The parents say that this was the first information they had that there was a possibility of receiving dependency compensation, as they thought their son's death stopped any dependency compensation they had been receiving during his lifetime. They thereupon filed for such compensation, but again with the State agency, and were later advised that they were not so entitled.

It was not until 1952, on the occasion of the death of a nephew in Korea, that they realized they had filed with the wrong agency. Since that time they have been receiving the benefits. The bill, as originally introduced, provided for payment for the period beginning December 17, 1944, the date of the death of their son, but was amended in the House so as to have the payment date from February 1948, when they first asserted this claim.

The committee has allowed attorney fees in this case on valid representations that the attorney has expended much time and effort before various agencies to secure the relief sought.

Mr. PURTELL. Mr. President, I wish to thank the distinguished Senator from Mississippi for his most satisfactory explanation.

I offer no objection at all to the bill.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 1015) was considered, ordered to a third reading, read the third time, and passed.

ANTONIO ANDREA CHITATO

The bill (H. R. 1022) for the relief of Antonio Andrea Chitato was considered, ordered to a third reading, read the third time, and passed.

ORA L. POWERS

The bill (H. R. 1145) for the relief of Ora L. Powers was considered, ordered to a third reading, read the third time, and passed.

BALDOMERO R. GARCIA AND OTHERS

The bill (H. R. 1183) for the relief of Baldomero R. Garcia, Teresa Garcia y Braganza, Francisco Garcia, Teresita Garcia, and Eduardo Garcia was considered, ordered to a third reading, read the third time, and passed.

ESTATE OF MRS. MARGARET A. SWIFT

The bill (H. R. 1219) for the relief of the estate of Mrs. Margaret A. Swift was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 1667) for the relief of Lieselotte Boehme was announced as next in order.

Mr. ERVIN. Mr. President, pursuant to a request made of me, I ask that House bill 1667, Calendar No. 1347, be passed over.

The PRESIDING OFFICER. The bill will be passed over.

JOHANNA JURESIC GRGURICH

The bill (H. R. 1752) for the relief of Johanna Juresic Grgurich was considered, ordered to a third reading, read the third time, and passed.

JEFFERSON AND PLAQUEMINES DRAINAGE DISTRICT

The bill (H. R. 1768) for the relief of the Jefferson and Plaquemines Drainage District and certain persons whose properties abut on the Federal Government's right-of-way for Harvey Canal in Louisiana was considered, ordered to a third reading, read the third time, and passed.

BLANKA GOLDSTEIN

The bill (H. R. 1910) for the relief of Blanka Goldstein was considered, ordered to a third reading, read the third time, and passed.

DER CHUCK YEE AND WU MEI ON

The bill (H. R. 2273) for the relief of Der Chuck Yee and Wu Mei On was considered, ordered to a third reading, read the third time, and passed.

CONSUELO CALDERON DE VILLARREAL

The bill (H. R. 2278) for the relief of Consuelo Calderon de Villarreal was considered, ordered to a third reading, read the third time, and passed.

SIMONE GILLILAND

The bill (H. R. 2296) for the relief of Simone Gilliland was considered, ordered to a third reading, read the third time, and passed.

MARINO AND GISELDA PRONI

The bill (H. R. 2466) for the relief of Marino and Giselda Proni was considered, ordered to a third reading, read the third time, and passed.

IVO AND ELIA MONARI

The bill (H. R. 2467) for the relief of Ivo and Elia Monari was considered, ordered to a third reading, read the third time, and passed.

BILL INDEFINITELY POSTPONED

The bill (S. 185) for the relief of Mrs. Agnes Thompson (nee Mannhardt) was announced as next in order.

Mr. EASTLAND. Mr. President, I ask that Senate bill 185, Calendar No. 1356, be indefinitely postponed, inasmuch as the beneficiary is at present a legal resident, and the bill is no longer necessary.

The PRESIDING OFFICER. Without objection, Senate bill 185 will be indefinitely postponed.

ELI E. HOOD

The Senate proceeded to consider the bill (S. 419) for the relief of Eli E. Hood, which had been reported from the Committee on the Judiciary, with an amendment, on page 2, line 8, after the word "sum," to insert a colon and "*Provided*, That no part of the amount appropriated in this act shall be paid, or delivered to, or received by, any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.", so as to make the bill read:

Be it enacted, etc., That (a Eli E. Hood, 5977927, chief boiler tender, United States Navy (retired), is hereby relieved of all liability to the United States for repayment of the whole or any part of the sum of $2,011.24 representing the overpayment of retired pay received by him during the period of June 1942 through June 1954, such payment resulting from the erroneous crediting, through no fault of his own, of service as an enlisted member of the United States Coast and Geodetic Survey, subsequently determined to have been unauthorized in the computation of his retired pay.

(b) The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said Eli E. Hood an amount equal to such sums as may have been paid by him or deducted from his retired pay, in repayment of such erroneously paid sum: *Provided*, That no part of the amount appropriated in this act shall be paid, or delivered to, or received by, any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

TIBOR HORVATH

The Senate proceeded to consider the bill (S. 1067) for the relief of Tibor Horvath, which had been reported from the Committee on the Judiciary, with an amendment, on page 2, line 4, after the word "act", to strike out "in excess of 10 percent thereof", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay out of any money in the Treasury not otherwise appropriated, to Tibor Horvath, the sum of $1,000, in full satisfaction of his claim against the United States for refund of the amount of the bonds posted with the Immigration and Naturalization Service of the Department of Justice in the case of Tibor Horvath and his wife, Agnes B. Horvath, and declared breached by such Service when the said Tibor Horvath and Agnes B. Horvath failed to depart in accordance with the terms of such bonds although they were subsequently granted permanent residence in the United States: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

HAIM COHEN (HAIM BRAUN)

The Senate proceeded to consider the bill (S. 1182) for the relief of Haim Cohen (Haim Braun), which had been reported from the Committee on the Judiciary, with an amendment, after line 7, to strike out "Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.", so as to make the bill read:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Haim Cohen (Haim Braun) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 1244) for the relief of Eva Gershbein Rubinstein was announced as next in order.

Mr. BIBLE. I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

PACIFIC MUSIC SUPPLY CO.

The Senate proceeded to consider the bill (H. R. 1146) for the relief of the Pacific Music Supply Co., which had been reported from the Committee on the Judiciary, with an amendment, on page 2, line 3, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

ALEKSANDRA BORKOWSKI

The Senate proceeded to consider the bill (H. R. 1447) for the relief of Aleksandra Borkowski, which had been reported from the Committee on the Judiciary, with an amendment, on page 2, line 7, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

SAM H. RAY

The Senate proceeded to consider the bill (H. R. 1637) for the relief of Sam H. Ray, which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $5,000 to Sam H. Ray, of Washington, D. C., in full satisfaction of his claim against the United States for injuries he received resulting in the amputation of his right arm following an accident which occurred when he was 8 years of age, while he was working in the laundry at Ute Mountain Indian School at Towaoc, Colo.: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

MR. AND MRS. DONALD D. PARRISH

The Senate proceeded to consider the bill (S. 1034) conferring jurisdiction upon the United States District Court for the Eastern District of Michigan to hear, determine, and render judgment upon certain claims of Mr. and Mrs. Donald D. Parrish, which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mr. and Mrs. Donald D. Parrish, of Lansing, Mich., the sum of $5,000, in full settlement of all their claims against the United States arising out of injuries sustained by Mrs. Donald D. Parrish on April 1, 1952, when she was a passenger in a United States Air Force staff car which was involved in an accident with a commercial bus near Florence, Italy: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Mr. and Mrs. Donald D. Parrish."

Mr. PURTELL. Mr. President, in connection with Calendar No. 1364, Senate bill 1034, I should like to have the RECORD show that an inquiry was made as to whether or not Mr. or Mrs. Donald Parrish had received any compensation whatever from the people involved in the accident in Italy. I should like to have the RECORD show that the following telegram has been received in the office of the Senator from Michigan [Mr. POTTER]:

Please be advised that Mr. or Mrs. Donald Parrish have never received any money from any source relative to accident in Italy.

ALLISON K. THOMAS.

DETROIT, MICH.

The PRESIDING OFFICER. The clerk will state the next order of business on the calendar.

RENATO NOE AND ANGELA NOE

The Senate proceeded to consider the bill (S. 1062) for the relief of Renato Noe and Angela Noe, which had been reported from the Committee on the Judiciary with an amendment, on page 1, line 4, after the word "and", to strike out "Angela Noe" and insert "Angiola Maria Anna Noe", so as to make the bill read:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Renato Noe and Angiola Maria Anna Noe shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill for the relief of Renato Joe and Angiola Maria Anna Noe."

LIEN CHING CHEN AND DR. ROSE HU CHEN

The Senate proceeded to consider the bill (S. 1183) for the relief of Lien Ching Chen and Dr. Rose Hu Chen, which had been reported from the Committee on the Judiciary, with amendments, on page 1, line 4, after the word "act", to strike out "Lien Ching Chen and"; at the beginning of line 8, to strike out "fees" and insert "fee"; at the beginning of line 9, to strike out "aliens" and insert "alien"; in line 10, after the word "deduct", to strike out "the required numbers" and insert "one number"; in line 11, after the word "quota", to strike out "or quotas"; and on page 2, line 1, after the word "quota", to strike out "or quotas are" and insert "is"; so as to make the bill read:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Dr. Rose Hu Chen shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill for the relief of Dr. Rose Hu Chen."

RESOLUTION REFERRED TO COMMITTEE ON RULES AND ADMINISTRATION

The resolution (S. Res. 161) authorizing the Committee on Foreign Relations to employ two temporary additional clerical assistants was announced as next in order.

Mr. ERVIN. Mr. President, I ask that Calendar No. 1371, Senate Resolution 161, be referred to the Committee on Rules and Administration.

The PRESIDING OFFICER. Without objection, it is so ordered.

INCREASE IN FEE FOR PASSPORT APPLICATION

The Senate proceeded to consider the bill (H. R. 5844) to increase the fee for executing an application for a passport from $1 to $3, which had been reported from the Committee on Foreign Relations, with an amendment, on page 1, line 7, after the word "out", to strike out "the fee of $1" and by inserting in lieu thereof "a fee of $3"., and insert in lieu thereof "the retention of" and "of the fee of $1." and by inserting after the word "officials" the following language: to collect and retain the sum of $2 as the fee.

Mr. BIBLE. Mr. President, I offer the amendment to the committee amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Nevada will be stated.

The LEGISLATIVE CLERK. On page 1, line 8, it is proposed to strike out the works "the retention of" and insert the words "the retention by."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. BIBLE. Mr. President, I offer an amendment to the title to strike out the words "from $1 to $3," so as to make the title read: "An act to increase the fee for executing an application for a passport."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Nevada to the title of the bill.

The title was amended accordingly.

RESOLUTIONS REFERRED TO COMMITTEE ON RULES AND ADMINISTRATION

The resolution (S. Res. 162) to investigate matters pertaining to technical assistance and related programs was announced as next in order.

Mr. ERVIN. Mr. President, I ask that Senate Resolution 162 be referred to the Committee on Rules and Administration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 163) to investigate certain problems relating to interstate and foreign commerce was announced as next in order.

Mr. BIBLE. Mr. President, I ask that Senator Resolution 163 be referred to the Committee on Rules and Administration.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRINTING OF COPIES OF CERTAIN HEARINGS AND REPORTS OF THE INTERNAL SECURITY SUBCOMMITTEE—CONCURRENT RESOLUTION PASSED OVER

The concurrent resolution (S. Con. Res. 55) to print for the use of the Senate copies of certain hearings and reports of the Internal Security Subcommittee of the Judiciary Committee of the Senate was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

Mr. ELLENDER. Mr. President, I should like to ask a question. Are these copies in addition to the number of copies authorized by law and under the rules?

Mr. GREEN. Yes; they are additional copies. The concurrent resolution pro-

vides for printing additional copies of certain hearings and reports of the Internal Security Subcommittee. The total cost involved is $11,447.57.

Mr. ELLENDER. What period do the hearings cover? Were they hearings held during the previous session?

Mr. GREEN. They were hearings held during the last two Congresses, the 82d and the 83d.

Mr. ELLENDER. How many additional copies would be provided, and why are they necessary?

Mr. GREEN. I have a long detailed report as to just what is involved. There are 12 separate items. I shall be glad to submit the report to the Senator for his inspection.

Mr. ELLENDER. I am wondering why it is necessary to have printed so many additional copies of these hearings. Is there a great demand for them?

Mr. GREEN. Additional copies were needed simply because there was an increased demand, beyond expectations. That was the explanation which was made.

Mr. ELLENDER. Can the Senator tell us how many copies have already been printed of the hearings with respect to which he is now asking for additional copies?

Mr. GREEN. I have not that information.

Mr. ELLENDER. I should like to have it for the RECORD before the concurrent resolution is agreed to. I ask that it be passed over.

Mr. GREEN. I can go through the various items, but I do not have the total. The number of copies requested for the first item is 5,000, at an estimated printing cost of $1,746.01.

With respect to item No. 2, the number of copies requested is 5,000, and the estimated printing cost is $559.76, and so forth.

Mr. ELLENDER. Does what the Senator is now discussing relate to copies of hearings already printed, or additional copies?

Mr. GREEN. It refers to additional copies.

Mr. ELLENDER. The question I am asking is, How many copies of the hearings to which the Senator is now referring were printed previously?

Mr. GREEN. I do not know.

Mr. ELLENDER. I should like to have the RECORD show that information. I ask that the concurrent resolution be passed over.

The PRESIDING OFFICER. The concurrent resolution will be passed over.

WAIVER OF STATE RESIDENCE REQUIREMENTS IN CERTAIN ELECTIONS

The concurrent resolution (H. Con. Res. 94) favoring the waiver of State residence requirements in certain elections was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

Mr. ELLENDER. May we have an explanation of the resolution?

Mr. GREEN. The resolution was agreed to by the House on July 10, 1955. It merely recommends to the several States the consideration of appropriate legislation to enable persons to vote for President and for Vice President after they have moved from one State to another, but have not lived in the second State long enough to qualify under its residence laws for voting. If the States enacted the appropriate legislation, the vote would not be lost.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the concurrent resolution was considered and agreed to, as follows:

Resolved by the House of Representatives (the Senate concurring), That the Congress expresses itself as favoring, and recommends to the several States the consideration of appropriate legislation to enable a person to vote for President and Vice President when such person would be eligible to vote but for the fact that he had moved from one State to another and had not yet fulfilled the residence requiremnts of such State to which he had moved.

The preamble was agreed to.

EXTENSION OF TIME FOR CERTAIN EXPENDITURES BY COMMITTEE ON PUBLIC WORKS

The resolution (S. Res. 159) extending the time for certain expenditures by the Committee on Public Works was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

Mr. ELLENDER. May we have an explanation of it?

Mr. ERVIN. Mr. President, during the last session of Congress the Public Works Committee was authorized to spend $100,000 in connection with highway, river, harbor, power, and flood control project surveys. The committee did not spend the money. The resolution merely provides that the committee shall have the same amount of money for the same purpose during this year.

Mr. ELLENDER. As I remember, when the money was asked for, the statement was made that the request was an urgent one and that the money should be appropriated for the use of the committee. What is the reason for reappropriating the money?

Mr. ERVIN. I am afraid I cannot give the answer to that question, except to say that the committee did not spend the money.

Mr. ELLENDER. Mr. President, I ask that the resolution go over.

The PRESIDING OFFICER. The resolution will be passed over.

EMPLOYMENT OF TEMPORARY PERSONNEL BY THE COMMITTEE ON RULES AND ADMINISTRATION

The resolution (S. Res. 176) authorizing the Committee on Rules and Administration to make expenditures and employ temporary personnel was announced as next in order.

Mr. ELLENDER. Mr. President, I should like to have an explanation of the resolution.

Mr. GREEN. The resolution provides for the appropriation of $50,000 to the Subcommittee on Privileges and Elections for expenditure by that subcommittee between February 1, 1956, and January 31, 1957. It is a routine resolution, which provides money for the continuation of the subcommittee's work during 1956, an election year.

Page 2 of the accompanying report sets forth the proposed budget.

Mr. ELLENDER. How much money was spent during the last election year for the same purpose?

Mr. GREEN. During the last election year?

Mr. ELLENDER. Yes.

Mr. GREEN. Does the Senator mean 2 years ago?

Mr. ELLENDER. How much did the subcommittee spend last year? The subcommittee is a continuing subcommittee. Although last year was not an election year, I assume the subcommittee was in operation.

Mr. GREEN. That is correct. The subcommittee had $50,000, I believe.

Mr. ELLENDER. Can the Senator from Rhode Island tell us what the subcommittee has been doing to occupy itself to spend $50,000 during a year in which no election was held?

Mr. GREEN. The subcommittee did not spend the money. It was available, in case it was necessary to spend it.

Mr. ELLENDER. Does not the subcommittee investigate elections?

Mr. GREEN. It does.

Mr. ELLENDER. How is that subcommittee sustained? Where does it get its funds?

Mr. GREEN. It looks to appropriations like this being made by the Senate.

Mr. ELLENDER. The Senator from Rhode Island said the subcommittee obtained $50,000 last year.

Mr. GREEN. That was for the year 1954–55.

Mr. ELLENDER. Did the subcommittee spend that money?

Mr. GREEN. It did not.

Mr. ELLENDER. Mr. President, I ask that the resolution go over.

The PRESIDING OFFICER. The resolution will be passed over.

GRATUITY TO MYRTLE E. CARRICO

The resolution (S. Res. 177) to pay a gratuity to Myrtle E. Carrico was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Myrtle E. Carrico, widow of Everett C. Carrico, Sr., an employee at the time of his death, a sum equal to 1 year's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

CHRISTINE HIMES AND GEORG B. TENNYSON

The resolution (S. Res. 178) to pay a gratuity to Christine Himes and Georg B. Tennyson was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate,

jointly to Christine Himes, daughter, and Georg B. Tennyson, son, of Emily I. Tennyson, an employee of the Senate at the time of her death, a sum equal to 11 months' compensation at the rate she was receiving by law at the time of her death, said sum to be considered inclusive of funeral expenses and all other allowances.

PRINTING OF ADDITIONAL COPIES OF HEARINGS FOR THE JOINT COMMITTEE ON THE ECONOMIC REPORT

The concurrent resolution (S. Con. Res. 60) authorizing the printing of additional copies of the hearings on automation and technological change for the use of the Committee on the Economic Report, was announced as next in order.

Mr. ELLENDER. Mr. President, may we have an explanation of the concurrent resolution? How many copies of the hearings had been previously printed?

Mr. GREEN. The resolution calls for the printing of a normal number of additional copies.

Mr. ELLENDER. How many were previously printed? Was only the normal number printed?

Mr. GREEN. Only the normal number was printed.

Mr. ELLENDER. The normal number of copies, as provided for under the rules? Is that correct?

Mr. GREEN. That is correct. The Senator from Illinois [Mr. DOUGLAS] perhaps can give more detailed information on this subject.

Mr. DOUGLAS. Originally, 1,580 copies were printed. Virtually all those copies have been disposed of. In addition, 1,000 copies have been sold. We have on hand applications for approximately 500 additional copies from libraries and scholars, who we believe are not financially able to purchase them.

Mr. ELLENDER. Are the additional copies asked for in the resolution to be sold?

Mr. DOUGLAS. No; they are for free distribution.

Mr. ELLENDER. For free distribution?

Mr. DOUGLAS. Yes.

Mr. ELLENDER. The entire 1,000 additional copies?

Mr. DOUGLAS. That is correct.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Joint Committee on the Economic Report 1,000 additional copies of the hearings on automation and technological change, held before said joint committee during the 84th Congress, 1st session.

PRINTING OF ADDITIONAL COPIES OF A CERTAIN DOCUMENT FOR THE JOINT COMMITTEE ON THE ECONOMIC REPORT

The concurrent resolution (S. Con. Res. 61) authorizing the printing of additional copies of the joint committee print, entitled "Federal Tax Policy for Economic Growth and Stability" for use of the Joint Committee on the Economic Report, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

Mr. ELLENDER. Mr. President, may we have an explanation of the concurrent resolution?

Mr. GREEN. I can give the same answer to the Senator that I gave in the case of the previous resolution.

Mr. ELLENDER. The resolution provides for an additional thousand copies?

Mr. GREEN. That is correct.

Mr. ELLENDER. The only copies previously printed were those which were authorized under the rule?

Mr. GREEN. That is correct.

Mr. ELLENDER. One thousand five hundred copies were originally printed. Is that correct?

Mr. GREEN. That is correct. The estimated cost of the additional copies is $2,830.

Mr. ELLENDER. However, the number printed previously was the number authorized under the rules, namely, 1,500 copies?

Mr. GREEN. That is correct.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution, which had been reported from the Committee on Rules and Administration with an amendment in line 3, after the word "the", to strike out "Eoconomic" and insert "Economic", so as to make the concurrent resolution read:

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Joint Committee on the Economic Report 1,000 additional copies of the joint committee print, entitled "Federal Tax Policy for Economic Growth and Stability."

The amendment was agreed to.

The concurrent resolution, as amended, was agreed to.

PRINTING AS A DOCUMENT OF PAMPHLET ENTITLED "A HANDBOOK FOR AMERICANS"

The concurrent resolution (S. Con. Res. 62) to print as a document a pamphlet entitled "A Handbook for Americans," was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

Mr. ELLENDER. Mr. President, I should like to inquire who prepared the document.

Mr. GREEN. The Subcommittee on Internal Security of the Committee on the Judiciary.

Mr. ELLENDER. Have any copies of the handbook been printed?

Mr. GREEN. Only the normal number of copies.

Mr. ELLENDER. How many copies would be printed under the resolution?

Mr. GREEN. Seventy-five thousand copies.

Mr. ELLENDER. At what cost?

Mr. GREEN. At a cost of $5,963.24.

Mr. ELLENDER. That is the cost for the entire number of copies requested?

Mr. GREEN. That is correct.

Mr. ELLENDER. Is there a very large demand for the handbook?

Mr. GREEN. Yes; there is a very large demand for it.

Mr. ELLENDER. How large a document is it? Does the Senator have a copy of it?

Mr. GREEN. I am told it consists of about 50 pages.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution, which had been reported from the Committee on Rules and Administration with an amendment in line 6, after the word "printed", to strike out "fifty" and insert "seventy-five", so as to make the concurrent resolution read:

Resolved by the Senate (the House of Representatives concurring) That the pamphlet entitled "A Handbook for Americans," prepared for the use of the Subcommittee on Internal Security of the Senate Committee on the Judiciary, be printed as a Senate document.

SEC. 2. There shall be printed 75,000 additional copies of such Senate document for the use of the Subcommittee on Internal Security of the Senate Committee on the Judiciary.

The amendment was agreed to.

The concurrent resolution, as amended, was agreed to.

PRINTING OF A DOCUMENT ENTITLED "HOW TO OBTAIN BIRTH CERTIFICATES"

The resolution (S. Res. 144) to print as a Senate document a revised edition of a document entitled "How to Obtain Birth Certificates," was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

Mr. ELLENDER. May we have an explanation of the resolution? I should like to know who prepared the document.

Mr. GREEN. The Library of Congress prepared it. It contains information which is constantly being asked for. The request is to print a revised edition of the booklet, which explains how to obtain a birth certificate. In the interest of economy, I will say the Senator from Louisiana that the estimated cost is only $361.59.

Mr. ELLENDER. How many copies were previously printed, and how long ago was a previous printing of the document had?

Mr. GREEN. Previously it was printed as House Document No. 821, in the 77th Congress. The document was prepared by the American Law Division of the Legislative Reference Service of the Library of Congress. It is to be printed as a Senate document.

Mr. ELLENDER. Is it usual for the Library of Congress to make such requests of Congress?

Mr. GREEN. I understand it is.

Mr. ELLENDER. Can the Senator cite any other instances when documents of this nature were printed at the re-

quest of the Library of Congress or of any department of the Government?

Mr. GREEN. The information contained in the document is constantly requested, and is to the advantage of the various agencies of the Government, and it saves them a great deal of trouble to have the Library of Congress make such information available, so that it may be handed to persons who seek for that kind of information, instead of constantly referring such inquiries to other departments of the Government.

Mr. ELLENDER. Why does not the Library of Congress ask for an appropriation to cover the cost involved? Why should such a request come from the Committee on Rules and Administration?

Mr. GREEN. Our distinguished colleague, the Senator from Illinois [Mr. DIRKSEN] was particularly interested in this subject.

Mr. ELLENDER. Mr. President, I ask that the resolution go over.

The PRESIDING OFFICER. The concurrent resolution will be passed over.

DEDUCTIONS FROM GROSS INCOME OF CONTRIBUTIONS TO EMPLOYEE TRUSTS

The bill (H. R. 4582) to amend the Internal Revenue Code of 1954 with respect to deductions from gross income of amounts contributed to employee trusts was considered, ordered to a third reading, read the third time, and passed.

PERIOD OF LIMITATION IN CERTAIN CASES FOR FILING CLAIMS FOR CREDIT OR REFUND OF INCOME TAXES

The bill (H. R. 5428) to amend the Internal Revenue Code of 1939 with respect to the period of limitation for filing claims by certain transferees and fiduciaries for credit or refund of income taxes was considered, ordered to a third reading, read the third time, and passed.

EARNED INCOME LIMITATION ON RETIREMENT INCOME

The bill (H. R. 7036) to amend section 37 of the Internal Revenue Code of 1954 with respect to the earned income limitation on retirement income was announced as next in order.

Mr. ELLENDER. Mr. President, reserving the right to object—and I shall not object—I should like to address a question to my good friend, the Senator from Rhode Island [Mr. GREEN], the chairman of the Committee on Rules and Administration.

As the Senator knows, each year I have been making a feeble effort to try to ascertain how the money we appropriate for various special committees is spent by them. I have tried on 2 or 3 occasions to obtain detailed accounts of how the money is expended by some of the committees. Whenever I try to obtain such information from the Financial Clerk of the Senate, I am advised that the information cannot be given out. I wonder why that is. Can the Senator from Rhode Island give me an explanation of it?

I should like to have the chairman of the Committee on Rules and Administration spend a little time in looking into the manner in which funds appropriated for special committees are spent, for instance, with reference to travel expenses, who takes the trips, what is bought on such trips, and so forth. I have tried to obtain such information in the past, but have been unsuccessful. I am wondering if the committee itself will not go into the matter and obtain from whoever is in charge such information as may be helpful.

Mr. GREEN. In the first place, let me say that I think the Senator is unduly modest in describing his efforts as feeble. It seems to me that his efforts have been very vigorous.

Mr. ELLENDER. I thank the Senator. I meant that I have not been as successful as I should like to be.

Mr. GREEN. I do not know how we could furnish the information unless the Senator would submit some sort of a questionnaire applicable to all cases.

Mr. ELLENDER. I do not want to delay resolutions when they come before the Senate, but if I cannot get the necessary information with reference to them, they will certainly be delayed.

Mr. GREEN. I think the Senator is entitled to all the information he asks for, but no one can anticipate what the questions will be. If the Senator will let us have his questions when a resolution is submitted and referred to our committee, I am sure we shall make every effort to obtain the information.

Mr. ELLENDER. The Senate has had before it resolutions to continue many of the special committees. They have been busy for quite some time. I should like to have a detailed statement as to how the money was spent, how many persons were employed, how much they were paid, and, if they traveled, I should like to have a detailed statement of how the travel expenses were paid, and to whom, and who went on the trips. The Senate should be entitled to that information.

Mr. GREEN. I quite agree with the Senator.

Mr. ELLENDER. If the committee will adopt a resolution giving authority to obtain such information, I can assure the Senator that I shall not insist if the committee does not have the time to look into the matter.

Mr. GREEN. I think the Senator would be of great help to the committee if he would let us have a list of the questions which he thinks it would be desirable to have answered.

Mr. ELLENDER. I have stated the sum and substance of the information.

Mr. GREEN. I am very much afraid that if information is given simply with reference to those questions, other questions would be asked about what had been done by previous Congresses and how much would be asked by future Congresses——

Mr. ELLENDER. I am not going to inquire into previous Congresses. Let us know how the money we appropriated last year was spent. I think Senators are entitled to that information.

Mr. GREEN. They are.

Mr. ELLENDER. I am not going back to the 77th Congress. All I am asking is that the committee look into the matter before it makes its report.

Mr. GREEN. I shall be very glad to do so. As I said before, I think the Senator would be of great help to us if he would submit a questionnaire which would satisfy the situation.

Mr. ELLENDER. I hope that will be done before any of the resolutions now pending are reported to the Senate.

The PRESIDING OFFICER (Mr. KENNEDY in the chair). Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 7036) to amend section 37 of the Internal Revenue Code of 1954 with respect to the earned income limitation on retirement income was considered, ordered to a third reading, read the third time, and passed.

ALLOWANCE OF CREDITS FOR DIVIDENDS RECEIVED AND FOR DIVIDENDS PAID

The bill (H. R. 7282) relating to the allowance of the credits for dividends received, for dividends paid, and for a Western Hemisphere trade corporation in computing the alternative tax of a corporation with respect to its capital gains was considered, ordered to a third reading, read the third time, and passed.

APPLICATION OF DOCUMENTARY STAMP TAX

The bill (H. R. 7364) relating to the application of the documentary stamp tax to transfers of certain obligations paid for in installments was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. That concludes the call of the calendar.

ORDER FOR RECESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it take a recess until tomorrow at 12 o'clock noon.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Chair lays before the Senate the unfinished business.

AMENDMENT OF THE NATURAL GAS ACT, AS AMENDED

The Senate resumed the consideration of the bill (S. 1853) to amend the Natural Gas Act, as amended.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call may be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MONRONEY. Mr. President, I sincerely believe that this is one of the

most important bills to be considered by this Congress. It is important, not only for those who deal in gas, whether producer, transporter or distributor. It is important to the 25 million households who now depend on gas. It is important to the 9 million households who hope to get gas by 1958.

In considering this bill every Senator is concerned with two principal issues—

First. The effect of this legislation on increasing the supply of gas moving into interstate commerce to supply these 34 million present and prospective customers; and

Second. The effect upon the consumer's price.

After hearing all sides of this question, if we cannot prove beyond any reasonable doubt that this bill will protect not only the present, but future supplies of gas, and will at the same time through its regulatory provisions prevent unjustifiable increases in consumer price for their gas, then you should vote against the bill.

To begin with, this bill has suffered from a vast amount of misunderstanding. This is due principally to a very unfriendly press, which I sincerely feel has not bothered to get both sides of the story. It has been the victim of that old adage "give a dog a bad name."

An old managing editor of mine used to have a big sign in the city room which read: "Every story has two sides; unless you get both sides, it's only half a story."

For that reason, I will undertake, as best I can, backed by figures and statistics which have been checked and rechecked by my own staff and by myself, to show the reasons why this bill is here. I will show why I believe this bill must pass if the great convenience of natural gas as a household fuel is to be made available at reasonable rates to present and future millions who desire it.

There are some widely advertised and widely publicized misconceptions of this bill. The first great press error is that the Fulbright bill will free the producers of regulation. Every paper—almost every paper, that is—that I have read writes as though the gas industry grew up under utility regulation and that this bill will terminate what heretofore is presumed to be effective regulation.

As a matter of historical fact, since the first use of gas at Fredonia, N. Y., in 1824 when hollow logs carried natural gas from a nearby reservoir to an inn and public buildings, the production of natural gas has been under only the regulation of price set by supply and demand. It grew from this humble beginning to become the sixth largest industry in the United States, with the production of gas entirely under the system of free enterprise.

It was not until a divided opinion by the Supreme Court in July 1954 that production of natural gas was declared to be subject to price regulation as a utility at the point of sale to the interstate pipeline. This was by a 5-to-3 decision, with Justice Jackson not participating because of illness. Judging from his previous opinion, had he been able to be present the Court would have divided 5 to 4.

Had he been present, judging from his previous opinions, he would have joined Justices Douglas, Burton, and Clark in dissenting.

Consequently, the repeated effort in finest Madison Avenue style to state that this bill "will free" the gas producer from all regulation is not in line with the facts.

Neither is it in line with the facts to intentionally omit reference to any of the very effective regulatory provisions contained in the Fulbright bill to prevent unreasonable price increases. The greater part of the work on the bill by our committee and its corresponding committee of the House was to provide an effective and workable regulation against unreasonable price increases. We wanted to protect the consumer, but at the same time give him a workable, instead of a completely unworkable and chaotic system which the bare Supreme Court divided opinion would create.

As proof of the unworkability of the Supreme Court's legislative gambit, the Federal Power Commission is hopelessly bogged down in paperwork, and will be bogged down for years to come, without ever arriving at any workable formula by which they can carry out the Supreme Court's new law. The testimony by the FPC has been in favor of the system of regulation provided for in this bill, and against the chaotic utility regulation provided for by the Court.

Likewise the findings of the President's Intercabinet Committee on Energy Supplies and Resources Policy arrived at the same conclusion.

This bill, I say with all the sincere conviction a man can have, is the best system for preventing unreasonable price increases. It is fair and gives protection to both the producers and the consumers.

Another well publicized—and equally fallacious—claim is that this bill will cost the consumers $800 million a year. The implication — and the one intended—is that it will cost household consumers this much. According to the Bureau of Mines, the producers' total receipts from the sale of gas which went to household consumers—both interstate and intrastate—was $191 million. This ridiculous $800 million figure pulled out of thin air would thus represent a 400 percent increase in revenues to the producer—or a price of 40 cents at the well head. It is absurd.

Under historic free bargaining in the sale of natural gas by the producer to the pipeline, the price of gas of 9.5 cents per thousand cubic feet in 1926 fell to 4.5 cents per thousand cubic feet in 1940. This was due to increasing reserves which were discovered but for which no interstate market then existed. This supply was so great that a prodigal waste of this valuable natural resource occurred, as trillions of cubic feet of gas were blown into the air and only the natural gasoline was extracted from it. I have heard it estimated that enough gas has blown into the air, because no interstate pipeline was available to transport it, to have heated New York and Chicago for 10 entire years.

To stop such a prodigal waste, the States, through their regulatory bodies and through their conservation commissions, required, at considerable expense to the producers, that there be constructed systems of gathering lines and other equipment to make possible the reclamation of gas, rather than its being blown into the air, so that it could enter interstate commerce.

As interstate commerce lines were opened the price rose from the distress price of 4½ cents a thousand cubic feet in 1940 to 10 cents a thousand cubic feet by 1954.

Mr. President, bear in mind that 9½ cents in 1926 was a reasonable value for the gas, and only because there was no market, and there was no way to transport it in interstate commerce, did it fall to the 4½-cents price in 1940, which was the all-time low.

We talk about 30-cent wheat, and nickel cotton, and 5-cent hogs, and I most certainly believe that no one would want to take the farmers back to those days, in which there was widespread distress in this country. It was during those years that the price of gas reached 4½ cents a cubic foot, and that is the base point on which the distributors and others are trying to convict the gas producer of profiteering. This is the first time since 1926 that the price has exceeded the 9.5-cent price that existed in that year—and then the net increase was only one-half cent. All of these figures are from the Bureau of Mines.

Even without the effective regulation provided for in the pending bill, it is the wildest possible misrepresentation to conceive of the $800 million household increase so widely bandied about in the Nation's most respected press.

I think I can show, before I conclude my statement, that behind a respectable facade alleging strong consumer opposition to this bill in the interest of consumers there have been at work the best public relations men of Madison Avenue in a plan designed to shift the blame for high consumer rates on the back of the producer.

Is it not strange that for the many, many years that legislation of this type has been discussed, we find not one mention of the gas distributing utilities, or their part in the consumer rate structure? It is strange to me that such great newspapers as the Washington Post, the Evening Star, the New York Times, the St. Louis Post-Dispatch, and others have accepted this credo without investigating the position of the gas distributing utilities.

Would not my colleagues think that the sharp editorial writers who search for facts might have asked a question or two of these utilities? Had they looked up the consumers rates in their own cities and compared them with the producers price at the wellhead, they would have discovered the 10 to 1 spread for delivery from the field to the burner tip.

Had they compared the city delivery cost for their cities against other similar cities such as Denver, Kansas City, or Cincinnati, they would have begun to ask some questions.

Had they then checked in their morgue in Poor's and Moody's financial statistics, they would have readily observed the phenomenal increase in dividends since

natural gas was introduced into their systems.

Had they done these things, I sincerely believe the editorial positions of many great newspapers would have been different. The tragedy of their failure to inform themselves is that consumer groups and organizations that rely on them for basic information have been unintentionally misled.

Thus the well of public information—cut off from its source of facts—has been supplied by the stream of propaganda from Madison Avenue.

The consumers' gas bill, like ancient Gaul, is divided into three parts. One is the price the producer gets for his gas. The second is the transportation cost from the field across many States by the long interstate pipeline to the point of its sale at the city gate. This is the point where, for a fixed amount, the interstate pipeline turns it over to the gas utilities for city distribution.

The third part is the charge by the gas utility for delivery from the city gate to the consumer's burner tip—three clearly identifiable stages going to make up the ultimate charge for gas delivered to the consumer's burner tip, as that charge appears on the bill the consumer receives.

On one thing we can agree with the critics of the Fulbright bill; namely, that the producer's price is of great importance in the discussion of this case. We wish we could put it in neon lights atop the office buildings of the gas utility companies across the Nation.

In 1954, the average cost of natural gas to a residential user on a nationwide basis, as reported by the Bureau of Mines, was 89.3 cents per thousand cubic feet. Of this amount, the producer received 10.1 cents per thousand cubic feet. The cost of the raw gas thus represented only 11 cents out of every consumer's dollar paid for delivered gas.

But, Mr. President, this is the average. States such as Kansas, with an average consumer's rate of 50 cents; and Oklahoma, with a rate of 60 cents; and Georgia, with a rate of 73 cents; and Arkansas, with a rate of 55 cents, help bring down the greatly higher rates, such as that for Washington, D. C.-Maryland, $1.40; New York, $1.47; Virginia, $1.52; New Jersey, $2.02; Massachusetts, $2.31; and Connecticut, $2.53.

Generally, the protest against this bill has come, not from the States where good regulation and efficient companies have held down the city delivery costs, but largely and loudly from the cities with the greatest spread between the price at the city gate and the selling price to the consumer. Later in my speech I shall detail the high city-delivery cost. The city-delivery cost ranges from $1.05 in Richmond, Va.; $1.05 in New Haven, Conn.; and $1.42 in Newark, N. J.; to $2.07 in New York City. Those are the charges merely for city delivery, for delivery from the city gate to the consumer's burner tip.

The gas can be produced from 5,000 feet underground in west Texas, and can be transported by interstate pipeline all the way from the point of production in Texas to the gate of New York City, for a total charge of about 35 cents; but the charge for taking the natural gas from the city gate to the consumer's burner tip in New York City, is $2.07.

Mr. President, would you not suppose, with all the experts who are writing "Who Dunnit's," that someone—at least 1 or 2 of the "specialists" in fixing the blame for the alleged gas rate hold-up—would have checked the fingerprints on the hold-up gun; or, to refer to the charges made in the case of the delivery of natural gas—

> A dollar and a dime,
> A dollar and a dime,
> But only the producer
> Is convicted of crime.

Mr. PASTORE. Mr. President, will the Senator from Oklahoma yield?

The PRESIDING OFFICER (Mr. McNAMARA in the chair). Does the Senator from Oklahoma yield to the Senator from Rhode Island?

Mr. MONRONEY. I yield to my friend, the Senator from Rhode Island.

Mr. PASTORE. It is a fact that the distribution company is supervised by the local public utility commission, is it not.

Mr. MONRONEY. My distinguished friend from Rhode Island, who serves with me on the Committee on Interstate and Foreign Commerce, is correct.

Mr. PASTORE. If there has been any gouging on the part of a distribution company, is it because of a lack of supervision or because the law is not being enforced?

Mr. MONRONEY. I would say that perhaps it is due partly to a lack of understanding of the necessity for new regulatory procedures, as natural gas has replaced manufactured gas. I think the public utility commissions of the States that complain the loudest, and that have the highest gas rates, do not understand the magical transformation in the dividend rate, as related to the capacity of the physical equipment of the old artificial gas lines. I do not believe they understand the blessings the local gas companies have received from the use of natural gas. Later, I hope to show some charts which will indicate that, for instance, in New York City the Consolidated Edison Co. has saved more than half the cost of the raw gas it uses, but the consumer has received a rate reduction of only 3 or 4 cents per thousand cubic feet. I can produce charts showing that in Washington, D. C., the cost of raw gas has decreased by 5 cents a thousand cubic feet since the conversion to natural gas, but the charge to the consumer has risen by 12 cents a thousand cubic feet. I can show in firm figures that since 1950, the cost of the unregulated portion of Washington's gas supply has increased 1.7 cents; that the regulated transportation charge by the long line has increased 9 cents; and the rate for city delivery has increased 12 cents—the portion of the rate that is regulated by public utility commissions has increased more than has the portion regulated by free, open, and competitive buying and selling.

Mr. PASTORE. Mr. President, will the Senator from Oklahoma yield further to me?

Mr. MONRONEY. I am glad to yield.

Mr. PASTORE. I wish to say that for the protection of the consumer, I do not think Senators who are opposed to the so-called Harris-Fulbright bill have to become wedded either to the pipeline companies or to the distribution companies. Our position here is that we are solely, strictly, and exclusively concerned with the interests of the consumer.

Is not the fair test as to whether unreasonable profits are being made by the distribution companies, the rate of return on their investments, and not whether the charges made are higher than those made in other parts of the country, which may have been so before conversion to natural gas?

Mr. MONRONEY. I say to my friend, the Senator from Rhode Island, that the same plant that could distribute a given quantity of artificial gas, is able to distribute twice that quantity of natural gas; in other words, the capacity is doubled when natural gas is used. By means of the conversion to natural gas, the capacity of an existing line is doubled in terms of British thermal units delivered to the burner tip. Thus the companies which have converted to the use of natural gas have been able to enlarge their volume. That has been the result of conversion to the use of natural gas.

Although natural gas costs far less than artificial gas, the gas companies have not given the consumers any appreciable reduction in the rate charged. In New York City, where the cost of natural gas per B. t. u. is less than half the cost of manufactured gas, the consumer's rate difference is only 3 to 4 cents, in the case of gas used for cooking and heating, respectively. The gas company's saving of millions of dollars has resulted in not even one thin dime of saving passed on to the consumers.

On Long Island, N. Y., instead of passing on to the consumers what the gas company has saved by using natural gas, they have actually raised the rate. I cannot explain it. I think the public utility commissions of many of the States should be called to task, at least by the newspapers—which, after all, are the guardians of the public interest—and perhaps also by the State legislatures, to see what is wrong.

Why can Kansas City distribute gas for 30 cents, whereas the charge in Washington, D. C., is approximately $1, and the charge in New York City is approximately $2? I cannot understand it, because Washington, D. C., and New York have congested populations, whereas Kansas City has a widely diversified area in which people live in private homes. A gas main going down a street in Kansas City must have 100 laterals off the main, in order to reach 100 consumers. But in Washington, D. C., or New York City, 1 lateral off 1 main can serve 100 or 500 consumers, in the case of apartment houses; and the apartment-house builders have to build the rest of the system, which does not even belong to the Washington Gas Light Co. or the Consolidated Edison Co. So I should think there would be great economies in the case of congested populations living in apartment

houses, where one gas main can serve an entire apartment house. However, the rates charged are just the reverse of what one would think they should be. How the gas companies can explain that, I certainly do not know.

Mr. PASTORE. Mr. President, will the Senator from Oklahoma yield further to me?

Mr. MONRONEY. I am glad to yield to my distinguished friend.

Mr. PASTORE. Assuming that that constitutes an abuse—although for the purposes of the debate, I am not ready to admit that at the moment—what in the Fulbright bill will correct the abuse?

Mr. MONRONEY. Let me say that I hope one advantage of the debate on the Fulbright bill will be to enable the public to understand better the charges which are made.

Mr. PASTORE. If they get whacked twice rather than once, they will feel the pain more?

Mr. MONRONEY. I think they will be able to determine whether the rate of 12½ cents for their gas supply is as damaging to their pocketbook as the 98 cents for city delivery. I think they will be able to determine whether the wholesale cost of 35 cents at the city gate in New York City is as damaging to their pocketbook as the $2 city delivery cost is. I think after we get through, if the press will print the facts as to the tremendous spreads, we can get some action from sleepy or lazy public regulatory bodies. When that happens, it will be in the public interest.

Mr. PASTORE. The city from which I come has, I think, the highest rate in New England. I think the Senator is familiar with that fact.

Mr. MONRONEY. I am familiar with it. I have it in my book.

Mr. PASTORE. That is a fact which disturbs me very much; but I must say that the rate of return of the gas company in the city of Providence is only 4 percent. Would the Senator call that exorbitant?

Mr. MONRONEY. I suggest to my distinguished friend that the first job I had on a Scripps-Howard newspaper was to find out why Oklahoma City was paying 87 cents at the burner tip for gas which cost 5 cents in the Chickasha gas field, some 50 miles away. We lost the fight to lower that gate rate, but we kept on. We did not get a reduction, but we continued the fight, looking behind the elaborate marble facade of investments, depreciated values, and all that.

Finally, by printing the facts month after month, with respect to the return on the actual investment, we got results. We compared their assessed valuation for tax purposes with what they claimed for a rate base. There was quite a difference in the rate of return, depending upon which base was used, whether it was the taxable value based upon the figures submitted in the return for taxation, or upon the claimed rate base. Upon the basis of taxable value figures the company was earning about 33½ percent, but on the basis of the claimed rate base, the return was always around 5.5.

I am not familiar with the situation in the Senator's hometown, but I do know a little about the Washington system, and I wish to see a full-scale investigation with respect to the $4,700,000 write-down for obsolescence of manufactured gas plants, when I know that there has been a considerable accretion in value on the most valuable open property in all of Washington; namely, the hill on Virginia Avenue, overlooking the broad Potomac, from which the obsolete plant was removed. This property was sold last year. I want to know the reason for the high costs and expenses which are written up so blithely in the alleged rate base. I want to know whether we are paying, on the basis of a 1-, 2,- or 3-year writeoff, expenses which normally would be written off over a period of 20 years.

I think we need a careful analysis of these things. In my opinion the utility should provide some justification for the fact that its rates are so far out of line for city delivery, as compared with the rates in other places in the country.

Mr. PASTORE. I will disturb the distinguished Senator for one further question.

Mr. MONRONEY. I am glad to yield.

Mr. PASTORE. I think the Senator is arguing now that if we had better and more strict supervision by the local utility commissions over the distribution companies, many of the abuses which now exist would be cured.

Mr. MONRONEY. If we had an effective and workable regulatory operation, many of the abuses in connection with the wide spread in city delivery cost could be cured. However, the regulation would have to be effective.

Mr. PASTORE. Why does that same principle not apply to the producers, as well?

Mr. MONRONEY. That goes to the exact point about which I am trying to tell the Senate. We must discard the chaotic and unworkable utility rate-base system imposed by the Phillips decision in favor of the one recommended by the Federal Power Commission and by the President's Committee, as well as by everyone else with whom I have talked. It is practically the unanimous opinion of those with some familiarity with gas production that such a regulatory system would be twice as effective in protecting against unreasonable rate increases as would the utility-type formula, with which I shall deal at length later in my statement.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MONRONEY. I am delighted to yield to my dear colleague from Illinois.

Mr. DOUGLAS. Do I correctly understand my friend to say that we ought to make regulation of the producers even tighter than it now is?

Mr. MONRONEY. I believe that regulation of the producers will be tighter than is the case under the chaotic type of regulation now in existence.

Mr. DOUGLAS. I have never heard this reason advanced for the Harris-Fulbright bill before, namely, that it would provide tighter regulation. The argument has been that it would free the producer from regulation.

Mr. MONRONEY. It is the claim of the opponents that it would free the producer from regulation. The point I make is that we offer the most effective, practical, and workable regulation that can be devised; and if the Senator will hear me out, I believe I can prove that only in this way can we have effective regulation of an extractive, exploratory, highly hazardous industry such as the production of natural gas.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. PASTORE. In other words, in order that we may join issue in this debate, the distinguished Senator from Oklahoma is taking the position that the producer should not be free from regulation.

Mr. MONRONEY. Oh, no.

Mr. PASTORE. But that he should be regulated only as the producers would like to be regulated.

Mr. MONRONEY. No. The Federal Power Commission has recommended a basis of regulation, and the President's Cabinet Committee has approved it. I do not think it would make any more sense to apply the utility type of regulation to the production of natural gas—that is, the same type of utility regulation that is applied to electric power—than it would to apply the same type of utility regulation to both electric power companies and railroads. There is regulation of both. But the type of regulation which we propose is more nearly similar to railroad regulation than it is to the simple utility type of regulation used in connection with gas or electric distributors and other utilities of that nature.

I think we are oversimplifying the problem when we say that we must apply this particular type of invested cost utility regulation when we do not use it in connection with many other regulated facilities.

Mr. PASTORE. Does the Senator wish to leave the impression that the "reasonable market price" spelled out in the bill was suggested by the Federal Power Commission?

Mr. MONRONEY. It was; and it was used by the Federal Power Commission.

Mr. PASTORE. Is it not a fact that the Federal Power Commission took the position that the price should be just and reasonable?

Mr. MONRONEY. The Federal Power Commission, in its last report to our committee, indicated that it stood for a reasonable market price. The testimony is thoroughly supported. I think mention was made of the phrase "fair and reasonable" in a statement earlier in the hearing. But in its prepared statement to us the Commission refers to "reasonable market price"; and it was the reasonable market price basis that it sought to substitute for the utility cost formula in the Panhandle Eastern Pipeline opinion.

Mr. PASTORE. Is it not a fact that when members of the Commission appeared before the committee they could not define what "reasonable market price" meant, as spelled out in this bill?

Mr. MONRONEY. No; it is not.

Mr. PASTORE. Is it not a fact that they testified that they would have been

better satisfied with the words "just and reasonable"?

Mr. MONRONEY. No; and I think the Senator is arguing about semantics. The reasonable market price is as easy to establish as the value of a piece of land taken by the Government from the Senator from Rhode Island for the purpose of building a post office. The Government condemns the property, the court establishes the reasonable market price, and the owner of the land is paid for it. If the fair market price can be established in connection with the seizure of private land, I think we have at least a method which would be workable in establishing the reasonable market price of gas in the field. The reasonable market price is established on the basis of a situation in which supply and demand are in balance, not a situation in which there is an extreme scarcity or where there is an extremely high demand, when the purchase of a small quantity might show a variance from the normal market rate.

Mr. PASTORE. I am looking at page 1174 of the printed hearings. I am reading from a statement submitted by Jerome K. Kuykendall, Chairman of the Federal Power Commission. This is one of the concluding sentences in his statement:

> This seems to be less definite than the phrase "just and reasonable," and the latter appears to be proper.

He is speaking about "reasonable market price."

Mr. MONRONEY. I did not recall that statement. I do know that throughout the hearings it was indicated that the method used by the Federal Power Commission on its own motion in the Panhandle case was the reasonable market price formula for which the Fulbright bill provides. In the opinion of many lawyers, the phrase "just and reasonable price" would mean a utility base, and a return thereon, or the same old original-cost-less-depreciation formula. No record exists of the Federal Power Commission ever accepting that formula. I believe the Commission was ordered to do so by the 5-to-3 decision of the Supreme Court.

Mr. PASTORE. Is the Senator from Oklahoma familiar with the recent decision of the circuit court of appeals in the Panhandle case?

Mr. MONRONEY. I am familiar with it.

Mr. PASTORE. Did not the court in its decision say there was no hard and fast rule with respect to a rate base; and did not the court further say that it is permissible, under certain circumstances, to go so far, sometimes, under the term "just and reasonable," as to establish the fair market price and the fair field price?

Mr. MONRONEY. The decision of the circuit court of appeals was a bit fuzzy, as was also the Supreme Court's decision.

Mr. PASTORE. That is the trouble, Mr. President. Every time a court decides against the producers, the decision becomes fuzzy.

Mr. MONRONEY. What I object to is the court writing its own Natural Gas Act, against the clear intent of Congress. In the Gas Act of 1938 Congress specifically exempted the production and gathering of natural gas.

However, the Supreme Court, in its 5-to-3 decision, said "Yes; but Congress, in exempting specifically the production and gathering of natural gas, did not mean the sale of natural gas." Mr. President, what purpose would anyone have who produced or gathered natural gas if it was not for the purpose of sale? It is not possible to eat the gas, or to drink it. It is produced for sale.

Mr. PASTORE. For sale in intrastate commerce is one thing. Production for sale in interstate commerce is an entirely different thing.

Mr. MONRONEY. The act dealt solely with interstate commerce, and in the act that fact was clearly spelled out. Then Justice Minton discovered that Congress had omitted the word "sale." Thereupon the Supreme Court rewrote the Natural Gas Act, which had stood for 16 years.

In rewriting the act it did not prescribe formula or suggest any road map which the Federal Power Commission could follow. Clearly, the decision of the Circuit Court of Appeals is fuzzy, because the Supreme Court did not fully understand the situation; but the Federal Power Commission understood it; yet it was reversed by the circuit court of appeals, which felt compelled to make its decision because of that of the Supreme Court.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MONRONEY. I am glad to yield to the Senator from Illinois.

Mr. DOUGLAS. Is it not true that the Natural Gas Act of 1938 gave to the Federal Power Commission jurisdiction over the sale in interstate commerce of natural gas for resale?

Mr. MONRONEY. Over the pipeline; certainly.

Mr. DOUGLAS. No; the act did not say pipeline. It said the sale of natural gas in interstate commerce for resale. Is it not also true that the Supreme Court in 1947, in the Interstate case, said that fact gave to the Commission the power to regulate the price of gas sold to pipelines by independent producers? The circuit court of appeals decision of 1942 had been to the same effect. There was another decision by the circuit court of appeals in 1953 in the Phillips case. Then there was the decision of the Supreme Court in 1954 of the Phillips case. Therefore, there have been at least 4, perhaps 5, decisions by the circuit court of appeals and by the Supreme Court to the effect that the sale by producers of natural gas in interstate commerce for resale came under the jurisdiction of the Federal Power Commission.

I do not like to see my good friend from Oklahoma, who is one of the finest men in the Senate, say that the decision of the Supreme Court in 1954 came as a surprise and amounted to a rewriting of the Natural Gas Act. It is just not true, and I am sure the Senator does not mean to leave a false impression.

Mr. MONRONEY. I may say to my distinguished friend from Illinois that I do not care how many justice of the peace courts or county courts or Federal district courts make decisions. It is not a binding decision on the Federal Power Commission or on the country until it is passed upon by the Supreme Court. In the Phillips case in 1954 the Supreme Court overthrew the law that had been in effect since 1824. It did so without having advantage of any hearings on the subject. That is an advantage which Congress had when it exempted the production and gathering of natural gas. Furthermore, the Supreme Court acted by a closely divided decision.

Mr. DOUGLAS. The Interstate case was decided by a unanimous decision of the Court, as I remember.

Mr. MONRONEY. I shall discuss the salient features later. To my recollection, it was only obiter dictum that was added, and did not refer at all to the issue in the case. In other words, it was comment by the Court, and it did not bear on the issue which was before the Court in the Interstate Pipeline case.

Mr. DANIEL. Mr. President, would the Senator from Oklahoma be willing to yield to me so that I may read what the then Chief Justice, Mr. Vinson, said in the Interstate case?

Mr. MONRONEY. I shall be happy to yield to the Senator for that purpose.

Mr. DANIEL. Mr. Justice Vinson said in the Interstate case:

> Clearly, among the powers thus reserved to the States is the power to regulate the physical production and gathering of natural gas in the interests of conservation or of any other consideration of legitimate local concern. It was the intention of Congress to give the States full freedom in these matters. Thus, where sales, though technically consummated in interstate commerce, are made during the course of production and gathering and are so closely connected with the local incidents of that process as to render rate regulation by the Federal Power Commission inconsistent or a substantial interference with the exercise by the State of its regulatory functions, the jurisdiction of the Federal Power Commission does not attach (331 U. S. at 690).

Mr. MONRONEY. I thank the distinguished Senator from Texas.

Mr. DOUGLAS. The Supreme Court in both opinions pointed out that production and gathering were physical processes, but that sale is an economic and legal transaction. It pointed out that the production and gathering of natural gas is still left in State hands, and that the States, through various agencies, have the power to regulate the total output. That was freely granted. These powers are now being exercised by the various States. But this did not give them nor was it ever intended to give them immunity from regulation on the price which the producers charged the pipelines for the natural gas which they sold for interstate commerce for resale.

When gas is sold and moved across State lines, the Supreme Court said the original act held that the Federal Power Commission had jurisdiction. It was on that point that the Supreme Court, in its unanimous opinion in 1947, in the Interstate case, and in the 1954 Phillips case, said that the Federal Power Commission had such jurisdiction.

Mr. MONRONEY. I thank my distinguished friend for his contribution, although I regretfully must disagree with him on the construction. I certainly do not believe that Congress would have written in any idle exemption of production and gathering without an intent. The purpose of production and gathering is sale. The sale which was referred to later was the sale by the Interstate pipelines.

Mr. DOUGLAS. I do not wish to interfere with the argument being made by my distinguished friend from Oklahoma, and I do not want him to think that I am badgering him.

Mr. MONRONEY. Of course not. The Senator and I have worked together on many issues.

Mr. DOUGLAS. Later in the debate I intend, by discussion on the floor of the Senate, to show that the purpose of the act was rather clearly stated by the then senior Senator from Montana, Senator Wheeler, who was in charge of the bill, when he replied to a question of the then Senator from Texas, Mr. Connally, when he said that the sale by producers to pipeline companies would be regulated by the act. The congressional debate indicates it. I would like furthermore to point out that Justice Minton, who wrote the opinion in the Phillips case, was a Member of the Senate at the time the subject was discussed. He was a member, I believe, of the Committee on Interstate and Foreign Commerce, and took part in the debate on the bill. He knew precisely what the intent of Congress was.

Mr. Justice Black was also a Member of the Senate until the summer of 1937, I believe, and he knew the purpose of the act in its early stages.

Therefore, two members of the Court who were former Members of the Senate had some knowledge of what the intent of Congress was. The congressional debate bears out the fact that it was the intent of Congress to give jurisdiction over these matters to the Federal Power Commission.

Mr. MONRONEY. I do not wish unduly to prolong the debate, nor do I desire to become facetious, but I should like to consider the case of Senator DOUGLAS versus Justice Douglas, and read the dissenting opinion at this point, because I think it is another example of a great mind, certainly not that of a reactionary and certainly not of a man who would favor discrimination against consumers. This is what Mr. Justice Douglas stated:

> The sale by this producer is a "sale in interstate commerce * * * for resale." It is also an integral part of "the production or gathering of natural gas" * * * for it is the end phase of the production and gathering process. * * *
>
> Congress was concerned with interstate pipelines, not with independent producers. * * * If one can judge by the reports of the Federal Trade Commission that preceded the act * * * and the hearings and debates in Congress on the bills that evolved into the act, little or no consideration was given to the need of regulating the sales by independent producers to the pipelines. The gap to be filled was that existing before the pipelines were brought under regulation—sales to distributors along the pipelines. * * *
>
> That was the view of the Commission in a decision that followed on the heels of the act. * * * That decision exempted from regulation an independent producer to whom Phillips is in all material respects comparable. It was a decision made by men intimately familiar with the background and history of the act * * * Leland Olds, Basil Manly, Claude L. Draper, and Clyde L. Seavey. One Commissioner, John W. Scott, dissented. That construction of the act by the Commission has persisted from that time * * * down to its decision in the present case.
>
> There are practical considerations which buttress that position and lead me to conclude that we should not reverse the Commission in the present case. If Phillips' sales can be regulated, then the Commission can set a rate base for Phillips. A rate base for Phillips must of necessity include all of Phillips' producing and gathering properties; and supervision over its producing and gathering expenses. * * * The fastening of rate regulation on this independent producer brings "the production or gathering of natural gas" under effective Federal control, in spite of the fact that Congress has made that phase of the natural gas business exempt from regulation. * * * That regulation largely nullifies the exemption granted by Congress.

That is Mr. Justice Douglas' language in his sound, wise, and adequate dissent which we have discussed somewhat fully. I intend to go into it again a little later. I shall again yield if my distinguished colleague wishes me to do so.

Mr. DOUGLAS. I do not wish to interfere with the argument of my good friend from Oklahoma. Was the decision which the Senator just read a majority opinion or a minority opinion?

Mr. MONRONEY. It was a 5-to-3 decision, with Mr. Justice Jackson not participating. I shall later read a related opinion by Mr. Justice Jackson. The decision of the Supreme Court has so vitally changed what the Congress has so definitely written that I think Congress must give the matter adequate consideration, and I am glad that we are giving it full consideration and debate.

Mr. DANIEL. Mr. President, will the Senator from Oklahoma yield?

Mr. MONRONEY. I yield.

Mr. DANIEL. Does the Senator consider it to be significant that only 2 years after the Natural Gas Act was passed, in 1938, in the first decision of the Commission on this point, 3 of the members who had been in office at the time the bill was passed, and 1 of whom had helped to draw the bill, held that the act did not apply to the sales of producers to interstate pipelines? Is not that significant?

Mr. MONRONEY. The Senator is certainly correct. All the members then sitting on the Federal Power Commission held to the view that we could not regulate companies on a utility cost basis; and the present Commission finally adopted the view which the Fulbright-Harris bill embraces. So I cannot see why the Congress cannot rely not only on 1 set of Commissioners, but on 4 or 5. We simply cannot effectively regulate the extraction of a mineral resource 5,000 feet underground by applying a public utility yardstick to it with reference to cost.

Mr. DANIEL. What would be the reason for Congress writing in the act the words "that it shall not apply to the production of natural gas" if Congress intended that it should apply? From what are we exempting the producer if we are not exempting him from the fixing of prices on his sales?

Mr. MONRONEY. I agree with my distinguished friend.

Mr. PASTORE. Mr. President, will the Senator from Oklahoma yield?

Mr. MONRONEY. I yield.

Mr. PASTORE. Regardless of what the Supreme Court said in the Phillips case, is it not now a fact that the proponents of the bill are taking the position that there must be some supervision or control?

Mr. MONRONEY. Indeed, yes. It is the same supervision or control that the Federal Power Commission is advocating. Let there be no misunderstanding. I think this is the best bill that has ever been introduced on this subject. I believe it clearly meets the need without crippling the business, and, furthermore, that it clearly protects the consumer against unreasonable increases. So I am happy to be associated with the authors of the bill in seeking its passage, because otherwise I think we would have a chaotic condition in our gas supply. When it becomes scarce no regulation in God's world will prevent the price from skyrocketing.

I am always happy to agree with my distinguished friend, and I always regret it when we do not agree. But we shall still be agreeing on many, many things during this session.

Mr. President, I hope the Senate will pass this bill. I sincerely feel it is in the interest of the consumer, both by increasing the supply of gas for present and waiting customers but also insuring him against unreasonable increases. But this bill should not be passed if it is not right to pass it. I would rather lose the bill than pass it without clearly justifying the need for this legislation.

We hope that during this discussion those who have closed their minds or have been satisfied with one-half of the story will open their minds and their columns to the facts on both sides.

I know my colleagues who oppose this bill, many of whom I have teamed up with in many legislative fights on this Senate floor, will forcefully present their side of this case. I intend to hear all that they have to say; and I trust they will listen to what we have to say. Above all, I hope the press will hear both of us out and print both sides of this case.

Mr. THYE. Mr. President, will the Senator from Oklahoma yield?

Mr. MONRONEY. I yield.

Mr. THYE. I recognize the fact that the State of Oklahoma produces a great quantity of natural gas——

Mr. MONRONEY. We have the best football team, but we are No. 3 in gas production.

Mr. THYE. This is a football, but it so happens that the Senator wants to keep it on his side of the line.

But the question I wish to ask is what percentage of the wells which have been drilled produce merely gas and no petroleum?

Mr. MONRONEY. Approximately two-thirds of the gas is produced from what we call dry gas wells. The other

third is from wells producing gas and oil in mixed quantities. I shall deal with that very important subject later.

Mr. THYE. Is that also true in other States where petroleum is produced? Is there approximately the same percentage of dry wells?

Mr. MONRONEY. I could not say exactly. It varies by fields. The largest dry gas field in the world is in the old dust bowl area which encompasses the northern part of the Texas Panhandle and the Oklahoma Panhandle and southwestern Kansas. It is the biggest known dry gas field in the world.

Mr. THYE. That was my understanding, and that is why I wanted to bring out the thought, because most wells, other than in that particular area, produce not only petroleum, but also gas, and the gas is of secondary importance in the development of the oil well. I think there will always be drilling for oil, even though there might be some slight regulation over the end product, gas.

Mr. MONRONEY. I shall be glad to develop that fully, if the Senator will hear me out.

Mr. THYE. I am listening to the Senator.

Mr. MONRONEY. I believe the Senator will find there are reasons for fearing that by going to a cost basis, such as the Supreme Court decision provides, any dry hole which is drilled will find its way into the cost basis in the determination of natural-gas rates. If the cost system shall be adopted, there will be no dry holes developed as a result of starting out to look for oil. They will all be started in a search for gas, if they are dry. If they are producers, they may be oil wells. But the public will pay for practically all the dry holes in the United States, because no one except the little gremlin which drives the bit into the sands will know whether it is going down for oil or for gas.

Mr. THYE. What percentage of the financing for the drilling of wells comes from the actual operator in the field of oil development, and what percentage comes from the speculator's investment in stocks and oil well development, which proves to be a nonprofitable venture?

Mr. MONRONEY. It is hard to break that down, because one cannot determine, when he begins to drill a hole in the ground 5,000 feet deep, whether he is drilling for gas or for oil. Of course, the driller would rather get oil, because it is worth about twice as much per B. t. u. as gas, and an oil well usually produces much longer. Certainly the oil well is not subject, at present, to Federal regulation.

Mr. THYE. There are those who are privileged to sell stock in oil well development ventures; and therefore the innocent investor oftentimes has financed the development of what becomes a nonprofitable venture.

Mr. MONRONEY. I may say to the Senator from Minnesota that I was born in Oklahoma. I have helped to finance many unprofitable ventures to this date, and no profitable ones. But I am in complete accord with the Senator's statement. I am not only a junior Senator in point of service, but also junior in point of successful oil well experience.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. FULBRIGHT I thought the question asked by the Senator from Minnesota was along the line of wildcatting. Nearly 8 out of 9 wells are usually unsuccessful.

Mr. MONRONEY. One cannot say whether an unsuccessful well was in search of gas or oil. But we will discover, if we set up a cost plus-reasonable-return basis, that all wells will have been in search of gas.

Mr. FULBRIGHT. The point I wanted to make was that if we adopted the cost-plus basis, which is recommended by the opponents of the bill, and which I think would have to follow the Supreme Court's decision, the burden would be piled upon one successful well owner in order to enable the operator to secure a 6 percent return.

Mr. MONRONEY. That is certainly correct. One might get 50 dry wells. Fifty dry wells times $200,000 would give a $10 million rate base, which it is proposed to pass on to the consumers on the basis of a 6-percent return. On this basis, there would probably be the highest price paid for dry wells ever known in the industry. The operators will not be content to drill such a well, but they will find a way to sell the dry holes. The operator can go down to 6,000 feet, perhaps, below which no gas or oil was ever found in the particular field, and still sell that hole to the productive gas or oil producer. So dry holes will have a new value, instead of merely being filled up as post holes.

Mr. PURTELL. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. PURTELL. Would it not be true that if all the dry holes were charged to the cost of exploring for gas, and none were charged to seeking for oil, we would reasonably expect the price for oil to be reduced somewhat in the States that use large quantities of oil?

Mr. MONRONEY. No. My friend from Connecticut does not understand the clear writing of the cost-plus-reasonable-return basis, because no matter how the operations were written off in the tax return, the operators could still capitalize them for rate-making purposes. So we come up with the fact that under the Supreme Court decision the consumer of gas is going to have the privilege of paying for all of the fine dusters which are drilled throughout the United States.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. ANDERSON. I merely wish to ask my friend from Oklahoma to be careful about saying that no oil had been discovered below 8,000 feet.

Mr. MONRONEY. Oh, no; I was using that as an example. We could use the figure of 8,000 feet in an area where no oil had been discovered. Just before the driller got into granite (no oil has been discovered below the granite level), such a well could be sold for speculation to someone who might pay a few dollars, and he might be able to capitalize it in the rate structure.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. DOUGLAS. The Senator from Oklahoma has made the amazing argument that all the cost of unsuccessful dry wells will be charged to gas for regulation purposes. Does the Senator think for a moment that if the Federal Power Commission was alert to the public interest it would be so foolish or corrupt as to permit such a ruling to exist?

Mr. MONRONEY. When a well is drilled, can an entrepreneur, as a prospective producer, identify and certify to the Federal Power Commission, that he is drilling only for gas? He cannot identify in any way what will be discovered, because he does not know what is below the ground. After a wildcat well is brought in, the producer knows what he has found; but he cannot identify his well beforehand. There is no way, I may say—and I am not trying to be facetious—by which any man alive can tell what he is going after when he studs in a well.

Mr. DOUGLAS. Of course, General Thompson, railway commissioner of Texas, who is frequently quoted by the proponents of the bill, in his testimony before the committee of which the junior Senator from Oklahoma is a member, said that one never drills for gas; he drills for oil, and then sometimes finds gas—hearings, page 54.

I do not believe that allocating the costs of drilling, in the case of a wildcat driller, is very much different from the problem which arises in many other economic transactions which are subject to joint costs; and furthermore, the costs of developmental drilling, which is done to a greater extent, as I understand, than wildcat drilling, can easily be allocated.

Mr. MONRONEY. Oh, certainly; if the wells are never dry.

Mr. DOUGLAS. The relative costs of dry wells can be allocated.

Mr. MONRONEY. Oh, they might be, but they might be perimeter wells. They are certainly not interior wells. I am talking about dry wells, drilled in wildcatting, in strange, unproven territory. No one in the world knows what he will find there, if anything, when the well is in. He does not know what he is going after, whether it be oil or gas.

Mr. DOUGLAS. I do not believe that is any more difficult than the situation which a large packing company experiences in allocating total or joint costs to meat, on the one hand, and to other products such as hides on the other hand.

Mr. MONRONEY. The meat packer has the dead pig or the dead cow. He knows what he has. But the producer does not know what is 5,000 feet under the ground, and he will never know until he gets his drill down there and finds out.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. BUSH. Is it the Senator's contention that under the present situation

the Federal Power Commission would only take into account the cost factor, and would not take into account other factors, such as reserves?

Mr. MONRONEY. The reserves are worth absolutely nothing under the rate base formula. It would include, under the decisions, as a cost item property normally bought as wildcatting acreage for a dollar an acre. That is what the prospector would pay a farmer for leasing rights for an undeveloped acre. He pays a dollar a year as rental. If he found a gas well worth $5 million under that acreage, which perhaps would be 500 acres, it would be worth $500 on a cost basis, rather than as an investment, because that would be the original cost.

Mr. BUSH. Perhaps the Senator misunderstood my question. Is it the Senator's understanding and contention that under the present state of affairs the Federal Power Commission in setting the price or rate which may be charged for the gas, is justified in taking into account only one factor, namely, the cost factor?

Mr. MONRONEY. That is the only factor, because when market price factors were taken into consideration in the Panhandle case, the Circuit Court of Appeals reversed the Commission on the basis that it conflicted with the Phillips decision in 1954. One runs into the utility type regulation imposed by the courts as a result of the Phillips decision in 1954.

Mr. BUSH. Since the Phillips decision have there been any rates set by the Federal Power Commission which fixed the price at the pipeline gate?

Mr. MONRONEY. I beg the Senator's pardon.

Mr. BUSH. I shall repeat my question. Since the Phillips decision in the summer of 1954, has the Federal Power Commission set any rates that are effective at the pipeline gate?

Mr. MONRONEY. I shall answer that question in rather great detail later. We see the Commission engaged in a snowstorm of paper work. The Commission is some weeks behind even in opening its mail. It will be two or three years before it can actually start setting rates. The Commission is merely trying to get ready to set rates by getting applications for certificates of convenience and necessity from all the producers. After that point is reached the Commission must go into the contract aspects. From that point the Commission has to try to establish the rates. The Commission is in an endless maze of investigation. With respect to the problem of setting rates, the Federal Power Commission is going to be bogged down for from 10 to 25 years. Yet the gas producers are in constant jeopardy. The gas supply is disappearing because of the uncertainty. In the meantime millions of people are waiting for gas and cannot get it, because any prudent operator of gas production who does not have a long-time commitment is not going to wait that long, and will not permit his gas to go into interstate commerce, because of the uncertainty.

Mr. BUSH. The Senator still has not answered my question.

Mr. MONRONEY. I thought I had.

Mr. BUSH. I shall try to make my question very clear. I ask the Senator whether he knows that any rate determinations have been made by the Federal Power Commission since the Phillips decision.

Mr. MONRONEY. I am willing to read to the Senator from Connecticut the decision——

Mr. BUSH. I may say to the Senator from Oklahoma my question is not a frivolous one, but a very important one.

Mr. MONRONEY. My reading of the decision would take a few minutes, but I shall be glad to read the Federal Power Commission's way of evaluating the matter. If the Senator prefers, I shall be glad to show the decision to him. I would like to have the entire Senate hear it, but I am afraid we would lose some of our audience.

Mr. BUSH. I do not wish to interfere with the debate. All I am asking the Senator from Oklahoma is whether he knows if the Federal Power Commission has established any rates under the present situation since the Phillips decision.

Mr. MONRONEY. The Commission has been engaged in trying to establish rates.

Mr. BUSH. I know that, but I am asking the Senator whether any rates have been established.

Mr. MONRONEY. I do not believe they have.

Mr. FULBRIGHT. Mr. President, will the Senator from Oklahoma yield to me?

Mr. MONRONEY. I yield to the Senator from Arkansas.

Mr. FULBRIGHT. Some increases have been granted. It is impossible to tell upon what basis. It is purely by guess. The Commission itself has said it is unable to ascertain what the cost is. The Commission has granted some rates on a guess basis, because it felt the requests were so worthy that it could not resist.

Mr. BUSH. If that be the case, the Commission felt legally bound to follow the cost formula, did it not?

Mr. FULBRIGHT. I think it felt bound legally, but it was impossible to carry it out. There have been a number of increases.

Mr. BUSH. How did the Commission determine the increases?

Mr. MONRONEY. By guesswork.

Mr. BUSH. My reason for raising the point is that the Senator's argument is that the only basis on which the Federal Power Commission can fix a rate is on the basis of cost. If the Senator from Arkansas is correct, the Commission has granted rate increases, not based on that factor alone, but on other factors.

Mr. FULBRIGHT. The Senator from Oklahoma stated a moment ago the Commission had attempted to do that, and the case that got into court was held to be in violation of the Phillips decision. The point I make is that under the pressure of necessity, the Commission has granted increases before the Commission was able to ascertain the cost factor, as required by the Phillips decision.

Mr. MONRONEY. It will be 5 or 10 years before the Commission will be able to establish the rates, and some of the gas companies will go bankrupt before that time.

Mr. FULBRIGHT. The situation is ridiculous. The Commission is required to fix the rates on a cost basis. The Commission cannot do it; yet the demands are such that the Commission must do it.

Mr. BUSH. I appreciate the difficulties facing the Federal Power Commission. I have talked to personnel in the Commission about them, and I am very sympathetic. I think there is some way out of the situation.

Mr. MONRONEY. Senate bill 1853 is the ideal way out, because it brings into play what the Federal Power Commission, and others say provides the only workable method by which the consumer can be protected against unreasonable increases in the charges they must pay.

Mr. BUSH. All I wish to say at this point—I hope to say more later—is that it appears the Federal Power Commission has, under the existing situation, since the Phillips decision, granted some rate increases based on other determinations than merely cost.

Mr. MONRONEY. I may suggest that it was administering artificial respiration to keep the patient alive until the paper work could be finished.

Mr. FULBRIGHT. I think the Senator from Connecticut has put his finger exactly on the intolerable situation. Something must be done about it. One can make his choice. We can let the Commission continue to stumble about, or let Congress, which legally should act, express a policy as to how to approach the problem. The pending bill does direct the policy to be followed in setting rates, and that is all it does.

Mr. BUSH. If the Senator will permit me, I should like to observe that if the bill proposed to give the Federal Power Commission more than one basis on which to determine rate increases, it would be a better bill, and would be more acceptable in some parts of the country.

Mr. FULBRIGHT. Mr. President, will the Senator from Oklahoma yield further?

Mr. MONRONEY. I yield.

Mr. FULBRIGHT. The basis is the reasonable market price. It is the same traditional basis which has existed for centuries in the English-speaking world. It is the basis on which private property is paid for in condemnation proceedings. It is the same basis used by the Interstate Commerce Commission in establishing railroad rates and by the Civil Aeronautics Administration in setting airline rates. I do not know what better basis there is than the one which experience has proved to be the best.

Mr. BUSH. Later I shall suggest some factors which would greatly improve the bill and which would not arouse so much opposition to it.

Mr. MONRONEY. Perhaps some of the opposition has been aroused by failure of some of our great newspapers to present both sides of the questions, and by leaders of some organizations of labor and others who have objected to any reasonable suggestion, and who have given the dog a bad name. That is the reason why I appreciate the good attendance on the floor today and the good attendance

in the press gallery, because I know persons there will write about the question as they see it. We have had a hard time getting certain interests to hear both sides of the question.

Mr. MORSE and other Senators addressed the Chair.

Mr. MONRONEY. Mr. President, I should like to proceed for 5 or 10 minutes in an orderly development of my points. I believe the points could be made better if I proceeded with my prepared statement than by questions and answers at this point.

We hope that during this discussion, those who have closed their minds or have been satisfied with one-half of the story will open their minds and their columns to the facts on both sides.

I know my colleagues who oppose this bill, many of whom I have teamed up with in many legislative fights on the Senate floor, will forcefully present their side of this case. I intend to hear all that they have to say, and I trust they will listen to what we have to say. Above all, I hope the press will hear both of us, and will print both sides of the case.

In our democracy, the task of leadership places a great responsibility upon our newspapers. It requires an informed and enlightened editorial leadership, not blind adherence to a credo, which, once accepted, can never be modified. A true liberal wears no badge. Rather, he searches for all the facts, however obscure, before reaching his decision.

We cannot afford leadership which might imitate that of the French Revolution, when it was said: "The mob is in the street. I must join them. For I am their leader."

THE CASE FOR THE GAS BILL

From 1824, as I have detailed before, the production of natural gas had been in free enterprise. The seller with a supply of gas met with the buyer of a quantity of gas, and a contract ensued. Both parties, the seller and the buyer, under the law of supply and demand fixed the price for the gas at the wellhead. This had been true, and now is true, for every mineral product ever produced in the United States—that is, until the Phillips decision on June 7, 1954.

Under this historic bargaining of producer and consumer, the use of gas increased from the small amounts required for lighting the inn and the public buildings of Fredonia, N. Y., in 1824, to the time when the gas industry became the sixth largest in the Nation.

No question was ever raised regarding the regulation of the gas distribution systems, as public utilities. That came as a matter of course as other utilities were regulated.

It was essential that they be given a monopoly—a franchise for the particular area they served. Having been given such a monopoly and freedom from competition, regulation of their rates was necessary. They enjoy the right of eminent domain and a guaranteed return on their investment.

None of these essential attributes of a public utility does the gas producer have—not even under the decision of the Supreme Court declaring him a utility. He has no protection against competition. The opening of a huge, new gas field leaves him vulnerable to all the forces of competition. He has no right of eminent domain. He has no protected territory in which to operate. So he must do the best he can. No utility body can guarantee the gas producer an actual rate of return on the value of his property. Bear in mind, Mr. President, that I said "the value of his property"; and I did not refer to the cost. The kind of utility regulation we are discussing relates to cost; and who can say that when a man with a wildcat well discovers a valuable gas-producing property, it should be valued at $1 an acre—which is what the Supreme Court's decision would require on a cost basis.

But as the gas produced in Oklahoma, Texas, Arkansas, Kansas, Louisiana, Mississippi, and New Mexico began to move into the long lines then being built, regulation of such interstate lines became desirable. For that reason, the Congress in 1938 enacted the Natural Gas Act, which the Supreme Court rewrote in 1954, by a 5 to 3 decision.

The bill which Congress wrote properly recognized that no utility type of regulation could possibly apply to an extractive mineral industry. The language of the act of 1938 specifically states that the act "shall not apply to the production and gathering of natural gas."

All of the authors and the Members explaining the bill made it clear that the act dealt with the control, through utility regulation, of the long lines and the sale of gas for resale. The control of the production and gathering of gas was never questioned, for all familiar with the act knew and understood the impossibility of such inclusion of the hazardous exploration and production of the raw supply.

It was in 1954 that the Supreme Court attempted to rewrite what Congress had said. In effect, Justice Minton held that while the act did exempt production and gathering, it did not exempt sales of such production to the pipelines. For what purpose could a producer or gatherer produce gas, if it were not for sale? Blowing it in the air or flaring it was illegal under State conservation laws. They could not eat it. Obviously the decision, with the necessary prevailing votes, rewrote the clearly expressed intent of the Congress.

I think the decision of Mr. Justice Douglas—certainly not a dyed-in-the-wool reactionary, nor a minion of vested inerests—explains the case more fully than I can:

> The sale by this producer is a sale in interstate commerce for resale. It is also an integral part of the production or gathering of natural gas, for it is the end phase of the production and gathering process. * * *
>
> Congress was concerned with interstate pipelines, not with independent producers. If one can judge by the reports of the Federal Trade Commission that preceded the act, and the hearings and debates in Congress on the bills that evolved into the act, little or no consideration was given to the need of regulating the sales by independent producers to the pipelines. The gap to be filled was that existing before the pipelines were brought under regulation—sales to distributors along the pipelines. * * *
>
> That was the view of the Commission in a decision that followed on the heels of the act. * * * That decision exempted from regulation an independent producer to whom Phillips is in all material respects comparable. It was a decision made by men intimately familiar with the background and history of the act—Leland Olds, Basil Manly, Claude L. Draper, and Clyde L. Seavey. One Commissioner, John W. Scott, dissented. That construction of the act by the Commission has persisted from that time, down to its decision in the present case.
>
> There are practical considerations which buttress that position and lead me to conclude that we should not reverse the Commission in the present case. If Phillips' sales can be regulated, then the Commission can set a rate base for Phillips. A rate base for Phillips must of necessity include all of Phillips' producing and gathering properties; and supervision over its producing and gathering expenses * * * The fastening of rate regulation on this independent producer brings the production or gathering of natural gas under effective Federal control, in spite of the fact that Congress has made that phase of the natural gas business exempt from regulation. * * * That regulation largely nullifies the exemption granted by Congress.

Mr. BUSH. Mr. President, will the Senator from Oklahoma yield?

The PRESIDING OFFICER (Mr. ALLOTT in the chair). Does the Senator from Oklahoma yield to the Senator from Connecticut?

Mr. MONRONEY. I am glad to yield.

Mr. BUSH. If the intent of the 1938 act is so clear, why was it that in 1949, I believe, a bill along similar lines was introduced in both the House and the Senate, and was passed?

Mr. MONRONEY. I believe it was in 1950.

Mr. BUSH. I refer to what has commonly been known as the Kerr bill.

Mr. MONRONEY. Yes.

Mr. BUSH. Why was it then felt necessary to have such a bill introduced and passed, if it was perfectly clear that the Federal Power Commission was not to have any jurisdiction?

Mr. MONRONEY. There had been lower court decisions, as the distinguished senior Senator from Illinois [Mr. DOUGLAS] has stated. There was a Supreme Court decision, not involving this point, but in which the obiter dicta of the justice writing the opinion had raised this question. So Congress properly, I think—recognizing that the country's supplies of gas would disappear if there were any uncertainty which would cloud the clear intent of the act—passed those bills, for it was the job of Congress to act. That is why those bills were before Congress; and that is why there are now more completions of wells, instead of fewer, and more interstate pipelines, instead of fewer. That is why Congress felt compelled to get those bills passed even before the Phillips case decided the matter.

Mr. BUSH. Is it also true that at about that time the large interstate pipelines were being constructed and public attention was being attracted to the issue, and it was felt that there was a good deal of doubt as to whether the Federal Power Commission had jurisdiction; and the purpose of the bill was to kill the doubt?

Mr. MONRONEY. Most of the long lines were built immediately after the war—in 1946 and 1947. As rapidly as

steel became available, the lines were constructed. A major addition came with conversion of the Big Inch and the Little Inch lines. The uncertainty was delaying the supplying of natural gas, and I think the uncertainty also actually helped increase the field price. So I believe it was important to have the bill introduced and debated.

When I was a Member of the House of Representatives, I voted for the Rizley bill and the Kerr bill. Let me say that the bill now before the Senate is the best bill, offering the finest type of regulation and the most complete regulation of the price of natural gas, that has yet been before the Congress.

Mr. PASTORE. Mr. President, will the Senator from Oklahoma yield to me?

Mr. MONRONEY. I yield.

Mr. PASTORE. Speaking of the Kerr bill, is it not true that it left unaffected the pipeline company that was also a producer? Under the Kerr bill the pipeline company that was a producer would have remained under the exclusive control of the Federal Power Commission. But in this bill its authors have gone beyond that, and have taken care of the pipeline company that is a producer, because under the pending bill the pipeline company that is a producer can separate its cost midway; it can get one price at one end and a new price at the other end. As a matter of fact, under the pending bill there will be 2 methods and 2 formulas for calculating the price.

Mr. MONRONEY. Let me say to my distinguished friend, the Senator from Rhode Island, that if my memory serves me correctly, the reason why the Kerr bill did not deal with the pipe-line production of gas was that the formula then used by the Federal Power Commission, and used in the case of pipe-line gas until the recent circuit court decision, was that it should come into the line at the fair market price. I am told that that decision by the Federal Power Commission came afterward; but the Federal Power Commission did later adopt, of its own volition, the method of the fair field price as the cost of the gas which goes into the long pipeline.

Mr. PASTORE. That is the case which was in dispute. It was decided only on the 15th of December, 1955. The Kerr bill was introduced in 1950.

Mr. MONRONEY. What I am saying is that between the introduction of the Kerr bill and the Court decision to which my distinguished colleague refers, the policy of the Federal Power Commission had been to apply the same formula to the gas owned by the pipeline as is contained in this bill with respect to the independent gas producers. It was found to be the only way effectively to ascertain the cost of gas in interstate commerce. The Federal Power Commission recommended that method, but it was overturned by the circuit court, which had to give obeisance to the Supreme Court decision, a 5 to 3 decision, standing in its way.

Mr. PASTORE. I do not believe there is such a connection, but let me say to the Senator from Oklahoma that originally and traditionally, before a pipeline company could get a certificate of convenience and necessity it had to establish the fact that it already had reserves of gas. In other words, a pipeline company had to be a producer before it could get a license to operate.

Mr. MONRONEY. Was that true in connection with interstate pipelines?

Mr. PASTORE. In connection with interstate pipelines, originally.

Mr. MONRONEY. A pipeline company had to guarantee a supply; but today the biggest interstate pipelines have no gas whatsoever.

Mr. PASTORE. I know that that was the situation afterward. What I am saying is that in the beginning the only way a company could get a certificate of convenience and necessity was by establishing the fact that it already had dedicated reserves which it owned. In other words, before it could get into the business it had to be a public utility. Later we separated the producer from the pipeline company.

Mr. MONRONEY. The Senator is absolutely incorrect.

Mr. PASTORE. Will the Senator bear with me?

Mr. MONRONEY. Certainly.

Mr. PASTORE. From the beginning the pipeline company, which was a producer, understood that it was under the exclusive control of the Federal Power Commission. Under the terms of the pending bill it is proposed to say to the pipeline company, "With respect to the gas you produce, we will give you a reasonable market price. You can load that on, and then come forward and establish your cost before the Federal Power Commission, for selling at the gate." If the Senator contends that the pending bill is a better bill than the Kerr bill, I remind him that it is a more far-reaching bill than the Kerr bill in that respect.

Mr. MONRONEY. Let me say to my distinguished friend that he is completely unfamiliar, in this particular instance, with the supplies of natural gas owned by the pipeline companies. What he is talking about is the supplies of gas which were owned by pipeline companies prior to the act of 1938. Such gas, belonging to the pipeline companies, was first regulated on a cost basis, which was later abandoned by the Federal Power Commission, resulting in the Circuit Court of Appeals decision, with which the Senator is familiar.

So the gas business has been out of regulation, under regulation, out of regulation, and under regulation again. Where is the gas business winding up? Formerly it was the pride of the pipeline industry that it had some gas of its own. All the reserves which used to be owned by the pipeline companies are being liquidated. Pipelines are now disposing of the gas which they own. As the gas is produced, they buy no more. They develop no more. They sell their unexplored reserves. They are getting out of the production business. That proves my point that the cost-plus-fixed-return will drive anyone out of the production business, as it has driven the pipeline companies out of the production business. Today every one of them is liquidating its present reserves.

Mr. PASTORE. Is the Senator telling me that in the case of pipeline companies which were producers, they have been entitled to a fair field price for the gas?

Mr. MONRONEY. They were entitled to a fair field price until the passage of the act of 1938, and after the Panhandle opinion, about 1954, until it was reversed in late 1955 by the Circuit Court of Appeals. The situation in the gas industry has been a case of "off again, on again, gone again, Finnigan." That is the trouble with the gas industry under the Supreme Court decision in connection with the natural-gas act, under which it is sought to make gas producers operate.

Mr. PASTORE. I invite the Senator to do a little research——

Mr. MONRONEY. I will place in the RECORD the exact dates of the various types of regulation. I ask unanimous consent to have that information printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 1.)

Mr. MONRONEY. I shall show the point at which the pipelines were operating under the fair field price, or the free play of the law of supply and demand; the point at which they went on a cost-return basis; the point at which they left the cost-return basis for the fair field price; and the point at which they returned to it, presumably, after the circuit court of appeals decision only recently.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. PASTORE. There has been decision after decision—and that is the reason why I think the Kerr bill did not touch the situation—to the effect that there was a distinction between the producer and the gatherer which was not a pipeline company. Pipeline companies which were producers have always been under the control of the Federal Power Commission. There can be no question about that.

Mr. MONRONEY. Since 1938.

Mr. PASTORE. Since 1938.

Mr. MONRONEY. That is correct. They were not under any regulation prior to that time.

Mr. PASTORE. The first time the Federal Power Commission changed the basis from a cost basis to a fair field price was in the case which was appealed by the city of Detroit. That was the Panhandle case, which was recently reversed.

Mr. MONRONEY. That is correct.

Mr. PASTORE. Therefore, the fair field price has never been the measure with respect to a pipeline company which is a producer.

Mr. MONRONEY. The Senator is ignoring the fact that from 1824 to 1938 there was no regulation of pipelines in interstate commerce. At the time of passage of the Natural Gas Act most of the pipelines produced the greater portion of the gas which they sold; but when they were under Federal regulation, they knew that they could not operate producing facilities under a cost-return system of regulation, so that part of the industry has been in process of liquidation

ever since. I shall be happy to supply, as a part of the appendix called for by the Senator, the dates of the various types of regulation and the diminution of the supply owned by pipeline companies in relation to the amounts which the pipeline companies now sell.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. FULBRIGHT. I think the Senator from Rhode Island [Mr. PASTORE] is in error in one very important part of his question, when he says that the Federal Power Commission required the pipeline to own any part of the reserves. The pipeline company was required to have a minimum dedicated to the particular line, but it did not have to own it. It had to have contracts for it. Ownership was not required.

The percentage of the gas dedicated to interstate commerce which belonged to the pipelines has declined from approximately 25 percent in 1940 to approximately 10 percent last year. Pipeline companies have disassociated themselves from ownership, because of the existence of the Natural Gas Act, which, of course, made the pipeline a utility. Whatever activity it was engaged in came within the cost formula. It is true that so long as the gas was actually owned by the pipeline companies, the cost formula applied.

That is the reason they are going out of the business of ownership. For that reason, if the pending bill is not passed, the gas flowing into the interstate system will decline.

Mr. MONRONEY. The reason given for the Federal Power Commission adopting a fair field price basis instead of a cost basis with respect to the gas owned by the pipelines, apart from disappearance of the pipeline-owned supply, was that, in the interest of an adequate supply and adequate bargaining position in dealing with independent producers, it was desirable to stimulate the entry into the business of pipelines. The Federal Power Commission recognized the danger of new pipelines stretching across the country without any supply of their own on which they could rely, to meet their commitment at the other end.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. PASTORE. The Senator has misunderstood my point. The question has arisen in connection with the Kerr bill. What I am saying is that in 1950 the Kerr bill left undisturbed the pipeline company which was a producer. This bill goes beyond that point. This bill even frees from regulation the pipeline company which is a producer, so far as its activities are concerned with producing and gathering.

The only point I am making is that the pending bill goes further than the Kerr bill, which did not pass Congress.

Mr. MONRONEY. The Senator is incorrect in the basic part of his statement, that the bill frees the pipeline producer from regulation. It puts him under the same type of regulation, which is superior and more adequate and more workable than the cost formula he would have been faced with under the old type of regulation.

Therefore I beg to disagree with my distinguished friend when he says it frees the pipeline. It does not free the pipeline. That statement is as fallacious as the statement that it frees the independent producer. The latter statement has been circulated in every first-class newspaper in the country for the past year. Under this bill the pipeline producer would be under a better type and a more effective type and a more workable type of regulation than he would be under the cost formula. That fact I shall develop later in my remarks.

Mr. PASTORE. Mr. President, will the Senator yield further?

Mr. MONRONEY. I yield.

Mr. PASTORE. Therefore is it not a fact that if we now change the rule insofar as the pipeline producer is concerned, in giving him a reasonable market price at the place where the gas goes into interstate commerce beyond the gathering point, we fix a rule that will unquestionably and inevitably raise the price of gas?

Mr. MONRONEY. I doubt that it would raise the price of gas, although it may increase it a cent or a cent and a half.

Mr. PASTORE. It would raise it, whether it would raise it by 1 cent or by a tenth of 1 cent.

Mr. MONRONEY. A pipeline company which owned its own production, when it went under the act, was required to count into its amortization of the rate base the profits it had made during the period when it was under no regulation.

Therefore it suffered when the 1938 act went into effect. In many cases, particularly in old fields, under the cost method, which the Senator advocates, gas would move into the pipeline at half a cent a thousand cubic feet, because the situation during the unregulated period forced down the return after the act became effective. However, I make no case on that. It is relatively unimportant, because pipelines are going out of the producing business as soon as they liquidate their present reserves. They are not hunting for gas. They are not buying gas fields, as they used to do. They know they cannot operate under a utility return basis and stay in business. Therefore they choose to buy their gas from the independent gas producers. That is what is happening.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. DOUGLAS. I know the Senator from Oklahoma desires to keep the discussion on a factual basis.

Mr. MONRONEY. I certainly do.

Mr. DOUGLAS. Is it not true that in 1953 the pipelines produced 21½ percent of the gas which they transmitted across State lines?

Therefore it is not an insignificant proportion.

Mr. MONRONEY. I will put the figures in the RECORD. I believe they will show a strongly declining curve.

Mr. DOUGLAS. I am sure it is not to the degree that my distinguished friend from Arkansas said it was, from 25 percent to 10 percent, because the figures for 1953, which are figures for the last full year, show the percentage to be 21½. That is the amount produced by the pipelines and their affiliates. The record will further show that they have been drilling a larger number of additional wells. Therefore, the statement that it represents an insignificant proportion of the total gas production is not really a correct statement.

Mr. MONRONEY. I believe the figures will speak more eloquently than the junior Senator from Oklahoma can present them at this time. If there are no further questions, I should like to proceed with my statement as rapidly as I can.

Mr. FULBRIGHT. Mr. President, will the Senator yield on that point?

Mr. MONRONEY. I am glad to yield.

Mr. FULBRIGHT. The figures produced by the Bureau of Mines show that the ratio declined. I assume it refers to pipelines.

Mr. DOUGLAS. Not necessarily, because in some instances, particularly in the Southwest, as the Senator knows, direct shipments are made from the producer into the local marketing area.

Mr. FULBRIGHT. Yes; certainly. However, the ratio has declined from 24.8 percent in 1945 to 10.5 percent in 1953.

Mr. DOUGLAS. I should like to check those figures.

Mr. FULBRIGHT. These figures are contained in the report of the Bureau of Mines.

Mr. MONRONEY. I would like to return to the problem of the method of regulation. The initial paperwork of applying for certificates has slowed down and worked a severe hardship on many producers who must wait many months before the available gas from their leases can be committed to the pipelines seeking delivery. One producer can drain gas from beneath the leases of another while the new one waits in the long- and slow-moving line for his certificate.

What the answer will be when a cost formula is finally applied is anyone's guess. Probably they will not reach that during our lifetime, unless the Congress increases appropriations to the FPC by some 10 times its present amount. And even then the FPC's decisions on utility-types rates for gas at the wellhead face the likelihood of a long-delayed court test before they become final.

But even these time-consuming and costly delays on the simple cases do not indicate the complex and insoluble problems which the law, as rewritten by the Supreme Court, would entail. If the cost for one well, or one group of gas wells, can be established—with proper credit, of course, in the rate base for dry holes, unproven leases under contract, variable drilling costs, sales in the field, separators, and Christmas trees, and all the rest—what is to be done about the combination wells which produce gas along with oil?

I believe that is the question which was asked by the Senator from Minnesota [Mr. THYE].

Testimony before the committee was that one-third of the gas sold is produced

in conjunction with oil production. Thus making a utility of a gas well brings about new complications.

The producer started out in the hunt for oil or gas. He did not know what his drill bit would find 5,000 feet under ground. If he struck oil, he was in free enterprise, but if he struck gas, he became a public utility. If he found both oil and gas, he became half slave and half free.

I can well imagine a producer, as he goes down some 5,000 feet, striking oil at 1,000 feet. He says, "Oh, boy, I will be in free enterprise."

Then at 1,500 feet, another test is made, and it shows that he has hit a pocket of gas. He says, "Now I am a utility."

At 3,000 feet he may again be in free enterprise.

At that point he may well hope that he will hit a bourbon well, after all that nervous strain and all that damage to his nervous system.

One-third of the well was a public utility. Was it the top third or the bottom third of the well? Or do we slice it vertically and dedicate one-third of the 18-inch hole to utility regulation?

As ridiculous as this sounds, it will be the case. But worse than that, when we regulate under Government control over the production of oil as well, the FPC will allocate the costs—whenever they can, after many years, determine them—that are attributable to gas, but the free enterprise of oil must salute and obey as the other Siamese twin.

While the gas production of old contracts will be tied up in a supertraffic jam, the new production so necessary to meet the ever-increasing demands of new customers must wait at the end of the line before it can got into interstate commerce. The ready and waiting buyer cannot buy—the ready seller cannot sell—the Commission cannot act because there are thousands of waiting old contracts to be first cleared.

It is this Gordian knot tied by the split decision of the Supreme Court this bill seeks to cut. It seeks to turn the gas into the lines with a workable system of regulation of the market price, instead of the impossible utility type of regulation legislated by the Court.

Clear testimony before our committee showed that 50 percent of the gas produced remained in the State where produced under present conditions. It should be clear that if 50 percent remained within the State before the decision, the impossible regulatory situation faced by producers under the Court's bill would cause even a greater amount to be consumed in the State where produced.

Mr. DOUGLAS. Mr. President, will the Senator from Oklahoma yield?

Mr. MONRONEY. I yield.

Mr. DOUGLAS. When the Senator says that 50 percent of the amount produced remains within the State, he does not mean that 50 percent is productively consumed within the State or rather sold for a market price, does he?

Mr. MONRONEY. The testimony shows that 50 percent of marketed production moves into interstate commerce and that the other 50 percent remains in the State. A part of it moves into household use, a great deal into industrial use, and a great deal is used in the field in drilling other wells. There is not a great deal of gas flared any more.

Mr. DOUGLAS. Is it not a fact that approximately 9 percent of the production is waste, that approximately 14 percent is used in the field primarily by the gas and oil companies themselves, and that there are further wastages? The Senator is speaking of gas produced in the Southwest and transmitted to other sections of the country. Does the Senator have the figures, taking into account the wastage and the consumption in the field, which, together, amount to nearly 25 percent?

Mr. MONRONEY. The distinguished Senator would not say that consumption in the field by using gas under boilers to drill other wells is wastage. It would be sold if it were not right there belonging to the person who owned the gas. The Senator would not expect him to buy it from the Washington Gas Light Co, would he?

Mr. DOUGLAS. The gross production of natural gas in 1953 was 10.6 billion thousand cubic feet. There was 1.4 billion used for repressuring, and so forth, making a net production of 9.2 billion thousand cubic feet. Out of this there was a loss in the field of more than 800 million thousand cubic feet. There was field use of 1,470 million thousand cubic feet, losses in transmission of 240 million thousand cubic feet, compressor fuel 230 million thousand cubic feet, use in manufacture of mixed gas, 179 million thousand cubic feet. So that the remainder left for sale was approximately 6.2 billion thousand cubic feet.

I think that gives a better sense of proportion for the industry. I think the Senator will find that very large quantities are used for repressuring, and there are wastages in the field, losses in transmission, use of compressor fuel, and so forth.

Mr. MONRONEY. Only a half moves into interstate commerce. There will always be losses in transmission. That is an unavoidable loss. There will always be a demand for repressuring, because that is a means of adding to the natural resources. It is pumped into old oil wells so that the oil supply can be conserved. There is more of that going on all the time, which will further detract from the interstate supply. To get a greater supply is the problem. This bill will move in the direction of insuring a larger supply, while the Supreme Court moves in the direction of a smaller supply.

Mr. DOUGLAS. I did not wish the Senator to cause people to believe that there are enormous intrastate commercial uses outside of the gasfields.

Mr. MONRONEY. I did not mean to give that impression.

Mr. DOUGLAS. It is the interstate movement of gas which is the primary factor of commercial importance.

Mr. MONRONEY. Mr. President, I should like to refer to a table compiled from the reports of the Bureau of Mines relating to the distribution of natural gas in 1953. I will place it in the RECORD.

	Billion Mcf.
Gross production	10.6
Interstate movement and consumption	4.2
Intrastate consumption	4.2
Repressuring	1.4
Waste and losses	.8

Mr. DOUGLAS. The point is that the intrastate figure covers the field use and a lot of other nonsalable uses as well.

Mr. MONRONEY. It does not cover waste and losses. Perhaps the Senator has not seen this table.

Mr. DOUGLAS. It covers loss in transmission.

Mr. MONRONEY. Repressuring is carried as a separate figure. Waste and loss are carried as 0.8 billion M c. f. Interstate consumption is shown as 4.2 billion M c. f. Intrastate consumption is shown as 4.2 billion M c. f. I am sure that includes boiler fuel use and use in the oil fields. I think we are talking about the same thing.

Mr. DOUGLAS. I thought the Senator was speaking of commercial sales.

Mr. THYE. Mr. President, will the Senator from Oklahoma yield for a question?

Mr. MONRONEY. I yield.

Mr. THYE. I should like to ask the Senator a question with reference to competition in bringing gas into Minnesota. I am not speaking generally of the Midwest area. I refer only to the State of Minnesota. Is there as of today any opportunity of bringing gas into Minnesota other than by one specific pipeline?

Mr. MONRONEY. That would be up to the Federal Power Commission. They issue certificates of convenience and necessity where a pipeline company can show it has an additional gas supply. This bill has no reference whatever to that situation.

Mr. THYE. The only reason I asked the question was to ascertain whether the distinguished Senator could assure me of a gas supply for a consuming center such as the Twin Cities, which are dependent on one pipeline, the gas for which is concentrated, and into that pipeline. Until I know there is some certainty that the consumers, whether they be commercial, private, or utility consumers, will not be hamstrung by one pipeline through which all the gas must be fed, I cannot lay aside my responsibility to the housewife who may have spent her last dollar in converting from either coal or fuel oil to gas for her heating plant or her cooking unit. I have in mind, also, great industrial plants which have spent large sums of money converting to natural gas. That is the situation with which we are confronted in that northern region, and I have to be mindful of my responsibility to industries and individuals who are in the situation which I have described.

Mr. MONRONEY. I may say to my distinguished colleague from Minnesota that the Williston Basin, in which lie the great States of Minnesota, North Dakota, South Dakota, Wyoming, and Idaho, promises to be, on the basis of geological formation, the great new frontier of gas and oil.

Mr. THYE. That is correct.

Mr. MONRONEY. Wherever oil is found, there will be found some gas. If

under the processes of regulation the pricing of natural gas is fair, reasonable, sound, and workable, more people will drill in the effort to find and develop new gas wells and new oil fields.

The great thing about our American system is competition. When the magic bit strikes the magic fuel within the borders of the Senator's great State of Minnesota, or in areas nearby, he will find that the rates in his State, like those in Oklahoma, Arkansas, and other States, will quickly come down, because the people simply will not stand for the exorbitant rate which they are now being charged.

Mr. THYE. Mr. President, will the Senator further yield?

Mr. MONRONEY. I yield.

Mr. THYE. That will be true if the magic bit strikes the magic commodity about which we are talking, namely, gas. But in Minnesota the geologists have said that neither natural gas nor petroleum will be found. Therefore, since we can never expect to have those products, we must depend upon the sources in the Senator's State of Oklahoma which supply them. Then we shall be dependent upon the pipelines, which are the only means of conveying those products into our area. In the event there is no supervision over their transportation, we will have no knowledge as to whether the rates will go up once, twice, or five times in a given year. So far as we in that northern region are concerned, I believe the rate has gone up five times in the past 5 years. We do not know how many more times it will go up in the next year or 5 years.

Mr. MONRONEY. Does the Senator from Minnesota know whether the city of Minneapolis owns the gas distributing plant there? Is the Senator familiar with the operation of the Twin City delivery system?

Mr. THYE. Yes; I think I am familiar with it. It happens that the price of natural gas in the city is regulated; and in the particular instance referred to, of course, the regulatory body would determine what the utility might charge for it. But, again, the utility is solely dependent upon what the gas costs it as it comes from the pipeline. Therefore, the utility could not be governed by the city council of any city, because the city council would have to recognize the fact that the gas transmission line was charging so much; and, in turn, the gas transmission line would say that it had an increase imposed upon it at the wellhead, and so must pass it on to the distributing utility.

Mr. MONRONEY. I may say to my distinguished friend that, according to the figures I have for Minneapolis, the cost at the wellhead is 10.7 cents, which is about in accordance with the national average.

Mr. THYE. The Senator is correct.

Mr. MONRONEY. The cost at the city gate, including the producer's 10.7 cents, is 34.7 cents.

The cost of gas at the burner tip for household use is 75.3 cents. This gives a spread of about 40 cents per thousand cubic feet, which is about average on a nationwide basis.

I do not think any great economies will be made in trying to force down the 10.7-cent rate, because, as I showed, in 1926 the cost of gas was 9.5 cents. So the increase of 1.2 cents from the 1926 price has been very small.

Mr. THYE. If the Senator will further yield, I may say that it was not many years ago that the conversion from either coal or fuel oil to natural gas took place. It has only been within the past few years that the load buildup has come.

Once the load factor has been established, then the consumers might possibly be confronted with an entirely different situation if no regulation were imposed, because with the load factor having been established, the producer could charge whatever the traffic would bear. While the load factor was in process of being built up, and since the pipeline was laid only in recent years, there would have been no object in imposing the higher rate. But once the municipalities, colleges, industries, and residential users have their facilities converted to natural gas, the question is what the traffic will stand. That is the problem which confronts us.

I have confidence in the Federal Power Commission. I think they would be just and fair in the regulation they imposed. For that reason, I am bound by my responsibilities to the consumer, who is absolutely defenseless if an unreasonable charge is imposed, because his facilities have been installed, and his plants cannot use anything but natural gas.

Mr. MONRONEY. The Senator is talking about Federal Power Commission regulations. I have explained not once, but a dozen times, that the bill provides for the very type of practical, workable regulation which the Federal Power Commission had advocated. So, if the Senator has confidence in the Federal Power Commission, then he must have confidence in the bill, because the Commission is the agency which is familiar with the problem, not the Supreme Court, not Mr. Justice Minton. I do not think Mr. Justice Minton ever located a gas or oil well in his life. He is a great justice; but sometimes even great justices are wrong.

The Senator from Minnesota should support the bill if he has confidence in the Federal Power Commission; if he has confidence in the President's inter-Cabinet Committee on Fuel Resources, which has made a careful study of the problem; if he has confidence in the Members of the Senate from the gas-producing States, who have studied the problem; if he has confidence in any one who deals in gas, whether it be production or transmission. On the distribution side, we have a little static, but I may say that, almost to a man, those I have mentioned have approved the type of regulation proposed in this bill as being workable, as opposed to the type advocated by the Supreme Court, which is completely, hopelessly, and chaotically unworkable.

The Senator has his choice. Does he want to protect his people, or does he want to make a stump speech? He can hold the producer's price down, and then watch the rates go up and watch the supplies of gas disappear, because that will be inevitable.

Mr. THYE. I am not a rate expert, and I do not profess to be qualified to pass an opinion judicially on all legislative matters. But I may say to my distinguished friend from Oklahoma that there are some attorneys who disagree with the Senator's viewpoint with respect to what is sought to be embodied in the bill.

Mr. MONRONEY. I think the mayor of the Senator's fine city of Minneapolis appeared before the committee. We asked him what regulatory suggestions he had to make. If my memory serves me correctly, he was devoid of any suggestions, as were most of the other mayors. They had simply heard that the bill was a bad bill, and they merely came before the committee to say that it was a bad bill.

Mr. THYE. If the Senator will further yield, I may say that I am not now being influenced by the opinions of mayors. I am being influenced in my interpretation of the intent of the bill as a result of my study of the views of some very able and distinguished lawyers, who have made a complete study of the question. I say that those distinguished lawyers hold views which are at variance with the expressed intent of the bill, as it has been described by the Senator from Oklahoma, for whom personally I have the greatest respect and admiration, and in whom I have great confidence.

Mr. MONRONEY. I hold the same admiration for my distinguished friend from Minnesota.

Mr. THYE. The Senator's explanation of the bill, which he stated is a simple one, is somewhat in conflict with the opinions expressed by the experts, whose opinions I have read as to what the bill embodies.

Mr. MONRONEY. If all lawyers were in agreement on any bill which reached the Senate, we would have arrived at the millenium. We would never have difficulty in enacting laws, because there would be no difference of opinion. Certainly I do not expect during my lifetime, or in those of my grandchildren, to find a time when it will be possible to put 3 lawyers into a room and not find 1 of them dissenting.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. MONRONEY. I am trying to expedite the debate, to accommodate the time of other Members. But I will yield to the Senator from Arkansas.

Mr. FULBRIGHT. I think it might be of interest to the Senator from Minnesota to know that it so happens that the great Minneapolis Gas Co., with which I am certain he is familiar, has the highest earnings on its equity of any company whose earnings I have seen stated.

In 1954 the Minneapolis Gas Co. earned 16.3 percent on its equity capital. For the last 4 years that particular company has averaged the highest earnings on its equity among all the companies, I believe, which belong to the great Council of Utilities, which opposses the bill.

I am quite sure that company has taken the lead in opposition to the bill. I am trying to point out that the gas line which brings the gas to that area is a

monopoly, under the Gas Act. There is no question about that. But I may say there is plenty of competition among the producers of gas from whom the line buys the gas to take to Minneapolis, and which creates such a very favorable rate of return on the Minneapolis Gas Co. stock. That stock sells at the highest premium of any gas company stock in the United States.

VISIT TO SENATE BY THE HONORABLE MICHAEL MOOHAN, OF THE PARLIAMENT OF NEW ZEALAND

Mr. SMITH of New Jersey. Mr. President, will the Senator from Oklahoma yield to me?

Mr. MONRONEY. I yield to the Senator from New Jersey.

Mr. SMITH of New Jersey. I ask the Senator to yield to me on a question of personal privilege.

I hold in my hand a letter from our former colleague, Senator Hendrickson, who was formerly a Senator from my State. The letter introduces the Honorable Michael Moohan, a member of the House of Parliament of New Zealand, who is visiting with us today.

I am happy to introduce to my colleagues Mr. Moohan, who, as a fellow member of a parliament, is eligible to visit with us on the floor of the Senate. [Applause.]

I ask unanimous consent to have printed in the body of the RECORD, as a part of my remarks, the letter of introduction which former Senator Hendrickson sent to me.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN EMBASSY,
Wellington, New Zealand,
December 29, 1955.

The Honorable H. ALEXANDER SMITH,
United States Senate,
Washington, D. C.

MY DEAR ALEX: It is with the utmost pleasure that I forward to you by the bearer hereof this letter of introduction. As I tell you something of the talents and attainments of the Honorable Michael Moohan my only regret is that I cannot be personally present to participate in the interesting discussion which I know is ahead for you both.

At the outset you should know that Mr. Moohan is a distinguished member of the House of Parliament of this land of wonderful people. He is in our country primarily to learn more about our own Government and its operations and functions but he also wants to study the labor movement in the United States and to acquaint himself with its impacts upon our economy as well as upon the Government itself. Naturally as the president of the Labor Party in New Zealand he is extremely interested in all matters pertaining to trade unions the world over.

Now as to the man Michael Moohan: as his name implies he stems from good Irish ancestry; he is a family man, a fine citizen, and as you will soon observe is blessed with a personality which wins friends wherever he goes. He is a great asset to his country fundamentally because he is interested in the welfare of mankind.

With these few words in his favor I know that you will see to it that the distinguished member of the House from the Petone district has every facility placed at his disposal to the end that he may return to his own great country with even deeper convictions than those he already entertains concerning the need for an ever stronger alliance between New Zealand and the United States of America.

With warmest personal regards, I am,
Most sincerely,
ROBERT C. HENDRICKSON,
American Ambassador.

AMENDMENT OF THE NATURAL GAS ACT, AS AMENDED

The Senate resumed the consideration of the bill (S. 1853) to amend the Natural Gas Act, as amended.

Mr. MONRONEY. Mr. President, I was saying that 50 percent of the gas now produced remains in the State. It remained there before the decision of the Supreme Court, and I believe the decision will cause an even greater amount to be committed to intrastate use.

Since June 7, 1954, when the effect of the Court decision has become apparent, we have seen this happen. More and more markets for State gas are being opened. Producers, to avoid the red-tape, confusion, and frustration of utility regulation, are committing their gas on long-term contracts within the State where it is produced.

They are not doing this to spite the interstate users. They know how they can operate, what they can charge, and the conditions of sale as long as it moves only in intrastate commerce.

I have many cases in my files showing clearly that producers have chosen intrastate markets even at a lower price because of the uncertainties of utility regulation on interstate sales.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. MONRONEY. I am happy to yield.

Mr. FULBRIGHT. I dislike to interrupt the Senator's statement.

Mr. MONRONEY. I am delighted to yield to the Senator who introduced the proposed legislation.

Mr. FULBRIGHT. It is interesting to note that the same Minneapolis Gas Co. spent $689,000 on advertising and sales promotion.

Mr. MONRONEY. Does the Senator mean that, as cold as it is in Minneapolis, the gas company advertised?

Mr. FULBRIGHT. The Senator can see how very efficient the company must be.

Mr. THYE. Mr. President, will the Senator from Oklahoma yield to me?

Mr. MONRONEY. I yield to the Senator from Minnesota.

Mr. THYE. We in Minnesota have some of the most able business people to be found anywhere in the United States. The Senator from Arkansas just called to the attention of the Presiding Officer and the Senate that the gas company in Minnesota is a very efficient one. I merely wish to say I have always been proud of our businessmen and their efficiency, not only in serving the interests of the consumer, but their efficiency in every other activity in which they engage.

Mr. MONRONEY. Mr. President, before we got off on the subject of Minneapolis, I was saying that much of the gas is now being developed for the intrastate market.

I hold in my hand a clipping from the Tulsa Tribune, which sets forth that the Trans-Ok pipelines, which runs from the same Chickasha gas fields, to which I was referring a moment ago, to Tulsa, transports gas for use as boiler fuel—for which it should not be used—in a 24-inch pipe. The Trans-Ok bought its supply from the Phillips Petroleum Co. and the Magnolia Petroleum Co. in the Chickasha and Lindsay fields. Over a 25-year period there will be a commitment for trillions of cubic feet of gas, which will be used as boiler fuel. At the time the deal finally was made to keep the gas in the State and have it used as boiler fuel to generate electricity—and I say this advisedly—a better offer for interstate sale was being considered. The company was not trying to spite anybody, but the Phillips Co. knew the dangers inherent in regulation on a cost basis and the futility of such regulation, and the frustration that would be occasioned thereby, so that gas which could have moved in interstate commerce for household use is now going to be kept in my own home State as boiler fuel.

I ask my colleagues to listen to this point, because it is important. The use of that gas results in the generation of electricity, and that electricity will be absolutely uncontrolled, even though the electricity moves in interstate commerce. So we find a big hole in utility regulations, in that as that fuel is converted into electricity within the State, the Federal Power Commission must pass on, as it does for increased coal costs, the increases in the cost of natural gas. It can flow into many States so long as the fuel is burned under boilers instead of put into pipelines.

I do not say this as scare talk, but many people are going to find that more and more electricity will be generated in steam plants in States producing natural gas, because a tremendous outlet is thereby available. The producers will not go to the cost, the danger, the trouble, the red tape, and the frustration of committing large supplies to interstate pipe lines. The supplies now available will be provided outside consumers, but as new supplies are obtained, those consumers will not receive them, because the gas will remain in the States where it is produced.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield to the Senator from Rhode Island.

Mr. PASTORE. From an economical standpoint, is it not true that it is always going to be cheaper to use gas where it is found than to transport it 1,000 or 2,000 miles, regardless of what is done about the pending bill?

Mr. MONRONEY. No.

Mr. PASTORE. It is always going to be cheaper to use gas where it is found than to redistribute it over long distances.

Mr. MONRONEY. I am afraid that my friend, whom I respect very much, is overlooking the fact that this industry like ancient Gaul is divided into three parts—the producer, the transmitter to the city gates, and the city distributor. If there are no red tape, regulations, or threats of becoming a public utility, I

would not care, were I a producer, whether the gas were put in the funnel of a long pipe which goes to New York or Providence, or whether it were put in a line that goes to Tulsa. But I would not want to become a public utility and be required to hire lawyers at very high fees, in order to get certificates of convenience and necessity. There is no question about that. Washington lawyers charge pretty high fees, especially those who are trying to discourage favorable action on this bill.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MONRONEY. I am still trying to develop the point which my friend from Rhode Island raised. I should like to develop it, because I believe my colleagues should be concerned with the question, when there are millions of people waiting for gas. I think it is a practical, honest discussion, not of what is likely to happen, but what will happen.

Mr. PASTORE. I think the Senator has put his finger on a very important problem. I had been under the impression that the fear was on the part of the oil producers rather than the gas producers. I think the whole inspiration of the bill has been the fear that there is a chance that looking in on gas may result in looking in on oil, more than the fear of control of natural gas which has to be transported over hundreds and hundreds of miles.

Mr. MONRONEY. No one has been so brash as to propose control of the production of oil. We have great reserves as a result of the exercise of free enterprise, and I do not think anybody has suggested otherwise. But I do say it is getting a little close to the line to suggest that when gas represents a third and oil the other two-thirds of the production from a well Federal regulation should control the third represented by gas production. We say the red tape, the interminable delay, the uncertainty, the problem of gas production becoming a utility overnight is disadvantageous to the gas producer. It is contrary to his understanding of and knowhow in the business. Under those circumstances, when he has two markets, I leave it to the Senator as to which one he will choose.

Mr. PASTORE. The Senator has overlooked one question, and that is the fact that captive consumers are involved. Already before the Federal Power Commission there are a number of contracts in which the stipulated price is in excess of 20 cents a thousand cubic feet. If that 20-cent price should become the average market price, my colleague can see what would happen. It has been indicated that the price went from 4 cents to 10 cents. Ten cents is past history. The price in new contracts being negotiated today is at least 20 cents. That figure is a lever pointing to higher prices. There is no end, until we get to the point where it is not going to be economically feasible to give the consumer natural gas any cheaper than the consumer can be given fabricated gas.

Mr. MONRONEY. I will say to my distinguished friend that any 20-cent price has come about under regulation.

Mr. PASTORE. Oh, no; the cases are now pending.

Mr. MONRONEY. They are under regulation, and that is a part of the threat of this entire situation. A reasonable market price formula would not justify a 20-cent price, because the norm in the field is about 10 or 11 cents. If the distinguished Senator understands the fair market price, by which a reasonable quantity of gas in a free market meets a reasonable demand in the market, he will understand that the going rate will largely obtain. But if the utility-cost method is to be used—and I should like to discuss that as quickly as possible——

Mr. PASTORE. First, I believe we should complete this colloquy.

Mr. MONRONEY. Yes, I wish to do so; I am not trying to run away from it.

However, under the arrangement to which the Senator from Rhode Island has been referring, I believe I can clearly demonstrate that the utility formula will serve to increase the cost, whereas under the normal competition which historically has existed the rate is regulated or controlled by the supply and the demand—with the result that at the end of 1954, the field price was only one-half cent above the price in 1926. I believe that can be clearly shown.

Mr. PASTORE. But where there is a seller's market, how can there be a free market and how can there be a competitive market?

Mr. MONRONEY. That is why we have placed the spiral and the "most-favored-nation" escalator clauses under the supervision of the Federal Power Commission—not only in the case of the new contracts, but also in the case of the old ones, which are subject to the approval of, and review by, the Federal Power Commission. What could be clearer? Then the Commission can reduce any increase because of spiral and "most favored nation" escalators, which result in prices which are above the fair market price in the field.

Under the bill, the fixed periodic step-ups under existing contracts are exempt, whereas the rates under new contracts are subject to review by the Federal Power Commission, which can refuse to allow the pipeline any amount which is found to be in excess of the fair market price.

Mr. PASTORE. But in this case how can the fair market price be arrived at?

Mr. MONRONEY. By this method, and by ignoring any crazy, screwball offers which may be made in a certain gas field, for a small quantity of gas suddenly needed by a utility—as in cases similar to the one on which we had testimony, which was at Jamestown, N. Y., as I recall. The Senator from Rhode Island will remember that case. About 8 or 10 cents above the going field price was offered, as I remember. That was for only a small quantity of gas; and under any normal, fair market basis that price would not have been considered in determining the reasonable market price.

Mr. PASTORE. But this bill will not prevent that, because the Senator from Oklahoma has said that in the case of future contracts the pipeline company can pay any price it may desire to pay, but can charge against costs only the part which is within the reasonable market price. So actually these companies would be permitted to outbid one another, and then they would have to try to absorb the costs which they could not charge off; and in the event of their bankruptcy, as a result of such a situation, the poor housewife would not be able to obtain gas to use in her home.

Mr. MONRONEY. The Senator from Rhode Island would seem to imply that a pipeline company would intentionally bankrupt itself by paying more for gas than it could afford to pay.

Mr. PASTORE. But the Senator from Oklahoma is the one who called offers of that type "screwball."

Mr. MONRONEY. But at this time the companies can charge that off as an expense. On the other hand, under the bill the Commission can say, "No; you must absorb it."

Mr. PASTORE. But that cannot be done now; now they can obtain only what is just and reasonable.

Mr. MONRONEY. But I can show the Senator from Rhode Island that all the high-cost gas will move in interstate commerce, and the low-cost gas will remain within the State of production, as a nonutility production. So the gas will remain in the fields where it is produced.

Mr. DANIEL. Mr. President, will the Senator from Oklahoma yield to me?

Mr. MONRONEY. I yield.

Mr. DANIEL. Did not the committee hear from many witnesses who testified that if the bill is passed, the supply of natural gas available in interstate commerce will take care of exactly the situations mentioned by the Senator from Rhode Island?

Mr. MONRONEY. Yes. The uncertainty is what has caused the difficulty.

Mr. DANIEL. Did not the Federal Power Commission report to us that passage of the bill would bring so much greater a supply of natural gas into interstate commerce that it would take care of these situations, and that as a result the supply would be sufficient to prevent the rise in prices which has been cited by the Senator from Rhode Island?

Mr. MONRONEY. Certainly.

Mr. PASTORE. Does the Senator from Texas seek to leave the impression that the producer has been holding off, waiting for the bill to pass?

Mr. DANIEL. No, I did not say that.

Mr. MONRONEY. I think any producer will say that where there is such uncertainty, to connect today to a pipeline would perhaps make a producer a utility, whereas the Congress and our committee considered all along having Congress write its own law, instead of letting the Supreme Court write one. So it is only natural for the producer to decide that he will wait, to see what will happen. But once the producer hooks up to the long line, he is stuck for 20 years, inasmuch as that is the term of a gas contract.

Mr. DOUGLAS. Mr. President, will the Senator from Oklahoma yield on this point?

Mr. MONRONEY. I yield.

Mr. DOUGLAS. Is it not true that the overwhelming preponderance of contracts between independent producers and pipelines have in them what is termed the "most favored nation" clause, so that no matter what the original contracts may fix as the price, if the pipeline company, in order to get additional gas from another producer, agrees to pay a higher price than the base rate, that is automatically extended to all those who already have contracts? In many cases that is true not only of the higher offers made by a particular pipeline, but also of the offers made by other pipelines in the same area, so that when there are "most favored nation clauses" in the second or third degree in the contracts, as is true, then the last price becomes the prevailing and average price, and all the rates go up, and that price then becomes the reasonable market price.

Mr. MONRONEY. I beg to disagree with my distinguished friend and colleague.

The fair market price policy, is well established in law, in the case of the seizure of private property by Government condemnation. If a courthouse site is to be condemned, the fair market price is not determined by showing that 15 or 20 miles out of town, in the next county, a price of 20 percent more was paid. The price to be applied must reflect the fair market price in that city, which is what the Government has to pay in seizing the property. That is a well established line of law—and more firmly established than the Supreme Court's position regarding a reasonable rate of return in an extractive industry.

Mr. DOUGLAS. My good friend from Oklahoma is one of the most reasonable men in the Senate. Let us take this issue point by point.

Is it not true that the overwhelming portion of the current contracts includes what is known as the "most favored nation" clause?

Mr. MONRONEY. It is not true.

Mr. DOUGLAS. I will present evidence that it is.

Mr. MONRONEY. Perhaps in recent years it has been true that contracts contained some escalator clause. But up to that point, the supply was largely on the basis of 20-year contracts. Most of the contracts before 1953 were on that basis. Such a contract would not be modified by a 1953 contract, because a contract for 20 years is like a lease for 20 years. It cannot be rewritten at will. So the 20-year contract included fixed escalation at given stated intervals, and in definite amounts. Such old contracts are exempt from Federal Power Commission review. Later contracts, containing escalator clauses, "most favored nation" clauses, and spiral clauses are subject to the approval of the Federal Power Commission. When my distinguished and beloved friend from Rhode Island says that the prohibition against passing on any amount found to be in excess of the fair market price will not be a deterrent on the pipeline to prevent over-overbidding or paying more than a reasonable market price, he is not acquainting himself with the business reaction of a man who has sufficient business acumen to float a bond issue for some $50 million or $100 million worth of pipelines.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. PASTORE. Then why is it that in this bill there is the "gimmick" that when an existing contract has an escalator clause, the pipeline company is not obligated to pay more than the reasonable market price, but that in connection with future contracts it can pay more but charge off less? Why is it not made obligatory that the pipeline company pay no more than the reasonable market price in connection with future contracts, if the proponents of the bill are not trying to build up the market price?

Mr. MONRONEY. We are not trying to use the bill to build up the market price. I think any reasonable man knows that a pipeline company will not pay more for gas than it can charge in its rate base. Those who operate pipeline companies are not from St. Elizabeths' Asylum. They are more like men from Wall Street. I have had enough experience watching what the Wall Street boys have done in the past few years to enable me to conclude that they can take care of themselves. They are not going to pay more for Oklahoma gas in the field than they can charge as an expense when they deliver it.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. DOUGLAS. The stocks of some of the producing companies which are selling gas to the pipelines seem to be selling extremely well on the market.

Mr. MONRONEY. Some Oklahoma companies have become so strong that their stocks are listed; and we are not ashamed of it.

Mr. DOUGLAS. I hope the Senator from Oklahoma will not dress up Standard Oil, Cities Service, Shell, Gulf, and so forth, in the oil-soaked overalls of the boys from Oklahoma, because they do not belong in the picture.

Mr. MONRONEY. We have some companies of pretty good size, of Oklahoma genesis. They still maintain their offices and headquarters in Oklahoma. They take our Oklahoma college boys into the petro-chemical industry, which has become a great, progressive instrument for building up not only the raw production of oil and gas, but also the production of associated chemicals and products that flow from them, such as artificial rubber and many other products.

Mr. DOUGLAS. My good friend from Oklahoma was trying to pin the Wall Street label on the transmission and pipelines, and not on the producing companies.

Mr. MONRONEY. Oh, no.

Mr. DOUGLAS. It will be found that the producing companies are just as characteristically Wall Street as are the transmission lines, and probably far more so than the distributing companies.

Mr. MONRONEY. I think neither our producers nor the transmission lines need to have their heads examined when it comes to the ability to pass on to the consumer an expense of that kind. They are not in business to give away anything. I believe that the fear expressed by the Senator from Rhode Island [Mr. PASTORE] is absurd, with all due respect to my very dear friend.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. PASTORE. Of course, the Senator can make any characterization he likes; but the bill provides, with reference to existing contracts, that pipeline companies shall not be obliged to pay more than a reasonable price. Why does not the bill make the same provision with respect to future contracts?

Mr. DANIEL. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. DANIEL. I think the Senator from Rhode Island knows full well why that provision was written into the bill with respect to present contracts. It was in order that it might be clear that, even though the contracts provided to the contrary, Congress was preventing the carrying out of those contracts.

As to future contracts, if any transmission company wants to pay more than the market price which can be charged as expense, the excess cannot be passed on to the consumer.

Mr. MONRONEY. That is true.

Mr. DANIEL. Those who are concerned about the consumers need have no fears on that score. It will be the interstate pipeline which will have to absorb the difference.

My position is like that of the Senator from Oklahoma. I did not think it was necessary to place a prohibition in the bill to take care of the interstate pipeline. Those who operate such pipelines are good enough businessmen to refuse to pay a higher price than that which they have been allowed by the Federal Power Commission to charge as expense.

Mr. MONRONEY. Mr. President, unless there is some urgent question, I should like to relieve the Senate from the burden of having to listen to me at greater length than necessary. I have reached almost the halfway point, and would like to proceed.

At least 10 other cases are in my files showing sales at a lower rate in intrastate commerce to avoid becoming a utility. This preference to intrastate use will continue as long as the producers are faced with the uncertainties posed by the Supreme Court's new Natural Gas Act.

One type of gas, however, will be committed to the heavy demands of the interstate lines. That is the gas produced at a high cost. Such gas as is produced in the offshore area from wells costing $2 million each in the tidelands area will reach the long lines.

They have an extremely high cost of production. That is especially true with respect to the part still reserved by the Federal Government. The interstate lines will have to pay what the gas is worth. Consequently there will be high cost production from a vast new gas area which is coming in most rapidly.

Because of the chance the Court's decision gives them to earn a guaranteed return on production from expensive

wells and costly leases, this high-priced gas will become the principal source of new interstate supplies.

So will gas from other uneconomic fields where light production and high drilling costs make it advantageous to sell on a guaranteed return on a cost basis. The hard-luck producer who has many times as many dry holes in a year as producing wells also will be able to capitalize for high rate-making purposes all of his bad luck with "dusters."

Only the gremlins who guide the drill bits into oil or gas sands can tell whether the dry hole was drilled in the search for oil or for gas. No crystal ball of the FPC can determine it with any degree of certainty. But we can count on one thing for certain, and that is that the future supplies of interstate gas will be the "lemons" of the industry—while the low-cost gas will move unregulated into intrastate usage.

Is this all an idle fear? Am I seeing ghosts under the bed? Better look at the statistics to see what has happened in just 1 year of this uncertainty.

In 1955, the year just closed, the number of new oil wells completed showed an increase of 7 percent over 1954. The number of new gas wells showed a decrease of 9.7 percent.

Each year, during the period from 1945 through 1953, the unregulated gas producers have added new reserves averaging twice the current production of that year. But the new reserves added in 1954 barely exceeded current production—for the first time in recent history. What greater warning could the Congress have of the ultimate effect of the Phillips decision?

Of greater immediate concern, however, is the vast decline in the amount of new gas committed to the 11 major interstate pipelines under contract in 1953 and in 1954. I am speaking of actual gas commitments for interstate commerce. In 1953, before the Supreme Court's new law, these interstate pipelines were able to contract for 6.4 trillion cubic feet of new reserves. In 1954 only 2.3 trillion cubic feet—about one-third—was committed.

These decreases—in new reserves, in gas well completions, and in additional reserves committed to interstate commerce—should give pause to reckless action.

Mr. DOUGLAS. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. BIBLE in the chair). Does the Senator from Oklahoma yield to the Senator from Illinois?

Mr. MONRONEY. I yield.

Mr. DOUGLAS. The Senator has pointed to the fact that so far as the gas facts figures are concerned, the new reserves discovered in 1954 were just equal to the amount of gas used up, and implied that that was due to the decision of the Supreme Court in June of that year.

Mr. MONRONEY. No; I did not mean to imply it. I merely stated the fact.

Mr. DOUGLAS. I should say that such an inference could be drawn from the remarks of the Senator from Oklahoma.

Mr. MONRONEY. That may be.

Mr. DOUGLAS. Drillings for oil are planned a year in advance. Therefore the decision of the Supreme Court in June 1954 could not have had an effect on the number of drillings, as General Thompson testified before the Senate committee on page 54 of the hearings. If we go into the number of drillings, we find that the total number of drillings in 1955 was greater than in any other year. Wildcat drillings in 1955 amounted to approximately 12,350, as compared with 11,062 in 1953—see Oil and Gas Journal Weekly well completions.

Mr. MONRONEY. That is for both gas and oil.

Mr. DOUGLAS. Combined drillings.

Mr. MONRONEY. Except that in developmental drilling one knows what one is drilling for.

Mr. DOUGLAS. The number of developmental drillings was greater in 1955 than in any previous year. They amounted to approximately 45,000 as compared with 38,217 in 1953—same source. As a matter of fact, in 1955 there were a larger number of drillings, both wildcat and developmental, than in any previous year. There may be some question as to why the gas was not found in 1954, but that could not be charged to a failure to drill or to a discouragement of exploration. For 1954 drillings, though less than 1955, were 11,280 for wildcat wells and 42,650 for developmental wells.

Mr. MONRONEY. But I am certain the Senator from Illinois will agree it is rather significant that between those 2 years there was a reduction by two-thirds in the amount of gas committed to the interstate pipelines.

That is a figure we can get our teeth into. I do know that there are many reserves in which a discovery well has been drilled but as to which the developmental costs have not been spent, because of the uncertainty.

Mr. DOUGLAS. Inasmuch as the Senator has asked a question, I take it he would like my reply to it.

Mr. MONRONEY. I would.

Mr. DOUGLAS. Perhaps the reason why so many wells committed to interstate pipelines are owned by interstate pipelines—

Mr. MONRONEY. I am not talking about that. I am talking about the commitment of new reserves from independent producers.

Mr. DOUGLAS. I thought the Senator was talking about directly drilled wells. If drillings by affiliated pipelines has gone down it has been because people thought the new bill would be like the Kerr bill, and that the new bill would continue control over the pipelines and their affiliates, but would exempt the independent producers. Believing that the Kerr bill would be continued, the gas pipeline companies had a natural tendency to move out from under and let the so-called independents down. Messrs. HARRIS and FULBRIGHT crossed up these people, or perhaps gave them a bonus, by also virtually exempting the wells controlled by the pipelines.

Mr. MONRONEY. I may say that actually the failure to commit the gas to interstate commerce shows that the new producers do not wish to become public utilities. Perhaps the FPC felt that the price of a thousand cubic feet of gas produced in the same field should be a fair market price both for the man who has his pipeline and the man who is an independent producer. They would have found themselves in an untenable position to say that the fair-market price must be fair only to one group, and not also to another group.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. BUSH. Will the Senator advise us what the 1955 figures are which are comparable to those for 1954?

Mr. MONRONEY. It is too early to get those figures. We shall try to get them. The only dependable figures at the moment are the figures for 1954. However, I am certain there is a great deal of similarity in the figures. During the course of the discussion, if we can get those figures, they will be put in the RECORD.

Mr. BUSH. Do not the gas companies report on a monthly basis to the Petroleum Institute, or a similar organization?

Mr. MONRONEY. The commitments? I would doubt it.

Mr. BUSH. I would ask the Senator to get the 1955 figures.

Mr. MONRONEY. We will do the best we can to get those figures.

Mr. BUSH. They would be significant one way or another. I believe we ought to have them, inasmuch as we have the figures for 1953 and 1954.

Mr. MONRONEY. In 1954 we had a 32-year supply of natural gas in reserve. In 1954 we had only enough gas for 22 years, even at the present rate of consumption. If demand, which has increased from 1.3 trillion cubic feet in 1935 to 6.5 trillion cubic feet in 1954, continues to increase at the same rate, our reserves will be further reduced, barring new discoveries of ever-increasing quantities of gas.

This is not just scare talk by the proponents of this bill. Let us read what the Institute of Gas Technology—representing the gas distributors—reported to its members last month:

> Domestic production will not keep pace with demand, and—in the early 1960's the rate of natural-gas production will be inadequate. * * * The element of major importance to us in this anticipated shortage of gas in the middle 1960's—

I say that the pending bill will help to a marked degree to relieve the built-in shortage machinery of the Supreme Court's gas law.

It is utterly impossible for the Federal Power Commission to carry out the provisions of the Supreme Court's decision. Remember that this decision places the producer's price for gas, for the first time since 1824, on a public utility basis—that is, on the basis of cost of production plus a reasonable return on investment.

How do we determine the cost of production? No one, including the Federal Power Commission, the producers, the long interstate pipelines, the distributors, and other opponents of this bill, who testified before our committee, has the

answer. The FPC held weeks of hearings on the subject, only, finally to dismiss the proceedings without having found a solution.

Such an impossible standard of establishing the cost of gas from thousands of producing wells—each with different conditions—had already been explored by the FPC and found completely unworkable in practice and undesirable in effect in the Panhandle Eastern opinion. But notwithstanding the unworkable nature of the cost-plus-reasonable-return standard, the circuit court of appeals has now held that under the Phillips decision and the Natural Gas Act as it now stands, the FPC must use the rate-base formula.

In the year and a half since the Phillips decision a snowstorm of papers, most of which are yet unfiled, has occurred—while the traffic jam daily grows worse. At one point not long ago the Commission was 6 weeks behind just in opening the incoming mail. Certificates of convenience and necessity for 8,000 individual producers, sales contracts and rate schedules, permits to connect with gathering lines, permits to connect with long lines—the merry-go-round spins but goes nowhere.

What does the Commission to which the Supreme Court passed this Rube Goldberg machinery say about it? Listen to some of the testimony by its chairman before our committee.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MONRONEY. Does the Senator from Illinois wish me to read the testimony?

Mr. DOUGLAS. Yes. However, the Senator from Oklahoma is a very honorable man, and I know he would not give any incorrect figures. When he mentions 8,000 producers, I am sure he is using the testimony before the committee of Mr. Boatwright, of the Standard Oil Co.

Mr. MONRONEY. That testimony has been checked by our own staff. It is based on our findings in State regulatory bodies, not in the Federal Power Commission. Those findings indicate that the figure is approximately correct.

Mr. DOUGLAS. The figures which I get from the Federal Power Commission show a total of approximately 5,000, instead of 8,000.

Mr. MONRONEY. We have gone behind the Federal Power Commission, because many of the producers cannot afford to engage attorneys to request certificates of convenience and necessity. Some of them have so little gas to sell in interstate commerce, they will risk voiding the contracts.

Mr. DOUGLAS. It will be transmission companies which will make the filings. The figure I have indicates that the total number is about 5,000, of which 2,400 are in the very small Appalachian field. As a matter of fact, all but 200 of these companies sell less than 2 billion cubic feet of gas a year. One hundred and ninety-seven big producers sell 90 percent of the gas; all the others sell only 10 percent. That is the real issue.

Mr. MONRONEY. Is it 197?

Mr. DOUGLAS. That is correct.

Mr. MONRONEY. I am glad to have that figure, because it shows a big diffusion of ownership.

Mr. DOUGLAS. I shall present more figures later. Thirty-five of the big companies, which the Senator from Oklahoma would dress up in overalls, sell 70 percent of the gas which moves across State lines. Twenty-five companies sell about 50 percent of the gas. If we take each pipeline as a unit, we find that about four producers along most of pipelines will sell the majority of the gas. In the case of one pipeline, which serves Michigan and Wisconsin, one company, Phillips, sells 100 percent of the gas which the pipeline buys.

Mr. MONRONEY. One hundred percent to the distributing companies in a certain region?

Mr. DOUGLAS. Yes.

Mr. MONRONEY. That particular pipeline company did not want to deal with a lot of small producers; they wanted to have a single reliable source of supply.

Mr. DOUGLAS. There are a great many electric companies in the country. Would the Senator think there is competition in that field because of that fact, when the truth is that we have a series of local monopolies?

Mr. MONRONEY. I would say there is a modest amount of competition. I will give all the figures for the RECORD. So far as natural gas is concerned, there is a greater diffusion by far than in most of our large industries.

In copper, the first 4 companies have 80 percent of the market; the first 8 companies have 91 percent.

In iron ore, the first 4 companies have 62 percent of the market; the first 8 companies have 77 percent.

In lead, the first 4 companies have 56 percent of the market; the first 8 companies have 70 percent.

In zinc, the first 4 companies have 42 percent of the market; the first 8 companies have 60 percent.

In anthracite coal, the first 4 companies have 41 percent of the market; the first 8 companies have 60 percent.

In natural gas, the first 4 companies have 17 percent of the market; the first 8 companies have 28 percent.

In bituminous coal, the first 4 companies have 16 percent of the market; the first 8 companies have 24 percent.

In natural gas, the first 8 companies have 28 percent of the market, and the first 20 companies have 46 percent.

Mr. DOUGLAS. I think the figures the Senator has given are figures on total production of gas rather than the movement in interstate commerce. But is not this further difference a very vital one, namely, that if the price charged for coal by one mine is relatively high the consumer can go to another mine? And there are other methods of transportation in the case of coal, but in the case of gas there are the gathering lines, the transmission lines, and the distribution lines, and the consumer is tied to the local gas company, the local gas company is tied to the transmission line or pipeline, and the transmission line or pipeline is tied to the producer or to a very limited number of producers.

Mr. MONRONEY. I agree with my distinguished colleague that the consumer is tied to the supposedly regulated local gas distributing company, and that the distributing company is tied to the long line; but did the Senator ever look at those pipeline fingers that go out all over the country? If someone says, "I have a gas well," he is told, "Come in and we will do business with you." There is no monopoly. Long pipelines are going out all over the States to purchase gas. The utilities in the city of Chicago over which the Senator has fought many battles for the consumer——

Mr. DOUGLAS. For him or against him.

Mr. MONRONEY. For the consumer.

Mr. DOUGLAS. Against the gas companies?

Mr. MONRONEY. Against the gas companies. I say that in all sincerity.

Mr. DOUGLAS. I am glad the Senator understands where I have stood in Illinois on these issues.

Mr. MONRONEY. I understand the Senator's position.

The utility in Chicago is proposing to pay 20 cents a thousand at the border for gas coming down from Canada. They pay about 11 cents at the well for the gas produced in the United States and used in Chicago, but they are offering Canada 20 cents for the gas as it crosses the line.

They are going into Mexico and offering 16 or 17 cents for the production there.

Certainly, I feel that we want to prevent unreasonable increases, but I think we have got to have a workable bill that will not kill the patient when we are trying to cure him. But to say that a transmission line is tied to one set of gas producers is not in line with the facts, because they are roaming all over America to get more gas.

Mr. DOUGLAS. In the matter of the pipelines, there probably is some competition in the original evaluation of the lines, but the cost of the lines is very great, and with the contracts, having a "most favored nation" clause in them, it would mean that when they try to get additional gas they have to bid high in order to get it. The price has to be passed on to the distributing company which passes it on to the consumer. They cannot pick up their lines and go elsewhere.

Mr. MONRONEY. I cannot follow the Senator when he fails to see that the Fulbright-Harris bill would make it possible to avoid the situation to which he objects as the FPC would review the operation of such clauses. I know the distinguished Senator has studied the bill and knows that is the case under the provisions of the Fulbright-Harris bill.

Mr. DOUGLAS. The Senator's bill says "reasonable market price." But no one knows what it means. But I do not wish to delay the Senator.

Mr. MONRONEY. We cannot carry on a future spiral or a "most favored nation clause" in a contract and say it is going to raise the fair market price.

Mr. DOUGLAS. "The reasonable market price."

Mr. MONRONEY. I agree. I should have been a little more careful in my language, perhaps.

Mr. DOUGLAS. As the Senator from Rhode Island [Mr. PASTORE] has pointed out, this does not prevent the lines from paying more than a "reasonable price," but merely that they cannot pass it on, so it is so said. Furthermore, there is a great deal of question as to what the term "reasonable market price" means. It amounts to saying that whatever is the market price will be the reasonable market price.

Mr. MONRONEY. It probably goes back to the term "reasonable market price" which the Federal Government has been using for 160 years in condemnation proceedings for the taking of private property for public use.

Mr. DOUGLAS. Is that the standard for electricity and other utility rates?

Mr. MONRONEY. No. We cannot apply the standard for distributing utilities automatically to gas producers.

Mr. DOUGLAS. We are perfectly willing to have a higher rate of return granted to a gas producer than to producers of electricity. Any reasonable person would agree to that. But I do not think we have to turn to the market price as an explanation or justification of market price. As that is what we are supposed to determine and not indulge in legal mumbo-jumbo.

Mr. PURTELL. Mr. President, will the Senator from Oklahoma yield?

Mr. MONRONEY. I yield.

Mr. PURTELL. What would be an unreasonable market price?

Mr. MONRONEY. One of which the Federal Power Commission would not approve.

Mr. PURTELL. Then it would not be the market price.

Mr. MONRONEY. Of course not. If it were an unreasonable price, it would not be approved. I never heard anything so absurd——

Mr. PURTELL. If the Senator will pardon me, we are talking about market prices.

Mr. MONRONEY. We are talking about reasonable prices, and the Senator asked me if it would be an unreasonable market price.

Mr. PURTELL. I suggest to the Senator that I did not say that. I asked, What would be an unreasonable market price?

Mr. MONRONEY. An unreasonable market price would be one which, after an examination of all the factors in the particular field, would be found to be unreasonable by the Federal Power Commission, which is charged with the enforcement of the law. Let me read to the Senate what the Federal Power Commission said, because I think it is important in the consideration of the bill. I do not claim to be an authority, so I would like to quote a few authorities. This is what the Chairman of the Commission said as to their situation under the Phillips decision:

> What standard can we use, or does the law require us to use, in determining whether a producers' price is a fair price? That has puzzled us ever since the Supreme Court decided the Phillips case.
>
> Last year we asked for suggestions from everyone interested—pipeline companies, producers, distributing companies, and all interests—to give us written suggestions on what kind of a standard should be used. Then we held oral argument and gave those people an opportunity to explain to us how they thought we should approach the problem.

That is what we are trying to do, I think, with some degree of authority. I continue to read from the testimony of the Chairman of the Commission:

> I might say that out of all that, nothing developed which is clear, or to my mind, satisfactory. * * * I feel that the use of original cost would make us slaves to mathematical formulas which simply don't work in the producing industry.

That is in the testimony, and it is the testimony of the Chairman of the Federal Power Commission.

I continue to read:

> If we endeavor to regulate on an original cost basis * * * and even assuming we exempt the small producers * * * we are left I think 80 to 100 producers * * *
>
> At present we regulate about 120 pipeline companies, and some of those are rather small, and there are probably less than a hundred that really give us much work.
>
> Due to the newness of the problem, and the difference in the characteristics of the producers, and the fact that many of them do have oil business intermingled with their gas business, plus the further fact that they are scattered here and there, and are not in one place like a pipeline is, it would cost us several times as much to endeavor to regulate the producers as it does the pipeline companies. * * *
>
> I hope the Congress will see fit to relieve these producers from the necessity of getting certificates of public convenience and necessity. Those requirements are not, as I see it, applicable to producers as they are to utilities, pipeline companies which have certain fixed areas in which they operate, and so forth.
>
> The situation under the Fulbright bill * * * would be better for the Federal Power Commission, and better for the consuming public, and better for the pipelines, and all segments of the gas industry, including the producers, than the situation that now exists.

That is the testimony of the Chairman of the Federal Power Commission, the Commission which, over the years, has been forced to carry out whatever regulation there is.

Mr. PURTELL. The Senator from Oklahoma has been citing the testimony of the Federal Power Commission. Let me read to him a portion of a letter sent to the committee under date of March 30, 1955, which is referred to on page 1169. I will quote that portion of the letter which is the third from the last paragraph on page 1174.

This is a statement by the Chairman of the Commission:

> The phrase used in the bill for the Commission to consider in fixing the allowance of payments by interstate pipeline companies to producers is that the payments to producers shall not be in excess of the "market price" or the "reasonable market price." This seems to be less definite than the phrase "just and reasonable price," and the latter appears to be proper.

Is that not correct?

Mr. MONRONEY. There was some testimony to that effect, and the committee listened to it. There has been a lot of nit-picking as to what the difference was, but it sounds to me a lot like tweedle-dee and tweedle-dum.

Mr. PURTELL. If the Senator will permit me to say so, the Chairman of the Federal Power Commission was not contradicted.

Mr. MONRONEY. But at a later point in the hearings he did say:

> The situation under the Fulbright bill * * * would be better for the Federal Power Commission, and better for the consuming public, and better for the pipelines, and all segments of the gas industry, including the producers, than the situation that now exists.

He knew what was in the Fulbright bill. I think he had read it and knew what he was commenting about. This was later in the hearings, after he had taken considerable time to review what he had said earlier.

Mr. POTTER. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. POTTER. Is it not true that some States have a minimum price law?

Mr. MONRONEY. Some States had minimum price laws, but so far as natural gas was concerned, minimum price laws were found to be invalid because of the Natural Gas Act as interpreted by the Phillips decision.

I feel that since the bill continues effective regulation by the Federal Power Commission, State minimum price laws will still be found to be contrary to the Natural Gas Act of 1938.

Mr. POTTER. Is it the Senator's opinion that passage of the bill would not allow the States to establish minimum prices again?

Mr. MONRONEY. That is my opinion, but I am not a lawyer, and certainly I am not a constitutional authority on the interweaving. But I do not believe there is anything in the bill which would give legality or validity to minimum price laws which were invalidated under the Natural Gas Act of 1938.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. PASTORE. Unless the Senator reiterates the fact that the Federal Power Commission will have jurisdiction over the producer, how will he escape that situation? He is saying here that the producer is not in interstate commerce until he gets to the terminal point or the gathering point.

Mr. MONRONEY. I would rather have a lawyer debate that particular subject—and there are many competent lawyers in the Senate, but they appear to be off the floor at present. My own horseback opinion, after a reading of the bill, and not getting into the fine legal technicalities, is that that is not the case. But I am certain that the Senator will discuss that with a more competent legal authority than I am.

This, as I have described before, is not the job of regulating under utility-type regulation the 8,000 gas producers. All of this confusion thus far is occasioned in reaching the point of embarkation. The worst is yet to come—the task of determining the individual elements of

cost for each well, the cost of operation, the value of the above-surface installations, the depreciation thereon, the loss due to escapage of gas, the damage to the farmer's crops during drilling, the damage to the farmer's crops due to cleaning-out operations, the cost of line right-of-way, the damage to the farmer's crops in laying the gathering lines, the damage to the streams due to pollution from drilling and the dumping of sludge and the damage to the farmer's livestock thereby—all of these nice confounding problems for each gas well operated in the United States will be a part of the cost of production to be settled individually by the Federal Power Commission.

Many of the Senators who oppose this bill support, as I do, the protection of our public power projects and the proper regulation of the interstate electric facilities of private and public power installations. But if the Federal Power Commission must carry out the Supreme Court's new gas law, the effect will be, as one of my friends has characterized it:

A moratorium on all regulation while the Federal Power Commission has hysterics.

I sincerely believe that that is what will be wished on the Federal Power Commission to the detriment of the other work they are charged with doing.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. DOUGLAS. The Senator is touching on a very important point. What he is saying, in effect, is that the job of regulating an alleged 8,000 producers—as a matter of fact, there are only a total of about 5,000—will be too heavy a task for the Federal Power Commission.

Is the Senator aware of the fact that some Senators have an alternative bill which we intend to propose as a substitute for the present measure, which would exempt from regulation all producers selling less than 2 billion cubic feet or 2 million thousand cubic feet from such regulation, and that this would confine the regulation to only 197 producers, who, however, furnish 90 percent of the gas which moves in interstate commerce? Two hundred producers is a manageable number.

Mr. MONRONEY. I am certain that my distinguished colleague will properly present his proposed amendment to exempt many small producers, as he did with great ability before our committee. However, I wish to hear the Senator in full when he presents his amendment, and not take the time for fragmentary discussion of it. Therefore, we will answer the case which the Senator from Illinois makes in due course and proper order.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. PASTORE. On the very point which the Senator is now discussing, if it is indeed in the public interest to supervise producers and gatherers of natural gas, does the Senator think we ought to be moved too much by the argument that it is going to be burdensome upon the Federal Power Commission, and for that reason we ought to ignore the public interest?

Mr. MONRONEY. Oh, no; I think any regulation should be workable and effective. If it is not workable and effective, a point will be reached, as happened in the later days of price control, where the regulation will completely break down. I happen to be one who still felt that, bad as it was, we should have gone forward. But the Senator from Rhode Island is compounding the situation as to needed regulation or protection when he advocates a method that will cause only confusion and chaos.

On that basis we are proposing a substitute that will be very effective. I have tried to demonstrate that, and should like to continue to demonstrate it, if I can. I think one of the best opinions on the question is that of Mr. Justice Jackson in the Hope case.

After noting that production on the one hand and transportation on the other were "components of quite divergent character," Mr. Justice Jackson stated, in what I think is a very important comment by a man who had studied the question carefully:

One, while not a conventional common-carrier undertaking, is essentially a transportation enterprise consisting of conveying gas from where it is produced to point of delivery to the buyer. * * * A rate base calculated on the prudent investment formula would seem a reasonably satisfactory measure for fixing a return from that branch of the business whose service is roughly proportionate to the capital invested. * * *

Parenthetically, I may say he was speaking of the long pipeline.

I continue to read from what Mr. Justice Jackson stated:

The other part of the business—to reduce to possession an adequate supply of natural gas—is of opposite character, being more erratic and irregular and unpredictable in relation to investment than any phase of any other utility business. A thousand feet of gas captured and severed from real estate for delivery to consumers is recognized under our law as property of much the same nature as a ton of coal, a barrel of oil, or a yard of sand. * * *

But gas fields turn this (rate base) method topsy-turvey. Gas itself is tangible, possessible, and does not have a market price in the field. * * * Gas is what Hope sells and it can be directly priced more reasonably and easily and accurately than the components of a rate base can be valued. Hence the reason for resort to a roundabout way of rate base price fixing does not exist in the case of gas in the field.

Later, in the Colorado Interstate Gas case, Mr. Justice Jackson again commented that "these cases vividly demonstrate the delirious results produced by the rate base method," and stated:

I cannot fairly say that the Commission exceeded its jurisdiction in obtaining this evidence and making these calculations, even though the evidence related to production and gathering of gas. But I do think it is a fantastic method of fixing a "just and reasonable" price for gas.

I should like to reverse this case, not because I think the rate reduction is wrong, but because I think the real inwardness of the gas business as affects the future has been obscured by the Commission's preoccupation with bookkeeping and historical matter. Such considerations may be relevant to rate-base theories, but will not be very satisfying to a coming generation that will look back and judge our present regulatory method in the light of an exhausted and largely wasted gas supply.

In Oklahoma and other gas-producing States, we consider that our gas resource is in effect an added farm crop. Let's talk a little about this gas crop.

Another example of over-simplification in this issue is the oft-repeated statement by the opponents of this bill that there are in fact only some 32 corporations who produce and/or own 90 percent of the gas reserves.

Even if this were true, and it is subject to great question, the record will show that there is a greater diffusion by far than in most of our large industries.

Mr. President, as I have pointed out before, the first four companies in the gas industry produce 17 percent of the total net production. The first eight companies produce 28 percent. The first 20 companies produce 46 percent. The first 50 companies produce 66 percent. The first 100 companies produce 78 percent.

I ask unanimous consent to include in the RECORD as a part of my remarks the table I read earlier in answer to a question by the distinguished Senator from Illinois, regarding the concentration of other active industries.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

OTHER INDUSTRIES CONCENTRATION

[Percent]

	1st 4	1st 8	1st 20	1st 50
Copper	80	91	(1)	(1)
Iron ore	62	77	(1)	(1)
Lead	56	70	(1)	(1)
Zinc	42	60	(1)	(1)
Anthracite	41	60	80	(1)
Natural gas	17	28	46	66
Bituminous	16	24	37	53
MANUFACTURERS				
Cigarettes	90.4	99.7	------	------
Motor vehicle	55	63	77	88
Steel works	44.7	62.8	81.1	94.2
Meat packing	41.3	55.6	62.5	68.8
Woolen fabrics	28.1	40.4	56	71.7

[1] Not available.

Mr. MONRONEY. I should like to point out that in the cigarette industry, the first 4 manufacturers have 90.4 percent of total production; the first 8, 99.7 percent.

In the motor-vehicle industry, the first 4 produce 55 percent of the total production; the first 8, 63 percent; the first 20, 77 percent; and the first 50, 88 percent.

In the steel industry, the first 4 produce 44.7 percent of the total production; the first 8, 62.8 percent; the first 20, 81.1 percent; and the first 50, 94.2 percent.

In the meat-packing industry, the first 4 produce 41.3 percent of the total production; the first 8, 55.6 percent; the first 20, 62.5 percent; and the first 50, 68.8 percent.

In the woolen fabrics and worsteds industry, the first 4 produce 28.1 percent of the total production; the first 8, 40.4 percent; the first 20, 56 percent; and the first 50, 71.7 percent.

Mr. GORE. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. GORE. I have listened to the Senator's able argument. He has demeaned himself with credit. I wonder if the recitation of the monopoly suppliers in the particular fields which the Senator has mentioned is intended by him to suggest that they are analogous to the suppliers of natural gas, when the customer has only one pipeline from which he may receive that gas.

To be more specific, the customer can go to a certain tobacco counter and can buy a certain cigarette made by any 1 of the 4 large companies, but a customer of natural gas at Memphis, Tenn., or Boston, Mass., may have no choice whatever. Is he not then more or less a captive consumer?

Mr. MONRONEY. I am very glad that my dear friend asked that question, because, obviously, the customer of a pipeline in Tennessee is a captive customer of the Tennessee pipeline, but the suppliers of the gas to the Tennessee pipeline provide as broad a horizon as the pipeline cares to make it, with gathering lines and with laterals. The maps of pipeline systems will show that the large interstate lines, of which the Tennessee Gas Co. is one, reach into many States and many fields, and are supplied by hundreds, even thousands, of independent gas producers. I am sure the lines will connect with offshore gas which is being produced in increasing quantities off the coasts of Louisiana and Texas. The pipelines will perhaps connect with Mexican gas suppliers. I have heard of a deal pending to bring in Canadian gas, via Chicago, and into the Tennessee area. So while customers are captives of the distribution system, might it be said that the distribution system is also a captive, unless the Federal Power Commission, which has the regulatory right to grant another franchise to build into a given territory, should do so. But the free enterprise of hundreds or thousands of gas producers who can be easily reached is available to the customers, which is one of the reasons why the gas industry has grown. It is due to the competitive supply in the field, which can be reached by additions or extensions or laterals from existing lines. I say this in the face of the oft-repeated fallacy that the consumers in the State of the Senator from Rhode Island [Mr. PASTORE], the Senator from Illinois [Mr. DOUGLAS], the Senator from Michigan [Mr. POTTER] or the Senator from Connecticut, [Mr. PURTELL], are captives of my friends who produce gas in the many gas wells in the State of Oklahoma.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield to the Senator from Illinois.

Mr. DOUGLAS. Will the Senator from Oklahoma inform us how many of the producers in the fields of cigarettes, automobiles, textile goods, and so on, have "most favored nation" clauses in their contracts with their suppliers?

Mr. MONRONEY. I suspect that in those cases there are some things worse than the most-favored-nation clauses. I have been investigating some General Motors contracts; and in those contracts they have some "dillies," comparable to some of the provisions under the Pittsburgh-plus arrangements in the case of steel. I suspect that in some of their contracts, the meatpackers have certain clauses which they find to be simpatico, as in the case of others.

Mr. DOUGLAS. Of course, there are certain cases in opposition to the general public interest—cases which the Senator from Oklahoma and I have joined in opposing, and which we shall join in opposing in the future, I am sure.

However, in nearly all the recent gas contracts there are "most favored nation" clauses, with the result that the latest and the highest price becomes very quickly the predominant price. So the protection the Senator from Oklahoma says he finds by means of having so many producers does not in fact exist.

Mr. MONRONEY. I have repeatedly stated, and I am sure the Senator from Illinois knows, that the most-favored-nation clause is one of the things which is regulated by the Fulbright bill. If it comes under an existing contract, it can be completely eliminated; and if it appears in a new contract, we shall refuse to permit the increased price above the reasonable market price to be charged as an expense. I do not know how we can state the matter any more clearly, and I do not know how the commission which advocates this method can fail to enforce it and to throw out such allowances. So the "most favored nation" clauses certainly are prevented from producing anything other than a reasonable price.

In answer to the charge that natural gas is a monopoly, we say we do not believe it is. We think there is wider diffusion of ownership, by far, with the first 50 companies having only 66 percent penetration of the market, and the first 100 companies having only 78 percent penetration of the market. Under those circumstances, we do not believe the monopoly charge is justifiable, and we do not think it is justifiable to argue that the natural-gas industry should be regulated as a utility.

I am sure that the Senator from Illinois is not arguing for utility regulation because of any allegation of monopoly features. Is not that true?

Mr. DOUGLAS. I think we have in the production of natural gas a quasi-monopoly if not an absolute monopoly in all cases. Certainly we do not have free and equal competition.

Mr. MONRONEY. But surely the Senator from Illinois would not argue in favor of regulation because of a monopoly status, and not apply the same reasoning the manufacture of automobiles, and the dozens of other industries with greater concentration?

Mr. PASTORE. Mr. President, will the Senator from Oklahoma yield to me?

Mr. MONRONEY. I yield.

Mr. PASTORE. On the point made by the distinguished Senator from Tennessee [Mr. GORE], I wish to say that I think he put his finger on the nub of the problem. Personally, I do not think the fact that only a few companies deal in natural gas has much effect on the problem, but for the fact that, because of that situation some persons are trying to reach out for the gas, thereby making a seller's market in which very few persons can operate, with the result that a reasonable, fair-market price, about which a number of Senators seem to be talking, cannot be established.

In trying to make a comparison between, let us say, General Motors Corp. or the United States Steel Corp. and the natural gas industry, it is important in that connection to point out that the little fellow at the end of the line, the captive consumer, is being overlooked. He has no authority or privilege or right to sit at the bargaining table, between the pipeline company and the producer. He has no right to say, "This is a good price," or to say, "This is not a good price." He is more or less at the mercy of the pipeline company and the producer, and he must abide by what they agree to do.

The pipeline company is safe enough, because whatever it pays for the gas, it is allowed to charge off. It makes a presentation before the Federal Power Commission; and usually its request is allowed, as a routine matter. Whether the distribution company can, because of a local situation, pass on all that it pays, or whether it must absorb some of it, is another matter.

However, we must realize that the American people have invested, in home appliances, more than $2 billion, and that there are more than 26 million gas users in the United States.

The only reason why we are resisting the enactment of this measure is that we feel that a grave injustice in the public interest is being done to the consumers. However, every time we talk about the consumers, what happens? We are charged with being interested in the pipeline companies or the distribution companies; attempts are made to "wrap those companies around our necks."

However, that is most unfair. Without the existence of the little consumer, this industry would not have developed. Before there was a captive consumer, natural gas was merely a waste product, and used to be burned off. Then the pipeline companies came into existence, because of the large market for natural gas. It was because of that market that this industry has developed into the sixth largest industry in the United States. Without the captive consumer, there would be no market.

So I say it is the absolute right and duty of the Congress to protect the little fellow, the captive consumer. All the talk about where the spread occurs will not protect the consumer in the least, for to him it makes very little difference where the spread is, unless it is just. The fact that a large spread occurs in Rhode Island does not affect the situation, unless the spread is unjust, in which case the unjust portion should be eliminated. If the spread is just, there can be no objection to it. If it is not just, it should be reduced.

Certainly it is not fair to argue that someone else is getting by with an abuse, and therefore an additional group should be allowed to get by with an abuse.

In 1938 the Congress, in passing the bill, said the natural gas industry is affected with a public interest. If Senators believe that they should not vote for this bill, which does not protect the consumers.

Mr. MONRONEY. But the Congress also said that although natural gas transmission is affected with a public interest, the production and gathering of gas are exempt. The charge of my distinguished colleague is that because the utility in Providence, R. I., is a monopoly and because its customers are captive, the independent producer in Texas should be regulated. However, if the Senator from Rhode Island wishes to have an additional utility operate in his State, the regulatory group in Providence, R. I., could, I am sure, bring about that situation; and probably the additional utility could connect with one of the long lines running through Connecticut or New York.

On the other hand, the Senator from Rhode Island is trying to make the gas producer a captive, as a utility, because of something which can be controlled in the State of Rhode Island, particularly in Providence, R. I., where competition can be had if it is desired. But in order to accomplish that purpose, it is not necessary to make the producers become captive producers. A new utility can be established; and it can roam the 48 States and Canada and Mexico, and can bring gas from the farthest reaches or ends of North America, if it wishes to do so.

Mr. PASTORE. What makes the Senator from Oklahoma feel that the Federal Power Commission would adopt the attitude or policy he indicates? To begin with, the Commission has no heart in this supervision; that is the unfortunate thing about it. The Commisison has regularly taken the position that it prefers not to supervise it. I do not know why; it may be because of a certain philosophy, or perhaps because supervision would be a little inconvenient and would require additional work. However, where does the Senator from Oklahoma get the idea that if power is given to a governmental agency, the business to be regulated or controlled will be destroyed?

Mr. MONRONEY. That depends upon the club with which the regulatory body is armed. If the method of regulation is workable and effective, and will prevent unreasonable price increases, such regulation is helpful, and is the kind of regulation the Federal Power Commission proposes, and is the kind of regulation the President's Inter-Cabinet Committee on Fuel Resources proposes, and is the kind of regulation proposed by almost everyone familiar with the gas business, and is proposed by the Harris-Fulbright bill. Not one person ever came forward to explain how this peculiar system of a gas law by the Supreme Court could become anything but a Rube Goldberg piece of machinery.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. FULBRIGHT. I should like to maintain a certain degrees of accuracy. The Natural Gas Act did not provide what the Senator from Rhode Island stated it provided. The Senator from Rhode Island stated that the Natural Gas Act contained the statement that natural gas is affected with a public interest. The first section of the Natural Gas Act reads, in part, as follows:

> It is hereby declared that the business of transporting and selling natural gas for ultimate distribution to the public is affected with a public interest.

Nowhere in the act is it stated that the production of gas is affected with a public interest.

Mr. PASTORE. I did not say the production of gas. I said that natural gas is affected with a public interest.

Mr. FULBRIGHT. Nowhere does the act say that natural gas is affected with a public interest. If we are to get any benefit from these debates, we must maintain a little accuracy in some of the basic assumptions which are being discussed. The act does not say that natural gas is affected with a public interest. The Supreme Court certainly went directly against the express provisions of the act which exempted the production of natural gas, and that is really one of the basic issues.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. PASTORE. I do not know on what basis we can assume that the Supreme Court was wrong, and regard such assumption as a fact. The fact of the matter is that the Supreme Court said that natural gas is affected with a public interest. The Senator from Arkansas has a perfect right to say that that is wrong. But let him not say that I am misstating the facts when I tell the Senate what the Supreme Court decision is.

Mr. FULBRIGHT. The Senator stated that the Natural Gas Act says that natural gas is affected with a public interest.

Mr. PASTORE. Yes.

Mr. FULBRIGHT. It does not say any such thing.

Mr. PASTORE. The Natural Gas Act states that the transportation of natural gas is in the public interest, and the Supreme Court said that the production and gathering were in transportation. The Senator can argue all he likes. Does the Senator take the position that the Supreme Court was wrong?

Mr. FULBRIGHT. The Supreme Court did not say that, either.

Mr. President, I will not infringe further on the time of the Senator from Oklahoma, but I think he ought at least to remind the Senate and the occupants of the galleries of some of the incorrect statements as to what the Congress said in the act, or what the Supreme Court said in its decision.

Mr. MONRONEY. I thank the distinguished Senator.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MONRONEY. I wish to summarize and then yield the floor. I am a little embarrassed at having stood here so long, although I do not think my remarks have consumed too many hours of the time of the Senate. I think the debate and interrogation have been very helpful, and I am very grateful for them.

Mr. DOUGLAS. The Senator from Oklahoma has been most courteous, as has the Senator from Arkansas. But inasmuch as the Senator from Arkansas has raised a question as to whether or not the Senator from Rhode Island is misquoting the Natural Gas Act, I should like to read from section 1 (a) of the act. Speaking of natural gas—the act reads:

> The sale thereof in interstate and foreign commerce is necessary in the public interest.

Reading further:

> (b) The provisions of this act shall apply to the transportation of natural gas in interstate commerce—

I now emphasize the following provision—

> to the sale in interstate commercial of natural gas for resale for ultimate public consumption—

So the Senator from Rhode Island was quoting the original act with complete accuracy.

Mr. MONRONEY. I think perhaps he may have been quoting with complete accuracy, but the entire burden of the bill was regulation over long interstate pipelines where none had existed before. When the producer and the gatherer were exempt under the terms of the act, "sale" meant sale by the pipelines. There was no regulation of the producer or gatherer intended. It required a great deal of strange construction by judicial minds to arrive at the conclusion which gave us a Supreme Court Natural Gas Act for 1954.

Mr. DANIEL. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. DANIEL. I should like to read the remainder of the sentence which the Senator from Illinois began. I read from the Natural Gas Act:

> but shall not apply to any other transportation or sale of natural gas or to the local distribution of natural gas or to the facilities used for such distribution, or to the production or gathering of natural gas.

Mr. MONRONEY. I thank the Senator.

Mr. President, I should like to summarize in a few minutes; but before reaching that point, let me observe that it has been said by our opponents that because there are only 11 long lines, the result is a sort of "Old School Tie" or "Union League Club" arrangement to bid up the price of gas. The record does not sustain this charge. I do not think they wish to bid up the price of gas. I think they realize that the cheaper the price of gas is the more they can sell, and the more they can run through their lines.

Speaking of the absence of competition, I repeat what I said earlier, that half of the gas produced in the seven gas-producing States remains in the State where it is produced. There is an active and competitive free market there. Half of the gas is sold at a well-established market price which exists by reason of the operation of the law of supply and demand. It is a far more accurate price, I think, than all the prices based upon slide-rule computa-

tions, in an endeavor to take into account dry holes, damage to farmers' crops, and all the other things that must enter into a rate base when we consider what it costs to drill, to complete, to cement, to operate, to equip, to install lines to the main gathering line, and so forth.

With the remainder of 50 percent moving in interstate commerce, to many users, I think the reasonable market price will be a better gage than the Supreme Court's idea of how it should be done.

Mr. DOUGLAS. Mr. President, will the Senator yield? The Senator from Oklahoma has been on his feet for a long time, and I do not wish to subject him to an unnecessary physical strain.

Mr. MONRONEY. I have found that speaking hurts my feet more than it does my voice. [Laughter.] I am glad to yield.

Mr. DOUGLAS. May I remind my good friend from Oklahoma that when he speaks of half the gas being used intrastate, he is including wastage in the field, and many other factors?

Mr. MONRONEY. We have been over that question.

Mr. DOUGLAS. He is also including use of gas by the gas and oil companies themselves. He is including a whole series of consumptive acts by the oil and gas producers. If he is considering merely the amount of gas sold in intrastate commerce to other consumers, he will find that the percentage is much less than 50.

Mr. MONRONEY. I placed in the RECORD the facts which will show that one-half of the production, after deducting repressuring, losses in the field from leakage, and so forth, moves in intrastate commerce, and the other half—almost the identical amount—moves in interstate commerce. I am sure the able and distinguished Senator, effective as he is, would not expect us in the oil fields, with an adequate supply of gas coming from a neighboring well, to use electricity to heat boilers, or to burn coal, lignite, or peat moss. We have the gas there, and we use it as fuel. We use it to generate steam in the boilers, to drill wells to produce more oil, to produce more gas, and to sell more gas to the consumer in interstate commerce, under fair regulation of the producer.

Mr. DOUGLAS. Mr. President, will the Senator yield to me so that I may make a correction in the figures which I have just introduced.

Mr. MONRONEY. I have seldom found the Senator from Illinois incorrect. Sometimes he is incorrect in his judgment, but not in his statistics.

Mr. DOUGLAS. I included waste in the field in the item of 50 percent. That is deducted before we get to the figure which I used as eligible for marketing. I am glad to make the correction. But of the 8.4 billion thousand cubic feet which were eligible for marketing, allegedly, in 1953, I emphasize that 1.5 billion thousand cubic feet was used in the field. There were additional losses in transmission of 240 million thousand cubic feet; compressor fuel accounted for 230 million thousand cubic feet. There were other deductions, so the remainder which was sold was only about 6 billion thousand cubic feet, and probably 4.1 or 4.2 billion thousand cubic feet of this moved in interstate commerce, so only about a third of the total amount available for sale went intrastate instead of one-half as the Senator claims.

Mr. MONRONEY. I suggest—and we should keep the figures absolutely accurate—that the loss in transmission does not include solely intrastate losses. There are transmission losses intrastate as well as interstate.

Mr. DOUGLAS. That is true.

Mr. MONRONEY. There seems to be a considerable loss involved in transmission, both intrastate and interstate.

Mr. DOUGLAS. Of the marketable production, something in excess of two-thirds moves interstate, and something less than one-third intrastate.

Mr. MONRONEY. I still disagree on that point. I think the figures which I placed in the RECORD will show our position. Of course, the Senator is entitled to his position.

In summary, the bill provides protection which is workable, in place of what is unworkable. The bill prevents a chaotic condition in regulation by use of the reasonable market price formula, instead of the utility-type cost plus return formula.

The bill provides that all future contracts must be reviewed by the Federal Power Commission to insure that they provide for no more than the reasonable market price.

As to existing contracts, it provides that any rate increase sought by a pipeline, because of the operation of an escalation clause in its gas purchase contracts, will be approved only if the new rate does not exceed the reasonable market price.

It therefore prevents any unreasonable increase in the price because of escalator clauses, the only such clauses which are exempted from FPC review being those for definite amounts at fixed intervals. I could go into that further, but I shall reserve it for later. However, even the opponents of the bill will admit that those are the best types of escalation clauses, and that in that way the pipeline and the consumer and the producer know exactly when the step up is going to occur. As a matter of fact, the same thing is true with respect to 5-year business loans. It gives a pipeline a chance to build up its business. As load builds up, the fixed charges of the pipeline go down, because the cost is amortized on a 20-year basis. As the charges go down, the pipeline company can pay 2 or 3 cents more for gas and absorb that cost because it is saving money every 5 years as it pays on the cost of its pipeline and the interest charge is decreased.

It is as simple as that. It is a fixed step up at fixed times, and amounts to a workable and desirable type of ascalation. No one who understands it has complained about it.

Further, the Federal Power Commission is thus given the power to prevent any unreasonable price from being passed on to the consumer.

I should now like to state the results if the bill is not passed.

Failure to pass this bill means a shortage of natural gas—both nationwide, and particularly in interstate commerce.

Such a shortage means higher prices to the consumers.

Only high-cost gas will be committed to interstate commerce.

It will lead to inefficiency in the gas industry, as it penalizes the efficient producer and subsidizes the producer with the highest percentage of dry holes and reckless expenditure.

Every dry hole will be in the rate base; thus—

Fifty dry holes to one producer at $200,000 equals $10 million cost.

Ten dry holes to one producer at $200,000 equals $2 million cost.

The final test, I believe, is the cost to the consumer, and we are very much interested in that. One does not hunt for birds where there are no birds. If we want to save quarters or 50-cent pieces for the gas consumers, we must not look where the pennies are. We must look where the 50-cent or the dollar spread is. We believe we have shown—and we will show later with charts and graphs—that while the unregulated part of the rate in Washington, D. C., has gone up 1.7 cents since 1950, the regulated long lines raised their rates by 9 cents, and the regulated distributor raised its rates 12 cents.

As I have said, my first experience on a newspaper was in carrying on a fight for lower rates. It was to lower the rate in Oklahoma City from 87 cents. That was the rate to the consumer at the burner tip. The gas was selling at 5 cents in the gas field. We lost that fight.

Finally, public opinion became so aroused because of the spread, that the Oklahoma City Gas & Electric Co. sold its lines and distribution system to the Oklahoma Natural Gas Co. When Oklahoma Natural took over the operation it gave the consumer a 30-cent reduction in the city-delivery cost.

It can be done. There is water in the charges. All we have to do is look for it. If the utility regulatory bodies will delve into all the facts with a good, sharp man, who understands the gas-distribution business, I am certain all of us will be amazed at what will be found in the padded costs—such as are being paid for manufactured gas in the Hartford area—particularly where there has been recent conversion from artificial to natural gas.

Mr. PURTELL. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. PURTELL Would the Senator say that what was lacking in Oklahoma City was adequate and complete control? Is that correct?

Mr. MONRONEY. What we lacked was an aroused public opinion with respect to where the spread was. When the citizens of Hartford and of Providence and of other cities start talking about their gas rates, as we try to do in the bill which has been introduced by the Senator from New Mexico [Mr. ANDERSON], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Texas [Mr. DANIEL], and myself with respect to the

District of Columbia, by showing clearly and in understandable language the three-part division of the gas rate, the citizens will go to the Hartford company and to the Providence company, and pretty soon there will be a reduction in the rate, probably granted voluntarily, even before any gas rate hearings are held.

Mr. PURTELL. In the case the Senator from Oklahoma cited, it resulted in necessary additional control. Is that correct?

Mr. MONRONEY. No; it did not at all. It was voluntary. We lost the fight on control. The company tried to include all the nuts and bolts and gadgets and gimmicks in a 2-year cost survey. Our regulatory body challenged the figures. I sat there for 6 or 7 months listening to the testimony, every day, as to whether the State's inventory of the system included every bolt and every toolhouse. The Senator from Illinois [Mr. DOUGLAS] knows how the companies proceed in such cases. They go on and on and on.

However, when public opinion was aroused, and when we showed clearly the breakdown of the rate between the raw gas and the cost at the burner tip, something started to move.

Mr. PURTELL. Is it not true that if adequate controls had been imposed the condition would not have arisen in the first place?

Mr. MONRONEY. No; I believe that some of the gas companies are perhaps too nice for us to question them about rates. They are very nice people; they are entirely too nice to ask them how they arrive at a 98-cent rate or a $1.25 spread. They belong to the nicest clubs in town and they play golf every Saturday. Therefore we must not bother them. After all, we are getting along. They say, "We borrow a great deal of money from the banks, and we always pay it back." Senators are familiar with the system. It is the old-school-tie system. We cannot bother to regulate such nice people. Let the utility regulatory body conduct hearings, and let us go sound asleep. It is the consumer who pays and pays.

Mr. PURTELL. It is wonderful that at this late hour in the day we should be able to inject a little humor into the debate.

Mr. MONRONEY. I am very serious about saving money for the consumer.

Mr. PURTELL. Perhaps I should say it is fortunate that we should be able to inject into the debate some extraneous matter which is nevertheless humorous and timely. The fact remains that if adequate controls had been imposed the condition to which the Senator from Oklahoma referred would not have arisen in Oklahoma, and would not be continued in other States.

Mr. MONRONEY. What I am saying is that with the meager amount of money usually given to the utility regulatory body at the local level to regulate rates, the fat utility company, whether it be electric or gas is able to overwhelm the best efforts of the utility commissioners and the lawyers for the commissioners. The best the commission can do is to hire an attorney for perhaps $5,000 a year. Along come the $100,000 a year lawyers who work for the gas utility company, and they prove that the $5,000 a year attorney does not know what he is talking about. He cannot get anyone else; he cannot afford to pay $5,000 to some other attorney. But the public utility can. The consumers are paying for that battery of legal help. Perhaps we wangle a few dollars out of the city council for a cost evaluation to check and see who is lying about the cost basis. Maybe we get a 6,000 or 7,000-dollar-a-year engineer who finds that there is 35 or 40 percent water in the rate base. I have heard them for months and months on end being challenged by four or five engineers with salaries of $45,000 or $50,000 a year who were brought in to make another survey. And there are all these lawyers who buttress the engineers. Finally, what happens? The utility regulatory body is run over as an express train would run over a duck. So they say they hope the company will make its rates nice and low. But the rates always seem to be spreading at the city distribution level. It seems to be a much easier job to drill a well 5,000 feet deep in west Texas and figuring out how to get gas three or four hundred miles across the country at reasonable prices in order to keep a little old lady warm in Bridgeport, Conn., than to get the gas from the city limits to her home. We cannot have any sympathy for producers, because that would be illiberal.

Let us again consider this little verse:

> A dollar and a dime,
> A dollar and a dime,
> But only the producer
> Is convicted of crime!

Mr. PURTELL. Mr. President, will the Senator from Oklahoma yield?

Mr. MONRONEY. I yield.

Mr. PURTELL. The Senator will admit that when it comes to the little consumer it is a dollar plus a dime.

Mr. MONRONEY. It runs a little more than that in the Senator's home State. I will place the figures in the RECORD later.

I have one for New Haven. The rate is $1.70 for house heating for which the pipeline company pays 10.6 cents. It costs 65 cents to the New Haven company at the city gate, and they get a spread of $1.05 for taking it from the city gate to the burner tip.

Rhode Island is the highest in average value of natural gas at point of consumption, with $3.09. Connecticut is second, with $2.53.

I am sure the Senator would say that 10 cents to the producer is an exorbitant charge, but a few of us from the gas-producing country might think that $2.53 is a more exorbitant charge. The Senator can explain that to all the voting citizens in his State. That is not my problem, because the rate in Oklahoma is only 60 cents for the whole thing.

Mr. PURTELL. Mr. President, will the Senator from Oklahoma yield further?

Mr. MONRONEY. I yield.

Mr. PURTELL. I do not agree that these are unconscionable rates, but, assuming that they are, the Senator does not maintain that because one consumer is soaked a little bit we ought not to be bothered at all?

Mr. MONRONEY. I would not say that 10.6 cents for fuel at the well, which in 1926 cost 9.5 cents, is any example of highway robbery. If all the bankers who live in Manhattan's bedroom in the nice little city of Westport would like to take us back to the Hoover days of 30-cent wheat, 5-cent cotton, and 5-cent hogs, we can go back to the prices of that period, but we do not like these Wall Street boys, socialized though they are, to roll us back to the depression days.

Mr. PURTELL. I should like to correct the Senator. Not only is Westport included, but it goes all the way up to Stamford.

Mr. MONRONEY. I thought Stamford came ahead of Westport.

Mr. PURTELL. The Senator's confusion about our geography is about equal to his confusion about the public utility situation.

Mr. MONRONEY. Does the Senator from Connecticut mean to tell me that Stamford is farther away from Wall Street than are Westport and Green Farms?

Mr. PURTELL. No.

Mr. MONRONEY. I want to keep the RECORD straight on all these facts, and I wish to know how far away from Wall Street the residents of Connecticut are who do business in New York.

Mr. DOUGLAS. Mr. President, will the Senator from Oklahoma yield further?

Mr. MONRONEY. I yield.

Mr. DOUGLAS. Is it not true that most of the residents of the pleasant confines of Connecticut who go to Wall Street to work are employed by the big oil companies, such as the Standard Oil Co., Shell, Texas, Gulf, Cities Service, and so on. I think that my good friend from Oklahoma is going to try to put over a situation in which he has the industry owned by Oklahoma boys singing "Oh, what a beautiful morning!" My good friend from Arkansas [Mr. FULBRIGHT] once tried to put them into Confederate uniforms, saying it was the Yankees from the North who were trying to do the exploiting.

Mr. MONRONEY. We are unable to get sufficient office building space to keep up with the gas and oil companies who find it profitable and expedient and easy to staff their offices with competent scientific personnel in Oklahoma City and Tulsa. We are just about to run out of office space.

So our boys who produce oil do not go to Connecticut. They would not be caught dead in Connecticut. They would rather live in Oklahoma because we have the No. 1 football team.

Mr. PURTELL. I might say that after seeing the way they have used escalator clauses, I would assume that if we took some of them to Connecticut, they would be dead.

Mr. DOUGLAS. Mr. President, will the Senator from Oklahoma yield further?

Mr. MONRONEY. I yield.

Mr. DOUGLAS. The Senator from Oklahoma has referred to oil companies which have their offices in Tulsa and in Oklahoma City. I might remind him that the Persian Empire had satraps, but that did not give the regional populaces self-government. The Roman Empire had provincial governors in the provinces, but that did not give self-government to the populace of the provinces. So I think the Senator is resorting to false logic when he defends these companies which control 50 percent of the gas which moves interstate. Even the Phillips Co. has a New York office on 80 Broadway.

Mr. MONRONEY. I do not say they are all local companies, or that it is a nationwide thing; but the drilling of the wells is done by Oklahoma labor. The equipment is made in Oklahoma, or, at least, we make a great deal of it, and it is very good.

So the costs of capital equipment, "Christmas trees," separators, and all the other costs that go into the modern production of oil are Oklahoma products.

Did the Senator from Illinois know that there are approximately 1 million farmers in the United States who have either gas- or oil-producing leases for their lands, for the production of oil or gas not yet developed?

It is a little astounding, but I found out, in investigating the matter, what the value of the gas crop is. Take $880 million, which was the last figure for interstate, intrastate, industrial, and domestic production, divide it by one-eighth, and it will be found that the farmers are getting $110 million a year royalty from gas. That does not include all the payments for lease rentals; that is for oil and gas.

So when we talk about the satraps, let us not forget that there are many persons in Oklahoma, Texas, Louisiana, New Mexico, and other States who get most of the overhead that goes into the production of gas.

Mr. DOUGLAS. Certainly there are large numbers of farmers who sit underneath the table and secure some of the drops of fat which are allowed to descend upon them by the big producers. That is perfectly true.

Mr. MONRONEY. Undoubtedly the Senator from Illinois remembers the Dust Bowl and the book entitled "Grapes of Wrath." The Senator remembers the Texas Panhandle, Oklahoma, and southwestern Kansas. He remembers the people who had acreage in the vast Dust Bowl in those terrible, barren days of discouragement, panic, and disaster, which persisted year after year. Some of those who had acreage stayed there and mortgaged their then clear land to buy more land as others left the area.

It would do the Senator's heart good to drive through that region today and see the prosperity which has been achieved because of the discovery of the Hugoton gas field. I would be the last to say that those people do not deserve something as good as can be given.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. ANDERSON. A moment ago something was said with reference to the headquarters of oil and gas companies being located in New York. Does not the Senator from Oklahoma agree that, certainly, one of the greatest of the natural gas companies is Phillips?

Mr. MONRONEY. Indeed.

Mr. ANDERSON. Is not its headquarters in Bartlesville, Okla.?

Mr. MONRONEY. Indeed. Also, the Cities Service gas division headquarters is located in Oklahoma.

Mr. ANDERSON. Is it not also true that probably the largest exporter of natural gas is the El Paso company, and that El Paso does not have its office in New York? It has a large office in El Paso, Tex.

Of course, many of the large oil companies have headquarters in New York, due to the financial difficulties which sent most of them there.

I have seen Mr. Skelly in Tulsa. He used to be a great producer. He still lives in Tulsa, but his company is no longer there; it went through the wringer.

I think Marland had a great oil company, perhaps, and lost it. A man named Costen had a large oil company and lost it. They had to move to New York, because somehow New York seemed able to get hold of them.

All that is necessary is to check history, and it will be found that more money has been made above ground than below ground. The oil business has made more paupers than millionaires.

But the natural-gas industry has remained pretty largely in the hands of the individuals who have put it together, when Wall Street did not think it was a good deal.

Gas is now being brought from the northwestern corner of New Mexico and from the four corners area in Utah and Colorado, and is being handled by a company which pretty largely owes its existence to a firm operating from Houston, Tex.

So far as natural gas is concerned, the industry ought to be applauded for the fact that it has been able thus far to stay out of the clutches of New York.

Mr. MONRONEY. I thank the distinguished Senator from New Mexico. I may say that we are all interested in the same problem; how much it is going to cost to keep a little old woman warm and to get gas to her burner tip without excessive, unreasonable rates being occasioned.

I thank the Senators who have stayed to listen to all the discussion on this subject.

Mr. ANDERSON. I wish to express my appreciation to the able Senator from Oklahoma, not only for presenting his material in such interesting fashion, but also for being courteous to those who wished to question him, and for being thoughtful of those individuals who may differ with him in their opinions, but who still have a right to their opinions.

Mr. DOUGLAS. Mr. President, I, too, congratulate the Senator from Oklahoma upon his very able address and his characteristically gentlemanly manner. It is always a pleasure to debate with him. The Senator from Oklahoma knows of the high opinion in which the Senator from Illinois has always held and will continue to hold him. I regret that in this instance the Senator from Oklahoma is on the wrong side of the issue.

Mr. MONRONEY. Even my wife does not always agree with me every time.

Mr. DOUGLAS. Nevertheless, the Senator from Oklahoma has made the very best of a very bad case. And he has behaved in his usual courteous and gentlemanly manner.

Mr. PURTELL. I wish to join in the remarks of my colleagues and to express to the Senator from Oklahoma my thanks for the courteous way in which he answered the questions which were asked and for his presentation of what I consider to be a very poor case.

Mr. JOHNSON of Texas. Mr. President, I simply wish to congratulate everyone who has participated in the debate today for an orderly and comprehensive discussion of the subject. My compliments go not only to the Senator from Oklahoma [Mr. MONRONEY] for his very able statement but to the Senator from Illinois [Mr. DOUGLAS], the Senator from Rhode Island [Mr. PASTORE], and the Senator from Connecticut [Mr. PURTELL] who kept to the issues in their opposition to the position taken by the Senator from Oklahoma.

I have always felt that the Senate was a forum where subjects could be debated and not merely a place in which to consent to something. I am happy that this body is made up of Members who can discuss issues without becoming abusive, and who can speak without rancor and vindictiveness.

I have seen and read statements to the effect that perhaps some friction and bitterness would enter into the debate. But that has been in the newspapers; it has not occurred on the Senate floor.

I hope that in the days, yes, perhaps even in the weeks, ahead, every Member who has an opinion on the subject will express it. I am confident that all of us will follow the debate carefully. Then, when every Senator has had his or her say, we can vote our convictions.

I appreciate the very high quality of the debate and the very fine temper which has been demonstrated by all Members of the Senate. I hope it will continue throughout the debate, and I have no doubt that it will.

Mr. DANIEL. Mr. President, I wish to express my appreciation to the Senator from Oklahoma for his excellent report and presentation of the bill. I join in the remarks of the majority leader, my colleague, the distinguished senior Senator from Texas [Mr. JOHNSON]. Having sat on the committee with the junior Senator from Oklahoma a total of 17 days during the consideration of the bill, I know that no Member of the Senate has studied the problem more thoroughly than he has. In my opinion, he has made an excellent presentation of a very good case.

Mr. MONRONEY. I thank the Senator from Texas.

EXHIBIT 1

Source of total gas produced

[In trillion cubic feet]

	1953	1954
Produced from gas wells	7.1	7.4
Produced from oil wells	3.5	3.5
Gross withdrawals	10.6	10.9

Source: Bureau of Mines, Mineral Market Report No. MSS 2446. Nov. 23, 1955.

Disposition of total gas produced

[In trillion cubic feet]

	1953	1954
Gross withdrawals	10.6	10.9
Vented and wasted	.8	.7
Repressuring	1.4	1.5
Marketed production	8.4	8.7
Interstate shipments	4.2	4.6
Intrastate consumption	4.2	4.1

BRIEF HISTORY OF PIPELINE REGULATION

I. The first interstate pipelines transporting gas from the southwest to the consuming areas were constructed during the period 1927–31. Their construction was made possible by the development of electric welding and the ability of pipe companies to roll large diameter pipe. Among the early pipelines were the Mississippi River Fuel Co., the Memphis Natural Gas Co., and the Southern Natural Gas Co., from the Monroe field in Louisiana to St. Louis, Memphis, and the southeast respectively; Natural Gas Pipe Line Company of America, Cities Service Gas Co., and Panhandle Eastern Pipe Line Co., from the Panhandle-Hugoton fields to Midwestern consuming areas.

II. The Natural Gas Act became law June 21, 1938. C556, section 52, stat. 833.

III. In 1942 the Federal Power Commission in the Hope Natural Gas Co. case, 3 FPC 150, the Colorado Interstate-Canadian River case, 3 FPC 32, and the Panhandle-Eastern Pipe Line case, 3 FPC 273, adopted the rate-base method of pricing natural gas produced by pipeline companies. On appeal the Supreme Court held that the Federal Power Commission was not precluded by the Natural Gas Act from using this method of pricing gas produced by pipeline companies.

IV. The Federal Power Commission in opinion No. 269 (in the matters of Panhandle Eastern Pipe Line Co. et al.) adopted the fair field price method of pricing gas produced by pipeline companies.

V. On appeal to the United States Court of Appeals for the District of Columbia, the court set aside FPC opinion No. 269 and order, on the ground "that allowance of the fair field value of Panhandle's own produced gas as an operating expense is not here supported by the evidence and findings to be in the public interest," and that the Commission failed to treat Panhandle's extraction operations as a jurisdictional business. *City of Detroit* v. *Federal Power Commission*, decided December 15, 1955.

Gas produced as percent of gas produced and purchased for major natural-gas pipeline companies, 1942–54

	1942	1947	1951	1954
Group I	29.6	25.7	18.6	10.4
Groups I and II	29.6	23.2	13.5	7.5

Group I. Major natural gas pipe line companies operating in 1942: Arkansas Louisiana Gas Co., Cities Service Gas Co., Colorado Interstate Gas Co., El Paso Natural Gas Co., Interstate Natural Gas Co., Inc., Lone Star Gas Co., Inc., Mississippi River Fuel Corp., Natural Gas Pipeline Co. of America, Northern Natural Gas Co., Panhandle Eastern Pipe Line Co., Southern Natural Gas Co., United Gas Pipe Line Co.

Group II. Companies beginning operations after 1942 and before 1951: Michigan-Wisconsin Pipe Line Co., Tennessee Gas Transmission Co., Texas Eastern Transmission Corp., Texas Gas Transmission Corp., Transcontinental Gas Pipe Line Corp.

Note: 1942 was the year in which the Federal Power Commission adopted the rate-base method of pricing natural gas produced by the pipeline companies. 1954 is the most recent year for which figures are available.

Source: Statistics of Natural Gas Companies, published by the Federal Power Commission.

UNITED STATES OF AMERICA, FEDERAL POWER COMMISSION, OPINION NO. 269

Page 32: "Yet it is an established fact that this Commission cannot compel natural-gas companies subject to its jurisdiction to engage in exploration, drilling, and related developmental activities or to acquire and attach gas reserves discovered by others; indeed, it is at least doubtful that the Commission can require pipeline systems to retain reserves which they already own, although under certain circumstances it has endeavored, unsuccessfully, to do so. If there is to be natural-gas exploration, development, and production by pipeline systems themselves, therefore—with resultant benefits to the public interest—it follows that this must result from regulatory policies designed to encourage, rather than to penalize, such activities."

Page 33: "When we look to the overall situation, we cannot but be struck by the fact that no new major pipeline which has been certificated since the Commission's pricing practices was first established—including some of the largest systems serving enormous new markets—produces any significant portion of its total supply. That the ratio of pipeline-produced to total gas transported and sold in interstate commerce has declined markedly is clearly apparent from the facts of the record."

Page 34: "We are convinced, from our analysis of all the facts of record, that the ultimate public interest will be better served by permitting the pipeline to receive for the gas which it produces a price reflecting the weighted average arm's-length payments for identical natural gas in the fields (and sometimes from the very same wells) where it is produced than through the application of the rate-base method to this commodity."

THE BUDGET—MESSAGE FROM THE PRESIDENT

The PRESIDING OFFICER (Mr. BIBLE in the chair). The Chair lays before the Senate a message from the President transmitting the budget for 1957. The message having been read in the House, without objection it will be referred to the Committee on Appropriations without being read in the Senate.

(For President's message, see House proceedings of today.)

AMENDMENT OF THE NATURAL GAS ACT, AS AMENDED

The Senate resumed the consideration of the bill (S. 1853) to amend the Natural Gas Act, as amended.

Mr. FULBRIGHT. Mr. President, in one of his essays, Ralph Waldo Emerson observed that we Americans usually look upon history as something that occurred in the past. All too often we neglect the obvious fact that the current events of each passing day are the materials which go to make up the history of tomorrow.

The bill now under consideration—and our decision in regard to this bill—constitute a history-making event of the kind Emerson had in mind.

For the first time in our Nation's peacetime history, a highly competitive segment of our economy has been wrenched from the free enterprise system and converted into a public utility under the direct domination of the Federal Government. For the first time, a Federal agency has been given utility price-fixing powers over a competitively produced commodity at its point of production.

That such a turn of events has resulted, not from the clearly expressed will of Congress, but from a split decision of the Supreme Court, makes the problem even more serious. Under our system of government, only Congress can determine overall national policy in matters of this kind. Only Congress should make the decision—if such a step is deemed to be in the public interest—to scrap competition in favor of this expanded and completely unprecedented utility concept. And I personally do not believe that Congress ever intended—or that it intends now—to attempt the Alice-in-Wonderland feat of making a public utility out of an enterprise which has absolutely none of the characteristics of a public utility.

The Supreme Court's 5-to-3 split decision in the Phillips case did nothing to alter the ultimate responsibility of Congress for deciding this issue. Mr. Justice Douglas made this clear in his vigorous dissent to the majority opinion. The history and language of the Natural Gas Act, he said quite correctly, are against direct Federal jurisdiction over the sale of natural gas at its point of production.

If that ground is to be taken—

Mr. Justice Douglas said in his dissent—

the battle should be won in Congress, not here. Regulation of the business of producing and gathering natural gas involves considerations of which we know little and with which we are not competent to deal.

Some of those who oppose this bill have protested that it would reverse a decision of the Supreme Court. That is not a valid objection. Congress is supposed to write the law, the Supreme Court merely to interpret it. As Mr. Justice Douglas indicated, a strong case can be made for the opinion that the Supreme Court majority, instead of simply interpreting the law, actually rewrote the law through the Phillips decision.

What the bill does propose to do is to clarify the Natural Gas Act and, in the interests of consumers, provide the basis for a workable Federal policy on natural gas. On the one hand, the bill perpetuates the competition already prevailing among natural-gas producers and insures that consumers will reap the benefits of this competition. On the other hand, it guarantees consumers that they will not be charged more than the reasonable market wellhead price for natural gas.

In this opening statement, I want to outline briefly the events which led to the introduction of this bill. I want to

review with my colleagues the provisions of the bill and tell them why, in my opinion, they offer a sound solution—and a fair solution—to the problem before us. I want to discuss the reasons why enactment of this bill is in the best interests of American consumers everywhere. Finally, I want to touch on some of the bugaboos, some of the statistical spectres, and some of the gross misrepresentations on the part of a few which have been raised in opposition to it.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. JOHNSON of Texas. I wonder if the Senator would be willing to yield to me for the purpose of propounding a unanimous-consent request. My request is that the Senator for Arkansas yield to me for the purpose of moving that the Senate stand in recess, with the understanding that he will have the floor at the conclusion of the morning business tomorrow.

The Senator from Arkansas is a very able Senator, and I know he has a very fine address to deliver on his bill. The hour is rather late, it being now about 6 o'clock, and most of the Senators have gone to their offices. I should like to have them hear what the author of the bill has to say, and if the Senator from Arkansas will yield for that purpose, I shall make the unanimous-consent request.

Mr. FULBRIGHT. I yield for that purpose.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senator from Arkansas may have the floor at the conclusion of the morning business tomorrow.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

RECESS

Mr. JOHNSON of Texas. Mr. President, if there is no Senator who desires to present any matter at this time, I move, pursuant to the previous order, that the Senate now stand in recess.

The motion was agreed to; and (at 6 o'clock and 4 minutes p. m.) the Senate took a recess, the recess being, under the order previously ordered, until tomorrow, Tuesday, January 17, 1956, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate on January 12, 1956, but omitted from the CONGRESSIONAL RECORD of that date:

DISTRICT OF COLUMBIA REDEVELOPMENT LAND AGENCY

James E. Colliflower for reappointment as a member of the District of Columbia Redevelopment Land Agency, for a term of 5 years, effective on and after March 4, 1956, pursuant to the provisions of section 4 (a) of Public Law 592, 79th Congress, August 2, 1946.

Executive nominations received by the Senate January 16, 1956:

DEPARTMENT OF STATE

Robert R. Bowie, of Massachusetts, to be an Assistant Secretary of State to which office he was appointed during the last recess of the Senate.

WORLD HEALTH ORGANIZATION

Dr. Frederick J. Brady, of Maryland, to be the representative of the United States of America on the Executive Board of the World Health Organization.

CONFIRMATIONS

Executive nominations confirmed by the Senate January 16, 1956:

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Lowell Thelwell Coggeshall, of Illinois, to be Special Assistant on Health and Medical Affairs to the Secretary of Health, Education, and Welfare.

COMMISSIONER OF INTERNAL REVENUE

Russell C. Harrington, of Rhode Island, to be Commissioner of Internal Revenue.

COAST AND GEODETIC SURVEY

PERMANENT APPOINTMENT TO THE RECOMMENDED GRADES IN THE COAST AND GEODETIC SURVEY, EFFECTIVE ON THE DATES INDICATED, SUBJECT TO QUALIFICATIONS PROVIDED BY LAW

To be commissioned captain

Ector B. Latham, effective July 1, 1955.
John Bowie, effective July 1, 1955.
William F. Mainate, effective August 1, 1955.

To be commissioned lieutenant

Arthur R. Benton, Jr., effective June 25, 1955.
Eugene A. Taylor, effective June 25, 1955.
William D. Barbee, effective June 25, 1955.
Herbert R. Lippold, effective June 26, 1955.
Roger F. Lanier, effective June 26, 1955.
John B. Watkins, Jr., effective July 17, 1955.
Jack E. Guth, effective August 3, 1955.
Bruce E. Greene, effective August 29, 1955.
Robert E. Williams, effective September 7, 1955.

To be commissioned lieutenant (junior grade)

Kenneth A. MacDonald, effective June 22, 1955.
Wilfred V. Warner, effective June 22, 1955.
Edwin K. McCaffrey, effective June 22, 1955.
Clifford W. Tupper, effective June 22, 1955.
Richard H. Houlder, effective June 22, 1955.
Howard A. Garcia, effective June 22, 1955.
John J. Dermody, effective June 22, 1955.
Clinton D. Upham, effective June 22, 1955.
George W. Thompson, effective June 22, 1955.
Floyd J. Tucker, Jr., effective June 22, 1955.
Dale E. Westbrook, effective June 22, 1955.

To be commissioned ensign

Vincent J. Franze, Jr., effective August 8, 1955.

WITHDRAWAL

Executive nomination withdrawn from the Senate January 16, 1956:

DEPARTMENT OF STATE

Robert R. Bowie, of Maryland, an Assistant Secretary of State.

HOUSE OF REPRESENTATIVES

MONDAY, JANUARY 16, 1956

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou whose bountiful providence is everywhere and always available, help us daily to lay hold of those spiritual resources which are the secret of strength and peace.

Humbly we pray for the valor of a faith that will not falter, the joy of a hope that is patient, and the power of a love that will never fail.

Grant that as we take our way through the years and go in and out among our fellow men, our life may be rich in sympathy and fruitful in service.

May we be of one mind and heart with all who seek to know Thee, of one fellowship with those who love Thee, and of one purpose with all who are striving to do Thy will faithfully.

Hear us in the name of the Christ who, being Lord of all, was willing for our sakes to become the servant of all. Amen.

The Journal of the proceedings of Thursday, January 12, 1956, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Tribbe, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 5614. An act to amend the Communications Act of 1934 in regard to protests of grants of instruments of authorization without hearing.

The message also announced that the Senate had passed bills and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 51. An act to amend the act entitled "An act to confer jurisdiction on the States of California, Minnesota, Nebraska, Oregon, and Wisconsin, with respect to criminal offenses and civil causes of action committed or arising on Indian reservations within such States, and for other purposes";

S. 2286. An act to amend the Merchant Marine Act of 1936 so as to provide for the utilization of privately owned shipping services in connection with the transportation of privately owned motor vehicles of certain personnel of the Department of Defense; and

S. Con. Res. 59. Concurrent resolution requesting the President to issue a proclamation designating the week of January 29, 1956, through February 4, 1956, as National Junior Achievement Week.

GOVERNMENT BUDGET FOR THE FISCAL YEAR 1957—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 256)

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with accompanying papers, referred to the Committee on Appropriations and ordered to be printed with illustrations:

To the Congress of the United States:

I send you today the Budget of the United States Government for the fiscal

year 1957 which begins July 1, 1956. This budget also includes the fiscal results of all Government operations for the year ended June 30, 1955, and revised estimates for the current fiscal year ending June 30, 1956.

Budget totals

[Fiscal years. In billions]

	1955 actual	1956 estimated	1957 estimated
Budget receipts	$60.4	$64.5	$66.3
Budget expenditures	64.6	64.3	65.9
Budget surplus (+) or deficit (−)	−4.2	+.2	+.4

The budget I am proposing for 1957 is a balanced budget. It is my expectation that the budget will also be in balance for the fiscal year 1956.

Although balanced, the margin of estimated surplus in each of these budgets is slim. This calls for the utmost cooperation between the executive and legislative branches to prevent increases in expenditures or reductions in receipts that would create a deficit.

The present encouraging budgetary outlook arises from a favorable combination of factors involving both receipts and expenditures. Substantial reductions in Government expenditures have been achieved in the past 3 years. A significant increase in revenues is currently anticipated as the result of our present unprecedented prosperity. In the achievement of this prosperity, the historic 7.4-billion-dollar tax reduction and reform program of 1954—so advisable during the transition to a peacetime economy then taking place—and the confidence born of prudent fiscal and credit management have been strong energizing factors.

Budget expenditures in the fiscal year 1956 are now estimated at 64.3 billion dollars. This is a reduction in Government spending for the third successive year. It is a decrease of 10 billion dollars from the amount actually spent by the Federal Government in the fiscal year which began July 1, 1952. It is a cut of 13.6 billion dollars from the amount proposed in the budget for the fiscal year beginning July 1, 1953, submitted to the Congress in January of 1953 before this administration took office.

For the fiscal year 1957, total expenditures are estimated to rise approximately 1.6 billion dollars over the anticipated level for 1956. This increase will be more than offset by the rise in receipts estimated to result from continued growth in the national economy. Efforts to obtain additional economies in Government operations must continue, for the balance achieved in the budget for 1957 is a balance at a high level of receipts and expenditures. The search for additional savings that can be effected while strengthening our security posture and providing essential Government services must be relentless.

We will take full advantage of the proposals of the Commission on Organization of the Executive Branch of the Government, which has completed with high distinction the task of analyzing the activities of the Government. We will continue to give the taxpayer greater and greater value for each dollar spent. We will continue to foster orderly growth of our economy through sound fiscal policies. The confidence in the future among consumers and businessmen generated by those policies must be maintained.

BUDGET POLICIES

We seek, above all, the attainment of a just and durable peace. Thus, the resources of the world can be directed to building a better life for all people. The people of the Soviet Union and of the countries under its domination are undoubtedly as anxious as the people of other nations to achieve this objective. I regret that the Soviet leaders have not as yet given any tangible evidence of an intention to agree on a plan of disarmament that can be verified by adequate inspection. In the absence of such tangible evidence, we must follow the course reflected in this budget of steadily strengthening the defense of the United States and its allies, so that the free world will remain strong enough to deter possible aggressors or to retaliate immediately and effectively if attacked.

At the same time, the Government of the United States will steadfastly seek all possible ways of further progress toward our goal of peace. We will speed the development of the civilian uses of atomic energy and make the resulting benefits available, under appropriate controls, to other nations for the well-being of mankind. We will propose logical methods for advancing disarmament. We will promote international trade and investment. We will not falter in our cooperative efforts to build the economic, as well as defensive, strength of the free world through the Mutual Security Program.

At home, programs instituted by the Executive and the Congress have helped to nurture an unprecedented prosperity without inflation. Our objective is to foster and encourage conditions in which this prosperity can be sustained and can be more fully shared by agriculture and certain sectors of our industrial economy. The growth and movement of our population and the complexity of our dynamic society are continually creating needs which must be met if we are to build wisely for the future. For years, many activities which are desirable for fostering sound economic growth have been postponed because of the overriding needs of war and defense.

Defense needs are still overriding and must continue to be met in full measure. However, budget revenues now permit us to undertake some new and expanded programs for enhancing opportunities for human well-being and economic growth. This budget reflects that purpose.

These two national objectives of securing a lasting peace and of sustaining widespread prosperity and well-being are closely linked to our third goal of financial strength and stability.

In the words of Washington's Farewell Address, we must meet our defense needs by maintaining a respectable posture of defense. There is no magic number of dollars or of military units and weapons that would solve all our defense problems and guarantee our national security. Neither can total mobilization in peacetime be the answer to our defense needs. It is essential to have a stable, long-range defense program suited to our needs which avoids fluctuations in response to transitory pressures.

We are equally well aware that overenthusiastic and ill-considered Government efforts to promote economic development could lead to inflation, and could also choke off private initiative, which is the wellspring of economic development and of a better life. Inflation would bring suffering to the very groups whose well-being the Government would be trying to serve.

With a sense of proportion and with a sound progressive policy, we can continue our sure advance toward our objectives. The results to date of sound financial management so demonstrate. While continuing substantial expenditures for military defense and mutual security, with some increases where needed, we can now propose the expansion of certain domestic programs, and, at the same time, strengthen our financial position by a balanced budget. But we must make sure that we do not undermine our financial strength by laying the groundwork for future budget deficits.

BUDGET DOCUMENT

A budget is not just a book of figures describing fiscal operations—it is a comprehensive plan of action for meeting our national objectives. As such, it affects every phase of the life and activity of the Nation. It is necessarily complex. Like the plans for a building, the budget must be sketched from various points of view to give a clear idea of its content and composition. Accordingly, despite some repetition, the various items in the budget are classified and grouped in different ways to help in the analysis of their overall significance.

In this section of the budget message, I shall summarize budget expenditures in terms of a few broad purposes and also in terms of their controllability through the budget process. Following this discussion, there are two summary tables setting forth budget expenditures and new obligational authority by major programs and by Government agencies. These tables are followed in the message by a discussion of my recommendations for each of the major programs of the Government.

The detailed part of the budget document which follows the message contains four parts: (1) Additional summary tables; (2) detailed appropriation accounts for each agency; (3) information on trust funds and working funds; and (4) a number of special analyses which throw light on the budget from still different viewpoints. These analyses show, for example, the expenditures for Federal credit programs, public works, aid to State and local governments, research, and economic statistics, all of which are common to many programs and agencies.

The detailed schedules and statements of the budget have been simplified this year to make them more useful to the Congress in general and to the appro-

priations committees in particular. This simplification has also resulted in reducing the size of the budget document 50 pages and the appendix a further 175 pages.

BUDGET EXPENDITURES

Expenditures by purpose: When we look at the budget in terms of a few broad purposes, we find that the greatest portion, 64 percent, of the expenditures in the fiscal year 1957 will be for deterring possible aggression and for strengthening the international alliances to which we belong. The next largest part, 21 percent, will be devoted to civil benefits of various kinds. Interest, largely on the public debt, will amount to nearly 11 percent. Expenditures for civil operations and administration are estimated at 4 percent of the total. Further details of expenditures by broad purposes can be found in special analysis E on pages 1119 to 1121 of the budget document.

Budget expenditures by purpose

[Fiscal years. In billions]

	1955 actual	1956 estimated	1957 estimated
Protection, including collective security	$42.7	$41.4	$42.4
Civil benefits	13.7	13.8	13.9
Interest	6.4	6.9	7.1
Civil operations and administration	1.7	2.1	2.2
Reserve for contingencies	-------	.1	.2
Total	64.6	64.3	65.9

Protection, including collective security: In this summary classification of broad purposes, expenditures for protection include more than the four major national security programs. They embrace the military functions of the Department of Defense, including construction and procurement; the Mutual Security Program; the Atomic Energy Commission; and other programs such as stockpiling, expansion of defense production, civil defense, and our foreign information activities.

Expenditures for protection, including collective security

[Fiscal years. In billions]

	1955 actual	1956 estimated	1957 estimated
Major national security programs:			
Department of Defense—Military functions	$35.5	$34.6	$35.5
Mutual Security Program—Military	2.3	2.5	2.5
Atomic Energy Commission	1.9	1.7	1.9
Stockpiling and defense production expansion	.9	.7	.4
Subtotal	40.6	39.5	40.4
Related programs	2.1	1.9	2.0
Total	42.7	41.4	42.4

In planning such great security programs, it is clear that we must never permit ourselves to be panicked by temporary crises or beguiled by a campaign of smiles without deeds. We continue to maintain and to strengthen our national security forces.

This budget provides for increased expenditures for the military functions of the Department of Defense, emphasizing air-atomic power, guided missiles, research and development, continental defense, and the re-equipping of our forces with new types of weapons. Outlays for conventional weapons and for stockpiling will be decreased. Under the Mutual Security Program, budget expenditures in 1957 for military assistance and for economic and technical assistance are estimated at about the same level as in the fiscal years 1955 and 1956. Expenditures for atomic energy, including peaceful applications, will rise in 1957 to a somewhat higher total than for any previous year. I am also recommending an expansion of our foreign information activities so that we can more successfully advance understanding abroad of our policies and their peaceful intent.

Civil benefits: A great variety of Government programs provide civil benefits and services for the Nation as a whole and for specific groups. They encourage the private development and growth of our economy and provide certain economic safeguards for individuals and groups in order that our dynamic system of free choice may operate effectively in the modern world.

Some of these benefits and services are in the form of public works or loans which add to Federal assets. Expenditures for long-range development, such as those for health research and for grants to States for construction, also lay the foundation for future economic progress and development. However, the bulk of the benefits and services are for current expenses, including veterans' benefits; aids to agriculture; aids and subsidies to shipping, airlines, and the postal service; and grants to States for public assistance and administration of employment offices and unemployment insurance.

Expenditures for civil benefits

[Fiscal years. In billions]

	1955 actual	1956 estimated	1957 estimated
Additions to Federal assets	$3.8	$2.3	$2.4
Long-range development	1.7	2.0	2.4
Current expense items	8.2	9.5	9.1
Total	13.7	13.8	13.9

My recommendations for the fiscal year 1957 under this heading of civil benefits are designed to build for the future by assisting further in the strengthening of agriculture; in the promoting of labor standards; in the building of schools; in the expansion of research and training in science, health, and agriculture; in the modernization of our highways; in the improvement of housing and urban facilities; in the enlargement of our airway traffic capacity; in the replacement of our merchant fleet; and in the conservation of our natural resources.

The estimated expenditure for each of the civil benefits and services (shown in detail on p. 1120) represents the best judgment of this administration of what is required and can be used effectively during the coming year to meet our growing needs.

In discharging the responsibility for fostering a growing prosperity that is widely shared, I have been mindful of two principles.

First, we will progress fastest by relying on private initiative as the mainspring for economic growth and a better life for all. In encouraging economic growth, the Government should act on the basis of enabling private activity to expand and not on a basis of replacing private with public activity. My recommendations, therefore, are designed to encourage private initiative and to contribute toward, or, in some cases, to undertake tasks which private enterprise cannot perform alone.

Second, the interests of our citizens are best advanced by encouraging State and local governments to strengthen themselves and thus keep as much Government responsibility as possible in the States and communities, close to the people themselves. The Federal actions which I am proposing are designed to meet real and pressing needs which most smaller governmental units cannot cope with by themselves. Our endeavor is to help fill the gap between the need for essential services, on the one hand, and the present ability of State and local governments to meet those needs, on the other. Wherever possible and logical, I propose that responsibility and costs be shared by these other governmental units.

A corollary of these two principles is that where Federal action is necessary, it should be taken, if possible, in a way that need not entail large or continuing Federal outlays. For some activities, Federal guaranties will encourage the availability of private credit. For other activities, partnership with private or State and local government interests will multiply the effectiveness of Federal expenditures.

Many services performed and privileges granted by the Government in the public interest also convey a special, added benefit to individuals or groups who can afford to pay for them. In some cases, the services are now provided without charge. In other cases, the fees are substantially below the costs of providing the services. Thus, the general taxpayer is required to subsidize operations which should be self-supporting. The scope and cost of these hidden subsidies have grown considerably during the past decades. I firmly believe in the principle that Government services which give a special benefit to users should be financed by adequate charges paid by the users.

In furtherance of this principle, I strongly recommend that the Congress enact legislation to increase postal rates so that users are no longer subsidized from general funds.

Civil operations and administration: Budget items for civil operations and administration are predominantly the traditional expenses of the Government. They are the largest in number but not the largest in amount. They cover the bulk of the expenditures for the legislative branch, the judiciary, and various regulatory activities, as well as the administrative expenses of many cabinet departments and independent agencies.

They also include expenses for tax collection and various central management services.

These programs have a greater significance than their small proportion of the total budget would indicate. I am recommending selective increases in appropriations and expenditures for a number of them.

For example, we should increase our representation abroad—particularly in a number of countries with which our relations are becoming increasingly vital. A strengthening of our foreign relations will pay dividends in terms of better mutual understanding and friendship. Likewise, my proposals for reducing the backlogs of cases pending in our Federal courts and before our regulatory commissions will bring benefits greater than their costs. Increased funds for central property and records management will enable us to achieve greater economies in carrying out the other activities of our Government.

Expenditures by controllability: Another way of looking at and grouping budget expenditures is from the point of view of their controllability through the budget process. Each year when a budget is being determined, a large amount cannot be substantially modified by actions of the executive branch or of the Congress through the appropriations process but only by longer term review and action. In the fiscal year 1957, about one-quarter of the estimated budget expenditures are dictated by factors not readily subject to administrative discretion through the budget process.

Interest is the largest example of such an expenditure. Most of the other relatively uncontrollable programs, such as agricultural price supports, veterans' compensation and pensions, and various grants to States, are in the field of civil benefits as classified in the previous section.

Budget expenditures indicating controllability

[Fiscal years. In millions]

Description	1955 actual	1956 estimated	1957 estimated
Major national security programs	$40,626	$39,467	$40,370
Major programs which are not readily controllable:			
Veterans' compensation, pensions, and selected benefit programs	3,519	3,770	3,842
Veterans' unemployment compensation	106	115	118
Grants to States for public assistance	1,427	1,488	1,478
Commodity Credit Corporation (net) [1]	3,414	2,211	1,694
Removal of surplus agricultural commodities	59	225	265
Conservation of agricultural land resources	235	220	220
Federal-aid highway grants	595	740	800
Grants to States for unemployment compensation and employment service administration	194	230	255
Payment to the unemployment trust fund	64	87	81
Claims and relief acts	142	168	185
Payments to Federal employees' retirement funds	30	234	296

[1] For purposes of comparability, includes expenditures from appropriations to reimburse the Corporation.

Budget expenditures indicating controllability—Continued

[Fiscal years. In millions]

Description	1955 actual	1956 estimated	1957 estimated
Major programs which are not readily controllable—Con.			
Payment to railroad retirement fund for military service credits	-------	-------	$2
Unemployment compensation for Federal employees	$19	$32	33
Legislative and the judiciary	96	135	164
Interest	6,438	6,875	7,066
Total	16,338	16,530	16,499
All other programs	7,606	8,273	8,996
Total	64,570	64,270	65,865

NEW AUTHORITY TO INCUR OBLIGATIONS

Before any budget expenditures can be made, the Congress must first authorize Federal agencies to incur obligations. This authority, ordinarily provided in the form of appropriations, may or may not lead to the immediate expenditure of funds. In the case of salaries and the purchase of supplies, the expenditure will ordinarily follow closely the incurring of the obligation. For other items such as ships, aircraft, and complex military equipment, the expenditure may follow the incurring of the obligation by several years.

Unexpended balances of appropriations carried over from prior years ran to nearly 80 billion dollars when this administration took office and represented an enormous backlog of commitments for which expenditures had to be made in the fiscal year 1954 and subsequent years. These balances represented, in effect, c. o. d. orders which had to be paid for in cash when the goods were delivered and constituted a heavy overhanging load for the budget on top of the appropriations being enacted currently.

By the end of fiscal year 1956 we expect to have reduced these balances by well over a third, to below 50 billion dollars, a level believed more reasonable in its relation to actual needs for current operations.

For the fiscal year 1957, requested new authority to incur obligations is about the same as estimated budget receipts and slightly greater than estimated expenditures. However, the backlog of unexpended balances of appropriations will be further reduced as some appropriations enacted in prior years will be allowed to lapse. This continues the policy of the two previous budgets I sent to the Congress, in which I emphasized the importance of actions to eliminate excessive accumulations of unexpended balances, which so frequently invite commitments leading to unnecessary future expenditures.

Of the total new authority I am recommending for the fiscal year 1957, action by this session of the Congress will be required for 58.3 billion dollars. The remainder consists of previously enacted permanent authorizations under which new authority becomes available each year without new action by the Congress. An example is interest on the public debt.

New authority to incur obligations

[Fiscal years. In billions]

	1955	1956	1957
Proposed for enactment in this session:			
Recommended at this time	-------	-------	$49.7
Proposed for later transmission:			
Under existing legislation	-------	$0.6	.1
Under proposed legislation	-------	.2	8.5
Total	-------	.8	58.3
Enacted prior to this session:			
Current authorizations	$49.3	52.7	-------
Permanent authorizations	7.8	8.5	8.0
Total	57.1	62.0	66.3

LEGISLATIVE PROGRAM

I have outlined in my message on the state of the Union the legislative proposals which I consider vital to our continued progress. Detailed recommendations will be presented to the Congress on certain of these proposals. The budgetary estimates for the fiscal year 1957 for my legislative proposals are summarized in the table below.

Summary of legislative proposals

[Fiscal year 1957. In millions]

Program	Recommended new authority to incur obligations	Estimated expenditures
NEW LEGISLATION		
Agriculture—soil bank and accompanying proposals	[1] $450	[1] $400
Area redevelopment	50	10
Atomic energy plant construction	144	40
Bureau of Reclamation and Corps of Engineers projects	46	21
Department of Defense—military public works and personnel incentives (net)	1,117	200
Flood indemnity	100	25
Postal rate increases	−350	−350
Public health—new proposals	76	24
School construction—general assistance program	376	150
Tennessee Valley Authority steam plants (revenue bonds)	68	24
Other proposals	68	47
Total, new legislation	2,145	591
EXTENSION OF EXISTING LEGISLATION		
College housing	100	-------
Federal-aid highways and forest highways	898	-------
Mutual Security Program	4,860	990
Public assistance grants	166	166
School construction—assistance in federally affected areas	88	5
Other proposals	6	29
Total, extension of existing legislation	6,118	1,190
Reserve for contingencies	250	225
Total, legislative proposals	8,512	2,006

[1] In addition, proposed refunds to farmers of Federal taxes on gasoline used in farm operations are estimated at $60 million in 1957.

These estimates cover only the proposals for which financial authorizations cannot be enacted prior to enactment of enabling legislation. Often they supplement programs for which expenditures are included elsewhere in the budget.

For example, the amounts shown in the above table for my proposals for strengthening agriculture are only part of the total in the budget for agricultural programs.

Pending final determination of the amounts required for the recommended program for highways, the dollar estimates included in this budget under proposed legislation cover only the continuance of the present annual authorization. The new highway program should be soundly financed so as not to create budget deficits.

BUDGET RECEIPTS AND TAX POLICY

I have already indicated in my state of the Union message the broad outlines of our tax policies. I shall summarize them here.

We have noted that in 1954 reductions in spending made possible—and appropriate in the existing circumstances of transition to a peacetime economy—the largest dollar tax cut in any year in our history. Almost 7½ billion dollars were cut from the sums required of the taxpayers and every taxpayer in the country benefited. Almost two-thirds of the savings went directly to individuals. This tax cut also helped to build up the economy, to make jobs in industry, and to increase the production of the many things desired to improve the scale of living for the great majority of Americans.

The strong expansion of the economy, coupled with a constant care for efficiency in Government operations and an alert guard against controllable waste and duplication, has brought us to a prospective balance between income and expenditure. This is being achieved while we continue to strengthen the military security forces and enlarge services to the public.

To reach a balanced budget in the fiscal year 1956 and in the fiscal year 1957, it will be necessary in addition to continuing everyday efforts to keep spending under control, to continue all the present excise taxes without any reduction and the corporation income taxes at their present rates for another year beyond April 1, 1956.

Based on the extension of these tax rates, budget receipts in the fiscal year 1957 are estimated at 66.3 billion dollars, 1.8 billion dollars higher than in the current year.

Budget receipts

[Fiscal years. In billions]

	1955 actual	1956 estimated	1957 estimated
Individual income taxes	$31.7	$33.6	$35.1
Corporation income taxes	18.3	20.3	20.3
Excise taxes	9.2	9.9	9.9
Other taxes (net of transfers to trust funds)	2.1	2.0	2.1
Miscellaneous receipts	2.6	2.5	2.8
Refunds of receipts (−)	−3.4	−3.8	−3.9
Total	60.4	64.5	66.3

It is unquestionably true that our present tax level is very burdensome and, in the interest of long term and continuous economic growth, should be reduced when we prudently can. It is essential, in the sound management of the Government's finances, that we be mindful of our enormous national debt and of the obligation we have toward future Americans to reduce that debt whenever we can appropriately do so. Under conditions of high peacetime prosperity, such as now exist, we can never justify going further into debt to give ourselves a tax cut at the expense of our children. So, in the present state of our financial affairs, I earnestly believe that a tax cut can be deemed justifiable only when it will not unbalance the budget, a budget which makes provision for some reduction, even though modest, in our national debt. In this way we can best maintain fiscal integrity.

PUBLIC DEBT

On the basis of present estimates, we should be able to end the current fiscal year with a small reduction in the public debt, and a small further reduction is anticipated for the fiscal year 1957.

Public debt

[Fiscal years. In billions]

	1955 actual	1956 estimated	1957 estimated
Public debt at start of year	$271.3	$274.4	$274.3
Change due to budget deficit (+) or surplus (−)	+4.2	−.2	−.4
Other changes in public debt	−1.1	+.1	−.1
Public debt at end of year	274.4	274.3	273.8
Public debt subject to legal limit at end of year	273.9	273.8	273.3

The immediate economic effects of the public debt depend partly on its management. During each year various issues of Government securities become due and refinancing must be arranged. In the past several years the Treasury has cooperated closely with the Federal Reserve System to assure that the management of the debt is consistent with our general monetary and credit policies. These actions have helped sustain a sound and growing business activity without inflation or deflation.

The Treasury has also taken steps toward lengthening the average maturity of the debt so as to avoid its becoming concentrated too heavily in short-term issues. Further, the number of financing operations each year has been reduced. These actions lessen the impact of Treasury financing on the market, and give the Federal Reserve System greater freedom in its operations.

Last year the Congress extended through June 1956 a temporary increase during the fiscal year in the statutory debt limit from 275 billion dollars to 281 billion dollars, so that the Treasury could meet its heavy temporary borrowing needs during the first half of the fiscal year 1956, when tax receipts are seasonally low. The Treasury is currently operating within 1 billion dollars of the temporary debt ceiling, and on cash balances that at some periods offer little flexibility in the management of Government finances. Even with a balanced budget in 1956 and 1957, seasonal borrowing in the first half of fiscal year 1957 will temporarily bring the debt above the 275 billion dollar limit. Therefore, a continuation of the legislation allowing a temporary increase during the year in the statutory debt limit is required.

RECEIPTS FROM AND PAYMENTS TO THE PUBLIC

The budget receipts and expenditures discussed so far reflect transactions in funds belonging to the Federal Government. The Government also collects and pays out sizable sums for the various funds which it holds in trust for others, such as old-age and survivors insurance, railroad retirement, unemployment compensation, veterans' life insurance, and Federal employees' retirement.

Summary of major trust funds

[Fiscal years. In billions]

	1955 actual	1956 estimated	1957 estimated
Balance in funds at start of year	$44.9	$45.9	$48.4
Receipts	9.1	11.2	11.5
Expenditures	8.1	8.7	9.7
Balance in funds at close of year	45.9	48.4	50.2

These trust funds are currently accumulating surpluses because payments into them are being made by a great many more people than are now drawing benefits. The rate of accumulation is gradually declining as more people become eligible for benefits, but will still amount to an estimated 1.8 billion dollars in the fiscal year 1957.

The flow of money between the public and the Government as a whole is shown in the table below by consolidating budget transactions with trust fund transactions and by eliminating intragovernmental payments and receipts. The relationship of receipts from and payments to the public is sometimes used to measure the inflationary or deflationary impact, if any, of Government financial operations on the economy. More detail on this consolidation can be found in special analysis A, pages 1083 to 1085 of this budget.

Receipts from and payments to the public, excluding borrowing

[Fiscal years. In billions]

	1955 actual	1956 estimated	1957 estimated
Receipts from the public	$67.8	$73.5	$75.4
Payments to the public	70.5	71.0	72.9
Excess of receipts from the public	-------	2.4	2.4
Excess of payments to the public	2.7	-------	-------

An excess of Federal cash receipts from the public is estimated for both the fiscal years 1956 and 1957.

SUMMARY TABLES

The following two pages present tables showing key budget figures on both new authority to incur obligations and expenditures for each major program and for each major agency. These tables are followed by a discussion of the programs covered by the budget, including the legislative recommendations.

Summary of New Obligational Authority

BY FUNCTION AND AGENCY

Based on existing and proposed legislation

[Fiscal years. In millions]

Description	1955 enacted	1956 estimated			1957 estimated		
		Enacted	Proposed for later transmission	Total	Recommended in this document	Proposed for later transmission	Total
BY FUNCTION							
Major national security	$33,656	$35,870		$35,870	$35,482	$4,262	$39,743
International affairs and finance	2,304	2,110	$8	2,118	416	1,916	2,332
Veterans' services and benefits	4,369	4,597	208	4,805	4,847	45	4,892
Labor and welfare	2,614	2,627	180	2,807	2,680	707	3,387
Agriculture and agricultural resources	2,672	3,311	13	3,324	2,395	478	2,872
Natural resources	966	985	60	1,045	1,009	112	1,121
Commerce and housing	2,919	3,392	100	3,492	2,200	806	3,006
General government	1,138	1,454	71	1,525	1,565	56	1,621
Interest	6,438	6,875		6,875	7,066		7,066
Reserve for contingencies			125	125		250	250
Total new obligational authority	57,076	61,219	766	61,984	57,659	8,632	66,291
BY AGENCY							
Legislative branch	106	120	9	129	87		87
The judiciary	32	36	1	37	41		41
Executive Office of the President	9	10	(b)	10	10		10
Funds appropriated to the President	2,796	2,728	25	2,753	10	4,860	4,870
Independent offices:							
Atomic Energy Commission	1,285	1,179		1,179	1,693	144	1,837
Veterans Administration	4,358	4,555	208	4,763	4,805	45	4,850
Other	1,042	725	41	766	935	118	1,052
General Services Administration	533	701	6	707	218		218
Housing and Home Finance Agency	584	883	5	888	335	202	537
Department of Agriculture	2,841	3,574	26	3,600	2,673	478	3,150
Department of Commerce	1,438	1,535	64	1,600	686	950	1,635
Department of Defense—Military Functions	30,787	33,147		33,147	33,790	1,117	34,907
Department of Defense—Civil Functions	468	614	36	650	644	21	665
Department of Health, Education, and Welfare	2,010	1,990	144	2,133	1,950	705	2,654
Department of the Interior	491	500	15	514	549	33	582
Department of Justice	189	200	12	212	236		236
Department of Labor	447	469	15	484	500	2	502
Post Office Department (general fund)	363	441		441	470	[d] 350	120
Department of State	131	144	6	150	183	56	239
Treasury Department	7,137	7,639	25	7,664	7,813		7,813
District of Columbia (general fund)	30	30	2	32	33	2	35
Reserve for contingencies			125	125		250	250
Total new obligational authority	57,076	61,219	766	61,984	57,659	8,632	66,291

[b] Less than one-half million dollars.

[d] Deduct, proposed postal rate increase.

Summary of Budget Expenditures

BY FUNCTION AND AGENCY

Based on existing and proposed legislation

[Fiscal years. In millions]

Description	1955 actual			1956 estimated			1957 estimated		
	Gross expenditures	Applicable receipts [1]	Net expenditures	Gross expenditures	Applicable receipts [1]	Net expenditures	Gross expenditures	Applicable receipts [1]	Net expenditures
BY FUNCTION									
Major national security	$41,124	$498	$40,626	$39,737	$271	$39,467	$40,674	$305	$40,370
International affairs and finance	2,514	333	2,181	2,497	444	2,053	2,591	484	2,108
Veterans' services and benefits	4,496	39	4,457	4,839	46	4,793	4,934	55	4,879
Labor and welfare	2,554	1	2,552	2,769	2	2,767	2,997	2	2,995
Agriculture and agricultural resources	9,324	4,913	4,411	8,575	5,199	3,376	9,070	5,706	3,364
Natural resources	1,304	223	1,081	1,302	256	1,045	1,297	266	1,031
Commerce and housing	6,139	4,517	1,622	6,259	4,077	2,182	6,299	4,228	2,071
General government	1,204	3	1,201	1,614	3	1,611	1,760	3	1,757
Interest	6,438		6,438	6,875		6,875	7,066		7,066
Reserve for contingencies				100		100	225		225
Total budget expenditures	75,097	10,527	64,570	74,567	10,298	64,270	76,914	11,049	65,865
BY AGENCY									
Legislative branch	65		65	98		98	123		123
The judiciary	30		30	37		37	41		41
Executive Office of the President	9		9	10		10	10		10
Funds appropriated to the President	4,881	501	4,381	4,736	274	4,462	4,662	309	4,353
Independent offices:									
Atomic Energy Commission	1,857	(b)	1,857	1,715	(b)	1,715	1,946	(b)	1,946
Veterans Administration	4,505	100	4,405	4,841	109	4,732	4,945	125	4,820
Other	3,008	2,504	504	3,301	2,630	671	3,510	2,804	706
General Services Administration	978	5	973	662	4	658	560	4	556
Housing and Home Finance Agency	1,270	1,117	153	1,118	1,099	19	1,287	1,354	[a] 67
Department of Agriculture	7,655	3,018	4,636	6,964	3,312	3,653	7,372	3,711	3,661
Department of Commerce	1,096	20	1,077	1,333	35	1,298	1,461	33	1,428
Department of Defense—Military Functions	35,533	(b)	35,532	34,575	(b)	34,575	35,547	(b)	35,547
Department of Defense—Civil Functions	646	97	548	693	91	602	715	86	629
Department of Health, Education, and Welfare	1,994	2	1,993	2,134	2	2,132	2,305	2	2,303
Department of the Interior	548	32	515	586	29	557	643	28	616
Department of Justice	182		182	219		219	218		218
Department of Labor	395	1	394	460	1	459	494	2	492
Post Office Department	2,733	2,376	356	2,945	2,461	483	2,680	2,563	117
Department of State	137		137	154		154	167		167
Treasury Department	7,553	753	6,800	7,861	250	7,611	7,969	27	7,942
District of Columbia (general fund)	22		22	25		25	33		33
Reserve for contingencies				100		100	225		225
Total budget expenditures	75,097	10,527	64,570	74,567	10,298	64,270	76,914	11,049	65,865

[1] Receipts of certain Government corporations, the postal service, and other revolving funds the receipts of which come primarily from outside the Government. These funds are listed in the respective chapters of pt. II as "Public enterprise funds."

[a] Deduct, excess of repayments and collections over expenditures.

[b] Less than one-half million dollars.

MAJOR NATIONAL SECURITY

Budget expenditures for major national security programs in the fiscal year 1957 are estimated at 40.4 billion dollars, 903 million dollars more than estimated for the fiscal year 1956.

To build our military strength effectively and efficiently, peaks and valleys in security spending and in defense production must be avoided. I want to emphasize again the importance of a sound, long-range program which does not arbitrarily assume a fixed date of maximum danger. Military planning must combine present defense with the probable needs of a long period of uncertain peace.

Major national security

[Fiscal years. In millions]

Item	New obligational authority			Expenditures		
	1955 actual	1956 estimated	1957 estimated	1955 actual	1956 estimated	1957 estimated
Gross budget expenditures:						
Department of Defense—Military Functions:						
Direction and coordination of defense	$13	$13	$15	$13	$13	$14
Air Force defense	12,137	15,490	15,430	16,407	15,960	16,535
Army defense	7,764	7,351	7,731	8,899	8,510	8,582
Navy defense	10,221	9,640	10,006	9,733	9,435	9,565
Other central defense activities	653	654	607	481	657	651
Proposed legislation			1,902			200
Transfer from Department of Defense revolving funds to general accounts (proposed legislation)			−785			
Total, Department of Defense	30,787	33,147	34,907	35,533	34,575	35,547
Development and control of atomic energy:						
Present programs	1,285	1,179	1,692	1,857	1,715	1,905
Proposed legislation			144			40
Stockpiling and defense production expansion:						
Present programs	380	521		1,442	983	678
Proposed legislation						4
Mutual security program—military:						
Present programs	1,204	1,022		2,292	2,464	2,100
Proposed legislation			3,000			400
Total	33,656	35,870	39,743	41,124	39,737	40,674
Deduct applicable receipts:						
Defense production expansion				497	270	304
Other				(a)	(a)	(a)
Net budget expenditures				40,626	39,467	40,370

[a] Less than one-half million dollars.

Department of Defense: During the past 3 years our defense program has been successfully reoriented to reflect the changing nature of the threat to our security, the revised requirements brought about by the end of the Korean conflict, and the increasing availability of new weapons of unprecedented strategic and tactical importance.

This reorientation has been accomplished by developing our defense program on the basis of the following policies and concepts:

1. Gearing our defense preparations to a long period of uncertainty instead of to a succession of arbitrarily assumed dates of maximum danger.

2. Maintaining the capability to deter a potential aggressor from attack and to blunt that attack if it comes—by a combination of immediate retaliatory power and a continental defense system of steadily increasing effectiveness.

3. Developing military forces which minimize numbers of men by making maximum use of science and technology.

4. Relating the number and degree of readiness of major units in the active forces to the practical limitations on the rapid deployment of major military forces from the United States immediately upon the outbreak of aggression, and relying, for the remainder, on ready reserve forces.

5. Utilizing military personnel on active duty with maximum effectiveness so as to hold to a minimum the number of men withdrawn from work in the civilian economy.

6. Concentrating our efforts on those forces which best complement the forces our allies are most capable of raising and supporting.

7. Maintaining a strong and expanding peacetime industrial structure, readily convertible to the tasks of defense and war.

The readjustment of our military forces in line with these principles is providing this Nation with the greatest military power in its peacetime history. My recommendations for the fiscal year 1957 continue the same basic policies and concepts.

This budget provides funds for an average of 2,815,700 military personnel on active duty during the fiscal year 1957. Total military personnel on active duty will increase to 2,838,400 at the end of fiscal year 1957 from the number of 2,814,100 estimated to be on active duty at the end of the current fiscal year. In order to permit flexibility in planning and operations, a military personnel ceiling has been authorized for the fiscal year 1957, totaling 2,906,000, excluding Army cadets, Navy aviation cadets, and midshipmen. However, no increase will be made above the military personnel levels provided for in this budget except upon detailed justification to, and approval by the Secretary of Defense.

During the fiscal year 1957 there will be significant increases in certain combat elements, particularly units employing new weapons and units assigned to continental defense. These increases, together with the continued modernization of the weapons and equipment, will further enhance the combat power and effectiveness of our forces.

My recommendations for the military functions of the Department of Defense for the fiscal year 1957 will require congressional authorizations amounting in total to 35.7 billion dollars. Of this amount, it is proposed that 785 million dollars be provided by transfer of existing authority from revolving funds. Thus, the new authority proposed for 1957 is 34.9 billion dollars, which is 1.8 billion dollars more than the amount voted by the Congress for the current fiscal year. Expenditures are expected to total 35.5 billion dollars, compared with a present estimate of 34.6 billion dollars for the current fiscal year.

The increases in new authority to incur obligations and in expenditures in the fiscal year 1957 reflect, in large part, the cost of keeping our forces modern.

Continued improvements in technology and weapons can be expected and they will tend to increase costs unless offsetting savings can be found. Replacement, maintenance, and operations will require a high level of expenditures in the fiscal year 1957 and for years to come. Therefore, the management of our military programs must have continuing study and scrutiny. Constant efforts must be made to plan carefully in advance, to increase efficiency, and to reduce costs and expenditures.

Department of Defense costs by major categories

(Based on existing and proposed legislation)
[Fiscal years. In millions]

Cost category	Net budget expenditures			Recommended new obligational authority for 1957
	1955 actual	1956 estimated	1957 estimated	
Military personnel:				
Active forces	$10,643	$10,341	$10,336	$10,506
Retired pay	419	494	520	525
Operation and maintenance	7,905	8,351	9,100	9,603
Major procurement and production	(12,997)	(11,823)	(11,719)	(10,305)
Aircraft	8,037	6,880	6,751	5,315
Ships	1,009	955	1,032	1,336
Guided missiles	631	918	1,276	1,776
Other	3,319	3,070	2,659	1,878
Military public works	1,582	1,899	1,817	1,702
Reserve components	717	863	1,087	1,199
Research and development	1,397	1,370	1,430	1,532
Establishmentwide activities	235	258	263	320
Working capital (revolving) funds	−364	−824	−725	
Transfer from Department of Defense revolving funds to general accounts (proposed legislation)				−785
Total	35,532	34,575	35,547	34,907

Military personnel costs for the active forces, which include pay, allowances, subsistence, clothing, and related items, will be the same in the fiscal year 1957 as in 1956.

Retention of trained and experienced personnel is one of the most difficult problems confronting the armed services today. Every reasonable measure must be taken to increase the attractiveness of a service career. Therefore, I am again recommending legislation to provide added incentives for the members of our Armed Forces. My principal proposals are for the uniform provision of medical care for dependents,

adequate and equitable benefits for survivors, improved career inducements for medical personnel, and reasonable rentals for those occupying substandard Government quarters. This budget also provides for a proposed increase in the proportion of career officers to total officer personnel.

The cost of operation and maintenance will rise in the fiscal year 1957, notwithstanding a decrease in the number of civilian personnel. Major reasons for the higher costs are (1) the greater number of air bases, radar sites, and other installations which must be supported in the coming fiscal year, (2) the sizable increase in the numbers of weapons and amount of equipment which must be operated and maintained, and (3) the growing complexity of new weapons and equipment.

Major procurement and production expenditures in the fiscal year 1957 will be about the same as in the current fiscal year. However, there will be a shift in emphasis within this total in line with the policy of modernizing our forces.

Approximately 6.8 billion dollars is estimated for procurement of aircraft, chiefly for the Air Force and the Navy. The accelerated production programs for the B–52 long-range jet bomber and the F–101 and F–104 supersonic interceptors will be continued in the fiscal year 1957. In addition, there will be substantial procurement of the Navy's new supersonic F–8U fighter.

Expenditures for the procurement of guided missiles will be the highest in our history, increasing by more than one-third over 1956 and about double the amount spent for this purpose during 1955.

Expenditures for electronic and communications equipment will remain high during the fiscal year 1957, to meet the needs for continental defense and our combat forces. Expenditures for ammunition, combat vehicles, trucks, and other major equipment items, will continue to decline because our requirements have now been met in large part.

This budget provides for continuation of the Navy shipbuilding program at a slightly higher level than in the fiscal year 1956 in order to carry forward the modernization of the fleet, most of which was built during World War II. In addition to those already authorized by the Congress, there is included in the proposed shipbuilding program for 1957 the construction of a sixth carrier of the *Forrestal* class, additional nuclear-powered submarines, guided-missile destroyers and frigates, and an experimental nuclear-powered cruiser. Provision is also made for developing a practical nuclear powerplant for future installation in ships of the large carrier class. Conversion of ships now in the fleet will be undertaken to provide them with additional nuclear weapons and with guided missile capabilities, and to permit them to operate modern high-speed aircraft.

Military public works will continue slightly below the level of the current year. This budget provides for the construction in the fiscal year 1957 of facilities associated with the continental air defense system, including *Nike* sites; further additions to the aircraft warning systems, including the *Distant Early Warning Line;* guided missile facilities; and air bases for the Navy and Air Force.

Expenditures for our Reserve components in the fiscal year 1957 will be considerably greater than in 1956, reflecting an increase during the year of about 130,000 reservists in drill pay status and further expansion of facilities for the Reserve forces. The number of Reserve personnel engaged in regularly paid drills is expected to increase to 1.1 million by the end of 1957. In addition, this budget provides for 6 months' active duty training under the Reserve Forces Act of 1955 for about 80,000 Reserve forces personnel.

Research and development expenditures will be somewhat higher in the fiscal year 1957 than in the current year. Major emphasis will be placed on projects related to guided missiles, continental air defense, and to the application of nuclear energy for the propulsion of aircraft and ships. It is my belief that increased returns in military research and development can be obtained through a relatively stable program at approximately the present level which can utilize effectively our scientific and technological resources. Military research and development now engages a substantial proportion of the scientists and engineers employed in research and development in the Nation. Care must be exercised in selecting the projects to be supported, and efforts must be concentrated on those of high priority.

Continued progress has been made during the past year in improving the management of the Department of Defense. The Secretary of Defense is giving careful study to the recommendations of the Commission on Organization of the Executive Branch of the Government and its task forces on defense activities. Some of these recommendations have already been put into effect; in certain other cases, they have been adopted in modified form, consistent with the objectives of the Commission report. Responsibility for supplying all food, which costs 1.2 billion dollars annually, has been placed under the Secretary of the Army. A single food-supply system for bulk procurement and storage will eliminate duplicate storage facilities and costly crosshauling. The three military departments have also been directed to undertake joint planning and utilization of all the health and medical resources of the Department of Defense.

Financial management has been made more effective by increasing the scope of stock funds. These funds currently cover inventories of over 8.2 billion dollars, and their coverage will be expanded. Stock funds are used to buy supplies and equipment, and to control inventories centrally. Each of the services then meets its needs by purchasing from this central stock. This method makes possible a better distribution of supplies and equipment with a minimum inventory. It encourages cost consciousness throughout each of the services. As a result, in the last 3 fiscal years 2.5 billion dollars have been recovered from the stock funds as inventories were reduced. Further reductions in inventories this year will make available additional surplus capital of 785 million dollars in the Army, Navy, and Marine Corps stock funds. This surplus is applied in this budget to reduce the amount of new authority to incur obligations which would otherwise be required for the fiscal year 1957.

Industrial funds are being used to serve the same kind of businesslike purpose in commercial- and industrial-type installations. During the fiscal year 1957 industrial fund financing will be extended to additional activities in each of the services. This will greatly increase the volume of business, currently amounting to about 1.8 billion dollars, conducted under such funds.

Civil defense: The key to our civil defense is the expanded continental defense program, including the distant early warning system. Additional progress has been made in the civil defense program under the Federal Civil Defense Administration, whose expenditures are classified with those for civil disasters in the commerce and housing section of the budget. Comprehensive studies are being conducted jointly by the Federal Civil Defense Administration, the States, and critical target cities to determine the best procedures that can be adopted in case of an atomic attack. Such planning has vital national importance and parallels the necessity for maintaining a strong military establishment.

This budget provides for a strengthened effort on the part of the Federal Government to assist the States and cities in devising the most effective common defense. It includes funds to extend civil defense preparations in more metropolitan target zones in accordance with recent recommendations of a special committee on civil defense. Funds also are included to accelerate procurement of field-type emergency hospitals and increase stockpiles of medical and radiological supplies.

Development and control of atomic energy: We have long sought and we continue to seek, jointly with other nations, means to banish the threat of nuclear warfare which still confronts the world. Pending a trustworthy agreement, however, we must continue to increase our nuclear weapons stockpile which, together with the means of delivery, is the principal deterrent to armed aggression in the world. At the same time, we shall speed the development of the peaceful uses of atomic energy and make the resulting benefits, under appropriate controls, available to other nations for the well-being of all mankind. To this end we continue to hope that an international atomic energy agency will be established at an early date.

The United Nations Conference on the Peaceful Uses of Atomic Energy at Geneva last summer, which grew out of a proposal by the United States, not only facilitated the exchange of technical information but served to emphasize the great promise of atomic energy for peace.

So that we may further demonstrate this great promise, I recommend again that the Congress take early action to authorize the construction of a nuclear-powered ship, using an atomic propulsion plant already developed, which will carry the message of "Atoms for Peace" to the ports of the world. The Atomic Energy Commission has sufficient funds available for construction and installation of the propulsion plant and machinery, and I shall request additional funds for the fiscal year 1956 for the Department of Commerce for construction of a suitable hull.

Total expenditures for atomic energy in 1957 are estimated at 1.9 billion dollars, 230 million dollars more than in 1956.

Operating expenditures will increase from 1.4 billion dollars in the fiscal year 1956 to 1.6 billion dollars in 1957. Greater quantities of uranium ores and concentrates will be purchased. Production from the Commission's plants will increase but at reduced unit costs as the expanded facilities, soon to be completed, come into full operation. Research and development work in numerous areas, both civilian and military, will be expanded.

Capital expenditures in the fiscal year 1957 are expected to decline somewhat from 1956 levels. I shall propose to the Congress legislation to authorize new construction in 1957, principally for improvements to increase the efficiency, capacity, and safety of production plants and for research and development facilities.

The civilian applications of nuclear energy will receive even greater attention, not only in terms of Government expenditures, but also through the Commission's efforts to stimulate more participation and investment by private and public groups, particularly in the development of atomic power. As such participation increases, the share of power development costs financed by the Government should decrease. As part of its encouragement of the development of atomic power, the Commission plans in 1957 to continue specialized training of nuclear engineers and to expand its support of the training of nuclear engineers through fellowships and through provision of specialized training equipment to a number of universities. The Commission will also construct a special reactor for use by the Department of Defense in developing methods for preserving food through irradiation.

Great emphasis is being placed on the development of a larger variety of nuclear propulsion plants. To this end, funds are included under proposed legislation for additional developmental facilities at the National Reactor Testing Station in Idaho.

The Atomic Energy Commission will also step up research on controlled thermonuclear reactions as new discoveries may justify. This program, while long range, gives promise of yet greater dimensions to the potential peaceful uses of nuclear energy.

Continuing progress in basic research is fundamental to further advances in nuclear energy. The Commission will increase in the fiscal year 1957 its support of basic research in the physical and life sciences, including development and design studies of high-energy particle accelerators. The 1957 construction program will include new buildings at three of the Commission's laboratories.

Stockpiling and defense production expansion: As a result of the financial assistance provided under the Defense Production Act, substantially increased supplies of aluminum, copper, nickel, and other strategic materials are now available both for industry and for the national stockpile. To assure continued flexible authority for mobilization preparedness to meet future emergencies, I recommend extension of the Defense Production Act for 2 years.

An increasing number of stockpile objectives are being filled. Moreover, the high level of industrial activity has reduced the availability of some materials for stockpiling and required diversion of part of the new supply of a few materials to meet shortages in key industries. As a result, net expenditures for the stockpile and for defense production expansion are expected to decline from 713 million dollars in the fiscal year 1956 to 378 million dollars in 1957. No new authority to incur obligations is recommended for the fiscal year 1957, since sufficient authority is already available for continued rapid progress toward completion of established minimum objectives and for limited procurement to maintain essential elements of the mobilization base.

Under the administration's policy of finding constructive uses for our surplus agricultural commodities, strategic materials are being acquired by barter transactions with foreign suppliers. The Department of Agriculture plans to acquire additional strategic materials by barter during 1957. In the fiscal years 1956 and 1957, expenditures amounting to about 65 million dollars will be made under the appropriations for stockpiling to reimburse the Department of Agriculture for materials added to the national stockpile.

Mutual Security Program: Through the Mutual Security Program we shall continue to work jointly with our friends and allies in building and maintaining the defensive and economic strength of the free world. This long-range program, which includes military, economic, and technical assistance, is essential to our national security. Our assistance supplements the major efforts of other free nations, who themselves are bearing a large proportion of the total cost of our joint efforts. I shall subsequently transmit to the Congress my specific requests for authorization of appropriations for the fiscal year 1957 Mutual Security Program. These requests will cover my recommendations for military assistance and direct forces support, discussed in this section of the message, as well as for economic, technical, and other programs which are discussed in the international affairs and finance section.

Expenditures for the total Mutual Security Program in the fiscal year 1957 are estimated at 4.3 billion dollars, about 100 million dollars more than in 1956. Recommended new authority to incur obligations is 4.9 billion dollars, an increase of 2.2 billion dollars over the 2.7 billion dollars enacted for 1956. Requested new obligational authority for 1957 exceeds estimated expenditures for 1957 by approximately 600 million dollars reflecting the amount for additional funding of long lead-time items for delivery in future years.

Wherever possible, foreign currency proceeds from the sale of surplus agricultural products abroad under the Agriculture Trade and Development Act will be used to meet mutual security objectives.

Mutual security program

[Fiscal years. In millions]

	Net budget expenditures			Recommended new obligational authority for 1957
	1955 actual	1956 estimated	1957 estimated	
Military, including direct forces support:				
Present programs	$2,292	$2,464	$2,100	----
Proposed legislation	----	----	400	$3,000
Economic, technical, and other: [1]				
Present programs	1,927	1,726	1,202	----
Proposed legislation	----	----	590	1,860
Total	4,219	4,190	4,292	[2] 4,860

[1] Discussed in the international affairs and finance section of this message.

[2] Compares with new obligational authority of 2,781 million dollars in 1955 and 2,703 million dollars in 1956. Excludes an estimated 130 million dollars of authorizations to use existing balances.

Mutual Security Program, military: The program of military assistance for the fiscal year 1957 is planned primarily to continue equipping and training forces which we have helped develop and strengthen over the past years. Total expenditures for military assistance and direct forces support in the fiscal year 1957 are estimated at approximately the current rate of 2.5 billion dollars annually. To carry forward these programs, I am recommending new obligational authority of 3 billion dollars. Within this amount, 445 million dollars is requested for direct forces support in the fiscal year 1957 to supply items such as petroleum, rations, uniforms, and military construction services directly to the military forces of our allies.

In the fiscal years 1955 and 1956, the backlog of unexpended balances made it possible to maintain an adequate level of expenditures and deliveries while the amount of new authority to incur obligations was reduced. The backlog of unexpended balances for military assistance (including reservations for common-item orders) is being reduced from a total of 7.7 billion dollars at the beginning of the fiscal year 1955 to an estimated 4.5 billion dollars at the end of the current fiscal year. If deliveries of military equipment are to be maintained at the current rate, as I believe they must be, this level of unexpended

balances should not now be further reduced.

Our planning for the future includes helping to provide modern weapons that the forces which we help support can effectively use. In view of the long lead-time required, funds must be made available in advance so that the necessary negotiations and planning may be undertaken and procurement initiated for complex items such as jet aircraft, missiles, and electronics systems. Hence, for the fiscal year 1957, I am requesting new authority to incur obligations somewhat above the projected level of expenditures. Deliveries of equipment and the expenditure of funds will necessarily be spread over a number of years as defense plans involving modern weapons are completed and as our allies demonstrate their readiness to support a modern defense system adequately.

My recommendations will enable us to provide our NATO partners with the modern defense weapons and equipment which we are furnishing in increasing numbers to our own NATO forces in Europe. Although many European countries are now in a position to finance a greater share of the cost of maintaining their existing forces, they will require continuing help if our common defense effort is to be strengthened by modern weapons and techniques.

About one-half of the fiscal year 1957 program will be concentrated in Korea, Pakistan, Taiwan, and Turkey. The program will provide for necessary replacements and effective maintenance of materiel furnished in past years, and will also permit the further training of existing forces. In addition, we will continue to supply basic military equipment where necessary to strengthen further defensive capabilities in the Far and Middle East. Likewise, we will continue to provide moderate amounts of equipment to help maintain certain military units of our friends in Latin America who are cooperating in the development of hemispheric defenses.

INTERNATIONAL AFFAIRS AND FINANCE

The international programs which I am recommending for the fiscal year 1957 will vigorously carry forward our fundamental national policy to maintain peace and help build a strong, prosperous, and unified community of free nations.

During this past year, the United States has made positive new proposals aimed at relaxing international tensions. But it remains clear that the search for lasting peace will require patience, strength, and continued vigilance.

We will persist in exploring every possible means of solving the difficult problems which continue to divide the world. Meanwhile, we must further strengthen and improve the system of collective security. Moreover, it is of the utmost importance that, in cooperation with other free nations, we proceed steadily with long-range, positive programs to sustain and improve the conditions of human well-being which are necessary if peace with freedom is to endure.

To accomplish these objectives, I am proposing expenditures of 2.1 billion dollars in the fiscal year 1957 for our international programs.

International affairs and finance

[Fiscal years. In millions]

Program or agency	Expenditures			Recommended new obligational authority for 1957
	1955 actual	1956 estimated	1957 estimated	
Gross budget expenditures:				
Economic and technical development:				
Mutual Security Program (defense support, development assistance, technical cooperation, and other):				
Present programs	$1,928	$1,725	$1,200	--------
Proposed legislation	--------	--------	690	[1] $1,860
Investment guaranty program	3	4	6	--------
Export-Import Bank	229	276	20	--------
International Finance Corporation	--------	35	--------	--------
Refugee relief	8	13	11	8
Civil assistance (Department of Defense)	52	3	2	2
Emergency commodity assistance (Department of Agriculture)	61	186	192	89
Other	3	13	33	2
Foreign information and exchange activities:				
United States Information Agency	84	86	104	135
Department of State	14	18	18	20
Emergency fund for international affairs	2	6	2	--------
Conduct of foreign affairs (Department of State and others)	121	131	143	215
Total	2,514	2,497	2,591	[2] 2,332
Deduct applicable receipts:				
Export-Import Bank	330	361	391	--------
Investment guaranty program	4	4	4	--------
Department of Agriculture	--------	79	89	--------
Net budget expenditures	2,181	2,053	2,108	--------

[1] Excludes 45 million dollars of authorizations to use existing balances.

[2] Compares with new obligational authority of 2,304 million dollars in 1955 and 2,118 million dollars in 1956.

Mutual Security Program, economic: My recommendations for continuing military assistance under the Mutual Security Program were discussed previously, and the amounts involved were included as part of our major national security activities. Some of the countries to which we provide military assistance, however, do not have the economic capacity to support effective defensive forces which are necessary to our mutual security. We must continue to provide assistance to such countries to enable them to support the greater defensive strength that is our common goal. It is particularly important that we continue to help those nations which require assistance in order to participate effectively in regional collective security arrangements, notably those in Asia. This budget, therefore, includes funds for carrying on the defense support program in critical areas in southern Europe, the Middle East, South Asia, Southeast Asia, and the Far East.

The development of military strength as a deterrent to aggression, however, meets only a part of the challenge which faces the free world. Because the conditions of poverty and unrest in less developed areas make their people a special target of international communism, there is a need to help them achieve the economic growth and stability necessary to preserve their independence against Communist threats and enticements.

For our assistance to be as effective as possible, it must be based upon a realistic appraisal of potentialities for economic development and a careful determination of priorities among the many pressing needs in the less developed areas. My recommendations for the Mutual Security Program include funds for continuing selective loans and grants to certain less developed countries following experience gained in past years.

I am also recommending continuation of the worldwide technical cooperation program at a slightly increased level. Technical cooperation is an indispensable element in the successful attack which is being made on the basic problems of hunger, disease, and illiteracy. Through the efforts of American experts working in cooperating countries and by the training of foreign technicians in the United States, the knowledge and experience of our people are being shared in a cooperative effort to solve fundamental problems in health, education, public administration, agriculture, and industry which confront less developed countries. By these means we are helping to provide the skills which are required for economic development. In addition to continuing our own technical cooperation program, my recommendations provide for our annual contribution to the expanded technical assistance program of the United Nations and to the similar work of the Organization of American States.

We shall also continue and expand in the fiscal year 1957 our international program to provide training in the peaceful uses of atomic energy. Funds for this purpose are included in this budget as part of the Mutual Security Program.

Provision should be made for further contributions for the relief and rehabilitation of refugees from Palestine. In view of the current unrest in the Near East, our continued support is essential both for humanitarian reasons and to assist in achieving peace and stability in the area.

The budget also includes amounts for the escapee program and for contributions to the Intergovernmental Committee for European Migration and the

United Nations Refugee Fund, which aid in the relief and resettlement of refugees from behind the Iron Curtain and in emigration from Europe.

I shall recommend effective flexibility in the use of funds under the Mutual Security Program to enable us to respond to new situations which may arise. I also consider it essential that the Mutual Security Act be amended to assure greater continuity in providing economic assistance for development projects and programs which we approve and which require a period of years for planning and completion. Accordingly, I shall ask for limited authority to make longer term commitments for assistance for such projects, to be fulfilled from appropriations made in future years.

In furtherance of our basic foreign economic policy objective of stimulating international trade and investment, I am requesting a review of existing legislation to determine whether changes will be necessary to permit an expansion of the investment guaranty program. Under this program, private United States investors may be guaranteed against loss of their foreign investments or earnings through expropriation or inconvertibility of foreign currencies. The number of private investors and foreign governments participating in this program has steadily increased. We also need to encourage investment overseas by avoiding unfair tax duplications, and to foster foreign trade by further simplification and improvement of our customs legislation.

Export-Import Bank: The Export-Import Bank is assisting in the expansion of international trade and investment through direct loans and guaranties of private loans. Its loan and guaranty commitments are estimated at 960 million dollars in the fiscal year 1957, an increase of 255 million dollars over the previous year. Because of greater participation in loans by commercial banks and other sources of private capital, direct Federal disbursements in the fiscal year 1957 are estimated at less than one-third of the total new commitments. Repayments on loans made in prior years are expected to exceed disbursements from Export-Import Bank funds, thus providing estimated net receipts of 100 million dollars. Sales of portions of the existing loan portfolio to private financial institutions may increase this return.

Foreign information and exchange activities: The present international situation has made the work of the United States Information Agency increasingly vital to our national interest. I consider it of paramount importance that we expand our effort to bring the truth before the people of the world, explain our peaceful objectives, and show in its true light the Communist attempt to divide and destroy free world unity.

To this end, I strongly recommend that appropriations for our information program be increased by 48 million dollars from the level in the current fiscal year. This increase will provide for expanded use of overseas exhibits and other techniques to emphasize such subjects as our Atoms for Peace program, our proposals for mutual aerial inspection as a first step toward disarmament, and the many scientific and cultural achievements by which progressive capitalism under free, representative government is contributing to a peaceful, prosperous world. Overseas libraries will be expanded, and increased emphasis will be given to supplying books to foreign readers at low prices. Where appropriate, the program will capitalize on the effectiveness of television.

I am recommending a modest increase in appropriations for the educational exchange programs of the Department of State which constitute a basic element of our long-term effort to attain a better mutual understanding with other peoples of the world. These programs bring to this country leaders of public opinion and facilitate the mutual exchange of students, teachers, and research scholars. In addition to appropriated funds, part of the foreign currencies received from the sale of surplus agricultural commodities abroad will be used to meet certain overseas costs of educational exchange.

With the financial support of the President's Emergency Fund for International Affairs, we have sponsored, in cooperation with private industry, agricultural and industrial exhibits at international trade fairs which have effectively demonstrated the achievements of private enterprise in a free economy. Similarly, our cultural achievements have been presented throughout the world by American actors, dancers, and musicians during the past year. These trade fair and cultural presentations have been enthusiastically received abroad and have contributed significantly to a better understanding of our values and objectives as a nation. In view of the effectiveness of these activities, legislation will be recommended to authorize them on a continuing basis.

Conduct of foreign affairs: The Department of State is not now adequately equipped with either the staff or facilities which are required if it is to provide the timely, informed, and coordinated policy guidance which is vital to the success of our total international effort. I strongly recommend, therefore, that the Congress enact the requested increase of 89 million dollars in the appropriations for the Department of State for the fiscal year 1957.

A substantial part of this increase is for construction of an extension to the present Department of State building. This extension will permit all the Washington staff of the Department, including the International Cooperation Administration, to be accommodated in a single building rather than scattered, as at present, among 30 separate buildings. In addition, my recommendations include funds to cover costs in the first year of a long-range program to provide adequate physical facilities, including housing, for our diplomatic and consular establishments abroad.

Steps are already underway to strengthen the staff of the Department. This budget provides for further improvements, as well as for carrying forward the recruitment, training, employee benefit, and other programs initiated during the past 2 years. Increases are also proposed to permit the prompt and efficient discharge of our expanding consular responsibilities and to provide for the collection of more comprehensive commercial and economic data needed by American businessmen and Government agencies.

To provide for closer international economic cooperation and continued expansion of United States trade abroad, it is particularly important that our membership in the Organization for Trade Cooperation be approved. While this will not alter congressional control of our tariff, import, and customs policies, it will help us to remove discriminations against American exports and further strengthen our ties with other nations of the free world.

VETERANS' SERVICES AND BENEFITS

The greatest portion of budget expenditures for veterans is for direct benefits, such as compensation and pensions, indemnity payments, readjustment benefits, and hospital and medical care. These direct benefit costs have been increasing. At the same time overhead costs are being reduced through improved administration.

Budget expenditures for veterans' programs are estimated to total 4.9 billion dollars in the fiscal year 1957, 86 million dollars more than in 1956 and 422 million dollars more than in 1955.

We now have more than 22 million veterans. When benefits for dependents and survivors are considered, nearly one-half of our population is potentially entitled to veterans' benefits.

Therefore, continuing and careful attention must be given to veterans' services and benefits. These services and benefits will be increasingly significant as the veteran population ages, because benefit entitlement resulting from nonservice-connected infirmities associated with advancing age will replace eligibility for service-connected benefits as the major factor in the cost of veterans' programs.

The Congress and the public will want to join with this administration in giving careful consideration to the findings of the Commission on Veterans' Pensions which I appointed to study this problem. This Commission, which will report later this year, is reviewing thoroughly the relation of the existing nonmedical programs for veterans to each other and to the numerous civil benefits which the Nation now provides for the aged, the needy, the infirm, and the disabled—both veterans and others.

Steps to relate military service survivor benefits to old-age and survivors insurance benefits are already underway in a bill pending before the Congress. The additional cost of this legislation for those receiving veterans' benefits is provided in this section of the budget. The estimates of miltary expenditures, under proposed legislation, include an amount to cover the Government's share, as employer, of the old-age and survivors insurance contribution.

Veterans' services and benefits

[Fiscal years. In millions]

Program or agency	Expenditures			Recommended new obligational authority for 1957
	1955 actual	1956 estimated	1957 estimated	
Gross budget expenditures:				
Readjustment benefits:				
Education and training	$664	$725	$726	$724
Loan guaranty and other benefits (Veterans Administration)	43	46	50	51
Unemployment compensation (Department of Labor)	106	115	118	113
Compensation and pensions:				
Present programs	2,681	2,818	2,907	2,907
Proposed legislation			30	45
Hospital and medical care:				
Current expenses	692	757	758	762
Hospital construction	36	41	57	53
Insurance and servicemen's indemnities	67	127	80	57
Other services and administration (Veterans' Administration and others)	207	211	208	175
Total	4,496	4,839	4,934	[1] 4,892
Deduct applicable receipts:				
Insurance programs (Veterans' Administration)	10	17	25	
Other services and administration (Veterans' Administration, primarily canteen services)	29	29	30	
Net budget expenditures	4,457	4,793	4,879	

[1] Compares with new obligational authority of 4,369 million dollars in 1955 and 4,805 million dollars in 1956.

Readjustment benefits: A year ago, I issued a proclamation terminating accrual of eligibility for various wartime benefits. While it is still necessary to draft individuals for service in our Armed Forces, this service at present imposes neither the hazards of conflict nor as serious a disruption of education and other preparation for civilian life as was imposed upon our combat servicemen. The forthcoming report of the Commission on Veterans' Pensions will provide a useful framework for further consideration of the needs of our servicemen for readjustment benefits under present conditions.

The program of readjustment benefits for World War II veterans is drawing to a close. World War II veterans will account for less than 7 percent of the 1957 readjustment expenditures of the Veterans' Administration. For most of these veterans, unemployment compensation rights ended July 25, 1952, and educational programs will cease July 25, 1956. The ending of the loan guaranty program on July 25, 1957, will bring to a close a third major program. In each case, the law has set a termination date which establishes a proper balance between the nature of the benefit and a reasonable time for using it.

The timeliness and aptness of our veterans' readjustment programs are attested in many ways. Under the "GI bill," 7.8 million World War II veterans have received education and 4.5 million have acquired homes. Practically all World War II veterans have assumed their civilian status in our economy and share equitably in the general prosperity. As a group, they have made the transition from military to civilian life and do not require extension of these readjustment benefits. For those few individuals who have not completed the change to civilian life in 10 years, approaches other than veterans' readjustment benefits seem to be indicated.

The education and training of Korean veterans will account for the bulk of the readjustment benefit expenditures during 1957. The average of 540,000 veterans in training under this program during the year will be the highest for any year.

Loan guaranty expenditures are estimated to increase slightly, requiring 38 million dollars for acquisition of properties and for losses on defaulted loans. It is expected that 640,000 new loans, totaling 7.3 billion dollars, will be guaranteed or insured during the fiscal year. As in the past, nearly all will be for housing. This program will continue until 1965 for veterans of the Korean conflict.

Veterans who served in the Armed Forces during the period June 27, 1950, to January 31, 1955, are eligible for unemployment compensation under Federal law. These benefits are estimated at 118 million dollars in the fiscal year 1957.

Compensation and pensions: The most important elements in the continuing upward trend in expenditures for veterans' programs are compensation and pensions. Under existing legislation, significant increases in the cost of these direct payments may be anticipated annually until the end of this century, when payments may be twice their present yearly total of nearly 3 billion dollars. This long-term outlook arises chiefly from the very large number of veterans who may become entitled to pension benefits not connected with disabilities arising from their service.

In the fiscal year 1957, expenditures are estimated to increase 119 million dollars as a result of three factors. The largest is the increased number of pensions paid to veterans of World War I and their dependents. These pensions are non-service-connected benefits granted widows in financial need or needy veterans with disabilities which prevent them from following a substantially gainful occupation. Expenditures for these programs have doubled since 1950 and may double again in the next 5 years if the current trend continues.

Recently discharged veterans of the Korean conflict and of peacetime service who have service-connected disabilities are a second source of growth in compensation and pension expenditures. It is estimated that about 35,000 new cases will be added to the disability compensation rolls during the next fiscal year.

Third, under the pending legislation to provide old-age and survivors insurance benefits to survivors of military personnel, many widows and children now receiving veterans' benefits would be eligible for increased compensation payments. These increased benefits would be partially offset by decreased payments from the veterans' indemnity and insurance appropriations. In the fiscal year 1957, the net additional expenditures are estimated at 30 million dollars, but in subsequent years this amount is expected to be somewhat lower.

During the fiscal year 1957 almost 3 billion dollars of compensation and pensions will be paid to approximately 2.8 million veterans, plus the survivors of over 850,000 deceased veterans. More than 10 percent of the veterans of World War II will be receiving compensation payments totaling 1 billion dollars for service-connected disabilities. About 20 percent of the veterans of World War I will draw non-service-connected pensions in the fiscal year 1957. The possible trend is indicated by the fact that 85 percent of the living veterans of earlier wars will draw such pensions.

Hospitals and medical care: Veterans' hospital and medical expenses will continue to rise through the fiscal year 1957 as the number of patients in Veterans' Administration hospitals is expected to increase 1.4 percent over 1956 to a daily average of 111,500. Almost two-thirds of these hospital patients and most of the 17,000 veterans in Veterans' Administration homes are receiving treatment for conditions which are not related to their military service.

Outpatient care, which is only for service-connected conditions, is expected to be somewhat below the levels of 1955 and 1956. The number of medical and dental examinations and treatments is estimated to be 2,398,000 in 1957, a decline of 20,000 from 1956.

I recommend the enactment of 53 million dollars of new authority to incur obligations for construction and improvements at Veterans' Administration facilities. About one-half of this amount is for urgently needed replacement of a major part of one mental hospital and for preparation of architectural plans for replacement of four 500-bed general medical hospitals. The other half provides for additional modernization and improvement work at existing facilities.

Insurance and servicemen's indemnities: Budget expenditures under this heading are primarily for indemnities to survivors of servicemen who die during active duty and for reimbursements to the life insurance trust funds for claims traced to military hazards. These expenditures are estimated at 80 million dollars in the fiscal year 1957. This amount is substantially lower than in 1956, when a large number of insurance settlements were made for servicemen previously reported missing during hostilities in Korea.

Veterans' life insurance trust funds

(Based on existing legislation)
[Fiscal years. In millions]

Item	1955 actual	1956 estimated	1957 estimated
Balance in funds at start of year	$6,541	$6,587	$6,701
Receipts:			
Transfers from general and special accounts	28	81	24
Interest on investments	200	201	205
Premiums and other	441	438	446
Total	668	721	675
Payments:			
Dividends to policyholders	179	183	170
Benefits and other	443	423	423
Total	622	606	593
Net accumulation	46	114	82
Balance in funds at close of year	6,587	6,701	6,783

Trust funds: Insurance protection of over 38 billion dollars is provided through nearly 6 million national service and United States Government life insurance policies. The number of these policies in force has steadily declined, as issuance of additional insurance was ended in 1951. During the past calendar year, 25,000 policies matured and 319,000 were terminated.

Transactions of these trust funds are excluded from budget receipts and expenditures. For the fiscal year 1957, cash receipts will exceed disbursements on policies held by World War II veterans, while benefit payments will exceed premiums on insurance held by the older age groups. The net accumulation tion is reserved for future claims.

LABOR AND WELFARE

The labor and welfare programs of the Government contribute notably to the achievement of our objectives of greater human well-being and a growing economy. These programs are designed to promote individual opportunity and foster self-reliance by assisting in the improvement and protection of people's health, the promotion of education and research, the training and placement of workers, the rehabitation of the disabled, and the provision of security against economic want.

Most of the labor, health, education, and welfare services are administered by the States and their subdivisions. In fact, four-fifths of the 3 billion dollars of budget expenditures estimated for labor and welfare in the fiscal year 1957 is for grants to State and local governments. Outside the regular Federal budget, substantial benefits are provided through the social insurance and retirement trust funds.

Budget expenditures for labor and welfare in the fiscal year 1957 are an estimated 228 million dollars greater than in the current fiscal year, and 442 million dollars higher than actual expenditures in 1955. The increase in 1957 stems largely from my proposals to strengthen and expand education, health, and research services substantially. These budget recommendations will contribute greatly to the well-being of all our people, both through those activities which relate directly to individuals and families and those which operate indirectly through improved community services and private enterprise.

In some instances, legislation will be required. My legislative recommendations therefore include measures to authorize assistance to States for building schools, for promoting occupational safety, and for reducing juvenile delinquency; a broad program for improvement of the Nation's health; completion of the program of poliomyelitis immunization grants to States; continuance of the present Federal formula for grants for State public assistance payments, with adjustments for old-age insurance benefits in certain cases; and further expansion of coverage of the old-age and survivors insurance system.

Under existing laws, I am recommending increased appropriations directed mainly to the expansion of medical research, greater support for basic scientific research and training, enlargement of protective and preventive services in the fields of health and welfare, improvement of our labor and manpower services, and construction of hospitals and other necessary health and research facilities.

Labor and welfare

[Fiscal years. In millions]

Program or agency	Net budget expenditures[1]			Recommended new obligational authority for 1957
	1956 actual	1956 estimated	1957 estimated	
Labor and manpower:				
Unemployment compensation and employment service:				
Grants to States (Department of Labor)	$194	$230	$255	$265
Payment to unemployment trust fund (Treasury Department)	64	87	81	81
Other:				
Present programs	70	78	82	83
Proposed legislation	-------	-------	2	2
Public assistance:				
Present program	1,428	1,490	1,314	1,330
Proposed legislation	-------	-------	166	166
Promotion of public health:				
National Institutes of Health	79	96	120	127
Hospital construction grants	73	65	83	130
Poliomyelitis vaccination grants:				
Present program	-------	28	2	-------
Proposed legislation	-------	5	20	-------
Other:				
Present programs	124	187	192	187
Proposed legislation	-------	-------	24	76
Promotion of education:				
School construction—general aid (proposed legislation)	-------	-------	150	376
Assistance for school construction in federally affected areas:				
Present program	130	95	59	-------
Proposed legislation	-------	-------	5	88

[1] After deducting applicable receipts, primarily for the Mexican farm labor supply fund, of 1 million dollars in 1955 and 2 million dollars in 1956 and in 1957.

Labor and welfare—Continued

[Fiscal years. In millions]

Program or agency	Net budget expenditures			Recommended new obligational authority for 1957
	1955 actual	1956 estimated	1957 estimated	
Promotion of education—Con.				
Assistance for maintenance and operation of schools in federally affected areas	$85	$85	$78	$79
Vocational education	31	34	34	34
Department of the Interior and others	76	63	68	65
General-purpose research, libraries, and museums:				
National Science Foundation:				
Regular programs	10	16	31	41
International Geophysical Year	(b)	6	18	-------
Department of Commerce (Census Bureau and Bureau of Standards)	24	27	25	24
Libraries and museums	11	15	16	48
Correctional and penal institutions	28	53	36	52
Other welfare services:				
School lunch program	83	83	83	83
Vocational rehabilitation	27	37	41	41
Other	5	7	10	11
Total	2,552	2,767	2,995	[2] 3,387

[2] Compares with new obligational authority of 2,614 million dollars in 1955 and 2,807 million dollars in 1956.
[b] Less than one-half million dollars.

Labor and manpower: Recently enacted legislation has resulted in substantial improvements in the economic safeguards for workers. Minimum wages set by Federal law have been raised from 75 cents to 1 dollar an hour, and coverage of the Federal-State unemployment compensation system has been extended to employees of small firms and of the Federal Government. This budget provides for the enforcement and administration of these improvements.

To improve economic safeguards further, I recommend that the Congress extend the protection of the minimum wage law to additional workers. The facilities of the executive branch will be available to assist the Congress in finding ways of achieving this goal. Legislation is also needed to raise benefits and provide more funds for rehabilitation under the federally administered Longshoremen's and Harbor Workers' Compensation Act. In addition, a system of benefits for workers who are temporarily disabled from nonoccupational causes should be established in the District of Columbia. This budget also provides for studies by the Department of Labor to assist the States in improving their workmen's compensation laws.

In addition to improved workmen's compensation, we need effective measures to advance occupational safety. Therefore, I recommend that the Congress enact a new program to provide

technical aid and limited financial assistance to the States for promoting occupational safety.

The current high level of general prosperity spotlights the adverse economic plight of low-income rural areas and of urban areas with persistent unemployment. As part of governmentwide efforts to alleviate these problems, additional work will be done in the labor and manpower field. This will include the designation of areas eligible for special assistance, the provision of labor market information, and vocational advice for individuals.

The 1957 budget recommendations for grants for administration of the employment services and unemployment insurance provide for stepping up job counseling and testing in the public employment offices. For example, job counseling interviews will be increased from 1.6 million in the fiscal year 1956 to 2 million in 1957. These increased activities are aimed at better utilization of our labor force—with particular emphasis on placing the older and the handicapped workers in jobs most suitable for them. Procedures for taking and reviewing unemployment compensation claims will also be improved. In addition, the budget estimate covers increases by the State governments in salary rates for the State employees who administer this program.

The Federal payment to the unemployment trust fund is estimated at 81 million dollars in the fiscal year 1957. This is the part of the Federal unemployment tax collections during the fiscal year 1956 which it is estimated will not be used for the unemployment insurance and employment service program. Almost 50 million dollars of this payment will be used to complete a reserve of 200 million dollars available for loans to States which deplete their own reserves for benefit payments. About 32 million dollars will be credited to the unemployment trust accounts of the States.

During the current year significant improvements were authorized in our labor and manpower statistics programs. This budget provides, at minor additional cost, for further improvements, particularly in the consumer price index and in reports on labor turnover and current employment.

Public assistance and old-age and survivors insurance: Grants to the States for old-age assistance and aid to dependent children, the blind, and the totally disabled are estimated at 1.5 billion dollars in the fiscal year 1957, the largest expenditure item in the welfare category of the Federal budget.

Our welfare policies have a twofold emphasis: To provide basic economic protection for older people and for widowed mothers and children through self-sustaining social insurance; and, where possible, to prevent need as well as to relieve it. My budget recommendations for both existing and proposed programs reflect this emphasis.

Old-age and survivors insurance—financed through a trust fund outside the regular budget—is now providing benefits at a rate of more than 5 billion dollars a year to more than 6 million persons over age 65 and to 1½ million mothers and children. The number of beneficiaries is growing. More than nine-tenths of all employed persons in the country are now insured. Legislation should be enacted to bring in the groups still excluded—for example, employees of the Federal Government.

For a large group of needy people not receiving OASI benefits, public assistance remains the only public resource. One out of every three people over 80 years of age is on the public assistance rolls, as compared with only about 1 in every 10 in the age group 65 to 69 which, for the most part, has the insurance protection. To avoid hardship to present public assistance recipients, I propose that the present formula for determining the Federal share of assistance payments be temporarily extended. This will allow time to reappraise the need for the present high level of the Federal contribution to public assistance as the effects of the recent strengthening of old-age and survivors insurance protection become more fully apparent. Meanwhile, to reflect the fact that more and more people are becoming eligible for old-age and survivors insurance benefits, I recommend legislation to fix at 50 percent the Federal share of supplementary old-age assistance payments by the States to beneficiaries of this insurance who are added to the assistance rolls after the fiscal year 1957.

The Federal Government should also do more to assist the States to adopt preventive measures which will reduce need and increase self-help among those who depend upon public welfare. Likewise, special provision should be made for improving medical care of public assistance recipients through legislation to permit separate Federal matching of State and local expenditures for this purpose.

Promotion of public health: One of the most important goals of this administration is to assure continued progress in research, training, and provision of health facilities so that the medical professions can help the American people to enjoy better health. To this end I am proposing a substantial, yet orderly, expansion of our existing health services and new measures necessary to fill significant gaps in the Nation's programs for promoting good health.

I again urge the Congress to act favorably and promptly on recommendations made last year to provide mortgage insurance for the construction of health facilities, to train health personnel, to expand mental health programs, to abate water pollution, and to strengthen State and local public health services.

In addition, provision should be made to assist the extension and improvement of health insurance protection for our people. The Congress has taken no action on my legislative proposals to meet these objectives. The Secretary of Health, Education, and Welfare is working on plans whereby private insurance organizations generally may pool risks to cover abnormal losses possible under broader health plans, and, if necessary, appropriate permissive legislation will be recommended. Should this approach not be successful, a Federal reinsurance service should receive renewed consideration.

I recommend also that the Congress enact legislation to authorize Federal assistance for the construction of medical and dental research and teaching facilities. Expansion of these facilities is necessary to provide for a continuing increase in the medical research program of the Nation, and will help our hard-pressed medical and dental schools to provide better training for more students.

The law providing for a poliomyelitis immunization program, which was enacted last year, should be extended beyond its present expiration date of February 15, 1956. This budget includes, under proposed legislation for the fiscal year 1956, the necessary funds to complete the program of grants to assist States in the immunization of children and expectant mothers.

Special services are needed to promote the health of our Indian population and to assist the Territory of Alaska in dealing with the problem of mental health. I recommend legislation to authorize construction of sanitation facilities on certain Indian reservations and tribal lands. Legislation should be enacted also to transfer to the Territorial Government of Alaska responsibility for care of the mentally ill, with temporary Federal aid for building and operating treatment centers.

I recommend the transfer of Freedmen's Hospital to Howard University, with provision for construction of a new teaching hospital.

For health legislation proposals, the total of additional expenditures in the fiscal year 1957 is estimated at 44 million dollars.

Under presently existing legislation, budget expenditures for public health programs other than the poliomyelitis vaccination grants are estimated at 395 million dollars for the fiscal year 1957. A major increase of 24 million dollars is proposed for the research and training activities of the National Institutes of Health. Grants to States for construction of hospitals and other health facilities will increase by 18 million dollars, and the recommended appropriation will result in further increases in later years. As part of our policy of strengthening enforcement of the food and drug laws I am recommending a substantial increase for the Food and Drug Administration. In addition, I am recommending increased appropriations to attack the problem of air pollution; to expand grants to States for child welfare services; and to expand health services to Indians, including construction of three hospitals. These increases are partly offset by reduced construction expenditures, primarily for the District of Columbia hospital center.

Promotion of education: The educational problems of the Nation are acute. School enrollments are growing. Classrooms are overcrowded. We do not have enough teachers.

Americans are demonstrating their increased concern with these problems by working together now, more than ever, in parent-teacher organizations and other citizen groups. Members of these groups—many of which participated in the recent White House Conference on Education—have stressed the need for measures by all levels of Govment to improve our schools.

As a principle of our governmental system, we believe in State and local responsibility for public education. This means not only local direction of public schools but also local financial support augmented by the States. States and communities have made definite progress toward meeting our educational problems. They are reducing the classroom shortage by building an increasing number of schools each year. But we still lack more than 200,000 classrooms. In order to increase further the number of new buildings completed over the next 5 years, I propose that the Federal Government supplement the current efforts of the States and their subdivisions in financing public school construction.

In continued recognition of the special school enrollment problems created in many communities by military and civilian activities of the Federal Government, I am recommending extension for 2 years of the authority for providing assistance in paying for new school buildings in federally affected areas. Under present law no applications can be received after June 30, 1956. An additional appropriation of 88 million dollars for the fiscal year 1957 is recommended for the proposed extension. With the enactment of legislation to authorize general Federal assistance for school construction, the necessity for the further extension of special Federal aids for construction and for maintenance and operation in these school districts will require reconsideration.

The United States Office of Education, through its advisory services and its research and statistics, affords another channel whereby the Federal Government can aid in the improvement of our schools. I am recommending a substantial increase for the fiscal year 1957 in the budget of the Office, mostly for the new cooperative research program authorized by the Congress, which will assist the States in their efforts to deal effectively with educational problems.

An increase of 4 million dollars in estimated expenditures for the education and welfare of our Indian population will make it possible to complete the necessary staffing of schools and to increase the number of Indians relocated in urban areas.

General-purpose research, libraries, and museums: Because of the direct importance of basic research to our defense program and our national welfare and economic progress, this budget purposes a substantial increase in Federal support of general-purpose research and education in the sciences. This increase is considered by our national security and scientific research agencies to be vitally necessary. Even with this added support, basic research will constitute less than 10 percent of the Government's annual investment in research and development.

For these reasons, I recommend that the appropriation for the regular activities of the National Science Foundation be substantially increased from 16 million dollars in the current fiscal year to 41 million dollars in the fiscal year 1957. This will enable the Foundation to extend an additional 13 million dollars of support to meritorious basic research projects in colleges and universities; will provide 7 million dollars for the construction of special-purpose facilities needed for basic scientific research, including the Nation's first major radio astronomy center; and will make available an additional 5 million dollars for expanding the Foundation's experimental program designed to improve science teachers in our schools and colleges and to encourage a greater number of able students to enter careers in science.

A supplemental appropriation for the Foundation of 28 million dollars will be required in the current year to complete financing of the United States program for the International Geophysical Year. The additional amount is mainly for the earth-circling satellite project, in which the Department of Defense is also participating.

Also fundamental to science is the work of the National Bureau of Standards. Increased expenditures of 4 million dollars are recommended in the fiscal year 1957 to strengthen research in the physical sciences and to plan new buildings to replace present inadequate research facilities.

For the Bureau of the Census, I am recommending appropriations for collecting needed data on two important aspects of our national life. The census of governments will provide, for the first time since 1942, comprehensive financial information about the more than 100,000 State and local government units. The national housing inventory will measure the significant changes in the Nation's housing supply which have taken place since 1950. Expenditures for the Census Bureau as a whole will decline, however, as work on the current censuses of agriculture, business, manufactures, and mineral industries draws to a conclusion.

In addition to necessary operating funds for the Smithsonian Institution, I am recommending an appropriation of 34 million dollars for the construction of a Museum of History and Technology authorized at the last session of the Congress. This museum, the first new Smithsonian building to be federally financed in more than 40 years, will permit for the first time an adequate permament display of collections which now far exceed the capacity of existing buildings.

Correctional and penal institutions: Construction of two new prison institutions is required to help ease overcrowded conditions in existing penitentiaries and to provide for youthful offenders and more adequate custody of the most dangerous and troublesome prisoners. These new facilities account for almost all of an 18-million-dollar increase over 1956 in appropriations requested for the Federal prison system.

Other welfare services: The school lunch program is supported with surplus commodities as well as by regular appropriations. Increased efforts in the removal of agricultural surpluses are expected to result in a greater distribution of such foods to schools, reaching an estimated value of up to 130 million dollars in the current fiscal year. These increased efforts will continue in the fiscal year 1957. Additionally, the recommended direct appropriation of 83 million dollars for the school lunch program for the fiscal year 1957 will provide the same level of such expenditures as in 1955 and 1956.

This Nation still has hundreds of thousands of disabled citizens who should be restored to productive employment and thereby helped to achieve economic independence. This budget continues full support of the expanded State-Federal vocational rehabilitation program at a rate which will permit the States to continue enlarging their rehabilitation services as rapidly as their own funds permit.

Another growing social problem of concern to the entire Nation is juvenile delinquency. During the last 8 years there has been a 60-percent increase in the number of children appearing before our courts. The States and communities need technical assistance and financial aid to help them halt this trend. I therefore renew my request that Congress enact legislation promptly to authorize Federal aid to the States for strengthening their services for prevention and treatment of juvenile delinquency.

Social insurance and retirement trust funds

(Based on existing legislation)

[Fiscal years. In millions]

Fund and item	1955 actual	1956 estimated	1957 estimated
Federal old-age and survivors insurance trust fund:			
Balance in fund at start of year	$20,043	$21,141	$22,707
Receipts:			
Payroll tax transferred from general receipts	5,040	6,475	6,635
Deposits by States	99	125	130
Interest and other	448	497	571
Payments of benefits, construction and administrative expenses, and tax refunds	−4,487	−5,530	−6,250
Net accumulation	1,098	1,566	1,086
Balance in fund at close of year	21,141	22,707	23,793
Railroad retirement fund:			
Balance in fund at start of year	3,418	3,534	3,650
Receipts:			
Payroll tax transferred from general receipts	599	625	660
Interest and other	101	105	110
Payments of benefits and administrative expenses	−585	−613	−650
Net accumulation	115	117	120
Balance in fund at close of year	3,534	3,650	3,770

Social insurance and retirement trust funds—Continued

(Based on existing legislation)

[Fiscal years. In millions]

Fund and item	1955 actual	1956 estimated	1957 estimated
Federal employees' retirement funds (Civil Service and Foreign Service):			
Balance in funds at start of year	[1] $5,931	$6,210	$6,727
Receipts:			
Employee contributions	439	555	554
Interest	235	214	214
Government contribution and other	34	238	300
Payments of annuities and refunds	−430	−490	−554
Net accumulation	278	518	513
Balance in funds at close of year	6,210	6,727	7,240
Unemployment trust fund:			
Balance in fund at start of year	8,994	8,454	8,624
Receipts:			
Deposits by States and railroad unemployment taxes	1,162	1,328	1,333
Interest	199	194	196
Transfer from general fund [2]	64	87	81
Payments: State and railroad withdrawals for benefits	−1,965	−1,439	−1,603
Net accumulation (+) or withdrawal (−)	−540	+170	+7
Balance in fund at close of year	8,454	8,624	8,631

[1] Includes 8 million dollars of unappropriated receipts.
[2] Excess of Federal unemployment tax collections over Federal expenditures for unemployment compensation and employment service administration.

Social insurance and retirement trust funds: Unemployment insurance, old-age and survivors insurance, railroad retirement, and Federal civilian employees' retirement are financed from trust funds, the transactions of which are not included in budgetary receipts and expenditures. The balances in the funds, now about 40 billion dollars, are invested in Government bonds.

Increased coverage in the old-age insurance program, increases in the interest paid to this trust fund, and improved coordination of income and old-age insurance tax collection procedures are recommended elsewhere in this message. The estimates of trust fund receipts and disbursements for the fiscal year 1957 do not reflect proposed legislation.

AGRICULTURE AND AGRICULTURAL RESOURCES

This budget carries forward the broad agricultural objectives that we have been striving to achieve through new legislation, redirection of emphasis, and improved administration during the past 3 years. It provides for the strengthened agricultural program which I proposed in my recent special message to the Congress.

Thus, this budget permits an intensification of our efforts to aid farmers in making the difficult readjustment from the abnormal situation of the war and postwar period to a realistic peacetime outlook for markets, so that they may share more equitably in the prosperity which other sectors of the economy are now enjoying. It also provides for continued emphasis on research and educational activities and on soil and water conservation, and for an enlarged program to help low-income farmers improve their situation.

Gross budget expenditures for agricultural programs are estimated at 9.1 billion dollars in 1957. These expenditures include loans made and commodities purchased by the public enterprise agencies in the Department of Agriculture and the Farm Credit Administration. Receipts from agricultural programs, which reflect loan repayments and commodity sales of these public enterprise agencies, are estimated at 5.7 billion dollars in 1957. The resulting estimate of net budget expenditures is 3.4 billion dollars, about the same as estimated for 1956.

New authority to incur obligations of 2.9 billion dollars is recommended for the fiscal year 1957, as compared with 3.3 billion dollars in 1956. Excluding the Commodity Credit Corporation, new authority to incur obligations for agricultural programs will be 621 million dollars higher in 1957 than in 1956.

Agriculture and agricultural resources

[Fiscal years. In millions]

Program or agency	Gross budget expenditures			Net budget expenditures			Recommended new obligational authority for 1957
	1955 actual	1956 estimated	1957 estimated	1955 actua.	1956 estimated	1957 estimated	
Soil bank and accompanying proposals (proposed legislation)	----------	----------	$400	----------	----------	$400	$450
Stabilization of farm prices and farm income:							
Price support, supply and purchase programs (CCC, Wheat Agreement, and Wool Act)	$6,170	$5,110	5,077	$3,327	$2,076	1,591	1,123
Removal of surplus agricultural commodities	59	225	265	59	225	265	195
Sugar Act	70	60	66	70	60	66	68
Federal crop insurance	35	37	30	12	12	4	6
Agricultural adjustment program	40	39	41	40	39	41	41
Financing rural electrification and rural telephones [1]	204	223	239	204	223	239	204
Financing farm ownership and operation:							
Farm Credit Administration	1,950	2,012	2,111	56	46	27	32
Farmers' Home Administration. [1]							
Present programs	171	190	196	169	187	191	191
Proposed legislation	----------	----------	14	----------	----------	14	16
Disaster loans and emergency feed	100	114	55	10	−19	−19	----------
Agricultural land and water resources:							
Land conservation programs	274	263	263	212	231	245	225
Soil Conservation Service, flood prevention and other	74	83	89	74	83	89	93
Research and other agricultural services	177	219	224	177	212	211	229
Total	9,324	8,575	9,070	4,411	3,376	3,364	[2] 2,872

[1] Net expenditures for the Farmers' Home Administration and for rural electrification and telephone loans do not reflect loan collections, since these collections go directly into miscellaneous receipts of the Treasury. In 1957 these collections are estimated at 167 million dollars and 124 million dollars, respectively.
[2] Compares with new obligational authority of 2,672 million dollars in 1955 and 3,324 million dollars in 1956.

Most of the increases are for the new measures which were set forth in detail in my recent special message on agriculture. New authority to incur obligations of 450 million dollars is included under proposed legislation primarily for that part of the program dealing with the soil bank. This includes an acreage reserve to reduce current and accumulated surpluses of crops in most serious difficulty, and a conservation reserve to achieve other needed adjustments in the use of agricultural resources. In addition to reducing production of surplus crops and shifting land to more desirable uses, it will aid farmers in financing the transition to a farming pattern appropriate for today's markets.

The budget also provides funds for other measures recommended in the special message. These measures are mainly for strengthening and redirecting existing programs. They include stepped-up purchasing and distribution of perishable commodities which are temporarily in excess supply; a strengthened program for disposal of surplus stocks of staple commodities; a strengthened rural development and credit program for low-income farm families; additional research emphasizing both lower costs of production and new products and markets; and the program for farm improvement and better land use in the Great Plains States.

I am also recommending new legislation to permit refunds to farmers of Federal taxes on gasoline used in their farm operations. It is estimated that tax refunds to farmers under this legislation will amount to 60 million dollars in 1957.

Taken together my new proposals will entail new outlays of 500 million dollars in the fiscal year 1957.

Stabilization of farm prices and farm income: Programs to stabilize farm prices and farm income account for over 60 percent of the estimated gross budget expenditures for agriculture and agricultural resources in the fiscal year 1957. The principal part of these expenditures is for the price support operations of the Commodity Credit Corporation. Gross expenditures for these operations, reflecting new price support loans and purchases of commodities during the year, are estimated at 5.1 billion dollars.

Applicable receipts from repaid loans and sales of commodities will amount to 3.5 billion dollars, leaving net expenditures of 1.6 billion dollars. In recent years receipts have been substantially less than new outlays, and inventories of the Commodity Credit Corporation have been rising steeply. On October 31, 1955, CCC loans and commodity inventories amounted to 7.7 billion dollars as compared with 6.6 billion dollars a year earlier.

Government support of farm prices above world prices under programs which were attuned to war and were too long continued has been a major cause of the present accumulation of farm surpluses. These now overhang the market and create uncertainty and great concern on the part of the producers. World War II, with its terrible losses and destruction, enabled the liquidation of our prewar surpluses, and the Korean conflict helped to liquidate those that accumulated after the end of World War II. But the sharp rise of world prices during these war periods, together with our high rigid price supports, encouraged expansion of production throughout the world.

The chief domestic beneficiaries of our price-support policies in the past have been the 2 million large highly mechanized farming units representing about 35 percent of our farms but producing about 85 percent of our agricultural products. Under the price support program that has been functioning the greater proportion of the dollars go to the largest producers; in the case of wheat, for example, approximately three-fourths of the loan dollars go to one-third of the borrowers. Individual cotton loans in excess of 1 million dollars have been made.

We should today resist new efforts to have the Government restore high rigid price supports which would aggravate the problem. The Agricultural Act of 1954 and the new programs recommended in my special agricultural message are designed to make a broad frontal attack on the surplus problem without repeating our previous mistakes of stimulating production beyond available markets and thus piling up price-depressing surpluses.

In contrast to expenditures, the price support operations of the Commodity Credit Corporation should be reviewed from the standpoint of losses actually sustained in the disposition of commodities. In the main, these losses represent the difference between commodity acquisition and storage costs on the one hand, and receipts from sale of the same commodities on the other. Since the commodities usually are not sold in the same fiscal year in which they are acquired, realized losses for a year are not the same as the net expenditures for that year. In the fiscal year 1955, realized losses amounted to approximately 800 million dollars, of which more than one-half were losses on dairy products. Estimated future losses on the loans and commodity inventories the Corporation held at the end of that year are 2.4 billion dollars, of which about two-thirds represent anticipated losses on corn and wheat.

As a nation, we have in the past and, if necessary, will in the future provide substantial sums of money as a part of our efforts to have farmers share more fully in the prosperity of the country. But farmers know that Government money alone will not do the job. Furthermore, farmers do not want to be dependent on Government assistance. They want the opportunity to obtain a better living standard for their families through their own efforts. The Government's responsibility is to help create the conditions in which farmers can have this opportunity.

We intend to continue our vigorous efforts to find markets at home and abroad for our present surpluses of farm commodities.

The Agricultural Trade Development and Assistance Act of 1954 was amended in the past session of the Congress to permit an increase from 700 million dollars to 1.5 billion dollars in the amount of loss that the Corporation might incur in sales of commodities for foreign currencies. Agreements negotiated up to December 31, 1955, under this law provide for disposition of commodities worth 504 million dollars at market value, which in many cases is substantially below amounts paid the farmers. The actual loss cannot be calculated until the foreign currencies are used. Additional agreements which may amount to as much as 385 million dollars are under negotiation.

The International Wheat Agreement, a multilateral agreement between wheat importing and wheat exporting countries of which the United States is a member, expires on July 31, 1956. The desirability of extending this agreement is under study and a determination will be made at a later date. This budget assumes that wheat exports during the 1956–57 marketing year will total about 275 million bushels and that most of this wheat will move at world prices under federally assisted programs.

Expenditures under the permanent appropriation for the disposal of surplus agricultural commodities are expected to be substantially higher in the fiscal years 1956 and 1957 than in 1955, consistent with our determination to stand ready with purchase programs to remove temporary market gluts whenever serious ones occur, and to utilize effectively the surplus commodities acquired. Our present pork buying program, which was started in November of last year, is an example.

While our special efforts to expand exports and our increased purchases of perishable commodities have an important place in our overall agricultural program, they should not be expected to take the place of vigorous competition for markets, based on price and production adjustments. My recommendations for new legislation, increased research and education, and the further operation of the Agricultural Act of 1954 will all contribute to his first line of attack on the agricultural surplus problem.

Rural electrification, rural telephones, and farm credit: The budget recommendations for the Rural Electrification Administration represent a continuation of our policy of making loans available to meet the farmers' needs for electrification and telephones. The budget provides for approval of loans for electrification in the amount of 185 million dollars in 1957, which is the same as that for 1956 and 20 million dollars higher than in 1955. It also provides for approval of loans for rural telephones in the amount of 80 million dollars, the same as for 1956, and 27 million dollars higher than for 1955. Disbursements on loans and expenditures for administration for both programs are estimated at 239 million dollars, 16 million more than in 1956.

The total of Farmers' Home Administration direct and insured loans is expected to approach 260 million dollars in 1957 as compared with 193 million dollars in 1955. A substantial part of this expansion is in insured private loans, which are not reflected in budget expenditures. Legislation will be proposed to broaden the authority under the Bankhead-Jones Farm Tenant Act to permit the Farmers' Home Administration to make certain loans for farm housing previously possible only under title V of the Housing Act of 1949, as amended. With this change, further extension of the authority for farm housing loans under title V beyond its present termination date of June 30, 1956, will not be necessary.

Several agencies will increase their participation in the Rural Development Program that I recommended in my special message during the past session of the Congress. This program will be conducted broadly as well as in selected counties, and will involve special educational work by the cooperative Federal-State Extension Service, research on farming and marketing problems of low-income farmers by Federal and State agencies, and assistance in providing employment information by the Department of Labor. To assure adequate funds and to permit broader coverage in the financing of small farms, I am recommending an additional 15 million dollars of lending authority for the Farmers' Home Administration under proposed legislation.

Consistent with our policy of withdrawing the Federal Government from activities that can more properly be carried on privately, legislation was recommended and enacted last year providing for systematic retirement of the Federal investment in the banks for cooperatives which are supervised by the Farm Credit Administration. Although the effect of this legislation on the budget will be small, it is expected that farmers through their cooperatives will be able to acquire, over a period of years, the present equity of the Federal Government in these credit institutions.

Agricultural land and water resources: My recommendations for agricultural land and water resources for the fiscal year 1957 are an integral part of a broad program designed to give additional emphasis to conservation of our natural resources. They provide for an increase in the regular services of the Soil Conservation Service and for the expected growth in the relatively new watershed

protection and flood prevention program. The soil bank program proposed in my special agricultural message will contribute also to our conservation objectives.

Expenditures under the existing agricultural conservation program assist farmers in applying soil conservation practices and in making proper use of land diverted from the production of surplus crops. Payments to farmers in the fiscal year 1957 will be principally to cover the cost of the program carried out for the crop year 1956, as authorized in the 1956 appropriation act. I recommend a forward authorization of 250 million dollars for the 1957 crop year agricultural conservation program—the same level as for 1956.

Research and other agricultural services: My budget recommendations provide for further expansion of research, mainly in cooperation with State agencies. Additional funds requested for educational activities will permit greater concentration of effort on direct counseling of individual farmers in the development of programs for their entire farms; also, on the educational phases of our Rural Development Program for low-income families.

The budget includes funds for the recommendations on research and education in my special message on agriculture. The seriousness of the production adjustment and income problems of American agriculture arising from increased production at home and abroad and from declining prices of major agricultural commodities requires that we materially strengthen selected areas of research in agriculture.

NATURAL RESOURCES

Resource development is the responsibility of everyone. In many cases State, local, and private groups can best carry out needed programs themselves. In other cases, Federal participation is the necessary element in accomplishing broad national aims, where projects are beyond the means or needs of local groups. Under the partnership policy of this administration, emphasis is placed on sharing the cost of projects with the groups which receive direct benefits from them. This approach serves to multiply the effect of Federal expenditures in the stimulation of conservation and development. The recommendations in this budget will result in further advances toward our broad goal of a steadily growing program for resource development through the cooperative efforts of States, local communities, private citizens, and the Federal Government.

The importance of the partnership policy in the development of water resources is being emphasized in a report of the Advisory Committee on Water Resources Policy. This report will also stress the need for strengthening our procedure for the formulation and review of proposed water resources projects. Some of the Advisory Committee's recommendations will require changes in existing law, and specific legislative proposals will be transmitted to the Congress.

Budget expenditures for natural resources programs in the fiscal year 1957 are estimated at 1 billion dollars, about the same level as in 1956. Programs for flood control, reclamation, and multiple-purpose water resources development will expand over the 1956 levels and will require about 60 percent of the net expenditures in 1957. The management and development of the national forests, parks, public domain lands, and Indian lands will require about 25 percent of the total. The remainder will be for minerals programs, fish and wildlife resources, and other developmental activities.

In addition to their economic returns, many resource development programs yield financial receipts. These receipts come mostly from sale of power generated at Government facilities, sale of timber from national forests and public lands, and mineral leases on public lands including the Outer Continental Shelf. Some of the receipts are used to finance current operations and are applied against the gross expenditures of the agency; these are estimated at 266 million dollars in the fiscal year 1957. Other receipts, estimated at 544 million dollars in 1957, are deposited directly in the Treasury, and are then shared with States and counties as authorized by the Congress, appropriated for specific Federal programs, or added to the general revenues of the Government.

Natural resources

[Fiscal years. In millions]

Program or agency	Expenditures			Recommended new obligational authority for 1957
	1955 actual	1956 estimated	1957 estimated	
Gross budget expenditures:				
Land and water resources:				
Corps of Engineers, civil functions:				
Present programs:				
Flood control and multiple-purpose projects	$383	$373	$391	$405
Flood disaster relief work		32		
Proposed legislation:				
Passamaquoddy Bay survey			1	1
Partnership projects			5	10
Department of the Interior:				
Bureau of Reclamation:				
Irrigation and multiple-purpose projects:				
Present programs	163	175	193	191
Proposed legislation:				
Federal projects			9	20
Partnership projects			4	10
Power transmission agencies	43	42	42	35
Indian lands resources	35	43	42	27
Bureau of Land Management and other	16	20	25	25
Tennessee Valley Authority:				
Present programs	386	287	206	5
Proposed legislation			24	68
Department of State	3	4	4	2
Federal Power Commission	4	5	5	5
Forest resources	118	139	144	147
Mineral resources	41	50	57	46
Fish and wildlife resources	43	44	47	54
Recreational use of resources	35	52	59	28
General resource surveys and other	34	35	39	40
Total	1,304	1,302	1,297	[1] 1,121
Deduct applicable receipts: [2]				
Land and water resources:				
Bureau of Reclamation	3	3	3	
Indian lands resources	2	1	1	
Tennessee Valley Authority	214	248	257	
Mineral resources	4	5	5	
Net budget expenditures	1,081	1,045	1,031	

[1] Compares with new obligational authority of $966 million in 1955 and $1,045 million in 1956.
[2] Does not include revenues which go into miscellaneous receipts of the Treasury.

Land and water resources: The policies underlying recommendations for water and related land resources in this and other sections of the budget are intended to help provide an adequate water supply for our people in the years to come and to aid in checking destructive forces of water, as well as to achieve the benefits for navigation, fish and wildlife conservation, and recreation resulting from the proper development of these resources.

A large share of the net expenditures of 690 million dollars for land and water resources in 1957 will be for continuation or completion of construction on water resources projects of the Corps of Engineers and Bureau of Reclamation, and for maintenance and operation of existing facilities.

These agencies will continue construction in 1957 on 187 projects and units for flood control, beach erosion control, irrigation, and multiple-purpose developments which will provide such additional benefits as hydroelectric power, municipal water supply, or navigation. Funds recommended for these projects will maintain present construction schedules on power projects and will continue nonpower projects at economic rates of construction. Under the recommendations in this budget, 10 of these projects and units can be completed.

In accordance with the policy of encouraging non-Federal responsibility for water resources projects, with Federal cooperation where national interests are involved, I have supported legislation which would change certain presently authorized Federal projects to partnership projects. Funds for the Federal share of the Markham Ferry project in Oklahoma were appropriated for the fis-

cal year 1956, and construction by non-Federal interests of this project and the Priest Rapids project in Washington is expected to be underway in the fiscal year 1957. Work on the Cougar multiple-purpose project in Oregon, begun as a Federal project in the fiscal year 1956, will continue in 1957 on a basis which, under pending partnership legislation, will permit local interests to install power facilities and assure adaptation of the power features to requirements of the city of Eugene.

This budget provides for starting construction on a number of new projects which are already authorized and on which advance planning has reached the stage where the design and scope of the major structures have been clearly determined, a firm estimate of cost has been prepared, and a current analysis of economic justification shows a favorable relationship between benefits and costs.

A supplemental appropriation is recommended for 1956 to enable the Corps of Engineers to accelerate its flood-control work in the Northeastern States and to reimburse the Corps for expenditures made for relief work following the floods in August and October 1955. The supplemental appropriation will allow 5 flood-control reservoirs to be started in the fiscal year 1956. Additional flood-control projects for this area are included in the budget for 1957.

The Corps of Engineers is also actively engaged in emergency repair work, in cooperation with the Federal Civil Defense Administration, in the far western flood areas, and will be appaising without delay the need for additional flood-protection measures.

For the fiscal year 1957, I recommend that the Corps of Engineers start work on 18 local flood-protection projects, 11 flood-control reservoirs, 2 beach erosion projects, and a new power plant at the Fort Peck Dam in Montana, all of which are authorized. I also recommend that the Bureau of Reclamation start work on 4 authorized projects or major features to provide irrigation benefits and to utilize available power at existing dams. The total cost of these authorized projects recommended for starting in the fiscal year 1957 is estimated at 189 million dollars, with first year expenditures of 10 million dollars.

Some steps have been taken by the Congress to enact legislation authorizing the Bureau of Reclamation to construct the Upper Colorado River Basin and the the Fryingpan-Arkansas developments. These comprehensive developments are needed for irrigation, power, flood control, and industrial and municipal water supply and are beyond the capacity of local initiative, public or private. I again urge their authorization and have made provision in this budget under proposed legislation for their initiation. I also recommend authorization and funds for the Bureau of Reclamation to initiate 3 other projects for further development of water resources in the West. The estimated total cost of the 5 proposed projects is 1.1 billion dollars, with 1957 expenditures estimated at 9 million dollars.

This budget includes 20 million dollars under proposed legislation to enable the Corps of Engineers and the Bureau of Reclamation to participate, in 1957, in new partnership water developments, such as the Green Peter-White Bridge Reservoir in Oregon, the Bruces Eddy Reservoir in Idaho, and the John Day Reservoir in Washington and Oregon. The proposed legislation would also authorize the Bureau of Reclamation to assist local organizations by means of loans and grants for small reclamation projects.

Budget recommendations provide for progress in the collection of basic data on hydrology, topography, and other physical factors needed in the planning and design of water development projects. Investigations of proposed projects and advance planning of authorized projects will go forward at rates which will provide for the orderly development of needed water resources.

I also hope that the Congress will complete action to authorize a new survey to determine whether hydroelectric power can be economically developed from the tides at Passamaquoddy Bay in Maine, and have included 1 million dollars under proposed legislation to begin this survey in the fiscal year 1957.

The Bonneville Power Administration will continue construction of transmission lines based on power generation schedules for Federal dams under construction in the Pacific Northwest. Expenditures of the Southeastern and Southwestern Power Administrations will be for operation and maintenance of transmission systems and for marketing power.

The Tennessee Valley Authority will continue work in the fiscal year 1957 on steam-electric generation units started in 1955 and prior years, under previous appropriations.

Since nearly all major hydroelectric sites in the Tennessee Valley have now been developed, an additional steam-electric unit at the John Sevier plant and two additional units at the Johnsonville plant will be needed to meet currently anticipated power loads through the calendar year 1958. There is pending before the Congress legislation which the administration has proposed for financing steam-power facilities of the TVA through the sale of revenue bonds. So that the work may begin promptly, a starting supplemental appropriation for 1956 is recommended for the Sevier unit. Items are included in the budget to finance the continuation of this work and initiate construction of the Johnsonville units in 1957 with the proceeds of the revenue bonds.

When these new units are completed, the Tennessee Valley Authority will have a capacity of 6.7 million kilowatts in its steam-electric plants and 2.7 million kilowatts in its hydroelectric plants.

Construction will also begin in the fiscal year 1957 on a new navigation lock at Wilson Dam. The present locks are structurally weak and inadequate to handle growing traffic demands. The construction will be financed from appropriated funds. The TVA will also continue work in the development of the resources of the region in cooperation with State and local agencies.

Under these recommendations, gross expenditures of the Tennessee Valley Authority in the fiscal year 1957 are estimated to decline by 57 million dollars from the 1956 level, as construction nears completion on power facilities underway. Receipts from operation are expected to increase by 9 million dollars. As a result of these trends, it is estimated that the Authority will have net receipts of 27 million dollars in 1957 as compared with net expenditures of 39 million dollars in 1956. It is expected that in 1957 the TVA will return to the Treasury 75 million dollars from power revenues as repayment of principal only on Treasury advances made in earlier years for construction of power facilities.

National forests and other public lands: Funds are provided in this budget to expand forestry research and soil conservation work on the lands in the national forests, public domain, national parks and wildlife refuges, and on Indian lands which are held in trust by the Government. Increases are also provided for timber sales and mineral leasing activities on Federal and Indian lands. These recommendations will result in increased receipts from management of public lands.

The recommendations for the National Park Service will provide additional facilities and services to meet more adequately the requirements of the constantly increasing number of visitors, which will approximate 54 million in 1957. These recommendations move toward realization of a comprehensive development plan to make possible the accommodation of the estimated 80 million persons who will use areas of the national park system by 1966.

Increases are recommended for more adequate operation and maintenance of fish hatcheries and wildlife refuges, and for maintenance and repair of physical facilities of the Bureau of Indian Affairs.

Mineral resources: This budget gives recognition to the recommendations of the Cabinet Committee on Minerals Policy. The Bureau of Mines and the Geological Survey will expand investigations and research directed toward discovery of additional sources of essential minerals, improvement of mining techniques, and better utilization of mineral supplies. Funds are provided for the Office of Minerals Mobilization to continue to develop and evaluate supply data for metals and minerals so that adequate supplies and production facilities will be assured for our national security and economic growth.

COMMERCE AND HOUSING

The major role of commerce and housing programs is to encourage economic growth and the development of private enterprise and local communities.

Toward this goal, I am proposing both legislative action and increased appropriations to improve and expand our basic transportation facilities, especially the Interstate Highway System, the Federal airway system, the federally operated waterways and navigation aids, and the merchant fleet.

Commerce and Housing

[Fiscal years. In millions]

Program or agency	Gross budget expenditures			Net budget expenditures			Recommended new obligational authority for 1957
	1955 actual	1956 estimated	1957 estimated	1955 actual	1956 estimated	1957 estimated	
Provision of highways:							
Present programs	$647	$790	$844	$647	$790	$844	$35
Proposed legislation							898
Promotion of aviation:							
Department of Commerce	179	192	234	179	192	234	256
National Advisory Committee for Aeronautics	74	71	75	74	71	75	80
Promotion of water transportation:							
Department of Commerce	182	245	251	162	211	218	308
Department of Defense—Civil Functions:							
Present program	204	229	250	114	144	170	179
Proposed legislation			2			2	5
St. Lawrence Seaway	3	13	43	3	12	36	
Treasury Department	190	200	204	190	200	204	202
Postal service:							
Present program	2,733	2,945	3,030	356	483	467	470
Proposed legislation			−350			−350	−350
Community development and facilities:							
Urban Renewal Administration:							
Present programs	65	90	111	38	65	74	202
Proposed legislation			[1]			[1]	1
Other	24	14	25	18	−14	22	17
Public housing programs:							
Present programs	322	531	597	−115	53	83	107
Proposed legislation			1			1	1
Other aids to housing:							
Federal Housing Administration	142	158	136	−42	−26	−71	8
Federal National Mortgage Association	699	290	330	237	−114	−255	
College housing:							
Present program	34	40	65	31	36	59	
Proposed legislation							100
Veterans Administration	125	128	142	65	65	71	85
Other	8	13	15	−22	−22	−25	7
Other aids to business:							
Present programs	383	155	104	−404	−105	38	69
Area redevelopment (proposed legislation)			10			10	50
Regulation of commerce and finance:							
Present programs	39	43	44	38	41	41	42
Proposed legislation			2			2	2
Disaster insurance, loans, and relief:							
Present programs	16	49	15	12	43	7	10
Proposed legislation			25			25	100
Civil defense	70	64	93	42	59	90	123
Total	6,139	6,259	6,299	1,622	2,182	2,071	[2] 3,006

[1] Less than one-half million dollars.
[2] Compares with new obligational authority of 2,919 million dollars in 1955 and 3,492 million dollars in 1956.

Similarly, to assure continued high levels of residential construction we shall encourage private financing primarily through the use of Government guaranties, insurance and other aids. As in the past, direct Government expenditures will be confined to meeting those housing and community needs which cannot be financed by private enterprise alone. Accordingly, to stimulate balanced development of local communities, this budget makes further proposals for removal and prevention of slums, for housing for minority groups and for older people, and for other special community needs. It also provides for new measures to aid local communities with persistent unemployment in discovering a sound basis for redevelopment, and to help victims of future flood disasters rehabilitate themselves.

Gross expenditures for commerce and housing, including proposed legislation, are estimated at 6.3 billion dollars in the fiscal year 1957. Applicable receipts, chiefly for the Post Office and for various housing programs, are estimated at 4.2 billion dollars. Net budget expenditures of 2.1 billion dollars will be less than in 1956 because of the increases in postal rates which I am again proposing.

Highways: Obviously, a greatly improved highway system is vital for both economic development and national defense, as well as to reduce traffic deaths and injuries. The Federal Government has a special interest in completing as early as possible the 40,000 miles of the Interstate Highway System, which connects major centers of population and industry. Last February in a special message to the Congress I endorsed the recommendation of an advisory committee that the Federal Government assume the principal responsibility for financing completion of this key highway network. This program is even more urgently needed today.

I consider it essential that construction of the interstate system be fully authorized now as a single integrated program in order that it may be accomplished over a period of approximately 10 years with the greatest economy. I am confident that the expanded program can be soundly financed so as not to create budget deficits.

Pending final determination of the amounts involved for the Interstate Highway System, therefore, the dollar estimates included in this budget under proposed legislation cover only the continuance of the present annual level of 875 million dollars in authorizations for Federal-aid highways including 175 million dollars exclusively for the interstate system. The budget also includes 22.5 million dollars for forest highways, continuing the present level.

Expenditures for highways by the Department of Commerce and the Department of the Interior under previous authorizations will continue to rise to an estimated 844 million dollars in 1957. These include additional grants under a supplemental authorization of 10 million dollars which I am proposing for the fiscal year 1956 in order to rebuild Federal-aid highways damaged in last year's widespread floods.

Promotion of aviation: During the past 5 years, the rapidly expanding use of the Federal airway system and the increasing speeds of both conventionally powered planes and military jet aircraft have produced serious traffic congestion. To maintain our high standards of safety, aircraft have had to be delayed or flights canceled, with a resulting heavy cost in time and money to both the operators and users of the planes.

As a step in meeting the immediate problem, I am recommending new authority to incur obligations of 40 million dollars in 1957. This will enable the Department of Commerce to expand further the capacity of the present airway system by installing greatly improved air navigation and traffic control facilities.

To keep pace with further advances in aviation, I shall shortly initiate a comprehensive study of the Nation's long-range needs for aviation facilities. This study will take into account both civil and military needs in order to avoid costly duplication of equipment and systems. I shall expect it to point the way to the development, installation and operation of the most efficient and economical air navigation system within the capabilities of our technology.

In addition to the expenditures to expand the capacity of the airway system, expenditures for operating the present airway system must rise substantially to handle the expanding traffic, to operate new facilities provided under earlier appropriations, and to take over from the Department of Defense the costs of operating certain radar installations serving common military-civilian needs. Federal grants to help local communities build airports are also increasing as a result of the legislation enacted last year. In total, expenditures of the Civil Aeronautics Administration will rise by an estimated 50 million dollars to 200 million dollars in the fiscal year 1957.

Subsidy payments by the Civil Aeronautics Board to commercial airlines will again be reduced in the fiscal year 1957 as a result of rising profits of the carriers and continued vigilance of the Board in keeping subsidy rates at the lowest possible level. These subsidies amounted to 58 million dollars in the fiscal year 1955 and are estimated at 34 million dollars in 1957.

The research achievements of the National Advisory Committee for Aeronautics are making possible significant advances in the capabilities of our military aircraft and guided missiles. However, increased effort is needed for

timely solution of the problems of flight at faster speeds, higher altitudes, and longer ranges. Accordingly, I am again recommending an increase in the appropriations for this important work.

Promotion of water transportation: The Department of Commerce and the shipping industry have begun systematic replacement of the merchant fleet built during World War II. Negotiations are now underway with the operators to advance their ship construction plans and to determine replacement schedules for the next 15 to 20 years. Three long-term contracts have already been signed. The program is designed to (1) assure a modern merchant fleet adequate for commercial and defense needs, (2) maintain the shipyard employment and facilities which are essential to our mobilization base, and (3) minimize construction costs by avoiding peak demands. As next year's installment, I am recommending the funds necessary for construction subsidies and defense allowances for 22 new ships, as well as trade-in allowances for the ships replaced. In addition, this budget proposes appropriations for the design and construction of two new types of cargo ships—types which could be produced cheaply and in quantity in event of mobilization.

I am renewing for the fiscal year 1956 my earlier recommendation for a supplemental appropriation of 13 million dollars for the Commerce Department's share of a nuclear-powered peace ship, to be built jointly with the Atomic Energy Commission. Work on this ship should go forward as rapidly as possible. Moreover, funds are included in the budget for a nuclear-powered merchant ship, to be built over a longer period, incorporating experience gained from the peace ship and from later research and development.

To finance construction of both conventional and nuclear-powered ships, I am recommending new authority to incur obligations for the Department of Commerce of 165 million dollars in the fiscal year 1957. Because of the long lead-time required for ship construction, only a small part of this new authority will be spent in 1957; the anticipated expenditures of 75 million dollars are mainly from appropriations made for ship construction in earlier years. Operating subsidy payments of 124 million dollars in 1957 are estimated to cover the differences in selected costs between operating American-flag and foreign ships.

Expenditures for navigation aids and facilities are rising as projects recently initiated reach active construction phases. In addition to providing for continuation of work by the Corps of Engineers on 61 projects started in prior years, this budget includes funds for starting 41 new authorized navigation projects including 28 small projects costing less than 150,000 dollars each.

Funds were added by the Congress to the 1956 budget to begin construction of Eufaula Reservoir and Dardanelle lock and dam. This would, in effect, commit the Federal Government to a cost of over 1 billion dollars for the development of the Arkansas River for navigation, since the major benefits from these two structures would not be realized until the entire navigation development is completed. I regard the development of the Arkansas River for navigation as not being of sufficiently high priority at this time to justify this large financial commitment. Therefore, I am not requesting funds for continuation of work on these two structures.

Postal service: The Post Office Department is progressing steadily toward its goal of a better postal service at lower costs. Decentralization of management into 15 regions, first recommended in 1908, has finally been accomplished, permitting decisions by experienced field personnel able to understand the needs of their customers. Changes in laws and personnel policies have encouraged better use of staff and brought new incentives for employee efficiency. Overhaul of the Department's fiscal operations has eliminated nearly 5,000 needless positions, speeded up information required for good management, and reduced backlogs of all types, including a 2-year backlog in overdue railroad and airline claims. We have begun to acquire, through long-term leases and the recently enacted lease-purchase authority, modern postal buildings and other facilities long needed to speed up and reduce the cost of handling the ever-increasing volume of mail.

Despite these achievements, the Post Office Department cannot be self-sustaining if it pays salaries, transportation rates, and other costs based upon 1956 conditions, but must continue to charge rates which were largely determined before Pearl Harbor. The postal deficit of 467 million dollars estimated for the fiscal year 1957 represents a subsidy averaging more than 15 cents per dollar of postal service. Legislation is again being proposed that would initially increase postal revenues by 350 million dollars a year. Legislation is also being proposed to pay the Department for services to certain groups which it is now required to perform either free or at greatly reduced rates.

I urge prompt congressional action on this legislation, which will drastically reduce the 1957 postal deficit and will make it possible for the postal service to become self-supporting in subsequent years.

Community development and facilities: The great population growth in the past 15 years and the accompanying shifts—from farms to cities, from rural communities to metropolitan areas, and from central cities to suburbs—have accelerated the decay of large sections of our major cities, and caused many metropolitan areas and small towns to outgrow their basic facilities.

With the help of Federal grants and loans for slum clearance and urban renewal, major progress in removing urban blight is in sight for the first time. By the end of the fiscal year 1957, an estimated 233 communities will have workable plans providing for a wide range of local actions needed to prevent or eliminate slums. Such plans are now required as a condition of Federal assistance for urban renewal. In these and other cities 49 specific projects will have been completed by the end of 1957; 237 other redevelopment projects will be actively underway; and 112 projects will be in the planning stage. Net expenditures, chiefly for grants and loans, will increase to 74 million dollars; these include the additional grants for community planning by metropolitan areas and smaller cities under legislation that will be proposed to increase the present limited program.

Substantial increases are also expected in the fiscal year 1957 in loans to small communities for building public facilities and in advances to local governments for planning public works. Additional appropriations for planning advances are recommended for 1957.

As part of the new program to assist in the industrial redevelopment of chronic labor surplus areas, I am proposing revisions in the present urban renewal and other community facilities legislation. The main emphasis in these programs, however, should continue to be improvement of the homes and living environment of our families.

Public housing: Continued Federal assistance for low-rent public housing will be necessary in 1957 to meet the most critical needs of low-income families. An increasing number of such families will be displaced by the clearance of slums and by the enforcement of housing codes under the growing urban renewal program. I am, consequently, recommending that the Public Housing Administration be authorized to enter into annual contributions contracts with local housing authorities for an additional 35,000 dwelling units a year for 2 years. In addition, I urge that the Congress restore the provisions of the Housing Act of 1954, repealed in 1955, which limited new public housing to communities with workable programs for the prevention and elimination of slums, or with slum clearance projects underway.

As the number of older people in our population has increased, action to meet their special housing needs has become highly important. Several administrative steps have already been taken in the public housing program. In addition, legal restrictions on admission to public housing projects should be amended to provide a limited preference to elderly low-income families, as well as to permit admission of elderly single persons.

Gross expenditures for public housing programs, chiefly for construction loans and payment of annual contributions to local housing authorities, are estimated at 598 million dollars in 1957. Receipts, mostly from private refinancing of Federal loans, are estimated at 515 million dollars, leaving net expenditures of 83 million dollars.

Other aids to housing: Applications for insurance of mortgages and home improvement loans by the Federal Housing Administration under its regular programs are expected to continue in the fiscal years 1956 and 1957 close to the 1955 levels. In addition, applications for the special urban renewal mortgage insurance authorized by the Housing Act of 1954 are expected to rise from less

than 2,000 units in 1955 to 75,000 units in 1957.

To make this full program possible, legislation will be required to increase the present mortgage insurance authority. The authority to insure home improvement loans, now scheduled to expire on September 30, 1956, should be made permanent and broadened to assure effective Federal assistance in the national campaign to rehabilitate and modernize existing housing. Amendments are also needed to encourage construction of private units for rental or sale to elderly persons.

The Department of Defense expects to arrange for financing and construction of 100,000 military housing units during 1956 and 1957 under new mortgage insurance authorized by the Housing Amendments of 1955. This insurance authority should be extended beyond the present expiration date of September 30, 1956.

The Federal National Mortgage Association will make commitments for immediate or deferred purchases of 423 million dollars in mortgages insured under the urban renewal, armed services, cooperative, and other especially urgent housing programs which I have specifically designated. Sales of mortgages together with repayments and other receipts, however, are expected to be 255 million dollars greater than expenditures.

In addition, purchases of mortgages by the Association under its secondary market program are expected to increase in 1957 to 290 million dollars. Except for temporary Treasury loans, the funds required will be obtained from sale of debentures and stock to private investors, and the purchases are shown as trust expenditures, rather than budget expenditures. By the end of the fiscal year 1957, private purchases of stock will have made an excellent start toward the goal of replacing a Government activity with a private company.

One of the most successful measures authorized by the Housing Act of 1954 is the Voluntary Home Mortgage Credit Program. Under this program, applications to the Veterans Administration for direct loans and to the Federal National Mortgage Association for mortgage purchases are referred to private lenders. This program has already made conspicuous achievements in encouraging private financing of housing for members of minority groups and other borrowers in credit-short areas. Moreover, the rapidly increasing volume of veterans housing mortgages placed privately has made it unnecessary to use a large part of the additional authority provided for direct housing loans. Net expetnditures for the veterans loan program, consequently, are expected to show only a minor increase to 71 million dollars in the fiscal year 1957.

College housing: The Housing Amendments of 1955, which broadened and increased the authority for college housing loans, also reduced the maximum interest rate to 2¾ percent and required use of private financing only if it were available at the same low interest rate. As a result, the Government is required to make long-term loans at a lower interest rate than the rate at which it can borrow for comparable maturities.

These amendments have eliminated all possibility of private financing, which cannot compete with these interest rates, save for the earliest maturities of tax-exempt issues. Many larger institutions, which previously obtained private funds at reasonable rates, have now filed applications for Government loans. Net reservations of funds are estimated to increase from 21 million dollars in 1955 to 211 million dollars in 1956 and 120 million dollars in 1957, exhausting the available lending authority. Most of the impact on expenditures will not be felt until 1958.

The Federal Government should help colleges and universities meet the urgent housing problems which rapid growth in enrollment will produce over the next decade. The program, as revised in 1955, however, does not serve the best interests of either the colleges or the taxpayers. For the sake of a modest saving in interest costs, it would destroy the promising private market for these obligations. This private market will be sorely needed, for the Government cannot be expected to supply the full or even the greater part of the estimated 2 to 4 billion dollars needed for dormitories over the next decade. The administration is accordingly recommending legislation which will increase the total authorization by 100 million dollars for 1957, but allow interest rates adequate to cover costs to the Government. I hope that this will encourage private lenders to reenter this expanding market.

Other aids to business—present programs: In addition to other appropriations required to finance the broad range of existing aids to business, I am recommending increased appropriations for the Patent Office in the Department of Commerce to begin a systematic 8-year program that would reduce the backlog of patent applications to a more reasonable level. I believe that the Congress should also enact legislation increasing patent fees so that the Patent Office can be more nearly self-supporting.

Through the Small Business Administration, we shall continue to help small business concerns obtain access to adequate financing, to a fair share of Government procurement, and to competent counsel on management, production, and marketing problems.

I also recommend improvements in construction statistics so that more accurate data can be supplied to business, labor, and government on major changes in this vital industry.

Area redevelopment: All of us are greatly concerned because certain chronic labor surplus areas are not sharing in our general prosperity. The primary responsibility for promoting the economic redevelopment of these areas rests with the local community and the States. However, I believe that the Federal Government should give much broader assistance than is possible under present law. Accordingly, the administration is recommending new legislation authorizing Federal loans and grants, in cooperation with the States, to assist communities suffering from substantial and persistent unemployment. Under this program the Secretary of Commerce would take the lead for the Federal Government, utilizing also the facilities of the Department of Labor, the Housing and Home Finance Agency, and other interested agencies.

Regulation of commerce and finance: As our economy grows and becomes more complex, the responsibilities of Federal agencies regulating business also increase. While the amount of money required to finance these agencies is relatively small, their influence on economic growth is very significant. In this budget I am recommending increased appropriations to strengthen every major regulatory program, including specific increases to (1) triple the staff of the Federal Trade Commission charged with enforcing controls over corporate mergers; (2) assure effective review by the Department of Justice of possible antitrust aspects of the newly authorized interstate compacts for the conservation of oil and gas; (3) provide for more adequate review by the Securities and Exchange Commission of the vast new capital offerings and the increased trading in securities; and (4) improve enforcement by the Interstate Commerce Commission of motor carrier regulations and assure better compliance with safety regulations.

To continue the export controls necessary for our national security, the existing legislation should be extended.

Disaster insurance, loans, and relief: The flood disasters during the past year in the Northeastern States, the Far West, and other areas have shown the urgent need for increased assistance to the victims of floods. Since private insurance is not generally available, legislation should be enacted authorizing, on an experimental basis, an indemnity and reinsurance program, under which the financial burden resulting from flood damage would be carried jointly by the individuals protected, the States, and the Federal Government. The budget includes an estimate of 100 million dollars of new authority to incur obligations to initiate such a program.

I am requesting a supplemental appropriation of 25 million dollars in the current fiscal year to replenish the disaster relief fund which was depleted as a result of the recent flood disasters. It will also be necessary to amend the Small Business Act to increase the authority for disaster loans.

Civil defense: Expenditures for civil defense are grouped with those for peacetime disasters for budget classification purposes, but the program is discussed in connection with continental defense in the major national security section of this message.

GENERAL GOVERNMENT

General government programs include many of the traditional domestic, civil activities of government, as well as certain governmentwide activities, such as personnel and property management, which cannot readily be allocated to any single category. Our primary objective is to perform these central activities efficiently and thus reduce the cost of all

the services provided to our citizens for their tax dollars.

Net expenditures for general government programs are expected to increase by 146 million dollars to 1.8 billion dollars, largely because of (1) increased outlays to replace or improve inadequate Government buildings and (2) a larger payment to the retirement fund for civilian employees.

General government

[Fiscal years. In millions]

Program or agency	Net budget expenditures [1]			Recommended new obligational authority for 1957
	1955 actual	1956 estimated	1957 estimated	
Legislative functions	$60	$87	$111	$73
Judicial functions	31	39	42	41
Executive direction	12	13	13	13
Federal financial management:				
Tax collection	271	306	307	308
Customs collection, debt management, and other	160	176	172	172
General property and records management:				
General Services Administration	164	179	209	218
Central Intelligence Agency building	------	1	15	49
Central personnel management and employment costs:				
Civil Service Commission:				
Payment to retirement funds	32	235	297	297
Other	15	17	18	18
Labor Department:				
Unemployment compensation for Federal employees	19	32	33	33
Accident compensation for Federal employees	49	50	50	50
Civilian weather services	25	36	36	38
Protective services and alien control:				
Federal Bureau of Investigation	79	99	95	96
Immigration and Naturalization Service	42	49	48	49
Other	37	42	42	42
Territories and possessions, and District of Columbia:				
Present programs	67	76	78	79
Proposed legislation	------	------	4	7
Other general government:				
Claims and relief acts	142	168	185	35
Other	−3	15	2	4
Total	1,201	1,611	1,757	[2] 1,621

[1] After deducting applicable receipts of 3 million dollars each year, mainly for Virgin Islands Corporation.

[2] Compares with new obligational authority of 1,138 million dollars in 1955 and 1,525 million dollars in 1956.

Legislative functions: During the fiscal year 1957 construction of the new Senate Office Building will be almost completed and a substantial start will be made on both the new House Office Building and the extension of the Capitol authorized by the Congress at its last session. These new facilities account for the increase in estimated expenditures for legislative activities from 87 million dollars in 1956 to 111 million dollars in 1957.

Federal financial management: The reorganization of the Internal Revenue Service and the adoption of improved methods and procedures have led to a more equitable and effective enforcement of the revenue laws. The audit of tax returns has been improved and more delinquent taxes have been collected. It is expected that in the fiscal year 1957 the efficiency of tax collection will be improved even further, without a significant increase in expenditures for this purpose.

I urge that the Congress enact pending legislation to reduce the frequency of information returns submitted by employers withholding income and social security taxes. This legislation will simplify tax procedures for both the Government and the employers, and will also provide a basis for stronger enforcement of the tax laws.

General property and records management: In the fiscal year 1957, major increases are planned in expenditures for construction and improvement of Government buildings to increase the efficiency of Government operations. To this end I am recommending appropriations to enlarge and remodel certain buildings and to begin the long-needed air conditioning of buildings in areas where temperature and humidity conditions are most adverse to economic operation. Additional appropriations are also recommended for the new building previously authorized for the Central Intelligence Agency, and, as noted in other sections of this message, for extension of the Department of State building and for new buildings for the National Bureau of Standards.

While these recommendations involve substantial appropriations of Federal funds, most of the Federal building improvement program will be financed with private funds under the lease-purchase authority of the General Services Administration and the Post Office Department. Already 53 projects involving private financing of construction costing 105 million dollars have been approved, and additional projects involving about 250 million dollars are under consideration. Additional appropriations of 5 million dollars are requested to purchase sites and prepare plans for future projects.

This program as a whole will make a substantial start toward nationwide improvement in working conditions of Federal employees. In the Washington area alone, buildings already approved or under consideration for approval will permit relocation of about one-third of the 60,000 employees now working in temporary and other substandard buildings.

Central personnel management and employment costs: The Government's payments to the retirement funds for civilian employees are estimated at 297 million dollars in 1957, of which 295 million dollars will be for the civil service retirement trust fund and 2 million dollars for special annuitants. The proposed contribution to the retirement fund will be equivalent to the Government's share of benefit payments to be made from the fund during the fiscal year 1957. This contribution constitutes 35 percent of the sum estimated to be required to fund (1) the Government's part of the normal cost for current service of Federal employees, and (2) annual interest on the existing accrued liability of the Government to the fund.

Unemployment compensation payments to individuals who become eligible through Federal employment are estimated at 33 million dollars, about the same amount as in the fiscal year 1956. As the current 1956 appropriation provides only 20 million dollars, a supplemental appropriation will be requested.

Accident compensation payments to Federal employees and the related administrative expenses of the Department of Labor are estimated to continue at 50 million dollars in both 1956 and 1957. To encourage precautionary safety measures, the administration will propose legislation which will provide, in conformity with the best business practices, that employing agencies shall bear the cost of benefits paid for their employees.

Civilian weather services: I am recommending for the fiscal year 1957 additional appropriations for the Weather Bureau to strengthen further its hurricane and tornado research program and to provide more storm detection radar. The budget also provides for additional equipment to measure visibility on airport runways and for needed improvements in housing at remote weather stations.

Protective services and alien control: Increased appropriations are recommended to strengthen the border patrol operations of the Immigration and Naturalization Service, primarily on our southern border. The Federal Bureau of Investigation will continue at its present employment level.

I shall recommend a supplemental appropriation for the Commission on Government Security which has recently been established to study the entire Government security program.

Territories and possessions and District of Columbia: I am recommending legislation to authorize an increase of 2 million dollars in the Federal payment to the District of Columbia. This represents a reasonable Federal share of the increased cost of operating the government of our Capital City.

Legislation will also be proposed to carry out a treaty and agreement recently negotiated with the Republic of Panama. Following its enactment, the Canal Zone Government will make expenditures to replace schools and other civic improvements being transferred to Panama under the legislation.

Other general government: Again I recommend legislation by which wider appreciation of the arts and encouragement of creative artistic endeavors may be promoted and national recognition for distinguished civilian contributions to the advancement of the arts and the welfare of mankind may be given.

INTEREST

Interest payments now account for about 11 percent of net budget expenditures. They are determined by the size of the public debt and by interest rates on that debt. They are included in budget expenditures as they accrue. Interest is paid from permanent appropriations.

Interest

[Fiscal years. In millions]

Item	Net budget expenditures and new obligational authority		
	1955 actual	1956 estimated	1957 estimated
Interest on public debt	$6,370	$6,800	$7,000
Interest on refunds of receipts	62	69	69
Interest on uninvested funds	5	6	6
Total	6,438	6,875	7,066

Interest on the public debt: Interest payments on the public debt in the fiscal year 1957 are estimated at 7 billion dollars. This is an increase of 200 million dollars over estimated expenditures for the current fiscal year and 630 million dollars above actual expenditures in 1955.

The high level of prosperity has created a heavy demand for credit by private enterprises. As a result the average rate payable on the interest-bearing public debt has risen during the last 12 months from 2.29 percent to 2.49 percent at present, and maturing obligations are being refinanced at the higher rates prevailing in the money market.

The administration is recommending legislation so that the interest paid to the Federal old-age and survivors insurance trust fund will reflect more closely the long-term character of investments by that fund.

CONCLUSION

This is the third budget I have transmitted to the Congress.

As a result of the substantial reductions in Government expenditures made by the administration subsequent to assuming office, I noted in the first of these three budgets—for the fiscal year 1955—that a budget surplus was actually in sight. However, so that part of our savings through economies during that transitional period could be passed along to the taxpayers of the Nation as a whole, with beneficial effects for the growth of our economy, I stated that I believed it best "to adopt a course leading toward the twin goals of a balanced budget and tax reductions."

Tax reduction was thus achieved with the administration's first budget, which made possible a 7.4-billion-dollar tax reduction program, enabling us to make progress of historic dimensions in reducing tax burdens and improving the tax structure.

A balanced budget is now being achieved in the administration's second and third budgets, both of which we now estimate will be brought into balance.

This course of Government policy has helped to lay a sound basis for the greatest volume of business, the highest employment, and the highest national income in the history of this country. As an essential element in this prosperity, private spending has more than replaced reductions in Federal spending. Federal expenditures have declined from 20.6 percent of total national production in the fiscal year 1953 to 17.3 percent in 1955. This budget is designed to continue that trend.

We have freed the economy from needless controls and from inflationary deficits, and have reduced the tax burdens which threatened to destroy the incentives to work and save and invest. State and local governments are now in an excellent position to obtain revenues and meet their responsibilities.

This budget carries forward the policies this administration has been following in the interest of all our 167 million Americans. The success of our country depends not upon centralized Government control, but upon the efforts of all our people to do more for themselves, to better themselves, their families, and communities. The role of Government is to encourage these efforts.

Some parts of our society, however, have not shared fully in the present prosperity of America. This budget provides for new steps to help create the conditions under which all Americans may share in the abundance we as a nation are enjoying.

There has also been developed an armed strength more efficient and better organized than ever before, and we shall continue building our defenses. We have started a worldwide, cooperative effort for peaceful uses of atomic energy which is already beginning to show results. We have worked with other free countries on a mutual basis to increase their economic and military strength and will continue to work with them. Our future prosperity, perhaps our very survival, will be linked with the strength of our allies and in the development of good will rather than fear and distrust among the nations.

This Nation has reached a new high of material prosperity. The rest of the free world has come to expect our leadership in cooperative efforts for peace and in defense of our common liberties. We should be very thankful for the resources of this country, for the efforts and accomplishments of our forebears. We should also be very humble. America must continue to be the land of faith, of promise, and of unbounded opportunity. There is much yet to do. With God's help, we will all go forward.

DWIGHT D. EISENHOWER.

JANUARY 16, 1956.

THE PRESIDENT'S BUDGET MESSAGE

Mr. CANNON. Mr. Speaker, I ask unanimous consent to address the House and to have my remarks appear directly after the President's Budget message in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON. Mr. Speaker, in the message which we have just heard we listened to one of the most important and most significant messages ever sent by a President of the United States to the Congress. It involves directly the welfare of the people, the economic progress and prosperity of the Nation, the last hope of world peace, and the survival of our form of government.

When it has been processed, when it is finally disposed of by this Congress, we shall have completed the work of this session.

But, Mr. Speaker, it is not only one of the most important messages ever received from the President, it is one of the most disappointing budget messages that has ever come to the House.

The American people had every right to expect in this budget the retrenchment of expenditures, material and systematic reduction of the national debt, recommendations and surpluses warranting reduction of taxes, and especially they expected a balanced budget.

There is no assurance of any of these in the message to which you have just listened.

Here is a typical message just handed to me as I came on the floor:

REPRESENTATIVE CLARENCE CANNON: We pay our income tax under protest against its unconstitutional use for foreign gifts that are in excess of war needs and are a tremendous increase over pledges made in Republican platform to cut below previous spending.

MINUTE WOMEN OF MARYLAND.

Instead of a reduction of expenditures there is throughout this budget a consistent increase in requests for money.

Department after department is accorded vast increases. This budget, instead of recommending reduction in expenditure, asks for an increase of $1,600,000,000 over the spending budget for the current year.

Where is the meat ax we have heard so much about?

Recommendation is made for what amounts to a purely nominal decrease in the Federal debt. But there is no definite plan for mandatory and systematic reduction in the greatest national debt the world ever saw.

And one of the most significant features of our fiscal situation today is that since this administration assumed control, under a pledge of economy, under a pledge of retrenchment of expenditures, under a pledge of reduction of the national debt, this monstrous debt has steadily and consistently increased until it is today $7.7 billion more than it was when this administration took over (from $266,100,000,000 to $273,800,000,000), an increase during the four fiscal years of this administration as shown in the following table:

The public debt

[In billions]

	Beginning of year
Fiscal year 1954 (July 1953)	$266.1
Fiscal year 1955 (July 1954):	
President Truman's budget	269.8
Actual result	271.3
Fiscal year 1956 (July 1955)	274.4
Fiscal year 1957 (July 1956) estimated	274.3
Fiscal year 1958 (July 1957) estimated	273.8
Increase, July 1953 to July 1957, as estimated in the budget	+7.7

But there are deeper disappointments in the message. The public has been given assurances which led them to expect such savings and surpluses as would

care for all legitimate needs and still leave balances permitting long-anticipated tax reductions.

Only recently the Associated Press carried the headline "Three Billion Budget Surplus Possible in 1956, Say Experts." Under this title the St. Louis Post-Dispatch and other metropolitan newspapers continued: "Three economists said yesterday the Government may amass a surplus of $3 billion," and so forth.

As we listen to the reading of this message with its tenuous touch-and-go articulation of income and outgo, we realize that on the basis of the figures carried by the budget as outlined, all hope of tax reduction is gone glimmering.

Instead of $3 billion surplus we have at most $200 million this year and $400 million next year. They are using the meat ax, all right. But they are using it on the Treasury instead of the budget.

The message offers absolutely no encouragement whatever of redemption of the glowing promises of tax reduction—no comfort, no hope, no prospect whatever of any easing of the tax burden under this budget.

For the current year 1956, the projected surplus is $0.2 billion, or one-third of 1 percent of expenditures. For 1957, it is $0.4 billion, or two-thirds of 1 percent of expenditures. Little wonder the President felt compelled to point out that the margins were slim and that the Congress must do nothing in the way of increasing expenditures or reducing recepits—no tax cuts, in other words—to disturb the precarious situation.

The following table reflects budget receipts, expenditures, deficits, and projected surpluses for the 4 fiscal years of the present administration:

Budget receipts, expenditures, and deficit (−) or projected surplus (+), fiscal years 1954–57

[In billions]

	Receipts	Expenditures	Deficit (−) or surplus (+)
1. Fiscal year 1954 (July 1953–June 1954)	$64.7	$67.8	−$3.1
2. Fiscal year 1955 (July 1954–June 1955)	60.4	64.6	−4.2
3. Current fiscal year 1956 (July 1955–June 1956):			
(a) Original budget (January 1955)	(60.0)	(62.4)	(−2.4)
(b) Revised executive estimates after action by Congress (August 1955)	(62.1)	(63.8)	(−1.7)
(c) Current estimates (January 1956)	64.5	64.3	+0.2
4. Fiscal year 1957 (budget message, January 1956)	66.3	65.9	+0.4
Total, all 4 years	255.9	262.6	−6.7

NOTE.—The last year in which a surplus—a significant surplus—occurred was fiscal year 1951 when, under a previous administration, there was a surplus of $3.5 billion.

Mr. Speaker, let us examine these figures. When the President submitted his budget for fiscal 1955 two years ago, a deficit of $2.9 billion was estimated. Notwithstanding the cuts Congress made in the appropriation requests, the year was closed with a $4.2 billion deficit.

A year ago the budget for 1956 called for expenditure of $62.4 billion. Just 5 months ago, after the Congress had reduced the 1956 budget requests by $2 billion, the administration issued a budget review in which expenditures estimates were then raised to $63.8 billion—$1.4 billion above original amounts. What does the budget received today show? Estimated expenditures in fiscal year 1956 of $64.3 billion, or $1.9 billion above estimates of a year ago. Mr. Speaker, these variations will cause many to doubt the soundness of the projected surpluses of only $0.2 billion and $0.4 billion.

To be more specific, the budget for 1956, a year ago, reflected Defense Department expenditures of $35.750 billions offset by an unallocated reduction of $1.750 billion to get down to an even $34 billion. I stated on the floor of the House at the time that it was one of the most deceptive, misleading, beguiling budget items ever submitted to the American Congress. What happened? When the administration budget review was issued last August, $1 billion was still unallocated but still adhered to so as not to exceed the original $34 billion even. But now this entry has been discarded and the result is a current estimate of $34.575 billion for 1956, almost $600 million over previous estimates. Again, a source of dismay when pondering the basis for the projected surpluses.

There are other items, Mr. Speaker. The one mentioned on page 23 of the message is worth nothing, dealing with military personnel strengths. The ceiling on numbers has been fixed in such manner as to definitely leave the way open to go beyond the budgeted strength. The time-honored way of budgeting appears once again to be violated and doubt is cast upon firmness of the expenditure estimates.

The President recommends a 10-year program for completion of the interstate highway system, but no budgetary provision has been made for it. It is the President's prediction that the program can somehow be financed other than by deficit spending. Only time will tell what effect this budgetary anomoly will have on the projected surplus.

FUTURE BUDGET PROSPECTS

Mr. Speaker, both sides of the isle have serious cause for alarm as to the future if the budget is adopted as presented. Above all things, the people expected expenditures to be held down. Relief from the stupendous burden of a huge public debt is ever to be hoped for. But even cursory examination of the message offers no tangible hope for the immediate future. Expenditures for 1957 are up $1.6 billion over 1956, to a total of $65.9 billion. This is a reversal, a start in the other direction—upward. If anyone challenges the basis for this statement, let him look at the record of increased obligating authority. All manner of increases are proposed when substantial payment on the debt, in a period of the highest income in our history, ought to be the first order of business.

In many programs, spending is the heaviest in years following the appropriations, especially in major procurement, construction, and other large items. Following is a tabulation which rearranges in simple, understandable form, table 5 on pages A8 and A9 of the budget:

Appropriations and estimates

[A rearrangement of budget table 5]

[Figures in millions]

	Enacted 1955	1956		1957		Change (1957 versus 1956)	
		Enacted	Total proposed	Recommended in this budget	Total proposed	Enacted versus recommended	Total
1. Appropriations:							
Annual	$45,774	$50,023	$50,877	$50,302	$57,753	+$279	+$6,876
Permanent	6,819	7,303	7,303	7,565	7,565	+262	+262
Total	52,593	57,326	58,180	57,867	65,318	+541	+7,138
2. Authority to expend public debt receipts	3,047	3,130	3,135	482	766	−2,648	−2,369
3. Contract authorizations	960	1,189	1,199	274	1,171	−915	−28
4. Reappropriations	1,207	413	413	20	20	−393	−393
Total all forms of authority	57,807	62,058	62,927	58,643	67,275	−3,415	+4,348
5. Less amounts to liquidate prior contract authority	731	839	943	984	984	+145	+41
Net new obligation authority	57,076	61,219	61,984	57,659	66,291	−3,560	+4,307

The figures are astonishing. They show the trend. Requests for appropriations are $7.1 billions above 1956. Requests for all forms of obligating authority are up $4.3 billion over 1956. Compared to fiscal 1955—which ended only 6 months ago—appropriation estimates are up $12.7 billions and all forms of obligating authority are $9.2 billions higher. There are explanations. An important one is the innumerable increases in existing programs and sundry new spending proposals. Nearly every conceivable kind of program is provided for, many on a larger scale than ever before. Foreign aid is nearly doubled.

Another major item is in defense. The 1st session of the 83d Congress cut all appropriation estimates about $12 billion. The second session cut about $2.6 billion. The lion's share was against defense, and in particular the Air Force. The estimates submitted by the administration to the 1st session of the 84th Congress were necessarily several billions of dollars above the previous year,

partially reflecting the inevitable results of such earlier heavy cuts. I mentioned this situation on the floor of the House at the conclusion of the last session of Congress. More of this same sort of thing is reflected in the present budget—new obligating authority for defense military functions is up another $1.8 billion over 1956 and this had to be held down by resorting to a transfer of $785 millions from revolving funds where it is lying idle.

It is true that war-swollen unexpended carryover balances have been drawn upon to help meet expenses, as they should have been. But according to the budget figures and the message the bottom point has just about been reached in this area, so that the upturn in new requests surely signals an increased expenditure level in the future. Even if revenues at current high tax rates can keep pace there can be no real hope that our staggering debt will be appreciably lowered. If not, we will continue to pay $7 billion a year, or more, just to carry it.

Mr. Speaker, the present administration delights in looking back to the budget submitted in January 1953 by the previous administration for the fiscal year 1954. I think they have made comparisons to it in every budget submitted since that time. Tables, charts, and words are profusely used to make the record look far more favorable for the present administration than the facts warrant. Look at the very first page. The table goes back to 1953; the chart to 1952. Why the difference? If the chart went back just 1 more year it would show a $3.5 billion surplus—by the previous administration. If the table went back just 1 more year it would show a much smaller deficit—a year, incidentally, when we were at war in Korea.

The message, on the very first page, takes pains to point out that spending in fiscal 1956 is estimated at $13.6 billion less than proposed in the 1954 budget of the previous administration. This is claimed as a "cut" by the present administration. What is not pointed out is that fiscal 1953 was a war year and that we were still at war in Korea when the 1954 budget was prepared and presented. There can of course be no valid comparison under those circumstances and it is absurd to do so. All of the 4 fiscal years of the present administration have been or are projected as peace years. And it is interesting to note that in the very budget which the administration continually deprecates, the public debt was shown at $269.8 billion while it turned out to be $271.3 after being administered by the new administration for 1 year.

Furthermore, on the claimed "cut"—a reduction which was to be expected once fighting stopped in Korea—President Truman had this to say in his 1954 budget message:

> Under our present defense program, military expenditures are expected to reach their peak in the fiscal year 1954 and to start declining in subsequent years. * * * It is difficult to forecast with any precision the amount by which total Federal expenditures may be expected to drop in future years under these assumptions, but it may be in the neighborhood of $15 billion. In my judgment, however, a drop of this magnitude cannot be expected for at least 2 or 3 years.

CONTROLLABILITY OF EXPENDITURES

Mr. Speaker, the message calls attention to the degree to which expenditures and appropriations are readily subject to adjustment in the annual appropriation processes. The following, taken from executive figures, serves to point up the situation:

Expenditures

[In billions]

(See table, p. M13 of message)

	1954	1955	1956, estimated	1957, estimated
1. Major national security programs	$46.5	$40.6	$39.5	$40.4
2. Major programs not readily controllable	14.3	16.4	16.5	16.5
3. All other	7.0	7.6	8.3	9.0
Total	67.8	64.6	64.3	65.9

Two things stand out. In the aggregate, national security is the only category showing a cut over the last 4 years. The "all other" group—where lack of controllability is not in question—shows a 28 percent increase over the 4-year period. Furthermore, the President recommends grant of authority to make certain long-term commitments under the foreign-aid program to be fulfilled from appropriations of later years, an action which if approved would accentuate the very thing the message seems to lament.

The potential cost of carrying the national debt staggers the imagination. The interest alone for the ensuing year is estimated at $7 billion. The average rate of interest on the debt is now up to 2.49 percent, and in the past year some bonds have been refunded at 3 percent. This cost will no doubt increase in subsequent years. And the President has again requested legislation waiving the debt ceiling of $275 billion, the third straight year he has made that request.

These continued extensions affect the buying power of the dollar. Those who are entering the retirement bracket, those who hold Government bonds, those who have been building up a life-insurance schedule and especially those who are subsisting on pensions, annuities, and old-age assistance are being systematically mulcted. Retirement annuities are inadequate. Dollars invested in Government securities every year of the last 3 years have bought less on the market than when they were invested. And the millions of increased expenditures recommended in this message offer little comfort.

It has been a matter of surprise to hear from time to time reference to the national debt as a Democratic debt. It is a debt contracted to provide arms and ammunition for the American soldiers who fought in defense of the Republic. Without those expenditures they would have died and we would have died with them. And every man on this floor on either side of the aisle, who was here at that time voted for them—voted to create them. Most of the appropriation bills creating this debt were passed practically unanimously. It is reprehensible to attempt to make political capital out of the war expenditures which contributed to this debt. But if they were Democratic debts incurred in war times what about the more than $7 billion increase incurred in peacetime—in the last 3 years?

Mr. Speaker, this is not only the most disappointing budget in many years but it is the largest peacetime budget in history. It proposes to consume the largest Federal revenues ever enjoyed by this Nation or any other nation in all the tide of time.

May I urgently suggest that this Congress make such needed reductions in the estimates as to provide a surplus that will leave no doubt about the balancing of the budget and provide means for carrying out a progressive fiscal program.

ADDITIONAL OFFICE PERSONNEL FOR THE MINORITY LEADER

Mr. McCORMACK. Mr. Speaker, I offer a resolution (H. Res. 374) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That effective January 3, 1956, the position of secretary to the minority leader of the House, at the basic salary rate of $6,000 per annum, shall be vacated and in lieu thereof there shall be paid from the contingent fund of the House, effective January 3, 1956 until otherwise provided by law, compensation for additional office personnel for the minority leader, to be appointed by him, at rates of compensation totaling not more than $6,000 basic per annum.

The resolution was agreed to, and a motion to reconsider was laid on the table.

HISTORY, DULLES STYLE

Mr. SIKES. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. SIKES. Mr. Speaker, Mr. Harold Stassen accuses the 1952 standard bearer of the Democratic Party, Mr. Adlai Stevenson, of playing politics with America's foreign policy. I could say that this is a case of the pot calling the kettle black, but I cannot in good conscience so elevate Mr. Stassen's thinking. Governor Stevenson said that Mr. Dulles is playing Russian roulette with America's security. Obviously, much of the free press in America and elsewhere agrees.

I call attention to two significant editorials in leading Washington newspapers, the Post and the Star, deploring Mr. Dulles' ill-considered statements and I ask that they be reprinted in the RECORD.

(The matter referred to is as follows:)

[From the Washington Post of January 14, 1956]

HISTORY, DULLES STYLE

Bragging seldom makes or holds friends. The panegyric to John Foster Dulles in the

current issue of Life, written by James Shepley on the basis of consultation with the Secretary of State, is not distinguished for its understatements. It relates in matter-of-fact fashion that Mr. Dulles "had probably devoted more thought to the subject of war and peace than any other man alive," and it evaluates Mr. Dulles' work as "the greatest display of personal diplomacy since the great days of the Franklin-Adams-Jefferson triumvirate." The basis for these encomiums is the thesis that Mr. Dulles has three times saved world peace by taking the United States to the brink of nuclear war. Quite apart from the subjective version of history it presents, the article is in incredibly bad taste.

For the effect is about as subtle as if this country had dropped a bomb on London. The article portrays Mr. Dulles as a reckless gambler, a sort of military-minded Hairbreadth Harry who specializes in narrow escapes. "The ability to get to the verge without getting into the war," it quotes him as saying, "is the necessary art." This is a little like saying that the closer you get to war the better you serve peace, or that Russian roulette is a good game by which to steel your nerves and impress your adversaries. It assumes that Mr. Dulles, by some undisclosed omniscience, was able to control all the factors that governed whether the world would have been plunged into nuclear war. Other nations will find the article highly offensive, and Communist propaganda will find it a windfall. Surely, if this is the theory on which American policy has be conducted, it would have been better left unsaid.

Mr. Dulles' belief that the threat to enlarge the Korean war is what finally brought the truce has long been familiar. There is no way to prove it or disprove it. It is reasonable to think that the Truman administration could have had a truce if it had been willing to accept stalemate and division. But it did not accept these terms; and Mr. Dulles and his colleagues are entitled to credit for bringing the Korean war to a conclusion.

The history of the Indochina war is considerably more confused. The Life article maintains that Mr. Dulles and the administration never contemplated merely an air strike to save Dien Bien Phu. This is at substantial variance with the version widely understood after the event, which was that the President was prepared to go to Congress for authority to intervene at Dien Bien Phu. Whether the British changed their minds or whether there was misunderstanding in the first instance is still in dispute. One story is that Admiral Radford's talk about atomic bombing in China is what caused the British to pull back.

Nor does the assertion that at the 1954 Geneva Conference on Indochina Mendes-France and Eden found themselves able to bargain from Dulles' strength square with the impression at the time. If Mr. Dulles was confident that the Geneva solution would turn out well all along—which is a little like his after-the-fact expression of confidence in the Bandung conference, although he seemed at first to want to play it down—he managed to conceal his feelings to a remarkable degree. When Mr. Dulles packed his bags and came home from Geneva in the middle of the negotiations, he seemed to have concluded that the whole affair was an unmitigated disaster and to have washed his hands of it. Prime Minister Eden, who as British Foreign Secretary was credited generally with salvaging the best settlement obtainable on Indochina, doubtless will be glad to know that Mr. Dulles planned it that way. (It also will be instructive to Eden to know that the Dulles policies are what brought acceptance of the Paris treaties after the failure of EDC.)

Similarly, on the question of what to do if the Chinese Communists attacked in the fall of 1954, the article claims credit for Mr. Dulles' policy of deterrence. What actually deterred the Communists no one knows for sure; and certainly the revision of American policy respecting Formosa was a useful step. But what the article does not say, in extolling the Dulles policy and President Eisenhower's support of it, is that the President overruled the kind of response which Mr. Dulles had at first endorsed to counter an attack on Quemoy and Matsu.

No one with a knowledge of diplomacy will contend that it is not necessary sometimes to take large risks. This newspaper also believes firmly with Mr. Dulles that it is desirable to let a potential enemy know precisely where we stand. But there is a difference between undertaking risks as a necessity and regarding risk taking as a virtue in itself. There also is a difference between risks and threats that can be interpreted as bluffs. Moreover, if Mr. Dulles originated the doctrine of deterrence, as the article indicates, the Strategic Air Force must have been twiddling its thumbs between 1946 and 1953. What our allies will find especially annoying is the implication in the article's praise of massive retaliation and other Dulles policies that this country, through some superior wisdom, has a right to incur risks for them without consultation. Their apprehensions will not be lessened by the article's concluding reference to Mr. Dulles' recent call for a revival of the American crusading spirit and missionary zeal of the last century.

What purpose is served by this boastful exercise in slanted history and massive hindsight? If it was intended as a political document to encourage the Republicans and impress the Democrats, it is likely to have the opposite effect. Electioneering of this sort will not advance the cause of bipartisan foreign policy. If it was intended to deter the Russians, the dismay it will create among our allies and in neutral nations will give the Soviet Union an undreamed-of opportunity. Like the Duke of Wellington's soldiers, the article may not frighten the enemy, but it will certainly terrify our friends. Popularity at home and abroad are not necessarily the index of effective policies; but strong policies and imaginative execution are their own best advertisement and do not require shouting from the housetops. The current state of American foreign relations at least raises some doubt as to whether all Mr. Dulles' policies have been an unqualified success. Perhaps the worst effect of the article is that its total absence of modesty serves to cast discredit on the good things Mr. Dulles has done.

[From the Washington Evening Star of January 14, 1956]

"BRINK OF WAR"

Secretary of State John Foster Dulles is up to his ears in boiling-hot water, and he has only himself to blame.

Mr. Dulles' troubles stem from an exclusive interview which he gave to Life magazine. Why he did this is anyone's guess. Presumably, however, Mr. Dulles thought it would be nice to start off an election year with a friendly article in a friendly magazine. There is nothing inherently wrong with this. Mr. Dulles is not the first man in public life, nor will he be the last, to welcome a bit of publicity which he thinks will be helpful to himself and his party. What is wrong, or, rather, what is incomprehensible, is that Mr. Dulles, or whoever acted for him in the matter, should have failed to realize that this particular article, far from being helpful, was certain to be harmful. Both in tone and content, the interview is damaging to our relations with our allies and should be embarrassing to Mr. Dulles.

The article says that on three occasions Mr. Dulles, with the President's full support, walked up to the brink of war—war in Korea after the truce negotiations had started, in Indochina, and in Formosa. Then came this direct quotation of the Secretary of State:

"You have to take chances for peace just as you must take chances in war. Some say that we were brought to the verge of war. Of course we were brought to the verge of war. The ability to get to the verge without getting into the war is the necessary art. If you cannot master it, you inevitably get into war. If you try to run away from it, if you are scared to go to the brink, you are lost."

The impression that the world will get from this portrayal of Mr. Dulles, in his own words, as a master of the art of going to the verge of war without getting into war—as a man who has thrice marched to the brink of war and who, if need arises, will march again. There are other comments in the article which imply that the French and British have not mastered this art, and there is one which suggests that the British backed out of an agreement for joint action in the Indochina matter.

It may be that Mr. Dulles is right in thinking that his deterrent policy, a policy of putting the enemy on notice that force would be met with superior force, saved this country from three wars. It would be quite understandable if he had said these things in private conversation. But it is incredible that the Secretary of State would consent to the publication, with direct quotes, of such views and comments.

It is even more incredible that Mr. Dulles, having given the interview, did not know what form it was going to take for publication. Now that the fat is in the fire, Mr. Dulles has read the article and he says that the statements specifically attributed to him "do not require correction from the standpoint of their substance." But in a press conference Wednesday he said that he had not read the article up to that time and that he had no precise recollection of what he had said during the interview.

To paraphrase an old saying, this is a deplorable way to run a State Department. Mr. Dulles is in serious trouble of his own making. He has marched to the brink of a diplomatic fiasco, and he is going to need all of his skill in extrication to keep from toppling over.

PAUL LEACH

Mr. O'HARA of Illinois. Mr. Speaker, it is my happy assignment by the beloved dean of the Illinois Democratic delegation, the Honorable THOMAS J. O'BRIEN, to express for him and for every Member of our delegation our affection and best wishes for Paul Leach and his brilliant and charming wife in the years ahead.

Paul Leach in 45 years as a newspaper man has never once broken faith or his word. He leaves the Washington scene respected and beloved by everyone. He has lived for almost half a century in the spirit and the letter of the highest traditions of the fourth estate. His name forever will be enrolled among the all-time greats of that brilliant and peerless galaxy of Washington newspaper correspondents. His successor as the Washington correspondent of the Chicago Daily News is one of national fame and stature, the lovable and ever stimulating Ed Leahy, to whom for the dean and the Members of the Illinois Democratic delegation I extend warm welcome and best wishes always.

It is our hope that Paul Leach will devote some of the time of his retirement

to writing an autobiography, covering his colorful and historic career, and which we of the Illinois Democratic delegation predict would take its place with the autobiography of another great newspaperman whose 250th birthday anniversary is being celebrated this year of 1956.

I am extending my remarks to include the following from the Washington Post of January 15, 1956:

PAUL LEACH RETIRING AS NEWSMAN

Forty-five years in the newspaper business, covering everything from golf matches and fires to revolutions, depressions, and national politics. * * *

Paul R. Leach, who retires today as Washington bureau chief of the Chicago Daily News, looks back fondly over those exciting years.

Leach, one of the Nation's top reporters, has had a first-row seat as 20th century history was made. A friend of bums and Presidents, he has spent the last 22 years in Washington.

At 65, he is a bright-eyed man with a springy step, a youthful figure, and a love of living.

He always wanted to be a reporter, and he always was.

Leach started with the Daily News as a $10-a-week sportswriter, and he never worked for any other paper.

Looking ahead to his retirement day, in a recent letter to Everett Norlander, his managing editor, he wrote:

"Now that I am retiring I can butter the bosses for the first time.

"I have worked with the four publishers of the Daily News Victor F. Lawson, Walter A. Strong, Col. Frank Knox, and John S. Knight.

"They have progressively grown in stature and influence. Each has been a power greater than the last, each has been an outstanding publisher.

"In 45 years no publisher of the Daily News has asked me to color copy to his way of thinking. Editorial opinion has been confined to the editorial page.

"I never have had to apologize for the newspaper. Instead, I always have been proud of it."

As an example of his reportorial independence, Leach recalled the 1936 presidential election in which Franklin D. Roosevelt won a second term. Leach's boss Colonel Knox, was the Republican vice presidential candidate on the Alf Landon ticket.

"The story I wrote at the closing of the campaign showed how unlikely it would be for Landon and Knox to win, though Knox thought there were elements of a GOP landslide in the picture," Leach recalled.

"I figured Landon would win about eight States. He actually won Maine and Vermont."

John Hamilton, GOP national chairman, phoned Knox in horror about Leach's preelection story in Knox's own newspaper.

"Leach is writing the politics, not me," was the Knox reply.

On Pearl Harbor Day Leach spent 24 hours at the Navy Department without letup. World War II was on.

Leach's son, Paul, Jr., was in the infantry and his son-in-law, Frederic B. Clark, was a submarine operations officer.

He recalls much pressure on him from VIP's seeking intercession with Knox to get their sons out of dangerous war posts.

"I never did intercede," says Leach. "I'd simply say I had a son in the infantry and a son-in-law in submarines, and what could I do?"

Leach is proud of his active part in the Gridiron Club. He was club president in 1952.

Looking back over his 45 years of newspapering, he says they have been "fascinating and grand."

"Many friends have made a lot more money than I have, but I've had satisfaction in my job," he says.

Mr. AYRES. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Illinois. I yield to the gentleman from Ohio.

Mr. AYRES. I would like to associate myself with the remarks made by the gentleman from Illinois, as Mr. Leach, associated with the Knight newspapers, has also been very helpful in working with those of us from Ohio who appreciate what he has done through the media of the Akron Beacon-Journal.

Mr. O'HARA of Illinois. I thank the gentleman.

PRESIDENTIAL MESSAGE

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Speaker, this is the time for the coming to the House of a series of Presidential messages.

I have in my hand reference to one of the most dramatic. The press states that when this excerpt was read the Republican side of the House rose to its feet and yelled.

Mr. Speaker, I quote that part of the message of February 2, 1953:

I am, therefore, issuing instructions that the 7th Fleet no longer be employed to shield Communist China.

TAXATION OF COOPERATIVES' INCOME

Mr. DAVIS of Tennessee. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. DAVIS of Tennessee. Mr. Speaker, I have sent to the desk for proper reference a bill entitled "a bill to provide for the taxation of all cooperatives' income in the year earned, either to the cooperative or to the patron member, to protect persons required to treat noncash patronage dividends as income for Federal income tax purposes by providing for collecting tax at the source on such dividends."

The purpose of this bill, Mr. Speaker, is to implement the recommendations for taxation of cooperatives which were sent to this Congress last July by the Secretary of the Treasury.

For several sessions of the Congress, Mr. Speaker, I have introduced a bill seeking to correct the inequity in present law under which cooperative associations are privileged to do business without paying much of any Federal income tax on their earnings. This privilege dates back to 1916—nearly 40 years ago—when the tax situation was quite different from what it is today. Then, the corporate tax rate was one percent; now it is 52 percent. Then, the cooperatives were little, while now many of them are multimillion-dollar businesses, whose aggregate Federal income tax escape is reckoned at nearly $400 million a year.

And that is not the only damage to our economy that results from our failure to tax cooperative earnings. Taxpaying competitors, big and little, are put to a harmful disadvantage and in recent years many of them have been forced to sell to the co-ops or simply to quit and go out of business.

Cooperatives today are in all kinds of business. They manufacture and distribute farm machinery, hardware, automobile and tractor tires, batteries and supplies; household electric appliances; cigars and cigarettes; lipstick, face creams, leg makeup, toothbrushes, vitamin pills, soft drinks, groceries, and a host of other products.

Co-ops drill oil wells, refine petroleum, and sell gas at filling stations. They are in mining, banking, insurance, lumbering, publishing, paper making, and home building. They run electric systems, a railroad, telephone lines, and funeral parlors. They operate hospitals, summer camps, and radio stations.

Go into the grocery store and you'll find well-known brands like Land O' Lakes eggs and butter, Sunkist oranges and lemons, C & H sugar, Eatmor cranberries, Diamond walnuts, Blue Diamond almonds, Sunsweet prunes, Sunmaid raisins, Donald Duck frozen orange juice, Welsh's grapejuice, and scores of others. The big corporations that put up these familiar grocery products, and a great many more besides, are cooperatives, which pay little or no Federal income tax on their big earnings.

Obviously it is a situation that should be corrected. That is why I introduced to the Congress several years ago a bill which I looked upon as a first step toward correction of an utterly unfair and inequitable situation. I didn't try to go the whole way, because I thought it only fair that the cooperatives and their members should have a little time to adjust themselves to the payment of tax. Therefore my bill provided that the cooperative corporations should be taxed on all of their earnings, but that the members of those co-ops should be given a credit for the amount of tax that had been paid on their share of the patronage dividends.

Almost everyone has to agree that it is a perfectly fair proposition. No cooperative corporation would be hurt by paying income tax on its earnings—and the farmer would be relieved of paying individual income tax on his patronage dividends as he is now required to do.

But unhappily there has been no action—and meanwhile the situation has grown even worse than before. In my own district, the cotton industries—growing, ginning, marketing, warehousing, and cotton-oil extraction—have been badly hurt by cooperative competition. What with direct limitation of cotton acreage, the localized nature of ginning and the relationship between various cotton industries, the income-tax escape of co-op gins, compresses, warehouses,

marketing organizations, and oil mills has become of critical importance. Furthermore, any increase in the volume of cooperative cotton business must be reflected by loss of volume of the taxpaying cotton business.

Just before the first session of this Congress adjourned, the Secretary of the Treasury, Mr. George M. Humphrey, sent to the Congress his recommendations for the correction of this inequity. I accept them in principle, because Mr. Humphrey's proposals are based on a compromise which was offered in a Senate debate about 4 years ago by the two Democratic Senators from Virginia—Mr. HARRY BYRD and Mr. WILLIS ROBERTSON. The Secretary says in his letter:

It was intended in 1951 that cooperative income should be taxable as it was earned either to the cooperative itself, or to its members. However, several courts now have held that when allocation certificates issued to patron-members have no fair market value, they are not properly includible in the taxable income of the patron-members when issued. Thus, the 1951 act has failed to accomplish its purpose and, contrary to congressional intent, in at least some instances cooperatives may retain earnings with no tax imposed either on them or their members.

The general plan of the 1951 legislation, to tax all income from cooperatives' operations as it is earned either to the cooperative or to its patron-members, might now be made effective by appropriate action of Congress in the following manner.

It could be provided that cooperatives could take deductions in computing their taxable income only for cash distributions and noncash allocations issued in such form or under such circumstances as would make them currently taxable to the patron-members receiving them, and the amount deductible by the cooperative itself should not exceed the amount so currently taxable to patron-members.

This would not interfere with the proper function or financing of cooperatives, but would make it certain that all income is taxed in one place or the other as it is earned. The traditional handling of cooperative affairs would not be impeded.

The Secretary goes on to say that cooperative members often object to paying tax on patronage dividends paid to them in scrip or stock or by book allocation, and this is where he recommends the Byrd-Robertson proposal; like this:

These difficulties can be eliminated by the adoption of a withholding system comparable to that on wages and salaries. The tax could be withheld at the bottom rate for individuals, now 20 percent. As in the case of wages and salaries, refunds automatically would be made to those entitled to them and additional taxes paid by those subject to higher tax rates. Withholding at source would help both patron members in payment of their taxes and the Treasury in its enforcement and administration problems.

The preceding changes would make it sure that noncash allocations would be taxable, and that tax would actually be paid on behalf of the recipients. Further wholly tax-free additions to the capital of cooperatives would be prevented.

That is what the Secretary of the Treasury proposes as a way to tax cooperatives. I do not think it is so good a way as I have proposed in my old bill, but I am willing to go along.

In simple language, Mr. Speaker, the bill which I am now introducing would require cooperatives to pay Federal income tax to the full extent on earnings that are not taxed to their patron members; would impose a 20-percent withholding tax which would be paid by the co-op corporation and would be credited to patron members; and would repeal the special co-op income-tax privilege of deducting dividends paid on stock.

Adoption of this bill of mine would, I am convinced, close a large part of the loophole through which cooperatives may now escape almost all liability to Federal income tax. What is more, it would produce a measure of tax equality that would ease the unfair competitive situation at once.

OUR NATION CAN ENDURE

Mr. TRIMBLE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Askansas?

There was no objection.

Mr. TRIMBLE. Mr. Speaker, we are beginning a new session of the Congress. At no time in the history of our country have we been faced with a greater challenge. There is no peace, only a stalemate. We face a strong and determined foe, an ungodly foe who has atomic weapons, Russia. Our Armed Forces are stationed at outposts around the world.

We are the leader of the free world, put there by the fates of history. How we meet that challenge is up to us and the people back home whom we represent. Our way is not easy, nor will it be without cost in time, in material substance, and in heartache.

There is no time for hate, fear, and misunderstanding. If each of us will continue to read his Bible with a prayerful and understanding heart; continue to salute the flag of our country with courage and determination; and daily recite this pledge with sincerity:

> "I pledge allegiance to the flag of the United States of America and to the Republic for which it stands, one Nation under God, indivisible, with liberty and justice for all,"

our beloved Nation will endure.

SOUTHERN CALIFORNIA'S WATER SUPPLY: A STRUGGLE FOR SURVIVAL

Mr. McDONOUGH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. McDONOUGH. Mr. Speaker, I doubt that the Members of Congress, most of the people of the Nation, and in fact, many of the people in southern California, fully realize the great importance of an adequate water supply to the 8 million people now living in southern California, and with the population increasing more rapidly than in any other section of the United States, the problems of protecting our water supply become more difficult daily. In the city of Los Angeles alone last year new water users increased at the rate of 3,730 every month.

Because water is now available when you turn on your hose to sprinkle your lawn, to take a shower, to wash your car, or for any other purpose is no assurance that it will continue.

Our vital water supply is seriously threatened. We are fighting a two-front battle to protect and preserve our legal rights to Colorado River water. There is no issue of more immediate importance to the people of Los Angeles and the entire southern part of the State. It is a fight for survival.

On one front we are fighting in the United States Supreme Court in the case of Arizona against California. On the other front we are fighting in the House of Representatives against legislation to build the upper Colorado project and the Fryingpan-Arkansas project, both of which would seriously damage our legitimate supplies of Colorado River water and power.

The outcome of these battles will affect every resident of Los Angeles and southern California. With our swiftly rising population we cannot afford to lose 1 gallon of Colorado River water or 1 kilowatt of power. In fact, we can already look ahead to the place where we must have more water and power to meet our demands. We cannot get it from the Colorado River, and we are not asking for more from that stream. What we are struggling to do is to protect and preserve what we already have under our legal contracts and our appropriative rights.

In the Supreme Court suit Arizona is seeking to limit our use of Colorado River water to an amount far below our present rights. The quantity of Colorado River water which Arizona seeks to limit California to would be less than our firm vested rights before Hoover Dam was built. If Arizona wins, California would be stripped of all the increase in water supply made possible by that dam, which California underwrote and Arizona opposed.

As I have done before, I shall vigorously oppose the proposed upper Colorado River project and the Fryingpan-Arkansas project, both of which would be disastrous to California, and which would cost ultimately at least $4.5 billion.

These upper Colorado River Basin developments have been planned in almost total disregard of the interests of California. Both projects would materially decrease our vital Colorado River water and power. For instance, Hoover Dam power output would be cut at least 25 percent. We cannot stand such a reduction.

The truth of the matter is that the upper basin States are endeavoring to engineer a huge grab of Colorado River water in excess of their rightful share. At the same time, an attempt is being made to raid the Federal Treasury at the expense of the Nation's taxpayers in order to obtain the immense subsidies required to build these unsound irrigation projects.

It is a money grab to support a water grab.

The sponsors of these bills so detrimental to California were unable to get them through Congress last year. I am proud to say that I was among the Congressmen who voiced a firm "No" when the effort was made to call the bills before the House.

Our opposition prevailed, but once again we are faced with the same fight.

The upper Colorado River project is mainly a hydroelectric project. Power revenues are needed to pay for the irrigation units of the gigantic plan. These irrigation units the Bureau of Reclamation admits cannot pay for themselves.

The upper Colorado River project would:

Saddle an enormous new burden of more than $4 billion on all taxpayers.

Provide water for only a favored few who would pay only a minute fraction of the cost.

Furnish water to grow the kind of crops which are already in great surplus in this country, and which are already heavily subsidized by the taxpayers.

Cost the American taxpayers $5,000 an acre to subsidize the proposed irrigation units.

Cost the taxpayers $750,000 for each 150-acre farm in the project.

Require the States which benefit—Colorado, Utah, Wyoming, and New Mexico—to pay less than 2 percent of the great new tax burden. Taxpayers of the other 44 States, including California, second largest taxpaying State of the Union, to pay 98 percent.

Thus, California would be in the position of paying to have its own water stolen, should this project be approved.

The Fryingpan-Arkansas project would:

Take enormous amounts of the purest Colorado River water out of the river and transport it over the Rocky Mountains. Therefore, the quality of the water coming down to California would be seriously impaired. We would get water containing heavy concentrations of salts and minerals.

Inflict a concealed subsidy on the taxpayers of $500 million, or about $1,400 an acre to be irrigated on the eastern slopes of the Rocky Mountains.

We must and we will continue to oppose these two projects. Every legitimate means will be used to defeat them.

Victory in this fight is vital to our present and future economy, and I pledge myself to make every effort to win it.

I am determined to be able to say to my constituents when this Congress is adjourned next summer: "The water and power upon which you depend for your homes and industries has been protected and preserved."

LEGISLATION PROVIDING DEATH PENALTY FOR DESTRUCTION OF AIRPLANES, BUSES, AND MOTOR CARRIERS IN INTERSTATE COMMERCE

Mr. HILL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. HILL. Mr. Speaker, last November the people of this country were shocked and dismayed by the wanton murder of 44 innocent men, women, and children when a United Airlines plane leaving Denver was sabotaged by a planted bomb.

Under Federal law the maximum penalty that could be meted out to the prepetrator of this horrible crime is far less than we expect from deeds of this kind.

To remedy this situation I am today introducing legislation that will increase penalties under the Federal code so as to provide death penalties, if a jury so recommends, for anyone who deliberately destroys any airplane, bus, or motor carrier operating in interstate commerce.

The increase of penalties will not by themselves prevent future crimes of this type, but certainly the knowledge of swift and severe punishment will deter those who would murder in this horrible manner. I have been in contact with the Chairman of the Civil Aeronautics Board and have been assured that the entire safety division of that bureau is making strenuous efforts to find a suitable method of preventing such acts in the future. If further legislation is necessary to protect the public, I shall do everything in my power to see that it is enacted.

EXEMPTION FROM EXCISE TAX ON GASOLINE FOR FARMERS

Mr. HILL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. HILL. Mr. Speaker, today I am introducing legislation to provide for the relief of our hard-pressed farmers from the burden of the Federal excise tax on gasoline.

When this tax was imposed, little if any gasoline was used by farmers on the farm. Today nearly $60 million is extracted from our farmers by taxes on fuels that are not used on highways.

My bill would provide for the granting of credit for any tax collected from the sale to the farmer of gasoline or lubricating oils for nonhighway agricultural uses. And could be applied against any tax liability the farmer may incur. Many of our States grant a rebate to the farmer for the tax collected on the gasoline and oil he uses on his farm. This bill would in effect provide similar treatment for the Federal tax on gasoline and oil.

To grant rebates on the Federal tax, which unlike State taxes is levied at the manufacturers' level, might create administrative problems that would be so burdensome as to cost much more than the amount of tax involved. For that reason I have adopted the relatively simple method of treating the tax collected as an overpayment to be applied as a tax credit.

The President, in his farm message to Congress last week, recommended relief for the farmer from these taxes, and I hope the House will act with dispatch to enact the necessary legislation.

INCREASES IN ANNUITIES UNDER FOREIGN SERVICE RETIREMENT AND DISABILITY SYSTEM

Mr. RICHARDS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (S. 1287) to make certain increases in the annuities of annuitants under the Foreign Service retirement and disability system, insist on the amendment of the House and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina? [After a pause.] The Chair hears none and appoints the following conferees: Mr. RICHARDS, Mr. CHATHAM, Mr. SELDEN, Mr. VORYS, and Mr. BENTLEY.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

AMENDING VETERANS REGULATIONS TO PROVIDE INCREASED COMPENSATION

The Clerk called the bill (H. R. 1614) to amend the Veterans Regulations to provide an increased statutory rate of compensation for veterans suffering the loss or loss of use of an eye in combination with the loss or loss of use of a limb.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. DEANE. Mr. Speaker, a rule has been granted on this bill, and I ask unanimous consent that it be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

FORWARDING OF CHECKS FOR VETERANS

The Clerk called the bill (H. R. 1821) to provide that checks for benefits provided by laws administered by the Administrator of Veterans' Affairs may be forwarded to the addressee in certain cases.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. ASPINALL. Mr. Speaker, a rule has been granted on this bill, and I ask unanimous consent that it be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

FEES CHARGED VETERAN FOR FURNISHING COPY OF DISCHARGE

The Clerk called the bill (H. R. 6274) to provide that no fee shall be charged a veteran for furnishing him a copy of his discharge or a copy of his certificate of service.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. FORD. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

Mr. VINSON. Mr. Speaker, a parliamentary inquiry. This bill appears to have been passed over without prejudice on July 18, 1955, and was objected on July 30, 1955. My inquiry is: Does it not now require three objectors?

The SPEAKER. It does.

Mr. VINSON. Mr. Speaker, I object to the present consideration of the bill.

Mr. FORD. I object.

Mr. DEANE. I object.

The SPEAKER. Three objections are heard and the bill is stricken from the calendar.

SUPPORT OF FREE NATIONS IN THE UNITED NATIONS

The Clerk called the resolution (H. Con. Res. 186).

The SPEAKER. Is there objection to the present consideration of the resolution?

Mr. GROSS. Mr. Speaker, I ask unanimous consent that this resolution be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

PORT OF ENTRY ON ALASKA HIGHWAY

The Clerk called the bill (H. R. 604) to provide port of entry and related facilities on the Alaska Highway at the Alaska-Canadian border in the Territory of Alaska, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in order to provide proper facilities for the public visiting Alaska, to assure the efficient discharge of governmental responsibilities and functions in connection therewith, and to promote and encourage travel to Alaska, the Secretary of the Interior is authorized and directed to select a suitable site for, and prepare a unified development plan of, the facilities needed for the comfort and convenience of the public visiting Alaska, and for the office and housing needs of cooperating Federal agencies operating near the Alaska-Canadian border in the vicinity of the Alaska Highway in the Territory of Alaska.

SEC. 2. The site selected by the Secretary of the Interior in accordance with the provisions of section 1 hereof shall consist of lands owned or controlled by the United States. If any lands within the site so selected by the said Secretary are under the jurisdiction of another department or agency of the Federal Government, they may be included in the site after the written approval for their inclusion therein has been obtained from the head of the department or agency having jurisdiction thereover.

SEC. 3. The Secretary of the Interior is authorized to construct such facilities, including utilities for their operation, as may be considered necessary by him in accordance with the provisions of section 1 hereof.

SEC. 4. The Secretary of the Interior is also authorized to make such arrangements with cooperating Federal, Territorial, or other governmental agencies as may be deemed by him to be necessary and appropriate for the use of the site and facilities selected and developed in accordance with the provisions of this act.

SEC. 5. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this act: *Provided*, That the Secretary of the Interior may expend any funds made available by other Federal agencies or the Territory of Alaska to carry out the provisions of this act.

With the following committee amendments:

Page 1, line 4; strike the "comma" and insert in lieu thereof the word "and."

Page 1, lines 5 and 6; strike the words ", and to promote and encourage travel to Alaska,."

Page 1, lines 9 and 10; strike the words "visiting Alaska."

Page 2, line 2; strike the words "in the vicinity of" and insert in lieu thereof the words "adjacent to."

Page 2, line 10; after the word "site" insert the words "without reimbursement to such other Department or agency."

Page 2, line 13, strike all of section 3 and renumber subsequent sections.

The committee amendments were agreed to.

Mr. ENGLE. Mr. Speaker, I offer an amendment on behalf of the committee.

The Clerk read as follows:

Page 2, line 11, after the word "site", insert "without reimbursement to such other department or agency."

Mr. ENGLE. Mr. Speaker, this amendment was adopted by the committee but through inadvertence was not printed in the bill.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMEND ACT TO PROVIDE FOR ACCEPTANCE OF GIFTS

The Clerk called the bill (H. R. 5894) to amend the act providing for membership and participation by the United States in the United Nations Educational, Scientific, and Cultural Organization to provide for the acceptance of gifts, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, reserving the right to object, I wonder if we might have an explanation of the bill?

Mr. ZABLOCKI. Mr. Speaker, this bill permits the United States National Commission on UNESCO, organized under and pursuant to Public Law 565, 79th Congress, to accept gifts or bequests of money to carry out the purposes of the Commission. These gifts or bequests are to be exempt from District of Columbia and Federal taxes, as gifts to or for the United States.

Mr. GROSS. Does the gentleman recall testimony before a House committee less than a year ago that a considerable amount of dirt was being swept under the UNESCO rug? Can the gentleman tell me whether the dirt is now being swept in some other direction?

Mr. ZABLOCKI. The gentleman knows I am in no position to answer that.

Mr. GROSS. Does the gentleman think it is right for the House today in view of the testimony given less than a year ago with respect to certain things that have been going on in UNESCO, to pass a bill to provide tax exemption for gifts to UNESCO?

Mr. ZABLOCKI. I believe UNESCO should not be discriminated against. If an individual wants to donate money to the United Nations educational fund I do not see why there should be any restrictions on it. UNESCO should be given equal consideration with other charitable organizations. I think this bill is worthy of consideration, and I hope the House will pass it. I hope the gentleman will withdraw his objection.

Mr. GROSS. Does the gentleman think it right to grant tax exemption on gifts to UNESCO that might be used to pay indemnities to people in UNESCO who refuse to come before the United States Loyalty Board and testify as to their loyalty to the United States? Does not the gentleman feel this should be held in abeyance until that situation is cleared up and until someone comes forward to say that dirt is not being swept under the UNESCO rug?

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, I object and ask that the bill be passed over without prejudice.

The SPEAKER. Objection is heard.

EXPORT SALE OF SURPLUS STORABLE COMMODITIES

The Clerk called the bill (H. R. 7252) to permit sale of Commodity Credit Corporation stock of basic and storable nonbasic agricultural commodities without restriction where similar commodities are exported in raw or processed form.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. DEANE. Mr. Speaker, I ask unanimous consent that the bill (S. 2170) to permit sale of Commodity Credit Corporation stocks of basic and storable nonbasic agricultural commodities without restriction where similar commodities are exported in raw or processed form, be substituted for the House bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That section 407 of the Agricultural Act of 1949, as amended, is amended by adding at the end of such section the following: "For the purposes of this section, sales for export shall not only include sales made on condition that the identical commodities sold be exported, but shall also include sales made on condition that commodities of the same kind and of comparable value or quantity be exported, either in raw or processed form."

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider and a similar House bill (H. R. 7252) were laid on the table.

RESTRICTIONS ON ADMISSION OF CATTLE AND POULTRY INTO THE VIRGIN ISLANDS

The Clerk called the bill (S. 1166) to amend section 6 of the act of August 30,

1890, as amended, and section 2 of the act of February 2, 1903, as amended.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 6 of the act of August 30, 1890 (26 Stat. 414, 416; 21 U. S. C. 104), "An act providing for an inspection of meats for exportation, prohibiting the importation of adulterated articles of food or drink, and authorizing the President to make proclamation in certain cases, and for other purposes," as amended, is further amended by deleting the words "and the admission into the Virgin Islands" immediately following the word "Texas" in the first sentence of such section; deleting the period at the end of such sentence; and adding the following clause after the word "therefrom" in such sentence: ", and the admission from the British Virgin Islands into the Virgin Islands of the United States, for slaughter only, of cattle which have been infested with or exposed to ticks upon being freed therefrom.".

SEC. 2. That section 2 of the act of February 2, 1903 (32 Stat. 791, 792; 21 U. S. C. 111), "An act to enable the Secretary of Agriculture to more effectually suppress and prevent the spread of contagious and infectious diseases of livestock, and for other purposes," as amended, is further amended by deleting the proviso reading: "*Provided*, That no such regulations or measures shall pertain to the introduction of live poultry into the Virgin Islands of the United States."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DISPOSAL OF LANDS UNDER BANKHEAD-JONES FARM TENANT ACT

The Clerk called the bill (H. R. 6815) to provide for the orderly disposition of property acquired under title III of the Bankhead-Jones Farm Tenant Act, and for other purposes.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

COMMISSION ON INTERNATIONAL RULES OF JUDICIAL PROCEDURE

The Clerk called the bill (H. R. 7500) to establish a Commission and Advisory Committee on International Rules of Judicial Procedure.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, reserving the right to object, I wonder if we may have an explanation of this proposal.

Mr. WALTER. The measure under consideration contemplates the creation of a commission to study procedures in dealing with international legal proceedings and judicial assistance. Every bar association in the United States is urging the enactment of this legislation because lawyers are largely in the dark as to procedures in effect in various nations in which our nationals have business dealings. Further, it is of vital importance to United States citizens with business interests which have some international aspect that existing problems concerning judicial procedures be studied by such a commission as is proposed by this legislation.

The bill provides for the creation of a commission to consist of 7 members, 3 to be appointed by the President, 2 by the State Department, and 2 by the Department of Justice. The Commission is given the authority to erect a committee consisting of 15 leaders of the American bar.

The Commission will then study the procedures in effect in the 48 States and also procedures in effect in the countries with which we have had the most dealings at the start and ultimately of all the nations, with the idea of providing some sort of uniformity in the taking of depositions, in the obtaining of the evidence of witnesses, and of authenticating documents and other court records. The function of the Commission will be to sit in consideration of proposed recommendations to be made to the Secretary of State.

Mr. GROSS. Does this go to criminal proceedings?

Mr. WALTER. No; this does not go to criminal proceedings.

Mr. GROSS. Criminal proceedings are not excluded under the terms of this bill, though, are they?

Mr. WALTER. They are not specifically excluded, but if a commission's jurisdiction is limited as this is by being spelled out in the act, then it is impossible to read further authority in the law.

Mr. DAVIS of Georgia. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Georgia.

Mr. DAVIS of Georgia. I notice on page 2, line 2, the commission shall draft for the assistance of the Secretary of State international agreements to be negotiated by him. What does that mean?

Mr. WALTER. It means that this commission, with the advice of the experts that we are sure it will surround itself with, can suggest to the State Department the kind of procedures and agreements that ought to be incorporated into a treaty. Frankly, I think the Secretary of State has the authority to do that very thing right now in the absence of this legislation.

Mr. DAVIS of Georgia. To do what?

Mr. WALTER. To prepare a treaty for submission to the Senate dealing with the subjects contemplated in this bill.

Mr. DAVIS of Georgia. I see that this makes it incumbent upon the commission to draft for the assistance of the Secretary of State international agreements. That seems to me to be putting quite a bit of authority in this commission.

Mr. WALTER. Of course, it is only suggestive. The Secretary of State does not have to accept any advice coming from this commission.

Mr. DAVIS of Georgia. But should it not be so expressed in here?

Mr. WALTER. I think it is. That is very clearly the intention. The matter is well covered in the report and it was discussed in the hearings.

Mr. DAVIS of Georgia. Does not the gentleman think a bill of this importance ought to come to the floor for discussion in the regular way?

Mr. WALTER. No, I do not think so. I do not think this is more than a mere method of obtaining advice of experts in a field that is causing a great deal of annoyance to American lawyers today.

Mr. GROSS. Mr. Speaker, may I ask the gentleman from Pennsylvania: Does this in any way go to the question of the status of forces agreements and treaties and certain secret agreements involving the trial of American servicemen in foreign courts?

Mr. WALTER. No, indeed, it does not.

Mr. GROSS. It has nothing whatever to do with that?

Mr. WALTER. Nothing whatsoever to do with that.

Mr. GROSS. This is rather a strange situation. When the status of forces treaties were before the other body in July of 1953 for ratification, there had been no investigation on the part of the State Department or anyone else of trial procedures in foreign courts.

If I remember correctly, it was not until August 1953 that a mission was finally established to go to various foreign countries, where these treaties and agreements would be in effect, to investigate the procedures under which American servicemen and their dependents would come under the foreign civil courts for trial. Now, then, here is the State Department in this instance joining in an investigation of procedures dealing with dollars—mind you, dollars—but made no investigation before the legislation was called before the other body, legislation affecting human liberty and the lives of American servicemen and their dependents. I do not understand this procedure at all.

Mr. WALTER. The gentleman realizes that the State Department is not instituting this proposal at all. It comes from the Department of Justice as the result of action taken by the bar associations, all the bar associations, the American Bar Association and the bar associations of the several States.

Mr. GROSS. May I say to the gentleman that two representatives of the State Department will be on the commission that is proposed to be established, and if the gentleman wants to test how interested the State Department is in this legislation, just offer an amendment to exclude the State Department from having any representation on the Commission and he will find out very quickly how much interest they have.

Mr. WALTER. I think it would be a mistake to exclude the State Department.

Mr. BOW. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Ohio.

Mr. BOW. It has been stated that this does not apply to criminal procedures. Of course, the gentleman knows I am interested in the status of forces question. But, under section (c) on line 16, page 2, we find this provision: "Recommend to the President such other action as may appear advisable to improve and codify international practice in civil, criminal, and administrative proceedings."

I wonder if the gentleman from Pennsylvania could give us some light on what

effect that might have on the Status of Forces Treaty Agreements.

Mr. WALTER. I frankly do not think it would have any effect whatsoever. By that language it is contemplated that whatever criminal statutes are in effect in the various nations, the courts of this country or in other countries interested would take judicial notice of the existence of those statues, assuming, of course, that procedures would be set up whereby judicial notice would be taken in such a situation.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from New York.

Mr. CELLER. For example, in Switzerland they have a statute which precludes the taking of testimony before a notary. Now, that is a common practice in many of our States. The courts in Switzerland are so jealous of their jurisdiction that they have induced the Government of Switzerland to pass a law providing a criminal penalty for the taking of such testimony before a notary. Now, this commission would endeavor to see changes made in that regard so that Americans abroad could not get enmeshed in such a statute, and that is why they have the word "criminal" in that provision.

Mr. GROSS. Does not the gentleman from Pennsylvania think that this legislation ought to be handled under the ordinary procedure?

Mr. WALTER. Of course, it is of no concern to me. This is an administration measure. The chairman of the Committee on the Judiciary introduced this bill at the request of the administration. It came to the subcommittee, of which I happen to be chairman, in purely routine fashion. I have no personal interest in it at all, but I do not think that it has the implications that the gentleman from Iowa places on it.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

BENEFITS FOR CADETS AND MIDSHIPMEN

The Clerk called the bill (H. R. 5055) to provide that service of cadets and midshipmen at the service academies during specified periods shall be considered active military or naval wartime service for the purposes of laws administered by the Veterans' Administration.

Mr. WALTER. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. WALTER. The previous bill was objected to, was it not?

The SPEAKER. The gentleman from Iowa asked unanimous consent that the bill be passed over without prejudice, to which there was no objection.

Mr. WALTER. I object, Mr. Speaker.

The SPEAKER. The objection comes too late.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. DEANE. Mr. Speaker, a rule has been granted on this bill. I ask unanimous consent that it be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

AMENDING THE HATCH ACT

The Clerk called the bill (H. R. 3084) to amend certain provisions of the laws relating to the prevention of political activities to make them inapplicable to State officers and employees.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That (a) section 12 of the act entitled "An act to prevent pernicious political activities," approved August 2, 1939, as amended (5 U. S. C., sec. 118k), is hereby repealed.

(b) Section 18 of such act is amended by striking out "or in the second sentence of section 12 (a)."

SEC. 2. (a) The first paragraph of section 595 of title 18 of the United States Code is amended by striking out "or by any State, Territory, or possession of the United States, or any political subdivision, municipality, or agency thereof, or agency of such political subdivision or municipality (including any corporation owned or controlled by any State, Territory, or possession of the United States or by any such political subdivision, municipality, or agency) in connection with any activity which is financed in whole or in part by loans or grants made by the United States, or any department or agency thereof,".

(b) The second paragraph of such section is amended by striking out "by any State or political subdivision thereof, or by the District of Columbia or by any Territory or possession of the United States" and inserting in lieu thereof "by the District of Columbia."

(c) The heading of such section is amended to read as follows:

"§ 595. Interference by administrative employees of Federal Government"

(d) That portion of the analysis at the head of chapter 29 of title 18 of the United States Code which reads:

"595. Interference by administrative employees of Federal, State, or Territorial Governments"

is amended to read as follows:

"595. Interference by administrative employees of the Federal Government."

With the following committee amendment:

Page 1, after line 7, insert:

"(c) Section 21 of such act is amended by striking out ', or 12.'

"(d) Section 9 (b) of such act is amended by striking out the following: '*Provided further*, That in no case shall the penalty be less than 90 days' suspension without pay:'."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DESIGNATING NATIONAL FARM-CITY WEEK

The Clerk called the resolution (H. J. Res. 317) designating the last week in October of each year as National Farm-City Week.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. FRAZIER. Mr. Speaker, I ask unanimous consent that House Joint Resolution 317 be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

PATENT OFFICE FEES

The Clerk called the bill (H. R. 7416) to fix the fees payable to the Patent Office and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. QUIGLEY. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

SALE OF GOVERNMENT-OWNED HOUSING PROJECT TO CITY OF HOOKS, TEX.

The Clerk called the bill (H. R. 7540) to provide for the sale of a Government-owned housing project to the city of Hooks, Tex.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice, for the following reasons: There is no report from the Bureau of the Budget and the Department of Defense makes no recommendation in favor of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

EXTENDING PROTECTION AGAINST BODILY ATTACK TO UNIFORMED MEMBERS OF THE ARMED FORCES

The Clerk called the bill (H. R. 5205) to extend to uniformed members of the Armed Forces the same protection against bodily attack as is now granted to personnel of the Coast Guard.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1114 of title 18, United States Code, is amended by striking out the words "man of the Coast Guard," and inserting in lieu thereof the words "uniformed members of the Army, Navy, Air Force, Marine Corps, or Coast Guard."

With the following committee amendments:

Strike the word "uniformed" from the title of the bill.

On line 5, strike the words "uniformed members" and insert in lieu thereof the word "member."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to extend to members of the Armed Forces the same protection against bodily attack as is now granted to personnel of the Coast Guard."

A motion to reconsider was laid on the table.

DESIGNATING THE GENERAL GRANT TREE AS A NATIONAL SHRINE

The Clerk called the resolution (H. J. Res. 194) designating the General Grant tree (known as the Nation's Christmas Tree) in Kings Canyon National Park, Calif., as a national shrine.

There being no objection, the Clerk read the joint resolution, as follows:

Whereas the General Grant tree, growing in the Kings Canyon National Park, Calif., was dedicated by the Federal Government on April 28, 1926, at the request of the citizens of Sanger, Calif., as the Nation's Christmas Tree; and

Whereas Sanger, Calif., was, on October 1, 1949, recognized by the Post Office Department as the Nation's Christmas Tree City; and

Whereas because of such dedication, and because of the work done and the interest shown by the citizens of Sanger, Calif., the Nation's Christmas Tree has become known nationally and internationally; and

Whereas it is appropriate and desirable at this time to provide further recognition of the Nation's Christmas Tree as a living symbol of our American heritage: Therefore be it

Resolved, etc., That the General Grant Tree, which is located in the Kings Canyon National Park, in Fresno County, Calif., and which was dedicated by the Federal Government in 1926 as the Nation's Christmas Tree, is hereby declared to be a national shrine in memory of the men and women of the Armed Forces who have served and fought and died to keep this Nation free and to preserve the spiritual, human, and civil rights which are the essence of our American heritage. The Secretary of the Interior, through the National Park Service, shall make appropriate provision for the perpetual care and maintenance of such shrine.

SEC. 2. The Postmaster General is authorized and directed to issue a special postage stamp in commemoration of the Nation's Christmas Tree, which is located in Fresno County, Calif., and is declared to be a national shrine by the first section of this resolution. Such special postage stamp shall be in the denomination of 3 cents and of such design as the Postmaster General may determine. Such stamp shall be first placed on sale in Sanger, Calif., on November 15, 1955, and shall not be made available to the public elsewhere until January 1, 1956.

With the following committee amendments:

Page 2, lines 14 to 23, strike out all of section 2 and insert in lieu thereof the following:

"SEC. 2. Nothing in this act shall be deemed to change the name of the General Grant Tree."

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "Joint resolution to designate the General Grant tree (known as the Nation's Christmas Tree) in Kings Canyon National Park, Calif., as a national shrine."

A motion to reconsider was laid on the table.

HABEAS CORPUS

The Clerk called the bill (H. R. 5649) to amend section 2254 of title 28 of the United States Code in reference to applications for writs of habeas corpus by persons in custody pursuant to the judgment of a State court.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. ASPINALL. Mr. Speaker, a rule having been granted on this bill, and this bill being scheduled for debate this Thursday, I ask unanimous consent that it be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

REPAYMENT CONTRACT WITH YUMA MESA IRRIGATION AND DRAINAGE DISTRICT

The Clerk called the bill (H. R. 5806) to authorize the Secretary of the Interior to execute a repayment contract with the Yuma Mesa Irrigation and Drainage District, Gila project, Arizona, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized to execute a contract with the Yuma Mesa Irrigation and Drainage District, Gila project, Ariz., on such terms and conditions as the Secretary deems appropriate, which shall provide, among other things, for repayment by the district to the United States over a period of not exceeding 60 years from the end of the development period for each irrigation block established by the Secretary for lands situate within said district of (1) an average of $200 per acre for lands in said district for which irrigation facilites have been constructed, to be allocated as determined to be appropriate by the Secretary among the twelve thousand two hundred fifty-two and seven-tenths acres of class 2 lands and the seven thousand seven hundred seventeen and three-tenths acres of class 3 lands in the district, as classified in the Bureau of Reclamation report titled "Land Classification Report, Unit 1, Yuma Mesa Division, Gila project, Arizona, May 1949," as amended, made pursuant to subsection (d) of section 4 of the act of December 5, 1924 (43 Stat. 702, 43 U. S. C. 462); (2) the unpaid operation and maintenance charges which accrued prior to June 30, 1954, totaling $297,167.45, as allocated by the Secretary to said lands situate within the district; and (3) the costs of the works authorized in section 2 hereof, not exceeding $1,350,000, and further providing for the release, on such terms and conditions as the Secretary finds appropriate, of the existing predevelopment contracts and mortgages held by the United States on the lands situate within the district which were predeveloped by the United States, and for the repayment to the United States by the lands benefited by said predevelopment of the amounts provided for in said mortgages in the same period within which the costs for the construction of the irrigation facilities are to be repaid.

SEC. 2. The Secretary is authorized on such terms and conditions as he deems appropriate to make drainage surveys and investigations of the lands within the district, to construct drainage facilities and works therefor, to install additional pump capacity in the Yuma Mesa Pump Plant of not to exceed two hundred and seventy-five cubic feet per second, to construct such buildings determined by him to be appropriate in connection with the operation and maintenance of the lands situate within the district, and to provide in the contract referred to in section 1 hereof for the performance of such work.

SEC. 3. Expenditures by the United States in excess of the amounts to be repaid by the district as provided in section 1 hereof, which have been allocated by the Secretary (a) to acreage eliminated from the Gila project pursuant to the act of July 30, 1947 (61 Stat. 628), (b) to dust control on the Yuma Mesa Division, Gila project, (c) to that portion of predevelopment costs not heretofore covered by contracts and mortgages covering predevelopment charges on lands situate within the district, and other costs allocated by the Secretary to the lands situate within the district not otherwise covered by the repayment obligation in section 1 hereof to be assumed by the district or not otherwise allocated by the Secretary to other contracting entities and which are assumed or are to be assumed by them, shall be nonreimbursable: *Provided*, That all revenues from the disposal of public lands within the district or from special water service contracts other than those which the Secretary determines are allocable to operation and maintenance costs of the district shall be retained by the United States.

SEC. 4. The authority granted in section 1 of this Act to execute said contract shall terminate on December 31, 1957.

SEC. 5. This act is declared to be a part of the Federal reclamation laws as they are defined in the Reclamation Project Act of 1939 (53 Stat. 1187).

With the following committee amendments:

Page 2, lines 4 and 5, strike the words "twelve thousand two hundred fifty-two and seven-tenths" and insert the words "twelve thousand twenty-three and six-tenths."

On page 2, line 6, strike the words "seven thousand seven hundred seventeen and three-tenths" and insert the words "seven thousand nine hundred forty-six and four-tenths."

Page 3, line 22, following the words "and", insert the designation "(d)."

Page 4, line 2, strike the words "assumed or are" and insert the words "not assumed or are not."

Page 4, line 4, following the word "district", insert the words "(which disposition is hereby authorized on terms and conditions satisfactory to the Secretary)."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. ASPINALL. Mr. Speaker, there is on the Speaker's desk Senate bill 1689, a bill similar to the one just passed. I ask unanimous consent for the immediate consideration of S. 1689, move to strike out everything after the enacting clause and insert the bill just passed (H. R. 5806), and lay the House bill on the table.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. ASPINALL: Strike out all after the enacting clause and insert the provisions of H. R. 5806, as passed.

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 5806) was laid on the table.

ASSISTANCE FOR CERTAIN LANDLESS INDIANS IN STATE OF MONTANA

The Clerk called the bill (H. R. 7433) to provide assistance for certain landless Indians in the State of Montana.

The SPEAKER. Is there objection to the present cosideration of the bill?

Mr. SAYLOR. Mr. Speaker, I object.

PRELIMINARY SURVEY OF McGIRTS CREEK, FLA., FOR FLOOD CONTROL

The Clerk called the bill (H. R. 5556) authorizing a preliminary examination and survey of McGirts Creek, Fla., for flood control.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Army, acting through the Chief of Engineers, is hereby authorized and directed to make a preliminary examination and survey with a view to determining the advisability of making improvements for flood control in McGirts Creek, a tributary of St. Johns River, in Florida.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONSENT OF CONGRESS TO STATES OF KANSAS AND OKLAHOMA TO ENTER INTO A COMPACT

The Clerk called the bill (H. R. 6256) granting the consent of Congress to the States of Kansas and Oklahoma to negotiate and enter into a compact relating to their interest in, and the apportionment of, the waters of the Arkansas River and its tributaries as they affect such States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby given to the States of Kansas and Oklahoma to negotiate and enter into a compact relating to the interests of such States in the development and protection from pollution of the water resources of the Arkansas River and its tributaries, and providing for an equitable apportionment among them of the waters of the Arkansas River and its tributaries flowing between such States, and for matters incident thereto, upon the condition that one qualified person appointed by the President of the United States shall participate in such negotiations as chairman, representing the United States, and shall make a report to the Congress of the proceedings and of any compact entered into. Such compact shall not be binding or obligatory upon any of the parties thereto until it shall have been ratified by the legislatures of each of the respective States, and by the Congress of the United States.

SEC. 2. There is hereby authorized to be appropriated the sufficient sum to pay the salaries and expenses of the representative of the United States appointed hereunder: *Provided*, That such representative, if otherwise employed by the United States while so employed, shall not receive additional salary in the appointment hereunder.

With the following committee amendments:

Page 2, line 5, after the words "to the", insert "President and to the."

Page 2, line 9, strike out "approved" and insert "consented to."

Page 2, line 10, after "United States", strike out the period and insert a colon and the following: "*Provided*, That any compact negotiated under the authority of this act shall recognize the respective rights of the States of Kansas and Colorado in the waters of the Arkansas River, as established by the Arkansas River compact consented to by Public Law 82, 81st Congress, 1st session."

Page 2, line 12, strike out the first "the" and insert "a."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DISPOSAL OF FEDERALLY OWNED PROPERTY AT OBSOLESCENT CANALIZED WATERWAYS

The Clerk called the bill (H. R. 7596) to provide for the disposal of federally owned property at obsolescent canalized waterways and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That (a) whenever the Secretary of the Army, upon recommendation of the Chief of Engineers, determines that any of the following listed Federal project structures and appurtenances, including real property acquired therefor, no longer economically serve the purpose for which they were constructed or acquired, such property may be disposed of in accordance with the provisions of existing law. Upper White River, Ark. (3 locks and dams); Big Sandy River, Ky. (5 locks and dams); Rough River, Ky. (1 lock and dam); Osage River, Mo. (1 lock and dam); Muskingum River, Ohio (11 locks and dams); Yamhill River, Oreg. (1 lock and dam); Congaree River, S. C. (1 lock and dam); Little Kanawha River, W. Va. (5 locks and dams).

(b) If any of the project structures and appurtenances (including real property) listed in subsection (a) will be rendered inoperable by flooding caused by current construction by the United States, disposal of such structures and appurtenances under this act shall be deferred so long as local interests defray the costs of maintenance and operation of such project structures and appurtenances (including real property) under arrangements satisfactory to the Secretary of the Army.

SEC. 2. There is hereby authorized to be expended from appropriations heretofore or hereafter made for civil functions administered by the Department of the Army, such funds as may be necessary to restore drainage and otherwise prepare the project structures for abandonment with a minimum of adverse effect on adjacent areas.

SEC. 3. The Administrator of General Services is hereby authorized to transfer or to convey by quitclaim deed to local interests defraying the cost (in whole or in part) of maintaining and operating such project structures and appurtenances (including real property), States, political subdivisions thereof, adjacent property owners, or others, all or any part of the right, title, and interest of the United States in and to such property upon such terms and conditions as the Administrator may determine to be in the public interest, after making allowance for any capital investment which local interests maintaining and operating such project structures and appurtenances (including real property) may have made, regardless of any other provision of law: *Provided, however*, That preference shall be given first, to local interests who, on the date of enactment of this act, are defraying the cost (in whole or in part) of maintaining and operating such project structures and appurtenances (including real property), and second, to State or local governmental agencies, to acquire property not transferred to other Federal agencies. Providing that the provisions of this act, relating to the Palestine Dam (lock and dam No. 4) on the Little Kanawha River in West Virginia, be inoperative until such time as the Federal Government has reimbursed the State of West Virginia through its conservation commission, the sum of $20,000 to cover the cost of damage to the State-owned fish hatchery near Palestine, which was damaged by the failure of the Government to keep the dam in proper repair.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ENFORCEMENT OF CUSTOMS AND IMMIGRATION LAWS

The Clerk called the bill (H. R. 6769) to amend the act entitled "An act to provide better facilities for the enforcement of the customs and immigration laws," to increase the amounts authorized to be expended.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act of June 26, 1930 (46 Stat. 817), as amended by the act of October 10, 1940 (54 Stat. 1091), and by the act of September 26, 1951 (65 Stat. 336; U. S. C., 1952 edition, title 19, sec. 68), is further amended by striking from the proviso the figures "$15,000" and $30,000," and substituting therefor the figures "$30,000" and "$60,000," respectively.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. That concludes the list of bills eligible to be called on the Consent Calendar.

AMENDMENT OF VETERANS REGULATIONS

Mr. THORNBERRY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 365 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 1614) to amend the Veterans Regulations to provide an increased statutory rate of compensation for veterans suffering the loss or loss of use of an eye in combination with the loss or loss of use of a limb. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Veterans' Affairs, the bill

shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. THORNBERRY. Mr. Speaker, this resolution makes in order the consideration of the bill (H. R. 1614) to amend the veterans regulations to provide an increased statutory rate of compensation for veterans suffering the loss or loss of use of an eye in combination with the loss or loss of use of a limb.

Mr. Speaker, I know of no one who is opposed to the rule. I now yield to the gentleman from Illinois [Mr. ALLEN].

Mr. ALLEN of Illinois. I have no requests for time, Mr. Speaker.

Mr. THORNBERRY. Mr. Speaker, I yield 7 minutes to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks and include certain correspondence that I had with Secretary Wilson, and also replies that I received from the Department of Defense relating to the same matter.

The SPEAKER. Is there objection?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I have noted with considerable pleasure that the budget message contains what I consider valuable information concerning the recent action of the Secretary of Defense with reference to integrating the buying, storage, and distribution of food under a single manager, and in this case, the Department of the Army. This means that in connection with all food products, the Department of the Army will procure for and distribute the subsistence items to the other services of the Defense Department.

It has been conservatively estimated that this action, if properly executed, will save the taxpayers at least $250 million per year. While this action was long delayed, nevertheless it is pleasing to those of us who have been following this matter to note that it has finally been put into operation. We hope that it will not be revoked in the future, as happened in the case of medical supplies.

It is the hope of myself and other Members of both branches that this is but the beginning of a much delayed program which can save the taxpayers many hundreds of millions of dollars more.

In 1947, the National Security Act was passed. It was the intention of the Congress that within the provisions of the bill that unification should proceed as rapidly as possible. Certainly, in one field in which unification could proceed with rapidity and as Congress intended was in connection with common supplies and services, and that they should be handled in a way to avoid overlapping, duplication, waste, and unnecessary expenditures. In 1949, Congress amended the act and presumably strengthened it. Administrative action on the strengthening of the 1947 act has been very slow.

It became apparent to those familiar with the Department of Defense activities that very little was being accomplished to bring about economy, particularly in the supply field where many hundreds of millions of dollars were being unnecessarily spent in building up unnecessary inventories, or putting them in overstuffed warehouses, not only in the United States but all over the world.

The so-called Eisenhower-Spaatz agreement between the Departments of the Air Force and the Army intended, as did the basic act, that the Air Force would continue to get common supplies where practicable from the Department of the Army as it has been in the past when the Air Corps was a part of the Army; but with the establishment of a separate and independent Department of the Air, the Air Force began breaking away from the Army in supply matters, in engineering functions and in other spheres of activity. It is only recently that some of the engineering functions have been returning to the United States Corps of Army Engineers, particularly in overseas activities. It is hoped that the complete return will take place in the near future. Unfortunately, instead of unification taking place as intended by the Congress by the 1947 act and amendments thereto, in many respects in administrating the existing law, unification led in some cases to duplication, with operating procedures and costs unnecessarily increased.

In 1951 and 1952 the Bonner committee, the Hébert committee and the Hardy committee investigated this situation and made strong recommendations. I might also say that Senators O'MAHONEY and DOUGLAS were manifesting deep and keen interest in the elimination of unnecessary duplication and cooperated very effectively. As a result, the military appropriation bill for fiscal 1953 carried what is known as the O'Mahoney amendment which called upon the Secretary of Defense to integrate common use service functions as steps to decrease the unnecessary expenditures of the taxpayers money.

Under former Secretary Lovett a single medical supply test had begun at Alameda, Calif.; as a result of which the Department of the Army stored and distributed medical supplies and equipment to the three services on the west coast and in the Pacific, including the Korean theater. The Bonner committee held hearings at Alameda in August of 1952 and found out that the the operation was successful, and that there was every expectation that this policy would spread to all the other medical depots as well as to other common use supplies—food, clothing, petroleum products, general stores, parts, transportation facilities, and other activities.

However, in 1953, certain persons in the Department of Defense who were opposed to a single manager plan in any field undertook steps to wipe out the single manager medical supply test at Alameda, Calif.; and in 1954, this operation was discontinued despite protests from many Members of both branches of the Congress.

In the meantime, the Hoover Commission had reviewed the common supply situation and in connection with that review of this body, the gentleman from California [Mr. HOLIFIELD], and the gentleman from Ohio [Mr. BROWN], played a very important part. That group was of the opinion that the Secretary of Defense should carry out the intent of the O'Mahoney amendment of 1952. Strong recommendations were made by the appropriate task force of the Hoover Commission and were confirmed by the Hoover Commission itself.

I became very much concerned over the fact that the Department of Defense was not cooperating effectively in this important field, and on October 24, 1955, I wrote a letter to the Secretary of Defense inquiring what his intentions were about carrying out the O'Mahoney amendment and the intent of Congress as clearly expressed therein. I pointed out that great savings were possible through such act, and that the money saved would be for the benefit of the taxpayers but could be used in other fields of activities which required urgent consideration, such as health, school construction, highway construction, tax reductions, and other essential activities.

On November 4, 1955, the Secretary of Defense issued directive No. 5160.11 which established the single manager system for subsistence. A press release on November 7, 1955, spoke glowingly of this "new method for the unified supply of common use commercial type items."

While I am gratified at the action taken, I was surprised, as were other Members who recalled that 1 year before the single-management system for medical supplies had been abandoned as being unworkable. Having this in mind, on December 13, 1955, I wrote Secretary Wilson asking him to explain the apparent inconsistency and advise me as to what he had in mind as to the overall plan for all common use items and services on an integrated basis as contemplated by the O'Mahoney amendment of 1952.

While to date I have not as yet received a reply to my letter to the Secretary, I hope that the Secretary now sees the necessity for such a plan, which will be in accordance with the law and which will save the taxpayers many hundreds of millions of dollars, and even into the billions of dollars.

This has been a bipartisan matter, and I wish to give recognition to Members of both branches who have interested themselves in this matter. In particular, I want to compliment the gentleman from North Carolina [Mr. BONNER], the gentleman from Louisiana [Mr. HÉBERT], the gentleman from Virginia [Mr. HARDY], the gentleman from Missouri [Mr. CURTIS], the gentleman from Ohio [Mr. BROWN], as well as Senators O'MAHONEY and DOUGLAS.

I also want to compliment the gentleman from Illinois [Mr. DAWSON], who in more recent months has conducted very excellent hearings, as chairman of the Committee on Government Operations, which hearings were conducted by the subcommittee of which he was also chairman, and which subcommittee

is about to make a report to the full Committee on Government Operations.

The single manager plan for the purchase, storing, and distribution of subsistence is now established and is carried in the budget message as follows:

Responsibility for supplying all food, which costs $1.2 billion annually, has been placed under the Secretary of the Army. A single food-supply system for bulk procurement and storage will eliminate duplicate storage facilities and costly crosshauling.

I am also pleased to note the budget message contains the following:

The three military Departments have also been directed to undertake joint planning and utilization of all the health and medical resources of the Department of Defense.

It should be carried out as quickly as possible.

It is also felt that this same policy, if applied to clothing, transportation, common parts, petroleum products, and other common supplies and services, would result in a tremendous saving to our taxpayers.

DECEMBER 13, 1955.

Hon. CHARLES E. WILSON,
Secretary of Defense,
Department of Defense,
Washington, D. C.

DEAR MR. SECRETARY: I have read with interest and considerable surprise the letter dated November 9, 1955, from the Deputy Assistant Secretary of Defense (S. & L.), Mr. R. C. Lanphier, Jr., in response to my letter of October 24, 1955.

My surprise comes from the fact that I have also reviewed Mr. C. S. Thomas' memorandum of November 13, 1953, Mr. T. P. Pike's communication (Supply and Logistics-DN) of July 27, 1954, to Congressman RIEHLMAN, his letters of September 3, and 20, 1954, to Congressman GEORGE P. MILLER, those of November 18, 1954, and January 4, 1955, to Congresswoman HARDEN, and your press releases No. 1140–54 and 1094–55.

I am sure that a personal review of these and related documents will convince you of the absence of an overall plan and that your office has adopted opposite positions within a year as to the method of handling two categories of common supply items—medical and subsistence for the military services.

It appears to me that the Department of Defense has retrogressed to where it was on July 17, 1951, when your predecessor's directive stated:

"Priority study shall be given to the feasibility of assigning to a single military department the responsibility for procurement, distribution, including depot storage and issue for classes of common items of supply and equipment, and depot maintenance of such equipment. Medical supply items shall be the first category to be studied."

After 4½ years, subsistence has been substituted for medical supply for another testing, and in Mr. Lanphier's words, paraphrasing the 1951 directive:

"We are also currently considering the feasibility of applying this concept to other commodity areas."

It would seem to me that the inevitable result must be that medical supply will either be assigned to Navy which did not support this concept before, or again to the Army. As there will eventually be a number of common supply categories to be assigned, it seems necessary that an integrated plan be developed as contemplated by the O'Mahoney amendment. Please advise me on this point at your earliest convenience.

As indicated in my letter of October 24, 1955 I am sending copies of this and Mr. Lanphier's letter, with related correspondence to those intimately concerned and to the press.

Sincerely yours,

JOHN W. MCCORMACK.

NOVEMBER 9, 1955.

Hon. JOHN W. MCCORMACK,
House of Representatives.

DEAR MR. MCCORMACK: Secretary Wilson has asked me to reply to your letter of October 24, 1955, in which you expressed concern about our administration and management of the military supply system.

While it is true that our surplus-property program generates $2 billion annually, a tremendous quantity of that property consists of materiel which has been made obsolete through technical advances or changes in design; additionally, much of this property represents scrap from military-type items having a high acquisition value which have served their purpose. Usable surplus items are given a thorough screening by the services for possible utilization. During fiscal year 1955, 14.6 percent of all surplus property, based on original cost, was utilized by the services. Over and above this use, the civilian agencies of the Government also used surplus Department of Defense property, after screening by the General Services Administration.

Donations of surplus property are also made to schools and other public institutions through the Department of Health, Education, and Welfare, pursuant to Public Law 152 of the 81st Congress, as amended by Public Law 61 of the 84th Congress. The full potential of the donation program was not fully realized until passage of Public Law 61. This donation program is being vigorously pursued throughout the Department of Defense.

You have also commented on the actions taken by the Department of Defense pursuant to the National Security Act of 1947, as amended, and the O'Mahoney amendment to the Department of Defense Appropriation Act, 1953. You referred to the fact that this subject was raised in a letter to the Secretary of Defense from Congressman CURTIS earlier this year.

After receipt of Congressman CURTIS' letter, the Department of Defense extensively reviewed the entire subject. We recognize that while Congress has expressed its desire that the Secretary of Defense eliminate unnecessary duplication and overlapping and establish a practical, integrated supply system, it has never directed the establishment of any specific type of supply or distribution system. Instead, Congress has specifically entrusted to the discretion of the Secretary of Defense the power to determine the best methods for meeting the supply and distribution problems of the Department of Defense.

The basic Department of Defense implementation of the O'Mahoney amendment is our directive 4000.8. It is upon this directive that our entire program of supply management is based, and it is my express intention to maintain the policies set forth in this directive.

Pursuant to the discretion invested in the Secretary of Defense by Congress to determine the best methods of eliminating unnecessary overlapping and duplication in the supply field and of establishing a practical, integrated supply system, the Alameda medical supply test was established and subsequently discontinued. The establishment of the test and its discontinuance were both acts clearly within the discretion vested in the Secretary of Defense by the Congress.

The basis for this interpretation of the National Security Act of 1947, as amended, and the O'Mahoney amendment is set forth in greater detail in a memorandum to the Secretary of Defense from the General Counsel Wilber M. Brucker of June 20, 1955. A copy of that legal memorandum is attached for your information.

In proceeding to eliminate unnecessary overlapping and duplication in the supply field, I must bear in mind at all times that our fundamental objective in that field is the establishment of the most effective and economical logistic support for our worldwide military forces. This Department has adopted aggressive measures designed specifically to accomplish this fundamental objective. During the last year Department of Defense directives and instructions have been developed and issued which provide for even greater cross-servicing, interservice supply and positioning of material within and among the military departments.

These policy issuances are representative and indicative of our sincere and continued efforts to implement Department of Defense Directive 4000.8. They have provided common guidelines to the military services to achieve our objectives, and joint implementation of these issuances by the services has been achieved. The Department of Defense and the Nation as a whole have realized measurable benefits of considerable proportion from this singleness of purpose and coordinated support on the part of the services. It will interest you to know that in the areas of interservice supply support and cross-servicing alone, we can point to specific transactions involving approximately $1.4 billion in goods and services interchanged within and among the military departments in fiscal year 1954. I look for an even greater volume of business in interservice supply support and cross-servicing in the future.

You may be further interested to know that in our efforts to eliminate unnecessary overlapping and duplication in the supply management field we have evolved and are putting into action a new concept. This concept was formally adopted in the area of subsistence on November 4, 1955, through the issuance of Department of Defense Directive 5160.11, Single Manager Commodity Assignment for Subsistence. This directive, a copy of which was forwarded to you on November 7, and an additional copy of which is inclosed herewith, assigns to the Secretary of the Army the authority and responsibility of providing for the needs of all the military services, using the facilities and services of the other military departments where necessary and desirable. This assignment encompasses the entire supply field, from research and development through issue or disposal, including cataloging, standardization, requirements determination, procurement, production, inspection, storage, distribution, transportation, and maintenance.

Under this concept, stocks will be distributed through a single system whereby, for each distribution area, one military service, whether Army, Navy, Air Force, or Marine Corps, will administer a single area distribution depot from which all military installations in that area will requisition and receive subsistence. Items will be carried in a stock fund, which the Secretary of the Army will administer and control, from which suppliers will be paid and to which the military services will reimburse on the basis of withdrawals. The Department of the Army will initiate all procurement in this area and authorize local procurement. It will screen all excesses and redistribute as necessary, authorizing property to be declared excess to Department of Defense needs. The Department of the Army's responsibility for distribution is such that back-hauls and cross-hauls as well as duplicate items are eliminated.

We are also currently considering the feasibility of applying this concept to other commodity areas.

I hope that the foregoing discussion will illustrate the efforts which the Department of Defense is making to achieve the most effective and economical logistic support for the military forces. I am sure you will appreciate that objective is not one which may be reached without profound and detailed study of possible methods of attaining the desired goal.

On behalf of Secretary Wilson, I should like to thank you very sincerely for your advocacy of a strong national defense. The strengthening in every possible way of our national defense and our basic institutions will, in my opinion, be promoted by our continued progress in the logistics field. I have appreciated this opportunity to acquaint you more fully with our program.

Sincerely yours,

R. C. LANPHIER, Jr.,
Deputy Assistant Secretary of Defense (Supply and Logistics).

[News release, Department of Defense, Office of Public Information, Washington, D. C., November 7, 1955]

NEW UNIFIED FOOD SUPPLY SYSTEM ANNOUNCED BY DEFENSE DEPARTMENT

A new method for the unified supply of common-use commercial-type items to all military services was announced today by Mr. Reuben B. Robertson, Jr., Deputy Secretary of Defense.

This system, developed over the past year in the Office of the Secretary of Defense, is called the single manager commodity assignment, and places all supply responsibilities for a given commodity under a single military department which will supply the needs of all services. "This system is a product of our never-ending search for improved efficiency and economy," Mr. Robertson said, "and I am sure the American public will be gratified to learn of unification progress in this area. Although the broad recommendations made by the Hoover Commission in this area are still under review in the Department of Defense, the adoption of this single manager supply system for subsistence items is in line with some of the objectives of the Hoover Commission reports."

Mr. Robertson also stated in his announcement that the system was being applied immediately to all Army, Navy, Air Force, and Marine depot stocks of food held in the United States, with the Secretary of the Army designated as single manager, and that other commodity areas were being studied for future application.

The single manager commodity assignment is a process whereby the Secretary of one military department, designated by the Secretary of Defense, is made responsible for the performance of all supply management functions related to a specified commodity, for all military services. This assignment encompasses the entire supply field, from research and development through issue or disposal, including cataloging, standardization, requirements determination, procurement, production, inspection, storage, distribution, transportation, and maintenance.

Its purpose is to reduce inventories and eliminate unnecessary duplication and overlapping of functions within the Department of Defense supply system, provide the highest degree of effectiveness in supply at the least possible cost, and to provide a single management control of wholesale stocks of a single commodity category or type for the Department of Defense as a whole.

The Secretary of a military department is assigned to act as single manager for a particular commodity. All of the other military services then provide him with basic data for computation of requirements. Ownership of all service wholesale depot stocks in the United States is then transferred to the single manager. After developing all requirements and matching them against what he now owns to meet total demand, the single manager then initiates procurement for the net deficit. He will carry all stocks in a revolving fund, and as the services require stock, they will purchase from him.

Once given the assignment, the single manager then surveys the location of military stations within a geographical area and selects the most desirably located depot to support all services in the area. This selection is done without regard to the service which owns the depot. That depot then stores the depot stocks for the single manager, acting as his agent, and issues as required to all services. It is possible for the Army to be the single manager for a commodity category and to have stocks in Army, Navy, Air Force, and Marine Corps depots. Only one depot will serve a given area, however, and the stocks would belong to the single manager, in this case the Army.

As noted above, the authorities given the single manager are broad and cover the complete gamut of introduction of items into the system through their consumption. The single manager will direct and coordinate all research and development, standardization, and cataloging activities. He will be the only buyer of depot stock items, and he will be the only seller. As well, he will designate those items to be bought locally. Since he has knowledge of all assets, there should be no concurrent buying and selling, and he is in a position to shift depot stocks to meet varying area needs. Greatest possible use of stocks is assured, and only that which is truly surplus will find its way to disposal, since only he can determine that it is no longer required.

Operation of this system will provide a responsible single management for requirements and distribution, purchase, storage space, inventory records, and standardization. It eliminates duplicate pipelines, duplicate depot storage facilities, and costly cross and back hauling; makes interservice supply automatic; provides for effective rotation of mobilization reserves; and insures effective utilization of stocks, services, and facilities.

The evolution of the single manager system has been progressive. It is also the result of considerable study of several existing joint service operations, and avails itself of the lessons learned from these.

Joint-service operations, because of their very basic construction, permit no single ownership of stocks. As a consequence, very costly equity accounts have to be maintained to show what belongs to each service. The joint agency is largely a service organization, able to provide for certain functional tasks such as procurement and contract administration. The agency can only perform at the call of the stockowner, and cannot provide single direction since there is no single head. This is not the case in the single-manager plan. There is only one wholesale stock, effectively positioned, and centrally controlled, yet designed for the total Department of Defense requirement, with the single manager reporting only to the Secretary of Defense.

Deputy Secretary of Defense Robertson stated, "I consider this new unified approach to Department of Defense supply management another significant management improvement for obtaining more defense per dollar."

CONGRESS OF THE UNITED STATES,
OFFICE OF THE MAJORITY LEADER,
Washington, D. C., October 24, 1955.

Hon. CHARLES E. WILSON,
Secretary of Defense, Department of Defense, Washington, D. C.

DEAR MR. SECRETARY: I have read with great interest and appreciation your memorandum of September 2, 1955, to the three service Secretaries and Assistant Secretary of Defense (M. & P.) on the subject of "Implementation of DOD Directives."

The first paragraph of the memorandum states:

"I am increasingly concerned over the growing criticism in the Congress and elsewhere of the lack of consistency in the manner in which the military departments carry out the purpose and intent of DOD directives. Some of the Hoover Commission reports are quite explicit on this point."

Your concern with respect to DOD directives is similar to mine with respect also to congressional statutes. I am sure we both agree that our constitutional form of government is in jeopardy whenever the executive agencies, regardless of motives, good intentions, or even greater wisdom in a given instance, choose the laws they will execute and those they will disregard.

My growing concern was further aroused a year ago when the DOD decided to bypass the clear intent of law with respect to the transfer of surplus property needed by our grossly inadequate educational and health institutions.

More recently, the issue is raised again by the decision of the Comptroller General of the United States with respect to the important SAGE program.

One of the most disturbing examples is that involving the so-called O'Mahoney amendment to the DOD Appropriations Act, 1953. The amendment, which is permanent law and, as such, is actually an amendment to the National Security Act (Unification Act) of 1947, calls upon the Secretary of Defense to develop an "Integrated Supply System" and the Senate Report No. 1861 spells the intent out in detail.

It should be stated that the O'Mahoney amendment was predicated to a great extent upon comprehensive hearings and reports of the Bonner and Hardy subcommittees of the House and the Preparedness Subcommittee of the Senate which pointed out the excessive overlapping, duplication, and waste within and among the services with respect to common supply and related matters.

DOD Directive 4000.8 of November 19, 1952 constituted a good attempt to carry out the statute although it was limited to an intraservice basis generally rather than the intended integrated interservice basis. The directive did add some strength to the Alameda medical supply test which had been directed a year prior by the Secretary's order of July 17, 1951. Unfortunately, the service pressure became too great and the Alameda operation was broken up last Spring though it was generally acclaimed a success.

The whole story of the Alameda test was detailed to you in Congressman THOMAS B. CURTIS' 13-page letter of January 19, 1955. Certain of the Hoover reports confirm the conclusions of the congressional reports and enactments as to the need for more integration among the military services with respect to common supplies and services and as to the necessity of following applicable laws and regulations.

As I view the situation, Mr. Secretary, not only is the basic problem of constitutional government involved but many other issues of real concern to the American people. I will comment briefly on some of them.

The facts are conclusive that our educational facilities—though basic to defense—need great assistance. Large sums are required for the development and conservation of basic natural resources. Billions are needed for highways and public works. Costly outlays for fundamental and applied research are "a must" if we are to keep ahead in the technological race. Our health institutions are not in the state we desire. Oppressive taxes should be reduced, especially for the low-income groups. The budget requires balancing in its turn and the ever-growing national debt reduced.

As you know, I am, and have always been an advocate for a strong national defense upon which to support a foreign policy. It is also essential to our survival. I will not be beguiled into laxity by the palliative tactics now emanating from the Kremlin. No one dares be. I believe that our defenses and basic institutions should be strengthened in every possible way for the long pull ahead.

But the evidence is conclusive that the overlapping, duplication, and waste is of such magnitude in and among the military services as to make possible enormous savings, with no loss of efficiency or military effectiveness, and thus release funds badly needed for the objectives listed above.

Presently, the stock funds for essentially common supply items in the four services (Army, Navy, Air Force, and Marines) have an unallotted cash reserve of $45,300,000; cash of $1,870,500,000 and inventories of $8,103,000,000 or a total of $10,018,800,000. This total, large though it is, is only a fractional part of the total personal property inventories in the services. Competent testimony before congressional committees points to the long supply in many of these items, to their duplication and triplication in the separate depot systems embracing millions of square feet of valuable space.

The current surplus property disposal program which involves an estimated $2 billion annually, plainly shows that there is not integration among the services as to procurement, storage, utilization, or disposal of the numerous items. On the contrary, the daily lists of proposed purchases and sales which come to my attention show the evident need for common control and management of these common items.

I should appreciate learning of any plans underway which are designed to carry out the full intent of the O'Mahoney amendment.

It is my purpose to furnish copies of this letter and your reply to Members of the Congress in both Houses who are intimately concerned with this matter, and to keep the public advised.

Sincerely yours,

JOHN W. MCCORMACK.

[Press release, Department of Defense, Office of Public Information, Washington, D. C., November 23, 1954]

ARMY ALAMEDA MEDICAL DEPOT TRANSFERS TO NAVY; MEDICAL TEST CEASES

The proposed transfer of facilities at the Alameda Medical Depot from the Army to the Navy, pending congressional approval by the Armed Services Committees, was announced today by the Department of Defense. Arrangements for the transfer are under way, Thomas P. Pike, Assistant Secretary of Defense (Supply and Logistics), said, and it is planned that it will be accomplished prior to July 1, 1955.

The depot contains 1,178,000 square feet of warehouse space, and existing medical supplies in storage will be issued or transferred prior to the transfer of the depot. The Navy will utilize the installation to augment the storage facilities of the adjoining Naval Air Station. It is not now known how many of the civilian employees currently employed by Army will be required by the Navy. However, in accordance with civil-service regulations, civilian employees will be offered opportunities for employment by the Army at Sharpe General Depot and by the Navy at Alameda, as required.

Mr. Pike also announced the discontinuance of the medical supply test, which has been in operation at the Army's Alameda Medical Depot, Alameda, Calif., since April 1952. The test was an experiment to determine the feasibility of distributing and storing medical supplies for all three Military Departments through one regional distribution point for the support of the services in that area.

The test is being discontinued, Mr. Pike stated, only after a thorough analysis and evaluation of the factors involved in this military supply support area. Its results, he said, have materially assisted the Department of Defense to develop a comprehensive program for eliminating unnecessary duplication and overlapping in supply and stock management practices of the military departments.

Experience gained from the Alameda medical supply test, Mr. Pike said, has clearly demonstrated the efficiency and economy attendant with the utilization of military items of supply on a cross-servicing basis by all military services, regardless of the ownership of the stock. This principle forms an important part of the Department of Defense program.

The Alameda cold-storage plant, of the Oakland Quartermaster Market Center, and the 6022d ASU, Central Dental Laboratory, will continue as tenants of the Navy at the installation as will the 49th Infantry Division, National Guard.

Common storage and issue functions performed at the Alameda Depot have proven satisfactory to the Army and Air Force, and are being transferred intact to the Army's Sharpe General Depot, Lathrop, Calif. Factors and conditions set up for the test made the operation uneconomical for the Navy. The Navy's storage and issue functions and the partial stock of medical supplies involved will be returned to the Naval Supply Center at Oakland, Calif.

Mr. CURTIS of Missouri. Mr. Speaker, will the gentleman yield?

Mr. MCCORMACK. Yes; I yield to my friend.

Mr. CURTIS of Missouri. I want to commend the gentleman for bringing this to the attention of the House, and join in his expressions and views about this matter. It has been a bipartisan approach, and I, too, am very hopeful that we will have further economies exercised in this field. We all think there will be a great deal more defense per dollar on account of it. Again I want to commend the gentleman from Massachusetts for his support of this measure.

Mr. MCCORMACK. I thank the gentleman. I cannot too strongly compliment my friend from Missouri, because he has worked very hard on this as have other members of this subcommittee.

Only in recent months a subcommittee of the Committee on Government Operations, of which the gentleman from Illinois is chairman, has made a study and is about ready to make a report. We are having a meeting tomorrow.

Mr. BONNER. Mr. Speaker, will the gentleman yield?

Mr. MCCORMACK. I yield to the gentleman from North Carolina.

Mr. BONNER. I am delighted to see the gentleman supporting this measure because I happen to be chairman of the subcommittee that worked on this matter in the field and had set up at Alameda, Calif., two posts of the medical depot which proved conclusively the feasibility of supplying all branches of the service from one depot. Following the Korean war the armed services have split it up into 3 different posts, making 3 different costs of the matter where only 1 cost should take care of it and did take care of it during the Korean war.

Mr. MCCORMACK. The gentleman is absolutely correct.

So we have a continuous history of prodding by Members of Congress for this proposition the gentleman from North Carolina referred to, and it was checked and proved in practice. The gentleman is correct. I hope they will come back to a single management plan in the procurement, warehousing, and disposition of medical supplies. We are aware of what is taking place and we want to congratulate the officials of the Defense Department responsible for bringing it about, but we want them to realize that we are watching, that we think it should be extended to other fields of common supply and common service.

Mr. MCCORMACK. Mr. Speaker, I ask unanimous consent to include extraneous matter in my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. THORNBERRY. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. MAHON].

Mr. MAHON. Mr. Speaker, inasmuch as the annual budget message has just been read to the House, I think it appropriate to call attention to the staggering and alarming expenditures of the Federal Government.

I have before me a copy of the Federal Budget in Brief from the office of the Bureau of the Budget for the current fiscal year. Page 52 contains some very interesting and illuminating statistics. It will be noted that the Federal budget has not been balanced since the fiscal year 1951, the fiscal year ending June 30, 1951. During that fiscal year, there was a Federal surplus of $3½ billion.

The new budget for the fiscal year 1957, the budget for the period beginning July 1, 1956, and ending June 30, 1957, the one which has been read to us today, calls for an expenditure in fiscal 1957 of $65,865,000,000. This is a shocking sum. In looking at the Budget in Brief, which is before me, I observe that during the fiscal year 1950, Federal expenditures were only $39,606,000,000. For fiscal year 1951, which included 1 year of the Korean war, the expenditures were $44,058,000,000. For the fiscal year 1952, the second year of the Korean war, Federal expenditures were $65,410,000,000. The point is that during the second year of the Korean war, Federal spending was less than is proposed by the administration for the fiscal year which begins on July 1.

During the fiscal year 1953, one half of which was during the Democratic administration, and one half of which was under the Republican administration, Federal spending went to $74,274,000,000. The Korean war ended and Government spending receded.

I do not discount the fact that we are living in a dangerous world, and that heavy defense spending is necessary, but I do think it worthy of note that such disappointing progress has been made by this administration in reducing Government spending. I hope that the Congress during this session, will be able to substantially trim the budget which has been submitted to us today, and that

some degree of economy may be achieved.

According to page 21 of the budget message which has been presented to us today, Government spending in fiscal 1955 was $64,570,000,000, and the estimated figure for fiscal 1956, the current fiscal year, is $64,270,000,000. The proposed budget for fiscal 1957 is a step in the wrong direction insofar as reducing Government costs is concerned.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Back 3 years ago, when the present administration took over, the gentleman will remember the country was told that under Democratic administrations billions of dollars were appropriated unnecessarily. The Republicans at that time made some mystical argument that appropriations for pipeline purposes were unnecessary, leaving the impression that the entire amount, involving, as I remember, in foreign aid over $9 billion, was wasted. We know that during the last 3 years they have drawn upon the appropriations made for pipeline purposes, and obligated and used those funds for other purposes. That is the reason that now, they have to come here and ask for $2 billion additional. The pipeline is down to about $4 billion, which is dangerous. That is why they have to come in and ask for $2 billion more for foreign aid.

Mr. MAHON. I would like to point out to the gentleman that, regardless of the pipeline to which the gentleman refers, in actual expenditures out of the Treasury the proposed expenditures for the coming year are greater than the expenditures for the year 1952, the second year of the Korean war. We are supposedly in a peacetime period at this time.

Mr. McCORMACK. I understand that, and I appreciate the point very much; but I think attention should also be called to the fact that the pipeline arguments of the past 3 years were fallacious. Time has now passed and caught up with them, and they have to come to the Congress to get additional appropriations to replenish the pipeline money which has been obligated.

Mr. MAHON. The gentleman is correct. Pipeline reductions were claimed to be savings. They were bookkeeping transactions, not economies.

I would like to restate what I have said. The administration's new spending budget is $26 billion greater than the budget of 1950, a pre-Korean war budget. It is $21 billion above 1951 expenditures, which includes the first year of the Korean war. It is $400 million above the 1952 expenditures, the second year of the Korean war.

Mr. THORNBERRY. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. PATMAN].

BRADLEY VETERANS COMMITTEE

Mr. PATMAN. Mr. Speaker, I have a high regard for and great confidence in Gen. Omar Bradley, who has been selected by the President of the United States to head a commission. I was opposed to the commission. I know that General Bradley will do a good job within restrictions and limitations. But I recognize he is carrying out directions from the executive branch of the Government and will be under instructions.

The veterans of the country are apprehensive that the commission will be devastating to their cause. They point out to me in correspondence that General Bradley himself is only here in Washington once every 2 or 3 months, that the staff is doing the work in carrying out the instructions of other people. The veterans are apprehensive that unfair regulations will be issued that they do not know about now and will not have an opportunity to answer before they are issued.

Mr. Speaker, I ask unanimous consent to insert in the RECORD at this point a letter I have written to General Bradley and also a letter I received from certain DAV organizations concerning this commission, and also to include other extraneous matter at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. PATMAN]?

There was no objection.

LETTER TO GENERAL BRADLEY

TEXARKANA, TEX., *December 15, 1955.*

Gen. OMAR N. BRADLEY,
Chairman, President's Commission on Veterans' Pensions, Executive Office of the President, Washington, D. C.

DEAR GENERAL BRADLEY: I have recently received a number of inquiries from war veterans in my district, asking whether I can be of any assistance to them in seeing that their views are conveyed to the President's Commission on Veterans' Pensions. They are concerned about the forthcoming recommendations of the Commission. They fear that the Commission's recommendations will adversely affect the veterans of World War I, World War II, and the Korean conflict.

The position of my war veteran constituents, General Bradley, is simply this: They agree there is need for careful scrutiny of Government expenditures to make sure that the taxpayers' funds are not wasted, but are spent solely for purposes approved and intended by the Congress. They point out, however, that Congress has provided for such auditing by creating the General Accounting Office. Moreover, they remind me that in its annual consideration of the Federal budget, Congress constantly reviews the various programs and policies of the Federal agencies, including veterans' programs and policies, and may modify or even terminate these programs if it so desires. My constituents have no objection to such procedures; they are in hearty accord with them. They are convinced, however, that certain pressure groups interested in whittling away at particular programs with which they are out of sympathy are, in the guise of promoting studies, actually doing nothing more than lobbying against the programs they oppose. I am also reminded that the veterans' programs are a favorite target of these lobbies and that the studies they are promoting are intended to force public opinion against the veteran.

You are highly respected by all our veterans. Your splendid work in behalf of the veteran as Veterans' Administrator and earlier your advocacy of the GI bill of rights are appreciated widely. Above all, veterans hold you in their esteem, because they know you have a basic human approach to the problems and needs of the veteran. They are placing their trust in you. They hope that under your chairmanship the Commission on Veterans' Pensions will not lose sight of the human aspect in evaluating existing veterans' programs and in making recommendations to the President regarding future veterans' policies and programs.

May I, at this time, take this opportunity to offer a personal observation for your consideration? We have a huge national debt of $280 billion. It is virtually all war debt, incurred to finance the costs of World War I, World War II, postwar defense, and the Korean conflict. We recognize this as a continuing obligation, the price of preserving our political and economic institutions and our freedoms. We make no attempt to repudiate this obligation or to qualify or modify the terms upon which we assumed this debt. As far as I know, we have not set up a commission to evaluate the desirability of continuing to service the war debt. We have not inquired whether the annual interest charge, some $7 billion a year compared with $4.8 billion for veterans' benefits, is too high. We do not conduct field studies to ask the veteran how he feels about the policies of the Secretary of the Treasury and the Federal Open Market Committee and their program for managing the war debt, even though their program has adversely affected the veteran as a taxpayer and as a user of credit.

We do not conduct studies to determine the earnings or the financial characteristics of the various classes of holders of the war debt, in order to "constructively reappraise" the "standards" under which we shall pay them interest on their bond holdings. We do not compare them with the rest of the population in order to ascertain whether or not the interest they receive, in the light of the other Federal programs they derive benefits from, is excesive. I am not proposing that we do this. Yet, this is precisely what is being done to the veteran population by the various task forces and field study groups operating under the President's Commission on Veterans' Pensions.

It is my sincere hope that the Commission will consider this point of view when it evaluates the results of its comprehensive, fact-gathering studies.

Sincerely yours,

WRIGHT PATMAN.

WORK CARRIED OUT PURSUANT TO PRESIDENT'S DIRECTION

PRESIDENT'S COMMISSION ON VETERANS' PENSIONS,
Washington, D. C., December 23, 1955.

Hon. WRIGHT PATMAN,
Texarkana, Tex.

DEAR MR. PATMAN: Receipt is acknowledged of your letter of December 15, 1955, concerning the study of pensions being made by this Commission. Apparently neither you nor the veteran constituents for whom you speak are in favor of such a study.

In reply to your letter I can only say that the Commission was appointed by the President and that the work is being carried out pursuant to his direction. Under these circumstances, it would not be appropriate for me to debate the White House directive in regard to the Commission's objectives or its validity. I can say, however, that our research teams are dedicated to the finding of facts, and the Commission may be counted on to give those findings a most realistic and impartial appraisal.

You may rest assured, however, that your views will be carefully considered by the members of the Commission.

Sincerely yours,

OMAR N. BRADLEY,
General of the Army, Chairman.

JANUARY 6, 1956.

Gen. OMAR N. BRADLEY,
Chairman, President's Commission on Veterans' Pensions, Executive Office of the President,
Washington, D. C.

DEAR GENERAL BRADLEY: Thank you for your letter of December 23, 1955.

Since I wrote you on December 15, the Veterans' Administration has announced that it rejected the principal recommendations of the Hoover Commission. I am impressed by the fact that on 2 occasions and in 2 different administrations, the Hoover Commission has sought to modify or in some way restrict the benefits, which we have obligated ourselves to provide to those, who have served their country. In both cases, the Hoover Commission has failed.

Could you send me copies of the various questionnaires that have been developed for use by the Committee in the study of pensions?

Thanking you for your courtesy, I am

Sincerely yours,

WRIGHT PATMAN.

MORE QUESTIONS ASKED GENERAL BRADLEY

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., January 16, 1956.

Gen. OMAR N. BRADLEY,
Chairman, President's Commission on Veterans' Pensions, Executive Office of the President, Washington, D. C.

DEAR GENERAL BRADLEY: This will acknowledge receipt of the various questionnaires that have been sent out in connection with the surveys of disabled veterans by the President's Commission on Veterans' Pensions.

Since writing to you on December 23, 1955, I have received disquieting reports from various disabled veterans' organizations concerning the impact of the Commission's studies. The truth is, General Bradley, that in many communities disabled veterans receiving Government payments from the Veterans' Administration are so upset by these questionnaires that they are cutting down on their purchases because they do not know whether their payments are going to be continued.

I frankly am very disturbed about the entire procedure that has been employed in the conduct of this study. For example, I am informed that notices have been carried in some local dailies reportedly to the effect that any veteran who fails to answer the questionnaire relative to his income and financial status will have his compensation check held up thereafter. I am further informed that in one community, there were announcements over the radio approximately in the same vein. I do not know whether these announcements were made pursuant to recommendations or suggestions by your Commission or the Veterans' Administration, but it seems to me that such tactics merely serve to create apprehension among the disabled veterans; and, as a consequence, there have been the unfortunate economic repercussions I mentioned earlier.

Regarding the questionnaires, I wonder whether you could explain the purpose of the survey of veterans conducted by the Bureau of the Census and why certain of the Census Bureau questions were identical with those contained in your disabled veterans' questionnaires? I wonder why it was necessary to have a duplicate expenditure of funds and collect the same information twice? In this connection, I should like to be advised as to the number of veterans who received the Census questionnaire and the number who received the two questionnaires sent out subsequently by your Commission? Is any check being made as to the similarity or conflict in answers given in response to the Census and Commission questionnaire? How did veteran receive the questionnaires? Were they mailed separately, or did veterans receive the commission's questionnaires at the same time they received their VA checks?

Although I was considerably disturbed by the manner in which the disabled veterans' questionnaires was handled, I think the idea behind the special questionnaire sent out by your Commission to selected members of the medical profession disturbed me even more. Ostensibly, the purpose of this survey is "to determine the extent to which the Veterans' Administration schedule for rating disabilities, and the related statutory awards and presumptions are medically valid and equitable." While I make no claim to being either a medical expert or a specialist in devising survey questionnaires, the net impression I had, after carefully reading those questions, was that they were primarily designed to elicit critical answers, which could then be used as a basis for restrictive recommendations. I hope my impression is erroneous.

I know that you are carrying out this veterans' pension study pursuant to the direction of President Eisenhower and I know that both you and the President would not want to do an injustice to our disabled veterans. Unfortunately, the information I have is that the study has adversely affected the morale and well-being of the disabled veterans.

Thank you for every courtesy you have shown in meeting my recent requests for information.

Sincerely yours,

WRIGHT PATMAN.

VETERANS WARNED TO ANSWER QUESTIONNAIRES

DISABLED AMERICAN VETERANS,
BORDERLAND CHAPTER NO. 10,
El Paso, Tex., January 13, 1956.

Hon. WRIGHT PATMAN,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN: Your letter of December 16, 1955 addressed to Gen. Omar N. Bradley, Chairman of the President's Commission on Veteran's Pensions, was presented to us, the members of the Borderland Chapter No. 10, Disabled American Veterans, at our meeting yesterday, January 12. Your action was considered and discussed. By a vote of the organization, I was instructed to transmit to you our compliments and thanks.

Your sources of information are very apparently far-reaching. There are two small items of very recent occurrence which were reported to me and which might be of interest to you, as they are very vitally so to us.

1. Two small notices in the El Paso, Tex., daily newspapers reportedly to the effect that any veteran who fails to answer the Veterans' Administration's questionnaire relative to his income and financial standing will have his compensation check held up thereafter.

2. Two or more announcements over the local El Paso, Tex. radio stations approximately in the same vein. We feel sure, from the knowledge of the situation shown by your letter of December 16, that you will have been apprised of this development before receipt of this letter.

May I add the expression of appreciation of the officers and the executive committee of our local Disabled American Veterans Chapter, as well as my personal thanks and encouragement for your hard-hitting and intelligent action in this and other matters affecting the well-being and morale of the disabled veteran. It will not soon be forgotten by us.

Very respectfully,

BROOKS THOMAS,
Post Judge Advocate.

Mr. THORNBERRY. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to, and a motion to reconsider was laid on the table.

VETERANS' LEGISLATION

Mr. TRIMBLE. Mr. Speaker, by direction of the Committee on Rules, I offer a resolution (H. Res. 366) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 1821) to provide that checks for benefits provided by laws administered by the Administrator of Veterans' Affairs may be forwarded to the address in certain cases. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Veterans' Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. TRIMBLE. Mr. Speaker, I know of no objection to the rule. I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. ALLEN of Illinois. Mr. Speaker, there is no objection to the rule on this side.

Mr. TRIMBLE. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to, and a motion to reconsider was laid on the table.

VETERANS REGULATIONS

Mr. TEAGUE of Texas. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 1614) to amend the Veterans Regulations to provide an increased statutory rate of compensation for veterans suffering the loss or loss of use of an eye in combination with the loss or loss of use of a limb.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 1614, with Mr. WRIGHT in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. TEAGUE of Texas. Mr. Chairman, this bill relates entirely to service-connected compensation for disabled veterans.

The existing rates of compensation for war service-connected veterans

ranges from $17 per month for a 10-percent disability, to $181 per month for total disability. In addition, there is provided certain other rates for the more severely disabled veterans which range from $279 to $420.

As a part of the structure of the compensation payable to the more severely disabled group, there is included the rate of $47 per month for certain specified statutory losses—loss or loss of the use of a creative organ, a foot, hand, or blindness.

The law provides that only one such statutory award shall be added to the basic disability finding. For example, a veteran today who is blind in one eye, who has lost an arm, and the use of a creative organ will probably be rated at 80 percent disabled. This would provide him with a basic compensation rate of $145 per month plus $47 a month for one of the statutory losses cited in the example. Under the provisions of this bill, H. R. 1614 the veteran would receive $145 for the 80 percent disability plus $47 each for each statutory loss, to make a total compensation of $286.

The additions of $47 per month for each such loss would in no event exceed the overall ceiling of $420 a month.

The Veterans' Administration has advised the committee it does not have any available data on which to base an estimate of the cost of H. R. 1614.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE of Texas. I yield to the gentleman from Texas.

Mr. PATMAN. The Bradley Commission has been appointed and is functioning. Is that Commission duplicating the work of the distinguished gentleman from Texas as chairman of the Committee on Veterans' Affairs of the House? Is it doing the same work or practically the same work, or is it making investigations that the gentleman's committee has already made or is making?

Mr. TEAGUE of Texas. There is no question that the work of the Bradley Commission does, to a great extent, duplicate the work of our committee. I might say to the gentleman that there is a great amount of work going on in our committee, and I am sure the Bradley Commission will be covering the same field. However, we expect to proceed and complete our investigations because whatever work is done, if it involves necessary legislation, it must come back to the Committee on Veterans' Affairs.

Mr. PATMAN. Is it not a fact that this is the third time the Executive has appointed commissions or committees to go into veterans' matters? The first time it was under another President, through the Hoover Commission. The second time it was under the present administration through the Hoover Commission, and now the third time, under the same administration, they are going into the same matters involving veterans?

Mr. TEAGUE of Texas. That is correct.

Mr. PATMAN. And the Veterans' Administration has turned down the recommendations of the Hoover Commission not only the first time but the second time as well. This new commission is going into the same matters.

Mr. TEAGUE of Texas. The Veterans' Administration turned down the majority of the Hoover Commission's recommendations, as did the American Legion and other veterans' groups.

Mr. PATMAN. Mr. Chairman, may I invite the gentleman's attention to the fact that the Bradley Commission has sent out apparently a lot of copies of questionnaires for veterans to answer. There are a great many questions in them. I am told by the Disabled Veterans' organization in El Paso, Tex., that last week the daily newspapers in that city carried articles to the effect that if these questionnaires were not filled out and returned, the veteran would not receive any compensation check in the future; that is, they had to answer these questionnaires. Furthermore, the same information was broadcast over the radio in El Paso, that unless these questionnaires were filled out and sent in to the Bradley Commission, the Veterans' Administration would cut off compensation checks.

Mr. TEAGUE of Texas. The Committee on Veterans' Affairs of the House has received some of that same information. Of course, it is most unfortunate because I am sure everyone knows that the veterans do not have to answer these questionnaires and that their compensation checks or pensions will not be cut off if they do not answer the questionnaires.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE of Texas. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. I should like to add my word of support of this bill and of another bill, which the gentleman has coming up shortly. My recollection is that the entire membership of the Committee on Veterans' Affairs was strongly in favor of both of these bills, considered them urgently needed to correct some inequities and deficiencies. I certainly think there is every justification for their passage.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I heartily endorse this bill. It came out of our committee unanimously. Other Members had similar bills in past years and in this year.

I should like to point out the case of a blind man that I heard of recently. He has arthritis in both hands. His hands are the only "eyes" he has to see. This is clearly an example of why this bill should be passed, and I am sure it will pass unanimously.

I would like to say that the Veterans' Administration, in view of the pressure under which they have been working during many years, is using Gestapo methods to frighten veterans, threatening that they will take away their compensation if they do not file these questionnaires in time, or if certain nonservice-connected veterans' questionnaires are not returned in time. I believe they and their dependents do not receive notices that if the income limitation is not filed in time, their pension will be taken away retroactively.

It is very important to stop some of the investigations. Sometimes as many as 5 or 6 different groups are investigating the Veterans' Administration at one time. These investigations have been going on for many years.

Mr. Chairman, I yield such time as he may desire to the gentleman from Indiana [Mr. ADAIR], the ranking Republican member of our committee.

Mr. ADAIR. Mr. Chairman, I have nothing to add except to say, as those who preceded me have already said, that this proposed legislation is good and meritorious. It has been carefully considered. It is quite clear in its terms and, I think, should be acted upon favorably.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. Bow].

Mr. BOW. Mr. Chairman, I ask unanimous consent to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BOW. Mr. Chairman, I have been impressed today by statements that have been made on the floor in reference to the President's budget message. It was interesting to hear the distinguished gentleman from Missouri [Mr. CANNON], who is chairman of the Committee on Appropriations, and the distinguished gentleman from Texas [Mr. MAHON], who is the ranking majority member of the Committee on Appropriations, take exception to this budget and talk about its being too high.

In the last 20 years budgets have increased and increased. Today this Nation is faced with a national debt of some $280 billions, on which we are now paying interest amounting to about $7 billions annually.

It is not necessary for me to say it, but history itself will show who has been in control of the budgets and the finances of this Nation during the period of time that great deficits have been piling up, during the period of time that the $280 billions of debt have been accumulated, and during the period of time they were paying $7 billions of interest. During that time the administration of the party of the gentlemen who have spoken was in power, and they controlled the Appropriations Committee except during the 2 years of the Republican 80th Congress when we balanced the budget.

I am sure the Nation will be delighted to find that the chairman of the Appropriations Committee and the ranking majority member of the Appropriations Committee have come on this floor today talking economy. I hope they will not only talk economy but that in the future their votes will be for economy, for the distinguished gentlemen who have made these speeches here today have supported much of the legislation that has created these great deficits for us.

There is one thing they overlooked in their comments on this budget, that on the very first page there is something new, because when we look at the item of budget surplus or deficit, for the first time in years, in fact, since the Republican 80th Congress, we find that instead of the minus mark in front of the totals here we finally have the plus sign in-

dicating a surplus of $200 millions in 1956 and a plus sign indicating a surplus of $400 millions in 1957.

This budget balance and this expected surplus would never have materialized under the spending program of the previous administration.

Just 3 years ago that previous administration, which these gentlemen supported, asked us to provide $13.6 billion more than is proposed today. In 3 years our new administration has made a 20-percent cut in Federal spending. That is no mean achievement.

Let me recall to you that within a few weeks of his inauguration President Eisenhower undertook extensive revisions in the Truman budget. During the late winter and early spring he recommended reduction of nearly $10 billion in Mr. Truman's budget. Spurred by his example, Congress found opportunities to reduce it an additional $5 billion. In the first few months of this administration the American taxpayer was saved some $14 billion from the amounts that would have been spent under the previous administration program. This is, in fact, the third successive annual budget reduction proposed by Mr. Eisenhower.

It seems to me that it comes with ill grace for representatives of the greatest spenders in American history to criticize this budget as being too high.

If they are sincere in what they have said, they will examine this budget and help us to find some place further to reduce it. Then, perhaps, at long last we will begin to pay on this great deficit.

However, may I remind you that there is one place where the Democratic Party pretty much makes up a budget. The legislative branch happens to be under the control of the Democratic Party.

I point this out to you: In 1955 the appropriation for the operation of the legislative branch of the Government was $65 million. In 1956 it was $98 million, but in the estimate for 1957 the legislative budget is $123 million. So in this area in which the Democratic leadership has exclusive control in setting up a budget, there is a very large increase.

I am not complaining if the gentlemen have suddenly experienced a conversion or transformation and have joined the ranks of those of us who for 5, 10, or 20 years have been preaching economy. I want to welcome them into our ranks with open arms.

No doubt there are places in this budget where further reductions can be made. I think I know a few of them.

All of us and all Americans should be grateful for an administration that has done its level best to cut expenses. I think we should recognize that in so large and complex an organization as this Federal Government, any administration, no matter how earnestly it strives to stop waste, may not be able to eliminate all of the unnecessary expenditures from its budget, but it must continue to try.

The important thing, and the hopeful thing, is that we have here a budget in balance. We have here an opportunity to begin the reduction of our terrific national debt. And we should all approach the weeks ahead with the earnest desire to cooperate with the administration to achieve that balance and to build up the largest possible surplus for debt reduction or tax relief.

Mr. ADAIR. Mr. Chairman, I yield such time as he may require to the gentleman from California [Mr. TEAGUE].

Mr. TEAGUE of California. Mr. Chairman, I want to associate myself with the remarks of the members of the House Committee on Veterans' Affairs who have spoken in behalf of the bill, H. R. 1614. The bill is entirely meritorious and merely provides for a well deserved increase in compensation for those veterans who unquestionably are seriously disabled as a result of their efforts on our behalf in defending our country.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That subparagraph (k) of paragraph II, part I, Veterans Regulation No. 1 (a), as amended, is hereby amended to read as follows:

"(k) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss or loss of use of a creative organ, or one foot, or one hand, or blindness of one eye, having only light perception, the rate of compensation therefor shall be $47 per month for each such loss or loss of use independent of any other compensation provided in part I, paragraph II, subparagraphs (a) to (j); and in the event of anatomical loss or loss of use of a creative organ, or one foot, or one hand or blindness of one eye, having only light perception, in addition to the requirement for any of the rates specified in subparagraphs (l) to (n), inclusive, of part I, paragraph II, the rate of compensation shall be increased by $47 per month for each such loss or loss of use, but in no event to exceed $420 per month."

SEC. 2. Any increased compensation because of a combination of blindness of one eye with another disability, as herein authorized, shall be effective as of the first day of the first month, following this enactment.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. COOPER) having resumed the chair, Mr. WRIGHT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 1614) to amend the veterans' regulations to provide an increased statutory rate of compensation for veterans suffering the loss or loss of use of an eye in combination with the loss or loss of use of a limb, pursuant to House Resolution 365, he reported the bill back to the House.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed and on the next bill from the Committee on Veterans' Affairs, which is to be taken up now.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

FORWARDING VETERANS' BENEFIT CHECKS IN CERTAIN CASES

Mr. TEAGUE of Texas. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 1821) to provide that checks for benefits provided by laws administered by the Administrator of Veterans' Affairs may be forwarded to the addressee in certain cases.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas [Mr. TEAGUE].

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 1821, with Mr. WRIGHT in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Texas [Mr. TEAGUE] will be recognized for 30 minutes, and the gentlewoman from Massachusetts [Mrs. ROGERS] will be recognized for 30 minutes.

The Chair now recognizes the gentleman from Texas [Mr. TEAGUE].

Mr. TEAGUE of Texas. Mr. Chairman, the purpose of this bill is to permit the forwarding of Veterans' Administration checks for compensation, pension, insurance, or other allowances provided by laws administered by the Veterans' Administration to the addressee.

The existing law provides that the Post Office Department must return to the Veterans' Administration such checks where the payee has moved or where the payee is a widow and the person delivering the mail has knowledge that the widow has remarried. The Post Office Department is thus prevented from forwarding Veterans' Administration checks even though a regular change of address has been filed at the post office.

This is in sharp distinction to checks payable for service-connected benefits in that checks of this type may be forwarded to the addressee if he or she has moved or filed a regular change of address notice. Provision is made for the postmaster to notify the sending agency or if the addressee is deceased to return the letter with the date of death, if known.

Inasmuch as all checks drawn on the Treasury of the United States are negotiable instruments, it is difficult to see why such a sharp distinction should be drawn.

The Acting Secretary of the Treasury, under date of December 3, 1954, advised that the enactment of the proposed bill might result in a reduction of the workload of handling returned checks. He cited certain disadvantages at the same time. In conclusion, he pointed out that—

> It does not appear that the net effect on the Treasury of the enactment of the bill would be significant in any important degree.

In view of the fact that the Treasury would appear to be the agency most vitally concerned with this question, that the objections of the other administrative agencies could be somewhat discounted.

The enactment of this proposal would not require any additional appropriation and it is possible that considerable savings might be accomplished by reducing workloads in both the Veterans' Administration and the Treasury.

I yield such time as he may desire to the author of this bill, the gentleman from Florida [Mr. MATTHEWS].

Mr. MATTHEWS. Mr. Chairman, first of all, may I express my appreciation to the House Committee on Veterans' Affairs, for their interest in my bill, H. R. 1821. I am grateful epecially to the distinguished chairman and the ranking minority member. Similar bills have been introduced by Members of the House.

This bill provides that checks for benefits provided by laws administered by the Administrator of Veterans' Affairs may be forwarded to the addressee in certain cases. During my service as a member of the House Committee on Veterans' Affairs of the 83d Congress, I became familiar with a number of problems encountered by our veterans and their dependents. One problem which came to my attention was the delay encountered by veterans and their dependents when a check would come to an address from which they had recently removed, with their new address not having yet been made effective on the rolls of the Veterans' Administration or the Treasury Department. Under existing law, the Post Office Department must return to the Veterans' Administration checks for pension, compensation, insurance, or other allowances or benefits administered by the Veterans' Administration where the payee has moved or the payee is a widow believed by the person delivering the mail to have remarried unless the mail is addressed in the name which the widow acquired by remarriage. The Post Office Department cannot forward the check under any circumstances, even though a regular change of address has been filed at the post office.

In checking into the background and history of the existing law which prohibits forwarding of veterans' checks, I discovered that the principal reason for its enactment appeared to be to prevent abuses which might well result from sending checks abroad after the war. Many of us will recall that immediately after World War II, thousands of American veterans remained overseas after their discharge either to secure employment or to enroll as students in foreign schools and colleges under the GI bill. No doubt this safeguard against forwarding veterans' checks was necessary and proper at that time in view of the different languages and postal systems involved and the tendency of our overseas veterans to move around frequently. However, this situation no longer exists, in my opinion, and this reasoning should no longer control. Therefore it seems that the one good reason for the prohibition has now abated, while there exists a number of good reasons for changing this law and allowing our veterans and their widows to have their Government checks forwarded the same as other classes of citizens. I respectfully submit that veterans checks should be forwarded to the addressee if he has moved and filed a regular change-of-address notice with his postmaster, and I hope that my bill to accomplish this objective will be approved on the following grounds:

The present situation works a great deal of inconvenience and often hardship on veterans and their widows. A large proportion of the persons who receive these checks obviously depend on such funds for their major means of subsistence. These people live from month to month on the compensation or pension which they receive. When this money is delayed for even a few days, it can mean a very real deprivation for them if they have no other resources on which to depend. If the delay stretches into months, then a near tragic situation can result. I have a great admiration for our Veterans' Administration and I think the loyal employees of this agency are doing a fine job of giving good service to the veterans. However, when an agency is responsible for servicing the claims of hundreds of thousands of veterans, and must distribute many millions of dollars regularly in pensions and compensation, it is inevitable that mistakes and delays will creep in. It has been my experience in Congress that some of my constituents' checks are occasionally delayed or lost even where the veteran has fully complied with the requirements of the Veterans' Administration, and I have been asked by my veteran constituent to contact the agency and try to have the missing check expedited. No doubt all of the Members of the House have had similar requests in their own experience. And even if the check is promptly returned to the Veterans' Administration for readdressing or revouchering, some loss of time is thereby unavoidable.

Under the law now, a veteran may leave a valid forwarding address with his postmaster when he goes on a trip, or is away for the summer, for example. But the postmaster cannot honor the change of address for the veteran's check, even though he can promptly forward all other mail which the veteran may have. The postmaster has to return the check, with resulting delay and inconvenience to the payee and with additional work on the part of the Veterans' Administration in reissuing a new check or remailing the old one when a current address is finally established. If the veteran is away temporarily, this means the whole process must again be repeated when he returns to his permanent home address. Such a law does not seem to conform either to economy or to good sense.

One of the striking features of the present situation is that checks for veterans' benefits appear to be an exception to the general rule of allowing Federal checks to be forwarded under appropriate safeguards. For example, checks for social-security benefits may be forwarded if the addressee has moved and filed a regular change-of-address notice. In fact, the envelopes containing social-security checks bear the following notation:

> Postmaster: Please forward if addressee has moved and filed a regular change-of-address notice. If addressee is deceased, return the letter with date of death, if known.

It is difficult to see why a distinction is drawn between checks going to social-security claimants and those going to veteran claimants. If there is a danger of fraud or deliverance to unauthorized persons in the one case, then the danger must also exist in the other case. Since the Social Security Administration is apparently satisfied with the system which it uses, and has not asked Congress to change the law, we may assume that the system is working in good order. The only possible difference between social-security checks and veterans' checks which occurs to me is that the social-security claimant has usually contributed to the fund from which his checks are paid, while the veteran receives a check for compensation or pension awarded to him by his Government for service in time of national emergency. This difference has no bearing on the problem which we are discussing, and is not relevant.

At this point I would like to emphasize that my proposal does not call for any appropriation of Federal funds. In fact, it would cost the Federal Government nothing and would very likely result in considerable savings through reduced administrative costs in both the Veterans' Administration and the Treasury Department. Up to now I have emphasized the results which my proposal would have in terms of convenience and advantages to the veterans involved. But we must not overlook the advantages to the Government in terms of financial savings, less work, and increased efficiency. It is a pleasure to be able to offer a bill which, in my opinion, would improve the operations of our Government and render better service to our veterans, and yet which does not call for any additional outlay from the United States Treasury.

You will note that H. R. 1821 provides that the envelope or cover of each veterans' check shall have printed on it this notice:

> Postmaster: Please forward if addressee has moved and filed a regular change-of-address notice. If addressee is deceased, return the letter with date of death, if known.

Such a notice would adequately protect the interests of the Government. This is the same notice as now used on

the envelopes for social security and other Government checks.

I am pleased to state that there is considerable support for my proposed legislation. The Veterans of Foreign Wars, at its national convention in Milwaukee last year, passed a resolution in favor of this change in the law. The proposal was earlier approved by the Florida Department of the Veterans of Foreign Wars, and also has the endorsement of the postmasters of Florida. The Treasury Department, one of the major agencies involved, has stated that it would not object to the enactment of my bill in a letter to the chairman of the Committee on Veterans Affairs of the House of Representatives, dated December 3, 1954.

The few objections which have been raised to my bill are vague, uncertain, and problematical. The reasons for its enactment are clear and compelling. Therefore I hope H. R. 1821 will pass unanimously.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. MATTHEWS. I yield.

Mr. REES of Kansas. Of course, I am supporting the legislation, but I must say I assumed the Veterans' Administration had such authority already. I was under the impression this was a matter that could be handled administratively and that the Veterans' Administration could, if it chose to do so, handle the mailing of these checks in similar manner as applies to social-security checks.

Mr. MATTHEWS. I am glad the distinguished gentleman suggested that. As the chairman of the committee said, this is a small matter. We tried to get it passed on the Consent Calendar. However, it is not true that the Veterans' Administration now has this authority. We must pass an act of Congress to give them that right. I think the reason for that is because immediately after World War II we had thousands of our veterans remain in Europe to get their GI training, and there was a tremendous amount of difficulty in getting the checks to them. But I think that the emergency reason for this rule has now been eliminated, and I am glad we have a chance to give the committee an opportunity to change it.

Mr. REES of Kansas. I am sure there could be no objection to this legislation. I appreciate the gentleman's explanation of it.

Mr. MATTHEWS. I thank the gentleman.

Mr. Chairman, I yield back the balance of my time.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield myself such time as I may need.

Mr. Chairman, I heartily endorse the bill. I introduced a similar bill myself last March. I am delighted also that this bill bears the name of the gentleman from Florida, because he was such a valued member of the committee, appreciated by both sides of the aisle when he served on our Committee on Veterans' Affairs.

I am delighted to have the bill go through, because it will facilitate the veterans receiving their checks.

I wish it were possible to have 2 or 3 committees appointed to study ways and means of helping veterans, facilitating their receipt of benefits, instead of devising ways in which they can be stopped and cut. The redtape involved has become a very serious question and very costly. It does not do the veteran any good; in fact, it does him decided harm.

Mr. Chairman, I yield such time as he may desire to the gentleman from Indiana [Mr. ADAIR].

Mr. ADAIR. Mr. Chairman, it seems to me this proposed bill does several good things. In the first place, as author of the bill, the gentleman from Florida [Mr. MATTHEWS] has pointed out, it should expedite the matter of the receipt of checks by some veterans who are entitled to them; thus it should save some time, some worry, and some concern on the part of those who have moved or who for some reason or other connected with mail forwardings are not receiving their checks.

Secondly, I believe it would effect an economy in that there would be time saved in the Veterans' Administration and perhaps among the employees of the Post Office Department due to the fact that they would not have to rehandle this mail.

And thirdly, it ought, in my opinion, to reduce the administrative load in the Veterans' Administration itself, the load which would arise out of readdressing such communications.

It seems to me, therefore, that the arguments are all in favor of this legislation, particularly since certain other agencies of the Federal Government do have similar laws in effect with respect to the forwarding of checks.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I have no further requests for time.

Mr. TEAGUE. Mr. Chairman, I have no requests for time.

The Clerk read the bill, as follows:

Be it enacted, etc., That (a) the first paragraph of section 3 of the act entitled "An act making appropriations for the payment of invalid and other pensions of the United States for the fiscal year ending June 30, 1913, and for other purposes," approved August 17, 1912, as amended (38 U. S. C., sec. 50), is hereby amended to read as follows:

"SEC. 3. Pensions, compensation, insurance, or other allowances or benefits provided for by laws administered by the Veterans' Administration shall be paid by checks drawn, pursuant to certification by the Administrator of Veterans' Affairs, by the Secretary of the Treasury in such form as to protect the United States against loss, without separate vouchers or receipts, and payable by the Treasurer of the United States, except in any case in which the Administrator of Veterans' Affairs may consider a voucher necessary for the protection of the Government. Such checks shall be transmitted by mail to the payee thereof at his last known address, and if he has moved and filed a regular change of address notice with the Post Office Department, shall be forwarded to him. The envelope or cover of each such check shall bear on the face thereof the following notice: 'Postmaster: Please forward if addressee has moved and filed a regular change-of-address notice. If addressee is deceased, return the letter with date of death, if known'."

(b) The second paragraph of such section 3 is hereby amended by striking out "or removed".

SEC. 2. Sections 4764, 4765, and 4767 of the Revised Statutes of the United States are hereby repealed.

The CHAIRMAN. There being no amendments, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WRIGHT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 1821) to provide that checks for benefits provided by laws administered by the Administrator of Veterans' Affairs may be forwarded to the addressee in certain cases, pursuant to House Resolution 366, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

IMPORT LIMITATIONS UNDER CERTAIN CIRCUMSTANCES

Mr. WILSON of California. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WILSON of California. Mr. Speaker, I have joined several of my colleagues in introducing a bill that calls for placing imports under quota limitations under certain specified circumstances.

The experience of the tuna-fishing industry which is heavily concentrated in my district at San Diego, shows clearly the need for a reasonable limit on imports.

Repeated efforts have been made through legislation and under the escape clause of the Trade Agreements Act to bring tuna imports under control, but without success. The result has been that the domestic industry has suffered discouraging reverses while imports of tuna in several forms have risen relentlessly to a point that threatens the very life of the tuna fisheries of the west coast.

Imports come not only in the form of frozen tuna but also in canned form.

As recently as 1950 imports of frozen tuna amounted to only 14.5 percent of the domestic catch. By 1954 this had grown to 38.3 percent and during the first 8 months of 1955 to 72.4 percent. Since 1952 the number of tuna clippers operating out of San Diego declined from 214 to 158. During this same period, by contrast, Japan has built a whole new fleet of long-range long-line tuna-fishing vessels. This is the writing on the wall. Our industry is exposed to a form of competition that is beyond its power to meet, given the American wage and living standard.

Frozen tuna is on the free list. Albacore, which is an important species of tuna, was bound on the free list in the recent Geneva agreement under GATT. The duty on tuna canned in oil was reduced from 45 to 35 percent. The rate on tuna canned in brine was retained at 12½ percent.

This represents not only very unequal tariff treatment of the various tuna products but one that is completely inadequate to meet the import problem.

The imports of canned tuna compete not only with our domestic canners but with domestic catch. Every imported can of tuna means that much less demand for the catch of our own fleet.

What then are the prospects?

They are bleak.

Several years of experience with the problem have convinced me that the most effective way of meeting this problem is to limit imports by means of import quotas. A given share of total consumption could be given over to imports. A ceiling placed against the relentless encroachment on the domestic industry would enable our own producers to look to the future with confidence. They could promote domestic consumption with the knowledge that as it expanded they would benefit from the expansion rather than see it supplied by imports.

The quota bill that I have introduced would not shut out imports or even cut them back sharply, but it would hold them within bounds. I recognize the need of Japan to sell extensively in this country, but I do not for a minute admit that our industry is bound to stand by and allow the domestic market to be taken away from it. The principal advantage of those who supply these imports after all comes from the much lower wage standards to which they are wedded.

The bill would encourage the raising of such standards by giving a more liberal share of any quota to sources of higher standards. Any country could, by moving on to higher levels in wages, receive the same additional share of our market.

I am aware that this legislation would be in conflict with certain provisions of the General Agreement on Tariffs and Trade, known as GATT. It is clear, however, that it would be in full conformity with the Constitution of the United States.

This fact shows that the State Department in making the general agreement went too far. No executive department can sign away the authority of Congress by the simple expedient of making international agreements. Yet that is exactly what the State Department has undertaken to do. This represents an unjustifiable grasp for power and the sooner the lines of authority are again set straight, the better.

The bill has been referred to the Committee on Ways and Means, and I hope that public hearings will be held in the near future. The import problem is a very pressing one, not only in the tuna industry but in a number of others, and time is a very important element in our search for relief.

NATURAL GAS

The SPEAKER. Under previous order of the House, the gentleman from Massachusetts [Mr. HESELTON] is recognized for 30 minutes.

Mr. HESELTON. Mr. Speaker, you will recall that the bill to exempt producers of natural gas from Federal regulation passed the House on July 28, 1955, by the narrowest of margins.

Prior to action here on the floor, there were other most significant votes.

On June 7, a tie vote in the House Committee on Interstate and Foreign Commerce killed the bill temporarily. On June 8, this vote was reconsidered and the bill was approved by a vote of 16 to 15.

The bill was reported on June 28.

It was not until July 26 that the Rules Committee granted a rule for the consideration of the bill. The vote was 6 to 5. One member of that committee did not vote.

The bill was debated and passed on July 28.

A motion to recommit the bill lost by a vote of 203 to 210.

The vote on final passage was 209 to 203. This vote came on Thursday. Congress adjourned the following Tuesday, August 2.

The extraordinary pressure and remarkable haste need no elaboration.

This proposal, as it passed the House, may be killed.

It now seems more likely that it will go to conference in spite of the hope of the proponents of the bill.

Anyone who has followed developments as to this proposal as reported in the press, in magazines, and columns, and by radio and television knows how dangerous such a conference is in the minds of the proponents of the bill. A single brief quotation from an exceptionally well-informed source, published here in Washington late last week, emphasizes this. Referring to the proponents' hope of preventing any change in the bill as it passed the House, this comment is that any amendment would mean returning the bill to the House where it might run into trouble with elections coming up.

Consequently, certain features of the proposal are worthy of renewed consideration by all Members of the House in view of the probability that they will have another opportunity to pass judgment upon the proposal when the conference report comes before us.

With this in mind, I have undertaken to have some of the more important facts with reference to this proposal brought as far up-to-date as possible. I had hoped to have some of this ready for presentation at this time but some further data is being prepared. I hope it will be available in the next few days. If so, I shall submit it in the form of one or more additional special orders.

Mr. HESELTON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include certain tabulations, correspondence, and editorial matter.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PROPOSALS FOR STRENGTHENING THE CELLER-KEFAUVER ANTIMERGER ACT

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, I include in the RECORD the statement made by me before the Antitrust Subcommittee of the Committee on the Judiciary, House of Representatives, United States Congress:

PROPOSALS FOR STRENGTHENING THE CELLER-KEFAUVER ANTIMERGER ACT

Mr. Chairman and members of the committee, I am honored and gratified by your invitation to give you my views on proposals for strengthening the Celler-Kefauver Antimerger Act.

I will begin with a premise which I know the committee already holds, which is that we must have an antimerger law which is genuinely effective against mergers of the kind which do substantial injury to the competitive system, and we must have a law which can be enforced in an efficient and timely way. The need for the antimerger law and the current merger problems have recently been covered by this committee's excellent investigations and report.

THE FAILURE HAS BEEN IN ENFORCEMENT

Before taking up the proposals which the committee has under consideration today, I might make two other premises clear.

First, the utter failure which the antimerger law has met with to date is in no way a measure of the inadequacy of the law. The failure has been in enforcement. I agree with the findings of this subcommittee that the Department of Justice and the Federal Trade Commission "have made but a token gesture at enforcement."[1] The great wave of corporate mergers and consolidations which has been taking place during the past 3 years, and continuing now, has elicited from the Department of Justice and the Federal Trade Commission not even a wholehearted pretense at enforcing the law. No matter how much the law might be improved therefore, the practical effect will be inconsequential so long as the enforcement agencies refuse to enforce it.

Second, no antimerger law would get at the root causes of the present wave of mergers, even if the enforcement agencies were devoted and skillful in their assigned tasks. These causes lie in the realm of finance, and it is absurd to think that the Federal Government can adopt a set of economic policies, then hold back the tide of inevitable consequences of those policies by passing an antitrust law.

TAX POLICIES ARE PRINCIPLE CAUSE OF MERGERS

The principle impetus for the merger movement is coming from the fact that today the lion's share of the investment funds are being channeled to the giant industrial corporations. These corporations have been

[1] House Committee on the Judiciary, Antitrust Subcommittee, interim report on corporate and bank mergers, 1955, p. 38

given the function of investment bankers. This has resulted, for the most part, from the 1953 and 1954 changes in the tax laws which shifted the income shares to favor big corporations and high-income families. The administration sponsored these changes on the theory that they would stimulate investment in new productive capacity. The effect has been to stimulate the big corporations to an orgy of buying up previously existing capacity.

The effect has also been, conversely, to create a necessity for many small firms to sell out. The tax changes, particularly removal of the excess profits tax, which were supposed to stimulate investment in new capacity have also provided the monopoly industries with an incentive for raising prices and taking more profits. Faced with a continuous inflation in most industrial prices, the administration has been able to maintain the over-all buying power of the dollar only by bringing about rapid deflation in the more competitive segments of the economy—namely the small business and farm segments. This has left less savings among small investors and has left small business even more capital-starved than before.

We are now being swept along a current which, if not checked, will end with a few giant corporations owning all of the wealth of the country. The economic bust for which we are rapidly heading will not check this trend. When the wave of bankruptcies starts, it will be the smaller businesses that go bankrupt, and the concentration of productive wealth into the hands of the corporate giants will continue.

CORRECTIONS NEEDED IN TAXES AND FINANCE

If we are serious about checking the merger movement, as well as other movements which are concentrating business, then I think we must do two things.

First, we must make substantial changes in the corporate tax rates. Specifically, I would recommend reducing the normal tax rate from the present 30 percent to a rate of not more than 22 percent. Then to retain present levels of revenue, I would recommend that the surtax be graduated with each million dollars of net income. I am not recommending a return to an excess-profits tax; and I am not recommending a reduction in overall corporate taxes. I am recommending relieving the tax pinch on corporations receiving net income of less than $10 million, and a compensating graduation of tax rates which will be similar to, but less steep than the graduated rates which apply to personal incomes. In short, I am recommending an end to the insane tax policy which takes the same percentage of the income of a corporation receiving an income of, say a million dollars, as one receiving $2 billion—or one which is 2,000 times as big.

In addition, there are several less important, but quite direct incentives to merger built into our present law. These too should be corrected.

The second thing we must do to check the amalgamation of wealth into the giant corporations is to help create an organization which will make accessible to small- and medium-sized firms funds which are available for long-term business investment. The country does not now have such an organization, either private or public. The problem is not to create more money; the problem is to create a market place, as it were, where funds which are available for investment will come together with the businesses seeking such funds.

These two things would, I think, solve most of the merger problem as well as some of the deeper problems of which mergers are only a symptom.

ANTIMERGER LAW NEEDS IMPROVEMENT

Even if all of the incentives to merger were removed from our tax laws, however, and even if the follies of our other economic policies were corrected, we would of course still need an antimerger law. We would still have the old problem of some mergers being generated from no substantial cause except that competition will be lessened and corporate profits will be enhanced.

For this purpose, the law should be improved. It would be a strange thing if a few years of experience with a new law did not reveal ways in which the law can be improved.

The improvements which the committee is considering today are procedure improvements. I think I am correct in saying that none of the bills before the committee make any changes in substantive law—in the sense that they would change the standards by which a merger is declared illegal, or change the scope of commerce now covered by the law.

The bill which I introduced, H. R. 6748, is entirely procedural. These procedural changes would, however, make sweeping changes in the practical effect of the law—assuming the enforcement agencies wish to enforce the law. These changes would, moreover, remove much of the uncertainty which now plagues businessmen who are making or considering making a merger.

EXPERT DRAFTING OF H. R. 6748

At this point I might explain that while I refer to H. R. 6748 as my bill, actually what I have done is to put into this bill certain amendments which were suggested by Senator Mead after he had several years' experience in administering the law, as Chairman of the Federal Trade Commission. In addition, I had the assistance of two staff members of the House Small Business Committee, one distinguished lawyer and one economist, who were formerly on the staff of the Federal Trade Commission, and had about 4 years of first-hand experience with the practical problems of administration. It was for the reason that I had benefit of Senator Mead's suggestions and expert counsel that I undertook to draft and introduce a bill on this subject. It is for this reason also that I highly commend H. R. 6748 to the committee.

There is more involved than first-hand experience, of course. There is also a matter of the individual's perspective and concern for the public interest. I know the perspectives and the attitudes of Senator Mead and the two staff members who have helped me. In other words, these people want the antimerger law enforced and they would want to prevent any merger which would result in any substantial lessening of competition.

Other people with first-hand experience in administering the law may, of course, have basically different ideas about what the law ought to do. There are a great many people who think that it is entirely satisfactory, from a competition standpoint, for an entire industry to become concentrated into a big 4, a big 3, or perhaps even a big 2 corporation. And some of these people seem genuinely to believe that it is quite fitting and appropriate to read a "rule of reason" into the law, in order to allow these things to come to pass.

MERGERS ARE NOT REPORTED

Perhaps the simplest and clearest way of outlining what H. R. 6748 would do, is first to outline the enforcement procedures now being followed and then explain how these procedures would be amended by the bill.

Section 7 of the Clayton Act, as amended, makes it illegal for one corporation to acquire the stock or assets of another corporation where the effect is a substantial lessening of competition or a tendency to monopoly. There is, however, no requirement that merging corporations make the merger known to the enforcement agencies, either before a merger is consummated or after a merger is consummated. There is, moreover, no penalty for making an illegal merger, except possibly the losses which may be incurred in disposing of assets, should there later be an order of divestiture. But as I shall show in a moment, there will be situations where the purpose of an illegal merger can be fully accomplished even should there later be an order of divestiture.

The Federal Trade Commission and the Department of Justice have concurrent jurisdiction. The Federal Trade Commission has no power to stop a merger before it takes place. The Department of Justice has injunctive power, but this is effective only where the Department learns of a proposed merger in sufficient time, and is able to gather sufficient market information to show the probable effects of the merger, before the merger is consummated.

Let us consider then what the major procedural steps are in the Federal Trade Commission.

First, the FTC has to ascertain that a merger has taken place. For this purpose it has a staff of several people engaged full time in screening newspapers, trade journals, such commercial references as Moody's Industrial Manual, and other sources of public information, just making up lists of the names of companies which are reported to have merged.

DELAYING AND WITHHOLDING INFORMATION

The second step is then to gather up enough information about the companies and the products involved to make a preliminary determination as to whether the merger is an inconsequential matter, or whether a thorough investigation should be made. This involves finding a mailing address for the companies in question and sending them a brief questionnaire. Where the merger has already taken place, the companies in question are of course in no hurry to answer the questionnaire; nor are they particularly desirious to answer it fully. Collecting these questionnaires also involves a great loss of time as well as Government expense which should be unnecessary.

Third, in the case of mergers which look as though they may run counter to the law, on the basis of abbreviated information, there is the problem of making a more complete investigation. This involves collecting information as to the companies' production or operations, the markets in which they operate, the proportion of the market affected, what patents might be involved, and a variety of other matters. Here again a major part and a vital part of the information must come from the companies themselves. And here again the companies are in no hurry to supply the information and under no compulsion to supply the information in a form which is most revealing or pertinent to the question of adverse effects upon competition. On the contrary, they have every incentive to delay and evade. Certainly they have no incentive to gather or organize original data which they are in the best position to supply, and perhaps only they can supply. In other words, the merger has already taken place, and the companies in question are certainly not anxious to help build a case against themselves.

PROLONGING THE LITIGATION

Next, there is the problem of litigation. Here again companies which have already merged have good reason to delay and drag out the proceedings, and these proceedings are lengthy at best. Look, for example, at the first case brought under the new law. The Pillsbury mergers took place in June of

1951. After a year of investigation, the Federal Trade Commission issued a complaint, in June of 1952. Shortly thereafter hearings started before an FTC hearing examiner, and these hearings are still going on. In other words, the mergers took place 4½ years ago, litigation has been going on for 3½ years, and the end of the litigation is nowhere in sight.

Now, we do not want to argue here the merits of the Pillsbury case; and I do not want anything I say to be taken as an expression of my attitude on the merits of that case. I simply make this point: If the presumption on which the FTC brought that case is correct, then the public interest has been injured—competition has been lessened. Then is it not absurd that the public should be denied the benefits of competition for 4½ years, when the issue could have been settled before the mergers took place?

Certainly this experience indicates that merger litigations can be kept going almost indefinitely. And it should be obvious that when large corporations are involved in these litigations, where tens or hundreds of millions of dollars of sales are at stake, the simple expedient is to put a small legal staff on the payroll and treat the matter as a more or less permanent cost of doing business.

In any event, the longer the matter is delayed the less likely it is that the Federal Trade Commission will issue a dissolution order, and the less likely it is that the courts will sustain a dissolution order. As we know, antitrust issues quickly become moot in the eyes of the courts. As a practical matter, the courts are not willing to try to undo things which occurred in ancient history.

Allow me to sum up to this point: present procedures are unnecessarily costly to the Government, which fact dilutes the effectiveness of the enforcement dollar; these procedures result in protracted delays while the public interest suffers; they yield less complete and satisfactory market facts on which to base finding and dissolution decrees; and they result in untimely decrees which are unlikely to be sustained, assuming that under present procedures effective dissolution decrees can be drawn. This brings me to the next problem.

COMPETITION CANNOT BE RECREATED

Actually our courts and our enforcement agencies have had little experience in trying to draw dissolution orders. As yet they have had no experience in trying to draw an order under the Celler-Kefauver Antimerger law. As for that matter, there have been relatively few dissolution decrees under the Sherman Act during the 65 years that law has been on the books. But experience under the Sherman Act has demonstrated that it is about as difficult to unscramble the assets of a corporation as it is to unscramble an egg. In addition to this difficulty, however, there is a vital weakness in the law which attempts to undo mergers rather than to prevent mergers. The law is not concerned with assets as such. Its purpose is to maintain competition. Yet the remedy in the law deals in fact with assets, and not with attaining the purpose of the law. In short, the law contains powers for ordering the divestiture of assets but there are no powers for recreating competition or even recreating a competitor. There are no powers for saying to whom the assets shall be sold or for what purpose they shall be used. Let me illustrate with two cases in which the Federal Trade Commission is now involved.

It is generally agreed that Pillsbury's purpose in acquiring the Ballard Co. was to acquire a ready-made market for its flour, in the southeastern United States. Ballard had an established market in this section, its brand name enjoyed wide consumer acceptance, and Ballard's sales organization had long enjoyed the confidence and good will of the wholesale and retail merchants. Ballard's principal assets, insofar as Pillsbury was concerned, were its sales organization and the consumer acceptance which its brand name enjoyed.

Of course, Pillsbury might have used other methods to attain volume sales in the Southeastern States. It might have reduced its prices, for the benefit of consumers, or put on advertising campaigns, or done a variety of legitimate things to try to take business away from Ballard. This would have been competition, which is what we want to maintain.

ASSETS ARE FREQUENTLY NOT TRANSFERABLE

Now let us assume that the FTC ultimately tries to write an order requiring Pillsbury to divest itself of Ballard.

One fact is, I am told, that Pillsbury has now added its own brand name along with Ballard's brand name on the cartons in which its flour is sold. Pillsbury's name has now acquired the popularity and the consumer acceptance which formerly attached to Ballard's trade name.

A second fact is, I am also told, that Ballard's salesmen and other personnel are now absorbed into the Pillsbury organization.

How then can an order be written which will take away the consumer acceptance which Pillsbury's brand name has now acquired and invest that consumer acceptance in a competitor? And how can an order be written which would, contrary to our constitutional limitations on involuntary servitude, transfer Ballard's old salesmen to some new competitor. In short, what are the assets which the Government could order Pillsbury to divest itself of that would restore a competitor?

Now consider the Farm Journal-Country Gentlemen-Better Farming merger. Here we had two competing magazines where we now have one magazine. The magazines themselves have been merged into a single publication. The new publication has an identity and character of its own, and there is now a single subscription list. The merger took place more than 6 months ago, and we could reasonably expect many months more to pass before the litigation is completed. I would assume that after a year's time, certainly, even the advertising contracts will have expired and new contracts will have been entered into. Furthermore, there is the same problem of people—writers, editors, makeup people, etc.—as we have in the Pillsbury matter.

What then are the assets that could be unscrambled? There may or may not be some printing equipment which could be sold for printing operations of one kind or another. I do not know for a fact whether or not there was any printing equipment. It may well have been that both magagines hired their printing done. But in either event, I can conceive of no order of divestiture which would create two magazines where there is now one.

FTC ORDERS ALLOW ONE "FREE" VIOLATION

Now I come to the final inadequacy in the procedural steps provided in the present law. An order issued by the Federal Trade Commission under the Clayton Act does not become final, valid, or binding—until such time as a court of appeals confirms it. There is, moreover, a serious omission in the Clayton Act in that it sets no time limit for appealing such orders. This puts the recipient of a Clayton Act order in a position where by failing to appeal, he can ignore the order until such time as the Federal Trade Commission appeals it and before the Federal Trade Commission can appeal it, it must prove that the order is being violated. This results in what is called one free violation. In other words, the Federal Trade Commission must prove its case twice and with two separate sets of evidence, one set pertaining to the time before the order was issued, and one set pertaining to the time after the order was issued.

Insofar as orders under section 7 of the act are concerned, this will mean that the Federal Trade Commission will have to supervise the firm, for a long period perhaps, to see that its order is carried out. I presume that orders of divestiture, if any are ever issued, will provide a "reasonable time" for the firm to carry out the divestiture, to find a buyer who will pay a reasonable price for the assets, etc. Thus, we have an invitation to further delays. The company with an order of divestiture may use up its allotted time, then appeal the order, which will mean a long period of litigation in court, after which the court will inevitably allow the company an additional "reasonable" time in which to carry out the divestiture.

This problem is not limited to section 7 of the Clayton Act. The same thing is true of the orders issued under any other section of the act, such as those issued against illegal price discriminations, illegal exclusive dealing contracts, etc. For example, the order against the United States Steel Corp. in the famous Pittsburgh Plus case was issued in July 1924. After the passage of 14 years, in May 1938, United States Steel filed a petition with a circuit court to have the order set aside, and after the passage of another 10 years, in October 1948, the order was finally confirmed—almost a quarter of a century after it was issued.

The Federal Trade Commission has recommended many times over a period of years that this deficiency in the Clayton Act be corrected, suggesting that a provision similar to that in the Federal Trade Commission Act be adopted. Orders issued under the Federal Trade Commission Act automatically become final and enforceable, if not appealed within 60 days after issuance of the order.

H. R. 6748 REQUIRES ADVANCE INFORMATION

H. R. 6748 now becomes readily understandable in terms of the procedural difficulties which I have described. It is those procedural difficulties which the bill would overcome. Taking the bill up section by section, it does the following things.

Section 1 requires that the Attorney General and the Federal Trade Commission be notified in advance of the merger. It does not require such notification for all mergers, but it requires such notification where any of the corporations involved has capital, surplus and undivided profits totaling more than $1 million. This goes on the presumption that mergers of corporations having less than $1 million of assets are de minimus and very probably will not bring about a substantial lessening of competition. This provision is set out beginning at line 9 on page 1 and going down to line 9 of page 2.

Section 1 of the bill also provides that the companies must furnish all pertinent information requested by the Attorney General and the Federal Trade Commission before the merger can be consummated, and it gives the enforcement agencies 30 days in which to request such information. This provision is set out in lines 9 through 14 on page 2.

The effect of these two provisions is, first, to create an automatic 30 day cooling-off period, or estoppel, against consummation of the merger, during which time the enforcement agencies may request information. Second, it serves as a further injunction against consummation of the merger until such time as the requested information has been furnished.

H. R. 6748 WOULD PREVENT, RATHER THAN UNSCRAMBLE

In addition, section 1 of the bill provides a further estoppel for 60 days following the furnishing of the requested information, during which time the Attorney General or the Federal Trade Commission may institute legal proceedings against the proposed merger. And should such proceedings be started they would serve, in effect, as an injunction against consummation of the merger until the litigation is concluded. This provision is set out in lines 14, page 2 to line 1 of page 3.

Finally however, section 1 of the bill provides that the failure of the Federal Trade Commission or the Department of Justice to institute proceedings within the specified 60 days does not serve as a bar to such proceedings at a later time. This provision is set out in lines 1 through 8 of page 3.

Now what is the practical effect of these provisions?

First, companies proposing to merge—at least the larger companies—must notify the enforcement agencies, and they must notify them before the merger is consummated.

Second, there is what I call an automatic cooling-off period of 30 days. Actually this would not serve as a cooling-off period at all. Certainly after a merger decision has been reached and conditional contracts have been entered into, the normal business requirements for making closing arrangements take more than 30 days anyway. This provision simply means that somewhere in the late stages of the negotiations, the companies in question would have to notify the enforcement agencies.

If within 30 days, however, the enforcement agencies call upon the companies in question for information, this information must be furnished before the merger can be consummated; and the request for such information also puts the companies on notice that the merger cannot be consummated for another 60 days after the information is furnished, unless, of course, they can obtain earlier advice from the enforcement agencies that they consider the merger unobjectionable.

The effect of this would be to create an incentive for the companies to supply the information and to supply it promptly. It would be just the reverse of what we have now where the merger has already been consummated and the public interest, rather than the company's interest, suffers from delays and evasions in supplying information.

H. R. 6748 WOULD MINIMIZE UNCERTAINTY

I come now to the most delicate part of the procedure.

Certainly we must have a procedure by which objectionable mergers can be stopped before they are made. Unscrambling clearly will not work. On the other hand, an advanced clearance procedure usually implies that when the enforcement agencies have the facts of a proposed action put before them, and they fail to object to the action, they are foreclosed from objecting after the action is taken. But, as we know, there are serious objections to allowing enforcement agencies to grant sanctions which are absolutely binding at all times and under all circumstances. Such sanctions are open to serious abuse.

Yet it seems to me not only desirable, but necessary, that the procedure must ultimately be one which provides businessmen with at least a high degree of confidence and assurance. When businessmen have put the facts of the proposed action before the enforcement agency and there is no objection within the allotted time, then in normal circumstances they should be able to proceed with safety.

I believe that H. R. 6748 would provide an advance clearance procedure which would both safeguard the public interest against the rare abuses and at the same time provide businessmen with the needed assurances. The bill specifically disallows the granting of binding sanctions, but in practice I believe that mergers which have not been objected to within the allotted time will not later be objected to, except in rare and abnormal circumstances. Only in rare circumstances, I think, such as where the merging companies have misrepresented facts or there has been conspicuous misfeasance on the part of enforcement officials will the court sustain the enforcement agencies in objecting to a merger which had not been objected to prior to consummation. If instances should arise where the enforcement agencies merely change their minds or reevaluate the facts, the courts will surely behave as the Supreme Court did in the Columbia Steel case. Here we find the Court refusing to object to U. S. Steel's acquisition of the Columbia Steel Co., principally on the ground that the Court considered that acquisition economically and logically related to the corporation's previous acquisition of the Geneva Steel plant, which the Government had approved.

The procedure as to sanctions with which H. R. 6748 would provide is the procedure I would like to see tried. From the Government's point of view, it is certainly no worse than the procedure we now have. On the contrary, as a minimum, it would utilize the pressures which business generates, to speed up enforcement actions. Business pressures now are all on the side of foot dragging. On the other hand if it should work out that this procedure creates abuses to business, we will learn about it quickly enough, and we can then try something else.

H. R. 6748 ELIMINATES FREE VIOLATIONS

Section 2 of the bill would amend section 11 of the act in two major respects.

At page 4, lines 11 through 15, there is new language. It merely gives the Federal Trade Commission authority to seek injunctions in Federal district courts, where necessary to obtain compliance with the procedure set out in section 1. Specifically, this section amends section 11 of the act to give the FTC authority to seek an injunction to restrain consummation of a merger, after the FTC has instituted legal proceedings as provided for in section 1 of the bill. Furthermore, since three other independent commissions and boards—namely, the Interstate Commerce Commission, the Civil Aeronautics Board, and the Federal Reserve Board—are charged with enforcement of the Clayton Act with respect to certain kinds of commerce, section 2 would provide like authority for these agencies to seek injunctions.

The language beginning at page 7 in lines 12 through 15, and the language beginning at page 9, line 1, would also be new to section 11 of the Clayton Act. This would make cease-and-desist orders issued by the Federal Trade Commission under the Clayton Act automatically final unless a petition for review has been filed with the court of jurisdiction within that 60 days. The procedure set out here has been thoroughly tested and proven fully successful. It has been in effect for many years for orders issued under the FTC Act, and this language of the bill is a mere paraphrasing of the language which appears in the FTC Act. This language would thus eliminate the one free violation which I described earlier.

Section 3 of the bill merely makes it clear that the bill does not create retroactive law.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House following the legislative program and any special orders heretofore entered, was granted to:

Mr. POWELL (at the request of Mr. METCALF), on Thursday, January 19, 1956, for 10 minutes.

Mr. HESELTON, for 30 minutes today.

SPECIAL ORDER VACATED

Mr. WILLIAMS of Mississippi asked and was given permission to have the special order previously scheduled for him this afternoon vacated.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. LANE and to include extraneous matter.

Mrs. KEE and to include extraneous matter.

Mr. FORAND and to include the script of a radio debate between Mr. MCCORMACK and Mr. ARENDS over the ABC Radio Network on January 8, regardless of the cost of printing.

Mr. PRIEST and to include a short speech he made on the occasion of a luncheon launching the 50th anniversary of the Pure Food and Drug Act.

Mr. METCALF and to include extraneous matter.

Mr. WRIGHT and to include extraneous matter.

Mr. TEAGUE of Texas and to include extraneous matter.

Mr. HESS and to include extraneous matter.

Mr. MCGREGOR.

Mr. LOVRE and to include extraneous matter.

Mr. VAN ZANDT.

Mr. PRICE and to include extraneous matter.

Mr. KLUCZYNSKI.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 5614. An act to amend the Communications Act of 1934 in regard to protests of grants of instruments of authorization without hearing.

SENATE BILLS AND CONCURRENT RESOLUTION REFERRED

Bills and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 51. An act to amend the act entitled "An act to confer jurisdiction on the States of California, Minnesota, Nebraska, Oregon, and Wisconsin, with respect to criminal offenses and civil causes of action committed or arising on Indian reservations within such States, and for other purposes"; to the Committee on Interior and Insular Affairs.

S. 2286. An act to amend the Merchant Marine Act of 1936 so as to provide for the

utilization of privately owned shipping services in connection with the transportation of privately owned motor vehicles of certain personnel of the Department of Defense; to the Committee on Merchant Marine and Fisheries.

S. Con. Res. 59. Concurrent resolution requesting the President to issue a proclamation designating the week of January 29, 1956, through February 4, 1956, as National Junior Achievement Week; to the Committee on the Judiciary.

ADJOURNMENT

Mr. TEAGUE of Texas. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 57 minutes p. m.) the House adjourned until tomorrow, Tuesday, January 17, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1363. A letter from the Postmaster General, transmitting a comprehensive report of operations under title II of the Postal Field Service Compensation Act of 1955, including the specific information required by section 205 (a), pursuant to section 205 of the Postal Field Service Compensation Act of 1955 (Public Law 68, 84th Cong.) (H. Doc. No. 313); to the Committee on Post Office and Civil Service and ordered to be printed.

1364. A letter from the Comptroller General of the United States, transmitting the report on the audit of Export-Import Bank of Washington for the fiscal year ended June 30, 1955, pursuant to the provisions of the Government Corporation Control Act (31 U. S. C. 841) (H. Doc. No. 314); to the Committee on Government Operations and ordered to be printed.

1365. A letter from the Chairman, United States Atomic Energy Commission, transmitting a report of an overobligation of $10,105.55 in an Atomic Energy Commission allotment account on September 30, 1955, pursuant to section 3679 of the Revised Statutes; to the Committee on Appropriations.

1366. A letter from the Assistant Secretary of the Treasury, transmitting a report certifying by rank and age group the number of officers above the rank of major of the Army and Air Force or lieutenant commander of the Navy receiving average monthly flight pay for the 6-month period preceding the date of this report, pursuant to Public Law 301, 79th Congress; to the Committee on Armed Services.

1367. A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation entitled "A bill to amend the Revised Statutes, as amended, relating to reports required to be made by national banking associations"; to the Committee on Banking and Currency.

1368. A letter from the president, Georgetown Barge, Dock, Elevator & Railway Co., transmitting the annual report of the Georgetown Barge, Dock, Elevator & Railway Co. for the year ended December 31, 1955, pursuant to an act of Congress approved, September 26, 1888; to the Committee on the District of Columbia.

1369. A letter from the Secretary, Department of Health, Education, and Welfare, transmitting a draft of proposed legislation entitled "A bill to authorize a 5-year program of Federal assistance to States and communities to enable them to increase public elementary and secondary school construction"; to the Committee on Education and Labor.

1370. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation entitled "A bill to amend section 610 (a) of the Civil Aeronautics Act of 1938, as amended, to provide for the imposition of civil penalties in certain additional cases, and for other purposes"; to the Committee on Interstate and Foreign Commerce.

1371. A letter from the Assistant Secretary of the Interior, transmitting the 4th Annual Report on Saline Water Conversion, pursuant to Public Law 448, 82d Congress; to the Committee on Interior and Insular Affairs.

1372. A letter from the Assistant Secretary of the Interior, transmitting a proposed concession permit with William R. and Georgia Fullerton, which, when executed by the superintendent of Olympic National Park, will authorize the concessioners to provide a store, gasoline station, and cabin-camp facilities for the public at Ruby Beach resort in Olympic National Park, Wash., during a 5-year period beginning January 15, 1956, pursuant to the act of July 31, 1953 (67 Stat. 271); to the Committee on Interior and Insular Affairs.

1373. A letter from the Assistant Secretary of the Interior, transmitting a proposed concession permit with Anton Ashenbrenner, which, when executed by the superintendent, Olympic National Park, will authorize the concessioner to provide a store and gasoline station in Olympic National Park, Wash., for a 1-year period beginnning January 1, 1956, puruant to the act of July 31, 1953 (67 Stat. 271); to the Committee on Interior and Insular Affairs.

1374. A letter from the Assistant Secretary of the Interior, transmitting a proposed concession permit with O. P. Patton and J. W. Mills, which, when executed by the superintendent, Everglades National Park, will authorize the concessioners to sell bait to charter boat operators at Coot Bay, Coot Bay Pond, or Flamingo, in Everglades National Park, Fla., during a 1-year period beginning January 1, 1956, pursuant to the act of July 31, 1953 (67 Stat. 271); to the Committee on Interior and Insular Affairs.

1375. A letter from the Assistant Secretary of the Interior, transmitting a proposed concession permit with Leroy Orme and John Scudder, which, when executed by the superintendent, Everglades National Park, will authorize the concessioners to sell bait to charter boat operators at Coot Bay, Coot Bay Pond, or Flamingo, in Everglades National Park, Fla., during a 1-year period beginning January 1, 1956, pursuant to the act of July 31, 1953 (67 Stat. 271); to the Committee on Interior and Insular Affairs.

1376. A letter from the Assistant Secretary of the Interior, transmitting a proposed concession permit with Lewis C. Watson, which, when executed by the superintendent, Everglades National Park, will authorize the concessioner to provide charter boat service for sport fishing in Everglades National Park, Fla., during the 6-month period beginning January 1, 1956, pursuant to the act of July 31, 1953 (67 Stat. 271); to the Committee on Interior and Insular Affairs.

1377. A letter from the Assistant Secretary of the Interior, transmitting a proposed concession permit with the Sequoia Ski Club, which, when executed by the Superintendent, Sequoia and Kings Canyon National Parks, will authorize the concessioner to provide ski tows in the Wolverton ski area of Sequoia National Park, Calif., during a 5-year period beginning December 1, 1955, pursuant to the act of July 31, 1953 (67 Stat. 271); to the Committee on Interior and Insular Affairs.

1378. A letter from the Chief Commissioner, Indian Claims Commission, transmitting a report that proceedings have been finally concluded with respect to the following claim: *The Suiattle-Sauk Tribe of Indians on relation of George Enick, Chairman of the General Council, claimant,* v. *The United States of America, defendant,* Docket No. 97, pursuant to provisions of section 21 of the Indian Claims Commission Act of August 13, 1946 (60 Stat. 1055; 25 U. S. C. 70); to the Committee on Interior and Insular Affairs.

1379. A letter from the Chairman, United States Atomic Energy Commission, transmitting a draft of proposed legislation entitled "A bill to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes; to the Joint Committee on Atomic Energy.

1380. A letter from the executive director, Reserve Officers Association of the United States, Inc., transmitting the audit report of the association as of March 31, 1955, pursuant to section 15 (b) of Public Law 595, 81st Congress; to the Committee on the Judiciary.

1381. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the United States Army, dated November 29, 1955, submitting a letter, together with accompanying papers on East River and Hell Gate, N. Y., requested by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted April 17, 1940; to the Committee on Public Works.

1382. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated November 29, 1955, submitting a letter, together with accompanying papers on Black Bayou, La., for flood control, drainage, and navigation. This report is submitted in partial response to the authorities for preliminary examinations and surveys of all streams and bayous in Louisiana lying between the East Atchafalaya Basin protection levee and the Mississippi River, authorized by the Flood Control Act approved December 22, 1944, and the River and Harbor Act approved March 2, 1945; to the Committee on Public Works.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the clerk for printing and reference to the proper calendar as follows:

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 1774. A bill to abolish the Verendrye National Monument, and to provide for its continued public use by the State of North Dakota for a State historic site, and for other purposes; with amendment (Rept. No. 1643). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 4680. A bill affirming that title to a certain tract of land in California vested in the State of California on January 21, 1897; with amendment (Rept. No. 1644). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 6772. A bill to authorize the Secretary of the Interior to convey certain federally owned land under his jurdiction to the school district No. 24 of Lake County, Oreg.; without amendment (Rept. No. 1645). Referred to the Committee of the Whole House on the State of the Union.

Mr. LONG: Joint Committee on the Disposition of Executive Papers. House Report No. 1646. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BATES:

H. R. 8454. A bill to appropriate funds for preliminary planning and for construction of necessary flood control measures in Massachusetts; to the Committee on Appropriations.

By Mr. BELL:

H. R. 8455. A bill to establish a national policy with respect to commercial fisheries; to establish the office of Assistant Secretary of Commerce for Commercial Fisheries, and define his functions, powers, and responsibilities; to strengthen the commercial fisheries segment of the national economy; and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. BERRY:

H. R. 8456. A bill to preserve the family farm; to the Committee on Agriculture.

By Mr. BLATNIK:

H. R. 8457. A bill to amend section 5051 (a) of the Internal Revenue Code of 1954 to aid small business and discourage continued concentration in the brewing industry; to the Committee on Ways and Means.

H. R. 8458. A bill to amend Veterans Regulation No. 10 to provide that the widow of a veteran of the Spanish-American War (including the Philippine Insurrection and the Boxer Rebellion) who married the veteran before January 1, 1938, may be eligible for death compensation; to the Committee on Veterans' Affairs.

By Mr. BONNER:

H. R. 8459. A bill to provide for a flood indemnity plan on an experimental basis and for other purposes; to the Committee on Banking and Currency.

By Mr. BROYHILL (by request):

H. R. 8460. A bill to establish an internal revenue district consisting solely of the District of Columbia; to the Committee on Ways and Means.

By Mr. COOPER:

H. R. 8461. A bill to provide tax relief for farmers and a simplified method of computing farm income by means of an optional standard deduction for certain farmers; to the Committee on Ways and Means.

By Mr. FORAND:

H. R. 8462. A bill to provide for a national cemetery in the State of Rhode Island; to the Committee on Interior and Insular Affairs.

H. R. 8463. A bill to repeal the cabaret tax; to the Committee on Ways and Means.

By Mr. GEORGE:

H. R. 8464. A bill to create a corporation to restore normal employment in labor-surplus areas of group IV classification and produce industrial development in such areas; to the Committee on Education and Labor.

By Mr. GRANAHAN:

H. R. 8465. A bill declaring Good Friday in each year to be a legal holiday; to the Committee on the Judiciary.

By Mr. HALE:

H. R. 8466. A bill to establish a national policy with respect to commercial fisheries; to establish the Office of Assistant Secretary of Commerce for Commercial Fisheries, and define his functions, powers, and responsibilities; to strengthen the commercial fisheries segment of the national economy, and for other purposes; to the Committee on Merchant Marine and Fisheries.

H. R. 8467. A bill to increase from $50 to $75 per month the amount of benefits payable to widows of certain former employees of the Lighthouse Service; to the Committee on Merchant Marine and Fisheries.

By Mr. HAYWORTH:

H. R. 8468. A bill to amend section 203 of the Social Security Act to increase the amount of outside earnings permitted without deductions from benefits, and to liberalize the provisions under which such earnings are charged for purposes of such deductions; to the Committee on Ways and Means.

By Mr. HILL:

H. R. 8469. A bill to amend the Internal Revenue Code of 1954 to relieve farmers from the excise tax on gasoline and lubricating oils used exclusively in farm tractors or farm machinery or for other agricultural purposes; to the Committee on Ways and Means.

H. R. 8470. A bill to provide the death penalty for willfully wrecking an airplane, bus, or other motor vehicle in cases where passengers or other persons are killed, and for other purposes; to the Committee on the Judiciary.

By Mr. HOPE:

H. R. 8471. A bill to expand and extend the brucellosis-eradication program; to the Committee on Agriculture.

By Mr. HYDE:

H. R. 8472. A bill to assist areas to develop and maintain stable and diversified economies by a program of financial and technical assistance and otherwise, and for other purposes; to the Committee on Banking and Currency.

By Mr. JOHNSON of California:

H. R. 8473. A bill to appropriate $500,000 for advance planning of the New Melones Dam on the Stanislaus River in California; to the Committee on Appropriations.

By Mr. JONES of Alabama:

H. R. 8474. A bill to quiet title and possession with respect to certain real property in the State of Alabama; to the Committee on Interior and Insular Affairs.

By Mr. BONNER:

H. R. 8475. A bill to provide that the United States shall aid the States in wildlife-restoration projects; to the Committee on Merchant Marine and Fisheries.

By Mr. KARSTEN:

H. R. 8476. A bill to repeal the cabaret tax; to the Committee on Ways and Means.

By Mr. KILDAY:

H. R. 8477. A bill to amend title II of the Women's Armed Services Integration Act of 1948, by providing flexibility in the distribution of women officers in the grades of commander and lieutenant commander, and for other purposes; to the Committee on Armed Services.

By Mr. LANE:

H. R. 8478. A bill to establish a national policy with respect to commercial fisheries; to establish the Office of Assistant Secretary of Commerce for Commercial Fisheries, and define his functions, powers, and responsibilities; to strengthen the commercial fisheries segment of the national economy, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. LANHAM:

H. R. 8479. A bill to provide that in determining income of beneficiaries, the Administrator of Veterans' Affairs shall not include certain amounts which are not considered as income for the purposes of the Internal Revenue Code of 1954; to the Committeee on Veterans' Affairs.

H. R. 8480. A bill to provide that in determining income of beneficiaries, the Administrator of Veterans' Affairs shall not include the value of certain property acquired by bequest, devise, or inheritance; to the Committee on Veterans' Affairs.

By Mr. LOVRE:

H. R. 8481. A bill relating to the adjustment of wheat support prices for grade, etc.; to the Committee on Agriculture.

By Mr. McMILLAN:

H. R. 8482. A bill to amend the Agricultural Trade Development and Assistance Act of 1954 to remove certain restrictions on the sale in foreign countries of surplus cotton and tobacco; to the Committee on Agriculture.

H. R. 8483. A bill to amend the Agricultural Adjustment Act of 1938 to encourage the sale abroad of surplus cotton and tobacco; to the Committee on Agriculture.

By Mr. METCALF:

H. R. 8484. A bill to assist the several States in providing scholarships to enable high-school graduates of Indian blood to pursue their education at colleges and universities; to the Committee on Interior and Insular Affairs.

By Mr. MULTER:

H. R. 8485. A bill to exempt from income tax compensation and pensions paid by the United States to its employees; to the Committee on Ways and Means.

By Mr. NELSON:

H. R. 8486. A bill to amend the act of September 1, 1954, to correct certain inequities with respect to the compensation of prevailing wage rate employees, to provide longevity compensation for such employees, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. PERKINS:

H. R. 8487. A bill to extend the duration of Public Laws 815 and 874, 81st Congress, which provide for assistance to local educational agencies in areas affected by Federal activities, and for other purposes; to the Committee on Education and Labor.

By Mr. PRICE:

H. R. 8488. A bill to provide free barber services to all Armed Forces personnel; to the Committee on Armed Services.

By Mr. PRIEST:

H. R. 8489. A bill to amend the Civil Aeronautics Act of 1938, as amended, the Federal Airport Act, as amended, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. RAYBURN:

H. R. 8490. A bill authorizing the Administrator of Veterans' Affairs to convey certain property of the United States to the city of Bonham, Tex.; to the Committee on Veterans' Affairs.

By Mrs. ROGERS of Massachusetts:

H. R. 8491. A bill to assist areas to develop and maintain stable and diversified economies by a program of financial and technical assistance and otherwise, and for other purposes; to the Committee on Banking and Currency.

By Mr. SILER:

H. R. 8492. A bill to amend the Railroad Retirement Act of 1937 to provide that an individual with 30 years' service may retire regardless of age, to provide increased annuities, and to increase the amount of outside income which certain individuals may earn without losing the right to receive their annuities; to the Committee on Interstate and Foreign Commerce.

By Mr. SIMPSON of Illinois:

H. R. 8493. A bill to exempt from taxation certain property of the General Federation of Womens Clubs, Inc., in the District of Columbia; to the Committee on the District of Columbia.

By Mr. SIMPSON of Pennsylvania:

H. R. 8494. A bill to repeal the cabaret tax; to the Committee on Ways and Means.

By Mr. SHELLEY:

H. R. 8495. A bill to provide for national earthquake and flood disaster insurance, and for other purposes; to the Committee on Banking and Currency.

By Mr. TEAGUE of Texas:

H. R. 8496. A bill to amend and supplement the Federal-aid Road Acts, approved July 11, 1916 and November 9, 1921, as amended and supplemented, to authorize appropriations for continuing the construction of highways; to affirm a policy of user taxation; to fix qualifications and responsibility of the Commissioner of Public Roads, and for other purposes; to the Committee on Public Works.

By Mr. THOMPSON of New Jersey:

H. R. 8497. A bill to establish a program for participation in international affairs; to the Committee on Foreign Affairs.

By Mr. THOMPSON of Texas:

H. R. 8498. A bill to establish a national policy with respect to commercial fisheries; to establish the Office of Assistant Secretary of Commerce for Commercial Fisheries, and define his functions, powers, and responsibilities; to strengthen the commercial fisheries segment of the national economy, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. VINSON:

H. R. 8499. A bill to amend the Armed Services Procurement Act of 1947; to the Committee on Armed Services.

H. R. 8500. A bill to provide for the procurement of medical and dental officers of the Army, Navy, and Air Force; to the Committee on Armed Services.

By Mr. WESTLAND:

H. R. 8501. A bill to provide for the conveyance of certain real property of the United States to the port of Port Townsend, Wash.; to the Committee on Government Operations.

By Mr. WRIGHT:

H. R. 8502. A bill to provide for the appointment by the Postmaster General, subject to the civil service laws and rules and regulations, of postmasters at first-, second-, and third-class post offices, to prohibit prior approval or clearance on a political basis of appointments to positions in the classified (competitive) civil service and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. YOUNGER:

H. R. 8503. A bill to establish a national policy with respect to commercial fisheries; to establish the Office of Assistant Secretary of Commerce for Commercial Fisheries, and define his functions, powers, and responsibilities; to strengthen the commercial fisheries segment of the national economy, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. HAYS of Arkansas:

H. J. Res. 473. Joint resolution to change the name of Bedloe's Island in New York Harbor to Liberty Island; to the Committee on Interior and Insular Affairs.

By Mr. THOMPSON of New Jersey:

H. J. Res. 474. Joint resolution to establish a joint congressional committee to be known as the Joint Committee on United States International Exchange of Persons Programs; to the Committee on Rules.

By Mr. TRIMBLE:

H. J. Res. 475. Joint resolution proposing an amendment to the Constitution relating to the selection of the successors of the President, Vice President, or Members of Congress who become unable to perform their duties; to the Committee on the Judiciary.

By Mr. KARSTEN:

H. Res. 375. Resolution to authorize the Committee on Post Office and Civil Service to conduct investigations and studies with respect to certain postal matters; to the Committee on Rules.

By Mr. TEAGUE of Texas:

H. Res. 376. Resolution to authorize the Committee on Veterans' Affairs to investigate and study appeals for charitable contributions made in the name of the American veteran; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. FORAND: Resolution of the Rhode Island General Assembly memorializing Congress to enact legislation for the creation of Federal disaster insurance; to the Committee on Banking and Currency.

Also resolution of the Rhode Island General Assembly respecting the Woonsocket Channel improvement project and the Pawtucket flood-wall project, integral parts of the flood-control plan for the Blackstone River Basin authorized by the Flood Control Act, approved on December 22, 1944 (Public Law 534, 78th Cong.); to the Committee on Public Works.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANFUSO (by request):

H. R. 8504. A bill for the relief of Felix E. Dayrit; to the Committee on the Judiciary.

By Mr. ANFUSO:

H. R. 8505. A bill for the relief of Juan Moscoso; to the Committee on the Judiciary.

By Mr. BROYHILL (by request):

H. R. 8506. A bill for the relief of Worthington Oil Refiners, Inc.; to the Committee on the Judiciary.

By Mr. CARLYLE:

H. R. 8507. A bill for the relief of Dionisios Vasiliou Tsiros; to the Committee on the Judiciary.

By Mr. CLARK:

H. R. 8508. A bill for the relief of Susanne Ingebord Bernhard; to the Committee on the Judiciary.

H. R. 8509. A bill for the relief of Mr. Francesco Bautti; to the Committee on the Judiciary.

By Mr. FJARE:

H. R. 8510. A bill for the relief of Roelof van den Berg; to the Committee on the Judiciary.

By Mr. GRANAHAN:

H. R. 8511. A bill for the relief of Georgios Eleftherakis; to the Committe on the Judiciary.

By Mrs. GREEN of Oregon:

H. R. 8512. A bill for the relief of Gertrud Charlotte Samuelis; to the Committee on the Judiciary.

By Mr. HESS:

H. R. 8513. A bill to provide relief for Clopay Corp.; to the Committee on the Judiciary.

By Mr. HINSHAW:

H. R. 8514. A bill for the relief of Mary Hummel; to the Committee on the Judiciary.

H. R. 8515. A bill for the relief of Nena Ethline Strickland; to the Committee on the Judiciary.

H. R. 8516. A bill for the relief of Lolita O. Eccles; to the Committee on the Judiciary.

By Mr. HYDE:

H. R. 8517. A bill for the relief of Lydia Konshin and Olga Konshin; to the Committee on the Judiciary.

By Mr. LANE:

H. R. 8518. A bill for the relief of Biagio D'Agata; to the Committee on the Judiciary.

By Mr. McMILLAN:

H. R. 8519. A bill for the relief of Fouad George Baroody; to the Committee on the Judiciary.

By Mr. MAILLIARD:

H. R. 8520. A bill for the relief of Lt. Col. Timothy E. Robinson; to the Committee on the Judiciary.

By Mr. MARSHALL:

H. R. 8521. A bill for the relief of Gerald Waytashek; to the Committee on the Judiciary.

By Mr. SHEPPARD:

H. R. 8522. A bill for the relief of Margaret Shand (Chanslor); to the Committee on the Judiciary.

By Mr. POLK:

H. R. 8523. A bill for the relief of Mrs. Barbara Mary Atkins; to the Committee on the Judiciary.

By Mr. POWELL:

H. R. 8524. A bill for the relief of Risto Saari; to the Committee on the Judiciary.

By Mr. ROONEY:

H. R. 8525. A bill for the relief of Deeb Abu Gheido; to the Committee on the Judiciary.

H. R. 8526. A bill for the relief of Antoni Zyczynski; to the Committee on the Judiciary.

By Mr. SAYLOR:

H. R. 8527. A bill for the relief of Edith Ilse Hausmann; to the Committee on the Judiciary.

By Mr. THORNBERRY:

H. R. 8528. A bill for the relief of the estate of Mrs. Frank C. Gregg; to the Committee on the Judiciary.

By Mr. UTT:

H. R. 8529. A bill for the relief of Claudio Vargas Gonzalez (alias Jose Ramirez Orozco); to the Committee on the Judiciary.

By Mr. WRIGHT:

H. R. 8530. A bill for the relief of William N. Scocos; to the Committee on the Judiciary.

By Mr. WALTER:

H. Con. Res. 202. Concurrent resolution favoring the granting of the status of permanent residence to certain aliens; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

431. By Mr. BUSH: Petition of residents of Canton, Bradford County, Pa., favoring passage of legislation to prohibit transportation of alcoholic beverage advertising in interstate commerce and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

432. Also, petition of citizens of Athens, Sayre, and Bradford County, Pa., favoring the passage of legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

433. By Mr. FORAND: Petition of Mary M. Eldridge, legislative director of the Woman's Christian Temperance Union of Rhode Island and 25 others from Rhode Island, urging enactment of legislation to get alcoholic beverage advertising off the air and out of the channels of interstate commerce; to the Committee on Interstate and Foreign Commerce.

434. By Mr. HINSHAW: Petition of citizens of California to prohibit the transportation of alcoholic beverage advertising in interstate commerce, and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

435. By Mr. SHORT: Petition of Rev. Coy Dickey, and other citizens of Springfield, Mo., protesting alcoholic beverage advertising in newspapers and magazines; to the Committee on Interstate and Foreign Commerce.

436. Also, petition of Rev. John W. Vertz, Mountain Grove, Mo., protesting alcoholic beverage advertising on the air and television; to the Committee on Interstate and Foreign Commerce.

437. By the SPEAKER: Petition of Richard B. Mossman, Bettendorf, Iowa, relative to demanding that action be taken on his redress of grievance now pending in the House Judiciary Committee; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Keenotes

EXTENSION OF REMARKS
OF
HON. ELIZABETH KEE
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Monday, January 16, 1956

Mrs. KEE. Mr. Speaker, under leave to extend my remarks in the RECORD, I should like to include my newspaper column, Keenotes, on the subject of the French elections and the resurgence of Western Germany. The column follows:

KEENOTES

(By Representative ELIZABETH KEE)

World history took a strange turn in the first week of the New Year. Just a few days ago the first uniformed German soldiers since World War II entered the United States to take training in modern arms and destructive weapons. The French elections have resolved themselves into a victory for no one. The chance of a stable government in that unhappy nation now seems more remote than before. These two events are very closely related, although one did not depend upon the other.

The facts are that, for better or worse, the hopes of the free world on the European Continent ride with the West German Republic. It is not a state of affairs that many people like, but the truth is, there is nothing anyone can do about it. While we must admire the great spirit of democracy that enables every Frenchman to vote for the party which reflects his own particular frame of mind, the tendency of the House of Deputies to be divided six ways from Sunday in all directions makes every French Government a temporary instrumentality that must depend upon the personalities of individuals rather than the will of the people. This is not to be construed as criticism of the Republic of France. It's their country and they can run it as they see fit. We wouldn't want them coming over here and trying to tell us what to do. We have no right to give them advice. However, when they step out into the arena of international relations, their position is considerably weakened by the inability of any government to stay in office long enough to effect a long range program. Cooperation of other nations with France is necessarily limited by this knowledge.

In Western Germany, there is no such problem. Chancellor Konrad Adenauer has built a mighty bulwark against the tide of communism. The continued growth of the German free enterprise system must be a source of great discomfort to the Soviet Union and their cronies in East Germany. I have heard some talk of the Germans as being unreliable in the face of a Russian offer to trade the eastern parts of Germany in exchange for the Bonn Government giving up its ties to the free nations. There is no sign that any such offer would be acceptable in any way to Mr. Adenauer or his political opponents, the Social Democrats. The talk in the Social Democratic Party a few months ago about neutralism and a co-existence policy with the Soviets has given ground to the realization that Russia's only interest in West Germany is to take it over. Of course, the German people still have a lot to answer for. The world has not forgotten the cruelties of World War II so soon, but the Germans are making a great effort to overcome this heritage from the years of the Nazis and it is to be hoped that, in time, they wil be able to sit down at the council table with all nations of the free world as a complete equal, made equal by their own effort. But this is a moral issue only and international politics is the great arena for the realist. The west Germans do not have to take a back seat to anyone in the fields of economics and politics. I can find only admiration for the splendid job they have done of rebuilding their nation. We can hope for them that soon their country will be united and free.

But even a divided Germany presents a more united front today than France. She has been weakened by her own sense of democracy, and democracy like all good things must be carefully administered and properly done, so that the voices of the erratic few do not drown out the wishes of the more sensible majority. And in France, I am afraid that is exactly what has happened.

Censorship—Washington Style

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, January 16, 1956

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following address I delivered over station WMEX, Boston, Mass., Saturday, September 17, 1955:

It is a strange state of affairs when the American Government is so fearful that its own people should know certain truths, that foreign governments often know more about our own national business than the American people do.

This might be described as "political censorship," to cover up shortcomings and blunders that would have an adverse effect on public opinion.

In any case, its puts the spotlight on the problem as to what should be withheld for the sake of national security, and what should be revealed under the fundamental right of Americans to know what their Government is doing, whether it is good or bad.

The most recent instance was the Dixon-Yates arrangement, where private power interests were trying to scuttle public power. When the news leaked about the cozy huddle between private banking interests and Government officials, that put the brakes on a sly maneuver. Dixon-Yates was quickly abandoned. A smokescreen was thrown up to cover the retreat.

Article 1 of the Bill of Rights guarantees freedom of the press, * * * among other freedoms.

This does not merely mean that the press shall be free to publish the facts that it gathers without censorship on the part of Government.

It implies as well, that the press shall have access to information concerning the operations of Government, within the limits of security.

That word "security" is sometimes used as an excuse for denying to the people, those facts that they have very right to know.

We have been led to expect, by constant reassurances from the Department of Defense, that our Air Force was substantially ahead of the Russians, not only in the performance of planes actually in use, but in research, development, and production time.

On May Day, however, the Soviets staged an air parade that revealed advanced models every bit as good as ours, and proved that they were able to develop them, from the blueprint stage, to actual flight, in much faster time than we have been doing.

Again, it was through private news sources, rather than the Government, that we learned of this success on the part of the Soviets. Perhaps this knowledge, now public, will prod the Department of Defense into getting better results for the vast sums we are appropriating in order to have an Air Force superior at all times to that of the Russian Communists.

We have not seen the end of this, for the cat is out of the bag.

There is a never-ending contest going on between the press and the presidency, no matter what administration is in power.

Newsmen have to dig up stories, as well as report routine events.

Oftentime, and with some justification, they believe that Government agencies hide the facts.

Government officials, on the other hand, would rather have the newsmen accept their press releases, without embarrassing them with probing questions. They are very sensitive to criticism, and sometimes conduct themselves as if they were running a private business, instead of a public agency that should be accountable at all times to the people.

Insiders knew for a long time that Russian pilots and Russian tankmen were fighting against our forces in Korea, but this information, for reasons that no one could comprehend, was classified as secret, and was withheld from the American people.

In the meantime, Russian propaganda was blasting us around the world for intervening in Korea, while we had a comeback that we decided not to use.

A prime example of "dead-end" censorship.

The Washington Post and Times Herald said editorially on June 21 of this year, concerning the news policies of the Federal Government, and I quote: "But their philosophy, even in a period of cold war, is a dangerous one for a country in which the successful operation of government depends on public enlightenment. For the idea that information is something that belongs to the Government to use as it sees fit comes perilously close to the concept of government for government's sake."

When government wraps itself in a mantle of secrecy, there is no way of discovering incompetence, neglect, and corruption, of exposing such deterioration and correcting it.

Some people think that the strict censorship of a dictatorship gives it an advantage. This is not so. The bureaucrats in Soviet Russia have made many serious and continuing blunders that were covered up by censorship for too long. The breakdown in their agricultural program at last came to light because they had to admit it before disaster overtook them. Now, instead of criticizing everything in the United States as a failure, they want to send people over here to find out why our agricultural methods work to produce abundance, while theirs only produce scarcity. The Iron Curtain of secrecy they erected around their own empire, and its operations, has produced an economic crisis. If communism had given away to a free form of government, with an independent press, legislative body, and an informed public, the people of Russia would not be suffering as they are now.

There is in this a clear warning for the people of the United States. It is not enough for us to elect a National Government, and then lose ourselves in our own private lives until the next election rolls around. We must have a continuing flow of

reliable information concerning the job our Government is doing. In between elections, this is the only opportunity we have to check up on our public stewards, and to prevent them from making the wrong decisions.

We can never afford to have a few men in high places decide what we shall know, or what we shall not know.

The security and the progress of our Nation is dependent upon the participation of all our people, utilizing the wisdom and the resources of the whole that we call public opinion.

In this connection, the press itself has a great responsibility.

In the transmission of news, it must avoid the temptation to feature those reports that fit its editorial policies, and to bury those that contradict it.

As long as we have thousands of news outlets, and laws to protect us from monopoly in the gathering and dissemination of news, there is little to fear from the press.

It is the Government that we must watch.

Washington is the news center of the world.

Here is the nerve center of a vast and powerful Government whose policies and actions have a bearing upon the lives and fortunes of every American.

As citizens, we are all shareholders in that Government, and we have the superior right to know how it is being managed, and what it is actually doing.

No one advocates the release of information concerning special weapons and their performance, which the experts believe are unknown to the Kremlin.

But the cult of secrecy is extended far beyond practical caution.

It is used as a pretext to conceal mismanagement, fraud, and injustice.

It becomes the tool of intolerance.

Officials, to hide their own mistakes, would like to classify everything as confidential, secret, or top secret, so that the words themselves cease to have any meaning.

A Senate investigation into military procurement reveals how corruption thrives in secrecy.

This has led to the proposal that the United States Government should establish an Office of Inspector General, with a staff of highly trained investigators to ferret out fraud and corruption in the Federal service.

This proposal, as well as other investigations of Government operations that have become epidemic in recent years, would be unnecessary if the Government did not try to hide so much.

A government with little to conceal from its own people would have no occasion to give evasive answers to the press.

Even today, for instance, we have no reliable information concerning the dangers of radioactive fallout, or what we should do to protect ourselves against it.

The bungling of the Salk vaccine program; and the mystery surrounding the peacetime uses of atomic energy; are as nothing compared with the secret diplomacy that has always been favored by our State Department.

Based on the assumption that the less people know about these matters, the less criticism there will be for those on the top.

A convenient policy for leaders who want to have their own way, but hardly an American policy.

The larger and more complex our Federal Government becomes, the greater the danger that it will consider itself to be more important than the people from whom it derives its powers and its responsibilities.

Newspapers, radio, TV—plus individual Senators and Representatives—are alert to this trend.

Whenever they seek the facts about Government policies and operations, they often find themselves stopped by the invisible wall of censorship. Buckpassing is the most convenient device. But Federal officials are relying more and more upon the excuse that the information sought is classified as secret, to stop the search in its tracks.

The solution?

We had a good system of voluntary censorship during World War II.

This did not depend on withholding information from the press, or clamping down on it. Instead, the press in this country (free from certain restrictions that were necessary in the combat areas) was given access to much information. It was then put upon its honor not to publish anything that might jeopardize the national security.

Perhaps we might develop a similar working arrangement between representatives of the press—and Government—today. So that there will be no barriers in the way of legitimate news.

The freedom of information committee of the American Society of Newspaper Editors is disturbed by this tightening up on news sources. As it stated, and I quote: "The criticism of some recently released material has left officials, the press, and the public without any standard of release upon which they can rely to defend the disclosure of technical information. Unless this attitude is clarified, it is bound to have a profound and paralyzing effect upon the flow of information to the American public.* * * Only the most strenuous exertions of those who understand the degree to which information is vital to our liberty will preserve it against those who think secrecy is vital to our safety."

The American people have the right to know, up to the highest limit consistent with genuine security, the facts about the operations of their Government. And without whitewash.

No administration is justified, on the basis of personal and political reasons, for keeping them in the dark.

National Printing Week Observance

EXTENSION OF REMARKS
OF
HON. HAROLD O. LOVRE
OF SOUTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Monday, January 16, 1956

Mr. LOVRE. Mr. Speaker, I wish to place in the RECORD an editorial concerning National Printing Week. As you know, National Printing Week is being observed at the present time. The influence the American press has made in establishing and fostering of our freedoms cannot be measured. The impact on the people by the press is so strong that if every newspaper in this country were to shut down operations tomorrow, it would be difficult to describe the disastrous results that most certainly would follow.

Too often we minimize the value of something we take for granted, and observance of National Printing Week rightfully calls attention to the major role newspapers have played in upholding what we are proud to refer to as the American way of life. Still the presses of America, and you stop the heartbeat of the Nation. Today the American press represents one of the strongest institutions continually carrying on the struggle to protect the rights of the individual.

This applies to the smallest as well as the largest of newspapers, and is illustrated by the thoughtful comment of Mrs. Sid Davison, who assists her husband in publication of the weekly newspaper, the Miner County Pioneer, at Howard, S. Dak., Mrs. Davison's comment follows:

This newspaper is a personal diary of the life of our community. Throughout the columns of this paper are printed the interesting and important doings of our residents from year to year. This paper is free to express our opinions or your point of view on any issue or question of public interest, subject only to the reservations imposed by libel laws. This country's smaller newspapers are a tremendous asset on the side of freedom.

Adequate Highways: How and When

EXTENSION OF REMARKS
OF
HON. J. HARRY McGREGOR
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, January 16, 1956

Mr. McGREGOR. Mr. Speaker, may I quote from President Eisenhower's state of the Union message to Congress January 5, 1956:

In my message of February 22, 1955, I urged that measures be taken to complete the vital 40,000-mile interstate system over a period of 10 years at an estimated Federal cost of approximately $25 billion. No program was adopted.

Continuing my quote from the President's message, and I quote:

If we are ever to solve our mounting traffic problem, the whole interstate system must be authorized as one project to be completed approximately within the specified time. * * * Furthermore, as I pointed out last year, the pressing nature of this problem must not lead us to solutions outside the bounds of sound fiscal management. As in the case of other pressing problems, there must be an adequate plan of financing. To continue the drastically needed improvement in other national highway systems, I recommend the continuation of the Federal Highway Act.

That, ladies and gentlemen, was a statement of the President of the United States and I am in accord with it 100 percent. I want to make it perfectly clear that I favor and will do everything I can to put into a law an adequate highway program, both for the interstate and the intrastate and I will be for a reasonable program whether it goes into effect as a one-package bill, or the interstate and intrastate in separate pieces of legislation.

The 1954 Highway Act, which it was my privilege to author, is a biennial highway authorization and it expires June 30, 1956. This bill authorized $315 million primary; $210 million secondary; $175 million urban, and $175 million interstate plus various amounts for forest highways, roads and trails, parkways, Indian reservation roads, and so forth. This total amount approximately equals the amount of revenue brought in by the 2-cent per gallon Federal gas tax.

This authorization is financed by taxes now in existence and no additional taxes would be necessary if the existing law, 1954 Highway Act, Public Law 350, would

be reenacted. Additional amounts or allocations could be added to each system, possibly $100 million total and we would still be within the limits of the revenue brought in by existing taxes. I am of the firm conviction that this law could be reenacted with very little opposition. You know the history of the Clay committee bill as well as the so-called Democrat or Fallon bill that was before the last session of Congress. Both bills were defeated and, in my opinion, because of the financing involved. Some refused to accept the Clay committee bond recommendation which called for $25 billion worth of bonds for highway purposes extending over a period of years. The Congress also defeated the so-called Democrat or Fallon bill because many felt that the revenue raising features or taxes were not equitable. Regardless of the arguments pro or con, the program was defeated. Regardless of the merits or demerits of the interstate-highway program, which is to be financed by an entirely new financial program, the question arises, Shall the interstate system, with a new financial program requiring additional taxes, be incorporated in the same legislation that includes the intrastate system primary, urban, and secondary roads when the financing is already established and no new taxes are necessary?

I hear the same arguments, and some new ones, on the floor of Congress and on the Hill that I heard last August. No one seems to object to the intrastate bill but most everyone seems to object to the interstate proposal financing program. Most everyone, with some exceptions, wants an interstate highway but they want the other person to pay for it. I hear some old arguments renewed, with more emphasis relative to financing the highway program and I am referring to the governor's conference group, and others, insisting that the roads, both interstate and intrastate, should be financed from revenue derived by the Federal Government from existing excise taxes on automotive products paid by highway users. A very fetching appeal. I would like, however, to point out some of the facts of life regarding this approach. Excise taxes levied by the Federal Government have been and are now levied and justified as a source of revenue for the general support of government. I know as well as you that while the Federal gas tax was never levied as a highway user charge, that developments over the past 10 years have more and more led to its being accepted as such and I think we all understand the reasons behind this acceptance. The excise-fuel tax yields approximately $1 billion a year. The total excise yield to the Government from this and related automotive excises now reaches $2.5 billion. I question seriously whether we are entitled to consider these excise taxes as highway user charges, certainly those taxes beyond the Federal fuel tax and lubricating oil taxes. I question the physical soundness of a move in this direction, at least beyond the Federal fuel tax. The other excises can, by no stretch of the imagination, be considered a fair measure of highway use. Congress at no time by legislative action has ever identified these excise taxes as highway user charges.

To earmark the total yield of the automotive excise taxes for highway purposes, as some are recommending, would deprive the general revenue now used for support of the Government of an additional $1½ to $2 billion over and above the fuel tax yield. This would unbalance our Federal budget to the tune of $1½ to 2 billion and would have to be made up from other tax sources if the budget is to be balanced and, ladies and gentlemen, the budget is balanced for the first time in many years. I am asking you would you deplete our existing general revenue fund by that amount of money to build highways? If you would, what tax would you recommend to take its place to make up this deficit? Would you want me to support or would you, if you were in my position, support an increase in the income tax, for example? Faced with this choice, it would seem to me—and I hope that you will agree—to be a sounder financial procedure to consider the levying of additional equitable charges on the highway users, who are the direct beneficiaries of a greatly expanded system, in some manner related to the benefits they derive.

May I again quote from the President, who has said on numerous occasions, and I quote:

> A sound Federal highway program, I believe, can and should stand on its own feet with highway users providing the total dollars necessary for improvements and new construction.

Another important factor should be considered when we are even thinking of depleting the general revenue fund. We all know that the general tax funds of all levels of our Government—Federal, State, and local—are presently drained nearly dry and with our tremendous increase of population, the burden placed on the revenues in the foreseeable future will require all the talent and ingenuity we have to prevent the complete destruction of our various government structures. The increasing demand for schools, hospitals, welfare, social security, sanitation, public buildings, and playgrounds presents us with a general revenue problem of staggering proportions. So, before your organizations or any of you individually proposes to deplete the revenue fund by $1½ to $2 billion for highway purposes, give consideration to the other urgent and, yes, vital needs.

It is never possible to devise a tax acceptable in full degree to those upon whom the tax is imposed. No tax that this Congress or any other Congress may devise will be completely painless to that individual or group upon whom the increase falls. I, personally, believe that there is equity and fairness in the theory that the highway user charge principle should be applied on the basis of benefits derived. I state positively and publicly that I do not believe that such a user charge should be punitive. The justification of levying a tax is to soundly finance an adequate highway program and not to exterminate or discriminate unfairly against a legitimate highway user.

I have endeavored to explain my position relative to a new financing program. You can readily see that it is controversial and subject to a great deal of discussion but remember, one thing ladies and gentlemen, if you are going to build highways somebody has to pay for them.

The controversial subject of financing the new program for the interstate system is not applicable to the existing law which was passed by nearly a unanimous vote of the Congress in 1954 and which I authored. It is known as the Highway Act of 1954. It expires June 30, 1956. I have previously given to you the amount of money that it spends for highways. It can be renewed and no new tax required over the existing taxes. I repeat, why jeopardize this new program now in effect by incorporating in the same legislation a 10- or 15-year highway construction program newly and entirely differently financed and which, in my opinion, will jeopardize the passing of the existing law.

I firmly believe in an adequate highway program, including the interstate system as well as the intrastate system but I do not want the existing highway program destroyed and scuttled because of the insistence of some to incorporate into the legislation, soon to be before the Congress, new ideas including financing and distribution. I think the interstate system is strong enough to stand on its own merits in its own legislation and I think the proponents of the interstate system are weakening their position when they are attempting to have it carried in the program of the existing law. Let us not jeopardize the existing program that is working so well. Let us have a 10 year or 12 year interstate program in separate legislation and let us continue our intrastate highway program, bringing it before Congress once every 2 years for a look-see by the membership of Congress at that time.

Constructive Medicine in Aging: Problems of the Mind in Later Life

EXTENSION OF REMARKS
OF
HON. WILLIAM E. HESS
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, January 16, 1956

Mr. HESS. Mr. Speaker, in view of the Nation's growing interest in problems of the aging, I would like to call attention to a conference which was held in Cincinnati last Friday.

The 1-day meeting, titled "Constructive Medicine in Aging: Problems of the Mind in Later Life," is the second annual symposium on gerontology sponsored by the William S. Merrell Co., of Cincinnati. Several hundred doctors heard eight of America's leading physicians tell of the most recent developments in mental problems of the aging.

The importance of this field of medicine is evidenced by the fact that there are approximately 14 million persons in

the United States over 65 years of age. This number is currently increasing at the rate of about 400,000 a year. Of all new admissions to mental hospitals, 38 percent are in the 60-year and older group and 27 percent of all new admissions are older patients with senile psychoses and cerebral arteriosclerosis.

The general theme of the Merrell-sponsored symposium has as its primary objective the improvement of the state of health of persons who reach old age, and the improvement of the diagnosis and treatment of the infirmities of the old. The symposium will integrate basic research with its practical application to clinical medicine and will focus public and professional attention on the growing problems of our older citizens.

Merrell, producers of medicines since 1828, is recognized as a leader in the field of gerontological research, and is directing over 50 percent of its research activities toward the development of new and better drugs for our aging population.

Natural Gas Legislation

EXTENSION OF REMARKS
OF
HON. PAUL H. DOUGLAS
OF ILLINOIS
IN THE SENATE OF THE UNITED STATES
Monday, January 16, 1956

Mr. DOUGLAS. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an editorial published in the Washington Post and Times Herald of January 13, 1956, together with certain comments of mine on the editorial.

There being no objection, the editorial and statement were ordered to be printed in the RECORD, as follows:

THE PRICE OF GAS

The attempt by Senators MONRONEY and FULBRIGHT to penalize the Washington Gas Light Co. for its opposition to the Harris-Fulbright natural gas bill is wholly unwarranted and assumes the nature of a punitive act. The gas company has every right to oppose the Harris-Fulbright bill without being subjected to special harassment by Congress. To single it out, as Senators MONRONEY and FULBRIGHT would do, and to require it to publish on its bill a breakdown of gas costs, would be to punish the company for acting in what it regards as the public interest.

The truth is that the company seems to be speaking more in the public interest than Messrs. MONRONEY and FULBRIGHT, who are asking Congress to exempt gas producers from utility-type regulation. Everett J. Boothby, president of the Washington Gas Light Co., said he opposed the exempting legislation because it would make it possible "for the few thousand gas producers to get substantial windfall profits from millions of gas users." He is supported in that contention by a good deal of evidence and by what appears to be nearly half the Senate.

When the Harris bill passed the House last year, it seemed to this newspaper that there were sufficient safeguards in it to protect the consumer from spiraling gas prices. At least it seemed worth taking a chance on the bill in the interest of limiting the domain of Federal power and permitting free competition to have its play. But because of certain technical amendments which permit escalator clauses in contracts and because of other features that insulate the producers from price regulation, the opponents of the measure now seem to have the stronger argument. In a matter so complicated we recognize that there is room for honest difference of opinion and that it is almost impossible to arrive at a completely clear picture of what would happen under the proposed legislation.

However, the argument that the bill does not adequately protect the consumer and ought to be strengthened is backed by impressive testimony. Senator DUFF of Pennsylvania, who has had great experience in the oil business, is persuaded, for example, that "excessive increases in the price of gas might occur as the result" of this legislation. He adds:

"While it is true that the nature of the natural-gas business makes it exceedingly difficult of equitable regulation by yardsticks normally used in utility regulation, it is also true that serious abuses have arisen as the result of favored-nation, escalation, and spiral-escalation clauses that have resulted in millions of dollars of increased prices to the consumers by private negotiations and renegotiations in which the ultimate consuming public has had no representation and no voice whatever."

The proposed bill would not exempt the gas producers from all regulation but would strictly limit the FPC in its regulatory function. For example, it would authorize the Power Commission to establish reasonable market price in future contracts without defining the term or setting any standards for the guidance of the commission. In a field in which real competition is limited by the physical difficulties of moving pipelines, reasonable market price might reflect more what the producers thought they should have than any relation to cost of production.

The language of the bill also is obscure with respect to the escalation clauses, which say, in effect, that if a pipeline has a contract with Producer A and then offers to pay Producer B a higher rate he must also pay the higher rate to Producer A. The Senate, at least, should satisfy itself that FPC has full power to prohibit unjustified increases as a result of the escalation clauses. Senator DUFF and other opponents of the measure—including the Washington Gas Light Co.—do not believe that the bill as written provides sufficient safeguards.

If there should be excessive price increases for natural gas, industrial users might turn to other fuels. But residential consumers who had invested in equipment to heat their homes and cook their food with gas could not easily switch. The pipeline operators and local gas distributors are carefully regulated by public utility commissions. Can this regulation be effective—in view of the talk among producers of prices double those of today and 10 times those of 1946—unless the consumer interest is protected in the bargain made at the well-head?

STATEMENT BY SENATOR DOUGLAS

At the time of the House debate on the Harris bill last year, the Washington Post stated editorially that the bill was a compromise which seemed worth trying. The Natural Gas and Oil Resources Committee, propaganda agency for the gas industry, welcomed what it regarded as an apostate from the ranks of the opponents of the bill. Thousands of reprints of the editorial were distributed across the country, with the word that this was from a newspaper that had "switched sides." Perhaps it was more than thousands of copies, for that committee says it has distributed more than 5 million pieces of printed material in the effort to secure passage of this legislation.

Actually the editorial support for the bill was rather equivocal. But last Friday, January 13, 1956, the Washington Post dispelled the doubts which had arisen concerning its vision and devotion to the public interest on this issue with an editorial unequivocally condemning the attack on the Washington Gas Light Co. for its opposition to the natural gas bill. In part the editorial stated:

"The truth is that the company seems to be speaking more in the public interest than Messrs. MONRONEY and FULBRIGHT, who are asking Congress to exempt gas producers from utility-type regulation."

The editorial goes ont to point out why the bill is against the interest of the consumers of gas. Mr. President, recognizing that the Natural Gas and Oil Resources Committee will not undertake to distribute copies of this editorial to correct the record, and knowing full well that the gas consumers of the Nation have no fund with which to do so, and wishing the people of the country to know that this distinguished newspaper has not forsaken the public interest in this issue, I have asked unanimous consent for the printing of Friday's editorial in the RECORD.

Bicentennial of the Birth of Chief Justice John Marshall

EXTENSION OF REMARKS
OF
HON. HARRY FLOOD BYRD
OF VIRGINIA
IN THE SENATE OF THE UNITED STATES
Monday, January 16, 1956

Mr. BYRD. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a very fine address delivered by the senior Senator from Pennsylvania [Mr. MARTIN] on September 22, 1955, at a convocation at the College of William and Mary marking the bicentennial of the birth of Chief Justice John Marshall.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS OF UNITED STATES SENATOR EDWARD MARTIN, OF PENNSYLVANIA, AT A CONVOCATION HELD AT THE COLLEGE OF WILLIAM AND MARY, WILLIAMSBURG, VA., MARKING THE BICENTENNIAL OF THE BIRTH OF CHIEF JUSTICE JOHN MARSHALL, SEPTEMBER 22, 1955

I deem it a great honor to address this distinguished convocation assembled at the historic College of William and Mary to honor the memory of the great Chief Justice, John Marshall.

It is always a pleasure to come to the great State so ably represented in the Senate by such outstanding statesmen as HARRY F. BYRD AND WILLIS A. ROBERTSON.

They are men of ability, courage and patriotism. Senator BYRD's resolute fight to reduce the size and cost of government, for sound fiscal policies, and the decentralization of governmental functions will long be remembered as a historic milestone in American legislative history.

In my own Commonwealth of Pennsylvania we recall with pride and gratitude the vast contribution made by our sister Commonwealth of Virginia to the growth and development of the American Republic.

In early Colonial times Virginians and Pennsylvanians worked and fought to uphold freedom and dignity of the individual. They fought side by side in the French and Indian Wars to establish British supremacy

on the American Continent. They suffered and sacrificed together in the War for Independence.

In the War Between the States they gallantly opposed each other on many bloody battlefields. The endurance, bravery and skill of that terrible and tragic struggle have never been equaled. Both sides fought with sublime valor for the cause in which they believed.

Yes, there is patriotic inspiration for every American in the proud history of the Old Dominion State, for traditional love of individual freedom and her firm allegiance of the ideals of liberty and independence.

Those sacred principles were woven into the fabric of our national existence by Virginia's illustrious sons. They were preserved and strengthened by the blood and sacrifice of her heroes.

Here the first permanent English settlement was established. Here the first representative legislative body in the New World was convened.

Here were taken the first courageous steps by American colonists in defiance of tryanny.

Here at Yorktown the heroes and patriots of the Revolution achieved final triumph over the armed might of the greatest power of that day.

The glory of Virginia shines forth brilliantly in such honored and revered names as George Washington, Thomas Jefferson, Patrick Henry, James Madison, James Monroe, George Mason, John Marshall, and those gallant soldiers, Robert E. Lee and Stonewall Jackson. Your many historic shrines and churches are rich in association with the glories of America.

Every American is proud of Virginia, today as always, a stronghold of self-reliance, a magnificent center of culture, and the home of deep religious devotion.

From the halls of this venerable college great leaders have gone forth to brilliant success in the service of their State and the Nation.

Three Presidents of the United States—Thomas Jefferson, James Monroe, and John Tyler—are among its distinguished alumni. It was here that John Marshall came to prepare for his outstanding legal career, attending a brief course of lectures given by the great scholar, jurist, and patriot, George Wythe.

Since it was established by royal charter in 1693, the College of William and Mary has made its influence felt in State and national history. How fortunate we are that it has survived numerous difficulties and stands today as a strong, vigorous, dynamic institution, combining the beloved traditions of its glorious past with the forward-looking, progressive spirit of these modern times.

In observing the bicentennial of the birth of John Marshall we pay tribute to a hero of war and peace.

As a soldier he placed his life in the balance in the cause of American independence. As a jurist he blazed a broad trail through the jungle of legal complexities so that succeeding generations might find the way to security and stability.

The enduring landmarks he erected will everlastingly guide Americans to a full measure of individual freedom under our system of constitutional government.

When John Marshall began his long and brilliant tenure as the fourth Chief Justice, the Supreme Court had been in existence 12 years.

Up to that time the Court had not yet advanced to its rightful place of importance in the system of government established by the Constitution. By 1791, when the Court moved from New York to Philadelphia, 2 of the 6 original Justices appointed by Washington had left the bench to take more attractive posts in their own States. Shortly thereafter, Chief Justice John Jay resigned to become Governor of New York.

So lightly was the Supreme Court regarded in relation to the other branches of the Government that John Jay refused the offer of President John Adams to return him to the Chief Justiceship. He declared that the Supreme Court lacked "the energy, weight, and dignity which are essential to its affording due support to the National Government."

The achievements of John Marshall stand out with dazzling brilliance because it was from this low point that he raised the Supreme Court to power and majesty as the guardian and interpreter of the Constitution. His invincible logic breathed life and vigor into the fundamental law and made it an unconquerable force for the protection of individual liberty.

The unparalleled growth and progress of the United States is proof of the wisdom of the Founding Fathers in establishing a government which placed the executive, legislative, and judicial branches on an equal footing, limited in their powers to those specifically granted in the Constitution.

The men who framed the fundamental law were men of deep learning and broad experience. Of the 55 members of the Constitutional Convention, 38 were lawyers. Others had served as State governors and as chief justices in their State courts. They were familiar with the long struggle for human freedom. They had a thorough appreciation of the blessings of liberty which they sought to secure for themselves and their posterity. They knew from their profound study of history that government can become oppressive. They recognized that usurpation of power by the executive or the legislature could encroach upon the liberties of the people and could destroy freedom of the individual.

The experience of the American Colonies in that regard had been set forth in the Declaration of Independence as one of the grievances against King George III, which stated, and I quote:

"He has made judges dependent on his will alone for the tenure of their offices and the amount and payment of their salaries."

Therefore, they sought to erect safeguards against that danger by creating an independent judiciary that would stand as a bulwark of the citizen, protecting the rights granted to him by the Constitution against the power of government.

They wrote into the Constitution the provision that judges of the Supreme and inferior courts of the United States shall hold their offices during good behavior and that their compensation shall not be diminished during their continuance in office.

Thus the courts and the judges who composed them were placed beyond the reach of political pressure, free to guard the liberties of the people, to protect the constitutional rights of the humblest citizen against violation by the Government itself, by the Congress, or the Chief Executive.

John Marshall's fame will endure forever because he expounded the doctrine that the Supreme Court is the final interpreter of the Constitution, with complete authority to declare null and void any act of Congress which does not come within the powers granted by the Constitution.

Marshall's rule for testing the constitutionality of legislative enactment is well known, but I think it should be impressed upon the minds of every member of every law-making body.

In his decision on the case of *McCullough* v. *Maryland*, we find this formula, and I quote:

"Let the end be legitimate, let it be within the scope of the Constitution, and all means which are appropriate, which are plainly adapted to that end, which are not prohibited, but consistent with the letter and spirit of the Constitution, are constitutional."

It was in this case that the great Chief Justice gave expression to the observation which is perhaps more widely quoted than any other:

"The power to tax is the power to destroy."

Another quotation from John Marshall is worthy of everlasting preservation as expressing the supreme importance of an independent judiciary.

It is, of course, well known to this audience, but I feel it is worth repeating.

It came in debate during the Virginia convention, 1829–31, and I quote:

"Advert, sir, to the duties of a judge. He has to pass between the Government and the man whom the Government is prosecuting; between the most powerful individual in the community and the poorest and most unpopular.

"It is of the last importance that in the exercise of these duties, he should observe the utmost fairness. Need I press the necessity of this? Does not every man feel that his own personal security and the security of his property depends on that fairness?

"The judicial department," Marshall continued, "comes home in its effects to every man's fireside. It passes on his property, his reputation, his life, his all. Is it not to the last degree important that he should be rendered perfectly and completely independent, with nothing to influence or control him but God and his conscience?"

Let us review, in brief outline, the influences that shaped the career of John Marshall. His youth was spent in the wilderness of the Virginia frontier. His early home was a typical log cabin of the backwoodsman. There was little opportunity for him to gain an education, but he absorbed the few books that came into his hands.

For nearly 6 years he was a soldier in the Revolution, rising to the rank of captain. He fought at Brandywine, Germantown, Monmouth, and Stony Point. He endured the cruel hardships of Valley Forge in the bitter winter of 1777–78.

His experience in the War for Independence strengthened his patriotic love for America. It implanted deep into his consciousness the hope that out of the struggle and sacrifice of the Revolution there would emerge, not a mere collection of States, but a united nation, and a government "competent to its preservation."

This feeling he so well described many years later in his autobiographical letter to his good friend and associate, Joseph Story, in which he wrote:

"* * * I am disposed to ascribe my devotion to the Union, and to a government competent to its preservation, at least as much to casual circumstances as to judgment.

"I had grown up at a time when the love of the Union, and the resistance to the claims of Great Britain, were the inseparable inmates of the same bosom; when patriotism and a strong fellow feeling with our suffering fellow citizens of Boston were identical; when the maxim, 'United we stand, divided we fall,' was the maxim of every orthodox American.

"And I had imbibed these sentiments so thoroughly that they constituted a part of my being. I carried them with me into the army, where I found myself associated with brave men from different States, who were risking life and everything valuable in a common cause, believed by all to be most precious; and where I was confirmed in the habit of considering America as my country, and Congress as my Government."

Schooled in the stern realities of war Marshall entered upon his career at the law which was to contribute so greatly to the preservation of the Constitution and the greatness of the United States.

With no formal legal training except the course of law lectures which he attended here for a period of several months, he gained admission to the bar of Virginia.

His success was immediate, not only in the courts, but in political affairs. He served in the legislature and gave strong support to the ratification of the Federal Constitution.

The qualities of leadership which he possessed brought him into prominence as a champion of the Federalist cause in Virginia. He defended the policies of Federal Government under Washington and the strong financial measures of Alexander Hamilton.

A brief venture into diplomacy brought him a measure of national fame as a member of the XYZ mission to France.

It was at the urging of George Washington that Marshall agreed to become a candidate for Congress in 1798. He was elected, but before he had completed his term President John Adams appointed him Secretary of War, but Marshall declined. Adams then named him Secretary of State, which he accepted and continued in office for a month after he took the oath as Chief Justice.

He was then 45 years of age and had never filled a judicial office.

Thus it became his responsibility to expound the Constitution in the most critical period of its history. It was given to him to preside over the Supreme Court when it was called upon to decide four cases of vital importance: *Marbury* v. *Madison*, *McCulloch* v. *Maryland*, *Cohens* v. *Virginia*, and *Gibbons* v. *Ogden*.

In each of these cases it was Chief Justice Marshall who wrote the opinion of the Court. In each case the continued existence of the Federal system, established by the Constitution, depended on the action of the Court. In each case the Court adopted a principle which is generally considered to be essential to the preservation of the United States as a Federal state.

Now for a moment let us consider some of the dangers that confront us as a Nation and some steps that we can take to defend America. Let us do this with the same unselfish courage that John Marshall met the fundamental issues of his day.

1. We have too much public and private debt. It now reaches the staggering figure of more than $600 billion.

2. Some taxes are almost at the level of confiscation. Thirty percent of gross income is a very high price to pay for self-government.

3. The rapid increase in the size of government is alarming. The payroll of Government employees is greater than all the steel mills of this Nation and twice that of the railroads. There is too much duplication in Government.

4. Local government is self-government. It is home rule. It should be preserved and strengthened. Local government should have adequate taxes under its own control to maintain its proper functions. Grants from the higher level of Government to the lower level mean some loss of local contol, which is not good or economical.

5. We must keep each of the three levels of Government in a sound fiscal position through balanced budgets, equitable taxation and honest service. Excessive debt destroys the purchasing power of the dollar.

6. Our people must realize that Government cannot assure security. That depends upon the individual. Government has nothing to give except that which is first given to it by the people.

7. A republic to survive must have a citizenship of high morals and a deep appreciation of the meaning of free government. The decay of character through dishonorable efforts, even within the bounds of law, can soon destroy the strongest republic.

A republic can be no stronger than the virtues of its people. Corruption in Government and the failure of people to take part in their Government are more dangerous than those who plot against the Government.

8. Unbridled emotionalism is destructive and means the end of orderly governmental procedure. John Milton said that order is "Heaven's first law". Unbridled emotionalism makes a republic an easy prey for designing demogogs. They operate by inflaming the masses and by organizing dangerous pressure groups. They promise things which can only be given by endangering the stability of the Government.

9. We must all appreciate the orderly procedure that the Founding Fathers conceived in our Constitution. The people themselves cannot legislate. In a republic they select their legislators but the legislator cannot administer. The administrator or executive cannot judge. This is left for the third branch of Government, the judicial. None but those strongly imbued with American ideals and principles should be given these places of honor and trust.

To avoid these dangers every American must be on guard and have the courage of John Marshall. He must understand Americanism and be proud to say: "I am an American."

In this day and age when human freedom is being blotted out in large areas of the world, every American should acknowledge, in praise and gratitude, our debt to John Marshall.

Because of his wisdom and courage generations far into the future will enjoy the blessings of government of laws and not of men.

No dictator will arise amongst us so long as we are guided by the philosophy of individual freedom expounded by the great Chief Justice.

Because of his strength and character every American, regardless of his station in life, will forever be secure in his inalienable right to life, liberty, and the pursuit of happiness.

The Founding Fathers, among whom Virginia was so ably represented, held these rights to be of Divine origin, the most precious gift bestowed upon mankind by Almighty God.

Let us live by that doctrine.

Let us be ever ready to uphold and defend the Constitution, as did John Marshall, and America will go on to a greater glory under God, true to its destiny as a free Nation of free men, with liberty and justice for all.

Let's Remove the Patronage Tumor

EXTENSION OF REMARKS
OF
HON. JIM WRIGHT
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Monday, January 16, 1956

Mr. WRIGHT. Mr. Speaker, I have today introduced a bill to do away with the outmoded and unattractive practice of political patronage appointments in the postal and classified civil service.

The terms of my proposal would place postmasters in the competitive civil service, and would bring to an end the prevalent practice of obtaining political clearance either from Congressmen or from political party committees for appointees to civil-service jobs.

I am convinced that the American people both desire and deserve this type of reform, and that it is long overdue.

The Government of the United States is undoubtedly one of the most immense employment organisms on earth. It employs a working force of 4½ million and hires approximately a half-million new people annually to fill job vacancies of one sort and another.

To maintain this Government in all of its operations costs the average taxpayer about $350 a year in taxes.

For his $350 investment he would like—and he has every reason to expect—the assurance that this Government which belongs to him will be operated with the maximum of efficiency and the minimum of political job making.

He has every reason to expect that the people employed to conduct his affairs for him will be selected on the basis of ability and not in payment of political obligations.

Admittedly, positions of Cabinet rank and top policymaking stature must be filled by people in harmony with the governmental philosophy of the administration in office. My bill, therefore, does not disturb the existing relationship of Presidential appointment and Senate confirmation for positions of this type.

Yet there can be no logical reason or defense for requiring the President to appoint and the Senate to confirm local postmasters in the 40,000 communities they serve, except it be to create or perpetuate a nationwide political machine founded upon patronage.

In this specific connection, the Hoover Commission Task Force on Personnel and Civil Service said:

> The present system of selecting first-, second-, and third-class postmasters is a hybrid between political appointment and a true merit system. It is incompatible with a businesslike management of the largest civilian business that the Government operates. It does not invite genuine competition from well-qualified persons and offends the American ideal of equal opportunity on the basis of character and ability. By reserving the key posts for patronage, it limits the incentive to enter the postal service as a career, and discourages postal employees from trying to go ahead on their merits.

The average American has shown again and again that he has nothing but contempt for the spoils system and everything that distasteful term implies.

The sole purpose of public employment should be to promote the most efficient possible conduct of the affairs of our Government, not to provide jobs for members of any party machine.

Millions of Americans voted for General Eisenhower in 1952 because they were convinced that he would usher in an administration which would clean up what they regarded as a mess in Washington.

"The single choice, the single standard," he had assured the Nation in a speech at Duluth, Minn., "shall be merit and not political reward."

Granting the personal sincerity of the President, it must be disappointing to him as it is to many of us of both parties in the Congress that the administration which surrounds him has fallen considerably short of living up to that expectation.

Many public positions are today being filled with strictly partisan political appointments.

It would be unbecoming of me as a Democrat to say that the Republican

Party is behaving more crassly in this regard than my own may have done in the past. I realize that decency and honor and integrity wear no partisan party label.

As a first-term Member, it would be presumptious of me to say that present practices are worse than they have formerly been, for I have never before enjoyed this vantage point of observation.

But I do think it is fair to say that I have been shocked and keenly disappointed by the very partisan political complexion of certain job-placement policies presently in vogue in our Federal Government.

That it may have been going on for years makes it no less reprehensible. That the other party on occasion may have been guilty of the same objectionable practice is no defense.

Some of these practices display what appears to be a brazen contempt for the principles which motivated civil-service reform and the Hatch Act.

The Pennsylvania State Republican Committee last spring sent an official delegation to Washington to confer with the White House and the National Republican Committee on patronage jobs.

Writing at the time in the Washington Star, columnist Joseph Young quoted a spokesman for the group as saying:

> The situation is vital to our staying in political power. It is the precinct workers and the rank-and-file political aids back home who win elections for us, and we've got to take care of them as far as jobs are concerned.

Which brings up the question: What is the purpose of Federal employment—to perform necessary government functions? or to win elections?

A year or so ago, under what came to be known as the Willis order, Federal agencies were directed by the administration to cooperate with the Republican Party by finding jobs and winning promotions through government for people with GOP political backing. In its original form, the order applied to all jobs, without exception, including presumably under civil-service protection.

The order required Federal agencies to notify the Republican National Committee of job vacancies on forms to be supplied by the party committee. All jobs paying $9,600 or better were to be frozen for a period of 30 days, presumably to allow the Republican committee time to clear prospective appointees.

In a strongly worded statement of indignation over this policy, the 74-year-old, nonpartisan National Civil Service League stated:

> A career system of civil service by definition and by its nature cannot be part of a political spoils system or a reservoir of political patronage. The only means of keeping a career civil service permanently useful is to keep it scrupulously nonpartisan.

When the plan became publicly known, it aroused a storm of protest, and has since been modified.

But the pattern was made clear. It has also been made clear in the pronouncements of local party chairmen over the country who are openly stating that the first qualification they will consider in filling an opening is whether or not the applicant had a reliable record of Republican Party activity.

Let me make myself clear. Such party activity should certainly not mitigate against a person's being considered, but it is definitely not a qualification for handling difficult administrative duties.

Public employees are not paid by any political party; they are paid by the people of the United States.

Yet the present party, and some of its spokesmen in the administration, have not been content merely to fill the vacancies which normally arise with people to whom they owe patronage favors.

There is considerable evidence to indicate that they are feverishly trying to clear out as many career servants as they possibly can from present employment in order to make room for more political appointments.

One such disturbing development is the recent action in removing deputy United States marshals from the competitive service, against the strong recommendations of both the Hoover Commission and the nonpartisan National Civil Service League.

Another such development was brought to light during the last session by the gentleman from Texas [Mr. RUTHERFORD], who sounded the alarm on a move in the Treasury Department under which career Bureau of Customs employees, living and working for years in El Paso, had been given notice of transfer to such distant points as Vermont, Maine, and North Dakota.

Obviously, their long service and valuable experience with the customs problems of the Mexican border could not be expected to qualify them for any increased contribution to the service in any such distant points. We might as logically send an expert on far eastern customs procedures to Greenland.

Mr. Rutherford reported that one such employee, upon finally deciding to accept such an assignment, was quietly told that what was really expected was his resignation.

Senator MONRONEY has said that "Postmasters with years of truly distinguished service are being highballed out of office on the flimsiest of pretexts." The only conceivable explanation seems to be to clear another place at the pork barrel.

Some effective protection against these practices can be afforded for the conscientious career servant by abolishing the pork-barrel method of selecting his successor.

Senator JOHNSTON of South Carolina has expressed concern over reports of job selling in the Post Office Department, involving appeals from party officials conveying the strong suggestion that applicants for local postmasterships contribute certain stipulated sums to the State political organizations.

As to these and similar disturbing reports from over the Nation, I cannot attest with any certain knowledge concerning the motivations behind them. This much, however, can be said with sure conviction:

The widespread use of public positions as political patronage to reward the faithful or punish the erstwhile opposition, by whatever party or individual it may be practiced, is inconsistent with our finest American ideals of clean government.

It is an unnecessary and unhealthy growth upon the body politic. Like a tumor, it serves no useful purpose, but can grow to grotesque proportions. The bill I have proposed would be the corrective surgery necessary to remove it.

Such surgery is long overdue. There can be no better time than now.

Our Postal Operations

EXTENSION OF REMARKS
OF
HON. FRANK CARLSON
OF KANSAS
IN THE SENATE OF THE UNITED STATES
Monday, January 16, 1956

Mr. CARLSON. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an article in regard to post office operations, written by Hon. Arthur Summerfield, Postmaster General, and published in the January 1956 issue of Nation's Business.

The Post Office Department, with its over 500,000 employees, handles over 50 billion pieces of mail annually. Under the very able direction of Postmaster General Summerfield, much modernization has taken place and many improvements have been made. As a result of congressional action last year, through passage of the increased pay and reclassification act, morale among the employees has been greatly improved.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

The United States Post Office Department has a new look—and a new spirit.

The new look is dramatized by the eye-catching red, white, and blue colors which now modernize mail boxes and postal trucks.

But the improvements taking place in the postal establishment—which serves more of our citizens more intimately and more frequently than any other Government department—are far more fundamental and much more significant than this new color scheme.

Never before have the post offices of the United States handled so much mail volume, so quickly, so efficiently, so economically.

Deficits are lower. The postal deficit of $362,700,000 for the 1955 fiscal year is less than half of the alltime high reported deficit of $727 million for fiscal 1952.

When our team of executives recruited from industry assumed responsibility for the management of the Post Office Department January 20, 1953, we found:

The post office had no certified public accountants on its payroll although its financial transactions exceeded $20 billion a year.

There was no modern personnel department to meet the needs of 500,000 employees.

No training program was being used.

The salary structure contained innumerable inequities and offered no real incentives for advancement to supervisory positions.

Although the Post Office Department handled more than 50 billion pieces of mail annually, it had no materials-handling engineers.

The worst highway safety record in Government.

No public information services were being used to help the public help itself to better

mail service or to provide communication channels between management and employees.

No basic review of its transportation policies and methods had been made in 25 years.

Nearly 40,000 postmasters reported directly to Washington on even the most trivial problems.

Management control tools and methods were so completely lacking that when I first called for a financial report on the previous months' operations, I was told that such data would not be available for 18 months; that such reports were considered historical documents and never intended for management control purposes.

In 3 years the Post Office Department has been overhauled and reorganization is nearly complete.

Tried and proven concepts of modern business management have been introduced and the results are becoming increasingly apparent to the public.

The faster, more efficient, and more economical mail service is due in part to these improvements.

Mailers and postal patrons benefit from more than 70 changes in procedures. Post offices in most major cities are open longer and mail is collected later. More than 5,000 city letter carrier routes are being added annually. Modern rural delivery service is being expanded constantly. New services are being added—and others simplified. The new certified mail provides important benefits of registered mail, including proof of delivery, at lower cost. A new money order procedure eliminates forms and reduces time spent in line. New pamphlets help the public help itself to better mail service.

The internal procedures of handling money, bookkeeping, and finanical reporting have been greatly streamlined. Payrolls are being handled by modern punchcard checks and equipment in 15 centralized locations. The daily task of processing and accounting for 1,500,000 paid money order forms is centralized in the new Kansas City Money Order Center which will ultimately use the most modern electronic equipment. Simpler financial procedures generally will achieve a total reduction of 5,000 positions from the overhead. This program relieves postmasters of unnecessary paper work, gives them modern business methods, and enables them to concentrate on the major job of moving the mail.

A nationwide safety program has already reduced motor vehicle accidents from 13 to 8 per 100,000 miles. Even better results are anticipated.

Broader and better use is being made of all types of transportation by employing the one best equipped to do the individual job speedily, efficiently, and economically. This means expanded use of trucks and tractor-trailers, bus lines, highway-post offices, and air cargo carriers; using the unused space on scheduled airliners for the experimental movement of 3-cent mail; a better coordination with railroad operations; and revision of schedules to deliver the mail on the day it arrives at destination-post offices.

With the opening soon of the Wichita, Kans., Regional Office, postal operations will be decentralized into 15 regions and 91 districts, and operated on a home-rule basis.

The first coordinated progressive personnel program in the Department's history has been established. The installation of a sound salary structure, based on position evaluation, provides 508,000 postal employees with fair wages, incentive to advance in the career service, and compensation related directly to duties performed.

The Department has leased more than 900 new postal buildings, valued at approximately $45,000,000, through its commercial leasing activities from January, 1953, to Nov. 15, 1955. The new lease-purchase program by which buildings are bought out of rent, includes 27 further projects approved as of Nov. 15, 1955. This will create $14,000,000 in new construction. Both programs use the financing and construction capacity of private industry.

Close cost control has been established over the 85,000 motor vehicles the Post Office Department uses (of which 25,000 are owned by the government). Postmasters are charged for the use of this equipment and personnel to make them cost-conscious. A Post Office Department fleet is being developed consisting of four basic standard production-line trucks which will do the same job better than the seven types of special built, often hand-made vehicles formerly purchased. The estimated savings are 20 percent in purchase prices and 20 percent or more in operating cost.

Practical training programs aimed at improving personnel and mail service—involving ten courses of instruction ranging from tying bundles of letter mail to executive development—have been launched. The Suggestions and Incentive Awards program has been modernized, and the Department received, in 20 months ending Nov. 15, 1955, double the number of employe suggestions offered in the previous five years, with savings estimated at $2,261,000. Uniforms are being redesigned, standardized and brightened effective this month, although employes having garments of the previous design in good condition will be permitted to wear them until January, 1957.

Unnecessary service units are being eliminated. Approximately 3,000 small post offices have been closed, at a saving of more than $4,000,000, with the patrons generally getting better service through rural delivery.

Practical experiments and research are being carried on continuously. Those now under way include: 1, a variety of motorized conveyances for city carriers; 2, an automatic mail facing machine; 3, automatic sorting by electronic scanning; 4, self-service equipment for post office lobbies; and, 5, mechanical parcel post sorting.

The first nationwide effort to attract desirable new career employees into the postal service was launched in December 1955. Display posters in 10,000 post offices and on 16,000 Air Force recruitment billboards in 3,000 communities are being used for a 30-day period, outlining salaries and benefits of postal employment.

Despite the progress made in modernizing the mail service and reducing its cost, the Post Office Department faces two serious problems.

One is the inadequacy and the deterioration of its physical plant. Many post offices were built 50 or even more years ago. Far too many of our postal facilities are badly rundown, outgrown, outmoded.

In some larger cities, facilities are so inadequate that mail is sorted outside post office on the sidewalks or in the alleys, rain or shine. At numerous points, trucks cannot squeeze into the small post office loading and unloading areas. Many post offices and mail terminals are dingy, badly in need of renovation and better lighting, and completely lacking in modern equipment to speed mail distribution.

To correct these conditions will take time and money. We cannot continue to ignore these needs, particularly since they grow increasingly worse as the mail volume of this dynamic and growing country is constantly increasing. It is now 45 percent greater in volume that it was 10 years ago.

The other and more serious problem concerns the fiscal plight of the Post Office Department. The postal deficit accumulated since World War II—during a period of unprecedented prosperity—has now reached $4,600,000,000 and is costing taxpayers more than $100 million a year in interest alone.

Despite the efficiencies and economies we have been able to make, the Post Office Department now faces a yearly deficit of about $500 million. Nearly $200 million of this is the cost of the recently enacted pay raises and other employee benefits.

Basically, our failure to operate on a more nearly break-even basis is due to the fact that postage rates today are essentially the same as they were in 1932. Meanwhile, the cost of nearly everything the Department buys or uses has more than doubled, as have most household or business expenses.

That is why we are recommending moderate increases in postage rates on first-, second-, and third-class mail to Congress.

We believe Congress and the American people appreciate the need for reasonable rate increases so that their Post Office Department may improve its services and facilities and operate on a self-supporting basis as do the postal establishments of most major nations. Our neighbor, Canada, for example, has shown losses in only 3 of the past 20 years with an over-all surplus for these 2 decades of $89,523,932.

Many Members of Congress have polled their constituents on this question of postage rates. So has the Post Office Department. In all parts of the country, the people queried indicated that they favor, usually by margins of at least 3 to 1, increasing postal rates to make the Post Office Department self-supporting. Public opinion here is apparently no different than in Europe where competent observers state that a postal deficit would not be tolerated.

If these rate increases are granted, we can complete the job the Post Office Department set out to accomplish nearly 3 years ago—provide better service—lower costs—reduce the postal deficit—and operate on a break-even basis.

Then the Post Office Department can provide the most efficient service possible to meet the constantly expanding needs of this most prosperous Nation on earth.

Hon. Martin P. Durkin

EXTENSION OF REMARKS
OF
HON. JOHN C. KLUCZYNSKI
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Monday, January 16, 1956

Mr. KLUCZYNSKI. Mr. Speaker, one of the Nation's most outstanding labor leaders, Martin P. Durkin, died on November 13, 1955. His passing was a great loss to the labor movement, which he so ably represented, and to his legion of friends.

The parents of Martin P. Durkin were Irish immigrants, and his father was an ardent trade unionist and head of a large family.

Martin P. Durkin was born and reared in the back-of-the-yards district on the southwest side of Chicago, the district which it is my privilege to represent. After attending elementary school and high school, he then went to night school to further his education. He started to work as an apprentice steamfitter, a trade which he followed during his lifetime.

In 1933, during the dark days of the depression, Gov. Henry Horner appointed Martin Durkin as director of labor for the State of Illinois. At that time I was a member of the General Assembly of the State of Illinois and served on the labor committee in the house.

It was during that time that I really got to know Martin Durkin and his great work in recommending legislation for the benefit of the laboring man.

To Martin P. Durkin belongs a great deal of credit for the passage in the State of Illinois of the minimum-wage law—an 8-hour working day for women—a law establishing the public-employment service and providing for unemployment compensation. He assisted greatly in obtaining improvements to the State workmen's compensation law. Under his leadership the Department of Labor for the State of Illinois became a model and example for the rest of the country to follow.

In 1953 Martin Durkin was selected by President Eisenhower to become a member of his Cabinet as Secretary of Labor, a position which he filled with distinction.

Martin Durkin had many outstanding characteristics, but to me his greatest virtue was his deep humility. He was a very religious man, and would never sacrifice principle.

To his widow, Anne McNicholas, and their sons, Martin and William and John, I wish to extend my genuine and sincere sympathy.

More About Our Declining Strength

EXTENSION OF REMARKS
OF
HON. MELVIN PRICE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Monday, January 16, 1956

Mr. PRICE. Mr. Speaker, recently there appeared in the press of the Nation two articles by Mr. Joseph Alsop and Mr. Stewart Alsop, pointing out that the only reason we do not have military strength equal to that of the Communist countries is our unwillingness to spend the money to provide that strength—to spend money on research, first, and on the production of the new weapons research gives us. Meanwhile the Russians move rapidly ahead, building up a modern air force not merely equal to ours but in many ways better.

Today, I refer to another in the series of brilliant articles the Alsop brothers are publishing in an effort to awaken Americans to the danger which is being hidden from them with all the skill and the talents the Pentagon can command.

The rates of production of advanced aircraft types shows the Soviets well ahead of us in the buildup of their air force. The difference in the rates shows the Soviets steadily forging further ahead in numbers and in strength. About the time we expect to have our 137-wing Air Force fully equipped, in 1957, the Soviets' strategic air force will be able to deliver a punch of which our own Strategic Air Command will be incapable. Today we are fully capable of building long-range B–52's which do not require overseas bases for combat operations, but we are gambling on the future use of overseas bases by medium-range bombers. If Russia strikes us, it will be from her own bases, and with long-range aircraft excelling in number our own B–52's. General LeMay's request for an urgent program to provide 1,900 B–52's was rejected, for budgetary and therefore political reasons.

Mr. Speaker, our strength is being overtaken rapidly, and declining needlessly; and the danger is that in a campaign year, politics will be played even more furiously with the vital problem of national defense. The American people need as never before to be fully informed of what is happening. Their own survival is at stake. I would like to call my colleagues' attention to an insertion in the RECORD of January 9, page 239, by the Honorable STUART SYMINGTON, of Missouri, of the third article by the Alsops in this stimulating but disheartening report on our declining strength. Every Member of Congress should read these articles.

Fiftieth Anniversary of Pure Food and Drug Law

EXTENSION OF REMARKS
OF
HON. J. PERCY PRIEST
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Monday, January 16, 1956

Mr. PRIEST. Mr. Speaker, this year marks the 50th anniversary of the enactment of the first Federal Pure Food and Drug Act and the Meat Inspection Act. Both of these acts were signed by President Theodore Roosevelt on June 30, 1906. In order to commemorate this important event, a 50th anniversary committee has been formed on which serve representatives of the food, drug, and cosmetic industries, Federal, State, and local food and drug control officials, and consumer organizations.

For the purpose of bringing to the attention of the American people the importance of these laws, the committee conceived the idea of celebrating the 50th anniversary year by holding appropriate meetings and other events from coast to coast through the year.

In launching this series of observances, the committee held a luncheon at which I was privileged to give a brief talk on the changes which have taken place in the legislative picture during the 50 years which have elapsed since the enactment in 1906 of the first Federal legislation in this field.

ADDRESS OF CONGRESSMAN J. PERCY PRIEST, CHAIRMAN, COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE, AT LUNCHEON COMMEMORATING PASSAGE OF FIRST FEDERAL FOOD AND DRUG LAWS IN 1906, FEDERAL ROOM, HOTEL STATLER, WASHINGTON, D. C., JANUARY 11, 1956

The opening of this 50th anniversary year commemorating the passage of the first Federal Pure Food and Drugs Act is indeed a significant occasion. I am honored to speak at this luncheon and I accept that honor in behalf of my colleagues of the House Committee on Interstate and Foreign Commerce. Our committee has had the primary responsibility through the years of drafting revisions and amendments to this important legislation, and the committee is very proud of this excellent opportunity to be of service to our people.

It is a particular pleasure to be here today because my friend Gene Holeman, Superintendent of the Food and Drug Division of Tennessee, is serving this year as president of the Food and Drug Officials of the United States. Gene Holeman is also the chairman of the 50th anniversary committee which is providing the information and inspiration for this luncheon and similar activities designed to bring to the attention of the country the importance of our food and drug laws.

Actually, June 30 will mark the birthday of both the Wiley Pure Food and Drug Act and the Meat Inspection Act, which President Theodore Roosevelt signed on the same day. However, the idea of celebrating a 50th anniversary year instead of a birthday seems to me an excellent one. This law—the pure food and drug law—means so much to so many different people and organizations all over our country that a single anniversary observance would hardly do it justice. So today I am happy to join with you in launching a series of observances that will take place from coast to coast and last throughout the year.

Others are much better qualified than I am to talk about the enforcement of food and drug legislation. I would like to review with you very briefly how the legislative picture has changed since the year 1906 when the efforts to enact Federal legislation in this field finally succeeded after many years of hard campaigning. This legislative picture today reflects a basic change in the attitude of the public. The American public today has come to accept completely the need for consumer protection with regard to food and drugs.

When in 1890, Edgar Richards, a chemist in the Department of Agriculture, reported such practices as the watering of milk and butter, mixing of lard with cheese, adding cottonseed oil to olive oil, soapstone and sand to tea, and coloring of pickles with copper salts, he commented on the attitude of the public toward such things as follows: "The average American repudiates the idea of a paternal Government supervision over his affairs or anything trained with that idea. * * * We would * * * regard with apathy any general law that would guarantee to the public the liberty of purchasing pure food with a reasonable certainty that they were not imposed upon in their purchase."

It took another 16 years before Richards' chief, Dr. Harvey W. Wiley, finally succeeded in overcoming this general apathy. In the 27 years from 1879 to 1906, more than 100 food and drug bills were introduced in the Congress. One bill actually passed the Senate in 1890. However, the issues involved were very controversial. Many compromises had to be made.

In recommending the enactment of the Hepburn bill which became the 1906 act, the House Committee on Interstate and Foreign Commerce stated frankly that the bill might be ineffective in some respects, that it might not go far enough in some particulars while in others it might go too far. The committee, however, was emphatic that the bill represented its earnest thought and work, that it was not drawn to aid any special interests, that it had not been framed by, or at the behest of, any class of trade which will be specifically benefited thereby.

However, the committee felt that enactment of this legislation was badly needed because, and I quote from the committee report, "The sand with which our forefathers are reputed to have adulterated their sugar, while a fraud upon the purchaser, was doubtless comparatively harmless. The adulterations of the present day are neither so clumsy nor, as a rule, so harmless.

In a strongly worded minority report, the dissenting members argued that the Federal Government was without power to enact this legislation and that the bill was an attempt of exercising police power within the States under the pretense and guise of regulating commerce. As a substitute for the Hepburn bill, the minority offered a bill which would have subjected food products or drugs shipped in interstate commerce to the police laws of the various States whenever they are transported into the States for sale or use in the same way that spirituous liquors and beer were made subject to the laws of the States by the act of August 8, 1890, when transported into the States for use or consumption.

The 1906 law established the basic principle that Government—the Federal Government as well as the State governments—should protect the consumer by barring from the channels of trade foods or drugs which are adulterated or misbranded.

The act of 1906 was a strong law for its times, but eventually it became obsolete and had to be replaced. Instead of a quarter of a century, however, it took 5 years this time to develop and enact the present law which was passed in 1938. Again, there were many controversial issues which had to be resolved, but most of these were issues of method, rather than of principle.

Interestingly enough, again we find minority views expressed signed by 6 members of the committee on both sides of the aisle. However, what a change since 1906. While the minority in 1906 argued vehemently against the constitutionality of the Wiley Act, the minority in 1938 was in complete agreement with the objective of the bill. The minority in 1938 merely disagreed with a particular feature of the bill reported by the majority. Thus, by 1938, the powers of the Federal Government to regulate interstate commerce in food and drugs had come to be accepted completely by the public and as a matter of law.

Since 1938 the law has been amended several times. I would like to mention just three of the most important of those amendments: First, the 1945 amendment to provide for the testing and certification of penicillin, followed by later amendments extending this requirement to several other antibiotics. Second, the Durham-Humphrey amendment of 1951 which defined the classes of drugs which require medical supervision for safe use and which under the law may only be sold upon a doctor's prescription. Third, the Miller Pesticide Amendment of 1954 which provides a procedure for establishing safe tolerances for residues of pesticide chemicals on raw food crops. All three of these important amendments have one thing in common—each of them was made necessary by the progress of science and industry in developing new products—products which presented new problems of regulation to protect the consumer.

Each of these amendments applied the basic principles of the law to a specific, highly technical problem, or to a set of problems. These amendments illustrate a point that I would like to emphasize—that our food and drug legislation today is no longer concerned with the basic principle of consumer protection, for this principle has been accepted. Instead, the writing of new food and drug legislation today is generally concerned with designing methods and procedures to deal with some new situation.

The design of such legislation requires expert knowledge. Members of our committee aided by its professional staff and the office of the legislative counsel have devoted endless time and effort to legislative problems such as those raised by the amendments I have mentioned. Even so, we could never have produced the legislation without the intimate knowledge and guidance of the experts from industry and the Food and Drug Administration.

Our contribution has often been to prod the representatives of industry and Government to compromise extreme positions—and to find solutions which will accomplish the desired objectives without sacrificing principle or causing unnecessary hardship. In such legislation we are engaged in a cooperative enterprise together with the executive branch and with industry representatives.

Some of the bills now pending before our committee fall into this class of bills designed to provide consumer protection in a special new area—the area of food additives. I, myself, have introduced several bills which would solve in different ways the procedural problems involved in determining what chemical additives may safely be used and what additives shall be excluded as dangerous to the public health. The issues raised by these bills are of the kind which require a cooperative approach in order to bring about legislation which will give the consumer the protection to which he is entitled without imposing unnecessary hardships on the producers of the food additives and the food processors who are using these additives.

In closing, I would like to express to you the good wishes of the House Committee on Interstate and Foreign Commerce and our hope that this 50th anniversary year will contribute greatly to a better understanding of the significance of our pure food and drug laws, local, State, and national. We hope it will also emphasize the importance of adequate support for the administration of these laws.

Finally, we believe that this anniversary should help the American public to appreciate the achievements of our food, drug, and cosmetic industries, under the food and drug laws, in raising the quality of their products. Nowhere in the world is there such a standard of living as we have in the United States, and our food, drug, and cosmetic industries are surely making a great contribution to that standard of living.

Dual Observance Marks the 50th Anniversary of the Organization of the Polish Citizens Club, Du Bois, Pa., and the 176th Anniversary of the Death of Count Casimir Pulaski, Who Commanded the Famous Pulaski Legion in the Revolutionary War

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EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 16, 1956

Mr. VAN ZANDT. Mr. Speaker, it was my privilege on October 9, 1955, to deliver the principal address at a banquet of the Polish Citizens Club, Du Bois, Pa., in my congressional district, at which time the 50th anniversary of the founding of the club was celebrated and the 176th anniversary of the death of the illustrious Polish patriot Casimir Pulaski was commemorated.

The Polish Citizens Club of Du Bois which was organized in 1905 with 30 charter members now has a total membership of 750 which indicates the growth and progress of this fine organization which plays such an important part in the fraternal and social life of Du Bois, Pa.

The anniversary banquet was held in Pulaski Hall, constructed by the Polish Citizens Club in 1929, and was attended by several hundred members.

The program for the occasion and my address follow:

PROGRAM

National anthem.

Introduction: Frank Kosempa, president, Polish Citizens' Club.

Invocation: Rev. Louis Kozlowski.

Master of ceremonies: Michael E. Nowak.

Address: Hon. Pat. B. Dillman, mayor, Du Bois, Pa.

Address: Rev. Louis Kozlowski.

Address: Hon. Frank O'Niel, representative to Pennsylvania State Assembly.

Musical selection.

Address: Rev. John Piathowski, Sykesville, Pa.

Address: John Cherry, Esq., club attorney.

Club progress for 50 years: Anthony Monikowski.

Musical selection.

Address: Frank Kosempa, president, Polish Citizens' Club.

Address: Hon. James E. Van Zandt, House of Representatives, Washington, D. C.

America.

Polish national hymn, Boze Cos Polske.

ADDRESS BY REPRESENTATIVE JAMES E. VAN ZANDT, MEMBER OF CONGRESS, 20TH DISTRICT OF PENNSYLVANIA, AT THE 50TH ANNIVERSARY DINNER OF THE POLISH CITIZENS' CLUB, OCTOBER 9, 1955, PULASKI HALL, DU BOIS, PA.

I am honored to be given the opportunity of commemorating two notable anniversaries—the 50th anniversary of the Polish Citizens' Club and the 176th anniversary of the death of Count Casimir Pulaski.

You, the members of the Polish Citizens' Club are to be congratulated for the 50 years of building American citizenship and the contribution you have made in the preservation of the American way of life.

Your ancestors were God-fearing people who loved freedom and instilled such love in the hearts of their sons and daughters.

That is why, in every war in which this Nation has been engaged, and particularly in World War I, World War II, and the Korean conflict, Du Bois has been represented by many courageous young Americans of Polish descent.

This observance of your 50th anniversary is a happy occasion, for it reflects over a half century of love and service to your community, State, and Nation.

In many respects the celebration of the 50th anniversary of the Polish Citizens' Club and the 176th anniversary of the death of Count Casimir Pulaski is highly significant, mainly because they symbolize the strength and the durability of the Polish tradition in our American civilization.

Probably more than any other Pole Count Casmir Pulaski holds a place of endearment in the heart of the American people.

Every American, every schoolchild, has at one time in his life been inspired by the dramatic life of this great Polish soldier.

I know whenever I leave Capitol Hill and going down Pennsylvania Avenue past the statue of Pulaski in downtown Washington, I momentarily reflect upon the great service this Polish nobleman rendered toward the winning of American independence.

As a personality Casimir Pulaski was indeed a remarkable man.

Born and bred in the finest traditions of Polish culture he was a nobleman and a courageous soldier who won the respect of both his enemies and his friends.

Count Casimir Pulaski was to the Poles what Lafayette was to the French. To Americans both were and continue to be something special, something apart from the ordinary war hero. And rightly so, for both

fought for the worthiest of ideals, freedom and national independence.

Fearless in battle, extraordinarily courageous, resourceful, and confident, Pulaski brought to war-weary armies of General Washington a dash and boldness that must have electrified all who saw him in action.

Pulaski's contributions to the American cause were great.

At the time of the Revolution the American conception of the cavalry was not clearly and accurately formed.

A trained soldier and an outstanding horseman the young Polish count gave freely of his skills and knowledge in the organization of the American cavalry.

As General Washington said of Pulaski when he recommended the young Pole in the Continental Congress he was "a man of real capacity, experience, and knowledge."

Thus as a leader in the American cavalry, Pulaski became the first of the great cavalry commanders that sparkle across the pages of American history, men like General Sheridan, of the Union Army, the Confederate cavalryman, Jeb Stuart, Theodore Roosevelt's Rough Riders of 1898, and finally, General Patton of World War II fame.

In the role of cavalry commander of the Continental Army and later as commander of the famous Pulaski Legion, the young Polish count established for himself a remarkable war record, fighting in such historic battles as Brandywine, Germantown, Egg Harbor, Charleston, and finally, the ill-fated battle of Savannah. At that memorable battle, Pulaski was killed in action on October 9, 1779.

In all these battles of the Revolutionary War Pulaski displayed in full the heroism and gallantry for which he was universally known.

His finest hour at the siege of Savannah was indeed his last.

A martyr of liberty, he died a hero's death.

He gave his life for freedom's sake and for the sake of American national independence.

Undoubtedly the supreme tragedy in the life of Casimir Pulaski was his untimely death which prevented him from returning to his native Poland, and like Kosciuszko, another great Polish soldier in the American Revolutionary War, to take up arms again for the freedom and independence of the Polish nation.

But if Pulaski was not with Kosciuszko and his comrades in being, he was certainly with them in spirit, because the ideals for which Pulaski fought and gave his life were the same ones that inspired the Polish nation to fight for its independence in the closing years of the 18th century.

More than that, these same ideals inspired the Polish people to rise in revolt in the 1830's and the 1860's in an effort to throw off the Russian yoke of imperialism.

When at last the Polish Republic was reestablished after World War I and the Polish nation was again free and independent, the success that was Poland's was also in a sense the success of Casimir Pulaski.

And then when Poland underwent the supreme tests of World War II, it was again the same spirit of Casimir Pulaski, the spirit of freedom and national independence, which manifested itself and sustained the Polish nation at a time of deadly peril.

Yes, my friends, the name Casimir Pulaski emblazoned on the record of world history has meant for both the American people and the people of Poland freedom and national independence.

And when we hold Poland today, caught up in the Communist tyranny, it is a source of great sadness.

All America feels the loss of Poland to the free world for through men like Pulaski and the many sons and daughters of Poland who, since the close of the 19th century, came to America to begin life anew, a strong bond of affection has been established between the two nations.

America never has nor can she ever be indifferent to oppression wherever it occurs and I am proud of the work of our American Congress in exposing not only Communist oppression in Poland but in exposing every form of Communist aggression and tyranny.

One of the most shocking outrages committed by the Soviet Communists against the Poles was the Katyn Forest massacre.

The congressional investigation of this massacre under the able leadership of my good friend and colleague Congressman MADDEN, of Indiana, exposed to the world the dreadful slaughter of thousands of Polish officers by the Soviet Government.

Nowhere was the true nature of communism, the sheer brutality and ruthlessness of this way of life, revealed with such shocking clarity as in the evidence submitted at this congressional investigation.

When this investigation was undertaken members of the committee conducted hearings here in the United States and in Europe and before the investigation itself was completed the committee had accumulated an imposing collection of documented material showing conclusively that the Russians had committed this horrible crime against humanity.

Eyewitnesses to the massacre reported in detail how the Russian soldiers and NKVD (the notorious Soviet secret police) had tied the hands of the doomed Polish officers with wire and, stuffing sawdust in their mouths, shot them in the head.

While many of the thousands so executed died immediately, many others were actually buried alive.

Rather than shoot some of them the Soviet authorities threw them into the mass grave to suffocate.

The massacre at Katyn Forest first came to the attention of the world in 1943 when the German Government announced to the world that it had found mass graves of Polish officers numbering into the thousands.

At the time the free world read of this account as a purely Nazi propadanga trick.

During the war many Americans did not want to face the realities of Soviet brutality and discounted much of what had been published.

The Germans, however, went to great pains to show this massacre was a Russian affair.

They requested the International Red Cross to investigate all the circumstances.

In addition, they had neutral newsmen inspect the remains of the massacre and the evidence. They even went so far as to bring an American and a British officer, both imprisoned in a German prisoner-of-war camp, to the scene of the crime.

At first these men were convinced this was another Nazi propaganda trick. They went to the Katyn Forest, certain in their own minds, that this was a Nazi crime and not a Russian crime.

However after the graves were opened, both officers came to the independent conclusion that what they had seen was in fact the work of the Russians and not the Germans.

In his testimony before the committee, Col. John H. Van Vliet, Jr., the American officer, said that he noticed that the clothing on the unfortunate Polish officers was new clothing and that their boots and shoes were likewise new and gave no indications of wear.

Colonel Van Vliet, who had been a prisoner himself for many months and realized the wear and tear a prisoner's clothing receives, stated in his oral testimony:

"If those Polish officers had been alive and in prison camp until the Germans overran the Polish prison camps, and if the Germans had in fact killed these Polish officers, then by the very virtue of the fact that their clothes had been worn and their shoes had been walked in, they would show much more wear."

Strangely enough the Germans did not notice this bit of evidence that struck the British and American officers.

Yet this was the evidence that convinced both men that these atrocities were committed by the Russians.

As Lt. Col. Donald B. Stewart, of the British Army, stated:

"The decision I reached I can never forget. My decision was that those (Polish) men were killed by the Russians while they were prisoners of the Russians."

And Colonel Van Vliet arrived at a similar conclusion when he observed:

"The sum of circumstantial evidence, impressions formed at the time of looking at the graves, what I saw in people's faces—all force the conclusion that Russia did it."

As a result of this, as well as other evidence uncovered by the House committee, the committee itself concluded that Katyn was truly a Russian crime.

Now I want to read briefly from the conclusions of the committee's report:

"This committee unanimously finds—beyond any question of reasonable doubt—that the Soviet NKVD (Russia's secret police) committed the mass murders of the Polish officers, and intellectual leaders in the Katyn Forest.

"The evidence, testimony, records, and exhibits recorded by this committee through its investigations and hearings during the last 9 months, overwhelmingly will show the people of the world that Russia is directly responsible for the Katyn massacre.

"Throughout our entire proceedings there has not been an ounce of proof or even any remote circumstantial evidence presented that could indict any other nation in this international crime."

Ladies and gentlemen, such was the manner in which the Soviet leaders tried to destroy the Polish officer corps.

But, it was in fact, their own undoing, because when the Germans invaded Russia in June 1941 Polish and Russian interest, heretofore antagonistic, had joined in common accord.

Both wanted to defeat the Nazis and liberate the occupied areas of their respective countries.

When attempts were made in Russia to organize Polish army units questions were asked about the officers who were to be in command.

On one occasion, Lavrenti Beria, head of the notorious Russian secret police, was said to have remarked in answer to the question why the Soviets did not enlist the officers from the Soviet prison camps for the proposed Polish army he said:

"We have committed a great blunder. We have made a great mistake."

Yes, the Russians committed a great blunder, they had made a great mistake, but their blunder and their mistake could not compare to the enormity of their crime against humanity.

Today as we stand on what may be the threshold of a new era called peaceful coexistence with the Soviet Government, and with communism in general, it might be well to read the evidence of the Katyn massacre.

This investigation is only one of many congressional efforts to call attention of the world to the Communist threat.

Noteworthy also for doing excellent work in laying bare the facts of Communist aggression in Poland, the Baltic States, and elsewhere in eastern Europe was the work of the House Select Committee on Communist Aggression.

This committee of the House of Representatives, under the very capable leadership of former Congressman Charles Kersten, did a service of great value in exposing Communist aggression.

Extensive hearings were held in the United States and in Europe.

And again, as in the Katyn massacre investigation, a huge amount of documented

evidence was accumulated to prove conclusively the imperialistic nature of the Soviet Union.

Through these highly important congressional investigations the bold facts of Communist tyranny have been placed before the world.

They are now a matter of permanent record.

This is, I believe, very important because in the days ahead the Soviet Government will continue to do much to persuade the free world that the Soviet Union wants to live in peace and that it desires to coexist peacefully with the West.

Only the future will reveal whether the Communist leaders sincerely desire peace.

But at least the Katyn massacre and Soviet aggression in Poland are now part of the historical record of not only the American Nation but also part of the historical record of the world.

The record will stand for all ages, and for those who desire to see communism for what it is, let them look at this record and ponder upon it thoughtfully.

Tyrannies have risen and fallen since Casimir Pulaski was mortally wounded on the battlefield of Savannah.

But history is a living drama in which the tyrant will perhaps be always present to play his part.

However, so long as men like Casimir Pulaski, men who are dedicated to truth, virtue, honor, and liberty, rise among us the tyrant will not long endure and at length, peace, harmony, and freedom will prevail.

Over 175 years ago the world lost a great patriot and fighter when it lost Casimir Pulaski.

The ideals for which this courageous young Pole died did not die when he was stricken in battle.

Rather they emerged triumphant as a result of the War of American Independence and were carried to broader horizons by the Nation for whom he gave his life.

The hope of all America today is that the same ideals for which Pulaski fought and died, freedom and national independence, will be extended to Poland, the land of his birth, so that one day in the future Poland can take her rightful place among the free and independent nations of the world.

The Leading Question

EXTENSION OF REMARKS
OF
HON. AIME J. FORAND
OF RHODE ISLAND
IN THE HOUSE OF REPRESENTATIVES
Monday, January 16, 1956

Mr. FORAND. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following broadcast over the CBS radio network January 8, 1956, 10:30 to 11 a. m., the Leading Question. Guests: the Honorable JOHN W. MCCORMACK, United States House of Representatives, Democrat, of Massachusetts; the Honorable LESLIE C. ARENDS, United States House of Representatives, Republican, of Illinois. The leading question: "What will happen to the President's program?"

Mr. NOVINS. This week the 84th Congress returned to open its 2d session. Three days ago President Eisenhower sent his state of the Union message to Capitol Hill, outlining his program for this final period, and the leading question is: What will happen to the President's program?

The two gentlemen who will help us try to find an answer to that question are extremely well equipped to do so, for they are both charged by their parties with responsibility for seeing that their parties' policies are translated into legislative action.

Congressman JOHN W. MCCORMACK, Democrat, of Massachusetts, is the House majority leader. Congressman LESLIE C. ARENDS, Republican, of Illinois, is the House minority whip.

Gentlemen, we are going to try to preview in a half hour what Congress is going to take many months to try to settle, but let me ask each of you: How do you appraise the President's message?

Congressman MCCORMACK, would you start?

Mr. MCCORMACK. The President's message was rather long. On domestic affairs, it contained recommendations and observations that the Congress is thoroughly acquainted with because we have had them up in various forms in the past years. Most of his internal or domestic recommendations were simply embracing the New Deal of the late Franklin D. Roosevelt, and the Fair Deal of former President Harry S. Truman, and, of course, we Democrats welcome him into the fold in this respect. We are glad to see that he is converted to good Democratic principles.

If these recommendations on the domestic field, in the main, go through, it will be because of Democratic support, because his greatest difficulty would be with his own party. I am sure Congressman ARENDS would be better qualified to state what support the President might get from his own party in the House on the progressive recommendations that he has made, the President has made, which are strictly Democratic policy.

Mr. NOVINS. Well, let's ask Congressman ARENDS how he feels about the speech, and then perhaps he will answer your question, too.

Mr. ARENDS. Well, first let me say I am very pleased to be here with my good friend Majority Leader JOHN MCCORMACK to discuss this question of what this Congress might do, the last session of the 84th Congress.

I thought the President's message was rather lengthy, too, yes. But it did cover some things that needed to be talked about.

First, I think he mentioned several things which this past session of the Congress failed to do, namely, the shortcomings of the Congress under Democratic leadership, which should have been taken care of in the first session of the Congress.

And he reemphasized the needs on the part of the country to have these particular legislative proposals gone into, and something done about them. I believe this Congress will, because of the attitude as expressed by Congressman MCCORMACK this morning, that while he thought some of it was New Deal legislation—and if such is the case, then we can expect better cooperation from the standpoint of the Majority side of the aisle in this session of Congress to fulfill the recommendations of the President. I think we will have a pretty constructive Congress this year, if they will just go ahead and do that.

Mr. MCCORMACK. Well, it is rather interesting to hear the remarks of my good friend, Congressman ARENDS, whom I deeply respect and for whom I express a very happy New Year, and successful in every respect. I do that without limitation.

Of course, we all know that there is going to be Democratic success next fall, but the record shows that in the last 3 years of the Eisenhower administration, that the President has received far more support from the Democrats on domestic matters and on foreign affairs, too, clearly on foreign affairs, than he has from his own party.

I hope the Republicans will get together behind an effective road bill and vote for one, and a pay-as-you-go policy, not the one that will give the bankers of the country about eleven to eleven and a half billion dollars of taxpayers' money over the next 30 years.

And that is about the only bill that I know of that didn't pass last year, but the Republicans wanted to put through a bill that would cost the taxpayers eleven to eleven and a half billion dollars more over the next 30 years than the Democrats. We wanted the pay-as-you-go policy to save that eleven to eleven and a half billion dollars. The school construction bill has gotten the farthest it ever has. It got out of the committee, and it ought to come up in the near future.

Mr. ARENDS. I am very glad to have you discuss these two big items on which we failed to take action in the last session. You must constantly bear in mind you have majority votes in the House of Representatives, and the Republicans can't do anything unless you fellows are there to supply the vote.

On the question of the road bill, it is going to cost the American people money, regardless of how it is financed, one way or another, if we are going to build these very much needed roads. Now, then, the point is: how are we going to get an agreement on this question?

I think that the thing to do is, all of us forget for a moment about politics and not try to gain any political favor in building these roads, because all Americans need them and use them, and go right ahead and reach some compromise and do the job.

The same thing about the school program. I am sure that if we can get out of the Rules Committee, controlled, as it is, by your group, if we can get that bill out of the Rules Committee and on the floor, I am sure we will pass the school-construction bill, which I think will be helpful, as it is so vitally needed in this great country of ours.

Mr. NOVINS. Which of these issues is going to get priority action?

Mr. MCCORMACK. Well, I would think that the school construction, because it is out of committee and that is the furthest it has ever gotten in the House of Representatives. It came out toward the latter part of the last session, and it is in the Rules Committee, as Congressman ARENDS says.

Of course, there are four Republican members of the Rules Committee, and their votes are very helpful, or some of their votes, at times. And I think there should be bipartisan cooperation in connection with getting that rule and trying to get the bill through.

On the road bill, I would agree that it is going to cost the people money, but we Democrats were trying to save the people eleven to eleven and a half billion dollars that the Republican proposal wanted them to pay. And under our bill we would have saved that tremendous amount during the next 30 years, and I think the people are interested in a saving of eleven to eleven and a half billion dollars.

Mr. ARENDS. Mr. Congressman, can I just ask you a very simple question? Wasn't it amazingly surprising to you—it certainly was not to me because I anticipated it—that when the rollcall came on the question of whether taxes should be raised or not, by an overwhelming majority it was defeated in the House, not only by Republican votes but by Democratic votes, and I think the Democrats surprised themselves by voting against any increase in taxes?

Mr. MCCORMACK. Well, of course, the amazing thing to me was that after the President's proposal, which was opposed by the Comptroller General and by another commission appointed by him, that you Republicans overwhelmingly voted against the pay-as-you-go bill.

Now, the responsibility rests upon each individual Member. The rollcall shows that a far larger percentage of Democrats voted for the pay-as-you-go bill than you Repub-

licans. As a matter of fact, the pay-as-you-go bill was drafted in committee by a combination of Republicans and Democrats. The amazing thing to me is that we know most Republicans in the committee were opposed to the President's bill, and they helped draft the pay-as-you-go bill, and yet they voted for the President's bill as against the pay-as-you-go bill, which they helped draft.

Mr. ARENDS. As did a majority of the Democrats.

Mr. MCCORMACK. But the larger percentage, much larger percentage, of Democrats voted for the pay-as-you-go bill than did Republicans.

Now this year, with the experience of the last year, we ought to try and get together and get a bill through that the leadership of both parties as well as the President will support. If that is done, why, we ought to get legislation through. If not, we will get probably a straight authorization bill through.

Mr. ARENDS. Yes; we want no more stalemates. Let's get something through, that's right. It is needed.

Mr. MCCORMACK. We are all in harmony and agreement on that.

Mr. NOVINS. Let me ask about what kind of a something that is going to be, Congressman ARENDS. What form should the bill take?

Mr. ARENDS. I think the whole issue is still cloudy even as far as the members of the committee are concerned, because I have talked to them.

If it is a question of raising revenue, I think it should go to the Ways and Means Committee under public open hearings, and discuss how much tax is necessary to provide the funds for these roads, and let's bring it out before the American people and let's be equal and fair about the taxes that are to be levied.

Mr. NOVINS. Do you feel that the charge that Congressman MCCORMACK made a few moments ago is an incorrect one, this $11 billion——

Mr. ARENDS. Of course there is nothing new about financing things like that. We do repeatedly and have done it in the Federal Government repeatedly in the various agencies, like the building agencies, HOLC, RFC, and the different things, we have done that repeatedly over the different years.

In my State of Illinois, the first hard road building program we started with a $100 million bond issue, people sort of threw up their hands, but we paid off the bonds and the interest thereon and today, even after the first 20 years expiration date, we are still enjoying the uses of those many,many roads, and that was the way to do it at that time to get started.

Mr. NOVINS. Certainly one of the great and important issues that will be coming up in this session of Congress is the farm question, and I wonder what your opinions are on that.

Mr. MCCORMACK. Well, of course, I haven't got a farm in my district, but I have always supported farm legislation. I have some very strong views, but I assume that Congressman ARENDS has farms and farmers in his district. It would be very interesting to get his views.

Mr. NOVINS. I would like to get the views of both of you, but if you want to go ahead——

Mr. MCCORMACK. I mean coming from a farming district——

Mr. NOVINS. All right. Let him start.

Mr. ARENDS. I would be very glad to talk about it. Congressman MCCORMACK, I realize that you come from the city and so are not too close to the farm situation, and it is understandable, and I live right in the heart of a great farming area out in the plains of Illinois.

This is a terrific and most involved question, and from the standpoint of the domestic front, I think it is the most bothersome problem that we will have before this Congress. And it ought to be considered as expeditiously as possible for the welfare of agriculture.

Now, I am not so smart, although I think I rather well understand the farm question, because that is my business and I suppose, in this last recess of Congress, I was in at least 100 farm elevators; I talked to farmers over the fence, on the tractors, whatever they might have been doing, I called groups together to discuss the question, and not too much unanimity among the farmers themselves because no one knows which way to turn. But this problem is so vital to the economic welfare of the farmer and the country as a whole that we are just simply going to have to do something about it.

Now, as I well know about yourself and myself, we can forget our politics, and on this question of the farm program I hope and pray that those of us who are sincerely interested in the agricultural program for the future, that we will forget our politics and, for the best interests of the farmer, get busy and do something which will be helpful to them, not only immediately but in the long run. It is the most vital question that faces us at this time.

Mr. NOVINS. Congressman, as a practical matter, you really don't expect that the farm question will not be a political issue this year, do you?

Mr. ARENDS. Well, I am a little afraid about it, but I plead with all the sincerity of my heart that those of us who are intensely interested in agriculture do something about it.

Let me put it this way: I am in no position to legislate for a Republican farmer on one side of the road as against a Democrat farmer on the other side of the road, and vice versa. In other words, I am either going to have to legislate for the best interests of agriculture or against agriculture, and I want to constructively and objectively legislate for the welfare of agriculture.

Mr. NOVINS. How do you feel on the price-support program?

Mr. ARENDS. Well, I was one of those who have not only in this last Congress but in a previous Congress voted against rigid parity support prices, feeling in my own mind an honest belief that that was the beginning of some of our troubles, the rigid parity support prices, and flexible parities, knowing full well the flexible parities in itself was not the complete answer to the farm question.

And so I have been one of those who have adopted the principle of flexible, hoping that other things would follow, and I think they will in this session of Congress, which will in substance and in accumulative effect be beneficial to agriculture as such.

Mr. NOVINS. Congressman MCCORMACK.

Mr. MCCORMACK. Well, I said, Mr. Novins, that I haven't got a farm in my district, but during the entire 28 years I have been in Congress, I have always supported farm legislation.

Mr. NOVINS. You have consumers in your district.

Mr. MCCORMACK. I know, but politically my votes have sometimes been contrary to public opinion up my way, and I have consistently voted the way I have because I realize that the agricultural community of our country is a very important segment of American society, not only as human beings, but also economically, and an important segment of our national defense.

I don't apologize for any one of my votes. The farmer buys in a protected market, he sells his farm excess or surplus farm commodities on the world market, which is an unprotected market. Industry is protected through tariffs, and the farmer in the world of today has got to receive some kind of protection. And to me it is a fundamental question.

Now, let us see what has happened to the farmer. Parity ratio has reduced from 115 in 1947 to 85 for the first 10 months of this year, and to 87 for October of 1955, rather. The aggregate realized net farm income shows $10,600,000,000 for 1955 against a peak in 1947 of $17,200,000,000.

Mr. NOVINS. Congressman, if I may interrupt——

Mr. MCCORMACK. Yes. This, while we have a record economy in business.

Mr. NOVINS. There is, I think, general agreement that the plight of the farmer is not a happy one, and I think our problem is how do we solve this situation.

Mr. MCCORMACK. Well, I supported 90 percent of parity. In the Democratic platform we made a promise. The Republican platform promised 100 percent, or the President in his speeches, 100 percent parity at the market place. Now, if they call the flexible parity compliance with their party platform pledge, it is difficult for me to reconcile myself with it.

Mr. NOVINS. Are you saying that the Republican Party did not meet its campaign pledges to the farmers?

Mr. MCCORMACK. In my opinion, the pledge of the Republican Party in its platform and the speeches made by the candidates for President and other prominent Republicans in 1952 show a marked inconsistency with compliance.

Mr. ARENDS. Of course, I can't agree with that, Congressman MCCORMACK.

Mr. MCCORMACK. Well, the farmers will do their own deciding.

Mr. ARENDS. Well, I wouldn't get too excited about what the farmers are going to do politically.

Mr. MCCORMACK. I am not talking politically. I am talking on this question now.

Mr. ARENDS. They are very disturbed about this whole problem, and they want a solution regardless of who brings a solution about.

Mr. MCCORMACK. We give a solution.

Mr. ARENDS. Congressman, your 90 percent of parity support prices is not the solution. It has created the tremendous surpluses. It might interest you to know that the consumption of the production in this last year has been approximately on an even keel, but these huge surpluses hanging over our heads are the depressing effect on the market today, and we are going to have to do something about these surpluses.

Now, did you know, Congressman, that in this last year only approximately 25 percent of the people, farmers, have voluntarily gone into the program for support prices? Did you know that? Maybe in my district I would say it was a little bit more, but on the whole only 25 percent have voluntarily gone into this program, which is a strange thing indeed, because here we had the chance for these rigid parity support prices and they themselves know it is not the answer to the problem.

Mr. NOVINS. Will the Republican Party have a program for reducing some of this surplus?

Mr. ARENDS. Yes, we will; and next month the message will come up from the administration, and I suppose through the cooperation of Mr. Benson and those interested in the Agriculture Department down here who are going to make some very good recommendations to the Congress and to the country as to what we might think will help improve the situation materially, and very quickly.

Mr. NOVINS. Can you tell us something of the nature of those recommendations?

Mr. ARENDS. No; I am in no position to do it until the message is brought up, although I have some cognizance of what might be contained in the message.

Mr. NOVINS. Congressman MCCORMACK, does the Democratic Party have a solution for the surplus problem?

Mr. McCORMACK. We have put through bills in connection with that. We have given great authority in disposing of surplus farm commodities abroad and in the United States.

Mr. NOVINS. Given authority to the President, you mean?

Mr. McCORMACK. We have given authority to the administration, either the President or the Secretary of Agriculture. It is the administration.

The question of parity in my opinion is a very, very important one. Flexible provisions do not meet the situation. We Democrats have voted for something definite.

I don't like to see my friend from Illinois get himself on the side of Secretary Benson, and I am sure he is not on that side. I wouldn't want to put him on that side. But he has unconsciously and unintentionally placed himself on that side when he tries to defend the Republican position on flexible parity, which he knows has been a failure.

Mr. ARENDS. Let's not raise the personality question because, as I said earlier in this program, I am interested in solving this problem and no one man is going to do it. But the thing that bothers me so extremely about this thing, what are we going to do about these great surpluses?

And if you are willing to ask for rigid parity support prices and put the farmers in a complete straitjacket and put them under complete acreage and allotment controls, then I don't believe you quite understand the American farmer and what he wants.

Mr. McCORMACK. Well, I think that the American farmers have a very clear idea as to what they want. When they go under controls it is done in the democratic way, they vote for it. If they don't want it, they don't have to vote for it.

One thing is certain: The American farmer's plight is very bad, and I know that when the American farmer's plight is bad, the workers in the cities are going to be bad within a year or two.

Mr. ARENDS. That's right.

Mr. McCORMACK. The first indication of a coming business recession of a marked degree starts with the farmers. And they are a very important segment of our economic society as well as American society, and I agree with you, something should be done even if your party is doing it in the fourth year of its administration, with another election coming around.

Mr. NOVINS. Congressman, do you see those indications of a coming recession now?

Mr. McCORMACK. Well, indications among the farmers, it is there.

Mr. NOVINS. You feel that is the first step of a major recession?

Mr. McCORMACK. It always has been in every recession or depression we have had, the study of every one of them since our constitutional history, shows that it starts first among the farmers, and then it spreads to the cities where the workers are.

Mr. ARENDS. Congressman McCORMACK, with your responsibility as majority leader, I hope—and let me say that I am expressing this not only in my capacity as a Congressman and Representative of a fine agricultural district but as an American citizen terrifically interested in agriculture—that you will do your utmost to see that we get the farm question disposed of as expeditiously as it can be done.

Mr. McCORMACK. I don't know anyone who has more consistently supported farm legislation on the floor of the House on several occasions when Representatives from farming districts were undertaking to question me. I have challenged my record with their record.

Mr. NOVINS. Gentlemen, let's look at the state of the Union message again and in another area. The President made quite a point, and it is a very important issue, I think, before the American people, and that is the issue of continued and continuous foreign aid over at least the foreseeable period of time. I wonder how you feel about that.

Congressman ARENDS?

Mr. ARENDS. Well, of course, I think it must be continued. The economic aid, the military aid in particular, must be continued to some of our allies and our friends, and if need be, stepped up. I do not think the American people will object to that particular angle of aid.

I am always sorry that they call this foreign aid, use those terms, because I think it is more than that. I think it is the kind of aid which makes possible the friendships and the carrying forward of the objectives of free people and free nations of the world, to the end that we finally solve these problems and all of us remain as free individuals. That is the big problem involved in this thing.

Mr. NOVINS. You tie it then as an integral part of the national security program?

Mr. ARENDS. I do. It certainly is.

Mr. NOVINS. Do you expect that we will get that kind of legislation in this session?

Mr. ARENDS. It is a question whether or not the attitude as expressed by many individual Members of Congress, whether it will be stepped up in sum. That I do not know, and I am not prepared to discuss it in detail until we really understand exactly the proposal that will be forwarded to us in such a message.

Mr. NOVINS. Let me ask you, in principle would you vote for a commitment, say, of 5 years of a continuous program?

Mr. ARENDS. If it can be shown to me after hearings by the proper committees of the House that that is a necessary part of our relationship with foreign nations, those of us on the side of free peoples of the world, why, then, I would be prepared to do so.

Mr. NOVINS. Fine.

Congressman McCORMACK?

Mr. McCORMACK. As a matter of fact, when foreign aid first came up, some years ago, and when the argument was made it would be a year-to-year basis, I made the statement on the floor in a speech that I had made that we might just as well face the fact that it is going to be at least 5 years, and probably longer.

I thoroughly agree with the substance of what Congressman ARENDS said. We of this generation, our duty and our responsibility is to preserve America. We have inherited from the past, from the Founding Fathers, the past generations. They built this country, and it is our job to preserve it.

And Americans are fighters. We are not quitters, and we are not going to let the Communist world killers dominate the world. And that doesn't mean war, but it means that we can be so strong as to deter them.

But, on the other hand, we must not only be strong militarily, but we must be strong morally, and we must do those things in the field of foreign affairs, not only in military aid but in economic aid that is for the national interest of our country.

The primary question before us at all times, whether a Member of Congress or not, as Americans, is what course of action is for the national interest of our country, and that transcends Republicanism or the Democratic Party.

Mr. NOVINS. Congressman, you said Americans are not quitters, and of course we agree, but I wonder if you would feel that the inability of Congress to pass a 5-year commitment, if there is such an inability, would be quitting.

Mr. McCORMACK. No, no. I would not say that, no.

Now, if a 5-year program is not put through, that would not fall within that category at all. If the evidence, as Congressman ARENDS well said, presented, justifies it, I would support it. I support it because I consider it to be for the national interest of my country that such legislation and appropriations be enacted into law. But if we should only extend the foreign aid for 1 year, there is nothing about that which would indicate weakness.

Mr. NOVINS. Gentlemen——

Mr. ARENDS. Do I have time to say this? I think, as we just discussed now, if the facts were brought forward, I think you will see no cleavage or difference on the Republican or Democratic side of the aisle as to what we ough to do in unity on this matter of foreign relations.

I think as one, for instance, went way back in the Democratic controlled Congresses, I voted for the so-called Marshall plan, which probably wasn't too popular a thing out in my part of the country. I voted for the aid to Greece and Turkey, and which today I think was a fine vote on those instances, because that was a beginning of a part of this whole program which we are trying to carry out in a unified way and in a bipartisan manner by this Congress.

Mr. McCORMACK. I might also say that as much discretion in carrying out the national policy of America should be given to the President as is possible. He is in a position to know by reason of information he has what things are necessary, more necessary.

And there are times he can't make them public, where at a later date he can. I am a great believer in the field of foreign affairs in delegating the necessary power and authority to carry out that power to the President.

Mr. ARENDS. Wouldn't you say, Mr. McCORMACK, that you feel there will be great unanimity again in this session of Congress on this matter of foreign affairs, as there was in the last?

Mr. McCORMACK. Exactly.

Mr. NOVINS. We are talking, of course, when we are talking about foreign aid, of things that cost money, and I wonder what your prognostications are as to the tax program. The President has suggested we should not try to cut taxes until we have balanced the budget and gotten a pretty good start on reducing the debt.

Mr. ARENDS. Frankly, I liked his approach to this question of taxes and balancing the budget. I have said repeatedly, and I did publicly in my district, when I was on this, that if the time comes in this fiscal year that we see we have a balanced budget, then I think we have a right to consider the matter of tax reduction, bearing in mind, of course, that some token payment on the national debt would be good. And therefore I particularly like that part of his message where I think he is on sound fiscal ground by taking the approach that he did.

Mr. NOVINS. Let me ask you again as a matter of practical predictability, will it happen? Will there be no tax cut this session?

Mr. ARENDS. That is projecting into the future, because no one knows what the spending rate will be between now and the last 6 months of this fiscal year, and therefore I think we just about have to withhold our judgment on that matter until we can see exactly what the income is and what the outgo has been.

Mr. NOVINS. Let me put the question another way. Do you think there is a possibility of a tax reduction before election?

Mr. ARENDS. Well, there are a lot of people who want one, and whether you are asking me for a personal opinion, I would say that I want to see the clear picture before I make my guess on what ought to be done.

Mr. NOVINS. All right, sir.

Congressman McCORMACK, what about your position on the tax question?

Mr. McCORMACK. Well, on the tax question I said that the last Republican tax bill should not have been passed. As a matter of fact, if we had greater revenue than outgo, it should have been used to reduce the national debt. I think that is the matter of primary importance, not a token payment, but substantial payments.

The present national debt is a constant threat to uncontrolled inflation, and in connection with the tax bill this year, why, if the President makes a recommendation, we Democrats will see that a tax bill is passed which considers low-income tax groups.

Mr. NOVINS. You are not expecting that the debt will be materially diminished before election day?

Mr. MCCORMACK. No.

Mr. NOVINS. So I would assume your position is there would be no tax cut, at least you favor that?

Mr. MCCORMACK. I would not say that. I would say that the reasonable probability is that there will not be. But I wouldn't want to commit myself definitely because we Democrats might do things where we can raise revenue and give the lower-income tax group the deserved consideration that the Republicans denied them 3 years ago, and at the same time lose no money for the Treasury.

Mr. ARENDS. Is the gentleman from Massachusetts suggesting that they are going to raise some more taxes? I hope not.

Mr. MCCORMACK. Oh, no; we might undo some of the inequities of the last Republican tax bill and bring in additional revenue and at the same time give consideration where it belongs.

Mr. ARENDS. I think in the last 3 years we have clearly demonstrated to the American people that we are following a sound fiscal policy in this country. Inflation has disappeared. There is some economic stability, and here we are today talking about a balanced budget, which is good.

Mr. NOVINS. Thank you both, Congressman ARENDS, Congressman MCCORMACK, for helping us with this preview of what will happen to the President's program, this week's leading question.

Indians and Industry

EXTENSION OF REMARKS

OF

HON. LEE METCALF

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 16, 1956

Mr. METCALF. Mr. Speaker, a steadily growing population on an already overcrowded land area is resulting in increasing poverty for Indians of our reservations.

Present population of our Indian reservations is placed at 400,000 persons, a 60 percent increase since the turn of the century. Economic resources of most of the reservations—excepting those few with valuable oil or timber resources—have long been strained to the limit. As a result, Indian welfare costs have been rising and now the Federal Government is spending $96 million on Indians in 1 year—a 50 percent increase in 5 years.

Relocation assistance for those Indians who want to leave the reservations would help the limited reservation resources to more nearly meet the needs. At the same time, it would give the Indian the opportunity to become independent.

Those Indians who desire to leave the reservations should be aided in such adjustment. The assistance they are receiving now is not sufficient. I stress that such assistance should be provided only to those who desire to leave the reservations. Those who feel unprepared to relocate off the reservations must not be forcibly moved; they have a right to remain where they are.

Relocation officers are being provided to aid our Indians in the transition from reservation to independence. But there are far too few relocation officers.

In Montana, 1 relocation officer, grevious overworked, serves 7 reservations.

Despite the handicap of insufficient time to keep up with relocation applications he reported about 94 percent success last year with those who were relocated. Only about 25 percent of the persons he places are individuals; the remainder are family units. Most are unskilled workers and go into apprenticeship in factory work.

The Government pays transportation costs to the relocation center and provides household and living expenses until the Indians receive their first checks.

Despite the costs of transportation, initial housing and paying initial living expenses, the relocation program saves money for the Government. Without relocation, many of the families would become welfare recipients.

But a single relocation officer for 7 scattered reservations simply cannot keep up with the demand of those Indians who want to strike out on their own. He reports there is always a backlog of relocation applications all the time.

In concert with Senators MURRAY and MANSFIELD, I recently addressed the following letter to the Bureau of Indian Affairs advocating the placement of one trained relocation officer on each Indian reservation in the United States:

Mr. GLENN L. EMMONS,
Commissioner, Bureau of Indian Affairs, Department of the Interior, Washington, D. C.

DEAR COMMISSIONER EMMONS: During hearings and meetings with Indian leaders this summer we became aware of the need for the assistance and guidance which only relocation officers can give Indians desirous of leaving their reservations.

We heard of many Indians who left their reservation only to return in a short time because they had had no or inadequate briefing on what to expect outside.

Such incidents are unfortunate, because they discourage other Indians from leaving the reservation to take their rightful place in our society. As you know, the Indian land base is so small that it complicates the general problem of continuing to care for our Indians on reservations.

At the other end of the line is the community in which the Indian locates. There, too, a lack of knowledge of our ways on the part of the Indian, an inability to support himself in many cases because he had no vocational guidance, creates a welfare burden.

A relocation program would help both the Indian and the community in which he locates.

The one trained relocation officer in Montana is grievously overworked. There should be one on each reservation in the United States.

Very truly yours,

JAMES E. MURRAY,
United States Senate.
MIKE MANSFIELD,
United States Senate.
LEE METCALF,
Member of Congress.

I believe such a policy would pay great dividends to the Indians, both those who are relocated and those who remain on the reservations; to the communities in which the relocated Indians settle and to the Federal Government and Nation as a whole.

In that connection I believe my colleagues also will be interested in reading the following article which appeared in the Wall Street Journal of December 28, 1955:

INDIANS AND INDUSTRY—FACTORIES REACH FOR RESERVATION RED MEN TO EASE LABOR PINCH—TREK TO CITIES RISES 200 PERCENT SINCE 1952—GARRETT CORP., SEARS, AND HOLLYWOOD—SIOUX, FLATHEADS, APACHES

(By Thomas Bush and Ed Cony)

LOS ANGELES.—Casper Thunder Hawk effortlessly swings 20 feet of green lumber onto a truck at a Food Machinery Corp. plant here, where he came to work just this month as a helper.

The 237-pound Mr. Thunder Hawk, a full-blooded Sioux, is right off the Standing Rock Reservation in North Dakota where he eked out an existence as a part-time farm hand and construction worker. His new job pays him more than twice as much as he's ever made before.

A few miles away, at a Chrysler Corp. plant, Asa Chalepah, a full-blooded Apache, gives a mighty shove with his 249 pounds and pushes the body of a new Dodge onto a final assembly line. He too is taking home twice as much pay as he ever did as a farmhand on the Oklahoma reservation he called home until a year ago.

LABOR SHORTAGE HELP

Except for their size, Mr. Thunder Hawk and Mr. Chalepah are not exceptional cases. Altogether more than 500 companies in the Los Angeles area are putting to good industrial use the skills of 6,500 Indians, many of whom were living on primitive reservations as Government welfare cases just a few months ago. Companies in other cities in the Far West, Midwest, and Southwest are reaching out for the Red Man to help solve labor shortage problems.

Of course, there have long been large numbers of citizens in business and industry who have some Indian blood. But relatively few of their Indian ancestors ever saw a reservation; the reservation system wasn't set up until after the Indian wars of the mid-1800's when the Federal Government put the remnants of the vanquished tribes, mostly full-blooded Indians, on these defined preserves. Since 1924, the reservation Indians have had full citizenship rights, including voting privileges. Although they've been free to leave their reservations, a notable exodus occurred only with World War II. The migration has grown sharply in the past few years.

About 10,000 will make the switch this year, according to the Interior Department's Bureau of Indian Affairs. That's a hefty 40 percent jump over last year's migration and a 200 percent increase over that of 1952 when some 3,000 Indians left reservations to cope with city traffic hazards, assembly-line jobs, and monthly payments on TV sets.

Los Angeles is the No. 1 attraction for city-bound Indians. Over 50 percent of this year's migrating tribesmen were drawn to the southern California metropolis, the Indian Bureau estimates. Geographical proximity is a likely explanation for Los Angeles' popularity; a fourth of the country's 400,000 Indians live in the barren wastes of Arizona and New Mexico, to the east of Los Angeles.

TREK IN MIDWEST

Chicago, Denver, and Minneapolis are also attracting Indians in some numbers. Over 5,000—mostly Chippewas and Sioux—reside

in Chicago, for instance, and almost half of them are recent migrants from reservations.

This "new invasion" is of interest to taxpayers, as well as to employers and sociologists. The United States Government is spending $96 million on Indians this year, a 50 percent increase over 1950. Most of it goes for services on reservations, where 3 of every 4 Indians still live.

Why is Uncle Sam's Indian bill mounting? For one thing, instead of vanishing, the red man is multiplying in numbers. The 400,000 population is a 60 percent increase over the turn of the century.

This steady growth has strained the limited economic resources of most reservations, increased the poverty of Indians living on them and made them more dependent than ever on Government help.

An Indian Bureau official says: "Most of the land on reservations is of poor quality. It is estimated conservatively that less than three-fifths of the Indians now living on reservations could be supported on a decent standard of living from resources available on the reservations."

NAVAHOS AND CHIPPEWAS

Some 70,000 Navahos, for instance, are trying to exist on 25,000 square miles of barren, arid reservation tucked away in the remote wildness where New Mexico, Arizona, and Utah meet. The Indian Bureau says the land is capable of providing a decent living for only about 40 percent of the tribe.

Over a thousand miles to the north, close to the Canadian border in North Dakota, some 9,000 Chippewas huddle together on the tiny, 2-square-mile Turtle Mountain Reservation, "which provides the tribe a little firewood and a squatting place—and that's about all," a Bureau official says.

But this year enough Indians are migrating to town to cancel out any gain in reservation population, and 1955 may mark the turning point in the long, steady rise in reservation population.

What happens to the Indian when he leaves familiar surroundings to strike out on his own?

A young Navaho couple recently arrived in Los Angeles, straight from the reservation. Mrs. Begay—that's not her real name, but among Navahos it's the equivalent of Jones or Smith—carried her baby strapped to her back on a cradleboard. She wore long, heavy braids, a blue velvet jacket and a long, rose satin skirt—a Navaho costume unchanged since the 1840's.

Two weeks later, she'd cut her hair short, was pushing the baby around in a stroller and was dressed like any teen-ager—including bobby sox and saddle shoes.

And her husband was getting interested in buying a television set. "We used to count the number of TV sets bought each month by new arrivals," says an Indian Bureau official in Los Angeles. "But they became so common we gave up counting them. I'd say 50 percent of the Indian families buy a set soon after they arrive; and after 6 months to a year, practically all have them."

Abrupt transitions like the Begay's aren't always successful. One Indian of every eight who tries city life finally returns to the reservation, the Indian Bureau estimates.

Among pale face customs which sometimes confuse newly arrived Indians are those surrounding labor-management relations. For example, one brave thought he was acting correctly during an aircraft strike in Los Angeles. But he soon learned differently. He had been walking the picket line during the day, then after a quick dinner at home, was reporting for his swing-shift job, unconcernedly crossing the picket line.

During the same strike, another Indian came to work but soon ran out of material to fabricate because workers on either side of him weren't at their machines. The Indian quietly went over to the idle machines, began to operate them and soon had his own one-man assembly line operating. "He'd never said 'boo' to anyone, and it's the first time we had any idea he could run any machine but his own," recalls his supervisor.

THE RELOCATION SERVICE

Indians arriving in Los Angeles frequently get help from Mrs. Mary Gamble who heads the local office of the Indian Bureau's Relocation Service which tries to find jobs for Indians in Los Angeles and help them adjust to city ways.

The Relocation Service attempts to help the Indian in the first, difficult days of adjustment in the city. And back on the reservation, the Relocation Service is also ready to help Indians who express a desire to move into town. On 14 reservations, Relocation representatives will give the Indian advice on what he needs to bring to the city, and what to do when he arrives. The Service will also give him a physical exam and in some cases help out financially with moving expenses.

Mrs. Gamble explains that many "blanket Indians" have never before been off their reservations. Riding on streetcars, shopping at supermarkets and using dial telephones are entirely new adventures for them.

"We have a saying around here," says the motherly Mrs. Gamble: "If the phone rings and you hear heavy breathing, you know it's an Indian right off the reservation—and he's in trouble. Otherwise he wouldn't have dared to pick up the phone."

SOME HIGH HURDLES

Many Indians, once they leave the reservation, have to go to schools operated by the Indian Bureau to learn the three R's—and to learn to speak English. On the Navaho Reservation in Arizona, about 45,000 of the 70,000 tribal members couldn't read or write, as recently as 1947. And almost as many couldn't speak English. While schooling on the reservation has improved in the last 8 years, literacy is still far short of 100 percent.

Some also arrive in Los Angeles suffering from malnutrition. A North American Aviation spokesman says: "More than once, we've placed Indians under a doctor's care to build them up so they can pass our stiff medical requirements and come to work for us."

Few Indians are skilled workers when they leave the reservation. But despite these handicaps, Indians have found and kept jobs in Los Angeles where they've had help from cooperative employers and the Indian Bureau.

North American Aviation, for instance, has between 450 and 500 Indians working in its Los Angeles plants.

"I was awful scared the first month on the job, but I'm getting along fine now," says stocky 21-year-old Stan Begay as he stops work for a minute on a hydraulic line he's putting into one of North American's F–100 super-Sabres.

His supervisor agrees: "Stan's an awful good worker. When he's out of something to do, he comes around for more."

After work, Stan heads for night school where he's taking blueprint reading; he soon hopes to go on to mechanical engineering courses.

MR. ZOOK'S VIEW

Indians at North American start out at relatively unskilled jobs, but "because of their handicraft skill and manual dexterity" most of them work into better jobs paying between $300 and $400 a month, an official says.

North American's attitude toward hiring Indians is summed up by Dwight Zook, head of employment: "We look on Indians as a great untapped source of workers in a tight labor market."

Listen to Mrs. Peggy Koester who has a dozen Indians among the workers she supervises at Cole of California's swimsuit plant in Hollywood: "Indians have terrific finger dexterity and they're proud of their work."

At Bethlehem Pacific Steel Corp.'s Los Angeles plant, Peter Pflough, of the Flathead Tribe in Montana, works for $1.84½ an hour as an electric furnace tender. His foreman sums up his performance in three words: "He's the shovelingest."

And at Garrett Corp., where a Sioux named Ben Gullikson works as an electrical assembler, comes this praise from a company official: "If you have more like Gullikson, send 'em out."

BANKS, RETAIL STORES

Los Angeles industrial plants aren't the only ones to employ Indians. Walk into the Security-First National Bank, Sears, Roebuck stores, Los Angeles public schools, and city and county offices, and you'll find copper-hued employees working alongside lighter-skinned workers. And at least one Indian has found his way to Hollywood.

Felix Noriego left the Papago reservation in Arizona a couple of years ago to work in a Los Angeles aircraft plant. But shortly after he arrived here, Hollywood put out a call for "an Indian 6 feet tall, 21 years old, with a face like that on the buffalo nickel."

Mr. Noriego got the job and ever since has been busy appearing in "To Hell and Back," "Drum Beat" and "Battle Cry." The job is fairly easy, he says: "They just want me to act like an Indian."

Among the Indians who didn't take to metropolitan life was Ben Gullikson's brother. He tried living in Los Angeles, got fed up with the noise and the traffic "and has gone back to the Rosebud reservation in North Dakota for good."

But the Indians who stay on in the cities are quick to use their increased purchasing power to grab the same variety of consumer goods as any American—autos, furniture, appliances, to name some.

Take Adolph "Bronc" Nagurski, a 31-year-old Navajo, who is a sheet metal worker at Douglas Aircraft Co. Mr. Nagurski—named after the famous Chicago Bears fullback by a teacher who had trouble spelling and pronouncing his Indian name (Chechinezhesue, or "grandson of a tall brave")—has recently bought an $11,000 house.

In addition to his swing shift job at Douglas, Mr. Nagurski works days as an airplane mechanic at Long Beach airport. He's using some of this extra money to finance flying lessons. "I don't have my pilot's license yet, but I expect to get it this summer," he says.

"I hope to buy a home here soon, like my older brother did," says Bill Thorpe, son of the great Indian athlete, Jim Thorpe. Bill works at North American where his sure hands guide a machine which cuts into aluminum, stainless steel and titanium to form airplane parts.

The Government, of course, benefits too from the Indians' increased purchasing power. A survey last year in one Los Angeles industrial plant showed the average Indian worker was paying $210 a year in withholding taxes. Instead of being a recipient of Government help as a "ward of the Government," the Indian working in industry pays his share of the tax burden.

Of course, on a few rich reservations—where oil has been discovered or where valuable timber resources are owned by the tribe—the brave forks out a substantial tax payment. But consider some of the poorer reservations.

Take the 7,400 Papagoes, who live on a reservation at Sells Agency, Ariz. A report to a congressional committee at the end of 1952 showed the average family income to be $1,500 with a fourth of the families earning less than $100 a year per capita.

Obviously there was little income-tax revenue from the Papagoes.

Or take another Arizona reservation, the San Carlos Apache Reservation, where some 4,000 Apaches are trying to exist on 1.6 million acres.

Tribal leaders, anxious to develop "our own resources" and "to train our people to help themselves," asked Stanford Research Institute to look into the reservation's economic resources.

Here are some of the findings submitted to the tribal council last year:

About 20 percent of the tribe's labor force was unemployed. One reason for the unemployment—the Apaches' reliance on livestock raising as a chief occupation.

"Except during the semiannual roundup and auction periods, relatively few persons are required for livestock operations," the report notes. War and postwar prosperity enabled the Indians to make a living without working consistently. "The consequent idleness and lack of opportunity to find constructive outlets for their energies led to such serious social problems as excessive drinking, breakdown of family relationships, and a relatively high suicide rate."

The institute came up with some suggestions as to how the Apaches might better utilize their resources—range improvement, expanded lumber operations, and additional irrigation. But the researchers also agreed: "There are no easy economic solutions to the problems with which the San Carlos people are faced."

Hon. Lyndon Johnson Presents His Legislative Program

EXTENSION OF REMARKS
OF
HON. OLIN E. TEAGUE
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Monday, January 16, 1956

Mr. TEAGUE of Texas. One of the first, if not the first major political speech made by the able majority leader of the Senate, the Honorable LYNDON JOHNSON, following his recuperation from a recent heart atack was delivered in Whitney, Tex., on November 21, 1955.

In his speech, Senator JOHNSON outlined in some detail the legislative program for the second session of Congress for which he as Democratic majority leader of the Senate would work.

We are all happy that Senator JOHNSON is back with us after his illness as his friendship and the esteem in which he is held by his colleagues goes far beyond any personal considerations:

The speech follows:

SPEECH OF SENATOR LYNDON B. JOHNSON BEFORE FUND RAISING DINNER, DEMOCRATIC ADVISORY COMMITTEE OF TEXAS, WHITNEY, TEX., NOVEMBER 21, 1955

Fellow Texans, fellow Democrats, we meet here tonight after 3 years of a Republican administration. And to Americans, 3 strikes are out.

In 1952, a lot of Texans—in fact a majority—voted for a Republican administration. It was supposed to have something to do with an issue called tidelands.

Well, we got a Republican administration. We think we got at least a part of our tidelands back. And that is the last time the Republicans have looked our way.

They gave our Air Academy to Colorado.

They are trying to give Fort Hood to Louisiana.

They are trying to give Fort Bliss to Oklahoma.

And today the Republican Secretary of the Interior is in Texas to dedicate our Big Bend Park. I hope some of our Eisenhower Democrats are out there to keep him from giving it away to old Mexico.

Personally, I think we should be grateful to the old guard Republicans. They have taught us a lot. And they have made more Democrats in 3 years than we could make in a lifetime.

Do you remember the fine flush of enthusiasm that swept the country with the "great crusade?" Even those of us who had held firm for the banner of democracy were impressed. We were going to get: 100 percent of parity, a balanced budget, tax relief for the little fellow, a strong America, more soil conservation and more rural electrification, a Government free of corruption.

It was a fine program—one of the best ever stolen from the Democrats.

There was only one mistake from their point of view. It was a program with a heart and the heart is something the Republican Party just did not have.

Most Republicans realized they had a program they didn't want. Once they got in, they returned it to us.

And that is when the voters started returning the Government to the Democrats.

It would not be hard to catalogue the misdeeds and failures of the Republican Party. But I am not interested in talking about what the Republicans have not done.

I have never believed that a political party should ask for votes because its opponent has shortcomings.

The American people are tired of wrecking crews. They want builders—people who construct. They will entrust their affairs to the party that is constructive. They will turn their backs on the party that is destructive.

We are here because we are Democrats. But even before we are Democrats, we are Americans. We know that what is bad for America is bad for the Democratic Party. We know what is good for America is good for the Democratic Party.

On that principle, we cannot compromise—not even with General Motors.

As a political party, we seek the support of the American people. But we can gain that support only if we try as hard to deserve it as we do to win it.

The Democratic Party has been in existence for at least 150 years. There is no secret about the reason for its vitality.

It is simply that ours is the party with a heart—the party that is concerned with 160 million Americans. It is the party that holds forth hope for men and women and children who want to march forward—to make life better for all.

I have never questioned the patriotism or integrity of my friends who subscribe to another political faith. But even the most rock-ribbed Republican will admit that his party responds a little faster to the fat cats than to the folks.

In the last 3 years, the American people have had a perfect demonstration of the difference between the two parties. In 1952 they selected a Republican President with a Republican Congress, and in 1954 a Republican President with a Democratic Congress.

I don't believe there are very many Americans who have failed to learn the lesson. They found that the Democratic Party—whether in the majority or in the minority—put the country before partisanship. They always thought more about the next generation than they did about the next election.

I will never forget the first conference of Democratic Senators after the 1952 election. The Democrats were in the minority and the future looked bleak. It was the same situation that had tempted the Republicans to wild criticism and irresponsibility for 20 years.

But the situation was so bad that my friends urged me not to become Democratic leader. They said the Democratic Party would be torn with factional strifes and forced into the position of a carping, dissenting and unpopular minority.

I disagreed. When I addressed the Democratic Senators I said:

"I am a Democrat out of conviction—not out of habit. I believe that the Democratic Party is now—and always has been—the party that is best for America. I believe there are forces holding our party together greater than the issues over which we may squabble for the moment.

"Working together, I think we can do more than merely preserve the gains of the past 20 years. I think we can go forward with a positive program—a program that is pro-American and not just anti-Republican. And if we go forward as positive Americans—and not negative oppositionists—I am convinced that the time is not too far distant when the Democratic Party will again be in the majority."

That statement was made in my acceptance speech to the Democratic conference on January 2, 1953.

Two years later, the Senators met again in conference—this time to organize the Senate as the majority party.

It is even more important tonight that we be responsible. There is the smell of victory, and it is keen and unmistakable.

Since 1952, the Democratic Party has won every major contest.

The people have entrusted to us both branches of Congress; 9 governorships that once belonged to our opponents; 7 State legislatures that we took from the Republicans. Even rock-ribbed Indiana has turned city after city over to Democratic mayors.

We can lose in 1956 only if we stop to lick our chops while the Republicans divide us or we divide ourselves.

I have never found it within myself to hate my fellow Democrats—even when I disagree with them. I would rather spend my time uniting Democrats and inviting them back to the party than driving them out. If you run off enough or run out enough you can stay in the minority for a long, long time.

Speaking as a Texan, I hope and believe that Texas will send a delegation to the national convention ready to abide by the decision of the majority and prepared to fight for the election of our nominee.

I do not know who the Democratic presidential nominee will be in 1956. And, in case any of my fellow Texans are wondering, I repeat what I have stated so often: I am not a candidate of any description for any office in 1956. I am not running for anything except complete recovery of my health.

As far as I am concerned, the people who make up our party will select the candidate. And once a majority has spoken, that candidate will have my enthusiastic support.

I will go a step further and predict that he will have the enthusiastic support of the American people. The party that can produce a record of service to the people can also produce a candidate who will appeal to our people.

The Democratic Congress is producing the record, and the delegates to the Democratic convention will produce the candidate.

My prediction of victory has nothing to do with the Republican candidate. I do not believe that the Republican candidacy matters.

The present President is the best the Republicans have to offer. I do not question his integrity or his patriotism. But, I do question his taste in political parties.

To say he is the best the Republicans have to offer is hardly a compliment. And even the greatest men in our history could not have borne the dead weight of the present Republican Party.

But I want to stress that even though I am confident of winning, the next election is no pushover. It would still be possible for us to snatch defeat from the jaws of victory.

The American people will weigh very carefully the qualifications of those who seek to guide their destiny. A party that is overly partisan, overly quarrelsome, and obsessed solely with politics, will lose. The party that is the least partisan and the most patriotic will win.

The American people have rejected the extreme of the left and the extreme of the right. They want to proceed along the path of constructive program and responsible legislation. We cannot permit one party to be torn to pieces by those who are more interested in excluding than, including people.

In calmer times, fiery debate over fine points might be entertaining. But we have a job to do and the quicker we come to the conclusion that we must all unite against Republicans rather than divide against each other, the quicker we will get that job done.

Good Democrats avoid trivialities. We must concentrate on the substantial.

Love of liberty and devotion to the long-range interests of our beloved America dictate that we warn all pressure groups of whatever blend—Democratic, Republican, independent, farm, employer or employee—that the term "public servant" means the servant of the public and not the servant of some organized pressure propaganda outfit. He who truly serves all the public, the public will also serve.

We are meeting tonight in a rural area. I see throughout this room my friends who earn their living from the soil.

Search your hearts and ask yourselves which party shows the most genuine concern about your future and the future of your children.

The question answers itself.

To this gathering have come average businessmen from surrounding counties. I ask you to search your hearts and ask yourselves the same question.

Again, it will answer itself.

There are working men in this audience—people whose toil and sweat have made life easier for all of us. Do any of you need to spend endless hours answering this question?

Of course not!

There may be some of you who will remember my Daddy. He was a public servant and a successful politician. He was successful because he had a short—but simple—formula.

"Take care of the people and the election will take care of itself," he told me.

That thought might be expressed more elegantly. But there can be no better advice for the Democratic Party.

The job before us now is not to select a candidate but to complete a program upon which the candidate can run. And the program will be effective only if it is based upon genuine concern for the needs of all Americans.

During the fall recess I have been in contact with Democratic leaders throughout the Nation, including practically all of the men being considered for the Democratic nomination. I am grateful to them for their kindness in visiting me at the hospital and out at the ranch.

We have spent a great deal of time at the hospital and at the ranch and by correspondence talking about the legislative program for the next session. Out of these talks certain areas evolved which should be high on the agenda. In the last session of Congress, we have a record unequalled in the memory of legislative experts. The Senate passed 1,325 bills and, of these 880 received the approval of both branches and of the President.

In the Senate we confirmed nearly 40,000 Presidential nominations and wound up with our calendar of business practically clean. In the next session, we must carry on that record if the needs of our people—the genuine human needs—are to be met. It is my intention to ask the Democratic Policy Committee of the Senate to consider the following subjects in the hope that they can be brought before the Senate, considered, and acted upon by the Senate:

PROGRAM WITH A HEART

1. A Social Security bill reducing the age limit for women and extending coverage to most self-employed groups.

2. A tax revision to benefit the low-income groups—probably along the line of that previously offered by Senator WALTER F. GEORGE of Georgia increasing exemptions.

3. A health program to aid medical research and to include larger grants for hospital construction at least to the level authorized under the original Hill-Burton Act.

4. A school construction program to meet the needs of our children.

5. A public roads program, probably similar to the Gore bill. The question of taxes to pay for highway programs is part of the general tax program—and I hope it can be handled separately.

6. A farm program which will restore 90 percent of parity supports; extend the benefits to additional products; and possibly include a soil rental program.

7. A natural-gas bill which will preserve free enterprise and of course provide legitimate protection to consumers.

8. A housing program designed for America's families who are yearning to build or rent dwellings they can afford.

9. A water resources program with specific consideration to a higher dam at Hell's Canyon, the Fryingpan-Arkansas project, Niagara development, the Upper Colorado Basin project, the Washita-Oklahoma project, the Ventura, Calif., project, the Passamoquoddy tidal survey project, a New England development project.

10. A program to relieve critical depressed areas on the basis of Federal and State cooperation, including tax measures to encourage industry; additional public works; supplementary unemployment insurance; and surplus food grants.

11. Amendments to the Immigration and Naturalization laws to insure that they are fair and just.

12. A constitutional amendment eliminating the poll tax.

13. Disaster insurance to protect our people from the ravages of nature.

I want to make it clear that this list is not all-inclusive. Some of the measures—after due consideration—may not be passed; others will be modified.

The final form which they will take is not clear. More may be added on the basis of mature consideration of men who will seek to find the best course to serve our people.

This meeting tonight is a moving occasion for me. I can look about this hall and see the faces of old and trusted friends—men and women who are as close to my heart as my neighbors in the Johnson City hills along the flowing Pedernales.

They are the people who came to my help with their thoughts and their prayers a few weeks ago when there was little to preserve my life except prayer. I will always be grateful.

I am not, however, now indulging in a purely personal mood for the sake of sentimentality. What I am trying to say is that the spirit which moved you to prayer is the same spirit which has made the Democratic Party strong and great.

It represented human concern for a fellow human who was in distress. It was an effort to bring comfort and strength to a man who was in need.

And it was completely unselfish.

To me, the Democratic Party has always been the party of human concern. It has always been the party of people who seek to bring comfort and strength to those in need.

I am very proud to be a member of that party. I am very proud of the honor that you are according me tonight.

Like every other human organization, we frequently fail to live up to our ideals. We have our extremes and we have our people who are "just tol'able."

But underlying the whole history of our party is the fact that Democrats at their worst are better than others at their best. They are not necessarily better as individuals but as members of an organization they share the hope and the dream—and frequently the weaknesses—of the American people.

And I pledge you we will always try to do our best.

The motto of my 1924 graduating class at Johnson City High School was: "Give to the world the best that you have, and the best will come back to you."

The Democratic Party would do well to have that as its guiding policy. We will follow that course and we will serve our people and deserve their support.

SENATE

TUESDAY, JANUARY 17, 1956

(Legislative day of Monday, January 16, 1956)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal Father, who art the light behind life's shadows, the love behind life's sorrows, shine in morning splendor upon these darkened lives of ours groping in a maze of uncertainty and perplexity. We cannot lean upon our own might—our flesh is too fragile, our hearts too evil, our wills are too wayward. Coming for this noontide tryst to this altar of our democracy, we would not catalog the sins and shortcomings of others. We would not exalt that we are not as other men. We come as sinners in the white light of Thy searching, praying for Thy forgiveness and Thy cleansing. Then as we face these tragic days that overtax our capacity and understanding, we ask only for light enough for the next step, courage enough to face the present duty, truth enough for today's decisions, as into Thy hands we commit our ways. We ask in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Monday, January 16, 1956, was dispensed with.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting a nomination was communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading

clerk, announced that the House had passed the bill (S. 1689) to authorize the Secretary of the Interior to execute a repayment contract with the Yuma Mesa Irrigation and Drainage District, Gila project, Arizona, and for other purposes, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H. R. 604. An act to provide port of entry and related facilities on the Alaska Highway at the Alaska-Canadian border in the Territory of Alaska, and for other purposes;

H. R. 1614. An act to amend the Veterans Regulations to provide an increased statutory rate of compensation for veterans suffering the loss or loss of use of an eye in combination with the loss or loss of use of a limb;

H. R. 1821. An act to provide that checks for benefits provided by laws administered by the Administrator of Veterans' Affairs may be forwarded to the addressee in certain cases;

H. R. 3084. An act to amend certain provisions of the laws relating to the prevention of political activities to make them inapplicable to State officers and employees;

H. R. 5205. An act to extend to members of the Armed Forces the same protection against bodily attack as is now granted to personnel of the Coast Guard;

H. R. 5556. An act authorizing a preliminary examination and survey of McGirts Creek, Fla., for flood control;

H. R. 6256. An act granting the consent of Congress to the States of Kansas and Oklahoma to negotiate and enter into a compact relating to their interest in, and the apportionment of, the waters of the Arkansas River and its tributaries as they affect such States;

H. R. 6769. An act to amend the act entitled "An act to provide better facilities for the enforcement of the customs and immigration laws," to increase the amounts authorized to be expended;

H. R. 7596. An act to provide for the disposal of federally owned property at obsolescent canalized waterways and for other purposes; and

H. J. Res. 194. Joint resolution to designate the General Grant tree (known as the Nation's Christmas Tree) in Kings Canyon National Park, Calif., as a national shrine.

HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and joint resolution were severally read twice by their titles and referred as indicated:

H. R. 604. An act to provide port of entry and related facilities on the Alaska Highway at the Alaska-Canadian border in the Territory of Alaska, and for other purposes; and

H. J. Res. 194. Joint resolution to designate the General Grant tree (known as the Nation's Christmas Tree) in Kings Canyon National Park, Calif., as a national shrine; to the Committee on Interior and Insular Affairs.

H. R. 1614. An act to amend the Veterans Regulations to provide an increased statutory rate of compensation for veterans suffering the loss or loss of use of an eye in combination with the loss or loss of use of a limb; and

H. R. 1821. An act to provide that checks for benefits provided by laws administered by the Administrator of Veterans' Affairs may be forwarded to the addressee in certain cases; to the Committee on Finance.

H. R. 3084. An act to amend certain provisions of the laws relating to the prevention of political activities to make them inapplicable to State officers and employees; to the Committee on Rules and Administration.

H. R. 5205. An act to extend to members of the Armed Forces the same protection against bodily attack as is now granted to personnel of the Coast Guard; to the Committee on the Judiciary.

H. R. 5556. An act authorizing a preliminary examination and survey of McGirts Creek, Fla., for flood control;

H. R. 6769. An act to amend the act entitled "An act to provide better facilities for the enforcement of the customs and immigration laws," to increase the amounts authorized to be expended; and

H. R. 7596. An act to provide for the disposal of federally owned property at obsolescent canalized waterways, and for other purposes; to the Committee on Public Works.

COMMITTEE MEETINGS DURING SENATE SESSIONS

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Permanent Subcommittee on Investigations of the Committee on Government Operations was authorized to meet during the session of the Senate today.

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Committee on Foreign Relations was authorized to sit during the session of the Senate today.

Mr. ELLENDER. Mr. President, I ask unanimous consent that the Committee on Agriculture and Forestry be permitted to meet during the sessions of the Senate during the remainder of this week and on next Monday.

The PRESIDING OFFICER. Is there objection?

Mr. JOHNSON of Texas. Mr. President, I have no objection, but under our procedural agreement, I should like first to consult the distinguished minority leader. We have agreed that when requests of this kind are made, we will present the requests to each other, so that a check may be made with Members on the respective sides of the aisle. I wonder if the Senator from Louisiana would be willing to limit the request to today, so that I might check with the minority leader.

Mr. ELLENDER. The committee is not going to sit today. The committee has arranged a schedule of meetings for the remainder of the week. Quite a few witnesses are coming from long distances. That is why I wanted to be certain the committee would have permission to sit.

Mr. JOHNSON of Texas. The Senator from Texas has no objection, but in accordance with his agreement with the minority leader, he must protect the latter. If the Senator will withhold his request, I shall confer with the Senator from California as soon as possible and then I shall advise the Senator from Louisiana.

Mr. ELLENDER. Very well.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to consider executive business.

EXECUTIVE MESSAGE REFERRED

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States submitting the nomination of John J. Muccio, of Rhode Island, to be Ambassador Extraordinary and Plenipotentiary to Iceland, which was referred to the Committee on Foreign Relations.

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. KUCHEL, from the Committee on Interior and Insular Affairs:

Walter A. Gordon, of California, to be Governor of the Virgin Islands.

By Mr. GEORGE, from the Committee on Foreign Relations:

Max Waldo Bishop, of Arkansas, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary to Thailand; and

Elbridge Durbrow, of California, and sundry other persons, for appointment and promotion in the Foreign and Diplomatic Service.

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

Jack Rohe Howard, of New York, to be a member of the Advisory Board for the Post Office Department.

The PRESIDENT pro tempore. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

UNITED STATES TARIFF COMMISSION—NOMINATIONS PASSED OVER

The Chief Clerk read the nomination of William E. Dowling, of Michigan, to be a member of the United States Tariff Commission, which nomination had been passed over.

Mr. JOHNSON of Texas. Mr. President, I ask that the nomination go over.

The PRESIDENT pro tempore. The nomination will be passed over.

The Chief Clerk read the nomination under New Reports, of James Weldon Jones, of Texas, to be a member of the United States Tariff Commission.

Mr. JOHNSON of Texas. Mr. President, I ask that the nomination go over.

The PRESIDENT pro tempore. The nomination will be passed over.

COLLECTOR OF CUSTOMS

The Chief Clerk read the nomination of Charles J. Walker, Sr., of Texas, to be collector of customs for customs district No. 22.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. JOHNSON of Texas. I ask that the President be notified forthwith of the nomination today confirmed.

The PRESIDENT pro tempore. Without objection, the President will be notified.

NOTICE OF HEARING ON NOMINATION OF JOHN J. MUCCIO TO BE AMBASSADOR TO ICELAND

Mr. GEORGE. Mr. President, as chairman of the Committee on Foreign Relations, I desire to announce that the Senate received today the nomination of John J. Muccio, of Rhode Island, a Foreign Service officer of the class of career minister, to be Ambassador of the United States to Iceland, to which office he was appointed during the last recess of the Senate. I give notice that this nomination will be considered by the Committee on Foreign Relations at the expiration of 6 days.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that immediately following the quorum call there may be the customary morning hour for the transaction of routine business, under the usual 2-minute limitation on speeches.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. JOHNSON of Texas. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator from Texas will state it.

Mr. JOHNSON of Texas. Under the previous order, I understand that we are to have the usual morning hour for the introduction of bills and other measures, the submission of reports, and the transaction of other routine business, subject to a 2-minute limitation on statements; is that correct?

The PRESIDENT pro tempore. It is.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following communication and letters, which were referred as indicated:

REPORT OF ADVISORY COMMITTEE ON WATER RESOURCES POLICY

A communication from the President of the United States, transmitting the report of the Advisory Committee on Water Resources Policy, which was read, and, with the accompanying report, referred to the Committee on Interior and Insular Affairs, as follows:

JANUARY 17, 1956.

THE PRESIDENT OF THE SENATE.

THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIRS: I herewith transmit for the consideration of the Congress the report of the Advisory Committee on Water Resources Policy, consisting of the Secretary of Agriculture, the Secretary of Defense, and the Secretary of the Interior. The report is the result of a detailed study of our water problems and of the present powers and activities of the various Federal establishments engaged in water resource development. The Department of Commerce, the Department of Health, Education, and Welfare, the Bureau of the Budget, and other agencies, including the Department of Justice participated in its preparation.

The policies set out in the report embody a framework within which the Federal Government, with State and local governments and other non-Federal interests, may cooperate to develop our water resources. These policies will reconcile many practices among Federal agencies that are now in conflict.

A planning organization along the lines proposed in the report will provide a continuing mechanism for settling unresolved problems that are not specifically covered in it or that may arise in the future. The report recognizes fully the responsibilities of the Federal Government for leadership, guidance, and action in this field. At the same time, it recognizes that there are a multitude of water developments which are more appropriate for regional, State, or local activity.

The report points out that the principles which recognize water rights as property rights should be accepted, and that determinations as to disposition of water should recognize such rights. It recommends that a study be made under the leadership of the Federal Government in collaboration with the States and local entities with reference to property rights to water and the social and economic development of the Nation and the area.

Set forth in the report is a pattern for the widest possible public participation in water resources projects. Organizational changes are recommended to coordinate more closely Federal and non-Federal activity and to make possible more effective Executive guidance. The intent of these proposed changes is to provide the States and local water resources agencies a more adequate voice in the planning and development of projects and facilitate joint participation by all of the affected Federal interests. By this type of cooperative effort we should be assured that all possible uses of water are adequately considered.

The policies we adopt for the development of our water resources will have a profound effect in the years to come upon our domestic, agricultural, and industrial economy. I commend the fundamental purposes and objectives of this report, and I earnestly recommend that the Congress give prompt attention to its proposals.

Sincerely,

DWIGHT D. EISENHOWER.

REPORT OF FEDERAL EXTENSION SERVICE

A letter from the Secretary of Agriculture, transmitting, pursuant to law, a report of the Federal Extension Service, for the fiscal year ended June 30, 1955 (with an accompanying report); to the Committee on Agriculture and Forestry.

AMENDMENT OF CAREER COMPENSATION ACT OF 1949, RELATING TO REFUND OF REENLISTMENT BONUSES

A letter from the Under Secretary of the Navy, transmitting a draft of proposed legislation to amend the Career Compensation Act of 1949, as amended, in relation to the refund of reenlistment bonuses (with an accompanying paper); to the Committee on Armed Services.

CONSTRUCTION OF AERONAUTICAL RESEARCH FACILITIES BY NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

A letter from the Executive Secretary, National Advisory Committee for Aeronautics, transmitting a draft of proposed legislation to promote the national defense by authorizing the construction of aeronautical research facilities by the National Advisory Committee for Aeronautics necessary to the effective prosecution of aeronautical research (with an accompanying paper); to the Committee on Interstate and Foreign Commerce.

REPORT ON PAYMENT OF CLAIMS FOR DAMAGE CAUSED BY VESSELS OF COAST GUARD

A letter from the Acting Secretary of the Treasury, transmitting, pursuant to law, a report on the payment of claims for damage caused by vessels of the Coast Guard, during the period January 1 through December 31, 1955 (with an accompanying report); to the Committee on the Judiciary.

GRANTING OF STATUS OF PERMANENT RESIDENCE TO CERTAIN ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders granting the applications for permanent residence filed by certain aliens, together wtih a statement of the facts and pertinent provisions of law as to each alien and the reasons for granting such applications (with accompanying papers); to the Committee on the Judiciary.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

Three letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders suspending deportation of certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien and the reasons for ordering such suspension (with accompanying papers); to the Committee on the Judiciary.

REPORT ON PROFESSIONAL AND SCIENTIFIC POSITIONS ESTABLISHED BY DEPARTMENT OF DEFENSE

A letter from the Secretary of Defense, transmitting, pursuant to law, a report on professional and scientific positions established in the Department of Defense, for the calendar year ended December 31, 1955 (with an accompanying report); to the Committee on Post Office and Civil Service.

WESTINGHOUSE ELECTRIC CORP. STRIKE—RESOLUTION

Mr. KENNEDY. Mr. President, a few days ago, the Massachusetts House of

Representatives adopted a resolution urging that the Westinghouse Electric Corp. and the International Union of Electrical, Radio, and Machine Workers, AFL–CIO, accept the proposal of Joseph F. Finnegan, Director of the Federal Mediation and Conciliation Service, that there be set up a factfinding panel to make nonbinding recommendations in the prolonged strike of Westinghouse employees. The strike is now in its fourth month.

I present the resolution of the House of Representatives of Massachusetts and ask unanimous consent that it be printed in the RECORD, together with a statement issued earlier by the Senator from Illinois [Mr. DOUGLAS], the senior Senator from Montana [Mr. MURRAY], the Senator New York [Mr. LEHMAN], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Oregon [Mr. MORSE], the junior Senator from West Virginia [Mr. NEELY], the Senator from Michigan [Mr. MCNAMARA], the senior Senator from West Virginia [Mr. KILGORE] the junior Senator from Montana [Mr. MANSFIELD], and the Senator from Wyoming [Mr. O'MAHONEY]. It should be recorded that the striking union immediately accepted Mr. Finnegan's proposal but that it was rejected by the company.

There being no objection, the resolution and statement were ordered to be printed in the RECORD, as follows:

RESOLUTIONS PROPOSING A MEANS OF SETTLEMENT OF THE CURRENT LABOR DISPUTE BETWEEN THE WESTINGHOUSE ELECTRIC CORP. AND THE INTERNATIONAL UNION OF ELECTRICAL, RADIO, AND MACHINE WORKERS, AFL–CIO

Whereas over 50,000 employees of Westinghouse Electric Corp., including several thousand in Springfield, Mass., have been on strike for 3 months; and

Whereas collective bargaining has so far failed to effect a settlement of this dispute; and

Whereas the Governors of Pennsylvania, Maryland, and New York have appealed to both sides to submit the dispute to final and binding arbitration, and this request has been supported by a number of Members of Congress from districts where striking employees live, by the mayors of over 15 cities, and by the clergy and other civic leaders; and

Whereas the Director of the Federal Mediation and Conciliation Service has declared that "the economic effects of this work stoppage have had a serious adverse effect on many thousands of other workers and upon other related industries"; and

Whereas the Federal Mediation and Conciliation Service had declared that the conciliation efforts have not proven successful and has recommended that the corporation and the union submit all of the disputed issues in this strike to a factfinding board, which board shall report its findings of fact and recommendations to the parties to serve as a basis for negotiation by the parties for an honorable settlement; and

Whereas the public interest demands that every reasonable means be resorted to by the parties in an attempt to resolve this dispute: Therefore be it

Resolved, That it is hereby declared to be the sense of the House of Representatives of the General Court of Massachusetts that the recommendations of the Federal Mediation and Conciliation Service is fair and equitable and in the interest of proper labor relations, and that said factfinding board should be established forthwith, and that the Westinghouse Electric Corp. and the International Union of Electrical, Radio, and Machine Workers, AFL–CIO should submit the issues which brought about the present strike to said board so that the controversy may be settled with honor and dignity at the earliest possible time; and be it further

Resolved, That a copy of these resolutions shall be transmitted by the State secretary to said Westinghouse Electric Corp. and the International Union of Electrical, Radio, and Machine Workers, AFL–CIO.

STATEMENT BY SENATORS DOUGLAS, MURRAY, LEHMAN, HUMPHREY, MORSE, NEELY, MCNAMARA, KILGORE, MANSFIELD, AND O'MAHONEY

The largest strike of the year—with more employees on strike and more plants closed down in more areas of the country than in any other strike of 1955—is now in its 12th week. This is the strike of over 50,000 employees of the Westinghouse Electric Corp.

The Governors of 3 States in which plants are located have become so concerned over the strike in the past 10 days that they have appealed to both sides of the controversy voluntarily to submit all issues to final and binding arbitration. Several members of Congress from Districts where striking employees live or where there are Westinghouse plants have done the same. The mayors of many cities within whose limits there are plants have made similar appeals. Church and civic leaders have also voiced their anxiety in like terms.

The arbitration proposal, advanced separately in the first instance by the three Governors—George Leader of Pennsylvania, Theodore McKeldin of Maryland, and Averell Harriman of New York—was rejected by President Gwilym Price of Westinghouse. It was accepted by President James B. Carey, head of the principal striking union, the International Union of Electrical, Radio and Machine Workers, AFL–CIO.

Westinghouse is the 13th largest corporation in our Nation. In addition to producing consumer appliances, its manufacture of heavy electrical equipment makes it a significant factor in the continued expansion of our basic industries, both for defense and peacetime purposes.

The deeply disturbing circumstances of the Westinghouse strike at this juncture—the apparent failure of collective bargaining despite many weeks of discussion—cause us to feel that the public interest requires an early Senate inquiry into the dispute. The stalemate seriously harms not only the best interests of the company, its stockholders and employees, but also the welfare of the country as a whole.

RESOLUTIONS OF AMERICAN ASSOCIATION FOR THE ADVANCEMENT OF SCIENCE

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD, and appropriately referred, two resolutions adopted by the American Association for the Advancement of Science at its meeting in Atlanta, Ga., during the last week of 1955.

There being no objection, the resolutions were referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Following are the two resolutions adopted by the American Association for the Advancement of Science at its meeting in Atlanta during the last week of 1955:

"Be it resolved, That the American Association for the Advancement of Science endorses the efforts being made to amend the McCarran-Walter Act to remove those provisions that limit the travel of recognized foreign scholars and scientists to this country, for limitation on the free interchange of knowledge constitutes a serious impediment to scientific progress."

"Be it resolved, That the American Association for the Advancement of Science favors the use of funds of the United States through the National Science Foundation and other appropriate Government agencies to supplement the travel costs of United States citizens to attend scientific meetings and congresses in foreign countries on the ground that the interchange of information resulting greatly strengthens our own scientific competence."

Sincerely,

DAEL WOLFLE,
Executive Officer.

ELIMINATION OF REGULATION OF COMPANIES CARRYING NATURAL GAS TO MINNESOTA—RESOLUTIONS AND TELEGRAM

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD, and appropriately referred, a number of resolutions adopted by city and village councils, and a telegram from the Retail Clerks International Local 789, expressing strong opposition to the Harris bill, H. R. 4560, and the Fulbright bill, S. 1853, which would eliminate regulation of companies carrying natural gas to Minnesota.

There being no objection, the resolutions and telegram were ordered to lie on the table, and to be printed in the RECORD, as follows:

VILLAGE OF MOUNTAIN LAKE,
Mountain Lake, Minn.

Hon. HUBERT H. HUMPHREY,
United States Senate,
Washington, D. C.:

This is to advise that at a regular meeting of the Council of the Village of Mountain Lake, Minn., held on the 10th day of January, 1956, said council went on record by formal resolution as being opposed to Fulbright bill (S. 1853); and directing the village clerk to transmit notice of such action to above-named addressee.

Dated January 11, 1956.

HARVEY GOOSSEN,
Village Clerk.

At a regular meeting of the City of Council of the City of Mankato held on January 9, 1956, it was unanimously resolved as follows: "That the Harris and Fulbright bills, as amended, are contrary to the best interests of the gas-consuming public in the city of Mankato"; be it further

Resolved, That the Council of the City of Mankato, Minn., record its full and complete opposition to the Harris bill, as amended, and also to the Fulbright bill and respectfully request that the Senators and Congressmen from the State of Minnesota exercise their utmost efforts to defeat these bills; be it further

Resolved, That a copy of this resolution be transmitted to the honorable Senators from the State of Minnesota and to the Honorable Congresman JOSEPH P. O'HARA, from the Second District.

Unanimously adopted by the council January 9, 1956.

E. A. HODAPP, *Mayor.*

Attest:

H. J. MATSON,
Secretary of the Council.

VILLAGE OF LAKEVILLE,
Lakeville, Minn., January 10, 1956.
Hon. HUBERT HUMPHREY,
Washington, D. C.:

Resolved by the Village Council of the Village of Lakeville, Dakota County, Minn., That we hereby urgently request you to exercise your utmost efforts to defeat this legislation, which we feel is not in the public interest.

Adopted by the council, January 9, 1956.
V. E. LORENTSON, *Clerk.*

VILLAGE OF LAUDERDALE, MINN.,
January 10, 1956.
Senator H. HUMPHREY,
Senate Office Building,
Washington, D. C.

DEAR SIR: At our regular council meeting January 10, 1956, the Harris bill and its companion the Fulbright bill were discussed to some extent, and be it hereby known that the Village of Lauderdale Council wants to go on record as opposing the Harris bill and the Fulbright bill; be it further

Resolved, That the Village of Lauderdale Council of Ramsey County hereby again urgently requests the Senators and Congressmen from the State of Minnesota to exercise their utmost efforts to defeat this legislation which is not in the public interest.

Adopted by the council January 10, 1956.
HELMA GUNDERSON,
Village Clerk.

VILLAGE OF WELCOME,
Welcome, Minn., January 11, 1956.
Senator HUBERT HUMPHREY,
Washington, D. C.

DEAR SENATOR: The Village Council of the Village of Welcome wishes to express its opposition to the Fulbright bill and urgently request your support in defeating this bill.

We believe natural gas to be one of our countries greatest natural resources and that it should benefit all citizens and not a favored few. We believe this can best be done by Federal regulation which will allow the producers a fair and reasonable rate of return so that the industry may expand but that it should not penalize the consumers. We believe that if regulation is removed from the industry it would be contrary to the best interests of our citizens who are users of natural gas and that there would be a variation between rates in different communities and a generally higher rate would result.

Respectfully,
CLARENCE ROLOFF, *Mayor.*
E. R. STAUFFER, *Clerk.*

ST. PAUL, MINN., *January 16, 1956.*
Hon. HUBERT HUMPHREY,
Senate Chamber,
Washington, D. C.:

We urge you to oppose the Fulbright bill S. 1853. We sincerely hope that you will fight against this bill for the complete protection for the consumers of natural gas which is one of the greatest natural resources of our Nation and a resource that belongs to all of the people and not to the favored few.

THE SERVICE AND PRODUCTION TRADES COUNCIL, ST. PAUL RETAIL CLERKS INTERNATIONAL LOCAL 789,
ANTHONY P. SANDYS, *Secretary.*

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

S. Res. 164. Resolution authorizing the Committee on Post Office and Civil Service to employ a temporary additional clerical assistant; without amendment (Rept. No. 1398).

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service; with an amendment:

S. Res. 153. Resolution extending the time for an investigation of the administration of the civil-service system and the postal service (Rept. No. 1400); and

S. Res. 154. Resolution extending the time for a study of the Government employees security program (Rept. No. 1399).

EXTENSION OF THE TIME FOR FILING REPORT BY SUBCOMMITTEE ON DISARMAMENT, COMMITTEE ON FOREIGN RELATIONS (S. REPT. NO. 1396)

Mr. HUMPHREY. Mr. President, from the Committee on Foreign Relations, I report an original resolution, recommending that the Subcommittee on Disarmament be continued until July 1, 1956, and I submit a report thereon.

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). The report will be received and printed, and the resolution will be placed on the calendar.

The resolution (S. Res. 185) was placed on the calendar, as follows:

Resolved, That the subcommittee (as authorized and directed by S. Res. 93 of the 84th Cong., 1st sess., agreed to July 25, 1955) of the Committee on Foreign Relations is authorized under sections 134 (a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with the jurisdiction of the Committee on Foreign Relations specified by rule XXV of the Standing Rules of the Senate, to examine, investigate, and make a complete study of any and all matters pertaining to the international control and reduction of armaments, as further described in Senate Resolution 93, 84th Congress.

SEC. 2. For the purposes of this resolution the committee, from February 1, 1956, to July 1, 1956, inclusive, is authorized (1) to make such expenditures as it deems advisable; (2) to employ upon a temporary basis, technical, clerical, and other assistants and consultants; and (3) with the prior consent of the heads of the departments or agencies concerned, and the Committee on Rules and Administration, to utilize the reimbursable services, information, facilities and personnel of any of the departments or agencies of the Government.

SEC. 3. The committee shall report its findings, together with its recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than July 1, 1956.

SEC. 4. Expenses of the committee, under this resolution, which shall not exceed $35,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

INTERIM REPORT ENTITLED "CONTROL AND REDUCTION OF ARMAMENTS" (S. REPT. NO. 1397)

Mr. HUMPHREY. Mr. President, pursuant to Senate Resolution 93, 84th Congress, 1st session, from the Committee on Foreign Relations, I submit a report entitled "Control and Reduction of Armaments" and ask that it be printed.

The PRESIDING OFFICER. The report will be received and printed, as requested by the Senator from Minnesota.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CLEMENTS:

S. 2945. A bill for the relief of Gertrud Kreen; to the Committee on the Judiciary.

S. 2946. A bill to amend section 5 of the Civil Service Retirement Act of May 29, 1930, as amended, with respect to credit for service in post offices which are reclassified from third to fourth class;

S. 2947. A bill relating to the computation of hourly rates of compensation in the case of employees converted from positions under the Classification Act of 1949 to positions under prevailing rate systems in accordance with section 202 (7) of such act, as amended; and

S. 2948. A bill to provide preference in Government employment for persons who incur permanent disabilities while serving as civilian employees of the Government; to the Committee on Post Office and Civil Service.

By Mr. AIKEN (for himself, Mr. YOUNG, Mr. THYE, Mr. HICKENLOOPER, Mr. MUNDT, and Mr. SCHOEPPEL):

S. 2949. A bill to provide for the protection and conservation of national soil, water, and forest resources and to provide an adequate, balanced, and orderly flow of agricultural commodities in interstate and foreign commerce, and for other purposes; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. AIKEN when he introduced the above bill, which appear under a separate heading.)

By Mr. WILEY:

S. 2950. A bill to amend the Agricultural Act of 1954 to provide for acceleration of the brucellosis eradication program; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. WILEY when he introduced the above bill, which appear under a separate heading.)

By Mr. ERVIN:

S. 2951. A bill for the relief of Mrs. Ethel B. Blanton; to the Committee on Finance.

By Mr. HUMPHREY:

S. 2952. A bill for the relief of Shiu Ming Ma; to the Committee on the Judiciary.

By Mr. KENNEDY:

S. 2953. A bill for the relief of Maria Cedrone De Rubeis;

S. 2954. A bill for the relief of Christina Arutunian; and

S. 2955. A bill for the relief of Anna Justine Cakste; to the Committee on the Judiciary.

By Mr. MAGNUSON:

S. 2956. A bill for the relief of Robert Lin-Yuan Lin;

S. 2957. A bill for the relief of Luis L. Oh; and

S. 2958. A bill for the relief of Elisabeth Hollas; to the Committee on the Judiciary.

By Mr. MCCARTHY:

S. 2959. A bill for the relief of Edith Johanna Augusta Kienest; to the Committee on the Judiciary.

By Mr. MORSE (for himself, Mr. ROBERTSON, Mr. SPARKMAN, Mr. LEHMAN, Mr. BUSH, Mr. PURTELL, Mr. COTTON, Mr. MARTIN of Pennsylvania, Mr. PAYNE, Mr. BEALL, Mr. IVES, Mr. DUFF, Mr. KUCHEL, Mr. BENNETT, and Mr. SMITH of New Jersey):

S. 2960. A bill to amend the Small Business Act of 1953, as amended; to the Committee on Banking and Currency.

(See the remarks of Mr. MORSE when he introduced the above bill, which appear under a separate heading.)

By Mr. WILEY:

S. J. Res. 121. Joint resolution authorizing the President to issue posthumously to the late Col. William Mitchell a commission as a major general, United States Army, and for other purposes; to the Committee on Armed Services.

(See the remarks of Mr. WILEY when he introduced the above joint resolution, which appear under a separate heading.)

By Mr. ANDERSON:

S. J. Res. 122. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress;

S. J. Res. 123. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress; and

S. J. Res. 124. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress; to the Committee on Rules and Administration.

IMPLEMENTATION OF ADMINISTRATION'S AGRICULTURAL RECOMMENDATIONS

Mr. AIKEN. Mr. President, on behalf of the Senator from North Dakota [Mr. YOUNG], the Senator from Minnesota [Mr. THYE], the Senator from Iowa [Mr. HICKENLOOPER], the Senator from South Dakota [Mr. MUNDT], the Senator from Kansas [Mr. SCHOEPPEL], and myself, I introduce, for appropriate reference, a bill to implement the agricultural recommendations of the President. I ask unanimous consent to have the text of the bill printed in the body of the RECORD, so as to be available to all Members, together with the letter of transmittal from the Secretary of Agriculture to myself, stating briefly the provisions of the President's agricultural program and the provisions contained in the bill.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill and letter will be printed in the RECORD.

The bill (S. 2949) to provide for the protection and conservation of national soil, water, and forest resources and to provide an adequate, balanced, and orderly flow of agricultural commodities in interstate and foreign commerce, and for other purposes, introduced by Mr. AIKEN (for himself and other Senators), was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc.—

TITLE I—SOIL BANK ACT

Declaration of policy

SEC. 101. This title may be cited as the "Soil Bank Act," and the term "this act" when used in this title shall mean the Soil Bank Act.

SEC. 102. The Congress hereby finds that the production of excessive supplies of cultivated agricultural commodities depresses the prices and income of farm families; constitutes improper land use and brings about soil erosion, depletion of soil fertility, and too rapid release of water from lands where it falls, thereby adversely affecting the national welfare, impairing the productive facilities necessary for a continuous and stable supply of agricultural commodities, and endangering an adequate supply of water for agricultural and nonagricultural use; overtaxes the facilities of interstate and foreign transportation; congests terminal markets and handling and processing centers in the flow of commodities from producers to consumers; depresses prices in interstate and foreign commerce; disrupts the orderly marketing of commodities in such commerce; and otherwise affects, burdens, and obstructs interstate and foreign commerce. It is in the interest of the general welfare that the soil and water resources of the Nation be not wasted and depleted in the production of such burdensome surpluses and that interstate and foreign commerce in agricultural commodities be protected from excessive supplies. It is hereby declared to be the policy of the Congress and the purposes of this act to protect and increase farm income, to protect the national soil, water, and forest resources from waste and depletion, to protect interstate and foreign commerce from the burdens and obstructions which result from the utilization of farmland for the production of excessive supplies of cultivated agricultural commodities, to provide for the conservation of such resources and an adequate, balanced, and orderly flow of such agricultural commodities in interstate and foreign commerce. To effectuate the policy of Congress and the purposes of this act programs are herein authorized to assist farmers to divert a portion of their cultivated cropland from the production of excessive supplies of cultivated agricultural commodities, and to carry out a program of soil, water, and forest conservation. The activities authorized under this act are supplementary to the acreage allotments and marketing quotas authorized under the Agricultural Adjustment Act of 1938, as amended, and together with such acreage allotments and marketing quotas, constitute an overall program to prevent excessive supplies of cultivated agricultural commodities from burdening and obstructing interstate and foreign commerce.

SUBTITLE A—ACREAGE RESERVE PROGRAM

Terms and conditions

SEC. 103. Notwithstanding any other provision of law, the Secretary of Agriculture (hereinafter referred to as the "Secretary") is authorized and directed to formulate and carry out an acreage reserve program for the 1956, 1957, 1958, and 1959 crops of wheat, cotton, corn, and rice, respectively (hereinafter referred to as "the commodity") under which producers shall be compensated for reducing their acreages of the commodity below their farm acreage allotments established under the Agricultural Adjustment Act of 1938, as amended. To be eligible for such compensation the producer (a) shall reduce his acreage of the commodity below his farm acreage allotment within such limits as the Secretary may prescribe, (b) shall specifically designate the acreage so withdrawn from the production of such commodity (hereinafter referred to as the "reserve acreage"), and (c) shall not harvest any crop from, or graze, the reserve acreage unless the Secretary determines that it would be in the national interest to permit grazing and gives consent thereto. The reserve acreage shall be in addition to any acreage devoted to the conservation reserve program authorized under subtitle B of this act. In the formulation and administration of the acreage reserve program the Secretary shall provide adequate safeguards to protect the interests of tenants and sharecroppers, including provision for sharing, on a fair and equitable basis, in the certificates issued pursuant to section 105 hereof. The acreage reserve program may include such terms and conditions, in addition to those specifically provided for herein, as the Secretary determines are desirable to effectuate the purposes of this act and to facilitate the practical administration of the acreage reserve program.

Extent of participation in program

SEC. 104. For purposes of the acreage reserve program the Secretary shall establish a national reserve acreage goal for the 1956, 1957, 1958, and 1959 crops of wheat, cotton, corn, and rice, respectively, of not to exceed 30 percent of the national acreage allotment established for such commodity under the Agricultural Adjustment Act of 1938, as amended. The limits within which individual farms may participate in the acreage reserve program shall be established in such manner as the Secretary determines is reasonably calculated to achieve the national reserve acreage goal and give producers a fair and equitable opportunity to participate in the acreage reserve program, taking into consideration their acreage allotments established under the Agricultural Adjustment Act of 1938, as amended, the supply and demand conditions for different classes, grades, and qualities of the commodity, and such other factors as he deems appropriate.

Compensation of producers

SEC. 105. Producers shall be compensated for participating in the acreage reserve program through the issuance of negotiable certificates which the Commodity Credit Corporation shall redeem in the commodity or in cash in accordance with regulations prescribed by the Secretary. Such compensation shall be at such rate or rates as the Secretary determines will provide producers with a fair and reasonable return for reducing their acreage of the commodity, taking into consideration the loss of production of the commodity on the reserve acreage, any savings in cost which result from not planting the commodity on the reserve acreage, and the incentive necessary to achieve the reserve acreage goal. Commodities delivered to producers in redemption of such certificates shall not be eligible for tender to Commodity Credit Corporation under the price-support program.

Sales of CCC stocks

SEC. 106. The Commodity Credit Corporation is authorized to sell at market prices, without regard to sales price limitations which would otherwise be applicable, a quantity of the commodity equal in sales value to the cost of redeeming certificates in cash. Such sales shall be made at such times, in such manner, and in such quantities as will minimize any adverse effect of such sales upon market prices.

Reduction of set-aside

SEC. 107. The quantities of cotton and wheat in the commodity set-aside established pursuant to the Agricultural Act of 1954 shall be reduced by the estimated quantities of such commodities which would have been produced on the reserve acreage if such reserve acreage had been devoted to the production of such commodities.

Effect on acreage allotments and quotas

SEC. 108. (a) In the future establishment of State, county, and farm acreage allotments for wheat, cotton, corn, and rice, respectively, under the Agricultural Adjustment Act of 1938, as amended, reserve acreages applicable to the commodity shall be credited to the State, county, and farm as though such acreage had actually been devoted to the production of the commodity.

(b) In applying the provisions of paragraph (6) of Public Law 74, 77th Congress (7 U. S. C. 1340 (6)), and sections 326 (b) and 356 (g) of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1326 (b), 1356 (g)), relating to reduction of the storage amounts of wheat and rice, the reserve acreage of the commodity on any farm shall be regarded as wheat acreage or rice acreage, as the case may be, on the farm.

SUBTITLE B. CONSERVATION RESERVE PROGRAM

Terms and conditions

SEC. 109 (a) To effectuate the purposes of this act the Secretary is hereby authorized to enter into contracts with producers determined by him to have control of the farms for the period covered by the contract wherein the producer shall agree:

(1) To establish and maintain for the contract period protective vegetative cover (including but not limited to grass and trees) or water storage facilities on a specifically designated acreage of cultivated cropland in the farm.

(2) To devote to conserving crops or uses, or allow to remain idle, throughout the contract period an acreage of the remaining land in the farm which is not less than the acreage normally devoted only to conserving crops or uses or normally allowed to remain idle on the entire farm.

(3) Not to harvest any crop from the acreage established in protective vegetative cover.

(4) Not to pasture the acreage established in protective vegetative cover prior to January 1, 1959, or such later date as may be provided in the contract, unless the Secretary determines that it would be in the national interest to permit pasturing thereon and gives consent thereto; and if such acreage is pastured at the end of such period, to pasture such acreage in accordance with sound pasture management.

(5) Not to adopt any practice, as specified by the Secretary in the contract, tending to defeat the purposes of the contract.

(6) To forfeit all rights to further payments or grants under the contract and refund to the United States all payments or grants received thereunder upon his violation of the contract at any stage during the time he has lost control of the farm if the Secretary determines that such violation is of such a nature as to warrant termination of the contract, or to make such refunds or accept such payment adjustments as the Secretary may deem appropriate if he determines that the producer's violation does not warrant termination of the contract.

(7) To such additional provisions as the Secretary determines are desirable and includes in the contract to effectuate the purposes of this act and to facilitate the practical administration of the conservation reserve program.

(b) In return for such agreement by the producer the Secretary shall agree:

(1) To bear such part of the cost (including labor) of establishing and maintaining vegetative cover or water storage facilities on the designated acreage as the Secretary determines to be necessary to effectuate the purposes of this act, but not to exceed a maximum amount per acre or facility prescribed by the Secretary for the county or area in which the farm is situated; and

(2) To make an annual payment to the producer for the term of the contract upon determination that he has fulfilled the provisions of the contract entitling him to such payment. The rate or rates of the annual payment to be provided for in the contracts shall be established on such basis as the Secretary determines will provide producers with a fair and reasonable annual return on the land established in protective vegetative cover or water storage facilities, taking into consideration the value of the land for the production of commodities customarily grown on such kind of land in the county or area, the prevailing rates for cash rentals for similar land in the county or area, the incentive necessary to obtain contracts covering sufficient acreage for the substantial accomplishment of the purposes of the conservation reserve program, and such other factors as he deems appropriate. Such rate or rates may be determined on an individual farm basis, a county or area basis, or such other basis as the Secretary determines will facilitate the practical administration of the program. No annual payment to any person with respect to land in any one State shall exceed $5,000.

(c) The Secretary, with the approval of the President, shall determine annually the scope of the program to be conducted under this subtitle B: *Provided*, That no action shall be taken pursuant to this subsection (c) which would cause impairment of any contract existing as of the time such annual determination is made.

Authorized period of contracts and expenditures

SEC. 110. (a) The Secretary is authorized to formulate and announce programs under this subtitle B and to enter into contracts thereunder with producers during the 5-year period 1956–60 to be carried out during the period ending not later than December 31, 1969.

(b) The period covered by any contract shall not exceed 10 years.

Termination and modification of contracts

SEC. 111. (a) The Secretary may terminate any contract with a producer by mutual agreement with the producer if the Secretary determines that such termination would be in the public interest.

(b) The Secretary may agree to such modification of contracts previously entered into as he may determine to be desirable to carry out the purposes of this act and to facilitate the practical administration of the conservation reserve program.

Conservation materials and services

SEC. 112. (a) The Secretary may purchase conservation materials and services and make such materials and services available to producers under the conservation reserve program to aid them in establishing vegetative cover or water storage facilities under contracts authorized by this subtitle B, may reimburse any Federal, State, or local government agency for conservation materials and services furnished by such agency, and may pay expenses necessary in making such materials and services available, including all or part of the costs incident to the delivery, application, or installation of materials and services.

(b) Notwithstanding any other provision of law, in making conservation materials and services available to producers hereunder, the Secretary may make payments, in advance of determination of performance by the producers, to persons who fill purchase orders covering approved conservation materials or who render services to the Secretary in furnishing to producers approved conservation materials or services for the establishment by the producers of vegetative cover or water storage facilities under contracts authorized by this subtitle B. The price at which purchase orders for any conservation material or service are filled may be limited, if the Secretary determines that it is necessary in the interest of producers and the Government, to a fair price fixed in accordance with regulations prescribed by the Secretary.

Effect on other programs

SEC. 113. Notwithstanding any other provision of law—

(1) insofar as the acreage of cropland on any farm enters into the determination of acreage allotments and marketing quotas under the Agricultural Adjustment Act of 1938, as amended, the cropland acreage on the farm shall not be decreased during the period of any contract entered into under the conservation acreage program by reason of the establishment and maintenance of vegetative cover or water storage facilities under such contract; and

(2) the acreage on any farm which is determined under regulations of the Secretary to have been diverted from the production of any commodity subject to acreage allotments or marketing quotas in order to carry out the contract entered into under the conservation acreage program shall be considered acreage devoted to the commodity for the purposes of establishing future State, county, and farm acreage allotments under the Agricultural Adjustment Act of 1938, as amended.

Protection of tenants and sharecroppers

SEC. 114. In the administration of the conservation reserve program, the Secretary shall provide adequate safeguards to protect the interests of tenants and sharecroppers.

Geographical applicability

SEC. 115. (a) This subtitle B shall apply to the continental United States, and, if the Secretary determines it to be in the national interest, to one or more of the Territories of Alaska and Hawaii, the Commonwealth of Puerto Rico, and the Virgin Islands, and, as used in this subtitle B, the term "State" includes Alaska, Hawaii, Puerto Rico, and the Virgin Islands.

SUBTITLE C—GENERAL PROVISIONS

Certificate of claimant

SEC. 116. Payment or compensation authorized by this act may be made upon the certificate of the claimant, in such form as the Secretary may prescribe, that he has complied with all requirements for such payments and that the statements and information contained in the application for payment are correct and true, to the best of his knowledge and belief.

Utilization of local and State committees

SEC. 117. In administering this act in the continental United States, the Secretary shall utilize the services of community, county, and State committees established under section 8 of the Soil Conservation and Domestic Allotment Act, as amended.

Financing

SEC. 118. (a) The Secretary is authorized to utilize the facilities, services, authorities, and funds of the Commodity Credit Corporation in discharging his functions and responsibilities under this act, including payment of costs of administration for the programs authorized under this act. There is hereby authorized to be appropriated such sums as may be necessary to make payments to the corporation for its actual costs incurred under this section.

(b) All funds available for carrying out the purposes of this act shall be available for transfer to such agencies of the Federal or State governments as the Secretary may request to cooperate or assist in carrying out this act; and for technical assistance in formulating and carrying out the programs authorized by this act. The Secretary may make such payments in advance of determination of performance.

Finality of determinations

SEC. 119. The facts constituting the basis for any payment or compensation, or the amount thereof, authorized to be made under this act, when officially determined in conformity with applicable regulations prescribed by the Secretary, shall be final and conclusive and shall not be reviewable by any other officer or agency of the Government. In case any producer who is entitled to any payment or compensation dies, becomes incompetent, or disappears before receiving such payment or compensation, or is succeeded by another who renders or completes the required performance, the payment or compensation shall, without regard to any other provisions of law, be made as the Secretary may determine to be fair and reasonable in all the circumstances and so provide by regulations.

Regulations

SEC. 120. The Secretary shall prescribe such regulations as he determines necessary to carry out the provisions of this act.

TITLE II—MISCELLANEOUS PROVISIONS AND AMENDMENTS

SEC. 201. Section 334 (e) of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1334 (e)), is amended to read as follows:

"(e) Notwithstanding any other provision of this act, the Secretary shall increase the farm-marketing quotas and acreage allotments for the 1956 crop of wheat for farms located in counties in the States of California, Minnesota, Montana, North Dakota, and South Dakota, designated by the Secretary as counties which (1) are capable of producing durum wheat (class II) and (2) have produced such wheat for commercial food products during 1 or more of the 5 years 1951 through 1955. The increase in the wheat acreage allotment for any farm shall be conditioned upon the production of durum wheat (class II) on such increased acreage. The increased allotment shall be determined by adding to the allotment established without regard to this subsection (hereinafter referred to as the 'original allotment'), less the reserve acreage of wheat established under subtitle A of the Soil Bank Act, an acreage equal to two times the acreage by which the original allotment, less the reserve acreage of wheat under such subtitle A, exceeds the 1956 acreage on the farm of classes of wheat other than durum wheat (class II) (hereinafter referred to as 'other wheat'), but such increased allotment shall not exceed the smaller of the cropland on the farm well suited to wheat or the wheat acreage on the farm: *Provided*, That for the purposes of this subsection (e), the original allotment, less the reserve acreage of wheat under such subtitle A, for each farm shall be not less than 15 acres, and varieties of durum wheat (class II) known as 'golden ball' and 'peliss' shall be regarded as other wheat.

"The increases in wheat acreage allotments authorized by this subsection shall be in addition to the national, State, and county wheat acreage allotments, and the acreage of durum wheat (class II) on such increased allotments shall not be considered in establishing future State, county, and farm acreage allotments.

"The provisions of paragraph (6) of Public Law 74, 77th Congress (7 U. S. C. 1340 (6)), and section 326 (b) of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1326 (b)), relating to the reduction of the storage amount of wheat shall apply to the allotment for the farm established without regard to this subsection (e) and not to the increased allotment under this subsection."

SEC. 202. Section 335 (e) of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1335 (e)), is amended effective beginning with the 1957 crop by changing the first sentence thereof to read as follows:

"If, for any marketing year, the acreage allotment for wheat for any State is 240,000 acres or less, the Secretary, in order to promote efficient administration of the act and the Agricultural Act of 1949, may designate such State as outside the commercial wheat-production area for such marketing year."

SEC. 203. Section 358 of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1358), is amended by deleting the proviso at the end of the last sentence of subsection (a).

SEC. 204. Section 201 (c) of the Agricultural Act of 1949, as amended, is amended by changing the last sentence to read as follows:

"For the period beginning September 1, 1954, and ending June 30, 1955, not to exceed $50 million, for the fiscal year ending June 30, 1956, not to exceed $60 million, and for each of the two fiscal years in the period beginning July 1, 1956, and ending June 30, 1958, not to exceed $75 million of funds of the Commodity Credit Corporation shall be used to increase the consumption of fluid milk by children in nonprofit schools of high-school grade and under."

SEC. 205. (a) Section 403 of the Agricultural Act of 1949, as amended, is amended by striking out the last sentence thereof.

(b) Section 3 (a) of the act of August 29, 1949 (7 U. S. C. 1301 (b)) is repealed.

SEC. 206. Section 407 of the Agricultural Act of 1949, as amended, is further amended:

(a) By revising the third sentence thereof to read as follows: "The Corporation shall not sell any basic agricultural commodity or storable nonbasic commodity at less than the current support price for such commodity, plus reasonable carrying charges".; and

(b) by adding at the end of the section the following:

"Notwithstanding the foregoing restrictions, the Corporation may sell annually not to exceed 100 million bushels of less desirable milling quality wheat for feeding purposes, provided that in establishing the sales price of such wheat due consideration shall be given to the feeding value of wheat and to the effect that such sales of wheat will have on the price of feed grains."

SEC. 207. (a) Strategic materials acquired by the Commodity Credit Corporation as a result of barter or exchange of agricultural commodities or products, unless acquired for the national stockpile established pursuant to the Strategic and Critical Materials Stockpile Act (50 U. S. C. 98–98h), or for other purposes, shall be transferred to the supplemental stockpile established by section 104 (b) of the Agricultural Trade Development and Assistance Act of 1954 (7 U. S. C. 1704) if within the limits determined for the supplemental stockpile pursuant to such section 104 (b).

(b) Strategic materials acquired by the Commodity Credit Corporation as a result of barter or exchange of agricultural commodities or products may be entered, or withdrawn from warehouse, free of duty.

SEC. 208. Section 304 of Public Law 480, 83d Congress (68 Stat. 454) is hereby repealed.

SEC. 209. The Secretary of Agriculture is authorized to appoint an agricultural surplus disposal administrator, at a salary rate of not exceeding $15,000 per annum, whose duties shall include responsibility for activities of the Department, including those of Commodity Credit Corporation, relating to the disposal of surplus agricultural commodities.

SEC. 210. Chapter 32, subchapter A, part III, subpart A, of the Internal Revenue Code of 1954, is hereby amended by adding at the end thereof a new section 4084, reading as follows:

"Sec. 4084. Refunds on certain sales to farmers: Under regulations prescribed by the Secretary or his delegate, any farmer who shall use gasoline for any purpose in agriculture other than propelling motor vehicles on the public highways and who shall have paid the tax imposed under this subpart on such gasoline, either directly or indirectly or by having the tax added to the price of such fuel, shall, beginning January 1, 1956, be repaid the amount of such tax upon presenting a claim for refund within 30 days after June 30 of each year in a form prescribed by the Secretary or his delegate."

The letter presented by Mr. AIKEN is as follows:

JANUARY 14, 1956.

Hon. GEORGE D. AIKEN,
United States Senate.

DEAR GEORGE: I am sending with this letter a draft, dated January 14, 1956, of a proposed bill to provide for the protection of national soil, water, and forest resources, and to provide an adequate, balanced, and orderly flow of agricultural commodities in interstate and foreign commerce.

This bill has been prepared to implement the special message on agriculture sent to the Congress by President Eisenhower on January 9, 1956. The bill, in conjunction with certain measures already pending in the Congress, covers the points in the message for which the President urged immediate legislative action to help our farmers in their valiant efforts to reverse the severe 5-year decline that has taken place in our farm economy.

More specifically, the bill covers the soil bank, consisting of the acreage and conservation reserve programs; provisions for making our surplus disposal efforts more effective; amendments to strengthen commodity programs, especially with respect to corn, wheat, cotton, rice, peanuts, and dairy products; and changes in existing law to help reduce farmers' operating costs by refunding the Federal tax on gasoline which the farmer now has to pay on fuel used in his farming operations.

Among the measures now pending in the Congress on which the President emphasized the need for urgent action, are legislation to renew the Sugar Act of 1948; to relieve farmers from wheat marketing penalties if all the wheat grown on their farms is used for food, feed, or seed; and the rural development program designed to help those millions of low-income farm families, as recommended to the Congress in the President's messages of January 11, 1954, and April 26, 1955.

The President also urged expanded programs for research, especially in the fields of new uses and markets for agricultural products and for developing new crops. Research proposals are covered in more detail in his budget message of January 16, 1956. He also recommended that the Congress consider shifting from acreage allotments to quantity allotments on cotton, beginning with the 1957 crop, as well as similar action for other crops under marketing quotas. He also asked the Congress to consider placing limits on the amount of price support loans made to any one individual or farming enterprise.

On January 11, 1956, the President sent to the Congress a report dealing with the special problems in the Great Plains area. Within a short time we shall forward to you a draft of such legislation as appears necessary to implement that report.

As I am sure you know, the Department of Agriculture is ready at any time to give such assistance to the Congress as it can in the consideration of all problems affecting agriculture.

The Department has been advised by the Bureau of the Budget that legislation along these lines would be in accord with the program of the President.

With all good wishes, I am,

Sincerely yours,

EZRA T. BENSON,
Secretary.

BRUCELLOSIS ERADICATION PROGRAM

Mr. WILEY. Mr. President, I introduce, for appropriate reference, a bill which would provide a larger amount of funds for the eradiction of brucellosis, or Bangs disease, from cattle in the United States for the current fiscal year. The bill would also provide increased funds for the fiscal years 1957 and 1958.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2950) to amend the Agricultural Act of 1954 to provide for acceleration of the brucellosis eradication program, introduced by Mr. WILEY, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

Mr. WILEY. Mr. President, this proposed legislation would amend the Agricultural Act of 1954 by increasing the authorization of Commodity Credit Corporation funds allocated to the brucellosis eradication program by $10 million for this year, and would provide $30 million annually—an increase of $15 million over present funds—for the 2 fiscal years beginning July 1, 1956 and ending June 30, 1958.

This program is expanding so rapidly and effectively that the existing funds will be exhausted before the end of the current fiscal year. Unless additional authorization is provided, the program will be crippled by lack of money to employ veterinarians, to pay indemnities for infected cattle, and generally will be unable to operate at present rate of expansion.

A curtailment or stoppage of the program at this time would allow this disease again to spread among the cattle herds of the country, and result in a loss of years of work and expense.

The director of the department of agriculture for the State of Wisconsin, Mr. D. N. McDowell—an enthusiastic pioneer in this program for Wisconsin and other States—has written to me pointing out that this legislation is urgently needed "to insure adequate funds to continue the great brucellosis program now in an accelerated drive throughout the entire United States."

Mr. McDowell emphasized that if additional money is made available now, "we are going to free our State of this disease and the economic loss which our farmers have experienced, and yet far more important, eliminate a potential health hazard for not only our citizens but for the consumers throughout the United States who now consume 85 percent of all milk and milk products produced in Wisconsin."

I hope that the Senate Committee on Agriculture and Forestry, and the Senate, will give this proposed legislation early and favorable consideration.

STATE-FEDERAL COOPERATION IN IMPLEMENTING PROGRAM

I want to make it clear that the States are making a great contribution in money and administrative effort to implement the program, and that the Federal funds are only supplemental support.

A fine example of State effort is contained in a report on the progress of the program in Wisconsin, sent to me by Mr. H. L. Ahlgren, associate director of the cooperative extension service in agriculture and home economics at the University of Wisconsin. This survey of the brucellosis program in Wisconsin was prepared through cooperative efforts of the cooperative extension services, the animal health advisory committee, and the staff of the State Department of Agriculture of Wisconsin.

I request unanimous consent that this report be printed in the RECORD at the conclusion of my remarks.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

THE EXTENSION STORY ON WISCONSIN BRUCELLOSIS ERADICATION

The story of the cleanup of brucellosis in cattle (Bangs disease) in Wisconsin the leading dairy State is a long, long story. Wisconsin is the first major dairy State to go entirely on plan A. Plan A means complete elimination of brucellosis in our cattle herds. We are now in the final stage of elimination of this disease. We may attain brucellosis-free status for the entire State by July 1, 1956.

It is a story of long continued, successful research by the college of agriculture which developed the sound information about the disease and how to control it.

It is a story of relentless effort on the part of the State department of agriculture cooperating with the United States Department of Agriculture.

It is a story of persistent, united backing from the farm organizations, breed associations, and leadership of the cattlemen of Wisconsin.

It is a story of the cooperation of the veterinary folks in the department, on the college staff and those in practice out in the counties.

It is a story of the interest in human health protection expressed by the folks in the department of health and in city administrations.

It is a story of wholehearted backing from the dairy industry which processes and markets milk.

It is a story of continued financial support from our State legislature.

Chapters could be written about these contributions to this outstanding Wisconsin achievement in disease eradication. It is, however, the purpose of this review to present only the work done by the county agricultural extension service in building up local sentiment for Bangs control and their final effort that put the counties and the entire State on plan A.

Forgetting the long years of preliminary work before July 1, 1951, when the present procedures for control and eradication were developed, based upon the ring test, we have a continuous story of information, promotion and persuasion in the use of calfhood vaccination, the ring test followed by the blood test to complete the job. The extension workers were the close contact men out in the counties developing the teamwork to put the job over.

Let us examine first the summary of what county extension did in the period from July 1, 1951 to July 1, 1955, when the legislature proclaimed the entire State plan A.

Based on reports of county extension agents the following figures represent the extension job over the State:

Total days spent by county extension people	2,689
Number of meetings where the program was discussed	1,951
Attendance at these meetings	107,310
Number of new stories	1,353
Number of radio broadcasts	614

The final push for getting counties signed up for plan A was intensified beginning on July 1, 1954, when the Federal Government provided funds sufficient to promote plan A signups on a large scale in additional counties. Agents were given the go-ahead sign. They set up the local organization to get farmers informed and developed teams to secure the petition signups. State department and college specialists worked with county agents in the counties. County petitions bearing the necessary 75-percent signups came in at a rapid rate and when the legislature witnessed the landslide toward plan A they passed legislation extending plan A to the entire State.

Summary of this spurt of effort by extension in putting counties over on plan A reveals this tabulation of effort:

Activity of extension agents on plan A, July 1, 1954, to July 1, 1955

Total days spent on plan A	1,655
Number of meetings held	1,103
Attendance at these meetings	61,536
Number of news stories	876
Number of radio broadcasts	542

Unique in this intensive drive for petition signups was the effective county organization for the drive perfected by the agents. Gratifying also was the generous response of farm leaders in volunteering to carry the petitions to their neighbors for signature.

There was a wide variation in the organizational procedure for getting signups but the sequence was generally uniform:

1. Approval of project by the agricultural committee.
2. Acceptance by county board if opportunity was present for their consideration.
3. Informational meetings for cattle owners.
4. Getting volunteer petition solicitors.
5. Training these leaders on procedures and prepared forms.
6. Signup.
7. Checking and verifying petitions.
8. County hearing.
9. Forwarding to State department.
10. Arrival of veterinarians and county-wide blood tests.

In the conduct of signup campaigns the organizational ability of the extension staffs was evident. Approximately 7,500 farm leaders rallied behind the extension agents and volunteered to carry petitions for signup on plan A. They were trained for their job and went out and put it over.

In Dane County with the largest cow population and where many thought local sentiment was none too favorable, the signup was successfully conducted by county leadership mobilized by extension. It is now a Bangs free county.

Winnebago with a fine organization completed signup in 14 days.

LaCrosse secured a signup of 85 percent in 10 days.

Sauk County with a closely knit township by township team under a township captain put over the job in a very short time.

Dunn got most of the required names at township meetings.

Pepin County got a 91.4 percent signup with the help of 66 true and tried leaders, many of whom were cooperators in the agent's farm-management group.

Price County used township assessors to carry petitions.

In Crawford County 10 meetings and the help of 99 petition circulators did the trick for the agent of that county.

In Shawano County, with no outside help, the agent rallied the support of 190 leaders and completed the job in 1 month.

Racine enlisted the help of the Pure Milk Association which was interested in having its members qualify for the Chicago market.

Rock County used an intensified informational program with 350 interested farmers at one meeting.

Taylor County had an attendance of 1,500 at their informational meetings.

Marathon County got a 90-percent signup in less than a month.

Langlade got a 84-percent signup in a week's time.

Burnett County got a lot of fine help from town chairmen in solicitation.

Kewaunee used a central committee of 25 men.

Wood County used 22 meetings and a 30-day signup period.

Columbia County had much help from the breed associations.

Adams County used their Farm Institute to sell plan A.

Vilas County reports only one dissenting farmer.

Walworth initiated its drive with a meeting attended by 400.

The township was the unit of organization in Calumet County.

Nine hundred and sixty Brown County producers attended informational meetings prior to the signup drive.

Only 5 days' time was required by the agent of Iron County to put over plan A.

In Marquette County the local Farm Bureau worked with the agent to put over plan A.

Fond du Lac County town chairmen picked the soliciting committee for their township.

Richland County was one of several where the county board by resolution directed the extension office to proceed with plan A.

Pierce County made use of farm organizations, breed associations, even homemakers' groups to get out the information on plan A.

Lincoln County was one of several counties where the agent was pleasantly surprised that county sentiment for plan A was favorable.

Ten—12 men on each—teams from each township did the job for Ozaukee County.

One hundred and twenty-two farmers worked on the signup in Portage County.

Twenty meetings attended by 600 producers paved the way for the signup in Eau Claire County.

Only 10 days were required by solicitors in Green Lake County to put over plan A.

Clark County is a large county with a lot of cows, the county staff spent 110 days in putting over plan A.

Washburn County went on plan A with a minimum of effort—2 days of the agent's time.

Nineteen meetings attended by 1520 people with the agents spending 38 days on the program, put over plan A in Juneau County.

Town chairmen helped the agent materially in Polk County in the plan A signup.

Bennett in the Menominee Reservation signed up all 15 of his cattle owners personally.

Breed associations helped a lot in Jackson County.

The Pure Milk Association and the Kenosha Milk Producers carried a big part of the workload in Kenosha County.

"This was one of the most satisfying projects that this county agent ever worked on because of the wonderful cooperation we had from farmers," said the St. Croix county agent.

Marinette County agent says that the going was tough but wound up with 83 percent signup.

Two weeks were required for the signup in Outagamie County.

Oconto County farm bureau helped circulate petitions for plan A.

Manitowoc County had an attendance of 1450 at 13 informational meetings.

Township captains secured school district solicitors to cover Monroe County in the signup for plan A.

The Buffalo County agent says he enjoyed very much the work of the plan A signup—60 meetings with 2500 attending.

Trempealeau County spent 10 days on plan A, going strong on the informational phase followed by solicitation.

AMENDMENT OF SMALL BUSINESS ACT OF 1953, RELATING TO DISASTER LOANS

Mr. MORSE. Mr. President, I desire to make this announcement while the Senator from Connecticut [Mr. BUSH] and the Senator from Virginia [Mr. ROBERTSON] are present.

The Small Business Subcommittee of the Senate Banking and Currency Committee has agreed on a bill to be introduced by myself and other Senators. The bill has to do with disaster loans. The bill is a combination of the Thye, Bush, and Morse bills. The bill is being introduced this afternoon, and on the bill the cosponsors of the Thye, Bush, and Morse bills will be shown as joining in introducing the new bill.

I should like to have the attention of the majority leader for just a moment. Time is of the essence in the matter of disaster loans.

It is expected that the full Banking and Currency Committee will take action on the bill Thursday morning. We should very much like to have the bill come before the Senate before the week is over, because, in view of the great disasters which have been occurring in our country, I think the Senate of the United States should demonstrate that it can act expeditiously and quickly. We are confident that, because of the great support for the bill in the committee, the bill will pass the Senate unanimously. So I ask permission to introduce the bill, and ask unanimous consent to have a release in explanation of it printed in the RECORD, so the Senate will have it available tomorrow.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the Senator from Virginia.

Mr. ROBERTSON. Is it not true that the Small Business Administration is without 3 percent disaster loan funds?

Mr. MORSE. The Small Business Administration is without 3 percent disaster loan funds. It has a deficit of $3,300,000.

Mr. ROBERTSON. Is it the opinion of the full committee that the bill will be passed without objection?

Mr. MORSE. It is.

Mr. JOHNSON of Texas. Will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. JOHNSON of Texas. I have great confidence in the Senator from Oregon and in the Senator from Virginia, and I want to assure them that any bill which comes out from the Banking and Currency Committee with unanimous approval of that committee, and which is of such great appeal, will be considered promptly.

Mr. MORSE. Mr. President, on behalf of myself, the Senator from Virginia [Mr. ROBERTSON], the Senator from Alabama [Mr. SPARKMAN], the junior Senator from New York [Mr. LEHMAN], the senior Senator from Connecticut [Mr. BUSH], the junior Senator from Connecticut [Mr. PURTELL], the Senator from New Hampshire [Mr. COTTON], the senior Senator from Pennsylvania [Mr. MARTIN], the Senator from Maine [Mr. PAYNE], the Senator from Maryland [Mr. BEALL], the senior Senator from New York [Mr. IVES], the junior Senator from Pennsylvania [Mr. DUFF], the Senator from California [Mr. KUCHEL], the Senator from Utah [Mr. BENNETT], and the Senator from New Jersey [Mr. SMITH], I introduce the bill, for appropriate reference, and ask unanimous consent that a release in explanation of the bill, prepared by me, be printed in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the release will be printed in the RECORD.

The bill (S. 2960) to amend the Small Business Act of 1953, as amended, introduced by Mr. MORSE (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Banking and Currency.

The release presented by Mr. MORSE is as follows:

Senator MORSE, chairman of the Small Business Subcommittee of the Senate Banking and Currency Committee, announced today that his subcommittee has agreed on a bill to increase the funds available to the Small Business Administration for disaster loans.

The bill will be introduced by Senator MORSE for himself and other Senators and contains the following provisions:

1. It combines the disaster loan fund of the SBA (now $25 million) and the business loan fund (now $150 million) into a single fund for both purposes.

2. It increases this total fund by $35 million, thus raising the funds available for both disaster loans and business loans from $175 million to $210 million.

3. It fixes a maximum interest rate of 3 percent on all disaster loans made by the Small Business Administration.

4. It increases from 10 years to 20 years the maximum term on disaster loans made to small businesses.

5. It makes a minor technical revision in the existing statute which makes no substantive change in the law.

Senator MORSE stated that although the amount of the increase is not as large as he would prefer, he is pleased with the work of the subcommittee and hopes that this bill will be passed by the Senate as quickly as possible.

PROPOSED COMMISSIONING OF THE LATE COL. WILLIAM MITCHELL AS MAJOR GENERAL

Mr. WILEY. Mr. President, "Will this Nation survive or will it perish?" The answer is, of course: "We must and will survive." Yes, the greatest single problem of this Republic is self-preservation; that is, survival.

For our own good, for the good of all mankind, we must endure, and we will endure.

But for us to survive will require that we do more than merely hope or exercise wishful thinking. We must do a great many constructive things at home and abroad to strengthen our own and our allies' defenses against the menace of international communism.

I introduce, for appropriate reference, a joint resolution which may in some small measure serve to spotlight this problem. It may in a small but significant way point up the absolute need

for American supremacy, particularly in the sky.

This joint resolution is, by the standards of much of the great legislation of the 84th Congress, relatively modest. Why? Because its purpose is literally to correct the military record of only one man by elevation of his rank posthumously. And yet, in its symbolic meaning, in its larger meaning, this is a very important bill, indeed.

Senators may have guessed its purpose. It is to give to the great aviation pioneer of America, Brig. Gen. William Mitchell, the posthumous rank of major general.

The PRESIDING OFFICER. The joint resolution will be received and appropriately referred.

The joint resolution (S. J. Res. 121) authorizing the President to issue posthumously to the late Col. William Mitchell a commission as a major general, United States Army, and for other purposes, introduced by Mr. WILEY, was received, read twice by its title, and referred to the Committee on Armed Services.

Mr. WILEY. Mr. President, I present a statement, prepared by me, by way of elaboration of the joint resolution, and I ask unanimous consent that it be printed in the RECORD at this point as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

FULFILLING THE SAGA OF BILLY MITCHELL

(Statement by Senator WILEY)

The fight to honor the memory of this immortal aviation crusader is not a new fight, so far as I am concerned.

It dates virtually from the time when I first entered the Senate in January 1939, when the war clouds were already gathering in Europe.

It was not too long before I began to point out to the Senate that this Nation had to look to its air defenses. Obviously, we were miserably unprepared for emergencies.

Regrettably, my own and others' warnings went unheeded. And so, unfortunately, the Pearl Harbor attack came, launched from enemy naval aviation. And it came in a manner predicted with uncanny accuracy by Wisconsin's Billy Mitchell.

HISTORY VINDICATED MITCHELL "THE HARD WAY"

The battling Badger has unfortunately long been mouldering in the grave, but his spirit has gone marching on.

The fact that he proved accurate on the prediction of a Pearl Harbor attack, just as he was accurate on the then future use of paratroops, accurate on the use of aerial torpedoes, and aerial bombardment of surface craft—accurate on the peril to Alaska, accurate on the overall danger in the Far East—the fact that all these predictions came true, would not have brought satisfaction to Billy.

After all, he was not interested in having his beloved country learn the "hard way" that he was right.

Billy loved this country, and he wanted it to survive. He tried to warn it in time. He did not want his warnings to be ignored, and later to come true by a terrible enemy onslaught.

Be that as it may, history has vindicated Billy Mitchell. History has proven that the court-martial of Billy Mitchell was a blind, shameful, and vindictive episode in this country's history.

MITCHELL'S "HEIRS"—OUR AIR FORCE LEADERS

Fortunately, the crusade which Billy conducted served as an inspiration to a whole generation of air crusaders who followed him. It is a fact that some of them were held down deliberately by the same type of vengeful, narrow-minded forces which court-martialed Billy. But fortunately for our country, a great many of these air crusaders rose through the ranks so that they emerged as the foremost aviation leaders of America.

But Billy himself must not go unhonored. Fortunately, America has awakened to his contribution, thanks in large part to our informative media of communication, including of course the miracle of a new motion picture.

THE MEANING OF GREATNESS

But some folks may still ask, "Why all this fuss about a man who long since has departed? Just who was Mitchell?"

He was the son of a great United States Senator from Wisconsin. He was a man who personally came up through the ranks from a private and became the youngest American officer under fire in World War I. He was the first American flying officer to cross the German lines, just 16 days after our entrance into that war. He commanded the AEF Air Force in France. Mitchell was the brilliant prophet who, 20 years ahead of his time, advocated undreamed of military and aerial innovations.

Even then, he warned us of the Japanese peril to Alaska, to the Hawaiian Islands, and the Philippines. He was the man who had the courage to denounce certain "swivel chair" generals and admirals, who did not really have the slightest conception of the full meaning of aviation in modern military science. This was Mitchell, whose advocacy of airpower launched the bitterest controversy among top Army and Navy officers. It led to his trial and conviction of insubordination, and to his being suspended from the service. It led to his death—death of a broken heart.

MY PAST BILLS FOR MITCHELL

Fifteen and a half years ago, June 21, 1940, I introduced my joint resolution at least to restore Billy Mitchell's one-star brigadier generalship. I stated: "If we are really to vindicate Mitchell, we must erect a monument to his memory in the sacred shrine of a new concept of security."

In the 77th Congress, on May 20, 1941, I introduced a similar resolution which finally passed the Senate, but could not be enacted by the House because of adjournment.

Again, in the 78th Congress, on January 7, 1943, I offered the bill. The Senate not only acted to restore Billy's one star, but did itself the proud honor of acting to confer on him—in the official records—the rank of major general, as I am proposing today. Again, the House proved the stumbling block.

On February 19, 1945, on the ninth anniversary of Billy's death, I introduced Senate Joint Resolution 35. Once more, it passed the Senate unanimously, only to expire in the House Military Affairs Committee which still reflected some anti-Mitchell sentiment dating from Billy's long battle against certain War Department brass.

THE WILSON BILL TO ELEVATE RANK

In this 84th Congress, legislation (H. J. Res. 364) is being offered by Representative BOB WILSON, of California, to elevate Mitchell's rank. I understand that the Department of Defense is at long last giving a favorable reaction to this joint resolution, and I trust that it will soon, therefore, be enacted into law.

I am fighting this fight, not simply as a United States Senator, interested in the survival of this Republic, but naturally as senior Senator from the State of Wisconsin, the State of Billy Mitchell and of Billy Mitchell's family.

WISCONSIN WILL NEVER FORGET MITCHELL

Wisconsin has never forgotten Billy. Billy Mitchell Field in Milwaukee is but one symbol of the devotion of my State to him.

But Billy Mitchell lives on, as well, in the spirit of Wisconsin Air Cadets, Wisconsin members of the Civil Air Patrol, Wisconsin Veterans of the United States Air Force, the Naval Air Force, the Marine Air Arm, Army Tactical Aviation, and Strategic Aviation, as well as Wisconsin members of the Air Force Association.

Let us therefore pass this joint resolution. Let us forever wipe out the stain of the Billy Mitchell court martial.

ACT TO PRESERVE THE REPUBLIC

But most important of all, let us so act that we answer that great question—"Will America survive or will it perish"—in the resounding sort of way in which our enemies will truly note our answer. Let us so strengthen our air arm, including our guided missile program, that our enemies will forever be deterred from a rash act of attack.

Each passing day brings dramatic developments in United States aviation. There is talk today of "nuclear air bases" in the sky, that is, of an United States air armada, flying tens of thousands of feet high in the sky, and capable—24 hours a day—of almost instantaneous receipt of orders to retaliate against possible enemy attack.

There are constant developments as well in air-borne radar, in aerial transport of troops, by helicopter and vast sky ships; there are developments in carrier aviation and land-based aviation; there is constant redesign of jet aviation, which has now broken the sound barrier, and which is aiming at breaking the successive heat barriers.

CONCLUSION

This then is the background of my Billy Mitchell joint resolution which must, and I trust will pass, before the end of this year.

FAMILY HOUSING FOR CHAIRMAN OF JOINT CHIEFS OF STAFF—RECOMMITTAL OF BILL

Mr. STENNIS. Mr. President, I ask unanimous consent that the bill (S. 2603) to authorize the providing of family housing for the Chairman of the Joint Chiefs of Staff, which is Order No. 1086 on the calendar, be recommitted to the Committee on Armed Services. I think any consideration of this matter should have a new start by the full committee.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Mississippi? The Chair hears none, and it is so ordered.

THE ADMINISTRATION'S SCHOOL-CONSTRUCTION BILL—OPPORTUNITY FOR ADDITIONAL SPONSORS

Mr. SMITH of New Jersey. Mr. President, on Thursday, January 12, I introduced in the Senate the administration's school-construction program. Since Thursday, I have sent to all Senators on both sides of the aisle copies of the bill, an explanation of the bill, and tables showing the breakdown for each State of the allotment and efforts test factors under the administration bill.

At the present time the following Senators are listed as cosponsors: the junior Senator from New Jersey [Mr. CASE], the junior Senator from Pennsylvania [Mr. DUFF], the junior Senator from Maine [Mr. PAYNE], the senior Senator from Minnesota [Mr. THYE], the junior

Senator from South Dakota [Mr. CASE], and the junior Senator from Vermont [Mr. FLANDERS].

I remind Senators that the bill, S. 2905, will be open for additional cosponsors until the close of business tomorrow, Wednesday, January 18.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. KNOWLAND:

Address delivered by him before the Economic Club of New York, in New York City, on January 16, 1956.

By Mr. MARTIN of Iowa:

Address delivered by him before the American Mining Congress at Las Vegas on October 12, 1955.

By Mr. McNAMARA:

Documents detailing efforts to obtain arbitration in the strike by the International Union of Electrical Workers against the Westinghouse Electric Corp.

MIGRATORY BIRD CONSERVATION COMMISSION

The PRESIDING OFFICER. The Chair has been requested by the Vice President to announce the appointment of the Senator from Missouri [Mr. HENNINGS] as a member of the Migratory Bird Conservation Commission, to fill the vacancy thereon caused by the resignation of the Senator from Virginia [Mr. ROBERTSON].

INADEQUATE AIRLINE SERVICE AT ST. LOUIS

Mr. SYMINGTON. Mr. President, St. Louis is the ninth largest city in the United States, the second largest railroad center, and one of the major economic hubs of our great and growing economy. Yet the airline service in and out of the metropolis of St. Louis cannot be compared favorably with that offered far smaller towns many years ago. Apparently those responsible for running some of our airlines and some of those responsible for deciding in the CAB what airlines go where are determined to keep St. Louis a "tank town" with respect to adequate air service.

The situation is unrealistic, Mr. President. For example, St. Louis has no direct air service to anywhere in the entire Pacific Northwest. It has inadequate service to New York, Boston, and even to Chicago. It has totally inadequate service to the South and Southeast. More service, better schedules, and, in some cases, decent, modern equipment are needed.

Petitions to correct these unfortunate situations have long been filed before the CAB.

The city and State grow, but the air service does not. How can anyone justify such a situation? Why should the people of St. Louis and Missouri be virtually grounded in such a manner by the Federal Government?

Mr. President, one airline defended its exceptionally poor service to St. Louis on the grounds it took no subsidy from the Government. But the taxpayers pay a part of the subsidies to other airlines which gives people service to other American cities.

In addition, this particular airline is not correct in its statement, because the greatest subsidy of all is an exclusive monopoly on a particular route.

Another defense used was that rail service was poor from St. Louis to a particular locality. But two wrongs never made a right; and if the airline is correct in criticizing the rail service, it simply means that adequate schedules on its part would give it more traffic.

The more I study this situation, the more astonishing are the findings.

I have discussed the matter with the chairman of the Committee on Interstate and Foreign Commerce, my colleague, the distinguished senior Senator from Washington [Mr. MAGNUSON], and he has assured me of his deep interest in the matter, as also has the chairman of the Aviation Subcommittee, the distinguished junior Senator from Oklahoma [Mr. MONRONEY].

I hope all of it is looked into by the Congress, and to this end, I am asking the committee to find out why incredibly poor airline service is extended to the people of St. Louis and Missouri.

Mr. President, I ask unanimous consent to insert in the body of the RECORD six articles from the St. Louis Globe-Democrat, which are the result of increasing interest in this problem, as expressed by that great newspaper and its able publisher, Richard Amberg.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the St. Louis Globe-Democrat of January 9, 1956]

IS ST. LOUIS A TANK TOWN IN THE AGE OF AIR TRAVEL?

(By Con Kelliher)

St. Louis pays a healthy chunk of the Nation's air travel bill, but carriers touching down here treat the city like a tank stop on the airlanes.

That is the opinion of many St. Louis businessmen who fly either because their work tempo demands it, or because they just simply like to go everywhere by air.

They complain about inconvenient schedules in and out of St. Louis, and about the equipment used on St. Louis flights, as compared to planes serving other cities.

"Many model T Fords still run, and run well. But who wants to go to Florida in one of them?" United States Senator STUART SYMINGTON recently asked in a caustic letter to one airline.

The carriers, in a few decades of operations, have brought flying to a point that, in 1956, it may become the Nation's biggest commercial passenger traffic medium. They have done this chiefly through aggressive salesmanship, service, courtesy, and recognition of America's almost hypnotic devotion to speed.

The airlines, therefore, are stung by the criticisms voiced by some of their St. Louis clients. The carriers can offer stout, and often convincing defense of their service to St. Louisans.

The issue is not likely to be immediately resolved because St. Louisans never seriously sought, until recently, the facts needed to support their appraisal of the air service offered here.

But study of timetables and discussions with passengers and airlines representatives indicate agreement may be approached on these points:

1. While other major cities were fighting for and getting improved and expanded air service in this aviation age, St. Louis did little from 1944 until a few months ago to improve its own position.

2. Certain airlines have a monopoly on some routes out of St. Louis, or on nonstop service. St. Louis air passengers argue that a line enjoying a monopoly on a St. Louis route is inclined to use its best equipment and offer its best service on non-St. Louis routes, where it is battling competing airlines for business. The carriers having the local monopolies vigorously deny the contention.

3. Air service is good to cities within a 300-mile radius of St. Louis, including Chicago, Kansas City, Tulsa, Memphis, Indianapolis, and Louisville. The nonstop service previously offered to Cincinnati has slipped back to one-stop flights.

4. Trans-World Airlines, TWA, has a monopoly on nonstop service between here and New York. It is the longest, most profitable, noncompetitive nonstop route in the world. Two other airlines want the Civil Aeronautic Board's permission to give TWA some competition on the nonstop service.

5. St. Louis has no direct service to anywhere in the entire Pacific Northwest.

6. The Delta Airlines has a monopoly on the St. Louis-New Orleans route. Delta's best planes, the DC–7 Royal Caribes, flying between New Orleans and Chicago, speed over St. Louis without ever landing.

7. Eastern Air Lines has a monopoly on the St. Louis-Miami route. All 4-engine planes used by Eastern on this route have 5 seats abreast instead of the usual 4. First-class fare is charged on one of these planes, on which meal service is offered.

Experienced air passengers declare all of these 4-engine craft are tourist equipment, including the first-class fare plane, which has 35 of its 60 seats arranged 5 abreast. Eastern firmly denies the allegation as to the one plane.

The St. Louis air travel volume would expand greatly if additional carriers came into the city, and if present schedules were expanded, assert many local buyers of air tickets. The airlines claim that existing service adequately covers the St. Louis demand.

While this chicken-or-the-egg type of debate goes on, there are some comparisons that indicate St. Louis is being outdistanced in the air transportation race.

St. Louis ranks 9th among the Nation's cities in population. Control tower reports for the year ending last June show that we rank 17th in air-carrier operations (landing and takeoffs).

Kansas City, Atlanta, and Dallas are among the cities having higher traffic airports than St. Louis. And while St. Louis is 9th in population, Kansas City ranks but 17th, Atlanta 23d, and Dallas 34th.

[From the St. Louis Globe-Democrat of January 10, 1956]

ST. LOUIS' WINGS CLIPPED AS OTHER CITIES FLY HIGH

(By Con Kelliher)

Commercial aviation soared to new records in the last 2 years, bringing more airlines or major routes to many cities throughout the Nation—but not to St. Louis.

In 1954, air traffic topped the railroad-coach travel volume. Last year, the country's air traffic shot above the long-haul bus traffic, for the first time.

If commercial aviation's trend continues at the 1955 pace, this year will see air traffic topping all rail-passenger traffic, both coach and pullman, but excluding the commuter business.

How is centrally located St. Louis, the Nation's eighth largest city, shaping up, wingwise, in this era of expanded air travel?

Surveys show that the city ranks 17th in the Nation in air-carrier landings and takeoffs; 13th in miles traveled by its passengers, and 12th in the number of passengers taking off from or ending their travels here.

Many St. Louisans who are regular patrons of the airlines declare the city would develop into a leading air-traffic center if service were improved by more competitive routes, expanded routes, and better equipment.

Improved air-transportation service was granted during the last 5 years to virtually all cities comparable in size to St. Louis, and many smaller municipalities also advanced their travel facilities.

During the same period, St. Louis could boast of few improvements in air travel, except that Ozark Airlines started operations with its headquarters here.

The Civil Aeronautics Board, which determines what airlines, routes, and types of service a city shall have, last month granted Central Air Lines the right to operate between here and Fort Smith, Ark., via Harrison and Fayetteville, Ark.

St. Louis business and civic leaders who are air travelers say the following conditions help keep the city from becoming a big air hub:

St. Louis does not have any direct air service to anywhere in the Pacific Northwest; 1 carrier has the monopoly on the nonstop service between St. Louis and New York; routes to the South and Southeast are also monopolies, each flown by 1 carrier.

These airline patrons say that more traffic would be generated here if additional airlines were permitted to serve the city, and that competition on all routes would result in better schedules and use of better equipment on many St. Louis flights.

An airline having a monopoly route at one city, it is argued, offers its best equipment and schedules on other routes where it competes with rival lines.

The air carriers now serving St. Louis emphatically do not agree with these conclusions. The airlines' stand is, generally, that the city is not being discriminated against in the matter of equipment, and that the present service is adequate to the demand.

The two transcontinental lines routed through here are Trans-World Airlines (TWA) and American Airlines. The regional lines are Delta Air Lines, Eastern Air Lines and Braniff Airways. Local service is provided by Ozark, with Central soon to start its St. Louis operation. Slick Airways is an airfreight line exclusively.

Those who criticize the airlines or CAB, or both, for St. Louis' undistinguished place in the Nation's air-travel picture, frankly acknowledge the citizens themselves failed for a decade to fight for its rightful position.

It is generally believed in aviation circles that when Ozark's operating permit came up for examination by the CAB about 2 years ago, St. Louis was less diligent than any other municipality on Ozark's routes in emphasizing the need for the carrier.

Although intervening petitions had been filed in various CAB cases, some St. Louis observers say they can't recall aggressive followup action from 1944 to 1954.

One reason why comparatively few St. Louisans got excited about the air-travel future apparently was because this city is the Nation's second largest railroad center, with good surface transportation available in all directions.

The determination to do something about the city's inadequate air links seized St. Louis leaders about the same time they decided that the city had to get rid of its blighted areas and start a vast public improvements program. As a result of the concerted drive to improve St. Louis, the plaza-bond issue and the $110 million public improvements bond issue were voted.

Spearheading the drive for better air service are two groups, the St. Louis Chamber of Commerce and the city administration, through its Airport Commission. They are being aided by United States Senator STUART M. SYMINGTON, who is gravely concerned about the type of service the airlines are giving St. Louis.

Those active in the chamber of commerce air program include Howard F. Baer, president of A. S. Aloe Co. and former chairman of the chamber's board; Aloys P. Kaufmann, president of the organization; Milton Kinsey, chief engineer of the Bi-State Development Agency and chairman of the chamber's air board; Edwin J. Spiegel, board chairman of Gaylord Container Corp., and Edgar M. Queeny, board chairman of Monsanto Chemical Co.

Mayor Raymond R. Tucker appointed an airport commission which, with City Counselor Samuel H. Liberman has been working with the chamber of commerce group on air-service problems. The commission includes Baer, Vincent T. McMahon, president of McMahon Pontiac Co.; John Fabick, president of John Fabick Tractor Co.; Russell E. Gardner, Jr., of Reinholdt & Gardner, investment brokers; Sidney Maestre, board chairman of Mercantile Trust Co.; Walter E. Burtelow, executive vice president of the Bank of St. Louis, and Conway Briscoe, director of Public Utilities.

[From the St. Louis Globe-Democrat of January 11, 1956]

AIR TRAVELERS AT SEA HERE OVER INDIFFERENT SERVICE

(By Con Kelliher)

On land or in the air, St. Louis airline passengers are at sea in trying to understand the carriers' apparent indifference about keeping service standards high.

That was the tenor of telephone calls and letters received yesterday from air travelers reading the Globe-Democrat's articles on St. Louis' inadequate plane routes and schedules.

"Ask a railroad conductor why there's a delay, and he'll tell you," said one exasperated woman visitor. "But with the airlines—it's a military secret."

The practice of telling callers that incoming planes are flying on schedule when they actually are not, allegedly poor reservation operations, and poor luggage handling were common complaints.

Some of the service flaws observed at Lambert-St. Louis Municipal Airport, such as the luggage handling, could be blamed in varying degrees on the present overcrowded terminal facilities. The city's new $7 million terminal, now under construction and regarded by many architecural critics as being the Nation's most beautiful air station, will open in March.

The lack of competition on certain routes out of St. Louis was regarded by many of the passengers as being the chief reason for displeasing service standards.

As previously related, there is only one airline operating on each of the routes to the South and Southeast, while another has a monopoly on nonstop service to New York. St. Louis does not have a direct route to any point in the entire Pacific Northwest.

A woman caller, who identified herself as Mrs. George Jackson, said she frequently uses planes in and out of St. Louis, and declared the airlines generally were showing "inability to keep on schedule."

"And when you come from Florida into St. Louis, the plane lands out in left field," she declared. "You get out into the cold and just see there's nothing but vacant space between you and the administration building. But Eastern (Air Lines) has to park near Robertson Airport.

"Then you take the long walk up to the baggage counter and fight to get your luggage. You have to have a red ribbon tied on it so those blind mice can see it."

Roger L. Schwab, who buys about 35,000 miles of air travel annually from the carriers, agreed that baggage service is unusually slow at the airport, as compared to the service in other cities.

Schwab, sales manager for Weil-Kalter Manufacturing Co., 317 North 11th Street, added:

"What surprises me is that passengers' wives, who drive out to the airport to meet their husbands, don't rebel. The airlines just absolutely refuse to give you the right information about whether a plane is on time."

Schwab said a caller invariably is informed that an incoming plane will arrive on time, although it may be 90 minutes or 2 hours late.

"A wife will then drive out to the airport and wait around—and the facilities for waiting are poor, indeed. And if she has to take along a couple of kids, she's really got her hands full."

Schwab said misinformation is frequently given to outbound passengers, who present themselves at the airport at the appointed hour, only to have to wait unusually long before the plane arrives.

"The airlines have so much business that it is hard for them to keep equipment on schedule," he said. "I judge that my flights run late about 90 percent of the time. But the basic reason for all this poor service is the lack of competition on the routes. Any organization, including airlines, does a better job when it must compete for the business."

James S. Legg, vice president of Heydays Shoes, Inc., 2032 Locust Street, who travels by air from 25,000 to 50,000 miles annually, said:

"You are so right saying that when an exclusive route is given to one company, its service lags—and when two others merge, like Delta and C. & S., the lag becomes a sag."

Legg said he was irked by hard-pressed reservations clerks who answer the telephone with, "Reservations are busy, wait, please."

"Before you can say a word, you're all alone on the phone," Legg said. "The voice comes back 3 to 5 minutes later with a very polite thank-you, and 'what can I do for you?'

"Now, in this you have an outfit selling you from $75 to $250 worth of their merchandise, and not interested enough in your time to say for example, 'Busy just now, please let me have your name and number—we'll call you shortly.'

"If the reservations clerk would do that, a man could get back to work instead of spending time and patience holding a receiver and tying up a telephone line thereby possibly be causing inconvenience to his own firm's clients."

Legg said he was unimpressed with airline arguments that additional service is not provided to St. Louis because there is no demand for it.

"It's like a shoe dealer saying he can't sell a certain type of shoe, and then acknowledging he doesn't have the model in stock," Legg said. "How does anyone know he can't sell something when he's not even offering it for sale?"

[From the St. Louis Globe-Democrat of January 12, 1956]

UNITED HAS TRIED 13 YEARS TO GIVE AIR SERVICE TO CITY

(By Con Kelliher)

The gigantic United Air Line, a farflung system extending from New York to Honolulu—via Chicago—and northward to Van-

couver, B. C., has been trying for 13 years to get into St. Louis.

Entry of United here by a route from Denver would open up the entire Pacific Northwest to St. Louis. The city presently does not have any direct commercial airline service to any point in that vast area.

"United Air Lines is deeply interested in being certificated to provide service to St. Louis," Robert E. Johnson, of Chicago, vice president and assistant to United president William A. Patterson, told the Globe-Democrat yesterday. Patterson presently is in Jamaica.

"The depth of that interest," said Johnson, "is shown by the fact that we have filed applications (with the Civil Aeronautics Board) to serve St. Louis on four different occasions, dating back to 1943. Three of these applications have been denied by CAB, and the fourth is awaiting a hearing."

Johnson declared, "United has always regarded St. Louis as a major air traffic center, and is most desirous of the privilege of serving its travelers and shippers."

If authorized to serve St. Louis, United would provide the city with its first direct one-carrier service to cities in the Rocky Mountain area and the great industrial, lumbering, shipping, and agricultural centers of the Pacific Northwest.

In addition, United would offer new competitive service to the industrial East and major cities of the Atlantic seaboard.

The CAB's prior refusals to give a St. Louis gateway to United yesterday caused one flying businessman to declare bitterly: "The CAB has cut off St. Louis from the Northwest with an 'aluminum curtain'."

Investigation discloses, however, that St. Louis itself has never intervened in a single United application before the CAB, to help the airline to get a main route here.

The last of four United applications was filed with the Government agency in 1953. As stated before in this series, St. Louis had not shown, during the decade preceding 1955, any serious concern about its deteriorating position in the Nation's air travel position.

This lack of alertness in the past has been partly responsible, observers believe, for the fact the city now suffers from inadequate air schedules and equipment, with only one airline each holding the monopoly on routes to the South and Southwest. Another line has the monopoly on nonstop flights to New York.

A high CAB spokesman, asked yesterday about the rulings which have kept United out of St. Louis, said:

"The CAB awards are made to various applicants on the basis of what is most in the public interest." The decision in each case would have to speak for itself, he said.

In St. Louis, a leader in the movement to get more air service here said the city would undoubtedly intervene in the pending United case to show it is greatly in the interest of this area to be served by the airline. The intervening petition, he said, will probably be filed when a hearing date is set.

Kansas City, which has always been aggressive in seeking expanded air service, received United service in the same CAB action that knocked St. Louis out of consideration.

In February 1943, the carrier applied for a route from Denver to New York via Kansas City, St. Louis, Indianapolis, Dayton, Cincinnati, Columbus, and Pittsburgh. The CAB eventually refused to consider the application as to cities east of Kansas City, which includes St. Louis. On last November 14, CAB added Kanas City and Pittsburgh to United's main line.

United ranks second among domestic United States scheduled airlines, with 13,250 route miles. It was second largest in revenue passenger miles last year, having carried 5,572,000 passengers a total of 3,985,000,000 revenue passenger miles.

United also was top mail carrier in 1955, with 26,400,000 ton-miles, and second in air express and freight with 53,000,000 ton-miles.

[From the St. Louis Globe-Democrat of January 13, 1955]

WILTED WIVES FRET ABOUT LONG DELAYS AT AIRPORT

(By Con Kelliher)

Nonflying housewives who wait at the municipal airport for "ships" that never come in on time with their traveling husbands had their say yesterday about St. Louis' plane service.

The complaints were apparently voiced in response to a businessman's observation quoted in an earlier article in this series.

Wives telephoning the airlines, he charged, are usually told a flight is coming in on schedule, although it actually is delayed. The women drive out to the airport in north St. Louis County to meet their husbands, and then may have to wait around for as long as 90 minutes or 2 hours.

The man said it was a wonder they didn't rebel. That seemed to be the ladies' cue to telephone the Globe-Democrat about the plight of those who merely stand and wait.

The wives asked to remain anonymous, and frequently indicated they were entering the forum of public opinion without their husbands' knowledge. Some hinted that reunion with spouse at the airport is not as joyous as might be anticipated, what with the weary traveler being grumpy, about the delays and the wife somewhat wilted by her vigil.

One wife confided: "I can't tell you my name because my husband is a railroad man who does a lot of traveling by air." She said he favored United Air Line's pending application for a St. Louis route because he likes United, and often, when going East, flies to Chicago to transfer to a United plane, instead of taking an east-bound plane here.

"I don't fly, but I sure meet airplanes," declared one Webster Groves housewife. "Did you ever try to park out there? It's almost impossible."

Several of the callers complained about the need of additional parking space at Lambert-St. Louis Municipal Airport. There are lots with a total capacity of 637 spaces, used by both airport workers and the public. The parking area around the new terminal building, to open in March, will accommodate about 400 more cars.

"It's not so bad when you merely drive out to drop off someone who is taking a plane out," said this housewife. "But when you have to meet your husband, it's different. Perhaps you have to go down around the Remmert-Werner offices to find a parking space.

"Then you have to take a long walk to get to the gate to meet the plane, which may be 20 minutes to an hour late. After papa gets his baggage, he can't carry it the long distance to the car, and he can't go after the car to bring it to the luggage, because he doesn't know where the car's parked. So mama takes another long walk to get the car while papa guards the luggage and broods over airplane service."

"My husband bought railroad tickets to Milwaukee for 6 people and they went out of the (Wabash) Delmar Station today," another caller advised. "He said there's no worry about handling luggage at the Chicago station, but the airlines always do a poor job of it. His group decided to go by train.

"The real reason for his decision, I believe, was the fact that when he was trying to get out of New York the other day, the airline canceled two flights. He came home like a wild man."

The wife said her husband related how, during the flight, the pilot used the plane's public amplifier to tell his passengers that the plane was traveling more than 300 miles an hour.

The husband concluded the story with: "Just think of all the inventive genius needed to build a thing that will go 300 miles an hour—and then those people get it bogged down at both ends of the trip."

Another caller said the airlines had always reported, except one time, that her husband's plane was on time, and it was always late. On the one occasion the carrier advised the plane was late because of a delay along the line.

"So I went out late to the airport, and guess what had happened," she said. "They had made up the lost time, and my husband was standing around wondering where I was."

[From the St. Louis Globe-Democrat of January 15, 1956]

POOR AIRLINE CONNECTIONS WASTE ST. LOUISANS' TIME

(By Con Kelliher)

A St. Louis businessman flying to Chicago to make connections there with late afternoon planes probably will find himself hedgehopping across Illinois instead of going through on a nonstop flight.

That is because the one slow local flight has the best arrival time in Chicago for the busy executive whose trip will continue beyond that point.

Whether the St. Louisan takes the local or 1 of the 5 nonstop afternoon flights offered by 2 airlines, one fact is certain: The 251-air-mile trip will cause him to lose virtually an entire afternoon's work at his desk, because of the ill-timed departure hours.

American Airlines runs the local flight which, if made nonstop and given accordingly, a later takeoff hour, could remedy the situation. But that flight, No. 484, is the one American chooses to touch down both at Peoria and Springfield, Ill.

Instead of making the trip to Chicago in about an hour and 25 minutes, like the nonstops, 2 stops, No. 484, takes 2 hours and 12 minutes.

Here is how the present scheduling affects a St. Louisan going, for example, to Boston.

The passenger wants to make the Chicago-Boston leg on American's nonstop, the *New Englander*, a plush DC–7 that leaves Chicago at 5:35 p. m. and arrives at Boston at 9:25 p. m.

The St. Louisan's problem is to get the flight out of here which will let him, before departure, put in the most working time at his desk. Delta's nonstop, flight 462, leaving here at 3:10 p. m., lands at Chicago at 4:34 o'clock—but at the new O'Hare Airfield. The Boston flight takes off from Midway Field 61 minutes later, so a bad transfer problem pops up.

During the rush hours, a traveler had better allow himself an hour's auto travel time to get from O'Hare to Midway. Delta's 462, therefore, cuts the transfer time too fine for the ease of mind of a man wanting to board the *New Englander*.

Delta's next flight out of St. Louis is at 6:20 p. m., which is too late. American has an 85-minute nonstop flight out of here at 12:30 p. m., but that's too early for the man going to Boston. The same is true of Delta's 84-minute nonstop flight leaving at 1:10 p. m. American has another nonstop flight leaving here at 4:30 p. m. and landing at O'Hare Field at 6 o'clock but, again, that's too late for the transfer passenger.

Bracketed by the nonstops is American's two-stop No. 484, leaving here at 1:33 and landing at Midway at 3:45 o'clock. That's the one the Boston-bound passenger is likely to take.

His afternoon, therefore, is shot at the St. Louis end, and he'll also have to wait around Midway nearly 2 hours between planes, an unpleasant prospect.

It is true that, during that time, he can watch a lot of planes land and take off at that busy airport, but after awhile it becomes pretty tiresome watching planes, especially those other than the one he wants to board.

The grounded St. Louisan may begin to figure that the total elapsed time, both flying and standing by, for the short St. Louis-Chicago journey was 4 hours and 2 minutes.

He may even start to wonder why American does not give St. Louis, the eighth largest city in the Nation, a fast late-afternoon nonstop flight into Chicago, arriving just in time to allow transfers to the "after-5" departing flights.

If he seems to selfishly disregard the ambitions of Peoria and Springfield businessmen to get to Chicago for afternoon plane transfers, each city can be considered in its proper perspective in the commercial aviation picture.

The ideal time for a plane departure is shortly after 5 p. m., at the close of the working day, and every businessman wants to be able to board the planes at his home port at that time. But obviously a flight cannot take off from more than one point at a certain hour.

As between the four points mentioned, Chicago had the largest plane passenger volume, in 1955, according to the air traffic reports of the United States Department of Commerce. The total in the fiscal year report was 3,335,074 passengers.

Chicago is classed as a "large hub" in the report, and so is St. Louis. The ratings, made according to number of passengers boarded, are large, medium, and small hubs, and non-hubs. Both Peoria and Springfield are small hubs, two ranks down from St. Louis and Chicago.

The St. Louis businessman can understand why the Chicago man should have the advantage of "after-5" takeoffs in his home city, because Chicago has the largest traffic volume.

But the St. Louisan also figures he should have the next best travel accommodation, a connecting flight that puts him into Chicago with the least possible loss of working time at his office. Such a flight would not stop at Springfield, Peoria, or any other intermediate point.

St. Louis boarded in fiscal 1955, according to the traffic report, 574,544 passengers. During the same period, Peoria boarded 28,708 passengers, and Springfield, 25,719 travelers. Considering these figures, the St. Louisan is likely to snort at the old adage that rank has its privileges, when applied to the type of service the commercial airlines give his city.

Asked about the stop-and-go scheduling of flight 484, an American sales representative in St. Louis said he hesitated to discuss a phase of airline operations not handled by his office. He observed that the Civil Aeronautics Board "requires" American to serve Peoria and Springfield, Ill.

But what requires American to pick flight 484 for a puddle-jumping journey into Chicago at the inconvenience of St. Louisans still remains a mystery.

STATEMENT OF COMMISSIONER CLAUDE L. DRAPER ON NONCONCURRENCE IN COMMISSION REPORT ON THE FULBRIGHT BILL, S. 1853

Mr. DOUGLAS. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a very excellent statement in opposition to the Fulbright bill. The statement was made by Commissioner Claude L. Draper, of the Federal Power Commission. I may say, Mr. President, that Mr. Draper has served longer on the Federal Power Commission than has any other member. He is a most valued public servant, with great experience in the oil and gas industry. I believe his very excellent statement should be studied by all Members of the Senate and should receive the widest possible circulation in the country.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

EXPLANATORY STATEMENT OF COMMISSIONER CLAUDE L. DRAPER ON NONCONCURRENCE IN COMMISSION REPORT ON FULBRIGHT BILL, S. 1853

The majority of the Commission have endorsed with very little qualification the Fulbright bill, S. 1853, as they did the Harris bill, H. R. 4560, which the Fulbright bill substantially resembles. I did not concur in the majority's endorsement of the Harris bill and I find it necessary likewise to record my dissent from its endorsement of the Fulbright bill. Because of the extensive and vital importance of this proposed legislation to the consumer public and the national economy, I desire to state the principal reasons which require me once again to dissent.

Since the majority's approval of the Harris bill, hearings totaling some 4 weeks have been had on that bill. The issues involved and the arguments for and against regulation of the prices charged by producers and gatherers for their interstate sales of natural gas have been presented at length. It is hard to imagine that anything of importance relative to this matter could have been left unsaid. Those hearings confirm my previous judgment and to my mind compel the conclusion that Federal regulation of the prices charged for interstate sales of natural gas by major producers and gatherers is required by the public interest and that legislation exempting producers' sales or regulating them indirectly by limiting prices paid to them by pipeline companies to a "reasonable market price"—which is in reality no regulation—would be contrary to the public interest and detrimental to the welfare of millions of consumers throughout the Nation.

Any attempt to solve the problem sought to be treated by the Fulbright and similar bills must start with the fact that the Federal Power Commission has the authority, under the law as decided in the Phillips case, *Wisconsin* v. *Phillips Petroleum Co.* (347 U. S. 672), to regulate the sales in interstate commerce of producers and gatherers of natural gas. Nothing would be gained by reciting the background of that decision here or entering into a discussion of the merits of that case. The Phillips decision is law. Until Congress changes that law the decision must be followed by those sworn to administer the Natural Gas Act. Thus, the real issue posed is whether or not the authority which the Commission now possesses should be continued. And determination of this issue, in turn, hinges upon whether such regulation is in the public interest or whether that interest would best be served by removing those sales from the Commission's price-fixing power. Accordingly, it is to this issue that most of my remarks will be addressed. Preliminary, however, it is necessary to return for a moment to fundamentals and reexamine briefly the guiding principles and considerations which should be of decisive importance in resolving this issue.

There can by now be no question as to the power of Congress to provide for the fixing of the price at which natural gas is sold in interstate commerce for resale. That power was affirmed by the Supreme Court in *F. P. C.* v. *Natural Gas Pipeline Co.* (315 U. S. 575), in which the constitutionality of the Natural Gas Act was upheld, and has been frequently reaffirmed since.

The Supreme Court said in the *Natural Gas Pipeline Co.* case, supra, at page 582:

"The authority of Congress to regulate the prices of commodities in interstate commerce is at least as great under the 5th amendment as is that of the States under the 14th to regulate the prices of commodities in intrastate commerce."

And the test of the propriety of the exercise of that authority is whether the activities in question—the sales to pipeline companies—are affected with a public interest. If they are, Congress can and should regulate such sales, just as it has in time past regulated the sale of coal, *Sunshine Coal Co.* v. *Adkins* (310 U. S. 381) (which upheld the constitutionality of the Bituminous Coal Act of 1937), of milk, *U. S.* v. *Rock Royal Co-op.* (307 U. S. 533) (which upheld the constitutionality of the Agricultural Marketing Agreement Act of 1937), and of a variety of other commodities entering the interstate stream.

There is nothing novel in this concept of regulating private property and of placing limitations upon its free use, including the fixing of the price at which it is sold, if the public interest demands. It is as old as our law. It has found frequent judicial sanction in decisions of the Supreme Court of the United States from *Munn* v. *Illinois* (94 U. S. 113 (1877)), to *Nebbia* v. *N. Y.* (291 U. S. 502 (1934)).

The real issue lies in determining what the public interest demands. In connection with the problem of regulating the interstate sales of producers and gatherers of natural gas, the public interest involves the oftentimes conflicting interests of the investor, the producer, or gatherer, the pipeline and distributing companies, and the consumer. Economic and social interests involving such matters as the preservation of a free and healthy economy and the conservation of a valuable, limited natural resource are also present. This diversity of interests and the necessity of assaying their relative weight makes solution of the problem doubly difficult. It must be kept in mind, however, that if, as is unfortunately sometimes the case, one interest must be sacrificed to some degree to enable the protection of another, it is the lesser interest which must give way. The minority must be subordinate to the majority and the desires of the few must, within constitutional limitations, yield to the needs of the many. As the Supreme Court said in the Nebbia case, supra, at pages 538–539:

"The Constitution does not secure to anyone liberty to conduct his business in such fashion as to inflict injury upon the public at large, or upon any substantial group of the people."

In 1938, because of the pressing need disclosed in the exhaustive Federal Trade Commission investigations, the Natural Gas Act was enacted and the Federal Power Commission was given jurisdiction to regulate the transportation in interstate commerce and the sales in interstate commerce of natural gas for resale by "natural-gas companies" as defined in that act. Natural-gas companies have now been held by the Supreme Court to include producers and gatherers.

Consumers of natural gas now constitute a captive market unable to secure protection against whatever prices producers and gatherers choose to charge except by Federal regulation of the field price of gas. This condition has come about by reason of the historic development of the industry. At the time of the passage of the act relatively small quantities of natural gas were moving into the stream of interstate commerce. Natural gas was then largely a by-product of the search for oil. It was often flared and vented at the wellhead because of a lack of markets to utilize it. Contracts could be made for unlimited supplies at 2 to 4 cents per thousand cubic feet. In the twenties and thirties to some extent, but principally after World War II, large pipeline companies were organized to transport this low-cost product to distant markets, consumer markets. Distributing companies, upon consideration of the prices at which

such gas was offered, expended millions of dollars to ready their systems for the use of natural gas. Additional millions were expended by all classes of consumers for appliances and conversions to burn such gas. Millions of consumers were attracted by the advantages of gas and the rates which then made it economical. The lines were built and the gas was turned on.

So the producer, transporter, and distributor were linked together in a chain which almost irretrievably committed the consumer, particularly the residential customer, to the use of natural gas. Distributing companies and consumers alike now find their hands tied by their investments and by their dependency upon this source of fuel. Over 20 million consumers are linked by bands of steel to the pipelines which in turn are linked to the producers and these links cannot now be disjoined without irreparable damage. Not only does the gas flow uninterruptedly from well to burner, but likewise the first price charged by the producer is passed on as a part of the consumer's final bill.

This development has been advantageous to the consumer. It has made natural gas with its many advantages available all over the country on a large-scale basis and frequently at favorable rates. But it should be kept in mind that this expansion of consumer markets has also made possible the development of a highly profitable industry and the utilization of valuable natural resources previously wasted on a staggering scale. Thus, the users of natural gas are not the only ones who have benefited. The producers of natural gas and the economies of the gas-producing States have also profited by it. Accordingly, it is appropriate that, if sacrifices are necessary to solve the difficulties created by this development, all the beneficiaries should be called upon to contribute their just share in working out a solution to the problem.

It is claimed that competition among several thousand producers of natural gas affords the consumer ample protection from excessive prices but this claim, in my opinion, is erroneous. To the extent that there is competition it is competition among buyers for relatively limited supplies of natural gas. It is the pipelines that are competing to purchase gas and there is little, if any, competition among producers. And when buyers compete, prices go up. This has been demonstrated time and again in recent years as pipelines have expanded their facilities to meet the growing demands of their markets. There was a time when gas was freely available at 5 cents per thousand cubic feet. Today, prices as high as 20 and 25 cents are being quoted in some areas.

In addition, a large part of the gas in the large producing areas is already under contract. Pipeline companies desiring large supplies must accumulate them from several areas and producers, which further weakens their bargaining position. A pipeline company must lay a pipeline into a field in order to make connections and transport natural gas to distant markets. Pipelines are expensive. Once the pipeline is in the ground the buyer is committed to taking gas accessible from that area. If price conditions change adversely to him, he can't abandon his expensive facilities and turn elsewhere for gas, nor can he move his line about freely between prospective sources of supply.

This seller's market situation is aggravated by the fact that, generally speaking, neither the distributing companies nor the consumers are in a position to bargain directly with the producers who are the ultimate suppliers of natural gas. A distributing company purchasing coal or oil can and does negotiate with and buy from producers, but it can bargain with many different producers; thus, competition can function and the ultimate price be the result of free bargaining. This is not true in the case of purchases of natural gas. There the distributing company for all practical purposes is required to bargain directly with the pipeline company. It has no part in the negotiations between the pipeline company and the producer, although the prices the pipelines pay are passed on to it. And, unfortunately, the pipeline company, with the knowledge that it will be allowed its costs, plus a reasonable return on its investment, may have no very strong incentive to bargain vigorously for lower prices.

The extent to which competition exists in the production and gathering of natural gas cannot be judged solely on the basis of the extent to which a relatively few companies control a large percentage of the production, although on this basis alone grave doubts arise as to the existence of effective seller competition. Thus, according to one witness, in the Southwestern States a mere 20 companies produce 49 percent of the gas moving interstate, 50 produce 69 percent, and 100 produce 80 percent. (Statement of Dr. John Bonbright before House Interstate and Foreign Commerce Committee, delivered March 25, 1955, p. 38.) The facts disclose that in at least one instance a single producer commands an almost complete monopoly of a large geographic area with a large population, involving a very substantial market. Ninety-five percent of the consumers in the State of Wisconsin are dependent upon a single producer, Phillips Petroleum Co., for their natural-gas requirements, according to the chairman of the Wisconsin commission.

Further, the existence in producer-pipeline contracts of the various types of escalation clauses effectively restricts or eliminates competition and substitutes a completely artificial method of determining price while insuring that prices will go ever upward but never downward. Under one type of favored-nation clause, for example, a price increase comes about by reason of the payment of a higher price for gas by another pipeline to another producer in the same field. Obviously, such an event has no relationship to any change in the particular producer's costs, or in the value of the gas to the ultimate consumer, or to any known regulatory standard. Such clauses thus introduce a wholly arbitrary element into the pricing of gas. No orderly planning of the distribution of gas to ultimate consumers is possible so long as these clauses are permitted to operate. And although it is impossible to say precisely how much prices would be increased by them over the life of the contracts, the total would undoubtedly assume very consequential proportions.

The story of the increase in the price of natural gas in the past decade has been told many times and need not be related here. Prices charged by producers to pipeline companies have tended steadily upward. Pipeline prices to distributing companies have continued to go up. And although the advent of natural gas at first resulted in savings to the consumer in some areas over the cost of manufactured gas, rate increases sought recently, and particularly within the past year, clearly foretell the shape of things to come.

Under the prevailing conditions as I have delineated them above, it is idle to contend that prices to the consumer will decrease or remain at present levels. Inevitably they will be forced higher and higher to whatever the market will bear. Although the levels they will attain cannot be predicted with any exactitude, the extent of their increase can be inferred from the fact that, since producer rates were frozen by the Commission after the Phillips decision, some 2,400 applications for rate increases have been filed totaling over $29 million annually, which over the life of existing contracts will aggregate many times that amount. Increases which the Commission has allowed to go into effect will increase the annual bills to distributing companies by more than $18 million.

It has been estimated that there are close to 20 million residential meters receiving natural gas. Of course the aggregate population dependent on such service for heating and cooking purposes is much greater. In addition there are countless thousands of industrial users. Small consumers and industrial users alike have invested huge sums in gas-burning equipment in reliance on prices which appeared reasonable and offered the prospect of continued reasonableness. The capital investment of the small consumer in a gas stove, water heater, and gas furnace may constitute a relatively substantial amount.

Distributing companies, industrial purchasers and residential consumers alike have turned to the use of this fuel, made the necessary expenditures to utilize it and committed themselves physically, financially and otherwise to the use of natural gas. By so doing most of them became bound to continue to use it. It would be unjust and unreasonable to require them now to pay unreasonable charges or, in the alternative, to sacrifice their substantial investments to turn to other forms of fuel.

It has been argued that since the wellhead price of natural gas is but a fraction of the price to the consumer at the burner tip, regulation of the price in the field is of minor consequence since small increases in the field would not substantially affect the ultimate consumer. But an increase of only 1 or 2 cents per thousand cubic feet in field prices may well result in the loss of large volumes of industrial load. Obviously the increase to remaining customers would have to be much greater than the few pennies increase in field prices in order to cover not only the increased cost of purchased gas but also to recover from remaining sales the fixed costs which previously had been distributed over a much larger volume of sales.

It is said that regulation of producers would stifle the incentive for exploration. However, in fixing the rates of independent producers allowance can be made for costs of exploration, for dry holes, and for all other legitimate costs incurred in running the business just as the Commission has done in fixing rates of pipeline companies producing their own gas. As to this element of risk and speculation which has been the subject of so much testimony, the Commission has in the past made allowance for the expenditures of dry-hole drilling and certainly may be expected to continue to do so. And my understanding of the exercise of discretion contemplates the allowance of a rate of return sufficiently high to compensate for whatever element of risk is involved.

Turning to the bill currently under consideration, it has already been noted that it is substantially similar to the Harris bill, H. R. 4560, differing from that proposal principally in the inclusion of certain amendments advocated by industry spokesmen. I took a definite stand against the Harris bill because of my conviction that exemption of sales by independent producers and gatherers was not consistent with the policy declaration of section 1 (a) of the Natural Gas Act.

S. 1853 seeks, by amending sections 2, 5, and 7 of the Natural Gas Act, to accomplish the following principal objectives: first, to exempt completely producers and gatherers of natural gas and their sales in interstate commerce from the direct jurisdiction of the Federal Power Commission; second, to restrict the jurisdiction of the Commission over producers' charges to interstate pipeline companies to those to be paid under new or renegotiated contracts, and as to such charges to permit the disallowance of

part of them only in rate proceedings involving pipeline companies; third, to make the test of the propriety of such producer charges to interstate pipeline companies the reasonable market price of such natural gas in the field where produced, subject also to certain additional qualifications.

As to the first of these objectives, I have already set forth my reasons for believing that total exemption from Federal control of sales in interstate commerce by producers and gatherers is contrary to the public interest. I might add that although the bill is apparently based on the idea that regulation should be achieved by competition, it does nothing to insure that anything like true competition will prevail.

Apart from the merits of this objective of the bill, and as a technical matter of statutory draftsmanship, it seems very uncertain that the two new paragraphs to be added to section 2 of the act would accomplish this purpose. The new paragraphs relate to transportation and sales "in or within the vicinity of the field or fields where produced." In point of fact, some delivery points to pipeline companies are as much as 40 or 50 miles from the production fields. Would such sales be in the vicinity of the fields? Use of this ambiguous language would make administration of this section difficult and uncertain and would present fertile fields for litigation.

Secondly, there are a number of serious objections to the proposal contained in proposed new subsection (b) of section 5 of the act, to give the Commission limited power over the price to be paid by pipeline companies to producers and gatherers. This provision relates only to new or renegotiated contracts between producers and interstate pipelines and would not apply to contracts in existence at the time of the passage of the bill. In fact, the Fulbright bill carries an amendment proposed by industry representatives to make expressly clear that a price change resulting from provisions in existing contracts shall not constitute a new or renegotiated contract. This means that producers' rate increases under automatic escalation clauses in existing contracts would not be subject to any control. Nothing is done to invalidate or limit the effect of these long-term contracts. On the contrary, such clauses would continue in effect without restriction for the life of the contract. Thus, the whole host of escalation clauses—including automatic periodic escalation, favored-nation escalation triggered by increased prices in other contracts between the same parties or by increased prices paid to others in the same field or area, or triggered by increases in specified indices or commodities, or triggered by higher rates allowed to the purchasing pipeline at the other end of its line, or otherwise—could be invoked as provided in the contracts. In effect, legislative sanction is given to all these escalation clauses, even those which have been described by the Commission in Order No. 174–B as not in the public interest. Can a mortal agency by approving today a contract which by its own terms will result in a certain higher figure 20 years from now know with such omniscience that that higher figure will be the reasonable rate at that future time?

Further, this proposed amendment contains no provision relative to a reduction in the price charged by a producer, nor would it prevent an undue preference, discrimination, or advantage to a particular purchaser or against a particular producer. Sections 4 and 5 of the Natural Gas Act, which would still apply to natural-gas companies, prohibit undue discrimination or preference or unreasonable differences in rates, service, or facilities. The omission in regard to sales by producers of these safeguards, which are in harmony with recognized principles of fairness, is in sharp contrast with their inclusion in the present act and in other statutes.

Third, the standard of "reasonable market price in the field where produced" as the measure of costs to be allowed to an interstate pipeline for purchases from producers provides no basis for effective and rational regulation. Of paramount importance, this standard provides no real protection to the purchasers of natural gas. If, as seems likely, the "reasonable market price" is to be determined by the Commission by an examination of the most recent contracts freely entered into without coercion, there would be no real regulatory limit on the price, aside from the rather ineffective limit resulting from examination to determine if fraud or affiliation was present, for price agreed upon in the very transaction under scrutiny would be the measure of its own lawfulness. The going price would thus be the reasonable market price and the sky would be the limit insofar as regulation is concerned.

Moreover, under this provision the Commission itself might, in determining the reasonable market price in a particular field, trigger increases called for in favored nation escalation clauses, with the result that the latest and probably the highest price in a given field would be controlling for all other pipeline companies.

Furthermore, this standard is new, vague and incapable of precise application. On the last day of the hearings on the Harris bill, some attempt was made to define this concept. It was stated that under it the Commission would, subject to constitutional limitations, have flexible authority to make the determination of what a reasonable price would be, concerning all the facts of a particular case including the quality of the natural gas being purchased, the level of prices currently established by generally comparable contracts, prices in different fields and producing areas, whether the contract price was established by arm's-length bargaining, variations in the competitive market and "any other" relevant factors. The mere statement of these diverse considerations is a sufficient comment on the impracticability of this formula as a guide to reasonable regulation. It would take years of administrative and judicial interpretation to evolve definitive guiding principles under this test; and at best those principles would remain uncertain and unprecise in their application. Under this standard, guesswork would be substituted for facts. The effect of proposed new section 5 (c) of the act, which carries verbatim a proposed amendment to the Harris bill suggested by industry spokesmen, is to require the Commission to determine upon application by a pipeline company whether the price to be paid by it to a producer under a new or renegotiated contract meets the "reasonable market price" and other requirements of the preceding subsection. The Commission would thus be required to pass in advance upon each and every executory contract entered into between pipeline companies and producers, for it is not to be supposed that a pipeline company would bind itself to a gas purchase contract without getting a stamp of approval. The administrative burden of having to issue a declaratory order passing upon the lawfulness under the act of all these contracts would be staggering. In addition, procedural prerequisites are left unspecified. Even more important, in practical operation this procedure could well give the parties an inducement initially to agree upon a higher price than they thought would be acceptable to the Commission and then, if necessary, by successive steps to reduce it to the permitted level. As to prices paid the producer, this would turn the present standard of the act requiring the "lowest reasonable rates" upside down, substituting instead the "highest reasonable rates."

By proposed section 5 (d) of the bill, the Commission would be required to allow as an operating expense for natural gas produced by a pipeline company or its affiliate the reasonable market price of such natural gas in the field where produced. If this is not precisely the "average field price" formula permitted by the Commission in *Panhandle Eastern Pipe Line Co.* (3 P. U. R. (3d) 396), it is sufficiently like that formula to render it subject to the same infirmities I detailed in my dissent to the Panhandle decision. Also, at least under the Panhandle decision the Commission recognized that some of the field prices would be above the average and required an averaging of high and low prices. The instant proposal, however, does not recognize any differences and apparently would require acceptance of the most recent and perhaps highest market price.

If I may be permitted an epilog to this already far too lengthy statement, I should like to reiterate my expressed belief that Representative HESELTON's proposed bill, H. R. 4924, which would simply set a minimum figure of total annual sales below which independent producers and gatherers would be exempted from the provisions of the Natural Gas Act, would accomplish relief to the small producers far better than bills of the nature of S. 1853 and H. R. 4560. Such an exemption, I am advised, would eliminate from Federal Power Commission jurisdiction approximately 80 percent of the individual producers and gatherers in the industry while retaining jurisdiction over some 90 percent of the natural gas flowing in interstate commerce.

VISIT TO WASHINGTON OF DELEGATION FROM THE NATIONAL FARMERS' ORGANIZATION

Mr. SYMINGTON. Mr. President, a group of four farm citizens from the Midwest came to Washington last week to make the first official appearances here for the new National Farmers' Organization.

This 3-month-old organization has created a great deal of interest, for it is clearly one of the spontaneous agrarian movements born of hard times on the farm.

It has already enrolled nearly 72,000 members since it was organized last October.

It was my pleasure to meet with the four officers of the National Farmers' Organization on their first day here. I was deeply interested in that meeting, and in the type of men this new farm protest movement sent to Washington to represent it.

They were met by a number of Senators in their offices and at the Senate Agricultural Committee's session last Thursday.

I am sure you found them, Mr. President, as I did, splendid, educated men, vigorous in their protest against the present economic mistreatment of the farmers, and impressive because all of them are good American farmers petitioning their Government for consideration, which they deserve.

The ills of agriculture are indeed serious when substantial farm citizens such as Oren Lee Staley, Harry Grundman, John D. Warin, and Ed Glenn are impelled to leave their farms in the hands of others, and to make protest against national farm and economic policies their first order of business.

Because the appearance of this organization is so significant, Mr. President, I ask unanimous consent to have inserted in the RECORD three documents which the group prepared and used while they were here. The first is a page of notes for the press and radio, identifying the organization, the men who were here, and stating the purposes of their visit. The second is a brief statement they prepared for presentation to the Senate Agriculture Committee, but which I understand was not used in this form because of the conference nature of the committee's meeting. The final document is a letter they sent to Secretary of Agriculture Benson, following an interview with him, restating the points they made in their meeting with him.

There being no objection, the notes, statement, and letter were ordered to be printed in the RECORD, as follows:

NOTES FOR THE PRESS AND RADIO, JANUARY 12, 1955

1. Name of organization: National Farmers' Organization. Organized in October 1955. Headquarters are at Corning, Iowa. Present membership: 71,816. Membership limited to persons operating a farm and the majority of whose income is derived from farming. Organization now operating in 7 States: Iowa, Missouri, Nebraska, Colorado, Illinois, Montana, and Kansas.

2. Persons attending meetings in Washington:

Oren Lee Staley, president, Rea, Mo. Operates 327 acres—hogs, cattle, and grain.

Harry W. Grundman, vice president, Prescott, Iowa. Operates 220 acres—hogs, cattle, and grain.

John D. Warin, director, Maloy, Iowa. Operates 727 acres—cattle and grain.

Ed Glenn, director, Louisiana, Mo. Operates 360 acres—hogs, cattle, and grain.

3. Purpose of Washington trip: To appear as witness before Senate Committee on Agriculture and Forestry. This is a baptism of fire before any governmental group. To meet with congressional delegations from the States in which the organization operates. Expect to make a personal appeal, particularly with the Iowa delegation, to ask that a personal plea be made to the President of the United States. A conference with the Secretary of Agriculture has also been requested.

4. Position on recent recommendations for a farm program by the President. Whereas many parts of the President's recommendations have merit, we do not believe that any of the recommendations are designed to provide effective emergency relief, which we feel is required now, to deal with the present urgent critical condition facing our farmers.

STATEMENT OF OREN LEE STALEY, PRESIDENT OF THE NATIONAL FARMERS' ORGANIZATION, TO THE SENATE COMMITTEE ON AGRICULTURE AND FORESTRY, JANUARY 12, 1956

Mr. Chairman, members of the committee, I am Oren Lee Staley, president of the National Farmers' Organization. My home is in Rea, Mo., where I operate a diversified farm of 327 acres.

In behalf of the members of the National Farmers' Organization, I wish to express our sincere appreciation for this opportunity to state to this committee the seriousness of the problems of our American farmers as we see them and are experiencing them.

Our organization is only 3 months old. It had its modest beginning in the small town of Carl, Iowa, at a township meeting of farmers. It was started by a group of farmers, who were and are seriously worried and concerned about not only their own welfare, but the welfare of all farmers and of the entire national economy. The organization has grown almost miraculously and has been spread largely through the voluntary efforts of farmers themselves, who felt the same urgency and who are determined that the American public be alerted to the dangers inherent in this farm problem, and that appropriate emergency measures be started now to halt the onward rush of trouble, and start the farm economy back on the road to prosperity in equality with all other segments of our population.

As of today, our organization has spread into 7 States; has a membership of 71,816, and it continues to grow at an accelerated pace.

One of the principles upon which this organization is established prohibits the officers and directors from establishing or endorsing any policy or program of a permanent or long-range nature. Because of the limited time available to us, no referendum of our membership has been taken relating to such a program or policy. We are, therefore, limiting our appearance here today to an expression of the disastrous economic conditions which our members are currently facing and recommendation for immediate action designed to get results now, pending the time when longer range action could take effect. Unless such action is taken now, which will enable our people to survive the immmediate future, the consideration of a long-range program would only be of secondary importance to them.

In many areas, the purchasing power of our income is closely comparable to that in the depths of the depression in the early thirties.

We are here to ask that immediate emergency measures be undertaken to establish a floor of approximately $20 per hundredweight on butcher hogs, and approximately $30 per hundredweight on good to choice cattle, and comparable levels for all other farm products. The goal of our organization is 100 percent parity for all agriculture.

Recognizing that there is no substitute for price, we also recommend that adequate emergency farm credit be made available immediately, pending the time when farm income has been restored to a satisfactory level.

In conclusion, we cannot stress too strongly the urgency of the present situation and the necessity for taking action now.

Mr. Chairman, this concludes our statement, and we again wish to express our appreciation for this opportunity to appear before you. We will be glad to try and answer any questions you may have.

NATIONAL FARMERS' ORGANIZATION,
Corning, Iowa, January 13, 1956.

The Honorable EZRA TAFT BENSON,
Secretary of Agriculture,
Washington, D. C.

DEAR MR. SECRETARY: In behalf of the National Farmers' Organization, I wish to express our appreciation for the conference with you this afternoon. As suggested by you, we wish to confirm the requests we made at that conference.

We wish again to stress the urgency of the situation, as we feel the most critical situation exists in the history of agriculture concerning the future of the young farmer and the family-size farm.

In many areas the purchasing power of agriculture is at or below the level of the early thirties. We base our opinion on the fact that hogs selling at 10 cents to 11 cents per pound, cows at $60 to $80 per head, and good to choice cattle at $15 to $19 per hundredweight will purchase no more than prices received in the early thirties, because at that time you could buy the necessities of farm production at one-fourth of today's prices. Today under modern methods of production and our standard of living, we are forced to buy more than in those years.

Our recommendations to you are:

1. We believe there should be started immediately a live hog and cattle buying program. This program should be sufficient in size to restore live butcher hog prices to approximately $20 per hundredweight, and live good to choice cattle prices to approximately $30 per hundredweight.

2. We recommend that the school lunch program be changed so as to utilize fresh meat.

3. Adequate emergency farm credit should be provided immediately and until such time as farm prices are restored to equitable levels.

We wish to emphasize that bold, aggressive and adequate action (not halfway) along these lines needs to be taken now in order to meet the critical emergency which is facing our farmers.

We recognize that there may be administrative and procedural difficulties in carrying out some parts of this recommended program, but we feel that the economic consequences to our Nation of failure to so act will far outweigh any such problems.

We want to assure you of our wholehearted cooperation in carrying out an emergency program such as we have recommended.

Respectfully yours,
NATIONAL FARMERS' ORGANIZATION,
OREN LEE STALEY, *President.*

RETIREMENT INCOME FOR THE SELF-EMPLOYED

Mr. WILEY. Mr. President, one of the highest priority tasks of this session of the Congress is to complete action on legislation to provide a tax break for the self-employed so as to help them save up retirement income in their later years.

On several occasions, I have pointed out that there has been pending before the Congress what are known as the Jenkins-Keogh bills—H. R. 9 and H. R. 10—wisely designed to permit self-employed doctors and lawyers to build up their savings for their later years, rather than have such savings taxed at peak rates during their most productive years.

I am sure that everyone will agree that there are few groups of people in our country more significant to our national well-being than those who constitute the medical and legal professions.

I have been pleased to hear from the American Medical Association and from the American Bar Association on behalf of the Jenkins-Keogh bills.

I send to the desk the texts of the messages from Dr. Elmer Hess and from E. Smythe Gambrell, of the associations, respectively. I ask unanimous consent that the texts of these messages be printed at this point in the body of the CONGRESSIONAL RECORD. I trust that they will serve to stimulate action in the Senate Finance Committee on this important subject.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

AMERICAN MEDICAL ASSOCIATION,
Chicago, Ill., January 9, 1956.

Hon. ALEXANDER WILEY,
United States Senate,
Washington, D. C.

DEAR SENATOR WILEY: At the beginning of this new session of Congress, I am writing to call to your personal attention the unfair manner in which our income tax system discriminates against the Nation's more than 10 million self-employed taxpayers. The American Medical Association has joined

with over a score of other national organizations in supporting a tax revision designed to give these persons essentially the same opportunity to provide for themselves in their declining years as is now afforded employed persons.

Existing pension and profit sharing plans cover over 20 million employed persons, and will furnish them with retirement income in their old age. The contributions made by employers to these plans are not currently taxable as income to participating employees, although they are deductible as business expenses by the employers. Over $3 billion annually is paid by employers into more than 26,000 Treasury-approved plans.

If the enactment of this tax provision in 1942, encouraging employees to provide for their own retirement through the mechanism of deferred compensation, was sound it is equally sound to permit the self-employed to enjoy this privilege. The self-employed desire only a comparable oportunity to provide for their own old age with pre-tax rather than post-tax dollars.

As a part of an omnibus tax bill, the Committee on Ways and Means last July approved an amended version of the Jenkins-Keogh bills (H. R. 9 and H. R. 10) designed to relieve this inequity. As a matter of simple fairness to the more than 10 million Americans who were forgotten in 1942, I solicit your support of these proposals and your assistance in correcting this unfortunate oversight during this session of Congress.

Sincerely yours,

ELMER HESS, M. D.,
President, American Medical Association.

AMERICAN BAR ASSOCIATION,
Chicago, Ill., January 6, 1956.

Hon. ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WILEY: The American Bar Association has taken an official position in support of legislation which would give the self-employed opportunities somewhat comparable with those of corporation executives and employees in making provisions for their old age.

More than 20 million persons are now covered by corporate plans which will furnish them with income when they retire. The employers' annual contributions are deductible as a business expense to them, and are not currently taxable income to employees covered by the plans. More than $3 billion a year is being paid by American employers annually into the more than 26,000 approved pension and profit-sharing plans.

We submit that if it is sound public policy to grant tax encouragement to these corporate plans approved by the Treasury Department, a similar opportunity should be granted to the self-employed to postpone taxes until retirement on reasonable amounts set aside to provide income in old age.

On July 18, 1955, the House Ways and Means Committee approved an amended Jenkins-Keogh proposal (H. R. 9 and H. R. 10) for inclusion in the omnibus tax bill. In accordance with the official position taken by the American Bar Association, I urge you to give favorable consideration to the legislation embodied in these bills when it comes before you during the second session, 84th Congress. It is a matter of elementary justice that the present tax discrimination against provision of retirement income for more than 10 million self-employed taxpayers should be removed. The self-employed desire only that the tax laws be amended to make it feasible for them to save their own money for their own retirement. There is nothing socialistic in this proposal; quite the contrary, it encourages thrift and the laying up of private funds for old age under more reasonable tax provisions.

We hope you will be able to support this legislation.

With warm personal regards, I am

Yours sincerely,

E. SMYTHE GAMBRELL,
President.

AMENDMENT TO THE NATURAL GAS ACT, AS AMENDED

Mr. WILEY. Mr. President, later on in the course of the debate on the natural gas bill I shall submit a detailed statement regarding the economic, legal, and other dangers of the legislation which is now pending before the Senate.

Today, however, I shall make but a few brief comments by way of introduction to presenting the sentiments of the people of my State.

Mr. President, I oppose the Harris-Fulbright bill 100 percent.

I have always opposed evil legislation of this type which would leave consumers helpless and at the mercy of monopolistic natural gas forces. Those greedy forces have shown that they are ready, willing, and eager to skyrocket already high rates still higher, as the traffic will bear.

The State of Wisconsin recognizes the danger of this legislation.

There is probably no State of the Union which has fought so long and so well to protect the consumers of America as we of the Badger State have fought.

In the long history of the Phillips case—from battles in the hearings in Bartlesville, Okla., to battles before the Federal Power Commission and the United States Supreme Court in Washington—the names of Wisconsin leaders will always be found listed on the side of the people.

In the long battle against the Kerr bill, the dangerous predecessor to the Harris-Fulbright bill, Wisconsinites were similarly arrayed in defense of the people.

BADGER STATE SUPPORTS SENATOR WILEY

In the pages of the CONGRESSIONAL RECORD during the Kerr bill battle, there will be found grassroots messages from all over America, and particularly from my State, saying substantially this:

Senator WILEY, we are with you completely in your battle to protect Wisconsin and to protect America. Keep up the good fight. We know that you will continue to battle—to speak, to vote for the rights of consumers.

WISCONSIN DELEGATION SHOULD HAVE BEEN UNITED

It is a source of regret to me that, unfortunately, my own party, the Republican Party is not fully united against the dangerous Harris-Fulbright bill.

After all, every single vote counts on an issue with respect to which a hairline margin could determine victory or defeat.

Let me say in all frankness that it is a particular source of regret that the Republican delegation from my own State has been disunited on this issue, even though the thinking Republican electorate of Wisconsin, like its Democratic fellow voters, are wisely united almost to the man against this proposed legislation.

I wish that 100 percent of our Badger congressional delegation were to cast its vote against the Harris-Fulbright bill. I wish, moreover, that these voters were accompanied by action, dynamic action such as I personally have sought to provide.

It is not merely token votes against the bill, not token speeches that count, but action—action in amending the bill, action in floor and committee efforts, action in going to the grassroots and awakening the people.

CRUCIAL AMENDMENTS COMING UP

I pledge my continued battle along all of these lines.

Crucial amendments will shortly be presented. Every amendment to protect our people will have my vigorous support.

That is what Wisconsin expects, and that is what it will receive. We of Wisconsin were among the first to give America the concept of vigorous State regulation of utilities. We do not propose to abandon that tradition of public service and public protection, while assuring investors a fair return on their earnings.

But now, let the people speak for themselves.

GRASSROOTS MESSAGES

I send to the desk two categories of items. The first is a series of excerpts from individual citizens of my State commending my battle to protect them. I am including only a few of many such messages.

The second is a series of messages to me from mayors and other officials all over Wisconsin, factually stating the case against the dangerous Harris-Fulbright bill.

These municipal officials speak along the same sound lines as do our State officials at Madison, including, of course, our able chairman of the State public service commission, the Honorable James R. Durfee.

Likewise, the mayor of our largest city, Milwaukee, the Honorable Frank P. Zeidler, has, as followers of these Senate debates know, constantly been in the fore of efforts to alart our people.

I ask unanimous consent that both categories of messages to me be printed at this point in the body of the RECORD.

There being no objection, the excerpts and letters were ordered to be printed in the RECORD, as follows:

From Milwaukee: "It is a satisfaction to hear over radio that you are opposed to the Harris-Fulbright bill. Please do all you can for the defeat of this bill. The producers of natural gas should not be exempt from price regulation any more than electric and telephone companies, etc."

INDIVIDUAL CITIZENS' MESSAGES

From Milwaukee: "Congratulations on your fight against the Harris-Fulbright bill. It certainly is in the best interest of Wisconsinites to retain Federal price regulation of natural gas."

From Ripon: "This is only to assure you that I am behind you 100 percent in your fight to prevent another graft—this time to producers of gas. We consumers are the forgotten men on all fronts under the present set-up, in which wealth grabs more

wealth and the public pays. More power to you."

From Milton: "A big commendation to you for standing on your own feet in regard to the legislation about natural gas. We agree with you on this. We protest this measure.

"But don't call some of the pros—Democrats who are for this measure. No good Democrat is interested in a deal like that. Or a good Republican, either. Or a good Independent, for that matter. We are little people who get tired of constantly watching the big guys have everything their own way. And my father is a voter. My mother is a voter and I'm a voter. We may not be important, but, brother, do we vote."

From Watertown: "I wish to thank you for the stand you took on the control of natural gas."

From Madison: "I congratulate you again on your effort to kill the Fulbright-Harris bill. Keep up your good work."

From Kenosha: "I certainly want to protest that gas bill that is coming up next week. Surely our gas bills are too high now and cannot afford any more boosting of prices."

From Racine: "I write to thank you for your opposition to the Harris-Fulbright natural gas bill and to ask you to continue a vigorous opposition when the bill comes up. Natural gas was sold to us on the understanding that its price was to be controlled by responsible Government agencies. Unless there is Federal control at the source price increases can continue indefinitely. We, the consumers, being the ultimate victims—please continue the effort to protect the people of Wisconsin against the proposal to remove wellhead controls."

From Milwaukee: "We wish to express our appreciation for the stand that you are taking in opposing the Harris-Fulbright bill in the Senate. We hope that you will convince your colleagues in the Senate to also oppose this bill, because it is against the consumers and definitely favors big business—the producer of natural gas.

* * * * *

"Recently I have been selected to head the political action program for our union local in Milwaukee for the year 1956. I was very gratified to hear the position you took on the Harris-Fulbright bill.

"Our local union represents approximately 1,700 members and their families, who recently went on record in opposition to this bill. If there is anything we as a union can do; do not hesitate to inform me."

MILWAUKEE, WIS., *January 9, 1956.*

Hon. ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: The city of Milwaukee is vitally interested in securing the defeat of the Fulbright bill, S. 153, which will come up for consideration by the Senate in the early part of this session of Congress. The passage of this bill will cost gas consumers in Milwaukee and Wisconsin many millions of dollars each year.

Recently, because of regulations by the Federal Power Commission, we secured a substantial reduction in gas rates in Milwaukee and an actual refund of $2½ million to Milwaukee consumers. The Milwaukee Gas Light Co. is sending refund checks to its customers, pointing out that these refunds are largely due to a reduction in the wholesale price of gas to the company, retroactive to October 1, 1951.

The Attorney General's Office participated with the Milwaukee city attorney's office and with other municipal representatives throughout the State in opposing the Harris bill, H. R. 645, the companion bill to the Fulbright measure. In our opposition to the Harris bill we pointed out that its enactment into law would cut the heart out of the Natural Gas Act by repealing the provisions requiring gas producers to charge a just and reasonable price. It lets them charge anything they want.

The National Institute of Municipal Law Officers, which includes a membership of nearly 1,000 American cities, at its 1954 convention in San Francisco, by an overwhelming majority vote of city representatives present, adopted a resolution strenuously opposing the Harris bill and its companion, the Fulbright bill. A tremendous lobby representing the natural-gas producers attempted in vain to block the passage of the resolution at this city attorneys' convention. At the recent convention of the National Institute of Municipal Law Officers held last month in Miami, Fla., the producers' lobby likewise was present but did not succeed in having the institute rescind its 1954 resolution opposing the Fulbright bill.

Should the Fulbright bill be passed by the Senate, the consumers throughout the Nation will be forced to pay increases of up to at least $800 million or more a year, or approximately $50 per year per consumer. This increase is a carefully calculated figure based upon the increase reasonably expected to flow from the Harris-Fulbright proposals of 15 cents per 1,000 cubic feet. You can see the terrific impact that the passage of this bill will have upon Wisconsin consumers. That is why we are trying to point out to you what a staggering annual increase in gas rates will mean to your constituents.

Proponents of the Fulbright bill are seeking unregulated sales for their captive customers. These consumers will become absolutely dependent upon the gas producers who now seek to take advantage of the situation. Under our deeply ingrained principles of free enterprise, this type of business is and should be regulated, and since cities are by law and tradition the legal representatives of local consumers, we feel that our views should be transmitted to you.

We have mustered the support of as many governmental agencies as we could reach, urging their active support to defeat the bill and to point out to the members of the Senate the dangers in the bill and the fact that it is definitely against the public interest. In spite of our active opposition, and no doubt as a result of the tremendous gas producers' lobby, the bill was squeezed by the house committee by 1 vote and was only passed by 6 votes by the house.

While our opponents are spending millions to get the bill enacted into law, the cities' consumers have only their legal representatives to rely upon to represent them as they have no money to spend. All of the gas consumers in the country are urging you and all other Senators to help stop this $800 million yearly increase to the consumers of natural gas.

With kindest personal regards, I remain,

Very truly yours,

WALTER J. MATTISON,
City Attorney.

HARRY G. SLATER,
First Assistant City Attorney.

RACINE, WIS., *January 12, 1956.*

In re Fulbright bill S. 1853.

Hon. ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WILEY: This letter is being written to you for the purpose of stating the position that the city of Racine, Wis., is taking with respect to the above-referred-to bill. We urge you to carefully consider this legislation and hope that you will oppose passage of the same. This bill will destroy the protective provisions of the Natural Gas Act.

Over the years our city has maintained a constant position of opposition to any attempt to remove controls of natural gas at the wellhead. The State of Wisconsin through the office of the attorney general and the public service commission has long been engaged in this struggle over regulation of natural gas producer prices. We have heard every type of argument that can be imagined raised as to why producer prices should not be regulated. The flag of free enterprise has been raised, lowered, and waved in all directions. The argument of the producers ofttimes simmers down to a statement of this nature; take us out from under the regulatory power of the Federal Power Commission; we will only charge fair and reasonable prices; we will not charge too much; trust us; have faith in us; we will treat you fairly. At the same time they express fear that they will not be able to a get a fair rate of return from the Federal Power Commission.

If controls were removed the consumers would have no recourse with respect to producer prices at the wellhead. They would only have recourse through the various State regulatory bodies with respect to matters wholly intrastate. This is equivalent to trying to put a halter on a horse who has already run away.

It has been generally accepted that where the people through their various units of government have authorized utilities to operate on a monoplistic basis, that they must submit to regulation. The regulation has been twofold in nature, in that it has assured the utilities of a fair return on its investment, as well as protected the consumer from excessive or unjust rates.

The natural gas producers when they first came to the State of Wisconsin extolled the virtues of natural gas; what it would mean to our people; what it would mean ratewise, pointing up the fact that natural gas would be less costly, and in general sought assistance from everyone for the purpose of gaining public acceptance. The State of Wisconsin did permit the pipeline companies to come in. Cities authorized manufacturing gas plants to convert their facilities to natural gas. To a great extent the gas manufacturing facilities have been destroyed. For example, the plant formerly located at the city of Racine served eight communities, all of which are wholly dependent upon natural gas. The cities in the nonproducing States are wholly at the mercy of the producer States. The need for regulation exists and will continue to exist as long as natural gas is sold in interstate business.

As a lawyer you are familiar with the practice of some pressure groups; if they cannot win in a courtroom, they take the matter to the legislative body and change the law. The Fulbright bill and the Harris bill will destroy the decision of the United States Supreme Court in the Phillips Petroleum Co. case. That decision and the Natural Gas Act are the protective bulwark for millions of our people against the possibility of unfair and unjust charges for natural gas.

We would appreciate it very much if you would give careful consideration to this legislation and urge you not only to vote against it, but also to use all of your abilities and influence to bring about the defeat of the Fulbright and Harris bills. If it would not inconvenience you too greatly, please give us your views with respect to this legislation and the position which you intend to take.

Very truly yours,

JACK H. HUMBLE,
Mayor.

THOMAS P. CORBETT,
City Attorney.

WEST ALLIS, WIS., *January 11, 1956.*
Senator ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WILEY: I am herewith submitting my protest against the pending natural-gas bill known as the Fulbright-Harris bill. It is my belief that this measure should be defeated as a means of protecting consumers against rate increases.

Sincerely yours,
ARNOLD H. KLENTZ, *Mayor.*

STEVENS POINT, WIS., *January 12, 1956.*
Senator ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WILEY: As mayor of Stevens Point, I am speaking for the people of our fair city. We are definitely opposed to the passage of the Harris-Fulbright bills.

I hope you will give Wisconsin your hardy support and oppose these bills.

Yours truly,
LEONARD L. SORENSON, *Mayor.*

BARABOO, WIS., *January 12, 1956.*
Senator ALEXANDER WILEY,
Washington, D. C.

DEAR SENATOR WILEY: I would like to register with you the hope of our city that you will oppose the passage of the Harris-Fulbright bills. We feel that these would be extremely detrimental to the natural-gas business in our State.

Very truly,
DUANE PECK,
Mayor.

CHILTON, WIS., *January 11, 1956.*
Hon. ALEXANDER WILEY,
United States Senator,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR: The United States Senate bill 1853, known as the Fulbright bill, is on the present United States Senate Calendar, and the companion bill, known as the Harris bill 6645, which is already passed by the United States House of Representatives, and are now known as the Harris-Fulbright bills, which would restore unregulated monopoly of basic supply and prices of natural gas in our State.

These bills are contrary to the public interest of the people of our city and we urge that you vote against these bills in order to protect the natural-gas consumer of our State and our city from possible unregulated monopolistic exploitation.

Trusting that you will do everything possible to fight against these bills.

Very truly yours,
EDWARD H. HEIMANN,
Mayor.

APPLETON, WIS., *January 12, 1956.*
Hon. ALEXANDER WILEY,
United States Senate,
Washington, D. C.

DEAR SENATOR WILEY: I am writing this letter in regard to the bill known as the Fulbright bill, which I understand is due to come up for a vote in the Senate in the near future.

I am asking you to oppose this bill because I feel that if the control of natural-gas prices did not remain in the hands of the Federal Government and if there was no control, it would have a serious effect on many of the citizens of Wisconsin cities and villages.

The League of Municipalities, of which the city of Appleton is a member, is, as you know, made up of hundreds of cities and villages in the State of Wisconsin. At the league convention in Madison last fall, the delegates to the convention adopted a resolution opposing and decontrol of natural gas prices.

With this in mind and knowing how many of the citizens of Wisconsin feel, I sincerely hope that you will oppose this bill.

Yours truly,
R. L. ROEMER, *Mayor.*

BEAVER DAM, WIS., *January 12, 1956.*
Subject: H. R. 6645, S. 1853.
Senator ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: We wish to have you personally aware that we are adding our voice as the representative of 12,000 citizens, as being unalterably opposed to the passage of the 2 bills subject above.

We ask that you guard our rights, as potential consumers of natural gas, to see that S. 1853 is killed in its entirety and that no "watered down" substitute be offered to your austere body.

There must be Federal regulation of natural gas producer prices by the Federal Power Commission and no other alternative.

Yours very truly,
THOMAS E. DURKIN,
Mayor.

WAUKESHA, WIS., *January 11, 1956.*
Hon. ALEXANDER WILEY,
Senator from Wisconsin,
United States Senate,
Washington, D. C.

DEAR MR. WILEY: I understand that Senate bill S. 1853, known as the Fulbright, bill, is on the present United States Senate calendar.

This bill, as you know, will exempt the natural gas producers from Federal regulations governing the prices they charge to the pipeline companies who distribute natural gas to different municipalities. In this Wisconsin territory they are supplied by the Michigan Wisconsin Pipe Line Co. It seems to me that it is only right and just that the suppliers of natural gas to the pipeline companies should be regulated by Federal authority. By this regulation, of course, we would have prices that are fair to the distributors as well as to the ultimate consumer.

I understand that there was a companion bill known as the Harris bill, H. R. 6645, which was adopted by the House of Representatives last July.

I hope you will do everything possible to kill the Fulbright bill so that we can continue to have public regulations on this essential product.

Yours truly,
C. C. SMITH,
Mayor.

FOND DU LAC, WIS., *January 13, 1956.*
Senator ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.:

January 13 resolution requesting that you oppose Fulbright bill S. 1853 was unanimously adopted by the mayor and commissioners of the city of Fond du Lac, this date.

EDWIN F. WEIS,
Mayor.

JANESVILLE, WIS., *January 11, 1956.*
Senator ALEXANDER WILEY,
Washington, D. C.:

To protect the natural gas consumers of the city against possible unregulated monopolistics exploitation by the producers of natural gas, I sincerely urge that you oppose passage of the Harris Fulbright bills.

GEORGE FORSTER,
City Manager.

MERRILL, WIS., *January 12, 1956.*
Senator ALEXANDER WILEY,
United States Senate Chambers,
Washington, D. C.:

Our city being a potential user of natural gas herewith voice our opposition to Senate bill S. 1853, and ask that you take measures to oppose same.

G. B. COTTER,
Mayor.

BURLINGTON, WIS., *January 12, 1956.*
Senator ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.:

City of Burlington opposes Harris-Fulbright bill, vote against same.

RALPH LARSON,
Mayor.

EAU CLAIRE, WIS., *January 11, 1956.*
The Honorable ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WILEY: On behalf of the members af the Common Council of the City of Eau Claire, I want to advise you that the council members, at the meeting held this morning, unanimously expressed their opposition to Senate bill S. 1853, known as the Fulbright bill. Council has also expressed its disapproval of the companion bill known as the Harris bill, H. R. 6645, and which was adopted by the United States House of Representatives last July by a vote of 209 to 203.

The State of Wisconsin, through the attorney general and the public service commission, began the fight for Federal regulation of natural gas producer prices back in 1951 before the Federal Power Commission. The State was successful when the United States Supreme Court decided the case of the *State of Wisconsin et al.* v. *The Phillips Petroleum Co. et al.*, in 1954. In that case, the court held that under the present Federal Natural Gas Act, producer prices for sale to pipeline companies for resale in interstate commerce are subject to regulation by the Federal Power Commission.

We are opposed to the Harris-Fulbright bills because if finally adopted, the people of Wisconsin would lose the fruits of the victory we won in the Phillips case above referred to. At the present time, our Wisconsin utilities that sell, or will sell, natural gas in cities of our State each have a monopoly by franchise, but their monopoly is subject to State regulation by our State public service commission.

The Michigan-Wisconsin Pipe Line Co. has a monopoly of about 95 percent of the present Wisconsin natural-gas market. This monopoly is subject to Federal regulation by the Federal Power Commission under the Federal Natural Gas Act. Under this act, the Phillips Petroleum Co., which has a monopoly of natural-gas supply from its gas wells in Texas and Oklahoma to the Michigan-Wisconsin Pipe Line Co., is now also subject to regulation by the Federal Power Commission.

These bills would restore to the Phillips Petroleum Co. its unregulated monopoly of basic supply and price of gas to our State or to any other future similar monopoly that might arise in the future. This, the Eau Claire Council believes, is certainly contrary to the public interest of the citizens of Eau Claire in particular and the people of Wisconsin in general.

It would be appreciated if you can do everything within your power to defeat this vicious legislation.

Sincerely yours,
DAVID D. ROWLANDS,
City Manager.

STOUGHTON, WIS., *January 12, 1956.*
Senator ALEXANDER WILEY,
Senate Post Office,
Washington, D. C.

DEAR SENATOR WILEY: On behalf of the city of Stoughton, Wis., and myself, I earnestly urge you to do all within your power and office to oppose the Harris-Fulbright bill

which is on the present United States Senate Calendar.

Very truly yours,

TRUMAN FELLAND,
Mayor.

SHEBOYGAN, WIS., *January 12, 1956.*

Hon. ALEXANDER WILEY,
United States Senator,
Senate Office Building,
Washington, D. C.

DEAR MR. WILEY: As mayor of the city of Sheboygan, I am joining the opposition to the United States Senate bill S. 1853, known as the Fulbright bill, at present on the Senate Calendar.

The effect of these bills will be to exempt producers of natural gas from regulation of prices they charge in contracts for the sale of gas to pipeline companies for transmission and resale in Wisconsin and other consumer States.

Our State, through our attorney general and public service commission, began the fight for Federal regulation of natural gas producer prices back in 1951 before the Federal Power Commission. We were finally successful in 1954 when the United States Supreme Court decided the case of the *State of Wisconsin* v. *the Phillips Petroleum Co.*, when the Court held that under the present Federal Natural Gas Act, producer prices for sale to pipeline companies for resale in interstate commerce are subject to regulation by the Federal Power Commission.

I, therefore, ask that you make every effort to oppose this bill when it comes up before the United States Senate this month.

Yours truly,

RUDOLPH J. PLOETZ,
Mayor.

WATERTOWN, WIS., *January 13, 1956.*

Hon. ALEXANDER WILEY,
United States Senate,
Washington, D. C.

DEAR SENATOR WILEY: We are unalterably opposed to the provisions of the Fulbright bill—S. 1853. To give the Phillips Petroleum Co. an unregulated monopoly of basic supply and price of gas to Wisconsin is, we believe, pugnacious to the interest and welfare of the people of our State.

On behalf of the people of our city who it is my privilege to serve, I respectfully urge your vigorous opposition to S. 1853.

Respectfully yours,

DEAN VAN NESS,
City Manager.

MIDDLETON, WIS., *January 13, 1956.*

Hon. ALEXANDER WILEY,
United States Senator,
State of Wisconsin,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: As president of the Village of Middleton, I wish to go on record as opposing United States Senate bill S. 1853.

In agreement with our present State legislation which opposes the lifting of Government regulation on natural gas, I feel that passage of this bill would be contrary to the best interest of the citizens of Middleton.

I strongly urge you to assert your influence as well as your vote in opposition to this measure.

Respectfully yours,

V. J. SCHWENN,
President.

MENASHA, WIS., *January 13, 1956.*

Hon. ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: In behalf of your constituents and mine, I want to urge you most imperatively to oppose decontrol of natural gas prices, as per bill H. R. 6645.

It is very evident that support of this measure on the part of the Federal Government would have a serious adverse affect on the residents of Wisconsin cities and villages.

Writing in behalf of all our citizens, I urge you most earnestly to oppose this movement for Federal decontrol.

Very truly yours,

W. H. JENSEN,
Mayor.

MANITOWOC, WIS., *January 12, 1956.*

The Honorable ALEXANDER WILEY,
United States Senator,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WILEY: The city of Manitowoc being served at the present time with natural gas from the Wisconsin-Michigan Pipe Line Co., are vitally interested in the Fulbright natural gas bill (S. 1853) which is before the Senate at the present time.

Having numerous consumers of natural gas in our community, we are very concerned about this bill. We feel, that with Government control of natural gas, they will be assured that no injustice will be done them, and also, that with Government control, it would stop any monopoly of the natural gas resources by the present private owners.

Senator, as mayor of the city of Manitowoc, I wish to state, that I am definitely opposed to the passage of this bill, therefore ask, that when this bill comes before the Senate for a vote, that you oppose it in its entirety.

Thank you for your consideration of the city of Manitowoc's interests.

Respectfully requested,

WALTER G. KOEPKE,
Mayor.

WEST ALLIS, WIS., *January 13, 1956.*

Re natural gas bill.

Hon. ALEXANDER WILEY,
United States Senator,
Washington, D. C.

HONORABLE SIR: The undersigned respectfully requests that in the interest of the citizens of Wisconsin you vigorously oppose the passage of the pending natural gas bill.

Respectfully yours,

LEROY P. FARNESS,
Alderman, Fourth Ward.

ANTIGO, WIS., *January 13, 1956.*

Senator JOHN WILEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WILEY: At the League of Wisconsin Municipalities convention held in Madison last October 13, the following statement of policy was adopted:

"Natural gas control: Since an adequate supply of natural gas, reasonably priced to the consumer, is essential to the economic stability of the citizens and industries of Wisconsin, and since natural gas consumers would be left without adequate protection if there were no Federal control over the price of natural gas as sold at the wellhead, we urge the Congress of the United States to reject any legislative proposals which would leave the price of natural gas unregulated by Federal authority."

As mayor of the city of Antigo I urge you to oppose natural gas bill S. 1853.

Very truly yours,

ANTHONY E. KONTNEY, *Mayor.*

ST. FRANCIS, WIS., *January 13, 1956.*

Hon. ALEXANDER E. WILEY,
United States Senator,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: As you know, much attention is being focused upon the natural gas bill (S. 1853) pending before your legislative body.

Without going into great detail as to the adverse effect it will have upon the citizens of our State, I urge and request that you make this a matter of great concern by vigorously opposing and voting against the passage of this bill.

Federal control is, without question, essential where the pricing of the natural resources of our country are involved.

Keep our sentinel Uncle Sam on guard for this much-needed price control.

Respectfully yours,

PAUL H. RAINER,
Mayor.

HUDSON, WIS., *January 14, 1956.*

Senator ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WILEY: I understand United States Senate bill S. 1853, known as the Fulbright bill, is now pending before the Senate.

Our city is a potential market for natural gas under present Federal control of prices, but if this bill is passed we feel that we can't afford to use it.

On behalf of the citizens of Hudson, I urge you to vote against this bill.

Very truly yours,

GEORGE MADSON,
Mayor.

OCONOMOWOC, WIS., *January 12, 1956.*

Senator ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WILEY: As mayor of Oconomowoc and on behalf of the citizens of our community I would like to call your attention to the Harris bill H. R. 6645, which was adopted by the United States House of Representatives last July by a vote of 209 to 203. We are opposed to the bill because we believe decontrol of natural gas prices would have a serious adverse effect on the citizens of our community.

Our city council has adopted a statement passing a resolution:

"Natural gas control: Since an adequate supply of natural gas, reasonably priced to the consumer, is essential to the economic stability of the citizens and industries of Oconomowoc and since natural gas consumers would be left without adequate protection if there were no Federal control over the price of natural gas as sold at the wellhead, we urge the Congress of the United States to reject any legislative proposals which would leave the price of natural gas unregulated by Federal authority."

We urge you to do everything in your power to oppose this bill.

Your consideration in this matter will be appreciated.

Sincerely yours,

FRANK J. DUMBECK,
Mayor.

KOHLER, WIS., *January 13, 1956.*

Hon. ALEXANDER WILEY,
Senator, State of Wisconsin,
Washington, D. C:

We kindly request your voting against measures to exempt independent natural gas producers from price regulation as set forth in the Harris-Fulbright proposals.

A. W. BORTZ,
Clerk.

GREEN BAY, WIS., *January 6, 1956.*

Hon. Senator ALEXANDER WILEY,
Senate Chamber,
Washington, D. C.:

Aa a member of the Wisconsin legislation which voted unanimously in the past session opposing any legislation that would exempt natural gas producers from Federal legislation under circumstances as now exists in Wisconsin and as mayor of the city of De Pere which is a large user of natural gas I

wish to express my opposition to the Fulbright bill S. 1853 and the Harris bill H. R. 6645.

E. A. SEYMOUR,
Mayor of the City De Pere.

BERLIN, WIS., *January 11, 1956.*
Hon. ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WILEY: The city council and I as mayor wish to convey to you our strong opposition to the passage of the Harris-Fulbright bills to exempt producers of natural gas from regulation by the Federal Power Commission. We shall appreciate your efforts in defeating this attempt to remove the protection we in our city now have against unregulated monopolistic exploitation.

Respectfully yours,
FRANK J. DOPKE,
Mayor.

FOND DU LAC, WIS., *January 11, 1956.*
Senator ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR: On behalf of the natural gas consumers of the city of Fond du Lac, and indirectly the natural gas consumers of the State of Wisconsin, of which there are many I am asking that before taking any action on the Fulbright bill, S. 1853, you give careful consideration to the fact that this bill, together with the Harris bill, H. R. 6645, which was passed by the House of Representatives, cut the heart out of the Natural Gas Act by repealing the provisions requiring gas producers to charge a "just and reasonable" price, and the passage of these bills would permit the gas producers to charge anything they want to.

It has been called to my attention that in the event Fulbright bill, S. 1853, should be passed by the Senate, the consumers of natural gas will be forced to pay increases of up to at least $800 million more per year, or approximately $50 per year per consumer increase.

I am pleased to say that Mayor Edwin F. Weis and Commissioners John E. Murray and Ervin H. Summerfield concur in this expression of feeling about the subject and join with me in asking that you vote in opposition to the passage of the Fulbright bill.

Very truly yours,
FREDERICK K. FOSTER,
Corporation Counsel.

NEW LONDON, WIS., *January 12, 1956.*
Senator ALEXANDER WILEY,
Washington, D. C.

DEAR SENATOR WILEY: I am writing you in behalf of the citizens of New London to express our opposition to bill S. 1853, known as the Fulbright bill.

Yours very truly,
G. O. KRUEGER, *Mayor.*

OSHKOSH, WIS., *January 9, 1956.*
The Honorable ALEXANDER WILEY,
United States Senate,
Washington, D. C.

DEAR SENATOR WILEY: I understand the Fulbright gas bill will be up for consideration in the next week or so.

Our community up here is very much opposed to said bill and is requesting me to notify you of same.

* * * * *

Very respectfully,
ERNEST R. SIEWERT,
Mayor.

FOREIGN POLICY STATEMENTS BY SECRETARY DULLES

Mr. SMITH of New Jersey. Mr. President, yesterday I addressed the Senate briefly defending Secretary of State Dulles against certain criticisms, and I referred especially to the "brink of war" article in a recent issue of Life magazine.

In yesterday's New York Herald Tribune, January 16, there appears a column by Mr. David Lawrence, entitled "Dulles' 'Brink of War' View Called Warning to Russia." I ask unanimous consent that this statement by Mr. David Lawrence be published in the body of the RECORD.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Jersey?

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. SMITH of New Jersey. I am glad to yield.

Mr. DOUGLAS. I appreciate the way in which the Senator from New Jersey always comes to the defense of the Secretary of State. I should like to inquire if, in his opinion, the Secretary of State has ever done anything wrong.

Mr. SMITH of New Jersey. In reply, let me say, of course, that all of us are human beings. All of us are frail. He may have made some mistakes. However, at the moment I am glad to come to his defense.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Jersey?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DULLES' "BRINK OF WAR" VIEW CALLED WARNING TO RUSSIA

(By David Lawrence)

WASHINGTON, January 15.—A warning to the world, and specifically to Soviet Russia, has just been proclaimed by the Secretary of State, John Foster Dulles. It is a warning that the United States, in order to defend itself and its Allies, can and will in case of an aggression resist—even using atomic weapons if necessary—and that peace-at-any-price is not the policy of the Eisenhower administration.

This is the true significance of the much-talked-about article in Life magazine giving the views of Mr. Dulles about the "brink of war." Instead of being a matter of "inept timing," as some foreign critics refer to it, or the "rewriting of history," as the petty partisans here suggest, the revelations constitute a timely and constructive contribution to the worldwide discussion of the best way to achieve and maintain peace.

The facts contained in the Life article are correct and the magazine is to be commended for its enterprise in bringing the subject matter to the attention of the world at this time. For, while there is in the article one brief quotation which might better have been revised for clarity reasons, the essential points are historically true and realistic.

AFFIRMED BY DULLES

The main thesis—that the United States has not been and is not bluffing and will go to war if challenged—is affirmed by Secretary Dulles, as well it should be. For there is no certain way to bring on war and to encourage the aggressors to take fatal chances than to let them believe America is bluffing when issuing warnings that there will be massive retaliation in the case of attack on a broad front or selective retaliation in the event local wars require it.

It is of transcendent importance that the Communists at Moscow and Peiping shall realize that the consultations at Geneva last summer and autumn did not mean an abandonment of America's firm policies and that's why the article in Life, with its evident authorization of some pertinent quotations, is so opportune.

This correspondent can say of his own knowledge, based on talks with high officials of France and the United States at Geneva in 1953, that the article does not rewrite history and that British critics are merely repeating now their version of what happened in the conferences in London at that time over policy in Indochina. This was then and still is at variance with the American version. It was a difference in method of approach rather than objective.

But what Mr. Dulles emphasizes is that, despite those differences of opinion, the world has since benefited by those very differences. It was possible, for example, for Sir Anthony Eden then Foreign Secretary, to say privately at Geneva in May 1953, to Chou En-lai, Foreign Secretary of the Red China Government, that while the British had not as yet agreed to go along with a common front in Indochina, he knew the United States meant business. It was made clear that if military intervention did come, Britain could not afford to remain aloof. This hitherto unpublished fact might well have been included in the Life article.

To put it another way the Dulles effort to get France and Britain to agree to united action if the Red Chinese armies openly intervened in Indochina, as they had in Korea, was being discussed then as either a bluff or the real thing and, to the credit of Mr. Eden it must be said, he reflected accurately in private talks with the Red Chinese the American views and that was the main reason Chou En-lai was impressed and a truce in Indochina resulted.

Now it so happens that the United States didn't agree to the partition of Indochina itself and denounced the terms of the settlement, in fact never has to this day subscribed to those terms. But the situation when Mr. Dulles interposed his plan in 1953 was not whether the terms of a truce would be acceptable or unacceptable in themselves but whether Red China would agree to any truce at all, and instead gobble up all of Indochina because she thought the French were too weak to resist and neither Britain nor the United States would intervene. It would have been easy for the armies of Red China to capture all of Indochina—as they were about to do when the Dulles warning saved the day.

DULLES' QUOTE SHORTENED

There is in the Life article one overcondensed quotation by Mr. Dulles, which was unfortunate. He is quoted as saying: "The ability to get to the verge without getting into the war is the necessary art. If you cannot master it, you inevitably get into war."

Now this is an ambiguous sentence and might well have been revised if there had been time. It could mean that there is artifice about diplomacy and going up to the edge is really a matter of intentional bluff. But the Secretary did not mean this at all. What he had in mind was covered in the sentence: "You have to take chances for peace, just as you must take chances for war."

Mr. Dulles is eternally right—that miscalculation by the aggressor is what brings on war. This error by the Kaiser in 1914 and by Hitler in 1939 caused a world war in each case. The Dulles concept, shared by President Eisenhower, is that bluffing leads to war and you have to show clearly you will fight in order to prevent the enemy from attacking. Appeasement never pays.

Why did Mr. Dulles authorize the article at this time? For 2 reasons, 1 the recent article in Harpers magazine by former Secretary of State Dean Acheson, which, in effect, accused the administration of bluffing, and the other was a desire to inform the world that the Democratic Party spokesmen have not been speaking for America in hinting that this country has adopted a policy of bluff.

Mr. Dulles is entitled to the right to reply to Mr. Acheson's unfounded attacks. That's why Mr. Dulles was receptive to the idea and that's why the article in its introduction says "Dulles' direction of United States foreign affairs is under attack these days as the presidential campaign gets underway" and that the new information made available to James Shepley, chief of the Washington bureau of Time-Life, who wrote it, bulwarks the substantial case to be made for Dulles.

WHERE IS UNITED STATES TRADE POLICY HEADED?

Mr. SMITH of New Jersey. Mr. President, recently there has come to my attention an address delivered by our Ambassador to France, Hon. C. Douglas Dillon, entitled "Where Is United States Trade Policy Headed?" This speech was originally delivered before the American Chamber of Commerce in Paris. On December 27 the New York Herald Tribune carried the full text of this speech.

Ambassador Dillon happens to be a very distinguished and prominent citizen of the State of New Jersey. From all reports he is doing a splendid job in France.

In his address Ambassador Dillon reviews in some detail America's trade policy, how it is working today, and how it should work in the future. I believe that this speech is a very important one and should be read by all Members of Congress. I, therefore, ask unanimous consent to insert it in the body of the RECORD at this point in my remarks.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

AMERICA'S TRADE POLICY: A DEFENSE OF THE RECORD

(By Douglas Dillon)

It is a great pleasure for me to be with you today and to have this opportunity of talking with you. I would like to use the next few minutes to try and put the consistently liberal trade policy of the United States in proper perspective.

When I speak of our liberal trade policy, I mean just that. I realize that public opinion abroad sometimes, perhaps usually, gets a different impression. We have all seen newspaper and magazine articles which, drawing on a few isolated cases—in particular, the watch and bicycle escape clause actions—have conjured up a picture of triumphant protectionism in the United States.

No matter what one's personal opinion about the controversial decisions in question, I feel very strongly that we Americans need not feel defensive about them. Rather we have a positive duty to put them in their proper long-term perspective. In such perspective, our record looks mighty good.

Let us look at this record, remembering that the reciprocal trade agreements program has been in effect for 20 years, under administrations of both political parties. In order to get a realistic picture of the United States position toward foreign trade today, we must look at two things: First, the absolute level of our import duties; and, second, the progress made in the past 20 years.

The average duty paid on all imports into the United States figures out at less than 6 percent. Such a rate clearly ranks the United States among the low-tariff countries in the world today.

Now for the progress made: By the end of 1954 the rates of duty as they existed 20 years earlier had been reduced by 75 percent on about 20 percent of our dutiable import trade and by more than 50 percent on over three-fourths of that trade. Since then we have made further reductions, in connection with the recent negotiations with Japan, which involve goods accounting for $89 million of our imports. And we have recently announced our willingness to make further substantial concessions on a list of nearly 1,000 items, representing about 40 percent of our dutiable imports at the negotiations which are to be held with 25 countries in Geneva next January.

Any graph shows its zigs and zags, but the trend of progress toward the liberal American commercial policy objectives is clear. Tariffs have been reduced on thousands of items over the past 20 years. On the other hand, the famous escape clause has been used only most sparingly. Only 60 commodities have even been the subject of a formal application for escape-clause action. Of these, the President decided to invoke the escape clause in only 6, I repeat, 6, instances to restore or partially restore previous reductions on certain isolated items where demonstrable damage had occurred to the American industry concerned. In each of these six cases we have followed the procedures of the GATT and have offered compensatory concessions to the foreign countries affected. Furthermore, we did not subject the imported goods concerned to quota limitations or other similar devices.

In spite of all we have heard and read about the use of the escape clause to restore our watch tariff, in the first half of 1955 Switzerland exported 4.4 million watches and watch movements to the United States, as compared with 4.3 million in the first half of 1954, before the tariff adjustment occurred. And I wonder how many of those who talk about our "backpedaling" in the bicycle case realize that even the recent partial restoration of the duty on lightweight bikes still leaves our duty below that of any western European country except Denmark.

I have noticed that every time a protectionist statement is made by an industry representative in a congressional or a Tariff Commission hearing it is fully reported in the press. This is quite proper, but it has resulted in building up a recurrent myth of a so-called wave of protectionism which conceals the true situation. This was particularly so in connection with our negotiations for mutual reduction of tariffs with Japan a few months ago. A great many of our domestic industries were affected by those concessions, and it is understandable that they insisted upon their day in court. The point to remember, though, is that the agreement was, in fact, signed and is now in effect.

By contrast, not only did many other GATT countries refrain from entering into tariff-reduction negotiations with Japan, but 14 of them also retained the right to discriminate against Japan by refusing her the benefit of the most-favored-nation clause, one of the most essential features of the GATT system.

The President's foreign economic program of March 30, 1954, which closely followed the general lines of the majority recommendations of the Randall Commission, is a bold program. From time to time we read that it has run into serious trouble in Congress or that it has been abandoned or put on the shelf. Again the facts are different. The box score covering the year and a half since those policies were announced shows an amazingly successful record for the administration.

I shall just mention a few of the achievements in implementing the President's trade program thus far. First and foremost is the enactment of the legislative keystone of the tariff-reduction program—the Trade Agreements Extension Act of 1955—which authorizes a further 15-percent reduction of United States tariff rates over the next 3 years and the reduction to a maximum rate of 50 percent of those few tariffs still above that level. Almost as important is the legislation on customs simplification. There have already been enacted the customs simplification acts of 1953 and 1954.

Meanwhile, by executive action, a further and important simplification of procedures has been the elimination, as of October 1, of the requirement for consular certification of invoices on imports. A large number of measures have been taken to stimulate increased expenditures by American tourists abroad and to make it possible for them to bring back with them increased quantities of foreign purchases for their personal use.

On the financial side, we have increased the lending authority of the Export-Import Bank by $500 million, we have provided for United States participation in the new International Finance Corporation, and our tax laws have been revised—and will undoubtedly be revised further—to stimulate productive private American investment abroad.

The principal item of unfinished business in the President's program is now the question of getting the congressional stamp of approval on our membership in the new Organization for Trade Cooperation.

In closing, however, I do want to raise a warning signal. If we are to continue our progress in the commercial policy field, we must be in a position to demonstrate to our Congres and to our people that our efforts to reduce trade barriers are being effectively matched by our trading partners. This, of course, means that in return for the further tariff concessions we intend to make in the conference opening in Geneva next January we expect to receive roughly commensurate concessions in rates of duty on our own exports.

Of even greater importance, it also means that such concessions must not be nullified, as has so often been the case in the past, by restrictive and discriminatory import controls, by special taxes, and by various froms of administrative protectionism, particularly where our partner countries are no longer in the critical balance of payments situation of the immediate postwar years. When it gave authority for a further 15-percent reduction in American tariffs over 3 years, our Congress inserted language into the act which makes its intension in this respect very clear.

We do not expect all discriminatory controls to be abolished overnight. But we do have a right to expect positive and substantial evidence of good faith in this respect. If that is not forthcoming, the loss will not be ours alone. If lack of recriprocity by other countries should cause the balance of power to swing in the direction of increased protectionism in the United States, if the present opportunity for further reduction of tariffs and other barriers to international trade should be missed, the responsibility will not be ours alone.

REPAYMENT CONTRACT WITH YUMA MESA IRRIGATION AND DRAINAGE DISTRICT, GILA PROJECT, ARIZONA

The PRESIDING OFFICER (Mr. MCNAMARA in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 1689) entitled "An act to authorize the Secretary of the Interior to execute a repayment contract with the Yuma Mesa Irrigation and Drainage District, Gila project, Arizona, and for other purposes," which was, to strike out all after the enacting clause and insert:

That the Secretary of the Interior is authorized to execute a contract with the Yuma Mesa Irrigation and Drainage District,

Gila project, Arizona, on such terms and conditions as the Secretary deems appropriate, which shall provide, among other things, for repayment by the District to the United States over a period of not exceeding 60 years from the end of the development period for each irrigation block established by the Secretary for lands situate within said district of (1) an average of $200 per acre for lands in said district for which irrigation facilities have been constructed, to be allocated as determined to be appropriate by the Secretary among the 12,023⅘ acres of class 2 lands and the 7,946⅒ acres of class 3 lands in the district, as classified in the Bureau of Reclamation report titled "Land Classification Report, Unit One, Yuma Mesa Division, Gila Project, Arizona, May 1949", as amended, made pursuant to subsection (d) of section 4 of the act of December 5, 1924 (43 Stat. 702, 43 U. S. C. 462); (2) the unpaid operation and maintenance charges which accrued prior to June 30, 1954, totaling $297,167.45, as allocated by the Secretary to said lands situate within the district; and (3) the costs of the works authorized in section 2 hereof, not exceeding $1,350,000, and further providing for the release, on such terms and conditions as the Secretary finds appropriate, of the existing predevelopment contracts and mortgages held by the United States on the lands situate within the district which were predeveloped by the United States, and for the repayment to the United Sates by the lands benefited by said predevelopment of the amounts provided for in said mortgages in the same period within which the costs for the construction of the irrigation facilities are to be repaid.

SEC. 2. The Secretary is authorized on such terms and conditions as he deems appropriate to make drainage surveys and investigations of the lands within the district, to construct drainage facilities and works therefor, to install additional pump capacity in the Yuma Mesa Pump Plant of not to exceed 275 cubic feet per second, to construct such buildings determined by him to be appropriate in connection with the operation and maintenance of the lands situate within the district, and to provide in the contract referred to in section 1 hereof for the performance of such work.

SEC. 3. Expenditures by the United States in excess of the amounts to be repaid by the district as provided in section 1 hereof, which have been allocated by the Secretary (a) to acreage eliminated from the Gila project pursuant to the act of July 30, 1947 (61 Stat. 628), (b) to dust control on the Yuma Mesa Division, Gila project, (c) to that portion of predevelopment costs not heretofore covered by contracts and mortgages covering predevelopment charges on lands situate within the district, and (d) other costs allocated by the Secretary to the lands situate within the district not otherwise covered by the repayment obligation in section 1 hereof to be assumed by the district or not otherwise allocated by the Secretary to other contracting entities and which are not assumed or are not to be assumed by them, shall be nonreimbursable: *Provided*, That all revenues from the disposal of public lands within the district (which disposition is hereby authorized on terms and conditions satisfactory to the Secretary) or from special water service contracts other than those which the Secretary determines are allocable to operation and maintenance costs of the district shall be retained by the United States.

SEC. 4. The authority granted in section 1 of this act to execute said contract shall terminate on December 31, 1957.

SEC. 5. This act is declared to be a part of the Federal reclamation laws as they are defined in the Reclamation Project Act of 1939 (53 Stat. 1187).

Mr. JOHNSON of Texas. Mr. President, I may say, for the information of the Senate, that the distinguished Chairman of the Committee on Appropriations, the senior Senator from Arizona [Mr. HAYDEN], has discussed this matter with both the majority leader and the minority leader, and the request he is about to make has been cleared and is supported by both of us.

Mr. HAYDEN. Mr. President, I move that the Senate concur in the House amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Arizona.

The motion was agreed to.

APPORTIONMENT OF WATERS OF THE ARKANSAS RIVER AFFECTING THE STATES OF KANSAS AND OKLAHOMA—BILL INDEFINITELY POSTPONED

Mr. JOHNSON of Texas. Mr. President, the House of Representatives has passed and transmitted to the Senate the bill (H. R. 6256) granting the consent of Congress to the States of Kansas and Oklahoma to negotiate and enter into a compact relating to their interest in, and the apportionment of, the waters of the Arkansas River and its tributaries as they affect such States.

The provisions of this bill, I am informed, were included in Senate bill 730, of an identical title, which passed both Houses during the closing days of the first session and was approved by the President on August 11, 1955.

I therefore ask unanimous consent that the bill be postponed indefinitely.

The PRESIDING OFFICER. Without objection, it is so ordered.

PUBLIC POWER—ARTICLE BY WARREN UNNA

Mr. ALLOTT. Mr. President, an article entitled "A Partnership or a Power Giveaway," written by Warren Unna, and published in the Washington Post of last Sunday, in which the author proposes to discuss constructively the various merits of the great question of public power, occasions my remarks this morning, with particular reference to several points in that article.

Because of such statements, it is impossible for me to pass over the article without comment and correction, although I am positive in my own mind that the reporter intended to do and was doing a good job on the basis of the facts as they were presented to him. It is a very classic example of what is going on in many areas of our country today—of reporting being done by people who do not know what the facts are and who are not in a position to report them.

I have commented before on the floor of the Senate on the feeling of some Members of Congress who believe that anything they read in a newspaper or magazine article should be the basis for Government action.

The particular portion of the article which I wish to quote and to discuss is as follows:

8. Conditioning Rural Electrification Administration loans to new G. and T. (generating and transmission) cooperatives on their integration with neighboring private utilities—on the utilities' terms.

* * * * *

The Arkansas Valley cooperative in southeast Colorado testified that it first had to buy an almost completed generator from its neighboring private utility and agree to cede the generator back to the company once it was amortized.

The Colorado Ute cooperative said that REA granted a loan only after Colorado Ute agreed to lease-operate its plant to the neighboring private utility. A secret REA report subpenaed by the Chudoff subcommittee showed that this integration will cost Colorado Ute $108,000 more a year than if it were allowed to operate independently.

Mr. President, I cannot permit such misstatements to be quoted on the floor of the Senate without at the same time correcting them. It may be interesting to know the source of the words which this reporter, I am sure, in all good conscientiousness, quoted. The source of that article was the so-called Chudoff committee of the House of Representatives, which, as the Public Works and Resources Subcommittee of the Government Operations Committee of the House, has spent its time in various parts of the United States and ended up in the Virgin Islands last fall to complete its investigations.

The so-called Chudoff committee has a very peculiar atmosphere surrounding it. One of the counsel for that committee is a man by the name of Van Austin, from Colorado, who was formerly manager of the State REA in Colorado, and who resigned his position, or, at least, received a leave of absence from his position, to come to Washington to be counsel for the committee which is investigating the very organizations which he had represented for many years. That is the background of the statement.

The allegations contained in this article are not true, and the basis of my statement and my disputation of the facts lives in the circumstances that one Ray Moses, a former classmate of mine at the University of Colorado Law School, and a lifelong Democrat, if you will, and an honorable gentleman, did not tell the Chudoff committee about the matter. He did not tell the Chudoff committee that they were forced into a deal in order to get the loan. As a matter of fact, he told the Chudoff committee just the opposite; and in a private conversation with me, which I am sure he would be happy to repeat on the floor of the Senate were that possible, he told me that there was absolutely no evidence of any pressure of any kind brought to get what these people have described as a shotgun wedding. Yet the Chudoff committee makes such a statement to a reporter.

With respect to the Colorado, Yute proposition, the allegations given to the reporter are not true.

It is a matter of great regret to me that I have to report a major setback in my own State of Colorado, the reason for

it being that an effort was made to mix politics and electricity.

While some of the damage may yet be repaired, the story of what happened must be told so that farmers served by rural electric cooperatives in all States might avoid the troubles recently encountered by my constituents.

On the western slope of southwestern Colorado lies a land of rugged beauty and potential richness. It nurtures agriculture, petroleum, natural gas, coal, and other minerals. Strikes of uranium only a short time ago made this country known the world over. The processing of uranium makes the area a real frontier of industry.

In this area of some 25,000 square miles, four rural electric cooperatives provide power for the farms and ranches and the newly developed light industry. The present and potential expansion has brought about an acute shortage of power for everyone.

The solution was a logical one. The rural electric systems joined together in a generation and transmission cooperative and applied to their banker, the Rural Electrification Administration, for a loan of a little more than $10 million to construct the needed power facilities. They called their new federated cooperative the Colorado-Ute Electric Association.

To save on initial investment, to get low-cost power and to get an adequate supply of power, the association worked out an agreement with the Western Colorado Power Co. to integrate its proposed system and the power company's existing system. Use of the new and existing transmission lines would form a loop which would assure more reliability of service. The interconnection of the systems would mean that power would continue to flow if one or the other power producers was forced out of service. It was a sound, practical arrangement insuring a maximum of service for a minimum of investment. Everyone seemed satisfied that the power problem had been solved.

Everyone was satisfied, it seemed, except some ambitious politicians. They seized on this situation as an opportunity for personal publicity and partisan political advantage. Some fine people were misled. Still others were smeared.

The charge was made that REA forced the Colorado-Ute Electric Association to accept the loan on REA-dictated terms. A "shotgun wedding," they called it. At that time, the loan had already been approved and the integration contract with Western Colorado Power signed.

The desperate propaganda maneuver to discredit the power plan and REA backfired. Directors of the power cooperative made it clear by a 6-to-1 vote that they supported the contract as written. They repudiated the accusations made against REA.

But the seeds of conflict planted by the political publicity seekers were yet to bear fruit. Whispered stories and planted rumors created more confusion. Farmers who had worked together in rural electric systems for more than 15 years were taken in by the propaganda sneak attack. Minor issues which normally could be settled with nothing more than a discussion suddenly were projected into major problems. An atmosphere of discord and suspicion prevailed.

The December 19 issue of Electrical World had this news item:

COLORADO CO-OPS SPLIT OVER POWERPLANT SITE

Colorado-Ute Electric Association, a combination of four western Colorado rural electric cooperatives, has split in a disagreement over the site for a powerplant to be built with a $10 million loan approved by the Rural Electrification Administration.

Directors of the La Plata Electric Association at Durango and the Empire Electric Association at Cortez have voted to withdraw from Colorado-Ute if it goes ahead with an announced plan to build the plant at Nucla.

The Durango and Cortez co-ops also demanded the resignation of Frank Meaker, of Montrose, as head of Colorado-Ute. The Durango-Cortez directors attacked Meaker for his recent charge that Colorado-Ute had been forced into a "shotgun wedding" with Western Colorado Power Co., a private company which has contracted to operate the new plant for the co-ops.

The two associations ripped Meaker "for his shotgun-wedding charge, which we believe is entirely unfounded."

Meaker replied that he had no intention of resigning and pleaded for harmony among the four co-ops.

Mr. President, what are the results? Colorado farmers must wait for adequate and reliable power. Some politicians got headlines and the farmers and miners of western Colorado got gypped. It is an object lesson for rural electrification systems everywhere. When rural electrification is made the object of abuse for personal political advantage, the only one who gets hurt is the farmer.

CRITICISM OF JOHN FOSTER DULLES

Mr. HUMPHREY. Mr. President, on Thursday, January 12, I predicted on the floor of this great body that a storm of criticism would be aroused around the world by nightfall following the publication in Life magazine of the eulogy to the Secretary of State, Mr. John Foster Dulles. My prediction proved to be correct.

Vice President NIXON has characterized this storm of criticism of the Dulles article as a "tempest in a teapot." To paraphrase Sir Winston Churchill: "Some tempest, some teapot."

The Nation has now had a chance to read the article—as has Mr. Dulles, we are informed.

On Thursday editorials had begun to appear in newspapers and statements on the radio commenting on Mr. Dulles and his article.

Arthur Krock, of the New York Times, had read the article, and I ask unanimous consent to have the article by Arthur Krock printed at this point in the RECORD. It is entitled "One More Very Curious Official Incident."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ONE MORE VERY CURIOUS OFFICIAL INCIDENT

(By Arthur Krock)

WASHINGTON, January 12.—The article in the current issue of Life magazine in which Secretary of State Dulles is directly quoted as asserting that bold and timely warnings by this administration that it would use atomic weapons in the Far East had thrice forestalled war in that area "at the brink" bears all the familiar marks of high official cooperation and approval before publication. The leading detectors of these marks are the Washington reporters.

Therefore, they heard with what can politely be termed total incredulity the replies Secretary Dulles made yesterday to questions about the Life article. For these invited 1 of 2 extraordinary inferences. The first was that a reporter and the editors of a mass-circulation magazine were reckless enough to put out such an article without checking it for approval in an authoritative quarter (for instance, Dulles' assistant in charge of his press and public relations, Assistant Secretary McCardle). The alternative inference was that the functionary who did the checking, though the article quoted Dulles extensively and was replete with foreign policy revelations and claims certain to be politically provocative, made slight mention of it, if any, to the Secretary.

He said specifically, in answering questions about the article, that he had not read it, had not seen it, had no precise recollection of what he may have said to the author, and "would hardly say it was an exclusive interview" because he had talked to a great many reporters "in one way or another at one time or another."

If he had not seen the publication (which, presumably, means it had not come under his eye in the mimeograph copy that Life distributed widely in Washington, Monday, or in the current issue of the magazine), of course, he had not read it either when he met with the newsmen yesterday. Accepting those words as statements of technical fact did not, however, induce his audience also to accept the inference that the article had been published without authorized official imprimatur.

POSSIBLE ASSUMPTIONS

But the Secretary indicated such total unfamiliarity with the contents of an interview in which he was freely quoted as to leave for evaluation the second inference, that, though his public-relations aids knew the matter would certainly arise at the press conference, they took no steps to acquaint him with it. That is possible if it can be assumed that the Secretary was too busy recently to find time to be briefed on this particular subject, or simply declined to allow his aids to bring it up. But, considering his lively interest in what appears about him in print, considering the reaction this article was sure to evoke, and further considering the risk that would be taken by an aid who passed such an article without advising Dulles of its contents, both situations are difficult to conceive.

So Dulles' responses to yesterday's questions, even before he dismissed the subject on learning that the article was not to be released until hours after the press conference was held, enter the category of official mysteries. It is known that the material was submitted to appointed checking authority in the State Department before it was circulated by mimeograph or published in the magazine. It is on the record that the Secretary had not seen, and hence not read, the interview before he was asked about it. But how and why are facts that remain in the realm of the curious and the unknown.

Dulles was virtually alone in unfamiliarity with the publication by the time his news conference assembled yesterday, so far as the political, press, and diplomatic communities in Washington are concerned. The Capital buzzed with the public attribution to him that the President and he three times had averted war for the United States, (a) by

notice to the Communist powers that in certain aggressive circumstances we would attack Manchuria, and make aircraft carriers ready to bomb south China ports, and (b) through the Senate resolution drafted by Dulles that authorized the President to take any military course he thought necessary to defend Formosa. In two instances, the use of nuclear weapons was specifically mentioned in the warnings; in the third it significantly was not excluded.

These revelations—or clarifications of what the executive department previously had but barely indicated—had atomic effects of their own. Diplomats of European nations were shocked and alarmed that the threat of nuclear war they dread had been revived, and in this casual way. Democrats in Congress, noting that Dulles was loaded with praise in an article, full of his quotes, as the boy on the burning deck whence all but he and the President had fled, resented his hero portraiture and angrily classified it as a 1956 Republican campaign document. The shudders of the self-styled neutrals could be heard from New Delhi to Belgrade. And hard things were said about the timing, just before Eden's visit here, of an open complaint attributed to the Secretary, that the British had reneged on the United States at a critical time.

Mr. HUMPHREY. Mr. President, on Friday night, Mr. Eric Sevareid, of the Columbia Broadcasting System, revealed that he had read the article. I ask unanimous consent that his broadcast be printed in the RECORD at this point.

There being no objection, the broadcast was ordered to be printed in the RECORD, as follows:

Good evening, in my dictionary one definition of "diplomacy" is "tact, shrewdness and skill in conducting any affair." This week Life magazine carries an interview with our number one diplomatist, Secretary Dulles, crediting his tact, shrewdness and skill with saving America from not one, but three wars since 1953—in Korea, when Syngman Rhee suddenly released the Red prisoners, in Indochina in 1954, and in the Formosa Strait last winter, and with this ringing verdict on his accomplishments, Mr. Dulles agrees. He refrains from endorsing the magazine writer's own obiter dicta, which include equating Mr. Dulles as a personal diplomat with Franklin, Adams and Jefferson.

It is possible at least that history will record Mr. Dulles' policies in the three aforementioned crises as great acts of diplomacy, that is, of tact, shrewdness and skill; possible, though one-half the facts are not yet known, China's half. It will be virtually impossible however for history to record the granting and publication of this interview as an act of tact, shrewdness and skill. So far as we can note the record, nobody save Mr. Dulles has publicly endorsed the article's claims: a good many people, however, have publicly denounced them. These include: members of the Senate Foreign Relations Committee who say the Dulles versions do not jibe with the Dulles testimony before them; officials of neutral and allied nations who now gather that the principal American policy for war prevention is to brandish the atomic bomb; the British Government, which Mr. Dulles now accuses of switching signals midway in the Indochina crisis, and whose Prime Minister is about to arrive in Washington for critical negotiations with Mr. Dulles himself; in other words, the very persons with whom Mr. Dulles must practice tact, shrewdness and skill are either offended or alarmed or both.

The Chinese were stopped from reopening the Korean war when Rhee released the prisoners because, says Dulles, we let the Reds know we would hit Manchuria with atom bombs if they did. This assumes the Chinese desired to restart the worn-out 3-year-old war, in which they had lost a million or more men, over the issue of the 20,000 prisoners.

Mr. Dulles thinks Red China would have entered the Indochina war with her own troops, if they had not feared our bombs and united American, British and French resistance. Red China already had half the peninsula by use of puppet troops and further fighting was pretty clearly a political impossibility for any French government. We had failed once to strike in that war, but Mr. Dulles is sure the Reds were sure we'd strike next time; he now thinks that armistice was all right; as remembered around here, the United States washed its hands of the whole business and sat silent at the Geneva armistice meeting; one of the few times in America's history our influence has collapsed in an allied enterprise in which we were deeply involved.

Last year's threat to bomb China proper if she attacked the offshore islands and if that was a prelude to attacking Formosa may have deterred the Chinese Reds, though our threat had a "maybe" in it. But it may have been the pressure on China from other Asiatic countries, culminating in the Bandung Conference. In any case, judging by the present Chinese buildup in the region, the real answer may still be ahead of us.

Historians rarely get all the facts and factors of complex events; still, the best history is usually based on more than assumptions, themselves based on only 50 percent of the facts and factors.

This is Eric Sevareid in Washington.

Mr. HUMPHREY. Mr. President, by Friday night we were informed that Mr. Dulles had at last admitted that he had read the article. He had no apologies and no demurrers to make. In a statement issued that evening, I asked the President of the United States to read the article. I ask unanimous consent that my statement may be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

PRESIDENT REQUESTED TO READ DULLES' STATEMENT

Senator HUBERT H. HUMPHREY, Democrat, of Minnesota, tonight called on President Eisenhower to read the article in the current issue in Life magaizne reporting an interview with Secretary of State Dulles, and to tell the American people if he agrees with the statements of his Secretary of State.

"The Secretary of State," Senator HUMPHREY commented, "today reaffirmed the substance of this article. Taken literally, the article in effect expounds a new basis for American foreign policy. Mr. Dulles' art of getting to the verge of war comes precariously close to rejecting the traditional American conviction that we must not strike the first blow, that we must never bear the awful responsibility for beginning atomic warfare.

"Mr. Dulles now admits that he has read the article, and has no changes or apologies. I now ask the President of the United States to read the article and to tell the American people if he agrees with his Secretary of State.

"In the Life article Mr. Dulles is said to have isolated a major factor in causing international catastrophe in the past—miscalculation. Miscalculation can apply to a major decision to employ atomic weapons. It applies equally to the callousness toward world opinion embodied in many of the statements in the Life article.

"America's prestige and leadership rest not only on guns and dollars, but on the public image we project to the world. Much harm can be done by the way things are said, the postures we strike, and the heedless things we do for domestic political consumption. Indiscreet articles like the Dulles' article sap the vitality of our alliances and dull the edge of our foreign policy.

"Is it too much to ask that henceforth we have an American Secretary of State, rather than a Republican one?"

Mr. HUMPHREY. Mr. President, by that time—Friday night—editorials had appeared in the influential Manchester Guardian, London Daily Herald, London Daily Mail, and London Daily Mirror, sharply and bitterly criticizing Mr. Dulles. I shall read excerpts from these newspapers at the conclusion of my remarks.

By Saturday the story of editorial criticism throughout the United States was beginning to hit its peak. I wish to give this distinguished body a little of the tone, a little of the nature of the criticisms. Among others, the New York Times, through its correspondent, James Reston, and the Washington Star, both newspapers notably non-Democratic, called Mr. Dulles severely to task.

The lead editorial in the Saturday morning edition of the Washington Post of January 14, 1956, was a brilliant piece of journalistic comment. I wish to read a few excerpts from this editorial, entitled "History, Dulles Style," before I ask that the entire editorial be printed in the RECORD. I read this very short paragraph from the Washington Post editorial:

Bragging seldom makes or holds friends. The panegyric to John Foster Dulles in the current issue of Life, written by James Shepley on the basis of consultation with the Secretary of State, is not distinguished for its understatements.

Skipping, I read further from the editorial:

For the effect is about as subtle as if this country had dropped a bomb on London. The article portrays Mr. Dulles as a reckless gambler, a sort of military-minded Hairbreadth Harry who specializes in narrow escapes.

Mr. President, I am quoting from the editorial; the junior Senator from Minnesota has not been that direct in his comment.

"The ability to get to the verge without getting into the war," it quotes him as saying, "is the necessary art." This is a little like saying that the closer you get to war the better you serve peace, or that Russian roulette is a good game by which to steel your nerves and impress your adversaries. It assumes that Mr. Dulles, by some undisclosed omniscience, was able to control all the factors that governed whether the world would have been plunged into nuclear war. Other nations will find the article highly offensive, and Communist propaganda will find it a windfall. Surely, if this is the theory on which American policy has been conducted, it would have been better left unsaid.

Mr. President, I ask unanimous consent that the editorial in its entirety be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

HISTORY, DULLES STYLE

Bragging seldom makes or holds friends. The panegyric to John Foster Dulles in the current issue of Life, written by James

Shepley on the basis of consultation with the Secretary of State, is not distinguished for its understatements. It relates in matter-of-fact fashion that Mr. Dulles "had probably devoted more thought to the subject of war and peace than any other man alive," and it evaluates Mr. Dulles' work as "the greatest display of personal diplomacy since the great days of the Franklin-Adams-Jefferson triumvirate." The basis for these encomiums is the thesis that Mr. Dulles has three times saved world peace by taking the United States to the brink of nuclear war. Quite apart from the subjective version of history it presents, the article is in incredibly bad taste.

For the effect is about as subtle as if this country had dropped a bomb on London. The article portrays Mr. Dulles as a reckless gambler, a sort of military-minded Hairbreadth Harry who specializes in narrow escapes. "The ability to get to the verge without getting into the war," it quotes him as saying, "is the necessary art." This is a little like saying that the closer you get to war the better you serve peace, or that Russian roulette is a good game by which to steel your nerves and impress your adversaries. It assumes that Mr. Dulles, by some undisclosed omniscience, was able to control all the factors that governed whether the world would have been plunged into nuclear war. Other nations will find the article highly offensive, and Communist propaganda will find it a windfall. Surely, if this is the theory on which American policy has been conducted, it would have been better left unsaid.

Mr. Dulles' belief that the threat to enlarge the Korean war is what finally brought the truce has long been familiar. There is no way to prove it or disprove it. It is reasonable to think that the Truman administration could have had a truce if it had been willing to accept stalemate and division. But it did not accept these terms; and Mr. Dulles and his colleagues are entitled to credit for bringing the Korean war to a conclusion.

The history of the Indochina war is considerably more confused. The Life article maintains that Mr. Dulles and the administration never contemplated merely an air strike to save Dien Bien Phu. This is at substantial variance with the version widely understood after the event, which was that the President was prepared to go to Congress for authority to intervene at Dien Bien Phu. Whether the British changed their minds or whether there was misunderstanding in the first instance is still in dispute. One story is that Admiral Radford's talk about atomic bombing in China is what caused the British to pull back.

Nor does the assertion that at the 1954 Geneva Conference on Indochina "Mendes-France and Eden found themselves able to bargain from Dulles' strength" square with the impression at the time. If Mr. Dulles was confident that the Geneva solution would turn out well all along—which is a little like his after-the-fact expression of confidence in the Bandung Conference, although he seemed at first to want to play it down—he managed to conceal his feelings to a remarkable degree. When Mr. Dulles packed his bags and came home from Geneva in the middle of the negotiations, he seemed to have concluded that the whole affair was an unmitigated disaster and to have washed his hands of it. Prime Minister Eden, who as British Foreign Secretary was credited generally with salvaging the best settlement obtainable on Indochina, doubtless will be glad to know that Mr. Dulles planned it that way. (It also will be instructive to Eden to know that the Dulles policies are what brought acceptance of the Paris treaties after the failure of EDC.)

Similarly, on the question of what to do if the Chinese Communists attacked in the fall of 1954, the article claims credit for Mr. Dulles' policy of deterrence. What actually deterred the Communists no one knows for sure; and certainly the revision of American policy respecting Formosa was a useful step. But what the article does not say, in extolling the Dulles policy and President Eisenhower's support of it, is that the President overruled the kind of response which Mr. Dulles had at first endorsed to counter an attack on Quemoy and Matsu.

No one with a knowledge of diplomacy will contend that it is not necessary sometimes to take large risks. This newspaper also believes firmly with Mr. Dulles that it is desirable to let a potential enemy know precisely where we stand. But there is a difference between undertaking risks as a necessity and regarding risk taking as a virtue in itself. There also is a difference between risks and threats that can be interpreted as bluffs. Moreover, if Mr. Dulles originated the doctrine of deterrence, as the article indicates, the Strategic Air Force must have been twiddling its thumbs between 1946 and 1953. What our allies will find especially annoying is the implication in the article's praise of massive retaliation and other Dulles policies that this country, through some superior wisdom, has a right to incur risks for them without consultation. Their apprehensions will not be lessened by the article's concluding reference to Mr. Dulles' recent call for a revival of the American crusading spirit and missionary zeal of the last century.

What purpose is served by this boastful exercise in slanted history and massive hindsight? If it was intended as a poltical document to encourage the Republicans and impress the Democrats, it is likely to have the opposite effect. Electioneering of this sort will not advance the cause of bipartisan foreign policy. If it was intended to deter the Russians, the dismay it will create among our allies and in neutral nations will give the Soviet Union an undreamed-of opportunity. Like the Duke of Wellington's soldiers, the article may not frighten the enemy, but it will certainly terrify our friends. Popularity at home and abroad are not necessarily the index of effective policies; but strong policies and imaginative execution are their own best advertisement and do not require shouting from the housetops. The current state of American foreign relations at least raises some doubt as to whether all Mr. Dulles' policies have been an unqualified success. Perhaps the worst effect of the article is that its total absence of modesty serves to cast discredit on the good things Mr. Dulles has done.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the editorial entitled "Brink of War," published in the Washington Evening Star of Saturday, January 14, 1956, be printed at this point in the RECORD. First, I shall read one paragraph:

Secretary of State John Foster Dulles is up to his ears in boiling hot water, and he has only himself to blame.

Mr. President, I digress to point out that that is exactly what the junior Senator from Minnesota felt as he read the article.

The rest of the editorial is clearly interesting reading.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BRINK OF WAR

Secretary of State John Foster Dulles is up to his ears in boiling hot water, and he has only himself to blame.

Mr. Dulles' troubles stem from an exclusive interview which he gave to Life magazine. Why he did this is anyone's guess. Presumably, however, Mr. Dulles thought it would be nice to start off an election year with a friendly article in a friendly magazine. There is nothing inherently wrong with this. Mr. Dulles is not the first man in public life, nor will he be the last, to welcome a bit of publicity which he thinks will be helpful to himself and his party. What is wrong, or, rather, who is incomprehensible, is that Mr. Dulles, or whoever acted for him in the matter, should have failed to realize that this particular article, far from being helpful, was certain to be harmful. Both in tone and content, the interview is damaging to our relations with our allies and should be embarrassing to Mr. Dulles.

The article says that on three occasions Mr. Dulles, with the President's full support, walked up to the brink of war—war in Korea after the truce negotiations had started, in Indo-China and in Formosa. Then came this direct quotation of the Secretary of State:

"You have to take chances for peace just as you must take chances in war. Some say that we were brought to the verge of war. Of course we were brought to the verge of war. The ability to get to the verge without getting into the war is the necessary art. If you cannot master it, you inevitably get into war. If you try to run away from it, if you are scared to go to the brink, you are lost."

The impression that the world will get from this is a portrayal of Mr. Dulles, in his own words, as a master of the art of going to the verge of war without getting into war—as a man who has thrice marched to the brink of war and who, if need arises, will march again. There are other comments in the article which imply that the French and British have not mastered this art, and there is one which suggests that the British backed out of an agreement for joint action in the Indochina matter.

It may be that Mr. Dulles is right in thinking that his "deterrent" policy, a policy of putting the enemy on notice that force would be met with superior force, saved this country from three wars. It would be quite understandable if he had said these things in private conversation. But it is incredible that the Secretary of State would consent to the publication, with direct quotes, of such views and comments.

It is even more incredible that Mr. Dulles, having given the interview, did not know what form it was going to take for publication. Now that the fat is in the fire, Mr. Dulles has read the article and he says that the statements specifically attributed to him "do not require correction from the standpoint of their substance." But in a press conference Wednesady he said that he had not read the article up to that time and that he had no "precise recollection" of what he had said during the interview.

To paraphrase an old saying, this is a deplorable way to run a State Department. Mr. Dulles is in serious trouble of his own making. He has marched to the brink of a diplomatic fiasco, and he is going to need all of his skill in extrication to keep from toppling over.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that an editorial entitled "Dulles Rewrites History," published in the New York World-Telegram and the Sun, a Scripps-Howard newspaper in New York City, be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

DULLES REWRITES HISTORY

Secretary of State Dulles' interview in Life magazine has provoked cries of "politics" from the Democrats and "foul" from

our friends abroad. Our enemies and the neutralists seem certain to claim the interview proves their accusations of atom-mongering.

The essence of the interview is this—

Three times in the last 3 years—in Korea, Indochina, and Formosa—the United States was on the verge of war. Three times war was averted, Mr. Dulles contends, by strong action by the Eisenhower administration—specifically by the threat of atomic war.

"We walked to the brink and we looked it in the face," Mr. Dulles was quoted. "We took strong action * * * the ability to get to the verge of war without getting into war is the necessary art."

One of the most controversial points of the interview will be Indochina where, according to Mr. Dulles, an "acceptable solution" was found and "the outcome was a major 'save' for the free world."

That version of the Indochina debacle contradicts everything said at the time by American leaders in public and private. It is also contrary to American newspaper reports from Geneva at the time of the Indochina conference.

The whole business was almost unanimously denounced as a sellout of the people of north Vietnam, more than half a million of whom fled their homes rather than be turned over to the Communists. The result was another divided country with the entire north of Vietnam added to Red real-estate holdings.

The jubilation of the Communists and the gloom of the non-Communists at Geneva in the summer of 1954 is enough to challenge Mr. Dulles' claim of victory. Only the Reds gave an end-of-conference party. Mr. Dulles himself refused to go back for the final sessions and sent a deputy only after urgent appeals by France. The United States refused to sign the final documents.

The Eisenhower administration's stewardship of foreign affairs includes much worthy of praise. But Mr. Dulles' interview, we fear, will tarnish that record by trying make something out of nothing—by rewriting diplomatic defeats into victories.

Everyone involved in the Indochina mess shares the blame. It was a terrible tragedy for the free world and a major victory for communism. It only enhances the Red victory to pretend otherwise now.

There never has been a full public accounting of what went on in those closing months of the war. American, British, and French versions disagree. Even the many American versions are at wide variance. And now Mr. Dulles adds fuel to the controversy—in an article which hails him as the greatest Secretary of State since Thomas Jefferson.

The American people contributed about $2 billion to the lost Indochina struggle. The necessity now is for publication of all the facts—good and bad—so the people can judge on the basis of unbiased testimony.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that an article entitled "The Strange Case of John Foster Dulles," written by James Reston, and published in the New York Times of January 15, 1956, be printed at this point in the RECORD. The first paragraph is indicative of the body of the article, and reads:

Like every Secretary of State since the war, John Foster Dulles has pulled some lovely boners, but, unlike his predecessors, Mr. Dulles has added something new to the art of diplomatic blundering.

This is the planned mistake. He doesn't stumble into booby traps; he digs them to size, studies them carefully, and then jumps.

The whole article is interesting reading.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE STRANGE CASE OF JOHN FOSTER DULLES

(By James Reston)

WASHINGTON, January 14.—Like every Secretary of State since the war, John Foster Dulles has pulled some lovely boners, but, unlike his predecessors, Mr. Dulles has added something new to the art of diplomatic blundering.

This is the planned mistake. He doesn't stumble into booby traps: he digs them to size, studies them carefully, and then jumps.

The common diplomatic bloomer is usually the result of ignorance, haste, imprecision, bad temper, or having to choose between hard and difficult courses of action.

Mr. Dulles has not made this kind of mistake very often. He is well-informed. He is the hardest-working man in Washington. He is patient and precise in extemporaneous speech, and he has not yet got into trouble playing question and answer with the reporters.

His mistakes are of a different variety. They are usually avoidable. They are almost always obvious, and they are usually made in carefully prepared statements or speeches.

THE RECORD

He wrote into the President's first state of the Union message the passage construed as unleashing Chiang Kai-shek to invade the China mainland.

He liberated the Communist satellites first in the Republican Party's 1952 foreign affairs platform at the Chicago convention, which he drafted, and later in several other prepared speeches.

He announced that he was going to make an agonizing reappraisal of American foreign policy if France did not join the European Defense Community—this in a formal statement to the North Atlantic Treaty Council in Paris.

He put into a formal speech before the New York Council on Foreign Relations his threat of massive retaliation against the Communist world—a threat which required a 2,000-word clarification and has plagued him ever since.

He issued last month a formal statement describing Goa on the fringe of India as a province of Portugal—just at the time when he was planning a trip to India to patch up our ragged relations with Prime Minister Nehru.

And now this week he has been involved in another controversy because he claimed that he had three times carried the Nation to the brink of war and scared the Communists off 2 of the 3 times by threats of atomic retaliation.

The common denominator of all these things is that the Secretary of State was under no compulsion to say them and that, having decided to say them, he overstated the case.

He has since been forced to qualify the liberation statements to make clear that he meant peaceful liberation; to put Chiang Kai-shek back on the leash; to swallow France's rejection of the EDC without any agonizing reappraisal; and to make clear that there would be massive retaliation only in response to some momentous Communist move that threatened the security of the Nation.

He is still standing on his boast that he avoided war three times by threatening atomic retaliation against Manchuria and South China, though this capital is full of well-informed men who regard this as a combination of bad history, bad diplomacy, and bad manners.

A GOOD CASE MADE WORSE

He has made a lifelong study of the arts of diplomacy, and has turned Assistant Secretary of State Carl McCardle into a personal press agent—yet the effect of his latest flight into print has been to emphasize his weaknesses rather than to clarify his strength.

This is unfortunate for two reasons: It blurs Mr. Dulles' real achievements, and it diverts attention from the remarkably solid front that has been built up in both parties for the policy of collective security.

There are differences of opinion between the parties about how much emphasis to put on foreign economic aid, and whether to proceed with the chain of military agreements in the Middle East, but the area of agreement is far larger than the area of disagreement, and Mr. Dulles is entitled to a great deal of credit for this extremely important development.

In fact, one could almost say that the biggest foreign policy issue between Mr. Dulles and the Democrats today is Mr. Dulles himself. The Democrats have produced no clear alternative to his policies, even in the Middle East. Nor do they complain so much about what he does. But what he says drives them nuts, and gives the impression of great division where very little fundamental policy division exists.

This, of course, is the way things usually go in Washington. The really big story here is that the Republicans are offering a program and a budget that are so New Dealish and internationalist that Bob Taft, if he were here, would feel betrayed.

There is probably not another capital in the world today where the party in power has offered a program which meets with such widespread approval from one end of the political spectrum to the other.

Nevertheless, politicians must fight, and if they don't have big things to fight about, they will fight just as hard about small things.

Mr. HUMPHREY. Mr. President, I ask that an article entitled "Conflicts in History?—Dulles Stands Firm on Verge-of-War Facts," written by Chalmers M. Roberts, and published in the Washington Post and Times Herald of January 14, 1956, be printed at this point in the RECORD. Mr. Roberts makes the comment that Mr. Dulles' quotation offered a version of history far different from that dug out, piece by piece, over many months by various Washington newsmen.

The article is very interesting reading, and I commend it to the attention of my colleagues. It is a rather extensive, but historically interesting and, I trust, factual article.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CONFLICTS IN HISTORY?—DULLES STANDS FIRM ON VERGE-OF-WAR FACTS

(By Chalmers M. Roberts)

The Eisenhower administration has now at long last officially conceded that the United States was on three occasions on the verge of war—over Korea, Indochina, and Quemoy-Formosa.

But in making such a statement, something neither President Eisenhower nor Secretary of State John Foster Dulles has ever directly told the American public, Dulles, through the medium of a friendly magazine writer, offered a version of history far different from that dug out piece by piece, over many months, by various Washington newsmen.

Confirmation of the quotations attributed to Dulles in a Life magazine article came yesterday from State Department spokesman Lincoln White. He said Dulles had authorized him to say:

"The Secretary has now read the Life article. He feels that the statements specifically attributed to him do not require cor-

rection from the standpoint of their substance."

The article, entitled "How Dulles Averted War," has roused a storm in Britain—and partial denials—because of its criticism of British policies in the Indochina affair last year. It has brought criticism at home mainly because of a Dulles' statement that "the ability to get to the verge without getting into the war is the necessary art."

Dulles also said in the now-confirmed quotations:

"Of course, we were brought to the verge of war. * * * We've had to look it square in the face—on the question of enlarging the Korean war, on the question of Formosa. We walked to the brink and we looked it in the face. We took strong action. It took a lot more courage for the President than for me. His was the ultimate decision. * * * The President never flinched for a minute on any of these decisions. He came up taut."

Here is a rundown on the major facts as given in the Life article and as this reporter was able to find them in nearly 2 years of questioning dozens of persons here and in Europe connected with the events:

Korea, the Life story, written by James Shepley, chief of the Life-Time bureau here, says General Eisenhower as President-elect made the vital decision that if the Chinese Reds tried to continue a stalemate the United States would fight to win, including an air attack on Manchuria and the use of tactical atomic arms if hostilities were resumed.

Dulles, the story goes, on a visit to India told Prime Minister Jawaharlal Nehru that if the war continued "the United States would lift the self-imposed restrictions on its actions and hold back no effort or weapon to win." The earlier Eisenhower decision was reaffirmed later when South Korean President Syngman Rhee freed prisoners in defiance of the United Nations command. Dulles himself, incidentally, has frequently told the Nehru story in Washington with the added implication that he expected Nehru to pass his words on to Peiping.

A year and a half ago it was learned that the President had decided it was essential to win the Korean war and that he intended to attack Manchurian bases, using atomic bombs. A check of competent sources brought the report that the President, in exploring possible ways to carry out his campaign commitment to end the Korean war, had indeed ordered exploration of such a military move—as a possible alternative—but that he had never adopted such a policy.

PEIPING NOT TOLD

Nehru is known to have told a British correspondent that Dulles did tell him the United States might expand the war and might even use atomic bombs. Nehru told the correspondent he thought this was an obvious bluff and paid no attention to it and did not pass it on to Peiping; however, another check on the story in mid-1954 brought the report from New Delhi that Nehru did not recall any such Dulles statement and certainly told Peiping no such thing.

Indochina: The life account says that after several National Security Council meetings, Dulles concluded that an American aircraft carrier strike to save the beseiged fortress of Dien Bien Phu, as requested by the French, as requested by the French, was a poor way for the United States to get involved. Instead, on April 4, 1954, Dulles and Adm. Arthur W. Radford, chairman of the Joint Chiefs of Staff, presented the President with a proposal for action. America, Britain, and France were to oppose the Communists on the ground in Indochina and, if the Chinese Reds intervened, to destroy with United States airpower their South China staging bases. The President, the story says, concurred and American carriers with planes armed with atomic weapons steamed toward the area. But a Dulles plan for an allied meeting of nations which would jointly take up the battle in Indochina was frustrated because Britain had a change of heart.

But, the Life story goes on, since Dulles had seen to it that the Chinese and the Soviets knew that the United States was prepared to act decisively to prevent the fall of all of southeast Asia, the French and British at the Geneva Conference found themselves able to bargain from Dulles' strength and much of Indochina was saved by the truce.

As the story is pieced together, however, the President in March 1954, initiated an NSC decision that Indochina intervention should be undertaken by the United States if necessary to prevent its loss.

Such intervention was to be on the conditions that it (a) be allied action, (b) at French request, (c) have congressional approval and (d) that France grant Indochina's three states full independence. Congressional leaders, as revealed in detail in this newspaper on June 7, 1954, were sounded out on April 3 of that year on a joint resolution giving the President power to order intervention. Dulles was told to line up allies—and given no commitment even if he did.

BRICK WALL

Dulles ran into a brick wall in the form of Winston Churchill, then British Prime Minister. (Churchill told the President during his Washington visit that June that never will we allow a single British troop to go into Indochina. At this time Dulles was saying privately that the United States was ready under decent conditions to go into Indochina and fight.)

Anthony Eden, then British Foreign Secretary, met in Paris on April 24 with Dulles and Radford. Radford proposed not only the Dien Bien Phu air strike but also dropping atomic bombs on China. Radford earlier had told congressional leaders that he alone of the Joint Chiefs approved intervention. Army Chief of Staff Matthew Ridgway completely opposed the so-called immaculate war idea and argued that at least six American divisions of ground troops would be needed. Eden took the position that ground troops would be called for within 48 hours of an air strike. There is no doubt that Radford had alerted the Navy for action. One officer aboard a carrier was prepared to parachute into Dien Bien Phu to instruct the French garrison on how to protect itself once the atomic bombs began to fall around the fort.

But intervention collapsed the day before the Geneva Indochina Conference opened when the British Cabinet flatly refused to go along. Dulles covered up his intervention moves by confirming for an American newsman a French report that he had written Premier Georges Bidault that it was impossible because of American constitutional limitations and because no allied plan had been worked out.

Thus the Geneva Conference began with the Western allies in disagreement and in a publicly exposed state of weakness rather than, as Life would have it, with Britain and France bargaining from Dulles' strength. It should be added, however, that toward the end of the months-long conference the United States made some sort of offer, 2 Marine divisions one report had it, to the French if they would go on fighting. Nothing came of this if, in fact, that was the offer.

The conference outcome was taken in Washington as the best of a bad bargain or worse. The United States signed nothing. Now, however, the outcome is pictured as acceptable and due to Dulles planning.

Quemoy-Formosa: The Life account completely skips the September 1954 Quemoy-Formosa affair and says that war was avoided mainly by the resolution drafted by Dulles and passed by Congress in January 1955, authorizing the President to use force to protect Formosa and Quemoy-Matsu if he thought necessary. As was disclosed in this newspaper on November 8, 1954, 3 of the 4 Joint Chiefs—with Dulles initially concurring—approved a proposal in September 1954 that under certain conditions American planes should attack the Communist mainland in order to prevent a Red landing on Quemoy, then threatened. But President Eisenhower, at the now famous September 12 NSC meeting in Denver, refused to buy that proposal. Instead, he ordered a search for peace through the U. N.

When the Far East crisis recurred in January 1955, the Dulles-drafted resolution did pass Congress and, as Life says, the Chinese Reds were publicly put on notice that Eisenhower was ready and authorized to retaliate at once. But the public has never yet—even in the Life article—been told by the administration itself the story of the long route which led to that congressional action.

The United States has, indeed, been brought by the Eisenhower administration to the verge of war. Many diplomats agree that American war talk and war moves—or deterrence may have in fact deterred the Communists. Dulles without doubt has consistently advocated deterrence both publicly and privately. But whether everything that has happened in the last 3 years was planned that way is something else again.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that an editorial entitled "Storm Around Mr. Dulles," published in the New York Times of January 14, 1946, be printed at this point in the RECORD. A sentence in the second paragraph reads as follows:

But by the specific manner in which this has been done he has not only brought upon himself both domestic and foreign charges of distortion of history; he has also provided new grist to the mills of both the Communists and the European appeasement elements, and thereby unwittingly impaired the very policy he seeks to support.

The final sentence of the editorial reads:

It would seem, therefore, that the presentation of the events and policies ascribed to Mr. Dulles require further and more official clarification.

The entire editorial, Mr. President, is interesting and provocative reading.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

STORM AROUND MR. DULLES

Secretary Dulles has to his credit so many creditable achievements, from the Japanese peace treaty to the completion of a world-encircling defense system of free nations, that it is regrettable to find him the center of an international storm aroused by some unwise remarks of his which are, to say the least, an extreme example of how not to conduct diplomacy. The remarks, which he acknowledges, are contained in a Life magazine article which, aside from the controversial facts involved, represents him as taking pride in practicing the art of leading the United States three times to the verge of war to deter Communist aggression without getting us into war.

In supplying material for such an article Mr. Dulles apparently intended, by citing the specific cases of Korea, Indochina, and Formosa, to emphasize the established American policy of "peace through strength" which excludes appeasement and seeks to prevent war by creating an approximate balance of power with effective retaliatory means to deter Communist aggression. But by the specific manner in which this has been done he has not only brought upon himself both domestic and foreign charges

of distortion of history; he has also provided new grist to the mills of both the Communists and the European appeasement elements, and thereby unwittingly impaired the very policy he seeks to support.

It is, of course, a fact that in resisting Communist aggression in the three cases mentioned the United States and other United Nations members did get into war in Korea, and France in Indochina, before Mr. Dulles became Secretary of State. It is likewise a fact that these free nations faced up to the risk of even bigger wars unless Communist aggression halted. There were ample official warnings of that risk at the time, not the least among them the Sixteen Nation Declaration that a breach of the Korean armistice would expand hostilities beyond the Korean frontiers, the congressional resolution for the defense of Formosa and Mr. Dulles' own warning against armed Communist Chinese intervention in Indochina. But it is one thing to proclaim a considered policy and quite another thing for the American Secretary of State to be cast in the role of an artist juggling with threats of war.

Such a representation is quite contrary to the general policy enunicated by President Eisenhower—namely, that while we must maintain a strong defense posture we must wage peace, not war, because in the atomic age there is no alternative to peace. It is also contrary to the President's specific declaration in reference to Indochina what while each situation involves its own degree of risk, each such situation must be met on its merits. It would seem, therefore, that the presentation of the events and policies ascribed to Mr. Dulles require further and more official clarification.

Mr. HUMPHREY. Mr. President, on Saturday morning I released a point-by-point discussion of the Life article. I asked President Eisenhower for a clarification of our national position on the Quemoy-Matsu situation, which is not, as Mr. Dulles is reported as saying, a closed case. I ask unanimous consent that my statement, released on the morning of January 14, 1956, going over the entire Life article by Mr. Dulles, be printed at this point in the RECORD.

I may say, with due modesty, that at least this is a factual statement, and I trust it will be interesting to those who will take the time to study its contents.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

SENATOR HUMPHREY CORRECTS DULLES' REWRITING OF HISTORY

Senator HUBERT H. HUMPHREY, Democrat, Minnesota, today called on President Eisenhower to confirm or deny the statement attributed to Secretary of State Dulles that the President would have regarded an attack on Quemoy and Matsu as an attack on Formosa. "Quemoy and Matsu are still threatened," Senator HUMPHREY stated. "The American people and the Congress have a right to know whether President Eisenhower has already made the decision, as Secretary of State Dulles is said to have implied, to defend the offshore islands if they are attacked.

"Congress was led to believe that the President would make the decision only after carefully weighing the circumstances. At that time the President assured Senator GEORGE and the Senate that before that decision was made there would be consultation.

"In the Life article on Dulles, it is stated that since the Formosa resolution was sent to Congress, 'Dulles has never doubted * * * that Eisenhower would have regarded an attack on Quemoy and the Matsus as an attack on Formosa.'

"If this is the case," Senator HUMPHREY said, "then Congress was misled. If the President is actually determined to defend the islands, as Mr. Dulles thinks, it would be good for Congress to be informed without having to subscribe to Life magazine.

"In the light of this article, it would now seem prudent, and in the national interest, for the President to inform the responsible leaders of Congress what our present policy is.

"Furthermore, I submit that this Nation cannot depend for its survival on newsstand diplomacy."

Senator HUMPHREY continued: "I want to make my own position quite clear. As a member of the Senate Foreign Relations Committee, I am deeply dedicated to the concept of bipartisanship and responsible, constructive discussion to which the Democratic Party is thoroughly committed. I have already announced my support of the President's request for long-term economic aid. If there is any electioneering going on, it is from Mr. Dulles and his election-year magazine article—not from his critics.

"Oddly enough the three crises which the Secretary of State has selected for self-congratulation are exactly those crises in which administration policies were most confused. They occurred in areas where the threat of a new outbreak of diplomatic danger still continues. Those areas are Korea, the Formosan Straits, and Indochina.

"Without wishing to invite another futile historical debate, I do believe that some of Mr. Dulles' most flagrant inaccuracies should be pointed out:

SENATOR HUMPHREY CORRECTS DULLES' REWRITING OF HISTORY

"1. Korea: The Secretary says that an American decision was conditionally reached to renew the Korean war by extending it to air bombardment of Manchuria and the use of tactical atomic weapons. This was to happen if the Chinese Communists walked out of the 1953 truce talks after President Syngman Rhee freed thousands of Communist war prisoners in South Korea. Mr. Dulles says he was awakened at 2 a. m. on June 18, 1953. Informed of Rhee's move, Dulles realized this might broaden the war and he phoned the President whom he found both 'calm' and 'taut.' The Manchurian targets had already been carefully selected, Dulles stated, and our allies would be informed later of the decision to use atomic weapons. Because the North Koreans and the Red Chinese did not walk out of the Panmunjom Conference, Dulles claims his threat of enlarging the war was successful.

"There is in the published record not one line of evidence that such an American military ultimatum was delivered, hinted at, or even contemplated, through Mr. Nehru or otherwise. The record does show that the good offices of our allies and of neutrals were a large factor in smoothing over the conflict arising from the release of the war prisoners and in accomplishing a resumption of the truce talks. Great indecisiveness was shown by the Eisenhower administration in the matter of restraining our own ally, President Rhee, until after he had precipitated the crisis. We then went all out to assure everyone that Rhee had acted intemperately against our advice, and to exert heavy pressure on him to prevent further incidents.

"Rhee in his determination to renew the war, received conspicuous encouragement from Republican right-wing critics of the administration, and from the persistent Dulles-Eisenhower efforts to appease the Old Guard extremists.

"The Dulles account of a war decision by the United States in the 1953 war prisoner incident will be welcome news in Moscow and Peiping, where it will surely be greeted as confirmation of the Communist propaganda that the United States conducts diplomacy chiefly at the point of the A-bomb plus the H-bomb.

"It is news that will alarm our allies and the uncommitted nations, as evidence that American leadership follows the counsels of desperation and military extremism.

"By disregarding the large contributions which the United Nations, our allies, and neutral countries made to a compromise settlement without resort to further hostilities, the Dulles version discourages other nations from collaborating with us in the future to keep the peace. Worse, the Secretary's exclusive emphasis on American military threats gives our own people a dangerously false impression of the efficacy of military bluffs.

"It will also create alarm to be told that the President, on the moment of being awakened from a sound sleep, would have made the drastic decision attributed to him by Dulles without any consultation whatever with his Joint Chiefs of Staff, the National Security Council, other members of his Cabinet or congressional leaders.

"This I refuse to believe. I have faith that our President would weigh any such decision with prayerful thought and with the careful consultation of his military and civilian advisers.

"If life-and-death decisions such as this are being or have been made in the light, impulsive, and ill-considered fashion described by Mr. Dulles in this instance, then our predicament is more critical than anyone heretofore has imagined was possible.

"2. Formosan Strait: The Life article in a single parenthesis on page 77 undercuts the whole basis of the approach on which Congress passed the Formosa resolution in 1955. That resolution purported to give the President discretionary authority to consider whether a Communist attack on Quemoy and Matsu under all the circumstances of the time would constitute an attack on Formosa. Dulles is now said to have 'never doubted' that the President would have regarded an attack on Quemoy and the Matsus as an attack on Formosa.

"If so, the whole approach to the Formosa question, used by the Administration in asking Congress for an expression of support, was fraudulent. The implication was that the decision had not been made and would be left to the President's discretion at the moment of a possible attack. If the new Dulles statement is accurate, it is tantamount to saying that the Communists are now casually put on notice through the pages of Life, that if they attack the offshore islands, they will in fact be retaliated against on the mainland by American armed force. The administration apparently has reversed its practice of 'keeping the Communists guessing.'

"Mr. Dulles is quoted as saying: 'When I think of the problems behind us, I am not too worried about those ahead of us.' But the Secretary must know that the Formosan Strait situation is not behind us, any more than the Korean or Indochina situations are. The Chinese Reds have attacked in the Formosa area, and are still doing so. They attacked the Tachen Island group, which they seized after they were abandoned by the Chinese Nationalists under protection of our 7th Fleet. They have kept up a constant assault on the Chinese off-shore islands, Quemoy and Matsu. Now the fighting between the rival Chinese armies in this area is rising again in intensity. The Red Chinese has greatly reinforced their positions in the last year. There are mounting rumors of preparations for a full-scale Red Chinese offensive against Quemoy and Matsu this spring. In light of this article, it would now seem appropriate for the President to tell the responsible leaders of Congress what our present Formosan Strait policy is.

"3. Indochina: During the Indochina crisis in April 1954, Mr. Dulles was sounding modified echoes of his massive retalia-

tion theme. They reverberated around the world and frightened everyone—most of all the American people, since our leaders had not prepared us for a sudden Indochina crisis.

"Secretary Dulles made such vague threats as: 'If Red China sent its own army into Indochina that would result in grave consequences which might not be confined to Indochina. Recent statements have been designed to impress upon potential aggressors that aggression might lead to action at places and by means of free world choosing, so that aggression would cost more than it could gain.

"Shortly thereafter Secretary Dulles made public a top-secret United States intelligence report that Chinese Communists had in fact already been identified in actual combat alongside the Communist-led Viet-Minh forces in Indochina.

"The only conclusion that anyone could draw from Secretary Dulles' ambiguous foreign policy statements on our intentions in Indochina was that we would intervene, perhaps with atomic or hydrogen weapons. It quickly became obvious that the Army Chief of Staff disagreed with Mr. Dulles and that our allies joined in that disagreement.

"When the Secretary found that neither the American people nor their friends abroad were ready to risk nuclear war in Indochina, he hastened to Europe to try to convert our allies overnight.

"The Life article claims that he had a specific agreement at one point from Churchill and Eden, as well as a reluctant one from Bidault, to intervene in Indochina. Within the past 2 days, Mr. Dulles' statement has been hotly repudiated from London. His position was previously repudiated by events when our threats were shown up to be bluff.

"Strangely enough Mr. Dulles now seems to regard the 1954 Geneva Indochina Conference as a success. 'Again the policy of boldness impressed the Communists,' says the Life article. The fact of the matter is that Mr. Dulles himself attended that Conference with reluctance for only a few days, finally leaving Under Secretary Bedell Smith in Geneva to make the most of a bad situation. As General Smith said of the cease-fire agreement on his return, it 'was the best which we could have possibly obtained under the circumstances.' He acknowledged that the settlement contained 'features which the United States does not like.' President Eisenhower had made almost the same statement the day before. In his testimony before the Senate Foreign Relations Committee, Secretary Dulles never claimed that the Indochina truce was a successful result of American policy. In fact, he was most unhappy over the arrangements made at Geneva.

"As the Secretary well knows, the instructions to our delegation at the Conference revealed the deep concern we had over the affirmative Communist gains which were ratified there.

"4. Massive retaliation: The Life article would have us believe that the discredited doctrine of 'massive retaliation' has saved us from war three times. The fact of the matter is that it was not applied at any of these times. The lesson of recent events is that the massive retaliation policy has failed in every test to which it has been put, outside the European area where the lines against aggression are clearly drawn and have been since 1950.

"But now the Secretary seeks to revive this dangerous doctrine by advancing the fiction that military bluffs have actually worked to our advantage in practice. This 'revival' is particularly disturbing in relation to the menacing situation that is developing in the Formosa area. Since last year's approach to a showdown over Formosa, Secretary Dulles and the administration have made, insofar as the Congress and the public know, very limited use of diplomatic opportunities to ease this crisis. The foreign policy of this administration has continued to replace excessive reliance on the strategy of atomic threats, while failing to meet the Communist challenge in the build-up of actual defense forces, and while moving belatedly to meet the growing Communist challenges of economic, psychological, and political competition.

"On the very day that the article appeared, Secretary Dulles revealed that our own delegation to the United Nations called for a change in our policies to meet the challenge of the new Communist tactics. The statement of the U. N. delegation said, in part: 'We believe that the United States must counter these Soviet efforts. We can succeed, not by outbidding communism in sheer amounts of economic aid, but by making newly independent and newly articulate peoples feel that they can best satisfy their wants by becoming and remaining part of the community of free nations. We welcome more emphasis on economic and educational endeavors, for we have a proven experience in these fields. We are in a contest in the field of economic development of underdeveloped countries which is bitterly competitive. Defeat in this contest could be as disastrous as defeat in an armaments race.'

"5. Confidential disclosures: The Life article is replete with language suggesting that the Secretary of State has divulged hitherto secret information to the Life correspondent. It refers to new information provided by the Secretary and by the State Department. It says that important sections of the record could not be made public until now. To take only a single instance, many people would like to know what security classification had previously been given to the memorandum written by the Secretary and quoted on page 78 of the Life article. Perhaps Mr. Dulles will clarify this for those of us who are interested.

"6. The verge of war: A section of Mr. Dulles' article has already become notorious overnight:

" 'Some say we were brought to the verge of war. Of course, we were brought to the verge of war. The ability to get to the verge without getting into the war is the necessary art. * * * We walked to the brink and we looked it in the face. We took strong action.'

"The international reaction to these words has been one of universal criticism and alarm.

"For 3 years, the Nation has witnessed repeated demonstrations that Secretary Dulles does not understand the implications of competitive coexistence and the atomic stalemate. Apparently he has a seriously unbalanced view of our military power potential, an inadequate conception of the risks involved, and a pronounced inclination toward rash words and imprudent actions.

"He has consistently shown a disposition to shape foreign policy to suit the domestic political considerations of a party which is tragically divided, still deeply affected by isolationism, and further agitated by elements which suffer from the preventive-war psychosis.

"For our Secretary of State to say that getting to the verge of war is an art is a very precarious base on which to build our foreign policy. It is due to such statements as this that the President had to reassert to the world at the summit meeting that we are a peace-loving nation. It is shocking that such irresponsible statements by our own leaders should have combined with the propaganda of the Communists to so distort the true image of the American people.

"The time has come again for President Eisenhower to speak out and correct the false image which Secretary Dulles' ill-chosen statements have created throughout the world. The President should correct the distortions of history in the Dulles' article. He should confirm or deny the intention attributed to him by Secretary Dulles that an attack on Quemoy and the Matsus would be regarded as an attack on Formosa. Most of all, President Eisenhower should tell the world that the United States has no intention of conducting its foreign policy by bringing us, and the world, to the verge of war."

Mr. HUMPHREY. Mr. President, editorials were still continuing to appear on Sunday, January 15. One of them was an editorial entitled "The Dulles Disaster," published in the New York Post of January 15, 1956. I ask unanimous consent that it be printed at this point in the RECORD. The first line is quite interesting and is indicative of the entire editorial:

John Foster Dulles has done it again.

In what has been widely described as a classic example of "foot-in-mouth" diplomacy, Dulles has succeeded in creating a political riot in the free world. The discord and despair created by his latest blunder raise the gravest doubt as to whether there is any further excuse for his existence as Secretary of State.

Those are the words of the New York Post editorial writer.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE DULLES DISASTER

John Foster Dulles has done it again.

In what has been widely described as a classic example of "foot-in-mouth" diplomacy, Dulles has succeeded in creating a political riot in the free world. The discord and despair created by his latest blunder raise the gravest doubt as to whether there is any further excuse for his existence as Secretary of State.

Dulles' most disastrous performance has been staged in collaboration with Life magazine in what was seemingly conceived as a major Republican campaign text for 1956.

The thesis of the piece is simple. It is that a bold, brave fellow named John Foster Dulles, with the aid of Dwight D. Eisenhower, has on at least three occasions—involving Korea, Indochina, and Formosa—saved the peace by invoking the threat of atomic warfare.

The article is richly endowed with tributes from Dulles to himself, and the basic authenticity of the quotations has been confirmed by Dulles.

It must be said that no one, except Dulles and the editors of Life, would try to prove why the Chinese Communists did not do certain things at given moments. We can hardly compete with that sort of omniscience.

There will be ample time to debate some aspects of Dulles' self-serving version of history, such as the notion that the outcome in Indochina can somehow be described as a positive achievement of American diplomacy.

What matters most now is the implication that the strategy of atomic retaliation is still the major weapon of United States foreign policy, and that our State Department is still operating on the obsolete principle of calculated risk that seemed to make sense before atomic bombs were discovered.

This is how Dulles puts it:

The ability to get to the verge without getting into the war is the necessary art.

To which the London Daily Mail commented Friday:

If this is an art, it is the most terrifying art we ever encountered. One false step and the artist is over the edge, taking his H-bombs with him and destroying the world in the process.

The issue is of deadliest urgency because the crisis over Formosa remains unresolved. If Dulles' words mean anything, they mean that a Communist attack on Matsu and Quemoy would invite immediate atomic reprisal. ("Dulles has never doubted," says Life in an authoritative tone, "that Eisenhower would have regarded an attack on Quemoy and the Matsus as an attack on Formosa.")

Consider the consequences of this position. The United States is currently making no serious effort to end the Formosa deadlock. The Communist build-up continues; Chiang plainly dreams of the day when a Communist assault will plunge America into full-scale war with the Peking regime.

We have therefore clearly demonstrated anew "the ability to get to the verge." But what if the Chinese Communists now decide the risk is worth taking—either because they do not believe the Republicans will let Dulles carry out his threat, or because they feel confident all Asia would rise against us if he did?

There are times when nations must live dangerously. But in the atomic age all the ancient equations must be revised. We are not permitted the old luxury of error; we are not allowed one wrong guess.

But the whole substance and spirit of the Life article is that American foreign policy is a reckless gamble camouflaged as statesmanship.

Dulles has smugly told the world that we were ready to start hurling A-bombs in three earlier crises, and the impression is unmistakable that he is still relying on the same threat.

This policy is presented as dramatic proof of Dulles' valor. But it is in fact a damning indictment of his political cowardice. For the underlying truth is that Dulles lacks the simple moral courage to tell the country that we must seek an overall settlement with Communist China. We do not say this can be easily or surely achieved. We do say that this is the great challenge to American diplomacy.

The ugly fact is that Dulles prefers to risk an atomic war over Formosa rather than face the fury of the China Lobby battalions. That is the way his words will be read throughout the world; the tragedy is that neither Dulles nor Life seems to understand the danger of such talk.

Mr. HUMPHREY. Mr. President, by Monday Secretary Dulles was reported by Mr. Jack Bell, of the Associated Press, ready to take the stump to defend his policies. In addition, Secretary of the Army Brucker, in a very interesting quotation printed in the Washington Star, indirectly refused to back up some of the statements attributed to Mr. Dulles. I quote from the Associated Press dispatch as follows:

Army Secretary Brucker said yesterday he had no knowledge that the United States had been on the brink of war three times in recent years. He said also he doubted that President Eisenhower has decided whether a Red Chinese attack on Quemoy and the Matsus Islands would be considered an attack on Formosa.

Mr. Brucker was questioned on an ABC television program, College Press Conference, about the statements attributed to Mr. Dulles in the Life article.

I ask unanimous consent that an excerpt from the article, published in the Washington Star of January 15, 1956, be printed at this point in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

DULLES MAY TAKE STUMP TO DEFEND HIS POLICIES—POSSIBLE ELECTION-YEAR APPEAL SEEN TO OFFSET CLAMOR OVER GOP TACTICS

(By Jack Bell)

* * * * *

BRUCKER IS DUBIOUS

Army Secretary Brucker said yesterday he had no knowledge that the United States had been on the brink of war three times in recent years. He said also he doubted that President Eisenhower has decided whether a Red Chinese attack on Quemoy and the Matsus Islands would be considered an attack on Formosa.

Mr. Brucker was questioned on an ABC television program, College Press Conference, about the statements attributed to Mr. Dulles in the Life article.

Mr. Brucker made it clear that he was not disputing Secretary Dulles. He said the brink-of-war incidents occurred before he became Army Secretary and that he did not know about past State Department actions.

As for the threat to Formosa, Mr. Brucker said President Eisenhower has at no time told what his decision will be. That will be made at the time of the mounting of the attack, if one does occur.

Mr. HUMPHREY. Mr. President, it is rather an unusual circumstance that the Secretary of the Army would not have any idea as to whether the United States had been at the brink of war. I understood the Army had something to do with wars, brinks or no brinks. It appears to me that the Army would have something to do with defending Quemoy and the Matsus.

I recall General Ridgway saying that one of the reasons why he deferred from the matter of the defense of Quemoy and the Matsus was that he did not feel he had under his command sufficient troops with which to make such defense successful.

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. HUMPHREY. I shall have to ask unanimous consent to do so, because I have exceeded my time.

Mr. President, I ask unanimous consent that I may complete the insertion of the rest of the articles and editorials in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, does the Senator from Minnesota ask for a specific amount of additional time?

Mr. HUMPHREY. Five minutes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Minnesota? The Chair hears none, and the Senator may proceed.

Mr. HUMPHREY. I yield to the Senator from Illinois.

Mr. DOUGLAS. I was merely going to ask, in connection with the discussion of "brink of war," whether this is another Brink's robbery.

Mr. HUMPHREY. In all sincerity, I may say that the "brink of war" case is as difficult to solve as was the Brink robbery case. In that instance the robbers were found but not the loot.

Mr. President, in this morning's newspapers, a keenly analytical article on the Life magazine article and Mr. Dulles appeared under the by-line of that distinguished writer, Mr. Walter Lippmann. I wish to quote briefly from his article, entitled "Dulles Rides Again":

There is not as yet available any plausible explanation of why Mr. Dulles chose deliberately to have the Life magazine article written about him. For the extraordinary thing about this article is that while it pretends to reveal the inner truth of our recent policy in the Far East, it provides a fundamentally false account.

I skip through the article to the next to the last paragraph:

The article has done damage to the country and to Mr. Dulles' own usefulness as Secretary of State. He has provided the Soviet propaganda with a text which is sheer bonanza. The exasperating thing about it is that whereas ordinarily we have to contend with untruths that others tell about us, here we have to contend with half-truths that are tantamount to untruth put out by the Secretary of State himself.

I ask unanimous consent that the entire article by Mr. Lippmann may be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DULLES RIDES AGAIN

(By Walter Lippmann)

There is not as yet available any plausible explanation of why Mr. Dulles chose deliberately to have the Life magazine article written about him. For the extraordinary thing about this article is that, while it pretends to reveal the inner truth of our recent policy in the Far East, it provides a fundamentally false account.

The falsity lies in this: That Mr. Dulles describes what has happened in Korea, Indochina, and the Formosa Strait in terms of "unilateral deterrence" by the United States. What has really happened is that both sides and all concerned have been held within a condition of "mutual deterrence." Thus, while it is no doubt true that the Communists have been deterred by fear of our retaliation, it is also undoubtedly true that Dr. Syngman Rhee, Gen. Chiang Kai-shek, Admiral Radford, and those who wanted to intervene in Indochina have been deterred by our fear of Soviet retaliation. The existence of the military stalemate explains, as Mr. Dulles' one-sided account does not explain, the political situation in the contested area on the approaches to China.

The actual condition of mutual deterrence, or military stalemate, was first discerned by Churchill when he learned the results of the hydrogen-bomb test. Shortly after that the conclusion was drawn by the President in his famous declaration that there is "no alternative to peace." It was that declaration, which the Russians have since then subscribed to, that led to the first Geneva Conference, and was the core of that Conference.

Now, if there is no alternative to peace, then no one can go to the brink of war in the sense that he threatens to go to war. If war is not an alternative, then anyone who threatens war is either mad or is bluffing. If war is not an alternative, then issues have to be compromised. If, as Mr. Dulles' article implies—though he himself must know better—we were the unilateral deterrers in the Far East, we would have enjoyed a military superiority sufficient to make the Communists give in to us on the issues in dispute. In fact, all we have been able to get has been peace on the basis of the military status quo. Both sides have had to accept peace without victory.

Mr. Dulles must have come very near to being the first Foreign Minister who has ever wanted to appear more warlike than in fact he was. Life magazine has painted a picture of a bold and threatening man who has overawed the adversary. The fact is that everybody has been overawed. The Communists have been deterred from aggression beyond the line of the status quo; we have been deterred from liberation beyond that line.

In order to maintain and stabilize that line at which both sides are deterred, we have not only made known that we would fight if that line were crossed by armed forces; we have also given assurances that we ourselves will not cross the line in the other direction.

In Korea we have guaranteed South Korea against aggression from North Korea and from China. In return we have taken the necessary military means to prevent Dr. Rhee from drawing us into an attempt to liberate North Korea.

In Indochina we were deterred from intervening with an air strike to save Dien Bien Phu by the fear that China would then intervene openly by invading northern Vietnam. Such an invasion would have required an air bombardment of China to repel it. That was a course from which we were deterred by the fear that this would cause the Soviet Union to intervene. This is how mutual deterrence works: It worked in Indochina to deter open intervention either by the Chinese or by ourselves and to produce a cessation of hostilities on the basis of the military status quo. There is no point in talking now as if it had all been some kind of victory.

In the Formosa Strait we gave Chiang a treaty of guaranty which was, as Mr. Dulles says, a warning not to attack Formosa. But Mr. Dulles has, in his role of melodramatic hero, omitted the other half of the story. The other half is that we then releashed Chiang firmly and sent word to Peiping through various diplomatic channels that we would not permit, much less would we assist, Chiang to attempt to return to the mainland. In the Formosa affair Chiang got a guaranty of his island refuge and Chou En-lai got the reassurance that Chiang was no longer to be regarded as a serious contender on the mainland.

In sum, the Eisenhower policy in the Far East has operated—as it had to—within the overall condition of a military stalemate. This has led to a series of compromises—probably temporary—based on the military status quo. It is not glorious what we have done; it is merely making the best of things as they are—and striking heroic and melodramatic poses about it is entirely uncalled for.

The article has done damage to the country and to Mr. Dulles' own usefulness as Secretary of State. He has provided the Soviet propaganda with a text which is sheer bonanza. The exasperating thing about it is that, whereas ordinarily we have to contend with untruths that others tell about us, here we have to contend with half-truths that are tantamount to untruths put out by the Secretary of State himself.

For the truth, which will now be obscured by this article, is that United States foreign policy has been more realistic and more responsible than anyone would suppose who had read what Mr. Dulles has allowed to be written about it.

Mr. HUMPHREY. Mr. President, at this time I wish to place in the RECORD several editorials from great English newspapers, commenting on the Life magazine article and the implications it carries for American foreign policy, and also to cite the reported reaction in Dutch and Indian newspapers, as well.

I ask unanimous consent that the editorial entitled "To the Brink," published in the Manchester Guardian of January 12, 1956, be printed in the RECORD at this point in my remarks. The editorial, in part, reads:

Mr. Dulles is no historian and not much of a diplomatist.

The editorial is clearly interesting and perceptive throughout, line by line.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TO THE BRINK

Mr. Dulles is no historian and not much of a diplomatist. In an interview with the magazine Life, published today, he has given a remarkable account of three occasions when the United States "walked to the brink of war" but by strong action averted it. One was in 1953 and two in 1954, and Mr. Dulles says that on the first two occasions war was averted by an American threat to use atomic bombs on Communist China. The first time, according to Mr. Dulles, was during the Korean truce negotiations in June 1953; he then warned the Chinese through Mr. Nehru that if the stalemate continued the United States would renew the war, extend it to Manchuria, and use tactical atomic bombs. If this is true, it is strange that no substantial account of the warning has been published before and that it should now be made known in this form. Any such warning would have implied a radical change of American policy, which was to limit the war to Korea. ("Taking on Red China," as General Bradley had said earlier, "could lead to a larger deadlock at greater expense.") And, as the world knew at the time, any such change would have caused an unbridgeable rift between the United States and its allies in the United Nations. The second occasion, according to Mr. Dulles, was during the siege of Dien Bien Phu in April 1954; he then proposed joint action with the British, French, and other friendly nations in Asia, and warned the Chinese that if they intervened openly atomic bombs would be dropped on "staging posts" in southern China. Of that affair much is already known, and it does tally with the version given by Mr. Dulles. There was a weekend of feverish discussion at the end of April, with a special Cabinet meeting in London on the Sunday. The French had asked for help, and it was said that Mr. Dulles had agreed to give it subject to certain conditions; these were allied support, congressional approval, and a promise of political independence for Indochina from France. The hope of allied support foundered after the British Cabinet meeting. But the most serious stumbling block was Congress, and President Eisenhower told his press conference on the Thursday that the American decision against immediate intervention had been taken independently of British advice.

Some of the comments in Congress are worth recalling. Mr. NIXON, a few days earlier, had provoked massive alarm among the Senators by suggesting that the United States might have to fight to save Indochina. These were a few of the comments: send no American troops at this time (SALTONSTALL and HICKENLOOPER), send none until other allied contingents are ready (KNOWLAND), send the British from Malaya (DOUGLAS), send money and material only (WILEY), ask the United Nations (KEFAUVER). In the face of such obvious reluctance, not only in Congress but throughout the country, there was little chance of American intervention. How, then, was it possible for Mr. Dulles to send a stiff warning of American intervention with atomic bombs to the Chinese? When did he send it—before or after the weekend of consultation? And, if he sent it, could he expect the Chinese to be overawed by it when they would already have read all the public comment from Senators and others in the United States? One cannot help suspecting that Mr. Dulles' memory has slipped and that he has given Life a mistaken view of events. More important, however, is the deduction which he draws. It applies to policy today. Mr. Dulles evidently believes that on these two occasions, and on the third, the threat of strong American action was the critical factor in deterring the Chinese. More probably, in Korea the Chinese had decided that they might as well liquidate a liability, which the war had become to them; and in Indochina they had decided against direct intervention while the Vietminh were so obviously winning. Over the Formosa Strait, too, it is likely that their plans for economic and social penetration in southeast Asia played as great a role in holding them back as the fear of American retaliation; a direct Chinese attack in the Strait might have raised too many Asian suspicions against them. Mr. Dulles in his press conference yesterday said that Americans should "wake up" to Communist economic expansion in Asia. One wonders whether, when he talked to Life, he had woken up to it himself.

Mr. HUMPHREY. Mr. President, the London Daily Herald of January 13, 1956, published an editorial entitled "Arts of Peace." In part, it reads:

Mr. Dulles would make anyone's hair stand on end. He has given a magazine interview declaring that three times in the past 18 months the United States has been on the brink of atomic war against Communist China, but resolute threats kept the peace. He adds: "The ability to get to the verge without getting into war is the necessary art."

I ask unanimous consent that the entire editorial be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ARTS OF PEACE

Mr. Dulles would make anyone's hair stand on end. He has given a magazine interview declaring that 3 times in the past 18 months the United States has been on the brink of atomic war against Communist China, but resolute threats kept the peace. He adds: "The ability to get to the verge without getting into war is the necessary art."

This terrible doctrine will shock the United States. What concerns us is his allegation that after a meeting with Sir Anthony Eden he thought Britain had agreed to fight in Indochina.

How did he get that idea? It is so extraordinary that explanations must follow. Let's have no dithering in things like this.

Mr. HUMPHREY. I have in my hand an article from the London Daily Mail of January 13, 1956, entitled, "The Dance of Death," which I also ask unanimous consent to have printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE DANCE OF DEATH

Little did we know (safe in our beds that we were) that three times since June 1953 the world has trembled on the brink of atomic war.

This startling statement is attributed to Mr. Dulles, the United States Secretary of State, in an article in Life magazine, which gives his account of the crises which so nearly loosed catastrophe.

One was Indochina, when two American aircraft carriers were sent speeding toward China armed with atomic weapons.

Another was Korea, when the Americans had selected Manchurian targets for bombing if the war had been resumed. The third was Formosa, when an attack on the Quemoy or Matsu Islands would have started hostilities.

We do not for a moment doubt that the United States had her finger on the trigger at these critical times. If anyone in the world should know, Mr. Dulles is that man. But in some respects his memory is faulty.

ACTION

For example, he says or implies that Britain, France, America, and friendly Asian countries were ready for united action in Indochina, when Britain backed out and let the side down.

Mr. Dulles has misunderstood Britain's intentions. Military action was not in our Government's mind. We have reason to know that before he went to Geneva Sir Anthony Eden had foreseen what form the ultimate settlement must take.

Why did not the United States go it alone, as Vice President NIXON said she would? Because the thought of fighting in Indochina was as unpopular in America as it was in this country.

Nor were either people keyed up to fight again in Korea if the truce talks had broken down. And it is news that the United States would have fought over the Formosan offshore islands.

REACTION

Her reaction to an attack on those places has never before been specifically stated.

What Mr. Dulles wants to prove is that the threat of instant action has thrice served to prevent war. This is the policy of the deterrent and there is everything to be said for it, provided it is rightly applied.

Can Mr. Dulles claim to have done that? He says: "The ability to go to the verge without getting into war is the necessary art. If you cannot master it you inevitably get into war * * * if you are scared to go to the brink you are lost."

It is reassuring to know that the United States is ready at the fall of a hat (or touch of a button) to go into action. She would fail in her duty if she were not so prepared.

POWER

We believe the buildup of strength is the only deterrent to communism. But there is a great difference between providing policy with a solid backing, such as NATO, and embarking on a dance of death up to the brink of the pit and back again.

If this is an art, as Mr. Dulles says, it is the most terrifying art we ever encountered. One false step and the artist is over the edge, taking his H-bombs with him and destroying the world in the process.

To practice it successfully one needs more than skill. One needs, also, a preponderance of power, without which it must fail.

If the day comes when sudden threats can be met with rejoinders of equal force, it will need something more than the art of balancing on a knife edge to save the peace of the world.

Mr. HUMPHREY. Mr. President, there appeared in the London Daily Mirror of January 13, 1956, an article entitled "The Verge of War," which I ask unanimous consent to have printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE VERGE OF WAR

The incredible Mr. Dulles.

Calmly choosing not a State document but Life, the most popular illustrated magazine in the United States, as his vehicle, the American Secretary of State has casually informed the world that he saved it from an all-out hydrogen bomb war by threatening half of it with an all-out hydrogen bomb war.

Not once, or twice, but thrice.

The first time was during the Korean truce negotiations in 1953.

The second time was during the siege of Dien Bien Phu in 1954.

And the third time was also in that year when the Chinese looked as if they might try to invade Formosa.

In Mr. Dulles' artless words "We were brought to the verge of war. The ability to get to the verge without getting into the war is the necessary art."

He was as good as his perilous words, for two aircraft carrying nuclear fission bombs in their bellies were aboard an American aircraft carrier swimming around in the China Sea.

These threats were duly conveyed to the proper quarters in Peking and Moscow by Mr. Nehru.

Sir Anthony Eden, to his eternal credit, would have no part of this deadly game, and the United States swiftly drew back when she knew that she would have to "go it alone."

What the incredible Mr. Dulles seems to have overlooked was the fact that in the Kremlin there were men much cooler than he who also knew the value of getting the first blow in and who also had the means of delivering it.

Heaven protect us from this edgy gambler—and his careless way of making his risky throws known to all the world.

Mr. HUMPHREY. Mr. President, I now read the first paragraph of the article:

The incredible Mr. Dulles. Calmly choosing not a State document but Life, the most popular illustrated magazine in the United States, as his vehicle, the American Secretary of State has casually informed the world that he saved it from an all-out hydrogen bomb war by threatening half of it with an all-out hydrogen bomb war.

Then I have an article entitled, "Mr. Dulles' Version of History Challenged," which appeared in The Times of London on January 14, 1956, and which I ask unanimous consent to have printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MR. DULLES' VERSION OF HISTORY CHALLENGED—SECRETARY OF STATE STANDS BY QUOTED STATEMENTS

WASHINGTON, January 13.—Mr. Dulles was said today to be tolerably pleased with his portrait in Life as the ironman who three times "walked to the brink" and looked atomic war in the face—even if he has been a little unhappy about the stir the matter is causing in more sensitive quarters.

The official spokesman of the State Department said that the Secretary of State, having read the article, did not feel that the statements specifically attributed to him required correction. The loophole here is that he is directly quoted in only 2 or 3 passages; and the spokesman declined to say whether his chief was disavowing the rest of the article, which purports to have been drawn from State Department sources. He added that Mr. Dulles stood by his statement on Wednesday—that, if the Geneva talks on Indochina had broken down Britain and France were ready to go ahead with American plans for joint military operations against south China, in which "appropriate" weapons would have been used.

At all events, Mr. Dulles might well be unhappy, for, after the Goa "blunder," Asian opinion will not have failed to remark that he again spoke of atomic weapons in an Asian context; and the differences created in Western capitals by his version of a British "change of heart" toward united action in Indochina are having their repercussions in Washington. If, as is generally supposed, these disclosures are being made for election purposes, Mr. Dulles can hardly have imagined that they would not be challenged by the Democrats in Congress, who, as the majority party, are so largely responsible for the enactment of his foreign policy. The view which he now acknowledges as his own could not have ignored more completely the bipartisanship of which he is always speaking, to say nothing of consultation among allies.

DISTORTION OF HISTORY

Senator HUMPHREY, Democrat, of Minnesota, a member of the Senate Foreign Relations Committee, has already said that, if this "distortion of history persists," he will move for the publication of what Mr. Dulles told that body in secret about the events in question. He roundly declared in the Senate that the Secretary of State was causing "untold trouble" with America's allies in a "fraudulent reassertion" of an abandoned policy of "massive retaliation"; he was making baseless and partisan claims of Republican victories in world affairs which would lead to political disputes at home and bring allied contempt upon the United States.

Mr. HUMPHREY asserted that what Mr. Dulles had said about his role in the Indochina crisis was so unalterably opposed to his testimony before the Senate committee that one account or other must be false. He said that Mr. Dulles had put the blame on the backs of the British and French for the partition of Indochina, and that, when this partition was arranged at Geneva he had "let down our allies in one of the most disgraceful periods of American diplomacy." Mr. HUMPHREY took great exception to the statement that the "ability to get to the verge of war without getting into war is the necessary art." He claimed that no responsible statesman in their lifetime had ever so described an American diplomatic objective, and he called on the Secretary of State to repudiate it. "The American people do not agree with him," Mr. HUMPHREY said.

MR. ACHESON'S VIEWS

Allowing for short memories on Capitol Hill, trouble seems to be brewing for Mr. Dulles; and Mr. Acheson in one of his rare speeches last night enunciated similar views without referring directly to the Life article.

It was difficult, he said, to find any area in which events of the past few years had moved to the American advantage; the United States had lost the initiative in the cold war, and was drifting away from its Western Allies. Strength had been ebbing rather than waxing in Europe. Germany was drifting dangerously, France was torn by discord, and relations with Britain had become "distant and formal." Mr. Acheson urged the United States to free itself from a cramped, dangerous, and immobile position in the Far East. "Whatever our policy is," he said, "it should not be different from the policy of our allies."

He said that the Quemoy and Matsu Islands were still time bombs, set to go off at an unknown hour, and foresaw that trouble with China might break out again at any moment, involving the United States in a conflict in which the values incurred bore no relations to the risks.

Experienced observers here point out that the Life article bears all the familiar marks of official cooperation and approval, and Mr. Dulles' comments on it are received with what Mr. Arthur Krock calls "total incredulity."

ANOTHER MYSTERY

It is stated, indeed, that the story was checked in the State Department, which presumably accounts for significant deletions from the advance text, and the whole incident is being treated as another of those Washington mysteries. The Secretary of

State's assurance that he had not read or seen the article induces no one to believe that it was published without official authority; and, as in the case of the Yalta papers, many are wondering who among his assistants would have taken responsibility for a version of events that could hardly fail to evoke loud disputation.

Mr. Dulles had another of his recent critics to lunch today—Senator GEORGE, chairman of the Senate Foreign Relations Committee, who said this week that American policy abroad was in anything but a happy posture. If Mr. Dulles was hoping to win the Senator's support for long-term foreign aid, as now proposed by the administration, he must have been disappointed. Mr. GEORGE, who firmly opposes the proposals, said afterward that bipartisan foreign policy may be threatened if the administration insists on these long-term commitments. He said that it was far more important to maintain a bipartisan approach to essential foreign policy matters than to force an issue on long-term aid.

Mr. HUMPHREY. Mr. President, I read from the beginning of the article:

Mr. Dulles was said today to be tolerably pleased with his portrait in Life as the iron man who three times "walked to the brink" and looked atomic war in the face—even if he has been a little unhappy about the stir the matter is causing in more sensitive quarters.

Then I have in my hand also the official British reaction, which appeared in the London Times of January 14, 1956, wherein the British diplomatic correspondent defends the policy on Indochina on the part of Great Britain. I ask unanimous consent to have that article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BRITISH REPLY—DEFENSE POLICY ON INDOCHINA

(From Our Diplomatic Correspondent)

The Foreign Office yesterday issued a statement—authorized, it is understood, by Sir Anthony Eden—on views expressed by Mr. Dulles at his press conference on Wednesday.

Mr. Dulles stated that in April 1954, just before the Geneva Conference on Indochina, he went to London, * * * "and reached what I thought was agreement on united action." Later it appeared, according to Mr. Dulles's account, that the British had had a change of heart, and preferred to wait and see what came out of the Indochina conference, although it was general knowledge that if the Conference broke down the British Government would go along with American plans for united action.

STATEMENT IN 1954

Yesterday's Foreign Office statement recalled that the British part in these exchanges was fully explained at the time and it made reference to the communique of April 13, 1954, issued after the talks in London. This said that the British and United States Governments were "ready to take part with the other countries principally concerned in an examination of the possibility of establishing a collective defense system within the framework of the Charter of the United Nations to assure the peace, security, and freedom of southeast Asia and the western Pacific. It is our hope that the Geneva Conference will lead to the return of peace in Indochina. We believe that the prospect of establishing the unity of defense purposes throughout southeast Asia and the western Pacific will contribute to an honorable peace in Indochina."

In other words, the British Government were at that time agreed to discuss the possibility of a collective defense system, but evidently had not agreed to any plan for united action.

Apart from this statement there has been no comment from the Foreign Office; British representatives evidently hope that the question will now be dropped.

So far as recent American statements have envisaged the possibility of retaliatory bombing of the Chinese mainland, possibly with atomic weapons, it has often been stated in London that to menace the use of atomic force does not make a settlement of Chinese problems easier, and that more than anything else it alienates otherwise friendly Asian opinion.

Mr. HUMPHREY. Mr. President, I have in my hand an article from the Manchester Guardian of January 14, 1956, which has the headlines,

Mr. Dulles Pierced by Own Follies. Pained Astonishment at an Unloving World. "Why the Criticism?"

It is a very fine article, which I heartily commend to my colleagues as a wonderful display of editorial comment on the subject.

I ask unanimous consent to have the article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MR. DULLES PIERCED BY OWN FOLLIES—PAINED ASTONISHMENT AT AN UNLOVING WORLD—"WHY THE CRITICISM?"

(By Max Freedman)

WASHINGTON, January 13.—Today's papers have long reports from England in criticism of Life magazine's article on Mr. Dulles as the thrice-blessed savior of world peace. There has been an almost ludicrous flight from responsibility by State Department officials, following the example set by Mr. Dulles in refusing to accept any measure of blame for the article. Pained astonishment, however, has greeted London's complaint that Mr. Dulles' revelations, with their overtones of British bad faith, provide a graceless and provocative prelude to his meeting in a few days with Sir Anthony Eden and Mr. Selwyn Lloyd.

In fairness to Mr. Dulles, it should be explained that he expected no spark from this article to reach his British visitors. Even in his career there has been nothing like this episode to illustrate his quite astonishing capacity for forgetting that he is set on a conspicuous stage and the whole world marks his demeanor. He consented to be blown up into an American hero; for that purpose he sat for a flattering portrait in one of his favorite magazines; and now he is bruised and disenchanted by his discovery that a large part of the world has recoiled from his image.

REPUGNANT

It apparently never occurred to Mr. Dulles that Life's account carried three implications profoundly repugnant to American policy. In the first place it defaced, if it did not actually destroy the image of President Eisenhower as the leader of moderation and peace, able to exercise a salutary veto over the headstrong excesses of American policy. Now we are given the quite contrary picture of the President as the resolute colleague of Mr. Dulles in flourishing the atomic bomb.

Secondly, the article went a long way toward confirming the accuracy of one of Russia's salient criticisms. Russia has often accused American policy of threatening atomic war. Mr. Dulles now boasts that it is an essential principle of his policy to threaten atomic war because he can be trusted to avert a rush of events before it hurries mankind into actual conflict. He believes the normal route of American policy is the edge of the precipice. Is that what President Eisenhower means when he talks about the middle of the road?

Finally there is a deliberate and grievous absence of emphasis on the communion of ideas that alone can sustain the free world's alliance and give it a constant unity which can never be shaken by events or even by the inevitable differences of policy.

CARICATURE EXPORTED

The United States, according to the portrait for which Mr. Dulles has sat so obligingly, stands at the summit of leadership, with the allies performing their most useful functions when they respond with swift agreement to the wisdom and courage of Washington. Not even Mr. Dulles, in his chastened and reflective moments, believes this absurdity; but he has now helped to export his caricature of American conduct to the world.

By an unintended yet illuminating coincidence, Mr. Dean Acheson, the former Secretary of State, spoke in Washington last night while this city was still reverberating with the busy indiscretions of the Life article. How differently American purposes and American policies sounded when defined by Mr. Acheson. He thought it unnecessary and yesterday above all, to enumerate the mistakes of Mr. Dulles, already pierced by his own follies. But he traced in detail the consequences of mistaken policies in Asia as in Europe, and now in the restless intrigues of the Middle East. He lamented the decline in mutual trust which marks the grand alliance today.

What Mr. Acheson once said about Mr. Dulles' policy of massive retaliation can now be applied to the article in Life—"In addition to its other faults, it was a failure." Mr. Dulles said on Wednesday that he had not yet read the article. So be it. But something of its history must be told. On Monday Life distributed advance copies of the article together with the press release, in which it took credit for publishing an exclusive interview with Mr. Dulles. There is no space here to catalog all the changes between this advance copy and the article in its final published form. Only a few representative changes can be indicated.

CHANGES IN TEXT

The advance copy said that Mr. Dulles had always felt that Mr. Acheson "had made a tragic mistake in suggesting, just 6 months before the Communist attack, that the United States would not fight for South Korea." The published article said, quite correctly, that South Korea was outside the "vital perimeter" which the United States would defend by itself if necessary. Korea was defended exactly as forecast by Mr. Acheson—by United Nations action under American leadership.

The advance copy, after describing the decision to use tactical atomic weapons in Manchuria, added: "It was the issue on which President Truman had fired Douglas MacArthur, and Eisenhower and Dulles decided that MacArthur had been right." This sentence was deleted from the published article.

There was no mention in the advance copy that the Allies or the United Nations would be consulted before these atomic weapons were used in Korea. The published article said: "Our allies in the United Nations command would be informed of these decisions when and if the time came to implement them, but meanwhile it was urgent to make sure that the Reds would not again act out of miscalculations."

The advance copy said President Rhee "did not know of Eisenhower's decision to bomb Manchuria and use atomic weapons." The published article omitted this sentence.

The phrase that Great Britain had experienced a "change of heart" over Dien Bien Phu was inserted into the published article. It was not in the advance copy.

This must surely be an inglorious late hour for Mr. Dulles to revive the squalid controversy over Dien Bien Phu. He himself, by a magnanimous gesture once authorized one of his principal advisers to tell all the British correspondents that there had been an "honest misunderstanding" between Mr. Dulles and Mr. Eden (as he then was). The State Department then repudiated all charges that Great Britain had been guilty of bad faith.

On August 14 Mr. Dulles wrote a memorandum proposing "a course for United States policy in the wake of Geneva." The published article omitted the first paragraph of this memorandum (hardly a deletion which will impoverish either contemporary wisdom or the judgment of history). Of considerable significance, however, is the omission from the published article of the statement that the memorandum "has since become the principal yardstick in the National Security Council for judging Soviet action and testing United States policy."

SELF-CONDEMNED

A cloud of aggrieved diplomatists can be summoned in Washington to testify that there never was any agreement that Britain or France would take military action as outlined by Mr. Dulles if the Geneva Conference failed to produce a settlement. But it is unnecessary to summon these witnesses. As Senator HUBERT HUMPHREY, a member of the Senate Foreign Relations Committee, indignantly said yesterday, it is only necessary to summon Mr. Dulles himself.

His secret testimony before the Foreign Relations Committee on the crisis in Indochina and later events involving the defense of the Formosa area can hardly be reconciled with the account as published in Life. Mr. Dulles has simply written an unnecessary footnote to a controversy which should not have been revived.

Mr. HUMPHREY. The Dutch reaction is shown by an article from the Hague, dated January 16, 1956, which I ask unanimous consent to have printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DUTCH PRESS SHARPLY CRITICAL

THE HAGUE, THE NETHERLANDS, January 16.—The Dutch press, which in the past has often found something to praise in the Eisenhower foreign policy, has turned its sharpest editorial comments against Mr. Dulles.

Newspapers ranging from London Catholic to Socialist have unanimously attacked both Mr. Dulles' definition of current United States foreign policy and his recollection of diplomatic history as related in the Life article. Some newspapers accused him of playing partisan politics. That is a charge heard only occasionally here and rarely in responsible newspapers.

The influential Nieuwe Rotterdamse Courant said the Life interview seemed to be a "plea for the Republican Party." This criticism came also from the Catholic De Tijd, which commented Mr. Dulles appeared to have been thinking more of the American electorate than of the United States' allies.

Mr. HUMPHREY. Mr. President, I read from that article:

The Dutch press, which in the past has often found something to praise in the Eisenhower foreign policy, has turned its sharpest editorial comments against Mr. Dulles.

Newspapers ranging from London Catholic to Socialist has unanimously attacked both Mr. Dulles' definition of current United States foreign policy and his recollection of diplomatic history as related in the Life article. Some newspapers accused him of playing partisan politics.

Away over in Holland, Mr. President:

That is a charge heard only occasionally here and rarely in responsible newspapers.

The Indian reaction was shown by the Hindustan Standard and the Times of India, and I ask unanimous consent to have an article from the Chalmer Roberts article in the Post of January 17, 1956, printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

Meanwhile, three independent Indian newspapers—the Indian Express, the Hindustan Standard, and the Times of India—attacked Dulles, Reuters reported.

The Express said the crudities of Dulles' practice of negotiating from strength persuades Russia and her satellites that American foreign policy is a mixture of bluff and blunder. The Standard said Dulles' concept of the art of going to the verge of war condemns millions to men to live in a state of perpetual fear and misery.

The Times said that Mr. Dulles has now increased the area of doubt and confusion, leaving little space on which to found clear and irrevocable convictions. America's friends and allies—and they are not to be scared away by Mr. Dulles—would welcome a clarification that draws the line between personal incompetence and state policy.

Mr. HUMPHREY. Mr. President, I wish also to bring to the attention of the Senate, as my distinguished colleague from Missouri [Mr. SYMINGTON] did yesterday, the article by Gen. Matthew B. Ridgway in this week's issue of the Saturday Evening Post. I wish to associate myself with the remarks of the Senator from Missouri and the Senator from Montana [Mr. MANSFIELD] which were made when the article was referred to.

The effect of General Ridgway's article is to reveal an administration willing to make extravagant boasts about our military capabilities, ready to threaten retaliatory war from a position of strength, and yet physically unable to back up its own threats.

Time does not permit me, under the unanimous-consent agreement, to read all of the three paragraphs which I have in my hand, taken from the January 21 Saturday Evening Post article by General Ridgeway, so I ask unanimous consent to have those paragraphs printed in the RECORD at this point.

There being no objection, the paragraphs were ordered to be printed in the RECORD, as follows:

As Chief of Staff, I quickly learned that though my own recommendations were made on a purely military basis, the decisions of the Defense Department were based on considerations other than clear-cut military needs. They were based on budgetary considerations, on political considerations, on the advantage to be gained in the field of domestic politics by a drastic reduction in military expenditures. I learned, too, with a certain sense of shock, that sometimes I was not expected to present my reasoned military judgment to Secretary of Defense Charles E. Wilson. On the contrary, incessant pressure was brought to bear on me, seeking to persuade me to make my views conform to a preconceived politico-military "party line." I also learned that no matter how strongly my views might differ from those of higher authority, it was not expected that I would let my nonconcurrence publicly be known. It was essential, I learned, that the policies of the Defense Department should be presented to the public as being the unanimous recommendations of the Nation's top military men.

As a combat soldier I have been shot at from ambush and bombed by planes which I thought to be friendly, both of which are experiences that are momentarily unsettling. I do not recall, however, that I ever felt a greater sense of surprise and shock than when I read in President Eisenhower's state of the Union message in 1954 that:

"The defense program recommended for 1955 * * * is based on a new military program *unanimously recommended* by the Joint Chiefs of Staff." [Italics by author.]

As a member of the Joint Chiefs of Staff, who most emphatically had not concurred in the 1955 military program as it was presented to the people, I was nonplused by this statement. The fact is, the 1955 budget was a directed verdict, as were the Army budgets for 1956 and 1957. The force levels provided in all three were not primarily based on military needs. They were squeezed within the framework of preset, arbitrary manpower and fiscal limits, a complete inversion of the normal process.

The pressure brought on me to make my military judgment conform to the views of higher authority was sometimes subtly, sometimes crudely, applied. On one occasion, when force levels were under discussion, Secretary of Defense Wilson pointed out to me that the forces recommended were approved by the President, who was himself a former soldier of wide experience, and that for me to express opposing views would place me in the position of taking issue with my Commander in Chief. "And that," he added bluntly, "would not be good."

My reply was that I had a profound respect for the President's military judgment, and I would hope that my views on military matters would always be in accord with his. However, I added, if my deep convictions led me to take an opposite view, I would adhere to that judgment until purely military arguments proved me wrong. I would not be swayed by arguments that what I advocated would be politically detrimental to the administration or that its cost was greater than a businessman's administration felt the country could afford. As a professional career soldier, these were matters beyond my purview.

I also pointed out that there is no one in the world today better qualified to judge what are the minimum needs of the Army in the atomic age than the Chief of Staff, who has available to him the best professional judgment of the entire Army command. Whatever their past experience might have been, all military men stand today on the threshold of a new and unknown world, and no human being can clearly foresee the form the wars of the future will take.

Mr. HUMPHREY. I merely wish to say that the situation which has developed as a result of the Dulles article, and now as a result of the article by General Ridgway, places this country and this administration in a most embarrassing situation. President Eisenhower had to go to the meeting on the "summit" to reassure the world that a peace-loving American people were in favor of world peace.

Now, because of the actions of our own officials, the President of the United States will again have to reassure the world that our desire is not atomic or hydrogen war, and that our design is not to dangle out on the precipice of peace by threat of retaliatory war. I hope the President will reassert America's position, and at the same time look with care and attention at General Ridgway's article, which severely chal-

lenges the veracity of the administration's claims in terms of defense.

As usual, General Ridgway has proved himself to be a patriot. He has put his country ahead of any partisan politics. I heard his testimony before the joint meeting of the Committees on Foreign Relations and Armed Services. I shall never forget the testimony he gave on the Formosa resolution. I shall never forget his courage, which might have cost him his job. I shall never forget his pointed remarks. I commend the general for his forthrightness.

PRESS CONFERENCE HELD BY THE SECRETARY OF STATE

Mr. SMITH of New Jersey. Mr. President, this morning the Secretary of State held a press conference and at that conference he made a statement with regard to the now famous article in Life magazine. I ask unanimous consent to have printed in the body of the RECORD at this point a press release issued by the Department of State dealing with the press conference this morning.

There being no objection, the press release was ordered to be printed in the RECORD, as follows:

JANUARY 17, 1956.

At his news conference today Secretary of State John Foster Dulles made the following statement:

"An article in Life magazine has attracted much comment. Let me say this: I did not write the article, I did not review or censor the article, or know of its title. I did not know in advance of its publication date and, in fact, I did not read the article until after it was released for publication. Having read it, I authorized our Press Office to say that the statements specifically attributed to me did not require correction from the standpoint of their substance.

"Most of the statements specifically attributed to me are quotations or close paraphrases of what I had already said elsewhere. One is somewhat ambiguously phrased but the ambiguity can easily be resolved if read in context and with reference to the many public statements which I have made.

"I believe that the United States should adopt every honorable course to avoid engagement in war. Indeed, I have devoted my whole life to the pursuit of a just and durable peace. I believe, however, that there are basic moral values and vital interests, for which we stand, and that the surest way to avoid war is to let it be known in advance that we are prepared to defend these principles, if need be by life itself.

"This policy of seeking to prevent war by preventing miscalculation by a potential aggressor is not a personal policy; it is not a partisan policy; it is a national policy. It is expressed in mutual security treaties which we now have with 42 nations and which the United States Senate has overwhelmingly approved. It is expressed in Public Law 4, whereby the Congress, by an almost unanimous bipartisan vote, authorized the President to use the Armed Forces of the United States in the Formosa area, if he deemed it necessary for the protection of Formosa and the Penghus.

"This policy of making clear our position in advance, of course, involves risks. As Senator Vandenberg said about the North Atlantic Treaty, it is a calculated risk for peace. But as we have learned by hard experience, failure to make our position known in advance makes war more likely because then an aggressor may miscalculate. The policy of deterrence is only one aspect of the task of maintaining a just and durable peace. It is necessary to be patient; it is necessary to be conciliatory; it is necessary to make our peace a vital force for justice and human welfare so that all men will aspire to share that kind of peace.

"My views with respect to peace have been made known on many, many occasions and there is no reason to think that they have altered because this article, dealing with complex subjects of foreign policy, inevitably tends to oversimplification and special emphasis."

PROFILES IN COURAGE, BY SENATOR KENNEDY

Mr. NEUBERGER. Mr. President, I believe all Members of the Senate, regardless of political affiliation, are proud of the notable new book written by the distinguished junior Senator from Massachusetts [Mr. KENNEDY], and just published.

The title of this book is Profiles in Courage. It details the careers of eight illustrious American political leaders who have placed loyalty to conscience above survival in public life. These men, their lives detailed faithfully and vividly by the Senator from Massachusetts [Mr. KENNEDY], are John Quincy Adams, Daniel Webster, Thomas Hart Benton, Sam Houston, Edmund G. Ross, Lucius Q. C. Lamar, George W. Norris, and Robert A. Taft.

The book has been issued under the imprint of Harper and Brothers, and it begins with a foreword by the famous historian, Allan Nevins.

Mr. President, it has been my privilege to read this fine book. I should like to say that it is not only a tribute to the eight great men whose bravery is chronicled therein, but also a tribute to the book's author, the Senator from Massachusetts [Mr. KENNEDY]. It tells something about a man who when himself stricken and on a sickbed, decided to occupy his time by preparing a book, and to select as his topic public figures who regarded honor as more important than victory, integrity as something to be desired beyond acclaim and fleeting popularity.

Furthermore, I should like to note briefly the fact that the Senator from Massachusetts has done full justice to a splendid theme. His book has a high literary quality. No American can read Profiles in Courage and fail to acquire a new pride in a Nation which can produce men who serve without selfishness and without fear. The book is particularly an inspiration to a reader who is in public life himself. It induces a sense of shame for past cowardice. It encourages a vow for future independence and bravery at a time of crisis. It emphasizes that there is something beyond political triumph, namely, political integrity.

I knew Senator Norris, one of the subjects of the Senator from Massachusetts [Mr. KENNEDY]. I stood with Senator Norris when he looked down on some of the great Columbia River waterpower projects he helped to advocate. He was a man, as the Senator from Massachusetts describes him, fearless, unselfish, and upright. I never knew Senator Taft, the other statesman of our era whom the Senator from Massachusetts has heralded. Although I did not agree with Senator Taft's views, I always felt that Senator Taft was a courageous and honorable public servant—and his physical valor was attested to by the way he met death. Indeed, I have always been glad that I wrote to him in the hosiptal expressing my admiration for his distinguished career, although of course I doubt if he ever saw the many letters he must have received.

I am certain every Senator has been happy to observe that Profiles in Courage has been reviewed with acclaim by eminent critics and correspondents in the foremost periodicals and newspapers of the day. The publication of this book has added eminence and luster to the Senate in general and particularly, of course, to the book's author, the Senator from Massachusetts. Personally, I should like to congratulate the Senator upon a most valuable literary and historical contribution. I predict that this book will be studied and read by students of government for many decades to come.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed, without amendment, the bill (S. 1745) authorizing the Secretary of the Interior to issue a patent in fee to Nellie Ohlerking Archambeau Moran.

The message also announced that the House had agreed to the amendment of the Senate to each of the following bills of the House:

H. R. 1146. An act for the relief of the Pacific Music Supply Co.;

H. R. 1447. An act for the relief of Aleksandra Borkowski; and

H. R. 3027. An act for the relief of Leo E. Verhaeghe.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H. R. 1496) for the relief of Leong Ding Foon Quon and Ken C. Quon, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 1637) for the relief of Sam H. Ray; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. LANE, Mr. FORRESTER, and Mr. MILLER of New York were appointed managers on the part of the House at the conference.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 7588) for the relief of Jane Edith Thomas; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. FEIGHAN, Mr. CHELF, and Miss THOMPSON of Michigan were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to the concurrent resolution (S. Con. Res. 59) requesting the President to issue a proclamation designating the week of January 29, 1956, through February 4, 1956, as National Junior Achievement Week.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 1166. An act to amend section 6 of the act of August 30, 1890, as amended, and section 2 of the act of February 2, 1903, as amended; and

S. 2170. An act to permit sale of Commodity Credit Corporation stocks of basic and storable nonbasic agricultural commodities without restriction where similar commodities are exported in raw or processed form.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, January 17, 1956, he presented to the President of the United States the following enrolled bills:

S. 1166. An act to amend section 6 of the act of August 30, 1890, as amended, and section 2 of the act of February 2, 1903, as amended; and

S. 2170. An act to permit sale of Commodity Credit Corporation stocks of basic and storable nonbasic agricultural commodities without restriction where similar commodities are exported in raw or processed form.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Texas will state it.

Mr. JOHNSON of Texas. Is the morning hour concluded?

The PRESIDING OFFICER. Is there further morning business? If not morning business is concluded, and the Chair lays before the Senate the unfinished business.

AMENDMENT OF THE NATURAL GAS ACT, AS AMENDED

The Senate resumed the consideration of the bill (S. 1853) to amend the Natural Gas Act, as amended.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Under the order entered on yesterday, the Senator from Arkansas [Mr. FULBRIGHT] is entitled to the floor, and is recognized.

Mr. FULBRIGHT. Mr. President, in one of his essays, Ralph Waldo Emerson observed that we Americans usually look upon history as something that occurred in the past. All too often we neglect the obvious fact that the current events of each passing day are the materials which go to make up the history of tomorrow.

The bill now under consideration—and our decision in regard to this bill—constitute a history-making event of the kind Emerson had in mind.

For the first time in our Nation's peacetime history, a highly competitive segment of our economy has been wrenched from the free enterprise system and converted into a public utility under the direct domination of the Federal Government. For the first time, a Federal agency has been given utility price-fixing powers over a competitively produced commodity at its point of production.

That such a turn of events has resulted, not from the clearly expressed will of Congress, but from a split decision of the Supreme Court, makes the problem even more serious. Under our system of government, only Congress can determine overall national policy in matters of this kind. Only Congress should make the decision—if such a step is deemed to be in the public interest—to scrap competition in favor of this expanded and completely unprecedented utility concept. I personally do not believe that Congress ever intended—or that it intends now—to attempt the Alice-in-Wonderland feat of making a public utility out of an enterprise which has absolutely none of the characteristics of a public utility.

The Supreme Court's 5-to-3 split decision in the Phillips case did nothing to alter the ultimate responsibility of Congress for deciding this issue. Mr. Justice Douglas made this clear in his vigorous dissent to the majority opinion. The history and language of the Natural Gas Act, he said quite correctly, are against direct Federal jurisdiction over the sale of natural gas at its point of production.

If that ground is to be taken—

Mr. Justice Douglas said in his dissent—

the battle should be won in Congress, not here. Regulation of the business of producing and gathering natural gas involves considerations of which we know little and with which we are not competent to deal.

Some of those who oppose this bill have protested that it would reverse a decision of the Supreme Court. That is not a valid objection. Congress is supposed to write the law, the Supreme Court merely to interpret it. As Mr. Justice Douglas indicated, a strong case can be made for the opinion that the Supreme Court majority, instead of simply interpreting the law, actually rewrote the law through the Phillips decision.

Mr. DOUGLAS. Mr. President, would my good friend, the Senator from Arkansas, be willing to yield at this point for questions; or would he prefer to make his speech without interruption, and then have questions asked regarding it? In his presentation, he seems to have reached a point where questions might be appropriate.

Mr. FULBRIGHT. I shall be glad to yield to a reasonable extent for questions.

Mr. DOUGLAS. I thank my colleague.

Is it not true that the act itself provides, in section 1 (b), that it shall apply to the sale in interstate commerce of natural gas for resale for ultimate public consumption?

Mr. FULBRIGHT. That is correct; but the next clause, which gives jurisdiction, provides:

But shall not apply to any other transportation or sale of natural gas or to the local distribution of natural gas or to the facilities used for such distribution or to the production or gathering of natural gas.

Mr. DOUGLAS. Is not the sale of natural gas to a pipeline for interstate traffic a sale in interstate commerce of natural gas for resale?

Mr. FULBRIGHT. I think it is quite clear from the legislative history of the act what the intent was. Mr. Justice Douglas examined that question. I am sure that the eminent Senator from Illinois has deep respect for the great Justice Douglas. They enjoy a common heritage.

Mr. DOUGLAS. He is a very able justice, but he is sometimes mistaken, as he was in this case.

Mr. FULBRIGHT. He may be frequently mistaken, but in this case he wrote a most persuasive opinion. In the Hope Natural Gas case Mr. Justice Jackson, who did not participate in this case, made remarks which I think are very appropriate, and I have no doubt that both of those justices were greatly influenced not only by the legislative history of the act, but by the "facts of life" with regard to the natural-gas industry. Both are astute, curious, and intelligent men. I am sure they realize that it is utterly impracticable, if not impossible, to apply the utility-cost concept to the production of natural gas. Therefore they would not want to do a foolish thing. They would not want to misinterpret an act so as to achieve an utterly ridiculous result, so they both said that the act did not apply to the production of natural gas, including the sale by the producer to the interstate carrier.

Mr. DOUGLAS. Is my good friend from Arkansas saying that the dissenting opinion is really the correct opinion?

Mr. FULBRIGHT. It is the correct opinion. That is often true. I have often heard the Senator from Illinois expound on that question, particularly with regard to opinions by such Justices as the great Justices Holmes, Brandeis, and others. I am sure the Senator would not argue that point.

Mr. DOUGLAS. I was not only intrigued but shocked by the statement of my good friend from Arkansas that the legislative history clearly indicated that there was no intent on the part of Congress to regulate the price of gas sold by producers to interstate pipelines for resale. If the Senator from Arkansas will examine the debates in the Senate he will find that Senator Connally, of Texas, addressed a direct question to Senator Wheeler, of Montana, who was in charge of the bill. The question ran approximately as follows:

"Would this bill regulate the price of gas which producers receive for the gas which they sell to interstate transmission lines?"

The reply of the Senator from Montana was, "Exactly."

The Senator from Arkansas is altogether too scrupulous to advance the argument which has been advanced by others, in connection with the statement by Mr. DeVane in 1936, when he appeared before the committee in that year. Mr. DeVane stated that it was not the intention of the proponents of the bill to regulate the price of gas sold by producers to interstate pipelines. That statement has been frequently quoted.

However, neither the Senator from Oklahoma [Mr. MONRONEY] nor the Senator from Arkansas has advanced that argument.

The truth of the matter is that the DeVane statement was made 2 years before the 1938 bill was passed, and with respect to an entirely different bill, which referred only to transportation, and did not refer to sale in interstate commerce of natural gas for resale.

Mr. FULBRIGHT. Let me say to the Senator from Illinois, that this question was argued at length yesterday. I recall distinctly what the Senator from Illinois said. He certainly has a right to his opinion. I recall what the Senator from Oklahoma [Mr. MONRONEY] said. He has a right to his opinion.

I submit, however, that the question to which reference has been made is largely insignificant and irrelevant, for many reasons. As I shall try to illustrate, the issue now is this: Which system is more practical, and which, in the long run, would more greatly benefit the consumers of the country as well as other interested people, including producers? Should we allow the law to remain as it is, or should we pass this bill?

The debate about the history of the act is interesting as an academic dissertation, and I enjoyed listening to the debate yesterday. I am not criticizing it. I think the question should be covered at least once; but I think it is not particularly pertinent at all times.

My thesis is this: Here we are. We are faced with a decision as to whether or not the traditional utility control concept of cost-plus is the more practical, the more likely to insure the long-term welfare of the consumer as well as the producer, both of whom have legitimate interests in this matter. Or would the pending bill be more likely to promote the welfare of both the consumer and producer? I take the position that the bill is positively, definitely, and I think demonstrably, in the interest of the consumer, especially consumers in the Chicago area, who now are applying for gas and are unable to get gas at any price.

Our figures show that in the Chicago area about 125,000 would-be consumers are without gas. In the northern Illinois territory there are about 250,000 without gas. I am confident in my own mind that enactment of the bill will hasten the time when those people can get the gas, at a price they are willing to pay—a reasonable price, as set by the Federal Power Commission.

That, really, is the only issue involved here. I cited the past history because I thought the Senator would have a considerable regard for the opinion of Mr. Justice Douglas. The last line of his opinion is most significant to me. Justice Douglas said that "this involves considerations of which we know little, and with which we are not competent to deal."

I am quite confident that he felt this case was so complex, involving matters of fact in the gas business, that he did not believe the Supreme Court Justices were competent to deal with such a case. I think that is true. I really do not think it makes much difference what the old-timers said. In the light of experience, I have no doubt that this bill, with its provisions for regulation, under the Federal Power Commission, with the idea of a reasonable market price, is the solution to the difficulty. That is about all the issue there is.

Mr. DOUGLAS. I am very glad the Senator from Arkansas has made that statement. I think the issue is whether we wish to repeal the Natural Gas Act of 1938. Some persons have said, however, that the Harris-Fulbright bill merely interprets the act of 1938, makes it what it was originally intended to be.

Mr. FULBRIGHT. It clarifies it.

Mr. DOUGLAS. Since the Senator from Arkansas seemed to give some support to this misinterpretation by reason of the deservedly high prestige of his record, I thought the matter should be set to rights, and the facts should be known before we proceed to the substantive merits or demerits of the argument.

Now that the Senator has very frankly stated that this is not a matter of importance, the Senator from Illinois is willing to let it pass for the moment; but when he takes the floor in his own right, he will produce, he believes, overwhelming evidence to indicate that the Congress intended such a meaning all along.

Mr. FULBRIGHT. It is perfectly proper for the Senator to bring forth evidence to support his case. All I say is that, as of now, the question is largely irrelevant. It is not of particular importance.

What we are really interested in, in light of experience under the act and in light of all the circumstances now before us, including the facts of the industry and everything else, is not only the history of the act, or the discussions which took place in the Congress, but the way it was interpreted at the time. As was pointed out yesterday in 1938 the members of the Federal Power Commission were given the duty of interpreting the act. In that case there was only one dissent. A man who was well known to the Senator from Illinois interpreted the act in a contrary way.

We are also interested in knowing how the act was interpreted up until 1954, in accordance with the bill which we now submit for action by the Senate.

What it is proposed to do by the bill is to clarify the Natural Gas Act, and, in the interest of consumers, provide a basis for a workable Federal policy in connection with natural gas.

Let me say at the beginning that I do not believe—and I think it is a wrong assumption to make—that the interests of the consumer and the interests of the producer are necessarily antagonistic. I do not accept the idea which seems to be implicit in much of the criticism of the bill, that one or the other must have the advantage. I think that under our system of free enterprise, when it works properly—both sides are treated fairly. Both sides have a legitimate advantage. I believe that is the case here. The passage of the bill will be to the benefit of both consumers and producers. If the bill does not pass, and if the unnatural and wholly unrealistic idea of cost-plus regulation is sought to be applied to the production of natural gas, both sides will be injured in the long run. Therefore I believe it is wrong to assume, merely because one side or the other may favor the passage of the bill, that either side will necessarily be harmed.

I shall say one further word before I proceed with my statement. It is claimed that the consumer, as such, or the individual residential consumer, is opposed to the bill. The only real opposition to the bill comes from the big utility companies, which have a very special interest, one which is not at all necessarily the same as the interest of the residential consumer, but is in retaining a large industrial load in certain areas. That is particularly true on the eastern coast, where there is strong competition from cheap foreign oil. That is a matter we will discuss later. However, it is evident that the consumer opposition is rather slight.

Mr. PASTORE. Mr. President, will the Senator yield for a short question?

Mr. FULBRIGHT. I am glad to yield for a question.

Mr. PASTORE. Based upon what the distinguished Senator from Arkansas has stated, would he be willing to consider favorably an amendment which would modify the strict cost-plus basis by taking into account the nature of the producer's activities, making allowance for the type of business he conducts, and at the same time adhering to a formula which would be just and reasonable, and under which the burden of proof would not be on the Federal Power Commission, as it would be under the pending bill?

Mr. FULBRIGHT. I believe the bill does exactly that. The Federal Power Commission actually does represent the interests of the consumer. That is what Commissioner Kuykendall said in the hearings. He was asked who represented the consumer, and he said, "Our staff represents the consumer."

I believe the bill does exactly what the Senator says, except for the very significant play on words. I know the Senator from Rhode Island is a very distinguished lawyer, and he knows better than I do that the words "just and reasonable" are words of art. He knows that by use over many years in many cases they have come to mean the utility cost-plus basis. That is what they mean. Words of art are not necessarily logical. However, they do achieve a meaning through constant use. That is what those words have come to mean. That is the whole reason for my objecting to their being applied here. We believe that adding them to the bill would make the bill say what the courts have said.

Mr. PASTORE. Would the Senator from Arkansas consider an amendment on page 6, in section 3, to strike out the words "reasonable market price" where they appear on that page, and insert in lieu thereof the words "just and reasonable price"? Beginning on line 22 of page 6 the text would then read:

In determining the just and reasonable price of natural gas under the provisions of this section 5, the Commission shall consider, among other things, whether such price has been competitively arrived at, the effect of the contract upon the assurance

of supply, and the reasonableness of the provisions of the contract as they relate to existing or future prices.

If the Senator from Arkansas is disturbed over the precedented meaning of "just and reasonable," it strikes me that if we were to add as an adjunct to "just and reasonable" the language I have proposed, we would remove ourselves from a man-made market—and I say that advisedly, because all witnesses at the hearings admitted that it was seller's market, not a buyers' market—and we would still adhere to the principle of "just and reasonable" and expand the liberality of the application of that rule to take into account the other circumstances which appear to be so important to the proponents of the bill.

Mr. FULBRIGHT. Mr. President, I say to the Senator from Rhode Island that I will not consider such an amendment, because I believe it is without any merit whatever and adds no virtue to the bill. That is exactly what the bill does. Adding the words "just and reasonable" would merely confuse the issue. Furthermore, there would be uncertainty as to what we were doing.

I also object to the suggested method of controlling the producers. The direct control which results from the court's decision is in itself impractical, aside from the formula. It would be necessary, under the decision in the Phillips case, to deal with nearly 8,000 producers. There are over a thousand recognized gatherers and an estimated 8,000 producers of natural gas. It is an impractical way to achieve the result. It is a very ingenious and effective way of checking approximately 30 important interstate lines. Therefore I would object to the direct application of the formula to the producers.

However, I am frank to say that the bill reaches our objective very well, and I see no reason for quibbling about the meaning of "just and reasonable," when it is perfectly clear what we mean by a reasonable market price, as the term is used in the bill.

On the one hand, the bill perpetuates the competition already prevailing among natural-gas producers and insures that consumers will reap the benefits of this competition. On the other hand, it guarantees consumers that they will not be charged more than the reasonable market wellhead price for natural gas.

In this opening statement, I want to outline briefly the events which led to the introduction of this bill. I want to review with my colleagues the provisions of the bill and tell them why, in my opinion, they offer a sound solution—and a fair solution—to the problem before us. I want to discuss the reasons why enactment of this bill is in the best interests of American consumers everywhere. Finally, I want to touch on some of the bugaboos, some of the statistical specters, and some of the gross misrepresentations on the part of a few which have been raised in opposition to it.

As to the latter point, it might be well to mention right here one of the most flagrant of those misstatements. I refer, of course, to the argument that this bill is a decontrol bill—one which would allegedly place the consumer of natural gas at the mercy of some 8,000 independent producers. That just is not true. Anyone who reads the bill carefully must surely realize that it is not true.

Mr. DOUGLAS. Mr. President, will the Senator yield for a correction?

Mr. FULBRIGHT. In a moment.

I may say that practically every newspaper and every reporter, both on the radio and in the press, have insisted on saying that the bill exempts the producers from control. The issue before us is not one of control versus decontrol. It is not one of regulation as opposed to no regulation. On the contrary, it is one that revolves around the method of control to be used, around the method of regulation.

I now yield to the Senator from Illinois.

Mr. DOUGLAS. I ask the Senator to look at section 5 of the act and, then at section 2, paragraphs 10 and 11 of his amendment. As I understand, what he proposes is that such regulation is to be in effect only after the producer has made his sale to the pipeline. In other words, as I understand, his bill does not regulate the price at which the producer sells his gas to the pipeline. Is that true?

Mr. FULBRIGHT. No; the Senator from Illinois knows that all laws must be interpreted under a reasonable rule. He knows that if a pipeline, which is transporting gas, we will assume, from Louisiana to New York, can expense only a certain amount, the reasonable market price, it will not buy from the producer at an unreasonable price. However, what difference would it make to the consumer if the pipeline should choose to do so in special cases?

It will not do it if it wants to stay in business. There are many alternative sources of supply and if any producer demands a price greater than the pipeline company can expense as the reasonable market price——

Mr. DOUGLAS. But the point I am trying to make is that at best, all the bill of the Senator from Arkansas does is to limit the degree to which the pipeline company can pass on to the distributors the price which they pay.

Mr. FULBRIGHT. That is correct.

Mr. DOUGLAS. The Senator from Illinois and the Senator from Rhode Island think this protection is very inadequate, in that it does not regulate in any degree the price which the pipeline company can pay to the producer in the field. What it does is to substitute, at best, indirect control for direct control.

Mr. FULBRIGHT. There is a perfectly good reason, as I said a moment ago, for substituting indirect control for direct control. Furthermore, the administrative difficulty of dealing with 8,000 different producers would be tremendous.

Mr. DOUGLAS. We can argue the merits of it later. At the moment all I am trying to establish is the fact that the bill proposes, at best, to substitute an indirect type of control for what would otherwise be a direct type of control.

Mr. FULBRIGHT. If all persons would be as fair as is the Senator from Illinois in that connection, I would have no complaint. But it is an absolute misstatement of fact, and it leads to misunderstandings, to say that the bill decontrols. It substitutes indirect control for direct control.

Mr. DOUGLAS. The term "reasonable market price" which the Senator uses as his criterion is ineffective and question-begging.

Mr. FULBRIGHT. If the Senator wishes to assume that the Federal Power Commission is inefficient, that is one thing, but the Federal Power Commission will still be the agency in charge, and, assuming that it is reasonably efficient, it can do one as easily as the other.

Mr. MONRONEY. Mr. President, will the Senator from Arkansas yield?

Mr. FULBRIGHT. I yield to the Senator from Oklahoma.

Mr. MONRONEY. I know my distinguished colleagues, the senior Senator from Illinois and the junior Senator from Rhode Island, in their claim that the control is indirect, are automatically stating that direct control, and only direct control, is effective. I point out that even with the control afforded by the law of supply and demand the price of the raw gas has been held to an infinitesimal amount as compared with the price charged under direct regulation by public utility commissions.

I should like to point out, if I may, that while the gas cost at the wellhead in Denver is 10.9 cents and the city gate cost is 23.8 cents, regulated by the Federal Power Commission, the spread there is at least 20 cents in the case of city delivery. That is an example of the successful direct control such as the two Senators are advocating.

There are a few other examples, such as Cincinnati, with a city delivery cost of 26 cents; also Kansas City, with a 30-cent spread. But there are also costs which seem to show there has been a breakdown of direct control. The rate which the average consumer pays in the city of Chicago is 95 cents for gas which cost 11.2 cents in the field, and the city delivery spread of 71 cents may indicate that direct control is breaking down. Perhaps there are not sufficient funds for the employment of engineering talent for the public utility commission to regulate the spread in the city delivery cost.

We can go on to Milwaukee, where the distinguished senior Senator from Wisconsin [Mr. WILEY] complains about the 9.9 cents cost for the raw gas, but he swallows the 26-cent city delivery charge. Again, does direct control always mean a lower rate to the consumer?

We can go on to the city of Baltimore in the great Free State of Maryland. Some of the gas used there is Appalachian gas, costing 14.8 cents at the wellhead, but it costs 83 cents to take it from the city limits of Baltimore to the burner tip.

In the city of Washington the mains must have been laid out through granite, because the rate is very high for city delivery.

In Philadelphia the gas costs 10 cents at the wellhead, but it costs more than 90 cents to go through whatever the nature of the soil is which underlies the city of Philadelphia.

There is Providence, R. I., with $1.03; New Haven, $1.05; Newark, N. J., $1.42; Brooklyn, $1.90; and New York City, $2.07.

I may say to my distinguished and able colleagues that this represents the simplest operation in the gas business, namely, taking the gas from the city gate to the customer's burner tip. In most of the cities where I have shown the rate is the highest, the consumers are concentrated in groups of 100 to 500 and 1 pipe serves the whole number. The cost of the lateral line is paid by the owner of the apartment house. Direct regulation may not be as good as the reasonable-market-price method. The progressive, forward-looking thinker that the distinguished Senator from Illinois is——

Mr. FULBRIGHT. Is the Senator from Oklahoma asking me a question?

Mr. MONRONEY. In view of the fact that I have pointed out the tremendous spread for the simplest job, that of distributing gas, perhaps I might suggest that in the breakdown of direct regulation the consumer might find that there would be a saving in 50-cent pieces in connection with the cost of the gas.

Mr. FULBRIGHT. I think the Senator from Illinois would admit that except for peacetimes, controls are, generally speaking, indirect. I have heard the Senator from Illinois discuss the matter and say that in peacetime indirect control is more simple, more effective, and more conducive to the free enterprise system than is direct control. In wartimes we have tried direct control, but in the OPA days we did not use the cost-plus formula for control. We used the formula of reasonable market price, which is what we use in this bill.

Mr. DOUGLAS. Mr. President, will the Senator from Arkansas yield?

Mr. FULBRIGHT. I shall be glad to yield, but much of what is being said was said yesterday, and I should like to complete my statement.

Mr. DOUGLAS. The Senator from Oklahoma has conducted an intellectual skirmish against me through the device of a parliamentary question to the Senator from Arkansas which came at the end of a long speech. I wonder if the Senator from Arkansas would permit me to reply to the Senator from Oklahoma, again using the parliamentary device of a question.

Mr. FULBRIGHT. I think I will ask unanimous consent to permit the Senator from Illinois to reply to the Senator from Oklahoma for a minute and a half.

Mr. DOUGLAS. Oh, no.

Mr. FULBRIGHT. Is not that sufficient time?

Mr. DOUGLAS. No; I should like to have at least equal time.

Mr. FULBRIGHT. I did not recognize what the Senator from Oklahoma was doing; otherwise I would have interjected. I thought he would come to the question, and he finally did. How much time would the Senator from Illinois like?

Mr. DOUGLAS. I think the Senator from Oklahoma took 7 minutes.

Mr. FULBRIGHT. I could not possibly allow that much time. I will allow the Senator from Illinois 3 minutes. Is that agreeable?

Mr. DOUGLAS. I shall do the best I can.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that the Senator from Illinois may have 3 minutes. This is not to be taken as a precedent.

The PRESIDING OFFICER. Without objection, the Senator from Illinois may proceed for 3 minutes.

Mr. DOUGLAS. Mr. President, the Senator from Oklahoma, I believe, tried to lead us down a bypath to discuss a subject not connected with the bill.

The Senate cannot interfere with the local regulation of utility rates. That is a matter for the States and exclusively for them. We can, however, deal with the rates charged by producers to pipelines for natural gas in interstate transportation, and that is what we should deal with. We do not get anywhere with a description of the spread between city gates and burner tip.

I am not here to hold any brief for local gas companies. As a matter of fact, my entry into public matters was to try to get the gas rates in Chicago reduced in the days of Samuel Insull. That effort proceeded for several strenuous years, until Mr. Insull collapsed. I recognize that State regulation in many States has broken down, but I think it is necessary that we keep on trying.

I wish to point out to my good friends from Arkansas and Oklahoma that what they have quoted are residential rates. Furthermore, in some cities I think it will be found that the companies are using mixed gas, and not pure natural gas. Also, there are heavy costs incident to connecting gas mains to the houses and in inspecting, billing, and collecting the accounts and in other managerial and administrative functions plus a return on invested capital.

It should be remembered also, as the chart in the Chamber shows, that during the summer months the residential use of gas falls away to almost nothing, because there is no need to heat houses with gas. As a result, in most cities the companies have to turn to what is called interruptible industries to help fill the gap. Interruptible gas is sold to industry at a very low rate. So if we compute the average price for residential, industrial, and commercial use, it comes to between 43 and 44 cents per 1,000 cubic feet, as compared with an average field price of 10.7 cents. So the field is getting, roughly, 23 percent of the price charged in the cities. The average pipeline price at the city gates comes close to 25 cents. So the average distribution cost is 18 or 19 cents out of a 44-cent charge.

I do not know whether this markup is excessive. I do not know whether the rates are equitable in all localities. But I submit that the situation is not so glaring as the Senator from Oklahoma and the Senator from Arkansas have led us to believe.

We should furthermore remember that the real test is the rate of return upon investment. This is subject to regulation by the State utility commissions. Why do the Senator from Arkansas and the Senator from Oklahoma propose to exclude producers from this type of regulation, to which the distributors are subjected?

I thank the Senator from Arkansas for his courtesy in yielding.

Mr. FULBRIGHT. If the Senator from Illinois will pay very careful attention to my reasoning as to why such regulation is not applicable to the producers, I think he will become convinced, because there is no similarity whatever between the circumstances of the producer and those of the distributor. There is no more relationship between them than, as Mark Twain once said, there is between lightning and a lightning bug. The relationship is about the same.

The relevancy of many of these questions is very remote, and the answers to them would make very little difference. But I call the Senator's attention to the percentage of profit of some of the leading utilities which are opposing the bill. I refer to the profit on their equity capital.

Commonwealth Natural Gas, with a profit of 27.7 percent, is one of the largest ones. Lynchburg Gas Co. shows a profit of 11.8 percent. The one which was mentioned yesterday, considered to be the very choicest morsel of all the local distributing companies, the Minneapolis Gas Co., has averaged for 4 years in the neighborhood of 16.3 percent. I have a list of all the companies before me.

Mr. DOUGLAS. Mr. President, would the Senator be willing to explain his figures? This is not the average rate of return on invested capital, is it?

Mr. FULBRIGHT. No; as I stated it is on equity capital. However, I do not think that is pertinent. I think what is pertinent to the bill is whether or not the method of control of the price will, in the long run, work to the benefit of the consumer and the producer, in a reasonable and fair sense, so that both can continue, the one to stay in business, the other to enjoy natural gas. I think they are mutually interested in a proper solution of the problem.

I do not believe it will do the consumer, and especially those who wish to be consumers, as in Chicago, any good to have a cheap price under a utility formula, but to have no gas. That is really the entire essence of the argument I am trying to make. I am trying to prove that the Senator from Illinois is on the wrong track in seeking to impose a utility type of cost-plus regulation on this business.

I submit, not that it is an original thought, that it would be more in the interest of the orderly conduct of the debate if the Senator from Illinois would permit me to say a few words. Not that what he may say is more or less irrelevant; it is not wholly irrelevant; but what the profits of the distributor or the gas company may be is not the crux of the matter. What the distributor or the gas company may make is really of secondary interest. What we are really interested in is the long-term future of the business, so that the consumers may have gas available in as adequate a quantity as it is possible to supply at a reasonable market price and that the producer will be able to stay in business and continue to develop and supply gas.

Mr. DOUGLAS. I recognize that the Senator from Arkansas has been merely skirmishing, so to speak, up to this point.

Mr. FULBRIGHT. That is correct.

Mr. DOUGLAS. I feel certain the Senator from Arkansas does not mean to say that in the process of skirmishing, which precedes the real conflict of issues, only one side should fire its shots, while the other side should remain completely silent.

Mr. FULBRIGHT. I certainly do not. I think, however, that under the customs of debate in the Senate, it is usual for a Senator to deliver his speech, and then to have comments made more or less in a critical way of specific points. I did not object to the questions asked by the Senator from Illinois; I was merely reminding him that many of the issues were covered yesterday as skirmishing points.

The overriding issue, in short, is this:

Shall we, from among the hundreds of competitive industries in America, single out the producers of natural gas for Federal utility controls? Shall we restrict them to an arbitrary return on their successful ventures, to nothing at all on their unsuccessful ventures, and in so doing completely throttle the incentives of competition?

Or shall we, in the consumer interest, preserve the proven benefits of competition at the producer level and, at the same time, add an additional consumer protection: a guarantee to the consumer that he will not be charged more than the reasonable market price.

The answer given in this bill is a realistic one. It is based on sound and workable controls. Does it not make more sense, is it not obviously more efficient, to control the prices that some 120 pipelines pay for their gas rather than to attempt to fix the prices at which more than 8,000 producers sell the same gas? The method spelled out in this bill is the workable way, the efficient way. The alternative method would create tremendous problems, lead to endless delays and infinite amounts of red tape, result in inescapable inequities, and greatly increase the expense of regulation.

The answer given in this bill is one that recognizes that it is very much in the public interest that competition be encouraged in a field where competition has already built an indisputable record of service to the consumer.

From 1938 through 1953, for example, a 16-year period when competition was the only regulator of field prices, on a national average, the price of gas went up from 4.9 cents a thousand cubic feet to 9.2 cents—an increase of less than a nickel per thousand cubic feet.

I may again call attention to the fact that the increase was less than the increase in the cost of living during the same period. It was less by more than 2 percentage points. Of course, we do not deny that the price of gas has gone up, but it has gone up less than has the general cost of living. Everything has gone up. As I recall, the cost of steel rose about 107 percent between 1943 and 1953. I believe those were the dates. The cost of labor in the oil and gas fields in the same period went up 147 percent. Obviously the price of gas had to go up. The significant thing is that it did not go up as much as did the cost of living index. In other words, gas at the well head actually sold for less in 1953 than it did in 1938, in terms of a constant dollar.

I know of very few of the basic commodities that have as good a record. Take copper, steel, aluminum, coal, and so on. I know of none that has a comparable record.

The alternative answer to the issue—Federal utility control—is not pleasant to contemplate. Under Federal utility controls applied at the producer level, the only result—over the long pull—can be one of less gas at higher prices. Such is the probable consequence of unrealistic Government meddling with the competitive production of consumer goods.

The handwriting has already begun to appear on the wall. During the first 11 months of last year—the figures for December are not yet available—oil-well completions in America increased 8 percent. Gas-well completions, however, dropped 8.6 percent. If this trend continues, and I am convinced it will as long as utility controls are applied at the wellhead, the natural-gas consumer may soon find himself in the same situation as the lady who was pricing hamburger at her neighborhood market. When the butcher told her it was 69 cents a pound, the lady complained bitterly. "Why, down the street," she said, "I can get it for 39 cents a pound."

"Then why don't you buy it there?" the butcher asked.

"Oh, they're out of hamburger," the lady said.

"Well, that's different," said the butcher. "When we're out, our price is only 15 cents." [Laughter.]

The same sort of situation could easily develop in the gas industry. To call a producer of natural gas a public utility, to put him in that category by judicial or legislative fiat, is like classifying a horse as a cow. It may look good on paper, but it is an awfully poor way to increase the production of milk or effectively lower its price.

Of even greater importance, the alternative answer to the issue—Federal utility control—would mean congressional approval of a precedent for applying similar utility controls to the production of other consumer commodities and products. It would mean approving a precedent which could lead to clamping such controls on coal, oil, steel, automobiles, and hundreds of other items, all of which are no less charged with the public interest than is the production of natural gas.

Disraeli once remarked that a precedent embalms a principle. By making gas production a public utility, we shall have prepared a shroud for our competitive enterprise system. We shall have dug the grave into which other constituents of this system shall one day fall.

Such is the issue we face. Let us consider now, for just a few moments, some of the facts and situations which have led up to this issue.

By its very nature, the overall natural gas industry is divided into three separate segments: production, transmission and distribution, each of which performs a distinctly different function.

At one end is the producer, the individual or company that rounds up the necessary amount of risk capital, explores for gas, and—when and if gas is found—develops it for the market. On a national average, only about 1 out of 9 wildcat wells drilled for oil and gas are successful. Of all wells drilled, nearly 40 percent are dry holes.

The Nation's producers, sell about half of the gas they find to consumers within the State where produced. The other half—the part with which we are here concerned—is sold to interstate pipelines which transport the gas to the non-producing areas. There the gas is sold direct to industrial consumers or to local distributors, who then pipe it to the burner-tips of their customers.

Now, of these 3 segments, 2 of them—the interstate pipeline and the local distributor—enjoy a variety of Government-granted advantages. They can avail themselves of the right of eminent domain. They are shielded from many of the risks and vagaries of competition. They are granted marketing franchises in a certain geographical area.

In a word, then, the interstate pipeline and the local distributor are public utilities. Because they are, because they enjoy Government-granted advantages which are tantamount to a legal monopoly, the rates they charge for their services are—and should be—fixed by governmental authority. Their accounting practices are generally uniform. Their costs are easily ascertainable.

In the case of the producer, however, the situation is completely different. No Government agency shields him from competition. He must compete with thousands of other producers for leases before he can drill a single well. Should he be lucky and hit that 1-to-9 shot, he must compete with many other producers for a market. No one guarantees him a return on his invested capital, thus eliminating the tremendous risks he must take. His is inescapably a business of economic imponderables. His costs are almost impossible to ascertain.

The producer, in short, has not a single characteristic of a public utility. He is no more a public utility than is the man in West Virginia who sells coal to an electric company in New York, no more one than the oil producer who sells diesel oil to a railroad, no more one than the Detroit manufacturer who sells buses to our local transit company, no more one than the California manufacturer who sells airplanes to the airlines of America, or no more one than General Motors, which builds the locomotives which pull the trains.

When anyone says that the production of gas is a public utility function, it reminds me of the college professor who was giving a makeup quiz to the star halfback. The crucial question was: What is a lobster?

The answer given by the football star was that a lobster is a red fish which swims backward.

"That's right," said the professor, "except, of course, it isn't a fish, it isn't red, and it doesn't swim backward."

Congress made no mistake of this sort when it passed the Natural Gas Act in 1938. It took into account the fact that the production of natural gas is not a utility function, and the legislative history of the act reveals quite clearly that Congress intended the law to apply only to the interstate carriers of natural gas. It made that quite plain—or thought it did—when it said in section 1 (b) that the provisions of the act "shall not apply to any other transportation or sale of natural gas or to the local distribution of natural gas or to the facilities used for such distribution or to the production or gathering of natural gas."

In 11 separate cases prior to the Phillips decision, the Federal Power Commission observed that exemption. But on June 7, 1954, the Supreme Court rewrote, in effect, the law. It ruled, by a split 5-to-3 vote, that gas producers selling to interstate pipelines were making sales of gas in interstate commerce for resale. Therefore, said the divided court, the Federal Power Commission must assume jurisdiction over these producers, despite the exemption in the act.

The court majority cited consumer protection against exorbitant prices as a primary factor in its decision. But was there, on the field level, any evidence of exorbitant prices? No such evidence has been produced.

The simple facts are that the field price of gas—a price which went unregulated up until June 7, 1954—has been one of the greatest bargains of the postwar era. Even today, in the State of Illinois, there are, I understand, some 265,000 would-be gas-customers who have applied for gas service. Does anyone suggest that these thousands of Illinois citizens—125,000 of them in Chicago alone—are doing their utmost to get natural gas because they are eager to be gouged?

Let us look at a few figures: As of now, on the average about 10 cents of every dollar the residential consumer pays for gas goes to pay for the commodity itself. All the rest, the 90-cent lion's share, goes to the interstate pipelines and the local distributors for the service of transporting and delivering the gas. In some cities, such as New York, the field price actually accounts for less than four cents out of every dollar the household consumer pays. It is in the local distribution segment of the industry, a segment which always has been regulated, that the big mark-up, the big spread over field and city-gate costs, may be observed.

These mark-ups vary widely, as has been pointed out, here on the floor. In Boston, for example, the local distributor's spread is more than $2 on each thousand cubic feet. In Baltimore, it is about $1.18 on each thousand cubic feet. But in Kansas City, it is only about 29 cents on each thousand cubic feet. In all fairness, it should be pointed out that there is a distinct correlation between the amount of gas consumed per customer and the distributor's markup. In Kansas City, the average customer consumes about 222,000 cubic feet a year. In Baltimore, average consumption is 42,800 cubic feet a year. In Boston, the annual volume is only about 22,000 cubic feet a year.

These figures show two things: One is that political control over gas prices is no guarantee of low prices. The other is that the customer's primary interest lies with increased supplies of gas, since the more gas a distributor handles, the lower the cost per unit delivered. Only through increased supply and increased consumption can there be any lasting reduction in the ultimate cost to the residential consumer. If there is one thing which I think stands out in the statistics on this subject, it is the importance of increased consumption, as regards lowering the price.

In the Commerce Committee hearings, even those who opposed the original bill recognized the great risks and the vigorous competition which mark the gas-producing business. Their primary objection was directed at certain types of escalation clauses in the field contracts—clauses by which the producers, who must usually sell their gas for 20 years at a time, had hoped to insure themselves against a decline in the purchasing power of the dollar.

These opponents of the bill, most of them announced, stood four-square for competitive enterprise. But they said that they objected strenuously to the so-called favored nation type of escalator clauses. The bill was amended so as to place on these clauses the ceiling of a reasonable market price—a price the Federal Power Commission will determine. It was amended so as to restore competition to the field level, and to hold to a minimum the burdens of federal control. At the same time, however, these amendments gave the Federal Power Commission full and effective control over the price that a pipeline could pay and then could pass on to the consumer. Such was the compromise that was made.

I may say that another source of great misunderstanding is what has happened to the escalator clauses. Many who recently have written newspaper articles about the bill seem to have overlooked the fact that the favored-nation escalator clauses have been brought under the control of the Federal Power Commission and under the limitation of the reasonable-market-price concept.

Let us look now at the provisions of the bill.

Section 2 amends the definitions of "transportation in interstate commerce" and "sale in interstate commerce", so as to make it clear that the producer is not to be under the direct utility regulation of the Federal Power Commission. That is not the same as saying, however, that the price the producer may get from the interstate pipeline is decontrolled. The bill goes on to set the ceiling of a reasonable market price on the amount that an interstate pipeline may pay the producer and then pass on to the consumer.

The Federal Power Commission is empowered to determine this reasonable market price. In arriving at its determination, the Commission shall consider, among other things, "whether such price has been competitively arrived at, the effect of the contract upon the assurance of supply, and the reasonableness of the provisions of the contract as they relate to existing or future prices."

Section 3 (b) provides that this ceiling of a reasonable market price shall apply to all new and renegotiated contracts entered into after this bill becomes law. Under this section, no price that is greater than the reasonable market price can be passed on to the consumer. To protect the transmission company, section 3 (c) provides for advance determination of this reasonable market price.

Section 3 (d) makes the same ceiling of a reasonable market price apply to all escalation clauses in existing contracts, other than two types: those designed to compensate the producer for tax increases, and those which provide for periodic step-ups of fixed and definite amounts. The latter two types of clauses are fair to all concerned; and there was little, if any, objection to them. This section of the act brings under control the functioning of all so-called favored-nations types of the escalation clauses.

Section 3 (d) prohibits any transmission company from passing on to a consumer, because of such escalation clauses, more than the reasonable market price, as determined by the Commission; and under section 3 (e), the transmission company is not obligated to pay the producer more than such reasonable market price, nor can the producer cancel his contract because of this fact.

Subsections (f) and (g) of section 3 extend the same ceiling of a reasonable market price to gas produced by a pipeline company. The Federal Power Commission has pointed out the advantages of having pipelines own a certain amount of gas in their own right, so they will not be wholly dependent upon purchased gas. This puts them in a better bargaining position. When these pipelines are allowed only a cost-of-service return on the gas, there is very little incentive for them to develop their own supplies. In 1940, for example, 8 major pipelines produced over 47 percent of their gas; but in 1952, 15 major carriers produced only 18.5 percent of their annual requirements. Subsections (f) and (g) of section 3 are aimed at reversing this trend.

Section 4 has to do with applications filed for certificates to build new pipelines. Under this section, in passing upon an application for a certificate the Federal Power Commission must consider whether the price to be paid for the gas under gas purchase contracts supporting such application is the reasonable market price.

These are the provisions of the bill. They will be further elaborated on in the course of this debate.

In opposing this bill, those who favor outright Federal utility control over the competitive producer have conjured up many a dire warning and many a horrendous figure.

They make the prediction that if direct utility controls are not placed on producers, residential consumers will pay $800 million more for their gas. They do not mention the fact that from 1938 through 1953, when no Government control was exercised over the producers' price, these prices did not increase sufficiently to offset the decline in the purchasing power of the dollar.

They do not mention the fact that the widespread substitution of low-cost natural gas for high-cost manufactured gas resulted in great savings to the local distributor which were, or could have been, passed on to the consumer.

But let us look a little further into that $800 million figure. In 1954, the field price of all gas going to residential consumers outside the 7 Southwestern States and California was only $138 million. Now it is claimed that without utility regulation, producers will suddenly increase this field price by more than five times.

Under this bill, such a fantastic increase would be absolutely impossible. Under competition and the added controls of this bill, it just could not happen.

The plain facts are that this is a consumer-protection bill. It protects the consumer interest on three types of transactions between an interstate pipeline and a producer:

First. It guarantees the consumer a reasonable market price on all new purchases of gas.

Second. It guarantees the consumer a reasonable market price on all purchases of gas made under a renegotiated contract.

Third. It guarantees the consumer that he will not have to pay an unreasonable price because of an escalation clause in either old or new contracts.

These guaranties of consumer protection are in addition to the protective features already provided by competition.

In each instance, it will be the Federal Power Commission which determines the reasonable market price, and the factors that enter into such a determination have been spelled out. The opposition charges, of course, that the term "reasonable market price" is too vague.

The charge is unfounded. The bill itself specifies that in determining reasonable market price, the Commission must consider "among other things, whether such price has been competitively arrived at, the effect of the contract upon the assurance of supply, and the reasonableness of the provisions of the contract as they relate to existing or future prices."

The term "reasonable market price" is also fully discussed on page 5 and on pages 39 through 42 of the Senate committee report. There the well established legal meaning of "market price" is pointed out, and there is a full discussion of the limiting term "reasonable" as applied to market price.

As stated in the report, reasonable market price is not "the highest price, the weighted highest price, the average field price, or other price arrived at by the mechanical application of a single criterion. Instead, it is a price which the Commission, exercising its judgment and discretion in weighing a number of relevant factors, determines is the reasonable market price."

The term "reasonable market price" as it relates to natural gas wellhead prices was first used by the President's Advisory Committee on Energy Supplies and Resources Policy—the Flemming committee. In its report dealing with natural gas, the committee said:

> In considering the certification of new lines and applications for increased rates based on new or renegotiated purchase contracts, the (Federal Power) Commission should consider, in order to provide protection for the consumer, not only the assurance of supply but also whether the contract prices of the natural gas which the applicant has contracted to buy are competitively arrived at and represent the reasonable market field price, giving due consideration, in the interest of competition, to the reasonableness and appropriateness of contract provisions as they relate to existing or future market field prices.

"Reasonable market price" in reality constitutes a combination of two well-known and well-defined terms.

The term "market price" has a definite and well-established meaning, both from a historical and a legal point of view. Black's law dictionary defines it thus: "The actual price at which the given commodity is currently sold or has recently been sold, in the open market, that is, not at a forced sale, but in the usual and ordinary course of trade and competition, between buyers and sellers equally free to bargain, as established by records of late sales." This definition is also quoted in *Wall* v. *United Gas Public Service Co.* (152 So. 561, 563; 178 La. 903).

I think this term needs some elaboration, because this is one of the points at which the opposition has especially attacked the pending bill.

Addition of the qualifying term "reasonable" to the well-recognized and well-established term "market price" is merely an indication that the rule of reason shall be applied in the Commission's consideration of what shall be a fair and equitable price for natural gas. It means that the Commission, in establishing price, shall take into consideration any and all factors relating to (a) the particular sale in question and (b) the situation in the natural gas industry generally.

There is ample historical evidence to illustrate quite convincingly that the test of reasonableness can be applied fairly and equitably.

Several illustrations can be taken from the very operations of public utilities.

For example, in establishing the rate of return that public utilities shall be allowed to earn on their investment, public utilities commissions must determine what will be the "reasonable" rate of return. This "reasonable rate of return" customarily is found to be about 6 percent, although it may be slightly higher or slightly lower, depending upon the circumstances involved in the specific case at hand.

Similarly, in utility proceedings, the test of reasonableness finds application in condemnation suits brought under their right of eminent domain. Where buyer and seller cannot agree on a price, a third party is called upon to determine what shall be the reasonable price to be paid to the seller for the property involved. Original cost may or may not be considered, but certainly far more weight is given to the current value of the property.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield to the Senator from Rhode Island.

Mr. PASTORE. Will the Senator admit that the producer is not usually the gatherer, and that many producers serve one gatherer in a particular field?

Mr. FULBRIGHT. It would depend upon the field. I am informed that some fields are largely owned by a single producer, or by 1 or 2 producers, and that in other fields there is a great number of producers—perhaps two or three hundred. Generally speaking, I should say that there are fewer gatherers than there are producers.

Mr. PASTORE. My information is that, as against 8,000 producers, there are about 500 gatherers in the entire industry. Assuming that there are fewer gatherers than there are producers, is not the test which is to be applied under the provisions of this bill that the reasonable market price is not to be fixed at the field of production, but that actually the market price is to fixed beyond the point of gathering, at the terminal point, where, according to the terms of the bill, the gas actually goes into interstate commerce?

In other words, the provisions of the bill are very explicit in stating that the point where the reasonable market price is to be applied is not the producing field, but actually the terminal point, beyond the gathering point, where the gas is put into interstate commerce. The bill would take a wide field of 8,000 producers and restrict them to 500 terminal points. That is what we believe is a sleeper in the bill, because under the bill the small producer would fall under the whim of the gathering company. I say that very seriously, because that is one of the points bothering me about the provisions in the bill.

Mr. FULBRIGHT. I am frank to say that I do not quite understand why that point should worry the Senator from Rhode Island. In a typically large field, as is the case in the State of Texas, particularly, the pipelines extend all over the area, and a pipeline itself has a choice of the gas it takes or buys. We will eliminate for a moment the gas which companies have contracted to take for 20 years. However, the pipelines are constantly making new contracts. In other words, they have alternative places where they can get the gas.

Under the pending bill, the pipeline can ask the Federal Power Commission what would be a reasonable price. A provision in the bill gives the Commission the right to predetermine what would be a ceiling for such a reasonable price. If the pipeline could not pass on the price, it would shop around among other gatherers and producers. I know it is true that there are fewer gatherers than producers. It must be that

way. The gas must be gathered and brought into one central point. I do not know why the Senator from Rhode Island believes that provision is a sleeper.

Mr. PASTORE. I believe it to be a sleeper for this reason: The position taken by the distinguished Senator from Arkansas is to the effect that there is a free and competitive market at the producer level. There are 8,000 producers. Under the provisions of the bill there would be fixed a point where the price formula would be invoked. It would be invoked, not in the field where the gas is being produced, but beyond the gathering point, where the gas is put into the transmission line.

I am willing to admit that there would be far more competition—if it could be called competition—among 8,000 producers than there would be among 500 gatherers.

As a matter of fact, under the terms of the bill I question whether even the independent producers would not become the victims of unscrupulous gatherers.

Mr. FULBRIGHT. I do not know how they could become such victims, because the price charged by the producer and gatherer is subject to review and approval by the Federal Power Commission.

It is the same Commission which would have the responsibility of applying the other proposal. I see no particular harm in this provision, even accepting as true the statement that there are 500 gatherers, if we compare the gas industry with nearly every other industry in our country. In the automobile field there are only about three leading producers. Does the Senator say there is no competition in that field? In the field of farm machinery there are only 3 or 4 producers that amount to anything. Certainly there is competition there. Take the production of cigarettes, for example. Practically 90 percent of the cigarette production is limited to a very few producers. Why should the Senator be so concerned about natural gas because he states there are only 500 producers.

Mr. PASTORE. The Senator means 500 gatherers, I assume.

Mr. FULBRIGHT. The same thing might be true if there were only 500 producers.

Mr. PASTORE. We must take into consideration the character of the business with which we are concerned. After all, as a rule, a pipeline can only go into one gathering area. There would not be 500 gatherers in an area where there were 500 producers. There might be 1 or 2, or perhaps several. As a matter of fact, the character of the business is such that the producers funnel off their supply of gas to a limited number of gatherers. The distinction I make between buying an automobile in the free market and the gathering of natural gas is that after a pipeline has extended its line into a gathering area, it cannot simply pick up its line like a lawn hose and put it down in another State. The pipeline owner is stuck, and is more or less at the mercy of the gatherer.

Mr. FULBRIGHT. I believe the Senator from Rhode Island has completely misunderstood the situation.

Mr. PASTORE. I do not believe so.

Mr. FULBRIGHT. Nearly all the major pipelines go into all the fields. They do not have an exclusive franchise to go into a field, and neither does a gatherer have an exclusive franchise. I have a booklet containing the maps which were used at the hearings, and I can show the maps to the Senator. Let us consider the Texas fields, for example. I may say also that the major pipelines are all tied together. They buy gas from each other. They interchange it. They wheel it for one another. They can draw gas from a number of places. I was told by a friend the other day, that a big pipeline has entered into a new contract, which is now in process of being approved, to bring in gas from Mexico. The gas will come through established lines by means of very short extensions.

The pipelines can at any time extend their lines, and do so. They are not static. They are constantly being taken up where a field has been depleted and extended into other fields. The maps show where they are now. Eventually they will go up into Canada, and they will go up to the Northwest. There is nothing static about them.

Mr. PASTORE. Will the Senator from Arkansas admit that under the bill the price we are talking about, the reasonable market price, is not to be fixed in the production field, but at a point beyond the gathering point, where it goes into interstate commerce? That, I may say, is a horse of a different color.

Mr. FULBRIGHT. That is a significant place. That place, however, cannot be very far from the well. It is utterly fantastic to believe that the pipeline would go to each producer and each well in order to be able to get the volume necessary to serve the huge interstate pipelines. But it is absolutely necessary to gather the gas from more than one producer, because there are very few producers with sufficient production to serve one of these hugh pipelines.

Mr. PASTORE. I should like to make one more observation, and then I shall not bother the Senator any more.

Mr. FULBRIGHT. The Senator is not bothering me. He is asking very pertinent questions.

Mr. PASTORE. The only observation I wish to make is that is the reason why the junior Senator from Rhode Island feels the bill favors the big producers, and is not a bill which favors the small producer.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I do not quite understand the distinction. I shall be glad to have the Senator make his point clear.

Mr. PASTORE. I say that for the reason, as I have stated before, that the fixing of the price is to be at a point which is absolutely beyond the control of the small producer.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. MONRONEY. Is it not a fact that in actual practice the long interstate lines connect with the individual well and with the small gathering systems which bring together the production of 5 or 6 or 8 wells, and also the flared gas and collect it. The pipelines are not interested in buying a few thousand cubic feet of gas. Furthermore, there are gathering systems which, under the conservation methods of the various States, bring together many wells. In addition, there are the great fields of gas which are thought to lie in the offshore areas, and which will require gathering lines to collect at onshore points the gas which will be produced perhaps 5 or 6 or 7 miles at sea.

Consequently it is necessary to collect the gas at a point where it enters the long line, after being produced by the individual well or by several small wells or from the tailgate of a gasoline plant or from offshore sources. Therefore, the only way in which a bill could be fair would be to provide that the price shall be determined at the point where the gas enters the long line. Obviously, if a producer is farther away from the terminal point or the entrance point of the long line, some gathering charges will probably be incurred.

Mr. FULBRIGHT. The Senator from Rhode Island does not deny that it is a necessary and natural arrangement to have gathering lines. He seems to make the point that because there are large producers, and the producers have to participate in the gathering line, that fact substantially lessens competition. I do not think that follows at all. Some of the most vigorous competition we have witnessed in this country has been among large operators. In the automobile field or the cigarette field or in any other field, the fact that all the operators are large ones does not mean that there is not vigorous competition.

One of the principal functions of the Federal Power Commission under this bill is to see to it that there is no collusion among the participants in a particular industry; in this case, either among the suppliers or producers or between the long lines and the producers. That is absolutely necessary. That must be done in every case. That has to be done by every regulating agency in this country, whether it be Federal or local. Such agencies have to see to it that there is no collusion that the parties have not gotten together and agreed, and so on. That is a function which regulating agencies have to perform. I see no reason why there will not be active competition even though there are only a few large producers. I do not think the number is important. So long as there is no collusion, the principle of numbers does not control.

Mr. PASTORE. I feel that where an activity is shared in by 8,000 participants we are apt to have a freer market and a more competitive market than if there were only 500 people engaged in the activity. Of course, the Senator is entitled to disagree.

Mr. FULBRIGHT. I did not say I did not agree with that. I say it is not significant.

Mr. PASTORE. Add to that situation the fact that in this particular bill it is

provided that insofar as future contracts are concerned the pipeline company can pay more than the reasonable market price, yet charge it off on a rate base up to the reasonable market price, though in contracts already consummated and existing it is provided that the pipeline company shall not be obligated to pay more. If this is not a "gimmick" which the Senator is trying to use only to activate a market which is already artificial, then why make a distinction in this bill between future contracts and existing contracts? Why not make it obligatory in existing contracts if it is not meant as a "gimmick?"

Mr. FULBRIGHT. I cannot understand in any respect how it can be a gimmick. Under what circumstances would a pipeline company pay more than it is permitted to pass on to the consumer?

Mr. PASTORE. Let us assume that the price of gas is 15 cents a thousand cubic feet.

Mr. FULBRIGHT. The price where? It is never the same everywhere.

Mr. PASTORE. At the point we are talking about, where it goes into interstate commerce, under the bill. Let us assume that the gatherers are asking 16 cents, and they receive offers from a sufficient number of companies so that next year that figure will constitute the market price, even though they have not charged it off. I can see, under the Senator's formula, that the reasonable market price today may not be the reasonable market price a year from now, when we allow an individual, at arm's length bargaining, to pay a price other than the Federal Power Commission said was a reasonable market price. I think that is the only reason why the distinction is made.

Mr. FULBRIGHT. I would not support a bill which undertook to say that whatever is the price this year must be the reasonable price forever. The price of gas has gone up, but it has not gone up as much as has the general cost of living. The only thing we are saying is that the reasonable market price under all the circumstances is the only feasible way to deal with the producer.

Mr. PASTORE. Mr. President, will the Senator from Arkansas yield for another question?

Mr. FULBRIGHT. Certainly.

Mr. PASTORE. Let us assume in my hypothetical case that every pipeline company in a particular field is willing to pay 16 cents a thousand cubic feet when the reasonable market price has been established at 15 cents. If every pipeline company pays 16 cents, why does not 16 cents and not 15 cents become the reasonable market price?

Mr. FULBRIGHT. Under the Senator's assumption it would look as if we were in collusion. I do not see how we can make any progress, however, on a speculative case such as that. There is nothing new about it.

Still a third example in the application of the test of reasonableness in utility operations can be found in the utility's purchase of coal from captive mines. Where this is done, the utility is not permitted to expense more for the coal than what is determined as the reasonable market price—in other words, a price comparable with those being paid at other coal mines that have no affiliation with utilities. It will be noted that this situation is analogous with the case of natural gas.

Apart from the utility field, the rates and tariffs established by the Interstate Commerce Commission in its regulation of the railroads are based on reasonableness and are not a reflection of original costs. Taken into consideration are conditions of service and rates established by competing carriers and alternate types of carriers, among other things.

The test of reasonableness in pricing is also adopted in establishing prices for milk in metropolitan milkshed areas. No notice of cost of providing the milk is taken; the sole determination is the reasonableness of the price, and what level of price is required to bring enough milk into the market to supply the demand.

From these examples, it is evident that there is no valid reason for opposing the adoption of reasonable market price as the standard method of pricing for natural gas. There is ample evidence that the test of reasonableness can be applied intelligently, and that it is not a vague, nebulous concept that is being offered as an experimental procedure.

It will be further noted that the Federal Power Commission, in applying the reasonable market price standard, is not limited to a narrow set of factors that it can consider. The language of the bill specifically provides that several factors be considered, and the committee reports go into considerable detail as to what those factors are and what their significance is insofar as ascertaining the reasonable market price is concerned. Thus the legislative intent is clear. The committees after lengthy hearings and detailed studies of all the evidence, have offered specific counsel and guidance for the use of the FPC in its application of the standard.

Natural gas is a commodity, competitively produced and competitively marketed by the producer. The utility rate base concept, as a practical matter, cannot be applied in determining the field price of natural gas. This risk-taking competitive business cannot continue under a system which allows a 5 or 6 percent return on successful ventures and nothing on unsuccessful ventures. By setting the standard of "reasonable market price" the Commission may consider numerous factors including, as pointed out by the Senate committee, the following:

First. The quality of the natural gas being purchased;

Second. Conditions of delivery;

Third. The level of prices established currently by generally comparable contracts;

Fourth. Prices in different fields in producing areas;

Fifth. Whether such prices and the contract price have been established by arm's length bargaining; and

Sixth. The variation of competitive market prices.

In conclusion, let me repeat that it is in the consumer interest, it is in the public interest, that this Nation have available a large and continuing supply of natural gas at reasonable prices.

These are the goals of this bill. I urge that the Senate vote its passage.

Mr. DOUGLAS. Mr. President, will the Senator yield for some questioning?

Mr. FULBRIGHT. I yield.

Mr. DOUGLAS. On page 4 of the Senator's prepared address, which he was kind enough to share with me, and which he repeated in his discussion, he made the statement on line 5:

> Is it not obviously more efficient to control the prices that some 120 pipelines pay for their gas rather than to attempt to fix the prices at which more than 8,000 producers sell the same gas?

There are two initial factual corrections which I think should be made. First, in practice, 96 percent of the natural gas which moves in interstate commerce is handled by 17 pipelines. Most of the pipelines are relatively insignificant. The real question relates to 17 of these; and really 3 of them do not handle much gas interstate.

Mr. FULBRIGHT. If the Senator will permit me to interrupt him, I agree with that statement. I said that was an inaccuracy because there are the other lines. The Senator's point merely fortifies my argument that it is much simpler, administratively, to control these few lines than it is to control the great number of producers. I think the Senator from Illinois is quite right in that respect.

Mr. DOUGLAS. It is certainly true, so far as the records of the Federal Power Commission show, that instead of 8,000 producers there are only approximately 5,000 producers.

Mr. FULBRIGHT. I think 8,000 is the overall number. It includes a very large number of small producers. I would not quarrel with the Senator; in fact, I have the tables. I think the first 100 producers account for about 78 percent of the production. But I only observe that the concentration of production in this industry is far less than it is in most of the major extractive industries—in fact, all of them except bituminous coal.

So far as there being real competition is concerned, I think it is much more obvious and more certain in this field than it is in most other fields. I mentioned one of the industries in the Senator's own State of Illinois—farm machinery. That is one of the products which, more than any other, affects my constituents. There is the necessity to buy cottonpickers from John Deere or International Harvester, and maybe 1 or 2 other companies. There are only 3 or 4 manufacturers of farm machinery who compete with one another. But we do not complain that there is no greater competition. I have not introduced a bill to try to set farm machinery prices. Perhaps I ought to, but I have not so far. We have relied on competition among 3 or 4 major producers; perhaps it is only 2.

Mr. DOUGLAS. It is four.

Mr. FULBRIGHT. There are two recognized, outstanding manufacturers.

Mr. DOUGLAS. The first two points were made merely in an effort to clear

away the underbrush. The real point which I think the Senator should consider is his implication that he is attempting to control the prices which pipelines pay for their gas.

I thought our colloquy had developed that, at best, all the bill does is to control, or try to control, the price which pipelines may charge for their gas, but certainly it has no direct control over the prices which they pay producers for their gas.

Mr. FULBRIGHT. Does the Senator believe that that is not effective control? Does the Senator really care about what will happen to the pipelines if they do not pass the rate along to the consumers? He has stated he is interested in the consumer. If it is the consumer in whom he is interested, why does he care whether the pipelines should pay another sum?

Mr. DOUGLAS. Once the pipelines make the payment, it will be very hard, as I understand it, under American constitutional law, to say that they cannot later charge that payment as an expense. It is going to be very difficult for the Federal Power Commission, once the pipelines have made the payments, to prevent their being charged as an expense or being passed on to the consumer. I do believe such an act may well be ruled to be confiscatory in nature. If the Commission is deprived of all power to regulate the price charged by the producer, how can it later regulate the amount which can be passed on?

Mr. FULBRIGHT. I do not know what the Senator means. Does he mean that the bill is unconstitutional?

Mr. DOUGLAS. I think there is very serious doubt as to whether this feature of the bill would be constitutional.

Mr. FULBRIGHT. I do not think there is any question about its being perfectly constitutional. The pipelines have the right under the bill—and they will exercise it, if they are prudent businessmen, as we assume they are—to ascertain in advance whether a certain price is a reasonable price, and whether they can pass it on to the consumer—or, I should say advisedly, to the utilities.

I can imagine circumstances under which it would be good business, and perfectly legitimate, for a long line to pay more than it can pass on.

Under certain circumstances, in the interruptible period, summertime, the pipelines might get a large volume, and they could afford to absorb all of it and still make money on it. I can imagine just such a circumstance developing, and I do not think the pipelines ought to be prohibited from doing that, if that should be the case.

Mr. DOUGLAS. Before I pass to another point which I should like to make, the Senator provides in his bill that if the price which the pipelines pay to the producers or carriers has been effected by collusion, then such a price is to be invalid. The Senator is, of course, aware as a lawyer, that collusion is very difficult to establish and to prove. That has been one of the weaknesses of the antitrust laws.

Mr. FULBRIGHT. I may say to the Senator that that would have to be determined under every type of regulation of a utility. That applies to the local distributor. Whatever agency has the regulatory control must be aware of the possibility of collusion and must disallow it.

If the Washington Gas Light Co. paid more than the reasonable market price for coal—if it bought that coal, we will say, from a cousin of the president of the company—it would be the duty of the local regulatory body to disallow that price on the ground that it was not the reasonable market price. That point is involved in every kind of regulation.

Mr. DOUGLAS. I must point out to my good friend that his bill gives to most pipeline companies a direct inducement to pay a high price for gas for that reason. Whereas the Kerr bill exempted from repeal gas produced by pipeline companies themselves and allowed such prices to continue to be regulated and merely confined itself to the so-called independent producers, the bill introduced by the Senator from Arkansas permits pipeline companies to charge any reasonable market price for their gas. Therefore, the more the pipeline companies pay to the independent producers to establish the market price, the more the pipelines will receive and can pass on for the gas which they themselves produce.

The Senator from Arkansas yesterday tried to disparage the importance of this factor by saying such production amounted to only 10 percent of the total. The figures which I have indicate that it amounts to about 20 percent. I think it is in fact 21½ percent.

So the Senator from Arkansas and Representative HARRIS, the distinguished Member of the House whom I see on the floor, and whom we are very glad to welcome, have allowed to be placed in their bill—and I feel certain they did not do so intentionally—a built-in provision which gives an inducement to the pipeline companies to pay higher amounts to the so-called independents, which would then become established as the market price. The pipeline companies could then write up the price of their own gas. This is giving them a bonus for not trying to drive a good bargain.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a memorandum which I have prepared on this subject. I do not wish to take the time of the Senate to read it now, but I think, for the purpose of the RECORD, it ought to be inserted at this point.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

PIPELINES SHOULD BE ENCOURAGED TO SEARCH FOR GAS

Everyone admits that assurance of supply is one of the major challenges faced by the natural gas industry. It is fairly obvious that the greater the number of qualified people engaged in exploring and drilling for natural gas, the better the industry will discharge this obligation. The pipelines, certificated by the Federal Power Commission to serve certain areas, should be encouraged to add their efforts to the search for new natural gas reserves.

A regulatory program which, on paper, forces these companies to provide gas for a few pennies less than the going competitive rate but which, in fact, discourages them from undertaking exploration, cannot be defended. The risks and problems of exploration are just as great for a pipeline company as for any other company or person. It has been found that the competitive field price for gas brings supplies forth but an artificially depressed price does not. By permitting pipeline companies to participate in exploration on approximately the same terms as other parties participate, a great deal of strength will be added to the Nation's gas exploration program.

Ownership of gas reserves strengthens the pipeline companies' bargaining position in negotiating gas purchase contracts. When a pipeline company begins plans on an expansion program, for example, it can shop around a little longer and drive a harder bargain if it is not entirely dependent on buying gas from others.

The pipeline company can operate more efficiently and arrive at more effective gas purchase contracts if it has ownership of adequate reserves. Generally speaking, a producer prefers steady deliveries of gas from a well throughout the year. It is preferable to sell moderate volumes of gas each month than to sell large volumes in winter but practically none in summer. If a pipeline company has adequate reserves of natural gas available, it can contract for steady production with nonaffiliated producers and use its own reserves to meet seasonal fluctuations. The pipeline company can also use its own reserves, of course, to keep the pipeline load-factor at a higher level than would be possible without these reserves. Thus, lower prices in the field and higher efficiency in transmission are achieved.

Ownership of reserves by pipeline companies will promote utilization of casing-head gas and, hence, make an outstanding contribution to the conservation of natural resources. Casing-head gas is a joint product with oil. About one-third of the gas in the Nation is in this category. Because casing-head gas is associated with oil production, it varies in production rates according to the rate at which oil is produced. This means that, in summertime, when demand for oil is high, the supplies of casing-head gas are high. In wintertime, on the other hand, when demand for gas is high, production of casing-head gas tends to be low. Pipeline companies with adequate reserves in formation gas wells can readily contract for casing-head gas production, however. In wintertime, production from these reserves is high, making up the deficiencies between demands for gas and supplies of casing-head gas. In summertime, on the other hand, production from dry gas reserves is low and volumes of casing-head gas are utilized to the maximum. Without adequate dry gas reserves, however, the pipeline companies would be handicapped in directing casing-head gas to useful purposes.

In short and in summary, pipeline companies should be encouraged to search for gas because:

1. The additional effort will certainly increase overall supplies.

2. The improved bargaining position will result in lower prices in purchase contracts.

3. The improved efficiency in production and pipeline operation will result in economies which will be passed on to the consumer.

4. The utilization of casing-head gas is enhanced.

Mr. FULBRIGHT. Mr. President, we believe it is good for the pipelines to have a certain amount of reserves to be drawn upon in periods when there is an unusual demand for gas. The Senator has already made the point that

approximately one-third of the gas of this country comes from oil wells. That gas is called casing-head gas. Under our economy, in the summertime there is a high production of casing-head gas—that is, when there is a high production of oil. At that time the pipeline companies shut down on their own reserves.

In the wintertime there is a relatively low production of casing-head gas. That would be the period when the pipelines could draw upon their own reserves.

Therefore, we believe it is a good and proper thing, in order to preserve the balance of the industry, for the pipelines to have some reserves on which they can draw at the well, in addition to the contract gas.

The protection in this case, as in any other, is the reasonable price as determined by the Federal Power Commission. We must assume the necessity of the regulation and the reasonable efficiency of the Commission. It is the duty of the Commission, as I have said, to ascertain whether there is collusion or whether any other factor has entered into the matter to enhance the price. The Commission is quite well aware of this inducement. As the Senator has said, there are many inducements to increase the price. The same is true of harvesting machines from the International Harvester Co., of Chicago, or any other product made in Chicago. But at least we would be putting the Federal Power Commission in control over the prices and requiring that prices not go beyond a reasonable level. I do not know how the Senator can complain about that.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. DOUGLAS. Will the Senator withold his question so that I may complete my thought?

What the Senator is proposing is to set up the market price——

Mr. FULBRIGHT. The reasonable market price.

Mr. DOUGLAS. As the determinant of what the allowed price to be passed on shall be. Then the qualification of reasonableness merely opens the way to ask, "Well, what market price shall we take?" But in order to have a reasonable market price, the buyer must be at least determined to drive a good bargain, namely, so that it is a bargain between parties, each one of whom presumably is trying to get the best bargain. One side should be trying to get as much as possible and one side is trying to pay as little as possible.

But in the case of gas, with the public holding the bag, and with the costs which the pipeline company incurs in all probability being passed on, there is little enough inducement at best for the pipeline really to struggle for a low price. But that is not all by any means. There has been written into the bill the provision that the more that is paid the independent producers, the more they can get for the gas which they themselves produce. So they are given a bonus for becoming an accomplice, so to speak, in boosting the market price. That is the point I make. I should like to hear what the Senator from Arkansas has to say about that.

Mr. FULBRIGHT. I think the Senator misconstrues the bill. I believe, of course, any tendency toward what the Senator has suggested would be considered by the Federal Power Commission. I would say such a situation arises in many cases where regulations exist, and I see no reason whatever for the Federal Power Commission to ignore that very factor. If there exist 5 or 6 different sources of supply, I think there is plenty of competition to overcome any such tendency. The Senator must remember that with respect to a major part of their business, the profits of the pipelines are dependent on the amount of gas going through the pipelines. They will not want to cut down the volume. They get paid for that service. They do not make money on the gas itself, except on that which they own.

Mr. BUSH. Mr. President, will the Senator from Arkansas yie'd in order that I may ask 2 or 3 brief questions?

Mr. FULBRIGHT. I say to both the Senator from Illinois and the Senator from Connecticut that I am sure they understand I have finished my speech.

Mr. BUSH. I am sorry I did not have the advantage of hearing all of the Senator's speech. If I ask questions the answers to which are contained in his speech, the Senator may refer me to the RECORD, but the answers to my questions can be given in a brief time.

I should like to say to the Senator that philosophically and sentimentally I am very much disposed toward his bill, but there are some factors in the bill with which I have been dealing for many weeks. In fact, I do not recall any issue which has been before the Senate to which I have given so much time. I am in a dilemma regarding some phases of the matter.

In the area which I represent the chief opposition to the bill comes from the gas distributors. I am sure that is not news to the Senator from Arkansas, but that is where the chief opposition comes from. That opposition is, I should say, based on 3 points. If those 3 points could be cleared up, I believe much of the opposition to the bill would disappear, and there could be before the Senate a good bill and a sound bill, and one which would benefit all elements involved, from the consumer all the way up to the gas producer.

My first inquiry concerns the most-favored-nations clause. I should like to ask the Senator if he believes that his bill would outlaw the most-favored-nations clause, so to speak.

Mr. FULBRIGHT. I would say the bill would subject the clause to the reasonableness of the increase. By that I mean that the increases are specifically made subject to the overriding consideration of whether or not, if any increase is asked for, it is reasonable and reflects the reasonable market price.

However, I wish to say also I appreciate what the Senator has said about the opposition to the bill. He confirms exactly what I have said, that is, the opposition does come from the distributors and not from the consumers. Nonetheless, the distributors are worthy of consideration. I would not say they are not. They have a substantial problem. I appreciate what the Senator has said about that aspect. However, there has been a great deal of debate as to whether the main opposition did come from the distributors.

Mr. BUSH. I can only answer from what my own observation has been, and so far it has shown that the principal opposition comes from the distributors.

In view of what the Senator has said about the most-favored-nations clause, does the Senator believe that, under his bill, the Federal Power Commission would have a right to void that clause?

Mr. FULBRIGHT. Yes, as such, if it does not conform to the standard of a reasonable market price. Let me say a further word about that matter. There is much misunderstanding about the favored-nations clause.

Mr. BUSH. I agree with the Senator.

Mr. FULBRIGHT. It sounds as if it were something that had happened in Europe or Asia or some foreign land. It is a phrase which was picked up and applied to a situation giving protection to a producer who is required to contract for his gas for 20 years. No other commodity I know of is sold under any such circumstances. The pipeline operators say, "We cannot build a pipeline or give you a market unless you contract for 20 years."

All the producers did was to protect themselves from unreasonable changes in the value of money—as, for instance, during inflation. That was one of several ways. There was nothing vicious about it. But because it was complained of and got a bad reputation, the sponsors said, "Very well; let us outlaw such contracts. No more can be made, and those in existence will be nullified by the bill unless they conform to the standard of a reasonable market price."

Mr. BUSH. In that case, would the Senator from Arkansas accept an amendment which would definitely clarify that point?

Mr. FULBRIGHT. I think it is quite easy to clarify the point, by means of the debate on the floor in regard to what the bill does. Not only will I confirm what I have said about its effect and intention, but I am sure that the Senator from Oklahoma [Mr. MONRONEY] and all other Senators interested in the passage of the bill will do so.

I did not, and I do not yet, quite see what it is that causes any uncertainty about the meaning of the bill. I believe it is very clear that the only two provisions which are not outlawed or are not nullified—I suppose that "nullified" is a better word to use—by the bill are first the one regarding the fixed step-up, which is considered merely a part of the basic price—in other words, the fixed step-up provision, as contrasted to the most-favored-nation provision; and also the tax absorption provision.

Mr. BUSH. Yes.

Mr. FULBRIGHT. There was no real complaint against those two provisions—not even by the distributors. They complained about the favored-nation provision. So the bill does not nullify those two types, but does nullify the rest.

Mr. BUSH. Let me say that, as the Senator from Arkansas has stated, certainly there is considerable misunderstanding about it, because the spokesman for the distributing companies with whom I have talked—and I have talked with a great many of them—are terrified by the most favored nation clause—which name is used only as a handle, in order to get that issue before us.

If the Senator from Arkansas and the other proponents of the bill will accept an amendment which will positively confirm what the Senator from Arkansas says, I believe that will go a long way toward dissolving some of the opposition.

Let me say the same regarding the so-called spiral clause, which I am sure the Senator from Arkansas identifies.

Mr. FULBRIGHT. It is in the same class as the favored nation clause; it is also out.

Mr. BUSH. It is also out?

Mr. FULBRIGHT. Yes.

Mr. BUSH. Then it would seem to me that an amendment which would clarify that in the minds of consumers and gas distributors would also go a long way toward dissolving further opposition.

The third point I should like to make is regarding the question the Senator from Arkansas was discussing a short time ago, namely, as to the reasonable market price. This is the third and vital point in the opposition of those with whom I have discussed this issue. They want a better definition of a way to find a fair price—better than the language "reasonable market price," which does not require the Commission to take into account anything except market factors.

Mr. FULBRIGHT. I believe the Senator from Connecticut is not correct as to that.

Mr. BUSH. I mean so far as the bill is concerned.

Mr. FULBRIGHT. The bill gives substantial advice as to what should be considered, and the hearings give even more.

Mr. BUSH. The hearings contain considerable advice, but that does not constitute the law. I do not believe the bill contains any directive as to what elements should be taken into account in finding a fair market price.

Mr. FULBRIGHT. That is in the report.

Mr. BUSH. Oh, yes; but I am speaking of the bill.

Mr. FULBRIGHT. I do not know; the Senator from Connecticut is asking for something which I think may be quite impractical as a matter of legislative drafting. In that connection it should be pointed out that if we begin to specify in the law that only one thing shall be considered, then we run into the difficulty that the provision becomes exclusive, and bars the consideration of any new development. In that way the law is made quite inflexible.

Just before the Senator from Connecticut entered the Chamber, I obtained consent to have printed in the RECORD a rather long history of the concept of "reasonable market price." That concept is not new in our laws; instead, it is rather ancient, certainly going back as far as the concept of eminent domain, which goes back hundreds and hundreds of years.

In our business and in our law there are many practices which deal with that very concept; that is true both as to the civil law—in other words, the law dealing with our economy and with civil practices—and as to the criminal law. In tort law there is the same standard in the case of reasonable care as a basic concept in regard to negligence. No one ever has been able to spell out in the law just what is reasonable care, and yet that standard is applied every day in the year in thousands of courts. The Interstate Commerce Commission every day applies, in connection with its rulings, the concept of reasonable rates; but that concept is not spelled out in the law, because that could not be done.

I would be very much interested in ascertaining whether the Senator from Connecticut thinks he can spell out a satisfactory, all-inclusive definition of "reasonable market price." But I do not think the Senator from Connecticut can do so, for that standard comes within the type of things which, by their very nature, must be determined in each instance, according to the circumstances which arise.

Beginning on page 6, in section 3, subsection (b), we find the following, commencing in line 22:

> In determining the reasonable market price of natural gas under the provisions of this section 5, the Commission shall consider, among other things, whether such price has been competitively arrived at, the effect of the contract upon the assurance of supply, and the reasonableness of the provisions of the contract as they relate to existing or future prices.

The specific language "among other things" is used because we know we cannot foresee, because no one is wise enough to do so, all the elements which should be considered in arriving at a "reasonable price." So the words "among other things" were specifically included, not for the purpose of causing confusion, but for the purpose of giving the Commission sufficient flexibility, so that it may consider all pertinent and relevant circumstances when the time comes for the Commission to make whatever decision it may deem to be reasonable.

I hope the Senator from Connecticut also will read in the RECORD the remarks I previously made regarding "reasonable market price." I also call his attention to the rather long expansion of that concept to be found on page 39 of the report, which I shall not read now.

Mr. BUSH. I have read that.

Mr. FULBRIGHT. That also would be considered by the Commission in arriving at the reasonable market price.

But what I believe has confused or disturbed some persons is the attack upon this concept as if it were something new. However, it is one of the oldest concepts to be found in the law—namely, the concept of reasonableness in arriving at the decision, in contrast to the cost-plus concept, which arose under utility regulation, as applied to monopolies. The cost-plus concept is much newer and more restrictive, and can be applied effectively and justly only under the circumstances of a utility, where all the elements are subject to direct control.

Mr. BUSH. I thank the Senator from Arkansas very much, and I assure him that I shall read his remarks in the RECORD.

I also wish to say that, regardless of his very able discussion of what reasonable market price means, and its history, there is still a great deal of terror in the minds of opponents of the bill. They are quite terrified about that language, and they have a very strong desire to have substituted for it some such language as just and reasonable price, and a definition of the factors which the Commission shall take into account, perhaps not exclusively, but inclusively, in arriving at a just and reasonable price and in arriving at the Commission's determination of that price. I hope the Senator from Arkansas will work toward that end. I will say to the Senator that I am working on such an amendment.

Mr. FULBRIGHT. I hope the Senator will do so. I think one of the serious criticisms of the opposition is that they have not come forward with a really workable alternative. We still believe that the pending bill offers the most workable formula that has been developed.

Mr. BRIDGES rose.

Mr. FULBRIGHT. I will say to the Senator from New Hampshire that I have concluded my speech. I am willing to yield the floor, but I agreed to yield for a few brief questions by the Senator from Illinois [Mr. DOUGLAS]. I am worn out.

Mr. DOUGLAS. Mr. President, I refrained, during the middle portion of the address of the Senator from Arkansas, from interrupting with too many questions, in order that the Senator from Arkansas might have an opportunity for uninterrupted delivery of the latter portion of his address.

I would appreciate it if the Senator from Arkansas would look at page 9 of the bill, in subsection (f), which reads:

> (f) In regulating the rates and charges of a natural-gas company, the Commission shall allow as an operating expense of such natural-gas company, for natural gas produced by it, the reasonable market price of such natural gas at the point at which the gas is delivered into the transportation facilities of the natural-gas company in or within the vicinity of the field or fields where produced, and for gas purchased from an affiliate, the amount paid to such affiliate for such gas up to but not in excess of the reasonable market price of such natural gas at the point at which the gas is delivered into the transportation facilities of the natural-gas company in or within the vicinity of the field or fields where produced.

As the Senator from Rhode Island [Mr. PASTORE] has pointed out, this means that the Federal Power Commission must accept as the reasonable market price the price in the vicinity of the point where the gas enters the pipeline system.

The term "vicinity" has a somewhat restricted meaning. I have looked it up in various dictionaries. It does not have a broad coverage. It does not mean

within 40 or 50 miles, as some have implied. It has a restricted meaning. It is quite possible that the Commission would give it such a restricted meaning. It might, indeed, give it such a restricted meaning that it would say that the price which would be allowed in the vicinity of the point at which the gas entered the system was the price paid at the point where the gas entered the system; and in this way the circular nature of the reasoning of the bill would become clearly evident. The reasonable market price would be the price which was paid.

I had thought that what we were trying to determine was whether the price was fair, whether the price was just; but apparently the present bill is so restrictive, with these clauses in it, that, in effect, it would be very difficult for the Power Commission to recognize as reasonable any other price except the price actually charged. The term "in the vicinity" is of crucial importance.

I wonder what the Senator from Arkansas has to say on that subject.

Mr. FULBRIGHT. All I can say is that when Mr. Kuykendall, the Chairman of the Commission, was asked whether or not the formula in the bill was a reasonable one or could be administered, he said, "Yes. We can work with it, and it is a great deal better than the one we have."

He is a better expert than I am on what is administratively possible. If the Senator would like to have me do so, I shall read what he said——

Mr. DOUGLAS. Another member of the Commission, to whom the Senator from Illinois accords greater credence, is Commissioner Draper. In his very able dissenting opinion he came to exactly the opposite conclusion. The experience of Commissioner Draper in the administration of the gas industry has been much more extensive than that of Chairman Kuykendall, who is a recent appointee. Such experience as the latter has had has been primarily in the field of electrical power.

Mr. FULBRIGHT. If the Senator does not wish to have me cite any authority, I shall have to rely on my own authority.

It is just as easy for the Commission to arrive at a reasonable price for the gas belonging to the pipeline as it is for anyone else. The Commission must take everything into consideration—vicinity and everything else.

Mr. DOUGLAS. The bill says "in the vicinity." That could have a very narrow and restricted meaning.

Mr. FULBRIGHT. It could have a very broad meaning, too.

Mr. DOUGLAS. The Senator from Illinois will introduce later definitions of the word "vicinity," which indicate that it is not a broad term. It means nearby, close at hand, adjacent to.

Mr. FULBRIGHT. I would welcome the introduction by the Senator from Illinois not only of that kind of definition, but also a detailed description as to how to arrive at the cost of gas as it is actually produced in the gas field.

Mr. DOUGLAS. If the bill were honestly and conscientiously administered, I think we should find that there would be more redtape involved in the Senator's bill than there is in the provisions of the present law.

Mr. FULBRIGHT. I assure the Senator that after the next election we shall have a better Commission.

Mr. DOUGLAS. I think we shall have a better Commission after next year's election. That is why I do not want to repeal the present law. It can be made to work if the Commission would only get down to the job.

Mr. President, there are 1 or 2 additional questions I should like to ask.

Mr. FULBRIGHT. Cannot the Senator ask them tomorrow?

Mr. DOUGLAS. By that time the Senator will have left the Chamber, and the subject will be forgotten.

Mr. FULBRIGHT. I will be here.

I yield only for a question, not for any further speeches.

Mr. DOUGLAS. If this bill has in it all the protections for the consumer which the Senator says it contains, what is really the need for it? Why not take the present act? If this is a measure for the defense of the consumer, why repeal the present act, which sets up as a standard "just and reasonable rates"?

Mr. FULBRIGHT. Is that a question?

Mr. DOUGLAS. That is a question.

Mr. FULBRIGHT. Because the two concepts are entirely different. I have explained that point at length. If the Senator will read the RECORD, he will find my explanation of it.

Mr. DOUGLAS. The present term, in section 5, is "just and reasonable rate."

Mr. FULBRIGHT. I explained that to the Senator from Illinois.

Mr. DOUGLAS. The Senator from Arkansas does not have a prejudice against justice, does he? He is not going to say that he wants an unjust rate, is he?

Mr. FULBRIGHT. I will say to the Senator, as I said to the Senator from Rhode Island, that the term is a "word of art." Not being a lawyer, the Senator from Illinois does not know what that means, but it has a special significance, which is not necessarily either a logical or a reasonable significance. These words have acquired a special meaning by long usage in various laws.

Mr. DOUGLAS. Is it not true that if the word "just" is a legal word of art, the word "reasonable" is a word of cubistic art, devoid of beauty, indefinite and intangible, which violates all rules of logic by indulging in circular definition?

Mr. ANDERSON. Mr. President, will the Senator yield to me?

Mr. FULBRIGHT. Mr. President, I have already answered that argument in my previous statement.

Mr. DOUGLAS. Mr. President, will the Senator further yield?

Mr. FULBRIGHT. I yield for another question, not for another statement.

Mr. DOUGLAS. Does it not come down to this: The Senator wants to apply to the gas industry the same principles which are followed when the Government takes property under its right of eminent domain. I have not read the Senator's memorandum, but I understand that it is based upon those principles.

Mr. FULBRIGHT. That is an analogous situation.

Mr. DOUGLAS. Under the Constitution, when the Government takes private property for public use, it pays, and should pay, what the owner of the property could get in the market.

Mr. FULBRIGHT. The reasonable market price.

Mr. DOUGLAS. Yes. But when we deal with utilities, we do not recognize that the market price is necessarily the proper price, because we apply the category "utilities" to those commodities or services with respect to which there is no free and full competition, but with respect to which, in the public-interest regulation, rather than what the market will bear, or what the traffic will bear, should be the proper principle. Is that correct?

Mr. FULBRIGHT. I say to the Senator that I distinguish the production of gas from a utility. I believe they are entirely different. I have done so very thoroughly during the course of my remarks, and I do not think I should do it again. Our colleagues are getting tired. There is no similarity between the production of gas and a utility.

Mr. DOUGLAS. Mr. President, it is very interesting that gas, when it comes from the burner tip, is a utility, and also when it moves from the pipeline to the distributing utility, but it is not a utility when it enters the pipeline.

Mr. FULBRIGHT. The Senator knows that the mining of coal is not a utility. However, when it comes out of an electric iron in the form of electricity, after it has been converted into electricity, it is a utility. Those changes are common in our economy. The Senator knows that.

Mr. DOUGLAS. I wonder whether my good friend from Arkansas would not consent, since he is in such an amiable mood and has been so receptive toward the suggestions of the Senator from Connecticut—although I am not quite certain that that is true——

Mr. FULBRIGHT. The Senator is very discriminating in his judgment about this bill.

Mr. DOUGLAS. I wonder whether the Senator from Arkansas would not accept two other criteria of whether the price is reasonable; namely, first, the effect which the price the producer will obtain has on the price which the consumer must pay. I wonder whether we should not consider the effect upon the consumer, whom the Senator from Arkansas says it is his purpose to protect.

Mr. FULBRIGHT. The bill protects the consumer.

Mr. DOUGLAS. Why not say so in the bill?

Mr. FULBRIGHT. I have said so.

Mr. DOUGLAS. Why not put it in the bill?

Mr. FULBRIGHT. It is in the bill. It inheres in every line of the bill.

Mr. DOUGLAS. Why not let us add another definition? I am glad to have the Senator's definition. Why not add to the three vague present criteria the effect which the prices paid to the producers will have on the price paid by the consumers? Is that agreed to?

Mr. FULBRIGHT. I am sure the Commission would consider it.

Mr. DOUGLAS. Let us put it in the bill.

Mr. FULBRIGHT. It is a little late to put it in the bill.

Mr. DOUGLAS. No.

Mr. FULBRIGHT. I would suggest that we continue this discussion tomorrow.

Mr. DOUGLAS. Very well.

LIBERTY: A GOOD TO BE IMPROVED AND NOT AN EVIL TO BE LESSENED

Mr. BRIDGES obtained the floor.

Mr. JOHNSON of Texas. Mr. President, will the Senator from New Hampshire yield, so that I may suggest the absence of a quorum, with the understanding that he will not lose the floor?

Mr. BRIDGES. With that understanding, I yield.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BRIDGES. Mr. President, during the past 25 years, our country has undergone a tremendous growth. Population has increased from 122 million to 167 million. Today we are standing on the threshhold of a $400-billion economy—in terms of output of goods and services.

Yet when we look at the future, this growth seems almost insignificant. Some very interesting documents, prepared by a group of American economists, recently published by the 20th Century Fund, one of our leading research institutions, bear this out. They indicate that within 5 years, there will be in this great country of ours 177 million consumers and 69 million jobs.

Fundamentally, there is little difference between one country and another. Everywhere we find natural resources, tools, and people. There are countries with larger populations than ours and perhaps with larger physical resources than we possess. But this country has become the envy of the world. It is the greatest country in the world. For never have so many had so much. What is the basis for our success where others have failed?

The people who settled the Atlantic shores of Virginia and my own New England knew one thing—everyone had to work and live from the fruits of his own labor. The first Americans made their own way, wrote their own guiding principles of conduct. The Mayflower Compact was no accident. It was men thinking for themselves, creating their own rules of life. The Declaration of Independence was a declaration of what had already been accomplished through years of venture, danger and cooperation.

In America's colonial days there was keen competition among traders and merchants. There was even competition between American and English merchants. Had it not been so there would have been no Boston Tea Party. American shipping merchants contested with English and Spanish merchants for maritime trade. Boston, New York, and Charleston were competing towns. This struggle for profitable trade developed able businessmen. It helped make young America capable of carrying on a long and bloody war that brought liberty and independence, self-government, and a constitution that fostered commerce. It is so written into our fundamental law.

From this humble, hardy beginning came such famous men as Henry Clay, Andrew Jackson, Sam Houston, Daniel Webster, Abraham Lincoln, and Theodore Roosevelt. These men helped to make a nation that loved freedom, and would die for it. Others like U. S. Grant, Robert E. Lee, Phil Sheridan, John Stark, John Pershing, and Dwight Eisenhower represented America on the battlefield. John Paul Jones, George Dewey, Chester William Nimitz and a score of others on the sea had individual initiative. Ask the enemy. In the air were Billy Mitchell, Hap Arnold, and Carl Spaatz. All that is America.

Some time ago, one of our businesses decided that it wanted to find out the elements in the American scene that people consider responsible for their high living standards. The comment of one young man from a town in my native State of New Hampshire seems to me to hit the nail on the head. When asked how America's present standard of living was achieved, he replied: "By giving people freedom to explore and develop their best abilities and by reassuring them that the Government would not take that freedom away."

In the American economy we have relied chiefly on private initiative, in search of profits, or higher wages, to get things done. If consumers as a group wanted something badly enough, they were willing to pay for it. An increased demand bid up the price at first, yes, but as know-how was acquired and more producers were attracted, competition among producers pushed down the price. The result again and again was that people had a new, improved product at a reasonable cost.

Ours was a decentralized economy and must continue as such if we are to maintain our present way of life. There are really only two ways in which resources can be allocated. Either they will flow into productive channels through the persuasion of an impersonal price system or they must march there under the fiat of personal planning or dictation.

When inroads upon the price system become so numerous as to hinder its operation, a free private enterprise economy will no longer exist. Then the government-directed, government-planned economy will be here. When the consumer's voice no longer brings forth responsive changes in our economy, when a few do the thinking and choosing for the many, then the vote cast at the ballot box, too, will have become an empty gesture. It was not pure coincidence that the political philosophy expressed in the "Spirit of '76" was accompanied in that year by the publication of Adam Smith's Wealth of Nations.

Let me make one quotation from the economic spirit of '76. Said Adam Smith:

> The natural effort of every individual to better his own condition, when suffered to exert itself with freedom and security, is so powerful a principle, that it is alone and without any assistance, not only capable of carrying on the society to wealth and prosperity, but of surmounting a hundred impertinent obstructions with which the folly of human laws too often encumbers its operations.

A year later, Edmund Burke, conceding that liberty must have some restraints, gave this advice:

> It ought to be the constant aim of every wise public counsel, to find out by cautious experiments, and rational, cool endeavors, with how little, not how much, of this restraint the community can subsist; for liberty is a good to be improved, and not an evil to be lessened.

Over the years, this system of ours has been challenged from without and within. Twice in this century were we called upon to defend our way of life against the totalitarian beliefs of a Kaiser, Hitler, and Mussolini. Today we again find ourselves involved in a ceaseless struggle with evil forces which deny to the individual his God-given right to follow the pursuit of happiness as he may see fit.

The greater our capacity to satisfy peaceful economic wants, the greater our capacity will be to defend ourselves. For we shall have a better economic machine to turn from peace to war production. No doubt, that is one of the prime reasons why our system is today under attack from without. There is equally no doubt in my mind that President Eisenhower, as a former military man, realizes that. His knowledge that military power is nothing but the cutting edge of economic power and his profound love for our institutions speak out of the following statement made by him last May:

> We can differentiate between a government that is based upon individual opportunity, and one that is based upon regimentation, in this way: Opportunity brings that richness of productivity in which all may share. Individual initiative, harnessed together for the good of the whole, is the most productive inspiration and impulse we have. * * * Regimentation does nothing but distribute deficits—deficits that occur when we do not take advantage of these great impulses in the human heart and mind to produce what we can for ourselves and for our society.

Our President has seen Americans bleed and die for their country and its beliefs. He knows that we cannot be strong in war unless we are strong in peace. His experience, knowledge, and fundamental creed lead him to say:

> We want no regimented state. We want no direction from the Federal Government where that is not necessary. We want, in our individual sense, the maximum of freedom so long as we do not trespass on the freedom of others.

Mr. President, thanks to the heroism and courage of our fighting men, we have successfully so far withstood threats to our way of life from without. But there were those among our own ranks who,

for one reason or another, wanted to make States into Federal districts and introduce a system under which a handful of people would run the lives of the many. Early in our history when Thomas Jefferson found himself in serious and extended controversy with the Government, he encouraged the formation of what were then called Democratic clubs to resist the encroachments of the central Government upon local governments and upon personal liberties.

The continued emphasis on more Federal laws to protect the public seems to me to be wrong on several grounds. Continued increases in Federal agencies, the concomitant of more Federal laws, tend to destroy our system of a federated republic. Agencies, like the amoeba, multiply. In the words of my distinquished colleague, the Senator from Virginia [Mr. BYRD]:

> It is difficult to generalize or summarize the Federal expansion and to determine what part of it may have been directly attributable to emergencies, what part may have been attributable to normal progress, what part may have been a result of a combination of these developments, and what part has been due to the multiply-by-division characteristics of bureaucracy.

More Federal agencies make the balancing of the budget more difficult; they make tax reduction less likely.

Increasing Federal bureaucratic interference with the price mechanism of the market place will, as I have said before, eventually bring on the totalitarian economy and state. Above all, the idea that people must be prevented from doing this is un-American. This country has been built by the hands of millions of people. It has not become great because somebody wanted to tie the people's hands behind their backs.

With our magnificent accomplishments under the free-enterprise system, one would suppose that there would be unanimity of opinion that this great system should remain unimpaired and unshackled. But not so.

There are always those who would place more and more power in government and leave less and less freedom in the individual. Some of this is done in ignorance of the consequences, much of it is by design of those who would overthrow our system of government and substitute socialism or communism or some other form of dictatorial power.

Nearly 200 years ago Edmund Burke said:

> The people never give up their liberties but under some delusion.

That statement is as true today as it was then. Some of our people, led by self-appointed spokesmen who assume to represent the public interest, are urging the retention of Federal control of gas producers. This control was imposed upon them recently by a decision of the Supreme Court purporting to say what Congress intended when it passed the Natural Gas Act in 1938. These people do not know that what they seek is the undermining of their own liberty. They do not understand that Federal regulation of natural gas means Federal regulation of oil, from which much of the gas is produced; that it means regulation of the manufacturing of natural gasoline. Nor do they understand that unless we are to act arbitrarily and capriciously by singling out one industry for control which cannot be distinguished from hundreds of others, we must also extend Government control to the production of coal, lead, zinc, copper, and all other mining. Nor do they know that on the same basis we must extend Federal control to the manufacture of automobiles and motor parts, to the manufacture of cigarettes, steel, and in fact to four-fifths of all the manufacturing industries in this country. But most important of all, they do not know that the extension of Government utility control of these important industries would be the end of our competitive enterprise system which has made our Nation great.

Those of our people who do not care for principle but look to their own immediate selfish interest do not appreciate that success in what they seek would mean the slowing down of the flow of natural gas in their homes and higher prices to be paid for the meager quantities which reach their homes.

Production of natural gas is a competitive enterprise charged with the responsibility of discovering and supplying this Nation with adequate supplies of natural gas at reasonable prices. Competition has been effective in the accomplishment of this task. For these reasons, the imposition of Federal utility regulation upon the gas-producing industry by the Supreme Court should be corrected by Congress.

I speak advisedly when I suggest that the Court misinterpreted the intent of Congress when it held that Congress intended to subject independent producers of gas to regulation by the Federal Power Commission. I was in the Senate at the time. I know I had no such intent, and I believe I speak for the vast majority of Senators and Representatives who were here at that time. The legislative history of the act shows clearly that if any Members of Congress had any such thought, they carefully concealed it from the rest of us. There is nothing in the legislative history to the effect that the independent producers should be regulated by the Federal Power Commission. On the other hand, the record is full of assertions that no such purpose was in mind. The act passed both the Senate and the House without a record vote. Does anyone doubt that there would have been terrific opposition to the bill from the southwestern gas-producing States, if from no other area, if it had been thought that such revolutionary changes in our free enterprise system were involved?

In my opinion, it is our clear duty to enact the legislation now under consideration. I did not believe in utility regulation for producers in 1938—I do not believe in it today. It is the duty of Congress to make the laws; and if the courts make a new law by a misinterpretation of Federal legislation, then it is the duty of Congress, in my judgment, to rectify the error promptly. Otherwise we would abdicate our constitutional power and function in favor of the judiciary.

When I cast my vote for this bill, I feel that I am rendering a distinct service to the whole country, but particularly to the citizens of my own State of New Hampshire.

In New Hampshire and in most New England States we only recently obtained natural gas. We are about as far away from the present source of the supply as one could be and still be in the United States.

We who live in New Hampshire are in the northeastern part of the United States, in what might be termed the thumb of the Nation. Natural gas is not cheap in our area, but, even so, many of our citizens prefer it to other fuels.

I find that there is a great deal of confusion and misunderstanding about the prices for natural gas and what goes to make up the price which the consumer ultimately pays. The opponents of this legislation have contributed to that misunderstanding. They claim that the producers are responsible for the high prices in some areas, such as New England. Actually, the prices the producers receive for the gas in the gas fields which ultimately serve our New England States approximates 10 cents per thousand cubic feet. The total average price paid for the same gas in our New England homes is $2.40 per thousand cubic feet, or 2,400 percent of the amount the producers receive. If there were some way to completely eliminate the price which the producer receives—if the producers could be persuaded or compelled to give their gas to the pipelines—the savings in our New England homes would be so small as to be almost unnoticeable. They would be practically nothing—negligible.

There are three distinct segments in the gas industry—the producers who discover and produce the gas, the pipelines which transport it from the gas fields to the markets, and the local distributing companies which deliver the gas to our homes. The smallest part, by far, of the cost of gas in our homes is the producers' share; the next is the share of the pipelines; and the greatest, by far, is the share of the local distributing companies. Due to the great distance of the New England States from the Southwestern gas-producing States, we may expect the pipelines' charges to be higher than for areas closer to the gas fields. But, even so, the pipelines' charges of 50 cents and the producers' charges of 10 cents combined constitute only about one-fourth of the cost paid by the household consumer. The balance goes to the local distributor.

It is my understanding that the distributors' margins in the principal gas consuming cities vary widely from a low of around 30 cents per thousand cubic feet in some areas to as high as $2.40 in other sections.

Experience shows that distributors' as well as pipe lines' charges can be reduced as the volume of gas going through the lines increases. It costs almost as much to operate pipe line and distribution facilities at half capacity as at full capacity. Consequently, by increasing the volume of gas, revenue increases, sometimes doubles or triples, without substantial additional cost. In other

words, the more gas that goes through the pipe lines, the less it will cost the consumers.

Consumers must look to increased volumes of natural gas if they hope to get lower prices and more of this convenient fuel. There is room for substantial or even large reductions in local distributors' margins and for reduction in the pipe lines' charges by increasing the volume of natural gas handled. This is the only hope of substantial price relief for the consumer.

Utility regulation of natural gas producers is a road-block to any great price relief to New England natural gas consumers. It will also prevent many of our citizens from obtaining natural gas for their homes.

Increased volumes, which is the key to our problems, must come from the producers in the field.

There is no law that compels them to sell it to us or to the pipe line serving our State. Only by making it attractive to the producers can we expect to get the necessary supplies of natural gas. We do not make it attractive, in fact we drive them away when we say: "If you sell the gas to our pipe line, you must be regulated as a public utility on a basis whereby you get nothing for the gas which you own; you will only get a sum sufficient to repay the cost of producing the gas with interest on your money at 6 percent per annum." If Senators were producers, they would not care to sell natural gas under those circumstances. Nor would I.

Not only is utility regulation of natural gas producers bad in itself, but in actual practice it has operated to discriminate against our own citizens in favor of foreign producers and foreign gas.

Quite recently the Federal Power Commission has authorized the importation of natural gas from Canada. It is my understanding that this gas will cost 22 cents per thousand cubic feet at the border. A number of similar projects are under consideration. Recently natural gas has been discovered in Canada only a short distance from New Hampshire and Vermont. It may shortly be coming into our country.

Neither the Federal Government nor any State government has any power over the producers' price of this gas or over the transportation charges to the Nation's boundary.

It is ironical that we should subject the producers in our country to the burdens of utility regulation and at the same time admit into this country higher priced gas from neighboring countries over which our regulatory agencies have absolutely no control.

Not only is this sort of treatment destined to dry up our own gas supplies—and if the pending bill fails of passage, Mr. President, you will see if it does not work out that way—but to drive from our borders into Canada and Mexico our own producers in order that they may have more freedom in supplying gas to our citizens.

Can this be America?

These bills come to us with recommendations for adoption from high sources—from sources whose concern for the public interest and only for the public interest cannot be doubted. Shortly after the Supreme Court's decision, the President of the United States, Dwight D. Eisenhower, took action. He appointed an Advisory Committee on Energy Supplies and Resources Policy, composed of the Director of the Office of Defense Mobilization as chairman, and members of the President's Cabinet. This committee reported unanimously as follows:

> In the interest of a sound fuels policy and the protection of the national defense and consumer interests by assuring such a continued exploration for and development of adequate reserves as to provide an adequate supply of natural gas, we believe the Federal Government should not control the production, gathering, processing, or sale of natural gas prior to its entry into an interstate transmission line.

That is the report of the committee appointed by the President of the United States to make this thorough study for all the people of this country.

The Federal Power Commission, with an experience of 18 years in regulating natural-gas companies under the Natural Gas Act, is in a preferred position to appraise the effects of its control over producers of natural gas. The Chairman of the Federal Power Commission reported to the House committee, when it was considering the Harris bill, as follows:

> We support this proposed legislation because we firmly believe that such legislation will, in the long run, result in the greatest good to the largest number of people in this country.

The pending legislation conforms with the principles laid down by President Eisenhower on a number of occasions. I quote the President as follows:

> I want to say this one thing: One of my special jobs is to see that the Federal Government does not establish such monopolies over our lives, such directive power in our communities and in our States, that it becomes the greatest vested interest of all; and, finally, is an instrument for attacking the individual lives of each one of us.

If I were not fully convinced in my own mind—and I am convinced—of the wisdom of his legislation, I should prefer to follow the principles laid down by our President and the specific findings and recommendations of the two expert bodies—the President's Cabinet committee and the Federal Power Commission—than to listen to those who are less well informed or whose motives may spring from their own self-interest rather than for the public good.

If we do not at least partially restore the freedom which the Congress intended gas producers to have, we may well expect further encroachments upon our freedoms by the courts, the administrative agencies, and even by the Congress.

Mr. President, my remarks on the bill have been from the point of view of free enterprise, which I have always supported. In the nearly 20 years I have been a Member of the Senate of the United States, I have consistently supported that principle, and I shall consistently continue to support it. Regardless of the fact that some Members of the Senate from time to time have wandered aside with views which have bordered on socialism and other isms, I have followed that principle. I am not so familiar with the details of the industry, so far as the actual production of gas is concerned, as are some other Members of this body, and as are the experts, but I do know the principles of free enterprise. I was a Member of the Senate when the original bill was passed. I have been one since, and I expect to be for several years to come. The issue now before the Senate is a vital one. It is important in considering the whole free-enterprise system, and in contemplating the future of our country.

If the Federal Government can regulate the price of gas at the wellhead, it can regulate the price of any other fuel, of any agricultural or manufactured commodity. It could even regulate the cutting price of timber on a small woodlot in New Hampshire. I could hardly be guilty of exaggeration when I say that a New Hampshire farmer raising chickens for the Boston market could have his price laid down by Washington under such a statute. That is not the kind of America which I, for one, want.

Mr. PURTELL. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER (Mr. CURTIS in the chair). Does the Senator from New Hampshire yield to the Senator from Connecticut?

Mr. BRIDGES. I yield.

Mr. PURTELL. First of all, I wish to compliment the distinguished Senator from New Hampshire, and, I might say, my beloved friend, for his well prepared and well delivered address. I am sure he will be glad to answer some questions I have, because I, too, am from New England.

I am inalterably opposed to the proposed legislation. I should like to ask the Senator from New Hampshire whether he can tell me what State, if any, has the right to regulate a public utility in interstate commerce. I believe it is the Federal Government alone which has that right.

Mr. BRIDGES. That is correct.

Mr. PURTELL. The Senator has said much about free enterprise. For 30 years I have not only believed in and practiced free enterprise, but I have gone over the land preaching free enterprise. I believe in it as vigorously as does my distinguished colleague.

What is free enterprise? It must be not only free, but it must be competitive. When our system of capitalism is destroyed, if it ever is, it will be destroyed because of abuses rather than anything else. It is not free enterprise when there is no competition, when there exist captive consumers and a captive market at the end of the pipeline, when consumers must pay any price demanded of them, and have no choice. Freedom of competition? There is no freedom of competition. Freedom of determination? There is no freedom of determination.

People who have invested their money in gas-burning equipment must pay the price or deny themselves the use of that fuel. There is a public utility involved, and it is controlled at the State level to the extent that a State can control it. There is only one other agency that can control the fuel in interstate commerce,

and that is the Federal Government. Until the fuel is competitive and truly free, we must look after the interests of the people and see that they are protected.

Does the Senator believe there is free competition and free enterprise for the householder in Connecticut or in New Hampshire who must today pay 10 cents for gas, and possibly 20 or 30 cents for it tomorrow? He is not buying the pipeline, I may point out. He is buying gas delivered through a pipeline, and he may be asked to pay 30 cents tomorrow.

In the hearings which were held, evidence was presented to the effect that perhaps 20 or 30 cents would be the right price, and not 10 cents. Until we have real competition in our system of competitive capitalism, we are in fact not doing our best to save capitalism

Mr. BRIDGES. Mr. President, I should like to say first that I respect the feelings and the approach of the Senator from Connecticut. He is an able United States Senator, and a good friend, from my own section of New England.

I think there is competition. For instance, let me say that in the production of electric energy in my State, for example, some is produced by means of hydroelectric power, but a great portion of it is produced by means of the use of coal or oil. Both those methods, which go to provide the great part of the electric power, are not controlled in price, insofar as the producer is concerned. I say that case is in exactly the same situation.

Mr. PURTELL. Mr. President, let me call the attention of the Senator from New Hampshire to the fact that the two situations are not at all analogous. In one instance, coal which can be obtained from many sources is available through the same means of transportation. But in the case of a State in which there is one pipeline for natural gas, one source of that gas, the people have no choice at all.

I am sure that those who purchase electricity are protected at the State level by the public utility commission. However, in the case of gas, the people must pay the price that is asked. They have no choice and no freedom of determination as to what they may get at the end of the line. I say to the Senator from New Hampshire that in my opinion the two situations are not at all comparable.

Mr. DOUGLAS. Mr. President, will the Senator from New Hampshire yield to me?

Mr. BRIDGES. I yield.

Mr. DOUGLAS. I rather infer from the remarks of the very able senior Senator from New Hampshire that he was implying that the administration has approved the bill. Is that the case?

Mr. BRIDGES. I was saying very definitely that the President of the United States appointed a Cabinet committee, headed by the Director of Mobilization, Mr. Flemming; and the committee made a thorough study and made definite recommendations regarding the need for legislation of such type. The committee did not specifically approve the Fulbright bill or the Harris bill or any other bill, but approved the objectives the committee sought.

Mr. DOUGLAS. Does the Senator from New Hampshire believe this bill constitutes the policy of the White House?

Mr. BRIDGES. I cannot speak for the White House; I am not in a position to do so.

But from the record, which shows what I have stated, I can only assume that that is correct.

Mr. DOUGLAS. What does the Senator from New Hampshire assume is correct?

Mr. BRIDGES. I assume that the report of the committee, recommending the conclusions I have stated, is correct; and certainly the committee was instituted by the President of the United States.

Mr. DOUGLAS. Has the President of the United States ever made a public declaration in favor of this bill?

Mr. BRIDGES. I do not think the President of the United States has specifically commented on this bill; no. I think he has commented on the general principles involved.

Mr. DOUGLAS. Would the Senator from New Hampshire mind answering a somewhat delicate question? He has great abilities, which have been recognized by his party and by the Nation. Is he speaking this afternoon as a Senator from New Hampshire, or is he speaking also as chairman of the Republican Policy Committee of the United States Senate?

Mr. BRIDGES. I say to the distinguished Senator from Illinois that I speak wholly as an individual Senator, as a Senator from New Hampshire, not as chairman of the Republican Policy Committee or as the occupant of any other post which I may hold in the Republican organization.

Mr. DOUGLAS. Therefore, let me express the hope that the other Republican Senators, on that side of the aisle, may not feel committed by ties of party loyalty to this bill, but, instead, that they will follow the able and distinguished Senator from Connecticut [Mr. PURTELL], rather than the Senator from New Hampshire.

Mr. PURTELL. Mr. President, if the Senator from New Hampshire will permit me to make a brief observation, let me say that I am sure the Senator from Illinois did not understand in any way that the Senator from New Hampshire was attempting to define the position taken by the Republican Members of this body. I did not so understand what he said, and I am sure he did not intend his remarks to be so understood.

Mr. DOUGLAS. I am glad to have that point cleared up, Mr. President.

Let me also say that in fighting the bill we who are trying to defend the consumers are very glad to have the able assistance of the distinguished Senator from Connecticut.

Mr. PURTELL. I thank the Senator from Illinois, and I am glad he is on the same side of the issue. However, let me point out that I am not here to lend assistance to him or to any other Senator. All of us are Members of the United States Senate, and we are here to do our duty as Senators.

Mr. DOUGLAS. We are coworkers in the cause of protecting the consumers. It is a pleasure and honor to work with my good friend from Connecticut.

Mr. PURTELL. Mr. President, will the Senator from New Hampshire yield to me for a moment?

Mr. BRIDGES. Mr. President, I have yielded the floor, and have previously agreed to have another Member suggest the absence of a quorum.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that at this time the Senator from New Hampshire may yield to the Senator from Connecticut.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BRIDGES. Then, Mr. President, I am glad to yield to the Senator from Connecticut.

Mr. PURTELL. I thank the Senator from New Hampshire.

Mr. President, I believe that marvelous presentations in connection with the bill have been made on this floor by various Members of this body. I believe it is most wholesome that we are exploring the subject in so friendly and able a way.

However, I wish to make it very clear that our belief in our system of competitive capitalism is not here at issue at all. I would stand up and defend that system with all my ability and with My last breath. But, Mr. President, mark you, I use the words "competitive capitalism." Other countries have forms of capitalism which are not similar to ours; and many times their systems have been destroyed because they were not competitive capitalism and were not free.

So, Mr. President, in defending my position on a bill of this type, I believe that I am, in truth, defending our particular type of competitive capitalism.

ORDER OF BUSINESS—ORDER FOR RECESS UNTIL TOMORROW

Mr. KUCHEL obtained the floor.

Mr. JOHNSON of Texas. Mr. President, will the distinguished Senator from California yield to me for a moment?

Mr. KUCHEL. I am glad to yield.

Mr. JOHNSON of Texas. First, Mr. President, I wish to express my deep appreciation to the distinguished Senator from California for extending to the leadership the courtesies he has extended today. I am very grateful to him.

I now ask unanimous consent that when the Senate concludes its business today, it stand in recess until tomorrow, at 12 o'clock noon.

The PRESIDING OFFICER (Mr. MONRONEY in the chair). Is there objection? Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, if the distinguished Senator from California will indulge me further, let me say that at the conclusion of his

remarks, I shall appreciate it if he will make the point of the absence of a quorum, in order that the Senator who is to speak next may come to the floor.

Mr. KUCHEL. I shall be delighted to accommodate my friend, the Senator from Texas.

Mr. JOHNSON of Texas. I thank the Senator from California.

SAD PLIGHT OF THE TUNA INDUSTRY

Mr. KUCHEL. Mr. President, out of order, I ask unanimous consent that the Senator from Washington [Mr. MAGNUSON] and I be permitted to submit a resolution with respect to the tuna fish industry.

The PRESIDING OFFICER. Without objection, it is so ordered. The resolution will be received and appropriately referred.

The resolution (S. Res. 186) was referred to the Committee on Finance, as follows:

Resolved, That the United States Tariff Commission make an investigation, as provided for in section 7 (b) of the Trade Agreement Extension Act of 1951, to determine whether, as a result of the concession made to Japan, in a trade agreement entered into on June 7, 1955, binding the duty-free treatment of fresh or frozen albacore tuna, this product is being imported in the United States in such increased quantities, either actual or relative, as to cause or threaten serious injury to the domestic industry producing like or directly competitive products.

Mr. KUCHEL. Mr. President, at a time when the people of the United States are enjoying a magnificent peacetime economy, one segment of the people in the Far West faces a continuing and widening danger to their very economic survival. I speak of the United States citizens in the States of California, Oregon, and Washington, particularly, who over the years have made their living in the tuna fishing business.

Mr. President, I have been very glad to support reciprocal trade legislation, as recommended by the President of the United States. I do not believe it was the intention of the Congress, in fashioning that legislation, to promise any segment of the economy of the Nation that it would be eviscerated or destroyed. Indeed, I believe that sufficient evidence of the intention of the Congress to the contrary may be found in the wording of the statute which sets forth such protection as the so-called peril-point and escape-clause provisions.

Today, Mr. President, I am delighted to join with my distinguished colleague from the State of Washington [Mr. MAGNUSON], its senior Senator, in sponsoring a resolution which can be of assistance in solving this tragic and intricate problem. It will be but the first of a series of pieces of legislation which, together, we shall offer to Members of the Senate and the House of Representatives in an effort to have the authority of the Federal Government enlisted in assisting an industry which desperately needs the help that is available in Washington.

Today we are submitting jointly a resolution which I shall read:

Resolved, That the United States Tariff Commission make an investigation, as provided for in section 7 (b) of the Trade Agreement Extension Act of 1951, to determine whether, as a result of the concession made to Japan, in a trade agreement entered into on June 7, 1955, binding the duty-free treatment of fresh or frozen albacore tuna, this product is being imported in the United States in such increased quantities, either actual or relative, as to cause or threaten serious injury to the domestic industry producing like or directly competitive products.

I very greatly hope that this resolution may receive the prompt attention of the committee to which it has been referred, and that it may be promptly approved.

I wish to outline today some of the criteria which the Tariff Commission should utilize in any such investigation it makes pursuant to this resolution, and, along with those criteria, to indicate something of the facts requiring the speedy approval of the resolution.

One of the factors which the Tariff Commission unquestionably will use in finding injury as we allege is the increased imports, either actually or relative to domestic production.

What are the facts?

The facts are that imports of frozen tuna have increased fantastically since 1948, all free of both duty and quota. In 1948 the frozen tuna imports totaled more than 9 million pounds. In 1954 frozen imports of tuna totaled more than 123 million pounds. Think of it, Mr. President. That is an increase of 1,250 percent.

This figure represents a loss of about 285,000 fishing days for the domestic fishermen.

The year 1955 brought no decline in this uptrend. Imports for the first 8 months of 1955, 115 million pounds, were running at a rate 20 percent over those for the previous year of 1954.

Our good neighbor, Japan, is the principal supplier, with its more than 2 million pounds in 1948, spiraling to 98 million pounds in 1955. This represents about 80 percent of all the imports of this item.

Importation of canned tuna has also increased. Unlike frozen tuna, canned tuna is dutiable, canned tuna in oil being dutiable at 35 percent, and canned tuna in brine being dutiable at 12½ percent.

Combined imports of both types totaled more than 8 million pounds of processed weight in 1948, rising to more than 31 million pounds in 1954, after having reached a peak of more than 34 million pounds in 1953.

Last year, in 1955, for the first 5 months, canned imports were running well below those for 1954. At the end of 8 months, however, the amount was nearly up to the 1954 level, with the rate indicating that 1954 figures would be exceeded.

Expressed in terms of tons of fish deliveries, canned-tuna imports in 1954 represented more than 30,000 tons of frozen tuna.

I think it is crystal clear that tuna imports have skyrocketed to the grievous wrong of the American fisherman.

Under our resolution, the Tariff Commission will, we allege find a decline in the proportion of the domestic market supplied by domestic producers. Indeed, we believe a decline of such magnitude will be established as clearly to indicate severe injury.

The domestic market is made up of canned goods processed from tuna landings by the domestic fleet and from imported frozen tuna, plus imports of canned tuna and tuna-like fish.

In 1948 domestic producers—and that phrase, as I use it, includes both fishermen and boatowners—supplied about 91 percent of the domestic market. That percentage has been on a toboggan. In 1953 the domestic producers' share was 60 percent, and 57 percent in 1954.

At the end of 8 months of 1955 the American producers' share was 46 percent. Thus, the foreign share of our market has grown from less than 9 percent, in 1948, to 43 percent, in 1954, with the first 8 months of 1955 showing 54 percent lost by domestic producers. The most cursory examination of these statistics ought to establish beyond any peradventure of a doubt what is happening to our own people.

The Tariff Commission will be interested—and so will you, my brethren, in whether or not there has been a downward trend in production. There has been, and that statement is susceptible to abundant proof.

The domestic producers—fishermen and boatowners—is composed of the very numerous albacore fleet sailing from all ports in California, Oregon, Washington, Alaska, and Hawaii, the purse seine fleet from San Pedro and northern California, together with the bait boat or tuna clipper fleet operating from San Diego and San Pedro.

In 1948 this combined fleet produced almost 160,000 tons of fish, which total increased to 196,000 tons in 1950. As importation went up, our own production went down, with 160,000 tons produced in 1951, roughly equivalent to the amount produced in 1954. In 1955 the total production was estimated at 145,000 tons.

And, as those in this sick industry have stated, that is not all. The fleet was larger in 1951 than it was in 1948 and 1950, so the return per vessel was materially less.

The Commission, and all our people, will be vitally interested in the impact on American employment by this continuing importation. There has been a significant decrease in employment in the American tuna fishing industry. Indeed, in the bait boat fleet the number of births available has declined from 2600 in 1950 to less than 2100 in 1955.

The utilization of this skilled work force is another evidence of decline. We utilized our fleet 17 percent less in 1951–1954 than we did in 1948–50. We are utilizing it 30 percent less this year. These are the figures the industry gives me. These are what it is ready to prove.

We do not employ as many fishermen. Those who are employed have less opportunity to go fishing and earn their shares.

During November and December I met with groups of fishermen and their wives and families in the cities of San Francisco, San Petro, and San Diego. I know at firsthand of the unemployment which exists among the men who over a lifetime, have gone to sea as fishermen. It is a tragic plight. It is one which certainly merits the assistance of Congress and of the Federal Government.

Wages, Mr. President, and what has happened to them in the tuna business, must be a concern of the Commission under our resolution.

A fisherman's earnings are based on a share of the fish catch. In the tuna bait boat fleet the percentage is determined by means of a labor agreement negotiated between unions and boatowners.

Because of declining prices and reduced volume of production for the fleet and for each vessel, share earnings have sharply declined.

Using 1948 earnings as an index of 100, earnings in 1951, when imports were sharply felt, dropped to 71.4 percent of 1948 earnings. They remained constant in 1952, rose in 1954, and a decline to about 60 percent is indicated for 1955. These, too, are susceptible to proof, and, being proved convincingly demonstrate an injury to some of our fellow citizens.

What about prices, Mr. President? This too is an important factor. Here there has been a downward trend, and such a downward trend ought to indicate serious injury to a domestic industry.

Prices of yellowfin and skipjack are now at levels averaging 69.4 percent of prices received by boatowners in the year 1948.

Two factors combine to cause this decline to have far greater impact upon the boatowners than the percentage decline:

First. Sharp increases in all areas of costs in the same period.

Second. Sharp declines in ability of vessels to go fishing.

Profits of owners and earnings of crew members arise from what remains after expense is deducted from income. The foreign supplier of foreign fish, has been able to undersell the domestic producer.

There again I am sure that the facts brought before the Tariff Commission will indicate that serious injury has already occurred and continues.

Profits are a relevant factor. The story on profits is appallingly clear.

Using 1948 as the base year and as an index of 100, the year 1955 will show losses almost 50 percent as great as the total profits for 1948. In the years 1951 through 1955 the average profit or loss position of the bait boat fleet has been just about zero. On an average basis, boatowners have been keeping their heads above water because of their depreciation allowances.

Other factors will be taken into consideration by the Tariff Commission under the resolution which the Senator from Washington [Mr. MAGNUSON] and I are submitting.

One of these is investment in new boats or in the replacement of boats lost through obsolescence or casualty.

The bait-boat fleet totaled 161 vessels at the end of 1947. By year end 1952 there were 210 active vessels. Presently there are 165 vessels in the fleet, a decline of 21 percent in the number of vessels and 14 percent in capacity tonnage.

From 1953 to 1955 only four new vessels were commissioned. The fleet has progressively declined in size and increased in age.

The purse seine fleet has similarly declined. Over 100 vessels bought licenses and fished tuna a few years ago. This year less than 70 vessels were available for this operation. There is no appreciable new construction of tuna boats, to speak of, in all America.

The health of a business can be gaged by new investment in it. Let us consider these figures:

First. The Japanese high seas tuna fleet increased from 272 vessels at the end of 1951 to 436 vessels at the end of 1954, an increase of over 60 percent. Its tonnage capacity increased 151 percent.

Second. The United States high seas tuna fleet, using the bait boats as a measure, has declined by 21 percent in number and 14 percent in capacity in the same period.

I wish to make one more comment. During the days of World War II, on many occasions, the United States Navy, commented on the magnificent work in behalf of the people and in the defense of the United States which was done by those who went down to the sea as fishermen. They constituted an additional outpost for our Navy. They engaged in patrolling many long days any many long months. They need fairer consideration at our hands.

For all these reasons it would be tragic if, by rapid attrition, the American tuna industry were to die. I believe the Tariff Commission could do a worthy act in behalf of an important segment of the economy of our Western States, and, indeed, of our country, were it rapidly to conduct the investigation sought by the resolution that we have submitted. I am sure its findings would point the way to better days.

I ask the Members of the Senate, if they will take the time to acquaint themselves with the appalling statistics which I have read into the RECORD. It seems to me they indicate exactly the situation which Congress had in mind when it provided in trade legislation for such exceptional situations as the application of peril point and escape clause provisions.

If this resolution is adopted, an inquiry can then, with dispatch, proceed.

Mr. KUCHEL subsequently said: Mr. President, I ask unanimous consent that there be printed in the body of the RECORD a statement prepared by the able senior Senator from Washington [Mr. MAGNUSON] on the subject of the resolution with respect to the tuna fish industry.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MAGNUSON

I am pleased to join with my good friend, the distinguished junior Senator from California, in introducing the following Senate resolution:

"*Resolved*, That the United States Tariff Commission make an investigation, as provided for in section 7 (b) of the Trade Agreements Extension Act of 1951, to determine whether, as a result of the concession made to Japan, in a trade agreement entered into on June 7, 1955, binding the duty-free treatment of fresh or frozen albacore tuna, this product is being imported in the United States in such increased quantities, either actual or relative, as to cause or threaten serious injury to the domestic industry producing like or directly competitive products."

The purpose of this resolution is to put into operation the "escape clause" machinery provided for in our trade agreements legislation in order to insure that domestic industries will not become the victims of ill-considered tariff reductions or other concessions made to foreign nations under the reciprocal trade program.

Gentlemen, it has been 4 long years since the sorry plight of our American tuna fishing industry has been given adequate consideration by this body. Four years during which our Government has calmly sat by to watch this important segment of our west coast economy slowly scuttle in a sea of cheap foreign imports, principally from Japan. Our Government's record of inaction in the face of this situation is a curious history indeed.

Most Senators will remember that in 1952 fishermen appealed to Congress for a modest, 3 cents per pound, tariff on imports of fresh and frozen tuna. They presented us with a very convincing argument. They showed that, whereas virtually every other important fisheries product enjoyed some form of tariff protection, fresh and frozen tuna had always been allowed to enter this country in unlimited quantities, duty-free. Because of this bonanza, Japan and others began shipping in more and more whole tuna until, by then, the level of imports had reached the staggering total of over 60 million pounds per year—10 times the prewar annual average. It was obvious to any reasonable person that American tuna fishermen could not fairly compete on this level with grossly underpaid foreign labor, and that the industry was seriously in trouble. Despite these facts, a bill giving fishermen the tariff relief to which they were clearly entitled was defeated on this floor by a handful of votes after passage in the House. Instead, Congress shifted responsibility to the executive branch for finding a solution to this problem.

Four years have gone by and still nothing has been done. Fresh and frozen tuna imports are now slightly more than double what they were in 1952, and there seems to be no end in sight to the upward spiral. What was then a serious problem has become little less than a catastrophe for the tuna fishing industry. I know from first hand experience; a few short weeks ago our Merchant Marine and Fisheries Subcommittee held a series of hearings on problems affecting the fishing industry along the west coast. I saw literally hundreds of tuna boats tied-up in southern California ports, boats that had not put out all summer because their owners had no money to hire a crew, or boats with a full catch rotting in their hold, unable to find a ready market in competition with lower-priced imported fish. I talked to fishermen and their wives from Seattle and San Pedro; ship chandlers, merchants, and bankers from San Diego; boatowners, boatbuilders, and labor leaders from Tacoma and the Puget Sound area. Everywhere they told the same story: lost income, exhausted credit and savings, canceled contracts, younger men turning away from fishing for a more secure livelihood. And everywhere they gave the same reason: foreign competition has made fishing unprofitable; until some way can be found to hold imports to a reasonable level, the entire tuna fishing industry and all those dependent upon it will be in grave danger of collapse.

In the meantime, far from taking any effective measures to relieve the burden of imports, our Government has acted only to compound the problem. In a trade agreement with Japan, signed last summer, we agreed to bind albacore tuna, the principal imported species, to the duty-free list. Not only have we failed to protect our domestic industry; now, by Executive action, we declare to the world that we have no intention of ever doing so. If allowed to stand, this concession will certainly stimulate an even greater flow of tuna imports, and also make it impossible for Congress ever to deal with the problem of regulation of tuna imports on an overall basis.

Thanks to the escape-clause procedure, however, there is still a way open to correct this error. I am sure that the investigation called for in this resolution will establish beyond doubt the serious injury suffered by the domestic tuna industry as a result of the binding of the duty-free rate on albacore. All we ask now is that the fishermen be allowed to present their case before the Tariff Commission. Later on I hope to present legislation dealing with all other varieties of tuna fish and providing for an equitable program of regulation for fresh and frozen fish.

Mr. KUCHEL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CLEMENTS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF THE NATURAL GAS ACT, AS AMENDED

The Senate resumed the consideration of the bill (S. 1853) to amend the Natural Gas Act, as amended.

Mr. ANDERSON. Mr. President, the problem with which the pending legislation is concerned is not new to the Senate; many of the Senators have, like myself, been through this debate once before, and all the Senators have had occasion to become informed about and acquainted with the subject over a period of years.

What we have done in the past is, I certainly agree, not binding on what we do now. We are here to make policy, and that requires us to look at the facts as they are now—not as they were in 1938 or in 1950 or in some other year.

Six years ago I was among those who voted for legislation dealing with the subject of which the bill treats. I will have to say that I was not an active participant in that debate. I made no speeches and no statements.

To the best of my understanding, I believed that the policy we then had in force was working satisfactorily and I saw no reason for that policy to be changed. On the basis of the facts then available, I voted to leave our policy unchanged.

Much has happened since then. In my opinion, the facts have changed—and changed considerably. As a result, my own attitude has changed, also.

We are working from an entirely different set of facts today than were before us in 1950. What we did then was largely dependent upon conjecture. Both sides were saying at that time that if we go this way, such-and-such will be the result, and if we go another way, the result will be different. But there were no hard facts on which to determine definitely which side was right.

That is not the case now. The facts we need for a sound decision are before us. I believe that we can look at those facts and decide what is best for the consumer, what is best for the producer, and what is best for the Nation.

On that basis, I have come to the conclusion that this bill now before the Senate is not only desirable but that its passage is absolutely essential for the protection of the consumers of this Nation. For that reason I feel a very strong compulsion to enter this debate and speak for the first time on this subject. It may be of benefit to some who are giving this matter thoughtful attention to know the factors which have influenced my own change in thinking.

At the outset, I think it is important to admit that all here are concerned with the consumer's welfare and protection. That is not an issue between us. The issue is how such protection can best be accomplished. On that question different men with different experience can be expected to reach different conclusions, and that has happened.

Those who know the natural-gas industry from the utility company viewpoint are inclined to the conclusion that the whole industry should be regulated on the same basis as the utilities. On the other hand, those who know the producing end of the business are unanimously convinced that such regulation would not work successfully.

For those who may know little about either segment, the choice between these arguments becomes very difficult. Fortunately, at this point I think we are able to look back over recent years and see from actual developments where these arguments are right and where they are wrong.

In 1950, when this basic question was before us last, we had the same two positions advanced—the utility viewpoint and the producer viewpoint.

I remember quite well that those advocating the utility view then said that if Federal price controls were imposed on production, the consumer would benefit. They dismissed the suggestion that such controls might have any adverse effect upon the supply of gas available; they said that the search for gas would continue, as it always had; that as new gas reserves were found they would be sold readily into interstate commerce, as had always been done.

The arguments made then are again being heard now.

In response to that argument, when it was presented here in 1950, those who understood the producing end of the industry told the Senate that if such controls were imposed a situation would be created in which an artificial scarcity would develop. We were told that the search for gas would decline, that less and less gas would be dedicated to the interstate markets, and that the consumer rather than benefiting would, in a very short time, begin to lose the benefits which natural gas had brought him.

Mr. President, when we were having a discussion before the Policy Committee the other day as to whether this bill should be brought before the Senate, in the course of the very few remarks I made, I turned to the able senior Senator from Oklahoma [Mr. KERR] and said, "I wish that, somehow, there could be brought before the Senate the argument you made in 1950 pointing out that the price of gas would go up if uncertainty came into the production of it."

Since that time I have thought that perhaps it might be useful to look up a few statements which were made in 1950, so I am going to refer to them.

In the CONGRESSIONAL RECORD, volume 96, part 3, page 3450, the able senior Senator from Massachusetts [Mr. SALTONSTALL] said:

> I ask the same question of the Senator from Oklahoma I pronounced earlier: Will the so-called Kerr bill, in his opinion, help to get natural gas to Massachusetts or retard it?

The senior Senator from Oklahoma [Mr. KERR] responded as follows:

> It will insure the opportunity of getting natural gas into Massachusetts at a reasonable price. The defeat of the bill will retard the process.

Subsequently, on page 3458, the senior Senator from Oklahoma said:

> I will say that I was quoting from the petition of the applicant, the Michigan-Wisconsin Pipeline Co., in which they themselves state that if they are permitted to increase their capacity on the basis applied for, and which will utilize the increased volume of gas which they obtain through the renegotiated contract, their unit cost of transportation will be sufficiently lowered to enable them to absorb the slight increase by the producer, and still deliver the gas at the gate of the city in Michigan or Wisconsin at a less price than would have been in effect had they not been able to renegotiate their contract for the doubled amount of gas.

The senior Senator from Oklahoma was trying to point out that the supply of gas had some connection with its price.

On page 3476, the then Senator from Pennsylvania, Mr. Myers, said:

> I have said before that in the committee, when we held hearings on the bill, the evidence which was submitted was that if the bill is enacted, the price of natural gas will go up.

The senior Senator from Oklahoma said:

> I certainly do not agree with the Senator from Pennsylvania.

The senior Senator from Oklahoma, was trying to point out why he felt the increased production would be of assistance.

On page 4016 there is this comment by the senior Senator from Oklahoma:

> Monopoly cannot begin or survive where independents are willing and able to operate and compete. But if S. 1498 is defeated, independents will be either forced out of operation in interstate areas or compelled to become regulated utilities. That would not only encourage monopoly, it would compel it.

While I do not wish to quote at great length from a subsequent portion of the debate, I find there a reference to the

fact that the industry is impossible of monopoly when there are the striking differences which occur at the producer level. In his statement, the senior Senator from Oklahoma said:

The average value at the wells per thousand cubic feet ranges from as low as 2.7 cents in New Mexico to 24.1 cents in Pennsylvania.

I submit that monopoly does not occur when there is that great a difference in the producer's cost. I happen to know of a contract which now exists in Eastern New Mexico, where gas is produced incidentally to the oil; not as a primary purpose of the drilling program, but in a low-pressure area where gas is simply received from the separators. The gathering company there pays an average of 5.5 cents a thousand cubic feet for it. But the gas price in high-pressure wells, where gas is delivered directly to the pipeline at the pressure of the pipeline has been 9 cents on the average.

Subsequently, Senator KERR said:

The Senator from Oklahoma knows that if S. 1498 is defeated the volume of gas will be reduced, the unit cost of transportation will be correspondingly increased, and the cost to the consumer will be higher for less gas, rather than cheaper for more gas, which would be the situation if S. 1498 were passed.

I point out that that was a pretty accurate prophecy, as things have worked out.

In the CONGRESSIONAL RECORD, volume 96, part 3, page 4020, Senator KERR said:

Senate bill 1498 not only is an anti-monopoly bill but is the best insurance policy for reasonable prices for natural gas, not only to the millions of consumers now using it but to the millions of consumers who seek to have the opportunity to use it.

A little further in the debate, he said:

If threatened regulation has brought some scarcity and some increase in prices, I ask Senators, what will actual regulation bring? The answer must be still greater scarcity and, thus, still higher prices.

Then, at page 4039, Senator KERR said:

If in the future he is left in the same position as he has occupied in all the 12 years since the act was passed, he will be able to continue furnishing gas in such abundant quantities that the volume handled by the transporters and the distributors will make it possible for them to pass on to the consumers still further savings.

And a little further:

If the situation continues to be in the future what it has been in the past, so that the producer will be able to continue freely to supply natural gas in ever-increasing amounts, savings in the part of the operation where the cost is high can continue to be made and continue to be passed on to the consumer.

On page 4095, Senator KERR said:

Moreover, if the bill is enacted, reserves which have been found, but which have not thus far been made available by contract to interstate carriers, will be made available. In short, I am saying that by reason of the enormous amount of gas which will be available from those two sources—and in the aggregate it is greater in volume than all the gas now being sold by independents to the transporters—there will be far more competition among the producers for the markets available, with the result that the price, even at the producer level, will either be held down or will be forced down, and a greatly increased volume of gas thereby will be made available, and that will result, first, in cheaper operation for the pipelines; second, in a reduction of rates to the consumers; and third, in twice as many consumers as now are enjoying natural gas being able to have an opportunity to enjoy cheap fuel in the form of this, the most desirable of all the fuels we know.

Finally, on page 4115, Senator KERR said:

Is not the Senator aware of the fact that the defeat of Senate bill 1498 will compel every independent producer of gas, as such, to go out of the business, and they will have to take the route the Delhi Co. recently took in selling out to one of the regulated companies, because of the fact that the little fellow cannot spend his lifetime coming to Washington to make rate bases, and to file applications for permits to drill wells and to expand, all subject to the Federal Power Commission's regulation, which will require him to limit his return to the cost of operation plus 6½ percent?

I have read from the debate in 1950 merely because it is interesting to recognize that the very situation in which we now find ourselves was so accurately depicted 5 years ago.

What has happened since then is, of course, history; but history has made its record. The bill which the Senate passed in 1950 did not become law. In time, though, the utility viewpoint did prevail through a Supreme Court decision, and the utility regulation of production has become the practice of the Federal Government.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. DOUGLAS. Is the Senator contending that since the defeat of the Kerr bill we have had Federal regulation of the price of gas as it enters the interstate pipelines?

Mr. ANDERSON. I think the fact that the Kerr bill was not passed, and the Supreme Court gave its decision, has had the effect of discouraging, certainly, increased efforts to find gas, and has, in a way, been reflected in the price which has been paid at the field.

Mr. DOUGLAS. Is it not a fact in reality that although the Kerr bill was defeated, nevertheless, for all practical purposes, the principles of the Kerr bill were put into effect by the Federal Power Commission by administrative action, when in the Phillips case the Commission refused in 1951 to take jurisdiction over the price at which gas furnished by the Phillips Co. entered the Michigan-Wisconsin Pipeline Co. lines? And in this case, Phillips was the sole supplier of the pipelines and many of the port cities and States which it served. So the Federal Power Commission, by administrative order—and I think this decision was in 1951—put into effect the Kerr bill, and it turned out that we had won a very hollow victory on the floor.

As the Senator from New Mexico is well aware, this case was then appealed to the Federal courts by the cities of Milwaukee and Detroit and by the States of Wisconsin and Michigan.

The circuit court of appeals, in 1953, handed down an opinion overruling the Federal Power Commission, and the Supreme Court, in June of 1954, upheld the decision of the circuit court of appeals. So for at least 4 years the principles of the Kerr bill were put into effect administratively.

I shall discuss the period since June 1954 in a moment, but certainly up to June 1954 the Kerr bill was dominant because of the refusal of the Federal Power Commission to take jurisdiction.

Mr. ANDERSON. I shall be glad to have the Senator from Illinois develop that point. I know how strongly he feels about it. All I say to him is that those in the oil-producing part of the country know that the fact that the Kerr bill was vetoed by the President, and vetoed in strong terms, gave ample indication of the fact that, regardless of what the Federal Power Commission did, the question of the regulation of these sales was not settled. Every oil and gas producing company in my section of the country was constantly faced with that threat, and realized that it was going to be faced with it by another decision. Not only was that decision appealed, but it was not long before the Supreme Court took it up. The Supreme Court did not settle it until 1954, but I assure the Senator that if he had been living in an area where gas was being produced he would have known that the question was being considered constantly in the minds of the producers. It was not settled, but might come to life at any time.

For some 18 months, we have had the kind of regulation in force which those who oppose this bill—and who opposed a similar bill in 1950—say we should have. They said in 1950, as they are saying now, that this method of regulation can be trusted, that we have nothing to fear from following it.

What does the record itself show?

One. Federal control at the wellhead has not decreased the price of gas to the consumer, as we were led to believe it would.

Two. Federal control at the wellhead has decreased the supply of natural gas entering interstate commerce, as we were told it would not do.

In 1952, 5,300,000,000,000 cubic feet of natural gas was committed to the interstate market; in 1953, the amount reached 6,400,000,000,000. In 1954, the year Federal controls were imposed, the committments fell to only 2,300,000,000,000. Two-thirds less gas went to the interstate market in that 1 year.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. DOUGLAS. Is it not a fact that the sale of gas by the utilities constantly increased during that period? The only place where one could get gas would be, of course, in the main, from the Southwest. Is it not true that interstate shipments of gas constantly rose during that period? The Senator from New Mexico is using the term "commitment," and, of course, that has a technical meaning. So far as shipments are concerned, the record is clear, however, that shipments of natural gas constantly increased and that the consumption of natural gas constantly increased during the period. Far

from there being a smaller supply for the public, there was a larger supply. The Senator knows that to be so.

Mr. ANDERSON. I not only know it, but I know the supply would have been much larger if there had not been Federal control. In this country we face an expanding population and an expanding market and an expanding demand for natural gas which is far out of proportion to the ability to supply the demand. I have merely pointed out that the amounts committed were necessarily decreased.

Mr. DOUGLAS. Is it not true that the sale of gas by the utilities increased by approximately a half billion feet in 1954 and another half billion feet in 1955, so that instead of what was sold in 1953, approximately 5.1 billion feet, the utilities sold approximately 6.1 billion feet in 1955?

Mr. ANDERSON. Yes, and if the producers had had the advantage of the Kerr bill they would have been selling 7 billion feet, which is what I should have liked to seen them do.

Mr. DOUGLAS. The plain historical truth is that instead of having a diminishing supply of natural gas, the country has had an increased supply of natural gas.

Mr. ANDERSON. I have tried to indicate that I was not saying that. I was talking about the amount of gas committed at the gas wellhead.

Mr. DOUGLAS. I think that figure ought to be placed in conjunction with the actual shipments and consumption of gas during that period. The Senator from New Mexico knows the Senator from Illinois has a high opinion of him, but I simply want to keep the record straight.

Mr. ANDERSON. I am anxious to have that done. At no time did I make the statement that the shipment and consumption of gas had decreased.

Mr. DOUGLAS. That is true, but when the Senator talks about commitments, the unwary reader might think a commitment meant a shipment, whereas it does not.

Mr. ANDERSON. I realize that.

I now continue with my statement:

Third. Federal control at the wellhead has adversely affected the search for new supplies of natural gas, as we were told it would not do.

For the first 11 months of 1955, the industry drilled 7.4 percent more wells than in 1954. The number of oil wells drilled increased 8 percent, but the number of gas wells declined 8.9 percent.

Mr. DOUGLAS. Mr. President, will the Senator yield for a discussion of the actual facts?

Mr. ANDERSON. Does the Senator question the facts?

Mr. DOUGLAS. They certainly need amplification.

Mr. ANDERSON. The Senator from Illinois asked if I would yield in order to have the actual facts stated. Does he question my figures?

Mr. DOUGLAS. They do not give the full picture.

Mr. ANDERSON. The statement was that I had distorted the actual facts. What are the facts, if these are not true?

Mr. DOUGLAS. The facts are, as the Senator well knows, and as General Thompson testified, that one does not drill for gas as such; one drills for oil——

Mr. ANDERSON. I know General Thompson, and I knew him when he was a colonel, and I met him when he was mayor of Amarillo, but when the Senator states that he said no one drills for gas, I say he has been misquoted, because I have seen people drill for gas, and Ernest Thompson is too smart to have made that kind of statement.

Mr. DOUGLAS. Here is his statement on page 54 of the hearings. I shall read from the hearings——

Mr. ANDERSON. I can find it.

Mr. DOUGLAS. The statement appears at about the middle of the page:

> But as far as drilling for gas is concerned, hardly anybody drills for gas. They get gas accidentally when they are looking for oil.

This is the statement of the star witness, who was brought up from Texas to testify in behalf of the Fulbright bill, and he certainly would not be prejudiced against the bill. I accept him as an authority on this point.

Mr. ANDERSON. Having accepted him as an authority on that point, I hope the Senator from Illinois will be willing to get the actual evidence on the point. The witness is talking about wildcatting. As a general rule, drilling for natural gas is unprofitable before one discovers a field. Most people do start out drilling for oil, and if they happen to find natural gas, they do sometimes drill for natural gas.

If the Senator from Illinois would only at sometime take the time to visit the Four Corners section, he would find hundreds of well there that are drilled only for gas, Ernest Thompson to the contrary notwithstanding; but I do not believe he meant that.

Mr. DOUGLAS. I hold in my hands figures referring to weekly well completions for both developmental and wildcat wells. They come from the Oil and Gas Journal, Weekly Well Completions. The total wildcat wells drilled in 1950 was 8,554; in 1955 it was 12,302, an increase of approximately 3,800, or 45 percent.

Mr. ANDERSON. What do those figures prove?

Mr. DOUGLAS. They certainly do not prove that exploration for gas has diminished.

Mr. ANDERSON. Would the Senator show how that in any way contradicts the statement I have made?

Mr. DOUGLAS. I think the full statistics give a much clearer and more accurate impression.

Mr. ANDERSON. A clearer impression to whom?

Mr. DOUGLAS. Again I would say, to the unwary reader and to the unwary listener to the speech of the Senator from New Mexico. Unless corrected, he would draw an improper conclusion.

Mr. ANDERSON. The Senator from Illinois completely downgrades the intelligence of the average person.

Mr. DOUGLAS. Not at all; I upgrade the intelligence of the Senator from New Mexico.

Mr. ANDERSON. When the Senator says the number of wildcat oil wells increased by 8 percent, but the number of gas wells decreased by 8.9 percent, the reader does not need anyone to warn him against anything.

Mr. DOUGLAS. Let us consider the developmental wells, as distinguished from the wildcat wells. In 1950, a total of 34,725 developmental wells were drilled. In 1955, a total of 44,885 were drilled, or in excess of 10,000 more than five years before.

The Senator from New Mexico may ask, "What about gas wells?" Very well, Mr. President; let us consider the figures for gas wells alone, amongst the figures for developmental wells: In 1950, 2,622 gas wells were drilled. In 1955, 3,416, or approximately 800 more gas wells, were drilled. There has been an increase in virtually every year except from 1954 to 1955, when there was a very small decrease of 162.

Mr. ANDERSON. Certainly.

Mr. DOUGLAS. The Senator from New Mexico takes that one figure and plays it up as if it would indicate a decrease in exploration, whereas the record for the 5 years as a whole indicates that more and more wells were being drilled.

Mr. ANDERSON. Except the Senator from Illinois does not recognize that the Supreme Court's decision occurred in 1954.

Mr. DOUGLAS. Incidentally, let me point out that more wildcat wells were drilled in 1955 than in 1954—or 12,302 in 1955, as compared with 11,280 in 1954, an increase of more than 1,000. Let me point out, further, that the total developmental wells increased in that year by 2,235.

Mr. ANDERSON. I am perfectly satisfied with the statistics the Senator from Illinois has introduced, because when we read them tomorrow, we shall find that, by his own figures, he has pointed out that during the year 1955, the production from gas wells and the drilling of gas wells have declined. That is the statement I made, and that is the statement he tried to make accurate.

Mr. DOUGLAS. But in the case of gas wells, there were approximately 800 more than the number in 1950.

Mr. ANDERSON. Yes.

Mr. DOUGLAS. And I wish to point out that in the case of wildcat wells—as to which General Thompson correctly says the operators drill for oil, and sometimes they find gas—there has been a steady increase.

Mr. ANDERSON. With reference to General Thompson, I would only say that he is one of the finest men I know, and the Texas Commission is composed of persons as fine as any I have ever encountered. They are wonderfully talented and wonderfully well-qualified persons.

But when the Senator from Illinois refers to gas obtained from all parts of the country, I hope he will not be drawn away from a correct analysis by what has occurred in his own State.

It is true that most of the wells drilled in Texas are drilled primarily in a search for oil; but it is also true that the production in the San Juan area of

New Mexico, particularly in the Pictured Cliffs area and other similar areas, comes from an area that is known as a gas-producing area; and in the case of the gas which originally was brought into California from the northwestern corner of New Mexico, that production resulted in the development of all those properties as gas producers.

If I may trust to memory for a moment—and in doing so, I may be badly mistaken—as I recall, sometime around 1930, or perhaps earlier than that, there was discovered a small oilfield in northwest New Mexico which the Continental Oil Co. obtained; and it ran a pipeline down to meet the Santa Fe Railroad at Gallup, N. Mex.; but the Barker Dome development and all the other developments which followed have been in a gas area.

Mr. President, I have set forth the facts. I find them hard to argue against.

I might be able to disregard these facts, except for one thing. This behavior of natural gas production to utility regulation is exactly what those who know the producing business said it would be in 1950, and it is exactly opposite to what those who know the utility business thought it would be. That I cannot disregard.

I do not question for a moment the sincerity or good faith of either side. On the basis of this evidence, however, I do question whether we can afford to follow the advice of men who so obviously do not know how production will react to the controls they recommend. This is a further point to be made here.

In 1950 the men who know the production business came to us and said, "The policy of the Federal Government toward natural gas production is confused; there is a state of extreme uncertainty in the field. Congress ought to act to remove that uncertainty, because if that is not done, these will be the consequences." They told us then what would happen.

"First," they said, "a state of uncertainty will gradually cause the search for and development of new reserves to slow down. It may not stop, but it will decline."

"Second," the men who know production said, "a state of uncertainty will cause producers to adopt a 'wait-and-see' attitude toward dedicating reserves to interstate markets. Some gas will be sold, but must of it will be held back."

"Third," they said, "when this begins to happen in the field, the pipelines, the distributing utilities, and the distant cities and municipalities are going to become concerned about their long-term supplies. They will, as a result, be coming into the Southwest, and bidding fiercely against each other for gas already discovered; and the field price will go up, even though searches for new reserves may not be intensified." We were told, too, that this bidding up of the field price would have an adverse effect upon prices for the Southwestern consumers, too.

Once again, the record demonstrates that those who know the producing end of the business were highly accurate in their estimate of its behavior. More important, though, is this: The producers, in 1950, said again and again that whatever Congress does, this state of uncertainty ought to be cleared up by affirmative action.

The utility position then—as now—was that Congress did not need to act: That the problem of uncertainty was, in reality, no great problem. Yet, we can look back now over the past six years, and can see that the very problem which the utilities are complaining about is the problem which the producers said would arise from an uncertain state of the law.

Mr. DOUGLAS. Mr. President, will the Senator from New Mexico be gracious enough to yield at this point for a question?

Mr. ANDERSON. Certainly; of course I yield.

Mr. DOUGLAS. Then I take it that what the Senator from New Mexico is complaining about is the uncertainty as to the status of the law.

Mr. ANDERSON. No; I am complaining about the situation, in view of the advice of those who knew the production business, and who said uncertainty would result if Congress did not pass a bill then. That prediction has been proved to be correct. So I believe it clear that the uncertainty should have been cleared up.

Mr. DOUGLAS. Could not the uncertainty have been cleared up by having the oil and gas industry conform to the law?

Mr. ANDERSON. I think they were doing so.

Mr. DOUGLAS. The uncertainty was caused by their refusal to accept the decision of the United States Supreme Court in 1947, and by their refusal to accept the action of Congress in 1950 in refusing to override the President's veto, and by their action in 1951 in getting the Federal Power Commission to reverse itself by their trying to reverse the 1954 decision of the Supreme Court and by their fighting regulation every inch of the way. That is what created the uncertainty.

Certainty could have been created if they had conformed to the decisions of the Supreme Court and if they had conformed to the position taken by the Power Commission in 1948–50, before the composition of the Commission was changed—and it was changed, as the Senator from New Mexico well knows, in large part because of the attitude of some Commissioners in regard to this issue.

Mr. ANDERSON. I think it could have been made clear. But they felt they were living up to the section of the law which stated that the production of natural gas should be exempt. Undoubtedly they felt they were doing what was right.

Undeniably, the search for new gas reserves has diminished. Undeniably, producers have adopted a wait-and-see attitude toward selling into the interstate market. Undeniably, the pipelines and the distributors and the municipalities have entered the field to bid upward the prices offered for available gas.

Prior to 1950, the only negotiations in the field were between pipelines and producers. In recent years, however, as the record shows, distributing utilities have been entering that field, and even some municipalities have sought to purchase gas directly.

This is where the higher field prices are coming from—coming from the realization on the part of transporters and distributors that they must have larger supplies, and that supply is related to price.

When we are asked now not to pass this bill, we are being asked to perpetuate the very situation which the utilities say is not in the consumer's interest.

Let me emphasize that the high field prices we are hearing about are not setting off a search for new gas. The search is diminishing, even while the price rises. Why is this so? Because as long as the state of the law is uncertain, normal economic relationships between price and supply have no effect. Uncertainty about Federal policy is the consumer's worst enemy, because the higher prices are not stimulating the search for gas which must begin again if the consumer's interest is to be fully protected.

In New Mexico, for example, we produce great quantities of natural gas. Since 1950, however, a disturbing trend has developed. From out-of-State demands, the field price has been driven to new heights. But, instead of this touching off record exploration, the reverse has occurred. The New Mexico commissioner of public lands, for example, has been unable to secure bids on proved gas acreage offered for lease. A few years back that would have been an unheard of situation. The same situation, however, is true throughout the gas country.

Only a few days ago the Governor of our State appeared before a meeting of the Interstate Oil Compact Commission. Our State has been honored by his election as President of it. In the statement which Governor Simms made he referred to the fact that there was confusion. I read briefly:

> Since the Federal Power Commission's regulation of the natural gas industry was substantiated by the United States Supreme Court the industry has been in a quandary. Its dilemma is being reflected in the fields. In New Mexico, for example, the leasing of State lands in two major gas producing areas has shown a marked decline since the Phillips decision was announced. Gas completions throughout the Nation have followed a downward trend.

Here is an individual whose interest is in trying to see to it that the schools of our State obtain the revenues which normally flow to them from the development of our oil and gas areas. He has been disturbed because the State Land Commissioner advises me that when the State Land Office, which had been obtaining fine premiums for this gas land, offered these two tracts for sale at a recent auction—and I have a letter in my files relating to the situation—no bids whatever were received on the proven gas reserve.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. DOUGLAS. When the Senator from New Mexico says that the trend of exploration has been downward, I am prompted to make a comparison with

respect to the specific number of developmental gas wells completed from 1950 to 1955. I should like to have the RECORD show that according to the Oil & Gas Journal Weekly, the total number of gas wells in 1950 was 2,622. That number had increased to 2,771 in 1951. In 1952 the number was 2,987; in 1953, 3,439; in 1954, 3,578; and in 1955, 3,416.

The only decrease—and that was a very slight one of not more than 4 percent—was in 1955, the figure being 3,416.

So the trend, except for a very slight downturn in 1955, has been upward. The slight downturn in 1955 was true only with respect to the specific developmental gas wells. Wildcatting actually showed a large increase in 1955. So did all developmental wells.

So I submit that the Senator's argument—which I know has been made in perfect good faith, because the Senator is a very honorable man—simply does not conform to the figures for the industry as a whole. If these figures are wrong, I will now submit them to the Senator to be checked. We have checked them again and again in our office.

Mr. ANDERSON. The Senator keeps repeating that the trend was downward in 1955, and yet he says the general trend is upward. I do not see how it could be both downward and upward at the same time. I merely say that the industry reached a certain point after the decision in 1954, when it turned downward; and the figures the Senator has given support that statement. What conclusion should be drawn, I am unable to say. I draw my set of conclusions. The Senator from Illinois has a perfect right to draw his. I merely say that, as I travel over my State, and as I talk to people who are in the business of drilling for gas or producing the gas, they tell me that drilling for gas is going downward.

The prices which are being paid in the field to get natural gas for the interstate market are simply not getting the new gas required.

This does not surprise me, and it should not surprise the Senate. I have had some experience with the problems of meeting this Nation's need for essential commodities. I know from that experience—as the Senate knows—that production of commodities never flourished in the state of uncertainty. Furthermore, I know that when the problem is that of increasing production, governmental controls have not had the desired effect.

After World War II, when I was Secretary of Agriculture, there were great fears that American agriculture would not meet the food demands of the free world. There were, also, great fears about taking off OPA price ceilings. I said then that the best OPA in the world is supply. Supply will keep the price down, when controls will not. It was my recommendation that controls be removed from American agriculture, and that it be given a chance to produce. The result today is that we have an overabundance of agricultural commodities and we are more concerned about the farmers' prices being too low than about them being too high.

Price controls have never created abundance, and they never will. The gas consumer today needs an abundance of supply, and, if we accept that, we cannot accept price controls, also.

It so happens that in yesterday's mail there came to me a letter from Hon. Earl Elijah, who is apparently a member of the State Senate of the State of Iowa. I have known Mr. Elijah as a very competent and able producer of hogs in the State of Iowa. As I was going through my mail I thought perhaps I ought to add to this discussion the first paragraph from his letter, dated January 12. He says to me:

> Possibly you will recall the occasion during World War II when you headed a congressional delegation which held a hearing in Chicago in an effort to discover the best means of inducing increased agricultural production, especially pork. Willian Yungclas and I both appeared before your committee and took the position that the hogs would be forthcoming, providing sufficient financial incentive was offered. This position, with action on your part to implement it, got the job done.

Mr. Yungclas has written me frequently. He also is a very able and fine farmer in the State of Iowa.

It was the recommendation of these two farmers that if we needed more meat on our shelves, the way to get it was to make production attractive to the producers. I think the same thing is applicable today with reference to natural gas.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. DOUGLAS. Would the Senator say the same principle should be true of electrical rates, and that in order to get more electricity we should increase electrical rates?

Mr. ANDERSON. No. I think it is desirable to have a stimulus to increase production. Therefore I have believed in the development of new types of production, such as atomic energy. I have believed in the development of huge power dams, which develop power from falling water. I believe in all those things which I think are inducements to the citizens of our country to produce more and more. I do not believe that price increases are necessarily the best way to increase electrical consumption. I have thought that they have not been.

Mr. DOUGLAS. That is just the point involved here. Would the Senator say that price increases are the best way to develop the consumption of gas?

Mr. ANDERSON. No. I am saying that whatever is required to obtain increased production is the best way to protect the consumer, and that if the uncertainty which exists in the present law could be dispelled, and if the uncertainty as to what the future holds could be dispelled, I think we would see an increased production of natural gas, which would be helpful to consumers.

Mr. DOUGLAS. Would the Senator advocate a higher price of gas in order to induce additional production?

Mr. ANDERSON. It is not the price paid to the producer at the well head which is causing the trouble. It seems to be the distribution cost in cities such as Washington, which is holding back the development and expansion of the market. I believe that if we could get enough production, we might be able to break up certain situations involving exorbitant prices. I do not believe we can blame the producer at the farther end of the pipeline.

Mr. DOUGLAS. Is it not true that if we increase the prices of natural gas as it enters the pipelines, it will be necessary to increase the prices charged by the distributing companies, and the distributing companies will have to increase the prices to the consumer? Once the increase starts upstream, it flows downstream to the consumer.

Mr. ANDERSON. Perhaps. I merely point out that if the dividend of the Washington Gas Light Co. was reduced to the 1950 level, as the Senator has suggested, the price at the well might be considerably increased without raising the price locally.

There is another instance, too, I would like to call to mind for the Senators. That is the matter of our Government's experience in the production of uranium.

A few years ago, we were faced with a critical shortage of uranium. Our national security was in jeopardy. The only road ahead seemed to be that of buying uranium at exorbitant prices from abroad.

We decided, instead, to see what would happen if we established an incentive, an incentive price. The rest is history. From that moment on, the search for native deposits of uranium has been intense. Our supply problem no longer exists. More importantly, when the Government begins paying for this uranium in a few years we will have saved billions of dollars.

There was filed, about July 2, 1952, a report from a subcommittee of the Joint Committee on Atomic Energy. It was a report on raw materials. I happened to be chairman of that subcommittee. We tried our very best to point out that the country needed a program to bring about a rapid expansion in the production of uranium, and that that would be the best guarantor with respect to prices that we could have.

Some of this uranium, I might point out, will be used to run the atomic generation plants of some of the utilities which are against this legislation on natural gas. Uranium will be a component of their electric power rates, just as natural gas is a component of their delivered gas rates. If we applied the logic the utility position offers here to the uranium field, we would be regulating the uranium prospectors as public utilities. I know and the Senate knows that if this were the case, we would not be getting the uranium we must have.

Over and over, we hear that because there are so many gas customers, with so much invested in equipment, we ought to have a Federal utility control over production.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. DOUGLAS. Does not the Senator from New Mexico realize that this is not the position of those of us who oppose the bill? What we say is that there is only one way of transporting natural gas, namely, through gas mains and pipelines,

and that the producer, the pipeline company, the distributor, and the consumer are all tied organically together, and that it is impossible to separate them. To try to chop off any part at the point where the gas enters the pipeline is like Solomon threatening to cut the child in half, with the intention of awarding one-half of the child to one putative mother and the other half to the other putative mother.

Natural gas is unique in that it must move through pipelines.

Mr. ANDERSON. I think that perhaps I should explain to the able Senator from Illinois that when I refer to opposition to the bill I am not confining myself to what he has said, but to what others have said, and to articles which have been written and statements which have been made, completely off the floor of the Senate and completely outside the text of the debate in the Senate. Therefore, if at times there appears to creep into the debate something that seems to be critical of something the Senator has said, he will bear in mind what I have just stated.

Mr. DOUGLAS. I know that the Senator from New Mexico is always charitable. The Senator from New Mexico knows I have for him only the highest esteem. The Senator from New Mexico also knows, I am sure, that if this were purely a matter of personal friendship and esteem, nothing would please the Senator from Illinois more than to have the Senator from New Mexico agree with me or for me to agree with him.

Mr. ANDERSON. I know that.

Mr. DOUGLAS. We are, however, protagonists of caluses and interests in which we believe.

Mr. ANDERSON. I say frankly that I have enjoyed very deeply the many occasions in which we have been partners in the same ventures, even though some of those ventures looked dubious at the time.

Mr. DOUGLAS. I hope that we may be partners many times more.

Mr. ANDERSON. I certainly hope so. All I say is that my experience in my part of the country has persuaded me that a certain course is correct. I do not ask the Senator from Illinois to adopt that course. I know him well enough to know that if he is persuaded on another course and believes the other course to be correct, he will not budge from his position.

Mr. DOUGLAS. What both of us are doing is making an appeal to the Senate—although there are not many Senators on the floor—and to the country, and the country will, I hope, consider the matter from the standpoint of the national interest.

Mr. ANDERSON. The Senator is correct. I believe I neglected to have included in the RECORD a telegram which I received from the American Farm Bureau Federation. Many persons know that I am deeply attached to the American Farm Bureau Federation. I make it a practice to attend the federation's conventions. The federation was kind enough recently to give some special recognition to me and to the Senator from Vermont [Mr. AIKEN]. Therefore, I should like to put into the RECORD a telegram which has been sent to me. It reads as follows:

Hon. CLINTON P. ANDERSON,
Senate Office Building:

Enactment Harris bill to terminate Federal regulation field prices natural gas respectfully recommended. A free market in competitive conditions is most effective guaranty of continuing adequate supply and best assurance interests of producers will be protected.

JOHN C. LYNN,
American Farm Bureau Federation.

I have read the telegram only because my complete agricultural philosophy has been that adequate supplies are the best guarantors of a decent price we have had in all our experience.

Mr. DOUGLAS. Mr. President, will the Senator yield for an observation?

Mr. ANDERSON. I yield.

Mr. DOUGLAS. The president of the American Farm Bureau Federation is an honored resident of my State. He is Charles P. Schuman.

Mr. ANDERSON. He is a very fine man.

Mr. DOUGLAS. He is indeed a splendid man. I count him as a personal friend, even though we do not always agree on farm policy.

However, excellent man though he is, it is nevertheless a fact that on the whole farmers do not consume much natural gas from gas mains. In the main, natural gas is consumed in the cities and towns. Farmers, as a rule do not consume much natural gas. They consume some bottled gas—propane and butane. However, not many farms are tied into the gas mains.

Mr. ANDERSON. I merely wish to say to the able Senator from Illinois that on my farm I am probably the largest individual consumer of natural gas in the county.

Mr. DOUGLAS. The Senator from New Mexico is a very prosperous farmer.

Mr. ANDERSON. Oh no; on the contrary, if I did not have a prosperous business I could not afford to be a farmer.

Mr. DOUGLAS. The Senator operates a very large farm, then, for the sake of psychic income.

Mr. ANDERSON. No, not for the sake of psychic income, but because I happen to be the son of a Swedish immigrant who loved the soil, and I cannot get it out of my blood.

I use natural gas to pump water. I have had long experience with various types of pumps. I have three large wells on my farm. I say to the Senator from Illinois that the first and oldest well is powered by electricity. The second well is powered by diesel power. I run my caterpillar tractor down to the well and pump from that well and irrigate about 200 acres of land with that kind of power.

The central pump is supplied by natural gas. It costs me less than a third as much to operate my natural-gas pump as it does to operate my caterpillar tractor. It costs me less than one-fifth to operate the gas pump than the electric pump.

I am therefore trying to make sure that such a blessing will continue to flow to farmers.

Mr. DOUGLAS. I appreciate the Senator's eulogy of natural gas.

Mr. ANDERSON. It is a great product.

Mr. DOUGLAS. My good friend from New Mexico is correct, and I join him in his eulogy. However, does the Senator from New Mexico get his gas from a gas main or from a local gas well?

Mr. ANDERSON. I get my gas from a gas main. The gas comes from Barker Dome in northwestern New Mexico, and it comes many miles by pipeline to my part of the State and is supplied to me on my farm.

Mr. DOUGLAS. As a general rule as the Senator from New Mexico knows distributive gas mains are not extended into the rural areas to any great extent, because the number of consumers per gas main is relatively low. The distributive gas mains are generally in the towns and cities, where a large volume of gas is carried by the mains. The Senator knows that to be the fact. Of course there may be some prosperous farmers, like the Senator from New Mexico, who have that kind of service.

Mr. ANDERSON. Mr. President, I could not disagree more with the Senator from Illinois than I do in the statement he has just made. I wish to say to him that what I have said is based on my experience. If the Senator were to go out into the country and find out what is actually going on, he would get an entirely different viewpoint.

I have recently acquired a farm in the eastern part of New Mexico, where I have never farmed before. I realize my new farm is not in accordance with the trend for family farms. I bought three farms on which the farmers were starving to death. I am trying to make one prosperous operation out of all three.

The one thing we have done in that area is to bring in natural gas for all the neighbors. I had to pay the gas company to extend the natural gas main to my farm. That was done. The farmers were not prosperous farmers. They were striving to keep a cover on that drought-stricken area. The greatest blessing to that area is natural gas.

I hope the Senator from Illinois will honor us someday by coming into our State and looking at our farms, which are not so fortunate as are the farms in his part of the State of Illinois, which I have visited many times and where I have seen great agricultural progress. If he comes to our State, he will see the efforts which we have to make and the dependence we have on the natural-gas industry.

Every time competition in the form that has been mentioned comes into the area, with the utilities in the Southwest expanding and with pipeline after pipeline being laid in an effort to buy natural gas and get more of it for municipalities, the farmers there have to pay higher prices because of the bidding.

We want a great supply of natural gas. I assure my able and distinguished friend that he would be surprised if he knew how many farmers depend upon pumping in order to carry on their business and depend upon natural gas to operate the pumps.

Mr. DOUGLAS. I have some knowledge of the farmers of Illinois. It is news to me that the majority of the farmers of Illinois have natural gas supplied to them from gas mains.

Mr. ANDERSON. I did not say that. I should not want the Senator from Illinois subsequently to hold up his statement and say that I said that.

Mr. DOUGLAS. The major portion of the consumers of natural gas who get their gas from gas mains are in the towns and cities, and a much larger proportion of them get their gas that way than is the case with farmers.

Mr. ANDERSON. I think that is true.

Mr. DOUGLAS. And, therefore, the Farm Bureau Federation, excellent as it is, does not really represent the consumers of natural gas.

Mr. ANDERSON. I think I would grant that; and I think, in view of the fact that the able Senator from Illinois referred to the President of the American Farm Bureau Federation, it might not be improper for me to say that when I visited the American Farm Bureau convention in Chicago the president of the bureau expressed some very kind things about the Senator from Illinois.

Mr. DOUGLAS. We are warm personal friends, and he is a very fine citizen.

Mr. DANIEL. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield.

Mr. DANIEL. Those farmers are producers. Is it not possible that the members of the Farm Bureau do not want to see the Federal Government set a precedent which someone someday might try to apply to the things they produce on their farms and send into interstate commerce?

Mr. ANDERSON. I am sure that is the point on which the Farm Bureau adopted its resolution.

Mr. DOUGLAS. I should like to suggest that beef, pork, cotton, and corn are not shipped through pipelines. I mean, actual pipelines, not verbal pipelines.

Mr. ALLOTT. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield.

Mr. ALLOTT. Is it not a fact that in the past 2 years since the war many agricultural institutions have had trouble fighting off the invasion of Federal bureaucracy in its attempt to control them?

As an example, I think the Senator will recall that it was necessary to get a specific exemption so that certain companies in the West would not have to come under social security. There was also an effort at that time to place them under the provisions of the Minimum Wage Act. So the statement of the distinguished Senator from New Mexico is not out of line. It is in accordance with the fear that many farmers have of an attempt to extend the horizon of Federal control over every activity they undertake.

Mr. ANDERSON. I would agree with the Senator from Colorado.

I was discussing the fact that gas consumers are not anxious to have Federal utility control.

I say that it is for that very reason we ought not to have a utility system of control in the field. Utility regulation has nothing to do with assurance of supply; no utility commission in the United States has ever caused any commodity to be produced. Because we do have more than 25 million gas consumers, because natural gas does constitute nearly 25 percent of our energy supply, our Federal policy toward production ought to be a policy encouraging the development of new supplies. That is the best protection on price, that is the best protection for the consumer's economic position.

Mr. DOUGLAS. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield.

Mr. DOUGLAS. How would that development be encouraged? Is the Senator saying that the way to encourage it is by removing the uncertainty or by increasing the price?

Mr. ANDERSON. I think the more important thing would be to remove the uncertainty.

Mr. DOUGLAS. And that would give the certainty of an increase in price?

Mr. ANDERSON. No; I do not think so at all. I do not believe the oil industry wishes to face the possibility that not only gas but oil and uranium are going to pass through the hands of the Federal Power Commission.

Mr. DOUGLAS. That is the bogey—oil, coal, copper, and so forth. As we have pointed out again and again, there are alternative methods of transportation in these cases, so that if a consumer is held up by one producer or one distributor the consumer can bypass him and go to others and can have these commodities shipped by railroad, by truck, by barge, and so on; but because of the peculiar nature of natural gas, it has to go through mains and pipelines. That this then altogether and largely removes the possibility of alternative sources of supply.

Mr. ANDERSON. I would only say that if the experiences I have had in the oil fields are any criterion, a great deal of the oil has to move by pipeline. It is frequently a long distance away from a railroad. It is not satisfactory to put it into a tank. It has been sometimes essential for the producers to build their own pipelines.

Mr. DOUGLAS. There are alternative methods in the case of oil which are very widely used.

Mr. ANDERSON. Mr. President, today there are instances in which I believe we can see clearly what is involved here. In Louisiana, during the past year, a well has been drilled to a depth of more than 22,000 feet into the earth. This is the deepest penetration of the earth's surface that man has ever made. Natural gas has been found.

The net result of this discovery is the equivalent of finding a new continent of natural gas. Everywhere man has drilled before, to shallow depth, he can now drill deeper with the hope of finding natural gas. Until now, it was not known whether wells could be taken so far into the earth. This is truly a landmark in our petroleum history. It should cause every consumer to rejoice.

That well, however, has not been drilled without cost. When it is completed, the well may cost well over $2 million. There will be more tons of steel in that hole than in the utility systems under many smaller communities.

To supply a major city, as many as one hundred such wells would have to be drilled and brought in. For each successful well, the explorers would have many dry holes. At the normal ratio of producing wells to dry holes, then, we can figure that producers would have to invest something close to $1.5 billion—one and a half billion dollars—to supply one city. More than one billion of that amount would likely be for dry wells—nonproducing holes.

The Nation's utilities do not have, individually, investments of that magnitude or risks of that magnitude. It is all well and good for a local utility to say, "We live with utility regulation; why cannot the producer?" That is easy to say. It seems even to be a logical and relevant approach; but is it?

The utilities distribute natural gas, but they do not find it. They do not produce it. They know very little about what is involved in finding it or producing it.

We have seen already, from the record available, that the utilities and their spokesmen were wrong—greatly wrong—in what they told us would happen if utility controls were imposed upon production.

Mr. DOUGLAS. Just a moment, to keep the record straight. Is the Senator implying that the distributive utilities were opposed to the Kerr bill in 1950?

Mr. ANDERSON. I think they are now.

Mr. DOUGLAS. Let it be clear that in 1950 the local utilities sat that bill out and took no sides. Those of us who fought the Kerr bill on the floor did so without any support from the distributors. I am happy that they have joined our ranks at this time, and I do not like the way they are being made whipping boys by the producing interests. I wish to make it clear that those who opposed the Kerr bill in 1950 and who took the stand we did were acting independently. But I think there has been altogether too much abuse of the distributive utilities in the past few days because they have had the courage to defend their own interests.

Mr. ANDERSON. Of course I think they might have been exempt under the Kerr bill. That may have been the reason why they decided to sit it out.

Mr. DANIEL. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield.

Mr. DANIEL. The same distributors came in last year and obtained an exemption from Federal control by a bill passed by the Congress of the United States. Is not that true?

Mr. ANDERSON. Yes.

Mr. DOUGLAS. Which the Senator from Illinois opposed. I have been consistent in this matter. I do not know whether the Senator from Texas voted with me on that occasion or not.

Mr. DANIEL. I do not recall whether it was a roll-call vote.

Mr. DOUGLAS. I think there was a yea-and-nay vote.

Mr. DANIEL. I doubt that.

Mr. DOUGLAS. Does the Senator mean that we were not able to get enough Senators to have a yea-and-nay vote?

Mr. DANIEL. I think that is the situation, but I am not sure.

I was wondering if the Senator from Illinois remembers criticizing those distributor utilities——

Mr. DOUGLAS. The Senator from Illinois does not criticize people or companies. He tries to stand for principles which he believes to be correct, but he knows it is only human for people to defend their interests. On the whole, as his hair gets whiter, he learns not to attack a person's motives.

I believed when the Hinshaw bill came up that the State utilities commissions had the right to obtain information from the Federal Power Commission. That was the fundamental issue in the Hinshaw bill, and I was merely following in the path which the present Justice Burton, then Senator Burton, formerly the mayor and the city solicitor of Cleveland, had followed when he wanted the city of Cleveland to be able to get information from the Federal Power Commission as to what the real investment of the East Ohio Gas Co. was.

I still think we should not foreclose the State commissions from getting such information from the Federal Power Commission. That was the major issue in the Hinshaw bill. I believe my position to have been fundamentally correct. I think the distributing utilities, which sponsor the Hinshaw bill, were wrong, but I did not condemn them then. I frankly do not like to see them made the whipping boys now because they are defending their interests. Those interests are legitimate, and I am happy that in this case they coincide with the interests of the consumers whom I am trying to defend.

I am not condemning the producing interests, and no Senator has heard me do so. They are defending their interests. It is natural that they should.

I simply say that we in Congress should try to decide what is in the national interest.

Mr. ANDERSON. I had not accused, and I am sure I do not in any way accuse, the Senator from Illinois of taking an inconsistent position. Rather, I have sat beside him and watched him vote for so long, when bills have come to the floor, that I have a box score of almost 90 percent accuracy in calculating which way the Senator from Illinois will vote. My guess would be, even if there was not a yea-and-not vote, that unquestionably the Senator from Illinois voted against the Hinshaw bill because of the principles which I know he has long espoused.

We have seen that they were wholly wrong in their assurances that there would be no adverse consequences to leaving the state of Federal policy uncertain.

On the other hand, we can see even more clearly that those who know the producing business were right. All that they said would happen from utility regulation of production has happened. All that they said would happen from uncertainty over policy has happened.

Which leadership shall the Senate follow now?

I cannot justify staying with a course which is, every day, proving more and more to be against the consumer's interest. The present practice of Federal regulation at the wellhead is failing, failing in the most dangerous possible way. The supply of gas is diminishing. The search for new gas is declining. If we continue on this course even for a matter of months, we may strike a crippling and permanent blow against the consumer.

There simply will be no consumer benefits to talk about if there is no gas.

In the course of 18 months, we have seen the supply picture reversed. From a picture which promised abundance, we are now headed directly and visibly toward scarcity and exhaustion.

Those who know production told us this would happen. Those whose advice prevailed, however, said that it would not happen. I am sure they did not think it would happen, but history proves that they did not know.

In this situation, I do not find it hard to decide for myself what I believe to be in the consumer's interest.

This situation did not exist when we had the policy in force which this bill will restore. It did come into existence—and exists now—as a direct result of the Nation's following the plan laid out by the opposition to this bill.

If we stay with the policy of utility control over production, we must do so blindly. We must do so in the face of overwhelming evidence that it would not work, that it has not worked, and that it is working against the consumer—not for him. There is not even a gamble involved. The policy has not worked, and nothing can make it work.

In 1950, these facts were not before us. The logic of the utility argument may have had some appeal then, because it was not tested. But the past 6 years have given us an opportunity to see whether it would work—and the policy has failed critically. I believe, therefore, that we have no choice but to turn back to a policy which we know will function successfully, and for that reason I believe strongly that this bill should be passed.

Mr. DANIEL obtained the floor.

Mr. DOUGLAS. Mr. President, will the Senator from Texas yield for a unanimous-consent request?

Mr. DANIEL. May I first compliment the Senator from New Mexico?

I wish to express my appreciation to the Senator from New Mexico for the way in which he has presented this matter. I congratulate him upon the able way in which he has explained the bill to the Senate today, together with the reasons why he is taking an active interest in the proposed legislation.

The PRESIDING OFFICER (Mr. MONRONEY in the chair). If the junior Senator from Texas will yield to the temporary occupant of the chair, the junior Senator from Oklahoma also wishes to express his appreciation to the distinguished junior Senator from New Mexico for the clear, concise, factual manner in which he has presented the case for those of us who support the bill. He has made a real contribution to the working knowledge of the situation.

Mr. DANIEL. Mr. President, I now yield to the junior Senator from Illinois, provided I do not lose the floor.

Mr. DOUGLAS. Mr. President, I wish to join with other Senators in saying that it is always a pleasure to listen to the junior Senator from New Mexico. He is always in good temper, he is very congenial, and he is an effective and very sincere debater, too.

I also wish to thank the junior Senator from New Mexico for the tone with which he has conducted the debate, although I find myself in disagreement with him on his alleged facts and conclusions.

Mr. President, I now ask unanimous consent that I may be permitted to insert in the RECORD at the conclusion of the speech of the junior Senator from New Mexico statistics which I have developed and have had checked, with reference to wildcat wells drilled in the United States by years from 1950 to 1955, and developmental wells drilled in the United States during that period.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Wildcat wells drilled in United States

COMPLETED AS OIL WELLS [1]

Year	Area				Total
	Southwest	Rocky Mountain	Appalachian	Other	
1950	971	41	235	46	1,293
1951	1,179	46	236	70	1,531
1952	1,163	71	173	81	1,488
1953	1,308	105	76	86	1,575
1954	1,332	125	79	62	1,598
1955	1,459	153	154	50	1,816
COMPLETED AS GAS WELLS					
1950	160	9	45	7	221
1951	178	12	33	36	259
1952	177	22	32	37	268
1953	284	25	35	23	367
1954	294	36	48	21	399
1955	244	45	48	16	353
DRY HOLES					
1950	4,579	287	1,718	456	7,040
1951	5,644	455	1,850	563	8,512
1952	5,931	710	1,537	637	8,815
1953	6,310	863	1,244	703	9,120
1954	6,295	1,279	1,093	616	9,283
1955	6,531	1,627	1,385	590	10,133
TOTAL WELLS					
1950	5,710	337	1,998	509	8,554
1951	7,001	513	2,119	669	10,302
1952	7,271	803	1,742	755	10,571
1953	7,902	993	1,355	812	11,062
1954	7,921	1,440	1,220	699	11,280
1955	8,234	1,825	1,587	656	12,302

[1] Includes wells completed as distillate wells.

Development wells drilled in United States

OIL WELLS

1950	17,238	581	4,064	1,254	23,137
1951	16,133	729	3,372	1,688	21,922
1952	15,938	858	3,440	1,742	21,978
1953	17,458	1,310	3,611	1,808	24,187
1954	21,032	1,738	3,767	1,638	28,175
1955	22,719	1,354	4,170	1,678	29,921

Development wells drilled in United States—Continued

GAS WELLS

Year	Area				Total
	Southwest	Rocky Mountain	Appalachian	Other	
1950	1,431	52	1,082	57	2,622
1951	1,638	43	1,054	36	2,771
1952	1,748	58	1,143	38	2,987
1953	2,248	107	1,054	30	3,439
1954	2,080	111	1,355	32	3,578
1955	1,958	117	1,290	51	3,416

SERVICE WELLS [2]

1950	246	0	1,002	1	1,249
1951	283	0	1,091	6	1,380
1952	240	0	1,232	10	1,482
1953	271	0	979	12	1,262
1954	399	0	592	21	1,012
1955	340	0	352	2	694

DRY HOLES

1950	5,209	217	2,175	116	7,717
1951	5,544	304	2,170	123	8,141
1952	6,213	337	2,185	87	8,822
1953	6,716	372	2,134	107	9,329
1954	6,784	531	2,405	165	9,885
1955	7,225	823	2,635	171	10,854

TOTAL

1950	24,124	850	8,323	1,428	34,725
1951	23,598	1,076	7,687	1,853	34,214
1952	24,139	1,253	8,000	1,877	35,269
1953	26,693	1,789	7,778	1,957	38,217
1954	30,295	2,380	8,119	1,856	42,650
1955	32,242	2,294	8,447	1,902	44,885

[2] Principally storage and injection wells.

Source: Oil and Gas Journal Weekly Well Completions.

RECESS

Mr. CLEMENTS. Mr. President, will the junior Senator from Texas yield for a privileged motion?

Mr. DANIEL. I yield.

Mr. CLEMENTS. Pursuant to the previous order, I now move that the Senate stand in recess until 12 o'clock noon tomorrow.

Mr. DANIEL. Mr. President, is it understood that the Senator from Texas will have the floor when the Senate reconvenes?

The PRESIDING OFFICER. May it be understood that following the morning hour tomorrow, the junior Senator from Texas will be recognized?

Mr. CLEMENTS. Mr. President, in order that there will be no question about it, I ask unanimous consent that at the conclusion of the morning hour tomorrow, the junior Senator from Texas [Mr. DANIEL] will have the floor.

The PRESIDING OFFICER. Does the Senator from Kentucky include that as a part of his motion?

Mr. CLEMENTS. I do.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

The question is on agreeing to the motion, as modified, of the Senator from Kentucky.

The motion was agreed to; and (at 5 o'clock and 57 minutes p. m.) the Senate took a recess, the recess being under the order previously entered, until tomorrow, Wednesday, January 18, 1956, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate January 17 (legislative day of January 16), 1956:

DIPLOMATIC AND FOREIGN SERVICE

John J. Muccio, of Rhode Island, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Iceland, to which office he was appointed during the last recess of the Senate.

CONFIRMATION

Executive nomination confirmed by the Senate January 17 (legislative day of January 16), 1956:

COLLECTOR OF CUSTOMS

Charles J. Walker, Sr., of Texas, to be collector of customs for customs collection district No. 22, with headquarters at Galveston, Tex.

HOUSE OF REPRESENTATIVES

TUESDAY, JANUARY 17, 1956

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, who hast called us to be peacemakers, may all the citizens of our beloved country seek more earnestly during this year to make peace and good will among men their personal concern.

Help us to understand that it is not enough that a few sincere and high-minded men of church and state should assemble to plan for the peace of the world.

Grant that we may see that all our programs and efforts will depend ultimately for their realization and achievement upon a finer moral and spiritual life rising in the hearts of men everywhere.

Make us more confident that there are reserves and resources of divine strength on which we have not yet drawn and springs of splendor in human nature still to be explored and tapped.

God forbid that we should ever surrender to moods of apathy and despair, but may we have a clear vision of the dawning of that better day when a nobler spirit shall rule the mind of man and all nations shall follow the ways of reason and righteousness.

Hear us in the name of the Prince of Peace. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment bills and a concurrent resolution of the House of the following titles:

H. R. 938. An act for the relief of Mrs. Elena Apostolescu Bustiuc;

H. R. 1015. An act for the relief of Mr. and Mrs. Derfery William Wright;

H. R. 1022. An act for the relief of Antonio Andrea Chitato;

H. R. 1145. An act for the relief of Ora L. Powers;

H. R. 1183. An act for the relief of Baldomero R. Garcia, Teresa Garcia y Braganza, Francisco Garcia, Teresita Garcia, and Eduardo Garcia;

H. R. 1219. An act for the relief of the estate of Mrs. Margaret A. Swift;

H. R. 1752. An act for the relief of Johanna Juresic Grgurich;

H. R. 1768. An act for the relief of the Jefferson and Plaquemines Drainage District and certain persons whose properties abut on the Federal Government's right-of-way for Harvey Canal in Louisiana;

H. R. 1910. An act for the relief of Blanka Goldstein;

H. R. 2273. An act for the relief of Der Chuck Yee and Wu Mei On;

H. R. 2278. An act for the relief of Consuelo Calderon de Villarreal;

H. R. 2296. An act for the relief of Simone Gilliland;

H. R. 2466. An act for the relief of Marino and Giselda Proni;

H. R. 2467. An act for the relief of Ivo and Elia Monari;

H. R. 4582. An act to amend the Internal Revenue Code of 1954 with respect to deductions from gross income of amounts contributed to employees trusts;

H. R. 5428. An act to amend the Internal Revenue Code of 1939 with respect to the period of limitation for filing claims by certain transferees and fiduciaries for credit or refund of income taxes;

H. R. 7036. An act to amend section 37 of the Internal Revenue Code of 1954 with respect to the earned income limitation on retirement income;

H. R. 7282. An act relating to the allowance of the credits for dividends received, for dividends paid, and for a Western Hemisphere trade corporation in computing the alternative tax of a corporation with respect to its capital gains;

H. R. 7364. An act relating to the application of the documentary stamp tax to transfers of certain obligations paid for in installments; and

H. Con. Res. 94. Concurrent resolution favoring the waiver of State residence requirements in certain elections.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 1146. An act for the relief of the Pacific Music Supply Co.;

H. R. 1447. An act for the relief of Aleksandra Borkowski;

H. R. 1637. An act for the relief of Sam H. Ray; and

H. R. 5844. An act to increase the fee for executing an application for a passport from $1 to $3.

The message also announced that the Senate had passed bills and concurrent resolutions of the following titles, in which the concurrence of the House is requested:

S. 31. An act for the relief of Shih Ming Wang;

S. 83. An act for the relief of Ottilie Hitzlberger Lachelt;

S. 133. An act for the relief of Mrs. Maria Michela Federico;

S. 267. An act for the relief of Ellen Kjosnes and Unni Kjosnes;

S. 277. An act for the relief of Jean Pfeifer;

S. 318. An act for the relief of Chih Shing Hwa;

S. 419. An act for the relief of Eli E. Hood;

S. 499. An act for the relief of Giuseppe Airo-Farulla and Joseph Antoine Airo-Farulla;

S. 508. An act for the relief of Victoriana Areitieo Berincua;
S. 551. An act for the relief of Anthony Agustino Scrivanich;
S. 897. An act for the relief of Erich Anton Helfert;
S. 993. An act for the relief of Eugene Alexander Figueiredo;
S. 1009. An act for the relief of Kathleen Schrater;
S. 1034. An act for the relief of Mr. and Mrs. Donald D. Parrish;
S. 1037. An act for the relief of Chung Herp Youn;
S. 1055. An act for the relief of Domenico Leonardi and his wife, Clara Corradi Leonardi;
S. 1062. An act for the relief of Renato Noe and Angiola Maria Anna Noe;
S. 1067. An act for the relief of Tibor Horvath;
S. 1182. An act for the relief of Haim Cohen (Haim Braun);
S. 1183. An act for the relief Dr. Rose Hu Chen;
S. 1193. An act for the relief of Moosa Ebrahimian;
S. 1375. An act for the relief of Pingfong Ngo Chung and Pearl Wah Chung;
S. 1616. An act for the relief of Sumiko Ariumi Bilson;
S. 1629. An act for the relief of Peter B. Vardy and his wife, Lillian M. Vardy;
S. 1651. An act for the relief of Felisa Ho (nee Chang-Kuon);
S. 1672. An act for the relief of Bruno Romeo;
S. 1686. An act for the relief of Mohammed Akbar Ashraf;
S. 1793. An act for the relief of Balbino Acusin Ariasa;
S. 1827. An act for the relief of Adel Kamal;
S. 2020. An act for the relief of Carmen Aguado;
S. Con. Res. 60. Concurrent resolution authorizing the printing of additional copies of the hearings in automation and technological change for the use of the Joint Committee on the Economic Report;
S. Con. Res. 61. Concurrent resolution authorizing the printing of additional copies of the joint committee print entitled "Federal Tax Policy for Economic Growth and Stability," for the use of the Joint Committee on the Economic Report; and
S. Con. Res. 62. Concurrent resolution to print as a document a pamphlet entitled "A Handbook for Americans."

GENERAL RIDGWAY

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to adress the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania

There was no objection.

Mr. FLOOD. Mr. Speaker, I am a member of the Army Appropriations Subcommittee. Today I propose to ask my subcommittee to conduct a full and complete investigation of the statements made by the former Chief of Staff of the United States Army, General Ridgway. I use as the basis for that the following quotation from this morning's Washington Post, and I quote the statement allegedly made by General Ridgway:

In my job as Chief of Staff, I say in all earnestness and sincerity that I felt I was being called upon to destroy, rather than to build, a fighting force on which rested the world's best hope for peace.

Mr. Speaker, in view of that extaordinary statement by the former Chief of Staff of the United States Army, I want to offer to him the record of my committee upon which he may spread all charges and all statements so that this House and this Nation may have the full benefit of this unusual and this historic incident.

In the first of a series of articles prepared for the Saturday Evening Post, Gen. Matthew B. Ridgway, former Army Chief of Staff, set forth the most serious indictment of shocking and far-reaching charges, striking at the heart of our national defense, ever brought against those responsible for the national defense at the highest level in the history of the Nation.

General Ridgway states that he was forced to cut nearly one-third of the Army manpower at a critical time in our history, that he was subjected to pressure from the White House and the Secretary of Defense, Charles E. Wilson, when he tried to make a formal protest.

The retired four-star general, whom the administration did not appoint to a second term as Army Chief of Staff after he differed with Defense Department policy, states further that President Eisenhower, in his state of the Union message in 1954, declared that the 1955 military fiscal year program "was based on a new military program unanimously recommended by the Joint Chiefs of Staff," and as a matter of fact that this was not so as a fact, and that Secretary of Defense Mr. Wilson knew, or should have known, that the statement was not true and correct.

General Matt is a soldier's soldier, a general's general, and a great American whose character, reputation, and integrity cannot be intelligently questioned, and that he was not a desk jockey officer but was the brave leader of combat troops in the field against the Nation's enemies in two wars. We have here no mealy-mouthed sycophant bucking for stripes, shades of Gen. Billy Mitchell.

At a time when the world situation was and is in the most perilous state since World War II, General Ridgway shows why politics, rather than military necessity, is shaping the size and strength of our Armed Forces, particularly the Army. Paragraph by paragraph in this indictment General Ridgway tells step-by-step of how politics and politicians are jeopardizing our fighting power. The frankness and the scope and the quality and the nature of General Ridgway's charges make it imperative to the national safety and welfare that the Congress and the Nation know to the fullest the entire story.

I do not believe that in American military history a Chief of Staff and one of the highest ranking generals in American military records found it necessary to use the following language in exposing what amounts to criminal negligence in the preparation of a defense budget:

In my job as Chief of Staff, I say in all earnestness and sincerity that I felt I was being called upon to destroy, rather than to build, a fighting force on which rested the world's best hope for peace.

As a member of the Army Appropriations Committee of the House of Representatives, it is my duty to ask said committee to begin an immediate, and to continue therewith, a full and impartial investigation of these charges made by General Ridgway and to invite and subpena to the extent that the power subpenaed under the circumstances will permit all persons who might be identified in the background and the development of this appalling and scandalous sequence of events.

PACIFIC MUSIC SUPPLY CO.

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1146) for the relief of the Pacific Music Supply Co., with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, lines 3 and 4, strike out "in excess of 10 percent thereof."

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

ALEKSANDRA BORKOWSKI

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1447) for the relief of Aleksandra Borkowski, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, lines 7 and 8, strike out "in excess of 10 percent thereof."

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

LEO E. VERHAEGHE

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3027) for the relief of Leo E. Verhaeghe, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 9, strike out "in excess of 10 percent thereof."

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

SAM H. RAY

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 1637) for the

relief of Sam H. Ray, with a Senate amendment thereto, disagree to the Senate amendment, and request a conference with the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. LANE, FORRESTER, and MILLER of New York.

THE GOOD NAME OF THE STATE OF MISSISSIPPI

Mr. RIVERS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. RIVERS. Mr. Speaker, I am placing in the CONGRESSIONAL RECORD an article by Davis Lee, a Negro who publishes a newspaper called the Telegram, in Newark, N. J. That is in answer, Mr. Speaker, to an article appearing in Look magazine written by William Bradford Huie, who tried to libel and slander the admirals of the United States Navy because he could not get certain consideration, et cetera, in his book, The Case Against the Admirals, during the time he was a naval officer. The article in question appears in Look magazine of this month in which this man vilified, slandered, libeled, with unmitigated vituperation the good name of the State of Mississippi, the people of Mississippi, the courts of Mississippi, and held out to the Nation that the State of Mississippi is one of the worst places on earth.

Mr. Speaker, I want you to read what a colored man had to say, who went down to Mississippi and spent 7 weeks there; what he found, and what he published in his newspaper north of the Mason and Dixon line.

Mr. Speaker, it is a tragedy when the good name of a State is held up for dramatic purposes, to ridicule, and to scorn at the hands of these headline seekers, such as the one that appears in Look magazine. I want you to read this article written by this man who had nothing to gain in writing the article.

The article follows:

[From the Newark (N. J.) Telegram of January 15, 1956]

MISSISSIPPI SURVEY—STATE NO WORSE THAN ANY OTHER; WHITE'S PATERNALISM KEY TO NEGRO UNDERSTANDING

(By Davis Lee, publisher)

In recent weeks the entire world has been led to believe that the 1 million Negro citizens of Mississippi are in constant fear for their lives; that they are ruthlessly exploited, deprived of every right as American citizens.

The murder of the Reverend George Lee of Belzoni, the Emmett Till kidnap murder, and other similar tragedies have given numerous distorted reports the appearance of being true. And those who have never been to Mississippi, from what they read, naturally conclude that it is the worst place on earth.

After spending 7 weeks in the State, touring its 82 counties, meeting and talking with Negro and white citizens of every walk of life, I am convinced that Mississippi is no worse than any other State in the Union, and what has happened there could happen in any of the 48 States with sufficient provocative agitation, and that the decent citizens deplore violence.

My trip to Mississippi was not in search of propaganda material designed to stimulate interest in any alleged righteous cause, nor was I sent by any publication with instructions to dramatize the slightest incident. I went in search of the truth. I didn't go in search of the worst that I could find in the State; I endeavored to find the good.

Naturally my findings will be criticized, but I don't care. Most people would rather believe a false report than a true one.

When I arrived in Mississippi, I began my tour at Biloxi and the first man I met was the able head of the chamber of commerce. He extended a cordial welcome and offered to give me any assistance I wanted. I have never met a man more gracious and considerate.

My next stop was Gulf Port and Bay St. Louis resort towns, with large Negro populations. There are many prosperous Negro businesses in these cities, and some of the finest homes are owned by Negroes.

I visited all of the coastal towns and cities and found no racial tensions. In every community an honest effort is afoot to give the Negroes equal schools.

When I arrived in Jackson, I went by to see Gov. Hugh White, who was glad to see me and talked at some length about the State's efforts toward improving the economic and educational stature of the Negro citizens.

Before leaving Jackson, I conferred with officials of the State department of education, and learned that the State is spending considerably more money for Negro education than it is spending for white. At Leland, I was told, the State had spent $1 million for a Negro elementary and high school.

Because of the wide publicity given the citizens' council I decided to meet with the heads and find out first hand the purpose for the organization, its objectives, and the type of people who head it.

I drove to Winona where I met Mr. Robert B. Patterson, the secretary. I spent some 3 hours with him. He is a native of Mississippi, young, energetic, and believes that our Creator intended that there should be a separation of races.

Mr. Patterson is an intelligent, fairminded southerner who doesn't believe that integration offers a solution to our racial problem. And his opinion and convictions are based on a lifetime with Negroes.

He operates a plantation at Indianola where he has some 80 Negro families. He travels extensively and leaves his wife and daughters in the care of his Negro help.

In one sentence, Mr. Patterson, in referring to the fact that his Negroes cared for his family, gave me the southern view, the South's feeling, in a nutshell.

"When I am away," he said, "I know that my Negroes will not let anything happen to my wife and children. In fact, they are my children, too."

It is this feeling of parenthood, of paternalism that people outside the South don't understand. Southern white people do regard their Negro employees as their children, their responsibility.

This fact was evident everywhere that I went. White people in Mississippi love and respect their Negro employees and they resent outsiders who interfere with local custom.

To further illustrate the workings of paternalism, I visited Drews, a small town not far from Money. I met a plantation owner who had 150 Negro families on his spread.

Some of these Negroes had been on that plantation all of their lives. The owner is a Mr. Smith, an educated, cultured man. He loves his Negroes as if they were his children.

Recently he missed 35 tons of fertilizer. A private detective was called in. In short order the fertilizer was located in Mound Bayou, the all Negro town. The fence who bought the stuff agreed to pay for it and no charges were made.

Shortly thereafter Mr. Smith missed several bales of cotton. The detective was called in again and given a retainer of $100 to locate the cotton. The next day the detective called and informed Mr. Smith that the bales of cotton had been found in Mound Bayou. The detective informed the plantation owner that one of his Negro employees had sold the cotton.

Mr. Smith sent for the alleged thief, a young man in his twenties who had been born and reared on the place. He readily admitted taking the cotton. The sheriff was summoned and the young man arrested and jailed.

A few days later, at the trial, the young man was fined $200, with the alternative of a jail sentence if he could not raise the money. Mr. Smith walked forward, paid the fine, and took the young man back to the plantation.

Since the Emmett Till tragedy I have read exaggerated reports by Negro reporters that they had to disguise themselves in dilapidated cars in Mississippi. I traveled the entire State, was well dressed, and rode in a late model convertible.

I was not even stopped and asked to show my driver's license during the entire trip. I went on dozens of plantations and talked with hundreds of Negroes, and not one planter questioned me about my being there.

THE PRESIDENT'S BUDGET

Mr. CHUDOFF. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. CHUDOFF. Mr. Speaker, the budget sent to the Congress by the White House yesterday contains not a shred of help for the rural cooperatives in Georgia or Alabama, nor even a hint of aid for the power-starved towns and cooperatives in southern Idaho. Nor could I detect a single new power start in the Pacific Northwest, where new generation is sorely needed. Under it, the administration continues to cast the rural electric cooperatives to the private utilities.

Apparently, Interior is willing to continue to "flout the intent of Congress" by permitting the Georgia Power Co. and other private utilities to retain their power monopolies undisturbed, despite the revelations before the Public Works and Resources subcommittee in hearings last year.

I have learned that the negotiations between the Department of the Interior and the Georgia Power Co. are again deadlocked and that, as a result the rural cooperatives in Georgia are still without the Federal power to which they are entitled under the preference clause, as recently made very plain in an opinion by the Attorney General of the United States.

Interior Secretary McKay had hidden the July 15 1955, opinion of the Attorney General until questioning by my subcommittee revealed its existence on October 11, 1955. Apparently, Interior Secretaries McKay, Davis, and Aandahl

are still hoping to evade that opinion's clear reaffirmation of the congressional intent that rural cooperatives and other public preference customers get the power to which the law entitles them. The administration has failed even to request study funds for transmission lines in Georgia and Alabama. No wonder the Georgia Power Co. is holding out for a deal on its own terms, when the Department refuses to come to the aid of its preferred customers, the farmers, and small towns.

Failure to transmit this power from Clark Hill Dam will continue to pile up for the taxpayers a deficit in the operations of the Southeastern Power Administration. This loss in revenue by June 1, 1955, had already reached $1.5 million, and by this time, it should be close to $2 million. The transmission lines, if built, would not only pay for themselves, but also would enable the Government to end this loss.

Because the Appropriations Committees last year issued an ultimatum to the Department, they have recently signed a contract with the Carolina Power & Light Co. for the marketing of the North Carolina one-third of John H. Kerr Dam power. That contract leaves something to be desired, but at least it will at long last make Federal power available to cooperatives and towns in eastern North Carolina. No such solution is in sight for Georgia.

Altogether the budget submitted by the President yesterday is most disappointing. Unless the Congress makes some drastic revisions in this budget, the administration will continue to default on its obligations under the preference clause. It will continue to sell Federal power at cheap dump rates to private utilities instead of making it available to rural electric cooperatives, municipalities, and other public agencies in accordance with the law and with increased revenues.

The President's budget will continue to permit the sound program of multiple-purpose integrated river-basin development first advocated by President Theodore Roosevelt to deteriorate. It will leave what little new development there may be of this country's vast remaining water-power resources safely in the hands of the private monopoly utilities who will supply lesser amounts of power at higher cost, and it will deprive preferred customers of the Government the increasing amounts of lowcost power Congress intended them to have.

The present administration's program is calculated to cripple rural electric cooperatives and municipals and other public-power groups so that the private utility monopolies may continue well protected from their only possible source of competition. And this budget well reflects that policy.

PERSONNEL IMPLICATIONS OF THE PRESIDENT'S BUDGET MESSAGE

Mr. DAVIS of Georgia. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. DAVIS of Georgia. Mr. Speaker, I am greatly disturbed over the implications of the President's budget that there will be increases in the total number of Federal employees, particularly in those agencies outside of the Defense Establishment. As chairman of a subcommittee charged with making, for the Congress, a comprehensive review of the use of employees throughout the Federal Government, it is indeed discouraging to be faced with such an extravagant proposal for expanding the Federal payroll.

According to an analysis, the President's budget contemplates that there may be as many as 2,390,000 Federal employees on the payroll at the end of the next fiscal year. This is indeed most disturbing, and not only unnecessary, but directly in conflict with assurances of the administration transmitted to me.

Last fall I was told that the administration would give our subcommittee unstinting cooperation.

Just what the budget means in terms of payroll costs, and to the taxpayers, can be visualized when it is pointed out that there would be a difference of 250,000 employees on the payroll if an average of 10-percent reduction, as compared to a 1-percent increase, would be brought about. The average employee's salary is $4,400 a year. This would mean well over a billion dollars in payroll costs would be unnecessarily expended.

Studies by our committee demonstrates that our Federal payroll can reach a more reasonable size.

There has been a downward revision in the total number of employees in those agencies that have cooperated with us in instituting a supervisor's review of positions, surveying functions for essentiality and reducing employment by attrition.

I am convinced, and I know that the majority of the people in this country are convinced, that the necessary tasks of the Federal Government can be carried out by 2 million or less Federal employees. We can do this through the elimination of duplication of positions, duplication of effort at all levels, unnecessary delegations of authority, and inflation of payrolls for purposes of giving certain favorite employees higher grades.

Unless the heads of Federal departments and agencies, and this includes the Bureau of the Budget and the Office of the President, will cooperate in bringing about a reduction in these payroll costs through attrition and proper utilization of employees the only other alternative is to cut by means of reduced appropriations.

I intend to direct the attention of the House at the proper time to conditions existing in the various departments as we have found them. I believe that the Members will agree with me that these departments can get along with a much reduced payroll cost and that it should be brought about by a reduction in the request for funds. If these reduced requests, based upon careful planning, are not forthcoming, the taxpayers may rightfully expect the Congress to arbitrarily reduce appropriations which will bring about the desired results.

This is not in as orderly fashion as we originally hoped for, but at least it will be some means of putting a checkrein on the unnecessary hiring of employees.

FOOD INDUSTRIES AMENDMENTS

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, I have today introduced a bill to amend the Fair Labor Standards Act of 1938, as amended, to provide greater coverage for employees of food industries whose activities affect interstate commerce, and for other purposes.

The food industries amendments will compliment and work hand in glove with the omnibus bill, which will be introduced to benefit labor in all industries.

I think the time has arrived when we must do something positive to enhance the economic lot of the many employees of food industries who are either wholly or partially exempted from the present act. I sincerely hope that the Members of this House will look with favor upon this legislation to provide greater coverage for employees of food industries whose activities affect interstate commerce. This bill which has been introduced today will correct the many injustices in the Fair Labor Standards Act which specifically plague employees of food industries.

Mr. Speaker, the Congress at the last session amended the Fair Labor Standards Act to increase the minimum wage from 75 cents to $1 an hour. The new minimum wage will go into effect on March 1, 1956. However, Congress did nothing to extend the coverage of the act. The extension of coverage is even more important to the employees of food industries than the increase in the minimum wage, because of the large number of employees who will benefit from such effective extension of coverage.

The purpose of the FLSA is to end "labor conditions detrimental to the maintenance of the minimum standard of living necessary for health, efficiency and general well-being." To accomplish this it establishes a minimum wage—$1 an hour as of March 1, 1956; provides for the payment of time and one-half for work of more than 40 hours a week, and forbids oppressive child labor—oppressive child labor is work by children under 16, and in some cases under 18, in industries found hazardous by the Secretary of Labor.

However, only 24 million of 44 million Americans in private employment excluding proprietors, self-employed persons, unpaid family labor and executive, administrative and professional employees, are covered under the act. Of the other 20 million, some 16 million are more or less justifiably excluded from coverage. For example, they are not engaged in work that concerns interstate commerce or are employed in small es-

tablishments. Nevertheless, for some 4 million workers there is no justification for exclusion from the provisions of the act. The act also contains special exemption from the overtime provisions. These exemptions, involving some 2.5 million workers, should also be ended. The largest groups exempted either from the act as a whole or from all or some of its overtime provisions are agricultural workers, employees of retail stores, laundry and cleaning store workers, fishermen and fish processors, transit workers, seamen, taxi drivers, cannery workers, some lumberjacks and loggers and some telephone switchboard operators.

Virtually all retail establishments are now exempt from both the minimum wage and overtime provision—section 13 (a) (2) of the act. The Food Industries amendments would have the act cover all retail establishments with more than 5 stores or with an annual gross income of more than $500,000. The enactment of the amendments would bring the 40-hour week immediately to scores of thousands of retail workers.

In regard to fish-processing exemption, any employee catching, taking, harvesting, cultivating, or farming any kind of fish, shellfish, crustacea, sponges, seaweeds, or other aquatic form of animal or vegetable life is exempted from both the minimum wage and overtime provisions. This exemption includes employees loading, unloading, or packaging the products for shipment or in processing, other than canning, marketing, freezing, caring, storing, or distributing it—section 13 (a) (5) of the act. The food-industries amendments would completely strike out this exemption. As a result, the $1 minimum wage and 40-hour week would be brought to this industry.

Workers employed within the area of production, handling, storing, ginning, compressing, pasteurizing, drying, preparing, or canning agricultural or horticultural products are not covered by any part of the act—section 13 (a) (10). The area of agricultural production is defined by the wage and hour Administrator as open country or a rural community. A rural community is any community of less than 2,500 population which is more than 1 mile from the city limits of a 2,500 to 50,000 population community or more than 5 miles from a community with more than 500,000 population. Several other technical factors affect the applicability of this exemption. The food-industries amendments would completely strike out this section. More egg candlers, poultry workers, and cannery workers would thereby come under the provisions of the act.

Employees engaged in food processing, canning, or packing perishable or seasonal fresh fruits and vegetables are exempted from the overtime provisions of the act for 14 weeks a year. For another 14 weeks, time and one-half need be paid only after 12 hours of work per day or 56 hours of work per week—section 7 (b) (3) and 7 (b). The food industries amendments would strike out the two sections which provide for these exemptions.

The act concerns only industries "engaged in commerce or in the production of commerce." This is another factor narrowing the coverage. For example, it results in the exclusion of retail establishments. The food industries amendments add the word "industries affecting commerce," thereby enlarging the scope of the act.

The FLSA is aimed at ending conditions "detrimental to the maintenance of a minimum standard of living," but some of the exemptions involve the very workers who need protection the most. Unorganized retail employees and poultry and canning workers earn some of the lowest wages in the United States. In part this is due to the present exemption existing in the act. The existence of these exemptions makes for unfair competition against the employers who maintain good working conditions for and good working relations with their emplyees. The enlightened firms which bargain collectively with their employees feel the pinch in competition with the companies that take full advantage of the low wages and long hours of work made possible by the exemption. Employees not covered under the act are made to feel like second-class citizens. Of course, there is no justification for this.

The retail-grocery industry is currently becoming more and more dominated by large supermarket chains. In 1954 supermarkets handled 52.3 percent of $18.2 billion of grocery sales. Many of these supermarkets are parts of large chains which immensely affect commerce. The A. & P. Tea Co. and Safeway stores, for example, have some 2,000 stores each across the Nation. There is no economic justification for not covering large retail enterprises. The small and purely local stores will still be exempted under the food-industries amendments.

The fish processing exemption is another loophole that has no economic reason for existing. Other food processing is not exempted as long as it is not in the area of production.

The area of production exemption is equally groundless. The worker employed in a small community or near the farm is not covered, but a worker doing the same job in a city is covered. Both workers have the same needs and requirements. The poultry worker in a rural Texas town, doing the same work as the poultry worker in Clinton, Iowa, should certainly have the same basic rights.

The seasonal overtime exemption provision has been a factor in keeping down the wages paid to cannery workers as a whole. The wages of these workers are below the national average and even below wages in nondurable manufacturing, and worse still, average cannery wages are steadily falling further behind.

Mr. Speaker, I hope that this bill to amend the Fair Labor Standards Act of 1938, as amended, will have the support of both Democrats and Republicans for I believe it is economically sound and certainly just, inasmuch as it will provide much greater coverage for employees of food industries whose activities affect interstate, and for other purposes. This injustice to a large segment of employees throughout the Nation should be speedily rectified by the 84th Congress.

HOMEWORK FIRST

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, my guess—it is nothing but a guess—is that our ticket will be Eisenhower and NIXON.

As a candidate for the Republican nomination for Congressman at the August primary, if nominated and elected I intend to give, as I have in the past, vigorous support to the administration's legislative program.

That does not mean, however, that I will either speak or vote for everything and anything that may be suggested by anyone and everyone who presumes to speak for the administration. If all Congressmen followed that course, there would be no need to elect Congressmen. Just give the elected President blank ballots and let him fill them in as occasion might arise. Who wants a rubber-stamp Congressman?

Vigorously have I supported the administration's successful efforts to keep us out of war, to insure prosperity, to get the Government out of business competition with the taxpayer, and its many other constructive proposals. Much of my time and effort during the last 9 months has been given to a defense of the administration against the false, vicious charges of political opponents.

Of that service, the Departments concerned have expressed appreciation.

We need roads; we need schools; some of our unfortunate, some of our aged need additional assistance; our farmers will need help in extricating themselves from the farm policies given us during the war by the Democratic administrations. In my humble judgment, there are not enough dollars to take care of our own needs and to pledge billions of dollars each year for the next 10 years to aid other nations.

Since World War II, we have given other nations $38 billion for economic aid, $17 billion for military aid, a total of $55 billion. Additional billions of dollars worth of military property was given to friendly and enemy countries in the closing days of the war. It is doubtful if today even one of these nations will wholeheartedly go along with us in any program where it thinks its own interest might adversely be affected.

Until our tax rate can be lowered, our national debt reduced, the farm problem solved, the needs of our own people more adequately met, I cannot by my vote promise to, for 10 years, each year send billions of dollars abroad. Regardless of the desirability of such a program, this Congress cannot bind future Congresses to make appropriations.

Let us first take care of the needs of our own folks, make adequate our program for national defense. Does not homework come first?

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first individual bill on the Private Calendar.

CLARENCE CHRISTENSEN

The Clerk called the bill (H. R. 1952) for the relief of Clarence Christensen.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That sections 15 to 20, inclusive, of the Federal Employees' Compensation Act are hereby waived in favor of Clarence Christensen, St. Paul, Minn., and his claim for compensation for personal injuries sustained on February 28, 1947, while he was employed as a supply inspector by the Department of the Air Force at Fort Snelling, Minn., shall be acted upon under the remaining provisions of such act if he files such claim with the Bureau of Employees' Compensation, Department of Labor, within 60 days after the date of the enactment of this act.

With the following committee amendment:

Strike out all after the enacting clause and insert the following: "That sections 15 to 20 of the Federal Employees' Compensation Act are hereby waived in favor of Clarence Christensen, St. Paul, Minn., and his claim for compensation for personal injuries alleged to have been sustained on February 28, 1947, while he was employed as a supply inspector by the Department of the Air Force at Fort Snelling, Minnesota, shall be acted upon under the remaining provisions of such act in the same manner as if such claim had been timely filed, if such claim is filed within 60 days after the date of the enactment of this Act: *Provided*, That no benefits shall accrue by reason of the enactment of this act for any period prior to its enactment, except in the case of such medical or hospitalization expenditures which may be deemed reimbursable."

The committee amendment was agreed to.

The bill was ordered to be engrossed, and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ESTATE OF GRADY WARD

The Clerk called the bill (H. R. 2472) for the relief of the estate of Grady Ward.

Mr. AVERY. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

ISABELLE S. GORRELL, ET AL.

The Clerk called the bill (H. R. 2522) for the relief of Isabelle S. Gorrell, Donald E. Gorrell, Mary Owen Gorrell, and Kathryn G. Wright.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay to Isabelle S. Gorrell, Donald E. Gorrell, Mary Owen Gorrell, and Kathryn G. Wright, jointly, the sum of $10,500. The payment of such sum shall be in full settlement of all claims of the said Isabelle S. Gorrell, Donald E. Gorrell, Mary Owen Gorrell, and Kathryn G. Wright against the United States for damage to real property formerly owned by them, described more particularly as farm unit "P," lots 46 and 55 of township 54 north, range 100 west, in the Shoshone Irrigation District, Wyoming, allegedly resulting from water seepage and direct flow of water from the Heart Mountain Division of the Shoshone project of the Bureau of Reclamation: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, line 6, strike out the words "in excess of 10 percent thereof."

Mr. LANE. Mr. Speaker, I offer a substitute amendment.

The Clerk read as follows:

Substitute amendment offered by Mr. LANE: On page 2, line 6, after the word "act" restore the following language "in excess of 10 percent thereof."

The substitute amendment was agreed to.

The committee amendment, as amended, was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EMANUEL MATHES

The Clerk called the bill (H. R. 2712) for the relief of Emanuel Mathes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Emanuel Mathes, of 180 West 93d Street, borough of Manhattan, city of New York, the sum of $1,000. The payment of such sum shall be in full settlement of all claims of said Emanuel Mathes against the Government of the United States, in connection with the $1,000 departure bond posted by the said Emanuel Mathes, on behalf of Shalom Mathes on December 10, 1948: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALBERTA S. ROZANSKI

The Clerk called the bill (H. R. 3032) for the relief of Mrs. Alberta S. Rozanski.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the annual national service life insurance (FV 121 71 65, V 124 19 35) granted in the amount of $10,000 to the late Dr. Frank S. Rozanski, effective January 26, 1951, shall be held and considered to have been in full force and effect at the time of his death on March 5, 1951, and the Administrator of Veterans' Affairs is authorized and directed to pay such insurance to Mrs. Alberta S. Rozanski, widow of the said Dr. Frank S. Rozanski and designated beneficiary of such insurance.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EDWARD M. THOMPSON

The Clerk called the bill (H. R. 3043) for the relief of Edward M. Thompson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Edward M. Thompson, of Ridgecrest, Calif., the sum of $2,200. The payment of such sum shall be in full settlement of all claims of the said Edward M. Thompson against the United States for reimbursement of an airplane, voluntarily offered by Edward M. Thompson to the United States Government in searching for persons known to have crashed in another airplane, during which search said plane of Edward M. Thompson crashed, resulting in a total loss to claimant: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

On page 2, lines 3 and 4, strike out "in excess of 10 percent thereof."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONVEYANCE OF CERTAIN REAL PROPERTY TO EILEF RUE

The Clerk called the bill (H. R. 3650) to provide for the conveyance to Eilef Rue of certain real property situated in Cassia County, Idaho.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to donate and convey to Eilef Rue, Fresno, Calif., all of the right, title, and interest of the United States in and to certain real property situated in Cassia County, Idaho, and more particularly described as follows: The northeast quarter of section 31, township 10 south, range 22 east, Boise meridian. The conveyance of such property to the said Eilef Rue shall constitute full exchange for (and full settlement of all of his claims with respect to) the homestead property which was

formerly owned by the said Eilef Rue (the southeast quarter of section 28, township 6 north, range 31 east, Boise meridian), and which was taken from him for use by the Navy under a Declaration of Taking filed August 24, 1943, and Final Order of Condemnation No. 1227, filed April 22, 1946, in the United States District Court for the District of Idaho.

With the following committee amendments:

Page 1, line 4, strike out the word "donate" and insert in lieu thereof the word "grant."

Page 1, line 9, strike the word "conveyance" and insert in lieu thereof the word "conveyance."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LOIS O. JENNINGS

The Clerk called the bill (H. R. 4466) for the relief of Lois O. Jennings.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lois O. Jennings, Washington, D. C., the amount certified to him by the Secretary of the Air Force under section 2 of this act.

SEC. 2. The Secretary of the Air Force shall determine and certify to the Secretary of the Treasury the amount of compensation which would have been paid to the said Lois O. Jennings for the periods beginning February 3, 1953, and ending March 17, 1953, both dates inclusive, and beginning March 22, 1953, and ending July 21, 1953, both dates inclusive, if she had not been separated from her position on February 2, 1953, and had continued to serve on Okinawa during such periods in the position and in the grade which she held on February 2, 1953: *Provided,* That no part of the amount paid under this section in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

On page 2, line 6, after the date "February 2, 1953" insert the following: ", except that such compensation shall be computed in the manner as prescribed in the act approved June 10, 1948 (Public Law 623, 80th Congress), had that act applied to her position on February 2, 1953."

On page 2, lines 7 and 8, strike out "in excess of 10 percent thereof."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LT. COMDR. MORTIMER T. CLEMENT

The Clerk called the bill (H. R. 4873) for the relief of Lt. Comdr. Mortimer T. Clement, Medical Corps, United States Navy, retired.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Lt. Comdr. Mortimer T. Clement, Medical Corps, United States Navy, retired, is hereby relieved of all liability to repay to the United States the sum of $6,638.66, which sum represents an overpayment of retired pay received by him for the period June 1, 1942, to July 31, 1949, inclusive.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lt. Comdr. Mortimer T. Clement, Medical Corps, United States Navy, retired, the sum of $1,651.33, which sum was repaid by him to the United States through a checkage of his retired pay account pursuant to a decision of the Comptroller General (B-105596, February 4, 1952) disallowing payment of such retired pay for the period August 1, 1949, to December 31, 1951, inclusive.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. JENNIE B. PRESCOTT

The Clerk called the bill (H. R. 5544) for the relief of Mrs. Jennie B. Prescott.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the 1-year time limitation upon the filing of applications for waiver of premiums contained in the last proviso of the fourth sentence of section 602 (n) of the National Service Life Insurance Act of 1940 is hereby waived with respect to any application for waiver of premiums on national service life-insurance policy No. N-17603908 (issued on the life of Hobert E. Prescott, Veterans' Administration claim No. XC-9016903) filed by Mrs. Jennie B. Prescott within the 1-year period which begins on the date of enactment of this act. Any payments made pursuant to such application shall be paid from the national service life-insurance appropriation.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. BERTHA K. MARTENSEN

The Clerk called the bill (H. R. 6279) for the relief of Mrs. Bertha K. Martensen.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the 10-year period (prescribed in the act of October 9, 1940 (31 U. S. C., sec. 71a)) within which claims against the United States must be filed is hereby waived with respect to the claim of Mrs. Bertha K. Martensen, New Orleans, La., against the United States for payment of the 6 months' death gratuity, and accrued pay and allowances, due her by the reason of the death of her son, Victor J. Martensen, if the said Mrs. Bertha K. Martensen files a claim therefor with the General Accounting Office within the 6-month period which begins on the date of enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOSEPH J. TIERNEY

The Clerk called the bill (H. R. 6283) for the relief of Joseph J. Tierney.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Joseph J. Tierney, of 142 D Street, South Boston, Mass., the sum of $184.60. Such sum represents reimbursement to the said Joseph J. Tierney for paying out of his own funds a judgment rendered against him in the courts of Massachusetts, under date of December 29, 1954, arising out of an accident occurring when he was performing his duties as a chauffeur in the post office in Boston, Mass.: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, line 2, after the word "act", strike out "in excess of 10 percent thereof."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PHILIP COOPERMAN ET AL.

The Clerk called the bill (H. R. 4773) for the relief of Philip Cooperman, Aron Shriro, and Samuel Stackman.

Mr. VAN PELT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

FRED MAZAN

The Clerk called the bill (H. R. 5626) for the relief of Fred Mazan.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Fred Mazan is hereby relieved of all liability to refund to the United States the sum of $241.35. Such sum represents compensation received by the said Fred Mazan as a temporary employee of the New Haven, Conn., post office from July 7, 1949, to October 8, 1949, while he was also employed by the Springfield, Mass., ordnance district, as an inspector and was receiving dual compensation from the United States at a combined annual rate in excess of $2,000. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, full credit shall be given for the amount for which liability is relieved by this act.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said Fred Mazan, an amount equal to the aggregate of the amounts paid by him, or withheld from sums otherwise due him, in complete or partial satisfaction of the claim of the United States for such refund.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ENS. CHARLES A. BINSWANGER

The Clerk called the bill (H. R. 6190) for the relief of Ens. Charles A. Binswanger.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Ens. Charles A. Binswanger, Baltimore, Md. (U. S. Coast Guard Reserve, retired), the sum of $5,224.-18. The payment of such sum shall be in full settlement of all claims of the said Ens. Charles A. Binswanger against the United States (1) for reimbursement of medical, surgical, and hospital expenses incurred by him during the period beginning January 30, 1946, and ending on September 22, 1949, and (2) for unpaid amounts due him at the time of his retirement in 1946 for mileage from Rochester, Minn., to Baltimore, Md.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LT. MICHAEL CULLEN

The Clerk called the bill (H. R. 7164) for the relief of Lt. Michael Cullen.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lt. Michael Cullen, of Honolulu, T. H., the sum of $1,100. Such sum shall be in full settlement of all claims of said Lt. Michael Cullen against the United States for reimbursement for expenses incurred by him in connection with educational benefits under the appropriate laws governing the rehabilitation and training of veterans.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANTONIO PENNA

The Clerk called the bill (H. R. 4588) for the relief of Antonio Penna.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Antonio Penna may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NELLIE OHLERKING ARCHAMBEAU MORAN

The Clerk called the bill (S. 1745) authorizing the Secretary of the Interior to issue a patent in fee to Nellie Ohlerking Archambeau Moran.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to issue to Nellie Ohlerking Archambeau Moran a patent in fee to the following described lands allotted to her on the Fort Belknap Indian Reservation, Mont.: Northeast quarter northwest quarter section 20, township 26 north, range 26 east; west half southeast quarter northeast quarter, southwest quarter northeast quarter, south half north half northeast quarter, south half north half north half northeast quarter, east half southeast quarter northeast quarter section 14, township 26 north, range 25 east, principal meridian, Montana, containing 180 acres.

SEC. 2. Said patent in fee when issued shall contain a reservation to the Fort Belknap Indian Community, in accordance with the provisions of the act of March 3, 1921 (41 Stat. 1355), of all minerals, including coal, oil, and gas.

SEC. 3. Pursuant to the provisions of the act of March 3, 1921 (41 Stat. 1355, 1357), and the act of March 7, 1928 (45 Stat. 200–210), as supplemented by the act of July 1, 1932 (47 Stat. 564, 565), said patent in fee when issued shall contain a provision that any of the above-described lands which may be situated within a Federal irrigation project are subject to a lien, prior and superior to all other liens for the amount of costs and charges due to the United States for and on account of construction, operation, and maintenance of the irrigation system or acquisition of water rights by which said lands have been or are to be reclaimed.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THE LATE HONORABLE MARTIN P. DURKIN

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, Martin Patrick Durkin, president of the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry, died November 13, 1955.

He was 17 years old when he joined his union as an apprentice steamfitter, and he rose through the ranks to be elected in 1943 to the position he held at his death. His life was closely associated with the growth of his union, except for a period of 8 years as director of the Illinois State Labor Department and 8 months as United States Secretary of Labor.

Martin Durkin was known to his friends as a man possessed of high moral values, of strong will and determination, but also kindly, patient, and calm even under the most trying circumstances. A close friend of Durkin, who knew him for 30 years, said that he never heard Durkin raise his voice except in prayer. He was known to be a pious man of deep faith, full of charity and compassion for his fellow man. A devout Catholic, he is reputed not to have missed daily Mass and communion even during the busiest days of his life.

Possibly the best illustration of his personal charity became public when he was appointed Secretary of Labor. It appears that Martin Durkin made it a practice to support one needy family. When the fortunes of one family rose, he would adopt himself another poor family which needed help. But he did not consider it sufficient to just help the family with cash, and he would himself go out once a week to shop for his adopted friends. He took personal interest in the needs of his dependent family and consulted with his wife and children about the appropriate objects that he should buy for each of the members of the poor family. Once the purchase had been made, he would send over the package by one of his sons or by a messenger. Even close friends of Durkin did not know about this practice, and the facts were disclosed through the work of a newspaperman who ferreted out the story and published it when Martin Durkin became United States Secretary of Labor.

Martin Durkin was a man of high principles. He was always willing to discuss controversial issues and hear the views of opponents. But, once he made up his mind and in his own consciousness determined the righteous and correct path of action, he would follow it to the end, no matter what personal sacrifices it involved.

His resignation from the position of Secretary of Labor illustrates this trait. He stated that he was highly honored to be chosen for an appointment to the Cabinet and to act as United States Secretary of Labor, but when he felt that he would not be able to pursue in that position a program which he felt was right, he gave up his high office without hesitation.

The Very Reverend Monsignor George G. Higgins stated that Martin Durkin was an extraordinary man "and deserves to be honored as such for the consolation of his family, to which he was so tenderly devoted, but, even more important, for the inspiration to his associates in the labor movement, which he loved more than anything else in the world except his God, his family, his country, and his church. He loved the labor movement so well for the better part of his life precisely because he regarded it as a necessary bulwark of the family and the flag and because he knew it to be the normal means of putting into practice in his working life the principles of justice and charity which were handed down to him by the church to which he was so passionately devoted."

This country is a better place to live in because of the life and activities of Martin Patrick Durkin. To his loved ones I extend condolences.

Mr. MADDEN. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Indiana.

Mr. MADDEN. Mr. Speaker, I wish to endorse the statement made by our distinguished majority leader regarding my friend and the friend of millions throughout the country, the late Martin Patrick Durkin, former Secretary of Labor. He contributed greatly throughout his adult life's work to the welfare and the furthering of the cause of labor. I know that millions throughout the country mourned his loss when they learned he had departed from this earth.

I wish, Mr. Speaker, to recall an outstanding decision during his service as a Cabinet officer in which Mr. Durkin showed to the millions of laboring people throughout the country that his heart was really with the cause of organized labor. As Secretary of Labor he learned that he was unable to secure the necessary and long-promised revisions of the Taft-Hartley law, which was promised by his superiors, he resigned. I think that was one of the greatest demonstration that his heart was really beating for the cause and the welfare of the laboring men and women of America.

Martin Durkin was born in Chicago, Ill., and received his education in the parochial and evening schools of that city. He was a veteran of World War I and upon returning from the service, entered into the labor movement as an assistant business manager with local 597 of the Plumbing and Pipefitters union. He progressed up the ladder in the councils of organized labor and was appointed Director of Labor for the State of Illinois by Governor Horner in which position he served up until 1941. The high standing held by Mr. Durkin not only by his friends in labor but also people in all walks of life can best be exemplified when he was selected as a member of President Eisenhower's Cabinet in January 1953. The record that he made in successfully carrying out every task or assignment which his labor union, the State and Federal Government assigned to him is well known to all his friends and coworkers.

Not only has organized labor lost a great friend and leader, but the people of his community, State, and Nation mourn his passing. On behalf of organized labor in the first congressional district of Indiana, along with numerous other citizens, I wish to extend to his wife and family, our condolences in their great loss and bereavement.

Mr. O'HARA of Illinois. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Illinois.

Mr. O'HARA of Illinois. Mr. Speaker, I am glad that our distinguished majority leader, Mr. McCORMACK, has mentioned the passing of one of the greatest of the sons of Illinois and has paid such a glowing and moving tribute to the memory of Martin Durkin. I wish to join him in his remarks.

It was my privilege to know Martin from the very early days of his life and it was also my privilege to be with him at a great dinner tendered to him in the city of Chicago not many weeks before he died. I knew him in his days of triumph and victory and also in his days of disappointment and of struggle. I always found him enveloped in the robe of simplicity and of understanding. It seemed to me he derived his great strength from the spiritual values within him. In high office he was as simple and as approachable, as kindly and sympathetically understanding, as when in his younger years he labored shoulder to shoulder, a worker among the workers who do with dignity the hard labor of the world.

The last time I saw him at the dinner not long before his death he had been a member of the President's Cabinet. He had been called to this high post of public service, hoping to help the President, the administration, the Government, the working people of the United States. But he found that according to his interpretations there were limitations, that the counsel he would give seeking to help laboring people might not be sympathetically received or might not be understood. So, without giving it another thought, he gave up this high honor, this position of member of the President's Cabinet and attained by few men in any generation and retired to private life. He came with dignity, and he departed with dignity—the dignity of a great man whose strength is in the spiritual values. If ever there was a man who lived close to God, if ever there was a champion and leader of labor who saw God's work in the elevation of the toilers and in that work his mission, it was Martin Durkin. His place in American history is secure. Generations yet unborn will be thrilled and inspired by the story of this great man of spiritual character who became Secretary of Labor in the Cabinet of a President whom he had not supported and for whom he had not voted, hoping that through his influence, a greater understanding might ensue and a harsh and barbarous law, born in passion and in prejudice, might be replaced with legislation restoring labor to the plane of full and equal partnership with management. When he failed, not for lack of effort on his part, but finding not the response for which he had hoped, he withdrew quietly and with the dignity that always characterizes men of stature.

At this dinner given him in Chicago a great tribute was paid him by the people of Chicago that he had known for many years. Everybody of influence was there. It was a great dinner I think, maybe without intention, there was a little needling. They would needle him to say something in a spirit of irritation or disappointment, but from Martin Durkin came only the words of a strong spiritual man, not quarrelling with what had happened, not making controversy of the incident of his engagement in and departure from the Cabinet, but a message of hope, a message of a greater future, a reflection of the great spirituality that was the strength of one of the greatest of all the sons of Illinois, a great American, Martin Durkin.

Mr. McCORMACK. Mr. Speaker, I yield to the gentleman from Illinois [Mr. MURRAY].

Mr. MURRAY of Illinois. Mr. Speaker, I should like to add my endorsement to the remarks of our distinguished majority leader and my distinguished colleague from Illinois [Mr. O'HARA] in connection with the passing of Martin Durkin.

Mr. Durkin for many years prior to his death resided in my district on the southwest side of Chicago. He was beloved by residents of Chicago, the citizens of his district, and by everyone interested in the welfare of the laboring man in the United States.

I attended his funeral in the Church of the Little Flower in my district. I recall the sermon delivered by Monsignor Higgins, of Georgetown University, in connection with his death, in which the monsignor described that the guiding principle behind Martin Durkin was that contained in the beatitude:

> Blessed are the meek, for they shall inherit the earth.

Monsignor Higgins disclosed that Martin Durkin's life showed that through the virtue of meekness one can achieve not only great goodness but great success. I think that we can all learn a great deal from the life of Martin Durkin. His passing is a great loss to the country.

Mr. McCORMACK. Mr. Speaker, I yield to the gentleman from Minnesota [Mr. WIER].

Mr. WIER. Mr. Speaker, I take this occasion also to pay tribute to one of the finest and cleanest men it has been my experience to meet in 28 years of association in the trade-union movement. I met Mr. Durkin on several occasions. I met with him in his office, I met with him at conventions, and I met with him in negotiations. And, he was an exceptionally able leader in the labor movement because of the cleanliness of his morals and his habits. He was one who just could not associate himself with anything but the highest of ideals and morals. I say to you, Mr. Speaker, that no President of these United States could have ever made a better choice for the position of Secretary of Labor than the President made when he chose Mr. Durkin, because Mr. Durkin led a clean life and a wholesome life, his sincerity, honesty, and integrity were beyond reproach. He was a great family man and a man in whom the workers of this Nation had a great deal of confidence. The trade-union movement of this country has lost a great leader and a great man when they lost Martin Durkin.

Mr. McCORMACK. Mr. Speaker, I yield to the gentleman from Illinois [Mr. BOYLE].

Mr. BOYLE. Mr. Speaker, I am very happy to be accorded an opportunity to participate with the other Members of this House in paying my respects and my tribute to Martin Durkin. On the occasion of the 250th anniversary of Benjamin Franklin's birth, it might be well to pause and to look at a 20th century individual whose life, talents, and energy have given to this generation in history, contributions that will serve the world in good stead for the next hundred years or even longer. Martin

Durkin, like Franklin, was a great American, a great philosopher, and a great sage. Like Franklin, he was known throughout the world and although he did not write his name at the foot or end of the Declaration of Independence, the treaty of peace with England in 1783, or the Constitution of the United States. He wrote his name and inspiration into trade unionism. It is not hard to appreciate the dimensions of his talents because in his selection and elevation to a Cabinet post he was given an opportunity to participate in the conduct of his Government on an administrative level which indicated that he measured long and well by the yardstick of esteem that merits approval everywhere. Too often and too long have people deprecated public service. Too long and too often have people maligned and thought little of those men who dedicated their lives for the public good. I think we will begin to appreciate as history goes along that they serve very well who make little contributions or big contributions to the commonweal. I think Martin Durkin, as one of the champions of labor, has made just such a contribution, and I think that history will long record what he has done for the labor movement and for the laboring man. I think that as the world comes into one of its most crucial eras, the laboring man will become more and more articulate, and the things that Martin Durkin has done for him and all humanity will stand up in sharp relief. It is a real pleasure for me as a Chicagoan representing a far north side of Chicago district to say it should be our concern in tribute to his memory to keep in mind the goals that Martin Durkin strove for in championing the cause of labor and the cause of all the people not only of the United States but of the world.

Mr. McCORMACK. Mr. Speaker, I yield to the gentlewoman from Illinois [Mrs. CHURCH].

Mrs. CHURCH. Mr. Speaker, I wish to pay my tribute and express here the respect in which Martin Durkin was held in Illinois throughout many long years. He belonged not only to the people of Illinois. He served with equal distinction in the national area. I took pride in his appointment as a Republican Cabinet member in Washington; and I would like to say that in the ranks of labor or elsewhere I have nowhere found a man of higher personal standards or integrity, a man who operated with such fairness at all times. Perhaps you would let me point out that his fine family did him as much credit as any of his other works. We in Illinois mourn the passing of Martin Durkin and are proud to list him as one of those who has done great service for those within his State and for his country.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that all Members who so desire may extend their remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MACK of Illinois. Mr. Speaker, I join my colleagues in expressing a deep personal loss in the untimely passing of one of our Nation's outstanding labor leaders, Martin P. Durkin.

I am proud of the fact that Martin P. Durkin was not only born and reared in the State of Illinois, but that under his leadership the department of labor for the State of Illinois became a model and example for the rest of the country to follow. As Secretary of Labor of the United States, he devoted his life to improving conditions of the laboring man. The monument which he has left to the working men and women of our great country will forever stand as a symbol of his greatness.

Mr. GORDON. Mr. Speaker, I wish to join with the distinguished majority leader, with my colleagues from Illinois and elsewhere in what from their hearts they have said about Martin Durkin. To his wife and family I extend my deepest sympathy.

Martin Durkin was not only a great, outstanding and devoted leader in organized labor. He was interested and active in every movement that had for its objective the elevation of mankind and the advancement of human contentment and the dignity of man.

He was a deeply religious man, and placed always his reliance in God. Illinois and the world can ill afford to lose men of the character, the stature, the ability, the devotion and the spirituality of Martin Durkin. I grieve in the passing of a dear friend, in every sense and by any measure a great American, Martin Durkin.

Mr. KLUCZYNSKI. Mr. Speaker, one of the Nation's most outstanding labor leaders, Martin P. Durkin, died on November 13, 1955. His passing was a great loss to the labor movement, which he so ably represented, and to his legion of friends.

The parents of Martin P. Durkin were Irish immigrants, and his father was an ardent trade unionist and head of a large family.

Martin P. Durkin was born and reared in the back-of-the-yards district on the southwest side of Chicago, the district which it is my privilege to represent. After attending elementary school and high school, he then went to night school to further his education. He started to work as an apprentice steamfitter, a trade which he followed during his lifetime.

In 1933, during the dark days of the depression, Gov. Henry Horner appointed Martin Durkin as director of labor for the State of Illinois. At that time I was a member of the General Assembly of the State of Illinois and served on the labor committee in the house.

It was during that time that I really got to know Martin Durkin and his great work in recommending legislation for the benefit of the laboring man.

To Martin P. Durkin belongs a great deal of credit for the passage in the State of Illinois of the minimum-wage law—an 8-hour working day for women—a law establishing the public-employment service and providing for unemployment compensation. He assisted greatly in obtaining improvements to the State workmen's compensation law. Under his leadership the Department of Labor for the State of Illinois became a model and example for the rest of the country to follow.

In 1953 Martin Durkin was selected by President Eisenhower to become a member of his Cabinet as Secretary of Labor, a position which he filled with distinction.

Martin Durkin had many outstanding characteristics, but to me his greatest virtue was his deep humility. He was a very religious man, and would never sacrifice principle.

To his widow, Anne McNicholas, and their sons, Martin and William and John, I wish to extend my genuine and sincere sympathy.

Mr. GRAY. Mr. Speaker, coming from the extreme portion of southern Illinois, it was not my privilege to know Martin P. Durkin as intimately as some of my colleagues who have been eulogizing this great labor leader today, but with my casual acquaintance and the knowledge of his great work with the masses of our working class of people, I had come to admire and respect him both as an individual, and as a great labor leader.

During the administration of our great Gov. Henry Horner of Illinois, Martin Durkin served as director of labor for the State, and great pages of history were written in behalf of the labor movement during that administration. He was always recommending legislation for the benefit of the laboring man. He was active in pressing for the minimum-wage law, an 8-hour working day for women, and many other worthwhile pieces of legislation. Under his leadership, the department of labor for the State of Illinois became a model, an example for the rest of the country to follow. I have neither the time nor words to adequately expound upon his many outstanding characteristics and accomplishments. He was a very religious man and possessed a deep sense of humility.

I join with my fellow colleagues and citizens in mourning his passing, and extend my deepest sympathy to his family.

Mr. O'BRIEN of Illinois. Mr. Speaker, I knew Martin Durkin for 30 years. He was one of my close and beloved friends. I never knew him to do a small or mean act. He was kind and sympathetic. He always gave a helping hand to one in need, and his leadership and his counsels in organized labor made a tremendous contribution to the cause of working men and women. His was a life rich in service, and the world in which we live is a better world because of the life of Martin Durkin. He rose to the high and lofty position of Secretary of Labor, member of the President's Cabinet, and abandoned this mighty position of power and prestige when the convictions of an honest nature conflicted with what he was expected to do. I extend my deepest sympathy to the members of his family. Illinois and the United States have lost a great son. I have lost a close and dear friend.

BENEFITS FOR CADETS AND MIDSHIPMEN

Mr. MADDEN. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 367 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5055) to provide that service of cadets and midshipmen at the service Academies during specified periods shall be considered active military or naval wartime service for the purposes of laws administered by the Veterans' Administration. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Veterans' Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. MADDEN. Mr. Speaker, I yield 30 minutes to the gentleman from Oregon [Mr. ELLSWORTH] and at this time yield myself such time as I may consume.

Mr. Speaker, this resolution calls for the consideration of H. R. 5055. This bill will give credit to the cadets and the midshipmen who were at the Military and Naval Academies during the Spanish-American War and during the period of World War I.

This bill merely equalizes the situation of students at the two academies and places them on the same basis as students who were at the two academies during World War II and during the Korean war.

It does not affect very many veterans, because the cadets who were at the academies during the Spanish-American War in a great number of instances have now passed away. A great many of those who are still alive have already sufficient military service to qualify for all benefits under the various veterans' acts. So it is only a small number of veterans of the Spanish-American War who would be affected. The same is true of those who were at the academies during World War I. Only a small number of those would be affected by this legislation.

Mr. Speaker, I do not know of any opposition to the bill.

Mr. ELLSWORTH. Mr. Speaker, the gentleman from Indiana [Mr. MADDEN] has explained the nature and purpose of this bill. In the 78th Congress, it was decided by Congress to establish the principle of allowing service at the academies to count as military service. That having been done with reference to service during World War II, the bill before you now merely extends the same rights to those very few men now living who were attending the academies during the First World War and prior to that time, the Spanish-American War.

Mr. Speaker, I yield such time as he may desire to the gentleman from Massachusetts [Mr. MARTIN].

BENJAMIN FRANKLIN'S 250TH ANNIVERSARY

Mr. MARTIN. Mr. Speaker, America recalls today the 250th anniversary of one of its most illustrious sons—diplomat, writer, scientist, Benjamin Franklin. Few men made greater contributions to the building of America than he.

Philadelphia elaborately and Boston with a quieter program observe today this notable event. But the appreciation of this great man is nowhere greater than the town which bears his illustrious name—Franklin, Mass.

In the early days of Franklin, Mass., the need of a library was evident and Benjamin Franklin came to the aid of the early settlers. He gave them the books which formed the basis of the library. In appreciation, the townspeople adopted his name for the town.

The town of Franklin later was to give the country that famed educator—Horace Mann, known everywhere as the founder of the American public-school system. His education was furthered by the library Franklin established.

Franklin is also the site of Dean Academy and Junior College, which for 90 years has been one of the leading preparatory schools of New England. These students profit by the library.

Benjamin Franklin was born in Boston on January 17, 1706. He was descended from freeholders and blacksmiths who, for three centuries, lived in Northamptonshire, in England, the same county that was the home of the more aristocratic ancestors of George Washington.

The abilities and accomplishments of Benjamin Franklin were so vast that volumes might be written on any of them—it is as America's first diplomat that he is best remembered; and it is as a man of letters that he perhaps made his greatest contribution. For it was his excellence in the latter that led to much of his success in diplomacy.

Although the great accomplishments of his life took place during his residence in Pennsylvania, and it is as a Pennsylvanian that he is well remembered, the seeds of his greatness were sown in the colony of Massachusetts Bay.

His father, Josiah, came to America in 1685 and became a candlemaker. It was from him that Benjamin, the 14th and favorite of his 20 children, inherited one of his most distinguishing characteristics—the art of settling disputes.

This ability was developed early by Franklin, as were the other attributes that were to serve him and his country throughout his lifetime.

He was still a youth in Boston when his personality became marked by other characteristics:

His commonsense was revealed as a child, when he suggested a general blessing for all the week's provisions, rather than daily grace at the table—to save time.

His inventiveness became apparent when, with other Boston boys, he learned to swim. He tried to fasten panels on his hands and feet for speed, but though they enabled him to swim faster, they also tired him. His alternative was to fly a kite, lie on his back, and be towed across the pond.

He liked discussions, and early abandoned his native dogmatism in favor of the persuasive and modest manner that was to become famous throughout the Western World.

Most important of these early traits, however, was his passion for reading and study. In his own words, he was anxious to become "a tolerable English writer."

Benjamin Franklin's formal education was limited to less than 3 years, but his life was devoted to learning, reading, the acquisition of knowledge—and he advocated that program for others no less than himself.

It was this thirst for knowledge that led him into an apprenticeship to his brother, James, a printer, and set the course for his life. Here he began his practice of reading every book he could acquire, sometimes staying up all night to do so, and here he began his satirical writings.

His Mrs. Silence Dogood articles, written anonymously for his brother's paper, the New England Courant, brought fame and eventual trouble with the Boston authorities to the paper; and finally led to the disagreements between the brothers that started him out to seek his fortune at the age of 17.

His original plan was to seek his fame in New York, but finding no work there he moved on to Philadelphia, and the die was set.

Franklin was only 22, and a veteran printer and editor, when he formed a partnership with another printer and bought his own printing business. By the time he was 26 he had become sole proprietor of the business.

It was during these years that he began to set the pace for American learning. He organized the Junto, patterned after the London tavern clubs he had known, and the father of the present-day Rotary Clubs. This group of young men met to discuss topics of the day, the classics—any subject that came to hand. And they prepared and circulated papers relating to their discussions. It was while a member of this group that Franklin conceived the idea of a subscription library.

His plan was for a circulating library to replace the rather casual lending of books by one member to another. There was no marked enthusiasm for the project at first, because there were few who were willing to donate the initial 40 shillings, and pay the additional 10 shillings a year, just to promote the learning of Benjamin Franklin.

His gift for diplomacy came to the fore—he circulated the story that the library was the plan of a number of friends, who had asked him to invite all real booklovers to belong—and his dream was realized. Some 50 young men joined at once.

This was the first public library in America. The books were ordered from London, and the first order arrived in October 1732. Success was immediate and, judging from the number of public libraries throughout the country today, sustained.

At the base of all Franklin's actions was one motivation, his desire for civilization. This motive, coupled with his natural abilities, led him to the scientific experiments, the writings, the diplomatic service that marked his life. He was to the world at his time—and still is to many, the prototype of the typical American—the rugged individualist who made his own way, who was at ease with lords and laborers, who fiercely believed in the rights of man.

His career was marked by firsts, the first fire-fighting brigade; the first to attract electricity from lightning; the first to build a stove which would heat a whole house; and the first in this country to advocate a school of English in institutions of higher learning, forsaking the tradition of Latin and Greek. He conceived the plans which led to the Philadelphia Academy, later to become the University of Pennsylvania and, although he had to give ground on Latin and Greek in order to get the academy, he managed to carry the idea of his English school.

It was during these years in Philadelphia that he began publication of Poor Richard's Almanac, in which are recorded many of his philosophies with regard to the conduct of men and of nations. In 1741, he commented:

> Enjoy the present hour, be mindful of the past; And neither fear nor wish the approaches of the last.

In the same vein, Poor Richard observed:

> The ancients tell us what is best; but we must learn of the moderns what is fittest.

It was perhaps this reasoning that led him, as agent of Pennsylvania and later of other colonies, to work for the building of a great British Empire that was his dream; then, when it appeared that the Empire would become the tyrant, to work diligently and successfully for the Revolution as the agent appointed by the Congress of the United States of America to propose and negotiate a treaty of amity and commerce between France and the United States. That letter of designation was the first official diplomatic act of the United States.

Franklin believed that "right however opposed becomes right at last." That was his sentiment at 20, and it remained his sentiment at 60. It is noteworthy that in his life, distinguished by politics, he made only one major speech—his plea for the adoption of the Constitution in 1787.

But his writings, as left to us, number well over 30,000. In them are revealed his character, his wit, his inventiveness, his wisdom. They are a fitting monument to America's first man of letters.

Mr. ELLSWORTH. Mr. Speaker, I have no further requests for time.

Mr. MADDEN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

Mr. TEAGUE of Texas. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5055) to provide that service of cadets and midshipmen at the service Academies during specified periods shall be considered active military or naval wartime service for the purposes of laws administered by the Veterans' Administration.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 5055, with Mr. LANDRUM in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. TEAGUE of Texas. Mr. Chairman, I yield such time as he may desire to the gentleman from Tennessee [Mr. EVINS], a former very fine member of the House Committee on Veterans' Affairs and the original author of this bill.

Mr. EVINS. Mr. Chairman, the chairman of the House Committee on Veterans' Affairs just called my attention to the fact that the committee has again favorably reported the bill of which I was the author and which passed the committee on 3 previous occasions and also passed this House on 3 separate occasions. The bill was never taken up in the Senate. Fortunately, perhaps this time there may be success on the measure. I certainly trust so as it has long been advocated by members of the Reserve Officers Association throughout the United States.

As has been pointed out by previous speakers, the bill is designed to equalize the giving of credit to men who served in World War I and the Spanish-American War who are entitled to compensation or pension benefits. The great bulk of the compensation for this will not go to the men of the Korean war or World War II, who are most numerous. This will give equality to those who had this service and who attended the Academies—the number is very small.

Each year the bill is delayed there will be fewer who will benefit under the provisions of the law.

Under Public Law 144 of the 78th Congress service performed in World War II at the Military, Naval, or Coast Guard Academies is considered to be active service for the purposes of laws administered by the Veterans' Administration. This bill, H. R. 5055, seeks to extend the same provisions to cadets and midshipmen who served at the Academies during War I and the Spanish-American War.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. EVINS. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. I would like to express my appreciation to the gentleman from Tennessee, who has a great record for constructive veterans' legislation, for making this contribution to the laws of the land with regard to our veterans. I think this bill is one that does nothing but create equity in existing legislation. I think the gentleman has done a substantial service to the veterans of our country by offering this bill to the House.

Mr. EVINS. I thank my friend and the chairman of the committee. May I say that among the most pleasant years of my service in the House were when I served on the Committee on Veterans' Affairs.

With regard to the pending bill, I may say, for the record, that the number of individuals involved is comparatively small.

In the Spanish American War there were 1,069 cadets at West Point, and 568 midshipmen at Annapolis. The Coast Guard Academy did not come into existence until after World War I, so only 37 officers, 54 cadets, and 1,242 enlisted men of the Coast Guard would be covered by this bill.

Many of this number, as we can appreciate, have now passed on.

As to the cost, the Veterans' Administration is not able to provide an accurate estimate, but it is stated that increased benefits under this bill would by no means be great that they would be very negligible and very small.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. EVINS. I yield.

Mr. JOHNSON of California. I want to associate myself with the sentiments of the gentleman from Tennessee and commend him for introducing this bill. It happens that I am a World War I veteran. Everybody knows that a great many of those men are getting to a very critical age in life. I hope the bill will pass, and I am quite sure it should pass. We must not forget the sacrifices of those who entered the military services to protect and safeguard our beloved country. The bill is a very modest step in that direction.

I thank my friend. The committee is endeavoring to make the laws uniform for all groups and classes of veterans wherever possible.

Mr. O'HARA of Illinois. Mr. Chairman, will the gentleman yield?

Mr. EVINS. I yield.

Mr. O'HARA of Illinois. Mr. Chairman, I commend the gentleman from Tennessee for bringing in this bill. I wish to take advantage of this opportunity to point out to some of my colleagues who may have thought that the Spanish-American War was a long time ago that the figures here of "known dead 273 and presumed living 295" is proof that the Spanish American War veterans are more alive than dead.

Mr. EVINS. I will say to my friend, the gentleman from Illinois [Mr. O'HARA] who is, himself, a distinguished veteran of the Spanish-American War that he is very vigorous and very able, and we are delighted that he continues his useful service here in the Congress.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I shall not take more than a moment or two of the time of the committee. I happily endorse this bill as well as other bills designed to liberalize the benefits given to Spanish American War veterans and the World War I veterans so that they may have benefits

which today they do not have and that other veterans of other wars have. I think no one can be against it. The cost is small, but after all it is the principle of the legislation that is right. I would like to say that we are very sorry to lose the gentleman from Tennessee [Mr. EVINS] as a member of our committee, but I believe, perhaps, he can serve us even better on the Committee on Appropriations where he now is. He served us well last year on the Appropriations Committee. I congratulate the gentleman from Illinois [Mr. O'HARA], the Spanish American War orphan—the only one in the House—for his great vigor and the fine character of the work he has done for Spanish American War veterans legislation. I include as part of my remarks the committee report on H. R. 5055:

BENEFITS FOR CADETS AND MIDSHIPMEN SERVING IN SPANISH WAR AND WORLD WAR I

Mr. TEAGUE of Texas, from the Committee on Veterans' Affairs, submitted the following report:

The Committee on Veterans' Affairs, to whom was referred the bill (H. R. 5055) to provide that service of cadets and midshipmen at the service Academies during specified periods shall be considered active military or naval wartime service for the purposes of laws administered by the Veterans' Administration, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

EXPLANATION OF THE BILL

Public Law 144 of the 78th Congress provides that service during World War II at the United States Military Academy, the United States Naval Academy, or the United States Coast Guard Academy shall be considered active military or naval service for the purposes of laws administered by the Veterans' Administration.

This bill seeks to extend the active wartime service status to cadets and midshipmen who served at the Academies during periods deemed to be World War I and Spanish-American War periods.

In the interest of providing uniformity for veterans of all wars, the committee believes that this bill has merit and that it is a most reasonable proposal. As indicated in the report from the Veterans' Administration, "It is believed that relatively small numbers of persons would be affected and the cost of paying additional or increased benefits granted under this bill would not be great." In addition, the information available to the committee during the 82d Congress by the Defense and Treasury Departments shows that relatively few men are involved. For example, in the Spanish War there were a total of 1,069 cadets at West Point, 568 midshipmen at Annapolis. Comparable periods for World War I are 1,930 men at West Point, 2,535 at Annapolis. In the case of the Coast Guard Academy, in World War I there were 37 officers, 54 cadets, and 1,242 enlisted men. While no definite figure can be given, there is no doubt that a considerable number of this total are no longer living. The Department of Defense has advised that of the numbers in its jurisdiction listed above only 3,809 are alive. Further, the committee believes that the vast majority of the living veterans who had service at one of the Academies also had active military or naval service adequate for most purposes under the veterans' laws and thus would not receive any additional benefits by the enactment of this legislation.

The reports of the Veterans' Administration and the Department of Defense follow:

VETERANS' ADMINISTRATION,
OFFICE OF THE ADMINISTRATOR
OF VETERANS' AFFAIRS,
Washington, D. C., April 18, 1955.

Hon. OLIN E. TEAGUE,
Chairman, Committee on Veterans' Affairs, House of Representatives, Washington, D. C.

DEAR MR. TEAGUE: Reference is made to your request for a report by the Veterans' Administration on H. R. 5055, 84th Congress, a bill to provide that service of cadets and midshipmen at the service Academies during specified periods shall be considered active military or naval wartime service for the purposes of laws administered by the Veterans' Administration, which provides:

"That section 10 of the Act of July 13, 1943 (Public Law 144, 78th Cong.; 38 U. S. C. 730), is hereby amended to read as follows:

"'SEC. 10. For the purposes of laws administered by the Veterans' Administration, service as a cadet at the United States Military Academy or as a midshipman at the United States Naval Academy during the period from April 21, 1898, to July 5, 1902, shall be considered active military or naval service in the Spanish-American War; such service, or service as a cadet at the United States Coast Guard Academy during the period from April 6, 1917, to November 12, 1918, shall be considered active military or naval service to World War I; and all such service during the period December 7, 1941, to December 31, 1946, shall be considered active military or naval service in World War II.'"

Section 10 of the act of July 13, 1943 (Public Law 144, 78th Cong.), which the bill proposes to amend, presently provides as follows:

"SEC. 10. Service as a cadet at the United States Military Academy or as a midshipman at the United States Naval Academy or as a cadet at the United State Coast Guard Academy on or after December 7, 1941, and before termination of hostilities incident to the present war as determined by proclamation of the President or by concurrent resolution of the Congress shall be considered active military or naval service in World War II for the purposes of laws administered by the Veterans' Administration."

For many years it has been the general rule that cadets at the United States Military Academy and midshipmen at the United States Naval Academy were not, while pursuing their regular courses of instruction, in the active military service within the meaning of that term as used in laws administered by the Veterans' Administration. By the enactment of section 10 of the mentioned act of July 13, 1943, Congress provided for an exception to this rule in the case of service at the Academies during World War II, but cadets and midshipmen who attended the Academies during the periods of other wars, and who were disabled by reason of wounds or injuries or disease contracted while pursuing the prescribed course of instruction and in line of duty are not entitled to wartime rates of compensation unless they were so disabled while assigned to duties constituting war service, which includes practice cruises at sea but excludes practice maneuvers at West Point. However, cadets and midshipmen who were disabled while attending the Military and Naval Academies during war periods or any other period are entitled to compensation at peacetime rates as prescribed by law (Veterans Regulation No. 1 (a), pt. II) by virtue of having had a "pensionable status" as officers of the Army and Navy under the general pension law. If suffering from permanent total disability not connected with any period of service, the pension rates authorized therefor are payable only if the service requirements thereof were met while such persons were assigned to practice cruises or otherwise actually assigned to active duty during the period of hostilities as specified in said regulation.

In connection with the legislation extending active service status to cadets and midshipmen who attended the Academies during hostilities of World War II (December 7, 1941, to noon, December 31, 1946), the Committee on World War Veterans' Legislation, in House Report No. 463, to accompany H. R. 2703, 78th Congress, 1st session, stated, in pertinent part, as follows:

"* * * As many of those who are now being enrolled or inducted in the active military or naval service are continued or enrolled in schools for prescribed courses of instruction as a part of their military training for service during the present war, it is believed that cadets at the United States Military Academy and midshipmen at the United States Naval Academy and cadets at the United States Coast Guard Academy, particularly in view of the intensive training programs prescribed for these groups, should occupy a similar status and that their service while pursuing courses of instruction at these Academies for any period on or after December 7, 1941, and prior to termination of hostilities incident to the present war, should be considered as active military or naval service."

If enacted, H. R. 5055 would render a cadet or a midshipman, disabled while attending a service academy as the result of injury or disease contracted in line of duty during the period from April 21, 1898, to July 5, 1902, or the period from April 6, 1917, to November 12, 1918, eligible to receive compensation at the wartime rate. Also, a cadet or a midshipman who attended a service academy between the specified dates would, if otherwise eligible, become entitled to pension for nonservice-connected permanent total disability without the present requirement of having been assigned to the particular duty noted above. Further, service as a cadet or a midshipman between April 21, 1898, and July 5, 1902, would be cognizable for the purpose of service pension under the service pension acts reenacted by Public, No. 269, 74th Congress. The benefit of hospitalization for nonservice-connected disabilities, now available to veterans with war service, would also be authorized for the persons concerned if the bill is enacted.

With respect to death benefits, the widow, child, or dependent parent of an individual who died as the result of injury or disease incurred in or aggravated by service as a cadet or midshipman during the specified periods would, if otherwise eligible, become entitled under H. R. 5055, if enacted, to compensation at the wartime rate prescribed by law. In addition, the surviving widow, child, or children of a deceased person who served at one of the service academies during the mentioned periods would apparently become entitled to the Spanish-American War service pension under the mentioned service pension acts or to the World War I service pension provided under Public, No. 484, 73d Congress, June 28, 1934, as amended by Public Law 483, 78th Congress, provided the other requirements thereof were met.

The bill, if enacted, might be construed to entitle midshipmen and cadets who served on or after April 6, 1917, and before November 11, 1918, to automatic insurance under the provisions of section 401 of the War Risk Insurance Act as amended by section 12, Public, No. 104, 66th Congress, which granted automatic insurance to any person in the active service on or after April 6, 1917, and before November 11, 1918, who, prior to the expiration of 120 days after October 15, 1917, or 120 days after entrance into active service, died or was disabled without having applied

for insurance. Due to the lapse of more than 30 years since the service in question was performed, provision for automatic insurance for such individuals who claim to have become permanently and totally disabled during the time such insurance was in force would require administrative determinations of facts which occurred many years ago, which facts are not now readily ascertainable.

It is not clear whether the bill is intended to render midshipmen or cadets of the World War I period eligible for adjusted compensation under the World War Adjusted Compensation Act, as amended. This act provides that adjusted service credit be computed upon the basis of active service after April 5, 1917, and before July 1, 1919 (38 U. S. C. 601); that application for benefits be filed on or before January 2, 1940 (38 U. S. C. 612); and that in computing adjusted service credit no allowance be made for service as a cadet or midshipman (38 U. S. C. 602).

Information is not available upon which to base an estimate of the cost of the bill, if enacted. However, it is believed that relatively small numbers of persons would be affected and that the cost of paying initial or increased benefits granted under the bill would not be great.

As previously indicated, it has been the general rule that cadets and midshipmen at the Academies have not been considered in the active military or naval service within the meaning of that term under laws administered by the Veterans' Administration. In the case of such persons serving during World War II, however, Congress made an exception to this general rule by section 10 of the act of July 13, 1943, supra. It should also be noted that by virtue of a specific provision in the Servicemen's Indemnity Act (Public Law 23, 82d Cong., April 25, 1951), cadets and midshipmen are now deemed to be in the active service for the purposes of the $10,000 free death indemnity. The pending bill presents a question of policy for determination by the Congress, upon which the Veterans' Administration has no recommendation. In this connection, it may be of interest to note that similar bills in previous Congresses, H. R. 7739, 81st Congress, and H. R. 2384, 82d Congress, passed the House of Representatives on May 15, 1950, and June 20, 1951, respectively. Neither bill received favorable consideration by the Senate.

For the purposes generally of laws administered by the Veterans' Administration the Spanish-American War period (including the Philippine Insurrection) extends from April 21, 1898, to and including July 4, 1902, and the period of World War I extends from April 6, 1917, to and including November 11, 1918. Accordingly, if the bill receives further consideration by your committee, it is suggested that it be amended to change the terminal dates of each of these periods and, for clarity, to add the word "inclusive," after each stated period, as well as the World War II period. It is also noted that the word "to" in line 6, page 2, should be "in."

Advice has been received from the Bureau of the Budget that there would be no objection to the submission of this report to your committee.

Sincerely yours,

JOHN S. PATTERSON,
Deputy Administrator
(For and in the absence of the Administrator).

ASSISTANT SECRETARY OF DEFENSE,
Washington, D. C., July 11, 1955.

Hon. OLIN E. TEAGUE,
Chairman, Committee on Veterans' Affairs, House of Representatives.

DEAR MR. TEAGUE: The following information is forwarded in response to a telephone request from Mr. Patterson of the House Veterans' Affairs Committee to Mr. John Driver of this office:

Midshipmen serving at U. S. Naval Academy, Annapolis

	Number of midshipmen	Status as of June 30, 1954	
		Known dead	Presumed living
Spanish-American War (Aug. 13, 1898–July 5, 1902):			
Total serving	568	273	295
Graduates	488	236	252
Nongraduates	80	37	43
World War I (Apr. 6, 1917–Nov. 11, 1918):			
Total serving	2,535	381	2,154
Graduates	1,943	337	1,606
Nongraduates	592	44	548

Cadets serving at U. S. Military Academy, West Point

	Number of cadets	Status as of June 30, 1954	
		Presumed dead	Known living
Spanish-American War (Aug. 13, 1898–July 5, 1902):			
Total serving	1,069	-------	-------
Graduates	722	434	288
Nongraduates	347	(1)	(1)
World War I (Apr. 6, 1917–Nov. 11, 1918):			
Total serving	1,930	-------	-------
Graduates	1,329	257	1,072
Nongraduates	601	(1)	(1)

[1] Not readily available.

We trust that this limited information will be helpful to you.

Sincerely yours,

W. J. MCNEIL.

RAMSEYER RULE

In accordance with clause 3 of rule XIII of the Rules of the House of Representatives, the changes made in existing law by the bill are shown as follows (existing law proposed to be omitted is in black brackets; new matter is in italics; existing law in which no changes are proposed is shown in roman):

"SECTION 10, PUBLIC LAW 144, 78TH CONGRESS

"SEC. 10. *For the purposes of laws administered by the Veterans' Administration,* service as a cadet at the United States Military Academy or as a midshipman at the United States Naval Academy or as a cadet at the United States Coast Guard Academy [on or after December 7, 1941, and before termination of hostilities incident to the present war as determined by proclamation of the President or by concurrent resolution of the Congress shall be considered active military or naval service in World War II for the purposes of laws administered by the Veterans' Administration.] *during the period from April 21, 1898, to July 5, 1902, shall be considered active military or naval service in the Spanish-American War; such service during the period from April 6, 1917, to November 12, 1918, shall be considered active military or naval service in World War I; and such service during the period December 7, 1941, to December 31, 1946, shall be considered active military or naval service in World War II.*"

COMMITTEE ON VETERANS' AFFAIRS, HOUSE OF REPRESENTATIVES, OLIN E. TEAGUE, CHAIRMAN

SERVICE IN ACADEMIES IN SPANISH WAR AND WORLD WAR I

H. R. 5055

Title: To provide that service of cadets and midshipmen at the service Academies during specified periods shall be considered active military or naval wartime service for the purposes of laws administered by the Veterans' Administration.

Mr. TEAGUE of Texas (by request). Introduced and referred March 18, 1955.

Analysis: Existing law permits veterans of World War II to count time spent in the Military, Naval, or Coast Guard Academies as service in World War II. This bill would extend this privilege to those who served in the Academies during the Spanish War or World War I.

Digest of Report (Veterans' Administration):

"* * * If enacted, H. R. 5055 would render a cadet or a midshipman, disabled while attending a service academy as the result of injury or disease contracted in line of duty during the period from April 21, 1898, to July 5, 1902, or the period from April 6, 1917, to November 12, 1918, eligible to receive compensation at the wartime rate. Also, a cadet or a midshipman who attended a service academy between the specified dates would, if otherwise eligible, become entitled to pension for non-service-connected permanent total disability without the present requirement of having been assigned to the particular duty noted above. Further, service as a cadet or a midshipman between April 21, 1898, and July 5, 1902, would be cognizable for the purpose of service pension under the service pension acts reenacted by Public, No. 269, 74th Congress. The benefit of hospitalization for non-service-connected disabilities, now available to veterans with war service, would also be authorized for the persons concerned if the bill is enacted.

"With respect to death benefits, the widow, child, or dependent parent of an individual who died as the result of injury or disease incurred in or aggravated by service as a cadet or midshipman during the specified periods would, if otherwise eligible, become entitled under H. R. 5055, if enacted, to compensation at the wartime rate prescribed by law. In addition, the surviving widow, child, or children of a deceased person who served at one of the service Academies during the mentioned periods would apparently become entitled to the Spanish-American War service pension under the mentioned service pension acts or to the World War I service pension provided under Public, No. 484, 73d Congress, June 28, 1934, as amended by Public Law 483, 78th Congress, provided the other requirements thereof were met.

"The bill, if enacted, might be construed to entitle midshipmen and cadets who served on or after April 6, 1917, and before November 11, 1918, to automatic insurance under the provisions of section 401 of the War Risk Insurance Act as amended by section 12, Public, No. 104, 66th Congress, which granted automatic insurance to any person in the active service on or after April 6, 1917, and before November 11, 1918, who, prior to the expiration of 120 days after October 15, 1917, or 120 days after entrance into active service, died or was disabled without having applied for insurance. Due to the lapse of more than 30 years since the service in question was performed, provision for automatic insurance for such individuals who claim to have become permanently and totally disabled during the time such insurance was in force would require administrative determinations of facts which occurred many

years ago, which facts are not now readily ascertainable.

"It is not clear whether the bill is intended to render midshipmen or cadets of the World War I period eligible for adjusted compensation under the World War Adjusted Compensation Act, as amended. This act provides that adjusted service credit be computed upon the basis of active service after April 5, 1917, and before July 1, 1919 (38 U. S. C. 601); that application for benefits be filed on or before January 2, 1940 (38 U. S. C. 612); and that in computing adjusted service credit no allowance be made for service as a cadet or midshipman (38 U. S. C. 602).

"Information is not available upon which to base an estimate of the cost of the bill, if enacted. However, it is believed that relatively small numbers of persons would be affected and that the cost of paying initial or increased benefits granted under the bill would not be great. * * *"

Reported July 26; House Report 1418.

Mr. Chairman, I now yield such time as he may desire to the gentleman from Indiana [Mr. ADAIR], one of the most valuable members of our committee.

Mr. ADAIR. Mr. Chairman, as previous speakers have pointed out, there are 2 or 3 things in particular that ought to be remembered about this proposed legislation. The first is that it has been reported favorably by the Committee on Veterans' Affairs and passed by this House on previous occasions. So it is before us again for action here, and subsequently, we hope, by the other body which has not heretofore considered this measure, as I recall. Secondly, it does tend to equalize and make equitable certain rights which, once granted, are administered by the Veterans' Administration. Those of us who have given thought and study to this legislation feel that it is proper, long overdue and very much worthwhile.

Mr. TEAGUE of Texas. Mr. Chairman, I have no further requests for time.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I have no further requests for time. It is unanimous on this side apparently.

The CHAIRMAN. There being no further requests for time, the Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That section 10 of the act of July 13, 1943 (Public Law 144, 78th Congress; U. S. C. 730), is hereby amended to read as follows:

"SEC. 10. For the purposes of laws administered by the Veterans' Administration, service as a cadet at the United States Military Academy or as a midshipman at the United States Naval Academy during the period from April 21, 1898, to July 5, 1902, shall be considered active military or naval service in the Spanish-American War; such service, or service as a cadet at the United States Coast Guard Academy during the period from April 6, 1917, to November 12, 1918, shall be considered active military or naval service to World War I; and all such service during the period December 7, 1941, to December 31, 1946, shall be considered active military or naval service in World War II."

Mr. TEAGUE of Texas. Mr. Chairman, I have two perfecting amendments at the desk, and I ask unanimous consent that they be read and considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. TEAGUE of Texas:

On page 2, line 7, strike out "to" and insert "in."

Page 2, line 8, after December 31, 1946, insert "inclusive."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. TEAGUE].

The amendments were agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. LANDRUM, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 5055) to provide that service of cadets and midshipmen at the service Academies during specified periods shall be considered active military or naval wartime service for the purposes of laws administered by the Veterans' Administration, pursuant to House Resolution 367, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gross.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my remarks and include the report on the bill.

The SPEAKER. Is there objection?

There was no objection.

Mrs. ROGERS of Massachusetts. I ask unanimous consent, Mr. Speaker, that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection?

There was no objection.

NATIONAL JUNIOR ACHIEVEMENT WEEK

Mr. CELLER. Mr. Speaker, I ask unanimous consent for the immediate consideration of Senate Concurrent Resolution 59.

The Clerk read the title of the Senate concurrent resolution.

The SPEAKER. Is there objection to the present consideration of the Senate concurrent resolution?

There being no objection, the Clerk read the resolution, as follows:

Whereas it was the initiative, the sense of individual dignity, and the determination to mold their own futures that motivated those who founded this Nation; and

Whereas Junior Achievement, Inc., through its "learn-by-doing" program is inculcating those ideals in American youth by helping them to set up and operate their own small-scale business enterprises; and

Whereas their experience in running Junior Achievement companies will provide these young people with a heightened understanding of the privileges and duties of citizenship and better prepare them to assume the responsibilities of community leadership; and

Whereas thousands of American businessmen voluntarily give unstintingly of their time, their counsel, and their experience for the benefit of the members of Junior Achievement; and

Whereas it is understood that the week beginning January 29, 1956, and ending February 4, 1956, will be observed as National Junior Achievement Week: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the President of the United States is requested to issue a proclamation designating the week of January 29, 1956, through February 4, 1956, as National Junior Achievement Week and urging all citizens of our country to salute the activities of Junior Achievers and their volunteer adult advisers through appropriate ceremonies.

The Senate concurrent resolution was read a third time, and passed, and a motion to reconsider was laid on the table.

JANE EDITH THOMAS

Mr. CELLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7588) for the relief of Jane Edith Thomas, with a Senate amendment thereto, disagree to the amendment of the Senate, and ask for a conference.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York? [After a pause.] The Chair hears none, and appoints the following conferees: Mr. FEIGHAN, Mr. CHELF, and Miss THOMPSON of Michigan.

LEONG DING FOON QUON AND KEN C. QUON

Mr. CELLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1496) for the relief of Leong Ding Foon Quon and Ken C. Quon, with a Senate amendment thereto and concur in the Senate amendment with an amendment which I send to the desk.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Line 4, strike out "and Ken C. Quon."

Amend the title so as to read: "An act for the relief of Leong Ding Foon Quon."

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the amendment offered by the gentleman from New York to the Senate amendment.

The Clerk read as follows:

Amendment offered by Mr. CELLER to the Senate amendment: On line 5, strike out the words "returning resident aliens" and substitute therefor "a returning resident alien."

The amendment to the Senate amendment was agreed to.

The Senate amendment was agreed to, and a motion to reconsider was laid on the table.

THE LATE HONORABLE BERTRAND WESLEY GEARHART

The SPEAKER. Under the previous order of the House, the gentleman from California [Mr. SISK] is recognized for 45 minutes.

Mr. SISK. Mr. Speaker, it is with deep regret and sorrow that I rise to inform the House of the death on October 11, 1955, of the Honorable Bertrand Wesley Gearhart, who served with distinction in this House from 1935 to 1949 and who numbered many present Members among his multitude of friends.

Those Members who served with Congressman Gearhart will better remember him as Bud, a childhood nickname which followed him through a long and distinguished career and by which he was affectionately known in the Halls of Congress, on the battlefields of France, and in his native city of Fresno, Calif., which I now have the honor to represent.

Bud Gearhart's passing at the age of 65 in the Stanford Lane Hospital of San Francisco brought to an end a lifetime of service to his community, State, and Nation, but he will be equally remembered and his memory cherished because of his warm human qualities, his readiness to extend help where it was needed, and his tenacious adherence to the right as he saw it.

Though Bud and I were of different political parties, this did not cause him to withhold the hand of friendship. Upon my election and the taking of my seat here, Bud Gearhart offered me his help and the background of his long experience, in accustoming me to strange and new surroundings and in doing a better job for the people he had represented and that I now represent. Since my return to Washington for this session, I have learned from other Members that as a colleague Bud helped many of them over the rough spots all of us face as newcomers here.

Congressman Gearhart was born May 31, 1890 in the city of Fresno. Until 1952 he lived in the house in which he was born. He came from distinguished ancestors, including the Capt. Jacob Gearhart who served in the Revolutionary War under George Washington, and who gathered the boats with which General Washington and his troops made the successful crossing of the Delaware River at Trenton on Christmas Eve, 1776. His family were pioneers in the San Joaquin Valley of California, and his maternal grandfather was the original surveyor of large areas of the valley.

Bud was a graduate of Fresno High School and of the University of Southern California, where he was awarded a bachelor of laws degree. He engaged in the practice of law in Fresno from 1913 until his death.

During the first World War he enlisted in the Army and was sent to officers training school, where he was commissioned a second lieutenant and served in France, assigned to the 811th Aero Squadron.

He was one of the founders of the American Legion, helping to draw its constitution and serving as a member of the committee which selected the emblem the organization uses. Beside many other posts of distinction in that organization, he served as commander of the Department of California and as a member of its national executive committee.

In his career of public service, Bud Gearhart served as district attorney of Fresno County, as a member of the State athletic commission, as a director of the California Veterans' Home, as a delegate to a State constitutional convention, and as a member of a Board of Freeholders of the City of Fresno. He enjoyed active membership in many fraternal and club organizations in California and here in Washington and was ever ready to serve with a multitude of committees, advisory boards and organizations devoted to community service.

During his 14 years in this House, Congressman Gearhart contributed substantially to the important work of the Congress through his membership on the Ways and Means Committee. In his city and State he will be long remembered for his sponsorship and successful work for such important measures as the Central Valley project, the construction of a veterans' hospital in Fresno, and the location of the Castle Air Force Base at Merced.

Although his services were great in many fields, Bud Gearhart probably will be longest remembered in the hearts of his fellows for his life-long concern and interest and his great contribution toward recognition and fulfillment of our country's obligations to its veterans.

Many veteran organizations in my district have asked that we recognize and commemorate Bud Gearhart's work in the field of veteran affairs and notably his assistance to disabled and ailing veterans by naming the veterans' hospital in Fresno after him, and I want to advise the Members at this time that I will introduce a bill to designate that institution as the B. W. Gearhart Veterans' Hospital. I bespeak support for this merited recognition.

In speaking here this afternoon I know I am expressing the regret and sorrow of a multitude of Bud Gearhart's friends out in California and here in the Halls of Congress. All of them, I know, will want to join me in expressing our sympathy to his sister, Mrs. Clara Gearhart Williams, and in this tribute to a comrade and friend, with a last "Well done."

A number of Members have asked the opportunity to express their thoughts on this occasion. I will be most happy to yield time to them. Others, unable to be here, have requested that I ask permission to have their remarks inserted in the RECORD at this point, and I so ask.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. SISK. I am glad to yield to the distinguished majority leader.

Mr. McCORMACK. I am very sorry to hear of the death of Bert Gearhart, but I am pleased to be here on the floor of the House while my friend is paying a deserved tribute and eulogy to him. I join with the gentleman from California in the remarks he has made in relation to my late friend.

I knew Bert Gearhart very well; he and I developed a very close friendship. He was one of the hardest working Representatives in the Congress; a man devoted to public service, and a man who voted in accordance with his conscience and his convictions. I deeply respected him, and I join with the California delegation in expressing a deep sympathy to those who are bereaved by his passing.

Mr. RAYBURN. Mr. Speaker, will the gentleman yield?

Mr. SISK. I yield.

Mr. RAYBURN. It was my pleasure for a good many years to serve with our friend, Bud Gearhart. He was always sane, he was always sound, he was always a patriotic American. He was one of the most delightful persons it has ever been my privilege to serve with in the House of Representatives.

I deeply regret his passing, and my deepest sympathy goes to everyone who loved him.

Mr. McDONOUGH. Mr. Speaker, will the gentleman yield?

Mr. SISK. I yield to the gentleman from California.

Mr. McDONOUGH. Mr. Speaker, I want to join with the others in commemorating the services rendered in this House and to the Government and the Nation by our late colleague Bud Gearhart. I recall when I first came to Congress the attention he gave to new Members, the advice, and counsel he gave, his pleasing personality, and the competent grasp he had of all phases of the Government. He was a great help to me when I first came here. I know he was highly respected in the community he represented. He represented it honorably and capably for many years. His passing was a shock to me.

I was hoping when he left Congress that he would enjoy life for many years, because he always appeared to be in very robust health. Unfortunately he is not with us any longer, and it is very becoming that we should commemorate his association with us while he was a Member of the House of Representatives. California and the Nation have lost a great and good man. Bud Gearhart was the kind of a man that all of us took great pride in, in calling him a friend. He was a devoted and loyal American.

Mr. PHILLIPS. Mr. Speaker, will the gentleman yield?

Mr. SISK. I yield to the gentleman from California.

Mr. PHILLIPS. Mr. Speaker, I am very glad the gentleman took this time to speak of our late friend and colleague, Bud Gearhart. It was a shock to me, as it must have been to many Members of the House, to hear of his death last fall. As our distinguished Speaker has pointed out, he was a man of friendly disposition and great ability.

For most of the first session after I came here I lived at the University Club. Bud had lived there for several years, certainly the latter part of his service anyway. I got to know him very well. We had breakfast every morning with other Members at the round table in the club. We drove down in his car. Bud Gearhart was always the same, good-natured, hard-working, able.

At that time, as we on this side of the aisle will remember, he was a member of the minority leader's strategy committee and he was the representative from my State on the committee on committees. We were the beneficiaries of his interest in committee appointments. I repeat, I was profoundly shocked to realize Bud had reached an age when his time had come. Most of us looked upon him as a younger man with a great many years ahead of him. I shall miss him very much, but I shall look back on his service in the Congress, his membership on the Ways and Means Committee, his friendliness to all of us, and his help. As the gentleman from California [Mr. SISK] has pointed out, we regret his passing.

Mr. ENGLE. Mr. Speaker, I was a very, very close friend of Bud Gearhart. When I came to Congress in 1943, I became acquainted with Bud Gearhart, who was one of the most friendly men in the California delegation. He was then an important and powerful member of the House Committee on Ways and Means. I was just one of the new Members. To me Bud demonstrated his capacity for friendship which has been referred to by our colleague from Los Angeles [Mr. MCDONOUGH].

I was also one of those who was a friend and a neighbor of Bud Gearhart at the University Club. As our colleague from southern California [Mr. PHILLIPS] has stated, Bud Gearhart lived for many years at the University Club. I lived at the same club for about a year and a half after I first came to Congress. Bud Gearhart sponsored my membership in the University Club.

Mr. Speaker, Bud Gearhart was a man of outstanding ability and, as has been stated, he was a man of great patriotism. It has not been mentioned up to this time that Bud Gearhart was one of the originators, one of the first sponsors, of the American Legion. He took a great deal of pride in telling me, and I often heard him repeat it, about the little meeting they got together some place over in France initiating the idea of starting the American Legion, which has become, of course, the greatest and the most famous veterans' organization in this country, and perhaps in the world.

We were all shocked, I am sure, to hear that a man of Bud Gearhart's affability, friendliness, and his apparent youth, should pass away so unexpectedly. We never regarded him as a man of many years, even though some of us knew when he left the House he was getting along somewhat in age.

It came with a distinct shock to me when I heard he had passed away. Although I have not had the pleasure of seeing him in recent years, I do hold the recollection of him in very deep affection. I send my sincere sympathies to his many, many friends and to the members of his family.

Mr. JOHNSON of California. Mr. Speaker, I was also very much shocked to hear that Bud Gearhart had passed away because I thought he was in perfect health although I had not seen him for some years.

I knew Bud Gearhart long before he came to Congress. He and I were in the group that organized the Department of California, American Legion. Later on I helped elect him our State commander. But I remember him most during my first term in the Congress when we had the famous Ruml plan up here for consideration which he was very bitterly opposed to, and I was, too. We joined with the gentleman from Tennesee [Mr. COOPER] and fought as hard as we could to point out to the Congress that we were giving fabulous sums of money away to very large taxpayers. We continued the fight as long as we could, but it finally was passed in a modified form, but we each voted against it.

Bud Gearhart was very close to his mother. After she died he was very, very lonely, and he disliked to drive the long distance to California to see his friends. In my opinion, that was something that sort of disinterested him in Congress. He lost his mother and he lost several friends, and he was not as active as he used to be.

It has been pointed out here that he was a very friendly, kind individual. He would do everything he could to help you. In the committee on which he served, the Committee on Ways and Means, he would go into very great detail and explain the problems to us. Another thing that is very interesting is that he was elected in 1935 when very, very few Republicans were elected. It showed the strength that he gathered through his activities in the American Legion and also throughout California, especially down in his own district and city of Fresno.

I extend my deepest sympathy to his family survivors and to his many friends who were saddened by his passing.

Mr. SISK. I yield to the distinguished minority leader, the gentleman from Massachusetts [Mr. MARTIN].

Mr. MARTIN. Mr. Speaker, it was with deep regret that I learned of the death of Bud Gearhart. He was one of my very closest and dearest personal friends. From the very first day he entered Congress until he left to resume life in California, we were warm friends. I came to know the patriotism, the ability, and the zeal which Bud Gearhart put into his work. He was a firm believer in the West, its progress, and great future. He worked tirelessly for his beautiful California valley, the State of California and the rest of that great western country. As a veteran, he was very much interested in the welfare of the Legion and its membership. Mention has been made of the fact that he was in Paris with young Teddy Roosevelt, Han McNider, Piatt Andrew, Ham Fish and others when the idea of the American Legion was born. He was a great advocate of military preparedness and fought to keep this country a strong, sound, sane America. His great hero, if I may say it, was Hiram Johnson, whose progressive policies he followed throughout the years.

Mr. Speaker, Bud had a legion of friends and all heard with keen regret of his death. California, his district, and the Nation have lost a great citizen. A great American has ended a useful life and gone to the reward he richly deserves.

Mr. SISK. Mr. Speaker, I ask unanimous consent that all Members desiring to do so may extend their remarks in the RECORD at this point.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HILLINGS. Mr. Speaker, I wish to join my colleagues in the House of Representatives who are today paying tribute to the late Bertrand W. Gearhart.

Although Bud Gearhart, as he was affectionately known throughout the State of California, had left Capitol Hill before I was elected, I had an opportunity to observe his public service. The years that he spent in the service of his country as a member of the armed services in World War I, as assistant district attorney and district attorney of Fresno County, Calif., as a member of the State athletic commission, as a member of the board of directors of the California Veterans Home, as a delegate to the California constitutional convention and the 14 years he served in this body, have set a standard to which all should aspire.

Mr. SCUDDER. Mr. Speaker, it was with deep sorrow that I heard of the passing of a close friend of long standing, the Honorable Bertrand W. "Bud" Gearhart.

I have known Bud Gearhart over a span of many years. During the course of our long friendship, I have admired his ability as a leader in the American Legion and as a member of the United States House of Representatives. As a Member of this body, as in every other position, he served with distinction.

He was an outstanding personality, respected for his ability, devotion to duty, and qualities of leadership. During his fruitful lifetime he acquired a wide circle of friends and I am, indeed, proud to have been included among those whose privilege it was to work with and associate with Bud Gearhart.

I shall always treasure his memory, and extend my sympathy to the members of his devoted family over their great loss.

Mr. ALLEN of California. Mr. Speaker, the first Member of Congress whom I met subsequent to my first election in November of 1946 was the Honorable Bertrand W. Gearhart. He wired me from his home in Fresno, Calif., to arrange a meeting in the San Francisco Bay area so that we might become acquainted. Bud was a member of the committee on committees. We got together in a San Francisco hotel, and I talked for the first time concerning the routine, practical affairs which govern

the daily lives of those of us who serve in this House.

When I came to Washington in January of 1947, it was to Bud to whom I went for advice and guidance—how do I get an office, where should we live in Washington, what committee I should seek to be on, and many other considerations which at the time seemed something of a mystery. He became a warm friend and a very valuable one.

Bud was an able, colorful, courageous, and humorous associate in this House. He was an able legislator, particularly in the field of legislation which came before his Committee on Ways and Means. He was a great Republican, but never a petty partisan. His signature to a letter was as inimitable as was Bud himself.

He always stood and always will stand high in my affection. I am sorry that we will no longer enjoy his company, even as infrequent as his visits became in recent years. He did a great service, and the Nation and his community lost a great citizen when he passed on.

Mr. SISK. Mr. Speaker, I yield to the gentleman from Minnesota [Mr. O'HARA].

Mr. O'HARA of Minnesota. Mr. Speaker, when my colleague from California announced the passing of my good friend, Bud Gearhart, I was indeed shocked and saddened. I had not heard of his illness. I had the pleasure and the richness of the experience of being associated with him and numbering Bud Gearhart while he was here among my very close friends. I had a very high regard for his ability. I know he came to Congress with an exceptionally fine reputation as a lawyer. Certainly his training and his ability as a lawyer was much in evidence in the work which he performed in the Congress. For all of the years that we served together he was on the Committee on Ways and Means until he retired from the Congress. I do not think there was a more conscientious or more able individual who served on that great committee than Bud Gearhart of California.

It is certainly with a feeling of deep sadness that I receive the announcement by our colleague today that my good friend has passed away.

Mr. SISK. I thank the gentleman for his remarks.

FOREIGN POLICY OF THE EISENHOWER ADMINISTRATION

Mr. DEROUNIAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DEROUNIAN. Mr. Speaker, I submit herewith for the information of my colleagues a joint statement issued by seven Members of the House of Representatives, on January 14, 1956, which is self-explanatory.

The people of the United States will be the best judge as to whether they want the Acheson policy of stutter and stammer of the Eisenhower-Dulles policy of firmness and strength.

JOINT STATEMENT BY REPRESENTATIVE STEVEN B. DEROUNIAN, OF NEW YORK; REPRESENTATIVE PATRICK J. HILLINGS, OF CALIFORNIA; REPRESENTATIVE JOSEPH F. HOLT, OF CALIFORNIA; REPRESENTATIVE JOSEPH P. O'HARA, OF MINNESOTA; REPRESENTATIVE HAROLD C. OSTERTAG, OF NEW YORK; REPRESENTATIVE JOHN J. RHODES, OF ARIZONA; REPRESENTATIVE JOHN M. ROBSION, JR., OF KENTUCKY

WASHINGTON, January 14.—The continuation of the present foreign policy of the Eisenhower administration is our Nation's best guaranty for maintaining peace.

Our visit last fall to the Soviet Union and other areas behind the Iron Curtain convinced us that our present policies of maintaining peace and encouraging the restoration of free government to captive nations is the best policy for this Nation to pursue.

The Soviet orbit thrives on weakness. It squirms in the face of courage and strength.

Secretary of State John Foster Dulles has rendered outstanding service to our country in the manner in which he has guided and directed this foreign policy which has brought peace to the world today. Americans are not afraid of the truth.

The recent politically inspired attacks on this policy indicate that these critics have failed to recognize that the old Truman-Acheson policy of appeasement and surrender to the Communists could lead us to war in the future as it has in the past. Our conversations with top Red officials and our on-the-scene observations in the Communist world, have convinced us that the primary thing the Communists understand is strength.

The President of the United States has a firm grasp of this fact. In his state of the Union message on January 5, 1956, he said:

"We know the Communist leaders have often practiced the tactics of retreat and zigzag. We know that Soviet and Chinese communism still poses a serious threat to the free world. And in the Middle East recent Soviet moves are hardly compatible with the reduction of international tension."

This we endorse with firmness.

A return to a policy of weakness in the face of Soviet threats would be inviting disaster.

During those dark years when our country followed the old policy of appeasement and retreat, we saw 600 million people fall into Communist slavery, a war broke out in Korea, and many American boys were killed or maimed. In addition, we found the Communists, drunk with power, were threatening at other points throughout the world. The Eisenhower-Dulles policy of boldness and strength has changed all this.

The Russian leaders today know that further aggression will not be tolerated. Because they know this, they will not take a chance on starting another war.

It is still the intention of the Communist leaders to rule the world and they will capitalize on any weakness the free world may show. That is why we must not only maintain a vigorous national-defense program, but also a diplomatic leadership with the courage to face the facts realistically and stand firm in the face of Red tyranny. To do otherwise would be to invite war.

We have seen at firsthand the respect of the Red leaders for the massive retaliatory power built up by this Nation through the military experience of President Eisenhower and the diplomatic genius of Secretary Dulles. Under their leadership peace has been brought to this Nation.

No one could seriously suggest that we scrap this new firmness and return to the vacillating uncertainty which plunged us from crisis to crisis in pre-Eisenhower days.

AGRICULTURAL LEGISLATION

The SPEAKER pro tempore (Mr. GRAY). Under previous order of the House, the gentleman from Colorado [Mr. HILL] is recognized for 60 minutes.

Mr. HILL. Mr. Speaker, I have asked for this time this afternoon to discuss agricultural legislation and to develop information as to how this legislation came into being.

Mr. Speaker, the farmers are in a price squeeze. There can be no question or argument about that. The continuance of many of our farmers in the line of their chosen profession, if you wish to call farming a profession, has been handicapped and hindered by economic conditions over which they have had no control whatsoever.

I might say, as an introductory remark, that the farmers or the producers of food and fiber in any country, not only the United States, but in any nation in the world, are in a peculiar position in that they cannot curtail their production according to the economic conditions that face them. It has been true throughout the history of the human race that the farmer has always had to plan his production long, long in advance of the sale of his product.

So I was quite concerned, Mr. Speaker, when I heard remarks on the floor of this House from my Democratic friends on my right, indicating that the Republican Party was responsible for the price squeeze now afflicting agriculture in these United States of ours. As a Republican, if that were true, I would be the first Member of this House to accept the consequences. But by no stretch of the imagination does the historical background square with the charge that the Republican Party is responsible for bringing on the farmers' price squeeze.

Personally I am amazed, and astonished, and surprised, to put it mildly, at the lack of knowledge displayed by these attackers. I know they should understand what they are saying.

Mr. Speaker, many of my colleagues have been so vocal and so critical at the beginning of this session of Congress on this agricultural difficulty that it seems to me they are trying their best to give a false impression, a misleading understanding of what the actual situation is. I am not so sure that some of these Democratic friends of mine are not more interested in using agriculture as a political block or a sounding board or a diving board, if you please, from which they plan a program to defeat candidates for office in 1956.

Let me quote from the RECORD of January 12, 1956:

I want this farm program referred to as a Republican farm program; yes, the Eisenhower farm program.

From the rest of this colleague's address I gather from reading between the lines that he is more interested in having the program fail than he is in helping the farmers, regardless of what he says. Are we forced to listen to such stuff and nonsense and not answer back?

Let me quote again from the RECORD of January 5, 1956:

Yesterday was black Wednesday for the farmers of America, for this was the day that Secretary of Agriculture Ezra Taft Benson took steps to deliver the future of the fortunes of the farmers of America to the whims

and the fates of the Republican Party. Now, Mr. Speaker, we all know that this so-called new program, conceived in secrecy and now being birthed in partisan politics, whatever form it takes, will be Mr. Benson's unwanted child.

Mr. Speaker, those are fighting words in our country, when you talk about an unwanted child. I suppose that part of it was in jest, for he continues:

In all seriousness, this will be a child of political expedience.

I have heard this statement on the floor—and this is even worse. I heard a Congressman say, but I notice he took it out of the RECORD, "You Republicans are buying the farm vote with the program suggested by the President."

Mr. Speaker, charges of such nature do not help the farmer, the consumer nor anyone else.

If you legislate for the Republican farmers you legislate for the Democrat farmers, as well as for his neighbor and for the entire community.

You are legislating for the State and the Nation. To hear remarks such as I have read gives you a feeling that someone is off base.

Now I want to talk about the basic agricultural act, and point out to you how these agricultural acts came into existence. I am accusing no one of writing any type or kind of agricultural legislation unless he believed it was to help the people of the United States, and that applies to Members on both sides of the aisle. But let us get the history straight.

In 1938 the basic agricultural legislation was passed in this House by an administration completely controlled by the Democrats. Not only was the House controlled by the Democrats and every committee controlled by the Democrats but every appointive office in my district and my State was under the control and domination of the Democrats.

Let us look at this basic agricultural act that was passed by this House. The basic agricultural act contains in it six crops. I should like to analyze those but time prohibits me from going into detail. There are some very peculiar and unusual things in the selection of these basic crops. Listen to them. The basic crops, as passed by the 1938 legislation, were cotton, corn, wheat—I should stop there and forget the rest of them, but I must not because there are six and the others are tobacco, peanuts, and rice. Leaving out—notice what was left out—livestock, dairy products, poultry, potatoes, and all perishable crops. I have never quite understood how in Heaven's name an Agriculture Act could provide that peanuts, rice, and tobacco are to be considered basic crops with no such consideration given to the most important agricultural product of all, livestock, or why such basic foods as milk, potatoes, and poultry were omitted. Now someone might say, "Oh, we could not do that." You certainly could. They did not want to do it and they did not do it. Of course, the Republican Party went along with that legislation, but the responsibility for writing the acts rests squarely on the shoulders of the Democratic Party. They were in charge of everything, and of every type and kind of official action in this House, and you could not even—yes; that is right—you could not even get a bill on the floor of the House without the consent of the leadership.

Mr. JONES of Missouri. Mr. Speaker, will the gentleman yield?

Mr. HILL. No; I will not yield, Mr. Speaker. I will not yield. I take very little time on the floor of this House. This is probably the second or third time I have ever asked for time going on 16 years of service in the House. So I served notice to Republicans and Democrats alike that I want to finish making my statement before I am asked to yield.

Mr. Speaker, here again let us look at the record. The Republican Party, and here we will surprise you as well as some of my Republican friends, the Republican Party has controlled both the executive and the legislative branches of our Government for only 2 years—2 years in the last 25 years. Gentlemen, by no stretch of anybody's imagination can you blame the Republican Party for any type or kind of legislation that you have had for the past 25 years. In fact, the Democrat Party must assume the responsibility for the present condition of the farmer since the Republican Party has controlled both the executive and legislative branches of our Government only 2 years out of the last 25. Actually from 1931 until the present time the Democrats have had control of Congress 84 percent of the time and in the face of this record my colleagues on the majority side are still trying to convince the farmer that the Republican Party is responsible for his present serious economic situation.

That cannot be done. And I am not going to take it lying down from any Democrat because we are not to blame. Back in 1931, the Democrats controlled the House under President Hoover and ever since then they have controlled either the executive or the legislative branch except for the 2 years beginning with 1953. Let us keep these facts in mind. In 1933 the House and Senate and the executive department came under the control of the Democratic Party. Let us return to the Agricultural Act of 1938.

It took 5 years after the Democrat Party had control of both the Administrative and the legislative branches of our Government before the basic Agricultural Act was passed in 1938. During that time the Democrat Party controlled every action of the House, every committee, and had all patronage. Still the records will show that hogs were selling for 5½ cents a pound and cattle for 7½ cents after 6 years of Democrat assistance to the farmer. The only solution they could offer was the killing of pigs and plowing up of corn and cotton until the war came along in 1941 and bailed the farmer out of his plight.

Mr. Speaker, that is a terrific statement to make. If it was important then to bellyache and find fault with an agricultural program, it certainly had some basis of fact. At the present time, Mr. Speaker, I ask you to consider the price of hogs and the price of cattle. Just remember that after 6 years—6 years of complete control the only thing they could do was to suggest knocking little pigs in the head and plowing up every third row of corn. This type of program is no solution to the farmer's problem.

I have always felt that any program set up for the farmer could not be cut off at one fell swoop. It takes time to go into these things. If we are going to control agriculture by legislation, we must take time to decontrol it.

Now I would like to discuss another crop, and I want to show how the program has been working. Of course it is always nice to receive information from an old maid about how to raise a family. So it is nice for me to talk about cotton, because all I know about it is what I have read. Let me say to the Democrats if there is any program that is in difficulty, it is the program for cotton.

Let me read from the World Agricultural Situation 1956, published by the USDA:

The world supply of cotton for 1955–56 estimated at 61.8 million bales, is 3.3 million bales higher than a year earlier. World production also constitutes a new record high and the world consumption is expected to be nearly equal to the 1954–55 record. However, world production during the past 4 years has exceeded world consumption by 10 million bales, with the result that the end-season stocks increased by that amount between 1951 and 1955. The increase in United States stocks amounted to 8.8 million bales, or 90 percent of the world increase.

More than 50 percent of the world's cotton stocks had accumulated in the United States by July 31, 1955, while most other countries, both exporters and importers, had reduced their stocks to minimums in anticipation of some action on the part of the United States Government to reduce the price of cotton for export. The prices of foreign growths of cotton declined sharply between 1954 and 1955, for the same reason and at the beginning of the 1955–56 season they were as much as 8 cents a pound below those for similar-quality United States cotton.

If I get my figures correctly you will find in this publication some striking information on cotton. This cotton legislation that we Republicans supported was supposed to assist our cotton growers. This legislation is actually putting American cotton growers out of business.

In the 1935–39 period the average of cotton acreage in the United States was 27,788,000 acres, and in 1955–56, you had reduced their acreage down to 16,882,000 acres.

Look at your production. In 1935–39 the bales of cotton produced in the United States, according to this record, was 13,149,000 bales. After the program had cut the acres almost 40 percent you produced in 1955–56, 14,663,000 bales, an increase of more than 1½ million bales after drastic acreage reduction.

That is a fine way to take care of the cotton growers.

Listen as I tell you what Mexico did for her cotton growers. In the period 1935–39 Mexico had 725,000 acres in cotton and produced 334,000 bales. In the 1955–56 crop year they had 2,685,000 acres in cotton and produced 2,050,000 bales. That is Mexico. You cannot control cotton production in Mexico. Neither can our cotton producers compete in the world market.

There is another program I want to talk about and that is potatoes. We passed a potato bill, legislation we thought would help the potato growers. I will tell you how it helped the potato growers: To this very day you cannot pass a piece of potato legislation through this House because of the fact that that legislation was a real farce and a delusion and destroyed the potato grower instead of helping him. When Mrs. Hill was having to buy potatoes at the rate of three pounds for a quarter in the Washington stores, just a few hundred miles outside the city they were pouring coal oil on potatoes and burning them or staining them with blue vitriol.

Some agriculture programs are working. In 1955 this House with practically no opposition passed a sugar act. It is over in the Senate at this time. There is an act which all through this whole period has been continued and has worked well because it is based on right premises. It was passed, of course, years ago with Democratic support and with the support of the Democratic leadership.

After the Korean war the 83d Congress came into power in the House and we went to work to try to remedy this over-production that had been brought about by the fact there was no way to control a farmer's production. Until that is done terrific surpluses are bound to build up. Today we have on hand in loans and purchase programs by the CCC some $8,400 million worth of farm surpluses. We have therefore a real Sword of Damocles hanging over the head of every farmer who produces those types of crops.

Some of you forget that when Republicans came into power the parity price of farm products had been on the decline for 18 months. If my figures are correct they had dropped from well over 100 percent down to perhaps 91 or 92 percent by January 1953. Immediately President Eisenhower asked for power to dispose of surpluses. Now we are back here today with identically the same request.

Three things should be emphasized and stressed, and this House as a unit should see that agricultural surpluses are disposed of in every manner whatsoever because you can have obsolutely no stabilization of agricultural prices as long as you have terrific surpluses.

We arranged it so that the Secretary of Agriculture could barter and trade these farm surpluses off for strategic minerals throughout the world. We placed very few roadblocks in his way. That is a program that should be doubled and trebled, and I hope the House makes up its mind to do just that. Of course, some money will have to be furnished to the Secretary to carry out the program. It does not do much good to order him to carry out a program, then throw up roadblocks by refusing to give him the necessary appropriation.

We also provided that the Secretary of Agriculture could trade these surpluses for foreign currency. That is a real good piece of legislation, a wonderful thing, in my opinion, regardless of the value of the currency involved. We can hold that currency and we can dispose of it to suit ourselves.

We also provided for the disposition of agricultural products to needy communities, to needy people, not only in the United States but throughout the entire world. There were few ifs and buts in that legislation, so the Secretary can go ahead and do that. I hope he does more of it in the future than he has in the past, because it is vitally necessary that we dispose of these surplus agricultural products.

Here is another thing that is important, and something that has been greatly neglected in the United States: We have had no outstanding, able agricultural salesmen in various parts of the world. We have tried to sell simply on price when little attention was paid to the quality of the goods we were trying to sell. A bill was passed to transfer all agriculture attachés from the State Department to the Agriculture Department. Why should an agricultural attaché of ours in a foreign country be under the jurisdiction of the State Department? In my opinion, if properly handled, we can tell the world what is the quality of our agricultural products and how cheaply they may be purchased. We set up provisions for the sale of our surplus dairy production. The record on that is excellent, and we have been reducing dairy surpluses.

We also increased the consumption of meat. I think it will be found that 1955 stands at the top so far as the consumption of beef is concerned, and also ranks high in the consumption of pork.

We also expanded the off-farm and on-farm grain-storage program. We made it easy for a farmer to store his grain nearer home. We also made it easy for the CCC to supply money to construct additional storage so that they could store this grain as near the production area as possible.

Mr. Speaker, I say that the 84th Congress has done little or nothing for agriculture, and I stand on that statement. That is the record. Notice I said "the Congress"—I did not say "the House." I hope you note the difference.

On April 27, 1955, President Eisenhower sent a message to the Congress. This message will be found in the RECORD. Among other things, he said:

An immediate start is extremely important on the following suggestions.

I may say to you, Mr. Speaker, before I read further, that my committee, as far as I know, has never even brought this message up in committee.

The President said:

No. 1: "We should authorize the FHA to make loans for part-time farmers."

We need that legislation now. What do we mean by "part-time farmers"? He said that means a farmer who must work on the side to keep up his payments on his small farm. No consideration was given this suggestion.

No. 2: Appropriate new money outside the regular budget for extensive research, soil conservation, farm loans, and related services.

Nothing was done.

No. 3: Provide special funds outside the present agricultural budget for a formula to conduct pilot programs to extend aid to the low-income farmer.

Those are important things and they should have been done long ago, and I say to you frankly we should be doing them, but we are not.

No. 4: Authorize $30 million for loans by the Farmers' Home Administration. That was knocked out by a point of order by a Democrat and never an extra dime given. Now, the FHA has done a wonderful job in my district. It has done a wonderful job in any district where it has really been organized properly. I was called to make a trip into western Texas when the 83d Congress was in session to look over that terrific drought area and the effect of those terrible wind storms, and we did set up a loan program. We did save the stock growers in that area as well as we did the stock growers in my area. I think the FHA really has more possibilities to help out the farmer who is in a price squeeze or in a tight financial situation than any other organization presently in existence.

Now, I would like to mention a few things that I think we ought to act on just as quickly as possible. I think one should be the easing of farm credit. We should say to our banks and friends in the financial world that young men who have gone into farming under these high prices should not be closed out. We should go further and say to those men who live in emergency areas, where it has been dry for 4 or 5 years, that we are going to go along with you and extend you credit if you wish to stay on the farm, because as we know full well, the worm will turn. We will have good crop years in that area. And I might say that we have here a program for the high plains area that will do that very job. That program was sent to the House just lately. It is a program involving 10 States. In those 10 States dwell 17 million people, and here we have a setup so that we can begin to work out a farm program, a permanent farm program.

For those farmers who live and want to live there and who have everything they have in the world invested in those farms and in the livestock, here is the program. I would like to mention 1 or 2 things about this program. It requires action to be taken by the Department to classify this land—one of the most important things we could possibly do—and see that the farmer who lives on the land, if he wishes to receive any support from his Federal Government, follows the classification of his soil. There is no reason in the world why a man should plow up land that will blow away at the first gust of wind. I am fearful of another cycle of terrific dust storms. It is so dry in three counties in my district that they have little water for their livestock. They have had no snow, practically no moisture since last fall. So, a windstorm

in that area would bring about a serious situation.

Another important section of the Great Plains program is its credit section handled by the Farmers' Home Administration.

The Farmers' Home Administration has developed and placed in operation in a great many counties a credit program designed especially for landowners and operators. In substance, its provisions are as follows:

(a) Loans for reseeding and the establishment of grasslands and other approved conservation and land use practices.

(b) Loans for soil and water erosion control measures.

(c) Loans for the improvement and development of domestic and irrigation water supplies, for the repair and improvement of existing farm buildings, and for the purchase of such additional land as may be necessary to enlarge a farm into a family-type size unit.

(d) Loans for the purchase of livestock, farm equipment, seed, fertilizer, feed for livestock, insecticides, farm supplies, and for farm equipment repairs, the payment of interest, insurance, and taxes, including the refinancing of existing debts, where necessary.

(e) Assistance to both creditors and debtors in effecting voluntary debt adjustments so that the debt load on the farmer or rancher will be held to a point within his ability to repay.

(f) Loans will be predicated on farming operations that are consistent with recommended land use and farm management practices for the area.

(g) Terms in all instances will be geared to the expected repayment ability of the borrower.

(h) Interest rate will be 3 percent on loans made under this new special loan program.

The other day I dropped a bill in the hopper to relieve the farmer from the payment of any Federal tax on gasoline. He should never have had to pay it in the first place. In the bill that I dropped in the hopper it is provided that he pays the tax, but gets credit to be applied on any Federal tax that he pays. This method will make it easy to administer.

Mr. Speaker, in closing let me urge this House to act with dispatch on the suggestions on agriculture made by the President of the United States. Today I dropped in the hopper a bill that will carry out the suggestions of our President. There can be no justification for delay in relieving the price squeeze which is now afflicting, plaguing our agriculture.

Certainly we should not allow partisan politics to interfere with or block any of this important legislation.

NATURAL GAS EXEMPTION

Mr. HESELTON. Mr. Speaker, yesterday I outlined the record before the House Committee on Interstate and Foreign Commerce, the Rules Committee, and here on the floor as to the bill to exempt natural gas from regulation by the Federal Power Commission.

I stated that it now seemed more than likely that the bill will go to conference and that, because of the probability that we will have another opportunity to pass judgment on it, I believed the matter was worthy of renewed consideration by all of us.

On July 19, 1955, I placed in the Appendix of the daily RECORD, page A5299, a statement that, according to the uncontradicted evidence before the House Committee on Interstate and Foreign Commerce, there were slightly over 211.1 trillion cubic feet of known recoverable reserves of natural gas in this country at the end of 1954 and that the best information I could secure at that time showed that 30 of the largest and most prosperous oil and gas companies controlled approximately 63 percent of these reserves.

I summarized the information I had as to these companies and their known gas reserves stated in trillion cubic feet as follows:

1.	Humble	18.0
2.	Phillips	17.9
3.	Texaco	10.5
4.	Standard of Indiana	9.9
5.	Socony-Vacuum	7.5
6.	Shell	7.0
7.	Cities Service	6.3
8.	El Paso Natural Gas Co	4.5
9.	Standard of California	4.0
10.	Gulf	4.0
11.	Continental	3.8
12.	Sun	3.8
13.	Pure Oil Co	3.7
14.	Panhandle Eastern	3.5
15.	Colorado Interstate	3.3
16.	Chicago Corp	2.5
17.	Skelly	2.4
18.	Atlantic	2.2
19.	Ohio Oil	2.1
20.	Republic Natural	2.1
21.	Cities Service Gas Co	2.0
22.	Tidewater Association	1.8
23.	Sinclair	1.7
24.	Union Oil	1.6
25.	Superior	1.5
26.	Sunray	1.5
27.	Natural Gas Pipeline	1.5
28.	Southern Production	1.3
29.	Pan American Petroleum and Transportation	1.3
30.	Arkansas-Louisiana	1.1

Of itself, this decisive control of so much of the Nation's natural gas reserves might mean little to the average person.

But considered in the light of other important factors, which I intend to discuss soon, it is most significant.

These 30 giants are among the most vocal and insistent of those who demand that the Phillips case of the Supreme Court of the United States must be overruled and that they must be freed from any Federal regulation.

Why?

No one disputes the fact that no State has the constitutional power to regulate the wholesale rates of natural gas moving in interstate commerce.

Therefore, if the Phillips case can be overruled by this bill, there cannot be and there will not be any effective regulation at the in-put end by any governmental body.

If this bill becomes law, the interests of over 25 million gas consumers will be exclusively in the hands of those who own and control the reserves and can dictate prices without regard to anything but their own interests.

Is it not crystal clear why such a powerful group is determined to free itself from the possibility of any effective regulation by the Federal Power Commission?

They protest piously in their extensive advertising and their expensive propaganda that they have no desire or intention of raising their prices. I shall shortly discuss the record as to that even at this time while the Phillips case is still law.

Confining myself to the significance of this dominant control of natural gas reserves and of the inevitable pressures to increase their value, what are the facts?

As a matter of simple arithmetic, an increase of 1 cent in the value of the Nation's reserves would mean a write-up of over $2 billion. Every additional increase of 1 cent would add another writeup of at least $2 billion.

How would that value be realized?

Of necessity, it could only be through increasing the bills of the ultimate consumers.

Let us take the individual cases of those who own the 10 largest amounts of reserves. The additional value of every cent of increase to them would be as follows:

1.	Humble	$180,000,000
2.	Phillips	179,000,000
3.	Texaco	105,000,000
4.	Standard of Indiana	99,000,000
5.	Socony-Vacuum	75,000,000
6.	Shell	70,000,000
7.	Cities Service	63,000,000
8.	El Paso Natural Gas Co	45,000,000
9.	Standard of California	40,000,000
10.	Gulf	40,000,000

So the 10 largest of these gas and oil companies have at stake an irreducible minimum of $896 million, if they can increase the value of their reserves by only 1 cent. The obvious temptation in an additional increase in value of nearly a billion dollars for each additional cent is quite understandable. But how it can be explained in terms of the interests of over 25 million natural gas consumers or in terms of the public interest remains to be demonstrated.

That is but one side of the coin. The other is the means by which this added increase in values could be taken from the ultimate consumers.

The last rate of use I have been able to secure is that of 1953. I expect to have the 1954 rate soon and I shall submit it when I receive it.

On the basis of the 1953 rate of use, an increase of 1 cent per thousand cubic feet to the consumers would amount to $53,766,700 each year; an increase of a nickel would amount to $107,533,000 annually; and an increase of a dime would amount to $537,699,000 annually.

This explains the seemingly plausible argument that enacting this bill into law would amount to a few dimes, or a few quarters, or at most a few dollars yearly to the average consumer. What the proponents hope will be overlooked is

that there are now over 25 million of these consumers with millions more looking for natural gas.

But no one can possibly overlook the gold mine the holders of these reserves see and are driving for through the repeal of the Supreme Court decision.

PAUL LEACH

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ARENDS. Mr. Speaker, I rise to pay tribute and express affectionate well wishes to Paul Leach, who has just retired as the Washington bureau chief of the Chicago Daily News.

He has been a newspaperman for 45 years. Always he reported the news objectively. Never has he violated a confidence. Always he was true to the great traditions of our American free press—ferret out the facts and report the facts, without fear and without favor.

I know I speak for the entire Illinois Republican delegation in Congress when I say that Paul Leach is not only one of the best newspapermen we have known, he is one of the finest men of character we have been privileged to know.

As he enters upon his well deserved retirement, he takes with him our fond regards for himself and his charming wife, and our very best wishes for the years ahead.

LEAVES OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. SAYLOR (at the request of Mr. BOW), for January 18 and 19, 1956, on account of personal business.

Mr. CEDERBERG (at the request of Mr. BENTLEY), for the balance of the week, on account of illness in family.

Mr. MATTHEWS (at the request of Mr. BENNETT), for today and the balance of this week, on account of illness in family.

Mr. WALTER, from January 18 until February 11, 1956, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House following the legislative program and any special orders heretofore entered, was granted to:

Mr. HESELTON, for 15 minutes today.

Mr. CURTIS of Missouri, for 15 minutes tomorrow.

Mrs. ROGERS of Massachusetts, for 5 minutes today.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. LANE and to include extraneous matter.

Mr. MCGREGOR.

Mr. WIGGLESWORTH and to include extraneous matter.

Mr. SMITH of Wisconsin and to include extraneous matter.

Mr. AYRES.

Mr. CURTIS of Missouri and to include an article.

Mr. MULTER (at the request of Mr. MCCORMACK) and to include extraneous matter.

Mr. REES of Kansas and to include a report from the Postmaster General.

Mr. KIRWAN (at the request of Mr. BOLLING) and to include extraneous matter.

SENATE BILLS AND CONCURRENT RESOLUTIONS REFERRED

Bills and concurrent resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 31. An act for the relief of Shih Ming Wang; to the Committee on the Judiciary.

S. 83. An act for the relief of Ottilie Hitzlberger Lachelt; to the Committee on the Judiciary.

S. 133. An act for the relief of Mrs. Maria Michela Federico; to the Committee on the Judiciary.

S. 267. An act for the relief of Ellen Kjosnes and Unni Kjosnes; to the Committee on the Judiciary.

S. 277. An act for the relief of Jean Pfeifer; to the Committee on the Judiciary.

S. 318. An act for the relief of Chih Shing Hwa; to the Committee on the Judiciary.

S. 419. An act for the relief of Eli E. Hood; to the Committee on the Judiciary.

S. 499. An act for the relief of Giuseppe Airo-Farulla and Joseph Antoine Airo-Farulla; to the Committee on the Judiciary.

S. 508. An act for the relief of Victoriana Areitieo Berincua; to the Committee on the Judiciary.

S. 551. An act for the relief of Anthony Agustino Scrivanich; to the Committee on the Judiciary.

S. 897. An act for the relief of Erich Anton Helfert; to the Committee on the Judiciary.

S. 993. An act for the relief of Eugene Alexander Figueiredo; to the Committee on the Judiciary.

S. 1009. An act for the relief of Kathleen Schrater; to the Committee on the Judiciary.

S. 1034. An act for the relief of Mr. and Mrs. Donald D. Parrish; to the Committee on the Judiciary.

S. 1037. An act for the relief of Chung Herp Youn; to the Committee on the Judiciary.

S. 1055. An act for the relief of Domenico Leonardi and his wife, Clara Corradi Leonardi; to the Committee on the Judiciary.

S. 1062. An act for the relief of Renato Noe and Angiola Maria Anna Noe; to the Committee on the Judiciary.

S. 1067. An act for the relief of Tibor Horvath; to the Committee on the Judiciary.

S. 1182. An act for the relief of Haim Cohen (Haim Braun); to the Committee on the Judiciary.

S. 1183. An act for the relief of Dr. Rose Hu Chen; to the Committee on the Judiciary.

S. 1193. An act for the relief of Moosa Ebrahimian; to the Committee on the Judiciary.

S. 1375. An act for the relief of Pingfong Ngo Chung and Pearl Wah Chung; to the Committee on the Judiciary.

S. 1616. An act for the relief of Sumiko Ariumi Bilson; to the Committee on the Judiciary.

S. 1629. An act for the relief of Peter B. Vardy and his wife, Lillian M. Vardy; to the Committee on the Judiciary.

S. 1651. An act for the relief of Felisa Ho (nee Chang-Kuon); to the Committee on the Judiciary.

S. 1672. An act for the relief of Bruno Romeo; to the Committee on the Judiciary.

S. 1686. An act for the relief of Mohammed Akbar Ashraf; to the Committee on the Judiciary.

S. 1793. An act for the relief of Balbino Acusin Ariasa; to the Committee on the Judiciary.

S. 1827. An act for the relief of Adel Kamal; to the Committee on the Judiciary.

S. 2020. An act for the relief of Carmen Aguado; to the Committee on the Judiciary.

S. Con. Res. 60. Concurrent resolution authorizing the printing of additional copies of the hearings in automation and technological change for use of the Joint Committee on the Economic Report; to the Committee on House Administration.

S. Con. Res. 61. Concurrent resolution authorizing the printing of additional copies of the joint committee print entitled, "Federal Tax Policy for Economic Growth and Stability," for the use of the Joint Committee on the Economic Report; to the Committee on House Administration.

S. Con. Res. 62. Concurrent resolution to print as a document a pamphlet entitled "A Handbook for Americans"; to the Committee on House Administration.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enroll bills of the Senate of the following titles:

S. 1166. An act to amend section 6 of the act of August 30, 1890, as amended, and section 2 of the act of February 2, 1903, as amended; and

S. 2170. An act to permit sale of Commodity Credit Corporation stocks of basic and storable nonbasic agricultural commodities without restriction where similar commodities are exported in raw or processed form.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on Monday, January 16, 1956, present to the President, for his approval, a bill of the House of the following title:

H. R. 5614. An act to amend the Communications Act of 1934 in regard to protests of grants of instruments of authorization without hearing.

ADJOURNMENT

Mr. HALEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 50 minutes p. m.) the House adjourned until tomorrow, Wednesday, January 18, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1383. A communication from the President of the United States transmitting the report by the Presidential Advisory Committee on Water Resources Policy (H. Doc. No. 315); to the Committee on Public Works and ordered to be printed.

1384. A letter from the Secretary of Defense, transmitting a report covering the

professional and scientific positions established in the Department of Defense covering the calendar year ending December 31, 1955, pursuant to Public Law 313, 80th Congress, as amended by Public Law 758, 80th Congress; to the Committee on Armed Services.

1385. A letter from the Administrator, Veterans' Administration, transmitting a draft of proposed legislation entitled "A bill to increase the maximum amount payable by the Veterans' Administration for mailing or shipping charges of personal property left by any deceased veteran on Veterans' Administration property"; to the Committee on Veterans' Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CELLER: Committee on the Judiciary. S. Con. Res. 59. Concurrent resolution requesting the President to issue a proclamation designating the week of January 29, 1956, through February 4, 1956, as National Junior Achievement Week; without amendment (Rept. No. 1647). Referred to the House Calendar.

Mr. WALTER: Committee on Un-American Activities. Annual report for the year 1955 of the Committee on Un-American Activities, pursuant to House Resolution 5 (84th Cong.); (Rept. No. 1648). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ADDONIZIO:

H. R. 8531. A bill to amend and revise the laws relating to immigration, naturalization, nationality, and citizenship, and for other purposes; to the Committee on the Judiciary.

By Mr. BASS of New Hampshire:

H. R. 8532. A bill to assist areas to develop and maintain stable and diversified economies by a program of financial and technical assistance and otherwise, and for other purposes; to the Committee on Banking and Currency.

H. R. 8533. A bill to provide for an experimental national flood indemnity and reinsurance program and for other purposes; to the Committee on Banking and Currency.

By Mr. CURTIS of Massachusetts:

H. R. 8534. A bill to authorize the extension of patents covering inventions whose practice was prevented or curtailed during certain emergency periods by service of the patent owner in the Armed Forces, or whose owners granted royalty-free licenses in aid of war or national defense efforts; to the Committee on the Judiciary.

By Mr. ENGLE (by request):

H. R. 8535. A bill to amend the act of July 4, 1955, relating to the construction of irrigation distribution systems; to the Committee on Interior and Insular Affairs.

By Mrs. FARRINGTON:

H. R. 8536. A bill to establish a national policy with respect to commercial fisheries; to establish the Office of Assistant Secretary of Commerce for Commercial Fisheries, and define his functions, powers, and responsibilities; to strengthen the commercial fisheries segment of the national economy, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. FASCELL:

H. R. 8537. A bill to provide for adjusted payment for accrued leave upon final separation of re-employed civil service retirement annuitants; to the Committee on Post Office and Civil Service.

By Mr. FINO:

H. R. 8538. A bill to increase from $600 to $700 the personal income tax exemptions of a taxpayer (including the exemption for a spouse, the exemption for a dependent, and the additional exemption for old age or blindness); to the Committee on Ways and Means.

By Mr. FORD:

H. R. 8539. A bill authorizing an increase in the funds available for increasing the consumption of fluid milk in certain schools; to the Committee on Agriculture.

By Mrs. GRIFFITHS:

H. R. 8540. A bill to require the use of humane methods in the slaughter of livestock and poultry in interstate or foreign commerce, and for other purposes; to the Committee on Agriculture.

By Mr. HALE:

H. R. 8541. A bill to provide for Federal disaster insurance and reinsurance; to the Committee on Banking and Currency.

H. R. 8542. A bill to provide for the issuance of a special postage stamp in honor of Rear Adm. Robert Edwin Peary; to the Committee on Post Office and Civil Service.

By Mr. HOPE:

H. R. 8543. A bill to provide for the protection and conservation of national soil, water, and forest resources and to provide an adequate, balanced, and orderly flow of agricultural commodities in interstate and foreign commerce, and for other purposes; to the Committee on Agriculture.

By Mr. HILL:

H. R. 8544. A bill to provide for the protection and conservation of national soil, water, and forest resources and to provide an adequate, balanced, and orderly flow of agricultural commodities in interstate and foreign commerce, and for other purposes; to the Committee on Agriculture.

By Mr. JONES of Alabama:

H. R. 8545. A bill to amend paragraph 207 and schedule 16 of the Tariff Act of 1930; to the Committee on Ways and Means.

By Mr. KEATING:

H. R. 8546. A bill to amend title 18, United States Code, so as to prohibit intrusion upon the privacy of Federal juries; to the Committee on the Judiciary.

By Mr. KILBURN:

H. R. 8547. A bill to revive and reenact the act entitled "An act authorizing the Ogdensburg Bridge Authority, its successors and assigns, to construct, maintain, and operate a bridge across the St. Lawrence River at or near the city of Ogdensburg, N. Y."; to the Committee on Foreign Affairs.

By Mr. McDOWELL:

H. R. 8548. A bill to readjust postal classification on educational and cultural materials; to the Committee on Post Office and Civil Service.

By Mr. McGREGOR:

H. R. 8549. A bill to prohibit the use of real property owned by the United States for the production of agricultural commodities which are to be disposed of by sale; to the Committee on Agriculture.

By Mr. MATTHEWS:

H. R. 8550. A bill to amend the Internal Revenue Code of 1954 to relieve farmers from the excise tax on gasoline and lubricating oils used exclusively in farm tractors or farm machinery or for other agricultural purposes; to the Committee on Ways and Means.

By Mr. POFF:

H. R. 8551. A bill to provide that certain retired enlisted men shall be advanced on the retired list to the pay grade in which they served during World War II; to the Committee on Armed Services.

By Mr. ROBESON of Virginia:

H. R. 8552. A bill to authorize the Secretary of the Navy to grant to the town of Chincoteague, Va., permanent easements on certain lands for the purpose of taking subterranean water; to the Committee on Armed Services.

By Mr. ROOSEVELT:

H. R. 8553. A bill to amend the Fair Labor Standards Act of 1938, as amended, to provide greater coverage for employees of food industries whose activities affect interstate commerce, and for other purposes; to the Committee on Education and Labor.

By Mr. SILER:

H. R. 8554. A bill to provide an increase of 10 percent in all rates of pension and compensation payable under laws administered by the Veterans' Administration; to the Committee on Veterans' Affairs.

By Mr. SPENCE (by request):

H. R. 8555. A bill to assist areas to develop and maintain stable and diversified economies by a program of financial and technical assistance and otherwise, and for other purposes; to the Committee on Banking and Currency.

By Mr. THOMPSON of New Jersey:

H. R. 8556. A bill to authorize a 5-year program for expansion of medical education and research; to the Committee on Interstate and Foreign Commerce.

H. R. 8557. A bill to provide for full public reports from certain tax-exempt foundations; to the Committee on Ways and Means.

By Mr. TRIMBLE:

H. R. 8558. A bill to provide for the establishment of the Pea Ridge Battlefield National Park, in the State of Arkansas; to the Committee on Interior and Insular Affairs.

By Mr. YOUNG:

H. R. 8559. A bill to require that hunting and fishing on military reservations, when permitted, shall be in full compliance with the game and fish laws of the State or Territory wherein such military reservations are located; to the Committee on Merchant Marine and Fisheries.

H. R. 8560. A bill to recognize and confirm the authority of arid and semiarid States relating to the control, appropriation, use, or distribution of water within their geographic boundaries, and for other purposes; to the Committee on Interior and Insular Affairs.

H. R. 8561. A bill to amend the Small Business Act of 1953, as amended; to the Committee on Banking and Currency.

By Mr. UDALL:

H. J. Res. 476. Joint resolution directing the Secretary of the Interior to conduct a study and investigation of Indian education in the United States; to the Committee on Interior and Insular Affairs.

By Mr. METCALF:

H. Con. Res. 203. Concurrent resolution requesting the Secretary of the Interior to refrain from granting further geological and geophysical prospecting permits; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolution were introduced and severally referred as follows:

By Mr. BAKER:

H. R. 8562. A bill for the relief of Jiryis S. Harb; to the Committee on the Judiciary.

By Mr. BARRETT:

H. R. 8563. A bill for the relief of Elfriede Unterholzer Sharble; to the Committee on the Judiciary.

H. R. 8564. A bill for the relief of Mrs. Hildegard Martin; to the Committee on the Judiciary.

By Mr. CHUDOFF:

H. R. 8565. A bill for the relief of Leslie Sharon Jacobs; to the Committee on the Judiciary.

By Mr. COUDERT:
H. R. 8566. A bill for the relief of Rebecca Levy Berger; to the Committee on the Judiciary.

By Mr. EDMONDSON:
H. R. 8567. A bill for the relief of Elaine Shartouni Koury and Elie S. Shartouni Koury; to the Committee on the Judiciary.

By Mr. GRANAHAN:
H. R. 8568. A bill for the relief of Carlito Ladores; to the Committee on the Judiciary.
H. R. 8569. A bill for the relief of Erika Gorenstein; to the Committee on the Judiciary.

By Mr. HILLINGS:
H. R. 8570. A bill for the relief of Joseph L. Searcy; to the Committee on the Judiciary.

By Mrs. KELLY of New York:
H. R. 8571. A bill for the relief of Gian Giacomo Vuxani; to the Committee on the Judiciary.

By Mr. MINSHALL:
H. R. 8572. A bill for the relief of Edward F. O'Hare; to the Committee on the Judiciary.

By Mr. PATMAN:
H. R. 8573. A bill for the relief of James M. Ripley; to the Committee on the Judiciary.

By Mr. THOMPSON of New Jersey:
H. R. 8574. A bill for the relief of Mrs. Aurora Costa Harty; to the Committee on the Judiciary.

By Mr. WALTER:
H. R. 8575. A bill for the relief of Antonio Bruno Coletta; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

438. By Mr. GROSS: Petition of 31 residents of Iowa Falls, Iowa, urging passage of legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

439. By Mr. LECOMPTE: Petition of citizens of Centerville, Iowa, urging the adoption of legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce; to the Committee on Interstate and Foreign Commerce.

EXTENSIONS OF REMARKS

Dean Sayre Is Critical of UNESCO

EXTENSION OF REMARKS
OF
HON. THOMAS B. CURTIS
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 17, 1956

Mr. CURTIS of Missouri. Mr. Speaker, I am placing in the CONGRESSIONAL RECORD a news item from the January 16, 1956, Washington Post, headlined, "Dean Sayre Is Critical of UNESCO: Churchman Sees Missionaries Doing More Effective Job Winning Friends."

The article does not go into much detail of the dean's speech. I am anxious to read all that he said because it is about time that the church leaders of this country brought their lights out from under the bushels which have been hiding them. For 6 years I have been saying in one public speech after another that UNESCO and point 4, desirable and helpful as they were, were nothing new to Americans and other enlightened societies of the world. They were merely Government programs attempting to do what our great missions had been doing for many decades, indeed for over centuries. Indeed, I resented the propagandizing that went along with these programs which overshadowed the great missionary work in the very same fields, medical missions, educational missions, sanitary missions, missions to teach economic skills, and so forth.

I pointed out that here, as in the field of economic endeavor, political government was moving in to take over private enterprise—for, indeed, in this regard our missions are private enterprise, just as our community chests are private enterprise as contrasted to Government endeavor.

I pointed out that just as in the fields of economic endeavor political government did not lend itself well by its very structure to performing these functions, so in the field of missionary work, political government was not well suited to perform these functions.

The reasons were quite clear to me. If political governments tried to do the job they perforce had to deal with and through the political government which existed in the society they were trying to help. In all too many instances the political government was on the backs of the peoples in the society and many of their basic troubles lay with that government. Yet by channeling economic, educational, medical, or any of these aids through the political government, to a large extent this assisted in keeping that particular political government on the backs of the people. Indeed, the Comintern made much of this argument. It pointed out to the peoples we were trying to assist through these programs that we were keeping a particular political government on their backs and maintaining the status quo. The missionary programs on the other hand were essentially person to person rather than government to person or government to government relationships.

Second, the missionary programs which were most effective were those where the persons engaged in the work were living with the people they were trying to help. To subject oneself to the living conditions of a backward people requires an attitude of humility and dedication to service which is most often found in our great religious institutions. The persons employed by political government, on the other hand, are motivated more by the wages they will receive and the conditions under which they will live, the promotions they may expect, and so forth. And this is not meant to be critical of them, because government service in relation to employment in private enterprise requires a certain amount of dedication. However, security plays a great role in choosing government service as a career. The result has been, as might be expected, those who have been administering the UNESCO and point 4 programs do not usually live with the people whom they are trying to help. I want to point out there are many splendid exceptions to this generality, but these exceptions would work well under a missionary program—missionary programs are not all attached to churches, some educational missions have been set up by educational institutions, many health missions by private individuals. Furthermore, the Government programs conducted by these people are almost without exception the least costly and the most effective programs toward gaining real friends abroad.

I will never forget the time I inadvertently came across an item in the foreign-aid budget for 100 air conditioning units to be sent to a spot in India. Certainly it was hot in that section of India but I wondered just how these point 4 persons were going to work with the people of India in air-conditioned offices. No; they were not for hospitals.

In 1954 I successfully sponsored an amendment to our tax code which gave an additional 10 percent deduction for donations to medical, educational, and religious institutions. I did not have in mind our domestic institutions, although I was happy to know they would benefit also. I had in mind a little discussion I had with a Congregational minister after I had spoken before a symposium held at his church along the lines of this present talk. He said to me: "This is all well, but the problem is so vast that some source like the Federal Treasury is necessary in order to meet the need." Well, it is true that the problem is great but I do not think money will solve it. Money will help if channeled into the proper places. This tax credit, as far as I am concerned, was to help a little in getting money channeled into our private missions so we could get friends abroad.

Essentially the problems of our would-be friends abroad will never be solved until they take from the limited success experienced in our society the things that have produced this success, and eschew the things that in our society still block our advancement to greater success. These things can neither be sold nor given away. They can be taken freely, however. It is merely a philosophy of life * * * the golden rule applied to modern economics with proper attention paid to the parable of the three servants. If only our missionaries and Government servants engaged in work abroad knew just a little more about the economics of the American society they would be less intent on selling socialism abroad in the belief that because of its professed love of the people it did love them. Which son did the will of his father—the one who said: "I go, sir," and went not—or the one who

said: "I will not" but went? Do men gather grapes of thorns, or figs of thistles?

The article follows:

DEAN SAYRE IS CRITICAL OF UNESCO—CHURCHMAN SEES MISSIONARIES DOING MORE EFFECTIVE JOB WINNING FRIENDS

(By Kenneth Dole)

The Very Reverend Francis B. Sayre, Jr., dean of the Washington Cathedral, declared yesterday that UNESCO was inferior to church missionary work in promoting world friendship.

Relating how he once attended a conference of the United Nations organization, he said he came away with a "poignant" sense of futility.

"All those ambassadors of culture, those emissaries of art and learning and national handicraft * * * were ablaze for the cause of mutual understanding and peace," he said, " * * * yet the drawstring that could draw all together was lacking, and all I heard at the last was aimless talk."

A generation ago many of those at the conference would have been missionaries, he said, "but now religion is a word that is strictly taboo at their meetings."

In the second of 2 sermons on church missions, Dean Sayre told how Episcopalians could, through the Overseas Mission Society, promote the spread of the Christian religion, which, he said, "has done a far more effective job of winning the friendship of others in the world than any secular institution."

The dean used his text, "I Will Go," to point up the sacrifice of the 5 missionaries who were killed in Ecuador last week by Indians. One of them, the Reverend Nathaniel Saint, was the son, he said, of Lawrence Saint, the stained-glass artist who made the Cathedral's rose window.

"All honor," said the dean, "to those 5 young men, on whose lips the Word was strangled; for in their deaths they bore a nobler witness, not so much to God's last judgment, as to His forgiving love."

To Prohibit the Leasing of Government-Owned or Controlled Land for the Purpose of Farm Commodity Production To Be Disposed of by Sale

EXTENSION OF REMARKS

OF

HON. J. HARRY McGREGOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 17, 1956

Mr. McGREGOR. Mr. Speaker, I have today introduced a bill which will prohibit the use of real property, owned by the United States, for the production of agricultural commodities which are in surplus and are to be disposed of by sale. I believe that if this bill were enacted, it would be of great help in reducing our enormous surpluses of agricultural commodities. These Federal lands, purchased and owned by the Government, such as, abandoned military posts and reservations, flood-control projects, and so forth, are usually leased at a very nominal sum to individual farmers who then produce on these lands the very crops that are adding to our already great surplus of commodities.

This land could be retired to grass and other soil conserving legumes and then in the event of a future emergency could be put into high crop production. The bill provides that no officer or agency of the United States shall use, or permit the use, of any real property owned or controlled by the United States for the production of agricultural commodities which are to be disposed of by sale. May I further emphasize that this would help reduce our present surpluses and at the same time provide a valuable land bank for the future.

Dulles Deals From Strength

EXTENSION OF REMARKS

OF

HON. PAUL B. DAGUE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 17, 1956

Mr. DAGUE. Mr. Speaker, it must be a source of great satisfaction to every American who believes in firmness in dealing on the international scene to learn from a recent magazine article the steps taken by Secretary of State Dulles, with the full approval of President Eisenhower, which have resulted in a termination of hostilities or an avoidance of new hostilities in three specific instances.

In short, what Secretary Dulles has reinserted into our diplomatic policy is that which was first proclaimed by Theodore Roosevelt; namely, "speak softly, and carry a big stick."

In the case of Korea, the Reds were unquestionably impressed with the word relayed to them by Nehru that unless they negotiated with sincerity and stopped their senseless shenanigans, we would without hesitation use the atom bomb on their Manchurian installations. In any event, an armistice was agreed upon and the killing was stopped. Score one for Dulles.

In the second instance we encountered the not unusual experience of having the British run out on us at the last minute in the matter of Indochina, and we found them dealing offside with the Reds while we were staging a show of force in the South China Sea. Despite their about-face, however, England and France were able to bargain with the Reds from Dulles' show of strength and an agreement of sorts was reached, not perfect certainly, but avoiding another explosion in southeast Asia and at least rescuing from Red domination a part of Indochina. Score two for Dulles.

The situation in the Formosan Straits is more clear-cut than that in the case of either Korea or Indochina for the simple reason that the position taken by Secretary Dulles and President Eisenhower had the full backing of the Congress as expressed in the resolution—drafted by Dulles—and passed by an overwhelming vote in both Houses. And corollary to the defense of Formosa and the complete freedom of the Formosa Straits was the President's evident determination to defend Quemoy and the Matsus. Score three for Dulles.

As Dulles himself points out, in any program of retaliation there must always be a calculated risk. In his words, "You have to take chances for peace, just as you must take chances in war. Of course we were brought to the verge of war. The ability to get to the verge without getting into war is the necessary art. If you cannot master it, you inevitably get into war. If you try to run away from it, if you are scared to go to the brink, you are lost. We've had to look it square in the face—on the question of enlarging the Korean War, on the question of getting into the Indochina war, on the question of Formosa. We walked to the brink and we looked it in the face. We took strong action."

The test of any nation's foreign policy is the avoidance of war—the ability to walk to the brink—to skirt the edge of the abyss—without plunging in. Three times we have walked to the brink and, walking from strength and with firm resolution, we have avoided war.

The bankruptcy of a nation's foreign policy occurs when it goes to war. Three times within my generation we have seen such collapse; in 1917, in 1941, and again in 1950. In each instance we were not prepared to fight and advertised the fact in advance. Three times we paid for indecisiveness and vacillation in the blood of our citizens.

Thank God, that era of doubletalk is past. From here on we shall continue to walk softly and without a chip on our shoulder. But withal we shall continue to step forward firmly and resolutely. From here on our policies will be formulated in Washington and not in London and Paris. And we shall continue to prayerfully and gratefully acknowledge the leadership we have in President Eisenhower and his Secretary of State, John Foster Dulles.

Llewellyn J. Scott

EXTENSION OF REMARKS

OF

HON. WILLIAM H. AYRES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 17, 1956

Mr. AYRES. Mr. Speaker, Mr. Llewellyn J. Scott is the founder and director of Blessed Martin de Porres Hospice. The average person, after hearing that, might be inclined to say, "so what?" But to the unfortunate man who finds himself without a friend, Mr. Scott and the Blessed Martin de Porres means comfort.

Who is Llewellyn J. Scott? On October 5, 1955, this humble man appeared on the TV program This Is Your Life. Those of you who saw it were impressed with this man, small in stature, dark of skin, slow in speech, strong in his faith in God, and devoted to the belief that there is some good in every human being. You would have been thrilled to share my experience last evening.

I met Mr. Scott, visited with the unfortunate, attended the inspirational service and saw the gleam in Mr. Scott's eye when he said:

If only people will have faith in God. I tell all those who come to me for help: "trust in Him—I can give you only temporary shelter and food."

On entering the Blessed Martin Hospice I was tempted to turn back—15 wretched humans on the stair steps—10 more in the hall—the smell of alcoholic breath—damp clothes. Why were they there? It was time for church. The pastor was present and soon said the rosary. Although I was raised a Methodist, the service was an inspiration to me.

It would be helpful for every member of Congress to visit the Blessed Martin de Porres Hospice, meet Mr. Scott and see first hand the work he is doing for those who find themselves in difficulty. Incidentally, it is only a few minutes walk from the Capitol—38 I Street NE.

Mr. Scott is grateful beyond words to those of you who have helped with the work he directs. He has wanted to thank you personally for the assistance many persons gave him after his TV appearance. You would all have heard from him if he had had a secretary—but there are only two in this work—God and Mr. Llewellyn J. Scott—Mr. Scott thanks you and God will bless you.

Anniversary of Ukrainian Independence

EXTENSION OF REMARKS

OF

HON. MICHAEL J. KIRWAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 17, 1956

Mr. KIRWAN. Mr. Speaker, January 22 marks the 38th anniversary of the proclamation of Ukrainian independence. The centuries-old struggle for freedom and independence on the part of the Ukrainian nation constitutes an impressive chapter in the annals of human history. This indomitable will for national freedom clearly crystallized itself in the old Ukrainian Kievan state from the ninth to the fourteenth century; in the Ukrainian Kozak state from 1648 to 1783 and more recently in the Ukrainian national Republic from 1917 to 1920.

As one of the first victims of Soviet imperialism, Ukraine, since the very inception of alien Bolshevik tyranny, has proved to be the Achilles heel of the Soviet Union.

The destruction of its national churches, the horrible manmade famine of 1932–33, the mass murder at Vinnitsia in 1937–39, and the vast purges and deportations decreed by Moscow have failed to exterminate the spiritual and moral resources for national freedom in Ukraine. The historic capital of Kiev, with centuries of rich tradition and culture conserved in its vaults, still symbolizes today the indestructible hope and passion of a nation destined to be sovereign, free, and independent.

During the Second World War millions of Ukrainian patriots seized the short-lived opportunity of the German invasion to realize once again this hope, only to be frustrated in their valiant efforts by the scourge of another imperialism. But this unbending will continues to be strong and powerful in the epic struggle of the Ukrainian insurgent army (UPA) against the evil forces of Soviet imperialism, and in the resistance of the Ukrainian people.

As a nation of over 40 million people—the largest non-Russian nation behind the European Iron Curtain—Ukraine stands as one of our most important and natural allies in the eventual defeat of Soviet imperialism. Its historic claim to national freedom and independence cannot be ignored. Its place as a sovereign and equal partner in the mutual construction of the free Europe of tomorrow must be assured, if the foundation of permanent peace among freedom-loving nations is to be impregnable.

Guide to 73 Improvements Made To Simplify and Improve Mailing Procedures, Services, and Privileges for Mail Users

EXTENSION OF REMARKS

OF

HON. EDWARD H. REES

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 17, 1956

Mr. REES of Kansas. Mr. Speaker, under permission approved by the House, I am including a report from Postmaster General Arthur Summerfield entitled "Guide to 73 Improvements Made To Simplify and Improve Mailing Procedures, Services, and Privileges for Mail Users." I am sure the Members of the House will be impressed with the improvements that have been made in the Post Office Department designed to bring about better and more efficient mail service for the public:

GUIDE TO 73 IMPROVEMENTS MADE TO SIMPLIFY AND IMPROVE MAILING PROCEDURES, SERVICES AND PRIVILEGES FOR MAIL USERS

CERTIFIED MAIL

1. The Post Office Department has established a new, low-cost domestic mail service, known as the certified mail service, by which postal patrons may obtain evidence of mailing and delivery for documents, receipts, notices, replaceable papers of importance, and so forth. Since certified mail service costs are lower than those for registered mail, mail users, who formerly sent such materials by registered mail, are now enabled to make savings in their mail costs.

2. Certified mail service was extended to and from the Canal Zone in 1955.

C. O. D. MAIL

3. A new easily understood card form has been provided to notify patrons of the arrival of c. o. d. mail. This notice for the first time makes provision for showing the exact date on which the mail, if not accepted, will be returned to the sender.

4. In addition to the notice customarily left with or for the addressee after an unsuccessful attempt to deliver collect-on-delivery mail, a second notice now is sent to the addressee on the new form after 5 days so that he may have every reasonable opportunity to accept delivery if he wishes to do so.

5. Also, addressees are now permitted to use the new notice-of-arrival card to mail instructions to their postmaster, without any postage charge, telling him that they wish the c. o. d. parcel delivered to their home at a certain time when they will be in.

6. Mailers of shipments of baby chicks sent c. o. d. no longer lose a standard 5 percent of the total value of the chicks if the entire shipment is lost, when claiming insurance indemnity for the shipment. Formerly, where the entire mail shipment of chicks was lost and where it was covered by insurance, the Post Office Department deducted 5 percent of the value, on the theory that 5 percent represented the normal death rate in such shipments.

7. The period during which c. o. d. parcels may be held at offices awaiting delivery to the addressee has been increased from 15 days to 30 days.

CERTIFICATES OF MAILING

8. Certificate of mailing, (p. o. d. form 3817), a form prepared by the sender and authenticated by the postal clerk for a small fee, and which shows evidence of mailing for ordinary mail, has been improved. The amount of postage paid, a record-keeping item of importance in many cases for larger mailers, may now be entered upon the certificate. Also, a facsimile of this form may be reproduced directly on copies of documents and authenticated in the same manner as the individual certificates on form 3817.

REGISTERED MAIL

9. New surcharge rates, which are more equitable for registered mail of higher value, have been set up. Surcharge rates formerly were based on an inflexible rate per $1,000 of value for the zone of destination. After the first million dollars of value, progressively lower rates are now prescribed, and authority exists for quotation of surcharge rates for shipments valued over $15 million, based on considerations of weight, space, and value. At the same time, the nuisance surcharge rates from 2 to 10 cents, covering values up to $1,000 formerly subject to surcharge, have been discontinued entirely. Surcharges on registered mail do not provide additional insurance coverage by the Government, but are intended to cover the additional costs incident to the extra care used in handling these valuable shipments.

10. Senders, who are required by law to declare the actual value of the mail they present for registration, are no longer required to declare as the value of nonnegotiable securities the estimated cost of their duplication if lost or destroyed. Such securities may now be declared as having no intrinsic value, thus permitting payment of lower registration costs than formerly on this matter. However, the mailer may optionally insure nonnegotiable securities with the Post Office Department against possible costs of duplication by payment of one of the higher registration fees.

11. The form used to notify the sender of a registered article that it is undeliverable because the addressee is not known at the place addressed, or because the address borne by the article is not good, has been revised so that it may also be used to notify the sender when the post office of address is unable to deliver a registered letter because the sender has restricted delivery to the addressee only and the addressee declines personally to receipt for it. This new notice permits the sender to lift the restriction if he wishes to do so, thus enabling the post office to deliver the mail to the agent of the addressee.

12. Safer internal procedures have been put into effect in the handling of registered mail. Formerly, a shipment of numerous items of registered mail of limited value were

"bulk billed;" that is, described only by the total number of items on the bill enclosed with the articles in registered pouches and jackets. Under this arrangement it could not be determined whether a particular registered article had been dispatched or received, and the dispatching employee was responsible only for seeing that the total number of articles he enclosed in the pouch or jacket was shown on the bill. The receiving employee was responsible for checking the number of articles received against the number shown on the bill. In case of a shortage, it was not possible to determine the particulars of the missing article. With the inauguration of the new certified mail service, to which millions of articles formerly registered are being diverted, bulk billing was discontinued. Now, employees handling registered mail must list the particulars of all registered mail dispatched and check the particulars of all articles received against their description on the dispatch bill.

13. Mail that is intended by the sender to go by registered mail, and which contains adequate postage to go registered, but which is inadvertently deposited with a regular mail shipment, now is promptly dispatched as registered mail by postal employees, and a receipt is mailed to the shipper. Formerly, such items intended for registry were delayed until further checks were made with the sender.

14. The value of registered mail that can be transported over star routes (routes over which mail is carried by certain contractors who are not employees of the Post Office Department) has been increased consistent with safety.

CLAIMS FOR MAIL LOST OR DAMAGED

15. The form provided for use by mailers in making application for payment of indemnity on domestic insured and c. o. d. mail has been greatly simplified.

16. The function of adjusting and paying claims for indemnity on domestic insured and c. o. d. mail has been centralized in 15 offices within the postal service, rather than in 57 offices as before, providing speedups in adjustments of claims, and considerable savings to the Post Office Department.

17. Senders of insured and c. o. d. mail that is damaged in transit can now recover damages more easily. Usually, a simple statement of value from them is adequate.

18. The 15 claims-paying post offices also have been authorized to pay many types of claims which formerly had to come to Washington for settlement. This has greatly speeded adjustments.

19. In a good many instances involving claims for damaged mail items started by the sender it is no longer necessary for the addressee to file a declaration about the damages. This applies in instances where the addressee has received a damaged article in the mail and has sent it back to the mailer, or where the article was returned to the sender as undeliverable mail. In these instances, only the mailer needs to file—not both the mailer and the sender, as was the case formerly.

20. Payment of damage claims on parcels that have been accepted by the Post Office Department for insurance is no longer denied because of inadequate packing.

21. If a mailer pays an inadequate fee to cover the requested insurance on a mailed article, because of an error by the postal employee who accepted the item for mailing, the mailer will nevertheless be reimbursed in full if the item is damaged or lost. The Post Office Department made this full reimbursement policy available by seeking on its own initiative a reconsideration of former adverse rulings by the Comptroller General.

22. Mailers who have legitimate claims on insured mail articles can now mail the completed claims forms to the post office. Formerly they had to go in personally to do this. This saves a great deal of time and trouble for many mailers.

METERED MAIL

23. A bothersome requirement imposed on meter users, that they had to furnish a statement of their postage meter readings every day to post offices has been abolished.

24. The Post Office Department has provided a convenient record book for use by meter users in keeping records of meter operations.

25. The requirement that the day date of mailing be shown in meter stamps on fourth class (parcel post) mail has been eliminated. This formerly caused much trouble for large fourth-class mailers where, for instance, parcels intended for mailing on a certain day were delayed. In such cases, the post office frequently would not accept parcels with outdated meter stamps, involving red tape and delay in getting new meter stamps placed on the packages.

26. The requirement for labeling of metered mail with special identification labels from the mailer has been eliminated.

27. Mailers were authorized to deposit metered letter mail in any street or office building mail receptacle within postal district where their meter is registered, thus eliminating trips to the post office for many mailers.

28. The 10-percent penalty that used to apply for those presenting certain metered mail that contained an incorrect date (for example, a piece of mail showing a meter date on the first of the month, but presented for mailing on the 5th) has been eliminated.

REFUNDS OF POSTAGE

29. The processing of claims for refunds of postage was decentralized from Washington to local post offices to speed up payment and eliminate red tape.

30. The minimum amount for which postage refund would be paid was eliminated; now any claim of any amount may be considered.

NOTICES TO SENDERS OF UNDELIVERABLE THIRD- AND FOURTH-CLASS MAIL

31. Where a sender of third- or fourth-class mail requests that he be notified if the piece is not deliverable as addressed the post office marks on such mail, which is not deliverable locally or forwardable, the reason for nondelivery, or a new address if it has one, and sends the piece of mail back to the sender. This enables him to correct his mailing list without delay. Formerly, in such cases, the Post Office Department held the mail and engaged in correspondence, on card forms, with the senders, regarding the mail that was held, why it was not delivered, and so forth. The new procedure is much faster and more direct.

ISSUANCE OF MAILING PERMITS

32 Authority was extended to postmasters to issue meter, imprint, precancel and business reply permits, without obtaining prior approval of the Department from Washington, resulting in much faster action on such applications.

33. The application and authorization forms for these permits have been simplified and combined, to make it easier for mail patrons to obtain and use these permits when needed.

ENDORSEMENT OF MAILER ON SEALED PARCELS

34. The regulations have been changed to remove the requirement that the sender's authorization that parcel-post parcels may be opened for inspection be printed. Such endorsements may now be placed on wrappers or labels in handwriting, or by handstamp or other means.

PREPAID AIR PARCEL POST

35. The regulations have been changed to authorize onward dispatch and collection of postage due upon delivery of air parcel post which does not bear enough postage, provided it bears at least 50 percent of the postage chargeable. This has eliminated requirement for holding such mail and speeded delivery in many cases where mailers have inadvertently neglected to affix adequate postage.

RELAXATION OF MAILABILITY RESTRICTIONS ON PARCEL POST

36. Many complex restrictions on mailing various types of items and their containers have been simplified to give mailers, particularly those sending merchandise through the mails, access to the mails for their products. For example, standard types of aerosol containers are now accepted in the mails where restrictions once barred them.

REVISION OF PACKAGING SPECIFICATIONS

37. Regulations to authorize use of wrapping and cushioning materials recently developed for preparation of products for mailing have been put into effect; formerly, technical requirements banned use of such materials in the mails.

WINDOW ENVELOPES

38. Formerly only a single address window was permitted in envelopes. Now regulations have been relaxed to permit use of other windows—for advertising or display purposes for example, or for return address. Also, more latitude is permitted on where the windows may be located in the envelopes and printing may now be placed closer to the windows than formerly.

MAIL OF NONPROFIT ORGANIZATIONS AT SPECIAL THIRD-CLASS RATES

39. Application and authorization forms for nonprofit organizations to qualify for mailing at special third-class rates have been simplified and combined. Procedures for handling have been revised to speed issuance of authorizations to applicants.

INFORMATION PAMPHLETS

40. Two new publications have been issued for free distribution to the public, to assist in their mailing: 1. POD publication No. 2, containing instructions and illustrations on packaging and wrapping parcels for mailing, and 2. POD publication No. 3, containing all domestic postage rates and fees.

KEYS AND IDENTIFICATION DEVICES

41. Supported bill which became law extending the special postage rate for hotel and steamship keys to all keys and identification devices which have attached, or which bear, a name and address and guarantee to pay postage on delivery.

SECOND CLASS MAIL (NEWSPAPERS AND PERIODICALS)

42. Eliminated from regulations definition of "sample copies" which was impracticable to administer and unnecessarily restrictive.

43. Eliminated the regulation which arbitrarily limited the mailings of sample copies to three a year to the same individual.

44. A regulation was adopted making it easier for publishers to mail separate editions of their publication. This eliminated a mass of involved regulations, fee charges and so forth which formerly prevailed on mailings of such editions.

45. A regulation was adopted permitting "split run" advertising in publications mailed by second-class mail. For example, a publication mailed to one section of the country may contain a certain ad on a certain page slanted especially to that section, while the same edition of the same publication that is sent to a different section may contain on that same page a different ad, especially slanted to the other section.

46. A regulation was adopted permitting advertising pages to be die cut, deckle-edged, or prepared for folding out horizontally, vertically, or both. These technical changes provide important liberations for

mailers of second-class mail, giving them more leeway in what types of advertising they may accept.

47. As another major improvement, the Post Office Department adopted regulations which permit use of all kinds of modern papers for pages of magazines. This removed former strict and outdated requirements regulating use of papers used in magazine publication.

48. Regulations were adopted which define and permit the reasonable use of novelty pages, for publishers, including such pages as those containing paper doll cut-outs, coupons, and so forth.

49. New commonsense policies for determining distinctions between advertising and non-advertising content of publications were adopted.

50. The Department simplified the manner in which publishers mark their copies that are filed with postmasters to show the difference in content between reading and advertising content.

51. Regulations were put into effect to change and simplify the manner of handling copies of second-class publications that are undeliverable as addressed. To illustrate: Mrs. Smith in Anytown moves from First Street to Third Street and gives her new address to the post office. Her new copy of her favorite magazine comes by mail, and is sent to Third Street. It will contain a new simple form, on which she may notify her publisher of her change of address. She has 3 months to do this, and, if it is not done by then, the post office will tear off of the copy of her magazine the name and address label and itself send it back to the publisher with the change of address indicated. Formerly, the post office engaged in a complicated correspondence back and forth between publishers to get the change of address made, and often copies of the publication were returned to senders.

52. The handling of publishers mail was speeded by discontinuing bulk weighing of each and every mailing. Now, the total weight of the overall mail shipment is computed from statements of the copies involved and verified by taking sample weighings of mail loads selected at random.

53. A regulation was adopted which permits publishers to deliver copies directly from their plants to railway stations, neighboring towns, or elsewhere, for acceptance and dispatch from those points in the mails. Formerly, publishers were limited to one, or a few, points from which they could mail.

54. Publishers were given authority to deposit Sunday and holiday isues in rural mail boxes on Sundays and holidays without paying postage. This is a particular benefit for smaller papers in largely rural areas. (This is an exception from the rule that mailable matter that is deposited in mail boxes is subject to postage, even though it is carried personally by an individual and does not move through the postal system.)

55. The Department placed in operation, first by regulation and later by authority of new law, a method of paying postage in cash on copies of magazines and newspapers, subject to local per copy postage rates—a convenience and record-saving step in many instances for publishers.

56. A regulation was adopted which permits printed illustrations to be pasted to advertising pages in publications.

57. A regulation was discontinued which required publishers to receive at least 30 percent of the amount of the regular advertised annual subscription price on subscriptions that are obtained through agents or agencies that work on commission.

58. Revised special form that is used by subscribers to inform publishers of changed address, and obtained publishers' cooperation in carrying advertisement asking subscribers to use the form.

59. Greatly simplified the regulations prescribing display of title and name of office of publication in copies of publications.

60. Adopted regulation providing for issuance of special issues.

61. The Post Office Department supported a bill, which became law, and which has greatly simplified the obtaining of second-class mailing privileges for publications of churches and religious organizations.

62. Changed regulation to permit publishers to use white or any other light colored paper for wrapping, instead of being restricted to white or manila paper.

63. Changed regulation to permit use of light colored paper by publishers for address strips, instead of mandatory white or yellow.

64. Discarded requirement that black ink only could be used on address slips by publishers.

CONTROLLED CIRCULATION PUBLICATIONS

65. For controlled circulation publications (certain publications sent free by their publishers; usually publications containing highly specialized content and sent, for example, only to persons engaged in a special kind of work) the Post Office Department adopted procedures for weighing and computing of postage which are uniform with those used for second-class publications.

66. For controlled circulation publications, the Post Office Department adopted procedures that are uniform with those used for second-class publications, for handling copies that are undeliverable as addressed.

PARCEL POST SIZE AND WEIGHT LIMITS

67. The Department authorized mailers located on rural routes serviced from first-class larger post offices to mail their larger and heavier parcels at the post office.

PUBLIC INFORMATION

68. Policies of lending technical assistance to press, particularly trade press in preparation of technical articles on mailing were put into effect in Department. Department technical personnel assisted in writing and preparation of articles upon such subjects as mailing of aerosol insecticides and compressed gases, encyclopedia material, postage rate and mailing information materials.

COMBINATION MAIL

69. The Post Office Department put into effect its new combination mail service, permitting for the first time in history the mailing of a letter or message inside a package or publication, provided the sender pays appropriate postage to cover both items.

FORWARDING MAIL

70. Adopted relation authorizing the free forwarding of mail, formerly chargeable with forwarding postage, for dependents of military and civilian persons whose addresses are changed by official governmental orders.

POSTAL CARDS

71. Regulations governing use of postal cards issued for sale to the public by the Post Office Department (and usually distinguished from "post cards" offered for sale through private newsstands, tourist shops, and not containing the printed stamp) have been revised to authorize use of 50 percent of the space on the address side for writing or message purposes. Formerly only a third of the space could be used for this purpose.

POST CARDS

72. Use of post cards with round corners was authorized. Manufacturers formerly could not sell this type of card because use in mails was not permitted.

REGULATION REFERENCES ON MAIL

73. Requirement that regulation numbers, which change frequently, be shown on certain types of mail was eliminated. Mailers now use descriptive terms such as "Bulk Rate," "Library Book," etc. With each change in regulation numbers, it is no longer necessary for mailers to obtain new printing dies.

Communist Tactics in the Near East and Asia

EXTENSION OF REMARKS
OF

HON. RICHARD B. WIGGLESWORTH

OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 17, 1956

Mr. WIGGLESWORTH. Mr. Speaker, in a recent powerful address President Meany of the newly merged A. F. of L. and CIO made the following statement:

> This conflict between communism and freedom is the problem of our time. It overshadows all other problems. This conflict mirrors our age, its toils, its tensions, its troubles, and its tasks. On the outcome of this conflict depends the future of all mankind. I pray that, on the threshold of the atomic age, we—all of the free world—can muster the moral courage and total strength to preserve the peace and promote the freedom of the men and women of every continent, color, and creed.

We should all share these sentiments.

I returned just before Christmas from an official study mission with 6 other Members of the House which covered more than 30,000 miles by air in just under 10 weeks. The trip made it possible to exchange views with outstanding national figures as well as United States representatives in each of more than 24 countries visited in the Near East and Asia.

During the trip an attempt was constantly made to evaluate the extent of Communist influence, the amount of neutralism and the impact of the United States policy and programs in each of the countries visited.

Nowhere in the area visited was there any evidence whatsoever of any change in the fundamental objectives of strategy of the Communist world.

On the contrary, there was evidence all along the line of persistent Communist activities reflected in infiltration, promises, propaganda, and subversion.

Perhaps we should thank Mr. Bulganin and Mr. Khrushchev for making the facts crystal clear—for giving the world their real interpretation of the spirit of Geneva.

It is impossible to view the picture in Asia as a whole except against the background of the tragic policies of years gone by which made it possible—policies helping the Kremlin to establish its control directly or indirectly over 800 millions of people, one-third of the population of the world—policies making impossible a military victory in Korea when it lay within our grasp, with the resulting enormous loss of prestige.

Once again come to mind the famous words of General MacArthur, when he said:

> Allowing the Communists to grow to power was the greatest political blunder in a

hundred years, and one for which this Nation will pay for a century to come.

The free world has made great progress since that day.

We have seen, among other things, the organization of NATO with its 15 members; of the Baltic Pact with its 3 members; of the Bagdad Pact with its 5 members; of the SEATO Pact with its 8 members, and of pacts with our many friendly nations in the Western Hemisphere.

We have seen also the pact of Paris and the admission of Western Germany into NATO; the independence of Austria; the adjustment of important problems in Egypt, Iran, and Trieste.

We have seen the creation of enormous offensive and defensive military power at home.

Fully adequate—

According to Admiral Radford, Chairman of the Joint Chiefs of Staff—

to perform all essential tasks in the initial stages of a shooting war, global or otherwise, and to permit a rapid and orderly buildup when and if that should become necessary.

America and its allies have met with great success in terms of our military programs. By a policy of collective security based on military strength we have compelled the Communist world to abandon military aggression for the time being.

We are now confronted by a shift in tactics on the part of the Kremlin. The emphasis now is in the nonmilitary field and on tactics referred to by the President in his message on the state of the Union as the tactics of "division, enticement, and duplicity." These tactics were in evidence pretty generally throughout our trip, particularly in Asia.

Wherever there is friction or disagreement within a nation or between nations the Communist policy of division does everything possible to accentuate the trouble.

This policy was apparent, for example, in the differences between Greece and Turkey, arising out of the Cyprus problem; in the differences between the Arab States and Israel, and between the Arab States themselves; in the differences between Afghanistan and India on the one hand and Pakistan on the other; and in the differences in southeast Asia.

In country after country the Communists were making every effort to infiltrate, particularly into schools and labor organizations; to form cells; to promise anything and everything that might contribute to the desired end, and to weaken and subvert with a view to finally taking over and organizing.

It was heartening in the light of these activities in the nonmilitary field to talk with outstanding and courageous free-world leaders such as President Magsaysay, of the Philippine Islands; President Chiang Kai-shek, of Nationalist China; President Syngman Rhee, of South Korea, and others standing stalwartly against the pressures of the Communist world.

The tide of any struggle ebbs and flows. At the moment in this campaign for the minds and hearts of men in the part of the world which we visited, particularly in Asia, the tide is not running in favor of the free world. It is running against us.

The new Communist tactics, which can become as dangerous as those of military aggression, have been gaining ground, and the trend is important, because as in other campaigns there are those who want to ride on the winning bandwagon.

If the trend is to swing our way, if Communist infiltration and subversion are to be halted, the free world must develop as much power, firmness, and effectiveness in its nonmilitary programs as it has developed in its military programs.

A policy based on strength will build confidence among our friends. A policy based on strength will appeal to those nations who are today neutral. A policy based on strength is the only policy which the Communist world understands.

No campaign was ever won on the defensive. The free world must take the initiative. Its policy must be dynamic.

We must, of course, do our utmost to help settle outstanding problems such as those in the Near East, which, however important to those primarily concerned, from the overall point of view, play directly into the hands of the Kremlin.

We must do what we can to eliminate the threat posed by infiltration and subversion in its early stages.

We must work with and stand by our friends.

The Kremlin does not want war. It will respond in the future, as in the past, to a policy based on strength.

Under the outstanding leadership of President Eisenhower and other free world leaders I am confident that we shall meet the new tactics of the Communist world in the nonmilitary field just as we have met their previous tactics in the field of military aggression.

The Cost of World Wars I and II
A Staggering Sum

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 17, 1956

Mr. SMITH of Wisconsin. Mr. Speaker, under leave to extend my remarks, I am inserting valuable information compiled for me by the Economics Division of the Library of Congress. Mr. Hermann Ficker, analyst in international trade and finance, has prepared the material which I am inserting.

Mr. Speaker, this information covers the cost of World Wars I and II. It is obvious at a glance that war is costly and destructive and it seems that we should be on the road to finding a solution to this problem other than by an armaments race with Russia, which appears in the making at this time.

The above-mentioned follows:

THE COST AND ESTIMATED PROPERTY DAMAGE OF WORLD WAR I

Twice in one generation the shadow of mass warfare has fallen athwart the world. These great wars have caused incalculable human misery due to the loss of millions of men in the prime of life and the death and displacement of civilians in even greater numbers.

While immense sums are consumed in the prosecution of wars, as well as in recovery and rehabilitation of war-ravaged areas, we know that great problems remain and that wars add greatly to the tax burdens of succeeding generations.

METHODS OF COMPUTING THE COST

Estimating the cost of war in olden times must of necessity prove futile since records were not kept as to the cost of armies in the field, tribute, slaves, destruction of property, and other items included today in a general war assessment. Conclusive compilations of the exact cost of World War I have never been made due to the difficulty of separating war-related items from the current budgets of all the governments concerned. Similarly there has been found no conformity in the definitions as to what programs are allocable to war and what other programs during a war period were merely to carry on the ordinary administration of a nation's general economic life.

Statements as to the exact cost of World War I are therefore to be taken merely as approximations based on insufficient statistical evidence. In fact, most countries have not issued detailed official figures on World War I expenditures. Published computations have mostly been made by students far removed from the actual operational procedures incidental to the expenditures of money from the national exchequers.

The waste of treasure that wars have brought to humanity should also include the loss of national wealth comprised in the drain of raw materials and natural resources. When converted into the implements of war they are not replaceable and future generations are forever deprived of them.

Another evaluation of the cost of war should include losses in national income due to the prolonged absence from productive work of millions of men and women engaged in unproductive and destructive war work. The billions of hours devoted to preparedness and to actual fighting if turned into the building of homes, schools, hospitals, bridges, roads, and factories would assuredly have advanced humanity toward greater achievements in all cultural and humanitarian fields.

DIRECT MONEY COST

Many estimates of the cost of World War I are available, all divergent in totals, but basically the differences in cost are due to the period of time over which the cost is spread.

E. L. Bogart, on behalf of the Carnegie Endowment for Peace computed in 1920, that the direct money cost of the war to all countries was as follows:

A. Allies:	
United States	$32,080,266,968
Great Britain	44,029,011,868
Australia	1,437,418,680
Canada	1,665,576,032
India	601,279,000
New Zealand	378,750,000
Union of South Africa	300,000,000
Belgium	1,154,467,000
France	25,812,782,800
Greece	270,000,000
Italy	12,313,998,000
Rumania	1,600,000,000
Russia	22,593,950,000
Serbia	399,400,000
Other allies	500,000,000

B. Central Powers:	
Germany	$40,150,000,000
Austria-Hungary	20,622,960,000
Turkey	1,430,000,000
Bulgaria and Rumania	815,000,000
Total	207,850,860,348

These costs included not only the maintenance of the armies, transportation and the production of war materiel but also the aid etxended to other countries by both sides. The total of this aid is tabulated separately merely to show the amounts that individual countries expended. It amounted to approximately 10 percent of the total direct costs of World War I.

ASSISTANCE TO ALLIES

Included in the overall estimate of the cost of World War I are the advances made to their allies by the belligerents. These were:

United States	$9,455,014,125
Great Britain	8,695,000,000
France	1,547,200,000
Germany	2,375,000,000
Total	22,072,214,125

INDIRECT COSTS OF WAR

Among the indirect costs of World War I should be included an estimate of the value of property destroyed during the period of belligerency. This is physical damage to homes, schools, churches, factories, power installations, transportation facilities and equipment and other property. Again Bogart has made an estimate in rounded figures without trying to give a breakdown by type of property destroyed. The only differentiation made is in property on land and shipping.

Property damage:	
Belgium	$7,000,000,000
France	10,000,000,000
Russia	1,250,000,000
Poland	1,500,000,000
Serbia, Albania, Montenegro	2,000,000,000
East Prussia, Austria, Ukraine	1,000,000,000
Italy	2,710,000,000
Rumania	1,000,000,000
Germany	1,750,000,000
British Empire	1,750,000,000
Total	29,960,000,000

SHIPPING AND CARGO LOSSES

The total losses in shipping to the allies and neutrals from the beginning of hostilities to August 1, 1918, are estimated at 15,000,000 tons. This is approximately one-third of the world's prewar shipping tonnage of 48,500,000. Production cost of that tonnage was $1,050,000,000. Germany and Italy lost almost all of their merchant shipping. In addition to the deadweight tonnage there is also the question of cargo. Altogether, the estimate for shipping and cargo amounts to $6,800,000,000.

COST OF WORLD WAR II AND PROPERTY LOSSES

Statisticians have not yet attempted to assess the total expenditures of participating nations in the prosecution of World War II. Military expenditures as part of national budgets do not portray the full extent to which the energies of any nation were directed toward warmaking purposes in the war emergency.

Guess-estimates have varied from $1 trillion to $4 trillion, depending on the type of direct and indirect cost included in the overall totals. If the figure of $4 trillion is used, the cost of World War II amounts to $1,708 for every man, woman, and child in the earth's estimated population of 2.3 billion people.

In the following tables an attempt has been made to state the direct cost of war insofar as figures are available from published sources with a total of $1,439,250,000,000. Indirect losses are summarized under two headings, namely property damages estimated at $259,557,000,000 and an itemized list of shipping losses for which dollar value figures are not available. Illustrative data for property destruction in various countries are added to show the extent of war damage.

Lastly, a total of aid rendered foreign countries by the various belligerents is given. This list is incomplete. The sums mentioned are included in the direct money cost of the war.

DIRECT MONEY COSTS

Insofar as published estimates are available, the various nations spent the following sums as direct costs in the prosecution of the war:

United States [1]	$317,600,000,000
United Kingdom	120,000,000,000
France [2]	192,000,000,000
Canada	14,000,000,000
Australia	8,000,000,000
South Africa	2,250,000,000
New Zealand	1,650,000,000
Germany	273,000,000,000
Italy	94,000,000,000
Japan [3]	56,000,000,000
Finland [4]	2,000,000,000
Rumania	1,750,000,000
Russia	357,000,000,000
Total	1,439,250,000,000

[1] Commercial and Financial Chronicle. Dec. 13, 1945. P. 2927.

[2] London Times. Aug. 17, 1945. P. 4.

[3] New York Times, Mar. 18, 1947, p. 4 and Aug. 12, 1945, p. E-2.

[4] U. S. News. Sept. 17, 1945.

To these totals should be added the expenditures of India, Egypt, Turkey, Greece, China, and many smaller entities.

PROPERTY DAMAGE

The best estimates of property damage has been compiled by the French National Institute of Statistics and Economic Studies.[1] According to an analysis published in 1947 fixed property destroyed during World War II was valued as follows:

Austria	$534,000,000
Belgium	2,274,000,000
Denmark	159,000,000
France	21,504,000,000
Greece	3,269,000,000
Holland	3,947,000,000
Italy	2,900,000,000
Luxembourg	179,000,000
Norway	1,275,000,000
United Kigdom	6,872,000,000
Germany	48,000,000,000
Albania	512,000,000
Bulgaria	420,000,000
Czechoslovakia	4,202,000,000
Hungary	4,330,000,000
Poland	20,000,000,000
Rumania	683,000,000
Yugoslavia	10,497,000,000
U. S. S. R	128,000,000,000
Total	259,557,000,000

There is wide discrepancy in totals for individual countries. The authoritative London Times stated that France suffered $122 billion in property damage, whereas the French themselves put their losses at just over $20 billions. If mere replacement value were the criterion of worth then the overall totals will assuredly be very much smaller. On the other hand many of the later estimates are expressed in terms of currencies suffering in many instances from inflation.

SHIPPING LOSSES

The following French Institute estimate of merchant ship losses includes only vessels of 100 gross tons or more during the period September 1, 1939 through September 3, 1945.[2]

Merchant-ship losses, Sept. 1, 1939, to Sept. 3, 1945

	Vessels	Tons
United States	736	4,734,768
British Empire	1,910	11,193,964
United Kingdom	1,753	10,484,595
Belgium	57	341,190
Denmark	109	407,715
France	313	1,581,761
Greece	247	1,078,482
Holland	240	1,326,536
Norway	418	2,027,204
Poland	9	45,000
Sweden	120	450,645
Turkey	9	25,994
U. S. S. R	51	207,450
Yugoslavia	46	189,161

WAR DAMAGE IN VARIOUS COUNTRIES

It has been found impossible to make detailed lists of property damages suffered in all countries. Illustrative of the type of damage suffered by individual countries a brief statement will be made concerning those areas for which data were found.

United Kingdom: "In England, by March 1944, 3 million war-damaged houses were 'first-aid' repaired, and 102,700 badly damaged houses were restored to use. The following year more than a million houses were damaged or destroyed by flying bombs." [3]

France: "The total number of buildings damaged and destroyed * * * in World War II was some 1,804,000. Nearly 25 percent of all buildings damaged in World War II were completely destroyed.[4]

"The French ports have been notable casualties in the war. Toulon is blocked by the scuttled French fleet much too effectively for German salvage or French reconstruction. The Atlantic ports are almost useless. * * * The Channel ports were bombed ruthlessly." [5]

Countries such as Finland, Norway, Denmark, the Netherlands, and Belgium, and Czechoslovakia suffered damages to physical installations that amounted to hundreds of thousands of homes destroyed, transportation paralyzed, ports demolished, and extensive dislocations of the national economies. Damage can be assessed in the trillions of dollars.

China: "Property losses have been astronomical. In Shanghai alone $2 billion worth of homes and factories were destroyed. In their campaign of terror the Japanese did not hesitate to level hundreds of towns and villages. Nor will it ever be possible to compute the dollar-and-cent loss suffered by China in the forced flight of 40 million people. Or of the damage done to the soil by the gerat floods which followed the breaching of the Yellow River dikes." [6]

Japan: Apart from all industrial destruction and dislocation of the economy, 2,252,000 buildings were destroyed.[7]

Germany: Few nations have suffered such utter destruction as was heaped upon Germany. Complete estimates have never been computed.

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[1] Institut National de la Statistique et des Etudes Economiques—Nos. 17, 18, 19, October, November, December, 1947, p. 43.

[2] Idem, p. 48.

[3] Municipal Year Book (London) 1946, p. 357.

[4] Monthly Labor Review, November 1945, p. 927.

[5] War Damage in Europe. The World Today. April 1946, p. 157.

[6] Gayn, Mark. China's Bill Against Japan. PM. September 9, 1945, p. 9.

[7] New York Times. April 20, 1949, p. 5c.

U. S. S. R.: The fantastic destruction in Russia is noted in the following statistics of war damage: [8]

Towns	1,710
Villages	70,000
Houses	6,000,000
Hospitals and medical centers	40,000
Schools and research institutes	84,000
Libraries	43,000
Industrial plants	31,850
Electric motors	239,000
Metal-cutting lathes	175,000
Railway track (missing pieces)	40,625
Railway stations	4,100
Railway bridges	13,000
Locomotive depots	317
Steam and motor locomotives	15,800
Passenger and freight cars	428,000
Passenger and freight vessels	4,280
Ports and docks	479
Post, telegraph, and telephone offices	36,000
Collective farm headquarters	98,000
State farm buildings	1,876
Tractor stations	2,890
Horses	7,000,000
Cattle	17,000,000
Hogs	20,000,000
Sheep and goats	27,000,000
Poultry	110,000,000

Italy: The most detailed list of war damage has been compiled for Italy.[9]

Military operations involved practically the entire peninsula and every aspect of life was in chaos because of material destruction and disorganization of the central network of economics, financial and administrative life. Among the various classes of property which had undergone most damage were:

(a) Housing: 1,900,000 habitable rooms destroyed; 1,100,000 seriously damaged; 3,800,000 to a lesser degree.

(b) Public works: State roads destroyed and damaged 60 percent; secondary roads 20 percent; important bridges destroyed 2,968; secondary bridges 5,269; post buildings 90 percent damaged; port machinery and docks 50 percent destroyed; schoolrooms 40 percent destroyed; hospitals and equipment 20 percent destroyed; churches destroyed and damaged 11,000.

(c) Mercantile marine: Itay's merchant navy consisted of 1,109 units over 100 tons gross. Total of 3,400,00 gross tons was reduced to 429,000 representing a 90 percent loss.

(d) Railways: 40 percent of all railway equipment and facilities was destroyed.

(e) Agriculture: Direct damage was estimated at 550 billion lire. Indirect damage would take years to eradicate due to the lack of fertilizers, damage to water supplies, deteriorating of river defense-works, uncontrolled depreciation and the abandoning of sound methods of cultivation.

(f) Industry: Plant and property destroyed amounted to 450 billion lire. Worst hit were the steel works, electrical works, shipbuilding, chemical works and metal works.

In addition to these serious overt aspects of war damage there are the aftermaths of a continuing deterioration in the entire governmental system, the reduction in agricultural and industrial production, the reduction in the standard of living, the inflationary movement, unemployment and the price spiral which will take years to be overcome.

Asistance to Allies by the United States of America [1]

American Republics	$493,025,430.04
Belgium	156,254,519.40
British Empire	31,610,926,129.35

[1] 36th Report to Congress on Lend Lease Operations, 84th Cong., 1st sess., H. Doc. 221, Oct. 19, 1955.

[8] New Republic. December 16, 1946, p. 810.

[9] Italian Affairs. January 1954, pp. 173–178.

Assistance to Allies by the United States of America—Continued

China	$1,603,441,952.60
Czechoslovakia	435,446.23
Denmark	4,060,493.95
Egypt	2,322,611.92
Ethiopia	5,151,480.09
France	3,269,964,492.02
Greece	81,424,112.31
Iceland	4,496,553.29
Iran	5,303,624.18
Iraq	891,469.57
Italy	186,414,869.65
Liberia	19,440,619.66
Netherlands	246,404,116.16
Norway	47,036,563.93
Poland	12,232,889.88
Saudi Arabia	22,670,314.52
Turkey	42,850,057.09
U. S. S. R.	11,054,406,165.82
Yugoslavia	32,188,847.92
Miscellaneous	1,331,110,616.67
Total	50,232,453,376.25

Assistance by Allies to the United States of America [1]

Belgium	$191,215,983.35
British Empire	6,752,073,165.40
China	3,672,000.00
France	867,781,244.70
Netherlands	2,367,699.64
U. S. S. R.	2,212,697.81
Total	7,819,322,790.90

[1] Report on Lend-Lease Fiscal Operations, U. S. Treasury Department, June 30, 1949.

Only fragmentary information exists concerning aid rendered to various countries by the belligerents so that a final list of such aid is not included in this report.

Free TV or Fee TV

EXTENSION OF REMARKS

OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 17, 1956

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following radio address I delivered over station WMEX, Boston, Mass., on Saturday, August 20, 1955:

Only one letter separates "free TV" from "fee TV," but the opposing viewpoints might just as well be stationed at the North and South Poles, remote from one another and remote from any compromise, or so it might seem.

The Federal Communications Commission has been subject to much lobbying pro and con as to whether it should permit pay-as-you-see television, also known as subscription televison.

At the present time, TV programs are paid for by sponsors, who, in turn, are given the opportunity to advertise their products or services. Of course it is the American consumer who pays eventually and indirectly through his purchases of the goods and services that are advertised.

Under the fee system, advertising would be eliminated; and for a certain small price per program he could choose to see an outstanding movie, a championship sporting event, or any one of many special presentations.

I shall not go into the technical details of the various systems that would make it possible for you in your own home to pay and choose and see the subscription program of your choice.

I am concerned with the larger question as to whether or not free television, as we now know it, should have a commercial rival.

Offhand, it might seem that competition would best serve the public.

But should a Government agency, the Federal Communications Commission, decide this question, or should it be left to the good judgment of the American people?

The large networks are lining up against pay-as-you-look television, while the smaller stations and the general public seem to favor it.

The issue, however, has not been fully debated on a large scale.

I believe, therefore, that the public should become acquainted with the pros and cons of this controversy, so that it shall have a voice in its solution.

First, may I bring you some of the arguments against free TV.

Since the end of World War II the television industry has grown from infancy to an industry in which the American people have invested more than $10 billion in television sets (more than 36 million of them), and in which the annual volume of television advertising, set sales, servicing, and operating runs close to $4 billion per year, under the traditional American broadcasting policy of freedom to listen and freedom to look.

The promoters of pay television would change the American system of free broadcasting to a restricted system of paid narrowcasting. Their standard of interest is: "No fee, no see."

Coexistence between free television broadcasting on the basis of competitive private enterprise, as we know it today, and pay television, as proposed by its promoters, is impractical. Opponents believe that pay television would degrade and ultimately destroy the present system of free TV broadcasting.

The greater the circulation of any medium, the greater becomes its advertising value. As applied to television broadcasting, this has meant that as the size of the television audience has increased the free television broadcaster has had more available to spend on improved programing.

Under the present system, the broadcasters give, at their own expense and as a public service, addresses by the President and national, State, and local government officials. They also carry, as a public service, educational, religious, operatic, and other cultural programs. Many of these programs have limited audience appeal and are not sponsored. The broadcasters bear the very substantial cost of presenting these unsponsored public service programs, including interconnection charges and refunds of revenue to sponsors whose programs have to be cancelled to make room for free public affairs programs.

One of the greatest contributions that the free television system has made to the public interest has been the strengthening of the democratic processes in this country by helping to create an informed public opinion on important national and international issues. Anything that tends to weaken the free television system would automatically tend to reduce its ability to continue to render this costly and invaluable service.

If the pay-television promoters should be successful, the more than 8 million people living in single station areas would be deprived of all free television service whenever pay-television programs were broadcast. These more than 8 million people would be forced to contribute to the cash boxes of the pay-television promoters for their TV programs or have none at all.

Unlike the present free system of television, pay television would come into the homes like gas and light and telephone service for which the consumer pays. The rates and other aspects of such public utility services are now regulated by the Government. If pay-television broadcasting were to be authorized, the public interest may require

that it likewise be treated as a public utility and made subject to similar regulation by the Government. In such an event, the practical difficulties of maintaining part of the American radio and television system free and part regulated would seem almost unsurmountable. Such a situation might ultimately lead to Government regulation, on a common-carrier basis, of all radio and television broadcast services, a result that no one advocates but all must guard against. Only the Congress can set the legal bounds of such regulation.

Our American principle of freedom to listen and freedom to look is chiefly responsible for the growth of the most dynamic industry in the world today. It has made the American people the best informed in the world, and it has done so without discriminating between the poor and the rich.

As EMANUEL CELLER, chairman of the Judiciary Committee of the United States House of Representatives, said, and I quote in part: "As a Federal legislator, expected to consider carefully the overall results of any innovation such as this, I am dismayed at the probable effects of fee TV on our tax structure, employment, those in low-income brackets, transportation, and other industries. Will our movie house, theaters, sports arenas, etc., be thrown into the discard? What happens to the tremendous investments in such real estate? Free broadcasting and free television have been undisputed boons to the industry of this country. I shouldn't think the sponsors would be happy at the prospect of killing the goose that laid their golden eggs, but they are strangely reticent at this time on this subject. In closing may I say I shall continue to oppose all efforts to foist fee TV on the American public."

Now to the other side of the coin.

What are some of the arguments put forth by those who favor pay-as-you-look programs?

A spokesman for Phonevision claims that one of the largest manufacturers of raido and television equipment that also maintains a large network, has always opposed any new electronic development which it does not control, and that its opposition to subscription is another illustration of this policy.

All we ask, he argues, is an opportunity to show that we can bring to the public for a small fee programs which are much better than those they have been getting on an advertising-sponsored basis. We think that the public is entitled to the best—not the worst—that Hollywood and Broadway can create. We propose to supplement with great box-office programs the present continuous stream of 20-year-old horse operas and other hackneyed programs that now fill in most of the short spaces between the long commercials.

The public will turn away from an advertising sponsored program to a subscription program only if the latter is so much better and more interesting that it is worth the price. The networks and the motion picture theater owners are afraid that subscription programs, such as great first-run motion pictures, full length hit plays from Broadway, and grand opera every week in season, will be so popular with the public as to threaten their profits. This is the same kind of argument the buggy whip manufacturers made against automobiles 50 years ago. Why not let the public, which owns the air, decide for itself whether it wants the right to pay a small fee for programs that can never otherwise be brought to television?

Proponents of pay-as-you-see television claim that you take what the big broadcasters and big advertisers send you or nothing at all. You are given no choice. No wonder TV is being criticized for trying to corral the largest market by pitching to the lowest common denominator. First, conventional TV was attacked because it was too sensational. Now, there are many complaints to the effect that it is not growing up. All parents want good programs available for the entertainment and instruction of their children, but they also want a few adult programs for their own enjoyment if they can only manage to get the children to bed at a reasonable hour.

Supporters of pay TV brand as ridiculous the charges that the new system would take over advertising sponsored programs. To spike this propaganda, they are asking the FCC to adopt a rule that no station can use more than 15 percent of its operating time on subscription TV. They are also asking the FCC to keep the existing networks out of the business of supplying subscription television programs. This will guarantee that pay-as-you-see television will fulfill its promise of being a supplemental service, in free and open competition with the present networks. Under this provision, at least, 85 percent of the program fare in any community would be without direct charge.

As the Chicago Daily News observes, and I quote: "But, in any case, it does not seem to us to be the proper function of the FCC to decide whether or not free television should have a commercial rival. The progress of America is due to the leeway given to just such competitive forces. To say that nobody should be allowed to take the risk of offering competitive entertainment, at a price, would seem to us an indefensible substitution of bureaucratic decree for the judgment of the market place."

In this broadcast, I have merely sketched some of the arguments on both sides of this question.

I have been speaking to you over the medium of radio, which has been most generous in alloting me time as a public service.

This broadcast has been coming to you heard but unseen over a local station.

While talking about the "battle of the giants" I have not forgotten the indispensable role played by your radio station in serving the business and cultural needs of the general area in which you live.

Your present receiving set should be a constant reminder that it is people like yourselves who must control mass media of communications to serve all of your various needs and to prevent the development of monopoly in any form.

Address Delivered by Senator Martin of Iowa Before the American Mining Congress

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EXTENSION OF REMARKS

OF

HON. THOMAS E. MARTIN

OF IOWA

IN THE SENATE OF THE UNITED STATES

Tuesday, January 17, 1956

Mr. MARTIN of Iowa. Mr. President, on the 12th day of October last year I had the honor of addressing the American Mining Congress. I ask unanimous consent that the text of my remarks be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE ADMINISTRATION REJECTS EFFORTS TO IMPLEMENT THE HABANA CHARTER WITHIN THE UNITED NATIONS

Mr. Chairman, distinguished guests, ladies, and gentlemen, it is again a great pleasure for me to participate in this important panel discussion of the American Mining Congress on our strategic material and stockpile policies. As I have told you before, Iowa is not a mineral producing area and my concern with the production of minerals arises solely from my interest in our national defense.

Before entering the United States Senate, for 16 years I was a Member of the House of Representatives and my committee assignments in the House were the Armed Services Committee responsible for legislation concerning the strategic stockpile, and the Ways and Means Committee which writes our tariff laws. This experience has given me certain very definite views regarding those policies which will promote our security, and conversely, the basis for opposing schemes which have been promoted over a period of many years which can seriously weaken our economy and our position of world leadership.

Last year when I appeared before you I discussed proposals then pending in the United Nations to implement parts of the rejected Habana Charter for an international trade organization. Let me briefly review this rejected Habana Charter.

The original proposals which led to this draft charter were developed within our own State Department. They included provisions for establishing what in effect were world antitrust laws to deal with so-called restrictive business practices and for the establishment of intergovernmental commodity agreements. Commodity agreements by their very nature impose restrictions on both producers and consumers. Many different kinds of agreements have been proposed, some of which involve buffer stocks. Agreements have also been suggested to establish a just and equitable relationship between the prices of raw materials and manufactured goods. The difficulty immediately arises as to how one shall define the words "just and equitable" in an international agreement. The long term effect of all of these proposals is to allocate materials and fix their prices through an elaborate system of Government controls.

The Habana Charter was submitted to the Congress by President Truman. It was never approved. Late in 1950 President Truman assured us that he would not ask the Congress to again consider this document. But let us see what happened.

The United Nations Economic and Social Council proceeded to consider the charter chapter by chapter. Chapter VI of the Habana Charter, which dealt with international commodity agreements, was the basis for the establishment of the Interim Coordinating Committee for Intergovernmental Commodity Arrangements within the United Nations in 1947 and, more recently, the Commission on International Commodity Trade. Chapter V, which provided for an international agreement to deal with restrictive business practices, in other words, world antitrust laws administered by the United Nations, was turned over to an ad hoc committee of the United Nations Economic and Social Council for study. The resolution establishing the ad hoc committee was sponsored by the United States Government under the Truman administration. Both of these proposals were under active consideration when I appeared before you a year ago.

A great deal has taken place in the intervening 12 months, and I am very proud of the manner in which the administration has extricated itself from the problems which it inherited from the Truman-Acheson regime. While the United Nations Commission on International Commodity Trade, the group concerned with commodity agreements, was established in spite of United States opposition, our Government has refused to participate in the work of this Commission. The United States representative at the meeting of the Economic and Social Council at Geneva this summer re-

quested the Council to elect another government to our place on the Commission as we had definitely made up our minds not to participate in its work. Let me read from the statement of the alternate United States representative to the Council, Nat King:

"Our views with respect to the Commission on International Commodity Trade are well known and were expressed at the 18th session of the Council and also in comment submitted to the Secretary-General. Nothing has occurred since then to cause us to change our point of view.

"As the committee is aware, my Government has not occupied the seat on the Commission to which it was elected. We continue to question seriously whether the Commission can contribute significantly to the solution of international commodity problems. After most careful consideration, we have regretfully reached the conclusion that we will not find it possible to participate in the work of the Commission. Accordingly, my Government would welcome the election of some other government on the Commission in its place."

This disposes of the commodity agreement problem and chapter VI of the charter for the present.

The agenda of the United Nations Economic and Social Council this year also included the question of approving a proposed agreement to implement chapter V of the charter dealing with so-called restrictive business practices. This agreement had been drafted by the so-called ad hoc committee established in accordance with a United States sponsored resolution by the United Nations Economic and Social Council in 1951.

The statement of the United States in rejecting this agreement was forthright. I shall read two paragraphs which completely express the philosophy of this administration.

"The elimination of harmful restraints on international trade and the furthering of the development of free competitive enterprise continue to be basic objectives of this country's economic policy. In the present circumstances, however, the endeavor to effectuate a plan of international cooperation along the lines envisaged by the current proposals might well prejudice rather than promote the attainment of these objectives.

"It is, therefore, the opinion of the United States Government that present emphasis should be given not to international organizational machinery but rather to the more fundamental need of further developing effective national programs to deal with restrictive business practices, and of achieving a greater degree of comparability in the policies and practices of all nations in their approach to the subject."

Let me congratulate the mining industry on your good fortune that Herbert Hoover, Jr., a mining engineer, the son of one of our most distinguished mining engineers, is the Under Secretary of State and has helped to develop these policies in the Department. You are also fortunate in having the real problems of the industry constantly brought before the Cabinet by Secretary Wormser who has also spent his entire life in your industry.

Within the past month the Subcommittee on Antitrust and Monopoly of the Senate Committee on the Judiciary conducted hearings to determine why this administration rejected the proposed agreement on restrictive business practices. The only witness who appeared in favor of the United States adherence to this proposed agreement was Sigmund Timberg, who had served as Secretary of the United Nations Ad Hoc Committee. He expressed his deep concern at the rejection of his handiwork by President Eisenhower and Secretary Dulles. For many years prior to 1951 he was an official of the Antitrust Division of the Department of Justice in the Truman administration. A review of the history of the antitrust cases brought by the Truman administration in the middle 1940's shows that the Department of Justice was trying to secure jurisdiction over enterprises operating in foreign countries and this jurisdiction had been repudiated by courts in Canada and in the United Kingdom. These circumstances account for Mr. Timberg's desire to remake the world so that he could carry out his pet theories of antitrust enforcement.

A distinguished lawyer specializing in antitrust and international law, Mr. William Dwight Whitney of New York, formerly a Special Assistant to the Attorney General in the Antitrust Division, in his appearance before the subcommittee, made the following comment with respect to the philosophy of Mr. Timberg which I regard as most illuminating. He said:

"The point I think is being lost sight of is that you must have in a nation, and we must have in our Nation, two types of jurisdiction: jurisdiction over the person of the defendant, and jurisdiction over the subject matter of the action, over what happened.

"Now, all our recent cases that I am criticizing talk only about jurisdiction over the person, whether you can catch the person or, as one of the judges said, whether you can lay hold of him. The word 'catch' is in one of the opinions, too.

"I noticed yesterday in a very learned and brilliant presentation by Mr. Timberg, who ought to know something about this because he was in the Department of Justice all during the period when, I think, our law went wrong, talked about jurisdiction over the person, and his report discusses it, under the general title of 'jurisdiction,' but he never makes any reference at all to the jurisdiction over the subject matter of the action.

"Now, it is there that we intrude into the territorial sovereignty of foreign nations."

An analysis of the testimony before the subcommittee confirms all of the fears which I have expressed on numerous occasions during the past year regarding this proposed agreement.

The position of the administration in rejecting the proposed agreement was explained at these hearings by Mr. David C. Murchison, who for the past 2½ years served as legal adviser and assistant to the Chairman of the Federal Trade Commission. In addition, he served as an adviser to the United States delegation to the United Nations Economic and Social Council at those sessions devoted to considering the report of this Ad Hoc Committee.

The proposed agreement would have established a tribunal to determine what practices were restrictive and had harmful effects on the expansion of production or trade. Mr. Murchison pointed out that member nations will implement the tribunal's decisions under this proposed agreement "in accordance with their respective laws and procedures." He thus showed that:

"The agreement would therefore apply only to countries having antitrust laws and enforcement programs, principally to enterprises located in the United States, Canada, and possibly, to a lesser degree, in the United Kingdom."

This agreement by its very nature is discriminatory and favors enterprises in countries without antitrust laws as against American enterprises.

The agreement also discriminates in favor of public enterprises as compared with private enterprises. Mr. Murchison said:

"For example, dual standards for investigative activity are proposed. Public enterprises are at the outset given recourse to a 'consultation procedure' in the event complaints are lodged against them. Private concerns, on the other hand, are immediately made subject to the tribunal's investigative procedures and the provisions relating to publicity.

"Furthermore, under the terms of the proposed agreement, complaints against a State-owned or controlled enterprise cannot be filed except by governments. Complaints against private concerns, however, can be filed by individuals or private groups."

I cite these remarks of Mr. Murchison because they summarize so many of the points which I have discussed on other occasions, and which have been the subject of addresses and papers by distinguished lawyers who are experts in this field.

Now let me review Mr. Timberg's statement before the subcommittee and rebut some of the points which he made. Mr. Timberg said:

"The difficulty of establishing personal service explains why so many international cartel cases involve foreign coconspirators who are not joined as defendants. For example, in the General Electric case, all of General Electric's German, English, and other foreign cartel associates, with the exception of a Dutch firm that had established a factory in the United States during World War II, were immune from suit. The selective enforcement of the Sherman Act against foreign businesses that happen to get 'caught within the jurisdiction' pleases neither the United States defendants, nor the hapless foreign defendant, nor the antitrust enforcement authorities.

"* * * Difficulties in obtaining evidence: The second main obstacle is that of getting the evidence which will establish the antitrust violation. It is difficult and often impossible to obtain, by the use of American judicial process, business records located in a foreign country. The location of such records at a distance from the United States increases their unavailability, and facilitates their concealment.

"Moreover, national feelings are aroused in the process. When the Department of Justice some years ago tried to subpena Canadian records in connection with a newsprint investigation, the Province of Ontario enacted a statute making it a criminal offense to send any corporate records out of the jurisdiction in response to the request of any judicial, legislative, or administrative body of another country. This, of course, is an extreme example of the kind of resistance which one might expect abroad to an American court subpena. The more usual type of governmental protest is that which was registered in the Oil Cartel case."

Mr. Timberg has become so obsessed with the problems of establishing personal service and in obtaining evidence in foreign countries that he is quite willing to compromise our own sovereignty and permit an international agency to effectively exercise jurisdiction over United States nationals if such a device would permit him to secure remedies which he thinks justified in specific cases.

I was amazed at the following statement by Mr. Timberg:

"Also, business records and statistics in foreign countries are generally not as comprehensive as in the United States, and may be so different in nature from those in this country as to be unreliable indicators of the business and economic facts relevant to antitrust violation.

"Last, the mere factor of geographic distance and transportation expense impedes the securing of relevant information, which frequently depends on the testimony of witnesses as well as on the existence of business records."

I do not quite see how a United Nations organization could assist in improving business records and statistics in foreign countries unless all semblance of national sovereignty is to be done away with.

Let me emphatically state that I believe in our antitrust laws and support them wholeheartedly. I do so as I am convinced that competition under our American free-enterprise system has provided us with our

standard of living and our position of world leadership.

Our Government's statement to the United Nations on the proposed agreement clearly shows the real difficulty in establishing an agreement on this subject. We can agree on a mechanism to grant jurisdiction, but no mechanism can establish substantive agreements on the contents of world antitrust laws. Our conception of the purpose of antitrust laws is completely different from that of the other countries who would presumably participate under the draft agreement. Therefore, an international agreement could not possibly be operative in a constructive manner but could only lead to confusion until comparability in our legal concepts was achieved.

Mr. Timberg not only is obsessed by the problem of obtaining jurisdiction in antitrust cases but he is also disturbed at the "unavailability of extraterritorial remedies." He said:

"Unavailability of extraterritorial remedies: Finally, assuming an airtight antitrust case, in which all the parties involved are properly served as defendants, there would still remain a final obstacle to success in antitrust enforcement—the securing of satisfactory relief. This is the most important of the points I have mentioned, since failure to achieve adequate relief makes any antitrust equity proceeding, however conclusively it establishes guilt, a waste of the Government's time and money.

"In international cartel cases effective relief may require that the court issue injunctions changing the foreign operations affecting the foreign businesses, or disposing of the foreign properties of the defendants. American judges are reluctant, however, to go as far as they would in domestic cases, because of doubts they have as to the extraterritorial scope of their own jurisdiction and because of legal and practical difficulties that they think the defendants will encounter abroad."

The paragraphs I have quoted clearly show Mr. Timberg believes that the findings of the United Nations body would have great weight and would be enforced, yet he testified to the subcommittee that:

"The U. N. draft agreement is an instrument of international cooperation, not a grant of international sovereignty. The agency which is to administer the agreement is not given any judicial, legislative, or other sovereign powers."

These two statements by Mr. Timberg are in direct conflict.

Mr. Timberg also said:

"The end result of the investigtaion of a particular complaint is the issuance, by the international investigating agency, of a report. This report examines, analyzes, and sets out the information received; determines whether the complained-of practice has had, has, or is about to have harmful effects within the meaning of the draft agreement; and makes recommendations in appropriate cases to the governments involved as to remedial measures (art. 3, pars. 6, 7, and 8; art. 15, pars. 4, 5, and 6; art. 16; art. 17; par. 52 of the ad hoc committee's report). The report by itself has no sanction except the informal one of publicity."

Adverse publicity for an American enterprise through the course of an investigation brought by this United Nations body could have damaging effects not only on the enterprise concerned but also on the international position of our Government. Let us not forget that it would be expecting too much of human nature for such an agency not to be used as a political instrument by many nations.

Mr. Timberg testified further that:

"However, governments adhering to the draft agreement are obligated to supply the information needed by the agency; to take appropriate action to implement the remedial measures recommended to them by the agency; and to keep the agency posted on their compliance.

"As stated earlier, governments adhering to the draft agreement are obligated to adopt investigative measures that will enable them to supply the international agency with the information needed to analyze complaints of restrictive business practices and to make intelligent recommendations. They also bind themselves to make adequate provision in their legal system for putting the agency's remedial recommendations into operation. They undertake to keep the international agency posted on their compliance with the agency's recommendations. Moreover, under the agreement, diverse national conceptions of 'harmful effect' are harmonized in a uniform standard."

Mr. Timberg is, in effect, proposing that this Government bind itself by a treaty to adopt whatever legal provisions are necessary to put the United Nations proposed agency's recommendations into operation.

Mr. Timberg states "* * * diverse national conceptions of 'harmful effect' are harmonized in a uniform standard." My examination of the draft agreement fails to disclose any standards whatsoever. The pargraphs I have quoted from Mr. Timberg's testimony clearly indicate that countries adhering to this agreement would delegate judicial and executive powers to this new international agency. Yet, Mr. Timberg again said:

"The international agency which would administer the draft agreement is an instrumantality of international cooperation, not an organ with sovereign judicial, legislative, or executive powers. This is a necessary concession to national sovereignty."

I am glad he still feels it necessary to make concessions to national sovereignty. This statement is, however, followed with another indication that the recommendations of the United Nations body would be enforced. He said:

"The tangible outcome of the agency's activity is an advisory report (like a Federal Trade Commission report) analyzing the facts and recommending remedial measures. However, there are assurances in the draft agreement that the analysis will be heeded and the recommendations complied with. Those assurances are to be found, first, in the specific obligations of governments to cooperate in the work of the agency, which have just been set forth, and second, in the publicity that the agency's reports will receive."

Let us go back and review the mechanics of how these recommendations to which Mr. Timberg refers would be made. The proposed agreement would establish a United Nations agency to administer the agreement. Its powers would be exercised by a representative body. Article 10 of the draft agreement provides as follows:

"The representative body shall consist of all members of the agency. Each member shall have one representative in the representative body. * * *

"Each member shall have one vote in the representative body."

In other words, if all the countries in the United Nations adhered to this proposed agreement there would be more than 60 members of the representative body embracing every form of economics from Russian communism to American free enterprise.

Article 10 also provides that:

"The representative body shall establish its rules of procedure. * * *

"The powers and duties attributed to the agency by this agreement and the final authority to determine the policies of the agency shall be vested in the representative body."

The authors of the agreement realized that such a group would be too unwieldly, so they provide in article 13 of the agreement for an advisory staff. Now let me quote from article 13:

"The chief advisory officer of the agency shall be the director of the advisory staff. He shall be appointed by the representative body and be subject to its general supervision.

"In accordance with any rules laid down by the representative body, the director shall select the advisory staff and any necessary consultants to it."

In other words, this one individual, the director of the advisory staff, for all intents and purposes, is the agency. This is clearly shown in articles 15 and 16 of the agreement which deal with the functions of the advisory staff.

"Pursuant to policies and rules prescribed by the representative body, the advisory staff shall (a) perform the functions set out in the following paragraphs of this article and (b) advise the representative body, subject to any limitations established by that body.

"After the executive secretary has collected information relating to a complaint in pursuance of the relevant provisions of article 3, and has transmitted it to the director of the advisory staff, the director shall arrange for the analysis of the information and for the preparation of a report by the advisory staff.

"The report of the advisory staff shall set out the facts established by the information aforesaid, together with such analysis of their effects and significance in relations to the objectives of the agreement as may assist the representative body in carrying out the duties laid on it by the agreement.

"When, in accordance with paragraph 3 of article 8, the representative body shall have arranged for the collection of information from members, all such information collected by the executive secretary shall be transmitted to the directory of the advisory staff who shall arrange for its analysis and for the preparation of a report in accordance with paragraph 4 of this article.

"Reports by the advisory staff shall be submitted to the representative body."

Paragraph 1 of article 16 provides that:

"The representative body, in carrying out the duties laid on it by this agreement, shall take full account of reports of the advisory staff."

Actually this agreement would entrust one individual, the director of the advisory staff, who might be a Russian Communist, a European Socialist, or an American capitalist with fantastic powers over the entire economy of the world.

It is quite obvious that Mr. Timberg feels that he is qualified for this assignment and he undoubtedly believes that the members of the Ad Hoc Committee who served with him are similarly qualified. In his testimony before the subcommittee he discussed the membership of the Ad Hoc Committee as follows:

"The chairman of the committee was a leading name Swedish economist and industry advisor and author of an outstanding study on 'Growth and Stagnation in the European Economy,' and is now a member of the Freedom of Commerce Board, an official Swedish antitrust agency established in 1953. The vice-chairman of the committee was Chairman of the Inter-American Economic and Social Council, and is now Uruguay's Minister to Sweden. The acting chairman, who presided over 2 of its 4 long sessions, was in the highest level of the Belgian Government and administered some of Belgium's most important economic policies. Canada was represented by the head of its antitrust department, and this country by the Chief Economist of the Federal

Trade Commission (Corwin Edwards). France's representative is now the United Nations Under-Secretary for Economic and Social Affairs. The other countries were represented by officials who had important responsibilities in connection with foreign trade, such as Commercial Counselor, Consul General or within the Board of Trade or Foreign Offices of their respective countries. All personal representatives operated under specific instructions from their national governments.

"I have gone into the composition of the United Nations Committee in some detail, because the draft articles of agreement relating to the administration of the United Nations proposals was the work of this talented group."

It is significant that none of these people would be the type of individual selected for appointment to high judicial office in the United States or qualified for an appointment to the International Court of Justice. They are political economists—not judges.

Mr. Timberg recognized that the reputation of individual firms and "national prestige" might be hurt by the investigative procedure even though the investigation later proved them blameless. In discussing the membership of the Ad Hoc Committee he said:

"Such a committee, composed preponderantly of representatives from industrial countries, could hardly fail to be aware of the fact that vital trading and economic interests were involved; that commercial interests and national prestige could be needlessly damaged by irresponsible or politically motivated complaints or publicity; and that there were risks in allowing countries with a small share in world trade to control international policies in this delicate area."

Mr. Timberg's only protection against these admitted problems is the integrity of his advisory staff. He said:

"It (the Ad Hoc Committee) therefore sought to safeguard against these contingencies by making various organizational and procedural recommendations, concerning such matters as independence, impartiality and competence on the part of the personnel that would administer the proposed program of international cooperation, the role to be played by countries of chief economic importance in international trade, and fair procedures for investigating the facts and reviewing and publicizing reports."

"The situation under the draft agreement seems to me analogous to that whereby the report of an administrative commission is prepared in this country; a qualified and nonpartisan staff prepares the original draft of the report, which is then reviewed by a politically responsible and responsive commission."

Let us remember that the advisory staff is a creature of the representative body. It is difficult for me to conceive of the so-called representative body, consisting of some 60 nations, as a "politically responsible and responsive commission" to deal fairly with the problems of an American enterprise submitted to its jurisdiction.

The representative body by its very nature is a political organization. Mr. Timberg in discussing the role of the representative body said:

"It is my observation that, on the international as well as national scene, there is a cooperative interaction between the policy makers and the research staff. National representatives as well as politically appointed commissioners, are concerned with major policy matters and accept to a surprising extent the work of their staff. Perceptive staff work helps smooth out the difficulties, and reconcile the differences, of the more politically oriented international representative body or national commission."

A "politically oriented international representative body, or a national commission" should not be entrusted to make decisions affecting the well-being of our entire economy.

Let us assume that an action was started against an American enterprise and the enterprise was found guilty of restrictive business practices by the director of the advisory staff. Let us for the purpose of argument also assume that the United States representative on the representative body did not believe the complaint justified. He would have 1 vote out of some 60 votes, and would be required to adopt the usual United Nations procedure of lobbying for votes among the other representatives in order to reverse the findings of this one man who heads the advisory staff. Such a procedure is not conducive to the success of the United Nations or to American prestige therein. Furthermore, if he is unable to reverse the staff which would probably be the case in view of the composition of the representative body, we would then be bound by treaty to implement the findings of the staff. I can think of no more impossible situation.

Let us examine the terms of references under which these judgments would be made. In his appearance before the subcommittee Mr. Timberg said, and I quote:

"Definition of restrictive business practices: The draft agreement prepared by the U. N. committee deals with restrictive business practices, which are defined as 'business practices affecting international trade which restrain competition, limit access to markets, or foster monopolistic controls' (art. 1, par. 1). Restrictive business practices are not only defined, but are specifically listed as embracing exclusion from markets or dividing markets, price fixing, price discrimination, limitations of production, and specific types of patent, trademark and copyright abuse (art. 1, par. 3). This enumeration seems to me to cover adequately the main areas to which this country's enforcement of the Sherman Act in international trade has in the past been directed."

Upon examination of the draft charter, I find the practices enumerated by Mr. Timberg are listed in article 1, paragraph 3. While Mr. Timberg refers to specific types of patent abuse in his testimony, I find upon reading article 1, paragraph 3 of the agreement, that the practices affecting patents and technology are far broader than Mr. Timberg stated. Article 1, paragraph 3, subparagraph (e) reads as follows:

"Preventing by agreement of coercion the development or application of technology or invention whether patented or unpatented, or withholding the application of such technology with the result of monopolizing an industrial or commercial field."

In other words, the withholding of technology by an American enterprise or perhaps even our own Government could be the basis of a complaint to the United Nations agency that a restrictive business practice was taking place. The entire patent system is placed in jeopardy by this proposal.

Mr. Timberg, however, neglected to mention all of paragraph 3. I am startled by subparagraph 3 (g) which reads as follows:

"(g) Any similar practices which the organization may declare, by a majority of two-thirds of the members present and voting, to be restrictive business practices."

In other words, this agreement proposes that we write the antitrust laws as we go along by a two-thirds vote of the members of the representative body who happen to be present. Mr. Timberg's friends will then determine what they mean. This is hardly in keeping with American concepts of jurisprudence. Mr. Murchison's testimony meets these issues squarely. He said:

"There are many other defects in the concept underlying the agreement. For instance, the draft agreement's lack of provision for the selection of independent, impartial judges to pass upon matters brought before the tribunal is glaringly apparent. Use of the term 'representative body' to describe the tribunal should not obscure the fact that it would perform functions basically judicial in nature, indeed, very similar to those performed by the Federal Trade Commission in this country. It would seem essential, especially in the field of business practices, for voting members of the tribunal to make their decisions impartially and on a record, rather than as representatives of a particular government or interest."

Again let us examine the agreement to see how a respondent in a complaint would be treated. Article 15, paragraph 3 provides:

"3. The director of the advisory staff shall arrange for opportunities to be given in accordance with paragraph 5 of article 3, for any member or any person, enterprise, or organization on whose behalf the complaint has been made, or any commercial enterprise alleged to have engaged in the practice complained of, to be heard by the advisory staff: *Provided, however,* That the representative body in its discretion may afford opportunities for such persons to be heard by it after it has received the report of the advisory staff."

Mr. Murchison in his testimony on this point said:

"There is a perceptible lack of basic procedural safeguards governing the operation of the tribunal. No provision is made concerning the rights of parties appearing before it. These rights, which are commonly accepted in the English-speaking countries, and considered essential in our own, should certainly include the opportunity to be represented by counsel, to examine, cross-examine, and reexamine witnesses, and the like."

I think I have pointed out enough of the contradictions in Mr. Timberg's tetimony and inconsistencies with American concepts of fair play and Anglo-Saxon jurisprudence to fully justify the position of our Government in rejecting the draft agreement. The amazing thing to me is that the ad hoc committee was established in the first place by a resolution introduced in the United Nations by this Government under the Truman administration to implement Mr. Timberg's pet ideas.

I am sure you cannot fully appreiate the difficulties you have been spared by our Government's rejection of this agreement. Mr. Timberg's statement exposed one of the implications of the draft agreement to the mining industry which is rather startling. After stating to the subcommittee that the proposed agreement on world antitrust laws did not give any judicial powers to the United Nations, Mr. Timberg endeavored to explain how the agreement would work with a hypothetical situation. His hypothetical case is one which directly involves everyone in this room and I want to read from his testimony. This is what he said:

"Let us assume that the General Services Administration was involved in an alleged restrictive practice in the importation of some critical material from a foreign country. First, a complaining government would have to bring its complaint in its own behalf, and not merely in behalf of its nationals. Second, the complaining government would have to take the matter up in the first instance on an informal basis with the United States Government, which controls the General Services Administration, so as to exhaust the possibilities of rectifying the situation expeditiously and without fanfare. In

cases involving complaints against private enterprises, governments may (but are not required to) resort to such informal consultations. Once informal consultations fail, a complaint against a public enterprise is handled exactly as is one against a private enterprise."

The Cabinet Committee on Minerals Policy, whose program Secretary Wormser has outlined, recommended that all stockpile objectives be reviewed and new long-term objectives established to reduce and wherever possible eliminate foreseeable wartime shortages. The Cabinet Committee specifically stated with respect to the materials required to meet the new long-term objectives that "in making purchases preference should be given to newly mined metals and minerals of domestic origin." This is the kind of restrictive practice engaged in by the General Services Administration which Mr. Timberg would like to submit to the United Nations.

Mr. Murchison paid a tribute to the State Department under the Eisenhower administration in his appearance which I heartily endorse. He said:

"Fortunately, the United States delegation to the Economic and Social Council in 1955 was well aware of this background. Headed by Preston Hotchkis, and assisted by such able persons as Mr. Joseph C. Hickingbotham, Mr. Nat King, and others in the Department of State, the delegation reversed our Government's earlier stand and opposed the recommendations contained in the report. This turnabout was a difficult diplomatic operation, and Mr. Hotchkis and the entire Department of State should be commended for the admirable way the matter was handled. United States opposition to international machinery of the type recommended was firmly and clearly stated. As a result, the resolution adopted at the close of the May 1955 session of the Council did not approve the report."

Mr. Timberg's testimony clearly shows that he has no understanding of American constitutional government with its division of powers between the executive, judicial, and legislative branches. He suggested to the subcommittee an amendment to the antitrust laws, and again I shall read from his testimony:

"My third suggestion is that the Congress enact legislation whereby antitrust violators, whose practices have excluded competition or raised prices and whose product is protected by a tariff, may, in appropriate circumstances, lose the benefit, in whole or in part, of that tariff."

If we ever start writing our laws by permitting the judicial branch of the Government to invoke changes in the law as a penalty we are in for very serious trouble. The House Ways and Means Committee under our Constitution is responsible for initating all tariff legislation. As a former member, I am qualified to label this proposal as fantastic.

As you know, the development of a sound stockpile policy and tariff legislation have occupied my thoughts for many many years and you can understand why I take a very dim view of Mr. Timberg's proposals.

History reminds us of the famous quotation that "Eternal vigilance is the price of liberty." At present the fires are out on agreements dealing with restrictive business practices and commodity agreements under United Nations auspices. However, the appearance within the past month of Mr. Timberg before this subcommitte shows that the concepts are not dead.

This group representing the leadership of the entire mining industry must support your Government officials who have been carrying on this fight and you must make certain that this policy is never reversed by any future administration which may be less dedicated to free enterprise concepts than President Eisenhower.

Address by Hon. William F. Knowland, California, Before the Economic Club of New York

EXTENSION OF REMARKS

OF

HON. WILLIAM F. KNOWLAND

OF CALIFORNIA

IN THE SENATE OF THE UNITED STATES

Tuesday, January 17, 1956

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address I made last evening at the Economic Club of New York.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Chairman, members, and guests of the Economic Club, Americans, regardless of their party affiliation, are pleased to have noted the excellent progress toward recovery that President Eisenhower has made and the fact that he is once again able to resume his duties in the Nation's Capital.

The President has already sent the state of the Union, the agriculture, education, and the budget messages to the Congress. All of these documents have recommendations of great importance to our national life.

Now the 84th Congress as the constitutional repository of the legislative power will determine how much of the recommended program will be adopted and in what final form.

Events may take place this year in Europe, Asia, Africa, in the Western Hemisphere, or in the Middle East that could set off a chain reaction of far-reaching significance.

It is important that in this year when political tensions may mount at home and international stresses may take place abroad, that all those in Government should speak with responsibility and with the knowledge that what is said may be distorted to serve the purposes of those who would destroy human freedom throughout the world.

Yet, in a free Republic it is equally important that those in Government speak with frankness. The American electoral result of 1956 may be one of the great decisive events of modern history.

Our international relations have a great impact on our domestic economy as well as upon other nations. Foreign policy is too important to be left to Government alone. It is of concern to 165 million Americans.

The age of colonialism is dead. Our own excellent record in the Philippines and elsewhere has been marred by impressions in Asia and the Middle East that we have allowed ourselves to be compromised by association with the colonial policies of Great Britain and France.

Countries could understand us better with our noncolonial record in the Philippines and Cuba and our own successful fight for independence if we would say frankly that our foreign policy is based on what is best for America.

They know we seek no territory and that we have an intuitive national conviction that our own survival as a free nation will be better served by assuring a free world of free men that by any system which attempts to hold the loyalty of people by force of armed power and against their national will.

In 1858 a young and growing nation faced a great issue of principle over the expansion of slavery beyond its then limits. Abraham Lincoln, at that time a candidate for the United States Senate, said:

"If we could first know where we are, and whither we are tending, we could better judge what to do and how to do it."

Our aim should be to live in peace with all nations, but to pay tribute to none.

Our desire is for a system of international law and order based on peace with honor and justice.

A world in which small or large nations would have to live in fear of imminent violence or to buy a temporary respite by the payment of extortion is not the sort of existence that we or the other free peoples of the world are seeking.

A decade has passed since the conferences of Yalta and Potsdam, the end of World War II, and the founding of the United Nations in San Francisco.

Today as part of a series of discussions I intend to carry on in the Senate and throughout the country, I desire to review certain aspects of the problem that needs to be considered not only by the executive branch of the Government but by the Congress and the country as well.

In 1945 this Nation was the greatest military power in the world and was sole possessor, as the trustee of free men everywhere, of the atomic weapon. In order to help defeat the Axis Powers our resources had been placed at the disposal of our allies in Europe, Asia, and Africa in astronomical amounts which had no parallel in all recorded history.

From December 7, 1941, at Pearl Harbor until V-J Day in 1945 our Armed Forces had made a great contribution to the common effort and we suffered substantial casualties in helping to bring the war to a successful close.

In all of this mighty effort, costly in manpower and resources, we sought no territory and no reparations. The American people had reason to believe that the terms of the Atlantic Charter would be honored by us and we expected it to be respected by others.

America's prestige and power were high throughout the world. It was in that year, 1945, when we had the great opportunity to lay a firm foundation for human freedom and for a system of international law and order; for peace based on honor and justice.

When 1945 opened there were less than 200 million people behind the Communist Iron Curtain.

Now, just 10 years later, we are confronted with the following facts:

1. Over 900 million people are behind the Communist Iron Curtain and their totalitarian rulers are united in the common objective of making a Communist world.

2. Governments representing approximately 500 million people have determined to follow a neutralist course rather than to assume the responsibilities of an effective collective security system. They can afford this luxury because others have undertaken the necessary security burdens.

3. In the free world we have approximately 900 million people associated together in a series of interlocking mutual defense pacts. The United States of America appears to be the keystone to the arch, but the columns seem at times to be on shifting sands.

4. The United Nations on its major test as an effective collective security system during the Communist aggression in Korea (1950–53) had the following record:

A. Only 17 out of the then 60 members supplied any armed forces to resist the aggression.

B. The United States of America alone supplied 90 percent of the military forces furnished by the United Nations members and 95 percent of the resources to carry on the collective security action.

5. In the post-World War II period the United States has furnished over $52 billion in grants and loans to allies and former enemy nations.

6. We have a national debt of $280 billion and a budget of $65 billion. Our taxes, personal and corporate, are high and in some instances confiscatory in character. Many of our citizens have had to borrow funds to meet their income tax bills.

It is not my contention that all the virtues are in one political party or all the faults in the other. Members of both parties can fairly share part of the credit and assume part of the blame.

During the decade, 1945–55, the Democrats controlled the executive branch of the Government for 7 years while the Republicans have been in control for 3 years. The administration in power, of course, has the responsibility for the day-to-day formulation and direction of our foreign policy. In this same period the Democrats have had control of both the House and Senate for 6 years and the Republicans were in control for 4 years.

I refer to the past not for the purpose of opening old wounds or in any narrow partisan spirit, but with a deep conviction that in the 1955–65 decade the survival of our country may be at stake and with it the hope for a free world of free men.

As long as there is a strong America which stands for principles which free people and temporarily enslaved ones can understand and respect there is hope for mankind.

This strength is not primarily based on our material wealth though without it we could not support our own defense nor help others to help themselves.

Our real strength is the spirit and courage which under divine guidance, allowed a small colony of 3 million dedicated people to rise up and strike off the chains of colonialism despite the opposition of the mightiest empire of that day.

Our Revolutionary leaders represented the spirit of the song which states:

"Start me with 10 who are stout-hearted men and I will soon give you 10,000 more."

Whither are we tending? Will the next 10 years show the same progress of Marxian socialism? Is there any real indication that the Communist leopard has changed its spots? I believe not.

On July 28, 1955, in the Senate of the United States I said:

"Neither we nor the free world must lull ourselves into a 'Little Miss Red Riding Hood' belief that because the wolf has put on grandmother's cap and nightgown that his teeth are any less sharp or his intentions any less menacing."

President Eisenhower in a great desire to explore the possibility of a changed Soviet policy agreed to the meeting at the summit.

He also knew that a number of the allied governments as well as Members of Congress (including the distinguished Democratic Senator WALTER GEORGE, chairman of the Senate Foreign Relations Committee) had urged such a meeting.

The President made it clear that the acid test of Soviet intentions would come at the subsequent foreign ministers' meeting.

Results of that meeting clearly showed that the Soviet Union would not:

1. Agree to free elections throughout a free and sovereign Germany or permit a unification of Germany except on terms that would result in Communist domination of the whole country.

2. Support an adequate system of armament inspection of conventional weapons.

3. Consider the carrying out of their obligations under the Atlantic Charter to permit free elections in the captive nations of Poland, Czechoslovakia, Latvia, Hungry, Esthonia, Roumania, Lithuania, Bulgaria and Albania.

4. Agree to effective safeguards in the matter of the control of atomic weapons.

Stripped of Communist double-talk their position was and is that tensions can only be released through the Soviet brand of "peaceful coexistence" which would be based on a permanent enslavement of the satellite states of Eastern Europe, a united but Communist Germany, the breaking up of the North Atlantic Alliance and the system of western defenses.

If there were any so naive, in or out of government at home or abroad, as to have believed that the Communist leopard had changed its spots such thoughts should have been dispelled by the reported statements of Khrushchev made at the dinner given on September 17th to the East German Communist Premier Grotewohl. He said:

"Anybody who takes our smile for withdrawal from the teachings of Karl Marx or Lenin is making a mistake.

"Those who expect this will have to wait until Easter Monday falls on Tuesday."

At a Moscow gathering of the Kremlin heirarchy Soviet First Deputy Premier Kaganovich on November 6, 1955, said:

"If the 19th century was a century of capitalism, the 20th century is a century of the triumph of socialism and communism."

But perhaps the clearest expression of Soviet immorality in dealing with other nations was expressed by the late Joseph Stalin:

"A diplomat's words must have no relation to actions—otherwise what kind of diplomacy is it? Words are one thing, actions another. Good words are a mask for the concealment of bad deeds. Sincere diplomacy is no more possible than dry water or iron wood."

The test of the accuracy of the Stalin diplomatic doctrine is demonstrated by the broken treaties and subjugated nations along the periphery of the Soviet Union: Latvia, Lithuania, Estonia, Poland, Czechoslovakia, Hungary, Rumania, Bulgaria; all had to learn the hard way.

Do vodka toasts change these words and modify these facts? They do not.

When the free nations of the world retreat from principle and embrace a "package deal" on membership that a short time ago they designated as "unadulterated blackmail," is not our moral position greatly weakened?

When the Republic of China, now reduced to the island of Formosa, and the off-shore islands, is told that if they exercise their veto under the United Nations charter they will likely lose their own membership, is not the conscience of free men troubled?

When the international court has ruled that a "package deal" is a violation of the United Nations charter and the ruling is ignored, is this not nullification of judicial processes?

Is the United Nations now to be governed by expediency instead of principle? At San Francisco in 1945 it was agreed that only qualified nations which assumed the obligations under the charter were eligible to membership. At New York in 1955 governments frankly recognized to be without such qualifications were taken in at the adamant insistence of the Soviet Union.

The final test will come later this year, probably after our national elections, as various members connive to bring Communist China into that organization.

Munich should have taught the world that the road to appeasement is not the road to peace. It is only surrender on the installment plan.

Do not these events and contemplated actions bring to a focus the need for a reappraisal?

If it is not done by the executive department and the Congress it will be done on the Main Streets of America.

Can our economic system survive prolonged burdens of building a system of collective security and a system of neutralism at one and the same time?

If the neutralists are to receive the benefits and have none of the responsibilities of those in the collective defense system will not that act as an incentive plan to build up the fence sitters?

Certainly we should not endavor to remake the world in our political or economic image. We should recognize that neither personal nor international friendships can be purchased, they must be earned.

It is not and it should not be our policy to impinge upon the sovereignty of any nation. We do have a right and I believe a duty to point out as clearly as we can the dangers we believe are confronting free men everywhere.

We can and should point out that we and many of our associates have believed that our own survival and that of free men elsewhere depends upon an effective system of collective security. Whether or not any nation desires to join that system is for their government and their people to decide.

We could I believe properly point out that even the resources of this Nation are limited, that our people are bearing heavy burdens of debt and of taxes. We could point out that many worthwhile projects for the improvement of our own Nation have of necessity been held in abeyance because of the importance of helping rehabilitate the great damage and dislocation growing out of World War II.

We can and I believe should point out that in this country our growth and productivity has come because of the liberties guaranteed under our Constitution and our free economic system. American enterprise has supplied the taxes or the wages and dividends from which taxes are collected to carry in part the heavy burdens of the war and post-war period. The balance from deficit financing has added to the vast debt confronting ourselves and our children.

So that our own people and our friends abroad may understand the magnitude of this debt the following should be noted:

1. With principal payments of $1 billion a year (which was the total cost of all activities of the Federal Government in 1913) it would take 280 years to retire the national debt.

2. If we had started January 1, 1956, paying off on the debt at the rate of $1 million a day it would be the year 2725 before the last payment would be made. (A total of 769 years.)

We could and should point out I believe that in the event of disaster or famine our people, in the future as they have in the past, will generously respond to the relief of human distress and that in this aid there will be no political commitments expected or required of the nations and people we would be helping.

We can and we should point out I believe that we are prepared to help furnish, where requested, technical advice in the fields of public health, agriculture, education, or industry to help other free nations of the world in meeting their problems in these and similar fields.

We can also, I believe, point out that if the economic and political climate is made encouraging there is substantial private capital in this and other nations of the world that could help develop the natural resources, the transportation systems, and the industry of such countries as such investments helped to develop ours.

In this atomic and airplane age in which we now live this Nation can no more return to isolation than an adult can return to childhood.

An effective system of collective security will have to be created and maintained as long as the menace of aggressive communism continues.

In helping our associates who have demonstrated a willingness to do their utmost to help themselves, we will have substantial burdens. Within the policy of building an effective collective defense the President

should have some flexibility in the allocation of funds appropriated by Congress.

But is it wise to continue to pour out billions of dollars of additional American aid over a prolonged period of time to nations:

1. That assume no collective security obligations for the preservation of human freedom, but desire to get all the advantages furnished by such a system on a free-ride basis?

2. That have made no reasonable effort to attract private capital to help develop their resources?

3. Whose leaders use their efforts to travel about the world attempting to seduce nations away from collective security into neutralism when such efforts coincide with present Soviet strategy?

As to the latter I recognize a sovereign right of any government or any people to choose the road of Fabian or Marxian socialism if that be their free choice. I question their right to expect or to get long-term government to government grants and loans which keep adding debt and tax burdens to the American free-enterprise camel to the point where its back is broken.

Every responsible man and woman at home and abroad must recognize that if the United States could be destroyed or impoverished by overt aggression from without, by political subversion from within, or by economic collapse, we would likely take the whole free world down with us.

There would then be no oasis of freedom to which those already enslaved might look for hope and there would be no international cornucopia upon which we might call for our own rehabilitation.

On these and other issues confronting us, men in and out of Government may honestly differ. In a free society there is room for such differences and there are certainly no pat solutions for the complex foreign and domestic problems that confront us.

But likewise in a free society it is important that these matters be brought into the open and that they be discussed.

It is my firm belief that if we win the cold war we can prevent a hot war from developing. I believe that this can best be done from a position of strength.

It is not now nor has it ever been my belief that we should have a "get tough policy."

On matters of principle I believe that we should be firm and should not yield principle for expediency. In the working out of the negotiable issues I think we should be reasonable in our attitudes and recognize that conditions change in the world and a policy which was wise 5 years ago or 1 year ago may need modification today.

But I do not believe that we should ever feel it necessary to apologize for either our political system or the economic system which has enabled this Nation to grow from a small colony of 3 million on the Atlantic seaboard to a great nation of 165 million, the most productive the world has ever known.

It is my personal belief that we would command more respect from our allies, from the neutrals, and from our potential enemies if we insisted on a fair quid pro quo for agreements entered into. We should stress the point that an alliance is of little value unless the other party has as much obligation to come to our defense in case of attack as we have to go to theirs.

As a Senator of the United States, as well as an American citizen, I have a deep conviction that if we of this generation will use the same courage and commonsense that motivated the men who sat at Philadelphia and under what I believe was divine inspiration, gave us first our Declaration of Independence and later our Constitution of the United States, there are none of our great domestic problems which we as a free society cannot solve and there is no foreign foe we need ever fear.

Efforts To Obtain Arbitration in Strike of Electrical Workers Against Westinghouse Electric Corp.

EXTENSION OF REMARKS
OF
HON. PAT McNAMARA
OF MICHIGAN
IN THE SENATE OF THE UNITED STATES
Tuesday, January 17, 1956

Mr. McNAMARA. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a number of documents which detail efforts to secure arbitration in the strike by the International Union of Electrical Workers against the Westinghouse Electric Corp.

I believe Senators will be interested in these documents, which reveal that outside parties, including governors, mayors, Congressmen, and the director of the Federal Mediation and Conciliation Service, have urged arbitration or a fact-finding board as a means of aiding settlement of this dispute which has been underway since October 17, 1955. In each of these instances, the union agreed to the proposal, while the company refused.

The documents, I believe, speak for themselves.

There being no objection, the documents were ordered to be printed in the RECORD, as follows:

TEXT OF TELEGRAMS FROM GOV. GEORGE LEADER, OF PENNSYLVANIA, AND GOV. AVERELL HARRIMAN, OF NEW YORK, TO PRESIDENT JAMES B. CAREY, OF IUE-AFL-CIO, AND CAREY REPLIES

DECEMBER 19, 1955.

A nationwide strike of over 50,000 Westinghouse Electric Corporation employees is now going into its 10th week. As Governor of a State in which these strikers live and in which Westinghouse has its plants, we have been watching this situation with growing concern.

We have been advised that despite many weeks of discussions, representatives of the International Union of Electrical, Radio and Machine Workers, AFL-CIO, and the company have been unable to find a basis for settlement of the dispute.

Furthermore, evidence is accumulating that the strike is getting to the stage of bitterness where serious violence may result.

Under these circumstances, and because of our earnest desire to see industrial peace restored in Pennsylvania, particularly in this season of the year, we urge the union and the company to submit their dispute to final and binding arbitration. While this arbitration is proceeding the employees would be back at work.

We appeal to the leaders on both sides as men of good will to accept our proposal.

GEORGE LEADER,
Governor of Pennsylvania.

DECEMBER 19, 1955.

I am distressed that after all these weeks there has been no settlement in the Westinghouse strike which affects some 4,000 workers in Buffalo. I urge both the company and the union to submit their differences to arbitration and if this is agreed upon that the employees go back to work pending the decision of the arbitrator.

The State government stands ready to aid in bringing about a settlement of this dispute if its services can be helpful.

AVERELL HARRIMAN,
Governor of New York.

PRESIDENT CAREY'S REPLY TO BOTH GOVERNORS

DECEMBER 19, 1955.

We have received your telegram urging Westinghouse Electric Corporation and International Union of Electrical, Radio and Machine Workers, AFL-CIO to arbitrate the issues in the dispute that has kept 55,000 Westinghouse workers on a strike now in its 10th week.

This is to advise you that the union accepts your recommendation without reservation. If the corporation does the same, we are prepared to work out details immediately.

The International Union of Electrical, Radio and Machine Workers, AFL-CIO deeply appreciates the interest you have shown in an effective settlement of this nationwide strike.

JAMES B. CAREY,
President IUE-AFL-CIO.

REJECTION BY WESTINGHOUSE

We fully understand the desire to turn this dispute over to arbitration. It is true that many types of labor disputes can be properly submitted to arbitration. However, in this matter, because of our obligations to stockholders, we cannot delegate to a third party a decision which would affect the competitive standing of our company for at least the next 5 years.

JOINT STATEMENT OF REPRESENTATIVE AUGUSTINE B. KELLEY AND REPRESENTATIVE HERMAN P. EBERHARTER

A strike in 38 plants across the country of more than 50,000 employees of the Westinghouse Corp.—the 12th largest corporation in the Nation—is nearing the end of its 10th week. There are no signs a settlement of the dispute is being reached. A skillful and conscientious veteran official of the Federal Conciliation and Mediation Service, John Murray, has kept the parties to the dispute in discussion over many weeks to no avail.

A few days ago, the Governors of three States in which Westinghouse plants are located—George Leader, of Pennsylvania, Theodore McKeldin, of Maryland, and Averell Harriman, of New York—appealed to President Gwilym Price and his co-officers of Westinghouse and to President James B. Carey and his associate leaders of the International Union of Electrical, Radio, and Machine Workers, AFL-CIO, principal union involved, to submit all issues in dispute to final and binding arbitration.

Mr. Carey and his associates immediately accepted the proposal. Mr. Price and his rejected it. We note that Governor Leader said in his appeal the strike has reached a stage of bitterness threatening to result in violence.

We urge the Westinghouse Corp to reconsider its rejection of the Governors' appeal. We place our faith in collective bargaining, but when that breaks down, as in this case, we turn to arbitration. We are strong believers in voluntary arbitration. We believe it is an important instrument of true democratic principles. We believe its application during the great industrial development of our country has done much to strengthen the democracy of our society. Its methods are the antithesis of those relied on by autocracy. It is based on the rule of reason.

In their rejection of the Governors' appeal, we note that Mr. Price and his Westinghouse fellow officers state that "because of our obligations to stockholders, we cannot delegate to a third party a decision which would affect the competitive standing of our company for at least 5 years." We earnestly suggest to them that, if they still decline to reconsider the Governors' proposal, they submit the simple question of arbitration to their stockholders. We learn from Government records there are approximately 16½ million shares of Westinghouse stock outstanding, widely distributed. We further

learn that Mr. Price and the Westinghouse board of directors hold slightly less than two-tenths of 1 percent of the outstanding shares.

It is hard for us to believe the stockholders would feel arbitration would endanger their company as much as a continuation of the deadlock and the already-long-drawn-out strike with its mounting animosities. The employees would go back to the plants while the processes of arbitration are functioning.

JERSEY CITY, *December 22, 1955.*

JAMES B. CAREY,

President IUE, Washington, D. C.:

As mayor of Jersey City where Westinghouse Electric Corp. elevator division has enjoyed a productive 20 years from both company and municipal viewpoints I send you this Yule message. In the interest of continued productivity for your great company and its many thousands of stockholders and in the interest and welfare of 5,500 employees on strike 1,200 of them from Jersey City I respectfully even prayerfully urge that the spirit of the Prince of Peace be permitted to enter the field of differences which has brought about this 10 weeks of strike so costly to both management and union. I urge that this spirit bring about agreement for arbitration of the grievances as soon as possible so that the somberness attendant with halted production lines be lifted and a happier holiday be celebrated by all concerned.

Mayor BERNARD J. BERRY,
City Hall, Jersey City.

BUFFALO, N. Y., *December 23, 1955.*

JAMES B. CAREY,

IUE, AFL, CIO, Washington, D. C.:

Approximately 20,000 workers and members and their families in the greater Buffalo community are directly affected by the Westinghouse strike. In the public interest we urge that both labor and management agree immediately to submit this dispute to arbitration before an impartial board of arbitrators, the decision of the arbitrators to be final and binding upon both parties. Continuance of this dispute over 10 weeks has brought great suffering to the workers in this area and the members of their families. Their personal hardship is even more difficult at this holiday season. To date the parties to this dispute have themselves been unable to reach settlement. Time has come to invite impartial arbitration, otherwise human suffering will continue in our community. We feel confident that in fairness to the stockholders at Westinghouse, the workers, their families and most important, the public interest, that immediate acceptance of arbitration by both parties is imperative.

We the undersigned, are willing to arrange a special meeting in Buffalo designed to settle this strike through arbitration in cooperation with Mayor Sensenbrenner's Committee of Mayors, if you feel such a meeting will bring immediate arbitration and settlement.

May we have the courtesy of an immediate reply? For your information a second wire of this exact text is being sent to Gwilym Price, president, Westinghouse Electric Corp.

STEVEN PANKOW,
Mayor of the City of Buffalo.
BENEDICT T. HOLTZ,
Supervisor, Town of Cheektowaga.

JANUARY 4, 1956.

A labor management dispute between the Westinghouse Electric Corp. and International Union of Electrical Workers, AFL–CIO resulting in a work stoppage involving approximately 45,000 employees has been in progress since October 17, 1955. It is my conclusion based upon conferences with representatives of the parties and representatives of this Service, that no substantial progress has been made toward a settlement of this dispute during the intervening period of upward of 80 days. The economic effects of this work stoppage have had a serious adverse effect on many thousands of other workers and upon other related industries. Representatives of the Federal Mediation and Conciliation Service have exerted every effort in an attempt to assist the parties voluntarily to work out for themselves a satisfactory settlement, but these efforts have not proven successful.

The public interest demands, in view of this impasse, that every method be resorted to by the parties in an attempt to resolve this collective bargaining stalemate.

In view of these factors, I therefore, recommend to the company and the union, that they agree to submit all of the disputed issues which gave rise to this stoppage to a fact-finding board. This board shall report its findings of facts and recommendations to the parties and to the Federal Mediation and Conciliation Service as the basis it considers affords opportunity for negotiation by the parties to an honorable settlement to this dispute which will be fair and equitable to both parties. The findings of fact and recommendations made by this board shall not be final nor binding upon either party. Such findings of fact and recommendations shall be made in writing and returned to the parties as expeditiously as possible for purposes of further collective bargaining. The board shall be empowered to inquire into and ascertain all of the facts surrounding the dispute through direct contacts, hearings, or any such other manner as a majority of the board may believe necessary or advisable to enable the board to accomplish its purpose.

The board may be dissolved by mutual consent of the parties at any time they feel they can effect a solution of this dispute without the aid of the board.

I further recommend that each party designate a board representative and notify us in writing within 24 hours of such designation; upon receipt of both designations I shall immediately proceed to appoint an impartial public member of the board who will act as its chairman.

I will appreciate being advised by letter or telegram as to whether this suggested procedure for settlement of this long and costly strike is acceptable.

JOSEPH FINNEGAN.

UNION'S REPLY TO DIRECTOR FINNEGAN'S STATEMENT AND RECOMMENDATION

The procedure set forth in your communication of January 4, 1956, is accepted; and if Westinghouse will agree with the IUE to be bound by the findings and not discriminate against any striker then work could be resumed immediately under our present agreements as modified by the findings.

JAMES B. CAREY,
President.
AL HARTNETT,
Secretary-Treasurer, International Union of Electrical, Radio and Machine Workers, AFL-CIO.

TELEGRAM SENT TO GWILYM PRICE BY GOVERNOR FRANK J. LAUSCHE, JANUARY 5, 1956

Mr. GWILYM A. PRICE,
President, Westinghouse Electric Corporation Pittsburgh, Pa.:

Inasmuch as Mr. Joseph F. Finnegan, Director of Federal Mediation and Conciliation has recommended a voluntary fact-finding board be set up to attempt to settle the current dispute in which your company and its workers are involved and inasmuch as it is my belief that the interests of the company, the employees and the general public will best be served through compliance with Mr. Finnegan's recommendation I urge that Westinghouse Electric Corp. grant its consent to comply with the proposal.

FRANK J. LAUSCHE,
Governor of Ohio.

PITTSBURGH, PA.,

JOSEPH F. FINNEGAN,
Director, Federal Mediation and Conciliation Service
United States Department of Labor
Washington, D. C.:

There are circumstances in which a fact-finding board, as suggested by the Federal Mediation and Conciliation Service, can serve a useful purpose in settling management-labor disputes. The issues in the present controversy between Westinghouse and the IUE (AFL-CIO) are not proper subjects for this type of procedure.

The question in point is simple but fundamental: Can the management of a company refer to any agency, not responsible for the job security of the company's employees nor for the interests of its stockholders, the authority to make recommendations which may well have the practical effect of determining whether that company will be at a disadvantage for 5 years with its major competitor. As you know, the IUE has already made a 5-year settlement with our major competitor, similar to the Westinghouse offer which IUE has rejected.

Another very important consideration is the fact that 26 unions, including several also affiliated with the AFL-CIO, representing over 25 percent of all union-represented people in Westinghouse, have without striking already signed 5-year agreements embracing principles and benefits that the IUE refuses to accept, and which would be issues subject to fact-finding and recommendations under your proposal. The contemplated procedure would place both the company and these other unions in an unfavorable position because they engaged in genuine collective bargaining and arrived at agreements without any stoppages of work.

For the foregoing reasons we cannot accept your proposal of January 4.

We believe our employees, whose job security is at stake, understand the issues better than any fact-finder who has no personal stake whatsoever in the resolution of these issues. Therefore, we respectfully request that the Federal mediation and conciliation service consider recommending to the parties that, as an alternate to your proposal, a secret ballot be conducted under your service's auspices on whether the IUE-represented employees wish to accept the company's offer and return to work or continue the strike. We will cooperate in every way to assist you in expediting the holding of such an election.

One of the reasons prompting this alternate proposal is the fact that title II of the Labor Management Relations Act of 1947, section 203, dealing with the functions of the Federal Mediation and Conciliation Service, specifies in paragraph (C): "If the director is not able to bring the parties to agreement by conciliation within a reasonable time, he shall seek to induce the parties voluntarily to seek other means of settling the dispute without resort to strike, lockout, or other coercion, including submission to the employees in the bargaining unit of the employer's last offer of settlement for approval or rejection in a secret ballot. The failure or refusal of either party to agree to any procedure suggested by the director shall not be deemed a violation of any duty or obligation imposed by this act."

We firmly believe that our proposal for a secret ballot is truly a traditional American procedure, as Congress clearly indicated by mentioning it specifically in defining the functions of your service.

ROBERT D. BLASIER,
Vice President, Westinghouse Electric Corp.

REPLY OF UNION TO PROPOSALS MADE TO THE UNION AND COMPANY JANUARY 11 BY A MEETINGS OF MAYORS OF WESTINGHOUSE PLANT CITIES

We are grateful for the participation and interest of the mayors, and the country owes them a debt. We are gratified by their statement today in that it endorses two basic positions already taken by our union. We proposed and proposed again round-the-clock, 7-day-a-week collective bargaining to start immediately and until the strike is settled.

We long ago proposed and riterate a proposal for an interim agreement which we presented today to the mayors. This includes the following points:

1. That we get now assurances in writing that there will not be wage cuts as a result of the company's new time study program and disputed issues will be arbitrated.

2. Negotiations on wages under our current contract will continue for 30 days after the return to work. If no agreement is reached at that time the amount of the wage increase will be submitted to arbitration.

3. Negotiations to start as soon as the wage issue is settled on the question of a longer term agreement.

On the basis of such an interim agreement the strike could be settled immediately.

REJECTED BY PRESIDENT PRICE OF WESTINGHOUSE

It is very evident that the mayors tackled this difficult problem with great earnestness and objectivity. Also the company believes that the mayors' proposal has considerable merit. The problem is that the negotiation of an interim arrangement under which the IUE would agree to its members coming back to work would probably be difficult and time-consuming in view of the qualifications placed by the union. Furthermore the official negotiations under sponsorship of the United States Mediation and Conciliation Service are expected to continue and it might well be that these negotiations would produce a permanent settlement more quickly than the temporary one suggested by the mayors. Furthermore, Mr. Joseph F. Finnegan, Director of the Federal Mediation and Conciliation Service, has requested both the company and the union to desist from public proposals and counterproposals and to rely on the normal processes of closed negotiating sessions. Accordingly, while we do not reject the majors proposal, be wellieve it is a wiser course of action for the time being to pursue the prospects of a settlement in the regular negotiating sessions. The management of Westinghouse is very appreciative of the time and effort devoted to the problem by the mayors and of their willingness to be of service on behalf of the communities they happen to represent.

GWILYM PRICE,
Chairman and President.

Statement by Hon. Abraham J. Multer, of New York, to the Antitrust and Monopoly Subcommittee of the Senate Judiciary Committee

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EXTENSION OF REMARKS
OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 17, 1956

Mr. MULTER. Mr. Speaker, I wish to call the attention of our colleagues to the following statement which I presented on December 30, 1955, to the Antitrust and Monopoly Subcommittee of the Senate Judiciary Committee:

Mr. Chairman and distinguished members of the committee, permit me first to thank you for the opportunity to present this statement to you.

I know only too well the tremendous task that confronts you in trying to get at the facts concerning the automobile industry and all of its facets.

Manufacturing and assembling, wholesale and retail selling, transporting, financing, servicing, repairing, are all part of the overall problem.

Not the least of the problem is the fact that what we are dealing with in the final analysis is the automobile which is undoubtedly one of man's most modern vehicles of progress. At the same time it can easily be, even in the hands of a good and thoroughly experienced driver, as described by the late Justice Holmes, "a lethal weapon," a veritable juggernaut of destruction.

Many an inexplicable accident is caused by defective vehicles. The blame should rest on the manufacturer. He passes his responsibility on to his dealers. They cannot assume it or begin to fulfill the obligation.

There was a time when every auto leaving the assembly line was thoroughly inspected and tested. That time has long since passed. Today no manufacturer and no assembler of cars does more than spot check them. Sometimes 1 in 10, ofttimes 1 in 20.

All the public ever hears about is the stock car that stood up under all sorts of road tests for thousands of miles. We never are told how few of the total number of cars made or assembled are so tested.

The companies' warranties today are practically worthless. Cars leaving the assembly lines have all sorts of defects. The burden is placed on the dealer to deliver a car in good running order and to service it, if it is not.

With price competition what it is, the dealer gives a minimum of service until the guaranty period runs out, after which he can charge the consumer for his service.

There is a very simple remedy for this. Enact a law that no automobile may be sold, transported, or used interstate unless accompanied by a certificate from the manufacturer or assembler of the car that it has been inspected and found in good working order and further, that it has been road tested and found in good operating order after at least 100 miles at each of the speeds of 15, 30, 45, 60, and 75 miles per hour.

For the sake of brevity I will not repeat the details of much of the testimony already presented to this committee. I know that you appreciate that most dealers dare not come before you and tell the full facts as they exist in this industry.

The pressures exerted upon them are terrific.

They are required to buy and stock accessories they know they will never sell.

They are required to receive and dispose of automobiles they do not want to order and did not order.

Most of these cars, like those they do order, are shipped into the dealers with accessories, which are billed as extras. These extras are built into the car and the dealer has no choice as to whether he or his customer wants them.

For instance, every car comes with a hole in the dashboard for a cigarette lighter, but the lighter is an extra.

Most cars are specified as equipped with a vacuum windshield wiper. The cars, however, are shipped in with electric wipers as as extra.

There are any number of other items affixed and shipped similarly.

The dealers must pay for advertising literature they do not want and would not order. It is sent in to the dealer in such quantities as the manufacturer thinks he should distribute. The dealer is billed and must pay for that literature even though he throws most of it into the waste basket.

The dealers must pay a fixed sum per car to the manufacturers toward the cost of advertising. The dealer's name and address is never part of that advertising, only the product is mentioned.

The dealer must handle only genuine parts and accessories with the manufacturer's name, which is not made by, but is sold by the auto manufacturer to the dealer at top prices. The dealer could buy the same parts much cheaper from the actual manufacturer thereof, but does not dare do so.

The dealer who complains about those things will not be a dealer very long.

The manufacturer and assembler charge the dealer for freight and taxes on the freight in accordance with the fixed tariff of the most expensive carrier and ship the auto at the dealer's risk by the cheapest means of transportation. The manufacturer pockets the difference, including a sum in excess of the tax paid to the United States Government.

That racket can easily be destroyed by prohibiting the phony charge and requiring the tax to be paid on the amount collected for freight regardless of the amount paid by the manufacturer.

Lump sum bills should be prohibited and complete itemization should be required of both manufacturer and dealer and no sum should be collectible by either for extras unless ordered in writing signed by the buyer.

As long as the manufacturers want to have dealers under contract to handle only particular makes of cars, the manufacturers should be required to sell only to such dealers and to prohibit bootlegging. The manufacturers should be required to cancel the franchises of bootleggers.

The exaggerated and fraudulent advertising by dealers is encouraged, and practically demanded by the manufactures. Make all such advertising the responsibility of the manufacturer and it will cease overnight.

The last matter I wish to touch on involves the now well-known adage: What is good for General Motors is good for the country.

You will see in a moment that we can now change that to "What is bad for the insurance companies is not bad for the automobile companies."

On September 8, 1955, I wrote to Secretary of Defense Wilson calling his attention to a scheme by which armed service personnel returning to this country are being duped and mulcted of thousands of dollars in connection with the sale to them of new automobiles.

I indicated that the matter had been called to the attention of the automobile manufacturers but they have failed to do anything to prevent these practices.

I further stated that the Secretary of Defense need not make any determination of whether these practices are fraudulent or merely unethical, but urged him to direct all commanding officers to alert their men to these practices to afford them an opportunity to protect themselves accordingly.

My letter of September 8, 1955, is exhibit A, annexed.

I received an answer dated September 23, 1955, a copy of which is annexed as exhibit B, in which the Department of Defense refused to take any action.

I replied by letter of September 28, 1955, a copy of which is annexed as exhibit C, again indicating the need for departmental action.

No answer has been received to my last letter.

Now let us see what happened when the Department's attention was called to similar

fraudulent practices by insurance salesmen. No General Motors was involved.

An investigation was instituted which confirmed the charges.

A complete set of regulations was promulgated by the Defense Department, including a directive to commanders of all bases, making them responsible for protection of the men against such frauds.

Another reason for different treatment of the phony automobile salesmen is that the fraudulent business is so profitable that the automobile manufacturers have sent their own direct representatives overseas to grab this business.

Thank you, gentlemen, for permitting me to make this statement to you.

EXHIBIT A

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., September 8, 1955.

Hon. CHARLES E. WILSON,
Secretary of Defense,
Department of Defense,
Washington, D. C.

MY DEAR MR. SECRETARY: For some time Members of Congress have been receiving complaints about the tactics being used by various dealers in selling new automobiles to members of the Armed Forces returning from posts outside of the country.

It seems that some of these retailers have sent representatives abroad who through fraud and deceit induce these men who are about to return to the United States to sign contracts, and to pay deposits for the delivery of new automobiles to them at the port of their arrival in this country. As part of this scheme these retailers have made exclusive rental agreements for offices in the hotels in this country at which these men and their families are temporarily lodged upon their arrival here. The deceptive practices are continued at those places until the delivery of a new automobile is made and payment obtained.

No purpose can be served by setting forth in this letter the nature of the fraudulent representations that are made, nor is it necessary for the purpose of this letter to determine whether or not these practices are actually fradulent or merely unethical business practices. The result of all of these practices is that these men are being duped and taken advantage of. They are paying more for these automobiles than if they bought them in their home towns or, for that matter, if they bought them at the port of arrival. They are paying higher finance charges than they would pay if they took the opportunity of financing their automobiles in their home towns or in the city in which they are discharged from the service, and they are being deprived of the inspection and service that ordinarily goes with a new-car purchase when made in their home towns.

The automobile manufacturers, when apprised of these practices, have taken the position that these retailing practices are no concern of theirs.

I believe you will agree with me that in the absence of the manufacturers undertaking to prevent these practices, something must be done to help these men.

My suggestion is that you immediately issue a directive requiring commanding officers in all stations outside of this country to alert the men under their command to this situation, and to advise those men that it is inadvisable for them to make such purchases while abroad, or, for that matter, even at the place of arrival in this country, or the place of discharge from the service in this country, and that their best interests will be served by their making such purchases from dealers in their home communities. The hometown dealers, in almost every instance, can arrange for the delivery of a new automobile to them at their point of arrival or discharge in this country, which would then be available for them for transportation to their home towns.

I hope you will agree with me that such a directive will serve a very useful purpose. As a matter of fact, the directive and the notice from the local commanding officer can be appropriately worded so that neither manufacturers nor retailers need be accused of any wrong doing or impropriety, and yet provide some measure of protection to the members of our armed forces.

With kindest personal regards, I am,

Sincerely yours,

ABRAHAM J. MULTER.

EXHIBIT B

ASSISTANT SECRETARY OF DEFENSE,
MANPOWER AND PERSONNEL,
Washington, D. C., September 23, 1955.

Hon. ABRAHAM J. MULTER,
House of Representatives.

DEAR MR. MULTER: This is in reply to your letter of September 8 concerning certain practices of automobile dealers in selling to members of the Armed Forces returning from overseas posts.

You appreciate, I am sure, that no agency of the Department of Defense sponsors any plan of automobile sales such as you describe, and the Department is therefore without jurisdiction to discontinue it. The selection of an automobile salesman or sales contract is a matter of individual choice.

Overseas representatives of United States automobile dealers are not amenable to military control. So long as they comply with the laws of the locality in which they do business they can offer their merchandise for sale to both civilian and military. Control of this group like their contemporaries at the port would appear to rest with the automobile dealers, their trade associations, and perhaps the manufacturers.

I believe that the directive you suggest would be more restrictive than is appropriate for issuance by this Department and that it might effect the legitimate activities of firms and dealers who render real service to our personnel. I believe that the objective we seek, the use of caution and judgment by servicemen in their purchases from unknown vendors, can best be accomplished by a continuation of the present normal counseling given by commanders to their troops. I am taking the liberty of sending a copy of your letter to the military departments.

Your interest in the welfare of our Armed Forces personnel is appreciated.

Sincerely yours,

CARTER L. BURGESS.

EXHIBIT C

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., September 28, 1955.

CARTER L. BURGESS,
Assistant Secretary of Defense,
Department of Defense,
Washington, D. C.

DEAR MR. BURGESS: Receipt is acknowledged with thanks of yours of September 23.

I fail to understand how the directive as suggested by me is in any manner restrictive. It does not require the Department or any commanding officer to take a position on the matter, nor in any manner to interfere with automobile dealers in this country or abroad. It has always been proper for the Defense Department to alert the members of the Armed Forces against dangers that they may encounter, whether physical, moral, or financial.

Alerting these men to these practices is in direct line with such procedure.

Sincerely yours,

ABRAHAM J. MULTER.

SENATE

WEDNESDAY, JANUARY 18, 1956

(Legislative day of Monday, January 16, 1956)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Almighty God and Father of all mankind, whose paths are mercy and truth, before the white splendor of whose purity every vileness must shrink away, lift us, we pray, above the mists of the immediate and set our perspectives in the wide horizons of abiding verities.

With high resolves and selfless endeavors that take counsel not of our fears, but of our hopes, may we match these epic days with daring deeds that will help clear a highway across all frontiers for Thy conquering truth. And in this age on ages telling, when a sinister system attempts to degrade all mankind as the chattel slaves of a godless state, strengthen our hands to guard freedom's holy light. May we be worthy of the vocation to which Thou hast called us as keepers of the sacred flame. We ask it in the ever-blessed name of that One whose truth makes all men free. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, January 17, 1956, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 1952. An act for the relief of Clarence Christensen;

H. R. 2522. An act for the relief of Isabelle S. Gorrell, Donald E. Gorrell, Mary Owen Gorrell, and Kathryn G. Wright;

H. R. 2712. An act for the relief of Emanuel Mathes;

H. R. 3032. An act for the relief of Mrs. Alberta S. Rozanski;

H. R. 3043. An act for the relief of Edward M. Thompson;

H. R. 3650. An act to provide for the conveyance to Eilef Rue of certain real property situated in Cassia County, Idaho;

H. R. 4466. An act for the relief of Lois O. Jennings;

H. R. 4588. An act for the relief of Antonio Penna;

H. R. 4873. An act for the relief of Lt. Comdr. Mortimer T. Clement, Medical Corps, United States Navy, retired;

H. R. 5055. An act to provide that service of cadets and midshipmen at the service academies during specified periods shall be considered active military or naval wartime service for the purposes of laws administered by the Veterans' Administration;

H. R. 5544. An act for the relief of Mrs. Jennie B. Prescott;

H. R. 5626. An act for the relief of Fred Mazan;

H. R. 6190. An act for the relief of Ens. Charles A. Binswanger;

H. R. 6279. An act for the relief of Mrs. Bertha K. Martensen;

H. R. 6283. An act for the relief of Joseph J. Tierney; and

H. R. 7164. An act for the relief of Lt. Michael Cullen.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H. R. 938. An act for the relief of Mrs. Elena Apostolescu Bustiuc;

H. R. 1015. An act for the relief of Mr. and Mrs. Defery William Wright;

H. R. 1022. An act for the relief of Antonio Andrea Chitato;

H. R. 1145. An act for the relief of Ora L. Powers;

H. R. 1146. An act for the relief of the Pacific Music Supply Co.;

H. R. 1183. An act for the relief of Baldomero R. Garcia, Teresa Garcia y Braganza, Francisco Garcia, Teresita Garcia, and Eduardo Garcia;

H. R. 1219. An act for the relief of the estate of Mrs. Margaret A. Swift;

H. R. 1447. An act for the relief of Aleksandra Borkowski;

H. R. 1752. An act for the relief of Johanna Juresic Grgurich;

H. R. 1768. An act for the relief of the Jefferson and Plaquemines Drainage District and certain persons whose properties abut on the Federal Government's right-of-way for Harvey Canal in Louisiana;

H. R. 1910. An act for the relief of Elanka Goldstein;

H. R. 2273. An act for the relief of Der Chuck Yee and Wu Mei On;

H. R. 2278. An act for the relief of Consuelo Calderson de Villarreal;

H. R. 2296. An act for the relief of Simone Gilliland;

H. R. 2466. An act for the relief of Marino and Giselda Proni;

H. R. 2467. An act for the relief of Ivo and Elia Monari;

H. R. 3027. An act for the relief of Leo E. Verhaeghe;

H. R. 4582. An act to amend the Internal Revenue Code of 1954 with respect to deductions from gross income of amounts contributed to employee trusts;

H. R. 5428. An act to amend the Internal Revenue Code of 1939 with respect to the period of limitation for filing claims by certain transferees and fiduciaries for credit or refund of income taxes;

H. R. 7036. An act to amend section 37 of the Internal Revenue Code of 1954 with respect to the earned income limitation on retirement income;

H. R. 7282. An act relating to the allowance of the credits for dividends received, for dividends paid, and for a Western Hemisphere trade corporation in computing the alternative tax of a corporation with respect to its capital gains; and

H. R. 7364. An act relating to the application of the documentary stamp tax to transfers of certain obligations paid for in installments.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated:

H. R. 1952. An act for the relief of Clarence Christensen; to the Committee on Labor and Public Welfare.

H. R. 2522. An act for the relief of Isabelle S. Gorrell, Donald E. Gorrell, Mary Owen Gorrell, and Kathryn G. Wright;

H. R. 2712. An act for the relief of Emanuel Mathes;

H. R. 3043. An act for the relief of Edward M. Thompson;

H. R. 4466. An act for the relief of Lois O. Jennings;

H. R. 4588. An act for the relief of Antonio Penna;

H. R. 4873. An act for the relief of Lt. Comdr. Mortimer T. Clement, Medical Corps, United States Navy, retired;

H. R. 5626. An act for the relief of Fred Mazan;

H. R. 6190. An act for the relief of Ens. Charles A. Binswanger;

H. R. 6279. An act for the relief of Mrs. Bertha K. Martensen;

H. R. 6283. An act for the relief of Joseph J. Tierney; and

H. R. 7164. An act for the relief of Lt. Michael Cullen; to the Committee on the Judiciary.

H. R. 3032. An act for the relief of Mrs. Alberta S. Rozanski;

H. R. 5055. An act to provide that service of cadets and midshipmen at the service Academies during specified periods shall be considered active military or naval wartime service for the purposes of laws administered by the Veterans' Administration; and

H. R. 5544. An act for the relief of Mrs. Jennie B. Prescott; to the Committee on Finance.

H. R. 3650. An act to provide for the conveyance to Eilef Rue of certain real property situated in Cassia County, Idaho; to the Committee on Interior and Insular Affairs.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Permanent Subcommittee on Investigations of the Committee on Government Operations, under the chairmanship of Mr. MCCLELLAN, was authorized to meet today during the session of the Senate.

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Committee on Agriculture and Forestry was authorized to meet today, during the session of the Senate.

MEETINGS OF COMMITTEE ON AGRICULTURE AND FORESTRY DURING SENATE SESSIONS

Mr. ELLENDER. Mr. President, yesterday I asked unanimous consent for the Committee on Agriculture and Forestry to sit when the Senate was in session during the remainder of this week and next Monday. Has the Senator from Texas given further consideration to that request?

Mr. JOHNSON of Texas. I have. I am always willing, anxious, and eager to accommodate my friend from Louisiana. However, the Senator from Texas thinks it is a bad practice, although he would indulge the Senator from Louisiana in some leeway. He thinks very much of his colleague from Louisiana and would like to go along with him.

But the distinguished minority leader, when he was the majority leader, asked the Republican chairmen, as he now asks the Democratic leader to ask the Democratic chairmen, not to make blanket requests covering several days; because if it is done for one committee, there is difficulty in refusing such permission to other committees.

The distinguished minority leader has no objection to the committee headed by the Senator from Louisiana meeting each day; so the Senator from Texas plans, following the prayer each morning, and after a quorum call, to ask unanimous consent on a day-to-day basis, and I feel certain that the other Members of the Senate will agree to the request.

The Senator's request has already been made for today and has been agreed to.

Mr. ELLENDER. I thank the distinguished majority leader.

ORDER FOR RECESS UNTIL TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in recess until 12 o'clock noon tomorrow.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. HICKENLOOPER. Mr. President——

Mr. JOHNSON of Texas. Does the Senator from Iowa desire recognition at this time, or would he prefer to have recognition when the Senate completes its morning hour and after there is a quorum call? I wish to accommodate my friend, and I shall follow his suggestion.

Mr. HICKENLOOPER. I shall follow the suggestion of the majority leader.

Mr. JOHNSON of Texas. I am perfectly willing to follow any suggestion of the Senator from Iowa. It is my plan to ask unanimous consent that there be a limitation of 2 minutes on statements made during the morning hour, then to suggest the absence of a quorum, and then I expect the Senator from Iowa to be recognized.

Mr. HICKENLOOPER. Will the Senator excuse me for just a moment, so that I may confer with our visitors from Panama who are now in the Senate Chamber?

Mr. JOHNSON of Texas. Very well.

Mr. President, the debate on the pending business has proceeded for 2 days this week. It is the plan of the leadership to have the debate continue and to have a session today, tomorrow, and on Friday, if there are any speakers who desire to be heard, although it is not the plan to vote on any amendments, or certainly not on the bill, this week. It is hoped that the Senate can continue the very fair discussion of the bill next week.

Mr. President, I am very happy to state that the bitterness which had been predicted, and the dire prophecies which had been made concerning the conduct of Senators in the debate on this sub-

ject, have not materialized. I do not know of any debate in recent years that has been conducted on a higher plane. I wish to commend Senators on both sides of the question. They have brought out facts which are very important to the Senate in its deliberations on this measure, and I am sure they will continue to do so.

Occasionally we see a news column which presents more propaganda than facts, and there has been an occasional cartoon along the same line; but those of us who have served in the Senate a long time have learned to expect a certain number of attempts at intimidation on subjects such as the one now before us and some newspaper accounts which are not always objective and completely accurate.

However, Mr. President, I may say I hope that after the discussions which will continue this week and into next week, we can get around to a voting stage along toward the end of next week.

As the distinguished President pro tempore, who has served longer in this body than has any other Senator, so well knows, that matter is completely in the hands of the Senate itself. There are on the calendar no measures which require urgent action; and I think that after discussion of the bill for 2 or 3 weeks, most Senators will feel that we can proceed to vote on it.

VISIT TO THE SENATE BY THE HONORABLE DR. DON JOAQUIN JOSÉ VALLARINO, AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY FROM PANAMA, AND A DELEGATION FROM THE PARLIAMENT OF PANAMA

Mr. HICKENLOOPER. Mr. President——

Mr. JOHNSON of Texas. I now yield to the Senator from Iowa.

Mr. HICKENLOOPER. This morning we are honored indeed by a visit by some very distinguished members of the Assembly of our sister Republic of Panama. This delegation is here on an official mission to the United States as a result of a resolution of the Panamanian Assembly. As I have said, they have honored us with their attendance here for a few minutes this morning.

The delegation is accompanied by my friend, and the friend of most of us, the distinguished Panamanian Ambassador, Dr. Don Joaquin José Vallarino. At this time I present Dr. Vallarino to the Senate.

(The Ambassador rose and was greeted with applause.)

Mr. HICKENLOOPER. The other three gentlemen who are present on the floor of the Senate are members, as I said previously, of the Panamanian Assembly. I hope I may be pardoned if my Spanish pronunciation is not exactly accurate, but I shall do the best I can.

First I should like to present Dr. Jorge E. Illueca, a Deputy of the National Assembly, who has had distinguished service in Panama, and in other countries of the world, and who received a part of his college education, especially in law, in the United States.

(Dr. Illueca rose and was greeted with applause.)

Mr. HICKENLOOPER. Next I should like to present Hon. Max Heurtematte, who is also an eminent member of the Panamanian Assembly, and a member of a most distinguished Panamanian family of worldwide reputation. He has been Ambassador to France, and has served in many other public capacities for his Government.

(Mr. Heurtematte rose and was greeted with applause.)

Mr. HICKENLOOPER. Next I should like to present Mr. Inocencio Galindo Vallarino, who is a prominent construction engineer, in addition to being a National Deputy in Panama. He is a construction engineer by profession, he has been Minister of Public Works, has served in other public capacities for his country, and is a graduate of Georgia Tech.

(Mr. Vallarino rose and was greeted with applause.)

Mr. HICKENLOOPER. Mr. President, we are indeed proud and pleased to welcome these gentlemen. As I said a moment ago, they are in this country on an official mission, and they have matters which they are taking up in the United States in connection with the treaty with Panama which was ratified last year.

Mr. JOHNSON of Texas. Mr. President, I should like to join with my delightful friend from Iowa in extending a hearty welcome to the distinguished visitors from Panama who are with us this morning, and in expressing deep appreciation to them for their visit.

We hope their trip will be a pleasant and enjoyable one. We know we shall profit from their acquaintance. I hope that every Member of the Senate may have an opportunity to meet our distinguished guests from Panama before they leave this historic Chamber.

Mr. KNOWLAND. Mr. President——

Mr. JOHNSON of Texas. I yield to the distinguished minority leader, the Senator from California.

Mr. KNOWLAND. Mr. President, I wish to join with the majority leader and the distinguished Senator from Iowa [Mr. HICKENLOOPER] in extending the welcome of the Senate to our distinguished visitors from Panama. We feel that we have very close relations with our friends to the south of us, throughout Central America and South America, with whom we join hands in the maintenance of a friendly policy. We hope that as the years go by, there will be greater opportunities for visiting back and forth, so that we may come to know better the common problems which confront the nations in the Western Hemisphere—problems which it is so important to solve, in the interest of the ultimate preservation of a free world of free men.

Mr. JOHNSON of Texas. Mr. President, I should like to inform my friend, the Senator from Iowa, that as soon as we conclude our brief routine business, I shall suggest the absence of a quorum, so that other Senators may enter the Chamber. I hope the Senator from Iowa and his distinguished guests will remain in the Chamber until the quorum call is concluded.

Mr. CHAVEZ. Mr. President——

Mr. JOHNSON of Texas. Mr. President, I yield to my delightful friend, the Senator from New Mexico.

Mr. CHAVEZ. Mr. President, let me say that I am most happy to be present on the occasion of the visit of our great friends from Panama. I have known the Ambassador from Panama for many years. I think I know and understand the good citizens of Panama. Let them be assured that, in my opinion, there never has been a more friendly feeling in the United States for the people of Latin America than there is at this moment. They are our friends. If they grow, we grow; if they are economically sound, we are economically sound.

Let us carry on, and have more visits such as the one with which we are honored today by our friends from Panama.

I thank the Senator from Texas for yielding to me.

Mr. JOHNSON of Texas. Mr. President, I concur entirely in what the distinguished Senator from New Mexico, the very able chairman of the Public Works Committee, has said. I should like to add that what he has said is true, for there never has been a time when relations between our two countries were more friendly.

I know of no one who has contributed more to that situation of very friendly relations than the distinguished Senator from New Mexico; and I wish to commend him for the time he has spent in such endeavors, and for the success of his efforts.

Mr. LONG. Mr. President, will the Senator from Texas yield to me?

Mr. JOHNSON of Texas. I yield to the Senator from Louisiana.

Mr. LONG. I should like to associate myself with the words which have been said here about our good neighbors from Panama. We in Louisiana have opportunity to trade with Panama from time to time. We find them to be good neighbors and good friends. We are glad to have this visit, and we hope we shall have frequent opportunities to visit with them in the future.

Mr. GEORGE. Mr. Ambassador and Panamanian representatives here: You are welcome to the Senate. We are delighted to have you with us. We hope you will make yourselves comfortable here until the Senate concludes a brief period of routine business, following which the majority of the Senate will be able to speak to you and to greet you.

Mr. HICKENLOOPER. Mr. President, in connection with the visit of the distinguished Panamanian delegation, I wish to say that its members constitute an officially appointed delegation of the Panamanian Assembly, to communicate to the Congress of the United States certain views which they would like to have presented. Therefore, I ask unanimous consent that the views, which I now send to the desk, of the official delegation of the Panamanian Assembly be printed at this point in the RECORD, in connection

with their visit, and the performance of their mission.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

To the Congress of the United States of America:

As members of the National Legislative Assembly of the Republic of Panama, it gives us great pleasure to convey on behalf of the people and the Government of Panama, cordial greetings to the Congress and the people of the United States and to the great leaders of the Republican and Democratic Parties of this Nation. But this pleasure is greater when we realize the fact that our visit to this historical capital may contribute to the closest understanding and effective unity of ideals between our two countries.

There is a long established tradition of cooperation among the legislative bodies of the Americas to preserve the principles of Western Christianity and the most vital interests of their peoples. Let us remember that when the Virginia Legislature convened on May 1769, several resolutions defending the fundamental human rights of the inhabitants of the American colonies were adopted and, with the votes of Washington and Jefferson, another resolution was passed ordering to "send a copy of these resolutions to every legislative body on the continent." This democratic lesson has been learned and will always be remembered.

We feel that the close ties of friendship between our two countries grow stronger day by day. The joint statement of President Franklin D. Roosevelt of the United States and President Harmodio Arias of Panama, issued in the fall of 1933, was an eloquent demonstration of these feelings. Then and there the lines of a policy of cooperation were established and it was recognized that Panama, as a sovereign power, is entitled to the commercial advantages inherent to her strategic geographical position.

These basic principles found expression in the General Treaty of Friendship and Cooperation of 1936, in which the two countries reaffirmed their willingness to cooperate for the purpose of insuring the full and perpetual enjoyment of the benefits of all kinds which the canal should afford the two Nations that made possible its construction. However, there still was much to be done by men of good will in both countries.

Thus, 20 years later President José Antonio Remón, of Panama, met in the fall of 1954 with President Dwight Eisenhower, an outstanding leader of mankind. At the White House the two Presidents considered some aspects of the relations existing between their countries. As a result of the presidential conference, they reiterated, in a joint statement, the basic principles set forth by our Governments in 1933 and 1936. They agreed further that such basic principles should have as a consequence the adoption of measures tending to make them more effective, such as enabling the commerce and industry of Panama to take advantage of the market offered by the Canal Zone and by the ships transiting the canal.

President Eisenhower and the Panama President equally agreed that the principle of equality of opportunity and treatment must have full effect in regard to the citizens of Panama and the United States employed in the Canal Zone. They recognized also the advisability of giving due consideration, in the cases of lands granted in the past for canal purposes which are no longer needed for such purposes in order that arrangements may be agreed upon for the return of those lands to the Republic of Panama.

Upon the basis of the principle of sovereign equality of the States, negotiations to reach a new treaty between the United States and Panama were started in Washington, as a good example to mankind that here in the Americas the United States and her sister republics constitute a brotherhood of nations, large and small, but by no means a satellite system of the sort that has developed elsewhere in the world.

These considerations led the representatives of the United States and the Republic of Panama to sign on January 25, 1955, a Treaty of Mutual Understanding and Cooperation and a Memorandum of Understandings Reached, whose exchange of ratifications took place on August 23, 1955.

In those instruments several important obligations were mutually undertaken. It was agreed, among other provisions, that the United States would request the United States Congress to enact legislation providing, for all United States and Panamanian employees in the Canal Zone, equality of opportunity and treatment, the establishment of a single basic wage scale and the uniform application of the Civil Service Retirement Act; and that the United States would request the United States Congress to authorize the construction of a bridge across the canal at Balboa, and the return to Panama of certain lands not required for canal purposes.

Within the inter-American system Panama has gained a relevant place in history. It was in the Panamanian isthmus of Darien, in the city of Santa María la Antigua, the oldest settlement on this continent, where in 1510 the first municipal legislative body of this hemisphere was elected by popular vote. The Royal Audience of Panama in 1535 extended its jurisdiction from Cape Gracias a Dios to Cape Horn. More than a century ago Panama became the repository of the ideals of the great liberator, Simón Bolívar. He chose the capital of the isthmus as the site of the Congress of 1826, which was the cradle of Pan-Americanism.

Bolívar tried to find a common meeting ground for the Americas at the Isthmus of Panama; and it has been said that the canal which united the waters of two oceans by cleaving the lands of the continent has become a means of fulfilling that hope. Indeed, it is very significant that the first meeting of consultation of American foreign ministers was held in Panama City in 1939, where practical effect was given to the doctrine of the common defense of this hemisphere.

The American continent is united by strong ties of political and ideological solidarity. Within this admirable union Panama and the United States are partners "par excellence," due to the unique nature of their relationship. The effective understanding and cooperation between such special partners is particularly important as it reflects upon the entire framework of continental solidarity.

This ideological association has been loyally maintained in theory and practice. During the last war we contributed with Panamanian vessels to the victory of the United Nations. We have opposed from the outset every attempt to spread to this hemisphere the harmful effects of the Communist doctrine and will cooperate in every way possible to defeat the plans for world domination of the Communist fanatics.

Panama is perhaps one of the few merchant marine powers which in 1951 prohibited her vessels to carry on trade with the aggressor countries of Communist China and North Korea. We have done so because we sincerely believe in the good neighborliness and partnership among the American Republics; because we do believe in the outstanding record of championship of liberty for everybody attained by the United States, and in the principles of international decency, of international law, and of Western Christian civilization, which are the groundwork of the inter-American system.

One of the great leaders of your country has expressed in fine words that "we have been able to achieve in this hemisphere a unity of nations heretofore unknown, by holding fast to the doctrine that the rights of all nations, great and small, must be respected and that the problems of any nation in our group may be laid before the others in the certainty that there will be a friendly hearing and sympathetic help toward a constructive result with justice ever in mind."

We are happy on this occasion to pay personal tribute to the Senate of the United States which ratified the Eisenhower-Remon Treaty. But we are even more happy because of the fact that the legislation to implement said treaty, which is to be submitted to the United States Congress, will merit the consideration of this august body.

In this connection we wish to express our deep confidence and the confidence of the Panamanian people in the high spirit of statesmanship and Americanism of the ladies and gentlemen in both Houses of Congress. The adoption of this legislation not only will be particularly welcomed to the people of Panama and of the Americas, but also will serve as an excellent instrument to strengthen the inter-American system of continental solidarity.

It is a great honor for us to present to you, at this moment, a resolution of the Panama Legislative Assembly, conveying its best wishes for the fullest success of the 1956 session of the 84th Congress of the United States of America.

MAX HEURTEMATTE,
President of the Legislative Assembly of Panama.
INOCENCIO GALINDO VALLARINO,
Assemblyman.
JORGE ILLUECA,
Assemblyman.

WASHINGTON, January 18, 1956.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of executive business, for action on nominations on the Executive Calendar beginning with the new reports.

The motion was agreed to; and the Senate proceeded to consider executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

THE CALENDAR

The PRESIDENT pro tempore. If there be no executive reports of committees the clerk will proceed to state the nominations on the calendar, beginning with the new reports.

DIPLOMATIC AND FOREIGN SERVICE

The Chief Clerk read the nomination of Max Waldo Bishop, of Arkansas, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Thailand.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

GOVERNOR OF VIRGIN ISLANDS

The Chief Clerk read the nomination of Walter A. Gordon, of California, to be Governor of the Virgin Islands.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

POST OFFICE DEPARTMENT

The Chief Clerk read the nomination of Jack Rohe Howard, of New York, to be member of the Advisory Board for the Post Office Department.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

DIPLOMATIC AND FOREIGN SERVICE

The Chief Clerk proceeded to read sundry routine appointments in the Diplomatic and Foreign Service.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the routine appointments in the Diplomatic and Foreign Service be considered en bloc.

The PRESIDENT pro tempore. Without objection, the routine appointments will be considered en bloc.

Without objection, these nominations are confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the President be notified forthwith of all nominations confirmed today.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

NOTICE OF CONSIDERATION OF TREATIES

Mr. JOHNSON of Texas. Mr. President, I should like to announce for the information of the Senate that there are two treaties on the Executive Calendar. I am informed that the distinguished chairman of the Foreign Relations Committee expects no controversy to develop over these treaties, but they will be discussed, and, in accordance with the practice of the leadership, we shall ask that Senators may have an opportunity to be recorded. Therefore, Mr. President, I wish the Senate to be on notice that early next week we expect to call up those treaties and have yea and nay votes on them.

NOTICE OF HEARINGS ON CERTAIN NOMINATIONS BY COMMITTEE ON FOREIGN RELATIONS

The PRESIDENT pro tempore. As a Senator, and chairman of the Committee on Foreign Relations, the Chair desires to announce that the Senate received today the nominations of the following persons to be members of the United States Advisory Commission on Educational Exchange for the terms indicated, and until their successors have been appointed and qualified:

Rufus H. Fitzgerald, of Pennsylvania, for a term of 3 years, expiring January 27, 1959—reappointment.

Arthur A. Hauck, of Maine, for a term of 3 years, expiring January 27, 1959—reappointment.

I give notice that these nominations will be considered by the Committee on Foreign Relations at the expiration of 6 days.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there now be the usual morning hour, for the presentation of petitions and memorials and the transaction of other routine business, all to be subject to the customary 2-minute limitation on debate.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The transaction of morning business is now in order.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

CONTINUANCE OF EFFECTIVENESS OF ACT OF JULY 17, 1953

A letter from the Secretary of the Army, transmitting a draft of proposed legislation to continue the effectiveness of the act of July 17, 1953 (67 Stat. 177), as amended (with an accompanying paper); to the Committee on Armed Services.

REPORT ON NUMBER OF AIR FORCE OFFICERS DETAILED AT SEAT OF GOVERNMENT

A letter from the Director Legislation Liaison, Department of the Air Force, reporting, pursuant to law, that for the quarter ended December 31, 1955, there was an aggregate of 2,685 officers of the Air Force assigned or detailed to permanent duty at the seat of Government; to the Committee on Armed Services.

TENURE OF OFFICE AND RETIREMENT RIGHTS OF UNITED STATES DISTRICT JUDGES IN HAWAII AND PUERTO RICO

A letter from the Director, Administrative Office of the United States Courts, Washington, D. C., transmitting a draft of proposed legislation to provide that the United States district judges for the districts of Hawaii and Puerto Rico shall have the same tenure of office and retirement rights as all other United States district judges (with an accompanying paper); to the Committee on the Judiciary.

REPORT ON DISPOSITION OF EXECUTIVE PAPERS

Mr. JOHNSTON of South Carolina, from the Joint Select Committee on the Disposition of Executive Papers, to which was referred for examination and recommendation a list of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted a report thereon, pursuant to law.

PETITIONS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A resolution adopted by the mayor and council of the Borough of Roselle, N. J., relating to the designation of December as Universal Bible Reading Month; referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

"Resolution adopted by the Borough of Roselle County of Union, State of New Jersey

"Whereas it has been called to the attention of the mayor and council that the month of December has been designated as Universal Bible Reading Month and the President of the United States has urged that our citizens turn to the Holy Bible for guidance and inspiration in the tasks that lie ahead; and

"Whereas all persons elected to public office are required to take the oath of allegiance to the Constitution and ordinarily do so with hand upon the Bible, and it is common knowledge that the law of the Creator, as set forth in the Holy Scriptures, is a guide for conduct superior to manmade law and, given serious consideration, directs the thoughts, feelings, and decisions of man in his relation to his God and his fellowmen, and promotes respect, consideration, and justice: Therefore be it

"*Resolved*, That the mayor and council recommend to all public officials, local, State, and national, the reading of the Holy Bible during the month of December and throughout the coming year as a guide to their conduct in the administration of public affairs.

"Adopted: December 8, 1955.

"Approved: December 8, 1955.

"ARTHUR O. NELSON,
"President, Roselle Borough Council."

A resolution adopted by the Maui Chamber of Commerce, Wailuku, Maui, T. H., favoring the repeal of Public Law 199, to readjust size and weight limitations on fourth-class (parcel post) mail; to the Committee on Post Office and Civil Service.

By Mr. GREEN (for himself and Mr. PASTORE):

A resolution of the General Assembly of the State of Rhode Island; to the Committee on Banking and Currency:

"Resolution memorializing the Congress of the United States to enact legislation providing effective aid to labor surplus areas

"Whereas the Congress of the United States, in 1946, enacted a full employment act, enunciating the principle that full employment is a national responsibility; and

"Whereas any surplus labor area which has a hard core of unemployment is entitled to relief; and

"Whereas Rhode Island is such an area containing a skilled and well-equipped labor force; and

"Whereas it is vital to the economy of the country that implementation be given to the principle of full employment by providing for the use of such a labor force; and

"Whereas the Rhode Island contribution to the income of the Federal Government is disproportionately greater than any Federal benefits which it receives. Now, therefore, be it

"*Resolved*, That the General Assembly of the State of Rhode Island and Providence Plantations hereby urges the Congress of the United States to enact legislation which would give meaning to the full employment act by providing loans for labor surplus areas to finance much needed construction and reconstruction of industrial facilities, guaranteeing a Federal procurement policy assuring labor surplus areas their fair share of Federal purchases, making funds available

for essential public construction, and providing suitable training for the unemployed; and be it further

"*Resolved*, That the Senators and Representatives from Rhode Island in said Congress be, and they are hereby earnestly requested to use their concerted effort to bring about the enactment of such legislation; and be it further

"*Resolved*, That the secretary of state be, and he is hereby authorized and directed to transmit to the Senators and Representatives from Rhode Island in the Congress of the United States duly certified copies of this resolution."

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. STENNIS:

S. 2961. A bill to amend the Bankhead-Jones Farm Tenant Act to further authorize the insurance of farm housing loans; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. STENNIS when he introduced the above bill, which appear under a separate heading.)

By Mr. NEUBERGER (for himself, Mrs. SMITH of Maine, Mr. MORSE, Mr. CLEMENTS, Mr. HUMPHREY, Mr. MAGNUSON, Mr. MANSFIELD, Mr. MCNAMARA, and Mr. PAYNE):

S. 2962. A bill to extend the provisions of the Veterans' Readjustment Assistance Act of 1952 until such time as existing laws authorizing compulsory military service cease to be effective; and to provide for payment of tuition and fees of veterans receiving educational benefits under such Act; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. NEUBERGER when he introduced the above bill, which appear under a separate heading.)

By Mr. PAYNE:

S. 2963. A bill to amend the Fair Labor Standards Act of 1938, as amended, to exempt home workers in rural areas from the minimum wage and maximum hours provisions of that Act in certain cases; to the Committee on Labor and Public Welfare.

By Mr. HRUSKA:

S. 2964. A bill for the relief of Rose Marie Benarroch; to the Committee on the Judiciary.

By Mr. WELKER:

S. 2965. A bill for the relief of Manuel Lugarezaresti-Salzidea and Federico Angulo Ibanez; and

S. 2966. A bill for the relief of Domingo Zubieta Laca; to the Committee on the Judiciary.

By Mr. THYE (for himself and Mr. HUMPHREY):

S. 2967. A bill to amend the act of June 22, 1948 (62 Stat. 568), and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. BYRD:

S. 2968. A bill for the relief of Morton J. Krakow; to the Committee on the Judiciary.

By Mrs. SMITH of Maine:

S. 2969. A bill to provide a preliminary examination and survey of Stave Island, Maine, in the interest of navigation; to the Committee on Public Works.

By Mr. LANGER (for himself and Mr. YOUNG):

S. 2970. A bill directing the Secretary of Agriculture to continue the operation of the dairying and livestock experiment station at Mandan, North Dakota; to the Committee on Agriculture and Forestry.

S. 2971. A bill to provide for the acquisition of a site and the erection thereon of a Federal building in Williston, North Dakota; to the Committee on Public Works.

By Mr. MAGNUSON:

S. 2972. A bill to punish the willful damaging or destroying of aircraft and attempts to damage or destroy aircraft, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. WATKINS:

S. 2973. A bill to provide for the hospitalization and care of the mentally ill of Alaska, and for other purposes; to the Committee on Interior and Insular Affairs.

AMENDMENT OF BANKHEAD-JONES FARM TENANT ACT, RELATING TO INSURANCE OF FARM HOUSING LOANS

Mr. STENNIS. Mr. President, I introduce, for appropriate reference, a bill to amend the Bankhead-Jones Farm Tenant Act to further authorize the insurance of farm-housing loans.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2961) to amend the Bankhead-Jones Farm Tenant Act to further authorize the insurance of farm-housing loans, introduced by Mr. STENNIS, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

Mr. STENNIS. Mr. President, since 1933, the Federal Government has furnished funds or has guaranteed loans for a total of $57.9 billion to build family-housing units. Only $592 million of this amount or only 0.0107 percent thereof, has been used for families living in rural areas. Today, there are no funds available at all for such purposes under Federal housing legislation and only a very limited authority under the Bankhead-Jones Farm Tenant Act.

America is going through a transition. Many of our small farms are being rapidly liquidated. Our smaller farmers are moving away from the farm to the towns in search of a job. Many of them must have additional income beyond their farm production, but they do not need to leave the farm to obtain it. With modern transportation, they can continue living on the farm, can cultivate or have cultivated their land, and take a factory job in town themselves, or have some member of their family do so. The entire family will be far better off; and, in addition, the community life and the community church—in fact, all community projects—will continue to have the support of the farmer and his family. At the same time the children will be reared in the country and will have all the benefits of community life, the best environment a child can have.

In the order of things, a new or a remodeled dwelling house is a necessary part of this new situation. The family earnings can well finance a loan for this purpose. The best investment we could make to better farm living conditions, I think, is to provide such a loan. This is the purpose of my bill. Many of our people can, and should, remain on the land even though one or more of the family work in town.

This applies with special force to the young rural couple starting out in life, either exclusively on the farm, or in instances where one of them fills a job in town.

I visualize this bill as having a threefold purpose:

First. To provide adequate, long-range, sound loans for the construction and remodeling of family-size farm dwellings for families living on the land who make their principal income from the land upon which they live or land near thereto.

Second. To provide the same type loans for dwellings to those historically living on the land, even though their principal income may not be from agricultural pursuits.

Third. To provide the same type loans for dwellings for those of either of the above groups who are building their first home. I would insist that all loans must be for dwellings located in a rural area.

I want to preserve the family farm and our rural community life. It is one of the principal foundation stones of our patriotism, our social order, and our entire economy. At the same time, it is the main spiritual reservoir of the Nation.

I believe that this bill will prove helpful to the farmers of our Nation, and I hope that Congress will give it a full vote of approval at the earliest possible date.

EXTENSION OF VETERANS' READJUSTMENT ASSISTANCE ACT OF 1952

Mr. NEUBERGER. Mr. President, on behalf of myself, the senior Senator from Maine [Mrs. SMITH], my colleague, the senior Senator from Oregon [Mr. MORSE], the Senator from Kentucky [Mr. CLEMENTS], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Washington [Mr. MAGNUSON], the Senator from Montana [Mr. MANSFIELD], the Senator from Michigan [Mr. MCNAMARA], and the junior Senator from Maine [Mr. PAYNE], I introduce, for appropriate reference, a bill to extend the provisions of the Veterans' Readjustment Assistance Act of 1952 until such time as existing laws authorizing compulsory military service cease to be effective; and to provide for payment of tuition and fees of veterans receiving educational benefits under such act. I ask unanimous consent that I may speak on the bill in excess of the 2 minutes allowed under the order which has been entered.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the Senator from Oregon may proceed.

The bill (S. 2962) to extend the provisions of the Veterans' Readjustment Assistance Act of 1952 until such time as existing laws authorizing compulsory military service cease to be effective; and to provide for payment of tuition and fees of veterans receiving educational benefits under such act, introduced by Mr. NEUBERGER (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

Mr. NEUBERGER. Mr. President, I have just introduced a bill which will not only be of benefit to our Nation as a whole but particularly to millions of young men and women, both now and in the future, who are members of the Armed Forces.

This bill proposes to reestablish the GI bill of rights, which was the Magna Carta of those who fought in World War II and in the Korean hostilities.

Sadly and inexplicably, the GI bill has been allowed to die. For example, the vital educational benefits of the GI bill expired on January 31, 1955. Despite much oratory about education in general, a program which had done more than any other comparable undertaking in our history to expand the educational opportunities of our young people has been abandoned.

First and foremost of all the aspects of the GI bill of rights, the educational benefits should be restored. The legislation which I am introducing today would accomplish just that. The Members of the Senate will remember that the educational provisions of the GI bill offered an honorably discharged veteran the financial means to spend 1 month at a school or college of his choosing for approximately each month spent on active military service in the Armed Forces of the United States.

PRESENT SERVICEMEN DESERVE EQUAL CONSIDERATION WITH RECENT VETERANS

Let me explain why this program should be restored.

In the first place, it is a matter of simple equity to our present servicemen. We still are drafting men for duty with the military. We still are sending them to such remote and potentially dangerous outposts at Okinawa, the Aleutians, northern Alaska, Greenland, North Africa, our zone of Berlin, and to many other spots which are either unpleasant as localities in which to live or in close juxtaposition to our possible foes.

Why should these boys, dispatched to lonely outposts, be denied the GI bill benefits which went during World War II to many servicemen who never left the shores of the United States? Can such discrimination be defended? I think not.

GI BILL RAISED EDUCATIONAL LEVEL OF PRESENT GENERATION OF AMERICANS

Furthermore, think of the vast benefits which the GI bill brought to the United States as a whole while it was still in effect.

This measure raised the average educational level of millions of World War II veterans by three full grades—from the second year of high school to the freshman year of college. If better education is good for our Nation—and who would dispute that premise—then this program was of incalculable good.

Consider the miraculous way in which the GI bill of rights has helped to produce the skills which America needs. It trained 180,000 doctors and registered nurses, 113,000 physical and research scientists, 450,000 civil engineers, 36,000 clergymen, 83,000 policemen and firemen, and 711,000 skilled mechanics. Can money alone even commence to measure the real wealth which these trained and skilled people have added to the productive resources of this country?

In Denver last year President Dwight D. Eisenhower expressed the opinion that our young people ought to stay in school longer. He was correct, 100 percent correct. Education helps everybody—the individual and the public. The more education, the better.

About 50 percent of the high-school students who graduate in the upper 25 percent of their classes, are not now receiving a college education. To lose the mental ability and alertness of these students is as much a wasted resource as if a forest burns or topsoil is washed away, perhaps more so. Let us send to college as many of our talented young people as possible. Let us begin by sending to school the ex-servicemen who have recently take off their Army, Navy, Air Force, and Marine uniforms. The GI bill of rights, while not a panacea, will by the sheer law of averages add to the Nation's human resources the full capabilities of many of the gifted young men and women who might otherwise be permanently lost to college classrooms.

NATIONAL SECURITY REQUIRES MORE SKILLS AND ADVANCED EDUCATION

Not only our general standard of living but also our national security is intimately involved in our need for more and better education.

I recently have read that Admiral Lewis L. Strauss, chairman of the Atomic Energy Commission, has been lamenting the superiority of Russia over us in the training of physical scientists and engineers. Admiral Strauss knows the vital importance of this to the production and improvement of nuclear weapons, and also in the peacetime uses of atomic energy, such as in medical research and treatment of dreaded diseases like cancer. Only last week the Joint Committee on the Economic Report, in its study of automation and technological change, emphasized that—

> We can certainly not dismiss lightly the generally accepted evidence that professional engineers are currently being graduated at a rate nearly twice as fast in Russia as in this country, and that technicians are currently being turned out at 30 or 40 times our rate.

The committee quoted from the testimony of such experts as Dr. Vannevar Bush, famous chief of our wartime scientific research and weapons development programs, and Dr. A. V. Astin, Director of the National Bureau of Standards, expressing concern over the problem of our increasing national shortage of skilled personnel. The warnings expressed by these men could be multiplied by statements from many other leaders in the sciences, education, and industry, and I am sure they have already come to the attention of Members of the Senate. But the conclusions of the Joint Committee on the Economic Report are so directly relevant to my subject today that I would like to quote them to the Senate:

> The fact is that much of the knowledge and personnel upon which we are drawing so heavily today comes as a byproduct of the military background of the past decade. Under the necessity of war and defense expenditures, the Federal Government has contributed immeasurably to the building up of a comfortable present supply of trained personnel.
>
> * * * * *
>
> It is a question of finding and accepting a peace-time program to take the place of in-service training of technicians, and war-accelerated and militarily sponsored college programs, and the later support and encouragement of education afforded by the so-called GI bill of rights.
>
> Some twenty million persons now in civil life have been in the Armed Forces and a large part of these were given specific forced-draft training of some kind.
>
> * * * * *
>
> This great pool of knowledge cannot be regarded as inexhaustible or self-replenishing. The dangers of its depletion deserve the fullest attention of all in making sure that high-school and college training are made possible for young people with demonstrated ability and aptitude so that the Nation and the economy as a whole can continue to profit by the fruits of knowledge.

What better way, then to overhaul the Soviet Union in the preparation of scientists, and to assure us of the other skills our civilization must have, than to revive the program which once increased enormously the technical and cultural training of millions of young American men and women?

But educational reasons, compelling though they may be, are not the sole justification for restoring the GI bill of rights.

NATION CAN WELL AFFORD BENEFITS OF GI BILL OF RIGHTS

There is the whole great question of equality of sacrifice. This question must confront every democracy which drafts its youths for military service, while others stay safely at home and even enjoy greater personal prosperity because of the economic impact of war and preparations for war.

When I was in my teens, I heard a great deal from leaders of various veterans' organizations about how we would have no more blood millionaires and how we would draft capital as well as men in the next war. These sentiments stemmed from a revulsion over the exposés of munitions fortunes made out of the death and suffering of World War I.

Despite these noble sentiments, we are as far today from equality of sacrifice as ever before. Ceilings have been lifted from armaments profits, and yet we have abandoned the one real program by which we tried to compensate our soldiers and sailors for the loss of a certain number of years out of their lives. The excess-profits tax is dead, and so, ironically, is the GI bill of rights. We have squashed the tax which retarded the war millionaires, and we have killed the program which provided educational and other readjustment opportunities for our GI's. Is that fair and just? Can a democratic government justify inequality of treatment?

During World War II we sought by taxation to recapture some of the excess profits pumped into the economy through war orders. The excess-profits tax is now off the books. At the same time, profits of the great suppliers of defense materials—and accordingly the value of the shares held by their investors—have skyrocketed.

For instance, perhaps 95 percent of all outstanding aircraft orders represent military purchases. In 1945, at the end of World War II, the average value of the 8 leading aircraft companies—most of

which are now among the largest defense contractors—had risen about 30 percent over their prewar level. The excess-profits tax expired on December 31, 1953. The average value of these 8 stocks for 1954 was 371.8 percent of prewar—1935–39 average—and for the first 11 months of 1955 was 552.5 percent of prewar. Last February, when the danger of war in the Pacific seemed high, they reached 617.8 percent and again in November 1955, reached a point of 614 percent of the 1935–39 level.

Currently the largest defense contractor is the General Motors Corp. The price of its common stock—adjusted for stock splits—ranged from $31 to $39 per share in 1945, reached a level of $99 in December 1954 and of $139.50 on December 30, 1955. The range for 1955 was from a low of $102.75 to a high of $162.

Also among the largest defense contractors is the General Electric Co., whose stock ranged from $37 to $50 in 1945, rose—adjusted for stock splits—to $140 in December 1954, and closed on December 30, 1955, at $173.25, and the leading petroleum companies, Standard Oil of California and Standard Oil of New Jersey, for instance, have had the value of their common stock quintupled since 1945.

REVIVAL OF GI BILL WOULD ASSUME EQUALITY OF SACRIFICE

I am not criticizing these great companies, but we cannot close our eyes to the fact that unprecedented increases in corporate stock values have been based to considerable extent on the renewed heavy defense expenditures of recent years, unchecked by tax or other controls over profits. And these profits stand in startling contrast to what has happened to other sectors of the economy. Corporate profits after taxes for 1955 are estimated at over $21 billion compared to $17 billion in 1953—an increase of more than 25 percent since the end of excess-profits taxation. During the same period, workers' pay has gone up 5 percent, and the income of American farmers has deplorably dropped 12.2 percent.

Today we spend on armaments each year almost as much as we averaged annually during the Korean war, and we must anticipate a continuation of such exenditures for the indefinite future. Last year we imposed on our servicemen—unwisely, I think—new compulsory Reserve obligations extending for years the period during which they are compelled to interrupt their normal civilian way of life. In the light of all of these facts, shall we say we cannot afford to provide for these men and women the opportunities which were the unchallenged right of all those who entered the service as late as January 31, 1955? In the light of the need for a more skilled, better educated new generation, Mr. President, can we afford not to give them this opportunity?

The bill which my cosponsors and I have introduced would contribute greatly to the wealth and strength of our Nation, while redressing a wrong we are doing to the young men and women now in the service. Recognition of the familiar GI benefits as a feature of our veterans' legislation as long as we have compulsory military service may perhaps impose some new responsibilities on the military and on the Veterans' Administration. The latter will need to maintain careful qualifications and standards that will assure that the program will actually obtain the educational results which justify its adoption. And the services should institute comparable benefits for men who are willing to sign up for longer tours of duty, so that they do not make a disproportionate sacrifice by their readiness to serve the Nation.

But questions such as these are secondary to the principle of extending to our present servicemen opportunities which many millions of present veterans have enjoyed as a matter of course. And that principle, I am confident, will have the support of the American people.

AMENDMENT OF NATURAL GAS ACT AS AMENDED—AMENDMENT

Mr. WATKINS. Mr. President, I submit an amendment, intended to be proposed by me, to the bill (S. 1853) to amend the Natural Gas Act, as amended. I ask unanimous consent that it lie on the table, be printed, and be printed in the RECORD, together with an explanation, prepared by me.

The PRESIDENT pro tempore. The amendment will be received, printed, and will lie on the table; and, without objection, the statement will be printed in the RECORD.

The amendment is as follows:

On page 10, after line 14, to insert the following:

"SEC. 5. Section 3 of the Natural Gas Act is amended by inserting between the second and third sentences thereof a new sentence as follows: 'It shall not be deemed to be consistent with the public interest to authorize the exportation or importation of natural gas in any case where the Commission finds that such exportation or importation will result in unemployment, or injury to competing fuel industries of the United States.'"

The statement presented by Mr. WATKINS is as follows:

The Senate is currently considering amendments to the Natural Gas Act which are designed to free the producers of natural gas from Federal controls. The measures which propose such change are the Fulbright and Harris bills. A great deal has been said on the floor of the Senate about the need for amending the Natural Gas Act in order to protect the public interest and the debate on the merits of this issue has been vigorous. However, I feel that the issue before the Senate is broader than the concern over the status of the producers of natural gas—there is the greater consideration of insuring the self-sufficiency of the Nation in its overall fuel economy. Because of this consideration, I am today introducing an amendment which I intend to propose to the Fulbright bill which would amend the Natural Gas Act by giving the Federal Power Commission additional authority to deal with the important problem of the importation and exportation of natural gas.

My proposal would amend section 3 of the Natural Gas Act by vesting the Federal Power Commission with the right to determine whether or not proposed importations or exportations of natural gas would result in unemployment or would cause injury to competing American fuel industries. This proposal merely seeks to afford protection not now included in the act for the best interests of our Nation in peace and war. It seems unwise to me, in view of the many applications now pending before the Federal Power Commission for authority to import and export great volumes of natural gas, that the Commission should be without sufficient power to deal adequately with this problem.

The Federal Power Commission itself has repeatedly called upon the Congress to give it additional authority in view of the rising importance of this question. In the annual reports of the Commission to the Congress in 1951, 1952, 1953, and 1954, the request was made to broaden the authority in this connection.

In the report of the Federal Power Commission to the House Interstate and Foreign Commerce Committee on May 2, 1955, in connection with the consideration of the Harris bill, there was a further recommendation for expanded authority to deal with imports and exports of natural gas. My proposal would give the Federal Power Commission the right and duty to determine whether proposed imports or exports would cause unwarranted unemployment or substantial injury to competing American fuel industries. It does not seem reasonable to give Government sanction to the importation of natural gas, taxfree, into the areas now being adequately served with American coal, oil, and natural gas. It is my understanding that the principal purpose of the promoters of the prospective trans-Canada natural-gas pipeline is to tap American fuel markets as a sort of quasi-subsidization of the Canadian project. The fact is that Canadian law provides that no Canadian gas shall be made available to American markets until the needs of Canada are first fulfilled. Further, as I understand it, Canadian law provides that all gas coming into the United States is subject to being cut off without notice if the Canadian Government so desires. A consequence of these factors is that this Nation can be placed in the precarious position of building up dependency upon the will of a foreign nation for sources of fuel that cannot be said to be firm in view of the law in question.

Insofar as the State of Utah is concerned, we have important coal, oil, and natural-gas resources and it appears to me to be an anomaly, to say the least, for promoters to be advancing the idea that we must bring in foreign fuel to serve the fuel requirements of my State. I want to be absolutely certain before any such project is approved that it has received careful scrutiny by the agency charged with the duty to examine such a proposition. The Federal Power Commission is not now vested with sufficient legislative direction from the Congress to make the type of inquiry absolutely necessary to guarantee adequate protection to the constituents of my State—as well as the people of the United States.

Heretofore, this problem has not been of sufficient importance to command the immediate attention of the Congress because relatively small amounts of natural gas are being imported or exported under the present law. However, in view of the many promotional projects now under consideration and in prospect, it is time to take a second look at the Natural Gas Act. It must be remembered this measure was enacted into law in 1938, at a time when natural gas in any quantity had not been discovered in Canada. Furthermore, I am now advised that plans are in the making for bringing natural gas in from Mexico. In view of all of these considerations, I feel that careful consideration should be given to this amendment to the Natural Gas Act at the same time you are considering action with respect to the Fulbright and Harris bills to free the producers of natural gas from Federal control.

I have studied carefully the arguments on both sides that have been advanced on the floor of the Senate in connection with the Fulbright and Harris bills. I am persuaded that the proponents of the Fulbright and Harris bills are moved by the same considerations that prompt me to introduce my amendment today. It has been said again and again that removal of Federal control over the producers of natural gas would encourage the exploration and development of our own natural-gas resources. It has been said, and I believe it is probably true, that this would add to the Nation's security and would contribute generally to the achievement of the Nation's fuel self-sufficiency. By the same token, it is my firm belief that the necessary exploration and development of natural-gas resources would be seriously retarded if we are to permit the present policy of importation of foreign natural gas without sufficient standards to protect American interests. It is necessary that all segments of our national fuel industries be protected from any practice which would adversely affect the continued development of our own coal, oil, and natural-gas resources.

PROPOSED EXPERIMENTAL NATIONAL FLOOD INDEMNITY AND REINSURANCE PROGRAM—AMENDMENT

Mr. BUSH. Mr. President, I submit an amendment, in the nature of a substitute, intended to be proposed by me to the bill (S. 2862) to provide for an experimental national flood indemnity and reinsurance program, and for other purposes. I request that the amendment be referred to the Committee on Banking and Currency.

The proposed amendment makes no major substantive changes, but corrects certain technical defects in draftsmanship. It is being introduced at the present time in order that the Committee on Banking and Currency may have a clean draft before it when hearings are held.

The PRESIDENT pro tempore. The amendment will be received, printed, and referred to the Committee on Banking and Currency, as requested by the Senator from Connecticut.

AMENDMENT OF SOCIAL SECURITY ACT—AMENDMENTS

Mr. JOHNSTON of South Carolina submitted amendments, intended to be proposed by him, to the bill (H. R. 7225) to amend title II of the Social Security Act to provide disability insurance benefits for certain disabled individuals who have attained age 50, to reduce to age 62 the age on the basis of which benefits are payable to certain women, to provide for continuation of child's insurance benefits for children who are disabled before attaining age 18, to extend coverage, and for other purposes, which were referred to the Committee on Finance and ordered to be printed.

DISPERSAL OF INDUSTRIAL FACILITIES—ADDITIONAL COSPONSOR OF BILL

Mr. BENNETT. Mr. President, I ask unanimous consent that the name of the Senator from Kansas [Mr. CARLSON] be added as a cosponsor to the bill (S. 2879) to promote the dispersal of industrial facilities in the interest of national defense, which was introduced by me on January 9, 1956.

The PRESIDENT pro tempore. Without objection, it is so ordered.

SCHOOL CONSTRUCTION — ADDITIONAL COSPONSORS OF BILL

Pursuant to the order of the Senate of January 12, 1956, the names of the Senator from Vermont [Mr. FLANDERS], the Senator from Colorado [Mr. ALLOTT], the Senator from Maryland [Mr. BEALL], the Senator from Maine [Mrs. SMITH], the Senator from Ohio [Mr. BENDER], the Senator from Connecticut [Mr. BUSH], the Senator from Illinois [Mr. DIRKSEN], and the Senator from North Dakota [Mr. YOUNG] were added as additional cosponsors of the bill (S. 2905) to authorize a 5-year program of Federal assistance to States and communities to enable them to increase public elementary and secondary school construction, introduced on January 12, 1956, by Mr. SMITH of New Jersey (for himself and other Senators).

PROPOSED JOINT COMMITTEE ON UNITED STATES INTERNATIONAL EXCHANGE OF PERSONS PROGRAMS—ADDITIONAL COSPONSOR OF JOINT RESOLUTION

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that the junior Senator from Minnesota [Mr. HUMPHREY] be included as a cosponsor of the joint resolution (S. J. Res. 120) to establish a joint congressional committee to be known as the Joint Committee on United States International Exchange of Persons Programs, which was introduced by me on Monday, January 16, 1956.

The PRESIDENT pro tempore. Without objection, it is so ordered.

PRINTING OF ADDITIONAL COPIES OF SENATE DOCUMENT NO. 51

Mr. CHAVEZ. Mr. President, some time ago the Senate authorized the printing of certain documents under the title of "Senate Document No. 51, 84th Congress." Under that authority, a certain number of copies were printed.

It now appears that the Senate document room and the House document room need additional copies. I send to the desk a resolution providing for the printing of 800 additional copies of Senate Document No. 51, at an estimated cost of $900, which is within the customary limit.

The PRESIDENT pro tempore. The resolution will be received.

The resolution (S. Res. 187), submitted by Mr. CHAVEZ, is as follows:

Resolved, That there be printed for the use of the Committee on Public Works 800 additional copies of Senate Document No. 51, 84th Congress, 1st session, entitled "Middle Snake River, Snake River and tributaries, Wyoming, Idaho, Oregon, and Washington."

The PRESIDENT pro tempore. Does the Senator ask for immediate consideration of the resolution?

Mr. CHAVEZ. I should like to have it considered at this time, because it is important that additional copies of this document be printed.

Mr. KNOWLAND. Mr. President, may I correctly understand the unanimous-consent request of the distinguished Senator from New Mexico?

Mr. CHAVEZ. I am asking unanimous consent for the immediate consideration of the resolution I have submitted, authorizing the printing of additional copies of Senate Document 51. It contains information with regard to the Snake River in the States of Idaho, Washington, Oregon, and Wyoming.

Mr. KNOWLAND. Mr. President, I assure the Senator from New Mexico that I shall probably have no objection to the adoption of the resolution. However, I should like to have an opportunity to look into it. Therefore, I would appreciate it if the Senator from New Mexico would permit consideration of the resolution to be postponed until later in the day.

Mr. CHAVEZ. Very well.

The PRESIDENT pro tempore. The resolution will lie over temporarily.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD.

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. PAYNE:

Address by the Vice President of the United States before the golden anniversary dinner of the Poor Richard Club in Philadelphia, Pa., on the 250th anniversary of the birth of Benjamin Franklin.

By Mr. WILEY:

Address delivered by him at Marshall College, Huntington, W. Va., on January 22, 1956.

By Mr. MARTIN of Pennsylvania:

Remarks made by him in presenting to Mr. Mike Benedum a plaque, and the words of acceptance of the plaque by Mr. Benedum.

AMENDMENT OF THE NATURAL GAS ACT, AS AMENDED

Mr. WILEY. Mr. President, yesterday I placed in the CONGRESSIONAL RECORD a series of grassroots messages from the State of Wisconsin, rightly opposing the Harris-Fulbright bill.

I did so in order to make unmistakably clear the position of the State of Wisconsin on this issue.

But, more important, is the position of the 47 other States of the Union which count on it.

I am pleased now to offer evidence as regards the position of many of the 47 other States.

Recently, the mayor of Wisconsin's largest city, Milwaukee, Hon. Frank P. Zeidler, acting on his own initiative, in the public interest, communicated to a large number of mayors all over the country. He invited their reactions on the Harris-Fulbright bill, and asked their judgment on ways and means of presenting the facts before the American public and the Congress.

Mayor Zeidler has forwarded to me the responses as they have poured in.

I am pleased to present pertinent excerpts now. These excerpts reflect the genuine judgment of the mayors and other officials of some of America's foremost municipalities.

By way of contrast, I should like to make a matter of public record the text of an open letter which I have written today to Mr. Alex M. Clark, who purportedly represents a group of mayors and so-called small gas producers on the other side of this issue.

As I have stated very frankly to Mr. Clark in this letter, I believe that his organization is just so much eyewash. And it is not very clear eyewash at that, because it is designed to befog the eyes of the American people, instead of opening their eyes to the real facts.

The real facts are that the Harris-Fulbright bill is now and has always been a menace to the American economy.

It is an inflationary menace. It is an anticonsumer menace. As such, it must be amended in the public interest, so as to provide not sham protection, as it does now, but genuine protection for 30 million consumers.

I ask unanimous consent that the text of the valid excerpts from the mayors and the text of my open letter to Mr. Clark and his invalid, unrepresentative organization be printed at this point in the body of the CONGRESSIONAL RECORD.

There being no objection, the excerpts and letter were ordered to be printed in the RECORD, as follows:

JANUARY 18, 1956.

Mr. ALEX M. CLARK,
Chairman, Joint Committee of Consumers and Small Producers of Natural Gas, Washington, D. C.

DEAR MR. CLARK: I have at hand your letter of January 16, in which you refer to an organization purportedly representing "350 mayors and over 400 small gas producers of some 30 States," as allegedly being in favor of the Harris-Fulbright bill.

I am glad that you have written to me, because I had noted the formation of your somewhat curious organization, according to wire service reports and had been meaning to write to you.

I am taking the liberty of doing so now in the form of this open letter.

I think that the American people will be most interested to see the names of the mayors whom you assert are members of your organization and the cities which they purportedly represent. We will be interested in noting in what States these cities predominate.

Moreover, the American people would be interested in learning the source which initiated your group and its precise financing of your organization—whether the initial financing has come from the mayors (which is certainly to be doubted), or from the small gas producers, or who knows, perhaps directly or indirectly from the large gas producers who stand to profit from the present bill—over a period of years to the tune of literally billions of dollars.

Let me say in all candor that from what has been seen of it, competent observers regard your organization as a phony.

They feel the organization's name is a phony and its purpose is a phony.

You cannot possibly genuinely represent the consumers of so much as one city of the United States, because the consumers' interest, even in a great producing State like Texas, is unequivocally on the side of fair Federal regulation of natural-gas rates.

Competent observers believe that your organization was established strictly as a smoke screen. It was designed to befog the issue. It was designed to fool any gullible Americans who might be naive enough to think that consumer ranks were allegedly split on this issue.

As for the small gas producers, the fact of the matter is that, although there are a goodly number of small producers their total production is completely insignificant in relation to the massive volume of the few large producers.

I wonder what would be your position and that of the small producers which you purportedly represent, on an amendment which may be offered to clear the air. It would exempt small producers from the type of genuine Federal Power Commission control which should certainly, at the very minimum, be imposed on large producers.

I assure you, sir, I make all the above comments not in any personal way as a reflection against you or any individual mayor of ex-mayor who happens to see things differently from myself and from my associates in our fight to protect the Nation's interest.

You have a right to present your viewpoint and to organize accordingly.

But I think that the American public should be made aware, as I am trying to make them aware by means of this open letter, that your organization is the type of transparent device which any intelligent American can see through a mile or 2,000 miles away. The smell of oil is all over your group.

At any rate, you are not going to be successful in splitting the ranks of American consumers, because 30 million consumers should and will know that they will be gouged mercilessly if the phony controls in the Harris-Fulbright bill are enacted.

I have written to you in frankness because folks in the State of Indiana or folks in the State of Texas ordinarily appreciate frankness.

Lastly, I point out that I am placing in the CONGRESSIONAL RECORD today messages from mayors received from all over our country which, unlike your own group, genuinely reflect consumer interest, and which rightly oppose the Harris-Fulbright bill.

Sincerely,

ALEXANDER WILEY.

WATERLOO, IOWA, *January 3, 1956.*

* * * * *

Our city council has already taken action in this matter. * * * the enclosed resolution was adopted on December 27. * * *

As you will see in reading the resolution, our Waterloo City Council officials are unalterably opposed to the passage of the Fulbright bill and should there be any united effort on the part of the mayors of our country to help defeat this bill, I know that our city will join in such an effort.

With kindest personal regards, I remain,

Yours very truly,

L. A. TOUCHAE,
Mayor.

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* * * * *

Resolution No. 12312

Resolution stating that it is the sense of the City Council of the City of Waterloo, Iowa, that the Fulbright bill now pending in the United States Senate should be defeated and directing that certified copies be forwarded to the Honorable BOURKE HICKENLOOPER and the Honorable THOMAS MARTIN, Senators from Iowa

Whereas there is presently pending in the Senate of the United States, proposed legislation known and designated as the Fulbright bill, the House of Representatives counterpart of which known there as the Harris bill having already been adopted; and

Whereas the stated purpose of these two bills is to remove from the Federal Power Commission authority and jurisdiction to regulate producers who sell natural gas to interstate pipelines for resale in interstate commerce; and

Whereas reasonable regulation is the lifeblood of constitutional government and a foundation stone of our democratic processes; and

Whereas informed, impartial persons are almost completely of the opinion that removal of such regulatory powers will result in unprecedented, unjustified and excessive rate increases in the charges collected for the sale of natural gas by these producers; to the extreme detriment of him who ultimately pays the bill, the consumer; and

Whereas it would appear to be in the public interests that such measure be decisively defeated by United States Senate action: Now, therefore, be it

Resolved, That it is the sense of the city council of the city of Waterloo that in the interest of this city, its administration, and of its 75,000 inhabitants from all walks of life, that the Fulbright bill, now pending in the United States Senate should be overwhelmingly defeated by that honorable body and that the interests of the consuming public should continue to be protected through proper regulation by the Federal Power Commission; be it further

Resolved, That certified copies of this resolution be forwarded to the Honorable BOURKE HICKENLOOPER and to the Honorable THOMAS MARTIN, Senators from Iowa.

Passed and adopted this 27th day of December A. D. 1955.

LAWRENCE A. TOUCHAE,
Mayor.

DEARBORN, MICH., *January 4, 1956.*

* * * * *

The city of Dearborn will do everything in its power to continue to oppose the adopting of this legislation in Congress. We have already contacted both of our United States Senators from Michigan and both have indicated their opposition to the Fulbright bill. * * *

Yours cordially,

DALE H. FILLMORE,
Corporation Counsel.

JANUARY 3, 1956.

Beg to advise am definitely interested in concerted opposition to passage of such bill and will be glad to participate in any concerted effort which may be arranged to fight passage of bill. * * *

HUGH S. PATTERSON,
Mayor, City of Gadsen.

SPRINGFIELD, MO., *January 10, 1956.*

* * * * *

Last night at an informal study meeting of the council it was agreed that the Springfield City Council would pass a strongly worded resolution condemning the Fulbright bill and requesting our Missouri Senators to oppose it. Copies of this resolution will be sent to both Senator HENNINGS and Senator SYMINGTON and to the Senate committee. In addition, various members of the council will personally contact our Senators. We are acutely conscious of the dangers of this bill, since we are now engaged in fighting a substantial increase in gas rates requested by our supplier.

The council further authorized me to attend a meeting of mayors to consider this proposal * * *.

Yours very truly,

WARREN M. TURNER,
Mayor.

SCHENECTADY, N. Y., *January 9, 1956.*

* * * * *

I am opposed to the passage of the Fulbright bill exempting independent producers

of natural gas from regulation by the Federal Power Commission. I would be glad to join with * * * other mayors to urge the Senate to defeat the bill.

* * * * *

Sincerely yours,

SAMUEL S. STRATTON,
Mayor.

BALTIMORE, MD., *January 4, 1956.*

* * * * *

I testified before the House committee at the recent hearing on the Harris bill.

I am unequivocally opposed to any Federal legislation which would exempt from regulation by the Federal Power Commission independent producers of natural gas-making sales in interstate commerce for resale.

I have a continuing interest in this problem on behalf of the consumers of Baltimore city and will do all in my power to assist you in this fight.

Very truly yours,

THOMAS D'ALESANDRO, Jr.,
Mayor.

PHILADELPHIA, PA., *January 10, 1956.*

* * * * *

I feel just as strongly as our former mayor, Joe Clark, did about the natural gas question.

* * * * *

Sincerely,

RICHARDSON DILWORTH,
Mayor.

PROVIDENCE, R. I., *January 11, 1956.*

* * * * *

New England, in general, including the State of Rhode Island, is very much concerned with the subject of this bill and its possible effect upon the economy of this area. I believe, * * * that our Senators and Congressmen in Rhode Island are solidly committed to opposing this bill.

* * * * *

Very truly yours,

WALTER H. REYNOLDS,
Mayor.

NEWARK, N. J., *January 6, 1956.*

* * * * *

I have followed the course of the Fulbright bill from its inception, and I have at all times cooperated with the other officials interested in protecting the rights of the consumer. * * *

I shall do all within my power to help the cause.

Yours very truly.

LEO P. CARLIN,
Mayor.

BUFFALO, N. Y., *January 4, 1956.*

* * * * *

The city of Buffalo has been one of the leading advocates for the defeat of both the Fulbright and Harris bills. Please be further informed that we shall continue our interest in this matter in the hope that the bills will ultimately be decisively defeated.

The mayor * * * is very much interested in banding together with other mayors to propose ways and means to defeat these measures.

Yours very truly,

JOHN J. NAPLES,
Corporation Counsel.

STAMFORD, CONN., *January 9, 1956.*

* * * * *

During the early part of December, I happened to be in Washington and was in personal contact with Senator WILLIAM PURTELL (from Connecticut) who expressed his desire to defeat this bill. * * *

Be assured of my continued interest to defeat (it) * * *.

With kindest regards, I am

Sincerely,

THOMAS F. J. QUIGLEY,
Mayor.

DETROIT, MICH., *January 4, 1956.*

* * * * *

Our mayor, Albert E. Cobo, has instructed me to represent him in these matters, as I did at the hearing before the committee of the House of Representatives.

Of course, I shall do all in my power to carry out his wishes and help toward the defeat of this proposed legislation.

* * * * *

Sincerely yours,

JAMES H. LEE,
Special Assistant Corporation Counsel, Public Utilities.

TOLEDO, OHIO, *January 10, 1956.*

* * * * *

We have kept in close touch with the progress of the Harris-Fulbright bills and some of the many matters related to those bills.

* * * * *

We are even more disturbed about the impact of these bills than we were at the time of the passage of the House bill. The reasonable standard which would be permitted in the form of the going rate has been seriously affected by the court review of the Commission's decision in the Panhandle Eastern Pipe Line Co. case. The Court of Appeals for the District of Columbia on December 15, 1955, in the dockets Nos. 12351 and 12359 reversed the finding of the FPC in the Panhandle case, in which the Commission had prescribed "just and reasonable rates for Panhandle's own production." It would appear to us that the Panhandle decision of the Commission is a facet of the entire price structure that is very closely related to the language of the amendments to the Harris bill.

The "economic incongruity" to which the Commission referred in discussing field prices in the Panhandle case, would be more than renewed under present circumstances if the Harris-Fulbright bill is adopted. The only reason for making reference to the Pan handle decision is that it undoubtedly will be pressed as an argument on behalf of the proponents of the bill. It appears to us that it can equally well be used as an argument against the bill.

* * * * *

Yours very truly,

J. H. NATHANSON,
Special Gas Counsel,
City of Toledo.

INDEPENDENCE, MO., *January 2, 1956.*

* * * * *

We are in a great battle now before FPC costing in the thousands of dollars.

Our Senators and Congressmen are committed to defeat of Fulbright and Harris bills. I am with the cities all the way. * * *

Best regards,

R. P. WEATHERFORD, Jr.,
Mayor.

"BRINK OF WAR" AND NATIONAL SECURITY

Mr. SYMINGTON. Mr. President, according to Secretary of State Dulles, this country has been on the brink of war three times in the past 3 years.

Despite that assertion, the net savings made in the cost of Government since this administration took office 3 years ago have been at the expense of our national security.

Whereas between $7 and $8 billion have been cut from our national defense in the past 3 years, the cost of Government for items other than those for national defense has actually gone up about $4 billion.

How many Americans know that?

Except for farm income, nearly everything else has gone up, especially production and profits of our great corporations.

The Secretary of State must know something about the condition of the world; and therefore all Americans now know they were much closer to war than they were told—not only once but three times.

Now let us see how this administration has reacted to these worsening conditions.

Compared with the fiscal year 1953, expenditures for major national security purposes during the current fiscal year have been reduced about $11 billion.

Although Mr. Dulles says we faced possible war, the money spent in 1954 for major national security was nearly $6 billion less than the amount spent during the previous year; and it is now estimated to be cut even further in 1956.

That is why, today, many of our latest jet planes are grounded because of lack of mechanics—a deference to the importance of money which can only delight the Communist conspiracy.

When, in 1953, this administration attempted to justify the tremendous cuts in personnel—those were the days of all the derisive talk about "paper wings"—the late great General Vandenberg pointed out that if these cuts were put into effect, regardless of how many planes America produced, there would not be enough people on hand to operate and maintain them. This prophecy has turned out to be only too true.

In recent days the American people have learned that whereas 3 times the Secretary of State had us at the brink of war during the past 3 years, the Secretary of Defense was unaware of that fact, and continued to bull through his program of consistent, heavy defense cuts.

Apparently there is as much need for more unification in the Cabinet as there is in the Pentagon.

In any case, the people are becoming more and more confused, and this situation should be cleared up.

THE BRINK OF WAR

Mr. WILLIAMS. Mr. President, I invite the attention of the Senate to a quotation from Mr. Fletcher Knebel's column, published in the Washington Evening Star of January 17, 1956. It reads as follows:

Democrats lambasted Secretary of State Dulles for his "brink of war" strategy. Democrats don't dare go near the brink of war any more—our last three Democratic Presidents fell off.

COMMENDATION BY SENATOR WILEY OF SECRETARY DULLES' TUESDAY CONFERENCE

Mr. WILEY. Mr. President, I ask unanimous consent to have printed in

the body of the RECORD a statement I have prepared in commendation of the statement by Secretary Dulles in his conference on Tuesday.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

SENATOR WILEY COMMENDS SECRETARY DULLES' TUESDAY CONFERENCE

(Statement by Senator WILEY)

I should like to say just a few words with regard to the controversy over the views attributed to Secretary of State Dulles in the current Life magazine article.

I shall speak only briefly on the subject, and shall present my points in outline form, as follows:

1. In my judgment, the Secretary did a masterful job yesterday at his press conference in setting forth anew for all who genuinely want to see, with clear and unprejudiced eyes, the true dynamic nature of American foreign policy.

The Secretary wisely pointed out that military deterrents are of course but one aspect of our foreign policy, along with patience, a conciliatory attitude, and the continual objective to make a peace a vital force for justice and human welfare.

DON'T REHASH HISTORY

2. I believe that it is unproductive to attempt to rehash the historical incidents referred to in the Life article.

History has written the record. The Secretary of State has merely commented on history, as it occurred.

SECRETARY'S PHILOSOPHY CLEARLY DRAWN

3. Contrary to various assertions, the philosophy of the Secretary as indicated in the Life article is not something brand new. The wise pattern of his philosophy has been drawn throughout not simply the Secretary's successful years in his present high office, but throughout a lifetime of constructive words and deed.

Individuals who will take the time to study the record will see how the Secretary, in speech after speech, has consistently set forth the basic philosophy that America cannot hope completely to avoid danger, if she intends to survive and to have the free world survive.

This is a dangerous world. It is not a world as we would want it to be, but it is a world which we must face in a firm realistic fashion.

The Secretary has repeatedly well pointed out that the surest way to avoid war is to put a potential aggressor on notice that when the vital interests of the United States are affected, we are prepared to defend them "if need be, by life itself."

Here, again, the record of history will speak for itself in full justification of the Secretary's position.

The Secretary's factual theme that World Wars I and II came about because potential aggressors thought that they could get away with aggression—that theme, it seems to me, is indisputable.

RESULTS COUNT

4. Basically, it is the results in history which count.

The results of the wise policies of the President of the United States and of the Secretary of State have been that we have avoided war.

We have, moreover, extricated ourselves from one war—and we did so on as honorable a basis as was possible at the time of the Korean peace talks.

The American people, appraising the results, know they are at peace.

They know that the chances for continuing at peace have been immeasurably strengthened by virtue of the President's and the Secretary's wise policies.

The American people will not be misled by partisan charges. They will heed constructive results, and they are thankful for constructive results.

DEMOCRATIC SUPPORT

5. Let me next point out that every single one of the major legislative-executive steps in American foreign policy since the Eisenhower Administration took office, have been taken with the support of our colleagues in the Democratic Party.

The constructive roles which have been played, in particular, by the distinguished chairman of the Senate Foreign Relations and House Foreign Affairs Committee represent such sterling patriotism and leadership that all Americans are indebted to these distinguished Legislators.

We hope, and have every reason to believe, that this record of nonpartisan cooperation will continue.

The policy of necessarily taking calculated risks is not, therefore a Republican conception. It is a nonpartisan conception—and it has been carried on with nonpartisan support.

The worldwide system of alliances, of security treaties and agreements—bilateral and multilateral—which we have wisely constructed in self-defense, have been the product of the best thinking and the fullest support by both parties.

I ask, in all frankness: Does the Democratic Party propose specifically to abandon any single one of these treaties or agreements? Does it actually now propose any specific alternatives, to the policies which we have already carried on with the Democrats' own support?

DISTORTION OF A PHRASE

6. It is a fact that the "brink of war" quotation was ambiguously phrased. It is a fact that the phrase does lend itself unfortunately to misrepresentation and distortion.

But the Secretary of State can hardly be expected to account for every last syllable and every last word in every last sentence, as written by reporters, however competent, in appraising complex American foreign policy.

Surely we can debate issues on the level of their true significance, rather than debating issues on the level of some particular phrase which is less preferable and precise than better defined terminology.

In any event, it is not John Foster Dulles who is responsible for America's having been close to conflict; it is the aggressive, imperialistic U. S. S. R.

Secretary Dulles responded to the danger; he did not create it.

FALSE PICTURE OF UNITED STATES

7. Basically, I believe that some of the attacks against the Secretary are completely beyond the bounds of fairness.

Some of these attacks unwittingly build up the same type of utterly fallacious picture of the United States which is occasionally drawn abroad and to which all thinking Americans rightly object.

I refer to the type of picture of America as an allegedly "war-mongering power," "eagerly rushing toward the edge of nuclear conflict."

Any such picture of the United States is utterly false, utterly misleading, and utterly unjustified.

Any attempt to distort the career of John Foster Dulles, a man who has devoted his lifetime, not only to peace, but to the spiritual foundations of peace—any such attempt is unworthy of a thinking American.

UNFAIR REMARKS BY STEVENSON

8. I read with regret, and almost with disbelief, the remarks made by Presidential candidate Stevenson, in St. Paul.

Surely, millions of Democratic voters might expect higher type remarks than Mr. Stevenson made about Secretary of State Dulles.

Surely, Mr. Stevenson, with his intellectual talent, realized that there is absolutely nothing in what the Secretary of State said, or, more important, in what he has done, which really offers the slightest possible justification for so extreme remarks as the Democratic Presidential candidate made.

CONTROVERSY WILL BLOW OVER

I conclude by saying:

This current controversy will blow over, and it will blow over soon. It will blow over soon, because it is not a debate of substance; it is largely a politically inspired attack, based on distorted phrases and misunderstanding.

The free world knows and respects the wise philosophy of John Foster Dulles. It is a philosophy which has been approved and encouraged by the President of the United States, by the Congress of the United States and the people of the United States.

It is a philosophy which has helped us avoid war. It is a philosophy which is constantly strengthening the peace.

It is a philosophy to which no one here, has offered a reasonable, specific alternative.

Beyond dispute, this is a dangerous world, and unhappily, we must continue to live in some danger.

But the fact that we are willing to do so is, in itself, a great help in reducing the danger of war.

COMING ANGLO-UNITED STATES TALKS

Soon we will welcome to our shores Prime Minister Eden. We trust that the coming talks in this country will effectively contribute to ever closer Anglo-American understanding and action. We know that the talks will get down to substantial issues, and away from any dispute over a reporter's phraseology.

Let us, then, turn to the big job before us.

Some partisan talk may of course, continue to rage.

But I respectfully submit that my own remarks are intended, not in partisan defense nor in partisan attack, but to set the issue in proper perspective.

In the mutual security bill, soon to be evaluated by the Senate and House Committees, we are confronted by problems of great enormity and complexity.

Let us turn our fullest energies, our best talents, to the task. And the people of all the world will thereby be more indebted to us than if we were to choose to continue a sterile and largely partisan debate on a reporter's phrases.

EISENHOWER AND THE FUTURE

Mr. BUTLER. Mr. President, included in a series of articles appraising the Eisenhower administration, published by the Baltimore Sun in November of last year, were two outstanding articles by C. P. Ives, which I ask unanimous consent to have printed in the body of the RECORD. Mr. Ives, one of my favorite writers, develops a theory of internal logic concerning Government and economics which I am certain my distinguished colleagues will find most interesting.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Baltimore (Md.) Sun of November 7, 1955]

EISENHOWER AND THE FUTURE—I

(By C. P. Ives)

GOVERNMENT AND ECONOMICS

Mr. Eisenhower's illness has altered the whole future prospect of the United States.

The all-but-certainty that he would run again and win again and thus continue present programs until at least 1961 abruptly shifts into an all-but-certainty that the presidency will pass into other hands in 1957. What effect would the passing have on the country? To take first things first, what effect would it have on the American economy?

One way to start guessing would obviously be to see what effect Mr. Eisenhower's policies have had on the economy to date. As even his Democratic critics are aware, the effect to date has been good. How good is probably best seen by citing some percentages of improvement in key areas of the economy. As it happens, the United States News and World Report has put just such a table of percentages together.

The figures show that total output of goods and services rose 6 percent between the time the President was inaugurated and the time he was taken ill. Factory and mine production was up 4 percent. The margin of increase in all construction was a full 11 percent. Housing starts—with their special social and population significance—gained by 18 percent.

The Eisenhower years brought a 4 percent boost in business investment in plant and equipment. Employment gained 2 percent, personal income after taxes 8 percent. Dividends rose 18 percent, corporate profits after taxes (which with dividends are the source of new job-giving investment), 15 percent; private credit, 15 percent. Not unnaturally, the stock market, that thermometer of business growth and investor confidence, showed the biggest gain of all, 68 percent.

On the other hand, and let it be said at once: The farm statistics are less favorable. The index for prices received for all farm products reached its Korea war-boom peak in February 1951 when the figure was 313. The index had dropped to 263 by February of 1953, just after the inauguration of Mr. Eisenhower. That is a loss of 50 points. In August of this year, the index was down to 233. This is a loss of 30 points during the Eisenhower term up to that date.

But, note that the farm-price drop started in the previous administration; and that the index fell 50 points to the end of that administration as against 30 points up to now under Eisenhower. Statistics do not ease the burden on farmers having price troubles. They do prove that the farm-price decline began before Eisenhower and has been shorter in the Eisenhower years than before. And the most recent statistics at least suggest that the long decline may have halted and that, under the Eisenhower farm policies, a stabilization of prices may be about to set in.

But for policies that over all work so well it is necessary to have some rather detailed explanation. What are Mr. Eisenhower's economic views? What kind of thinking has led to this veritable kaleidoscope of pleasant economic signs and symptoms (outside of farming)?

Put it this way: Mr. Eisenhower is unlike the adolescent who believed in education, but hated to go to school. He does not resemble the playboy who defended the theory of policing, but had no patience with cops. The President differs from his immediate predecessors in government: They daily proclaimed their love of private enterprise and their distaste for private enterprisers.

The great new things that Mr. Eisenhower brought into Government was a wholehearted acceptance not merely of the theory of private business but of all its implications, philosophical and practical, including its personnel. More broadly, Mr. Eisenhower knew that the American economic system is merely one phase of our general practice of liberty. He knew that liberty has an organic natural law, what Professor Polanyi calls an internal logic. He knew that if you accept the premises of this logic, you have to follow through to the conclusions. In economics, Mr. Eisenhower knew, the main conclusion was that there is no room for Government coercion.

So, under Mr. Eisenhower, the Government has intervened very little in the actual inward operations of the production system. Instead, it has left the private managers and the labor peope free to operate production. Government has confined its own efforts to sitting at the edge of the economy and doing what can be done to maintain the economic climate most compatible with freedom.

Not, of course, that Mr. Eisenhower reverted to the naked let-alone doctrines of more primitive times. He was perfectly aware that the new intricacies of our economy required more intricate climate controlling machinery. That explains his continuance of much of that part of the New Deal reform which was climate regulating (as against production bossing) in its nature and purpose.

To illustrate in general: Mr. Eisenhower maintained and even extended the social-security system with its guarantee of minimum income to large numbers of consumers even in times of adversity. But not once has he seized a private industry to force a prounion wage contract down its managers' throats.

And this labor-management business is as good a place as any to begin listing the specific tools which Mr. Eisenhower and his people have applied at the edge of the economy to regulate its climate in a way to stimulate the production exertions of free men. Basic to the Eisenhower labor policy has been a simple return to Government impartiality as between workingmen and managers. The Government no longer pushes into the middle of every large labor dispute.

When Mr. Eisenhower came to Washington, managers were assured, not that the balance of Government favoritism would now swing away from workers and toward managers, but that Government favoritism would disappear. Freemen were left to operate in freedom, restrained only by a rule of equal law applied from the edge by the Government's climate-regulators.

The theme of impartiality sounded again in the great tax revision which drew 40 years of miscellaneous and often contradictory enactments into a coherent code. Central in this code was recognition of Lord Keynes's theme—that consumer purchasing power must be maintained in massive volume at the base of the income pyramid. But newly stressed were the needs of enterprise and of capital formation: The expansion of plant, the proliferation of equipment, the deeper probing of mineral veins, the wider prospecting of oil areas—in brief, the multiplication of jobs, the growth of the common wealth.

But a tax policy adjusted to the internal logic of liberty must be supplemented by a pro-liberty credit policy. Taxes take money away from enterprisers; the credit policy must make money available but on terms which incite to prudent risk and against unsagacious gamble. Here the Eisenhower Treasury and the Federal Reserve Board have continued a partnership that was already working when the Republicans came into office. Between them they manage the $278 billion public debt in a way to keep interest rates to the general public low enough to promote production and high enough to block inflation. And this is another way of saying that the dollar's purchasing power is stable—a thing vital to investors and consumers alike.

Nor is the exercise at the periphery of balance and flexibility limited to the money market. The Eisenhower innovation in farm policy has again been one of flexibility. The Democrats cling in peacetime to the high-level price supports of war long after the need of wartime bumper crops is over. The Republicans aimed to relate support policies more sensitively to the normal demands of peace. Just as supports at the war levels brought out surpluses unusable in peacetime, so supports that flexed with peacetime demands would guarantee supply up to the point of use—and none beyond.

The surpluses generated under the error of the old plan have, to be sure, slowed the effectiveness of the new. But the very burden of the old surplus warns against the policies which caused it and which, if continued, would add new surplus. Moreover, the attack on surplus through flexible supports administered from the edge of the farm economy is the one alternative to that straight-arm Government policing of farms and farmers which the logic of liberty rejects.

And just as farmers, though measurably protected, are brought back into contact with the freedom of the market, so manufacturers are offered tariff protections which promote rather than stifle the competition of foreign producers. Mr. Eisenhower has secured a full 3-year extension of the Reciprocal Trade Agreements Act. He is pushing the technical-aid programs which emphasize abroad as do the tariff theories at home that producers are free and that the best help is self-help.

So far, though, the tools listed are those which operate primarily upon producers, and promote supply. There are comparable tools which promote the steady consumers' buying power without which no production program can flourish. The social-security system, already mentioned, has, in the Eisenhower years, been expanded over the sound Democratic beginnings. The great tax code, as stated, is aimed, among other things, to assure strong consumer purchasing power at the massive base of the income pyramid. The farm program assures a steady demand on the countryside for the things city working men and managers have to sell.

Well, then, if these are typical of the tools with which the Eisenhower climate-makers have worked in a period when the logic of economic liberty has showered abundance on the population, what will happen if Eisenhower leaves the Washington scene?

This really is the question: How real a statesman is Mr. Eisenhower? Somebody has said that the essential quality of statesmanship is the aptness to be right. Mr. Eisenhower has certainly been right in his economic policies—that, the statistics of growth and development show. But another quality of statesmanship is the ability to root the statesman's policies so that they flourish after he has passed from office. Has Mr. Eisenhower been able to do that?

Frankly, we do not know. It is too early to tell. We have had the faintest hint that he does possess this other ability of the statesman in the steady way his staff, his subordinates, have continued on during the weeks of his illness. But the candid man must concede that this does not prove too much about the longer projection of Eisenhower policies into that indefinite future which extends beyond his departure from the White House.

This, however, may be said: Mr. Eisenhower has attuned his administration to the inward logic of liberty, the inherent rhythm of a free economy. Those adjustments which its most fruitful functioning required, he has made. Like a sailor who turns every gust of wind to his advantage by the skill of his tacking, Mr. Eisenhower has worked steadily with nature, the economic nature of private capitalism, not against it. He has set up a model so clear, so true, so incontestably effective, that his successors will be blind, indeed, to ignore it.

[From the Baltimore (Md.) Sun of November 8, 1951]

EISENHOWER AND THE FUTURE—II

(By C. P. Ives)

WHAT COULD HAPPEN

Yesterday's article showed that the Eisenhower domestic policies were keyed to the

inherent logic of a free economy. It was pointed out that what Mr. Eisenhower wanted the Government to do was to sit at the edge of the national economy and regulate the climate in which free men operated enterprise. What Mr. Eisenhower did not want the Government to do was to push into the internals of the economy and itself try to boss production. The Eisenhower model, it has been said here, was clear, true, and incontestably effective.

But the question remains: Will his successors and his would-be successors follow the Eisenhower model? Or will they ignore it? How will the public be able to tell?

The place to look for evidence one way or the other is obviously at those points in the economy where the logic of liberty is most vulnerable to the pressure of politics. Those sectors are farm policy and labor policy. Successors or would-be successors to Mr. Eisenhower who propose to abandon the Eisenhower economic policies will first show their hand in what they do on farm and labor policy.

As of now (though perhaps not as of the time of next year's election campaign) the Eisenhower policy of flexibility in farm-price supports is most vulnerable to political pressure. As stated already in this look at the Eisenhower policies, farm prices have been going down. Shortsighted and vote-greedy politicians in Government and in the farm-pressure groups will obviously push for rigid price supports in politically sensitive farm crops, and let the consequences be what they may.

Yet, as has already been pointed out, the greater part of the farm-price decline up to date occurred before Eisenhower—when just such high-level rigid supports were in effect. The Eisenhower plan of flexibility has not yet had time really to take hold in all crops. (In dairy products, where it was applied first, it has so far lived up to expectations.) And remember that the Eisenhower policy of flexible supports is keyed to the logic of economic liberty: It aims to adjust farm production to the demand for farm products by adjusting supply more sensitively to the free forces of the open market.

But if the free way of adjusting farm supply to demand is abandoned, freedom for farmers will be in danger. That is to say, the one way to avoid more of the very same kind of farm surplus which the high-level rigid supports have already produced would be to clamp down an iron Government control of how much land a farmer tilled and how much—and what kind of—crop he produced on that land.

The natural pressures for this kind of control would be still further enhanced by what would be an almost certain companion measure to a new high-level, crop-support plan. The companion measure would be some version of the unlamented Brannan plan of food-price subsidy. The high-level supports would tend to keep food prices high. But city voters banded in great labor organizations would demand low food prices. This whipsaw pressure on the cost of food would bring the Brannan plan anew out of the cobwebby cupboard of quack economic medicines.

Under some new Brannan plan, the Government would support high, the farmers would sell cheap, and to close the gap direct subsidies would be piped to the farmers out of the Treasury. In this way the revenues extracted from all of us would be mortgaged to help pay for the food which favored urban consumers took from the favored countryside. But to retain any kind of control at all on the size of these new farm subsidies, the Government would have to push harder than ever to keep farm surpluses down. Farm surpluses would reduce sales prices on food and as sales prices fell, the Treasury subsidies would grow and grow. Even men of budgetary recklessness would reach a point where iron control of farmers appeared the necessary alternative to complete fiscal chaos.

Equally perilous to the logic of liberty would be a return by the successors or would-be successors of Mr. Eisenhower to the pre-Eisenhower labor policies. These policies are well remembered. They consisted in a steady alinement of the Federal Government on the labor side of every argument. They led to a rash of plant seizures, of nationwide paralysis strikes, of wage settlements whacked out by tripartite boards controlled by reliably prolabor public members.

The pro-labor policy of a post-Eisenhower administration would, however, produce even more devastating results than those known in the past. Remember that the two great national labor outfits are now being merged into one federation. It is easy to exaggerate the power of the resultant combine. It is especially easy to exaggerate the power of such a combine to swing the votes of its members. But, while avoiding the dangers of exaggeration on one side, wise men will not underestimate the extent to which such a monolith of organized union power could impose its will on a cowed and complaisant Federal administration.

And yet even a cowed and complacent administration will turn and fight when cornered. Beguiled by the unions away from its mere climate-regulating place at the edge of the economy and into the bossing of production, such an administration could use its interior place to put labor down. The result could be what it was in 1946, when an American President proposed to draft striking railwaymen and drive them back to work at bayonet point, if necessary. The result as in 1947 could be million-dollar fines on union treasuries for flouting laws past the point where government tolerance of such flouting stops.

On the management side of the production process, the result could be timidity and doubt, the retraction of credit, the withholding of investment, the curtailment of enterprise, the ebbing away of jobs and payrolls.

There is, in brief, a logic of unliberty just as forceful and pushing as the logic of liberty. The economic meaning of Eisenhower has been that liberty produces abundance through the efforts of freemen uncoerced by government but working in a climate regulated from the edges by government. The meaning of unliberty in any American version will be what the now universal experience of other nations has been with government intervention in the economy—an always widening area in which men are forced to do what the government says and an always narrowing production of the goods by which men live.

We may be sure that none of the sucessors or the would-be successors to Mr. Eisenhower will openly confess any desire to follow the logic of unliberty. But we must watch what they do more than what they say. We must everlastingly beware of political adolescents who believe in education, but don't like school. We must beware of political playboys who serve the logic of liberty with their lips and the hard rules of unliberty and nonabundance in their actual conduct of affairs.

THE NATIONAL SCIENCE FOUNDATION

Mr. SMITH of New Jersey. Mr. President, in 1950 the Congress established the National Science Foundation. The chief purpose of the foundation is to promote and encourage basic research in the sciences.

This very important work has always encountered difficulty in the Congress when annual funds for the foundation have been requested.

Many of us have found it necessary to make annual pleas to the appropriate committees of the Senate to reinstate funds cut by the House for the National Science Foundation.

It is a difficult task for a layman to convince other laymen of the importance of giving the National Science Foundation adequate support.

In the New York Times magazine section of January 15, there appeared a very excellent article by Esther Everett Lape, entitled "The Basic Reason for Basic Research."

In order that my colleagues may better understand why the National Science Foundation deserves their wholehearted support, I ask unanimous consent to have this article printed in the RECORD as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE BASIC REASON FOR BASIC RESEARCH

(By Esther Everett Lape)

The President's current recommendation of significantly increased funds for medical research raises the question of how this research money can be most effectively spent. Will there be a greater return in projects aimed at some specific disease and its cure? Or in the fundamental research basic to solution of all medical problems? The former approach is standard: A leading ophthalmologist observed the other day, "Congress seems quite willing to earmark funds for trachoma, which is no longer a problem in this country, but balks at specific requests concerned with basic physiology of the eye." Yet comprehensive knowledge of the physiology of the eye would undoubtedly throw light on a host of eye diseases.

Research showing results that are obviously practical (and not too long delayed) such as a new miracle drug or a new vaccine always commands support. Adequate support has not always been available, however, for research which may ultimately have a far greater practical value for medicine but which has not yet reached the stage when it can be directly applied by physicians and surgeons. Realization that, quite aside aside from phenomenal discoveries, research in laboratories of biology, chemistry, physics, and atomic energy is steadily remaking medicine certainly needs to be heightened in the public mind.

There have been many evidences of the practical value of work that may have appeared for years to be remote from medicine. In the Second World War, heavy mortality from shock among men suffering the intensified wounds and burns of modern warfare could be combated only by blood transfusions, but supplies of whole blood for this purpose were desperately inadequate. In the Harvard laboratories of physical chemistry, intensive work had been going on for many years on fractionation of blood. This work had been described only a decade before the war by the foundation that was supporting it as "abstruse and likely only slowly to come to widespread recognition for its essential importance." Yet, this abstruse work was able, in the emergency, to produce the essential fractions that could substitute for whole blood. Deaths from shock were sharply decreased.

The Salk poliomyelitis vaccine was possible only because of a preceding half-century of fundamental work, some of it quite outside the virus field. The intervening phases were many, involving many workers. Of the earlier steps, one of the most important was development of a simple method of tissue culture by Harrison, of Yale. Of the later steps, an essential one was cultivation of the poliomyelitis virus in other than nerve tissue

by Harvard workers, Enders, Robbins, and Weller. Virus cultivated in nerve tissue had been found to involve danger of paralysis, and therefore to be unsuitable for vaccines.

When a new drug for treating tuberculosis was found and justly acclaimed, perhaps a few stopped to think back to the research in optics that went into the microscopes that made it possible to see the germ—a visualization essential to understanding the disease. Fewer still perhaps thought of the chemical research on the glass that made possible the optics; or of the development of the stains that aided in visualization of the organism through the glass; or of the methods of culture or the fundamental studies in microbial nutrition that made possible the culture media. Yet these and literally thousands of other details constituted the basic research essential to the ultimate "discovery" of the drug.

Experience showed the entirely practical value of fundamental research to many of the national lay organizations established with the hope of swiftly finding the cause and cure of such diseases as cancer, heart disease, poliomyelitis, rheumatism and arthritis, multiple sclerosis, muscular dystrophy and other conditions that bring death or ruin life. Under the chastening influence of their developing work, these organizations inevitably learned that basic research has to be applied all down the line in order to get the facts that must be applied to the final achievement.

The American Cancer Society has put millions of dollars into fundamental studies of growth, essential to understanding cancer, which is abnormal cellular growth. The National Foundation for Infantile Paralysis has spent millions in basic research on the nature of viruses. Better understanding of any one virus, among the approximately half-hundred viruses that cause human disease (ranging from fever blisters, warts, the common cold to influenza, "shingles," encephalitis, poliomyelitis, smallpox) might shed a degree of light on all viruses.

We haven't reached the millennium. It may be a long time before all physicians and all the public fully realize that dealing with the end results of disease is an unsatisfactory business and may be a longer way around than dealing with fundamental problems of the cell and protoplasm—which is the essential substance of the cell.

All diseases are, in the last analysis problems of protoplasm. Most of our present knowledge of biology and medicine is attributable to a century of work on the individual cell, its chemical composition and structure, its organization, the principles or substances that regulate or influence its activity. Since disease and the process of aging are merely alterations of the normal behavior of cells and tissues, understanding of the normal cell is the first line of approach to understanding disease.

It would be hard to forecast from just which type of laboratory will come the beam that will illumine some intractable medical problem. The cell physiologist, working on division and growth in normal cells of sea urchins, is making no prophecies as to how far, and when, his work will be applicable to the abnormal division and growth of human cancer cells. Yet it is from such work as this that promising vistas are being opened in cancer research.

The neurophysiologist, concentrating on the single axon of the squid, is not promising that his work will solve the problem of mental illness. He simply knows that all work on the structure and function of the nervous system is in some way related to mind and behavior. Sometimes, when no clue seems to exist in any particular direction, the only course open to the investigator is relentlessly to pursue basic research for its own sake.

Basic research is the safest and the most direct road to solution of the outstanding problems of medicine, from cancer to schizophrenia. The basic research involved is wide and varied. It includes, for instance, the whole field of biology.

Detlev Bronk once raised the question as to whether we are rigidly to continue calling the man who studies the mechanism of the heartbeat in the lobster a zoologist and the man who studies exactly the same thing in human beings a physiologist. "If it had not been for studies on peas and insects," the National Research Council's committee on problems of sex pointed out, "we should probably know little of the principles of determination and heredity of sex in man." Any fundamental discovery in biology, whether related to sea urchins, fruit flies, frog's eggs, squids, has repercussions throughout the entire realm of the biological sciences, "especially in the complex science that we call medicine."

The basic sciences of chemistry, physics and mathematics (electronic brains) are continually making contributions to biology and medicine. So also is atomic energy research. From it the greatest benefit to medicine is probably the radioactive isotopes produced by the uranium chain-reacting pile. Isotopes have stimulated hope of understanding the nature of the cancerous cell and why and how it is able to spread to other parts of the body.

Thus—constantly drawing upon research in biology, chemistry, physics, atomic energy—medicine is a free-wheeling eclectic. Some findings significant for medicine may come to pass in almost any laboratory. To survey, in easily comprehended terms, all the lines of basic research that may ultimately turn out to be important for medicine would be an ambitious project. Yet somehow the story needs to be made clear if the basic research needed for medical progress is to be understood and adequately supported. At present, would the man who digs deep into his pocket for a contribution to the cancer campaign support a "drive" for more intensive work on a subject so far-away sounding as, for instance, the structure of proteins?

To such a question, we can all furnish the answer. Yet, protein structure, a problem that has been called "equivalent to life itself," is actually an urgent medical problem. Almost all components of every tissue are either proteins or in a state of dynamic interaction with proteins. Proteins are important in the maintenance of tissues, in the healing of wounds, in the integration of joints, in all vital processes. They are significant in the growth and division of the cancer cell, of the egg cell determining fertility.

The protein of the heart muscle, involved in every heartbeat, is significant in all heart conditions. Modified proteins ("antibodies") are significant in infection and immunity; "abnormal" proteins (viruses) are important in all virus diseases. And because the nature of proteins lies at the very root of health and disease, investigators (as Linus Pauling, Nobel lauerate in chemistry) have said of the only partly solved problem of protein structure: "It must be solved; the future of medicine depends upon it."

Some of the connections between fundamental research of this kind and nine of medicine's present unsolved problems are illustrated in the current report of the American Foundation, Medical Research: A Mid-century Survey." While the 9 diseases were selected merely to illustrate the need of basic research in each (and in all disease), all 9 are also leading causes of mortality and morbidity. Three of them—arteriosclerosis, hypertension, rheumatism—are related to heart disease, the major killer in this country. Cancer ranks second among causes of death throughout the Nation. Tuberculosis, virus diseases, infertility, chronic alcoholism, schizophrenia are all among the gravest medical problems.

For some of these a degree of control has been achieved. For others, the responsible microorganism is known. But real understanding and rational instead of empirical treatment of them all is dependent upon further basic research.

Some of the conditions require research converging from several directions But often they are not yet really converging: This is true, for instance, of schizophrenia, the number one riddle in mental illness. One group (including the psychiatrists and psychoanalysts) hold that both the cause and cure are psychic. The other group (neurophysiologists, electrophysiologists, biochemists) holds that schizophrenia is as truly physiological as any other disease but simply too subtle for solution by research at its present stage. They, nevertheless, emphasize the physiological as against the psychiatric approach on the theory that there can be no twisted thought without a twisted molecule. Yet in both camps perceptive leaders admit the need of combined attack.

"Let the biologists go as far as they can," said one psychiatrist, "and let us go as far as we can. Some day the two will meet." But the meeting will not take place until much more fundamental work has been done on both sides.

Every new discovery or achievement is a summons to further research. Salk was the first to say of his vaccine: "This is only a beginning." The current vaccine presents pressing questions which only further research can answer: can safer strains be found or developed; for how long can immunity be achieved; is live or killed vaccine the best hope; what principles can be established for developing effective vaccines for other virus diseases—measles, influenza, encephalitis, mumps, the common cold?

Only further research can place the powerful remedies, ACTH, cortisone, hydrocortisone, on a rational instead of the present empirical basis. In spite of their often dramatic effects, they do not change the disease processes themselves. Yet they are reported to be used in a hundred diseases and as the remedy of choice in 45. They dampen but do not extinguish the fire. They provide "an asbestos suit behind which the patient, like some biblical Shadrach, Meshach or Abednego, protects his tissues from the fire. If this protection is removed prematurely, before the fire has spent itself, the patient and his tissues will react again to the burning. But if the protection is not discarded until the natural duration of the fire is over, the patient remains largely free of symptoms and apparently 'well'."

One investigator said of these remedies a few years ago: "We are putting coins in the music box and out comes the music, but we have no idea of what we are doing." Further fundamental work must be done before physicians can rely on anything but inspired guesses to tell them with whom and for what to use these hormones.

Streptomycin research in tuberculosis has been described as having raised more problems than it has answered. These new problems (how the drug really acts, why resistance to it develops) can be solved only by further laboratory research.

Not only streptomycin but all the "mycins" now highlight the danger of application that is not oriented by continuous research. While accomplishing their miracles, the antibiotics have also raised fundamental biological questions. The present tendency to use them in all infections, minor as well as major, and to use them seriatim, "one on top of the other," is not, as pointed out by Finland of Harvard, based on any clear relation between the condition treated and the efficacy of the particular antibiotic.

Perhaps the greatest challenge the antibiotics present to basic research is the emergence of resistant strains of organisms in infections that had at first responded to one or several combinations of antibiotics. "As each antibiotic is introduced," observed Dowling in 1953, "we hear first of miraculous cures, secondly of deleterious reactions, and then of the appearance of resistant strains. There are no combinations of antibiotics, so far as I know, which will prevent the emergence of resistant strains; they merely delay their appearance or diminish their number."

The Salk vaccine, the antibiotics, ACTH are all epochal achievements in modern medicine. But "there is something curiously ephemeral," as Esmond Long once put it, "about a method of treatment or prevention. The one thing that lasts is the growth of knowledge and there is no end to that."

By way of endorsing basic research in principle, we as a Nation took a long step forward in 1950 when Congress established the National Science Foundation. Its functions include encouragement of a national policy for promotion of basic research in the sciences, including biological and medical science.

Public interest in the foundation's functioning—as translated into congressional action—was not, however, sufficient to provide the foundation with funds commensurate wits its research mandate. The President's budgetary request for $14 million for the year 1951–52 was scaled down by Congress to $3,500,000. By June 1955 the foundation (since 1951) had made over 1,500 awards totaling $15,560,000 for the support of basic research and related matters. Approximately half of this not very large sum for a 4-year period was directed to awards in biology and medicine.

Certainly there is need for enlarging the Nation's basic research, whether governmental or extragovernmental, bearing on biology and medicine. Those who want the fruits of research (antibiotics, vaccines) must appreciate, as Paul Weiss of the National Research Council once observed, the need of starting with the seed, the proper soil, and the need of tending the orchard. It is from scientific capital, from the backlog of research in the purest realms of science, that new products and new processes result.

COMMEMORATIVE STAMP HONORING ANDREW W. MELLON

Mr. MARTIN of Pennsylvania. Mr. President, I desire at this time to call to the attention of my colleagues in the Senate the issuance of a commemorative stamp by Postmaster General Arthur E. Summerfield in honor of the late great Andrew W. Mellon on the occasion of the 100th anniversary of his birth.

This stamp is of the greatest significance to all Americans. Our Republic has always bestowed its highest praise upon men and women of outstanding achievement.

Andrew W. Mellon was a great Pennsylvanian and a great American.

His genius helped our country to become great and strong.

His dedicated Americanism, as Secretary of the Treasury, helped to bring about reduced taxes, and a reduction in Government spending and of the public debt.

His love of country inspired him to leave to all of his fellow citizens the great National Gallery of Art with its priceless collections.

During his period of public service he expressed a plain and simple philosophy which rings out and which must sound upon our ears as we commence the important work of this session of Congress. He said:

The people generally must become more interested in saving the Government's money than in spending it.

The words—this message—cannot be repeated too often, nor can the application of this basic philosophy be ignored.

The ceremonies inaugurating the issuance of the stamp—the first day of issue—were impressive and inspiring. They were held on Tuesday, December 20, 1955, in the National Gallery of Art, in Washington, D. C.

Because of the significance and historic importance of this occasion, I ask unanimous consent to have printed in the body of the RECORD, immediately following the conclusion of my remarks, the text of the program which was held in honor of Mr. Mellon.

There being no objection, the program was ordered to be printed in the RECORD, as follows:

INVOCATION, THE REVEREND EDWARD L. R. ELSON, THE NATIONAL PRESBYTERIAN CHURCH, WASHINGTON, D. C.

Eternal God we thank Thee for this good land which Thou hast given us for our heritage. We thank Thee for all the resources of nature and human personality by which our fathers led us from strength to strength. We thank Thee for the patriot's devotion and the hero's valor; for the toil of brain and toil of hand; for the creative skills and directing genius by which our Nation has become great and strong. We render unto Thee heartfelt gratitude for him whom we honor this hour—for his talents in commerce, his gifts in statecraft and his stewardship of treasure and public office by which he has glorified Thee and served his fellow man.

As we honor those who have been the lights of the world in their generation, so we beseech Thee to forge us into one united people, "Strong in the Lord and in the power of His might," that we may be great enough and good enough and strong enough to be the instruments of Thy righteousness upon the earth in our age.

Regard with Thy favor the President of these United States that he may serve this people and Thy kingdom in wisdom and strength.

Uphold all who are set in authority over us. As we sing again the glad anthems of this season, we pray Thee to lift all consultations for the peace of the world into the higher order of Thy kingdom and as once more we bow before the manger of Bethlehem, wilt Thou cradle in our hearts and express in our lives the holy virtues of charity and good will.

Through Jesus Christ our Lord. Amen.

INTRODUCTORY REMARKS BY DAVID E. FINLEY, DIRECTOR, NATIONAL GALLERY OF ART

We have met here today to take part in a very special ceremony. The Government of the United States, through its Post Office Department, is issuing a memorial stamp, commemorating the centennial of the birth of Andrew W. Mellon, who numbered among his many achievements the founding of the National Gallery of Art.

It is a great and deserved honor that his Government is paying him; and it is particularly appropriate that this ceremony should take place in this building which has come to all of us as a gift from Mr. Mellon. Speaking for the trustees and staff of the National Gallery, I should like to say to the Postmaster General that we are most grateful to him for giving us an opportunity to take part in this ceremony and for holding it in this building.

There are many friends of Mr. Mellon's here today and also members of his family, including his son and daughter-in-law, Mr. and Mrs. Paul Mellon. On the platform are the two Senators from Pennsylvania, Senator MARTIN and Senator DUFF, and Congressman JAMES FULTON from Pittsburgh, while in the audience are many old friends of Mr. Mellon's Washington days, all of whom rejoice at this honor that is being paid to his memory.

Mr. Mellon will be remembered for many reasons. He was, first of all, a builder—a creator of banks, of great business enterprises and industries. Thus he gave to thousands of men and women the opportunity to lead useful and productive lives by supplying goods and services which the world needs. He also served his country well as Secretary of the Treasury, and later as Ambassador to Great Britain. But, in addition to all these things, Mr. Mellon recognized the obligation to contribute not only to the progress and the physical well-being of the American people, but also to their cultural and spiritual needs. I shall mention only one of the many instances in which he succeeded in doing this and that is in the founding of the National Gallery of Art.

When Mr. Mellon came to Washington in 1921 as Secretary of the Treasury, he found here no Government-owned museum with a comprehensive collection of paintings and sculpture by the greatest masters, such as could be found in other world capitals of comparable importance. He determined to provide a building and to give to the American people his famous collection of works of art to form the nucleus of what he hoped would some day become a great national collection.

In making his gift, Mr. Mellon expressed the hope that this newly established National Gallery would attract gifts from other colectors throughout the country, and this has proved to be the case. Great works of art have come to the National Gallery from Mr. Samuel Kress and his brother, Mr. Rush Kress, from Mr. Chester Dale, from the Widener family, from Mr. Lessing Rosenwald, and many others. Today, in the scope and quality of its collections, the National Gallery ranks with the great art museums of the world. More than 24,000,000 people have visited the National Gallery since it was opened in 1941, and all have carried away some knowledge or some happy impression that they did not have before. That is a great deal for any group of men to have done for others, and that is why Mr. Mellon and other benefactors of the National Gallery will always be remembered by a grateful country.

That is also the reason why Mr. Mellon, although he was a truly modest man and tried to efface himself in connection with his gift of this building and his collection, will always be held in grateful remembrance by this and future generations as the founder of the National Gallery of Art.

REMARKS OF HON. EDWARD MARTIN, OF PENNSYLVANIA

The great Republic of the United States of America has always bestowed its highest praise upon men and women of outstanding achievement.

We have always recognized those who have contributed to the greatness of our country in statesmanship, national defense, agriculture, commerce, industry, labor, science, invention, and in cultural and spiritual leadership.

We are met today in one of the most beautiful edifices in the world—dedicated to the enrichment of our cultural life. It is a most appropriate place to honor the memory of Andrew William Mellon because this mag-

nificent structure and its priceless collection of cultural treasures represent the fulfillment of Mr. Mellon's great dream.

Several years before he announced his decision to build a magnificent center of art as a gift to the American people, Mr. Mellon told me of his plan. I congratulated Mr. Mellon and remarked that the Mellon Museum of Art would be an everlasting monument to his memory. I suggested that it might be located in the city of Pittsburgh as a source of cultural inspiration for generations far into the future.

But Mr. Mellon shook his head. He said he would not permit his name to be applied to the project he had in mind. He would prefer—in fact, he would make it a condition of his gift—that it be designated as the National Gallery of Art, in order that others might contribute their art treasures to make the gallery truly national in character.

He said that, while he loved Pittsburgh, he felt it would be a greater honor to his native city to have the gallery in the Capital City of the Nation.

This modest and unselfish desire on the part of Mr. Mellon has been fulfilled in the priceless collections that have been added, including those of Samuel H. Kress, Joseph H. Widener, Chester Dale, the Lessing J. Rosenwald collection of prints, and gifts of painting and sculpture from many other donors.

Mr. Mellon's interest in beauty extended to the city of Washington and he pushed forward with his characteristic calm and quiet vigor a plan to make it one of the most impressive and most beautiful capitals of the world.

His plan contemplated the erection of monumental buildings and broad avenues lined with beautiful trees, with parks, and commemorative monuments to make Washington a center of pride and patriotism. It was Andrew Mellon's urging that prompted President Coolidge to include in his last annual message to Congress a plea for a more beautiful Capital City. In that message President Coolidge said, and I quote:

"If our country wishes to compete with others, let it not be in the support of armaments, but in the making of a beautiful Capital City. Let it express the soul of America. Whenever an American is at the seat of his Government, however traveled or cultured he may be, he ought to find a city of stately proportions, symmetrically laid out and adorned with the best there is in architecture which would arouse his imagination and stir his patriotic pride."

Congress authorized the program and appropriated the necessary funds, placing the responsibility for its execution in the hands of Mr. Mellon as Secretary of the Treasury. The Nation owes a debt of gratitude to Andrew Mellon for the dignity and beauty that is now the pride of every American who visits the Nation's Capital.

In one of the many confidential interviews I had with Mr. Mellon I expressed concern over the great expense involved in the new Government buildings. In reply he made the significant statement that Washington, in the years ahead, would become the center of the world. That prophecy has been fulfilled.

Mr. Mellon was a modest man to whom personal publicity was distasteful. He was a builder who worked constantly and courageously to create a better, happier, and more prosperous America. His father, Thomas Mellon, was a poor Scotch-Irish immigrant. He had no social or economic background when he came to America, but he had other assets of great value. He brought courage, honesty, integrity, strength of character, and the will to work.

He cherished the principles of America, individual freedom, and opportunity. The same fine characteristics descended to his four sons.

From his early youth Andrew Mellon prepared for a life of usefulness. He regarded the fortune committed to his care as a tool with which to expand industrial enterprise, to create new products for the benefit of mankind, to broaden employment opportunities for our working men and women, and to make a richer, fuller life for the community and the Nation.

He was a courageous pioneer of the industrial frontier. He had the vision to appreciate the tremendous opportunities and the rich rewards that were possible under the American system of free enterprise.

His genius contributed to the growth and development of many basic industries, such as oil, steel, chemicals, coal, and aluminum—all of them adding to the material strength of our Nation and the prosperity of our people.

Closely associated with Andrew Mellon in the rise of the family industrial and banking interests was his younger brother, Richard B. Mellon, who also found time in his busy life for particiaption in public affairs, in educational activities, and in the church.

Today the honorable traditions and the responsibilities of the Mellon family are being carried forward brilliantly by Paul Mellon and Gen. Richard K. Mellon, both able and public-spirited men.

Andrew Mellon presided over a widespread industrial empire, but I would express deeper and more grateful appreciation of his vast contribution to the spiritual and cultural progress of the United States. Both A. W. and R. B. Mellon never forgot the church.

With the exception of Albert Gallatin, whose fame is also associated with the Commonwealth of Pennsylvania, Mr. Mellon served longer than any other American as Secretary of the Treasury. He served under three Presidents from March 4, 1921, until February 12, 1932.

His career in public service was brought to a climax by his appointment by President Hoover as Ambassador to Great Britain, a post in which he served with honor and distinction.

It is interesting to note that when Mr. Mellon entered upon his duties as Secretary of the Treasury in 1921 the cost of operating the Federal Government was about $5 billion a year. This brought a warning from Secretary Mellon.

"The Nation cannot continue to spend at this shocking rate," he declared.

"The Nation's finances are sound and its credit is the best in the world," he continued, "But it cannot afford reckless or wasteful expenditures."

Andrew Mellon applied to public finance the same sound principles which had been so successful in his private business. By prudent management the Federal budget was balanced and high wartime taxes were reduced. Year after year during Secretary Mellon's tenure in office saw a reduction in the national debt.

These splendid achievements were the result of sound governmental policy. They were founded on a plain, simple principle, expressed by Secretary Mellon soon after he took office when he said:

"The people generally must become more interested in saving the Government's money than in spending it."

Every American should be guided by that philosophy. We should all try to emulate that wonderful example of practical patriotism.

America has been so greatly benefited by the work instituted by Andrew Mellon and other members of his family for the advancement of religion, education, public health and scientific research having a direct relationship to human welfare.

Andrew Mellon passed away on August 27, 1937, in his 82d year. His memory should be honored by all Americans in recognition of his brilliant record of achievement, his unselfish devotion to the public good, his unfailing adherence to sound principles of Government and his outstanding place as a benefactor of mankind.

In conclusion let me say to the Honorable Arthur Summerfield as Postmaster General that we are deeply grateful for this fine recognition of Andrew William Mellon and his brilliant record of achievement and we greatly appreciate the issuance of this stamp commemorating the one hundredth anniversary of his birth.

TALK BY POSTMASTER GENERAL ARTHUR E. SUMMERFIELD

Today, in the centennial year of his birth, we are gathered here to honor a truly great American, Andrew W. Mellon.

Philanthropist, banker, public servant, and patron of the arts and sciences, Mr. Mellon made notable contributions to the public welfare throughout his distinguished career.

It is fitting and proper, therefore, that the United States Post Office Department pay homage to this great citizen by issuing the 3-cent Andrew W. Mellon postage stamp—for postage stamps are mighty messengers of the peace and international good will to which Mr. Mellon dedicated himself.

It also is appropriate that the ceremonies for issuing this stamp be held here in this great center of art and culture, the National Gallery of Art in our Nation's Capital.

Mr. Mellon felt strongly that great works of art do not belong to any person or any nation. He believed that such treasures belong to all mankind and are held in trust for humanity by whoever may have physical possession of them.

He himself stipulated that this treasure house which he founded should not bear his name, but should be a national gallery for all people, of all races, creeds, and colors.

Mr. Mellon hoped that as a national gallery this institution would receive artistic gifts from many American collectors and become one of the great art centers of the world. This wish, so symbolic of the innate modesty of this great American, has been fulfilled.

The gifts of Mr. Mellon and many other generous people have made this gallery world famous for the treasures it holds. Here all people are free to view, study, and appreciate some of the greatest art ever produced by man.

The stamp we issue today, bearing the likeness of Andrew W. Mellon, produced from a print of the portrait by Oswald Birely, has unusual significance.

It has been said that stamps are ambassadors or interpreters of the history, the customs, the basic beliefs of the issuing country. A stamp assumes its "ambassadorial" role when it leads to study of the history and the times of the subject it portrays. And imagine, if you will, the fascinating story any person may find in a study of Mr. Mellon's career.

Aside from his fame as a patron of the arts, Andrew Mellon led a life of service dedicated to the best interests of his country and to the citizens to whom he gave so much. He was Secretary of the Treasury longer than any other American with the one exception of Albert Gallatin.

Besides his outstanding record as a public servant, Mr. Mellon was instrumental in the formation of some of the leading industries of this country; industries, incidentally, which today are playing a large part in maintaining the great strength of this Nation's economy.

In addition to his role as an industrialist, Mr. Mellon was one of the foremost bankers of his time.

By bringing the life and times of great Americans to public attention, stamps issued in their honor advance the knowledge and understanding of our country and its citizens.

And through this understanding and appreciation of people and customs, we hope the cause of peace and justice may be advanced throughout the world.

But let me, if I may, remind you that the freedom of movement of our mail, which so many Americans take for granted, is truly one of the distinguishing characteristics of free men today.

In the very earliest days of this Republic, George Washington recognized that the uncensored delivery of mail must be a vital part of the American freedom. Ever since, the Post Office Department has seen to it that each of our citizen's rights in this respect is vigorously upheld.

This sanctity of the mails is just one of the many blessings that we Americans have and for which we must be always thankful.

And so, in issuing this stamp today, we dedicate it to this basic freedom of ours by honoring the memory of Andrew W. Mellon—an outstanding American citizen—who epitomized so much that is good in America, and to the heritage which he left so that this country and this world might move toward international peace and good will.

Now I have the great pleasure of presenting the souvenir albums, containing Andrew W. Mellon stamps to Dwight D. Eisenhower, President of the United States; Arthur E. Summerfield, Postmaster General; Edward Martin, United States Senator; James H. Duff, United States Senator; James G. Fulton, Representative, United States Congress; Albert J. Robertson, Assistant Postmaster General; David E. Finley, Director, National Gallery of Art; Ailsa Mellon Bruce; Audrey Bruce; Arthur V. Davis; Frank R. Denton; J. Frank Drake; Col. LeRoy V. Greene; Roy A. Hunt; Eliza Lloyd; Stacy Lloyd, III; Catherine Mellon; Paul Mellon; Richard K. Mellon; Timothy Mellon; A. W. Robertson; Sarah Mellon Scaife; Donald D. Shepard.

REMARKS BY PAUL MELLON, SON OF ANDREW W. MELLON

We of my father's family, and I am sure I speak for the entire Mellon family in Pittsburgh and elsewhere, wish to voice our appreciation of the honor bestowed on my father's memory by yourself and by the Post Office Department in the issuance of this memorial stamp. And it has been most kind of you to make these souvenir albums available to all of us.

We also wish to record our appreciation of the kindness of Senator MARTIN, a lifelong friend of my father, who, with our other distinguished Senator from Pennsylvania, Senator DUFF, and Congressman FULTON, initiated the legislation for the stamp.

The Mellon family, certainly, is humbly proud of my father's record of public service to his country, and of his foresight and generosity in the gift and establishment of this National Gallery.

And, were he to revisit us and be at this ceremony today, and to see his likeness on the stamp (and a very good likeness it is), I am sure he would be equally and humbly proud of himself.

But he would be the first one to admit and to point out the ephemeral quality of individual fame which, like every likeness on a stamp, is in the end dated, postmarked, and canceled out. And he would say that it is not the name or likeness which eventually counts but the good that has been done, and the services rendered to mankind and to one's country, that endure; endure, as it says in the very apt quotation from Thucydides engraved in the entrance to the Gallery—"Without visible symbol, woven into the stuff of other men's lives."

I thank you very much.

BENEDICTION, THE REVEREND DR. FREDERICK BROWN HARRIS, THE CHAPLAIN, UNITED STATES SENATE

And now as we turn from this glorious palace of art enriched by the treasured masterpieces of the ages where form and color defy the years and the masters live on forever, we would gratefully praise famous men and our fathers that begot us, leaders of the people by their counsels, honored in their generation and the glory of their time: those that have left a name behind them that their praise might be recorded—those whose bodies are buried in peace but their names liveth forevermore—with the spirits of these men who served the Republic and are a part of our heritage a cloud of witnesses about us as we serve the present day—send us forth in this day of destiny to be true to all truth the world dims, not tonguetied by its gilded lies, not always right in all men's eyes, but faithful to the light within. Amen.

The PRESIDENT pro tempore. Morning business is closed. The Chair lays before the Senate the unfinished business.

AMENDMENT OF THE NATURAL GAS ACT, AS AMENDED

The Senate resumed the consideration of the bill (S. 1853) to amend the Natural Gas Act, as amended.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). Without objection, is is so ordered.

Mr. FULBRIGHT. Mr. President, will the Senator from Texas yield?

Mr. JOHNSON of Texas. I yield.

Mr. FULBRIGHT. I ask unanimous consent to have printed in the body of the RECORD a transcript of a discussion which the senior Senator from Michigan [Mr. POTTER] and I had on a broadcast over the Columbia Broadcasting System radio network on January 15, 1956, with regard to the natural gas bill. The program which carried the broadcast was The Leading Question produced by Miss Nancy Hanschman. Mr. Stuart Novins served as moderator.

There being no objection, the transcript was ordered to be printed in the RECORD, as follows:

THE LEADING QUESTION: "IS THE NATURAL GAS BILL IN THE BEST INTERESTS OF THE CONSUMER?"

Mr. NOVINS. Tomorrow debate is expected to open in the United States Senate on the controversial natural-gas bill. It is important for several reasons. First, it is a bill which could affect about 30 millions of consumers. It is a bill on which the parties are split, with one group of Democrats and Republicans for it, an other group of Democrats and Republicans against it.

Today we want to find out what the bill is about, what is in it, what it will do, and how it will affect us, the general public. Senator J. WILLIAM FULBRIGHT, Democrat, of Arkansas, is the man who has introduced the natural-gas bill in the Senate. Senator CHARLES E. POTTER, Republican, of Michigan, is a man who is expected to be most active in opposition to the bill tomorrow. Both are here to help us answer the leading question: Is the natural-gas bill in the best interests of the consumer?

Gentlemen, I suppose a logical approach to this question is to ask what is the present situation regarding natural gas distribution. Senator POTTER, without this new proposed legislation, what do we have now?

Senator POTTER. Mr. Novins, first let me say that I am delighted to be on this program.

At the present time the natural gas is regulated at the distributing end by your State regulatory agencies. They regulate your distributing companies.

Mr. NOVINS. When you say regulate, you mean prices?

Senator POTTER. Prices, that's right. Your pipeline companies are bringing the natural gas into the State. That is also regulated by your Federal Power Commission. As the result of the Phillips' decision in 1953, the——

Senator FULBRIGHT. 1954.

Senator POTTER. 1954, I believe—the Court determined that natural gas at the wellhead, when dedicated to interstate commerce, that that should be regulated as to price. Now, the bill before us would——

Mr. NOVINS. I want to ask Senator FULBRIGHT what his bill would do.

Senator POTTER. That is the situation at the present time.

Mr. NOVINS. Let me see if I understand that now. The gas coming out of the ground at the well-head then is not now regulated as to price, is that correct?

Senator POTTER. If it is dedicated to interstate commerce.

Mr. NOVINS. Interstate commerce. All right sir. Now, Senator FULBRIGHT, how would your bill change that?

Senator FULBRIGHT. Of course, I don't quite agree with what has been said with regard to the Supreme Court decision in 1954. What that decision did is to hold that a producer of natural gas is a natural gas company under the meaning of the act.

Then the act itself says that these natural gas companies which at the time it was passed was intended to mean the transmission companies, the long lines, that they shall be regulated as to price in accordance with the strict utility cost plus formula, which is a recognized way of arriving at a price.

Now, what my bill does is concerned only with the method of regulating the price of the gas to the producer. It is not a decontrol bill in any sense of the word.

We believe that it is in the interests of the consumer, because we provide in this bill a method of regulation, which we think is a practical one and an efficient one, and one that will come closer to insuring the continued supply of gas at a reasonable price than the arbitrary utility type of regulation as provided under the bill, as interpreted by the Supreme Court.

So it isn't in issue whether it is control or decontrol. We say the price of the gas to the producer should be in accordance with the reasonable market price.

Mr. NOVINS. That is the actual language in the bill?

Senator FULBRIGHT. That's right. The Court decision said that it should be in accordance with the utility formula which is in effect the cost of the installation plus 6 percent. That is the usual formula.

Mr. NOVINS. Let me ask you a direct question, Senator, there, if I may. So far as the consumer is concerned, the man who uses this gas to cook with or heat his home, what is your bill going to do to him, if anything?

Senator FULBRIGHT. We believe that the bill will provide an adequate supply of gas at a reasonable price for the foreseeable future, whereas I am firmly convinced that if we do not pass this bill, you will have arbitrary prices, attempted by the Commission, which will cause the supply of gas to

dry up. It has already appreciably decreased since this decision in 1954, the supply of gas dedicated to interstate commerce. All cheap gas will move into intrastate commerce to be used within the States of production, and your high-cost gas will be offered in interstate commerce.

Senator POTTER. Senator FULBRIGHT, your new language "of reasonable market price," in the bill you have in these words "among other things" as a determination of what the gas price rate should be. Now, "among other things," as you well know, can include practically anything. In other words, it is about all the traffic will bear.

Now, at the present time, under your so-called utility price rate structure, it has been well established by our courts what that price shall be. Now, you can't tell me that by the passage of your bill that the cost of gas to the consumer won't go up. Now, we have 29 million gas consumers in the country, and the consumers are the ones that are greatly concerned about this bill.

Senator FULBRIGHT. I could not tell you that it would not go up, just as you can't tell me that it won't go up under the present conditions. As a matter of fact, there have been a number of increases under the existing condition without the bill, because everything is going up. Of course, I would not say it can't go up.

We have a gradual increase in prices throughout our country just as automobiles from Detroit have gone up enormously in the last ten years. I do say this: that historically between 1938 and the decision of the Court in 1954, the price of gas without any regulation went up less than the index of prices, that is, the standard of living, the cost of living in this country, purely on competitive grounds, without any regulations at all.

You see, the whole country, the industry and everyone else, including the Commission, the Federal Power Commission, believe that the gas bill did not give authority to regulate the producer, and that was only changed in 1954.

Senator POTTER. Yes; but the Supreme Court of the United States——

Senator FULBRIGHT. By five members of the Supreme Court, three dissenting.

Senator POTTER. But one dissent was not a dissent in favor of the producers. Was Justice Douglas' dissent in favor of the producers?

Senator FULBRIGHT. He said the Court was going far beyond its proper function in making this interpretation, and that decision should be left to Congress.

Senator POTTER. To the Congress.

Senator FULBRIGHT. And he was quite right.

Mr. NOVINS. Did that Supreme Court case raise the issue of whether that was a utility in the sense of——

Senator FULBRIGHT. In effect, it said it is a utility. Let me draw your attention to the fact never in our history has the producer of a commodity been called a utility. This is a completely novel idea. Never in peacetime in our history has our Government ever attempted to regulate the price of a commodity. It is only the monopolistic utility, the utility which renders a service, not one which produces a commodity, that has even been regulated under monopolistic——

Senator POTTER. Of course, Senator FULBRIGHT, your natural gas is a natural resource. Now, it is no different than waterpower. With a hydroelectric plant you go in and you assess rates even for the price of the water. It is no different commodity than gas, so it is a comparable situation.

Senator FULBRIGHT. It isn't comparable at all. How do you distinguish between oil and coal and gas? They are much more analogous.

The rate that you regulate in a utility, that is, an electric utility, is not the commodity, it is merely the service that is rendered by the transmission company or the generating company. You don't regulate the price of the coal——

Senator POTTER. Of course not.

Senator FULBRIGHT (continuing). That goes in to make the electricity. Well, that is the comparable situation.

Senator POTTER. No; it is not comparable at all.

Senator FULBRIGHT. The thing that is competitive here to gas is oil and coal.

Senator POTTER. Coal—a purchaser can buy coal from whomever he desires.

Senator FULBRIGHT. Certainly.

Senator POTTER. But a consumer who has gas, has a service for gas, buying gas from a distributing company, in turn buys that gas from a pipeline, that person is helpless to go out and purchase any other type of gas.

Mr. NOVINS. What you are saying, Senator POTTER, is that that consumer is a captive.

Senator POTTER. He is a captive consumer.

Senator FULBRIGHT. You have completely shifted now from the distributor—from the producer. The producer—he is no captive of the producer. The producer is down here, many of them. There are 8,000 producers in this country, far more than there are automobile manufacturers. If you are going to follow your theory, then we are all captives of General Motors and Ford and Chrysler, and they can do as they please, as they have. The province of General Motors is tremendous. You don't want to fix their prices, do you?

Senator POTTER. I am not talking about the automobile industry, but you do have competition in the automobile industry.

Senator FULBRIGHT. You have got more on gas than you have there.

Senator POTTER. But once a gas well has been tapped for interstate commerce, there is no competition as far as the distributing company or the consumer. They have to buy their gas from that producer.

Senator FULBRIGHT. There are thousands of gas wells.

Senator POTTER. The contracts that were entered into with your favored nation clauses and your escalation clauses which allowed the producers to automatically raise their price everytime somebody in that area——

Senator FULBRIGHT. Senator POTTER, you are, you know——

Senator POTTER. Just 1 moment.

Senator FULBRIGHT. Those are outlawed. Why do you want to discuss something that isn't in the bill, I would like to know—merely to make propaganda?

Senator POTTER. The escalation clause is not all out.

Senator FULBRIGHT. Yes; they are. Your favored nation clauses are no longer in effect, in this sense: that the Federal Power Commission will allow no increases which they do not consider to be reasonable market price.

Mr. NOVINS. Let me interject for just a moment, if I may. Can we have a definition of the favored-nation clause and the escalator clause?

Senator FULBRIGHT. They are rather technical, complex things. It is such a clause that says if in the immediate vicinity, it is usually within 50 miles, there is an increased price given for a similar quality of gas, and all other conditions being the same, then that old one who made the contract, usually for 20 years, you see, may increase it.

Now, what this bill says is that these escalation clauses of that character, favored-nation clauses, are not affected per se, and that no increase can be passed on to the consumer that the Federal Power Commission doesn't consider to be reasonable.

Now, let me say one other word about reasonable. You seem to imply that that is not a good standard. Let me call your attention to the fact that every rate the ICC puts into effect in railroads and airplanes is based upon the same criterion, the reasonable price. It is not a cost-plus price.

Mr. NOVINS. Senator POTTER, you have a couple of things there that you, I think, would probably want to comment on. One is in relation to the escalator clauses and whether they are outlawed, and the other is reasonable market price.

Senator POTTER. The escalation clause is not outlawed in the Fulbright bill. And as far as the reasonable market price, we have the words "among other things" as a criteria in establishing the reasonable market price.

Well, you know "among other things" is just as broad as a barn door, and it could include anything. I am not too certain that an interpretation of that couldn't include the favored-nation clauses and contracts.

Senator FULBRIGHT. But the only method, the criterion for action of this kind, is reasonable market price. Take condemnation of private citizens' property by the Government for governmental use. It is an old, ancient practice. The basis upon which you compensate the private citizen is the reasonable market price. It is not the cost-plus.

Mr. NOVINS. Who determines that reasonable market price?

Senator FULBRIGHT. The court does, in that case.

Mr. NOVINS. I mean now.

Senator FULBRIGHT. In this case the Federal Power Commission. And when he says that the escalation clause, known as the favorite-nation clause are not outlawed, I think he is leaving a wrong and an erroneous impression. It isn't outlawed in the sense it says they are all canceled. It says this: That no increase under that clause, any of these clauses, may be passed on to the consumer unless it is approved by the Federal Power Commission, in other words, and unless the Commission holds that it is a reasonable increase.

Mr. NOVINS. Doesn't that give broad discretionary powers?

Senator FULBRIGHT. Of course it does. It is the same kind of discretion that is given to any regulatory body. The ICC has exactly the same. It will dry up and destroy the industry if you try to apply to the production of a commodity a concept that has grown up under a monopolistic utility. They are simply different things and will destroy the industry, and who is going to suffer? It will be the consumer. There will be no gas for them at any price in many cases.

Senator POTTER. Senator FULBRIGHT, with the millions of dollars that the oil producers are spending to lobby for your bill, you know very well that they expect that your bill will bring them a greater price for their natural gas. Now, who is going to pay for that increase? It is going to be the 29 million consumers of this country.

Senator FULBRIGHT. Let me say I am confident you have no evidence of any millions of dollars. That is purely a prejudicial statement. I know of no such expenditures. I can guarantee you I received not 1 penny——

Senator POTTER. Certainly I am not saying that.

Senator FULBRIGHT. That is an unworthy assertion which I am sure you cannot prove.

Senator POTTER. I can assure the Senator this: I have been in Congress for 8 years, and I have never in my entire 8 years seen the pressure of all kinds put on Members of Congress as they have in favor of your bill.

Senator FULBRIGHT. This is an important matter. Now, I think the assumption that you make, that it cannot be equally for the benefit of the producer and consumer, is an erroneous one. The idea that every trade is hurting one person and benefiting another is absolutely untrue.

We believe that a sound and sensible regulation will be beneficial both to the producer

and the consumer. That is why we are interested in it.

The only real objection to this bill has arisen from a few utility companies, some 60 utility distributing companies, on the peripheral part of this country at such places as Brooklyn, Baltimore, places along there take the lead. The inland places like Cleveland, Kansas City, Cincinnati are not complaining, or Chicago, are not complaining very much. There are a few over there, but the principal opposition is coming from these port cities where foreign, very cheap fuel oil is competitive with gas in industrial use.

Now, we are perfectly willing to grant that under those circumstances there is no guaranty at all, nor is there even any idea, that we can continue over the years to make gas, which is the finest fuel of all for domestic use, for residential use, that we can continue to make that competitive with foreign oil. There is the place where there is real trouble.

Mr. NOVINS. Senator POTTER, you have been remarkably patient. I think you should have an equal opportunity here.

Senator POTTER. The crux of the question which is before the Senate now, you have a commodity such as natural gas. The public interest certainly is involved. Your distributing companies are regulated by your State agencies, your pipelines are regulated by the Federal Power Commission.

Senator FULBRIGHT. Sure.

Senator POTTER. Now, the regulatory agencies of the State and the Federal Power Commission mean nothing unless that is regulated at the wellhead. It means absolutely nothing.

Senator FULBRIGHT. That isn't so. It is regulated at the wellhead.

Senator POTTER. Every time you increase the gas at the wellhead that finds its way up through the pipeline company, the Federal Power Commission is helpless to do anything other but to allow them to increase the price of their gas. The same way with the State regulatory bodies as far as the distributing companies, and consequently the consumer is the one that pays the bill, which has been estimated to run as high as $30 to $50 a year.

Senator FULBRIGHT. Let me ask Senator POTTER, is it not so that this bill provides that any increase of any kind from any source that the producer requests of the transmission line must be approved as a reasonable increase by the Federal Power Commission?

Senator POTTER. It has the pipeline acting as their agent.

Senator FULBRIGHT. That's right. There is a very good reason for that. There are 8,000 producers. There are 100 pipelines, really about 20 important ones. It is physically, as Chairman Kuykendall demonstrated very clearly, it is almost physically impossible to go out and determine the costs of 8,000 producers, and that is purely a method of convience and efficiency.

Senator POTTER. But the crux of the dispute is the fact over the new words of "reasonable market price" rather than utility rate.

Mr. NOVINS. You feel that is too broad, Senator POTTER?

Senator POTTER. Certainly it is too broad.

Mr. NOVINS. How would you handle it?

Senator POTTER. I would keep your utility language as used.

Mr. NOVINS. Cost plus?

Senator POTTER. Cost plus.

Mr. NOVINS. I wonder, Senator POTTER, what you opinion is on the argument advanced by Senator FULBRIGHT, that the supply of natural gas would necessarily diminish.

Senator POTTER. Yes, I have heard that argument many times. Of course, you realize that the vast majority of your natural gas wells are found incidental to the drilling for oil.

Mr. NOVINS. People don't go out looking for gas.

Senator POTTER. No, they go out drilling for oil, and they find gas, and that has been incidental to the drilling for oil.

Now, you can't tell me that with the great depreciation allowance that they receive at the present time, that we are going to dry up the exploration for oil. And in your drilling for oil you are going to find gas.

Senator FULBRIGHT. What you are going to do is to divert all of the cheap gas to intrastate use. Today 53 percent of all the gas that is produced in this country is consumed within the States where it is produced, seven Souhwestern States.

Senator POTTER. If that were the case——

Senator FULBRIGHT. I say it would dry up your interstate gas. Let me say one other thing——

Senator POTTER. If that were the case, then why is it that the Congressmen from the States that are producing States, Texas and Louisiana and so forth, why wouldn't they want to keep that cheap gas within their own State, if that is the case? That would be a good representation for their State.

Senator FULBRIGHT. We have more than— we have a product to sell.

Senator POTTER. That's right, and you are going to sell it.

Senator FULBRIGHT. We think you are threatening an arbitrary and an unreasonable obstacle to its free sale. As I said before, we believe that there is enough gas for our use and for the country's and we would like to sell it at a reasonable price, and that is all we wish to sell it for, and we leave what is reasonable up to the Federal Power Commission.

Senator POTTER. And you claim at the present time it is not a reasonable price?

Senator FULBRIGHT. If you fix the cost-plus onto this, I certainly claim it is an unreasonable and a wholly impractical price that cannot be efficiently or sensibly applied, just as Justice Jackson said in the Hope case——

Senator POTTER. You believe that 6 percent profit is not enough?

Senator FULBRIGHT. It is an impractical thing to apply. Let me give you one illustration.

Senator POTTER. Would 10 percent be enough?

Senator FULBRIGHT. Can I give you an illustration? If you go out and drill a gas well and you get a well, the first well, you will have a very low-cost gas. I go out, I drill 10 wells. The average, actually, on wildcatting is 1 out of 9. I drill 10.

My gas will be 10 times as expensive as your gas. We are both in Texas. If you sold yours in interstate commerce, you would get only one-tenth of what I get, and yet it is the same gas in every respect.

So what happens? You would sell yours in intrastate. I would go out with my high-cost gas, seeking to find a market in interstate, and that is what I meant by drying up all of the low-priced gas.

Senator POTTER. Of course, you realize that before the committee, we offered the proponents of this bill, if the 6 percent profit wasn't enough, to tell us what they wanted, what would be a fair price.

Senator FULBRIGHT. We said a reasonable price; that is exactly what we said.

Senator POTTER. Yes; just as wide open as it can be.

Senator FULBRIGHT. Listen, Senator POTTER, if that is wide open, it is wide open everywhere. Take the electric power rates here in Washington, or any place else, they are regulated, the service is regulated that is rendered, by the generating company, but the price of the ingredients that come into that, the coal, for example, if coal is used, or the oil, they are regulated on the reasonable price basis.

If the Pepco company here bought coal from someone that they were close to, an affiliate or a friend, and they paid twice as much as the reasonable market price, do you think they would allow it? Of course they wouldn't.

That criterion is applied in every utility company in the United States. It is applied by the ICC in fixing rates on railroads or airplanes, it is applied by everyone.

Mr. NOVINS. Senator FULBRIGHT, are you saying that the gas producers now are not earning reasonable profit on their investments?

Senator FULBRIGHT. Well, they are now, under the direction of the courts, you see, and some kind of an effort is being made to apply the cost-plus to it.

Mr. NOVINS. But are they making a reasonable profit now?

Senator FULBRIGHT. It is quite irrelevant, that matter.

Mr. NOVINS. I am wondering as to the predictions——

Senator FULBRIGHT. I say that is a quite irrelevant matter in this whole affair, and I am sure the Senator from Michigan doesn't want to undertake for the Government to allow businesses just whatever they think is a reasonable profit.

Senator POTTER. I do, when he has a captive customer.

Senator FULBRIGHT. You don't have a captive——

Senator POTTER. You certainly do have a captive customer.

Senator FULBRIGHT. The distributor has it. He is regulated.

Senator POTTER. Your distributor has a captive supplier, or he is a captive supplier——

Senator FULBRIGHT. I don't know what you call captive. Anybody can change to oil or coal, if they wish.

Senator POTTER. Yes; he could change to kerosene lamps and candles, but you wouldn't recommend doing away with the regulatory powers to set the rates for our power plants, electric power companies.

Senator FULBRIGHT. But, you see, ultimately the coal people who supply coal to make electricity, they are subject to the reasonable market price regulation, just as analogous to the situation of these producers of gas.

Senator POTTER. But you can buy your coal from many, many suppliers.

Senator FULBRIGHT. You can buy gas from 8,000 producers.

Senator POTTER. But once that gasline is dedicated to interstate commerce——

Senator FULBRIGHT. But it is only dedicated under long-term contracts and under provisions that have been determined to be reasonable by the Federal Power Commission.

Senator POTTER. And those long-term contracts can have your escalation clauses in them to step up the rates. At the present time, am I correct, at the present time about the average rate is 10 cents per thousand cubic feet?

Senator FULBRIGHT. That's correct; yes.

Senator POTTER. There is testimony before the committee that it will probably go up to about 25 cents per thousand cubic feet.

Senator FULBRIGHT. Who made such testimony?

Senator POTTER. Some of the——

Senator FULBRIGHT. I don't believe there is any such testimony.

Senator POTTER. Witnesses before our committee.

Senator FULBRIGHT. They were speculating if it went what it would cost.

Senator POTTER. How far would it go?

Senator FULBRIGHT. I don't know. What will be the price of a Cadillac 20 years from now, can you tell me?

Senator POTTER. I can tell you that——

Senator FULBRIGHT. Nobody knows.

Senator POTTER. There will be competition in that area.

Senator FULBRIGHT. But we have inflation and all kinds of influences that change the price of everything. I am not saying that gas will be held at any particular price when everything else goes out of balance.

Senator POTTER. Yes; but it seems strange to me, with all the many problems that we have in the country today, that we are going out and picking up the cudgels for the poor, distressed oil-producing companies in the United States. I haven't heard of any distress in the oil industry. As a matter of fact, before our committee not one natural-gas producer appeared.

Senator FULBRIGHT. It isn't for that purpose. You completely misunderstand the bill. The bill is to bring order into this industry, and it is primarily for the long-term protection of the consumer. That is the purpose of the bill, and we believe it will achieve that, and not simply in the interest of the distributing utility.

Senator POTTER. You believe the consumer will be protected by removing the historic determination of what is the utility price rate, and substitute in lieu thereof a reasonable market price, which includes in wordage "among other things," which is as wide open as can be.

Mr. NOVINS. I wonder, gentlemen, in the last 20 seconds that we have, if you would venture a prediction as to the fate of this bill. Do you have enough votes to stop it, Senator POTTER?

Senator POTTER. It is very close.

Mr. NOVINS. What do you think, Senator FULBRIGHT?

Senator FULBRIGHT. I think that the bill will pass.

Mr. NOVINS. Do you find yourself in a rather unusual position, Senator, in view of the fact that a great many people at least think that you, as a Democrat, are now trying to get controls removed, and——

Senator FULBRIGHT. You completely misunderstand what I said. We do not remove controls. We are seeking to impose the only workable control that we can think of. This is a control bill, it is not a decontrol bill. I said in the beginning it is merely which is the better method of controlling the price. We seek to impose a reasonable market price criterion upon the price.

Mr. NOVINS. Senator POTTER, what about you? You are in pretty much the same position that an antagonist of your Party, Senator Truman, was in a few years ago.

Senator POTTER. Well, it happens to be that with this issue I agree with former President Truman. I have some very distinguished company in my position, and I agree that Senator FULBRIGHT has distinguished company in his.

My position is that this is detrimental, this bill is detrimental to the consumer, and should not pass.

Mr. NOVINS. Well, gentlemen, we will be very much interested to see what happens in the Senate, beginning tomorrow. Thank you both very much for helping us to answer our leading question.

REFERRAL OF CERTAIN RESOLUTIONS TO THE COMMITTEE ON RULES AND ADMINISTRATION

Mr. JOHNSON of Texas. Mr. President, I wish to make an announcement for the information of the Senate. I had intended, after conferring with the distinguished minority leader, to ask unanimous consent today to refer to the Committee on Rules and Administration five committee resolutions which are now on the calendar. I had hoped to have an opportunity to confer with the senior Senator from Arizona [Mr. HAYDEN] before making that request. However, the Senator from Arizona is detained from the Chamber. Although I have sent for him, he is not present now, and I shall be away from the floor later. Therefore, I wish to announce that I plan to make the unanimous-consent request on Monday next.

Mr. President, I also wish to say, in connection with that request, that I hope every legislative committee will realize that we are living in a day when the taxpayers are becoming increasingly conscious of the use of public funds. I know that a great deal of good comes from the various investigations which are made. I have supported many of them. But I think legislative committees and their distinguished chairman should stop, look, and listen before acting on investigatory resolutions, and should make a very prudent evaluation of the amounts of funds which are requested of the Committee on Rules and Administration and of the Senate.

For several years I have been honored to serve as the chairman of a subcommittee to maintain surveillance of the far-reaching activities of the Department of Defense. I realize the necessity for adequate staffs. The amounts sought for such investigations are as a drop in the bucket when compared with the amount of funds handled by the Department of Defense. However, I think the time has come when every chairman should take a good, long look at every request for money which is made.

I sincerely hope that the Committee on Rules and Administration and the other legislative committees, as well, will carefully study the need for the investigations, the results to be obtained, and especially the amounts of funds requested.

I do not intend to lecture the Senate. Certainly I do not intend to impose my judgment upon the judgment of any committee of this body. But looking at the overall picture, and having some responsibility in connection with the general management of the procedures of this body, I think it would be better for the committees to make thorough studies than to have the Senate spend considerable time on such resolutions on the floor, in attempts either to reduce costs or to defeat them entirely. I fear that if the committees do not do their job, the Senate will take it upon itself to do the job in this Chamber.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield. I did not know the Senator from Louisiana was on the floor. I was not making the statement especially for his benefit.

Mr. ELLENDER. I am glad that I am having a little company in my efforts to reduce expenditures.

Mr. JOHNSON of Texas. The Senator from Louisiana has been very diligent and very effective. I think the Senator was far too modest in his statement the other day when he said he felt that his efforts had been feeble.

Mr. ELLENDER. May I ask the Senator about the motion he is making?

Mr. JOHNSON of Texas. The Senator from Texas has not made any motion and has not made any request. The Senator from Texas had intended to ask that certain resolutions on the calendar be referred to the Committee on Rules and Administration in accordance with the usual procedure, for consideration by that committee. But in view of the fact that the distinguished senior Senator from Arizona [Mr. HAYDEN] is not present, the Senator from Texas will postpone his request until Monday.

Nevertheless, I want to keep the calendar up to date, as it has been kept all along, so I shall ask on Monday that the five resolutions be referred to the Committee on Rules and Administration. Then I hope the Rules Committee will carefully study them, hear testimony, and reach conclusions.

Mr. ELLENDER. Do I understand correctly that it is not the intention of the Senator from Texas to call up any of the resolutions in the Senate between now and Monday?

Mr. JOHNSON of Texas. The Senator is correct. I do not plan even to ask that they be referred to the Committee on Rules and Administration before Monday. The Senator from Texas, further, will say this: Whether he favors the resolutions or opposes them, he is informed of the interest of the Senator from Louisiana in the matter, and he now makes the request that every member of the staff give the Senator from Louisiana notice before the resolutions are called up.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CRITICISM OF THE SECRETARY OF STATE—AMERICAN FOREIGN POLICY

Mr. HUMPHREY. Mr. President——

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that I may yield briefly to the Senator from Minnesota, notwithstanding the unanimous consent agreement which has already been entered into.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, in the past few days I have spoken from this floor concerning certain matters relating to American foreign policy, especially as those items of foreign policy have been discussed in the press of our country, with particular reference to an article in Life magazine.

Today, newsstand diplomacy continues. I invite the attention of the Senate to the full page advertisement in this morning's Washington Post and Times Herald. The editors of Life, without any appropriate chagrin or embarrassment for the disservice Mr. Dulles' Brink of War article has done to American foreign policy abroad, seem to want to capitalize on increasing their sales.

I appreciate that is a normal desire in the economic and business world, but I believe that in light of the controversial nature of the article, it bears some further examination.

The editors claim that their "provocative piece is based on four interviews" with Secretary of State Dulles—a claim which disputes Mr. Dulles' painful explanation yesterday that this was just an "informal chat."

The editors assert that Mr. Dulles' article has been "alternately applauded and criticized by the international press and ranking diplomats." This is simply not true. I challenge the editors of Life to point out a single instance where either the international press or a ranking diplomat has applauded the Dulles article as reported in Life magazine.

The editors claim that their magazine, which they say is "noted for its unique photo-journalism, demonstrates its flexibility by publishing responsible writing on a vital subject." No one else has said that Mr. Dulles has engaged in responsible writing.

The editors reprint a column by David Lawrence, the editor of their competing journal, the U. S. News & World Report. This in itself is most unusual. But it was their only recourse, because Mr. Lawrence has been just about Mr. Dulles' only defender. Let us see how he defends him. Mr. President, I hold in my hand the reprint of the article by David Lawrence. It is entitled "Today in National Affairs: Dulles' Brink of War View Called Warning to Russia"; and in the third paragraph Mr. Lawrence says:

> The facts contained in the Life article are correct and the magazine is to be commended for its enterprise in bringing the subject matter to the attention of the world at this time. For, while there is in the article one brief quotation which might better have been revised for clarity reasons, the essential points are historically true and realistic.

Mr. Lawrence, however, has convicted himself out of his own mouth. I direct his attention and the attention of the Senate to the article on pages 21 to 23 of his own magazine on August 6, 1954, when the Indochina crisis had just subsided. At that time Mr. Lawrence's magazine, the U. S. News & World Report, had something quite different to say—quite different from what its editor says today, and quite different from what the Life magazine article reports.

I now quote from the article to which I refer; and inasmuch as we wish to identify the exhibits, let me state that I hold in my hand the volume of the U. S. News & World Report for the months of July through September 1954. The article in the issue for August 6, 1954, begins on page 21 and runs through page 23. I now quote from the article:

> Idea that the United States was on the verge of a shooting war is not supported by the record. United States Joint Chiefs did not recommend intervention. Nor did Britain keep United States from starting a war.

Those quotations are from the article of August 6, 1954.

I wish to read a little more from that authoritative article—at least, Mr. President, the U. S. News & World Report said it was authoritative:

> Everything from the truce in Indochina to a world war nobody wants is being blamed on the United States. The record, however, shows it's just not so.
>
> Idea that the United States was on the verge of a shooting war is not supported by the record.

Mr. President, I digress to note that on August 6, 1954, immediately after the truce in Indochina, when all the facts were fresh in everyone's mind, the United States was not on any verge, not even close to a verge. The word "verge" was not in the official vocabulary. We became sort of "vergy" when we got to the Life magazine article published about 1 week ago.

I continue to read from the August 6, 1954, issue of the U. S. News & World Report:

> Idea that the United States was on the verge of a shooting war is not supported by the record. United States Joint Chiefs did not recommend intervention. Nor did Britain keep United States from starting a war.
>
> What actually happened is told in the following answers.
>
> Questions are being asked about the responsibility of the United States for the truce in Indochina.
>
> It is reported, both in the United States and abroad, that the United States was on the verge of entering the shooting war in Indochina, that the United States let its allies down, that the United States first promised to intervene in the war and then backed out.
>
> The questions being raised, and the authoritative answers, are these:
>
> Did the United States Government ever propose that this country should send its Armed Forces into a shooting war in Indochina?
>
> No. No such proposal was made by the United States Government.
>
> Didn't the French formally ask the United States to get into the war?
>
> No, not formally. One government makes a formal request of another on a matter of this kind only when an affirmative reply is expected.
>
> * * * * *
>
> Hasn't it been printed that the United States was on the verge of war, that President Eisenhower was considering an air strike on Indochina for April 28? Didn't the French Premier confirm that? Didn't Prime Minister Jawaharlal Nehru, of India, confirm it, too?
>
> Well, it was printed, yes, but not confirmed. On the contrary, everyone who knew what had happened denied the printed report to anyone who asked.
>
> As for the French Premier, Pierre Mendès-France, he talked about it in the French Parliament when he was still just a member of the opposition, with no official information at all.

Mr. President, from the article of August 6, 1954, issue of the U. S. News & World Report, published by David Lawrence, I now read, on page 22, the bottom paragraph:

> You keep hearing, too, that the United States Joint Chiefs of Staff recommended to the President that we get into the shooting war: What about that?
>
> That is wrong, too. In the first place, the Joint Chiefs don't work that way. It is not and was not up to them to decide if the United States should intervene. That had to be a White House decision, subject to the approval of the United States Congress.

Now we come to another one:

> Is it true that we had carriers in Indochinese waters?
>
> Not in Indochinese waters, no, but in the South China Sea off Indochina. Vice Adm. William K. Phillips, who commands the First Fleet, was there with Task Force No. 70.2 (a unit of Task Force 70). The two carriers of 70.2, the *Philippine Sea* and the *Hornet*, went into those waters on April 11 and June 27, respectively.
>
> The movement of this force was part of normal Navy precautions in an emergency that could affect United States interests.

A little later we have another question, as follows:

> So the idea that the United States was close to war might have been used by others in an effort to get better truce terms out of the Communists?
>
> It could be. But it was not so used by Americans, officially or unofficially.

Finally we find this, Mr. President:

> Can the United States be held responsible for the truce?
>
> The facts are otherwise. The United States stated its interest in united defense of Southeast Asia, in collective action with its allies and with the Asian non-Communist countries. But the United States deliberately stood aloof from negotiating a truce in a war that was fought by the French and that the French wanted to end. The French made no commitments to the United States to keep fighting, nor did the United States ask them to do so.

Mr. President, those are quotations from the article in the U. S. News & World Report. I say most respectfully that those quotations and the article to which I have referred do not support the conclusion in the Life magazine advertisement in the Washington Post of January 18, nor does the article of August 6, 1954, support the assertion made by Mr. Lawrence in his reprinted article of January 15 in the advertisement of January 18. Moreover, the article of August 6, 1954, does not support the conclusions or observations in the Dulles article in Life magazine, January 16, 1956.

It is one thing to sell magazines, and it is another thing to have magazines assert American foreign policy with official blessing.

Interestingly enough, Mr. Lawrence says in his article that the Life magazine article gives us a new foreign policy. Listen to this:

> A warning to the world, and specifically to Soviet Russia, has just been proclaimed by the Secretary of State, John Foster Dulles. It is a warning that the United States, in order to defend itself and its allies, can and will in case of an aggression resist—even using atomic weapons if necessary—and that peace at any price is not the policy of the Eisenhower administration.
>
> This is the true significance of the much-talked-about article in Life magazine giving the views of Mr. Dulles about the "brink of war." Instead of being a matter of "inept timing," as some foreign critics refer to it or the "rewriting of history" as the petty partisians here suggest—

I cannot imagine to whom he could be referring—

> the revelations constitute a timely and constructive contribution to the worldwide discussion of the best way to achieve and maintain peace.

Mr. President, there is only one evaluation to be placed upon that particular bit of journalism, namely, that the Life magazine article is stating a new aspect of American foreign policy, from the lips and words of the Secretary of State. I

am delighted to hear about new developments in our foreign policy, but I prefer to hear them in official messages. I prefer to hear them before committees, or in the presence of the appropriate committees. I prefer to hear those pronouncements directly from the President and the Secretary of State, and not in a magazine article. As I have said on other occasions, if we must get our foreign policy through periodicals, I want an opportunity to select the periodical to which I shall subscribe. I did not know that we had an official press in America.

It seems to me that this is of high enough significance so that it should be brought to the attention of the press and magazines in a much broader manner, rather than being confined to one periodical.

Finally, the U. S. News & World Report article of August 6 denies specifically that this Government ever proposed that we send our Armed Forces into the shooting war in Indochina. The article specifically denies that the United States was responsible for the truce.

Is it not interesting, therefore, that a paid advertisement now can say that the Life magazine article is factual, that it reveals a new concept of American foreign policy, and quotes a so-called competitive editor?

When we go into the competitive editor's own magazine of August 6, 1954, his own magazine article concludes:

> So the official records show that the United States never was on the verge of a shooting war with Communist China over Indochina? Yes; that is the record.

Mr. President, what can be said of such inconsistent reporting a year and a half after the event? It seems to me that this situation is one in which confusion is becoming worse and compounded. Furthermore, when Defense Secretary Charles Wilson was questioned upon the subject of the "brink of war" concept of American foreign policy, Mr. Wilson told a news conference that he does not agree with Secretary Dulles that the United States has been on the brink of war three times since 1953. Mr. Wilson said he never thought we were that close to war in Korea, Indochina, or Formosa.

Mr. Wilson is the Secretary of Defense. If we are going to be on the brink of war 3 times in less than 3 years, surely we ought to tell the secret to the Secretary of Defense. I do not expect to hear about it as a United States Senator, but it might not be a bad idea to tell the Secretary of Defense, particularly if, as the Secretary of State states, the "brink of war" diplomacy is a necessary art in promoting the foreign policy of this country.

This adds up to further comment. General Ridgway's article was devastating and damaging. I think it necessitates the appearance of General Ridgway before appropriate committees of the Congress, so that we can get all the facts. General Ridgway said in his article:

> The security of the Nation is being thrown into the market place to be traded for political advantage.

That is one of the quotations from General Ridgway's extensive and provocative article. If the Secretary of Defense does not know we are on the brink of war, I think that fact further supports what General Ridgway indicates—namely, we talk tough, but we do not have the hardware and the goods to back up the bluff.

Many Members of Congress have been deeply concerned over that very fact. Many Members of the Senate have expressed concern on the floor of the Senate over what they consider to be the lack of adequate defense capabilities on the part of our Armed Forces, as related to the strength of the Soviets and the satellite states.

This is not a partisan argument, nor has it ever been. This is a discussion of the fundamentals of American foreign policy. This is a discussion of the security of this Republic. The Dulles press interview of yesterday was totally unsatisfactory.

The press interview of yesterday did not answer the questions which the American people have the right to have answered. We need to know, from somewhere in this administration, whether or not we were on the verge of war three times; and if we were, why did not Secretary of Defense, Mr. Wilson, know it?

We need to know whether or not we won a great victory in Indochina; and if so, who said so? Where is the official record which so reveals?

We need to know whether or not we have threatened the use of atomic weapons as a part of our foreign policy and security policy. Or was Mr. Eisenhower right when he said we would not use those weapons first? I cannot get over the fact that Mr. Eisenhower, the President, had to reassure the world this year of our peaceful intentions.

This morning I sat with the Senate Committee on Agriculture and Forestry. We were discussing surpluses. One of the witnesses said he was a little confused on the subject of surpluses, because if we had been on the brink of war three times, perhaps we needed some surpluses. I gather that Mr. Dulles did not tell Mr. Benson. I am not complaining about Mr. Benson. Apparently he did not hear about being on the brink of war. Mr. Wilson did not hear about it.

Furthermore, did Val Peterson, the Director of Civil Defense, hear about the brink of war? Did Val Peterson hear how close we were to war? If not, this administration stands accused of failing in its responsibility to provide for the protection of the citizens of this country through adequate civil defense. The needs of civil defense in America are obvious. They have never been met, even in part.

Mr. President, I asked unanimous consent to address the Senate at this time. There are some other matters which I desire to bring to the attention of the Senate.

Yesterday I placed in the RECORD a number of documents from the free-world press. If my colleagues will bear with me for about 2 minutes, I shall be through. Is that satisfactory to the majority leader?

Mr. JOHNSON of Texas. I am delighted to bear with the Senator from Minnesota. He asked for 10 minutes. He has consumed 22 minutes. I am having difficulty bearing with both the Senator from Minnesota and the junior Senator from Texas [Mr. DANIEL]. Yesterday I asked the junior Senator from Texas to postpone until today the beginning of his address. The Senate met at 12 o'clock noon. The junior Senator from Texas has been bearing with Senators for 30 or 40 minutes.

I should like to accommodate the Senator from Minnesota, but in accommodating him I do not wish to find myself in difficulty with the very able junior Senator from Texas. The Senator understands that I must return to Texas this summer. I am sure he understands my situation. [Laughter.]

Mr. President, I ask unanimous consent that I may yield 2 additional minutes to the Senator from Minnesota.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator from Minnesota may proceed.

Mr. HUMPHREY. Mr. President, I wish to say again that I appreciate the concern of my friend from Texas, and I wish to cooperate. However, I must say frankly that I do not believe there is any more important subject confronting us today than the subject of our foreign policy. Gas bills are important, and so are agricultural bills. However, nothing is more important than foreign policy.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. JOHNSON of Texas. I will say to the Senator from Minnesota that I agree with him. The Senate convened at 12 o'clock, and for an hour and a half since then we have had general discussion along the line now being pursued by the Senator from Minnesota. It will be remembered that the Senate on yesterday entered into a unanimous-consent agreement, with which the Senator from Minnesota, I am sure, is familiar. All of us are delighted to hear the Senator's remarks, but the fact remains that we have entered into a unanimous-consent agreement, and we have already yielded time to the Senator. All of us realize the importance of the subject being discussed by our good friend from Minnesota.

Mr. HUMPHREY. I know the Senator appreciates it. I thank him very much.

The evidence is still coming in that Mr. Dulles—given the most charitable interpretation—has committed a catastrophic mistake. I believe that the sense and effect of the Dulles interview is to spell out an attitude of mind on the part of the Secretary of State which I submit weakens and limits his effectiveness in directing our Nation's foreign policy. I do not intend to see the image of the United States in the world's eyes distorted out of recognition. I do not intend to allow Mr. Dulles's views on foreign policy to stand as the unanimous view of the United States. It is clear that Mr. Dulles does not reflect responsible public opinion in the United States.

Yet I wish this distinguished body to see what has already been done by Mr. Dulles and his public-relations team in

their gross miscalculation of the benefits to the Republican Party of an article like that in this week's Life magazine.

Mr. Dulles has delivered us into the hands of the Soviet propaganda-machine. In one dismal stroke he has undone the concerted efforts of the whole Voice of America campaign. All the millions we have poured into radio programs and films and speeches and records to persuade the peoples of the uncommitted countries—and yes, even, to reason with the Communist peoples, as well—are undercut by these rash statements.

Just let me tell you the kind of thing that the official Soviet news agencies are broadcasting into India and Indonesia, Burma, Indochina, the Near East, into Italy, and France, and Germany.

Listen to what the Soviets are saying through their East Berlin mouthpieces, in this case the Berlin Deutschelandsender. This is what is going out from Moscow to everyone who understands the German language.

Listen to this—broadcast, January 14:

Dulles insolvent cynicism has also had a good effect: it demonstrated the real nature of United States policy. Dulles himself confirmed what the statesmen of the peace camp have always said: in the United States Government are warmongers who do not hesitate for a moment to set the world aflame if this corresponds to their interests. Dulles himself has now demonstrated how right the peace camp was with its continued warnings against the war policy of the United States and her allies.

So states the Communist propaganda.

Further on in the German Communist broadcast, the narrator read:

No, an atomic war, as it was planned by Dulles, is a global affair, and when the atomic bombs drop on Asia, they will also drop on Europe, and on Germany the more so since the West German Federal Republic has today become a member of NATO and must go to war on NATO's and Gruenther's orders. The Dulles interview shows with unimaginable frankness and clarity by whom NATO is ruled and directed.

Mr. President, I ask unanimous consent to enter in the RECORD, the full text of this German Communist broadcast of January 14, 1956. It illustrates quite clearly the way in which the Communists have gleefully seized on Mr. Dulles' monumental blunder.

There being no objection, the text of the broadcast was ordered to be printed in the RECORD, as follows:

A finance minister under the Weimar Republic who once said that financial policy consisted in always walking along the edge of a deficit was a mere novice compared with United States Secretary of State Dulles. "Dulles recently revealed to us in an interview that, for him, the highest level of statesmanship consists in balancing on the edge of the abyss of war. The above-mentioned finance minister only risked the taxpayers' money, while Dulles risks the lives of hundreds of millions of people.

"No wonder that, when the interview became known, the people did not show much understanding for the artistic beauty, so highly praised by Dulles, of this 'haute ecole' of capitalist diplomacy. On the contrary, there was a big outcry in the world against such a feat of balancing on the razor's edge between war and peace."

(There follows 1-minute resume of Dulles' remarks.)

The fact that a world war was avoided after all was not because of the United States, but because of the growing power of the Soviet Union and the strength of the great peace camp, as well as the desire for peace on the part of the peoples of the Western World. "Even a paper—certainly not a progressive one—like the London Daily Mail reflects the horror of the British when it remarks on the Dulles interview: 'It is the most terrifying art we ever encountered. One false step and the artist is over the edge, taking his H-bombs with him and destroying entire continents in the process.'"

Dulles' insolent cynicism has also had a good effect: It demonstrated the real nature of United States policy. Dulles himself confirmed what the statesmen of the peace camp have always said: In the United States Government are warmongers who do not hesitate for a moment to set the world aflame if this corresponds to their interests. Dulles himself has now demonstrated how right the peace camp was with its continued warnings against the war policy of the United States and her allies.

Again, the movement for the outlawing of the atom bomb and the destruction of all atomic weapons is not a mere academic matter, but an extremely concrete action for saving some hundreds of millions of human lives. Dulles' remarks also showed that the Soviet Union's disarmament proposals are not just a matter for the diplomats and military experts, "but concern each one of us," since their acceptance or rejection may one day decide the personal fate of every one of us.

"What would have happened if the Federal Republic had already been a member of NATO at the time when matters in Korea, Indochina, and Formosa were on the razor's edge and when the men behind Dulles waited avidly for their third world war? Bonn would have had to join in. The militarists, after all, would have liked nothing better—that is, West German youths would have died for the greater glory of the foreign-political tightrope walker Dulles and atomic weapons would have laid waste to German land.

"Conditions today are no longer such that we in Germany can sit calmly by our fireside and peacefully smoke our pipes while peoples are warring with each other in some far-off land. No, an atomic war, as it was planned by Dulles, is a global affair, and when the atomic bombs drop on Asia, they will also drop on Europe, and on Germany the more so since the West German Federal Republic has today become a member of NATO and must go to war on NATO's and Gruenther's orders. The Dulles interview shows with unimaginable frankness and clarity by whom NATO is ruled and directed.

"After this interview, it is no longer possible to call the new West German Wehrmacht by the pretty name of 'citizens in uniform,' as people have hitherto tried to do. OST-WEST-KURIER states this fact quite clearly when it writes that the new spirit of our armed forces will be far more determined by the H-bombs threatening them from above than by the duties of citizens wearing a 'peace-time uniform.' Today, no one can say that NATO is merely a harmless defense alliance, for it is one of the main instruments of Mr. Dulles in his attempts to unleash the third world war.

"What does the SPD leadership, above all others, intend to do? Will it continue to cooperate in the executory regulations of NATO, because these have, by formal democratic process in parliament, become law? These new executory laws, after all, concern not a new (word indistinct—Ed.) or a new road traffic regulation, but they concern a law about war, the third world war. Is it possible to cooperate with those who are nothing but the delegates of the warmongers in Washington? The peoples of the world, especially the German people, must, after this interview, be still more vigilant and still more opposed to NATO. With their fight for peace and with their will to live, they will thwart all the arts of those tightrope walkers of war and of death."

Mr. HUMPHREY. Mr. President, here's another Communist broadcast, quoting from an Indian newspaper, the National Herald:

DELHI.—Commenting on Dulles' statements to a Life correspondent, the National Herald says in its editorial:

"At a time when wide strata of the population demand that hydrogen-bomb tests be banned and when serious anxiety exists in connection with the refusal on the part of [the United States and Britain?] to carry out this demand, Dulles states that the United States had twice in the course of recent years threatened to use the atom bomb."

Refuting Dulles' assertion to the effect that the threat of atomic war had allegedly prevented the breakdown of negotiations on the armistice in Korea, the newspaper points out: "Those who understand China's policy find it difficult to believe that she resumed negotiations under the pressure of this threat because, despite whatever atomic atrocities the United States could carry out, it is impossible to conquer China, and the entire world would have turned away from the United States in horror."

If Mr. Dulles thinks that he has a closed case in Quemoy and Matsu, and that the Chinese have been persuaded to give up their pretentions for conquest of Formosa, let him listen to the Chinese Communist broadcast from Peking, January 15, 1956, a part of which I quote:

As for Dulles' so-called victory in obstructing the Chinese people's liberation of Taiwan, the People's Daily says "Dulles' art cannot work on the Chinese people. We will liberate Taiwan, and as long as Dulles lives on, he will see it himself."

A Chinese Communist broadcast quotes the Indian press reaction to the Dulles article:

NEW DELHI, January 14.—The Indian press does not welcome the announcement by the United States Secretary of State, John Foster Dulles, that he was planning to visit India.

The Times of India wrote that the American commitments under the SEATO Treaty, the inability of Washington to revise its relations with Syngman Rhee in Korea, and Chiang Kai-shek on Taiwan, the abnormal stand taken by the Eisenhower administration on the question of Indochina, not to mention Dulles' incredible tactlessness with regard to Goa, sharply limited the chances of finding a common position for India and the United States.

The conference of SEATO member countries in Karachi coincided with the contemplated visit of Dulles to India, the paper continued. Coming straight from a conference, the main subject of which would evidently be negotiations from "positions of strength," Dulles would hardly be able to derive the benefit from the standpoint of greater understanding when conducting talks with the Prime Minister of India.

The paper Blitz asked the people of India to tell Dulles in plain language: "Go by all means to Pakistan or your Portuguese Province of Goa. Or to your stooges of SEATO, but spare us—and yourself—the embarrassment.

In every language—from German to English to Hindustani—in every language through which the Russian propaganda machine operates, powerful radio broadcasts are dinning into the minds of the uncommitted peoples of the world

the false picture of American intentions which Mr. Dulles has created.

We must have an immediate, and a vigorous, correction of the conception of American foreign policy expressed by Mr. Dulles.

AMENDMENT OF THE NATURAL GAS ACT, AS AMENDED

The Senate resumed the consideration of the bill (S. 1853) to amend the Natural Gas Act, as amended.

Mr. DANIEL obtained the floor.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. DANIEL. I yield.

Mr. JOHNSON of Texas. Mr. President, I should like to ask the Senator whether he would agree to yield to me for the purpose of suggesting the absence of a quorum. Several Senators requested that they be informed when the junior Senator from Texas spoke. Therefore, I believe we should have a quorum call, and if it is agreeable to the Senator, I shall suggest the absence of a quorum, with the understanding that the Senator from Texas will retain the floor.

Mr. DANIEL. I yield for that purpose.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the junior Senator from Texas may yield to me for the purpose of suggesting the absence of a quorum, with the understanding that he will retain the floor at the conclusion of the quorum call.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DANIEL. Mr. President, I have some remarks to make concerning the Harris-Fulbright bill, which will take about 30 minutes. Then I intend to explain, if time permits, the various sections of the bill. If it is satisfactory to my colleagues, I would appreciate being permitted, for the sake of continuity, to complete my preliminary remarks without interruption. Then I shall yield for any questions Members of the Senate may desire to ask.

Thus far in the debate, emphasis has been placed on points of disagreement between the proponents and opponents of the Fulbright-Harris bill.

It might be helpful if my remarks should begin with emphasis on areas of agreement—a few points on which few reasonable men will differ:

First. The great accomplishments of the natural-gas industry prior to the Supreme Court's decision in the Phillips case on June 7, 1954, including increased production and reasonable sale of natural gas by the producers, were without any price-fixing regulation of independent producers by the Federal Government.

Second. The Supreme Court's decision in the Phillips case has created such uncertainty that Congress must take affirmative action of some nature to relieve the chaos and confusion.

Third. An ample supply of natural gas is the most important consideration for the consuming public, because ample supply will keep consumer prices lower.

Fourth. Utility-type regulation and price-fixing on independent producers will decrease the future supply of natural gas in interstate commerce, and thereby result in higher consumer prices.

Perhaps a brief discussion of these preliminary points will show their importance in arriving at the policy to be written by Congress on this important subject.

HISTORY AND ACCOMPLISHMENTS BEFORE THE PHILLIPS DECISION

During the 16 years between enactment of the Natural Gas Act in 1938 and the Supreme Court's decision in the Phillips case in 1954, there was no Federal regulation of the independent producers of natural gas or the prices which they charged. During this time the producing industry expanded to such an extent that one-half of its production was made available to interstate pipelines which carried this clean and cheap fuel into most of the nonproducing States of the Nation.

Under free and open competition the supply increased from year to year, but producers' prices did not increase as much as the value of the dollar decreased.

The average producer's price in 1938 was 4.9 cents per 1,000 cubic feet, and at the end of 1953 it was only 9.2 cents. It now average 10 cents and is less than one-tenth of what the ultimate household consumer pays for his gas. Considering the value of the dollar in 1938, the producer was actually receiving more then than he is today. The experience of these 16 years without regulation shows that the producer's price of gas increased far less than that of any other fuel, and retail costs have remained generally below 1938 price levels.

Mr. President, I ask unanimous consent that exhibit 1, The Bargain of Natural Gas, with figures from the Bureau of Labor Statistics, be printed in the RECORD at the end of my remarks.

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). Without objection, it is so ordered.

(See exhibit 1.)

Mr. DANIEL. Mr. President, no one complained before our committee of exorbitant or excessive prices charged by producers before they were threatened with price-fixing regulations and overnight classification as public utilities.

Until then the interstate market was attractive. Producers increased their wells for gas development, added to the supply, and thereby, through the normal process of competition, kept their prices reasonable and lower than other fuels.

Mr. PURTELL. Mr. President, will the Senator from Texas yield for a question?

Mr. DANIEL. As I said before beginning my remarks, I should prefer to complete them, and then I shall be happy to yield.

Most of these producers entered into 20-year contracts committing approximately one-half of their gas reserves to nonproducing States. They had every right to believe that they were free to make such contracts and that the contracts would not be changed or abrogated by the Federal Government, because the Natural Gas Act of 1938 clearly exempted them from regulation by the Federal Power Commission. Section 1 (b) stating that the act shall not apply to the production or gathering of natural gas.

The Natural Gas Act—title 15, United States Code, sections 717–717w—passed in 1938, was intended to regulate as natural-gas companies only those persons or organizations engaged primarily in interstate transportation or primarily in sales in interstate commerce. Until recent years, few were so bold as to contend that the act included the thousands of independent oil operators who produced gas along with their oil or to the independent gas producers who were engaged primarily in production and whose only relation to interstate commerce or transportation was arm's-length sales to natural-gas companies.

Ever since the law was enacted in 1938, the Federal Power Commission interpreted it as not applying to independent producers of oil and gas who merely sell the gas to other concerns which move it into interstate commerce.

The Commission said, in effect, "You are no more applicable to the law than if it were a law to regulate farm produce. You are no more applicable to the law because you happen to sell something that moves in interstate commerce than would be the person who sells only in intrastate commerce."

Throughout the 16-year period the Commission continued this as the interpretation of the law, which some of them helped to write.

The Federal Power Commission said in its brief in the Phillips case:

> The Commission has uniformly interpreted the act to exclude transportation and sales, such as those here involved.

Not only did the Supreme Court overrule the long-established interpretation and numerous decisions of the Federal Power Commission, but it also ignored the clear congressional intent that these independent producers are exempt from the act. Justice Tom Clark said in a sharp dissent that the majority action of the Court was "contrary to the intention of Congress, the understanding of the States, and that of the FPC itself." Justices Douglas and Burton also dissented.

Let us look for a moment at the history of the legislation. As early as 1935 the Federal Trade Commission, at the request of the United States Senate, conducted an investigation of interstate electric and gas companies and reported to the Senate on December 31, 1935, that the gas industry is divided into 3 segments: First, the producing segment; second, the interstate pipeline segment; and, third, the local distributing company segment. It said that competition exists in the first and third segments and added:

> But this middle segment, this interstate pipeline, is not subject to regulation, and there does not exist the competition that there exists at each end of the interstate pipeline.

The Federal Trade Commission recommended to the Senate that the interstate pipeline company should be regulated by the Federal Government, and all of the subsequent hearings in the House and Senate on the first bill introduced on March 6, 1936, and subsequent changes which ultimately became the Natural Gas Act of 1938, indicated that it was only the interstate pipeline which was being regulated, and that the law would not apply to the producers in the field.

The Federal Power Commission's general solicitor, Mr. DeVane, explained the bill to the House Interstate and Foreign Commerce Committee and made it perfectly clear that it was not intended to regulate or fix prices of the producer or gatherer who sells to the interstate pipelines. This is shown by the following testimony:

Congressman COLE. Does this bill give anywhere the Commission power over the source of natural gas in the different fields in a manner which we might call comparable to that which your Commission now has over hydroelectric generating plants?

Mr. DEVANE. It does not. No. It does not attempt to regulate the gathering rates, or the gathering business.

Then Mr. DeVane said:

The real question we are dealing with here is this: There is a complete hiatus in the regulation of rates charged by these pipeline companies to the local distributors of gas throughout the United States, and we are trying to augment State regulation by conferring authority upon a Federal agency to fix those rates.

Congressman LEA. Mr. DeVane, I would like to go back just a moment. Of course, it is a question of regulation. Suppose that the A company owns a gas supply and the B company transmits it to another State, distributes it to a local company for distribution. Now, suppose the question arises as to whether or not the charges which the A company makes against the B company for the gas is reasonable. What, if any authority, would the Commission have on that question under this bill?

Do you get my question?

Mr. DEVANE. Yes, if I understand your question, concerning the price paid to the A company, there is no control of the gathering rate. The Commission would not have jurisdiction. That price is fixed by competitive conditions that exist in the field.

To make this amply clear and beyond all question, the Congress, as said above, wrote into section (b) the provision that the Natural Gas Act "shall not apply to the production or gathering of natural gas."

The first decision from the Federal Power Commission on this point came in the Columbian Fuel Corporation case in 1940, only 2 years after the Natural Gas Act was passed. This 4-to-1 decision was made by a majority of the Commission which was in office at the time the bill was passed, and one of them helped write the bill. They held that a producer or gatherer selling gas to an interstate pipeline company does not come within the scope of the jurisdiction of the Federal Power Commission and is not subject to the Natural Gas Act.

I observe on the floor the distinguished senior Senator from Kansas [Mr. SCHOEPPEL]. In 1944 the Federal Power Commission wrote a letter to the Senator, who was then Governor of Kansas, in which it was said:

We wish to assure the representatives of all the gas-producing States that the Federal Power Commission has no desire to extend its jurisdiction to cover the production of natural gas, or otherwise invade what are properly regarded as the functions of the conservation authorities of the several States.

Mr. LONG. Mr. President, will the Senator yield?

Mr. DANIEL. I have already asked that I be permitted to complete my statement; then I shall be glad to yield if the Senator will hold his question.

Again in 1947, by formal order issued by the Federal Power Commission, it was stated:

The Commission gives it assurance to independent producers and gatherers of natural gas that they can sell at arm's length and deliver such gas to interstate pipeline companies, and can enter into contracts for such sales without apprehension that in so doing they need become subject to the assertions of jurisdiction by the Commission under the Natural Gas Act.

For 16 years—until reversed by the Supreme Court on June 7, 1954—the Federal Power Commission so interpreted the law and rendered at least a dozen decisions in line with the interpretations quoted above.

It was with these assurances and with this understanding of the law that independent natural gas producers entered into contracts for sale of their gas to interstate pipeline companies, and most of these contracts were for 20-year periods. They relied upon the decisions of the Federal Power Commission and upon the plain wording of the statute. They have borrowed great sums of money to drill the new wells required by their contracts, and under this understanding of the law a supply of gas at reasonable prices has been made available to most of the States in the Union.

Of course, the important part about all this history is not that the producers had every right to rely on the law and on those interpretations for more than a 16-year period. The important point today is what happened to the producers' prices in that period. We find that those who bought natural gas—and it was the consumers who bought it ultimately—did so because it was the cheapest fuel available. We find that the producers during that time were getting only about one-tenth of the consumer's gas dollar.

What standard should we use in order to judge the policy for the future? I say that the 16 years of experience in the past is the best standard we have, because during that period of nonregulation we found that the independent gas producers were in the same position as the producers of other fuels, other minerals, and other commodities insofar as their sales and incentives for greater supplies were concerned.

I again call the attention of the Senate to the fact that during that period, and even today, the producers in most places received and are receiving less than one-tenth of the consumer's dollar. I refer to Richmond, Va., on which there is a chart in the back of the Senate Chamber showing the average price to the residential consumer. Washington, D. C., is on the right; and on the left is shown the price at Richmond, Va. The average household consumer at Richmond, Va., is paying $1.53 per thousand cubic feet, for natural gas.

At the bottom of the chart will be seen the amount the producer received—12.5 cents per thousand cubic feet. That is the average price paid the producer. I might say that the producers in the Southwest receive much less than 12.5 cents but it is an average between the high price received in the Appalachian field and the lower price paid for southwestern gas. But, even so, it is less than one-tenth of the consumer's dollar.

Fifty-three cents is the total cost delivered at the city gate. The local distributing company gets $1.53 from the consumer.

What I am trying to stress is that during the 16-year period without regulation, the producers of natural gas have received for their product, under competition—and there was a plentiful supply when there was competition—a smaller percentage of the consumer's dollar than the seller, owner, or producer of any other commodity.

Let us use the figure $1.53. If a waiter in the Senate restaurant served a meal for $1.53, he would be tipped more than 12½ cents. Twelve and one-half cents is what the producers are getting of the $1.53 per thousand cubic feet paid by the consumers in Richmond, Va., for the gas they use within their homes.

It is absurd for the distributors to try to sell the State public service or utility commissions the idea that the producers need to be regulated as a public utility. The producers were not regulated as a public utility for 16 years, and they were able to supply their product to the distributors at a price less than the amount of the average tip which would be given to a taxi driver or a waiter for serving a meal.

NEED FOR SOME TYPE OF LEGISLATION

The second point on which there should be no dispute on either side of the issue—certainly this was so in our committee—is that some type of legislation on this subject is needed. We cannot walk off and leave the Supreme Court's "legislation" in effect, because the Court made no appropriation to the Federal Power Commission to carry it out, and the Court has given no directions as to how the Federal Power Commission is to do the job.

With the Supreme Court decision in the Phillips case on June 7, 1954, we entered a new period in the history of the natural gas industry. Overnight approximately 8,000 independent producers became classified as public utilities and subject to the price-fixing regulations of the Federal Power Commission with complete control of both past and future contracts in the hands of a Federal bureau.

Chaos and confusion have resulted, just as chaos and confusion would result in the home States of other Senators if cotton and wheat farmers were to be put in a public utility status, or if coal miners or producers of any other

commodity should be put in a public utility status. When the producer of a particular commodity is placed under public utility rate-fixing regulations, he is told, "We will allow you 6 percent on your total costs for the operation, but we will not allow you anything for the commodity. We will allow you nothing for the value of the commodity." That is why a public utility basis will not work when you have a commodity involved.

If it be said that statement is exaggerated, I invite a look at some of the cases in which local producers were also interstate pipeline operators. Thereafter, as producers, when they operated interstate pipelines, they were subjected to regulation by the Commission. In some of those cases they were not allowed anything for their investment or for the value of the commodity which was sold on a utility ratemaking basis.

As I have said, chaos and confusion was the result, not only among the producers and within the office of the Federal Power Commission, but among the pipeline companies, distributors and consumers. This is due to the fact that the Congress, not having intended the law to be as it was interpreted by the Supreme Court, has passed no laws advising the Federal Power Commission how to conduct its new-found regulatory powers over producers, and Congress has not appropriated to the Commission any funds for this purpose.

Overnight, the Commission found itself with about 8,000 new natural gas utility companies, and with no directions or funds from Congress with which to regulate them. Even if this bill should fail to become law, the confusion and the problem would still exist, and Congress would still have to face it.

The Phillips decision removed the recognized limits on Federal Power Commission jurisdiction over production and gathering. The Supreme Court could not—and did not—reestablish those limits at some other point. Also, the Court could not—and did not—set forth a policy to guide the Commission in exercising the jurisdiction which the Court itself conferred.

The regulatory agency is unable to determine from the law where it has jurisdiction and where it does not or how to regulate whatever may come within its purview.

One result is conflict with State conservation laws. I hope there is no Member of the Senate who will deny that the State conservation laws have been so administered that we have had enough gas and oil to win two world wars, and that today we stand in the best position of any nation with respect to the production of natural resources. The Phillips decision is in complete conflict with States laws and produces an unworkable situation so far as the State conservation laws are concerned.

This is what the Federal Power Commission said to the Interstate and Foreign Commerce Committee of the Senate with reference to conflicts with State law:

> The fact remains that the fixing of rates of producers for gas sold in interstate commerce for resale will inevitably conflict with the recognized power of the States to regulate producers for purposes of conservation.

Our committee heard much evidence indicating that those conflicts already exist. The producer, the transporter, the distributor, and the consumer have no way to know what the law will be tomorrow. This is an untenable situation, and no public interest can be served by allowing it to continue. That is why Congress must act in one direction or another.

Defeat of the Fulbright-Harris bill would not, in itself, establish a policy or discharge the responsibility of the Congress in this important conflict. No court, no commission, and no lapse of time can do for us what is our duty alone to do. We have two alternatives. Either we must pass legislation and provide appropriations for implementing the law of Federal control over producers as written by the Supreme Court, or we should restore the law as it was understood to be before the Phillips decision, adding proper safeguards for protection of consumers as proposed in the Fulbright-Harris bill.

In considering the policy Congress should establish, the third and fourth areas of agreement mentioned above are most important.

AMPLE SUPPLY IS THE MOST IMPORTANT CONSIDERATION

Every agency of the Government which has studied this problem has concluded that an adequate supply of natural gas is the most important element in keeping producer prices and ultimate consumer prices at reasonable levels. That should be the main object of the Congress, not only for the sake of the consuming public, but for the sake of our economy and national defense.

Some of us come from gas-producing States and some come from gas-consuming States, and I am sure there are some who think we are looking at the matter through glasses colored by geography. I do not ask my colleagues to take my word for what I am saying. I ask them to look at the words of every impartial Federal agency that has ever given an objective study to the matter.

On February 26, 1955, the Cabinet Committee of President Eisenhower issued the White House Report on Energy, Supplies, and Resources Policy. That Committee—composed of the Director of Defense Mobilization, Secretary of State, Secretary of Treasury, Secretary of Defense, the Attorney General, Secretary of the Interior, Secretary of Commerce, and Secretary of Labor, said this:

> We believe the problem of natural-gas regulation should be approached from the viewpoint of assuring adequate supplies and the discovery and development of additional reserves to support such supplies, in the interests of national defense, an expanding domestic economy, and reasonable prices to consumers.

Significantly, the Cabinet Committee concluded:

> In the interest of a sound fuels policy and the protection of the national defense and consumer interests by assuring such a continued exploration for and development of adequate reserves as to provide an adequate supply of natural gas, we believe the Federal Government should not control the production, gathering, processing or sale of natural gas prior to its entry into an interstate transmission line.

Mr. President, I ask unanimous consent that the White House Report prepared by this Cabinet Committee, insofar as it relates to natural gas, be printed in the record at the conclusion of my remarks as exhibit 2.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. DANIEL. The Federal Power Commission, in a letter from the Chairman of the Commission dated March 30, 1955, reported to the Senate Committee on Interstate and Foreign Commerce, with only one dissent, that it favored the Fulbright-Harris bill, and said:

> We believe that the passage of the proposed bill would release large amounts of gas to consumer markets in interstate commerce and at the same time, as has been indicated, provide sufficient restraint upon the price of such gas as to eliminate the danger of exorbitant rates. In fact the release of such gas would itself, we believe, act in great measure as such a restraint.

Mr. President, I ask unanimous consent that this letter from the Federal Power Commission be inserted at the end of my remarks as exhibit 3.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

(See exhibit 3.)

Mr. DANIEL. Mr. President, I sincerely urge my colleagues to read what this agency, which has been so close to the problem all these years, considers the impelling reasons for the enactment of the pending legislation.

Both the Senate and House committees, after extended hearings, have concluded that an adequate supply of gas both now and in the future is the most important consideration for the consumer and the national defense, and that such supply will keep producer prices reasonable in accordance with the terms of the Fulbright-Harris bill.

Mr. President, only those who fear the great American system of free enterprise and competition among producers of natural resources have need to fear that this bill will not work to the benefit of the consuming public. And they should not fear when we have had a history of 16 years of unregulated producers in which the producers brought the gas to interstate lines for shipment to nearly every State of the Union at reasonable prices—at prices less than the percentage of your average tip to a waiter or a taxi driver.

UTILITY-TYPE REGULATION AND PRICE-FIXING WILL REDUCE SUPPLIES

If the law is left as it is today, confusion will continue. If the law as it is today is implemented along the lines written by the Supreme Court, there will be a reduction in the supply of gas flowing into interstate commerce.

From what has been said above, it is apparent that the surest way of causing increased prices to the consuming public is for Congress to approve a policy which would reduce the supply of natural gas.

Again, on this point, every Federal agency which has given study to this problem has concluded that there will be a decrease in gas supplies committed to interstate commerce if the mere sale of gas for such purpose automatically classifies the producer as a public utility subject to price-fixing on a utility rate-making basis.

On this point the Federal Power Commission reported to our committee:

On the other hand, we have serious doubts whether facing the prospect of continuous regulation of their rates, possibly on a cost basis, many producers not presently selling their gas in interstate commerce, and having available other large intrastate markets, would be willing to enter into such long-term contracts.

We are aware, also, that the availability of large quantities of gas which have been withheld by the producers from interstate markets because of the threat of that type of limitation on prices has resulted, and will, we believe, continue to result in the establishment in the areas where natural gas is produced, in preference to other areas, of petro-chemical and other plants using large volumes of natural gas, as well as the movement of industries from points outside of and remote from them into areas in which such intrastate gas is available. It is certainly not beyond the bounds of reason that, without some legislation such as that here proposed, remote domestic and other natural-gas consumers may find themselves facing not only a diminishing supply of such gas but the fact that some of the industries upon which the economy of their communities depend may have removed from their midst.

Mr. President, the independent gas producer has none of the characteristics of a public utility. It is only when we find that some business has a monopoly, some business which of necessity has the right of eminent domain and exclusive control over an area and over a certain type of business or transportation, that we throw out competition, and say, "There can be no more competition, and we are going to regulate you as a utility and fix the price you may charge."

The independent gas producer is engaged in one of the Nation's most hazardous and competitive businesses. He has no monopoly, no right of eminent domain, and no guarantee of a return on his investment. His wells may be dusters. Eight out of nine exploratory wells are dry. When he does hit and sell gas, he is not selling a public service—he is selling a part of his irreplaceable assets, a part of his property just as when a farmer sells a part of his land or a part of the sand on his land or part of the coal under his land. When he does that, he is selling property. Mr. President, that is the reason for use of the term "fair market price" in our bill in its indirect regulation of prices. There seems to be some question about the use of that term, as contrasted with the use of the term "just and reasonable price." The term "just and reasonable price" has been used by the courts of the country in utility cases for so long that it is synonymous with the term "cost plus," when used in connection with rate-making. However, the words and the regulation are used in connection with services rendered, not in connection with commodities sold.

Those terms are never used in relation to commodities actually placed into the channels of commerce. There we use the term that is used and understood by the courts, namely, "fair market price" or "reasonable market price," when the object being regulated either directly or indirectly is a commodity, when some property which cannot be replaced is being sold.

That is the distinction in this case. These gas producers are not selling a service. Mr. President, can you blame them for hesitating to enter the interstate market after the decision of the Supreme Court, when they are faced with the threat, "You can get 6 percent or 6½ percent on the cost of your lease and on your cost of producing the property, but you cannot get anything for the property itself." Certainly not, Mr. President.

Mr. DOUGLAS. Mr. President, will the Senator from Texas yield for a question?

The PRESIDING OFFICER (Mr. McNAMARA in the chair). Does the Senator from Texas yield to the Senator from Illinois?

Mr. DANIEL. Mr. President, as stated, at the conclusion of these remarks, I shall yield.

As Mr. Justice Jackson said in the Hope Natural Gas Co. case:

A thousand feet of gas captured and severed from real estate for delivery to consumers is recognized under our law as property of much the same nature as a ton of coal, a barrel of oil, or a yard of sand.

Mr. President, who in this country would ever think of saying to the producer of oil or to the producer of coal or to the producer of sand, "We are going to allow you 6½ percent or some reasonable return for your services in producing or in digging out the oil or the coal or the sand, but we will not allow you anything at all for the oil itself, or for the coal or the sand, or for whatever other property is being produced."

The Federal Power Commission, in its letter to our committee, said:

The production of crude oil and its products, which include natural gas, is essentially a mining operation. When the crude oil reaches the surface of the earth and is thus reduced to possession it is treated as a commodity in all respects similar to coal, iron, copper, and other products of the mine. No reason can be seen why natural gas should be so classified and thus regulated while leaving coal or oil completely free of regulation. If one of those fuels is to be subjected to regulation, they all should be.

As surely as the Congress permits a Federal agency to fix the price for which an independent producer of gas may sell his product, so will it set the precedent for some future Congress to fix the price which may be paid for other fuels, minerals, and even farm products which are sold into interstate commerce.

Mr. President, I am glad to see, today, for the first time, the editorial entitled "If Gas Producers Can Be Regulated, So Can the Corner Grocer" in the Saturday Evening Post of January 21.

Mr. DOUGLAS. Mr. President, will the Senator from Texas yield at this point for a correction?

Mr. DANIEL. No, Mr. President. As I said at the beginning, I wish to finish these preliminary remarks, which will require about 30 minutes. Then I shall yield for any and all questions.

Mr. President, the editorial has already been placed in the RECORD by the distinguished Senator from Arkansas [Mr. FULBRIGHT]. I do not think it was written by a gas producer, and I do not believe there is a prejudiced viewpoint in the editorial. It certainly makes the same prediction I had made and had written into this speech before I had seen the editorial.

If we permit the law written by the Supreme Court to remain the law with respect to gas producers, we shall be permitting the writing into American Government and American economics of a strange new concept—that is, that the supplier of a utility becomes, by that act, a utility himself. This could ensnarl the whole economy. Utilities, of all kinds are, in the normal course of business—supplied some goods or some commodity from the whole range of private enterprise. If every price charged to a utility must be determined to be a "just and reasonable" price on utility standards and then we have an economic system alien to any we have known.

Mr. President, I wish to commend to Senators who did not hear it or did not read it, the speech made on that point yesterday by the distinguished senior Senator from New Hampshire [Mr. BRIDGES].

"Just and reasonable rates" are very fair sounding words. That is what the present Natural Gas Act would call for, and is what I understand some Senators would like to see substituted for the term "reasonable market price," as used in this bill.

Mr. President, to one who has not studied public utility cases, the term "just and reasonable," when used in connection with prices, sounds so fair, but to one who studies public-utility cases, the words are synonymous with the conventional rate-base method of allowing 6.5 percent on prudent investment. That means cost-plus. Mr. President, it seems to me that the United States has had ample experience with cost-plus contracts. As we know, some of the most expensive operations in the history of our country have been conducted under cost-plus contracts.

At least, Mr. President, that is the point of departure and comparison under which "just and reasonable" rates are to be determined under the Natural Gas Act, according to a very recent opinion of the United States Court of Appeals for the District of Columbia Circuit, December 19, 1955, in the Panhandle Eastern cases, wherein it set aside the Federal Power Commission's allowance of "a fair field price" to a producer of natural gas who was under regulation by reason of also having an interstate pipeline.

The producer's opposition to utility regulation is not purely a matter of price. It means that he must obtain certificates of public convenience to sell his gas in interstate commerce. It may mean the

obtaining of certificates before drilling wells and endless other expensive hearings and red tape before the Federal Power Commission. In one instance a Texas producer advised me that it cost him $10,000 for a copy of the hearings relating to his application and proposed contract of sale, to say nothing of the cost of Washington lawyers, or lawyers sent to Washington to attend the hearings, in an effort to comply with the regulations.

As a result of these factors, in addition to the uncertainty about prices, the producer hesitates to commit himself to a course of action which will cause him—without rhyme or reason—to become something he is, in fact not—a public utility. This is no more frightening to independent gas producers than it would be to producers of coal, oil, other minerals, or farm products.

Yesterday the Senator from New Mexico [Mr. ANDERSON] placed in the RECORD a telegram from the American Farm Bureau Federation in support of the Harris-Fulbright bill. One of the representatives of this farm organization, and representatives of other organizations, appeared before our committee and supported the Fulbright-Harris bill. They said, "For goodness sake, pass some legislation which will do away with this precedent, which some other Congress, some day, might be foolish enough to apply to the producers of farm products, because we, too, sell in interstate commerce."

Facing such designation and regulation as a public utility by the mere sale of the product to one who moves it into interstate commerce, it is only natural that these producers will find more attractive markets within their own States, if they can possibly do it. That is not a threat. I am merely making a statement. The history of operations under the Supreme Court decision will bear me out when I say that since the interstate market is not so attractive as it was, the producers of natural gas are either dealing in the production of oil or are certainly not committing new gas to interstate commerce, as they did previously. Actually, their gas well completions have decreased 10 percent during 1955, and there has been a two-thirds decrease in the rate at which natural gas was committed to interstate transportation in 1954 as compared with 1953. That is an important figure. Since 1953 there has been a decrease of two-thirds in the rate at which natural gas was committed to interstate transportation.

There is another factor in connection with this situation. The law, as written by the Supreme Court, is a discrimination against American producers, because Canadian producers are now selling gas in the United States and Mexican producers are selling gas across the Rio Grande. They are not subject to this kind of regulation. We could never fix their producer prices.

While American producers are receiving a little more than 10 cents a thousand cubic feet, on the average, Canadian producers are receiving 22 cents a thousand cubic feet for gas produced in Canada and brought into this country. Mexican producers are receiving 15 cents a thousand cubic feet for gas brought in from Mexico. Mexican and Canadian gas producers are in a better position to sell to American consumers than are American producers.

An American producer would do better by producing gas in Mexico or Canada for sale to American consumers than he would under the regulation in effect by reason of the Supreme Court decision, and which the opponents of the bill would cause to remain in effect, if they should be successful in defeating the bill.

Today the very factor which influenced the producers to rush to supply the interstate market has been taken away, that is, the certainty of it. By the simple act of selling into that market, the producer removes all certainty from his business. Overnight he becomes a public utility. If this were the only market, he would have no choice. But it is not the only market. Now the intrastate market has become the only certain market. At the present time we are using half of our gas within the producing States.

In effect, only by selling into the intrastate market can the producer know for sure what he is doing to himself. Certainly he may not have a ready market for half of his gas. He may have to wait, but he has waited before. He has the advantage, in this instance, of being able to spend his own capital to help develop or build or secure a market for his gas. He need not wait for a pipeline or look for a distributor; he can sell direct to a plant which he may capitalize himself.

This is an infinitely more attractive prospect now than the chaos and confusion of the interstate market.

With this choice presented, can there be much genuine doubt as to the course the producer will follow or the route his gas will travel?

Unless Congress intervenes, as recommended by every Federal agency which has studied this subject, the supply of gas committed to the interstate market will go down and down and down, as it has already done since this decision, because the appeal and value of the interstate market will be gone. As surely as they stand here, the opponents of this legislation are day by day creating new markets for natural gas, new markets in intrastate commerce, and they are talking, literally talking, gas away from the consumers they mean to protect.

Both committees have concluded that safeguards should be written into the legislation to prevent unfair and exorbitant price increases to satisfy those who allege that the producers might do in the future differently from what they have done in the past. A brief survey of the bill will show that only two sections relate to the matter of independent producer sales being outside the scope of direct regulation by the Federal Power Commission. All of the remainder of the bill is devoted to the safeguards which make it practically impossible, even if the producer should desire to do so, for him to receive more than the reasonable market price for his gas.

EXHIBIT 1

THE BARGAIN OF NATURAL GAS

Natural gas represents the best bargain in the fuel market, especially for residential consumers. While competitive fuels have increased astronomically in retail costs, natural gas has remained generally below 1938 price levels only recently rising slightly above the prewar index.

Here is a comparison of the behavior of the index prices for competitive fuels (1935–1939=100):

Year	Gas	Anthracite	Bituminous coal	No. 2 fuel oil
1938	94.3	99.3	101.8	105.6
1941	91.5	108.5	108.2	103.4
1945	88.4	130.7	125.7	123.3
1948	89.2	176.6	186.2	188.6
1950	90.7	195.9	200.2	180.7
1952	94.6	218.3	208.6	195.4
1953	99.6	233.4	212.9	205.5

Source: Bureau of Labor Statistics.

THE PRICE OF NATURAL GAS HAS NOT BEEN REGULATED

Throughout the period shown above, the field price of natural gas has been entirely free of Federal regulation. During the wartime interval when other prices were under OPA control, natural gas rates actually dropped although there was no OPA regulation in the fields. The behavior of the gas price index strongly suggests that the price was not under monopolistic control, for in a competitive market the price of gas did not follow the trend of competitive fuels but moved independently.

The bargain offered by natural gas to the consumer is obvious and impressive. If the fuel bills of the Nation's consumers are to be matters of Federal concern, the facts suggest that control over other fuels would be of greater value and urgency than control over natural gas.

THE STABILITY OF GAS COSTS IN THE FAMILY BUDGETS

A further significant factor in this situation is that during a lengthy period of inflation, natural gas costs have remained as a comparatively stable item in family budgets.

The cost of living has reached its highest peaks in the years since 1938, but the trend in natural gas costs has been downward. It is significant that the cost of manufactured gas has, during the same interval, increased sharply—but there have been no suggestions that the Federal Government should fix the price of coal from which much manufactured gas is made.

Here is a comparison of the cost of living, based on the Consumers Price Index, with the cost of natural gas and manufactured gas for typical residential cooking use (1935–1939=100):

Year	Cost of living	Natural gas	Manufactured gas
1938	100.8	98.8	100.2
1941	105.2	99.7	101.0
1945	128.6	93.0	101.6
1948	171.9	86.4	116.1
1950	171.9	84.6	124.8
1952	189.8	83.5	125.7
1953	191.3	85.9	126.4

Source: Bureau of Labor Statistics.

HOW THE BARGAIN IN GAS COSTS HAS STIMULATED CONSUMPTION

The phenomenal price advantage which natural gas offers to the consuming public has had the result of causing natural gas consumption to increase rapidly, particularly during the postwar years.

In 1954, natural gas was consumed in 43 States and the District of Columbia, Nevada receiving it for the first time. Since 1946, markets have been connected in Connecticut, Delaware, Massachusetts, New Hampshire, New Jersey, North Carolina, South Carolina, Wisconsin, and Rhode Island for the first time.

EXHIBIT 2

THE WHITE HOUSE REPORT ON ENERGY, SUPPLIES, AND RESOURCES POLICY

INTRODUCTION

The importance of energy to a strong and growing economy is clear. As conditions of supplies and reserves of coal, oil, and natural gas change and as both defense and peacetime requirements come more clearly into focus, the bearing of Government policies upon energy needs reexamination.

What degree and kind of public regulation is appropriate to the present situation and future outlook? What trade policies for energy supplies will most effectively express the overlaping national needs for adequate protectable supplies in case of war and for encouragement of economic growth of this country and friendly countries elsewhere in the world? What steps may be taken to improve the economic position of the coal industry, now seriously depressed, without penalizing competing industries, as a means of enhancing the ability of that industry to contribute to the national defense? More particularly, should specific changes be made in tax, freight rate, research, Government purchasing, or other policies in the energy field?

These and other policy questions press for careful review and decision.

On July 30, 1954, the President established an Advisory Committee on Energy Supplies and Resources Policy. The Director of the Office of Defense Mobilization was designated as Chairman and the heads of the following agencies served as members: Department of State, Treasury, Defense, Justice, the Interior, Commerce, and Labor.

The White House directive respecting the Committee's assignment included the following specific statements:

"At the direction of the President, the Committee will undertake a study to evaluate all factors pertaining to the continued development of energy supplies and resources fuels in the United States, with the aim of strengthening the national defense, providing orderly industrial growth, and assuring supplies for our expanding national economy, and for any future emergency.

"The Committee will review factors affecting the requirements and supplies of the major sources of energy, including coal (anthracite, bituminous, and lignite, as well as coke, coke tars, and synthetic liquid fuels), petroleum, and natural gas."

The Committee has been aided greatly by an able and representative task force appointed pursuant to the President's instructions. The Committee's recommendations are set forth below.

RECOMMENDATIONS

1. Natural-gas regulation

We believe the problem of natural-gas regulation should be approached from the viewpoint of assuring adequate supplies and the discovery and development of additional reserves to support such supplies, in the interests of national defense, and expanding domestic economy, and reasonable prices to consumers.

To secure these objectives, it is essential to give due consideration to (1) the operations known as the production of natural gas, (2) the transportation of gas in interstate transmission lines, and (3) the distribution of gas in municipalities. Individual companies may engage in more than one of these activities. Each operation of such companies should be treated by like criteria according to its appropriate industry function.

In the production of natural gas it is important that sound conservation practices be continued. This area of conservation management is under the jurisdiction of State conservation commissions. In the interest of a sound fuels policy and the protection of the national defense and consumer interests by assuring such a continued exploration for and development of adequate reserves as to provide an adequate supply of natural gas, we believe the Federal Government should not control the production, gathering, processing, or sale of natural gas prior to its entry into an interstate transmission line.

The interstate transmission of natural gas by the interstate transmission lines and the subsequent sale of such gas for resale is a public-utility function and should be under the regulation of the Federal Power Commission. In considering the certification of new lines and applications for increased rates based on new or renegotiated purchase contracts, the Commission should consider, in order to provide protection for the consumer, not only the assurance of supply but also whether the contract prices of the natural gas which the applicant has contracted to buy are competitively arrived at and represent the reasonable market field price, giving due consideration, in the interest of competition, to the reasonableness and appropriateness of contract provisions as they relate to existing or future market field prices.

The several States or their political subdivisions should continue to provide the public-utility regulation of distributing companies in accordance with usual utility practices.

Thus the complete cycle of natural-gas production, transmission, and utilization will be appropriately regulated: The production and conservation of natural gas by the State conservation commissions; the interstate transmission of natural gas by the Federal Power Commission; and the distribution by the local public utility commissions.

2. Sales below cost by interstate pipeline companies

The basic principle regarding the regulation of natural gas and the use of alternative energy sources should be as far as possible that of free choice by the consumer and free and fair competition among suppliers. This, it is confidently thought, will provide most effectively for the assurance and flexibility of energy supply, both for economic growth and strong security readiness. But sales either for resale or direct consumption below actual cost plus a fair proportion of fixed charges which drive out competing fuels constitute unfair competition and are inimical to a sound fuels economy.

The committee recommends, therefore, that appropriate action be taken that will prohibit sales by interstate pipelines either for resale or for direct consumption, which drive out competing fuels because the charges are below actual cost plus a fair proportion of fixed charges.

3. Eminent domain for natural gas storage

The power of eminent domain for the acquisition of surface and mineral rights for the development of underground storage reservoirs should be granted subject to appropriate safeguards to protect the public safety, including the mining industry.

EXHIBIT 3

OFFICIAL VIEWS OF THE FEDERAL POWER COMMISSION FAVORING THE FULBRIGHT-HARRIS BILLS EXEMPTING PRODUCERS

FEDERAL POWER COMMISSION,
Washington, March 30, 1955.

Re S. 1498, 84th Congress.

Hon. WARREN G. MAGNUSON,
Chairman, Committee on Interstate and Foreign Commerce, United States Senate, Washington, D. C.

DEAR CHAIRMAN MAGNUSON: Receipt is acknowledged of your request for the views of the Federal Power Commission on the bill S. 1498 to amend the Natural Gas Act. The views of the Commission generally support the approach contained in the bill (H. R. 4560) introduced in the House by Mr. HARRIS and the companion bill (H. R. 4675) introduced by Mr. HINSHAW. No similar bill having been introduced in the Senate, we will direct our comment to these House bills.

The members of the Federal Power Commission consider that, as an arm of the legislative branch of the Federal Government, its first responsibility has been, and is, to construe, administer, and applying the several acts under which the Commission functions in strict accordance with the congressional intent.

Because of its close association with the legislative considerations and events preceding the enactment of the Natural Gas Act and its singular interest in and relationship to the act thereafter, this Commission has felt itself peculiarly able to interpret the intent of Congress with respect thereto. Thus, when in about 2 years after the passage of the act, there was presented to it for decision the first case involving the issue, namely, Columbian Fuel Corp. (docket No. G–143, June 29, 1940, 2 F. P. C. 200), the Commission, with one member dissenting, had no difficulty in choosing between an interpretation of its authority based upon its so recent knowledge and experience and a purely legalistic rationalization of a much broader jurisdiction. It was then, and it continued to be, the Commission's conviction that it was not the intention of the Congress to subject to regulation under the Natural Gas Act all persons whose only sales of natural gas in interstate commerce are made during, or as an incident, to and immediately upon completion of, such person's production and gathering of said natural gas and who are not otherwise subject to the jurisdiction of the Commission.

It was then, and it continued to be, the opinion of the Commission that in the act Congress had carefully and deliberately restricted the powers of the Commission so as to prohibit the exercise of authority over the production and gathering of natural gas including sales of gas made as an incident to such production and gathering. Even then we recognized that, because of the interrelationship between the natural gas and oil industries, to make regulation of producers and gatherers of natural gas effective would require statutory authority of much wider scope than that afforded by the Natural Gas Act. The course of the Commission thereafter has been completely consistent with that view.

However, because of apparent doubts in the minds of many as to the position of the courts on the question, in 1947, following the Supreme Court's decision in the *Interstate Natural Gas Co., Inc.*, (331 U. S. 682), the Commission unanimously, Commissioners Draper, Olds, Smith, and Wimberly, urged the enactment of legislation H. R. 4099, the so-called Priest bill, in the 80th Congress to reaffirm what to it was the clear congressional intent. Soon, thereafter, the Commission reiterated its position in its Order No. 139. Although that order was subsequently revoked, no decision of the Commission inconsistent with its position in the Columbian Fuel case, supra, has ever been issued. Thus, when the question was again presented to us in the matter of *Phillips Petroleum Co.* (10 F. P. C. 246, 1951), having found that Phillips was an independent producer of natural gas, that the sales involved were sales in interstate commerce of natural gas for resale for ultimate public consumption, and that such sales were made after the completion of production and that gathering but that they were incidental to production and gathering, the Commission found and concluded that such sales were excluded from the operation of the Natural Gas Act.

But, as you are aware, upon review the United States Supreme Court refused to concur in the Commission's conclusion. That Court's decision in the Phillips case, supra, rendered on June 7, 1954, held that the Federal Power Commission must exercise

jurisdiction over companies, even though not otherwise natural-gas companies, who are engaged in the sale in interstate commerce of natural gas for resale made after the completion of production and gathering, whether or not incidental thereto. In the light of that decision, it has become the duty of the Federal Power Commission to include such independent producers within the scope of its regulation.

Consequently, when we received the mandate from the Court in the Phillips case, we issued an order prescribing regulations governing the filing of rate schedules and applications for certificates of public convenience and necessity by producers and gatherers of natural gas which sell gas in interstate commerce for resale and since those rules have become effective we have undertaken to bring under our regulation the thousands of companies which are so engaged. As of February 28, 1955, 5,673 certificate applications and 10,042 rate filings had been submitted to the Commission by so-called independent producers.

Our experience with the application of the provisions of the Natural Gas Act to such producers and gatherers has demonstrated the difficulties which are involved. Many suits have been filed to test the validity of such rules, and it is clear that the Commission may expect to be involved for many years in legal proceedings on those and numerous other questions which have arisen and which will arise. However, we have not yet reached the point of really coming to grips with all the detailed problems which are involved.

The question remains, however, whether the Supreme Court's decision in the Phillips case, supra, reflects the true public interest, or whether legislation amendatory to the Natural Gas Act is needed for that purpose. It is the considered opinion of the majority of this commission that legislation should be enacted which will exempt from the operations of the Natural Gas Act independent producers and gatherers of natural gas who sell gas at wholesale to pipeline companies engaged in the transportation and sale in interstate commerce of natural gas for resale, but who do not themselves engage in interstate transportation or subsequent sale of such gas.

It is our understanding that H. R. 4560 and H. R. 4675 are intended to accomplish that purpose, and upon that basis we recommend passage of such legislation. We support this proposed legislation because we firmly believe that such legislation will in the long run result in the greatest good to the largest number of people of this country.

We shall endeavor to state the reason for our belief as briefly as possible.

The production of crude oil and its products, which include natural gas, is essentially a mining operation. When the crude oil reaches the surface of the earth and is thus reduced to possession it is treated as a commodity in all respects similar to coal, iron, copper, and other products of the mine. No reason can be seen why natural gas should be so classified and thus regulated while leaving coal or oil completely free of regulation. If one of those fuels is to be subjected to regulation, they all should be.

It is obvious that, if the use of an original cost rate base method of pricing natural gas results in fixing the price of natural gas at a price lower than the equivalent price of other fuels, then natural gas will, if it remains available for interstate commerce, inevitably drive competing fuels from the markets, and thus hasten the exhaustion of this irreplaceable natural resource.

We are firmly convinced from every aspect of public interest and particularly that of national defense, that Congress should not single out natural gas as the only one among those fuels over which an artificial ceiling should be placed.

If it be true that the business of producing natural gas is a service which is not competitive, and is a monopoly, or at least has many monopolistic characteristics, as does the electric industry, the telephone industry, and the gas transmission and distribution industries, then we would readily agree that the gas-production industry should be regulated. Even then, however, we believe that the effect of such regulation on the oil and coal industries would be a matter of grave concern and something that would have to be taken into consideration in fixing gas producers' prices.

We have heard no demand that the oil production industry should be regulated as a public utility, and do not understand why natural gas production should be so regulated, and oil production should remain unregulated.

Public-utility regulation controls monopolies, but at the same time, it must necessarily protect them, and it supersedes to a great extent, if not completely, the factor of competition. Such regulation has never been able to supply the incentive for economy which adequate competition provides in unregulated industries.

Before all the advantages of competition are discarded, it should be definitely ascertained that competition in the natural-gas industry is inadequate, and cannot be made adequate by any legal means. We are of the opinion that the gas-producing industry does not have the characteristics of public utilities which must and should be monopolies, and is the type of industry in which competition may flourish, and that any lack of competition or any unfair competition, if any, should and can be dealt with by proper application of our antitrust laws.

In recent years there has been a tremendous increase in demand by domestic customers for the relatively cheap and yet clean and highly efficient fuel, natural gas. At the same time, the evolution of industrial techniques has also created constantly increasing markets for this fuel. Natural gas is now served or authorized to be served in every State of the Union except Vermont. In 1953 some 55½ billion therms of natural and mixed gas were sold to nearly 24 million customers of gas utilities in the United States. There has resulted from the conjuncture of those economic factors some increase in the price of natural gas from the producer to the pipeline company—in 1953 the average price paid by natural-gas companies for gas purchased from others was 9.1 cents per thousand cubic feet—and this, despite the fact that proven reserves of natural gas have continued to increase at a more rapid rate than annual production. Proved recoverable natural-gas reserves have risen from 147.8 billion cubic feet at the end of 1945 to 211.7 billion cubic feet at the end of 1954. In 1954, however, the increase in reserves was vastly smaller than during any previous year for which reliable estimates are available.

There is good reason to believe, however, that even prior to the Phillips decision, large amounts of natural gas chiefly produced by oil companies in conjunction with their production of oil, their primary interest, had been withheld from the market served by interstate pipeline companies because of the uncertainty of the law and, to them, the risk of regulation. We believe that the passage of the proposed bill would release large amounts of gas to consumer markets in interstate commerce and at the same time, as has been indicated, provide sufficient restraint upon the price of such gas as to eliminate the danger of exorbitant rates. In fact the release of such gas would itself, we believe, act in great measure as such a restraint.

It would permit also, it is believed, the execution of contracts between producer and pipeline company which would assure to the producer reasonable adjustments in the price of his product over a period of time sufficient to justify the expenditure of the large sums of money required for pipeline projects. Without such long-term contracts such projects could not be financed on favorable terms, nor would the Commission feel justified in authorizing their construction and operation. On the other hand, we have serious doubts whether facing the prospect of continuous regulation of their rates, possibly on a cost basis, many producers not presently selling their gas in interstate commerce, and having available other large intrastate markets, would be willing to enter into such long-term contracts.

We are aware, also, that the availability of large quantities of gas which have been withheld by the producers from interstate markets because of the threat of that type of limitation on prices has resulted, and will, we believe, continue to result in the establishment in the areas where natural gas is produced, in preference to other areas, of petro-chemical and other plants using large volumes of natural gas, as well as the movement of industries from points outside of and remote from them into areas in which such intrastate gas is available. It is certainly not beyond the bounds of reason that, without some legislation such as that here proposed, remote domestic and other natural-gas consumers may find themselves facing not only a diminishing supply of such gas but the fact that some of the industries upon which the economy of their communities depend may have removed from their midst.

In the process of ratemaking the Commission, prior to its decision in the matter of Panhandle Eastern Pipe Line Co., opinion No. 269, issued April 15, 1954, had treated the producing facilities of the pipeline company in the same manner as all of its other facilities; namely as a part of the net investment rate base to which was applied a reasonable return. That treatment resulted in indefensible discrimination between the pipeline company and the independent producer from which the pipeline company had purchased part of its required supply. In its opinion in the Panhandle case, supra, the Commission pointed to the decline of Panhandle's own production from 52.4 percent of its sales in 1942 to 22.6 percent in 1952, and explained why it is in the public interest for pipeline systems to have production of their own, rather than being wholly dependent upon purchases from nonaffiliated producers (opinion No. 269, mimeo. ed., pp. 31–35). Similarly, in 1940, 8 major pipelines produced more than 47 percent of the natural gas they transported and sold, whereas in 1952 only 18½ percent of their total requirements were produced by 15 major systems then operating in interstate commerce. It had resulted, as was inevitable, in the disposal by some pipeline companies of such properties and the avoidance by others of the ownership and operation of gas-producing properties and facilities. Furthermore, the treatment had given scant attention to the economic aspect of the problem involved in the gas supply or the long-run economic consequences of the application of that treatment. We believe that the proposed legislation would clearly sanction the course which we there took, would result in equal treatment of producers of gas, whether pipeline companies or independent producers, would encourage the ownership and operation and would definitely and conclusively contribute to the soundness and the security of the sources of gas supply, and the maintenance of adequate service. Those results would inevitably, redound to the benefit of the domestic as well as other customers, and, it is our belief, would achieve in the long run, lower rates for natural gas. While we are interested in reasonable rates, we must be equally concerned with the financial stability of the utilities under our

jurisdiction, the safety of the investments which have been made in them, and, of equal or greater importance, the continued maintenance of adequate gas service to all of the ultimate customers who have invested many millions of dollars in gas furnaces and other gas-using equipment. Residential, commercial, and industrial consumers throughout the United States have come to rely increasingly upon this premium fuel, which in 1920 provided less than 4 percent of our total energy requirements, as compared with over 23 percent in 1953.

Only time can tell just what effect Federal regulation of rates charged by producers and gatherers, for gas which they sell in interstate commerce, will have upon the exploration and discovery of natural gas. It has been generally recognized that regulation to effectuate the conservation of gas and oil as natural resources is a function which should be performed by the several States involved.

In the Interstate case to which reference has been made, the Supreme Court stated that the jurisdiction of the Commission under the Natural Gas Act does not attach where rate regulation by the Commission would be inconsistent or a substantial interference with the exercise by the State of its regulatory function. In our decision in the Phillips case, supra, we found that our regulation of sales made in the process of production and gathering would, by its very nature, be inconsistent or constitute a substantial interference with such regulation of producers and gatherers by the States. But the answer of the Court to that finding was "that the jurisdiction of the Federal Power Commission was not intended to vary from State to State, depending upon the degree of State regulation and State opposition to Federal control."

The fact remains that the fixing of rates of producers for gas sold in interstate commerce for resale will inevitably conflict with the recognized power of the States to regulate producers for purposes of conservation. While the latter process must, under such circumstances, yield to the authority of the Federal Government, the effect upon the exploration and development of natural-gas resources must be, it is believed, far reaching.

We believe that a sound fuel policy is essential to a robust and expanding internal economy and to the successful development of the national defense. We believe that no sound fuel policy can be erected upon such discrimination as presently exists against natural gas and in favor of other competitive fuels. We believe further that such a policy requires the exploration and development of our oil and natural-gas resources against a background of free competitive enterprise, restricted only by appropriate State conservation regulation. Consequently, we believe that the Federal Government should not undertake the control or the regulation of rates of those engaged in the production, gathering, processing, or the selling of natural gas prior to its entry into an interstate transmission pipeline; and that the Natural Gas Act should be amended accordingly.

Commissioner Draper does not concur in this report.

Respectfully submitted.

FEDERAL POWER COMMISSION,
By JEROME K. KUYKENDALL, *Chairman*.

Mr. DOUGLAS rose.

Mr. JOHNSON of Texas. Mr. President, if the Senator from Illinois will indulge me, I wish to go to lunch previous to leaving the city. I should like to ask a few questions of my colleague. Then I know he will be delighted to yield to the Senator from Illinois for questions.

Mr. DOUGLAS. Certainly.

Mr. JOHNSON of Texas. First, Mr. President, I do not think I can say what I desire to say in the form of a question. Therefore, I hope no Senator will invoke the rule against me.

I wish to commend my very able colleague for his masterly address. I think he has thoroughly covered the subject, in a very fair and reasonable way.

Mr. DANIEL. I thank my colleague.

Mr. JOHNSON of Texas. Does the junior Senator from Texas say that this body is now confronted with a decision with respect to which type of regulation is to be imposed?

Mr. DANIEL. That is correct.

Mr. JOHNSON of Texas. The bill proposes a type of regulation based on the reasonable market price of gas. As I understand, if the bill is passed, the Federal Power Commission will be granted authority to say to every transporter of gas, "We will allow you to pay only the reasonable market price." Is that correct?

Mr. DANIEL. The Senator is correct.

Mr. JOHNSON of Texas. That is alternative A. As I understand, the other alternative, alternative B, is the so-called utility rate type of regulation, whereby a producer would be allowed 6 percent on his depreciated cost. Is that the Senator's understanding?

Mr. DANIEL. That is my understanding.

Mr. JOHNSON of Texas. So what we are asking the Senate to do, in effect, is to decide whether we shall go down road A or road B. Is that correct?

Mr. DANIEL. The Senator is correct.

Mr. JOHNSON of Texas. For several years we have been "making a lot of gas about gas" in the Congress. The subject of gas has been discussed in committees in both Houses, in session after session.

Is the Senator aware of any committee that ever heard expert testimony on this subject and recommended, either to the House or to the Senate, the utility type of regulation, although it was actively advocated by Mr. Leland Olds, a former chairman of the Federal Power Commission?

Mr. DANIEL. No such recommendation was ever made.

Mr. JOHNSON of Texas. Is the Senator aware of any committee which has ever recommended to its parent body this type of regulation of gas producers?

Mr. DANIEL. I know of none.

Mr. JOHNSON of Texas. Is the Senator familiar with the fact that when the bill was first being considered in 1938 producers appeared en masse before the committee and asked the chairman of the committee if they could be heard, and if they were to be regulated; and that the chairman of the committee asked the attorney who drafted the bill the same questions, and the attorney stated that the producers were not covered by the proposed legislation?

Mr. DANIEL. The Senator is correct.

Mr. JOHNSON of Texas. As I understand, the bill before the Senate, the Harris-Fulbright bill, is substantially the same bill that was considered by the House committee, and the House committee recommended that it pass. Is that correct?

Mr. DANIEL. The Senator is correct.

Mr. JOHNSON of Texas. It was considered by the House, and the House passed the bill. Is that correct?

Mr. DANIEL. That is true.

Mr. JOHNSON of Texas. The bill was considered by the Committee on Interstate and Foreign Commerce of the Senate, and by a vote of 11 to 4 the committee recommended the passage of the bill now before the Senate. Is that correct?

Mr. DANIEL. That was the vote. The Senator is correct.

Mr. JOHNSON of Texas. A majority of the members of that committee, members of both political parties, voted to report that bill to the Senate. Is that correct?

Mr. DANIEL. That is correct.

Mr. JOHNSON of Texas. Where does the present chairman of the Federal Power Commission come from? He is a resident of what State?

Mr. DANIEL. He does not come from a gas-producing State.

Mr. JOHNSON of Texas. What State does he come from? I understand he comes from the State of Washington.

Mr. DANIEL. That is right.

Mr. JOHNSON of Texas. He has had long experience in the field of utility regulation. Is that correct?

Mr. DANIEL. That is correct.

Mr. JOHNSON of Texas. He is a former member of a State regulatory body. Is that correct?

Mr. DANIEL. That is correct.

Mr. JOHNSON of Texas. After the Chairman of the Commission and the majority members of the Commission, appointed by the present President of the United States, thoroughly studied the question, what did that Commission recommend?

Mr. DANIEL. It recommended the passage of the legislation then known as the Harris bill.

Mr. JOHNSON of Texas. As I understand, the Commander in Chief, the President of the United States, set up what is called the Cabinet Committee on Energy Resources. Will the Senator from Texas reveal again the names of the distinguished members of the Cabinet who served on that body, including the Director of the Office of Defense Mobilization, Secretary of Treasury, the Secretary of State, the Attorney General, the Secretary of Labor, and the Secretary of the Interior? As I understand, there was not one Texan on it. [Laughter.]

So far as I know, not one of the members of that Commission is a resident of an oil-producing State.

The committee was composed of Mr. Flemming, Mr. Mitchell, Mr. Brownell, Mr. Humphrey, and Mr. Dulles. Did I omit anyone?

Mr. DANIEL. The Secretary of Commerce.

Mr. JOHNSON of Texas. Mr. Weeks. After that committee heard testimony for many months—the Senate has considered it for 3 days now—and after the committee's staff had made studies, what was the committee's recommendation?

Mr. DANIEL. The committee's recommendation was in line with the provisions of the Harris-Fulbright bill. As a matter of fact, the Harris-Fulbright bill followed the committee's recommenda-

tions, and went just a little further in protecting the consumers.

Mr. JOHNSON of Texas. I can understand the viewpoint of Senators who oppose the position taken by the junior Senator from Texas and other Senators who see the issue as he does. What a rosy world it would be if we could indulge in price fixing on everything that everyone else produces, and if we could have complete freedom on everything that we produce.

I wish to observe that a dangerous precedent may be established by the Senate. If the Senate sits supinely by and lets the Supreme Court write the laws of the Nation, I warn Senators that if the Supreme Court can do it with respect to gas, it can do it also with respect to other commodities. If the Senate, by inaction, or by defeating the pending bill, lets the Supreme Court, after 16 years, say to the Texas farmer or to the Louisiana farmer or to the Texas Oil Co. or to the Louisiana Oil Co., "this is going to be a heyday for price fixers," and that the control contingent has come back to the Capital of the Nation, I warn every Senator that what applies to gas may well apply to oil—they come out of the same hole—and that what applies to oil can apply to coal. If it applies to coal, it can apply to butter and to automobiles, and to everything else that is produced.

Mr. President, I do not believe the Senate has come to the point where it is willing to join the price fixers and to let prices be fixed on a commodity so long as it is not made or produced in the State from which a given Senator comes.

I believe the Senate is made up of men of principle. I believe the Senate is perfectly capable of considering the two alternatives before it, and that it will permit the commission to regulate on the basis of a reasonable market price. There are some people who do not want the "reasonable," and there are some people who do not want the "market." I was told the other day of a man who had drilled a well 20-odd thousand feet deep—over 4 miles down—and at that depth had struck gas. The best calculations of the best geologists were that he would be entitled, under the utility type of regulation—on the $2 million investment he had made, and on the basis of the amount of gas he had discovered—not to 10 cents or 12 cents, which is paid to the producer by people of the State represented by the Senator from Virginia [Mr. BYRD], but to a return if it should be adjusted on the cost-plus basis, of 40 cents.

Of course he would have no objection to following the theorists and price fixers and would probably say, "I will put that gas in interstate commerce. However, the gas which may have cost me 8 or 10 cents, on which I feel I am entitled to a reasonable market price, I will keep for an industry in New England. I will move that gas to the industry, if the industry does not wish to move to the gas." [Laughter.]

Mr. President, I have no doubt about the outcome of the bill. The longer we discuss it—and I am not advocating spending any substantial part of the winter on the debate—but the longer we discuss it the better the people will be informed. I believe a man's judgment is no better than his information, and the more information the people of the country have, the better their judgment will be.

Mr. President, I have never known of anyone with even one day's experience in producing oil and gas, who would advocate making a public utility of it. I have never known of any committee of either House of Congress—made up of liberals, progressives, conservatives, reactionaries, and what not—which has listened to testimony on the subject, that did not recommend a bill substantially along the lines of the bill which is now before the Senate. I do not believe that a Texan has ever been a member of the Federal Power Commission. The Chairman comes from the State of Washington, that great Democratic State, which does not produce much oil or gas.

Who does recommend the bill? It is recommended by good, honest, sincere men, who believe they are protecting the interests of the people. They thought they were protecting them in 1950, when we passed a bill in the Senate, and when the House passed the bill, and when the bill was sent to the White House. It was a type of bill we thought would meet with the approval of the Chief Executive, and the then majority leader had so informed us. On the floor of the Senate, the Senator from New Mexico [Mr. ANDERSON] yesterday put into the RECORD a prediction that was made in 1950 as to the future if the bill of 1950 were not signed into law. Incidentally, very few people who are talking about high prices now were talking about high prices then. The Senator from New Mexico [Mr. ANDERSON] read from the 1950 debate:

> If threatened regulation has brought some scarcity and some increase in prices, I ask Senators, what will actual regulation bring? The answer must be still greater scarcity and, thus, still higher prices.

That was in 1950.

We have had the threat, and we have had a little bit of regulation in connection with the filing of applications. What has happened? Instead of more gas at a cheaper price, we have had less gas at a higher price.

The Senate has this choice. It can go down the road of regulation that says, "We will allow citizens of the United States and property owners a reasonable market price for their products, as determined by a group of men making up the Federal Power Commission." I think that is what the Senate will do. Or it can follow the exponents of theory B and say, "No, we are not for a reasonable market price. We do not want to be reasonable in the case of this commodity. What we want to do is to make every man who produces a thousand cubic feet of gas, whether in Texas, North Dakota, or Montana a public utility." Such a law would not apply to Canada or to Mexico. If the gas could not be obtained in Texas, it could be obtained in Mexico and brought in without any regulation and the consumers would pay whatever they were asked to pay, for there would not be much competition. Senators can say, "We are going to make gas producers public utilities. File a statement and tell us how much your land cost; tell us how much gas the geologists say you have under the ground; tell us how much you have sold, and how much of your investment you have recovered; and we will allow you a 6-percent return."

Some producers have already recovered more than the land was worth.

Mr. President, I thank the junior Senator from Texas for yielding so long to me. I have spoken longer than I had intended, but I have a little motto on my watch, the Golden Rule—"Do unto others as you would have them do unto you."

Mr. DOUGLAS. Mr. President, will the Senator from Texas yield?

Mr. JOHNSON of Texas. Mr. President, the Senator from Illinois has had plenty of time in which to speak. I am not attempting to convince the Senator, and he will not convince me. We both realize that. But I wish to point out to Members who are not already convinced—and I am looking at one now who I know is not convinced—that I have no illusions that anything I may say will convince anyone, but I wish to have the satisfaction of knowing I did my duty, and I tried. [Laughter.]

Mr. President, it is a good thing to follow the Golden Rule—"Do unto others as you would have them do unto you." It is very easy for a man of great character, patriotism, and statesmanship, to look far yonder to the prairies and hills and canyons of the Southwest and say, "I will press down upon you utility regulation on every farm." But the same hand that presses down regulation on the farmer who may have 2 wells, or the oil company which may have 200 wells—press it down on other commodities in other States.

Basically, Mr. President, it seems to me that if we wish to folow our democratic free enterprise system, we can say, "We, the Senate, can entrust to reasonable men the duty of setting reasonable prices." Or, if we wish to follow the socialistic theory, we can say, "Natural gas ought to be publicly owned, anyway, and we will give you 6 percent of your invested capital."

I have no doubt what answer the Senate will give.

I thank the junior Senator from Texas.

Mr. DANIEL. Mr. President, I yield to the Senator from Illinois [Mr. DOUGLAS] for a question.

Mr. DOUGLAS. Mr. President, may I have unanimous consent to address a question to the senior Senator from Texas?

Mr. JOHNSON of Texas. I would have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOUGLAS. The senior Senator from Texas having delivered a eulogy on the Secretary of the Interior, the Chairman of the Federal Power Commission, the Secretary of Agriculture, the Secretary of the Treasury——

Mr. JOHNSON of Texas. Mr. President, if the Senator from Illinois will permit me, I wish to make it clear to every Member of this body, as I believe it is clear, except to the Senator from

Illinois, that I paid no tribute to and delivered no eulogy on any of the members of the President's Cabinet or the Federal Power Commission Chairman or any of its members, or any members of the committee. I merely stated the results of their deliberations. I would not say they are not entitled to a eulogy occasionally, here and there, but I did not reserve the time this afternoon for that purpose. The greatest eulogy I could have paid to any of them would have been to say they came from Texas, but, unfortunately, they did not. [Laughter.]

Mr. DOUGLAS. The question I should like to address to the Senator from Texas is this——

Mr. DANIEL. Mr. President, what is the unanimous-consent request?

Mr. DOUGLAS. That I may address a question to the Senator from Texas.

Mr. DANIEL. To the senior Senator from Texas?

Mr. DOUGLAS. Yes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOUGLAS. I should like to ask the senior Senator from Texas if he has the same confidence in the judgment of all these gentlemen on other matters that he seems to have on the question of the sale of natural gas.

Mr. JOHNSON of Texas. Mr. President, until the day the Democratic Convention opens we shall have opportunity to express our opinions not only of the actions of members of the President's Cabinet, but of the actions of the other body and this body. I hope I may be permitted to express my judgment tomorrow night on the fine service of the junior Senator from Florida [Mr. SMATHERS], because at 2:30 p. m. I am due to fly to Florida and give my opinion of him. I only intended to address myself to a subject which I think is of particular national interest at the moment, and always of very great interest to my constituents in Texas. I do not wish to try to cover everything and touch nothing.

If the Senator from Illinois will indulge me throughout this session, I am sure that both he and I will discuss many subjects not related to the regulation of natural gas. That is the only subject which I care to discuss today in any detail.

I am willing to answer any question the Senator wishes to ask me.

Mr. DOUGLAS. Mr. President, may I address a question to the distinguished junior Senator from Texas?

Mr. DANIEL. Certainly.

Mr. DOUGLAS. The Senator emphasized the disparity between the price of gas at the well and the average price to residential consumers. Am I correct?

Mr. DANIEL. I stressed it to some extent. The main thing I was trying to show by means of the chart as it relates to Richmond, Va., was that over a 16-year period the producer's price of natural gas has not gone up unconscionably but that there and all over the country it is less than 10 percent of the consumers' bills. As I said when I first put up the chart, the Senator from Virginia [Mr. BYRD] would give one of the waiters in the Senate Restaurant who served him a meal costing $1.53, more than a 10 percent tip. The producers receive less than the average tip given to a waiter in the Senate Restaurant or anywhere else. I was trying to stress that point. If the people of the country will consider those facts and realize that after 16 years of unregulated operation we are still able to sell gas at a price of less than 10 percent of the consumer's dollar, they will understand that it is not the producer who is causing their high gas bills.

Mr. DOUGLAS. Is the Senator from Texas aware of the fact that the major portion of the gas sold by the local utilities is not for residential use, but is instead for industrial use and, to some degree, for commercial use?

Mr. DANIEL. That varies greatly among the utilities. Much of it is for commercial use.

Mr. DOUGLAS. Is the Senator from Texas aware of the fact that the average sales price for gas sold to residential consumers throughout the country as a whole is approximately a little more than 8 cents a therm, or about 80 cents a thousand cubic feet? Is he aware that this is the average residential price and not the $1.53 or other high rates he has been talking about.

Mr. DANIEL. I hope that the average price is much less than the prices which are being charged by most of the utility companies that are fighting the proposed legislation. I am glad the Senator from Illinois has brought out that point, because to me it is one of the most significant things about the whole fight.

The Senator says that the average price which the utilities are getting from the household customers throughout the Nation is about 80 cents a thousand cubic feet. It will not be found that many of the distributing utilities that are getting low prices like that from customers are fighting the bill. We find opposed to the bill the big utilities which have the larger spreads. It appears to me to be significant that, for some reason, the ones with biggest profits and the biggest spreads, over and above what it costs them to get the gas at the city gate, are the ones who are fighting the bill so hard.

Mr. DOUGLAS. I was simply trying to address a series of questions to the Senator from Texas.

Mr. DANIEL. I will yield for another question.

Mr. DOUGLAS. I am afraid there will be many more questions.

Eighty-one cents a thousand cubic feet is the average rate on residential sales. But, as the Senator from Texas is well aware, the local utilities sell firm industrial gas and interruptible industrial gas; and if we take the average prices of those types of gas, we will get a rate of a little less than only 24 cents a thousand cubic feet.

So, taking a combined average of residential, commercial, and industrial rates, instead of the $1.53 rate which the Senator from Texas has been blazoning on the walls, we get an average rate of approximately 44 cents a thousand cubic feet. That is a very different picture from that which is attempted to be painted on the floor of the Senate.

Mr. DANIEL. Mr. President, did the Senator from Illinois ask me to yield for a question? That is the only purpose for which I yielded.

Mr. DOUGLAS. Is not what I have stated correct?

Mr. DANIEL. It is more than a question. This is the first time in the debate I have heard the Senator leave the consumers and go over to the industrial and commercial purchasers to worry about their price, lump their price into the total, and then try to say that by lumping their purchases the average charge of the distributor is brought down.

I would not have been surprised to hear a distributor make that argument, but I am surprised to hear a Senator, who ostensibly is looking only after the interests of the consumers, make that kind of argument. It simply shows that the distributors who are fighting the bill—and I am not trying to criticize them or retaliate against them for doing so; that is their business, and I favor their coming forward to express themselves, because I think they are helping our bill—but the distributors who are fighting the bill are selling to industrial and commercial purchasers at so much less a thousand cubic feet than they sell to the household users that the situation is simply shocking. I wonder why they are taking it out on the household consumers to such a degree. The distributors are the ones who are doing it, not the producers, because the price received by the producers is the same for all purposes. The producers are receiving the same price when they sell the gas to the interstate line, regardless of those to whom the interstate line might convey it.

Mr. DOUGLAS. That is correct. I wonder if the Senator from Texas would like to develop the facts on that point. Is it not true that the average price for all types of gas sold locally is approximately 44 cents a thousand cubic feet?

Mr. DANIEL. Sold by whom?

Mr. DOUGLAS. Sold by the utilities locally.

Mr. DANIEL. I have never checked those figures.

Mr. DOUGLAS. Those figures, I assure the Senator from Texas, are correct.

Mr. DANIEL. I have never checked those figures, but if they are correct I appreciate the Senator from Illinois placing them in the RECORD, because it shows that someone is sticking the household users, and it is not the producers, because they are selling their gas at the same price regardless of to whom the pipeline company might be taking it, and regardless of the final end use.

Mr. DOUGLAS. Is it not true that in 1954 the average price received by the producers for the gas which was sold in the cities and towns for 44 cents was approximately 10.1 cents?

Mr. DANIEL. I think that is approximately correct.

Mr. DOUGLAS. So instead of a contrast between 10 cents and $1.53 or 12.5 and $1.53, the real contrast is between

10 cents and 44 cents, and the producer's average price, therefore, was 23 percent of the average consumer's price, and not 6 or 7 percent, as some speakers have represented.

Mr. DANIEL. No; I doubt that those figures are correct. However, the Senator from Illinois, in his own time, might try to support them. I certainly am not going to say the first time I have heard his figures and his averages that they are correct. I should be very much surprised if they were correct, because certainly the big distributors who are fighting the bill are not treating the consumers as badly as the figures of the Senator from Illinois would indicate.

Mr. DOUGLAS. Mr. President, will the Senator yield for another question?

Mr. DANIEL. I yield.

Mr. DOUGLAS. Would the Senator be interested to know how we obtained those figures?

Mr. DANIEL. No; not during my time. I shall be glad to listen to the Senator from Illinois when he makes his speech and to hear him say how he obtained his figures; but not on my time.

Mr. DOUGLAS. I have one more question.

Mr. DANIEL. I yield for another question.

Mr. DOUGLAS. Is it not also a fact that the average price of gas as it is turned over by the pipelines to the local distributors at the city gates is approximately 25 cents a thousand cubic feet, leaving a head markup of only 19 cents a thousand cubic feet, or only about 44 percent of the final price, for local transmission, inspecting, billing, collecting, and connecting the local residences with the gas mains, and also a return on investment, which is regulated by the local commissions? Is not that correct?

Mr. DANIEL. I have not had an opportunity to check the figures which the Senator from Illinois offers in defense of the prices charged by the local distributing companies. To me, it seems that the prices are much higher than I had ever expected the distributors would have charged. The difference between what the distributors charge their household consumers and their industrial consumers as stated by the Senator is certainly greater than I would have assumed. But I am not in a position to say whether I agree or disagree with the figures.

Does the Senator from Illinois wish me to yield for another question?

Mr. DOUGLAS. There will be other questions later, but I think perhaps I should allow other Senators to ask questions.

Mr. LONG. Mr. President, will the Senator yield?

Mr. DANIEL. I yield.

Mr. LONG. Is it not true that it is relatively easy to break down the so-called average price for gas if one makes a comparison with the cost to a large industry, as, for example, an aluminum company? The distributor has no distribution costs, because the distributor simply lays its pipe directly to a single industry, just as gas is delivered directly to a city gate. That reduces the average cost because there is no distribution cost.

Mr. DANIEL. Yes.

Mr. LONG. Is it not true that the law as now written sets only one standard; and if gas producers are placed under the bill, they must operate by the same standard as is spelled out for a regulated public utility? In other words, the law refers to only one standard.

Mr. DANIEL. It refers to just and reasonable rates which have been interpreted to be a fair return, a 6-percent return on a prudent investment.

Mr. LONG. That is the standard way of regulating a monopolistic utility which has a certificate of convenience and necessity to operate in a guaranteed market with a more or less assured investment, and therefore being regulated at a fair return on the investment.

Mr. DANIEL. On the investment and cost. Of course, the law was written with the idea of regulating one who was selling services, not a commodity. If it is sought to apply that type of regulation to one who sells the commodity, it will make the producer give the commodity away free, allowing in his rate base only the reasonable cost of getting it out of the ground.

Mr. LONG. Is it not correct that there is not a single businessman in America who could afford to go into the business of producing gas if he had to do so with a 6-percent return on his investment?

Mr. DANIEL. He would not do so if he had any sense at all. We would not have the great oil and gas producing industry we have today if there had been any restrictions like that.

Mr. LONG. For example, is not the accepted ratio of success today about 9 to 1? Out of all wells which are dug for gas or oil, are not the odds 9 to 1 that an operation will be unsuccessful and that the investor will lose his investment?

Mr. DANIEL. As to exploratory wells, that is correct.

Mr. LONG. Therefore, a person cannot go into the drilling of wells for gas in the same manner in which he can go into the railroad business.

Mr. DANIEL. That is correct, and I have not heard many Senators arguing that it can be done. But what are they going to do? If they do not vote for the pending bill, they have not suggested any other means that will work. I do not know of any Senator on the committee taking the position that there will be an adequate supply of gas under a utility type of regulation.

Mr. LONG. Is it not true that the people in the gas-producing States are unanimous in believing that no benefits will be derived from any effort to nationalize or impose Federal price controls on the production of gas?

Mr. DANIEL. I think so, and officials in many consuming States seem to think so. This matter is just as important to gas-consuming States as it is to gas-producing States, because many officials in gas-consuming States know it is necessary that there be an enlarged supply of natural gas in order to keep the price of gas in line, or reduce it in the future. Persons who have studied the question know that if there is a utility type of regulation of the producers, such increased production cannot be had. This bill is to the interest of gas-consuming States as much as it is to the interest of gas-producing States.

Mr. LONG. Is it not also true that by means of proration and conservation laws, it is possible in those States where producers are not being given proper consideration for producers more or less to keep their reserves out of interstate commerce?

Mr. DANIEL. It might be possible, but I do not know of any producers who are threatening to do so. It seems that the officials and producers in gas-producing States are largely supporting the proposed legislation, which will enable them to continue to sell in interstate commerce. Of course, if the bill shall not be enacted, those who defeat it will be the ones who will force the producers in the producing States to keep the gas there. They will force those in the gas-producing States to try to get manufacturers from the New England area and the east coast to set up factories and industries in gas-producing States which will use the gas as a raw material or as fuel.

Frankly, I may say there were some persons in my State who objected to transporting natural gas out of the State. They said, "Let the industries move to Texas and use the gas here"; but they did not prevail. There was an excess of gas in Texas. The producers were certain that, under the law, they could make long-term contracts. They were glad to have the interstate market, so long as the market was certain and they were sure about the status of their business. They can continue doing business with the interstate market. It is those who would defeat the bill who would keep the gas within producing States. Half of the gas is being used in producing States now.

Mr. LONG. Is it not fair to anticipate that, unless the pending bill or a similar bill is passed, Federal legislation will accomplish the same results it always has—scarcities, shortages, and poor service for those who need the commodity?

Mr. DANIEL. Yes, and at higher prices.

Mr. PASTORE. Mr. President, will the Senator from Texas yield to me?

Mr. DANIEL. I yield to the Senator from Rhode Island.

Mr. PASTORE. I think the Senator has made the observation that the opponents of the bill have not proposed any reasonable solution of the problem. In the face of that statement, would the Senator from Texas, who is one of the proponents and one of the guiding lights of the bill, accept an amendment to the effect that where the term "reasonable market price" is used, there be substituted therefor the words "just and reasonable"? Then on page 6 of the bill, in line 22, we could set forth what formula and what breadth and what liberality the Federal Power Commission should give to "just and reasonable," by adopting language which would read, as follows:

In determining the just and reasonable price of natural gas under the provisions of this section 5, the Commission shall con-

sider, among other things, whether such price has been competitively arrived at, the effect of the contract upon the assurance of supply, and the reasonableness of the provisions of the contract as they relate to existing or future prices.

Why is not that a suggestion which would be more than just and reasonable to the producers under the provisions of the Natural Gas Act?

Mr. DANIEL. In answer to the question of the Senator from Rhode Island, who conducted the hearings in the Interstate and Foreign Commerce Committee, I should like to say that he knows the Senator from Texas and a majority of the committee would not accept that amendment. I am glad he has given me this opportunity to again state why we would not accept the substitution of the words "just and reasonable" for "reasonable market price."

In the utility regulation cases, in the great mass of law which has been written by the courts, the term "just and reasonable" has been applied to utility rate-making cases. Only a few days ago, when the Circuit Court of Appeals for the District of Columbia had before it an order of the Federal Power Commission applying the average field price instead of a just and reasonable rate based on a utility rate-making regulation, the circuit court of appeals reversed the Federal Power Commission, or at least sent the case back, and stated that, at least under the statute, the proper point of departure from the requirement of just and reasonable rates should be to find out how the rate the Commission was trying to fix compared with the cost-plus rate.

There is a whole body of law written on utility type rate making cases where the term "just and reasonable" is applied. It has never been applied to the sale or purchase of a property or commodity. The body of law to which I have referred, with reference to the term "just and reasonable," deals with rate-making where services are performed, and therefore the terms "cost plus" is easy to apply. But in the case of a producer's sale of natural gas there is involved, not only service performed in getting the gas to a certain place, but there is the actual sale of a commodity or property.

I read a moment ago what Mr. Justice Jackson said in the Hope natural gas case. It is particularly appropriate to read it again at this point.

Mr. PASTORE. Did Mr. Justice Jackson speak for the minority or for the majority?

Mr. DANIEL. I do not remember whether he spoke for the minority or majority, but he was certainly a distinguished member of the Supreme Court.

Mr. Justice Jackson said:

A thousand feet of gas captured and severed from real estate for delivery to consumers is recognized under our law as property of much the same nature as a ton of coal, a barrel of oil, or a yard of sand.

The matter of sales of commodities has been before the Congress and State legislatures in the past. In cases involving sales of commodities, where there is any regulation at all, there has invariably been used the term "market price" or "reasonable market price."

I wish to cite to the Senator from Rhode Island the instances in which that was done, because I believe he was a Member of Congress in 1943.

Mr. PASTORE. No; I am sorry to say I was not then a Member of Congress.

Mr. DANIEL. At any rate, in 1943, in connection with the War Contracts Renegotiation Act and the renegotiation of contracts, Congress, in considering what it would allow the contractors who produced their own oil or gas or coal or iron, decided that in the renegotiation of the contracts, they would be credited with the fair market price—not a cost-plus arrangement in connection with the commodity they were producing under contract. Instead, Congress allowed them the fair market price. That is where Congress established that yardstick.

In the case of prices in a milk shed area, under the Milk Control Acts, the prices are determined on the basis of the reasonable market price, because the milk producers are selling a commodity, not a service alone.

There is another case in which our own Federal Government has applied that yardstick, namely, in connection with the condemnation of property, where property is being taken by the Federal Government. In such cases the fair and reasonable market value of the condemned property is paid.

To refer to another body of precedents and cases, we find that State utilities, when they regulate different prices, first apply the standard of "reasonable market price" to the capital assets of the utility, to determine the permissible earning rates on the capital.

There is another precedent for the use of the term "fair market price" in dealing with a commodity, namely, when a utility purchases coal from a captive mine, one under the control of the utility. In that case the coal is included in the rate base of the utility as a cost item at the reasonable and fair market price of the coal.

So, Mr. President, in answer to the question propounded by the Senator from Rhode Island, let me state that we have every reason to wish to stay with the term "reasonable market value," as written into the bill, as approved by the House of Representatives, and as approved by a vote of 11 to 4 by the committee at the meetings so ably presided over by the Senator from Rhode Island. We wish that term to remain in the bill, because it applies to the sale of commodities, and has been applied to the sale of commodities every time the Congress or the States have in any way tried to regulate such matters.

On the other hand the term "just and reasonable," which the Senator from Rhode Island would propose, is applied to service-regulation cases. It cannot be applied successfully in the case of natural gas producers who sell their commodity.

Mr. President, I understood the Senator from Rhode Island to agree to that, at least at one time during our hearings. In that connection, I read now from page 1218 of the hearings:

Senator PASTORE. Well, you know what my personal feeling is. I feel all small independent producers up to 2 million feet a year, ought to be exempt, I believe that, and secondly, I believe there ought to be some kind of supervision, and these people get a fair return on their money, not just and reasonable.

I am reading from the hearings, and I have read the words of the Senator from Rhode Island. I thought that after sitting through all those hearings, during all those weeks, he came to the same conclusion on this particular point that we came to, because at that point in the hearings he said—and I am very glad that I remembered that particular occasion:

I believe there ought to be some kind of supervision, and these people get a fair return on their money, not just and reasonable.

Mr. PASTORE. Mr. President, will the Senator from Texas yield at this point?

Mr. DANIEL. I yield for a question.

Mr. PASTORE. If the Senator from Texas will read the entire hearings, he will discover that my position right along was that the very strict rule of "just and reasonable" could not be applied to those producers in the way that we have known it to be applied in the case of distribution companies. I said so, not once, but perhaps a thousand times.

I did say that we could use the term "just and reasonable" and could give it the explanation and clarification and broadening and liberality it needed in this particular case in order to take into account the risks involved in this business and the unique kind of business and the character of the business, and still leave it under the control of the Federal Power Commission, so the strict formula of 6 percent would not be applied on a clear base-rate basis. I have taken that position consistently. I submit that the Senator from Texas has not responsively answered my question, for the simple reason that the term "reasonable market price" is even redefined in his bill. He is not satisfied with the general interpretation of the term "reasonable market price"; and on page 6 of the bill, he goes on to explain to the producer and to the Federal Power Commission precisely what he means by "reasonable market price." There he provides:

In determining the reasonable market price of natural gas under the provisions of this section 5, the Commission shall consider, among other things—

And that is a brand new provision and a new explanation of what is meant by the term—

whether such price has been competitively arrived at—

And that is brand new—

The effect of the contract upon the assurance of supply—

And that is brand new—

and the reasonableness of the provisions of the contract as they relate to existing or future prices.

All I am trying to say to the distinguished Senator from Texas is that if we use the term "just and reasonable," we should explain that in this case other elements should be taken into consideration in order to justify the initiative we are talking about; but at the same time, for the sake of the public interest, it should be left under the supervision of the Federal Power Commission.

I dare say to the Senator from Texas that the whole motive, the whole purpose, the whole design, the whole effort of the proponents of the bill in the Senate committee was to see to it that not a single item in House bill would be changed. But now the Senator from Texas has taken occasion to say——

Mr. DANIEL. Mr. President, I did not yield to the Senator from Rhode Island to have him judge my motives in the committee.

Mr. PASTORE. No; but the Senator from Texas took occasion to read what I said in the committee; and in view of that, I believe I have a right to explain my position.

Mr. DANIEL. I think the Senator from Rhode Island does have a right to explain his position.

Mr. PASTORE. That is precisely what I am doing.

Mr. DANIEL. But now the Senator from Rhode Island is judging my motives, not asking a question.

Mr. PASTORE. If the Senator from Texas does not want me to do so, I shall take my seat, and shall wait for my own turn.

However, he commented on what I said in the hearings, and I am answering that.

Mr. DANIEL. The Senator from Rhode Island knows that I read from the hearings, in connection with his question as to whether I would be willing to substitute the term "just and reasonable" for the term "fair market price." In answering his question, I read from the hearings. I do not believe he will find recorded in the hearings any statement about my motives. But just now I understood the Senator from Rhode Island to attempt to state what were the motives of the Senator from Texas and other members of the committee. I did not yield for any purpose other than a question.

I never sat at the feet of a fairer presiding officer, in any committee, than the Senator from Rhode Island. I did not know he thought our motives were anything except of the highest order, and I did not know that he questioned whether we were proceeding on the basis of anything other than what we believe would be for the good of our country, including both producers and consumers alike.

Mr. WILEY. Mr. President, will the Senator from Texas yield for a brief question?

Mr. DANIEL. I shall yield for other questions, Mr. President. I simply wished to remind the Senator from Rhode Island that I did not mean to be yielding for anything except a question.

Now I yield to the Senator from Wisconsin.

Mr. WILEY. My questions will be brief. I seek information which I do not have.

What is the rule that is applied by the utility commission in Texas, in regulating intrastate rates?

Mr. DANIEL. In Texas, the cities regulate the rates for which gas and electricity is sold within the cities by the distributors.

Mr. WILEY. I do not understand the Senator from Texas.

Mr. DANIEL. The cities regulate the rates—as is done by the cities in Wisconsin—for which gas can be sold within the cities by the distributors.

Mr. WILEY. Something was said in argument to the effect that gas was being imported from Mexico and Canada. When the gas enters the pipeline, is it regulated under the law, and under the decision of the Supreme Court, by the Federal Power Commission?

Mr. DANIEL. Yes. After it comes into our country it is regulated. That part within our own country is regulated. But, of course, the Federal Power Commission cannot go back and regulate the price which the producer in Canada or Mexico receives.

Mr. WILEY. I understand that. The point I am getting at is this: In the Senator's State, when the gas in the pipeline crosses into our country, it is regulated.

Mr. KERR. Mr. President, will the Senator yield?

Mr. DANIEL. I yield.

Mr. KERR. Is it not a fact that the only regulation with reference to gas is by the appropriate body, either the Federal Power Commission, with reference to what the transporter can make on his operation, or by the local body, with respect to the distributor within the city, where the regulation is either by the city or by the State, and relates to what the distributor can make? But neither regulatory body can touch in any way what the producer receives, or change what the transporter pays the producer for the gas.

Mr. DANIEL. That is correct.

Mr. WILEY. The Senator made that clear.

Mr. DANIEL. As I stated earlier in my remarks, that is one way in which we are discriminating against American producers.

Mr. WILEY. The Senator has made that very clear. Of course the Federal Power Commission would have no authority to say what the producer of gas in Canada or Mexico might receive. I ask the Senator if he knows at what price per thousand cubic feet that gas is sold to the pipeline.

Mr. DANIEL. All I know is what I have read. I cannot swear to the figures, but I understand that one of the Canadian sales is for 22 cents a thousand cubic feet, and that the sale of gas from Mexico is at 15 cents, laid down by the producer at the Rio Grande River.

Mr. WILEY. Does the Senator know how far that gas is transported before it reaches the consumer?

Mr. DANIEL. No; I do not.

Mr. WILEY. In the Senator's State is there not a utilities commission or an equivalent commission, to which an appeal can be taken, so that the commission does literally establish the rates which the consumer pays?

Mr. DANIEL. Only within our cities; and such regulation applies only to the distributor's rate within the particular city.

Mr. WILEY. Can the Senator tell me how much that rate is?

Mr. DANIEL. It varies from city to city. I shall try to obtain the figures for the Senator. If he wishes an average for the State, I shall be glad to try to obtain the figures.

Mr. WILEY. I thought perhaps the Senator might have some general knowledge on the subject.

Mr. DANIEL. There are quite a few cities in Texas. I do not have in mind the price which is being permitted the distributors in the various cities.

Mr. KERR. Mr. President, will the Senator yield?

Mr. DANIEL. I yield.

Mr. KERR. Would the Senator be surprised to know that in Fort Worth and Dallas, where the gas distributor is regulated by the proper authority with respect to what he can make, and where the transporter is regulated by the proper authority with respect to what he can make, and where both are based upon the figure agreed to by the purchaser and seller, insofar as the price paid to the producer is concerned, the average price paid by consumers for all three services is a little more than half of what is paid in Milwaukee to the distributor alone for his service?

Mr. DANIEL. I would not be at all surprised.

Mr. KERR. Would the Senator be surprised to know that the producer, the transporter, and the distributor in the larger cities in the Southwest receive as a total, on the average, less than half of what the distributors in Rhode Island, Connecticut, Virginia, and Wisconsin receive for distribution alone?

Mr. DANIEL. That would not surprise me, because I know that in some of those States the final price paid by the consumer is extremely high.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. DANIEL. I yield.

Mr. PASTORE. I do not know how surprised I would be, but I would be somewhat refreshed if someone would tell me what the rate of return is, or what the gross profits are of the producers to whom reference is made, as compared with the rate of return and the profits of a gas company which has only a 4-percent return on its invested capital. To me, that is the test. Who is making the money?

Mr. DANIEL. Does the Senator from Wisconsin have another question to ask the Senator from Texas?

Mr. WILEY. Yes.

Mr. DANIEL. Mr. President, I ask unanimous consent that I may yield to the Senator from Oklahoma [Mr. KERR] to answer the question propounded by the Senator from Rhode Island [Mr. PASTORE].

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator from Oklahoma may proceed.

Mr. KERR. Mr. President, I must say to the distinguished Senator from Rhode Island that every producer of gas files a return; and, if he is a producer with stockholders, those stockholders must file returns. Many of the producers make large profits. Many of them sustain great losses. If the Senator will examine into the subject he will find that many producers who tried to find gas lost all they had in the effort; and they became just as dead by reason of such failure to find gas as the Senator's distributors are by reason of their antiquated methods of operation and charges. I think it would be enlightening if the Senator from Rhode Island were to tell the Senate why it is that a distributor in his city must have twice as much money to distribute the gas as is paid to the distributor, the transporter, and the producer combined in most cities in the country, when the distributor in his city has access to the same producers, at the same prices, and has access to the transporters on a reasonably comparable basis. Yet the distributor in his city is unable to distribute the product to consumers without charging them twice as much as is received by all three operators in most cities of the Southwest.

Mr. MONRONEY. Mr. President, will the Senator yield in order that I may supply the facts for which the distinguished Senator has asked?

Mr. PASTORE. Mr. President, I should like to reply to the distinguished Senator from Oklahoma [Mr. KERR].

Mr. DANIEL. Mr. President, I am yielding only for questions.

Mr. MONRONEY. Mr. President, the question was asked by the distinguished ranking member of the Committee on Interstate and Foreign Commerce with reference to the relative profits realized by various sections of the gas industry.

Mr. PASTORE. I was speaking of the situation in Rhode Island.

Mr. MONRONEY. I thought perhaps the Senator wanted the information for the United States as a whole. Rhode Island is a small State. I did not know that the Senator wanted only the figures with respect to Rhode Island.

Mr. PASTORE. Rhode Island may be a small State, but its Representatives can make plenty of noise.

Mr. MONRONEY. After all, we are legislating for 48 States. I think the answers to the distinguished Senator's questions deserve to be placed in the RECORD.

I point out that in the year 1941 the operating and distributing utility companies, as reported in their own publication, Gas Facts, had net profits of $82,600,000. In 1946 the utility companies had a net profit of $132 million; and in the year 1954, after many of the artificial gas companies had converted to natural gas, the windfall profit which they received by reason of all the advantages involved in being able to supply twice the number of heating units in a thousand cubic feet of gas, as compared with what they were previously able to supply, totaled $356 million. Those are the facts, from Gas Facts, 1954.

The Bureau of Mines, which is a United States factual and statistical agency, reported that the total marketed production of natural gas for the year 1954 was 8,742,546,000 thousand cubic feet.

The Bureau also reported that the average United States price to the producer was 10.1 cents. A simple multiplication indicates that the producers' total receipts from natural gas were $882,997,146.

The only source we could find—or the only source that my very able assistant, Mr. Finney, could find—is from the last available year of the report called "Statistics of Income for 1952," issued by the United States Treasury Department, Internal Revenue Service, at page 18. There it is stated that the total gross revenues of crude oil and gas producers for that year were $4,317,614,000, and that their net profit was $260,918,000, or a realized net profit on gross income of 6 percent.

Those are the most factual figures we could find. The same 6 percent on total sales, applied to the total gas sales of 1954—6 percent of $883 million—gives an estimated net profit for producers of natural gas of $53 million.

That is as close as we can come to factual statistics. We have searched for these facts for weeks, because the distinguished ranking minority member of the Committee on Interstate and Foreign Commerce asked that question in the hearings. We anticipated it, and we made some research on that point. Therefore the operating and distributing utility companies, such as those operating in Providence, in Hartford, and in New Haven, are making a net profit of $356 million, largely out of the gas for which the producer is making a profit of $53 million.

I should like to be able to break it down for oil and gas if I could. However, like the Siamese twins, they cannot be separated. That is where the bill falls flat on its face——

Mr. DANIEL. The Senator means the present act falls flat on its face?

Mr. MONRONEY. The present act.

Mr. PASTORE. I object to the correction. [Laughter.]

Mr. MONRONEY. The present act—that is, the Supreme Court's act—falls flat on its face because no one can determine what the ratio is on unsuccessful wildcat wells, or what the allocation of costs is on a well that produces both oil and gas. One-third of the gas comes from such joint wells.

Mr. PASTORE, Mr. DOUGLAS, and Mr. DANIEL addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Texas.

Mr. DANIEL. Mr. President, I wish to yield the floor, because I understand the Senator from Rhode Island [Mr. PASTORE] will be recognized next.

Before I yield, I shall be glad to answer any questions Senators may wish to address to me. If there are no further questions, I yield the floor.

Mr. PURTELL. Mr. President, will the Senator yield?

Mr. DANIEL. I yield.

Mr. PURTELL. Much time has been spent in pursuit of the question whether the distributing companies are making large profits. Is the argument being presented by the proponents of the bill, assuming the consumers are being gouged by the distributing companies—and I do not make such a concession—that the producers should be permitted to gouge the consumers a little? Is that the reasoning?

Mr. DANIEL. The Senator knows that is not the reason the large profits of the distributing companies are being discussed. The Senator from Connecticut apparently has forgotten how the whole discussion of that point began. The distributing companies were welcomed with open arms by some of the opponents of the bill when they alleged that the producers were gouging their customers.

The distributing companies, before they came into the open, had gone around the country getting mayors and consumers to do the legwork for them in trying to prove that the producers were sticking the public with the pitiful 10 cents. They put out all that propaganda. This year the distributing companies came into the open, and they have been alleging that there must be utility-type regulation of the producers, because otherwise the producers will get too much of the consumer's dollar.

It is only in answer to the fallacious argument made by the distributing companies against the producers that we are trying to show the public what a small percentage of the consumer's dollar the producer actually receives.

We have not said too much about the big spread, except to say that we believe it is there and that there is room for a reduction in favor of the consumer, instead of in the producer's price, because the producer gets only an average of 10 cents per thousand cubic feet.

That is the only way that argument came into the debate. I hope the consuming and reading public, through this discussion—first, with respect to the attack of the distributors on the producers, and now the answer of the producers—will get the matter perfectly clear in their minds and will realize that the producers are not getting any more of the consumer's dollar than what the average consumer would pay by way of a tip to a waiter in a restaurant. It is even less than 10 percent of the price. I hope the public will get that information. That is the only reason for the discussion along that line.

Mr. PURTELL. I may say that when the distinguished and most able Senator from Texas was delivering his very well prepared address—as well prepared as it could be to make out his case—and very well delivered by him, I asked him a question. He saw fit at that time not to yield to me. That was his privilege. However, I shall try to answer some of those questions in a speech I intend to make next week.

The Senator from Texas dwelt a great deal in the early part of his speech on the price of 10 cents. Is it not correct to say that in the report of the hearings before the committee there is testimony from many proponents of the measure, from the oil fields and the gas fields, who stated that 20 or 30 cents should be the reasonable market price?

Mr. DANIEL. I do not remember any testimony to that effect.

Mr. PURTELL. I should like to call the Senator's attention to the fact that there was such testimony.

Mr. DANIEL. The Senator from Connecticut never heard that from the Senator from Texas.

Mr. PURTELL. And some testimony to that effect was given before the Federal Power Commission.

Mr. MONRONEY. Mr. President, will the Senator yield for a question?

Mr. DANIEL. I yield to the Senator from Oklahoma.

Mr. MONRONEY. I have discussed this point with the able Senator from Connecticut. It was a citizen from Oklahoma City, of whom I have never heard. I do not believe anyone else in the oil and gas business has ever heard of him either. He did make such a statement in the hearings. He represented no organization of consumers or gas producers, or anyone else. If someone could get more information than I have been able to get—and I was born in Oklahoma City—I should like more clearly to identify the testimony on which the distinguished Senator from Connecticut is relying for the one place in the record where that figment of the imagination was put forth.

Mr. PURTELL. Mr. President, will the Senator yield?

Mr. DANIEL. The Senator from Texas did not even remember the citizen from Oklahoma City who had made such a statement. What some people might have said along that line is that if the full fuel value of natural gas, compared with the British thermal units of other fuels were to be charged, the price would be higher.

Mr. PURTELL. The Senator from Connecticut does not make any such concession. However, he will be glad to listen to the Senator from Texas.

Mr. DANIEL. Certainly American natural gas can be delivered, and the producers can sell it, at a reasonable price and at a profit below what the Canadian producer today can sell it for to our own consumers. We are faced with discrimination today, when the Canadian producers can sell their gas for 20 cents or more a thousand cubic feet, and when the Mexican producers can sell their gas for 15 cents or more.

Mr. DOUGLAS. Mr. President, would the Senator from Texas be willing to answer some questions?

Mr. DANIEL. I thought I had answered all questions of the Senator from Illinois. I have agreed to yield the floor. I wish to say to the Senator from Illinois, however, that I shall be at his disposal for further questions during this debate.

The PRESIDING OFFICER. The Chair recognizes the Senator from Rhode Island.

Mr. PASTORE. Mr. President, I am unalterably opposed to S. 1853, as presently drawn, and unless it is substantially amended adequately to protect the consumer, I must vote against it.

As acting chairman of the Senate Committee on Interstate and Foreign Commerce, it was my privilege to preside over the hearings on the bill which lies before us today. It took our committee 17 days to do its job, and during that time I had the opportunity to hear practically all, if not all, the witnesses who appeared at the hearings on the proposed legislation. Because of this, and after careful study of the bill, I remain firmly convinced, a position shared by my distinguished colleagues who signed the minority report, that the bill is not in the public interest.

My reason for saying this is because this bill falls short of properly and adequately protecting the 26 million Americans who are consumers of natural gas today. Last Monday, on the floor of the Senate, the spokesman for the proponents of the bill, my friend the distinguished junior Senator from Oklahoma, took occasion to use a quotation from Caesar's Gallic Wars in order to describe the manner in which the natural-gas industry operates. My distinguished colleague noted that, just as all Gaul was divided into 3 parts, so also is the natural-gas industry divided into 3 parts: the producers, the pipeline transmission companies, and the local distributing companies. Left out of this description is the forgotten man of the natural-gas amendments, the fourth part of Gaul—the consumer.

It was never disputed at the hearings, and certainly I have heard no dispute during this debate, that the producers of natural gas are well organized in a very effective group which has been blanketing the country with advertisements in the newspapers in recent days—a procedure which they have a perfect right to follow. The pipeline companies are equally well organized and they, too, have been distributing countless documents throughout the country—a procedure they have a perfect right to pursue. The distributing companies are also well organized, and they, too, have been spending a great deal of effort and time in distributing documents and information to lay their cause before the Senate and the people of America—a procedure which they have a perfect right to follow.

Now, to use the analogy of the distinguished junior Senator from Oklahoma—there we have the three parts of Gaul; but where is the consumer in this descriptive picture? Who is fighting the consumer's battle? The only unorganized group in this entire picture are the consumers of America. The consumer has no one to fight his battle, in spite of the fact that the total investment of consumers in gas appliances and equipment exceeds the total investment made in gas equipment by any of the three parts of Gaul.

In this country today there are 26 million consumers, who have a total investment in gas appliances and equipment of over $14 billion.

Having made such a tremendous investment, these 26 million consumers will find themselves at the mercy of the suppliers of their gas, whoever they may be, unless we, their representatives, see to it that a proper supervision is provided to protect their interest. It is the responsibility of this Congress to carry out the spirit of the Natural Gas Act and to enact the kind of legislation which will adequately protect the gas consumer.

In order to understand adequately the character of this entire problem—from producer to consumer—it is necessary and important for us to go somewhat into the historic background of the natural-gas industry.

The natural-gas industry today is the sixth largest industry in the United States. It has, as I have already indicated, 26 million consumers with a tremendous investment in gas appliances and equipment. When we consider the 26 million consumers in proper perspective it is safe to say that this bill affects the well-being of 90 million Americans. The distributing companies which service these customers have a total investment in their plant, property, and equipment of over $8 billion, and the pipeline companies which transmit the gas from the fields to the city gates have an investment in their equipment of over $4 billion, and then, of course, there is a total investment of the producers in equipment, which amount they have not given to us but which is undoubtedly substantial, although well under the investment of any other segment of the industry. Therefore, apart from the producers' assets, there is invested in the United States today an amount which approaches $27 billion in the equipment of the consumers, the distributing companies, and the pipeline transmission companies.

In 1954, the natural gas industry marketed a total production of close to 9 million million—or 9 trillion—cubic feet of natural gas. The natural-gas industry serves practically every State in the United States, and with only two exceptions, in these States where service is not already underway, plans have been made and authorization given to establish such service.

Not only are there 26 million consumers of natural gas in the United States today, but the service given to each such consumer affects all the members of his household. As I have already indicated, we can estimate that approximately 90 million people throughout the United States have a stake in the outcome of this bill before this distinguished body. This number is growing each year, as fast as the companies can supply the equipment and as fast as the industry can supply the natural gas.

Twenty-five years ago, natural gas was practically a local business. Its regulation was the concern of local governments. During the 1930's, however, the industry began to expand at an unprecedented rate. Great improvements were made in the transportation of natural gas long distances through pipelines. Natural gas reserves became important enough and large enough to warrant substantial investment in interstate transmission lines, which soon stretched out from the producing fields into all directions across the country.

Natural gas, which once was merely a byproduct of oil and often regarded as a waste product in the production of oil, developed into one of the most important

sources of power and energy in this country. Today natural gas accounts for one-fourth of the total energy production in the United States.

Back in 1938, when the Natural Gas Act was passed, the natural gas industry was an important factor in the economic life of the country, but nowhere near as important as it is today, 18 years later. In 1938, only 28 percent of the marketed production of natural gas moved in interstate commerce, whereas in 1953, approximately 50 percent of such production flowed in interstate commerce. Since 1938, the number of consumers of natural gas has tripled and the production of natural gas has quadrupled.

Yet, as far back as in 1938, the Congress reached the conclusion "that the business of transporting and selling natural gas for ultimate distribution to the public is affected with a public interest, and that Federal regulation in matters relating to the transportation of natural gas and the sale thereof in interstate and foreign commerce is necessary in the public interest."

The proponents of the bill take the position that the gatherer and producer were exempted under the Natural Gas Act. The dispute concerning this interpretation came to a head in the case of *Phillips Petroleum Company* v. *Wisconsin* (347 U. S. 672). The question involved in the Phillips case was one of whether the jurisdiction of the Federal Power Commission extended over the rates charged by a natural gas producer and gatherer when it sold its natural gas in interstate commerce. The Phillips Co. argued that it was not subject to the Natural Gas Act of 1938 because it was an independent producer which did not own its own transmission lines. According to the Phillips argument, Congress did not intend to regulate the so-called independent natural gass producer. The United States Supreme Court did not agree with the Phillips position and reached the following conclusion:

> Regulation of the sales in interstate commerce for resale made by a so-called natural gas producer is not essentially different from such sales when made by an affiliate of an interstate pipeline company. In both cases, the rates charged may have a direct and substantial effect upon the price paid by the ultimate consumer. Protection of the consumer against exploitation at the hands of natural gas companies was the primary aim of the Natural Gas Act.

That was what the Supreme Court said in the Phillips case.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. DOUGLAS. Is it not also true that the Circuit Court of Appeals had previously rendered the same opinion?

Mr. PASTORE. That is correct.

Mr. DOUGLAS. Is it not true also that two of the justices of the Supreme Court, namely, Mr. Justice Minton, who wrote the opinion, and Mr. Justice Black, who concurred, were members of the Senate at the time the bill was originally introduced, and that former Senator Minton, who was, I believe, a member of the Senate Committee on Interstate and Foreign Commerce took an active part in the debate?

Mr. PASTORE. Of my own recollection, I regret that I cannot certainly say that the Senator from Illinois is correct in his assertion. But I have so much confidence in the excellent memory of my colleague from Illinois and his ability to retain statistics that I would assume that that was so.

Mr. DOUGLAS. And that, therefore, those Justices spoke from personal experience as former Members of the legislative body?

Mr. PASTORE. That is correct.

Thus, in indisputable terms, the Supreme Court has said that the Congress of the United States did in fact intend that the gatherers and producers of natural gas should be included under the supervision and regulation of the Federal Power Commission insofar as concerns the rates they charge for pipeline gas. It is the decision of this case that brings us to the moment of this bill.

Mr. President, I call the attention of my colleagues to what now follows, because I think it states my position quite clearly.

A great deal of time was consumed at the hearings before the committee, in an attempt by the proponents of the bill to show how and where the Supreme Court of the United States erred in reaching its result in the Phillips case. I am inclined to agree with the position taken on Tuesday by the distinguished Senator from Arkansas [Mr. FULBRIGHT] that, whether we agree or disagree with the Supreme Court decision, the real question before us is, What is best to do in the public interest, and what must we do now to protect the consumers of this country and carry out the spirit of Congress when it enacted the Natural Gas Act of 1938?

It is really not necessary for us to argue here the pros and cons of the Phillips opinion. Surely Congress was not precluded from legislating to change the effect of a decision of the Supreme Court if it thought that that decision was not in the public interest, and the Congress should not be precluded now. By the same token, if the opinion of the Supreme Court in the Phillips case did in fact protect the public interest, but was nevertheless in error, should we now take the position that in order to correct the judgment of the Court we should in fact defeat the public interest?

To put this in very simple language, let us assume that the Supreme Court of the United States in the Phillips decision made an error of law, but stated a public policy, stated a public interest. Must we today defeat the public interest in order to correct an error by the court? The question before the Senate is what is best for us to do now to carry out the spirit of the Natural Gas Act and to protect the consumers of the United States, in whose behalf I hope and believe the Natural Gas Act was passed.

Consequently, I for one take the position that while discussion during this debate concerning the intent of Congress in 1938, and the interpretation of that intent by the Supreme Court in 1954, might make delightful discussion pro and con, the single question remains: Does the bill before us protect the consumer? The reason why I single out the consumer is that if he were not the real party in interest in the Natural Gas Act, there never would have been a necessity for passing the Natural Gas Act in the first instance.

In order to understand fully the public interest which is at stake in the bill, it is necessary that we consider carefully the manner in which the consumer buys his gas from his supplier. It is also necessary that we review as briefly as posable the conditions which prevail in the natural gas industry.

As we all know, the consumer buys his gas from the distribution company, which is a company operating as a public utility under the jurisdiction of local regulatory agencies. These distributors purchase their natural gas from the interstate pipeline transmission companies, which are subject to the supervision and regulation of the Federal Power Commission under the Natural Gas Act. The pipeline companies, in turn, either produce their own natural gas from reserves owned by them, or buy their natural gas from the so-called independent producer.

The proponents of the bill argue that the production of natural gas and the sale of natural gas at the field is a highly competitive enterprise because, they argue, there are some 8,000 persons and corporations engaged in the business of gas production. Without taking the time to argue about this figure of 8,000 producers, it is indisputable that 43 of the producers control over 70 percent of the gas sold to pipeline companies in 1954. Of the natural gas reserves reported, over one-third of the total of such reserves in our country are owned by the four leading natural-gas producers.

I do not place too much emphasis on the fact that much of the production of natural gas is controlled by a handful of companies. The important point I make is that the testimony before our committee was to the effect that pipeline companies have been vying among themselves to secure reserves of natural gas. This has created a situation in the natural gas production industry whereby the market is not a buyer's market. It is completely a seller's market.

Mr. DOUGLAS. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. BIBLE in the chair). Does the Senator from Rhode Island yield to the Senator from Illinois?

Mr. PASTORE. I yield.

Mr. DOUGLAS. The Senator from Rhode Island is making a very able and conclusive argument. I take it the Senator also remembers the testimony of the chief witness for the bill, Dr. Boatwright, who, as appears on page 184 of the hearings, pointed out the additional concentration of suppliers in terms of a given pipeline. That study showed, for instance, did it not, in the case of United Gas Pipeline Co., the first 4 vendors sold 40.6 percent of all the gas; in the case of Northern Natural Gas Co., the first 4 sold 67.2 percent; in the case of the Texas Eastern Transmission Corp., the first 4 sold 35.2 percent; in the case of the

Tennessee Gas Transmission Co., the first 4 sold 40.4 percent; in the case of the Cities Service Gas Co., the first 4 sold 61.4 percent; in the case of the Panhandle Eastern Pipeline Co. and Trunk Line Gas Co., the first 4 sold 58.7 percent; in the case of the Colorado Interstate Gas Co., the first 4 sold 53.4 percent and in the case of the Michigan-Wisconsin Pipeline Co., there was only one supplier, namely, the Phillips Co.? Then there was a whole series of other figures indicating that when one considers the pipelines, there was great concentration in the supply and reserves held by a relatively small number of producers of gatherers. Was that not the testimony of the chief witness for the bill?

Mr. MONRONEY. Mr. President, will the Senator from Rhode Island yield to me?

Mr. PASTORE. I wish to make an observation, and then I shall yield to the Senator from Oklahoma, if he will be patient for a moment.

I have said previously that the fact that there exist a few large companies does not disturb me. I do not know whether Dr. Boatwright was hired or was on loan to the producers. I suppose he was loaned to the producers to work out all these figures. I suppose Dr. Boatwright knew he was going to be confronted with the argument, because this was not a new question. We had that question in connection with the Moore-Rizley bill. We had it in connection with the Kerr bill. This was nothing brand new. I think anyone who was a Senator in 1952 knew the question was going to come up again. Anyway, Dr. Boatwright went to great lengths to point out that, after all, aluminum is controlled by a few companies, and steel is controlled by a few companies.

Mr. President, I am not opposed to bigness as such. I do not want to go to extremes and say that merely because a few large companies control the production of a certain commodity, that in itself is evil. The point I make, and which I think is very important, is that the character of the gas business is such that when we consider reasonable market price, which has been discussed, and which I shall cover in my statement later on, when we consider at what point that would be determined and where the reasonable market price shoud be applied, when we take into account the fact that a large group of pipelines are falling over one another trying to get their hands on added reserves—I say when we take all those matters into consideration, in order to straighten out and clarify our focus and perspective, we have to comment on the fact that the industry is in fact controlled by a few large companies. When the proponents of the bill begin to shed their crocodile tears about the 8,000 producers—tears so copious that one almost has to wear rubbers in order to get around in the Senate—I wish to point out that they are really concerned with the handful of big companies, not the 3,000 little fellows. But the mere fact that 4 or 5, or 10 or 15, or even 50 or 43 large companies control 70 percent of the supply of gas is not what really disturbs me; what disturbs me is what they are trying to do in the bill.

Mr. MONRONEY. Mr. President, will the Senator from Rhode Island yield?

Mr. PASTORE. I yield.

Mr. MONRONEY. The Senator from Rhode Island is always so factual that I am sure he will want to correct what seems to be an error in the assumption of the Senator from Illinois [Mr. DOUGLAS], in that Milwaukee gas is supplied by only one producer, namely, the Phillips Co.

The record of the committee hearings clearly shows, and I am sure the distinguished acting chairman of the committee remembers it, that before the Milwaukee pipeline would build its line, it required an adequate supply from a single seller. It did not wish to go into the field and deal with 100 or 200 or 300 individual producers. The Phillips Co. did not have the quantity of gas which the Milwaukee pipeline company required in order to get a certificate. So it was the pipeline company's refusal to deal with more than one supplier which compelled Phillips to seek to get more gas than it had available at that time. Only at the request of the Milwaukee pipeline, and not at the volition of the Phillips Co., the Phillips Co. got the supply in one piece.

The concentration of which the Senator from Rhode Island speaks certainly exists, but the great eastern cities require huge quantities of gas, and the average pipeline no longer has any substantial quantity of gas of its own. The pipelines do not wish to connect with every well that is flaring gas. So someone has to put in one package a contract to purchase the gas and supply it to interstate lines. That is where the natural gas enters the interstate line. There is nothing unusual in the fact that gathering lines finally bring the gas into the long line. There are economic reasons for that, which reasons have been created by the large demands which the eastern cities have placed upon the limited gas supplies in the oil and gas territories.

Mr. PASTORE. That may be so, and again I say I do not dispute that, but the fact remains that for the last 3 days the proponents of the bill have been putting horns on every distributing company, and now they are putting haloes over the heads of the big fellows who have to be big because the demand is large.

Mr. President, I continue with my prepared statement. A pertinent example illustrating that the market is a seller's market is shown on page 21 of the minority views. Here is seen the total lack of competition which is demonstrated by the experience of the Iroquois Gas Corp. in negotiating for additional supplies in the Sheridan field in Texas in November 1954. I should like to call this example to the attention of my distinguished friend from Oklahoma.

As shown by the record in Docket No. G–1969 before the Federal Power Commission, the producers refused to quote prices—mind you, Mr. President, it is this free market we are talking about—and demanded that Iroquois, together with other potential customers, submit blind bids. In order to get the gas, Iroquois bid 16.5 cents per thousand cubic feet—a price then substantially above the market.

Furthermore, it was quite apparent at the hearings that whatever competition exists is not among the producers and the gatherers of natural gas, but in fact, among the pipeline companies who have allowed themselves to enter into all sorts of ridiculous contracts in order to secure natural-gas reserves to themselves.

Mr. MONRONEY. Mr. President, will the Senator from Rhode Island yield for a clarification?

Mr. PASTORE. I yield.

Mr. MONRONEY. Did I correctly understand the Senator? The Iroquois utility—which I seem to recall was a distributing utility, not a pipeline—in an effort to obtain more gas, attempted on a common-carrier basis, we might say, through the pipeline to go into the field itself and seek to obtain an additional supply of gas at the expense of the other cities being served by the same long line. Am I correct in saying that Iroquois was a distributing company?

Mr. PASTORE. Yes; but it was interested in the sale of the gas.

Mr. MONRONEY. Except that it was interested in using the line as a common carrier, instead of in having the gas available to the pipeline prorated to all the other cities on the line. It was seeking to capture the gas, and that purchase was a one-shot affair, and was not at all reflective of the reasonable market price thereon.

Mr. PASTORE. Does the Senator from Oklahoma take the position that we have a salutory situation and an atmosphere of free, competitive enterprise when a producer tells a gas company that wishes to obtain gas to sell to consumers who wish to use gas in cooking eggs and so forth, in preparing meals, "We will not quote you a price. You fellows bid for it, and we will take the highest bid." Is that indicative of a free market?

Mr. MONRONEY. Does the Senator from Rhode Island expect to get gas to the thousands of consumers in Providence, R. I., who are waiting for gas, or to the 200,000 consumers in the Chicago, Ill., area who are waiting for gas, by having the distributing company jump into the field and try—by extraordinarily high payments, not only for the gas but for the transmission—to take advantage of every other city on the line? Would not the Senator from Rhode Island think it would be necessary for the long line to buy the gas, and thus get all the gas it could at a reasonable price, and then distribute it ratably to its long list of customers who have been so long with the line?

If all the distribution companies are to be brought to the gas field, and if all of them are there to bid against each other, instead of the orderly marketing of some 33 interstate lines, there will be created a situation which will compound even the condition now existing under the Supreme Court's gas law.

Mr. PASTORE. But the Senator from Oklahoma has missed the point I have made. The question was not whether Iroquois offered to bid. The question was whether, when it offered to purchase, it was told, "If you want this gas,

you must bid against everyone else." As a result, it had to buy at a high price. I am referring to that situation to show that the market is not as free as some persons have been telling us.

Mr. MONRONEY. Does the Senator from Rhode Island mean to say that it is a question of having someone brought into a room and brainwashed, in an effort to obtain a high price?

Mr. PASTORE. Oh, no.

Mr. MONRONEY. Does the Senator say this bill will prevent them from getting the gas into interstate commerce?

Mr. PASTORE. If we take cognizance of the fact that someone was trying to take advantage of someone else, I will go along with the Senator. That is precisely why I cited that case, namely, to show that advantage was being taken of them, in saying, "There is no sales price on this gas. You boys bid against each other for it, and I will take the highest bid."

That is the kind of thing that triggers off the price in other fields. I shall cover that point; this is the terrible point about this entire situation.

This brings me to a discussion of the vicious escalation clauses which the proponents of the bill have recognized to exist, and yet in the bill have done nothing to cure.

During the course of the hearings, even the proponents of the bill displayed great surprise and shock at some of the escalation provisions which were contained in many of the contracts between pipeline companies and producers. To be sure, in the majority report, there are enumerated some escalation clauses with which I will not take the time to quarrel today.

My objection and my fire today are directed toward the so-called third-party favored-nation clause, which is completely contrary to the American tradition of free enterprise. It is the truly ingenious evil which has plagued this industry, and which this Congress must, in the public interest, correct. It is a practice which should be outlawed, especially in an industry which is affected with the public interest.

It is very easy to understand the "trigger" nature of a third-party favored-nation clause. Any new contract by a third party can "trigger" off higher prices in an existing contract which has absolutely no relationship to this contract. This kind of "trigger" action can lead, and has led, to a vicious cycle and chain reaction of unwarranted higher prices.

Mr. DOUGLAS. Mr. President, will the Senator from Rhode Island yield?

Mr. PASTORE. I yield.

Mr. DOUGLAS. I wonder whether the Senator from Rhode Island in his very able exposition will develop this point at a little greater length. Am I correct in my assumption that under the third-party favored-nation clause, if A, a pipeline, makes a contract with X, a producer, under which the producer furnishes and sells to the pipeline, gas at 10 cents a thousand cubic feet; and if in that area, region, or field another pipeline—let us call it "C"—pays to a single producer "D," a rate of 20 cents a thousand cubic feet, then automatically the price which A pays to producer X will go up from 10 cents to 20 cents a thousand cubic feet?

Mr. PASTORE. That is correct. Let me submit a somewhat more graphic example than the one cited by the distinguished Senator from Illinois. If a pipeline company serving a distributing company in Boston, makes a contract with a producer in a field in Texas, to purchase a certain amount of gas at 10 cents a thousand cubic feet, and if that contract contains such a third-party, favored-nation provision, then if a pipeline company serving Oakland, Calif., agrees to pay 20 cents a thousand cubic feet for gas from the same field—and, Mr. President, mind you, one is on one side of the Nation, and the other is on the other side of the Nation—automatically the price for the gas for the pipeline company serving the city of Boston will go up to 20 cents a thousand cubic feet. If that is fair competition, then I think all of us should go back to our books.

Mr. MONRONEY. Mr. President, will the Senator from Rhode Island yield?

Mr. PASTORE. I yield.

Mr. MONRONEY. A moment ago the Senator from Rhode Island said he approved of some few escalation clauses. I approve of only one type as not being subject to review and regulation by the Federal Power Commission.

Will the Senator from Rhode Island explain under which types of contracts the "vicious cycle of unwarranted price increases" took place? Will he explain that for the RECORD? A while ago he said that a "vicious cycle of unwarranted price increases" had taken place. I think it will help clarify the RECORD—and I am asking this question for the information of the Senate, and I shall follow with interest the Senator's reply—to have the Senator from Rhode Island detail the types of contracts producing or other reasons for the occurrence of this "vicious cycle of unwarranted increases" to producers.

Mr. PASTORE. I shall cover that later in my remarks.

Mr. MONRONEY. Very well.

Mr. PASTORE. However, in order that the Senator from Oklahoma will not get the impression that I am trying to avoid his question, let me say now that there are many charts showing that in 1938 the price was 4 cents a thousand cubic feet. These hearings before me are filled with examples showing that in 1954 the price was 10 cents a thousand cubic feet. The proponents of the bill can argue until the cows come home. That is not the real picture. There are many cases today before the Federal Power Commission—and I shall show that fact later in my remarks—in which the application is for 20 cents, or for more than 20 cents a thousand cubic feet. The Senator from Oklahoma is familiar with the number of cases involving the terrible third-party favored-nations clauses. This book, which is the record of hearings, is loaded with them. It would take me a day and a half to pick them out. Does the Senator take the position that there is no such thing as third-party favored-nations clauses, and that they have not triggered price increases?

Mr. MONRONEY. I am merely asking the Senator to state in detail the types of clauses of which he approves, and those to which he objects. The Senator sat through all the hearings and presided most ably over them. I am merely asking the Senator to specify the types of escalation clauses which trigger the alleged "vicious cycle of unwarranted price increases." The Senator from Rhode Island knows the various types of escalation clauses. He says he approves of some. I am asking him for specific details as to——

Mr. PASTORE. As to those of which I approve?

Mr. MONRONEY. As to those of which the Senator approves, and those which he says are responsible for unwarranted price increases. I think the Senate would be most interested, because of the Senator's vast fund of information on this subject. He presided most ably over the hearings. I wish he would detail the clauses of which he approves, and those to which he objects.

Mr. MAGNUSON. Mr. President, will the Senator yield to me for a moment?

Mr. PASTORE. I yield.

Mr. MAGNUSON. I must leave the Chamber shortly, and I cannot be present tomorrow.

I think there is one thing upon which we can all agree—both the proponents and the opponents of the bill. I would be somewhat derelict in my duty as chairman of the committee if I did not compliment the distinguished Senator from Rhode Island for the manner in which he conducted the lengthy hearings. It was a tremendous task, one which had to be done by the committee, but one to which the chairman himself could not give attention because of a great deal of other committee business. I have heard from all sides, both from the proponents and the opponents of the bill, how fairly and ably the Senator from Rhode Island handled the long weeks of hearings. As chairman of the committee I wish to express my thanks to him at this time.

Mr. PASTORE. I thank the Senator from Washington.

Mr. MONRONEY. Mr. President, will the Senator from Rhode Island yield?

Mr. PASTORE. I yield.

Mr. MONRONEY. As one of the principal proponents of the bill, representing an opposite viewpoint from that of the acting chairman, let me say that no one could have asked for a more fair, courteous, or considerate treatment of all witnesses, no matter what their views. The Senator from Rhode Island conducted hearings far into the night, at times, in order to accommodate witnesses from great distances.

The Senator from Rhode Island deserves this tribute for the careful and considerate way in which he conducted the hearings, in order that all sides might have the opportunity, in the great American tradition, of speaking their pieces, no matter which shade of opinion they represented.

Mr. PASTORE. I thank the two distinguished Senators. I am indeed overwhelmed. However, whether this statement be considered as facetious or not,

my position with respect to the bill has not changed.

Mr. MONRONEY. Neither has mine.

Mr. PASTORE. Mr. President, rather than take the time to pick out from the report, the various types of clauses, let me make a general statement in that connection. I can complete the record later if it becomes necessary. It is a question of relative evil to decide which escalation clauses are worse than others.

Relatively speaking, I quarrel very little with the escalation type of clause providing for predetermined increases in price at fixed times.

Relatively speaking, I quarrel very little with the escalation clause which has to do with readjustment, because of specific anticipated increases in taxes.

Relatively speaking, I shall not today quarrel or say much about the two-party favored-nations clause.

What really disturbs me is the vicious, evil, three-party favored-nations clause, which is still permitted under the terms of the bill. I think if we were properly doing our duty we would outlaw the third-party favored-nation clause by legislation.

I realize that if this bill does not pass, the Federal Power Commission, under the Phillips case, can do precisely that. However, until that time comes, in order that the hands of the Commission may be fortified, in the hope that such clauses will be outlawed more quickly, I think it would not be a bad idea if we outlawed such clauses by legislation.

The impact of this kind of "triggering" is felt by the consumer who must pay the higher price resulting from the third-party favored-nation clause. It was such a clause which the Transcontinental Gas Pipeline used as one of the reasons for justifying the large increase in rates which it sought and obtained in 1954. Another example of the impact of the third-party favored-nation clause is contained in the recent decision of the Federal Power Commission on October 24, 1955, in the matter of the Sun Oil Co.—Sun Oil Co., E. J. Hudson et al., Maracaibo Oil Exploration Corp., and Sohio Petroleum Co., Docket No. G-8288—wherein the Commission stated that the charges made by Sun Oil and Sohio Petroleum Co. were "triggered" by the purchase of gas by Transcontinental from the Hassie Hunt Trust at the price of 17 cents per thousand cubic feet. The net effect of the favored-nation clause, according to the Federal Power Commission, was to increase the price of gas to Transcontinental from scarcely less than 9.8 cents to 17 cents. The applications to the Federal Power Commission accordingly sought approval of the same 17-cent rate.

The increase in rates because of escalation clauses has followed the pattern of an epidemic. The figures used before the Senate Interstate and Foreign Commerce Committee hearings are already outdated. Today many of the applications for rate increases before the Federal Power Commission are based upon rate of more than 20 cents per thousand cubic feet.

It is clear that the object of the various escalation clauses is to increase the price of gas in the field. This has been accomplished at the expense of the consumer. This result has had such far-reaching consequences that even the natural-gas producers and pipeline companies themselves have, in some instances intervened to oppose increases in rates in certain areas. For example, in the Signal Oil & Gas Co. case, decided by the Federal Power Commission on November 28, 1955, the Signal Oil & Gas Co. proposed to sell gas in Oklahoma to Cities Service at 12 cents per thousand cubic feet. The record before the Federal Power Commission stated without contradiction that the maximum price in the area was 10 cents per thousand cubic feet. Oklahoma Natural Gas Co. and Lone Star Gas Co. intervened to oppose the sale by Signal at the rate indicated.

The majority opinion of the Federal Power Commission stated as follows:

> The contention of Oklahoma Natural and Lone Star that a 12-cent sales price by Signal will drive the maximum price in the area from 10 to 12 cents is not contradicted by Signal, and a witness for Cities Service admitted that this would be the effect of the sale as proposed. Although the favored-nations clauses in the existing contracts of Oklahoma National and Lone Star would not be triggered, the record clearly shows that the price proposed by Signal would inevitably cause a general area price increase for all major sales to 12 cents per thousand cubic feet as the result of future purchases of new supplies of gas.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. MONRONEY. I believe it would be helpful for the RECORD to indicate at this point that Oklahoma Natural Gas and Lone Star are strictly intrastate operations, and do not deal in interstate gas. They cannot be bound by anything in either the Supreme Court decision or this bill.

Mr. PASTORE. That is what I said. They would not be affected. However, the Commission stated that the effect would be the triggering of unwarranted price increases in that area. That is precisely the point I make.

As we can see here, the price structure of the entire natural-gas industry is built upon the foundation of the escalation clauses, which allow them to gravitate automatically to the highest price bid in a given area. The unfortunate consumer has no say in the operation of these escalation clauses, in spite of the fact that the consumers have spent over $14 billion on their gas appliances and equipment.

These escalation clauses are the source of the most severe problems in the natural-gas industry. It is, therefore, the duty and responsibility of the Congress to correct the abuses resulting from these escalation clauses. However good or bad the case of the proponents may be for the need in the industry of exemptions on producers—and however good or bad their arguments may be for the need of increased prices to encourage exploration—none of the suggestions or provisions of the bill before this Senate corrects the unquestionable abuses of the third-party escalation clauses. Not only does the bill fail to correct the third-party favored-nation clauses, but it gives implied assent and approval to them with the encouragement to continue and expand them in scope.

It may be interesting to the members of the Senate to know what, in fact, these increases in prices mean to the consumer in terms of dollars and cents. As indicated on page 27 of the committee report, exhibit 5, as of 1953, the total consumption of natural gas in the United States was more than 5 billion thousand cubic feet. An increase of 5 cents per thousand cubic feet would result in an increase of more than $268 million a year. An increase of 10 cents per thousand cubic feet would amount to an increase of more than $537 million a year, and an increase of 15 cents per thousand cubic feet would result in an increase of more than $806 million a year.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. DOUGLAS. Am I correct in understanding that the figures quoted by the Senator from Rhode Island refer to the year 1953?

Mr PASTORE. Yes; the year is 1953.

Mr. DOUGLAS. I take it that the Senator from Rhode Island is also aware of the fact that in the January 2, 1956, issue of Gas Age, that authoritative journal stated that the total sales by utilities of gas amounted, for the year 1955, to 6 billion thousand cubic feet.

Mr. PASTORE. That is correct.

Mr. DOUGLAS. So that, applying the figures of 5, 10, and 15-cent increases, respectively, there would be increases in the price to the consumers of $300 million, $600 million, and $900 million, respectively. Is that correct?

Mr. PASTORE. That is correct.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. MONRONEY. Merely to keep the record straight—and I know my distinguished colleague, the senior Senator from Illinois, would not wish it to be otherwise—I should like to state that, in referring to the consumer, I am sure the Senator from Illinois does not wish to have it implied that it is the household users who would thus suffer. He includes the industrial users who use large quantities of the gas. Therefore, I would appreciate it, for the purpose of the RECORD, if now or later, in the interest of accuracy—since it has been stated that it is the consumers who have been buying all these appliances—that the percentage, which is rather well established, be placed in the RECORD at this point.

Mr. PASTORE. The chart I cited is not something I have compiled. I am reading from a chart which appears at page 27 of the report of the committee. The distinguished Senator from Oklahoma is a member of the committee. It is marked "Exhibit 5," and it is entitled "Effect of Increased Field Prices by States Based on 1953 Utility Sales of Natural Gas."

Mr. MONRONEY. That is correct, but those figures include industrial and commercial users.

Mr. PASTORE. The source of the information is the Federal Power Commission.

Mr. MONRONEY. That is correct.

Mr. PASTORE. I do not believe that the Federal Power Commission would lean too much toward those of us who oppose the bill, because their whole disposition in this matter has been more on the other side of the fence.

Mr. MONRONEY. I made my suggestion only in the interest of accuracy. We do not question the figures as to the total amount of gas moving in interstate commerce. We merely feel, inasmuch as the record has been made as to the number of appliances that have been bought by the consumers, that it is necessary to separate the vast amount of wholesale sales at a cost of 2 cents for city delivery for industrial use, and the quantities sold at 75 cents or a dollar for city delivery to the household consumer. We should make it clear what we are speaking about. If we use one set of facts for household users, in terms of appliances they have bought, we should break down the total according to its use. Of course a great deal of gas is used for commercial and industrial purposes. As a matter of fact, speaking as a representative of a gas-producing State, I would welcome coal producers recovering some of that business, because it is a prodigal waste of gas to use this precious, exhaustible fuel in large amounts under boilers that could be just as well fired with coal or oil.

Mr. PASTORE. I have no objection to bringing that out. The point I make is that I am quoting from a chart. I am not quibbling over a few million thousand cubic feet. All I am saying is that there would be substantial increases in the market, especially to the consumer. I am merely citing the figures of the Federal Power Commission.

Mr. MONRONEY. Assuming the figures to be correct as to total consumption, they would at least reflect a large amount of gas that is used in industry.

Mr. DOUGLAS. Mr. President, will the Senator from Rhode Island yield to me?

Mr. PASTORE. I yield.

Mr. DOUGLAS. Since the Senator from Oklahoma has attached a qualification to the figures presented by the Senator from Rhode Island, I may say that I am delighted that the Senator from Oklahoma now recognizes that, in addition to the residential use for gas, there is an industrial use for gas. Up until this time all the price charts presented by the Senator from Oklahoma, by the Senator from Texas, and by the Senator from Arkansas, have been with respect to the residential use of gas. It is highly commendable for the Senator to admit, as the Senator from Illinois insisted earlier in his colloquy with the Senator from Texas, that there are industrial and commercial uses for gas.

If the increased cost were passed on to the industrial firms, does not the Senator believe that the consumers of the products of those industrial firms would ultimately have to pay the cost? Therefore the consumers bear the burden, either directly as users of gas or indirectly as purchasers of products in which gas was used in the process of manufacturing.

However, as the Senator from Oklahoma has hinted, in practice, if the distributive utilities try to load the extra 10 cents or 15 cents per thousand cubic feet onto the industrial rate, which is now only a little over 20 cents per thousand cubic feet, the industries will then turn to coal and oil.

In that event the utilities will undoubtedly load upon the householder not merely the 10 or 15 cents per thousand cubic feet, but perhaps double that amount. This is the crucial point, and I am indebted to my good friend from Oklahoma for helping us to bring it out. They will be forced to bear the actual costs which cannot be unloaded on the industrial consumers.

Mr. MONRONEY. Mr. President, will the Senator from Rhode Island yield for a further clarification of the RECORD?

Mr. PASTORE. I am delighted to yield.

Mr. MONRONEY. The junior Senator from Oklahoma, in his opening statement, which I believe the Senator from Illinois heard, called attention to the industrial use of gas. Perhaps I made a mistake in not saying that for the same service for which the householder pays $1.05, the industrial consumer is charged 2 cents. It would seem to me that the consumer is getting a little bit of a heavy charge while the industrial user is free loading on the backs of thousands of consumers.

There are many unemployed coal miners in the State of the distinguished Senator from Illinois, and I, coming from a gas-producing State, would like to see more coal used for industrial purposes. After all, there is a 10,000-year supply of coal, against a 22-year supply of gas. The Senator from Oklahoma would like to see some of the coal miners put to work, and see some of the coal put under the boilers for power and for electricity.

However, so long as the distributing companies will sell gas at 2 cents for city delivery, while at the same time they charge $1.05 to the household consumer, industries will free load, and in that way help exhaust the supply of gas. Today a part of the scarcity of gas in the field is due to the demand from cities like Chicago. Chicago is one of the largest industrial users of gas. That kind of use is forcing up the demand for gas in the field, for which new discoveries have not compensated. Therefore I say we should try to be realistic, and preserve this precious 22-year supply of gas as a household fuel, with which no other fuel is comparable. It is not a luxury fuel; it is a special fuel. We from the gas-producing States do not like to have it replacing coal under heavy boilers.

Mr. DOUGLAS. I should like to point out that this discussion as to the relative charges made for residential gas as compared with industrial gas is a matter which really should come before the various local and State regulatory bodies. We of the Congress can do absolutely nothing in this respect, absolutely nothing. To brandish the residential rate as the proponents of the bill have done, is in a sense bringing up a red herring. In justice, however, to the distributing companies, I may say we should consider the fact that because of the demand for fuel for heating, since there is almost no residential demand during the summertime, as is indicated by the chart, in order to take care of the flow of gas the producers have to sell it at about any price they can get from the industries. That is why they make a low rate. There are also costs in connection with residential service which are not connected with the industrial service, namely, the cost of connecting large numbers of houses to the gas main, and there are also the costs of individual inspecting, billing, and collecting.

I do not mean to argue that case now; that is a matter for the State bodies. As a citizen of Illinois, I have contended that there should be a readjustment of rates, and that the residential rate should come down to a level closer to the industrial rate. But that is not anything with which the Senate can deal. What we can deal with however is whether we will try to protect the consumer, directly or indirectly, by preventing an unjust and unfair price for gas at the entrance of the gas into the pipeline.

Mr. MONRONEY. Mr. President, will the Senator from Rhode Island yield for a clarification of the record?

Mr. PASTORE. I yield.

Mr. MONRONEY. The record shows that probably 60 percent of the gas is used on a year-round basis. Only 40 percent of the gas used is on an interruptible basis in the summer. In cities where the rates are the lowest, in the eastern sections, where progressive gas companies have been able to find underground storage, we do not find the giveaway policy through the summer months as the price is loaded onto the residential consumer. There are some very fine companies distributing gas, and the record will so show. They have been able to find facilities for underground storage, and are able materially to reduce the residential rate for city delivery. It is the companies which have not provided for summer storage and have sold gas for boiler fuel which have the highest gas rates for consumers while they permit industry to enjoy the low rate.

Mr. DOUGLAS. I am one of the sponsors of the bill under which national authority would be given to create underground storage facilities, particularly in abandoned and worked-out coal mines.

Mr. MONRONEY. And the junior Senator from Oklahoma has attempted to help a number of times, because we both recognize the technological progress that could be made.

Mr. DOUGLAS. I wish to point out that in the absence of such storage the distributing companies do have gas on hand during the summer which they have to sell at almost any figure. I am not entering a brief for the local distributing companies, but in a sense of fairness I do object to the big producers trying to single the distributors out as the whipping boys to divert attention from the issues which the Senator from Rhode Island is presenting.

Mr. MONRONEY. They are so used to it that their backs are pretty tough.

It has been going on for approximately 8 years.

But when both sides of the case are presented, which is what Senators are attempting to do in the traditional fashion, I think the public will be able to look at the record and at the figures and decide whose fingerprints are on the hold-up gun.

Mr. DOUGLAS. I do not intend to prolong the discussion and to interfere with the very able presentation of the Senator from Rhode Island. I would merely remark that a comparison should be made, not as between the producers' price and the residential price, whatever it may be, but between the producer's price and the average retail sales price, which is approximately 43 or 44 cents. Instead of the producer's price being 10 percent of the final price, it is in fact about 23 percent. If we take the average city-gate price we will find it is 25 cents, so that the retail mark-up is only about 19 cents per thousand cubic feet, or approximately 44 percent of the final rate. And again I want to insist that the vital point in this comparison is the real average rate of profit in the various industries, although we should remember that this whole discussion which the Senator from Oklahoma started is beside the point.

Mr. MONRONEY. Mr. President, will the Senator from Rhode Island again yield? Then I shall stop interrupting him, because I know it disorganizes the Senator's speech for Senators to continue to interrupt him.

Mr. PASTORE. He does not disorganize my speech at all.

Mr. MONRONEY. We have taken for the charts that have been referred to the rate most advantageous to the distributor. Where there were a cooking and a heating rate we have taken the one most advantageous to show the lowest spread. But it is not correct to assume a rate, because industrial sales are listed as wholesale sales and retail sales are listed as household sales.

Am I correct in the assumption that what was referred to as retail sales do include industrial sales as well as household sales?

Mr. DOUGLAS. That is correct.

Mr. MONRONEY. I thank the Senator for his fairness in this matter.

Mr. PASTORE. Mr. President, I wish to thank the Senator from Illinois and the Senator from Oklahoma for the enlightenment furnished by their colloquy.

I have reached the point in my remarks where I expect to discuss the bill. I shall discuss it from a tactical and legalistic point of view.

It would make me very happy if some of the great lawyers among the Members of the Senate were present. However, I hope they will read the RECORD.

The proponents of the bill will, of course, take the position that while it is true the abuses recited have existed in the past, the proposed legislation in this bill will remedy the situation for the future. Nothing could be further from the truth.

The heart of the bill is in the standard which serves as the measure of cost which the pipeline company may charge and then pass on to the distribution company in fixing its rate for the resale of natural gas. The bill sets up a new standard known as reasonable market price, and goes on to define how the standard shall be determined, in subsection (b) of section 3, which reads, beginning on line 22 of page 6, as follows:

> In determining the reasonable market price of natural gas under the provisions of this section 5, the Commission shall consider, among other things, whether such price has been competitively arrived at, the effect of the contract upon the assurance of supply, and the reasonableness of the provisions of the contract as they relate to existing or future prices.

This standard of "reasonable market price" as expressed in the bill has, I admit, a rather glamorous sound, unless we properly analyze and understand it. Yet, when we consider this standard in connection with the character of this industry and the way it operates in the bill, we quickly discover that this indeed is a Trojan horse.

I have already shown that the natural gas business at the pipeline-producer level is a far cry from what we understand to be a free competitive market.

Mr. POTTER. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. POTTER. First, I wish to commend the distinguished Senator from Rhode Island for his fight in opposition to the bill. He presents his case, as he always does, in logical, forthright fashion. He always is buttressed by having the facts on his side.

I wish to ask the Senator if it is not a fact that "reasonable market price" writes into law the escalation clauses which have brought about the constant rise in the cost of gas.

Mr. PASTORE. I will not go so far as to say that "reasonable market price" writes in the escalation clauses. I will say that escalation clauses are not prohibited by the bill. But any escalation clause will be able to trigger off a new higher market price of gas.

Mr. POTTER. Escalation clauses in present contracts are continued.

Mr. PASTORE. In present contracts and future contracts.

Mr. POTTER. Yes. Under the term "reasonable market price," is there any assurance that escalation clauses in contracts will not be considered as "reasonable market price," or the favored ration clauses as "reasonable market price"?

Mr. PASTORE. I shall point out in my remarks that the expression "reasonable market price" in the bill is in fact, under the circumstances, a gimmick. It is the sleeper in the bill. When we wake up to what the bill will do, if it ever passes, we shall be very much surprised at what will happen to the price of gas in the field.

Mr. POTTER. Is it not true that that is the heart of the bill?

Mr. PASTORE. That is the whole heart of the bill. I say so right here.

Within the past 5 years, the growth of this industry has been phenomenal. The pipelines have been figuratively scrambling all over the lot, trying to tie up additional reserves. The situation has become so aggravated that today the Federal Power Commission is literally bombarded with applications for increases in rates, as the result of the practices I have already pointed out.

This being the situation, it is impossible to understand how we are ever going to achieve a market that can be called free and reasonable, unless the supply of natural gas catches up with the tremendous demand for it.

Another point that must be borne in mind, and this I think is very important, is the way the use of this standard operates in the bill. To this argument, I invite the serious attention of my colleagues to subsection 10 and subsection 11 of section 2 of the bill, which very clearly move up the point of jurisdiction on the part of the Federal Power Commission, from the wellhead to a point beyond the production. Gathering, processing, treating, compression, and delivering of such natural gas into the transportation facilities of a person engaged in so transporting it.

The purpose of these two subsections is clearly to remove the producers and the gatherers from Federal supervision. When we consider later under section 3, where this so-called reasonable market price is to be applied, we find that the section reads:

> At the point at which the gas is delivered into the transportation facilities of the natural gas company in or within the vicinity of the field or fields where produced.

I invite the attention of the distinguished Senator from Michigan to that section, because I think it answers the question he asked me.

Clearly, that point under subsections 10 and 11 of section 2 is spelled out to be beyond the vicinity of the field or fields where produced, gathered, processed, treated, compressed, and delivered into the transportation facilities because that is the language in subsection 10 of section 2. Therefore, we are no longer talking about a market price which will be the result of the competition among the producers, as such. We are actually talking about a market price which is established and fixed at a point beyond the production, gathering, processing, treating, compressing, and delivering of such natural gas into the transportation facilities of the pipeline companies.

The proponents of the bill have been shedding all the crocodile tears. They have said, "Leave the 8,000 producers out of Federal supervision, and the competition among them will rectify the market and generate a fair and reasonable price."

According to the bill, however, the point where reasonable market price is applied has nothing to do with the small independent producer; that application will occur after the product has been gathered, after it has been processed, after it has been treated, after it has been delivered to the interstate line. That is the sleeper in the bill.

What does it mean? I do not know. I have asked the Senator from Arkansas [Mr. FULBRIGHT], I have asked the Senator from Texas [Mr. DANIEL], I have asked the Senator from Oklahoma [Mr.

MONRONEY]. I asked everyone in the committee at the time of the hearings. No one has given an intelligent answer. I think the people of the country are entitled to know what this means.

The logical question might be, "Well, what difference does this make?" Let me explain the difference. The proponents of the bill, both in the hearings and on the floor of the Senate, have argued that if the producer, especially the small producer, were removed from Federal supervision, the business practices among them would result in a "reasonable market price." The fact of the matter is that under this bill, the point where the "reasonable market price" will be determined is not in the activities among the producers themselves, as I have already pointed out, but rather at a point beyond the production, gathering, processing, treating, compressing, and delivering of such natural gas into the transportation facilities of the pipeline companies. Therefore, this great argument of 8,000 free producers to establish a reasonable market price actually boils down to a market which will be established, determined, and controlled by some 500 large gatherers.

I emphasize that to my dear friend from Michigan. This great field of 8,000 producers, over whom the proponents of the bill have been shedding crocodile tears, will be funneled through a small group of gatherers who are, in fact, all big operators. They will say what the market price is to be.

Mr. POTTER. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. POTTER. In the committee report, in the qualifications as to what may be the original fair market price, it is stated, "among other things." What is meant by that?

Mr. PASTORE. That the sky is the limit; the producers will be able to charge all that the traffic will bear. This is aimed in that direction. Who will ever decide that? Where will the market price be established?

Mr. POTTER. It will be far beyond the point where the gas leaves the producer.

Mr. PASTORE. I shall cover that later in my remarks.

Can the Federal Power Commission go to a producer later and say, "This is the fair market price, and you will have to accept it"? Oh, no. They will say to the pipeline company, "That is all you can charge the people." But they will say nothing to the producer. He will be able to do as he pleases. The pipeline company can buy the producer's gas at his price, if he likes, or he can leave it. That is how we are dealing with the public interest in the bill. That is what we are doing to the consumers of America. We are turning our backs on them in the bill.

Mr. POTTER. Would the Senator agree with me that when there is a limitation to be considered in language such as "among other things," we are really providing a blank check?

Mr. PASTORE. "Among other things"; and then a few specific instances are enumerated.

Mr. POTTER. But they are other factors.

Mr. PASTORE. If we do give them the blank check they ask for in the bill, we shall be throwing the matter into the courts for litigation for years and years and years, because the sky will be the limit. "Among other things"? What things? How will the court ever be able to tie the producers down to anything?

This, to me, is all the more significant and serious because it will lead to many disputes and much litigation. And what gives even more credence to my suspicion is how this bill treats the establishment of the price with reference to existing and future contracts.

Subsections 10 and 11 of section 2 of the pending bill remove the producers from Federal control. This bill does that. Subsection (e) of section 3 states that under an existing contract the pipeline company "shall be obligated to pay only such part of the increase in price as results in a price which does not exceed such reasonable market price."

Mr. President, it must be borne in mind, and I invite the attention of the distinguished Senator from Michigan [Mr. POTTER] to the fact, that this applies only under subsection (e) of section 3, which has to do with existing contracts. The pipeline companies are told, "Not only can't you charge it off; you are not obligated to pay."

I do not find much fault with that, but mind you this, Mr. President: in the case of future contracts, we find that under subsections (b) and (c), no such provision is made which prevents the pipeline company from paying more than the so-called reasonable price, as in the case of existing contracts. Let me show why I think this is quite serious.

A pipeline company is regulated as a public utility under the Natural Gas Act, in the public interest, and, I hope, to protect the consumer. The bill in no way imposes any restrictions or compulsions upon the producers and the gatherers of natural gas. Subsections 10 and 11 of section 2 take care of that by freeing the producer and the gatherer from supervision. Under the bill, the producers and gatherers of natural gas are permitted, in future contracts, to charge everything that the traffic will bear. They will be able to say to the pipeline companies, "We don't care what the Federal Power Commission says is a 'reasonable market price.' We are not bound by this bill in future contracts. Take our gas at our price, or leave it. How much you can charge off in establishing your rate is your business, and not ours."

The Federal Power Commission cannot step in and help the pipeline company out of his dilemma. The only remedy that the Federal Power Commission has in this case is punitive in nature against the pipeline company, because in some instances, it may be at the very mercy of the unscrupulous producer.

The producers and gatherers can say, "What can they do to us?" Under the bill, what can the Commission do to them? There is no supervision. The producer and the gatherer can charge anything they want to charge. But the smart boys for the gas producers say: "This will serve to discourage the pipeline from paying more," and that, so far as they are concerned, answers everything.

I say to the proponents of the bill—and here is the crux of the bill—"If you are sincere in this bill, then why do you not say to the pipeline company, 'Look, you here, we determine what the reasonable market price is: that is all you can pay,' and say to the producer and the gatherer, 'Look, you here, Mr. Gatherer and Mr. Producer, when we tell you what the reasonable price is, that is all you can collect'." If that were done, then the proponents could stand up and say honestly there is control and there is supervision in the public interest.

Now, the question I ask is, Why this difference between existing contracts and new contracts? I shall come to the question raised by the distinguished Senator from Michigan [Mr. POTTER], because the gimmick is that if the producer and gatherer are left out of the provision, if there is no method under the law to compel them to do anything, if they are free agents and can charge what the traffic will bear, then the pipeline company may be able to charge off, in establishing its cost, only so much. But what will be said to be the reasonable market price by the Federal Power Commission? If a sufficient number of persons do pay more than what the Federal Power Commission thinks is the reasonable market price, and that price becomes the practice and the habit, would that not be established as the price tomorrow? Does the Senator from Michigan agree with me on that?

Mr. POTTER. I certainly do. That would be the reasonable market price.

Mr. PASTORE. That is the gimmick in the bill. I have asked the question, time and time again, and I shall ask it again: Why do the proponents not explain why that has been done?

The proponents argue that the purpose of this provision is to discourage the pipeline company from paying more than the "reasonable market price," and that this indirectly ought to serve as a restraint upon the pipelines to pay any price which is above the reasonable market price. I say to the proponents, if they are sincere in their efforts, "Why don't you write into this bill, in clear, simple, precise language, that in any case, existing contracts or future contracts, the pipeline companies cannot pay more than the reasonable market price, and that the producers and the gatherers cannot charge more than the reasonable price of gas, and collect more than the reasonable market price?"

Mr. POTTER. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. POTTER. What happens when there is a pipeline company which is also a producer in this long-armed means of negotiating to determine a contract? Does the Senator think there would be any incentive, under this bill, for a pipeline which is also a producer to buy gas as cheaply as possible? In other words, would the incentive not be to raise the price of gas as much as possible, because in fact the pipeline would be raising the price of its own commodity?

Mr. PASTORE. That is correct. Let me tell the Senator something. There has been much discussion in the Senate about the Kerr bill and the pending bill. I have stated the exact difference, and I am glad the Senator brought up the point. The Kerr bill left unaffected the pipeline company which was also a producer. Congress has always assumed, and the courts have always agreed—there has never been an exception—that a pipeline company which was also a producer was under Federal control. I suppose the Senator from Oklahoma [Mr. KERR], when he introduced his bill in 1950, recognized that fact. The great Senator from Oklahoma has said that the pending bill is an even better bill than was the Kerr bill. Let us see how much better it is. I am sure my colleagues know that under the pending bill a pipeline company could separate its transportation activity from its producing activity, and charge more money for producing, and use a different rule for establishing a rate of transportation. This bill goes farther than the Kerr bill.

Mr. POTTER. That is correct.

Mr. PASTORE. Yet the argument is made—and I was amused when it was made—"This bill must become law because we find that since 1950, fewer and fewer"—I think that was the expression used—"pipeline companies are in the production and transportation business. They have been spinning off their production activities because they are not lucrative enough."

Mr. President, that makes a good argument; but I am sufficiently suspicious about the bill to speculate that the reason why they have been spinning off since 1950 is that they must think the Kerr bill will be coming forward again, to take care of them. So they have said, "Let us get out of the production business. Let us set up a new company, an affiliate, so that if the Kerr bill becomes law, we shall come in on the gravy train."

Mr. President, they made a needless effort, because in 1955 a bill to take care of those boys, too, was introduced; and the pending bill—S. 1853—is it.

Mr. DOUGLAS. Mr. President——

The PRESIDING OFFICER (Mr. MONRONEY in the chair). Does the Senator from Rhode Island yield to the Senator from Illinois?

Mr. PASTORE. I yield for a question.

Mr. DOUGLAS. I take it that what the Senator from Rhode Island is saying is that, regardless of whether the gas is produced by so-called independents or by pipelines and their affiliates, the effect of the bill will be to give increased prices to both. And that the more the pipelines pay to the producers the more they will get on the gas they produce themselves.

Mr. PASTORE. Yes, there can be no question about it. Why does the Senator from Illinois think the bill is before us? Does he think it was introduced for the purpose of reducing the prices? Mr. President, let us not be naive. Why does the Senator from Illinois think the bill has been under debate in the Senate for 4 days, and perhaps will continue to be under debate here for many weeks to come? Is it because of an effort to reduce prices? Who are behind the bill—the consumers or the companies serving the consumers? Where do those who favor the bill get their inspiration? Of course the purpose of the bill is to raise prices; that is why the bill is before us. I say to the American people, "Watch out."

In a few moments I shall refer to some of the many cases before the Federal Power Commission, under which application has been made for an increase in rates. Those cases have been held up. What will happen to those cases the day after this bill passes, if it does pass? In that event, the Federal Power Commission will not have any jurisdiction over those cases; and the rates requested in them will become the rates which will be paid. Who will stop that? The Federal Power Commission will not be able to stop it, for it will have no jurisdiction over the producers or gatherers, if this bill becomes law.

The proponents of the bill talk about chaos. The Senator from Oklahoma talks about the difficult conditions which will exist unless this bill is enacted. On the contrary, Mr. President, I say God help the poor consumer if this bill passes.

How the lines are drawn.

Does anyone suppose that the consumers of the Nation are being properly protected if the pipeline companies are going to be allowed, regardless of whether it is prudent or imprudent, to pay more than what they are able to establish in their basic rates? Where will all this lead?

What court in the land will say to a pipeline company, "You cannot charge more than a reasonable market price, even though you cannot fill an empty line with natural gas to serve a helpless, captive consumer," even though the consumers in Boston, Mass., could not get gas to burn in their stoves—"unless you pay more money than what the Federal Power Commission thinks is a reasonable market price." The pipeline will have no other course to follow; there will be no alternative. The producer could not be compelled to reject the higher charge, because there would be no control. The pipeline which thus would be blackjacked, would be told, "You have to pay it, because otherwise you will be unable to obtain gas, and then your customers will be without a supply of gas. But no matter what price you have to pay, you cannot take it into consideration in establishing your rate."

Is it really prudent, therefore, for us in the regulation of a pipeline company which operates in the public interest to encourage it to expend money which cannot be used as part of its basic cost? Where will this business frivolity lead? How imprudent can we become?

Mr. DOUGLAS. Mr. President, will the Senator from Rhode Island yield?

Mr. PASTORE. I yield.

Mr. DOUGLAS. I think the Senator from Rhode Island is making an extremely important point, and he is doing so with his customary outstanding ability. The point he is making is that, under the bill, when high prices are paid in the field, the Commission cannot in good conscience forbid the pipeline companies to pass on those prices to the distributing companies.

However, even if we suppose that the Federal Power Commission would refuse to allow the high prices to be passed on, could not the pipeline companies take the Federal Power Commission into court, and there argue that the Commission's ruling had been confiscatory, and had resulted in depriving them of their property and their funds—in view of their expenses—without due process of law. Could they not argue successfully therefore the Commission's action was a violation of the guaranteed protection of the Constitution, which forbids the taking of property without due process of law?

Mr. PASTORE. I completely agree with the Senator from Illinois, and that is exactly the argument I am making.

This bill would punish the pipeline companies. Regardless of whether they rightfully or wrongfully had paid higher prices, under the bill, the higher prices they had paid would not be considered in establishing the price they could charge their customers. Neither would consideration be given to the fact that the pipeline was dry, and that thus it was impossible for the pipeline to supply the needed gas to Detroit, Chicago, Oakland, Providence, or Boston. All that would make no difference.

Mr. President, how long do you think such an arrangement would last? What kind of regulation would that be? No court would accept such nonsense. Yet that is what the bill contemplates.

The proponents of the bill argue that if the pipeline companies are not allowed to expend the higher price they will be discouraged from paying more. I say, in simple English, if the proponents wish to prevent the pipeline companies from paying higher prices, why not say that no more can be paid, and then say to the producer, "That is your test. You cannot collect more or cannot charge more."

But, no, that is not satisfactory to the proponents of the bill. In this bill the producer has become the sacred cow. We are told that nothing must affect him, that he must be entirely without regulation, but that everyone else should be pushed around.

Mr. President, I say to the proponents of the bill that if they are sincere in their attempt to have the pending bill enacted, why do they not do something about this gimmick, unless it is the "sleeper" in the bill to open the door to all the traffic can bear?

So, in essence, what we would be doing by means of this bill would be to free the producer and the gatherer, and in future contracts to whack the pipeline company over the head.

In closing, let me say the only motive the Congress had, and should have had, when it passed the Natural Gas Act of 1938 was to protect the consumer. The consumers of natural gas are captive consumers, and number some 26 million Americans who have spent billions and billions of dollars for appliances and equipment. Therefore, it is necessary that, in the interest of these consumers, all the various segments of this industry having a relationship of continuity from

producer to consumer, should be under wise and reasonable regulation which must do equity to all.

Anything that disturbs or harms any one of the four segments interested in natural gas—the producers and gatherers, the pipeline transmission company, the distribution companies, and the ultimate consumer—will in fact disturb and defeat the public interest.

Because of the anxiety of the proponents of the bill to free one of these groups, namely, the producers, the bill would do so to the disadvantage of other groups, and more particularly to the great disadvantage and detriment of the helpless captive consumer. Moreover, the spirit behind this legislation is based upon the erroneous concept that the supervision of producers and gatherers by the Federal Power Commission is detrimental and harmful to these producers and gatherers. This bill implies that the producers and gatherers have a lack of confidence in the Federal Power Commission to administer its responsibility and to take into account the unique problems of the natural-gas industry. In this I believe that they are making a serious and grave mistake.

The reason why the producers and gatherers should and must remain under supervision of the Federal regulatory agency is primarily because of the intricate and unique character of this industry. The natural-gas industry is the sixth largest industry in the United States. A serious question which remains unanswered is whether the supply of natural gas will always be sufficient to meet the ever-increasing demand for it. The proponents use this question to bolster their argument that if we free the producer from Federal supervision, we will stimulate his initiative to explore for additional supplies. We of the opposition feel that the lack of the supply to meet the ever-increasing demand gives rise to a restricted market which will not develop into a reasonable market price as stated in the bill, and will eventually harm the consumer. Whichever one of us is wrong in our contention, have we lost all faith in the Federal Power Commission to protect both sides to this issue?

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. PASTORE. I yield.

Mr. DOUGLAS. Has not the Senator from Rhode Island been puzzled by the contradictory attitudes which the proponents of the bill take toward the Federal Power Commission? On the one hand they say the Commission would interpret the term "just and reasonable" in an unfair manner; and on the other hand they say they have implicit confidence that the same Commission would interpret the term "reasonable market price" in a most lucid and clear manner. Why is it that the Federal Power Commission, according to the proponents of this legislation, will fail to interpret the term "just" correctly, but can be trusted to interpret the term "reasonable" correctly?

Mr. PASTORE. That is precisely true; and that is quite evident from the debate in the Senate during the past several days. When it suited the purpose of the proponents of the bill to use the Federal Power Commission, they did so; and when it served their purpose not to use it, and to say what a mean group of people the Commission have been—perhaps they did not go that far, but that was the implication—they chose not to become wedded to them.

I heard the distinguished Senator from Arkansas [Mr. FULBRIGHT] ask only Tuesday afternoon, "Have we lost all confidence in the Federal Power Commission?" Those are precisely the words I am using. I have not lost confidence in the Commission. The day we lose confidence in our Federal regulatory agencies to regulate in the public interest, we shall have lost confidence in our democratic processes.

Mr. President, this bill involves the control of natural gas, with a helpless, captive consumer on the other end of the line.

Mr. POTTER. Mr. President, will the Senator yield, in order that I may cite another example of the proponents meeting themselves coming back?

Mr. PASTORE. I yield.

Mr. POTTER. On one hand they are playing with the idea that this is not a decontrol bill. On the other hand, they say, "Beware of the great Federal Government movement toward controlling and strangling the producers." On the one hand, they say it is not a decontrol bill. On the other hand, they bring up the bugaboo of a great Federal bureaucracy trying to control the little helpless, defenseless producers.

Mr. PASTORE. That is correct. Continually we hear the argument that, after all, natural gas at the well-head is only a commodity, like oil or coal. That is not true. The proponents of this bill have little understanding of what they are dealing with if they make such an analogy. After all, if a distribution company which is making fabricated gas by the use of oil runs out of oil, it can go to any oilfield and deal with the producer. It can make its own contracts with the railroads, the barge lines, and the trucking firms to bring the oil in. Even if those methods of transportation should fail, it could still pick up a bucket and go after some oil. Can that be done in the case of natural gas?

This question of increased demand and diminishing supplies is in fact the fault of no one, but it has led to many abuses. These abuses clearly justify the position taken by many witnesses before the Senate Interstate and Foreign Commerce Committee that the sale of gas at the producer-pipeline level is a seller's market and not a free, competitive, fluid market as we would like it to be. A phenomenal growth in this industry has taken place in the last 5 years chiefly because of the growth of the pipeline transmission network that has stretched out across the entire Nation. Because of efforts on the part of distribution companies and the pipeline transmission companies to increase the use of this fine product, the natural gas market has been so activated that it has led to an unwarranted and unpredictable rise in prices, to a point where the prices requested in cases now pending before the Federal Power Commission are somewhat in excess of 500 percent more than the price of natural gas at the time that the Natural Gas Act was passed in 1938.

The proponents of this bill have devised this legislation as an alleged cure for these abuses. I have given much thought and study to this legislation, both in and out of the hearings held by the Senate Committee. I have listened attentively to the arguments in the Committee and on the floor of the Senate. I admit that I come from a so-called Consumer State. However, I desire to make it abundantly clear that I am not only interested in the consumer in Rhode Island, but in fact my interest as a United States Senator is for all the 26 million American consumers of natural gas.

I am very serious when I tell the Senate that this bill is not the answer to our problem. This bill was introduced and provides patently for the benefit of the producers and gathers. The help intended for consumers of natural gas under this bill is nothing more than lip service given by the proponents of the bill. A careful study will substantiate this statement.

Therefore, for the reasons I have stated, and as I have said in the beginning, I am opposed to S. 1853, and unless it is substantially amended to adequately protect the consumers of this Nation, I must and I shall vote against it.

Mr. DOUGLAS. Mr. President, I wish to congratulate the Senator from Rhode Island for the magnificent analysis he has presented this afternoon. Temperate in tone, clear in thought, accurate and persuasive, and swayed by the public interest, he has made a contribution of the first magnitude to this subject.

I have only one regret in connection with his address, namely, that so few Members of the Senate were on the floor to listen to his magnificent speech. Senators who may be undecided would have profited from listening to the Senator's discussion. I know the Senator from Rhode Island would have welcomed questions which proponents of the bill might have addressed to him, and I am sure he would have been able satisfactorily to have answered them. Opponents of the bill, such as the Senator from Rhode Island, the Senator from Michigan [Mr. POTTER], the Senator from Connecticut [Mr. PURTELL], and the Senator from Illinois, have tried to be on the floor while the proponents were speaking, to listen carefully to what they have said and, for the purpose of developing the truth, to ask questions. I only regret that a similar policy was not followed by the proponents of the bill when the distinguished Senator from Rhode Island was speaking. Of course I except the present occupant of the chair, the Senator from Oklahoma [Mr. MONRONEY] who is always the soul of courtesy and the embodiment of fair play.

I wish to congratulate the Senator from Rhode Island. As a former New Englander, now happily transferred since boyhood to the Middle West, I am very proud that New England still produces great sons.

Mr. PASTORE. I thank the Senator from Illinois. I love him too much to

say that I can love him more for his very generous remarks. I do not flatter myself into believing that I have frightened away from this Chamber the great legal minds among the proponents. However, I do say, had they been here, I would have welcomed their presence and I would have welcomed their questions. As a matter of fact, I came prepared to meet with them.

Mr. POTTER. Mr. President, I too wish to commend the distinguished Senator from Rhode Island for his very fine presentation this afternoon. I served with the Senator when he was chairman of the subcommittee which held 7 long weeks of hearings on the natural gas bill. There is probably no other Senator who is better informed in regard to this proposed legislation than is the Senator from Rhode Island. I commend him also for the fact that after sitting through 7 long weeks of hearings he determined that the consumer's interests would not be protected by the passage of the pending bill. I also commend him for leading the fight he has been leading in opposition to the bill, the passage of which would be detrimental not only to the consumers of his own State but, as he has so ably stated, to the consumers of every State in the Union.

Mr. PASTORE. I thank the distinguished Senator from Michigan for his graciousness, which is exceeded only by his generosity.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 1689. An act to authorize the Secretary of the Interior to execute a repayment contract with the Yuma Mesa Irrigation and Drainage District, Gila project, Ariz., and for other purposes; and

S. 1745. An act authorizing the Secretary of the Interior to issue a patent in fee to Nellie Ohlerking Archambeau Moran.

SECRETARY DULLES AND FOREIGN POLICY

Mr. KNOWLAND. Mr. President, the policy of deterring war by making known our position in advance and thus prevent miscalculation has been a basic principle of Secretary Dulles for many years and has three times been put into practical force by the present administration, each time with the full knowledge of the Congress and other nations.

In an article in Life magazine of June 10, 1946, John Foster Dulles, 6½ years before becoming Secretary of State, fully set out his views. He pointed out that most wars come about through miscalculation. At that time he stated:

It is quite true that no nation wants a big war or one the outcome of which is doubtful. That is almost always the case. Generally, such wars get started by mistake. National leaders begin by pushing outward their national domain and sphere of influence at points where, they calculate, there will be little resistance. When their calculation proves correct and no strong reaction occurs, they go on. Those within the country who advised restraint become discredited. Leadership becomes concentrated in the hands of the more reckless, who take more chances. Finally, they find to their chagrin that they have made a bad calculation.

If we have another great war, that is probably the way it will come. No one will deliberately plan it. It will be the result of miscalculating.

Twice within 25 years the United States has been drawn into a world war because the American people finally came to feel that aggressive policies in Europe and Asia threatened our conception of democracy and our ideals of personal freedom. In each case the foreign leaders would probably have followed a different course had they, at an early stage, realized that the American people would react as they did. In not making apparent, in time, our devotion to our ideals, we were guilty of contributory negligence. We must not make the same mistake three times in a generation.

We did, of course, make the same mistake a third time in a generation by the failure to provide, in the period 1945–50, an adequate defense force to the Republic of Korea and by announcing to the world that Korea was not of strategic concern to us we gave the Communists reason to feel that if they attacked, they would not be opposed. So they attacked and we had a third war in our generation.

When it came to ending that war, it was through the use of deterrent power which made them unwilling to see the war prolonged.

The pressures brought to bear upon the Communists to end the fighting in Korea was that if they did not terminate the conflict, the "privileged sanctuary" of Manchuria would no longer be out of bounds to our Air Force. The early act of President Eisenhower in changing the orders to our Seventh Fleet was itself notice of the intention to win the war if the fighting in Korea went on. In conjunction with the signing of the armistice, the United Nations powers themselves joined in declaring that if the armistice were broken by the Communists, it would probably "not be possible to confine hostilities within the frontiers of Korea."

The development of this principle and its application to Indochina was fully set out in an address which Secretary of State Dulles made on September 2, 1953, to the American Legion at St. Louis. In discussing the Art of Peace, Secretary Dulles said:

The Korean war began in a way in which wars often begin—a potential aggressor miscalculated. From that we learn a lesson which we expect to apply in the interests of future peace. The lesson is this: If events are likely which will in fact lead us to fight, let us make clear our intention in advance; then we shall probably not have to fight.

Big wars usually come about by mistake, not by design. Aggressive despots think that they can make a grab unopposed or opposed but feebly. So, they grab. And to their surprise they find themselves involved in unexpected opposition which means major war.

Many believe that neither the First World War nor the Second World War would have occurred if the aggressor had known what the United States would do. It is even more probable that the Korean war would not have occurred if the aggressor had known what the United States would do. The Communists thought, and had reason to think, that they would not be opposed except by the then small and ill-equipped forces of the Republic of Korea. They did not expect what actually happened.

There is in this a profound lesson. All the peoples of the world passionately want peace. But too often they think that peace is won merely by pacifism. They should know by now that peace is not had merely by wanting it, or talking about it, or seeming to accept the role of a doormat. To win peace is as hard, if not harder, than to win a war. To achieve peace is a science. Indeed, it is a most difficult, sometimes a rugged science.

Peace requires anticipating what it is that tempts an aggressor and letting him know in advance that, if he does not exercise self-control, he may face a hard fight, perhaps a losing fight.

The Korean war—the third such war in our generation—should finally have taught us that if we can foresee aggression which will cause us to fight, we should let this be known, so that the potential aggressor will take this into his calculations.

This administration intends to act realistically to win the battle for peace.

Secretary Dulles then went on to speak about the problem of Indochina and gave clear warning to Red China not to send its own army into Indochina. I quote from his address of September 2, 1953:

Communist China has been and now is training, equipping, and supplying the Communist forces in Indochina. There is the risk that, as in Korea, Red China might send its own army into Indochina. The Chinese Communist regime should realize that such a second aggression could not occur without grave consequences which might not be confined to Indochina. I say this soberly in the interest of peace and in the hope of preventing another aggressor miscalculation.

This warning of the Secretary of State, coupled with the subsequent program for united action in Indochina, undoubtedly prevented the entire area from being taken over by the Communists. Now three free and independent states exist there in replacement of French colonialism—Free Vietnam, Laos, and Cambodia. These are now covered by the Southeast Asia pact which expresses the policy of united action in that area. That treaty, which the Senate approved by an overwhelming majority, brings into play the deterrent of our retaliatory striking power. We can hope that peace and freedom will thereby be preserved.

When it came to the Chinese Communists' threat against Formosa and the Pescadores, there was applied the same principle of giving warning in advance lest the enemy miscalculate. That was the whole theory which underlay Public Law 4 of 1955 which authorized the President to use the Armed Forces of the United States in the Formosa area.

In his message to Congress on January 24, 1955, requesting this authority, President Eisenhower said:

It would make clear the unified and serious intentions of our Government, our Congress, and our people. Thus it will reduce the possibility that the Chinese Communists, misjudging our firm purpose and national unity, might be disposed to challenge the position of the United States, and precipitate a major crisis which even they would neither anticipate nor desire.

In the interest of peace, therefore, the United States must remove any doubt regarding our readiness to fight, if necessary, to preserve the vital stake of the free world in a free Formosa, and to engage in whatever operations may be required to carry out that purpose.

The idea of preventing war by preventing enemy miscalculation is basic and fundamental to peace. Whenever a potential enemy pushes to the point where war is a likely possibility, we owe it to ourselves and to the cause of peace to make clear what our intentions are. That is not to seek war; it is to prevent it.

The Eisenhower administration came into power on a platform which said:

> The supreme goal of our foreign policy will be an honorable and just peace. We dedicate ourselves to wage peace and to win it.

I am confident that the great majority of the American people will join in this objective of peace with honor. I hope we shall do nothing to undermine the courageous policies of strength which deter war by making known to a potential aggressor in advance that he will lose more than he will gain. For this Nation to announce we would yield to Soviet demands rather than to take any risks in defense of freedom would lead to the communization of Europe, Asia, and much of the Western Hemisphere.

That is the policy which has been and is in force with the strong endorsement of this body through the Korean Mutual Security Treaty, the treaty with the Republic of China, Public Law 4, and through the Southeast Asia Mutual Security Treaty. All these treaties and this law invoke the principle of deterring war by making clear in advance what we will do.

On August 24, at Philadelphia, President Eisenhower enlarged upon earlier declarations that the Soviets should demonstrate their good faith by deeds rather than by words by the following statement which I fully endorse:

> Eagerness to avoid war—if we think no deeper than this single desire—can produce outright or implicit agreement that injustices and wrongs of the present shall be perpetuated in the future. We must not participate in any such false agreement. Thereby, we would outrage our own conscience. In the eyes of those who suffer injustice, we would become partners with their oppressors.
>
> In the judgment of history, we would have sold out the freedom of men for the pottage of a false peace; moreover, we would assure future conflict.
>
> The division of Germany cannot be supported by any argument based on boundaries or language, or racial origin.
>
> The domination of captive countries cannot longer be justified by any claim that this is needed for purposes of security.
>
> An international political machine, operating within the borders of sovereign nations for their political and ideological subversion, cannot be explained away as a cultural movement.

Furthermore, Mr. President, on March 29, 1954, before the Overseas Press Club of America, Secretary Dulles had this to say:

> Under all the circumstances it seems desirable to clarify further the United States position.
>
> Under the conditions of today, the imposition on southeast Asia of the political system of Communist Russia and its Chinese Communist ally, by whatever means, would be a grave threat to the whole free community. The United States feels that that possibility should not be passively accepted, but should be met by united action. This might involve serious risks. But these risks are far less than those that will face us a few years from now, if we dare not be resolute today.
>
> The free nations want peace. However, peace is not had merely by wanting it. Peace has to be worked for and planned for. Sometimes it is necessary to take risks to win peace just as it is necessary in war to take risks to win victory. The chances for peace are usually bettered by letting a potential aggressor know in advance where his aggression would lead him.

Mr. President, during the early part of this afternoon the distinguished junior Senator from Minnesota said—and I believe I have here a correct quotation from his statement:

> I prefer to hear these pronouncements from the President and from the Secretary of State, and not in a magazine article.

I would say, Mr. President, that after Italy was knocked out of World War II, and the Allied Military Government had arranged to occupy disputed areas of Italy's northern frontier including Venezia Giulia pending a peace treaty, Tito changed his mind and began to occupy these areas exclusively with Yugoslav troops. Russia supported him. Great Britain and the United States protested and tried to dislodge him without success.

Now we learn, Mr. President, from a distinguished former President of the United States, Harry Truman. I quote from page 252 of the Memoirs of former President Truman, volume 1, as follows:

> Then on May 29 Dr. Ivan Subasic, the Yugoslav Foreign Minister, called on me, accompanied by the Yugoslav Ambassador. Dr. Subasic had been at the San Francisco conference and was on his way back to Belgrade. He was a leader in the Croatian Peasant Party, had been Prime Minister in the government-in-exile, and now represented the fusion element in the new Tito government. He made a fine impression on me. I talked very plainly to him and to the Ambassador. The Allies, I told them, intended to extend an impartial military administration to some of the disputed territory of Venezia Giulia without prejudice to the final disposition of the area, and we expected the Yugoslav Government to cooperate, as a member of the United Nations. Tito, I pointed out, had already violated the Yalta agreement by setting up a totalitarian regime and was now trying to extend it to Venezia Giulia by force. If Tito persisted in this, we would meet him with overwhelming force, and the time had come for a decision. I let Dr. Subasic know that we now had completed a draft agreement and would soon present it to Tito expecting him to cooperate without further obstructionist tactics.

Was this not taking a risk in the interest of preserving the peace and international commitments? I believe every Senator remembers very well the year 1948, at the time the Soviet Union was closing its iron ring around Berlin, in the Berlin blockade. This Government took calculated risks—very great calculated risks—in order to supply Berlin and to keep it from being starved out by the Soviet Union. Had we not been prepared to take those risks, undoubtedly Berlin would have fallen to the Communists. Had Berlin fallen to the Communists, probably West Germany would today be behind the Iron Curtain. No man can tell where the chain reaction might have ended.

But was not this a risk which was taken? Were we not in effect serving notice, when we sent our Air Force planes there, that if they were shot down the Soviet Union was risking a grave international incident, and very likely war with the United States of America?

Mr. President, what is the objective of the attacks upon Secretary Dulles? Not that the doctrine he announced is new, because I have documented it from 1946, prior to his becoming Secretary of State, and during the period he has been Secretary of State. On several occasions he has outlined this doctrine very clearly.

I can understand the purpose of those in the Soviet Union and Communist China who made radio broadcasts. The distinguished Senator from Minnesota today read some of the broadcasts from behind the Iron Curtain. Of course, the Communists do not want any policy which will work on behalf of the free world. The Soviet Union wants behind the Iron Curtain only Communist governments which are prepared to surrender to every demand. What is more, they want notice in advance that we will abandon our allies and free men in Europe and Asia.

But what is the proposal in the domestic critical course, if what I have just mentioned be the policy and the understanding of the reasons for the Communist broadcasts?

Is it to repudiate NATO? We take risks as a member of NATO.

Is it to abrogate the ANZUS pact? We take grave risks with our commitments to Australia and New Zealand.

Is it to abandon a free Korea, to whom we have pledged our word, both individually and as a member of the United Nations? We daily take risks with some of our Armed Forces still stationed in that country, which had been the victim of an aggression.

Is it to allow the free Chinese to go down the Communist drain? We daily take risks in regard to the Formosa Resolution.

Is it to let the Southeast Asia Pact be destroyed at the point of its creation, and to permit all of southeast Asia to pass into Communist hands? We take grave risks as a member of the Southeast Asia Pact.

Just what is being proposed? Is it that we should now serve notice to the men in the Kremlin that, despite their provocations or pressures against sovereign countries, they will know in advance that we will take no risks to support human freedom against a godless tyranny? Is that the proposal?

Is it proposed that we take our fleet out of the Pacific? We take grave risks in maintaining the 7th Fleet in the Pacific.

Is it advocated that we take our bases out of Europe and Africa? We stand grave risks in maintaining those bases in Europe and Africa.

Is it being suggested that we repeal the Formosa resolution, House Joint Resolution 159, which was passed on January 28, 1955, by a vote of 85 to 3?

Mr. President, I ask unanimous consent that, as a part of my remarks, the vote by which House Joint Resolution

159 was passed, be printed at this point in the RECORD.

There being no objection, the vote was ordered to be printed in the RECORD, as follows:

HOUSE JOINT RESOLUTION 159, AUTHORIZING PRESIDENT TO USE UNITED STATES ARMED FORCES FOR SECURING AND PROTECTING FORMOSA, THE PESCADORES, AND RELATED TERRITORIES—PASSAGE

The result was announced—yeas 85, nays 3, as follows:

Yeas, 85: AIKEN, ALLOTT, ANDERSON,[1] BARKLEY,[1] BARRETT, BEALL, BENDER, BENNETT, BIBLE,[1] BRIDGES, BUSH, BUTLER, BYRD,[1] CAPEHART, CARLSON, CASE of New Jersey, CASE of South Dakota, CLEMENTS,[1] COTTON, CURTIS, DANIEL,[1] DIRKSEN, DOUGLAS,[1] DUFF, DWORSHAK, EASTLAND,[1] ELLENDER,[1] ERVIN,[1] FULBRIGHT,[1] GEORGE,[1] GOLDWATER, GORE,[1] GREEN,[1] HAYDEN,[1] HENNINGS,[1] HICKENLOOPER, HILL,[1] HOLLAND,[1] HRUSKA, HUMPHREY,[1] IVES, JACKSON,[1] JENNER, JOHNSTON[1] of South Carolina, KEFAUVER,[1] KERR,[1] KILGORE,[1] KNOWLAND, KUCHEL, LONG,[1] MAGNUSON,[1] MALONE, MANSFIELD,[1] MARTIN of Iowa, MARTIN of Pennsylvania, MCCARTHY, MCCLELLAN,[1] MCNAMARA,[1] MILLIKIN, MONRONEY,[1] MUNDT, MURRAY,[1] NEUBERGER,[1] O'MAHONEY,[1] PASTORE,[1] PAYNE, PURTELL, ROBERTSON,[1] RUSSELL,[1] SALTONSTALL, SCHOEPPEL, SCOTT,[1] SMATHERS,[1] SMITH of Maine, SMITH of New Jersey, SPARKMAN,[1] STENNIS,[1] SYMINGTON,[1] THURMOND,[1] THYE, WATKINS, WELKER, WILEY, WILLIAMS, YOUNG.

Nays, 3: LANGER, LEHMAN,[1] MORSE.[2]

Not voting, 8: BRICKER, CHAVEZ,[1] FLANDERS, FREAR,[1] JOHNSON[1] of Texas, KENNEDY,[1] NEELY,[1] POTTER.

Analysis of vote	Republicans (47)	Democrats (48)	Independent (1)
Yeas (85)	43	42	0
Nays (3)	1	1	1
Not voting (8)	3	5	0
Positions of Senators not voting: Not paired—Position "yea"	[1]3	[2]5	0

Absent:
Leave of Senate because of illness: JOHNSON of Texas, KENNEDY.
Official business: BRICKER, CHAVEZ, FREAR, NEELY.
Official business in France: POTTER.
Necessarily absent: FLANDERS.

[1] BRICKER, FLANDERS, POTTER.
[2] CHAVEZ, FREAR, JOHNSON of Texas, KENNEDY, NEELY. Record correction; Feb. 1, 1955 (p. 859).

Mr. KNOWLAND. Mr. President, every Member of the Senate, on both sides of the aisle, recognizes the fact that grave dangers still confront the United States and the free world from the Communist orbit. I am certain that no person wants to take a position by which those in the Kremlin, and those associated with them, would miscalculate or would feel that the treaties we had entered into and the obligations which we had taken upon ourselves were mere scraps of paper; that if the Communist wolf should huff and puff, then, having marched up the hill, we were going to march down again; that we would abandon our friends in Europe and Asia; that we would abandon freemen everywhere; that we would say, in effect, to the ruthless rulers of the Kremlin: "We dare not take any type of risk. Thereby, you have notice in advance that, no matter what you do, no matter what you threaten, you are free to move ahead, because this great Nation of ours is not prepared to take any risk for the preservation of peace, decency, and human freedom in the world."

[1] Democrats.
[2] Independent.

IMPERILMENT OF SCENERY, FISHERIES, WILDLIFE, AND OUTDOOR RECREATION BY CONSTRUCTION OF PROPOSED BRUCES EDDY DAM

Mr. NEUBERGER. Mr. President, conservationists now have their warning as to what the loss of almost 3 million acre-feet of water storage at Hells Canyon means. This is the difference between the high Federal dam, proposed by my senior colleague [Mr. MORSE] and myself, and the three pygmy dams of the Idaho Power Co., backed by Secretary McKay and the administration.

In the budget for fiscal 1957, just sent to Congress, is a recommendation for funds for Bruces Eddy Dam on the North Fork of the Clearwater River. Thus does the administration hope to secure alternative sources of storage, for that lost at Hells Canyon through the administration's subservience to a private-power philosophy.

Bruces Eddy Dam will have an adverse impact on migratory steelhead trout migrations, on scenery, on the great north Idaho elk ranges, on outdoor recreation generally. Hells Canyon would have no ill effect on these important American values—values traditional in our national life.

Mr. President, I ask unanimous consent to have printed in the RECORD a statement which I issued on January 16, 1956, concerning the perilous policy involved in the Bruces Eddy project, as well as a letter sent to me on July 1, 1955, by Dr. Ira N. Gabrielson, distinguished biologist and president of the Wildlife Management Institute, emphasizing that Hells Canyon Dam would not adversely influence our outdoor resources, while these resources, conversely, would be endangered by proposed dams on the magnificent Clearwater and Salmon River systems.

There being no objection, the statement and the letter were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR NEUBERGER

Every conservationist in America should view with profound dismay the administration's budget suggestion for partnership construction of Bruces Eddy Dam on the Clearwater River, Senator RICHARD L. NEUBERGER, Democrat of Oregon, said today. The Oregon Senator announced that he would fight unyieldingly to prevent construction of a project which he claimed would have an adverse effect on fish migrations, scenery and wildlife in the Bitterroot Mountain wilderness.

"Thus we see the Hells Canyon chickens at last coming home to roost," said NEUBERGER, coauthor of a bill for a huge Federal dam at the Hells Canyon site on the Snake River.

"Action by Secretary McKay has forced loss of the great Hells Canyon site, where no fisheries or recreational values are at stake," he continued. "Now, to recover the nearly 3 million acre-feet of storage surrendered at Hells Canyon, the administration is bearing out the warnings which I voiced early in 1955—that an attempt would be made to block the Clearwater River to recover this lost storage. The prediction has come true, far sooner than I thought."

NEUBERGER declared that Bruces Eddy project, proposed for partnership construction in the administration budget, would flood out valuable elk-feeding range in the Bitterroot foothills and would choke off anadromous fish such as steelhead trout. He added that many steelhead trout migrate up the North Fork of the Clearwater River, where the Bruces Eddy project would be located. The National Wildlife Federation and other outdoor groups support the stand taken by the Oregon Senator, he added.

NEUBERGER pointed out that the Bruces Eddy Dam, 570 feet in height, would be impossible of passage by Steelhead or any other fish. He also contended that invasion of the Clearwater solitudes by one dam would establish a precedent for later erection of Penny Cliffs Dam, which he insisted would be even more destructive of scenic and wildlife assets.

The Oregon Senator prophesied that conservation organizations all over the Nation would make Bruces Eddy another Echo Park before they will allow this desecration to occur.

WILDLIFE MANAGEMENT INSTITUTE,
Washington, D. C., July 1, 1955.

The Honorable RICHARD NEUBERGER,
United States Senate,
Washington, D. C.

DEAR SENATOR NEUBERGER: I have read with interest your speech which appeared in the CONGRESSIONAL RECORD for June 1 concerning the Hells Canyon Dam and the proposed dams on the Clearwater and Salmon Rivers. I wish to emphasize that the national conservation organizations are opposed to any dams on the Salmon and the Clearwater for the reasons which you advance. These are the two most important spring Chinook-salmon spawning streams still available in the Columbia-Snake River system, and they should be kept clear of dams at all costs.

In addition to their disastrous effect on the important salmon and steelhead runs, dams on the Salmon and the proposed Penny Cliffs and Bruces Eddy Dams would destroy essential big-game wintering range. Those on the Clearwater would destroy some of the most important part of the range for one of the largest remaining herds of elk in the country. I am quite sure that all national conservation organizations have taken a position in opposition to these dams and will do anything in their power to prevent their being authorized.

Conservation organizations generally have never opposed the Hells Canyon development and have taken no part in the controversy over that area. The development of the Hells Canyon site will not interfere with any major runs of fish and will not cause any important loss of wildlife resources. I am sure that generally we would rather see the needs of the Northwest for power met by the development of Hells Canyon power than see any developments on either the Clearwater or the Salmon Rivers. From our standpoint, it is a choice between a major impairment of wildlife, fishery, and scenic values as against one that has no great significance in any of these fields.

Sincerely,

IRA N. GABRIELSON,
President.

RECESS

Mr. CLEMENTS. Mr. President, in accordance with the order previously entered, I move that the Senate stand in recess until noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 59 minutes p. m.) the Senate took a recess, the recess, being, under the order previously entered, until tomorrow, Thursday, January 19, 1956, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate January 18 (legislative day of January 16), 1956:

UNITED STATES ADVISORY COMMISSION ON EDUCATIONAL EXCHANGE

The following-named persons to be members of the United States Advisory Commission on Educational Exchange for the terms indicated, and until their successors have been appointed and qualified:

Rufus H. Fitzgerald, of Pennsylvania, for a term of 3 years, expiring January 27, 1959. (Reappointment.)

Arthur A. Hauck, of Maine, for a term of 3 years, expiring January 27, 1959. (Reappointment.)

GEOLOGICAL SURVEY

Thomas D. Nolan, of Nevada, to be Director of the Geological Survey. Vice William E. Wrather, retiring.

IN THE ARMY

The following-named officers to be placed on the retired list in the grade indicated under the provisions of subsection 504 (d) of the Officer Personnel Act of 1947:

To be generals

Gen. Joseph Lawton Collins, O5247, Army of the United States (major general, U. S. Army).

Gen. John Ernest Dahlquist, O7120, Army of the United States (major general, U. S. Army).

To be lieutenant general

Lt. Gen. Floyd Lavinius Parks, O10532, Army of the United States (major general, U. S. Army).

IN THE NAVY

Adm. James Fife, Jr., United States Navy, retired, to be placed on the retired list with the rank of vice admiral.

Vice Adm. Harold M. Martin, United States Navy, when retired, to be placed on the retired list with the rank of vice admiral.

Having designated, in accordance with the provisions of section 413 (a) of the Officer Personnel Act of 1947, the following-named officers for commands and other duties determined by the President to be within the contemplation of said section, I nominate them to have the grade, rank, pay, and allowances of vice admiral while so serving:

Vice Adm. Alfred M. Pride, United States Navy.

*Vice Adm. Stuart H. Ingersoll, United States Navy.

*Vice Adm. Charles R. Brown, United States Navy.

*Vice Adm. George L. Russell, United States Navy.

*Vice Adm. Stuart S. Murray, United States Navy.

*Vice Adm. Cato D. Glover, Jr., United States Navy.

*Rear Adm. Robert H. Meade, Civil Engineer Corps, United States Navy, to be Chief of the Bureau of Yards and Docks in the Department of the Navy for a term of 4 years.

*Capt. Rawson Bennett II, United States Navy, to be Chief of Naval Research in the Department of the Navy, with the rank of rear admiral, for a term of 3 years.

(NOTE.—The officers whose names are preceded by the symbol (*) were appointed or promoted during the recess of the Senate.)

IN THE MARINE CORPS

Gen. Randolph McC. Pate, United States Marine Corps, to be the Commandant of the Marine Corps with the rank of general for a period of 2 years from the 1st day of January 1956.

Having designated, in accordance with the provisions of section 415 of the Officer Personnel Act of 1947, the following-named officers for commands and other duties determined by the President to be within the contemplation of said section, I nominate them to have the grade, rank, pay, and allowances of lieutenant general while so serving:

Lt. Gen. Vernon E. Megee, United States Marine Corps.

Lt. Gen. Edwin A. Pollock, United States Marine Corps.

(NOTE.—The above-named officers were appointed or promoted during the recess of the Senate.)

IN THE NAVY

The following-named officers of the Navy for temporary promotion to the grade of rear admiral in the line and staff corps as indicated, subject to qualification therefor as provided by law:

Line

George F. Beardsley	Carl J. Pfingstag
Charles K. Bergin	Walter H. Price
John E. Clark	John Quinn
Thurston B. Clark	William F. Raborn, Jr.
Joshua W. Cooper	Lawson P. Ramage
Harold T. Deutermann	Claude V. Ricketts
Robert E. Dixon	Herbert D. Riley
Glynn R. Donaho	Horacio Rivero, Jr.
Wellington T. Hines	William A. Schoech
Leroy V. Honsinger	Courtney Shands
William D. Irvin	Ulysses S. G. Sharp, Jr.
Roy L. Johnson	
Martin J. Lawrence	William R. Sheeley
William H. Leahy	Leonard B. Sutherland
James R. Lee	
Wayne R. Loud	William A. Sutherland, Jr.
Charles B. Martell	
Charles L. Melson	John S. Thach
David L. McDonald	Frank Virden
Eugene B. McKinney	Charles E. Weakley
William M. Nation	Howard A. Yeager

Medical Corps

Courtney C. Clegg
Thomas G. Hays
Hubert J. Van Peenen

Supply Corps

John W. Crumpacker
Hugh C. Haynsworth, Jr.
Onnie P. Lattu

Civil Engineer Corps

Wallace B. Short

The following-named officers of the Navy for permanent promotion to the grades indicated:

Rear admiral, line

William Miller	Philip W. Snyder
William R. Smedberg III	Lawrence R. Daspit
	Paul H. Ramsey
Roy A. Gano	George W. Anderson, Jr.
Ralph S. Clarke	
Kenneth Craig	Clifford S. Cooper
Laurence H. Frost	Henry H. Caldwell
Paul L. Dudley	Joseph N. Murphy
William J. Marshall	Robert H. Rice
Frank W. Fenno, Jr.	Benjamin E. Moore
Walter F. Rodee	Miles H. Hubbard
Robert W. Cavenagh	Charles D. Griffin
William A. Dolan, Jr.	Allen Smith, Jr.
William K. Romoser	Leroy V. Honsinger
Robert B. Ellis	William H. Leahy
Frederick C. Stelter, Jr.	Carl J. Pfingstag
	Martin J. Lawrence
James H. Ward	

Real admiral, Medical Corps

Bartholomew W. Hogan

Rear admiral, Supply Corps

Thomas L. Becknell, Jr.	Hugh C. Haynsworth, Jr.
James W. Boundy	Onnie P. Lattu

Rear admiral, Chaplain Corps

George A. Rosso

Rear admiral, Civil Engineer Corps

Robert H. Meade

The following-named officers of the Reserve of the United States Navy not on active duty for temporary promotion to the grade of rear admiral in the line or staff corps indicated, subject to qualification therefor as provided by law:

Line

Duncan S. Baker	Charles R. Khoury
Clyde W. King	Lloyd V. Berkner

Medical Corps

Waltman Walters	Morton J. Tendler
Benjamin Tenney, Jr.	William G. Hamm

Supply Corps

George D. Horning, Jr.

The following-named officers of the Reserve of the United States Navy not on active duty for permanent appointment to the grade of rear admiral in the line or staff corps indicated:

Line

David S. Ingalls	Francis M. McCarthy
Robert V. Kleinschmidt	Ralph S. Moore
	George M. Wauchope

Dental Corps

George C. Paffenbarger

Civil Engineer Corps

Roy M. Harris

The following-named officers of the Retired Reserve of the United States Navy for permanent appointment to the grade of rear admiral in the Retired Reserve in the line or staff corps indicated:

Line

Claude O. Bassett	Joseph B. Lynch
Roger W. Cutler	Gene Markey
Howland R. Gary	Ernest F. Robinson
Webb C. Hayes	John D. Small
Milton "C" Jackson	Albert L. Swasey
Ernest L. Jahncke	Isaac J. Van Kammen
Robert Lee	Bernard O. Wills
Alvin O. Lustie	

Medical Corps

Thomas B. Magath
Thomas M. Rivers

Supply Corps

John W. Landregan
Norman L. McLaren

IN THE NAVY

The following-named officers of the Navy and the Reserve of the Navy on active duty, for temporary promotion to the grades indicated, subject to qualification therefor as provided by law:

Captain, line

Adair, Jamie	Belcher, Preston R.
Adams, Thomas M.	Belin, Peter
Aho, Kauko A.	Benson, Ralph H., Jr.
Albrink, Frederick S.	Bernard, Lawrence G.
Alexander, Joe M.	Beshany, Philip A.
Alexander, Raymond W.	Bevernick, Richard A.
	Bewley, Frank A.
Allen, Arthur A.	Beyer, Aaron F., Jr.
Allen, Charles V.	Bjork, Wilbert M.
Allen, John H.	Blesh, Paul K.
Anderson, Edward L.	Bodziak, Edmund J.
Anderson, Guy J.	Bogart, Gerard S.
Andrews, James G.	Bolam, Cecil A.
Arentzen, Edward S.	Boles, Warren C.
Armstrong, James H.	Bollinger, Julian T.
Arndt, Ralph W.	Bontecou, Daniel
Arnold, Joe H.	Bottomley, Harold S., Jr.
Arthur, Charles S., Jr.	
Ashton, Arthur H.	Bowers, John M.
Aurand, Evan P.	Bowers, Richard H.
Baer, Donald G.	Boyd, Gideon M.
Baker, Howard W.	Boyd, Walter W.
Baldridge, Elward F.	Bragg, Herbert K.
Ball, Daniel A.	Brandt, Carl R.
Ball, Richard E.	Bretland, Robert B.
Ballinger, John M.	Brewer, William F.
Barry, Walter J.	Bridgers, Henry C., Jr.
Bartol, John A.	Brigham, Carrol W.
Barton, Harry H.	Bright, Cooper B.
Bates, Fred L.	Brinckloe, William D., Jr.
Bauer, Paul S.	
Beach, Edward L., Jr.	Brookings, Robert S., 2d
Becker, John J.	
Beebe, Marshall U.	Brooks, Frederic W.

Brower, Charles M.
Brown, Carl W.
Brown, Charles D.
Brown, John R.
Browning, Frank H., Jr.
Buckley, Walter J.
Bullard, George C.
Burch, Charles A.
Burfeind, Henry F.
Burns, David M.
Butler, Kenneth L.
Calder, William E., 3d
Campbell, Clarence H.
Carde, Freeland H., Jr.
Carlson, Albert L.
Carroll, Charles B.
Carroll, John B.
Carter, George H.
Chase, Elwood N., 2d
Chiles, Griffin
Church, Albert T., Jr.
Clark, Clarence F.
Clark, Sam E., Jr.
Cochran, Dale E.
Cockey, Richard K.
Colbert, Richard G.
Cole, Charles T.
Collier, William A.
Conn, John P., Jr.
Conrad, Edward E.
Cote, Oliver H., Jr.
Cottingham, Claybrook B.
Cousins, Ralph W.
Coward, Asbury
Cown, Julian B.
Craven, Conrad W.
Crenshaw, William R.
Cresap, James B.
Cruse, James H.
Crutcher, William R.
Cunningham, Thomas D.
Cunningham, Carl R., Jr.
Currie, John P.
Curtis, Frederick L.
Curtis, Walter L., Jr.
Cutts, Robert E.
Dacey, John E.
Dally, Frederick E.
Dalton, Joseph F.
Daniel, James W., Jr.
Dare, Eugene R.
Darroch, James W.
Davie, Theodore H.
Dawson, William F.
Dean, Orville O.
Decamp, Louis E.
Denton, James B.
DePoix, Vincent P.
DeVane, John M., Jr.
Dierman, Frederick G.
Doerflinger, Carl R.
Dolan, John W., Jr.
Dose, Robert G.
Dressendorfer, David E.
DuBois, Francis L.
DuBois, Raymond F.
Dunford, James M.
Dwyer, Carl R.
Dybdal, Victor A.
Dyson, John C.
Eady, Jack A.
Ela, Dennett K.
Eliot, Joe C.
Ellis, James F., Jr.
Early, Robert B.
Escobar, Frank A.
Eubanks, Leon S.
Ewoldt, Leonard E.
Farrington, Robert F.
Ferguson, John N. Jr.
Ferguson, John A.
Ferrara, Maurice
Fike, Irwin F.
Filippone, Saverio.
Finley, Otto A.
Finney, Edwin C.
Fiss, Gordon R.
Fitz-Patrick, Joseph P.
Fleming, Edward S.
Flenniken, Clifton W., Jr.
Ford, Warren W.
Fowler, Oliver N.
Fox, Cyril
Francis, Duncan F.
Frauenheim, Gilbert J.
Freedman, Albert S., Jr.
French, Lawrence C.
Fullaway, Frank L.
Fuller, Clark H., Jr.
Gage, Kenneth L.
Gaillard, William E.
Gallagher, Harry J.
Gardes, Alfred W., Jr.
Gay, Donald, Jr.
Gerken, Alfred F.
Gibson, Charles E.
Giffen, Jack E.
Giffen, Robert C., Jr.
Gilkeson, Fillmore B.
Glennon, William R.
Goepner, Oscar W.
Goodwin, Harold B.
Granstrom, Donald M.
Grantham, Emery A.
Greenberg, Mack K.
Grening, George M.
Hahn, Harry B.
Haines, Preston B., Jr.
Hale, Fletcher
Hall, Warren C., Jr.
Hamlin, Harold S., Jr.
Hansen, Widmer C.
Hanson, Kenneth E.
Harmon, Leonard E.
Harper, Talbot E.
Harrison, Cecil R.
Hartung, Walter P.
Hasler, William A., Jr.
Hathorn, Vincent L.
Hauck, Hamilton O.
Hausman, John E.
Hawkes, William M.
Hayes, Vernon R.
Hedgecock, Russell H.
Hedrick, Roger R.
Heizer, Isaac J., Jr.
Henderson, Reed K.
Hessel, Edward W.
Heston, Grant S.
Heywood, Carl W.
Higgins, Donald C.
Higgins, John W., Jr.
Hilton, Hart D.
Hines, Kenneth W.
Hirshberger, Carl R.
Hoch, John E.
Hodgson, James T.
Hoffman, Edward E.
Holcombe, Charles M.
Holden, Richard
Holt, Charles H.
Hood, William A., Jr.
Houck, Herbert N.
Howe, Thomas F.
Howes, William C.
Hribar, Edward W.
Hughes, Edwin T.
Humphrey, Ernest W.
Humphreys, Thomas H., Jr.
Hunnicutt, James L.
Hunnicutt, William R., Jr.
Huron, Francis H.
Huse, Robert E.
Huston, Robert C.
Ingerslew, Donald B.
Ingling, Francis W.
Irvine, Robert K.
Jackson, Henry S.
Jackson, Percival W.
Jackson, Robert P.
Jadrnicek, James R.
Janney, Frederick E.
Jarman, Edward B.
Jensen, Leo R.
Johnson, Arthur F.
Johnson, Charles R.
Johnson, Dwight L.
Johnson, Joseph E.
Johnson, Lauren E.
Johnson, Richard E.
Jones, Axton T.
Jones, Frank C.
Josephson, Alan R.
Joyce, Gerald P.
Judson, Charles S., Jr.
Julihn, Lawrence V.
Kaufman, William M.
Keen, Walter H., Jr.
Keighley, William H.
Kelley, John L., Jr.
Kelly, John C.
Kelly, Monroe, Jr.
Kercheval, Robert M.
Kirkpatrick, William S., Jr.
Kissinger, Ralph, Jr.
Klaveness, Francis A.
Klee, William M.
Klein, Frederick N., Jr.
Knapper, John K.
Knepper, Edward W.
Knerr, Hugh S.
Knowles, Robert C.
Kotrla, Raymond A.
Kreamer, Walter H.
Laing, Hugh K.
Lajaunie, Leonce A., Jr.
Lambert, Valdemar G.
Lander, Robert B.
Lansdowne, Falkland M.
Larson, Francis W.
Laub, Robert E.
Lauerman, Henry C.
Laughlin, William M., Jr.
Lautaret, John D.
Lenney, James W.
Leonard, John A.
Leonard, William N.
Levick, John H.
Lewis, Hugh H.
Lewis, William E.
Leydon, John K.
Lipham, Charles L.
Lipscomb, William R.
Lohmann, Eric A.
Lombardi, Richard C.
Lovelace, Paul C.
Lowry, William M.
Loyall, Julius A.
Luby, Edward M.
Lundgren, Oscar B.
Luther, Roger W.
Lytle, Morton H.
Maccubbin, Alfred L.
MacDonald, Charles M.
MacLean, Roderick K.
Madison, John R.
Madley, Edward P.
Maher, Eugene H.
Managhan, Robert R.
Mann, Stephen S., Jr.
Mansfield, Jack E.
Marks, James A.
Marsh, Richard M.
Marvin-Smith, Harry
Mason, Harry C.
Mason, John D.
Masterson, James A.
Mather, Donald I.
McCabe, Thomas E. L.
McCormack, Vincent F.
McCrory, Woodrow W.
McDowell, Ellis H.
McEntire, Fred E., Jr.
McGivern, Charles F.
McNeely, Henry E.
McNitt, Robert W.
Mead, Charles H.
Mehle, Roger W.
Mehlhop, Donald L.
Meigs, Charles H.
Melvin, Clarence A.
Mercer, Willoughby
Meyer, William C.
Miller, Floyd F.
Miller, Herman E.
Miller, Roger F.
Minter, Charles S., Jr.
Moloney, Ralph T.
Molteni, Peter G., Jr.
Monk, Ivan
Moore, Elmer
Moore, Parkman B.
Moore, Raymond A.
Moore, Theophilus H.
More, Frank R.
Morgan, Alfred D.
Morgan, Edward M.
Morgan, Robert J.
Morse, John F.
Moureau, Ralph H.
Mugg, Richard D.
Muller, Harry P.
Murray, Thomas O.
Muse, George R.
Myers, John N.
Nelson, Nels R.
Nichols, Edwin H.
Nicholson, Richard P.
Nielsen, John L.
Norman, Geoffrey P.
Norris, Charles R., Jr.
O'Bannon, Albert L.
O'Brien, Leslie J., Jr.
Ogle, Elvin C.
Olsen, Albert R.
Olstad, Orville A.
O'Neil, Guy E., Jr.
Overton, William A.
Pace, John E.
Paine, Roger W., Jr.
Paret, Richard S.
Parker, Douglas G.
Parker, Leonard A.
Patriarca, Frank A.
Payne, James R.
Pearson, Theodore E.
Perry, Adrian H.
Peterson, Theodore M.
Pflum, Raymond J.
Phaler, Walter L.
Pickett, Ben B.
Pickett, Harry D.
Pierce, Edwin L.
Pollock, Thomas F.
Pond, John E., Jr.
Porter, Neil C.
Powers, Edgar C.
Pridmore, James A.
Privette, William G., Jr.
Pugh, Douglas H.
Purdie, Samuel B.
Putman, Charles F.
Ramage, Donald B.
Rankin, Eugene P.
Raymer, Jackson H.
Redon, Alexander L.
Reece, Hubert B.
Reed, John W.
Reese, John "D", Jr.
Reid, Walter S.
Reinhart, George R., 3d
Reynolds, Frank G.
Richardson, James J.
Richardson, George F.
Riley, Frederic D., Jr.
Rindskopf, Maurice H.
Rixey, Franklin S.
Roberts, Howard S.
Robinson, Hugh M.
Robinson, Jesse P., Jr.
Rock, Herman K.
Rogers, Richard S.
Rogers, William K.
Ross, James G.
Rowe, Henry A.
Rupp, Lewis A.
Russell, Erickson W.
Ryan, Paul B.
Ryan, Richard E.
Rydeen, Francis C.
Salmon, Nelson D.
Sanderson, Everett G.
Savage, Robert L., Jr.
Scarpino, William J.
Schafer, William K.
Schelling, Robert A.
Schlacks, William J., Jr.
Schmidt, John S.
Schneider, Fred H., Jr.
Schultz, Paul G.
Schumacher, Vincent E.
Seiler, Donald W.
Seyford, Frederick C.
Shamer, Frank N.
Shea, Maurice W.
Sherry, Harmon B.
Shirley, John B.
Shupper, Burton H.
Simonsen, Carl D.
Sinkankas, John
Sintic, Anton J., Jr.
Sipple, Henry D.
Slaughter, John S.
Slye, Robert W.
Smale, Gordon F.
Small, Walter L., Jr.
Smith, Bryan H., Jr.
Smith, Hinton I.
Smith, Ralph A.
Smith, Russell H.
Smith, William R., Jr.
Soballe, Verner J.
Sommer, Harold A.
Sonenshein, Nathan
Soucek, Archie "H"
Spears, William O., Jr.
Spencer, Edward C.
Spruance Edward D.
Stearns, George F., Jr.
Stencil, Walter J.
Stevens, William M.
Stevens, William R.
Stewart, Bannie L.
Stewart, William S.
Stilwell, James J.
Stott, Harry B.
Straub, Paul F.
Strauss, Benjamin A.
Strong, Stockton B.
Stuart, Richard S.
Suydam, Wendell W.
Sweeney, John R.
Sweet, Arthur B.
Taylor, Frank W.
Taylor, Paul K.
Tenney, Richard H.
Tetley, Curtis L.
Thomas, Hunley E.
Thomas Newell E.
Thompson, Geoffrey
Thorburn, Robert C.
Trickey, Everett A.
Tucker, Joseph R.
Turnbaugh, Marshal E.
Turner, Richard C., Jr.
VanAntwerp, Lloyd W.
VanGorder, Harold B.
Veazey, David J.
Vejtasa, Stanley W.
Voegelin, Byron D.
Voorhies, James F.
Vorse, Albert O., Jr.
Wadleigh, John R.
Wadsworth, Victor F.
Waliszewski, Henry L.
Walker, Thomas J., 3d
Wallace, Russel H.
Ware, Robert M.
Waters, John M.
Watkins, Nelson P.
Waugh, Richard A.
Wayne, Charles
Weber, Bruce S.
Wells, Heydon F.
Welte, Cecil R.
Wesche, Otis A.
Westbrook, Edwin M., Jr.
Weymouth, Ralph
Wheeler, Rexford V., Jr.
White, Donald M.
White, Frederic H., Jr.
White, Theodore G., Jr.
Whitener, James E. W.
Whiteside, George A.
Wicks, Delbert S.
Wicks, John E., Jr.
Wildt, Victor H.
Wilkinson, Eugene P.
Willett, Roland L.
Williams, Glendon D.
Willis, Albert H.
Wilsie, Fay E.
Winne, George M.
Woodard, Sanford E.
Woodhead, Edwin F.
Woodhull, Roger B.
Worthington, Robert K. R.
Wright, Kenneth E.
Wright, Sherman E.
Wright, William H.
Yates, Edgar L.
Yavorsky, Joseph T.
Zavadil, Anthony P., Jr.
Zimmerman, Nelson D.
Zimny, Stanley M.

Captain, Medical Corps

Albrittain, John W.
Alvis, Harry J.
Anderson, Hubert L.
Ayres, William W.
Baker, William S., Jr.
Barger, John B.
Basilicato, Gennaro
Baxter, Harold L.
Bell, George M.
Black, Ross P.
Britten, Sidney A.
Bunch, Charles
Campbell, Vernon W. H.
Chaffin, Alexander N.
Clark, Benjamin W.
Cone, Thomas E., Jr.
Coppolett, Joseph M.
Cowan, John S.
Cuttle, Tracy D.
Davis, George M., Jr.
Demo, Percy W.
DeTarnowsky, George O.
Dickens, Paul F., Jr.
Dobson, John P.
Donabedian, George
Doudna, Calvin T.
Driskell, Melville M.
Druckemiller, William H.
Etter, Harry S.
Eyer, Simon W.
Feder, John G.
Freyling, Robert A.
Friend, LeRoy F.
Fuelling, James L.
Gannon, Henry T.
Gard, Perry W.
Geise, Ralph W.
Geuting, Bernard G.
Gibbs, Albert G.
Giotta, Peter J.
Gleysteen, Rodney R.
Godinez, Marcos A.
Goodman, Rexel
Gorman, John E.
Gustin, James W., Jr.
Hall, Vinton
Hedblom, Earland E.
Hightower, David P.
Hoffman, Theodore E.

Hopper, Edward B.
Hunley, Henry C., Jr.
Hurlburt, Edward G.
Hurst, Gerald W.
James, Roger A.
Jarret, Thirl E.
Jeffers, Clark P.
Johnson, Broor A.
Johnson, Elmer B.
Johnson, Howard A.
Johnston, Graham R.
Johnston, Sidney F.
Jones, Horace L., Jr.
Joy, Ernest H.
Keeton, Elvin E.
Kelly, Arthur L.
Kingston, James R.
Kurfees, James G.
Kurzrok, Milton
Lautzenheiser, Ross B.
Lenhardt, Harry F.
Lillie, Morton L.
Lipcon, Harry H.
Longenecker, Charles R.
Lyons, William F.
MacKinnon, Donald G.
MacKoske, William F.
Marcy, Deane S.
Markowitz, Herbert A.
Martin, John P.
Mason, Malcom W.
Mattison, William L.
McKeague, David H.
Moore, Paul T.
Moran, James P.
Morgan, Rees
Mount, Robert A.
Murphy, James A.
Niforopulos, James A.
Norris, Frank T.
Olechowski, Leo W.
O'Neil, Roger W.
Park, Casimir F.
Phillips, Robert A.
Pierce, Wilmot F.
Pinkham, Edward W., Jr.
Pollard, Joseph P.
Ray, Robert C.
Reitz, Harvey E.
Richardson, Herschel E.
Robbins, Howard M.
Roberts, William L.
Schenck, Kenneth W.
Schiff, George N.
Schlesinger, George G.
Schmid, William A.
Schultz, Arthur L.
Scott, Kenneth S.
Siess, Eugene E.
Smedal, Harold A.
Snowden, William M.
Soule, Francis G., Jr.
Stevenson, Clifford A.
Stone, Evan C., Jr.
Stratton, Victor C.
Streeter, Ralph G.
Stubenbord, John G., 3d
Stutz, Malcolm G.
Suitor, Jesse H.
Tandy, Roy W., Sr.
Taylor, Edward H.
Taylor, Walter R.
Thatcher, Joseph O. M.
Thomas, Edward L. C.
Traugh, John C.
Volk, Ralph
Wagner, Robert L.
Wagner, Vincent E.
Weber, Walter M.
Wible, Leroy E.
Williams, Richard B., Jr.
Witwer, Russell G.
Worthington, Richard W., Jr.

Captain, Supply Corps

Abbott, William G.
Appleby, Charles A.
Appleby, Jack J.
Ashler, Philip F.
Auerbach, Eugene K.
Baker, Joseph H., Jr.
Beardsley, Henry L.
Beasley, Bert S.
Bennett, George L.
Bieri, Bernhard H., Jr.
Blasdel, William G.
Boozer, Strong
Boyce, Portus D.
Brooks, Irwin T.
Bryant, Edward J.
Burkhardt, John, Jr.
Burrill, John C.
Carter, Robert W.
Cates, William E.
Chubb, Phillip D.
Collins, Ernest P.
Collins, Lewis S.
Collins, Pierre D.
Cooper, Charles D.
Curtin, Neale W.
Dean, Jack G.
Driscoll, George M.
Eagle, Carlton R., Jr.
Embree, Donnelley S.
Fadem, Charles
Fahlbusch, Herman R.
Fallis, Frederick F.
Felts, Wells C.
Fielding, Frederick A.
Foley, Harry J. P., Jr.
Haddock, Ira F.
Hall, Farrington T.
Hallberg, Lawrence V.
Harris, Charles L., Jr.
Hyerle, John D.
Kackley, John B.
Kaufman, Frederick A.
Koch, John V.
Leiser, Harry W.
Lynch, Robert F.
Mathews, James T., Jr.
McCarthy, Charles H.,
McNulty, Leo J.
Messenheimer, Clifford A.
Miller, Martin
Neel, John W.
Neel, Todd H.
Nixon, Harold E.
Northwood, Robert H.
Owens, Bruce
Pabst, Avery A.
Palmer, Charles F.
Parker, Raymond F.
Porter, Oswald B., Jr.
Porter, William M.
Prout, Andrew W., Jr.
Reed, Allen B., Jr.
Roberts, Thomas C., Jr.
Saunders, Leonard H.
Schliewe, Max
Schleef, Winston H.
Scofield, Edward K.
Shafsky, Boyd
Snider, Earle K.
Stein, Charles, Jr.
St. John, Sheldon C.
Stockenberg, Harold A.
Strock, Herman
Vinn, John, Jr.
Voils, Roy C.
Walters, Clarence J.
Watts, William P.
Wencrovius, Donald V.
Williams, Chauncey C.
Williams, Everette M.
Williams, Robert A.

Captain, Chaplain Corps

Andrews, Edgar C., Jr.
Arendt, Eric H.
Bennett, Fred D.
Burke, Francis A.
Kelly, Donald F.
Kelly, James W.
Morgan, Victor H.
Murphy, John P.
McLaughlin, John T.
McQuaid, Arthur F.
O'Leary, Francis T.
Peck, Walter S., Jr.
Smith, Roderic L.
Stultz, Irving W.
Tower, Hansel H.
Young, Merle N.

Captain, Civil Engineer Corps

Abplanalp, Kenneth C.
Albers, John J.
Atkins, Robert B.
Barnwell, Joseph B.
Batchellor, John K.
Benson, James I.
Biggs, Franics L.
Binkley, Walter C.
Boggs, Albert H.
Bollinger, James R.
Boothe, Perry M.
Burky, John D.
Carberry, Deane E.
Carrithers, Gale H.
Cassidy, John J., Jr.
Corradi, Peter
Curren, Howard F.
Daday, Edward A.
Davidson, William E.
Douglas, James
DuMont, Thomas J.
Endebrock, Frank L.
Enger, Walter M.
Etter, James H., Jr.
Frorath, Joseph W.
Frye, Clare A.
Gardiner, Arthur P.
Gentry, Ray R.
Gibson, Edwin E.
Gordon, William M.
Gustafson, William M.
Hanson, Arthur H.
Hartman, Herbert J.
Heaman, William M.
Hickey, Edgar B.
Hobson, Edmund S.
Inscoe, Garland M.
Jackson, Tulon L.
Jansen, Franklin G.
Jefferson, Thomas
Jensen, Ralph C.
Jordan, Mark H.
Klay, Andrew S.
Kravath, Fred F.
Luppens, Joseph C.
MacDonald, Ralph C.
MacKay, Harry F.
Marsh, James S.
Martinsen, Norman M.
McGaraghan, Jack J.
Moore, William W., Jr.
Mosley, Fred M.
Ohl, George, Jr.
Orr, Marion B.
Plumlee, Carl H.
Prahl, Charles G.
Pritchard, Francis T.
Quinn, Edward J.
Read, George L.
Reeder, Lattimer W.
Reinhardt, Charles O.
Riordan, James T.
Roberts, Palmer W.
Roessler, Bernhard O.
Root, Lloyd E.
Rowe, Harry C.
Rutter, Martin L.
Slattery, Richard E.
Smith, Herbert E.
Stewart, Robert S.
Swanson, Frank E.
Thompson, William J.
Thrapp, Harrison F.
VanLiew, Roscoe E.
Wallin, Harry N.
Weaver, William F.
Wende, Charles T.
White, Thomas J.
White, Joseph A.
Williams, Wilfred J.

Captain, Dental Corps

Abel, Lloyd F.
Anderson, Vernon L.
Arthur, John P.
Barnes, Forrest A.
Biedermann, John L.
Bohaker, Lloyd A.
Bonnette, Gerald H.
Booth, John O.
Brandt, Max J.
Brandt, Paul L.
Bridge, Kenneth K.
Brown, Frederick S., Jr.
Brown, Milton H.
Calhoun, Richard D.
Canal, Philip A.
Carlson, Donald E.
Chesterfield, Wallace B.
Cobb, William J.
Collette, Henry A., Jr.
Cooksey, Donald E.
Dann, Walter W.
Defiebre, Bruce K.
Demer, Walter J.
Denny, George M.
DeShazo, George S.
Donnelly, James P.
Ellenberger, William
Erdman, Robert F.
Faltermayer, Joseph E.
Ferguson, George W.
Fischer, Howard H.
Fox, David M.
Franklin, William R.
Frye, Charles S., Jr.
Goldsmith, Earl A.
Grant, Angus W.
Green, Harold G.
Haisch, Howard B.
Hall, Henry H.
Hamilton, Baker M.
Harwood, Richard C.
Haynes, Ralph B.
Heartwell, Charles M., Jr.
Hemphill, Charles D.
Henderson, Davis
Holmes, Samstone
Horn, Joseph R.
Jackson, Venard R.
Jarabak, John P.
Johnson, Leonard E.
Kalas, Frank J.
Kemp, Wilson P.
Key, William H.
LaMothe, Daniel E.
Lieser, William H.
Lilly, Albert J.
Lindelof, Robert D.
Link, Joseph F.
Longeway, Kenneth L.
Ludwick, William E.
Martin, Clyde L.
McAfee, Morgan F., Jr.
McAleer, Joseph W.
McEachren, John H.
McLennan, William A.
Merriam, Kenmore E.
Meyers, Charles E.
Millard, Robert C.
Mortell, Ward M.
Murphy, Eastes W.
Nealon, Eugene T.
Newman, William A.
Overton, Neil J.
Parr, George W.
Phillips, Robert I.
Purdum, Ernest L.
Rader, George C.
Raphael, Alfred L.
Rice, Clifford H.
Rice, John W.
Robinson, Vernon S.
Rodenbarger, Lynn H.
Sanders, William E.
Smith, Howard C.
Suitor, Paul W.
Thimes, Joseph A.
Thompson, Donald W.
Thompson, Walter A.
Turville, Arthur S.
vanEe, William J.
Veline, Carl A.
Veno, Clarence G.
Vincent, Burnell W.
Wais, Frank T.
Wallace, Leslie M.
Wallenborn, Ramon J.
Walsworth, Clyde H.
Wheatcroft, Merrill G.
Wible, John R.
Wigand, Frederick T.
Williams, Cline O.
Wohlfarth, William C. Jr.
Wolcott, Robert B.

Captain, Medical Service Corps

Barnes, LaVerne A.
Bosee, Roland A.
DeCoursey, John D.
Dudley, Horace C.
Engelfried, John J.
Hurlburt, Herbert S.
Lawlor, William K. A.
Lee, Richard H.
Lyon, Verne W.

Commander, line

Abbott, Frank D.
Adams, Alton P.
Adams, Wesley J.
Adams, William L.
Airheart, James H.
Alber, LaVier C.
Alexander, John S.
Alexatos, Michael S.
Allen, Eugene T.
Allen, Joseph W., Jr.
Alley, Arthur J.
Allison, Donald
Alt, Earl J.
Andersen, Wayne G.
Anderson, Paul H.
Anderson, George D., Jr.
Anderson, Robert W.
Anderson, Charles R.
Anderson, Donald A.
Andrews, Nello D. S.
Andrews, Milner L.
Aroner, Richard
Arthur, Robert L.
Askenaizer, Samuel D.
Austin, Jesse R., Jr.
Babcock, Courtland T.
Bacak, Joseph J.
Baie, Warren E.
Bailey, William F.
Bailey, Bernard J.
Baker, Robert W.
Baker, William P.
Baker, Howard J.
Baker, Robert H.
Ball, William B., Jr.
Ball, Robert
Ballauf, Charles
Ballou, Justin G.
Barbor, Robert T.
Barco, Leslie T., Jr.
Barnes, Benjamin B., Jr.
Barrett, Boynton
Barron, Carl F.
Barry, Anthony D.
Bartley, William M.
Bartol, John W.
Bass, Thomas E., 3d
Bath, Edwin J.
Bauman, John F.
Baumeister, Charles, Jr.
Baxter, Fremont H.
Bayne, Marmaduke G.
Bays, Frederic L.
Beard, Myron E.
Beare, Thomas J.
Beauchamp, James M., Jr.
Bedford, Joseph D.
Behner, Herbert C., Jr.
Beling, John K.
Belk, George H.
Belt, Richard W., Jr.
Bemis, Lawrence R.
Benoit, Horace C.
Benson, Ingram T.
Bentall, Howard G.
Berg, Frank M.
Berkley, Kenneth H.
Bernick, Lewis
Berry, Fred W.
Bertoglio, Lloyd W.
Bertoglio, Floyd J.
Binkley, Elbert B.
Bisbee, Roger A.
Bishop, Ralph F.
Blackburn, Emmit W.
Blair, Foster J.
Blakeney, Hulon R.
Bloomer, Francis W.
Bobbitt, John K. A.
Bookhamer, Robert H.
Borylo, Adam A.
Borysiewicz, Anthony F.
Botten, Ralph D.
Bounds, Dave W.
Boutte, Harold C.
Bownds, Robert C.
Boyle, John A.
Bracken, Eugene E.
Braddock, Robert L.
Brady, Gordon G.
Brady, James G.
Brady, Francis L., Jr.
Braley, Gerald N.
Branscome, James R.
Brasser, Wenzel D.
Bratten, John L.
Brchan, Edwin D.
Bress, Henry
Brissette, Kenneth F.
Britt, Edgar R.
Brock, John R.
Bronez, Ray W.
Brookes, Charles S.
Brown, Donald N.
Brown, Colin F., Jr.
Brown, Billy F.
Bruce, Jack D.
Bruce, William T.
Bryan, George R., Jr.
Bryant, Franklin D.
Buchanan, Donald J.
Buckowski, George A.
Buergey, Herman P.
Bullen, Arthur C., Jr.
Burgess, Emery L.
Burgo, Daniel F.
Burke, Gordon E.
Burnett, Robert C.
Burnette, Oliver S.
Burns, Warren H.
Bursik, Vlada D.
Burton, John H.
Burum, Roger L.
Butcher, Harold K.
Byers, Donald F.
Byrd, Newton P., Jr.
Cable, Jesse F.
Callahan, James E.

Callan, Allie W., Jr.
Campbell, Arthur B.
Campbell, William A., Jr.
Cantwell, Richard A., Jr.
Carlson, Paul G. A.
Carlson, Robert C.
Carpenter, Melvin J.
Carr, Robert F.
Carter, Harold A.
Carton, Wilbur A.
Casey, Thomas H., Jr.
Center, George
Chalkley, Johnnie W., Jr.
Chamberlain, Francis E.
Channell, Frederic C., Jr.
Chase, Frederick G.
Cheal, Wayne R.
Cheney, Harlan L.
Cheney, John P.
Choate, Robert B.
Christensen, Dallis J.
Chute, Laurence R.
Clarke, Gerald W.
Clark, Jackson W.
Cleveland, Blair
Clingan, Forest M.
Coad, Richard J.
Coates, Joseph K.
Cockroft, Irving G.
Coil, John A., Jr.
Coleman, Thaddeus T., Jr.
Collins, Samuel L.
Colvin, Felix N.
Conley, George W.
Conn, Alton H.
Conrad, Francis M.
Cook, Marshall M.
Cooke, David O.
Cooper, Wallace R.
Cooper, Walter
Coppola, Eduguardo M.
Cornelius, George
Cornell, Leland B.
Cortese, Frank, Jr.
Coulson, William T.
Coulter, William G.
Cowles, Jack R.
Cox, Channing H.
Cox, James L.
Coyne, William D.
Crawford, Robert H.
Cruser, Handford T., 3d
Culley, William F.
Cummings, Thomas J.
Cure, Harold R.
Cureton, West M.
Curry, Moody O.
Dalzell, Samuel, Jr.
Dampier, Robert M.
Daniel, Charles L.
Daniels, John
Dankert, Herbert W. H.
Danz, Lawrence F.
Darchuck, Matthew E.
Darnold, Marshall P.
Dauphin, Oyd L.
Davidson, William A., Jr.
Davidson, William H.
Davis, Edwin T.
Davis, George J.
Davis, George W., 5th
Davis, Jack J. S.
Davis, James H.
Davis, Judson C., Jr.
Davis, Raymond E.
Davison, Jacquelin C.
Deatherage, Benjamin C.
DeBord, Robert K.
Decker, Daniel D., Jr.
Demoss, Charles W.
Denmark, Monroe F.
Dennehy, Roderick C.
Detwiler, Willard S., Jr.
Dewey, William H.
Dibble, Edgar J.
Dick, John
Dick, John H.
Dimmitt, Robert E.
Dingle, John A.
Ditch, William E.
Dixon, Donald R.
Dixon, George C.
Dobson, John H.
Dodson, Boykin R.
Donald, Herbert L., Jr.
Dondero, Robert T.
Donnelly, John A.
Dootson, William W.
Doran, Edward M.
Dorsey, Patrick C.
Doster, George P.
Dotson, William D.
Dougall, Alan
Dougherty, Robert M.
Douglas, Benjamin T.
Douthit, James H.
Dower, William D.
Downey, Curtis L.
Downs, Arnold E.
Doyle, William T.
Dress, George K.
DuBois, Maynard S.
Duncan, Charles
Duncan, Charles L.
Dunkum, Hugh H., Jr.
Dunn, Stanley M.
Durand, Paul A.
Durham, Harold D.
Durham, Ardis H., Jr.
Durio, Jack N.
Durocher, Charles O.
Durup, Paul C.
Dushlek, Michael S.
Dvoracek, Charles F.
Earl, Raymond L.
Easton, William R.
Eaton, Max A.
Ebel, August A.
Eckard, Joseph D.
Eckard, Palmer G.
Edinger, Raymond S.
Edlun, William O.
Edmisten, William H.
Edwards, Eldon L.
Edwards, William S.
Edward, Arthur T. McB.
Edwards, Emory H., Jr.
Efird, Terril A.
Eigell, Robert W.
Elder, Arthur G.
Elefter, Theodore
Elens, James N.
Ellison, Harold H.
Ellison, Claude D.
Ellis, Walter J.
Elizey, Jack E.
Emerson, William D., Jr.
Engdahl, William A.
Enzweiler, Joseph M.
Erickson, Ernest O.
Ervin, John S.
Eslinger, Robert H., Jr .
Essary, Melvin S.
Essling, Mark T.
Everett, William J.
Fallon, James V.
Fannin, Ray R.
Fatkin, Thomas J.
Favreau, Floyd F.
Fechtelkotter, Harlo D.
Feiser, Milo C.
Felderman, Lyle E.
Ferrell, James C.
Ferris, James
Feuerbach, Theodore
Fisher, Andrew P.
Fitzgerald, Paul D.
Fitzhugh, Mayo M., Jr.
Fitzpatrick, John P.
Fitzsimmons, William L.
Fleming, William W.
Flenniken, William M.
Flick, Lyle F.
Flynn, Edward P., Jr.
Foley, Peter J.
Forcier, Alfred A.
Forde, Lambert V.
Fortner, Herchell
Fosha, Charles E.
Foster, John I.
Fox, John C.
Fox, William E.
Francis, Frederick E.
Franks, Bryan W.
Franz, Leonard A.
Frawley, Larry W.
Freeman, Leon H.
Freeman, Rowland G., 3d
Frellson, Max E.
Frese, Bernard W., Jr.
Fricks, Ben, Jr.
Fritz, Gordon S.
Frohne, Charles T., Jr.
Frye, Henry H.
Furnari, Biagio O.
Gadberry, William F.
Ganong, John F .
Garbler, Paul
Garbow, Bernard L.
Gardemal, Robert C.
Gardner, Paul C.
Garrett, William L., Jr.
Garrison, Lloyd W.
Garvey, Hugh M.
Gendron, Edward W.
Gerdes, Henry A.
Gersuk, Ipser J.
Gesell, Lewis E.
Getchell, Douglass D., Jr.
Gewertz, Manning
Gibb, Delbert K.
Gibson, Aubrey L.
Gibson, Moses M., 3d
Gill, John F.
Gill, Norman W.
Gillespie, Donald R.
Gillin, James McK., Jr.
Gills, James W.
Gilmer, Howard C.
Girard, George W.
Glasgow, Robert N.
Godek, Mieczyslaw
Goldman, Robert E.
Good, Dale S.
Goodrich, Kenneth S.
Goodwin, Glendon
Gordon, Grant B.
Gordon, Harold L.
Gorman, John P.
Graham, Mac A.
Gray, "O" "B"
Gray, Rollin E., Jr.
Gray, William J.
Greenwell, Martin D.
Greenwood, Robert B.
Gregg, Walter J.
Gregory, Hayden A.
Greksouk, John, Jr.
Grieve, John R.
Griffin, DeWitt J.
Griffin, "R" "V" B.
Grissom, Robert W.
Groesbeck, James D.
Guidry, Joseph W.
Gunn, Louis C.
Hagen, Harold H.
Hagood, Douglas R.
Hale, "J" "C"
Hale, Raymond J.
Haley, Richard F.
Hall, Jack S.
Halminski, Sylvester J.
Halsey, Edward K.
Hamblin, Robert L.
Hamby, Edward P.
Hammerstone, James E.
Hamrick, Laurence L.
Hanks, Eugene R.
Hansen, Frederic T., Jr.
Hansen, John B.
Hanson, George W.
Hanson, Sammy H.
Harmon, Eugene J. P.
Harmuth, William B.
Harrelson, George D.
Harrington, Charles B.
Harris, Daniel R.
Harris, Robert B.
Harris, Robert V.
Harrison, Curg W.
Hart, John R.
Hart, Gordon M.
Hart, "J" Vincent
Hartzell, James W.
Haseltine, Arthur B.
Hassell, Victor G.
Hassett, Walter D.
Hatheway, Valentine J., Jr.
Hattaway, Cleland S.
Haughey, Paul T., Jr.
Hawkins, Marion H.
Hawkins, Arthur R.
Hawley, Edward R.
Hazapis, Thomas
Head, Gordon H.
Healey, Thomas L.
Heider, Walter H., Jr.
Hein, Ralph, Jr.
Heinbockel, Charles H., Jr.
Heller, Samuel R., Jr.
Hellickson, Aaron J.
Henderson, John J.
Hendler, Pennard
Henrichsen, Tobey L.
Henry, Alfred J., Jr.
Herman, George K.
Herndon, Glen A.
Heron, Lawrence R.
Herring, James W.
Herron, Auburn W., Jr.
Hershey, Kirk
Hild, Daniel R.
Hill, Charles A., Jr.
Hill, Marvin E., Jr.
Hill, Paul E.
Hines, William M.
Hitz, Frederick W., Jr.
Hodgson, Paul R.
Hoffman, Robert J.
Hoffmeister, Ralph
Hoggard, Preston
Hogue, "J" "C"
Hogue, Robert F.
Holder, Billy D.
Holly, David C.
Holm, Olaf F.
Holt, Harry S.
Holzrichter, Max A.
Homer, William N. P.
Homer, Vernon L.
Hook, John C.
Hooper, Kenneth C.
Hoppe, William E.
Horn, Donald V.
Horrell, Ernest R.
Horswell, Vance E.
Houck, Dean W.
Hough, John B.
Hrabosky, Joseph
Hubbard, Raymond A.
Huber, Joseph F., Jr.
Hudspeth, William L.
Huff, Alvin D.
Hughes, John E., Jr.
Hughes, Daniel E.
Humphrey, Theodore J.
Hunt, Robert F.
Huntley, Francis C.
Hurley, William G.
Huston, Raymond C.
Hutchison, Earle G., Jr.
Hutsell, Riddell C.
Hyde, Harold G.
Idle, Charles T., Jr.
Ihli, Carl B.
Iiams, Meryl A.
Ingham, John W.
Irons, Robert E.
Irwin, Kay S.
Isackson, John R.
Jackson, James R., Jr.
Jahn, Waldemar P.
James, Richard C.
James, Harold M.
Jansen, John F.
Jenkin, Wendell R.
Jenkins, Herbert L., Jr.
Jennings, "E" "F" Kahle
Jerbert, Arthur H.
Jogan, George J.
Johansen, Wilfred F.
Johnson, Harold T.
Johnson, James B., Jr.
Johnson, Silas R.
Johnson, Melvin O.
Johnson, Waldo P.
Jones, Charlie R.
Jones, Leslie
Jorda, Henry P.
Joy, Bernard F., Jr.
Kaine, Francis R.
Kane, John P.
Kanze, Robert F.
Karl, Paul J., Jr.
Karr, Delbert G.
Karter, Wilbur K.
Kauber, William L.
Keagle, George R.
Keeneth, Arthur R.
Keifert, Robert N.
Keil, Robert A.
Keith, Allis A.
Kellerman, Lewis F.
Kelley, Vincent F.
Keller, Edgar T.
Kelly, Joseph P.
Kemp, Joseph C., Jr.
Kent, Donald G.
Kenton, Robert W.
Kenyon, Jack S.
Kerney, Robert W.
Kerrell, Joseph H.
Kest, Harold W.
Kevan, Samuel M., Jr.
Keyes, Thomas E.
Kier, Kenneth J.
Kiker, Willborn C.
King, Allen L.
King, David A., Jr.
Kinsella, James F.
Kirk, Leone E., Jr.
Kirkendall, Melvin S., Jr.
Klahn, Dale C.
Klassy, Raymond L.
Klein, Carl B.
Klepp, Henry P.
Knickelbine, Harry J.
Knight, Gilbert L.
Knight, Charles A.
Knope, William R.
Koch, Rudolph H.
Koenig, Fillmore G., Jr.
Kostrzewsky, Alexander J.
Kouns, Maynard W., Jr.
Krapf, Harry J., Jr.
Kruzick, George F.
Kuencer, William O.
Kuhl, Charles A.
Kulberg, Cecil L.
Kunkle, Robert D.
Kuser, John D.
Kuzell, Charles E.
Labrum, Willard D.
Laessle, Frank W.
Laird, Don E.
Laird, Dean E.
Laird, Ian M.
Landreth, William L.
Langfur, Joshua A.
LaPierre, Douglas B.
Largess, Clifton R., Jr.
Larkins, Bowin S.
Laskey, Robert L.
Laurinat, Henry S., Jr.
Leach, Alvin D.
Leach, Earl H.
Lebeck, Russell L.
Lee, Clyde J.
Lee, Howard "C"
Leech, Wilbur A.
Leggett, Ernest H.
Lehmann, Melvin G. F.
Leidle, Earl L.
Leigh, Norvelle R., III
Leonard, Edward F.
Lessenger, Ernest J.
LeValley, James B.
Lewis, Lawrence E., 2d
Liebhauser, Charles H.
Liggon, John R.
Linville, Cloyd A.
Linwick, Robert, Jr.
Livesay, Frank C.
Livingston, William H.
Lloyd, Marshall O.
Logan, John W.
Logan, Thomas B.
Long, Richard J.
Longino, Walter B.
Loomis, William R.
Lovegrove, Howard C., Jr.
Lovell, John C.
Luke, Manuel
Lydston, Vernon W.
Lynn, Ira T.
Lynn, Robert T.
Lyons, Dale S.
Mabey, Alfred
MacFarlane, Arthur S.
MacKay, Dougal D.
Mackie, John R.
MacMurray, James W.
Mader, Howard W.
Magill, Thomas I., Jr.
Mann, David O.
Mann, William G., Jr.
Manson, Frank A.
Marrow, Jack S.
Marshall, Joseph W.
Martin, Richard H.
Marty, William B.
Mason, Robert C.
Mason, James M.
Massie, Malcolm R.
Masterson, John E.
Matecki, Thaddeus J.
Mathias, Leonard P.
Mathis, Clifford S.
Matte, Leonard J.
Matthews, Joseph A.
Matthewson, Francis F.
May, Selden N.
Mayes, Damon C.
Mayo, James O.
McBride, Earl P.
McCaughey, William H.
McClellan, William G.
McCoy, Frank O.
McCrary, Shannon W.
McCue, Hartsel F.
McCurdy, John D.
McElwee, Robert E.
McEnery, Edwin B.
McGaha, Curtis D.
McGinty, William G.
McGowan, Edward C.
McGrath, William F.
McGroarty, John T.
McInnis, Norman K.
McIntyre, William R.
McKee, Robert W.
McKinney, Joseph C.
McKinley, Charles E.
McKissick, Ellis H.
McLinden, Hugh F., Jr.
McMullen, Alton R.

McMullen, Cornelius E.
McNair, William D.
McNeil, Wilfred J., Jr.
McNulty, John S.
McPhillips, Alexander V., Jr.
McQuary, John E.
McTiernan, Thomas J.
Meldrum, George B.
Mercer, James W.
Merryman, Charles A., Jr.
Merwin, Jesse A.
Meter, Gerald M.
Michael, Bernard E.
Michie, Donald
Miller, Jesse E.
Miller, Harry Z.
Miller, Edward R.
Miller, James H.
Miller, Clark W.
Mills, William S., 3d
Milner, Frank D.
Minnear, Clyde W.
Minnick, Harvey E.
Mirabito, John A.
Mitchell, Clyde G.
Mitchell, Joe D.
Mitchell, William C.
Montgomery, John A.
Montunnas, Stanley
Mooney, James D.
Moore, James H., Jr.
Moore, Thomas H.
Moore, James S., Jr.
Moore, Robert H., Jr.
Morey, William R.
Morgon, Ernest L.
Morrison, Hubert
Morris, Alvin L.
Morrow, James R.
Morse, Douglas T.
Morse, Lloyd C.
Morton, Henry S.
Moss, Richard N.
Mott, Howard J.
Mueller, Frederic R.
Muir, James S.
Mukhalian, Zaven
Mulligan, Charles E.
Munroe, William R., Jr.
Murdoch, Donald M.
Murphy, Frank D.
Murphy, Thomas J.
Murphy, James E., Jr.
Murtha, Vincent L.
Myers, Ernest C.
Myjack, Edward F.
Naegely, Laurence R.
Neal, Harry A.
Neidlinger, Ulrich L., Jr.
Nelson, James D.
Nelson, Robert J.
Nelson, William M.
Newell, Arthur F.
Newman, Raymond J.
Newman, Raymond C.
Newman, Roland R.
Nichols, William B.
Nicholson, Thomas A.
Nickerson, John H.
Noon, Henry S., Jr.
Noonan, Joseph F., Jr.
Norton, Leroy G.
Oakley, Francis M.
Oberholtzer, Kenneth D.
O'Brien, Clement E.
O'Brien, William B.
O'Brien, John C.
Ochstein, Max S.
Ogle, Edward S.
Olasky, Charles
Oleniacz, Chester J.
Oliver, Joseph J.
Olson, Milton S.
Olson, Lester D.
O'Neil, Raymond C.
Orenge, George E.
Orlando, Pompei L.
Orndorff, Winfield S., Jr.
Oxendine, Thomas
Pace, Glyndol W.
Palm, Edgar P.
Palmer, Charles A., Jr.
Papas, Louis J.
Parker, Chester A., Jr.
Parker, Jack N.
Payne, Alton W.
Payne, Lloyd A.
Pearson, James W.
Peck, Edward M.
Pedersen, Victor S.
Pemberton, Hamer I.
Penn, David B., Jr.
Perez, Romeo
Perkins, James W.
Peters, Joseph A.
Peterson, Frank J.
Pfeifer, Harry E.
Phillips, John J.
Phillips, Rockford L.
Pillsbury, Roger S.
Pimentel, Antonio T., Jr.
Pond, Robert M.
Porter, Austin M.
Porter, Charles S.
Porter, Phillip W., Jr.
Poston, Glenn C.
Potter, Sheldon, III
Powers, Lester A., Jr.
Powers, George P.
Prada, Gerald W.
Prichard, Melvin M.
Provost, William B., Jr.
Pryor, Samuel W.
Pugh, George S.
Quattlebaum, Richard M.
Quillen, Vincent G.
Quinn, Frank N.
Quinn, William J.
Racette, William A.
Raddatz, Robert W.
Randle, Jack
Randolph, John B.
Reed, George P.
Reeve, Delos B.
Reid, David C.
Reilly, Thomas E.
Reuther, Roland A.
Reynolds, Dewitt C., Jr.
Rice, Russell C.
Ridenour, Hugh A.
Ridgway, Richard H.
Ries, Robert E., Jr.
Rightmyer, Jackson M.
Riley, William P., Jr.
Ritchie, James
Roark, Lonnie H.
Robbins, Spencer E.
Roberts, Carlton B.
Roberts, Charles C., Jr.
Roberts, Gilbert W.
Robertson, Arthur D.
Robertson, Chester L.
Robertson, Gordon H.
Robertson, William P., Jr.
Robinson, Roy H., Jr.
Rocheleau, Charles A.
Rock, James C.
Rodarmel, Albert A.
Rogers, Ralph W.
Roof, Claude R.
Rosengrant, Warren M.
Rotchstein, Morris
Rothamel, William P.
Rou, Edward D., Jr.
Routzahn, Milton M.
Rouzer, Harvey H.
Rowell, Kenneth F.
Roy, Samuel
Ruff, Robert R.
Rupprecht, Fred C.
Rusk, Alfred D.
Russell, Patrick E.
Rust, Charles C.
Ryan, Michael J.
Ryan, Robert R.
Rychly, Vladimir L.
Ryles, John W., Jr.
Sagen, Alvin O.
Sams, William R.
Sands, Jack H.
Sattler, James A.
Savacool, James M.
Sawyer, Clifford R.
Sayre, Frank A., Jr.
Scantlebury, Edwin W.
Schall, Rodney F.
Schatz, Delmer A.
Scherer, James P.
Schermerhorn, Dale V.
Schirmer, Adolf C.
Schmidt, Charles W.
Schoberlin, Melvin H.
Schooler, Charles L.
Schoulda, George C.
Schroeder, William A., Jr.
Schug, Donald F.
Schuh, Linus H.
Schwartze, George M.
Schwass, Earl R.
Scott, Clayton M., Jr.
Scott, William J.
Seaman, Laurence F.
Seaver, Clifford N.
Sebring, Clair W., Jr.
Sedaker, Thomas S.
Sedell, Thomas R.
Selvitz, Richard E.
Serrill, Julian D., Jr.
Sevilla, Bernard
Sewell, Russell L.
Sharpe, Edward B.
Shaver, Robert G.
Shea, John D., Jr.
Shear, Dale M.
Sheehan, Joseph E.
Sheltren, Walter A.
Sherwin, Robert W.
Shinneman, John R.
Shonerd, David A.
Shreve, Robert W.
Sigurdson, Orville S.
Sillers, Colin B.
Silvani, George F.
Silverthorne, Frederick W.
Simmons, Charles T., Jr.
Simons, William H., Jr.
Simone, Joseph E., Jr.
Singleton, Royce A.
Sipe, Harry C., Jr.
Sisk, Francis J.
Skidmore, Howard H.
Slaughter, Robert H., Jr.
Sloan, Stanley E.
Smiley, Walter P.
Smith, Clayton W.
Smith, Rodney N.
Smith, Kenneth G.
Smith, Warrington G.
Smith, Hovey D.
Smith, George G.
Smith, George S.
Smith, Alwyn, Jr.
Smith, Floyd E.
Smith, Burton E.
Smith, John W.
Smithey, Linual D.
Smyers, Charles W., Jr.
Smyle, Ralph S.
Snodgrass, Joseph C., Jr.
Snyder, Charles E.
Soule, Robert M.
Sparks, Ben, Jr.
Sparks, Robert M.
Spears, Paul H. A.
Spriegel, William T.
Stacy, James M.
Staffel, Clayton F.
Stang, Harold
Stanley, Donald C.
Starkey, Leland V.
Steadman, Julian M.
Stearns, William G., Jr.
Stearns, Theodore H.
Stear, David S.
Stegg, Robert J.
Stegner, DeWayne H.
Stephens, Sidney B., Jr.
Stephens, Russel T.
Stevens, Thomas L.
Stewart, Jack H.
St. John, Melvin O., Jr.
Stockebrand, Archie P.
Stowe, Jack L.
Straub, Robert L.
Streeper, Harold P.
Streig, Frederick J.
Strong, Frederick L.
Stroud, George W.
Sullivan, John R., Jr.
Summers, Clyde W.
Sundquist, Gustave "A", Jr.
Sutton, Sheldon L.
Swanson, Ray J.
Swinson, Bruce Q.
Switzer, David L.
Switzer, George D.
Taber, Harry W.
Talley, William O.
Tate, Benjamin C.
Taylor, William E.
Taylor, Charles A., Jr.
Taylor, Halton H.
Taylor, George P.
Taylor, Dee F.
Taylor, Theron J.
Telfair, Robert M.
Temme, Robert L.
Terrio, Eugene B.
Terry, Paul A.
Teufer, William E.
Thelen, Robert H.
Theorpe, Milton W.
Thomas, Vincent C., Jr.
Thomas, Gardner, Jr.
Thomas, Fred L.
Thomas, Wilmer M.
Thomas, Lloyd H.
Thompson, John R.
Thompson, John L.
Thorne, Alfred H.
Tichenor, William B.
Tiedemann, Carl G.
Timm, Henry O., Jr.
Tincher, Lyle J.
Tipton, Alexander H.
Todd, James F.
Todd, James F.
Toline, Francis R.
Torrey, John R. M.
Toulon, Ygnacio T., 3d
Tourville, George A.
Tout, James E.
Tower, Robert G.
Townsend, Leland C.
Tracy, Weimer B., Jr.
Tranbarger, Ralph E.
Treadwell, Thurman K., Jr.
Tripp, Robert C.
Tucker, Edwardean A.
Tuft, Robert M.
Turner, William H., Jr.
Tutwiler, William J.
Underwood, William E.
Utgoff, Victor
Vaatveit, Allan R.
Valley, Ernest H.
Vanderford, Gordon J.
VanHorne, Roscoe M.
VanLierRibbink, Edvard F.
Vann, Isaiah M., Jr.
VanRiper, Gordon A.
Vansant, Victor W.
Vaughen, William L.
Vaughn, Lionel B.
Vercher, Joseph W.
Vicars, Earl C.
Vineyard, Merriwell W.
Vogt, William
Voorhees, Malcolm D.
Vopatek, Matthias J., Jr.
Vraciu, Alexander
Waddell, Stanton W.
Waggoner, James W.
Wagner, Arnold A.
Waldner, Edward
Walker, James L. R.
Walker, Gordon D.
Walkup, Homer A.
Wall, Charles G.
Wallace, Duncan P.
Wallerstedt, Stig E.
Walthall, William H.
Wannamaker, John J.
Ward, Charles W.
Ward, Herbert H., 3d
Ward, Felix E., Jr.
Wardall, William K.
Warner, John D.
Watkins, Thomas V., Jr.
Watson, Joseph D.
Watson, Raymond S.
Watters, Harry J.
Weatherbie, James A.
Weaver, Ephraim R.
Weaver, Victor H.
Webster, John A.
Weimer, James O.
Weiss, Martin A.
Weiss, LaVerne L.
Welch, Glenn E.
Welles, William T.
Wessel, Robert L.
West, Frank R.
West, Ira B.
West, Robert G.
Westby, Donald E. S.
Westerfield, Billy G.
Westover, Roland W.
Wetmore, Irving E.
Whalen, Gerard J.
Whitcomb, Roy S.
Whitehurst, Robert E., Jr.
White, Norman E.
White, George A.
White, John F.
White, James T.
Whiteley, John E.
Whittemore, Douglas L.
Wideberg, Samuel R.
Willett, Raymond F.
Williams, Charles M.
Williams, Evan K.
Williams, Mahlon J.
Williams, William G.
Williamson, Cecil O.
Williamson, Thomas S., Jr.
Willis, Irving E.
Willis, Warrington R.
Wilson, Carter L., Jr.
Wilson, Cecil E.
Wilson, Wilmer H.
Wilson, Pershing
Wilson, Paul E., Jr.
Wilson, Robert G., Jr.
Wilson, Harold G.
Wimpey, George A.
Windus, Werner
Wolff, Leonard C.
Wolff, Paul M.
Woodke, Frank A.
Woodward, Frederick E.
Woodward, Harold H.
Woodward, William B.
Wooley, Millard J.
Worthing, Lewis K.
Wroblewski, Sigmund V.
Wyatt, James R.
Wyman, Herbert B.
Wyrick, James W.
Yonkers, George P.
Youngblood, Leslie L., Jr.
Young, William C.
Young, Richard O.
Zane, Curtis J.
Ziemba, Anthony M.
Zimmerman, Chester A.

Commander, Medical Corps

Ash, Henry T.
Bacon, Joseph C.
Barnhill, Bruce B.
Black, Paul E.
Bratenahl, Charles G.
Burkle, Joseph S.
Carlson, Carl P.
Cohen, Sidney H.
Egan, John T., Jr.
Fleck, Robert L.
Goodman, Erastus G.
Hering, Alexander C.
Hyatt, George W.
Lehman, Robert C.
Lippincott, Charles A.
Lowry, Elmer F., Jr.
Mason, Alfred B.
McCullough, Francis "H", Jr.
McLaughlin, James A.
Miller, Lloyd F.
Minard, David
Morgan, Francis M.
Morris, William E.
Moxon, Robert K.
Nell, Edward R.
Palmer, Harold V.
Raftery, Alan
Robinson, Donald W.
Santiago-Stevenson, Stevenson P.
Thelen, Emil P.
Wilmer, Harry A.

Commander, Supply Corps

Andrews, Joseph P.
Arthur, Harry B.
Baker, Emile W., Jr.
Baker, Joseph H.
Banks, Richard A.
Barham, John T.
Beckmeyer, Harold E.
Beumer, Alvin F.
Bevil, Lester F.
Blankinship, Grover F., Jr.
Blanton, Oscar R.
Bofenkamp, James E.
Brademan, Royce A.
Brehm, Frederic C.
Burkhead, Franklin
Busby, John C., Jr.
Byard, Ralph D.
Carr, Daniel M., Jr.
Cassidy, John V.
Clifford, George M., Jr.
Connelly, Max "R"
Cook, Glover H.
Cornell, Alexander H.
Coulter, Preston H.
Cummings, William J.
Dalbey, Earle G.
Daley, Clement E.
Davis, Roger L.
Dawson, Thomas H., 3d
DeLany, Johnie L.

Detwiler, Fred M.
Diggle, Raymond H.
Donohue, Philip V.
Dowd, Wallace R., Jr.
Earle, John B., Jr.
Eaton, Ralph L.
Eckfield, Kenyon C.
Ernst, Clayton W.
Fallon, William J.
Fischer, Carl A.
Flamand, Paul J.
Forde, Widar J.
Fortenberry, Earl T.
Frey, Raymond G.
Fulton, Clyde E.
Geismann, Gunter
Gibbons, Frank J.
Goodspeed, Franklin B.
Goodwin, Eric C.
Gould, Gene F.
Gray, William J.
Grodstein, Irving
Hackett, John J.
Hamblen, Eunice A.
Hammond, Richard C.
Hanson, Clifford A.
Hayden, Ralph H., Jr.
Hempson, Donald A.
Henkel, Harold L.
Herrick, Daniel K.
Herron, John C.
Hopwood, Alonzo L.
Hough, Homer H.
Huebner, Dale C.
Humphreys, Harvey F.
Huntington, John S.
Hurley, Robert E.
Iber, George H.
Jeffrey, Paul W.
Jeppson, Robert B., Jr.
Johnson, Eddie M.
Jones, Cecil P.
Kamps, John C.
Kent, Donald F.
Kesselring, Waverly D.
Keesee, Page N.
Kirk, Charles A.
Kriz, Frank J.
Leighton, Richard W.
Lenox, Wilbert W.
Lightner, Thomas A. L.
Lohse, William M.
Lotterhos, Augustus, Jr.
MacQuarrie, Harry A.
Maggard, Talmadge P.
Maiman, Elmer J.
Martin, James J.
May, William R.
McDairmant, Robert J.
McKay, Frank W.
McKnight, Maurice P.
McLanahan, Clarence E.
McLeod, Gordon H.
Meyer, John P.
Mills, Hubert P.
Minor, George E.
Moore, John D.
Moore, Kenneth S.
Morrissey, John E.
Murphy, Robert W.
Nalley, Thomas L.
Neilsson, Birger N.
Norcott, William C.
O'Connell, Arthur W., Jr.
Oldfield, Edward C., Jr.
O'Neill, Joseph S.
O'Rourke, Edward P.
Parrish, Donald E.
Payton, Frazier J., Jr.
Perkins, Charles F.
Race, William W.
Rand, Arthur G., Jr.
Reardon, David N.
Reilly, Louis J.
Reiner, Raymond C. J.
Robison, Dale M.
Rosapepe, James V.
Rothlaender, Otto C.
Russell, Albert J.
Sanders, Allen B.
Scheela, Jerome J.
Schmeder, Charles E.
Schmitt, Earl J.
Scott, John A.
Sharp, Melvin E.
Sheehan, William J.
Simpson, Harold W.
Slattery, Jack D.
Slettvet, Richard M.
Smiley, Creath B.
Smith, Lewis R.
Speer, John C.
Suslick, Alphonse D.
Swan, Alfred W.
Thomson, Harvey W.
Turner, Ray M.
Van Teslaar, Everett A.
Van Zandt, Joseph C.
Vaughan, James M.
Von Christierson, Robert
Waddell, Guy P.
Walker, Woodrow T.
Walton, Clarence H.
Weart, Elliott M.
Weiss, Arnold
Wiedman, Charles, Jr.
Windham, Albert C.
Wood, George H.
Young, Gilbert S.
Zickefoose, Raymond P.

Commander, Chaplain Corps

Adams, Francis P.
Anderson, Arthur R.
Austin, Henry E.
Barrett, Benson C.
Bradley, Paul F.
Brink, Frederick W.
Brosius, George R.
Burns, John J.
Buzek, Joseph J.
Cahill, Richard A.
Caughey, Donald R.
Elliott, Robert E.
Ernstmeyer, Milton S.
Felder, George, Jr.
Ferris, James S.
Finnegan, Bernard J.
Follard, James F.
Gallagher, Joseph P. F.
Garrett, Francis L.
Hemphill, Edward J., Jr.
Jones, Oliver W.
Jones, Robert "Q"
Kapalczynski, Eugene J.
Keller, Gustave P.
Lampe, Joseph H.
Lonergan, Vincent J.
Lyons, Earle V., Jr.
MacInnes, Michael J. H.
McGrath, James R.
Meier, Kermit I.
Menges, Harold F.
Morton, Frank R.
Myrose, John W.
Nolan, William F.
Oliver, Algernon M.
Peterson, Karl G.
Pipho, Edmund W.
Richter, Thomas J.
Rickel, Elihu H.
Ruleman, Robert N.
Sargent, Gerald H.
Schneck, Robert J.
Shannon, Philip P.
Sneary, Earl D.
Spradling, David E.
Sullivan, James A.
Swinson, Jesse L.
Thomas, George E.
Thompson, Mark R.
Trodd, Joseph P.
Tuxbury, Vernon W.
Ward, Brian R.
Welch, Niles T.
Wilson, Robert K.

Commander, Civil Engineer Corps

Anderson, Nelson R.
Avery, Robert P.
Baer, Frederick N.
Bartlett, James V.
Broadhurst, Edward N.
Beck, Tom W.
Busbee, Greer A., Jr.
Compton, Warren W.
Cornwell, George G., Jr.
Cunney, Edward G.
Dahmen, Harry B.
Dillon, John G.
Dougherty, John A.
Engram, Robert C.
Flaherty, Paul V.
Flint, John B.
Gould, Clarence F. H.
Held, Henry E.
Hardin, Fred M.
Bensel, Henry D.
Johnson, Edwin E.
Kean, Donald T.
Kwasny, Harry P.
Liberty, Harold F.
Mitchell, Lynn B., Jr.
McDuffie, Kerman C.
Nelson, Martin R.
Page, John M.
Pekarsky, Abraham L.
Ralston, William S.
Richey, John
Seeger, William G.
Stalter, Robert E.
Turner, Charles W.

Commander, Dental Corps

Andrews, Wallace S.
Bill, Charles A.
Conant, Julian R.
Cooper, Richard G.
Darnall, William L., Jr.
Davis, Frank L.
DoBronte, Frank
Eubank, Dillard P., Jr.
Flood, Jack F.
Gray, Gus W.
Hamilton, Martin R.
Hamilton, Traver R.
Hanson, Thomas J.
Hass, Albert P.
Haymes, Benjamin F.
Hodgson, Gerald L.
Hughes, Winfree
Keenan, James F.
Koenig, Albin J.
Kraske, Leonard M.
Krouzian, Kersam K.
Larson, Gilbert H., II
Lepley, James B.
Marking, William M.
McDonald, Edward D.
McKee, Reuben, W., Jr.
Miller, Donald J.
Mitchell, Edward C.
Noble, Alvin B.
Parrish, Cecil O.
Pennington, James F.
Peters, Jerome F.
Rice, William T.
Rupp, Nelson W.
Schnoebelen, Eldon O.
Smith, Winthrop F.
Swearingen, John C.
Tyler, John C.
Van Damm, Vincent W.
White, Paul C.

Commander, Medical Service Corps

Bowdle, Alexander, Jr.
Feyh, Clarence W.
Gilmore, William B.
Hunt, John H.
Kuntz, Robert E.
Laudenslager, John M.
Leopold, Robert S.
Nelson, Samuel M.
Schmahl, Vallen R.
Sennott, Ralph A.
Swanson, Robert W.
Wiese, George W.

Commander, Nurse Corps

Bogdon, Dorothy D.
Lindner, Mary J.

The following-named officers of the line and staff corps of the Navy for permanent promotion to the grades indicated, subject to qualification therefor as provided by law:

Commander, line

Sybil A. Grant
Ethel A. Weyant

Commander, Supply Corps

Margaret W. Mayes

Lieutenant commander, line

Laura E. Wintersteen
Jane G. Fisher
Ruth M. Streeter

Lieutenant (junior grade), line

John H. Bowen, Jr.
Mary L. Brown
Frederick L. Chapman
Raymond D. Donnelly, Jr.
Morton A. Eckhouse
David W. Evans
Richard W. Gallipeau
Robert D. Harrop
Raymond B. Harter
Harold L. Hinkley
Ronald N. Hipp, Jr.
Nathan C. Holway
Eleanor K. Hunn
Henry W. Marbott
Donald E. Martin
Lewis R. McClellan
Jerome L. O'Brien
Carl J. Pankratz
Joyce B. Parker
William A. Pearson
Robert R. Ritzmzan
Harold H. Sacks
Roger M. Sudduth
Philip W. Signor, Jr.
Mary J. Team
Charles Z. Webb
John E. White

Lieutenant (junior grade), Supply Corps

Gerald R. Henry
Robert W. Landfair
Charles C. Maderia
Donald W. Searles

Lieutenant (junior grade), Civil Engineer Corps

Richard A. Bowers
Charles W. Gates
Paul R. Gates
John R. Wear

Lieutenant (junior grade), Medical Service Corps

James F. Pribnow

Lieutenant (junior grade), Nurse Corps

Jane C. Hessel

Ensign Richard K. Miller, United States Navy, for transfer to and permanent appointment in the Supply Corps of the Navy, with the grade of ensign.

The following-named officers for transfer to and permanent appointment in the Civil Engineer Corps of the Navy, with the grade of ensign:

Alan C. Ambler
Charles P. Andersen
Norman G. Block
Richard H. Carlstrom
Robert A. Curran
Glenn L. Ecklund
David T. Friest
Francis M. Goodwin, Jr.
John C. Hines
Myron E. Hunzeker
Edwin L. Jackson
Thomas E. Kelly
Lyle H. Kershner
John F. Kooken
John A. Lamon
Reid Ledbetter
Harold G. Mayfield
William H. Nicholls
Russell P. Nystedt
Jay K. Ormond
Reuben W. Peterson
John R. Redmond
Dante A. Salvetti, Jr.
John W. Tombarge
Rex M. Whitton, Jr.
Howard M. Williamson

The following-named officers of the Navy for permanent promotion to the grades indicated:

Captain, line

Henry C. DeLong
Ezra G. Howard
Harry M. Lindsay, Jr.
William A. Hunt, Jr.
William R. Smith, III
Homer H. Nielsen
William F. Cassidy
William C. Murphy
Earl K. Solenberger
Carl W. Rooney
Alfred D. Kilmartin
Robert C. Houston
Rawdon Libby
Charles H. Becker
Malcolm C. Reeves
Gorman C. Merrick
Owen B. Murphy
Louis C. Mabley
William C. Taylor
James T. Moynahan
Joseph W. Antonides
Curtis T. Youngblood
Charles H. Clark
Gordon A. Griffin
Herbert L. Ogden
Carl W. Schoenweiss
Robert M. Milner
Irving N. Klein
Norval R. Richardson
Luis V. Castro
George A. Sullivan
Wilfred A. Hearn
Harold J. Harris
John Owen
Robert P. Winkel
John M. Lee
Lewis L. Schock, Jr.
John J. Fee
James L. P. McCallum
John H. McQuilkin
Benjamin G. Wade
Robert S. Burdick
Howard Z. Senif
John R. Middleton, Jr.
Cyrus C. Cole
Richard B. Lynch
Thomas S. Baskett
Bradley F. Bennett
Mason B. Freeman
Raymond E. Doll
Hugh M. Maples
William C. Abhau
William F. Petrovic
Ben W. Sarver
Jesse B. Gay, Jr.
Ralph M. Metcalf
John N. Shaffer
Blake B. Booth
Evan T. Shepard
Robert E. Dornin
Walter A. Moore, Jr.
Grover S. Higginbotham
Noel A. M. Gayler
John A. Hack
Kenneth L. Veth
Clinton A. Neyman, Jr.
Charles H. S. Murphy
Donald N. Clay
Draper L. Kauffman
John H. Maurer
John W. McCormick
J. C. Gillespie Wilson
John J. Baranowski
James R. North
Robert S. Mandelkorn
John D. Gerwick
Fred E. Bakutis
Robert D. Lowther
Stephen W. Carpenter
Kenneth West
Robert E. M. Ward
David Nash
Chester A. Briggs
Clifford S. Foster, Jr.
Francis D. Walker, Jr.
James W. Thomson
Eugene B. Fluckey
Vincent A. Sweeney
John H. Brandt
Kenneth J. Sanger
Thomas H. Henry
John S. Barleon, Jr.
Albert R. Weldon
Norman D. Gage
Frank E. Sellers, Jr.
William B. Wideman
Eli T. Reich

James R. Carnes
John J. Foote
Henry C. Tipton
Roy C. Klinker
William C. Thompson, Jr.
Sherwood H. Dodge
William R. Barnes
Robert B. Kail
George B. Raser III
Edgar S. Keats
Frank M. Smith
William G. Jackson Jr.
Ross E. Freeman
Bruce P. Ross
Cassius D. Rhymes, Jr.
Don W. Wulzen
Marion F. Ramirez de Arellano
John A. Heath
Alton E. Paddock
Raleigh C. Kirkpatrick, Jr.
James Scott II
Norvell G. Ward
Matthew S. Schmidling
Frank K. Slason
Kenneth F. Musick
Joseph H. Wesson
Jefferson D. Parker
Jack M. Seymour
Philip F. Hauck
Robert E. Riera
Elbert M. Stever
Stanley E. Ruehlow
George Hutchinson
George L. Conkey
Constantine A. Karaberis
Edgar G. Osborn
Frank K. B. Wheeler
Frederick N. Phillips
Frederick J. Harlfinger II
Franklin G. Hess
Carleton R. Kear, Jr.
Rhodam Y. McElroy, Jr.
David H. McClintock
Thomas D. McGrath
Warren J. Bettens
Frederick M. Steisburg
Thomas C. Edrington, III.
Earl W. Logsdon
James W. Brock
Joseph S. Lewis
John W. Geist
Parker E. Cherry
Edward C. Callahan
Thomas F. Ryan
Marion H. Eppes
Robert B. McLaughlin
Oliver D. Finnigan, Jr.
John J. Flachsenhar
Warren W. Armstrong
John H. Besson, Jr.
William F. Morrison
Richard E. Harmer
Nevett B. Atkins
Walter F. Henry
Charles B. Langston
John H. Cotten
Ralph J. Baum
Robert B. Kelly
William A. Stevenson
Briscoe Chipman

Thomas R. Mackie
William S. Sampson
Walter J. East
William S. Guest
Eugene A. Barham
Edward A. Michel, Jr.
Joe R. Penland
Amos T. Hathaway
Robert W. Jackson
Richard G. Jack
Samuel Nixdorff
Dennis C. Lyndon
Louis H. Bauer
Francis M. Gambacorta
William F. McLaren
William J. Germershausen, Jr.
Alan M. Nibbs
Dwight L. Moody
Marshall H. Austin
Peter F. Boyle
Slade D. Cutter
Robert A. Phillips
Harold W. McDonald
Page Knight
Martin T. Hatcher
James H. Brown
Everett H. Steinmetz
Robert V. R. Bassett, Jr.
Burris D. Wood, Jr.
William H. Hazzard
Robert H. Holmes
Harold H. Larsen
Arthur T. Decker
Edwin B. Parker, Jr.
William A. Sullivan
George H. Cairnes
LeRoy T. Taylor
George D. Good
Wilson R. Bartlett
Ralph L. Ramey
Stephen H. Gimber
Benjamin L. E. Talman
Herman J. Mecklenburg
Kenneth G. Schacht
James H. Mini
Turner F. Caldwell, Jr.
Carter B. Jennings
Bladen D. Claggett
Harrison P. McIntire
Edwin H. Headland, Jr.
French Wampler, Jr.
George R. Lee
Leonard J. Baird
Theodore H. Winters, Jr.
Groome E. Marcus, Jr.
Gerald L. Christie
John S. C. Gabbert
Nicholas G. Doukas
Ronald K. Irving
Wilson G. Reifenrath
George A. O'Connell, Jr.
Roger M. Keithly
Sam C. Loomis, Jr.
Earle G. Gardner, Jr.
Rodney J. Badger
Wyman H. Packard
Fred Borries, Jr.
Richard H. Burns
Albert H. Bowker
Arnold H. Newcomb
Edward C. Outlaw
Richard M. Farrell
Charles H. Turner
Robert M. Hinckley, Jr.

Captain, Medical Corps

Emanuel Rollins
William S. Francis
Gustav M. Kahn
Delphos O. Coffman
Ralph C. Parker, Jr.
Ralph B. Berry
Joseph J. Zuska
Felix H. Ocko
Ronald B. Fankboner

Robert B. Jamieson, Jr.
Karl J. Palmberg
Robert B. Johnson
William S. Wray
Thomas M. Foley, Jr.
George L. Calvy
Robert B. Greenman
Joseph L. Yon

Roald N. Grant
Edward A. Anderson
Sylvester F. Williams
William F. Queen
John W. Koett
Derrick C. Turnipseed
Marshall Cohen
Bruno O. Junnila
Robert O. Canada, Jr.
James A. Grindell

John D. Walters
Edward F. Slosek
Jesse F. Richardson
Norman L. Barr
Robert H. Mershon
Clement D. Burroughs
Emmett F. Norwood
Shirley A. Fuhring
Nicholas M. Musso
John S. Shaver

Captain, Supply Corps

Delmar Ross Capell
William W. Hyland
Thomas A. Brown
Louis M. Detweiler
Joseph M. Lyle
John B. Cline
Woodbury S. Adams
Emory D. Stanley, Jr.
Warren E. Oliver

John G. O'Handley
Christian L. Ewald
Fletcher M. Lamkin
Herschel J. Goldberg
John W. Bottoms
Stephen Sherwood
Charles S. Sharrocks
Glenn W. Clegg

Captain, Chaplain Corps

Abbot Peterson, Jr.
Walter A. Mahler

Joseph P. Mannion
Samuel B. Bennett

Captain, Civil Engineer Corps

Ernest S. Bathke
Richard L. Mann
Julian W. Silliman
Joseph E. Rehler
William S. Johnson
Joseph P. Plichta

Alexander C. Husband
John H. Lofland, Jr.
James A. Bentley
William A. McManus
Earl R. Bennett
Robert D. Thorson

Captain, Dental Corps

Lloyd W. Thomas
John R. McIntyre
Charles J. Schork
Albert T. Smith
John C. Farquhar
Clarence R. Connell

Claud M. Fraleigh
Stanley W. Eaton
Conrad H. Brandt
Myron G. Turner
Edmund E. Jeansonne

Commander, line

Eli D. Ring
Joe M. Gunn
John F. Maddox, Jr.
Frederick L. Edwards, Jr.
Christopher R. Jennette
Harry L. Fitch
Paul J. Vidani, Jr.
Howard T. Scott, Jr.
Edmond H. Gentry
Deacon Hunt
Francis H. Cunnare
Phillip H. Teeter
Max C. Jack
Charles R. Dale
Stephen F. Balaban
Kenneth W. Cramp
Joseph F. Gustaferro
Lowell W. Shallenberg
Richard S. Garvey
William E. Jeremiah
Donald R. Williams
David R. Saveker
Whitney A. Erickson
Spencer Reitz
Lewis W. Jenkins
James W. Neighbours
Harry C. Cox
Constantine J. Economou
Harold W. Johnston
Eric G. Newberg, Jr.
Lewis B. Melson
William J. Corcoran
Jerome H. King, Jr.
Kenneth R. Dresser
Negus W. Knowlton
Charles W. Hurd
Donald T. Jensen
Richard G. Johnston
Glenn W. Burger
Edward W. Merkt
Ried W. Stone
Joseph A. Tvedt
Gerald "A" Robinson
Gerald E. Minor
Fredrick J. Brazil

Norman D. Hodson
David J. Walkinshaw
Kenneth M. Erskine
Herbert E. Thayer
Francis H. McClanan
Charles P. Muckenthaler, Jr.
David Silver
Forest H. McClanan
John A. Duncan
John P. Adams
Troy T. Guillory
Clayton E. Fisher
Charles M. Melhorn
David L. Berrey
Melvin E. Meahl
Louis L. Bangs
William A. Matthews, Jr.
Frank A. Yourek
Bernard McLaughlin
Marvin M. Arthurs
Albert H. Wood
William S. Lanterman, Jr.
Carl S. Baker
Adolph Mencin
James P. Doyle
James H. McConnell
Robert F. Boord
Rowland G. Lindsey
John S. Reef
Elmo D. Runyan
Wilbur N. Ginn, Jr.
Paul J. Hidding
Marvin F. Hathaway
William H. Shockey
Rudolph L. Ward
Charles B. Brouillette
Will T. Hyde
Ralph E. Deckwa
Robert G. Nichols
Mario C. Galassi
Rodney F. Snipes
Robert D. Lagle
Robert B. Ricks
Frederick G. Robinson
Warren E. MacMath
Edward F. Meinsler, Jr.

Truman O. Moore
Donald C. Campbell
Samuel B. Berrey
William E. Neely
Frederic H. Kaul
Arthur R. Bruegge-mann
Fred J. Madrigan
Frank B. Bragg
John P. Lehan
Joseph R. Tenanty
Joseph P. Keigher
Alfred C. Snider
Robert R. Esch
Gordon B. Bjornson
John F. McCarthy
Arthur R. Wooldridge, Jr.
Joseph W. Crawford, Jr.
James L. Hughes, Jr.
Herbert L. Leichter, Jr.
Horace L. Robertson, Jr.
Paul A. Gisvold, Jr.
William F. Emslie
Carl R. Merritt
Benjamin H. Troemel
George A. Sullivan
Robert G. Odiorne
Lewis Newton
George W. French
Willis L. Thomas
Daniel F. Rex
John W. Gross
Michael P. Smith
Charles E. Dunston
Wilbur T. Holmes
Raymond W. Lamka
Ralph B. Terrill
William D. Windley
Charles D. Davol, Jr.
Lewis E. Davis, Jr.
Walter V. Harlin
Richard J. Jackson
Florn L. Lee
Roy E. Burton, Jr.
Thomas A. Melusky
William A. Lewiston
John R. Baker, Jr.
Robert C. Reid
Richard A. Montfort
Leonard L. Brannan
Dean H. Swain
Theodore E. Wolfe, Jr.
William L. Pease
Joseph S. Allen
Vernon H. Larson
Charles W. Griffing
Francis R. Sanborn
Frank Osegueda
Jacob S. Paretsky
Donald K. Issitt
Everett L. Hawkins
Forrest H. Norvell, Jr.
William D. Deibler
George S. Clute
Martin L. Dana
William T. Harding
Ben T. Brown
Thomas H. Stetson
Orville D. Kellett
Harlin M. Keister
Robert R. Dupzyk
Harold G. Carlson
William J. Scott III
Carl D. Bauer
Ralph E. Cheney
Robert A. Newcomb
Frank R. Edrington
William F. Thompson
William J. Meehan III
Arnold W. Eggen
Howard F. Liebmann
Lloyd L. deLatour
Moffatt R. Plaxco, Jr.
John S. Leidel
Benjamin E. Hood
Joseph E. McManus
Guy M. Thompson, Jr.

Thomas A. Turner
Max W. J. Graham
John L. Mote
William H. Bargeloh, Jr.
James A. Kenniff
Henry E. Hollingsworth
Charles B. Gray
Richard Rodriguez
George W. McKnight
Louis J. Tobin
Columbus F. Cauthen, Jr.
Robert V. Lange
James E. Keys
John D. Malone
John W. Sparkman, Jr.
Gary W. Bishop
Elmer D. Anderson
Hugh L. Crandall
Daniel L. D'urso
Frederick E. Gorman
Will "H" Kilgore
Harry T. Danner, Jr.
Robert Stanek
William R. Ford
Samuel M. Tharp
Maxey B. Davis
Robert M. Hayler
Edgar V. Mohl
Henry S. Morton
Andrew H. Cowart
Charles L. Anceney
George H. Goldsmith
Edward C. Scully
John H. Iarrobino
Russell P. Lecklider
Raymond F. Compton
Milford A. Merrill
Harry A. Fredrickson
George J. Coleman
Robert E. Rau
Peter A. M. Griber
Allard G. Russell
Robert C. Clarke
Francis R. Roberts
Walter J. Schub
John L. Genta
Thomas J. Gallagher, Jr.
Charles O. Peters
Robert J. Monahan
Robert G. Burnett
John L. Cain
Joseph A. Riley
Sy E. Mendenhall
Robert G. Randal
Roy P. Gee
Wallace L. Talbot, Jr.
Frederick R. Myers
Robert F. Freitag
Sid W. Shelton
James F. Trawick
Barnaby L. Towle
Adolphus G. Raht
Wymard B. McQuown, Jr.
Edward W. Harrison
William N. Hatch
John L. Paseur
Champ Thompson
Robert W. Calland
Aurelian H. Cooledge, Jr.
Benjamin Tappan
George Shaw-Corthorn
James J. Davidson
Warren F. Smith
Jack A. Miller
Jack T. Dowler
David S. Butler
Jack R. Penfold
Theodore C. Schaible
James M. Marshall
Virgil H. McCraney
Thomas R. Wheatley
Julius M. Larsen
Lewis A. Hopkins
William E. Thomas

Morris I. Kalin
Edmund J. Mansueto
Paul W. Schlegel
Vernon L. Micheel
Ralph M. Wallace
Perry W. Ustick
Clifton E. Jackson
William R. Pittman
Marcus P. Horn
David G. Woosley
Neil S. Weary
Phillip W. Cobb
Allen L. Lewis
Bernard A. Fleck
Walter B. O'Neil
Henry W. Drum
Stanley H. Lane
John W. Crowe
Robert J. Baxter
John P. Keegan
William W. Schweer
Wells R. Bill, Jr.
Shelley E. Rule
Homer Tolivaisa
Frederick C. Humphreys
Gilbert V. Gullaksen
Howard J. Silberstein
Jack W. Clinton
Dwight L. Marchand
Asbury H. Sallenger
Dewey A. Ostrom
William B. Oliver
Orlan A. Soli
Bruce M. Barackman
Paul L. Holmes
Willard A. Comer
Henry J. Nickerson
Robert C. Olson
David E. Glassman
William A. Williams
Joseph B. Deodati
Rahe E. Hargrave
Renold W. Stoppelmann
Stanley R. Holm
Lawrence W. Abbott, Jr.
Charles V. Augustus
Richard F. Wolfe
Harold W. Schwerdt
Charles A. Bassett
Angy M. James
Wilbert L. Thompson
Carl N. Saldin
Lawrence G. Traynor
Clark W. Johnson
Loys M. Satterfield
Elmo L. Moss
William D. Carter
Robert A. Mayo
George B. Riley
Raymond S. Osterhoudt
Thomas L. Birch
Clyde C. Andrews
Waldo W. Clark, Jr.
George G. Estes, Jr.
John B. Bain
Alan R. McGarry
Harry B. Gibbs
James W. Logan, Jr.
Don L. Ely
Wesley E. Skill
Jack L. Morrissey
Claude A. Crow, Jr.
Fred H. Gage, Jr.
James L. Hooper
Alex N. McInnis, Jr.
Vance W. Adler
Robert S. Merritt
Robert G. Lowrie
John H. Dinneen
William H. Cullin
Harold N. Murphy
Edward G. Bull
Loyd E. Newcomer
Donald L. Schoonover
Don D. Adams
Andrew J. Kelly
Pleasant L. Murphy
Theodore E. Maurer
Allen R. Rogers
Gerald S. Richey
Robert E. Smith
John H. Jorgenson
Leroy P. Smith
Joe W. Williams, Jr.
Hugh A. Kelley
Thomas D. Martin
Robert L. Engemann
Arthur N. Melhuse
David C. Kendrick
John K. Clifford
Warren E. Spradling
Rodney G. Orr
Sidney Engelhardt
Jack L. Evans
John C. Allman
Ace Johnson
William E. Roy
Harold J. Morehouse
Leonard M. Stafford
Daniel G. Pardue
Henry C. Davis
Alfred M. Gill
William R. Austin
Robert M. Disque
James E. Whatton
David F. Loomis
Robert A. Thompson
Lawrence H. Butt
Ralph C. Scott
Ralph C. Spears
Robert C. Payne
Woodrow W. Graham
Lawrence Savadkin
Curtis W. Bunting
Donald S. Cramer
John R. Hankey
Donald M. Showers
Lester A. Redding
John A. Harman
John L. Hutchinson
Walter F. V. Bennett
Francis A. Lewis
Frederick W. Zigler
Robert H. Lemmon
Christopher J. Kersting
Vincent M. Dickerson
William F. Barry
Robert G. Black
Franklin V. Bernhard
Benjamin R. Eggeman, Jr.
Ogle W. Price, Jr.
Robert M. Ross
Harry S. Warren
Frank M. Romanick
Charles W. Sellars, Jr.
Richard O. Devine
Richard B. McNees
Bernard M. Sorem
Paul A. Newlove
James R. Wilson
James J. McMullan
Clifford E. Caton
Daniel W. Abercrombie III
James L. Cook, Jr.
John D. Brink
Lamar S. Taylor
Leonard J. Opeil
Philip G. Saylor
John S. Weiler
Jack L. Lowentrout
John R. Dierker
Gordon E. Hartley
Willi.m W. Powell
Alfred F. Blair
Lyle R. Hays
John McLaughlin
Frederick L. Yeo
Wilson B. Robertson
Robert P. Pierson
Manuel D. Vincent
James J. McDonald
John B. Jorgensen
Clifford E. Fanning
Edward V. D. Davidson
Joseph D. Drummett
Ralph E. Elliott, Jr.
William W. Kelly
Carl D. Krantz
Albert K. Earnest
Wylie M. Hunt
Charles W. Rainwater
John W. Mason, Jr.
Claude R. Frazier
William A. Rawls
George H. Sult
Shelby C. Gass, Jr.
William T. Amen
Jimmie E. Savage
Robert B. Blodgett
Greenville R. Berkeley, Jr.
Mottrom J. Ball
Richard H. Shireman, Jr.
Arthur C. Cason
Bernard Amman
Chester D. Rogers
James L. Daily
Paul J. Siegel
James D. Taylor
Carl L. Speirs
Jewell S. Fahlgren
Andreas P. Anderson
Richard Z. Hughes
Harold C. Stirling
Hollier G. Tomlin
Henry Suerstedt, Jr.
John C. O'Connor
Thomas R. McKelvey, Jr.
John C. Coulthard
George F. Nasworthy
Ciro N. V. Whited, Jr.
Paul E. Pugh
John D. Carter, Jr.
Jesse T. Barker
Clarence B. Gregg
Bennie W. Jones, Jr.
Robert J. Beaudine
Willard D. Dietz
Richard D. Warner
Nicholas Brango
Leslie J. Carr
Frederick M. Rountree
Bradford M. Dyer
Charles J. Schroeder
Robert J. Hunt
William S. Adami
Gaylord T. Forrest
Frank E. Standring
Ferdinand J. Plumer
Albert J. Mayer
Samuel H. Dinsmore
Samuel W. Forrer
Harley F. Thompson
William B. Craig
Charles S. Tanner
Dwight D. Nott
Lawrence E. Flint, Jr.
Harold E. Belew
Lawrence H. Reagan
William T. Sorensen
Matthew R. Gromada
Robert I. Myers
Claredon H. Sigley
William B. Garrison, Jr.
Harold L. Buell
John H. Bahlman
William M. Laird
John H. Bear
Arthur E. Simmons
Alan M. Thewlis
Robert W. Laughead
Wayne T. Wilcox, Jr.
Thomas R. Wheaton
Francis X Timmes
Gaines B. Turner
Chester F. Rief
William D. Baird
Gordon M. Riddick
Wayne B. Waters
James R. P. Gotch
Robert L. Thienes
Mayo A. Hadden, Jr.
Eric B. Bower
Willard W. Olson
James C. West
Frederick D. Forger
Helmuth E. Hoerner
Charles C. Aikins
Martin D. Carmody
Landis E. Doner
Harry A. Haszard
Winfred R. Prescott
Ernest S. Park
William R. Hazlett
Chester L. Dillard
Elwood B. Faust
William N. Janes
Winfield S. Munro, Jr.
Aldo A. Cipolat
LeRoy B. Fraser, Jr.
Malcolm C. Friedman
Herman J. Harders
Paul D. Halpin
Eldridge Hord, Jr.
Nils W. Boe
Eugene W. Seitz
Paul D. Culver
George T. Lillich
James D. Copeland
James W. Smith
Charles C. Stamm
Raymond L. Ettinger
Harold E. Vita
Archibald W. Curtis
Howard C. Flatau
William B. Krause
William F. Krantz
Charles F. Weiss
Virgil A. Erwin, Jr.
James B. Cain
Robert W. Gillette
Robert R. Sparks
Edward P. Stafford
Robert T. Rutzel
Robert E. Merchant
John W. Fair
Richard W. Hyde
Frederick W. Oliver
Eugene R. Hanson
John L. Butts, Jr.
Jonathan Q. Rasmussen
Joseph W. Philippbar, Jr.
Edgar L. Margolf
Carl B. Irwin
Merlin H. Staring
William A. Spalding, Jr.
Frank W. Ayers
Orazio Simonelli
Herbert C. Rand
Russell L. Reiserer
Robert S. Schreiber
Percy E. Kedigh
Frank P. Morrison
William B. Whitehurst
Colin J. Ricketts
Stanley A. Wood
Edward M. Volz
Robert J. Clinton
Harry E. Sorenson
Wade W. Lape
Nathaniel D. McClure, III
Edward J. Drozdz
John W. Shong
Roy M. Voris
John H. Pfeil
Donald H. Johnson
James E. Miller
Lloyd Dee Ruth
John Q. Carter
Charles W. Hubbell
William H. Neal III
Harry D. Metke
Charles E. Gainor
Karl H. Imholte
Gaylord B. Lyon
Richard H. Mills
Robert C. Cochran
Robert J. Daniels, Jr.
William J. Moran
Harold R. Thompson, Jr.
Michael C. Argento
Leo B. Blocker
Armistead B. Smith, Jr.
Donald M. L. Hager
Louis L. Milano
Jon E. Thomas
Edward C. Monroe

Commander, Medical Corps

Romulus L. May
Daniel M. Pino
Dwight A. Callagan
Albert J. Zuska
Albin A. Galuszka
Henry G. Wagner
Sarkis S. Sarkisian
John H. Cheffey
Rudolph P. Nadbath
John A. Pease
James A. Kaufman
Granville I. Walker, Jr.
William S. Stryker
David P. Osborne
Harry A. Weiss
William K. Hall
Earle G. Canfield
Walton L. Jones, Jr.
Gustave T. Anderson
Dean Schufeldt
Herschel C. Sudduth
Gale G. Clark
Edwin C. Sweeney
James L. Spencer, Jr.
Donald R. Childs
Harry P. Mahin
Edwin M. Leach
Francis H. Holmes

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Stuart A. MacCaffray
Richard Ironmonger
Graham C. Bonnell
John M. Malloy
John W. Graham
Edward P. O'Neill
Don C. Christensen
James W. Cartee
Norton J. Arst
Francis E. Jepson
Robert R. Campbell
Frank F. Oliver
Charles F. Healy, Jr.
Walter R. Finn
Jay W. Martin
Ralph L. Meilandt
Richard M. Hoag
Jack L. Daray, Jr.
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James L. Whitcomb
Harold F. Hayes
Richard M. Jones
George C. McCarten
Theodore B. Purvis, Jr.
Benajah L. Rainey
Leo W. Roberts
Frederick C. Mathis
Leonard E. Shea
Richard W. Geer
Robert J. Everett
Richard A. Williams
Brownlow W. Dunlap
Julian S. Macaulay
Frederick H. Vogt
John W. Simcock
Walter H. Clark, Jr.
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Louis B. Wagner, Jr.
Lamar D. Patton
George Henry, Jr.
Charles W. O'Toole
Winfield G. Knopf
Douglas H. Lyness
Henry S. Nisbet, Jr.
Ralph E. Williams, Jr.
Robert L. Ellis
Martin J. B. Kahao
Stuart H. Smith
Leonard G. Honey
Alan M. Hamersley
John D. Custer
Ernest M. Joyce
Ernest W. Rogers
Joseph H. Lillis
Floyd Loomis, Jr.
Robert W. Kirby
John P. Allen
Fred I. Mather
Philip Troth
Rudolph M. Peterson
Frederick D. Harrison
George W. Peterson, Jr.
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Claude A. Clefton
Charles A. Kasdorf, Jr.
Karl A. N. Sorensen
Theodore L. Hughes
Thomas C. Mason
William A. Mann
Philo F. Willetts
Harold R. Clark
John W. Vaklyes
Edward L. Kubacki
William G. Leary
Robert B. Edwards
Frederick D. Muir, Jr.
Niels H. Anderson
Radford H. Severance
Bert Smith
Hunter W. Stewart
Peter M. Lindsay
Dwight M. Botkin
Rex A. Bradley
George L. Voegeli
James M. Brogan
Robert H. Tobias
Willis T. MacKinnon
Richard S. Balch
George W. Harper, Jr.
William B. Gregg
Henry D. Linscott, Jr.
Frank E. Crane, Jr.
George J. Braun, Jr.
Louis F. Washburne, Jr.
Francis C. Rutherford
James L. F. Hennessy
Jack L. Graham
William H. Storck
John F. Tynan
Ralph L. Hashagen
Loyd S. Bjorlo
Robert E. Holt
Richard T. Power
Sumter E. Dorrance
Louis H. Litchfield, Jr.
Bryant W. Russell
John D. Smith
Dan C. McNeill
Edward J. Shaughnessy
Allan B. Zerfoss
Benjamin S. Gantz, Jr.
Scott K. Anderson
John S. Coiner
Winston L. Adair

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Robert A. Vaughan
Julian P. Moorman, Jr.
Hugh C. Embry
Robert F. McComas
James A. Alley
Arthur M. Kulinski
James D. Hester
George A. Wright
Oswald B. Salyer
Richard W. Ricker

Howard A. Seymour
James E. Reaves
Alden A. Read
Cyril Best
Joseph D. McDonald
Herman J. Schnurr
Max G. Beck
James R. Marks
Herbert C. W. Albrecht
Paul C. Morton
Emmett T. Michaels

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Spencer R. Smith
Harold I. Taylor, Jr.
Arthur S. Huey, Jr.
William T. McCaffrey
Daniel E. Connolly
Samuel C. Gill, Jr.
Anthony R. Cartelli
William T. Clampet
Charles K. Urlass
Harry C. Wills
Joseph R. Braheney
Verne M. Tregonis
Charles Allegrone
Charles A. Reilly, Jr.
James C. Castanes
Joseph J. Smisek

Commander, Dental Corps

Eugene J. Lofgreen
Howard P. Gleisten
Theodore C. Sample
John A. Parker
John P. Jones
George L. Cermak
Craig A. Stewart
John B. Ferris
John C. Robie
Rupert S. Walker
Edward R. Hildreth
James G. Rogers, Jr.
Eugene A. Walsh
Arthur J. Loring
George E. Dudley
Furman L. Sheppard
William J. Harrison
Jan F. King
George M. Smith
Raymond H. Friesz
Melvin R. Leonard
Byrnes E. Missman
William A. Aldridge
Lawrence Young
Francis W. Cook
Syrus E. Tande
Harry H. Fridley

Commander, Medical Service Corps

Frederick C. Jenks, Jr.
Sylvester R. Foley
Charles L. Crawford
Joseph J. Glawson
Ellsworth B. Cook
Stanley W. Handford
Frederick E. Batterson

Commander, Nurse Corps

Gladys E. Dvorak
Clara L. Lampp
Margaret L. Haley

Lieutenant commander, line

Denver G. Sliger
Louis Curra
Richard G. Shiers
Charles R. Lindler, Jr.
Ernest E. Bartlett, Jr.
William J. Tipler
Walter P. Hoffman
Donald D. Causer
Frederick A. Lovell, Jr.
Harvey L. Lively
Thomas W. Towne
Frank M. Lacey
Charles P. Blades
Robert T. Jones
Samuel N. Groves, Jr.
William K. Otterlei
John P. Pabarcus
Charles B. Brown
Martin T. Williams, Jr.
Howard A. Thibodeau
Richard S. Bates
Richard E. McMahon
Harold E. Holly
Lanier G. Cole
Edward D. Napier
Albert VanAcker
Richard L. Ploss
John I. Bryan, Jr.
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Harold B. Price
Ralph F. Jackson
Norman E. Leach
Warren L. Caldwell
Martin J. Travers
James E. Brown
James J. Lowry
Harold E. Baumberger
Luis A. Dasso
James J. Brosnahan
Robert E. Howard
Glenn H. Brown, Jr.
Ellis E. Stewart
LuReign Sutton
Horace B. Moranville
Robert C. Holmes
Robert J. Underwood
Donald L. Dunklee
Roy S. Cornwell
Albert E. Lukasik
Edwin B. Flory
Benjamin W. Adams
Ralph T. Howell, Jr.
Millard H. Nagle, Jr.
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Conrad S. Shinn
Robert P. Taylor
Richard L. Soncrant
Earl W. Hansen
Harold W. Jeffery, Jr.
Bernard J. Brady
Cass E. Phillips
Herbert E. Bailey
Bobbie P. Moore
Robert J. Buchal
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Louis D. Chirillo
Robert F. Vales
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Paul V. French
Orval J. Washburn
William E. Rohde, Jr.
John R. Bicknell
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Claude D. Tate
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William H. Hubbard
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Walter E. Scholz
James A. Homyak
Edward H. Howard
John C. Wilschke
Clyde G. Hunt
Harvey K. Dunning
Melvy M. Brown
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William F. Bland
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Thomas L. Roberts
James W. Porter, Jr.
Edward J. Foote
Kenneth "J" Cory
Robert N. Brown
Ralph L. Walker
Clarence L. Parsley
Robert W. Ramey
Harding C. MacKnight
Frank E. Kadel
George Swint III
Gerald McMorrow
Hugh J. Tate
George M. Gauen
Olen G. Giles
William R. Eason
Billy Carroll
Lewin A. Maberry
Charles M. Vehorn
John F. Tierney
Alfred J. Hall, Jr.
Donald M. Phillips
Bernard A. Andrade
Ralph N. Alford
Randal N. Atkinson
Carl Weisse
Ross R. Truesdale
Richard W. Briggs
George O. Baldock
Maurice E. Beaulieu
Jerome W. Beaudoin
Bob Scott, Jr.
Marvin W. Greenstein
Edmund Glennon
Richard S. Downey
Laurence M. Ellefson
Thomas G. Slattery
Alton R. Henson
Patrick L. Sullivan
Herbert S. Matthews, Jr.
Marion R. Gallagher
Richard M. Clark
Raymond Gorman
Charles E. Little
Richard C. McEwen
Richard W. Widdicombe
James L. Ball
Jasper C. Kilgore
Donald C. Harvey
Ralph E. Blad
John S. Christiansen
William A. Lindsay
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Howard R. Mitchell
Arthur H. Munson
Ernest J. Rowett
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Dickey Wieland
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James F. Stone
Charles D. Robinson
Jack O. Crites
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Ernest E. Wilson
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Myron R. Kalnitzky
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Milo W. Mosser, Jr.
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William B. Chamberlin
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Russell K. Prout
Ferris L. Farrell
Samuel Hopkins, Jr.
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Robert E. Murray
Jack A. Larsen
Walter W. Alldredge
Ira K. Kruger
Bruce B. Smtih
William A. Gatlin
Kendall C. McCallum
Derald E. Haugh
Edwin R. Ross
Boyd Thomson
William H. Abney
Saul W. Herman
John W. Holcomb
Bryce D. Inman
George L. Tarleton
James C. Caskey
Lawrence H. Baker, Jr.
Chester L. Petersen
Virgil V. Lane
Frank O. Spencer
Howard F. Wiley
Alvin E. Pawelczyk
Willard L. Bushy
Edward P. Barkley
Ralph W. Gant
Clarence E. Otto
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Louis J. Frketic
John LaCava, Jr.
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Harold E. Stewart
Robert R. Garrett, Jr.
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Morris M. Devlin
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Bruce C. Rasche
Paul H. McAfee, Jr.
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Charles J. Reidl
Robert E. Felten
Joseph L. King
Lee A. Bagby
Harold D. Trettin
Albert W. Vittek
John W. O'Neill
Mercer L. Jackson, Jr.
Ranald F. Graham
Thomas D. McBride
John E. Raymond
John D. Welsh
Warren H. Love
Edmond D. Kemp
Sherman C. Cagle, Jr.
William L. Wilkinson
Walter A. Foley
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Robert F. Lyons
John F. Dow
James C. Henderson
Ernest Roycraft
Neal M. Tate, Jr.
Harold G. Hanson
Arthur L. Soholt
Rex "E" Hawkins
Nolan H. McDade
Charles E. Hilgel
Peter T. Gurtler
John D. Alden
Charles M. Hoblitzell
Joseph M. Frosio, Jr.
Stephen L. Rusk
Louis L. Cowsert
William H. Pattillo
James E. Taylor
Walter V. Collins
Orville L. Tomlinson
Robert W. Miller
Guy C. Brown
R. K. Stewart Cole
James R. Zeitvogel
Troy C. Beavers
Floyd Juillard
Edwin C. Moore
Harold R. Tall
Calvin Burkhart
Marion L. Courtney
Arthur R. Goodall
Donald W. Fledderjohn
Thomas J. Murnighan, Jr.
Stanley H. Blumenthal
Robert C. Sullivan
Carl B. Tanner, Jr.
Louis "B" Hoop, Jr.
John L. Kellogg
Birton E. McMullen
Charles L. Brooks
Leslie A. Clark
Francis E. Gahagen
Robert P. Smyth
Vernon J. Sistrunk
Charles H. Bowen, Jr.
Robert C. Jackson
Adrian B. Rhodes, Jr.
James P. Pruitt
Vernon R. Fierce, Jr.
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James E. Stevenson
Roger D. Nelson
Thomas R. McLenaghan
Joseph R. Faulk
Charles A. Dunn, Jr.
Floyd A. Newell
James F. Tuttle
Leroy R. Mix
Clayton M. Emery
Herbert Latch
John W. Davis
Darrell "C" Bennett
Wallace I. Anderson
Bruce C. Barry
Russell O. Burnham
Russell E. Brown
Harold R. Gentry
Jene M. Bixler
Clifford J. Oas
Marlin D. Roberts
Lawrence A. Dewing
Donald D. Everman
Richard L. Warren
Richard D. DeLauer
LeRoy K. Jordan
Langdon S. Farrand
Leon V. Barr
Lester B. Lampman
John C. Callahan
Henry G. Cleland, Jr.
Juel Griffin, Jr.
Eugene J. Tougas
George M. Clingan
James B. Barnette
Herman Mayencourt
George W. Fairbanks
Eston D. Lawrence
Anthony J. Mazur
John K. Everson
Clarence D. Lynn
Edgar L. George
Harry E. Rorman
James T. Meadows, Jr.
Herbert A. May
Robert C. Parker
Arthur R. Kelley
Ted R. Tharp
Gordon C. MacKenzie
Dean M. French
Theodore Sawick
George V. Gross
Frank C. Daniel
Franklin S. Bergen
John T. Murray
Gerald J. Langevin
James A. Payne
William H. Shaw
Robert G. Read
Richard H. Doolittle
Richard J. Plante
James K. Athow
Jack A. Walker
Roland M. Garner
John Jan
William O. Earl
Harold F. Snowden
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Jerome L. Wolf, Jr.
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Arthur W. Howe III
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Orville S. Brownlee
Frank D. Barlow
Clyde Gilmore
James W. Ewing
Simpson Evans, Jr.
Lee V. Howe
John J. Smith
Francis L. Collins, Jr.
Evald Holmgaard
William L. Reardon, Jr.
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William H. Jakes
Robert J. Burns
Stanley C. Schold
Robert S. Heid
James E. Boyle
Edwin J. Bates
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Edward A. Taylor
George M. Hayes
William H. Etter
Tharrell W. Davis
Joseph E. Feaster
Robert L. Richardson
John D. Working
Robert F. P. Desel
William S. Johnston
Robert H. Curtin
Horace Riley, Jr.
Lloyd A. Kurz
Charles R. Wilhide
Joseph H. Roche
Harry R. Miller
Matthew J. Schwartz
Richard E. Kipe
Arnold M. Granat
Veriel E. Sanderson
Frank W. Blake, Jr.
Robert L. Severns
Herbert J. "A" Hillson
Samuel A. Sparks
William C. May
John Burkholder
John E. Cousins
George Koen
Harold Nagel
Thurman E. Smithey
Lavon C. Schmidt
Robert J. Maghan
James E. Garlitz
Oscar Folsom, Jr.
Robert E. White
Richard Lee Davis
Benjamin C. Horton
Kenneth "B" Lake
Robert S. Neasham
Jesse S. Cleveland
Sutton "L" Jaynes
Hector C. Cyr
Bryce L. Clack
Jack H. Robcke
David W. Ludwig
Reginald M. Williams, Jr.
Thomas H. Riggan
Lewis L. Jennison
William W. Writt
Robert L. Schexnayder
Floyd "M" Barkley
Ralph I. Grigsby
Gene C. Tenold
Albert G. Wright III
Harry E. Fitzwater, Jr.
Robert D. Fulton
Floyd D. Richards
Vernon R. Shaw, Jr.
Lewis H. Neeb
Donald R. Gillespie
Elbert W. Parrish
Peter Karonis
George C. Wadleigh
William F. Brennan
John G. Long
Robert E. Gayle, Jr.
Milton O. Allen
John K. Ostermiller
Gerald P. Corrigan
William F. Abernathy
Jackson E. Woolley
Harold R. Gordinier
Richard J. Dunn
John S. Herman
Vincent P. O'Rourke
Joseph H. Goodpasture

Franklin I. Heule
Clifford L. Giebler, Jr.
Thomas D. Quinn
Jackson L. Koon
Robert D. Carleton
James L. Rothermel
Thomas J. Quick
Robert J. Norman
Carl B. Ditto
James E. Phalan
Vernon J. DeRoco
Ned Miller
Charles W. Pfiester
Vincenzo Lopresti
Brand W. Drew
Allan W. Mills
Harold J. Goodnow
Harley J. Pierce
Eugene R. Perry
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Glen W. Gilbert
Robert W. Vollenweider
Paul H. Barkley
Robert R. Henry
Luke O. Conerly, Jr.
Glen G. Miller
Robert E. DuBois
Herman W. Kreis
Merrel Lemons
Edgar J. Boudinot, Jr.
Ralph J. Mattus
Maley O. Cramer, Jr.
Robert L. Rice
Joseph T. Glab
Ernest L. Zimmerman
John G. Hansen
Daniel C. Wells
George R. Rymal
William E. Stanton
Warren T. Meadows
Ralph W. Collins
George M. Bell
George K. Bywater
Albert Schellenberg
Marvin A. Mosely, Jr.
Wesley N. Edmunds
Charles L. Teevan
Dale W. Fisher
Gordon L. Kearsey
Benjamin F. Briant
Ralph R. Herms
Thorval L. Berg, Jr.
William J. Westmoreland
Sherman C. Black
Saxton A. Weir, Jr.
Joseph V. Pavela
Robert G. Coleman, Jr.
Wesley "E" Lizotte
Robert A. Niles
Frank G. Kingston
William F. Bley
Forrest B. Forbes
Charles W. Henderson
Albert R. Groves
Carl E. Smith
Robert D. Chilton
Trond G. Brekke
Clarence A. Borley
Donald A. Swanson
Robert E. Orcutt
Charles V. McGlothing
Lawrence W. Kelley
Raymond J. Dooley
John B. Thomas, Jr.
Wallace V. Van Pelt
John E. Schlembach
Willis P. Duhon
Victor J. Neil
Edward J. Steffen
Edward M. Eakin
Charles L. Otti
William I. Bristol
Eldon L. Michel
William E. Edwards
Harold A. Willyard
Harvey M. Waldron, Jr.
Thomas H. Drinkwater
Joseph F. Kelly, Jr.
Robert E. Arthur
David L. Forrester, Jr.
George F. Guyer
Robert H. Morris
Wayne L. Dowlen
Merdin C. Criddle
Frederick C. Turner
William C. Hartung
Milner N. Shannon
Robert Juarez
Darrel H. Jay
Walter C. Clapp
Duane M. Krueger
Allen C. H. Merz
Homer S. Elliott
Stanley F. Abele
Edmund J. Maddock
Parker C. Cooper
Frank S. Siddall
Harry W. Swinborne, Jr.
Harold K. Von Egger
Marlar E. Stewart
Robert W. Mead
George E. Buker
Samuel J. Brocato
Harris F. Gustafson
John A. Fahey
Charles W. Callahan
Joseph Rolleri
Keith G. Fletcher
James L. Baxter
Thomas A. Featherstone
Ralph W. Corson
William T. Shipes
Hugh N. Batten
Vann E. Savage
Gerald W. Stoddard
Andrew Hulshof
Merrill K. Martin
Owen A. Roberts
Robert S. Harward, Jr.
Robert E. Morris
Wilbur L. Stallings
Robert L. Pierce
Joel E. Tilley, Jr.
Carl J. Seiberlich
Paul Bugg
Thomas B. Longley
Louis R. Emme
Dean G. Fleming
Arthur D. Gordon
Charles N. Scarborough
Ashley "R" Hodges
Nils A. A. Carlson
Harley G. Salisbury
Conner M. Petrie, Jr.
Frank S. Howland
"J" "A" Linn
William J. Hess
Floyd K. Clymer
Joseph F. Stanfill, Jr.
Clyde E. Crowder
Benjamin Hashmall
John T. Dempster, Jr.
Warren L. Gibson
George W. Loveridge, Jr.
Leonard D. Welch
George E. Franklin
Wilbur W. Warlick
Albin Marn
Harry E. Carter
Harry N. O'Connor
Joseph P. Tidwell
Robert W. Reeve
Thomas C. Young
Edwin W. Matthews
Joseph "S" Reedy
Warren F. Paris
Almon "P" Oliver
Lyttleton T. Ward
Joseph L. Coleman
Robert P. Heekin
Willis E. Hardy
Edward Iglesias
Edgar L. McNett
Richard E. Duncan
Thomas W. Teal
Clarence R. Meissner
Howard K. Wallace
Paul F. Lorah
Edward J. Lawrence
William S. Hertig
James M. Bouldin
Harold R. Eyer
Riley T. Folsom
Wallace E. MacDonald
Ralph R. Caruthers
Warren C. Richison
Addison R. English
Robert S. Sherman
Joe J. Culotta
William B. Dever
Edward G. Kelley
John A. Mattison
Douglas G. Parramore
Joseph R. Stroupe
Louis J. Schoenfeld
Donald B. Long
Lloyd W. Moffit
Charles E. Rodgers
Keith J. Evans
Rex Harbert
John F. Ivy
Loren J. Roberts
Robert L. Moore
Paul A. Hunt
Robert G. Blakely
Richard D. Blair
George R. Becker
William F. Adams
Elwood Vaughan
Theodore F. Drag
Kenneth Richardson
James E. Plowden, Jr.
Willis J. Boo
Thomas E. Bager
John P. Dutton
Omar F. Keith
George Wilder, Jr.
Champ C. Mulligan
Daniel B. Delly
Max G. Freudenberg
Francis E. Carnicom
Lester D. Carter
Jack G. Churchill
Harold M. Dubree
William L. Perkins, Jr.

Lieutenant commander, Medical Corps

James P. Semmens
Newman A. Hoopingarner
Edward Martin, Jr.
Richard F. Dobbins
John W. Howard
Thomas C. Deas
William T. Lineberry, Jr.
Robert L. King, Jr.
Robert H. Lemmon
Robert E. Rowand
George T. VanPetten
James R. Dineen
Robert L. Burdick
Richard D. Nauman
Frederick W. Meyer, Jr.
John G. Esswein
Carleton J. Brown
Garner L. Lewis
Bruce F. Baisch
Jack T. Jones, Jr.
Fred A. Valusek
Charles W. Lewis, Jr.
Adolphus W. Dunn
Charles E. Rogers

Lieutenant commander, Supply Corps

LaVerne L. Siembt
John C. Pyle
Robert N. Adams
William M. West
John C. Standish
Gordon P. Christensen
Henry T. Barrett
John F. Bayer
Harold C. Gwynne, Jr.
Edward H. Clark
Fordham D. Tabor
Edwin L. Duke
James O. Tillman
Raymond E. Purviance, Jr.
Warren G. Hopkins
John G. Ooyman III
Herbert L. Johnson
Richard R. Koontz
Leslie E. Lobaugh
William A. Johannesen
Robert H. Madden
Howard C. Milliren
Roger W. Brown
Rupert E. Graham
John J. Long
Merlin L. McCulloh
William H. Conry
Ross P. Hubert
Frank O. Maugans
John A. Whitver
John P. Szyperski
Richard M. Davis
Charles A. Matthews, Jr.
Warren R. DeYoung
Frank E. Baldwin
Donald G. Van Riper
Robert W. Wilson
Wainard H. Sparks
James D. Bordwell
Albert V. Scaturro
John C. Leach
Wayne S. Henderson
Frank L. Jenne
William M. Adamson
Lewis C. Chamberlin
Philip Beilock
Thomas J. McDermott
Roy E. Neufeldt
Donald A. Needham
John E. Aicken
John J. Danko
Robert W. Cooil
Eugene I. Murray
Roland W. Breault
Jay E. Larson
Robert H. Pilkinton
Vincent H. Higgins
Edwin E. Bramhall
Lyle A. Stearns
William S. Langley
John T. Robison
Donald F. Baumgartner
Herbert J. Hackmeyer
Joe G. Schoggen
Paul W. Eldridge
Ray S. Ewing
Bentley L. Wilson
Houston W. McGlothlin
Robert C. Lyons
Lennus "B" Urquhart
Thomas M. Brown
Thomas J. Emmett, Jr.
Gordon L. Groover, Jr.
Frank H. Whitchurch
Charles A. Vasey
Alfred G. Lachmann
William B. Farley
Frank L. Pearce, Jr.
John L. Foil

Lieutenant commander, Chaplain Corps

Oscar Weber
Arthur L. Dominy
Wendell S. Palmer
Robert C. Fenning
Joseph P. Cusack
William G. Tennant
Thomas B. Uber II
James E. Emerson
Richard P. Heyl
Elmo M. T. Hawkins
William F. Doyle
Edgar A. Day

Lieutenant commander, Civil Engineer Corps

Jerome W. Roloff
LaVern Pyles, Jr.
Richard O. Jones
William C. Anderson, Jr.
William R. Reese, Jr.
Henry S. Grauten
Roland D. Hill
Earl F. Gibbons

Lieutenant commander, Dental Corps

Elwood R. Bernhausen
David V. Castner, Jr.

Lieutenant commander, Medical Service Corps

Harold G. Donovan
Lester K. Thompson
Russell S. Nance
William B. Hull

Lieutenant, line

Ernest H. Schorz
William F. Wade
John A. Bayers
Walter L. Alt
James R. Bell
Neal Kincannon
Richard L. Alford
Milton C. McFarland
Louis C. Potter
Harry E. Betts
Dean E. Webster
Robert C. Smith, Jr.
Kenneth M. Sandon
Albert B. Hallman
Donald Hubbard
James F. Murphy
Frederick H. Gralow
Charles A. Luff, Jr.
Benjamin B. Fowke
John R. Crumpton, Jr.
Ronald H. Jermstad
Patrick P. Billingsley
George B. Rothrock, Jr.
Lloyd C. Wholey
Howard N. Kay
William L. Redmon
Robert J. Harlow
Maclyn K. Russell
Robert M. Young
William W. Holm
Richard D. Schwartz
John Evasovich
Richard W. Bates
Joseph J. Braun
John G. Wissler
Hubert B. Loheed
Edward Frothingham, Jr.
Preston D. Hall
Robert C. Allen
Thomas E. Reilly, Jr.
Robert B. Lyle
Harry E. Beliflower, Jr.
William "E" McLuckie
Oral J. Bilderback
Arthur L. Markel
Leonard H. Nettnin
Ralph C. Knight
Morris R. Grady
Arthur S. Schlofman
John C. Vogel
Frederick R. Lafferty, Jr.
Robert W. Somers
George M. Bates
Herbert S. Kline
William A. Staff
Raymond I. Gornik
Lee R. Marshall
Stanley R. Hawe
Wade H. Harris
Alfred J. Reichel, Jr.
George C. Hafner
Joe P. Howell, Jr.
William W. Lee, Jr.
William L. Murphy
Duane A. Tarpenning
Robert P. Armstrong
John L. Everngam, Jr.
Albert G. Henry, Jr.
Daniel M. Morris
Kenneth D. Fosnaught
Stanton B. Garner
Aimo M. Saari
Thomas E. Maloney
Robert T. Styer
William L. Mumma
Howard S. Crosby
Charles M. Lane
Harry E. Hunt
Robert R. Neely, Jr.
John A. Grauer
Paul R. Tripp
David L. Hartshorn
James B. Overton
Edward J. Cronin
David A. Hurt, Jr.
Laurens Dorsey
Richard H. Sprince
Lewis L. Dobbs
Jerry A. Pacilio
Hugh B. Rardin
John Ruggiero
Wesley L. Ralston
William L. Neubauer
Burdett A. Otis, Jr.
Carlos C. Villarreal
Andrew McIntyre
James E. Liles
Robert T. Wurzbacher
Richard E. Lewis
Ray C. Pittman
Ruell A. Searson
Robert W. Hall
Edward F. Stacy
Lawrence C. Warren
Stanley W. Birch, Jr.
Stewart E. Tangeman
Lee S. Houchins
John L. Hotes
Claiborne S. Bradley
Paul D. Lawler
William J. Brantley
Charles DeArmond
Ernest J. Gray
James W. Kissick, Jr.
Robert P. Nottingham
Roderick B. Moore
Albert F. Lovata
Emory R. Sourbeer, Jr.
John M. Brozena
Richard M. Bellinger
Alan L. Jansen
Chester J. Hardenburg, Jr.
Ralph T. Phillips
Charles A. Whitmore, Jr.
Joseph F. Hall
Claude M. Stephenson
William L. Newell
Floyd E. Hower, Jr.
Richard C. Guess
Joseph P. White
Donald A. Gillham
Albert F. Shimmel
Thomas E. Davis
Elwin R. Harris
Henry B. Johnson
William Abromitis, Jr.
James R. Trommlitz
Eldon W. Brown, Jr.
Edgar W. Harlan
Robert A. Zajichek
Donald S. Ross
George M. Schrauth
Harold F. Knudsen
Benjamin G. Allen
Richard H. Crangle

Robert J. Martin
Louis S. Bilyk
Louis H. Simmons
Russell R. McKechnie
Kyle H. Woodbury
Norman L. Dunbar
Robert C. Kaiser
Louis Kriser
Joseph T. Erk
Stewart P. Crowell, Jr.
Keith H. Robertson
Norwood W. Bullington, Jr.
Alex R. Dunn, Jr.
Paul G. Bryant
Robert E. Tigner
Thomas E. Alexander
Thomas P. Cheesman
William A. Lebert
Norbert L. Bausch
Donald A. Cook
Archie E. Benton
Murray Menkes
Carl E. Blaes
Stanley Williams
Earl R. Krieger
Horace "B" Chambers, Jr.
William D. Mallinger
James E. Myrick
Charles W. Hines
Richard L. Lombard
Richard H. Nickerson
William R. Fisher, Jr.
Glenn W. Ward
Charles E. Waring, Jr.
Martin F. Bremus
John A. Chalbeck
Joseph E. Coogan
Robert L. Jasmin
Richard E. Nicholson
Karl R. Thiele
Robert F. Valentine
Richard K. Watson
Paul A. Peck
Arthur J. Storeide
Emil M. Eyler
Bailey D. Sterrett, Jr.
James C. Greer
William E. Conniff, Jr.
Arthur Landis, Jr.
Peter A. Williams
Daniel Balish
Richard J. Springe
Frank J. Shoemaker
Clarence E. Parker, Jr.
Charles R. Hannum
Michael L. Childress
John K. McConeghy, Jr.
Harlan R. Purdy
Ernest E. Rivers
Donald T. Fitzgerald
Jack N. Sherwood
Joseph J. Paulis, Jr.
Charles H. Langton
Robert Hall
Roy C. Anderson
David W. Robertson
Henry T. Settle, Jr.
Raymond B. Corob
Thomas H. Nugent, Jr.
William T. Chipman, Jr.
Syd "A" Bennett
Charles Z. Hanus
Jack K. Johnson
Henry Remsen
Robert C. Wood
Eugene H. Whittlesey
William H. Kernan
Robert G. Keller
Robert D. Duncan
Ronald S. Burton
Dan R. Nolen
Warren C. Graham, Jr.
Thomas D. Nabors, Jr.
John C. Pedersen
Phinehas S. Newton, Jr.
Norman O. Larson

John Abbott
William G. Lalor, Jr.
David W. Olmstead
Charles E. Reid, Jr.
Norton D. Harding, Jr.
John C. Barrow
Henry B. Barkley, Jr.
Donald A. Smith
Harold L. Terry
William L. Martin III
William R. O'Connell
Donald E. Craig
Edward J. Otth, Jr.
Warren R. Brown
David E. Gates
George E. Morgan, Jr.
Robert S. Moore
John H. Alvis
Warrington C. Cobb
Richard C. Slusser
James H. Webber
John C. McCoy
Lloyd N. Hoover
Donald W. McCracken
John R. Walker
Jerome E. Nicholson
Robert R. King, Jr.
Stanley T. Counts
John E. Draim
John C. Humphrey
Charles E. Martin
John T. Rigsbee
Benjamin W. Taylor
Robert W. Bulmer
William A. Daniel
William A. Vogele
Victor G. Kreck
John A. Conkling, Jr.
Thomas W. McNamara
William A. Skinner
Julian Platon, Jr.
Herman E. Fritzke, Jr.
Norman L. Kaufman
George H. Davis
William A. Nickerson
Raymond W. Gresham
Gerald McNulty
Eugene I. Finke
Thomas F. Wentworth, Jr.
Joseph W. Golden
Bertrand T. Sperling
William A. Bunker
Michael Bisceglia
Carl Birdwell, Jr.
William J. Dixon
Arthur D. Lamb, Jr.
Douglas L. Newgard
Myles P. Vayo
Samuel J. Rose, Jr.
William E. Llewellyn
Lewis M. Moss
Homer J. Swope, Jr.
Bertram R. Carraway
Dale E. Barnes
Paul S. Fauks
Hugh M. DeJarnette
George F. Comstock, Jr.
Robert Ennis
Joseph D. Duddleston
Lionel M. Noel
William L. Bryan
Harold Nemer
Rollin W. Bloomfield
Thomas J. Walters
Jack E. Keller
John H. Keane
James V. Haley
Dennis C. Stanfill
James W. Carpenter
Richard M. Shrewsbury
Reid Stringfellow
Keith R. Bare
Edward J. Klapka
Douglas L. Barker
Paul D. Roman
Frithiof N. Sagerholm, Jr.
Allen H. Balch

Glenwood Clark, Jr.
William J. Sawtelle
Waldo L. Born
Thomas M. Kastner
Reynolds Beckwith
Robert E. Fellowes
Mark B. Lechleiter, Jr.
Daniel B. Stiegman
William J. Norris
John M. Nickell, Jr.
Leonard F. Vogt, Jr.
Roger M. Boh, Jr.
Edward R. Day, Jr.
Harvey K. Sims
Richard A. Claytor
Harry N. Farnsworth
Joseph R. Morgan
Edward C. Waller III
Roy R. Grayson
James H. Wilson
Charles A. L. Swanson
Edward O. Dietrich
Reginald M. Machell
John C. Dixon, Jr.
Charles M. Walker
Robert L. Lawler, Jr.
Paul H. Mozley
Isaac F. Jones, Jr.
Richard A. Frost
Harvey S. Henning, Jr.
Robert "J" W. Klimetz
James E. Edmundson
Harry D. Train II
James D. Murray, Jr.
Robert G. Stammerjohn
James R. Garner
Charles W. Meyrick
Robert C. Jacobson
Charles G. Erb
Richard G. Thomson
Stanwix G. Mayfield III
Major I. McCreight III
Dean T. Ousterhout
John H. Hoganson
Milton Gussow
Harry E. Thomas
Kenneth M. Carr
Robert J. Eustace
John C. Bajus
Robert L. Leydon
Edward L. Alderman
James E. Williams
Thomas T. Seelye, Jr.
James B. Morin
Samuel R. Chessman
John G. Landers
Gordon E. Raymer
James R. Page
Marland W. Townsend, Jr.
Arthur C. Derrick
James D. Watkins
John B. Foster
Kenneth E. Cornell
Thomas J. Kilcline
Douglas B. Guthe
Gerald F. Smith
Henry W. Egan
Robert W. Kennedy
Anthony L. Palazzolo
Frank P. Schlosser
Richard J. Peterson
William H. Meanix, Jr.
William C. Doby
David B. Miller
Albert A. Schaufelberger, Jr.
George G. Brooker
Kenneth A. Porter
William M. Place
John W. Green
William S. Guthrie
Charles O. Swanson
Gerald E. Synhorst
Carlos D. McCullough
Charles C. Carter
James D. Butler
Stuart N. Templeton
Wilbur H. Sample
William Mohlenhoff

Gerry M. McCabe
Edmund A. Miller
Martin J. Katcher
Ralph E. Wilson, Jr.
James D. Whyte
Richard M. Romley
Elias Venning, Jr.
David O. Gudal
Robert L. Volz
John H. Thayer
Jean S. Clauzel
Richard B. Campbell
Edward V. Laney, Jr.
Paul J. Myatt, Jr.
James R. Dughi
Fred S. Newman
Shepherd M. Jenks
Frederic W. Smith
Kenneth E. Enney
Loyd F. Galyean
Edwin L. Dennis, Jr.
John M. Donlon
Harry W. Morgan, Jr.
Vernon P. Klemm
Edgar A. Rawsthorne
Thomas P. McGinnis
Charlie J. Clarkson, Jr.
Albert J. Weil
Gerald R. Jones
Vern M. Yates
Stanley W. Curtis, Jr.
George L. Norman, Jr.
Randall W. Young
William C. Dotson
Calvin E. Rakes
Bert Myatt, Jr.
Charles C. O'Reilly, Jr.
Louis C. Page, Jr.
Wynn F. Foster
John P. Gartland
Lawrence R. Allen
Winfred L. Buckingham
William E. Tillerson
Homer L. Smith
Robert G. Aldrich
Carl R. Brandt
Frank S. Malm
Robert J. Anderson
Otto E. Krueger
Donald A. Sumner
John J. O'Rourke
Dean W. Miller
Charles J. Youngblade
Vern K. Hugus
William S. Kremidas
James R. Foster
David Rust
Harold E. Hamilton
Presley E. Ellsworth III
Robert C. James
Oren A. Peterson
William F. Quarg
Edward S. Carver
Albert L. Jenks, Jr.
Richard O. Rudd
Robert S. Clark
Alan Y. Smith
Robert C. White
James A. Donovan
Stanley S. Fine
John E. Marshall
James H. Green
Whittier G. Davis
Malcolm E. Phares
Herold L. Seligmiller
Charles P. Hary, Jr.
Eugene S. Ince, Jr.
Harry J. Post
Jurgen H. Miller
Ralph M. Ghormley
Fred G. Baur
Herman W. Jones
John T. Metcalf, Jr.
Thomas H. Wilson
Dempsey Butler, Jr.
Guy M. Neely, Jr.
Herman A. Stromberg, Jr.

Nelson W. Eaton
Robert D. Provost
Donald F. Munday
Eugene J. Reiher
Wayne J. Spence
John L. Greene
Keatinge Keays
Jack E. Baltar
Harrison B. Southworth
William R. Broughton, Jr.
Gerald L. Burk
William H. Somerville
Charles P. Moore
Paul E. Smith
Richard A. Mergl
Richard W. Kincade
Jules H. Demyttenaere
John W. Jones
James V. Ferrero, Jr.
Henry J. Nawoj
Sidney S. Cox
Jeremiah R. McBride
John A. Jepson
John C. Sargent
James F. Murphy
Francis M. Simmons
William L. Read
Orlie G. Baird
John V. Josephson
Joseph N. Kanevsky
Wade E. Clarke
Arthur S. Fusco
John H. Wachtel
Harry E. Shacklett
William W. Brandfon
Ernest D. Sanders
Edwards S. Briggs
Burton H. Shepherd
Edgar K. Lofton, Jr.
Richard A. Schnorf
Thomas F. Lechner
Roger E. Davis
Alexander D. Thomson
George P. Markovits
William A. Myers III
Frederick G. Horan
James J. Wilson, Jr.
Sumner Shapiro
Chris W. Lamb
John A. McTammany
Harry F. Bryant, Jr.
Joseph Brecka, Jr.
David K. Smith
Kenneth L. Butler
Richard H. Lockey
Charles J. Zekan
William W. Wright
William O. Wirt, Jr.
Robair F. Mohrhardt
George A. Benson
Theodore N. Johnsen, Jr.
William D. Bridge
Donald B. Bosley
Lester L. Stoakes
Carl R. Smith, Jr.
John R. Kint
William G. Sizemore
Homer K. Richards, Jr.
Richard H. Berby
William C. King
Robert B. Bernhardt
Gerald F. Brummitt
William E. Orr
Frank T. Watkins, Jr.
William L. Harris, Jr.

Lieutenant, Medical Corps

Joseph T. Horgan
Thomas R. McKinley
Dean J. Plazak
Thomas S. Johnson
Nicholas P. Kitrinos

Lieutenant, Supply Corps

Leslie W. Williams
Wesley W. Van Malsen
John W. Bruner
Warren P. White
George D. Tracy
John B. Pringle
Milton E. Kreyenhagen
Herschel B. Hamric Jr.
Charles L. Lewis
Lewis E. Gleason
Wayne R. Crozier

Donald H. Campbell
Warren P. Vosseler
Peter S. Swanson
Francis J. Klinker
Wade C. Kemerer
Patrick G. O'Keefe
Edward J. Messere
Eugene J. Wielki
Edward N. Bouffard
Horace E. Dismukes
William H. Mayo
John J. Ekelund
Roy T. Hynes
Kurt F. Dorenkamp
Kennard R. Hamilton
Thomas B. Wood, Jr.
Robert G. Sullivan
Robert M. Smith
James W. Beeler
William H. Lynch
David W. Berger
Harold D. Case
Julius E. Morris
Roger J. Miller
Milburn K. Hemmick
William W. Potter
Johnny W. Orrill
Oscar C. Shealy, Jr.
Robert M. Laske
Michael B. Guild
William D. Collins, Jr.
Harold L. Marr
Louis W. Dillman
James H. Wynn III
William I. Goewey
Valerio "M" Duronio
Peter F. Klein
Rhodes Boykin, Jr.
Charles R. Smith, Jr.
Frank W. Craddock
Willard H. Clark, Jr.
William W. DeWolf
William M. Golding
David J. Woodard
John B. Mallard, Jr.
Peter L. Fullinwider
Andrew G. Nelson
Joe D. Stell
William M. Callaghan, Jr.
Robert E. Bennett
William D. McFarlane, Jr.
Harold H. Sproull
Robert R. Tolbert
Robert N. Congdon
Donald O. Modeen
Robert J. Coontz
George H. Willey
Donald P. Holt
Timothy R. Mahoney
Ewing R. McDonald, Jr.
Francis W. Benson, Jr.
Francis N. Jones
Eugene F. Shine, Jr.
Theodore A. Curtin
Donald M. Hegrat
John E. Jensen
George C. Rann
Robert M. Douglass
Walter J. Kraus
Abdiel R. Yingling, Jr.
Bernard K. Thomas, Jr.
Leslie K. Fenlon, Jr.

Fred I. Woodworth, Jr.
Hart R. Stringfellow, Jr.
Emmett J. Wild
Harvey R. Humphrey
Edmund S. Armstrong
William E. Johnston
Dan M. Carpenter
James H. Smeds
William F. Doddy
Robert L. Ghormley, Jr.
Leonard E. Brock
Floyd E. Bergeaux
Vaughn H. Earley
Norman D. Chetlin
Paul C. Herndon
Francis J. Chester
Raymond B. Renne
Homer Fults
Charles D. Bridges III
George W. Ray
Raymond W. Funk
Harry F. Thompson
Arch C. Roll, Jr.
Joseph L. Forehand
Thomas J. Ingram III
Frederick B. Bunke
Robert C. Austin
Herbert F. Butler, Jr.
William "B" Anderson, Jr.
Dick H. Francisco
Alfred S. Kulczycki
Lee R. Balderston
Ephraim P. Glassman
John H. Vice
Joseph R. Audino
Harold K. Scott
William A. Chadwick
Chester L. Ditto
Jack H. Haberthier
Charles L. Culwell
Bernard E. Bassing
Charles D. Curriden
Stephen R. Edson, Jr.
Thomas J. Donoher
Alan Y. Levine
Alvis D. Sartor
John C. Huenerberg, Jr.
Ralph F. Murphy, Jr.
George H. Kapp
Edward G. Dauchess
Richard B. Blackwell
Robert P. Hausold
Robert J. Riger
Anton L. Witte
Robert J. Stevens
Robert G. Nicol
Philip T. Riley
John E. McEnearney
Charles M. Smith
William Sandkuhler, Jr.
Everett C. Higgins
William W. Bennett
Warren H. Stark

Lieutenant, Chaplain Corps

Richard K. Titley
James J. Killeen
Justin A. Kane
Edwin S. Jones
Warren D. Trumbo
Willis J. Forsyth
Albert S. M. Kirkland
John Grabowski
Edward J. Kelly
Alfred R. Saeger, Jr.
Elwin N. Sire
John K. Dodge
George W. Fulfer
Lowell R. Rogers
Stacy L. Roberts, Jr.
Willis P. Ude
James S. Little
Edson E. Campbell
Jay V. Nickelson
Marlin D. Seiders
Donald L. Kirkbride
Kenneth W. Carlson
William H. Vinson
Robert W. Kiefer
Harold D. Bodle
Robert L. Trett

Lieutenant, Civil Engineer Corps

Robert C. Vance
James C. Day, Jr.
Leslie C. Guthrie, Jr.
Robert E. Dickman
Francis W. Day
Delmar A. Bartley
William Kleck, Jr.
Robert R. Raber
Colonel J. Shook, Jr.
Marvin A. Weir
Jack R. Wagoner
Gordon W. Hamilton
Stephen A. Gilles
Charles M. Howe
Robert H. Nelson
David R. Bird, Jr.
John F. Dobson
Howard I. Bacon
Calvin C. Norman
Stephen B. Profilet
Claude E. Swecker, Jr.
Theodore J. Larson
Walter E. Marquardt, Jr.
James E. Galloway
William E. Wynne
Louis E. V. Jackson
Philip S. Birnbaum, Jr.
Rudoph F. D'Ambra
Reinhold M. Hendricks
John E. Parsons, Jr.
Roger G. Tweel
Donald R. Trueblood

Lieutenant, Dental Corps

Irving J. Weber, Jr.
Andrew Wyda, Jr.
John R. Schweitzer
Charles F. Rau
Robert M. Bailey
Robert W. Bagby
Harry J. Dennis, Jr.
Charles "S" Scruggs
Fred M. Amman
Joseph E. Hartnett

Lieutenant, Medical Service Corps

James W. Duckworth
Eugene L. Walter, Jr.
Charles D. McGuire
Herbert G. Arm
Paul W. Scrimshaw
Ray F. Paige

Lieutenant, Nurse Corps

Dolores Troskoski
Dorothy J. Garber
Ann Manley
Patricia L. Dowell
Gloria J. Sterling
Patricia R. Brown
Helen Roller
Virginia C. Trujillo
Leona S. Benjamin
Jeanne M. Milles
Geneva E. Walker
Esther T. Kaczmarek
Emma L. Carroll
Lillie M. Frank
Clara J. Leoni
Melva Stankovich
Winifrede Devan
Wanda C. Bowman
Carolyn J. Shearer
Louise F. Jakshe
Mary E. Carmickle
Anna G. Hart
Nancy J. Crosby
Norma H. Gardill
Luisa A. Power
Eva D. Jones
Mary I. Deksnys
Marcella A. Mickiewicz
Kathleen M. Malloy
Rebecca H. Jackson
Mary J. Wathen
Thekla W. Morris
Lily M. Pechal
Frances R. Johnson
Frieda C. Galipp
Alice L. Spence
Dolores T. Burns
Clare P. Cooney
Esther M. Thomson
Marjorie R. Wilson
Lillian P. Bassett
Sophia H. Gormish
Mary A. Ayars
Mary S. Surman
Margaret A. Kane
May L. Reid
Nadean M. Swoboda
Doris M. Allen
Gertrude A. Christ
Lois A. Prothero
Harriet M. Dixon
Eileen Hanes
Mary E. Farber
Mary V. Redfern
Mary M. Wentzel

The following-named (Naval Reserve Officers' Training Corps) to be ensigns in the Navy, subject to qualification therefor as provided by law:

Gerald LeR. Ainsworth
John G. Ayres
Joseph B. Barnett
Donald B. Barrigar
Richard M. Beers
Dan A. Boelter
Robert F. Brandel
Edward C. Brown
James A. Cooper
David E. Creek
James K. Crossman
Leland R. Dobler
Walter L. Doucett, Jr.
Henry Dougherty, Jr.
John A. Duff
Ronald E. Durckel
Alan T. English
Ronald E. Evans
John F. Farnsworth
Samuel D. Gardner
Bruce A. Geisert
Nelson M. Gillette
Robert F. Goodman
Roger L. Hall
John A. Hardgrove
John H. Haynes
John H. Heindel
Richard M. Hepburn
Ronald C. Housden
Charles K. Johnson
Paul "M" Koehn
Lawrence H. Larson
Frank J. Lauta
Donald H. Lind
Charles A. McBride, Jr.
Alfred H. Mills
George M. Minot
Kenneth H. Misar
Lenos G. Muret
David T. Neel
James G. Newby
Walter G. Norton
David C. Olson
Phil D. Platt
Benson M. Read
Joe D. Renner
James A. Rudis
Robert W. Schaefer
George R. Schatz
Eric D. Schwartz
Theodore L. Sedwick, Jr.
Gene A. Smith
Jack S. Smith
Karl T. Smith
Robert C. Smoot III
John C. Sterling
Charles A. Stickels
Jack V. Stong
David L. Tanner
Hugh R. Taylor
Kneelon E. Teague
Wayne C. Thiessen
Robert Thom
Tommy L. Thompson
Laurence N. Walker
William B. Weber
Charles T. West
Donald G. Wiest
Dave H. Williams
Jerome A. Willis
Gene A. Worscheck
David W. Zerbel

Bernard J. Sloan, Jr. (Naval Reserve Officers' Training Corps), to be an ensign in the Supply Corps of the Navy, subject to qualification therefor as provided by law.

Stephen H. Knight II (Naval Reserve Officers' Training Corps) to be ensign in the Navy as previously nominated and confirmed, to correct name, subject to qualification therefor as provided by law.

The following-named officer candidates to be ensigns in the line of the Navy, subject to qualifications therefor as provided by law:

Charles R. Albritton
James C. Anderson
Paul H. Anderson
Frank N. Ansel
James F. Astley
Richard L. Baker
Leroy C. Baleme
Floyd R. Banbury
William J. Baxter, Jr.
Ralph C. Beardslee, Jr.
Douglas W. Bel, Jr.
George O. Bernard
Jesse E. Bethany
Clare B. Billing
Cole Black
George E. Black
James T. Bonner, Jr.
Frederick L. Brady, Jr.
Harold E. Brown
Leo P. Brown
Auda E. Buchanan
Harold E. Burgess, Jr.
Thomas J. Burke, Jr.
Leonard Burnham
James "Z" Byers
Joseph L. Byrne
Robert L. Callahan
Richard F. Campbell
Richard H. Campbell
Allan H. Carry
Burton E. Carson II
Robert L. Carver
Terry G. Caston
Robert "C" Clark
Charles L. Coleman
Richard T. Colley
Richard H. Coupe
Dwight H. Cox
Harry L. Davis
James W. Dingle, Jr.
Joseph M. Donahue
Robert C. Doyle
Louie C. Duke
Robert H. Durbin, Jr.
Martin D. Ehmke
Fredrick H. Elliott
Joseph R. Emmett
Billy M. Eppler
Irvin R. Evans
James J. Evans
Joseph D. Fairchild
Robert H. Fall III
David E. Farris
George E. Feakes, Jr.
Clarence E. Fend, Jr.
John C. Fisher
John Fitzgerald
Vernon H. Fix
John E. Flanigan, Jr.
Theodore P. Foote
Harold LeR. Ford
Nigel D. Francis
Vernon M. Fueston, Jr.
Milo W. Fuller
William J. Gerrity
Kenneth D. Gilmore
Edwin A. Greathouse
Daniel S. Guilday
Howard P. Gunther
Elmer C. Hagen
Norman L. Haney
Kenneth C. Harsh
George H. Hendricks
Leo A. Higgins
Marion L. Hines
William L. Hobbs, Jr.
Ralph L. Hoehne
Jackson H. Honeycutt
Hainyard L. Horne, Jr.
Chester E. Houston
James H. Hunt
Lawrence R. Jefferis
John C. Jenkins
Donald L. Johnson
Max R. Johnson
John L. Jones
Arliss L. Jordan
Eugene A. Jumper, Jr.
Robert B. Keiser
Donald C. Kelly
Calvin E. Kennedy
Robert J. Kerrigan
Robert C. Keys
Timothy M. Kibler
Edgar L. Kilborn
John J. Kingston, Jr.
Larence W. Knoth, Sr.
Robert L. Koehler
Raymond H. Kornblatt
John P. Larson
Alvin T. Laughlin
David O. Lavallee
Kenneth F. Leahy
Richard H. Lennon
Richard R. Leonard, Jr.
Raymond E. Lett
Richard R. Ligon
William L. Lipford
Richard D. Liptak
William J. Locke
Fred J. Lukomski
Charles W. McComis
Raymond C. McKinzie
Robert W. McQuaid
John A. Mack
Arthur O. Maki, Jr.
John A. Mann
Jack E. Mead
Carroll D. Melton
Kenneth J. Mengle
Benjamin H. Michael
Walter T. Miesse
Donald E. Minnich
DeWitt H. Moody
Gene R. Moore
Charles E. Mott
Robert T. Nixon
John L. O'Donnell
Charles P. Oliver
Lloyd C. Osborn
William A. Overbay
Thomas G. Payne
William B. Peirce
Gilbert R. Perry
Bruce W. Platz
Marvin S. Poissot
Eugene L. Pollman
Edward F. Powers, Jr.
Lloyd W. Rasmussen
Leonard M. Rausch
Calvin C. Reed
Richard L. Reed
Warren E. Reid
Keith A. Reynolds
Eugene M. Rice
James D. Rivers
Lloyd C. Roberts
Thomas J. Rochford
James A. Roth
Alvin A. Rouchon
Chester G. Sample
James D. Sanders
Robert K. Schleichardt
Edward A. Schmidt
Augustus E. Scott, Jr.
Norris L. Seabron
Murland W. Searight
Charles "B" Sheldon
William H. Showers
Roger O. Simon
George E. Sineath
Darrel Smith
Donald A. Smith
Marvin G. Smith, Jr.
David F. Southard
Walton R. Spencer
Thomas J. Spisak
Dudley V. Staggs, Jr.
Herbert L. Stanley
Leland R. Stouter
Willard C. Striffler, Jr.
Florence M. Sullivan
Thadeus Tarka
Donald J. Toutant
Delmer Trimble
James W. Tucker
Louis D. Uht
Loring E. Van Kleeck
Raymond C. Vehorn
Howard E. Vinson
Robert P. Waldron
Peter E. Walther
John Watson
James R. Weller
John W. Werblow
Billy J. White
Marvin L. White
David E. Williams
Robert M. Woolnough
Leonard R. Young

The following-named officer candidates to be ensigns (aviation) in the Navy subject to qualification therefor as provided by law:

Leo J. Balsamo
Theodore LeR. Coleman, Jr.
John A. Fulford
Milford I. Gooden
John W. Shearin
John E. Taylor

The following-named officer candidates to be ensigns in the Supply Corps of the Navy, subject to qualification therefor as provided by law:

Donovan W. Butler
Alfred B. Chrisman
Robert W. Clamp
James P. Conway
James J. Devenney
Richard M. Dowling

Clarence P. Foreman, Jr.
Glenn L. Gaddis
Bobby J. Jones
Raymond A. Kruithof
Paul A. Lemma
Eugene T. Manley
Charles C. Narducci, Jr.
Russell L. Rose
Charles L. Saperstein, Jr.
John W. Schmucker
Jack L. Smith
Dennis R. Stephens
William E. Stombaugh
Hoyt T. Webb
James H. Wright

The following-named officer candidates to be ensigns in the Civil Engineer Corps of the Navy, subject to qualification therefor as provided by law:

Jerry LaM. Clark
Kenneth R. Newcomb

Lucille R. Kuhn (woman officer candidate) to be an ensign in the Navy, subject to qualification therefor as provided by law.

The following-named (civilian college graudates) to the grades indicated in the Medical Corps in the Navy, subject to qualification therefor as provided by law:

Commander

Harry B. Eisberg

Lieutenant commander

James G. Brown
Thomas R. Ulshafer

Lieutenant

Ivan S. Altman
Vernon A. Burkhart

The following-named (Naval Reserve officers) to the grades indicated in the Medical Corps in the Navy, subject to qualification therefor as provided by law:

Commander

William L. Smith

Lieutenant commander

James C. Hodges, Jr.
William B. Ingram
Kenneth J. Kelley
Andrew McKane III
George W. Taylor, Jr.

Lieutenant

John J. Gordon
Vincent J. Hyams
John D. Johnson
George F. Risi
Elbert S. Welch

Lieutenant (junior grade)

Lawrence J. Delaney
Frederick J. Feuerbach
George E. Gorsuch
Paul D. Mabie
Melvin Museles
Robert R. R. Roberts
John C. Robins
Melvin Rotner
Lewis P. Scott III
Richard O. Stader
Paul P. Steckler
Don F. Thomas
Thomas W. Williams

The following-named (civilian college graduates) to be lieutenants in the Dental Corps of the Navy, subject to qualification therefor as provided by law:

Robert E. Austin
Theodore C. Enger
Charles D. Hancock

The following-named (Naval Reserve officers) to the grades indicated in the Dental Corps in the Navy, subject to qualification therefor as provided by law:

Lieutenant commander

Lloyd M. Armstrong
Frank Dobronte
Seymour Hoffman
Francis W. Hughes

Lieutenant

Lee A. Counsell
Robert W. Mendel
Philip G. Oenbrink
Albert Rappaport
Scott McD. Smith

Lieutenant (junior grade)

Eugene G. Archer
Thomas M. Calhoun
Roy C. Corderman, Jr.
James S. Duff, Jr.
George J. Gehring, Jr.
Malcolm A. Lynch
Edward P. Niccolai
James S. Smith
Paul J. Sydow
Thomas L. Whatley

The following-named enlisted aviation pilots to be ensigns in the line of the Navy, for temporary service, subject to the qualification therefor as provided by law:

Charles R. Phillips, Jr.
James M. Thompson

The following-named enlisted men to be ensigns in the Medical Service Corps of the Navy, subject to qualification therefor as provided by law:

Walter A. Andersen
Samuel D. Barker
Harold H. Coulson
Chester A. DeCesaris
James J. Devane
Robert G. DeVine
Kenneth F. Floan
George G. Forrester, Jr.
George M. Ginsburg
Billy D. Harvey
James H. Herrin
Thurman O. Jordan
Allison N. Kendrick
Joseph F. Ksenzak
Thomas L. McGehee
Richard Neuman
Arthur W. Paxton
Gale Ramirez
Robert S. Ruffin
Carl "L" Shaneyfelt
John L. Sims
Wesley D. Skidmore
Dewey L. Smith, Jr.
Donald J. Snowden
James A. Spahn
Irvin O. Stallings
Millard F. Tanner
William E. Whitlock

The following-named (civilian college graduates) to be lieutenant (junior grade) in the Chaplain Corps of the Navy, subject to qualification therefor as provided by law:

Edward F. Gillis
Andrew F. Jensen, Jr.
Ernest McD. Reagan

The following-named (Naval Reserve officers) to be lieutenants (junior grade) in the Chaplain Corps of the Navy, subject to qualification therefor as provided by law:

Carl A. Auel
Knox O. Scott

The following-named to be ensigns in the line in the Navy, for limited duty only, classification Deck, subject to qualification therefor as provided by law:

Leonard J. Abbott
Perry F. Creighton, Jr.
Ray Goodson
John W. Hughes
Edward A. Johnston
Vernon E. Petranek
Glen W. Poore
Charles L. Smith
William J. Sommerville, Jr.
Clyde E. Waldrop

The following-named to be ensigns in the line in the Navy, for limited duty only, classification Ordnance, subject to qualification therefor as provided by law:

Gerard P. Brunick
Thaddeus F. Chiz
Charles D. Grundy
Robert W. Lane
Jack A. Offins
John B. Powers
Kenneth R. Rebello
Robert J. Shanley
Gordon F. Siljestrom
Francis L. Stephens
John E. Tucker
Joseph F. Turpel
Joseph F. Williams
Robert H. Willyard

The following-named to be ensigns in the line in the Navy, for limited duty only, classification Administration, subject to qualification therefor as provided by law:

Bill R. Allen
Melvin E. Chapman
Joseph H. Fegan
Anthony Janus, Jr.

The following-named to be ensigns in the line in the Navy, for limited duty only, classification Engineering, subject to qualification therefor as provided by law:

Peter F. Allen
Thomas E. Bower
Frederick E. Cartwright, Jr.
Lee R. Craig
Victor A. DeCesare
Robert M. Donovan
Richard C. Eller
Donald S. Foltz
Miles T. Graham
Jack Hagen
Donald F. Hebert
Gerald C. Kelly
William J. Leach
Frank E. Lyle
Edward J. McLyman, Jr.
John W. MacDonald
Richard I. Mixon, Jr.
Earl M. Owens
Frank Parker
Charles W. Phillips
William C. Reed
Fredrick J. Richey
Norman L. Spry
Wilber B. Swaim
James E. Tassell
Albert A. Wood, Jr.

The following-named to be ensigns in the line in the Navy, for limited duty only, classification Hull, subject to qualification therefor as provided by law:

Earl F. Day
Walter E. Nolan, Jr.
Ross G. Ostlund
Eugene Rogers

The following-named to be ensigns in the line in the Navy, for limited duty only, classification Electronics, subject to qualification therefor as provided by law:

Edward J. Augustyniak
Victor A. Baglioni
Monroe W. Barker
Roy E. Battles
John E. Bilderback
Garvey A. Blanc
John A. Brecheen
Harold L. Bridenstine
Ronald D. Brogden
William H. Campbell
Orris V. Clark
Frank C. Conerty
William C. Connell
Donald Cranmer
John F. Craven, Jr.
Edward R. Crawfoot
Robert A. Crozier
Richard J. Deisher
James L. Delozier
Calvin C. Epple
Roger M. Exon
Sam A. Ferguson
Harold W. Fisk
Russell R. Gill
Roger L. Graham
Roy V. Hall
Clarence A. Hicks, Jr.
James G. Hill
Donald L. Holmes
Lawrence G. Hoppenjans
Joe A. Hudson
Ralph R. Huff
LeRoy C. Laine
Clarence R. Lake
Leonard Leo
Joseph D. McCann
John S. McClure
Louis H. Marcoux
Jerry T. Middleton
Charles H. Morgan, Jr.
Willie R. Myers
Olen E. Naylor, Jr.
George H. Nourse
Walter D. J. O'Toole
Harry W. Patch, Jr.
Allan A. Porter
Clifford V. Robinson
Arthur L. Schelling
Albert J. Scoles
Robert S. Shaw
Kenneth E. Smith
Jack F. Sousae
Ernest T. Thompson
Harry E. Thompson
Clifford D. Treese
Wallace E. Trelford
Robert W. Ullman
Calvin M. Weil
Paul M. Windham

The following-named to be ensigns in the line in the Navy, for limited duty only, classification Aviation Operations, subject to qualification therefor as provided by law:

Albert J. Lacklen, Jr.
John D. Santivasci
Richard J. Wear

The following-named to be ensigns in the line in the Navy, for limited duty only, classification Aviation Ordnance, subject to qualification therefor as provided by law:

Roy W. Asher
Fred A. Feakes
Kirby P. Hunt
Charles W. Myer

The following-named to be ensigns in the line in the Navy, for limited duty only, classification Aviation Maintenance, subject to qualification therefor as provided by law:

Loyal F. Aldridge
Charles A. Allen
Robert W. Cameron
Joseph A. Corsi
Travis D. Nations
William A. Pollard
William H. Rush
Harry A. Wagner
Willard B. York
Clinton H. Young

The following-named to be ensigns in the line in the Navy, for limited duty only, classification Aviation Electronics, subject to qualification therefor as provided by law:

James W. Alexander
Russell C. Beltz
Oscar W. Benefiel, Jr.
John J. Berrier, Jr.
Carl W. Bockenhauer
Clarence G. Bonham
Archie D. Borden
Robert C. Brown
William R. Chadwick
Robert H. Cookson
John L. Dwyer
Harry H. Ferrier
Ellis F. Green
Robert A. Hampton
Edmund W. Heath
Bobby G. Henderson
Donald Kear
Clifford A. Lowrey
Charles J. McCarthy
Frank R. McCoy, Jr.
Mike Manso
Harry C. Martin
Stuart J. Mason, Jr.
Henry L. Monroe, Jr.
Alfred L. Poe, Jr.
Neil "S" Pruden
William F. Shand
Gordon B. Shupe
Wallace A. Skelton
John H. Ulrich
Joseph E. Wyatt

The following-named to be ensigns in the line in the Navy, for limited duty only, classification Aerology, subject to qualification therefor as provided by law:

Isom L. Brown
Warren H. Crawford
Alexander J. Jansen
Faber W. McCartney
Raymond Perry
Raymond P. Tennison

The following-named to be ensigns in the Supply Corps in the Navy for limited duty only, subject to qualification therefor as provided by law:

Herman D. Beach
Joseph L. Bilka
Herschel J. Bonnett
Eugene V. Coleman

Alfred I. England
Charles E. Griffiths
Ralph L. Holland
Robert D. Lang
Harry W. Leftwich
William H. McInnis
Albert A. Manson
Winston L. Martin
Robert E. Murray
William P. O'Donnell
Allen F. Smith
Joseph W. Stok
Warren "M" Sweet
William H. Trenkle
Cary F. Wright
Paul G. Zoller

The following-named to be ensigns in the Civil Engineer Corps in the Navy, for limited duty only, subject to qualification therefor as provided by law:

Murray L. Brooks
William F. Monnier

The following-named officers of the Navy and Naval Reserve on active duty for temporary promotion to the grade of lieutenant commander in the line and staff corps indicated, subject to qualification therefor as provided by law:

Line

Abbott, Edwin W., 3d
Abbott, George B.
Abbott, Myron J.
Achberger, Eldon E., Jr.
Ackerman, James D.
Adair, Alfred W.
Adams, Allan M., Jr.
Adams, Arthur J.
Adams, Charles W.
Adams, Fred I.
Adams, Robert E.
Adams, Stuart R.
Adkisson, Hubert K.
Agesen, Bruce M.
Agles, James H.
Airey, Henry J.
Akers, Norvelle H.
Albright, Cletus A.
Albright, Edward H.
Alexander, Edwin B.
Alexander, George W.
Allen, Charles D.
Allen, Clarence M.
Allen, Robert P.
Allen, William A.
Aloisio, Veto
Altz, Leroy V., Jr.
Ambler, Joseph B.
Ames, Edward G.
Andersen, Douglas J.
Anderson, David G.
Anderson, James W.
Anderson, Kenneth J.
Anderson, Paul A.
Anderson, Richard B.
Anderson, Robert L.
Andrecht, Leo V.
Andrews, George C.
Andrews, Grover C., Jr.
Andrews, Lyman L., Jr.
Andrews, William J., Jr.
Andry, Walter G., Jr.
Anthony, John F.
Armstrong, Sam "T", Jr.
Armstrong, Robert C.
Arseneault, Arthur J., Jr.
Arthur, Russel L.
Ashbridge, Ralph W.
Ashlock, Gerald F.
Asman, George H.
Atkins, Waldo A.
Atkinson, Aubrey E.
Atkisson, Horace W.
Atwell, Robert B.
Auer, Edward J.
Auer, Charles P.
Aulich, Julian
Austin, Kenneth B.
Austin, Norris H.
Ayars Van Ness R., Jr.
Ayers, George L., Jr.
Baddeley, Robert R.
Bahr, Edwin H.
Bailey, Gordon W.
Bailey, Joseph R.
Bailey, Keith E.
Baker, Arnold A.
Baker, Fredrick O.
Baker, George "E"
Baker, Robert G.
Baker, Robert J.
Baker, Royal W.
Baker, William B.
Baldwin, Merritt W. W., Jr.
Ball, Dexter C.
Ball, Woodson O.
Bally, Walter L., Jr.
Barkley, Wilfred L.
Barnes, Harold H.
Barnes, John W.
Barnes, William F.
Barnett, Gordon R.
Barr, Fred
Barrows, Robert L.
Barry, David C.
Barth, John C.
Bartlett, Bernard W.
Bartlett, John A.
Barton, George E.
Basil, Albert
Bass, Orval W.
Bast, Lester G.
Baston, John F.
Batten, William H.
Batuk, Stephen
Bauer, Omer W.
Baumann, Clifford M.
Baxley, Ben
Beacham, William H.
Beal, Roby A.
Beals, Granville A., Jr.
Beaman, John H.
Bean, George F.
Beattie, Robert E.
Beaubouef, James A.
Beck, George W., Jr.
Becker, William P.
Beer, James H.
Bell, Earl C.
Bell, Richard C.
Bell, Vernon V.
Bell, Victor
Benegar, Conrad R.
Bennett, Edgar T.
Benoit, Robert J., Jr.
Berchman, John J.
Berglund, Eugene M., Jr.
Bergner, Robert B.
Bergsma, Earl R.
Bernard, John D., Jr.
Berry, Billy B.
Berry, Robert M.
Berude, John B.
Best, Marion C.
Betleyoun, Charles A.
Betzinger, Harold C.
Beyer, George M.
Biangardi, Queady
Biely, Stephen A.
Bigler, Charles E.
Birdt, George
Bishop, Brough H.
Bishop, Wilbur C.
Bitney, Raymond H., Jr.
Bizzell, Emzer H., Jr.
Black, Harvey
Black, John M.
Blair, John P.
Blair, Marvin S.
Blaisdell, Robert J.
Blake, Robert L.
Blake, William J., Jr.
Blakeslee, Garth M.
Blaschka, Edward X.
Blasco, Vincent G.
Blaylock, Mabry, Jr.
Blevins, Edwin K.
Blevins, Fred G.
Block, Edward F.
Blouin, Emile G., Jr.
Boerner, Richard J.
Bohanick, Leo
Bohannon, Grover M.
Bollenbacher, Robert M.
Bond, David L., Jr.
Bordelon, Guy P., Jr.
Born, Robert J.
Boroughs, Robert S., Jr.
Bors, Frank, Jr.
Boston, Leadore G.
Boucree, James J.
Boutte, Lester H.
Bowen, Frank B.
Bowen, John F.
Bowen, Llewellyn D.
Bowles, Armour P.
Boyd, Edward A.
Boyer, Paul M.
Boyes, Gordon R.
Bradberry, Gordon D.
Bradbury, Albert W.
Bradford, Bryan E.
Bradford, Cecil E.
Bradford, Edward W.
Bradish, Bernard G.
Brandenburg, John H.
Brannon, Robert O.
Brazil, Rudolph E.
Breaux, Egdar E.
Brecher, Earl H.
Brent, Sherman E.
Bres, Harold A., Jr.
Brice, Richard B.
Brink, Merrill J.
Britt, Harvey R.
Brittain, Douglas E.
Brockman, James O., Jr.
Brogan, Francis A.
Brooks, Richard S.
Broughton, Walter T., 2d
Brown, Dennis F.
Brown, Errington
Brown, Francis L.
Brown, Fred W., Jr.
Brown, Frederick J.
Brown, Harry L.
Brown, Ian F.
Brown, Jerome K.
Brown, John
Brown, John W.
Brown, Joseph W., Jr.
Brown, Kenneth L.
Brown, Matthew A.
Brownlee, Oliver L., Jr.
Brownlee, Robert E., Jr.
Broyles, Edwin W.
Brtek, Frank C.
Brudvig, Elmer O.
Bruestle, Lester K.
Brumbach, Joseph W.
Brunner, Donald E.
Bryan, Edgar J.
Bryan, Joseph T.
Buchanan, Billie J.
Buchanan, Charles S.
Buchanan, John E.
Buchanan, Stewart V.
Buck, Clarence C., Jr.
Buck, Robert M.
Buckles, Harland R.
Budd, Ralph R.
Buerger, Robert P.
Bullington, William B.
Bullock, Charles M.
Burek, Ambrose L.
Burkhead, Thomas C.
Burks, Joseph C., Jr.
Burns, Joe R.
Burns, William L.
Burr, Robert M.
Burt, Robert A., Jr.
Burton, James K.
Busby, Charles E.
Buswell, Lindsay L.
Butler, Arthur J.
Butler, Edmund J., Jr.
Butler, William S.
Butt, James J.
Butts, Therman L.
Buzzelle, Leslie J.
Byram, Emerson R.
Byrne, Eugene W.
Byrne, Robert H.
Byrnes, Robert F.
Byrnes, Thomas F., Jr.
Cabral, John R.
Cadenas, Ernest M. M.
Caldwell, Jack
Callihan, Philip S.
Camblin, Wilbur J.
Campbell, William H.
Campomenosi, Louis J., Jr.
Cannon, Herbert B.
Cantelope, Edwin J.
Cantwell, William P., Jr.
Capistran, John H.
Cardwell, Willard L.
Carlenzoli, Henry
Carleton, Paul R.
Carlisi, Salvatore
Carlson, Richard S.
Carlson, Richard R.
Carlson, Robert O.
Carnahan, William R.
Carpenter, Emmett W.
Carpenter, Charles R.
Carpenter, Edwin L., Jr.
Carpenter, Edward L.
Carr, Elmer J. B.
Carrier, Francis A.
Carroll, Eugene J., Jr.
Carter, Edward
Carter, Kenneth
Casco, Joseph
Caserta, Harold H.
Caskey, Theodore C.
Caslow, Leonard A.
Cates, Waldo S.
Cavanaugh, Morrison E.
Cerstvik, Milan S.
Challet, Gilbert F.
Chambers, Leonard C.
Chandler, James L.
Chandler, Troy K.
Chapman, Arthur S.
Chapman, Kendall R.
Chapter, Andrew J.
Charleton, Basil J.
Chase, Frederick W.
Chase, Roger D.
Cherok, Nicholas
Cherry, Frank L.
Childress, Howard W.
Choltco, William P.
Christensen, James S.
Christenson, Jack A.
Christianson, Donald L.
Church, Herbert M., Jr.
Ciulis, Edward
Clark, Alvin L.
Clark, William H.
Clarke, Robert L.
Clause, Harold
Clough, Duane M.
Coari, Paul A.
Cobbs, Ralph B.
Cochrane, Douglas O.
Coffey, Charles G.
Coffey, Claude C., Jr.
Cole, Edwin M., Jr.
Cole, George
Cole, James O.
Cole, Nathan, Jr.
Cole, Weaver D.
Collins, Henry D. M.
Collister, Louis J.
Combs, Elzie E.
Comer, Travis L., Jr.
Condor, Bernard
Condren, John F.
Conger, Elton V.
Connelley, Ernest C., Jr.
Connor, Charles J.
Constant, William L., Jr.
Cook, Charles D.
Cook, Claude G., Jr.
Cook, Harry W.
Cook, Herbert B.
Cooke, Edward W.
Cooley, Homer K., Jr.
Cooley, Ramey
Cooper, Charles W., Jr.
Cooper, Lloyd F.
Cooper, Marvin J.
Cooper, William F.
Copes, Robert N.
Coray, Gene A.
Cordell, Lloyd W.
Corlew, Jewell G., Jr.
Corn, Joseph H.
Corner, Sheldon L.
Coset, Albert W.
Cosgrove, Thomas A.
Cottrell, Frank E., Jr.
Covert, Lawrence W.
Covington, Rufus C.
Cowan, Paul G.
Cox, John W.
Craft, John S.
Craighead, Garland R.
Crandall, Walter R.
Crangle, Eugene V.
Cranton, Jack H.
Craus, Moxie
Craven, Robert
Cravens, Harold L.
Crawford, James M.
Crawford, Joseph E., Jr.
Cress, Warren D.
Crofoot, Arthur E.
Croft, Merion W.
Cronin, Franci- J.
Crosnoe, Robert E.
Cross, Richard E.
Crum, Edward H.
Cucchiara, Ignazio L.
Cullen, John P.
Cummings, Charles F.
Cummings, Robert
Cummings, Vincent C.
Cummins, David E., 3d
Cunningham, Paul J.
Curless, James P.
Curran, James
Curry, Robert E.
Curtis, Donald P.
Curtis, Jerome J.
Cushman, Irving
Custer, Prentice J.
Dacey, Vincent
Dakin, William T.
Dalland, Carl A.
Dampier, Claude W.
Danenhower, James H.
Darrow, Charles B.
Dauer, Frank H.
Davey, Francis H.
Davidson, Carl W.
Davis, Calvin R.
Davis, Carl, Jr.
Davis, Carl M.
Davis, Charles E.
Davis, Charles R.
Davis, Jack E.
Davis, Oliver E., Jr.
Davis, Victor M., Jr.
Davis, William D., Jr.
Day, Charles F.
Day, Edward W.
Dean, James A.
Deasy, Charles J.
DeCarlo, Eugene
DeGennaro, Albert A.
DeGroff, Armand L.
DeGroote, Douglas F.
Dehler, Raymond L.
DeLahunt, Robert N.
Delaware, Lafayette J.
Deloach, Silas W., Jr.
DeLuca, Joseph F.
DeMent, Henry F.
Demmler, Charles F.
Denkler, William A.
Denton, Larry V.
DePaul, Raymond
Desmet, Emil R.
DeTamble, Paul A., Jr.
Detterich, Clarence A.
Devore, Ralph E., Jr.
Diamantides, Paul D.
DiBenedetto, Pietro
Dickerson, William A.
Dicks, Carl C.
Dickson, John E.
DiGiusto, Louis, Jr.
Dillingham, James R.
Dilts, LaVerne W., Jr.
Dimmitt, Arthur D.
Dinnel, Alfred C.
Dinwiddie, John M.
Ditzler, David D.
Dixon, Billie
Doell, Robert E.
Dolan, William R., Jr.
Dolce, Ralph C.
Don, John D.
Donaldson, Jim K.
Donnelly, Hugh F., Jr.
Doran, George E.
Dorich, Albert P.
Dormon, Leo E.
Dorr, Hayes A.
Dorr, Theodore P.
Doss, Paul E.
Dotson, Raymond V.
Douglas, John W.
Dowdy, James C.
Downard, Howard R.
Downey, Denis-James J.
Downie, Richard S.
Doyle, James T.
Doyle, Philip P.
Doyle, William A., Jr.
Drago, Thomas R.
Drain, Merwin E.
Dravis, Daniel M.
Driscoll, John R.
DuBiel, Robert A.
Duerden, William H., Jr.
Duff, Edward A.
Dulhagen, John J.
Dunaway, James M.
Dunbar, Carl F.
Duncan, Loren E.
Duncan, Robert C.
Dunham, Robert W.
Dunlap, Billy F.
Dunning, Bruce B.
Dunning, Laverne H.
Durtche, Carl, Jr.
DuVall, Richard A.
Dykes, James W., III
Dyson, James P.
Easter, Jay D.
Eastin, Robert L.
Eaton, Kenneth H.
Eaton, William G., Jr.

Edmondson, George H.
Edmunds, Francis E.
Edwards, Robert W.
Egly, Donald D.
Elchinger, Milton L.
Elgee, James F.
Ellenbrand, Ralph E.
Ellis, Carl E.
Ellis, James O.
Ellis, Robert R.
Elmies, George
Eppes, George P.
Eriksen, George A.
Ernesti, John H.
Erwin, Willard L.
Evans, Jack R.
Evans, Kenneth J.
Evans, William W.
Everhart, Charles D.
Fahrney, Robert H.
Falardeau, Robert F.
Farmer, Royal J.
Farnsworth, William D.
Farrell, Charles S.
Farrell, Rollo L., Jr.
Farrington, Richard S.
Faulkner, Stuart T.
Fay, Robert J.
Feher, Arthur J.
Feher, Melvin A.
Feldmeyer, Warren C., Jr.
Felsman, Jack L.
Ferguson, Lyman V.
Ferguson, "S" "N"
Fetherolf, William P., Jr.
Fielder, Herbert H.
Fielding, Teddy R.
Fife, Milton E.
File, Albert R.
Finley, William T.
Finnigan, Joseph C.
Fisher, Lowell E.
Fisher, Robert D.
Fisher, Robert E.
Fisher, Willis M.
Flack, Roby E.
Flagler, Harry "M"
Fleming, Douglas R.
Fleshman, Russell W.
Flynn, Lawrence E.
Folensbee, Albert H.
Foote, Kenneth C.
Forbis, Roy E.
Fordyce, William "E", Jr.
Forgy, William J.
Fossett, Chalmer R.
Foster, John W., Jr.
Foster, William M.
Foulk, Donald H.
Fowler, William E.
Fox, Rex R.
Francis, Leverett M.
Franklin, Billy S.
Frazier, Paul E.
Freeman, Dewitt L.
French, Morrell E.
Frey, Herman S.
Friedman, Robert
Fries, William D.
Gaarder, Robert P.
Gainer, Richard D.
Gale, Philroy C., Jr.
Gallagher, Theodore J.
Gallagher, Glen F.
Gallagher, John J.
Galliant, Zygie P.
Gallaway, John E.
Gallerane, Albert W.
Gallivan, James J.
Gambert, Frank E.
Gambrill, Robert A., Jr.
Gamwell, Stephen E.
Garbark, George H.
Gardner, Robert M.
Garofalo, Paul C.
Garren, Herman L., Jr.
Gaskill, George R.
Gasparovic, Paul J.
Gately, Donald E.
Gates, James L.
Gay, "J" "D"
Gehringer, Edmund W., Jr.
Gehrmann, Charles P., Jr.
Gensert, John R.
Gernhofer, Russell K.
Giacomuzzi, Joseph, Jr.
Gibbs, Thomas E.
Gibbs, William R.
Gilchrist, Darrell P.
Gilchrist, Arch D., Jr.
Gilcrease, Clarence W.
Gill, Eugene G.
Gill, Fred S.
Gill, George R.
Gillenwater, Thurston M.
Gillespie, Nivin J.
Giorgis, Albert S.
Gist, Francis J., Jr.
Glenn, Robert H.
Globus, Karl M.
Glore, William G.
Glover, Jo[illegible] W.
Glover, Theodore H.
Glye, William H.
Godfrey, Earl F.
Goodall, William W.
Goodwin, Thomas P.
Goodwin, Winslow W.
Gordon, Erving L.
Gordon, Joseph
Gordon, Wendell G.
Gossman, Thomas J.
Graham, Frank W.
Graham, James W.
Graham, Ralph E.
Graham, Richard G.
Gramlich, James J.
Gransee, Wallace G.
Grant, Thomas V.
Grantham, Joseph A., Jr.
Graves, Robert L.
Gray, Robert J.
Green, Herbert H.
Green, James R.
Green, Robert E., Jr.
Greene, Ernest G.
Greene, Ottis V.
Greever, Frank E.
Gregonis, Joseph P.
Grentzer, John
Gress, Byron E.
Grey, Valentine
Griesbach, Gustave P.
Griffin, Shade W.
Griffin, Thomas H.
Griffith, Thomas R.
Griffiths, Thomas L.
Griffiths, Charles H.
Grill, Robert W.
Grischy, John S.
Grojean, Charles D.
Grove, Harry L.
Grove, Leo H.
Guimont, David O., Jr.
Gumb, Irving T., Jr.
Gustafson, Wilbert T.
Guthrie, Charles E.
Hadaway, Donald L.
Hadley, John U.
Hagedorn, Robert "L"
Halentic, Walter M.
Hall, Fred M.
Hall, Ozni D.
Hall, Roger J.
Hall, Wilbur
Hallgarten, Kurt
Hallman, Robert E.
Halwachs, Alois W.
Ham, Roderick
Hamilton, Arthur W.
Hamilton, Billie C.
Hamilton, John W.
Hammond, James R.
Hancock, Horace H.
Handy, Elmer E.
Haney, William E.
Hanfman, George, Jr.
Hansen, Hans P.
Hansen, Harold B.
Hansen, John E.
Hanson, Bernard T.
Hanson, Donald J.
Hanson, Jack M.
Hapanowicz, Richard
Hardenbergh, Terry
Hardesty, Roscoe W.
Hardin, Lloyd T.
Hare, Roland W.
Hargan, George B., Jr.
Harlan, Richard D.
Harp, Orland C.
Harper, Kenneth L.
Harper, William J.
Harper, Wyatt E., Jr.
Harralson, Richard A.
Harrington, John L.
Harris, John P.
Harris, Maxwell D.
Harris, William C.
Harrison, Leo W.
Harrison, Robert F.
Harrison, Wayne J.
Hartnett, Leonard
Harty, George F.
Harvey, James H., Jr.
Harvey, Robert L.
Hatch, Ellsworth K.
Hatch, Vyrl S.
Hathaway, Harry R.
Haugh, Edward M.
Hawk, Frank H.
Hawkins, Carl R.
Hawley, Maurice V.
Hay, LaVern E.
Hayden, Hilbert C.
Hayden, William L.
Hayek, Paul A.
Hayes, James P.
Hayes, Robert V.
Hazard, Carlton G.
Heath, Leroy A.
Hebard, Robert T., Jr.
Hebert, Ernest P.
Hebert, Frank C.
Heffernan, James M.
Heflin, Reaves S.
Heiderer, Robert
Heidorn, Lawrence H.
Heinberg, Wolf
Heller, Lester M.
Helm, Walter A., Jr.
Hemler, Frank T.
Henderson, Thomas G.
Henderson, Edwin C.
Hendry, Charles E.
Hengl, Adolph
Henke, Leonard A.
Henley, Nathaniel T.
Henning, Donald E.
Heppler, Roland M.
Herman, Richard D.
Hermenau, Waldemar
Hermens, John H.
Heron, Howard C.
Herrick, William H.
Herter, Frank
Herweg, John B.
Hess, Harold C.
Hessey, Marcus J.
Hewson, John F.
Hicks, Frank R.
Hicks, Richard J.
Higgins, Robert T.
Higgins, Winford T.
Higginson, James G.
Hildebrand, Joseph H.
Hill, Gaylord E.
Hill, Robert D.
Hill, William E.
Hillery, Daren R.
Hilsenberg, Hubert E.
Hines, Gordon L.
Hinkelman, John W., Jr.
Hinman, Charles R.
Hirsch, Raymond
Hitchcock, William O.
Hitt, William C., Jr.
Hixon, Beryl R.
Hjalmarson, Magnus W.
Hoar, Russell A.
Hodgkins, Emmons B., Jr.
Hoeller, Warren J.
Hoffman, Laurence N.
Hoffman, Paul J.
Hofler, Theodore
Hogan, William M.
Hogg, Frank W.
Hoggard, Grady L.
Holland, David B.
Holley, Ervin D.
Holmes, Robert A., 3d
Holmes, Russell O.
Holschuh, Howard W.
Holt, Albert T.
Hon, Alvis M.
Hooks, Bennett W.
Hooper, James A., Jr.
Hoover, Donald W.
Hopgood, Cluade E., Jr.
Hopper, James V.
Hopson, Ralph W.
Horn, Glenn J.
Hornbuckle, Ross E.
Hornsby, Henry C.
Hosier, Ray S., Jr.
Houck, Richard
Houghton, Alexander J.
Houser, Jacob V.
Houston, William B.
Howard, Billy D.
Howard, John L.
Howard, Walter F.
Howlett, John
Hoyle, Robert S.
Hubbard, Edward R.
Hubbeling, John D. W., Jr.
Hubert, William E.
Huddleston, Leo N.
Huddleston, Woodrow
Huddleston, Don R.
Hudson, George D.
Hudson, William H. Jr.
Hudspeth, Howard M.
Huff, Ralph E.
Huggett, Wayne T.
Hughey, George H., Jr.
Hull, Edward W.
Hull, Ira C.
Hulme, Bethel M.
Hume, Hillis D.
Hummel, Robert G.
Humphreys, John C.
Humphries, Ray L.
Hunt, Edward R., Jr.
Hunter, Robert H.
Hurry, Paul S.
Hurst, Lawrence M.
Hurst, Richard W.
Husak, Theodore S.
Ickes, Glen D.
Idoux, Alvin C.
Ingels, Roland T., Jr.
Irving, Sam K.
Irwin, Edward F.
Isaacs, James A.
Ives, John R., Jr.
Jackman, Ralph H.
Jackson, Earl A.
Jackson, Harold B.
Jacobsen, Hans A.
Jaeger, John E., Jr.
James, Joseph H.
Jankosky, Vincent W.
Jantzen, Charles A.
Jarina, Michael
Jarvis, David P., Jr.
Jasper, Melvin W.
Jeffreis, James B.
Jelesnansky, Robert G.
Jenkins, John A.
Jennings, John A., Jr.
Jensen, Carl A.
Jester, Jack A.
Jobe, James K.
Johnson, Charles A.
Johnson, Gerald
Johnson, Gordon E., Jr.
Johnson, Keith V.
Johnson, Paul S.
Johnson, Ralph R.
Johnson, Roy
Johnson, Robert E.
Johnston, Harry D.
Johnston, Stuart M.
Jones, Bud M.
Jones, Harold L.
Jones, Jimmie C.
Jones, Marion S.
Jones, Philip H.
Jones, Robert S.
Jones, Ronald S.
Jordan, Raymond C.
Joslin, Harold E.
Justice, Richard R.
Justman, Leroy G.
Kahler, William
Kalas, Anthony S., Jr.
Kampmann, Anthony J.
Kane, Neal H.
Kannheiser, William R.
Karlsven, George J.
Karr, Kenneth R.
Karr, Walter G., Jr.
Kauffman, Charles C., Jr.
Kauth, John L., Jr.
Kays, Robert L.
Keane, James R.
Keen, Elmer D.
Keen, William K.
Keil, Wilbur E. N.
Keithcart, Raymond E.
Kelley, Edward G.
Kelley, Paul W.
Kelly, George R.
Kelly, James J.
Kelly, Leo
Kelly, Leslie D., Jr.
Kemmerer, John L.
Kempf, Lawrence A.
Kennedy, John E., Jr.
Kennedy, John F.
Kenney, Robert N.
Kerling, Albert J.
Kerr, Claude E.
Kerr, John W.
Kerstein, George E.
Kessler, Richard J.
Kidd, Robert A.
Kidwell, Robert R.
Kile, Richard L.
Kimball, Kieth W.
Kimbell, James M.
Kimmons, George W.
King, C. C., Jr.
King, Herbert T.
King, John E.
King, Mahlon H.
King, Patrick J.
Kingsley, Elwood F.
Kinkade, Martin J.
Kinley, Edward C.
Kinney, Darwin I.
Kirby, Arnold M.
Kirby, John J., Jr.
Kirk, Floyd S.
Kirkemo, Leland E.
Kistner, James L.
Klaessy, Dale S.
Klaus, Edward L.
Klein, Adam J., Jr.
Klein, Ralph E.
Klemawesch, James
Klindworth, Carl H.
Klitz, Frebert H.
Klockenkemper, Joseph B. G.
Klym, Charles S.
Kmetz, William H.
Knickel, Elwyn R.
Knight, Eugene H., Jr.
Knoche, Frederick D.
Knouse, Melford G.
Koch, Henry C.
Koger, Noel J. P.
Koloc, Bohumil, Jr.
Konzen, Joseph J.
Kopps, Richard L.
Kostik, William J.
Kramp, Eugene H.
Krasnick, George
Kraushaar, David
Kreckel, John P.
Krecklow, Roman A.
Kremp, Joseph P.
Kresan, Waldimir P.
Krier, Daniel L.
Kron, John A.
Krueger, Gerald J.
Krumrey, Henry A.
Krysan, Donald F.
Krzywicki, John
Kuchler, Ralph R.
Kuczynski, Sigmund F.
Kuefel, Walter L.
Kurowski, John J.
Kurz, William
Kyle, Kay L.
Lacey, Donald L.
LaCroix, James R.
Ladosz, John W.
LaHeist, Vernon G.
Lake, Robert H.
Lamb, Harold M.
Lamberson, Arthur E.
Lammers, Lorin R.
Lampe, James S.
Landrum, Joe R.
Lane, John S.
Lang, Albert A.
Langdon, Richard H.
Lange, Earl B., Jr.
Langston, James T.
Lankford, Carl B.
Lanzit, Jerome R.
LaPlante, Bernard R.
LaPointe, Arthur
LaRose, Edgar H.
Larson, Ray I.
Laser, Perry A.
Last, Frank J., Jr.
Latham, Hugh W.
Latta, Gordon E.
Laturno, Raymond J., Jr.
Laubach, Luther W. S.
Lauenroth, Frederick E.
Lauer, Albert C.
Laughlin, George W.
Laughlin, James E.
Laughton, Robert J.
Lavoie, Theodore E.
Laws, Walter T.
Layton, Stephen L.
Lea, Malcomb A.
Leaf, Dean R.
Leahy, Thomas M., Jr.
Leary, Charles H.
Leary, William, Jr.
Leathers, Ben K., Jr.
LeBlanc, Levy J.
Lee, Cletus A.
Lee, Donald E.
Lee, Howard E.
Lee, Howard G.
Lee, Marvin C.
LeFevre, Adolphe C.
Lehn, Donald A.
Leib, Frederick L.
Leidhold, Charles G., Jr.
Leighton, David T.
Leland, Harley G.
Lemert, Russell C.

Lenson, Robert H., Jr.
Leon, Walter G., Jr.
Leonard, Warren E.
Levi, Burna D., Jr.
Levinge, Claude
Lewis, Clyde S.
Lewis, Daniel E.
Lewis, Leon G.
Ley, Gerald M.
Lichtenberger, Chester E.
Licko, Richard J.
Liles, Percy L.
Lincoln, John L., 4th
Lindsley, Jack N.
Linn, Robert B.
Linville, James C.
Lippincott, Lincoln H., Jr.
Locke, Robert P.
Lockhart, James A.
Logan, Robert T.
Loggans, George W.
Lohman, Curtis L.
Long, Alfred N.
Long, David A.
Long, Robert E.
Longwill, Albert E.
Lorenz, Samuel, Jr.
Love, David K.
Love, Thomas J.
Lowery, Hugh H.
Lucas, Burke D., Jr.
Luebke, George M.
Luedtke, Wilbert C.
Luka, Earl
Lulu, Michael T.
Lynch, James
Lyon, Harvey E.
Lyons, Kenneth H.
MacClelland, George R.
Maciejewski, John W.
MacIlvaine, Charles W.
Macmillan, Harold R.
Maconaghie, Dysart O.
MacPhail, Robert W.
Maddox, Walter H.
Madson, Rae P.
Malkoffske, Charles F.
Mainland, John C.
Mallon, Richard J.
Malnerich, Joseph N.
Maloney, David A.
Manger, Martin M., Jr.
Manhart, Raymond J.
Mann, Marion E.
Mann, Philip L.
Mansfield, Samuel K.
Maraszek, Roman V.
March, Edwin L.
Markle, George M.
Marr, Paul D.
Marr, Robert W., Jr.
Marshall, Byron S.
Marshall, Daniel V., Jr.
Marshall, John T., Jr.
Marshall, Leslie E.
Martin, Howard N.
Martin, John W.
Martin, John H., Jr.
Martin, Posey L., Jr.
Martin, Ralph A.
Martin, William K.
Martino, John
Marusa, Walter
Marx, Leo B., Jr.
Marzluff, Joseph O.
Masica, Eugene M.
Massey, Joseph P.
Massey, Maurice E.
Massey, Robert J.
Masuen, Francis N.
Matherson, George P.
Matlin, Edward J.
Matthes, Harold K.
Maulden, Hoyt P.
Maurer, Nelson H.
May, Einer A.
May, Francis C.
May, Robert L.
Mayer, James L.
Mayer, John F.
Mayes, Shuler H.
Mayo, Henry T., 2d
McAndrew, Richard J.
McCabe, John C.
McCain, Francis A.
McCandless, Arlin R.
McCann, Edward F.
McCarthy, Edward J.
McCarty, Charles J.
McClain, Merl L.
McClimon, Harold V.
McClintock, Michael
McCloskey, Robert E.
McClure, Ralph D.
McCool, William F.
McCormick, Gordon H.
McCotter, Roy W.
McCoy, Clayton H.
McCray, James G.
McCreery, Howard R.
McCrosky, Donald H.
McCullough, William F.
McDaniel, Hector S.
McDaniel, Robert W.
McDermott, George E.
McDonald, Jack
McDonald, Joseph F.
McElhiney, James "V"
McElwain, Gerald R.
McEvoy, George A., Jr.
McEvoy, James A., Jr.
McFarland, Earle T.
McGovern, William
McGrath, Donald E.
McGrath, Herman G., Jr.
McGuane, John
McGuffin, Henry G.
McGurn, Edward M.
McHenry, Marcus
McKee, John C.
McKeever, James E. M.
McKell, Martin S.
McKeon, John M.
McLaughlin, Burton J.
McLawhorn, Bruce A.
McLean, William O.
McMahon, Ivan J.
McMahon, Joseph F.
McManaman, Raymond J., Jr.
McMaster, Donald W.
McMillin, John H.
McMonigle, John J.
McNeil, Robert K.
McNiff, Thomas, Jr.
McOmie, Donald B.
McPherson, Howard R.
McVicker, Robert J.
Meadows, James A., Jr.
Meek, Orville M., Jr.
Melchert, Edwin O.
Melin, Kenneth L.
Mentzer, Howard D.
Mercer, Ellsworth O.
Meredith, Carl E.
Merrick, John L.
Mershon, William R.
Metzger, Daniel T.
Metzinger, William D.
Meyer, Emile F., Jr.
Meyer, Joseph P.
Meyring, William W. R.
Middleton, Charles H.
Midgett, Maxton M.
Mika, John J.
Miles, Warren H.
Milham, Colvin E.
Miller, George P.
Miller, George M.
Miller, Harvey W.
Miller, Harold R.
Miller, Lawrence L.
Miller, Orville H.
Mills, Daniel A.
Mills, Ernest J.
Mills, Terry
Milner, William G.
Miner, George D., Jr.
Moessner, Julius H.
Moger, Frank L.
Mohr, Phil F.
Monaghan, Ralph H.
Monroe, Buster
Monroe, Elmo P.
Montgomery, Marvin D.
Montgomery, Brooke
Moody, Frank G.
Moore, George W.
Moore, John M., Jr.
Moore, Joseph E., 3d
Moore, Marion E.
Moore, Paul
Moore, Robert A.
Moore, Ronald W.
Moore, Walter C.
Moorhead, Daniel R.
Morgan, Henry S., Jr.
Morgan, Rutherford B.
Morgan, Theodore P.
Morin, Roland L.
Mork, John N. O.
Morris, Roland L.
Morris, Stanton L.
Morrison, John W.
Morrison, Robert M.
Morrison, William T.
Morriss, Richard J.
Moses, Carl W.
Motz, William K.
Mound, Willard M.
Mullahy, George H., Jr.
Mullen, James L.
Murphey, Samuel B.
Murphy, William L.
Murray, Hoseia J.
Murray, John P., Jr.
Murray, Thomas J.
Murray, Thomas M., Jr.
Murray, Walter F.
Murrell, James R., Jr.
Musial, Fred A.
Myers, William O.
Nash, Donald E.
Nash, Willie I.
Nasipak, Valentin
Nave, Robert W.
Neher, Paul F.
Neighbors, Earnest L., Jr.
Neilson, Thomas L.
Neiman, Jack, Jr.
Neitzke, Emil "H", Jr.
Nelson, Joseph W.
Nelson, Richard H.
Nelson, Robert R.
Nelson, Warren O.
Nemetz, Joseph G.
Nevins, John D.
Newbill, Henry L., 3d
Newbry, Lewis E.
Newell, Frederick E.
Newman, Augustus, Jr.
Newton, Fred B., Jr.
Nicholls, Benjamin F.
Nichols, George W.
Nichols, Ramon B., Jr.
Nichols, Ray H.
Nichols, William J.
Nickachos, Anthony
Nickel, Walter F.
Nickerson, Norval E.
Nolde, Robert R.
Noonan, Robert A.
Nord, James A.
Norgart, Melville J.
Norin, Robert A.
Northrup, Franklin C.
Norton, James C.
Nott, Hugh G.
Novak, Jerome C.
Nugent, Floyd C.
Nutt, Thomas A., Jr.
O'Brien, Edward F., Jr.
O'Brien, William C.
O'Connor, John J.
O'Day, Henry J.
O'Dea, Charles U.
Odell, Robert L.
Odom, James E., Jr.
O'Donnell, John C.
O'Dougherty, John H., Jr.
Oest, John R.
Offtermatt, Wilbur F.
O'Hara, Hugh L.
O'Keefe, Philip J.
Okkerse, Warren W.
Oliver, Donald C.
Olson, Frederick G.
Olson, Russell V.
Onachila, Frank T.
O'Neill, John L.
Ordway, Eugene E.
O'Shaughnessy, James D.
Ostrom, Ellsworth M., Jr.
Overman, Dana C., Jr.
Overn, John A.
Owen, Howard J.
Owens, Fred H., Jr.
Packer, Morris A.
Packer, Sidney
Paddock, Richard A.
Padgett, Guy V.
Paige, Lennon T.
Palmer, Prescott W., Jr.
Palmer, Wilbur L., Jr.
Panawek, Gregory
Parish, John J.
Parker, Edwin J.
Parker, George A.
Parkins, Dana S.
Parkinson, Donald S.
Parks, Bill B.
Paskow, Chester J.
Patras, Marcel, Jr.
Pattee, Richard M.
Pauls, Robert H.
Pavlow, John L.
Payne, Theodore M.
Pearson, Douglas C.
Pecore, Joe L.
Pefley, John W.
Pell, Isaac N., Jr.
Pendery, William P.
Pendleton, Edward T.
Penick, Robert E., Jr.
Penn, Joseph E.
Penney, Willoughby W.
Pereira, Harold K.
Petersdorf, Carl H.
Petersen, Woodrow T.
Peterson, Frank
Peterson, Harold V.
Petrofanis, Christy J.
Pettigrew, Thomas S.
Phelps, John E.
Phillips, Pearly L.
Phillips, Richard B.
Phillips, Robert B.
Phillips, William R.
Pike, Wayne J.
Pinkey, William, Jr.
Pinner, Richard S., Jr.
Pinzow, Leonard
Piotrowski, Alexander W.
Pirro, John J.
Pitts, Charles R.
Pizzuto, Patrick C.
Pledger, William G.
Plog, Leonard H.
Plomasen, Bruce W.
Plunkett, Roy D.
Polk, Mavis X.
Pollard, Felix R.
Pollock, Lewis H.
Popko, Otto
Popplewell, Lachlan B.
Porter, Edward M., Jr.
Porter, Philip S., Jr.
Post, Walter E., Jr.
Posterick, Richard B.
Powell, Donald N.
Powell, Harold L.
Powers, Horace S.
Powers, Ralph C.
Powers, Thomas C.
Pressler, Jack M.
Prevost, Alfred L.
Price, Arthur W., Jr.
Prickett, Benjamin A.
Prindle, Dayo D.
Prouhet, Clement R.
Provencher, Robert J.
Pryor, Frank P., Jr.
Puckett, Paul B.
Purinton, David F.
Purtzer, Edward J.
Putman, Robert E., L., Jr.
Quanstrom, Carl R., Jr.
Quarton, Thomas J.
Quelland, Obed R.
Quinn, George D., Jr.
Quinn, Harry T., Jr.
Quinn, Kenneth A.
Racette, Henry J., Jr.
Radcliffe, Robert J.
Ragon, George T.
Rahm, Howard C.
Raihle, Richard R.
Randolph, Beverley
Rankin, George H.
Rankowski, Charles A.
Rapacz, Edwardus
Rapelyea, Oscar F.
Raposa, William C.
Rasko, Robert V.
Ray, Glenn E.
Ray, Russell J.
Rayburn, Lawrence M.
Read, Robert B.
Recknor, Marvin W.
Red, Woodrow W.
Redd, Donald W.
Reddick, Eldred C.
Reddington, Thomas F., Jr.
Redgrave, DeWitt C., 3d
Redmond, Jack W.
Reed, Cletis A.
Reed, Frank W., Jr.
Reed, William G.
Reedy, James M., Jr.
Reel, Roy M., Jr.
Reeves, William B., III
Rehe, George J.
Reich, Charles A.
Reilly, Joseph L., Jr.
Reilly, William T.
Reinhart, Leonard J.
Renaker, Earl E., Jr.
Renaldi, Richard R.
Renken, Waldemar E.
Rethlake, Maurice G.
Reynolds, Norvan E., Jr.
Rhinehart, Edwin A.
Rhoad, Kenneth A., Jr.
Rice, Myron K.
Rich, John F.
Richards, Donald E.
Richards, George E.
Richards, Harold O.
Richardson, John M.
Richardson, Guy D.
Richie, Dennis
Ricinak, Michael D.
Rinaldi, Emil J.
Ripsco, Frank A.
Risch, Harry, Jr.
Risley, Clayton E., Jr.
Risley, James R.
Ritchie, Floyd M.
Rivers, Francis E.
Robb, Roger W.
Roberts, Charles L., Jr.
Roberts, Gerald M.
Robertson, Oliver W. H., Jr.
Robertson, David
Robertson, Bruce W.
Robinson, David G.
Robinson, Guy W.
Robinson, Jack W.
Robinson, Robert
Robinson, Rembrandt C.
Robinson, Ray M., Jr.
Robinson, William H.
Robison, Layton E.
Roby, Reginald E.
Rockoff, Herbert R.
Rockwell, Donald E., Jr.
Roemer, Robert F.
Rogers, Bernard L.
Rogers, George E.
Rogers, Harold J.
Rohrich, Walter H., Jr.
Roland, Raymond M., Jr.
Rooney, Frederick T.
Rooney, George M.
Rorex, Sam, Jr.
Rose, Albert E., Jr.
Rosekrans, Leslie A.
Rosier, Cecil R.
Ross, Albert J.
Ross, John W.
Rossi, Edward C.
Roth, Edward F.
Rowland, Jess R.
Ruenzel, Robert L.
Rule, John D.
Rumble, Harry H., II
Rumburg, William H., Jr.
Rupp, Herbert H.
Russel, Joseph W.
Russell, Ross W.
Russo, Lawrence, Jr.
Rust, Dorvan T.
Saathoff, Mervin A.
Sadler, Robert J.
Samuels, Bernard L.
Sanders, Howard E.
Sanders, Orlin W.
Sandidge, Falvey M., Jr.
Sands, John M., Jr.
Sante, Robert D.
Sasse, Clarence E.
Saunders, Charles M.
Savage, John E.
Scambos, Thomas T.
Scarborough, Joseph M.
Scarborough, Harry C., Jr.
Scatolini, Albert G.
Schaeffer, Edward V.
Scheperle, Cletus W.
Schlarbaum, Donald A.
Schmoranc, Ray D.
Schneiders, Joseph M.
Schofield, Thomas G.
Scholfield, John F.
Schroeder, Joseph H.
Schulenberg, Duane E.
Schumacher, Eldon C.
Schumacher, Elmer A.
Schumann, Carl E.
Schweinefuss, Ralph J.
Scliris, Louis G.
Scott, Benedict J.
Scott, Benjamin F.
Scott, Ernest W.
Scott, Julian F.

Scott, Walter
Scully, Robert L.
Seago, James T.
Segal, Stanley L.
Seiss, Ernest G., Jr.
Self, Robert L.
Seligo, Frank
Selman, Alpha M.
Selvidge, James C.
Senderling, John F.
Seol, Alfred W.
Sepper, Frank
Setzer, Brooks W., Jr.
Seward, Carl A., Jr.
Seymour, Earl P.
Shaffer, James B.
Shannon, James A.
Sharp, Alfred C.
Sharp, Kenneth H.
Sharp, Wallace E.
Shaw, Garlin V.
Sheehan, Wilson W.
Sheil, James E.
Shellabarger, Thoburn P.
Shepard, Wayne C.
Sheppard, Cedric W.
Sheppard, William L.
Sheppard, Walter P., Jr.
Sherfy, John B., Jr.
Sherman, Frank E.
Sherman, Harry W.
Showalter, Bernard P.
Shreve, Andrew K.
Shuman, William P., Jr.
Sickel, John A.
Simon, John B.
Simonetti, Geno J.
Sims, Frederick R., Jr.
Sinclair, George T., Jr.
Sipe, Richard G.
Skelly, John E.
Skelly, LeRoy W.
Skinner, Walter E.
Skipper, James C., Jr.
Skonberg, Albert W.
Skoog, Joseph L., Jr.
Slabey, Theodore M.
Slasinski, Floyd M.
Slaven, Edmond K.
Slaymaker, Richard P.
Sledge, Jack B.
Smiley, Robert W.
Smith, Albert L., Jr.
Smith, Bernard R.
Smith, Boney T., Jr.
Smith, Byers G.
Smith, Edwin P., Jr.
Smith, Francis J.
Smith, George H.
Smith, Gerald W.
Smith, Harold P.
Smith, Horace G., Jr.
Smith, Hugh W.
Smith, Jacob P.
Smith, John E.
Smith, Lloyd J., Jr.
Smith, Myrtis B.
Smith, Patrick H.
Smith, Richard S.
Smith, Richard C.
Smith, Roy W., Jr.
Smith, Walter D.
Smith, Wayne F., Jr.
Smithee, Bruce
Smitman, George E., Jr.
Smullen, Orvill A., Jr.
Smyer, Theodore M.
Snediker, George W.
Snyder, James G.
Snyder, Roy D.
Sodke, Henry E., Jr.
Soltys, Leo S., Jr.
Somerville, William M., Jr.
Sommer, Charles A.
Sorrell, William S.
Southall, Donald L.
Spahr, Herman G.
Spainhour, Wayne E.
Spargo, James
Spargo, Paul L.
Spence, Jack R.
Spencer, Paul E.
Spencer, Philip T.
Spurgeon, Norman W.
Squire, Harris A.
Squire, Wade R.
Stafford, Dean H.
Stamps, Bernice G.
Stangl, Gerald G.
Stankowski, Robert J.
Stark, Francis A.
Starr, Ralph B.
Stauffer, Howard C.
St. Clair, Robert H., Jr.
Steadley, William A.
Stebbins, Daniel W.
Stecker, John P.
Steed, Robert F.
Steeves, Harold M.
Stene, Laurence M.
Stensler, Gustav G. M.
Stepanian, George
Stephens, Charles H.
Stephens, William E., Jr.
Sterghos, Ignatius
Stevenson, Sperry
Stewart, Clell
Stewart, Hal B.
Stieler, Norris O.
Stilwell, Louis C.
Stirnweiss, Andrew P., Jr.
Stone, Courtenay M.
St. Onge, Joseph M.
Stout, Burke W.
Stout, Desmond W.
Stowell, Robert G.
Stratton, Charles E.
Strauss, Stuart
Strickland, Robert B.
Strineka, Stephen
Strobel, Frank W.
Stuart, "L" "V"
Suddreth, John M.
Sugden, John W.
Sullivan, Harry F.
Sullivan, John A.
Sunday, Howard W.
Sutfin, Socrates D.
Suther, Thomas W., Jr.
Sutherland, William A.
Sutherland, Robert S.
Sutton, John R.
Sutton, Thomas L.
Swan, Frank P., Jr.
Swanstrom, Willis E.
Sweet, Robert W.
Sweet, Robert R.
Swisher, Oliver L.
Sykes, Ralph E.
Tabor, Thomas L.
Tallent, Carson R.
Tarbell, Curtis L.
Tarbox, William
Tastsides, George T.
Tate, James D.
Tatham, Roy M.
Tatone, Lige
Taylor, LeRoy M. Jr.
Taylor, Martin E.
Taylor, Walter W.
Thatcher, Bruce S.
Therriau, William W.
Thigpen, Francis Y.
Thomas, Alfred J.
Thomas, Clarence E.
Thomas, Elbert R.
Thomas, Ross J.
Thomas, Warren J.
Thompson, Arthur E.
Thompson, Christopher S.
Thompson, Max E.
Thompson, Robin D.
Thornton, John W.
Tierney, Glenn A.
Tilghman, William F.
Tindle, Roy L.
Tippie, Bruce E.
Todd, Harold S.
Tollefson, Leif
Tompkins, Troy O.
Tonkovic, Andrew A.
Toole, Warren K.
Toth, Arpad J.
Totman, Leslie O.
Townsend, Grider E.
Tracey, Walter
Tranter, Thomas L.
Traubel, Ralph E., Jr.
Travis, Paul B.
Trotter, William R.
Troupe, James E.
Troyner, Joseph
Trueblood, Harold J.
Truesdale, Harold R.
Trumbull, William C.
Trytek, Edward H.
Tucci, Frank A.
Tuckey, James
Tuffanelli, George T.
Tull, Robert
Turley, Miles D. J.
Turnbull, William O.
Turner, Earl J.
Turner, Jack A.
Turner, Thomas J.
Turner, William R.
Tveitmoe, Olaf A.
Ufer, Alfred L.
Uncles, John F.
Ussery, Joe W.
Vadney, Harold A., Jr.
Vail, Ronald A.
VanDemark, James L.
VanKeuren, Matthew S.
VanVleet, Carroll
VanVolkenburgh, James L., Jr.
Varner, Charles C.
Vassar, Murray C.
Vaughan, Joe B.
Vaughn, Donald E.
Vaughn, Glenn
Vaught, William J.
Veit, William H.
Veling, George M.
Vermillion, Burke S.
Via, Hubert L.
Vierregger, William T.
Viguers, Allan K.
Vincent, Francis E.
Vining, Pierre H.
Viscardi, Peter W.
Voiler, Sherman L.
Volk, Ralph L., Jr.
Volker, John H., Jr.
VonSothen, Edward A., Jr.
Wachtel, Arthur
Wade, William D.
Wagener, William C.
Wagner, Harry M.
Wagner, Robert P.
Wagner, Willis H.
Walery, Kenneth F.
Walker, Earl P.
Walker, George T., Jr.
Walker, Robert G.
Walker, Stanford E.
Walker, William F.
Walker, William O.
Walkup, William E.
Wallace, Gerard V.
Wallace, Robert G.
Wallis, Thomas S., Jr.
Walsh, George A.
Walters, Robert E.
Walton, Horace B.
Walton, Merle W.
Waltz, Robert E.
Walvoord, Wesley H.
Ward, James J.
Ward, Raymond E.
Ward, Roy
Ware, Robert V.
Warf, Bueston E.
Warfield, John B.
Warner, Robert E.
Warren, Alburn A.
Warren, George V.
Warrior, Joseph D.
Warton, David
Warton, John F.
Wasson, Joel T.
Waters, David E.
Waters, Willard H.
Watkins, Ernest A.
Watson, Harry A.
Watson, Robert S.
Watts, George C., Jr.
Wear, Kenneth M.
Wear, Lavern C.
Weatherby, Vernon W.
Weaver, Burrell O.
Weaver, Wallace S.
Webb, Charles W.
Webb, Forrest E.
Webb, George J.
Webb, Jack L.
Webber, Wilburn N.
Weber, Kenneth C.
Webster, Daniel A.
Webster, Harold A., Jr.
Weeks, Edward F.
Wegmet, Howard N.
Weidig, Donald H.
Weigel, John J.
Weiland, Eric H.
Weimer, Walter H.
Weir, Gavin
Weir, James G.
Welch, Harry E.
Welge, Leslie A.
Welker, Ralph A.
Wells, Lionel E.
Werdelman, Egon H.
Werner, Paul F.
Weseloh, Heinrich J. C.
West, Homer A.
West, Raymond W.
Westcott, Malvern P., Jr.
Westerman, Edward A. I.
Whalley, Harold O., Jr.
Wheeler, Felix H.
Wheeler, Robert E.
Wheeler, Robert F.
Wheelock, Arnold M.
Wheless, John C.
Whilden, Adolph D., Jr.
White, Earl N.
White, Garrett A., Jr.
White, Jackson
White, John D.
White, John D.
White, Rue W.
Whitney, Donald D., Jr.
Wickman, Ralph J.
Wickwire, Warren P.
Wietz, Harmon F.
Wiggins, Thomas E.
Wigington, Everett E.
Wikenheiser, Frank J.
Wilcox, Charles L.
Wilkes, Gaylen L.
Wilkins, James C., Jr.
Willeford, Marion S.
Willett, Elbert H.
Willey, Oscar S., Jr.
Williams, "D" Hunt
Williams, Kenneth J.
Williams, Kenneth J.
Williams, Otis N.
Williams, Wallace E.
Williams, William F., Jr.
Williamson, Thomas A., Jr.
Williamson, Warren D.
Willis, Avery L.
Willis, Thomas J.
Willis, William A.
Willson, Lawrence E., Jr.
Wilmarth, Eugene M.
Wilson, Edward P., Jr.
Wilson, George
Wilson, Gerald H.
Wilson, Harry A., Jr.
Wilson, Harvey
Wilzer, Kenneth R.
Windley, Alonzo R.
Wingfield, Elmer A.
Winter, Homer A.
Winters, Harold M.
Winton, Matthew J.
Wirth, Merlyn F.
Wise, John H.
Wise, Winslow A.
Woessner, Fred W., Jr.
Wohlers, Frederick H.
Wollar, Edward S.
Womer, John R.
Wondergem, John M.
Wood, Clarence D.
Wood, Harold D.
Wood, Jesse, Jr.
Woodard, Ethan A.
Woods, Ivan E.
Woolsey, Donald S.
Wootton, William T.
Work, David D.
Worley, Howard M.
Worrall, Alton H., Jr.
Worrall, David J.
Worlsey, Earl A.
Wozniak, Louis E.
Wright, Lawrence S.
Wright, Robert S.
Wyman, Charles L.
Yakich, Joseph J.
Yarbrough, John D.
Yarbrough, Herbert A.
York, George H.
Youmans, Laurens W., Jr.
Young, Gordon S.
Young, Jack E.
Young, Layton A.
Younger, Charles M., Jr.
Younglove, Edward E., Jr.
Zakarian, Aaron M.
Zehr, Milton A.
Zelibor, Joseph L.
Zenner, Harold J.
Zesiger, Max A.
Zettel, Richard T.
Zieba, Henry J.
Zimmerman, Frederick W. E.
Zook, Lester E.
Zornow, Gerard P.
Zseltvay, Robert R.

Medical Corps

Anderson, Thomas A.
Anlyan, Alexander J.
Bailey, William T., Jr.
Bauer, Robert E.
Belcher, Stanley M.
Berg, John J.
Bisharat, Emile H.
Boyd, Winton R.
Brannon, Leland C.
Broaddus, Carl A., Jr.
Burdon, John C.
Burns, Benjamin F.
Byrd, Jack E.
Caliguiri, Joseph V.
Cappelletti, Ado J.
Champion, William J.
Clark, Frederick A., Jr.
Clave, Ralph A.
Colantuono, Julius G.
Cruft, George E.
Cunningham, Lowell K.
Curtiss, Frederick M.
Curts, Calvin J.
Danzig, Irwin S.
Davis, Frederick J.
DesPrez, Renkert J.
Dietz, Mortimer W.
Doohen, Donald J.
Douglass, Carleton C.
Dunavant, William D.
Dyer, Dallas J.
Eberley, Byron T.
Edwards, Donald W.
Eluot, Channing E.
Erdbrink, Wayne L.
Ericsson, Bernard R.
Flynn, John W.
Fox, Samuel M., 3d
Gerisch, Robert A.
Greenburg, Rolland E.
Gullett, William E., Jr.
Heaton, Samuel A., Jr.
Hill, Robert L.
Hoffman, Harry L.
Hubbard, Hampton
Jenkins, John R., Jr.
Kaplan, Solomon A.
Kent, Howard R.
Kirkland, Theo N., Jr.
Kishner, Leonard L.
Kupke, Melvin F.
Loweecey, Edward D.
Lyman, Frank L.
Lyons, Howard H.
MacAulay, Francis X.
Maines, John G., Jr.
Margileth, Andrew M.
Marks, Thomas S.
Martin, Owen
McClenathan, James E.
McCoy, John T.
Mekanik, Edwin A.
Millar, Jack W.
Miller, Cameron E.
Mills, Stephen R., Jr.
Mitchel, Robert E.
Mitchell, Augustus W.
Montgomery, Duncan O.
Nelson, Pierce D.
Parmelee, Kenneth A.
Peckinpaugh, Robert O.
Pinderhughes, John L.
Potter, Maxwell G.
Preston, Frank R.
Preston, Paul J.
Ramos-Gonzalez, Luis
Reinhardt, Roger F.
Roberts, Harry L., Jr.
Robertson, Leon W.
Rogoff, Stanley M.
Rulison, Clyde A.
Salzman, Morris
Sanborn, Neal D.
Scalia, Samuel P.
Schaeffer, Charles D.
Shipley, Richard E.
Sillery, William R.
Singer, Paul J.
Small, David E.
Smith, Francis J.
Sneddon, Ernest A.
Spicer, Donald W.
Stark, James E.
Steel, Robert M.
Steller, Frderick C.
Stewart, James H.
Stewart, Lee W.
Swyer, Alfred J.
Treager, Henry S.
Waife, Sholom O.
Waite, Charles L.
Weiland, Irvin H.
Wells, Peter F., 2d
Welz, Werner K. R.
Whatley, Joseph L.
Wicksman, Robert S.
Williams, William R., Jr.
Wolfe, Henry E., Jr.
Woodcock, John A.

Workman, Robert D.
Wu, William L.
Wydrzynski, John J.
Zeldis, Norman

Supply Corps

Anderson, Clayton L.
Anderson, Emil
Austin, Charles B.
Aycock, Charlie B., Jr.
Bach, Charles F., Jr.
Balcom, Vaughn O.
Batterson, Robert E.
Beckham, John J.
Benson, William S., 2d
Benson, David W.
Bland, Herbert L.
Blank, Arthur E.
Boswell, Harold
Boylan, Walter J.
Bray, Walter H.
Brislawn, Richard W.
Bulfer, Joseph E.
Burns, Hugh F. J.
Burrus, Elgie L.
Caldwell, William F.
Carleson, James W.
Churchill, Donald J.
Connell, Raymond K.
Conner, Harry L.
Connors, Ross W.
Cooper, Wilfred A.
Curtis, James R.
Darrow, Edward E.
Davis, Lynn M.
Deere, Kenton C.
Dennig, Richard A.
Divens, Harry O.
Doucette, Forrest H.
Duca, Milton
Duncan, Henry C.
Dunn, George G.
Dura, Leon J.
Ehlers, Ervine B.
Elmore, John W.
Ericson, James B.
Fernas, William M., Jr.
Forgette, Arthur J.
Fox, Chester C.
Geiger, Gilbert G.
Goodpasture, John W.
Gorman, John H.
Grinstead, Eugene A., Jr.
Gudgeon, Albert G.
Hackenson, Bernard J.
Harbaugh, Norman R.
Hart, James A., Jr.
Hart, Samuel S.
Hendrickson, Earl W.
Hickey, James E.
Hobbs, Robert C.
Howard, Garnett E.
Howell, Jesse E.
Hughes, Thomas W., Jr.
Jacobs, Howard F.
Jaquay, Arthur B.
Jochems, Don F.
Johnston, Lloyd E., Jr.
Jones, John M. O.
Jones, Raymond A.
Josselyn, Allan H., Jr.
Kallaus, Alfred R., Jr.
Kambeitz, Bernard
Karchere, William
Kelly, William R.
Kramer, Maurice
Larson, Phillip D.
Lawson, Walter E., Jr.
Lemel, Ernst
Lewis, Harvey E.
Lewis, Raymond O.
Lewis, William L.
Lillis, James F.
Little, Henry E.
Luebbe, Harry R.
Matson, George L.
McClung, Richard A.
McDugald, Jesse
McGarry, Joseph J.
McGlothlin, James H.
Miller, Junice W.
Moore, Vincent P., Jr.
Muzleski, Vincent J.
Newton, Richard E., Jr.
Nichols, Paul
Nickson, Roy E.
Noga, Edward L. S.
Nordengren, Frederick R.
Nugent, Francis F.
O'Loughlin, Richard C.
O'Neill, Ronald J.
Palmer, Richard B.
Patterson, Frank H., Jr.
Peascoe, Joseph W.
Peffley, John F.
Peppones, Demetris J.
Phelps, Tracy
Platz, Harold F., Jr.
Rasimas, Alfonso E.
Rigsby, Orland W.
Roche, Francis
Roderick, John D.
Rodgers, Wallace F.
Rose, Rodney
Rost, John R.
Ryman, Richard T.
Santille, Augustine
Sauer, Charles A.
Schaer, Frederick D.
Searles, Clinton
Seltzer, George S., Jr.
Shapiro, Nathan E.
Shenk, Eugene M.
Sira, Peter V.
Spicer, Robert M.
Stafford, Dean C., Jr.
Stafford, "J" "D"
Steveley, Joseph H.
Stewart, Robert W.
Story, Audie
Strader, Walter J.
Strait, James B.
Swart, Philip
Tongren, Hale N.
Tritten, Emil
Wagner, Paul F.
Walton, Billie M.
Walther, Frederick W.
Williams, Raleigh J., Jr.
Williams, William G.
Williams, William M.
Wilson, Leslie D., Jr.
Yearick, William A.
Young, Carl A.
Zielinski, William E.
Anderson, Carl I. B.
Bercaw, Jesse L.
Brown, Emlin N.
Conley, Howard F.
Cullen, Curtis
Eller, Lovelace H.
Greene, Joseph M.
Handy, Harry G.
Keener, James C.
Keyes, Lyle E.
Metcalf, Paul J.
Miller, James H.
Obendorfer, Wilson M.
Page, Richard B.
Tetrault, Joseph H.
Wendt, Ernest H.

Chaplain Corps

Berry, Reginald A.
Bost, Warren L.
Brenneman, Marshall E.
Capers, Keene H.
Deal, Robert L.
Dennis, Arthur W.
Elliott, Calvin H., Jr.
Forney, Frederic J.
Haynes, Henry H.
Howland, Barker C.
Jeffers, Harold W.
Keeley, John A.
Kennedy, William T.
Madigan, Edward T.
McMillan, Robert C.
Nerthling, Edwin J.
Nunn, Jack E.
Parham, Thomas D., Jr.
Pigott, Charles S.
Power, Bashford S.
Radcliffe, Robert W.
Ray, Milton U.
Schutz, Adam J., Jr.
Snelbaker, James K.
Spohn, Arnold P.
Sullivan, Daniel G.
Swift, Charles H., Jr.
Trower, Ross H.

Civil Engineer Corps

Abbott, Allen W.
Adams, John B.
Allen, John C.
Atwater, Vern E.
Bartlett, Robert B.
Bixby, Paul
Blevins, W. J.
Cunning, David P.
Cushman, Townsend H., Jr.
Divoll, Richard L.
Draves, Albert W., Jr.
Eding, Lawrence H.
Flynn, David L.
Galbraith, Frank W.
Gault, Alan C.
Hammer, John G.
Hanley, John T.
Hansen, Bernard L.
Julian, James B.
Kirk, Randolph
Laurenzano, Frank M.
Manley, Robert B.
McGhee, Thomas J.
Mitchell, Richard D.
Mitter, Wayne S.
Padden, Thomas J., Jr.
Patrick, Jason M.
Peacock, Francis B.
Rogers, William R.
Seibel, Roy K.
Snow, Arthur W.
Souder, Charles L.
Theriault, John P.
Wilcox, Romeo E.

Dental Corps

Abbott, David
Ardoin, Wilson A.
Bancroft, John A., Jr.
Batchelder, Richard M.
Bell, John R.
Benson, Lambert A.
Blackwell, Richard T.
Brauer, Frank J.
Carraway, George F.
Colby, Gage
Cook, William H., Jr.
Cordonier, Louis H.
Courage, Guy R.
DelGaudio, Constantino P.
D'Vincent, Richard "C"
Eisenberg, Richard
Evans, Floyd G.
Firestone, Dale L.
Gaver, Oren H., Jr.
Giammusso, Anthony P.
Grossman, Frank D.
Hagerman, Wade H., Jr.
Hermsmeyer, Melvin L.
Hicks, Henry H.
Hodder, Edwin J.
Hoffeld, Irving J.
Hunter, Walter D., Jr.
Ikenberry, Esthel D. K.
Johnson, Van L., Jr.
Jones, Everard F., Jr.
Knapp, Victor P.
Kratochvil, Frank J., Jr.
Lee, Aloysius J.
Lewis, Llewellyn A.
Lynds, Charles W.
Mazzarella, Maurice A.
Mones Jerome
Monroe, William A., Jr.
Naylor, Merlin E.
Neskow, Robert S.
Pablos, Tomas C.
Parry, Donald E.
Rinck, Theodore J. H.
Rives, Robert G.
Robinson, Jack W.
Ross, Peter C.
Smith, Henry C.
Snyder, James H.
Staples, William R.
Tanner, Henry M.
Teutsch, Laren W.
Traeger, Kimble A.
Troxell, Richard R.
Ulrich, George, Jr.
Vague, Curtis J.
Webre, Harvey P.
Welden, Robert B.
Williams, Leonard E.
Zeledon, Luis M.

Medical Service Corps

Abernathy, Odell S.
Allen, John W.
Anderson, William F.
Atkinson, James O.
Baker, David H.
Ball, Gilbert R.
Bennett, Paul B.
Bing, John H.
Blasinski, Ervin W.
Bonnell, Theodore V.
Boyd, Thomas A., Jr.
Bricks, Bernard N.
Brooks, Euris J.
Bruce, Frank A.
Byers, Leland E.
Campbell, Leslie E.
Cannon, Robert L., Jr.
Carroll, Charles A.
Cearley, Arvin
Chapdelaine, Jack A.
Christensen, Charles H.
Coggburn, Manfred W.
Copeland, Winston B.
Cox, Irvin D.
Creech, Roy F.
Dalton, Lionel B.
Decious, Warren D.
Eastman, Robert W.
Edge, Cary O.
Essman, Frederick B.
Farmer, Lonnie D.
Fennell, Chester C.
Flournoy, Milton C.
Gleason, Edmund H.
Goldenrath, Walter L.
Graham, Ogden C.
Guidry, Joseph A.
Haggard, Lucian L.
Hardin, Lawrence V.
Harnish, Rodney M.
Herrick, Stewart V.
Hickey, Earl F.
Hinton, "J" "P"
Hoche, Herman E.
Hollis, Thomas L.
Hopson, Claude T.
Johnson, Chester H., Jr.
Johnson, Frank C.
Johnson, Thurman G.
Johnson, Woodbury
Keel, Charles R.
King, Arthur N.
Kramer, Mervin
Lamb, Montana
Law, Paul C.
LeBleu, Harry W.
Lewis, George W.
Lewis, James C.
Longest, Nova
Lyon, Waldo B.
Manley, Woodrow C.
Marsden, William E.
Martorano, Joseph J.
May, John F.
Mayberry, Frank L.
McDaniel, James E.
McLellan, David J.
Mendrala, Emanuel
Miles, Thomas J.
Moore, Granville M.
Morel, Eugene J.
Nevens, David J.
North, Kenneth E.
Paddock, Robert H.
Pedersen, Arthur S.
Pellarin, Victor L.
Petrusky, Martin, Jr.
Phillippi, Fred E.
Pipkin, Alan C.
Potter, Earl L.
Powell, Preston L.
Price, Raymond F.
Rankin, James R.
Raybourn, Byron C.
Rentz, James F.
Replogle, William C.
Rice, Kenneth V.
Rockett, Edward J.
Rogers, Arthur L.
Russell, Joe W.
Sabbag, George J.
Scheile, Ottice R.
Shepherd, William H.
Sickels, William A.
Sinclair, Harry E.
Smith, Louis H.
Smith, Maurice L.
Sontag, Frank B.
Stephens, John W.
Sutton, Herman O.
Sylvester, Harold J.
Taylor, Charles T.
Teller, Leslie W., Jr.
Thompson, Charles R.
Thompson, Henry A.
Tipton, Stewart P.
Tully, John J.
Tunks, Omar A.
Wade, Daryle A.
Wallace, Calvin F.
Whitt, Malgum E.
Willis, Gerald J.
Winne, Roy E.
Wolfe, Troy E.
Woods, Samuel A.
Yetka, Joseph L.

IN THE MARINE CORPS

The following-named officers of the Marine Corps for permanent appointment to the grade of major general:

Robert O. Bare
Reginald H. Ridgely, Jr.
Homer L. Litzenberg
Robert E. Hogaboom
Joseph C. Burger

The following-named officers of the Marine Corps for temporary appointment to the grade of major general:

David M. Shoup
Samuel S. Jack
Henry R. Paige
Marion L. Dawson
Francis M. McAlister
John C. Munn

The following-named officers of the Marine Corps for permanent appointment to the grade of brigadier general:

Samuel S. Jack
Henry R. Paige
Joseph W. Earnshaw
Marion L. Dawson
Francis M. McAlister
Alan Shapley
David F. O'Neill
Russell N. Jordahl
Jack P. Juhan
Harold D. Hansen
John C. Munn

The following-named officers of the Marine Corps and Marine Corps Reserve for temporary appointment to the grade of brigadier general, subject to qualification therefor as provided by law:

Ralph B. De Witt
Wallace M. Greene, Jr.
Charles H. Hayes
Donald M. Weller
Edward A. Montgomery
Ronald D. Salmon
August Larson
Lewis C. Hudson
Richard C. Mangrum
Frederick L. Wieseman
George R. E. Shell
Victor H. Krulak

The following-named officers of the Marine Corps Reserve for temporary appointment to the grade of brigadier general:

Melvin L. Krulewitch.
William W. Stickney.

IN THE MARINE CORPS

The following-named officers of the Marine Corps for temporary appointment to the grade of colonel, subject to qualification therefor as provided by law:

Alfred H. Marks
Everette H. Vaughan
Randolph C. Berkeley, Jr.
Jackson B. Butterfield
Robert A. Harvey
John F. Carey
John A. McAlister
Hamilton Lawrence
Rex R. Stillwell
Norman H. Jungers
Richard E. Figley
Gordon D. Gayle
James D. McBrayer, Jr.
Jack Hawkins

William A. Stiles
Edwin C. Aiken
Russell Duncan
Richard M. Huizenga
William A. Cloman, Jr.
Jino J. D'Alessandro
Melvin D. Henderson
Elliott B. Robertson
George F. Gober
John D. Howard
Cecil W. Shuler
Glenn R. Long
Samuel D. Mandeville, Jr.
William G. Thrash
Louis Metzger
Luther R. Seibert
Wendell H. Best
John I. Williamson, Jr.
Robert S. Riddell
George T. Fowler
Warner T. Bigger
Charles A. Rigaud
Roger S. Bruford
Edwin C. Godbold
Warren P. Baker
James Taul
Homer E. Hire
Richard Quigley
Royce W. Coln
Alfred T. Greene
Wayne M. Cargill
James B. Moore
Louis L. Frank
Thomas V. Murto, Jr.
Frank H. Collins
Howard E. King
Waite W. Worden
James R. Anderson
Harold S. Roise

The following-named officers of the Marine Corps and Marine Corps Reserve for temporary appointment to the grade of lieutenant colonel, subject to qualification therefor as provided by law:

Herbert A. Peters
Alfred H. Peterson
Leslie Menconi
Robert H. Brumley
George H. Linnemeier
Donald D. Kennedy
Gilbert McConville
Michael J. Hogan
Beldon Lidyard
Michael J. Sisul
Albert H. Keith
Irvin H. Elrod
Walter H. Eastham
Raymond F. Gotko
William G. Leeman
Tracy P. Mizelle
Wiley E. Haverty
George W. Kaseman
William L. Woodruff
George Jones
William A. Searight
Richard P. Brezinski
Theodore R. Cathey
Daniel M. Manfull
Albert Wood
Charles C. Crossfield III
Clarence F. Zingheim
Donald L. Mallory
Fred A. Steele
William C. Davis, Jr.
Gilbert N. Powell
George W. Doney
Charles H. Beale, Jr.
Fletcher R. Wycoff
Milton A. Hull
Julian Willcox
Robert A. Thompson
James K. Linnan
James C. Norris, Jr.
Ross T. Dwyer, Jr.
James F. McInteer, Jr.
Samuel Jaskilka
John A. Lindsay
Franklin L. Smith
Robert M. Jenkins
David H. Lewis
Gildo S. Codispoti
Kenneth J. Houghton
Howard L. Mabie
William E. Ryan
Roy I. Wood, Jr.
Charles D. Garber
K. K. Bigelow
Warren P. Nichols
Charles E. Call
Patrick Harrison
Edward C. Kicklighter
James K. Young
James W. Eldridge

The following-named officers of the Marine Corps and Marine Corps Reserve for temporary appointment to the grade of major, subject to qualification therefor as provided by law:

Aaron, Albert V.
Adair, Harold F.
Adams, Paul
Adams, Rayford K., Jr.
Alexander, Leland G.
Alford, Bennett W.
Alison, James C.
Allen, James F.
Allen, Robert B.
Allen, Warren H.
Aller, John K.
Ammer, Henry G.
Anderson, Howard A., Jr.
Anderson, Eugene
Anderson, Hermann L.
Anderson, George B.
Anthonisen, Norman C.
Anthony, William S.
Anton, Alfred J.
Argo, Hugh D.
Baar, Stuart P., Jr.
Badger, Guy O.
Bailey, Edward A.
Bain, Herbert J.
Baites, Lonnie P.
Baker, Edward S., Jr.
Ball, Robert E.
Barcus, Paul W.
Barr, James C.
Barrett, James B.
Barrett, Roscoe L., Jr.
Barrett, Wallace C.
Batchelder, John M.
Beal, Samuel G.
Beat, Nolan J.
Beckett, William H.
Bednarsky, Vincent H.
Bekins, Robert Q., Jr.
Bell, Van D., Jr.
Bender, Lawrence W.
Benskin, George H., Jr.
Bey, Robert T.
Blair, George G., II
Bland, Kenneth R.
Bodley, Charles H.
Boles, Jack F.
Bollinger, William D.
Bonds, William E.
Bosma, Oscar A.
Bostick, Orren K.
Boudreaux, Donald L.
Boulware, John C.
Boyd, Clarence W., Jr.
Brandel, Ralph E.
Brandon, Joseph L.
Breckinridge, James T.
Breeze, Robert W.
Brierton, Thomas J., Jr.
Brimberry, Doyle L.
Broome, Norris C.
Brown, John E.
Brown, Robert
Brown, Woodrow W.
Browne, Gordon S., Jr.
Brunnenmeyer, Sherwood A.
Budd, Charles W.
Bullard, Lyle W.
Burch, Carrol B.
Burke, Thomas W.
Burnett, Loren E.
Burns, Edwin A.
Burrill, Ray M.
Burroughs, Charles R.
Busick, Clarence J.
Butler, Jack H.
Butner, John C., III
Byrum, Paul B.
Calvert, Robert W.
Campbell, Joseph L.
Campbell, Frederick H.
Camporini, Edward E.
Carr, Ira T.
Carrubba, Harry D.
Cashman, James G.
Chambers, George G., Jr.
Chambers, Franklin R.
Chapman, Fred D.
Christopher, Willard N.
Clark, Allen B.
Clement, David A.
Clyde, Denton P.
Codding, George B.
Coffeen, Albert E.
Colella, Roland L.
Coles, Gordon L.
Condra, James E.
Connolly, Martin F.
Cook, Bertram E., Jr.
Cook, Wilson L.
Cooke, Morris D.
Cooley, Richard A.
Coon, Alfred T.
Coppins, Frank B.
Costanza, Frank V.
Cox, Samuel A., Jr.
Crispen, Richard W.
Critchett, Edward W.
Crowley, John F.
Croyle, Fred K.
Cullinan, Joseph M.
Culpepper, Theodore T.
Culver, Ralph K.
Cummings, William M.
Cummings, James M.
Cunard, Earl M., Jr.
Cuneo, John E.
Cunningham, John D.
Daane, Marion J.
Dahl, Clarence G.
Darracott, Charles M.
Daskalakis, John A.
Dauphine, George M.
Davis, David A.
Davis, Robert L.
Dayvault, Nevin E.
Dean, Benjamin T.
DeBarr, John R.
Defenbaugh, Neil F.
Demaree, Ralph G.
Demas, John G.
DeNormandie, Frank R.
Derning, Edmund G., Jr.
Dillard, Jack N.
Dillon, James W.
Dindinger, Jack W.
Dittmar, Robert W.
Dixon, Frank L., Jr.
Doering, John H., Jr.
Domina, Walter E.
Donahue, William F., Jr.
Doty, Duane J.
Dougherty, Carl
Dowd, John J., Jr.
Downen, Robert E.
Draper, William H.
Dresbach, Earl C., Jr.
Duffy, Leroy M.
Dunbar, Michael J.
Dunphy, James C.
Dyroff, William F.
Dzialo, Edward W.
Easter, Edward V.
Eberhart, John W.
Ebert, James R.
Edwards, Paul M.
Elms, Harry D.
Ely, Oscar L., Jr.
Esslinger, Dean E.
Estes, Donald E.
Ettenborough, Robert B.
Evans, Harold W., Jr.
Evans, Robert C.
Fagan, William S.
Fassino, Anton N.
Fenton, Clayton C., Jr.
Ferguson, Howard, Jr.
Ferranto, Felix L.
Field, Francis J.
Fischer, Henry, Jr.
Fisher, Joseph R.
Fisher, Sidney
Ford, Truett W.
Fox, Jean T.
Franzman, Freddie L.
Frazier, Louis S., Jr.
Frazier, Arthur C.
Freeman, Thomas R.
French, Harry D.
Frye, Robert W.
Fulton, Floyd K., Jr.
Funderburk, Ray
Gelzer, Edward D., Jr.
Genung, Byron G.
George, Marshall E.
Gibson, George E., Jr.
Gibson, Gerald W.
Girard, David D.
Glover, William R.
Goare, Henry G.
Goggin, William F.
Gore, Willis L.
Goss, Joseph A.
Graeber, William G., Jr.
Gray, Harold Z.
Green, Carleton M.
Green, Melvin K.
Greenway, Robert J.
Groome, Roland C.
Grue, Lawrence, Jr.
Gumienny, Leo
Hagarty, Patrick J.
Haigwood, Paul B.
Hall, Leslie R.
Hall, Chester L.
Hall, Clifford D.
Hall, Joseph S.
Hamilton, Edgar S.
Hamilton, Ralph H., Jr.
Hampton, Everett
Haney, James M.
Hansen, Wilbur V.
Hargett, Ernest C.
Harmon, Autrey B.
Harpe, Lilburn L.
Harper, Esmond E.
Harris, Frank W., III
Harris, Howard H.
Harris, Leroy C., Jr.
Harris, Robert G.
Harris, William D.
Hart, Lawrence P.
Hawken, Charles J.
Hayes, James M.
Haynes, Albert B., Jr.
Head, Ralph M.
Heflin, Bruce A.
Helms, Jonee L.
Hendricks, Clayton V.
Hendrickson, Arvil B.
Herald, Charles D.
Herndon, Wilber N.
Herod, Jack
Hershey, Gilbert R.
Hewlett, Marvin M.
Hickman, Edwin L., Jr.
Hicks, Norman W.
Hill, Franklin A.
Hill, Malcolm A.
Hill, Twyman R.
Hoch, Kurt L.
Hoff, Frank X.
Holben, Donald E.
Holicky, Joseph J.
Hollier, Louis S., Jr.
Holt, Thomas J.
Hoogendam, John
Hoskins, Robert E.
House, Arthur E., Jr.
Hudock, John C.
Humphreys, Richard D.
Hunter, Clyde W.
Hunter, Glenn R.
Ingram, Alfred L. V.
Jackson, Arthur L.
Jackson, William H., Jr.
James, Curtis A., Jr.
Janiszewski, George
Johnson, Claude K.
Johnson, Corbin J.
Johnson, Tracy N.
Johnson, Robert L.
Johnson, Russell E.
Johnston, Howard J.
Johnstone, John H.
Jones, Aubrey T.
Jones, Barney D.
Jones, David G.
Jones, Edward H.
Judge, Clark V.
Kane, Douglas T.
Keane, Timothy J., Jr.
Kearney, Jack R.
Kearns, Timothy J.
Keith, John H., Jr.
Keller, Gene S.
Kelly, James P.
Kelly, Joseph J.
Kelly, Walter C.
Kelly, William D.
Kerrigan, William E.
Keyes, Edward B., Jr.
Killian, Edwin W.
Kirby, Edward K.
Kirchmann, Charles S.
Kirk, Walter C.
Kirstein, Lee A.
Kiser, Harrol
Kleppsattel, Frederick M., Jr.
Kletzker, Robert L.
Kluckman, Wilson A.
Knight, Frederic S.
Kramek, Stanley E.
Kritter, Eugene J., Jr.
Kroodsma, Gordon A.
Kruszewski, Matthew J.
Ksycewski, Casimir C.
Kuehl, Russell W.
Kuhlmann, Fred D.
Kurth, Harold R., Jr.
Kyker, Benjamin F.
Ladutko, John
Lahr, Robert J.
Landis, Walter P.
Landrigan, James M.
Larouche, Charles R.
Larsen, Robert J.
Larson, Harold V.
Lauck, John H.
Lee, Harry
Leeseberg, Phillip K.
Leffler, Benjamin
Lemmons, Ray T.
Leslie, Lornie
Lewandowski, Thaddeus F.
Lewis, Elmer M., Jr.
Lindall, Albin L., Jr.
Linn, Joseph W.
Little, Eldon L., Jr.
Locke, William R.
Lorence, Herbert M.
Lotz, William W.
Lynk, Edward H. P.
MacCormack, William H.
MacDonald, James A., Jr.
Machin, James E.
Mader, John F.
Mann, Archibald M., Jr.
Mann, Clyde R.
Martin, Reginald G.
Martin, Virgil R.
Mason, Jan
Matheson, Kenneth A.
May, Donald L.
May, William L., Jr.
McClanahan, Paul G.
McCreight, James K.
McCutchan, Robert C.
McElravy, Doane W.
McGlynn, Raymond J.
McGowan, Louis J.
McGrew, David R., Jr.
McGuigan, John R.
McIntosh, John C.
McKamy, Donald I.
McLaughlin, Frederick C.
McLennan, Kenneth
McMahon, Clare R.
McNaughton, George C.
McNeely, Robert L.
McPherson, Gordon D.
McRae, Clarence C.
Mehlinger, Marion F.
Melton, Merrill J.
Merrill, George A.
Metcalfe, Robert B.
Metz, Adam A.
Metzger, Theodore E.
Meyers, Bruce F.
Meyers, George F.
Michaud, John B.
Michaux, Alexander L.
Miears, William D.
Miles, Jack L.
Mills, Dan L.
Mills, Neil B.
Misiewicz, John
Mitchell, Weldon R.
Mitchell, John F.
Mobley, Warren L.
Molsberry, Dale M.
Montagne, Arthur B.
Moody, Clarence G., Jr.
Moore, William L.
Morgan, Conrad J.
Morin, Donald E.
Moritz, Andrew B.
Morris, Howard E.
Mosher, Charles M.
Murphy, John J.
Nahow, Theodore
Nelson, Arthur A., Jr.
Nelson, William L.
Nesbitt, Cleon E.
Nichols, Robert L.
Nixon, Dalbro R., Jr.
Noble, Richard F.
Nolte, Herman
Nolte, William L.
Norrbom, Alonzo L.
Novak, Anthony
O'Connor, Alfred L., Jr.
O'Donnell, Andrew W.
Oliver, Verne L.
Olson, Frederic O.
Overmeyer, Gerald D.

Owens, Thurman
Palatas, Michael V.
Parham, Bill L.
Paris, Euclid P.
Park, Charles E.
Parrish, Robert G.
Parsons, Harold L.
Pates, Bruce A., Jr.
Pavlicin, George A.
Pearce, Jacob M., Jr.
Pearce, Robert H.
Pechar, George
Peck, William H.
Pedersen, William D.
Penley, Virgil R.
Peppin, David D.
Perdue, John R.
Perkins, Carlton K.
Phelan, Don G.
Phillips, Jack B.
Pickett, Philip G.
Piehl, Robert H.
Pineo, Ray D.
Pines, Gerald L.
Platt, Robert M.
Poillon, Arthur J.
Pommerenk, Albert C.
Popken, Robert E.
Porter, Kenneth R.
Porter, Robert H., Jr.
Pottebaum, Linus F.
Powell, David D.
Preston, Herbert, Jr.
Priddy, James R.
Primrose, Richard A.
Probst, Arthur E.
Quinn, John J.
Randolph, Richard J., Jr.
Rann, Louis A.
Raphael, Milton L.
Ravensberg, Elmore F.
Read, John L.
Reeder, James H.
Reep, Maurice A.
Reese, Robert V.
Reid, James H., Jr.
Rice, Knowlton P.
Rich, John E.
Richter, Robert E.
Rieder, Alvin R.
Riggs, Thomas W.
Rinehart, Albert F.
Roberts, James F.
Roberts, Clyde R.
Robinson, Eddie L.
Rodney, Glenn W.
Rogal, Edward R.
Roland, Harold E., Jr.
Roothoff, John J.
Roscoe, Anthony J.
Rose, Maurice
Rossi, Robert J.
Rossiter, William M.
Rowe, Edward J.
Rowlett, Guy W.
Rumble, Gerould M., Jr.
Russ, Donald M.
Ryder, Ted J.
Sanders, Paul E.
Sanzo, James
Scharfen, John C.
Schening, Richard J.
Schmid, Clarence H.
Schoen, James R.
Schultz, Gerald F.
Schwartz, John L.
Scott, Louis B.
Scribner, Robert G.
Sears, Redford D.
Seaton, James B.
See, Charles M.
Selleck, Lawrence M., Jr.
Selvitelle, Benjamin B., Jr.
Settle, Ray W.
Seward, Robert F.
Shaws, Stanley W.
Shea, James F., Jr.
Shea, William E.
Sheehan, Charles I.
Shelby, Alfred C., Jr.
Shenaut, Donald L.
Shuford, Robert L.
Silva, Donald A.
Sims, John B.
Sinclair, Robert B.
Skelt, Ernest P., Jr.,
Skotnicki, Anthony J.
Slenning, Bradford N.
Smalley, Charles F., Jr.
Smith, George H.
Smith, Gordon N.
Smith, Grady F.
Smith, Richard E.
Smith, Robert A.
Smith, Vincent J.
Smith, William L.
Snyder, Billy H.
Solze, Robert L.
Sonneborn, Melvin D.
Soper, James B.
Spaulding, Jack D.
Spencer, Donald E.
Spicer, Raymond B.
Sprowls, Walter C.
Stanfill, Herman F.
Stansberry, Richard E.
Stayer, Kenneth M.
Stevens, Thomas J.
Stevenson, Robert L., Jr.
Stewart, Warren L.
Stewart, Howard D., II
Stidham, Howard E.
Stone, Earnest H., Jr.
Stone, Lester M., Jr.
Storm, William W., III
Stott, Harry D.
Sullivan, Arthur J.
Sullivan, Charles H.
Summers, Theodore
Tant, St. Clair
Tanzler, Warren G.
Taves, Alfred C.
Taylor, William W.
Terry, John M., Jr.
Thomas, Alfred I.
Thomas, John C.
Thomas, Jay J., Jr.
Thomas, Robert J.
Thompson, Roger B.
Thompson, John S.
Timme, William G.
Tomlinson, John H.
Toups, Thaddeus J.
Tunnell, Robert J., Jr.
Turpin, Charles A.
Unger, William T.
Usher, Edward G.
Uskurait, Robert H.
Utz, Joseph W.
Valdes, Edmund
VanCantfort, Rollin F.
Vance, Robert N.
VanDalsem, Robert R.
VanMeter, Jo M.
Vaught, Francis W.
Vonhorn, Charles S.
Vuillemot, Floyd L.
Wadsworth, Thomas B.
Wagenhoffer, Martin T.
Walden, Denzil E.
Walker, Emerson A.
Wallace, Charles M., Jr.
Wallace, William T.
Wann, Charles M., Jr.
Warshawer, Alan J.
Waryek, Henry
Watson, Royce W.
Watson, Warren C.
Weaver, Charles A.
Webb, James O.
Webb, Marshall A., Jr.
Weber, Raymond J.
Weber, William E.
Weizenegger, James A.
Westcott, Charles T.
Westphall, Howard A.
White, James H.
White, Jack D.
Whitehead, Arthur T.
Whitehurst, Kenneth
Wilcox, Edward A.
Wilkerson, Herbert L.
Wilkes, Lester E.
Will, Kenneth E.
Wilson, James J.
Winn, Robert D.
Wolcott, John A.
Wood, Allan T.
Wood, Frederick S.
Wood, Paul A.
Wood, Ralph C.
Worley, Kermit M.
Wright, Ernest B.
Wyatt, John R., Jr.
Young, Robert E.
Young, Robert F., Jr.
Yount, Vance L., Jr.
Zaudtke, Wilbur K.
Ziegler, Paul E.

The following-named officers of the Marine Corps for permanent appointment to the grade of first lieutenant, subject to qualification therefor as provided by law:

Adams, George H.
Adams, John M., Jr.
Adams, Sammy T.
Aichroth, Donald T.
Alber, John W.
Allen, Norgren B.
Allen, Richard J.
Allen, Thomas H., Jr.
Allweiler, Joseph O.
Alm, Richard A.
Altenbern, Stanley E.
Alves, Edward R., Jr.
Amick, Donald D.
Amos, Paul F.
Analla, Robert N.
Andersen, Andrew E., Jr.
Andersen, Ernest J.
Andersen, Eugene W.
Andersen, James V.
Anderson, James L.
Anderson, Carl E.
Andrews, Clifton B.
Andrews, Roi E.
Arceneaux, Ewell J.
Archbold, John C.
Armstrong, Richard F.
Arnold, Ray W.
Arquiette, John B.
Ashby, William C., Jr.
Austin, John H.
Axton, Robert H.
Ayers, Thomas J.
Babski, Bruce S.
Backus, Edward E.
Baker Clarence M.
Baker, Jesse G.
Baker, Thomas
Baldinger, James D.
Ballus, David H.
Ballard, Doyle R.
Ballew, Thomas J.
Bancroft, Richard A.
Bany, John B., Jr.
Barker, Warren H.
Bartlett, Robert M.
Bartlett, Stephen W.
Barton, Willis W., Jr.
Bartunek, Richard M.
Battistone, Carl L.
Bauer, Peter A.
Beach, Richard J.
Beal, Don D.
Beauchamp, Glen T.
Beaumont, Charles D., III
Beaver, Carl J.
Becker, Leslie R.
Beckman, Kent M.
Begnaud, Pierre H.
Bell, George N.
Belt, James L.
Beno, Joseph P.
Berglund, Warren T.
Berndt, Harland W.
Bickert, Robert G.
Binney, Douglas C.
Bird, Neale E.
Bishop, Daniel G.
Bitner, Daniel S.
Bjorklund, Kay D.
Black, Charles H.
Black, Theodore H.
Bladergroen, Charles H.
Blair, Anthony L.
Blair, John H.
Blair, Richard R.
Blakeman, Wyman U.
Blayton, Walter E.
Block, William E.
Bloom, Allan H.
Boalch, Dennis F.
Bohler, Ludwig C.
Bomgardner, George I.
Bottorff, Harry J.
Bowen, James T.
Boyd, Daniel Z.
Boyd, Frank M.
Boynton, Robert H.
Bracey, Monroe L.
Brackett, Richard C.
Bradberry, Joe E.
Bradley, Thomas E.
Bradley, William C.
Brandon, Francis X.
Brandon, Virgil B.
Branson, William B.
Brause, Bernard B., Jr.
Bray, Richard P.
Breckenridge, Floyd S., Jr.
Brett, Richard A.
Bridges, Robert L.
Bright, Ray E., Jr.
Brindell, Charles R.
Broderick, Richard S.
Brooks, Thomas D.
Brower, Joseph P.
Brown, Guy L.
Brown, Wadsworth S.
Buell, Dickinson
Bujan, Charles D.
Burgess, Horace W.
Burk, Thomas K., Jr.
Burke, Edward J.
Buschhaus, Ernest W.
Bustos, Robert G.
Byrnes, Peter J.
Cahill, John J.
Cain, Thomas L.
Calder, James D.
Callison, Harold R.
Camp, Earnest S.
Campbell, John W.
Cantieny, John B.
Cappeletto, Nicholas
Carothers, James H., Jr.
Carpenter, Donald R.
Carroll, Charles W.
Carruthers, Robert E.
Carson, William G., Jr.
Cassedy, Logan
Caudill, Curtis E.
Cavallo, Louis J.
Cavros, Steve N.
Cawthon, Walter C., Jr.
Chace, Frank C., Jr.
Chaney, Earl D., Jr.
Chaney, Guy R.
Chester, John W., Jr.
Chinner, John W.
Christensen, Don R.
Christy, Robert A.
Clark, Bernard E.
Clark, Fred E., Jr.
Clark, James E.
Clark, John W. M.
Clark, Merideth M.
Clatworthy, John
Clayson, Holly
Clayton, Walter E., III
Clayton, Philip C., Jr.
Cochran, James R. W.
Cockey, John M.
Coffey, William F.
Coffin, James H.
Colbert, Arthur B.
Coleman, James F.
Collier, James G.
Collins, Jack R.
Collins, John J.
Comfort, Clayton L.
Conlin, John C.
Conners, William L.
Connolly, James J.
Conrado, James S., Jr.
Cook, Edward C.
Cook, Marcus H.
Cook, Walter T.
Cooke, Richard M.
Coombe, Donald E.
Cooper, Francis W.
Cooper, Gary D.
Cooper, Robert M.
Corbet, Jimmy A.
Costello, Thomas L.
Cote, Normand A.
Courtney, Richard G.
Cowan, Talmadge R.
Cox, Donald L., Jr.
Coyle, Thomas J.
Craig, Winchell M., Jr.
Crawford, John M.
Cretney, Warren G.
Crews, Duane D., Jr.
Cripe, Frederick J.
Criswell, Dale W.
Cronk, Robert A.
Crowley, James A.
Crutchfield, James R.
Cummings, John M.
Cummins, Billy R.
Cusick, George C.
Daglis, Arthur J.
Daley, John J., Jr.
Daly, Daniel C.
Daly, Joseph P., III
Damone, William F.
D'Angelo, Samuel E., III
Daniels, Claude M.
Darby, Donald W., Jr.
D'Arco, Anthony J.
Darron, Robert R.
Davidson, Darrell U.
Dawson, Carl F.
Day, Leslie P.
Deem, Richard G.
DeLaughter, Carl W., Jr.
Delcuze, Godfrey S.
DeNora, John
Dentler, Paul J.
Dereng, Chester P.
Desjardines, Lawrence J.
Desmarais, Robert N.
Deutschlander, Herman C.
Dewell, Jack L.
Dewey, Henry C.
Dewey, Robert R.
Dhonau, Donald D.
Dickey, David K.
Dietrich, George R.
Dininger, Charles F., Jr.
Dinnage, Merritt W.
Disher, William H.
Ditch, Winfield S., III
Dockstader, Richard W.
Donnelly, Joseph A.
Donoghue, Joseph C.
Donovan, Orval E.
Dorffeld, Charles E.
Doser, Joseph G.
Dowd, Anthony J., Jr.
Dowd, John A.
Downs, Roy
Doyle, Thomas A.
Drennan, Lawrence T., Jr.
Dresely, John W.
Dubois, John H.
Duck, John E.
Dufendach, Paul E.
Duff, John C.
Dumont, Thomas J.
Duncan, Billy R.
Duncan, William B.
Dunn, Hollis T.
Dunn, John H.
Dunn, Walter F.
Duphiney, Randall W.
Durham, John A., Jr.
Dutton, Thomas A.
Eagan, Arthur J.
Earles, Marcie J.
Eaton, Carl G.
Eckert, John F., Jr.
Eddy, James R.
Edmondson, George M., Jr.
Edwards, Raymond W.
Egger, Charles H. F.
Eggleston, Joseph N.
Eitel, Robert J.
Elam, David L.
Eleazer, William R.
Elliott, Nathaniel R., Jr.
Emmons, Charles D.
Erickson, Kenneth D
Ernst, Vincent M., Jr.
Erwin, Louis O.
Esther, John R.
Evans, Donald C.
Eversole, Carl J.
Fahlstrom, Paul G.
Farley, Bob W.
Farley, Clifford
Fauver, Ronald E.
Fennell, Patrick J., Jr.
Ferrington, George B., Jr.
Fillmore, Walter D.
Fischer, Robert W.
Fisher, Farris C.
Fites, Malcolm V.
Flanagan, John H.
Floyd, James E.
Fojtlin, Louis
Folck, Chester A.
Forbes, David T., Jr.
Forderhase, John A.
Forrey, Wilmer H.
Fortie, Ralph
Foster, David L.
Foster, Richard M.
Foster, Roger D.
Fowler, William H., Jr.
Franklin, Quentin I.
Frey, Francis X.
Friberg, James W.
Fridell, John R.
Friedman, Arthur D.
Frisbie, H. R., Jr.
Fritschi, George W.
Fritz, Ivan L. P., Jr.
Fritzlen, James W.
Fry, Robert L.
Fuetterer, Paul W.
Gaffney, Joseph I.
Gallagher, John H.
Gallagher, Edward W.
Gambrel, James E.
Ganey, Thomas P.
Gardner, Grady V.
Garrett, Donald J.
Gascoigne, Donald G.
Gebsen, Clarence U.
Gidley, Ross E.
Gilliam, Ronald R.

Gillon, Robert A.
Giubilato, John J.
Glasgow, Harold G.
Glidden, Thomas T.
Godenius, Walter E. G.
Goelzer, Robert A., Jr.
Goodale, Richard W.
Goodall, Robert L.
Goodin, James C.
Gordon, Abie
Gormley, John D.
Gowdy, Richard J.
Gower, Joseph W.
Gradl, Herbert M.
Gragan, David E.
Graham, James H.
Grattan, Roland N.
Green, Gordon G., Jr.
Green, Robert C.
Greene, John W.
Greer, Roger W.
Gregory, Malcome G.
Grenier, John E.
Guay, Robert P.
Gubany, Michael W.
Gulas, Edward J.
Hall, Howard H.
Hamby, Ronald L.
Hamilton, John A.
Hammel, Charles F.
Hammons, Elvis G.
Hanmore, Robert C.
Hansen, Gunnar O.
Hanson, Robert D.
Hardin, Robert L.
Harney, James P.
Harp, James J.
Harris, George C., Jr.
Harris, James B., Jr.
Hart, James M.
Harvey, Donald L.
Haskins, Francis W.
Haskins, Jack
Hatch, Richard L.
Hauck, Walter R.
Haviland, Harold D.
Haygood, Thomas A., Jr.
Hays, Curtis E.
Hearn, Thomas M.
Hedrick, Joseph C.
Heering, David P.
Heffley, Henry S., Jr.
Heim, Donald C.
Helsher, Paul M.
Hendricks, Robert G., Jr.
Henry, Clark G.
Henry, Gaylord L.
Henson, William E.
Herber, John A.
Herron, David G.
Hertberg, Edward C.
Herther, Herbert M.
Hieber, George A.
Higbie, Donald M.
Hillyard, Gordon L.
Hils, Donald W.
Himmer, Donald R.
Hines, Jack D.
Hirlinger, Charles L.
Hite, Harry W.
Hoch, Louis A., Jr.
Holly, Eamon P.
Holm, Gordon W.
Holt, Ralph P.
Hoornbeek, Frank K.
Hopkins, Joseph E.
Horlacher, David E.
Horne, Ivan F.
House, William E., Jr.
Houston, Stanley S.
Howard, John G.
Hower, Raymond R.
Hubner, John
Hughes, Ralph L.
Huizenga, Elmer F.
Hunter, Earl R.
Hutchinson, Robert N.
Hutchins, Walter P.
Hutton, John E., Jr.
Hyatt, John K., Jr.
Irons, Milton E.
Ison, Lee F.
Jackson, Claude S.
Jackson, Edwin F.
Jackson, Harold L., Jr.
Jackson, James W.
Jackson, Lawrence B.
Jackson, Thomas
Jacobs, Merrill M.
Jacobson, Douglas T.
Jaksina, Stanley C.
James, Erich W.
Jarman, Lewis W.
Jaross, James
Jefferson, Thomas K.
Jenks, Harry E., II
Jennings, Richard
Jerabek, Milton H.
Jerrell, James D.
Johnson, Herschel L., Jr.
Johnson, Clifford H.
Johnson, Mannon A., Jr.
Johnson, Victor J., Jr.
Jones, Robert D.
Jones, Robert W. G.
Jones, Robert T.
Jordan, James T.
Joy, Lester H.
Joyce, George E.
Joyner, William K.
Julian, Martin D.
Kain, Edward W.
Kane, Louis I.
Karski, John J.
Keast, James D.
Keck, Louis K.
Kehoe, James P.
Keightley, Charles C.
Keimling, Herbert S., Jr.
Keller, Donald E.
Kelley, Samuel G., Jr.
Kelly, Bradley H.
Kelly, John F. J.
Kendrick, William M.
Kennedy, Thomas L.
Kent, Gary D.
Keyes, Gerald W.
Kilmer, Erich V. N.
Kirch, Jacob, Jr.
Kittler, Simon J.
Klein, James E.
Klein, Robert D.
Kneale, Charles R.
Kneussl, James K., Jr.
Knope, John K.
Knox, Bruce E.
Koelper, Donald E.
Koppenhaver, Howard M.
Krause, Albert C.
Kravet, Robert D.
Kraynak, John P.
Kron, Ronald W.
Kutchmarek, Jene R.
Ladd, Bobby T.
Ladd, Clayton E.
Laffin, Albert A.
Lambert, Thomas L.
LaMotte, Homer A.
Landers, James H., Jr.
Lang, Richard H.
Larson, Eddis R.
Latall, Raymond F.
Lavelle, John B.
Lawrence, Rodney O.
Layman, Daniel F.
Layne, Donald Q.
Leavitt, Edward J.
Ledbetter, Archibald C.
Ledbetter, Walter R., Jr.
Ledet, Rodney H.
Lee, Joseph L.
Lee, Richard J., Jr.
Lee, Richard P.
Lee, Tony G.
Lefever, Harry L.
Leftwich, William G., Jr.
Leipold, Robert D.
Leisy, Robert R.
Lenihan, John D.
Lesser, Paul A., Jr.
Liddle, Chester A., Jr.
Limbach, Walter R.
Lippold, Orville V., Jr.
Litzenberger, Earle D.
Lockard, Edwin W.
Logan, Thomas G.
Long, Guy M., Sr.
Lono, Luther A.
Looney, Lamar K., Jr.
Losee, Ronald M.
Lubin, Irvin
Luckett, Jackson R.
Lugger, Marvin H.
Lumpkin, Aubrey L.
Lundberg, Donald R.
Lunsford, William T.
Luttge, William G.
Maas, Bertram A.
Macchia, Emanuel J.
MacDonald, Glenn A.
MacDonald, Herman A., Jr.
MacDonald, Robert E.
Madden, Byron E.
Mahnke, Jack A.
Mais, Raymond S.
Malovich, Arthur D.
Manhard, Albert H., Jr.
Manhart, Doyle B.
Mann, John W.
Mannix, Edward V., Jr.
Mariasy, Richard S.
Markwitz, Leonard R.
Marosek, Joseph R.
Marques, Preston P., Jr.
Martin, Gene H.
Martin, Manuel J.
Martin, Robert W., Jr.
Martin, Richard L.
Martinelli, Joseph W.
Marting, Henry A.
Marts, Austin M.
Martson, Richard L.
Mason, William P., III
Massen, Donald G.
Matheson, John R.
Matson, Kenneth S.
Maxwell, Glenn K.
Maxwell, Hurdle L.
Mayer, Donald F.
Mayer, Gerald S.
Mayfield, Joseph F., Jr.
McAdams, Donald J.
McAlexander, Donald E.
McBride, James P.
McCarthy, John J.
McCleskey, Francis R.
McCloy, Frank T.
McConnell, Warren M.
McCreight, Jack D.
McDaniel, Gary A.
McDermott, Arthur T.
McDonald, Daniel V.
McDonnell, Gerald F. E.
McDowell, Thomas D.
McElheny, Ralph A.
McGahan, James F.
McGovern, William C.
McGuire, William D.
McKenney, Tom C.
McMonagle, James J.
Mead, John E.
Medis, James W.
Merola, Armando J.
Merrill, Will A.
Meyer, George W.
Miller, Clarence B., Jr.
Miller, Edmund H.
Miller, John H.
Miller, William S., Jr.
Milligan, James F.
Mills, Lewis L.
Mitchell, Frank H., Jr.
Modzelewski, Edward R.
Montague, James H.
Morgan, Donald C.
Morgan, William H.
Moriarity, James M.
Morris, Clark S.
Morris, Loyd E., Jr.
Morrow, Thomas E.
Mostardi, Stephen
Muhlig, John R., Jr.
Mullen, Joseph E., Jr.
Mundell, Wilbur L.
Munter, Weldon R.
Murdock, Burt A.
Murphy, Donald L.
Murphy, Dennis J.
Murphy, Leo P.
Murray, Francis R.
Myers, Donald A.
Needham, Michael J.
Nelson, Robert C.
Nelson, Ronald E.
Newman, Buel B., Jr.
Newman, Jack W.
Newton, Bernard J.
Nielsen, William J.
Nugent, Thomas F. E.
Nyland, William T.
O'Brien, Charles H.
O'Connell, Patrick J.
O'Connor, Patrick L.
Ogden, Bruce F.
O'Neill, John E.
Orr, Arnold J.
O'Toole, John L.
Owen, Billy M.
Owens, Hosea
Padilla, Salvatore F.
Pagano, Vincent B.
Page, James D.
Palmer, Charles B.
Palmer, Kenneth P.
Palmer, Richard L.
Palmer, Robert P.
Palonis, Anthony J., Jr.
Parish, Lowell W.
Paro, Eugene E., Jr.
Parsons, Francis M.
Pate, Gerald S.
Patterson, Richard E.
Patterson, Frederick D., Jr.
Peck, Matthew B., Jr.
Percy, Stephen
Perez, Richard
Perrott, Charles M.
Peterka, Bert W.
Peters, Jack A.
Peters, Robert J.
Peterson, Bob K.
Pfeifle, Richard C.
Phillips, Jimmie R.
Phillips, James S.
Pickett, Rex L.
Pieper, Karl B.
Pierce, Edward R.
Pitcher, Bert R., Jr.
Pitchford, Charles F.
Plamondon, Robert A.
Platea, Anthony P., Jr.
Poindexter, John E.
Poitevent, Walter O.
Pollard, Jack G.
Porter, George A.
Porter, Walter T.
Powers, William T.
Prather, James E., Jr.
Prebihalo, Robert G.
Priest, Donald E.
Pryatel, Robert L.
Pulliam, William R., Jr.
Quevedo, Henry J.
Quigley, Richard B.
Raia, Richard M.
Rainbolt, Richard E.
Rapp, John M.
Rappe, J. C.
Rasdal, Robert W.
Ratcliff, Percy D.
Ratigan, James W.
Ray, Billy W.
Read, William A.
Realsen, Arvid W.
Redelfs, John E.
Reese, Clifford E.
Reesman, Clifford J.
Reich, Stephen G.
Reichert, John P.
Reid, Benjamin H., Jr.
Reilly, Donald J.
Resnik, Edward D.
Rexroad, Donald N.
Rhine, Wesley E.
Richardson, Harrison L., Jr.
Ridgway, George A.
Rifino, William R.
Riney, Francis
Ringler, Jack K.
Rishel, Austin C.
Ritchie, Richard G.
Ritter, Charles S.
Ritter, Otto W.
Ritts, Robert O.
Rivard, Ronald I.
Robinson, James C.
Rocha, Thomas, Jr.
Roder, Henry W.
Roe, John M., Jr.
Rogers, Lane
Rojo, Manuel, Jr.
Romans, Donald B.
Rosenthal, Joseph S.
Ross, William H., Jr.
Rovegno, Donald C.
Rowett, John C.
Rowlands, Cledwyn P.
Rubia, John F.
Rumbough, Roy A.
Rush, Wesley M.
Rushing, Edwin K.
Rutherford, Robert J.
Ryan, James, Jr.
Ryan, Patrick J.
Ryan, Philip J.
Sallade, Paul H.
Salls, Carroll E.
Salter, Martin E., Jr.
Salzman, Frederick P., Jr.
Sanborn, Earle L., Jr.
Sanford, Herbert C.
Savoy, Ernest R.
Saxton, Patrick J.
Sayce, Donald H.
Scaife, William M., Jr.
Schaefer, Donald A.
Scheirman, Charles C.
Schmidt, Laveen D.
Schremp, George R., Jr.
Schwartz, Carl
Scyphers, Ruel T.
Sears, Walter E., Jr.
Seiler, David F.
Selby, Donald F.
Shaffer, John C.
Shaffer, Raymond A.
Shauer, Walter H., Jr.
Sheahan, Robert R.
Sheetz, Thomas L.
Sherlock, John, Jr.
Shields, Edward A., Jr.
Shimanoff, Morris S.
Shirley, Joe W.
Shoemake, Loyd R.
Shure, Alan H.
Shuttleworth, James E.
Simmons, Bernard P.
Simmons, Jack A.
Simpson, Thomas H.
Simpson, William A.
Simpson, Donald R.
Sinclair, John E.
Skinner, Richard F.
Skipper, Kenneth J.
Slack, Gerald J.
Slack, Thomas W.
Sloan, Richard E.
Smalley, William G.
Smigay, Daniel B.
Smilanich, William E., Jr.
Smith, Bernard B., Jr.
Smith, Buck D.
Smith, Craig S.
Smith, Harold W.
Smith, Haywood R.
Smith, Harry E., Jr.
Smith, Joseph N.
Smith, John H.
Smith, Kenneth L.
Smith, Kenneth E.
Snead, Douglas L.
Somers, Allen H.
Soper, Melvin A., Jr.
Sparks, John A.
Spencer, Ralph B.
Springer, John K.
Spurlock, David A.
St. Armour, Paul A. A.
Standish, Cameron
Stanton, Thomas P.
Stapleton, Cleo P., Jr.
Starnes, Cullen G., Jr.
Starr, Donald I.
Statzer, Merlin V.
St. Clair, Fred W.
Steck, Louis J.
Stein, Alfred F.
Stephens, Ray A.
Stevens, Alexander W.
Stewart, James H.
Stewart, Jimmie L.
Stewart, Ray N.
Stice, Ray B.
Stiffler, Charles R.
Stitt, Charles L.
Stoffelen, Peter L.
Strain, Donald H.
Stucker, Gayle G.
Studt, John C.
Stultz, Raymond D., Jr.
Subowsty, Edward B.
Sulik, Richard A.
Sullivan, Thomas L.
Sullivan, William M.
Sullivan, William J.
Summers, Bennie W.
Sutter, Rudolf S.
Svoboda, Theodore D.
Swinney, James T.
Tafjen, Donald P.
Tague, Thomas F.
Tayntor, Charles E.
Teague, Charles E.
Terrell, Daniel E., Jr.
Thatcher, John L.
Thomas, David E.
Thompson, Joseph H.
Thompson, Lester H., Jr.
Thompson, Robert B.
Thompson, Robert H.
Thornton, Bozzie F., Jr.
Thurber, William M.
Tiede, Herbert R.
Tighe, Paul J.
Tilly, Robert C.
Timmerman, Kenneth M.
Toms, Edward H.
Toney, Buford L.
Treble, Charles
Troxel, J. B.
Truesdale, Bruce A.
Turner, Bobby C.
Turner, Charles F.
Turner, Leon B.
Twining, David S.

Tyksinski, William A.
Tyson, Charles J., III
VanDersluis, Jan P.
VanManen, Charles M.
VanSant, Frederick N.
Veek, Warren L.
Vey, Willis D.
Vibberts, John L.
Vidano, Albert J.
Viera, Daniel J.
Viers, Willard G., Jr.
Vitali, Henry R.
Votava, Robert J.
Vuckovich, Joe
Wagner, David H.
Waguespack, William J., III
Wahlfeld, Howard W.
Waldera, Gerald J.
Walker, Allen R.
Walker, James H.
Walker, Joe G., Jr.
Walker, John B., Jr.
Walling, Robert P.
Walsh, James A.
Warner, James W.
Warren, Frank R.
Waters, George J.
Watkins, Joel S., Jr.
Watkins, John C.
Watson, Leroy E.
Weatherford, Edwin G.
Welch, Homer L.
Wells, James A., Jr.
Wells, Ullie C.
Werder, Robert J.
Werz, Francis J.
West, Frank K., Jr.
Westbrooke, Lewis E.
Weybright, Walter E.
Whalen, Robert P.
Wheelock, Richard J.
White, Jean P.
White, Robert D.
Wilcox, Kenneth H.
Williams, Donald G.
Williams, Frank P., Jr.
Williams, Robert G.
Willis, Lawrence J.
Wilson, Edwin P.
Wiltsie, Russell E.
Wimpey, Garrette J.
Windsor, Billie W.
Wise, Robert C.
Wojcik, Donald
Wolcott, Frank B., III
Wolf, John B.
Wonhof, Alan E.
Wood, Charles D.
Wood, Donald E.
Wood, Erman, E., Jr.
Wright, Dennis W.
Wright, Frank H.
Wright, Harvey
Wyatt, Willard J.
Yelek, Don L.
Young, Dale E.
Young, Earnest G.
Young, Rex J.
Zimmerman, Eugene H.
Zimolzak, Frank
Bogg, Charles F.
Bonsall, William O.
Booth, Charles L.
Bourne, Richard E.
Braddon, John R.
Brown, Carroll E.
Brown, Rangeley A.
Burt, Wayne F.
Campbell, Laurence A., III
Casey, Francis M.
Cheatham, Ernest C., Jr.
Cole, Wilson M.
Conners, William L.
Cox, Stanley D.
Crawford, John M.
Creighton, Robert W.
Culligan, Thomas M.
Danielson, Donald C.
Dawson, Forest G.
Dixon, Howard V.
Dunbaugh, Charles R.
Farris, William E.
Ferguson, Kenneth A.
Fibich, Michael J., Jr.
Fish, Thomas E.
Fitch, William E. H., III
Ford, Daniel J.
Gallagher, Gerald F.
Garrison, Marvin T., Jr.
Gehrsitz, Richard N.
Gelhardt, Herbert G., III
Green, Austin H.
Groff, John L.
Hafey, Robert J., Jr.
Harlan, Gale
Horais, Walter G.
Hudman, Rayburn A.
Johnson, Carl A.
Johnson, Floyd J., Jr.
Jones, Therin H.
Keller, Albert W.
Kendrick, Harold L.
Kuntz, Louis L., Jr.
Lawendowski, John J.
Lewis, Robert W.
Liddle, Chester A., Jr.
MacDonald, George N.
Madera, Leroy A.
Mann, Bennie H., Jr.
McCarthy, Eugene C.
McCaughey, Douglas A., Jr.
McCormick, James G.
McDonald, Oliver G.
McEwan, Frederick J.
Micheels, Herman M.
Moeller, Richard L.
Moody, Ralph F.
Moore, Thomas R.
Morgan, Donald C.
Mullen, Paul X.
Nelson, Donald O.
Newbill, Merrill S.
Olson, Reynold M.
O'Rourke, William T., Jr.
Overturf, Charles D.
Payne, Norman E., Jr.
Peterson, Frank E.
Piskorski, Ernest F.
Raines, Thomas E.
Redman, Carroll G.
Reese, Donald R.
Regan, Edmund J., Jr.
Reilly, Donald J.
Reisinger, Frederick J.
Romine, Richard E.
Rueckel, Frederick A.
Sanford, Dale W.
Sautter, Melvin H.
Shea, Speed F.
Sherman, James R.
Shinbaum, Marvin S.
Shinkle, Raymond C.
Slee, Don J.
Snyder, Louis G.
Snyder, Robert L.
Solliday, Robert E.
Spence, Allan J.
Stanley, John R.
Stark, Alfred E.
Steele, Raymond B.
Stevens, Marvin B.
Swayne, Robert W.
Sypniewski, William A.
Taylor, Harry E.
Teichmann, David A.
Tilly, Robert C.
Tolnay, John J.
Toyeas, George E.
Tribe, Stanley G., Jr.
Van Den Elzen, James R.
Ward, George W.
Warn, Lloyd K.
Waunch, Donald S.
Went, Joseph J.
Whaley, Albert
White, Robert E.
Whitmer, James A.
Wickman, George A.
Wilson, Billy E.
Wilson, George M.

The following-named officers of the Marine Corps for temporary appointment to the grade of first lieutenant, subject to qualification therefor as provided by law:

Abel, Gerald G.
Acey, John B.
Adams, Donald R.
Adams, John A.
Adkins, James M.
Adkins, Mars M.
Albert, Karl V.
Altick, Philip L.
Ambrose, Harry T.
Anderson, James D.
Arman, Phillip T.
Armstrong, Joseph E.
Arney, Harold E., Jr.
Arnold, William P.
Austin, Henry E., Jr.
Avera, B. L., Jr.
Bahler, Richard C.
Bailey, Richard A.
Bainbridge, Robert L.
Baker, Raymond C., Jr.
Ball, Herbert S.
Ball, William R.
Barfield, Douglas B.
Barra, Alfred P.
Barry, John A.
Bateson, Levi G.
Baum, Donald R.
Bearden, Max
Beatty, John T.
Beeman, Charles A.
Beery, Richard L.
Benning, Robert M.
Benson, James H.
Berwald, Herbert T., Jr.
Binkley, Peter D.
Bjorke, John W.
Blanchard, Ronald E.
Bowers, Donald V.
Bradley, Robert L.
Brent, Joseph E., Jr.
Brinegar, Frank E.
Brown, Allen W., Jr.
Brown, Boyd R.
Brown, Donald P.
Brown, Leonard K.
Buxton, John S. W.
Byrne, William P.
Caldwell, Robert C.
Cameron, Gordon B.
Cameron, Robert S., Jr.
Camper, Richard M.
Capka, Joseph R.
Capwell, George L., Jr.
Carll, Randall C.
Carr, Richard W.
Celli, John G.
Chmelik, James J.
Christensen, Keith L.
Cisewski, Richard J.
Clark, Don C.
Clark, Edward A.
Clarkson, Edward J.
Clauretie, David M.
Clifford, Watson S.
Clute, Morrel G.
Coffey, Kenneth J.
Coffin, John C.
Colassard, Barry S.
Colburn, George W.
Coleman, George F.
Collins, Josiah W.
Condrey, Richard M.
Cornthwaite, Arthur B., Jr.
Cowart, James G., Jr.
Crawford, John D.
Crevier, Robert E.
Curnutt, John R.
Cuthbert, Edward W.
Cwayna, Michael B.
Czubai, Stanley J.
Davis, Robert D.
Day, Lawrence E.
Daye, Burley A.
DeWitt, John W.
Doll, William O.
Doran, Edwin J.
Doyle, Edward F., Jr.
Driscoll, Rudolph W.
Ducoff, Donald
Duff, James W.
Dunevant, Rupert W.
Dunn, David J.
Durrett, Jack P.
Dye, Thomas W.
Edson, Herbert R.
Edwards, Cecil A., Jr.
Edwards, Louis G.
Edwards, Myrddyn E.
Egertson, Randall E.
Eilerts, Bernard T.
Eller, Franklin P., Jr.
Ellison, George H.
Elvig, John F.
Engle, Charles K.
Evans, George G., Jr.
Ewbank, Donald D.
Fahle, John J.
Ferguson, Edgar R.
Fischer, Robert L.
Fisher, Albert T.
Fisher, Wilfred S.
Fiske, Terry N.
Fohl, Alan J.
Foley, William M.
Folks, Tommy I.
Foote, William L.
Forehand, Lorraine L., Jr.
Foster, Harry V.
Fox, Kenneth F., Jr.
Franklin, Donald H.
Frazier, Charles H., Jr.
Freeman, Bobby H.
Frengel, William N.
Friederich, Eugene R.
Gaddis, Michael V.
Gaffney, Jack A.
Galliart, Robert A.
Gamble, Grigsby V.
Gannon, Dominick R.
Gardiner, Joseph G.
Garrett, William R.
Gary, John H., III
Geraghty, Gerald W., Jr.
Giles, Russell H.
Gleichauf, John G.
Goins, Bobby F.
Golden, Patrick F.
Gonzalez, John C.
Graeff, Edward W.
Grant, Robert D.
Graves, Arthur L.
Gray, John T.
Green, James R.
Green, Robert E.
Greene, Wallace M., III
Griffin, James T.
Grimes, Billy M.
Grissom, Esta D.
Groppe, Arthur K.
Hadden, Don H.
Hadfield, Michael J.
Halliden, Richard C.
Hamber, John W.
Hand, Edward P.
Hanneman, Richard W.
Hansen, Billy M.
Hanson, Carl A.
Harding, James H., Jr.
Hasler, Frederick R.
Hawkins, Joseph T.
Hayes, Charles H.
Hearn, James D.
Helms, Samuel H.
Hendrickson, Thomas W.
Henrich, Robert R.
Henry, Charles A.
Hepp, Gerald J.
Herron, James M.
Hill, Robert E.
Hitt, Joe S.
Hoag, John A.
Holdridge, George L.
Honse, John H., III
Hotz, George E.
Howard, Thomas E.
Hull, Robert R.
Hurley, John E., Jr.
Huss, Marvin A., Jr.
Hyatt, Richard C.
Jackson, Arthur M.
Jacobs, Frank C.
Janis, Robert V.
Jazwinski, Vincent T.
Jeter, David L.
Johnson, Clifford B.
Jones, George E.
Jones, Harry P.
Kandra, Michael D.
Keith, William F.
Keller, Thomas E.
Kelly, John I.
Kerlin, William T.
Kerr, Hugh T.
King, Robert D.
Kirby, Patrick G.
Kirkhoff, Charles J.
Koehn, John E.
Kramer, Russell I.
Kraxberger, Billy D.
Kronkosky, Preston C.
Kueker, William R.
Kussmann, John E., Jr.
LaMar, James A.
Lange, Donald J.
Lapham, Thomas J.
LaRosa, Herbert S.
Lary, Ralph L., Jr.
Leach, George H.
Leahy, Albert D., Jr.
LeBrun, Robert A.
Little, Richard G.
Loraine, Jacques B., Jr.
Loughry, Arthur S.
Lowrey, Bill G.
Lynch, Charles J., III
Lynch, Robert A.
MacDonald, James E., III
MacNulty, William K., Jr.
Madden, Donald P.
Magaldi, Joseph M., Jr.
Maher, Richard L., Jr.
Mahowald, Mark E.
Maitland, Peter R.
Mallett, James J.
Mann, Horace L.
Manning, Robert W., Jr.
Marion, John E.
Marks, Roy M.
Martin, Ronald C.
Mason, Donald G.
Masters, James E.
Matuska, Richard J.
McAfee, Carlos K.
McCarty, Philips R.
McClintock, John H., Jr.
McCormick, Jaren K.
McCormick, John S.
McCoy, William O.
McElroy, Howard M.
McFarland, Thomas G., Jr.
McGarvey, James M.
McManaway, James L.
McMurrer, Lawrence V.
Mickley, Thomas B.
Miller, Donald R.
Miller, Paul W.
Miller, Robert C.
Milone, Donald E.
Monahan, John P.
Moore, Murl B.
Moore, Ralph E.
Morra, John A.
Morris, Hunter M.
Morris, John B.
Morris, McLendon G.
Murrah, Alfred P., Jr.
Murray, John D.
Murty, James B.
Muss, Joshua A.
Nelson, Jack P.
Newton, Harll W.
Njos, Raymond A.
Norman, Van A.
Norred, Caldwell V., III
Novak, Alan R.
Nussel, Arthur H.
Ohly, Robert G.
Oldham, John S.
O'Leary, Thomas H.
Onofrey, Richard E.
Onslow, Robert C.
Owlett, Fred
Paden, John W.
Patton, Hal V., Jr.
Patton, Ray B.
Perkins, Donald W.
Perron, Edward R.
Perryman, James M., Jr.
Phifer, David W.
Pifel, Bruce A.
Pike, Frank J., Jr.
Pine, Lloyd A.
Pisaturo, Charles A.
Pittelko, Harvey P.
Pokorny, Robert A.
Poland, James A.
Porter, Russell W.
Price, Robert O.
Raney, Thomas O.
Rasmussen, Niles
Read, William T.
Reed, Van S.
Reid, Herbert J. L.
Reveal, Stephen L.
Rice, David
Ridgely, Reginald H., III
Robertson, Richard S.
Roddey, James C.
Rodecker, Robert E.
Rogers, John A., II
Rollings, Charles D., Jr.
Roos, John P.
Ross, Richard D.
Rountree, Julian H., Jr.
Royston, Wade H., Jr.
Ruda, Rudolf A.
Russell, Donald J.
Russell, Travis, M.
Rust, Barry P.
Samford, Thomas D.
Sanders, Richard P.
Sappenfield, Dale S.
Sasko, George M., Jr.
Scanlan, Francis V.
Schappa, Joseph F.
Schofield, Harold
Schrader, William C.
Schulken, James E.
Scolforo, Leo J., Jr.

Scott, Roger F., Jr.
Searles, Paul D.
Seeley, Devon C.
Sentous, John L.
Shea, William S.
Shepherd, Alvah R.
Sheridan, John J.
Shetzer, William J.
Shildneck, James E.
Shockley, Gordon E.
Shoemaker, James M., Jr.
Shohfi, Albert E., Jr.
Sime, Colben K., Jr.
Slack, Paul D.
Slattery, William P.
Solazzo, Vito M.
Solomon, Robert E.
Sparks, Donald R.
Staggs, Roy W.
Stahler, Richard M.
Sterzing, Carl B., Jr.
Stevens, Jerome E.
Stewart, James T., Jr.
Stoy, Charles H.
Stuckey, Robert D.
Sullivan, Jimmy S.
Sullivan, Patrick A.
Swift, James N.
Symonds, Williston B.
Taylor, Jack R.
Terhorst, Berand R.
Terwilliger, John W.
Thomas, Donald J.
Thomas, George A., Jr.
Thomas, William R.
Thomas, William E., Jr.
Thursby, William G.
Tolleson, Frederic L.
Toner, John G.
Torbett, John E.
Townsend, David C.
Trimble, Stephen A.
Trundle, Donald R.
Turner, David C.
Tyler, John T.
Underhill, Walter S.
Vail, Alfred L.
Valentine, Harry C., Jr.
Valentini, Mario S.
Van Buren, Hildebert, IV
Van Hemert, Willem
Vanous, Fredric J.
Van Sickle, Andrew R.
Von Harten, William R.
Vosmik, George L.
Ward, Charles
Way, John D.
Weaver, Calvin G.
Weir, Robert K.
Wenrick, Robert C.
Whatley, John T.
Whitley, Billy L.
Whittemore, Edward P.
Wiedemann, Robert J.
Wieler, Eric H.
Williams, Robert H.
Wilson, Milner B., III
Wilson, Paul A., Jr.
Wilson, Peter B.
Wilson, Thomas E.
Winberg, James M.
Wright, James R.
Yager, Milan K.
Yanochik, Walter N.
Yeckel, Donald G.
York, Richard E.
Yost, Lawrence H.
Young, David L.
Zoubek, Henry J., Jr.

The following-named officers of the Marine Corps for permanent appointment to the grade of chief warrant officer, W–4, subject to qualification therefor as provided by law:

Merle B. Johnson
Paul G. Abernethy
Joseph L. Bonville
David J. Trojan
Hazen P. Bishop
Milton O. Hogue
Frank H. Rentfrow
Norman Mazurek
Joseph B. Brunson
Lyman R. Waugh
Dorsie R. Smith
James U. Tallent
Walter E. Chrismas
Robert T. Enders
Arthur H. Bourne
Charles W. Knoll
Elmer Jones
Alvin E. Johnson
Levi Woodbury

The following-named officers of the Marine Corps for permanent appointment to the grade of chief warrant officer, W–3, subject to qualification therefor as provided by law:

Paul Carter
Carroll W. Horton, Jr.
George J. Pelletier
Albert H. Battle
Victor T. Garrison
Homer D. Lyke
Chalmers H. Given
Algie W. Thornton
Harold F. Wandron
Ralph P. Dempsey
Robert L. Martin, Jr.
George B. C. Dangerfield, Jr.
Edward B. Hamilton, Jr.
Darrol Lewis
William T. Long, Jr.
Gilbert D. Schryver
Charles E. Hazen
Arthur L. Charlton, Jr.
Raymond E. Streeter
Andrew L. Heaton
James L. Fountain
Robert E. Trometter
Hobart H. Budlong
Gerald W. Garrison
Frank A. Bartuck
William J. Bott
Raymon A. Clark
Joseph H. Malone
Jesse C. Quattlebaum, Jr.
Thomas R. Van Fleet
Cecil H. Santrock
Donald M. Stone
William C. Koch, Jr.
Edward W. Mooney
Wilfred D. Holdren
George W. Kreisheimer
Stanley A. Lahendro
Anthony W. Livingston
Medford D. Good
Willard J. Reid
Walter L. Czechowski
Rupert L. Fogle
Kenneth E. Williams
Walter Pietrzak
William Dickison
Jerome Ross
Louis L. Noe
Fred S. Huneycutt
Matthew A. Propotnik
Harold J. Michael
Willard C. Downs
Obie E. Newcomb, Jr.

The following-named women officers of the Marine Corps for permanent appointment to the grade of captain, subject to qualification therefor as provided by law:

Joan P. Acord
Virginia Caley
Patricia A. Maas
Mary S. Mock

The following-named women officers of the Marine Corps for permanent appointment to the grade of first lieutenant, subject to qualification therefor as provided by law:

Margaret A. Brewer
Patricia A. Watson
Inger Rober
Margueritta C. Russell
Frances M. De Vos
Theresa M. Hayes
Irene L. Ray
Marie J. Halvorsen
Mary L. Clough
Beverly Schofield
Donrue Wever
Ellen B. Moroney
Jenny Wrenn
Carol A. Kramer

The following-named (Naval Reserve Officers Training Corps) for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to qualifications therefor as provided by law:

Robert K. Ackerman
Thomas J. Bath
William H. Bernard
Roy L. Berry
Thomas C. Dolson
Carl H. Dubac
Thomas J. Ebner
Donald E. Egan
Warren L. Griffin, Jr.
Charles T. Koester
Eugene D. Krop
Lawrence E. Mercier
Neil P. Miller
Charles R. Necco
David A. Sanchez
Paul J. Shank, Jr.
Donald D. Smith
Craig H. Stevenson
Dennis G. Tesarek
Donald B. Wilson

The following-named (civilian college graduates) for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to qualifications therefor as provided by law:

Robert L. Baggett
Hugh B. Barwick, Jr.
Edward H. Boyd
Robert T. Carney
Douglas H. Curtis
Christian J. Dettle
Dean E. Edwards
James W. Fay
James F. Fentriss
Mervin A. Fiel
Albert T. Fisher
Robert A. Halsey
Roger K. Hazell
David M. Jones
Walter J. Krauss, Jr.
Francis S. Krol
Alex Lee
Chester V. Lynn
Conrad O. McClung
Seth F. Millington
Carl E. Oakley
Charles H. Olin
Herman W. Ortman
Reed Phillips, Jr.
Robert R. Porter
Ronald C. Reed
John D. Smith
Larry P. Stevens
Robert M. Stauffer
George A. Stoddart
Alvinie W. St. Pierre
Charles H. Taylor, Jr.
Charles L. Thomas
Jack C. Thompson
Milton S. Thompson
Herman E. F. VonCarp, Jr.

The following-named Reserve officers for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to qualifications therefor as provided by law:

James E. Anderson
Sidney R. Bader
Harry H. Bair
Eugene A. Bambic
David L. Battaglia
Kenneth E. Baublitz
Roy L. Belli
Donald C. Bieger
James L. Biegler
Ira Blalock, Jr.
Billy B. Buck
Wayne F. Burt
Miguel E. Bustamante, Jr.
Michael P. Cady
Arthur R. Carr, Jr.
Ronald A. Clark
Robert E. Cleveland
Jack L. Cole
William D. Conroy
James L. Cooper
Jerry S. Crittenden
Gerald A. Dickerson
George H. Dunn
Bruce W. Emberton
John C. Fitzpatrick
Clarence D. Foreman
Jerald L. Frandsen
William C. Frank
Murray C. Gardner
Louis Gasparine, Jr.
John C. Gillman
Thomas J. Gipson
Tommie G. Hall
Thomas M. Hamlin
Wentworth T. Harrison
James R. Heflin
Ted R. Henderson
Thomas G. Henry
Edwin B. Henson, Jr.
Harold J. Horan, Jr.
William D. Hubbard
Arthur E. Jensen
LeRoy M. Jones
Vaughn A. Jones
Thomas W. Jones
Charles H. Knowles
Richard L. Kussman
Raymond C. Lafser
John L. Leahy
John J. Lardner
Ernest P. Lewis, Jr.
Bobby F. Long
Frank M. Manrod
Harry A. Marmion
Floyd F. Marshall, Jr.
Ronald A. Mason
Willard L. Mattmiller
James F. McNelis
Harry L. Mills
Paul X Mullen
John T. Nichols
Donald J. Norris
William H. Nulty
Thomas F. Nuss
Kenna A. Nutter
Donald L. Oglesby
John P. Oliver
Keith E. Ostrander
George E. Owings
Eddie C. Paige
Jimmie L. Pappas
Donald C. Pauley
Perry M. Peterson
Bobby J. Ready
Frederick J. Reisinger
Donald D. Robinson
John A. Sebring
Franklin R. Shoemaker
James D. Shubert
William P. Shunkey, Jr.
George P. Slade
Paul F. Smith
Robert L. Snyder
Alfred E. Stark
William K. Stratford
Robert J. Stritzinger
Kenneth G. Thompson
Dwight R. Timmons, Jr.
George C. Tolis
Thomas A. Townsend
Richard I. Tredinnick
Robert A. Utter
Ralph V. Walker
Richard C. White
Charles P. Williams
Loren G. Witty
Richard H. Young
Jack A. Zimmerman, II

The following-named Reserve officers for temporary appointment to the grade of first lieutenant in the Marine Corps subject to qualifications therefor as provided by law:

Sidney R. Bader
Roy L. Belli
Wayne F. Burt
William D. Conroy
Murray C. Gardner
Louis Gasparine, Jr.
Thomas J. Gipson
Thomas G. Henry
William D. Hubbard
Thomas W. Jones
Charles H. Knowles
Richard L. Kussman
John I. Leahy
Harry A. Marmion
Paul X. Mullen
Keith E. Ostrander
Frederick J. Reisinger
Donald D. Robinson
Robert L. Snyder
Alfred E. Stark
Robert J. Stritzinger
Kenneth G. Thompson
Dwight R. Timmons, Jr.
Loren G. Witty
Richard H. Young

The following-named Women Reserve officers for permanent appointment to second lieutenant in the Marine Corps subject to qualifications therefor as provided by law:

Jane P. Grundy
Elizabeth M. Strand
Antoinette S. Willard

The following-named Reserve officers (former naval aviation cadets) for permanent appointment to second lieutenant in the Marine Corps subject to qualifications therefor as provided by law:

Rangeley A. Brown
Robert L. Cocks
Wilson M. Cole
William L. Conners
John M. Crawford
Robert W. Creighton
Donald C. Danielson
Forest G. Dawson
Howard V. Dixon
Charles R. Dunbaugh
Kenneth A. Ferguson
Gerald F. Gallagher
Marvin T. Garrison, Jr.
Herbert G. Gelhardt, III
Carl A. Johnson
Conrad A. Jorgenson
Louis L. Kuntz, Jr.
Chester A. Liddle, Jr.
George N. MacDonald
Bennie H. Mann, Jr.
Douglas A. McCaughey, Jr.
Oliver G. McDonald
Herman M. Micheels
Thomas R. Moore
Donald C. Morgan
Michael X. Mura
Paul V. Murphy
Donald Nelson
Merrill S. Newbill
Charles D. Overturf
Thomas E. Raines
Corrall G. Redman
Donald J. Reilly
Frederick A. Rueckel
Speed F. Shea
James R. Sherman
Robert E. Solliday
Marvin B. Stevens
William A. Sypniewski
Hosea E. Taylor, Jr.
Joseph F. Taylor, Jr.
David A. Teichmann
Robert C. Tilly
George E. Toyeas
Richard M. Ware
Lloyd K. Warn
Donald S. Waunch
William A. White
Melvin L. Wimber

The following-named Reserve Officers (former naval aviation cadets) for temporary appointment to first lieutenant in the Marine Corps subject to qualifications therefor as provided by law:

Rangeley A. Brown
Robert L. Cocks
Wilson M. Cole
William L. Conners

John M. Crawford
Robert W. Creighton
Donald C. Danielson
Forest G. Dawson
Howard V. Dixon
Charles R. Dunbaugh
Kenneth A. Ferguson
Gerald F. Gallagher
Marvin T. Garrison, Jr.
Herbert G. Gelhardt, III
Carl A. Johnson
Conrad A. Jorgenson
Louis L. Kuntz, Jr.
Chester A. Liddle, Jr.
George N. MacDonald
Bennie H. Mann, Jr.
Douglas A. McCaughey, Jr.
Oliver G. McDonald
Herman M. Micheels
Thomas R. Moore
Donald C. Morgan
Michael X. Mura
Paul V. Murphy
Donald Nelson
Merrill S. Newbill
Charles D. Overturf
Thomas E. Raines
Corrall G. Redman
Donald J. Reilly
Frederick A. Rueckel
Speed F. Shea
James R. Sherman
Robert E. Solliday
Marvin B. Stevens
William A. Sypniewski
Hosea E. Taylor, Jr.
Joseph F. Taylor, Jr.
David A. Teichmann
Robert C. Tilly
George E. Toyeas
Richard M. Ware
Lloyd K. Warn
Donald S. Waunch
William A. White
Melvin L. Wimber

The following-named Reserve officer (former naval aviation cadet) for permanent appointment to first lieutenant in the Marine Corps subject to qualification therefor as provided by law:

Henry M. Robinett

The following-named Reserve officer (former naval aviation cadet) for temporary appointment to captain in the Marine Corps subject to qualifications therefor as provided by law:

Henry M. Robinett

The following-named temporary officer from the temporary disability retired list, for temporary appointment to major in the Marine Corps subject to qualifications therefor as provided by law:

Clyde W. Shealy

The following-named officer from the temporary disability retired list for permanent appointment to the grade of captain in the Marine Corps subject to qualifications therefor as provided by law:

Edgar C. Morris

The following-named officer of the Marine Corps for permanent appointment to the grade of major for limited duty in the Marine Corps subject to qualifications therefor as provided by law:

George R. Eargle

The following-named officer from the temporary disability retired list for permanent appointment to the grade of chief warrant officer (W–3) in the Marine Corps subject to qualifications therefor as provided by law:

Laury Jeffers

Jack D. Jorgenson to be a second lieutenant in the Marine Corps; subject to qualification therefor as provided by law.

TEMPORARY APPOINTMENTS TO THE GRADE OF CAPTAIN IN THE MARINE CORPS

The following-named officers of the Marine Corps and Marine Corps Reserve for temporary appointment to the grade of captain, subject to qualification therefore as provided by law:

Johnson, Robert C.
Fellner, William
Wickham, John C.
Crawford, Charles A.
Wildermuth, Loren K.
Plauche, Brockman L.
Clark, William E.
Lee, Chew E.
Hoffman, Olin V., Jr.
Baxter, Gordon S.
Campbell, George W.
Vanderswag, Irwin J.
Ferguson, Robert W.
Scheunemann, Robert P.
DiLorenzo, Lucius V.
Hannan, James E.
Krieger, Roy E.
Morgan, John
McCutcheon, Harry N.
Ebel, Richard C.
Harris, Robert P.
English, Gearl M.
Carter, Johnny L.
Martin, Gene C.
Touchton, Alex H.
Rapp, John A.
Henson, Hershel H.
Harness, Jerry A.
Liles, Talmadge R.
Zielinski, Edward L.
Collins, Maurice W.
Adams, William C.
Pyles, Howard E.
Livingston, Charles R.
Blass, Lytton F.
Roberts, Henry G.
Bradshaw, Frank L.
Varley, William J.
Bailey, Jack F.
Grow, Hubert C.
Gutheinz, Joseph R.
Walsh, Ronald L.
Day, John R.
Wallace, John
Williams, Kenneth W.
Buckon, William E.
Slater, Richard B.
Carroll, John T.
Maher, James E., Jr.
Patrick, Victor E.
Glazer, August A.
Day, Warren H., Jr.
Goit, Robert W.
Smith, Robert D.
Gates, John M., Jr.
Solomon, Raymond W.
Thill, James R.
Gallant, Robert L.
Vickerman, Joseph R.
Holcomb, John A.
Gillis, James A., Jr.
Kendrick, Amous J.
Edwards, Robin R.
Wood, John R.
Osgood, Kirk E.
Zimmerman, Edward L.
Day, William E.
Weatherwax, Leonard C.
Hunt, Eugene
Virden, Robert W.
Holley, John A.
Denyer, Samuel A., Jr.
Langley, William G.
Coulter, Robert G.
Arthur, Robert O.
Dancy, John P.
Wilson, Jerry E.
Bornhauser, David D.
Groesbeck, William H.
Manemann, Anthony H.
Jenkins, Richard L.
Sudeck, Elroy
Burton, Howard L.
Albert, Robert H.
Henney, Ralph L.
Bennett, Joseph L., Jr.
Osimo, Mario C.
Hallett, James G., Jr.
Gomb, Francis F.
Woods, George D.
Denny, Merle L.
Skinner, Ned S.
Hartfiel, George J.
Horais, Walter G.
McDonald, James A.
Morton, Donald J.
McPhillips, Joseph A.
Nugent, Ray H.
Paccioretti, Mario
Arnold, Daniel W.
Beeler, Lyle L.
Jones, James F. A.
Campilongo, Salvatore J.
Zullo, Rocco A.
Carson, Robert W.
Butters, Alvin F.
Girouard, Eli
Hathaway, John A.
Hardway, James E.
Dennis, Harold S.
Pryor, Charley L., Jr.
Ackley, Edwin M.
Peden, Joseph W., Jr.
Henn, Howard R.
Hattaway, Earle
Ranberg, Charles A.
Jacobs, Ralph R.
Adams, Joseph B.
Hay, Walter C.
Rucker, Roy J.
Brisbois, Donald J.
Shansby, Melvin B.
Tatusko, Andrew
Overs, Clarence J.
Pike, Jesse T.
Huddleston, Willis D.
Sherrill, David E.
Bailey, William H.
Harris, Jerry W.
Murray, Clarence A., Jr.
Eisenhower, William E.
Pressutti, Alexander
Corriveau, Orval J.
Morris, Floyd L.
Ladner, Milbert L.
Guest, Julius R., Jr.
Stamps, Max R.
McPherson, Don E.
Hodge, William K.
McCune, Frederick F.
Boudreaux, Robert M.
Jinks, Joe W., Sr.
Chester, Charles R.
Schmidlen, Otto M.
Pierce, Julius B.
McLaughlin, Melvin W.
Still, Harold R.
Hegwood, Hardin W.
Glauser, George W.
Wehmueller, Melvin A.
Schantek, Rudolph
Hawbecker, Donald L.
Bruton, George F.
Nix, Casey R.
Taylor, Joe P.
Greene, Robert B.
Lamonte, Stanley W.
Bass, Joseph C.
Harnage, Floyd E.
Dennis, Charles R.
Bonora, Stephen F.
Castro, Joseph
Scott, John J.
Tyler, Joe B.
Nicholson, Edsel W.
Dunkleberger, Raymond B.
Allen, Russell U.
Zimba, John P.
Perkins, Burton O.
Self, Thurman B.
LeBouf, Henry B., Jr.
Komlenic, Daniel T.
Ward, Johnson
Harvey, Leonard R.
Grace, Jackson V.
McCue, Merrill W.
Engelhardt, Harold H.
Becraft, William H.
Nault, Charles R.
Martin, Robert E.
Green, J. D.
Maroska, Peter
Nelson, George B., Jr.
Audsley, Eldon H.
Dick, Boyd W.
Lane, Gail
Sausser, Franklin L.
Gandy, Austin O.
Noble, LaVerne C.
Kennedy, Clarence E.
Arsenault, Robert W.
Cobbs, Henry P., Jr.
Pawlik, Mitchell W.
Wright, Ira L., Jr.
Thatenhurst, King D., Sr.
Meek, Wendell A.
Hudman, Rayburn A.
Dimeo, Fiore C.
Burke, Richard M.
Mueller, Albert L.
Keller, Edward J.
Mestler, George L.
Coats, Fred R.
Wilterding, Ashton C.
Rottsolk, Earl L.
Mickey, D. C.
Gilder, Albert C.
Koontz, Robert V.
Cameron, Charles H.
Miller, Nicholas J., Jr.
Graef, Ralph E.
Hindes, William R.
Deatrick, Curtis L.
Breece, Harold D.
Elder, James O.
Walbert, Edwin J.
Steele, Raymond B.
Sweeney, John E.
Pippin, Roy W.
Seymour, Dwight W.
Green, Benjamin S.
Warner, Michael A.
Doyle, William S.
Taylor, Louis S.
Ferguson, Donald S.
Hollingshead, John S.
Bolves, Rudolph W.
Price, Joseph V.
Vaught, Richard H.
Hyslop, Kenneth D.
McKee, Roland D.
Gray, Alfred M., Jr.
Buckman, John G.
Roberts, Stanley G., Jr.
Farrington, Norman C., Jr.
Dion, Robert F.
Fairhurst, William A.
Enoch, John T.
Allen, Albert D., Jr.
Kern, Richard J.
Burritt, Richard R.
Shinbaum, Marvin S.
Daigle, Chester J.
Fournier, Norman D.
Allen, Terence M.
Ward, Guy W.
Hoffner, Charles W.
Bennack, Cantley P.
Guay, Gerald F.
Oden, Thomas S.
Lazzo, James W.
Flanagan, Lawrence J.
Bolton, James H.
Wilson, George M.
Huguenin, Sidney A., Jr.
Johnson, Andrew H., Jr.
Jenkins, Robert E.
Swanson, Roger D.
Bell, Ray H.
Lyons, Robert J.
Sanford, Dale W.
Giordani, Paul R.
Yourishin, George P.
Hall, Walter G., Jr.
Irish, James F.
Romano, Carlo
Mash, Virgil L.
Mueller, Karl N.
Thompson, John T.
Schneider, Charles A.
Bonsall, William O.
Smith, Harvey D.
Haight, William P.
Gaut, Donald L.
Murray, John D.
MacInnis, Joseph A.
Anderson, William D.
Albers, Vincent A., Jr.
Holmes, Lee M.
Fortmeyer, Raymond D.
MacMichael, David C.
Froncek, Richard A.
Bergmann, Henry C.
Spring, Carlton J.
Metzko, John J.
Fulham, Donald J.
Helsel, James F.
Reedy, Thomas M.
Lindell, Clifford A.
Berckmans, Bruce, Jr.
Bodnar, Nicholas K.
Hopper, Richard F.
Wagner, Douglas A.
Crist, George B.
Williams, Justin, Jr.
Ripley, George H.
Weinert, Frederick R.
Harrison, Richard F.
Moody, Ralph F.
Ammentorp, Warren L.
Critz, Richard L.
Day, Richard L.
West, Hugh S.
Gregory, Rawley M.
Howell, David W.
Gipson, Sam M., Jr.
Hyndman, Gerald H.
Gray, Dwayne
Bailey, Earl W.
Galloway, William M.
Crews, Eugene E.
Fisher, Lawrence W.
Herbert, Clayton G., Jr.
Scott, John A.
Coulter, Richard W.
Macy, William T.
Taylor, Wayne D.
Reich, Nathaniel N.
Stanley, John R.
Roche, John F., III
Rochford, Edward J., Jr.
Murphy, Maurice L.
Campbell, Joe A.
Gaffen, Malcolm C.
Snell, Bradley S.
Runkle, Harry M.
Shoults, Eugene E.
Folsom, Charles A.
McManus, Walter J.
Butler, Owen J.
Abbott, Millard S.
Greene, Vincent L.
Keenan, William M.
Mullen, Arthur L., Jr.
Bryson, Walter J., III
Wilson, Donald W.
Shanahan, James L.
McHugh, Patrick J.
Hefty, Milton T.
Faulk, Samuel G.
Tribe, Stanley G., Jr.
Keeling, Harold J.
Pohlman, Jack R.
Brown, Thomas S.
Berg, Donald R.
Bowser, James R., Jr.
Gould, John F., Jr.
Goggin, Thomas P.
Dignan, George J., Jr.
Stewart, Billy F.
Perea, Horacio E.
Gustitis, Bernard V.
Andriliunas, Francis
Coleman, Daniel C.
Tonetti, John S.
Hill, Arthur S.
Riley, William E., Jr.
Smith, Keith A.
Hutter, Harold H., Jr.
Schwab, John J., Jr.
Nicoll, Francis R.
Hennegan, Joseph E.
Peterson, Carl D.
Graham, Raymond H.
Crawford, Charles W.
McCaslin, Donald G.
Otott, George E.
Dell, Melvin E.
Olson, Milton J.
Lebas, Maurice A.
Watkins, William A., Jr.
Zehmer, Edward E.
Luley, Ronald E.
Otteraaen, Robert M.
Brenneman, Wilmer E.
Bauer, Richard J.

Gray, Thomas F.
Aspinwall, Glen S.
Looney, Thomas A., Jr.
Morse, Arthur H., II
Knobel, William H.
Solbach, Harry G., Jr.
Stevens, Joseph W., Jr.
Buran, Philip F.
Alexander, Tommy D.
Johnson, Oliver K., Jr.
Oliver, Joseph H., Jr.
Phillips, Rhys, J., Jr.
Neary, Bernard J.
Spence, Allan J.
Sautter, Melvin H.
Polakoff, Gerald H.
Smith, Robert H.
Bruce, Richard O.
Bethel, William F.
McMillan, David R., Jr.
Hovde, Leroy L.
Manning, Martin F., Jr.
Simmons, John E.
Moore, Paul F.
Lindsay, Prentice A.
Rogers, William W.
Olney, Herbert F.
Dunwell, Ronald P.
Morgan, Thomas R.
Roberts, William C., Jr.
McCamey, Robert E., II
Novak, Lawrence A.
Gibson, Charles R.
Pribble, Harry A.
Doty, David S.
Gregory, Richard K.
Lawrence, Samuel F.
Gentile, Vincent J.
Click, James C.
Daley, Richard F.
Lutz, Theodore J., Jr.
Wray, Desmond C., Jr.
Edebohls, Hans G.
Henry, Charles W., Jr.
Boggs, William G., Jr.
Kummerow, Ray G.
Richardson, John A.
Litzenberg, Homer L., III
Wilson, William C.
Plummer, James R.
Price, Kenneth R.
Arneson, Richard B.
Allen, Albert N.
Leathers, Robert L.
Williams, Gary C.
Amo, Jerry L.
Colby, Dwain A.
Kansier, Raymond H.
Haydock, Robert A.
Shelton, Allen C., Jr.
Taylor, Harry E.
Cook, Howard L.
Geiger, William J.
Budd, Talman C., II
Ruthazer, Warren C.
Whaling, Robert W.
German, Paul K., Jr.
Dent, Robert H.
Dawson, William A.
Gallagher, Edward P.
Tucker, John O.
Pearson, Lyndon L.
First, Ralph D.
Olds, James H.
Brewster, Albert E., Jr.
Rawlings, Richard J.
Plimpton, Hollis W., Jr.
Reames, Louis G.
Taber, Richard D.
Pastorino, Edward T.
Snare, Joseph C., Jr.
Lawler, George P.
Pound, Jere M.
Morrill, David W.
Neilson, Roger B.
Madigan, William J.
Dondey, Leon
Shackelford, James L.
Kyle, John S.
McGillicuddy, Paul W.
Rudolph, William E.
Pirman, Frank E.
Lonergan, Harold S.
Townsend, Edward J.
Bjerke, Duwain E.
Johnson, James P.
Parker, Evan L., Jr.
Fiertz, Alden L.
Olsen, Herbert F.
Hall, Bobby R.
Culligan, Thomas M.
Moser, Edgar S.
Starbuck, William E.
Bade, Charles R. R.
Klinedinst, James C.
Gunther, Donald E.
Cobb, John L.
Henry, Wilson W.
Alexander, Dan C.
Smith, Jean V.
Armentrout, James R.
McInnis, Robert W.
Ganshow, Robert A.
Bailey, Garnett R.
Holden, John F.
Lobo, Walter R.
Curran, Thomas L.
Ralph, Kenneth E.
Malmgren, Everett L.
Carson, Richard H.
Veno, Frederick E.
Hasse, Otto K.
Elmwood, Robert E.
Griffin, Thomas L., Jr.
Greer, Thomas N., Jr.
Gagliardo, Joseph P., Jr.
Shilan, Arthur B.
Chapell, Donald R.
Johnson, Edward C.
Clifford, Martin L.
Loughlin, Donald J.
Braddon, John R.
Flynn, John J.
Hamilton, Carl D.
Milbrad, Robert L.
Moore, Donald L.
Heath, Francis J., Jr.
Zeigler, Lewis I.
Hayden, William K., III
Enderle, Rodolfo R.
Campbell, Laurence A., III
Grooms, Bernard D.
Bengele, Charles M., Jr.
Bowron, Walter F.
Delahunty, William R., Jr.
Hallisey, William J., Jr.
Roach, Colin D.
Burchard, Harold W., Jr.
Bancroft, John V.
Wilson, Raymond B.
Weir, Kenneth W.
Humphreys, Richard H.
Stewart, Douglas C., Jr.
Fraser, Paul H.
Crist, Raymond F., III
Huerta, Genaro
Tarr, James G.
Gillick, Richard O.
Blasko, William A.
Booth, Lewis H.
Dean, John M.
Sturm, August J.
Blanton, Harold L., Jr.
Rohlman, Walter C.
Lowry, William M.
Morgenthaler, Wendell P. C., Jr.
Tomlin, James E.
Ryan, Thaddeus J. Jr.
McCandless, John R.
Danielson, Darrell C.
Pirhalla, Paul P.
Laning, Edward A.
Huber, Leonard E.
Shinkle, Raymond C.
Slee, Don J.
Jones, Vernon E.
Fontenot, Karl J., Jr.
Saul, Jacque L.
Cottom, John W.
Toller, William M.
DeSchuytner, Victor R.
Bird, James H., Jr.
Lewis, Robert W.
Trescott, Eugene H.
Green, Austin H.
Culpepper, Richard H.
Andrews, John W.
White, Michael E.
Hodges. Ervin E.
Turner, Frank P.
Barlow, Glen H.
Bates, William H.
Hollis, John S.
DePrima, Joseph
Weise, William
Hyland, Richard L.
Cash, Richard A.
Altman, George F.
Thomas, Spencer F.
Christopherson, James W.
Borjesson, Stanley G.
Hofstetter, Robert E.
Field, Wells L., III
Huerlimann, Ernest A., Jr.
Bivins, Harold A.
Johnson, Howell J.
Chittick, John M.
Lavigne, Arthur W. D.
Graham, Edward T., Jr.
McLane, Donald C., Jr.
Jones, Franklin H., Jr.
Steinberg, Melvin J.
Jones, Robert I.
Johnston, Paul M.
McBrayer, William L.
Dorman, John F.
Munson, James D.
Gartin, Luther E.
Willford, Milton D.
Thompson, Alva F., Jr.
Davis, Jack W.
Gale, John R.
Lynch, Barry E.
Wynn, Neal B.
Ermatinger, Paul J.
Bucher, William E.
Snyder, Theodore O.
Mickle, Don A.
Andrus, Kermit W.
Drovedahl, Robert
O'Brien, John A.
Kuci, Richard A.
Lewis, Robert E.
Simms, Thomas S.
Clark, William H., III
Harris, John B.
Hargadine, Walter W.
O'Brien, William J.
Ward, Donald E.
Lofgreen, Ted L.
Grunwald, Harry H., Jr.
Penny, James R.
Kelly, Thomas J.
Wallace, Charles F.
Hagaman, Harry T.
Strange, James E., Jr.
Duffield, Daniel M., Jr.
Irion, John W., Jr.
Benton, William D.
Karker, Floyd A., Jr.
McCarthy, Eugene C.
Johnson, Frederick S.
Cheatham, Ernest C., Jr.
Torok, Robert J.
Pickett, Bayard S.
Glendrange, Theodor M.
McGlone, Vincent P.
Radtke, Paul G.
Batchelder, Sydney H., Jr.
Monahan, Paul A.
Angelo, Leon N.
Jenkins, Samuel L.
Hunter, Maurice
Thomas, William J.
Jorgensen, George N.
Tolnay, John J.
Chesla, Edward J., Jr.
Lee, Thomas I.
Applegate, Frank A.
Reddick, Cleveland N. F., Jr.
Witt, Lewis C.
Cornwall, Gerald B.
Miller, William E.
Lynch, Ronald J.
Fitzgerald, Edward F.
Whalley, Albert
Mitchell, John F.
Phillips, John
Jones, Joseph F.
Conlon, James F.
Scoppa, Joseph, Jr.
Snyder, Louis G.
John, Carl F.
Powell, Rollin R., Jr.
Schmitz, John G.
Whelan, William L.
Kramer, William K.
Roark, Hugh W.
Walker, Dallas R.
McEwan, Frederick J.
Groeniger, William C., III
Gravel, Marcus J.
Howard, John S.
Hippler, Rollin E.
Corliss, Gregory A.
Moody, Gilbert D.
Balogh, Howard G.
O'Donnell, Harold F.
Eastwood, Gerald W.
Cox, John V.
Johnson, Floyd J., Jr.
Kuhn, Rolf O.
Black, William C.
Moeller, Richard L.
May, Bernard F. R.
Talbert, Robert L.
Fibich, Michael J., Jr.
Fogarty, Richard A.
Roschlau, John K.
Rehbock, Alan R.
Johnson, Peter G.
Moser, Charles F.
Gillis, James E.
Corr, James R.
Wright, James R.
Dugan, John E.
Flynn, James G.
Foli, Victor
Corregan, Bradley W.
Bogg, Charles F.
Woolery, Dean
Cleveland, William L., Jr.
Cox, Stanley D.
Peck, Kenneth D.
Petersen, Frank E.
Wilson, Warren L.
Hart, Harris I., Jr.
Wamel, William W., Jr.
Valentine, Herbert J.
Mitchell, William J., Jr.
Eubanks, Fred P.
Butchko, Michael, Jr.
Snow, Avery C.
Bischoff, Joseph J.
Kerr, Louis E., Jr.
Cosby, Leslie C.
Campbell, William J.
Courtney, Donald G.
McMasters, John J.
Fulbright, James H.
Sumner, Burrel E.
Pautsch, Bernhart R. E.
Watson, Thomas W.
Rupe, Donald E.
Green, Billy R.
Madden, John
Cannon, George W.
Vittitoe, James A.
Beck, Kenneth R.
Payne, Norman E., Jr.
Wylie, John W.
DeGennaro, Eugene J.
Schaeffer, Henry J.
Baumwart, Eldon L.
O'Brien, William J.
Bell, Theodore J.
Sims, George R.
Rodd, Richard T., Jr.
Brown, Robert H.
Hines, Garold W.
Wright, Raymon
Divoky, Robert J.
Manuel, John W.
Carpenter, Earl E.
Roles, Wayne L.
Wolford, James R.
Ives, Donald A.
Christie, Charles O.
Sautter, Arthur J.
Keller, Keith A.
Martin, Francis E.
McAdory, Doctor H.
Hoekstra, James R.
Tubbs, Ralph J.
Wyatt, John B.
Harris, James R.
Holloway, Thomas J.
Long, Elmer E., Jr.
Kerr, Wayne H.
Oerly, Samuel H.
Ninichuck, Paul
Bruce, Frank H., Jr.
Stidger, Howe A.
Baird, Jesse F.
McClure, Lewis F.
Kuczynski, Sigmund J.
Ihli, Leo J.
Grebe, Arthur J.
Cline, Frank E.
Cushman, James R.
Smith, John E.
Brownson, John C., Jr.
Mokrzycki, Casimir A.
Sanders, Milton, W.
Hukle, Edward J.
Mitchell, Edward M.
Kelly, Edward L., Jr.
Richards, Irving S.
Cates, Charles D.
Hall, Daniel W., Jr.
Cates, Leroy R.
Everson, Robert T.
Stackhouse, Norman R.
Hayes, Charles M.
Elmund, Herbert W.
Bruce, Thomas H.
Bunce, Truman G.
Lennen, Harry T., Jr.
Kennedy, Jack A.
Francisco, Dwight R.
Demmond, Jack W.
Owens, Norman S.
Hales, Noel J.
Piskorski, Ernest F.
Taylor, Irving G.
Owen, Delmar A.
Pennell, Guss H., Jr.
Welker, George J.
Brown, Carroll E.
West, Donald K.
Manning, Rosslyn D.
Lund, Lloyd L.
Gustafson, Walter C.
Couch, Wallace M.
Kendrick, Harold L.
Mikelson, Wallace W.
Lutzenburg, Theodore, Jr.
Sophos, Michael
Davis, Kenneth L.
Shelton, Deward E.
Clements, Francis M.
Stites, Leland S.
VanHook, Edward H.
Morrisey, Robert B.
Wickman, George A.
Straw, Charles A.
Lane, Keary L.
Kent, James L.
Harrison, Charles L.
Hershey, Rodger E.
Towle, Frederick D.
Haenelt, Patrick J.
Kasica, Edward M.
Swayne, Robert W.
Kent, James A., Jr.
Fichter, John A.
Olson, Reynold M.
White, Robert E.
Smith, Conway J.
Gregerson, Johnny O.
Rice, Wesley H.
Coats, Franklin W.
Start, Robert W.
Austgen, Donald R.
Weber, John E., Jr.
Clark, Frank A.
Morris, Wilbur J.
Pierson, Earl F., Jr.
Gillum, Donald E.
Quick, Daniel J.
Catt, Jack R.
Miller, Robert B.
Goodson, George O., Jr.
Goar, John W.
VanDenElzen, James R.
Miller, Hubert E.
Robbins, Laurence B., Jr.
Higgins, James H.
Hahn, Billy N.
Harkey, Herbert J., Jr.
Mushett, Howard F.
Kinniburgh, John A.
Nesbit, Charles L.
Parker, John K.
Carpenter, John W., Jr.
Bicknell, Ralph L.
O'Hare, Robert F.
Lee, Robert E.
Zedekar, Stanley L.
Romine, Richard E.
Harlan, Gale
Andresevic, William R.
Peterson, Burdette H.
McCauley, Bertram W.
Shaklee, Harold G.
Heesch, Robert W.
Searle, Richard H.
McDonald, Richard C.
Fry, Raymond S.
Kirkpatrick, Richard H.
Galloway, Jack J.
Northfield, Charles H.
Dittmann, Wayne R.
Boyd, Clarence A., Jr.
Baker, William H.
Erickson, William F.
Farris, William E.
Love, Ernold G.
Garrett, Elmer T., Jr.
Bourne, Richard E.
Somes, Donald H.
Hossli, Carl C.
Westerman, Ronald M.
Comer, Robert E.
Morrin, Wardell C.
Stokes, Robert L.
Ewald, William F.

Powell, Donald R.
McClelland, Oliver H.
Wilson, Billy E.
Evans, Richard D.
Phillips, Jerry K.
Fish, Thomas E.
Cuppy, Will C., Jr.
Wenrich, Jay H.
Beach, Andrew D.
Ward, George W.
LaPorte, Alphonse A., Jr.
Ford, Daniel J.
Roberts, Richard T.
Henley, Robert J.
Fink, Arden L.
Dean, Roland H.
Berthoud, Kenneth H., Jr.
Ruete, Alfred W., Jr.
Cohn, William A.
Gilstrap, Roderic W.
Drescher, Herbert W.
Maginnis, Paul F.
Glattly, Charles D.
Casey, Francis M.
Lawendowski, John J.
Harris, Frederick L.
Went, Joseph J.
Hafey, Robert J., Jr.
Blackstone, George E., Jr.
McPhail, Larry K.
Colven, Richard A.
Field, Harold J., Jr.
Kelly, David A.
Warfield, Clifford D.
Kohler, William L.

CONFIRMATIONS

Executive nominations confirmed by the Senate January 18 (legislative day of January 16), 1956:

DIPLOMATIC AND FOREIGN SERVICE

Max Waldo Bishop, of Arkansas, to be Ambassador Extraordinary and Plentipotentiary of the United States of America to Thailand.

GOVERNOR OF VIRGIN ISLANDS

Walter A. Gordon, of California, to be Governor of the Virgin Islands.

POST OFFICE DEPARTMENT

Jack Rohe Howard, of New York, to be member of the Advisory Board for the Post Office Department.

DIPLOMATIC AND FOREIGN SERVICE

ROUTINE APPOINTMENTS

The following-named persons, who were appointed during the last recess of the Senate, to the offices indicated:

To be consuls general

Elbridge Durbrow, of California.
Tyler Thompson, of Maine.

To be Foreign Service officers of class 1, consuls, and secretaries in the diplomatic service

William S. B. Lacy, of Virginia.
Edwin M. Martin, of Maryland.
Frederick E. Nolting, Jr., of Virginia.
David W. Wainhouse, of the District of Columbia.

To be consuls general

Mallory Browne, of Virginia.
Lionel M. Summers, of the District of Columbia.

To be Foreign Service officers of class 2, consuls, and secretaries in the diplomatic service

Rober W. Barnett, of New York.
William O. Baxter, of the District of Columbia.
Edward A. Bolster, of Virginia.
Richard C. Breithut, of Maryland.
Henry Brodie, of Virginia.
Seaborn P. Foster, of North Carolina.
James Frederick Green, of Maryland.
John W. Harrison, of Virginia.
Ralph Hilton, of Mississippi.
Edward Poor Montgomery, of the District of Columbia.
Howard L. Parsons, of Iowa.
Richard H. Sanger, of Maryland.
Alfred G. Vigderman, of Maryland.
Barr V. Washburn, of Utah.
Lincoln White, of Maryland.
David Wilken, of New Jersey.

To be consuls general

Eldred D. Kuppinger, of Ohio.
Paul H. Pearson, of Iowa.

To be Foreign Service officers of class 3, consuls, and secretaries in the diplomatic service

Morris Allen, of Rhode Island.
Kenneth B. Atkinson, of Virginia.
Louis F. Blanchard, of California.
Frank W. Blanchette, of New York.
Francis Boardman, of the District of Columbia.
R. Bernard Crowl, of Virginia.
Leroy F. Day, of Maryland.
Paul C. Domke, of Virginia.
Halvor O. Ekern, of Montana.
Arnold Fraleigh, of Virginia.
William L. Franklin, of Virginia.
William J. Galloway, of Texas.
Walter B. Gates, of Texas.
Edward J. Gaumond, of Illinois.
Edmund E. Getzin, of New York.
Robbins P. Gilman, of Virginia.
Robert E. Hoey, of Virginia.
Judson C. Jones, of the District of Columbia.
F. Patrick Kelly, of Virginia.
Millard L. Kenestrick, of Indiana.
Alexander F. Kiefer, of New York.
R. Clyde Larkin, of Maryland.
Orion J. Libert, of Wisconsin.
J. David Linebaugh, of the District of Columbia.
Sylvain R. Loupe, of Louisiana.
Jack W. Lydman, of New York.
Bruce L. McDaniel, of Texas.
John F. McJennett, Jr., of Massachusetts.
Melvin L. Manfull, of Utah.
John P. Meagher, of Illinois.
Miss Dewilda E. Naramore, of the District of Columbia.
Robert B. Parke, of Nebraska.
David Persinger, of Virginia.
Oliver A. Peterson, of Maryland.
Donald M. Ralston, of California.
Frederick T. Rope, of New York.
Henry J. Sabatini, of the District of Columbia.
Fred H. Sanderson, of Virginia.
Henri Sokolove, of Pennsylvania.
Robert Adams Thayer, of Virginia.
Lawrence W. von Hellens, of Washington.
Victor E. von Lossberg, of New York.
Herman Walker, Jr., of Maryland.

To be Foreign Service officers of class 4, consuls, and secretaries in the diplomatic service

Grant G. Hilliker, of Virginia.
Henry W. Allen, of Virginia.
Rudolf O. Altroggen, of Virginia.
William O. Anderson, of Indiana.
Powhatan M. Baber, of West Virginia.
Stuart Blow, of Virginia.
Philip S. Bogart, of New York.
Edward T. Brennan, of Massachusetts.
Allan Chase, of Virginia.
Albert J. Ciaffone, of Virginia.
Mario R. DeCapua, of Connecticut.
Gordon Donald, Jr., of Virginia.
Lester E. Edmond, of Maryland.
Miss Virginia Ellis, of the District of Columbia.
Louis C. Feffer, of Maryland.
Harry Feinstein, of Georgia.
Joseph Fernandez, of Pennsylvania.
Mrs. Magdalen G. H. Flexner, of the District of Columbia.
Ronald A. Gaiduk, of California.
Russell L. Gibbs, of Michigan.
Walker Givan, of the District of Columbia.
Juan L. Gorrell, of New Hampshire.
Joseph A. Greenwald, of Illinois.
Martin Y. Hirabayashi, of Maryland.
Merschel Hancock Helm, of Kentucky.
H. Franklin Irwin, Jr., of New Jersey.
William G. Keen, of Tennessee.
Miss Eleanor V. Levy, of the District of Columbia.
Robert S. Lindquist, of Michigan.
Michael B. Lustgarten, of New York.
Mrs. Mary D. Mack, of Virginia.
Martin G. Manch, of Virginia.
G. E. Robert Meyer, of Ohio.
Harry J. Milton, of Pennsylvania.
Virgil L. Moore, of Virginia.
Bernard Norwood, of New Jersey.
Richard F. Pedersen, of California.
Jack R. Queen, of Ohio.
Peter Roberts, of California.
William T. Sandalls, of Colorado.
Cecil B. Sanner, of Florida.
Curtis C. Strong, of Oregon.
Frank D. Taylor, of Maryland.
Henry L. Taylor, of Washington.
Conrad J. Thoren, of Illinois.
Thomas C. Tilson, of Maryland.
John Edwin Visher, of Virginia.
George D. Whittinghill, of New York.

To be a consul

Robert W. Weise, Jr., of Minnesota.

To be Foreign Service officers of class 5, vice consuls, and secretaries in the diplomatic service

Elwood B. Acker, of Connecticut.
Frederick O. Beattie, of Virginia.
Arnold K. Childs, of Ohio.
Norbert Chwat, of Virginia.
John Dubois, of Massachusetts.
Athol H. Ellis, of Maryland.
Arthur W. Feldman, of Washington.
William C. Hamilton, of Connecticut.
Tobias Hartwick, of Montana.
Robert A. Jackson, of Michigan.
William R. Jochimsen, of California.
William C. Jones III, of Texas.
Henry A. Lagasse, of New Hampshire.
Charles A. Lemmo, of Pennsylvania.
John L. Loughran, of Pennsylvania.
Miss Margaret J. McClellan, of Pennsylvania.
John F. McDermott, of Massachusetts.
Warren H. McMurray, of Georgia.
Ernest J. Mansmann, Jr., of Massachusetts.
Curtis L. Mills, of West Virginia.
Gordon K. Mott, of Ohio.
Paul Moy, of Illinois.
Miss Alice G. Mulhern, of Massachusetts.
Anton N. Nyerges, of Indiana.
David B. Ortman, of Maryland.
John Marshall Pifer, of Virginia.
Woodward Romine, of Maryland.
Arthur H. Rosen, of Missouri.
Edward W. Schaefer, of Connecticut.
Robert W. Schleck, of the District of Columbia.
Thomas P. Shoesmith, of Pennsylvania.
Denman F. Stanfield, of California.
Joseph M. Swing, of Washington.
Jacob Walkin, of New York.
George J. Warren, of Florida.
Richard W. White, of Maryland.

To be Foreign Service officers of class 6, vice consuls, and secretaries in the diplomatic service

Robert B. Allen, of Virginia.
John A. Anderegg, of New Jersey.
S. Morey Bell, of Virginia.
C. Arthur Borg, of New York.
Donald W. Born, of Massachusetts.
Merritt C. Bragdon, Jr., of the District of Columbia.
Edward J. Chesky, Jr., of Kansas.
Herman J. Cohen, of New York.
John G. Day, of New York.
Anton W. DePorte, of Oklahoma.
Jacques M. Downs, of California.
Harland H. Eastman, of Maine.
Harold F. Eberle, Jr., of California.
Michael E. Ely, of New York.
Hunter L. Estep, of New Mexico.
Fred Exton, Jr., of the District of Columbia.
Gerald A. Friedman, of Massachusetts.
Mark J. Garrison, of Indiana.
Miss Joan Gillespie, of Connecticut.
Wever Gim, of Utah.
Meyer Glickman, of California.
Ralph H. Graner, of New York.
John E. Guendling, Jr., of Indiana.
James D. Hataway, Jr., of Georgia.
Miss Theresa A. Healy, of New York.
Theodore J. C. Heavner, of Ohio.
Erland H. Heginbotham, of Utah.
William A. Ispirian, of New York.
Ralph T. Jans, of Michigan.
Lee R. Johnson, of Ohio.
Ellis O. Jones III, of Connecticut.
Dennis H. Kux, of New York.
Owen B. Lee, of Massachusetts.

John Donnelly Leonard, of Michigan.
John M. Lord, Jr., of Massachusetts.
Walter H. Lubkeman, of New York.
John W. McDonald, Jr., of New York.
James W. Mahoney, of Indiana.
Frazier Meade, of Virginia.
Willis S. Myers, Jr., of Kentucky.
William C. Nenno, of New York.
Gerald R. Olsen, of Michigan.
Lorin N. Pace, of Utah.
Chris C. Pappas, Jr., of New Hampshire.
J. William Piez, of Rhode Island.
Arthur L. Price, of Illinois.
Russell A. Price, of California.
Glenn R. Ruihley, of Ohio.
Howard B. Schaffer, of New York.
Joseph G. Simanis, of Connecticut.
William N. Simonson, of Virginia.
Clyde H. Small, of California.
Peter F. Warker, Jr., of Pennsylvania.
John P. Wentworth, of Washington.
Robert E. White, of Massachusetts.
Miss Suzanne White, of Illinois.

To be consuls

Gilbert E. Bursley, of Michigan.
Howard W. Calkins, of Ohio.
Robert G. Glover, of Oregon.
Alfred L. Grigis, of New Jersey.
Joseph A. Horne, of the District of Columbia.
Robert H. Marsh, of California.
Marshall W. S. Swan, of Maryland.

To be consuls and secretaries in the diplomatic service

L. Eugene Milligan, of Missouri.
John H. Richardson, of Maryland.

To be consuls

Robert D. Gahagen, of Kansas.
James Moceri, of Washington.
Sam H. Wright, of Tennessee.

To be vice consul and secretary in the diplomatic service

Thomas J. Flores, Jr., of New York.

To be vice consuls

John K. Allen, Sr., of Delaware.
Bertram C. Cooper, of Virginia.
John L. Leader, of New York.
George B. Lester, of Connecticut.
Rudolph Marinette, of New York.
Vivian L. N. Parker, of California
Frederick C. Randall, of Maryland.
Walter Trenta, of New York.

To be secretaries in the diplomatic service

Morrill Cody, of the District of Columbia.
J. Foster Collins, of Virginia.
Raford W. Herbert, of Mississippi.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JANUARY 18, 1956

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou Lord and Master of all mankind, whose incomparable life is the realized ideal of humanity and the supreme revelation of God, Almighty, we pray that daily our own life may come under the spell and sway of Thy spirit.

We penitently confess that our human spirit has so little in common with Thy divine spirit and that we are frequently so bewildered and confused, so faithless and faltering.

Thou knowest how desperately man needs Thy regenerating presence and power if our dreams and hopes of a better world are ever to become a blessed reality.

Grant that during this year we may accept more eagerly the overtures of Thy counsel and companionship, and venture out more courageously upon the nobler ways of life.

To Thy name we ascribe all the praise. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 1689. An act to authorize the Secretary of the Interior to execute a repayment contract with the Yuma Mesa Irrigation and Drainage District, Gila project, Arizona, and for other purposes.

FOREIGN POLICY

Mr. LANHAM. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. LANHAM. Mr. Speaker, with my own remarks, I am including an editorial which appeared in the Washington Post for Wednesday, January 18, entitled "Mr. Dulles Explains." Really the title should be "Mr. Dulles Tries To Explain."

It is truly difficult to understand why a man with the supposed intelligence of Mr. Dulles would give his consent to what the Post so well calls "the nauseous article" in a recent issue of Life. Of course, in Mr. Dulles' statement which, if he did not make he at least allowed to be published, he is pleading guilty to conducting our foreign affairs on the basis of "bluff, bluster, and backdown." Our foreign policy has certainly descended to its nadir in this colossal blunder of Mr. Dulles, the last of a long line of statements and actions that subject us to the ridicule of the world.

[From the Washington Post and Times Herald of January 18, 1956]

MR. DULLES EXPLAINS

Secretary Dulles succeeded only partially in his effort yesterday to extricate his foot from his mouth. In his effort to explain the nauseating article in Life, he emphasized that it was not his own deliberate policy but the actions of the Communists that had led this country three times to the brink of war. With an after-the-fact modesty, he disavowed some of the tone and oversimplifications of the article. He quite properly recognized that the efforts to prevent miscalculation on the part of potential aggressors are not partisan policy but national policy of long standing.

So far so good. What remains is the bitter harvest the article has reaped abroad and the gift it has bestowed on Soviet propaganda through its appalling insensitivity and braggadocio, its distortions of history, its assumptions of omniscience. No one yet has explained why such an article was authorized; and Mr. Dulles' acknowledgment that the interview with the author had been recorded caps his own responsibility for the essence of what was said if not for the form. Mr. Dulles' surprise at the reaction to the article tells a good deal about the sort of blinders he has imposed on himself. What seems to have been thoroughly messy handling of the affair by the State Department also reflects ultimately on the Secretary. In all Mr. Dulles' 3 years in the Department, during which his good ideas and efforts at flexibility have been cluttered with a number of indiscretions, legalistic quibbles, and instances of political truckling, it is impossible to recall any embarrassment more needless or more clumsily entered.

In the circumstances, nevertheless, it is possible to feel sorry for Mr. Dulles. He has been his own worst enemy; and no American can take pride in seeing his country or its chief spokesman in foreign affairs humiliated even through the official's own fault. The best thing now is to let the article pass and to hope that next time Mr. Dulles will manage to pull himself back from the brink of thoughtless utterance.

DR. WILL W. ALEXANDER

Mr. HAYS of Arkansas. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HAYS of Arkansas. Mr. Speaker, I know that all of the Members of the House who had the privilege of knowing Dr. Will W. Alexander, of Chapel Hill, N. C., are saddened by the news of his death on last Friday, January 13. His passing marks the end of a useful and inspiring career. His unusual talents and his qualities of leadership were dedicated to improving the lot of many groups of people throughout the country, particularly in the South where he labored to find solutions to social and economic problems. He rendered a notable service as head of the Farm Security Administration, and as a member of the boards of various educational and philanthropic institutions. Disclaiming personal ambition and working quietly with those whose sympathies established a congenial and effective association, he exerted a tremendous influence for good. He will be sorely missed.

To Mrs. Alexander and their three sons, Edgar, John, and William, and their families, I extend my deepest sympathy.

EXTENSION OF REMARKS

Mr. MORANO. Mr. Speaker, I ask unanimous consent to insert in the RECORD two speeches made by Hon. CHESTER MERROW, of New Hampshire. Notwithstanding their length, I ask unanimous consent that they may be printed in full.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

AMENDING SMALL BUSINESS ACT OF 1953

Mr. O'NEILL. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution (H. Res. 369) providing for the consideration of H. R. 7871, a bill to amend the Small Business Act of 1953, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 7871) to amend the Small Business Act of 1953. After general debate, which shall be confined to the bill, and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. O'NEILL. Mr. Speaker, at the conclusion of my remarks, I yield one-half hour to the gentleman from Illinois [Mr. ALLEN].

Mr. Speaker, I rise to urge the adoption of House Resolution 369, which makes in order the consideration of the bill (H. R. 7871) to amend the Small Business Act of 1953. On August 19, 1955, the Northeast section of this country was hit terrifically hard by Hurricane Diane. For a period of about 5 days over 20 inches of rain fell in this section. Considerable damage was done in the entire Northeast section, particularly in southern New England, Connecticut being very badly hit as well as Rhode Island and the southern portion of the State of Massachusetts. Lives were lost and communities had to be evacuated. Homes were destroyed and swept away by the flood. Factories and industries were wrecked or damaged. Business establishments were flooded and their goods swept away or destroyed. Over $2 billion of havoc was visited on southern New England. The damage in the State of Massachusetts was so great that it defies adequate description.

Mr. Speaker, I want at this time to congratulate the Small Business Administration for the great work they did in those trying days. They assisted companies in fulfilling their contractual obligations which could not be filled because of the flood damage. They assisted in the way of machinery and raw materials for production. They had engineers and their contractors in estimating the work. All in all, they did a marvelous job and we should be proud of them.

This is the forerunner of much legislation that will come before the Congress this year dealing with flood relief, hurricane relief, drought, and things of that nature. This bill as amended and reported by the committee would increase the limit of disaster loans from $25 million to $75 million.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield.

Mr. McCORMACK. As I remember, before this session of Congress convened, the Small Business Administration had run out of money for disaster loans, and there was an urgency and necessity. The White House contacted the leadership on both sides of the aisle and asked if we would agree on a reimbursable basis that they could make regular business loans, with the understanding that when we met there would be authority made for appropriations so that they could reconvert those loans made at 6 percent to a 3 percent disaster loan, and that is contemplated in this bill.

Mr. O'NEILL. That is absolutely correct. The bill as amended and reported by the committee would increase the limit on disaster loans from $25 million to $75 million and would make a corresponding increase from $275 million to $325 million in the amount authorized to be appropriated to the revolving fund provided for in the act, to finance loan and contract operations under the act. The committee unanimously agreed to keep the present separation between the disaster-lending program and the business-lending program.

After the hurricane last fall it became apparent that the statutory limitation on disaster loans was going to be exceeded if all eligible disaster-loan applications were to be given assistance. Consequently, it was decided that the Small Business Administration would continue to make loans at its 6-percent interest rate to business in disaster areas, and a clause was inserted in the loan authorization stating that the rate would revert to 3 percent at such time as congressional action would permit.

As of December 31, 1955, it was estimated the need for disaster loans totaled $38,573,000. While accurate estimates cannot be made at this time, it is possible that the disaster-loan applications from California, Oregon, and Nevada, where extensive flood loss occurred last month, will amount to between 15 and 20 million dollars. The Administrator of the Small Business Administration testified before the committee that increasing the disaster loan limit to $75 million would be sufficient, insofar as can be estimated, to meet the need through June 30, 1957.

The loan assistance granted in disaster areas over the years has done much to alleviate suffering and assist in the rehabilitation of the areas affected. I urge the adoption of House Resolution 369 so the House may proceed to the consideration of H. R. 7871.

Mr. MORANO. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield.

Mr. MORANO. I expect to support this resolution, as a whole, but was there any testimony that would indicate that perhaps the 3-percent interest rate could be reduced to 2 percent or even lower?

Mr. MULTER. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield.

Mr. MULTER. There was no such testimony before the committee one way or the other.

Mr. MORANO. Does the bill provide that the limit is 3 percent and that the Administrator would have authority to grant loans at a lesser rate of interest?

Mr. MULTER. I think we would only be fooling the public, if we indicated that there was any possibility that they could get one of these loans at less than 3 percent. That is the maximum rate fixed in the bill.

Mr. MORANO. Does the Administrator have authority to make loans for a lesser rate?

Mr. MULTER. I think the answer is "Yes."

Mr. MORANO. He does have?

Mr. MULTER. Yes.

Mr. ALLEN of Illinois. Mr. Speaker, as always, the able gentleman from Massachusetts has fully stated the principles and purposes involved in this extension of the Small Business Act of 1953. I know of no objection on this side to either the rule or the bill.

Mr. Speaker, I yield such time as she may desire to the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein a copy of a bill which I introduced on yesterday, H. R. 8491, to carry out the President's recommendations in his state of the Union message with regard to alleviating conditions in places of chronic unemployment. There are other similar bills.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

(The bill is as follows:)

H. R. 8491

A bill to assist areas to develop and maintain stable and diversified economies by a program of financial and technical assistance and otherwise, and for other purposes

Be it enacted, etc., That this act may be cited as the "Area Assistance Act of 1956."

DECLARATION OF PURPOSE

SEC. 2. The Congress declares that, notwithstanding the prosperity enjoyed by the Nation as a whole, some of our communities are suffering substantial and persistent unemployment; that such unemployment causes hardship to many individuals and their families and detracts from the national welfare by wasting vital human resources; that to overcome this problem the Federal Government, in cooperation with the States, should help areas of substantial and persistent unemployment to take effective steps in planning and financing their economic development; that the Federal assistance should enable communities to achieve lasting improvement and enhance the domestic prosperity by the establishment of stable and diversified local economies; and that new employment opportunities should be created rather than merely transferred from one community to another.

AUTHORITY OF SECRETARY OF COMMERCE

SEC. 101. (a) To assist areas in the United States designated by the Secretary of Labor as areas of substantial and persistent unemployment, the Secretary of Commerce, hereinafter referred to as the Secretary, is authorized—

(1) to make grants for technical assistance for such areas; and

(2) to provide financial assistance by loans, participation in loans, or guarantee of loans.

(b) The Secretary is also authorized—

(1) to assist rural areas and rural communities in the United States in their efforts to develop manufacturing, processing, and service activities to supplement agricultural activities;

(2) to provide technical assistance and field consultation to areas in the United States in establishment of new industries based on local resources, in expansion of existing industries, and in economic diversification; and

(3) to coordinate the functions of the Secretary authorized by this act with other Federal programs affecting local economic conditions.

(c) As used in this act, the term "United States" includes the several States, the Territories of Alaska and Hawaii and the District of Columbia.

AUTHORITY OF SECRETARY OF LABOR

SEC. 102. (a) The Secretary of Labor shall from time to time, upon request of the appropriate State government, certify to the Secretary the existence of an area of substantial and persistent unemployment whenever he finds—

(1) in the case of a major labor market area or other labor market area for which appropriate historical labor force data are available as determined by the Secretary of Labor, that the unemployment rate in such area (A) is currently 8 percent or more, adjusted seasonally, and (B) has been at least 8 percent for the major portion of each of the preceding 2 years; or

(2) in the case of other labor market areas for which appropriate historical labor force data have not been compiled, that the unemployment rate and duration, based on a survey of available labor force data, generally equals or exceeds the rate and duration specified in section 102 (a) (1).

(b) The Secretary of Labor may undertake studies, or provide assistance to others in their studies, of the size, characteristics, skills, adaptability, and related aspects of the labor force of an area certified under section 102 (a).

(c) When skills of the labor force in an area certified under subsection (a) are not suited to reemployment of workers in such area, the Secretary of Labor may provide advice and technical assistance in developing and carrying out a program to increase employability of such labor force. Whenever the Secretary of Labor finds a need for vocational education services in such area, he shall so advise the Secretary of Health, Education, and Welfare. The Secretary of Health, Education, and Welfare, through the Commissioner of Education, may provide assistance, including financial assistance when necessary or appropriate, to the State vocational education agency in the provision of such services in the area.

AUTHORITY OF HOUSING AND HOME FINANCE ADMINISTRATOR

SEC. 103. Title I of the Housing Act of 1949, as amended, is amended by adding the following new heading and section at the end of title I:

"AREAS OF SUBSTANTIAL AND PERSISTENT UNEMPLOYMENT

"SEC. 111 (a). When the Secretary of Commerce certifies to the Administrator (1) that any county, city, or other municipality (referred to as 'municipality' in this section) is situated in an area designated by the Secretary of Labor pursuant to the Area Assistance Act of 1956 as an area of substantial and persistent unemployment, and (2) that there is a reasonable probability that with assistance provided under the Area Assistance Act of 1956 and other undertakings the area will be able to achieve lasting improvement in its economic development, the Administrator is authorized to extend financial assistance to a local public agency in any such municipality under this title and the provisions of this section.

"(b) The Administrator may provide such financial assistance under this section without regard to the requirements or limitations of section 110 (c) of this title that the project area be clearly predominantly residential in character or that it be redeveloped for predominantly residential uses.

"(c) Financial assistance under this section may be provided for any project involving a project area including primarily industrial or commercial structures suitable for rehabilitation under the urban renewal plan for the area.

"(d) Notwithstanding any other provisions of this title, a contract for financial assistance under this section may include provisions permitting the disposition of any land in the project area designated under the urban renewal plan for industrial or commercial uses to any public agency or nonprofit corporation for subsequent disposition as promptly as practicable by such public agency or corporation for the redevelopment of the land in accordance with the urban renewal plan: *Provided*, That any disposition of such land under this section shall be made at not less than its fair value for uses in accordance with the urban renewal plan: *And provided further*, That the purchasers from or lessees of such public agency or corporation, and their assignees, shall be required to assume the obligations imposed in conformity with the requirements of section 105 (b) hereof.

"(e) Following the execution of any contract for financial assistance under this section with respect to any project, the Administrator may exercise the authority vested under this section for the completion of such project notwithstanding any determination made after the execution of such contract that the area in which the project is located may no longer be an area of substantial and persistent unemployment."

SEC. 104. The first sentence of section 202 (c) of title II of the Housing Amendments of 1955 is amended to read as follows:

"(c) In the processing of applications for financial assistance under this section the administrator shall give priority first to applications of counties, cities, and other municipalities and political subdivisions for financing needed public facilities in areas determined to be areas of substantial and persistent unemployment under the Area Assistance Act of 1956: *Provided*, That the Secretary of Commerce certifies there is reasonable probability that with assistance made available under the Area Assistance Act of 1956 and other undertakings such areas will be able to achieve lasting improvement in their economic development; and second to applications of smaller municipalities for assistance in the construction of basic public works (including works for the storage, treatment, purification, or distribution of water, sewage, sewage treatment, and sewer facilities; and gas distribution systems) for which there is an urgent and vital public need."

SEC. 105. The second sentence of Section 701 of the Housing Act of 1954 is amended to read as follows:

"The Administrator is further authorized to make planning grants for similar planning work (a) in metropolitan and regional areas to official State, metropolitan or regional planning agencies empowered under State or local laws to perform such planning, and (b) to counties, cities, and other municipalities, having a population of 25,000 or more according to the latest decennial census, situated in areas designated by the Secretary of Labor under the Area Assistance Act of 1956 as areas of substantial and persistent unemployment."

GRANTS FOR TECHNICAL ASSISTANCE

SEC. 106. In carrying out section 101 (a) (1), the Secretary is authorized to make grants for technical assistance including studies evaluating the needs of, and developing potentialities for, economic growth of areas designated under section 102 (a). These grants may be made without regard to section 3648 of the Revised Statutes, as amended (31 U. S. C. 529). Appropriations are hereby authorized for these grants in an amount not to exceed $1,500,000 annually.

LOANS, PARTICIPATIONS, AND GUARANTIES

SEC. 107. (a) In carrying out section 101 (a) (2) of this Act, the Secretary is authorized to purchase evidences of indebtedness and to make loans (including participations therein and guaranties thereof) to aid in financing any project for the purchase or development of land and facilities for industrial usage, for the construction of new factory buildings, for rehabilitation of abandoned or unoccupied factory buildings, or for the alteration, conversion, or enlargement of any existing buildings for industrial use. Such financial assistance shall not be extended for working capital, for purchase of machinery or equipment, or to assist establishments relocating from one area to another when such assistance will result in substantial detriment to the area of original location by increasing unemployment.

(b) Financial assistance under this section shall be on such terms and conditions as the Secretary determines, subject, however, to the following restrictions and limitations:

(1) The total amount of loans, loan participations, and loan guaranties (including purchased evidences of indebtedness) outstanding at any one time shall not exceed $50,000,000;

(2) Such assistance shall be extended only to persons, both private and public, approved by the State (or any agency or instrumentality thereof concerned with problems of economic development) in which the project to be financed shall be located;

(3) No such assistance shall be extended hereunder unles the financial assistance applied for is not otherwise available from private lenders or other Federal agencies on reasonable terms;

(4) No loan shall be made unless it is determined that a participation is not available, and no immediate participation shall be purchased unless it is determined that a loan on a guaranteed or deferred participation basis is not available;

(5) All evidences of indebtedness purchased and all loans shall provide, in the judgment of the Administrator, a reasonable assurance of repayment;

(6) No loan, including renewals or extensions thereof, may be made hereunder for a period exceeding 20 years and no evidences of indebtedness maturing more than 20 years from date of purchase may be purchased hereunder: *Provided*, That the foregoing restrictions on maturities shall not apply to securities or obligations received by the Secretary as a claimant in bankruptcy or equitable reorganization or as a creditor in other proceedings attendant upon insolvency of the obligor, or if extension or renewal for additional periods, not to exceed, however, a total of 10 years, will aid in the orderly liquidation of such loan or of such evidence of indebtedness;

(7) Such assistance shall not exceed 25 percent of the aggregate cost of acquiring or developing land and facilities, and of constructing, altering, converting, rehabilitating, or enlarging the building or buildings of the particular project and shall, among others, be on the following conditions:

(A) That other funds are available in an amount which, together with the assistance provided hereunder, shall be sufficient to pay such aggregate cost, and

(B) That not less than 15 percent of such aggregate cost be supplied by the State or any agency, instrumentality, or political subdivision thereof or by a community or area organization, as equity capital or as a loan repayable only after the financial assistance hereunder has been repaid in full according to the terms thereof and, if such loan is secured, its security shall be sub-

ordinate and inferior to the lien or liens securing the financial assistance hereunder.

(8) No such assistance shall be extended unless there shall be submitted an overall program for the economic development of the area and a finding by the State, or any agency, instrumentality, or local political subdivision thereof, that the project for which financial assistance is sought is consistent with such program: *Provided*, That nothing in this act shall authorize financial assistance for any project prohibited by laws of the State or local political subdivision in which the project would be located.

AREA ASSISTANCE FUND

SEC. 108. (a) There is hereby authorized to be established in the Treasury of the United States a revolving fund to be known as the Area Assistance Fund (hereinafter referred to as the "fund"), which shall be available to the Secretary for the payment of all obligations and expenses in connection with the functions authorized under section 101 (a) (2).

(b) When requested by the Secretary, advances shall be made to the fund from the appropriations made therefor. There is hereby authorized to be appropriated for the purpose of making advances to the fund, without fiscal year limitation, an amount not exceeding $50 million.

(c) Receipts arising from the program authorized by section 101 (a) (2) shall be credited to the fund.

(d) Any moneys in the fund determined by the Secretary to be in excess of current needs shall be credited to the appropriation from which advanced to be held for future advances to the fund.

(e) Unless the Congress shall otherwise direct, there shall be paid into miscellaneous receipts of the Treasury at the close of each fiscal year interest on advances to the fund at a rate determined by the Secretary of the Treasury, taking into consideration the current average rate on all outstanding marketable obligations of the United States.

(f) Contributions shall be made from the funds—

(1) to the civil-service retirement and disability fund, on the basis of annual billings as determined by the Civil Service Commission, for the Government's share of the cost of civil-service retirement systems applicable to officers and employees (and beneficiaries thereof) occupied on a full-time basis on this program of financial assistance; and

(2) to the employees' compensation fund, on the basis of annual billings as determined by the Secretary of Labor, for benefit payments made from such fund on account of officers and employees (and beneficiaries thereof) occupied on a full-time basis on this program of financial assistance.

BUDGET AND AUDIT

SEC. 109. In the performance of and with respect to the functions, powers, and duties vested in him by this act in connection with the program of loans and participation in loans, the Secretary shall—

(a) prepare annually and submit a budget program as provided for wholly owned Government corporation by the Government Corporation Control Act, as amended; and

(b) maintain an integral set of accounts which shall be audited annually by the General Accounting Office in accordance with the principles and procedures applicable to commercial transactions as provided by the Government Corporation Control Act, as amended, and no other audit shall be required: *Provided*, That the determinations of the Secretary with respect to the program of financial assistance authorized by section 101 (a) (2) shall be final and conclusive upon all other officers of the Government.

AREA ASSISTANCE ADMINISTRATOR

SEC. 110. The Secretary is authorized to appoint an Area Assistance Administrator who shall perform such duties as the Secretary may prescribe. The Area Assistance Administrator shall receive compensation at a rate equal to that received by Assistant Secretaries of Commerce.

POWERS

SEC. 111. In the performance of, and with respect to the functions, powers, and duties vested in him under this act, the Secretary may—

(a) under such regulations as he may prescribe, make such findings and determinations as may be required for the proper administration of this act and such findings and determinations, together with those required to be made by the Secretary of Labor pursuant to section 102 hereof, shall be final and shall not be subject to review in any court by mandamus or otherwise: *Provided*, That with respect to the validity, effect, and enforcement of loans and participations provided for by section 101 (a) (2) hereof or security taken thereunder, statutes, rules and regulations pertaining generally to suits by and against the United States shall be applicable;

(b) under regulations prescribed by him, assign or sell at public or private sale, or otherwise dispose of for cash or credit, in his discretion and upon such terms and conditions and for such consideration as the Secretary shall determine to be reasonable, any evidence of debt, contract, claim, personal property, or security assigned to or held by him in connection with the payment of loans granted under this title, and to collect or compromise all obligations assigned to or held by him and all legal or equitable rights accruing to him in connection with the payment of such loans until such time as such obligation may be referred to the Attorney General for suit or collection;

(c) deal with, complete, renovate, improve, modernize, insure, rent, or sell for cash or credit, upon such terms and conditions and for such consideration as the Secretary shall determine to be reasonable, any real property conveyed to or otherwise acquired by him in connection with the payment of loans granted under this title;

(d) pursue to final collection, by way of compromise or other administrative action prior to reference to the Attorney General, all claims against third parties assigned to the Secretary in connection with loans made by him. Section 3709 of the Revised Statutes, as amended (41 U. S. C. 5), shall not be construed to apply to any contract of hazard insurance or to any purchase or contract for services or supplies on account of property obtained by the Secretary as a result of loans made under this title if the premium therefor or the amount thereof does not exceed $1,000. The power to convey and to execute in the name of the Secretary deeds of conveyance, deeds of release, asignments and satisfactions of mortgages, and any other written instrument relating to real property or any interest therein acquired by the Secretary pursuant to the provisions of this title may be exercised by the Secretary or by any officer or agent appointed by him for the purpose;

(e) acquire, in any lawful manner, any property (real, personal, or mixed, tangible or intangible), whenever deemed necessary or appropriate to the conduct of the activities authorized in section 101 (a) (2) of this act; and

(f) in addition to any powers, functions, privileges, and immunities otherwise vested in him, take any and all actions, including the procurement of the services of attorneys by contract, determined by him to be necessary or desirable in making, servicing, compromising, modifying, liquidating, or otherwise administratively dealing with or realizing on loans made under the provisions of this title.

ADVISORY BOARD

SEC. 112. To advise the Secretary in the performance of functions authorized by this act, there is authorized to be created an Area Assistance Advisory Board, hereinafter referred to as the "Board", which shall consist of the following members, all ex-officio: The Secretary, as Chairman, the Secretaries of Agriculture, Health, Education and Welfare, Labor and Treasury, the Administrators of the Housing and Home Finance Agency and of the Small Business Administration. The Chairman may from time to time invite the participation of officials of other agencies of the executive branch interested in the functions herein authorized. Each member of the Board may designate an officer of his agency to act for him as a member of the Board with respect to any matter there considered.

DEPOSITARIES AND AGENTS

SEC. 113. The Federal Reserve banks are authorized and directed to act as custodians and fiscal agents for the Secretary in the general performance of the powers conferred by this title. Any banks insured by the Federal Deposit Insurance Corporation, when designated by the Secretary of the Treasury, may act as custodians and financial agents for the Secretary. Each Federal Reserve bank shall be entitled to be reimbursed for all expenses incurred as such fiscal agents.

PENALTIES

SEC. 114. With respect to lending activities authorized by this act—

(a) Whoever makes any statement knowing it to be false, or whoever willfully overvalues any security, for the purpose of obtaining for himself or for any applicant any loan, or extension thereof by renewal, deferment of action, or otherwise, or the acceptance, release, or substitution of security therefor, or for the purpose of influencing in any way the action of the Secretary, or for the purpose of obtaining money, property, or anything of value, under this act, shall be punished by a fine of not more than $10,000 or by imprisonment for not more than 5 years, or both.

(b) Whoever, being connected in any capacity with the Secretary (1) embezzles, abstracts, purloins, or willfully misapplies any moneys, funds, securities, or other things of value, whether belonging to it or pledged or otherwise entrusted to it, or (2) with intent to defraud the Secretary or any other body politic or corporate, or any individual, or to deceive any officer, auditor, or examiner of the Secretary makes any false entry in any book, report, or statement of or to the Secretary, or, without being duly authorized, draws any order or issues, puts forth, or assigns any note, debenture, bond, or other obligation, or draft bill of exchange, mortgage, judgment, or decree thereof, or (3) with intent to defraud participates, shares, receives directly or indirectly any money, profit, property, or benefit through any transaction, loan, commission, contract, or any other act of the Secretary, or (4) gives any unauthorized information concerning any future action or plan of the Secretary which might affect the value of securities, or, having such knowledge, invests or speculates, directly or indirectly, in the securities or property of any company or corporation receiving loans or other assistance from the Secretary shall be punished by a fine of not more than $10,000 or by imprisonment for not more than 5 years, or both.

(c) As used in this section the term "Secretary" shall mean, with respect to the lending activities of the Housing and Home Finance Administrator authorized under this act, the Housing and Home Finance Administrator.

USE OF OTHER FACILITIES

SEC. 115. (a) To avoid duplication of activities and minimize expense in carrying

out the provisions of this act, the Secretary shall to the extent practicable and with their consent use the available services and facilities of other agencies and instrumentalities of the Federal Government on a reimbursable basis.

(b) Departments and agencies of the Federal Government shall exercise their powers, duties, and functions in such manner as will assist in carrying out the objectives of this act. This act shall be supplemented to any existing authority and nothing herein shall be deemed to be restrictive of any existing powers, duties, and functions of any other department or agency of the Federal Government.

CONSULTANTS

SEC. 116. The Secretary is authorized to procure the temporary service of experts and consultants or organizations thereof, including stenographic reporting services, by contract or appointment and in such cases such service shall be without regard to the civil-service and classification laws, and, except in the case of stenographic reporting services by organizations, without regard to section 3709, Revised Statutes, as amended (41 U. S. C. 5). Any individual so employed may be compensated at a rate not in excess of $50 per diem, and, while such individual is away from his home or regular place of business, he may be allowed transportation and not to exceed $15 per diem in lieu of subsistence and other expenses.

ANNUAL REPORT

SEC. 117. The Secretary shall make a comprehensive annual report of his operations under this act for the fiscal year ending on the preceding June 30 to the President, for transmission to the Congress as soon as practicable in each year, but in no case later than the third day of the following January.

AUTHORIZATION FOR APPROPRIATIONS

SEC. 118. In addition to appropriations specifically authorized by sections 106 and 108, appropriations are further authorized for the carrying out of other provisions and purposes of this act.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I am very anxious to endorse and vote for this bill for disaster loans, and for other purposes, with the hope that I will be more successful in securing help from the small business association.

Mr. O'NEILL. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. MCCORMACK. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and proceed out of order.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MCCORMACK. Mr. Speaker, in the message of the President in relation to agriculture, there is a recommendation in relation to the disposal of surplus agricultural products. It is a very interesting one but I think it should be viewed very cautiously. The President said:

Because the problem continues to be so serious and stubborn, the Secretary of Agriculture is appointing an Agricultural Surplus Disposal Administrator who will report directly to the Secretary.

My reference is not so much to that. The message continues:

Expanded opportunities will be sought to barter agricultural products which deteriorate and are costly to store, for increased quantities of nonperishable strategic materials. Additional legislation may be needed in this field.

Here is the important part:

Present provisions of surplus disposal legislation permit export dispositions of Government stocks to friendly nations only. Opportunities clearly to our interest may develop in the future to sell to countries excluded by this legislation. To enable us to realize on such opportunities I recommend repeal of section 304 of Public Law 480.

Secretary Benson on January 12 in appearing before the Senate Committee on Agriculture and Forestry made a brief reference to this. He said:

The President recommended repeal of section 304 of Public Law 480. This section restricts export dispositions of Government stocks to friendly nations.

The repeal of the section means that the sale of surplus farm commodities can be made to Communist countries, or deals made with them. We have now started the cold war all over again on the economic level, and we all know that if this section were repealed we would weaken ourselves in the economic field through making arrangements with Communist countries. It would be to our disadvantage, for such an arrangement would enable them to carry on more effectively their economic cold war against us and other countries of the West.

I am particularly interested in our own national interest. I think it would be unwise for us to do this, and I hope the Committee on Agriculture of both branches of the Congress will carefully go into this matter to ascertain fully the facts, because I do not think the people of America in general and the great majority of the Members of Congress will favor selling surplus agricultural products to Communist countries. It would help them in their efforts toward world revolution and domination.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. MCCORMACK. I yield to the gentleman from Iowa.

Mr. GROSS. I quite agree with the gentleman. I think we should proceed most cautiously in the repeal of that section of the law. I am sure the gentleman understands that the Communist countries have been shipping food products into this country for a long, long time and they are still doing it.

Mr. MCCORMACK. There are many things happening that probably should not happen. One such thing, for instance, is the black market in nickel, which is making the American businessman pay from $2.80 to $3 a pound for nickel.

I hope the Committees on Agriculture of both branches of Congress will very carefully go into the subject to ascertain the facts. They should be very cautious in making any recommendations to repeal existing law, and I think if such recommendation should be made the Congress of the United States should be very careful in the consideration of any such bill or agreeing to any such action, because we are engaged in the cold war and we have got to do those things that are consistent with our own national interest. It seems to me that selling or bartering our surplus agricultural products to Communist nations would certainly help them but certainly is not going to help us.

Mr. O'NEILL. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. PATMAN].

SBA UNSATISFACTORY

Mr. PATMAN. Mr. Speaker, I am not going to take up much time of the House at this time because I want to speak on this bill when it comes up for consideration. I should like to invite your attention, however, to certain important things about the bill.

First, the object is to mix the funds, the $150 million for business loans, the $100 million for prime contract loans and $25 million for disaster loans. It is desired to mix them all together, then add on the $50 million. Those of us who have studied this proposal agree this will be a bad thing because it will give the Small Business Administration an excuse not to make business loans. They have not been making business loans in a satisfactory way up to this time. This would give them an excuse for not making any business loans at all. They could simply state: "Well, we do not know; we might need all this money for disaster-loan purposes." So we do not want the loan funds mixed.

The bill as is reported will keep them separated. It will just increase the disaster-loan fund from 25 to 50 million dollars.

DISGRACE

The Small Business Administration has certainly not been a success. Without going into too much detail, may I state that they have averaged in inquiries in different forms for business loans to the amount of about 100,000 to 110,000 per month. After getting those inquiries in the first 11 months that they were in business they actually extended disbursed loans amounting to $1,900,000, which is a ridiculous amount. They have not at any time disbursed more than $26 million and this in a period of over 2½ years, notwithstanding the fact they have 750 employees. I think it is safe to say that the amount of money paid for administration purposes has been far in excess of the aggregate amount of business loans made. This is an absolute disgrace. People will spend their time and their money traveling 100, 200, or 300 miles to these various offices, and these inquiries have been coming in at the rate of 100,000 a month, and then they are persuaded not to file an application. They are told various reasons why they should not file these applications; for instance, that they can get their loans elsewhere. Out of the hundreds of thousands of inquiries that have been made only a few thousand are actually filed, then only a very much smaller number are approved. After 23 months about 326 applications had actually been approved and disbursed. That does not average one for each congressional district, although I do not say they should be allocated according to congressional districts, or one for every two employees.

When this bill came up for consideration previously we discovered that some loans could only be made at 8 percent interest. We put a restriction in there, last August that the rate of interest charged shall be the prevailing rate but shall not exceed 6 percent. Recently, Mr. Barnes, Director of the Small Business Administration was on the witness stand and I interrogated him. He admitted that they were charging 6 percent clear across the board everywhere, and I asked him why he was doing that. He said, "We used the rate of 6 percent and fixed that rate in connection with the loans because the loan policy board set up the policy and fixed the interest rates." Now, here is the loan policy board consisting of the Secretary of the Treasury, the Secretary of Commerce, and the Director of the Small Business Administration. It is really in violation of the law. The law says it shall not exceed 6 percent. They say charge 6 percent and not charge the prevailing rate. And, that causes us to wonder. Are we going to have a government of law or are we going to have a government of men? Will men be privileged to change the law when they want to, in this case against the small-business man, which has been changed by the loan policy board?

Now, another thing. I want to mention prime contracts. We gave the Small Business Administration $100 million authorization to take prime contracts. During World War II that was the finest provision the Small War Plants Corporation had. They would take a contract and divide it up among small people. It was wonderful. It worked fine. But, we discovered that the Small Business Administration has not taken one prime contract. It has not spent one penny of that $100 million.

DISTRESSED AREAS

Now, here, all of you who are in distressed areas, who are in depressed areas, please listen to what I say. If the Small Business Administration will carry out its authority as granted by the Congress and use the money that has been authorized, the Small Business Administration can restore every depressed community in these United States within 30 or 60 days, or in a very short time, by giving contracts to people in those areas which will, in turn, give people jobs. They have the power, they have the money available, and there is no reason on earth why they should not do it.

I am just bringing those things to your attention. I do not want to take any more of your time, because I expect to discuss this more fully later on.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 3 minutes to the gentleman from Colorado [Mr. HILL].

Mr. HILL. Mr. Speaker, I am somewhat surprised and dumfounded that my friend, the gentleman from Texas, would make the statement he makes concerning small business. I am very much afraid that he makes these remarks because he has not been able to have the Small Business Administration perform just exactly like he wants to.

I have listened to the gentleman from Texas [Mr. PATMAN] make many comments during this session on the activities of the Small Business Administration. I can unequivocally state that I have always disagreed with the gentleman from Texas in his general criticism of the work of the Small Business Administration. He has constantly disregarded the good work done and the assistance rendered to small-business concerns by SBA during the past 2 years, and has completely ignored the difficult problems of small firms and the attempts made for their solution.

As the gentleman from Texas knows, these difficulties encountered by small-business concerns can only be resolved by nonpartisan support. There is no place here for political analysis and political criticism—such an approach only contributes to confusion, not to correction or assistance. This should be true when we discuss the share of Government contracts acquired by small business and when we consider the need for a business lending program. It is particularly true when we give consideration, as we are now, to the need for financial assistance to business concerns and homeowners who have incurred damage as a result of floods, hurricanes, and other types of disasters.

Mr. Speaker, I appreciate the fine remarks of the gentleman from Massachusetts. I want to say to you that there is no basis in fact in regard to what the policy board of the Small Business Administration has done.

I have here the report from which I shall read. This is as of December 31, 1955. The SBA had approved 2,270 business loans, all of them necessary, amounting to a total of more than $114 million. Of this amount the agency's share was $94 million, nearly $95 million. There had been some 441 cancellations up to that date amounting to a little under $22 million. This left a net of approved loans of 829, amounting to over $91 million.

I know what is the matter with the gentleman from Texas [Mr. PATMAN]. He is just like a lot of other people who speak from this floor who think that everything should be done from a political standpoint. I am getting sick and tired of the partisan approach to these questions.

The small business loans which they may make, if they are only half a dozen, those half dozen loans affect perhaps 1,000 people in those communities or areas. And the gentleman from Texas knows that better than I do.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts [Mr. HESELTON].

Mr. HESELTON. Mr. Speaker, I ask unanimous consent to speak out of order, to revise and extend my remarks, and to include certain excerpts from committee reports on legislation in the House.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HESELTON. Mr. Speaker, I have just been handed a release from the Federal Power Commission entitled "News Digest," from Washington, dated Thursday, January 12, 1956. I shall read only a portion of the last paragraph on the first page, but anyone who wishes to see the full quotation may, of course, obtain it from the Federal Power Commission:

IOCC executive unit discusses gas legislation (Tulsa World, January 10), Oklahoma City: "The executive committee of the Interstate Oil Compact Commission met here Monday and discussed ways of supporting a bill * * * to take Federal price controls off natural gas at the wellhead. The committee, with New Mexico Gov. John F. Simms as chairman, took no formal action, however, in support of the Fulbright-Harris bill * * *."

I could be amazed if the Interstate Oil Compact Commission should think that it has any power or right, as an official group, to take any position on this legislation.

For some time I have been personally critical of certain of the activities of this commission as have others. I was glad that last year an amendment was adopted by this House to the basic law as I recall it unanimously, which went into effect this last fall, and which had as its purpose to see to it that the commission carries out the original objective of interstate compact legislation. I think it is extremely unfortunate that any such commission should see fit, if it has done so, to gather as an official unit to try to exert influence on legislation pending before this House or elsewhere. I hope that they will correct that position promptly if it is one that they have taken.

Let me make it clear beyond any question that I am not criticizing the right of any individual to express any opinion or to take any action he chooses as to any legislation pending in Congress or proposed to Congress. Neither am I questioning the right of any such individual joining with other individuals in a group for such purposes, except as a member of this executive committee. I am concerned with the fact, if this report is accurate, that this executive committee should be of the opinion that it could meet with propriety to discuss "ways of supporting a bill to take Federal price controls off natural gas at the wellhead." It is interesting to note the statement that the committee "took no formal action." But it would have been far more interesting to know whether this was because the committee recognized finally the clear mandate of article V of the Interstate Oil Compact to which the consent of Congress has been given eight times since August 1935, and which I now quote:

ARTICLE V

It is not the purpose of this compact to authorize the States joining herein to limit the production of oil or gas for the purpose of stabilizing or fixing the price thereof, or create or perpetuate monopoly, or to promote regimentation, but is limited to the purpose of conserving oil and gas and preventing the avoidable waste thereof within reasonable limitations.

I call specific attention to the following words of limitation: "* * * but is limited to the purpose of conserving oil and gas and preventing the avoidable waste thereof within reasonable limitations."

In connection with my comments, I want also to quote the language of the committee amendment when the most

recent extension of the legislation was on this floor last July 5. It is as follows:

SEC. 2. The Attorney General of the United States shall make an annual report to the Congress for the duration of the Interstate Compact to Conserve Oil and Gas as to whether or not the activities of the States under the provisions of such compact have been consistent with the purpose as set out in article V of such compact.

This amendment was accepted and is a part of the law, Public Law 185, approved July 28, 1955.

I do not know whether this reported meeting of the executive committee of the Interstate Oil Compact Commission comes within the purview of the annual report the amendment, now a part of the existing law, requires the Attorney General of the United States to make annually to the Congress. I believe it does. If not, the amendment should be clarified.

Anyone familiar with the terms of Senate Joint Resolution 38 and particularly of section 2 of Public Law 185 and the background which led to its adoption, as recommended by the House Committee on Interstate and Foreign Commerce, will recognize, I am sure, that in the original legislation Congress attempted to devise and subsequent Congresses have approved language which should be a clear guide to the Commission, its committees and its officials as to the primary objectives of the compact, as consented to by Congress, and as to activities which are quite beyond those objectives and which should not be undertaken in the name of the Commission.

However, I am submitting a copy of this Federal Power Commission News Digest to the Attorney General so that the matter will be definitely brought to his attention for whatever action he believes to be proper.

Mr. O'NEILL. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. ROOSEVELT].

ADMISTRATION'S POLICIES: OPEN DOOR TO SMALL BUSINESS FAILURES

Mr. ROOSEVELT. Mr. Speaker, when I listened to the President's state of the Union message, I was somewhat surprised at the rosy report on the state of small business, as well as at the glowing claims made for this administration's help to small business.

Summing up in one great splash of color, this message claims that—and I quote—"an integral part of the administration's efforts to foster an expanding free economy is keeping open the door of opportunity to new and small enterprise, checking monopoly, and preserving a competitive environment."

When I heard this, I merely thought, "Well it is too bad, the President simply has not been informed about what his administration has been doing." In fact, I was even inclined to excuse the people who concocted the President's message—on the grounds of ignorance. These people are big-business men, and it has been obvious for some time that they are not in touch with small business. They have a certain way of thinking, and small-business problems simply do not fit into their way of thinking.

In the last few days, however, I have been shocked to discover that this is not just a matter of ignorance, but what appears to be a deliberate effort to mislead. And the most amazing thing is that the misleading reports are coming right from the Small Business Administration itself. If I am right about the nature of these reports, then we have an awkward problem. The SBA was set up by Congress to be the special protector of small business, to keep its finger on the pulse of small business, and report to Congress. It is extremely awkward then to find this agency propagandizing for the administration and its big business policies and turning out misleading reports on the status of small business.

The thing which attracted my attention to this matter was a news item which appeared in the Washington Post and Times Herald last Wednesday, January 11. An INS news story which purports to cover an interview with Mr. Wendell Barnes, the SBA Administrator, contained the following statement:

SBA Administrator Wendell P. Barnes insists that despite allegations to the contrary, small-business failures are at the lowest ebb of any normal year in recorded history.

Since this statement appeared to be contrary to all recent reports on business failures, I inquired as to the basis for it. I learned that the statement was something of a conclusion drawn from a SBA press release which was issued by Mr. Barnes on December 27. That press release contains the statement on business failures which reads as follows:

The extremely low rate of business failures is also a good sign for the future.

This press release further states that in 1955 the rate of business failures was 42 out of every 10,000 firms in existence, as compared with an average annual rate of 71 out of 10,000 over the past 55 years. In other words, the SBA had to go pretty far back into ancient history in order to find a normal year. On SBA's same basis of computation, business failures averaged only 20 for each 10,000 of operating firms in the 10 years before the administration took office. In fact, failures at the rate of 42 for each 10,000 firms in 1955 was greater than the average for the 20 years beginning with 1933—which includes the depression years.

The SBA press release relied on Dun & Bradstreet figures—which I presume to be good figures, as far as they go. According to the Dun & Bradstreet reports there were approximately 11,000 business failures last year. All of these can be counted as small-business failures—well over 90 percent of them involved total liabilities of less than $100,000.

During the first 10 months of 1955 there were slightly in excess of 9,000 business failures. It may be interesting to note the lines of business in which these failures took place. There were 1,800 failures in manufacturing and mining; there were approximately 1,000 failures in wholesale trade. There were 4,500 failures in retail trade; there were 1,100 failures in building and construction contractors. There were 700 failures among commercial services firms.

Here I should point out that Dun & Bradstreet does not report on all business failures. It reports only those failures among firms on its regular listings. And, the rate of failures which I have cited are failures for each 10,000 firms among Dun & Bradstreet's listings. Dun & Bradstreet does not purport to list all firms; there are many more business firms in operation. For example, Dun & Bradstreet had in its listings in 1953 only 2.7 million firms, and the rate of failures for 1953 is computed on the basis of a total population of 2.7 million firms. But the Department of Commerce figures show a total of 4.2 million firms in operation in 1953.

Naturally we would expect a higher rate of failures among those firms which are not listed and rated by Dun & Bradstreet than among those which Dun & Bradstreet does rate. Allow me to read therefore a short statement from a report on the Committee on Appropriations as of April of last year. Here the committee is reporting on advice from the Administrator of the Federal Courts. The statement is:

The committee was advised that approximately 65,000 bankruptcy cases will be filed in 1955, that a total increase to 75,000 in 1956 can be expected. This would be the highest number of bankruptcies recorded in the history of the country.

There are several other statements in Mr. Barnes' press release of December 27 which should interest the Members. One of these praises and looks forward to a "continuation of the Government's sound fiscal policies." The main sweep of the whole release is to forecast exhilarating levels of prosperity in 1956 and to assure that businessmen can confidently plan for expansion. There is no hint that small business might have any problems or that small business is doing less than bursting with prosperity.

There is a statement, however, which would have us believe that the "competitive position" of small business deteriorated all through World War II and continued deteriorating through the postwar years; and that after 1 year in office, in 1954, the administration checked and reversed the downward trend of small business. The statement is as follows:

The competitive position of small business deteriorated during World War II and the postwar years. This downward trend continued through 1953, and was not reversed until 1954.

Well, certainly the Dun & Bradstreet figures on business failures do not suggest that there was a downward trend in small business prior to this administration's taking office; nor would they suggest that an upward trend for small business started in 1954. On the contrary, the facts suggest that Mr. Barnes either has his trend charts upside down or that he is standing on his head.

If the Dun & Bradstreet figures on business failures are not sufficient to show that something is cockeyed in SBA's reporting, then I might cite the figures on the profit rates of manufacturing corporations which are compiled by the Securities and Exchange Commission and the Federal Trade Commission. Specifically I might cite the rate of profits on stockholders' equity. This is a standard way of measuring the profita-

bility of a firm. Stockholders' equity is the capital which the stockholders put in originally, plus all of the firms' earnings over the years which have been left in the firm and not paid out in dividends.

In 1952, the rate of profits of the smallest class of corporations—those with less than a quarter of a million dollars of assets—was 9.3 percent. In other words, corporations in this size class had a profit, after taxes, which amounted to 9.3 percent of the stockholders' investment. In 1953, the first year of the present administration, the rate dropped to 6.8 percent; in 1954 the rate dropped to 3.2 percent. And finally during the first three quarters of 1955, the profit rate of the smaller corporations was back up to an annual rate of a bare 6.4 percent. These figures hardly suggest any decline in the competitive position of small business before the present administration took over, but they do suggest a drastic decline in the competitive position of small business since this administration took over. And I might add the trend in the figures for the smaller corporations is precisely the reverse of the trends in the figures for the giant corporations. Those corporations which have more than $100 million of assets had a profit rate of 11.8 percent after taxes in 1952. In 1953, this rose to 12.1 percent. It stayed at 12.1 percent in 1954 despite the depression, the recession, the readjustment—or whatever you want to call it—of that year. And in the first three quarters of 1955, the profits of the giant corporations were up to an annual rate of 14.1 percent.

Comparing the profit rates between the first three quarters of 1955 and the first three quarters of 1952, we find that the profitability of the smallest class of firms has declined by 39 percent, while the profitability of the giant size class has increased by 25 percent.

These facts are alarming in themselves and warrant, I think, our serious attention. They also leave me skeptical however, as to whether they will receive the attention they deserve from the Small Business Administration.

The administration's claim that it has kept open the door of opportunity to new and small enterprises bears on a most important matter. There are slightly more than 4 million small businesses in the country as compared to about 5 million farm families. And it is quite probable that more people make a living from small business than make a living from farming. It is important that the door to small business be kept open, and that business opportunities grow with our growing populations and with the increasing business activity. But the most remarkable single business fact of the past few years is that the number of operating businesses in the country has remained almost unchanged. Between 1952 and the third quarter of last year, the national income had increased by about 12 percent. Our population had increased by about 5 millions. But on July 1 of last year, there were only 13,000 more business firms in operation than 2 years earlier—in other words, an average growth of 6,500 per year. In contrast, during the years 1948 through 1952, the number of business firms in the country increased by 210,000, or better than 50,000 a year.

It is true that the annual growth of the national income during the past 3 years has fallen far short of the rate of growth which took place during the Truman administration. But it will take something more than this fact to explain the cessation in the growth of business firms since this administration came into office. Whatever the explanation, the record of small business failures suggests that the administration has kept open the door for small business to go out, not to come in.

Mr. O'NEILL. Mr. Speaker, I yield 4 minutes to the gentleman from Pennsylvania [Mr. FLOOD].

Mr. FLOOD. Mr. Speaker, with reference to the pending matter I should like to say as my Pennsylvania Dutchmen do that I have something sweet and something sour to say. The sweet part is to say a word of praise to the small-business people, particularly the Philadelphia office, which handles my area, for the great work they did in this disaster relief, which affected northeastern Pennsylvania. That was commendable. They expedited the effort. Certainly I want to help them now to add to this fund, which was depleted under these national disasters. That is very proper.

However, Mr. Speaker, I must say that as far as the basic, the organic Small Business Act is concerned, it is my opinion that it became law not for the purpose of granting loans to small business but for the purpose of not granting loans to small business.

I sit on the Appropriations Committee and have had hearings on this bill since its inception. What I say is not mere hearsay. These things have taken place in executive session with the administrators of this act from the time it was born. I would like to point out, Mr. Speaker, in the early months in the first year of this bill, practically nothing was done under the original administrator. Then, if you will recall, a slight recession took place, or whatever you wish to call it. Then there was great excitement and orders to get loans out. "Let us make loans quick," and they did for a while. Then when that recession was corrected, the loans stopped. It is true that recently they have seen the error of their ways and efforts have been made to grant loans. But, Mr. Speaker, the act itself is bad. It is not the fault of the people who are handling the Philadelphia administrative office; it is the fault of the Congress. It is a bad law and they are handcuffed under the provisions of this act and cannot properly function. If we want to help small business, and I think we all do, let us amend the basic Small Business Administration Act in such a way that they can properly function for the purpose for which it was intended.

Mr. Speaker, I yield back the balance of my time.

Mr. ALLEN of Illinois. Mr. Speaker, I yield to the gentleman from Michigan [Mr. WOLCOTT] for a unanimous consent request.

Mr. WOLCOTT. Mr. Speaker, in behalf of the gentleman from Connecticut [Mr. SEELY-BROWN], I ask unanimous consent that he may extend his remarks in the debate on this bill.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SEELY-BROWN. Mr. Speaker, the people of the Second District of Connecticut are vitally concerned with the legislation being considered by this body today. Businessmen and homeowners in my district suffered extreme damage from the hurricanes and floods which hit the eastern part of the United States last summer and fall. Hurricane Diane in particular inflicted millions of dollars worth of damage by destroying stores, homes and factories, community water and communication systems, and left hundreds of workers unemployed.

In these days of need, the Small Business Administration, Red Cross, Civil Defense workers, Army Engineers and other groups rendered invaluable assistance in the rehabilitation of the many communities affected.

Emergency offices were quickly established by the Small Business Administration to handle applications for loans with which to restore dwellings, inventories, commercial and industrial real estate. In Connecticut alone eight of these emergency offices were established, in addition to the agency's branch office located in Hartford. From these offices alone, the SBA received some 5,500 inquiries concerning types of assistance rendered, procedures for filing applications and other matters.

From the eastern part of the United States the Small Business Administration received, as of January 12, some 2,250 applications for disaster loans of which 1,933 have already been approved for a total of almost $29 million.

For the country as a whole and since the inception of the agency, SBA had approved, as of December 31, 1955, approximately 3,300 disaster loans for a little under $38 million. Applications are still being received as a result of Hurricane Diane and as we all know, only recently parts of California, Oregon and Nevada suffered great damage because of floods. Here again, emergency offices were established by SBA and within a week over half a million dollars in disaster loan applications had been received.

There is absolutely no question that the disaster loan authority of SBA must be increased. No section of the country is immune from the possibility of a major disaster, whether it be by tornado, hurricane, flood, drought, or freeze. It certainly is not inconceivable that they may occur in the same section of the country many times. Local and statewide credit facilities are not presently equipped to handle these situations and it is imperative that we have a program of Federal assistance to supplement local financing. I believe that in this respect the Small Business Administration disaster program is absolutely essential. The disaster authority under the act must be continued and enlarged.

Mr. O'NEILL. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. MULTER].

Mr. MULTER. Mr. Speaker, I just want to take a moment or two to request the gentleman from Pennsylvania [Mr. FLOOD] to spread upon the RECORD precisely where he feels the Small Business Administration Act is bad. I had considerable to do with the preparation of the act and its enactment. Administration representatives have been before our committees. We have asked them to indicate to us what provisions of law must be changed or liberalized so that they can carry out the full and complete intent of the Congress. We have tried to liberalize it in every respect that they have indicated. We rejected their suggestions only when they sought to limit their functions or restrict their operations. The only thing that I know that is bad about the Small Business Act is the provision which destroys its independence by setting up a Loan Policy Board consisting of the Secretary of the Treasury, the Secretary of Commerce, and the Administrator. That is the only thing that anybody can point out and say is bad in this act. If there is anything else, I would like to have the gentleman come before us and tell us what it is. I am sure we will correct it very quickly.

Mr. O'NEILL. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. FLOOD].

Mr. FLOOD. Mr. Speaker, the gentleman from New York should know that there is no district in this Nation which is more concerned with economic relief than the distressed economic area which I represent. This is not hearsay and I have discussed this matter in my committee and the record of the Appropriations Committee shows this problem. Now I think that is a proper request and I am delighted for the opportunity to have these people in the administration who have given me this request present to his committee and to mine exactly what they feel is proper and essential to have all of us get what we think we need. I will be glad to do it.

Mr. O'NEILL. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

PROVIDING HOSPITALIZATION AND CARE FOR THE MENTALLY ILL IN ALASKA

Mr. COLMER. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution (H. Res. 368) providing for the consideration of H. R. 6376, a bill to provide for the hospitalization and care of the mentally ill of Alaska, and for other purposes, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6376) to provide for the hospitalization and care of the mentally ill of Alaska, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. COLMER. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN], and pending that I yield myself such time as I may consume.

Mr. Speaker, this is an open rule providing for 2 hours of general debate, with opportunity to offer amendments. If I may have the attention of the chairman of the committee and the members of that committee, let me say that personally I am in favor of the objectives of this bill. I do want to call attention to the fact that I think a dangerous precedent is being set here, in that a million acres of Alaskan land is being earmarked for dedication for the support of this hospital. I believe the House will understand the danger of setting such a precedent.

I can appreciate that the Territory of Alaska is in a different position from the several States of the Union in that outside of the municipalities there is no source of revenue; and, therefore, there must be some fund created for the operation and maintenance of this institution. On the other hand, let us assume that gold, uranium, oil, or some other valuable mineral were discovered in substantial quantities. We would then have the situation where the hospital could well become more wealthy than the whole Territory of Alaska. It is certainly not impossible that another Klondike gold strike might be had on the particular land selected. This is particularly true in view of the fact that this is the first dedication of public lands. It is, therefore, natural to assume that those charged with the selection would select the best lands possible.

Therefore, Mr. Speaker, if the committee or some member thereof does not see fit to offer an amendment striking this provision, or at least substantially amending it, I shall myself offer what I consider to be an appropriate amendment to bring about the result desired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Nebraska, Dr. MILLER.

Mr. MILLER of Nebraska. Mr. Speaker, the bill H. R. 6376, now before us, provides commitment procedures for the mentally ill in Alaska. It provides for finances to pay for the care of the mentally ill. The bill provides for an outright grant to Alaska for building facilities to care for the mentally ill. Title 2, section 371, is one which gives specific grant to Alaska for mental health purposes. It authorizes Public Health to make available $6 million beginning with the fiscal year of June 1958 with a payment of $1 million and then tapering off to the sum of $200,000 in 1966.

Section 372 of title 2 is the phase of the bill which I think Congress should give serious consideration. I will return to that section after briefly discussing title I.

The commitment procedure as outlined in title I of H. R. 6376 follows closely that recommended by the American Psychiatric Association. Their standards are very high. I believe no more than 3 or 4 States have been able to adopt and follow their recommendations. I doubt very much if the commitment procedures could be followed entirely by the Territory of Alaska. There seems to be little doubt that the commitment procedures for the insane in Alaska are in need of changes and being made modern. They are archaic at the present time. While I think the proposed standards are rather high in the proposed bill, I think it is well to try and reach perfection and this section of the bill should be adopted even though it could not be followed in toto by the Territory of Alaska or the new State.

Now I wish to direct some remarks to section 372 of the bill, which provides an outright grant of $6 million for the construction of the hospital and other facilities that might be needed in providing a comprehensive program for the mentally ill. It should be pointed out that the word "construction" means not only construction but equipment for building including transportation facilities, architectural, and engineering fees and the cost of the land to be acquired for the site.

If section 372 is adopted it will set up an entirely new policy of making an outright grant to any Territory or State for the purpose outlined. I do not believe we should adopt such a principle of making outright grants as provided in the bill.

The procedure in the past has been one that provided that the State or Territory match Federal funds. This system has been followed in the road program, the education program and similar programs offered by the Federal Government. If we start now to make outright grants, then the other Territories and States should have the right to be considered on the same basis.

It is my intention to offer an amendment to section 372 which will, in effect, make the Federal funds available on a matching basis. This is done in the Hill-Burton hospital bill and, indeed, Alaska has benefited greatly from the provisions of this bill. It is a liberal provision.

I ask my colleagues to give serious consideration to the principles and policies which would be adopted were the funds made available to the State without the matching provisions normally followed when Government funds are made available to the States.

I trust, Mr. Speaker, that you will give serious consideration to just how far the Federal Government should go in making outright grants to the States and Territories for the purposes of providing health facilities and care of those who might be ill.

I would further call your attention to the fact that after these facilities are

completed, it apparently will be the responsibility of the Federal Government to continue making appropriations for the mental hospital. Once the principle has been adopted, the door will be wide open for all of the States to ask for similar treatment. I trust you will support the amendment which will be offered, designed to correct this situation.

Mr. COLMER. Mr. Speaker, I yield such time as he may desire to the gentleman from Colorado [Mr. ASPINALL].

Mr. ASPINALL. Mr. Speaker, I shall wholeheartedly support this resolution making in order the provisions of the bill H. R. 6376.

Mr. Speaker, the legislation provided in H. R. 6376 is long overdue. H. R. 6376, sponsored by Congresswoman GREEN, is identical to H. R. 6334, introduced by Congressman O'BRIEN, chairman of the Subcommittee on Territories and Insular Affairs.

As amended, H. R. 6376 is fourfold in nature. It provides (a) for the establishment of modern legal procedures for the commitment and hospitalization of mentally ill in Alaska; (b) for the administration of the Alaska Mental Health Act by the Territorial government; (c) for the gradual assumption over a 10-year period, of financial responsibility for the program by the Territorial government through generous land grants and Federal grants-in-aid for hospitalization of those who are mentally ill; and (d) for constructing and equipping a hospital or hospitals and related facilities as are required.

The need for Alaskan mental-health legislation is not new. It has been recognized for many years. Bills in recent years providing for hospitalization and care of these unfortunate persons were also introduced in the 81st, 82d, and 83d Congresses. Approximately 1½ years ago, representatives of the Departments of the Interior, Health, Education, and Welfare, and Justice sat down together to work out a modern inclusive bill which would meet the needs of Alaska. H. R. 6334 and H. R. 6376 were prepared on the basis of the Draft Act Governing Hospitalization of the Mentally Ill, a publicaion of the United States Public Health Service, which carries the recommendations for enactment of the Council of State Governments.

I think it is well to remind ourselves that the commitment, care, and treatment of the mentally ill of the Territories are usually regarded as inherent responsibilities of the respective Territorial governments. Such is not the case with the Territory of Alaska, where responsibility was initially assumed by the Federal Government because the Territory at that time had no local government. Congress has specifically denied the Territorial legislature authority to amend or repeal the existing Federal law pertaining to the commitment of the mentally ill. As a result, Alaskans are being committed to mental institutions and cared for and treated in a private sanitarium under contract with the Department of the Interior pursuant to title 48, United States Code, sections 24, 46, and 47.

This procedure has been followed since 1905 and has many shortcomings and weaknesses. The hundreds of pages of testimony our Subcommittee on Territories has taken, both here and in the field, have brought to light the archaic and inhumane commitment methods used in Alaska.

Title I of H. R. 6376 establishes hospital procedures. Title II concerns financial and land grants. Title III contains a number of miscellaneous provisions relative to Federal statutes to be repealed by the act, the existing contract for the present hospitalization of Alaska's mentally ill, the transfer of unexpended balances of appropriations available to the Department of the Interior for care of Alaskan insane to the Governor of Alaska, and finally, that until July 1, 1956, expenses for transportation of all patients to be hospitalized outside Alaska shall be paid by the Justice Department.

H. R. 6376 is an administration bill. It has strong recommendations from the Department of the Interior, the Department of Health, Education, and Welfare, the Department of Justice, from the Governor of Alaska, the Alaska Legislature, the American Medical Association, and dozens of Alaskan organizations and individuals.

Mr. COLMER. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to, and a motion to reconsider was laid on the table.

TO AMEND THE SMALL BUSINESS ACT OF 1953

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 7871) to amend the Small Business Act of 1953.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 7871, with Mr. PRICE in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Kentucky [Mr. SPENCE] will be recognized for 1 hour and the gentleman from Michigan [Mr. WOLCOTT] will be recognized for 1 hour.

The Chair recognizes the gentleman from Kentucky [Mr. SPENCE].

Mr. SPENCE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, one of the essential functions of a free government is to give aid and comfort to its citizens who have suffered from disaster. Most disasters that cause pecuniary loss can be insured against, but the disasters that come from a major force of nature such as the great floods which devastated the eastern seaboard last summer and the floods that recently devastated northern California cannot be foreseen, and their effects cannot be insured against at the present time. It is a big problem for the people affected; it is a big problem in which many Members of Congress are interested, for 28 bills have been introduced and referred to the Committee on Banking and Currency in an attempt to provide some form of insurance protection to these disaster areas where the people have suffered from forces far beyond their control.

On the 23d of this month the Committee on Banking and Currency will hold hearings on the general subject of disaster insurance, and we invite all Members who come from devastated areas to present their views to the commttee. We will consider all of the bills in an endeavor to work out a bill which will provide protection against natural disasters.

The Small Business Act provides that $150 million should be used for loans to small business. One hundred and five million dollars has actually been appropriated under the act. As of December 31, 1955, the Small Busness Administration had disbursed only $32 million in small-business loans.

It seems to me that is a small amount to be lent to the business interest of this country. When we boast of our prosperity, the small-business man should be able to expand his business and participate in this prosperity. I hope that in the future a liberal policy will be adopted by this administration which will give to the small-business man a new hope and assurance that he may obtain loans if his credit is good and his outlook is satisfactory.

When these disasters came, $25 million was authorized for disaster purposes. The Small Business Administration's figures show that the need for disaster loans as of December 31, 1955, totaled $38 million. This includes $12 million of loans which are really disaster loans but have been made as business loans.

There is a provision of convertibility in these contracts. When this legislation is passed, these loans will be converted into disaster loans. Instead of paying 6 percent interest, then these people will pay 3 percent, as provided for disaster loans.

As I stated, the need for disaster loans as of the end of the year was $38 million, and it is estimated that $16 million more will be needed for the west coast, or a total of $54 million.

We provide authorization for an additional appropriation of $50 million for disaster loans which will make the total amount available $75 million, giving a free board to the Small Business Administration of $21 million which they think will be sufficient to meet all needs for the next fiscal year.

Mr. Chairman, it must be remembered that we are not talking about money. These sums are authorized for appropriation and unless the Appropriations Committee makes the appropriations that they require the funds will not be forthcoming.

We ought to give our people the assurance that when these disasters fall upon them the Government is behind them and the Government will endeavor to give them relief. I think that would make a happier and less apprehensive people, and I hope this administration will use the liberality that we expect

them to use. We have spent vast sums of money for the people abroad. They were disaster loans. And, if we could do that, we certainly can take care of our people at home.

However, I think that we should insist, after looking over the record that the Small Business Administration has made, that they attempt to carry out the purposes of Congress in the future in a more liberal spirit than they have in the past. And, unless they do, what we do here today is a futility. Legislation providing for appropriations to afford relief from future disasters cannot be made with assurance of their adequacy. We must rely upon the best evidence we can obtain at this time. I do think that this bill has in it, so far as we can see, sufficient funds to carry relief to all those who need it.

We must remember that the $38 million that I have spoken of covered the necessary loans that resulted from the great disasters on the eastern seaboard. That book is now closed. But, now we have to meet a similar disaster in the West. I am confident that if we write a reasonable bill, the Committee on Appropriations will see that money is appropriated in conformity with the amounts we have placed in the bill.

Mr. Chairman, I hope that the bill will be passed and that the relief will promptly be afforded to these people who need it so much.

Mr. WOLCOTT. Mr. Chairman, I yield 8 minutes to the gentleman from New Jersey [Mr. WIDNALL].

Mr. WIDNALL. Mr. Chairman, first of all I should like to say that we all feel that the Small Business Administration moved in on the disaster areas in a very expeditious manner. I know from personal contact with the people back home who were very vitally affected because of floods in August, what a wonderful service they performed. I think we are all very proud of the program as it has worked out under the administration of Wendell Barnes.

I should like to address my remarks to other phases of the operation of the Small Business Administration. I think it is completely unfair and misleading to the American people to talk about the number of inquiries that an agency receives as though those inquiries meant that people wanted loans, were entitled to loans and should have obtained a line of credit from the Federal agency. Every single small business has the right to file an application with the Small Business Administration. There is nothing to prevent the filing of that application.

When we are considering figures as to the operation of the agency, we must look at the applications filed and the authorizations made and the amount disbursed. Looking at those figures, a fine record has been established by the agency, a mounting record of cooperation, a mounting record of disbursement and help throughout the length and breadth of the United States.

One thing, I believe, has not been pointed out and pointed out well to the American people; and that is the fact that the Small Business Administration has advised and consulted with prospective applicants and shown thousands of them how they could obtain their loans through normal lending agencies, their own local banks. Certainly, I do not believe it was the intent of Congress to set up the Small Business Administration purely as an agency that would give money to every small business in the United States that wanted a loan, regardless of background, operation or actual need. To the eternal credit of the agency, they have tried to secure participation of local banks. They have secured the cooperation of hundreds of banks throughout the United States so that lines of credit have been established for these prospective applicants through the banks.

What happens if a person gets a loan through the Small Business Administration, a direct loan without participation by a bank? If he is fortunate enough to be able to pay it off at the expiration of the lending time, he has not established a line of credit with a single local agency. He is no better off, creditwise, than he was before he started.

It makes me a little bit tired to hear all this talk about the administration being so much for big business and so much against little business. During this last period away from Washington, I spent considerable time talking to small-business men in my area and in my district. They have been doing well this year. They have been doing better than they did last year. They have had some fine business all up and down the little main streets through the district. Their business has improved. Employment figures show that business has improved, because the number of people employed in the United States is larger than ever before. There are just 2.4 million unemployed.

Where are those people employed? They are employed by small business to a much greater extent than by large business and they would not be spending unless small businesses were doing all right.

I have a few figures as to business failures that I should like to read into the RECORD. The number of failures in 1955 will be approximately 11,000. The annual average for the last 50 years is nearly 14,000. Failures were 14,768 in 1939, 13,619 in 1940, and 11,848 in 1941.

These figures are, of course, deceptive. The number of businesses in existence has risen greatly since the prewar period. In 1939 there were 3,222,000 businesses in the United States, while in 1955 there were 4,196,000. That evidences an expansion of business, and essentially small business, of almost 1 million firms.

The rate of failures was lower during World War II and during the Korean hostilities, as might well have been expected. New enterprises were not being formed at that time. It was also lower during the postwar years because of the unlimited demand for goods.

The present rate of failures is the lowest we have ever experienced for a normal period of economic activity.

Those are the facts, those are the considerations that we should keep in mind when we are trying to analyze what is happening in business in this country.

Within my district, and I can speak only for my district, I have not had one complaint in the last 6 months from any businessman as to his inability to obtain a loan through the Small Business Administration, or criticism of a lack of cooperation. The record speaks for itself.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from Georgia [Mr. BROWN].

Mr. BROWN of Georgia. Mr. Chairman, I rise in support of H. R. 7871. This bill, as reported by the House Banking and Currency Committee, would increase the limit on the disaster loans authorization of the Small Business Administration from $25 million to $75 million and would make a corresponding increase, from $275 million to $325 million in the amount authorized to be appropriated to the revolving fund provided for in the Small Business Act to finance all loan and contract operations under that act.

H. R. 7871 was unanimously reported by the Committee on Banking and Currency on January 6, 1956. I am delighted that the President, in his budget message to the Congress on the 16th, also recommended an increase in the amount of money available to the SBA to make disaster loans.

The Small Business Act of 1953, which established the Small Business Administration, also provided, you will recall, for the Administration "to make such loans as the Administration may determine to be necessary or appropriate because of floods or other catastrophes."

By June 30 of 1955 the Small Business Administration had approved a total of 1,243 disaster loans in the amount of $8,614,587. On August 15, 1955, the first declaration of a disaster area in a series of hurricanes was made in the Carolina area. During August the hurricane declarations included the entire State of Connecticut, 3 counties in Delaware, 9 counties in Massachusetts, 12 counties in New Jersey, 6 counties in New York, 27 counties in Pennsylvania, and 1 county in Rhode Island.

To meet the needs of hurricane victims 21 emergency offices were established by SBA throughout the New England area. It was necessary at this point for the Administrator to invoke special emergency measures. Personnel were transferred to this area from other regional offices and, in addition, banks in the area assigned some 63 credit people to assist in the work at no cost to the Government. In addition, procedures were amended, increasing the authority of local offices and simplifying the forms necessary for small disaster loans.

It soon became apparent that the statutory limitation on disaster loans was going to be exceeded if all the eligible disaster loan applicants were to be given assistance. After consultation with congressional leaders and members of the White House staff, it was decided that until the Congress could reconvene and lift this limitation, the Small Business Administration would continue to make loans at its 6 percent business loan interest rate to qualifying businesses in the disaster areas. A clause was inserted in the loan authorization stating that the

rate would revert to 3 percent at such time as congressional action permitted.

Through December 23, 1955, the Small Business Administration had approved 3,224 disaster loans. Of these, 2,706 were 3 percent disaster loans totaling $26,667,000 and 518 were processed as business loans for a total of $10,202,000. These approval figures are cumulative and will exceed the dollar amount of loans outstanding by reason of repayment and cancellations. The great bulk of the disaster loans which have been made so far were in connection with the hurricanes and floods commencing in August of 1955. For these recent disasters 1,915 loans, totaling $28,004,141, have been approved. As of December 31, 1955, it is estimated that the need for disaster loans, as reflected in loans approved and applications pending—including disaster loans made as business loans—totaled $38,573,000.

To further accentuate the problem, floods struck in California, Oregon, and Nevada in the latter part of December, causing widespread destruction and extensive property loss to homes and businesses. While accurate estimates cannot be made at this time, it is possible that disaster loan applications for these areas may be received amounting to from $15 million to $20 million.

Only $450,000 of disaster loan authority is now available for loans to homeowners. The west coast floods apparently have affected a much greater percentage of homeowners than did the northeast floods. Homeowners, you will recall, cannot qualify for 6-percent business loans. The available $450,000 is obviously grossly inadequate to serve the humanitarian needs.

The Administrator of the Small Business Administration testified before the committee that increasing the disaster loan limit to $75 million, would be sufficient, insofar as he is able to estimate, to meet the need through June 30, 1957. This would allow for converting business loans to disaster loans in those cases where, as I have explained disaster loan applicants were granted business loans with the understanding that they would be converted to disaster loans if Congress raised the limit on such loans. In most cases repayments of these loans will not be due until February or March. If this legislation is enacted promptly these loans can be converted from 6- to 3-percent loans before any repayments are made. In case any repayment is made at 6 percent, however, a rebate would be allowed as to interest paid in excess of 3 percent; provisions to that effect were included in the loan authorization in each case.

Each year floods, fires, earthquakes, and storms have taken their toll of the Nation's resources. Since 1933 there has been available to inhabitants of stricken areas disaster lending programs carried out by RFC and SBA. Over this period, at one time or another, disaster areas have been declared in every State of the Union and the loan assistance granted has done much to alleviate suffering and assist in the rehabilitation of the inhabitants and resources of the areas. In view of the worthiness of the proposal and the urgency of the situation, I urge a favorable vote.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. MULTER].

Mr. MULTER. Mr. Chairman, one of the finest tributes we can pay to the American people is that whenever a disaster strikes, whether at home or abroad, the American people rise up as a unit and go to the aid of the distressed.

I hope that the issue here today will not be confused. This discussion is not about the business loan program of the Small Business Administration. It should be limited to the disaster loan program. They are two separate and distinct programs, and we should keep that in mind at all times.

In any administration, particularly one dealing with money, there will always be criticism. I suppose we cannot stop any criticism being leveled against this administration whether it is deserved or not, as to its business loan program. I urge that we leave that debate for another time.

I must say with reference to the handling of the disaster loan program that the Administration moved in quickly and brought to bear all of its manpower, took them off whatever else they might be doing and concentrated their efforts on the disasters whenever and wherever they occurred in the country; and unfortunately there were many during the last year.

Of course, there were some hurdles that they had to overcome administratively. There were some mistakes made in the beginning as they moved into the program. There were some restrictions that should not have been imposed. Those difficulties have been worked out and eliminated, at least as far as the disaster-loan program is concerned. I think that that program is running smoothly and satisfactorily today.

The sole question we should concern ourselves with here today is the question of how much more money must be authorized so that this program may properly cover disasters that have occurred and to have enough money on hand to cover, as far as we can anticipate, any disasters that may unfortunately occur in the year ahead. We hope they will not occur, but we know from past experience that they will and we must prepare accordingly for that. I join with those of my colleagues who say that by increasing the authorization now to $75 million for the disaster-loan program, we are not raising the authorization high enough. I will support any amendment that may be offered to increase that authorization beyond the $75 million.

Bear in mind that every dollar of this money is being lent—it is not being spent. Any money that you authorize no matter what you appropriate in maximum amounts for a loan program is not being spent—it is being lent and it does not necessarily mean you are going to lend all of the money that you authorize or appropriate.

The testimony of Mr. Barnes as administrator before our committee amply demonstrates that $75 million will not be enough for this program because almost $56 million is practically committed now; the total applications for loans from recent disasters will certainly bring that amount higher than the $56 million that we have been told about up to now. If you increase it only to $75 million, you will have for the next year $19 million on hand plus, of course, whatever small payments may be made. We cannot be sure what those repayments will be because we do not have enough experience with a loan disaster program to be certain as to how fast this money will come back. Having in mind that we started the year beginning with the end of the first session of this Congress with a balance of $17 million on hand for our loan disaster program, we certainly should not start the new year with only $19 million uncommitted or unapplied for. Within a matter of four months the fund was exhausted in 1955. We must not run the risk of a repetition of that in 1956.

The figures were given to us by the Administrator and they are part of the record. They cannot be disputed. They amply demonstrate the need for a larger fund despite the reluctance of the administration to ask for it.

The question was raised during the debate on the rule, as to what interest rate may be charged. May I call your attention to the fact that throughout this act both for business loans and disaster loans, the law sets a maximum rate. It is not a fixed rate. It is the maximum.

What the rate shall be under that maximum is fixed by the Loan Policy Board consisting of the Secretary of the Treasury, the Secretary of Commerce, and the Administrator. Unfortunately, we know from experience that the maximum written into the law have been fixed in each instance as the rate to be charged. Until we wrote into the law a maximum of 6 percent on business loans, this administration in some instances was charging as much as 8 percent—mind you, 8 percent on money being borrowed by our Government for less than 3 percent. I say it is unconscionable to charge that rate of interest. When we learned of that we wrote into the law a proviso that the maximum rate shall be 6 percent on business loans. The Policy Board immediately fixed that as the uniform rate. We wrote into the law a section fixing an interest rate of 3 percent to 5 percent as the rate to be charged on pooled loans, and the Policy Board immediately said the maximum of 5 percent right across the board will be charged no matter where the loan is being made or to whom.

When we got to the disaster-loan program, we found they were charging 6 percent for disaster loans. So we wrote into the law that section fixing the maximum rate at 3 percent and that has now become the fixed uniform rate.

The sooner we eliminate the Loan Policy Board the better this entire program will operate.

In the meantime, let us increase the amount of the disaster-loan program sufficiently to meet present needs and reasonably anticipated future needs.

Mr. BETTS. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. BALDWIN].

Mr. BALDWIN. Mr. Chairman, I would like to congratulate the Committee on Banking and Currency for the promptness with which they have brought out this bill. I am one of the Representatives from northern California. Both counties which I represent were among those declared disaster areas in the last weeks of December as a result of the flood.

The Small Business Administration moved into northern California with tremendous speed. They set up emergency offices throughout the major disaster areas, and made public announcements. It was something that the area appreciated.

Over 10,000 people were fed in public buildings. The cities of Yuba City and Santa Cruz were greatly affected by the flood. Many homes and businesses were ruined. Small communities on the Klamath River and Eel River were completely wiped out. Buildings were destroyed or washed away in the flood. Prompt action on the part of the House today in taking this bill up is something that will be appreciated by those people.

I would like to congratulate the committee on the action they have taken, and I urge the House to pass this legislation.

Mr. BETTS. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. JOHNSON].

Mr. JOHNSON of California. Mr. Chairman, I wish to congratulate the committee on bringing up this excellent bill. In the area where I live in California we had a rather severe flood. In fact, a great many streets in the lower part of Stockton were nothing but streams flowing into the San Joaquin River. East of us 300,000 acres of land were flooded, which might have been prevented if we had had proper levees.

I had a very pleasant experience with the Small Business Administration. I have dealt with the San Francisco office of that group and they were always very courteous in trying to help us, and on several occasions the relief asked was given us. I appreciate that very much.

I am glad to see that this agency is doing such a fine job.

Mr. BETTS. Mr. Chairman, I yield 19 minutes to the gentleman from Colorado [Mr. HILL].

Mr. HILL. Mr. Chairman, a few moments ago someone discussed business failures. I would like to make a few remarks about that. It depends entirely on what figures you use, I agree. But let us see what the actual facts are. These figures I am giving are absolutely accurate. The number of failures in 1955, as near as we can figure it, will be about 11,000. The average number for the last 50 years is around 14,000. If we compare the failures with the figures during the recovery period from the recession of 1937 and 1938, we find that the failures are well below those levels. The failures of 1939 were 14,768. The failures in 1940 were 13,619. The failures in 1941, 11,848.

These figures of course are deceptive because the number of businesses in existence has risen greatly since the prewar period. That is, the total number of businesses in 1939 were 3,222,000. By 1955 there were 4,196,000. That is an increase of nearly a million.

To get a truer picture, we must examine the failure rate in terms of the number of failures per 10,000 of business firms.

The failure rate in 1954 and 1955 has been about 42 for every 10,000 concerns. For the years 1900–1955, the average failure rate has been 71. For the 3 years 1939–41, immediately preceding the war, the failure rate was 63 per 10,000 concerns.

The rate of failures was lower during World War II and during the Korean hostilities, as might well have been expected. It was also lower during the postwar years because of the unlimited demand for goods.

The present rate of failures is the lowest that we have ever experienced for a normal period of economic activity.

Mr. Chairman, may I take this opportunity to register my complete approval of legislation now under consideration to increase the disaster loan authority of the Small Business Administration. At this time also I believe further review of SBA's program and accomplishments is desirable.

I wish to state first, however, that my colleagues on the Small Business Committee, Mr. RIEHLMAN, Mr. SEELY-BROWN, and Mr. MCCULLOCH made a complete analysis and statement of SBA operations at the time amendments to Public Law 163, 83d Congress, were passed by the House this past session. I also made a statement during the debate on the amendments which fully demonstrated the progress made by the Small Business Administration since its establishment in 1953.

I have seen many letters of commendation in SBA files from congressional members of both parties commenting on the dispatch, thoroughness, and competency with which the agency carries out not only its loan program but all other functions as well. Now I cannot understand why criticism should be voiced at this time—or at that time either—particularly when critics ignore the full scope and effect of the agency's program.

For example, 23 months after passage of Public Law 163, as of June 30, 1955, SBA had approved 1,645 business loans. Of this number, some 327 had been canceled, leaving net approved business loans of 1,318 and, of this number, 981 had been disbursed or 74 percent. In fact, disbursements had been at the rate of 74 percent or 75 percent for a long time.

In addition, 1,243 disaster loans had been approved by June 30, 1955, 162 canceled, and 909 disbursed, or approximately 84 percent.

May I state here that loans are canceled for many reasons. An applicant's business may have taken an important upswing and the need for a loan has diminished, or a bank may take the entire loan after SBA has shown it to be a desirable loan, or such an adverse change has occurred in the applicant's business that SBA cannot make the loan.

It is certainly inappropriate to ignore bank participation in loans. I know there are a good many of my colleagues, however, who object to bank participation in loans. The theory of bank participation in loans is fine because of its effect, and, just as important, it keeps the business at home where it can be properly supervised and when the business firm gets to the point where it does not need Federal Government aid they are out from under Government control or direction; and that is exactly what we had in mind and have had in mind all the way through in the carrying out of this legislation.

I know there are objections to the bills, but after all if you are going to make a loan it is of the Government's money and it is going to be for a considerable length of time.

Mr. HILL. It is based on the volume of business and the way that business has been handled. May I ask any Member of this House who has had business experience, does he not want the Government to be careful? We want the Government to be cautious and we want all the experience and all the information we can possibly get from the local banker and the local people in reference to how this businessman has conducted his affairs in the immediate past.

I have the latest lending figures. I shall not bother you with reading them, but I will put them in the RECORD. Up to December 31, 1955, these figures show that the rate of loans approved has been 79 percent.

Mr. ROOSEVELT. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield to the gentleman from California.

Mr. ROOSEVELT. May I ask my colleague from Colorado 2 questions, 1 on this last subject? Is it not true that the figures on disbursal of approved loans are quite different from figures that are given out on approved loans? In other words, the net figure shown there does not always mean that is the amount of money that really went into actual small business concerns. Many loans are approved, then conditions are not finally met for one reason or other, yet they stand as approved loans and disbursal of the loan is never made. Does not the gentleman think we should ask the Small Business Administration to give us figures as to the actual amount of money disbursed rather than figures which on paper show loans approved?

Mr. HILL. When I used 79 percent of the loans that have been applied for, and I say they have been processed, I mean exactly what I said. Those are loans that have been approved. The gentleman is talking about volume of money. I know the gentleman is fair and he wants his questions to leave a fair impression. If a bank participates 25 percent, the bank's participation in a loan of $100,000 would be 25 percent or $25,000, but the amount and the volume of the loan that the SBA would make would only be $75,000. Let us follow that further. As we go along, most of these loans will be paid out over a period of time by the Government and by the banks. Some of these businessmen will not ask for the entire loan at the time they make the loan. If they received the full $100,000, for instance, they would

have to pay interest on that amount. I know of several instances in my own experience where they refused to accept the full amount and made it a part of the contract that they did not have to accept the money except as they needed it. That does not show on the record, but it does show in the percentage of loans that the SBA has made.

Mr. ROOSEVELT. Would it not be a good idea that we have a figure given to us of money actually received by Small Business? I think I can give it to the gentleman. The figure of disbursals, as of the 31st of December, 1955, is $32.4 million.

The CHAIRMAN. The time of the gentleman from Colorado has expired.

Mr. BETTS. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. HILL. The gentleman is talking about the actual cash that would be paid out on a $100,000 loan. That may be only $10,000, but the SBA is obligated for the full $75,000. That is where our discrepancy comes about. I am sure the gentleman does not argue that they should force these small-business people to take the full amount of the loan at one time.

Mr. ROOSEVELT. I know of a good many cases where a loan has been approved subject to certain conditions and where the loan still stands on the books of the SBA as an approved loan. They keep it there even though the company tells them they cannot use the money.

Mr. HILL. For how long a time do they keep that on the record? I would like to find out.

Mr. ROOSEVELT. I wish the gentleman would find out. I have not been able to up to this time.

Mr. HILL. I have not asked them because no loan like that has ever come to my attention.

Mr. ROOSEVELT. They keep no figurges on that. Once they have approved it they never go back to find out if it has been paid.

Mr. HILL. They know whether they made the loan, do they not?

Mr. ROOSEVELT. Unfortunately, they will not give that information to me.

Mr. HILL. I am talking about the percentage of loans. I am sure the gentleman agrees with me they are approving 79 percent of the real applications that come down to the SBA and that they are doing a very good job.

Mr. ROOSEVELT. I think they are doing a very good job on that, sir, but I think they are giving out misleading figures as to the amount of money being given to small business.

Mr. HILL. I am sorry the gentleman was not here when we were talking about the business failures. There we have the same situation on that.

Mr. ROOSEVELT. Yes. May I make one brief comment on that?

Mr. HILL. Certainly.

Mr. ROOSEVELT. I think I know about that, and the figures the gentleman has given are the figures given to me, but unfortunately I do not think they told you, sir, that those figures are based upon Dun & Bradstreet's figures. They are not based, for instance, on Department of Commerce figures.

Mr. HILL. The gentleman would not advise me to assume that Dun & Bradstreet was not a reliable business barometer in regard to this matter?

Mr. ROOSEVELT. No. But I tried to explain to the gentleman that the figures Dun & Bradstreet puts out relate to those firms listed in Dun & Bradstreet. Now, there are many firms listed in Dun & Bradstreet. For instance, you would have to be in business some time, perhaps several years, before you could get listing. Therefore, if a firm has a failure in the first 1 or 2 years, that does not come into the Dun & Bradstreet figures.

One more example. Dun & Bradstreet had in its listings in 1953 only 2.7 million firms, and they computed the failures of that year on that figure. But the Department of Commerce figures show a total of 4.2 million firms in operation in 1953. I, therefore, think it is misleading for the Agency not to use the official set of figures which are available to them as Government figures.

Mr. HILL. In other words, the gentleman is saying to the House that he would much prefer the figures of the Department of Commerce?

Mr. ROOSEVELT. Yes; and the figures that the Committee on Appropriations of the House has available to them.

Mr. HILL. The gentleman does not think he would do that on all the figures the Department of Commerce puts out, does he?

Mr. ROOSEVELT. Well, I am not going to argue about that.

Mr. HILL. I think the gentleman, as much as I love him, would say, "Well, I prefer Dun & Bradstreet."

Mr. ROOSEVELT. If that is so, it is unfortunate.

Mr. GATHINGS. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield to the gentleman from Arkansas.

Mr. GATHINGS. I would like to ask the gentleman whether or not he took into consideration the many inquiries that have come into the various State offices; those various businessmen who have come there asking about the regulations and asking whether or not a loan could be made available to them to assist them in their business operations. Has the gentleman taken into consideration the various people who have come there under the setup they have that have been thrown out initially and not given an opportunity to file an application? I hold in my hand here a report filed by the Small Business Committee, 84th Congress, 1st session, and on page 16 it says that on the basis of the SBA record inquiries concerning loans at the rate of about 11,000 per month have been coming in. A total of approximately 231,000 inquiries would have been made to these various State offices, and out of some 231,000 inquiries only 5,085 have successfully passed the SBA screening operation. So it is the screening operation that I am asking the gentleman about. You get down a little further here and you will find that only 276 actually have received the money. You might bring out the percentage in a favorable light, but at the same time the screening operation has knocked out thousands upon thousands of small-business men of the opportunity to obtain a loan for their business or expand their operations.

Mr. HILL. The only answer to that is this: I know first-hand personally several offices in the gentleman's area or district, and some of them absolutely function entirely different than others. And we have the same situation in the Farmers Home Loan Administration. Any organization that loans money can be tough at the point of origination of the loan. I might say before I answer the gentleman's question that they had a great deal of trouble in finding the right type of qualified officials to take care of these applications.

Mr. GATHINGS. That may be true in some cases but I believe the fault lies in the policy under which the agency operates.

Mr. HILL. And they have done as good a job as they could do under the circumstances. Remember, they asked us for more money, and we said "Nothing doing." Now, we are responsible if they do not have a better set-up out in some of these offices than they have, because we curtailed the very thing they needed in the last session. Now, let us keep that in mind. We did not give them the additional help they needed so now you come in and complain. But, when you follow it up, you will find they should have had more qualified loan personnel. The President asked for $30 million additional funds last year to provide funds for additional Farmers' Home Administration; it was not granted either.

Mr. GATHINGS. Let me say this. You have about as many employees in the SBA organization as the number of loans they make. That is the truth of the matter.

Mr. HILL. I do not think that is the fact.

Mr. GATHINGS. The gentleman is a reasonable man. I cannot conceive of the gentleman from Colorado coming on this floor and defending the SBA. I cannot understand it.

Mr. HILL. First of all, I do not think it needs any defense. Ask the gentleman who introduced this bill if it needs any defense. Let us be sensible. The gentleman from Arkansas [Mr. GATHINGS] may be having trouble in his area, I do not know.

Mr. GATHINGS. I am devoted to the gentleman from Colorado. He has done a splendid piece of work on small business. But to come in here and tell this Committee of the Whole that he wants SBA continued, I cannot understand that.

Mr. HILL. If the SBA is not working well, according to the gentleman from Arkansas, I shall be glad to go with the gentleman to the SBA head office and go into the details and try to tell him what is the matter with the particular office he has in mind. What I should like to do is to take the gentleman and go down to the office with him. I know of an office that is working well. I think we might go into details with our friend from New York. He has a fine office there. They have done some wonderful work.

Mr. GATHINGS. I should like the gentleman to go to Arkansas.

Mr. HILL. The gentleman may have a bad situation in Arkansas.

Mr. GATHINGS. Does the gentleman know what the record of the office is in Arkansas? In the first many months of operation SBA approved six meager loans out of hundreds who sought them. There were hundreds of people who applied but they did not come to the point to which the gentleman has referred of being screened properly or presented with an application or approved to obtain a loan. There were only six loans made in Arkansas during a period of several months.

Mr. HILL. The SBA office in Denver, Colo., might have had a thousand loan applications, but I suggest that the gentleman go look at them; 780 of them could have been where mines had been closed for 10 years. What kind of a loan would that be?

Mr. GATHINGS. Would the gentleman from Colorado object to the recreation of the Reconstruction Finance Corporation?

Mr. HILL. I should say I would.

Mr. GATHINGS. The gentleman would be against that?

Mr. HILL. Absolutely. All I would have to do would be to look at the loans that the RFC made. One comes to my mind immediately. That is the Lustron loan.

Mr. GATHINGS. Does the gentleman know that the Reconstruction Finance Corporation made a profit of $620 million from the time of its inception in 1932 to 1952?

Mr. HILL. I cannot compete with the gentleman from Arkansas [Mr. GATHINGS] in sidestepping. The gentleman talks about how much they made. How they lost is the question. We are not talking about how much they made but how much they lost of the money of the taxpayers of this country.

Mr. GATHINGS. They made a profit of $620 million.

Mr. HILL. I will say to the gentleman that I will be more than happy to go with him to the SBA office and help him find out what the difficulty is with the office in Arkansas.

Mr. GATHINGS. I think we should wipe out the SBA and re-enact the Reconstruction Finance Corporation.

Mr. HILL. Then all you would have made would be political loans.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. HAGEN].

Mr. HAGEN. Mr. Chairman, I wish to congratulate the Banking and Currency Committee on their early action on this legislation which is vital to my district in the light of recent disaster floods in California which have caused hundreds of millions of dollars damage statewide and approximately $20 million damage in Tulare and Kings Counties in my district.

The committee amendment to this bill incorporates in the original Spence bill the proposal which I introduced to increase the disaster loan authority by $50 million without decreasing the availability of money for other types of small business loans. In this sense, I pride myself on being a coauthor of this legislation.

The necessity for this bill arises from the fact that the obligational authority of the SBA in the field of disaster loans has been exhausted in satisfying the needs of east coast residents as a result of disasters early last year. Very little remains of such authority to take care of applications arising from the recent California floods. According to the report of the administrator of this program, an additional $50 million will care for determined California needs and also future contingencies. We are hopeful that if this authorization is approved, the Appropriations Committees will see fit to support it by providing the necessary money.

The basic justification for the original disaster features of the SBA apply here. The program is valuable to owners of businesses and homeowners who have had their property destroyed through no fault of their own and who are in possible need of a lending program at a reasonable rate of interest to take care of the problem, not only of getting capital in situations where their acquired equities have been devalued, but also securing such capital at a rate of interest which their disaster condition warrants. I do not feel that the program is liberal enough in this regard, but even this program if augmented by the necessary authority, can do a great deal of good and has already held out hope to a great many distressed people in my district.

The existence of this program is beneficial in another respect. It provides some assurance that conventional lending agencies will more readily make loans at comparable rates of interest. To the extent this occurs, the Government program need not even become operational in particular situations.

Finally, I would like to remind you that this is a loan program and not a gift program. Amounts advanced by the Government are very likely to be returned in toto with an increment of 3 percent interest. This is sufficient comment on the solvency of this particular program which represents one of the conventional ways in which the Federal Government can demonstrate its interest in the distressed and unfortunate in this country.

Mr. SPENCE. Mr. Chairman, I yield 3 minutes to the gentleman from Oregon [Mr. ELLSWORTH].

Mr. ELLSWORTH. Mr. Chairman, along about the 22nd of December the flood waters in 6 of the 7 counties of the congressional district I represent caused serious damage, and those 6 counties are now declared disaster areas by both the Small Business Administration and the Farmers' Home Administration. Each agency has the power to grant disaster loans.

I am very much in favor of the bill now under discussion. I introduced a bill identical to this one on the second day of this session.

This bill will allow the Small Business Administration to make disaster loans in the Oregon disaster areas. Until this law is enacted the Small Business Administration's power to make disaster loans there is practically nil. The agency has only $450,000 left after having met demands from the northeastern and middle Atlantic disaster areas last summer. So it becomes quite apparent that if the western section of the country which has recently suffered these floods is to have equal treatment with the other parts of the country which have enjoyed the assistance of the Small Business Administration, this legislation will have to be enacted increasing the amount of the disaster lending capacity of the Small Business Administration.

I am very much in favor of the legislation. I hope it will proceed through the other body very rapidly because the Small Business Administration has anticipated, I think, the passage of such new authorization and emergency offices are now installed in the flood areas of Oregon and applications for loans are being taken.

The difference between what will happen if this law is not passed and what will happen if it is passed is that the flood victims of the Oregon-California areas may still be able to get loans, the small businesses may still be able to get loans, but unless this legislation is enacted providing money under the disaster category those little businesses in our part of the world will have to pay 6 percent for their loans instead of 3 percent, as in the case of the other disaster loans. So in justice and fairness this bill should pass.

Mr. CUNNINGHAM. Mr. Chairman, will the gentleman yield?

Mr. ELLSWORTH. I yield to the gentleman from Iowa.

Mr. CUNNINGHAM. Is there anything in this bill that directs the Small Business Administration to make loans when there is a disaster? The reason for that question is this. Two years ago Iowa had a terrific flood. The President of the United States declared a certain county a disaster area. Business concerns there applied for small business loans. They would not make the loans unless it was a bankable loan. Under those conditions, they did not need Small Business. What is it there for, if not to help people when a disaster strikes? I think there should be something written into this bill to hammer some sense into the heads of the Small Business Administration to make loans to help the people. They have not been doing that. I am willing to bet that you will find in your area thousands of people who have made applications for disaster loans in a disaster area and they will not all get loans. The Small Business Administration will rule their credit is not good and then refuse the loan. What good is that kind of help to the people when there is a disaster? I understand small business is supposed to help those in distress as the result of a disaster. If they can borrow at a bank they are not in distress. Is there anything in this bill to make the Small Business Administration do as it ought to do?

Mr. ELLSWORTH. All this bill does is increase the amount of money available for loans. The question the gentleman asks, I think, might be answered by one of the members of the committee. I can point out, however, that the pending legislation is needed because the Small Business Administration actually did loan nearly every cent it could under the disaster loan provisions of the law last year.

Mr. BETTS. Mr. Chairman, I yield 3 minutes to the gentleman from Massachusetts [Mr. HESELTON].

Mr. HESELTON. Mr. Chairman, I want to congratulate all of the members of the committee for their very prompt action with reference to what I believe to be a very important change in existing law. It so happens that during the August and October hurricane floods last year, portions of the First District of Massachusetts, which I represent, were severely affected. The officials of the Small Business Administration came into Massachusetts and set up emergency offices. So far as I was able to determine, they did excellent work in servicing all the applications. It is true that some loans were not granted, and I did have a few complaints. But so far as I know the entire force of the Small Business Administration was able to satisfy everyone with a justifiable appeal, acted promptly, and certainly contributed a great deal toward the relief of a very disastrous condition in that particular area of the country. Mr. Barnes and the officials of the Administration deserve our commendation.

I note from the committee's report that through December 23, the Administration had approved of 3,224 disaster loans, and apparently 2,706 of these amounted in all to $26,667,000. My further understanding is that under the terms of some emergency arrangement which was made, it was able to continue its assistance temporarily under the business loan authorization. In any event, I am convinced that these officials conducted their office on a truly bipartisan and nonpartisan basis, and it made no difference to them who applied so long as they qualified. They attempted to be of real assistance and they succeeded.

I know and you know that such disasters may come to anyone of our districts at any time. I am convinced that the action of the committee on this particular phase of the amendment it proposes is amply justified. Again, I want to congratulate the chairman and ranking members for calling their meeting as soon as they did and the full committee for reporting this bill to the floor as promptly as they have. I know it is deserving of our unqualified and unanimous support.

Mr. BETTS. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. MCDONOUGH].

Mr. MCDONOUGH. Mr. Chairman, I take this brief time merely to say that I think, as the gentleman from Massachusetts [Mr. HESELTON] has just said, the action of the committee is timely and justified. However, I further feel that $50 million is not enough, because we are not certain what the disasters of 1956 may prove to be and we do not have the total amount of loss in some parts of the country for the disasters of 1955. A disaster occurred since the first of the year in northern California which may run into considerably more than we now anticipate, when it is totaled. For that reason I am proposing to amend the bill to increase the amount from $50 million authorization to $100 million. This is not an obligation on the debt. It is not an obligation on the tax structure of the Nation. It is a loan. With the possibility of disasters that may exceed this authority, why should we run the chance too little, too late?

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. MCDONOUGH. I yield.

Mr. JOHNSON of California. I think the gentleman has proposed a very timely amendment. In our State, and also in Oregon, we do not know what the amount of the disaster is, because the floods have not stopped and the rains are still falling. As you say, it is money to be loaned out to people who will pay it back at a reasonable rate of interest. I compliment the gentleman on his amendment.

Mr. MCDONOUGH. I thank the gentleman.

As far as my district is concerned, I am not in a disaster area. I appeal to the Members who are in disaster areas to support my amendment which I will offer under the 5-minute rule.

I trust my amendment will be approved.

Mr. SCUDDER. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. SCUDDER. Mr. Chairman, I arise in support of the amendment offered by the gentleman of California [Mr. MCDONOUGH], to increase the authorization for disaster loans from $75 million to $125 million and increasing the overall authorization for the Small Business Administration to $375 million.

If this amendment is adopted it will give a safe margin of authorization to take care of a very large catastrophe. It must be remembered that this is an authorization and not an appropriation. The appropriation bill will follow.

In my district and in many other locations in California, the people have suffered great losses. A very large percentage of the loans to be made will be for reconstruction of homes and while the average home loan is far less than the loans for business, it may well be that the requirements will exceed the $75 milion presently written into the bill.

I trust that this bill is speedily acted upon because of the fact that there presently remains in the disaster loan office only $450,000 for disaster loans. The people need the relief now and the urgency of this measure is unquestioned.

Mr. BETTS. Mr. Chairman, I have no further requests for time at this time.

The CHAIRMAN. Does the gentleman yield back the remainder of his time?

Mr. WOLCOTT. I reserve the remainder of the time on this side.

Mr. SPENCE. Mr. Chairman, can the gentleman reserve his time?

The CHAIRMAN. Unless the gentleman yields time it will be necessary to read the bill.

Mr. SPENCE. Well, we have one speaker on this side.

The CHAIRMAN. Does the gentleman desire to yield at this time?

Mr. SPENCE. I want a ruling from the Chair. We are entitled to the conclusion. I think the gentleman should use his time.

Mr. WOLCOTT. I have no further requests at this time.

Mr. SPENCE. That does not answer it. I would like a ruling from the Chair on whether we have the conclusion.

The CHAIRMAN. Ordinarily that is true. The gentleman from Michigan also has 20 minutes remaining which he does not desire to use at this time, but he has reserved his time.

If there are no further requests for time——

Mr. SPENCE. I yield the balance of our time, 35 minutes, to the gentleman from Texas [Mr. PATMAN].

The CHAIRMAN. The gentleman from Texas is recognized.

CRITICAL OF SBA

Mr. PATMAN. Mr. Chairman, I know I have been critical of the Small Business Administration, and I expect to be critical in the statements that I shall make here today. But I am not doing this in my own interest, certainly not, and not in the interest of the Democratic Party; I am doing it in the interest of the country. The criticisms that I point out will be such criticisms as the Republicans can correct if they desire and not have any political issue over the Small Business Administration.

REPUBLICANS VULNERABLE

I am going to state why the SBA has absolutely been a disgrace, and if I have the time I am going to prove it, and I am going to give you 1, 2, 3, exactly the criticisms that make the Republicans vulnerable and give the Democrats an advantage. I am doing this not for the purpose of making a political issue out of it, but for the purpose of trying to help the Administration; and you gentlemen when you hear them can get after the Small Business Administration and correct these criticisms, and in that way we will still have a bipartisan sponsorship of the Small Business Administration. That is what we want; we should not have any partisanship in it.

This Small Business Administration has been organized according to the appropriation authorizations for three purposes: One is to make business loans, and for that purpose $150 million was authorized; and, two, accept prime contracts from the Defense Department or other departments of our Government, take those prime contracts and allocate them to small business concerns, and for that purpose $100 million has been set aside; the third purpose is for disaster loans, and for this purpose $25 million has been set aside. I am not going to argue with the Small Business Administration, criticise them, or anything else, about disaster loans; that is not the part I am critical of; it is what they were originally organized for and are failing to carry out that I shall criticise them about.

TO TAKE PLACE OF RFC

This agency was organized to take the place of the Reconstruction Finance Corporation. The Reconstruction Finance Corporation was organized in 1932. I was here and voted for it.

BIG BUSINESS LEAD FIGHT AGAINST RFC

It was organized for three purposes: to help the banks, the railroads, and the insurance companies; and I think they saved over 7,000 banks and a majority of

the railroads, and a large number of the insurance companies. As soon as they were saved and they were on their feet again and the RFC was only helping the little fellows and independent business and was not needed by big business they commenced a campaign to destroy the RFC. Since the RFC was no longer needed by big business like railroads, banks, and insurance companies a great clamor to destroy RFC arose, and it was destroyed; and this organization was set up for the purpose of taking the place of the RFC. Let us see how far they have gone in taking the place of the RFC.

The situation today with reference to small business is—and I will have to compare it with big business in order to show the situation, and I am not criticizing big business because it is big, I do not attack big business because it is big; we have no right to attack big business for that reason. But if they go beyond their bigness and use their size to destroy smaller concerns, to destroy competitors and gouge the public on extortionate prices, there is where we should come in and stop them; we should be an umpire; we should stop men from injuring one another.

NINE MONTHS UNDER DEMOCRATS IN 1952 AND NINE SIMILAR MONTHS UNDER THE REPUBLICANS IN 1955

I have here a statement of cash dividends and retained funds available for expansion of the smallest and largest manufacturing corporations for the first 9 months of 1955 and the percent changes from the first 9 months of 1952. Here is where the Republicans are vulnerable. I am going to talk frankly to you; you are vulnerable today, and I am giving you these figures so that you may overcome them if you wish between now and election time and there will be no issue. That is the way it should be. This is January; the election is the first Tuesday in November. There will be plenty of time to correct them. Therefore, I am giving you this information so you will correct the situation.

Let us analyze the percentage change from 1952 to 1955.

Profits after taxes of small concerns of less than a quarter of a million dollars, minus 53 percent. Cash dividends minus 33 percent. Retained profits minus 55 percent. Depreciation and depletion plus 3 percent. Retained profits minus 32 percent. Annual rate of profits and percent of stockholders equity, minus 38 percent.

Those figures cover the little fellows throughout America—minus, minus, all the way down the line and covers the first 9 months of 1952 as compared with the first 9 months of 1955.

Now, let us look at the big fellows and compare their figures. These are corporations with over $100 million of assets and take their profits after taxes in the same 9 months of 1955 compared with the same 9 months of 1952, the last Democratic year. Profits after taxes, and these are $100 million concerns, percent change from 1952, plus 63 percent. Cash dividends plus 30 percent. Retained profits plus 107 percent. Depreciation and depletion plus 56 percent. Retained profits 79 percent. Annual rate of profits and percent of stockholders equity, plus 27 percent. Everything plus for these over $100 million concerns.

REASONS FOR SBA LOANS TO SMALL BUSINESS

(a) Business operates on two kinds of finance—debt and what is called equity capital. Equity capital is usually raised by the sale of common stock. The people who put up equity capital are owed no definite amount of money; they simply own a share of the business and share in the profits or losses of the business.

(b) Despite the great amounts of equity capital put into businesses, business debt is also a staggering sum. At the end of 1954, the debt of incorporated businesses alone stood at $208.9 billion.

(c) The RFC was created in 1933, by President Hoover, at a time when big business needed help. During the first 10 years, RFC aided more than 7,000 banks and 100 insurance companies. One-third of the railway mileage of the country fell into bankruptcy even after help from the RFC. Before RFC was abolished in 1953, it had made loans to all kinds of businesses and financial institutions. It made loans totaling more than $12 billion. It paid its expenses, its salaries, its office rent, and so forth, and then made a profit on its loan business. When big business became flush and no longer needed Government loans, the RFC was abolished and its function for making small-business loans was transferred to the SBA.

It has long been recognized that small firms do not have access to the equity markets. A recent survey by the Department of Commerce shows that most of the small firms which tried to obtain equity capital during 1954 did not succeed. Only 33 percent of the funds which small firms tried to obtain were actually obtained. The same survey shows that small business had better luck in getting loans, but even here the demands were far from satisfied. Twenty-four percent of the funds which small business tried to obtain on loans were not obtained—Department of Commerce, Survey of Current Business, October 1955, page 19.

A great many studies, surveys, and so forth have been made over the past 20 years by congressional committees, by private organizations, the Federal Reserve Bank, and so forth, all of which lead to a general recognition of the fact that presently existing financial organizations fall far short of serving the legitimate needs of small business for loan funds. This is particularly true of long-term loans which are needed for business expansion. The kind of savings which local commercial banks have at their disposal can be made available for short-term loans such as inventory financing, but the commercial banks cannot do an adequate job of supplying small business with long-term loans.

The present administration has made a great point of business expansion, and it has made serious changes in the Government's economic policies with an explanation that these are intended to foster business expansion.

In recent years expenditures on new plant and equipment by United States business has amounted to between $25 and $30 billion annually—see Department of Commerce, Survey of Current Business, September 1955, page 4.

Recent experience indicates that the need of small firms for outside financing is not decreasing but increasing. But the administration's policies have had just the opposite effect on big business. The big corporations are now accumulating more costless capital than ever before. The 1953 and 1954 changes in the tax laws and particularly the removal of the excess-profits tax, gave big business an incentive to raise prices, to make more profits, pay higher dividends, and yet obtain more profits, which are available, for expansion purposes. Changes in the profits picture for large and small manufacturing corporations between the first 9 months of 1952 and the first 9 months of 1955 may be noted as follows:

Corporations in the giant class, those with more than $100 million assets had 63.8 percent more profits after taxes; paid 30.1 percent more dividends; retained 107.8 percent profits in the business; received 56.7 percent more funds from depreciation and depletion allowances and considering retained profits and write-off allowances together, accumulated 79.8 percent more funds which are available for expansion.

In contrast, corporations having less than one-quarter million dollars of assets had 53.7 percent less profits after taxes than in 1952; they paid 33.3 percent less cash dividends; they had 55.8 percent less retained profits; and counting retained profits and depreciation and depletion allowances together, they had 32.4 percent less funds available for expansion.

Profits, cash dividends, and retained funds available for expansion of smallest and largest manufacturing corporations, 1st 9 months of 1955 and percent changes from 1st 9 months of 1952

[In millions]

	Corporations with less than ¼ million dollars of assets		Corporations with more than $100 million of assets	
	1955	Percent change from 1952	1955	Percent change from 1952
Profits after taxes	$132	−53.7	$7,057	+63.8
Cash dividends	$18	−33.3	$3,165	+30.1
Retained profits	$114	−55.8	$3,892	+107.8
Depreciation and depletion	$174	+3.6	$3,550	+56.7
Retained funds—available for expansion	$288	−32.4	$7,442	+79.8
Annual rate of profits as percent of stockholders' equity	6.4	−38.6	14.1	+27.0

BIG-BUSINESS MAN'S ADMINISTRATION

Mr. Chairman, that shows this is a big-business man's administration. It is a big business administration. You cannot escape those figures because they are there. They are your own figures. I am giving these to you so that you will have plenty of time to correct the situation between now and the first Tuesday in November. I think you ought to start pretty soon because this ought to be done promptly.

SCOPE OF BUSINESS POTENTIALLY ELIGIBLE FOR SBA LOANS

(a) For loan purposes, SBA has made different definitions for manufacturers, wholesalers, retailers, and so forth. Moreover, certain types of businesses such as newspapers, taverns, and so forth, have been declared by SBA's Loan Policy Board to be ineligible. SBA estimates that of the approximately 4.1 million business firms in operation in the United States, 3.5 million come within its definitions of eligible small businesses.

(b) It is estimated that the 3.5 million firms potentially eligible for SBA loans account for between one-third and one-half of the volume of business done in the United States, excluding businesses of farmers.

Let me refer to loan inquiries and applications accepted. According to the last report we have they were receiving 11,000 inquiries per month. The SBA has been in business since August 1953, therefore this is the thirtieth month of their existence. That would be about 310,000 applications for aid received from small business follows all over the Nation asking, "We want your assistance. You were set up by Congress to give us aid."

How many applications have they had? They have had 7,110 formal applications, just as the gentleman from Arkansas [Mr. GATHINGS] said. Here is where you are vulnerable, my friends on the Republican side. I do not hate a single Republican, I do not dislike a single Republican. I am a friend of every Republican on that side. As individuals you are wonderful. As a party sometimes you are not so good. But I am telling you now how to help your party.

Are you going to have a large percentage of 310,000 people get up at 4 o'clock in the morning, drive their automobiles 200 miles to the nearest Small Business Administration office, wait in line to finally see some clerk, be screened, go to somebody else and be screened, then finally get to the boss and be told: "You should not file. You should go back and do something else." Out of these 310,000 approximately 7,000 were able to get a written application in.

The applicants who have not succeeded, and who have hope held out to them, who have traveled hundreds of miles, who have spent their money for hotel bills and to hire accountants and engineers, who have received statements from bankers that they would not accept a loan, who run back and forth day in and day out for months, have spent several times the amount, in pursuing unsuccessful applications than the few successful applicants received in aggregate loans. An agency of that type is a disgrace to our country.

LOAN INQUIRES AND APPLICATIONS ACCEPTED

(a) The House Small Business Committee made a study of SBA's records in April of 1955 and found that up until that time, SBA had received an average of 11,000 inquiries per month from small businessmen seeking loans. These inquiries included telephone calls, letters, and office visits.

It is SBA's policy to discourage small businessmen from filling out formal applications. It has instructed its field officers to discourage such applications unless the officer finds on interview that he thinks the loan will be approved. In past experience, these officers know that only a minute fraction of the small business applications for loans will meet the standards of approval which SBA actually practices. In view of the experiences which small businessmen have, who do file formal applications, SBA's usual refusal to let such applications be filed is perhaps the most merciful thing it does for small business.

After 2½ years of operation, through December 31, 1955, the SBA had allowed 7,110 formal applications to be filed. A number of these were subsequently withdrawn, either on the initiative of the applicant or SBA, leaving a total of 6,013.

Initially, SBA approved 2,270 applications, but 441 were subsequently canceled, either by the applicant or by SBA leaving a net total of 1,829. Of these only 611 were direct SBA loans, and another 430 were bank participation loans in which SBA made an immediate commitment to put up a part of the loan funds. An additional 778 were what are called deferred participation loans. In these latter loans, SBA makes a commitment to put up some part of the funds if at some later date the local bank should call upon SBA to do so.

In summary, out of 3½ million potentially eligible small businesses in the United States, less than 2,000 small businesses have had a loan approved, including deferred participation loans.

Number and amount of business loan applications made to the Small Business Administration August 1953 through December 31, 1955

[Amounts in millions]

	Number	Gross amount [1]	SBA's share [1]
Total applications:			
Received	7,110	$400.9	
Withdrawn	1,097	62.3	
Net applications	6,013	338.7	
Declined	3,423	194.6	
Pending	320	20.1	
Approved	2,270	114.0	
Canceled	441	22.4	
Net approvals, total	1,829	91.6	$76.2
Direct SBA loans	611	26.3	26.3
Immediate SBA participation	430	23.8	19.0
Subtotal	1,041	50.2	45.3
Deferred SBA participation	788	41.4	30.8

[1] Details may not add to total due to rounding.

AUTHORIZATIONS AND APPROPRIATIONS

(a) Public Law 163, which became effective in August 1953, authorized SBA to have a revolving fund for which the following amounts could be outstanding at any one time: $150,000 for bank loans, $100,000 for small-business prime contracts, $25,000 for disaster loans, total $275,000.

(b) The initial appropriation to SBA's revolving fund was $55 million and on 2 occasions, for fiscal 1954 and fiscal 1955, additional appropriations of $25 million each were made, giving the revolving fund a total of $105 million.

Appropriations have not been earmarked for purpose but since no more than $25 million is authorized to be outstanding on disaster loans and SBA has used none of its appropriations to take the prime contracts, it is apparent that SBA has had a minimum of $80 million available for small-business loans.

AMOUNT OF LOANS APPROVED

(a) The 7,110 formal applications which were filed with SBA through December 31, 1955, requested a total of $400.9 million.

(b) The 1,829 loans approved by SBA and not subsequently canceled were approved for a total of $91.6 million, a major share of which when disbursed, will come from bank funds.

(c) The 611 direct loans approved by SBA will take $26.3 million from SBA funds and in addition SBA is committed on immediate participation loans to put up another $19 million, making a total of $45.3 million of immediate demand on SBA funds. Assuming the wild possibility that SBA will be called upon to put up its total contingent commitment on deferred participation loans, there would be another $30.8 million of SBA funds involved.

DISBURSEMENTS

As compared to at least $80 million which SBA had available for small-business loans, its total disbursements on small-business loans through December 31, 1955, were only $32 million.

Disbursements of SBA funds on business loans, August 1953 through December 31, 1955

Type of loan	Number	Amount (in millions)
Direct	468	$18.4
Immediate participation	308	12.2
Deferred participation	(1)	1.8
Total		32.4

[1] Represents purchases of certain deferred loans.

Through December 31, 1954, the total disbursements of SBA funds amounted to $13.1 million. Thus more than 60 percent of the disbursements for the whole 2½ years of operation have been made within the last calendar year.

The actual disbursements for business loans are as follow:

June 30, 1954	$1,900,000
June 30, 1955	18,300,000
Dec. 31, 1955	26,100,000

PROCUREMENT—DEFINING SMALL BUSINESS

When Public Law 163 was passed in August 1953 it reiterated the public policy that small business shall be given a

fair proportion of Government purchases and Government contracts for supplies and services. This law also gave the SBA the very urgent task of making sensible definitions of small business. The statute states that a "small-business concern shall be deemed to be one which is independently owned and operated and which is not dominant in its field of operations." In addition to the foregoing criteria, the Administration—meaning the Small Business Administration—in making a detailed definition may use these criteria, among others: Number of employees and dollar volume of business—section 203, Public Law 163, 83d Congress:

The report of the House Banking Committee accompanying the SBA bill speaks of a number of ways in which firms may be classified as to size, such as gross assets, dollar volume of sales, number of employees, etc., and then states:

"Within any of these classifications, as well as others not mentioned, there is wide variation between industry and commercial groups as to what is small business and what is big business.

"The determination must take into consideration the general size structure within the industry or commercial group to which the particular concern belongs. For instance, a given volume of sales or number of employees for a concern considered small business in one industrial group, if applied to a concern in another industrial group might well place that concern in the big business category of its particular group. It would be impractical to include in the act a detailed definition of small business because of the variation between business groups. It is for this reason that the act authorizes the administration to determine within any industry the concerns which are to be designated small-business concerns for the purposes of the act."

As yet SBA has made no definitions of small business for purposes of determining whether or not a fair proportion of Government contracts is going to small business.

In the meantime the Department of Defense and the other Federal procurement agencies have a definition of 500 employees or less, irrespective of industry—which is clearly contrary to both the intent and plain words of the statute.

Reports on the basis of 500 employees without respect to industry are noninformative and nonsensical. For example, the largest blueprint plant in the country is reported to have less than 500 employees. On the other hand, the smallest motor-vehicle plant in the country is reported to have about 35,000 employees.

In summary, no attempt has been made to make even a casual appraisal of the question of whether small business is getting a fair proportion.

It is wholly false hope to the people of this country.

Now, you gentlemen on the Republican side can correct that. I am giving you these facts so that you can, and I am reiterating, and you will not deny it is a disgrace so far as small-business loans are concerned. All right. I will put all these facts in the RECORD.

ANOTHER CATCH—NOT DISBURSED

The 7,110 formal applications were approved, but there is another catch to that. After they are approved, then you have just as hard a time getting the money paid out. Do you know how long it takes? One hundred and forty-six days, average, to get that money paid out, lacking 4 days of being an average of 5 months. That is a disgrace, gentlemen. You can correct that between now and election day and not have it a part of the campaign. If you will, it can be corrected.

COMPARISONS WITH RFC

(a) In 2½ years of operation SBA had authorized 611 direct loans totaling $26.3 million. SBA loan limit during this period was $150,000 for an individual loan. RFC loans were reported separately for loans in the amount of $100,000 or less. Thus, a comparison between RFC and SBA understates RFC's small business lending but the comparison may be made as follows:

Year	Number	Amount (in millions)
1949	3,073	$77.5
1950	4,904	136.2
1951	2,411	75.0

Thus it is apparent that in the year of RFC's smallest lending activity, it authorized about three times as much money in loans to small business as SBA has authorized in 2½ years.

While it is true that SBA takes credit for bank participation loans made to small business, it is also true that RFC made substantial amounts of bank participation loans to small business. But the RFC record does not break down its participation loans as between small business and big business.

SOCK THE PEOPLE THE LIMIT ON INTEREST

Now let me show you about the interest rate, and here is another place the Republicans are vulnerable, because the people have an idea that you hit them just as hard as you can with interest every opportunity you get, every chance you get, and you sock them with the limit. All right. You ought to correct that. I am inviting it to your attention. I am calling it to your attention. Our investigation last August by the Committee on Banking and Currency disclosed that the Small Business Administration was charging some of these little fellows in distress 8 percent when the local bank was probably charging them 5, a punitive rate of interest. Our committee stopped it and put a provision in there covering it. Let me quote you the exact language. Here it is right here in the 1955 law: "and any such loans shall bear interest at the rate prevailing in the area where the money loaned is to be used."

Do we understand that? What is the rate of interest? "Any such loans shall bear interest at the rate prevailing in the area where the money loaned is to be used."

That is the rate, if it is 4 percent or 5 percent or 6 percent. Then there is another phrase added: "but shall not exceed 6 percent per annum."

GOVERNMENT BY MEN INSTEAD OF GOVERNMENT BY LAW

All right. Now, that is very plain. Anybody with any sense at all, common, book, or horse makes no difference, will understand that, that first it is the local rate, it is the prevailing rate, but shall not exceed 6 percent. Do you know what that Small Business Policy Board, composed of Mr. Humphrey, Secretary of the Treasury, Mr. Weeks, Secretary of Commerce, and Mr. Barnes, Administrator of the Small Business Administration, did? Notwithstanding this specific language, they issued an order that all rates of interest should be 6 percent, not less. Now, there is a case where you are nullifying existing law by regulation of an agency. There is a case where you are recognizing and endorsing government by men instead of government by law. That is a bad thing to do, I will say to my Republican friends.

INTEREST RATES

Investigations of the House Banking Committee in the summer of 1955 revealed that on its direct loans SBA was charging small business 6 percent interest, without regard to prevailing rates in the locality. On its bank-participation loans, however, SBA charged whatever rate the local bank charged except that it would not permit a rate of not less than 5 percent. On some loans it charged a rate as high as 8 percent.

The amendments to the SBA law which became effective in August of 1955 specified that on its direct loans, the SBA shall charge the prevailing local rate, but in no instance more than 6 percent. According to Mr. Wendell Barnes' testimony before the House Banking Committee during this session of Congress, it is still SBA's policy to charge 6 percent on direct loans irrespective of the prevailing rate in the locality where the loan is made.

You got out on a limb on this; you have gone too far. It is a good political point for us, the Democrats. We should not be allowed to use it, because you should say, "As soon as it was called to our attention, we corrected it." Well, let us see you correct it. I hope you do and relieve us of that point. It will help the little fellow if you will.

I could point out other cases where the law has been nullified, but I shall not do it at this time.

SBA LOAN PRACTICES

SBA loan policies are determined by its Loan Policy Board. The Loan Policy Board is established by law to consist of the Administrator of SBA, the Secretary of the Treasury, and the Secretary of Commerce or designees of the latter two Secretaries.

SBA loan policies, including standards of eligibility, interest rates, and so forth, have been made by the Loan Policy Board.

As previously indicated, SBA's practice is to discourage the filing of a formal application unless the officer interviewing the applicant thinks the application will pass current loan standards.

The Small Business Committee has received a great number of complaints along the following lines:

(a) Delays in processing applications.

(b) Sending applications back requiring voluminous information, employment of C. P. A., and so forth.

(c) Further delays and suggestions from SBA that the amount of the loan, the time for when the loan is requested,

and so forth, be reduced and that more security be pledged.

(d) Security requirements so high that an applicant being able to meet the requirements would not need SBA assistance.

(e) Finally, getting a loan approved and when the final papers come through, additional conditions and terms have been added; such as the amount of salary the officers may receive, requirements for a periodic set-aside of gross receipts, and so forth.

(f) Delays in making disbursement on the loan long after all conditions, terms, and so forth, have been met.

Mr. Chairman, it is a disgrace. I am telling it to you so you can correct it. Take it out of politics. This is January, the election is in November. You have time in which to do it.

NEGOTIATED CONTRACTS

Let us now consider the subject of negotiated contracts. Remember, there are two people on this Board who are "in the know" in the administration. They come as near to being on the inside and having as much to do with directing the affairs of this Board as any two people in the Presidents' Cabinet. Let us see about these negotiated contracts.

The Committee on Armed Services of the House recently made a study of Department of Defense contracting methods, and they found that from January 1953 through June 30, 1955, 94 percent of all defense contracts awarded had been negotiated. Naturally, they went to big business.

That is wrong. That is a good point that the Democrats have against you, and I hope you correct it. You are vulnerable there.

The Department of Defense has conveniently defined a fair proportion of these loans as whatever small business can get, provided they are given an equitable opportunity to compete. But small firms are not given a good chance. So, when the contracts are awarded on a negotiated basis this method cuts out the small man.

The Committee on Armed Services has been conducting some very important investigations and it has disclosed that in 2½ years firms employing less than 500 employees got 64 percent of the value of the contract awarded where they were advertised and where there was competitive bidding. But where they were negotiated small business only received 13 percent. Who is favored there? Big business.

That is a point against my Republican friends. They are vulnerable there. That is a point in favor of the Democrats. They ought to overcome that vulnerable point.

They have 750 employees and those 750 employees have collected more money from the United States Government that the aggregate of the loans that the Small Business Administration has put out, direct business loans. That is another reason why it is a disgrace.

BIG BUSINESS GETS THE CONTRACTS UNDER THIS ADMINISTRATION

The Armed Services Procurement Act of 1947 reiterates long-standing public policy that Government contracts shall be awarded on the basis of advertised competitive bids. This law sets out, however, certain exceptions for emergency use.

The House Armed Services Committee recently made a study of the Department of Defense contracting methods and found that in January 1, 1953, through June 30, 1955, 95 percent of the value of all of the defense contracts awarded had been negotiated.

The Department of Defense has conveniently defined the fair-proportion mandate of the law as whatever small business wins provided small firms are given an equitable opportunity to compete. Small firms are not given an equitable opportunity to compete on negotiated contracts. the Armed Services Procurement Act of 1947 prohibits the placing of negotiated contracts with firms which pay any fee or commission to solicit or secure such contract. Small firms necessarily do business in civilian markets through a variety of commissioned agents, brokers, and so forth, who are employed on a fee basis. Only a very large firm can afford to have all of the specialized people it needs to negotiate contracts on the company payroll.

So when contracts are awarded on a negotiated basis, this method automatically cuts off small business from its normal way of competing and its only practical way of competing.

SBA ABSENT

During the last few weeks the House Armed Services Committee has been holding hearings on the matter of contract negotiations, with the announced intention of finding a way to return defense contracting to the advertised competitive-bid method. This is of vital importance to small business. Representatives of the General Accounting Office came forward and assisted the committe with testimony and advice; the House Small Business Committee did likewise. The principal agent of small business, namely the Small Business Administrator, was conspicuously absent.

During the 2½-year period covered by the report of the House Armed Services Committee, firms with less than 500 employees got 64 percent of the value of all the contracts awarded on an advertised competitive basis. Firms of this size got only 13 percent of the negotiated contracts.

The Department of Defense during the past several years has handed out about $1.5 billion annually in subsidies for research and development. There is no indication whether the Small Business Administration has ever taken an interest in this matter or suggested that the Department of Defense make a separate report, on the small-business share of such subsidies. Congress, however, wrote such a requirement into the revised Small Business Act in August 1955.

In the 4 months ended October 1955 less than 7 percent of the contracts awarded by the armed services for research and development work went to firms with less than 500 employees.

When the SBA was established, or at least when its predecessor was established in 1950, it was not intended to try to duplicate the work of the procurement agencies. It has a small staff of about 750 employees, as contrasted to about 35,000 in the Pentagon alone. It was intended to do a high-level planning and advisory job to the procurement agencies, to make recommendations and require reports to see that the policies and practices of these agencies give small business a fair break. And to enforce its position, it was given the power to take prime contracts from the procurement agencies and distribute such contracts among small firms.

If SBA has made any positive recommendations or required any reports of the procurement agencies, this fact has not been revealed.

Liaison between SBA and the Department of Defense was first established in December of 1954, just before the present Congress convened.

One other thing. The Smaller War Plants Corporation which this Congress created during World War II was ineffective until we amended the law and gave the Smaller War Plants the power to take any contract from Defense, to take any contract from any procurement officer and say, "We will do that and divide it up with small firms." That is what you call taking a prime contract.

In the case of the Small Business Administration Congress set aside $100 million for that purpose and gave them the authority in the law. I will put the law in the RECORD. It is plain. It cannot be disputed. No one will dispute it.

Not to exceed an aggregate of $100 million shall be outstanding at any one time for the purposes enumerated in sections 207 (c) and (d).

* * * * *

GOVERNMENT CONTRACTS

(c) To enter into contracts with the United States Government and any department, agency, or officer thereof having procurement powers obligating the Administration to furnish articles, equipment, supplies, or materials to the Government;

SUBCONTRACTS

(d) To arrange for the performance of such contracts by negotiating or otherwise letting subcontracts to smal-business concerns or others for the manufacture, supply, or assembly of such articles, equipment, supplies, or materials, or parts thereof, or servicing or processing in connection therewith, or such management services as may be necessary to enable the Administration to perform such contracts.

How much of that money has the Small Business Administration spent? Not one penny. How many contracts have they taken? Not one. How many have they tried to get? Not one so far as I know, and I have been trying to find out one.

UNUSED POWER

So far, SBA has not used its power to take prime contracts, and it has never suggested taking such a contract.

SBA's predecessor agency assigned a number of employees to various procurement offices of the military services—to look over proposed procurements and make recommendations on those procurements which might be set aside for competition exclusively among small firms. SBA's sole effort at obtaining a

fair proportion of the defense contracts for small business appears to have been to continue this operation.

In the two and a half years ended June 30, 1955, the contracts earmarked for competition among small firms amounted to 1.7 percent of the value of the contracts awarded in that period. And the earmarked contracts which were actually awarded to small business amounted to 1.2 percent of the value of the contracts awarded in that period. Small firms succeeded in getting about 20 percent of the value of the contracts, without the benefit of earmarking.

ATTENTION MEMBERS FROM DEPRESSED AREAS

I am giving you Members from distressed areas this cue, and I am giving the Republican Party this cue. You, the Republicans, are vulnerable. Congress has given you the power, Congress has given you the money, Congress made it possible for you to relieve these distressed or depressed areas, every one of them, and you have not touched a one of them, not a one.

All you Members from distressed or depressed areas get together and call on the Small Business Administration and on the administration generally and say, "You have told us in the state of the Union message, Mr. President, and you have told us, Mr. Hagerty, and you have told us, Mr. Burns, of the Council of Economic Advisers, that you were not only going to stop further distressed areas but you were going to prevent the existing ones from spreading by giving them opportunities to have work and employment and purchasing power."

HAVE THE POWER BUT NOT USED

They have not carried it out. They have the power to do it but they have not done it. That is a good point in favor of the Democrats. We are not entitled to it, we should not have it. It is at the expense of the small-business men, it is at the expense of the depressed areas of this country. We do not want it. We want you to correct it so we will not have that point and so you will not be so vulnerable. We believe we can win on our own merits.

WHERE WAS SBA?

In the next few days the Committee on Armed Services will have before the House a good bill, I understand. Our committee has been working with the Committee on Armed Services. We have furnished them some information we thought was valuable. We tried to be helpful. They did a splendid job. In their efforts they had our cooperation. We have a wonderful staff on the Small Business Committee. They have a good staff on Armed Services. They had the help of our staff. They had the help of our members. They had the help of the General Accounting Office. But the Small Business Administration, charged with the duty of looking out for and being on the alert against any harm to small business and to help small business, did not show up. Ask Chairman VINSON. He did not see a one of them They were not there. They were conspicuously absent.

The Republicans are vulnerable on that point too. That is another point. You ought to change. You can correct it. This is January and the election is not until November.

I cannot question the sincerity of people. Mr. Barnes, I must assume, was trying to do his best with what he had to work with, but he was handicapped by having two high administration people on that board who would not let him turn a hand that would be antagonistic to any other agency in the executive branch of the Government. He had his handicaps and I recognize that, but it seems to me that he could have done a little more. If he could not do something, he ought to have had the self-respect to say so and resign. He should not hold onto the office and not try to do something.

SBA ADVISES SMALL RETAILERS TO HANDLE UNIQUE ITEMS

I could point out dozens of instances of silly things they have attempted to do to help small concerns. They really ridicule desperate people who are seeking aid. Two years after the law passed, here is a weekly publication from Washington, D. C. It was carried in dozens of publications all over the land. It was about small business. What was the warning to small business, the advice given to small business in these publications?

To help retailers boost sales, the Government has put out a leaflet that suggests how small stores—this is helping the small man—can handle stuff the big stores turn down, such as special cheeses, oversized clothes, and so forth. Write into the branch office of the Small Business Admiinstration for the booklet Attracting Customers Into Your Store.

That is the title of it.

If you want the address of the nearest Small Business office, ask us for it.

Imagine—here is the aid that they want to give these small men—do not handle what the big people handle, but handle some of these queer and unique things like long-handled underwear and high button shoes, goose neck hose, lamp-wicks, buggy whips, buggy sockets, and other unusual and unique things. Handle oversized clothes, great big coats, little coats and great big breeches, very small breeches, and odd shoes, like pairs of shoes size 10 on the right foot and size 8 on the left foot. They say that is what you small-business retailers should do. You are overlooking a big market. That is the advice of this great agency which we set up to help the small-business people of this Nation. They are advising them that that is what they should do to make their money.

I am inserting an article by George Dixon that appeared in the Chicago American January 12, 1956:

The Small Business Administration always is on the lookout for opportunities for Americans who want to start, or augment, their own small businesses.

Now there may be a big opportunity for a manufacturer: produce brassieres for short-legged cows.

The idea was conceived by a farmer named Frank Newman Turner, who has 80 cows on his farm near Shaftesbury in England's west country.

Turner has been doing more than making hay while the sun shines. He has been spending months pondering the delicate problem of how to alleviate the misery of his short-legged cows who don't have enough clearance between themselves and the rocky terrain.

The other day his thought and research resulted in a solution. He invented an uplifting apparatus to which he has given the alluring name "cow-bra."

For the present, he is making them himself, but he is looking for someone to put them into mass production. He says there still are a few hitches.

"I am making my cow-bras out of semi-transparent plastic," he confides, "but they are not entirely satisfactory. The plastic makes a sort of cracking noise when the cows pad about. They don't like the noise."

If the Small Business Administration only can come up with an idea for a noncracking bovine foundation, it will make some small-business man rich and low-chassis cows happy.

REPUBLICANS SHOULD MAKE CORRECTIONS NOW

I have pointed out to you honestly and sincerely with the idea in my mind and heart that we Democrats, do not want any advantages out of this. We are not entitled to it. We are not entitled to win by sacrificing the small-business people of this Nation. We do not want that privilege. But, if you keep on like you have been going, and you keep up what I have recited to you here—1, 2, 3, 4, 5, and 6, we cannot keep from winning—you will make us win on your mistakes and because of the greed of your administrators. We want to win on our merits. You show that you are for big business. You are not for little business. You are for big business and big bankers. Why did you, when Mr. Eisenhower came down here, and he is a great President and a great man, and I am not condemning President Eisenhower because he is our President and I want to cooperate with him, but he has to take the advice of other people—take the advice of 5 New York bankers from 1 board of directors of 9 members, the New York Federal Reserve Bank. He brought them down here with him when he went into office, and they are the ones who are administering this hard-money policy and high-interest policy, which only helps big business for big profits. Last year the big-business concerns and corporations of this country in their reports, disclosed that they had $11 billion of retained profits. I do not object to a reasonable amount of retained profits, but how did they get that money? They had to make an attack on our private-enterprise system to do it. They were the concerns that have no competition. We have always heard, "Charge all that the traffic will bear in prices." Well, that it all right, and I agree with that—but in a competitive market only. But this is in a noncompetitive market. So they charge on automobiles, steel, aluminum, copper, and everything else which is noncompetitive. They charged not only what a utility would be allowed to charge under similar and like circumstances—for the cost of their labor and materials, and obsolescence of their machinery and depreciation, as well as a generous share for their stockholders—they charged not only that in 1955, but they added $23 billion more to the price that the consumers of this country had to pay. Then after paying the 52-percent tax on it, they had $11 billion left over, which cost them not 1 penny. That

was "costless capital" to them. That is contrary to the private enterprise system.

The private-enterprise system contemplates that when people need money for expansion purposes they will borrow that money in the markets and let the savers who have saved their money be able to invest in the concern and have a stock interest and receive dividends on it. But not according to this costless-capital method. What chance has small business against costless capital?

GET GREEDY HANDS OFF THE THROTTLE

Now they have the gall to put into the papers every day that they are going to raise their prices again for the purpose of getting more expansion capital. In other words, causing the consumers of this country to invest involuntarily in their expansion without getting one penny of return. No dividends. No interest. Is that the democratic way, American way, or the private-enterprise way? No. That is the monopolistic way. That is the big-business and big-banker way. We have got to do something about it. If we do not, we are riding for a fall. With all of these supports and all the things we have built in to protect our economy, a depression in this country is not impossible. I do not say it is probable. I know if greedy hands are kept off the controls of our economy, we will never have a depression, because depressions are manmade. They can be prevented. But with greedy hands on the lever that protects our economy, we could have a depression, and we are headed in that direction if these big people are not restrained in some way. To that extent the Republicans are vulnerable. The Democrats have a good point, because we can prove that you are a part of big business, big bankers, big profits; that you are the enemy—not intending to be except it is in the way of your politics—that you are the enemy, as far as your actions speak, of the small-business man and the small farmer.

So I urge you to correct those vulnerable things. This is January. The election is the first Tuesday in November. You have time to do it. The Democrats are not entitled to win on your destruction of small business and small farmers. They do not deserve to win at the expense of the small farmer and the small-business man of this Nation.

I am for this bill. I am for the $50 million increase. In fact, I will vote for the $100 million amendment which the gentleman intends to offer. But let us not have disaster tied with business loans, because we know how reluctantly they make business loans now. How easy it would be for them to say, "We cannot make any business loans, knowing that disaster might overtake us." The Congress would not be in session. You could not make any more business loans. I am bound to say that the administration of the Small Business Administration is disgraceful. You have plenty of time to correct it. The statements I make are for the purpose of honestly and sincerely pleading with you, begging you to correct your policy against small business and the small farmers and quit coddling and favoring big business and the big banks.

The CHAIRMAN. The time of the gentleman from Texas [Mr. PATMAN] has expired.

Does the gentleman from Michigan desire to use any further time?

Mr. WOLCOTT. I have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That section 204 (b) of the Small Business Act of 1953, as amended, is hereby amended by striking out the fifth and sixth sentences and substituting therefor the following: "Not to exceed an aggregate of $175,000,000 shall be outstanding at any one time for the purposes enumerated in sections 207 (a) and 207 (b) (1)."

With the following committee amendment:

Page 1, line 3, strike out all after the enacting clause and insert "That the sixth sentence of section 204 (b) of the Small Business Act of 1953 is amended to read as follows: 'Not to exceed an aggregate of $75,000,000 shall be outstanding at any one time for the purposes enumerated in section 207 (b) (1).'

"SEC. 2. Section 204 (b) of such act is further amended by striking out '$275,000,000' each place it appears and inserting in lieu thereof '$325,000,000'."

Mr. McDONOUGH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McDONOUGH: On page 1, line 11, strike out "$75,000,000" and insert "$125,000,000"; on line 5, page 2, strike out "$325,000,000" and insert "$375,000,000."

Mr. McDONOUGH. Mr. Chairman, I appreciate the opportunity of immediately following my committee colleague, the gentleman from Texas [Mr. PATMAN], who has been so generous to the Republican Party in his remarks. I began to wonder if he had arranged with Lew Hall to take over the chairmanship of the Republican National Committee.

I am sure he is sincere in his approach, but I doubt some of the figures he gave here today. I do not know the source of his figures, nor do I know how diversified are the lines of industry in his district, but I do know that in Los Angeles County, which is probably one of the highest industrial diversified areas in the Nation, the Small Business Administration has met the problem of small business, has had no complaints, has thoroughly screened all of the loans, and where a person who is eligible for the loan he has obtained it. I also refute the statement made by the gentleman from Texas that the salaries paid to Small Business Administration employees exceeds the amount of loans approved by them.

In 1955 SBA approved business loans totaling $54,645,000 and disaster loans totaling $32,429,000 for an overall total amount approved in 1955 of over $87 million. For salaries in 1955 the Small Business Administration paid out $2,367,000 to agency personnel assigned to the lending program. I repeat—$87 million in loans approved in 1955 against $2,367,000 paid in salaries.

I gathered from what the gentleman from Texas said that the Small Business Administration should accept every application that is filed without any question; which, of course, would be ridiculous and then he berates the fact that they have to go so many miles in an automobile and wait in line to be processed. I wonder what those same people would have to do if they want to obtain a loan from a bank. I think the Small Business Administration is on thoroughly sound ground and should have his support rather than be the subject of attack. The Administration is trying to do a good job across the Nation for small business.

Mr. BATES. Mr. Chairman, will the gentleman yield?

Mr. McDONOUGH. I yield.

Mr. BATES. I am happy that the gentleman from California manifests an interest in the figures cited by the gentleman from Texas. I was intrigued by them also, but not because of what he said, but rather because of what he left unsaid in reference to the Procurement Act before the Armed Services Committee. The fact is that the dollarwise percentage of negotiated contracts under the Democratic administration was slightly higher than under the Republican administration. I do not say that is bad. I only say those are the facts.

Mr. McDONOUGH. That is a good point. I doubt his figures very much.

But let me turn my attention now in support of my proposed amendment. The purpose of the amendment is to increase the authorization of this bill from $50 million to $100 million. I am not in a disaster area. I have had no disaster in my district, but the State of California, the New England States, and parts of Texas, and southern California, the Imperial Valley, and other parts of the country have been seriously affected by disasters during the past year.

This is a loan; this is not an obligation on the debt; it is not a tax obligation. The $50 million the bill proposes will be subject to thorough review by the Committee on Appropriations. I think $50 million is not enough, because last year during the disaster period in the New England States, and since then in California, we have exceeded the authority that was granted, and we do not know what is going to occur between now and the end of this fiscal year. By contrast we are setting up a fund of $100 million for an International Finance Corporation which this Congress approved last year. We have loaned billions through the Export-Import Bank, loans to foreign countries to help them recover from disaster, disaster either as the result of war or some other cause. Those are things we are doing for foreign countries, and here we are just coming up to the line I would say with this $50 million to take care of disasters that may occur in 1956, and to take care of the disasters that have occurred in the latter part of 1955. Here in the United States, we should be as generous to our own people as we have been to foreigners.

I believe the amendment is justified. I do not think $100 million is too much. I think $50 million is too little.

I ask the Committee to support the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California.

The amendment was agreed to.

The CHAIRMAN. The question is on the committee amendment, as amended.

The committee amendment, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. PRICE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 7871) to amend the Small Business Act of 1953, pursuant to House Resolution 369, he reported the bill back to the House with an amendment adopted in the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROVIDING HOSPITALIZATION AND CARE FOR THE MENTALLY ILL OF ALASKA

Mr. ENGLE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6376) to provide for the hospitalization and care of the mentally ill of Alaska, and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 6376, with Mr. PRICE in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. ENGLE. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. O'BRIEN], chairman of the Subcommittee on Territories and Insular Affairs.

Mr. O'BRIEN of New York. Mr. Chairman, I think that few persons in the United States are aware of the shocking fact that in a great Territory of our country the handling of mental illness is surrounded by the ugly and grim trappings of criminal machinery. That Territory is Alaska, a great land which on several occasions has missed achieving the full dignity of statehood by a handful of votes in Congress.

This bill is designed to erase a blot from our national honor, to treat sick people as such and not as criminals.

Briefly, the bill authorizes the expenditure of $6½ million for the establishment of mental-health facilities in Alaska, plus $6 million in the form of diminishing annual aid for 10 years, to take care of the transition, responsibility, and cost from the Federal Government to the Territory. I shall attempt to demonstrate a little later that this is a financial bargain for the taxpayers of the United States.

First, however, I should like to emphasize that this is not a Democratic bill, nor a Republican bill. Neither is it in the true sense the Green bill or the O'Brien bill or the Bartlett bill. It is the experts' bill. It comes before you with a strong and I might say vehement backing of three great departments of our Government—the Department of Justice, the Department of the Interior, and the Department of Health, Education, and Welfare. It was prepared in very large measure by those departments and it is, in my considered judgment, the best and most practical legislation on the subject ever to be considered by this House.

I would like to tell the members of the committee some of the experiences a group of your colleagues had last fall when we visited Alaska. We took more than 600,000 words of testimony in various parts of the Territory, and I would estimate that approximately 100,000 of those words dealt with the problem of mental health. We had before our committee judges, United States attorneys, doctors, policemen, businessmen, representatives of practically every walk of life in Alaska. They were unanimous in their testimony and in their earnest plea that we lift from their backs a barbaric system which exists by treating sick people as criminals. We stood on the corner in Juneau, Alaska, one windy, cold day, and we looked at the jail in that city; a four-story wooden structure with wiring going back to a period prior to World War I. The prisoners are housed on the first floor of what is literally a firetrap, and with them from time to time are housed sick people whose crime, whose presence in those cells is due to the fact they are mentally sick instead of physically sick. We had a United States attorney tell us that he felt in a sense degraded by the fact that he was part of this kind of machinery. We had doctors and clergymen tell us that there are instances in Alaska where people conceal mental illness in their families.

I wonder if I could bring the point a little closer home. Suppose any one of us was employed in Alaska and was receiving what would be considered an ordinary wage, a wage or salary inadequate to finance the sending of a loved one down to the States and housing that loved one in a private hospital. If this person about whom I speak was a man and his wife at a certain time of her life tipped a little mentally, what would you do in that case? Would you summon up the criminal procedures, have your wife accused, in effect, of the crime of being mentally ill, be tried by a lay jury of usually the first six persons who call for their mail at the post office, convicted, and then placed in jail with common criminals until the United States marshal had the time to take her 1,500 or 2,000 miles away to a private hospital in Oregon operated for profit? And, often on those expeditions the United States marshal would take with that sick person people who had been convicted of serious crimes because it saves the Government a bit of money.

Gentlemen, these are our people about whom I speak. They are citizens of our country. They are your neighbors and friends. They come from Iowa, New York, California, most any part of the States you want to mention. They are pioneers, many of them. They are keeping furnished what will be one day the great living room of the United States. They are not all from the States. Some of them are natives of Alaska. Some of them are Eskimos.

May I say in passing that we seem to have developed in this country something of a global conscience. We appropriate large sums of money for faraway places with strange-sounding names. I have voted for some of those appropriations, but occasionally I wonder.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. O'BRIEN of New York. I yield to the gentleman from Iowa.

Mr. GROSS. I may not agree with certain provisions of this bill, but I certainly agree with the statement the gentleman has just made that with the greatest of ease we can shovel the money out all over the world and refuse to take care of the people who are close to us in our own territory.

Mr. O'BRIEN of New York. I thank the gentleman.

These Eskimos about whom I speak, as to them I should like to say to the Members of this House that I have never seen a more loyal group under the American flag. Our committee went to Point Barrow, almost within whistling distance of Siberia. We had a hearing in the native hall. We were astonished, all of us, by the meager list of requests for aid from the Congress of the United States. A great general in charge of our Air Forces in Alaska told us, the members of the committee, that these Eskimos were invaluable. He said you cannot turn over a stick in the Bering Sea that they miss. They are our eyes and ears in a very strategic part of that great frozen back door of ours which could thaw so swiftly under the hot breath of a hot war. Yes, these Eskimos, too, would benefit from this proposed legislation.

I am very sure that there is no question in the minds of the Members present of the humane aspects of this proposed legislation, of the desperate need to eliminate something which goes back to the Dark Ages. But very often as individuals and as Members of Congress we must weigh the things we want to do against the things we can afford. I say to you sincerely that we cannot afford not to do what we propose under this proposed legislation.

It is true that the substitution of a decent system for what we have will cost the Government of the United States $12½ million over the next 10 years. That is a lot of money. We are conscious of the need for a balanced budget. But may I point out to you that in the process of spending this money we will save nearly $900,000 a year. That is what it is costing us to transport these people from Alaska to Morningside Hospital in Oregon and to house them there—$900,000 every year going down a dismal rathole.

Mr. Chairman, if we spend the $12½ million, at the end of 20 years we will be

nearly $6 million ahead and Alaska will have a decent system of mental health. Frankly I do not think any banker in the land would deny my statement that this is a good bargain.

You might say Alaska is looking for a handout, Alaska is looking for something for nothing. May I point out that if dollars were the only consideration the people of Alaska would oppose this bill because financially they are better off through the continuation of this terrible system they now have, for bad as it is the Government of the United States is picking up the entire check. So the people of Alaska who testified before our committee were in effect asking us to increase their own taxes in order to do the decent thing.

I know it will be suggested and it has been suggested that Alaska might not be able to do the job with the $12,500,000. I say to you very sincerely that I have accepted the assurances of the people of Alaska from the Governor down to the little local businessman that they can do the job and that they will not come back here pounding on our doors for more money.

I say to you further that if the day came when they came back here, and I was still a Member of this House, I would be the first to vote "No" on a bill for additional aid. They have told us that this will do the job. I accept their word. The three great departments of Government I have mentioned have told us that this will do the job. I accept their word.

I know, too, that it will be suggested that perhaps we should split the cost, we should pay half and the Territory of Alaska should pay the other half. I mentioned earlier that Alaska has sought statehood but, if you will recall the statehood bills we discussed here, they contained the sinews of statehood. Alaska without those sinews of statehood cannot match funds on this project. If it is compelled to do so, this plan of the experts and the humanitarians will fail. If we ask them to match funds, we will, in effect, be saying, "Well, stand on your own feet, in spite of the fact that we have cut your legs from under you."

Ninety-nine and one-half percent of all the vast acreage in the Territory of Alaska is owned by the Federal Government, leaving Alaska very little maneuverability. If Alaska were to attempt to raise its half of even $6 million in 1 year—and that is the only way they could do it, because we do not permit them to issue bonds—it would represent a 10-percent increase for this 1 thing alone in their annual budget. Ten percent is quickly said, but if we were to add 10 percent to the Federal budget for something other than national defense, to the tune of $6.5 billions, there would be many screams from the people.

I have never believed, Mr. Chairman, in a giveaway theory. I think if I were to be classified in my thinking it might be just a little on the conservative side. I am aware, too, that my State, the State of New York, pays on the average 15 percent of each dollar we appropriate here. I am fully aware that of this $12,500,000 approximately $1,850,000 will come from the taxpayers of my State. Yet I feel that the taxpayers of my State want me to support this legislation, not only because of its humane aspects but because they realize or will realize that it is plain good business, for my State is paying $135,000 a year of the $900,000 we are wasting in the perpetuation of this horrible system they now have in Alaska.

It has been suggested by some that perhaps the people of Alaska who become mentally ill would be better off going to Oregon and leaving their families 1,500 or 2,000 miles away.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. O'BRIEN of New York. I gladly yield to my colleague.

Mr. JOHNSON of California. Is there any doubt in the gentleman's mind as to the propriety of the Government of the United States paying for this as long as Alaska is a territory of the United States? Is there anyone who would vote against taking care of these people when they are under our jurisdiction?

Mr. O'BRIEN of New York. I hope that all Members will reason that way. What we are proposing here is that the Government not continue to spend this money in perpetuity, but that it spend the money more sensibly by changing the system.

Mr. JOHNSON of California. I agree with the gentleman and I voted against the bill providing for Alaska statehood not because I do not like Alaska but for other reasons. In my opinion, however, this bill is a sound bill. There is an obligation on the national government that the Government should assume. I am sure that is the way the people in this House will look at it today.

Mr. O'BRIEN of New York. I am very grateful to the gentleman for his observation. I think, perhaps that would be a good point at which to conclude. But, Mr. Chairman, I would simply like to say that I believe this bill to be a perfect marriage of the humane and the practical. Simultaneously, we are ripping out a shameful thing and we save money in the process.

Mr. CARRIGG. Mr. Chairman, will the gentleman yield?

Mr. O'BRIEN of New York. I am glad to yield to my colleague.

Mr. CARRIGG. I compliment the gentleman for the wonderful presentation he has made to the House on this particular legislation. I commend him for the marvelous way he conducted these hearings in Alaska during the recess. For myself, I want to say it is not out of charity that we owe this legislation to the people of Alaska, but it is a matter of justice, and I, too, speaking as one Republican will be very happy to support the gentleman on this legislation.

Mr. O'BRIEN of New York. I am very grateful to the gentleman especially because I recall that before coming to the House of Representatives he was a distinguished attorney and he had considerable experience with the prosecution of criminals. I am very sure that the gentleman shares the feeling of our United States attorneys in Alaska that it is a degrading thing for a man, even though it be his sworn duty to treat sick people like criminals.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. O'BRIEN of New York. I am glad to yield to the distinguished majority leader.

Mr. McCORMACK. Is my understanding correct that this is the first bill that the gentleman from New York has handled on the floor?

Mr. O'BRIEN of New York. It is, sir.

Mr. McCORMACK. I think the remarks of our friend, the gentleman from Pennsylvania, represent the views of all who are present listening to the able address of the gentleman from New York to the membership of the House. I compliment the gentleman because you have made one of the ablest and one of the most effective and convincing arguments in support of a bill that I have ever heard in my 28 years of service in this body. You have given us a clear picture, presenting a case not only in an able and gentlemanly manner, but in a most effective manner. Every Member here has listened to every word you have spoken because they recognize that you know your subject and they know that you believe in everything that you have said. That you believe in the bill and the humanitarian motives and purposes which prompt the bill and the purposes of justice as referred to by our friend, the gentleman from Pennsylvania, which means so much to our people—and they are our people in Alaska. I congratulate my friend, the gentleman from New York, in making this able presentation every word of which has been listened to attentively in complete silence by the membership of this body.

Mr. ENGLE. Mr. Chairman, will the gentleman yield?

Mr. O'BRIEN of New York. I yield.

Mr. ENGLE. I think this should be an appropriate time for me to add to the remarks made by our distinguished majority leader to say that the gentleman from New York is chairman of the subcommittee on territories, a matter in which he has taken a very special interest. The gentleman from New York [Mr. O'BRIEN] has dedicated himself to this bill. He has a wide knowledge of the subject and has the most detailed information on it. He has been asked to handle this bill on the floor because of that detailed knowledge. This past fall, the gentleman from New York [Mr. O'BRIEN] and the subcommittee visited the Territory of Alaska in order to improve his own information and in order that when he presents bills from that important subcommittee on the floor of this House, he may be able to do so with an intimate knowledge of the subject matter on which he speaks and a knowledge of the area which is affected by the legislation and the people who are most intimately concerned with it.

I certainly associate myself with everything the distinguished majority leader [Mr. McCORMACK] has said about the excellent presentation which the gentleman from New York [Mr. O'BRIEN] is making, as chairman of the Subcommittee on Territories. He is one of the most valuable members of our committee.

Mr. O'BRIEN of New York. I am very grateful to the gentleman for his kind remarks.

Mr. McVEY. Mr. Chairman, will the gentleman yield?

Mr. O'BRIEN of New York. I yield.

Mr. McVEY. I want to commend the gentleman for his very excellent presentation of this subject. As I understand this bill, it involves the expenditure of about $12½ million over a period of 10 years. Can the gentleman tell me if this expenditure was taken into consideration in the formulation of the budget that was presented a few days ago?

Mr. O'BRIEN of New York. May I say this: I do not know exactly how deeply they go into these things, but I will answer the gentleman in this way, that those who prepared the budget are 100 percent for this bill. I take the liberty of quoting the gentleman from California [Mr. UTT], who made a statement during one of our hearings in Alaska, that it was considered important, this particular bill, by the White House. I assume the White House shared a little of my optimism in hoping that the bill will become law this year.

Mr. Chairman, I bolstered my courage for this first appearance before the House, in presenting this bill, but I was not prepared for the many expressions of kindness and I am a little overwhelmed with that. But I am grateful for your patience and your courtesy. I have never raised my voice here or elsewhere in a cause in which I believed more deeply or firmly. I thank you.

Mr. MILLER of Nebraska. Mr. Chairman, I yield 10 minutes to the gentleman from Utah [Mr. DAWSON].

Mr. DAWSON of Utah. Mr. Chairman, I, too, want to join in the words of commendation of the chairman of our subcommittee, Mr. O'BRIEN. I was one member of the subcommittee who had the opportunity of going to Alaska this last summer, and we heard throughout Alaska many, many witnesses. I assure the Members of this House that I have never been on a committee that worked any more conscientiously or presented a more bipartisan effort than was presented by this committee in Alaska this last summer.

Having had some experience in mental health work and having taken a little interest in this measure, I would like to address my remarks to some of the details of the bill itself. It was my privilege, before coming to this body, to observe as State welfare commissioner in charge of mental hospitals, some of the operation. I do not claim to be a psychiatrist, but I do believe I know something about the processes for commitment to mental hospitals. I want to tell you the present commitment procedures in Alaska are an absolute disgrace. As I understand it, there has been no revision of Alaskan mental health laws for some 50 years. At the present time there are no mental health facilities in Alaska. If a person is determined to be a mental case he is picked up by the marshal and probably thrown into a jail somewhere in Alaska and held for transportation to Morningside Hospital in the State of Oregon.

It is entirely possible that after they arrive there it may be determined they should never have been sent down; nevertheless the stigma of commitment is attached to them.

In many States of this Union we have commitment procedures to mental institutions which are nearly as bad as those in Alaska. My State was in the same situation until approximately 7 years ago. At that time we adopted what is known as the American Psychiatric Association model code, a code which has been adopted by a good many States, I cannot tell you exactly how many; and this is the model procedure that we have set up in this act. It provides that a patient shall not be railroaded in, nor shall he be taken into court and submitted to a court hearing unless he requests it.

An amendment has been written into the bill to give the patient a right to trial by jury if he insists upon it. But in an average case if someone has a member of the family or a friend who should be committed he is not required to take them into court. Under the terms of this bill he may get a certificate of a physician and a court certificate on the application of friends and relatives go directly to the hospital and be admitted. Once the patient is at the hospital he is examined by psychiatrists and others in a position to know whether he can be helped. The patient is left there if it is determined that he should be. It is an ideal procedure. As I say, it has been in effect in my State for some 7 years and it is working very successfully. I highly commend it to you.

Mrs. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. DAWSON of Utah. I yield.

Mrs. CHURCH. I am very much interested in the legislation, and particularly in the exposition the gentleman is making of the terms. Is the patient's consent required in the procedure the gentleman outlines?

Mr. DAWSON of Utah. There are three procedures set up: In one of them the patient himself can make an application to enter the hospital if he is over 16 years of age and capable of making such application; in the other two procedures a peace officer can make an application, or the relatives and a physician.

Mrs. CHURCH. But at that stage the consent of the patient is not required.

Mr. DAWSON of Utah. That is correct.

Mrs. CHURCH. Even for commitment?

Mr. DAWSON of Utah. That is true. Remember, the patient can request a trial and a court hearing and demand a jury if he so desires. That amendment was written into the bill.

Mrs. CHURCH. I am very glad the amendment was written in. I would like to congratulate the gentleman for his part in writing this very meritorious legislation.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. DAWSON of Utah. I yield.

Mr. MILLER of Nebraska. I will say that the model adopted in the bill is the model proposed by the American Psychiatric Association with the exception of the jury trial and commitment procedures. I think it is fair to say that it is a very high standard that has been adopted, I think perhaps so high that very few of the States have been able to adopt it; I think three or four States have adopted the model commitment procedures recommended by the American Psychiatric Association; but it is an ideal procedure and I think it is one that can well be adopted by any State. I doubt whether very many States will be able to follow it because the standards are very high, but the principle is right as to the commitment proceedings.

If the gentleman will permit, I wanted to ask him one other question relative to the cost of the hospital and how many beds the $6,500,000 authorized in this bill would provide?

Mr. DAWSON of Utah. I may say to the gentleman that in Alaska we have approximately 350 mental cases. It is estimated by the department that the $6,500,000 will provide a hospital or hospitals with 275 beds; in other words, another 75 beds would be required to meet the situation completely.

It is my understanding based on the testimony that was given before our committee that the Territory of Alaska is going to have to assume considerable responsibility in the administration of this program. I for one favor that. I favor statehood for Alaska. I also introduced a bill the other day to give Alaska the right to elect its own governor. I think we have got to take them step by step and give them some responsibilities if they are ever to qualify for statehood.

For that reason I feel that the Territory of Alaska should bear some of the responsibility. They will be bearing some of the responsibility if just $6½ million is appropriated.

The people in Alaska are practically uniform in their feeling on this bill. We held hearings up and down Alaska from one end to the other and the people are very anxious about it. They are willing, and I think able, to assume this extra responsibility. It is my opinion that we should not attempt to reduce the $6½ million or to require the Territory to match it because if we do they just have not sufficient funds to take care of it. It is my understanding that it would increase their levy approximately 10 percent if they were required to put up this additional money. They just do not have it.

We wrote a provision in this bill giving to the Territory of Alaska a million acres of land. Mind you, the Federal Government today owns 98 percent of all the land in Alaska. How in the world can you expect that Territory to raise the necessary funds, to take over from scratch and set up a health program, including the construction of all the facilities, when the Federal Government owns 98 percent of all the land? They have no tax base up there except what they can pick up from some of their industries.

If we do not give them statehood, the least we can do is to take care of their mentally ill and it is going to take this amount of money to do it.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. DAWSON of Utah. I yield to the gentleman from Iowa.

Mr. GROSS. With the gentleman's wide experience in the field of mental health, is he saying now that he supports this bill as it is brought to the floor of the House?

Mr. DAWSON of Utah. I do.

Mr. GROSS. And all of its provisions?

Mr. DAWSON of Utah. Yes, I do.

Mr. GROSS. I want to compliment the gentleman for his presentation and I also wish to compliment the gentleman from New York [Mr. O'BRIEN] for his very able presentation.

Mr. DAWSON of Utah. I thank the gentleman.

Mr. ASPINALL. Mr. Chairman, I yield 10 minutes to the gentlewoman from Oregon [Mrs. GREEN].

Mrs. GREEN of Oregon. Mr. Chairman, since Morningside Hospital is in my district and I have observed what has happened there over a period of years, I would like to add my comments to those which have been made by my colleagues from New York and Utah. The gentleman from Utah has described in some detail the commitment procedures where a person can be accused of the crime of being insane in Alaska. He is arrested as a common criminal and is thrown in jail. Then if he is found guilty he is transported to Portland, Oreg.

The law says that a person is entitled to a jury trial within 10 days. The testimony before the committee showed that on several occasions this time might extend to 6 weeks or even a greater period of time.

Mr. Chairman, I have a letter in my hand from a mother in Fairbanks, Alaska, which I think the Members of this House might be interested in. She wrote to the Fairbanks News-Miner and said to them:

> I sent the following telegram to a Representative. We don't care what you do with it; if you would like to publish it, it doesn't matter to us, or if you don't. Just as long as we get a mental hospital.

Following is the letter:

> Our son graduated from college just 1 year ago. He lost his mind 1 week later due to overstrain in some manner. If we had mental hospitals in Alaska, he could have been treated here, near his family who loves him. Because there are no facilities in Alaska for sick minds, he had to be placed in jail, on a mattress on the floor and have a trial such as might happen to the most hardened criminal. We had to send two escorts with him to Morningside Hospital since he was so sick, making the transportation tremendous in cost. Even a Congressman should hate to have a thing like this on his conscience, such as blocking a bill that would provide mental hospitals for hundreds of Alaska's sick minds. I have been to Morningside Hospital. I have seen the homesick children there, 1,600 miles away from their loved ones. Give us a hospital for Alaska's mentally ill.

Recently in Portland there was the case of a 17-day-old baby who went through this commitment procedure in Alaska, who was arrested, had a jury trial, and who was confined to Morningside Hospital 1,600 miles away. When I was in Alaska with my colleague the gentleman from New York [Mr. O'BRIEN] I also visited some of the jails there, and I submit that jails are not the proper place to receive, to detain, or to observe persons suffering from mental disorders.

Speaking of the compulsory jury trial, Dr. Overholser, who is recognized as one of the experts on mental health, had this to say before the committee:

> I think it is an outrage, something that should not exist in any civilized country. I have had many patients tell me that the worst thing that happened to them, the thing that hurt them the most, was being brought before a jury and having their troubles and their conduct brought before an open court and having the family testify against them. It is a dreadful thing.

We had this amazing testimony in the city of Nome. A public health officer was testifying before the committee, and in his experience he said that one gentleman had been brought before a lay jury to decide whether or not he was insane. The jury found him not guilty of the crime as charged, and the judge, when he excused him, said this to the man: "You have been found not guilty. You are excused, but remember, don't let this ever happen again."

Mr. MILLER of Nebraska. Mr. Chairman, will the gentlewoman yield?

Mrs. GREEN of Oregon. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. Does this bill not have the jury trial provision in the bill?

Mrs. GREEN of Oregon. The gentleman from Nebraska knows that under present legislation a jury trial is required—there is no alternative. Under this new legislation examination by medical doctors is much to be preferred and I think most of the members of the committee hoped that a jury trial would be used in only very rare instances—and better not at all.

Now, as to the present condition at Morningside, it is the only institution of its kind in the country where the Government contracts with a private party for the care of the mentally ill and where profit, necessarily so, becomes a primary consideration.

Again I quote Dr. Overholser:

> The fundamental principle of contract care of mental patients in proprietary institutions is wrong. It has long been outmoded in the United States and no situation comparable to the one which pertains with respect to the treatment of Alaska patients exists elsewhere in the Nation. It is subject to criticism on sound humanitarian grounds. Regardless of how satisfactory present care may be, the treatment of mental patients should not be subject to a law requiring competitive bidding for such services.

How long has this gone on? The testimony again before the committee shows that negotiated contracts have been made for a period of 50 years, and I would like to call the attention of the Members of this House to the fact that during that 50-year period of time there has never been an audit of the books of Morningside Hospital in spite of the fact that millions of dollars of Government funds have been spent. Now, there are those who have said that everything at Morningside is fine, and in regard to that I would like to make a few observations.

First, I think that it is fundamentally wrong for the Federal Government to enter into a contract with a private party for profit for the care of the mentally ill. I think the commitment procedures are barbaric, and I think it is wrong to specifically prohibit Alaska from exercising care for their patients. I also agree with those who have said that if Morningside Hospital were the best place in the world, we still should not allow this condition to continue, for the three reasons just mentioned.

Some may ask, Is profit really a consideration? In the financial statement which was submitted by the owner of Morningside to the committee, it showed that in the last 18 years he had taken out in profit and in salary over a million dollars. The man who owns Morningside is not a doctor, and neither is his son. According to the testimony, neither one of them has ever been to Alaska.

There are those who would argue that $1 million in 18 years is a reasonable profit. I do not intend to argue that point today. But in this connection may I point out that with $1 million in profit, Morningside Hospital has never hired a full-time, fully accredited psychiatrist to look after the some 360 patients; and that in spite of the $1 million profit, up to 1952 or 1953 there was only 1 registered nurse for the 360 patients. That is for around the clock treatment. And in spite of the $1 million profit, there are no social workers to work in liaison with the homes from which these people come and to which they may return. The testimony further shows there has never been a trained dietician at Morningside.

Because I happen to live in the district, I have page after page of complaints from former employees and former patients who have been there. I have not used those in my statement today, nor do I intend to. But the observations I have made are from testimony given before the committee.

These things are important—the kind of care which is given in the hospital. They are very important to the man or to the woman who is a patient there. They are very important to the families, the loved ones who hope and pray that with adequate care of their loved ones they may return to their homes physically and mentally sound.

The basic question, however, is not the profit nor the personnel at Morningside at the present time. The basic question is whether there is any longer a sound reason why the Territory should not be treated as competent to assume responsibility for the hospitalization of the mentally ill, as do Hawaii and Puerto Rico.

Dr. Albrecht, the commissioner of health, Dr. Haldeman, and Dr. Overholser all testified to the need of a comprehensive mental-health program. I think this bill provides that; at least a statutory foundation is provided for an integrated program and a more modern and hopeful program for dealing with the problems of mental health.

It is now recognized that the problem of mental health, vast and difficult as it is, is not one which can be dealt with

successfully on a piecemeal basis. Certainly it cannot be solved merely by paying the cost of shutting away in institutions persons who have been legally committed thereto. Medical, humanitarian, and financial considerations as well point to the need of dealing with the problem as one of illness, to be prevented if possible by early recognition of the inducing factors; by early treatment of individuals who become mentally ill, where possible without removal from a normal environment; and where hospitalization is necessary, readjustment as soon as possible to a community environment. All this calls for an integrated program and one calling for community leadership. The communities in Alaska want the chance to show that leadership. They want the chance to assume the responsibility of caring for their own mentally ill.

Mr. Chairman, I join the Delegate from Alaska [Mr. BARTLETT], my colleague from New York [Mr. O'BRIEN], and my colleague from Utah [Mr. DAWSON] in urging favorable consideration of this bill without any crippling amendments.

Mr. MILLER of Nebraska. Mr. Chairman, I yield myself such time as I may need.

Mr. Chairman, the bill before us is an administrative measure. The bill is a great improvement over any measure we have had heretofore for the mentally ill. This House and the committee in the past several years have considered bills for the mentally ill of Alaska. I do wish to point out, however, that the requirements set up, the standards set up, by the American Psychiatric Association, adopted in the measure, are very high standards. I hope that the Territory or the new State can follow them. When they do the expense will be great. I wish all States in the Union were in a position to adopt such standards and to follow them. Even though they are not followed in toto, I think we should make the effort to have as high standards as possible.

I do want to call my colleagues' attention to several provisions of the bill. There is a provision in section 371 of title II that provides $6 million for the care of the mentally ill. The money is given to the Territory, $1 million the first year and then tapers off to $200,000 in 1966. After 1966 it is proposed that the Territory assume all the costs of the mentally ill. The gentleman from New York [Mr. O'BRIEN] has said he would oppose any further grants to the Territory. The taxpayer gets off right easy for the care as of now. It costs between $6 and $7 a day for the care of the mentally ill at the Morningside Hospital in Portland, Oreg. I predict the costs under this bill may reach $25 a day. Alaska after the 10-year period or after the hospital is constructed must bear that cost. I hope that is crystal clear.

It has been costing the Government through the Interior Department an average of about $800,000 a year to care for an average of 345 mentally ill that are generally taken care of at the Morningside Hospital in Portland.

I visited the hospital and was amazed at the splendid care the patients were receiving. I am not familiar with the economic arrangements or the money that may have been made by the Morningside Hospital. I do know it has cost an average of about $181 a month for a psychiatric patient. I do not know where in this country we could go and get care at the rate of $181 a month. It costs an average of about $24 a day in most psychiatric hospitals in the United States, so there is quite a wide spread between $181 a month and $24 a day.

I expect to support the bill. I do have an amendment or two I should like to suggest. One of the amendments to the bill, which gives the Territory 1 million acres of land, was my amendment. We increased it from 500,000 to a million acres. I think it might be well to spell it out a little more clearly, as the gentleman from Mississippi [Mr. COLMER], of the Committee on Rules, said this morning, that the funds might well be earmarked for the use of the Territory in running the mental institution. I believe such an amendment will be offered to the bill, and it will receive my support.

The other point I wish to call to your attention is section 372, which provides an outright grant of $6 million. That would be $12,500,000 in 10 years, but the grant is $6 million. The construction grant is $6.5 million.

I call your attention to the word "construction." We spell it out in the report as meaning not only the construction but the initial equipment of buildings, including medical transportation facilities, the architects' and engineering fees, and the cost of the land to be acquired by the Territory. In other words, the Territory has no financial responsibility—not a thin dime of their own in this building—I do not think that right.

It is a principle with me that we should not give an outright grant without requiring some responsibility on the part of the people of Alaska. In other words, in the Hill-Burton bill we provide for a matching of funds. Alaska has shared very generously in the hospital-construction bill and the Hill-Burton provisions of the bill, and I think it is right.

I am going to vote for the bill, whether my amendment is adopted or not, but I am going to offer an amendment which would require the Territory to match funds that are made available by the United States Treasury. We follow that in our Federal aid, with our highway program, and with the Hill-Burton bill. If we are going to give them a complete hospital without any effort on their part, no responsibility at all, I think the principle is wrong. If we are going to do that for this Territory we ought to do it for the other Territories and we ought to do it for the other States in the Union. With that in mind, I expect to offer at the proper time such an amendment. In other words, let us have it on the principle of matching that has prevailed in this country and throughout the Territories for many years.

As I said at the beginning, I think this is a good bill. It is not a perfect bill. It can be improved. Whether the two amendments I hope will be offered are adopted or not, I expect to support the bill.

I want to compliment the gentleman from New York [Mr. O'BRIEN] on his splendid handling of the bill, and also the committee that went to Alaska to investigate closely, on the job, the mental health problem in Alaska. The problems of Alaska are such that they must look to Congress for help. Perhaps some day when they become a State they can assume all obligations. They can if we give them not less than 50 percent of their 375 million acres of land. It was my intention that by increasing from 500,000 to 1 million acres of land granted the Territory that they could use the proceeds of the land to run the hospital and for other expenses of government. Some day they should control their lands. In my opinion there is a great future for Alaska. Great untold resources that might make it one of the rich States. I trust they use their resources wisely.

Mr. O'BRIEN of New York. Mr. Chairman, I yield 10 minutes to the Delegate from Alaska [Mr. BARTLETT].

Mr. BARTLETT. Mr. Chairman, because this bill has to do with a territory in which I have a personal as well as an official interest, I desire at this time to express my warmest thanks to those who have spoken for the bill and also to those who are going to vote for this bill. I am delighted that the Alaska mental health bill bears the name of EDITH GREEN, of Portland, Oreg. It is an act of rare courage on her part to offer that bill in view of the fact that the institution where the mentally ill of Alaska are placed is located in her district. I was thrilled when the distinguished chairman of our subcommittee, the gentleman from New York [Mr. O'BRIEN] took such an interest in this matter during the months that the bill was under consideration, and when he made such an eloquent plea for it on the floor here today. I want to thank also the gentleman from Utah [Mr. DAWSON] who has joined with me on so much legislation affecting the Territory of Alaska. I want to express my appreciation at this time likewise to the gentleman from Nebraska, Dr. MILLER. Although it is true that I am opposed to the matching amendment which the gentleman proposes to offer, I want to say that Dr. MILLER did offer the amendment to double the land grant under this bill, and he has been most helpful on many occasions regarding Alaska legislation.

Mr. Chairman, what does this bill seek to do? It has, I should say, five important subheads. In the first place, it revises the commitment procedures. And how badly and how sadly they are in need of such revision has been pointed out by previous speakers. It is an archaic and outmoded system which is in use now, and it is a shame and disgrace that the Federal Government has allowed this situation to continue.

Next, the bill turns over to the Territorial government the administrative and legislative authority over this subject, as is proper to do.

Third, the bill authorizes the appropriation of $6½ million in Federal money for the construction of needed physical facilities.

Fourth, it provides a system for grants-in-aid over a 10-year period.

Fifth and last, the bill grants to Alaska a million acres of land as a sort of economic prop to help the Territory in carrying out the financial aspects of this program.

It might be asked: What is Alaska going to do in all of this? That is important in view of the amendment which I have been informed will be offered later on. Alaska is going to do everything at the end of 10 years, but long before that time, Alaska will start to make its important contribution to this program.

I want to emphasize here that the Congress of the United States long ago forbade Alaska to take any action whatsoever regarding the mentally ill of the Territory. We in the Territory could not even if we wanted to, and I assure you we did want to, pass a single law relating to this subject. Fifty-six years ago the Congress passed an act giving the Governor of Alaska authority to hospitalize our mentally ill. Five years later, or in 1905, that authority was turned over to the Secretary of the Interior. In Alaska's Organic Act which was approved in August of 1912, it was specifically spelled out that the Territory could not alter the 1905 act in any respect whatsoever. So our hands have been tied. We could not do anything about this program although we wanted to.

When the bill which is now before you becomes law in its present form, as I hope and expect it will, then the grant-in-aid program will work in this fashion: For each of the first 2 years the Federal Government will appropriate $1 million. Thereafter the appropriation will be reduced $400,000 in each biennium until at the end of 10 years the entire financial responsibility will be the Territory's. If we had had an opportunity to legislate on this subject in the past, had we been permitted to move into this field, then I do not imagine Alaskans would have been urging the Federal Government to make even this relatively minor contribution financially. But we have not had that opportunity.

Let me make this suggestion, that if we go along as we now are, the Federal Government during the next 10 years will have spent only $3½ million less than it will have spent if we adopt the bill before us. That is the difference—only $3½ million. Look what the expenditure of that $3½ million will bring us. It will bring us a modern system. It will bring us a Government-owned hospital and clinics within the Territory. It will bring us a proper system. We have made 100-percent grants for hospitals in the Virgin Islands. I have before me now a magazine article written by the late Senator Hugh Butler, of Nebraska, in which he speaks of the United States having financed hospitals in Guatemala and in Ecuador. A few hundred beds in maternity hospitals in Ecuador are mentioned. Honduras was also the beneficiary of an outright Federal grant.

I make no complaint about that. I simply point out that it has been done before, and having been done elsewhere it surely ought to be done in the Territory of the United States which has been under this terrific handicap for 56 years. Give us this start and we will go it on our own. I join with the chairman of the subcommittee, the gentleman from New York [Mr. O'BRIEN] in saying that we will not come back to seek more Federal money for this activity. Everywhere the O'Brien committee went throughout Alaska last fall we were told by scores of witnesses, "Start us out. Give us an aiding hand in the beginning of this program and we will carry it from there on out, and gladly."

The CHAIRMAN. The time of the gentleman from Alaska [Mr. BARTLETT] has expired.

Mr. MILLER of Nebraska. Mr. Chairman, I have no further requests for time at this time.

Mr. O'BRIEN of New York. Mr. Chairman, I yield to the gentleman from Michigan [Mr. HAYWORTH], such time as he may require.

Mr. HAYWORTH. Mr. Chairman, I rise to support this legislation, and I ask unanimous consent to revise and extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HAYWORTH. Mr. Chairman, during the previous session I came to realize there was doubt as to the desirability of committing patients with mental disabilities from the Territory of Alaska to the States. Therefore, last fall when on committee business in Alaska, I looked into the problem.

Of the many citizens of that Territory with whom I discussed this question, every one disapproved the present practice. This was no casual judgment. In every case there was instant, wholehearted and vigorous condemnation. They feel, and it seems to me, rightly so, that they are victims of a great social injustice. If you, as a parent, suffered the misfortune of having a child in need of psychiatric treatment, I am sure you would not want to see him transported thousands of miles away so that it would be virtually impossible for you to visit him while he is ill.

And that is all the more true because under present conditions and with the attention given him where he is now being sent in the States, there is scarcely any possibility that he will get treatment—merely confinement.

Modern psychiatry is calling for more and more outpatient treatment. In other words, increased success is being attained by allowing patients to remain in their homes under normal environment and treating them only at intervals. Moreover, mental health is often improved not only by dealing with the patient but also by cooperating with other members of the household. All this is impossible if patients are shipped for treatment to a distant part of the continent.

While in the city of Sitka last fall, I had the privilege of visiting the hospital of Mount Edgecumbe with some 350 beds, and was told there are many other hospitals in Alaska, both governmental and private. The hospital I visited compared favorably with similar institutions in the States. I noted that special consideration was given health problems more often found in the Territory. Today our citizens in Alaska are being denied comparable specialization for the treatment of the mentally ill—for all of which there is no good reason.

Anyone interested in good government and in dealing fairly with the citizens of Alaska should be everlastingly grateful to the gentlewoman from Oregon [Mrs. GREEN] for her willingness to propose this bill. The reason the gentlewoman from Oregon [Mrs. GREEN] is interested is because, for a number of years, she lived close to the private institution in her own district to which patients from Alaska are now sent. For years she has been aware of this great injustice to the people of Alaska and to the taxpayers of the United States.

It is normally expected by the public that Members of Congress work for such legislation as will bring increased appropriations into their districts. This bill does just the opposite for the gentlewoman from Oregon [Mrs. GREEN]. If this bill is made law, approximately a million dollars a year less of Federal appropriations will go into her district. This is log-rolling in reverse. Instead of saying to us, "I'll help roll your log, if you'll help roll mine," the gentlewoman from Oregon [Mrs. GREEN] is saying, "I'll do my duty in saving the taxpayer's dollar in my district, and I assume that's what we're all expected to do."

Mr. O'BRIEN of New York. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read.

Mr. O'BRIEN of New York. Mr. Chairman, I ask unanimous consent that the bill be considered as read and open for amendment.

The CHAIRMAN. Is there objection?

There was no objection.

The bill is as follows:

Be it enacted, etc., That this act may be cited as the "Alaska Mental Health Act."

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PURPOSE

SEC. 2. The purpose of this act is to transfer from the Federal Government to the Territory of Alaska basic responsibility and authority for the hospitalization, care, and treatment of the mentally ill of Alaska and, in connection with such transfer—

(a) to modernize procedures for such hospitalization (including commitment), care and treatment and to authorize the Territory to modify or supersede such procedures;

(b) to assist in providing for the Territory necessary facilities for a comprehensive mental-health program in Alaska, including inpatient and outpatient facilities;

(c) to provide for a land grant to the Territory to assist in placing the program on a firm long-term basis; and

(d) to provide for a 10-year program of grants-in-aid to the Territory to enable the Territory gradually to assume the full operating costs of the program.

POWERS OF THE TERRITORIAL GOVERNMENT

SEC. 3. (a) The Territory of Alaska is hereby authorized to appropriate such sums from the public money of Alaska for the administration of its responsibilities under this act as it may deem appropriate.

(b) Notwithstanding the provisions of section 3 of the act of August 24, 1912 (37 Stat. 512; 48 U. S. C., sec. 24), or any other law, the Territorial Government of Alaska is hereby authorized to enact such laws as it may deem appropriate relating to the hospitalization (including commitment), care, and treatment of residents of or persons in Alaska who are mentally ill, and such legislation may supersede any of the provisions of title I of this act.

TITLE I—HOSPITALIZATION OF THE MENTALLY ILL

DEFINITIONS

SEC. 101. As used in this title—

(a) The term "Alaska" means the Territory of Alaska.

(b) The term "designated examiner" means a licensed physician designated by the Governor as specially qualified, under standards established by him for the purpose of this title, in the diagnosis of mental or related illness: *Provided*, That, for areas in which no licensed physician so qualified is available, any licensed physician may be designated.

(c) The term "Governor" means the Governor of Alaska.

(d) The term "head of a hospital" means the individual in charge of a hospital, or his designated representative, except that when the individual in charge of a hospital is not a licensed physician, authority placed in the head of a hospital by this title which involves in major part the exercise of medical judgment shall be exercised by the highest licensed medical official of the hospital.

(e) The term "hospital" means a public or private hospital or institution or part thereof, equipped and otherwise qualified to provide inpatient care and treatment for the mentally ill.

(f) The term "individual," as used in sections 103 and 104, means a resident of or a person in Alaska.

(g) The terms "interested party" or "interested parties" include the legal guardian, spouse, parent or parents, adult children, other close adult relatives, or an interested, responsible adult friend of a mentally ill individual or a patient.

(h) The term "licensed physician" means an individual licensed under the laws of Alaska to practice medicine or osteopathy; a medical officer of the Government of the United States while in Alaska in the performance of his official duties; or a medical officer of the Territory of Alaska.

(i) The term "mentally ill individual" means an individual having a psychiatric or other disease which substantially impairs his mental health or an individual who is mentally defective or mentally retarded.

(j) The term "patient" means a resident of or person in Alaska qualified under this title for hospitalization as a mentally ill individual.

(k) The term "police officer," when used in connection with cases which involve individuals who, because of mental illness, are likely to injure themselves or others if allowed to remain at liberty, includes a United States marshal.

(l) The term "resident of Alaska" means (i) a person who has lived continuously in Alaska for 1 year immediately preceding his admission as a patient or immediately preceding his becoming a proposed patient, or (ii) a person who has a present intention to make Alaska his home for an indefinite period of time. Such intention may be evidenced by prior statements or it may be implied from facts which show that the person does in fact make Alaska his permanent home. A married woman shall be capable of establishing a legal residence apart from her husband, and an emancipated child under 21 years shall take the legal residence of the parent or guardian with whom he is actually living.

(m) The term "State" or "States" includes the States, the District of Columbia, the Territories and possessions of the United States, and the Commonwealth of Puerto Rico.

(n) The term "United States commissioner" means a United States commissioner, appointed pursuant to section 6 of the act of June 6, 1900 (31 Stat. 323; 48 U. S. C., sec. 104).

POWERS OF THE GOVERNOR

SEC. 102. Except insofar as this title specifically confers certain powers, duties, and functions upon others, the Governor shall be charged with the administration of this title. In addition to such authority as may be conferred upon him by other sections of this title, the Governor is hereby authorized—

(a) to designate hospitals equipped and otherwise qualified to provide inpatient care and treatment for individuals who are mentally ill;

(b) to (1) provide for the hospitalization of mentally ill patients in designated hospitals of Alaska, (2) enter into arrangements with the Surgeon General of the Public Health Service for the care and treatment of such patients in hospitals of the Service in Alaska, (3) negotiate and enter into contracts with any hospital in Alaska for the care and treatment of such patients, and (4) negotiate and enter into contracts, which shall incorporate safeguards consistent with the provisions of this title, with any hospital in the continental United States for the care and treatment of such patients;

(c) to prescribe the form of applications, records, reports, and medical certificates required by this title, and the information to be contained therein;

(d) to require reports from the head of a hospital concerning the care of patients;

(e) to visit each hospital to review methods of care for all patients;

(f) to investigate complaints made by a patient or an interested party on behalf of a patient;

(g) to establish such rules and regulations not inconsistent with the provisions of this title as he may find to be reasonably necessary for the proper and efficient administration of this title; and

(h) to delegate to any officer or agency of the Territorial Government of Alaska any of the duties and powers imposed upon him by this title.

AUTHORITY TO RECEIVE PATIENTS

SEC. 103. The head of any hospital which has been designated by the Governor pursuant to section 102 is authorized to receive therein for observation, diagnosis, care, and treatment any individual whose admission is applied for under one of the following procedures:

On application by patient or by guardian of minor

(a) Any individual who is mentally ill or who has symptoms of mental illness but who has sufficient insight or capacity to make responsible application for admission and who, being 16 years of age or over, applies therefor may be admitted on his own application. Any individual under 16 years of age who is mentally ill or has symptoms of mental illness may be admitted if his parent or legal guardian applies therefor in his behalf.

On application by others

(b) Any individual may be admitted for care and treatment in a hospital upon written application by an interested party, by a health or welfare officer, by the Governor, or by the head of any institution in which the individual may be, if the application is accompanied by a certificate of a licensed physician that, on the basis of an examination held not more than 15 days prior to the individual's admission, such individual in his opinion is mentally ill and because of his illness, either (1) is likely to injure himself or others if allowed to remain at liberty, or (2) being in need of care or treatment in a hospital, lacks sufficient insight or capacity to make responsible application in his own behalf.

EMERGENCY HOSPITALIZATION

Upon medical certification and endorsement

SEC. 104. (a) If the certificate by a licensed physician under section 103 (b) states a belief that the individual is likely to injure himself or others if allowed to remain at liberty, any health, welfare, or police officer, or any person deputized by a United States commissioner, shall have authority, upon endorsement of the certificate for such purpose by the Governor or by a United States

commissioner, to take the individual into custody, apply to a designated hospital for his admission, and transport him thereto.

Without certification or endorsement

(b) Any health, welfare, or police officer who has reason to believe that an individual is mentally ill and, because of his illness, is likely to injure himself or others if not immediately restrained pending examination or certification by a licensed physician or pending endorsement of such certification as provided in subsection (a) of this section, may take the individual into custody, apply to a designated hospital for his admission and transport him thereto. The application for admission shall state the circumstances under which the individual was taken into custody and the reason for the officer's belief.

EXAMINATION OF NEWLY ADMITTED PATIENTS; DISCHARGE BY HOSPITAL

SEC. 105. The head of the hospital shall arrange for an examination by a designated examiner of every patient hospitalized pursuant to section 103 (b) or section 104 within a period not to exceed 5 days after the day of admission. At the end of such period, any patient so admitted shall, without need of application therefor, be discharged if an examination has not been held or if, upon examination, the designated examiner refuses or fails to certify to the head of the hospital that in his opinion the patient is mentally ill and either is likely to injure himself or others if allowed at liberty, or is in need of care or treatment in a hospital and because of his illness lacks sufficient insight or capacity to make responsible application therefor.

RIGHT TO DISCHARGE ON APPLICATION; EMERGENCY DETENTION

SEC. 106. (a) Any individual admitted to a hospital under authority of section 103 or 104 shall be forthwith discharged therefrom upon his request or upon the request in writing by an interested party, except that—

(1) if admitted upon his own application, his discharge may be conditioned upon his agreement;

(2) if under 16 years of age and admitted pursuant to section 103 (a), his discharge prior to becoming 16 years of age may be conditioned upon the consent of his parent or guardian;

(3) if the head of a hospital, within 48 hours from the receipt of the request, files with a United States commissioner a certification that in his opinion the discharge of the patient would be unsafe to the patient or others, the discharge may be postponed for such period not to exceed 5 days as the United States commissioner may determine to be necessary for the commencement of commitment proceedings pursuant to section 108: *Provided*, That if the United States commissioner finds that, because of circumstances beyond control, proceedings for judicial hospitalization cannot reasonably be instituted in such time, the discharge may be postponed for a period not to exceed 15 days.

(b) The head of the hospital shall provide reasonable means and arrangements for informing patients of their right to discharge as provided in this section and other sections of this title and for assisting them in making and presenting requests for discharge.

PETITION FOR JUDICIAL DETERMINATION

SEC. 107. Any patient hospitalized pursuant to section 103 (b), 104, or 108 shall be entitled to have the need for his continued hospitalization determined or redetermined on his own petition, or that of an interested party, to the United States commissioner. Upon receipt of the petition, the United States commissioner shall conduct proceedings in accordance with section 108, except that such proceedings shall not be required to be conducted if the petition is filed sooner than 6 months after the issuance of an order of hospitalization under section 108 or sooner than 1 year after the filing of a previous petition under this section.

HOSPITALIZATION UPON COURT ORDER; JUDICIAL PROCEDURE

SEC. 108. (a) An interested party, a licensed physician, a health officer, or the Governor may, by filing a written application with a United States commissioner, commence proceedings for the hospitalization of an individual by judicial commitment. Any such application shall be accompanied by a certificate of a licensed physician stating that he has examined the individual and is of the opinion that the individual is mentally ill and should be hospitalized, or by a written statement by the applicant that the individual has refused to submit to examination by a licensed physician.

(b) Upon receipt of an application, the United States commissioner shall give notice thereof to the proposed patient, to his legal guardian, if any, and to one or more of the other interested parties, if any. If, however, the United States commissioner has reason to believe that notice would be likely to be injurious to the proposed patient, notice to him may be omitted.

(c) As soon as practicable after notice of the commencement of proceedings is given or it is determined that notice to the proposed patient should be omitted, the United States commissioner shall appoint two designated examiners except that when he finds that two such examiners are not available, he may appoint a single examiner, to examine the proposed patient and report to the United States commissioner their findings as to the mental condition of the proposed patient and his need for care in a hospital.

(d) The examination shall be held at a hospital or other medical facility, at the home of the proposed patient, or at any other suitable place not likely to have a harmful effect on his health. A proposed patient to whom notice of the commencement of proceedings has been omitted shall not be required to submit to an examination against his will, but if the designated examiners report that the proposed patient refuses to submit to an examination, the United States commissioner shall give notice to the proposed patient and order him to submit to such examination.

(e) If the report of the designated examiners states that the proposed patient is not mentally ill, the United States commissioner may, without taking any further action, terminate the proceedings and dismiss the application. Otherwise, he shall forthwith fix a date for and give notice of a hearing to be held not less than 5 nor more than 15 days from receipt of the report of the designated examiners.

(f) The proposed patient, the applicant, the legal guardian, and other interested parties as determined by the commissioner, shall be given notice and afforded an opportunity to appear at the hearing, to testify, and to present and cross-examine witnesses, and the United States commissioner may, in his discretion, receive the testimony of any other person. The proposed patient shall not be required to be present, and the United States commissioner is authorized to exclude all persons not necessary for the conduct of the proceedings. The hearings shall be conducted in as informal a manner as may be consistent with orderly procedure and in a physical setting not likely to have a harmful effect on the mental health of the proposed patient. The United States commissioner shall receive all relevant and material evidence which may be offered concerning the mental condition and the residence of the proposed patient and shall not be bound by the rules of evidence. An opportunity to be represented by counsel shall be afforded to every proposed patient, and if neither he nor others provide counsel, the United States commissioner shall appoint counsel.

(g) If, upon completion of the hearing and consideration of the record, the United States commissioner finds that the proposed patient—

(1) is mentally ill; and

(2) (A) because of his illness is likely to injure himself or others if allowed to remain at liberty; or

(B) is in need of custody, care, or treatment in a hospital and, because of his illness, lacks sufficient insight or capacity to make responsible decisions concerning hospitalization,

the United States commissioner shall order his hospitalization either for an indeterminate period or for a temporary observational period not exceeding 6 months; otherwise, he shall terminate the proceedings and dismiss the application. If the United States commissioner orders the hospitalization of the proposed patient, he shall issue a finding on the legal residence of the patient. If the order is for a temporary period of hospitalization, the United States commissioner may at any time prior to the expiration of such period, on the basis of a report by the head of a hospital and such further inquiry as he may deem appropriate, order either indeterminate hospitalization of the patient or dismissal of the proceedings.

(h) The order of hospitalization shall be directed to the Governor and shall state whether the individual shall be detained for an indeterminate or for a temporary period and, if for a temporary period, then for how long. Unless otherwise directed by the United States commissioner, it shall be the responsibility of the Governor to assure the carrying out of the order of hospitalization within such period as the United States commissioner shall specify.

(i) Notwithstanding any other provision of this title except for section 119, commitment proceedings under this section shall not be commenced with respect to a patient admitted pursuant to section 103 (a) unless release of the patient has been requested by him or by an interested party on his behalf.

COMMITMENT TO AN AGENCY OF THE UNITED STATES

SEC. 109. (a) If an individual ordered to be hospitalized pursuant to section 108 is eligible for hospital care or treatment at the expense of any agency of the United States, the United States commissioner, upon receipt of a certificate from such agency showing that accommodations are available and that the individual is eligible for care, may order him to be placed in the custody of such agency for hospitalization. When any such individual is admitted, pursuant to the order of a United States commissioner, to any hospital or institution operated by any agency of the United States within or without Alaska, he shall be subject to the rules and regulations of such agency. The chief officer of any hospital or institution operated by such agency and in which the individual is so hospitalized shall with respect to such individual be vested with the same powers as the Governor or the head of a hospital concerning the detention, custody, transfer, conditional release, or discharge of patients. Jurisdiction is retained in the United States commissioner to inquire at any time into the mental condition of an individual so hospitalized, and to determine the necessity for continuance of his hospitalization, and every order of hospitalization issued pursuant to this section is so conditioned.

(b) An order of a court of competent jurisdiction of any State, authorizing hospitalization of any individual by any agency of the United States, shall have the same force and effect as to the individual while in Alaska as in the jurisdiction in which the court entering the order is situated; and

the courts of the jurisdiction issuing the order shall be deemed to have retained jurisdiction of the individual so hospitalized for the purpose of inquiring into his mental condition and of determining the necessity for continuance of his hospitalization, as is provided in subsection (a) of this section with respect to individuals ordered hospitalized by the United States commissioner. Consent is hereby given to the application of the law of the State in which is located the court issuing the order for hospitalization with respect to the authority of the chief officer of any hospital or institution operated in Alaska by any agency of the United States to retain custody, transfer, conditionally release, or discharge the individual hospitalized.

DETENTION UNDER SPECIAL CIRCUMSTANCES

SEC. 110. (a) Pending his removal to a hospital, a patient taken into custody under section 104 or ordered to be hospitalized pursuant to section 108 may be detained in his home, a licensed foster home, or any other suitable facility under such reasonable conditions as the Governor may fix, but he shall not, except because of and during an extreme emergency, be detained in a nonmedical facility used for the detention of individuals charged with or convicted of penal offenses. The Governor shall take such reasonable measures, including provision for medical care, as may be necessary to assure proper care of an individual temporarily detained pursuant to this section.

(b) Notwithstanding any other provision of this title, no patient with respect to whom proceedings for judicial hospitalization have been commenced and whose discharge would, in the opinion of the head of the hosptal, be unsafe to the patient or others shall be released or discharged from a hospital during the pendency of such proceedings unless ordered by a United States Commissioner upon the application of the patient or of an interested party.

(c) No patient held on order of a court or judge having criminal jurisdiction in any action or proceeding arising out of a criminal offense shall be discharged except upon order of a court of competent jurisdiction.

WRIT OF HABEAS CORPUS

SEC. 111. Any individual detained pursuant to this title shall be entitled to the writ of habeas corpus upon proper petition by himself or a friend to any court generally empowered to issue the writ of habeas corpus in the jurisdiction in which he is detained.

APPEAL FROM DECISION OR ORDER OF UNITED STATES COMMISSIONER

SEC. 112. Any party may appeal to the District Court for the Territory of Alaska from any decision or order of a United States Commissioner pursuant to this act within 10 days of the date of the decision or order, and the District Court for the Territory of Alaska shall review the case on the record. While such appeal is pending, the decision or order of the United States Commissioner shall, unless otherwise directed by the court, be given full force and effect as if no appeal had been taken. Any appeal from a final or interlocutory decision of the District Court for the Territory of Alaska in a proceeding under this act shall be governed by the law applicable generally to appeals from the District Court for the Territory of Alaska.

TRANSPORTATION

SEC. 113. Whenever an individual is about to be hospitalized under the provisions of this title, the Governor shall arrange, upon the request of a person having a proper interest in the individual's hospitalization, for the individual's transportation to the hospital, with appropriate medical or nursing attendants and by such means as may be suitable for the patient's medical condition. Whenever practicable, the individual to be hospitalized shall be permitted to be accompanied by one or more of his relatives or friends who shall travel at their own expense. When necessary the Governor shall arrange for a police officer to accompany the individual.

NOTICE OF HOSPITALIZATION

SEC. 114. Whenever a patient has been admitted to a hospital pursuant to this title other than upon his own application, the head of the hospital shall notify immediately the patient's legal guardian, parent or parents, spouse, or next of kin, if known. The head of the hospital admitting an individual under any provision of this title, or discharging an individual so admitted, shall forthwith make a report thereof to the Governor.

RIGHT TO HUMANE CARE AND TREATMENT

SEC. 115. Every patient shall be entitled to humane care and treatment and, to the extent that facilities, equipment, and personnel are available, to medical care and treatment in accordance with the highest standards accepted in medical pratcice.

MECHANICAL RESTRAINTS

SEC. 116. Mechanical restraints shall not be applied to a patient unless it is determined by the head of the hospital or his designee to be required by the medical needs of the patient. Every use of a mechanical restraint and the reasons therefor shall be made a part of the clinical record of the patient under the signature of the head of the hospital or his designee.

RIGHT TO COMMUNICATE AND VISITATION; EXERCISE OF CIVIL RIGHTS

SEC. 117. (a) Subject to the general rules and regulations of the hospital and except to the extent that the head of the hospital determines that it is necessary for the medical welfare of the patient to impose restrictions, every patient shall be entitled—

(1) to communicate by sealed mail or otherwise with persons, including official agencies, inside or outside the hospital;

(2) to receive visitors; and

(3) to exercise all civil rights, including the right to dispose of property, execute instruments, make purchases, enter contractual relationships, and vote, unless he has been adjudicated incompetent and has not been restored to legal capacity.

(b) Notwithstanding any limitations authorized by this section on the right of communication, every patient shall be entitled to communicate by sealed mail with the governor and with the United States Commissioner, if any, who ordered his hospitalization.

(c) Any limitations imposed by the head of a hospital on the exercise of these rights by a patient and the reasons for such limitations shall be made a part of the clinical record of the patient.

TRANSFER OF PATIENTS GENERALLY

SEC. 118. (a) The governor may authorize the transfer of a patient from one hospital to another hospital if he determines that it would be consistent with the medical needs of the patient to do so. Whenever a patient is transferred, written notice thereof shall be given to his legal guardian, if any, parent or parents, and spouse, or, if none be known, to any other interested party. In all such transfers, due consideration shall be given to the relationship of the patient to his family, legal guardian, or friends, so as to maintain relationships and encourage visits beneficial to the patient.

(b) Upon receipt of a certificate from an agency of the United States that accommodations are available for the care of any individual heretofore ordered hospitalized pursuant to law or hereafter hospitalized pursuant to section 108 of this title in any hospital for care or treatment of the mentally ill, and that such individual is eligible for care or treatment in a hospital or institution of such agency, the Governor may cause his transfer to such agency of the United States for hospitalization. The United States Commissioner who ordered the individual to be hospitalized, and the guardian, spouse, and parent or parents, or if none be known, some other interested party, shall be notified immediately of the transfer by the Governor. No person shall be transferred to an agency of the United States if he is confined pursuant to conviction of any felony or misdemeanor, or if he has been acquitted of a criminal charge solely on the ground of mental illness, unless prior to transfer the United States Commissioner who originally ordered confinement of such person shall enter an order for the transfer after appropriate motion and hearing. Any person transferred as provided in this section to any agency of the United States shall be deemed to be hospitalized by that agency pursuant to the original order of hospitalization.

TRANSFER OF NONRESIDENT PATIENTS

SEC. 119. (a) The admission papers of any person hospitalized pursuant to this title shall include a statement as to his legal residence. The Governor is authorized to transfer any patient who has been hospitalized by the judicial procedure and who is not a resident of Alaska to the State in which he has legal residence. In addition, the Governor is authorized to transfer any other patient who is not a resident of Alaska to the State in which he has a legal residence, if the consent of the patient or his legal guardian has been obtained. If the patient or his legal guardian refuses to give consent, the Governor may order the discharge of the patient: *Provided*, That if the patient is certified by the head of a hospital to be dangerous to himself or to others, the Governor may cause proceedings for judicial hospitalization to be initiated with respect to such patient, pursuant to section 108 of this title. For the purposes of this subsection, the term "State" (as defined in section 101 (m)), shall mean only a State which has agreed to the transfer or return of patients hospitalized pursuant to this title.

(b) For the purpose of facilitating the return of such nonresident patients, the Governor may enter into a reciprocal agreement with any State providing for the prompt transfer, under appropriate supervision, of residents of such State or Alaska who are mentally ill. Mentally ill residents of Alaska who have been hospitalized outside Alaska may be transferred, with the approval of the Governor, to a hospital designated by the Governor. All expenses incurred in returning to their legal residence patients who are nonresidents of Alaska may be paid from funds appropriated for the administration of this title, but the expense of transferring residents of Alaska who have been hospitalized for mental illness outside Alaska shall be borne by the State making the transfer.

(c) The Governor is hereby further authorized to enter into a reciprocal agreement with any State providing for the care and treatment of mentally ill residents of Alaska by such State, and for the care and treatment of mentally ill residents of such State by Alaska, each on a reimbursable basis.

(d) In taking action under subsections (a) and (c) of this section, due consideration shall be given to the relationship of patient to his family, legal guardian, or friends, so as to maintain relationships and encourage visits beneficial to the patient.

CONTRACT CARE OUTSIDE ALASKA; RIGHTS UNDER STATE LAW

SEC. 120. Nothing in this act shall be deemed to alter or impair the application or availability to any patient, while hospitalized in a State outside Alaska pursuant to contractual arrangements under section 102 (b), of any rights, remedies, or protective safeguards provided by the law of such State.

RELEASE ON CONVALESCENT STATUS

SEC. 121. The head of a hospital may place an improved patient on convalescent status when he believes that such status is in the best interests of the patient. Convalescent status shall so far as practicable include provisions for continuing responsibility to and by the hospital, and for a plan of treatment on an outpatient basis or under the direction of a licensed physician. Prior to the end of a year on convalescent status, and not less frequently than annually thereafter, the head of the hospital shall reexamine the facts relating to the hospitalization of the patient on convalescent status and, if he determines that in view of the condition of the patient hospitalization is no longer necessary, he shall discharge the patient.

READMISSION

SEC. 122. At any time prior to such discharge, the head of the hospital from which the patient is given convalescent status may readmit the patient. If in the case of a patient committed under section 108 there is reason to believe that it is to the best interest of the patient to be rehospitalized, the Governor or the head of the hosptial may issue an order for the immediate rehospitalization of the patient. Such an order, if not voluntarily complied with, shall, upon the endorsement by a United States commissioner of the precinct in which the patient is resident or present, authorize any health, welfare, or police officer to take the patient into custody and transport him to the hospital, or if the order is issued by the Governor to a hospital designated by him.

DISCHARGE UPON MEDICAL REVIEW AND CERTIFICATION

SEC. 123. The head of a hospital shall cause the condition of every patient to be reviewed as frequently as practicable, but not less often than every 6 months, and whenever the head of a hospital certifies that the conditions justifying hospitalization no longer obtain, the patient shall be discharged. If the patient was admitted on other than his own application, notice of such discharge shall be given to the patient's legal guardian, parent or parents, spouse, or next of kin, if known, and, if the patient was hospitalized by judicial process, to the United States commissioner who ordered him to be committed.

PROVISION FOR PERSONAL NEEDS OF A PATIENT ON DISCHARGE

SEC. 124. The Governor shall make such arrangements as may be necessary to insure—

(a) that no patient is discharged or granted a conditional release from a hospital without suitable clothing; and

(b) that any indigent patient discharged or granted a conditional release is furnished suitable transportation for his return home and an amount of money not exceeding $50.

DISPOSITION OF UNCLAIMED FUNDS OF PATIENTS

SEC. 125. All articles of personal property belonging to a patient who has died prior to his release on convalescent status or discharge or who has eloped therefrom, and remaining in the custody of the head of the hospital, shall, if unclaimed by such patient, or his legal heirs or reprstatives, within the period of five years after the decease of such patient or the date of his leaving the hospital, be disposed of in such manner as the Governor may prescribe, and any proceeds resulting therefrom shall be covered into the Treasury of the Territory of Alaska. Any moneys remaining to the credit of such patient, if unclaimed by his legal heirs or representatives or by such patient within the period if five years after the decease of such patient or the rate of his leaving the hospital, shall be covered into the Treasury of the Territory of Alaska.

DISPOSITION OF FUNDS SUBJECT TO CLAIM

SEC. 126. The Governor shall cause diligent inquiry to be made, in every instance after death or elopement of any patient, to ascertain his whereabouts or that of his legal heirs or representatives and shall turn over to the proper party or parties any moneys or articles of personal property in the custody of the head of the hospital to the credit of such person. Claims to such moneys or articles of personal property may be presented to the Governor at any time. In the event a claim is established by competent proof more than five years after the death or elopment of a patient, it shall be certified to the Territorial legislature for consideration.

DISCLOSURE OF INFORMATION

SEC. 127. (a) All certificates, applications, records, and reports, other than on order of a court or United States commissioner made for the purposes of this title, and directly or indirectly identifying a patient or former patient or an individual whose hospitalization has been sought under this title together with clinical information relating to such patients shall be kept confidential and shall not be disclosed by any person except insofar—

(1) as the individual identified or his legal guardian, if any (or, if he be a minor, his parent or legal guardian), shall consent; or

(2) as disclosure may be necessary to carry out any of the provisions of this title; or

(3) as a court may direct upon its determination this disclosure is necessary for the conduct of proceedings before it and that failure to make such disclosure would be contrary to the public interest.

(b) Nothing in this section shall preclude disclosure, upon proper inquiry, of information concerning current medical condition to the members of the family of a patient or to his relatives of friends.

(c) Any person violating any provision of this section shall be guilty of a misdemeanor and subject to a fine of not more than $500 or imprisonment for not more than 1 year, or both.

UNWARRANTED HOSPITALIZATION OR DENIAL OF RIGHTS; PENALTIES

SEC. 128. Any person who willfully causes, or conspires with or assists another to cause—

(a) the unwarranted hospitalization of any individual under the provisions of this title; or

(b) the denial to any individual of any rights granted to him under the provisions of this title, shall be punished by a fine not exceeding $500 or imprisonment not exceeding 1 year, or both.

LIABILITY FOR EXPENSE OF HOSPITALIZATION

SEC. 129. (a) It shall be the duty of a patient, or his legal representative, spouse, parents, adult children, in that sequence, to pay or contribute to the payment of the charges for the care or treatment of such patient when hospitalized pursuant to the provisions of this title in such manner and proportion as the Governor may find to be within their ability to pay: *Provided*, That such charges shall in no case exceed the actual cost of such care and treatment. The order of the Governor relating to the payment of charges by persons other than the patient, or his legal representative, shall be prospective in effect and shall relate only to charges to be incurred subsequent to the order: *Provided, however*, That if any of the above-named persons willfully conceal their ability to pay, such persons shall be ordered to pay, to the extent of their ability, charges accruing during the period of such concealment. The Governor may cause to be made such investigations as may be necessary to determine such ability to pay, including the requirement of sworn statements of income by such persons.

(b) As used in subsection (a), the term "actual cost of care," shall mean either the rate provided for by a contract entered into pursuant to section 102 (b) of this title, or, in the absence of such contract, a per diem rate fixed by the Governor.

(c) The Governor is authorized to accept from any interested party any payment for the care and treatment of any patient, even if such payment is not required by an order of the Governor under subsection (a), so long as the total payments received under subsection (a) and this subsection do not exceed the actual cost of care and treatment.

FEES AND EXPENSES FOR JUDICIAL PROCEEDINGS

SEC. 130. A United States commissioner and the witnesses, in proceedings for judicial hospitalization shall be entitled to the same compensation and mileage as in civil actions. All compensation, mileage, fees, and all other expenses arising from judicial hospitalization proceedings shall be audited and allowed by the district judge of the division in which said proceedings are held, and when so audited and allowed shall be paid by the clerk of the court in said division in the same manner and from the same fund as he pays the other incidental expenses of the court. To the extent that services of a United States marshal or deputy marshal are utilized to carry out the provisions of this title, such marshal or deputy marshal shall be entitled to fees and actual expenses from the same source and in the same manner as for their other official duties.

TITLE II—GRANTS

SPECIAL GRANTS TO ALASKA FOR MENTAL HEALTH

SEC. 201. Title II of the Public Health Service Act, as amended, is hereby amended by adding thereto a new part as follows:

"PART H—GRANTS TO ALASKA FOR MENTAL HEALTH

"Grants for Alaska mental health program

"SEC. 371. (a) There are hereby authorized to be appropriated the following sums to be available to the Surgeon General of the Public Health Service for the purpose of making grants to the Territory of Alaska to assist it to carry out plans, submitted by the Governor of the Territory or his designee and approved by the Surgeon General, for an integrated mental health program for the Territory, including the outpatient and inpatient care and treatment of the mentally ill as defined in title I of the Alaska Mental Health Act: For each of the fiscal years ending June 30, 1957, and June 30, 1958, the sum of $1 million; for each of the fiscal years ending June 30, 1959, and June 30, 1960, the sum of $800,000; for each of the fiscal years ending June 30, 1961, and June 30, 1962, the sum of $600,000; for each of the fiscal years ending June 30, 1963, and June 30, 1964 the sum of $400,000; and for each of the years ending June 30, 1965, and June 30, 1966, the sum of $200,000.

"(b) The Surgeon General shall, prior to the beginning of each calendar quarter or such shorter period as the Surgeon General may find necessary, estimate the cost of carrying out the approved plan, on the basis of estimates furnished by the Territory, including estimates of the amount of contractual obligations for the hospitalization of the mentally ill, and on the basis of such further investigations as he may find necessary. From the amounts appropriated for any fiscal year, the Surgeon General shall pay to the Territory the amount requested by it but not to exceed the amount so estimated by the Surgeon General for each such period, reduced or increased, as the case may be, by any sum (not previously adjusted under this section) by which he finds that the amount paid for any prior period was greater or less than the amount which should have been paid. The amount of any balance of payments made to the Territory under this section and remaining unobligated on July 1, 1966, shall be repaid to the Treasury of the United States.

"(c) Whenever the Surgeon General finds, after affording opportunity for hearing, that

the Territory has failed to comply substantially with any provisions of the approved plan, he shall notify the Governor that no further payments will be made under this section (or that further payments will not be made for parts of the plan affected by such failure) until he is satisfied that there will no longer be any such failure.

"(d) The Surgeon General is authorized to enter into arrangements with the Territorial government to provide for the care and treatment, in hospitals operated by the Service, in Alaska, of patients requiring hospitalization on account of mental illness. Such arrangements shall be subject to the availability of suitable facilities therefor and shall provide for charges to the Territorial government in amounts determined by the Surgeon General which shall be sufficient to cover the full cost of such care and treatment. Upon payment by the Territory the amount of such charges shall be credited to the appropriation from which such costs were incurred: *Provided*, That, during the period of grants under this section, payment may be effected by deductions from the amount of such grants otherwise payable to the Territory, and credited to the appropriation from which such costs were incurred.

"(e) The Governor of Alaska is hereby authorized, until April 1, 1957, and without further authorization from the Territorial legislature, to expend such funds as may be made available to the Territory of Alaska pursuant to this section.

"*Payments for construction of hospital facilities*

"SEC. 372. (a) There is hereby authorized to be appropriated for the period beginning July 1, 1956, and ending June 30, 1966, a total sum in the amount of $6.5 million, to remain available until expended, to enable the Surgeon General to make payments to the Territory of Alaska for the cost of construction of hospital and other facilities in Alaska needed for the carrying out of a comprehensive program for the mentally ill as defined in title I of the Alaska Mental Health Act.

"(b) Such facilities shall be scheduled for construction in accordance with a comprehensive construction program, developed by the Territory in consultation with the Public Health Service and approved by the Surgeon General. Projects shall be constructed in accordance with such approved program and in accordance with plans and specifications for the project approved by the Surgeon General.

"(c) Upon certification by the Territory, based upon inspection by it, that work has been performed upon a project, or purchases have been made in accordance with approved plans and specifications, and that payment of an installment is due, the Surgeon General shall certify such installment for payment: *Provided, however*, That the Surgeon General may cause the project to be inspected at any time, and if such inspection indicates that the project is not being constructed in accordance with approved plans and specifications, he may, after notice and affording opportunity for hearing, withhold further payment until he finds that adequate corrective measures have been taken.

"(d) The term 'cost of construction' means the amount found necessary by the Surgeon General for the construction of a project and includes the construction and initial equipment of buildings (including medical transportation facilities), architects' and engineering fees, the cost of land acquired specifically for the purpose of the project, and on-site improvements.

"(e) If, within 20 years from the date of completion of construction, any hospital or other medical facility constructed with the aid of grants under this section shall cease to be a publicly owned facility operated for the care of the mentally ill, the United States shall be entitled to recover from the Territory the then value of the hospital or other medical facility reduced, however, proportionately to the extent to which the Territory may have contributed to the cost of construction thereof."

LAND GRANT

SEC. 202. (a) The Territory of Alaska is hereby granted and shall be entitled to select, within 5 years from the effective date of this act, not to exceed 500,000 acres from the public lands of the United States in Alaska which are vacant, unappropriated, and unreserved at the time of their selection: *Provided*, That nothing herein contained shall affect any valid existing rights. All lands duly selected by the Territory of Alaska pursuant to this section shall be patented to the Territory by the Secretary of the Interior.

(b) The lands authorized to be selected by the Territory of Alaska by subsection (a) of this section shall be selected in such manner as the laws of the Territory may provide, and in conformity with such regulations as the Secretary of the Interior may prescribe. The authority to make selections shall never be alienated or bargained away, in whole or in part, by the Territory. All selections shall be made in reasonably compact tracts, taking into account the situation and potential uses of the lands involved. Upon the revocation of any order of withdrawal in Alaska, the order of revocation shall provide for a period of not less than 90 days before the date on which it otherwise becomes effective during which period the Territory of Alaska shall have a preferred right of selection, subject to the requirements of this act, except as against prior existing valid rights or as against equitable claims subject to allowance and confirmation. Such preferred right of selection shall have precedence over the preferred right of application created by section 4 of the act of September 27, 1944 (58 Stat. 748; 43 U. S. C., sec. 282), as now or hereafter amended, but not over other preference rights now conferred by law. As used in this subsection, the words "equitable claims subject to allowance and confirmation" include, without limitation, claims of holders of permits issued by the Department of Agriculture on lands eliminated from national forests, whose permits have been terminated only because of such elimination and who own valuable improvements on such lands.

(c) All grants made or confirmed under this section shall include mineral deposits.

(d) Following the selection of lands by the Territory and the approval of such selection by the Secretary of the Interior, but prior to the issuance of final patent, the Territory shall be authorized to lease and to make conditional sales of such selected lands.

(e) All lands granted to the Territory of Alaska under this section, together with the income therefrom and the proceeds from any dispositions thereof, shall be administered by the Territory of Alaska as a public trust for the hospitalization and care of the mentally ill in Alaska. Such lands, income, and proceeds shall be managed and utilized in such manner as the Legislature of Alaska may provide. Such lands, together with any property acquired in exchange therefor or acquired out of the income or proceeds therefrom, may be sold, leased, mortgaged, exchanged, or otherwise disposed of in such manner as the Legislature of Alaska may provide, in order to obtain funds or other property to be invested, expended, or used by the Territory of Alaska. The authority of the Legislature of Alaska under this subsection shall be exercised in a manner compatible with the conditions and requirements imposed by other provisions of this act.

TITLE III—MISCELLANEOUS PROVISIONS

LAWS REPEALED

SEC. 301. (a) The following acts and all amendments thereto and parts of acts and all amendments thereto are repealed:

(1) Section 8 of the act of January 27, 1905 (33 Stat. 619; 48 U. S. C., sec. 47);

(2) Section 7 of the act of February 6, 1909 (35 Stat. 610; 48 Stat. U. S. C., sec. 46);

(3) Act of June 25, 1910 (36 Stat. 852; 48 U. S. C., sec. 46b);

(4) Act of April 24, 1926 (44 Stat. 322; 38 U. S. C., secs. 50 and 50a); and

(5) Act of October 14, 1942 (56 Stat. 782; 48 U. S. C., secs. 46, 46c, 47a, 47b, 47c, 48, 48a, 50, 50a): *Provided*, That the Secretary of the Interior shall retain the authority conferred upon him by the act of April 24, 1926, as amended (48 U. S. C., secs. 50, 50a), with respect to the moneys and personal property of any patient who has died or eloped prior to the effective date of this act.

(b) Any rights or liabilities now existing under the acts, the amendments thereto, and parts of acts referred to in subsection (a) hereof shall not be affected by this repeal.

EXISTING CONTRACT AND APPROPRIATIONS

SEC. 302. (a) Within 30 days from the date of enactment of this act, the Secretary of the Interior, with the concurrence of the Governor of Alaska, shall either (i) assign all of his rights and duties under contract numbered 13-04-001-81, entered into on June 18, 1953, between the Secretary of the Interior on behalf of the United States, and the Sanitarium Co., of Portland, Oreg., to the Territory of Alaska, such an assignment to become effective on the effective date specified in section 304 hereof, or (ii) terminate the said contract in accordance with the terms thereof. Upon such assignment, such contract shall have the same binding effect upon the Territory as would a contract negotiated pursuant to section 102 (b) of this act.

(b) On the effective date of this act, so much of all unexpended balances of appropriations as are available to the Department of the Interior for the care of the Alaska insane shall be transferred to the Governor of Alaska to be available for expenditure by him for the administration of this act, and the Secretary of the Interior shall, as soon as practicable, after the date of enactment hereof, before or after the effective date of this act, transfer to the Governor of Alaska all papers and documents used primarily in the administration of all laws pertaining to the Alaska insane.

(c) Until July 1, 1956, expenses for the transportation to a hospital outside of Alaska of all patients hospitalized pursuant to section 108 of title I of this act shall be paid by the Department of Justice.

SEPARABILITY

SEC. 303. If any portion of this act or the application thereof to any person or circumstance is held invalid, the remainder of the act and the application of such provision to other persons or circumstances shall not be affected thereby.

EFFECTIVE DATE

SEC. 304. Except as otherwise provided in section 302 hereof, this act shall become effective on the 210th day immediately following the date of its enactment.

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read the following committee amendments:

Page 2, Table of Contents, strike out "Sec. 128. Unwarranted hospitalization or denial of rights; penalties." Renumber "Sec. 129." as "Sec. 128." and "Sec. 130." as "Sec. 129."

Page 15, line 2, strike the words "less than five nor."

Page 15, line 17, after the word "receive", insert the words "and maintain a record of."

Page 15, line 23, at the end of the line add the following language: "If, not less than five days prior to the date fixed for the hearing, the proposed patient, his counsel, or any member of his immediate family files a written request with the United States Commissioner therefor, the Commissioner shall summon and impanel a jury of six adult residents to hear and consider the evidence concerning the mental condition of the proposed patient."

Page 16, line 1, after the word "Commissioner", insert the following words: "or, in the event the right to a jury has been exercised pursuant to subsection (f) hereof, the jury."

Page 28, lines 17 and 18, strike the words "or granted a conditional release."

Page 28, lines 20 and 21, strike the words "or granted a conditional release."

Page 30, line 22, strike the word "this" and insert in lieu thereof the word "that."

Page 31, strike all of lines 8 through 17, and renumber all subsequent sections in title I.

Page 32, line 14, strike the words "of care" and insert in lieu thereof the words "of such care and treatment."

Page 32, lines 25 and 26, strike the words "and the witnesses" and insert in lieu thereof the words ", the witnesses, and the jurymen, if any."

Page 33, line 16, strike the roman numeral "II" and insert in lieu thereof the roman numeral "III."

Page 35, line 18, strike the words "in Alaska."

Page 36, line 4, strike the word "and" and insert in lieu thereof the words "with such deductions to be."

The committee amendments were agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 36, line 12, strike all of lines 12 through 20, inclusive, and insert in lieu thereof the following:

"SEC. 372. (a) There is hereby authorized to be appropriated an amount not exceeding the total sum of $6,500,000, to remain available until expended, to enable the Surgeon General to make payments to the Territory of Alaska as the total contribution of the Federal Government to be used in the construction of hospital and other facilities in Alaska needed for the carrying out of a comprehensive program for the mentally ill as defined in title I of the Alaska Mental Health Act."

Mr. MILLER of Nebraska. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. MILLER of Nebraska to the committee amendment: On page 37, line 6, after the word "act", strike out the period and insert a semicolon and the following: "*Provided*, That the Territory of Alaska shall match dollar for dollar all Federal money advanced for the construction of the hospital and other facilities."

Mr. MILLER of Nebraska. Mr. Chairman, I will not belabor the Committee with a long explanation of the amendment; it speaks for itself. It requires that the Territory have some responsibility. As it is under the proposed bill they have not a thin dime invested in the new hospital.

The principle in the United States is to require States to match Federal funds. We do it under the Hill-Burton Act, and the Federal matching for roads; and I feel that the principle should be included in this bill. I am also convinced that the present cost of six or seven dollars a day care at Morningside Hospital—may well be twenty-five to thirty dollars a day in the new hospital. The standards set up in this bill, if followed, will cost a great deal. The Alaska people may not thank this Congress when they assume the much greater financial burden which will occur under this bill.

Mr. O'BRIEN of New York. Mr. Chairman, I rise in opposition to the amendment.

The proposed amendment, in my considered judgment, would sink the bill.

When we went to Alaska last fall we inquired very carefully into this question of ability to match. We looked, I might add, for hidden assets. We were assured by the Governor of Alaska and practically everyone in Alaska that the Territory could not financially meet the obligation which would be imposed under the gentleman's amendment.

I may say in passing that when this transition is completed, the annual cost to Alaska for operating its own mental health system will be about $733,000 a year, I am informed. I do not think that Alaska can do any more. If we were to require Alaska, which is not a State, and should not be treated as a State unless it has the sinews of statehood, to match dollar for dollar, then this bill will fall and we will not be able to accomplish this desperately needed facility.

Mr. DAWSON of Utah. Mr. Chairman, I, too, rise in opposition to the amendment to the committee amendment, not that I disagree with my colleague from Nebraska in regard to his position; that is, that he wants Alaska to share in the responsibility for the case of the mentally ill in Alaska. I think his position is commendable and I agree with him. But it is my contention, however, that Alaska is participating with the Government in caring for the mentally ill.

I call the committee's attention to the fact that as the bill was originally written it provided, starting with line 14 on page 3ℓ, that the $6,500,000 was to remain available until expended, to enable the Surgeon General to make payments to the Territory of Alaska for the cost of construction of hospital and other facilities, and so forth.

The committee felt that the Territory should have some responsibility over and above this $6½ million, so the bill was amended as provided in line 23, page 36, and the words added on page 37, "the total contribution of the Federal Government to be used in the construction of hospital and other facilities in Alaska" anticipating there were to be other costs that had to be incurred. So the committee felt we were not prepared to go beyond this amount.

It has been estimated that the $6½ million will only provide 275 beds, yet we have 350 patients in Alaska, which means that the Territory will be required to assume the burden for these additional 75 beds. This is their joint participation.

So I say to my colleague from Nebraska, I agree with him they should participate, and as provided under the terms of the committee amendment they are participating. That is about the extent they can go. If they were required to match on a 50-50 basis, it has been estimated it would mean a 10 percent increase in taxes to the citizens of the Territory of Alaska which they simply cannot bear in view of the fact the Federal Government owns 98 percent of all the Territory of Alaska.

Mrs. GREEN of Oregon. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Nebraska [Mr. MILLER].

Mr. Chairman, I join the gentleman from Utah in again reminding the Members that the Federal Government does own more than 99 percent of all of the land in Alaska. I might add, also, that the Federal Government prohibits the Territory of Alaska from issuing revenue bonds. Therefore, it seems obvious it would be impossible for them at the present time to match the funds. This amendment would take the heart out of the bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Nebraska [Mr. MILLER] to the committee amendment.

The amendment to the committee amendment was rejected.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment:

Page 37, line 15, strike the words "cost of."

Page 38, line 8, strike the word "five" and insert in lieu thereof the word "ten."

Page 38, lines 9 and 10, strike the words "five hundred thousand" and insert in lieu thereof "one million."

The committee amendments were agreed to.

The Clerk read as follows:

Committee amendment: Page 40, line 15, after the word "trust" insert the following words: "for the hospitalization and care of the mentally ill in Alaska."

Mr. ASPINALL. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. ASPINALL: On page 40, line 15, after the word "trust" insert "and the income therefrom shall first be applied to meet the necessary expenses of the program."

Mr. ASPINALL. Mr. Chairman, this language is offered to take care of some of the objections that appeared in the discussion while we were requesting a rule. I am authorized at this time to state that the gentleman from Mississippi [Mr. COLMER], who had some reservations as to the legislation, will withdraw his opposition if this amendment is adopted by the committee.

Mr. BARTLETT. Mr. Chairman, will the gentleman yield?

Mr. ASPINALL. I yield to the Delegate from Alaska.

Mr. BARTLETT. I think the amendment is a worthy one, and I hope it is adopted.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. ASPINALL. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. In my opinion it helps the bill also, and I will be glad to accept it on this side. I would also point out that there was some question about the 1 million acres of land. The gentleman will recall that it was my amendment in the committee that changed it from 500,000 to 1 million, and it seems if they get this land shortly after the bill is passed or within a reasonable time, they can soon begin to get some revenue from the land that will assist them in providing additional mental facilities to take care of their patients.

Mr. ASPINALL. I am in full agreement with the gentleman's statement. The gentleman will recall that I was one of the first in the committee to go along with him in the request to change it from 500,000 to 1 million.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado, Mr. ASPINALL, to the committee amendment.

The amendment was agreed to.

The committee amendment as amended was agreed to.

The Clerk read as follows:

Committee amendments:

Page 40, line 24, strike the number "610" and insert in lieu thereof the number "601."

Page 41, line 3, strike the number "38" and insert in lieu thereof the number "48."

The committee amendments were agreed to.

The CHAIRMAN. Under the rule the committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. PRICE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 6376) to provide for the hospitalization and care of the mentally ill of Alaska, and for other purposes, pursuant to House Resolution 368, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en bloc.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to extend their remarks on the bill H. R. 7871.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

OPPOSITION TO ORGANIZATION FOR TRADE COOPERATION

The SPEAKER. Under previous order of the House, the gentleman from West Virginia [Mr. BAILEY] is recognized for 20 minutes.

Mr. BAILEY. Mr. Speaker, the so-called reciprocal trade agreements program is now 21 years of age. That represents a very considerable span of years, and has given us enough time to test the program and particularly its administration.

It is no longer a reciprocal agreement. Its administration by our State Department makes every small American industry a pawn in the game of international politics with Secretary Dulles playing our hand at the poker table in Geneva.

There can no longer be any doubt about the meaning of this trade program so far as Congress is concerned. What the final objective is, no longer lies hidden. It is open to view for anyone to see. I refer to the administration of the Trade Agreements Act and the separation of Congress from its constitutional authority over the regulation of our foreign commerce under the administration of the trade program as it has been carried out.

Nor can there any longer be any doubt about the meaning of the trade program and the character of its administration to American industry, to American agriculture, to mining and fishing operations, to those who work at these pursuits, millions of men and women whose incomes and livelihood depend upon employment in domestic plants, mills, mines, and other gainful occupations. Import competition is not a matter of indifference to them. The trade agreements program and how it is handled is of the greatest importance and concern to them.

The unfolding of this program, the trade agreements program, especially since abandonment of the bilateral agreements and the substitution of the multilateral system, when the Geneva agreement went into effect 8 years ago, left many of us with the gravest misgivings, wondering how far it would go.

Now there is no longer any mystery about it. With the resurrection of the badly defeated ITO proposal, now again rearing its head in the recently negotiated OTC, there no longer remains a shred of doubt what the plan is.

To refresh the memory of those Members who were here 5 or 6 years ago and to call attention to those Members who arrived here thereafter, to a little history, let me say that the letters "ITO" were the initials of the International Trade Organization, the charter for which was signed in Habana, Cuba, in 1948. This ITO charter, which called for a world trade organization under the United Nations, was brought to Congress for approval. However, it never got beyond the House Committee on Foreign Affairs where it was pigeonholed after full hearings in 1950.

That was the end of the ITO.

Now 6 years later the OTC is brought before us, dressed in innocent garb and trotted out as a harmless lamb.

The fact is that the proposed OTC, which stands for the Organization for Trade Cooperation, is not only the abandoned ITO all over again in essence and potential, but is more attractively packaged.

It has been advertised as calling for no supernational power; but that is exactly what it would have in practice and in fact. Since it would have an assembly, which means a law or rule-making body, it could turn itself into the ITO at any time it saw fit to do so. We would have 1 vote out of an initial total of 35.

Unquestionably this resurrected International Trade Organization under the innocent-sounding name of Organization for Trade Cooperation, would make a meek beginning, as a fledgling of the United Nations. Once more the Members of Congress would lose sight of the body sitting in Geneva. Before many years, however, in fact, quite soon, we would find that the coils of the python had been silently but thoroughly thrown around us.

The authority that we find, when we read the Constitution, conferred upon Congress in unmistakable black and white, to regulate foreign commerce and to lay and collect duties on imports, would be found to be little more than so many words.

That is the prospect that faces Congress during this session.

Mr. LANHAM. Mr. Speaker, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from Georgia.

Mr. LANHAM. How can the Constitution be amended and that power taken away from the Congress? Has it ever been tested in the courts?

Mr. BAILEY. It has not. This undelegated authority was assumed by the delegate at Geneva when this General Agreement on Trade and Tariffs was entered into. It has never been authorized or approved by the Congress. If the gentleman recalls, even in the last extension of the Trade Agreements Act in the 1st session of the 84th Congress, since the other body always writes into that legislation a caveat or a disclaimer of responsibility, there was written into the legislation language to the effect that nothing contained in this legislation shall be construed as a determination of the policy or attitude of the Congress of the United States in the matter of the recognition of the reciprocal agreement in Geneva.

Mr. LANHAM. Then the Congress has only acquiesced in the assumption of power by the State Department?

Mr. BAILEY. By its neglect of its duty.

Mr. LANHAM. Is not the OTC a legislative body?

Mr. BAILEY. It consists of 35 members. It is a rule-making body; it will conduct hearings. But while there is

just one American representative, there are 34 other nations that are members.

Mr. LANHAM. I understand it has the right to legislate. Is not that getting pretty close to a worldwide organization to take over the function of legislation that the Constitution places on the Congress?

Mr. BAILEY. I would like to say to the gentleman I am sure the proponents of this are afraid to submit it to the other body in a formal way for ratification. They hope by getting legislation here to lull the Congress into silence in the future, so that we will forget all about it as we forgot all about it since 1945, in the hope that when we make up, it will be too late to do anything about it, and that we will be so bound by it that we cannot do anything about it except to go along. Let me remind the gentleman, a couple of years ago we got angry with Czechoslovakia because they put one of our outstanding newspapermen in prison. We attempted to annul the reciprocal trade agreements with Czechoslovakia. You did not know and I did not know, and few, if any, Members of this Congress knew that the general agreement on tariffs made at Geneva in 1945 bound America to this extent—that we had to reconvene the conferees of the signatory nations to the Geneva agreement in Geneva and get their consent for the Congress of the United States to revoke the Czechoslovakian Treaty. You did not know about it and I did not know about it. It ought to be a lesson to the Congress that we have had enough of that kind of foolishness.

Mr. LANHAM. I agree with the gentleman that to ratify this organization or to pass this act would be a very dangerous act on our part and would remove the Congress one step further from its duty and its responsibility to regulate foreign trade.

Mr. BAILEY. I thank the gentleman from Georgia for his comments. May I continue to say the prospect that faces this present session of Congress is that we will have to take action on the question of recognizing OTC, which is the Office of Trade Cooperation.

The OTC is to be brought before us as H. R. 5550.

But there is more.

Congress has legislated repeatedly since 1951, when I offered the escape-clause amendment to the Trade Agreements Extension Act of that year, and it was adopted—I say Congress has made its will known repeatedly in legislation, in many amendments to that escape clause, to make sure that all American producers faced with hurtful import competition have a reasonable remedy.

Just as surely this legislation has been batted down at the other end of Pennsylvania Avenue. The prime mover has been the State Department, a department that seems to find it hard to believe that American producers are entitled to the most elementary considerations of fair treatment.

It is my opinion that Congress has exercised great patience and restraint under the circumstances—in fact too much patience. The power and responsibility of Congress in the field of trade has already been taken over so far by the State Department that what we have left is a mere shadow. Even this will disappear into the twilight if OTC is approved and then into the night, to be lost for good. I say to you that this is indeed the year of decision in this most important struggle.

Because of the repeated, conscious and stubborn blocking of the will of Congress in this field of its undoubted authority, by the executive, it has become obvious that the escape clause has little value in the area of its intended application. It has been overridden and ignored.

How does this reflect upon the integrity and standing of the Congress? The escape clause, in its present form, is the product of Congress. It was adopted by a heavy majority of both Houses, and was amended from time to time. You would not believe this from the treatment it has received. The State Department has shown it neither honor nor respect.

The fact is and, as I have said, it can no longer be hidden: the State Department has not only undertaken the regulation of our foreign commerce, but has been most diligent and tireless in throwing a high fence of international moral obligations around Congress against the day when Congress awakened to its loss of power.

Now let us see where we are today as a result of the executive practices and maneuvers that have just been described.

Our experience with import competition during the past few years has shown that import quotas would in a considerable number of cases offer a better way of regulating the flow of imports than does the tariff, hacked, slashed, and bound as it has been in the past 21 years.

Therefore, efforts have been made to place import quotas on different products by direct legislation. This has been piecemeal legislation and Congress did not accept it.

Now, however, a general import quota bill has been proposed and it was introduced as H. R. 7925 by our respected colleague from Georgia [Mr. LANHAM]. I have subsequently introduced the same bill, as have a number of other colleagues.

What do we find?

This will come as a shock to members who have not made a specialty of tariff and trade legislation and who have been absorbed in other special fields.

The Congress cannot legislate quotas or provide the mechanism for their imposition by an administrative agency without violating the letter and spirit of the General Agreement on Tariffs and Trade. This is the agreement entered into by the State Department in 1947 and which became effective January 1, 1948. It is known as GATT.

By just what pattern of reasoning the State Department could arrive at the notion that they could properly bind Congress against any particular type of legislation on quotas, or anything else has not yet been explained—neither who originated the idea, who propagated it, or who executed it. But it has been given effect in the false majesty of the general agreement which has never come near Congress for approval, not even in the OTC proposal.

I commend to you the general import quota bill as a method of dealing with import competition in a reasonable and liberal fashion in those instances where the tariff for one reason or another is relatively useless. It will meet many of the problems of import competition that cannot be solved under the restrictions that have been fashioned for us by the State Department.

We either take the reins of foreign commerce regulation back into our own hands without further delay or we lose the authority perhaps irretrievably. At the same time we will dishonor our position as legislators in the American system of government.

FORD MOTOR CO. STOCK

The SPEAKER. Under previous order of the House, the gentleman from Missouri [Mr. CURTIS] is recognized for 15 minutes.

Mr. CURTIS of Missouri. Mr. Speaker, today the Ford Motor Co. stock went on the market and several hundred thousands of America's smartest investors were eager to buy it, most of them unsuccessfully.

Just a few months ago, May 26, 1955, to be exact, the hourly wage personnel of the Ford Motor Co. was offered one of the most amazing bargains in history. The employees were given the opportunity to purchase this stock at one-half the market price when, as anticipated, the stock was offered to the public by the Ford Motor Co. It was as described by the spokesman for the Ford Co. the most challenging and comprehensive single package of direct wage increases and benefits in the history of the automotive industry. If 100 percent of eligible employees participated fully in their right to participate, and assuming existing levels in employment, $54 million of Ford stock would have been available each year with the Ford Motor Co. paying $27 million. Over the 5-year life of the proposed contract, this could have meant that Ford hourly workers would have owned $270 million of Ford stock, of which the company would have paid $135 million. Practically, this maximum figure would not have been reached, but certainly the figure would have been well beyond $40 million per year.

This offer was just as revolutionary as Henry Ford's dynamic wage scale set in the early decades of the 20th century which enabled, as he said, his workers to have the take-home pay to be buyers of Fords. This new proposal would have led the way for American workingmen on a large scale to be part owners in the great wealth of this country.

This offer was turned down by CIO president, Walter Reuther, as an inadequate wheel of fortune.

I think it is quite appropriate for the employees of the Ford Motor Co. and, indeed, union men all over this country to ask Mr. Reuther and other national labor leaders who hold to a similar philosophy, just whose interest they thought they were representing when they turned

down this offer to share in our great private enterprise system in favor of a guaranteed wage, as it was termed, which was dependent upon Government subsidy and which, indeed, in the State of Ohio, turned out to be a program which the people of Ohio, at any rate, were unwilling to aid and abet?

Mr. Reuther and other national labor leaders working with him have been accused of being primarily politicians, using the labor movement to further their political ends, rather than labor leaders looking after primarily the interests of the working men they represent.

The position Mr. Reuther and his allies have taken on many national issues as well as national candidates; the activities of the CIO–PAC in building political machinery outside the two political parties with union members' dues to further these political positions and candidates gives great weight to these charges.

Is it possible that Mr. Reuther and his political allies outside the two political parties do not want the American working man to become a sharer in the wealth of this country? Do not want him to become a stockholder? Do not want him to become a homeowner, as their opposition to and distortion of the Eisenhower administration's housing program which emphasizes homeownership instead of the tenancy of public housing indicates?

I think Mr. Reuther owes an explanation not only to the union people who hire him and pay his salary and expenses, but to the American public. Just why did he turn down the Ford Motor Co.'s great and magnaminous offer which would have so greatly benefited the people he was representing and would have led the working man into a new era of achievement and responsibility?

TERRITORIAL EXPANSION MEMORIAL COMMISSION

The SPEAKER. Pursuant to the provisions of public resolution 32, 73d Congress, the chair appoints as members of the United States Territorial Expansion Memorial Commission the following Members on the part of the House: Mr. KARSTEN of Missouri, Mr. HAYS of Ohio, and Mr. LECOMPTE of Iowa.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. HESELTON, for 10 minutes today.

Mr. BAILEY, for 30 minutes on Thursday.

Mr. BENTLEY, for 30 minutes on next Wednesday.

Mr. HOFFMAN of Michigan (at the request of Mr. MARTIN), for 15 minutes on Monday and Tuesday next.

SPECIAL ORDERS VACATED

Mr. LANHAM. Mr. Speaker, the gentleman from Florida [Mr. SIKES] has a special order granted him to address the House for 20 minutes this afternoon. On his behalf I request that it be canceled and that he be permitted to address the House for 20 minutes on Thursday next, after all the business of the day has been completed.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, I ask unanimous consent that the special order granted my colleague, Mr. HESELTON, for today be transferred to tomorrow.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. LANE and to include extraneous matter.

Mr. EVINS.

Mr. GARY and to include an address by Hon. BENJAMIN F. JAMES at the commemorative exercises marking the 250th anniversary of the birth of Benjamin Franklin at the Government Printing Office on January 17, 1956.

Mr. ABBITT (at the request of Mr. WILLIAMS of Mississippi) and to include extraneous matter notwithstanding the fact it exceeds the limit and is estimated by the Public Printer to cost $220.

Mr. REUSS in two instances and to include extraneous matter.

Mr. JOHNSON of California and to include two articles from the California Farmer.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 938. An act for the relief of Mrs. Elena Apostolescu Bustiuc;

H. R. 1015. An act for the relief of Mr. and Mrs. Defery William Wright;

H. R. 1022. An act for the relief of Antonio Andrea Chitato;

H. R. 1145. An act for the relief of Ora L. Powers;

H. R. 1146. An act for the relief of the Pacific Music Supply Co.;

H. R. 1183. An act for the relief of Baldomero R. Garcia, Teresa Garcia y Braganza, Francisco Garcia, Teresita Garcia, and Eduardo Garcia;

H. R. 1219. An act for the relief of the estate of Mrs. Margaret A. Swift;

H. R. 1447. An act for the relief of Aleksandra Borkowski;

H. R. 1752. An act for the relief of Johanna Juresic Grgurich;

H. R. 1768. An Act for the relief of the Jefferson and Plaquemines Drainage District and certain persons whose properties abutt on the Federal Government's right-of-way for Harvey Canal in Louisiana;

H. R. 1910. An act for the relief of Blanka Goldstein;

H. R. 2273. An act for the relief of Der Chuck Yee and Wu Mei On;

H. R. 2278. An act for the relief of Consuelo Calderon de Villarreal;

H. R. 2296. An act for the relief of Simone Gilliland;

H. R. 2466. An act for the relief of Marino and Giselda Proni;

H. R. 2467. An act for the relief of Ivo and Elia Monari;

H. R. 3027. An act for the relief of Leo E. Verhaeghe;

H. R. 4582. An act to amend the Internal Revenue Code of 1954 with respect to deductions from gross income of amounts contributed to employee trusts;

H. R. 5428. An act to amend the Internal Revenue Code of 1939 with respect to the period of limitation for filing claims by certain transferees and fiduciaries for credit or refund of income taxes;

H. R. 7036. An act to amend section 37 of the Internal Revenue Code of 1954 with respect to the earned income limitation on retirement income;

H. R. 7282. An act relating to the allowance of the credits for dividends received, for dividends paid, and for a Western Hemisphere trade corporation in computing the alternative tax of a corporation with respect to its capital gains; and

H. R. 7364. An act relating to the application of the documentary stamp tax to transfers of certain obligations paid for in installments.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 1689. An act to authorize the Secretary of the Interior to execute a repayment contract with the Yuma Mesa Irrigation and Drainage District, Gila project, Arizona, and for other purposes; and

S. 1745. An act authorizing the Secretary of the Interior to issue a patent in fee to Nellie Ohlerking Archambeau Moran.

ADJOURNMENT

Mr. ASPINALL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 24 minutes p. m.) the House adjourned until tomorrow, Thursday, January 19, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1386. A letter from the Secretary of Agriculture, transmitting the annual report of the Federal Extension Service for the fiscal year ended June 30, 1955, pursuant to section 7 of Public Law 83, 83d Congress; to the Committee on Agriculture.

1387. A letter from the Under Secretary of the Navy, transmitting a draft of proposed legislation entitled "A bill to amend the Career Compensation Act of 1949, as amended, in relation to the refund of reenlistment bonuses"; to the Committee on Armed Services.

1388. A letter from the executive secretary, National Advisory Committee for Aeronautics, transmitting a draft of proposed legislation entitled "A bill to promote the national defense by authorizing the construction of aeronautical research facilities by the National Advisory Committee for Aeronautics necessary to the effective prosecution of aeronautical research"; to the Committee on Armed Services.

1389. A letter from the Director, Legislative Liaison, Department of the Air Force, transmitting a report relative to the number of officers assigned or detailed to permanent duty in the executive element of the Air Force at the seat of the Government as of the end of the second quarter of fiscal year

1956 (December 31, 1955), pursuant to section 201 (c) of the Air Force Organization Act of 1951 (Public Law 150, 82d Cong.); to the Committee on Armed Services.

1390. A letter from the Acting Secretary of the Treasury, transmitting a report showing the payment of claims for damage occasioned by vessels of the Coast Guard, which have been settled by the Treasury for the period January 1, through December 31, 1955, pursuant to section 646 (b) of title 14, United States Code; to the Committee on the Judiciary.

1391. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders granting the applications for permanent residence filed by the subjects, pursuant to section 6 of the Refugee Relief Act of 1953; to the Committee on the Judiciary.

1392. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders granting the applications for permanent residence filed by the subjects, pursuant to section 4 of the Displaced Persons Act of 1948, as amended; to the Committee on the Judiciary.

1393. A letter from the Director, Administrative Office of the United States Courts, transmitting a draft of proposed legislation entitled "A bill to provide that the United States district judges for the districts of Hawaii and Puerto Rico shall have the same tenure of office and retirement rights as all other United States district judges"; to the Committee on the Judiciary.

1394. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders involving seven individuals whose applications for adjustment of status to permanent residence have been granted, pursuant to section 6 of the Refugee Relief Act of 1953, as amended; to the Committee on the Judiciary.

1395. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to the act approved July 1, 1948 (Public Law 863), amending subsection (c) of section 19 of the Immigration Act of February 5, 1917, as amended (8 U. S. C. 155 (c)); to the Committee on the Judiciary.

1396. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to section 244 (a) (1) of the Immigration and Nationality Act of 1952 (8 U. S. C. 1254 (a) (1)); to the Committee on the Judiciary.

1397. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to section 244 (a) (5) of the Immigration and Nationality Act of 1952 (8 U. S. C. 1254 (a) (5)); to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 4656. A bill relating to the Lumbee Indians of North Carolina; without amendment (Rept. No. 1654). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Miss THOMPSON of Michigan: Committee on the Judiciary. H. R. 1892. A bill for the relief of Dr. Lu Ho Tung and his wife, Ching-hsi (nee Tsao) Tung; without amendment (Rept. No. 1649). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. House Joint Resolution 457. Joint resolution for the relief of certain relatives of United States citizens; with amendment (Rept. No. 1650). Referred to the Committee of the Whole House.

Miss THOMPSON of Michigan: Committee on the Judiciary. House Concurrent Resolution 201. Concurrent resolution approving the granting of the status of permanent residence to certain aliens; with amendment (Rept. No. 1651). Referred to the Committee of the Whole House.

Miss THOMPSON of Michigan: Committee on the Judiciary. House Concurrent Resolution 202. Concurrent resolution favoring the granting of the status of permanent residence to certain aliens; with amendment (Rept. No. 1652). Referred to the Committee of the Whole House.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 6618. A bill for the relief of Etha Dora Johnson; with amendment (Rept. No. 1653). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. House Joint Resolution 472. Joint resolution for the relief of certain aliens; without amendment (Rept. No. 1655). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CANNON:

H. R. 8576. A bill to amend the Internal Revenue Code of 1954 to relieve farmers from the excise tax on gasoline and lubricating oils used exclusively in farm tractors or farm machinery or for other agricultural purposes; to the Committee on Ways and Means.

By Mr. BALDWIN:

H. R. 8577. A bill to amend the Civil Service Retirement Act of May 29, 1930, to make certain benefits applicable to Canal Zone and other employees retired prior to April 1, 1948; to the Committee on Post Office and Civil Service.

By Mr. BRAY:

H. R. 8578. A bill to amend the Internal Revenue Code of 1954 to relieve farmers from the excise tax on gasoline and lubricating oils used exclusively in farm tractors or farm machinery or for other agricultural purposes; to the Chairman on Ways and Means.

By Mr. BYRNE of Pennsylvania:

H. R. 8579. A bill to permit the flying of the flag of the United States for 24 hours of each day over Independence Hall, Philadelphia, Pa.; to the Committee on the Judiciary.

By Mr. DAVIS of Georgia:

H. R. 8580. A bill to amend title II of the Social Security Act to provide that an individual may qualify for the "disability freeze" with 40 quarters of coverage, regardless of when such quarters occurred; to the Committee on Ways and Means.

By Mr. DENTON:

H. R. 8581. A bill to permit all wheat farmers (including those who plant less than 15 acres of wheat) to vote in any wheat marketing quota referendum; to the Committee on Agriculture.

By Mr. DORN of South Carolina:

H. R. 8582. A bill to provide coverage under the Federal old-age and survivors insurance system, as self-employed individuals, for individuals performing agricultural labor under share-farming arrangements and (in certain cases) for the owners and tenants of the land on which such labor is performed; to the Committee on Ways and Means.

By Mr. FLOOD:

H. R. 8583. A bill to amend the Veterans Regulations to provide that arthritis, psychoses, or multiple sclerosis developing a 10 percent or more degree of disability within 3 years after separation from active service shall be presumed to be service connected; to the Committee on Veterans' Affairs.

By Mr. LAIRD:

H. R. 8584. A bill to amend the Agricultural Act of 1954 to extend and augment the program for the eradication of brucellosis; to the Committee on Agriculture.

By Mr. LESINSKI:

H. R. 8585. A bill to provide for the payment of unpaid entitlements under Public Law 815, 81st Congress, relating to school construction in federally affected areas; to the Committee on Education and Labor.

By Mr. BEAMER:

H. R. 8586. A bill to amend the Internal Revenue Code of 1954 to relieve farmers from the excise tax on gasoline and lubricating oils used exclusively in farm tractors or farm machinery or for other agricultural purposes; to the Committee on Ways and Means.

By Mr. BOYLE:

H. R. 8587. A bill to amend the Railroad Retirement Act of 1937 and the Railroad Retirement Tax Act to provide that the maximum amount of railroad earnings includible in benefit computation and subject to tax shall be determined on an annual rather than a monthly basis; to the Committee on Interstate and Foreign Commerce.

By Mr. BURNSIDE:

H. R. 8588. A bill to provide for Federal disaster insurance and reinsurance; to the Committee on Banking and Currency.

By Mr. DOYLE:

H. R. 8589. A bill to establish a national policy with respect to commercial fisheries; to establish the Office of Assistant Secretary of Commerce for Commercial Fisheries, and define his functions, powers, and responsibilities; to strengthen the commercial fisheries segment of the national economy, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. FOGARTY:

H. R. 8590. A bill to establish a national policy with respect to commercial fisheries; to establish the Office of Assistant Secretary of Commerce for Commercial Fisheries, and define his functions, powers, and responsibilities; to strengthen the commercial fisheries segment of the national economy, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. HALEY:

H. R. 8591. A bill to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide that annuities shall be adjusted simultaneously with general adjustments in Federal employees' salaries; to the Committee on Post Office and Civil Service.

By Mr. JOHNSON of California:

H. R. 8592. A bill to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment and provide certain services to the Boy Scouts of America for use at the Fourth National Jamboree of the Boy Scouts of America, and for other purposes; to the Committee on Armed Services.

H. R. 8593. A bill to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment and to provide transportation and other services to the Boy Scouts of America in connection with the

World Jamboree of Boy Scouts to be held in England in 1957, and for other purposes; to the Committee on Armed Services.

By Mr. LOVRE:

H. R. 8594. A bill to amend the wheat marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agriculture.

By Mr. McCORMACK:

H. R. 8595. A bill to amend section 207 of the Legislative Reorganization Act of 1946 to provide that boards for the correction of military or naval records shall take into account evidence relating to the character and conduct of persons subsequent to their discharge from the service in determining whether their records should be corrected; to the Committee on Armed Services.

By Mr. McDOWELL:

H. R. 8596. A bill to increase the education and training allowances under the Veterans' Readjustment Assistance Act of 1952; to the Committee on Veterans' Affairs.

By Mr. MINSHALL:

H. R. 8597. A bill to amend an act of July 3, 1926, relating to the issuance and validity of passports, to change the periods of validity of passports and passport visas; to the Committee on Foreign Affairs.

H. R. 8598. A bill to amend an act of July 3, 1926, relating to the issuance and validity of passports, to change the periods of validity of passports and passport visas; to the Committee on Foreign Affairs.

By Mr. PRIEST (by request):

H. R. 8599. A bill to amend the Federal Food, Drug, and Cosmetic Act, so as to prohibit the movement in interstate or foreign commerce of unsound, unhealthful, diseased, unwholesome or adulterated poultry or poultry products; to the Committee on Interstate and Foreign Commerce.

By Mr. CANNON:

H. J. Res. 477. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress; to the Committee on House Administration.

H. J. Res. 478. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress; to the Committee on House Administration.

H. J. Res. 479. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress; to the Committee on House Administration.

By Mr. PRIEST:

H. Con. Res. 204. Concurrent resolution to commemorate the 50th anniversary of the national pure food, drug, and cosmetic law; to the Committee on the Judiciary.

By Mr. KING of California:

H. Res. 377. Resolution directing the United States Tariff Commission to make an investigation to determine whether, as the result of a trade agreement with Japan, fresh or frozen albacore tuna is being imported in the United States in such increased quantities as to cause or threaten serious injury to the domestic industry; to the Committee on Ways and Means.

By Mrs. FARRINGTON:

H. Res. 378. Resolution directing the United States Tariff Commission to make an investigation to determine whether, as the result of a trade agreement with Japan, fresh or frozen albacore tuna is being imported in the United States in such increased quantities as to cause or threaten serious injury to the domestic industry; to the Committee on Ways and Means.

By Mr. RIVERS:

H. Res. 379. Resolution requesting a review of reports on Charleston Harbor, S. C.; to the Committee on Public Works.

MEMORIALS

Under clause 4 of rule XXII, memorials were represented and referred as follows:

By Mr. FORAND: Resolution of the Rhode Island General Assembly memorializing the Congress of the United States to enact legislation providing effective aid to labor surplus areas; to the Committee on Public Works.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN of California:

H. R. 8600. A bill for the relief of Jana Marie Svidenska; to the Committee on the Judiciary.

By Mr. BARRETT:

H. R. 8601. A bill for the relief of Dr. David Wei Chi Shen; to the Committee on the Judiciary.

By Mr. BOSCH:

H. R. 8602. A bill for the relief of Aneida Alonso Amaral; to the Committee on the Judiciary.

By Mr. BOYLE:

H. R. 8603. A bill for the relief of Robert W. Dewaal; to the Committee on the Judiciary.

By Mr. CARRIGG:

H. R. 8604. A bill for the relief of Mrs. Shirley Davis; to the Committee on the Judiciary.

H. R. 8605. A bill for the relief of Mrs. Paula Markert; to the Committee on the Judiciary.

By Mr. CURTIS of Missouri:

H. R. 8606. A bill for the relief of the beneficiaries of William Lee La May; to the Committee on the Judiciary.

By Mr. ENGLE:

H. R. 8607. A bill to authorize and direct the Secretary of the Interior to convey to David Peters, or to his heirs or assigns, title to land held by the United States in trust for him; to the Committee on Interior and Insular Affairs.

By Mr. FINO:

H. R. 8608. A bill for the relief of Giovanni Di Prima; to the Committee on the Judiciary.

By Mr. JUDD:

H. R. 8609. A bill for the relief of Shee-go Chin; to the Committee on the Judiciary.

By Mr. MOSS:

H. R. 8610. A bill for the relief of Antonio Alejandres-Diaz (also known as Antonio Alejandres-Valencia); to the Committee on the Judiciary.

By Mr. PATTERSON:

H. R. 8611. A bill for the relief of Mrs. Sabastiano Poletto; to the Committee on the Judiciary.

By Mr. POWELL:

H. R. 8612. A bill for the relief of John H. Orth; to the Committee on the Judiciary.

By Mr. TEAGUE of Texas:

H. R. 8613. A bill authorizing the Secretary of the Treasury to strike a gold medal of appropriate design to be awarded posthumously by the President to the parents of James Edward Sarran for an act of valor which caused his death; to the Committee on Banking and Currency.

By Mr. ZABLOCKI:

H. R. 8614. A bill for the relief of Maria Knaziewicz; to the Committee on the Judiciary.

By Mr. MINSHALL:

H. Res. 380. A resolution providing that the bill, H. R. 8572, and all accompanying papers shall be referred to the United States Court of Claims; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

440. By Mr. BUSH: Petition of residents of Troy and Bradford County, Pa., favoring the passage of legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

441. By Mr. MUMMA: Petition of Mrs. Mary M. Carnes, and 28 other residents of Duncannon, Pa., and vicinity, urging action on legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

442. By Mr. NORBLAD: Petition of Mrs. Harry Markwart and 35 other citizens of Dallas, Oreg., urging enactment of legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce; to the Committee on Interstate and Foreign Commerce.

EXTENSIONS OF REMARKS

Segregation in the Public Schools of Virginia

EXTENSION OF REMARKS
OF
HON. WATKINS M. ABBITT
OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 18, 1956

Mr. ABBITT. Mr. Speaker, on January 9, 1956, Virginians voted overwhelmingly to continue segregation of the races in the public schools of Virginia. The issue was simple and clear cut. I am proud of the great progress that Virginia has made in building up a great public school system. We have a splendid system but on May 17, 1954, the Supreme Court of the United States of America struck our school system a staggering blow which will eventually wreck our schools unless the proper steps are taken to combat the decision. The only hope to save public education in Virginia is the will and the determination of our people to resist tyranny on every occasion and to fight the grasping usurpation of power on the part of those people in this country who would change the habits, customs, mores and traditions of the people of the Commonwealth of Virginia.

The white and Negro races in Virginia each have much to be proud of. We have a fine relationship between the two races. If let alone by outside influence of misguided people we can work out our problems to the mutual satisfaction and advantage of all. I am convinced that if we are to remain strong and aggressive and continue to progress, we must keep intact the integrity and identity of the two races. I believe that

mongrelization of the races will lead to deterioration of the stability of the people of our State and will be ruinous to our advancement as a people. Our people are not going to accept integration of the races in the public schools or the mongrelization of the races. We in Virginia are fighting for a principle that we know to be right and just. We know that the decision of the Supreme Court of the United States in declaring segregation in the public schools unconstitutional was without authority in law. The Court, against all legal precedent, followed the theory of a foreign-born sociologist who, I am informed, has connections with several groups that have been listed as subversive. This means that we can no longer anticipate what the Court might do or where it might strike next. The Constitution is simply what the nine judges might say it is. They have abrogated unto themselves rights, privileges, and authority that were never given them by the people of this Nation. We of Virginia cannot sit idly by and see the privileges and rights of our people taken from them against their will and in violation of the Constitution by a Court following the theories of a foreign-born sociologist who knows nothing of the ways, habits, customs, traditions, and mores of our people. To stand idle at a time like this would be traitorous to our forefathers as well as to our children and grandchildren. We must not fail by supinely submitting to such desecration. One of the men who has been in the forefront of the fight to continue our way of life in Virginia has been the Honorable W. M. TUCK, Member of the House of Representatives from the Fifth District of Virginia. Representative TUCK is one of the outstanding men of our generation. On every occasion he has been in the forefront fighting to preserve the rights of the people. On January 5, 1956, at Farmville, Va., in my congressional district, Governor TUCK delivered to a large audience an address which in my opinion states the issue clearly and distinctly. Under leave to extend my remarks I include herewith the address of the Honorable W. M. TUCK:

ADDRESS OF REPRESENTATIVE WILLIAM M. TUCK, DEMOCRAT, VIRGINIA, JARMAN HALL, LONGWOOD COLLEGE, FARMVILLE, VA., JANUARY 5, 1956

Mr. Chairman, ladies and gentlemen, I am glad to have this opportunity of appearing before you in support of the proposed constitutional convention in the election to be held on January 9, 1956. I intend to go to the polls early on that date and vote for the convention and to do everything I can appropriately do to insure a large majority at my precinct and in my home county of Halifax.

The issue is a simple one. It concerns itself only with the amendment of section 141 of the Virginia constitution, which at present forbids the appropriation of public money for the support of any school or institution not wholly owned or controlled by the State or some political subdivision thereof. The proposed amendment will authorize the general assembly, if in its discretion it deems wise so to do, to enact a law making it possible for the State and the localities to appropriate public funds or make available grants in aid to individual parents or pupils who wish to attend a private nonsectarian school. These grants will apply to both races alike.

We do not vote next Monday on whether we shall have public schools or on any of the many other extraneous matters which have crept into the debate on this subject. The only question at issue next Monday is: Shall there be a constitutional convention to amend section 141 of the Virginia Constitution to authorize the general assembly to enact a law which will permit the State and localities to make funds available to parents who wish to send their sons and daughters to private nonsectarian schools. There is nothing in this proposal to require the general assembly to do anything. It simply expands the constitution to give our representatives more leeway and latitude in dealing with this important and far-reaching subject.

The people of this great Commonwealth understand the problem confronting us. The question is, shall we operate our schools according to the time honored policy of local self-government, or shall we supinely submit to an unwarranted attack upon our rights and liberties and be forced to integrate?

In this matter there is no middle ground. We cannot harmonize, compromise, or temporize. The issue must be met head on. I have said from the very time that this iniquitous decision was rendered, and I shall repeat at every opportunity, that in Virginia we do not intend to send our children to mixed schools.

I have held public office in Virginia for 35 years. There are few others in Virginia now living who have been thus honored and for so long. I shall ever cherish the honors conferred and the trusts imposed, but I would be unfaithful and unworthy if I did not in this tragic hour of our history speak frankly and unequivocably on this subject so close to our hearts and so vital to the welfare and safety of us all. Whether it is popular or unpopular, expedient or inexpedient, polite or impolite, I want it distinctly understood that I am opposed to the mixing and the intermingling of the races in our schools, and I intend to use whatever power and influence I may have to prevent it.

If stating these unequivocal and positive views on this inflammatory subject requires that I be classified as an immoderate or extremist, I will without cringing bear the odium. There is one thing certain: it will never be said of me that I collaborated and that I joined up, directly or indirectly, or in any other way, with our traducers, who would not only expose us to calumny and shame, but who would if they could, encompass the complete destruction of our way of life. We must not let them do it.

This is the issue and I hope and believe that the people of Virginia will be Virginians and vote like Virginians, and will give the proposal an overwhelming endorsement. Although I would warn against overconfidence and taking too much for granted and urge that every possible pro voter to go to the polls next Monday, I predict with complete confidence that the proposed constitutional convention will carry by a substantial majority. Thus, we will have brushed aside with a resounding voice the spurious statements and charges which have been spread to becloud the clear-cut issue.

The constitutional proposal originated with the commission headed by Senator Gray and composed of 32 members of the general assembly from all sections of Virginia and various schools of political thought, who, after giving more than a year's study and consideration to the subject, unanimously recommended it. Governor Stanley approved the proposed constitutional amendment and recommended its adoption. The general assembly at its recent special session approved the amendment by a vote of 131 of its 140 members, with 3 absent. It is a nonpartisan matter, because all Virginians, irrespective of political party affiliations, are affected and have a deep interest therein. In fact, it comes to us on a nonpartisan basis. The referendum was approved by every Republican in the House of Delegates and by all Democrats except 5, and in the Senate by all Democrats and 2 Republicans with only 1 Republican voting against.

I commend the Governor and the general assembly on the forthright, dignified, and patriotic manner in which they approached the consideration of this problem. In fact, one of the many things for which Virginia is noted and for which she has a just right to be proud is the high caliber of her legislators. Hon. John H. Daniel and Senator James D. Hagood from this legislative and senatorial district are examples of the high qualities of character and leadership which mark the membership of the bodies to which they belong. I am sure that the voters of this district would have no hesitancy in trusting them with matters of public concern and involving the education and training of their children.

I cannot find words sufficient and adequate to commend the people of Prince Edward County for their courage and forthrightness in standing firm against this infamous assault upon our rights. The people of Prince Edward County have enhanced the standing of Virginia and have made pages of history which will ever be cherished by patriots everywhere. Had it not been for your firm and unswerving stand, I fear that we would have already had integration.

I also commend the Defenders of State Sovereignty and Individual Liberties, in which I am proud to hold membership, for its defense of the right of the localities to determine what type of school system they shall operate.

There has been created in Virginia much misunderstanding and unnecessary confusion by the opponents of the referendum. Whether it was intended or not, the facts are, a smokescreen has been set up to hide the real issues and to prevent the matter from being settled upon its merits. When these clouds are dispelled and dissipated and we get down to the plain unvarnished facts and naked truth, there is but one question, and that is whether or not we favor or oppose the mixing of the races in the schools. Those who vote for the amendment will be credited as being opposed to the mixing of the races and those who oppose the convention will be considered as favoring the mixing of the races in the schools. As a matter of fact, many, if not most, of the individuals and organizations who publicly oppose the constitutional change have already declared themselves as favoring the integration of the races, and it is my opinion that if you scratch down deep enough the others who have not so publicly declared themselves are at heart true integrationists.

Now as to whether or not the adoption of this amendment will prove to be against the public interest and so destructive of Virginia's institutions, I would, in addition to our governor and the members of the general assembly list as supporters of this change the names of both of our United States Senators, BYRD and ROBERTSON, two of our former governors, Battle and Darden, the latter of whom is a noted educator and president of our highest seat of learning, the University of Virgina, and now delegate to the United Nations. It has also the support of our State board of education, our superintendent of public instruction, Dr. Dowell J. Howard, as well as all former superintendents including Dr. Harris Hart, and Dr. G. Tyler Miller, now president of Madison College, and Dr. Dabney S. Lancaster, former president of Longwood College at Farmville, at both of which institutions our Virginia teachers are trained. Dr. Lancaster is so firmly convinced of the necessity and soundness of the program that he

has charge of the organizational drive with headquarters in Richmond. He is attempting to see that the people are properly informed as to the facts, and will on January 9 vote for the convention. No persons in Virginia have contributed more to the education and training and culture of the people of Virginia than have these distinguished educators who have devoted a lifetime of service and toil in that field of endeavor. In their endeavors in this direction they are supported by members of school boards, school superintendents, and teachers who have the welfare of Virginia and her people at heart.

The eyes of our Southland and of the Nation are focused upon Virginia and her electorate as never before in recent times. Not in a long time have we had a more challenging situation than that which confronts us. Virginia ranks high in the sisterhood of States, and what we do here may well determine or to a large extent affect the course of other southern States. May the vote on January 9 be a resounding victory for the convention, reflecting the confidence of the people in Virginia leadership, particularly at the educational level, and the course which she is undertaking to establish. May the vote and verdict be such that liberty-loving people everywhere will have a renewed and invigorating faith in the determination of our people to chart their own destiny, free from these evil and extraneous influences from without, which threaten to engulf us and the things which we hold dear.

Unless we choose to resist these outside influences now, the hour may be too late, and we will have accepted without challenge political and judicial doctrines which we hold to be untrue and without foundation.

On December 28, we witnessed in the columns of the newspapers a flagrant and unbridled attempt by outsiders to influence the outcome of next Monday's referendum in favor of integration. It is shocking that this outsider was none other than the United States Department of Justice, and although I have no way of knowing, I have cause to believe that it was the Attorney General of the United States himself. In our daily Virginia newspapers, and in fact all over the Nation, a statement was published as coming from a high Justice Department official in Washington to the effect that such action as we contemplate to set up tuition grants for pupils to attend private schools rather than submit to the unconstitutional act of forced integration of the races would be declared invalid, and that individuals and organizations in Virginia and in the South are being investigated. This self-made and self-appointed law giver and conscriptionist who, for reasons best known to himself, hides behind the cloak of anonymity, would declare the laws of a sovereign State invalid even before they are enacted, and would prevent us in the Commonwealth of Virginia from holding free and untrammeled elections. I demand information as to the authority by which the Justice Department or the Attorney General has set up a secret gestapo to impose upon the people and government of this sovereign Commonwealth a supermonitorship. I dispatched to the Attorney General of the United States a prompt and vigorous protest against this bold and brazen attempt at intimidation and coercion, and I shall continue to make known to those outside meddlers that we do not intend to be bullied by the Attorney General of the United States, the Department of Justice, or others.

In the matter of race relations we have never dealt unkindly with the Negroes. In this regard I can stand upon my record. In 1926 as a young member of the House of Delegates of Virginia I supported the antilynch law enacted at that session recommended by Governor Byrd, the strongest antilynch law on the statute books of any State in the entire Nation. Since that date Virginia has not suffered a single death by lynching. Among other things, during my own term as governor, I recommended in my very first message to the general assembly an appropriation of $15,000 for the establishment of a monument to a Virginia Negro, Booker T. Washington. This appropriation was made, and I know of no other State in the Nation, north or south, that has made an appropriation to memorialize a Negro. I entered an executive order setting up a large sum of money for the establishment of a State park for Negroes in Prince Edward County. I entered another order setting aside a day to be known as Joseph Jenkins Roberts Day in honor of a Virginia-born Negro who became the first president of the Republic of Liberia. On another occasion during my term I drove to a small town on the outskirts of Philadelphia to participate in the dedication of a monument to the Negro composer and musician, James A. Bland, who penned that nostalgic song, "Carry Me Back to Old Virginia." That monument, incidentally, was erected by the Lions Clubs of Virginia, and that song was adopted as our official State song by resolution of the General Assembly of Virginia, and there is not a Negro among the membership of either body. I recommended as governor, and the general assembly enacted into law, the largest single general tax increase in the history of the Commonwealth, of which many millions of dollars went for public health and education among both races. I ask where were these lovers of public education then? They were with us until we passed the collection plate and then they vanished and left us to fight the battle alone. My interest and zeal in the education and training of our youth has not diminished since that time. We must make whatever sacrifice in expenditures and effort as may be necessary to ensure the education of our Virginia children, but in separate schools.

After I returned to my home in South Boston, the late Dr. Roper, director of public health, wrote me that during my term, and upon my recommendations, more money had been appropriated for capital outlay in the eradication of tuberculosis in Virginia than had been appropriated through all the combined years that had intervened from the founding of the Virginia Health Department down to that time, and most of this was spent for Negroes, where the disease existed and where the need was greatest. I cite these facts as to my own record for the purpose of demonstrating that I have never exercised authority conferred upon me by the people in a manner unfair or unjust to any minority group, and what is more I never will.

In Virginia our people, I am glad to say, have on the whole kept themselves free from the faithless and perfidious conduct so characteristic of some of our leaders on the national scale who have not hesitated throughout the years to use the Negro as a political pawn.

These modern-day abolitionists and latter-day reconstructionists know nothing about the Negro and his problems and care less. Their principal interest in the Negro is to use him as a vehicle upon which to ride into high public office and to secure their vote in pivotal States to control the election of Governors, Senators, and Presidents. Their actions remind me of Billy Mahone, of Virginia, who was a brave Confederate general under Lee, but who after the war and in the dark days of reconstruction by making wild and chimerical promises succeeded in forming a coalition among the worst elements of both races in our Commonwealth and captured control of the government of Virginia. He himself was elected to a seat in the United States Senate. John Jasper, the celebrated colored preacher of Richmond, had no faith in Billy Mahone and refused to yield to his blandishments. The colored people excel in at least two particulars in that they have superior powers of illustration, and the other is that they can instantly recognize a gentleman, and vice versa. In order to illustrate his lack of faith in Mahone, the Reverend Jasper told his congregation that he had dreamed of going to heaven and that St. Peter refused him entrance because he was walking. As he dejectedly descended from the pearly heights he met Billy Mahone approaching by foot, his face lighted and filled with hope and ambition. After John had related his difficulties, Mahone replied: "Shucks, John, I can remedy that. Get down on your all fours and I will get on your back and ride you right through the pearly gates and then we will both be in heaven." John succumbed to his plea, particularly since Mahone weighed less than 100 pounds. After again wending his weary way to the celestial portals with Mahone on his back, the latter knocked, and St. Peter said: "Who comes there?" Mahone replied: "This is United States Senator Billy Mahone, of the Commonwealth of Virginia, late a major general in the Confederate States Army of America." "Are you riding, or are you walking," said the keeper of the gates. "I am riding, sir," replied Mahone. Then the heavenly gates opened and Mahone tied his faithful "horse," John Jasper, on the outside, deserting the vehicle upon which he had gone to glory, and went in to enjoy the pleasures of heaven.

I am proud of the fact, as all patriotic Virginians should be, that the white and colored people have lived here in our Commonwealth in peace and harmony for more than 300 years—longer than any other place in the Western Hemisphere. We understand each other's problems and we have been able to maintain mutual respect. I confidently predict that we will continue to coexist on the same sort of basis despite the handicaps imposed upon us by the decision of the United States Supreme Court, which has inflamed bitterness and anger where it previously existed and has spread it into areas where it did not heretofore exist. It has fostered and provoked anger, discord, and distrust. As harsh as it may seem, I am constrained to say that any Christian gentleman would be ashamed of being the author of such a situation. The dangers and implications of the Supreme Court decision transcend the race question because it threatens to destroy the basic political philosophy upon which our Nation was founded. The Court has undertaken to override the constitutional division of powers by judicial fiat, without respect to its own previous decisions, and in contravention of the same, and in violation likewise of the powers of the legislative branch of the National Government, as well as the constitutional powers of the respective States.

The authority cited for this monstrosity was the maudlin views of at least one sociologist of questionable repute and loyalty, whose name blackens the pages of the reports of the Un-American Activities Committee of the United States House of Representatives. On such authority the Court has attempted to reverse the exact intention of the framers of the Constitution, not by the due processes of constitutional amendment, but by arbitrary decision unrelated to the law precedent or the facts. Because the Supreme Court has strayed so far beyond the constitutional framework, it behooves the people to adopt such measures as may be necessary to restore the traditional balances of power which have raised this Nation to a position of greatness.

For more than 50 years, the Supreme Court of the United States had stood by the principle of separate but equal school facilities for the races. At least five previous decisions of the United States Supreme Court of this period have upheld the constitutional rights of the separate States to control their own schools. It is strange that this long chain of opinions and the constitutions of many

States, including our own, should be upset, reversed, nullified and scrapped, jeopardizing the public schools of a large segment of the country, as well as the wishes, traditions and the rights of millions of our citizens.

This is one sample of what can happen when we deviate from government based on the Constitution. Under the cloak of judicial robes a "super legislature" has arisen with a veto power over the rights of the States and the people. It is time that we, through our State governments, reasserted the powers that were reserved to us under the Constitution. On the basis of Constitutional considerations, as well as common sense, the States have every right to operate their public schools as they see fit. We here in Virginia have not become so destitute of mind and character, as well as of ability to govern ourselves, that we are ready to ask anyone to cross over the Potomac and indoctrinate us with false and spurious doctrines that are alien to our American way of life.

If we are to maintain our liberties and freedom as well as our State functions, we have a long, hard fight and rocky road ahead. It will require sacrifice, endurance and patience. If we are to succeed we must unite and stand together. With the weight of the long line of judicial and historical precedents to support us, and with right on our side, and determination in our hearts, how can we fail in the venture to protect our children and children's children.

What can or shall we do in this momentous hour? There are 2 things we can do, yea, 3 and more. First, we can go out early next Monday morning and vote for the constitutional convention. Secondly, we can join the Defenders of State Sovereignty and Individual Liberties and ally ourselves with that patriotic organization which was conceived in love not hate. Thirdly, we can stand upon the ramparts of liberty unruffled, unashamed and unafraid, and let these impertinent meddlers know that we are determined never to surrender our freedom. We will also let them know that we will not forsake our children and grandchildren who in their innocence and helplessness are now playing around the family fireside and hearthstones and have none but us to whom they can look for deliverance from these flagitious forces who would not only mongrelize them and destroy the identity of both races, but also deprive and deny them and all others the constitutional guarantees for which our forefathers struggled so hard and which we have enjoyed for so long. In such a crises with so much at stake we shall not flag or fail, we will resist to the end. Our children will rise up to love, to praise, and to bless us. They will never, no never, have cause to look upon our faces or reflect upon our memories in dishonor, disdain and scorn. Hence, we will go forth inspired by an infallible and unflagging courage so well exemplified by Napoleon's 14 year old drummer boy on the battle fields of Austerlitz 150 year's ago, to be exact the 5th day of December, 1805, and we will never beat a retreat. In that battle Napoleon's trained soldiers and seasoned troops were retiring from the field in disorder. This brilliant but heartless general and dictator was faced with what he thought was certain defeat and in an effort to restore some semblance of order among his troops, he galloped up on his steed to the 14 year old drummer boy and commanded him to beat a retreat. The young man looked up into the face of his mighty and gallant commander and replied, "Sir, in the Army of Napoleon I have never been taught to beat a retreat, but I can beat a battle charge that will wake the dead upon this field." Napoleon then commanded him to do so. The men of that army were so stirred by the musical notes emanating from the drum, as well as the courage of that boy, that they reformed the battle lines and won the battle of Austerlitz, thus bringing to the Emperor Napoleon and to France one of the most glorious victories ever established on any field of battle in the annals of military history. Sustained by such unfaltering determination and imbued with quality of character which constitutes manhood and which enables us to meet danger with a firmness of spirit that knows no fear, victory on Monday will surely be ours to claim.

In the dark days of World War II when England was being bombarded by day and night and an invasion of the channel and the fall of that country was imminent, the late King George in one of his speeches used this quotation, "I asked the man who stood at the gate of the year to give me a light that I may tread safely into the unknown," and he replied, "Go out into the darkness, put your hand into the hand of God, that shall be to you better than a light and safer than a known way."

"God of our fathers, known of old,
Lord of our far-flung battleline,
Beneath whose awful hand we hold
Dominion over palm and pine,
Lord God of Hosts, be with us yet,
Lest we forget, lest we forget."

Address by Congressman Benjamin F. James, of Pennsylvania, at Commemorative Exercises Marking the 250th Anniversary of the Birth of Benjamin Franklin, at the Government Printing Office, January 17, 1956

EXTENSION OF REMARKS
OF

HON. J. VAUGHAN GARY

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 18, 1956

Mr. GARY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an address delivered by our distinguished colleague, Representative BENJAMIN F. JAMES, at the commemorative exercises marking the 250th anniversary of the birth of Benjamin Franklin, at the Government Printing Office, January 17, 1956.

We all know that the gentleman from Pennsylvania is a valuable and able Member of the House and an impressive speaker. I have particular knowledge of and admiration for his ability, because we work together on the Committee on Appropriations. His selection, however, as the principal speaker for this commemorative occasion was peculiarly appropriate. He is not only the namesake of the great American patriot, but also now owns and operates the printing business which Benjamin Franklin established and operated. I know that his remarks at the ceremony will be of unusual interest to this House:

Let me say at once I feel highly honored with the privilege of having a part in this fine program commemorating the 250th anniversary of the birth of the amazing Benjamin Franklin—the first civilized American and the patron saint of printers.

From the earliest time that Benjamin Franklin became a popular subject for authors, biographers, and orators, until the present—250 years after his birth—something over 1,000 separate works about him (some of them very extensive indeed) have been compiled and published.

There has been a tendency in Franklin scholarship that has emphasized the philosopher, the scientist, inventor, diplomat, the man of broad international culture, the patriot, and the author, and even the lover, all at far greater extent than Franklin the printer.

This despite the fact that Franklin's phenomenal success as a printer and a publisher was the springboard—economically and politically—for his advancement in the many and varied fields of endeavor that claimed his interest.

Eulogies in vast numbers have been pronounced on many occasions.

The shortest and pithiest of these was by Whitelaw Reid, himself a distinguished journalist, who once said, rather incidentally in a speech about something else:

"I honor the memory of Benjamin Franklin because he was a philosopher who wrote commonsense, an officeholder who did not steal, and a journeyman printer who did not drink."

Then there is the little story of a young scholar whose class was given the assignment of writing a brief composition about Benjamin Franklin. This lad turned in the following:

"Benjamin Franklin was born at a very early age in Boston, on a street called Milk. He went to school for 2 years and then went into the printing business with his brother. He didn't like his brother so he took a boat and went to Philadelphia. He was very hungry when he got off the boat so he bought two loaves of bread and carried one of them under his arm while eating the other. This made a young lady smile at him, so he married her and discovered electricity."

That is brevity in rare form, but it does make the point that in the public mind two things about Franklin are preeminent—his association with the printing business, which was real, and the completely false notion that he discovered electricity.

This evening I should like to speak particularly about Benjamin Franklin, the printer. It seems most appropriate that I should do so here in this, the greatest of all printshops in our day.

It will not be my purpose, however, to trace an orderly account of his career in printing, of his experiences as an apprentice with his brother, James, or with his partners in Philadelphia and also in five of the colonies, in Jamaica and in Antigua.

However, some discussion of the social and economic climate in which Franklin learned his trade and then followed it as the leading master printer of his time will be helpful to an understanding of the role of a printer in colonial America.

The printer then was a jack of many skills and trades, which in these times of specialization and modern equipment are all separate and distinct callings.

Were we able to compress into one person a typographer, pressman, advertisting man, author, magazine and newspaper publisher, reporter and editor, stationer and bookseller we would have an amalgam somewhat resembling the early American master printer.

At the time that Franklin became an apprentice in his brother's shop in Boston the printer had not yet achieved an honorable and influential status in the American Colonies except possibly in the city of Philadelphia and doubtless that exception was owing to the broad, tolerant policy of William Penn.

As late as 1733 the Governor of New York felt obliged, for some offense, real or imagined, to stop the press then running in that city.

In 1718 the Governor of Virginia, when advertising a reward for the capture of pirates, was compelled to send to Philadelphia to have the handbills struck off. On

another occasion that same Governor thanked God they had no press in Virginia.

Earlier—in 1686, Governor Bradford of Massachusetts had forbidden anyone to print without his consent.

Four years before that, the General Court of Massachusetts had decreed that there should be no printing press used except one at Cambridge, and that one only under the supervision of two licensees.

These restrictions were apparently deemed necessary to prevent editorial and printed abuse of the constituted and privileged authorities.

Even in Philadelphia in those days printing was not regarded as a preferred occupation, but the road to better conditions in that city in the printing trade was yet to be plotted by Benjamin Franklin.

Although printing dealt with making books, of which the youthful Benjamin was so much enamored almost from babyhood, he was not inclined to look with favor upon learning the printer's trade. However, the decision was his father's and he was apprenticed, or bound, to his brother James, a master printer in Boston, for a term of 9 years.

His father's first choice for the boy's future had been the trade of the cutler, but the terms demanded by the master cutler required that he be paid a sum equal to about $100, whereas the price named by James Franklin for his brother's instruction in the printer's art was equal to about $50.

It might be said, the want of $50 made Benjamin Franklin a printer instead of a cutler.

In addition to the payment of a lump sum for instruction, his brother would, of course, have his free services during the term of the apprenticeship.

A rather elaborate contract had to be drawn between Franklin's father and his brother James, in which Benjamin was bound to a number of obligations such as keeping his master's secrets, gladly performing his lawful commands, he must not frequent taverns, inns, or alehouses—play at cards, dice tables or other unlawful games—he might not contract matrimony nor absent himself from his master day or night—but, above all, demean and behave himself toward his master during all the said term.

In consideration of all this, the master also assumed a few obligations. The following is from the document given by James Franklin to the father of Benjamin Franklin:

"The said James Franklin, master printer, for and in consideration of the sum of ten pounds of lawful British money, to him in hand paid by the said Josiah Franklin, the receipt of which is hereby acknowledged, the said apprentice in the art of a printer which he now useth he shall teach and instruct, or cause to be taught and instructed, the best way and manner that he can, finding and allowing unto the said apprentice meat, drink, washing, lodging and all other necessaries during the said term."

Further terms of the contract are quaint and somewhat amusing. The master was obliged to provide apparel for the apprentice, described thus:

"A pair of deerskin breeches coming hardly down to his knees, which, before they could be allowed to come into the presence of ladies, at meeting, on the Sabbath, were regularly to be blacked upon the preceding night, in order to give them a clean and fresh appearance for the Sunday; a pair of woolen yarn stockings, a thick and substantial pair of shoes, well greased and ornamented with a pair of small, brass buckles (the latter however to be a present for his good behavior)—a speckled shirt for all the week—and a white one for Sunday—which was always carefully to be taken off as soon as he returned from meeting, folded up and laid by for the next Sabbath."

Franklin once commented that the leather breeches, after several years of wear, became greasy as they grew old and could only be kept flexible when worn, by the superflux of youthful heat.

Thus was Benjamin Franklin, a lad of but 12 years, launched upon a career destined to land him, when only 42 years of age, at the port of wealth and influence, and bring him, in his riper years, greater and greater distinction—not only in his beloved land, but throughout the civilized world.

James Franklin proved to be a mean taskmaster and occasion presenting itself, Benjamin broke the indentures that bound him and though but a lad of 16 years, fearlessly started out to make his way elsewhere.

He arrived in Philadelphia on a Sunday morning in October, in the year 1723, and though his apprenticeship in point of time had been but half completed, he was even then a competent journeyman printer, as well as something of a writer. He found ready employment in the shop of Samuel Keimer, one of the two printers then established in that city. Keimer was slovenly in person and in business, according to Franklin—suspicious and something of a knave withal. This employment was not happy nor did it last long.

The following year a trip was made to Boston at the suggestion of Governor Keith of Pennsylvania, who had become attracted to young Franklin, but who proved to be a very unreliable patron. At Keith's suggestion Franklin sought assistance from his father, Josiah, to the purpose of starting a printing business of his own in Philadelphia.

His father, however, took a dim view of the lad's plans, saying that "Keith must be of small discretion to think of setting up a boy in business who still wanted 3 years of being of man's estate."

Though help was refused by the elder Franklin, advice was generously given, "telling me," as Franklin says, "that by steady industry and prudent parsimony, I might save enough by the time I was 1 and 20 to set me up; that if I came near to the matter he would help me out with the rest."

In December 1724, Franklin sailed for England, again following irresponsible advice and promises by Governor Keith, which were never kept.

The journey was not without profit, however, for he spent nearly 2 years there working for two of London's foremost printers; much improving his knowledge of the business and his skill as a craftsman.

In 1726 he returned to Philadelphia, again went to work for Keimer, for—though still determined to go into business on his own, earnings were neeeded in the meantime.

An incident occurred at about this time of lasting interest, for he fell ill of the pleurisy and in the certainty that he was about to die, he wrote the famous epitaph, which to this day remains one of the most remarkable and widely known writings of its kind. In it he proudly identified himself for posterity with his craft, just as he did later, in his last will—as Benjamin Franklin, Printer.

In the spring of 1728 there was a day to mark the beginning of a new era in the history of printing in America.

The types and press ordered earlier from a London firm by Benjamin Franklin arrived in Philadelphia and were being installed at No. 51 High Street, and the firm name, Franklin and Meredith was hung above the door.

Meredith was a printer in Keimer's shop and a friend of Franklin's. He had been given to overindulgence in drink and Franklin, by advice and example, had redeemed him to a very creditable degree. In gratitude Meredith's father furnished a sum of money, though not wholly adequate, for the purchase of equipment, in return for a partnership—and probably further moral support—for his son. This partnership, however, was dissolved, in 1730, and Franklin became sole owner of the business.

In his autobiography Franklin says that at the time of the beginning of this new firm it was freely predicted that Franklin and Meredith must fail as there were already too many printers in the city. Yet there were only two, one of them Andrew Bradford, the other Samuel Keimer, and neither had the grasp and knowledge of his business possessed by the youthful Franklin.

Franklin did not just hang out his sign, announce that he was in business and wait for customers.

When he and Meredith opened for business, the public printer of Pennsylvania was Andrew Bradford, a dilatory man whose competition had been negligible and only from the highly incompetent Samuel Keimer.

Evidently, the bounty of the public purse was just as alluring in Franklin's day as in our times and political security was then, as now, a dangerous illusion.

Franklin therefore aimed his first competition at Bradford's most lucrative plum, the public printing of the Assembly of Pennsylvania which promptly fell right into his lap.

To use his own words "Bradford had printed an address of the House by the Governor, in a coarse, blundering manner." We reprinted it elegantly and correctly and sent one to every Member. They were sensible of the difference; it strengthened the hands of our friends in the House, and they voted us their printers for the year ensuing.

This, I venture to say, was the beginning of modern lobbying technique in America.

From that year, 1730, until his retirement, Franklin remained the official public printer of Pennsylvania.

In 1736 he clinched the contract by getting himself appointed clerk to the assembly, thus insuring, without interference, the direct transmission of printing orders from the assembly directly to the printer.

This clerkship was Franklin's first political post and his first step in a long career in public service.

Undoubtedly the public printing business was the foundation and side walls of Franklin's Way to Wealth.

At about the same time that he took the job of clerk to the assembly he also broke Bradford's monopoly in the newspaper field.

Keimer, in competition with Bradford's paper, the American Weekly Mercury, had issued on December 24, 1728, his first edition of a weekly called by the impressive title, "The Universal Instructor in All Arts and Sciences and Pennsylvania Gazette."

Within 6 months Keimer was through. He never had over 100 subscribers so he offered the paper to Franklin for what Franklin called a "trifle."

On October 2, 1729, Franklin began publishing the paper with a more reasonable title "The Pennsylvania Gazette." That paper was published regularly until 1815, 25 years after his death.

Franklin was a keen newspaperman. He knew that controversial issues created reader interest, and he has told of controversies he published which, as he says, "Got the publisher and editor talked about by the principal people involved and in a few weeks brought them all in as subscribers."

There is no complete list of books that Franklin and his various partners published from 1728 until 1766, when he sold his interest in the firm to David Hall whom he had taken into a partnership 18 years earlier.

The most reliable count of Franklin's imprints, made about half a century ago, recorded at that time 759 titles.

Next in importance to the public printing were religious works and sermons and books on theology, as a group.

He was not a sectarian publisher and the religious works he wrote, or edited, and published amply covered the field of all sects sheltered under William Penn's "freedom to worship" policy.

Next to religious works and very important profitwise were his almanacs. Of the 759 known items Franklin published, religious titles accounted for 148 and almanacs for 119 items. Very likely even more have now been accounted for.

One item—Poor Richard's Almanack, regularly published for 26 years, far outsold all of its competitors, but he did not carry all of his almanac eggs in one basket. In one year, 1751, he issued six different almanacs, one in the German language and one in the export field called The Barbados Almanac.

I have mentioned briefly some of the important items printed and published by Franklin but there were other and very profitable items such as forms, letterheads, announcements, and such materials as the job printer and stationer supplies.

In those days it was the custom to print certain business forms, such as bills of lading starting with the words "By the grace of God." Franklin felt that some users of these forms might prefer to have those words omitted so he advertised that he would supply bills of lading with or without the grace of God.

Nor have I accounted for the great numbers of pamphlets which he wrote and printed on the philosophical society, the university, and the library company—all of which he helped to found: on his stove, on electricity, medicine, and on politics.

At 42 years of age Franklin had made amply secure his future, financially, and then retired from active participation in the business so that he might have more time for the increasing burdens of public service and his many other interests.

It may be fairly said that Poor Richard's words of worldly wisdom, his pamphlets, his pen, and printing press did more to mould the new American character than any other influence in his time.

A delegate to the First Congress assembled in America at Albany, N. Y., in 1754, he presented his plan for the union of the colonies, which unquestionably awakened in the minds of the colonists a new national consciousness. Many regard this as Franklin's most significant contribution in behalf of the independence of our country.

George Washington, to whom we refer affectionately as the Father of Our Country, was in that same year, 1754, a lad of about 20 years, mainly occupied with the task of surveying his family's estates in Virginia.

Franklin died at the age of 84 years and 3 months, soon after Washington, at the age of 57, was inaugurated first President of the United States.

I would like to now conclude this discussion of Benjamin Franklin, printer, by recalling, what we must believe he valued among the finest rewards of a life of devoted service to his country and to mankind.

It was a letter that he received on his deathbed, but while he was still in possession of his faculties and ability to clearly comprehend, which I now read:

"If to be venerated for benevolence—if to be admired for talent—if to be beloved for philanthropies—can gratify the human mind, you must have the present consolation to know that you have not lived in vain; and I flatter myself that it will not be ranked among the least grateful occurrences of your life to be assured that, so long as I retain my memory, you will be recollected with respect, veneration, and affection by your sincere friend, George Washington."

Albert Gallatin, a Great Swiss-American Patriot

EXTENSION OF REMARKS
OF
HON. HENRY S. REUSS
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 18, 1956

Mr. REUSS. Mr. Speaker, we are approaching January 29, the birth date of Albert Gallatin.

From the very inception of the democratic way of life on our shores there have come from across the seas men and women whose contribution it was to help build America into a nation that is today the freest, richest, and most powerful on earth.

Some came in time of war and others came in time of peace. The illustrious names of Lafayette, Kosciusko, Von Steuben, Rochambeau are known to all of us as the heroes whose assistance on the fields of battle or on the high seas helped the colonials throw off the yoke of the foreign oppressor. Their military feats are forever enshrined in the memories of our people.

But after the birth of the Nation came the growth of the Nation. It was then the young Republic turned to heroes of another sort, men whose job it was to fill out the democratic framework which had been erected at such cost.

Such a man was the young Swiss-born Albert Gallatin, a youth of 13 in Geneva when our great Revolutionary War began. Born on January 29, 1761, and an immigrant at 19, Gallatin, as Senator, Congressman, and Secretary of the Treasury, was destined to fulfill himself nobly as an American and to earn for himself, in the company of such giants as Washington, Jefferson, Madison, John Adams, the title of Founding Fathers.

His history as an American began in 1780 when he landed in Boston, fired with the concept of democracy he was never to forget, even in the most provoking circumstances.

For Gallatin, whom Jefferson called a man "of a pure integrity, and as zealously devoted to the liberties and interests of our country as its most affectionate native citizen," was, during his early political career, to be submitted to the most outrageous attacks because of his foreign birth.

When Gallatin entered Congress in 1795 and had the temerity to challenge the fiscal operations of the United States under the Federalists, Secretary of the Treasury Alexander Hamilton was in power. And, smarting under the demand that the Treasury must account to the people for its expenditures, Hamilton and his associates unleashed their attack on Gallatin who, nonetheless, achieved his purpose by keeping a cool head on his shoulders and fighting with the immense financial learning he commanded.

In 1801, when the Federalists were defeated by Jefferson and Gallatin was named Secretary of the Treasury, the Federalist attack on Gallatin was renewed; but he was to weather it, and, in the course of his tenure, substantially reduce the national debt, lower taxes, and develop and extend the credit and commercial relations of his adopted land in the markets of Europe.

Idealism, tempered by a respect for thrift and work, made Gallatin an ideal addition to the party of Jefferson and Madison. His early and exacting training in Switzerland, plus a natural aptitude for finance, were the very leaven his party needed to achieve the prosperity which, along with its democratic ideas, won and kept the support of the people.

Sound commercial relations—not war—offered the key to prosperity in Gallatin's thinking; and his policies were to bring the young Republic enormous dividends, and even the friendship of England with which he negotiated a commercial treaty following the War of 1812 which abolished all discriminatory duties.

In this light, it might be well to reevaluate some of our Government's recent decisions to place pitfalls in the way of commercial harmony. I refer especially to the increase in the watch tariff last year which affects the country of Gallatin's birth and our own country as well.

A successful working through of this tariff problem, in the light of Gallatin's precepts, is one way America can now profit from the exemplary life of this devoted adopted son.

Address by Hon. Alexander Wiley, of Wisconsin, at Marshall College

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES
Wednesday, January 18, 1956

Mr. WILEY. Mr. President, on Monday it was my pleasure to address a forum at Marshall College in Huntington, W. Va., on the subject of the administration's foreign policy in the European area.

I was pleased to share the platform with my distinguished colleague from Minnesota [Mr. HUMPHREY], who discussed the problems of our relations with Asian lands.

I send to the desk the text of my own address, and ask unanimous consent that it be printed in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

SENATOR WILEY COMMENDS EISENHOWER ADMINISTRATION FOREIGN POLICY; SAYS NONPARTISAN UNITY MORE ESSENTIAL THAN EVER BEFORE; URGES DEMOCRATS MAKE THEIR CONSTRUCTIVE CRITICISMS, IF ANY, "MORE SPECIFIC"

It is a pleasure for me to address this fine assembly, and to share the platform with my

colleague from my neighbor State of Minnesota.

One of his many important services these days is his chairmanship of an exceedingly important subcommittee of the Senate Foreign Relations Committee, devoted to the vital problem of disarmament proposals.

SENATOR HUMPHREY'S POSITION AND MINE

My colleague has become somewhat of a specialist in disarmament. But I trust that when he gets around to any references to the Democratic Party, that his remarks tonight will not prove too "disarming."

Seriously, I know that you will enjoy his remarks, because Senator HUMPHREY has shown great interest in the problems of Asia and real understanding, just as he has been very alert to our problems in Europe as well.

Before I proceed further, may I say that, although my good friend from Minnesota and I have frankly disagreed at times on some domestic issues, we have voted side by side and fought, shoulder to shoulder, on some of the key international questions of our time.

We have both been supporters of the basic policies aimed at constructive American leadership in the contracted world of the air atomic age.

We have both fought against those narrow, backward-looking forces which, ostrich-like, would try to "bury America's head in the sand."

We have both fought for a strong technical aid program to uplift the standards of living in the under-developed areas of the world. And I could cite other instances of our unity as well.

Later on, I shall refer to the points on which we differ somewhat—points which will become apparent to you, as we both proceed to the substances of our remarks.

EUROPE—A KEY TO THE WORLD BALANCE

But first, let us turn to the European area, as such—Europe, the industrial, political, and cultural cradle of our own Western civilization, Europe—the area of our principal ancestry, Europe—the principal arena of the forces that have molded the 20th century.

It is in Europe that communism first established its beachhead. It is in Europe that it gained its home base for aggression. It is in Europe that it made its first spectacular advances. It is in Europe that it posed its most serious threat after World War II. And it is in Europe, where, thanks to the Marshall plan, NATO, and now the Western European Union, that a rough equilibrium has been achieved, stopping communism, at least temporarily, in its tracks.

Most observers, I think, would agree that our most impressive successes in postwar foreign policy have tended to be in the European area, whereas our most significant and ominous problems tend to be in the Asian area, to which Senator HUMPHREY will refer.

EUROPE, ASIA INTERRELATED

Europe and Asia are hardly disconnected, however. They can hardly be spoken of, as if they were separate problems.

Although I shall confine my own remarks principally to the European area, as requested, it is almost inevitable that some of my comments will lap over into the Middle East, Africa, Asia, and, indeed, South American areas as well, just as will Senator HUMPHREY'S comments overlap somewhat.

One cannot talk, for example, about continued prosperity of Great Britain without referring to her considerable dependence upon pound sterling earnings in the troubled Middle East and southeast Asia.

One cannot talk about France, without immediately bringing up the sore problem of self-deterioration in North Africa.

One cannot speak in terms of our NATO relations, without almost automatically bringing up problems of our relations with the colonial and former colonial areas which belong now or used to belong to some of the NATO powers.

Obviously, the world today is an interrelated unit—economically, politically, militarily, socially. Of course, this world is divided by the still formidable Iron Curtain. Nevertheless, a solution to our problems in Europe is crucially dependent upon success of our decisions in other areas, and vice versa.

Thus, when you think about our relations with our friends in, say, Portugal, it is more than a European problem. You must also bear in mind the problems of our relations with our friends in India and the specific, difficult problem of Goa.

You must think, however, as well, of those crucial Azores bases—belonging to Portugal—which are an indispensable link in our own Atlantic chain of defense.

KEEP BROAD PERSPECTIVE

We need, therefore, to keep an overall and broad perspective.

A segmented view of the world—a view of merely Asia's or Europe's problems—all by themselves—may tend to be narrow and distorted.

Our problems are complex and interwoven. We dare not ignore dangerous side-effects and after-effects of our European actions in Asia, nor of our Asian actions in Europe.

A BALANCE SHEET OF EUROPEAN POLICIES

Now, let us draw up a balance-sheet in Europe.

What does it show? How successful have our policies been there?

I believe—very successful indeed, although obviously far from perfect.

On the "plus" side of the ledger, our achievements in Europe have been:

1. The coming into being of the Western European Union, as a substitute for the European Defense Community.

WEU is not a perfect substitute, but it is an effective wroking alternative for achieving greater unity, principally between those two traditional enemies—France and Germany.

2. A second success is the reentry by the people of Germany into the family of sovereign nations.

Unhappily, it is only the people of the Federal Republic of Germany, that is, West Germany. But we are continuing our efforts looking toward the earliest possible unification of both zones, along free and democratic lines.

3. The regaining by the people of Austria of their long-sought independence.

4. The settlement of the bitter Italian-Yugoslav dispute over Trieste.

5. Progress under the High Coal and Steel Authority, and steps toward other economic integration.

6. The taking of the necessary steps to bring into being the United Nations Atomic Agency. These steps have been spearheaded by the Atlantic powers which have made the most progress in peaceful application of atomic energy. But non-European powers are of course also included.

7. The continued strengthening of the North Atlantic Treaty Organization, including efforts, most recently, designed to lead toward a NATO radar system.

8. The entry of additional free European powers into the United Nations, including countries such as Ireland, Italy, and Spain, which had heretofore been arbitrarily excluded by Soviet veto.

9. The continued booming prosperity of Western Europe which, while it is occasionally marred here or there, has been surpassing almost all prewar records in production and consumption.

These are a few elements of the positive side of the ledger. These are the assets, the gains, the pluses.

THE PROBLEM SIDE OF THE LEDGER

No one should, however, ignore the continuing difficulties.

1. Foremost among those difficulties is, of course, that faced by our friends in the uneasy Republic of France.

You are all familiar with the serious parliamentary deadlock between the forces of the right center and the left center, led respectively by former Prime Minister Faure and former Prime Minister Mendes-France.

You recognize how the diabolic Communists will continue to attempt to throw the monkey wrench into France's parliamentary system, by virtue of the fact that they now command 145 seats in the French Assembly out of 594. You recognize too, the unsettling effect of the 52 Assembly votes on the extreme right.

2. Secondly, you are familiar with the disarrangement of the Saar agreement by the recent pro-German votes.

The Western European Union is, of course, hinged on French-German agreement on the Saar.

So, a great deal more must still be done to patch up the obvious differences which have occurred in that iron- and steel-rich area.

THREE DANGERS IN NORTH AFRICA

3. Thirdly, everyone is all too aware these days of the threat posed to the Atlantic powers by the continued serious disturbances in North Africa, particularly in Morocco and Algeria.

The riots and fighting there are not only of grave concern to our French friends, but are of particular concern to ourselves in view of three facts:

(a) The strategic stake which we have in the areas because of the presence of our Strategic Air Command bases. (These bases, I need not remind you, are a crucial part of America's principal deterrent against world war III.)

(b) The dangerous effect of the disturbances on the whole Moslem world—stretching from North Africa through the explosive Middle East—through Pakistan and all the way to Islamic Indonesia.

(c) The fact that France has drained off 300,000 troops for North African duty, and thus has seriously depleted NATO strength in Europe.

DEPRESSED AREAS IN ITALY

4. Another of the continuing problems is the fact that in some areas in Europe, there are still considerably depressed segments of national economies.

The principal example is, of course, in our good ally, Italy. There, in spite of an enormous financial commitment by the United States, and in spite of strenuous efforts by the Government, a vast unemployment problem continues to exist. Meanwhile, land redistribution in Italy has not achieved anywhere near its fullest goals, and there is considerable want and privation among many of the Italian people, especially in the south.

HOW LARGE SHOULD NATO'S GROUND FORCES BE?

5. Another key question relates to NATO's adequacy in the light of changing facts of the air-atomic age.

We must remember that the ground area of Western Europe is actually comparatively small.

That means that supersonic jet planes—fighters and bombers—could streak from Soviet bases across the entire NATO area in a matter of minutes and hours.

Moreover, the Soviets are constantly modernizing their armed forces. And so, we have an enormous problem in terms of modernizing NATO forces, as well.

NATO weapons are quickly becoming obsolete. The question is: Who is to foot the new bill? How much can Uncle Sam afford to provide?

A related question is: How large should NATO's ground forces be, considering the

fact that the principal threat to NATO may come from air-atomic weapons, rather than from the traditional-type infantry—ground assault?

Inevitably, the Western European countries find themselves pinched in their military budgets. Inevitably, there is pressure to reduce the size of their ground forces. (This is so, particularly, in view of occasional Soviet smiles and sweet talk.) One can see the impact in virtually every one of the NATO powers. Thus, in some of these powers, there is a tendency drastically to shorten the period of military enlistment, indeed, to make it so short that the men may not have sufficient specialized training at all.

PARLIAMENTARY PROBLEMS IN THE WEST

6. We turn to a sixth problem, relating to recurrent parliamentary crises. Even so relatively stable a country as Britain—which has had only 3 changes in the postwar era, in comparison to France's 22 governments since 1945—even Britain has had her parliamentary conflicts.

Prime Minister Eden, for example, has found himself in difficulty because of a combination of crises in the Middle East—where Britain has traditionally exerted a paramount influence—and because of the United Kingdom's serious economic problems as well.

OUR REVIEW OF THESE PROBLEMS

These, then, are but a few of the problems which exist.

No one should underestimate these problems. Senator HUMPHREY and I, as well as our colleagues on the Senate Foreign Relations and House Foreign Affairs Committees, "wrestle" virtually every week with these problems.

Very shortly we will be making an intensive review of the administration's mutual-security requests for the coming fiscal year; and, no doubt, many of these specific problems will be coming up.

THE CONTINUING CRISIS IN MIDDLE EAST

Also looming large will be the continuing crisis in the Middle East.

I need not tell you that a match which might be lit near that powder keg could explode in a manner which might quickly engulf not only Europe, but Asia and the Western Hemisphere as well.

Secretary Dulles has, of course, been making an intensive effort to compose the bitter Arab-Israeli dispute. Progress has been made. Agreement has been approached on Eric Johnston's Jordan water-development plan. But obviously a great deal more constructive work still needs to be done.

THE PROBLEM OF FOREIGN POLICY AND NOVEMBER 1956

This, then, for brief summary purposes, must be our general outline of the situation in Europe.

In the few moments which are remaining to me I should like to say just a few words with regard to the relations here at home between the two political parties over our foreign policy.

No one need remind you that in this crucial election year of 1956 it is inevitable that both parties may, to some extent, try to use foreign-policy arguments to their own advantage.

It is inevitable that the Eisenhower administration will "hold with pride," and that some of our Democratic friends may tend to "view with alarm."

It has been my hope (indeed it has been the hope, I believe, of most thinking Americans) that we can keep partisan disputes on foreign policy to an absolute minimum.

We must keep the argument to manageable proportions. We must not allow foreign policy to be completely dragged into the political arena, where it might be kicked around to such an extent that America's prestige declines throughout the world.

The eyes of all mankind are upon us. Our friends are not slow to note our shortcomings, and our enemies are quick to seize upon our shortcomings.

GENERALIZED CRITICISM OF FOREIGN POLICY

Now, let me say just a word with regard to some of the criticisms which have been leveled against our foreign policy.

One quickly notes that one uniform characteristic of these criticisms is that they have really been confined to generalities and not to specifics.

Occasionally the criticisms become specific. One example is the hindsight possibility that we might have become involved in the Indo-Chinese fighting at the Communist siege of Dien Bien Phu.

Well, a lot of things might theoretically have happened in the past and a lot of things might theoretically happen in the future. This is a world of alternative risks and dangers. We could spend time indefinitely discussing risks which we took in the past or alternatives which we might have taken, but didn't.

THE SURPLUS OF ABSTRACT ADJECTIVES AND ADVERBS

Basically, however, as you read most of the Democrats' criticisms, you will see that generally our Democratic friends merely say, in a completely unspecific way, that our foreign policy is "not clear enough." And they use dozens of other abstract adjectives and adverbs as well.

When you try to pin them down, when you try to ask them for their own constructive counterproposals, when you ask them what they would actually do, differently than what we are not doing now, there is a comparative silence. I say "comparative," because silence is not a noun generally associated with the Democratic Party. Basically the Democrats do not really have specific alternative plans to the ones which the Eisenhower administration is now following. The Democrats want us to achieve all of these "lovely" adjective goals which they set forth—flexibly, dynamic, etc.—but they do not tell us how—concretely.

Let me assure you that I, for one, very definitely want our foreign policy to be clear, dynamic, flexible, and so forth.

But I believe that right now it basically does strive for these objectives. And I believe that no two people are working harder for those goals than are Dwight D. Eisenhower and John Foster Dulles.

DEMOCRATIC ADMINISTRATIONS ESTABLISHED PRESENT OUTLINES

Lest my position be misinterpreted, let me quickly state that this Nation is indebted to the previous Democratic administrations for the broad outline of leading policies which have proven successful in Europe and emphasized in Europe.

This Nation is indebted to an ex-Secretary of State like Gen. George C. Marshall, who recently observed his 75th birthday. And it is indebted to other men of great stature who served this Republic well in the field of foreign relations during the long period of Democratic occupancy of the White House and control of the Congress.

It is my hope that, thanks to the great talent and ability of both major parties, we will continue to make a success of our policies in Europe, as well as in Asia, and elsewhere.

PRINCIPAL THREAT TODAY IN ASIA

In my judgment, the principal Soviet threat today is not in Europe. It is in the Asian theater, where conditions of colonialism, of widespread poverty, illiteracy, and disease provide ripe opportunities for communistic intrigue. About this we shall hear more from our good friend from Minnesota.

CONCLUSION

It has been a great pleasure to be with you tonight, and I look forward to the opportunity to respond to your questions.

Address by the Vice President on the 250th Anniversary of the Birth of Benjamin Franklin

EXTENSION OF REMARKS
OF
HON. FREDERICK G. PAYNE
OF MAINE
IN THE SENATE OF THE UNITED STATES
Wednesday, January 18, 1956

Mr. PAYNE. Mr. President, last evening the Vice President delivered an excellent address before the golden anniversary dinner of the Poor Richard Club in Philadelphia on the 250th anniversary of the birth of Benjamin Franklin. I ask unanimous consent that the Vice President's address may be printed in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

TEXT OF ADDRESS OF THE VICE PRESIDENT OF THE UNITED STATES BEFORE THE GOLDEN ANNIVERSARY DINNER OF THE POOR RICHARD CLUB, BELLEVUE-STRATFORD HOTEL, PHILADELPHIA, PA., JANUARY 17, 1956

This is a very special occasion for me for several reasons:

Because I am privileged to share with you the 250th anniversary of the birth of the most versatile, the most complete man in our history, Benjamin Franklin.

Because, at the same time, I share also the golden anniversary of this club, which bears a name which both Dr. Franklin and my mother thought well of.

Because you have so highly honored me by allowing me to join the distinguished group of men and women who have received your gold-medal award in years gone by.

In accepting the award may I suggest that it could have more appropriately been presented to many others, but particularly to one who is in this audience. The citation speaks generously of the contribution to good will and understanding I may have made in serving in my present office. May I be permitted to tell you a little story at this point.

When we returned from our two-and-a-half-months' trip to Asia in December 1953, the President and Mrs. Eisenhower very generously invited us to the White House upon our arrival. As we were sitting in the White House apartment on the second floor enjoying a cup of tea, the President turned to me and said, "I've had some good reports on you, Dick, on this trip." And then he turned to Mrs. Nixon and said, "But the reports on you, Pat, have been wonderful."

Now Benjamin Franklin was a most gallant man. As you recall, on being chided by a lady as to why he had not come to call, he replied, "Madam, I am waiting until the nights are longer." I am sure he would agree that this club would have done better to honor the lady rather than the man tonight. In that spirit, then, I accept this award with humility and gratitude.

And now I embark on one of the most difficult tasks which could confront a speaker.

To speak on Benjamin Franklin before this group is like carrying coals to Newcastle. Or, as Foreign Minister Shigemitsu of Japan, put it when he was here a few months ago, like carrying Sake to Nada. You have had distinguished speakers galore tell you again and again of Franklin's life, his achievements, his priceless anecdotes.

But I should like to consider this versatile man Franklin tonight in his role as a public man and a public servant. Because in addition to his many better-known talents he was a superb political operator. He

was a businessman who recognized the importance of politics and public service. He was a governor. He was our first Postmaster General. He was our first Ambassador to a foreign country.

I, of course, would like to claim that he was the first Republican, but the terms "Democrat" and "Republican" in the sense we think of them today were not known to him. I am sure, however, that it would not be inaccurate to state that he was a moderate.

And since leading figures in both political parties see the merits of moderation today, that makes any praise of Franklin which I intend to indulge in completely bipartisan in character.

We have only to read the concluding sentence of his famous speech to the Constitutional Convention which had such a great impact on that historic body to find the true guide lines for moderation.

"I cannot help expressing the wish that every member of the Convention who may still have objections to it, would with me on this occasion doubt a little of his infallibility and to make manifest our unanimity put his name to this instrument."

No one could read or hear these words without agreeing that Franklin was in truth a moderate in the best sense of the word.

Let us now see what advice this infinitely wise man might have for us on the great issues which confront our Government today.

We do not have to look far to find what his position would have been on national defense. It was Franklin who said:

"The very fame of our strength and readiness would be a means of discouraging our enemies, for 'tis a wise and true saying that one sword often keeps another in the scabbard. The way to secure peace is to be prepared for war."

And I can assure you that we are following Franklin's advice today in our national policy.

Today America's military strength, combined with that of our allies, is greater than it has ever been in war or peace. We can, if necessary, with our allies meet and defeat any aggressor who dares to launch an attack.

And I am sure that the great majority of the American people will agree when I say that as long as a malignant aggressive force threatens the peace of the world, the understandable desire we all share for cutting our taxes and balancing our budget must never be allowed to compromise our judgment as to the necessary level of our military strength during this period of international tension.

Franklin also, even in those early days of the Republic, was a full-blown, practical internationalist in every sense of the word. It is true that his famous statement, "We must indeed hang together or assuredly we shall all hang separately," was made in reference to the American Colonies and not with regard to the United States' relations with other countries, but other statements show the trend of his thinking. With amazing foresight, he virtually predicted NATO and the United Nations.

And there is no doubt whatever but that he would have been a strong proponent of reducing barriers to trade between nations and of providing foreign aid when the interests of the United States as well as the countries aided would be served. It was he who said:

"I am sorry to find that that wisdom which sees the welfare of the parts in the prosperity of the whole seems not yet to be known in this country. We are so far from conceiving that what is best for mankind, or even for Europe in general, may be best for us."

I can imagine that if Franklin were here today he might have given us a new definition of an internationalist. I submit one on his behalf. "An internationalist is a nationalist who recognizes that in the final analysis what is good for our friends abroad is good for the United States, and what is bad for them is bad for us."

In line with this definition, may I at this point say some things about foreign economic aid which I think very desperately need to be said and understood by the American people? What I say now has not been cleared with the White House or with the Department of State, but it represents my own personal estimate of a deadly danger which confronts the United States and the free world.

We seldom have any difficulty in arousing the American people to the necessity of providing men and arms to defend the frontiers of our allies against armed aggression. Korea was a prime example of this truth.

And I am sure that if the Soviet Union were to launch an armed attack against Indonesia, Afghanistan, Syria, India—any of the countries of the Far East, Near East, or Africa—the people of the United States would realize that such an attack endangered our own security and would take appropriate action to meet it.

The reason we are so ready to take up arms and send our men to fight on foreign shores is that we recognize that if a potential enemy is allowed to overrun either free or neutral countries our own world position is weakened and we eventually will be next on the list.

What we must realize today is that sinister new means have been developed by the Communists for taking over countries without ever launching armed attack across a border.

Since World War II the Communist conspiracy has added 600 million people and a quarter of the earth's territory to the area which it dominates. The significant fact about this accomplishment is that the gains were made without the loss of a single Russian soldier in combat.

What it adds up to is that the major danger the free world faces today is not defeat in hot war but defeat in cold war—a cold war in which potential enemies undeterred by any moral restraint use political, economic, phychological and other tactics which are just as effective in taking over territory as armed aggression—and much less costly. This is the way the Communist nations operate.

We hear today a chorus of opposition to the so-called "giveaway foreign aid programs" while at the same time we find virtually no opposition to programs which build up our armed strength at home and that of our allies abroad.

But if we examine the problem realistically we will find that the men in the Kremlin are waging not only a great ideological offensive against the free world but a very subtle and economic offensive as well—an offensive in which they are attacking what they think are the weak spots of the neutralist and the free world with offers of economic aid.

They are not making these offers because of any highly developed sense of philanthropy. The realistic men in Moscow know that a country which becomes an economic satellite will inevitably become a political and military satellite as well.

Our foreign aid program is not designed to buy the friendship of peoples in the countries to which our aid is given. That is why both neutrals and allies should share in that program.

What we are trying to do is to shore up their strength so that they can be free economically and politically of any foreign domination—so that they can be independent members of the family of nations. This in the final analysis is the best guaranty of our own freedom and our own independence.

An economic offensive is potentially just as dangerous and in some ways more dangerous than a military offensive which might be launched against us or one of our allies.

If we want to keep our freedom and our independence we must recognize this threat and deal with it imaginatively, boldly, and effectively.

I am sure that Franklin who, in speaking of the benefits of peace, said, "What vast additions to the conveniences and comforts of living might mankind have acquired if the money spent in wars had been employed in works of public utility," would have approved wholeheartedly of President Eisenhower's conduct at the Geneva Big Four Conference.

He would have recognized that the millions of the world's people want peace and he would have argued the necessity and rightness of his country being on the side of peace.

And the Geneva Conference which for the first time since World War II got the United States off the defensive and on the offensive on the great issue of peace and did so without one concession of liberty or territory would in Franklin's judgment have been considered a memorable success.

But the man who said, "There never was a good war, or a bad peace," would certainly not have been an appeaser. We must remember that he was a revolutionary leader. It was he who said, "They that can give up essential liberty to obtain a little temporary safety deserve neither liberty nor safety." Surely we can find no better guideline for our conduct in the world conflict which engulfs us today.

He would have been proud to have read and heard the statement the President made recently on the subject of the captive countries. "The peaceful liberation of the captive peoples has been, is, and until success is achieved, will continue to be a major goal of United States foreign policy."

In summary, I rather imagine that Franklin would have approved wholeheartedly of President Eisenhower's recent statement—"We must wage peace with our eyes open, our heads cool, and our tempers well under control, yielding neither to Soviet threats or Communist blandishments in our crusade for a free, peaceful, and prosperous world."

I believe too that Franklin would undoubtedly have approved of good will trips of every type and description. He was himself a man of infinite good will, beloved in every country to which his journeys took him.

And it was he who uttered these eloquent words, "I think it cannot but have a good effect in promoting a certain interest too little thought of by selfish man, and scarcely ever mentioned, so that we hardly have a name for it; I mean the interest of humanity, or common good of mankind."

I personally again can testify to the truth of his statement. It has been my privilege to visit 30 countries in the past 3 years and I have no doubt whatever but that as people know each other the prejudices which otherwise would drive them apart will inevitably melt away. I had heard before I visited these countries how different the people of each nation I was to visit were. These people were supposed to be reserved, others were supposed to be arrogant, others were anti-American.

But I found that while there were differences in food, religion, customs, and languages, a smile, a handshake, a friendly gesture, got the same reaction abroad as in the United States. That was true everywhere we went in Asia. And, in Latin America my memories are full of gestures of good will.

And may I say that one of the reasons I am particularly moved by receiving this medal tonight is that this organization recognized the importance and the contribution

that can be made by public officials when they go abroad offering no treaties, no arms, no economic concessions, but simply an abundance of American good will.

This very practical man would have had some appropriate comments on some of our more mundane but nevertheless important domestic problems.

I am confident that the subject on the domestic scene which would have fascinated him the most would be the current controversy which is developing over automation. There are a number of reasons for this conclusion.

Franklin invented all types of labor-saving devices. A machine to copy letters. A long arm for taking down books from high shelves. A rocking-chair with an attachment which caused a fan above the chair to move rhythmically back and forth cooling the sitter and shooing the flies.

He was a man who valued time more than any man in history. It was he who said, "Lose no time, be always employed in something useful, cut off all unnecessary action."

He even carried his passion for saving time to extremes which might not be approved in some quarters. He noticed that it always took a considerable time for his father to ask the blessing at the dinner table. He studied the situation and came up with this ingenious idea. He suggested to his father that he could bless all the food in the barrels at one time and thus save the time of blessing each portion of it at the table.

Rather than engaging in gloomy predictions as to unemployment and dislocation which might be caused by further automation, he would probably have pointed out these salient facts:

There has been no significant rise in unemployment in these days when automation is increasing.

On the contrary, employment, wages, and income for America's workers are the highest in history.

There is no appreciable unemployment in those industries in which automation is furthest advanced: chemical, electrical, communications, and automobiles.

And looking to the future he would have noted these facts:

Today the labor force includes approximately 42 percent of our population.

By 1965, it is estimated that it will be less than 38 percent of our population at that time.

On the other hand, the number of nonproductive persons will have increased from 34 percent of the population to over 49 percent in the same period.

These percentage figures are based on a projection by the Bureau of the Census which indicates that by 1965 the total population of the United States will increase about 25 millions while at the same time the number of persons aged 26 to 64 will increase by only 8 millions.

This brings us to an inevitable conclusion. The only way to make up this growing difference between the relative number of workers and consumers is by better management of the Nation's productive resources. It will not be enough to go on doing as well as we have done. We will have to do much better, and that means we will have to have much more automation.

I am sure Franklin would have gloried in this situation. He would have seen that here is truly a new frontier for America, and, with that gentle humor of his which always glowed but never seared, he would have laughed out of court the prophets of doom, the reactionaries who see such grave consequences in this new vista of progress for America and the world.

All in all, considering the manifold problems of the diversive regions, groups and interests in America, we can be sure that Franklin above all would have been a true statesman. It was he who said, "To serve the public faithfully, and at the same time please it entirely is impracticable."

I think that he would have been immensely proud of another man of good will, one of whose actions I would like to describe briefly to you now.

This is an incident which occurred in a Cabinet meeting. It is not necessary to identify the bill involved or the people involved because this incident is so typical of the man who heads our Nation today. A question arose as to whether he should veto a bill if it passed Congress. Though the bill would cost several millions more than everybody in the President's Cabinet believed should be appropriated for the particular purpose, one of those present urged that he not veto the bill on the ground that history showed that vetoes by previous Presidents of such bills had proved to be politically damaging because of the political power of the group favoring the bill.

The President looked him straight in the eye and said: "I have s udied the history of such bills also and I agree that in the short run such veto action may have been politically unwise. But I have always found in my life that you never get into trouble in the long run doing what is right, and I am not going to be black-jacked by any group in America to do something which I do not think is in the best interests of all the American people."

I am sure that Benjamin Franklin would say that this kind of statesmanship which we have learned to expect from our great Presidents, both Republicans and Democrats, is what has made America the great country it is today.

Of course, I realize that up to this time I have not commented upon the major political question of the day, and I must admit that even Franklin on this subject appears to be somewhat inconsistent. On the one hand he said, "The first mistake in public business is the going into it." But then again he said, "I shall never ask, never refuse, or never resign an office."

All that I can say is that I know that 32 million Republicans and Democrats who voted for President Eisenhower are hoping and praying that he will see fit to follow the advice Franklin gave in the second quotation rather than the first.

Finally, tonight, I think that your great Philadelphia philosopher would have had little advice for me.

A careful reading of most of what he said unfortunately shows no direct advice to public speakers. But after reading and rereading source materials, I finally ran across this gem: "It is ill manners to silence a fool, and cruelty to let him go on."

Now I don't mean by this quotation that Franklin meant that all Vice Presidents and/or orators are fools. And I know the members of the Poor Richard Club in this City of Brotherly Love could never be cruel or rude.

But I do know that Franklin, a man who loved life, good humor, and good fellowship, with the knowledge of the delightful entertainment that is to follow the speaking part of this program, would say, "Anyone who talks any longer at this point is a fool."

So may I conclude my remarks by saying to you again—

Thank you for the honor you have conferred upon me through your award.

Thank you for the privilege of allowing Mrs. Nixon and me to share this historical event with you.

And may the years ahead for each of you be filled with the wisdom, the good humor, the great humanity with which the creator of Poor Richard was so abundantly blessed.

Speaker Rayburn Lends Power of His Voice to Public Shock and Alarm Following Disclosure of Brink of War Philosophy and Practice on the Part of Secretary Dulles—Calls It Pitiful Performance

EXTENSION OF REMARKS

OF

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 18, 1956

Mr. EVINS. Mr. Speaker, many millions of alarmed American citizens—as well as many of our allies—are reading today with relief and gratification that the calm, reasonable, and powerful voice of our distinguished Speaker, Hon. SAM RAYBURN, has been raised in condemnation of the suddenly disclosed brink-of-war philosophy which, it seems, is being practiced by our State Department; at least it has been practiced, by his own admission, by the Secretary of State, Mr. Dulles.

Speaker RAYBURN, in a press conference statement on yesterday, called Mr. Dulles' practiced brink-of-war philosophy a pitiful performance and many will find themselves in complete agreement. For my own part, I can see only one bright result coming out of Mr. Dulles' self-praiseworthy disclosure of his diplomatic tactics—and that is, that having revealed his tricks of the trade to an appalled world, Mr. Dulles may find them impossible for successful practice further in the future.

In this connection, Mr. Speaker, I include excerpts from the report of Mr. RAYBURN'S press conference statement, as written for the New York Times by Mr. William S. White, in the RECORD.

The excerpts follow:

RAYBURN ASSAILS STAND BY DULLES—HOUSE SPEAKER SCORES PITIFUL PERFORMANCE AND CHARGES PERIL TO UNITED STATES ALLIANCES

(By William S. White)

WASHINGTON, January 16.—House Speaker SAM RAYBURN added his power today to Democratic attacks on Secretary of State Dulles.

* * * * *

As Mr. RAYBURN broadened Democratic charges of election-year irresponsibility against the Secretary of State, President Eisenhower coincidentally asked Congress to grant him the right to pledge foreign economic aid for some time into the future.

The Speaker * * * accused Mr. Dulles of a "pitiful performance." Mr. RAYBURN said the Secretary had endangered the United States' alliances by a statement in an interview in Life magazine that the administration's diplomatic skill had saved the peace after the Nation had walked "to the brink of war."

Speaker RAYBURN'S denunciation of Secretary Dulles was of unusual significance.

It was the first instance in which a member of the Democratic congressional leadership had joined what had heretofore been rank-and-file criticism of Mr. Dulles over the "brink of war" statement, which appeared in an interview in Life magazine.

* * * * *

Mr. RAYBURN's action was one of the rare times he had assailed the administration on foreign policy since President Eisenhower took office in 1953.

The Speaker asserted at a press conference that Mr. Dulles' interview was likely to lose friends abroad who were needed by the United States more than ever.

"That [the article] may be a satisfactory thing for Mr. Dulles," Mr. RAYBURN declared, "but it is a pretty dangerous performance for the country. All in all, the article and Mr. Dulles' quotes in it were a pitiful performance.

"The brink of anything is too close for me. I think we need friends now more than we ever needed them. I fear that by a performance like this we may have fewer of them in the future than we have now."

"Do Big Oil Companies High-Pressure Local Gas Stations?"

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 18, 1956

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following radio address I delivered over station WMEX, Boston, Mass., on Saturday, October 15, 1955:

Greetings. In the maze of congressional activity the evidence developed through some hearings and investigations does not receive the attention that it deserves.

Take the case of Pete, who runs the gas station around the block. We may drive the many cars in his neighborhood, but he is the one who provides the services that enable them to run.

Pete is a pleasant man, who seems to delight in waiting on us.

Even though he is kept busy all of his long day, in his little supply office, at the gas pumps, or under the hoist.

Pete is a small-business man.

We know that he works hard, but we figure he enjoys the fact that he is independent.

There are some 200,000 others just like him, who lease their stations from the major oil companies.

Offhand, Pete would seem to be far removed from the great national and international issues that come before the Congress of the United States for study, debate, and decision.

Pete, however, has his own special problems.

Being a small operator, and dependent upon his big suppliers, there is always the danger that he will be subjected to power pressures.

After receiving many complaints, the Small Business Committee of the United States House of Representatives authorized an investigation.

Subcommittee No. 5, under the chairmanship of Congressman JAMES ROOSEVELT, held numerous hearings concerning alleged coercive and discriminatory practices used by oil company suppliers against retail gasoline operators.

Sixty-four witnesses were heard.

Thirty-one were retail gasoline-station operators.

Fifteen were retail gasoline trade association officers or attorneys.

Twelve were officials of oil company suppliers mentioned in the testimony, or retail operators of the company who testified on behalf of company policy and practices.

In addition, the subcommittee accepted for the record, statements presented under oath in affidavit form.

On the basis of the testimony, the subcommittee reached the following conclusions:

1. A substantial proportion of all sales of refined gasoline of major oil companies to the general public is made through retail outlets where the dealer has a short-term lease from the oil company supplier, usually for 1 year. The importance and the proportion of the total retail market serviced by such short-term lessee dealers has been increasing.

2. The dealer operating his station under a short-term lease with the oil company supplier, oftentimes is not independent and is subject to control by the oil company supplier.

3. The short-term leases and sales practices of major oil companies in relation to sponsored products have had the effect of operating against a dealer's freedom of choice in using or dealing in competitive products, and operate to substantially lessen competition and tend to eliminate price competition.

4. Price discrimination: oil company suppliers have held the level of their prices generally while at the same time cutting their prices to one or more dealers at a particular location. In such situations, the lower price has prevailed until the low price, off-brand dealer saw fit to increase his price. This policy or practice has had the immediate effect of fomenting price wars among the retail dealers, and results ultimately in eliminating a substantial amount of price competition between and among both brand and off-brand gasoline. Moreover, short-term lessee dealers in many instances have been coerced or induced by their oil company suppliers into so-called price wars in an effort to secure the business enjoyed by the low-price off-brand dealer. It was also established that on occasion price wars have been started when some dealers engaged in price-cutting activities on their own initiative.

5. The lessee dealer needs immediate and permanent relief to enable him to fulfill his role as an independent businessman.

Let's take some testimony at random.

A lessee dealer in Manchester, Ga., testified company representatives told him that he had to abide by the policies of the big oil company and that they had a quota of TBA products (tires, batteries, accessories) to meet. His station had to meet this quota and that they were going to do it one way or another.

Despite these threats, the dealer refused to purchase the required items. Shortly thereafter his lease was canceled pursuant to a 10-day notice provision. Forced to move from the station all equipment and stock other than the oil company's products, the dealer suffered a loss of approximately $1,500.

Another dealer in Rockville, Md., testified as to pressure, both as to one big oil company's TBA products, and the retail price of its gasoline as posted. Because of this pressure, he was forced to take a competitive brand of tires out of his station and hide them in another location although he felt that the competitive brand tires were cheaper and had a stronger guaranty than the company-sponsored tires.

Detroit, Mich., lessee testified that he was told by a company representative "to get out of his station all merchandise competitive with the company's TBA items. Following his refusal to do so, his lease was not renewed, and he stated that company representatives told him one of the reasons for the refusal was that he did not sell enough TBA items and lubricants.

A Johnstown, Pa., lessee testified that another big oil company's salesman—"caught me with two winter tires manufactured by a competitor which I had bought on special request for a good customer. The salesman told me that if I could not adhere to the policies of my supplier, he would put someone in my station who would. Every time he wasn't too well pleased with my oil or gas sales, displays, or hours, he would tell me about the fellows in training at the big company's station, who would replace me on short notice."

This dealer was canceled out of his station on December 24, 1954, the company refusing to buy its own brand stock in his inventory.

A Seattle, Wash., lessee testified: "* * * That there was one point my big company supplier made very clear, that you do carry their complete line * * * I carried this line for one reason, to try and keep peace with them. Even though I don't like their complete line of merchandise."

He further testified that he could have bought the same TBA items he purchased through the company distributor, at a cheaper price from an independent jobber.

The effect of the heretofore described practices of certain oil companies upon the free competitive economy, was brought forth in the testimony of officers of the 'Blank' Oil Company of California. Its president said that his company sold its oil strictly through independent dealers. With reference to motorcar and repair shop dealers, the company was able to sell to approximately 75 percent of such dealers. With reference to service-station dealers, it was only able to sell to approximately 35 percent of the total number of such dealers. Of the 35 percent of the retail gasoline station dealers who did purchase the 'Blank' Co.'s oil, a majority would not display this product, but kept it hidden.

This official states that: "In many instances our delivery truck cannot even deliver to their place of business. They are afraid they will be caught by the major company representative, and so we deliver oil and it is written right on the order that our delivery truck carries it to a man's home, or to a small independent business alongside of him with whom he is friendly. Our oil is stored in the back of automobiles, is stored in locked-up cabinets, in restaurants * * * it is stored where the major gasoline company representative is not likely to find it."

A substantial part of the complaints of retail operators dealt with alleged coercive and discriminatory practices of the major oil companies in relation to the retail price of gasoline.

As one off-brand dealer testified: "Nobody can afford it when a major oil company deliberately goes out and subsidizes a station. Well, the intent is so obvious, in my opinion; it is for no other purpose than to force me out of business, or force me to 'up' the price so that they can dictate the price I can sell at."

The oil companies testified that discounts are given to "meet competition." It is significant when the off-brand station is forced to raise its price to the 2-cent differential, that the discounts are withdrawn, the price war ends overnight, and retail prices return either to their former or a higher level. The evidence therefore, is to the effect that the oil companies concept of "meeting competition" involves a practice which results in the isolation, and then the destruction, of competition.

As a result of these hearings, the subcommittee recommended that:

1. The antimonopoly laws designed to protect and preserve small and independent business enterprises as necessary to our free and competitive enterprise system, should be strengthened.

2. That all oil company suppliers consider liberalization of their policies regarding leases with retail dealers.

3. That the full House Select Committee on Small Business continue and expand its study of the problems of the small-business men in the petroleum and other industries who are dependent upon large suppliers.

4. That the record of the hearings be forwarded to the antitrust division of the Department of Justice and the Federal Trade Commission. With the intent that these agencies (a) consider the utilization of existing laws to the extent possible to eliminate the harmful practices shown in the record and the committee's report, and (b) to report to Congress those areas in which existing laws are not adequate to achieve relief, and what further legislation is necessary in order to achieve comprehensive and permanent relief.

Filling station owners should not be forced to carry certain tires, batteries, and other accessories which the big oil companies want carried, whether the neighborhood or roadside dealer wants them or not.

Legislation will be proposed to divorce oil companies from the retail business, just as motion-picture production has been separated from motion-picture exhibition.

Retail trade is the last stronghold of little business.

It must be protected from the high-handed pressures of monopolies.

Hon. John Phillips of California—Hon. Ezra Taft Benson

EXTENSION OF REMARKS
OF
HON. LEROY JOHNSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 18, 1956

Mr. JOHNSON of California. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD I include two short articles published in the California Farmer, one of the best agricultural papers in California, about my colleague, JOHN PHILLIPS, and also an article in the same publication and in the same issue about Secretary of Agriculture Ezra Taft Benson.

JOHN PHILLIPS came to Congress at the same time I became a Member of the House. He is an able legislator and is especially versed in agricultural problems because he has been a member of the same committee in the California State senate.

Just what Mr. PHILLIPS will do after he has left Congress no one knows, perhaps not even himself. But whatever it may be I am sure that he will be engaged in some useful work, perhaps writing.

I am a great admirer of Mr. Benson. He knows what he is doing and I predict that he will outlast all his detractors. He is dedicated to the job of developing a sensible and reasonable agricultural support program and I am positive that he will accomplish his purpose. Intelligence, courage and determination can conquer almost any obstacles and since he has all these attributes I feel certain that he will bring the present agricultural situation out of chaos.

The articles referred to follow:

JOHN PHILLIPS TO RETIRE

Representative JOHN PHILLIPS of the 29th district, representing Riverside and Imperial Counties, has decided not to run again. He retires after 24 years of public life.

We have always had great respect for JOHN PHILLIPS. A handsome, composed man with a good head on his shoulders. He has represented the farmer well and with understanding.

JOHN PHILLIPS writes a newsletter home, periodically, that is in our estimation some of the best writing coming out of Washington, and that includes all the syndicated columnists. Someone should induce John to stay on in Washington as a columnist.

We were impressed with the way PHILLIPS announced his intention of withdrawing. He said that he did not intend to run again next year. That he had no picked candidate and did not intend to take part in the primary campaign of 1956.

Furthermore, he offered to sit down with anybody during the next 13 months who thought he might want to run for the job, and try to outline to him just what the job of being a Representative in the Congress of the United States entailed.

Also, John is going to try in the remaining newsletters he sends home to define that job in some detail. We just hope the next person does as good a job as JOHN PHILLIPS has done.

THE JOB WHERE YOU CAN'T WIN

We see by the papers that a California public relations firm has been retained by the Republican Party to help humanize Secretary Benson. We suppose that all facets of the political diamond are being polished but it is painfully evident that no longer can a man stand on his record.

Our mail tells us that not all farmers in this State are happy with the record of Mr. Benson, but we also know the same would have been true if Davy Crockett had been Secretary of Agriculture during the term of this administration.

It is also evident that a man cannot go to Washington and do the job without mixing in a generous amount of politicking, but imagine the necessity of hiring a firm to make someone like you better.

We have met Benson and found him a charming personality. Evidently he is of the old school that thinks if you devote all your time to the job and do the best you are capable of, you have fulfilled your commitment. Sad to say, that is no longer the case in Washington. You have to waste a great deal of time in the social whirl and spend a great deal of time shaking hands, being seen with the right people, and placating the thin-skinned.

In our humble opinion, agriculture got into her present mess through a bipartisan vote-in of Socialist experimental legislation. The aim to stimulate production worked wonderfully well. The money stimulus combined with an unprecedented era of mechanization, fertilizer advancements, chemical miracles for control of pests and diseases and plant breeding, with the result that double jackpots were hit for years in succession.

Meantime the socialistic experiments had obliterated the true market place and practically repealed the law of supply and demand for some of our basic crops. This encouraged foreign competition. We were afraid of offending anyone in the world market, and agriculture lagged behind the rest of the economy with a depressing inventory of surplus goods. The socialistic tinkering threw out of gear the natural agricultural cycles. After offering the political candy of subsidies, politicians of both parties were afraid to withdraw the sweet bait for fear of losing votes.

People write us and blame Benson for their troubles. It's nice to have a whipping boy but in our estimation the Secretary is being accorded extraordinary powers when you blame your entire plight on him alone.

It will take the President, Secretary of Agriculture, Secretary of State, and Congress in concert to solve this farm problem or even to influence the economic status of the farmer to any marked degree. It is evident that both parties are a little bankrupt of ideas on how to meet the farm problem. Note that the Secretary has sent out an appeal to all citizens to submit ideas on the problem.

M. L. Benedum: The Oilman of the Century

EXTENSION OF REMARKS
OF
HON. EDWARD MARTIN
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES
Wednesday, January 18, 1956

Mr. MARTIN of Pennsylvania. Mr. President, it was my privilege on October 12 last to take part in honoring a great American whose distinguished achievements have brought him worldwide fame. On that occasion, in the city of Pittsburgh, I had the pleasant task of presenting to Mr. M. L. Benedum a plaque designating him as the oilman of the century.

This was a proper and richly deserved tribute paid to Mr. Benedum by the Allegheny County Oil Industry in its observance of Oil Progress Week.

It was a testimonial of love and respect for a man whose vision, courage, and rugged individualism have made him famous as the "King of the Wildcatters."

His outstanding career renews our faith in the traditional American system of free enterprise. It was that system which caused men like Mike Benedum to go into all parts of the earth in search of oil to lighten the burdens of humanity and to stimulate progress for world betterment.

Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD my remarks in presenting the plaque to Mr. Benedum, and also his most inspiring words of acceptance.

There being no objection, tht matters were ordered to be printed in the RECORD, as follows:

REMARKS OF UNITED STATES SENATOR EDWARD MARTIN, OF PENNSYLVANIA, IN PRESENTING TO M. L. BENEDUM A PLAQUE DESIGNATING HIM AS THE OILMAN OF THE CENTURY AT THE OIL PROGRESS DINNER OF THE ALLEGHENY COUNTY OIL INDUSTRY INFORMATION COMMITTEE, IN THE WILLIAM PENN HOTEL, PITTSBURGH, OCTOBER 12, 1955

It is always a pleasure to join in honoring a distinguished American for outstanding achievement.

It is a proud part of our American heritage that a long list of men of humble origin have led this Nation to great heights.

That is the essence of American progress. It is made possible by freedom of the individual, strengthened by freedom of enterprise and supported by individual responsibility.

Reward for individual effort is the foundation of the greatness of our economic system. It is the right of every American to acquire and own property and to enjoy the fruits of his labor, energy, and initiative.

This concept of individual freedom, written into our fundamental law, made America a land of opportunity. It holds out to the youth of our land equal opportunity to reach the highest place in every activity that upholds the American way of life.

Our paramount obligation as free citizens of our great Republic is to keep it that way. It is our responsibility to keep alive the freedoms and the opportunities that have made the United States the greatest Nation on earth. It is up to us to leave to future generations the same kind of America that we have been privileged to enjoy.

The man we honor tonight is a brilliant product of those priceless American assets—freedom of the individual and freedom of enterprise.

By his own efforts, without social or economic advantages, he reached the pinnacle of success in the toughest and most hazardous form of industrial enterprise—the search for oil.

Those of us who have followed his brilliant career have some knowledge of the great personal and financial risks involved.

We know of the dangers and the hardships that are encountered by those who venture into the most inaccessible places of the world in the hope that oil might be found. We know of the disappointments and discouragements that are part of this extremely uncertain business.

Those were some of the obstacles that gave way before the vision and driving energy of our guest of honor. Every new venture differed from the other. Every one brought new and more difficult problems to be solved.

But determination, resourcefulness, and hard work won out and in 60 years of wildcatting M. L. Benedum has brought in more producing oil wells from wildcat territory than any other man in history.

We honor him tonight because his rugged individualism will live as an inspiration to generations far into the future.

In him are represented all the finest elements of our national strength and character—faith, vision, courage, integrity, hard work and devotion to the public welfare.

We do not measure the worth of an individual by the dollars he has accumulated, but rather by his service to his fellow man. In that respect I can find no better example than his own words which sum up the noble philosophy by which he lives.

Last July, when interviewed by newspaper reporters on his 86th birthday, Mr. Benedum said and I quote:

"I have always felt that I am merely a trustee of money and that it is my responsibility to use it in the public interest."

No words of mine are adequate to express our high regard for Mr. Benedum. Nor is it necessary for me to dwell at length on the love and esteem in which he is held by this group of his warmest admirers.

He has richly earned all our praise and gratitude and it is a high privilege, on behalf of the Allegheny County Oil Industry, to present to you, Sir, Mr. Benedum, this plaque which rightfully and properly designates you as the "Oilman of the Century."

REPLY OF MR. M. L. BENEDUM ACCEPTING PLAQUE DESIGNATING HIM AS THE "OILMAN OF THE CENTURY"

Mr. Toastmaster, Senator MARTIN, ladies, and gentlemen, I am indeed grateful to this fine group of the oil fraternity for the honor you have conferred upon me, and for this beautiful plaque. I am also grateful to this truly great American, Senator MARTIN, for his gracious and generous remarks.

I have been in the oil business for 65 years and sometimes I feel that I have not learned too much about it, but I have learned a lot about the people in it. In the early days many of the men in the oil business were real diamonds in the rough. Underenath, however, they had honor, integrity, and a high sense of dignity. They respected their obligations, they kept their word, they tried to improve the lot of their more unfortunate fellow men. In short, they lived up to the highest concept of Christian citizenship.

There have been great changes in the business since I started in it, but the oil man still retains those traits which mark the real measure of a man. His word is still his bond. He still believes that a man's wealth is calculated in terms of the confidence and respect of his fellow men rather than in dollars.

Please believe me when I say to you I would rather have the confidence and respect of the men and women of the oil industry than of any other group on earth.

Science and invention to a great extent have pointed the way to all of the progress of the last century so we must give much credit to the scientific men. It is their genius that has sparked the fantastic progress in oil as well as in all American business.

As an oil man, I am proud that our industry has more than kept pace with the industrial revolution. It has been out front most of the time, blazing a trail for the others to follow. There is scarcely a single thing that has been developed in the last 50 years that has not required oil to help in its completion and in many cases it is necessary to use it for its operation. (Take for instance the auto, the aeroplane, and all kinds and characters of machinery that we use daily.) In fact, as I see it, oil is the mainspring of our industrial life. Did you ever stop to think that the economic and social progress of the last 75 years has been in direct ratio to the consumption of oil? The more oil people use—the better they live.

I often wonder what would happen in the world if oil should be suddenly taken from us.

If it were given me to live my life over, I would still want to be an oilman. I am grateful to providence that either through lucky chance or divine guidance I became an oil man.

Several days ago, a Washington newspaper man asked me how I, at 86 years of age, occupied my time. I replied, "I expect to pass through this life but once: I have already lived 16 years beyond the allotted time; I have lived to see most of my associates and loved ones leave; therefore, I now live for those left whom I love; I live for the tasks which God has assigned to me, and for the good that I may be able to do for others."

Again, I thank you from the bottom of my heart for the honor you have conferred upon me tonight. I shall always cherish this beautiful plaque and the memory of this pleasant occasion. God bless you and good night.

Eisenhower in Milwaukee—Let's Have the Complete Record

EXTENSION OF REMARKS

OF

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 18, 1956

Mr. REUSS. Mr. Speaker, recently the members of this House have been favored by several insertions in the CONGRESSIONAL RECORD of substantial portions of the memorable speech made by General Eisenhower in Milwaukee, Wis., on October 3, 1952. This was the time when the Republican presidential candidate expressed so eloquently his views on the problem of communism and freedom in the United States.

I am glad that these remarks by Mr. Eisenhower have again been brought to public attention. I am glad, not only as a proud citizen of Milwaukee, but as one who believes it is sound and instructive, as a new presidential campaign gets under way, to have everything which has been said on this vital subject spread again upon the public record.

However, Mr. Speaker, I believe that it would serve us all best if the complete record of the remarks which Mr. Eisenhower prepared for that important address were brought to light. I am thinking of the paragraph concerning Gen. George C. Marshall which, according to press accounts, Mr. Eisenhower omitted when he actually delivered the speech.

It is a distinct loss to the public, and a disservice to the President, it seems to me, to omit that brief paragraph. I have never been so fortunate as to learn its exact words, but I have heard that it was a heartening defense of a gallant fellow soldier against the incredible charges made on the Senate floor that General Marshall had led a conspiracy to let the United States fall victim to Soviet intrigue.

Mr. Eisenhower apparently found it necessary to omit this passage when he spoke in Milwaukee, yet it is an integral and important part of his views as he originally composed them. In the interest of a complete record and a full presentation of Mr. Eisenhower's statement, it should be restored to its original place. I hope, therefore, that one of my colleagues who is fortunate enough to have secured the text of this tribute will wish to insert it in the RECORD.

For the record, too, it would be helpful also, I think, if we could be enlightened as to just why these sentences were removed from the Milwaukee text. In looking over the press reports, I found the New York Herald Tribune reporting as follows:

[From the New York Herald Tribune of October 11, 1952]

During his talk with the reporters, General Eisenhower also sought to explain why he had deleted from his Milwaukee speech a four-line defense of General of the Army George C. Marshall, denounced by Senator JOSEPH R. MCCARTHY, Republican, of Wisconsin, as the unwitting dupe of a great Soviet conspiracy.

The General frankly admitted that he had cut the Marshall tribute from his speech after talking to Senator MCCARTHY in a hotel room in Peoria, Ill., the night before. However, he said he had not "censored" his own speech at the request of Senator MCCARTHY.

THOUGHT IT OUT OF PLACE

He did it, he said, because, first, he was guest of Gov. Walter J. Kohler, Jr., of Wisconsin, a MCCARTHY backer, and he thought it would be out of place to belabor Senator MCCARTHY in Wisconsin, and, second, he already had defended General Marshall. General Marshall knew exactly where General Eisenhower stood and had even sent him a note of gratitude, he added.

This seemed to be clear enough but then I found a different account. In the Washington Post and Times Herald, I read:

[From the Washington Post and Times Herald of July 12, 1954]

BOLTON LANDING, N. Y., July 11.—The real story of what happened in Wisconsin in the 1952 presidential campaign—how General Eisenhower agreed to delete from his pre-

pared speech a eulogy of Gen. George C. Marshall—was told here today.

It has often been said that Senator JOSEPH R. MCCARTHY, Republican, Wisconsin, persuaded General Eisenhower to drop what he proposed to say about General Marshall.

However, Gov. Walter J. Kohler told reporters today that it was he who was responsible, not MCCARTHY. He told how he argued for elimination of the Marshall passage, first with Sherman Adams, and then in a meeting with General Eisenhower, Adams, and Maj. Gen. Wilton B. "Slick" Persons. This took place on the Eisenhower special train en route from Green Bay to Milwaukee, where the speech was to be delivered.

Governor Kohler, who is here attending the annual governors' conference, reminded newsmen that at the time General Eisenhower was in Wisconsin (early October) the outcome of the 1952 election was very much in doubt.

"So far as I was concerned," he said, "the most important thing in the world right then was the election of a Republican President. I had been shown a draft of General Eisenhower's speech. It was a defense of General Marshall against the charge of treason.

"I felt that General Eisenhower was a guest in our State, and that if he said what he planned to say it would be construed as an overt attack on MCCARTHY. That wouldn't be good.

"I remember saying to Sherman Adams, 'When a man calls on the pope, he doesn't tell him what a fine fellow Martin Luther was.' "

Obviously, these two versions are inconsistent with each other. Can they not be promptly explained? Let us get the complete record straight for posterity.

Review of United Nations Administrative, Personnel, and Budgetary Problems

EXTENSION OF REMARKS
OF

HON. ALBERT P. MORANO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 18, 1956

Mr. MORANO. Mr. Speaker, during the recess our distinguished colleague and a hard-working, very able member of the House Foreign Affairs Committee, the Honorable CHESTER E. MERROW, delivered a number of very fine addresses while serving as a United States Delegate to the 10th General Assembly of the United Nations.

There follows the first of these addresses, delivered on October 11, 1955, which is the first time in the history of the United Nations that such a thorough overall review of the administrative progress and problems in the United Nations and its specialized agencies had ever been given:

ADMINISTRATIVE PROGRESS AND PROBLEMS IN THE UNITED NATIONS AND ITS AGENCIES

(Statement by CHESTER E. MERROW, United States Representative to the General Assembly)

As you know, it has become almost a tradition in the United States for the President to appoint at least two Members of the Congress to serve on the United States delegation to the United Nations. As in all countries, such an appointment is one of the highest honors which one can receive. I accordingly consider myself most fortunate to have been asked by President Eisenhower to serve as a delegate to this 10th General Assembly.

In the course of these first days of the General Assembly, I have had an opportunity to meet a number of my fellow delegates from many other countries. We have exchanged views on several topics. One of the favorite topics has been the comparison of assignments. In the course of our discussions, I have been struck by the fact that the Administrative and Budgetary Committee, to which we here have been assigned, is a central and all-important committee. Although the functions of the Committee are comparable to the Appropriations Committees of National Congresses and Parliaments, they also extend to broader problems of administration.

You, Mr. Chairman [Hans Engen], as the respected Ambassador of Norway, a country known for its interest in administration and economy, and the distinguished Chairman of the Advisory Committee, Ambassador Aghnides, are among those whom I have met who share my own view of the importance of this Committee.

Because it is essential that the importance of this body, the counterpart of similar committees in our national parliaments, be fully understood, I hope I may be pardoned if I express my views on the work of the Administrative and Budgetary Committee and on its place in the United Nations structure.

First, and of special importance, is the fact that the Administrative and Budgetary Committee is the only place in the United Nations where the representatives of governments can examine together the organizational, administrative, and financial structure of the various parts of the United Nations system to insure the development of a sound and integrated whole. This opportunity is of particular interest to me. During my service in the Congress of the United States, I have had the privilege of serving as chairman of the House Foreign Affairs Subcommittee on International Organizations and Movements. This subcommittee conducted hearings and studied the operations of the United Nations and the specialized agencies, and other international organizations. I was also head of a mission that visited all of the specialized agencies located in Europe, as well as the branch office of the United Nations. This mission discussed with the key officials of these agencies many of the problems which concern us here. The report of the mission to the Congress has been printed and given public distribution. With Ambassador Aghnides, I share the experience and memory of attending the 1945 conference in London that drafted the UNESCO constitution. All of this makes the opportunity for an exchange of views in the General Assembly especially welcome.

It is well, perhaps, in this 10th anniversary year of the United Nations, to begin with an across-the-board look at the developments in our major fields of concern—organizational matters, budgets and contributions, personnel policy, and coordination of the United Nations and its specialized agencies.

GROWTH OF THE UNITED NATIONS SYSTEM

First, in the organizational field. The years since the establishment of the United Nations have seen a growth not only in the United Nations itself but also the development of 10 specialized agencies of the United Nations. There is the International Labor Organization, which was originally part of the League of Nations and is seeking to raise labor standards and improve working conditions. The Food and Agriculture Organization has been established to improve food and agricultural production and distribution. To promote peace through collaboration in educational, scientific, and cultural matters, there is the United Nations Educational, Scientific and Cultural Organization. The International Civil Aviation Organization aims at developing international air transport and improving standards of international air navigation. The task of facilitating exchange of mail and improving world postal services falls to the Universal Postal Union, one of the oldest international organizations, dating back to 1875. The World Health Organization is dedicated to raising world health standards. The International Telecommunication Union, which stems from an organization established in 1865, is engaged in promoting the rational and efficient use of telecommunication facilities. Better weather reporting is the aim of the World Meteorological Organization, a recent outgrowth of the International Meteorological Organization. The International Bank and the International Monetary Fund undertake to facilitate the investment of capital for productive purposes and to promote currency stability.

In addition to these permanent and regularly supported specialized agencies, there are now five programs operating under United Nations aegis with the assistance of voluntary contributions. These are the International Children's Fund, to promote maternal and child welfare; the Technical Assistance Program, to bring about higher living standards; the Palestine Relief and Works Agency, to provide food, shelter, and gainful employment for nearly 900,000 refugees; the Korean Reconstruction Agency, to relieve the suffering and repair the devastation caused by aggression; and the Refugee Fund, to find permanent solutions for limited groups of refugees.

The activities of these agencies and programs extend to nearly every part of the world—to approximately 90 countries and territories, in fact, thus reaching far beyond the membership of the United Nations itself. The result is a growth in the size of the regular international secretariats until they now total more than 9,000 persons. To this must be added the internationally recruited personnel required to operate the voluntary programs—a total of approximately 2,200 persons. This is exclusive of local assistance which runs into the thousands.

This trend has led to organizational decentralization, and this in turn raises the most difficult kind of management problems, many of which have yet to be solved in a satisfactory manner. Through his organizational survey extending over the last 2 years, the Secretary-General has sought to assess the character of the problems which the United Nations faces in this area. He is now in the process of instituting measures designed to improve overall United Nations management and control of its far-flung operations. Whether current measures are an adequate answer to this problem remains to be seen. I am convinced that efforts in the same direction should be continued in the United Nations and should be undertaken in the specialized agencies.

TOTAL COST OF THE U. N. SYSTEM

The Information Annex to the Budget Estimates for 1956 (Document A/2904/Add.1) shows us that the gross budgets of the United Nations and its specialized agencies, exclusive of the International Bank and International Monetary Fund, total $85 million in 1955. To this should be added $102,500,000, representing the approximate 1955 operating level of the voluntarily financed United Nations programs of the International Children's Fund, the Expanded Program of Technical Assistance, the Refugee Fund, the Palestine Relief and Works Agency, and the Korean Reconstruction Agency. The combined total of regular budgets and voluntary programs for 1955 approximate $187,500,000. This compares to a total expenditure figure of approximately $122,500,000 in 1947, the

first fully operative year of the United Nations, the Children's Fund, and the then existing specialized agencies (inclusive of the International Refugee Organization, but exclusive of the International Bank and Fund).

For the period from 1946 to 1954 inclusive, the total of the United Nations and the currently existing specialized agency expenditures (exclusive of the Bank and Fund) amount to approximately $601 million. If the budgets for 1955 are added, the cumulative total to date is $686 million. Add to this $665 million representing the amount spent on the voluntarily financed programs of the United Nations for the same period, plus $412,700,000 expended by the International Refugee Organization, and we see that a total of $1,764,000,000 has been devoted by the international community to the work of the United Nations agencies.

If these facts and figures are to be really meaningful in terms of the task of this committee, it is necessary to analyze them briefly. The 1947 figures represent the initial development stage of the United Nations, the International Children's Fund, and 7 specialized agencies, 1 of which is no longer in operation, namely, the International Refugee Organization. The 1955 figure represents the going programs of the United Nations, 8 of the specialized agencies, and 5 major operating agencies, supported by voluntary funds.

Translated into activities, the growing figures spell cooperative international endeavor to keep the peace, to raise standards of living through economic and social development, to feed the hungry, to care for the displaced and homeless, to fight disease and ignorance, to facilitate man's efforts to communicate, and to enhance man's enjoyment of work and life. Given these goals, the funds expended can be easily justified, provided this committee and its counterpart in other agencies exercise the necessary vigilance to insure that waste, inefficiency, organizational defects, and unnecessary overhead are eliminated and that the results achieved are commensurate with the outlay of funds. The fact that the United Nations budget seems to have reached a stabilization point does not mean that we should relax our efforts to find ways and means of improving efficiency and eliminating unnecessary activities. This is a continuing responsibility of good stewardship. The budgets of the specialized agencies should likewise be subjected to continuing and careful scrutiny by governments.

SHARING OF COSTS

At the same time that these regular budgets of the United Nations agencies have been increasing, there has been a trend toward more equitable sharing of costs, so that no one member pays more than one-third of the total budget in any agency. The payment record in all agencies would indicate that with few exceptions, where the circumstances are most unusual, assessments upon governments have not exceeded their capacity or willingness to pay. This presents a sharp contrast to the situation existing in the programs financed by voluntary contributions, viz, the United Nations International Children's Fund, the United Nations Relief and Works Agency for Palestine Refugees, United Nations Korean Reconstruction Agency, United Nations Refugee Fund, and the Expanded Technical Assistance Program.

We had a report last week from Mr. Cutts, the chairman of the special committee set up to negotiate and collect contributions for these programs. This report indicated that pledges in particular lag far behind the financial targets which have been set in order to operate an adequate program. This is in spite of the fact that the larger contributors assume a higher proportion of the total costs than is the case with the regular budgets. In the light of the important tasks assigned to these agencies, I believe we should give serious attention to the possible reasons for this situation—whether targets are set too high or governments are ignoring their responsibilities or both.

The support of all member governments—and I stress the word "all"—for the causes served by the programs of the United Nations agencies must be sustained and indeed increased. The form of such support, i. e., through an international agency or otherwise, and the amount of money devoted to it will require a continuing assessment of the following factors, among others:

(a) whether an international agency can be demonstrated to be the best instrument for meeting the needs which are justifiably the concern of the international community;

(b) the degree to which the members of such an agency are willing to bear an equitable share of the financial burdens entailed in assuming such international responsibilities. It is an inescapable fact that, if the brunt of the costs fall upon a few member states, the undertaking is not truly international and misunderstandings will surely result;

(c) and lastly, whether international assistance will be adequately supported and supplemented by national endeavor.

PERSONNEL MANAGEMENT

Another major area of continual concern to this committee has been the development of sound personnel policies. The record will show, I believe, that this has been one of the most challenging but difficult aspects of the development of international organizations. This is due not only to the human and personal problems involved, but also to the vastly different national traditions and approaches in dealing with these problems. Nevertheless, considerable progress has been made in developing among the United Nations agencies good, sound, and consistent conditions of service in respect of such matters as salaries and allowances, pensions, leave, sickness, and disability benefits. Past and current debate in this committee and in the specialized agencies indicates, however, the continued existence of numerous unsolved problems connected with staff morale and with the selection, development, and maintenance of competent staff of the highest integrity.

For example, concern has been reiterated many times on such problems as attracting high caliber staff, equitable geographical distribution, eliminating incompetent or unsuitable staff, giving encouragement and recognition to competent staff, and development of an esprit de corps within the organization. These utterances, together with expressed attitudes and actions of the various staff councils, indicate that far greater attention and emphasis needs to be given to ways and means of improving personnel management. It would appear to be essential, for example, to develop recognized and accepted standards of competence for selection and promotion and to evolve methods for applying these as objectively as possible. Member governments, the staff, and the public at large must be assured that the controlling criteria are the charter standards of the highest integrity, competence, and efficiency, and that to the extent that these standards are met, due regard is paid to recruiting on as wide a geographical basis as possible.

A second consideration is that perhaps the time has come to examine the concept of geographical representation to see whether the interests of the organization might be better served if this is interpreted to be a fair representation of the various cultures indigenous to the various member states. A mere counting of heads by nationality does not serve the purpose of enriching the organization by the provision of diversified training, background, and traditions. Still another factor requiring attention is mentioned by the International Civil Service Advisory Board, a group of international experts in this field, when it emphasized that adequate staff induction and training, as well as effective supervision, are especially important in an international organization. Yet there appears to be little evidence throughout the agencies of specific programs to insure that these needs are met. These are but a few examples, but I believe this recital serves to illustrate how much more can and should be done in the interest of improving effectiveness of the staff.

COORDINATION OF UNITED NATIONS AND SPECIALIZED AGENCIES

While I have sought to present an overall summary of administrative progress and problems in the United Nations and its specialized agencies, such a survey would not be complete without mention of the question of coordination, as such. Considerable progress in coordination among the United Nations and its specialized agencies has been made in the administrative field. There are, for example, a generally comparable salary allowance and leave system, a common pension system, comparable personnel and financial regulations, and certain common administrative services. This accomplishment has been primarily due to the combined efforts of the Advisory Committee on Administrative and Budgetary Questions, the Administrative Committee on Coordination and its subcommittees, and the consistency of positions of many of the governments represented in the various organizations.

In view of this and the work being undertaken by the Economic and Social Council to insure coordination and integration of program planning, it seems timely to my delegation to explore what measures this committee might recommend to improve the combined operations and effectiveness of the United Nations and its specialized agencies.

Before advancing the suggestions of my delegation, let me state briefly what I believe the basic relation of the United Nations and its agencies should be. The central fact is that each agency, regardless of its constitutional autonomy, is a vital part of the whole United Nations system. In the eyes of the world, the success of a specialized agency is considered the success of the United Nations itself and vice versa. Likewise, the weakness of a specialized agency is considered to be the weakness of the United Nations. There is a reality we should not ignore.

RECOMMENDATIONS

Against this background of progress and problems, I shall proceed to outline the views of my delegation on both the issues before us which require immediate action and those on which attention needs to be focused and an exchange of views encouraged if solutions are to be eventually developed.

1. We are satisfied with the role of the Advisory Committee and the Contributions Committee, and we shall on most points support their recommendations for the 1956 United Nations budget and scale of assessment. We note that both committees are authorized by the Assembly to render service to the specialized agencies. The Contributions Committee has been called upon by numerous agencies to provide factual and statistical data. The Advisory Committee received authorization last year to visit the specialized agencies, upon their invitation, to continue the study of administrative and budgetary coordination. It is understood that at least one agency has extended an invitation to the Advisory Committee. It is to be hoped that others will do likewise, since there is a very real need for the budget of every U. N. organization to have the careful and thorough type of expert examination which is given by the Advisory Committee on behalf of governments.

The advantage of having one group do the task for all agencies is obvious. It is a means by which the administration and governments in each agency can obtain objective advice on administrative improvements that would lead to better results for the money expended. It offers a means of identifying and focusing attention on common problems and the solutions thereto. The question arises, however, as to how the Advisory Committee can fulfill its responsibilities to the Assembly and at the same time perform a useful role on behalf of the agencies.

Since article 17 of the United Nations Charter places upon the Assembly certain responsibilities for review of specialized agency budgets, we can all agree that from the standpoint of the General Assembly as well as of the specialized agencies it is important for the Advisory Committee to undertake such a role. The problem therefore boils down to one of practical arrangements. It would appear to my delegation that there are several possible courses of action that would enable the Advisory Committee to fulfill this enlarged role satisfactorily to all concerned. Before advancing any specific suggestions on this matter, however, I think it is more fitting that we should profit from any views the Advisory Committee itself may have on this point. I hope that Ambassador Aghnides, with his usual wisdom, can point the way for a fruitful discussion among delegations and representatives of the specialized agencies.

2. The second major suggestion which grows out of my introductory analysis is in response to the need for giving more attention to achieving better personnel management. This, of course, can only be done successfully if the head of each agency recognizes the importance of this matter and gives it his full support. Otherwise day-to-day operations will tend to crowd out such a program. We would urge that the Secretary-General and the heads of the various agencies give this matter high priority during the course of the next few years. It is important that the U. N. organizations benefit from modern techniques in personnel management. One rather concrete proposal which suggests itself on the basis of current United States experience is the institution of an incentive award system.

The President of the United States, with congressional approval, initiated a program of this kind last November, as a means of enlisting the ingenuity and inventiveness of every member of the United States civil service in the cause of greater efficiency and productivity. The Chairman of the United States Civil Service Commission reported recently that during the first 7 months of operation 138,000 suggestions were received, 35,000 adopted, about $1,500,000 were paid out in cash awards, and the taxpayer benefited to the extent of savings of $40 million. While the unique and complex character of personnel problems in international organizations may require considerable modification of national experience, it is still valid to expect that these organizations can benefit from experience like that of the United States.

We also believe that the International Civil Service Advisory Board could play a useful and more active role in this connection. To date the Board has issued advisory reports covering recruitment, training, and standards of conduct. They provide basic policy guides which can and should be used to better purpose by all agencies, but there has been no followup. More could be done by the Board, particularly in assisting those organizations to plan and develop sound programs of this kind, tailored to the agency's needs.

3. My third major suggestion is directed to both the secretariats and the governments represented here and in other agencies. I believe, and it is the belief of my Government, that greater vigilance and restraint are required in order to avoid an unduly large proportion of international budgets being used for administrative and overhead services. There are a number of specific measures which could and should be employed with greater fidelity to curb this tendency and which should lead to greater economy.

(a) In the absence of exceptional circumstances, major meetings of international organizations should be held at headquarters.

(b) Meetings should be scheduled to avoid peaks and valleys in the workloads for secretariats and governments.

(c) There should be strict publication and documentation control. In this connection, my delegation would like to suggest that the fifth committee might set an example and establish a healthy precedent by foregoing summary records except for important debates. For many items on the agenda, such as those we have just disposed of, the report of the committee constitutes an adequate account of the proceedings.

This is not solely a United Nations problem. The following plaintive note is sounded in the report of the Program Commission of the last General Conference of UNESCO.

"In conclusion, the Commission wishes to call the attention of the General Conference to certain problems which have not only caused delay but have also, in many cases, reduced the effectiveness of its work. First is the problem of paperwork. Never before has the Commission had to consider so many documents as this year. * * * A considerable number of important resolutions were hidden in these piles of papers, from which they had to be sorted out in order to be adopted, or more often than not held over for another meeting, or amended, or reamended, until one's head began to spin."

This has an all-too-familiar ring and has been echoed in these halls as well as elsewhere.

(d) Meetings should start promptly. In this, some of the technical agencies such as WHO maintain a better record than the United Nations organs. The International Scientific Conference on Peaceful Uses of Atomic Energy in Geneva last August was outstanding on this score. The following excerpt from the closing address of the president of the conference, Dr. Bhabha, of India, points to the fact that:

"Its success is also due to the spirit and the manner in which all the delegates have played their part. From the very beginning meetings have begun and ended on time, and all the speakers have adhered to the time limit set in the program. I am told that this is by no means a usual feature of international conferences. The difference can perhaps be attributed to the circumstance that, in a scientific conference such as this, each speaker has something concrete to communicate. I suppose that, when one has nothing too concrete to communicate, there is no inherent reason why, having started speaking, one should stop."

My colleagues will be greatly relieved, I am sure, to know that I have taken the last comment of Dr. Bhabha to heart and that very soon I will stop.

ADDITIONAL SPECIAL ITEMS

Mr. Chairman, I should like to indicate at this point the United States position on several nonrecurring items which are important primarily in the United Nations context.

My delegation strongly supports the recommendations of the Special Committee on Judicial Review of Administrative Tribunal Judgments and hopes that the report of that committee will enable the Fifth Committee to deal with this item with a minimum of debate.

The United States Government is also gratified to note that the Secretary General plans to complete the headquarters construction in 1956 and, in this connection, to erect a memorial plaque for those who have died in the service of the United Nations. We also consider it eminently just and proper for the Fifth Committee to act favorably on the proposal to establish a memorial cemetery in Korea.

I could not close these general remarks without expressing the appreciation of my delegation for the work of the various standing committees which serve the Fifth Committee so faithfully, such as the Advisory Committee, the Contributions Committee, and the Board of Auditors.

My delegation would also like to associate itself with the thanks expressed by the chairman of the Advisory Committee, in the foreword to the committee's first report, to the persons who have contributed to the work of the Advisory Committee. This particularly applies to the valuable assistance rendered by Mr. Watson Sellar, retiring member of the Board of Auditors, and Mr. Hans Christian Andersen, retiring Controller, both of whom have contributed so much to the sound financial management of the United Nations. The Fifth Committee is indebted to Mr. Sellar, who has served since the inception of the United Nations, for his personal contribution to the development of a thoroughgoing audit system and for the enormous assistance rendered by the staff of his Government department. Tribute is also due the Government of Canada, which has made this possible.

If, as on this occasion and others, we feel it necessary to comment critically on certain details of Untied Nations administration, we do so only out of a desire to be helpful and constructive. My delegation is convinced that the United Nations must continue to examine and improve its administrative practices if it is to fulfill the great hopes that we—and I think the whole world—have for its continued growth as an instrument working for peace in this nuclear age. I have no doubt that my colleagues on this committee are as conscious as I am of the great responsibility we bear as overseers of an organization which embodies so much hope and promise. If the United Nations is to play the role expected of it in this disorderly and uncertain world, those who carry out its mandate will have to function with a high sense of duty and teamwork.

Convinced as we are of the challenge and the difficulty which this administrative task places upon the Secretary-General, we stand ready always to cooperate with him. His term of office has been marked by accomplishments and improvements which merit our sincere pride and gratitude.

I am confident that, if properly supported, the United Nations system as it enters its second decade will grow, develop, and increase in influence and effectiveness. We are engaged in waging peace with an intensity and earnestness of purpose never before experienced in the history of the world. In that great effort the United Nations system serves as one of mankind's major instrumentalities. The charter is a living organism and has developed and must continue to develop as a potent instrument for meeting the many complex problems of international character which know no boundary lines. As we try to project the future, we can be certain that, with a concerted effort on the part of all of us, the United Nations system will succeed and help man realize his greatest hope and that a new and peaceful world will emerge through the instrumentality of the U. N. structure. Toward that goal the Administrative and Budgetary Committee, by making possible more efficient use of available funds, can make a major contribution.

Mr. Speaker, there follows the final address delivered by the Honorable CHESTER E. MERROW, while serving as a United States delegate to the 10th General Assembly of the United Nations.

This address was delivered before the General Assembly on December 16, 1955, and gives a thorough review of the United States position on the United Nations budget for 1956 and the need for improved budget procedure and sound fiscal policies in the United Nations. During the 83d Congress, Mr. MERROW had served as chairman of the Foreign Affairs Subcommittee on International Organizations and Movements, and had conducted thorough studies of this subject matter. He thus brought to his U. N. assignment a background of solid and valuable experience.

STATEMENT BY CONGRESSMAN CHESTER E. MERROW, UNITED STATES DELEGATE, IN PLENARY SESSION ON THE UNITED NATIONS BUDGET FOR 1956

My delegation will support in this plenary session the total appropriation for 1956 voted by the Fifth Committee, but it does so with some reservations.

ANALYSIS OF BUDGET INCREASES

With the forewarning which we had received as to the necessity for a large supplemental approrpiation for 1955 to cover such items as the Geneva Conference on the Peaceful Uses of Atomic Energy, it was the expressed hope of my delegation at the outset of the debate in the Fifth Committee that we could keep the 1956 budget to the level recommended by the Advisory Committee, namely, $46,016,000. Instead, the budget approved by the Fifth Committee has reached $48,566,350, an increase of approximately $1,600,000 over the budget which this Assembly approved last year for 1955.

These increases fall largely into four categories of expenditures; i. e., activities related to peaceful uses of atomic energy, technical assistance in the social welfare and human rights field, operation of field offices and special missions, and salary adjustments. My delegation in the budgetary committee supported important program expansion and some increased expenditures in all of these items except the one relating to salary adjustments. We opposed some of the appropriations voted for program expansion, and we opposed the increase in headquarters cost-of-living allowance. We recognized that changing economic conditions and particularly the increase in United States Federal Government salaries necessitated a reappraisal of the adequacy of the total level of United Nations remuneration. We were opposed to the Secretary General's proposal for a cost-of-living adjustment at this time because, on the basis of prevailing standards in United Nations and the specialized agencies, there is no present justification for this kind of a salary increase.

However, we believe that the establishment of a committee composed of governmental experts to review the salary, allowance, and benefit system in 1956, is a welcome development. Such a review should make it possible to achieve two objectives: Namely, (1) to adjust the common remuneration system of the United Nations and the specialized agencies to present-day requirements for attracting and holding a highly qualified multinational staff in positions in all parts of the world, and (2) to make these adjustments in a manner which takes adequate account of the responsibilities and financial resources of international organizations and the standards of remuneration in national public services.

In this connection, Mr. President, may I state that the United States Government is not satisfied with the present level of participation by United States nationals in the various international secretariats and technical assistance programs. We trust the recommendations of the committee will be such as to encourage an increased number of United States nationals to seek international employment, not only at the United Nations headquarters but also at other international agency centers as well.

While a number of the proposals for additional budgetary increases were resisted by the committee, my delegation was disappointed that the proposals for increased expenditures were not offset to a larger extent by compensating economies. We had hoped, for example, to make some savings by altering the regulations for publication of treaties. Likewise, we had hoped to defer less essential items, such as expenditures for improvement of facilities for conferences and meetings in Geneva.

The net result of all of the financial decisions taken by the Fifth Committee is that the expenditures to be assessed in respect of the 1955 supplemental appropriation and the 1956 budget will total $51,830,550, the largest in United Nations history (I might add parenthetically that we hope that this 10th General Assembly will securely hold this dubious distinction unchallenged for many years to come). The amount of these appropriations is due not only to the increase of $1,600,000 in the 1956 budget to which I have already referred, but also to the coincidental occurrence of unusually high supplemental expenditures in respect of 1955, without the offsetting savings that were available last year. The supplemental items for 1955 include $1,400,000 of the total cost of $2,361,000 for the International Scientific Conference on Peaceful Uses of Atomic Energy; $1,630,000 representing the last appropriation for reimbursement of national taxes to staff members; and other unforeseen costs relating to such matters as the disarmament meeting in London, and the Secretary General's successful trip in accordance with the General Assembly's directive to obtain the release of 11 United States prisoners and other personnel of the United Nations Command captured in the Korean war.

BASIS FOR UNITED STATES SUPPORT

Despite its concern over the upturn of United Nations expenditures just at the point when we had anticipated stabilization, the United States will support the appropriation recommended by the Fifth Committee for 1956. We do so in recognition of two facts: (1) That the Secretary General and the General Assembly have, over the past 2 years, made a real effort and considerable progress in reducing the regular budget and (2) that a sizable amount of the increased assessments being voted for 1956 is of a nonrecurring character. My delegation strongly urges, however, that the upward trend of expenditures reflected in the 1956 budgets of not only the United Nations but also the specialized agencies not be considered as establishing a precedent for future years.

In an earlier statement before the Fifth Committee, I expressed the belief that the support of all member governments for the causes served by the programs of the United Nations agencies should be sustained and indeed increased. This should not be interpreted, however, as urging increases in the regular budgets. The avenues by which these causes can be served are many. As I indicated in the Fifth Committee, the form of such support; i. e., whether through the regular budgets of international organizations, through international voluntary programs, or through such other forms of intergovernmental cooperations as bilateral programs, will require a continuing assessment of the following factors, among others:

(a) Whether an international agency can be demonstrated to be the best instrument for meeting the need which are justifiably the concern of the international community;

(b) the degree to which the members of such an agency are willing to bear an equitable share of the financial burdens entailed in assuming such international responsibilities. It is an inescapable fact that, if the brunt of the costs falls upon a relatively few member states, the undertaking is not truly international, and lasting and bitter misunderstandings will surely result; and

(c) whether international assistance will be adequately supported and supplemented by national endeavor.

One further fact that must be continuously borne in mind by member states as well as the Secretariat was pointed out to us by the Secretary-General last year in his annual report. He stated: "That the very nature of the responsibilities that must be assumed by the Secretary-General and his senior staff imposes a limit on the volume of the tasks that can be handled effectively, irrespective of the additional funds, personnel, and facilities that might be placed at their disposal."

All of these factors dictate caution in the expansion by the General Assembly of the permanent establishments and the regular budgets of international organizations. This does not mean that pressing world problems will be neglected by the community of nations represented here and in the specialized agencies; far from it.

Although the sum total of the regular budgets of the United Nations and currently existing specialized agencies for the period 1946 to 1955 inclusive approximates $686 million, an additional amount of more than $1 billion has been contributed to international programs, especially designed to provide relief and rehabilitation for refugees, to give technical assistance for economic and social development, and to promote maternal and child welfare. In addition, very material assistance in promoting economic development is provided through the facilities of the International Bank and Monetary Fund. And augmenting all of these efforts are large national programs of assistance such as the United States technical cooperation plan and regional programs such as the Colombo plan. The value and results which derive from such a flexible, many-pronged approach to these problems cannot be overestimated and should not be jeopardized by premature or unrealistic expansion of the regular budgets and staffs of international organizations.

IMPROVED BUDGET PROCEDURE

In expressing our hopes regarding the budget to be presented next year, I should also like to mention our interest in seeing the Advisory Committee and the Assembly develop a more simplified form of the budget that will enable the financial control exercised by the Assembly and the Secretary-General to be more effective and will, at the same time, reduce administrative redtape.

We welcome, too, the initiative taken by the distinguished delegate of Denmark in the Fifth Committee in calling our attention to the need for improving the organization and scheduling of the Fifth Committee's work. This led to a fruitful discussion on ways and means of eliminating delays and of facilitating, in particular, the review of the budget and decisions relating thereto.

The Assembly will note in the report of the Fifth Committee that the United States suggested that the agenda of the 11th session of the General Assembly might include an item entitled "General Assembly Procedures for Consideration and Adoption of the Budget." We are pleased that the Secretary-General will give this matter his attention during this next year.

While experience, particularly this year, has shown the need for procedural improvements, I should like to testify to the skill of the chairman of the Fifth Committee. With the difficulties we faced, only the di-

rection of a superb chairman could save us. My delegation believes that we, therefore, owe a special debt of gratitude to Ambassador Engen of Norway.

COORDINATION OF U. N. AND AGENCIES

In matters of coordination with the specialized agencies, the decision of the Fifth Committee to support the Secretary-General's request for increases in salaries and in the education allowance was, in our judgment, without sufficient notice to the specialized agencies. This seems a regrettable departure from the repeated emphasis given by the Assembly to the desirability of coordinating administrative policies and practices among the United Nations and the Agencies.

On the other hand, the Fifth Committee did recommend that the United Nations offer its assistance to the International Telecommunications Union and World Meteorological Organization in constructing a headquarters that would permit them to share the facilities of the Palais des Nations with the United Nations and the World Health Organization. We hope that this will eventuate in closer relationships among these organizations and that it will be ultimately possible for them and us to benefit from the greater use of common services that would result from living under the same roof.

Another step that should be conducive to improved coordination of the United Nations and the specialized agencies in the administrative field is the decision of the Advisory Committee to undertake a more intensive review of problems in this area. This will be possible by consultations at the headquarters of several specialized agencies during the coming years. We commend the agencies, the Advisory Committee, and its distinguished chairman, Ambassador Aghnides, on this constructive approach.

To summarize, Mr. President, my delegation will support the recommended appropriation, in spite of its reservations. We believe that, through the exercise of restraint and the constructive application of our joint efforts, the members of the United Nations should be able to regulate better any further budgetary expansion. We are confident that, by following sound fiscal policies and by inaugurating improved methods of budgetary management and control, the United Nations will be greatly strengthened. The budget is, of course, the reflection of the development of the activities of the organization. The appropriations place in practical effect the provisions of the budget. My delegation firmly believes that, by continued pursuance of sound financial principles, the United Nations during its second decade will increase in influence and effectiveness as the greatest force for helping man to realize his hopes for bringing about a peaceful world.

SENATE

THURSDAY, JANUARY 19, 1956

(Legislative day of Monday, January 16, 1956)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Archbishop John Theodorovich, metropolitan of the Ukrainian Orthodox Church in the United States, offered the following prayer:

In the name of the Father, the Son and the Holy Ghost, let us pray.

Our eternal and Almighty Father: Thou gavest us life. Our destiny is in the mystery of Thy unknown will. Thou leadest us, and givest us Thy gifts on the paths of life: the lamps of the mind; and the light of Thy wisdom.

Bless, Almighty Father, the Senate of our country. Keep its Members in good health, in the full strength of mind, and in the light of Thy law. Direct them in their decisions, and may they be always in Thy will. Bless, Almighty Father, our President of the United States of America, and afford him a full recovery of health.

Pray show us all, in these turbulent times of struggle between the forces of good and evil, that we are our brother's keepers. We now know that none of us can stand alone, no nation, no man, no one. May Thy divine will bring us closer together as brothers in mind and spirit. Give us strength more and more to live the lives of Good Samaritans, to create neighborliness, and common interests between all men.

On this day of Ukrainian independence, let us renew our support for freedom as we are reminded of that country brutally conquered by rule of terror and compulsion.

We pray to Thee, Almighty God, to give us grace to see that the strugglers for freedom everywhere remember enslaved Ukraine, and give her love and moral support, for the hungry desire of freedom that is there.

O, God, be gracious to us all, and keep in Thy grace the Senate of the United States and all its Members.

We earnestly and humbly pray to Thee,

Grant us, Father, our prayers. Amen.

THE JOURNAL

On request of Mr. CLEMENTS, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, January 18, 1956, was dispensed with.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Miller, one of his secretaries.

REPORT OF COMMODITY CREDIT CORPORATION—MESSAGE FROM THE PRESIDENT

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read and, with the accompanying report, referred to the Committee on Agriculture and Forestry:

To the Congress of the United States:

In accordance with the provisions of section 13, Public Law 806, 80th Congress, I transmit herewith for the information of the Congress the report of the Commodity Credit Corporation for the fiscal year ended June 30, 1955.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *January 19, 1956.*

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 6376. An act to provide for the hospitalization and care of the mentally ill of Alaska, and for other purposes; and

H. R. 7871. An act to amend the Small Business Act of 1953.

HOUSE BILLS REFERRED OR PLACED ON CALENDAR

The following bills were each read twice by their titles and referred, or placed on the calendar, as indicated:

H. R. 6376. An act to provide for the hospitalization and care of the mentally ill of Alaska, and for other purposes; to the Committee on Interior and Insular Affairs.

H. R. 7871. An act to amend the Small Business Act of 1953; placed on the calendar.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. CLEMENTS. Mr. President, I ask unanimous consent that there may be the usual morning hour for the presentation of petitions and memorials, the introduction of bills, and the transaction of other routine business, and that any statement made in connection therewith be limited to 2 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT ON MILITARY PRIME CONTRACTS FOR WORK IN THE UNITED STATES

A letter from the Deputy Assistant Secretary of Defense (Supply and Logistics), transmitting, pursuant to law, a report on military prime contracts with business firms for work in the United States, for the period July 1 through November 30, 1955 (with an accompanying report); to the Committee on Banking and Currency.

AUTHORIZATION FOR PERMANENT APPOINTMENTS IN THE ARMED FORCES

A letter from the Director, Legislative Programs, Department of Defense, transmitting a draft of proposed legislation to authorize permanent appointments in the Armed Forces of the United States, and for other purposes (with an accompanying paper); to the Committee on Armed Services.

GRANTING OF APPLICATIONS FOR PERMANENT RESIDENCE TO CERTAIN ALIENS

Two letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders granting the applications for permanent residence filed by certain aliens, pursuant to section 6 of the Refugee Relief Act of 1953, and section 4 of the Displaced Persons Act of 1948, as amended, together with a statement of the facts and pertinent provisions of law as to each alien and the reasons for granting such applications (with accompanying papers); to the Committee on the Judiciary.

AMENDMENT OF POLIOMYELITIS VACCINATION ASSISTANCE ACT OF 1955

A letter from the Secretary, Department of Health, Education, and Welfare, transmitting a draft of proposed legislation to extend through June 30, 1957, the duration of the Poliomyelitis Vaccination Assistance Act of 1955 (with an accompanying paper); to the Committee on Labor and Public Welfare.

MINUTES OF CONVENTION OF AMERICAN INSTRUCTORS OF THE DEAF

A letter from the president, Gallaudet College, Washington, D. C., transmitting, pursuant to law, the proceedings of the 37th meeting of that convention, held at the American School for the Deaf, West Hartford, Conn., June 26 to July 1, 1955 (with accompanying papers); to the Committee on Rules and Administration.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The PRESIDENT pro tempore appointed Mr. JOHNSTON of South Carolina and Mr. CARLSON members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A resolution adopted by the City Council of the City of Albert Lea, Minn., protesting against the enactment of the bill (S. 1853) to amend the Natural Gas Act, as amended; ordered to lie on the table.

RESOLUTIONS OF MINER FARMERS UNION 1127, MORRISTOWN, S. DAK.

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD resolutions adopted by Miner Farmers Union Local, No. 1127, of Morristown, S. Dak., relating to the wheat program, and so forth.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

I

Whereas the quality wheat program is unworkable and appears to be intended to create confusion in the minds of consumers and producers alike.

Therefore we vigorously condemn any discriminatory "quality" wheat or other commodity programs designed to aid speculators and discredit rigid parity supports or direct production programs.

Quality wheat program is the new sliding scale program in disguise.

II

Whereas the present sliding scale program is not reducing surplus farm production but is eliminating family farmers and small-business men by the thousands: Therefore be it

Resolved, That we, the members of the Miner Farmers Union local, propose that production payments at full parity direct to the farmer, based on a unit per farm system be substituted, in the case of wheat we recommend a limit of 3,000 bushels.

III

Whereas industry has been reimbursed for converting from wartime to peacetime production and was permitted buying surplus war production plants at or below 20 percent of cost.

Therefore we propose that farmers be permitted to buy their surplus crops at or below 20 percent of Government cost provided they plant no crops that are in surplus that crop year.

Passed unanimously the 29th day of December 1955 by the Miner Farmers Union Local, No. 1127.

HENRY HILLINS,
President.
THESLY NIEDEMAN,
Secretary.

RECOMMENDATIONS OF HOOVER COMMISSION—RESOLUTION

Mr. BRIDGES. Mr. President, I ask unanimous consent to have printed in the RECORD, and appropriately referred, a resolution adopted by the New Hampshire Junior Chamber of Commerce at a meeting of its board of directors on December 11, 1955.

It endorses and commends the recommendations of the bipartisan Hoover Commission and urges prompt congressional consideration. As a member of this Commission, I concur fully with the purpose of the resolution. The sooner that we can implement these recommendations, the sooner we will have our Federal Government operating with more efficiency and less waste of the taxpayers money.

There being no objection, the resolution was referred to the Committee on Government Operations and ordered to be printed in the RECORD, as follows:

RESOLUTION IN SUPPORT OF THE BIPARTISAN EFFORTS OF THE CITIZENS COMMITTEE FOR THE HOOVER REPORT

Whereas the efficient and economical conduct of governmental affairs is vitally important to the maintenance of our American tradition of self-government; and

Whereas the first bipartisan Commission of Organization of the Executive Branch of the Government (Hoover report) made a study of Government (1947–49) which resulted in many important improvements and economies in Federal operations; and

Whereas the bipartisan new Hoover Commission, created by Congress in 1953, has completed a 2-year study of the Federal Government and has submitted a report containing specific recommendations for reducing waste and duplication, increasing efficiency, and eliminating needless Government competition wtih private business: Now, therefore, be it

Resolved, That we the directors of the New Hampshire Junior Chamber of Commerce assembled this 11th day of December 1955, endorse and commend the objectives of the Hoover Commission and urge the administration and Congress to work together, on a bipartisan basis, toward prompt and full consideration of the recommendations of the Commission.

ONE HUNDRED PERCENT OF PARITY FOR AGRICULTURAL COMMODITIES—RESOLUTION

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD, and appropriately referred, a resolution adopted by the Wells Farmer Union Local, No. 473, of Wells, Minn., endorsing 100 percent of parity for agricultural commodities.

There being no objection, the resolution was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

Whereas farming is the foundation on which all industry and manufacturing is founded and strengthened; and

Whereas the farmer is working on less than 100 percent of parity, while industry and manufacturing is getting from 100 to 150 percent of parity; and

Whereas our form of government cannot prosper under these conditions: Therefore be it

Resolved, That the Wells Farmer Union Local, No. 473, meeting January 9, 1956, goes on record urging our Senators and Congressmen to take this up with the proper committees so this may be corrected; be it further

Resolved, That copies of this resolution be sent by our secretary to our Congressman, O'HARA, and to our Senators, HUMPHREY and THYE, and to the State Farmers Union papers.

Adopted January 9, 1956.

JOHN MOTT,
President.
A. J. PORTER,
Secretary.
DONALD HAUTT,
Legislative Director.

AMENDMENT OF NATURAL GAS ACT, AS AMENDED—RESOLUTIONS, LETTERS, AND TELEGRAM

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD two resolutions adopted by the city councils of Waseca and South St. Paul, Minn., letters, and a telegram from labor unions expressing strong opposition to the Harris bill, H. R. 4560, and the Fulbright bill, S. 1853, which would eliminate regulation of companies carrying natural gas to Minnesota.

There being no objection, the resolutions, letters, and telegram were ordered to be printed in the RECORD, as follows:

CITY OF WASECA, MINN.,
January 12, 1956.

Hon. HUBERT HUMPHREY,
Senate of the United States,
Washington, D. C.

DEAR SIR: We enclose herewith a copy of a resolution passed by the Council of the City of Waseca on January 10, 1956. This resolution, you will note, is in opposition to the Fulbright and Harris bills.

I would appreciate it if you would allow me to convey your thinking on these bills to the city council.

Very truly yours,

JOHN F. CAHILL.

Be it resolved by the Common Council of the City of Waseca, Minn.:

Whereas the Council of the City of Waseca expresses the conclusion that producers of natural gas are entitled to a fair and reasonable rate of return and can secure such return under the proper Federal regulatory authority; and

Whereas, further, the Council of the City of Waseca is firmly of the mind that the proper regulation of natural-gas producers would in no manner defeat any economic or financial incentive which it is asserted is necessary to attract investors and to stimulate discovery and recovery of natural gas; and

Whereas, further, the Fulbright bill (S. 1853) is now on the calendar of the Senate, having been reported out by the Senate Interstate and Foreign Commerce Committee; and

Whereas the said Fulbright bill, while differing in some extent from the provisions of the Harris bill, is similar in import and effect and could lead to only one end result in the consumer market, and that would be an increased rate to be paid by the ultimate consumer of natural gas: Now, therefore, be it

Resolved by the City Council of the City of Waseca, That the Harris and the Fulbright bills, are contrary to the best interests of the whole gas-consuming public in this city; and be it further

Resolved, That the Council of the City of Waseca herein records its full and complete opposition to the Harris bill, as amended, and also to the Fulbright bill, and respectfully requests that the Senate of the United States return said Fulbright bill, as demanded, to the Senate Committee on Interstate and Foreign Commerce for further hearings on said bill and the amendments which have been added to it since the last public hearing thereon. Said referral of the bill back to the Senate Committee on Interstate and Foreign Commerce will, at least, give the public of the United States an opportunity to present its side of the case before the honorable Senate committee; and be it further

Resolved, That the City Council of the City of Waseca hereby again urgently requests the Senators and Congressmen from the State of Minnesota to exercise their utmost efforts to defeat this legislation which is not in the public interest; and be it further

Resolved, That a copy of this resolution be forthwith transmitted to the honorable Senators and Congressmen from the State of Minnesota, to each member of the United States Senate Committee on Interstate and Foreign Commerce, and to the clerk of said committee and the clerk of the Senate of the United States.

Approved this 10th day of January 1956.

L. W. TOBIN,
Mayor.

Attest:

E. J. LORIG,
City Clerk.

SOUTH ST. PAUL, MINN.,
January 13, 1956.

Hon. Senator HUBERT HUMPHREY,
Washington, D. C.

HONORABLE SENATOR HUMPHREY: Enclosed please find a copy of a resolution passed by the city council on January 9, 1956, regarding the Fulbright bill.

Very truly yours,

JOHN F. O'DONNELL,
City Recorder.

Whereas the city of South St. Paul through the city council has at all times heretofore expressed its opposition to the passage of the so-called Harris bill (H. R. 4560) by the House of Representatives of the United States of America, said opposition as expressed by the city council having been based upon conclusions that said legislation would be inimical to the economic welfare and well-being of all of the citizens of the city of South St. Paul who are users of natural gas, in that passage of such legislation could lead to only one result and that would be higher rates for the ultimate consumers of this natural resource; and

Whereas the Council of the City of South St. Paul further expresses the conclusion that producers of natural gas are entitled to a fair and reasonable rate of return and can secure such return under the proper Federal regulatory authority; and

Whereas, further, the Council of the City of South St. Paul is firmly of the mind that the proper regulation of natural-gas producers would in no manner defeat any economic or financial incentive which it is asserted is necessary to attract investors and to stimulate discovery and recovery of natural gas; and

Whereas, further, the Fulbright bill (S. 1853) is now on the Calendar of the Senate, having been reported out by the Senate Interstate and Foreign Committee; and

Whereas the said Fulbright bill, while differing in some extent from the provisions of the Harris bill, is similar in import and effect and could lead to only one end result in the consumer market, and that would be an increased rate to be paid by the ultimate consumer of natural gas: Now, therefore, be it

Resolved by the City Council of the City of South St. Paul, That it reiterates its conclusions, heretofore arrived at, that the Harris and the Fulbright bills, as amended, are contrary to the best interests of the whole gas-consuming public in this city; and be it further

Resolved, That the Council of the City of South St. Paul herein again records its full and complete opposition to the Harris bill, as amended, and also to the Fulbright bill, and respectively requests that the Senate of the United States return said Fulbright bill, as amended, to the Senate Committee on Interstate and Foreign Commerce for further hearings on said bill and the amendments which have been added to it since the last public hearing thereon. Said referral of the bill back to the Senate Committee on Interstate and Foreign Commerce will, at least, give the public of the United States an opportunity to present its side of the case before the honorable Senate committee; and be it further

Resolved, That the City Council of the City of South St. Paul hereby again urgently requests the Senators and Congressmen from our district to exercise their utmost efforts to defeat this legislation which is not in the public interest; and be it further

Resolved, That a copy of this resolution be forthwith transmitted to the honorable Senators from the State of Minnesota and to the Honorable JOSEPH P. O'HARA, Congressman from the Second District to the clerk of the Senate and House Interstate and Foreign Commerce Committees.

Adopted by the city council January 9, 1956.

Approved January 12, 1956.

DAVID G. HARDMAN,
Mayor.

ST. PAUL LOCAL, NO. 264,
PULP, SULPHITE, AND
PAPER MILL WORKERS,
St. Paul, Minn., January 13, 1956.

Hon. HUBERT HUMPHREY,
United States Senate,
Washington, D. C.

DEAR SENATOR HUMPHREY: It has come to the attention of our organization that action will soon be taken in the Senate on the Fulbright bill which provides that primary production of gas would be exempt from regulation by the Federal Power Commission.

Since organized labor has consistently supported the interests of consumers and there is ample evidence that removal of regulation would increase prices to the consumers, we urge you to do everything in your power to defeat the Fulbright bill in the Senate when it comes up for consideration.

Yours very truly,

THE EXECUTIVE BOARD,
St. Paul Local, No. 264,
CARL G. LARSON,
Business Representative.
ELMER P. MEINZ,
International Representative.

ST. PAUL, MINN., *January 14, 1956.*

Senator HUBERT HUMPHREY,
Washington, D. C.

DEAR SENATOR: The membership of local 21, Uniformed Firefighters of St. Paul is of the unanimous opinion that the passage of the Fulbright bill or the companion Harris bill will be economically harmful to this area.

We ask that you continue your efforts to oppose the removal of Federal regulation of natural gas producers.

Respectfully yours,

FRANK E. OBERG,
Secretary, Uniformed Firefighters of St. Paul, local 21.

ST. PAUL, MINN., *January 17, 1956.*

Senator HUBERT H. HUMPHREY,
Washington, D. C.:

We urge you to do everything within your power to assist in defeat of the Fulbright bill.

D. DONALD DALY,
Secretary, St. Paul Printing Pressmen and Assistants Union, No. 29.

RESOLUTION OF CITY COUNCIL OF RENO, NEV., REGARDING RECENT FLOOD DAMAGE

Mr. MALONE. Mr. President, I offer for the RECORD a resolution adopted by the city council of Reno, Nev.

The city of Reno was seriously damaged by recent floods, which affected almost all the area in northwest Nevada, especially on the eastern slope of the Sierra Nevada Mountains.

The resolution has to do with those who were helpful in aiding to lessen the damage caused by the floodwaters.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Resolution 1600, introduced by the Committee of the Whole

Whereas the city of Reno, unfortunately, experienced a disastrous flood on December 23, 1955, when the Truckee River escaped its course and caused severe damage to a considerable portion of the city in close proximity to the Truckee River; and

Whereas the damage caused by said flood was greatly minimized by citizens of the community and representatives of many groups who worked tirelessly and unselfishly in contributing their energies to protect life and property in this area: Now, therefore, be it

Resolved by the City Council of the City of Reno, Nev., That the administration of the city of Reno express its sincere and grateful appreciation to all the many people who aided in lessening the damage recently caused by floodwaters in this city and to the following, in particular: Gov. Charles Russell; Senator George W. Malone; Senator Alan Bible; Congressman Clifton Young; Civil Defense Administrator Val Peterson; Col. Ed Pine, Lt. Col. Claude Hunter, Maj. Harold Nielson, and Maj. Keith Long, of the 365th Engineer Reserve Group; Mr. Eck Holgate, Reno-Sparks-Washoe County civil defense director; Colonel McKenzie, commanding officer of Stead Airbase; Col. Fred White, commander of the Nevada National Guard; Col. Joe Geach, commander of the Nevada National Air Guard; Commander Jones, captain, Fallon Naval Air Station; Col. Tom Wilson, of the Civil Air Patrol; Robert Stoddard, of radio station KATO; and all of the personnel of all radio stations and the Reno newspapers located within the city of Reno; television station KZTV; Associated Press and United Press; the American Red Cross; and the Salvation Army: Be it further

Resolved, That the city clerk be, and he hereby is, authorized and directed to transmit a copy of this resolution to the personnel and organizations named herein.

Approved this 9th day of January 1956.

LEN HAINS,
Mayor of the City of Reno.

Attest:

E. E. GILL,
City Clerk and Clerk of the City Council of the City of Reno, Nev.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BYRD, from the Committee on Finance, without amendment:

H. R. 7094. A bill to amend section 120 of the Internal Revenue Code of 1939 (relating to unlimited deduction for charitable contributions) (Rept. No. 1403).

By Mr. BYRD, from the Committee on Finance, with amendments:

H. R. 2667. A bill to amend section 208 (b) of the Technical Changes Act of 1953 (Public Law 287, 83d Cong.) (Rept. No. 1401);

H. R. 7054. A bill to amend the Internal Revenue Code of 1939 to provide a credit against the estate tax for Federal estate taxes paid on certain prior transfers (Rept. No. 1402); and

H. R. 7247. A bill to amend the Internal Revenue Code of 1954 with respect to the treatment of gain in certain railroad reorganizations (Rept. No. 1404).

By Mr. SPARKMAN, from the Committee on Banking and Currency, without amendment:

H. R. 6298. A bill to amend section 601 (g) of the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended, to permit transfer of war housing projects to the city of Moses Lake, Wash., and to other communities similarly situated (Rept. No. 1407); and

S. J. Res. 113. Joint resolution to permit Federal Housing Administration title I repair assistance to new homes damaged by major disasters (Rept. No. 1406).

By Mr. CHAVEZ, from the Committee on Public Works:

S. 1823. A bill to authorize the construction of certain works of improvement in the Niagara River for power and other purposes; with amendments (Rept. No. 1408).

AMENDMENT OF SMALL BUSINESS ACT OF 1953, AS AMENDED, RELATING TO DISASTER LOANS—REPORT OF A COMMITTEE

Mr. MORSE. Mr. President, from the Committee on Banking and Currency, I report favorably the bill (S. 2960) to amend the Small Business Act of 1953, as amended, dealing with the disaster loan issue, and I submit a report (No. 1405) thereon. This report is the unanimous report of the committee. The House passed a similar bill yesterday. It is very important that the Senate consider the Senate bill at the earliest possible hour. We are filing our report today. On behalf of the committee I submit the unanimous request, approved upon motion in the Committee on Banking and Currency, that the bill be taken up promptly by the leadership.

I should like to have the attention of the acting majority leader and the acting minority leader for a moment. We hope that the bill can be taken up not later than tomorrow, because I am satisfied it is a bill which will not be the subject of extended debate. It speaks for itself. The disaster and flood victims are deserving of the legislative action of the Senate at the earliest possible hour.

I now send to the desk the report of the committee, and I accompany it with the request of the Committee on Banking and Currency, unanimously agreed to upon motion this morning, that the leadership will take action to assure early consideration of the bill.

The PRESIDENT pro tempore. The report will be received and printed, and the Senate and House bills will be placed on the calendar.

The bills were placed on the calendar, as follows:

S. 2960. A bill to amend the Small Business Act of 1953, as amended; and

H. R. 7871. A bill to amend the Small Business Act of 1953.

Mr. CLEMENTS. Mr. President, let me say to my friend from Oregon that there certainly will be no disposition on the part of the acting majority leader to delay consideration of this measure. I think it is important that the report be printed and that the membership have an opportunity to read the report, since there is a considerable difference between the Senate bill and the House bill. After the membership has had an opportunity to examine the report, a decision can be reached by the leadership.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. CLEMENTS. I yield.

Mr. CARLSON. I can assure the distinguishing acting majority leader that the acting minority leader and the minority leader concur in the statement he has just made. I am sure there is no disposition on this side to withhold early action.

If I correctly understood the request of the senior Senator from Oregon, it was that the bill be scheduled for action at the earliest opportunity.

Mr. MORSE. That is correct.

Mr. CARLSON. I can assure the acting majority leader and the distinguished Senator from Oregon that we will cooperate in every way.

REPORTS OF COMMITTEES ON PERSONNEL AND FUNDS

Pursuant to Senate Resolution 123, 80th Congress, 1st session, the following reports were received by the Secretary of the Senate:

COMMITTEE ON AGRICULTURE AND FORESTRY

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees for the period from July 1, 1955, to December 31, 1955, together with the funds available to and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received
Harker T. Stanton, professional staff member	$13,617.69	$7,099.95
Cotys M. Mouser, chief clerk	10,110.19	5,290.17
James M. Kendall, assistant chief clerk	9,842.67	5,150.21
Betty M. Mason, clerical assistant	4,604.26	2,409.15
Blanche M. O'Berg, clerical assistant	6,453.98	3,377.07
Sam A. Thompson, to Aug. 31, clerical assistant	6,967.79	1,301.71
Total		24,628.26

NOTE.—Includes retroactive pay for period Mar. 1 to June 30, 1955.

Funds authorized for committee expenditure	$10,000.00
Amount unexpended July 1, 1955	6,530.49
Additional funds authorized July 22, 1955, S. Res. 123	20,000.00
	26,530.49
Amount expended July 1 to Dec. 31, 1955	8,164.58
Balance available, Dec. 31, 1955	18,365.91

ALLEN J. ELLENDER,
Chairman.

JANUARY 1, 1956.

COMMITTEE ON APPROPRIATIONS

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary, including retroactive pay, of each person employed by it and its subcommittees for the period from July 1, 1955, to December 31, 1955, together with the funds available to it and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received
TEMPORARY EMPLOYEES		
Paul E. Kamerick, staff member	$12,607.05	$6,594.63
Gardner C. Turner, staff member	12,607.05	6,594.63
Lewis C. Prell, staff member	10,645.24	5,417.49
Leonard E. Edwards, agent (retroactive pay)	----------	188.78
Dorothy L. Sankey, clerical assistant (retroactive pay)	----------	85.68
REGULAR EMPLOYEES		
Everard H. Smith, chief clerk	14,800.00	7,592.60
Thomas J. Scott, assistant chief clerk	14,301.34	7,300.58
Francis S. Hewitt, assistant clerk	13,409.61	6,817.00
Edmund T. King, assistant clerk	11,536.97	6,036.75
Kenneth J. Bousquet, professional staff member	13,409.61	6,817.00
Earl W. Cooper, professional staff member	13,617.69	6,903.70
Herman E. Downey, professional staff member	13,409.61	6,817.00
Leonard E. Edwards, professional staff member	12,696.22	6,254.93
Joe E. Gonzales, professional staff member	12,517.88	6,350.41
Grace E. Johnson, professional staff member	9,664.32	5,056.91
William J. Kennedy, Jr., professional staff member	12,696.22	6,443.71
Cecil C. McDaniel, professional staff member	13,409.61	6,817.00
Harold E. Merrick, professional staff member	13,409.61	6,817.00
Robert E. O'Hara, professional staff member	13,409.61	6,808.06
Vorley M. Rexroad, professional staff member (to Sept. 13)	12,517.88	2,629.84
Raymond L. Schafer, professional staff member	12,696.22	6,443.71
Thomas F. Shannon, professional staff member	10,823.58	5,411.76
William W. Woodruff, professional staff member	13,409.61	6,817.00
Gloria S. Butland, clerical assistant	5,426.35	2,830.37
Leon DeVille, clerical assistant	5,220.85	2,677.06
Mary G. Gatton, clerical assistant	5,426.35	2,774.32
Mary F. Holloway, clerical assistant	5,426.35	2,774.32
Ruby C. Hutchinson, assistant clerk	4,492.08	2,234.94
Carolyn Macy, clerical assistant (to July 31)	4,912.54	495.05
Mamie L. Mizen, assistant clerk	8,098.17	4,171.64
Rebul H. Nichols, clerical assistant	5,426.35	2,802.88
Jane Symmes, clerical assistant (from Aug. 1)	4,912.54	2,046.85

CARL HAYDEN,
Chairman.

JANUARY 1, 1956.

COMMITTEE ON APPROPRIATIONS

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report on miscellaneous expenses for the period from July 1, 1955, to December 31, 1955, together with

the funds available to and expended by it and its subcommittees:

Miscellaneous expenses:	
Unexpended balance of amount authorized by S. Res. 129, June 26, 1947, as of June 30, 1955	$24,151.49
Amount expended July 1 to Dec. 31, 1955	0
Balance unexpended as of Dec. 31, 1955	24,151.49
Unexpended balance of amount authorized by Legislative Appropriation Act, 1955, as of June 30, 1955	316,717.67
Amount expended July 1 to Dec. 31, 1955	1,068.55
Balance unexpended as of Dec. 31, 1955	315,649.12
Amount authorized by Legislative Appropriation Act, 1956	400,000.00
Amount expended July 1 to Dec. 31, 1955	18,359.21
Balance unexpended as of Dec. 31, 1955	381,640.79
Unexpended balance of amount authorized by Reorganization Act, as of June 30, 1955	8,468.70
Additional authorization by S. Res. 136	15,000.00
Total available for expenditure	23,468.70
Amount expended July 1 to Dec. 31, 1955	15,479.18
Balance unexpended as of Dec. 31, 1955	7,989.52

CARL HAYDEN,
Chairman.

DECEMBER 31, 1955.

COMMITTEE ON ARMED SERVICES

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees for the period from July 1, 1955, to December 31, 1955, together with the funds available to and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received [1]
Atkinson, Herbert S., assistant chief clerk	$8,801.94	$4,599.88
BeLieu, Kenneth E., professional staff member [2]	10,823.58	1,803.92
Braswell, T. Edward, Jr., professional staff member	13,617.69	6,926.83
Dantzic, Maurine E., clerical assistant	5,220.85	2,728.84
Darden, William H., professional staff member	13,617.69	7,099.95
Johnson, Edna E., clerical assistant [3]	4,912.54	2,161.08
Mudge, Verne D., professional staff member [4]	13,617.69	7,099.95
Schweigert, Esther N., clerical assistant	4,707.03	2,462.96
Welker, Mary M., clerical assistant	4,707.03	2,459.97

[1] Including retroactive pay for the period Mar. 1, 1955, to June 30, 1955.
[2] As of Nov. 1, 1954.
[3] Leave of absence Oct. 16 to Nov. 15, 1955, inclusive.
[4] Services terminated Dec. 31, 1955.

Funds authorized or appropriated for committee expenditure (84th Cong.)	$10,000.00
Amount expended Jan. 1, 1955, to June 30, 1955	6,157.01
Balance unexpended June 30, 1955	3,842.99
Funds authorized by S. Res. 119, agreed to July 22, 1955	10,000.00
Available for expenditure during period	13,842.99
Amount expended July 1, 1955, to Dec. 31, 1955	7,082.42
Balance unexpended	6,760.57

RICHARD B. RUSSELL,
Chairman.

JANUARY 3, 1956.

COMMITTEE ON ARMED SERVICES

PREPAREDNESS INVESTIGATING SUBCOMMITTEE

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees for the period from July 1, 1955, to December 31, 1955, together with the funds available to and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received
Anton, James, special counsel	$10,110.19	$5,290.17
Brammer, Billy Lee, investigator [1]	6,556.74	163.91
Canaday, Alyce D., clerical assistant	4,707.03	2,462.96
Clark, Joyce, stenographer [2]	3,884.93	1,532.37
Cooper, Genevieve, secretary	5,015.31	2,624.27
Engle, Wallace L., investigator	7,481.60	3,762.40
Gilleas, Benjamin J., attorney	8,406.45	4,398.67
Hiller, Vera M., stenographer	4,398.73	2,284.60
Jeffries, Jo Ann, clerk-typist	3,884.93	1,950.72
Kelly, E. Russel, assistant chief counsel	11,269.45	5,665.29
McGillicuddy, Jr., D. F., attorney	8,406.45	4,398.67
Neal, Robert M., attorney	6,453.98	3,236.98
Sircom, Edith M., stenographer	4,501.50	2,355.40
Waldron, Glenn S., accountant [3]	7,173.31	3,155.67
Walters, Jeri L., stenographer [4]	3,679.42	651.72

[1] As of Nov. 1, 1955, and services terminated Nov. 9, 1955.
[2] As of Aug. 9, 1955.
[3] Services terminated Nov. 30, 1955.
[4] Services terminated Sept. 3, 1955.

Funds authorized or appropriated for committee expenditure under S. Res. 185, agreed to Jan. 26, 1954	$150,000.00
Amount expended as of Jan. 31, 1955	85,523.53
Amount expended as of Mar. 31, 1955, under S. Res. 28, agreed to Feb. 4, 1955 (extending authority to expend funds provided under S. Res. 185)	17,310.74
Total	96,834.27
Balance unexpended to Dec. 31, 1955	53,165.73
Funds authorized or appropriated for committee expenditure under S. Res. 72, agreed to Mar. 28, 1955	160,000.00
Amount expended	64,939.22
Balance unexpended	95,060.78

RICHARD B. RUSSELL,
Chairman.
LYNDON B. JOHNSON,
Chairman, Preparedness Investigating Subcommittee.

JANUARY 12, 1956.

COMMITTEE ON BANKING AND CURRENCY

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary (including retroactive pay for period March 1 through June 30, 1955) of each person employed by it and its subcommittees for the period from July 1, 1955, to December 31, 1955, together with the funds available to and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received
John H. Yingling, chief clerk	$14,800.00	$7,582.74
Paul Cyr, assistant clerk	13,617.69	7,027.16
Robert A. Wallace, staff director	13,617.69	7,099.95
William F. McKenna, counsel	13,617.69	7,099.95
James B. Cash, Jr., professional staff member	13,617.69	7,099.95
Donald L. Rogers, counsel	13,617.69	7,027.16
Henrietta S. Chase, clerical assistant	6,865.03	3,581.67
Florence Barr, clerical assistant	6,351.22	3,323.26
Pauline C. Beam, clerical assistant	6,248.46	3,259.05
Caro M. Pugh, clerical assistant	6,248.46	3,259.05

Funds authorized or appropriated for committee expenditure	$10,000.00
Amount expended Jan. 1 through June 30, 1955 (reported)	5,427.17
Amount expended July 1 through Dec. 31, 1955	4,005.61
Balance unexpended	567.22

J. W. FULBRIGHT,
Chairman.

JANUARY 12, 1956.

COMMITTEE ON BANKING AND CURRENCY

SENATE RESOLUTION 23, ECONOMIC STABILIZATION AND MOBILIZATION

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary (including retroactive pay for period March 1 through June 30, 1955) of each person employed by it and its subcommittees for the period from July 1, 1955, to December 31, 1955, together with the funds available to and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received
Matthew Hale, assistant counsel	$13,617.69	$6,981.06
E. Wayles Browne, Jr., professional staff member (to Nov. 30)	13,617.69	5,756.49
Arthur J. Wilson, staff assistant	9,292.39	4,862.26
Frances K. Topping, economist (to Nov. 30)	6,453.98	2,812.37
Dorothy L. McCaffrey, clerical assistant (to Nov. 30)	5,015.31	2,206.33
Vella M. Orndorff, clerical assistant (to Aug. 15)	4,809.79	685.10
Jacqueline D. Winstead, clerical assistant (to July 8)	4,604.26	209.38
Olin Cavness, staff assistant (Oct. 1–31)	8,605.76	717.14
Retroactive only:		
Clarence M. Dinkins, assistant counsel	8,644.09	30.61
Doris I. Thomas, clerical assistant	4,283.04	15.16
James H. Walter, staff assistant	6,003.71	37.52
Paul Cyr, staff assistant	11,646.00	72.78
John L. Douglas, staff assistant	8,644.09	81.03
John R. Hancock, staff member	11,646.00	36.39
Charlie W. Jones, staff assistant	8,644.09	18.00
Barbara H. Spencer, clerical assistant	4,474.23	27.96

Funds authorized or appropriated for committee expenditure	$100,000.00
Amount expended Feb. 4 through June 30, 1955 (reported)	39,400.40
Amount expended July 1 through Dec. 31, 1955	38,291.94
Balance unexpended	22,307.66

J. W. FULBRIGHT,
Chairman.

JANUARY 12, 1956.

COMMITTEE ON BANKING AND CURRENCY

SENATE RESOLUTION 57, PUBLIC AND PRIVATE HOUSING

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary (including retroactive pay for period March 1, 1955, through June 30, 1955) of each person employed by it and its subcommittees for the period from July 1, 1955, to December 31, 1955, together with the funds available to and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received
Jack Carter, staff director	$13,617.69	$7,017.45
Milton P. Semer, assistant counsel, from July 25	11,001.92	4,767.46
Clarence M. Dinkins, assistant counsel	9,753.50	5,066.24
Olin Cavness, staff assistant, July 1 to Sept. 30	8,605.76	2,289.94
Olin Cavness, staff assistant Nov. 1 to Dec. 31	8,605.76	1,434.28
Dudley L. O'Neal, Jr., attorney-investigator, from Aug. 1	7,584.37	3,160.15
James H. Walter, staff assistant	7,481.60	3,724.87
Clarence R. Jacobs, accountant	6,659.50	3,432.94
Frances K. Topping, economist, from Dec. 1	6,453.98	537.83
Dorothy L. McCaffrey, clerical assistant, from Dec. 1	5,015.31	417.94

Name and profession	Rate of gross annual salary	Total salary received
Mildred Mitchel, clerical assistant	$4,809.79	$2,479.42
Dixie J. Thomas, clerical assistant	4,604.26	2,342.23
Doris I. Thomas, clerical assistant	4,604.26	2,393.98
Valerie A. Earle, research assistant, to July 15	7,584.37	382.15
Robert R. Poston, assistant counsel, to July 15	9,753.50	491.44
John L. Douglas, staff assistant, (retroactive)	8,461.59	38.78

Funds authorized or appropriated for committee expenditure	$100,000.00
Amount expended Mar. 18 through June 30, 1955 (reported)	15,579.17
Amount expended July 1 through Dec. 31, 1955	46,493.22
Balance unexpended	37,927.61

J. W. FULBRIGHT,
Chairman.

JANUARY 16, 1956.

COMMITTEE ON THE DISTRICT OF COLUMBIA

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees for the period from July 1, 1955, to December 31, 1955, together with the funds available to and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received
Leo A. Casey, chief clerk	$13,617.69	$7,094.16
William P. Gulledge, professional staff member	13,617.69	7,094.16
Murray W. Weight, professional staff member	10,377.71	5,430.14
Ruth W. Bryant, clerical assistant	6,967.79	3,645.87
Arlene B. Williams, clerical assistant	6,967.79	3,645.87

NOTE.—Salaries include retroactive pay for period March 1 to June 30, 1955.

Funds authorized or appropriated for committee expenditure, 84th Congress	$10,000.00
Amount available July 1, 1955	9,326.66
Amount expended July 1 to Dec. 31, 1955	2,355.95
Balance unexpended	6,970.71

MATTHEW M. NEELY,
Chairman.

JANUARY 9, 1956.

COMMITTEE ON FINANCE

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary (including retroactive pay as authorized by law) of each person employed by it and its subcommittees for the period from July 1, 1955, to December 31, 1955, together with the funds available to and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received
Elizabeth B. Springer, chief clerk	$11,447.79	$5,990.10
Betty Mae Tapy, clerical assistant	6,453.98	3,377.07
Evelyn R. Thompson, clerical assistant	6,453.98	3,304.26
Jesse R. Nichols, document clerk	5,220.85	2,731.83
Serge N. Benson, professional staff member	13,617.69	7,099.95
Ronald Ward, clerical assistant (from July 1 to Aug. 8)	4,090.46	215.87

Funds authorized or appropriated for committee expenditure	$10,000.00
Amount expended: Jan. 31, 1955, to June 30, 1955	$5,033.53
July 1, 1955, to Dec. 31, 1955	599.86
Total amount expended	5,633.39
Balance unexpended	4,366.61

HARRY F. BYRD,
Chairman.

JANUARY 12, 1956.

COMMITTEE ON FOREIGN RELATIONS

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees for the period from July 1, 1955, to December 31, 1955, together with the funds available to and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received
Francis O. Wilcox, professional staff member (through Sept. 5)	$14,800.00	$2,864.83
Carl M. Marcy, professional staff member	14,800.00	7,544.10
Alwyn V. Freeman, professional staff member	13,617.69	7,099.95
Julius N. Cahn, professional staff member	13,617.69	7,099.95
Pat M. Holt, professional staff member	14,031.34	7,318.33
C. C. O'Day, chief clerk	13,617.69	7,099.95
Emmett M. O'Grady, clerical assistant	6,351.22	3,323.26
June C. Pitts, clerical assistant	6,762.27	3,538.38
Mary A. Sames, clerical assistant	5,940.18	3,108.20
Doris B. Covington,[1] clerical assistant	5,940.18	3,108.20
Orrin E. Cressey,[1] clerical assistant	5,837.42	3,054.45
Total		55,159.60

[1] Under authority of S. Res. 29, agreed to Jan. 18, 1955.

NOTE.—Salaries include retroactive pay for the period Mar. 1 to June 30, 1955.

Funds authorized for expenditure	$10,000.00
Amount unexpended, July 1, 1955	7,942.10
Additional authorization	10,000.00
Total	17,942.10
Expended July 1 to Dec. 31, 1955	[2] 14,318.49
Unexpended, Dec. 31, 1955	3,623.61

[2] Includes $10,000 advance to committee chairman.

WALTER F. GEORGE,
Chairman.

JANUARY 12, 1956.

COMMITTEE ON FOREIGN RELATIONS

SUBCOMMITTEE ON REVIEW OF THE UNITED NATIONS CHARTER

(Under authority of S. Res. 36, sec. B, agreed to Feb. 4, 1955)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees for the period from July 1, 1955, to December 31, 1955, together with the funds available to and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received
Morella R. Hansen, clerk	$7,687.12	$4,022.31
Stephen Pace, Jr., assistant clerk (from Aug. 1)	5,837.42	2,432.25
Total		[1] 6,454.56

[1] Includes retroactive pay for period Mar. 1 to June 30, 1955.

NOTE.—The detail of certain personnel of the Library of Congress on a reimbursable basis, was authorized by the Committee on Rules and Administration, for services rendered the subcommittee.

Funds authorized or appropriated for committee expenditure, 84th Cong	$28,000.00
Amount unexpended at July 1, 1955	9,209.48
Amount expended July 1 to Dec. 31, 1955	6,946.96
Balance unexpended Dec. 31, 1955	2,262.52

NOTE.—Expenditures include $5,000 advance to committee chairman.

WALTER F. GEORGE,
Chairman.

JANUARY 12, 1956.

COMMITTEE ON FOREIGN RELATIONS

SUBCOMMITTEE MAKING A FULL AND COMPLETE STUDY OF FOREIGN TECHNICAL ASSISTANCE PROGRAMS

(Under authority of S. Res. 36, sec. A, agreed to February 4, 1955)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees for the period from July 1, 1955, to December 31, 1955, together with the funds available to and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received
Emily J. Butler, assistant clerk	$4,090.46	$2,140.34
Henry F. Holthusen, consultant (from Aug. 19 to Nov. 19)	806.73	203.90
Total		[1] 2,344.24

[1] Includes retroactive pay for period Mar. 1 to June 30, 1955.

NOTE.—The detail of certain personnel of the Library of Congress on a reimbursable basis, was authorized by the Committee on Rules and Administration, for services rendered the subcommittee.

Funds authorized for committee expenditure	$24,000.00
Balance unexpended July 1, 1955	17,563.49
Additional authorization, S. Res. 133	15,000.00
Total	32,563.49
Amount expended, July 1 to Dec. 31, 1955	[2] 22,730.60
Balance unexpended, Dec. 31, 1955	9,832.89

[2] Includes $20,000 advance to committee chairman.

WALTER F. GEORGE,
Chairman.

JANUARY 12, 1956.

COMMITTEE ON FOREIGN RELATIONS

SUBCOMMITTEE ON DISARMAMENT

(Under authority of S. Res. 93, agreed to July 25, 1955)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees for the period from July 1, 1955, to December 31, 1955, together with the funds available to and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received
Betty Lou Goetz, research assistant (from Nov. 7)	$6,248.46	$937.26

NOTE.—The detail of certain personnel of the Library of Congress on a reimbursable basis, was authorized by the Committee on Rules and Administration, for services rendered the subcommittee.

Funds authorized or appropriated for committee expenditure, 84th Cong	$25,000.00
Amount expended July 25, to Dec. 31, 1955	948.68
Balance unexpended, Dec. 31, 1955	24,051.32

WALTER F. GEORGE,
Chairman.

JANUARY 12, 1956.

COMMITTEE ON GOVERNMENT OPERATIONS

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees for the period from July 1, 1955, to December 31, 1955, together with the funds available to and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received
Walter L. Reynolds, chief clerk	$13,617.69	$7,099.95
Glenn K. Shriver, professional staff member	12,607.05	6,594.63
Eli E. Nobleman, professional staff member	12,607.05	6,594.63
Richard J. O'Melia, professional staff member	13,617.69	7,099.95
Miles Scull, Jr., professional staff member	12,607.05	6,335.02
Ann M. Grickis, assistant chief clerk	7,995.40	4,183.61
Emily I. Tennyson (Mrs.), clerical assistant (to Oct. 11, 1955)	5,837.42	1,773.46
Ray Barnett, clerical assistant	5,734.66	3,000.64
Vivien I. McConnell, clerical assistant	5,529.13	2,868.36
Kathryn M. Keeney (Mrs.), clerical assistant (from Aug. 1, 1955)	5,323.61	2,218.15
Betty J. Fox, clerical assistant (from Nov. 1, 1955)	5,015.31	835.88

NOTE.—Above salaries include retroactive pay for period Mar. 1 to June 30, 1955.

Funds authorized or appropriated for committee expenditure, 84th Cong	$10,000.00
Amount available July 1, 1955	8,179.91
Amount expended July 1, 1955, to Dec. 31, 1955, 84th Cong	521.82
Balance unexpended Dec. 31, 1955	7,658.09

JOHN L. MCCLELLAN,
Chairman.

JANUARY 14, 1956.

SENATE PERMANENT SUBCOMMITTEE ON INVESTIGATIONS OF THE COMMITTEE ON GOVERNMENT OPERATIONS

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary (including retroactive pay as provided by law) of each person employed by it and its subcommittees for the period from July 1, 1955, to December 31, 1955, together with the funds available to and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received
Jerome S. Adlerman, assistant counsel	$13,617.69	$6,808.80
Edith H. Anderson, staff editor	6,453.98	3,226.98
Maxine B. Buffalohide, assistant clerk	5,220.85	2,610.42
Alphonse F. Calabrese, investigator	10,823.58	5,411.76
Alice S. Dearborn, assistant clerk	4,912.54	2,456.22
Margaret W. Duckett, assistant clerk	5,220.85	2,610.42
LaVern J. Duffy, investigator	6,556.74	3,278.34
James N. Juliana, chief counsel to minority	13,617.69	6,808.80
Robert F. Kennedy, chief counsel (to July 31)	13,617.69	1,134.80
Robert F. Kennedy, chief counsel (from Oct. 1)	13,617.69	3,404.40
Teresa C. Kraus, assistant clerk	4,912.54	2,456.22
H. Michael Mann, messenger	3,480.59	1,740.24
J. Fred McClerkin, legal research analyst	6,556.74	3,278.34
Angela M. Novello, assistant clerk	4,912.54	2,456.22
Leo C. Nulty, investigator	10,823.58	5,411.76
Donald F. O'Donnell, assistant chief counsel	13,617.69	6,808.80
Paul J. Tierney, assistant counsel	10,823.58	5,411.76
Ruth Young Watt, chief clerk	7,789.89	3,894.90

Funds authorized or appropriated for committee expenditure	$121,601.51
Amount expended	91,188.68
Balance unexpended	30,412.83

JOHN L. MCCLELLAN,
Chairman.

JANUARY 15, 1956.

COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary (including retroactive pay, under authority of Public Law 94, 84th Cong.) of each person employed by it and its subcommittees for the period from July 1, 1955, to December 31, 1955, together with the funds available to and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received
Callaghan, Marcia M., clerical assistant (from Sept. 1)	$5,426.35	$1,808.76
Callaghan, Richard L., chief clerk	14,301.34	7,270.86
Coburn, William H., staff attorney	14,800.00	7,395.54
Davis, Dorothy A., clerical assistant	5,426.35	2,839.33
Donnelley, Rosemary, clerical assistant	6,145.69	3,208.59
French, Stewart, general counsel	13,617.69	7,099.95
Gamble, James H., professional staff member	12,607.05	6,330.45
Gillette, Margaret G., clerical assistant	5,426.35	2,839.33
Lineweaver, Goodrich W., professional staff member	13,617.69	7,099.95
McSherry, Nellie D., assistant chief clerk	11,091.10	5,803.43
Yates, Mary Jo, clerical assistant (to Aug. 31)	5,426.35	951.70

Funds authorized or appropriated for committee expenditure	$20,000.00
Amount available July 1, 1955	8,816.99
Amount expended July 1, 1955 to Dec. 31, 1955	4,195.60
Balance unexpended	4,721.39

JAMES E. MURRAY,
Chairman.

JANUARY 15, 1956.

COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

(Holding investigations under authority of S. Res. 37, agreed to February 4, 1955)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary (including retroactive pay under authority of Public Law 94, 84th Cong.) of each person employed by it and its subcommittees for the period from July 1, 1955, to December 31, 1955, together with the funds available to and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received
Adlerman, Jerome S., professional staff member (to May 15)	$11,646.00	$181.96
Callaghan, Marcia M., clerical assistant (Apr. 25 to Aug. 31)	5,426.35	955.35
Harrington, Joan M., clerical assistant	5,426.35	2,755.09
Hoban, Cecelia A., clerk-stenographer	5,323.61	2,785.58
Holderer, Geo. B., professional staff member	12,517.88	6,550.05
O'Connor, Adele R., stenographer	5,323.61	2,785.58
Redwine, Robert W., professional staff member	10,823.58	5,647.91
Metzger, Helen M. (widow of Kern D. Metzger), consultant (May 16-27 and May 31-June 16)	11,646.00	650.23
O'Toole, Richard F., consultant	----------	1,186.68
Broadgate, William C., consultant	----------	1,315.54

Funds authorized or appropriated for committee expenditure	$70,000.00
Amount available July 1, 1955	46,540.27
Additional funds authorized by S. Res. 117 July 22, 1955	3,000.00
Total	49,540.27
Expended July 1 to Dec. 31, 1955	41,895.53
Balance unexpended	7,644.74

JAMES E. MURRAY,
Chairman.

JANUARY 15, 1956.

COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

(Holding investigations under authority of S. Res. 39, agreed to February 4, 1955)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary (including retroactive pay under authority of Public Law 94, 84th Cong.) of each person employed by it and its subcommittees for the period from July 1, 1955, to December 31, 1955, together with the funds available to and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received
Chambers, Edward T., professional staff member	$10,199.37	$5,336.86
Heany, Rita, clerical assistant (to July 15)	5,323.61	304.34
Mapes, Milton C., Jr., professional staff member	10,823.58	5,663.46
Murphy, Margaret M., clerical assistant (to Apr. 10)	4,952.20	41.26
Nelson, Elmer K., professional staff member	13,617.69	7,099.95
Stong, Benton J., professional staff member	12,072.01	3,018.00
Todd, Pauline B., clerical assistant	5,734.66	2,508.31
Wilson, Platt, professional staff member	10,734.41	5,616.81
Straus, Michael W., consultant	----------	2,073.05

Funds authorized or appropriated for committee expenditure	$60,000.00
Amount available July 1, 1955	36,283.65
Additional funds authorized by S. Res. 39, July 22, 1955	4,750.00
Total	41,033.65
Expended July 1 to Dec. 31, 1955	35,588.53
Balance unexpended Dec. 31, 1955	5,445.12

JAMES E. MURRAY,
Chairman.

JANUARY 10, 1956.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary (including retroactive pay as provided by law) of each person employed by it and its subcommittees for the period from July 1, 1955, to December 31, 1955, together with the funds available to and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received
Baynton, Harold I., staff member	$13,617.69	$6,808.80
Chamberlin, Louise I., clerical assistant	4,090.46	2,045.22
Jarrett, Edward S., chief clerk	13,617.69	6,808.80
Knudson, Lois M., clerical assistant	5,734.66	2,867.28
Pellegrini, Frank, chief counsel	13,617.69	6,808.80
Rudolph Vera B., clerical assistant	6,762.27	3,381.12
Smigen, Cecelia M., clerical assistant	6,145.69	3,072.84
Sweeney, Edward C., staff member	13,617.69	3,820.50
Wissman, Bertram O., assistant chief clerk	13,617.69	6,808.80
Zapple, Nicholas, staff member	13,617.69	6,808.80

Funds authorized or appropriated for committee expenditure (balance July 1, 1955) $4,755.37
Amount expended 3,846.10

Balance unexpended 909.27

WARREN G. MAGNUSON,
Chairman.

JANUARY 10, 1956.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

(S. Res. 13, agreed to February 4, 1955, to investigate certain problems relating to interstate and foreign commerce)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary (including retroactive pay as provided by law) of each person employed by it and its subcommittees for the period from July 1, 1955, to December 31, 1955, together with the funds available to and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received
Barton, Frank L., staff member, beginning Nov. 1	$13,617.69	$2,269.60
Black, John W., staff member	6,967.69	3,483.84
Bourbon, August J., staff member, to Aug. 1	11,091.10	924.25
Bowers, Joan A, clerical assistant	4,501.50	2,250.72
Busby, David, staff member	9,664.32	4,832.16
Butz, John R, clerical assistant	6,453.98	3,226.98
Cox, Kenneth A., special counsel, from Dec. 20	13,617.69	416.09
Davis, Sidney M., staff member, through Aug. 31	13,617.69	2,269.60
Drake, Robin, staff member	6,967.79	3,483.84
Fadely, Catherine E., clerical assistant	4,912.54	2,456.22
Geissinger, Wayne T., assistant chief counsel	13,617.69	6,808.80
Huse, Harry C., staff member	10,645.24	5,322.60
Kohler, William L., staff member	8,605.76	4,302.84
L'Heureux, Robert D., staff member	13,617.69	6,808.80
Monk, Jane E., clerical assistant	5,015.31	2,507.64
Moore, Milo, staff member	13,617.69	6,808.80
Rogers, Kathryn B., clerical assistant	4,809.79	2,404.86
Shaffer, Martha P., clerical assistant	6,145.69	3,072.84
Stern, Edward A., staff member	9,931.84	4,965.90
Tucker, Ernest C., staff member, to Aug. 31	8,703.84	1,450.64
Watkins, Charles D., staff member	7,789.89	3,894.90

Funds authorized or appropriated for committee expenditure, balance July 1 ..... $151,442.18
Amount expended 89,251.38

Balance unexpended 62,190.80

WARREN G. MAGNUSON,
Chairman.

JANUARY 10, 1956.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

(S. Res. 35, agreed to July 25, 1955, providing for a study of merchant marine training and education in the United States)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary (including retroactive pay as provided by law) of each person employed by it and its subcommittees for the period from August 1, 1955, to December 31, 1955, together with the funds available to and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received
Bourbon, August J., staff member	$11,091.10	$4,626.25
Webster, Donald D., staff member	13,617.69	5,674.00

Funds authorized or appropriated for committee expenditure $30,000.00
Amount expended 11,109.17

Balance unexpended 18,890.83

WARREN G. MAGNUSON,
Chairman.

JANUARY 10, 1956.

COMMITTEE ON THE JUDICIARY

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees for the period from July 1, 1955, to December 31, 1955, together with the funds available to and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received
Joseph H. Davis, chief clerk	$13,617.69	$7,099.95
Francis C. Rosenberger, assistant chief clerk	13,617.69	7,063.55
Wayne H. Smithey, professional staff member	13,617.69	7,099.95
George S. Green, professional staff member	13,167.69	7,099.95
Thomas B. Collins, professional staff member	13,617.69	7,099.95
Robert B. Young, professional staff member	13,617.69	6,881.58
J. Carlisle Ruddy, professional staff member	11,715.31	6,148.77
Robert M. Kilgore, professional staff member (from Aug. 17)	11,626.14	4,327.48
Mary I. Rogers, clerical assistant	6,556.74	3,443.66
Mildred E. Canon, clerical assistant	6,556.74	3,440.37
Carrie Lee Conner, clerical assistant	6,556.74	3,440.37
Naomi Hankins, clerical assistant	6,556.74	3,440.37
Katharine M. Ellis, clerical assistant	6,556.74	3,440.37
Richard F. Wambach, clerical assistant	6,556.74	3,440.37
Costas D. Chrissos, clerical assistant	6,556.74	3,440.37

NOTE.—Above salaries include retroactive pay for period Mar. 1 to June 30, 1955.

Funds authorized or appropriated for committee expenditure $5,521.77
Amount expended 1,674.76

Balance unexpended 3,847.01

HARLEY M. KILGORE,
Chairman.

JANUARY 15, 1956.

COMMITTEE ON THE JUDICIARY

SUBCOMMITTEE TO INVESTIGATE JUVENILE DELINQUENCY IN THE UNITED STATES

(Under S. Res. 190, 83d Cong., 2d sess.; S. Res. 49, S. Res. 62, and S. Res. 125, 84th Cong., 1st sess.)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary (including retroactive pay for the period March 1, 1955, to June 30, 1955) of each person employed by it and its subcommittees for the period from July 1, 1955, to December 31, 1955, together with the funds available to and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received
Beaumet, Charles T., clerical assistant (to Aug. 15)	$3,203.07	$400.38
Bobo, James H., general counsel	13,320.44	5,617.37
Caruthers, Gloria V., secretary	5,015.31	2,344.20
Chumbris, Peter N., associate counsel	11,358.62	4,799.97
Dailey, Helen B., secretary (to Aug. 15)	4,604.26	575.52
Donnelley, Dixon, editorial director (to Nov. 30)	10,021.02	4,175.40
Edmonds, Sadie E., clerical assistant (to Aug. 4)	2,035.94	192.28
Fullmer, Marvin R., investigator (to Aug. 15)	7,995.40	999.42
Gaughan, Vincent M., special counsel (to July 15)	$10,377.71	$432.40
Gibbons, Richard M., clerical assistant (to Nov. 30)	5,015.31	2,089.70
Haddad, William F.: Research assistant, to Aug. 15	5,940.18	3,044.53
Haddad, William F.: Consultant, to Nov. 30	7,892.65	
Hammond, Janis, clerical assistant (to Sept. 30)	4,398.73	1,099.68
Hickey, Margaret B., chief clerk (to Sept. 30)	7,378.84	1,844.70
Hart, Edward, consultant (to July 31)	5,220.85	435.07
Jensen, Floyd A., investigator (to Dec. 1)	7,584.37	3,165.18
Johnson, M. Bernadine, assistant counsel (to Oct. 31)	8,605.76	2,868.56
Kuhn, Kathleen D., secretary (to Oct. 31)	4,809.79	1,603.24
McGill, Elizabeth T., secretary (to Nov. 30)	4,809.79	2,004.05
Martin, George H., investigator (to Nov. 15)	9,194.30	3,447.85
Minnoch, Donald A.: Messenger, to Aug. 15	2,614.53	1,521.00
Minnoch, Donald A.: Clerical assistant	3,576.65	
Mitler, Ernest A., special counsel (to Nov. 15)	8,507.66	3,190.36
Pappas, Constantine J., messenger (to Aug. 15)	2,614.53	326.80
Perian Carl L., research assistant	6,453.98	2,840.18
Schonberger, Claude M., research assistant (to Nov. 30)	6,865.03	2,860.40
Strong, Harold F., social service consultant (to Sept. 15)	11,982.84	2,496.42
Williamson, Harry F., consultant (from July 7–Aug. 20)	7,481.60	914.41
Daley, Frank L., consultant (from July 26–Sept. 15)	9,485.98	1,317.47
Mayes, Martin, consultant (to Aug. 20)	7,584.37	1,053.38

Funds authorized or appropriated for committee expenditure $94,568.97
Amount expended 86,962.18

Balance unexpended 7,606.79

HARLEY M. KILGORE,
Chairman.

ESTES KEFAUVER,
Subcommittee Chairman.

JANUARY 4, 1956.

COMMITTEE ON THE JUDICIARY

SUBCOMMITTEE ON TRADING WITH THE ENEMY ACT

(Under authority of S. Res. 63, agreed to March 18, 1955)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees for the period from July 1, 1955, to December 31, 1955, together with the funds available to and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received[1]
Caldwell, James N., Jr., assistant counsel	$7,584.37	$2,528.12
Clark, Florence B., stenographer, from Sept. 1	4,912.54	1,651.12
Downey, Mabel A., clerical assistant, from Aug. 30	5,118.07	1,492.75
Rideoutte, Jane E., secretary, from Sept. 16	5,734.66	1,815.25
Stevens, William A., clerk, to Sept. 5	7,481.60	3,879.33
Wood, Harlan, general counsel	13,617.69	7,032.67

[1] Including retroactive pay for the period Mar. 1, 1955, to June 30, 1955.

Funds authorized or appropriated for committee expenditure $51,378.04
Amount expended 19,282.81

Balance unexpended 32,095.23

HARLEY M. KILGORE,
Chairman.

OLIN D. JOHNSTON.
Subcommittee Chairman.

JANUARY 12, 1956.

COMMITTEE ON THE JUDICIARY

PATENTS, TRADEMARKS, AND COPYRIGHTS

(Pursuant to S. Res. 92 agreed to May 11, 1955)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees for the period from July 1, 1955, to December 31, 1955, together with the funds available to and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received[1]
Caplan, Julian, counsel, from Sept. 7	$9,194.30	$2,911.52
Clesner, Herschel F., investigator, from Nov. 14	6,556.74	856.01
Haaser, Stephen G., chief clerk, from Aug. 22	6,556.74	2,349.47
Hoy, Ann S., secretary, from Aug. 22	5,734.66	2,054.88
Huber, Walter B., investigator, from Oct. 20	8,900.03	1,755.26
Melman, Seymour, consultant, from Dec. 22	[2] 41.11	288.88
Palmer, Archie M., consultant, from Dec. 1	[2] 41.11	863.33
Rideoutte, Jane E., secretary, from Sept. 6	5,734.66	1,831.88
Stedman, John C., consultant, from Sept. 6	[2] 41.11	1,251.42

[1] Including retroactive pay for the period Mar. 1, 1955, to June 30, 1955.
[2] Per day when actually employed.

Funds authorized or appropriated for committee expenditure	$50,000.00
Amount expended	14,309.93
Balance unexpended	35,690.07

HARLEY M. KILGORE,
Chairman.

JOSEPH C. O'MAHONEY,
Subcommittee Chairman.

JANUARY 15, 1956.

COMMITTEE ON THE JUDICIARY

IMMIGRATION AND NATURALIZATION

(S. Res. 66 agreed to March 18, 1955)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees for the period from July 1, 1955, to December 31, 1955, together with the funds available to and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received[1]
Ashcraft, Ann, clerk	$4,604.26	$2,385.52
Blair, Drury H., staff member	12,250.35	6,349.57
Burton, Robert R., staff member	9,931.84	5,235.25
Carey, A. Carl, Jr., investigator	9,931.84	5,138.29
DeGooyer, Franzetta R., clerk	5,940.18	3,073.51
Lallemant, Donald P., investigator (to July 31)	5,940.18	529.71
McCloskey, Mary J., clerk	5,940.18	3,048.53
Mendelson, Martin, clerical assistant (to Sept. 12)	2,875.28	586.51
Mesmer, Fred M., staff member	12,607.05	6,530.25
Slayman, Charles H., Jr., staff member	9,931.84	4,382.44

[1] Including retroactive pay for the period Mar. 1 to June 30, 1955.

Funds authorized or appropriated for committee expenditure	$82,876.19
Amount expended	38,625.99
Balance unexpended	44,250.20

HARLEY M. KILGORE,
Committee and Subcommittee Chairman.

JANUARY 4, 1956.

COMMITTEE ON THE JUDICIARY

SUBCOMMITTEE TO INVESTIGATE PROBLEMS CONNECTED WITH THE EMIGRATION OF REFUGEES FROM WESTERN EUROPEAN NATIONS

(Under authority of S. Res. 64, approved March 18, 1955)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary (includes retroactive pay from March 1–June 30, 1955) of each person employed by it and its subcommittees for the period from July 1, 1955, to December 31, 1955, together with the funds available to and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received
Guthridge, Eleanor C., general counsel	$10,823.58	$5,663.46
Beaton, Adele V., clerical assistant	5,220.85	2,731.83
Haugen, Marilyn, clerical assistant	3,884.93	2,016.97
Thompson, Patricia, clerical assistant (to Sept. 14, 1955)	3,576.65	746.97

Funds authorized or appropriated for committee expenditure	$29,340.03
Amount expended	12,775.23
Balance unexpended	16,564.80

HARLEY M. KILGORE,
Chairman.

WILLIAM LANGER,
Subcommittee Chairman.

JANUARY 13, 1956.

COMMITTEE ON THE JUDICIARY

NATIONAL PENITENTIARIES

(Under authority of S. Res. 65, agreed to March 18, 1955)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees for the period from July 1, 1955, to December 31, 1955, together with the funds available to and expended by it and its subcommittees:

No employees.

Funds authorized or appropriated for committee expenditure	$8,590.34
Amount expended	113.69
Balance unexpended	8,476.65

HARLEY M. KILGORE,
Chairman.

OLIN D. JOHNSTON,
Subcommittee Chairman.

JANUARY 12, 1956.

COMMITTEE ON THE JUDICIARY

SUBCOMMITTEE ON CONSTITUTIONAL RIGHTS

(Under authority of S. Res. 94, agreed to May 11, 1955)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees for the period from July 1, 1955, to December 31, 1955, together with the funds available to and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received[1]
Binzburg, Benjamin, research director	$11,715.31	$5,957.09
MacDuffie, Marshall, chief counsel (to Nov. 10)	11,715.31	4,329.97
Hocker, Lon, special hearings counsel (to Nov. 30)	$11,715.31	$4,718.64
Patton, William D., counsel (from Oct. 27)	6,145.69	1,092.56
Simmons, Belva T., secretary (from July 5)	4,809.79	2,357.40
Williams, Jane E., secretary (from July 25)	4,809.79	2,084.21
Seham, Martin C., legal assistant (to Aug. 31)	2,703.93	458.44
Bontecou, Eleanor, counsel (from Sept. 12)	[2] 22.2094	[3] 821.74
Hand, Elisabeth J., administrative assistant	[2] 18.7840	[3] 1,160.53

[1] Including retroactive pay for the period Mar. 1 to June 30, 1955.
[2] Per diem.
[3] When actually employed.

Funds authorized or appropriated for committee expenditure	$47,203.72
Amount expended	26,161.12
Balance unexpended	21,042.60

HARLEY M. KILGORE,
Chairman.

THOS C. HENNINGS, Jr.,
Subcommittee Chairman.

JANUARY 9, 1956.

COMMITTEE ON THE JUDICIARY

SENATE ANTITRUST AND MONOPOLY SUBCOMMITTEE

(Under authority of S. Res. 61, agreed to March 18, 1955)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary (including retroactive pay for the period March 1, 1955, to June 30, 1955) of each person employed by it and its subcommittees for the period from July 1, 1955, to December 31, 1955, together with the funds available to and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received
Amidon, Robert H., attorney-investigator	$8,605.76	$4,202.77
Arnett, Lucy V., stenographer	5,118.07	2,847.43
Banner, Paul H., economist, from Nov. 7	9,096.20	1,364.42
Beath, Paul R., administrative assistant	6,865.03	3,533.98
Bloch, Beate, attorney, from Oct. 26	5,529.13	998.31
Bolger, Ruth F., stenographer, from Nov. 21 to 23	4,193.23	34.94
Burns, Joseph W., chief counsel and staff director	13,617.69	6,950.18
Burton, Irene, stenographer	5,118.07	2,827.20
Clifford, George E., attorney-investigator	9,096.20	4,243.64
Cobb, Julia S., stenographer	5,118.07	2,840.35
Cohen, Stanley, research employee, to Sept. 2	3,782.17	663.09
Cook, Frances B., file clerk, to Oct. 24	5,323.61	1,751.01
Cutler, Robert G., research employee, to Sept. 30	3,782.17	953.60
Dye, Elaine W., stenographer, from Dec. 27	4,501.50	50.01
Green, Paul S., hearing editor	9,292.39	4,773.65
Keener, Katherine, research employee, to Aug. 26	3,782.17	605.18
Lang, Mildred, stenographer, from Aug. 26	4,501.50	1,411.31
Levien, Joy, research employee, to Aug. 26	3,782.17	601.52
Manili, Evelyn F., stenographer, from Dec. 20	4,501.50	137.54
Mecartney, Malcolm, assistant counsel, from Aug. 1	11,715.31	4,881.35
McKee, Duncan, research employee, to Sept. 13	3,782.17	783.78
Milligan, Robert E., messenger, from Nov. 24	3,884.93	399.27
Montier, Gladys E., clerk	6,248.46	3,451.00
Moore, James W., research employee, to Aug. 26	3,782.17	595.65
Moore, Stephen A., research employee, to Oct. 31	3,782.17	1,265.85
Neville, Gareth M., assistant counsel	11,715.31	6,021.47

Name and profession	Rate of gross annual salary	Total salary received
Oliver, Mae, assistant clerk, to Nov. 11	$6,145.69	$2,315.45
Olshine, Lucille L., research assistant	5,118.07	2,749.31
Oppenheimer, Martin, research employee, to Sept. 15	3,782.17	799.67
Osswald, John, research employee, to Sept. 30	3,782.17	957.26
Protas, Robert, research employee, to Sept. 9	3,782.17	737.37
Rintz, Frances, stenographer, Aug. 25 to Sept. 24	3,293.74	274.47
Rosenman, Louis, attorney, to Sept. 15 and from Nov. 8	5,015.31	1,532.17
Ryan, Mary, stenographer	5,118.40	2,848.15
Schwartz, Richard, research employee, to Sept. 30	3,782.17	957.26
Seeley, Joseph A., assistant counsel	11,715.31	5,973.68
Segal, Martin, economist, from July 5 to Sept. 15	10,110.19	2,099.47
Shea, John G., research employee, to Aug. 26	3,782.17	601.52
Starr, Henry P., research employee, to Sept. 5	3,782.17	689.48
Stein, Gary, research employee, to Sept. 13, and w. a. e. from Sept. 14	3,782.17	933.88
Tucker, Ernest C., attorney-investigator, from Sept. 1	8,098.17	2,701.59
Wagner, Janet L., stenographer, to Sept. 15	3,480.59	736.56
Williams, Thomas C., file clerk	4,809.79	2,130.57
Zaiany, Emily, stenographer, from Nov. 30	4,501.50	689.61
ADDENDUM—W. A. E. EMPLOYEES		
Fisher, William H., III, research assistant, w. a. e. from July 26		272.91
Friedman, Jesse J., consultant		5,045.38
Hardy, Russell, Sr., assistant counsel, w. a. e. from Aug. 17		1,849.98
Keeffe, Arthur J., staff member to Sept. 30, and assistant counsel, w. a. e. from Oct. 1		3,911.27
McHugh, Donald P., consultant		5,535.46
Pikl, James L., Jr., research assistant, w. a. e. from July 27		163.75
Sanders, Paul H., consultant, w. a. e. from July 27		103.57
Sides, Wade H., Jr., Research assistant, w. a. e. from July 26		115.99
Skeen, John R., economist, w. a. e. from Aug. 18		2,411.76
Stedman, John C., consultant, w. a e. to July 22		936.30
Winkler, Morton, attorney-investigator, w. a. e. from Sept. 2		230.37
Winkler, Thelma, investigator, w. a. e. from Sept. 9		46.07

Funds authorized or appropriated for committee expenditure $176,252.08
Amount expended 123,377.28

Balance unexpended 52,874.80

HARLEY M. KILGORE,
Committee and Subcommittee Chairman.

JANUARY 11, 1956.

COMMITTEE ON THE JUDICIARY

SUBCOMMITTEE TO INVESTIGATE THE ADMINISTRATION, OPERATION, AND ENFORCEMENT OF THE INTERNAL SECURITY ACT OF 1950

(Under authority of S. Res. 58, agreed to March 18, 1955)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees for the period from July 1, 1955, to December 31, 1955, together with the funds available to and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received[1]
Arens, Richard, associate counsel	$13,617.69	$7,099.95
Arens, William H., investigator	9,664.32	5,056.91
Baker, Dorothy C., records manager	7,584.37	3,954.21
Ballantine, Joseph W., temporary consultant [2]	37.4966	862.41
Barber, Frank D., clerk-messenger	3,293.74	969.79
Brown, James M., legal assistant	9,292.39	4,862.26

[1] Includes retroactive pay for Mar. 1–June 30, 1955.
[2] Mr. Ballantine received $37.4966 per day when actually employed July–August.

Name and profession	Rate of gross annual salary	Total salary received
Buckley, Wilburn, investigator	$10,823.58	$5,651.02
Cardiello, James A., legal investigator (through Aug. 31)	3,987.70	757.33
Carpenter, Alva C., associate counsel	13,617.69	7,099.95
Colombo, Louis R., investigator (to July 7)	7,584.37	323.84
Dua, Bernice E., secretary (from Oct. 1)	5,015.31	1,253.82
Duffy, Edward R., investigator	10,288.54	5,383.48
Fluegel, Edna R., research analyst (to July 23)	8,703.84	533.75
Fox, Miriam O., confidential secretary	6,967.79	3,645.87
Gasque, Cecial A., investigator (to May 22)	9,570.74	163.49
Grefe, Charles W., clerk (from Apr. 7 to May 31)	5,334.57	60.01
Haaser, Stephen G., records manager (to July 13)	9,292.39	551.65
Halleck, Charles W., research assistant	7,584.37	3,515.29
Lowell, William E., editorial director	12,607.05	6,594.63
MacDevitt, Mary J., confidential secretary (through July 31)	6,967.79	742.67
Malaney, Elinor L., confidential secretary	6,967.79	3,645.87
Mandel, Benjamin, research director	12,607.05	6,594.63
McDonnell, Yvonne G., secretary (through Sept. 15)	5,940.18	1,375.66
McManus, Mary B., temporary consultant [3]	25.5397	204.31
McManus, Robert C., investigations analyst	12,250.35	6,410.05
McShan, Antoinette M., tynist	6,248.46	3,163.04
Mercer, Doris L., secretary (through Aug. 31)	5,940.18	1,128.16
Merow, Joan F., clerk (from Dec. 16)	4,398.73	183.27
Mitchell, Jonathan, temporary consultant [4]	13,617.69	2,988.30
Richards, Ann E., stenographer	5,940.18	2,970.06
Roberts, Marilyn H., clerk	5,940.18	3,108.20
Schrider, F. Lois, clerk (July 1 only)	3,613.89	24.34
Schroeder, Frank W., chief investigator	12,250.35	6,410.05
Somes, Naomi W., clerk (through Aug. 31)	5,734.66	1,089.12
Sourwine, J. G., chief counsel	13,617.69	7,099.95
Stavropulos, Mary, clerk	5,220.85	2,731.83
Sullivan, Peggy S. (nee Beaird), (clerk to Dec. 15)	4,398.73	2,118.36
Tonnar, Helen H., secretary (from Oct. 1)	5,015.31	1,253.82

[3] Mrs. McManus received $25.5397 per day from Nov. 23, 1955, when actually employed.
[4] Mr. Mitchell receives $13,617.69 per annum when actually employed.

Funds authorized or appropriated for committee expenditure $176,785.91
Amount expended 128,719.99

Balance unexpended 48,065.92

HARLEY M. KILGORE,
Chairman.
JAMES O. EASTLAND,
Subcommittee Chairman.

DECEMBER 31, 1955.

COMMITTEE ON THE JUDICIARY

SUBCOMMITTEE ON IMPROVEMENTS IN THE FEDERAL CRIMINAL CODE

(Under authority of S. Res. 67 and S. Res. 137, 84th Cong.)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees for the period from July 1, 1955, to December 31, 1955, together with the funds available to and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received[1]
Brown, Janet E., secretary, from Aug. 11	$4,604.26	$1,790.51
Clark, Margery, research analyst, from Nov. 2	6,042.94	990.36

[1] Including retroactive pay for the period Mar. 1, 1955, to June 30, 1955.

Name and profession	Rate of gross annual salary	Total salary received
Gasque, Cecial A., general counsel	$13,617.69	$6,900.99
Salisbury, Joseph F., assistant counsel, from Dec. 5	10,110.19	730.17
Townley, Kay, secretary, from Oct. 3	4,604.26	1,125.46
Edwards, June, secretary, to Aug. 15	4,604.26	597.82
Hasser, Stephen G., investigator, July 16 to Aug. 15	9,292.39	774.36

Funds authorized or appropriated for committee expenditure $46,432.62
Amount expended 19,065.35

Balance unexpended 27,367.27

HARLEY M. KILGORE,
Committee Chairman.
PRICE DANIEL,
Subcommittee Chairman.

DECEMBER 31, 1955.

COMMITTEE ON LABOR AND PUBLIC WELFARE

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees for the period from July 1, 1955, to December 31, 1955, together with the funds available to and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received
Stewart E. McClure, staff director	$13,617.69	$7,099.95
Roy E. James, minority staff director	13,617.69	7,099.95
John S. Forsythe, general counsel	13,617.69	7,099.95
William G. Reidy, professional staff member	13,617.69	7,099.95
Michael J. Bernstein, professional staff member	13,617.69	7,099.95
Grover C. Smith, chief clerk (to Aug. 8, 1955)	8,098.17	969.35
Crawford C. Heerlein, clerical assistant	6,967.79	3,645.04
Vivien T. Harman, clerical assistant	6,702.27	3,538.38
Paul Sample, clerical assistant	6,248.46	3,269.51
Thelma W. Blankenship, clerical assistant	6,248.46	3,269.51
Helen H. Papps, clerical assistant	6,145.69	3,212.41
Marjorie M. Whittaker, clerical assistant	6,145.69	3,215.76
Alice H. Price, clerical assistant	5,323.61	2,785.58
Helyn Eagle, clerical assistant	5,323.61	2,785.58

[1] Including retroactive pay for the period Mar. 1 to June 30, 1955.

Balance as of July 1, 1955, plus $5,000 authorized by S. Res. 132 ..... $11,091.10
Amount expended 7,856.24

Balance unexpended 3,234.86

LISTER HILL,
Chairman.

JANUARY 12, 1956.

COMMITTEE ON LABOR AND PUBLIC WELFARE

SUBCOMMITTEE TO INVESTIGATE WELFARE FUNDS AND PENSION PLANS

(Under authority of S. Res. 40, agreed to February 21, 1955)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees for the period from July 1, 1955, to December

31, 1955, together with the funds available to and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received[1]
Cantwell, Frank V., professional staff member	$13,617.69	$7,095.09
Cotter, Paul J., chief counsel	13,617.69	7,082.96
Plant, Francis X., chief investigator	13,617.69	7,096.19
Reed, Louis S., director of research	13,617.69	6,976.21
McTigue, James J., investigator (from Dec. 5)	13,617.69	983.49
Turner, Blake E., investigator	11,804.48	6,070.71
Imle, Albert R., investigator	11,804.48	6,044.90
Sornson, Louis W., investigator (to Sept. 25)	10,823.58	2,805.80
Suss, Fredric T., investigator	10,823.58	5,638.58
Blum, Fred H., consultant (to July 31)	9,753.50	964.00
Kuhl, Arthur M., investigator	9,194.30	4,802.50
Dunne, Robert Emmet, investigator (from Oct. 12)	8,098.17	1,777.08
Irwin, Mary A., chief clerk	7,584.37	3,949.45
Cerick, Ruth Aull, secretary	6,248.46	3,098.71
Maska, Edwin C., investigator (from Oct. 10)	6,042.94	1,359.64
Gilmore, Scally, clerk-stenographer	5,220.85	2,731.83
Litwin, Genevieve, clerk-stenographer	4,912.54	1,228.11
Carey, Marjorie L., clerk-stenographer (to Nov. 13)	4,501.50	1,734.85
Abbott, Thelma W., clerk-stenographer (from Nov. 21)	4,501.50	500.16
Lentz, Marcette F., clerk-stenographer (from July 7)	4,295.97	2,076.34
Jadow, Henry Charles, clerk (from July 5 to Aug. 31)	3,203.07	498.25
MacIntyre, Duncan M., consultant (from Oct. 28)	[2] [3] 41.11	493.33
Montier, Gladys E., retroactive pay	----------	61.90

[1] Including retroactive pay for the period Mar. 1 to June 30, 1955.
[2] When actually employed.
[3] Per diem.

Funds authorized or appropriated for committee, expenditure, unexpended balance, July 1, 1955	$128,388.45
Amount expended	90,989.41
Balance unexpended	37,399.04

LISTER HILL,
Chairman.

JANUARY 12, 1956.

COMMITTEE ON POST OFFICE AND CIVIL SERVICE

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees for the period from July 1, 1955, to December 31, 1955, together with the funds available to and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received[1]
Brawley, H. W., executive director	$14,800.00	$7,592.60
Kerlin, J. Don, professional staff member	13,617.69	7,077.24
Johnson, Robert W., professional staff member	14,301.34	7,327.83
Faucette, Andrew McC., professional staff member	13,617.69	7,077.24
Finzel, Hubert H., professional staff member	13,617.69	7,077.24
Sisk, Elizabeth R., assistant clerk [2]	6,145.69	3,144.30
Bobo, Virginia, assistant chief clerk	6,967.79	3,645.87
Sutherland, Mary H., clerical assistant, to Aug. 31	5,529.13	1,045.62
Donovan, Winifred J., clerical assistant, from Sept. 1	5,529.13	1,843.04
McDonald, Innis E., clerical assistant	5,734.66	3,000.64
McElroy, Marty, clerical assistant	5,529.13	2,893.14
McInroy, Joan M., clerical assistant	6,145.69	3,215.76

[1] Includes retroactive pay for period Mar. 1 to June 30, 1955.
[2] Under authority of S. Res. 25, agreed to Feb. 4, 1955.

Funds authorized or appropriated for committee expenditure	$10,000.00
Amount available for expenditure, July 1, 1955	7,625.09
Amount expended July 1 to Dec. 31, 1955	4,260.92
Balance unexpended Dec. 31, 1955	3,364.17

OLIN D. JOHNSTON,
Chairman.

JANUARY 12, 1956.

COMMITTEE ON POST OFFICE AND CIVIL SERVICE

INVESTIGATION OF THE CIVIL SERVICE COMMISSION AND THE POST OFFICE DEPARTMENT

(S. Res.33, agreed to May 11, 1955)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees for the period from July 1, 1955, to December 31, 1955, together with the funds available to and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received[1]
Miller, William W., investigator	$9,292.39	$4,727.19
Bryan, Louis C., investigator	8,098.17	4,096.12
Walters, William R., junior investigator (from Dec. 2)	7,687.12	619.23
Allmendinger, Ina L., clerical assistant (from Nov. 30)	6,659.50	573.44
Smith, Margaret Shanholtz, clerical assistant (to Aug. 31)	5,220.85	888.35
Donovan, Winifred J., clerical assistant (to Aug. 31)	5,118.07	882.75
Johnson, Claudine B., clerical assistant	4,707.03	2,394.54
Thornton, Peggy L., clerical assistant (from July 7)	4,398.73	1,982.18
Wenner, Faye M., clerical assistant (from Sept. 1)	4,398.73	1,466.24

[1] Includes retroactive pay for period Mar. 1 to June 30, 1955.

Funds authorized or appropriated for committee expenditure	$75,000.00
Amount available for expenditure, July 1, 1955	71,851.37
Amount expended July 1, 1955, to Dec. 31, 1955	19,922.14
Balance unexpended Dec. 31, 1955	51,929.23

OLIN D. JOHNSTON,
Chairman.

JANUARY 12, 1956.

COMMITTEE ON POST OFFICE AND CIVIL SERVICE

SUBCOMMITTEE ON GOVERNMENT EMPLOYEES' SECURITY PROGRAM

(S. Res. 20, agreed to February 21, 1955)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees for the period from July 1, 1955, to December 31, 1955, together with the funds available to and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received[1]
Gillette, Guy M., special counsel (to Sept. 30 and from Nov. 16)	$12,849.69	$5,130.72
Hadlick, Paul E., assistant attorney (to Sept. 30 and from Nov. 16)	10,021.02	3,347.34
Hadlick, Paul E., acting special counsel (from Oct. 1 to Nov. 15)	13,617.69	1,702.20
Slear, John K., senior inspector	4,370.30	2,265.33
French, Millard F., attorney-investigator (from Dec. 2)	8,998.12	724.84
Chadwick, Thomas W., investigator	7,789.89	4,030.76
Wilder, Roy E., Jr., investigator	7,687.12	3,999.95
Cole, Raymond C., Jr., junior inspector	7,687.12	3,720.23

[1] Includes retroactive pay for period Mar. 1 to June 30, 1955.

Name and profession	Rate of gross annual salary	Total salary received[1]
Walters, William R., junior investigator (to Dec. 1)	$7,687.12	$3,075.29
Humphrey, David J., investigator	7,070.56	3,690.90
Caldwell, James N., Jr., junior investigator (to Aug. 31)	7,070.56	1,260.63
Sargent, Polly, clerk	5,015.31	2,609.69
Anthony, Mary G., clerical assistant (to Sept. 30)	5,015.31	1,346.15
Downey, Mabel A., clerical assistant (to Sept. 15)	5,015.31	1,048.20
Edens, Henry H., special consultant per diem (from June 15)	41.1111	2,697.36
Watson, James R., special consultant per diem (from Sept. 22)	41.1111	1,479.98
Lawrence, Richard W., retroactive pay from Apr. 18 to June 30	----------	153.12
Rideoutte, Jane E., retroactive pay from Mar. 1 to 20	----------	19.43
Goulart, Mary M., retroactive pay from Mar. 3 to Apr. 30	----------	47.43
Johnson, Claudine B., retroactive pay from May 1 to 15	----------	13.68

Funds authorized or appropriated for committee expenditure	$125,000.00
Amount available for expenditure, July 1, 1955	101,138.56
Amount expended July 1 to Dec. 31, 1955	51,730.70
Balance unexpended Dec. 31, 1955	49,407.86

OLIN D. JOHNSTON,
Chairman.

JANUARY 1, 1956.

COMMITTEE ON PUBLIC WORKS

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary (including retroactive pay as provided by law) of each person employed by it and its subcommittees for the period from July 1, 1955, to January 1, 1956, together with the funds available to and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received
Theo W. Sneed, professional staff	$12,607.05	$6,948.35
John L. Mutz, professional staff	12,607.05	6,948.35
Frances Ortiz, professional staff	12,607.05	6,948.35
Filo M. Sedillo, chief clerk	14,800.00	7,334.28
Charles N. Kapnic, assistant clerk	12,607.05	6,948.35
Eloise Porter, clerical staff	6,967.79	3,645.87
Frances T. Clark, clerical staff	6,967.79	3,645.87
Thomas F. Fox, clerical staff	6,453.98	3,377.07
Ercilia E. Martinez, clerical staff	5,837.42	3,045.40
A. T. Hannett, professional staff	14,301.34	2,383.54

S. Res. 70, agreed to Mar. 18, 1955: Balance available July 1, 1955	$100,000.00
Expended	1,322.18
Balance Dec. 31, 1955	98,677.82
84th Cong., amount authorized, $10,000; amount available, July 1, 1955	5,240.02
Amount expended	3,844.78
Balance unexpended, Dec. 31, 1955	1,395.24

DENNIS CHAVEZ,
Chairman.

JANUARY 5, 1956.

COMMITTEE ON RULES AND ADMINISTRATION

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees for the period from July 1, 1955, to December

31, 1955, together with the funds available to and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received[1]
Harrison, Gordon F., chief clerk:		
From July 1	$13,617.69	$7,585.03
From Aug. 3	14,800.00	
St. Claire, Darrell, professional staff member:		
From July 1	13,617.69	7,381.00
From Aug. 3	14,301.34	
McCain, Robert S., professional staff member	9,194.30	4,810.95
Ryan, Charles H., assistant chief clerk:		
From July 1	6,453.98	3,541.17
From Sept. 6	6,967.79	
Moore, Marian G., clerical assistant:		
From July 1	6,453.98	3,541.17
From Sept. 6	6,967.79	
Gavin, B. Flove, clerical assistant:		
From July 1	6,453.98	3,541.17
From Sept. 6	6,967.79	
Mitchell, Elizabeth S., clerical assistant:		
From July 1	5,837.42	3,150.66
From Sept. 6	6,145.69	
Greene, Eleanor L., clerical assistant	5,426.35	2,839.33
Total		36,391.48

[1] Includes retroactive pay for period Mar. 1 to June 30, 1955.

Funds authorized or appropriated for committee expenditure	$10,000.00
Amount available, July 1, 1955	9,766.33
Amount expended, July 1 to Dec. 31, 1955	97.27
Balance unexpended Dec. 31, 1955	9,669.06

THEODORE FRANCIS GREEN,
Chairman.

JANUARY 5, 1956.

COMMITTEE ON RULES AND ADMINISTRATION
SUBCOMMITTEE ON PRIVILEGES AND ELECTIONS

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by its Subcommittee on Privileges and Elections for the period from July 1, 1955, to December 31, 1955, together with the funds available to and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received[1]
Mase, Sadi J., consultant (from Nov. 22)	$10,466.88	$1,133.91
Duffy, James H., counsel:		
From July 1	9,194.30	5,131.98
From Sept. 6	10,199.37	
Jacobsen, Sue P.:		
From July 1	5,220.85	2,777.21
From Sept. 6	5,426.35	
Edmonds, Sadie E.:		
From Aug. 5	4,090.46	1,145.26
From Oct. 1	2,035.94	
Dempsey, John T., consultant (to Aug. 12)	[2] 9,664.32	1,846.05
Total		12,034.41

[1] Includes retroactive pay for the period Mar. 1 to June 30, 1955.
[2] When actually employed.

Funds authorized or appropriated for subcommittee expenditure, S. Res. 234, May 21, 1954	$50,000.00
Amount available July 1, 1955	29,807.41
Amount expended July 1 to Dec. 31, 1955	12,706.65
Balance unexpended, Dec. 31, 1955	17,100.76

THEODORE FRANCIS GREEN,
Chairman.

JANUARY 6, 1956.

SELECT COMMITTEE ON SMALL BUSINESS

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees for the period from July 1, 1955, to December 31, 1955, together with the funds available to and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received[1]
Amis, William D., professional staff member	$10,823.58	$5,663.46
Byrne, Elizabeth A., clerical assistant	6,351.22	3,323.26
Forsythe, Robert A., professional staff member (to Aug. 31)	13,617.69	2,546.71
Humphrey, Katherine J., clerical assistant (to Aug. 31)	5,015.31	952.51
Jehle, Philip F., assistant chief clerk	10,021.02	5,230.86
Lasky, Sara Betty, clerical assistant	4,912.54	2,570.46
Novak, Gertrude C., clerical assistant	4,912.54	2,570.46
O'Connor, Blake, professional staff member	10,823.58	5,663.46
Odom, Lewis G., Jr., professional staff member (from Sept. 1)	14,301.34	4,767.08
Ruppert, Minna L., chief clerk	10,377.71	5,430.14
Stults, Walter B., professional staff member	14,800.00	7,571.99
Tuttle, Carolyn L., clerical assistant (from Sept. 1)	4,707.03	1,569.00
Total		47,859.39

[1] Salaries include retroactive pay for period Mar. 1–June 30, 1955.

Funds authorized or appropriated for committee expenditure	$10,000.00
Unexpended, July 1, 1955	8,858.85
Amount expended, July 1–Dec. 31, 1955	1,151.33
Balance unexpended, Dec. 31, 1955	7,707.52

JOHN SPARKMAN,
Chairman.

JANUARY 6, 1956.

SELECT COMMITTEE ON SMALL BUSINESS

(Pursuant to S. Res. 103, agreed to June 21, 1955)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees for the period from July 1, 1955, to December 31, 1955, together with the funds available to and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received
Adams, Walter, professional staff member, from Sept. 7 to Oct. 31 and from Nov. 15	$12,072.01	$3,353.32
Costello, William M., clerk-messenger, from July 1 to Aug. 31	3,679.42	613.22
Creech, William A., professional staff member, from Aug. 24	8,507.66	3,001.30
Flynn, John J., professional staff member, from Oct. 1	8,507.66	2,126.91
Foulke, Roy E., professional staff member, from Aug. 9	8,507.66	3,355.79
Mund, Vernon A., professional staff member, from Dec. 1	12,072.01	1,006.00
Odom, Lewis G., Jr., chief counsel, from Aug. 29–31	13,617.69	75.65
Ryan, Nell F., clerical assistant, from Aug. 15	4,501.50	1,700.54
Tuttle, Carolyn L., clerical assistant, from Aug. 22–31	4,707.03	117.67
Weadock, Robert L., professional staff member, from Aug. 24	8,998.12	3,174.32

Funds authorized or appropriated for committee expenditure		$50,000.00
Amount expended:		
Salaries	18,524.72	
Other expenditures	4,990.00	
	[1] 23,514.74	
Balance unexpended, Dec. 31, 1955		26,485.26

[1] Includes $500 advances to committee chairman.

JOHN SPARKMAN,
Chairman.

ADDITIONAL CLERICAL ASSISTANTS AND FUNDS FOR COMMITTEE ON GOVERNMENT OPERATIONS—REPORT OF A COMMITTEE

Mr. JACKSON (for Mr. MCCLELLAN), from the Committee on Government Operations, reported an original resolution (S. Res. 188), which was placed on the calendar, as follows:

Resolved, That in holding hearings, reporting such hearings, and making investigations as authorized by section 134 of the Legislative Reorganization Act of 1946, and in accordance with its jurisdictions under rule XXV of the Standing Rules of the Senate, the Committee on Government Operations, or any subcommittee thereof, is authorized from February 1, 1956, through January 31, 1957, (1) to make such expenditures as it deems advisable; (2) to employ upon a temporary basis such technical, clerical, and other assistants and consultants as it deems advisable; and (3) with the consent of the head of the department or agency concerned, to utilize the reimbursable services, information, facilities, and personnel of any of the departments or agencies of the Government.

SEC. 2. The expenses of the committee under this resolution, which shall not exceed $215,000, shall be paid from the contingent fund of the Senate by vouchers approved by the chairman of the committee.

BILLS INTRODUCED

Bills were introduced, read the first time and, by unanimous consent, the second time, and referred as follows:

By Mr. CARLSON:

S. 2974. A bill for the relief of Col. Brice C. W. Custer; to the Committee on the Judiciary.

By Mr. NEELY (by request):

S. 2975. A bill to authorize the Commissioners of the District of Columbia to designate and regulate holidays for the officers and employees of the government of the District of Columbia for pay and leave purposes; to the Committee on the District of Columbia.

By Mr. LANGER:

S. 2976. A bill to encourage the establishment of voluntary pension plans by individuals;

S. 2977. A bill to encourage the establishment of voluntary pension plans by individuals; and

S. 2978. A bill to increase the annual income limitations governing the payment of pensions to certain veterans and their dependents; to the Committee on Finance.

S. 2979. A bill to prevent the consumption of alcoholic beverage aboard aircraft engaged in the air transportation of passengers; to the Committee on Interstate and Foreign Commerce.

S. 2980. A bill for the relief of Miss Nabiha Elias Audi; to the Committee on the Judiciary.

S. 2981. A bill to amend the first section of the act entitled "An act to prohibit payment of annuities to officers and employees of the United States convicted of certain offenses, and for other purposes," approved September 1, 1954, so as to limit its application to cases involving the national security; to the Committee on Post Office and Civil Service.

By Mr. HUMPHREY:

S. 2982. A bill to establish a program for participation in international affairs; to the Committee on Foreign Relations.

(See the remarks of Mr. HUMPHREY when he introduced the above bill, which appear under a separate heading.)

By Mr. BUSH (for himself and Mr. PURTELL):

S. 2983. A bill to provide for the reconveyance of certain land in Milford, Conn., acquired by the Department of the Army

from the Quinnipiac Council, Boy Scouts of America, Inc.; to the Committee on Armed Services.

By Mr. STENNIS:

S. 2984. A bill for the relief of Col. John A. O'Keefe; to the Committee on the Judiciary.

By Mr. CASE of New Jersey:

S. 2985. A bill to amend title II of the Social Security Act to reduce from 65 to 60 the age at which benefits may become payable to widows thereunder;

S. 2986. A bill to amend section 203 of the Social Security Act to increase the amount of earnings individuals are permitted to earn without suffering deductions from their benefits;

S. 2987. A bill to amend section 203 of the Social Security Act so as to increase from $80 to $100 the rate at which excess earnings are to be charged to months of taxable years in making deductions from benefits on account of excess earnings;

S. 2988. A bill to amend section 203 of the Social Security Act so as to prevent loss of income by beneficiaries because of deductions from benefits on account of the charging of earnings; and

S. 2989. A bill to amend title II of the Social Security Act to provide extra credit for postponed retirement; to the Committee on Finance.

By Mr. HILL (for himself and Mr. SMITH of New Jersey):

S. 2990. A bill to extend through June 30, 1957, the duration of the Poliomyelitis Vaccination Assistance Act of 1955; to the Committee on Labor and Public Welfare.

By Mr. BRIDGES:

S. 2991. A bill to provide for the issuance of a special series of postage stamps in honor of Hannah Dustin; to the Committee on Post Office and Civil Service.

By Mr. NEUBERGER:

S. 2992. A bill to provide for the issuance of a special series of stamps in recognition of the American Red Cross Blood Bank program; to the Committee on Post Office and Civil Service.

By Mr. LANGER:

S. 2993. A bill for the relief of Clement Leopold Perrin; to the Committee on the Judiciary.

PROPOSED PROGRAM FOR PARTICIPATION IN INTERNATIONAL AFFAIRS

Mr. HUMPHREY. Mr. President, I am about to introduce a bill, and I ask unanimous consent that I may speak on it in excess of the 2 minutes allowed under the order which has been entered.

The PRESIDENT pro tempore. Without objection, the Senator from Minnesota may proceed.

Mr. HUMPHREY. Mr. President, I introduce, for appropriate reference, a bill to provide for the establishment of a program for United States participation in international affairs. This is the program that has been carried on for the past 2 years by the President's emergency fund. It has permitted our participation in international trade fairs and other cultural activities and athletic events throughout the world. Through the small amounts of money expended on these activities we have had great success in countering the high-pressure Communist propaganda and participation in international culture, athletic, and commercial activities.

The proposed legislation to establish this as a permanent program is based on the recommendation of the Senate Appropriations Committee last year. In its report on the supplemental appropriation bill for 1956 the Appropriations Committee recommended that the fund should be made a part of the regular budget. Representative FRANK THOMPSON, of New Jersey, has introduced this bill in the House as H. R. 8497. I would like to say that Congressman THOMPSON deserves the major share of the credit for this proposal.

I am glad to see that the President joined in supporting this program on a long-term basis in his budget message to the Congress. He stated to us on Monday:

> In view of the effectiveness of these activities (carried on by the President's emergency fund) legislation will be recommended to authorize them on a continuing basis.

During the period from 1950 to 1955 the Communist nations participated with exhibitions at 122 trade fairs at which the United States was not represented. Finally there was a $5 million fund placed at the disposal of the President to permit American participation in these trade fairs. I think we have all read of the success we have had with our exhibits at the fairs in which we have since participated.

In addition, the United States has also been able to sponsor appearances of our leading American artists and cultural ambassadors in 220 major cities of the world. There is no more telling rebuttal than this to the Communist propaganda that Americans are cultural barbarians. We should continue to answer Communist propaganda and at the same time promote good relations with other peoples of the world through these exchanges.

Finally, at least 12 American athletic teams have been assisted in representing the United States in international games. They have proved to be splendid representatives of the United States abroad.

I am sure that I do not need to stress to my fellow Senators the importance of the programs we have developed under the President's emergency fund. I think we have all read and had other evidence of the success we have achieved with these activities. By continuing them under a long-term program we would insure a sustained counteroffensive against the Soviet cultural and propaganda drive.

Since the conference at the summit, the Soviet leaders have switched to a dramatic new tactic as part of their ultimate strategy toward achieving world domination. They are now emphasizing economic aid, cultural propaganda, and psychological devices in an attempt to win the uncommitted peoples of the world. We have sought to counter them with assistance to other countries and with our United States information programs. In the areas of exchange between nations in cultural, athletic, and commercial activities, we have lagged until recently. Now that we have recognized the importance of this area of the cold war, it is important that we establish the program to carry out these activities in a way that will insure our maximum effectiveness in projecting an accurate image of America abroad.

I am sure that all of my colleagues will find the program provided for in the bill, which I have just introduced, a most effective approach to carrying on the continuing program of cultural, athletic, and commercial activities that will help us successfully counter the new Communist offensive.

I ask unanimous consent that the bill be printed in the RECORD at this point.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2982) to establish a program for participation in international affairs, introduced by Mr. HUMPHREY, was received, read twice by its title, referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc.—

STATEMENT OF FINDINGS

SECTION 1. (a) The Congress hereby finds that the program of building strength should be widened into a more flexible and imaginative strategy in every field and on every front. The Congress further finds that (1) the Communists have taken sports and culture and the impressionable years of youth and transformed them into arenas of the cold war; (2) the Russian athletes are not really amateurs, but are professionals trained under government guidance with government help, bonuses, and money prizes; (3) ballet, the theater, and literature are all shaped toward aiding communism's long-range scheme of world domination, and from Moscow there radiate troupes of athletes and artists, circulating through the Soviet world, the satellites, Red China, India, and the West with their gospel of communism; (4) the Communist countries have participated extensively in international trade fairs as a further means of propagandizing other nations during the cold war, and have had costly and imposing buildings and exhibits at such fairs as propaganda for Communist industry, trade, and working conditions, while the United States, with the greatest industry, the largest volume of trade, and the highest standard of living in the world has until recently been conspicuous by its absence from these fairs; (5) the United States should participate actively in international trade fairs in order to counter Communist propaganda and to impress upon other nations of the world that the great productive capacity of the United States is dedicated to peaceful uses and to the improvement of mankind's standard of living; (6) America is proud not only of its material achievements but also of its athletes and artists and its cultural achievements; (7) the whole global scene should be surveyed and plans developed for getting the peoples of the world on our side through maximum use of sports, the theater, and educational exchanges, and indeed no field should be neglected; and (8) as the danger of atomic warfare recedes it becomes more certain that the ultimate outcome of the struggle between the Communists and the free world will be decided by ideas and ideas alone, and the victory is increasingly likely to go to the side which most successfully projects its ideas and ideals to the rest of the world.

(b) The Congress, approving and endorsing the statements recently made by the President in support of the cultural arts, further finds that (1) in the advancement of the various activities which will make our civilization endure and flourish, the Federal Government should do more to give official recognition to the importance of the arts and other cultural activities; (2) there is an important principle which we should ever keep in mind—the principle that freedom

of the arts is a basic freedom, one of the pillars of liberty in our land; (3) there is no aspiration, no dream on the horizons of man's hopes and beliefs and faith, that is so strong and so vivid as the dream of lasting peace; there are many things that must be understood and many things that must be done if we are to make progress toward the realization of that dream, but there is one thing that educators cannot afford to forget, and that is this element of understanding as opposed to mere knowledge, (4) we must make the effort to understand something of the culture of other peoples—their history, their tribulations, and the trials through which they may have passed—for unless we understand these things we will never comprehend why our motives are so often misunderstood; and (5) peace is not primarily in the hands of elected political leaders; it is in the hands of the family and the home, the church and the school.

STATEMENT OF PURPOSE

SEC. 2. The purpose of this act is—

(1) to strengthen the social and cultural ties which unite us with other nations;

(2) to demonstrate the cultural interests, developments, and achievements of the people of the United States;

(3) to demonstrate the contributions being made by the economic and social system of the United States toward a peaceful, easier, and more fruitful life for our own people and for other people throughout the world; and

(4) thereby to assist in the development of friendly, sympathetic, and peaceful relations between the United States and the other countries of the world.

DEVELOPMENT OF PROGRAMS AND PROJECTS

SEC. 3. (a) The President is authorized to provide for the conduct of tours in other countries by athletes and creative and performing artists and groups from the United States. In the development of projects and the selection of participants for purposes of this act, priority shall be given to (1) individual athletes and groups participating in athletic events, (2) professional and amateur presentations of high-quality dramatic productions, musical comedies, operas, and ballet productions, (3) concert groups, (4) individual singers, dancers, and concert artists, and (5) creative artists working in the fields of writing and composing, poetry, architecture, landscape architecture, city and regional planning, civic art and design, urban renewal and redevelopment, housing, interior design and decoration, motion pictures, still photography, radio and television, hand arts and crafts, painting and sculpture, and the other plastic and graphic arts, including architects, playwrights, producers, and scholars, critics, and historians of art.

(b) The selection of individuals and groups to participate in projects under this act shall be determined by the Secretary of State in consultation with the Advisory Committee on the arts created under section 7 and in consultation with groups of private citizens who are generally recognized by the public as being authoritative in the field concerned.

CULTURAL AND SPORTS PRESENTATIONS; FAIRS AND FESTIVALS

SEC. 4. (a) In carrying out the purpose of this act, the President is authorized to provide for United States representation in artistic, dramatic, musical, sports, and other cultural festivals, competitions, and similar exhibitions abroad.

(b) In carrying out the purpose of this act, the President is also authorized to provide for United States participation in international trade and industrial fairs and other like public or private expositions and demonstrations in foreign countries.

PARTICIPATION BY PRIVATE AGENCIES

SEC. 5. To the maximum extent feasible, (1) private agencies shall be encouraged to participate in carrying out the purpose of this act, and (2) funds appropriated pursuant to section 9 shall be used wherever possible to contribute toward meeting the expenses of activities carried out under this act through normal private channels and by private means.

PUBLICITY

SEC. 6. It is the sense of the Congress that one of the most important features of the program authorized by this act is the psychological impact it will have on the peoples of other nations, and that the projects carried out hereunder should be given maximum publicity under title V of the United States Information and Educational Exchange Act of 1948. Funds appropriated pursuant to section 9 shall be available for suitable promotional activities and publicity in connection with such projects.

ADVISORY COMMITTEE ON THE ARTS

SEC. 7. (a) There is hereby created an Advisory Committee on the Arts (hereinafter in this section referred to as the "Committee"), consisting of a Chairman selected by the United States Advisory Commission on Educational Exchange from among its membership and nine other members appointed by the Secretary of State. In making such appointments the Secretary of State shall give due consideration to the recommendations for nomination submitted by leading national organizations in the major art fields.

(b) The members of the Committee shall be individuals whose knowledge of or experience in, or whose profound interest in, one or more of the arts will enable them to assist the United States Advisory Commission on Educational Exchange, the President, and the Secretary of State in performing the functions described in subsection (c) of this section.

(c) The Committee shall—

(1) advise and assist the United States Advisory Commission on Educational Exchange in the discharge of its responsibilities in the field of international educational exchange under title VI of the United States Information and Educational Exchange Act of 1948, with special reference to the role of the arts in such field;

(2) advise and assist such Commission in the discharge of its responsibilities under the cultural presentations program financed by the President's Emergency Fund for International Affairs, insofar as such program contributes directly or indirectly to the objectives of the United States Information and Educational Exchange Act of 1948;

(3) advise and assist the President and the Secretary of State in the discharge of their responsibilities under the cultural presentations programs authorized by and financed under this Act;

(4) advise the Secretary of State concerning cultural activities whenever the Secretary considers such assistance necessary to enable him to formulate policies for carrying out the purposes of the United States Information and Educational Exchange Act of 1948, coordinating the exercise of its functions under this paragraph with the exercise of its functions under paragraph (1) of this subsection; and

(5) provide such other advice and assistance in carrying out this act as may be necessary or appropriate.

(d) The term of office of each of the members of the Committee appointed by the Secretary of State shall be 2 years; except that the term of office of four of the members first appointed shall be 1 year.

(e) No member of the Committee shall receive any compensation for his services as such; but each such member shall be reimbursed for travel expenses actually incurred, and paid in lieu of subsistence the per diem rates prescribed or established under the Travel Expense Act of 1949, while away from home in attendance at meetings of the Committee or in consultation with officials of the Government in carrying out the duties of the Committee.

(f) Staff and secretarial services for the Committee shall be provided by the departmental staff of the United States Advisory Commission on Educational Exchange, with the assistance of the International Educational Exchange Service.

INTERAGENCY COMMITTEE

SEC. 8. The President is authorized to create such interagency committees as in his judgment may be of assistance in carrying out the purposes of this act. Such committees shall include individuals having special knowledge and experience in the field of the cultural arts as well as individuals whose knowledge and experience in other fields will assist in carrying out the program established by this act. The provision of section 214 of the act of May 3, 1945 (59 Stat. 134; 31 U. S. C. 691), shall be applicable to any interagency committee created pursuant to this section.

APPROPRIATIONS

SEC. 9. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purpose of this act.

JOINT COMMITTEE TO ARRANGE FOR INAUGURATION OF PRESIDENT-ELECT, JANUARY 20, 1957

Mr. GREEN submitted the following concurrent resolution (S. Con. Res. 64), which was referred to the Committee on Rules and Administration:

Resolved by the Senate (the House of Representatives concurring), That a joint committee consisting of 3 Senators and 3 Representatives, to be appointed by the President of the Senate and the Speaker of the House of Representatives, respectively, is authorized to make the necessary arrangements for the inauguration of the President-elect of the United States on the 20th day of January 1957.

ADDITIONAL ASSISTANTS AND FUNDS FOR COMMITTEE ON GOVERNMENT OPERATIONS

Mr. JACKSON (for Mr. MCCLELLAN), from the Committee on Government Operations, reported an original resolution (S. Res. 188) to provide additional assistants and funds for the Committee on Government Operations, which was placed on the calendar.

(The above resolution is printed in full under the heading "Reports of Committees" of Senate proceedings of today.)

AMENDMENT OF TARIFF ACT OF 1930 AND REPEAL OF CERTAIN PROVISIONS OF THE CUSTOMS LAWS—AMENDMENTS

Mr. BYRD (by request) submitted amendments, intended to be proposed by him to the bill (H. R. 6040) to amend certain administrative provisions of the Tariff Act of 1930 and to repeal obsolete provisions of the customs laws, which were referred to the Committee on Finance, and ordered to be printed.

SCHOOL CONSTRUCTION — ADDITIONAL COSPONSORS OF BILL

Mr. SMITH of New Jersey. Mr. President, last Thusday, January 12, I introduced the bill (S. 2905) to authorize a 5-year program of Federal assistance to States and communities to enable them to increase public elementary and secondary school construction. I obtained unanimous consent at that time to leave the bill open for additional cosponsors until the end of business on Wednesday, January 18.

Since yesterday, the junior Senator from Idaho [Mr. WELKER], and the senior Senator from Vermont [Mr. AIKEN] have requested that their names be added as cosponsors. Therefore, I ask unanimous consent that their names be added to the list of cosponsors of the bill the next time it is printed.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, January 19, 1956, he presented to the President of the United States the following enrolled bills:

S. 1689. An act to authorize the Secretary of the Interior to execute a repayment contract with the Yuma Mesa Irrigation and Drainage District, Gila project, Arizona, and for other purposes; and

S. 1745. An act authorizing the Secretary of the Interior to issue a patent in fee to Nellie Ohlerking Archambeau Moran.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. SPARKMAN:

Address delivered by him in Statuary Hall as a part of the ceremonies honoring Gen. Robert E. Lee.

NATIONAL CIVIL SERVICE WEEK

Mr. CARLSON. Mr. President, this is National Civil Service Week, and many important statements have been made regarding the civil service and Federal workers. I ask unanimous consent that certain statements made by members of the Cabinet regarding Federal employees and Civil Service Week, be printed in the RECORD.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

From Secretary of the Interior Douglas McKay:

"Since coming to Washington as Secretary of the Interior at the beginning of the present administration, I have developed a great appreciation and admiration for Government employees. As a member of the State legislature, and later as Governor in Oregon, I came to know and respect government employees at the State level. As Secretary of the Interior, this respect has been extended in ever-increasing degrees to Federal employees as well.

"I have found that career service people are a dependable, hard-working group who are devoted to their jobs in the service of our Nation and its people. Person for person their loyalty, capability, energy, and integrity are unsurpassed anywhere in private industry. Many of them remain in Federal service at considerable personal sacrifice, steadfast in their dedication as nephews and nieces of Uncle Sam.

"The basic Civil Service Act and its subsequent extensions and refinements form the sound foundation for good government through the building of a splendid competitive career service. May the next 73 years in the history of the civil service be as productive as the past 73."

From Secretary of Defense Charles E. Wilson:

"On the occasion of the 73d anniversary of the passage of the Civil Service Act of 1883 I am pleased to join in paying tribute to the extremely important role which the career civil service plays in our democratic system of government.

"The highly technical nature of the large-scale operations of modern government requires a trained, competent staff of career employees selected solely on the basis of merit. Without the career civil service it would be difficult, if not impossible, for any administration to carry out its governmental programs and responsibilities.

"In my experience in the Federal Government I have been most favorably impressed with both the skill and the devotion to duty of our career employees. The importance of their work and the competence with which the great bulk of them perform it warrants a far greater degree of public appreciation than has yet been accorded them.

"I congratulate your organization on the measures which you are taking to call attention to the dedicated service of these employees."

From Secretary of Health, Education, and Welfare Marion B. Folsom:

"The principle of filling Federal Government positions through open, competitive examinations was established by the Civil Service Act, passed in 1883. The people of this country were thereby assured of having operation of the Nation's business handled by employees who had effectively demonstrated their entitlement to positions in the Federal service. On the other side of the picture, the men and women who entered Government service were assured of obtaining by reason of their own qualifications and of holding through their own efforts the jobs in their chosen career.

"Today—73 years later—the United States civil service has become a model for State and local governments, for industry, for public utilities, and for individual employers. The effectiveness of the merit system has been demonstrated, through the years, in obtaining the highest quality and most efficient employees available to conduct the public business.

"The selection and retention on the basis of merit of these dedicated men and women have proved the worth of the system. It is a pleasure to send my greetings and good wishes to the American Federation of Government Employees as you celebrate Civil Service Week."

From the Postmaster General, Arthur E. Summerfield:

"As you know, President Eisenhower believes in a strong and competent career civil service and considers such a career service essential to the achievement of sound and efficient management in Government. I am sure that the efforts of your organization through the sponsorship of National Civil Service Week will contribute to the accomplishment of this important objective.

"I believe in the merit system. By having a strong civil service based on the merit system we are better able to maintain a stable working body of experienced and trained personnel to carry out the objectives of long-range Government programs.

"During the last 3 years that I have served as Postmaster General, I have observed carefully the services of the employees of the Post Office Department. I can say that as a group they have performed loyally and with true dedication to the postal service. I have seen innumerable examples of this devotion, which certainly could stem only from great pride in the service.

"There could be no more appropriate time to recognize and praise career employees than during National Civil Service Week."

From Secretary of Labor James P. Mitchell:

"Experience over the years has shown the wisdom behind the establishment of the Federal career service. Its efficiency, its morale, its dedication are the very fiber of our Government. The enthusiasm and intelligence of our civil servants and their devotion to the public good are an outstanding testimonial to the merit system.

"It is the duty of everyone to see that the civil service is continually strengthened and improved so as to provide the American people with a strong, stable career force to carry on the essential functions of our Government."

From the Attorney General, Herbert Brownell, Jr.

"It is a privilege to have this opportunity during National Civil Service Week to pay tribute to the many able men and women who comprise the career civil service of our Government. The tremendous responsibility of conducting the public business of Federal Government, rests with the policy and career staff alike. The loyal and faithful contribution of continued devotion to duty and consistent superior quality of performance is of prime importance in the complicated machinery of Government. I have found the Department of Justice employees willing to exert themselves to the utmost to assure a 'good job well done.'

"We had occasion during the recent holidays to recognize a number of outstanding employees for their devotion to duty and the superior manner in which they perform their various tasks. Cash awards were given to 7 of our professional staff and to 9 of the clerical and administrative staff. In addition, honorary awards were presented to 6,486 employees who have completed 10 to 35 years of meritorious service with the Department of Justice. It was a distinct pleasure for me, as well as for each of the Assistant Attorneys General, to recognize the fine work being performed by these loyal employees."

From Secretary of Commerce, Sinclair Weeks:

"Since taking office as Secretary of Commerce in January 1953, I have been very favorably impressed by the efficient service rendered by the career civil service staff of the Department and the dedicated, loyal spirit on which it is based.

"In my opinion the effectiveness of this Department depends in large measure upon a strong career service for positions below the policymaking level, with selection, promotion, and retention on the basis of merit, together with sound vigorous leadership in policymaking and top executive positions.

"This is an indispensable formula for good teamwork in carrying out the programs and policies of the President and for rendering the efficient public service which the voters have a right to expect from us."

From the Secretary of State, John Foster Dulles:

"It gives me great pleasure to join you and your organization in honoring the career civil servants of the United States who carry out so loyally and effectively the complicated functions of our Government at home and abroad. My experiences as Secretary of State have fortified my belief that we, as a Nation,

are indeed fortunate in having so many competent and dedicated men and women in our civil service.

"Now that history has given us a leading role in the free-world partnership, it is more than ever imperative that we maintain the high standards of that Service, and that we make such careers increasingly attractive and rewarding to Americans of the highest caliber. I hope sincerely that the observance of National Civil Service Week in 1956 will help focus the attention of the American people on the value to the Nation of a career civil service, selected and retained on the basis of merit."

From Ezra T. Benson, Secretary of Agriculture:

"The Department's services are performed by well trained and experienced scientific and technical employees, and most of them are career public servants. A large proportion of these employees, located at more than 8,000 places throughout the country, make daily contact with the American people when performing these services. These employees, who have been competitively selected and who have assured tenure, are providing farmers and the rest of the American public with essential assistance. This type of service is made possible and enhanced through the permanent Federal career service started 73 years ago by the passage of the Civil Service Act of 1883."

From Secretary of the Treasury, George M. Humphrey:

"It gives me pleasure to commend the annual observance of National Civil Service Week, calling attention to the dedicated service of career Federal employees.

"I trust that this purpose will be successfully served by the very interesting program of events which has been planned. The banquets, civic observances, proclamations, and editorial discussion will deservedly honor the men and women of the career service for their contribution to the Government's work."

THE NATURAL GAS BILL

Mr. LEHMAN. Mr. President. the New York Times this morning printed a very informative and sound editorial opposing the Fulbright-Harris Natural Gas bill. I am in strong agreement with the position taken by the New York Times in this editorial.

As the Times points out, the Fulbright-Harris bill is of direct practical concern to all persons who own an ordinary household gas appliance. They number about 25 million families, and have an investment, I am told, of about $14 billion. As has been pointed out, even a slight increase of a few cents a thousand cubic feet will cost the consumers of natural gas in this country several hundred million dollars.

I commend this editorial to the notice of all Members of Congress and of the public generally. I ask unanimous consent that it be printed at this point in my remarks in the body of the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE NATURAL GAS BILL

The debate now proceeding in the Senate on the Fulbright-Harris bill to exempt independent producers of natural gas from Federal regulation as public utilities may sound technical, but it is of direct practical concern to every person who owns or uses an ordinary household gas appliance—and there are an estimated 25 million American families who do. Furthermore, the principles of regulation involved in this dispute affect all citizens. So it is safe to say that the gas issue is not only the first but one of the more important public questions to be decided in the present session of Congress.

This newspaper believes that the Fulbright-Harris bill ought to be defeated. The measure passed the House last year by only a six-vote margin, but it passed. The bill would have the effect of overturning a Supreme Court decision that the prices charged by independent producers of natural gas are subject to regulation by the Federal Power Commission.

While we prefer to see as little governmental price-fixing as possible, there are certain circumstances under which it is essential to protect the interests of the consumer. The distributors' price of natural gas is now regulated by State public utility commissions; the transporters' price of natural gas (through the pipelines that are extending themselves into almost every part of the country) is now regulated by the Federal Power Commission. The producing fields are so closely tied to the pipelines that carry the gas and therefore to the ultimate household and industrial consumer that the very purpose of regulation to protect the latter would be defeated by failure to regulate prices at the source. Your gas stove is in a very real sense connected with a gas well located many hundreds of miles away, and the price at each stage of the process from well to stove obviously has a direct effect on the price at every other stage.

The producers emphatically reject the contention that utility-type regulation is necessary at their end, maintaining that there is great competition among them and therefore the prices in effect regulate themselves. But we have doubts that theirs is a genuinely competitive situation, especially in view of the complicated and elaborate escalation clauses in many contracts under which one producer may profit from another's increase in prices. Furthermore, as Senator PAUL DOUGLAS of Illinois has pointed out in his monumental attack on the Fulbright-Harris bill, the dominant figures in the production of natural gas for interstate commerce are a handful of major oil companies; and it is unrealistic to talk about thousands of small producers as though they had any real effect on the market price.

The Fulbright-Harris bill does not abolish all Federal supervision over proposed rate increases; but the standard of reasonable market price it does establish for the Federal Power Commission is, in the words of a minority House report, "a disguised backdoor surrender of regulatory control to the producers themselves." Even though it is true that costs of production form only a small fraction of what the consumer ultimately pays on his gas bill, a rise of only a few pennies in the price of gas at the wellhead could mean increased costs of hundreds of millions of dollars to consumers in the aggregate, and a corresponding profit of hundreds of millions to the producers. The oil- and gas-producing industry is not exactly in a state of depression, and it already has its own special tax gift in the form of a 27½ percent depletion allowance. We see no sound reason why the regulatory arm should not be extended right down the continuous and indivisible line from distributor all the way back to producer. Other extractive industries stand in a totally different relation to the consumer, who can go to any one of hundreds of suppliers if he chooses. But he can't do that once he is tied to a gas line.

The leaders in the fight for the bill are prominent Democrats from the central Southwest, notably the oil- and gas-producing States of Texas, Arkansas, and Oklahoma. While the measure affects natural resources primarily in private rather than public hands, nevertheless when Democratic politicians in the next few months raise the cry of giveaway against the present administration, as they are sure to do, the words coming from them will to many independent ears have a rather hollow ring if the Fulbright-Harris Act should pass.

Mr. HUMPHREY. Mr. President, I had intended to ask unanimous consent to have printed in the body of the RECORD the editorial appearing in the New York Times of today, January 19, 1956. Inasmuch as the Senator from New York [Mr. LEHMAN] has just had the editorial printed, I shall forego the request. The New York Times believes—as do many of us—that the Harris-Fulbright bill ought to be defeated. The editorial argues very ably that the regulatory authority of the Federal Power Commission over the producers' sale price of natural gas should be retained.

THE IMPORTANCE OF ACCURATE NEWSPAPER REPORTING

Mr. GOLDWATER. Mr. President, Will Rogers expressed the attitude of most Americans toward our press when he said, "All I know is what I read in the papers." Most Americans assume that if a story appears in the news columns of their newspapers, it is factual, honest, and unbiased.

Last week the junior Senator from Oregon [Mr. NEUBERGER] spoke feelingly about freedom of the press—a subject brought into sharp public focus of late by numerous editorials on the subject appearing from coast to coast.

Mr. President, the junior Senator from Arizona feels, with all other Americans, that this freedom is one of our most cherished possessions and one we should all protect assiduously and constantly, but the junior Senator from Arizona feels that the responsibility for the protection of this freedom rests as squarely on the shoulders of the press as it does on all American citizens. Our freedoms, including freedom of the press, were not lightly won, and they can be maintained only by the observance of all the responsibilities that accompany them. The most rigid and the most demanding of these in the instance of the freedom of which we speak is that reporting be honestly and objectively accomplished. When a newsman or a newspaper reports only one side of an argument, then that newsman or that newspaper is guilty of negligence toward a responsibility to freedom, and by such actions public confidence is seriously undermined along with the freedom with which the press should be vitally concerned.

Let me, Mr. President, refer to recent examples of good and bad reporting on a subject which has found a place on the pages of the newspapers of our country. On September 29, 1955, Drew Pearson made charges in his column against Representative HARRIS ELLSWORTH, of Oregon, and Secretary of the Interior Douglas McKay. The Eugene Register-Guard, acting as a newspaper should, assigned a reporter to the task of ferreting out the charges and to determine whether they were true. Here is what the editor of that responsible newspaper said:

If these charges are true, both ELLSWORTH and McKay ought to be run out of public

life. If they are not true, McKay and ELLSWORTH are entitled to protection against a vicious slander. In any case, the people of the Fourth District, especially those who read the Register-Guard, are entitled to every bit of factual information we can get, so that they may judge.

After thorough, complete, and unbiased investigation by the reporter assigned, here is what the editor of that newspaper concluded—and I quote further from the editorial:

In our opinion, no grand jury in the world would indict nor would any trial jury convict on the kind of faulty evidence (inferential hogwash) presented by Columnist Pearson. We have such a distaste for reporters who slant news or distort facts that we do not want to impugn Mr. Pearson's motives.

INJUSTICE IS INJUSTICE HOWEVER INTENDED

We will say that whatever Columnist Pearson's reasons for this assault on ELLSWORTH and McKay, he has done a thoroughly bad job of reporting, and one which works a grave injustice on the people accused.

Mr. President, I do not intend to comment on the customary inaccuracy of Mr. Pearson. In my opinion the Eugene Register-Guard represents the great majority of the press who take their responsibility seriously.

However, I wish to point out an example on the other side of the coin. Recently the Washington Post completed a series of nine articles on the Department of the Interior. The articles were on a serious subject growing out of an unproven charge which has acquired the title of "Giveaway." Mr. President, if these charges are to be investigated by the press, with an idea of presenting an unbiased, factual account to the readers in this area, then it would seem to me that the newspaper should insist on having its reporter get the facts from all parties concerned. I have been advised that this was not done; that the Secretary of the Interior, Mr. McKay, was not interviewed, nor was Mr. D'Ewart, nor was Mr. Davis, nor was Mr. Aandahl. However, I have heard that Mr. Wormser did receive a call on this overall subject. One person, Mr. President, at the top echelon of this important department, against which has been lodged, as I have said, a most serious charge, was interviewed during the preparation of a series of articles purporting to be factual and offered as such to the public.

Mr. President, compare that approach to the responsibility of the press with that of the Oregon Register-Guard. The Washington Post, which has loudly championed freedom of the press, had best begin to practice the responsibility of factuality which the public accepts as a duty of the press.

Let me give one more example from the Washington Post, and then I shall have completed this reminder to the press of the Nation: During the course of the hearings on the Al Sarena case, in Oregon, witnesses have appeared to testify regarding the ability of the A. W. Williams Inspection Co., of Mobile, Ala., to assay gold and silver. Even after the most abusive questioning, nothing has been brought out to give occasion to the following words contained in a Washington Post editorial published on January 12:

The incumbent administration granted the patents on the basis of an assay made by a remote firm unqualified to make it.

Mr. President, that is editorial irresponsibility; and I am surprised that a newspaper of this importance in the Nation's Capital should undertake editorially to prejudge a matter, especially when it has not been decided by the congressional committee now hearing it.

Mr. President, freedom of the press is a necessity to our whole way of life. I suggest that if strict adherence to honest, objective, unbiased reporting is not maintained by the press of the Nation and by those who write the news, then the press itself is guilty of the gravest and most serious threat to this freedom.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, numerous clippings from the Eugene Register-Guard, of Eugene, Oreg.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Eugene (Oreg.) Register-Guard of October 10, 1954]

REPRESENTATIVE ELLSWORTH RELEASES LETTER ON MINE CASE

(By Dan Wyant)

Congressman HARRIS ELLSWORTH (Republican, Oregon) Saturday made public to the Eugene Register-Guard a copy of a letter he wrote June 1, 1953, to Clarence Davis, Solicitor of the Department of Interior in regard to the Al Sarena Mines, Inc., in southern Oregon.

This is the letter which Columinist Drew Pearson referred to in a recent article labeling the award of patent on the mining claims a "giveaway" of valuable timberland.

It's the letter which ELLSWORTH'S opponent for office, Charles Porter, of Eugene, challenged the Congressman to make public in a speech Porter made in Medford Wednesday night.

The lengthy (six pages, single-spaced) letter charged that data important to the case was missing from the files and that the record "as it stands is a sham and deceit to those who were called upon to pass judgment and is prejudicial to any fair decision as to the rights of the applicant."

The missing data were identified as a number of supplemental assay reports submitted by the mining company to Federal Mineral Examiner Elton M. Hattan, of Portland, as further proof of mineralization of the area.

ELLSWORTH quoted from a letter by Hattan sent to H. P. McDonald Jr., secretary-treasurer of the mining company, acknowledging receipt of some of the assay reports—which he said had arrived too late to be incorporated into the report. "The assay results submitted by you in August and September were incorporated in the report," he added.

REPORTS MISSING

These are the reports which ELLSWORTH said were entirely missing from the Interior Department files when a representative from his office searched the files.

"It is a matter of conjecture whether the decision at any point, regardless of collateral testimony of witnesses and experts, would have been accepted as sufficient in the absence of the applicant's evidence of mineralization, as against the Government's assay reports, all of which are in the file. If not in substance, at least in effect, the result accomplished was essentially in the nature of accepting the evidence of the contestant and suppressing the evidence of the contestee."

ELLSWORTH added that "such action, wilfully done, would constitute fraud and vitiate every action and decision predicated upon the incomplete file. At the very least, however, the lack of this evidence of mineralization in the file deprived the applicant of a substantial legal right to have his evidence considered; and any action taken in the absence of such data cannot result in any semblance of justice."

ASKED DELAY

ELLSWORTH said expenditure in development of the property aggregates more than a quarter of a million dollars, including a mill and machinery, more than a mile of tunnel work and roads.

He then requested the Interior Department to "defer further action and decision on this case until the applicant's evidence of mineralization—whether it be the original of reports filed or whether it be certified copies or next best evidence—is secured."

He concluded: "As to the proposal, for carrying out this recommendation, I have no specific proposal, but trust that some plan may be developed which will not compound the injustice and the cost to the applicant in again producing for the record what he has already produced, and at the same time will enable the Government to fulfill its duty under the mineral law of the United States."

At that time both the Portland Bureau of Land Management and the BLM in Washington had ruled that 15 of the 23 claims did not have sufficient minerals on them to justify granting a patent. The mining company had followed the usual legal proceedings in appealing the decision to the Department of the Interior.

Subsequently, Solicitor Davis agreed to a new mineral examination of the area and a patent was finally issued for all the claims in February of this year.

LETTER SHOWN BY ELLSWORTH

JUNE 1, 1953.

HON. CLARENCE DAVIS,
Solicitor, Department of the Interior,
Washington, D. C.

DEAR MR. DAVIS: This letter is in further reference to the Al Sarena Mines, Inc., case, Oregon No. 0665, now pending in your office on appeal and concerning which I have sent previous communications.

The issue at this point, and actually the basic issue from the beginning in this case, is the question of a valid mineral discovery such as would warrant reasonable prudent mining in developing and extracting the minerals from the deposit. The act of making application, under oath, for patent, creates the presumption that the applicant has made such discovery and stands ready to support such presumption. The Government with its obligation to protect the public domain has the privilege of investigating and determining the validity of the application, the supporting evidence of mineralization, and compliance with the mineral laws of the United States. Obviously, a file for a patent application which is deemed to lack the usually legal sufficient evidence of mineralization creates a duty upon the officials of the Federal Government to take such steps as are necessary to verify the sworn documents of the applicant.

NOT USUAL

It is pertinent in the instant case, in connection with the proceedings heretofore had, that the application involved is not the usual common application for patent covering the area within which is located only a vein or pocket of enriched mineral. In contrast, this application covers what is legally recognized in the courts and the Mineral Division of the Bureau of Land Management as a broad zone claim.

At the request of the regional cadastral engineer, the applicant made an extended survey showing the interior lines of claims which would follow within the exterior boundaries of the broad zone claims. This involved expense beyond that required for survey of a broad zone of contiguous locations and beyond the cost of the lands involved and necessitated nearly a year's delay in time. The record shows that the examiner then used these additional lines, obtained at additional expense to the applicant, to treat the application not as a broad zone claim application as filed, but as an application for 23 separate claims.

SPECIFIC ISSUE

In a broad zone claim the mineralization is widely dispersed rather than concentrated within a pocket or vein. The limited mass of mineralized rock has the required essentially genetic oneness, and has well-defined boundaries closely separating it from the surrounding rock. Some areas within these well-defined boundaries will be substantially richer in mineralization than others, but the general mineral characteristics will persist throughout the broad zone mineralized area. Such a deposit is generally practical of development only as a large volume, low-grade mining operation.

This concept becomes important in this case in understanding the nature of the decisions and contest action, bringing it on to its present status. Turning to the specific issue of proof of mineralization in this case, the applicants, looking toward the development of the deposit for a mass production low-grade mining operation and toward patenting on the basis of a broad zone claim, prepared their initial papers toward this end.

Despite the fact that more than 2,000 assays were on record and pulps available to the department for verification and comparison with assay records, the examiner in the regional office requested that the applicant perform additional sampling and submit assay reports for this report and record, made by impartial laboratories, and in his own specified form.

The file in this case is now devoid of this data showing a precise location of each sample taken and the assay reports showing mineralization, and which evidence is essential to any bona fide adjudication of the application on its merits. These reports are entirely missing.

A search of the file by the Bureau of Land Management personnel and a further search by a representative from my office failed to reveal any of the correspondence between the regional office and the applicant concerning the receipt of any such assay reports on the assay reports themselves which were submitted in further proof of mineralization.

ASSAY RESULTS

To illustrate, I quote from a letter dated January 4, 1950, addressed to Mr. H. P. McDonald, Jr., secretary-treasurer, Al Sarena Mines, Inc., 408 First National Bank Building, Mobile, Ala., and signed by Mr. Elton M. Hattan, mineral examiner for the Bureau of Land Management, region I, Swan Island Station, Portland 18, Oreg. In the second paragraph of the letter, Mr. Hattan states: "My report was completed and submitted last month. The December 27 letter did not reach here in time to include any of the information which was enclosed with it. The assay results submitted by you in August and September were incorporated in the report."

The file does not disclose a single one of the assay reports, receipt of which is acknowledged by Mr. Hattan, and which he stated were incorporated in the report.

In the third paragraph of the same letter, Mr. Hattan stated: "The information supplied as to the exact place of taking the samples last reported by you is not clear. If you will supply more definite information, I shall be glad to incorporate such information in a supplementary report." This is followed by requests for very precise survey descriptive data which would enable a person to locate the precise point from which an assay sample had been cut. The information which was transmitted pursuant to this request is not in the file and contrary to Mr. Hattan's statement, there is no supplementary report in the file carrying such data.

None of the assay reports transmitted on 20 samples, receipt of such reports being acknowledged by Mr. Hattan under date of January 4, 1950, are in the file.

DENIED DISCOVERY

Under date of December 19, 1949, Mr. Hattan transmitted his report to the regional forester, Mr. H. J. Andrews, and to the Interior Department in which he denied mineral discovery on 15 claims. This is apparently the report referred to in his letter mentioned above, and accompanying which none of the evidence furnished by the applicant as to mineralization was transmitted with the record, nor is there at present any supplemental report referred to in Mr. Hattan's letter.

Following this report, the docket sheet shows an entry "Adverse proceedings vacated." Thereafter the lands were placed upon the tax rolls of Jackson County, Oreg., by the Bureau of Land Management Regional Office. Notice of Forest Service contest was thereafter received by the applicant and such action was protested by the applicant who gave notice that all evidence of bona fides, samples and assays were again refiled and resubmitted under oath for the record. The case went on to hearing on a basis of the incomplete file, lacking the applicant's evidence of mineralization. Counsel for the applicant demurred and when the demurrers were overruled, made a formal appeal to the Secretary of Interior which appeal was granted. Within the time limits prescribed by regulation, counsel for the applicant gave notice of refiling all evidence of mineralization for the record for the third time. The record came on to the central office still devoid of this evidence and the decision of Regional Manager Rice, dated December 14, 1950, was transmitted to the Bureau of Land Management denying the validity of 15 claims within the broad zone claim essentially repeating the substance of the previous decision by Mineral Examiner Hattan.

SUBSTANTIAL COST

From this history it is abundantly clear that the applicant was willing and cooperative, and at a very substantial cost to itself endeavored to place in the record evidence of mineralization in support of his application. Although this evidence was acknowledged and received and the applicant was led to rely upon the statements of the agency that such evidence had been or would be placed in the file, these papers either never were placed in the file or were removed thereafter, in consequence, this case went to adjudication and went to hearing without the supporting data as to mineralization, submitted by the applicant.

It is a matter of conjecture whether the decision at any point, regardless of collateral testimony of witnesses and experts, would have been accepted as sufficient in the absence of the applicant's evidence of mineralization, as against the Government's assay reports, all of which are in the file. If not in substance, at least in effect, the results accomplished was essentially in the nature of accepting the evidence of the contestant and suppressing the evidence of the contestee.

Such action, willfully done, would constitute fraud and vitiate every action and decision predicated upon the incomplete file. At the very least, however, the lack of this evidence of mineralization in the file deprived the applicant of a substantial legal right to have his evidence considered; and any action taken in the absence of such data cannot result in any semblance of justice. The action taken in denying patent on the 15 claims is claimed to be justified on the record as it stands; but the record as it stands is a sham and deceit to those who were called upon to pass judgment, and is prejudicial to any fair decision as to the rights of the applicant.

ASSURE EQUITY

A basic function and obligation of government is to administer justice. Wherein the Government or one of its agencies, in the course of such action, finds itself in the combined capacity of a party at interest, prosecutor, judge, and jury, the sovereign is called upon to exercise the highest degree of impartiality and for this reason the burden of proof is placed on the Government to assure fairness and equity to its citizens.

The Government should as quickly assert its powers to remedy any defect prejudicing its citizens as it would insist upon such remedy prejudicing the Government. Accordingly it would appear to be only fair and reasonable in the instant case that this record at this time be made whole by the uncovering of the missing mineralization reports in particular, and other correspondence and papers pertinent to the action in this case which are likewise not present in the file, securing the originals if possible or certified copies where originals are not available, and the record reviewed and considered as it should have been at the time the mineralization showing of the applicant was complete. Had all proofs of mineralization been in the record, it is reasonable to assume the case would never have gone to contest. It is pertinent to note that the report of the mineral examiner who transmitted the Government assay reports but did not transmit those of the applicant, was of such a nature that no other individual studying the report could reasonably reach any other conclusions than that expressed by him. It is little wonder that the decision of the regional director of almost a year later, in December 1950, essentially reiterates the statements of the examining engineer in his earlier report.

UNITED STATES SURVEY

It is in point, I believe, to refer to the United States Geological Survey Bulletin, No. 893, entitled "Metalliferous Mineral Deposits of the Cascade Range in Oregon." This report carries information on an examination made in the early 1930's and published in 1938, carrying exhibits, plates 3, 6, and 22, and reporting on part of the instant property then known as Buzzard's Mine, on pages 131 and 132. Since that date, the development work on the broad zone claims involved in the application and including the Buzzard's Mine operation has been more than doubled.

There are more than a mile of tunnel workings, numerous surface pits, shafts, cuts, and winzes. Roads have been built involving substantial expenditures; geophysical examination has been made as further proof of the existence of the broad zone mineralization and which information the mineral examiner refused to permit in the record. At this time there is in place at this mine a 125-ton capacity mill and machinery for flotation, jigging, tabling, and cyanidation. The expenditure in development of this property aggregates more than a quarter of a million dollars.

PROOF ABSENT

The foregoing facts are easily discernible. Certification of the United States mineral surveyor certifying as to the nature, extent, and value of the work performed on and character of the property, and the further certification by the United States cadastral engineer are present. The applicant's full proof of mineralization is absent. In view of this, it is my desire that this record be made complete. Accordingly, it is my request that the Department defer further

action and decision on this case until the applicants' evidence of mineralization—whether it be the original of reports filed or whether it be certified copies or next best evidence—is secured.

As to the procedure for carrying out this recommendation, I have no specific proposal, but trust that some plan may be developed which will not compound the injustice and the cost to the applicant in again producing for the record what he has already produced, and at the same time will enable the Government to fulfill its duty under the mineral law of the United States:

Sincerely yours,

HARRIS ELLSWORTH.

DREW PEARSON TOUCHED IT OFF—AL SARENA CLAIM BLOOMS AS ISSUE

(By Dan Wyant)

One of the hottest issues of the current Oregon political campaign was focused last week on a remote group of mining claims in the mountains of southern Oregon, about 45 miles north of Medford. This is the property of Al Sarena Mining Co., an Oregon corporation with head offices in Mobile, Ala.

The issue was touched off by columnist Drew Pearson, who charged in his nationally circulated report of September 29 that one of the finest stands of Douglas fir in the Northwest was given away to the Al Sarena Co. for $5 an acre by Secretary of the Interior Douglas McKay.

Pearson further charged that Congressman HARRIS ELLSWORTH, of Oregon, exerted pressure upon Clarence Davis, solicitor for the Department of the Interior, in a series of long, pleading letters on behalf of the mining company.

MADE ADDITIONAL CHARGES

Pearson cited one letter in particular, written on June 1, 1953, which has been released by ELLSWORTH and which appears in its entirety in this edition of the Eugene Register-Guard.

Pearson made further charges in support of the above basic counts. These will be discussed in later articles of this series.

ELLSWORTH'S opponents quickly picked up these charges in their political campaign here in Oregon.

Senator WAYNE MORSE in a speech in Coos Bay on the night the column appeared said he would ask for a full-scale Senate investigation of the charges.

SUGGESTS LEGISLATION

"If half the facts printed in the column are true, then remedial legislation should be passed against those persons responsible," he said.

ELLSWORTH'S opponent for office, Charles Porter, of Eugene, visited the mining claims Wednesday of last week and told a Medford audience that the Al Sarena Mining Co. is mining timber, not minerals. Porter declared that patenting of the Al Sarena claims can only be called a scandal.

He added that the case was a perfect one in point for charge of giveaway against the present administration. This statement was carried in a report of Porter's speech in the Medford Mail-Tribune the following day.

VIEWED THE MINE

Recognizing that the charges against McKay and ELLSWORTH were fast becoming a major issue in the campaign, the Register-Guard last Tuesday sent this reporter to the Medford area with instructions to get as complete a set of facts as possible on the Al Sarena case, in an attempt to "sift fact from fiction."

This reporter viewed the mine installations and the logging operation now going on. He interviewed Jack Wood, supervisor of the Rogue River National Forest, in which the claims were patented, talked at length to Charles and H. P. McDonald, Jr., sons of the president of the Al Sarena Co., and went over many of the records in the case which were in their possession.

H. P. McDonald, Jr., is secretary-treasurer of Al Sarena. His brother Charles, a professional engineer, is not a stockholder in the company, but he has devoted most of his time since his discharge from the United States Navy after World War II to the company's long and bitter battle to secure patent on the claims.

WELCOME A PROBE

The two brothers declared they would welcome an investigation such as Senator MORSE suggested.

They declared that such an inquiry would show that granting of the patents was not a giveaway. Rather, they said, the record would show the case involved a takeaway attempt on the part of the Federal Government before the Republicans came into power.

They charged that the Government refused to grant the patent after the applicants had complied with all the necessary steps set forth by law and even after the Bureau of Land Management had transferred the property into the company's name on the Jackson County tax rolls.

CLAIM RECORDS TAKEN

The McDonalds charged that when the Forest Service contested 15 of the 23 applications for a patent, certain records of the case favorable to the mining company were removed or withheld from the files (as mentioned by ELLSWORTH in his letter to DAVIS), so that subsequent decisions were bound to be unfavorable to the company.

Many of the mining company's charges were set forth in a 58-page complaint in conjunction with a suit filed against the United States and the then Secretary of Interior, Oscar Chapman, in Federal court in Alabama. This was on July 28, 1951.

As to Porter's charge of "timber mining," the two brothers freely told this reporter that they were logging on the claims. They conducted the writer to the logging operation.

LIKE A HOMESTEADER

They pointed out that when a patent is granted they have the same right to the timber as does a homesteader who gets title to public land.

They maintained themselves to be morally justified in selling off part of the timber to regain the extensive legal expenses involved in their fight to get a patent to the claims. The patent, they assert, should have been granted back in 1949, after their application was processed.

At the same time they assert that their primary purpose in seeking the patent to the claims was not to get the timber. They said the record shows that investments in the mining development are beyond the figure at which the Forest Service has estimated the timber to be worth.

THE MAIN ISSUE

The McDonalds pointed out that when the company acquired the claims during the middle and late thirties far better timberland was available in a number of Oregon counties to anyone willing to take it off the tax rolls at $2 an acre. The fee for mining claims is $5 per acre.

This then is the chief political issue:

A charge on one side that valuable timberland was practically given to a private mining company with the help of ELLSWORTH and McKay.

A charge on the other side that the applicant's clear rights to the patents were delayed and denied until the new administration took over and proceeded to see that justice was done.

The first step in discussing those charges will be a look at the history of the claims and the Al Sarena interest in them—a look that includes both the minerals and timber involved. This will be the subject of the next article in this series.

[From the Eugene (Oreg.) Register-Guard of October 14, 1954]

THE AL SARENA MINE CASE—DISPUTED CLAIMS OPENED FIRST BY APPLEGATE CLAN

(By Dan Wyant)

The history of the present Al Sarena mining claims started back in the spring of 1897.

That's when Jackson County's surveyor, a member of the famous Applegate family, stopped to do a little prospecting while surveying in the forest. The stream in which he scooped up some gravel for his gold pan was either Elk Creek or one of its tiny tributaries, northeast of Trail. When he washed away the gravel and sand he found there was gold in the pan.

Applegate worked up the stream to what appeared to be the mother lode, the deposit from which the gold had washed downstream. The first claim on the deposit was recorded at the Jackson County courthouse on May 11, 1897, by Mark Applegate. Peter Applegate and J. L. Grabbe filed two additional claims the next day. Within a month these men and their associates filed six more claims. A tenth claim was filed before the end of the year.

All these original claims later passed into the hands of the Pearl Mining Co. and were purchased by the Al Sarena Mining Co., after it was incorporated in 1935.

H. P. MacDonald, of Mobile, Ala., the president and founder of the Al Sarena Mining Co., first became interested in the possibilities of the area in the 1920's, according to his two sons.

The mining company was incorporated as an Oregon corporation, with head offices in Mobile. In addition to the 10 original claims, the company also bought up 11 other claims from their individual owners during a period up to 1939. In 1939 the company staked out the last two claims—the Oro Rico and Oro Alto.

The details of how the claims were acquired by Al Sarena are shown in the company's patent application of 1948. The date of each original claim is on file at the courthouse in Medford.

IMPORTANT POINT

This is perhaps an important point in the politically contested issue of the Al Serena Mines since the Portland Oregonian, in an editorial earlier this year, declared that the mining company filed the claims in 1948 (at a time when the timber had much more value because of higher market prices than in the middle and late 1930's when the claims actually were filed). The editorial called for the closest possible scrutiny of how the company acquired several hundred acres of rich Oregon timberland.

The Al Sarena claims are located chiefly in Section 29, Township 31S, Range 2E, Willamette Meridian. Small portions of the claims are in the adjoining sections 19, 20, 21, and 28. This is about 18 miles northeast of the point where Highway 62 crosses Elk Creek, 3 miles beyond Trail. The claims are approximately 45 miles north of Medford.

LOW-GRADE ORE

Officers of the company, in addition to the president, are C. C. Huxford, vice president, of Mobile; and H. P. MacDonald, Jr., secretary-treasurer, who has lived on the mining property and at Trail for a number of years. His brother, Charles, has also taken an active part in the mining company, although he says he is not a stockholder.

The two brothers said the company is primarily a family corporation with some close friends also holding an interest in it.

What about the mineral deposits?

Very briefly, the mining company contends the claims contain a vast quantity of chiefly low-grade ore—possibly some 190

million tons—which can be successfully developed for large-scale mining operations. The ores contain gold, silver, and other minerals. Assay reports filed by the company in support of its patent application ranged from 70 cents to $2.56 per ton. The two brothers said the Alaska-Juneau Mining Co. carried out a profitable operation under conditions more difficult than those present on the Al Sarena claim handling ore which averaged some 86 cents a ton.

HOLDINGS DESCRIBED

A detailed description of the company's estimate of its holdings and its plans for developing them was included in the patent application. The mineral character of the ground was described in its technical terms as "one of a large, hydrothermically altered rhyolite intrusion containing essentially uniformly disseminated values throughout, showing enriched areas along the numerous faults, fissures, veins, and slips."

The company said "It is our intention to develop this entire low-grade ore body through a systematic program of geophysical and exploratory work with core drills and such additional tunnels, drifts, shafts, winzes and other openings as may be deemed appropriate and in accordance with further recommendations by eminent mining authorities."

The report explained some of the exploratory work which had been carried out prior to 1935 toward the development of the low-grade ore body and of conferences with various mining engineers including Milnor Roberts, dean of the college of mines, University of Washington, which brought the company to the conclusion that the claims held at that time and the adjoining claims offered promise of "large-scale gold mining operations, on a profitable basis."

The company then purchased the 10 claims held by the Pearl Mining Co. and "immediately thereafter we built a pilot mill and began carrying on exploratory operations aimed to give us some idea of the probable size and content of the ore body, and to learn the most profitable methods of extraction and treatment. By the summer of 1937 we had advanced to the point where we felt justified in calling in outside authorities to check our findings and to advise what further steps to take. Besides the laboratory tests made by Dean Roberts, we had similar tests made by two other specialists. While each expressed different views concerning the treatment phase of the ore, all three agreed that it was easy to treat and lent itself to several methods of recovery."

ENGINEER'S REPORT

One of the engineers called in by the company was D. Ford McCormick, of Medford, who for a number of years was in charge of the Sterling Mine, near Jacksonville. He was identified in the patent application as "a member of the American Institute of Mining and Metallurgical Engineers, graduate of the University of Texas with civil engineer degree, of the Colorado School of Mines with mining engineer degree, and having long experience in important mining activities including full charge and responsibility of the development of the Mata Hombre mine in Cuba."

McCormick's conclusion, in part: "indications are excellent that a large tonnage of low-grade ore may exist within a mass which could be milled at a profit."

In the Drew Pearson column which touched off the controversy over the grant of patents to the company, McCormick was identified by Pearson as a man "who had worked for Al Sarena and the MacDonald family ever since 1937."

NOT ON PAYROLL

The two brothers at Medford said the statement and its implication was unfair, "McCormick worked in the same capacity that a doctor works for you—he is a consulting engineer, available to anyone who hires him," said Charles MacDonald. "At no time was he on the Al Sarena payroll."

The company during World War II put the experimental pilot plant into commercial operation to meet Government quotas for war-scarce lead and zinc. The two brothers said the work was purely experimental and that various processes of reducing the ore were tried out in the test plan. The mill has not been in operation since 1945, according to H. P. MacDonald, Jr. Since then, he said, the company's efforts and finances have been devoted to further exploration of mineral deposits and to the lengthy attempt to secure a patent to the land.

SOUGHT PATENT

The company applied for patent to its lode claims in 1948, under procedures set forth in the basic mining law of 1872. Essential requirements include a proper survey of the land, proof of possessory rights, proof of annual assessment work benefitting the claim to the amount of $500, proof of mineral deposits "in a quantity sufficient to justify a reasonably prudent man in expending further time and effort" in developing a paying mine; and finally, payment of $5 an acre to the Government for the claim. This, of course, is only a sketch of the basic procedure defined by law.

At the time the patent application was filed, the company listed improvements to the claims totaling $79,915, which represented more than 1 mile of tunnels, other mine works, and roads.

OTHER COSTS

That figure did not include the cost of the pilot plant or other buildings on the claims. The two brothers last week declined to say what the pilot plant cost to build and equip. They said the company spent between $50,000 and $100,000 in purchasing the claims from previous owners. Legal and engineering expenses brought about by the contested patent were listed in excess of $50,000, paid or accrued, in a suit filed by the company against the Government. Actual cost of the land from the Government, under the mining law, was $5 an acre—a total of $2,375.

Altogether, the brothers said the company's investment in the property is between $150,000 and $250,000.

Now, what about the timber?

The Forest Service contested 15 of the company's 23 claims, asserting that the minerals were not as valuable as the timber upon the land.

TIMBER ESTIMATED

Jack Wood, supervisor of the Rogue River National Forest, said the "usual procedure" was followed when a Federal mineral examiner recommended that eight of the claims "go patent" and ruled against the others. He said a timber management assistant from his office made an "ocular" estimate of the value of timber on the other 15 claims, comparing it to forest areas in which the timber value had been established. No formal cruise of the timber was made.

Wood said the forester's estimate of the timber value on the contested claims was roughly $100,000. (The figure fixed by the Forest Service, leaving a growing stock still standing, was $77,000 according to a statement by Interior Department Solicitor Clarence Davis).

If timber on the eight uncontested claims is equal to that on those included in the above estimate (all the claims are approximately 20 acres each), the total estimated value would be about $150,000, less growing stock.

At a reporter's questioning, Wood said the timber on the Al Sarena claims probably ranged from 10,000 to 40,000 board feet per acre and probably averaged 20,000 to 25,000 board feet. Asked if he considers that choice timberland, he replied that some blocks of the Rogue River National Forest go as high as 100,000 board feet per acre.

Wood said he would not wish to make any other estimate on the value of the timber than that of the original report. He said he had no idea where columnist Drew Pearson got his information to say that the timber should have brought $170,000.

Wood said emphatically: "I want to make it clear that not a single iota of the information in Drew Pearson's column came from the Rogue River National Forest."

VISITS TO CLAIMS

The two MacDonald brothers said they did not feel qualified to make any other estimate of the timber value than the $77,000 set by the Forest Service in 1948.

To get as many facts as possible in the case, it seemed necessary for a reporter to actually visit the mining claims to view the logging work being carried out by the MacDonalds and to see the mining developments there. That visit will be the subject of the next article in this series.

[From the Eugene (Oreg.) Register-Guard of October 12, 1954]

AL SARENA MINES TOUR BRINGS OUT NEW FACTS

(By Dan Wyant)

An on-the-spot tour of the Al Sarena mining claims discloses several facts important to this investigation:

Logging is going on and the mine is idle. The company maintains that money received from sale of the logs will be used to pay off debts, incurred in its long legal battle to get patent to the claims, and to provide capital to resume development work.

The extensive mining developments to date substantiate the company's claim that it has a sincere interest in mining. The firm is certainly in a different category from persons who in other instances have staked out mining claims in Federal forests and made only token efforts toward mineral development and whose obvious interest is the timber on the land.

LOGGING INVESTMENT

The brothers have invested money in equipment to do the logging rather than selling the stumpage to a logging contractor. For that reason they should realize a higher price for the timber than the $77,000 cited by the Forest Service on the contested claims (based on stumpage price). It is impossible to tell from the records available if this price will approach or exceed the $170,000 figure used by Drew Pearson.

It is ridiculous to describe the timber involved as "one of the finest stands of Douglas-fir in the Northwest"—as Drew Pearson did in the column which touched off the Al Sarena issue. I saw finer stands of timber on Forest Service lands near the claims. Most of the timber which I have seen in the Willamette National Forest here in the Eugene area is better than the overall stand on the Al Sarena claim.

PATENT BASIC STEP

Due to rising markets, the timber was worth considerably more when the company applied for patent to the lands in 1948 than it was when the company acquired the claims in the middle and late 1930's.

To Drew Pearson's charge that the company didn't need a patent to continue mining—and only wanted surface rights for the timber involved—the brothers reply that obtaining patent is the first "basic step" in any large-scale mining operation.

REMOTE FROM HIGHWAY

"We're talking about an operation to handle low-grade ore on a mass-production basis," declared H. P. McDonald Jr. "It's an operation that will require millions of dollars of capital. How can you interest that

kind of capital when your claims are unpatented and the Government is charging that the minerals are worth less than the timber?"

To get to the Al Sarena mining claims, you turn off Highway 62 (the road from Medford to Crater Lake) about 3 miles above Trail and follow a road up Elk Creek. For the first few miles the road is oil-surfaced and winds up a small but lush valley with a number of farms. The next road is a one-lane dirt and gravel Forest Service road, with frequent turn-outs for meeting other vehicles. The final road is one built by miners with picks and shovels, years ago. The claims are about 18 miles in from the highway.

I accompanied Charles McDonald and H. P. (he's called "Smokey" by his friends) McDonald, Jr., both members of the family that is the principal owner of the mining claims.

On the trip into the claims we met several loaded logging trucks—some of them rather abruptly—on the one-lane twisting mountain road. Some of the trucks were from the McDonald's logging operation on title claims; others were hauling for firms which are cutting timber they have bought from the Rogue River National Forest.

LOGGING OPERATION

During the trip in, the two men said that neither of them had any logging experience before this summer.

We made our first stop at the No. 1 portal of the mine, the end of a tunnel which runs through a mountain to the pilot plant on the other side. The timber here, as on the rest of the claims, was mostly Douglas fir, white fir, and pine. There was little commercial timber here. Most of the trees were too small to log even for poles and piling. The brothers pointed out that most of the bigger trees were overripe, as evidenced by dead treetops and lots of conk (tree fungus).

From there, we went to the landing for the logging operation. We arrived as a three-man crew finished loading a log truck, using a cat and boom to hoist the logs. These logs and another turn of logs brought in by a cat while this reporter was present, appeared to be good, sound, and large pine.

The area around the landing had already been logged, with much smaller timber left standing, as seen in the photo in Sunday's Register-Guard.

SUMMARY

The men described their logging operation as "selective cutting on a modest basis." It's what loggers call a "cat show"—that is, the logs are yarded to the landing by a cat, rather than by a high-lead cable or other method using a stationary donkey.

While it's less than half a mile from the landing to the main mining structures, the road leads around a mountain for about 3½ miles, partly on the Al Sarena claims and partly on national forest lands. At 1 stop the 2 men pointed out a slope with a dense stand of small Douglas fir, about 20 acres in size, where considerable cuttings have been made for mine timbers. All the trees were about the size of fence posts.

To sum up: The claims contain some areas of good commercial timber, others in which much of the timber is small or overripe, and at least one slope of no value to a lumber mill.

MAIN PLANT

Now to the mining: The structures on the property include a big log cabin and shed with shake roof, and a more recent dwelling occupied by Fred Altond, who has worked for the company on the claims since 1941. When the mine was in operation he was the mine foreman. At present he serves as caretaker and is doing limited development work.

The older cabin had just been refinished inside with fragrant cedar plank floors and cedar board walls. The brothers have lived there off and on and said they may do so this winter. They recalled times when the snow has been so deep it was necessary to burrow down from above the eaves to get to the cabin door.

The biggest structure is the pilot plant which the company constructed to test methods of treating ore in the mine. It is situated about 200 yards up the hill from the dwellings, close to the mouth of the mine entrance.

The frame building has weathered from the severe winters but the equipment inside appeared fair though the mill has been idle since the war years.

ORE PROCESSING

H. P. McDonald, Jr. and Altond explained what the equipment was for. Briefly, ore is brought from the mine by rail, dumped by size in bins, run through a crusher, then put through a ball mill where big metal balls in a revolving container grind the ore to powder. Reagents necessary to treat the ore are added at this point and other points in the process.

The ground-up ore passes over a jigger which shakes out any free gold. The ore is mechanically divided by its degree of fineness (bits too coarse are automatically returned to the ball mill) and separated for the type of treatment required. Part of the material goes to a cyanide treatment plant, outside the main plant. Part of the ore goes to three long tables where lighter materials are agitated away (tabling process), leaving the minerals. Part of the material goes through a flotation process in which the minerals are floated off in a froth created by the addition of reagents. The final product of all the processes is various mineral concentrates which are sent to a smelter for final processing. Gold, silver, lead, and zinc are among the metals present in the ore.

OTHER INSTALLATIONS

The plant also contains two diesel engines to power the air hammers and other mine equipment and to provide electric power for the mine, mill and camp.

A building at the mine entrance—now used for storage—contains shower and dressing rooms for the miners and space for a blacksmith and machine shop.

The mine works are extensive, including about a mile of tunnel on several levels.

Much more could be said in describing the mining developments on the claims but other points in the involved Al Sarena case also need attention. The Government ruled that evidence favorable to Al Sarena was sufficient to justify patent. What it based the ruling on, the company's counter-charge that evidence favorable to Al Sarena was withheld, and other major points in the complicated patent proceedings will be the subject of the next article in this series.

[From the Eugene (Oreg.) Register-Guard of October 14, 1954]

MINE PATENT CASE STUDIED STEP BY STEP—BLM FILES REVEAL AL SARENA HISTORY

(By Dan Wyant)

Why did the Bureau of Land Management turn down a request for patent on 15 of the 23 lode claims held by Al Sarena Mines, Inc.? And why did the company appeal that decision to the Department of the Interior, which eventually overruled the BLM?

Answers to these two questions are best found in a step-by-step study of the patent application proceedings. Records, chiefly on file at the Bureau of Land Management office in Portland, show as follows:

On October 4, 1948, Al Sarena Mines, Inc., applied for mineral patents to the 23 lode claims which the company had held for a number of years in southern Oregon.

Final proofs in the proceedings were filed with the Oregon District Land Office on January 13, 1949, following official publication in the Medford Mail Tribune for the period prescribed by law. No adverse claims to lands involved were noted in the record during the period of publication. Payment of the purchase price was requested by Carl F. Spaulding, assistant manager of the land office, on February 8, and receipt of a check for $2,375 from the company, covering the purchase price at $5 an acre, was entered in the BLM files on February 17.

On April 6, a final certificate of mineral entry was issued to the mining company. The certificate contained the added typed statement that "Patent will be withheld by the Bureau of Land Management pending a report by the Regional Administrator, region I, upon the bona fides of the claims."

During the summer months of 1949 a BLM mineral examiner, Elton M. Hattan, made three separate trips to the claims to take assay samples. Part of the time he was accompanied by a mining engineer for the United States Forestry Department, William C. Sanborn.

The samples were taken in the presence of either Fred Altond, caretaker at the mining properties, or in the presence of Charles and H. P. McDonald, of the mining company.

Hattan later testified that he took the samples at the point on each claim which the mining company representatives indicated was their point of discovery. He said it was not up to him to make the discovery but rather to get a representative sample of what they felt to be their mineral discovery.

It was at this time, the McDonalds say, that they protested that the samples taken in this way were not adequate and requested permission to take supplementary samples for assay at their own expense. They said Hattan agreed to this, provided they indicated by detailed legal description the exact spot they cut these samples so Hattan could later duplicate them, if necessary.

ASSAY RESULTS

On January 4, 1950, Hattan sent a letter to the mining company's head offices in Mobile, Ala., acknowledging receipt of a letter of December 27, 1949, and a list of assay results from samples taken by the company.

Hattan's letter, still in the possession of the McDonalds, went on to say that "my report was completed and submitted last month. The December 27 letter did not reach here in time to include any of the information which was enclosed with it. The assay results submitted by you in August and September were incorporated in the report."

Hattan then listed some additional information he needed to identify the exact places in which the company had cut the samples referred to above. The company replied immediately that it would supply this information.

On February 10, 1950, Roscoe Bell, associate director of the BLM in Washington, D. C., sent a notice to the manager of the district land office in Portland that adverse proceedings were ordered on 15 of the 23 claims on the grounds the claims were nonmineral in character that minerals were not present in sufficient quantities to constitute a valid discovery; and that expenditures of $500 had not been made as required by law to benefit five of the claims. The decision was apparently based on Hattan's report.

WRONG PROCEDURES

On March 14, 1950, Bell ordered the adverse proceedings dropped, noting this was the wrong procedure "as the land is within a national forest reserve, and adverse proceedings, if any, against the claims will be brought by the Forest Service."

On April 13, 1950, the Portland BLM received notice from H. J. Andrews, regional forester, that patent applications was protested by the Forest Service on the 15 claims. Andrews listed the same grounds for contesting the application as Bell noted, above.

On May 22, 1950, the mining company filed an answer to the Forest Service protest, embodying several demurrers to the charges and a motion that the protest be dismissed and the patent issued.

On September 1, 1950, Pierce M. Rice, manager of the district land office, received a telegram from Senator EUGENE D. MILLIKIN, Republican, of Colorado, requesting "expeditious handling and reply Government collect present status" of the Al Sarena case. The McDonalds said last week that one of their stockholders who lives in Colorado requested MILLIKIN to do what he could to help. Likewise, the record shows that Congressman FRANK BOYKIN of Alabama, where the company's head offices are located, also inquired as to the status of the case.

HEARING ON CLAIMS

The hearing on the Forest Service contest of the 15 claims took place September 13, 1950.

The first six pages of the transcript of the hearing, now on file at the Portland BLM office, are written as a summary of what happened rather than as a direct word-by-word account of what was said.

The proceedings started on a stormy note with the mining company's attorney, W. O. MacHanon, demanding that the demurrers filed previously be ruled upon before the hearing got under way. The demurrers were on several technical grounds.

Rice, who was conducting the hearing, treated the demurrers as motions and denied them. The company's lawyer protested, then noted an appeal to the solicitor of the Department of Interior. Further legal sparring took place and the Al Sarena representatives walked out.

"At this point," the transcript notes, "counsel for the contestant requested a temporary recess to avoid noises and interference occasioned by the departure of the contestee in order that the hearing might proceed by the examination of the Forest Service witness. The manager allowed a temporary recess and the contestee departed, after which the hearing was resumed."

The McDonalds were later to say it was their understanding that the hearing was closed at this point.

FIRST WITNESS

G. Robert Leavengood, of the Forest Service, was the first witness when the hearing resumed. (From this point in the transcript, the record is a word-by-word account of what was said by the witnesses, attorney for the Forest Service, and the examiner.)

Leavengood described the timber on the contested claims. He said the older timber is "very old and mature and roughly averages around 25,000 merchantable board feet per acre." He said a newer understand of young timber was very good. "I don't think we have anywhere else that I can think of as nice a stand as this is," he declared, referring to the younger trees. He said the value of the timber which could now be cut on the 15 contested claims was about $77,000, allowing for growing stock left standing.

Mineral Examiner Hattan was the next witness. The crux of his testimony was that the 15 contested claims showed no valid mineral discovery. He said assays had been made from samples on all the claims on two occasions and on part of the claims a third time. Assay work was done by Annes Engineering Co., of Grants Pass, Abbot A. Hanks, Inc., in San Francisco, and by the Bureau of Mines at Albany.

Hattan discussed the assay results on samples from each of the contested claims. In all but one case the assays showed only a trace of gold and in all but one case either only a trace or no silver present. The 2 exceptions were 1 assay on 1 claim showing gold worth 35 cents per ton and on another claim showing silver at 12 cents a ton of ore.

CHECKED POINTS

On several occasions Hattan referred to the fact that he had checked points where the company had said it had taken samples which showed much higher assays—$1.75 for the gold, for example, where Hattan's assay showed only a trace.

Hattan explained how he had gone back to the claims for a third time to cut more samples at the indicated spot after the company sent him supplementary assays showing significant amounts of gold.

He said seven samples taken in this manner were sent to the Bureau of Mines at Albany for assay. The result of the assay was only a trace of gold, he said.

Hattan mentioned some of the company's supplimentary assay values in his discussion above but at no time did he enter the complete list of the supplimentary assays into the record.

Hattan concluded his testimony with his observation that the 15 contested claims failed to show sufficient evidence of mineralization to warrant granting a patent. The 8 uncontested claims, he said at 1 point, did appear to have evidence of mineral deposits and for that reason he had recommended that the patents be granted on them.

SAME TESTIMONY

The Forest Service's mining engineer, Sanborn, testified along the same lines as Hattan.

Next in the files at Portland is a teletype message dated October 13, 1950, from J. A. DeLang, acting chief, Branch of Minerals, Division of Adjudication, Department of the Interior. It was sent to the land office manager, at Portland. It read: "Subject: Call for missing papers. Request that be transmitted copies of answer, demurrer and motions filed in defendant's behalf in this case and other papers in your files that may be of assistance in rendering a decision in this matter."

On October 16, 1950, DeLang received a letter from the mining firm's attorney, MacHanon, charging that the "record" (the quotes are MacHanon's) of the hearing held in Portland was "incorrect, incomplete, and irregular." He said his firm would be bound only by a tape recording which it had made of the hearing (up to the point the Al Sarena representatives left).

On November 24, 1950, the director of the Bureau of Land Management in Washington, D. C., returned the records of the Al Sarena case to Rice, in Portland, instructing him to give a decision on the case rather than a recommendation.

ADVERSE RULING

On December 14, 1950, Rice entered his decision. He ruled that patents should not be granted on the 15 contested claims. Rice said testimony and Hattan's assay reports showing only traces of gold and silver upheld the Forest Service contention that timber upon the land was more valuable than the minerals, and that no valid mineral discovery had been made.

On April 27, 1951, the adverse decision against Al Sarena was upheld by William Zimmerman, Jr., assistant director, Bureau of Land Management, in Washington, D. C.

In his decision, Zimmerman said that the Al Sarena attempt to appeal the case from the hearing on its demurrers, if successful, would have done away with further considering of the basic issue in the contest hearing: that of whether each of the claims had a valid mineral discovery and the proper $500 assessment work.

CASE APPEALED

Al Sarena Mines, Inc., took its next legal steps by appealing the case to the Department of the Interior. The company charged a number of irregularities in the way of patent application was processed and in the hearing, itself. It charged that evidence favorable to its case (the supplementary assay reports) was not in the record upon which both adverse decisions were based.

The handling of the case from this point on is where Columnist Drew Pearson leveled most of his charges of "giveaway" which touched off the current political controversy over the Al Sarena case. What the record shows on this phase of the proceedings, leading up to the eventual grant of patent on all 23 claims, will be the subject of the next of this series of articles.

[From the Eugene (Oreg.) Register-Guard of October 15, 1954]

ELLSWORTH'S PART IN PATENT CASE DESCRIBED—AL SARENA FIRM SOUGHT HIS ADVICE

(By Dan Wyant)

Congressman HARRIS ELLSWORTH was first approached about June 1, 1951, by two members of the McDonald family—Charles and H. P. McDonald, Jr., who sought his advice in connection with the family's Al Sarena Mines, Inc., disputed patent application.

That was about 1 month after the Bureau of Land Management in Washington, D. C., made an adverse ruling against 15 of the company's 23 lode claims. The company had appealed that ruling to the Interior Department—the agency which has the final ruling on such matters.

"We went to Congressman ELLSWORTH in the same way that any other constituent goes to his Congressman," the two brothers said last week.

Although the firm's head office is in Mobile, Ala., it is an Oregon corporation. H. P. McDonald, Jr., had then spent about 16 years working at the mining property, near Trail. Charles had spent most of his time since 1936 at the mine, except while in college, in defense work, and in military service during World War II.

Said ELLSWORTH: "My connection with the Al Sarena Mines case has been in full accord with my conception of the responsibility and duty of a Member of Congress serving the people of his district. Ours is a Government of laws not of men. When the rights of citizens are prejudiced by officials who set themselves above the law or who, by intent or gross carelessness, place the rights of citizens in jeopardy, there is no remedy open to the injured citizen except through the courts or through the legislative branch of the Government."

ELLSWORTH said he went over the facts of the case with the brothers, found that substantial expenditures had been made on the mines by the company, and compliance with the mining laws demonstrated. He said the record showed that the company had made their payment for the lands, following completion of the final patent proceedings.

"I was informed that thereafter officials of both the Bureau of Land Management and the Forest Service had taken action for the purpose of contesting and invalidating the transfer of the property, payment for which had been received by the Government from the applicants.

"Because of numerous bureaucratic acts, the applicants had brought an appeal to the Department of the Interior. The appeal, requesting the grant of the patents, was then pending before the office of the solicitor."

FINAL DECISION

"The McDonald brothers asked what suggestion I might have, if any, to bring about a final decision on the facts of record in the case."

ELLSWORTH said he found some interesting parallels between the Al Sarena case and some mining claims which were the subject of investigation before a Senate committee in 1949.

"I expressed the opinion that the most expeditious means of bringing the case to a conclusion would be through filing suit in the United States district court."

The company took his advice. The suit was filed July 28, 1951, against The United States of America and/or Oscar Chapman, Secretary of the Interior, in United States District Court, in the southern district of Alabama.

The suit asked that the Government turn over the patents on the mining claims to the Al Sarena Mines, Inc.

In a 58-page complaint the company listed numerous allegations and cited a number of previous court cases to support its basic charge that the Government's conduct of the case had been illegal and that the company had the legal right to the patents.

CRITICAL OF HEARING

The complaint was especially critical of the conduct of the contest hearing in Portland. It alleged that the record of the hearing contained so much severe and material falsification that the hearing's stenographer had refused to certify the portions of the record which described the events leading up to when the company left the hearing. (This is the portion of the transcript which was written summary style rather than in the usual word-by-word account of what was said by each party.)

This suit was followed up with a "motion for summary judgment" in which the company included a letter from Mastin G. White, the Interior Department's solicitor, dated August 3, 1954, in which he acknowledged that "it appears * * * that the reporter failed to obtain a complete transcript of the earlier portions of the proceedings * * * If you desire a further opportunity to submit evidence bearing on the question of whether valuable mineral deposits have been discovered on the claims involved in your appeal, it would be appropriate to remand the case for a supplemental hearing with respect to that issue."

The company said in its motion that the letter was proof of their charge that the record of the case was at fault. The firm declined to have the case remanded for the supplemental hearing and sought, instead, to continue its legal action.

SUIT DELAYED

That was the status of the case when the Republican administration took over in 1952–53. The suit in Federal court was delayed by various Government legal moves and no decision was made on the appeal to the Interior Department.

The McDonald brothers came to ELLSWORTH again "on or about March 29, 1953," according to ELLSWORTH, after Clarence Davis had been named the solicitor of the Department of Interior by the new administration.

ELLSWORTH said he arranged a conference with Davis and accompanied the brothers for a discussion of the case. It was then that Davis said he would make a "careful review of the case to determine its merits," ELLSworth said.

On June 1, 1953, ELLSWORTH wrote his lengthy letter to Davis which was reprinted in last Sunday's issue of the Register-Guard, pointing out that papers important to the mining company's interest were not in the record and asking that they be restored.

On June 4, in agreement with Davis, ELLSWORTH wrote to several mining engineers who had some knowledge of the claims involved for their opinion of the claims' value. He forwarded to Davis the replies he received, arguing they showed "that there is no reasonable question as to the bona fide nature of the mineral discovery and compliance with the mining law by the applicant for patent."

The engineers included J. E. Morrison, Oregon mining engineer identified as resident engineer at Al Sarena mine at the time of application for patent (and at the time the letter was written a colonel in the United States Air Force); J. Cleveland Taylor, Sacramento mining engineer who surveyed the claims for Al Sarena; D. Ford McCormick, Oregon engineer now living at Eagle Point, who was a consultant at various times for Al Sarena; Alan Kissock, of New York, who said he visited the property in October 1945, to see if he might be interested in it; and Fay Libbey, head of the Oregon Department of Geology and Mineral Industries, who reported he could give no opinion of the mineral value of the particular claims.

None of the engineers' opinions made any distinction between the 15 contested claims and the 8 claims which the Government had not challenged, according to A. Robert Smith, the Register-Guard's Washington correspondent who spent several days investigating records in the Nation's capital.

On September 3, 1953, Davis sent a memo to the Bureau of Mines, requesting that new samples and assays be obtained upon which no doubts will be harbored by anybody.

NEW ASSAYS

He added: "The decision on the application for patent should be considerably easier after we have the new assays. * * * My principal concern is to have a qualified Government representative present to see that the assay samples are fairly taken from each claim and then delivered to a competent assayer."

On the same day, he wrote to McCormick, whom the company had suggested as its representative, that "in an effort to determine the matter fairly, I have agreed with Congressman ELLSWORTH, who has interceded on behalf of the company, to ask you and Mr. Valin of the Bureau of Mines, Spokane, or his substitute to procure personally sufficient samples of the deposits on each claim to afford adequate assays on which the Secretary can base his decision on the validity of the discoveries."

Selection of R. N. Appling of the Bureau of Mines office in Grants Pass, as the one to take the samples for the Bureau of Mines was later made in the field. He had a team of three men with him to help prepare the samples for assay, that is, crush the ore.

McCormick accompanied Appling and his team to the claims and watched Appling cut the various samples. All the samples were taken from "ore, in place," McCormack said, some from exposed rock outcroppings, some from the bottom of cuts where bulldozers had scooped the earth down to bedrock.

SAMPLES NUMBERED

Each of the samples was numbered and one-fourth of each sample was turned over to the Oregon Department of Geology office in Grants Pass to hold as an "umpire."

McCormick said this was done in case the samples shipped to the assayer became lost, or if any question arose in regard to any of the individual samples. The purpose, he said, was to avoid the necessity of going back to the claims for more samples, if any were lost or questioned during the assay process.

On November 17, 1953, the samples were shipped by railway express to the A. W. Williams Inspection Co., in Mobile, Ala., to be assayed at the expense of the Al Sarena Co.

The Mobile testing firm was chosen by the company. It is located in the same city as Al Sarena's head office and had done assay work for Al Sarena before. It was one which the Government agreed was an "acceptable laboratory for analysis." (In Washington, A. Robert Smith said it is on the Government's list of accredited testing labs.)

On December 17, 1953, the Williams firm sent its assay certificates on the samples to Al Sarena's Mobile office. These were forwarded to the Bureau of Mines man, Appling, who matched up the numbers of the samples with the assay results and prepared his report.

ENCLOSED FINDINGS

In his report he described how the samples were taken and enclosed the assay findings of the Williams Co.—but not, according to the file in Washington, D. C., the assay certificates.

For each sample, the new assay reports showed much greater mineral value than BLM Mineral Examiner Elton Hattan reported from his 3 assay tests of the 15 contested claims (almost all of which showed only traces of gold or silver). It was Hattan's assay reports upon which the two previous adverse decisions to the company had been decided.

The lowest of the new assays for gold was 70 cents (per ton of ore); 7 assays ranged from $1.05 to $1.40; 9 were reported at $1.75; 7 ranged between $2 and $3; 1 was for $3.50 and the high was $4.20. Assays for silver were also significantly higher than Hattan's samples assayed in almost every case. The new figures included at least two samples on each contested claim.

Appling submitted his report to Washington on January 2, 1954. Four days later, on January 6, Solicitor Davis announced his decision. It overruled the 2 adverse decisions of the Bureau of Land Management and awarded the patents to the company on all 23 claims. Davis based his decision on the new assay findings.

(A further look at Solicitor Davis' decision—and some more light on the reexamination of the claims which led to his decision—will be the subject of the next article in this series.)

[From the Eugene (Oreg.) Register-Guard of October 16, 1954]

PATENT DECISION ARRIVED AT AFTER LENGTHY REVIEW

(By Dan Wyant)

The first 13 pages of Solicitor Clarence Davis' decision on the Al Sarena case are devoted to a review of the facts which brought the case up to appeal in the Department of Interior.

He notes that in its appeal the company made 18 assignments of error, contending it was entitled to a patent prior to the filing of a protest against 15 of the claims by the Forest Service, and contending that there were certain irregularities in the protest and in the manner in which the hearing upon the protest was held.

Davis cited a number of court decisions to support his finding that most of the company's contentions were untenable.

"The fact that the appellant had paid the purchase price, submitted its proofs, and received a final certificate does not detract from this Department's authority to inquire into the merits of the claims," he wrote. "Unless there has been a discovery of valuable minerals within the limits of the claims, there have been no valid locations and the claims cannot go to patent."

CHARGES UNJUSTIFIED

Davis added that most of the charges of irregularities in the handling of the case were unjustified. However, he noted that the company's reports of assays on the various claims were not included in the file when it reached his office. He said that although copies of these reports were later supplied, it appeared best to require new assays to be submitted to review the case.

Davis said these new samples were taken by a Bureau of Mines team and a registered mining engineer (D. Ford McCormick), representing the appellant. Davis said the samples were sent to an acceptable laboratory for analysis. (The A. W. Williams Inspecting Co., in Mobile, Ala.)

"The resulting assay reports submitted and now on file show that the samples contained silver and gold of sufficient value to justify a person of ordinary prudence in further expending his time and money in an effort to develop a paying mine."

Davis then quoted a portion of the testimony which BLM Mineral Examiner Elton

Hattan gave at the Portland hearing describing the "central mass" of the deposit and saying that possibilities are good that the whole mass could be developed, mined, and milled at a profit.

HOPE OF SUCCESS

Davis said this "would seem to confirm that by careful and prudent operation the appellants may continue to develop the property with reasonable hope of success."

(A check of Hattan's testimony, however, indicated that when he was discussing the "central mass" and its possibilities of further operations he was referring primarily to the portion of the deposit which lies on the eight claims which were not contested by the Government. On the other hand, the mining firm had insisted all through the proceedings that it was interested in a large-scale operation which would include all the mineralized deposits—not just the richest ones.)

Davis continued: "The assays, therefore, showing mineralization in paying quantities on all of the claims, and the cadastral engineer (whose job it is to check patent qualifications) on September 27, 1948, having certified that more than $500 has been expended in developing and improvements on each claim, the requirements of the statute seem to be met."

(The cadastral engineer's certification that $500 assessment work had been carried out on each claim had been challenged by the BLM and Forest Service on five of the contested claims. There is nothing in the decision written by Davis or in the Washington files to indicate that any further efforts to determine the value of assessment work on the five claims had been made after the case came to Davis' attention.)

TIMBER NOT A FACTOR

Davis concluded with the observation that the mining company had spent amounts estimated from $150,000 to $200,000 on developing the claims—an amount which he said was 2 to 3 times the estimated value of the timber on the claims. This, he said, "would seem to negative the suggestion • • • that the appellants are more interested in the timber than in the mine."

(Davis here was using the figure given on the estimated value of timber on the 15 claims which were contested. The estimated figure for marketable timber on all 23 claims is probably closer to $150,000, less allowance for growing stock, according to the Rogue River National Forest.)

The solicitor then concluded his decision by ordering the case "remanded to the Bureau of Land Management with instructions to process the application for patent."

That, then, brings this series of articles through the major steps of the Al Sarena case, as shown in the record. Several points remain:

Columnist Drew Pearson, who touched off the current political charges against the handling of the Al Sarena case, was critical of the fact that Solicitor Davis let "disinterested, independent" (the quotes are Pearson's) Ford McCormick become one of the engineers who helped take the new samples on the claims.

FIRM REPRESENTATIVE

The record shows that McCormick was chosen, not as a disinterested engineer, but rather as a representative of the Al Sarena Co. to accompany the Bureau of Mines team.

McCormick was independent in the sense that he is a consulting engineer. He had been hired by the company on previous occasions for specific jobs in the capacity of a consulting engineer. McCormick says that the charge that he helped "build" the mine plant, made by Ellsworth's opponent, Charles Porter, is false. He said that on one occasion he had worked for several months at the mining property when it was under lease to another party.

McCormick was described this week by Faye Libbey, director of the Oregon Department of Geology and Mineral Industries at Portland as a man of "absolute integrity."

Pearson termed it "amazing" that the ore samples were shipped "all the way across the United States to Mobile, Ala., hometown of the McDonald family." He added: "There the ore was assayed by the A. W. Williams Inspection Co., located in an area which has little experience in assaying gold and silver ore."

Records show that the Williams Co. is accredited by the Government for testing work, and was agreed upon as "acceptable" by the Government to make the tests. The McDonalds argue that since they were paying for the assays, they directed them sent to a firm with which they had done business before.

STANDARD METHODS

A Williams Co. letterhead which the Register-Guard's Washington correspondent, A. Robert Smith, observed, indicated the firm tests primarily various construction materials. However geologists such as Libbey say that methods of conducting gold and silver assay tests are so standard that there is no question but that any organized laboratory could conduct them accurately.

The most puzzling question, of course, is why were Williams' assay results from the samples taken by the Bureau of Mines so drastically superior to those taken on three different occasions by the BLM mineral examiner, Hattan?

The Geologist Libbey declined to speculate.

McCormick, himself, said only that the Bureau of Mines man, R. N. Appling, was very conscientious in cutting the samples. McCormick added that samples cut within a range of 10 feet on the various claims might range from values which were negligible to values of several dollars per ton of ore.

The record shows that Hattan took the samples at spots indicated by Al Sarena representatives and took them on several occasions. His qualifications to do such work were read into the record and showed years of experience in that field. It might be fair to add that at the time Hattan took the samples, the mining company protested the samples might not be fair to the company and requested permission to submit supplementary samples—the one is which later turned up missing in the files.

STATE AN UMPIRE

At the time the final samples were taken, a portion of ore from each sample was turned over to the Oregon Department of Geology office at Grants Pass as an umpire.

McCormick explained that this was done to guard against the need of taking further samples in case some of those sent to the assay lab became lost en route or were questioned in any way.

Davis' whole decision turned on the results of the Mobile assay. For that reason it would be reasonable to assume that any further investigation into the Al Sarena case, such as Senator WAYNE MORSE had declared he will call for, should start with those umpire samples.

And here is the most disappointing part of this reporter's investigation of the Al Sarena case:

Once the assay certificates were returned from Mobile, the samples matched up with the assay numbers, and the report sent in by Appling to Washington, D. C., there appeared to be no further need to save the "umpire samples," according to McCormick.

SAMPLES DUMPED

Where are those umpire samples now?

Somewhere in the bottom of the Rogue River near Grants Pass where they were dumped by Appling and McCormick after the report was sent in.

(A final article in this series will discuss what Secretary of Interior Douglas McKay has described as a basic conflict between timber and mining, and what legislation has been considered to supplement the basic mining law of 1872.)

[From the Eugene (Oreg.) Register-Guard of October 17, 1954]

IN THOSE DAYS TIMBER WASN'T WORTH MUCH, NOW IT IS—AL SARENA MINING CONFLICT STEMS FROM OLD LAW DATING TO 1872

(By Dan Wyant)

When the Nation's basic mining law was written back in 1872, there was, of course, little thought given to timber which might be present upon mining claims staked out under the law's provisions.

In earlier days the West had looked largely to mineral deposits for its development. The original law was designed to encourage that development. Timber resources seemed unlimited.

NO CHANGES

Through the years there has been no change in the basic provisions of the law. Any person may still stake out a mining claim upon public land. If he does assessment work benefiting the claim to the amount of $500, and if he proves minerals are present under the broad terms of the law, he is entitled to have the claim patented. With the patent, under present law, goes all surface rights to the claim. That includes the timber which is upon it.

And this points up the basic conflict between forestry and mining interests.

This conflict involving the application and/or misuse of the mining law has contributed much to the controversy around the Al Sarena mines of southern Oregon, described in earlier articles.

TIMBER MINES

Timber is worth a lot more now than it was in 1872. It's worth enough that many mining claims have been staked out, forestry officials say, obviously for the timber that is on them.

More than 7 billion board feet of the public's timber is tied up on mining claims of the 12 Western States, a staff writer for the Denver Post concluded in a 1951 series of articles on this problem.

In Oregon and Washington somewhere around 200,000 acres of forest land has been tied up by mining claims. Some of these claims are no doubt legitimate—but forestry officials question many of them.

DISPUTED CLAIMS

Claims which have attracted the most attention are some 300 mining claims embracing about 50,000 acres of forest land in the Union Creek basin of the Rogue River National Forest.

So many inquiries have been directed to the forestry headquarters that Supervisor Jack Wood has prepared a mimeographed fact sheet on the claims.

The claims, he said, "support an estimated stand of mature and high quality timber totaling 1,800,00 feet. Another 1,700,000 feet of timber lying behind the claims is effectively blocked off by claimants who deny access across their claims. Total volume of timber involved is 3½ billion board feet. A conservative estimate of timber value on the stump is $35 million."

MINERALS LACKING

Wood said most of the claims are filed in the name of one man and his associates. He said repeated mineral examinations have shown there are no valuable minerals in commercial quantity on the claims.

Closer to home, in the Willamette and Umpqua National Forests near Eugene, a number of mining claims exist on forest lands. It would be unfair to question all

the claims, but some of them bear investigation.

The fact that the claims have been filed doesn't mean that the timber is lost to the public. Until the claims are patented, the claimants have no rights to timber other than that needed for mine supports, or possibly, dwellings on the claim.

SALE PREVENTED

But the timber is effectively tied up from public sale by the Forest Service. The claims in many cases also bar access to other valuable stands of timber that would otherwise be put up for sale.

The actual number of patents granted on mining claims during the postwar years in Oregon and Washington totals less than 40 on less than 800 acres of Forest Service land.

Because of the value of the timber involved in many cases, the Forest Service has been vigorous in contesting many patent applications. This is where the conflict between forestry and mining is most apparent.

DELAY CHARGED

Mining spokesmen say that the procedures involved in contesting the claims go beyond the basic mining law to make it equally hard for a legitimate miner to get patent to his claim. They charge that delay has been one of the Government's chief tactics.

Certainly it would seem that some method should be found to effectively prevent the filing of mining claims for valuable timberland and at the same time not penalize legitimate miners who find worthwhile deposits of minerals which will be subject to contest just because they are on timberland.

REVISION OVERDUE

Secretary of Interior Douglas McKay has said: "Revision of the mining laws which would define the surface rights vested in the locator of a mining claim is long overdue."

Legislation has been introduced in Congress to bring the basic mining law up to date.

Principal attention was directed to a bill introduced by Representative CLIFF HOPE, of Kansas, which would have retained the Government's possessory rights on the timber involved in a claim.

The Government would sell the timber off the claims, under sustained yield management plans. The miner who acquired patent on the claim would be given a 3-year period in which to purchase all the timber at fair market price, if he wished. The miner would be permitted to use what timber was necessary in his mine work—and if all the timber was sold off his claim, be given a chance to get timber off other Government holdings for his mine.

BILL WAS DEFEATED

The bill had a further provision which drew objections from mining interests: That surface uses of the claim would be under national forest rules and regulations. That provision, mining spokesmen complained, would make a miner's operation subject to the authority of forestry people who had no particular knowledge or interest in mining practices.

The Hope bill did not pass.

Representative HARRIS ELLSWORTH was at one time prepared to introduce a bill which he felt would solve the problem and then found that Representative D'Ewart, of Montana, had prepared a measure similar to his.

This bill, which also never was passed, would, in ELLSWORTH's words "allow a person who files a mining claim practically no benefits whatever unless, and until, he actually develops a mine."

[From the Eugene (Oreg.) Register-Guard of October 20, 1954]

DREW PEARSON'S AL SARENA ALLEGATIONS FOUND LOADED WITH FACTUAL ERROR

On September 29, when Drew Pearson, nationally famous columnist, launched his Al Sarena mine charge against Congressman HARRIS ELLSWORTH and Interior Secretary Douglas McKay, we recognized them as so serious that we said to our staff:

"If these charges are true, both ELLSWORTH and McKay ought to be run out of public life. If they are not true, McKay and ELLSWORTH are entitled to protection against a vicious slander. In any case, the people of the Fourth District, especially those who read the Register-Guard are entitled to every bit of factual information we can get so that they may judge."

Accordingly Reporter Dan Wyant was dispatched to Jackson County to go over the ground, take pictures of the timber and of the mining properties involved, inspect every available record, interview every available person known to have had any connection with this dispute. Our Washington correspondent, A. Robert Smith, had similar assignments at his end.

Mr. Wyant's reports have been published in a series of six articles, all starting on page 1, concluding last Saturday. Each reader will, of course, make his own conclusions. Quite apart from any recommendations which we may make in the current congressional race, we believe we should offer our findings in this Al Sarena matter.

NOT A TRACE OF ACTUAL CORRUPTION IN EVIDENCE

At the risk of oversimplifying, this we believe to be a fair summary of the allegations of Columnist Pearson:

1. That a certain McDonald family, of Mobile, Ala., had acquired mining claims (gold and silver) in the Rogue River National Forest, and that under pretext of mining they sought to "patent" their claims (a patent gives clear title).

2. That for 6 years, the McDonalds had been unsuccessful because of alert opposition in the then Democrat administration at Washington.

3. That when McKay came to power things changed; ELLSWORTH became a special pleader for the Alabamians.

4. That under these pressures, the McDonald matter was reopened by Solicitor Clarence Davis, that he went through the motions of considering "disinterested" reports from engineers who turned out to have been employees of the McDonalds.

5. That finally new ore samples were taken but they were sent to an assayer in Mobile, Ala., not to professionals on the Pacific Coast, and on the new assays, the patents were granted.

6. That shortly after all this, Solicitor Davis was made Under Secretary of the Interior, next to McKay himself.

In our opinion, such charges cannot be "laughed off." The only answer is in facts. There were 23 paragraphs in Pearson's story. Our Mr. Wyant's factual studies reveal misstatements in 13 paragraphs plus 1 paragraph which he classifies as true as far as it goes, plus 4 paragraphs which contain unsupported assertions, plus 1 paragraph on which he has not been able to throw any light. Only four paragraphs are accepted as substantially correct.

These substantially correct paragraphs are the statement that the McDonalds could have mined without patenting their land; that the McDonalds wanted the above-ground timber rights as well as mining rights (although the McDonalds say they needed the timber sales to raise mining capital); that when the case was reopened, the McDonalds insisted on ore samples being sent to the assayer in Mobile; that the Mobile reports were much more favorable than the preceding reports.

HOW WOULD A JURY LOK AT A MESS LIKE THIS?

Many important facts were brought out in the Wyant reports which were not in Pearson's blast:

The timber on the McDonald claims is not one of the finest stands of Douglas fir in the Northwest, but relatively poor stuff.

At least two of the McDonalds are longtime residents of Oregon, and their company is an Oregon corporation although its main office is in Alabama.

The McDonalds acquired their mining claims in the mid-thirties, long before the timber boom began, when they could have had all the choice timber they wanted for a few dollars an acre, if that had been their object.

That the McDonalds are in fact primarily in the mining business, not in lumber, and that they have extensive tunnels and equipment for mining on their properties.

That a substantial portion of their mining claims were accepted as sufficient for patenting even under the Democrats, and that Oregan State geological reports are favorable on the area.

That since 1948 the McDonalds had been subjected to costly delays and they even allege bureaucratic suppression of some of their important evidence.

That Congressman ELLSWORTH, in interceding for the McDonalds did not actually plead their case but argued only that they be given fair and prompt rehearing.

That there was nothing secret about the rehearing and the McDonald engineer was not palmed off as an "impartial" expert but stood as the accredited representative of his clients.

In our opinion, no grand jury in the world would indict nor would any trial jury convict on the kind of faulty evidence (inferential hogwash) presented by Columnist Pearson. We have such a distaste for reporters who slant news or distort facts that we do not want to impugn Mr. Pearson's motives.

INJUSTICE IS INJUSTICE HOWEVER INTENDED

We will say that whatever Columnist Pearson's reasons for this assault on ELLSWORTH and McKay he has done a thoroughly bad job of reporting and one which works a grave injustice on the people accused.

The real trouble is rooted in mining laws which go back 80 years. They were intended to help prospectors then. They offer an opportunity for cheaters now. As far back as 1947, the Register-Guard was running articles on this problem as it is shown in the Bohemia district near Cottage Grove. It is reasonable to ask:

"Why did not these virtuous Democrats who kept the McDonalds from patenting their claims get a decent law passed?"

In the last session there have been two such measures—the Hope bill (which Pearson mentions), H. R. 5358 which would relate only to mining lands within national forests and the D'Ewart bill, H. R. 4983, which would apply to mining claims on all public lands. There is also S. 783 by DWORSHAK of Idaho and ANDERSON of New Mexico on which hearings were held May 22. This seeks to redefine and limit all surface rights.

(The Hope bill is supported by the Department of Agriculture; the D'Ewart bill by the Department of Interior. The Dworshak-Anderson measure seems to have considerable support from mining people.)

At least the Republican Congress seems to be making a try to cure the troubles. We do not accept as sufficient the ELLSWORTH and McKay statements that so long as the obsolete laws are on the book they have no other choice than to comply with them.

The only thing of importance that has come out of all this hubbub is the necessity

for mining laws which will conform to present day conditions. Our foresters here tell us they are being deviled by three classes of people under the present statutes:

1. Genuine mining men who seek timber rights only to finance themselves.

2. Timber hogs who buy up or stake out mining claims for timber rights only.

3. Out and out highbinders who are staking out phony claims in the way of roads, rock pits—all kinds of business operations just to see if they can extract a few dollars. (We have heard of two State highway cases where the State had to pay rather than endure the long process of proving the mining claims phony.)

WHOSE BRINK OF WAR?—EDITORIAL FROM THE BOSTON HERALD

Mr. SALTONSTALL. Mr. President, I should like to read a brief editorial published on January 17 in the Boston Herald. The editorial, entitled "Whose Brink of War?" is as follows:

WHOSE BRINK OF WAR?

Whatever anyone says publicly, the United States can have no foreign policy at all unless it is willing to go to the brink of war.

Secretary Dulles' brink-of-war statement in Life magazine could have been put better, or even better omitted. The whole article could have been more successfully adapted to its ends if it had been less painfully adulatory. But in all the controversy over it, we ought not to forget that peace can be had today only by a willingness to look at war square in its evil visage.

Adlai Stevenson calls it Russian roulette, as if Dulles was playfully twisting the cylinder of a revolver placed at his country's head and gambling always on an empty chamber. But if what Dulles is doing is Russian roulette, then that is what Secretary Acheson did before him.

The Berlin airlift, the Truman policy of containment, military aid to Greece and Turkey, the establishment of NATO against explicit Russian threats, the refusal to withdraw American troops from Trieste at Soviet demand, the decision to commit American forces in the Korean war, these were all steps to the brink of war, and, in one case, beyond.

Whatever you call it, brink or roulette, it is the realistic and inescapable situation in which we are today, and no Secretary of State of either party is going to pursue any other course as long as the Soviet stands ready to exploit any weakness of ours in arms or resolution.

Secretary Dulles is taking a more severe beating for his observation than he deserves. Yet even his closest friends could wish he had said it better.

His exclusive emphasis on the readiness to fight as an instrument of foreign policy ignores the far more difficult problems of foreign aid, of German reunification within the Western sphere, of subversion in the still free areas of Asia, of incendiarism in the Middle East, of Japanese economic dislocations, and a score of other issues.

None of these issues would remain of the slightest concern did we not have our brink-of-war strategy, for there would then be no more free world to worry about. But the brink-of-war strategy will not solve these issues either. Dulles has unintentionally given the impression that the brink strategy is a panacea.

In doing so he has sounded like the proponents of the crash policy against the Communists—bomb Manchuria, unleash Chiang, blockade China, even fight a preventive war. Yet, that isn't what he meant. What he meant was to warn the Reds that we are not bluffing about retaliation. (With perhaps a side glance at the coming election and a placatory gesture to the Knowland wing of the party.)

He did it ineptly. But that does not denigrate his foreign policy. Fortunately, Mr. Dulles does better than he talks.

Mr. MORSE. Mr. President, the comments of the Senator from Massachusetts [Mr. SALTONSTALL] cause me to make a brief comment on the Dulles brink-of-war episode. This will be probably the shortest speech I have ever made in the Senate.

First, many of the Dulles representations in the Life magazine article, in my judgment, are false representations and cannot be squared with the official record. Second, even if they could be squared with the record, it was very unwise and undiplomatic for Dulles in this critical time to make such war threats. Third, I think the lack of diplomacy shown by Secretary Dulles in this instance and oft repeated in similar ones, demonstrates the need for a new Secretary of State.

PROPOSED FARM LEGISLATION

Mr. HUMPHREY. Mr. President, yesterday, in the Committee on Agriculture and Forestry, I brought to the attention of the committee a section in the administration's farm bill which I believe deserves very careful examination. At that time I said there was a joker in the deck of the administration's widely publicized new program for solving the farmers' plight. I pointed out what that joker was. The joker is the proposal in the bill to use surpluses to liquidate surpluses.

After a careful examination, Mr. President, I find that that proposal would result in lower farm prices, in excess surpluses, and would later drive the farmers off the land. The proposal would result in permitting the supplies held by the Commodity Credit Corporation to be sold in the open market at market prices to redeem the certificates which the farmers would be given for nonproduction. As a result, the market cash prices would go down and down as the surpluses were moved into the market.

Furthermore, it would result in the farmer taking all his new production under the crop loans and putting it all back into the Government warehouse bins, at the expense of the Government. In turn, the Government would take out the new commodity and sell it at lower prices in the market, and in that way continue to drive down prices.

The grain trade yesterday suffered a very severe blow and a very unhappy experience. Trading was at a very low ebb, because grain traders were uncertain over pending farm legislation.

Mr. President, rather than take further time of the Senate, I ask unanimous consent to have printed in the body of the RECORD, at this point a statement which I have prepared, and two articles published in the Wall Street Journal of January 19, 1956, bearing on this subject.

In one of the articles, for example, the Wall Street Journal states:

Much attention continued to be focused on a proposal in the proposed new farm legislation which would permit the Department of Agriculture to sell part of its surpluses at market price. If this legislation is adopted the sales would be made below levels at which they can now be sold.

The article goes on to point out that it would result in a further depressed market.

I ask that the statement and articles be printed in the RECORD so that other Senators may have more information on this subject and may have my point of view on it. I believe the comments of the Wall Street Journal indicate the validity of the analysis which I have made.

There being no objection, the statement and articles were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HUMPHREY

JOKER IN IKE'S FARM BILL WOULD DRIVE FARM PRICES DOWN, HUMPHREY SAYS

There is a joker in the deck of the administration's widely-publicized "new program" for solving the farmer's plight, Senator HUBERT H. HUMPHREY, Democrat, of Minnesota, charged today.

"Instead of helping to bolster farm income and farm prices, all it is designed to do is to unload Government holdings of farm commodities at distressed prices on the domestic market in direct competition with the farmer already struggling for a better break on that market," Senator HUMPHREY said.

"Because they have run into too many obstacles against disrupting foreign markets by 'dumping' these products abroad, they now propose 'dumping' them at home—underselling other products farmers have to sell, and underselling their own support program.

"The entire farce is exposed in language of the administration's own farm bill introduced in the Senate yesterday—the fine print in the insurance policy that belies all the glowing promises made by the salesmen in the President's farm message and in the Secretary of Agriculture's testimony before the agricultural committee.

"It is a provision permitting the Government to sell surplus commodities into our domestic markets at the market price, regardless of support levels, to pay off the certificates given farmers in return for voluntarily cutting back their production beyond the allotments to which they would be entitled under law.

"Neither the President's message nor the Secretary's testimony revealed this fact. Both indicated that the program would be financed out of the existing stocks, but neither revealed that their intent was to 'dump' these commodities at any prices they would bring regardless of how much they depressed the existing market.

"It becomes apparent that they are more concerned about getting rid of Government holdings than they are about what happens to the farmer.

"Anybody in the commodity trade will tell you that this single action will be the greatest price depressant for prices of basic farm commodities yet invented. If such a measure is pressed further and enacted, you can expect sharply lower prices for major grains.

"The sad part about it is that this administration brainchild would in the long run increase rather than decrease Government holdings.

"If the Government intends to sell its present holdings at lower than support prices, it only means that it will capture all the market from farmers and in turn have to take possession of all the farmers' commodities placed under loan at higher levels. It would just be a vicious circle, of everything having to go through Government hands to be sold back cheaper to the trade. I doubt very much if any buyer would be foolish enough to buy at higher prices from

the farmer if he knows he only has to wait to get the same commodities at the administration's 'fire-sale' bargain counter."

Senator HUMPHREY explained that the present law prevents the Commodity Credit Corporation from selling its stocks at less than 5 percent above the support level, plus interest, unless they are in danger of deteriorating. The Administration bill provides for removing that 5 percent restriction, but then goes even further to exempt from any limitation the sale of any amount of commodities necessary to pay off the "soil bank" certificates, he added. It is the latter proposal that Senator HUMPHREY vigorously protested as "sabotage" of the entire farm program price-support loan concept.

"Every action this administration has taken since it has been in office has tended to depress farm prices, and thereby drive more stocks into Government hands. It was too good to believe that the bold, new program would be any different—and now the truth is exposed. Once again, the administration is embarked on driving farm prices still further downward. The only difference is that the former objective was supposed to have been to force some farmers out of business. Now, the objective is just getting rid of stocks in the Government's hands—regardless of the consequences upon farmers.

"Strangely enough, it is entirely contrary to everything this administration has preached about 100 percent of parity in the market place. Now, apparently, they want to determine themselves just what the farmer should get in administered prices and drive the market place down still further.

"When they talk so glibly about paying for removing the surplus with the surplus itself, what they are really saying is that they want to pay for it out of the pockets of farmers—out of their already depressed income, by driving it down still further.

"After having lowered farm prices, increased surpluses, and driven thousands of farmers off the land, the administration now proposes that the farmers still remaining pay the bill for the failure of its farm program and its administrative bungling.

"This new formula will result in crippling the free market, lowering farm prices, and lowering the boom on the Nation's farmers," Senator HUMPHREY said.

[From the Wall Street Journal of January 19, 1956]

SKEPTICAL FARMERS—IKE'S PROGRAM STIRS LITTLE JOY, MUCH DOUBT AMONG FARM MANAGERS—MR. ADAMS FRETS OVER CORN; A TEXAN BEEFS ABOUT RICE—MR. GOWLAND IS CONFUSED—SPADING ABOUT THE SOIL BANK

(By John S. Cooper)

CHICAGO.—"I've spent the past week trying to figure out this 'soil bank' plan but, darn it, I still can't get the scheme to look good to me."

This cheerless comment on the chief proposal in President Eisenhower's new farm program comes from the manager of a string of several dozen Midwestern farms. He's frankly dubious the Government will pay him enough to take a chunk of his land out of production.

Among professional farm operators, this skepticism over the soil bank plan is widespread. These "pros" are paid for getting the highest possible dollar return from their clients' farmlands. Their opinions are apt to be more cold-blooded and less politically slanted than those of the average farmer.

Their attitude, and the reasons for it, may be a tipoff on how successful this latest plan in the Government's efforts to deal with towering crop surpluses will work out. As ticketed, the soil bank scheme would cost taxpayers a whopping $3 billion over the next three years.

CASH AND CROPS

Under the proposal, farmers would be paid—in cash or in surplus commodities—for voluntarily reducing their acreage of wheat, cotton, corn and rice below Government-imposed allotments, or for shifting acreage to soil-building grasses. The aim, of course, is to cut output of surplus crops and beef up farmers' incomes at the same time.

[The administration's plan to sell some Government-owned commodities at reduced prices to help finance the soil bank program came under heavy attack yesterday from farm State Senators. (See story below.)]

Although the soil-bank idea has stirred up the greatest reaction in farm areas, some other parts of Eisenhower's program also have caused storms in some sections. A Texas rice farmer, for example, claims the proposal to limit the amount of dollars any one farm can get in price-support help from the Government would be disastrous. He's joined by a big California cotton grower. In addition, some livestock producers cry they've been overlooked by Washington.

But the loudest argument in the farm country since Eisenhower sent his program to Congress a week ago has spun about the soil-bank project and its effects on farmers' fortunes.

"Most of the hollering about the farm problem has come from western Iowa and Nebraska," notes Bruce Russell, general manager of the Farmers National Co. of Omaha, which manages 1,850 farms covering 450,000 acres in the two States.

"In these areas," says Mr. Russell, "farmers are short of both cash and feed because of last year's drought. Naturally they're going to raise all they can. There'll be a lot of resistance to taking any land out of production there."

PAYMENTS NOT SET

What the Government will pay to entice farmers to idle their land hasn't been announced. But farm operators are openly skeptical Agriculture Secretary Benson will go high enough to make it worth their while.

Their reasoning: If the per-acre payments are attractive enough to win over farmers, the $1 billion a year earmarked for the program won't cover enough acres to make a real dent in the mountainous surpluses; conversely, if the program does cover enough acres to matter, the $1 billion would be spread far too thin.

Farm managers estimate payments would have to run to perhaps $20 or $30 an acre in Nebraska and Iowa to get farmers to "deposit" their land. Even then, they believe, only the poorer, low-productive lands would be taken out of cultivation.

"The inducements are likely to be too small to have much effect in our State," declares H. E. Stalcup, president of Stalcup Agricultural Service of Storm Lake, Iowa, which manages 35 farms. He calculates it would take $20 to $25 an acre to get land out of cultivation.

In unveiling his program, Mr. Eisenhower promised incentives would be "sufficiently high to assure success of the program." He said the project might cut wheat acreage this year by 12 million acres below the 55 million-acre allotment and cotton acreage by 3 million acres below the 17-million-acre ration. In addition, an estimated 25 million acres would be shifted from such crops as soybeans, oats, and sorghums to grasses and trees.

BANKING POOR LAND

One farm manager who thinks he may put some of his poorer land in Mr. Benson's soil bank—provided the Government's price is right—is Edward McNaughton, president of the McNaughton Loan & Investment Co., of Hutchinson, Kans. His firm controls about 7,000 acres of Kansas wheatland. He doubts, however, much top producing wheatland will be placed in the plan.

"So far it's such a bedlam you don't really know what to make of it," comments R. W. Gowland of the Gowland Farm Service of Minneapolis, which manages 50 farms, mostly in dairying. "From the principle of the thing," he adds, "I can't see that it's going to help much."

Under the Administration's proposal, farmers need not take payment in cash in return for cutting back acreage in price-supported crops. Instead, they could get Government certificates good for an equivalent amount of these crops from surplus stocks.

This certificate idea, borrowed by Mr. Benson almost intact from a recommendation by the American Farm Bureau Federation, has become a target for criticism by some farmers. Critics contend the plan might lead to a two-price system for crops, particularly cotton, if mills begin buying the certificates from farmers.

Possible side effects of the Government's soil bank experiment worry some farmers. Suppose the plan does work out, asks Mr. Gowland. It certainly isn't going to help dairy farmers who will have to pay more for the grain they buy for feed. "I've talked to quite a few dairymen," adds Mr. Gowland, "and they just seem to want to be let alone for a while."

Makers of farm equipment see no boon in the bank plan, either, if farmers go for it in sizable numbers.

"Farmers just won't need as much equipment as they ordinarily would," notes an official of big International Harvester Co. "This effect," he adds, "probably won't be felt for about a year. But eventually there will be a drop in demand for harvesting equipment. There will be a lesser effect on ploughs, discs, fertilizer equipment, harrows, and mowing machines," he predicts.

Fertilizer manufacturers believe the soil scheme will have little or no impact on their industry.

"Most of the land that's taken out of cultivation will be the lowest productive land. The farmer will use his remaining land to the fullest advantage; this means more fertilizer," observes Z. W. Beers, of the Middle West Soil Improvement Association, a fertilizer trade association. More intensive fertilization and cultivation of remaining land, of course, may partly offset the production cutbacks obtained by taking some parcels out of cultivation under the soil bank project.

Though the soil-bank plan appears to be the most controversial proposal made by Eisenhower, some farm folk have singled out other points for attack. One: The proposal to permit the sale of some low-quality wheat by the Government for livestock feed.

Karl F. Adams, president of the Bloomington Farm Management Service of Bloomington, Ill., argues this release of wheat will "seriously hurt" corn growers by tending to drag down the price of corn. Most corn grown in the Bloomington area is sold to farmers in corn-short States for feed.

"The more feed grain that's available and the cheaper it is, the harder it is for us to sell a balanced ration," complains Edward Glennon, executive secretary of the American Feed Manufacturers Association. "The feed industry, I'm afraid, will just have to sell harder next year."

One Eisenhower proposal that farm managers in the central West apparently are not too concerned about is the plan to limit the amount one farm or farmer can get from the Government in price support help. But agriculturists in the South and Far West, where some farms cover thousands of acres, take a dim view of the idea.

Says Marcus Mauritz, who operates about 9,000 acres of riceland near Ganado, Tex.: "With a crop such as rice, which requires the use of heavy and expensive machines, it is impossible to operate a small farm and make money any more." "Ike's proposal to limit price-support aid," maintains Mr. Mauritz, "would be disastrous to us now."

The President's message set no specific figure on the dollar amounts that could be advanced to any one farm but Federal farm officials are talking in terms of a $25,000 ceiling for each commodity raised. Last year, many large farm operators drew several hundred thousand dollars each in Federal loan aid for their crops. One got more than a million.

Most farm managers believe the President's program overlooks the livestock producer and feeder. The Federal meat-purchase programs to date, claims Mr. Stalcup, "have been only a rain drop in the ocean." Says he: "Benson made his booboo last year when he announced he was going to spend $85 million on pork buying. That was so small the market discounted it from the start."

FINANCING PLAN ASSAILED

WASHINGTON.—An administration proposal to sell considerable quantities of Government-owned commodities at reduced prices to help finance the soil-bank program drew angry disapproval among Senators from farm States.

The proposal was contained in the administration's farm bill introduced in Congress Tuesday. It would let the Agriculture Department steal at market prices enough Federal commodities to raise cash to pay farmers for underplanting acreage allotments of major crops.

At present the Department can't sell Government-owned products for less than 105 percent of the support rate for a commodity, plus carrying charges. This minimum is above market prices for most farm items.

Senator YOUNG, Republican, of North Dakota, one of the sponsors of the administration bill, said he would withdraw his name from the measure if the provision were not removed immediately. He said he missed the 7-line proposal in his first reading of the 18-page draft of the bill.

Added Senator HUMPHREY, Democrat, of Minnesota: "The administration's proposal could raise havoc with markets."

He said when he read the proposal for lower prices in the farm bill Tuesday night he was "quite concerned." He said he consulted a top economist, who confirmed his fears that the move "could be a price-lowering device." As a result, the Senator said he couldn't sleep.

The statements from the two lawmakers came at a Senate Agriculture Committee hearing on new farm legislation. Chairman ELLENDER, Democrat, of Louisiana, also appeared disturbed. He directed committee staff members to see if the provision of the administration bill, which is designed to implement the President's farm program, was mentioned in the Chief Executive's special farm message to Congress last week.

COMMODITY INDEXES

GRAINS CLOSED IRREGULAR

Rye was firm, but other cereals failed to move far from Tuesday's closing levels. Dealers said lack of interest in the market was due to uncertainty over pending farm legislation. Much attention continued to be focused on a proposal in the proposed new farm legislation which would permit the Department of Agriculture to sell part of its surpluses at market prices. If this legislation is adopted the sales would be made below levels at which they can now be sold. Exporters reported that Formosa shortly would be in the market for 1,500,000 bushels of United States soybeans for shipment during May through September. Japan bought 1,200,000 bushels of United States barley, 440,000 bushels of Canadian barley and 360,000 bushels of Canadian wheat. Western Germany bought 1,900,000 bushels of United States barley and 200,000 bushels of United States grain sorghums. Brazil received a grant for $18,384,000 to buy United States wheat and flour: This sum is sufficient to buy around 9 million bushels of wheat. Egypt asked exporters to make offerings on 3 million bushels of United States wheat. Further snow was reported over parts of the southwestern winter Wheat Belt, and the daily weather forecast promised additional moisture. The moisture is needed for most of the crop. Buying of rye futures at Chicago was stimulated by strength at Winnipeg where exporters supported the market.

THE ADMINISTRATION'S PORK-BUYING PROGRAM

Mr. HUMPHREY. Mr. President, I wish to call to the attention of the Senate a matter which I believe to be of the utmost importance. It is the so-called surplus pork-buying program in which the Secretary of Agriculture is engaged. It is a program to purchase surplus pork supplies.

The Secretary explained to the Committee on Agriculture and Forestry that pork products were being purchased as rapidly as possible and distributed as soon as the supplies were obtained.

I find that that is not the case. I find that that is not what is being done. I find that the program is not under way, as it should be. I find, for example, that relief agencies, which are eligible to receive the pork under existing law, are having their requests turned down, and are being told that the pork will not be available until April.

I find further that the prices which the Government is paying for pork products are going up for each purchase the Government is making. At the same time the Government is paying more to the packers, the farmer is getting less for his hogs. That is what the relief program for farmers amounts to. It is a pork-price stimulation program for packers and a pork-price depressing program for farmers.

I have asked the staff of the Committee on Agriculture and Forestry this morning to make an independent examination, and I have the facts to support my statement that the pork-purchase program today is being mismanaged. The Secretary of Agriculture said in the beginning that he did not believe it would work. He literally had to be shoved into it. He said about 4 days ago that he did not think the soil-bank program would work, either. What an enthusiast for the great, bold, new, constructive agricultural program.

Mr. President, I sympathize with the President; I really do. I think the President would like to have some of this program work. The trouble is, he has a slow starter in the Department of Agriculture, a sort of reluctant dragon who does not want to place the full emphasis of his office behind the program.

Mr. President, representatives of the relief agencies of Buck County, Idaho, came to see me. I happen to know some of those gentlemen. One of the officers of the welfare board said they went to see the Secretary of Agriculture, and were told that there was not enough pork on hand to take care of the school lunch program, let alone the relief agencies, and that it would be unlikely that any more would be available until April.

We see stockyards overloaded with hogs, and packers with pork running out of their ears, so to speak, but the Department does not have enough for the relief agencies and cannot take on any new and additional outlets.

Something should be done about it, instead of letting the prices go down and down as they are now doing.

Mr. President, I ask unanimous consent to have an additional 10 minutes.

The PRESIDING OFFICER. Without objection, the Senator from Minnesota may proceed.

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a copy of the statement which I made today on the pork-buying program failure.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

SECRETARY BENSON CALLED TO TASK ON PORK BUYING PROGRAM FAILURE

Secretary of Agriculture Benson was called upon today to explain why relief agencies seeking surplus pork were being turned down at the very time he was assuring the Senate Committee on Agriculture such products were being distributed as rapidly as outlets could be obtained.

Senator HUBERT H. HUMPHREY (Democrat, Minnesota), member of the Senate Committee on Agriculture, asked the committee chairman to instruct his staff to get "some better explanation" from Secretary Benson as to what was really going on in the pork-purchase program.

"Secretary Benson assured our committee that he was vigorously pushing this pork-buying and distribution program, and that it was being stepped up as fast as outlets could be obtained," Senator HUMPHREY said.

"Yet I am reliably informed relief agencies eligible to receive the pork under existing law are having requests turned down, and being informed that none will be available until April.

"I want to know if Secretary Benson is really concerned about helping the hog market now, or is holding back his available funds to step up purchases closer to the election.

"And while I am at it I want to know why prices the administration is paying to packers have been going up while prices received by farmers from the packers have still been going down.

"I want to know whether this is a 'pork lift' program or a 'packers lift' program."

Senator HUMPHREY asked the committee staff to seek a full report from the Department of Agriculture on dates of purchases, prices paid to packers, and prices being received by farmers on the same dates.

Senator HUMPHREY said he had been informed that Polk County, Iowa, had formally asked for pork to distribute among 20,000 relief clients, but had been informed none was available—that not enough was on hand to take care of the school-lunch program, let alone any relief agencies and that it would be unlikely any would be available until at least April.

"Along with a group of other Senators, I called upon Secretary Benson at the year end to expand his livestock purchases to help our distresssed cattle and hog producers, but to do it in a way that would help farmers instead of packers by requiring suppliers to certify in their offers to the Government that they have paid fair prices to farmers," Senator HUMPHREY said.

Both the President's message and Secretary Benson's testimony agreed on expanding purchases, but neither gave any assurance to

farmers that they are going to benefit instead of packers. Once again, I insist that Secretary Benson change his pork-buying program to prevent it from being just a Government benefit program to meat packers, and that he acts now on buying beef as well before cattle prices fall any lower.

Mr. HUMPHREY. Mr. President, I hope my colleagues will direct their attention to the Secretary and address to him letters and communications suggesting that he take action. The hog-purchase program has been authorized and there is plenty of money to carry it on, but I regret to say that no matter what kind of a law we have, if the will to administer it is not present it will not work. We can write new farm legislation which would be almost perfection and which would meet the most utopian standards, but if we continue to have an Agricultural Department managed by a Secretary who does not want the program to do what it is supposed to do, no law can be effective.

Mr. President, I now desire to refer to another subject.

The PRESIDING OFFICER. Under the unanimous consent agreement, the Senator from Minnesota may proceed.

ABUSES OF FARMER-COMMITTEE SYSTEM

Mr. HUMPHREY. Mr. President, I feel compelled to call the attention of this body to a deplorable situation that exists in operations of the State agricultural and conservation committee in the State of Missouri, and the failure of the Department of Agriculture to do anything about it.

As chairman of the Senate subcommittee which recently conducted field hearings in Jefferson City on this Missouri situation and still has it under investigation, I am shocked by the affrontery of the Department of Agriculture in reappointing the State Chairman under investigation after grave charges and evidence of abuse of his authority and violation of Department regulations had been called to the attention of the Secretary of Agriculture.

Mr. President, I ask unanimous consent to have printed in the body of the RECORD a letter I sent to Secretary Benson on December 22, 1955, calling his attention to the sworn evidence against Mr. Colbert.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DECEMBER 22, 1955.

The Honorable EZRA TAFT BENSON,
Secretary of Agriculture,
Washington, D. C.

DEAR MR. SECRETARY: On behalf of the Senate Committee on Agriculture and Forestry, on November 14 and 15, the Subcommittee on Farmer-elected Committees, of which I am chairman, conducted hearings in Jefferson City, Mo., involving the administration of the farm program by the farmer committee system in that State. The hearings were a continuation of early hearings conducted by my subcommittee in Washington on June 13 and 14, during which officials of your Department participated.

Quite frankly, Mr. Secretary, I am shocked by the conditions we found in Missouri. Under separate cover I am forwarding to you a transcript of that hearing—220,000 words of testimony, most of which was taken under oath. I respectfully request that it be carefully studied. It is the intention of the subcommittee to conduct further hearings and to ask you and other members of the Department, at a secretarial level, to participate in these hearings. There are a number of questions which need to be answered.

Furthermore, the subcommittee will need the guidance of the Department in an attempt to reconcile what appears to be conflicting points of view between the Department's testimony in June of this year and the statements of the Missouri State committee officials in their hearings in Jefferson City. As I review the record thus far, there are completely conflicting views on interpretation of regulations and statutes that have been given to us by the department witnesses and your officials in Missouri. The Missouri State committee officials insisted time after time that they were acting in accord with the policy of the Department of Agriculture and the rules and regulations as prescribed by the Department. It is apparent that someone is wrong. Something must be done about it.

I am confident that once you have had an opportunity to study the testimony, you will recognize that this is a matter of such grave concern that it requires your personal attention. I am led to believe that there are open violations of law, particularly insofar as maintaining county managers on the Federal payroll despite the fact that these managers have been dismissed by the county committees.

I did everything in my power to conduct a fair and objective hearing. I am sure that a review of the press reports in the State of Missouri will indicate to you that the situation in the farmer committee program in that State is one that does not reflect credit upon the Department. I regret that my request for an official from the Department to attend those hearings was denied. It would have been most helpful to the subcommittee if someone of departmental status could have been with us. Many questions could have been answered on the spot, and the testimony would have been much more meaningful and the hearings much more helpful.

In order to be of help to you in studying the RECORD, I call to your attention the unresolved questions raised in the course of the hearings on which further information is desired from your Department. A summary of these questions, with page citations in the hearing, is provided for your convenience (see attached). It would be most helpful to the subcommittee if the answers to these questions could be provided as soon as possible.

Senator SCHOEPPEL, of Kansas participated with me in conducting the hearings. You will note from studying the transcript that he too expressed deep concern over some of the conflicting testimony. Possibly you will want to discuss this matter with him.

I shall await with interest a personal reply setting forth your views on the issues raised in the hearings. Furthermore, we will need specific information as requested in the attachments referring to the hearings transcript. The integrity of the farmer-elected committee system, as an effective part of our farm program, is at stake.

Sincerely yours,

HUBERT H. HUMPHREY.

Mr. HUMPHREY. Mr. President, I also ask unanimous consent to have printed in the body of the RECORD at this point an editorial from the November 17 issue of the Independent Republican, of Springfield, Mo., on the subject of the Missouri situation, entitled "Political Connivery," along with an article from the November 17 issue of a newspaper at Salem, Mo., summarizing the hearings conducted by my committee.

There being no objection, the editorial and article were ordered to be printed in the RECORD, as follows:

[From the Springfield (Mo.) Press of November 17, 1955]

POLITICAL CONNIVERY

One fact appeared obvious at the Senate subcommittee's 2-day hearings into the operations of the Missouri Agricultural Stabilization and Conservation program; politicians are trying to take it over.

True enough, ASC's genesis was in politics. It was born in a Democratic administration years ago. Probably at State levels and above it has always been quite political. But at local levels, partisanship has tended to fade through the years, at least in Missouri, until a Republican county may have a Democratic ASC committee, or vice versa.

Usually the men who serve are farmers, and usually members are kept in office for years, regardless of partisanship. They are elected by farmers and are presumed to reflect the local agricultural point of view.

Unquestionably, the Republicans considered the ASC part of the political spoils won when they finally overthrew a 20-year Democratic national regime. But in Missouri, it seems, they overstepped the bounds tradition has laid out for the ASC.

One of the wedges for political entry into ASC administration within the counties was the establishment of a new job, an office manager in each county. The State committee must approve the county committees' selections for the job, on the basis of qualifications. And one of the qualifications, implied if not stipulated by law, was that the appointee be a Republican.

It could be that politics began to boil at local levels in this case for not all county committees were willing to go along with partisan selection. And that is where the trouble arose; if the county committee objected, the State committee immediately fired it and appointed a more pliable, usually Republican, successor. And in at least one case when the new committee disagreed, it too was fired.

Now those committeemen so summarily dismissed were elected by the farmers and replaced by men who, in many cases, couldn't even be reelected to a second, full term.

In all the 48 States last year there were but 191 ASC men removed from office, and 49 of those were in Missouri. That, in itself, is a tipoff on the political pushing within the State committee.

Another fact that showed up badly for the Missouri ASC committee at the hearings was the fact that all too often it had either refused to let the county committee dismiss an office manager, or it had delayed such dismissal for months at a time. Yet, under the rules governing ASC administration it is clearly specified that the county committee has the sole right to remove that appointee at its own discretion.

Too, the State committee, bewailing the investigation as pure politics, had great difficulty explaining to probing Senators why there were just as many embroilments in purely Republican counties as there were in predominantly Democratic counties. Yet that was the case.

State Chairman Murray Colbert admitted he "didn't have the authority" to threaten county committees with firings when he stipulated they should hire GOP office managers. But he admitted that he did threaten and that he did fire on those grounds.

The State committee's actions hit close to home in the Ozarks. In Texas County, two committees were fired, and newsmen were barred from the office despite the request of the county chairman for their admission. In Barton County, the county committee tried to fire an office manager because it

alleged he was alienating farmers from the program. But, though the rules clearly give the committee that privilege, the State committee kept its man in office for a long time before finally consenting to his dismissal last week. Greene County felt the State committee's iron hand, so did Newton and Wright Counties.

We said, months ago, that Colbert had outgrown his political britches. The evidence is now before the people of the State to judge, not only for Colbert but for the whole State committee.

It could be that there will be some tailoring in the next Congress—some britches seams taken in, for example. It's about time.

[From the Salem (Mo.) Post of November 17, 1955]

SMALL TOWN TALK

Two Dent County ASC committeemen and a former ASC county chairman Tuesday heard an amazing indictment of State ASC committee procedure in Missouri.

Everett Kunkel and Clark Plank, present county committeemen, and Howard Chrisco, former county committee chairman, were not called on to testify about their past difficulties with the State ASC committee despite an invitation to appear at the United States Senate subcommittee hearing instituted by Missouri's Senators SYMINGTON and HENNINGS. But they did hear a tremendous amount of testimony as to ASC State committee activity as presented by members of their county committees. Most of this testimony was of the same pattern as that which would have been given by the Dent countians had there been time for them to present their case against Murray Colbert and his fellows on the State committee.

Most of the county committeemen who testified had been through the same experience, that of having been summarily fired for refusing to obey State committee orders in regard to the hiring and firing of office managers. These orders, at least to a layman, seem to be illegal, particularly those forbidding county committeemen the right to fire an unsatisfactory office manager. But, even though, all of them had been through the same experience, they seemed amazed that high officials such as the State ASC committeemen could show a flagrant disregard for simple regulations which county committeemen had enterpreted with ease. Those conducting the hearing, even the Republican sitting on the subcommittee, were in complete agreement with the county committeemen on this point.

United States Senator SCHOEPPEL, Republican, of Kansas, at first appeared inclined to defend the Republican appointees in the Missouri State ASC office, but by the end of the hearing the Kansas Senator seemed almost in league with his Democratic colleagues, Senators HUMPHREY, of Minnesota, and Missouri's great Senator SYMINGTON.

Senator SCHOEPPEL found it impossible to stomach the actions of a committee which seemingly has disregarded all the rules and regulations of their organization in an effort to enforce the appointment and retention of office managers who were not wanted by duly-elected county committees. The State committee, in instance after instance, has fired ASC committeemen on flimsily supported charges after county committees have failed to knuckle under and obey the illegal dictates of the State committeemen.

Senator SCHOEPPEL, in Monday's hearing, took Murray Colbert to task for the firing of a committeeman who had dared write Senator SYMINGTON of his grievances and had refused to obey Colbert's order to refute the statements he had to the Senator. SCHOEPPEL is quoted as telling Colbert, as he shook his finger at him, the committeeman "has a perfect right to his opinion * * * and he has a perfect right to write his Senator * * * You'll keep out of a lot of trouble if you select these people on merit alone.

It may be said, in fairness to the Kansas Senator, that he, as well as HUMPHREY and SYMINGTON, tried to keep the hearing on a fair and impartial basis and to keep the hearing from developing into a political sideshow with the majority Democrats using the hearing as a whipping post for the minority. As the hearing developed it became so evident that Colbert and his companions were so bent on putting Republicans into office manager jobs with authority to employ the rest of the office help, that politics could not be excluded.

It went far enough for one witness to testify that he thought Murray Colbert could do a good job of administering the farm program if he were his own boss. Pressed for an answer as to who was bossing Colbert, he asserted that everyone in central Missouri knew that Perry Compton, Republican State chairman, was directing the activities of the State ASC office.

Both Senators HUMPHREY and SCHOEPPEL perked up their ears at this information, and the Republican from Kansas declared with emphasis that if this charge "is true, I have faith in my Republican Party to clean up a sorry mess that should be cleaned up."

The evidence against the ASC State committee was so repetitious and convincing that it became apparent that the policy of the committee to put Republican office managers into every county ASC office in Missouri is inflexible and ruthless.

The result has been that some fifty-five Missourians, leaders in their communities, have been fired from elective offices, most of them on charges that did not actually exist or on trivial technicalities. The real reason for their dismissal was that they fought for the rights granted them under ASC regulations. As a consequence, for their willingness to stand up for the rights given them under ASC regulations, they have been fired and they will be forever barred from holding an ASC position, no matter how small.

The honor and integrity of these men, their competence and their ability, has been impugned with a ruthlessness that is reminiscent of dictatorship in its worst form. The Senate investigation started in Washington, transferred to Missouri, and to be continued in Washington and elsewhere, can result in no less than clarification of any ambiguous regulations, some of which the Missouri ASC committee is hiding behind. It may result in more strenuous measures, the least of which might be a general housecleaning in the State office of ASC for the hearing Tuesday revealed that ASC in Missouri, on the State level, is being mishandled.

Senator HUMPHREY did not need to be a prophet when he warned those attending the hearing that if this mess is not cleaned up, Missouri's county committee system will break down completely and as the county committee system is the basis of the farm program, "you will have no farm program and no farm price supports of any kind."

The conduct of both HUMPHREY and SYMINGTON, in our opinion, was exemplary. It is true both of them took occasion to wade into the State ASC chairman, but on every occasion they had ample evidence, usually unrefuted by State committeemen who constantly tried to evade rather than to deny.

Woe be unto Missouri farmers unless the ASC floors are scrubbed clean of the mess that now creates a stench that has been smelled all over the land.

Mr. HUMPHREY. Mr. President, I wish the RECORD to show that on January 4—after the Department had access to the sworn testimony supporting the charges in these news articles and the charges made by two Senators—the St. Louis Post-Dispatch reported that Mr. Murray Colbert had been reappointed State ASC chairman.

Mr. President, I want this body to know the type of nonpartisanship being shown in the administration of this ASC program in Missouri.

Mr. President, I ask unanimous consent to have printed at this point in the body of the RECORD an article from the December issue of the Maryville Daily Forum, announcing that this same Mr. Colbert is to be the main speaker at a "Salute-to-Ike" Republican fund-raising banquet tomorrow night, January 20.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MURRAY COLBERT TO SPEAK HERE IN SALUTE TO IKE

Murray Colbert, head of the Missouri Agriculture Stabilization Committee, will be the main speaker at the January 20 "Salute to Ike" Republican fund-raising banquet here, Henderson Tonnies and Leigh Wilson announced today.

The $10-per-plate campaign fund drive is being sponsored by the Nodaway Young Republican Club of which Tonnies is presently chairman. Wilson is chairman of the Nodaway County Republican Central Committee. Reservations will be limited to 200 and may be made with either Tonnies or Wilson.

The dinner will be held at the new Micky's Restaurant here. It also is expected that Republicans from Atchison, Holt, Gentry, and Worth will attend.

Colbert and his State ASC committee were under fire here December 3 when Senator STUART SYMINGTON spoke here at a district Democratic meeting.

The "Salute to Ike" dinners will be held throughout the Nation January 20. St. Louis and Kansas City will hold $100-per-plate fund-raising dinners.

It is understood that the only other one to be held in this area will be held in St. Joseph.

Mr. HUMPHREY. Mr. President, I have seldom encountered such outright disdain for evidence gathered by a subcommittee of this body as has been exhibited by Secretary of Agriculture Benson.

I now ask unanimous consent to have inserted at this point in my remarks a letter which I have sent to Mr. H. L. Manwaring, Deputy Administrator of the Commodity Stabilization Service in the Department of Agriculture, who made the reappointment of Mr. Colbert in the face of the serious charges against him.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JANUARY 12, 1956.

Mr. H. L. MANWARING,
Deputy Administrator, Production Adjustment, Commodity Stabilization Service, Department of Agriculture, Washington, D. C.

DEAR MR. MANWARING: Recently I submitted to the Secretary of Agriculture a report on the hearings held by the Subcommittee of the Senate Agriculture and Forestry Committee on the farmer-elected committee system in Jefferson City, Mo. You will recall, I am sure, that both Senator SYMINGTON and Senator HENNINGS during the past year have brought complaints to the Senate concerning the operation of the ASC committee program in Missouri. Along with my letter to the Secretary, I attached excerpts from the testimony taken at those hearings under oath. I also submitted a

number of questions. Up to this time I have had no reply.

I must say, Mr. Manwaring, that the circumstances surrounding the operation of the State and county ASC committes in Missouri are nothing short of deplorable. As chairman of the subcommittee, entrusted with the responsibility of conducting an inquiry into the ASC committee program, I have attempted to understand and know the rules and regulations prescribed by the Department relating to this committee structure. It is my opinion that those rules and regulations have been flagrantly violated in the State of Missouri.

Furthermore, there is outright political manipulation and open partisan politics on the part of the State chairman of the agriculture stabilization program in Missouri, Mr. Murray C. Colbert. Attached is a photostatic copy of a news item from the Maryville Daily Forum of Maryville, Mo. It speaks for itself. I read in the St. Louis Post Dispatch of January 4 that Mr. Murray Colbert had been reappointed as the State chairman. This reappointment has come about at a time when his office is under investigation by a duly established subcommittee of the Senate. The charges that have been brought against Mr. Colbert by the two United States Senators from his State, along with many elected county committeemen, remain unanswered. In light of these circumstances, I feel compelled to vigorously protest Mr. Colbert's reappointment. More important, I am constrained to say that neither you nor the Secretary of Agriculture have made satisfactory reply to any of the charges or to any of the inquiries submitted by the subcommittee.

I wish to now inform you that you will be asked to testify before our subcommittee and be asked to answer the questions placed before the Secretary. I respectfuly suggest that the appropriate Department officials study the testimony taken at the Jefferson City hearings, carefully analyze and study the questions submitted to the Secretary and respond in written statement immediately.

I have had little or no cooperation from the Department of Agriculture on this subject. I asked that the Department have one of its representatives attend the hearings. The request was rejected. I asked for other information, which finally came to me on the day before the hearings, despite the fact that the request was made 6 weeks prior to the scheduled hearings. There is no plausible excuse for this sort of indifference and lack of cooperation. It can only be interpreted to indicate disrespect and disdain for an official subcommittee of the Senate.

The Secretary of Agriculture in his testimony before the Senate Committee on Agriculture and Forestry, on Thursday, January 12, stated that the soil bank program would be administered by the ASC committee structure. It is imperative, therefore, that the farmer-elected committee system be removed from partisan politics and be free of official coercion and intimidation—both of these unfortunate and regrettable conditions exist in Missouri. There are reports that indicate that similar conditions prevail elsewhere. You, sir, as the Deputy Administrator of the Commodity Stabilization Service, entrusted with the responsibility for the ASC program, have the duty under law and regulations to administer this program in an efficient and nonpartisan manner. I respectfully request that this be done.

Sincerely yours,

HUBERT H. HUMPHREY.

Mr. HUMPHREY. Mr. President, I wish to conclude my statement with reference to the Missouri situation with these remarks:

Last September I asked the cooperation of the Department of Agriculture in conducting hearings. As the Senator delegated by the chairman of the committee to conduct the hearings, I asked the Secretary of Agriculture to help us by assigning at least one member of his legal staff to our subcommittee so that we might really weigh the charges as they were being brought to our attention. I received no cooperation whatsoever. I did not even receive a reply to my letter until about 3 days before the hearings. Almost 2 months elapsed before a reply was forthcoming.

Furthermore, I asked for certain information relating to charges which had been brought by the State chairman against the county officials and against township committeemen, and the replies which had been received. But, Mr. President, I did not receive that information until about 3 or 4 days before the hearings started.

It is exceedingly difficult to do a creditable job when one receives little or no cooperation. I suppose one could tolerate that kind of indifference about maladministration, but, Mr. President, I do not tolerate flagrant violation of the law by a Cabinet official. I charge on this floor that the Secretary of Agriculture and his deputy, Mr. Manwaring, for whom I have had great respect throughout the years, are guilty of violations of law. I charge, furthermore, Mr. President, that they have ignored or, at least, have shown callous indifference to sworn testimony taken at the hearings.

I should like to ask the Secretary how it happens that he can still employ people on the Federal payroll who have been dismissed for a month or 2 months but are still receiving Federal checks.

I want to know whether or not the provisions of the Hatch Act applied to those appointees in the State ASC program; and if they did not, when they were repealed. Furthermore, I want to know if those in authority in the Department of Agriculture put roadblocks in the way of a duly selected and authorized subcommittee which was carrying out a formal request for a formal inquiry or investigation into a matter of great public importance.

Mr. President, there will be more about this. The hearing is not completed as yet.

I did not quite believe the charges which were brought at the time they were presented by the two Senators from Missouri. I thought they must have been very much exaggerated. I thought possibly they might relate to some local political issue. But as I went into the hearing, Mr. President, and witnessed what was going on, and heard the sworn testimony of dozens and dozens of fine farm people, I must say that the two Senators from Missouri were modest, were temperate, and indeed were most fair and considerate. I know that they will be here to give further information as to what has happened.

So without any further ado, I assure the Members of the Senate that the whole subject matter will be thoroughly investigated and aired. I, for one, do not feel that a soil-bank program which will be administered through State ASC committees will be a very good program if this kind of situation continues. If we cannot trust the local county committees, the State committees, and the State chairmen with the program, it will not be possible to make the soil-bank program work.

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded, and the Chair lays before the Senate the unfinished business.

AMENDMENT OF THE NATURAL GAS ACT, AS AMENDED

The Senate resumed the consideration of the bill (S. 1853) to amend the Natural Gas Act, as amended.

Mr. POTTER. Mr. President, as I was on my way to the Senate today to participate in the discussion on the natural gas bill, I was searching my mind for a word which would most aptly describe the situation in which we find ourselves. After much thought, the only word I could think of which truly fits the situation today is the word "ironic."

Yes, indeed, it is ironic that the natural gas bill should be the first major bill scheduled for debate.

I shall explain my reasons for feeling that it is ironic.

For a good many months there has been a considerable amount of attention given to the plight of our farmers, for instance, and of the crying need for immediate action to alleviate their situation, just as soon as Congress reconvened.

If ever there has been general agreement on both sides of the aisle on the need for legislation to correct any given situation, I think certainly there was the agreement that our farmers' condition needed our attention.

I certainly will grant that the means to achieve this end were decidedly different on opposite sides of the aisle, but the end to be achieved was in general agreement—and, of all things, there was agreement on the need that it be done quickly.

I do not believe there is any question that there was also a large area of agreement on the necessity of action in this Chamber on the situation today with respect to our schools.

The overcrowding of existing classrooms, which has been bad in the past, is even worse now and promises to get increasingly critical with each successive month—yes, each week. This issue, too, needs our immediate and undivided attention, if a most deplorable state of affairs is not to be reached.

Here again there is agreement, not just on both sides of the aisle of this Chamber, but also among huge segments of our society.

Millions of our people agree on the need for immediate action to overcome the overcrowding of our schools.

In other words, a very sizable proportion of our total population is asking us to get busy on that job.

And—as if these two issues which I have already mentioned were not sufficient—let us turn also to the pressing highway problem.

Here we have a problem, which not only involves, again, millions of our citizens and major segments of our economy,

but is a problem which involves the very lifeblood of our national transportation system, and perhaps even more importantly our very own national defense.

Although we are at peace today, and the indications are that through the enlightened and progressive leadership of the Eisenhower administration we will be at peace for many years to come, still, can you imagine, Mr. President, what a critical situation we would be in should a national emergency arise?

How tragic it would be if lives were lost because of inadequate transportation facilities, inadequate roads with which to empty the cities of their citizens, inadequate roads to bring food and medical supplies in and out of emergency areas, inadequate roads to move the necessary men and materiel to carry on the defense of our country.

How sad all this would be if we found ourselves confronted with some sort of a war situation or national emergency and then realized that we were not prepared because when things were rosy we relaxed and took it easy and did not prepare for the eventualities of the future.

Again I am sure there would be a great deal of agreement on both sides of the aisle in this Chamber, and across the country, if we were to say that there are many other issues which demand our attention.

The situation of our aged and aging citizens is one which is coming to affect a larger and larger group of people each day.

It, too, is a problem which involves millions of people. It is a problem which demands our attention without unnecessary delay.

We will all agree, I feel sure, that there is a need for adjustments in our social security provisions in order to take care of those who are now inadequately cared for.

We should give our attention to the need for expanding our medical research programs, so as to safeguard and improve the health and welfare of our entire Nation.

Mr. President, I am sure I could name many more issues which are of extreme importance, and I know that my colleagues could name many other issues, as well, all of which demand immediate attention and all of which affect many many people.

And now the second session of the 84th Congress is underway. For only a few days have we been together, and one of the first things brought to our attention is a bill which would amend the Natural Gas Act in such a way as effectively to destroy any control over the price regulation of natural gas.

This bill is brought first to our attention to consider; and if passed, it would be to the great benefit of the natural gas producers.

According to testimony presented to the Committee on Interstate and Foreign Commerce, of which I am a member, the passage of the bill would be to the benefit, at the most, of roughly some 8,000 gas producers altogether.

The point which it is so important to make at this time is that with such a small segment of our population benefitting, it is indeed ironical that the Senate should be considering the natural gas bill at this time.

Is it right that we now say to the farmers, "We are putting you on the back shelf for the time being"?

Is it right that we should say to all the parents and educators, and all others concerned in the improving of our school situation, "We are putting you on the back shelf for the time being"?

Is it right that we should say to those who are so vitally concerned with our highways—our aged and aging people and all others who are interested in major issues at this time—is it right that we should say to all of them, "We are putting you on the back shelf right now so that we can consider a bill which will be of great benefit to a handful of major natural gas producers"?

We are putting millions of people on the back shelf so that we can consider an issue which involves, at the very most, a mere handful of persons or corporations who produce natural gas.

For many weeks I participated as a member of the subcommittee of the Committee on Interstate and Foreign Commerce in the hearings held on this bill. During this time witnesses representing all facets of this problem appeared before the committee to present their testimony.

Not one single producer—I should like to emphasize that—not one single producer afforded himself of the ample opportunity to plead his financial distress.

Not one single producer appeared before the committee to show us the records, to give us his figures, to point out in what way he was suffering financially from the present regulatory situation.

If their situation is as bad as they would like to have us think, why did they not appear to testify? There is a good reason, and I think that reason is quite apparent.

The natural-gas producers feared to appear, to open their books, and present exact figures, because to do so would be to open a Pandora's box of questions, the answers to which would have been embarrassing to their cause, to say the least.

I believe their answers would have disclosed that they are neither poor nor distressed.

I believe their answers would have served only to substantiate the existing evidence that they do not suffer under the existing regulation.

Even if the pending measure had merit, now is not the time to consider it.

I say it is not the interest of our people at large that we are serving when we put all the others on the back shelf and give special treatment to special interests.

How unfortunate it will be if the Members of this Congress place themselves in a position where the people can say we took time out from the needs of the people to give special treatment to special interests. Yes, ironic is the word for it—ironic indeed.

By the way, I think it would be timely to set the record straight on one particular point which has been of considerable personal irritation to me. For several years now it has been a national pastime for a good many members of the Democrat Party to openly accuse the members of the Republican Party of representing the interests of big business, or infer that they do.

The fallacy of such an accusation is readily apparent to anyone, and yet today we are presented with a bill, sponsored by my distinguished colleagues on the Democrat side of the aisle, which does nothing but give special treatment to a special segment of big business.

This must be, indeed, an awkward and uncomfortable posture for them to assume and to maintain.

Let us examine the record and trace the historical background of the natural-gas industry.

In 1938, because of a positive need, the Natural Gas Act was enacted and the Federal Power Commission was given the jurisdiction to regulate the rates charged by companies who were defined as natural gas companies because their sale or transportation of natural gas in interstate commerce was affected with the public interest. These rates were applied to all sales of natural gas for resale.

At the time of the passage of the Natural Gas Act some natural gas was moving into the streams of interstate commerce; but it was never dreamed or ever visualized that in 17 years tens of thousands of miles of pipeline highways would be constructed to every section of the United States.

No segment of American industry would have prophesied that in the same 17-year period $6 billion would have been invested by the distributing companies and municipalities in gas systems to serve a factory worker, a housewife, or an industry, wherever it might be located.

A man would have been called a ridiculous dreamer if he had stated in 1938 that by 1955 $4 billion would have been invested in pipelines to transport such volumes of natural gas that it has become basic fuel in every segment of our American economy.

In 1938, natural gas, by and large, was a wasted byproduct in the search for oil.

It was burned at the wellhead because it had no utility to the producer except in such local uses where it was economic to construct pipelines for limited consumption.

Purchase contracts could be made for unlimited supplies at ridiculously low figures, with the only obligation on the purchaser to find some means of transporting it from the wellhead to the user at a cost by which he could make a reasonable return. Even the most fantastic prophet never dreamed that in 17 years over 29 million families in the United States would be depending upon gas in the same way and to the same extent that they depend upon electricity, telephone, water, and public transportation systems for their economic welfare.

As I have stated, the Natural Gas Act of 1938 was enacted because of a positive need. The demand for Federal regulation of interstate movements of natural gas came principally from States and cities—basically the consumers.

They found that their efforts to control rates were often thwarted by lack of authority over companies transport-

ing gas from other States or over the basic rates charged for such gas applied on local distribution.

Only the Federal Government could reach into these interstate transactions in which companies controlling a large proportion of the gas supply escaped regulation.

The Natural Gas Act was designed to close that gap, and in general it confers upon the Federal Power Commission the same regulatory powers over natural gas in interstate commerce that it was already exercising over interstate movements of electricity.

Mr. President, as we have seen, the Natural Gas Act of 1938 was enacted at a time when the volume of interstate gas was fairly negligible as compared with the tremendous volume of natural gas flowing in interstate commerce as of today. Above and beyond the gigantic rise in the amounts of natural gas being transported in interstate commerce today, there are other compelling reasons why all segments of the natural gas industry should come under the regulatory activities of the Federal Power Commission.

In the past 10 years, or more, a number of insidious practices have been initiated with respect to contracts drawn up between the pipeline companies and the producers which have had a most adverse effect pricewise upon the consumer. In this respect, I refer specifically to the widespread use of escalation clauses in the contracts for sale of gas to the pipeline companies. These clauses are designed to produce automatic price increases—some of them several times their original starting rate.

There are other types of clauses which are most insidious, for example, the two-party favored-nation clause. Under this clause, the specified price in a long-term, fixed contract is increased in the event the buying pipeline company shall pay a higher price to another producer for gas in the same field or in any area specified in the contract.

Let me now describe the third party favored-nation clause, which is also highly questionable. Under this clause, the price is increased in the event an unrelated third party shall pay a higher price to another producer for gas in the same field or in an area specified in the contract.

Mr. President, I think that we must all agree that the poor consumer is in a most precarious situation when the acts of a second or a third unrelated party can so materially affect the price of natural gas.

If the regulation of natural gas was necessary in 1938, it is mandatory today.

Who gains from the bill? When there is introduced a bill of this character, which upsets the historic methods by which the rates of public utilities are determined, we may well assume that someone stands to gain by such a radical change. And it certainly follows logically that someone will lose by such a radical change.

It seems to me that it has been made abundantly clear, by the testimony before the Committee on Interstate and Foreign Commerce, as to who will gain from the passage of the pending bill, and it seems to me abundantly clear that the evidence shows that substantial increases in the price of natural gas are inevitable if the bill is passed.

Let us now examine the facts. First of all, just how much of this natural gas do we have?

How great is this recoverable reserve of natural gas, that we are told is apt to dry up and not be available for interstate commerce if this bill is not passed? The proven recoverable reserve of natural gas is presently estimated at 211 trillion cubic feet; and it is estimated that on the basis of the present rate of consumption, these reserves have a 23 year life. Think of it! 211 trillion cubic feet of gas now available—enough gas to last for 23 years if not another single cubic foot of gas were discovered. These are accepted facts which we set forth in our minority views, in connection with the report of the Committee on Interstate and Foreign Commerce, printed last July.

We have already stated that there is no question in our mind but that natural gas prices will increase as a result of the enactment of this bill, if it is enacted. It is axiomatic that continued increases in the wellhead price will result in increasing the value of the reserves of natural gas. Now we are getting close to the answer to the question as to just who will be benefited by the price increases resulting from the passage of this bill.

Some very interesting figures were revealed in the hearings on this bill. These figures show that two companies lead all other producers in the estimated reserves of natural gas.

One company possesses estimated reserves of 16 trillion cubic feet. A second company possesses reserves etsimated at 13 trillion cubic feet. The two companies together thereby control an estimated 29 trillion cubic feet—or approximately one-seventh of the total natural gas reserves of the entire United States.

Anyone who is familiar with the transcript of the hearings before committee will clearly recall that various witnesses testified that the price of natural gas would increase anywhere from the price of 20 cents per thousand cubic feet to 30 cents per thousand cubic feet. As we pointed out in our minority views, the principal economic witness for the producers themselves expressed the opinion that natural gas at double the 1953 price of about 10 cents per thousand cubic feet was a bargain.

All right, then; let us take them at their own figures. Or let us be more than conservative, and see what would happen with an increase of only 5 cents per thousand cubic feet. Take, for instance, the reserves controlled by the two major companies of which we have already spoken, the two companies which control approximately one-seventh of the total natural gas reserves of the entire United States. Each 5 cents per thousand cubic feet added to field prices will increase the value of the combined reserves of these two companies by $1,450,000,000. Think of it; $1,450,000,000 as a result of a price increase of just 5 cents per thousand cubic feet added to the field prices.

Carried a step further, if the Fulbright bill creates a situation in which prices are increased by 15 cents per thousand cubic feet, these two companies alone stand to profit by $4,350,000,000.

Lest anyone think we are singling out two specific producers for unfair consideration, let us broaden our investigation just a little.

A study by the Federal Power Commission itself shows that only 29 major producers sold approximately 63 percent of the interstate gas purchased in the field by pipeline companies in 1953. So, by and large, we are not talking about the approximately 8,000 producers which the proponents of the bill would indicate are in need of help. We are really talking about the 29 producers who sold approximately 63 percent of the interstate gas purchased in the field by the pipeline companies in 1953.

But throw them all in together—even the 8,000 producers; balance that, if you will, Mr. President, against the millions of consumers in this country whose interests need protection.

We have been talking about 2 major producers, and also about 29 of the major producers. We have also talked about the total of approximately 8,000 producers. Now let us look at the other side of the coin. When someone gains, someone else loses. Who is going to lose?

Any price increase in the cost of natural gas will inevitably follow the gas right up the pipeline, until finally the extra charge comes out of the consumer's pocket. The consumer himself will soon realize who is the loser. He will see it clearly spelled out for him in black and white on the gas bill he receives each month.

Mr. Charles S. Rhyne, general counsel of the National Institute of Municipal Law Officers, stated in an article which appeared in the Alabama Municipal Journal for October 1955, that if Congress passes the Fulbright bill the estimated increased cost to each consumer, as computed by informed experts, will be from $40 to $50 or more a year. Mr. Rhyne stated further:

> The Natural Gas Act grew out of an investigation by the Federal Trade Commission which revealed price gouging and exploitation of consumers by sellers of natural gas in interstate commerce. The Supreme Court of the United States had previously held that neither the State of origin nor the State of destination could stop this gouging and exploitation by controlling the rates charged by these sellers in interstate commerce.
>
> The Court held that under the Constitution the Federal Government has exclusive jurisdiction in this field. The act was thus adopted to bridge this gap or hiatus in Federal-State jurisdiction by providing Federal protection for consumers which the States may not constitutionally provide.

Mr. Rhyne continued:

> The Harris-Fulbright bill removes the jurisdiction of the Federal Power Commission over these sales for resale by independent producers, effectively scuttles the Natural Gas Act and returns consumers to the very uncontrolled price gouging and exploitation which the Natural Gas Act was adopted to end.

Mr. Rhyne pointed out:

> It is a basic tenet of our free-enterprise system that the helpless little fellow must

be protected from those in a position to exploit him. We have antitrust laws, laws requiring fair and truthful advertising, a minimum wage law, and a whole series of other regulatory acts designed for this express purpose. The Natural Gas Act, with its primary aim of preventing exploitation of consumers fits clearly within the basic tenets of our free-enterprise system and should not be changed so as to place these helpless little people at the mercy of sellers of natural gas in interstate commerce. It must be kept in mind that this is regulation of an essential public service and not an unreasonable interference with private business or private ownership of business.

One of the reasons why I am so vitally interested in this matter is that my own State of Michigan is one of the leading consumers of natural gas. In 1953, the helpless gas consumers, who are tied to the interstate pipelines by bonds of steel pipe, and are captives of those who supply them with this essential fuel, purchased some 167 billion cubic feet.

Taking into consideration all the States in this country who are concerned, we find that this 5-cent increase in the price per thousand cubic feet of gas at the wellhead would result in an annual cost to the people of the United States of nearly $269 million.

At this time, I should like to have the complete compilation of these figures, which were provided by the Federal Power Commission, printed in the RECORD.

There being no objection, the recapitulation was ordered to be printed in the RECORD, as follows:

Effect of increased field prices by States based on 1953 utility sales of natural gas [1]

	Total sales (thousand cubic feet)	Annual cost of field price increases per thousand cubic feet		
		5 cents	10 cents	15 cents
Connecticut	4, 260, 000	$213, 000	$426, 000	$639, 000
Massachusetts	15, 660, 000	783, 000	1, 566, 000	2, 349, 000
New Hampshire	850, 000	42, 500	85, 000	127, 500
Rhode Island	580, 000	29, 000	58, 000	87, 000
New Jersey	13, 900, 000	695, 000	1, 390, 000	2, 085, 000
New York	116, 750, 000	5, 837, 500	11, 675, 000	17, 512, 500
Pennsylvania	275, 340, 000	13, 767, 000	27, 534, 000	41, 301, 000
Illinois	232, 890, 000	11, 644, 500	23, 289, 000	34, 933, 500
Indiana	69, 350, 000	3, 467, 500	6, 935, 000	10, 402, 500
Michigan	167, 460, 000	8, 373, 000	16, 746, 000	25, 119, 000
Ohio	431, 890, 000	21, 594, 500	43, 189, 000	64, 783, 500
Wisconsin	34, 410, 000	1, 720, 500	3, 441, 000	5, 161, 500
Iowa	71, 820, 000	3, 591, 000	7, 182, 000	10, 773, 000
Kansas	222, 240, 000	11, 112, 000	22, 224, 000	33, 336, 000
Minnesota	91, 220, 000	4, 561, 000	9, 122, 000	13, 683, 000
Missouri	170, 500, 000	8, 525, 000	17, 050, 000	25, 575, 000
Nebraska	78, 330, 000	3, 916, 500	7, 833, 000	11, 749, 500
North Dakota	3, 650, 000	182, 500	365, 000	547, 500
South Dakota	14, 070, 000	703, 500	1, 407, 000	2, 110, 500
District of Columbia	13, 460, 000	673, 000	1, 346, 000	2, 019, 000
Florida	19, 190, 000	959, 500	1, 919, 000	2, 878, 500
Georgia	119, 440, 000	5, 972, 000	11, 944, 000	17, 916, 000
Maryland	29, 850, 000	1, 492, 500	2, 985, 000	4, 477, 500
North Carolina	4, 390, 000	219, 500	439, 000	658, 500
South Carolina	7, 790, 000	389, 500	779, 000	1, 168, 500
Virginia	28, 620, 000	1, 431, 000	2, 862, 000	4, 293, 000
West Virginia	105, 970, 000	5, 298, 500	10, 597, 000	15, 895, 500
Alabama	131, 920, 000	6, 596, 000	13, 192, 000	19, 788, 000
Kentucky	69, 510, 000	3, 475, 500	6, 951, 000	10, 426, 500
Mississippi	94, 780, 000	4, 739, 000	9, 478, 000	14. 217, 000
Tennessee	101, 750, 000	5, 087, 500	10, 175, 000	15, 262, 500
Arkansas	145, 750, 000	7, 287, 500	14, 575, 000	21, 862, 500
Louisiana	364, 530, 000	18, 226, 500	36, 453, 000	54, 679, 500
Oklahoma	173, 820, 000	8, 691, 000	17, 382, 000	26, 073, 000
Texas	890, 990, 000	44, 549, 500	89, 099, 000	133, 648, 500
Arizona	63, 810, 000	3, 190, 500	6, 381, 000	9, 571, 500
Colorado	109, 500, 000	5, 475, 000	10, 950, 000	16, 425, 000
Montana	36, 330, 000	1, 816, 500	3, 633, 000	5, 449, 500
New Mexico	63, 800, 000	3, 190, 000	6, 380, 000	9, 570, 000
Utah	36, 050, 000	1, 802, 500	3, 605, 000	5, 407, 500
Wyoming	20, 270, 000	1, 013, 500	2, 027, 000	3, 040, 500
California	672, 740, 000	33, 637, 000	67, 274, 000	100, 911, 000
United States	5, 376, 670, 000	268, 833, 500	537, 667, 000	806, 500, 500

[1] The following States had no utility natural gas sales in 1953: Maine, Vermont, Delaware, Idaho, Nevada, Oregon, Washington.

Source: Federal Power Commission.

Mr. POTTER. In 1954 there were in Michigan 1,229,000 consumers of natural and mixed natural and manufactured gas.

They consumed a total of 186,571,000,000 cubic feet of natural gas.

Each 1 cent of increase in producer prices would cost them a total of $1,867,500.

The producers have been saying that 25 cents per 1,000 cubic feet is the price they are heading for.

This is to be compared with a present average price of 10 cents.

The producers are well on the way to realize their goal—as the new contracts are being written with prices of 21 cents and 22 cents per 1,000 cubic feet.

When the 25-cent level is reached, and spreads, by reason of the escalation clause, to become the average price, this 15-cent increase will cost the consumers of Michigan a total of $28,012,000.

Some further very interesting statistics have been provided for us by Mr. James H. Lee, assistant corporation counsel of the city of Detroit, Mich., in charge of public-utility matters, who appeared before the Interstate and Foreign Commerce Committee. Mr. Lee is also chairman of the Committee on Electric, Gas, and Telephone Rates of the National Institute of Municipal Law Officers.

Mr. Lee cites these reasons for opposing the Fulbright bill:

1. The Fulbright bill in effect takes an estimated $200 to $800 million per year out of the pockets of approximately 60 million consumers and funnels these millions chiefly into the coffers of approximately 100 big oil and gas companies.

This would be a congressional giveaway, not of public funds but of gas consumers' money. Oil and gas companies are not here pleading need, or lack of profits, under the existing provisions of the Natural Gas Act. They are rich and growing richer, in part due to their congressionally granted 27½-percent depletion tax exemption. The additional exemption or windfall proposed by the Fulbright bill at consumer expense is inequitable, unjust, and not in the public interest.

2. Natural gas customers are captive customers. The producer, transporter, distributor, and ultimate customer are physically linked together. Natural gas is unique in that it can only be transported economically through a pipeline. The freedom of action, or choice of several suppliers, found in the buying and selling of commodities and goods in the open market is not found in the sale of natural gas in the field, at the city gate, or at the consumer's meter. All other captive customers like telephone users, electric consumers, water consumers, etc., are under our system protected against price gouging. The statutory provisions which the Fulbright bill scuttles are the only provisions that can protect the captive gas consumer.

3. Natural gas consumers are helpless from an economic standpoint to protect themselves against price exploitation by the giant oil and gas companies who dominate the natural gas market—too few control too much of the market for it to be competitive—and the Supreme Court of the United States has found that the primary purpose of the Natural Gas Act is "to protect consumers against exploitation at the hands of natural gas companies." When properly interpreted and administered, this act has provided just and reasonable rates and Congress should not now change the act as Senator FULBRIGHT proposes to allow such exploitation.

4. If the Fulbright bill is adopted, prices will be raised to exorbitant levels by use of escalator clauses, most-favored nation clauses, spiral clauses, and unjust and unreasonable field-price formulas. And no effective power to protect the public interest will exist.

5. The Fulbright bill recreates the very evils—the exploitation of consumers—which the present act is intended to eliminate, as it allows big oil and gas companies who so dominate the field as to have monopoly powers, to extort unreasonable and exorbitant prices for an essential public service by revoking the power under the Natural Gas Act to require "just and reasonable" prices.

6. Under the Natural Gas Act the industry has prospered greatly, is now gigantic in size, serving millions of consumers in several hundred cities. The effect of natural gas on the national economy is tremendous. The unique characteristics of the business, the scarcity and monopoly of supply, along with monopoly of transportation and absolute dependence of consumers upon one source, cause the natural-gas industry to be affected with a compelling public interest which Federal regulation must protect or no protection exists. The few-pennies-for-producers argument advanced by proponents of the Fulbright bill is unsound, illogical, and contrary to every basic principle of regulation of business affected with a public interest under our system of free enterprise.

7. The Natural Gas Act was passed to close, and did, in fact, close, the constitutional regulatory gap which denied the

States the right to regulate sales of natural gas when made in interstate commerce. No one can dispute that such sales will continue to be interstate sales. And it is unchallengeable that such sales can only be regulated under the Federal Constitution by the Federal Government. Should the Fulbright bill be passed, no regulation of such sales will exist, this gap will be reopened, and a twilight zone recreated wherein consumers will be at the mercy of unregulated producers with runaway, uncheckable prices certain to result. The continuous pipeline chain from producer to captive consumer can be no stronger than its weakest link—if control over producer sales is ended, the whole consumer protection chain is effectively broken forever.

8. Emasculation of the Natural Gas Act as provided by the Fulbright bill thus means no effective protection at all for natural-gas consumers as the States are constitutionally prohibited from protecting consumers on interstate sales prices and intrastate controls are impractical—ineffective and futile as the States must force onto consumers without question every producer price increase no matter how exorbitant and unreasonable it may be.

9. Due to the lack of producer competition in the field, there is a monopoly "sellers" market, competition is only between buyers—not sellers with buyers outbidding each other for this scarce and much needed produce. As illustrative of what the elimination of the "just and reasonable" rate requirement of the Natural Gas Act by the Fulbright bill means, one need only consider the tremendous increase in producer prices which has occurred in recent years while the Federal Power Commission has stood idly by, under its selfdenial of jurisdiction which the Phillips decision reversed. The producer price to pipelines has increased an average of 84 percent since 1947 with some recent contracts jumping from 200 to 300 percent in the past two years—about 5 cents in 1947–49, 9 cents in 1953, and recently 20 cents in Louisiana. As another example, one pipeline under the "field price" formula espoused by the Fulbright bill has "written up" the value of its natural-gas reserves fifteen thousand percent. Power to call a halt to this tremendous upward price spiral simply must exist rather than be destroyed as the Fulbright bill proposes.

10. The Natural Gas Act's provisions requiring the Federal Power Commission to fix "just and reasonable rates" is fair to both producer and consumer and should not be eliminated so as to permit producers and gatherers to charge unjust and unreasonable prices.

11. Consumers relying upon the congressional promise contained in the Natural Gas Act of 1938 of "just and reasonable" rates have spent approximately $10 billion for gas-burning equipment, thus supporting the nationwide expansion of the natural-gas industry in recent years. Now that consumers have acted in reliance upon this congressional promise, it would be highly inequitable for the Congress to withdraw that promise by adopting the Fulbright bill, thus causing millions of dollars of producer rate increases to descend upon them and destroy this consumer investment if forced to turn to other fuels. Natural gas is an essential public service—not a luxury as Senator FULBRIGHT contends. If the consumer protections are thus scuttled by the Congress, no effective regulation will exist and producer price increases—already totaling millions—will "automatically" go into effect and disaster to his pocketbook will be the consumer's lot.

Mr. PURTELL. Mr. President, will the Senator yield for a question?

Mr. POTTER. I would prefer not to yield at this time. I shall be glad to yield after I have concluded my statement.

At this juncture I should like to read a portion of the statement made by Mr. Dale H. Fillmore, corporation counsel for the city of Dearborn, Mich., before our Committee on Interstate and Foreign Commerce in opposition to the bill at hand. He said:

In support of and as reasons for such opposition, I will set forth the following:

Approximately 120,000 small consumers of natural gas in our city will be at the mercy of the large producers of natural gas to charge whatever the market will bear if the proposed legislation is adopted. The control by the Federal Power Commission of the price of gas at the wellhead will be wiped out, and gas will cost any sum the buyers agree to pay for it. This cost will be included as an operating expense in the price to the ultimate consumer.

Such increased prices will mean windfall profits to the producers, resulting in a huge giveaway by the Congress, not of public money but of the consumers' money. Such profits have been conservatively estimated to be between $200 million to $800 million annually, depending on how much the wellhead price is raised.

While there are somewhere between 4,000 and 8,000 small independent producers of natural gas which enters interstate carriers, approximately four-fifths of the gas in interstate commerce is produced by the so-called independent producers who would be exempt from regulation, if the Fulbright bill is made law. Of this number 7 producers sell one-third of the total and approximately 100 producers sell more than 85 percent of the total. A few large producers, mostly major oil companies, make most of the sales to pipeline companies.

Ultimate consumers of natural gas will not be protected against price increases by the so-called long-term arm's-length contracts between the pipeline companies and the independent producers because most of such contracts contain various kinds of escalator clauses as well as providing for renegotiation. Unless such price increases are based on a reasonable cost price with regulation by the Federal Power Commission, the consumers will have to pay whatever the traffic will bear.

During the last 3 or 4 years, the Federal Power Commission has had a great many applications by pipeline companies filed with it for increase in their rates at what they call the fair field price. These increases have substantially all been based on the fair field price of gas as compared with the reasonable cost thereof.

Federal regulation at the wellhead is necessary because natural gas is a commodity different than any other commodity in interstate commerce, it can be transported practically only through pipelines which are constructed at great expense to the pipeline companies. The result is virtually a monopoly existing in the pipeline companies which requires reasonable regulation. Natural gas in that respect differs from coal, oil, grain, and almost any other commodity handled in commerce.

Mr. President, I certainly would not want anyone to labor under the impression that the proposed term "reasonable market price" carries any real meaning. Actually, it is meaningless. It has no defined limits. It is as wide open as "all out doors." Now let me explain the bill.

The pending bill provides that if a pipeline seeks a rate increase because of any new or renegotiated gas purchase contract from a person other than an affiliate, the pipeline may include as part of its cost of service, that is, the pipeline may pass along to the consumers, only such part of the contract price as does not exceed the "reasonable market price" of the gas.

While there is no definition of "reasonable market price," the bill says that the Commission should consider among other things whether the price has been competitively arrived at, the effect of the contract upon the assurance of supply, "and the reasonableness of the provisions of the contract as they relate to existing or future prices."

This provision may sound plausible, but when examined in light of the facts of the gas business, it will be seen to give no protection whatsoever to the public.

Take first a new contract.

The standard of reasonable market price is novel in the law, has no historical background, and is not supported in the bill by any positive set of criteria.

Mr. President, it seems to mean whatever the traffic will bear, which is a shocking standard to use in fixing a price for 29 million gas consumers.

All the pipeline would have to show would be that the initial price to be paid under the contract would be the going price for recent gas sales contracts.

The standard of reasonable market price is, therefore, a rubber yardstick, continuously being stretched through the close control exercised by the major producers.

The notion that the contract is made at arm's length bargaining is a mistaken one, because one party to the contract—the pipeline—is simply a middleman who will pass the price along to the distributing companies and they to the ultimate customers.

If it is arm's length bargaining, one side, the consumer, is represented by somebody else's arms.

Furthermore, this provision gives the public no protection against profiteering by the gas producers.

As to renegotiated contracts, this usually refers to the situation where the producer will sell a larger quantity of gas to the pipeline only if the supposedly firm price on gas already under contract is increased.

The provision, as applied to renegotiated contracts, is subject to all the objections as in the case of new contracts, and to the additional objection that renegotiated contracts should be treated the same as escalation clauses.

As we stated in the minority views:

In place of the simple direct language of section 2 exempting production from regulation, section 3, which purports to protect the consumer, is complicated and indefinite.

It provides a new and untried set of vague standards for the fixing of the price of natural gas at the source.

These standards are in addition to—and in conflict with—existing regulatory provisions of the act, which this proposed legislation does not change.

Their legal meaning and interpretation are in doubt, and it will be many years before the courts have settled the many questions that are bound to arise as to the meaning and effect of the proposed legislation.

Section 3 does not provide any effective criteria, and such semblance of protection as it may purport to give to the consumer will not stop the sharp increases in the price of natural gas at the wellhead.

Section 3 of the bill provides an indirect procedure whereby producers are wholly relieved of any responsibility with respect to the fixing of a just and reasonable price.

In fact, they are legislatively given a "hunting license" to seek the highest price the market will bear.

The section sets up a "reasonable market price" standard as the measure of cost which a pipeline company may charge in fixing its rate for the resale of natural gas.

In determining the reasonable market price, the Commission is to consider, "among other things," whether such price has been competitively arrived at, the effect of the contract upon the assurance of supply, and the reasonableness of the provisions as they relate to existing or future prices.

Another provision of the bill would empower the Commission to give an advance opinion as to whether the prices under a new gas purchase contract are the "reasonable market prices." After such determination the pipeline would be able to pass along to the consumers only such part of the contract price as did not exceed the reasonable market price.

Aside from the fact that this section would greatly delay the decisions of the Federal Power Commission in both certificate and rate cases, both the new subsection (b) and subsection (c) raise a difficult constitutional question:

In the unlikely event that these sections would actually operate in a particular case so as to permit the pipeline to pass along to the consumers only a portion of the price paid to the producer, the pipeline would have to absorb some of its actual costs of purchased gas.

It is doubtful that the Congress could constitutionally so require, as a utility must be able to recoup its legitimate costs if it is to be able to stay in business and not have its property confiscated.

Under another provision of the bill when the Commission has fixed the reasonable market price—under the new subsection (d)—the natural-gas company shall be obligated to pay to the producer only such part of the increase as does not exceed the reasonable market price.

The use of the rubber yardstick of "reasonable market price" as a supposed brake on the operation of escalation clauses makes these provisions subject to the same objection as in the case of new and renegotiated contracts.

All the pipeline company would have to show would be that the escalated price was the going price currently being paid.

But since the prices currently being paid by others are the events which touch off these escalation clauses, it is practically an automatic result that the escalated price is the "reasonable market price."

Therefore, while this bill gives an impression of consumer protection, actually this is a clever fiction and there is no protection whatsoever.

As stated in the minority views, the sponsors of the proposed legislation refer to the reasonable market price as the field price; in other words, the best price obtainable in the field where the gas is produced.

They defend the term on the ground that there is a balanced competitive market in natural gas fields which in the absence of regulation will provide reasonable and stable prices.

This thesis presupposes a price controlled by the supply-demand relationship.

It completely ignores the seller's market which has been developing during the past several years as pipeline companies in their search for natural gas have bid up the price.

The resource is exhaustible.

The demand is increasing.

New discoveries for 1954 did not keep pace with annual consumption.

The picture for the future is clouded. There is no evidence whatsoever that this seller's market will improve.

Under these conditions it is evident the criteria of competition in the field furnishes an illusory standard as a basis for regulating prices.

The other two criteria, namely, assurance of supply and reasonableness of the provisions of the contract, cannot be construed to put a brake on the upward trend of field prices set in a seller's market.

On the contrary these criteria, properly considered, actually give legislative sanction to the acceleration of the present rate of increase which characterizes the market.

A pertinent example of the total lack of competition is afforded by the experience of the Iroquois Gas Corp. negotiating for additional supplies in the Sheridan field in Texas in November 1954.

As shown by the record in Docket No. G-1969 before the Federal Power Commission, the producers refused to quote prices and demanded that Iroquois, together with other customers, submit blind bids.

In order to get the gas, Iroquois bid 16.5 cents per thousand cubic feet—a price then substantially above the market.

The shift to a seller's market was stressed by many industry witnesses engaged in the local distribution of gas.

In the past several of them had supported legislation exempting producers because of the existence of real competition in the field.

Under the present noncompetitive conditions the same experts oppose the instant legislation because it does not provide reasonable standards that will operate to fix a fair price for natural gas.

The majority report in analyzing the criteria of subsection (b) of section 3 and other comparable provisions to be considered in fixing the reasonable market price, attempts to accord to the phrase "among other things" a specific definitive status that would protect the consumer. All the factors the majority take into consideration relate to the quality of the gas, the character of the field in which produced, the historic trend of prices, and incentives for exploration.

The term as defined by the majority in their report does not expressly or inferentially authorize the Commission to take into account the factors necessary properly to arrive at a just and reasonable price or to fix even the maximum price in the various fields—authority which it now has under the Natural Gas Act.

The standard of "reasonable market price" is inflationary by definition.

Mr. President, the trend of prices in new gas-purchase contracts has been sharply upward all over the United States.

Consequently, new contracts are constantly being entered into at price levels substantially greater than prevailed 5 or 10 years ago.

If the escalation clause in an old contract is brought before the Federal Power Commission for review as provided for in subsection (d) and (e) of section 3, the Commission would approve the step-up in price in the great majority of cases.

This is because the old contract price, even as increased by escalation, would still be equal to, or less than, the current prices in new contracts.

To say the least, it would be very difficult for the Commission to prove that a new price, escalated up to the level of the most recent price contracts negotiated in the field, is not a reasonable market price.

Thus, the vaunted protection for consumers against the operation of the malignant favored-nations escalation clauses in existing contracts becomes totally illusory.

The fact is that the bill legislatively sanctions the use of all types of escalation clauses.

None of them are prohibited.

Under this bill the Commission would have no direct authority over them. Its power is limited solely to an advisory finding that the escalated price does not exceed the reasonable market price.

Certainly if the sponsors of this bill desire to protect the consumer against these pernicious clauses, it would seem logical for them to so draft the law as to effectively prohibit the use of escalator clauses—clauses which the majority report recognizes must be effectively controlled if the consumer is to be protected against unreasonable increases in pipeline rates as a result of the price increases due to the automatic operation of escalation clauses.

As we have demonstrated, the present bill does not offer the consumer even the minimum of protection to which the majority say he is entitled.

Another contention of the proponents of this bill is that regulation under the existing law will tend to kill the incentive for the discovery of gas and thus diminish our reserves.

Most dire predictions have been made. They claim diminished reserves will result in higher prices to the consumer.

The plain truth is—and it is a matter of common knowledge—that few producers go looking for natural gas; most natural gas is found incidental to the search for oil.

The hearings on the bill will show that General Thompson, of the Texas Railroad Commission, in testifying in support of the bill, stated:

Nearly all gas discoveries, in my experience, have been found incident to the search for oil.

The search for oil will continue simply because of the profits to be made in the business.

Above and beyond this is the fact that the Federal Power Commission historically has always exercised its regulatory power toward the end that a fair and equitable return will be made on an investment.

Regulation under the existing law does not contemplate in any manner a hardship upon the natural-gas producer.

As a matter of fact, the law as it now exists is a safeguard to the producers and, at the same time, to the consumers.

The proponents of the bill have stated emphatically that it is not a decontrol measure. I must take issue with them on that contention.

The effect of the bill will be to rob the Federal Power Commission of any real regulatory power in the interests of the consumer.

However, I am happy to find that the advocates of the bill recognize and do not deny the constitutional authority of the Federal Government to regulate interstate commerce.

Actually what the bill does is to seem to offer protection to the consumer, whereas, in fact, no such protection is to be found.

The bill is nothing more than a gimmick to substitute ineffective regulatory authority, not in the interests of the consumer, in the place of effective regulatory power, which we now have, and which is in the best interests of the consumer.

Historically, the gas-distributing companies have been regulated in the public interest by State and city regulatory bodies.

Pipeline companies which transmit the natural gas to the consuming areas are regulated under the Natural Gas Act of 1938. Under existing law the producers of natural gas flowing in interstate commerce are subject to the regulation of the Federal Power Commission.

In the interest of the public, regulation of all three segments of the industry is necessary and, in fact, mandatory.

Should the Fulbright bill be passed, one segment of the natural-gas industry would be removed from the regulatory power of the Federal Power Commission.

Under these circumstances, to what avail would be the regulation exercised by the various State public service commissions? To what avail would be regulation by the FPC of the pipeline companies?

The answer is indeed obvious: Such regulation would be to no avail, because the remaining segment of the industry would not be subject to any effective regulation.

It is like plugging two holes in a dike and leaving the third open. What a dangerous thing to do.

Mr. President, I have paid careful attention to the arguments of the proponents of the bill, and I must say that I do not find the arguments persuasive.

There is one argument in particular which is made by the proponents. Although it starts from a sound basic premise, which I heartily support, it applies that premise backward and leads to a false conclusion.

I am referring to the argument that the great principle of free enterprise, which we support, would somehow be served by the passage of the bill.

I believe this argument will not stand up under fair analysis. Indeed, it is invalid

In the first place, there is a false notion that the principles of free enterprise are inconsistent with the regulation of a business which is affected with a public interest.

The representatives of the $25 billion electric utility business would be very much surprised to hear that they are not engaged in free private enterprise.

So would the representatives of the $15 billion gas utility industry.

So would the million and a quarter stockholders of the American Telephone & Telegraph Co., a $12 billion system that is regulated in both its State and Federal aspects, and yet certainly regards itself as engaged in free private enterprise.

So the first point I want to make—and it seems obvious when one stops to think about it—is that the mere fact that a business so affects the public interest that a degree of governmental regulation is needed does not mean that that business is lost to the cause of free enterprise.

"Free" enterprise does not mean "hog-wild," irresponsible enterprise.

The second point I wish to make is that I believe I detect an incorrect notion as to the basis for the regulation of a business.

It seems to be implied by some of the proponents of the bill that only monopolies may properly be regulated. This suggestion is historically incorrect. It does not reflect good law or good government, and it is not good public policy.

In my opinion, Mr. President, the real basis for regulation of a business is the public interest.

It is true that when that business is a monopoly there is generally a valid reason why some of its practices should be regulated in the public interest.

It is true that when there is a monopoly, regulation is generally needed to prevent the business from determining the prices at which it sells its product to the public, for the forces of competition are not operating to protect the public. But it is simply not true that only a monopoly requires public regulation.

The real test is whether the industry, even though not a monopoly, is so close to the necessities of the public and is engaging in practices which are potentially so harmful to the public that the public interest requires regulation.

I believe in having a minimum of regulation.

I do not believe in regulation for its own sake. But when I am convinced that the public interest warrants regulation I believe that it is my duty to put the interests of the public first. This is free enterprise's best protection.

Let me give some examples of industries that are not monopolies, but which have required a substantial degree of regulation because of the public interest.

One such industry is the trucking industry.

inter-state trucking is far from being Interstate Commerce Commission, under the Motor Carriers Act, although interestate trucking is far from being a monopoly.

Intra-state trucking is regulated by the various States, although it is far from being a monopoly.

Still another example will be found in the milk business. Despite the considerable competition at all levels of that industry, the public interest has been found to require its regulation.

Mr. President, the first point I made was that free enterprise is not threatened merely because regulation of some of its practices is found necessary.

The second point was that the basis for regulation is not the absence of competition or the presence of a monopoly, but rather the requirements of the public interest.

My third point is that there is no substance to the argument that regulation may be proper respecting a service to the public, but not with respect to a natural resource that is sold to the public.

What would the proponents of the bill say about the water utility business? That industry, like the gas industry, sells its product to the public at regulated rates. Also, like the gas industry, it transports its product under regulation. Also, like the gas industry, it obtains its product from the earth.

Water, like natural gas, is one of our natural resources—whether it be taken from a well, or a stream, or a lake.

Hydroelectric power is another natural resource that is sold to the public and is regulated right back to the value of the falling water and of the dams containing it.

Thus it is not true that there is anything novel about the regulation of the business of extracting a natural resource from the earth for transmission and sale to the public.

If any further example were needed, one could refer to the natural gas producing industry itself.

Regulation of natural gas production by the States, before the passage of the Natural Gas Act, goes back several generations—confined, of course, to the intrastate natural gas business.

For the reasons I have stated, Mr. President, I ask two questions in arriving at a point of view on this bill. The first question is: Does the business deal with a public necessity?

And the answer is clearly "Yes."

The second question is: Do the practices engaged in by this business threaten the public interest? Although I am reluctant to conclude that the practices of any American industry threaten the public interest, I think that the record made before our committee forces me to come to that conclusion.

Mr. President, I conclude with a final word on the subject of free enterprise.

I believe that where the public interest requires regulation, if we are foolish enough not to have regulation we are laying the groundwork for loss of our free-enterprise system. Sound regulation of a business affected with a public interest is our best bulwark against such a loss.

The proponents of the bill contend that regulation of the natural-gas industry as now carried out by the Federal

Power Commission, under existing law, will have the effect of driving high-cost natural gas into interstate commerce and the lower cost gas into the intrastate market—thereby making higher prices for the interstate consumer. Nothing is further from the truth.

Their contention is based on the mistaken notion that the Federal Power Commission would allow a producer who engages in foolish and irresponsible practices to be, in effect, subsidized; that if he drilled 99 dry holes in his search for oil and discovered gas in the 100th well, the entire cost thereof would be the basis for establishing the price of the gas from the one well. Such a contention is patently ridiculous.

While it is true that the Federal Power Commission may grant a certificate to a producer who may experience bad luck in drilling, it is certainly not true that the FPC would approve a contract of a gas producer whose gas price is not just and reasonable and not in the public interest, that is, not in the interest of the consumer.

We must keep in mind that the FPC, under the present law, in determining a just and reasonable rate in addition to cost, must and does take other factors into consideration. Among these factors are the following:

First. The interests of the consumer.

Second. The assurance of the supply.

Third. Other similar prices for like amounts and qualities in the same area.

So if a producer drilled many dry wells, which would force up his cost of operation, he could pass that expense on to the consumer, with the Federal Power Commission determining the rates, because the Federal Power Commission is charged with the responsibility of looking after the interest of the consumer. The producer would have to meet the qualification of "other similar prices for like amounts and qualities in the same area."

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. POTTER. I prefer to conclude my statement before I yield.

In order that everyone who is following the progress of this discussion and is interested in the issue of proper regulation of this public utility may be informed, I am compelled to say a few words about the Hollywood style promotion of the pending bill by those who favor its passage.

When a good deal of effort is put into any particular program, I assume that it must be extremely worthwhile to those who are expending the effort. I have to point out that I have served some 8 years in the Congress, and never before have I seen such a well-organized and such a complete and exhaustive job of promotion in favor of a bill as I have seen in the promotion of the Fulbright bill. Almost everyone I know has been contacted and urged to contact me. Anyone who has a political interest, a legislative interest, or an economic interest, or might just happen to be a personal friend of mine, has been contacted. I am informed that the intensive promotion for the bill has even reached the point where vocabularies have been supplied to newspaper and magazine editors to guide them in writing about the issue. These learned men, who are already experts in their fields of writing and reporting, are being told exactly what words to use and in what way to use them, in order that the bill will appear in its proper light, according to the word of those who support it.

When such programs are being conducted on a professional and highly organized basis, I think it is only fair to point it out, and I repeat that it is my firm conviction that there is a great financial stake involved in the passage of the bill, or it would not be economically possible to stage a giant, professional promotion in favor of it. Never in my years of experience in the Congress have I seen anything to equal it.

Mr. President, I should like to reaffirm my interest in maintaining the integrity of free enterprise.

I always have fought, and always will fight, to protect free enterprise. It is the keystone of the very life and success of our Nation.

I believe the passage of the pending bill would constitute a threat to free enterprise.

I certainly believe that all the producers of natural gas, both large and small, are entitled to and should receive a fair and equitable return on their investment, and I further believe that this is assured under the present law.

As we know, the Supreme Court decision in the Phillips case was rendered in June of 1954. No evidence has been presented to substantiate the allegation that the producers have been harmed by the implementation of the law. On the contrary, they have prospered.

I think it is most unwise to try to change a law which has not been given a fair chance, particularly when the law is in the public interest.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. POTTER. I promised to yield first to the Senator from Vermont [Mr. FLANDERS].

Mr. FLANDERS. Mr. President, I have been very much interested in the strength of the arguments presented by the Senator from Michigan. It seems to me he has his subject well in hand, is clearly and deeply concerned, and has made an excellent statement of the reasons for his objection to the pending bill.

I should like to question the Senator on what may be considered as a minor point, but which I am quite sure, so far as my own constituents are concerned, is, in principle, a major point. There are both principles and objectives concerned in this question.

I was interested in the reference of the Senator from Michigan to the extent of the area in which Government controls can properly be applied. He mentioned, among others, the interstate trucking industry. Most of the folk in my part of the country feel that is an area in which regulation has gone wild. For instance, I have a constituent who owns 3 tractors and 4 or 5 trailers; but he can not engage in the trucking business across the State line. He must remain in Vermont, despite the fact that his market for trucking extends only 40 or 50 miles across the State line into New York. For the life of me, I cannot understand what business the Interstate Commerce Commission has in dealing with that situation. In the absence of better information, I am "agin" it. The same doubt extends to some of the other instances cited by the junior Senator from Michigan. However, in this case my doubt arises because there are different kinds of situations.

The Senator from Michigan spoke of water companies.

Mr. POTTER. Does the Senator from Vermont realize that the regulation of the trucking industry in interstate commerce is a result of the Motor Carriers Act, passed by Congress?

Mr. FLANDERS. Yes.

Mr. POTTER. I am not here to defend the Interstate Commerce Commission's action in complying with the regulatory duty imposed upon it by the Congress, by means of that act. My point is that it is not novel; there is nothing novel about having the Federal Government use its power of regulation when the public interest is affected. The point I wish to make is that a company does not have to be a monopoly in order to affect the public interest.

Mr. FLANDERS. That is an important statement. I wish to say that today and during the remainder of this debate we shall be deciding whether the regulatory power has been, or is likely to be, extended beyond its proper sphere—as was done, I believe, in the case of interstate trucking. So, to say that already, by act of Congress, interstate trucking is included, does not answer my question. The question is whether it should have been included.

Mr. POTTER. The Supreme Court has made the interpretation that, under the Natural Gas Act, as passed by Congress, sales of natural gas in interstate commerce do affect the public interest, and therefore such sales should be regulated. Natural gas is a commodity somewhat different from others. The very fact that it is different bolsters my reason for agreeing that the Federal Government does have responsibility in these areas. Congress has imposed upon the Federal Power Commission the duty of regulating the rates charged by the pipelines. Every State has a public utilities commission of some kind to regulate the price of natural gas sold by distributing companies. In connection with the distribution of natural gas, a steel pipe hooks together all parties in that situation, beginning at the wellhead and extending to the consumer. The consumer in that situation is a captive, and the distributing company is a captive. All of them are hooked together by the steel pipe.

If the Senator from Vermont can tell me how that situation can properly be handled without having Federal regulation of the price at the wellhead, in the case of gas sold in interstate commerce, without affecting the public interest, I should like to know it.

Mr. FLANDERS. I am still concerned at this time about the principle, rather than the objectives sought. The Senator from Michigan used the phrase "affected with a public interest," as designating the area in which Govern-

ment regulation should be allowed. I am not a lawyer, and, as I recall, neither is the Senator from Michigan.

Mr. POTTER. No; I am not, either. We shall call on our legal friends.

Mr. FLANDERS. Yes. I wonder whether there is a legal definition of the phrase "affected with a public interest" which limits the application of that phrase in some way, because the price of cheese is affected with a public interest, and so is the price of shoes; in fact, in the business world there is nothing that is not in a broad sense affected with a public interest.

If, in this instance, that term is to be applied in a special, limited way, that would appeal to me more than to have the phrase as it is found in the dictionary applied.

Mr. POTTER. It is my understanding that the definition of "public utility"—a definition which has been established and has commonly been accepted for many years—is so widely accepted that the phrase "affecting the public interest" is well defined. However, I should be very happy to have one of my lawyer friends elucidate further on that matter.

On the other hand, it is not novel or new; the public utility concept is, I believe, the strength of the free-enterprise system. Under that concept, whatever is a public utility or a controlled monopoly is regulated, in order to protect the public interest. If competitive industry operates freely, that process will assure the public of a reasonable price.

Mr. FLANDERS. Now the Senator from Michigan has used another phrase which seems to me more clearly to define the area in which Government regulation should apply; he referred to "a controlled monopoly."

Mr. POTTER. The reason for controlling monopoly is the effect it has on the public interest.

Mr. FLANDERS. Yes; but that does not mean that everything affected with a public interest should be controlled.

Now we have narrowed the term "affected with a public interest" in such a way as to begin to become comprehensible.

Mr. POTTER. In this case we have a captive consumer, who has invested perhaps $400 or $500 in gas appliances. If he does not like the price that is being charged him for natural gas, he cannot say, "I will buy from another company," because no other company is available to him in that area.

Mr. FLANDERS. That is true. So we have concluded that the gas company and the pipelines belonging to it are a controlled monopoly.

We have yet to decide, on the basis of our discussion, whether the source at the wellhead is a controlled monopoly. I think that is the point of the discussion.

I might mention one of the other companies referred to by the Senator from Michigan—namely, as I recall, the American Telephone & Telegraph Co., which is a controlled monopoly. It is true it is a private enterprise, but it is a completely controlled monopoly. The same is true of water companies, and the same is true of the distribution end, at least, of hydroelectric companies.

So companies in those areas are private enterprise. However, since they are controlled monopolies, they are subject to Government control.

Mr. POTTER. Does the Senator from Vermont favor doing away with the Motor Carriers Act, so as to remove the jurisdiction of the Interstate Commerce Commission from interstate trucking?

Mr. FLANDERS. I would remove that which prevents private enterprise from going into that business. It may be necessary to control the rate; that matter is open to debate.

Mr. POTTER. What about the safety factor?

Mr. FLANDERS. Yes; also as to safety. If my constituent's vehicles are unsafe, he should not operate them on the road. Furthermore, there should be regulations as to weight and other factors which affect the durability of the roads. But as for telling him that he cannot go into business, that is something else.

Mr. FULBRIGHT. Mr. President, will the Senator yield for a question?

Mr. POTTER. I yield.

Mr. FULBRIGHT. I have one question about the formula which the Senator suggested with regard to price. If I correctly understood him, he said that if a producer drilled too many dry holes the Federal Power Commission would not allow that expense to be included in his rate base. Is that what the Senator believes?

Mr. POTTER. I said that there are other factors which the Federal Power Commission must consider in determining the price. Cost is one factor. It is not the only factor. If the producer's cost is too high, certainly the consumer is not being protected. That is one of the factors which must be considered. The interest of the consumer is an important factor.

Mr. FULBRIGHT. That is correct. Am I to understand the Senator to mean that if a particular producer's costs are a little higher than the average, or higher than what the Federal Power Commission thinks they should be, the Commission will not allow such costs as a part of the producer's rate base?

Mr. POTTER. I say that the rate must be just and reasonable. In determining a just and reasonable rate, there are some pretty clear-cut criteria as to what allowances may be made. I do not believe the Federal Power Commission would ever allow a producer to include unreasonable costs. Either the Senator from Arkansas or some other Senator spoke of a producer who might drill many dry holes, and charge up all the dry holes to the interstate gas sales, keeping the producing wells on a one-shot basis for intrastate sales. While the cost is one of the factors which the Federal Power Commission must consider, it is not the only factor. If it would not be in the interest of the consumer to allow certain costs, the Commission certainly would not allow them. If such costs were not just and reasonable they would not be allowed.

Mr. FULBRIGHT. Do I correctly understand the Senator's position to be as follows: That if the costs of a particular producer were higher than the Power Commission believed they should be, the Commission would not allow that part of the costs which was in excess of what the Commission believed to be reasonable?

Mr. POTTER. If the costs were unreasonable or unjust, I do not think the Federal Power Commission would allow them.

Mr. FULBRIGHT. Would the Senator say that if a particular producer's costs were above the average in the industry, they would be unreasonable?

Mr. POTTER. I think the criterion is whether the rate is just and reasonable. There are certain definite factors to consider. I do not know whether the criterion would be the average cost, the minimum cost, or the maximum cost. Of course, cost is one of the factors to be considered, but the main criterion is whether the rate is just and reasonable.

Mr. FULBRIGHT. Let me put it a little differently. The Senator is familiar with the procedure for establishing rates for electricity in the city of Washington. Is it not true that all the costs of operation of the Potomac Electric Power Co. are included in the rate base, and that the company is allowed a 6-percent return on its invested capital?

Mr. POTTER. I assume it is.

Mr. FULBRIGHT. Does not the Senator know whether that is true or not?

Mr. POTTER. The criteria for determining rates in the city of Washington for electric power are not comparable to what we are talking about. We are talking about the Federal Power Commission establishing rates for gas producers. One of the major criteria considered by the Federal Power Commission in determining whether the rate is just and reasonable is the interest of the consumer. Another is the cost of production and operation.

An additional factor to be considered is the assurance of supply. I do not believe a producer could gain the approval of the Federal Power Commission by meeting only one qualifiction. He must meet them all in order to obtain a favorable decision from the Federal Power Commission. All the factors must be considered. If, for example, a company tried to charge all of its dry holes to the interstate part of its business, I am sure the Federal Power Commission—at least I hope it would—would say, "That is not a fair price. It is not just and reasonable. It is not in the interest of the consumer." That is one of the criteria.

Mr. FULBRIGHT. Then, as I understand, he would not necessarily get 6 percent, or a reasonable rate, on his invested capital. Is that correct?

Mr. POTTER. He would get a reasonable rate, but he would not get an unreasonable rate.

Mr. FULBRIGHT. Would all his costs be included? That is the point I am trying to make.

Mr. POTTER. Yes, if they were just and reasonable.

Mr. FULBRIGHT. How much would the Senator say would be just and reasonable?

Mr. POTTER. That is the responsibility of the Federal Power Commission. They have criteria by which to determine that question.

Mr. DOUGLAS, Mr. PURTELL, and Mr. THYE addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Michigan yield, and if so, to whom?

Mr. POTTER. I yield first to the Senator from Illinois.

Mr. DOUGLAS. Mr. President, is not the Senator from Arkansas getting this subject much more confused that it should be? Is not the issue in this industry simply this: When there are a number of drillings, what normally happens is that some are dry holes. Some produce oil, and a few produce gas. The original point which the Senator from Arkansas made in his main speech was that, since oil is unregulated, if gas were regulated, the cost of the dry holes would be charged against the gas. As a practical matter, could we not allocate the portion of the cost of the dry holes to be charged to gas in accordance with the relative yield of oil and gas? This subject is not so complicated as the Senator from Arkansas is trying to make out. It is a simple matter.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. POTTER. I yield.

Mr. FULBRIGHT. Only a third of the gas is produced in conjunction with oil. What is to be done about the two-thirds which does not come from a well which produces oil?

Mr. PURTELL. Mr. President, will the Senator yield?

Mr. POTTER. I yield.

Mr. PURTELL. I have just listened to a colloquy having to do with the cost of electric power. Certainly the Senator will agree with me that if coal is available — and it is, from many sources—and a power company should pay twice as much for coal as the same coal could be obtained for elsewhere, obviously the Federal Power Commission would have a right—and would probably exercise that right—to say that the full cost shall not be borne by the consumer.

Let us go back to the basic principle of the act which we are discussing. We are confusing the issue. We are restricting our discussion to the term "fair and reasonable." What does the bill call for? It calls for the fair-market price. What does "fair market price" mean? According to Webster's dictionary, it is a price established when the law of supply and demand operates normally.

Let us discuss the bill. The bill calls for the fair-market price.

Mr. THYE. Mr. President, will the Senator yield?

Mr. POTTER. I yield.

Mr. THYE. I should like to ask the distinguished Senator from Michigan if it is not true that we must trust the judgment and the justice of the individual members of the various regulatory bodies which govern many utilities by establishing rates for such utilities in municipalities. Must we not trust the various Federal agencies to establish rates and charges with respect to many functions? If we trust them with one phase, is it not reasonable to trust them with the responsibility of fixing a just and fair rate for natural gas at the wellhead, when the situation is entirely monopolistic? Once the gas is gathered and placed in the pipeline, the pipeline is the only means of delivering that fuel to a city. After the city has completely converted to natural gas, it cannot go to fuel oil. It cannot go to coal. It cannot go to the natural fuel resources of a particular area, such as wood. It must rely upon natural gas. Therefore, with respect to that natural gas, a virtual monopoly exists.

Mr. POTTER. The Senator is correct. The principle of a just and reasonable price is applied by the Federal Power Commission according to a well-established formula. It uses well-defined criteria for determining the price of gas, or of any other product it regulates. However, a so-called reasonable market price, which is provided for in the Fulbright bill, would be an entirely new concept for the Federal Power Commission. I do not know what the Commission would consider in that connection.

Mr. GOLDWATER. Mr. President, will the Senator yield for a question?

Mr. POTTER. I yield.

Mr. GOLDWATER. I should like to ask the distinguished Senator from Michigan a question about an entirely different phase of the subject we are discussing. I should like the Senator from Michigan to consider what I believe to be the basic issue before us. It involves what the Senator mentioned in his discussion. Free enterprise is one of our basic freedoms. It is freedom to engage in business with a minimum of Federal control, or even a complete absence of Federal control.

If the Senator from Michigan pursues his argument to its ultimate and logical conclusion, would he not arrive at the point where he would be in favor of Federal regulation of telephones, of power, or of domestic water obtained from interstate streams?

I have heard certain figures used. I believe it has been stated that the wellhead ratio to the consumer price is roughly 10 to 1. That is the average. It may go to 15 to 1 or 5 to 1.

Let us take electricity. Electricity is purchased at the bus bar at from 3 to 6 mills. That electricity is sold, on the average, for from 3 to 5 cents.

The ratio is 10 to 1 on 1 of the basic resources of this country. It is developed cheaply by private enterprise. Therefore, I ask the Senator whether he would extend his argument to the point where he would feel that the Federal Government should control also other basic parts of our economic life?

Mr. POTTER. Mr. President, when a power company sells power in interstate commerce, the power is controlled by the Federal Power Commission.

Mr. GOLDWATER. If it is a federally controlled dam or a federally controlled project, that is true at the bus bar, but it is not true at the bus bar if the project is privately operated and the power is fed into a grid.

Mr. POTTER. It is my understanding that when power is sold across State lines, it comes under the jurisdiction of the Federal Power Commission. I do not know what other regulation the Senator has in mind.

Mr. GOLDWATER. It seems to me we tend to get away from the basic issue before us. I wonder whether we are not actually arguing for the eventual socialization of all our business and industry. I know the Senator, indeed, I have known him for many years, and am sure he does not hold to that idea for even so much as a second. However, I suggest that he reason his argument through to what I believe the ultimate conclusion would have to be.

Mr. POTTER. I am sure the Senator agrees with me that one of the greatest strengths of our free enterprise system is found in our determination to keep a public utility business a public utility. When our competitive forces are allowed to operate, there is no danger of socialism. There is nothing new or socialistic about a public utility. I say the greatest dangers to free enterprise arise from the failure of the Government to protect the public interest.

Mr. GOLDWATER. If the Senator's argument is carried through to what I claim is its logical conclusion, we should have Federal control of everything which affects the lives of our people.

Mr. POTTER. I am not saying that; neither do I believe that.

Mr. GOLDWATER. If the Senator's argument is correct, it can be extended to iron ore, which is used extensively in Michigan, and to copper, which is an important commodity of my State.

Mr. POTTER. Of course the Senator from Arizona is completely unrealistic in what he says.

Mr. GOLDWATER. I do not know why I am unrealistic. Both products come out of the ground. The Senator is talking about gas, and I am talking about copper.

Mr. POTTER. The Senator in his example does not speak of a captive consumer. It is possible to buy iron ore at several places and to ship it by rail. Mills can buy it from various sources. It can be fabricated into many products. Natural gas is piped directly to the consumer. The consumer or the distributing company cannot go around the country to select supplies of natural gas.

Mr. GOLDWATER. Who creates the captive consumer? Is it the gas company or the public utility that says to the producer, "Sell me your gas, because I want to establish a gas business"?

Mr. POTTER. I assume the captive customer is created by the oil producers, who originally started the pipeline companies in order to get rid of a product which was considered a byproduct of the main operation.

Mr. GOLDWATER. The Senator's argument would eventually lead us back to State regulation, it seems to me.

Mr. POTTER. A State cannot regulate interstate commerce shipments.

Mr. GOLDWATER. But a State can regulate telephone rates and other rates. My State regulates the gas rate.

Mr. POTTER. Under the Constitution, a State cannot regulate the interstate movement of natural gas, or of anything else moving in interstate commerce.

Mr. GOLDWATER. It can determine the rate at which it may be sold in a community, however.

Mr. PURTELL. Mr. President, will the Senator from Michigan yield?

Mr. POTTER. I yield.

Mr. PURTELL. I have heard a great deal of discussion about private enterprise. It seems to me that is a screen which is being thrown up in this debate. It seems to me there is an attempt to clothe the bill in the mantle of free enterprise. Why do we not describe the bill as it is, and say what we mean by free enterprise. Free enterprise is free competitive enterprise. There is no freedom in the bill. There is no competition in the use of the gas. There is no free enterprise in the bill.

Mr. President, I wish to compliment the distinguished Senator from Michigan on his well-prepared address, which he has brilliantly presented in opposition to the pending legislation.

Let me say that what we must particularly look for in considering bills of this type is what their passage would do to the competitive capitalistic system. It is abuses practiced under our system of capitalism which will bring about its ruin, if the system shall ever be ruined. It may also bring about its restriction, if we permit such practices to be exercised.

Mr. THYE. Mr. President, will the Senator yield?

Mr. POTTER. I yield.

Mr. THYE. I wish to commend the distinguished Senator from Michigan for presenting a very intelligent, realistic, and well-reasoned argument in behalf of protection for the consumer. Once a city or a private home has converted to the use of natural gas, it cannot change to other fuels, but must continue to use natural gas until another conversion takes place. Whether it is a university, a municipality, or a private homeowner, once a user has converted to natural gas, he must depend upon that source of supply. That supply comes out of a pipeline, and the pipeline may extend across several States.

Therefore, a State has no jurisdiction over the supply of gas, or the cost of it. Once the gas has been assembled and put into the pipeline, the pipeline has the right to charge the cost involved in acquiring the raw product and the expense of piping it to the consumer.

I am willing to stand in complete support of the position taken by the distinguished Senator from Arizona [Mr. GOLDWATER], that a State or municipality should have the right to control its own affairs. However, natural gas is assembled in a pipeline in two or three States in the South or in the Southwest, and it is piped across several States to the ultimate consumer, whether he be located in my State or in a New England State.

It may be that a competitive field will be developed in the Northwest, for instance in Canada or the Dakotas, which will supply Minnesota. It is said that natural gas will not be found in Minnesota. Therefore, we must depend on a pipeline either from the Northwest, the South, or the Southwest. If we cannot control the gas because it is produced outside the boundaries of our own State, we must make certain that we do not set aside the decision of the United States Supreme Court on the question and throw the consumer, who is dependent upon the product of the pipeline, to the mercy of those in the gas field where the gas is extracted from the bowels of the earth. For that reason, I wish to commend the Senator from Arizona. It is not a matter of free enterprise. In this instance, it is beyond the control of either the municipal or State authorities, because it is outside their jurisdiction.

Mr. GOLDWATER. I should like to say to the distinguished Senator from Minnesota that I have been unable to find in the history of this country one instance when the Federal Government came into the picture that the ultimate cost to the consumer did not increase. It happened during the war, under controls, and it has happened in the entire history of the world in every instance in which government stepped in and took over control.

I might remind the Senator from Minnesota that the able junior Senator from Oklahoma [Mr. MONRONEY] presented some interesting facts with reference to the price of the wellhead gas. It is very small. The actual trouble, if the consumers in other States are in difficulty because of high rates as compared with the rates in Arizona, is not brought about by the price of the wellhead gas, but by the poor regulations within the cities in allowing profits which might well be questioned. The wellhead gas has nothing to do with it. It amounts to only ten cents or twelve cents.

Mr. POTTER. But, of course, as the Senator knows, the distributing company is the company which renders the service. State regulatory bodies are helpless to do anything other than to consider the cost of the gas furnished by the pipeline company to the distributing company. The cost can only be passed on to the consumer. State regulatory bodies are helpless to affect the cost of the gas at the wellhead.

Mr. PASTORE. Mr. President, will the Senator from Michigan yield?

Mr. POTTER. I yield.

Mr. PASTORE. I think the junior Senator from Arizona [Mr. GOLDWATER] actually put his finger on the point involved in the position of the proponents of the bill. His argument is that every time the Government begins to regulate it ruins the business. Then he ends up by saying that the rates are higher in New England because they are not regulated enough or because of poor regulation.

Mr. GOLDWATER. That is correct.

Mr. PASTORE. In other words, poor regulation is not regulation enough. Or is the Senator suggesting that we have no regulation at all, but that we have a free-for-all?

Mr. GOLDWATER. The Senator from Rhode Island has, in his very clever way, attempted to misconstrue my remarks. I am arguing that the attempt to control gas prices by controlling the wellhead prices under the Federal Government is not the solution to the high prices existing in various cities in this country.

Mr. PASTORE. Mr. President, will the Senator from Michigan yield further on that point?

Mr. POTTER. I yield.

Mr. PASTORE. Is it not obvious that the only motive behind the bill is to raise the gas rates and allow the producers and the gatherers to collect more money? It was reported in the Wall Street Journal of January 9, that the Federal Power Commission now has before it petitions involving millions and millions of dollars because of exorbitant rates. I ask the distinguished Senator from Michigan, what will become of those petitions the day after this bill shall pass. The rates which have been applied for will become the rates imposed upon the consumers. That is the reason why the bill was introduced—to allow the producers and the gatherers not to lower their prices, but to raise them. The "gripe" the producers and the gatherers have is that they are not charging enough and not receiving enough. It does not help the poor consumer to enrich the producer and the gatherer.

Mr. PURTELL. Mr. President, will the Senator from Michigan yield?

Mr. POTTER. I yield.

Mr. PURTELL. I should like to ask the distinguished Senator from Michigan how much protection the consumer could expect in the light of what we found existing in the prices set in the field, with escalator clauses, spiral clauses, favored-nation clauses, and so forth. The proponents of the measure recognize that these are abuses imposed upon the consumer, so they say, "You found it out, so we are ready to do something about cleaning it up."

Is it not a fact that these various abuses would continue to be perpetrated upon the people of it were not brought to their attention by the opponents of the proposed legislation? It proves conclusively the need for protection of the consumer who is without defense if he does not get it in this body and in the House across the way.

Mr. DOUGLAS. Mr. President, will the Senator from Michigan yield?

Mr. POTTER. I yield.

Mr. DOUGLAS. I, too, wish to join my colleagues in congratulating the Senator from Michigan for his very able and very public-spirited address. We in this body have learned to respect and admire and have a deep affection for the Senator for his record before he came to the Senate and since he has been a member of it, and our esteem and affection have increased during the period in which he has been engaged on this bill.

Mr. POTTER. I thank the Senator from Illinois.

Mr. LONG. Mr. President, will the Senator from Michigan yield?

Mr. POTTER. I yield.

Mr. LONG. Do I correctly understand the Senator's argument to be that there is no competition in the gas business? Is it the argument on behalf of

those opposing the measure that there is no effective competition in the business?

Mr. POTTER. My argument is that gas is in a seller's market and there is no prospect of anything other than a seller's market. It is not a true competitive situation.

Mr. LONG. Would the Senator be curious to find out that there are many locations in this country where there is no sale of gas, and it is still being flared because there is no sale?

Mr. POTTER. I think that is probably true. I believe that in Pennsylvania there are some gas wells which could be capped but which have not been, for lack of a pipeline. I say the competitive factor is negligible.

Mr. LONG. Does not the Senator realize that the producer has to sign a contract to sell the gas to a pipeline company, or, otherwise, the company will not lay the pipeline? Those who argue that the buyer is at a disadvantage are actually arguing contrary to the facts. It is the producer who is at a disadvantage. That is why gas is being flared.

The producer is unable to raise funds to lay pipes to get the gas to a market, and there is no sale for the gas. Surely the Senator realizes that the seller is in no position to bargain with 6, 8, or 10 of his buyers. He is lucky to have 1, 2, or 3 lines of pipe to his wells.

Mr. POTTER. What has happened in the industry has been that an element which once was a waste byproduct for which a market was found in interstate commerce. That is the real market for natural gas.

Pipelines, when they were first introduced, were mostly a means for producers to dispose of the natural gas in interstate commerce. I will grant that today there are many pipelines which are not owned by the producers.

But the fact remains that one of the interesting developments of the natural-gas industry has been the various favored-nation clauses and escalation clauses. If a producer had a 20-year contract, it meant very little so far as the price of gas was concerned. If John Doe could be persuaded to pay a few cents more under his contract with the pipeline, the price to everybody else then went up to the same level. If someone else could obtain a few more cents than was paid by John Doe, immediately the price went up to the new level. Actually, if one had a 20-year contract, it did not mean that he had a fixed price for 20 years.

Mr. LONG. Mr. President, will the Senator yield?

Mr. POTTER. I yield.

Mr. LONG. Does not the Senator realize that good commonsense and logic are behind the idea of escalator clauses in a 20-year contract? Does he not realize, in the first place, that the producer does not care to sell his gas at a fixed price for 20 years or under a life-of-the-field contract? He signs a contract under such a condition simply because he is compelled to do so; otherwise he could not persuade anyone to lay pipe to his well and to purchase his gas at all.

Another reason is that those who want to build pipelines must get financing to build them. They must show that there will be enough gas available over a long period of time so as to amortize the construction contract. Therefore, they insist that the producer sign a contract for a much longer period of time.

The producer, on the other hand, tries to get some adjustment in the price of his gas over a period of time, because of the fact that the prices of other producers will perhaps rise.

There is nothing unusual about that. The CIO–AFL has been able to get that type of stipulation in its wage contracts. As the cost of living goes up, the unions get an increase in wages. They include a stipulation in their contracts that even though they may not bargain in the following year, they will still receive periodic increases in wages, in some instances.

If it is desirable for the CIO–AFL unions to sign wage contracts with industry, and if industry thinks such contracts are satisfactory, then what is so wrong about the natural-gas producers having the same kind of contract?

Mr. POTTER. The Senator from Louisiana realizes that we are speaking about the unpredictable escalator clauses. I am certain the Senator will agree that the escalator clauses in many of the contracts are not to the benefit of the public.

I do not believe the Senator would even go so far as to say that we should accept all the favored-nation contracts; that we should accept 2-party and 3-party favored-nation clause.

Mr. LONG. Does not this make much sense: That if the Senator from Michigan had a product for sale, and someone tried to make him sign a contract to sell his production over a period of 20 years—let us assume it was automobiles—the Senator would be within his rights to say, "If you should pay someone else a better price than you are agreeing to pay me, let us include in the contract a provision that when you begin to pay someone else a better price, you will pay me a better price, too." Does not that make sense?

Mr. PASTORE. Mr. President, will the Senator from Michigan yield to me on that point?

Mr. POTTER. I yield.

Mr. PASTORE. Is the distinguished Senator from Louisiana familiar with the fact that under the third-party escalation clause, which he is defending so vehemently, if a pipeline company which serves the city of Boston is paying 10 cents a thousand cubic feet for gas, and it has a third-party escalation clause in the contract, if a pipeline company serving Los Angeles, Calif., agrees to pay 15 cents, then automatically the people in Boston must pay 5 cents more? Does the Senator from Louisiana think that is fair?

Mr. LONG. Is the Senator from Rhode Island familiar with the terms of the bill which stipulate that in order for such a clause to become effective, the Federal Power Commision would have to agree that that was the fair market price for the gas?

Mr. PASTORE. Not in future contracts. They can pay any price they want. One does not say to a producer, in making a future contract, that if the price he is charging is more than a reasonable price, he can take it or leave it. That is the gimmick in the bill.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDING OFFICER (Mr. McNAMARA in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

AWARD TO SENATOR SMITH OF MAINE AS THE WOMAN OF THE YEAR

Mr. WELKER. Mr. President, on Tuesday, January 17, 1956, one of our most distinguished Members, the senior Senator from Maine [Mrs. SMITH] received a most significant award and a very great honor. On that day our charming and able colleague received the award of woman of the year from the National Ladies' Auxiliary, Jewish War Veterans, at a luncheon held at the Statler Hotel, Washington, D. C. The award was presented to Senator SMITH by Mrs. Jacob M. Bramnick of Philadelphia, the national president of the auxiliary, for her—this is the basis of the award—"outstanding contributions to the furtherment of humanitarian concepts and world progress."

As we all know the distinguished Senator from Maine would have done, she responded by saying that she was "embarrassed" to be named for the award, since "there are so many other women of greater prominence" than herself.

I may say our dear colleague's statement was a great understatement of fact.

The Senator from Maine said she hoped that her efforts to influence congressional associates and the American public to a "greater awareness and appreciation of the dignity of the human being" made her worthy of the honor.

I am certain that I am joined by all of my colleagues not only in congratulating the National Ladies' Auxiliary, Jewish War Veterans, upon their selection of the beneficiary of the award, but also in congratulating our able colleague from Maine. This is an award that is highly deserved, so well done has been her work, so great a credit has she been to her great State of Maine, so great a credit has her service been to the Senate of the United States and to our great country which she knows and loves so profoundly.

May you, Senator SMITH, keep this illustrious award forever as a token of the esteem you have earned and for which we love and respect you.

THE COLLAPSE OF AMERICAN FOREIGN POLICY

Mr. JENNER. Mr. President, it is our solemn duty, as Members of the Senate of the United States, to face honestly the total collapse of our foreign policy.

The Soviet Union has entered upon a new and most insidious campaign to subvert the nations not yet within its power.

Never has our country faced so ominous a future.

Our minds refuse to believe the evidence of our country's peril.

To see it, we might compare our Nation with a citadel set on a high hill.

Its policies have been so wise no decent men ever wished to injure it.

Its walls are so strong that no evil men dared try.

Today, this happy community is confronted with a new enemy, who has no intention of testing his strength against the walls.

Instead, this enemy has trained armies of miners and sappers, who, under its control, are digging tunnels below the walls.

Through these tunnels the enemy sends its shock troops deep into the heart of the city.

Its troops are not dressed in uniform.

They carry no weapons.

They are disguised as peaceful civilians, and their task is to render the citizens helpless with sleeping drugs. As soon as the sleeping pills have overcome the defenders, the enemy will storm the walls and level the citadel to the ground.

Some people see what is happening, but, as in a nightmare, they cannot warn their friends.

A nation's foreign policy is its national defense program in the diplomatic contest, as armies, navies, and air armadas are its defense against the threat of force. Failure in foreign policy is as disastrous to our country as is defeat in war.

The survival of our Nation against threats from without, depends either on a successful foreign policy or on victory in a bloody war. Because I do not want our country involved in another unnecessary war, I have no choice but to speak with absolute frankness.

The approach of national elections is no reason for failing to speak frankly. I recognize no slightest obligation to support a catastrophic foreign policy because my party is in power.

Foreign policy must be above party. But this does not mean that foreign policy must be above criticism. It means that the party out of power may not seek to reap party advantage by weakening our foreign policy. But it follows with equal force that the party in power dare not try to hold party advantage by refusing to face the truth, at so dangerous a moment. The issue—the only issue—is the safety of our Nation.

We know from bitter experience that the Soviet Union always prepares skillfully to advance its conquests in the 4-year intervals when we are involved in presidential and congressional elections.

In 1948, Soviet leaders prepared the way for their final conquest of China.

In 1952, through the United Nations, they converted the Korean cease-fire agreements, made by our military at Panmunjom, into a pro-Communist agreement, with a neutral nations team installed to make new attempts to force the prisoners of war in our custody who wanted freedom to return to Communist rule.

In 1944, the Soviet leaders, with the help of Alger Hiss, worked out the essential steps for their eventual control of Europe, and the organization of the United Nations in a form most useful to Soviet designs.

As the minority leader indicated recently, the Soviet Union is again ready to seek new triumphs in an election year, at a time when its leaders hope our minds will be wholly on domestic issues.

Let me state the situation which we in Congress must face. The position of the United States before the world is in every respect far worse than it was 3 years ago, when the American people in their wrath voted overwhelmingly to end the catastrophic foreign and military policies of Dean Acheson.

Where have we failed in the last 3 years so that we are brought to this dangerous pass?

In 1953 we made peace in Korea, but it was a Communist peace—and even that has not been lived up to.

In 1954 we consented, like Pontius Pilate washing his hands, to the partition of Vietnam. We abandoned half a free nation to Communist rule and left Laos, Cambodia, and Thailand in deadly peril of infiltration from new Communist beachheads.

At Berlin and Geneva in 1954 we laid down the pattern for making Austria into a helpless "neutralist" state, a state which will have no arms to defend itself when the Soviet legions are given their orders to march.

We boxed Nationalist China into a so-called security treaty which bars her from invading the mainland, while Red China is making the coast opposite Formosa into a staging area for massive military attack.

We have refused to train the armies of free Asia on a scale comparable with the Communist nations' open preparation for war.

We have refused to give the free nations, which are willing to fight, the weapons with which to counterattack if the Communist serpent strikes.

Meanwhile, we have poured 65 billions down the drain for foreign aid, most of it to nations which cannot, or will not, uproot the fifth column, which is part of the Soviet Government operating on their soil.

Known Communists in Britain, like Burgess and MacLean, were protected by men close to the top, as Alger Hiss and his coworkers were protected in our country.

It is absurd to believe civil servants are powerful enough to carry on treasonable activities without political protection. The nations of the West have not yet had the intestinal fortitude to destroy communism in high places—the only places where it counts.

On the continent, we have airbases in countries where one-third of the voters choose the Communist ticket. Does anyone today believe the myth that Communist political power is receding in France and Italy? For the first time, men of all shades of opinion are saying openly that we can never depend on Britain, France, or Italy to help stem the advancing tide of communism.

But what are we doing for the firm anti-Communist nations of Europe? We are needling Turkey about balancing its budget, while the Communists are wooing them with smiles. We drag our feet on the completion of airbases in Spain, although bases behind the barriers of the Pyrenees are as important militarily as they are politically. We talk glibly of the rearming of Germany as the anchor of Western defense, but we know what has been accomplished. We are shocked because the Soviet Union will not surrender East Germany to a rearmed Germany allied with us. We are surprised about that. But why? I ask you, Mr. President, if a high-school student could not have foreseen their refusal. He might also have foreseen the simple alternative—namely, to put first things first, instead of last.

We should have let West Germany rearm for her own defense, first. Then an armed Germany could have dealt with the Soviet Union on reunification. Finally, a united Germany could have made her own decision about participation in NATO.

As I have had to point out so often, such obvious mistakes in international relations are not stupidity.

We put West Germany into a legal straitjacket, called the West European Union, where the neutralist governments of Western Europe will decide how many troops and planes and ships and guns the sovereign republic of Germany may or may not have. The United States was not a party to this part of the assembly line construction of West European defense, and so the treaty did not come before the Senate. But by another carefully contrived part of the design, the Western European union is meshed into NATO. So we are involved in all the commitments.

The Geneva conferences of 1955 distracted our minds while a far greater collapse of our strength was going on.

We closed the ring about the Soviet Union by formation of the Baghdad pact, but our policymakers ignored the simple fact that the Soviet Union might outflank us by hopping over the ring to the Near East. While Czechoslovakia supplied arms to keep the Near East in turmoil, we steadfastly refused to sell arms to Egypt. We have the word of Prime Minister Nasser that he tried for months to obtain arms from us, but the State Department would not let Egypt have arms. The fact of the Czechoslovak offer was duly reported by our representatives in Egypt, but the Secretary of State would not hear the ominous warning. Again we were so surprised when Egypt bought the arms she wanted from the Soviet orbit. But purchase of arms means the purchase of parts and replacements for years to come. It means the hiring of technicians and instructors. The Soviet

Union uses all such openings to bring in her political invaders. We have helped to strengthen the fifth column in Egypt, but we shall be so surprised a few years from now when we discover the obvious.

We have been more interested in giving millions for DDT in Thailand, or in insisting on a Hollywood-type motion picture industry in Pakistan, when the Pakistani prefer cheaper moving picture equipment scaled to their simple needs. You remember, Mr. President, that we had a project for setting up public baths in Egypt, and teaching the Egyptian people the importance of bathing. American arms, intended for NATO defense against communism, are used to settle political issues in Morocco. Then we are surprised that the Arabs in the Near East and Asia, whose co-religionists were killed by American guns, are seduced by Communist offers of guns and tanks.

We wonder why the Communist visitors in south Asia make headway with arguments against colonialism. Our Government could not get interested in the anti-Communist Afghans. We are always so cautious about the money we give anti-Communist nations. We forgot our Kipling—that England and Russia fought a duel over Afghanistan for over 100 years. Afghanistan was the historic invasion route to India in the days of Alexander the Great. With the Communists already in possession of Tibet, our experts ignored the possibility that the Reds might be interested in any other state bordering India.

While the wall of anti-Communist defense was crumbling, our eyes were diverted by the Hollywood spectacle of the Geneva Conferences.

The Geneva Conferences were a motion picture or a television drama. The scenario was written to bedazzle the people. Behind the curtain the real managers of our Government were prepared to grant the Soviet Union everything it desired.

We committed ourselves to what was called a security pact for Europe. But what kind of security would a pact with Moscow mean for Poland or Czechoslovakia, Hungary, or Rumania? The people of the captive nations understood. We were telling them we were ready to defend the hated status quo, which means defending Soviet enslavement of the free nations of Central Europe.

We were ready to agree to progressive disarmament of the West, if the Communists reduced their troops in Europe. But did we ask where those extra forces would have gone? Would they be less dangerous across the Urals, in Siberia or in Outer Mongolia?

We were ready to increase trade with the Soviet octopus, so she could get machine tools to expand her war industries, and ships which she, herself, could not build, because Russian shipyards are building submarines.

We talked of German unification as if we were boys in prep school talking of a problem in trigonometry. But Germany is the key to the defense of anti-Communist Europe. We mumbled about voting, as if ballot boxes were magic. We did not give one word or moral support to Germany in her pitiful efforts to free a few of the thousands of prisoners held for 10 years in Soviet slave-labor camps. We failed to insist firmly on withdrawal of Soviet power from all Germany.

The full diplomatic power of the three Western Powers should have been used to tell the Soviet Union, "Open the borders of East Germany and the captive European nations, and set them free." England, France, and the United States were morally obligated to end this new slavery, imposed in violation of the Soviet Union's solemn agreement with us. The three allies should have withdrawn diplomatic recognition and trade privileges until the Soviet Union complied with its agreement. To put upon the unarmed Bonn Republic the practical responsibility for telling the Soviet Union to give up East Germany, was to tell the Germans to make a surrender pact with Moscow.

If the Germans go neutralist, let us have no hypocrisy about our share of the blame.

Instead of securing the withdrawal of Soviet influence over East German territory, the American Government representatives at Geneva invited the head of the opposition party of the Bonn Republic to come to Geneva for conference. I have not even read this in the press. It is as though Chancellor Adenauer should invite Mr. Stevenson to come to Paris and tell him about United States foreign policy.

I said recently in New York that the Geneva Conferences were much more than a softening up of our foreign policy—they were also abandonment of our military policy.

At Geneva we made a commitment that we would not use nuclear weapons in the struggle with communism.

The Acheson policy of the Korean war was generalized and made our basic policy.

The Soviet Union has, since 1945, worked unceasingly to trick us into giving up our advantage in nuclear weapons. Vishinsky sneeringly called it "devaluing the atom bomb."

Now, pro-Soviet partisans spread the word that the world has reached an "atomic stalemate," in which our larger stockpile of bombs will no longer give the advantage to the West, because the Soviet Union has bombs destructive enough to end the contest with the first blow.

We have agreed to peaceful coexistence because the Soviet propagandists and their fifth columns in the free countries have softened up our public opinion, but public opinion is the fountainhead of military strength. By their propaganda skill, the Communists have won an overwhelming military triumph.

Let us be honest. When we agreed at Geneva to an atomic cease-fire, we told the Soviet leaders that they could subvert or attack small nations with impunity.

Let no one believe that the people of Europe and Asia cannot read the handwriting that spells their doom.

The simple fact underlying the recent victories of the Communists in anti-Communist nations is their skill in dramatizing our surrender at Geneva before the watchful nations of Europe and Asia. They have made the United States look like a great pillar of strength with a widening crack at the base.

They have made the pro-American leaders in all anti-Communist nations lose face, lose influence, and even to fear for their personal safety, but that means the anti-Communist nations are falling apart.

I ask Senators to recall how clearly the Soviet leaders convinced the Nationalist Chinese, after the war, that they could not rely on the United States. The Nationalist Republic had always been deeply pro-American. It was created by Sun Yat-sen with money, training, and moral support from the United States. When they were ready to destroy our influence, the Soviet leaders barred the Chinese from Yalta.

At San Francisco, T. V. Soong tried to find out if the Yalta agreements contained any clauses about China, and received official assurance that they did not, from Mr. Dulles himself.

What happened to the pro-American leaders in China, when the Yalta agreements on Manchuria and Dairen were published?

What happened to the pro-American leaders in China when the President's emissary arrived with instructions that the Nationalists must join a "united front" government with Communist guerrillas, or we would give them no money?

What happened to faith in pro-American leaders in the Kuomintang when our officials carried on a series of conferences with the rebel Communist leaders, when they persuaded Chiang to scatter his best troops to their homes, while the Communists were being armed with Japanese arms by the Soviet Union?

The decisive Communist victory in China was the weakening of the pro-American leadership among the Chinese. Their followers were confused and heartbroken. Military collapse was inevitable. Confused by the propaganda at home, we did not know how to help our friends while the fifth column in our Government was undermining them in our name. The collapse of the anti-Communist pro-American leadership leaves anti-Communist nations like a house whose beams have been eaten by termites, still firm on the outside but ready to collapse at a touch.

I say that the major achievement of the Communists at Geneva was to tell the anti-Communist leaders in Western Europe, in the captive nations, in Asia, and Africa, that they could not trust America—exactly as the Soviet plotters told the Chinese in the 1940's, and for exactly the same reason.

Having achieved what they believe is virtual conquest, the Communists are now stepping up their timetable all over the world. We pay a high price for the confusion of American public opinion by propaganda at home. Foreign nations see, more clearly than we do, that we are entangled in a web of subversion. They have ringside seats at the spectacles where we give up all our advantage. Then, at the low point of their confusion and disheartenment, the Communists begin their smiling offensive.

Of course, the free nations, pressed from within, without hope from us,

threaten to give way. But when the Soviet Union has neutralized the intervening countries, against whom will her total attacking power be directed?

The Communists are building dams, setting up water systems, selling arms to anti-Communist states, all for one purpose, to get their political shock troops firmly entrenched in the weakened countries of Asia, Europe, Africa, and South America. They are pouring gasoline on the tinder of the Arab world. They are sending out iridescent clouds of propaganda to fool the ignorant and innocent, while despair destroys the brave and the wise. They are reviving the "united front" to step up their political attack, in every country that is now partly under their control.

We admit that the German Republic is sinking into the Communist trap. Austria is hog-tied by neutralism. The French elections show the fruit of Communist penetration into the Government where they made the constitution over to help the fifth column.

The British economy has a momentary respite from the havoc wrought by the Labor government's welfarism.

What is the outlook for Europe?

In Asia we now hear the attack on Quemoy and Matsu is set for spring.

I am reluctantly obliged to agree that, when the moment of decision comes, our Navy and Air Force will be ordered not to help the Chinese.

Recently, our officials browbeat the U. N. representative of free China, who dared to use the veto against the "package deal" to admit 4 European satellites and Outer Mongolia as the blackmailer's price for admission of 13 independent nations.

Is obedience to Soviet demands, our price for a seat on the Security Council?

Have we made a deal to admit the Red Chinese when the election in the United States is conveniently out of the way?

In the U. N. meetings we also agreed to decide by a "straw vote"—they will be pitching pennies soon—the vacancy in the Security Council.

We were committed to the Philippines.

Asia was entitled to more recognition.

But General Romulo had taken a prominent part in the Bandung Conference where the anti-Communist nations of Asia and Africa spoke out brilliantly against the new colonialism on which the sun never rises.

The Soviet Union could not tolerate so insolent an opponent in the Security Council, so they demanded the seat for Yugoslavia.

Who retreated, and who held firm?

Senators know the answer.

So does all Asia.

The anti-Communist nations of Asia have been making spectacular progress.

Vietnam has achieved a success in establishing order which no one dreamed possible, even a year ago.

The divided conservative parties of Japan have united to form one conservative party.

The strong Communist elements in Malaya have been pushed back.

But have we heard a word from the United States in praise of the Bandung Conference, or any other anti-Communist achievements in Asia?

If free China is defeated, and Korea falls into an economic morass, by our inaction, all the valiant struggles of anti-Communist Asia will be wasted.

Is someone in our Government planning it that way?

It is said, "All this is known. Why take our time to repeat the obvious?"

The American people are sick with a pernicious sleeping sickness.

Our press has reported with splendid clarity each of the separate disasters which has overtaken our foreign policy.

But it still reports international meetings and press conferences in the language of the State Department, where disaster is a glorious victory, and the abandonment of stanch friends is the triumph of leadership.

The simple fact is the Communists are engaged in the most dangerous campaign yet devised against the outposts of freedom, and the United States Government is totally ineffective in meeting this new threat.

The junior Senator from Georgia [Mr. RUSSELL] has warned us that the State Department's only answer to the Russian advance is to ask for more money.

What of the homefront?

I warned, in 1951, in the course of the great debate on troops for Europe, that the artificial buildup of our military expenditures, all over the world, might well be the work of the fifth column, to get us committed to huge Government spending.

Then the Soviet Union could pull the rug out from under us by a carefully timed peace move.

Thus they could bring about the recession of the American economy on which they count for their final triumph.

It looks as if this may be the moment.

The pro-Communists will soon propose to cut defense expenditures, by trumpeting a campaign for arms limitations, now that "peace" is with us.

Then we will have to choose between a depression, with the political disorder the Soviet plotters love, or vast expenditures on a grandiose point 4 for all the world, including huge loans to the Soviet Union.

But this is exactly where the Soviet leaders planned to put us in 1945, when pro-Communists like Harry White and blind partisans like Henry Wallace, were urging vast "reconstruction loans" so we could rebuild the Soviet Union and impoverish ourselves. Do Senators remember that?

What can we do to restore our country's ability to defend itself against this insidious attack?

Who is in charge of this disastrous foreign policy?

The answer is the Secretary of State.

I have made a careful examination of the record of the present Secretary of State, insofar as it is available.

I assure the Senate my conclusions are based on study of every pertinent fact which I could discover.

The present Secretary of State is, I believe, unable to direct the rebuilding of American diplomatic defenses for four decisive reasons.

First, he was a continuous participant in the making of the war and postwar policy of Dean Acheson.

Second, he admits he helped lead Mr. Dewey and the Republican Party to "me-too" republicanism, when honest dissent might have saved our country the tragedy we face today.

Third, Mr. Dulles, like Mr. Acheson, is a believer in a super-national sovereignty by which the United States would become a political, economic and military province in a one-world state.

Fourth, Mr. Dulles, like Mr. Acheson, is a believer in the cult of the elite, who know they know what is good for the American people, whether the people know it or not, and who are determined to make America over, regardless of the wishes of the people or the barriers set up in the Constitution.

Mr. Dulles is Mr. Acheson's identical twin.

Mr. Dulles' policy is and must be a continuation of the "soft" policy toward Soviet expansion which characterized the war years and the postwar decade.

There is no possibility that Mr. Dulles can make the complete reconstruction of American foreign policy, on new intellectual supports, which is our only hope.

I will mention a few examples of the evidence.

Mr. Dulles was a delegate to the San Francisco Conference, to all succeeding regular sessions of the U. N. Assembly, and to meetings of the Council of Foreign Ministers.

He was Mr. Acheson's choice to represent the State Department in preparing the Japanese Peace Treaty.

That treaty, among other things, locked Japan firmly into the U. N., though it is not yet a member.

Mr. Dulles thus made it certain that if the United States should attempt any military move in Asia, not approved by the Security Council, that is, by the Soviet Union, Japan could not legally permit us to use her ports or have access to our bases on her soil.

Nowhere has Mr. Dulles made a firm record of opposing the policies of the Acheson State Department, and Mr. Acheson has made it abundantly clear that he would have no one working with him who would not agree completely with his policies.

Mr. Dulles is one of the architects of the so-called bipartisan foreign policy.

Mr. Dulles was a principal adviser to Mr. Dewey, and urged Mr. Dewey to "go along with" the foreign policy of the New Dealers in 1944 and 1948, instead of giving voice to the rising protest from the people.

Public distrust of Mr. Dulles contributed to Republican loss of the Presidency in 1948, and perhaps in 1944.

But it is the loss to our country which concerns us today.

In 1944, the foreign policymakers were laying the groundwork for their collectivist one-world program, with its marked favoritism to Soviet Russia.

The opposition party, in 1944, was the only hope of true American resistance to the international policies of Acheson and Hiss.

In 1948 the opposition party was the only hope for true Americans to stop the Soviet offensive in Asia.

In 1944 and 1948, the opposition party was given the greatest opportunity ever given a political party, to safeguard America against planned erosion of her strength.

The national leaders of the party threw away that opportunity, on the advice of Mr. Dulles.

Mr. Dulles was appointed to the Senate by Governor Dewey, but in 1950 his policies were repudiated by the voters of New York.

Promptly, Mr. Dulles was appointed to the State Department as the Republican spokesman for the bipartisan foreign policy.

His appointment served also, to give support to Mr. Acheson at the time when Acheson said he would not turn his back on Alger Hiss.

Mr. Dulles had, Senators will remember, arranged for Alger Hiss's appointment as president of the Carnegie Endowment for International Peace, as a successor to Nicholas Murray Butler, although Dulles had been warned by at least two prominent individuals that they had proof Hiss was a Communist agent.

We know from sworn statements by Igor Bogolepov that while he was in the Soviet foreign office he saw many reports from the Soviet Ambassador in Washington, telling of what people the Embassy staff had met in the foundations, and what assignments the Soviet officials had given them.

Mr. Dulles helped, also, in organizing the so-called bipartisan foreign policy in Congress.

I can describe this bipartisan policy in a few words.

It was never a joint Democrat-Republican policy.

It was a policy devised to unite the internationalists in the Democratic Party with the internationalists in the Republican Party for the simple purpose of silencing the opposition.

The majority of the voters in both the Democratic and the Republican Parties were, I believe, wholly opposed to any surrender of American sovereignty to a collectivist one-world, but they were silenced by the clever manipulation of the two-party system, for which Mr. Dulles must take his full responsibility.

My third point is that Mr. Dulles' policy is to make sure the United States is kept entangled in a collectivist one world, where Mr. Acheson put it.

In December 1940, the Federal Council of Churches established a commission on a just and durable peace, of which Mr. Dulles was chairman.

In 1942 the council called a meeting of 375 delegates to hear the report of the commission.

I have the highest regard for any study of the moral issues involved in establishing a just and durable peace, but the commission's report dealt not with moral or spiritual remedies, but with a political program.

We cannot solve the difficult political problems of our time until we have strengthened the moral and spiritual energies of our people.

I cannot, however, accept the belief that we strengthen our spiritual foundations by covering with the mantle of Christian morality a purely partisan program for a collectivist one-world.

The program adopted by this meeting included, among other things:

First. A world government of delegated powers.

Second. Strong immediate limitations on national sovereignty.

Third. International control of all armies and navies.

Fourth. Worldwide freedom of immigration.

Fifth. A democratically controlled international bank.

The conference stated that a new order of economic life is both immediate and imperative.

An English visitor, co-secretary of the World Council of Churches, told the delegates:

> Collectivism is coming whether we like it or not.

Individual nations, the meeting said, must give up their armed forces.

Many duties currently performed by local and national governments could, they said, be effectively carried out only by international authority.

Members of the conference were—like members of the White House Conference on Education—to carry the recommendations to every local parish in the United States, and "create a public opinion which will insure that the United States shall play its full part."

We understand a great deal better today, than in 1942, how opinions may be propagandized to a vast public by the method of the general conference where delegates are filled with enthusiasm, then sent home to spread the word of the bold new program, to the "grassroots."

It is 13 years since Mr. Dulles planted his mustard seed of world government in the minds of delegates from 375 religious groups, reaching every part of the United States.

He admits that it helped change the Atlantic Charter into what became the United Nations, including an international agency to control human rights.

In an article in the New York Times magazine, for October 24, 1948, Mr. Dulles said:

> One of the major matters before this session of the Assembly is the approval of the proposed International Declaration of Human Rights.

Senators will remember that the U. N. Declaration on Human Rights is based on the Soviet doctrine that the rights of the people emanate from the state.

It is in total contrast with the American doctrine that people are endowed by their Creator with rights which governments cannot touch.

Mr. Dulles says:

> I hope and believe this Assembly will endorse this declaration.
>
> But if the Assembly is to seek practical results, and not be satisfied with words alone, it should then go on to promote a covenant which will seek to translate human rights into law.

Lest Senators should be in doubt how far this would take us, Mr. Dulles continued:

> The General Assembly is under a mandate to develop and codify international law * * * Eventually, it can be hoped, agreement will be reached with respect to many economic, political, and security matters.
>
> As such agreements are reached, they become embodied in treaties or arrangements which add to the body of international law.
>
> Then, enforcement by the Security Council can be made more of an automatic process, with no nation having the power to veto action.

It will be noted that this enforcement is to be under the Security Council, which has just elected Yugoslavia as a member.

The Security Council is likewise to control all U. N. military power.

It will be noted also that this body of law can be made by a majority, with a legal tradition entirely different from our own, since we shall have surrendered the right of veto.

What does Mr. Dulles mean by "an automatic process" for enforcing laws which are made by 60-odd nations, most of which have no interest in our constitutional principles?

We know from Mr. Dulles' own statements that he believes treaties, superseding our Constitution, can take away from our people rights guaranteed by the Bill of Rights.

We know that under existing court interpretation of the treaty clause, the executive branch is attempting, by executive agreements with other nations, to make unlimited changes in our Constitution, and neither the people, the Congress, nor the courts have the power to intervene.

We have already learned that U. N. civil servants are to be loyal to the U. N. alone.

A. U. N. police force would also be barred from loyalty to anything but U. N.

The U. N. police force will have a monopoly of the atom and hydrogen bombs, to support its orders.

The nations will be required to give up nationalist armed forces, as we did temporarily, in the "dress rehearsal" for a world military force, in the Korean war.

I state, without reservation, that the policy of converting the United States into a province of a centralist world state has never been openly submitted to the Congress, has never been honestly debated in the press, and has never been put—as it must legally be put—to the States in the form of a constitutional amendment.

The policy is in operation, but every step taken to put it into operation is unconstitutional.

I have referred also to Mr. Dulles' adherence to the doctrine of the elite that they alone know what this country's policies should be, and that they are free either to keep the people confused or to give them information that misleads.

On July 12, 1949, Mr. Dulles said on the floor of the Senate:

> At Paris last month there was some discussion as to whether to accept at all the Soviet

proffered truce and to resume, even on a tentative basis, four-power consultations.

The reason was that some feared any relaxation of East-West tension would bring a corresponding relaxation on the part of the American people, and, therefore, they needed to be kept artificially alarmed.

What do Senators think of that?

On July 15, 1949, I commented in the Senate:

The distinguished Senator from New York said that during the recent conference in Paris a discussion was had as to whether the American people should be told the truth.

Thank God, they decided for once to tell them the truth.

But was that not a strange debate, as to whether or not artificially to stimulate tension between the East and West, in order to work the American people into a feeling of crisis so the old lend-lease Burma road could be continued in operation?

In his book War and Peace, published in 1950, Mr. Dulles expressed his belief in suppressing political dissent.

He said:

If the leaders of the opposition party refuse at this critical time, as a matter of partisan advantage, to accept a bona fide offer to make foreign policies cooperatively, so that these policies can command unity at home and attract adherence abroad, then those who take that position ought to be repudiated at the polls.

I add, Mr. Dulles, that regardless of that belief, the American people are entitled to hear both sides of questions that may affect their survival.

I said in the Senate on April 26, 1950:

I am proud I have the privilege to fight for those whose allegiance to America still remains their primary duty and concern.

I am also willing, Mr. President, to pay whatever price is necessary to continue to represent these folks, even to the extent of being purged by Mr. Dulles.

And, I might add, by any of his kind. I said:

Think of it, Mr. President; think of the utter hypocrisy of Mr. Dulles, who was repudiated at the polls, double-crossed by his so-called bipartisan partners, who has been appointed as a policymaker in the State Department without any need of confirmation by the Senate, and who now orders from his ivory tower a purge of the opposition.

Mr. President, is this not sufficient proof to shock the American people into a realization of the fact that this last-ditch bipartisan appeal of desperation is designed to cover up all that has happened to America and to force us into line as goose steppers in thought and practice, behind the procession of international schemes that are leading us to suicide.

Mr. Dulles' purpose has been carefully analyzed in recent articles by Mr. Joseph Harsch in the Christian Science Monitor.

When I have finished with these remarks I shall ask that Mr. Harsch's articles be printed in the RECORD for all Senators to read and examine.

Instead of going "to the brink," we have a new rule. Mr. Dulles will not deny the "brink," and he has not denied what is contained in these articles, so I do not know where he stands. I am going to quote from Mr. Harsch's article. He says Mr. Dulles' achievement has been:

To "disengage" the forces of the United States from the mainland of Asia and from as many other points of contact as developing events would permit.

Such a policy bears a marked resemblance to the way in which Mr. Acheson used to draw defense lines for the United States and leave Formosa and Korea outside.

This planned contraction of the frontiers of freedom coincides strangely with the Soviet policy of expanding its circles of "neutralized states," carved, like Austria, out of the free area. Soon the Communists will say they need to be protected by a new belt of "neutralized states," carved out of the remaining area of freedom.

Then will we, the acknowledged leaders of the anti-Communist world, retreat still further? How far are we to continue this policy of moving ever backward from our last line of retreat?

Dulles' policy has been called an application of the Kennan doctrine that "it is unnecessary, unwise, and self-defeating to engage the forces of communism directly and constantly on the front lines of the great circle of contest around the Soviet world."

Since we are not to engage the Communists at the center by using our atomic bombs, and we are not to engage them at the periphery because "time is on our side," evidently we are committed not to engage them at all.

Do you see, Mr. President, why Khrushchev and Bulganin are so confident?

When did the Congress approve such a policy? When was it discussed in the press and among the voters? Or did Mr. Dulles proclaim this policy himself, to himself, without the need of our consent?

We first met this enticing word, "disengagement" in the Institute of Pacific Relations hearings when Mr. Harold Stassen reported on a "briefing session" at the State Department, at which "molders of public opinion" were brought together to be given the party line on Asia.

Our policy, according to Mr. Owen Lattimore and other prominent members of the IPR inner circle, was to disengage ourselves from Chiang Kai-shek and the Nationalists.

This term has essentially the same meaning as the more famous phrase by Lattimore, to let Korea fall, but not let it appear that we pushed her.

Mr. Joseph Harsch says Mr. Dulles' foreign policy "has had at its center an effort to demilitarize 'containment'."

What that means, if I understand English, is that the Soviet Union is to be contained by words, sweet or harsh, by economic manna poured on its neighboring countries, by increased trade, and by everything except a frank warning that expansion will be met by force.

This is identical with the doctrine underlying the Marshall plan, by which Acheson effectively demilitarized the Truman-Forrestal doctrine of military aid to stop communism in Turkey and Greece.

The Dulles policy has been compared with the policies of Mr. George Kennan.

Kennan says that if our leadership and the tone of our national life were what they should be, and here I quote his own words:

They would radiate themselves to the world at large, and the warmth of that radiation would not only represent the best means of frustrating the design for further Soviet expansion, it would also be the best means of helping the peoples behind the Iron Curtain to recover their freedom.

I hope no prisoner in a Soviet concentration camp, or a pitiful Polish or Rumanian youth fleeing to the forests to escape conscription into the Red armies, ever hears that an American State Department expert promises to free him by the radiation from the tone of our national life, which will melt, in its warm rays, the violence and cruelty and the hard steel weapons of their Russian or Chinese masters.

According to Mr. Harsch, Mr. Dulles began planning his private foreign policy of "disengaging" us from possible war with the Communist world early in 1954, long before the Formosa resolution of February 9, 1955, which seemed to forecast such a war, well before the Dien Bien Phu crisis.

This interpretation would make very interesting the rereading of Mr. Dulles' statements at the hearings on the Formosa Resolution, and in connection with Dien Bien Phu.

We are told that Mr. Dulles is also contemplating "disengagement" from the policy of arming Germany. That, I submit, was obvious to anyone who read carefully the dispatches from various international conferences and who understands "double-speak," but it has never been put into such plain English.

At another point, Mr. Harsch says:

On the surface, Mr. Dulles has been going around the world patching together new military alliances (SEATO and the "Northern Tier") holding out to the Communists "instant retaliation" and to the allies "united action" and "agonizing reappraisal."

I, myself, have been long convinced that SEATO and other so-called defense treaties were very close to a fraud, but here is confirmation from an unexpected source.

As the correspondent of the Monitor says, Dulles' "instant retaliation" did not save Indochina.

The "unleashing" of Chiang Kai-shek was followed by the withdrawal from the Tachen Islands, and the Formosa treaty, which tied President Chiang tighter than ever to his island fortress.

Talk of "liberation" was followed by acceptance at Geneva of the status quo in Eastern Europe, and the "roll-back" policy of the 1952 campaign became the "coexistence" of Geneva.

This illustrates what I have said before.

The anti-Communist group in our Government is permitted to win the verbal victories, but the collectivist "apparat" quickly recaptures the power.

The correspondent does not call these promises lies. He calls them "interim setbacks which can be immaterial and irrelevant in terms of the long haul."

You can take your choice, Mr. President.

This article takes for granted the doctrine that the elite do not need to tell the people what they intend doing.

When the press of the world was assuming, the writer says:

That Mr. Dulles favored using the armed forces of the United States to put Chiang Kai-shek back in control of China. Mr. Dulles started planning the steps which led to the evacuation of the Tachen Islands, and the regular meeting of the United States and Chinese Communist ambassadors in Geneva.

He continues:

Mr. Dulles' record in office has been a difficult one to follow.

He has seemed so often to be trying to lead us toward war when we know now that he actually was maneuvering all the time to try to disengage the United States.

That is the "brink of war" business we have been hearing about, through the article in Life magazine. I should like to have these articles discussed before the public.

I read further:

From the day he took office his steps have been pointed toward the relaxation of Geneva. * * *

He has often presented to the public the appearance of a man marching off to battle, with at least the Chinese Communists, when all the while he actually was marching toward Geneva.

It is obvious that no one should ever again charge Mr. Dulles with any honest intention to achieve instant retaliation, defense of free China, freedom for the enslaved people of the satellite countries, or a reputation for America that it keeps its solemn commitments to other nations.

If this major series of articles did not correctly describe Mr. Dulles' policies, I am sure he or the State Department's publicity staff would have said so publicly.

Mr. President, I shall place every one of the articles into the RECORD, for Members of the Senate to study. The future of our country depends upon the proper conduct of our foreign relations. If we cannot win the diplomatic war, we are lost; it is just as important as anything else.

Even so, Mr. President, I should hesitate to quote so extensively from one article, even a friendly one, except for one point.

The people of Europe and Asia can read, and will read the Monitor articles, in search of clues to the intentions of our Secretary of State.

In order that Members of the Senate can conveniently read them, I am asking to have the entire series of articles printed in the RECORD at the end of my remarks.

The most important fact in our international relations today is that the leaders of foreign nations who love liberty see clearly every step in our submission to Moscow, and know someone planned it that way.

Look at the curious constancy with which the Secretary of State has insulted one after another of our good friends. For example, the recent unnecessary statement about Goa, and the public humiliation of the new president of Brazil. Occasional blunders obey the laws of chance; consistent blunders are not blunders, but policy.

Mr. Dulles is not crude; instead, he is extremely subtle. Mr. Dulles is far too clever to insult anyone unintentionally. It must be his intention, then, to insult our friends.

Apparently, Mr. Dulles, who told Congress and the people nothing of his inner thoughts, confided to the embassies of foreign powers that when he was talking about "instant retaliation," he had no intention of carrying it out.

Perhaps this is the way Mr. Acheson's office conveyed to the foreign embassies the news that the American State Department would not permit American troops to reap the fruits of their victory in Korea.

Mr. Dulles apparently indicated to the embassies of foreign governments that these "surface postures" of anticommunism were unfortunate, but were unavoidable concessions to reactionaries at home. The foreign embassies knew, says Mr. Harsch, that Mr. Dulles has been "contemplating diplomatic relations with Communist China, from early 1954."

The policy of disengagement could be carried out only because of President Eisenhower's great popularity.

Again I am quoting Mr. Harsch:

In theory, Mr. Dulles took office committed to a forward strategy against the Soviet bloc.

He was supposed to push them harder, not seek to withdraw the United States from the front lines.

The "theory" referred to here is the promise made by the Republican Party in the platform of 1952. The people were fooled, the Allies were reassured, and Republicans who wanted to keep their commitments were silenced, by "the protecting shadow of Eisenhower prestige." Was President Eisenhower informed that his protecting shadow was being used to cover up a complete abandonment of the Republican platform? I do not believe so.

Mr. Eisenhower's recent vigorous reassertion that freedom for the satellites is still American policy, is evidence that Mr. Eisenhower bears no responsibility for this policy of deceit. It is part of the doctrine of the elite that they need not be hamstrung by such old-fashioned scruples as loyalty. The President's statement will help reassure the defenders of freedom in other nations, but we must remember the axiom of the elite that there is no harm in letting the pro-Americans win verbal victories while the collectivists set to work, secretly, to recapture any ground they have lost.

Congress cannot remove members of the Cabinet. That is the prerogative of the President—unless the issues become important enough for impeachment.

Our concern is with the duty of Congress. The President is responsible for carrying out foreign policy, but deciding on objectives in foreign policy is a legislative duty. The Congress is responsible for foreign policymaking, through the legislative power, the power of the purse, the power to raise and support armies, and the power to declare war.

In addition, the Senate has the task of giving advice and consent to treaties, and approving or disapproving major appointments.

The Congress must take up its burden. Because part of the executive branch has been captured by the internationalists, Congress alone can reorient our foreign policy to meet the challenge of the cold war.

I have reviewed Mr. Dulles' record in detail because of his vast powers, but this is not a personal issue.

As I have said before, we gain nothing by criticism of Dean Acheson as an individual. We had the same policy before Acheson, under Harry Hopkins, and the same policy after Acheson, under Mr. Dulles.

We are fighting, not persons, but forces.

We must discover the engineering principles, so to speak, on which the collectivist internationalists operate, and how they gain so much hidden power. Only then can we end the policies.

In a speech on the Bricker amendment, I said that the collectivists in our Government were carrying on a revolution by "interchangeable parts," to be assembled later, according to a fixed plan.

I reminded the Members of this body of the story from Nazi Germany of how easily the assembly line which appeared to be designed for baby carriages could be converted to making machineguns, though it was impossible to notice the difference from the parts alone.

We know that mass-production by means of interchangeable parts is not possible unless each of the parts is machined to a perfect fit with all the other parts, though they may be made in factories hundreds of miles distant.

This machining, in turn, is not possible unless all the innocent-appearing parts are made exactly according to designs prepared in advance in the minute detail by a team of planning "engineers."

Once the designs have been completed by this small inner group, the parts can be made by many different people, in many different places, who may never know what the design is for.

I shall merely list, at this point, what I believe to be currently the most important parts in the grand design—already far along toward completion—to mesh our Government, our political, our economic, and our intellectual life into a materialist world state, governed by an elite responsible to no one.

It is extremly difficult to tell what separate policies are, in reality, the carefully machined parts of the design for assembly line revolution.

Among those potentially disastrous steps in American policy which may really be machined parts ready to be assembled into the yoke of world government, I ask Congress to look carefully at—

Disarmament of the United States through the United Nations.

The giveaway of our nuclear advantage through the U. N.

All regional pacts, which make changes in the sovereign control of our Armed Forces.

Point 4, which could dissipate our economic advantages in a global boondoggle.

I include, also, policies from earlier years which meshed us into the United Nations—the Declaration of Human Rights, the Genocide Treaty, GATT, and the rest.

I have spoken today to make one point clear. Only Congress can deal with the collapse of our foreign policy under the

guidance of the internationalist bloc which occupies key positions in our Government.

I have said at Dallas, Minneapolis, and here in Washington, that the United States today has a dual government. The internationalists are not scattered individuals who are trying to influence national policies. They are a junta or cabal, whose members work together secretly, to operate as much of our Government as they can control to serve their hidden ends.

The executive branch cannot cleanse itself of this rival power. As I said at a meeting of the Magna Charta Dames in April 1955, the principal burden of dismantling the elite, and their colossus on the Potomac, falls on Congress.

I said:

Congress must take back the money it has given the elite to consolidate its influence.

Congress must take back the loose powers which it has carelessly surrendered.

Congress must rescind any legislation which commits us to the collectivist one-world supergovernment which is so rapidly taking over the world.

Congress must strengthen every official and every sector of our Government which operates under the Constitution and adheres to the ideals of the founders of our Nation.

We must plainly tell other countries that if they do not wish to get rid of their own collectivist elite we are through.

I said "through."

We cannot give economic aid or military aid to nations governed by a collectivist elite friendly to communism.

We must build American policy on firm agreements with nations which have cleaned their own house.

I hope to see a complete reexamination not only of the bipartisan foreign policy of the internationalists, but of the revolution by interchangeable parts which makes victory of the internationalists so nearly inevitable.

Only after we have studied both their policy and their method of operations can we hope to put into effect a truly American foreign policy made by the constitutionalists in both parties.

I hope to see the Senate stage another great debate, like that which told our people of the dangerous sellout to the Communists in the Korean war.

This new debate should be concerned, not so much with policies to deal with the new Communist threat, but with the prior question—what are the powers, the lines of communication, the ability to reward and punish, by which the internationalist bloc is carrying on its secret foreign policy, which will mean the certain distruction of our country?

I said in Dallas that every loyal pro-American member of our executive branch works under constant harassment by the members of this invisible government.

Recently, Maj. Gen. Arthur G. Trudeau, Director of Military Intelligence, delivered a paper on the new warfare, political, psychological and economic, as well as military, which was praised as one of the best statements of twentieth century political-economic warfare.

Not long afterward, General Trudeau was removed from the Office of Director of Military Intelligence, and sent to routine duty in the Far East.

Why? We need a full congressional investigation of the persistent reports that General Trudeau observed the work of the Central Intelligence Agency and decided it was of no help in safeguarding America against commmunism. His transfer was insisted on, we are told, by Allen Dulles.

If this is another General MacArthur case, I hope the Chairman of the Committee on Armed Services will make an investigation as impartial as the investigation made, under his chairmanship, of the dismissal of General MacArthur.

I mention, in passing, the experience of two State Department employes with long and honorable records, Mr. Donald Dozer and Mr. Bryton Barron, who were summarily removed from their Government positions after they insisted on full publication of all documents relating to the Yalta hearings, in accordance with the mandate of Congress.

Every man in our Government who attempts to make a policy to safeguard America, and support the nations which wish to remain free, will encounter the unforgiving enmity of the group in high places who are determined to carry on, by revolution by assembly line, the slow, but unceasing, construction of the world collectivist state.

Congress has a simple choice.

Its first obligation is to safeguard our country.

If anything conflicts with that responsibility, then it must take second place.

We are close, Mr. President, to the days of final decision.

The Communists cannot make many more gains.

We cannot give them many more golden opportunities.

We cannot break the hearts of many more staunch anti-Communists who love America.

Congress must reestablish the firm base, the unshakeable pivot of American life, on the rock of the Constitution.

Then it must ruthlessly cut off the public payroll, every activity which serves to build the collectivist one world.

It must restore Government agencies with limited powers in the hands of men who prefer limited powers because they revere our Constitution.

If Congress does its real duty, I have no doubt, whatever, that we shall find plenty of Americans who have the ability needed to roll back the Communist tide and give the world the hope of a new dawn of liberty.

Mr. President, I ask unanimous consent to have reprinted in the RECORD the following newspaper clippings from the Christian Science Monitor, entitled "Mr. Dulles' Stewardship," November 30, 1955, through December 14, 1955, by Joseph C. Harsch.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Christian Science Monitor of November 30, 1955]

MR. DULLES' STEWARDSHIP—I

(By Joseph C. Harsch)

WASHINGTON.—John Foster Dulles has presided over the foreign affairs of the United States for 3 years. As a corollary of this fact he has also been the ex officio policy leader of the western alliance for the same period of time.

The opposition party in the United States has elected to open its 12-month campaign for recapture of control of the United States Government with a frontal assault on Mr. Dulles' stewardship, despite the nonpartisan foreign policy statements of Senator WALTER F. GEORGE and the moderation position of Adlai E. Stevenson. Mr. Dulles' is the most responsible single post of command on the western side in the power struggle of our times.

Perhaps this should not have come as a surprise. The main Republican attack in 1952 was on the foreign-policy front. The human inclination to retaliate in kind is strong and must have been a factor in impelling the Democrats to the strategy they have elected. It is also true that they have concluded that the Dulles stewardship is open to valid criticism, that the Republican administration is vulnerable on this front.

Since the Dulles record is to be a main battleground in the United States elections, let us examine this record at length in this and subsequent articles in this space and attempt to arrive at a balanced appraisal of Mr. Dulles' 3 years in an office which might best be described as that of chairman of the joint chiefs of political staff of the western alliance.

The plan for the study is to begin where we were 3 years ago, proceed to where we stand today, then examine the story of the 3 years which led up to 1952, and conclude with a critique.

When Mr. Dulles took over the secretaryship of state from Dean Acheson in January 1952 the United States was the central and guiding force in an armed alliance. The alliance possessed a unified military force under a unified command. This never had been achieved before in time of peace. The alliance also possessed an agreed body of policy and purpose. The leadership of the United States was not in question, nor were the major policy purposes.

This alliance was so influential beyond the boundaries of its own territories that it had been able to induce a majority support in the United Nations for the war it was still waging in Korea, in fact was allowed to fly the U. N. flag over its armies, although these armies were always in truth armies of the western alliance, not of the U. N.

The influence and prestige of the alliance under United States leadership was also measured by the fact that it retained good relations with India, although the official policy of India was to be a neutral between the western alliance and the Soviet Union and Communist China.

The principal agreed purpose of the alliance was to make headway in the world against the rival purposes of the Soviet Union without precipitating a major war and the destructiveness of atomic weapons in such a war.

Considerable headway was being made against the purposes of the Soviet Union.

In Europe, Soviet momentum had been checked, brought to a standstill, and even had been pushed back in places. Stanchly anti-Communist governments had been set up in France and Italy. Berlin had been saved and West Germany drawn into the western orbit economically, politically, and emotionally.

Finland, although held in a Soviet military grip, had rejoined the West in every other respect. All Europe was recovering economically, financially, and spiritually.

In southeastern Europe, Soviet control of Yugoslavia, penetration of Greece, and attempted blackmail of Turkey had been converted into an alliance of those three states which put the impressive total of 60 divisions of troops into the western order of battle.

In Asia, China had been lost. American public opinion was very troubled over the way the Korean war had been conducted. There was still outward momentum in the

Communist movement, but it had been stopped in Korea where a military truce existed in fact, although it was still to be formalized.

The American people considered themselves heavily and dangerously involved in Korea and were very responsive to President-elect Eisenhower's commitment to extricate them. Japan had been converted from a conquered country into an ally of the United States, though with uneasy undercurrents. Communist China had still to be contained on its southern flank and there were obvious and ominous signs of pressures to come in that direction. The lines had not been stabilized to the point where a political counteroffensive could be contemplated.

In the process there had been dangers of major war—particularly as an outgrowth of the Korean war. However, the alliance was operating within the framework of its major agreed purpose of making headway without getting caught in such a war. It was in forward motion.

[From the Christian Science Monitor of December 1, 1955]

MR. DULLES' STEWARDSHIP—II

(By Joseph C. Harsch)

WASHINGTON.—The only major political force in the world which is in perceptible forward motion today is the Soviet Union. Having changed its tactics, it is not at the moment openly threatening anyone with its military power. It is not placing major emphasis on the weapon of attempted subversion, but it is using classic instruments of power politics in what can only be defined as a new offensive.

This offensive is not as alarming on the surface as the earlier ones, which used more obviously dangerous weapons. However, territory and nations can be won by the subtler and more orthodox methods of power politics, and a world can just as easily be lost in a contest of this kind.

The major feature of the new Soviet offensive is an effort to improve Soviet political and economic relations with as many countries in the world as possible. The end purpose would appear to be the isolation of the Western alliance from the rest of the world and ultimately the breaking up of the alliance.

The operation has enjoyed a considerable measure of interim success. The success is to be measured by the fact that there is no evidence of any widespread feeling around the world that the Soviets did behave badly at the second Geneva conference. Western strategy at this conference was to nail the responsibility on Moscow for the inability of that conference to make progress toward settlements.

While there is considerable awareness of the Soviet unwillingness to negotiate and agree as the major cause for the conference failure, the conference would have been a success, in terms of the Western purpose, if the end result had been a massive revulsion of world public opinion against Moscow. There is no evidence of any such revulsion.

Even in Germany, the principal victim of nonagreement at Geneva, the net effect apparently has been to increase the inclination to deal directly with Moscow rather than to increase resentment against Moscow. In the United States itself there is no appearance of a widespread public-opinion protest against Moscow intransigeance.

What Moscow did at Geneva was officially labeled by Mr. Dulles and his partners as being shocking. They professed to be shocked. But Messrs. Bulganin and Krushchev immediately thereafter took off for an unshocked India, while Kremlin guest suites were being put in order for a fresh series of visits from other unshocked people, including Marshal Tito, of Yugoslavia.

In the meantime, Moscow has been swift to capitalize on the rift between the United States and Egypt which followed after the conclusion of the northern tier alliance of Iraq, Turkey, Iran, and Pakistan. Moscow influence already has penetrated Egypt seriously and the Kremlin has obvious hopes of using Egypt as a base for further operations both in the Middle East and in Africa behind the "northern tier."

Meanwhile there is a weakening of the once-sturdy alliance between Turkey, Greece, and Yugoslavia. Turkey is in a parlous internal condition of economic trouble and political unrest. Greece is furious at London over the Cyprus affair and at Washington over the latter's failure to reproach Turkey for the damage done to Greeks in the Istanbul riots. Yugoslavia is grinning happily on the fence between East and West. The southern anchor of the Western front in Europe is slipping.

The northern flank of that front in Scandinavia has been eroded as well. It cost Moscow nothing to give up the Finnish fortress of Porkaala, but Swedes, Danes, and Norwegians were vastly relieved.

The center of the front is in Germany, and here the erosion is more dangerous than anywhere else. To many German eyes the Western alliance is beginning to look like a relic of the past, not like a useful means toward the primary German purpose of unity.

Even at the heart of the alliance there is discontent. France feels that it has not had the support it could expect from allies in its trouble in Africa. Britain has been distressed over nonimplementation of the trade-not-aid program.

In Asia, Chinese Communist pressures continue to mount to the southward, several of Chiang Kai-shek's generals on Formosa have defected, Britain is launching a desperate attempt to push back the rising Communist tide in Malaya, and Japan is practicing a passiveness about the Western cause which is a source of gnawing anxiety in Washington.

This is not the whole picture. The true proportion of events is probably very much less to the disadvantage of the West than these present facts would appear to indicate. The other side of the coin will be treated carefully in a later installment in this series.

By contrast with Moscow's current forward motion, the ship of the Western alliance appears to be becalmed and motionless. The only project being pushed forward at the moment is the northern tier in the Middle East. But this ceases to have much value if it is outflanked in Egypt.

Mr. Dulles is still chairman of the joint chiefs of political staff of the Western alliance, but the institution appears almost to be dormant. It cannot be said that at this time the foreign policies of the Western alliance are in forward motion. Moscow is.

[From the Christian Science Monitor of December 2, 1955]

MR. DULLES' STEWARDSHIP—III

(By Joseph C. Harsch)

WASHINGTON.—Any fair evaluation of the 3-year stewardship of United States foreign policy by Mr. Dulles must take into account the widely unappreciated fact that he has had to try to do the same things his predecessor, Dean Acheson did, but do them with fewer and weaker instruments of foreign policy.

The great general purpose of United States operations in the world did not change when Mr. Dulles took over from Mr. Acheson. The purpose was then, and the purpose is now, to make headway in the world against the rival purposes of the Soviet Union without precipitating a major war and the destructiveness of atomic weapons in such a war.

The advantages Mr. Acheson enjoyed over his successor, Mr. Dulles, have been obscured, particularly in the United States, by the political controversy which swirled about Mr. Acheson. He was the principal target of Republican political action most of his term of office, and he presided over United States foreign policy during the most unpopular war the United States ever fought—the Korean war. These two circumstances combined to produce widespread public distrust of him and of the policies over which he presided. He was presumed by many of his fellow citizens to be an unsuccessful, even a dangerous, steward of United States foreign policy.

Yet when Mr. Acheson left his native shores to negotiate overseas with his allies and to plan and execute with them ways and means of carrying forward the agreed policies of the Western alliance, he moved at once from a political ambiance in which he was widely distrusted and largely devoid of political influence into one in which he was greatly trusted and in which he exercised enormous influence. Seldom in history has a foreign minister of a great power been so distrusted and weak at home and so trusted and influential overseas.

Consider the instruments which Mr. Acheson possessed in those days for the furtherance of United States policies and purposes:

1. The United States still possessed a commanding lead in atomic military power in the world. Thus his words were always backed and given extra weight by the physical power which lay behind them.

2. Beginning with the Korean war, the Congress insisted consistently on voting more money for the Armed Forces of the United States than the Chiefs of those Armed Forces requested or could spend. Mr. Acheson's words were backed by a rising level of United States military power.

3. With equal consistency and liberalness the Congress, year after year, voted massive appropriations for foreign economic aid.

4. Beginning from long before the Korean war, the Congress consistently voted for all the political projects which Mr. Acheson asked it to approve. From Greek-Turkish aid down through the NATO alliance Congress always approved Acheson policies even though condemning the man Acheson.

Consider now what has happened to these four major instruments of policy since Mr. Dulles took over from Mr. Acheson.

The first has disappeared entirely. The United States lost its commanding lead in atomic military power when the Soviets achieved jet-propelled intercontinental bombers to twin with their atomic and hydrogen bombs. The first Geneva Conference was a formal renunciation of an instrument of influence and power which already had been nullified by events.

The second and third instruments of policy enjoyed by Mr. Acheson have been steadily curtailed during Mr. Dulles' 3 years in office. The military budget has been reduced substantially each year. Foreign-aid appropriations have been cut even more radically.

The only 1 of the 4 instruments which has continued substantially unreduced has been the disposition of Congress to approve political policies—i. e., ratify treaties.

Perhaps a fifth factor should be added to this comparison of assets enjoyed by Messrs. Acheson and Dulles. During the Acheson period the Soviet Union was ruled by Joseph Stalin, a man so widely feared throughout the world that Western countries were acutely aware of their dangers and willing to accept heavy burdens for the sake of their security.

Almost since the beginning of the Dulles period Moscow has been ruled by a collective group of less ominous appearing men. It is merely a fact of the times that the West, including United States public opinion, is less in awe of the new leaders of the Soviet state and therefore less willing to accept burdens involved in the process of trying to thwart and frustrate the rival purpose of the Soviet state in the world.

The only real advantage Mr. Dulles has possessed over his predecessor is that he has enjoyed a greater freedom from public criticism and suspicion at home. This is, however, a small advantage for a foreign minister of a world power. What counts really in such cases is influence abroad, for it is the foreign world, not the domestic scene, which it is his function to influence.

The net of the matter is that Mr. Dulles has had to manage the foreign affairs of the United States with fewer and weaker tools than his predecessor possessed. It is due to circumstances largely beyond his control that the alliance is weaker, that the opponent is bolder, that the influence of the United States is less today than it was when Mr. Dulles took over from Mr. Acheson 3 years ago.

[From the Christian Science Monitor of December 6, 1955]

MR. DULLES' STEWARDSHIP—IV

(By Joseph C. Harsch)

WASHINGTON.—The true story of United States foreign policy over the past 3 years has been obscured and understanding of it made extraordinarily difficult by a body of public folklore dating well back in postwar history and by a fondness of public opinion in modern democracies for a weekly diet of "successes."

Had John Foster Dulles been able and willing to clear away the cobwebs of folklore at the outset of the Eisenhower administration and resist the temptation to feed the public desire for successes, he and his record would not be as politically vulnerable as they are today. On the other hand, he might not still be Secretary of State of the United States of America.

The end result is that the Dulles stewardship is being, and undoubtedly will continue to be, attacked with much political success for the wrong reasons, because it too easily can be made to appear to be what in reality it has not been—which is precisely what happened to his predecessor, Dean Acheson.

The irony of the matter is that Mr. Dulles is in large measure the victim of public misunderstanding of the true role of his predecessor and that his own role cannot be untangled from present false appearances without a prior untangling of the Acheson record from the false appearances of an earlier time.

The key to the untangling of both records lies in a fact largely unknown to the public generally, although widely known and appreciated in the foreign ministries of the world.

That key is that George F. Kennan, one of the most fertile and influential minds brought to bear on Western foreign policy over the past decade, was separated from an active role in the formulation of United States policy in fact back in 1949 when Mr. Acheson was Secretary of State, although he was not separated officially until Mr. Dulles took over in 1953.

Mr. Kennan is known publicly as the originator and the philosopher of what is called the "containment" policy toward the Soviet Union. Mr. Acheson was attacked heavily in his time for having presumably pursued the "containment" policy—Mr. Dulles himself being among the attackers. Since then Mr. Dulles has been widely criticized for allegedly trying to go over from "containment" to a more aggressive policy toward Moscow. But if you read the real record of Eisenhower-Dulles policy of the last 3 years against Mr. Kennan's writings, the fact emerges that in major matters it has been a Kennan policy—much more so than Acheson policy ever was.

The misfortune of Mr. Dulles is that he is being judged by his political opposition now on the basis of an immediate situation which on the surface looks unproductive, whereas the real judgment on him and on the Kennan theory can only be rendered by the future.

The essence of Kennan doctrine is that time is on the side of the West in the power struggle, and that if we of the West play for the long haul, and do not waste our resources in an effort to obtain quick results, or squander our credit in the world by betraying our Western heritage, then we ultimately win.

You will find the "long haul" concept written all through Mr. Dulles' writings, particularly in his speech of January 12, 1954, to the Council on Foreign Relations. You will find it written even more clearly in the record of the last 3 years.

Mr. Kennan wrote:

"The geographic overextension of Soviet power is a serious and unhealthy anomaly, and needs desperately to be remedied, but there is no sudden and drastic and direct way of seeking to remedy it that would not draw down upon us all, friends, enemies, and Americans alike, new miseries and confusions far worse than those we would be concerned to overcome."

Mr. Dulles said:

"If we can deter such aggression as would mean general war, and that is our confident resolve, then we can let time and fundamentals work for us."

Messrs. Acheson and Kennan broke over what Walter Lippmann calls "overmilitarization" of the "containment" policy. If the Eisenhower administration had not launched its foreign policy in the "unleashing" of Chiang Kai-shek, and if Vice President RICHARD M. NIXON had not claimed that Mr. Dulles had "seized the initiative," and if Mr. Dulles' own public relations enthusiasts had not too often claimed successes which turned out to be setbacks, it would be easier to see that Eisenhower-Dulles foreign policy has had at its center an effort to demilitarize "containment," and that, in fact, they have launched a long-term effort based precisely on the Kennan theory that time and fundamentals can work for the West even though there may be interim "setbacks to the cause of freedom" (Dulles, January 12, 1954).

[From the Christian Science Monitor of December 7, 1955]

MR. DULLES' STEWARDSHIP—V

(By Joseph C. Harsch)

WASHINGTON.—What has really happened in the world during the 3 years of Eisenhower-Dulles foreign-policy management?

Are the proportions of events to be measured by the present motion and boldness and technical virtuosity of Soviet policy and the contrasting appearance of western immobility?

Or are the real proportions measured by the fact that western economies, released of part of their arms burden by budget cuts and of fear of atomic war by the "meeting at the summit," have surged ahead in an unprecedented prosperity and expansiveness?

There is no sure answer at this time, nor will a sure answer be available before the United States electorate goes to the polls on next election day.

The principal criticism of Mr. Dulles and his policies has been, and continues to be, that there is a conflict between his words and his deeds.

If he is to be judged by this conflict, then he is in serious trouble, for the charge can be well documented that his precepts and his practices are different things. He is accused of a policy of "bluff and bluster," of trying to deter communism by slogans. He is open to this criticism, for "instant retaliation" did not save Indochina, and the "unleashing" of Chiang Kai-shek was followed by the withdrawal from the Tachen Islands and the Formosa treaty which tied President Chiang tighter than ever to his island kingdom, and "liberation" was followed by acceptance at Geneva of the status quo in Eastern Europe, and the rollback policy of the 1952 campaign became the coexistence of Geneva.

Mr. Dulles, pursuing a long-haul policy, has invited judgment on the basis of interim setbacks which can be immaterial and irrelevant in terms of the long haul. They make him politically vulnerable only because he and others in his behalf have claimed interim successes which are just as immaterial and irrelevant as the setbacks if he is correct about the major premises of his policies.

We can see now, from the perspective of 3 years, that real Eisenhower-Dulles foreign policy has been grounded from the very start on the Kennan theory that it is unnecessary, unwise, and self-defeating to engage the forces of communism directly and constantly on the front lines of the great circle of contest around the Soviet world.

The first important and revealing move of the administration in foreign affairs was not the "unleashing" of President Chiang, but the reduction of United States forces in the Far East. The true policy from the outset was not to seek more areas of engagement with communism, but to disengage the forces of the United States from the mainland of Asia and from as many other points of contact as developing events would permit.

It has not been easy to see the evolution of a disengagement policy, because it has been obscured by many an act which conflicts with it, sometimes only in appearance, sometimes in fact. On the surface Mr. Dulles has been going around the world patching together new military alliances (SEATO and the "northern tier"), holding out to the Communists "instant retaliation" and to the Allies "united action" and "agonizing reappraisal."

But he has steadily and progressively disengaged the real power of the United States from the front lines of conflict. East and west no longer rub elbows at as close range at so many points around the circle. The interlocking alliances, although more numerous, are less meaningful. The United States military budget has been progressively reduced, not after the Soviets agreed to do the same, but regardless of their actions.

Time alone can decide whether disengagement is a safe and successful policy, but for those who wish to grasp the real inclination of sage from George F. Kennan's book "The Realities of American Foreign Policy" (1954):

"The greatest danger presented to us by Soviet policy is still its attempt to promote internecine divisions and conflict within our system of alliances and within our body politic. But this is something we have it in our power to counteract by the quality of our leadership and the tone of our national life generally. If these were what they should be, they would radiate themselves to the world at large, and the warmth of that radiation would not only represent the best means of frustrating the design for further Soviet expansion—it would also be the best means of helping the peoples behind the Iron Curtain to recover their freedom. For you will recall the Aesopian fable about the competition between the sun and the north wind to see which of them would make the traveler remove his cloak. Well, the traveler is the phenomenon of Soviet power. The cloak is that zone of inordinate power and influence in Eastern Europe and elsewhere with which it has tried to shelter its own inner sanctum. And you will all recall that it was not by the huffing and puffing of the north wind, but by the gentle indirection of the sun that the stubborn traveler was at last induced to remove his cloak."

[From the Christian Science Monitor of December 8, 1955]

MR. DULLES' STEWARDSHIP—VI

(By Joseph C. Harsch)

It may come as a surprise to most who read this study of John Foster Dulles' 3 years as

Secretary of State of the United States, but it is true and it will appear when the records are published, that early in 1954 he began planning the disengagement of the United States from the possibility of war with Communist China.

This was long before the Formosa Resolution of February 9, 1955, which seemed to forecast such a war, well before the Dien Bien Phu crisis, and also before the September 12, 1954, meeting of the National Security Council in Denver at which he was incorrectly reported to have voted for war if the Chinese Communists attacked Quemoy and Matsu or Formosa.

At a time when the press of the world was assuming that Mr. Dulles favored using the Armed Forces of the United States to put Chiang Kai-shek back in control of China, Mr. Dulles started planning the steps which led to the evacuation of the Tachen Islands and the regular meeting of United States and Chinese Communist Ambassadors in Geneva.

There is a widespread assumption that President Eisenhower has been the restraining and peacemaking element in United States foreign policy, frequently overriding the more warlike inclinations of his Secretary of State.

The truth of the matter is that the vast prestige of Mr. Eisenhower was the indispensible element for the execution of the disengagement policy which Mr. Dulles has been trying to execute since he took office. There were two great dangers in such a policy. One was that the Soviets would take any sign of disengagement as a sign of weakness and push all the harder against the West. The other was that domestic American political opinion, particularly from the Republican right (with its devotion to Chiang Kai-shek), would block such a policy.

Had there been no Eisenhower, Mr. Dulles never would have been able even to begin such a policy of disengagement. In theory, he took office committed to a "forward strategy" against the Soviet bloc. He was supposed to push them harder, not seek to withdraw the United States from the front lines in order that East and West would no longer be rubbing elbows at many points around the circle of Soviet power.

The protecting shadow of Eisenhower prestige has made it possible for Mr. Dulles to move slowly, and at most times obscurely, along his chosen road. The Republican right did not dare to break completely with an Eisenhower policy. The Allies were reassured during the various twists and turns of policy by the presence of the man who had led the Allied armies to victory in the war. The Soviets were respectful of the same man for the same reasons.

In foreign policy, as in war, a policy of disengagement is exceedingly difficult and dangerous. The importance of the Eisenhower role in the operation is attested by the fact that until the date of his illness the Soviets had not attempted to take bold advantage of the fact that the United States was being everywhere less active in the front lines, and was, in fact, pulling back its power toward its home bases.

It remains to be seen whether the disengagement policy can succeed with, or without, the factor of Eisenhower prestige. It is already apparent that it is more difficult without; for since the President's illness Moscow's boldness has jeopardized the policy. But there is no doubt that Mr. Dulles, in spite of all his belligerent-sounding slogans, has in fact been consistently trying to substitute a disengagement policy for the situations of strength policy of his predecessor, Dean Acheson.

One of the more interesting and little-known features of the Dulles record is that the principal Allied embassies in Washington have never shared the popular alarums about Dulles policy which have been so often demonstrated in their public opinions back at home, and even shared by their governments.

The embassies did not share the alarums, because they speak directly and in private with Mr. Dulles. They have been informed in advance of his purposes. They have not always been able to convince their home governments that matters were other than they appeared to be. It was difficult to convince even prime ministers that the United States was not intending war with China, or with the Soviet Union, when Mr. Dulles was talking about instant retaliation, and when preventive war was being advocated by high figures at the Pentagon.

But the embassies spoke with Mr. Dulles and knew from him that he regarded the surface postures as being unfortunate but unavoidable concessions to domestic political opinion, or as maneuvers required for strategic reasons bearing on Moscow and Peking. They knew that he was contemplating diplomatic relations with Communist China from early in 1954, and looking forward from an earlier date to relations with Moscow in a less brittle and more flexible context.

[From the Christian Science Monitor of December 9, 1955]

MR. DULLES' STEWARDSHIP—VII

(By Joseph C. Harsch)

WASHINGTON.—The more one tries to find the accurate context of the United States foreign-policy record under John Foster Dulles, the more one finds himself forced to go back to the year 1949 as the starting point. That year was the nemesis of Dean Acheson. It also bred the conditions which have been most troublesome for Mr. Dulles.

It was in 1949 that communism captured China and the Soviet Union set off its first atomic device. Those two simultaneous events did, in fact, upset the power balance in the world, and the United States has been striving ever since to restore a balance in which peace could be maintained on a tolerable basis.

One can only speculate on what might have been the story since then if Mr. Acheson had prevailed in the councils of Washington in the gloom of late 1949 when all of China had fallen under Moscow's shadow and the American monopoly of atomic weapons had been broken.

In those grim days of physical and mental winter Mr. Acheson and his advisers conceived and started preaching their situations of strength policy inside the administration. But it came up against a commitment of the Truman administration to balance the Federal budget. Economy was the official watchword of the day. Secretary of Defense Louis A. Johnson was cutting the fat out of the United States Military Establishment (he said he was not touching the muscle) up to the day the Korean war broke out in the spring. It was in that January of 1950 that Mr. Acheson drew the United States defense line around Japan, but not around Korea.

The reason for that action is important to the events of today. The United States Army, on reduced appropriation, decided that it had to cut its commitments and withdraw from at least one of its advanced positions. Mr. Acheson argued against the withdrawal from Korea, but when the choice was Korea or Germany, he gave in.

Had there been no United States military withdrawal from Korea imposed by the Army cuts, and had there been an upward revision of the whole United States military force instead of a further downward revision after the events of the summer of 1949, it is quite possible that there would never have been a Korean war.

But the sequence of events was not broken. A United States still in the process of disarming woke up to find itself in the Korean war. The shock to the United States, and to its policies, was profound. The reverberations are still felt.

That shock of the Korean war produced massive United States rearmament. It did more than that. It raised taxes, precipitately. It inflated the NATO alliance from an original plan for a United States-Canada-Britain alliance into a great, unwieldy structure which took in Norway over the protests of Sweden on one flank and the bitter hostilities of Greece and Italy on the other. It launched a military-aid program for anyone who would take United States arms. It inaugurated the rearmament of Germany policy.

By election day of 1952 the inevitable reaction to so many situations of strength at such cost had set in. Preventive war had become a rising theme in Washington. The phenomenon called McCarthyism had startled the alliance. American public opinion seemed to want an end to the cost either by atomic war or by withdrawal to Herbert Hoover's Fortress America. The alliance was threatened not by American strength, which was welcomed, but by what seemed to be a rising disposition to use that strength radically.

In January of 1953, the Eisenhower-Dulles team inherited a thoroughly explosive situation. It was under enormous pressures to end the existing situation by some means, almost by any means. It was an imperative for the team either to cut the burdens and costs of the old policies, or attempt to force a settlement at the threat of atomic war. The country was impatient of a condition which promised no end to the costs and no visible resolution of the war.

Mr. Dulles must wish as profoundly today as Mr. Acheson ever did that the budget cuts of 1949 had not caused the Army to insist on the withdrawal of United States troops from Korea. The problem for statesmen is always to find the golden mean. The valid criticism of Truman-Acheson policy after 1950 was that it overcompensated for the shock of the Korean war. The criticism which history may find valid against Mr. Dulles is that he had subsequently overcompensated for Truman-Acheson policy. If the one went too expensively far toward situations of strength, the other may be moving faster toward disengagement than is safe under the circumstances. Behind both is the same primary cause—the shock of the Korean war.

[From the Christian Science Monitor of December 13, 1955]

MR. DULLES' STEWARDSHIP—VIII

(By Joseph C. Harsch)

WASHINGTON.—One event stands out above all others in the record of the 3 years of Eisenhower-Dulles conduct of United States foreign policy. That one event is, of course, the "meeting at the summit" in July of this year.

Views about its merits and demerits are many and varied. It seemed to be a happy event when it took place. Governor Harriman of New York has since said that it cleared the way for a "breakthrough" of Soviet policy.

This much can be said about it without being controversial. It produced a sense of relaxation in the world.

Mr. Dulles did not want the meeting to come when it did. From his point of view, it was premature. He was driven to agreement by many factors, including the onrush of a political election in Britain for which the Conservative government thought it needed proof of its interest in peace.

The prematurity of the "meeting at the summit" was confirmed in one respect by the sterility of the subsequent second Geneva conference. The atmosphere had been relaxed before the experts of East and West had been able to discover even a useful approach to the problem of Germany.

In retrospect, we can see now that pressures of public opinion have imposed un-

fortunate timing on more than one such event. The popularity of budget economy in 1949 prevented the rearmament of the United States from being launched until after the Korean war broke out. It was planned and approved by President Truman in February. But it was not implemented until after the war started, and after its possible deterrent effect was gone. Had it been launched earlier, Moscow might not have thought it saw a green light flashing in Korea. Next, the public-opinion pressures of the Korean war imposed the tragic "march to the Yalu," and also the policy of rearming Germany.

Mr. Dulles' disegagement policy has been plagued more by that policy of rearming Germany than by any one other thing. Had he been free to disengage from the German policy before the "meeting at the summit," the sequel to the summit might well have been agreement on Germany. It is merely a fact, repeated a thousand times by all the statesmen of the world, East as well as West, that there can be no real settlement in Europe so long as Germany is divided.

Again we see the nemesis quality of the year 1949 still at work. In 1949 Moscow was not committed irrevocably to perpetuation of the division of Germany. Nor was the United States committed to the military integration of Germany into the Western alliance, nor to the military "forward strategy" which has since become so much a part of established United States military doctrine that the Pentagon can hardly think yet in terms of an alternative.

The disengagement policy of Mr. Dulles cannot succeed unless both the West and Moscow are willing and able to disengage from the German policies they both inherited from the Korean war. It is merely a fact that they were not able to do so this October, in spite of the relaxation produced in July. It is also a fact that since the summit conference and even more markedly since President Eisenhower's illness, the Soviets seem to be taking a degree of advantage of the disengagement policy which threatens its ultimate success. This might well not be the case if Mr. Dulles had been able to pick the time of the summit conference to his liking.

His great risk, all along, was that Moscow would take his policy as a sign of weakness, and take undue advantage of it. This is precisely the mistake the Soviet leaders made in the spring of 1949 when they assumed that the United States military withdrawal from Korea meant that it was safe for them to move in.

What Mr. Dulles has been trying to do ever since "the summit" has been to rescue his basic policy of disengagement from the prematurity of that first Geneva conference. He can only hope that Moscow will not overplay its hand now, as it did in June of 1950, and thus put him in the same position Mr. Acheson was put then.

The trouble about a foreign-policy issue in the 1956 campaign is that the individual voter has no way of knowing which point of view is fundamentally the more sound. The Democrats can contend that if Mr. Dulles had stayed with the Acheson "situations of strength" policy, the West would be better off today. No one can prove them wrong.

The Republicans can contend that Mr. Dulles' policy of disengagement will eventually win us through to the day of George F. Kennan's Aesopian fable when "the gentle indirection of the sun" will cause the stubborn Moscow traveler to shed the cloak of his "tone of inordinate power and influence." No one can prove them wrong.

But that day cannot very well come by next election day. Mr. Dulles is playing, for a long-term result, years away. Inevitably, he will be judged on the basis of individual guesses about the future results.

[From the Christian Science Monitor of December 14, 1955]

MR. DULLES' STEWARDSHIP—CONCLUSION

(By Joseph C. Harsch)

WASHINGTON.—An individual statesman is far less able than we usually assume to change the direction of events.

If the men of Moscow take undue advantage of the atmosphere of relaxation produced at "the summit" and plunge the world at least into a renewal of the worst days of the so-called cold war, the man whom public opinion generally will blame will be John Foster Dulles.

Right now he has to take the blame for the fact that the Soviets are taking a dangerous degree of advantage both of the relaxation of Geneva and of President Eisenhower's illness.

But Mr. Dulles was rushed by events into agreeing to the summit conference before he thought the time was really ripe for it.

We might well have been spared all of this if Winston Churchill had been heeded during the closing days of World War II. We can see now how profoundly right he was in recognizing that the onrushing defeat of Nazi Germany had made the Soviet Union the new danger to the West.

But even if President Roosevelt in the weariness of his last days and President Truman in his early inexperience had been able to grasp the soundness of the Churchill views, they would have been powerless to act upon them. Western public opinion, British as well as American, would have been incapable of accepting a turn of policy which would have called for renewed efforts just as the old war was ending.

We can see now in retrospect that if there were any one single cause of the Korean war it was the military budget cuts in the United States in 1949 which forced the withdrawal of United States troops from Korea at a time when the Communists were overrunning China and Moscow was setting off its first atomic bomb. But budget cutting was popular in 1949, and so, too, were lower taxes. It is easy to blame President Truman for deferring action on the then-pending rearmament program until the day after the Korean war broke, but few men in his position would have done otherwise. Not until the Korean war actually started was the United States taxpayer persuaded of the magnitude of the new dangers which arose out of the summer of 1949.

Mr. Dulles' record in office has been a difficult one to follow. He has seemed so often to be trying to lead us toward war when we know now that he actually was maneuvering all the time to try to disengage the United States from direct contact with both the Soviet and Chinese Communists. From the day he took office his steps have been pointed toward the relaxation of Geneva.

Perhaps his own personal nemesis has been the fate of his predecessor, Dean Acheson. He is said to have resolved that he never would expose himself to the punishment Mr. Acheson took in Congress. Thus he has often presented to the public the appearance of a man marching off to battle with at least the Chinese Communists, when all the while he actually was marching toward Geneva.

He has tried to avoid any open breaks with the Congress while doing things which many a Congressman would have felt impelled to denounce in public had they become public knowledge. This has led him to such devices as exchanging ambassadors with Communist China in Geneva. The substance of recognition is granted without the appearance.

This is a transparent device for doing something without appearing to do it. Mr. Dulles has resorted to many such devices. But, then, who in his position, having watched his predecessor become a household word of reproach throughout the land, would have been able to resist the employment of such devices? Politics, after all, is defined as the art of the possible.

And if "instant retaliation" was a bluff that was called by the Communists who walked through it to victory at Dien Bien Phu, it was imposed, in part at least, by a shortage of other deterrents which had, in turn, been imposed by public revulsion against the high taxes of the Korean war.

The Acheson policy was designed to achieve the containment of the Soviet Union by building "situations of strength," which seemed the wise thing to do after the Korean war broke out.

The Dulles policy is designed to achieve the containment of the Soviet Union by emphasizing strength and prosperity at the economic center of the Western alliance while disengaging militarily around the periphery of the power struggle. That seemed the wise thing to do after the revulsion of United States opinion to the costs of "situations of strength."

If the end result, years ahead, is Soviet relaxation to the point where the world is safe again, it may be that both "situations of strength" and relaxation made their necessary and useful contributions. But both were very largely imposed on the men identified with them by circumstances beyond their control.

History inevitably will judge both Mr. Acheson and Mr. Dulles differently than the politicians do today.

Mr. LANGER. Mr. President, I am very happy that, temporarily occupying the seat of the minority leader, I was present in the Chamber when the distinguished Senator from Indiana delivered his speech. He is not a member of the Committee on Foreign Relations. If he were, and if he had seen the Secretary of State when he appeared before our committee and heard his frank answers, I am sure he would have been impressed, as I have been, with his fearless honesty in giving reasons for acting the way he did under certain situations.

As Senators know, I am a member of the Abraham Lincoln-Theodore Roosevelt-Robert La Follette, Sr.-George Norris branch of the Republican Party. All Senators know that I voted against the United Nations and against all giveaway programs.

I wish to say, however, that the foreign policy of our country is, under our Constitution, in the hands of Dwight D. Eisenhower, the President of the United States. That the President is as popular as he is today attests to the fact that the people believe he has been doing a very good job in dealing with the complex problems that arise in that field.

The President chose John Foster Dulles to be his Secretary of State; and the Senate, as I recall, unanimously, including, I believe, the Senator from Indiana, confirmed the nomination.

Sitting as a member of the Foreign Relations Committee, and being able to ask Mr. Dulles any questions I wish to ask of him, I have always been impressed by the fact that John Foster Dulles is, above everything else, not a hypocrite.

John Foster Dulles has the courage of his convictions. He has the great courage and integrity to change his mind from time to time as rapidly changing conditions appear. I am impressed by one other fact. It is that with John Foster Dulles as his Secretary of State, Dwight Eisenhower and Mr. Dulles have

taken charge of the foreign relations of the United States Government, and, although cooperating with other countries, have not allowed England, France, or any other country to dictate to the United States of America.

As a member of the Republican Party, I am proud of the record Dwight D. Eisenhower has made in conducting the foreign affairs of the United States.

It is so easy to go back over a period of years and criticize. It is so easy to go back a few years and, out of context, read what was said by the distinguished Secretary of State. It is such a simple matter to quote from what he may have said in a speech a few years ago. I think most public men are vulnerable on that score.

The great fact that appeals to the men and women of America, Mr. President, is that Dwight Eisenhower and John Foster Dulles have kept our country out of war. All over the country there is a feeling of security that so long as Dwight D. Eisenhower is in the White House the United States will not become involved in a war, even though the Secretary of State may have taken us to the brink three times. That very fact may have kept us out of war on all occasions and likely did—and Mr. Dulles is entitled to that credit.

So far as I am concerned, occupying temporarily the chair of the minority leader, I say that, in contrast to what was done during the past 20 years by the party whose representatives sit across the aisle, the record of Dwight D. Eisenhower stands out remarkably well.

Mr. President, I could not let the occasion pass without saying what I have said, in view of the speech which has just been made.

If the distinguished Senator from Indiana were a member of the Committee on Foreign Relations and had attended the meetings of that committee when John Foster Dulles appeared there, and saw his almost unbelievable frankness, and realized what a great job that man has been doing and is trying to do for America, I believe in my heart, knowing the distinguished Senator from Indiana as I do, that he would not have made the speech he has made today.

Of course, as I said before, it is easy to criticize. However, as a member of the Committee on Foreign Relations, I am satisfied of the honesty, ability, and integrity of John Foster Dulles. Mistakes he may have made. However, if so, they have been mistakes of the head, not of the heart. I say in all sincerity that, in my opinion, John Foster Dulles has been unrelentingly fighting for the interests of the rank and file of the people of the United States. I say that even though I do not agree with him on many things he has done.

As I said, I could not help make my statement, occupying, as I do, for the moment, the position as minority leader because I feel the Secretary of State is entitled to this consideration—and I am delighted to have the opportunity frankly to state the truth upon the Senate floor.

PRESERVATION OF NATURAL RESOURCES

Mr. NEUBERGER. Mr. President, the unanimity of opinion which exists in the United States over the need for conserving natural resources is something of a phenomenon in a nation of such diverse economic interests, political affiliations, and social viewpoints. This phenomenal solidarity is a reflection of the desire of Americans to foster and preserve our heritage of scenic values, of mountain vistas, of timbered slopes, of surging waterways—and the birds, animals, and water life which inhabit them.

One would imagine that because of the number and single-minded purposefulness of those Americans dedicated to natural resource conservation, no public official would have the temerity to undertake action which would threaten the cause around which so many millions of our citizens have rallied. Yet, in the past 3 years, there has occurred a rising crescendo of protest against the administrative policies of the Department of the Interior toward national parks, forests, wildlife refuges, and water resources. The supporters of the present Secretary of the Interior, Douglas McKay, have attempted to minimize the criticism of his policies by claiming the protests are inspired by political partisanship. It is my belief that such is not a true evaluation of the origin and extent of opposition to many Interior Department policies. The fact is that adherents of sound conservation policy are among the members of both political parties. Neither the Democratic nor Republican Party can lay sole claim to this large segment of the American population.

Because administration apologists have tried to pin the label of partisanship to the critics of Secretary McKay, I believe it is noteworthy that one of the strongest protests against his actions was recently made by a group of New York State conservation leaders, who, in a copy of a telegram given to me, willingly identified themselves as Republicans. The telegram left no doubt as to their desire for Secretary McKay's immediate dismissal, nor their intentions to mobilize political action if the administration fails to accept their suggestion.

Mr. President, I ask for consent to include in the RECORD a copy of the telegram, dated January 9, 1956, which was sent to President Eisenhower, asking for the dismissal of the Secretary of the Interior.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

SYRACUSE, N. Y., *January 9, 1956.*

President DWIGHT D. EISENHOWER,
The White House,
Washington, D. C.:

Although we are confident that this message will never reach you (others have been diverted), we are addressing it to you because of the importance which we attach to the subject; and because you are undoubtedly the only person who can possibly curb the efforts of the Republican Party as represented by Secretary McKay in his persistent efforts to foster the exploitation and destruction of our national parks, forests, and wildlife refuges by commercial interests and by the Armed Forces of the United States.

Moreover, the latest of these acts by the custodian of our public lands, whom you appointed, namely, the leasing of the wildlife refuges to oil and gas interests, specifically violates Mineral Leasing Act, Public Law 585, section 10 of the United States Congress which states clearly that these lands can be leased for other purposes only in time of national emergency and then only by Presidential order.

Such an emergency does not exist (oil and gas reserve ratios to use have never been greater) and therefore, the Secretary has disregarded and usurped both Presidential and congressional authority and the demonstrated wishes of the public. During his 3 years in tenure, Secretary McKay has abundantly demonstrated his unfitness for administering the great public trust which you have placed upon him.

We request his immediate removal from office for the good of the Nation and to make it unnecessary for us to apprise the public of the facts and to bring about the defeat of the Republican Party, regardless of candidate, at the forthcoming national election.

If you question our ability to muster votes for conservation, witness the defeat of amendment 7 in New York States last November by a majority of over 2 to 1, despite the efforts of politicians and selfish interests over a period of 30 years. It took us only 6 weeks to do that—we have 36 weeks to organize the 40 million purchasers of hunting and fishing licenses in the United States.

It is with regret that we as Republicans find it necessary to make such a request.

RICHARD CASE,
Director, New York Conservation Council and Chairman, State Waterfowl Committee, Kirkville, N. Y.

ROBERT BAGBY,
Chairman, Sportsmen's Round Table Association, Rural Route 2, Cazenovia, N. Y.

A. B. HATCH,
Chairman, Game Committee, Twin Falls, Fayetteville, N. Y.

HARRY WHITFORD,
Retiring Director, New York State Conservation Council, Syracuse, N. Y.

ORDER FOR RECESS

Mr. LONG. Mr. President, I ask unanimous consent that when the Senate has concluded its business today it stand in recess until 12 o'clock noon tomorrow.

Mr. LANGER. Mr. President, reserving the right to object—and I shall not object—I cannot let this opportunity pass without saying that this is the first occasion I have ever occupied the seat of the minority leader at a time when the seat of the majority leader was occupied by my great friend the Senator from Louisiana [Mr. LONG]. It is a great occasion, because he is one of my very best friends. He is a Democrat and I am a Republican, but he went to North Dakota and won the love, admiration, and respect, as a man of integrity, of the people of North Dakota. His father was there on several occasions. I congratulate the Senator upon the great father he had. I know he is an able son of Huey Long, who was my friend. This is the first occasion I have had to be in close proximity to the distinguished Senator when he and I are temporarily occupying these positions.

Mr. LONG. I thank the Senator very much for his kind remarks. The Senator from North Dakota has been an able

public servant throughout his entire life. He has devoted himself to the best interests of the citizens of the Nation, and I am extremely glad to be one of his friends. It has been one of the gratifying things of my life that my father shared the Senator's friendship. I believe the Senator from North Dakota is one of the most devoted friends I have ever known.

Mr. President, has there been a ruling on my unanimous-consent request?

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF DEBATE TOMORROW

Mr. LONG. Mr. President, I ask unanimous consent that at the end of the morning business tomorrow the Senator from Illinois [Mr. DOUGLAS] be recognized.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, I further ask unanimous consent that the Senator from Illinois [Mr. DOUGLAS] be permitted to yield to the Senator from Montana [Mr. MANSFIELD] for 30 minutes before the Senator from Illinois proceeds.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. LONG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF THE NATURAL GAS ACT, AS AMENDED

The Senate resumed the consideration of the bill (S. 1853) to amend the Natural Gas Act, as amended.

Mr. DOUGLAS. Mr. President, I should like to make some preparatory comments this afternoon. It is my understanding that the acting majority leader will then move that the Senate take a recess until tomorrow.

Mr. President, this has been a somewhat extraordinary debate thus far. On the one hand, the very eminent Senator from Arkansas [Mr. FULBRIGHT], whom I count as a real personal friend, made an eloquent argument that his bill is designed primarily to protect the consumer. He virtually gave assurances that there would be no increase in prices if the bill were to be passed.

Another eminent Senator, the junior Senator from Oklahoma [Mr. MONRONEY], whom I also count as a personal friend, implied that any increases which came about would be perhaps not more than half a cent or 1 cent a thousand cubic feet.

I am sure those Senators made their statements in perfect sincerity. They are very fine men, and I am sure they meant what they said. But it is very interesting that in the areas where the gas is produced, in Texas, Oklahoma, and Louisiana, the people who are really behind the proposed legislation do not regard it primarily for the protection of the consumer, as the Senator from Arkansas tried to assure us, but as a means to give the producers a very large increase in the price of natural gas at the wellhead. This illustrates the extraordinary dual nature of the discussion which has been carried on here. On the one hand, verbal assurances are given to the consumers of the North that there will be no real increase in price and that the control imposed will be more effective than under the present law; on the other hand, propaganda has been going on for months in the Southwest that this is a decontrol measure designed to take the reins off the industry and allow it to get all it can for the sale of gas at the wellhead.

Mr. President, the Fulbright bill cannot be both of these things; it must be one or the other. And there is no doubt what the bill really will do. It will greatly increase the cost of natural gas to the consumer, particularly the householders and families of America.

Mr. LONG. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I shall be glad to yield to another good friend of mine. It is strange to see how many personally fine Senators are on the wrong side of this issue.

Mr. LONG. Is it not entirely within the realm of possibility that the price of gas will be fixed by competitive conditions as is the price of any other commodity?

Mr. DOUGLAS. I would say the price of gas in the field is fixed by quasi-monopolistic conditions in a seller's market in which the buyers do not have adequate protection.

Mr. LONG. Why does the Senator feel that there is no adequate competition in the gas business? I am sure the Senator would not want to have the average American enterprise placed under Federal price control. Why does the Senator feel that the gas business is any less subject to competitive factors than is the automobile business, the steel industry, the coal industry, and many other industries?

Mr. DOUGLAS. Let me say to my good friend from Louisiana who has just returned victorious from the political wars of his State, that if he will listen carefully to the arguments which I shall unfold, a portion of which I hold in my hand, I hope he will be converted, because he is a very openminded man, and I hope he will recognize that the production of gas is very different from the production of automobiles, steel, or any other commodity.

Mr. LONG. I hope the Senator is prepared to make a different argument than he made several years ago when he failed to persuade me.

Mr. DOUGLAS. I know you are an honest man but it is hard to persuade Senators from great gas producing and exporting States. I can understand and fully appreciate the position of Senators from such States who feel they must represent the interests of their State. But what puzzles me is how any Senator from a consuming State can be for this bill.

Mr. LONG. Being firmly convinced that prices should actually be fixed by competitive conditions, the Senator from Louisiana might say that he would still be of that opinion after he has heard the arguments.

Mr. DOUGLAS. I hope the Senator from Louisiana will listen to me.

I may say that we who fought the Kerr bill did not do so badly the last time in 1950 so far as the Senate was concerned. We received 38 votes on the floor, when at the beginning it was said we had only 26; and the public was educated to such a degree that the President of the United States, in his wisdom and courage, vetoed the bill.

RECESS

Mr. LONG. Mr. President, I believe the Senator from Illinois would perhaps desire to defer until tomorrow the address on which he has made much preparation, as can be seen. I believe he would prefer to speak to a more full attendance of the Senate at that time.

If the Senator from Illinois does not object, I now move that, pursuant to the order previously entered, the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 51 minutes p. m.) the Senate took a recess, the recess being under the order previously entered, until tomorrow, Friday, January 20, 1956, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate January 19 (legislative day of January 16), 1956:

SECURITIES AND EXCHANGE COMMISSION

Earl Freeman Hastings, of Arizona, to be a member of the Securities and Exchange Commission for the remainder of the term expiring June 5, 1959, vice A. Jackson Goodwin, Jr., resigned.

MUNICIPAL COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA

Leo A. Rover, of the District of Columbia, to be chief judge of the Municipal Court of Appeals for the District of Columbia for a term of 10 years, vice Nathan Cayton, retiring.

UNITED STATES MARSHAL

Lyle F. Milligan, of Wisconsin, to be United States marshal for the eastern district of Wisconsin, for a term of 4 years, vice Clemens F. Michalski, resigned.

COAST AND GEODETIC SURVEY

Subject to qualifications provided by law, the following for permanent appointment to the grade indicated in the Coast and Geodetic Survey:

To be commissioned captain

Ira T. Sanders, effective January 1, 1956.

Edward R. McCarthy, effective January 1, 1956.

Clarence A. Burmister, effective January 1, 1956.

Francis B. Quinn, effective January 1, 1956.

UNITED STATES PUBLIC HEALTH SERVICE

The following candidates for personnel action in the Regular Corps of the Public Health Service:

I. FOR APPOINTMENT, EFFECTIVE DATE OF ACCEPTANCE

To be senior surgeons

John C. Hume

Emanuel E. Mandel

To be senior assistant surgeons

Joseph H. Davis	Henry V. Belcher
Carl S. Shultz	Donald A. Carlyle
Robert B. Mellins	Frederick Stohlman, Jr.
Arnold S. Morel	Roy J. Thurn
Jack Richard	John E. Sonneland
Preston L. Leslie, Jr.	Edward B. Cross
James H. McGee	Warren P. Jurgensen
Hildegard M. Leslie	

To be assistant surgeons

Neely E. Pardee	John G. Mahaney
Gordon S. Siegel	Ted L. Flickinger
John S. Murray, Jr.	Donald J. Murray
Gabriel M. Mulcahy	James T. Worlton, Jr.
Raph J. Zecca	

To be assistant dental surgeons

Robert A. Hesse
E. Duane Oakes

To be senior assistant nurse officers

Katherine W. Kendall	Lydia K. Oustalan
Marcella R. Hayes	Catherine M. Thompson
Josephine I. O'Callaghan	Mary G. Eastlake
Margurite M. Albrecht	Lillian M. Kennedy
Ruth P. Tweedale	Hazel F. Kandler
Elizabeth B. Uroda	Esther C. Gilbertson

To be assistant nurse officers

B. Octavia Heistad	Dorothy C. Calafiore
Evelyn H. Krueger	Catherine M. Atwater

II. FOR CONFIRMATION OF RECESS APPOINTMENTS

To be senior surgeon, effective date indicated

James D. Wharton, December 28, 1955.

To be surgeon, effective date indicated

I. Ray Howard, September 22, 1955.

To be senior assistant surgeons, effective date indicated

Nicholas P. Sinaly, September 26, 1955.
Paul Ortega, Jr., October 3, 1955.
Jesse L. Steinfield, October 3, 1955.
Robert Y. Katase, October 4, 1955.
Thomas L. Gorsuch, October 5, 1955.
Seymour Dubroff, October 5, 1955.
David J. Crosby, October 10, 1955.
Fred J. Payne, October 14, 1955.
Symon Satow, November 16, 1955.
M. Walter Johnson, November 26, 1955.
Edward F. Blasser, November 30, 1955.
Bernard J. Eggertsen, December 3, 1955.
Agamemnon Despopoulos, December 6, 1955.
Murray Goldstein, December 6, 1955.
Leo Nakayama, December 6, 1955.
Dewey C. MacKay, Jr., December 8, 1955.
Frank R. Mark, December 13, 1955.
Eugene T. van der Smissen, December 19, 1955.

To be assistant surgeons, effective date indicated

C. Lowell Edwards, September 7, 1955.
Roy E. Tolls, September 7, 1955.
Ernest E. Musgrave, September 7, 1955.
Michael W. Justice, November 28, 1955.
David H. Loof, December 7, 1955.
John R. Trautman, December 9, 1955.
Irvin B. Kaplan, December 14, 1955.
Thomas E. Kiester, December 19, 1955.

To be senior assistant dental surgeons, effective date indicated

Paul H. Keyes, September 22, 1955.
Harry M. Bohannan, September 23, 1955.
Alfred Popper, October 1, 1955.
Edgar M. Benjamin, October 3, 1955.
Marvin S. Burstone, October 3, 1955.
Edward J. McCarten, October 26, 1955.
Neville A. Booth, November 7, 1955.
Winston W. Frenzel, November 12, 1955.
Joseph Abramowitz, November 20, 1955.

To be assistant dental surgeons, effective date indicated

Robert R. Kelley, November 4, 1955.
Calvin M. Reed, November 16, 1955.
Winston D. Bowman, November 21, 1955.
W. Frederick Schmidt, November 25, 1955.
Stanley D. Sherriff, November 29, 1955.
Bernard A. Yenne, December 9, 1955.
James R. Dow, December 13, 1955.
William D. Bowker, December 19, 1955.
Harry H. Hatasaka, December 23, 1955.
Leonard Iverson, December 29, 1955.
Howard B. Hancock, December 29, 1955.
Ivan T. Shaurette, December 30, 1955.

To be senior scientist, effective date indicated

Louis Block, November 14, 1955.

To be senior assistant nurse officers, effective date indicated

Lucille T. Fallon, November 30, 1955.
Evelyn A. Eckberg, December 7, 1955.
Antoinette M. Antetomaso, December 8, 1955.
Elizabeth A. Mullen, December 8, 1955.
Helen Troxell, December 8, 1955.

To be assistant nurse officer, effective date indicated

Alice M. Haggerty, December 12, 1955.

To be junior assistant nurse officer, effective date indicated

Cecil F. Mills, December 12, 1955.

To be senior assistant sanitarian, effective date indicated

Viola L. Ziemer, October 18, 1955.

To be assistant sanitarians, effective date indicated

Grace M. Littlejohn, October 24, 1955.
Paul Blank, December 14, 1955.
Richard A. Steinmetz, December 14, 1955.

III. FOR CONFIRMATION OF RECESS PERMANENT PROMOTION

To be senior assistant surgeons, effective date indicated

Malvern C. Holland, July 1, 1954.
Charles C. Elliott, July 1, 1955.
Charles A. Davis, July 1, 1955.
Robert W. Jones, July 1, 1955.
Cuvier D. McClure, July 1, 1955.
William B. Gaynor, July 1, 1955.
Leslie R. Schroeder, July 1, 1955.
Alan S. Rabson, July 4, 1955.

HOUSE OF REPRESENTATIVES

THURSDAY, JANUARY 19, 1956

The House met at 12 o'clock noon.

Msgr. Nicholas Babak, vice president, St. Basil's College, Stamford, Conn., offered the following prayer:

In the name of the Father, and of the Son, and of the Holy Ghost. Amen.

O generous and loving God, we humbly thank Thee for the inestimable blessings which Thou hast bestowed upon our land and its people, among whom are those who have fled from the inhuman tyranny of the colonialism of imperialistic Russian communism, and who have now regained the blessings of liberty. In this land of abundance Thou hast permitted men of all races, speaking many tongues, to live together under one flag.

Enlighten and guide, O wise and Almighty God, our devoted patriots, our leaders, the Members of Congress, and the President of the United States in restored health, and enable them to fulfill the grave obligations of their respective positions with honesty and ability. For their work fill them with zeal; always to put welfare of our country and welfare of humanity over self. May they hasten to secure that universal peace which respects life, liberty, and the pursuit of happiness—freedom of religion, freedom of the press, and freedom of lawful assembly.

With Thy help, O Lord, may they bring new life to the once free Ukrainians and all enslaved people—people who now helplessly cry out from vast prisons behind barbed wire to men of freedom everywhere.

Fill the hearts of these American patriots with such compassion and determination that they may help to secure for all men, governments which derive their just powers from the consent of the governed.

Give them fearlessness and courage to protect the God-given rights of their fellow men.

In the name of the Father, and of the Son, and of the Holy Ghost. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Tribbe, one of his secretaries.

RESIGNATION AS MEMBER OF THE COMMITTEE ON BANKING AND CURRENCY

The SPEAKER laid before the House the following communication:

JANUARY 19, 1956.

The Honorable SAM RAYBURN,
Speaker of the House of Representatives.

MY DEAR MR. SPEAKER: I hereby tender my resignation as a member of the Committee on Banking and Currency of the House of Representatives.

Sincerely yours,

IRWIN D. DAVIDSON,
Member of Congress.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

ELECTION OF MEMBER TO COMMITTEE ON HOUSE ADMINISTRATION

Mr. COOPER. Mr. Speaker, I offer a privileged resolution (H. Res. 381) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That WATKINS M. ABBITT, of Virginia, be, and he is hereby, elected a member of the standing Committee of the House of Representatives on House Administration.

The resolution was agreed to.

ELECTION OF MEMBER TO COMMITTEE ON THE JUDICIARY

Mr. COOPER. Mr. Speaker, I offer a privileged resolution (H. Res. 382) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That IRWIN D. DAVIDSON, of New York, be, and he is hereby, elected a member of the standing Committee of the House of Representatives on the Judiciary.

The resolution was agreed to.

ELECTION OF MEMBER TO COMMITTEE ON MERCHANT MARINE AND FISHERIES

Mr. COOPER. Mr. Speaker, I offer a privileged resolution (H. Res. 383) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That JOHN D. DINGELL, of Michigan, be, and he is hereby, elected a member of the standing Committee of the House of Representatives on Merchant Marine and Fisheries.

The resolution was agreed to.

ELECTION OF MEMBER TO COMMITTEE ON PUBLIC WORKS

Mr. COOPER. Mr. Speaker, I offer a privileged resolution (H. Res. 384) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That JOHN D. DINGELL, of Michigan, be, and he is hereby, elected a member of the standing Committee of the House of Representatives on Public Works.

The resolution was agreed to.

COMMODITY CREDIT CORPORATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on Banking and Currency:

To the Congress of the United States:

In accordance with the provisions of section 13, Public Law 806, 80th Congress, I transmit herewith for the information of the Congress the report of the Commodity Credit Corporation for the fiscal year ended June 30, 1955.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE,
January 19, 1956.

ADJOURNMENT OVER AND PROGRAM FOR NEXT WEEK

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN. Mr. Speaker, I would like to inquire if the gentleman from Massachusetts could advise us at this time as to the program for next week.

Mr. McCORMACK. I am glad my friend asked that. I have no program to announce yet for next week. The Committee on Rules meets on Tuesday next. There will be no program for Monday or Tuesday, and I announce this so that the Members may govern themselves accordingly. After the Committee on Rules meets on Tuesday, I may have some program to announce for the remainder of the week, but for Monday and Tuesday the Members will understand there is no legislative program.

Mr. MARTIN. I thank the gentleman.

THE BIRTHDAY OF ROBERT E. LEE

Mr. JENSEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. JENSEN. Mr. Speaker, 12 States—one quarter of our great Republic—have honored the memory of Robert E. Lee by setting aside his birthday, January 19, as a legal holiday.

The glory of Robert E. Lee has expanded with the years. The example of his wisdom, his unselfishness, his dedication to duty is a high heritage of every American.

I might pay tribute to his courage. This home of the brave has produced none more brave than he.

I might pay tribute to his accomplishments as an engineer. He led the way in that profession.

I might pay tribute to his ability as an educator. He has had few equals in that field.

I do pay tribute to these noble qualities of character.

But, even more highly than these I honor the deep Christian strength of Robert E. Lee's soul which steeled him to face alike—with dignity and understanding—the sweetness of triumph and the bitterness of disaster.

His was the deep Christian strength of soul which all of us in 1956 need so desperately.

All honor, then—Mr. Speaker—to a man who held honor above all.

THE LATE HONORABLE JERRY J. O'CONNELL

Mr. METCALF. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. METCALF. Mr. Speaker, it is my sad duty to notify the House of the death of a former Member of this body, the Honorable Jerry J. O'Connell, who represented the First District of Montana in the 75th Congress.

Born in Butte, Mont., on June 14, 1909, Mr. O'Connell attended parochial schools and Butte Central High School. He was graduated from Carroll College at Helena, Mont., in 1931, and from Georgetown University in 1934.

In 1930, at the age of 21, he was elected as a representative from Silver Bow County to the Montana Legislature and reelected in 1932. Following his legislative service he was elected as the youngest member ever to serve on the railroad and public service commission. Two years later he came to Congress.

Jerry O'Connell won the Democratic nomination for Congress in 1938 and 1940 but lost in the general election of both years.

Mr. O'Connell moved to Seattle in 1944, was executive secretary of the Washington State Democratic Central Committee from December of that year until early 1947.

He returned to Montana, took the Montana bar examination and was admitted to the bar of my State in 1948. He practiced law at Great Falls, Mont., until his death following a heart attack on January 16 of this year.

He is survived by his wife, Maizie, and a 9-year-old son, Jerry J. O'Connell, Jr. Mrs. Metcalf joins me in a heartfelt sympathy to both.

RECOGNITION OF OUTSTANDING SERVICES OF HON. JOHN E. FOGARTY, OF RHODE ISLAND

Mr. FORAND. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. FORAND. Mr. Speaker, I have asked for this time to invite the attention of all Members of the House to the fact that numerous honors are coming to one of our outstanding Members. I refer to my colleague, JOHN FOGARTY, of Rhode Island, who by now has become widely recognized as the champion of better health for the Nation.

Many of us recall his valiant efforts a couple of years ago on the floor of this House for an increase in the appropriation for medical research. We also recall the fact that he had to be hospitalized only a few days later when he suffered a heart attack, which many of us feel was brought on as the result of overwork in the field of public-health legislation. We are happy that he has fully recovered from that attack and that he is able once again to lead the fight for more research in the field of medicine which, we hope, will in the not too distant future result in finding the weapons to destroy our worst enemy, chronic diseases.

We are happy to note that JOHN FOGARTY's work is being widely recognized, and we congratulate him on the awards that he has received. On last Saturday, January 14, JOHN FOGARTY was awarded the United Cerebral Palsy Distinguished Service Award for outstanding service in the cause of America's cerebral palsied children and adults.

On Tuesday, January 17, he was awarded a medal and a scroll by the Rhode Island Dental Society for his contribution to the health services of this country.

In 1952, JOHN FOGARTY was honored by the American Cancer Society when he was presented with its national distinguished service award for leadership in the Congress of the United States in the enactment of cancer control legislation.

Only recently, he was given a plaque by the New England Cerebral Palsy Conference in recognition of his work in the interest of the victims of cerebral palsy.

During the recess of Congress this last summer, JOHN FOGARTY went to Europe at the invitation of the Pasteur Institute to observe the research development of

that outstanding institution. Last but not least, let me say that the lion's share of the credit for the growth of the National Institutes of Health here in Washington belongs to JOHN FOGARTY.

We salute him.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. FORAND. I am glad to yield to the gentleman from Massachusetts.

Mr. McCORMACK. I am very glad to join with my friend from Rhode Island [Mr. FORAND] in the remarks he has just made about our distinguished friend and colleague the gentleman from Rhode Island [Mr. FOGARTY]. There is no one who more richly deserves the honors that have recently been conferred upon him, and the honors which were conferred upon him heretofore, and which will probably be conferred upon him in the future for his efforts in bettering the health of the people of America than our dear friend from Rhode Island [Mr. FOGARTY].

Mr. FORAND. I thank the gentleman for his contribution.

BIRTHDAY OF GEN. ROBERT E. LEE

Mr. FLYNT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. FLYNT. Mr. Speaker, today marks the 149th anniversary of the birth of one of the greatest Americans of all time, Gen. Robert E. Lee. General Lee's life and his works are a monument to devotion to duty which shall survive as long as the English language is spoken by American citizens and their descendants.

I concur with every word of praise of Robert E. Lee just spoken by the distinguished gentleman from Iowa [Mr. JENSEN].

General Lee has been described as being perhaps the only American who achieved worldwide fame, whose entire life and character did not bear one blemish or one stain. His life, his heart, his theory, and his spirit shall ever be an example which all Americans, young and old, may seek to emulate. One statement made by him for which he will always be remembered was:

> Duty is the most sublime word in the English language—a man cannot do more, he should never be satisfied to do less.

It is well known to every person who has ever read the first page of American history that at the outbreak of the War Between the States, then Col. Robert E. Lee was offered the position of Commander in Chief of the Union forces. There was no doubt in the minds of military experts, both past and present, that he was the ablest and best qualified officer of the United States Army at that particular time. Had he so accepted command of the Union forces, there is practically no doubt that upon the successful termination of the war by the forces which he commanded that he would have been offered the Presidency of the United States, which position he could have probably held for the balance of his natural life. This was a decision which would have tempted a less true patriot, a man less dedicated and devoted to his duty as God gave him the light to see that duty. Instead of accepting the command of the Union forces and the armies of the United States, he elected to cast his lot with his beloved State, the Commonwealth of Virginia. For 4 long bitter years he led the Army of Northern Virginia and the entire military forces of the Confederate States of America and finally he surrendered them at Appomattox on April 9, 1865. Never was there a man more splendid nor more magnificent in victory than was General Lee in defeat on the day he surrendered his sword and by that gesture laid down the army and the military forces of the Confederate States.

Immediately thereafter, he returned to the war-wrecked and devastated Commonwealth of Virginia, in which his heart and soul were both wrapped. He turned down offers which would have guaranteed him financial wealth and independent security for the remainder of his life, and instead of accepting any one or all of these offers, he chose to assume the presidency of Washington College at Lexington, Va., which is now known as Washington and Lee University, where he felt he could best serve the youth of Virginia.

Today the citizens of at least 11 States have set aside this day as a State and legal holiday to honor this great American. We in the Congress of the United States join with the 11 States in paying a justly deserved tribute to the memory of a man about whom it can be truthfully said, "He was perhaps the greatest American of all times."

THE POWER OF THE BUREAU OF THE BUDGET

Mr. EDMONDSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. EDMONDSON. Mr. Speaker, in a very short time a group of Members from the State of Arkansas and the State of Oklahoma will be asking the Committee on Appropriations to pass once again on a question that apparently is a time-honored one and may bring to the floor of Congress the same question. That question is this: Does the power of veto over legislative acts signed by the President of the United States rest in the Bureau of the Budget, and can the Bureau of the Budget ignore and disregard a legislative mandate of this body that has been signed by the President of the United States? Is the Bureau of the Budget some kind of supergovernment here in our Capital which has the right of saying, "You shall not build a dam or a series of dams" after this Congress has directed that those dams be built and has appropriated money to start construction of them?

That is the question which is imbedded deep in principle and important to this body. I think the time is going to come when this Congress is going to have to assert emphatically and definitely that the Bureau of the Budget is not some kind of supergovernment high in the clouds over Washington that can direct the Army engineers to ignore legislative mandates.

Mr. Speaker, in the coming days this House will be hearing more about this matter, which strikes directly at basic constitutional questions of vital concern to the legislative arm of our Government.

I do not believe that any executive agency can set itself above the law.

I do not believe that any executive agency can substitute its judgment as to the need for a project, or the practicality of a project, once it has been authorized by Congress, and had money appropriated for its construction.

I do not believe the Congress will accept any such usurpation of power by the Bureau of the Budget, or by any agency subordinate to it.

I earnestly hope that we will speedily receive assurances that the Bureau of the Budget does not aspire to such power over matters of constitutional legislative jurisdiction.

H. R. 8585

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. LESINSKI. Mr. Speaker, it is evident to almost everyone that there is a great need for action to be taken to give assistance to schools of our country. I need hardly repeat the comments we have been hearing over and over again on this subject. We are very much aware of the crisis facing the schools. I along with others have been studying ways and means of lending such assistance. Many proposals have been offered to help alleviate the situation and I have yesterday offered a bill, H. R. 8585, proposing an amendment to an existing law that will help some of the more hard-pressed school districts.

As you may know, Public Law 815 of the 81st Congress, as amended, gave recognition to the impact that certain Federal activities have on school construction needs in areas where Federal activities have been or are being carried on. The law provided for the payment of the cost of constructing school facilities in such areas. Under the law, affected school districts were to submit applications upon which the Commissioner of Education based a decision on the amounts to which the districts would be entitled according to the provisions of the law.

In many instances, either through oversight in completing applications or for other reasons, school districts did not receive the full amounts to which they were entitled under the provisions of the law. As of October 3, 1955, there were approximately 400 school districts

throughout the United States and its Territories that, for one reason or another, did not receive the full amount of Federal funds for which they were qualified under Public Law 815, as amended, before the final cut-off date. The total unpaid entitlements in these cases amount to approximately $75,500,000.

Additionally, there are school districts that had gone ahead and constructed facilities in federally affected areas prior to enactment of Public Law 815. Some of these received a percentage reimbursement under the original law, but others did not receive any reimbursements under later amendments to the law.

The bill that I introduced today will permit those schools with unpaid entitlements to apply for the remainder or a portion thereof providing they show need and will permit payment of heretofore unpaid reimbursements for minimum school facilities.

The need for school facilities in these areas has already been established, as has the Federal Government's obligation. It seems only proper that measures be taken to complete the original intent of Congress in enacting Public Law 815. I believe my bill, H. R. 8585, will carry this intent through.

NAVAL PERSONNEL

Mr. BEAMER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. BEAMER. Mr. Speaker, I have introduced a bill in the House today that will validate certain payments of seaduty pay made to naval personnel serving on board vessels in the Great Lakes during the period November 1, 1950 to October 31, 1953.

The purpose of this bill is to correct administrative errors by the Navy during this period in granting seaduty pay to men serving aboard certain vessels in the Great Lakes.

As a result of this apparent administrative error and a ruling by the Comptroller General of the United States that efforts must be made to collect this overpayment a great number of servicemen now on active duty and former servicemen are faced with a hardship if they are forced to refund this money.

These payments were made in good faith in accordance with the determination of competent authority and, in view of this fact, I sincerely hope the House will act favorably to relieve the servicemen now on active duty and veterans from the liability imposed through administrative error.

Undoubtedly many other Members have received letters from constituents who, through no fault of their own, now are asked to refund moneys received while in service or are finding deductions made each month if they still are in the service. This is a very worthy measure which I hope the proper committee and House membership will approve favorably and promptly.

INCOME TAX RELIEF FOR FARMERS

Mr. DOLIVER. Mr. Speaker, I ask unanimous consent to adress the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. DOLLIVER. Mr. Speaker, I have just introduced a bill which gives income tax relief to farmers who suffer a net loss from the operation of their farms. It will permit a farmer who has such a net operating loss to carry back that loss to the 5 prior taxable years. For example, a farmer who has a net loss from farming in 1956 would be able to apply the loss as a deduction against any income which he reported as far back as 1951. In this way, he would be entitled to a refund for all or part of the income taxes he had previously paid. My bill is retroactive to 1954, so that any farmer who had a loss in that year would be entitled to a carryback as far as 1949.

Obviously, my bill is not intended as a solution to the overall farm problem. That problem has many aspects, all of which will have to be attacked if a permanent answer is to be found. Nevertheless, I am convinced that we must not overlook any opportunity to bring about an improvement in the situation. My bill represents one such opportunity, and I shall press for its early consideration by the Congress.

Under the somewhat technical provision of the present tax law, any taxpayer, including a farmer, can carry back a loss to the 2 preceding taxable years and carry it forward for 5 years. My bill does not disturb this basic provision but simply extends to farmers alone a special 5-year carryback.

The present farm situation makes this special treatment logical and desirable. Farm income has been going through a period of decline. As a result, a carryforward is relatively meaningless insofar as many farm operators are concerned because they have little or no immediate prospect of getting any tax benefit from such a carryforward. My bill provides a far more realistic treatment and, in my opinion, will result in substantial relief for many hard-pressed farmers.

Under my bill, a farmer is defined as any taxpayer whose gross income from farming in the taxable year represents at least two-thirds of his total gross income. This is the same definition used elsewhere in the tax laws.

THE LATE JAMES McLAUGHLIN

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include a newspaper article.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, in the constant flow of life, the mystery of death, which we must all experience, always seems just a little beyond our comprehension. Particularly is this emphasized when the experience of death comes to one very close to us, when it comes to a friend, a dear relative, a mother, father, or someone very dear.

It is with a very sad heart and with a great effort to understand that I take this moment to bring to the attention of the Congress the passing of a very great friend, Mr. James McLaughlin, of Woburn, Mass., a longtime friend of my husband's, the Honorable John Jacob Rogers, who was a Member of Congress for many years, and an equally loyal and devoted friend of mine through all my years of public service. It is difficult for me to comprehend the great work of representing my Fifth District of Massachusetts in the Congress without his devoted friendship, wise counsel, and constant help.

Mr. James McLaughlin possessed an eminently respected character. He was loved by all, regardless of their station in life. He was a friend who could be depended upon for help wherever and whenever help was necessary. He was interested in the welfare of and improvement of his city. He was devoted to doing good for the Commonwealth of Massachusetts. He was a strong and loyal American patriot.

The death of Mr. McLaughlin was due to overwork. An excellent newspaper reporter, during his newspaper days he covered many famous events and wrote many famous stories for the press. For many years he wrote a feature article for the Boston Globe and was a correspondent for the Associated Press. During the latter years of his life he entered the Government service in the Department of Social Security, and the work he did there in helping so many of his fellowmen will always be remembered. Always he had time to do just something more for somebody. Never sparing his strength, he worked long hours in his job and for his friends.

Mr. McLaughlin was blessed in life with a very fine and wonderfully respected family. He is survived by his attractive and charming wife, Christine, 4 daughters and 1 son, a sister and 9 grandchildren. It is a wonderful family who, like their father, are friendly and generous and unselfish.

Although death came to James McLaughlin suddenly, I know he was prepared to receive it, for he lived a fine, Godly, Christian life, and knew so well that in spite of all of its beauty, life on earth is just a temporary sojourn.

Included here in my remarks, I am submitting a report of the life of James McLaughlin from the Woburn Times, a fine daily newspaper, on the staff of which he once served. It is a fine description of the life of James McLaughlin, who devoted his life to his community, his country, and his friends:

JAMES MCLAUGHLIN FUNERAL RITES TO TAKE PLACE FRIDAY

The funeral of James A. McLaughlin, veteran newspaper reporter and public informational executive, will be held from his late home, 35 Sturgis Street, Friday at 8:15 a. m. Solemn High Mass of Requiem will be celebrated at St. Charles Church at 9 o'clock followed by burial at Calvary Cemetery, Woburn.

The sudden death of Mr. McLaughlin was received with a shock of grief in the city where he was known as an active, virile, and resourceful member of the fourth estate

with his finger on the pulse of current events at all times. While returning from his office in Waltham, where he was regional director of the Social Security Administration in the area which extends from Newton to Framingham, he was stricken behind the wheel of his car on Lexington Street, this city. A truck driver was in the act of giving the McLaughlin car a push with his machine and he noted that the operation was faulty but snow on the rear window of the car cut off the truckman's vision.

William Murphy, cab operator for the Woburn Cab Co., who was approaching noted the strange happenings and he signaled to the truck driver to stop, as the McLaughlin car came into the side of the road. He saw the driver slumped over the wheel but still breathing. Murphy sent a message over the taxicab radio to the desk in Woburn Square and Joseph Kelleher operator of the company, called the police. Sgt. Edward E. Reil and Officer Edward J. McColgan rushed to the scene in the ambulance and the victim was pronounced dead shortly after his arrival at the hospital. Rev. James J. Cullinan of St. Charles Church administered the last rites.

The fascinating and productive career of Jim McLaughlin as a newspaperman dates back to 1912 when he was an office boy on the old Woburn News. He did not possess a formal education but by self-appliance and an inherent ability in the newsgathering field, he held very important assignments in news coverage and informational center administration. He was a reporter's reporter always quite willing to discuss angles of the developments of a story with reporters from rival newspapers and he was considered outstanding in his thoroughness of investigation, mentally locating the backbone of a story, and his ability in literary formation in presenting his version to the reading public.

His range of coverage ranged from famous murder cases which he covered for the Boston metropolitan dailies to concerning Boston City Hall for the Boston Post during one of the several news-developing administrations of Mayor James M. Curley. He was considered among the staff of Boston newspapers as one of the best and in cases where sordidness and sadness smeared with a breath of scandal to the detriment of an innocent family, he was not considered a good reporter, as his human inclinations and his appreciation of the happiness and humanity of his fellowman inspired to play it down in such instances. He had incidently dedicated his life and talents to the uplift of his neighbor and his neighbor was everybody. The revealing testimony of those who worked with him or under his direction bespeak the kindness and consideration of the man and a person in trouble would not employ a better defender than Jim McLaughlin who went to the lengths to extend a helping hand and to convince those in whose hands the ultimate decision in a case rested. His acts were many and without compensation, or any desire for reward. He was a family man, deeply concerned about the trappings and proper development of his children mentally and physically. He was methodical in the execution of his duties and he was well informed in whatever field his talents brought him.

Mr. McLaughlin was born in Woburn, March 29, 1892, the son of the late Dennis J. McLaughlin and Mary Healy McLaughlin. He attended the grammar schools and left to assist his family. While attached to the Woburn News as an office boy, he took courses in Burdett College. From office boy he was promoted to sports reporter and his youthful masterpieces were his version of the prize fights then conducted in Lyceum Hall. From the Woburn News he went to the Woburn Daily Times, where he covered City Hall, politics, obituaries and general news events. He entered the Woburn Daily Times in 1913 and left for a time to become a member of the Boston Post city staff, during which time he covered Boston City Hall, court stories and famous accidents.

The reporter had a fling at politics and was elected alderman in ward 1, and in 1918 he was elected city clerk at which time he returned to the Woburn Daily Times as the news reporter. He became local correspondent for the Boston Post and then became district man for the Boston Globe which position he has held for thirty years. In addition to general coverage of his district, Mr. McLaughlin wrote feature articles for the Globe. He was also local correspondent for the Associated Press and covered elections in this district for the wire service for the past 32 years. He also covered stories for the old Lowell Courier Citizen and later the Lowell Sun and his coverage also appeared on the Boston Record and Boston American, Hearst newspapers. Mr. McLaughlin was dean of local newspapermen not only in longevity of service but in the variety and scope of his news-gathering activities. In the city government, he was also a member of the board of assessors from 1927 to 1931.

In 1934, Mr. McLaughlin entered the Government service in informational or public relations work. His first assignment was the Home Owners' Loan Corporation, where his work was noteworthy for the many local hardship cases he handled for Woburnites because of his desire to serve. He then went on to the Federal Housing Administration and then to Reconstruction Finance Corporation. For the past 6 years, Mr. McLaughlin was regional director for the Social Security Administration in the Waltham district.

The deceased is survived by his wife, Christine (McDonald) McLaughlin, four daughters, Mrs. Lillian Hooban of West Roxbury, Mrs. Rachel Palmer of Woburn, Mrs. Christine Drew formerly of Atlanta, Ga., now of Reading, Mass., Janet McLaughlin, of Woods Hole, Mass., and one son, James A. McLaughlin, Jr., a student at St. Michael's College in Winooski, Vt., a sister, Maude McLaughlin of Woburn, and nine grandchildren.

THE UKRAINE

Mr. OSTERTAG. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. OSTERTAG. Mr. Speaker, on this the 38th anniversary of the independence of the Ukraine, we may well pause to take stock of our policies with respect to the peoples who have fallen under Communist domination.

President Eisenhower spoke with a clear voice, on the point, last summer in Geneva, when he said:

> The peaceful liberation of the captive peoples has been, is, and until success is achieved, will continue to be the major goal of United States foreign policy.

This is a shining hope and promise to the peoples behind the Iron Curtain, just as the goal of self-government is a beacon to all men everywhere, who love freedom. It is particularly a beacon to the people of the Ukraine, who are this week commemorating the short-lived era of independence which they won after World War I.

The Ukraine is a nation with a grand and heroic past. It came into being in the Middle Ages, and became Christianized a thousand years ago. In 1648 it became known as the Ukrainian Kozak state and as such it stood as a barrier against onslaughts from the east and from the north. Overcome and absorbed by the czars, Ukraine eventually won another brief but glorious era of freedom following World War I, only to lose it again to the Communists. Since then, it has suffered some of the harshest tyrannies known to history, including the Kremlin-made famine of the 1930's which was designed to break the resistance of the Ukrainians to communism, and in which more than 6 million Ukrainians died.

Mr. Speaker, it is a privilege to pay tribute to these courageous people at this time, and to express the hope that the day will come when their liberation, as envisioned in our foreign policy, will be achieved.

RADIO AND TV COMMERCIALS

Mr. HESELTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include a newspaper article, a copy of a bill, a statement by the Federal Communications Commission, and a statement in regard to the bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HESELTON. Mr. Speaker, on April 20, 1955, I filed H. R. 5471. I did this because of the number of complaints I had received as to the amount and kind of advertising on radio and television programs.

The bill provided only that the Federal Communications Commission shall prescribe appropriate regulations, applicable to licensees, program sponsors, and others, to insure that, of the total amount of time available for any radio or television program, the proportion of such time which is devoted to advertising shall not be excessive.

On July 20, 1955, the Commission adopted what was entitled Comments on H. R. 5471. I shall include the text of the bill and of these comments in my remarks.

The Commission admitted that "there have been, and are, abuses" in this matter.

But it was of the opinion that "fixed rules by a Government agency" would not solve the problem.

However, with apparent satisfaction, it reported as to its exercise of its powers on renewing applications and expressed the desire to continue reliance upon this. It added the usual bureaucratic gobbledegook about "budgetary limitations."

Since then, through the correspondence I have received, the comments made to me, and the statements I have read in the press and elsewhere, plus my personal observations, I have been convinced that the problem has not been solved through the "cooperation of the industry through self-regulation and self-restraint" on which the Commission relied so heavily.

Rather, the abuses have increased to the point of stupidity.

Last night I read the article in the Washington Daily News of yesterday by James O'Neill, Jr. It is well worth reading by each of us and I congratulate Mr. O'Neill and the News on the forthright criticism made of an outstanding example of nauseating drivel and incredibly bad public relations exhibited in this one program.

I am certain that Mr. O'Neill would agree that ABC is not the sole offender. Anyone who sees or listens to other radio and television programs can give countless examples of incessant and monotonous abuse of the listening and viewing public which is basically a combination of flagrant bad taste and arrogant indifference. Those responsible for this seem to be completely unconcerned about the fact that they use the airwaves only by sufferance and that the public interest should be the major responsibility of the Federal Communications Commission.

I am sending Mr. O'Neill's article to the Federal Communications Commission with a request for its comments and for a review of the position it took on H. R. 5471 on July 20 of last year.

Before including the full article by Mr. O'Neill, I want to call your specific attention to certain excerpts. I do so because, through them, Mr. O'Neill has portrayed so accurately and so vividly the reactions of a trained observer that I feel certain scores of thousands who have been forced to submit to this kind of abuse would adopt fully his comments as to this particular instance as being all too representative of other equally offensive handling of the privilege of using the airways.

These excerpts are as follows:

I've watched television botch things before, but never have I witnessed such an indecent, irresponsible, and utterly stupid production in my life.

No one could have imagined, even in the most frightening flight of fancy, what the boy-wonders of the television industry could do to it.

The Cruel Sea builds up to frequent dramatic heights, and to thoroughly demoralize its audience ABC injected commercials of giveaway quiz shows, musical programs which leaned heavily on hillbilly talent, and sundry unsavory items.

I counted 13 commercial breaks in an hour and 45 minutes.

In order to get these "important messages" (that's televisionese for you "you can go to the icebox and get a drink now while we blab about how to smell better") some dramatic moments were sliced out of the picture by some clod who deserves to be drawn and quartered.

Each dramatic moment was cut short by an announcement to hear about someone called Red Foley, a hillbilly, or to watch some asinine comic give away money on a quiz show.

There is no better way in the world to turn composition into decomposition, to borrow a phrase from W. S. Gilbert, than to allow it to fall into the hands of the morons in the television business.

If these people have any conscience at all they will forego a few of their irritating commercials, they will insist the pictures be edited by someone reasonably literate, and will present The Cruel Sea in toto next time out.

The full article follows:

[From the Washington Daily News of January 18, 1956]

THE CRUEL SEA—FINE FILM MISERABLY TREATED BY TELEVISION

(By James O'Neill, Jr.)

If ABS–TV's presentation Monday, The Cruel Sea, is an example of what we can expect of television's good movie offerings, the motion-picture theaters of the country have nothing to worry about.

I've watched television botch things before, but never have I witnessed such an indecent, irresponsible, and utterly stupid production in my life.

The film was that British-made classic of Nicholas Monsarrat's best-selling novel, The Cruel Sea. The star is Jack Hawkins, and in its original form the film was unanimously acclaimed by critics here and abroad.

DEALS

Then someone sold the film to television in one of those highly advertised big deals involving millions of dollars.

The announcement of the purchase was made last fall. TV writers extolled the farsighted intelligent arrangement, and those of us who'd seen The Cruel Sea, were particularly anxious to see it again. Those who were not so fortunate as to see this magnificent movie in a theater must have been equally excited over the prospect of watching it on TV.

No one could have imagined, even in the most frightening flight of fancy, what the boy wonders of the television industry could do to it.

PROMISE

First of all, we were promised Alfred Hitchcock's A Lady Vanishes, Monday. Not so. The man came on the screen and said we wouldn't see A Lady Vanishes. We'd look at The Cruel Sea. This was fine, until the movie started.

Then the roof fell in.

Every 10 minutes the film was stopped in midair, or in midsequence, it made no difference. And came the commercials. One, two, or three commercials in the breaks. Once five were offered.

The Cruel Sea builds up to frequent dramatic heights, and to thoroughly demoralize its audience, ABC injected commercials of giveaway quiz shows, musical programs which leaned heavily on hillbilly talent, and sundry unsavory items.

I counted 13 commercial breaks in an hour and 45 minutes.

WATCH ABC

And, mind you, most of these were simply house commercials. They did not represent bought-and-paid-for time by the soap and deodorant manufacturers. The commercials were intended, of all things, to get people to watch the ABC–TV network.

In order to get these important messages (that's televisionese for you, "you can go to the icebox and get a drink now while we blab about how to smell better"), some dramatic moments were sliced out of the picture by some clod who deserves to be drawn and quartered.

The film, in its original, was beautifully edited by experts. It was a taut, emotional, picture of men at sea, in war. And their precious, few moments on land.

FULL PICTURE

Character, personality, emotions, and continuity were involved. You needed the full picture to get the feeling of H. M. S. *Compass Rose.*

When the picture had passed through ABC's meat grinder there was little continuity left. Each dramatic moment was cut short by an announcement to hear about someone called Red Foley, a hillbilly, or to watch some asinine comic give away money on a quiz show.

There is no better way in the world to turn composition into decomposition, to borrow a phrase from W. S. Gilbert, than to allow it to fall into the hands of the morons in the television business.

If these people have any conscience at all they will forego a few of their irritating commercials, they will insist the pictures be edited by someone reasonably literate, and will present The Cruel Sea in toto next time out.

The text of H. R. 5741 is as follows:

H. R. 5741

A bill to amend the Communications Act of 1934, to provide for regulation of the amount of radio and television program time which may be devoted to advertising

Be it enacted, etc., That part I of title III of the Communications Act of 1934, as amended, is amended by adding at the end thereof the following new section:

"PROGRAM TIME DEVOTED TO ADVERTISING

"SEC. 330. The Commission shall prescribe appropriate regulations, applicable to licensees, program sponsors, and others, to insure that, of the total amount of time available for any radio or television program, the proportion of such time which is devoted to advertising shall not be excessive."

The following is the report of the Federal Communications Commission:

COMMENTS OF THE FEDERAL COMMUNICATIONS COMMISSION ON H. R. 5741, A BILL TO AMEND THE COMMUNICATIONS ACT OF 1934 TO PROVIDE FOR REGULATION OF THE AMOUNT OF RADIO AND TELEVISION PROGRAM TIME WHICH MAY BE DEVOTED TO ADVERTISING

H. R. 5741 would amend the Communications Act of 1934, as amended, by adding a new section 330 to part 1 of title III of the act. This new section would require the Commission to prescribe appropriate regulations, applicable to licensees, program sponsors, and others, to insure that, of the total amount of time available for any radio or television program, the proportion of such time devoted to advertising not be excessive.

The Commission is not unaware of the fact that there have been, and are, abuses with respect to the amount of time devoted to advertising over particular radio or television stations and on particular programs broadcast over some stations. We do not believe, however, that the problem can be handled through the imposition of fixed rules by a Government agency. The Commission's regulatory experience has indicated that any fixed rule in this area cannot hope to achieve the flexibility necessary for dealing with a multitude of differing and changing program formats.

At the present time, the primary responsibility for determining the amount of radio and television time devoted to advertising is primarily the responsibility of the individual station licensee. However, in connection with renewing licenses the Commission examines the overall record of stations, including the amount of time devoted to advertising, to determine whether the continued operation of the station would serve the public interest. In reviewing the overall record of stations on renewal, the Commission has employed criteria, as a guidepost, rather than as a fixed standard, to determine whether there has been overcommercialization. The Commission has found, however, that even these flexible guideposts have had to be adjusted in light of changing advertising practices in the broadcasting industry. Thus, the change in sponsorship techniques in recent years from a program sponsorship concept to one in which time is sold for commercial announcements incorporated into programs produced directly by the stations themselves or by the networks has required a reevaluation by the Commission of the role

of spot announcements in the operation of broadcast stations.

The Commission believes, therefore, that imperfect as the existing system may be, it is clearly preferable to attempting to fix any arbitrary limitations on total advertising time per program. It is our opinion that, with the cooperation of the industry through self-regulation and self-restraint, the Commission's present procedures are best calculated to achieve the goal of operation in the public interest without involving the Federal Govrenent in the day-to-day management of stations in which it cannot and, in our opinion, should not, effectively or properly engage. In this respect it should be noted that in considering renewal applications the Commission presently makes careful inquiries into evidences of abuse through overcommercialization. These inquiries, which are restricted only by the budgetary limitations on Commission manpower available to conduct such studies, have, we believe, served to remedy the more flagrant examples of commercial exploitation that have occurred, and further improvement can be expected through a continuation of such efforts.

Adopted: July 20, 1955.

In conclusion, I want to quote the brief statement I made when I filed H. R. 5471, as follows:

I am convinced from my conversations with many people that the situation with reference to advertising during radio and particularly television programs has reached a point where it is outraging the patrons of those programs. The repetitious, monotonous, excessively long advertising is doing a disservice to the radio stations, the program sponsors, and the advertisers themselves. It is difficult to understand why this reaction has not impressed itself upon those in control of the American radio and television stations.

Repeatedly, persons who have spoken to me have told me that they are now making it a positive rule not to purchase any product that is the subject of this obnoxious advertising.

Consequently, I have filed a bill which will require the Federal Communications Commission to prescribe appropriate regulations to insure that of the total amount of time available for any radio and television program, the portion of such time which is devoted to advertising shall not be excessive.

I regret that it seems impossible to devise regulations which would prohibit the idiotic repetition of advertising, but I do hope the filing of this bill and action on it will point up to those responsible the necessity of exercising some intelligent care in the programing of advertising over our radio and television stations.

While I did not share the Commission's confidence as to its procedures being best calculated to achieve the goal of operation in the public interest at the time it made its comments, I hoped that the industry would recognize the seriousness of the Commission's admission of the continued existence of abuses in this field and would take steps voluntarily to correct the situation. I also hoped that if this was not done, advertisers would begin to realize their own responsibilities and the inevitable bad reaction they would bring upon themselves and their products, if they permitted these abuses to continue.

I submit that Mr. O'Neill's article and the constant public complaint of others who have the responsibility of reviewing such programs constitute conclusive evidence that the Federal Communications Commission has been confronted for all too long with a responsibility of its own, which it has failed utterly to meet. As soon as I have any reply from the Commission, I shall submit it to you. In the meantime, I shall welcome any support any of you may care to give toward insuring some effective action as soon as possible to bring an end to these abuses.

PASSAMAQUODDY TIDAL POWER PROJECT

Mr. SMITH of Virginia. Mr. Speaker, I call up the resolution (H. Res. 364) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of Senate Joint Resolution 12, to request the Secretary of State to arrange for the International Joint Commission, United States and Canada, to conduct a survey of the proposed Passamaquoddy tidal power project, and for other purposes. After general debate, which shall be confined to the joint resolution, and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the joint resolution shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the joint resolution for amendment, the Committee shall rise and report the joint resolution to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SMITH of Virginia. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois, [Mr. ALLEN], and yield myself such time as I may use.

The SPEAKER. The gentleman from Virginia is recognized.

Mr. SMITH of Virginia. Mr. Speaker, this resolution makes in order Senate Joint Resolution 12, which has to do with the Passamaquoddy project, partly in Maine and partly in Canada. The matter has been kicked around for a long time.

At 1 time, 20 years ago I think it was, there was some activity up there and some experimentation as to whether or not the project was feasible.

What the Passamaquoddy project proposes to do is to build certain dams along the chain of islands in the Bay of Fundy where the tide is very, very high. They have a 25-foot tide there, and it is proposed that if these dams are built so as to retain the tide as it flows in, then they can let it out in a controlled manner so that it would produce a tremendous amount of power.

The project was abandoned after some minor work had been done and has remained in that state since that time.

The proposal before Congress in this resolution which has already been adopted by the Senate is that the joint commission between Canada and the United States be authorized to make a final and complete survey of the situation, determine its feasibility and cost, and decide whether it is worthwhile to proceed further with it. It seems to me, whatever may be our views as to the merits of the project, that this is a good way to proceed to put the matter to rest and determine whether it is feasible or not feasible, whether it is too costly, by an investigation of the whole project, and let a report be made to Congress. That is what this resolution proposes.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I agree with the remarks made by my friend from Virginia. The resolution is a very good one. We know the history of this project throughout the years. There is great power potentiality there, and this survey is for the purpose of determining all the factors involved, economic, availability, usability of the great power potentiality that exists at Passamaquoddy.

I may say that Governor Muskie is very much interested in this bill. He came to Washington especially because of his interest. Our Republican colleagues from Maine and elsewhere are very much interested and think it is an excellent project.

The Speaker has authorized me to say to the Members of the House that he also feels it is a deserving measure and one that should pass the House.

Mr. SMITH of Virginia. I thank the gentleman for his statement. I now yield to the gentleman from Illinois.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. MARTIN].

Mr. MARTIN. Mr. Speaker, I want to join with the Members of the Maine delegation in Congress in urging support of this resolution.

This resolution has the endorsement of the administration; it comes here with the recommendation of the Budget Bureau. As the gentleman from Virginia has said, it provides for a survey as to the feasibility from the standpoint of cost and the question of whether it would be beneficial for the people of Maine and the United States to be constructed. The harnessing of the tides of Quoddy has long been debated and is one that should be determined as early as possible.

The people of Maine believe it would be a tremendous advantage to their State economically if this project could be carried out. I sincerely hope that this is true. I appreciate the gallant effort of Maine and other New England States to win back their old industrial prestige in the country.

Maine and New England ask only a fair chance to work out its destiny. If this will bring cheaper power to New England it should be constructed. The survey will make this known and if favorable we can determine how it shall be developed.

I hope the House will pass this joint resolution providing for a survey; that the survey will be begun promptly and that the final report will be all that is anticipated.

On behalf of the administration I want to make known that it is for the survey and the hopes for passage of the resolution. I ask the adoption of the rule and adoption of the Senate joint resolution.

I might add the Maine delegation in the House and Senate can well be proud of the intelligent and aggressive fight they have made to bring about the successful passage of this resolution.

Mr. ALLEN of Illinois. Mr. Speaker, I reserve the balance of my time.

Mr. SMITH of Virginia. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. RICHARDS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of Senate Joint Resolution 12, to request the Secretary of State to arrange for the International Joint Commission, United States and Canada, to conduct a survey of the proposed Passamaquoddy tidal power project, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of Senate Joint Resolution 12 with Mr. FORAND in the chair.

The Clerk read the title of the joint resolution.

By unanimous consent, the first reading of the joint resolution was dispensed with.

Mr. RICHARDS. Mr. Chairman, I yield 1 hour to the gentleman from Arkansas [Mr. HAYS].

Mr. HAYS of Arkansas. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, most of the pertinent facts with reference to this resolution have been covered in the consideration of the rule. The Committee on Foreign Affairs, which has jurisdiction over the resolution, because the proposed project would be financed jointly by our Government and our great friend to the north, the Dominion of Canada, carefully considered the resolution and were unanimous in recommending its passage by the House.

For a long time we have heard about the phenomenal tides in Passamaquoddy Bay, and one could not listen to the testimony offered before our committee without being impressed with their vast potentialities.

I do not want to trespass on the time of the Committee but I should like to point out that this is not a regional matter. While the benefits would flow primarily to the people of northern New England, particularly to the State of Maine, and to New Brunswick, the benefit to the two nations would over a period of years be tremendous if in the final analysis the project is found to be economically feasible. There is no question whatever about the feasibility of the project from an engineering standpoint. The sole question to be determined by the thorough and comprehensive survey which this resolution would authorize is the economic feasibility of the plan.

It is the belief of the members of the Committee on Foreign Affairs that a study of this kind is essential if we are to proceed in a businesslike way toward the development of hydroelectric power for our expanding economy. The people of my area have a stake in the development of the resources of New England, and we are interested in it.

And I might say, without prejudging the case, that when the Congress finally passes upon the project, I hope it will be determined that the plan is economically feasible, because this is an important area and its industrial needs are great. The outlets for electric power include domestic plants and the production of goods to move in ocean-borne transportation to the advantage of our country.

Mr. Chairman, for these reasons I hope the House will look with favor upon the resolution and will weigh the arguments to be advanced by the gentlemen who are familiar with conditions in the area. May I reiterate, this is only an authorization for a study in order that the Congress may become thoroughly acquainted with the facts before an expensive project is launched.

Mr. MERROW. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, Senate Joint Resolution 12 requests the Secretary of State to arrange for the International Joint Commission on United States-Canadian Boundary Waters to conduct a final survey of the proposed Passamaquoddy international tidal power project. From the very outset, it should be made plain that this resolution simply would authorize a survey and that the survey is to be a final survey on this question. It has already been determined that the Passamaquoddy international tidal power project is feasible from an engineering point of view. The purpose of the final survey authorized by Senate Joint Resolution 12 is to make three further and final determinations:

First. The cost of construction of the project;

Second. Whether or not such cost would permit hydroelectric power to be produced at an economical price; and

Third. What contribution the international project would make to the national economy and national defense of the United States.

It should be pointed out here that the Foreign Affairs Committee amended Senate Joint Resolution 12 by adding section 6 to the measure which states specifically that nothing in this resolution or in the final survey shall in any way commit the Congress or the Government of the United States as to future action on actual construction of the project.

During the last Congress I had the privilege of serving as chairman of a special ad hoc subcommittee of the Foreign Affairs Committee on this project, along with Hon. FRANCES P. BOLTON, Hon. KARL M. LECOMPTE, Hon. LAURIE C. BATTLE, and Hon. BROOKS HAYS. The subcommittee held extensive hearings on the measure. To my knowledge no one appeared in opposition. This measure passed the Senate during the last Congress and during the first session of the present Congress. It has been reported out favorably by the House Foreign Affairs Committee both times.

The project covered by this resolution is an international project and should not be confused with the so-called all-American project which was actually undertaken early in the 1930's, but which was halted for lack of funds. I would like to make it clear that Quoddy in its original conception was international in scope. The original plan contemplated the use of that part of Passamaquoddy Bay on the Canadian side of the international boundary as a high-level pool, and the use of Cobscook Bay, an arm of Passamaquoddy Bay lying wholly within the United States, as the low-level pool. The scope of Quoddy changed from international to all-American on September 16, 1929, when the Dexter P. Cooper Engineering Corp. filed a revised application for a two-pool tidal power project lying wholly within the United States, those parts of the more comprehensive project within Canadian territory being eliminated.

The Federal Power Commission filed a report on Quoddy with the Senate on April 3, 1941, which was adverse to the all-American project, but in its report stated:

> The fact that the development and utilization of tidal power is contraindicated at this time should not preclude through exploration of the possibilities of a large international tidal power project at Passamaquoddy by the Governments of the United States and Canada.

It was on the basis of this quoted paragraph from the Federal Power Commission's report that action was taken in 1948 to reestablish the Passamaquoddy power project on an international basis for the development of tidal energy in the waters of Passamaquoddy Bay.

The tides involved in the project are the tides that play between the Passamaquoddy Bay region and the Canadian Province of New Brunswick. The Passamaquoddy project is designed to use the rise and fall of the tides of the Bay of Fundy for generating electricity. The Bay of Fundy, the great body of water of which both Passamaquoddy and Cobscook Bays are a part, forms a broad ribbon of water that separates the coastline of Maine from that of Nova Scotia. The international plans for Passamaquoddy involve two-pool tidal power projects, utilizing both Passamaquoddy and Cobscook Bays. The low pool will be located in Cobscook Bay, which is entirely on the American side. Passamaquoddy, the actual storage area, is about 75 percent on the Canadian side.

The Passamaquoddy area is the only such place in the world where a tidal power project can be constructed without interfering with or destroying the economic importance of other capital assets such as land, industry, and homes; to the contrary, such a project would encourage expansion of whatever capital assets now exist and would promote the creation of others.

The cost of the final survey is expected to be about $3 million. The President's budget for fiscal year 1957 contains an item of $1 million for a Passamaquoddy survey. Such amount would be sufficient to begin the final survey.

While the final survey is to be an independent one, section 2 of the resolution makes it plain that prior surveys are to be made use of, such as the report of the International Passamaquoddy

Engineering Corps made to the Commission in March 1950 and the supplemental report of May 1952 prepared by the United States Army Corps of Engineers. The Foreign Affairs Committee was anxious that in the interest of sound economy those prior reports should be used. Therefore, the Committee amended the language of section 2 by specifying that the final survey "shall make use of" the reports referred to.

Finally I want to stress the industrial and economic impact of such a project. The construction of a Passamaquoddy power project would facilitate the decentralization of industry. This is an important aspect, because our Federal Government has, since the advent of the atomic era, heartily endorsed a program of industrial decentralization.

The area of Quoddy, being expansive, is natural and ideal for industrial plant development, affords the accommodation of a vast array of industrial units. It is evident, then, that such an area possesses great potential for making a supreme contribution to the overall planning for America's defense.

It may be that the proposed Passamaquoddy international tidal power project would be found by the survey to cost too much and that the power could not be produced at a price that is economically feasible, or that the project would not contribute very much to the national economy and the national defense. The final survey authorized by Senate Joint Resolution 12 will make those determinations. I feel that such determinations should be made and I therefore support the measure wholeheartedly.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. MERROW. I am glad to yield to my colleague from Ohio.

Mr. VORYS. Mr. Chairman, I want to commend the gentleman who acted as chairman of the subcommittee for the exhaustive study they made. Also I want to thank him—I was not a member of the subcommittee—for the permission the subcommittee gave me to sit with them, and for adopting three amendments that I suggested which are now committee amendments. I feel that it is certainly worth while to go ahead and make a final study of this project which has such fabulous possibilities, provided it is feasible from an engineering standpoint.

Mr. MERROW. I thank the gentleman for his very kind words. I should like to express my appreciation to the gentleman for attending the hearings which the subcommittee conducted on this subject. He offered very pertinent amendments to the bill, which improved it greatly. I appreciate the great contribution he made.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MERROW. I yield to the gentleman from Iowa.

Mr. GROSS. I regret I was not here when the debate opened. I was in a committee meeting.

Can the gentleman tell me what contribution the British Government or the Canadian Government is making to this preliminary survey?

Mr. MERROW. That undoubtedly will be under consideration when the final survey is undertaken.

Mr. GROSS. The question is, Are they making any financial contribution to this survey?

Mr. MERROW. Not as of the present time.

Mr. GROSS. We are carrying the entire cost of the survey?

Mr. MERROW. We are authorizing in this measure $3 million for the survey.

Mr. GROSS. So as usual we are picking up the bill for the Canadian and British Governments?

Mr. MERROW. No, I would not say that. I believe it is in the national interest that we make the survey to determine whether or not it is feasible in our own best interests. Then an arrangement could be worked out afterward with the Canadian Government, if we should decide that we want to embark upon the project.

Mr. GROSS. Why are they not coming in and sharing a part of the cost of the preliminary survey if they are going to benefit from this proposition?

Mr. VORYS. If the gentleman will yield, is it not a fact that practically all the power that would be developed would be on the American side of the line? I think that was shown at the hearings.

Mr. MERROW. That was pointed out in the hearings.

Mr. GROSS. It is now being stated the Canadians will derive no benefit from this power project?

Mr. MERROW. They probably will, but the survey will determine that.

Mr. GROSS. One other question: I take it this deals with salt water exclusively, that is, insofar as water is concerned?

Mr. MERROW. The gentleman is correct.

Mr. GROSS. Therefore, there is no irrigation in this; no bringing of additional land into production in any way?

Mr. MERROW. No; and it will not put any land into production or do any damage because of the rise and fall of the tides.

Mr. GROSS. I want to be sure it does not bring any more land into production.

Mr. MERROW. It will not bring any more land into production.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. MERROW. I yield.

Mr. REES of Kansas. What is the whole thing going to cost?

Mr. MERROW. The gentleman means the project?

Mr. REES of Kansas. Yes.

Mr. MERROW. I do not know. That is one of the very things that the survey is to determine.

Mr. REES of Kansas. There is no estimate at all?

Mr. MERROW. The survey will determine it. There are no estimates that I know of that would be of any particular value. This is why we propose a survey and why we specifically state in the resolution that this carries with it no obligation for any type of construction.

Mr. REES of Kansas. We will just spend $3 million and not know whether we are going on or not?

Mr. MERROW. For $3 million we will determine whether or not it is worth going any further.

Mr. AVERY. Mr. Chairman, will the gentleman yield?

Mr. MERROW. I yield to the gentleman from Kansas.

Mr. AVERY. I should like to compliment the gentleman from New Hampshire on the fine presentation he has made. There are two questions in my mind. No. 1 is, What is the significance of the word "final" in line 8 on page 1? This Congress could not preclude a subsequent Congress from making 2 or 3 more surveys, could it?

Mr. MERROW. I suppose that is true, but we felt that this would be a survey actually to end surveys. This matter has been discussed for quite a period of time. It was the feeling of the committee that this should be the final survey, and that we would obtain all the necessary information and we would not need any more surveys.

Mr. AVERY. This is more a psychological phrase than a definite statement, is that it?

Mr. MERROW. It could not legally bind a future Congress, but I am sure that the word "final" is definite.

Mr. AVERY. On page 2 the resolution provides that this survey shall determine whether or not the manufacture of hydroelectric power would be economically feasible. Is there anything in this resolution or the committee report, and I have not read the committee report, that would suggest in any way whether this would be a public-power installation or a private-power installation?

Mr. MERROW. No.

Mr. AVERY. Is any reference made to public power in the committee report?

Mr. MERROW. As I recall, there was nothing in it on whether it was to be public or private. The survey would determine whether the construction would be feasible, and then the whole matter of how it should be done would be left to future determination.

Mr. AVERY. There is no suggestion, then, that if it is feasible that it should be a public power development?

Mr. MERROW. No.

Mr. AVERY. I thank the gentleman.

Mr. CARNAHAN. Mr. Chairman, we have no further requests for time.

Mr. MERROW. Mr. Chairman, I yield 15 minutes to the gentleman from Maine [Mr. McINTIRE].

Mr. McINTIRE. Mr. Chairman, Senate Joint Resolution 12 provides for the survey of a project that is indeed fascinating in many respects, for among the manifold forces of nature, there is none more relentless, more dependable than the flow of the tides. Spring or fall, summer or winter, rain or drought, the tides flow and ebb with such regularity and precision that tide tables can readily be set up to calculate tidal movements way into the future for any particular harbor.

Through eons of time, our Creator, using the tools of sun, ice, and water, carved out of the earth's mass the rock

bound coast of Maine, and the rugged land bodies of New Brunswick and Nova Scotia, shaping them in such a manner as to create in the Bay of Fundy the highest tides in the world.

The northeasterly slanting nature of Maine's coastline is one of the major physical features contributing to the dynamic tides that play in this area. Incoming tides strike this slanting shoreline, and they are deflected in a northeasterly direction and driven along with great force and sweep.

The southwesterly "lands end" section of Nova Scotia is also a contributing factor, for, serving as a great gathering arm, it reaches out into the Atlantic toward Cape Cod and draws the ocean's waters into the Bay of Fundy.

Cobscook Bay in Maine and Passamaquoddy Bay, which is astride the International boundary, are also included in this area of high tides—this area which is the focal point of the subject matter that appears before us today in Senate Joint Resolution 12.

We are dealing here with a most challenging concept, one of tying together a variety of unusual physical features of both land and water in an effort to generate electrical energy. This electrical energy is a resource utterly vital to the development of the Quoddy Bay area and the rounding-out of our national defense.

But if the challenge is great, so are the rewards greater still, for here we would have hydroelectric power developed at the shoreline of an ocean port which, being free of ice, is open all the year round. And generators would be fed a constant supply of clean water by a gigantic reservoir that was refilled to capacity twice every 24 hours and replenished from a source that would remain inexhaustible so long as the moon remained in its orbit. In effect, we would have a never-failing source of electrical power.

I wish it were possible, Mr. Chairman, for me to stand with you on a hill at Eastport, Maine, so that I could point out to you from this vantage point a chain of islands that almost succeed in landlocking Cobscook and Passamaquoddy Bays. These islands are almost interlaced, the greatest distance between any two of them being about seven-tenths of a mile; and in only one channel is there water of any significant depth.

A tying together of these islands would bring an area of 100 square miles under control, and this would perform as the reservoir above the generating plant of a power project in this location; a 30-quare-mile area would serve as the lower or discharge pool below the generating plant. There would never be less than a 19-foot head, and only 4 feet of water would have to be captured from the average 25-foot high tide in order to maintain this head. At high tide the upper pool or reservoir would be refilled, and at low tide the lower pool would be emptied.

It has been my pleasure to visit many power developments in the country, such as Big Creek in California on the San Joaquin, Shasta Dam, McNary Dam, and Hoover Dam. All these are indeed intriguing projects, but I might say, perhaps with a mild degree of prejudice, that none of these could have been more challenging than the one that is before you today. Remember this! In the Quoddy area, at high tide, one has to climb up a ladder to reach a ship's deck, and, at low tide, he has to climb down a ladder to reach the same deck. It will interest you, too, to know, Mr. Chairman, that we are talking about tidal changes greater than the distance between this floor and that ceiling.

At this point I would like to make one thing clear, for it is wrongly believed by many that such a project as we are talking about here today would use the rise and fall of the tides to generate electrical power. This is not so. The principle here concerned is one where incoming tide waters are captured in a reservoir or pool, which feeds the generators of the powerplant. It is a matter of putting captive waters to work, rather than permitting them to return, unused, to the sea.

Are we, then, talking about a new principle? The answer is no, for, in 1952, the University of Minnesota Press published a book entitled "Flour for Man's Bread." Let me quote from page 114 of that publication: "Tide mills are unique only in that their water reservoir is filled by the rising tide. They appear to have made their appearance about the 10th century, A. D."

Tidal power was also used in early colonial days on the Maine coast to operate grist mills, saw mills, and carding mills. The waterwheel was, of course, used as a tool for transmitting the power to the mill, and, with the advent of steam, the internal combustion engine, and electricity, the former water tool for power was discarded.

Men of science the world over have long been intrigued by the fabulous power potential inherent in the tides. Dexter Cooper, a Maine resident and a world-famed engineer, was one of these, and, as far back as 1919, he devised the first plans for the locks and dams that would use the tides of the Quoddy area to produce cheap and ample electric power.

The figures on the generating capacity of such a project are indeed interesting, for it has been estimated by competent engineers that the theoretical generating capacity of such a project would be approximately a 300,000-kilowatt-per-hour minimum. And it is indicated that, with the power project in actual operation, it would be possible for the generating capacity to greatly exceed this figure.

This legislation which we are considering today is authorization legislation, providing authority for an appropriation of $3 million to defray costs associated with a survey to determine the costs of construction of a Passamaquoddy power project. Of this sum, $2,700,000 would be used to survey the physical aspects of the project, while $300,000 would be applied to determining the possible effects on fishing waters.

The legislation pertains not at all to construction, but, instead, provides an authorization for a survey not unlike that which is customarily made by our Government on many other resources in our country.

Furthermore, this legislation is designed to determine whether or not the cost of construction would allow hydroelectric power to be produced at a price that is economically feasible, and also to determine what contribution such a project would make to the national economy and the national defense.

We who have long entertained an ardent interest in Passamaquoddy feel that the question as to whether or not a Quoddy project is economically feasible should be resolved and that a survey designed to resolve this question has true merit. Only a survey, such as is provided for in Senate Joint Resolution 12, will supply us with the facts and the answer, whether the tides of Quoddy Bay are to thunder on unharnessed or whether they are destined, as a practical resource, to serve the higher purpose of an America hungry for a present and future supply of hydroelectric power.

In closing my remarks may I express my appreciation to the chairman and members and staff of the Foreign Affairs Committee and the chairman and members and staff of Rules for their very thorough consideration of this subject matter.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. McINTIRE. I yield to the gentleman from Ohio.

Mr. VORYS. Mr. Chairman, I want to compliment the gentleman on the way he has presented this matter to our committee and to the House. Every time there was a question he sought the answers, and the way he has proceeded in dispelling the misconceptions that surrounded this proposal due to things that happened in the past has been very helpful. I certainly want to commend him for his presentation here today. I feel confident that this bill is finally going through.

Mr. McINTIRE. I appreciate the gentleman's remarks very much. I also wish to express to the gentleman from Ohio my appreciation of the very thorough manner in which he has studied the presentation which was made in behalf of this legislation.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. McINTIRE. I yield to the gentleman from Kansas.

Mr. REES of Kansas. How much money has been heretofore expended on surveys for Passamaquoddy? If my memory serves me correctly our Government spent quite a sum of money for the survey of a proposed project or projects dealing with tidal power at Passamaquoddy. What is the gentleman's recollection? What was the result of those surveys?

Mr. McINTIRE. If I may mention this, the survey as proposed in this resolution involves the concept of this resource as an international project. The surveys which have been made prior to this time have been devoted almost solely to an application of the principle that it would be entirely on the American side. The concept with which we are dealing here today has not been surveyed to this date.

Mr. REES of Kansas. The gentleman means this is a different kind of survey?

Mr. McINTIRE. That is right; this is an approach to this resource in the concept in which it was originally considered, but not in the concept to which the surveys were made back in the time to which the gentleman refers.

Mr. REES of Kansas. The reason I asked that this subject matter which was quite controversial has been before the House on a previous occasion.

Mr. McINTIRE. May I suggest to the gentleman from Kansas that the matter that was presented to this body some years ago did not have the international approach to this resource. That dealt with a project that was devoted wholly to the American side of the international boundary line.

Mr. REES of Kansas. The difference as you explain is that the other was a national project.

Mr. McINTIRE. The other was a project entirely within the confines of the State of Maine, on the Maine side of the international boundary.

There has been a little exploratory work at a cost of about $30,000 to the United States. This exploratory work was to determine through the use of proper equipment the composition of the ocean floor, but not in any sense an approach to the determination of the feasibility of the international project to which this refers.

Mr. VORYS. One further question, if the gentleman will yield.

Mr. McINTIRE. I yield to the gentleman from Ohio.

Mr. VORYS. Perhaps this is oversimplifying the thing, but is it not true that the lineal footage for the necessary dam and works is not great compared with some of the other hydroelectric projects which have been built? The big study that is necessary is to find out how to hold these structures in place in view of the enormous power of the tides. That is oversimplifying it, I realize, but at least that presents the general picture, does it not?

Mr. McINTIRE. It does, with this one additional comment which I would like to make: That of all of the structures that are necessary to link these islands there is only one structure which is involved in any strong tidal current; the rest are simple from an engineering standpoint. That one structure raises some question which must be determined.

Mr. VORYS. But none of the structures is enormous in length or size; is not that true?

Mr. McINTIRE. Compared with other structures that I have personally seen they are very small in size.

Mr. ROOSEVELT. Mr. Chairman, will the gentleman yield?

Mr. McINTYRE. I yield to the gentleman from California.

Mr. ROOSEVELT. May I also compliment the gentleman from Maine on the very fine presentation he has made? It may seem a little strange that coming from California I should know considerable about this Passamaquoddy Bay region, but the fact of the matter is I have spent a great deal of time there, as the gentleman knows, at this particular location. All the gentleman says about it is true. I think he might also have pointed out that this is the most northeasterly point of the United States and that there is at this location one of the finest natural harbors along the coast of Maine, that it would also be available for the development of commerce if the project is determined to be feasible.

Mr. McINTIRE. I appreciate very much the remarks of the gentleman from California. I know that this area is without question more familiar to him from his personal visits there for years than it is to me.

I too, would like to emphasize the point that there is a very fine natural harbor there and great potentialities for harbor development, that the possibilities of development are almost unlimited with this potential site and its firm foundation. It is the most northerly ice-free port on the eastern coast of the United States.

I thank the gentleman very much for his contribution.

Mr. Chairman, I wish to say that the report dated March 20, 1950, and referred to on page 2, line 9 of Senate Joint Resolution 12 was, as a matter of record, transmitted by the International Joint Commission to the Governments of the United States and Canada on October 20, 1950.

This information is being supplied to indicate that both dates—March 15, 1950, and October 20, 1950—accurately refer to the one and same report.

Mr. CARNAHAN. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. O'NEILL].

Mr. O'NEILL. Mr. Chairman, the platitudes of the recent state of the Union message this year would remind one of the days of the New Deal. I am more than happy that the administration is going along with Passamaquoddy because of the fact this was originally a New Deal measure. This was considered during the great depression and was the first real public project in the Nation.

As we look back over 25 years, the reason it was not completed was due to the fact it was laughed at, it was ridiculed, it was condemned, not only by the Republicans of Maine but by the Republicans of the entire Nation. I am happy to see here a united Republican front asking for Passamaquoddy. I am happy that they are assisting in cooperating with Governor Muskie who has been down here recently, who has seen the Speaker and the majority leader, who has used his prestige and influence on the members of the Rules Committee to get a quick hearing on this measure so that it may be promptly considered by the House.

I am glad that we from the northeast part of the United States are working in harmony now, all in favor of this bill. There is no question in my mind but what it is going to be of great benefit to New England as a whole. We need more power, we need cheap power. We are all aware of the economic situation that now exists in New England. So I ask the Members of this House to go along with the united efforts of all the Members from New England. Again I say that the cooperation showing what good can be done by Governor Muskie coming down here working and cooperating with the Republican Members from Maine has been of inestimable benefit. I am therefore certain this joint resolution will be passed promptly.

Mr. MERROW. Mr. Chairman, I yield 5 minutes to the gentleman from Maine [Mr. HALE].

Mr. HALE. Mr. Chairman, I am glad that this day has at last come and that I have the privilege of taking the floor to speak in behalf of this resolution. I should like to take this occasion to thank the members of the Committees on Foreign Affairs and Rules for their assistance in getting this matter before you.

As my colleague from the Third Maine District has explained to you, this Quoddy project is what is colloquially known as a natural. Just as the Isthmus of Panama was almost the inevitable place to build an interoceanic canal, so this Passamaquoddy area is the inevitable place for the construction of a new type of hydroelectric project. Not that there is anything new about the idea of using tidal currents to turn water wheels. In the old days there were many such mills. But in Quoddy we create what you might almost term an artificial river and an artificial waterfall. Nowhere else in the world have you this extraordinary natural configuration with two vast basins, the Passamaquoddy Basin and the Cobscook Basin, plus the extraordinary rise and fall of tide. This project, if it can be built, would give firm power the year around, above floods, above droughts, above any vicissitudes of man and nature. All we ask is the moon to draw the sea. There would be no artificial flowage of lands, so that there would be none of the land damage that invariably accompanies damning a stream. In parts of the country we have ruthlessly wiped out towns and farmlands to get precious power. And, of course, we were right to do so. But here at Quoddy we are miraculously privileged.

For we would have the power at a great natural seaport area and an area which has heretofore been precariously dependent on fisheries.

We conceive that power generated at Quoddy would largely be used by industrial plants that would grow up in the area, but there is no obstacle to the transmission of the power. I am happy to say that Maine has by recent legislation abandoned the selfish policy embodied in the old Fernald law which prohibited the transmission beyond State lines of hydroelectric power generated in Maine.

But let me emphasize that this resolution is not one to authorize construction but only a very modest resolution to provide for a cost study of construction. And the committee very graciously added section 6 to the resolution.

If, as a result of such a study, it should be determined that the costs of construction would be excessive, then we should know enough to drop a project which I confess is to me captivating. On the other hand, if it be determined that the project is feasible from an economic as well as an engineering standpoint, then

we have an invaluable piece of information.

Either way the people of my area will accept the result and be satisfied. Thirty years of doubt will be resolved. For it was 29 years ago that I first discussed this problem on the floor of our state house of representatives, on a bill to incorporate Dexter P. Cooper's ideas. I would like to say on this floor that Dexter Cooper was a very warm personal friend of mine. He was a man of great intelligence, great engineering capacity, and high vision. I wish he had lived to see this day.

Let me emphasize that, as these are boundary waters, the resolution of our problem must be at the Federal level. It cannot be at the State or local level. Congress must act.

I hope that this resolution will receive the unanimous support of this Committee.

Mr. CARNAHAN. Mr. Chairman, we have no further requests for time.

Mr. MERROW. Mr. Chairman, I yield 3 minutes to the gentleman from Massachusetts [Mr. HESELTON].

Mr. HESELTON. Mr. Chairman, I would not impose upon this House today if it were not for the fact that I was privileged to have been born in Maine, in the district of my good and able friend, the gentleman from Maine [Mr. NELSON]. I lived there for some 22 years. I think I know as my good friends in the delegation from Maine know how vitally important this proposal is to the economy and future of that great State. Certainly, when our colleagues from Maine come before us as infrequently as they do with any request that we help them on a worthy project, it seems to me that we should be glad to do everything within our power to be of assistance whenever we can.

I know we have in that delegation three of the ablest men who have ever represented the State of Maine. That is saying a great deal, because I have known a great many of their predecessors, including the father of the gentleman from the Second District of Maine. He was recognized as one of Maine's great statesmen.

We have heard the concise and effective presentations of our colleagues the gentleman from Maine [Mr. MCINTIRE], in whose district the Passamaquoddy project is located; and the gentleman from Maine [Mr. HALE]. We shall hear shortly the statement of the gentleman from Maine [Mr. NELSON] and I know that he will be equally persuasive.

They are all entitled to our commendation and support, and to the gratitude of the people of Maine, not only because this is a matter of great importance to the State of Maine and to all of New England, but because they have presented their case both from that point of view and in terms of the national interest. Certainly, the fact that their efforts have resulted in a unanimous report of the excellent subcommittee, representative of so many areas in this country, and of the full committee, is ample evidence of the kind of outstanding representation they have always given in behalf of their districts, of their State, and of this country.

Mr. Chairman, I hope that there will be a prompt and unanimous vote in support of this legislation, which, as our minority leader [Mr. MARTIN] has said, has the full endorsement of the administration.

Mr. MERROW. Mr. Chairman, I yield 10 minutes to the gentleman from Maine [Mr. NELSON].

Mr. NELSON. Mr. Chairman, I should like at the outset to express my deepest appreciation to the members of the Committee on Foreign Affairs and the members of the Committee on Rules, who have listened to our story with kindness, with considerateness, and with an open mind.

I should like also to express my appreciation and the appreciation of the Maine delegation to the leadership on both sides of the aisle and to the many Members of this House, both Republicans and Democrats, who have listened to the story of the men from Maine with an open mind, with considerateness and with earnestness. It has been a great experience to us from Maine to receive such a willing hearing.

Enough has been said about this resolution. In summing up I just want to point out to you that the issue before us today is not whether a power project should be undertaken at Quoddy. The issue before us today is whether or not it is worthwhile to authorize the spending of $3 million to find out whether or not Maine, New England, and this country have an invaluable asset down there in Passamaquoddy Bay, an asset that would contribute to our economy in wartime and in peacetime.

Members of the Committee on Foreign Affairs and members of the Committee on Rules before which we had full and complete hearings have determined this question without dissent through their reports to you that show you that they feel, as separate bodies, that the expenditure of $3 million in order to determine whether this asset at Quoddy is worthwhile or not, is eminently justified.

I would point out to you further that in the resolution itself, perhaps not necessarily, but as a point of emphasis, there is a provision that Congress does not by passing this resolution commit itself to the expenditure of money for the building of the actual Quoddy project. As a matter of fact, this survey will determine whether or not we can produce cheap power at Quoddy, power which would contribute to the economy and defense of this Nation. I may say that a good many private enterprises have indicated their interest in undertaking such a project, if this survey proves that it is feasible.

So the question the House has to determine today is whether or not it is worth spending $3 million to find out that what the engineers say is true, that there is a vast source of endless and continuous power at Quoddy, to determine whether or not this power can be harnessed in order to give power-hungry New England the power that it requires.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. NELSON. I am glad to yield to the gentleman from West Virginia.

Mr. BAILEY. I cannot help but interpose the thought at this point that there is considerable interest in this project in West Virginia. We are wondering how we are going to replace the West Virginia coal markets that would be displaced by construction of this project.

Mr. NELSON. That is a constant problem of the gentleman from West Virginia and one that I cannot help him solve, because he has the same problem of hydroelectric competition in his own area.

Mr. BAILEY. Naturally we are interested in improvements, and in helping other sections of this Nation develop their natural resources through the production of cheap power. At the same time, the State of West Virginia's economy is involved. Already we have lost almost 50 percent of our coal markets. With the hydroelectric power the gentleman is suggesting be developed in a project of this kind, together with what is being done on the St. Lawrence, I can see a loss of practically the rest of West Virginia's coal markets. So I look just a little bit askance at this proposal. Nevertheless I have not yet decided what my course shall be when the Congress will be asked to supply money to build the project.

Mr. NELSON. I completely understand the interest and the concern of the gentleman from West Virginia. Nevertheless the world progresses and cheaper and cheaper power is produced.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. NELSON. I am glad to yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I should like to compliment the gentleman—although I do not like the word "compliment" because some take it to mean that it is not deserved—but the whole Maine delegation deserves the greatest commendation for what they have done in their leadership of this battle. I was born in Maine and have many friends there now and have a fellow feeling for those in Maine. Of course I am a New Englander. The best of luck to you.

Mr. NELSON. I am very grateful to the gentlewoman from Massachusetts for her very kind remarks.

Mr. EVINS. Mr. Chairman, will the gentleman yield?

Mr. NELSON. I yield to the gentleman from Tennessee.

Mr. EVINS. I commend the gentleman on the position he has taken. I, coming from Tennessee and the southern area, am not opposed to seeing all sections of our common country grow and advance. There has always been too much sectionalism, it seems to me, when these matters about public power arise in the House. I recall that I supported very vigorously the bill of the gentleman from Michigan [Mr. DONDERO] for the St. Lawrence Seaway. I have also supported a great number of public works projects in the western part of our Nation. But when other projects come along, there seems to be a tendency on the part of some to oppose, on the

ground of sectionalism. Each section of our country has meritorious project requirements and opposition on the ground of regionalism or sectionalism is not valid opposition.

I was impressed by a series of articles written by the junior Senator from Massachusetts recently in which he said that New England needs power. He said New England needs power very badly. I believe we should work together to build up New England, but let us not do it at the expense of downgrading another section of our common country.

After I read his article, I called the Senator and said to him, "I applaud your stand. I like the position you have taken. If New England needs power, let us produce power for that section. We all want to upgrade your section but it should not be done at the expense of downgrading another section of our common country." The same applies to any worthwhile regional need. My region has needs and we have had the encouragement and support of many fine Members in the effort to meet these needs. I am always ready and anxious to assist other regions to meet their needs and certainly most appreciative when these regions reciprocate.

I think this is a very great project. New England does need power. Certainly this bill should be passed and the survey made, and, if necesary, we should go ahead with the project.

I commend the gentleman on the position he has taken.

Mr. NELSON. I will say to the gentleman from Tennessee at this point that for more reasons than one I am very grateful for his statement.

Finally, this project, as far as Maine is concerned, is completely nonpolitical. Both the Republican and Democratic Parties are extremely interested in it, as they have been for years. Those of us in the Maine delegation who have for some years now been urging this project upon you welcome all the help regardless of party that we can get in determining what we consider a very critical situation for Maine and a project which we consider can make a very substantial contribution not only to the economy of Maine and New England but to the economy and defense of the United States.

I urge that you pass this resolution and give us an opportunity to find out whether or not we have there at Quoddy an invaluable source of constant power.

Mr. JOHANSEN. Mr. Chairman, will the gentleman yield?

Mr. NELSON. I yield to the gentleman from Michigan.

Mr. JOHANSEN. As I understand, this project involves at least indirectly harnessing the power of the moon in the sense that it is harnessing the tides.

Mr. NELSON. That is true.

Mr. JOHANSEN. The development of atomic energy involves harnessing the power of the sun.

Mr. NELSON. That is true.

Mr. JOHANSEN. I am not mentioning this to be facetious, but will the survey that is proposed to into the question of the possible outmoding of the proposal here under consideration by the development of atomic energy as a source of industrial power?

Mr. NELSON. I do not think that comes within the scope of the investigation. I think it would be a question for Congress to determine at the time the survey is completed and the report is made as to the actual cost of producing power at Quoddy. Then that cost could be compared with the cost of producing it by atomic energy.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. NELSON. I yield to the gentleman from New York.

Mr. KEATING. I have heard for many years about this proposed project. This seems like a very rational approach to a problem which has been before Congress for so many years.

I would not want to let this opportunity pass without expressing my admiration for the fine work which the gentleman from Maine now addressing us has done in bringing this matter forcibly to the attention of his colleagues here in Congress in an effort to achieve a constructive result. I think the gentleman deserves the very highest commendation.

Mr. NELSON. I am very grateful to the gentleman from New York.

Mr. NORBLAD. I should like to join with my colleague, Mr. KEATING, in paying tribute to the excellent work of Mr. NELSON, of Maine, in connection with this legislation. His remarks were very clear and explicit and placed in many of our minds a new and different picture of this project as we remembered it many years ago. If this bill passes the House today a great deal of the credit must be given to Mr. NELSON.

Mr. MERROW. Mr. Chairman, as I stated in my opening remarks, I conducted hearings on this subject in the last Congress. I want to pay the highest compliment to my colleagues from Maine for their clear, forceful, analytical and eloquent presentation they made before the committee at that time and for the fine exposition they have made on the floor of the House today. They have done a splendid piece of work in bringing this measure before the Congress. They are to be congratulated and complimented on their splendid efforts.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. MERROW. I yield.

Mr. KEATING. In the remarks I just made regarding the gentleman from Maine [Mr. NELSON], I by no means intended to exclude our other colleagues from Maine who, we all know, have joined so forcefully and effectively in this effort to arrive at this conclusion.

Mr. MERROW. I was sure of that. They have all done a splendid piece of work, as all of us recognize.

Mr. Chairman, I have no further requests for time.

The CHAIRMAN. If there are no further requests for time, the Clerk will read.

The Clerk read the Senate joint resolution, as follows:

Resolved, etc., That the International Joint Commission created by the treaty between the United States and Great Britain relating to boundary waters between the United States and Canada, signed at Washington on January 11, 1909, under the provisions of such treaty, be requested by the Secretary of State to arrange for a survey to be made to determine the cost of construction of the proposed Passamaquoddy tidal power project at Passamaquoddy Bay in the State of Maine, United States of America, and the Province of New Brunswick, Dominion of Canada, and to determine whether or not such cost would allow hydroelectric power to be produced at a price that is economically feasible, and also to determine what contribution such project would make to the national economy and the national defense.

SEC. 2. The survey provided for in the first section shall be consistent with the report (dated March 15, 1950) made by the International Passamaquoddy Engineering Board to the International Joint Commission, and with the supplemental report (dated May 1952) on details of estimate of cost of comprehensive investigation of Passamaquoddy tidal power project by Corps of Engineers, United States Army.

SEC. 3. The Secretary of the Army, the Federal Power Commission, and other officers and agencies of the Government of the United States are authorized to assist the International Joint Commission in the making of such survey, and shall be compensated for any work performed pursuant to this section out of such funds as may hereafter be appropriated for use by the International Joint Commission in carrying out this joint resolution.

SEC. 4. The Secretary of State shall report the results of such survey to the Congress of the United States.

SEC. 5. There is authorized to be appropriated not to exceed $3 million to carry out this joint resolution, and any sum appropriated pursuant to this section shall be included in any determination of the proportionate share of the cost of construction of the Passamaquoddy tidal power project to be borne by the United States.

With the following committee amendments:

On page 1, line 8, before "survey", insert "final."

On page 2, line 9, strike out "be consistent with" and insert "make use of."

On page 3, after line 5, add the following section:

"SEC. 6. Nothing in this joint resolution or the survey authorized herein shall in any way commit the Congress or the Government of the United States as to future action on construction of any such project."

The committee amendments were agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. FORAND, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration Senate Joint Resolution 12, pursuant to House Resolution 364 he reported the same back to the House with sundry amendments adopted in Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not the Chair will put them en gross.

The committee amendments were agreed to.

The SPEAKER. The question is on the third reading of the resolution.

The Senate joint resolution was ordered to be read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the resolution.

The resolution was passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. CARNAHAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks in connection with this resolution.

The SPEAKER. Is there objection?

There was no objection.

HABEAS CORPUS

Mr. O'NEILL. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 318 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5649) to amend section 2254 of title 28 of the United States Code in reference to applications for writs of habeas corpus by persons in custody pursuant to the judgment of a State court. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. O'NEILL. Mr. Speaker, at the conclusion of my remarks I will yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

I yield myself such time as I may require.

Mr. Speaker, I rise to urge the adoption of House Resolution 318 which will make in order the consideration of the bill (H. R. 5649) to amend section 2254 of title 28 of the United States Code in reference to applications for writs of habeas corpus by persons in custody pursuant to the judgment of a State court.

House Resolution 318 provides for an open rule with 1 hour of general debate on the bill itself.

According to the report on this bill, Mr. Speaker, H. R. 5649 would seek to restrain the abuse of the use of the writ of habeas corpus in the lower Federal courts by prisoners who have been convicted in State courts and who seek to have the action of the State courts reviewed and reversed by the lower Federal courts.

Specifically the bill would provide that an application for a writ of habeas corpus in behalf of a person imprisoned under a State judicial decision may be entertained by a Federal court or judge only if it presents a constitutional question. Even then the case must meet the following conditions:

First. The question must be one "which was not theretofore raised and determined" in the State court proceeding.

Second. Even if the question has not been theretofore raised and determined, it must appear that the prisoner had not had "fair and adequate opportunity to raise and have his—'question'—determined."

Third. Even if the question has not been raised and determined, and even if the prisoner has not had fair and adequate opportunity to have it determined, it must appear that it is a question "which cannot thereafter be raised and determined in the State court by an order or judgment subject to review by the Supreme Court of the United States on writ of certiorari."

H. R. 5649 also has a provision stating that an order of a lower Federal court denying an application for the writ shall be reviewable only on appeal to the Supreme Court of the United States which must be applied for within 30 days of the order.

The committee report complies with the Ramseyer rule and I hope that the House membership will see fit to adopt this resolution which will make consideration of H. R. 5649 possible.

Mr. ALLEN of Illinois. Mr. Speaker, there is no objection to the rule or to the bill on this side of the aisle.

I yield back my time.

Mr. O'NEILL. Mr. Speaker, I have no further requests for time.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. CELLER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H R. 5649) to amend section 2254 of title 28 of the United States Code in reference to applications for writs of habeas corpus by persons in custody pursuant to the judgment of a State court.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 5649, with Mr. EDMONDSON in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule the gentleman from New York [Mr. CELLER] is recognized for 30 minutes, and the gentleman from New York [Mr. KEATING] will be recognized for 30 minutes. The gentleman from New York is recognized.

Mr. CELLER. Mr. Chairman, I yield myself 8 minutes.

The CHAIRMAN. The gentleman from New York will proceed.

Mr. CELLER. Mr. Chairman, the purpose of the bill is to regulate applications for the time-honored and traditional writ known as the writ of habeas corpus which is guaranteed by article I, section 9, clause 2 of our Constitution.

This bill in nowise hampers application for the writ, it in nowise militates against the use of the writ of habeas corpus; all it seeks to do is prevent certain abuses that have crept in concerning application for the writ.

The purpose of this legislation is not to suspend the writ of habeas corpus guaranteed by the Constitution—article I, section 9, clause 2. Its only purpose is to restrain the abuse of the use of the writ by prisoners who seek, by repeated use of the writ, to delay the ends of justice.

It should be noted that this legislation deals only with State prisoners confined in State prisons who were convicted in State courts for State crimes. It has no direct connection with Federal crimes or Federal prisons.

The legislation has the approval of:

First. The Judicial Conference of the United States, composed of the Chief Justice and the presiding judges of the Federal courts of appeal;

Second. The Conference of Chief Justices of the several States, composed of the senior judge of the highest court of each State;

Third. The Association of State Attorneys General; and

Fourth. The section on judicial administration of the American Bar Association;

Fifth. It also has the support and approval of the United States Department of Justice.

It represents, therefore, the considered judgment of both the State and Federal judiciaries, as well as the State and Federal prosecuting departments.

The legislation, as admitted by the NAACP, through its counsel, Thurgood Marshall—hearings, page 79—has, "no special racial significance" and contains "no threat of racial discrimination."

In fact, the greatest rash of habeas corpus applications is not, as could be supposed, in the Southern States, but rather is to be found in the States of Illinois, eastern Michigan, and northern Indiana. In the last 14 years, out of a total of 6,500 Federal applications for habeas corpus, the Illinois courts alone have entertained almost 2,500.

The writ is being abused in that State prisoners are seeking, through habeas corpus, to have the lower Federal courts sit as a court of review on the decisions of the highest courts of the States. While feigning constitutional violations, they seek a review, in the Federal court, of the entire record of their trial and appeal proceedings before the State courts. The writ was never intended as a writ of review.

The legislation does not impinge on constitutional guaranties. The Constitution—article 1, section 9, clause 2—provides:

> The privilege of the writ of habeas corpus shall not be suspended, unless when in cases of rebellion or invasion public safety may require it.

The instant legislation in no way seeks to suspend the writ; in fact, its purpose, in addition to eliminating abuse, is to clarify the intent of the Congress by restoring the effectiveness of the present

law, which was enacted in 1948— title 28, United States Code, section 2254.

Reduced to its essentials, this legislation is the result of the Supreme Court decision in *Brown* v. *Allen* (344 U. S. 443), wherein the Supreme Court stated that a further directive as to congressional intent was needed—page 450. Although the present law states that a prisoner must exhaust State remedies before he can apply to the Federal courts for relief under the writ, the Supreme Court in Brown against Allen has held that a prisoner meets those requirements when, after being convicted in a State court, he appeals to the State appellate courts, and thereafter is denied certiorari by the Supreme Court of the United States. This is so even though other remedies such as habeas corpus, and coram nobis are available to him in the State court.

The proposed legislation would again restrict the writ of State prisoners to State courts so long as there was an available State remedy. The writ in the Federal courts will be confined to substantial constitutional questions only and the prisoner must show:

First. That the question was not raised and determined at his trial or in appellate proceedings; and

Second. That he did not have a fair opportunity to have it raised; and

Third. That the question cannot thereafter be raised in a State court proceeding.

The writ of habeas corpus has only been expanded (and not suspended) over the years. At the time the Founding Fathers promulgated the United States Constitution, a person imprisoned under a judgment of a court could be released on habeas corpus only on a showing that the court was without jurisdiction to render the judgment. And the question of jurisdiction was confined to whether, first, the court had jurisdiction of the subject matter; and, second, jurisdiction of the person.

In recent years, however, the courts, through judicial decisions, have expanded the scope of habeas corpus. They now hold that even though a court may have had jurisdiction at the inception of a case, it may lose jurisdiction during the course of the proceedings as the result of a violation of a person's constitutional rights. Because of these decisions, habeas corpus writs have multiplied in recent years, with prisoners alleging all sorts of violations of their constitutional rights during the course of their trial. These questions, of course, should in most instances be raised at the time of their occurrence during the trial, or on appeal in the State courts, and should not be the subject of separate habeas corpus proceedings. The proposed legislation will properly restrict defendants to the trial, and prohibit separate proceedings through habeas corpus.

In many instances prisoners submit their habeas corpus petitions to the Federal courts and then sit back and let the judges and their law clerks do their legal research for them; they seek and obtain free legal advice. The court becomes a prisoner's legal aid bureau.

As Justice Frankfurther has so aptly stated:

After all, this—

The Supreme Court—

is the Nation's ultimate judicial tribunal, not a super legal-aid bureau.

There have been grave abuses in the use of the writ of habeas corpus. In line with what I have just said, a State prisoner will just write out on a piece of paper, formally or informally, that he has been improperly incarcerated. He presents that or has it presented to a Federal judge and that judge must hear the application. There are also many jail lawyers, jailbird lawyers, who gratuitously or sometimes for a small fee, will give advice to these prisoners saying, "Why, you can get out of this place. Just file your application for a writ and make the judge hear it."

There have been thousands of such writs filed. In 14 years—I think the last year was 1954—there were 6,499 such writs filed and only 77 granted, and strangely enough, most of those writs were filed in the Northern States.

It is interesting to note that in the State of Illinois 2,476 were filed, in Michigan 393, in the northern district of California 295, in the northern district of Indiana 354, in the eastern district of Washington 293, and in Virginia 210. So most of these applications, these improper applications, if I might put it that way, have been filed in the northern districts.

Here is an interesting colloquy which occurred between the distinguished member of our committee on my left, the gentleman from Pennsylvania [Mr. QUIGLEY], and Chief Judge Parker, of North Carolina, a distinguished Federal jurist:

The gentleman from Pennsylvania [Mr. QUIGLEY] said:

Am I correct in assuming that most of the appeals to the district court are made primarily for the purpose of delay?

Judge PARKER. That is true in the case of death sentences. I think that is correct. But it is not true with respect to all these applications that come from prisoners in State penitentiaries. They are made for 2 purposes, 1, that hope springs eternal in the human breast; and another is that they may get a free ride, they may go to the Federal court and have a nice trip.

In a lot of penitentiaries there are a lot of guardhouse lawyers who get the prisoners to pay them a little money to get up these petitions and sometimes they come up with a written brief. Very seldom do they present any contention that has any merit whatever.

Now, there has been an increase in these applications in geometric proportions. Away back in 1941 there were only 127 of those cases; in 1954 there were 597. Well, that is a very steep increase and certainly indicates an abuse. Now, the purpose of this bill is to prevent that abuse.

Now, we take away the use of the writ from no one. That right is guaranteed. Nobody can suspend the writ. The Constitution would forbid that. We simply provide that the writ shall be granted only upon the showing of the following: That the substantial constitutional question was not raised theretofore and determined; that there was no fair and adequate opportunity to raise the question; and that the question cannot thereafter be raised and determined in a proceeding in a State court, by an order or judgment subject to review by the Supreme Court of the United States on a writ of certiorari.

Now, what are those cases where there might be deemed a miscarriage of justice? It may be a case of coercion by State officers; it may be a case of forced confession; it may be a case of threats by State officers; the defendant might not have been properly advised as to his right of counsel; he might have been assigned by the judge in the State court a State counsel and that counsel may have been ignorant or biased or incompetent or showed bad faith to his client; there might have been no benefit of counsel whatsoever; there may have been an improper paneling of jurors; there may have been an improper selection of jurors. I do not care what impropriety or injustice there may have been in these individual cases, but there will be no denial whatsoever of the application for a writ of habeas corpus, only that his application must be channeled properly and there must be proper supervision. He must stay in the State courts, so long as the States provide remedies through State habeas corpus, coram nobis, and so forth. As it is now, prisoners run wild, as it were. We must have orderly procedure, and, as I shall point out in the extension of my remarks, these amendments even go further in the protection of the prisoner's rights. But, as I said, we must have orderly procedure, and that is what is involved in this bill.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Iowa.

Mr. GROSS. Do I get the impression that we are asked to pass legislation to in some way police the legal fraternity?

Mr. CELLER. No; I would not say it was to police the legal fraternity. I am a member of that honored body called the legal fraternity, and I do not think they need to be policed, and this bill does not do that.

Mr. GROSS. The gentleman is saying that many lawyers have abused this right of the writ of habeas corpus; or that they have lent themselves to abuses.

Mr. CELLER. I did not say that.

Mr. GROSS. The gentleman spoke of guardhouse attorneys.

Mr. CELLER. I said many prisoners in the State penitentiaries have abused the right, they are in contact with other prisoners who are known as guardhouse lawyers, and they will scratch out something on a piece of paper or on a bag, and then it may be in the form of a writ or asking for a review, claiming that they have been improperly incarcerated and that justice was denied them, and the court must listen to all of that.

Mr. GROSS. But they must have some vehicle. They must have an attorney; must they not?

Mr. CELLER. No; you do not have to have an attorney to sue out a writ of habeas corpus.

Mr. GROSS. The gentleman stated that there were many guardhouse attorneys who were participating in this sort of procedure.

Mr. CELLER. These guardhouse attorneys would urge some of the prisoners to make the application. Sometimes the guardhouse attorneys will draw the papers for them, but the guardhouse attorneys do not make the application. They sort of give them the advice or misadvice. That is what I was trying to tell the gentleman.

Mr. GROSS. Could not county and State bar associations police a situation of that kind?

Mr. CELLER. In the penitentiaries?

Mr. GROSS. No; the use of lawyers.

Mr. CELLER. Lawyers are not involved When I say "guardhouse lawyers," I am referring to somebody who assumes to act as a lawyer, but who might be a fellow prisoner.

Here are some specific examples of the abuse of the writ, for example an inmate under sentence of death in the State prison of California was convicted of 17 separate felonies, including robbery, rape, kidnapping, and the crime of sex perversion. The sentence of death was imposed in 1948 and some 7 years later he is still very much alive and in fact has written a best-seller book on his stay in the deathhouse.

He has compiled an astonishing record in his relentless and seemingly endless pursuit of post conviction remedies. He has been turned down by the California Supreme Court on his appeal from the trial of his case, and has been refused three applications for a writ of habeas corpus in his case. In addition, he has been rejected by the United States Supreme Court on five applications for a writ of certiorari. He has been denied five times by the United States district court on application for habeas corpus. He has also been turned down by the Ninth Circuit Court of Appeals on an appeal from the district court. Furthermore, he has been refused clemency on several occasions by two Governors of California. This prostitution of legal procedure by this depraved sex terrorist has caused the California State Legislature to adopt a resolution petitioning this Congress to enact the proposed legislation into law as soon as reasonably possible.

In the State of Washington, two defendants were convicted in June 1950, of rape and murder. Through the use of some 15 separate petitions of habeas corpus, coram nobis, and stays, they were able to save themselves from execution until 1953, a period of almost 3 years.

I strongly urge that the report of the Special Committee on Habeas Corpus of the Conference of Chief Justices of the several States, which is set out beginning on page 92 in the committee hearings, serial No. 6, 84th Congress, be read so that the Members may see for themselves the numbers and kinds of applications which have been submitted by prisoners in attempts to delay the ends of justice.

Mr. KEATING. Mr. Chairman, I yield myself 1 minute. I do that for the purpose of clearing up with the gentleman from Iowa [Mr. GROSS] the use of the phrase by the gentleman from New York [Mr. CELLER]. Among lawyers there is a phrase "guardhouse lawyers" which refers to prisoners who may have had some legal training but are not necessarily lawyers, or who might be disbarred lawyers, who gained their experience in criminal proceedings and who are incarcerated at the time, who go around either on their own behalf or on behalf of fellow prisoners and stir up these prisoners.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. KEATING. I yield to the gentleman.

Mr. GROSS. Then there was no testimony before the gentleman's committee that attorneys, as such, indulged in the practice of aiding these prisoners in the abuses of which the gentleman from New York [Mr. CELLER] spoke?

Mr. KEATING. No.

Mr. GROSS. No attorneys ever lend themselves to that sort of practice?

Mr. KEATING. Let me say that I, like the gentleman from New York [Mr. CELLER], am a member of the legal profession. Both of us, not unnaturally, have an extremely high regard for that profession.

Mr. GROSS. I am sure of that.

Mr. KEATING. Mr. Chairman, I yield 5 minutes to the gentleman from Utah [Mr. DAWSON].

Mr. DAWSON of Utah. Mr. Chairman, I support this legislation. The increasing tendency of Federal district courts to assume jurisdiction over defendants who have exhausted all State court remedies—particularly in capital cases—must be curbed.

Under our Constitution, the scales of justice must be in delicate balance. The accused must be afforded every reasonable means to defend themselves against their accusers. But the rights of the accusers—in capital cases, the public—must also be protected. And both the public and the accused are entitled to a speedy administration of justice.

Let me cite an example of how the scale of justice is now out of balance.

Verne Alfred Braasch and Melvin LeRoye Sullivan were tried and convicted and sentenced to death for the brutal holdup slaying of a gas station attendant in Beaver, Utah, on October 22, 1949. The original execution date was February 16, 1950.

The execution was stayed when the defendants appealed to the Utah Supreme Court. Utah's highest court unanimously upheld conviction and subsequently considered three additional appeals for extraordinary writs and reviews—all of which were denied after careful study.

Attorneys for the defendants carried their case to the United States Supreme Court. Twice the Nation's highest tribunal was petitioned and twice the Supreme Court refused to review the conviction. One could reasonably expect that the men had run their full legal course. Certainly their rights and privileges had been given full consideration.

The case, however, did not end here. Despite the refusal of the United States Supreme Court to upset Utah's State court decisions, the Federal district court in February 1952 assumed jurisdiction after attorneys for the convicted killers filed for a write of habeas corpus. The case has now been carried through the Federal circuit court of appeals, and the defendants have appealed the adverse ruling to the United States Supreme Court. For the third time, the Nation's highest court is asked to review the case. Pending the Supreme Court's decision, the convicted killers' sentence is stayed.

No one in this chamber would want to deprive these men of their right to a fair trial. But the public's respect for their courts is also important. Extended delays of the execution of sentences imposed can only make them question the efficacy of our legal machinery.

No one would equate cost with the rights of any prisoner to a full review of his conviction. This includes Gov. J. Bracken Lee—the cost-conscious chief executive of Utah. The Governor, however, has computed what it has cost Utah to maintain these men since the State of Utah lost jurisdiction over them by habeas corpus action in the Federal district court. Based upon his studies, the State of Utah has spent $28,852.94 to date maintaining these convicted killers in the Utah State Prison. He has billed the Government for this amount—reasonably contending that if the Federal courts are to assume jurisdiction, then the concommitant expense of maintaining the defendants should be assumed at the same time.

This law gives full protection of the courts to the accused. Its only purpose is to prevent abuse of our laws through extended legal procedures. Such abuse can only create contempt of our statutes, and contempt encourages crime. This bill should be passed.

Mr. CELLER. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. MURRAY].

Mr. MURRAY of Illinois. Mr. Chairman, I urge the enactment of the pending legislation for four reasons:

First, it will correct a confusion presently existing in State criminal procedure without infringing upon the rights of individuals.

Second, it will restore a proper balance between the Federal and State courts.

Third, it will save a needless expenditure of State funds devoted to the enforcement of State criminal laws.

Fourth, it will relieve Federal district courts from needless and costly inquiries into State criminal prosecutions.

I should like very briefly to state the present situation with respect to writs of habeas corpus in Federal district courts as they appertain to State convictions, the problems it creates, and the effect of this legislation in correcting such problems and at the same time protecting the Federal constitutional rights of individuals.

Under Illinois law and the law of every other State, after a person is convicted of a crime and sentenced to the State penitentiary, he is entitled to a review by the State appellate court and thereafter, or subsequent to that review, he is

entitled to seek a writ of certiorari to the United States Supreme Court. Thereafter, if something had occurred at his trial which made his trial unjust, he is given additional remedies. For example, in Illinois he might file a petition for habeas corpus in the event the trial court had no jurisdiction over his person, the subject matter of the charge, or in the event the trial court lost jurisdiction during the trial, and after decision by that trial court in habeas corpus, he can seek certiorari to the United States Supreme Court.

He also has the remedy by writ of error coram nobis. If facts exist which the trial court which convicted the prisoner was not apprised of, and which facts he failed to present to the trial court by reason of mistake or incompetency of counsel or other such reason, he might file a writ of error coram nobis in the State court, get a review of that writ of error coram nobis in the State supreme court, and then take certiorari again to the United States Supreme Court.

In addition to these two remedies subsequent to conviction, in Illinois he has a third remedy. He has a catchall remedy which is provided by an act entitled "The Illinois Postconvection Review Act," in which he can try any allegation of a deprivation of constitutional rights in the State trial court, have a review by the State supreme court, and take certiorari to the United States Supreme Court.

Under the present law, after all of those reviews and every conceivable contention he might make has been tried and tested by various and sundry trial courts, he can go into a Federal district court on an application for habeas corpus and retry those same charges or some other fictitious charges he might make with respect to the State trial that resulted in his conviction.

After he goes into the Federal district court, he can take a review to the Federal circuit court of appeals and then seek a review in the United States Supreme Court, again by certiorari. But it does not stop there because under our existing Federal Habeas Corpus Act, he can apply again and again and again to the Federal district court.

Prior to 1940 in Illinois in the Federal district courts, seldom, if ever, did a Federal district court by habeas corpus or otherwise inquire into the propriety of a State conviction. Since 1946, as a result of this habeas corpus procedure, a veritable flood of habeas corpus petitions has emanated from our State penitentiaries containing every type of conceivable charge with respect to the State court convictions. As I recall one case, the prisoner charged that the State of Illinois had never done away with trial by battle. Incidentally, for those who may not be lawyers in the Chamber, a trial by battle is a trial where the accused faces his accuser in armed conflict. He had a hearing in the Federal district court and that case was appealed to the circuit court of appeals. In 1953, there were 1,500 inmates received at the Illinois State Penitentiary at Joliet. The population of the institution at that time was between 4,000 and 4,500 prisoners serving an average term of 4.9 years. In that year—in just 1 year—there were 3,814 pieces of correspondence sent to the various State and Federal courts in the State of Illinois. Yet, in that period and with all these petitions, not a single prisoner was released on habeas corpus in the Federal district courts. The cost of this procedural binge has been a tremendous one. One assistant attorney general devotes his entire time completely to responding to prisoners' petitions for habeas corpus in the Federal district courts. Three other assistants devote 10 to 20 percent of their time. One assistant State's attorney in Cook County devotes all of his time to cases arising under the Illinois Postconviction Act. And a number of other assistants devote part of their time.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Illinois. I yield to the distinguished chairman of the Judiciary Committee.

Mr. CELLER. Does the gentleman feel, as a result of his experience as a member of the attorney general's office in the State of Illinois, that these amendments which we offer will bring about a diminution in the number of these applications that will be filed; is that correct?

Mr. MURRAY of Illinois. The amendments will cause a lessening of petitions in the Federal district court, but not in the State court.

Mr. CELLER. That is right. Now, does the gentleman envisage any kind of a case—can he conceive any kind of case of miscarriage of justice where the remedy would not be available in connection with the application for a writ of habeas corpus?

Mr. MURRAY of Illinois. I cannot conceive under this legislation where in any case a prisoner's rights would be jeopardized. As a matter of fact, from my experience, I feel that this will more clearly define a prisoner's rights, because under present procedure our prisoners and many of our lawyers are confused as to when the Federal court has jurisdiction. I would like to take one case in Illinois which illustrates my point. A State prisoner had some nine cases filed in various State and Federal courts, some even in the United States Supreme Court, to review his conviction because of an alleged violation of his constitutional rights. Subsequently he obtained a review in the Federal district court. A long and lengthy trial was had. The record alone cost the State of Illinois $10,000. He went to the circuit court of appeals, and the circuit court of appeals held that he failed to exhaust his State remedies, and he was again required to go into the State court. Subsequent to the decision in the State court, he may go into the Federal district court again under present procedure.

Mr. CELLER. Will the gentleman yield?

Mr. MURRAY of Illinois. I yield.

Mr. CELLER. Does not the gentleman feel that the language used on page 2, lines 2 and 3, referring to the constitutional question, "There was no fair and adequate opportunity theretofore to raise and have determined," is rather broad language, and does it not cover every conceivable case of miscarriage of justice?

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. CELLER. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. MURRAY of Illinois. The distinguished chairman, I know, has long been a champion of the rights of individuals and would heartily oppose any legislation that could possibly deprive anyone of relief from a miscarriage of justice. That language, in my opinion, based on a number of years of experience, covers every conceivable case. Particularly if a person presents a case that indicates that the State trial court did not provide him with a fair trial and a fair and adequate test of his complaints as to his trial, this legislation contemplates a fair and adequate review by a State trial court of allegations made by a State prisoner that disclose that his State conviction is predicated upon a violation of his Federal constitutional rights.

I might refer to the problem of the State penitentiaries just to illustrate what the chairman was speaking about when he referred to "guard-house lawyers." An article was written in the Chicago Tribune last year with respect to our State penitentiary; it disclosed that the most popular book in the State penitentiary was the Encyclopedia of Law. Some 400 typewriters are rented and in constant use by prisoners in one of the State penitentiaries in Illinois, preparing petitions for relief from State confinement. The cells had become so flooded with lawbooks that the warden had to adopt a rule requiring the prisoners to keep the lawbooks outside of the cells. I do not think the warden is too displeased about the problem, because it keeps the minds of the prisoners occupied, where they might otherwise be thinking of other ways to get out of the penitentiary.

One writer said that the writ and the tort have replaced the file and saw as State prisoner's favorite method of escape. One writer describes it as follows:

"The do-it-yourself fad has spread even to the State penitentiary."

In the final analysis, all that this legislation does and all that it is intended to do is that it takes from the Federal district courts review jurisdiction which it now is able to assert, over State criminal prosecutions, including State circuit courts, and imposes that review power in the place where our basic Constitutional concept so intended—in the United State Supreme Court.

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

Mr. KEATING. Mr. Chairman, I yield 5 minutes to our distinguished colleague from Indiana [Mr. CRUMPACKER], who is a member of the subcommittee which handled this legislation.

Mr. CRUMPACKER. Mr. Chairman, this bill is a second attempt by Congress to deal with a problem which has arisen largely in the last 15 years. The Constitution provides that the writ of habeas corpus shall not be suspended except during rebellion or times of civil disorder. The Constitution, however,

does not define the term "habeas corpus," and this has been left to the courts. Originally it had a very narrow legal definition and was not too much employed. However, during the past 15 years a number of decisions by the United States Supreme Court have considerably broadened the use of the writ, and this has led to a considerable clogging of the Federal courts with procedures of this type.

Congress first attempted to deal with this situation in 1948. At that time they adopted section 2254 of title 28 of the United States Code and attempted to specify the conditions under which the writ of habeas corpus could be used as a means of intervening in State criminal proceedings.

The Supreme Court, however, in interpreting this provision of the Code decided that the language used was not specific enough to require them to restrict the use of the writ to the extent Congress had anticipated. Hence, the flow of these cases has continued, and in this bill we are attempting again to restrict the use of the procedure.

It should be made absolutely clear that no attempt is being made in any way to interfere with the constitutional right to the writ of habeas corpus. It is no attempt in any sense to suspend the writ. It is merely an attempt to define the term and to specify the circumstances under which its use is proper.

This problem is one which has arisen largely in a localized area within the United States. From 1941 through 1954 in the 86 district courts of the United States 6,409 habeas corpus proceedings of this type arose. Almost half of them came from just 4 districts out of the 86. These 4 districts oddly enough are all in the Midwest—2 in the State of Illinois. They are the northern and eastern districts of Illinois; the northern district of Indiana, and the eastern district of Michigan. So it would seem that these guardhouse lawyers that have been so frequently referred to previously in the debate seem to be concentrated in the State penitentiaries of Illinois, Indiana, and Michigan. Because of their very great activities the district courts in these four districts have been burdened very heavily with this type of proceeding.

This legislation is merely an attempt to restrict the flow of this type of activity to reasonable claims of violation of constitutional rights, and to expedite punishment of crimes in the State courts. It has nothing to do with racial or religious discrimination or things of that sort, and it has nothing to do with any restriction of civil rights; it is merely an attempt to bring about orderly administration of justice.

Mr. KEATING. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, this bill I believe merits the support of this body. It was unanimously reported by our committee after very thorough hearings and after very full debate in the committee. It is designed to rectify the abuses in the use of the writ of habeas corpus without in any way infringing upon the fundamental rights of anyone or interfering with the legitimate use of that writ.

Mr. CELLER. Mr. Chairman, I yield the balance of the time on this side to the gentleman from Pennsylvania [Mr. QUIGLEY].

Mr. QUIGLEY. Mr. Chairman, I think it has been made crystal clear in the debate that all we are attempting to do by this measure is to bring a little order where there is now much chaos. If this bill is enacted into law, it is the anticipation of the Committee on the Judiciary that literally hundreds and thousands of phony habeas corpus proceedings which now clutter up and confuse an already overcrowded Federal docket may be removed. At the same time, we trust that enactment of this legislation will expedite the handling of bona fide habeas corpus proceedings so that any man who is improperly detained in prison, who is improperly incarcerated, will have an opportunity to have his case considered and disposed of by the highest court of this land with a minimum amount of delay and that, if he is entitled to be free, he will get that freedom without languishing in jail for a year or 2 or 3 or 4 years while he works his way up on an overcrowded court calendar.

Mr. Chairman, this legislation is not intended to impinge, restrict or deny the traditional and sacred use of the writ of habeas corpus which, since the days of antiquity, even before the days of the Magna Carta, has been one of the really priceless protectors of individual freedom. I think that we are not in any way restricting the writ, but actually are freeing it so that it may be properly used in those cases where it was intended to be used. That is the purpose, that is the function, that is the intention of this bill.

As has already been indicated, the Congress thought it had accomplished this purpose back in 1948. At that time the legislation which was adopted contained language which was not of sufficient clarity to the Supreme Court of the United States to persuade it that what we are attempting to do here today was actually the intent and purpose of the Congress at that time. Because there was that doubt about our intention as expressed in the bill passed in 1948 the Supreme Court in recent decisions has permitted the flow of these habeas corpus writs to continue. It felt that the Congress had not made it crystal clear in 1948 that it was intending to restrict the use of the writ along the lines that we feel, and I think that lawyers have always felt, the writ of habeas corpus should be confined and should be restricted.

As I say, what we are trying to do here today is what the Congress thought it had done back in 1948. On the basis of the studies that have been made by the Judicial Conference, on the basis of studies that have been made by the Chief Justices of the 48 States, on the basis of studies that have been made by the attorneys general of the 48 States, on the basis of the studies and recommendations made by the Department of Justice, and on the basis of studies and recommendations that have been made by members of the Committee on the Judiciary, we believe that the legislation now before you will accomplish this very worthwhile purpose and that we will henceforth have an orderly habeas corpus procedure in our Federal courts and that in this order and because of this order no one's rights will be adversely affected and everyone's rights will be securely protected. For these reasons I urge the enactment of H. R. 5649.

The CHAIRMAN. If there are no further requests for time, the Clerk will read.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 2254 of title 28, United States Code, is amended by placing "(a)" before the present language of the section and adding thereto subsection "(b)" as follows:

"(b) A Justice of the Supreme Court, a circuit judge or a district court or judge shall entertain an application for a writ of habeas corpus in behalf of a person in custody pursuant to a judgment of a State court, only on a ground which presents a substantial Federal constitutional question (1) which was not theretofore raised and determined, (2) which there was no fair and adequate opportunity theretofore to raise and have determined, and (3) which cannot thereafter be raised and determined in a proceeding in the State court, by an order or judgment subject to review by the Supreme Court of the United States on writ of certiorari.

"An order denying an application for a writ of habeas corpus by a person in custody pursuant to a judgment of a State court shall be reviewable only on a writ of certiorari by the Supreme Court of the United States. The petition for the writ of certiorari shall be filed within 30 days after the entry of such order."

Mr. POWELL. Mr. Chairman, I move to strike out the last word.

I would like to ask just two questions of the committee. On page 2, line 2, section 2, is that to be construed that when the aggrieved person has not been advised of his rights, that he has had a fair and adequate opportunity?

Mr. CELLER. Mr. Chairman, if the gentleman will yield, does the gentleman mean where a prisoner has not been advised of his right of counsel, for instance?

Mr. POWELL. Yes.

Mr. CELLER. If he has not been advised as to his right of counsel, and he remained in ignorance of this right then there was no fair and adequate opportunity, and therefore the application could be granted.

Mr. POWELL. I thank the gentleman. Next: Page 2, line 5, we find the language "in the State court," and on page 2, lines 9 and 10, "a State court."

Mr. CELLER. What is the question?

Mr. POWELL. The question is: Is that a State court?

Mr. CRUMPACKER. Mr. Chairman, will the gentleman yield?

Mr. POWELL. I yield to the gentleman from Indiana.

Mr. CRUMPACKER. I think if you will look at the first one the gentleman refers to, they are referring to English all the way through in the singular, while the second paragraph starts out "An order," which is any order.

Mr. POWELL. But the committee is referring there to the State court of final appeal rather than any court in a State.

Mr. CELLER. It means the proceedings in any of the courts, either in the trial court or the appellate court of a State and either at the time of his trial or at some later date in a separate habeas corpus proceeding, and "a State court" means a judgment of any State court.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. POWELL. I yield to the gentleman from New York.

Mr. KEATING. May I put it another way which I think might clear it up in the gentleman's mind? In the first place where it is used it is referring to the particular State court, whether it be an appeal court or a lower court where the previous proceeding had been had. In the second place it is general language, and it refers to any judgment of any State court and is used without reference to the prior use and prior reference to a State court.

Mr. POWELL. I thank the gentleman. I am, of course, very zealous that there be no retreat in this ancient concept of "habeas corpus." I trust that these answers to my questions will help preserve the best while helping our judicial arm.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. EDMONDSON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 5649) to amend section 2254 of title 28 of the United States Code in reference to applications for writs of habeas corpus by persons in custody pursuant to the judgment of a State court, pursuant to House Resolution 318, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

AMERICANS OF UKRAINIAN DESCENT ARE KEEPING ALIVE THE FIRES OF FREEDOM

Mr. SMITH of Wisconsin. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SMITH of Wisconsin. Mr. Speaker, Americans of Ukrainian descent are vigorous in their determination to see that one day all of the Ukraine will be free from the domination and enslavement of the Soviet Communists. This is fortunate for the future of those people who still suffer as slaves under the dictatorship in the Kremlin.

It is a privilege for me, Mr. Speaker, to have some part in the proceedings on the floor this morning in which Members are actively supporting that gallant band of Americans who will not say die in support of their homeland. It is important that the world realize that Bolshevik Russia is committed to the principle of imperialism and that it intends to enslave the world, if it can.

Bolshevism, which for some reason is at present called and identified with communism, originated, as is well known, in the center of the Russian Empire. Having captured power in Russia, it was imposed upon other nations which had reestablished their national states in 1917. After conquering the national republics, Bolshevism reassembled the Russian Empire and began a new era of Russia which has survived for over 30 years. As a historical phenomenon, Bolshevism is closely related to a certain geographic area, a certain population and human type of a national distinction, to a history of a people and its cultural climate. In spite of this, in the present struggle against Bolshevism which is denominated communism without a country, for some reason no mention is made of its historical background and of the history of the phenomenon itself which has become the terror of the world and of human liberty. Lately, the terminology used by the press frequently employs the terms: "Communist Koreans," "Communist Chinese," "Communist Germans," et cetera. These seemingly innocent new phrases of journalism conceal a certain objective. Someone is seeing to it that the real truth, the source of danger to human liberty, remains concealed, and it is Bolshevik Russia, the U. S. S. R. It is not the Communist Chinese, Koreans, Germans, and other peoples that constitute a threat to the world, but the imperialism of Bolshevik Russia, of the U. S. S. R.

The Russian Empire with its centuries-old desire to spread beyond the confines of its national-state limits gave birth to Bolshevism and gave to it a spiritual facet. The Moscow legend about the international structure of socialism, prepared in the Kremlin laboratory, has no real meaning in Moscow's present Bolshevik aggression. "The Soviet order is national, it is of us" states the thoughtful anti-Communist V. Ivanov in his work We—My. Identical thoughts are propounded by the Russian historian Fedotov and by the philosopher Berdyayev. It is no coincidence that Bolshevism entrenched itself with great ease, almost without resistance, in Petersburg and Moscow, and that all great Russia had hardly any civil war. Signs and labels were changed merely, and the imperial essence, the spiritual part, remained the same. The tradition of the Muscoviate state had an ingredient which favored Bolshevism: Serfdom, village community property, and autocracy. On the borders of the Russian Empire—Ukraine, Caucasus, Byelorussia, Uzbekistan, et cetera—the Bolsheviks were compelled to wage long and bloody warfare in order to impose Bolshevism. The commander in chief of the Bolshevik army in Ukraine, Antonov-Ovsieyenko admits that "unless we"—Bolsheviks—"had behind our backs such a defense like Soviet Russia, the revolution in Ukraine would have perished." Did not the same thing happen right in front of our eyes in China, Korea, Indochina, and today is being readied in the Arab world? Backing the Communist fifth columns which attack the freedom of nations, there is always Soviet Russia.

We observed recently from here Khrushchev and Bulganin, in their travels across India, Burma, and Afghanistan, inciting the peoples of these countries against the United States and Great Britain. It was not of communism that they spoke, only of age-long friendship of the Russian people. The leaders of the bolshevik empire have always taken advantage of social demagoguery, and it is nothing new in Russia's imperialism. The well-known Slavophile Leontiyev, who planned the establishment of a Pan-Slav empire following Russia's conquest of all Slav people, advised the czarist politicians in 1890 to tie Russian imperialism with the socialist movements of the West:

> Sometimes I believe that some Russian tsar, perhaps in the not too distant future, will stand at the head of the socialist movement and will organize it in the same manner as Saint Constantine favored the organization of Christianity, being the first to take the path of Universal Synods. (Bogoslovskiy Vyestnik—Theological News, May 1914, pp. 858–862.)

A monarchist, every fiber of whose soul hated socialism, considering it to be organized slavery, when it came to conquest of other lands, advised his government to lean on that movement. Is it not in accord with this testament that the present leaders of bolshevism are acting in Asia and Africa? Conditions have changed, but not the essence of aggression. And here is another prophetic vision of the imperial geopolitician M. Ya. Danilevsky who, as early as 1865–67 drew the geopolitical lines for the invasion of present bolshevism:

> The Russian people, who live between two oceans, the eastern and the western, wash by their (human) waves two capitals, Moscow and Peking, and its history is that junction from which grow new centers of the world's history because, for the time being, we see no other possibility of solution of modern problems. (M. Ya. Danilevsky, Yevropa i Rossiya (Europe and Russia).)

The Messianism, according to which the Russian people are chosen to realize truth in the world, is an integral part of contemporary bolshevism and it was born of the historical process and is peculiar to the imperialist mentality. The idea of Russia's external policy has been put into poetical form by the Russian poet F. Tyutchev long before bolshevism, in the following lines:

> In reborn Byzantium, the domes of old Sophia will beautify again the altar of Christ Fall prostrate before him, O Tsar of Russia, and rise as Tsar of all the Slavs.

This ruling ideal of imperial policy has been realized by the Bolsheviks in Europe after World War II. Stalin became that "Tsar of all the Slavs" and now Khrushchev is continuing his work in India and Burma in order to become

the emperor of the world. Khrushchev is merely putting into deed the teachings of Danilevsky. The latter wrote that—

> Russia's mission is a happy one: for her aggrandizement she does not have to conquer nor oppress, as has been the lot of representatives of force—the nations of the German-Roman world—but to liberate and to renew, and in this remarkable and probably unique confluence of ethical compulsions and duties with political expediency and necessity one cannot fail to see the law, the execution by Russia of her great destiny.

If we compare the program of the Monarchist Danilevsky with Khrushchev's speeches in India, we can see that Bolshevik Russia, the U. S. S. R. is unfailingly pursuing the external policy of Tsarist Russia. This fact was well noticed and well understood by the Russian poet M. Voloshyn, of Ukrainian origin, who, at the time of the revolution asked himself, "What has changed?" and answered:

> Signs and slogans.
> The same storm rages on all roads:
> The commissars—have autocratic minds
> The Tsars—had revolutionary rapture.

The conclusion: Bolshevism is a product of the imperialist spirituality of Russia. A struggle against bolshevism cannot be separated from the struggle against the Russian Empire—the U. S. S. R.

In this struggle the best and stanchest allies of human freedom are nations enslaved and conquered by Russia, the Russian people included.

AGGRESSION OF SOVIET RUSSIA

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Speaker, the new phase of the cold war of the Russian Communists against us compels us to ask what is the essential feature of the cold war. The cold war of the Russian Communists is the sum total of psychological devices deliberately used to break the nerve of the opponent, to disarm him morally for that moment when the armed blow will be delivered in one or the other planned sector. The Soviet Union is trying to bring about this breaking of nerve by alternating again and again the direct threat of the outbreak of war and the hope of removing it by the mirage of peaceful coexistence over a long period of years.

These tactics of the war of nerves combined with the use of armed military aggression have been the basis for building the Russian Bolshevik Empire, not merely the complex of the so-called Soviet Union but also that and the so-called satellites. Not one of the non-Russian lands, taken by Soviet Russia, whether they are called Soviet National Republics or as satellites, People's Democratic Republics have ever voluntarily joined the Soviet Russian Empire and in not a single one have the native Communists been able to dominate them except by the combination of the war of nerves and hot war on the fronts.

Let us take for example the greatest non-Russian nation in the Soviet Union, Ukraine. Even in those areas which have been incorporated by force in the Soviet Union there are 42 million in population and in the entire U. S. S. R. there are 50 million. This nation began to create its national self-determination on April 21, 1917, when the Ukrainian National Congress chose as its representative the Ukrainian Central Rada and this by a constitutional act on June 21, 1917, declared for the formation of its own system on its own territory.

This development under the hard revolutionary conditions of that year culminated in the creation of the Ukrainian National Republic which was constitutionally declared on November 20, 1917. The attempt of the Russian Communists with the aid of their fifth column to seize the power in Ukraine at the same time that it took over Russia did not succeed, for the Ukrainian Central Rada checked the planned revolution. This was set for the end of November 1917. The elections to the constituent assembly which were held then, showed the complete unimportance of the Communist influences in Ukraine. Just as later the publications of the Soviet Government in Ukraine admitted — Arkhiv Soviet Ukraine, No. 1–2, 1932—the Communist ticket received only 10 percent of the votes in Ukraine at the same time when it received in Russia itself 44 percent in some districts.

When the Russian Communists saw that they had no hope of winning by an internal coup d'état, they decided to combine, as we have said, the war of nerves and the hot war. It at first threatened the government of the Ukrainian National Republic with nonrecognition. When they thought that these threats should have influenced the nerves of the Ukrainian population, they began to promise the government of the Ukrainian National Republic recognition, provided that they cooperated with the aggression of Moscow against the Don Cossacks. When Moscow believed that it had secured enough adherents through this hope of peaceful coexistence and had broken the moral opposition to its imperialism, it first on December 17, 1917, with all formalities recognized the government of the Ukrainian National Republic and at the same time formally sent an ultimatum to agree within 48 hours to the establishment of Russian Red guards on Ukrainian territory. As we have since seen, this was the same device that they used in the Baltic Republics in 1939. But Moscow made a misjudgment. The Ukrainian Government did not yield to this ultimatum of December 17, 1917, and with its army it opposed this aggression of Soviet Russia. This is an interesting episode in the history of the military aggressions of Soviet Russia, for it is the only case when Moscow formally declared a war of aggression against any country. In all others when it attacked non-Russian peoples, Moscow used the same tactics as recently in Korea; it asserted that its victim had made the first attack. But the first assault of Moscow did not succeed. The Ukrainian parliament during the war definitely proclaimed the full sovereignty of Ukraine. For a short time this was recognized not only by France and Britain but also by the central powers, Austria, Germany, Turkey and Bulgaria.

The unsuccessful attack upon Ukraine by Soviet Russia compelled the latter to enter into negotiations with the government of the Ukrainian State in Kiev in May 1918. These negotiations led to the conclusion and signing of a treaty for a permanent armistice prior to the conclusion of a definitive treaty of peace. This was the armistice agreement of June 12, 1918, which not only ended military operations but called for normal diplomatic and consular relations between Ukraine and Soviet Russia. But again after this hope of peaceful coexistence the Russian Communist commissars scarcely 8 full weeks after the formal signing of the armistice and the exchange of diplomatic representatives made an attempt to bring about an internal revolt in Ukraine on August 8. The center of the Communist Party in Moscow issued under the signature of their Revkom—Revolutionary Committee—on that day an appeal "Till the storm" for a general uprising, but this found no echo among the workers in Ukraine. After this attack of nerves Moscow again came forward with the spread of new hopes for peaceful coexistence but not for long, only until December 1, 1918. It then turned to the method of unprovoked aggression against the Ukrainian State and broke the obligations which it assumed in the armistice treaty of June 12, 1918. To mask its faithlessness it adopted the tactics of Korea; it sent its regular troops against the Ukrainian National Republic in the guise of volunteers just as Moscow forced Red China to do in the war against the United Nations in Korea. After seizing in this way part of the territory of Ukrainian National Republic, Moscow threw off the mask and openly sent division after division under its own commander in chief against Ukraine. This war lasted incomparably longer than all the other aggressive wars of Russia against the non-Russian peoples, until November 12, 1920, when the Russians by their superiority in numbers broke the regular army of the Ukrainian National Republic and compelled it to withdraw into the territory occupied by Poland and Romania. The legal government of the Ukrainian National Republic also had to leave Ukraine and continue its activity abroad, where it still continues as the Ukrainian National Rada.

The pattern of this conquest of Ukraine by Soviet Russia was with some changes applied later to other countries after the organization of the Soviet Union. We have been witnesses of the use of these tactics in Korea, where our young men laid down their heroic heads in defense of law and freedom in international life and the basis on which our country rests. On the anniversary of the Independence Day of Ukraine, January 22, this example should warn us against the policy of the Soviet Union still more than in the past. We must not allow ourselves to be frightened, but

increase our power of defense, and we must not let ourselves be deceived by vain hopes in the love of peace by the Russian Communist overlords. After the 38 years which have passed since the military ultimatum of Soviet Russia to Ukraine on December 17, 1917, the government in Moscow is still the same, although individual persons have changed. There is the same dictatorial party of Russian Communists and it has the same program and uses the same tactics. These are the Geneva smiles of Krhushchev, Bulganin and Zhukov and the preparation of an armed threat in the Near East and Berlin. These are not new. Lenin, the creator of Russian bolshevism applied them himself and taught his disciples also to use them. We must learn this program of world imperialism and cleverly and firmly oppose both open aggression and the deceiving tactics of smiles.

TAXES AND FAIR PLAY

Mr. DAVIDSON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DAVIDSON. Mr. Speaker, whether for poltical reasons or otherwise, one thing is certain—namely, that this year the Congress will give serious consideration to the question of tax reduction. In approaching this question, it is my fervent hope that we shall bear in mind and keep in view certain essential concepts with regard to taxes generally.

Scientifically, taxes where necessary should be based on the ability to pay. Taxes and the basis for their imposition must be fair. Just as our people demand morality in domestic government and morality in international dealings, taxes must have a morally acceptable basic justification. People in the United States pay very high taxes because they have faith in the justice of their imposition. Heaven help the government whose people heed the anarchistic rantings and havings of a demagog such as France has had visited upon her in the person of the infamous Pierre Poujade.

I must stand opposed to tax reduction which has no moral or scientific justification. It is Poujadism to reduce taxes just because this is the year of a great national election.

If taxes can be reduced safely and in good conscience without impairment of our national strength and essential governmental services, then Congress has the responsibility and, indeed, the duty to reduce them. But I insist that the reduction should be scientifically and fairly arrived at.

The reduction should be first and foremost for those upon whom the burden of taxes falls most heavily and cruelly. Our primary consideration must be the man whose major problem is to make both ends meet, the taxpayer who labors under the greatest hardship and has the least ability to pay. Certainly we should eliminate for him any tax which is unfair or unjust before we do anything else in the field of tax reduction.

As a beginning, it occurs to me that a breadwinner must go to work every day. To do so, he requires transportation. This is an essential without which he not alone would be unable to support his family and himself, but likewise, without which he could not earn any income upon which our Government might expect him to pay a tax. The average large business enterprise is permitted deduction from its taxable income, of legitimate travel expense. Our Federal Government does not permit deduction of transportation costs from the home to the place of business or employment, in fact it does not even allow for travel expenses incurred in a journey to another city to accept or seek employment, and I maintain that this poses a classic example of unreality and unfairness in our tax laws and regulations.

Transportation to and from work is a vital item of a man's business expense.

Ordinary public transportation costs for the average citizen are a not inconsiderable cost directly and intimately connected with the business of earning a living or holding a job.

Whether a breadwinner daily travels to his job or place of business by train, bus, trolley, subway, or car, the expense for him in employing these essential facilities has doubled or tripled in recent years. For him, these truly necessary business or job costs are an increasingly heavy burden.

Is it fair, is it morally justifiable that our tax laws and regulations should refuse to allow these expenses as a proper business deduction? Without the expenditure of transportation money from home to job, would there be a job to produce income?

In New York City, a workingman pays a minimum of $75 a year just to get from his home to his job and back each working day. This essential outlay is the very least he must pay. Many taxpayers are required to pay several times this amount. Commuters living in outlying districts and coming to a city to work each day are spending vastly more. It is sheer hyprocrisy on the part of our tax regulations to characterize these sums as "living or personal expenses"; they are in truth and in fact job or business expenses. Why should not this taxpayer's legitimate business expense be deductible. Is not this morally right? Is not such allowance fair play?

This seems to me to be far more scientific than some of the proposed across-the-board cuts. An increase in dependency exemption is urged by many as being logical, but the present dependency exemptions in the light of existing living costs are so unrealistic that a modest increase in the amount of such dependency allowances, which is all that could be expected, would not bring us very much closer to the all-important goal of the just and equitable tax base.

I am introducing a resolution today to study the efficacy of this proposal, its impact, and its reasonableness, in the hope that we can approach the question of tax relief morally, scientifically, and fairly—not politically. This is, I think, all that our people ask for and certainly what they have the right to expect of us.

ANNIVERSARY OF THE INDEPENDENCE OF BURMA AND YEMEN

The SPEAKER. Under previous order of the House, the gentleman from New York [Mr. POWELL] is recognized for 10 minutes.

Mr. POWELL. Mr. Speaker, when I came back from the Asian-African Conference at Bandung, I said I would address from the floor of Congress each one of the participating countries, except the two Communist ones, Red China and North Vietnam on the occasions of their independence celebrations.

Last week was the anniversary of Burma's eighth year of independence. The date specifically was January 4. I would like to congratulate the people of Burma, Prime Minister U Nu, and His Excellency U Win, Ambassador of Burma to the United States on the occasion of the celebration of independence day.

On July 1, Prime Minister U Nu was the guest of the National Press Club in Washington. Following are extracts from his speech:

And we are independent of any power blocs based on military treaties. Nations that choose not to participate in military blocs usually are referred to in this country as neutrals.

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First of all, as most of you probably know, Burma has a long history. We had a great and flourishing civilization in Burma based on one of the great religions of the world, Buddhism, at the time when William the Conqueror was crossing the English Channel. This civilization, passed on to us by our forbears, has now become our national heritage. It is our way of life. We prefer it to any other way of life on this earth. We do not say that it cannot be improved, or that it cannot be adapted to suit modern conditions, but we do not wish to change its basis. We are not prepared to exchange it for any other way of life. This is not a matter of conceit. We do not claim that our way of life is better than that of other people. We merely say that it is different, that it suits us better, and that we cannot therefore be induced to give it up in exchange for some other way of life, be that the Communist way, the West European way, the American way, or any other way.

Now, I submit to you that if the citizens of any nation are deeply devoted to their culture, to their religion, to their way of life, to their country—as we in Burma are—then they will defend their way of life and their national frontiers with all the forces at their command. I can assure you that we are just as determined as any people to defend ourselves against foreign invasion or the imposition of any alien way of life by whatever method. And we have concluded that in the present phase of our history, and in the present state of the world, the wisest, and even the only, course for Burma is to pursue an independent policy, unshackled by what George Washington called "entangling foreign alliances."

Burma is not alone. She is a member of the United Nations. As such she is entitled to the protection which collective security affords. The charter of the United Nations is in effect one great mutual security pact. This is a fact which is very often overlooked.

It will probably be said at once that this implicit faith in the United Nations is pa-

thetic; that the United Nations system of collective security has broken down and can no longer be relied on. Here again, we must beg to differ. We say that the system has not broken down, but merely that it has not been made to work; that the remedy is not to push the United Nations aside but to strengthen it and put more life into it.

It is possible to disagree with this point of view. But whether one agrees or disagrees is immaterial, because in the present circumstances of Burma her membership in any alliance with a great-power military bloc is incompatible with her continued existence as an independent state. This may seem to be putting it strongly, but it is a fact. Our recent history is such, our experience with great powers is such that in the minds of the people of Burma an alliance with a big power immediately means domination by that power. It means the loss of independence. You may question the validity of that belief. But perhaps you will accept my statement that it is a political fact of life today that any Government of Burma which alined itself with a big-power bloc would at once lose the confidence and support of the people. In other words, the chances of subversion would be greatly increased. And if it is true that the real danger to countries like Burma lies in subversion rather than overt aggression, then it follows that membership in a big-power bloc would only tend to add to what is already said to be the greater of the two dangers.

What is the practical effect of this? It is that Burma at the present time has no choice but to pursue her policy of neutrality if she wishes to preserve her independence, and that to us is more important than anything else. It is part of her defense, and an important part, against subversion. But in another way, she cannot abandon her neutrality without increasing the risk of losing her independence through subversion.

But of course subversion cannot be successfully combatted merely by following a foreign policy of neutrality, as we in Burma know only too well. Despite our strict adherence to a neutral foreign policy, Burma has been the victim of subversion both from Communist and non-Communist elements. Indeed, at one time some 5 years ago, it seemed certain that she would go under. At that time the government's authority extended only to 4 or 5 of our cities and towns. Even Rangoon, the capital was infiltrated by subversive elements. The rest of the country was controlled by various kinds of subversive groups ranging in political hue from the Communists who received their orders from outside, to the anti-Communist Karen National Defense Organization which also was inspired and encouraged from abroad.

Today that situation has completely changed. The government's authority runs throughout the length and breadth of Burma.

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What we had to deal with basically was not just an armed rebellion, but with underlying evils that had crept into our society and with the resulting psychological attitudes of large numbers people.

This called for nothing less than a comprehensive program of nation-building that involved religion, ethics, politics, health, education, and economic and social betterment.

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I am firmly convinced that a major contribution to the restoration of stability in Burma was brought about by the fact that we in the Government stuck to the ways and procedures of democracy throughout. Fundamental freedoms and human rights were assured at all times.

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All these measures have combined to bring home to the people the meaning of independence.

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The major answer to internal subversion lies in honest Government and in dedication to the interests and welfare of the people. And I support this conclusion with the fact that we tried just such a program in Burma and it worked. Now that the advent of the atomic era reduces even further the chances of overt aggression, it seems to me that what is required is for greater stress to be laid on such programs.

In this talk, I have been trying to explain how our love of independence—call it preoccupation if you will—leads us logically and inevitably to the foreign policy of independence from any alinement of major powers on the basis of a military treaty. This policy has been called neutralism in the cold war. Perhaps that is the right name for it.

But I should like to take just another minute or two to point out that this is not a negative policy toward world affairs. Rather, it is a positive concept. It is a positive policy of seeking peace and friendship with all countries.

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The best way for a nation to promote its own security is to promote the peace.

On July 6, Prime Minister U Nu was the guest of Secretary General Dag Hammerskjold at the United Nations. After lunching with the Secretary General, touring the United Nations building, and meeting Burmese nationals working with the United Nations staff, the Prime Minister recorded a broadcast for the United Nations radio service. The following are extracts from the broadcast:

In fact, the first major act of the newly independent government in the international field was to apply for membership in the world organization.

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I suggest that the first step in this direction is to make it a world organization in fact as well as in name. The fact that so many nations which are not yet members of the organization keep knocking at our door indicates that they have faith in it. Let us admit them, and benefit from their counsel and advice. Technological advances in the last 15 years have rendered many of our old ideas and thoughts obsolete. The world stands desperately in need of new ideas, new approaches and new ways of looking at things. No nation or group of nations can claim a monopoly of wisdom. Therefore let us open wide our doors to those who wish to enter, so that they may help to work out their own salvation—and ours. And while we are about this, let us also make sure that those who represent member states in our organization actually are qualified to speak for the people whom they purport to represent.

Following his visit to the United Nations, Prime Minister U Nu was guest of honor at a reception given by the Overseas Press Club in New York. Following are extracts from his address on the occasion:

As is only to be expected, Asians hold all sort of views about Americans. These range all the way from those who think the Americans are heroes, brave men and women whose mission is to make a happier world for all, to those who see Americans as a race of warmongers, spoiling for a fight, and ready to doom the world to an atomic holocaust.

Those who think of the Americans as heroes do so because of your history, your experience, your traditions and your devotion to the principles of freedom and democracy. America was the source of those ideas and moral principles of government that have been the inspiration and hope of Asia for more than half a century. Among them are the following:

1. All men are created equal and must be equal before the law.

2. All men are endowed with certain inalienable rights which it is wrong and immoral of any government to deny or curtail.

3. A right and moral government is a government of the people, by the people, for the people, devoted to the greatest good of the greatest number.

4. A right and moral government is a government of laws, not of men, which derives its just powers from the consent of the governed.

These are tremendous ideas. They are more explosive, more powerful in their effects upon world history than all the weapons in all the arsenals. As is only to be expected, they had a tremendous impact on an Asia in which there was no recognition of the equality of men; where there was little recognition of the fundamental rights of man; where governments were imposed from above, and had as their primary objective the exploitation of the people. In fact, I think it is true to say that these ideas played a leading part in inspiring Asia's fight for freedom from colonial bondage.

Nor is this the only reason why Asians think well of Americans. Your glorious record in the two world wars in which you undoubtedly saved the world from tyranny, at great sacrifice and expense, cannot be ignored or belittled even by your most severe critics; and finally your post-World War II record, in which you have given so much of your substance to help the war-devastated countries to recover and to rebuild their shattered economies is entirely without precedent in the annals of history.

With such an impressive record behind you, it is not a matter for surprise that you should have so many admirers in Asia. Indeed the surprising thing is that there should be anyone in Asia who is dubious about America and Americans. But unfortunately there are such people, and I would like now to go into the reasons for their attitude.

One very important reason for this attitude is the equivocal position which you seem to have taken in recent years on colonial issues. To an Asia which had come to regard America as the symbol of freedom, the spearhead of the attack against colonialism, and the champion of the underdog, this has indeed been not only a disappointment, but even a great shock. Some Asians have begun to wonder whether you had abandoned your heritage and your tradition. Explanations which have been given, to the effect that colonialism is dying, and that a new and even greater danger has emerged, have left nearly all of Asia unconvinced. For we had come to believe, partly as a result of your own teaching, that two wrongs do not constitute a right. For it is not sufficient with us that we have gained independence for ourselves.

On the evening of July 6, Prime Minister U Nu was guest of honor at a dinner given by the Far East American Council of Commerce and Industry at the Waldorf-Astoria in New York. Following are extracts from his address on the occasion:

We are determined to move ahead economically, both within our own borders and in relation to all countries, both near to us and far from us * * *. I have confirmed my conviction as to the need for close and continuing economic relations between my country and friendly nations. I have also become more and more convinced that the people of Burma, using their talents and resources intelligently, can share in the greater material well-being which modern technology affords.

Ours is an ancient culture. Our people have deep spiritual beliefs. The close ties of family life, the deep devotion to religious objectives, the warmth of personal relationships and the dedication of our people to the concept of freedom are permanent values to which we are firmly devoted.

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Apart from this, we suffered enormous damage in World War II, with the result that our gross national production—in a country that is primarily agricultural—was reduced by 50 percent. A far greater percentage of our productive capacity was destroyed in the war than the percentage of your capacity that was temporarily idle during the great depression.

The restoration of peace in the world brought only temporary recovery and partial stability to Burma. We were determined to have our independence and the period from the end of World War II until we achieved our free status in January 1948, was one of tension and uncertainty. Then, with independence came further destruction through the misguided efforts and activities of Communist and non-Communist insurrectionists. Once again production fell to approximately half of the prewar level. The Government was faced with grave military and political, as well as economic, problems. There were many who despaired of the hope for stability, for any economic improvement and for the democratic process itself.

In the face of these facts, we believe that the progress made in the past 4 or 5 years not only justifies a sense of pride on our part but also a high degree of confidence in our future.

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We call the New Burma to which we aspire Pyidawtha, which means happy land. Our plans for achieving a happy land are comprehensive and ambitious but, I believe practical. They include carefully-worked-out programs of development in agriculture, mining, manufacturing, transportation, public utilities, housing, education, health, welfare, and other social services and the training of technicians and administrators.

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We seek to raise the quantity and quality and variety of our agricultural output through more irrigation, better seed, improved husbandry, more efficient land use, and an increase in the acreage under cultivation. In the field of mining we have the double job of restoring petroleum and mineral facilities that were wrecked in the war and opening up deposits of coal and a variety of other minerals. In transport we have a program for the restoration and extension of river, road, sea, and air transport, including the construction of secondary and farm-to-market roads.

In the industrial field we have an extensive but sound program. I should like to stress that we are not going overboard for industrialization. We have a primary agricultural economy and it will remain predominantly agricultural for some time to come. And we are not building uneconomic industrial facilities whose products would have to be protected by high import duties, because we believe in a liberal foreign trade policy. In fact, we seek to actively explore ways of stabilizing markets and expanding our trade with all countries, including the United States.

These are the major segments of the economic program. But hand in hand with these economic projects must go an equally intensive effort to add to our social capital. Quite apart from the direct social benefits involved, we all know that only a healthy and educated population can perform productive and creative work. So we have programs for new housing construction, for a great expansion of our schools and hospitals and clinics and nurseries and related social services. The need to build rapidly both productive and social capital involves competition for limited resources and requires difficult decisions in the allocation of these resources. We are striving for a balanced economic and social development. And on top of that we must also carry out simultaneously an extensive program to train professional people, technicians, and administrators, including civil servants.

We started seriously to work on the blueprint of our new Burma about 4 years ago. Three years ago we began taking the first steps in the comprehensive economic and social development program. Let me indicate to you very briefly and generally how we are getting along.

Our production of rice, which is our principal product, is 50 percent above the postwar level, though our exports are still only half of what they were before the war.

We are making good headway in the restoration of petroleum facilities and somewhat slower progress in restoring output of teakwood and tin, zinc, lead, and other minerals. We are producing increasing quantities of cement, cotton yarn, sugar, building materials and other basic commodities. A modern factory for the production of tile and brick is nearing completion, the first pharmaceutical factory is under construction, and we have facilities planned or under construction for producing tea blend, silk, sugar, condensed milk, pottery, steel and jute products.

Our first hydroelectric project is underway, and when the first phase is completed in 1957, it will furnish abundant cheap power to most of our towns. In the meantime we have a diesel electrification project in progress.

In the transport field we have made much progress in restoring and improving road, rail, port and river facilities.

Schools, hospitals, public buildings, welfare centers and so forth are going up in many parts of Burma. We already have 10 times the number of schools that we had before the war.

I should also mention that we are making good progress in establishing the institutional and administrative mechanisms of a modern economy—a state agricultural bank, a state commercial bank, development boards and corporations, and agricultural and industrial research facilities. It may interest you to know that we are experimenting rapidly and successfully with the delegation of administrative authority to our villages so that many more people will experience the democratic responsibilities of managing their own affairs and so strengthen the democratic foundation of our society.

But to sum up our progress to date in our economic development program, the rate of capital formation has risen to 20 percent of total production; total production this year is running perhaps 10 percent ahead of last year; construction activity is at a very high level, and we are now more than one-third of the way toward the 1960 total production goal.

This isn't to say that we have not had our problems, nor that we shall not have even greater problems in the future. The sudden conversion of the rice market from a seller's market to a buyer's market has kept our rice exports below expectations. This, in return, has meant less earnings of foreign exchange than we had anticipated. Heavy investment in new facilities always runs the risk of inflation. We have had to control our imports. It has been necessary to take varied measures to avoid an inflationary development.

Our political bondage was accompanied by economic bondage. The marvelous technological progress of the past century simply passed us by. Now we have suddenly projected ourselves into the 20th century, politically speaking. We have adopted, with great enthusiasm and great faith, the principles, the methods, and the apparatus of modern political democracy. And in so doing we have borrowed heavily from your country and experience. But if this democratic society is to remain secure and strengthen and deepen its roots, then we must make haste to catch up with the 20th century economically and technologically.

Today is the 44th anniversary of the independence of Yemen. I would like to congratulate the people of the Kingdom of Yemen, His Majesty, the Imam, and Assayed Ahmad Ali Zabarah, First Sectary, Chargé d'Affaires ad interim, on the occasion of the celebration of Independence Day, January 19.

In the words of Mr. Adnan Tarcici, member of the Yemen delegation at the United Nations taken from the publication, Yemen: "Yemen may be considered the first among the countries in the League of Arab States to have acquired its full independence". Yet its name has seldom appeared on the international scene. Its sovereign, His Majesty Imam Yahia, adhered to a policy of almost total isolation.

During the period between the two World Wars, a policy of colonial subjagation being at the basis of the interests of certain powers, His Majesty was well aware that any collaboration might have consequences detrimental to the sacred sovereignty of the country and that, by collaborating, he might not be able to prevent such an impending danger. The example of other countries, and especially the experience of neighboring Abyssinia with the Italy of Mussolini, gave food for thought.

Hence the policy of "no suspicious infiltrations and no contacts which might lead to disputes wherein the interests of the weaker power might be jeopardized." Preventive treatment seemed to be the safest course. It is evident that this policy of prudence hampered a desirable evolution of the country, but oriental wisdom does not favor haste; it prefers reflection.

Fortunately, the spirit prevailing throughout the world since the termination of World War II has fostered international cooperation and favored the independence of peaceful nations. The League of Arab States has seen the light of day and its ranks have been reinforced by the addition of three new Arab countries that have attained the authority of sovereign states.

It was then that Yemen emerged from its isolation in order to cooperate first of all with its brothers and neighbors, the Arab States. This first step was an encouragement to take others, because there was the feeling that a change had really taken place in the world which was conducive to international collaboration. Furthermore, desirous of accelerating its evolution through a dignified and prudent cooperation, based on friendliness to all without special privileges to any, Yemen asked to be admitted to the United Nations and its application was unanimously approved by the Security Council and the General Assembly.

And so the colors of His Majesty Imam Yahia, King of Yemen, have been flying over Lake Success since September 30, 1947, and the policy of prudence and peace have spared Yemen the hostility of some and have earned for this country the friendliness of all.

ATOMIC WASTE: FINANCIAL AND OTHERWISE

The SPEAKER. Under previous order of the House, the gentleman from West Virginia [Mr. BAILEY] is recognized for 30 minutes.

Mr. BAILEY. Mr. Speaker, under special permission to extend my remarks, I am inserting in the RECORD an article entitled "The Basic Danger in the A-Power Program," which was written for Public Utilities Fortnightly Magazine by the distinguished gentleman from Pennsylvania [Mr. SAYLOR]. In that it points up some questionable spending of the taxpayers' money by a Government agency, I feel that the article merits the attention of every Member of the House and Senate.

Congressman SAYLOR has stated, in effect, that the Atomic Energy Commission's rapacious penchant for developing atom-powered electric plants has led to extravagant expenditures for which justification is sought through the use of distorted figures on coal reserves.

Mr. Speaker, at the outset of these remarks let me make it clear that the prospects of using the atom to make electricity and for other peacetime chores is a welcome thought. We are cheered at the United States Navy's success in using the atom as a fuel for powering submarines. We look with relish to the improvement of agricultural crop yields through the application of radiation from radioisotopes. We hope that someday a jigger of uranium will be all that is needed to move our automobiles for hundreds of thousands of miles. And we will be grateful if research and science ultimately enable us to light and heat our homes through fissionable materials at as small a cost as we have been led to believe will be possible. But I protest the idea that an endless stream of funds from the Federal Treasury should be channeled through the Atomic Energy Commission to conduct a myriad of experiments in an effort to make these dreams come true.

As representative of the Nation's largest coal-producing State, I particularly resent the AEC's implication that atomic powerplants must be constructed at all costs because there will not be an adequate supply of conventional fuels to meet demand. We recognize that electric-generating capacity is steadily being increased; it is estimated that in another 20 years 350 million tons of coal per year will be required by the electric utilities alone. A current advertisement published by the First National City Bank of New York predicts that the figure may reach 500 million tons by 1975. Well, West Virginia can guarantee to provide its share of that load, plus its other commitments for both industrial and domestic use, for at least another two centuries.

Yes, annual coal production can be doubled over present output and there will still be enough mineable reserves to last for at least 200 years. If that sounds like such a short time as to be cause for alarm, let me remind you that two centuries would take you back 20 years before this great Republic was born. In 1756 Benjamin Franklin, whose memory we honor this week, still had more than three decades of his life to go. Young Charles Cornwallis, who later surrendered at Yorktown to end the fighting in the Revolutionary War, was commissioned an ensign in the British Army. Maria Antoinette and Louis XVI were still babes-in-arms and Napoleon Boneparte was not yet born. There was no talk of atomic piles at that time; in fact Alessandro Volta was still too young to have developed Volta's pile, which was to become the first real battery capable of delivering a steady current of electricity.

So you see a lot can happen in 200 years; in fact, there is a good chance that the atom as a source of power for electric power will become obsolete even before those supplies of coal in West Virginia are exhausted. For the record, let me also point out that there will be a lot more coal in America's reserve stockpile even after West Virginia's share is gone. In addition to the 50 billion tons in my home State, there are at least 1 trillion, 162 billion tons of coal elsewhere in the United States. Members of Congress should keep these figures in mind when they are told that the Atomic Energy Commission must be given more millions of dollars to hurry up the job of developing reactors that will compete with coal and other conventional fuels.

Another factor which cannot be overlooked in the program for peacetime application of nuclear power is the risk element. Thus far the insurance companies have found it impractical to underwrite the hazards, and the Federal Government apparently will soon be asked to accept this responsibility as a necessary expense.

I contend that if the operation of a nuclear powerplant, as well as the disposal of radioactive wastes resulting therefrom, constitutes such a tremendous hazard to the welfare of the people, then Members of Congress had better stop and decide whether the Government should be willing to stimulate the growth of the hazard by accepting such a responsibility. Congress is first obliged to demand concrete information that will enable us to determine whether the need for setting up atomic powerplants at this time is worth taking such chances, and whether the tremendous outlays for nuclear power and the perils to which our people may be exposed will be compensated for by savings in the cost of power.

Before such questions can be answered, we need additional information which has not yet been made public. The dangers that would come with the disposition of radioactive wastes, and attendant hazards that go with the operation of a nuclear powerplant, appear to be of such tremendous magnitude that the Members of Congress cannot blindly stimulate further the creation of such jeopardy without breaching the trust imposed by the American people.

Not long ago a scientist warned that the disposal of atomic waste might inflict serious damage on the minds and the bodies of future generations. Another scientist, a sanitary engineer for the Atomic Energy Commission, recently made a speech in which he admitted that, as the atomic power industry grows, the problems of sufficiently diluting atomic wastes to make the air and water safe for human beings could be fabulous. He said that if one-third of the electric power which this country expects to produce in 1980 were to be supplied through atomic energy, the amount of water required to dilute the poisonous byproducts to safe levels would be equivalent to the flow of 12,600 Mississippi Rivers.

I cannot vouch for the authenticity of these statements, but I do know that the man who tried to tell the world about the serious effects of atomic radiation was quickly hushed up by the people who want to rush the reactor program through without first taking heed of the consequences.

Mr. Speaker, these are some of the conditions which must be studied carefully when the request for the Atomic Energy Commission budget is taken into consideraiton. In view of the fact that United States coal reserves will last us hundreds of years longer than AEC spokesmen have been saying, I question the soundness of placing almost $2 billion at the disposal of the crowd which is so quick to dispose of coal's potentialities. For the further elucidation of Congress I believe that the AEC could be most helpful if it would make available complete data on how much of its total expenditures are actually being spent on the electric power phase of the program. These statistics would include information on how many persons were sent to the atoms-for-peace session at Geneva at taxpayers' expense and how many others are traveling all over this country and the rest of the globe working on a project that no one is sure will be practical.

You can be sure, Mr. Speaker, that I do not for 1 minute object to the appropriation of funds for the continuance of the defense aspects of the nuclear program. We will give our scientists and engineers what they need to develop the necessary weapons to protect our shores and our homes, but I think that the time has arrived when we should check closely to find out just how much of the rest of the work is necessary and feasible, and how much of it is the dream of that coterie of spenders who insist upon discounting the coal industry and its potential. West Virginians who have been put out of work by maneuverings of free-trade theorists and other stargazers want to know how much of the money which we pay in taxes is being used to develop another means of encroaching upon our markets.

I commend Congressman SAYLOR'S article to your reading.

(The article referred to is as follows:)

[From Public Utilities Fortnightly of January 19, 1956]

THE BASIC DANGER IN THE "A" POWER PROGRAM

(By the Honorable JOHN P. SAYLOR, United States Representative from Pennsylvania)

(This author warns against expecting too much and too soon in the way of atomic power. It could be just as disastrous as too little and too late—if the American taxpayer has to pay the bill for a pig in a poke.)

For an industry traditionally disdainful of Government supports and subsidies, the electric utilities today appear to be treading

on dangerous right of way. The perilous path originates at the disbursing office of the Atomic Energy Commission and moves along the course carefully designed by advocates of public power.

Of a certainty, the Atomic Energy Commission—in its headlong drive to set up the atom as a producer of electricity—has made it difficult for private companies to refuse its generous subventions; perhaps, however, the time has come for beneficiaries in the utility field to make it distinctly clear that further grants—whether in the form of finished reactors, guaranties, or writeoffs—are unwanted, unwelcome, and unacceptable.

The desirability of encouraging research and development leading to the production of electricity at reasonable costs through the medium of fissionable materials is not in question. There is definitely a place for the atom as an added fuel, particularly in areas where conventional fuels are not readily available. Development of economically feasible nuclear power is necessary to provide electrical energy for underdeveloped areas of the world, to assist nations which have power shortages, and to protect the future of the United States in the power field. The atom should be put to work in whatever peacetime roles it is capable of assuming in our competitive economy, but not at the risk of enabling the Federal Government to encroach further into the realm of private business.

House-to-house salesmen often use gifts as a guise for getting a foot in the door. The Government also employs this technique most effectively. It entered the electric-power business on a broad scale through a backdoor entrance by using agricultural development in the Tennessee Valley as a part of the opening wedge. By the same token, bureaucracy's continued investments in the power-by-atom program might give the Government a foothold on private property that would ultimately bring a demand for full title. Meanwhile the A program may be placing all supporters of the free-enterprise system in an embarrassing position, for the so-called participating projects are creating a made-to-order and more-than-valid issue for public-power protagonists.

The recent history of AEC's participation in the development of atomic energy for commercial purposes would imply that (1) the Federal Treasury has such an abundance of funds as to preclude the necessity for careful and economic expenditures, and (2) the welfare of the Nation depends upon the ability of the Government and/or the utilities to generate power through the use of fissionable material.

The fallacy of the first premise is evident to everyone save possibly those Government officials behind the go-for-broke program. Assumption No. 2 has been given such widespread publication that the principal arguments of the program's promoters need to be exposed if the AEC spending spree is to be effectively restrained.

The obvious strategy of the program has been to attempt to convince the general public that diminishing resources of conventional fuels make it necessary for the rapid development of electric-generating plants powered by the atom. Voluminous statistical reports have been prepared in whatever way is deemed necessary to strengthen this impression. Few have any basis in fact, and all such allegations can automatically be refuted by a reference to authentic tables on coal reserves.

Oil and natural-gas reserves, are undeniably being depleted at an increasing rate and eventually will be exhausted. Natural gas is admittedly a short-term fuel. The necessity for conserving it has prompted the Federal Power Commission, on occasion, to refuse applications for the use of natural gas under industrial boilers in areas where coal is available.

The end of our oil reserves, on the other hand, is not in sight at the present time, although it is highly possible that the country will begin to feel a pinch before the end of the century. When this scarcity develops, America's fuel industries will be prepared for it. Atomic energy cannot replace the higher uses of petroleum, but synthetic fuel plants can provide both gas and oil when they are no longer available in Nature's storehouse. The raw material to be used in the production of synthetic fuels will be oil shale or coal—both of which occur in generous quantities within America's soil.

All indications point to coal's carrying a progressively increasing portion of the energy load in the years ahead. The continued upturn in the use of electrical and mechanical energy will spiral demand for coal from the present 400 million to 500 million tons per annum to the billion-ton mark before the year 2000. Even at this rate of production, however, there is enough coal within the borders of the United States to last for more than a thousand years.

Specifically, recoverable coal reserves are in excess of 1.2 trillion tons. Pennsylvania, which has produced about one-third of all the coal used in this country since 1850, still contains some 30 billion tons of mineable deposits. These estimates are based on studies of the United States Geological Survey, an agency which apparently has not been consulted by the AEC officials who have set out to portray coal as a short-life fuel.

The other misconception being publicized in the all-out campaign to continue using taxpayers' money in attempts to expedite creation of an atom-powered electric utility industry is being developed around the cost factor. In the past year there have been numerous news stories based on promises by AEC spokesmen that the atom will eventually generate cheap electric power. Presumably, this objective will be reached if a kilowatt-hour of electricity can be produced in a range somewhere between 4 and 7 mills.

To the average reader, that statement may sound most attractive. The fact is, however, that conventional fuels have long been producing electricity at a cost of less than 4 mills per kilowatt-hour. Modern steam plants within close proximity of coal mines are producing 3-mill electricity at the present time. Even in remote areas, where freight rates boost the delivered cost of coal to twice the cost at the mine, electricity is generated for less than 7 mills per kilowatt-hour.

The Government's failure to disseminate actual cost information in regard to the peacetime nuclear program makes it almost impossible to determine how many billions of dollars will have to be turned over to the AEC before the atom will produce electric power at a reasonable cost. When construction began on the atomic power plant at Shippingport, Pa., in September 1954, the AEC—which is building the reactor—was extremely vague about the cost factor. Finally, 15 months and a great many millions of dollars later, a Commission spokesman was cornered at a press conference and admitted that electricity from the Shippingport plant is expected to cost 52 mills per kilowatt-hour—at least 10 times the cost of electric power generated with conventional fuels.

The AEC's propensity for keeping expenses in the darkroom while the artist's conception of nuclear power plants is projected to the public in glowing terms could eventually strike a damaging blow at the private utility industry. Sooner or later the public power sodality will reveal figures disclosing the total amount invested by the AEC in developing atomic electricity, then ask this question:

"Since the Federal Government has contributed such an enormous sum toward making nuclear power stations possible, is there any reason why the taxpayer should permit public utilities to profit from this undertaking?"

To obviate such a possibility, the general public should demand dissemination of actual cost information except where publication would be inimical to the national security.

The assumption that nuclear power from presently contemplated reactors may eventually become competitive with electricity from conventional plants disregards the progress in coal utilization. In other words, the nuclear power planners are assuming that atomic-generated electricity will challenge coal pricewise if capital and operating costs of nuclear reactors are reduced as hoped for and—meanwhile—coal technology stands still.

In 1920 it required an average of 3 pounds of coal to produce 1 kilowatt-hour of electricity. By 1930 the figure was down to 1.60; in 1940 it was 1.34 and in 1950 it was 1.19. Early in 1955 the average dropped below 1 pound of coal per kilowatt-hour. Some of the modern plants are far below that average. These figures, unlike those pertaining to power costs in atomic electric plants, are not hypothetical. They are based on established records and are in the files of the Federal Power Commission.

In spite of continuing progress, the present utilization efficiency of coal in the steam plant is only about 33 percent. Obviously, there is still a great deal of room for progress. It is not inconceivable, if research underway bears fruit, that when and if nuclear power reaches the point where it can be producing 7-mill electricity, the efficiency of coal utilization will have doubled over its present rate. Philip Sporn, president of the American Gas & Electric Co., explains it this way:

"It needs to be kept in mind, too, in judging whether and to what extent nuclear plants will be built in the future in place of new conventional plants, that the nuclear development will always be competing with a constantly improved—that is to say, more efficient—conventional alternative."

Another factor which the backers of this new application of atomic power find convenient to withhold from publication is the relative cost of fuels in the overall operating budget of a public utility system. It is therefore not generally realized that only 16 percent of the total cost involved in generating power and bringing it to the consumers is chargeable to fuels. Thus, even if it were possible to find a way to generate electricity through a self-perpetuating fuel that could be obtained absolutely free, it would still be impossible to reduce a $6 electric bill by more than $1.

Under the circumstances, it would appear that United States consumers are already receiving inexpensive electricity and that, since the promised cheap power from the atom is still confined to the province of theory, there is no justification for the vast expenditures being made under the auspices of the AEC research on the commercial application of nuclear materials.

There is no denying that—if the Government is going to subsidize construction of reactors and other necessary facilities, if the Government is going to undertake to insure property and personnel against damage that could be inflicted in the event of an accident in an atomic plant, if the Government is going to underwrite commercial operations against losses incurred in developmental programs, if the Government is going to supply atomic fuel at less than the full cost thereof, if the Government is going to subsidize atomic fuel processing and disposal of atomic waste—then there is a basis for the assertion that the atom may soon become a principal source of electric power. In all likelihood, electricity at TVA rates can be made available to consumers in vari-

ous areas of the country if the Federal Government is willing to pour sufficient funds into the atomic energy program.

Public power groups want to make Federal funds available to whatever extent is necessary to produce their brand of cheap electricity. They are urging more AEC help to private firms for the construction of atom power reactors. They want research and development aid on more liberal terms, and they want the AEC to bear the cost of fuel elements for small reactors. And while the Nation's private insurance industry is attempting to determine the most feasible methods of providing indemnity to cover damages that would result from an accident in an atomic electric plant, the public power enthusiasts would have the Government assume the insurance burden regardless of costs involved. What we who oppose unnecessary expansion of the public-power program must realize is that each such subsidy provides bureaucratic forces with a further opportunity to claim a vested interest in the electric power industry; to believe otherwise is to underestimate the intent of public-power supporters.

Those who would socialize the whole power industry find the atom's potential in the generation of electricity a very convenient stepping-stone, particularly since the Government fostered basic research and has exercised strict control over succeeding developments. The new atomic energy law, enacted in 1954, tended to lessen the Government's monopolistic grasp on the atom, but it retained Federal control over private development in the nuclear fission field. The revised law has been described thusly by Dr. Robert E. Wilson, chairman of the board of Standard Oil Co. (Indiana), himself a renowned engineer:

"If anyone claims that the new Atomic Energy Act turns over to private industry a bonanza in the form of already solved technical and economic problems and an assured profit, either he does not know the facts or he is an arrant demagog. Any private investment in commercial atomic power generation in the near future will have to be inspired more by public service motives than by any reasonable expectation of substantial profit."

Atomic energy is novel, and its advertised possibilities in industrial application have wide public appeal. It arouses the curiosity, heightens the imagination. It is another source of heat with a new and special technology, yet on close examination we discover that it has no immediate advantages which should impel us to expedite its advent into the power field by investing billions of hard-to-get tax dollars.

Practical businessmen and industrialists will welcome the opportunity to put this new source of power to work. Yet they foresee no immediate need for it. The electric-utility industry is proceeding with an unprecedented expansion program in steam-electric stations. Some of the companies, while not discounting the theory that in a decade or so hence it may be profitable to invest in full-scale atomic-energy plants in certain areas of the country, are erecting steam-generating stations in coal-producing regions at greater distances from consuming communities than has heretofore been considered economically feasible. At the present time 340,000 volts are transmitted by generating stations; utility experts believe that eventually it will be possible to operate 500,000-volt wires, thereby decreasing line losses and permitting transmission over greater distances. Under such circumstances, more and more generating stations would be located at the mine mouth, thus reducing costs and further discouraging the entry of competitive sources of power, except in remote sections of the country.

Left to their own resources and ingenuity, the electric utilities will develop atom plants soon enough. Meanwhile the industry will supply all the power that is required without any help from the Federal Government. This point was stipulated very succinctly in one sentence of Adm. Ben Moreell's analysis of the Hoover Commission Task Force Report on Water Resources and Power: "Technically and financially there is no present of prospective need for Federal power activities."

Federal encroachment in the power-making business has already gone entirely too far. Neither the general public nor the electric-utility companies can afford to permit the Government to proceed with some of its elaborate plans for participation in the atomic-energy projects that belong in the private-industry classification. By allowing the Government to come into the tent so long as it has the price of admission, electric utilities might learn too late that they have made it possible for the bureaucrats to take over the center ring.

WHY NATURAL GAS SHOULD NOT BE EXEMPTED

The SPEAKER. Under previous order of the House, the gentleman from Massachusetts [Mr. HESELTON] is recognized for 10 minutes.

Mr. HESELTON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include an editorial, certain excerpts from articles, and statistical information.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HESELTON. Mr. Speaker, I had intended to submit further factual information this afternoon with reference to the proposal to exempt natural gas from Federal regulations because some of it has now become available. I shall not do so at this time because of the editorial which appeared in this morning's edition of the New York Times.

That editorial is such a concise and powerful argument against this proposal that I want to take this means of making it widely available to all who are interested in the matter and who may wish to make use of it.

The editorial is as follows:

THE NATURAL GAS BILL

The debate now proceeding in the Senate on the Fulbright-Harris bill to exempt independent producers of natural gas from Federal regulation as public utilities may sound technical, but it is of direct practical concern to every person who owns or uses an ordinary household gas appliance—and there are an estimated 25 million American families who do. Furthermore, the principles of regulation involved in this dispute affect all citizens. So it is safe to say that the gas issue is not only the first but one of the more important public questions to be decided in the present session of Congress.

This newspaper believes that the Fulbright-Harris bill ought to be defeated. The measure passed the House last year by only a six-vote margin, but it passed. The bill would have the effect of overturning a Supreme Court decision that the prices charged by independent producers of natural gas are subject to regulation by the Federal Power Commission.

While we prefer to see as little governmental price-fixing as possible, there are certain circumstances under which it is essential to protect the interests of the consumer. The distributors' price of natural gas is now regulated by State public utility commissions; the transporters' price of natural gas (through the pipelines that are extending themselves into almost every part of the country) is now regulated by the Federal Power Commission. The producing fields are so closely tied to the pipelines that carry the gas and therefore to the ultimate household and industrial consumer that the very purpose of regulation to protect the latter would be defeated by failure to regulate prices at the source. Your gas stove is in a very real sense connected with a gas well located many hundreds of miles away, and the price at each stage of the process from well to stove obviously has a direct effect on the price at every other stage.

The producers emphatically reject the contention that utility-type regulation is necessary at their end, maintaining that there is great competition among them and therefore the prices in effect regulate themselves. But we have doubts that theirs is a genuinely competitive situation, especially in view of the complicated and elaborate escalation clauses in many contracts under which one producer may profit from another's increase in prices. Furthermore, as Senator PAUL DOUGLAS of Illinois has pointed out in his monumental attack on the Fulbright-Harris bill, the dominant figures in the production of natural gas for interstate commerce are a handful of major oil companies; and it is unrealistic to talk about thousands of small producers as though they had any real effect on the market price.

The Fulbright-Harris bill does not abolish all Federal supervision over proposed rate increases; but the standard of reasonable market price it does establish for the Federal Power Commission is, in the words of a minority House report, a disguised back-door surrender of regulatory control to the producers themselves. Even though it is true that costs of production form only a small fraction of what the consumer ultimately pays on his gas bill, a rise of only a few pennies in the price of gas at the well-head could mean increased costs of hundreds of millions of dollars to consumers in the aggregate, and a corresponding profit of hundreds of millions to the producers. The oil and gas producing industry is not exactly in a state of depression, and it already has its own special tax gift in the form of a 27½-percent depletion allowance. We see no sound reason why the regulatory arm should not be extended right down the continuous and indivisible line from distributor all the way back to producer. Other extractive industries stand in a totally different relation to the consumer, who can go to any one of hundreds of suppliers if he chooses. But he can't do that once he is tied to a gas line.

The leaders in the fight for this bill are prominent Democrats from the central Southwest, notably the oil and gas producing States of Texas, Arkansas, and Oklahoma. While the measure affects natural resources primarily in private rather than public hands, nevertheless when Democratic politicians in the next few months raise the cry of giveaway against the present administration, as they are sure to do, the words coming from them will to many independent ears have a rather hollow ring if the Fulbright-Harris Act should pass.

UKRAINIAN NATIONAL INDEPENDENCE IN THE WORLD OF TODAY

Mr. FEIGHAN. Mr. Speaker, today marks the 38th anniversary of modern-day Ukrainian national independence. We fittingly opened today's session of Congress with the invocation in the House by the Very Reverend Nicholas Babak, M. A., vice president of St. Basil's

College, Stamford, Conn., and the Senate by another distinguished member of the clergy of Ukrainian descent. On an important historic occasion such as this, it is the time-honored custom that Members of Congress who are acquainted with the heroic struggle of the Ukrainian people for their national independence, to pay tribute to that spirit and offer hope that Ukraine will once again be free and independent.

In somewhat recent years, we Americans have come to learn a great deal about the Ukrainian nation and the place it has played in world affairs. During World War II most of us were aware that the Nazis were anxious to take over and occupy Ukraine because it is the bread basket of Europe, but equally important is the fact that it is unbelievably rich in natural resources and geographically occupies a key position from the military point of view. During the course of World War II we learned of the struggle of the Ukrainians to regain their national independence by first fighting against the Russian occupier and then later having to fight against the tyranny of their Nazi occupier. Following World War II the cause of Ukraine has maintained an important place in the developing world affairs because of the demonstrated resistance of her people to the continued occupation by the Russian Communists.

Ukraine, indeed, presents one of the most tragic cases in all of history of the struggle of a people for their national sovereignty, acquiring it at great sacrifice, losing it only against overwhelming odds, together with the failure of the advocates of democracy to support her and the continuing sacrifice of the Ukrainian people in their struggle forward toward the goal of national independence. Ukraine is the largest non-Russian nation, next to Germany, on the European continent. The best estimates of the number of Ukrainian people still living in their traditional homeland range between 36 and 40 million people. The importance of this submerged nation to the eventual triumph of the cause of individual liberty and human freedom might be measured by the fact that the Russian Communists know that all of Ukraine awaits the day when it can turn upon its Russian occupier and drive him from their beloved lands. The Russian Communists also know that hundreds of years of tyranny and oppression, first by Czars and now by the Communists, has not destroyed the Ukrainian nation nor has it weakened the determination of its people to be free and independent. This is also a fitting occasion to recall to memory the fact that the occupied nations of Estonia, Latvia, Lithuania, Byelorussia, Poland, East Germany, Czechia, Slovakia, Hungary, Rumania, Bulgaria, Albania, Georgia, Armenia, Azerbaijan, Turkestan, North Caucasia, Idel-Ural, Inner and Outer Mongolia, Manchuria, China, North Korea, North Vietnam, Tibet, each share with Ukraine the desire to throw off the yoke of Russian communism. The freedom loving people of all those nations likewise await the day when they will have the opportunity to drive the Russian occupier from their homelands.

These then, the non-Russian nations held in colonial bondage of the Russian Communist Empire, are the best allies we have in our campaign crusade for a just and lasting peace. These allies have been tested, they have rejected neutralism because they know what it means to live under the whip of the Communists. They will not be found wanting when their day of deliverance arrives.

It is a source of great encouragement to see so many nations of the world who were submerged by colonialism and imperialism gaining their national independence and position of equal dignity among the nations of the world. These same young nations, young only in terms of their national independence and many of them with cultures thousands of years old, are threatened by a new colonialism which boldly states its goal to be world domain. I refer to Russian communist colonialism, the only colonial power left in the world whose imperial star is still rising. One who knows the fate of Ukraine, which enjoyed its modern-day independence from November 1917 to November 1920 cannot help but wonder whether these newly independent nations may suffer a similar fate at the hands of the Russian Communists. Of one thing we can be certain, the schemers of the Kremlin will use every device and method at their command to enslave these newly independent nations. This should also cause us to pause in our review of world affairs to make certain that we are doing everything possible to support the cause of these newly independent nations and to bring to their attention the true facts about Russian communism.

The fight against colonialism and imperialism in the world continues on, hardly a day passes but that we hear about violence and death in Africa and in parts of the Near East, but it is sad that we seldom hear about the Russian Communist colonial empire and the struggle of the nations it enslaves to regain their national independence, yet there are more nations enslaved by the Russians today than were ever held in bondage by any other imperial power in history. The time has arrived for the United States to take the lead in an all-out political campaign to eradicate colonialism in all its forms from the face of the earth. I believe this Congress has laid the groundwork for such a campaign through House concurrent resolution 149, introduced by our distinguished majority leader, Mr. McCormack, which has become known as the anticolonialism resolution. It is significant that this Congress, during the last session, passed this resolution unanimously and in a climate of vigorous support seldom seen in any parliamentary body of the world. I sincerely hope that the administration will take up this cause and carry it forward to every nook and cranny of the world. There can be no doubt but that Congress intended that this be done and that Congress will, without reservation, support our Government in such a campaign.

There are, however, some strange developments taking place in some quarters here in Washington on the subject of national independence movements and the part revolution plays against oppression in our modern world. Since both the national independence movements and revolution against tyranny have always played the counterrole to colonialism and imperialism, it is proper that a word be said about the strange developments now taking place in Washington. In some quarters it is argued that the United States should only recognize and give support to those submerged nations which have in the past demonstrated a capacity to gain and maintain their national independence. It is argued that unless a nation, including those now enslaved by the Russian colonizers, has demonstrated a capacity to hold its national independence against great odds, they are not worthy of recognition by the United States and that our best interests are served by coldly disregarding the struggle of people of those nations for national independence. Upon careful examination, it is obvious that those who advocate this strange notion are also advocating that the United States divest itself of all its allies, both those still free as well as those enslaved by the Russian Communists. I say this because it is obvious that any nation which has the capacity to maintain its national independence will not need the United States as an ally. This same strange notion also advocates that the smaller and therefore the weaker nations be put at the mercy of the aggressive imperial power of Russia and that the world would be better off if it were divided into 2 or 3 huge power blocs rather than a peaceful community of nations. If such notions are allowed to infiltrate the policy of this Government, it will not be long before the United States is standing alone in a world otherwise occupied by the Russian Communists.

There is also a good deal of talk in the rarified atmosphere frequented by the new crop of strange planners who have invaded Washington in recent years on the subject of evolution versus revolution. As every American schoolboy knows, revolution has always been the answer of an oppressed and exploited people to the tyrants down through the ages. Every American knows that our country was born in the crucible of revolution—revolt against tyranny and exploitation and a studied disregard for the inherent rights of man. Revolution has always been a healthy byproduct of empires and colonial powers, but somehow during the last few years, revolution has been regarded by the new crop of strategic planners as both undesirable and unnecessary in any circumstances, including the reign of despotism without equal in history which is now taking place within the Russian Communist Empire. These same strategists argue that evolution is the answer to the prayers of the oppressed and the tyrannized. Evolution, they say, is the solution to all of mankind's problems. Evolution, they say, will bring out the best in the Russian Communists and will eliminate all

the evils which they claim are the by-products of western democracy, and that out of these two conditions will emerge a new and perfect system. These newcomers to the struggle which requires eternal vigilance to maintain our liberties show a keen ignorance of the basic nature of communism and the fact that the Russians themselves are the foremost advocates of the concept of evolution, not revolution. By evolution the Russion Communists mean the complete destruction of all cultures, religion, traditions, languages, and customs, and replacing them with a new and universal civilization called Russian communism. Revolution has never been a weapon of Russian communism, but evolution has been a basic tenet of Leninism. Revolution has always been the basic weapon of men who fought for freedom and individual liberty and who were oppressed or tyrannized by some form of dictatorship. This is a fact which I hope every American will never forget and that it will be reiterated by our Government upon as many occasions as circumstances permit.

It is fitting on this occasion when we commemorate the 38th anniversary of modern day Ukrainian national independence, that we once again repair to that great political principle of national self-determination which was enunciated by President Woodrow Wilson during World War I. President Wilson, by stating our adherence to the principle of national self-determination as a basic American policy, made it clear to the world that we believed every nation, large and small, had a right to national sovereignty and a duty to guide its own destinies as it deems fit. In the wake of President Wilson's inspiring proclamation, many new nations sprang up from the ruins of the Czarist Russian, Austro-Hungarian and Ottoman Empires. Ukraine was one of those many nations. All of us hope and pray that Ukraine will soon again be free and independent. We also wish good will for the Russian people and that they too will soon have their national independence. We wish also that all the other enslaved non-Russian nations will soon again celebrate the return of their sovereign rights and their national independence.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. RHODES of Arizona (at the request of Mr. MARTIN), for 5 days, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. FEIGHAN, for 15 minutes today, and to revise and extend his remarks.

Mr. POWELL, for 1 hour on Tuesday next.

SPECIAL ORDERS VACATED

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the special order granted to the gentleman from New York [Mr. DONOVAN] for today may be vacated, and that he may address the House for 1 hour on Tuesday, January 24.

The SPEAKER. Is there objection?

There was no objection.

EXTENSIONS OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks was granted to:

Mr. DAVIDSON.

Mr. FLOOD and to include extraneous matter.

Mr. BOW (at the request of Mr. ADAIR) and to include extraneous matter.

Mr. BRAY and to include extraneous matter.

Mr. DORN of New York and to include extraneous matter.

Mr. KEATING and to include extraneous matter.

Mr. SCOTT and to include extraneous matter.

Mr. DURHAM.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 41 minutes p. m.), under its previous order, the House adjourned until Monday, January 23, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1398. A letter from the Director, Legislative Programs, Office of the Assistant Secretary of Defense, transmitting a draft of proposed legislation entitled "A bill to authorize permanent appointments in the Armed Forces of the United States, and for other purposes"; to the Committee on Armed Services.

1399. A letter from the Secretary of the Army, transmitting a draft of proposed legislation entitled "A bill to continue the effectiveness of the act of July 17, 1953 (67 Stat. 177), as amended"; to the Committee on Armed Services.

1400. A letter from the Director, Legislative Programs, Office of the Assistant Secretary of Defense, transmitting a draft of proposed legislation entitled, "A bill to authorize certain construction at military installations, and for other purposes"; to the Committee on Armed Services.

1401. A letter from the Archivist of the United States, transmitting a report on records proposed for disposal and lists or schedules covering records proposed for disposal by certain Government agencies, pursuant to the act approved July 7, 1943 (57 Stat. 380), as amended by the act approved July 6, 1945 (59 Stat. 434); to the Committee on House Administration.

1402. A letter from the Secretary of Commerce, transmitting the annual report of the Secretary of Commerce for the fiscal year ended June 30, 1955, pursuant to the act of February 14, 1903 (5 U. S. C. 604); to the Committee on Interstate and Foreign Commerce.

1403. A letter from the Secretary, of Health, Education, and Welfare, transmitting a draft of proposed legislation entitled "A bill to extend through June 30, 1957, the duration of the Poliomyelitis Vaccination Assistance Act of 1955"; to the Committee on Interstate and Foreign Commerce.

1404. A letter from the Assistant Secretary of the Interior, transmitting a copy of an order canceling certain charges existing as debts due the United States by individual Indians and tribes of Indians, pursuant to the act of July 1, 1932 (47 Stat. 564); to the Committee on Interior and Insular Affairs.

1405. A letter from the Deputy Maritime Administrator, Maritime Administration, Department of Commerce, transmitting the annual report of the Federal Maritime Board and Maritime Administration for the fiscal year 1955; to the Committee on Merchant Marine and Fisheries.

1406. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated May 24, 1955, submitting a report, together with accompanying papers and an illustration on a review of reports on Saline River and tributaries, Illinois, requested by resolutions of the Committee on Flood Control, House of Representatives, and the Committee on Public Works, United States Senate, adopted July 5, 1946 and March 9, 1948, respectively. It is also submitted in response to two other authorizations listed in the report. (H. Doc. No. 316); to the Committee on Public Works and ordered to be printed, with one illustration.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SPENCE: Committee on Banking and Currency. H. R. 7927. A bill to extend the time within which the State of Louisiana may make the initial payment on the purchase of certain property from the United States; without amendment (Rept. No. 1656). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPENCE: Committee on Banking and Currency. House Joint Resolution 471. Joint resolution to permit FHA title I repair assistance to new homes damaged by major disasters; without amendment (Rept. No. 1657); referred to the Committee of the Whole House on the State of the Union.

Mr. BONNER: Committee on Merchant Marine and Fisheries. Report on labor-management problems of the American merchant marine, pursuant to House Resolution 918; without amendment (Rept. No. 1658). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severaly referred as follows:

By Mr. COOPER:

H. R. 8615. A bill to provide wage credits under title II of the Social Security Act for military service before July 1, 1959 (the termination date for inductions into the Armed Forces), and to permit application for lump-sum benefits under such title to be made within 2 years after interment or reinterment in the case of servicemen dying overseas before such date; to the Committee on Ways and Means.

By Mr. BARTLETT:

H. R. 8616. A bill to provide for the appointment of one additional district judge for the Third Division of the District of Alaska; to the Committee on the Judiciary.

By Mr. BEAMER:

H. R. 8617. A bill to validate certain payments of sea duty pay made to naval personnel serving on board vessels in the Great Lakes during the period November 1, 1950, to October 31, 1953; to the Committee on the Judiciary.

By Mr. BURNSIDE:

H. R. 8618. A bill to amend the act providing for Federal aid for State veterans' homes to permit payments to homes not primarily furnishing domiciliary care; to the Committee on Veterans' Affairs.

By Mr. CANNON:

H. R. 8619. A bill to amend the Universal military Training and Service Act to provide for the deferment from training and service thereunder of men residing on a farm with their families when their induction would seriously impair the successful operation of the farm; to the Committee on Armed Services.

H. R. 8620. A bill to amend the Universal Military Training and Service Act to provide for the discharge from the Armed Forces of men whose families reside on a farm and whose continued absence from home would seriously impair the successful operation of the farm; to the Committee on Armed Services.

By Mr. CELLER:

H. R. 8621. A bill to provide that the United States district judges for the districts of Hawaii and Puerto Rico shall have the same tenure of office and retirements rights as all other United States district judges; to the Committee on the Judiciary.

By Mr. DAVIS of Tennessee:

H. R. 8622. A bill to assist cities and States by amending section 5136 of the Revised Statutes, as amended, with respect to the authority of national banks to underwrite and deal in securities issued by State and local governments, and for other purposes; to the Committee on Banking and Currency.

By Mr. DOLLIVER:

H. R. 8623. A bill to liberalize the net operating loss deduction for farmers; to the Committee on Ways and Means.

By Mr. DORN of New York:

H. R. 8624. A bill to establish a national policy with respect to commercial fisheries; to establish the office of Assistant Secretary of Commerce for Commercial Fisheries, and define his functions, powers, and responsibilities; to strengthen the commercial fisheries segment of the national economy, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. VINSON:

H. R. 8625. A bill to authorize certain construction at military installations, and for other purposes; to the Committee on Armed Services.

By Mr. FISHER:

H. R. 8626. A bill to provide for a preliminary examination and survey of San Felipi Creek, Tex.; to the Committee on Public Works.

By Mr. FLOOD:

H. R. 8627. A bill to amend title II of the Social Security Act to provide that benefit checks and certain related materials sent through the mails shall not bear any markings which would reveal the nature of the recipient's entitlement or disentitlement to benefits under such title; to the Committee on Ways and Means.

By Mr. HAGEN:

H. R. 8628. A bill to appropriate $132,000 for advance planning of the Terminus Dam on the Kaweah River in California; to the Committee on Appropriations.

H. R. 8629. A bill to appropriate $132,000 for advance planning and construction of the Terminus Dam on the Kaweah River in California; to the Committee on Appropriations.

H. R. 8630. A bill to appropriate $2,500,000 for advance planning of the Success Dam on the Tule River in California; to the Committee on Appropriations.

By Mr. HALEY:

H. R. 8631. A bill to provide for national cemeteries in the county of De Soto, Fla.; to the Committee on Interior and Insular Affairs.

By Mr. HARRISON of Virginia:

H. R. 8632. A bill to amend the Servicemen's Readjustment Act of 1944 to provide that certain loans made to veterans to refinance indebtedness on their homes may be made or guaranteed under that act; to the Committee on Veterans' Affairs.

By Mr. JENSEN:

H. R. 8633. A bill to amend the Internal Revenue Code of 1954 to relieve farmers from the excise tax on gasoline and lubricating oils used exclusively in farm tractors or farm machinery or for other agricultural purposes; to the Committee on Ways and Means.

By Mr. JONAS:

H. R. 8634. A bill to authorize the conveyance of a certain tract of land in North Carolina to the city of Charlotte, N. C.; to the Committee on Government Operations.

By Mr. KING of California:

H. R. 8635. A bill to amend the Internal Revenue Code to provide that the gain from the sale of a residence by a taxpayer who has attained the age of 65 shall be excluded from gross income; to the Committee on Ways and Means.

By Mr. McCARTHY:

H. R. 8636. A bill to continue until the close of June 30, 1957, the suspension of duties and import taxes on metal scrap, and for other purposes; to the Committee on Ways and Means.

By Mr. MILLER of New York:

H. R. 8637. A bill to amend the Career Compensation Act of 1949 (63 Stat. 804), as amended, to provide pay of the highest enlisted or commissioned World War I rank, to retired enlisted men, who retired from the armed services with credit for 30 years' service; to the Committee on Armed Services.

By Mr. RUTHERFORD:

H. R. 8638. A bill to authorize a preliminary examination and survey in Texas in the vicinity of the city of El Paso, El Paso County, and immediately adjacent areas, in the interest of flood control, drainage, and allied purposes; to the Committee on Public Works.

By Mr. SIKES:

H. R. 8639. A bill to provide for the issuance of a special postage stamp in honor of Dr. John Gorrie; to the Committee on Post Office and Civil Service.

By Mr. SISK:

H. R. 8640. A bill relating to the administration by the Secretary of the Interior of section 9, subsections (d) and (e), of the Reclamation Project Act of 1939; to the Committee on Interior and Insular Affairs.

By Mr. TOLLEFSON:

H. R. 8641. A bill to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended; to the Committee on Post Office and Civil Service.

By Mr. WRIGHT:

H. R. 8642. A bill to amend the Sherman Antitrust Act by providing for additional penalties for the doing of any thing or the performance of any overt act forbidden in the antitrust laws, and for the doing of any thing or the performance of any overt act in violation of the Federal Trade Commission Act, because of its dangerous tendency unduly to hinder competition or create a monopoly; to the Committee on the Judiciary.

By Mr. DORN of New York:

H. J. Res. 480. Joint resolution to authorize and request the President to excuse from duty employees in the executive branch for the observance of religious holidays; to the Committee on Post Office and Civil Service.

By Mr. WILLIAMS of New Jersey:

H. J. Res. 481. Joint resolution to establish a joint congressional committee to be known as the Joint Committee on United States International Exchange of Persons Programs; to the Committee on Rules.

By Mr. DAVIDSON:

H. Res. 385. Resolution to authorize the Committee on Ways and Means to investigate and study the desirability and feasibility of allowing individuals to deduct ordinary and necessary expenses paid for transportation to and from work; to the Committee on Rules.

By Mr. PATMAN:

H. Res. 386. Resolution requesting the Board of Engineers for Rivers and Harbors to consider improving White Oak Creek and Cypress Creek, Tex.; to the Committee on Public Works.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BROWN of Georgia:

H. R. 8643. A bill for the relief of Knox Corp., of Thomson, Ga.; to the Committee on the Judiciary.

By Mr. DAVIDSON:

H. R. 8644. A bill for the relief of Mrs. Relly Samuel, nee Zeichner; to the Committee on the Judiciary.

H. R. 8645. A bill for the relief of Newton Young; to the Committee on the Judiciary.

By Mr. FENTON:

H. R. 8646. A bill for the relief of Sfc. Albert Serowiec; to the Committee on the Judiciary.

By Mr. FLOOD:

H. R. 8647. A bill for the relief of Elsie Purvis; to the Committee on the Judiciary.

By Mr. FRIEDEL:

H. R. 8648. A bill for the relief of Lucien Dendoncker; to the Committee on the Judiciary.

By Mr. McINTIRE:

H. R. 8649. A bill for the relief of Margaret Helen Grant; to the Committee on the Judiciary.

By Mr. MILLER of California:

H. R. 8650. A bill for the relief of Francisco Haro Galaviz; to the Committee on the Judiciary.

By Mr. NORRELL:

H. R. 8651. A bill for the relief of Mrs. Mary Jane Russell; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

443. By Mr. NORBLAD: Petition of Mrs. Ethel Harrington and 65 other citizens of Silverton, Oreg., urging enactment of legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce; to the Committee on Interstate and Foreign Commerce.

444. By Mr. SADLAK: Petition of citizens of New Haven, Conn., and vicinity, urging the Congress of the United States to amend the Refugee Relief Act of 1953 in such a manner that all authorized but not issued visas be given to the escapees from the Iron Curtain now residing in European countries, all of them valiant fighters for the liberation of their peoples from communism; to the Committee on the Judiciary.

445. By the SPEAKER: Petition of Alexis Govaloff, president, the Russian Anticommunist Group, New York, N. Y., urging the Congress to amend the Refugee Relief Act of 1953; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Tribute to Robert E. Lee by Senator Sparkman

EXTENSION OF REMARKS
OF
HON. JOHN J. SPARKMAN
OF ALABAMA
IN THE SENATE OF THE UNITED STATES
Thursday, January 19, 1956

Mr. SPARKMAN. Mr. President, today at the ceremony held in Statutary Hall I had the pleasure of delivering an address in tribute to Gen. Robert E. Lee. I ask unanimous consent that my remarks on that occasion be printed in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

SPEECH BY SENATOR JOHN SPARKMAN AT CEREMONIES HONORING ROBERT E. LEE, STATUTARY HALL, JANUARY 19, 1956

I am deeply honored to join you today in tribute to a great American.

To me the life of Robert E. Lee has always been an inspiration and a challenge. Our history holds no counterpart to the story of Lee. He was by his own appraisal, a failure. Some historians agree that his record was one of failure. If this be true he was the most magnificent failure of all time. For where will you find a life more sublime in its devotion to duty, more inspiring in its reverence of Almighty God, or so grand in its hour of defeat?

The star that guided the career of Robert E. Lee grows brighter with each passing year. So it is with all of the truly great. Today we see in retrospect many facets of Lee's lonely existence which were obscured by the prejudices and the mores of the early postwar years.

In my early schooldays Lee was almost a legendary figure. Some of you, perhaps, will recall that Historian Long declared: "Throughout his whole student life, he performed no act which his pious mother could not have fully approved;" or the words of an old teacher: "He was never behind time at his studies, never failed in a single recitation, was perfectly observant of the rules and regulations of the institution." We can all rejoice that such legendary acclaim has been dispelled. Lee's own letters reveal him as a warm, compassionate man with many of the frailities of mankind.

Still later, we have Lee presented as a man of mystery. His letters and his words, we are told, are couched in formality and carefully conceal his innermost desires or his true nature.

He was by his own admission like his daughter, "always wanting something"—but what? Again, we are given the picture of a lifelong conflict of conscience with the realities of his existence.

Lee deprecated war. He opposed secession, yet with all of the great ability he possessed sought to defend this right of the States. He owned slaves, yet he opposed slavery and freed those he owned long before the war. He was a soldier of the United States, a graduate of the West Point Academy, and a former superintendent of the Academy. Yet his sense of duty, or honor if you please, called him to the defense of his native Virginia. He was devoted to his home and to his family. Fate decreed that much of his life should be spent away from both.

These are serious contradictions. But to me they are not difficult to understand. Lee's life was a pattern of rigid discipline. His religion—he was an Episcopalian—was its dominating influence. Through every deed and word runs the theme of "Let mankind do what man can and must do—God will take care of the rest."

Lee was born January 19, 1807, in Stratford, Va. He was the son of "Light Horse Harry" Lee and Anne Hill Carter Lee. Light Horse Harry served with Washington in the Revolutionary War. Robert E. Lee's father died when Robert was 11 years old.

The Lees moved to Alexandria in 1811 to educate their children.

Unfortunately, very little is known about the childhood or the early education of Robert E. Lee. His first teacher was a Mr. Leary. He later attended the school of Benjamin Hallowell where his time was devoted chiefly to mathematics. He was an exemplary student.

Lee entered West Point when he was 18 years old. He was a good scholar. He graduated high in his class in 1829, and received an appointment in the Engineering Corps.

For some years he was stationed at Old Point Comfort. While there he married Miss Mary Custis, the great-granddaughter of Mrs. Washington. This took place in Arlington in June 1831. Through this marriage, Lee came into control of extensive property—farms, mansions, and a considerable number of slaves.

In the years before the Mexican War, Lee was stationed in various parts of the country, pursuing his profession as a military engineer. He was sent to Ohio to adjust the boundaries of that State with Michigan. Later he supervised the defenses of New York harbor. In St. Louis he worked to control the course of the Mississippi River.

In the Mexican War he began as captain under General Wood. He took part in the battle of Buena Vista. He participated in the siege of Vera Cruz. His promotion was rapid. He was made a major at Cerro Gorda, a lieutenant colonel at Contreras, and a colonel at Chapultepec. He was slightly wounded at Chapultepec.

There is evidence that he displayed great courage and resourcefulness throughout the war. For this he received high commendation from General Scott who also was a Virginian.

After the Mexican War Lee resumed his engineering work in various parts of the country. For some time he was engaged in construction of a fort at Baltimore.

In 1852, at the age of 45, he was made Superintendent of the West Point Academy. He accepted with regret because he feared he could not measure up to the expectations of the Secretary of War. It was his feeling that the job required "more skill and experience" than he possessed. Lee improved the discipline and the courses of study at West Point.

In 1855, Lee left West Point for a lieutenant colonelcy in one of the new cavalry regiments. His service with the cavalry was in the Western and Southwestern States while his family remained at Arlington.

Now the war clouds were gathering. Lee wrote that he hoped President Buchanan would "be able to extinguish fanaticism between North and South, cultivate love for the country and Union, and restore harmony between the different sections."

In October 1859, while on furlough at Arlington, Lee was ordered to arrest John Brown. He discharged his duty in a quiet and efficient manner, as witness his report: "Tuesday, about sunrise, with twelve marines under the command of Lieutenant Green, broke in the door of the engine-house, secured the robbers, and released all of the (Southern) prisoners unhurt."

Brown was turned over to the civil authorities. "I am glad we did not have to kill him," Lee remarked afterward, "for I believe he is an honest, conscientious old man."

The year 1861 was the year of the great decision. Lee was 54. "As far as I can judge from the papers," he wrote, "we are between a state of anarchy and civil war. May God avert us from both . . . I must try and be patient and await the end for I can do nothing to hasten or retard it."

Lee had previously expressed his resentment of the North's aggression and "denial of equal rights of our citizens to the common territory of the Commonwealth" and his displeasure with the course of the "Cotton States" which he termed "selfish and dictatorial."

"While I wish to do what is right," he said, "I am unwilling to do what is wrong at the bidding of the South or the North."

Lee's account of the interview with Francis P. Blair in which he was offered and declined the command of the United States Army, is well known.

In this account he said: "I never intimated to anyone that I desired the command of the United States Army, nor did I ever have a conversation with but one gentleman, the Honorable Francis P. Blair, on the subject, which was at his invitation and, as I understood, at the instance of President Lincoln. After listening to his remarks, I declined the offer he made me to take command of the army that was to be brought into the field, stating as candidly and courteously as I could that though opposed to secession and deprecating war I could take no part in an invasion of the Southern States."

This interview occurred on April 18. Lee went immediately to tell General Scott of the proposition that had been made to him, and of his decision. Some historians are convinced that General Townsend's eyewitness account of the talk with General Scott is substantially incorrect, because it makes no mention of Lee's report on the proposition submitted by Blair. In the Townsend report, Lee is quoted as saying: "The property belonging to my children, all they possess, lies in Virginia. They will be ruined if they do not go with their State. I cannot raise my hand against my children."

Townsend said this interview took place on April 19. Lee gave the date as April 18.

Two days later Lee sent his letter of resignation to General Scott saying that "Save in the defense of my native State, I never desire again to draw my sword."

It is significant that Lee clung to the Union up to the hour of Virginia's decision to secede.

In January 1861, he wrote: "I can anticipate no greater calamity for the country than a dissolution of the Union. It would be an accumulation of all the evils we complain of, and I am willing to sacrifice everything but honor for its preservation. * * * Secession is nothing but revolution."

I think we have to consider that Lee had a profound regard for the sovereignty and rights of the States, as expressed by Jefferson and opposed by the Hamiltonian theory. Lee's father had served as Governor of Virginia. Two of his kinsmen, Richard and Francis Lee, signed the Declaration of Independence. A third, Thomas Lee, was President and Commander in Chief of Virginia. The Constitution and the rights reserved for

the States were sacred to Lee. Lee felt that he was fighting, not for slavery, but for the preservation of all of the other constitutional powers of the States.

"I had no guide," he said, "nor had I any other object than the defense of those principles of American liberty upon which the constitutions of the several States were originally founded; and unless they are strictly observed, I fear there will be an end to Republican Government in this country. * * *"

Again he declares, "All that the South has ever desired was that the Union, as established by our forefathers, should be preserved, and that the Government as originally organized should be administered in purity and truth."

Then followed the four years of brilliant campaigns that proved him one of the greatest strategists of all time—four years of privation with an ill-clad and hungry army—a heart-breaking struggle ending at Appomattox. "A Caesar without his ambition; a Frederick without his tyranny; a Napoleon without his selfishness; and a Washington without his reward."

It is recorded that no general was more greatly beloved by his men.

In all the storm of criticism toward the close of the War, Lee steadfastly declined to "assume responsibilities or make decisions that were properly those of President Davis or other civil authorities."

If Lee was great in battle, he was grand in defeat. In all of his career, Lee had been resolute and forward-looking in every deed and decision. Now he called upon the people of the South to unite in the restoration of the country and the re-establishment of peace and harmony. For himself all he desired was "some little quiet home in the woods, where I can procure shelter and my daily bread, if permitted by the victor."

He considered himself a citizen of a united country, although his plea for amnesty was never formally granted. He turned a deaf ear to all offers by commercial enterprises for use of his name, declaring: "My name is not for sale."

In August 1865, he accepted the Presidency of Washington College—a school with 40 students and four professors. The college prospered during the 5 years of Lee's tenure. Lee seemed to relish this, saying:

"For my own part, I much enjoy the charms of civil life and find too late that I have wasted the best part of my existence."

Here ended the career of Robert E. Lee. He died on October 12, 1870. He was buried at Lexington in a chapel erected by his efforts.

Lee regarded his life as a failure. Shortly before his death he wrote:

"Life is indeed gliding away and I have nothing of good to show for mine that is past. I pray I may be spared to accomplish something for the benefit of mankind and the honor of God."

It is singular to note that Bradford, a distinguished historian, agrees that Lee's life will always be regarded as a record of failure. He says that success is the idol of the world and the world's idols have been successful.

From Lee's pen we have his assertion that "human virtue should be equal to human calamity." From his own life we have proof that this can be true.

Only recently William Faulkner observed that we are all failures to the extent that we can never achieve all we have hoped to achieve.

And on this subject of failure, let me quote from the great jurist, Learned Hand:

"By some happy fortuity man is a projector, a designer, a builder, a craftsman; it is among his most dependable joys to impose upon the flux that passes before him some mark of himself, aware though he always must be of the odds against him.

"His reward is not so much in the work as in its making; not so much in the prize as in the race. We may win when we lose, if we have done what we can; for by so doing we have made real at least some part of that finished product in whose fabrication we are most concerned—ourselves."

Robert E. Lee a failure. If so, let me say again that he was history's most magnificent failure.

When we think of the influence that he has had down through the years on the people of his own generation and on those who came after him, not only in Virginia, not only throughout the South, but all over this Nation, what more could one have done toward succeeding?

I mentioned above that the historian Bradford considered Lee a failure. Yet it is my understanding that even the study of Lee had a tremendous influence upon Bradford. I have been told that he started his work on the subject, "Lee, the Rebel"; that as he studied Lee's direction of the armed forces of the Confederacy he changed his title to "Lee, the Soldier"; that as he studied Lee's life and influence and his personal conduct following the end of the war he ended up with the title under which his book is published: "Lee, the American."

It is interesting to note the closing paragraph of Bradford's appendix to "Lee, the American."

"It is an advantage to have a subject like Lee that one cannot help loving. I say, cannot help. The language of some of his adorers tends at first to breed a feeling contrary to love. Persist and make your way through this and you will find a human being as lovable as any that ever lived. At least I have. I have loved him, and I may say that his influence upon my own life, though I came to him late, has been as deep and as inspiring as any I have ever known. If I convey but a little of that influence to others who will feel it as I have, I shall be more than satisfied."

Robert E. Lee will ever live in the hearts of Americans everywhere as a great American.

Tax on Gasoline Used by Farmers

EXTENSION OF REMARKS
OF
HON. WILLIAM G. BRAY
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 19, 1956

Mr. BRAY. Mr. Speaker, I have introduced a bill to refund the 2-cents-a-gallon tax on gasoline used by farmers for nonhighway use. This tax is an unnecessary and unwarranted burden on the farmers of this Nation.

Farmers should be expected to pay the same taxes as others on the gasoline and lubricating oil they use to travel public roads and streets. There is little justification, however, for extracting this tax from them for gasoline and oil used to power the vehicles and instruments of modern farm production. This tax is a significant item to many farmers, and should have been set aside long ago. It is all the more worthy at this time when so many farmers are caught in the squeeze between higher costs of production and lower prices for their products.

Other Congressmen have introduced legislation for this purpose, and the Ways and Means Committee is presently considering the subject. I trust a bill to exempt farmers from payment of this tax on gasoline purchased for nonhighway use will be approved by the committee in the very near future, and will be passed by a resounding majority.

The Merchant Marine

EXTENSION OF REMARKS
OF
HON. FRANCIS E. DORN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 19, 1956

Mr. DORN of New York. Recently all New York City newspapers gave prominence to a roundup story showing that a total of 132 big ships had made their maiden visit to the world's largest port during 1955.

New York is my home port, and port officials there were greatly gratified to learn that such a great flotilla of fine vessels had passed the Statute of Liberty for the first time and docked at the city's piers carrying passengers and cargo from all over the world. It was good news, indeed, for everyone except those of us in Congress who hold the interests of the American merchant marine to be one of our paramount considerations

As a member of the House Merchant Marine and Fisheries Committee I read these stories with keen disappointment. For, out of the grand total of 132 ships making their initial visit to New York, only 6 flew the American flag. Twenty-two times that number carried foreign flags. This is distressing news, indeed, for anyone holding the firm conviction that the American merchant marine is not only vital to our whole economy, but to our very security as a Nation.

The American Legion and Veterans of Foreign Wars at their last annual conventions again emphatically stressed the necessity of a strong American merchant marine as a vital defense factor. These veterans' organizations realize, probably more deeply than anyone else, the hard fact that it was the American merchant marine that made it possible to fight and win two great World Wars on the enemy's territory instead of fighting it out here on our own. It was this offensive defensive which paid off so brilliantly, and it was our own merchant marine which made it possible.

But the figures I have cited on new-vessel arrivals in my own home port are a dramatic warning. We are letting our merchant marine, the most powerful defense corollary of our Armed Forces, decline. It will decline even more rapidly unless Congress meets head-on a new threat whose ominous proportions at last are made clear. I speak of the oncoming attempt by foreign-flag steamship lines, with the direct assistance of their governments, to break down the historic 50–50 law whereby American ships are carrying half of the relief cargoes we are sending to those very countries. These cargoes are financed by the American taxpayer. Because of this, you would naturally think that our foreign marine competitors would

accept the fair and just principle that Americans just be given an even break with their own. But no. Apparently they want to transport it all. If this strikes a paralyzing blow at our merchant marine, well, so what?

The exposure of this calculated plot was fully revealed just the other day by Francis T. Greene, president of the American Merchant Marine Institute. Appearing before the National Security Commission of the American Legion here in Washington on January 18, Mr. Green charged that there is a collective conspiracy by powerful foreign steamship groups to pressure Congress into emasculating one of its laws, "to the detriment of our national security and the security of the free world."

President Greene told the Legion Security Commission that the law the foreign shipping interests sought to break down is the statute which the Legion has strongly supported for years, guaranteeing that 50 percent of the cargoes for foreign relief and paid for by American taxpayers, must be carried in American ships.

It is due largely to the vision and support of the Legion that Congress each year has assured the American people that their own merchant marine shall be used to transport a fair half of these cargoes—

Mr. Greene said.

The hope of this conspiracy by foreign steamship lines is to mislead the American farmer and the American people into the belief that the fair and equitable 50–50 law is blocking surplus agricultural disposal—

The shipping official told the Legion. He continued:

Thus, the foreign shipping associates, by arousing the fears of American agriculture, hope to ride on the back of the American farmer and tear down the 50–50 law. These foreign shipping lobbies could never do this by themselves.

Mr. Greene charged that as early as September 1954, the principal European maritime nations represented by the Organization for European Economic Cooperation, made the pointed suggestion that their member countries, rather than abide by the 50–50 provision in American law, might prefer to take care of their agricultural requirements elsewhere.

The American shipping official cited an impressive list of collusive incidents by Scandinavian shipowners' associations in refusing to buy American agricultural products where the 50–50 law applies.

This documented record proves that the Western European shipping associations have induced their governments to raise the 50–50 issue in their own self-interest in order to put pressure on the American farmer to put pressure on our Congress to remove this essential safeguard for our own merchant marine—

Mr. Greene added.

All these attacks by foreign shipping interests on American laws violate a basic tenet of American Legion policy, which supports a strong American merchant marine as being vital to our security as a nation—

Mr. Greene testified.

The authoritative Defense Department estimate is that this country should have not fewer than 1,085 ships in the dry-cargo category alone—

Mr. Greene said.

This is greater than our entire private merchant marine today, tankers included.

Another factor impairing the efficiency of the American merchant marine as a defense auxiliary is the direct competition of the Military Sea Transportation Service with our commercial passenger fleet, Mr. Green said.

Currently, MSTS is operating 47 Government-owned passenger ships, as against 39 privately-operated liners. While this direct competition is destructive, the paramount issue is the retention of the 50–50 principle. Its emasculation or abandonment would put American exporters in general, and American farmers in particular, at the mercy of discriminatory foreign-flag rates. All Americans who produce any commodity for export need the assurance of reliable ocean transport. This can be given only by a merchant marine under American control. It is my sincere conviction that elimination of 50–50 from Government-financed sales of Government surpluses, or from any other category of public cargo to which it now applies, would, in the long run, be no less a disaster for American agriculture and industry than for American shipping, which it would severely cripple, or for our national security, which it would dangerously jeopardize.

Edward Bacon Wilber

EXTENSION OF REMARKS
OF
HON. FRANK T. BOW
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Thursday, January 19, 1956

Mr. BOW. Mr. Speaker, I am certain many Members feel, as I do, a deep sense of loss in the passing of Edward Bacon Wilber, Deputy Assistant Secretary of State for Administration and budget officer of the State Department.

Many of us knew Ed personally. All of us admired him for his integrity, ability, and patience. We trusted his discretion and tact. I am confident that this feeling was shared by members of both parties. It was the feeling all of us have for a truly outstanding public servant.

Edward Bacon Wilber was born in Fairport, N. Y., and graduated from Union College in 1925. He was a widely respected management consultant before he joined the Government in 1941. In addition to his work in the Department of State, he served the Bureau of the Budget for 7 years and was a consultant to the Hoover Commission.

In 1951, to show its appreciation for Mr. Wilber's unswerving devotion to our country and his outstanding accomplishments for good government, the other body adopted a resolution directing that he should "receive a salary commensurate with the service he renders to the Government as an outstanding employee of the Department of State."

Those of us whose duties required inspection trips abroad have had the pleasure of traveling with Mr. Wilber on various occasions. We profited by his extensive knowledge of State Department operations abroad, his ability to analyze the difficult problems encountered in such work, and his sincerity and energy in everything that he undertook.

I know that many Members join me in sincere condolences to Mrs. Wilber and the children, Edward, Jr., Paul and Marcia Jeanne. While there is little that we can do to ease the burden of their grief, I hope it may help them to know of the high regard in which Edward Bacon Wilber was held by all who know him in his Government career.

Remarks of Senator James H. Duff, Republican, of Pennsylvania, at Conference of Jewish Organizations, January 18, 1956, Shoreham Hotel, Washington D. C.

EXTENSION OF REMARKS
OF
HON. HUGH SCOTT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Thursday, January 19, 1956

Mr. SCOTT. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address:

It can no longer be gainsaid that the darkening clouds in the Near East are the early portents of a storm that could burst in that area with completely devastating violence.

There is every evidence that the Communists have concluded that the Near East is the soft spot that now presents the most promising opportunities for exploitation in the characteristic Communist way.

In determining how to deal with this critical situation, it is important to bear in mind that in the years intervening since the end of World War II the Communists, by methods similar to those now being employed in the Near East, have brought under their domination seven hundred million peoples and one-quarter of the whole surface of the earth, and with this, enormous material resources, including those vital to supplement the particular deficiencies which the Communist world has so far suffered from the lack of. The implication of the successful continuation of such methods is too clear to require elaboration.

It is of no avail at this late hour to cry over past spilt milk. But possibly a realization of how that milk was spilt may be instructive in dealing with the present constantly mounting crisis. Failure to act in 1949, when Israel had won a decisive victory against the Arab States, has resulted, as such delay always does, in making infinitely more difficult the resolution of the problem.

At that time, had treaties been definitized and a modus operandi established, there would have been no crisis today.

As might reasonably have been expected, the Communists have shifted from one tack to another in dealing with this situation, studied to create confusion, and done everything in their power to prevent a peaceful and fair solution of the difficulties in that area.

Hardly a day passes without some new move by the Communists to keep the whole situation upset and to make it increasingly difficult to deal with. Only today a dispatch out of London indicates that Czechoslovakia has offered cheap Communist arms to Afghanistan, an immensely important spot on

the flank of the Baghdad Pact Defense Alliance. Other moves of the same character can with assurance be expected. All of which indicates that this vitally critical area to the free world has been selected by the Communists for the embarrassment of the West and the continuous further march of the communistic infiltration and expansion.

This complicated and aggravated situation in the Near East, especially between Israel and Egypt, poses the greatest possible threat to world peace. Too little and too late is a sure invitation to Communist aggression as was proven both in Korea and in Indo-China.

Formosa is not the only place where it was necessary for the free world to draw a line and say: "No further."

It was always the dream of Imperialist Russia under the czars to extend the domain of Russia eastward to the Pacific—a dream realized under the Communists. It was as well the dream of Imperialist Russia to extend their domain from the Mediterranean and the Dardanelles eastward to the Persian Gulf. There is every reason to believe that the intention of the Communists to realize this second ambition is as definite as was the first. There can be no doubt that the free world cannot possibly permit this expansion to be realized. And yet the Israel-Arab dispute is on the very doorstep of that expansion.

Consequently it would seem that it was in the enlightened self-interest of the free world to put a period to this expansion now before it expands beyond control so as to threaten the peace of the world.

The policy of the United States is to wage peace, not war. The policy of the Communists is to wage war, and not peace. The sure way to play into their hands, to make it easier for them to gain their ends, is to vacillate at a time when decisive action is necessary and it seems to me that this is the time for decisive action in the Near East. Certainly that problem will not be settled in the United Nations. It will not be settled at all except by the definite and united action of the United States, Britain, and France. That was true in 1949. It is true today. It will continue to be true until the situation develops into a crisis that may be unresolvable except by conflict. That conflict must be prevented.

Speaking as an individual, the only practical solution for this problem is for the free world to guarantee the existing borders between the disputants, to offset arms to Egypt by arms to Israel—not to encourage an arms race but to maintain a proper balance between them.

Vacillation can only result in ultimate disaster. Decisive action now is the answer.

To the answer that this is dangerous procedure, the reply is: Of course, it is dangerous. Everything is dangerous unless the Communists are permitted to have their own free way. To guarantee these boundaries at this time instead of allowing the Communist infiltration and expansion might very well be the means of preventing another local war of enormous strategic importance where ultimately we would be compelled to interfere. Therefore, the risk would be no greater now than later and it very reasonably might be expected to stabilize a situation that would otherwise be completely out of hand.

By the very nature of current events, it must be clear that we are living in a tremendously dangerous and explosive world. And it will continue to be dangerous and explosive until the Communists are made to understand unmistakably that the time has come when we will act and not talk when they continue in a course that unimpeded can lead to disaster both to us and free people everywhere.

In conclusion, the time has come when we've got to say to the Communists: "You've got to stop this and you've got to stop it now."

Fifth Anniversary of Imprisonment of Archbishop Beran

EXTENSION OF REMARKS
OF
HON. KENNETH B. KEATING
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 19, 1956

Mr. KEATING. Mr. Speaker, the one thing above all else the Communists fear is the spread of truth behind the Iron Curtain. Their entire system is based upon the suppression of information from the outside world and stifling of opinion and thought within their tyrannical empire.

Recognition of this situation makes it doubly important that we pause today to consider that next Saturday marks the 5th anniversary of the imprisonment by the Communists of Archbishop Joseph Beran, Archbishop of Prague.

Archbishop Beran is one of the great churchmen of Europe, widely loved within and without the Catholic Church. Even in absentia, his spirit is a strong factor in the will of his countrymen to be free. He stands today—wherever he may be—as a symbol to the people of Czechoslovakia of their desire to rid themselves of the infamous Soviet rule which has temporarily rubbed out their proud heritage of liberty and freedom.

The Archbishop of Prague is but one of many noble men who have lost their freedom in service to their church in recent years. Cardinal Tien in China, Cardinal Wyszyski in Poland, Cardinal Stepinac in Yugoslavia, and Cardinal Mindszenty in Hungary are others who have suffered cruel imprisonment under the Soviets.

Mr. Speaker, the free world, by its stony silence, is sealing the fate of Archbishop Beran and his gallant churchmen. Does the fact that these innocent men are still suffering amidst the apathy of the rest of the world mean that we have given them up for lost? Does it mean that we are insensible to the crimes which have been perpetrated against them?

No, Mr. Speaker; we have not forgotten them. But we must intensify our efforts to set them free. Through the Voice of America and Radio Free Europe we must demand an end to the terror behind the Iron Curtain. By raising our voices in protest, we not only bring hope to those imprisoned under Soviet rule, but we also make sure that the entire world is informed of the true facts of religious persecution in the lands where the Red hordes have taken over.

As we pause today in sober commemoration of Archbishop Beran's tragic removal from Prague, let us reaffirm our opposition to the godless evil which has brought so much misery and suffering upon the world. We in the United States, as the world's great disciples of freedom, cannot in good conscience continue to pursue our present disinterested course. We must renew our demands that Archbishop Beran and others who are suffering a similar fate are given the freedom to which all men are entitled.

Psychiatric and Narcotic Hospitals a Federal-State Partnership

EXTENSION OF REMARKS
OF
HON. IRWIN D. DAVIDSON
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 19, 1956

Mr. DAVIDSON. Mr. Speaker, I should like to speak today in support of my bill H. R. 7838, which I introduced in the first session of this Congress. This bill would amend the Hospital Survey and Construction Act to provide grants of Federal aid to States for surveying and meeting the needs for psychiatric hospitals and auxiliary facilities and for narcotics hospitals and auxiliary facilities. There can be little doubt as to the crying need for action in these areas of concern for public health.

Nor can there be any doubt that under the provisions of the so-called Hill-Burton Act great strides forward have been made to alleviate the painful shortage of general hospital facilities. From January 1948 through September 1955, 126,740 general hospital beds have been provided or are in process under the provisions of the 1946 act. The emphasis in the past has been, however, on general hospital facilities, and the time has now come for specific attention to be given to two of our Nation's major health problems: mental illness and narcotic addiction. Both of these phases of our Nation's health have been all but neglected in the administration of the Hill-Burton Act, and it is only through a specific allocation of funds for these purposes that significant steps can and will be taken to improve the present situation.

In the field of mental illness, it has been estimated recently that 9 to 10 million Americans, 1 of every 16, are suffering from some mental or emotional disorder. On any given day, 750,000 are mentally ill in a hospital bed. In addition, some 400,000 persons suffering from mental illness should be in mental hospitals. The remaining millions, though not requiring hospitalization, are seriously handicapped in their ability to work and lead normal family and civic lives.

The fact remains clear that existing facilities are nowhere near adequate to handle the present burden. In some States, persons legally committed to mental hospitals have to wait months, sometimes years, before they can be placed. In some cases, these mentally ill persons spend this waiting period in jails, often ruining any chance they might have had for recovery.

The hospitals are extremely overcrowded. Two out of every four State mental hospitals are handling a patient load greater than their intended capacity. The need for additional hospital beds has been estimated at between 330,000 and 500,000, but even the lowest figure is a huge one. Congress, having recognized its function in the construction of general hospitals, should now provide specific aid to the States to ease

the critical shortage which now exists in the field of mental care. We must recognize the need to aid States which cannot provide or have not provided adequate facilities to care for their mentally ill.

In addition, my bill provides for surveying the needs and constructing badly needed psychiatric rehabilitation facilities. More than 200,000 persons a year are being treated at these clinics and they too are greatly overcrowded. It has been estimated that to fulfill the requirements for outpatient psychiatric services, an additional 800 centers are needed.

The effectiveness of psychiatric clinics and rehabilitation centers has already been well established. Psychiatric techniques have so advanced in recent years, that authorities in the field have estimated that as many as one-third of the patients being treated successfully in clinics would, several years ago, have been regarded as suitable only for more costly hospital treatment.

These facilities are used not only for cases which are of a less serious nature, but also function as diagnostic centers, spotting incipient mental disease and recommending treatment before it becomes drastically disabling. Furthermore, clinics provide follow-up aid for patients who have been released from mental hospitals.

We know that readmission rates to mental hospitals are very high. Although there are no adequate statistics for the total picture, studies have indicated that in my own State of New York, for example, one-third of all mental hospital entrants have been in these hospitals at least once previously. The follow-up treatment given at psychiatric clinics may well cut into this readmission rate substantially. Thus, establishment of such clinics would represent a saving in money and in human resources.

In the area of treatment and rehabilitation of narcotic addicts virtually nothing has been done under the Hill-Burton Act, and every day the scourge of narcotic addiction increases. My bill is designed to allocate funds for the specific purposes of surveying the need for narcotic hospitals and narcotic rehabilitation facilities, as well as for their construction. The narcotic problem merits the considered attention of the Congress.

At the present time, the Narcotics Bureau estimates that there are 60,000 addicts in our population; that is, 1 of every 3,000 persons. This represents an increase of 10,000 to 15,000 addicts since 1948, an increase which is frightening since the trend indicates that since the end of the war there has been an increase of narcotic use among our juveniles. In 1948, for example, approximately 3 percent of all addicts admitted to the Lexington Narcotics Hospital were under the age of 21 years and, in 1955, the figure rose to approximately 7 percent. Some form of aid must be given to help these young persons.

In addition to the problems caused by the use of narcotics by these minors, there is the testimony of many authorities that addicts, to support their habit, must resort to crime. It has been previously estimated that as much as 50 percent of the crime in our major cities today is perpetrated by drug addicts.

Commissioner Anslinger has stated that 11.8 percent of the total Federal prison population in this Nation are persons convicted of violations of the Federal narcotics and marihuana laws. He further cited a city in this Nation where there was heavy traffic in narcotics and a 600 percent increase in the number of housebreakings, armed robberies, and larceny. The Commissioner reported that when narcotics agents cracked down on the drug traffic, the crime rate dropped to its normal level.

The tragedy of the situation is simple: All efforts have been and are being directed at the flow of narcotics to the user, and few forward strides have been made in the cure of the addict who is captured or voluntarily comes forward for cure.

It is generally recognized that it is impossible to defeat addiction outside of institutions specifically and specially staffed and equipped to effect a proper cure. At the present time, there are only two hospitals in the United States specifically equipped to supply a comprehensive treatment to addicts. They are the Federal institutions at Lexington and Fort Worth. The combined facilities of these 2 hospitals is a mere 2,340 beds, a pitifully inadequate figure. There is a waiting list at present of over 500 applicants.

The shortage of facilities must be overcome. To do the job intelligently, however, it is necessary first to determine the specific needs of specific localities. For this purpose, my bill authorizes that funds be appropriated for a survey to inventory existing facilities for the diagnosis, treatment, and care of addicts, to determine the need for construction of facilities for such diagnosis, treatment, and care, and to develop programs for the construction of such facilities.

Perhaps the most important feature of my bill is its concern with the construction of rehabilitation facilities to aid users of narcotics who are not as yet addicted, to counsel addicts to prepare them to accept the benefits to be derived from hospitalization, and, finally, to provide aftercare to addicts who have been released from narcotics hospitals so that they may once again take their place in society.

This latter phase is one which is receiving growing recognition. Commissioner Anslinger recently testified before the subcommittee investigating this problem that "aftercare is probably one of the most promising phases of rehabilitation." Aftercare in clinics would help the addict adjust psychologically to withdrawal of drugs after he had been relieved of physiological dependence on them.

Too many addicts, who have been treated at the hospitals, return to the same environment from which they came and, unable to find work, or acceptance by a new social group, they return to their addiction. This is considered a strong factor in the large proportion of addicts, estimated at 85 percent, who return to their addiction after release from the Federal narcotics hospitals.

With clinics and rehabilitation centers which could provide psychological counseling, and which could mobilize community employment and recreation resources, we might be able not only to cure the addict, but to keep him cured. Only a small number of such rehabilitation centers exist. They are of recent origin and are located in New York, Chicago, and Los Angeles. Although they are able to handle only a small number of cases, their indicated progress is heartening. I feel that Congress should provide aid to the States in establishing more of such facilities.

I wish also to report, Mr. Speaker, that I have requested the opinions of State public-health officials, and of public-health groups throughout the Nation on the bill I have introduced. The response has been exceptionally gratifying, not only in terms of the number of replies, but much more important, in terms of the enthusiasm displayed for the legislation. I shall present all of these communications to the Committee on Interstate and Foreign Commerce when hearings are held on the bill.

In closing, Mr. Speaker, may I say that this bill, H. R. 7838, represents an application of a well-established principle, Federal aid to State health activities, in two crucial areas of national concern. I hope that consideration of the magnitude of the mental health and narcotic addiction problems will cause the legislature to pass this bill.

Markings on Social Security Checks Sent Through the Mails

EXTENSION OF REMARKS

OF

HON. DANIEL J. FLOOD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 19, 1956

Mr. FLOOD. Mr. Speaker, today I introduced a bill in the House of Representatives that would amend title II of the Social Security Act to provide that benefit checks and certain related materials sent through the mails shall not bear any markings which would reveal the nature of the recipient's entitlement or disentitlement to benefits under the act, such as, for example, unremarried widow.

My bill would provide that no check drawn in payment of any benefit under title II of the SSA, and no envelope or other outer covering for any such check, or for any other statement or document relating to an individual's eligibility for any such benefit, which is sent through the mails, shall bear any markings or devices which might disclose any information with respect to such individual's status under title II, or to the nature of his or her entitlement or disentitlement to benefits under title II.

Mr. Speaker, I have received numerous complaints from constituents on this problem.

After all, communications between the department of social security and an individual should not be for the information of outsiders; it sometimes causes needless personal embarrassment.

The Late Dr. Will W. Alexander

EXTENSION OF REMARKS
OF
HON. CARL T. DURHAM
OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 19, 1956

Mr. DURHAM. Mr. Speaker, under leave to extend my remarks in the RECORD, I should like to express my regret in the passing of Dr. Will W. Alexander, who died from a heart ailment in my home town of Chapel Hill last Friday.

Dr. Alexander had been in failing health for the past 4 months but until recently he carried on his duties with the Rosenwald Foundation.

Will Alexander lived a full and rewarding life and served in many posts of distinction in his long public career. Ordained as a minister, he served churches in Tennessee before leaving the ministry to become executive director of the Commission on Inter-racial Cooperation in Atlanta. He was president of 1 college and trustee of 5 colleges. An assistant director of the United States Resettlement Administration and vice president of the Rosenwald Foundation, he labored faithfully to improve living conditions for many groups, particularly in the South. Under the late President Franklin D. Roosevelt, Dr. Alexander served as Director of the Farm Security Administration.

Known nationally as a race relations authority, Dr. Alexander was awarded in 1928 the Harmon award for service in American race relations.

On retirement, Dr. Alexander moved to Durham County in my district, and bought a farm. He had many friends and admirers in the university community of Chapel Hill, and his counsel and advice were often sought. He will be greatly missed throughout the South and the Nation, and I am sure many Members of the House who knew him and know of his work and influence will regret the ending of a useful life devoted to the public good.

SENATE

FRIDAY, JANUARY 20, 1956

(Legislative day of Monday, January 16, 1956)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, who hast ordained that in trial we shall find our strength and that our faith must stand the test of fire: Give us this day a sense of Thy nearness; take Thou the dimness of our souls away.

In these turbulent days be Thou our strength and shield. Make those here, by the people trusted with the very life of the Nation, to be truly the ministering servants of Thy will and purpose in the temple of patriotism pure and undefiled. Forbid that for any partisan advantage the precious oil of national unity be spilled upon the ground to ignite selfish fires. May it rather still feed the flame of liberty's torch as it enlightens the whole world. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. CLEMENTS, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, January 19, 1956, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed the joint resolution (S. J. Res. 12) to request the Secretary of State to arrange for the International Joint Commission, United States and Canada, to conduct a survey of the proposed Passamaquoddy tidal power project, and for other purposes, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the bill (H. R. 5649) to amend section 2254 of title 28 of the United States Code in reference to applications for writs of habeas corpus by persons in custody pursuant to the judgment of a State court, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H. R. 5649) to amend section 2254 of title 28 of the United States Code in reference to applications for writs of habeas corpus by persons in custody pursuant to the judgment of a State court, was read twice by its title and referred to the Committee on the Judiciary.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. CLEMENTS. Mr. President, I ask unanimous consent that there may be the usual morning hour for the presentation of petitions and memorials, the introduction of bills, and the transaction of routine business, and that any statement made in connection therewith be limited to 2 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

AUTHORIZATION FOR CERTAIN CONSTRUCTION AT MILITARY INSTALLATIONS

A letter from the Director, Legislative Programs, Department of Defense, transmitting a draft of proposed legislation to authorize certain construction at military installations, and for other purposes (with an accompanying paper); to the Committee on Armed Services.

CANCELLATION OF CERTAIN DEBTS DUE THE UNITED STATES BY INDIVIDUALS AND TRIBES OF INDIANS

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, a copy of an order canceling certain charges existing as debts due the United States by individual Indians and tribes of Indians (with accompanying papers); to the Committee on Interior and Insular Affairs.

REPORT OF SECRETARY OF COMMERCE

A letter from the Secretary of Commerce, transmitting, pursuant to law, his annual report for the fiscal year ended June 30, 1955 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

REPORT ON BACKLOG OF PENDING APPLICATIONS AND HEARING CASES, FEDERAL COMMUNICATIONS COMMISSION

A letter from the Chairman, Federal Communications Commission, Washington, D. C., transmitting pursuant to law, a report on backlog of pending applications and hearing cases in that Commission, as of November 30, 1955 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

REPORT ON TORT CLAIMS PAID BY STATE DEPARTMENT

A letter from the Secretary of State, reporting, pursuant to law, on tort claims paid by the Department of State, during the calendar year 1955; to the Committee on the Judiciary.

REPORT OF BOARD OF ACTUARIES OF CIVIL SERVICE RETIREMENT AND DISABILITY FUND

A letter from the Chairman, United States Civil Service Commission, transmitting, pursuant to law, a report of the Board of Actuaries of the Civil Service Retirement and Disability Fund, for the fiscal year ended June 30, 1954 (with an accompanying report); to the Committee on Post Office and Civil Service.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A resolution adopted by the Knights of Columbus-Our Lady of Fatima General Assembly, Fourth Degree (Patriotic), Suffolk County, N. Y., relating to a revision of the Status of Forces Agreement; to the Committee on Foreign Relations.

A resolution adopted by the League of Alaskan Cities, at Anchorage, Alaska, relating to appropriations for authorized Federal buildings and post offices; to the Committee on Appropriations.

A resolution adopted by the League of Alaskan Cities, at Anchorage, Alaska, favoring the enactment of legislation to provide Federal insurance of municipal bonds; to the Committee on Banking and Currency.

A resolution adopted by the League of Alaskan Cities, at Anchorage, Alaska, relating to payment in lieu of taxes on Federal property, the transfer of tidelands to the Territory of Alaska, and appropriations for Alaska public works; to the Committee on Interior and Insular Affairs.

Five resolutions adopted by the League of Alaskan Cities, at Anchorage, Alaska, relating to the construction of public works in the Territory of Alaska; to the Committee on Public Works.

IMPOSITION OF QUOTAS ON IMPORTED TEXTILE SHIPMENTS—CONCURRENT RESOLUTION OF SOUTH CAROLINA LEGISLATURE

Mr. THURMOND. Mr. President, I ask unanimous consent to have printed in the RECORD, and appropriately referred, a concurrent resolution of the Legislature of South Carolina, memorializing Congress to issue a directive to the Secretary of Agriculture requiring him to impose quotas on textile shipments from Japan to the United States and other foreign countries.

There being no objection, the concurrent resolution was referred to the Committee on Agriculture and Forestry, and, under the rule, ordered to be printed in the RECORD, as follows:

Concurrent resolution memorializing Congress to issue a directive to the Secretary of Agriculture requiring him to impose quotas on textile shipments to the United States from Japan and other foreign countries

Whereas the General Assembly of South Carolina is greatly concerned over the alarming number of cheap-labor goods and garments being shipped into this country from Japan and other foreign countries; and

Whereas the importation of these cheap-labor goods and garments is threatening the textile industry and the economy of this and other States: Now, therefore, be it

Resolved by the house of representatives (the senate concurring), That Congress be memorialized to issue a directive to the Secretary of Agriculture requiring him to use the authority he possesses under section 22 of the Agricultural Adjustment Act to impose quotas on textile and apparel shipments to the United States from Japan and other foreign countries; be it further

Resolved, That copies of this resolution be forwarded to the President of the United States, to each United States Senator from South Carolina, each Member of the House of Representatives of Congress from South Carolina, the Senate of the United States and the House of Representatives of the United States.

Mr. THURMOND. Mr. President, with regard to the concurrent resolution, I should like to say that 75 percent of the persons employed in industry in South Carolina are employed in the textile industry, and that the textile industry pays 80 percent of the industrial wages paid to persons in our State. We are very fearful that unless quotas are applied, as requested in the concurrent resolution, the position of the textile industry, not only in South Carolina but in the entire United States, will be jeopardized. We are very hopeful that the Secretary of Agriculture will take favorable and appropriate action, as has been asked heretofore and is requested in the concurrent resolution adopted by the Legislature of South Carolina.

IMPOSITION OF QUOTAS ON IMPORTED TEXTILE SHIPMENTS—CONCURRENT RESOLUTION OF SOUTH CAROLINA LEGISLATURE

Mr. JOHNSTON of South Carolina. Mr. President, I present, for appropriate reference, a concurrent resolution, authored by two distinguished South Carolina legislators, which has been adopted by the South Carolina House of Representatives and Senate, which memorializes the Congress to issue a directive to the Secretary of Agriculture requiring him to impose quotas on textile shipments to the United States from Japan and other foreign countries.

I should like to call to the attention of the Senate that last July I appealed to the President and to the Department of Agriculture to render aid to our textile workers and industry by putting to use section 22 of the Agriculture Adjustment Act, which empowers the President to apply textile import quotas when foreign imports threaten the existence of our cotton and textile industries.

Many months passed and no help or sympathy from this administration was forthcoming. Shortly after this session of Congress convened, the American Cotton Manufacturers Institute forwarded to Mr. Benson a petition seeking aid under this section of the law. I followed up this petition with an appeal to Mr. Benson, to give his careful consideration and sympathetic action to this petition. Only yesterday I received notice from the Department of Agriculture that it was instituting an investigation into the textile imports problem. It is gratifying that the administration has at long last recognized that a problem does exist. I sincerely hope that Mr. Benson will see the light and will recommend Presidential action before it is too late to save our textile industry.

There being no objection, the concurrent resolution was referred to the Committee on Agriculture and Forestry, and, under the rule, ordered to be printed in the RECORD, as follows:

Concurrent resolution memorializing Congress to issue a directive to the Secretary of Agriculture requiring him to impose quotas on textile shipments to the United States from Japan and other foreign countries

Whereas the General Assembly of South Carolina is greatly concerned over the alarming number of cheap-labor goods and garments being shipped into this country from Japan and other foreign countries; and

Whereas the importation of these cheap-labor goods and garments is threatening the textile industry and the economy of this and other States: Now, therefore, be it

Resolved by the house of representatives (the senate concurring), That Congress be memorialized to issue a directive to the Secretary of Agriculture requiring him to use the authority he possesses under section 22 of the Agricultural Adjustment Act to impose quotas on textile and apparel shipments to the United States from Japan and other foreign countries; be it further

Resolved, That copies of this resolution be forwarded to the President of the United States, to each United States Senator from South Carolina, each Member of the House of Representatives of Congress from South Carolina, the Senate of the United States, and the House of Representatives of the United States.

RACE RELATIONS IN THE UNITED STATES—RESOLUTION

Mr. LEHMAN. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the White Plains Ministerial Association, of White Plains, N. Y.

This resolution presents a fine and temperate analysis of the serious questions which now confront us in regard to civil rights. This association includes members from many denominations. Therefore, I would like to include not only the resolution itself, but the names of the men who formulated this resolution.

There being no objection, the resolution and list of members were ordered to be printed in the RECORD, as follows:

THE CHURCH IN THE HIGHLANDS,
White Plains, N. Y., December 19, 1955.

Senator HERBERT LEHMAN,
Senate Office Building,
Washington, D. C.

DEAR SENATOR LEHMAN: The following resolution of the White Plains Ministerial Association, White Plains, N. Y., is herewith presented for your consideration:

"The White Plains Ministerial Association, at a special meeting held on December 15, 1955, wishes to affirm its deep distress at the present situation of acute tension over policies with regard to race relations in the United States. We are sorely grieved at the chain of tragic events produced by this tension, such as the killing of Emmett Louis Till on August 29, and the murders of Rev. George W. Lee on May 7 and Lamar Smith on August 13 because they refused to give up their right to vote. The continuation of such acts of violence against persons and property, and the attempted intimidation of the Negro race have produced anguish not only among their victims but among good Americans everywhere, including many of their relatives and friends in our own city of White Plains, some of whom have brought the extremity of the situation to our attention.

"We appreciate the difficulties involved in the present situation, particularly as questions of school integration, fair employment, and the right to vote on the part of the Negroes come face to face with long established social traditions in certain sections of the country, but we deplore any resort to threat and violence, and pray that these questions may be faced in the spirit of conciliation and good will.

"We would especially commend many civic and religious leaders and groups of the South for their courageous stand in behalf of better relations between the races, and express our sincere hope that southern citizens themselves will increasingly lead the way to sanity and balance in this issue of such crucial importance to us all, nationally and internationally.

"We extend to those who have suffered and are suffering our deep concern and compassion.

"We respectfully and earnestly call upon the executive branch of the Federal Government and its Justice Department to take

whatever steps are necessary to insure the protection of all our citizens from mob rule and violence, and the impartial prosecution of offenders against the spirit of American justice.

"We humbly acknowledge that violations of human rights are not confined to any one section of the country. They place upon us all the obligation to repent and devote ourselves afresh to the attainment of just and righteous relations among all the peoples of our Nation."

On behalf of the White Plains Ministerial Association, I remain,

Respectfully yours,

NEHEMIAH BOYNTON III,
Secretary-Treasurer.

The following are the members of the White Plains Ministerial Association who have approved the foregoing resolution and authorized the use of their signatures to it:

Rev. Norman Andre, Trinity Lutheran Church, 188 Orawaupum Street.

Mr. Fred R. Bentley, Y. M. C. A., 250 Mamaroneck Avenue.

Dr. James A. Davidson, First Baptist Church, 79 Maple Avenue.

Dr. Arthur W. Evans, Chatterton Hill Church, Chatterton Avenue.

Rev. C. Ronald Garmey, St. Bartholomew's Church, 82 Prospect Street.

Rabbi Max Gelb, Temple Israel Center, Old Mamaroneck Road.

Rabbi Murray Grauer, Hebrew Institute of White Plains, 20 Greenridge Avenue.

Rev. Ralph W. Gullette, Mount Hope A. M. E. Zion Church, 99 Main Street.

Capt. Edward M. Allen, Salvation Army, 13 Orawaupum Street.

Rev. Robert W. Putsch, Ridgeview Congregational Church, Ridgeview Avenue.

Dr. Emanuele Santi, Castle Heights Methodist Church, 1 North Church Street.

Rabbi David Greenberg, Westchester Reform Temple, 1 Jane Street, Hartsdale.

Rabbi Lawrence Schwartz, Rabbi Kenneth Stein, Jewish Community Center, 252 Soundview Avenue.

Dr. Walter L. Scranton, Rev. William Marlowe, Memorial Methodist Church, 273 Main Street.

Rev. Thomas H. Slater, Bethel Baptist Church, 1 Fisher Avenue.

Dr. Arthur S. Wheelock, Rev. Nehemiah Boynton III, Church in the Highlands, Bryant and Longview Avenues.

Rev. William T. Young, Calvary Baptist Church, 120 Brookfield Street.

Rev. Wilfred Boughton, St. Martha's Episcopal Church, Edgepark Road.

RESOLUTION OF SHEYENNE VALLEY ELECTRIC COOPERATIVE, INC.

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the Sheyenne Valley Electric Cooperative, Inc., of Finley, N. Dak.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas our Senators from North Dakota, both Senator BILL LANGER and Senator MILTON YOUNG, have continuously supported favorable legislation for rural electrification in the past; and

Whereas it is very important to the Sheyenne Valley Electric Cooperative's existence that these two Senators continue to support this type of legislation; and

Whereas these two able, honest men have been and will, from past record, continue to support the rural electrification members of North Dakota: Now, therefore, be it

Resolved, That we, the board of directors of Sheyenne Valley Electric Cooperative, Inc., Finley, N. Dak., express our gratitude and thanks to these two great Senators who have unselfishly given their all for the rural and urban people of North Dakota.

Respectfully submitted.

SHEYENNE VALLEY ELECTRIC COOPERATIVE, INC.,
JULIUS ANDERSON,
President, Board of Directors.

HYDROELECTRICAL PLANT AT GARRISON DAM, N. DAK.—RESOLUTION

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD resolutions adopted by the State Water Conservation Commission in the State of North Dakota, together with letters to me transmitting the same.

There being no objection, the letters and resolutions were ordered to be printed in the RECORD, as follows:

STATE WATER CONSERVATION COMMISSION,
Bismarck, N. Dak., September 30, 1955.

Hon. WILLIAM LANGER,
United States Senator,
Washington, D. C.

DEAR SENATOR LANGER: Enclosed herein is a resolution passed by the members of the North Dakota State Water Conservation Commission at their regular meeting held on September 23, 1955. The resolution pertains to the completion of the hydroelectric plant at the Garrison Dam located near Riverdale, N. Dak. It requests that the remaining two units of the powerplant be installed as soon as practicable.

Your kind consideration of this resolution will be greatly appreciated by the people of North Dakota and the other States that are benefited through this project.

Sincerely yours,

STATE WATER CONSERVATION COMMISSION,
MILO W. HOISVEEN,
Chief Engineer, State Engineer.

RESOLUTION OF NORTH DAKOTA STATE WATER CONSERVATION COMMISSION REQUESTING AND URGING THE EARLY COMPLETION OF THE MAXIMUM POWER FACILITIES AT THE GARRISON DAM

Whereas the huge multipurpose Garrison Dam and reservoir project on the Missouri River in North Dakota is now entering the final stages of construction; and

Whereas the project includes a hydroelectric plant designed to accommodate 5 power-generating units of 80,000 kilowatts capacity each, of which 3 are planned for initial installation in the next year, the remaining 2 units to be installed as and when increased power demand may require and budgetary provision therefor has been made; and

Whereas the 1st session of the 84th Congress again affirmed the position of previous Congresses—that the Garrison Reservoir was authorized to be constructed and operated at a maximum normal pool elevation of 1,850 feet, mean sea level—and directed that it be completed to operate at that height in order that the maximum benefits for which it was authorized may be obtained from the project; and

Whereas statements and testimony of qualified witnesses appearing before committees of Congress have agreed that there is a rapidly developing need for additional power capacity to meet an increased demand for power production in the Missouri River Basin, and they have urged that such need and demand be first met by the early installation of the two final authorized power-generating units in the Garrison Dam powerplant, where room for them has been provided, and where an adequate water supply for their operation will soon become available with an 1,850-foot operating reservoir level; and

Whereas it further appears from hearings before committees of the current Congress that the Bureau of the Budget has anticipated such additional power need and has indicated that extra power units could be installed faster and cheaper in the powerplant at the Garrison Dam, where space therefor has been provided, than at another point in the basin where a second powerplant would have to be built: Now, therefore, be it

Resolved by the North Dakota State Water Conservation Commission, in regular meeting held in the State capitol, Bismarck, N. Dak., August 23, 1955, That the United States Army Corps of Engineers, the Assistant Secretary of Interior for Water and Power, and the Bureau of the Budget be, and they are hereby, petitioned and urged to forthwith develop, approve, and recommend adequate estimates for the planning, designing, construction and installation of the 2 final, of a total of 5, authorized 80,000-kilowatt power units in the Garrison Dam powerplant, and the North Dakota Members in Congress are hereby respectfully requested to do everything possible to obtain such estimates and to vigorously support their approval in the next session of Congress; and be it further

Resolved, That copies hereof be mailed to the President, the Assistant Secretary of the Interior for Water and Power, the Chief of Engineers, the Director of Bureau of the Budget, Senators WILLIAM LANGER and MILTON R. YOUNG, and Representatives USHER L. BURDICK and OTTO KRUEGER, all of Washington, D. C.

STATE WATER CONSERVATION COMMISSION,
Bismarck, N. Dak., September 30, 1955.

Hon. WILLIAM LANGER,
United States Senator,
Senate Office Building,
Washington, D. C.

DEAR SENATOR LANGER: Enclosed herein is a copy of a resolution passed by the members of the North Dakota State Water Conservation Commission at their regular meeting held on September 23, 1955. The resolution pertains to the excellent and sympathetic manner in which this committee conducted hearings in Devils Lake on September 20 and 21, 1955. All those present were impressed by the friendly manner in which the hearings were conducted.

With the kindest regards,

Sincerely yours,

STATE WATER CONSERVATION COMMISSION,
MILO W. HOISVEEN,
Chief Engineer, State Engineer.

RESOLUTION OF NORTH DAKOTA STATE WATER CONSERVATION COMMISSION COMMENDING SUBCOMMITTEE OF HOUSE COMMITTEE ON THE JUDICIARY FOR HOLDING HEARINGS IN NORTH DAKOTA

Whereas a subcommittee of the Committee on the Judiciary, House of Representatives, 84th Congress, 1st session, composed of the Honorable Thomas J. Lane, of Massachusetts, chairman; the honorable Edwin E. Willis, of Louisiana; and the Honorable Usher L. Burdick, of North Dakota, accompanied by General Counsel Walter R. Lee, did on September 20–21, 1955, conduct hearings in Devils Lake, N. Dak., on H. R. 6421, sponsored by Congressman BURDICK, for the relief of certain individuals whose land was flooded by action of the Federal Government in the Lake Alice area in Ramsey County, N. Dak.; and

Whereas the holding of such hearings in Devils Lake was a great convenience to the claimants who wished to attend, and a substantial saving of time and money to the witnesses; and

Whereas it was developed at such hearings that the affected and contributing areas need to be further surveyed and investigated in

order to determine what measures for the future protection from recurring floods should be proposed, toward which investigational work the current Congress appropriated $10,000 to the Corps of Engineers for the initiation thereof: Now, therefore, be it

Resolved by the North Dakota State Water Conservation Commission in regular meeting assembled in the State capitol, Bismarck, N. Dak., this 23d day of September 1955, That our Congressman, the Honorable USHER L. BURDICK, be, and he is hereby, commended for inviting, and the chairman, the Honorable THOMAS J. LANE, be, and he is hereby, commended for scheduling and holding the hearings in Devils Lake, and all the members of the subcommittee are commended for the sympathetic manner in which the proceedings were conducted, for their personal interest in the plight of the claimants, and for taking time to visit flooded areas; and be it further

Resolved, That the subcommittee be, and it is hereby, requested to use its good offices to urge the Corps of Engineers to present adequate estimates, and the Bureau of the Budget to approve and recommend the same for appropriation by the next session of Congress, for the early completion of the needed and necessary surveys, investigations, and reports, already initiated, to the end that the claimants may know as soon as possible what remedial measures may be proposed for their future security from recurring damages by flooding; and be it further

Resolved, That copies hereof be mailed to the members of the subcommittee, to the North Dakota Members in Congress, and to the several individuals listed in said bill.

DEVASTATION RESULTING FROM DISASTROUS FLOODS AND OTHER NATURAL CAUSES — RESOLUTION

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the Loyal Order of Moose, together with a letter to me transmitting the same.

There being no objection, the letter and resolution were ordered to be printed in the RECORD, as follows:

SUPREME LODGE OF THE WORLD,
LOYAL ORDER OF MOOSE,
Mooseheart, Ill., October 25, 1955.

Hon. WILLIAM LANGER,
United States Senator,
Washington, D. C.

DEAR SENATOR LANGER: The attached is a copy of a resolution unanimously adopted by the Supreme Lodge of the World, Loyal Order of Moose, during our convention which was held in Philadelphia, Pa., August 26–September 1, 1955.

Your endorsement of our request will be sincerely appreciated and at the next session of Congress we trust that the suggested legislation will receive your support.

Sincerely yours,

GEORGE EUBANK,
Supreme Secretary.

RESOLUTION MEMORIALIZING THE CONGRESS OF THE UNITED STATES TO TAKE COGNIZANCE OF THE ACUTE PROBLEMS ATTENDING THE RECENT DEVASTATION RESULTING FROM DISASTROUS FLOODS AND OTHER NATURAL CAUSES IN THE NORTHEASTERN STATES AND ALONG THE ATLANTIC SEABOARD AND TO LEND SUPPORT FOR APPROPRIATE ACTION TO MAKE AVAILABLE ALL NECESSARY FUNDS TO AID THE STRICKEN AREAS, TO HAVE FLOOD CONTROL AND OTHER PREVENTIVE MEASURES OF THE FEDERAL GOVERNMENT SURVEYED, AND TO FINANCE THE CONSTRUCTION OF PROTECTIVE WORKS RECOMMENDED TO FORESTALL THE RECURRENCE OF THESE CALAMITOUS VISITATIONS UPON THE AMERICAN PEOPLE

Whereas there has been repeated recurrence of those natural phenomena in the form of hurricane tides, concentrated rainfalls and heavy snows which have caused hundreds of deaths and billions of dollars of property damage; and

Whereas the Federal Government has long recognized the need for and consistently carried out flood control and small watershed development programs, including measures to conserve precious water resources and preventive measures to safeguard our citizens and communities against the damages and dangers of disastrous floods; and

Whereas the efficacy of such programs has been forcefully demonstrated by such instances as those in the Connecticut River Basin where the construction of a single reservoir in the present area of concentrated rainfall is credited with having saved $11,500,000 at a cost of only $3,275,000; while the completion of small levy projects in the same locality is credited with having saved lives and an estimated $33 million of property at an approximate cost of only $20 million; and

Whereas there has been a regrettable reluctance upon the part of recent Congresses to appropriate the necessary funds required to construct recommended and authorized flood-control and watershed projects which, in the latest disastrous instances, might have resulted in the saving of hundreds of lives, the prevention of inventory and property damage and serious injury to important industrial concentrations for the production of essential defense and civilian needs: Therefore be it

Resolved, That the Congress of the United States be memorialized to take cognizance of the acute problems presented and to lend its support to secure appropriate action toward the attainment of the following goals:

1. That the Secretary of the Army, the Secretary of the Interior, and the Secretary of Agriculture instruct the Corps of Engineers, the Bureau of Reclamation and the Soil Conservation Service to undertake immediate investigations of the problems of protecting the cities and towns and other areas of the United States which have suffered recurrent damages from floods, including a study and reappraisal of reports, surveys, and recommendations that have already been prepared;

2. The authorization to construct, operate, and maintain such flood control dams and other protective devices as such investigation, study, and surveys may recommend and the States and municipalities within the affected areas shall approve and accept; and

3. Authorization to the appropriate agencies of the Federal Government to enter into agreements with the States and municipalities of interest to share the cost of construction and upkeep of such protective works; and be it further

Resolved, That the Congress urge upon the Secretaries of the Army, Department of the Interior, and the Department of Agriculture that they proceed with all expedition to complete such flood-control programs as have been recommended, approved and for which the required funds have been appropriated; and be it further

Resolved, That the Senators and Representatives in the Congress of the United States be, and they hereby are, respectively requested to urge upon Congress the expeditious passage of such legislation as may be needed to make all funds available as may be required to aid the stricken States, cities, and towns suffering from the latest flood disaster, and such additional funds as may be required to finance the protective works and other flood-control measures already recommended or which may in the future be recommended by the Corps of Engineers, the Bureau of Reclamation, and the Soil Conservation Service, approved by the Congress, and the States and municipalities of interest; and be it further

Resolved, That the supreme secretary of the Loyal Order of Moose be, and he is hereby directed to transmit copies of this resolution to the President of the Senate, the Speaker of the House of Representatives, the Secretary of the Army, the Secretary of the Interior, the Secretary of Agriculture, and to the Senators and Representatives in the Congress of the United States.

RAY V. GIBBENS,
Supreme Governor.

Attest:

GEO. EUBANK,
Supreme Secretary.

EXTENSION OF SUGAR ACT—RESOLUTION OF GARRISON DIVERSION CONSERVANCY DISTRICT, NORTH DAKOTA

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the Garrison Diversion Conservancy District, North Dakota, together with a letter to me transmitting the same.

There being no objection, the letter and resolution were ordered to be printed in the RECORD, as follows:

GARRISON DIVERSION
CONSERVANCY DISTRICT,
Bismarck, N. Dak., November 30, 1955.

Senator WILLIAM LANGER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR LANGER: Enclosed herein is a copy of a resolution passed by the board of directors of the Garrison Diversion Conservancy District on November 2, 1955, relative to the reenactment of the Sugar Act.

The board of directors of the conservancy district would appreciate having your favorable consideration of this resolution in connection with the reenactment of the Sugar Act at the coming session of Congress.

Yours very truly,

VERNON S. COOPER,
Secretary-Treasurer.

RESOLUTION, REENACTMENT OF SUGAR ACT ADOPTED BY BOARD OF DIRECTORS OF GARRISON DIVERSION CONSERVANCY DISTRICT, NORTH DAKOTA, NOVEMBER 2, 1955

Whereas the Sugar Act of 1948, as amended, will expire on December 31, 1956, and consequently its protective provisions will apply only to sugar refined from beets grown in 1955 and sold in 1956; and

Whereas reenactment of the Sugar Act, with retention of protective quota provisions, as well as provisions designed to bring about a parity price for sugar beets produced in domestic areas, is essential; and

Whereas the sugar-beet crop is a major and important crop on irrigation projects in that it furnishes a reliable cash crop badly needed on both new projects to meet high development costs and on old projects to meet the increasing expenses of irrigation farming; and

Whereas growers of sugar beets have been subjected to severe restrictions under the Sugar Act of 1948, as amended, to participate in the expanding market for sugar in this country; and

Whereas in North Dakota, it is proposed to irrigate up to 2 million acres of land under the Garrison diversion project on which land the sugar-beet crop could be an important crop and would provide new irrigation farmers with a cash crop needed to better assure the development and operation of these new irrigated farms; and

Whereas the Garrison Diversion Conservancy District was created by the North Dakota Legislature for the purpose of promoting the development of the Garrison diversion project: Now, therefore, be it

Resolved, That the board of directors of said Garrison Diversion Conservancy District hereby expresses its support of legislation which will:

1. Provide sugar quotas that will provide an opportunity for farmers on new, as well as established, irrigation projects, who desire to

add the beet-growing enterprise to their farming program.

2. Provide sugar quotas to domestic beet areas that will restore full opportunity for full production among established beet growers.

3. Provide that in sugar-quota allocations such division of the steadily increasing American market be made as will create a basis for additional sugar-processing facilities in areas adapted to beets and in which farmers indicate a desire to grow beets; be it further

Resolved, That copies of this resolution be sent to each Member of the congressional delegation from North Dakota and to the chairman of the Senate Finance Committee and the chairman of the House Committee on Agriculture.

GARRISON DAM, N. DAK.—RESOLUTIONS OF GREATER NORTH DAKOTA ASSOCIATION

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD resolutions adopted by the Greater North Dakota Association, together with letters to me transmitting the same.

There being no objection, the letters and resolutions were ordered to be printed in the RECORD, as follows:

GREATER NORTH DAKOTA ASSOCIATION,
Fargo, N. Dak., December 12, 1955.

Hon. WILLIAM LANGER,
United States Senator,
Senate Office Building,
Washington, D. C.

DEAR SENATOR LANGER: Enclosed is a resolution unanimously passed by the board of directors of GNDA pertaining to the early completion of the maximum power facilities at the Garrison Dam.

It is respectfully requested that you seek to advance the ideas contained in the resolution.

Yours very truly,
HOMER W. LUDWICK,
Executive Secretary.

RESOLUTION OF GREATER NORTH DAKOTA ASSOCIATION REQUESTING AND URGING THE EARLY COMPLETION OF THE MAXIMUM POWER FACILITIES AT THE GARRISON DAM ON THE MISSOURI RIVER

Whereas the huge multipurpose Garrison Dam and Reservoir project on the Missouri River in North Dakota is now entering the final stages of construction; and

Whereas the project includes a hydroelectric plant designed to accommodate 5 power-generating units of 80,000 kilowatts capacity each, of which 3 are planned for initial installation during next year, the remaining 2 units to be installed as and when increased power demand may require and budgetary provision has been made therefor; and

Whereas the 1st session of the 84th Congress again affirmed the position of previous Congresses—declaring that the Garrison Reservoir was authorized to be constructed and operated at a maximum normal pool elevation of 1,850 feet mean sea level—and directed that it be completed to operate at that height in order that the maximum benefits for which it was authorized may be obtained from the project; and

Whereas statements and testimony of qualified witnesses appearing before committees of Congress have agreed that there is a fast-developing need for additional power capacity to meet an increased demand for power production in the Missouri River Basin, and they have urged that such need and demand be first met by the early installation of the two final authorized power generating units in the Garrison Dam powerplant, where room therefor has been provided, and where an adequate supply of water for their operation will soon become available with the 1,850-foot operating reservoir level; and

Whereas it further appears from hearings before committees of the 84th Congress that the Bureau of the Budget has anticipated such additional power need and has indicated that extra power units could be installed faster and cheaper in the powerplant at the Garrison Dam, where housing space for them has been provided, than at another point in the basin where a second powerplant would have to be built: Now, therefore, be it

Resolved by the board of directors of the Greater North Dakota Association, North Dakota State Chamber of Commerce, in annual meeting in the city of Bismarck, N. Dak., November 28–29, 1595, That the Secretary of the Interior, the United States Corps of Engineers, and the Bureau of the Budget be, and they are hereby petitioned and urged to forthwith develop, approve, and recommend adequate estimates for the planning, designing, construction, and installation of the 2 final (of a total of 5) authorized 80,000-kilowatt electric power generating units in the Garrison Dam powerplant, and the North Dakota Members in Congress are hereby respectfully requested to do everything possible to obtain such estimates and to vigorously support their approval by the next session of Congress; and be it further

Resolved, That copies hereof be mailed to the President, the Secretary of the Interior, the Assistant Secretary of the Interior for Water and Power, the Chief of Engineers, the Director of the Bureau of the Budget, Senators WILLIAM LANGER and MILTON R. YOUNG, and Representatives USHER L. BURDICK and OTTO KRUEGER.

GREATER NORTH DAKOTA ASSOCIATION,
Fargo, N. Dak., December 12, 1955.

Hon. WILLIAM LANGER,
United States Senator, Senate Office Building, Washington, D. C.

DEAR SENATOR LANGER: Enclosed is a resolution unanimously passed by the board of directors of GNDA pertaining to an appropriation of Federal funds for providing replacement of municipal facilities of the city of Williston.

It is respectfully requested that you seek to advance the ideas contained in the resolution.

Yours very truly,
HOMER W. LUDWICK,
Executive Secretary.

RESOLUTION OF GREATER NORTH DAKOTA ASSOCIATION SUPPORTING AN APPROPRIATION OF FEDERAL FUNDS FOR PROVIDING REPLACEMENT OF MUNICIPAL FACILITIES OF THE CITY OF WILLISTON, N. DAK., DAMAGED, RENDERED USELESS, OR MADE NECESSARY DUE TO THE CONSTRUCTION OF THE GARRISON DAM AND RESERVOIR PROJECT ON THE MISSOURI RIVER, OR FOR REIMBURSING THE CITY THEREFOR

Whereas the operation of the Garrison Dam and Reservoir project works on the Missouri River in North Dakota to their maximum height and capacity will adversely affect, damage, and render useless many of the essential municipal facilities of the city of Williston, N. Dak., and may require additional and new facilities; and

Whereas in order to replace, relocate, and reconstruct such facilities to adequately serve the present and foreseeable needs of the municipality it will become necessary, among other things, to:

1. Relocate, alter, and reconstruct the water treatment plant;

2. Relocate, extend, alter, and reconstruct the raw water intake facilities;

3. Locate, design, and construct sewage-treatment facilities;

4. Replace, relocate, and construct the garbage dump;

5. Replace and reconstruct the powerline to the raw water intake and to the treatment plant; and

Whereas it appears that most, if not all, of the cost of providing such replacements and new facilities is the responsibility and obligation of, and should therefore be fully borne by, the Federal Government because of the construction and operation of the Garrison Dam and Reservoir project: Now, therefore, be it

Resolved by the board of directors of the Greater North Dakota Association, the North Dakota State Chamber of Commerce, in annual meeting in the city of Bismarck, N. Dak., November 28–29, 1955, That this association actively support an appropriation of Federal funds for the complete relocation, replacement, and reconstruction of the municipal facilities of the city of Williston, N. Dak., adversely affected, damaged, or rendered useless or inoperable due to the construction and operation of said public-works project, as well as for providing such new facilities as may become necessary by reason thereof, all of such replacements and necessary new facilities to be of sufficient size and capacity to adequately serve the present and foreseeable needs and requirements of said municipality, or for the full reimbursement therefor in the event said city provides such replacements and necessary new facilities; and be it further

Resolved, That copies hereof be mailed to the City Commission of Williston, the State water conservation commission, the Chief of Engineers, Corps of Engineers, United States Army; to Senators WILLIAM LANGER and MILTON R. YOUNG; and to Representatives USHER L. BURDICK and OTTO KREUGER.

POST-OFFICE SERVICE AT FORT DAVIS STATION, WASHINGTON, D. C.—RESOLUTION

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by representatives from various citizens associations in Washington, D. C., concerning restoration of full post-office service at the Fort Davis station, in Washington, D. C., together with a letter to me transmitting the same.

There being no objection, the letter and resolution were ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *December 12, 1955.*

Senator WILLIAM LANGER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR LANGER: The attached resolution passed by the Committee for the Restoration of Full Post Office Service at the Fort Davis station in regular meeting assembled in Washington, D. C., on December 7, 1955. The committee is composed of representatives from the various citizens associations affected by the Fort Davis station post office changes.

We believe the resolution speaks for itself, and describes the lowest standards of postal service the Nation's Capital has ever experienced. The area effected is one of the fastest growing as well as one of the highest tax-paying areas in the District.

We request that you as a member of the Post Office and Civil Service Committee give this matter your prompt attention.

Respectfully yours,
HOWARD O. LORENZEN,
Chairman.

Whereas the service of retaining nondelivered packages has been discontinued at the Fort Davis station; and

Whereas such service has been transferred to the Anacostia station to the detriment of citizens residing in the area, who must now

travel from 1 to 2½ miles to pick up packages; and

Whereas many of the residents in the area formerly served by the Fort Davis station (both husbands and wives) are employed and are not at home during normal delivery hours, which necessitates their calling at the Anacostia station for undelivered packages; and

Whereas there are totally inadequate public and no private parking facilities in the area of the Anacostia station, so that patrons suffer grave difficulty in calling for packages; and

Whereas the inconvenience of reaching the Anacostia station by public transportation which from some parts of the Fort Davis area necessitates the use of three buses each operating on a 30-minute schedule was recognized by the initial establishment of the Fort Davis station; and

Whereas the majority of the mail carriers formerly operating from the Fort Davis station now operate from the Anacostia station, causing serious delays and inconveniences in the delivery of all classes of mail, so that mail deliveries have been as late as 5 o'clock in the afternoon; and

Whereas the interior congested condition in the sorting of mail at the Anacostia station has resulted in a delay in the receiving of mail from 2 to 5 days; and

Whereas the inconveniences and delays suffered by patrons of the Anacostia station can hardly justify the economies effected by the change in status of the Fort Davis station: Now, therefore, be

Resolved, That the Committee for the Restoration of Full Post Office Service at the Fort Davis station, in regular meeting assembled in Washington, D. C., on December 7, 1955, hereby urges that the United States Post Office Department restore full and complete service at the Fort Davis station; and further

Resolved, That a copy of this resolution shall be forwarded to the United States Post Office Department, and all members of the House and Senate Post Office and Civil Service Committees.

REPLACEMENT OF MUNICIPAL FACILITIES FOR CITY OF WILLISTON, N. DAK.—RESOLUTION

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the North Dakota State Water Conservation Commission, supporting an appropriation of Federal funds for providing replacement of municipal facilities at Williston, N. Dak., together with a letter to me transmitting the same.

There being no objection, the letter and resolution were ordered to be printed in the RECORD, as follows:

STATE WATER CONSERVATION COMMISSION,
Bismarck, N. Dak., December 20, 1955.

Hon. WILLIAM LANGER,
United States Senator,
Washington, D. C.

DEAR SENATOR LANGER: The enclosed resolution pertains to the replacement of municipal facilities for the city of Williston, N. Dak. The facilities are required as a result of the construction of the Garrison Dam and reservoir. Your support of an appropriation permitting the replacement of these facilities will be greatly appreciated by the State Water Conservation Commission and the people being affected by these necessary alterations.

Sincerely yours,
STATE WATER CONSERVATION COMMISSION,
MILO W. HOISVEEN,
Chief Engineer, State Engineer.

RESOLUTION OF NORTH DAKOTA STATE WATER CONSERVATION COMMISSION SUPPORTING AN APPROPRIATION OF FEDERAL FUNDS FOR PROVIDING REPLACEMENT OF MUNICIPAL FACILITIES AT WILLISTON, N. DAK.

Whereas waters of the Missouri River, when impounded in the reservoir of the Garrison Dam to the maximum authorized level, will flood and render incapable of operation utilities of the city of Williston which are essential for the preservation of public welfare and protection of property therein, and without which the city can not carry on its governmental or proprietary functions; and

Whereas it is the opinion of the members of this commission that the Federal Government is, and should be, obligated to bear the cost of replacing municipal facilities adequate for the requirements of the city of Williston and the inhabitants thereof and commensurate with foreseeable future needs: Now, therefore, be it

Resolved by the North Dakota State Water Conservation Commission in meeting assembled this 9th day of December 1955, That Congress be and is hereby respectfully requested to appropriate and make available funds for the replacement of utilities and facilities now maintained and operated by the city of Williston in its governmental and proprietary capacities which facilities or utilities will be impaired or rendered useless when waters of the Missouri River will be impounded in the Garrison Reservoir at or near the authorized pool level thereof; and be it further

Resolved, That the Secretary of the commission be and he is hereby directed to mail a copy of this resolution to the Director of the Bureau of Budget, the Congressional Committees on Appropriations, the Chief of Engineers, Corps of Engineers, United States Army, to Senators WILLIAM LANGER and MILTON R. YOUNG, and to Representatives USHER L. BURDICK, and OTTO KRUEGER.

NINETY PERCENT OF PARITY—RESOLUTION

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the Farmers Union Local of Wells County, N. Dak., which contains the names of those signing the resolution.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

VALHALLA LOCAL, NO. 67,
Wells County, N. Dak., December 10, 1955.

Hon. WILLIAM LANGER,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR: It is hereby resolved by the members of this farmers union local to command our Senators and Representatives to work for at least 90 percent of parity for all farm products. The farmer's income is getting smaller, while big business is enlarging. You should be realizing by now that we are paying more for what we buy and getting less and less for products we sell. This cannot continue for very long, or every small farmer will be driven from the farm.

RESOLUTIONS COMMITTEE,
GUST ANDERSON,
ARTHIE FINGERSON,
LYNN JORDRE,
LESTER LARSON,
President.
VERNON D. PRANKS,
Secretary.

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. YOUNG, from the Committee on Agriculture and Forestry:

S. 2884. A bill to amend the wheat marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended; with amendments (Rept. No. 1409).

BILLS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MURRAY:

S. 2994. A bill for the relief of Keith A. Botterud; to the Committee on the Judiciary.

By Mr. MALONE:

S. 2995. A bill for the relief of Roland F. Petersen; to the Committee on the Judiciary.

By Mr. ROBERTSON:

S. 2996. A bill to amend the Revised Statutes, as amended, relating to reports required to be made by national banking associations; to the Committee on Banking and Currency.

By Mr. AIKEN:

S. 2997. A bill to amend the Agricultural Act of 1954, as amended, by providing for the further acceleration of the brucellosis eradication program; to the Committee on Agriculture and Forestry.

By Mr. DOUGLAS:

S. 2998. A bill for the relief of Else Tove Mistach;

S. 2999. A bill for the relief of Modesto Padilla-Ceja and his wife, Maria Padilla-Toscano; and

S. 3000. A bill for the relief of Francesco Zammuto; to the Committee on the Judiciary.

By Mr. HUMPHREY:

S. 3001. A bill to stabilize the relationship between prices of manufactured milk and all milk sold wholesale by farmers; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. HUMPHREY when he introduced the above bill, which appear under a separate heading.)

By Mrs. SMITH of Maine:

S. 3002. A bill to provide for the conveyance to the State of Maine of certain lands located in such State; to the Committee on Armed Services.

By Mr. LANGER:

S. 3003. A bill to amend the Natural Gas Act; to the Committee on Interstate and Foreign Commerce.

STABILIZATION OF RELATIONSHIP BETWEEN PRICES OF CERTAIN MILK

Mr. HUMPHREY. Mr. President, I introduce, for appropriate reference, a bill to stabilize the relationship between prices of manufacturing milk and all milk sold wholesale by farmers.

Whatever the support level may be on dairy products, the slight change proposed in this measure is needed to make that support meaningful.

All the bill does is to provide as follows:

For the purpose of determining the support price, the parity equivalent of manufacturing milk shall be computed at 88½ percent of parity for all milk sold wholesale by farmers.

This does not mean supporting dairy products at 88½ percent of parity, as desirable as that might mean. All it does mean is designating within the law

a fair relationship ratio between the parity equivalent price for milk used for manufacturing purposes and the parity price for all milk sold wholesale.

The Department of Agriculture does not compute directly a parity price for milk used for manufacturing purposes, only a parity price on all milk sold wholesale. In lieu of a parity price for milk used for manufacturing purposes, USDA computes a parity price equivalent. Such parity price equivalent is computed as follows: The parity price for all milk sold wholesale multiplied by the ratio between the price for all milk sold wholesale and the price of milk used for manufacturing purposes.

Establishment of a parity price equivalent was made for the first time after the enactment of the Agricultural Act of 1949. USDA used the prices during the 30-month base period of July 1946 and December 1948 to determine the ratio, coming out with the figure of 88.5 percent which I am proposing now be maintained.

The price of milk used for manufacturing purposes during that 30-month period averaged $4.10. The price of all milk sold wholesale for the same period was $4.63. That ratio was accepted by the Department of Agriculture as a fair relationship, a ratio of 88.5 percent. On that basis the parity price equivalent for milk used for manufacturing purposes was established in April 1953, at $4.15.

Later a new ratio was calculated on the base period of 1946–53, a ratio of only 84.1 percent. In 1955, the ratio was again revised downward on the base period of 1946–54 to 83.7 percent.

The Department can and has kept the support price constant in terms of dollars and cents. However, it shows an unjustified statistical improvement to farmers by expressing its constant support price level as a percent of a lower and lower parity equivalent price for manufactured milk, which in turn is calculated from a ratio with a constantly reducing base.

All I am asking is that the ratio be restored to that originally computed, and that it be retained at the 88.5 percent, regardless of the support level established by law.

To illustrate the misleading effect of the lowering of these ratios while the actual support price remains the same, I ask that the attached table be printed at the conclusion of my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Date	Parity price for all milk sold wholesale	Base period	Ratio	Parity equivalent price	Support price	Support price as a percentage of parity equivalent	Support price as a percentage of parity for all milk sold wholesale
			Percent				
April 1953	$4.69	1946–48	88.5	$4.15	$3.74	0.90	0.80
April 1954	4.75	1946–48	88.5	4.20	3.15	.75	.66
May 1954	4.77	1946–53	84.1	4.01	3.15	.785	.66
May 1955	4.68	1946–54	83.7	3.93	3.15	.802	.67

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3001) to stabilize the relationship between prices of manufacturing milk and all milk sold wholesale by farmers, introduced by Mr. HUMPHREY, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

DISAPPROVAL OF COMMUNIST PERSECUTION OF UKRAINIAN CHRISTIANS

Mr. HUMPHREY. Mr. President, next Sunday, January 22, 1956, will mark the 38th anniversary of the Ukrainian Declaration of Independence, proclaimed in 1918 in Kiev, the ancient capital of Ukraine. The democratic republic brought to life by this declaration was destined to fall before Communist armies a few years later, but it gained de facto recognition of Great Britain, France, and other European powers.

The brief life of the Ukrainian national republic does not diminish the significance of its existence, because the spirit which gave it birth lives on in the hearts and minds of the Ukrainians still living under Communist tyranny.

The extent of that tyranny is best exemplified in the tragic history of Ukrainian Christianity under Communist rule. In recent months statements sent to me by my fellow Minnesotans of Ukrainian descent have been a poignant reminder of the courage and faith of 20th-century martyrdom and of our casual tendency to allow such great sacrifice to go by unnoticed and unappreciated.

As a fitting testimonial to that tragic history, Mr. President, I am proud to submit for appropriate reference a resolution which will recite this history of Christian persecution during the last 35 years. The resolution asks that the Senate explicitly condemn this terror and oppression and that we call upon the State Department and the American delegation to the United Nations to ask to have this issue placed on the agenda of the next United Nations Assembly session.

The PRESIDENT pro tempore. The resolution will be received and appropriately referred.

The resolution (S. Res. 189) was received and referred to the Committee on Foreign Relations, as follows:

Whereas Christianity has existed in the Ukraine for more than a thousand years fostering in the Ukrainian people a profound faith in God and begetting in them an abiding moral force; and

Whereas, beginning in December 1917, Communist Russia has sought to extinguish Christianity from the Ukraine by terror, antireligious propaganda, and persecution of the Ukrainian people; and

Whereas the church was first attacked in eastern Ukraine, and by 1931 the Communists had completely liquidated the entire Ukrainian Orthodox Church, and had arrested and murdered over 3,000 Ukrainian Orthodox bishops and priests, and had arrested, tortured, and imprisoned hundreds of thousands of the faithful; and

Whereas, during the first occupation of western Ukraine (between 1939 and 1941), the Communists continued their anti-Christian persecutions, murdering 27 Ukrainian priests and arresting many more, even though article 123 of the Soviet Constitution, which is applicable to the Ukraine, was in effect and specifically recognizes freedom of religion; and

Whereas during the second occupation, beginning in 1945, the Communists continued the anti-Christian persecutions in the Ukraine by enjoining the legal continuance of the Ukrainian Catholic Church in the Ukraine in 1946, and imprisoning and murdering Ukrainian Catholic bishops; and

Whereas 2,000 secular priests and monks in the Ukraine have been arrested and deported to slave-labor camps for refusing to acknowledge the Patriarch of the Russian Orthodox Church as their head, such church being now subservient to the Communists; and

Whereas the Communists have exterminated all 5 dioceses of the Ukrainian Catholic Church, and desecrated 4,400 of its churches and chapels, together with 195 religious houses; and

Whereas the Communists continue to oppress mercilessly the Ukrainian laity for remaining steadfast to its Christian heritage, church, and faith: Now, therefore, be it

Resolved, That the Senate hereby expresses its profound disapproval and condemnation of the anti-Christian terror and persecution inflicted by the Communist rulers of Russia on the Ukrainian Christians; and be it further

Resolved, That the Senate requests the President to instruct our delegates to the United Nations to take whatever steps may be necessary to place this tragic record of Communist terror and persecution against the Ukrainian Christians before the United Nations for consideration and such action as may be appropriate.

RESOLUTIONS TAKEN FROM THE CALENDAR AND REFERRED

Mr. CLEMENTS. Mr. President, there are five committee resolutions on the calendar which must be acted upon by the Committee on Rules and Administration. In order to expedite such action, I now ask unanimous consent that Calendar No. 1413, Senate Resolution 184, to provide additional funds for the Committee on Interior and Insular Affairs; Calendar No. 1415, Senate Resolution 185, extending the time for filing a report by the Subcommittee on Disarmament; Calendar No. 1416, Senate Resolution 164, authorizing the Committee on Post Office and Civil Service to employ a temporary additional clerical assistant; Calendar No. 1417, Senate Resolution 154, extending the time for a study of the Government employees security program, and Calendar No. 1418, Senate Resolution 153, extending the time for an investigation of the administration of the civil-service system and the postal service, be taken from the calendar and referred to the Committee on Rules and Administration.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc.,

were ordered to be printed in the RECORD, as follows:

By Mr. CHAVEZ:

Address on the major aspects of the Senate highway bill, delivered by him at Miami Beach, Fla., on January 12, 1956.

By Mr. MARTIN:

Address delivered by him, entitled "The Importance of Transportation," at parade of progress, celebrating 50th anniversary of Parish Pressed Steel Co., at Reading, Pa., on September 24, 1955.

By Mr. McCARTHY:

Statement by him concerning his views on the Harris-Fulbright natural gas bill.

By Mr. MURRAY:

Article entitled "Defender of the Wilderness," written by Senator NEUBERGER and published in the January 1956 Progressive, relating to the death of Bernard DeVoto; also an editorial entitled "Death of a Fighter," published in a recent issue of the New York Times; and an editorial entitled "A Man Who Knew the West," published in the Glasgow (Mont.) Courier, all of which pay tribute to Mr. DeVoto and his work.

DEVELOPMENT OF THE NATION'S POWER RESOURCES

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a news article entitled "Grange Keynoter Blasts Partnership on Power," written by Thor Severson.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GRANGE KEYNOTER BLASTS PARTNERSHIP ON POWER—PARLEY HEARS DEMAND UNITED STATES RUN PROJECTS

(By Thor Severson)

George Sehlmeyer, master of the California State Grange, today charged the so-called partnership program advocated by the Department of Interior for development of the Nation's power resources is a "betrayal" of the people.

Sehlmeyer, master of the Grange for almost a quarter of a century, voiced the observation in a keynote address before the organization's 83d annual convention underway in Sacramento.

In a free swinging attack, Sehlmeyer also:

1. Warned that the nervous farm market may be a storm signal of onrushing depression years, and urged President Dwight D. Eisenhower's administration to take a long, second look at the flexible price support program authored by Secretary of Agriculture Ezra Taft Benson.

ASKS FEDERAL DEVELOPMENT

2. Called for exclusive development by the Federal Government of the $225 million Trinity project, including Trinity's power facilities, and for Government construction and operation of the proposed Feather River project.

3. Urged that the Government retain full control of atomic power. Private interests, he said, may exploit atomic power, developed at taxpayers' expense at a cost of $12 billion.

4. Charged that California is 20 years late in developing a wise progressive water use policy, and pointed up water conservation as a priority issue for action by the California Legislature.

5. Alerted the Grange to the dangers inherent in the corporation farm, as far as security of the family farm is concerned, and pledged the Grange again to the family unit principle.

THREE THOUSAND FIVE HUNDRED EXPECTED

Upward of 3,500 delegates are expected to register for the 5-day convention, scheduled to end with installation of officers Friday. Sehlmeyer's keynote address was made before a convention session in the memorial auditorium.

Sehlmeyer criticized the tardiness in developing California's power resources to maximum output, and traced the delay to the doorstep of private power and private power's fight to block public development of the facilities.

"The so-called partnership program advocated by the Department of Interior is a betrayal of the best interests of the people," he charged.

"This plan is a one-sided arrangement mainly in the interest of the private utilities. Millions of dollars are spent on the construction of one project, and it does not seem reasonable water impounded by taxpayers' money should then be turned over to a private utility to generate power to resell to the people at a profit."

BLAMES DELAY ON STATE

Sehlmeyer said he believes the proposed Feather River project would be under construction right now if the State of California had not pushed plans for State development of the resource.

The State, he said, should withdraw from the project and let the Federal Government construct both the water and the power facilities.

Private interests, he asserted, are ambitious to turn the Feather River project into a State project. They seek an end to the acreage limitation, he added, and they see an opportunity to get the power.

Sehlmeyer said State construction would result in high-price water and would fall far short of getting the maximum power out of the project.

"The high cost of water from this project," he said, "is primarily due to two conditions. One, the project will not develop enough power for its own use, and, two, the interest on the bonds."

REPORT OF COMMITTEE ON SOCIAL SECURITY FOR LAWYERS

Mr. CHAVEZ. Mr. President, I ask unanimous consent to have printed in the RECORD the report of the committee on social security for lawyers, from the Journal of the Bar Association of the District of Columbia, January 1956 issue.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

REPORT OF THE COMMITTEE ON SOCIAL SECURITY FOR LAWYERS

The board of directors at its meeting on December 9, 1955, received and considered a report from the committee on social security for lawyers dealing with H. R. 7255 as adopted by the House of Representatives on July 18, 1955. It was unanimously resolved that the report should be transmitted to the members of the association through publication in the Journal and that the board should recommend to the members that the association take a position in favor of extending the Social Security Act to self-employed lawyers along the lines proposed in H. R. 7255.

This question will be brought before the January meeting of the association for action. Action at this time is desirable since H. R. 7255 will be under consideration by the Senate Committee on Finance at the coming session of Congress.

H. R. 7225, passed by the House of Representatives on July 18, 1955, and now before the Committee on Finance of the Senate, amends title II of the Social Security Act to extend the coverage of that title to self-employed lawyers, among oher self-employed professionals (H. R. 7225, sec. 104 (d)). Thus, if H. R. 7225 is enacted, self-employed lawyers would be made subject to the tax obligations and be made beneficiaries of the retirement and survivors' benefits attendant on the Federal old age and survivors insurance program (OASI). (Exclusion from OASI coverage would be continued for physicians.)

The committee on social security for lawyers recommends (1) that the association record its support of H. R. 7225; (2) direct that its board of directors request to be heard before the Senate Committee on Finance and other appropriate committees of the Congress; and (3) designate a member or members of the association to appear and testify before such committees.

1. THE PURPOSE AND SCOPE OF OASI

The purpose of OASI is to provide protection against economic insecurity for persons gainfully employed and their families, when the earnings upon which such persons have depended for support are cut off by retirement or death. This basic purpose was reaffirmed by President Eisenhower in his social-security message of January 1954. The President pointed out that OASI had been developed in response to the need "arising from the complexities of our modern society. * * * The system is not intended as a substitute for private savings, pension plans, and insurance protection. It is, rather, intended as the foundation upon which these other forms of protection can be soundly built. Thus, the individual's own work, his planning, and his thrift will bring him a higher standard of living upon his retirement, or his family a higher standard of living in the event of his death, than would otherwise be the case. Hence the system both encourages thrift and self-reliance, and helps to prevent destitution in our national life."

The old-age insurance program was originally designed as an expression of the Nation's conviction that older retired persons should have a continuing income, their rights to which would be established by law on the basis of their earnings and contributions and would accrue without reference to a means test. When the program was first instituted, in the early 1930's, the proportion of aged men and women in the Nation's population had been increasing, and their plight had become particularly difficult. Those were depression years, when even young persons were finding it increasingly difficult to get or keep jobs and when family savings were consequently dwindling.

Later, in 1939, survivor-insurance provisions were added to the initial old-age insurance program. This was done in recognition of the problem encountered by families when the breadwinner died.

The resulting legislation constituted basically the old-age and survivors-insurance program (OASI) as we know it today, although it was thereafter further expanded by the comprehensive amendments of 1950 and 1954.

Today, 20 years after the adoption of the Social Security Act, it is estimated that 69 million workers are in covered jobs under OASI and that 7½ million beneficiaries are receiving checks under that program, totaling about $385 million each month.

Nearly 60 percent of the 14 million men and women in the United States now aged 65 and over either are getting old-age and survivors insurance benefits or are working and have acquired or are acquiring protection. About 70½ million persons have worked long enough in covered employment to be insured under the program, and nearly 30 million of them are permanently insured; whether or not they continue to work in covered employment, their families have achieved survivor protection, and they themselves will be eligible for benefits when they reach age 65 and retire. Nine out of 10 of the young mothers and children in the country have survivorship protection that will

enable them to draw monthly benefits today if their breadwinners die.

The great mass of persons engaged in gainful occupations are today covered by OASI. The bulk of those still not included are Federal employees covered by Federal employee retirement systems, both civilian and military. Others not covered by the program are self-employed physicians, lawyers, dentists, naturopaths, osteopaths, chiropractors, veterinarians, and optometrists, as well as domestic and farm workers earning less than a specified amount and self-employed persons with net earnings of less than $400 a year.

Thus, at this writing, self-employed lawyers have the questionable distinction of being one of the few groups still outside the confines of OASI. As a result of such lack of coverage many lawyers now self-employed will forfeit the benefit of contributions they may have already paid when they were employed by others, unless they are now permitted to remain under OASI in their current independent status. Salaried lawyers in commerce and industry have been covered in the program since its inception. Beginning with 1951, millions of self-employed businessmen have been included and can now boast the benefits of the program. Beginning in 1955, self-employed accountants, architects, engineers, and funeral directors were also brought within the program. Self-employed lawyers are in the very small minority of persons engaged in gainful occupations which today are still excluded from OASI.

2. THE TAXES PAYABLE UNDER OASI

If H. R. 7225 becomes law, self-employed lawyers would pay annually 3 percent only of their first $4,200 net income from covered employment, including income from their practice of law. This rate increases to 3¾ percent in 1960, 4½ percent in 1965, 5¼ percent in 1970, and 6 percent in 1975 and after. These rates are identical for all self-employed persons under OASI.

3. THE BENEFITS OF OASI

The benefits which OASI already makes available to salaried lawyers and which would afford to self-employed lawyers should H. R. 7225 be enacted, are threefold. These are summarized in graphic form in the table annexed to this report.

(a) First are the retirement benefits: These are payable to persons at age 65 if they then retire; to persons between the ages of 65 to 72 when they do retire; and to persons at age 72, whether they retire or not. To one fully insured, whose annual average earnings have not been less than $4,200, there would be payable each month (at present rates): $108.50, if the insured beneficiary is unmarried; $162.80, if he is married and his wife also has reached the age of 65; and $200, if, in addition, he has children still under 18 years of age. These retirement benefits continue until the death of the insured.

(b) Second are the survivors' benefits: These are payable, on the death of the insured, to a person's widow or surviving parents or surviving children. Where the person insured has enjoyed average annual earnings of not less than $4,200: A widow aged 65 or a widow of whatever age with a child under 18 years of age, would receive $81.40 a month; and a surviving family might be entitled to payment of as much as $200 a month.

(c) Third are the so-called lump-sum benefits: These are payable to the widow of an insured person or to anyone else who may pay the burial expenses. They are designed to defray such expenses, are limited to a maximum of $255, and are payable in addition to the survivors' benefits.

4. THE REASONS FOR COVERAGE OF SELF-EMPLOYED LAWYERS IN OASI

There are several cogent reasons for coverage of self-employed lawyers under OASI:

(a) The exclusion of self-employed lawyers from the program, as we have already indicated, results in the loss to many lawyers of valuable benefit rights for which they have already paid. So that they may gain experience before striking out for themselves, many lawyers start their professional work as employees. Because of the close relationship between legal practice and fields such as business management, real estate, finance, and politics, many also have a strong tendency to move into other lines of work. Many others have OASI wage credits as a result of services rendered in the Armed Forces. It has been estimated that about 30 percent of our self-employed lawyers at one time or other have accumulated some OASI wage credits.

By virtue of the exclusion of self-employed lawyers, these credits must inevitably be lost or curtailed. For, there are few of these persons who, before they venture into practice for themselves, have succeeded in building up the 10 years of coverage necessary to full insurance. Moreover, even those among them who have achieved the status of a fully insured person suffer a reduction in the amount of their benefit rights for each year thereafter in which they find themselves not in covered employment.

(b) The failure to cover self-employed lawyers under OASI deprives them of the very important protection afforded to survivors under that program. This is particularly significant for younger lawyers. Because of the years required for education, lawyers tend to be generally somewhat older than nonprofessional people when they begin first to earn an income. Many young lawyers starting private practice also are faced with high expenses and heavy family obligations at a time when income is relatively low. Death of the young lawyer at such a time may be catastrophic to his widow and young children.

The survivors' benefits provided by OASI would assure the lawyer's family a monthly income if he should die. For example, a lawyer with an annual net income of $4,200 or more, who has a wife and 2 children, would afford protection for them should he die in the amount of $200 a month until the elder child attained the age of 18 years. The monthly benefit would then drop to $162.80 until the younger child reached 18. After that, no benefits would be payable until the widow reached the age of 65; but, at that point, her benefits would be resumed at the rate of $81.40 a month. In addition, of course, the lump-sum death benefit—a maximum of $255—would at all times be payable to the widow upon the lawyer's death.

Considering these payments as a cumulative cash figure, the widow and children, in many cases, will receive from $20,000 to $35,000 or more in total benefits during those critical years when the children are young. (The exact amount payable would, of course, depend on the age of the children at the time of the lawyer's death.) Moreover, the widow, should she live beyond the age of 65 (with a life expectancy of 15 or more years) would be entitled to further benefits aggregating approximately $14,000.

(c) The costs of the insurance offered under OASI are substantially less than the costs of purchasing similar insurance through private insurance plans. It is, of course, difficult to present comparative costs for all varied situations. Let us assume, however, for purposes of illustration, a self-employed lawyer, aged 25 years, who begins to contribute to OASI in January 1956; who dies at the age of 34; who at the time of his death, leaves a wife and two children aged 6 and 4; and who, during the 9 years of his coverage, earns an average of not less than $4,200 a year.

Such a hypothetical lawyer would have contributed a total of $1,291.50. In return, OASI will guarantee to his wife and children, benefits aggregating $45,666.60. The cost of purchasing a $45,000 life insurance policy from a private insurance company, on the other hand, would have been $8,820.90. (These figures are obtained from an article, "Social Security as Life Insurance—as an Annuity," appearing in the March 1955 issue of the New York Journal of Dentistry.)

Let us assume that the same hypothetical self-employed lawyer retires at the age of 65. According to the same source, with a life expectancy of 13 years at that time, that lawyer would receive, for both husband and wife, a total of $25,396.80, plus a lump-sum benefit of $255, should the husband predecease his wife; a grand total of $25,621.80. For these benefits, the lawyer, during the 40 years of his coverage, would have made contributions to OASI in a total amount of $8,631. To secure a similar annuity program from a private insurance company, on the other hand, would have cost the lawyer $36,048.60. And it should be remembered that under OASI, the lawyer's family has been protected in case of his death before retirement age.

5. THE ARGUMENTS ADVANCED AGAINST OASI

Several arguments have from time to time been advanced against OASI coverage for lawyers. The most significant of these are as follows:

(a) It has been said that self-employed lawyers are less likely to retire abruptly at a given age than are most other earners; that they are more likely to retire gradually; and that, like the proverbial old soldier, some never retire. Thus, during the period from age 65 to 72, no monthly retirement benefits whatever may be payable to a self-employed lawyer. After age 72, of course, monthly retirement benefits will be payable notwithstanding the fact that the lawyer may not have retired.

The fact is, however, that in these respects, lawyers do not substantially differ from other wage earners. Older persons in all groups are more and more expressing a preference to continue working as long as they can. Slightly more than 40 percent of the men past age 65 are employed. About 60 percent of all men between the ages of 65 and 70 are employed. The average age of retired workers coming on the OASI rolls is 68 to 69.

There are, however, many causes for dependency in old age which are not within the control of the individual. Even aged lawyers become ill and disabled. Experience has shown that few retired people stop work because they want to do so. Nearly half of those who have retired have done so because of disability.

It must also be kept in mind that retirement benefits are payable at the age of 65, despite the fact that insured persons may derive an income thereafter. Income from real-estate investments, stock ownership, trust notes, partnership distributions of capital, etc., may be received without any effect whatever on OASI retirement benefits. It is only if income is earned in and as a result of employment that the benefits payable are curtailed or withheld.

Moreover, the mere fact that a retirement annuity plan may prove to be unnecessary during the 7 years from age 65 to 72 is little, if any, reason for rejecting a plan available at so low a cost as compared to the cost of private insurance programs.

(b) It has also been suggested that most lawyers are able to provide for their own retirement income through private insurance programs.

This seems questionable in light of the Department of Commerce figures relating to the income of lawyers throughout the Nation. Those statistics show that in 1947, the 73.6 percent of self-employed lawyers who were in individual practice reported, before Federal taxes, a mean net income of $5,759 per year and a median net income of $4,275 per year. Such earnings are hardly adequate to support the high cost of pri-

vately purchasing the substantial life insurance and annuities insurance which OASI affords.

Moreover, coverage under OASI does not preclude supplemental private insurance. We have already referred to the statement of President Eisenhower, in which he said of OASI:

"The system is not intended as a substitute for private savings, pension plans, and insurance protection. It is, rather, intended as the foundation upon which these other forms of protection can be soundly built. Thus, the individual's own work, his planning and his thrift will bring him a higher standard of living upon his retirement, or his family a higher standard of living in the event of his death, than would otherwise be the case. Hence the system both encourages thrift and self-reliance, and helps to prevent destitution in our national life."

OASI provides a base above which those lawyers able to do so may build a greater and more ample retirement and life insurance fund for their later years and their families.

(c) It has also been urged that compulsory coverage is a means of regimenting the profession. Frankly, the logic of this argument escapes us. Self-employed businessmen, who have been covered by OASI since 1951, have not experienced more regimentation than have lawyers during the last 4 years. We are aware of no widespread complaint by such businessmen; to the contrary, we know of many persons who seek part-time covered employment primarily, if not solely, so that they may gain the benefits of OASI.

(d) Finally, it has been stated that the sentiment among lawyers opposes coverage under OASI. The facts, however, belie this assertion.

At its February 1955 midyear meeting, the House of Delegates of the American Bar Association recorded itself as favoring voluntary coverage for self-employed lawyers. Mr. Archibald M. Mull, chairman of the Conference of Bar Presidents, there reported that the vote in bar associations was overwhelmingly in favor of voluntary coverage for lawyers. A questionnaire sent to 1,445 local bar associations disclosed that of some 366 associations which had polled their members, 264 had expressed support for OASI and 45 opposition. Of 293 associations which had not taken a poll, the consensus of their presidents or executive committees as to the opinion of members in their associations was that 222 were for and 71 against inclusion of lawyers in the program.[1]

In September 1951 Senator Henry C. Lodge took a poll of the attitude of Massachusetts lawyers toward OASI coverage and reported that 88 percent had declared themselves emphatically in favor of coverage. In June 1953, Congressman LOUIS RABAUT announced that an opinion poll of Michigan lawyers had disclosed that 2,825 lawyers favored coverage as against 1,395 who were opposed. In August 1953, Congressman KEAN reported that lawyers replying to a New Jersey law journal poll were overwhelmingly in favor of OASI coverage.

It is true that a good number of those lawyers who have expressed support of coverage in OASI would prefer voluntary as opposed to compulsory coverage. The chances of achieving voluntary coverage for the lawyer group in face of compulsory coverage for the great mass of wage earners is, however, practically nil. The Department of Health, Education, and Welfare has unequivocally opposed voluntary coverage. Similarly, the congressional committees which have considered this legislation have rejected the idea of voluntary coverage for any lawyers or other professional groups (except ministers, where questions of relationship of church to state are involved). The report of the Ways and Means Committee of the House of Representatives on the 1954 amendments reads, in part, as follows:

"Your committee is aware that some groups have expressed a preference for coverage on a voluntary individual basis. There are, however, fundamental objections to that approach. The history of voluntary social insurance on an individual elective basis in the United States and in other countries indicates definitely that only a very small proportion of all eligible individuals actually elect to participate. Those who do participate are usually not the people of below-average income who are in the greatest need of the protection afforded. Moreover, voluntary coverage attracts almost exclusively people who, because they are already old or for other reasons, can expect a large return for their contributions. This adverse selection of risks could result in a significant drain on the funds of the program.

"Your committee concluded * * * that extension of coverage on an individual voluntary basis involved grave dangers with respect to the financing of the system, as well as discrimination against the great majority of workers covered under the program on a compulsory basis. * * *

"Those who would elect coverage under a voluntary option are primarily those who could expect the largest return for a relatively small contribution. The deficit in their contributions would have to be made up by increasing the contribution rate for the covered group as a whole * * *.

"Your committee is convinced that the compulsory character of the system must be preserved, and that in the absence of overriding considerations of a special character, as is present in the case of members of the clergy, any extension of coverage must be on a mandatory basis with respect to individuals."

Voluntary coverage for the now excluded self-employed professional groups—about 350,000, including about 110,000 lawyers—would provide special treatment for these professional groups in comparison with the approximately 66.5 million wage earners and self-employed people who are subject to compulsory coverage. Voluntary coverage would be basically unfair to those covered compulsorily, since these latter would be paying a major part of the increased cost arising from the adverse selection which voluntary coverage for lawyers would produce. The American Bar Association's Committee on Unemployment and Social Security recently recognized the inequity of such a dichotomy:

"Our committee has already pointed up the unsoundness of such a provision not only from the standpoint of the social-security program, but from the standpoint of general public reaction to a request for such special treatment."

6. CONCLUSION

Your committee concludes that there is no basis whatever for excluding the legal profession from the OASI program. The benefits of protection to surviving families and to retiring lawyers are so substantial, and the costs of achieving that protection are relatively so low that to deprive lawyers of such protection seems unjust and unfair. Moreover, we must realize that, as a practical matter, we, in our status as consumers and taxpayers, are daily paying for the protection which OASI affords to the mass of wage earners and other self-employed persons in the population. Meanwhile, through our own shortsightedness, we are short-changing ourselves.

For those who may be interested in examining further into this problem, we are herewith appending a bibliography of relevant materials.

Respectfully submitted.

SOTERIOS NICHOLSON,
Chairman.
HARRY I. RAND,
Subcommittee Chairman.
MORRIS MILLER,
Subcommittee Member.
JAMES E. CURRY,
Subcommittee Member.
Committee on Social Security and Retirement Benefits for Lawyers.

Social security benefits

[Applicable to salaried lawyers who contribute on each pay day 2 percent of their salary (up to 1st $4,200 received in each year), a similar amount being paid by their employers; and if H. R. 7225 becomes law, applicable to self-employed lawyers who would pay 3 percent of the 1st $4,200 of their net earnings, when they file their tax returns]

This benefit—	Will be paid—	If at your death or retirement you are—	Amounting to—	
			This percent of benefit due	This in dollars, assuming your average monthly earnings are $350 [1]
Retirement benefit	You at age 65 if you retire then; at any age between 65 and 72 when you do retire; at 72 whether you are retired or not.	Fully insured [2]	100 percent	$108.50.
Wife's benefit	Your wife when you are receiving retirement benefits, if she is 65 or has children under 18 in her care.	do	50 percent	$54.30.
Child's benefit	Each of your children under 18 when you are receiving retirement benefits.	do	50 percent each child	$54.30 each child.[3]
Widow's benefit	Your wife if you should die, when she is 65	do	75 percent	$81.40.

[1] Average monthly earnings: Total of all income subject to social-security taxes from Jan. 1, 1951, to date of retirement or death (not in excess of $3,600 for any year before 1955, not in excess of $4,200 for any year after 1954) plus $160 for each month served in armed services in or since World War II, and divide that sum by the number of months between Jan. 1, 1951, and the date of death or retirement.

Payments are reduced if you are under 72 if earnings from any source exceed $1,200, but "earnings" do not include income from property, investments, company pensions, and other insurance. After the age of 72, benefits are payable no matter what amount is earned.

[2] Fully insured: If at age of 65 or death, the total number of quarters of coverage is at least half as many as the number of calendar quarters that have passed since Dec. 31, 1950, or since age of 21, whichever is later. After 40 quarters of coverage, you are fully insured for life. A wage-earner receives a quarter of coverage for each calendar year quarter in which he is paid at least $50 in wages. A self-employed person receives 4 quarters of coverage for the year if his net earnings are $400 or more. If his net earnings are less than $400, he receives no credit for that year. A minimum of 6 quarters of coverage is required.

[3] The maximum amount of monthly benefits payable to a family is $200.

[1] Of the 264 local polled associations which expressed support, 72 expressed a preference for voluntary inclusion and 10 expressed a preference for compulsory coverage. Of the 222 presidents and executive committees of local nonpolled associations which were in favor of OASI, 33 expressed a preference for voluntary inclusion.

Social security benefits—Continued

[Applicable to salaried lawyers who contribute on each pay day 2 percent of their salary (up to 1st $4,200 received in each year), a similar amount being paid by their employers; and if H. R. 7225 becomes law, applicable to self-employed lawyers who would pay 3 percent of the 1st $4,200 of their net earnings, when they file their tax returns]

This benefit—	Will be paid—	If at your death or retirement you are—	Amounting to—	
			This percent of benefit due	This in dollars, assuming your average monthly earnings are $350 [1]
Mother's benefit	Your wife if you should die, no matter what her age, while she has at least 1 of your children under 18 in her care.	Fully or currently insured [4]	75 percent	$81.40.
Surviving child's benefit	Each of your children if you should die, until they are 18.	do	50 percent each child with an extra 25 percent divided evenly among all children.	Assuming widow and 2 eligible children, each child: $67.90.[3]
Parent's benefit	Your parents if you should die, if they are over 65 and dependent on you and if you leave no wife or children to get benefits.	Fully insured	75 percent, each parent	$81.40 each parent.
Lump-sum benefit	Your wife (or husband) if you should die; if she does not survive you, or if she is not qualified because of divorce or separation, or if you are single, then to anyone who pays burial expenses.	Fully or currently insured	300 percent, but not over $255.	$255.
Husband's and widower's benefit.	The dependent husband at age 65 of a working woman receiving retirement benefit (see above); the dependent widower at age 65 of a working woman who dies.	Wife must be both fully and currently insured.	Husband, 50 percent; widower, 75 percent.	Husband, $53.30; widower, $81.40.

[4] Currently insured: If when you become entitled to retirement payments or at your death you have at least 6 quarters of coverage within preceding 3 years.

ALLOCATION OF URBAN INTERSTATE MILEAGE BY BUREAU OF PUBLIC ROADS

Mr. CHAVEZ. Mr. President, I should like to call to the particular attention of the Senators from Montana, North Dakota, and Kentucky, what I am about to say. I have in my hand a memorandum of additional urban mileage on interstate highway systems requested and allocated to the States by the Bureau of Public Roads, which is dated September 15, 1955.

I see that the State of Kentucky requested 17 miles, and received 12.

Now I call to the attention of the Senator from North Dakota [Mr. LANGER] that his State of North Dakota requested only 2 miles, and did not receive a single one.

The State of Montana requested 27 miles of additional urban roads. Under the law, every State or city which has a population of 5,000 or more is entitled to get an apportionment of the money which is appropriated. I tell my good friends from Montana [Mr. MURRAY and Mr. MANSFIELD] that the State of Montana requested 27 miles. Just imagine, Montana, with all its cities, made an enormous request for 27 miles! The State got 2 miles of additional urban roads.

I see present on the floor my good friend the junior Senator from West Virginia [Mr. NEELY]. I shall give him the statistics concerning West Virginia, a State which contains cities such as Charleston and other large cities. The State of West Virginia requested 55 additional urban miles, and got 5.

But the home State of the adviser to the Bureau of Public Roads, Mr. Du Pont—and I do not envy the State of Delaware, it is no doubt entitled to what it got—requested 16 miles and got 16 miles. However, Montana, West Virginia, New Mexico, North Dakota—so ably represented in part by my good friend, its senior Senator [Mr. LANGER]—and Kentucky—so ably represented in part by my good friend [Mr. CLEMENTS], who now sits near me—got very little.

Let us see how the State of Maine—so ably represented by my good friend [Mr. PAYNE]—and other States fared. I hope they fared better than New Mexico did. Maine requested, for additional urban mileage for all its cities above 5,000 in population, 36 miles. Maine was lucky; she was allowed 14 miles.

Mr. President, I ask unanimous consent to have inserted at this point in the body of the RECORD the memorandum of additional urban mileage on the interstate highway system requested and allocated to the States by the Bureau of Public Roads.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

Memorandum of additional urban mileage on interstate highway system requested and allocated to the States by Bureau of Public Roads, Sept. 15, 1955

State	Miles requested	Miles allowed
Alabama	43	43
Arizona	6	6
Arkansas	31	19
California	266	260
Colorado	17	17
Connecticut	11	11
Delaware	16	16
Florida	44	37
Georgia	75	67
Idaho	30	4
Illinois	137	114
Indiana	46	44
Iowa	72	39
Kansas	47	43
Kentucky	17	12
Louisiana	51	51
Maine	36	14
Maryland	85	85
Massachusetts	104	68
Michigan	191	113
Minnesota	79	79
Mississippi	49	7
Missouri	89	84
Montana	27	2
Nebraska	34	26
Nevada [1]	7	0
New Hampshire	7	1
New Jersey	211	150
New Mexico [1]	42	0
New York	244	191
North Carolina [1]		0
North Dakota [1]	2	0
Ohio	198	122
Oklahoma	32	26
Oregon	52	28
Pennsylvania	122	114
Rhode Island	25	21
South Carolina	42	20
South Dakota	19	11

See footnote at end of table.

Memorandum of additional urban mileage on interstate highway system requested and allocated to the States by Bureau of Public Roads, Sept. 15, 1955—Continued

State	Miles requested	Miles allowed
Tennessee	65	55
Texas	142	142
Utah [1]	0	0
Vermont	11	1
Virginia	135	100
Washington	62	39
West Virginia	55	5
Wisconsin	22	10
Wyoming [1]	0	0
District of Columbia	11	11
Total	3,109	2,308

[1] This mileage brings the total on the interstate system up to the 40,000 miles authorized by the Congress in 1944. The Bureau of Public Roads states that applications for this additional mileage received from the various State highway departments totaled 3,400 miles and that allocations were made on the basis of what the Bureau believed to be the greatest need.

The 6 States receiving no allocation are Nevada, New Mexico, North Carolina, North Dakota, Utah, and Wyoming.

Mr. NEELY. Mr. President, will the Senator from New Mexico yield before he takes his seat?

Mr. CHAVEZ. Certainly.

Mr. NEELY. Please let me inform the distinguished Senator that in the important matter to which he has referred what the Republican executive department of the Federal Government has done to West Virginia is, in the language of the famous Dogberry, as "flat burglary as ever was committed." A little more than a year from now a Democratic administration will be righting this and many other Republican wrongs.

Mr. LANGER. Mr. President, I ask unanimous consent that the distinguished Senator from New Mexico be allowed to speak 5 minutes more on this very important subject. I wish to ascertain why North Dakota received nothing. I am quite used to that, but I am interested in hearing the distinguished Senator from New Mexico tell about it.

The PRESIDENT pro tempore. Is there objection to the request of the the Senator from North Dakota? The Chair hears none, and the Senator from New Mexico is recognized for 5 minutes.

Mr. CHAVEZ. Mr. President, by authority of this body, I happen to be chairman of the Committee on Public Works. Its jurisdiction extends to rivers and harbors, navigation, public roads, and public buildings. It is a construction committee; it is not at all political, and never has been. In its work, the committee receives the aid of the distinguished Senator from Pennsylvania [Mr. MARTIN] and the distinguished Senator from South Dakota [Mr. CASE], as well as that of Senators on our side of the aisle, because roads are good for Democratic Kentucky as well as they are for Republican Illinois, and the States need roads. The idea is that, insofar as Federal construction of roads is concerned, every State shall be treated alike.

In my State of New Mexico and in other States of the West, the area of land owned by the Federal Government is tremendous. In New Mexico, approximately 63 percent of the area of 122,000 square miles is owned by the Federal Government. The cost of our State government must be met by funds raised from the remaining 37 percent. If the Federal Government would only turn over to us the area which now is federally controlled, possibly we would not request one penny, insofar as roads are concerned. I can say the same for Nevada and North Dakota, where the Federal Government owns an enormous acreage of land.

Hence, Mr. President, we think we are fair; and we think Congress has been fair in saying to the people of the country and in writing into the law that every State should be treated alike by the Federal Government. Under these circumstances, why should the Bureau of Public Roads not allow Wyoming 1 mile of additional urban mileage? It should be remembered that Congress authorized the program and appropriated for it. Kentucky requested 17 additional urban miles. With cities such as Louisville and other large cities, I do not think that is an unreasonable request; so why should a reduced mileage be allowed to Kentucky? All the States should be treated alike.

After all, Mr. President, all the States pay taxes, and young men from all the States serve in the Armed Forces, and many of them are killed on foreign fields. Why should California, which requested 266 additional miles of urban road, be allowed 260, whereas North Dakota was allowed nothing, and the small number requested by Kentucky was reduced, and the small number requested by Montana was drastically reduced? It is unfair, Mr. President.

Roads are essential, and I am in favor of the construction of roads. Our country needs more and more of them. We insist that the Secretary of Commerce and his advisers should follow the principle of equality under the law. We do not request special treatment for New Mexico; and I know that the Senators from other States do not request special treatment for the States they represent. But if Pennsylvania is allowed a substantial mileage, and if Colorado is allowed the 17 miles which she requested, why should not Kentucky or North Dakota or Montana or West Virginia receive what they are entitled to? Why should not the State of Maine be allowed more than she has received? I say to my good friend, the Senator from Maine, that the memorandum shows that Maine requested 36 additional urban miles of road—a request which I do not regard as unreasonable, in view of all the cities of over 5,000 population in Maine. However, Maine was allowed 14. It is unfair, Mr. President.

I hope this body will give serious consideration to this matter, Mr. President. There is nothing that will more effectively aid any State of the Union than more and more good roads.

I thank the Senate.

SURVEY OF PROPOSED PASSAMAQUODDY TIDAL POWER PROJECT

Mrs. SMITH of Maine. Mr. President, I ask the Chair to lay before the Senate the amendments of the House of Represenatives to Senate Joint Resolution 12.

The President pro tempore laid before the Senate the amendments of the House of Representatives to the joint resolution (S. J. Res. 12) to request the Secretary of State to arrange for the International Joint Commission, United States and Canada, to conduct a survey of the proposed Passamaquoddy tidal power project, and for other purposes, which were, on page 1, line 8, after "a", insert "final"; on page 2, line 9, strike out "be consistent with" and insert "make use of", and on page 3, after line 5, insert:

SEC. 6. Nothing in this joint resolution or the survey authorized herein shall in any way commit the Congress or the Government of the United States as to future action on construction of any such project.

Mrs. SMITH of Maine. Mr. President, I move that the Senate concur in the amendments of the House of Representatives.

The motion was agreed to.

PRESIDENT'S PRESS CONFERENCE ON JANUARY 19

Mr. PAYNE. Mr. President, yesterday, the President of the United States held his first major press conference since the beginning of his illness; and today marks the third anniversary of his inauguration. Under his leadership our Nation is today enjoying peace and prosperity. I am proud to have had a part in the election of Dwight Eisenhower to the Presidency and to have had an opportunity to support in the United States Senate his progressive program, which is the interest of all our people. The statements which President Eisenhower made yesterday are of the greatest interest to all Members of Congress and to the American people.

I, therefore, ask unanimous consent that a copy of the transcript of the President's press conference be printed in the body of the RECORD.

There being no objection, the transcript was ordered to be printed in the RECORD, as follows:

PRESIDENT EISENHOWER'S PRESS AND RADIO CONFERENCE, NO. 76

The PRESIDENT. Please be seated.

Well, it's good to see so many faces here again [laughter] after such a long absence from you.

Since I have last seen you, as you can imagine, I have been presented with a number of personal political questions.

One of them arises in connection with the notice I have from the State of New Hampshire that my name has been qualified for the inclusion on the list of candidates in their preferential primary.

So, I have written an answer, an answer that, in the present circumstances, seems to me to be applicable in all such cases, and I will read it to you. And have you copies for them?

Mr. HAGERTY. There will be copies.

The PRESIDENT. There will be copies, so you don't have to take this down in case you should want it verbatim.

This is to Mr. Jackson, deputy secretary of the State of New Hampshire:

"I have your courteous telegram of January 14, advising me that petitions have been filed at your office which qualify my name for inclusion on the presidential preference primary ballot of the Republican Party in the State of New Hampshire.

"Naturally, I am deeply gratified that the petitioners have expressed this kind of personal confidence in me. I do not feel that I should interpose any objection to such entry.

"However, because I must make clear to all that lack of objection cannot be construed as any final decision on my part relative to a candidacy for a second term in the office I now hold I hope that all who vote in the Republican primaries in 1956 will carefully weigh all the possibilities and personalities that may be involved.

"Freedom to select, nominate, and elect a candidate to public office is basic to our American political system. Because I deeply believe that every citizen should have the widest possible choice in expressing his own preference in such matters, I would hope that the accident of my illness and the necessary period for determining the degree of my recovery would not have the effect of interfering with the privilege of every member of our party to express his preference for the Presidential candidate of his choice.

"It would be idle to pretend that my health can be wholly restored to the excellent state in which the doctors believed it to be in mid-September. At the same time, my doctors report to me that the progress I am making toward a reasonable level of strength is normal and satisfactory. My future life must be carefully regulated to avoid excessive fatigue. My reasons for obedience to the medical authorities are not solely personal; I must obey them out of respect for the responsibilities I carry.

"The personal decision to which I refer will be rendered as soon as it is firmly fixed in my own mind. I shall strive to see that it is based as to my best judgment on the good of our country."

That is all of the answer that is being made to any political questions. I have no objections to personal questions affecting health or anything of that kind, but that is as far as personal political questions are concerned, all questions have been answered.

Question (Robert E. Clark, INS). Mr. President, I am not sure whether this infringes on the ground you are outlining here, but can you tell us whether from your experience since returning to the full burden of the White House, your health is up to carrying the burden of the Presidency?

The PRESIDENT. Well, I would think it would be premature, Mr. Clark, for me to

say that in those specific terms. I have had some quite intensive days, yesterday was, and I think that with the, by following closely, as closely as I can, the regime the doctors laid down, that so far I have gotten by very well.

Question (No name). Mr. President——

The PRESIDENT. This gentleman here.

Question (David P. Sentner, Hearst newspapers). Mr. President, what is your personal reaction to Mr. Hoover's suggestion for the appointment of an Administrative Vice President?

The PRESIDENT. Well, of course I, and I think everybody connected with the White House, are very grateful to Mr. Hoover for undertaking this study which should long ago have been made; and without any reference to any individual or to my recent illness, the staff of the White House has grown a little bit like Topsy from time to time, with the growing intricacies of Government. And what he is trying to do is to provide some of the practices of business in the Office of the President, so that the President and his chief advisers can give more time, I think, to policymaking.

Now, he told me he had no particular torch to bear for a particular name or title to the office he is holding, but he does want to put by law, if necessary, and by administrative action, greater authority in some individual to do more of the supervisory work.

But I repeat, it is necessary that the whole staff arrangement be restudied with respect to space. It would be idle just to increase staffs and have no place to put them.

So with respect to space, their fitting in with all of the agencies of Government, that is the kind of broad study that should be made.

I think Mr. Hoover's principal purpose is, in the meantime, to provide some kind of relief to future Presidents, and I think he is a man of experience and knows exactly what he is doing.

(A chorus of "Mr. President.")

The PRESIDENT. Mr. Folliard.

Question (Edward T. Folliard, Washington Post and Times Herald). Mr. President, I don't know whether this comes in the category of questions that are open, but Senator KNOWLAND said the other day that he thought that you would surely make an announcement one way or the other about your plans by mid-February. Is that——

The PRESIDENT. Well, this is what I have promised, Mr. Folliard: To make the announcement as quickly as a decision is firmly reached in my own mind.

I have no desire whatsoever to confuse the American people or to evade anything you are putting in front of me. But you can well imagine the pressures that are brought upon me every day, and I have to isolate myself from them at times as much as I can in order that I may reach a logical decision.

I will do it as soon as I can.

Question (Merriman Smith, United Press). Mr. President, there were some, after your conference with us at Key West, who got the idea from what you said down there that you had reached a tentative decision. Is that a correct conclusion from what you said?

The PRESIDENT. No.

Question (Sarah McClendon, El Paso Times). Mr. President, sir will you take steps soon to carry out the recommendations of your Water Resources Policy Committee? Will you appoint a coordinator of water resources for the White House?

The PRESIDENT. I think I put that report before Congress. I have a man now in this work as far, I believe, as deeply, as administration, administrative action, can place him, General Bragdon. But I think that anything more than he is now doing will have to be authorized by Congress.

(A chorus of "Mr. President.")

Question (Raymond P. Brandt, St. Louis Post-Dispatch). On this Dulles article in Life magazine, by Jim Shepley, was any decision reached to use the atomic bomb in those three instances?

The PRESIDENT. First of all, I am not—I have not read that article, and I have read some of the allegations that he is supposed to have made.

I am not going to take a privately written article and discuss it in detail, and thereby make of it a paper if—a paper which, if it is going to discuss those subjects, should be most carefully and properly written.

Now, another thing I am not going to do is to discuss anywhere in the world present, past, or possible future decisions and material that comes before the National Security. It is not proper to do it, and those papers are privileged, and must remain so.

Now, I don't know all of the things that are alleged to have been said. I have complete faith in Mr. Dulles. I do not know whether they were unfortunate expressions used in that article by him or by someone supposed to be reporting them. But I know he is devoted to peace. He has spent his lifetime in this kind of work. He is a man of great professional skill in the field, and to my mind, the best Secretary of State I have ever known.

Now, that is the answer to that article.

Question (Raymond P. Brandt, St. Louis Post-Dispatch). Yes. If this is within the purvue of that, can you tell us what arrangements are made to inform our allies or Congress on such a decision?

The PRESIDENT. What decision?

Question (Raymond P. Brandt, St. Louis Post-Dispatch). To go to the verge of war, and then, if necessary, go over?

The PRESIDENT. Well, I don't admit that you—you seem to me to be putting words in my mouth, Mr. Brandt.

This is what I say: That I am supporting before the world a program of peace. It is really waging peace, based upon moral principles of decency and justice and right. If you are going to do that and are not going to be guilty every time the thing looks dangerous, of a Munich, you have got to stand firmly.

You may interpret that as being at the brink of something, because the other fellow can react according to his own desires and what he believes to be his best interests.

But when it comes to the matter of war, there is only one place that I would go, and that is to the Congress of the United States, and tell them what I believe.

(A chorus of "Mr. President.")

The PRESIDENT. This gentleman here.

Question (Milburn Petty, Oil Daily). Mr. President, last February the Cabinet Fuels Policy Committee recommended against Federal control of natural gas production.

Do you favor the bill now before the Senate to accomplish that?

The PRESIDENT. You know I have been over that subject—about last June or July, early in the summer, someone here asked this question. I went into it in the greatest detail, including, I believe, some comments on the bill before the Congress where this matter is still being studied. If you will look up that answer, and I am sure Mr. Hagerty will give it to you, that is all I have to say.

Question (No name). Mr. President——

The PRESIDENT. I think Mr. White——

Question (William H. Lawrence, New York Times). Lawrence of the New York Times——

The PRESIDENT. Excuse me.

Question (William H. Lawrence, New York Times). Mr. President, have you considered what, if anything, should be done about the failure of the Constitution to specify when and by whom the disability of the President might be declared, and when and by whom it might be removed?

The PRESIDENT. Well, when you are as closely confined to your bed as I was for some time, you think about lots of things, and this was one of the foremost in my mind.

I do believe that there should be some agreement on the exact meaning of the Constitution, who has the authority to act.

The Constitution seems to be clear that Congress cannot only make the laws of succession, but it can determine what is to be done, and it says, "In the case of so-and-so and so-and-so," but it does not say who is to determine the disability of the President. And we could well imagine a case where the President would be unable to determine his own disability.

I think it is a subject that, in its broadest aspects, every phase of it should be carefully studied by the Congress, advised with by the Attorney General, and any kind of advice they want from the executive department, and some kind of a resolution of doubt reached. I think it would be good for the country.

Question (Chalmers M. Roberts, Washington Post and Times Herald). Mr. President——

The PRESIDENT. Yes.

Question. (Chalmers M. Roberts, Washington Post and Times Herald). On the foreign issue, sir, within the limitation which, I think, you have placed, I would like to ask this:

I believe you told us at the time last year that the Congress passed a resolution giving you authority to use the Armed Forces if Quemoy or Matsu were attacked, on the basis of your judgment at that time as to whether this was an attack on Formosa. The implication of the Dulles' article to which reference has been made at one point, was that you had made a decision at one time.

May I ask, sir, have you ever made a decision or is it still your position that you will make that when and if the occasion arises?

The PRESIDENT. I don't believe I will quote further or say anything further on the subject, Mr. Roberts, because, as I say, if I began to pick pieces of that article and talk about it, then I begin to make it a part of our official thoughts and records, and I am just not going to do it.

Question (Chalmers M. Roberts, Washington Post and Times Herald). Well, sir, what I was—I was sorry I mentioned the article then. [Laughter.]

What I was trying to determine, sir, was whether what you had told us previously, before this article was conceived, still stood, that you would make the decision if and when the occasion arose.

The PRESIDENT. Then, I will tell you this: I went to the Congress perfectly honest and told them that in the circumstances we couldn't tell what was going to happen, and there was no way for me to tell and for anyone else in the world, unless he is a far greater genius than I, what that attack was going to mean when it came about.

I think the character of the attack which was carried forward had to determine in the mind of a qualified person whether it was an attack all out against Formosa or whether it was strictly and completely local. So I think you are talking about a hypothetical case that did not eventuate. There is no way of making an answer to it.

(A chorus of "Mr. President.")

Question (Marvin L. Arrowsmith, Associated Press). Mr. President, to go back for a moment to your opening statement, I think you said it could be considered to have a general application.

Would that mean you have no objection to entry of your name in any of the presidential primaries in any State?

The PRESIDENT. Well, it means that I am not going to make any official objection, certainly, and the statement stands on itself, and I did mean it just that way. It would be my answer to all of these.

Question (Mrs. May Craig, New England papers). Mr. President, do you think it is right and proper that a White House physician should conceal from appropriate officials for many hours the serious illness of a

President and, too, to refrain for many hours from calling in other physicians to consult on his diagnosis and early treatment?

The PRESIDENT. Well, you are—you are asking what I assume to be a hypothetical question—[laughter]—because in my own case, in my own case, my doctor was in close contact, I think, with others very rapidly, certainly as soon as daylight came, and it was determined what to do about it.

Question (May Craig, New England papers). Sir, I understood it was as much as 10 hours.

The PRESIDENT. It may have been. But it probably may take some 10 hours to determine whether a person is suffering from having eaten some bad food or some other cause, I am not sure. I don't—I am not a doctor, you are sure of that.

(A chorus of "Mr. President.")

The PRESIDENT. I think this man.

Question (William S. White, New York Times). Without reference to anything, sir, that has been said lately by anybody else—[laughter]—I mean that seriously—would you comment in general on the state of the world, on the state of prospects of peace?

The PRESIDENT. Well, there is—we have to get things in perspective.

As you know, for some year or year and a half prior to Geneva, there was a growing pressure, probably more abroad than at home, that some so-called conference at the summit be held.

There was great doubt in this country as to the wisdom of the thing. But one point that was very important in reaching a decision, we would not have the United States placed in the position of being sort of dog-in-the-manger, going to have our way about everything or do nothing.

We felt perfectly capable of defending the principles and policies of the United States. And so that meeting was arranged with the earnest intent on our side to make every conciliatory advance that did not impinge upon the principles and values in which we believed.

Now, one thing happened that you could have expected, and which we, of course, had prophesied or anticipated, and that was that a very wave, a great wave of relief spread around, and there was great hope. And, of course, there was hope, but hope must always be tempered by the existence of facts. Those high hopes have not been realized.

So, if we compare our feelings today as to what they were, let us say, in early August, we have a feeling of great letdown. But if we go back over the period of 3 years and review the events that have come to pass, the situation is not as dark in many areas, indeed much brighter, than it was at that time.

To counterbalance that, we have had this growing tension and uneasiness in the Mideast where American policy is to be friends to all, in the certainty and in the earnest belief that only through friendship among themselves is there ever going to be any peace, prosperity, and advancement in that region.

We, of course, in that area do not look on with any great equanimity. It is bound to cause earnest throught and study all the time.

But in the whole general picture we were in a Korean war that, due to the way we were waging it, there was no chance of winning, because the crossing of the Yalu River was, apparently made a great international, would, you might say shocked international opinion.

The Indochina war was probably settled on the best basis that could be achieved.

Iran, you will remember, just 3 years ago now, every week we were expecting almost to lose Iran. That has been settled.

The British bases in Egypt were another great sore point that has been settled.

The Trieste situation, that caused all of us daily uneasiness. The first direct attempt to establish communism in our continent has been eliminated.

So, there are features that would say, as compared to 3 years ago, the situation is better and brighter. But I would not be guilty of standing before you and to say that there is any cause for complacency or any lack of fervor and study and work in trying to do better.

(A chorus of "Mr. President.")

The PRESIDENT. I think the gentleman back there with the glasses.

Question (Edward P. Morgan, American Broadcasting Co.). Sir, General Ridgway has charged in an article that during the time that he was Army Chief of Staff decisions were made regarding the size of the Armed Forces which he did not agree to, but which, it was indicated, that he did by a statement you made in the state of the Union message, saying that the Joint Chiefs were unanimous on it, and he also said that decisions were made in deference to domestic politics on these matters.

Could you comment on that, sir?

The PRESIDENT. Well, first, if ever I have made a military decision out of deference to internal politics, then I have been guilty of violating my own best determinations. I am determined never in that field to be influenced by such a thing.

Now, I just make two points: First, every sector of the state of the Union message in which this statement that I—about the unanimous decision was made—every sector of that report is sent to the department having primary responsibility in that field to check it for every fact, every item that is there, to make certain it is correct.

If there is any incorrectness in any of the matters that appear with respect to the Defense Department section, please see Admiral Radford and General—and Mr. Wilson.

And finally, one other thing: As all of you here know, since back in 1940, I have been receiving advice from every kind of military assistant. Their advice is often expressing their own deeply felt, but, let us say, narrow fears.

If I had listened to all of the advice I got duirng those years, there never would have been a plan for crossing the channel. Indeed, I think we wouldn't have crossed the Atlantic Ocean. We certainly would never have invaded Africa and the Mediterranean, and I know we never would have crossed the channel until yet.

So finally there comes places where people in authority must make decisions based on the best advice they get.

(A chorus of "Mr. President.")

The PRESIDENT. I think this man here.

Question (Charles E. Shutt, Telenews). About 3 weeks ago, sir, Premier Bulganin expressed the thought that another summit meeting might be fruitful. Would you care to express your views on that, sir?

The PRESIDENT. That is one I missed. I haven't heard that one yet. I haven't anything to say about that.

Question (Charles L. Bartlett, Chattanooga Times). Mr. President, you spoke of the pressures that are being put on you in regard to this big decision, and I wondered if you could tell us whether you are being subjected to a series of pressures from the people who come to visit you, friends and officials, or whether you are being left to make this big decision in relative solitude?

The PRESIDENT. Well, you are pressing very closely to the limits of the field that I debarred, but I will say this—— [Laughter.]

I will say this: I myself said I would seek the advice of my trusted friends and associates, and I have been busy doing it. But as that goes on, there is a flood of mail, and the mail is generally of one tenor only. I am—after all, a person, no matter how many political enemies he has, does also have lots of friends, and it is—they believe in him, and they are very anxious to express their views. So that is what I referred to when I said that.

Question (No name). Mr. President——

The PRESIDENT. This gentleman.

Question (Robert G. Spivack, New York Post). Recently you suggested a commission to study acts of violence against Negroes in certain States.

I wonder if you have discussed this with Attorney General Brownell or the FBI, and if that isn't really one of their functions?

The PRESIDENT. Well, what I want to find out is, of course, someone to try to define the lines in which Federal responsibility in the great fields of civil rights lay.

Now, I don't remember that I said "Negroes." I have forgotten some of the details of that message. But I do recall that what I was interested in is to find out where we are violating and where the Federal Government has any responsibility whatsoever.

I think Mr. Burd was next.

Question (Laurence H. Burd, Chicago Tribune). Mr. President, has any date been set for this medical examination that you will have next month?

The PRESIDENT. Thank you for asking the question. I came over from my office this morning and I knew there was something I had forgotten to do.

(Turning to Mr. Hagerty) You remember that.

No; there hasn't. [Laughter.]

Question (Clark R. Mollenhoff, Des Moines Register and Tribune). Many of the Middle Western Republicans have been suggesting price supports on hogs and prices ranging from something like $16 to $18.

I wonder if you could give us your viewpoint on the use of price supports on hogs during the present farm emergency?

The PRESIDENT. Well, it would be—I would be really answering, I think, a very serious question a little bit too rapidly.

Actually, the broad program that we proposed does have a number of features that would begin to bring in income to farmers very quickly. One of them was a renewed purchase price for governmental purchase program for hogs.

I would believe that to go in this whole perishable field and begin the business of price supports would be dangerous. I would want to study it more before expressing myself definitely on it.

Question (Merriman Smith, United Press). Thank you, Mr. President.

(Whereupon, at 10:58 a. m., the press conference was concluded.)

ACCOMPLISHMENTS OF THE EISENHOWER ADMINISTRATION

Mr. PAYNE. Mr. President, today marks the third anniversary of the inauguration of Dwight D. Eisenhower as the 33d President of the United States. It is, therefore, an appropriate time for looking back very briefly on 3 years of accomplishments of the Eisenhower administration as well as for looking to the future to see what course the Nation is taking under the President's leadership.

The past 3 years have been good years for America. They have brought prosperity at home. More than 65 million Americans are gainfully employed, the greatest employment record in our history. Personal income after taxes is up 8 percent, and gross national product, construction starts, business investment, and production have all increased substantially in the past 3 years. Problems remain, as they always do, in the form of depressed areas suffering from the decline of certain industries and in a continuation of the decline in farm income

which has been in progress for many years. But programs have been developed by the administration to deal with these problems and a significant broadening of these programs has been recommended to the Congress this year.

The administration has made the greatest revision of tax laws in our history; social security coverage has been extended; the minimum wage has been increased; and it is estimated that the budget will be balanced in both fiscal 1956 and 1957. Along with this progress, controls on our economic life have been eased, reflecting this administrations' conception of its role as a regulator rather than a director of the economic climate in which free men live and work.

Along with prosperity, America is enjoying peace under the Eisenhower administration. The war in Korea has been ended, and the Free World under United States leadership has made significant gains in strengthening itself in the face of Communist imperialism. Here again, of course, problems remain, and new problems continually arise. But they are being met by this administration with patience, courage and determination.

Now what of the future? Today, perhaps more than ever before in our history, we have a crying need for two strong and alert political parties. The peril to the Nation and, indeed, to Western Civilization itself is so great that in the years to come it is essential that in our political life we act with responsibility and maturity in facing the hard decisions which alone can promote peace and security in the world and stability and freedom at home.

In 1790 Edmund Burke, one of Britain's greatest conservatives, set a policy for his party which, in my mind, perfectly expressed the philosophy of the Eisenhower administration—Burke said:

> The answer to world revolution is not outbidding it with leftism of our own, nor by reactionary rightist tyranny, but by conserving the free institutions of the west.

"Conserving the free institutions of the West." What did this mean to Burke and what does it mean today to the Eisenhower administration? The conservative seeks to preserve the human and ethical values of the West, as well as the social, cultural, and political traditions which hold together the civilization which western man has labored to build throughout the course of history. But—and this is essential to true conservatism—the conservative conserves discriminately. As has been said by others, he realizes that change is the law of life and adjustment to it the condition of life. Theodore Roosevelt believed that the promotion of social and economic justice and reform was the "highest and wisest conservatism." And so in our own national life today we observe that the Federal Government comes to play a larger role as economic interdependence and urban industrialization increase. The Republican Party under President Eisenhower has been and shall continue to respond quickly to the needs of our society simply because this is essential if we are to preserve the fundamentals of our economic and political way of life. But we should do this in such a way as to strengthen and preserve that which conservatives should hold more precious than all other values; namely, the dignity and fundamental rights of the individual man.

The same conservative philosophy, with its accent on constitutional democracy, liberty, and the rule of law, which motivated Abraham Lincoln motivates President Eisenhower today. Times may have changed, but principles have not. The conservative philosophy of President Eisenhower, nobly expressed and wisely practiced, is the creed best adapted to sustain a free and rational society in these days when our civilization is under such a powerful attack from both within and without. President Eisenhower has in 3 years pointed the way to the future with new vision and high courage. It is now up to all Americans to work unceasingly to translate that spirit into action which will enable the Federal Government to serve the people wisely and well and to build for them and their children an even happier and more secure future.

On this third anniversary of President Eisenhower's inauguration, I know all Americans join in congratulating him on a job well done and wishing him continued success in the future.

MALADMINISTRATION IN OFFICE OF COLLECTOR OF INTERNAL REVENUE, PHILADELPHIA, PA.

Mr. WILLIAMS. Mr. President, on Thursday, January 12, I placed in the RECORD the report of a grand jury in the city of Philadelphia, calling the attention of the Congress to certain conditions existing in the revenue office in that city.

Since that date another case has developed, in which a second individual has gone for 10 years without filing any tax returns. The question is raised again as to what connection he might have had with any of the officials of the Department.

I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks the article entitled "Second Lawyer Here Fails To File Tax 10 Years," published in the Philadelphia Inquirer of January 19, 1956.

The PRESIDENT pro tempore. Is there objection?

Mr. LANGER. Mr. President, reserving the right to object—and I shall not object—I should like to know the system employed by the individual who did not file a tax return for 10 years.

Mr. WILLIAMS. He merely followed the system of not reporting. Whether or not there was collusion between him and the officials is a question which is unanswered. The same question was raised in the previous case, which, the Senator from North Dakota will remember, was called to the attention of the Congress last week. The other individual had gone for a period of 8 years without filing an income tax return, during which time his income was more than $1¼ million.

The grand jury made the specific charge in their report that the fact that he was not filing tax returns was known to the top officials in the Revenue Service in 1949. In 1955, when it was discovered, nothing had been done about it. Even then the discovery was not made by the Bureau.

The grand jury suggested that there may be need for correction of the revenue laws, as well as need for a complete overhauling of the Department, to see why such administrative laxity was permitted.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Delaware?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SECOND LAWYER HERE FAILS TO FILE TAX 10 YEARS

The Government yesterday accused a Philadelphia lawyer of failing to file income-tax returns for the last 10 years on income of $144,800 in a tax case paralleling the sensational disclosures of huge tax delinquencies amassed by the late Lemuel B. Schofield, another lawyer.

This development promptly brought a comment from L. Alfred Chamberlain, Internal Revenue Service commissioner for this region, that he had never been informed of this case, even though he had been here since last September.

PROSECUTION LIMITED

Clarence J. Corcoran, 53, of 1414 Clearview Street, a Democratic campaign contributor and former jobholder in the State inheritance tax bureau, was charged with failing to file income-tax returns from 1945 through 1954 by United States attorney W. Wilson White in United States district court.

Criminal information was filed against Corcoran only for the years 1952 and 1953, White explained, because the statute of limitations barred prosecution beyond 3 years ago.

White said Corcoran voluntarily went into the tax office here and presented his returns for 10 years, admittedly owing the Government tax money but offering no remittance. He appeared with the returns 10 days after the bizarre Schofield disclosures.

White said no action was taken on the 1954 return since the time lapse between the due date, April 15, and the date of filing 4 months later was not sufficient to bring a criminal charge. He asked the court to set $500 bail for Corcoran when he surrendered.

White said the 2 charges called for a maximum penalty of 1 year in prison on each count and/or a $1,000 fine on each count.

The Corcoran case erupted on the heels of last week's demands by United States Senator JOHN J. WILLIAMS, Republican, of Delaware, that the Treasury Department furnish Congress with a complete report and that those responsible for the Schofield fiasco quit or be fired.

The criminal information—which bypasses necessity for a warrant and is sent directly to the Federal grand jury for possible indictment—was filed specifically against Corcoran for not filing his 1952 income of $9,951 and his 1953 declared gross income of $4,850, White said.

Edgar A. McGinnes, district director of the Internal Revenue Service here, declined to comment on the Corcoran case on the basis that it is now before the courts.

Asked to discuss generally the system which made possible the delinquencies, McGinnes again refused to elaborate, asserting the matter came "too close to touching upon national policies of the Department," adding that he was not at liberty to discuss such matters.

POINT CONCEDED

Queried on White's statement that Corcoran voluntarily reported the delinquencies

and was not found out by the Service, McGinnes said:

"We will not dispute that."

White explained that the voluntary, if belated, filing of the delinquent returns did not under the law prevent prosecution for willful failure to file returns when due. Commenting on the case, Chamberlain, the regional commissioner, said:

"This is the first time I have heard about it. However, I will check it thoroughly, with the added intent to see if there are any other such cases. When I arrived here in September and was apprised of the Schofield matter, I was led to believe there might be others."

VIOLATORS HUNTED

Chamberlain said that since the Schofield case, some temporary procedures have been started designed to uncover cases similar to those of Corcoran and Schofield.

A search now is being conducted through the tax files of other attorneys in this area, a spokesman for the IRS disclosed. To date, 45 tax returns of lawyers have been scanned. The findings were not announced.

Corcoran, a native of Wilkes-Barre, came here in 1930. In 1937, then active in 50th ward Democratic politics, he was named an assessor in the Philadelphia office of the State Inheritance Tax Bureau at $3,750 annually. He rose to the position of chief appraiser at $5,000 a year. He was fired in September 1943, after a Republican victory. In the fall of 1945 he was listed as having contributed $1,000 to the Democratic city committee.

Mr. WILLIAMS. In this same connection, there was published in the Philadelphia Inquirer of today, January 20, 1956, an editorial entitled "Schofield Case No. 2 Shows Need for Drastic Probe." In this editorial the Philadelphia Inquirer insists that some action be taken to find out the full extent of this scandalous situation. Let me quote from the last paragraph of the editorial:

The need is to find out. The need is for an inquiry which will cover up no one, hide no names, save no faces. If necessary, let Congress do that job.

I am in complete agreement with that statement.

I ask unanimous consent that the editorial be printed in the RECORD at this point as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SCHOFIELD CASE NO. 2 SHOWS NEED FOR DRASTIC PROBE

Discovery of a new Schofield case, in which a local attorney is charged with failing to file income-tax returns over a 10-year period, underlines what the Inquirer has said before on the need for a thorough inquiry and housecleaning in the Internal Revenue Service here.

The attorney, Clarence J. Corcoran, is stated to have gone voluntarily to the tax office to present returns for the 10 years, but offering no remittance.

So, here is another instance in which the Bureau itself did not discover a tax situation which had continued for a decade. This is pretty hard to explain to the wage earner and salaried employee—who has his tax taken out of his pay even before he sees it.

As the grand jury found in the Schofield case, there is urgent need for better procedures. But no procedure is much better than the vigilance of the men in charge of administering it. Even under existing procedures there is no conceivable excuse for failure to spot tax delinquencies over a 10-year period.

One can only wonder: how many more such cases as this lie hidden? How many more exist without the knowledge or even the suspicion of tax officials?

We are told that "some temporary procedures have been started to uncover similar cases." But why temporary procedures? Why should not the uncovering of such cases be a permanent policy?

It is no wonder that United States Attorney W. Wilson White said of the recent grand jury report that it was presented to reveal not only a "very mysterious case," but "deplorable conditions" in the Internal Revenue Service.

The shocking impact of this second Schofield case makes it all the more imperative to fix responsibility. As we said before, "even if these people cannot be prosecuted under the statute of limitations—they certainly ought to be fired." Perhaps in this second case the statute of limitations may not apply.

The need is to find out. The need is for an inquiry which will cover up no one, hide no names, save no faces. If necessary, let Congress do that job.

Mr. WILLIAMS. Certainly an inquiry into conditions of this office is long overdue. The officials who are responsible, and who knowingly permitted such conditions to exist, even if they have been removed from the Federal payroll, should be identified, even though the statute of limitations may have run. If they are still on the Federal payroll they should be fired. Certainly the taxpayers in that area have a right to know what action is being taken. They have a right to know whether or not these officials are still on the payroll, and if so, why they are kept there. I hope the Treasury Department will recognize this request and issue a complete report as to conditions and what action has been or is being taken.

If such a statement is not available then I think Congress should recognize its responsibility and take the appropriate steps to place the responsibility.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. LANGER. I wish to compliment the distinguished Senator for bringing this subject to the attention of the Senate again and again. He has done an excellent piece of work. If there is to be an investigation, I hope the distinguished Senator from Delaware will be chairman of the subcommittee making the investigation.

Mr. WILLIAMS. I thank the Senator from North Dakota.

The PRESIDENT pro tempore. Is there further morning business? If not, the Chair lays before the Senate the unfinished business.

AMENDMENT OF THE NATURAL GAS ACT, AS AMENDED

The Senate resumed the consideration of the bill (S. 1853) to amend the Natural Gas Act, as amended.

Mr. DOUGLAS obtained the floor.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. DOUGLAS. Mr. President, I ask unanimous consent that I may yield to the Senator from Montana such time as he may require, with the understanding that I shall then be entitled to the floor at the conclusion of his statement, and at the expiration of such further time as I may yield to other Senators.

The PRESIDENT pro tempore. Without objection, it is so ordered.

A REVIEW OF FOREIGN POLICY IS NEEDED

Mr. MANSFIELD. Mr. President, the Secretary of State has set in motion a review and reappraisal of the foreign policy of the United States. I do not know whether that was his intention when he gave an interview to a reporter for Life magazine. It seems to me that if it were, he might have found a more appropriate method. If he wished to discuss the achievements of American foreign policy with the public, he had only to request an open hearing with the Committee on Foreign Relations. He had only to call a press conference or to ask for time on radio and television.

An article in Life magazine—with all due respect to that eminent publication—is hardly the best way to lay before the country and the world an accurate picture of the inner workings of our foreign policy. Nor is it the best way to expose the inner workings of the mind of the Secretary of State—if that was the intention—especially since the article is not even over his signature. How is one to know at what point the Secretary's interpretation of events ends and that of the writer begins? No matter how able the Life writer, such an article was bound to produce violent reactions both at home and abroad. It has already had that effect and we have not yet seen nor heard the end of it.

Whatever the Secretary's intentions, and I have no doubt that they were honorable, one result is already apparent. The wheels of review with respect to American foreign policy have begun to turn both here and abroad. I regret that the review has begun in this roundabout and indirect fashion. I cannot say, however, that I am sorry that it has begun. It is long past due.

It is past due because everywhere in the world situations are changing rapidly while our policies have drifted along in the unchanging pattern of the past. I do not quarrel with the fundamental quality of these past policies. Most of them, like the Marshall plan for economic aid, military containment in Western Europe, and point 4, were devised during a Democratic administration, with the help of Republicans like the present Secretary of State. They were bold, intelligent, and effective policies at the time they were established. They stemmed the tide of the Soviet advance toward the Middle East and in Western Europe. They prevented Communist totalitarianism from spilling over into the western Pacific. In so doing, they served the interests and safeguarded the security of the United States. They achieved this without bringing on the atomic holocaust of world war III.

But a foreign policy effective once is not a foreign policy effective forever. For 3 years we have lived on borrowed time in foreign relations. We have been carried along; we have been supported by the momentum of the ideas and the strenuous efforts previously put forth.

I have searched the records and I have failed to find one major new approach to the situation abroad in the past 3 years. There is a Policy Planning Board in the Department of State whose function it is to lend creative direction to the conduct of foreign policy. Where is that direction? Has it been asked for? It has been conspicuous by its absence. There are advertising gimmicks; there are new words; there are louder words which fewer and fewer people heed. But what does it all add up to—a continuance of policies devised long before the present administration took office, now dressed up in the diplomacy of the brink.

When these policies were first established there was a strong justification for them in the situations which existed abroad. A war of great devastation, which had shaken free governments to their foundations had just been concluded. The threat of Communist subversion and aggression to them was immediate and overwhelming. If they had fallen before this totalitarian onslaught, the danger that this country might suffer the same fate would have been multiplied many, many times. It was in our national interest to act with economic aid, with military assistance; and we so acted. The response of the American people to the challenge to freedom from Communist totalitarianism was sensible, determined, and noble. So, too, was the reaction of the free nations of Europe. They supported fully the leadership of the United States because our policies did fit the situations which developed after World War II. They supported our leadership because it was clearly and unequivocally directed to the preservation of peace and human freedom—not to world war III or the chaos which lies beyond.

In some respects, in some areas of the world, the problems today are similar to those which confronted the previous administration. When past policies are employed, selectively and judiciously, to meet these problems, I see no reason to oppose their continued use. But in many parts of the world the situation has changed. New forces are on the march in Asia and Africa in the wake of the Bandung Conference last year. A Soviet diplomatic offensive, spearheaded by Messrs. Khrushchev and Bulganin, is in high gear in Asia, and has jumped the wall of containment in the Middle East. The German and Japanese situations are in a perceptible transition. North Africa is in turmoil, and the reprecussions push France closer and closer to political disaster. Western Europe, groping toward unity, is in a decisive struggle at this moment with its inner forces of disunity.

Nothing has been settled in Korea. The offshore islands may yet lead us into a military involvement with Communist China, if not to world war III itself. In Indochina, there has been some improvement, but even there the danger of catastrophe is by no means yet passed.

Mr. President, all of these situations bear a direct or indirect relationship, a dangerous relationship, to the security of the United States and to the welfare of the American people. The relationship may not be so readily apparent, it may not seem so real as some of the domestic questions which we face, like the budget or lower taxes or better roads or the protection of our natural resources. But it is nonetheless real. Unless our foreign policies meet these international situations effectively, they will, sooner or later, exact from the people of every State in the Union, from all the people of the United States, a terrible price, an inconceivably greater price than we have paid for past wars. In a nuclear age, the price will be calculated not only in hundreds of billions of dollars, but more important, in the lives of countless millions of our citizens, military and civilian alike. We shall deal with these internatonal situations soberly and intelligently and well, or we shall leave a heritage of a shattered civilization to terror-stricken, haunted generations who will come after us.

In striving to meet the problems which confront us in the world, there is one factor which I believe we must bear constantly in mind. It is the factor of our own limitations. Despite their importance to us, situations elsewhere are not completely within our control. What we do or fail to do with respect to any one of them is only one factor. We may do all that we are capable of doing and still find that they work out against our immediate interests. There are human limitations and they are just as applicable in foreign relations as in any other field of human endeavor. I do not believe the policymakers—either Democratic or Republican—have always appreciated that factor. In their anxiety to do something, they have often fallen into the erroneous assumption that dollars are the answer, or a better Voice of America, or more military aid, or this, that, or the other. There are no panaceas. There is no easy way out, there is no cheap way out, there is no sure way out of our difficulties. Gimmicks, no matter how clever, are rarely the answer. There are times when to do less is better than to do more.

That there are limitations on what our influence abroad is, does not, however, excuse those responsible for the conduct of foreign policy from doing everything possible to make it most effective. The limitations are not an invitation to irresponsible drift, dodge, or defeatism, just as they are not a sanction for persisting in policies—even those conceived under a Democratic administration—which may have become outdated.

In some situations these policies are still useful and are still necessary to the interests of the United States. In others, they are less effective or no longer effective and may even have become detrimental to our interests.

What we need, what the American people need, is a clear-cut honest understanding of the actual situations which confront us in various parts of the world and the policies which we are pursuing in dealing with them. We need to determine, the American people need to know, whether these policies are indeed the most effective available to us.

That is why I welcome the initiative of the Secretary of State in touching off a review of foreign policy by his interview in Life magazine, much as I differ with the propriety of the means he has chosen or with his interpretation of recent history.

General Ridgway's article in the Saturday Evening Post has raised other questions involving the capacity of the Armed Forces to meet the commitments of policy which we have undertaken. These questions, too, will need to be examined by the appropriate congressional committees as well as by Secretary Wilson and Admiral Radford. Let me say at this point that there is a great deal of difference in the propriety of a former Chief of Staff or even an ex-Secretary of State setting forth his views in an informal fashion and the present incumbents doing the same. In the case of former officials, they speak for themselves alone. What this administration has yet to learn is that when its officials speak, they speak for the entire Nation. Nor does it help matters for the President to issue disclaimers after the words of his subordinates, civilian and military alike, have done the damage.

I think the review of policy which has now begun should proceed not only in the executive branch, but in Congress—particularly in the Senate—and in the country at large. Some will say that an election year is not the time for it. They will say that under the pressure of politics, "bipartisanship" will give way. If bipartisanship means anything, it means the exercise of political restraint in matters which affect the vital interests of the Nation. It is not a device to club political parties into submissive speechlessness. It is not a muzzle which requires Congress, especially the Senate, to remain silent while situations are allowed to develop abroad which threaten the peace and welfare of the Nation as a whole.

I have been for a long time deeply disturbed by the tendency over the past 3 years on the part of the executive branch to abdicate or evade its duties in foreign relations. I have more than once spoken out on this phenomenon and in defense of the prerogatives of the President. I should be equally disturbed, however, if under the guise of bipartisanship, the Senate were expected to abandon its constitutional responsibility in matters of foreign policy.

The national interest will not be served in the Senate or elsewhere by a bipartisanship of silence when international developments demand discussion. It will be served only by the acceptance of that added measure of responsibility which rests on each of us in the executive branch, in the Congress, and in the country at large in questions involving the relationships of this country to others. It is the responsibility to think and to act as Americans rather than as Democrats or Republicans. That responsibility is with us at all times, no more, no less, in an election year than in any other.

A Republican majority controls the administration. A Democratic majority is in control of Congress. Let the Republican majority act with a sense of responsibility in this election year; the Democrats will do the same. The record

of this body during the past year bears out that statement. The Senate has functioned under the outstanding leadership of the Senator from Texas [Mr. JOHNSON] and the Committee on Foreign Relations under the chairmanship of the esteemed and statesmanlike Senator from Georgia [Mr. GEORGE]. I can think of no measure of major importance in foreign relations, sought by the President, which has been denied him by action of the Democratic majority in this Congress or by the Democratic minority in the last Congress. I can think of several which were saved for him by action from this side of the aisle.

Recently, within a 30-day period, several incidents have occurred which throw doubt on the capacity of the administration to operate with the same sense of responsibility. On December 13, 1955, congressional leaders of both parties were summoned to the White House from their homes to be consulted and briefed on the budget for foreign aid for the coming year. They were told by the Secretary of State that additional funds would be sought for economic aid. But they were told nothing of any anticipated increase in military aid by the Secretary of Defense. Two days later, after the congressional leaders returned to their homes, the newspapers carried the story that Secretary Wilson would seek $2 billion in additional military assistance.

Not long after this we learned through the newspapers, and then from the President's message, that the administration intended to put foreign aid on a permanent long-term basis. What congressional leaders were consulted on these plans?

Then came the Life magazine story, sanctioned by the Secretary of State, which extolls the achievements of a Republican administration in foreign policy in a partisan publication in an election year.

These incidents, Mr. President, are, in my opinion, examples of how not to act with a sense of responsibility in foreign relations.

And others seem to be coming. More and more administration leaders are getting into the political game in foreign relations and we are now even promised the spectacle of the Secretary of State taking the stump.

If national interest requires us to rise above political considerations in matters of foreign policy—and it does—it also requires us to undertake a vigorous review of that policy. It requires us to make an unremitting search for facts and ideas which may guide us in dealing with difficulties abroad. Nowhere is this more essential than in the Senate of the United States. Unless the search goes on continuously in this body, how are we to discharge our constitutional duty of advice and consent in foreign relations? The Senate's role in foreign relations, no less than the President's, is not a right; it is not a privilege; it is a constitutional obligation which cannot be abandoned for any reason whatsoever without undermining the foundations of our system of government.

For my part, I intend to raise the issues of foreign policy on the floor at intervals throughout this session. I hope to do so in the spirit of national responsibility and without challenging the integrity or the patriotism of any individual or the political party now in control of the executive branch of the Government. I will be only too glad to give credit where credit is due. By the same token, however, I do not propose to ignore or to gloss over the shortcomings, weaknesses, and inadequacies of foreign policy as I see them.

Within the next week or two, I expect to examine on the floor of the Senate the situation in southeast Asia. At appropriate intervals thereafter, I intend to raise for discussion, in turn, the growing crisis in Western Europe, the problem of north Africa, of Latin America, of continental Africa, of the Far East, and other areas of the world. My purpose in doing so is not to criticize for the sake of criticism, but to seek to understand and, where possible, to try to contribute to an improvement in the course which we are now following.

The Senate's role is to advise as well as to consent in foreign policy, and this administration is deeply in need of advice. Many of us have traveled abroad in recent months. We have had an opportunity, through the press, to keep up with developments. All of us, and the executive branch as well, should profit from a free and frank discussion of these developments. We might help, at the same time, to clarify the understanding of the American people as to the issues which confront us abroad.

Out of this review could come new ideas to fill the vacuum, to stop the dangerous drift which has settled over our foreign policy. We are in danger of finding ourselves pursuing ever more feverishly a policy with fewer and fewer understandable objectives, a policy stricken with a poverty of ideas.

The challenge to the Senate and to all of us, as Americans, is to clarify our objectives in foreign policy and to end the poverty of ideas by which we pursue them.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. JACKSON. I wish to commend the junior Senator from Montana for a very fine, constructive statement on foreign policy. I might add that such a statement from him is not unusual, because the Senator always makes constructive comments on foreign policy.

I may also say that, in my judgment, the junior Senator from Montana has laid down a high standard of conduct, which should be pursued and followed by the executive branch of the Government and by Congress. Certainly today the world situation is such that if a proper debate is carried on in Congress, it cannot help but assist in reaching and solving some of the problems which confront us.

I think it is quite clear, too, that when we discuss foreign policy, we should make certain that we have an adequate military inventory with which to back up our foreign policy. If we do both of these things concurrently, I believe we can make a great contribution to the security of our country.

I wish to commend the junior Senator from Montana for his excellent presentation of the issues and for following the standards of conduct which should be followed in this kind of discussion.

Mr. MANSFIELD. I thank my friend, the distinguished Senator from Washington. I wish to commend him for the fine work he has been doing in trying to bring home to the American people the dangers which confront us at present.

I am delighted to note that Admiral Radford, in an address before an American patriotic group on yesterday, echoed the words of the junior Senator from Washington when he said that we should not underestimate the capabilities or the potentialities of the Russians, especially in the fields of technology and nuclear energy.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. SALTONSTALL. I, too, commend the Senator from Montana for discussing these questions on such a high plane on the floor of the Senate, and I hope he may continue to do so.

I should like, however, to take issue with him on one matter, particularly, which he mentioned in his speech. On page 7 of his statement he stated:

> I have been, for a long time, deeply disturbed by the tendency over the past 3 years on the part of the executive branch to abdicate or evade its duties in foreign relations.

Mr. MANSFIELD. That is a correct quotation from my statement.

Mr. SALTONSTALL. I do not agree with the Senator in that statement. I believe the President, in his atomic energy speech before the United Nations, assumed leadership and responsibility, as he did also by attending and speaking forthrightly at the Geneva conference last year.

I think the present administration has tried to do its utmost to discuss with groups of both parties some of the immediate foreign policy questions which have arisen. In my opinion that is not an evasion of responsibility. I consider it to be the duty of the President to try to formulate our American policy.

I call the Senator's attention to one other point which he mentioned in his speech, that concerning the budget. I was one of those who were present at the conference at the White House, which, as I recall, was a closed conference. It was my understanding that the Secretary of Defense, at that meeting, said he expected to spend a little more money this year, or some more money this year. At that time he did not know the exact amount because he did not have the figures with him, and the budget had not been finally prepared. So I think the exact amount had not been determined at that meeting, although the Secretary of Defense did say that he intended and expected to spend a little more money.

At the top of page 9 of his statement, the Senator from Montana said:

> The administration intended to put foreign aid on a permanent long-term basis.

It is my understanding, in that instance, that a different emphasis has been placed on the word "permanent." If my memory serves me correctly, I believe it was suggested that there would be the possibility of considering foreign aid on more than a 1-year basis. I did not understand that the word "permanent" was used. I do not remember that it was. So I think I would take issue with the Senator from Montana as to whether at that time or at any other time it was said that our foreign aid was to be on a permanent, long-term basis, rather than that in certain instances or certain periods it might be better to extend such aid for one or more years. That, of course, is an issue which we can debate in the future.

In concluding, I wish to commend the Senator for stating that it is his intention to make additional speeches of this type. I hope I shall be present to hear them. However, I wished to point out where I disagree with the Senator from Montana, without going into an extended debate at this time.

Mr. MANSFIELD. I appreciate the statement of the distinguished Senator from Massachusetts, and I should like to make a few comments in answer to the questions he has raised.

I think the President did not assume his full responsibility at the time of the passage of the Formosa resolution last year. He asked Congress for power which he already had.

As to the additional $2 billion requested by the Department of Defense for military foreign aid, I do not consider $2 billion to be a small sum or a small additional increase. Certainly the senior Senator from Massachusetts—and I take his word completely, I assure him—is the only one of the leaders who were at the White House conference at that time who recalls Mr. Wilson making such a remark.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. MANSFIELD. If I may answer the Senator's question first, then I shall be happy to yield.

So far as the last question raised by the Senator is concerned, as to the administration's intention to place foreign aid on a permanent long-term basis, to me, 10 years does not seem to be foreign aid on a temporary basis. There was no indication that even at the end of 10 years foreign aid would be done away with altogether.

I am in favor of foreign aid on a reasonable basis. I do not think that in the field of foreign aid we ought to keep alive temporary agencies, as has been done under both Democratic and Republican administrations. I believe the administration of foreign aid should be placed in the State Department, where it belongs, because foreign aid is a part of our foreign policy and as such should be administered by the department charged under the Constitution with the execution of policy in that field.

Now I am glad to yield.

Mr. SALTONSTALL. I wish to reply to the last point first. I have not understood that the request of the Secretary of Defense was for foreign aid on a permanent basis, nor have I ever heard that it was to be on a 10-year basis. But I did understand that in certain instances—and the Senator from Montana, who has traveled widely, is familiar with this aspect—some of the aid for certain purposes, such as for construction, under conservation policies, cannot be completed in 1 year. That, as I understand, is what the administration has in mind.

I agree that this is a policy which should be debated. I think it is a policy as to which the word "reasonable" is better than the word "permanent."

As to the previous remark about the Secretary of Defense, I do not think I disagree with the Senator from Montana as much as he indicates. Two billion dollars is a large amount. What I tried to say was that at the White House meeting the Secretary of Defense spoke on an expenditure basis. The exact amount of the appropriations and the additional amount required for the additional expenditures he expected to make were not discussed. However, my memory may be fault.

Mr. MANSFIELD. The Senator from Massachusetts has a point. It is true that the entire sum would not be appropriated this year. But once an authorization has been made, as the Senator knows, the appropriations usually follow.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. FULBRIGHT. First, I wish to join in commending the Senator from Montana for making a very able statement. Being a member of the Committee on Foreign Relations with the Senator, I have long since come to regard him as one of the best informed, most forward-looking, and discriminating Members of the Senate in the matter of foreign relations. He has made a deep study of that subject and has specialized in foreign affairs. So I think that what he says deserves very serious consideration by the Senate and the country.

I wish to ask the Senator from Montana if he feels that the administration, especially the Secretary of State, has presented to the Senate and the country the true state of our relations with foreign countries, or has the Secretary made those relations appear to be better than they really are.

Mr. MANSFIELD. The Secretary of State has painted a picture which, in my mind, is a little too rosy. I feel that we have never faced such a difficult situation as we confront today, in the entire period since the end of the Second World War.

I think, furthermore, that the American people are entitled to know the truth. They should be told that they face years of tension; that, if I may repeat myself, there is no easy or cheap way out of the difficulties which confront us; and that politics should take second place in relation to the welfare and security of our country.

Mr. FULBRIGHT. Mr. President, will the Senator from Montana yield further?

Mr. MANSFIELD. I yield.

Mr. FULBRIGHT. I agree with the Senator; it seems to me that one of the most dangerous things we could do at this time would be to create the impression that the dangers were past or that they were less than they actually were, because that would have a direct bearing upon our capacity to support adequately a program in which I know the Senator, and I am sure the administration, are interested.

Mr. MANSFIELD. That is true.

Mr. FULBRIGHT. What seems to me especially unfortunate is, on the one hand, to paint a rosier picture than the facts warrant, and, on the other hand, to ask for very substantial increases in appropriations. How can those two aspects be reconciled?

Mr. MANSFIELD. The two do not jibe.

Mr. FULBRIGHT. The two do not jibe, and to me it seems incredible that we are to be told, on the one hand, that everything is going well, and on the other hand, that we have to have a permanent program, with very large increases in funds. If we cannot get a more realistic picture from the administration than that, it makes the job of the Congress an impossible one.

Mr. MANSFIELD. It does, because we have to depend on the administration to furnish the details and the facts. If we do not have access to them, we cannot act on the basis on which we should act, and on the basis on which every Member of the Senate believes he should act. I would far rather prefer to have the true status laid before us, so we can act accordingly, and so that when we go to our respective States we can tell the people what the situation is, not only from our own viewpoint, but from the viewpoint of the administration, which, although it is Republican, represents the country.

Mr. FULBRIGHT. If there is anything to a bipartisan policy, it means cooperation between the administration and the legislative branch, so that the people of the country may be enlightened and their support enlisted. The Senator from Montana and I do not get the same attention in the press as does the administration, and if we tell the people one story and the Secretary of State tells a different story, it creates an impossible situation for us.

Mr. MANSFIELD. That is true, but in cases of that kind, we will have to tell the story as we see it.

Mr. FULBRIGHT. The Senator from Montana and I usually agree on matters of this kind. I can think of no instance when we have not agreed. I feel that if the country is not told the full truth about such matters, it makes it more difficult for us to perform our function. I think the administration must keep in mind that it cannot have the Secretary of State speaking one way in his speeches, and then come before Congress and ask for a program which he supports by different assumptions. I think the facts to a great extent should control what the Secretary says. I have reference to what is happening in France, for example. Is not the situation there very serious?

Mr. MANSFIELD. It is far more serious, I think, than the American people know, especially when we realize that there has been an increase in the Communist Party membership in the Na-

tional Assembly from 98 to 151, when we see an increase in numbers and in power of a party which believes in nonpayment of taxes, and when we consider complications in north Africa, the Saar, and elsewhere. We must admit that in that area, which is the heart of NATO, we have a very complex situation. We have invested billions in France, because it is the capstone of the NATO organization. It is common knowledge that we have pipelines, concentrations, and airfields there, in order to strengthen Western Europe, because we recognize that our security interests are tied to that area. Now we are confronted with the results of an election in France which has made a bad condition worse. We cannot ignore it. We cannot laugh it off. We have to create a policy in accordance with the realities of life.

Mr. FULBRIGHT. The Senator has said it very well, indeed. The fact of the matter is that, together with the developments in the Middle East, there has been created a situation which is far more serious than anything we have had since World War II, except for the actual fighting in Korea. Yet the impression is left that things are going well, and the publication of an article, such as was recently published in a magazine, which implied that things are going well, is a very great disservice to the formulation of such a bipartisan policy as should receive the support of this country.

Mr. AIKEN. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. AIKEN. When the Secretary of State comes before a committee and gives us to understand that the non-Communist world is stronger than it was before, it seems to me it is not very fair for his opponents to pick out one piece of the non-Communist world, which may be a weak spot, and point out that weakness, and thereby make out the Secretary of State as a liar. His representation to our committee was that the non-Communist world as a whole was stronger. I believe it is stronger. Most of the countries are stronger economically than they were. I do not think it is quite fair to pick out a particular spot of the non-Communist world and point out its weakness. Even France is stronger economically, and has not changed much politically. France is weaker as far as its colonies are concerned, of course, but I do not think anyone should pick out one bad spot and say the Secretary of State does not tell the truth.

The PRESIDING OFFICER (Mr. LONG in the chair). The one-half hour which was yielded by the Senator from Illinois has expired.

Mr. AIKEN. May I ask unanimous consent that I may be yielded 1 minute more?

Mr. DOUGLAS. Certainly.

Mr. AIKEN. I shall not take it.

Mr. MANSFIELD. The Senator from Illinois consented to yielding to the Senator from Vermont.

The PRESIDING OFFICER. The Senator from Illinois has yielded 1 additional minute in addition to the time heretofore yielded.

Mr. DOUGLAS. Mr. President, I am glad to yield additional time to the Senator from Vermont.

Mr. MANSFIELD. Mr. President——

Mr. AIKEN. Very well; then I shall use the 1 minute. I have felt at times that the Secretary of State was somewhat apprehensive in coming before the committee, for fear that what he might state in confidence, and what might be of a critical nature, might appear in the newspapers the next day, or as soon as his statements could get into print thereafter. I believe that is a situation which should be cured. However, I think that because of the Secretary's broad statement that the non-Communist world is stronger, it is unfair to pick out one spot and say he is wrong.

Mr. MANSFIELD. Mr. President, I may say that was only one illustration. One could pick out scores of spots. Take the Middle East. I understand it is ready for eruption at any moment.

The PRESIDING OFFICER. Does the Senator from Illinois care to yield further?

Mr. DOUGLAS. I yield.

The PRESIDING OFFICER. How much additional time does the Senator yield for this subject?

Mr. DOUGLAS. Mr. President, I yielded previously for a half hour. I shall be glad to yield such an additional period of time as the Senator from Montana may care to have.

Mr. MANSFIELD. May I have 5 minutes?

Mr. DOUGLAS. Yes.

Mr. HUMPHREY. Mr. President, will the Senator from Montana yield to me?

Mr. MANSFIELD. I yield to the Senator from Minnesota.

Mr. HUMPHREY. I think the address delivered by the Senator from Montana is an excellent one. I was not here to hear it. However, I had a copy made available to me and have read it. It was prepared and delivered in a temperate and very thoughtful manner. It certainly exhibits the finest type of mature and enlightened bipartisan consideration.

The Senator from Montana is respected by all his colleagues for his unusual grasp of the problems of foreign relations. We are deeply indebted to him. I believe he has brought to our attention a galaxy of problems, far beyond any 1 or 2 which may be pointed out.

I notice that the Senator from Montana commented most politely and in a most friendly manner on the article in Life magazine, which in the past few days has been the subject of discussion. I think his comment was most appropriate, and was very temperate and moderate.

Is he aware of the fact that only a few days ago the Secetary of State said that about the first of December he talked with the man who wrote the article entitled "How Dulles Averted War," which was published in Life magazine?

Mr. MANSFIELD. Yes, I am.

Mr. HUMPHREY. Is the Senator from Montana aware of the fact that on November 28, the Secretary of State opened his press conference by referring to the subject of bipartisan discussion of our foreign policy? Does the Senator from Montana recall that?

Mr. MANSFIELD. No; I am sorry that I do not.

Mr. HUMPHREY. Let me refresh the Senator's recollection by quoting, for example, what Mr. Dulles had to say on November 29, as reported by the Associated Press:

> Foreign policy will no doubt be debated during the Presidential campaign. Such debate should be welcomed so long as it is constructive and conducted in such a manner as not to endanger our Nation.
>
> It needs to be remembered that those hostile to the United States and its ideals are not going to take a vacation so that we here can safely concentrate on a domestic political battle. We should not encourage them to become bolder, calculating that the months ahead, because they are an election period for us, would provide unusual opportunities for them.
>
> Our Nation will need the same bipartisan unity which in the past has given authority, vitality, and much success to our foreign policies. The need for such bipartisanship has been increasingly recognized during the postwar decade, and last year bipartisanship reached a new high.

This is what I wish particularly to invite to the attention of the Senator from Montana:

> It is to be hoped that partisan debate will not disrupt or disparage this process which is necessary to give to United States foreign policy the stability required if our friends abroad are to depend upon it and if our enemies abroad are to respect it.
>
> I know that no American will deliberately imperil his Nation. But that peril could result from careless or uninformed indulgence in partisan excesses.

Is not that a statement of philosophy and purpose with which we can agree?

Mr. MANSFIELD. It is a statement of philosophy and purpose with which the Democratic Party has agreed since the Eisenhower administration has been in office during the past 3 years; and that is one of the things which makes me proud to be a Democrat, because during that period we have acted as a responsible opposition party.

Mr. HUMPHREY. I certainly concur in that statement, and I believe that our record of support is indicative of its accuracy.

The Senator from Montana may be interested in the following:

The Secretary of State, after concluding his formal statement, answered questions from the newsmen at the conference. In answer to one question, he said:

> Well, now let me tell you this: I am going to try as hard as I can to avoid myself getting drawn into what could reasonably be regarded as a partisan position. I think that the job that I have is pretty much of a full-time job, and I'm trying to handle it in the way which will best serve the interests of all the American people.
>
> So, I shall avoid, as far as I possibly can, getting drawn into any aspect of partisanship.

That was on November 29. Yet a few days ago the Secretary of State said to a newspaperman that he gave his interview to the Life magazine reporter on about December 1. How does that jibe, in terms of what we call a considered, moderate, mature, bipartisanship spirit of unity and cooperation?

Mr. MANSFIELD. Let me say to the Senator from Minnesota that I do not think the facts jibe; but I wish to repeat what I said in the course of my speech, namely, that I believe the Secretary of State is an honorable man.

Mr. HUMPHREY. Indeed he is.

Mr. MANSFIELD. He probably did not realize what he was doing. It is hard to understand, when we consider the stature of Mr. Dulles' mind.

On the ticker, this morning, I read something to the effect that a friend of Mr. Dulles is supposed to have said that Mr. Dulles should speak "off the cuff," and should not carefully prepare his speeches, because it is in his carefully prepared speeches that he seems to say the things which cause, shall we say, some discussion.

Mr. HUMPHREY. I noticed that in his remarks today, the Senator from Montana said:

> Nor is it the best way to expose the inner workings of the mind of the Secretary of State—if that was the intention—especially since the article is not even over his signature. How is one to know at what point the Secretary's interpretation of events ends and that of the writer begins?

I gather that the Senator from Montana is of the opinion that there might have been a slight partisan tinge to the article; is that correct?

Mr. MANSFIELD. I would not care to disabuse the Senator's mind in that respect.

The question in my mind is why the Secretary of State gave the interview leading to the publication of the article, and what was the need for it.

Mr. HUMPHREY. That is the point.

Mr. MANSFIELD. The Secretary of State could have told the story to the Foreign Relations Committee or to the press, or he could have obtained time on the radio or television for that purpose. There are all kinds of ways by which the Secretary of State could have carried his message to the people, who would have been glad to hear from him, as they always are. I do not know why the Secretary of State gave the interview to a particular magazine, or what the need for it was. Those are the questions which arise in my mind.

Mr. HUMPHREY. Yes.

Is it not particularly interesting to ask why that was done, inasmuch as only 2 days before that interview, the Secretary of State said:

> I am going to try as hard as I can to avoid myself getting drawn into what could reasonably be regarded as a partisan position. * * * So I shall avoid, as far as I possibly can, getting drawn into any aspect of partisanship.

Let me ask my colleague from Montana this question: Is it not correct that the criticism of the article is not a criticism of what the Secretary of State said before the Foreign Relations Committee or what he said in his public speeches which have been reported as official on the part of our Government; but is not the criticism as to the manner and the timeliness of what was said and what was written?

I think the Senator from Montana will agree that more security information was revealed in the Life magazine article than we have heard before the Foreign Relations Committee, particularly as relating to the use of atomic weapons. Am I correct in that observation?

Mr. MANSFIELD. I would say the Senator from Minnesota is eminently correct. So far as I know, no Member of the House or the Senate had that information at his disposal. It was news to me, and it disturbed me.

Mr. HUMPHREY. In other words, the Senator from Montana did not hear, for example, that we were in the process of considering the use of nuclear weapons in some of the instances which were revealed in the article; is that correct?

Mr. MANSFIELD. That is correct; I did not hear of that at all.

Mr. HUMPHREY. The Senator from Montana attends regularly the meetings of the Foreign Relations Committee, does he not?

Mr. MANSFIELD. I do.

Mr. HUMPHREY. I gather that the attendance of the Senator from Montana at the committee's meetings is one of almost 100 percent regularity.

Mr. MANSFIELD. Not quite.

Mr. HUMPHREY. Is it not fair to observe that in the publication referred to, there were revelations which went beyond anything we have ever heard in the Foreign Relations Committee, on those particular topics?

Mr. MANSFIELD. To the best of my knowledge, that is correct. If there was any truth to that particular assertion, I would think it would be highly super-secret-confidential, so that it would not be made public anywhere, at any time.

Mr. HUMPHREY. Does the Senator from Montana recall that any particular security information has ever been "leaked" from the Foreign Relations Committee?

Mr. MANSFIELD. I certainly do not.

Mr. HUMPHREY. Does the Senator from Montana recall in recent days receiving from the Foreign Relations Committee any particularly high-level security information?

Mr. MANSFIELD. No. As a matter of fact, anyone who reads the press of this country has a fairly good knowledge of what the state of affairs of the world is; and very little in addition to that is to be obtained from the Foreign Relations Committee.

Mr. HUMPHREY. I thank the Senator from Montana; he has rendered a great service.

The PRESIDING OFFICER (Mr. FULBRIGHT in the chair). The 5 minutes yielded by the Senator from Illinois to the Senator from Montana have elapsed.

Mr. LONG. Mr. President, I should like to ask several questions of the Senator from Montana.

Mr. DOUGLAS. Mr. President, I yield 2 minutes for that purpose.

The PRESIDING OFFICER. The Senator from Montana may proceed for 2 additional minutes.

Mr. LONG. Mr. President, will the Senator from Montana yield to me?

Mr. MANSFIELD. I yield.

Mr. LONG. Did the Senator from Montana ever have it called to his attention, or come to his knowledge, as a member of the Foreign Relations Committee, that on three different occasions the United States had taken certain steps which were such that, if the Communist world had taken a corresponding additional step, world war III would have started?

Mr. MANSFIELD. No.

Mr. LONG. Does not the Senator from Montana, as a Senator of the United States who serves on the Foreign Relations Committee, a committee which certainly is as well qualified to have access to secret information as is any other body of men in America, believe that if the Secretary of State had felt that affairs had developed to such a point that one more forward step by either side would have brought on world war III, it would have been well to inform the members of the Foreign Relations Committee, the elected representatives of the people of the United States?

Mr. MANSFIELD. In my opinion it would have been mandatory to inform the Congress of the United States.

Mr. LONG. If we had reached the point where world war III was on the verge of beginning, and where a simple additional step by our prospective enemy would have meant that world war III was underway, and if the Congress, the elected representatives of the people—even the committees best qualified to keep a secret—were not to be informed of this situation, might it not have been possible that the reason might be that we might not want the Communists to know precisely the inner workings of the minds of the members of the administration at that particular point?

Mr. MANSFIELD. That is possible.

Mr. LONG. Can the Senator think of any other conceivable justification?

Mr. MANSFIELD. I cannot.

Mr. LONG. If that were the case, then can the Senator tell me what purpose there might be now in explaining to the Communists exactly how our minds were working in arriving at the decision that we felt that we had reached a point beyond which we could not go?

Mr. MANSFIELD. We get back to the original question; namely, Why was the article published? What was the reason for it? I do not know.

Mr. LONG. Does the Senator believe we would find it helpful in arriving at our decisions if we had similar information as to what was the situation at that point in the minds of those in the Kremlin and those at Peiping?

Mr. MANSFIELD. Yes.

Mr. President, I thank the Senator from Illinois [Mr. DOUGLAS], who has been so gracious, and from whom I have taken so much time.

Mr. DOUGLAS. Mr. President, I should like to yield to the Senator from West Virginia [Mr. NEELY] for 15 minutes. I am sure that when the Senator from West Virginia requests 15 minutes, he will not take more.

With the understanding that I do not lose my right to the floor, I am glad to yield to him at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

SECRETARY DULLES' FOREIGN POLICY INTERVIEW WITH THE PRESS

Mr. NEELY. Mr. President, let me sincerely thank the eminent Senator from Illinois for the fifteen precious minutes he has graciously granted me. His generosity will not be abused by an attempt to extend my allotted time into a trespass on eternity—a "sad offense" which is habitually committed in this Chamber with the regularity and persistency of the rising and the setting of the sun.

Mr. President, a nationwide newscast last Tuesday night by the Columbia Broadcasting Company's preeminent analyst and commentator, Mr. Eric Sevareid, is in simplicity, logic, and importance comparable to Lincoln's Gettysburg Address and in eloquence to Bryan's Cross of Gold convention speech. Mr. Sevareid began with his usual "Good evening," but his pertinent remarks might well have been captioned "How Imbecilic Can an American Secretary of State Be?" or in Ciceronian paraphrase, " 'How far, oh Mr. Dulles, will you continue to abuse the patience' of the American people, offend their allies, distress their friends, and delight their foes by 'darkening counsel by words without knowledge,' propriety or commonsense?" Mr. Sevareid's notable commentary, with which he brilliantly illuminated the latest indiscretion of the confused and bungling Mr. Dulles, is as follows:

Good evening. Secretary John Foster Dulles faced several hundred reporters this morning, explanatory statement in hand. This was probably the first time that the Washington news corps—much of it at least—has felt downright sorry for Mr. Dulles, who possesses a very tough carapace. The incredible snafu of the Life magazine interview had Mr. Dulles in an excruciatingly painful position, produced by a combination of forces: Mr. Dulles' own desire to counter criticism of his foreign policies, mounting since the Mid East situation began to fall apart; the eagerness of his personal press agent to picture his chief as the single savior of world peace; the desire of the Luce publications to strike a blow for the administration this election year; and the innocent, black-and-white view of history held by the magazine writer.

The outcome to date includes a sharp weapon placed in the hands of Russia's propagandists; fear among neutral governments; consternation among friendly governments; a political windfall for the Democratic Party, and more certainty than ever that foreign policy will be a hot campaign issue this year; and it included this morning's unhappy spectacle of the able, dignified Secretary of State trying bravely to undo the worst of the damage, in a shaky voice. He was the picture of a man who had been led to disaster by his best friends, his closest advisers, and his own ego—a man who knew all this and knew he could only reduce the damage, not repair it.

The most important thing he did this morning was to make it clear that deliberately moving to the brink of war in a gamble to stay an aggressor's hand was not his policy; that is what the article had made his policy appear to be. He denied that the now celebrated line was his own words, by saying he, himself, would never have put it quite that way. But even if Mr. Dulles did use those words he cannot possibly have meant them as they were interpreted by the world. Obviously no man in his right mind would, in this hydrogen age, deliberately seek to push his country to the brink of war. Nor was Mr. Dulles responsible for the sweeping conclusions made by the magazine writer himself, or for the stark headlines which said, "Three Times at Brink of War: How Dulles Gambled and Won." The current joke here is that a Democratic gremlin is writing headlines for Mr. Luce's Republican magazines. For no headline could give people less peace of mind about the conduct of those life-and-death affairs.

But Mr. Dulles is responsible for the sweeping claims that our threats to use atomic bombs preserved the Korean armistice, stopped the Reds from taking all of Indochina and prevented a Red attack in the Formosa Strait. He is responsible for implying the Government had definitely decided to use the bombs and to attack China proper if the Reds did not pause. If the Reds knew such a policy decision had been taken in any of the three instances they knew more than the American people, press, or Congress, or our allies.

On one other aspect Mr. Dulles was not convincing this morning. His implication that the Life interview was no different from other private talks he has had with other writers. In fact, this interview and article were most elaborately arranged; there were not 1, but 4 sessions between Dulles and the writer and it was all tape-recorded. Mr. Dulles' press officer, furthermore, reviewed the article before publication, apparently failing to detect the enormous charge of dynamite it contained, including the explosives handed, gratis, to the political opposition.

This is Eric Sevareid in Washington.

Mr. President, ever since the days of Thucydides it has been an axiomatic truth that "history repeats itself." Mr. Dulles in his interview, which appeared in a recent issue of the nationally circulated magazine mentioned by Mr. Sevareid, has, so far as ultimate consequences are concerned, repeated one of the most regrettable oral transgressions in the political history of the United States. The precursor of our erring Secretary's latest deplorable deliverance is as follows:

In the Fifth Avenue Hotel in New York City on the 29th of October 1884, the Reverend Samuel D. Burchard, as spokesman for a number of clergymen who had gathered to assure Mr. James G. Blaine of their support of his candidacy for President, said:

We are Republicans, and don't propose to leave our party and identify ourselves with the party whose antecedents have been rum, Romanism, and rebellion.

Concerning this disgraceful nonsense a distinguished commentator says:

There is good reason to believe that the phrase "rum, Romanism, and rebellion," which Blaine failed promptly to repudiate, lost him the Presidency.

In that case the utterance of a stupid blabbermouth enabled Grover Cleveland to carry New York by 1,047 plurality, win the State's entire electoral vote, and consequently gain the world's greatest honor—the Presidency of the United States. In 1884 Burchard's foul and foolish words, which were of only national significance, defeated a Republican candidate for President. Mr. Dulles' equally foolish words, which are of great international concern, will, in cooperation with numerous other well-known causes, in 1956, defeat another Republican candidate for the highest office in the land.

The American people have been greatly alarmed by the Secretary's assertion that during the past three years we have three times been on the brink of war which, if it had occurred, would have inevitably been fought not by the outmoded methods of the past but with annihilating atomic and hydrogen bombs. Thus we have from Mr. Dulles a new revelation of the value of the Republican promises of security and peace by which millions of Americans were humbugged into voting for Mr. Eisenhower in the latest presidential election.

In the circumstances, Mr. Dulles has, by means of his interview, given the kiss of death to the next Republican presidential candidate as certainly as the Reverend Samuel D. Burchard gave it to James G. Blaine 72 years ago.

At the ballot box next November, regardless of the names of the presidential nominees, the people will, by a majority of many millions, say to the Republican Party as the Almighty said to Belshazzar: "Thou art weighed in the balances, and art found wanting. Thy kingdom is given to the" candidate of the illustrious Democratic Party founded by Thomas Jefferson, vitalized by Andrew Jackson, liberalized by Woodrow Wilson, and immortalized by Franklin Roosevelt and Harry Truman, and thereafter the American people will once more be able to

> Wrap the drapery of
> their couch
> About them, and lie down
> to pleasant dreams.

AMENDMENT OF THE NATURAL GAS ACT, AS AMENDED

The Senate resumed the consideration of the bill (S. 1853) to amend the Natural Gas Act, as amended.

Mr. DOUGLAS. Mr. President, before I begin my address, I should like to ask unanimous consent that one of my assistants, Mr. Riddle, be permitted to sit on the Senate floor to assist me.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOUGLAS. Mr. President, at the conclusion of the session yesterday I started to point out some of the extraordinary contradictions in the claims made by the proponents of the bill. I pointed out that the eminent sponsor of the bill, the junior Senator from Arkansas [Mr. FULBRIGHT], argued that his bill was intended to protect the consumer. I pointed out that the claim was echoed in part by the floor manager of the bill, the junior Senator from Oklahoma [Mr. MONRONEY].

As I said, I am sure these Senators made their statements in good faith. They are sincere men and splendid Members of the Senate. However, I also pointed out that in the areas where gas is produced the producers and the big oil and gas companies were being told that this was a bill which would result in a huge increase in the gas prices in the field, which would redound to their

benefit. If time permitted, I could document that statement in great detail from speeches and newspaper articles.

That indicates the dual nature of the discussion which has been carried on. In the back rooms and in the boiler rooms, word is being circulated that the pending bill will allow gas prices to go up very greatly. It is that statement which is mustering behind this bill the economic power which the big oil companies are throwing into it.

At the same time, out in front very fine gentlemen are saying, and saying in all sincerity, that this is a consumer's bill, and thus seek to soften the opposition of the consumers of the country to this measure.

I point out this conflict so that we may get behind the verbal protestations which are being made and into the essence of what is being proposed.

There is another very interesting contradiction which has developed. My good friend the Senator from Arkansas [Mr. FULBRIGHT] argued at great length that his bill would provide more effective controls than those provided by the present act, and that the indirect controls sought to be placed on the pipelines were for the purpose of preventing their "passing unreasonable market prices" on to the distributing utilities, and that such indirect controls would be more effective than direct controls on the producers.

He argued, in effect, therefore, that his bill would make controls more effective.

The Senator from Arkansas, as I shall try to show, is mistaken in that point of view, though I am sure he is honestly mistaken.

However, the senior Senator from New Hampshire [Mr. BRIDGES], the chairman of the Republican Senatorial Policy Committee, in his speech on the floor in support of the bill, stated very clearly on Tuesday afternoon that this was a bill to remove controls. He regarded controls as un-American and improper, and welcomed the fact that the bill would remove them. They cannot have it both ways, Mr. President.

In this respect the analysis of the senior Senator from New Hampshire is much more to the point than the claims of the junior Senator from Arkansas. The pending bill would, as the senior Senator from New Hampshire asserted, take off controls on the price at which natural gas enters the pipelines for ultimate distribution to the consumers of the country.

In rising to oppose the Harris-Fulbright bill I speak for 21 million American families who cook with natural gas or heat their homes with natural gas, or heat water with natural gas, or, upon occasion, operate their refrigerators with natural gas. I speak for those 21 million American families who comprise approximately 80 million American citizens. Those families, who include nearly half of our total population, have, at a conservative estimate, $11 billion of their money invested in gas furnaces, gas hot-water heaters, gas stoves, and some gas refrigerators. In 1954 they paid at least $1,400,000,000 a year to the local gas companies for the gas which they burned.

I should like to point out that these families are of all economic levels. They cut through all economic strata; they include the poor, the middle class, and the well-to-do. They are a cross section of the Americans who live in the towns and cities of our country. They can be described, if any group can be so described, as Mr. and Mrs. John Q. Public. In speaking for them, I believe I am speaking for the true principles of the Democratic Party of which I am proud to be a member, because, historically, the Democratic Party has always tried to protect consumers; it has always tried to build purchasing power from the bottom up, rather than allowing it to concentrate at the top and trickle down. So, therefore, while I do not question the motives of any man, I do wish to say, in spite of the assertions which may be made, that I am not only speaking in behalf of these families, but I am speaking in behalf of the traditions of my party.

While my chief concern is for this one-half of our entire population, who may be called the residential consumers, I am also interested in protecting the legitimate interests of the small shopkeepers and restaurant owners who use gas for heating and cooking and in the industrial plants which, requiring great heat, burn gas as a fuel. Finally, the local gas distribution companies are finally waking up to the fact that the big increase in the price of gas, which this bill will cause, will hurt them. Most of the local companies have, therefore, joined our ranks and we are glad to have them.

Let me say immediately that of course I hold no grudge against the men in Congress who are pushing this bill, nor do I against the interests which stand behind them and which furnish the main driving force for this measure. I recognize that many people in the great oil and gas producing States of the Nation, such as Texas, Oklahoma, Louisiana, and Kansas, would benefit from this bill. While the major benefits will go to the big oil companies and to the pipelines, it is true that under the royalty system for leases that a little of the fat, about one-eighth, will drop down from the tables of the wealthy few into the mouths of farmers, stockmen, and landowners generally. Since this is a real world, it is only natural for the Senators from these States to support this bill. In so doing, they are furthering the economic interests of many of their constituents, and it would be political suicide for them to do anything else.

Furthermore, I am convinced that they believe in the righteousness of their cause, so that they probably feel like crusaders going forth to battle for their people. I do not question their sincerity, and I do not question their motives; I merely wish to say to those Senators that they should not forget that they have large numbers of consumers within their States, in all cases probably, many times more consumers than producers, that the consumers within their States will be hurt by this bill, and that the consumers of their States also have interests which should be represented.

I would call to the attention of the Senate and of the country that we want to deal fairly with the oil and gas producers and with the people from the gas producing States. No one plans to confiscate their property. No issue of nationalization is involved. We want the oil and gas fields to continue under private ownership. We want them to make a fair return on the actual capital they have invested. We would be willing to give them a higher rate of return than is allowed to the electrical companies, for example, because we recognize that there is a certain degree of risk in drilling for oil and gas which is not present in building a powerhouse or constructing a dam. Let not these bogies and ghosts therefore be paraded across the Senate floor. They have no substance and merely divert attention from the real issues.

All we want is to protect the approximately 80 million ultimate consumers from an unreasonable increase in the price of gas. We should recognize from the very start that the consumers of gas do not have the competitive protection which they have in the case of such other commodities as coal, oil, wood pulp, and so forth. In those cases, the distributors and consumers have alternative methods of transportation at their disposal so that if any one producer tries to hold them up, they can buy from others and if one distributor gouges them, they can turn to another. For they can use railroad, water, or truck transportation to tap other suorces of supply if any one group boosts the price unduly. This makes coal, oil, and so forth largely competitive products.

The 21 million householders, however, have no such protection. Once they are hooked up to gas, they must keep on with it. The marriage is indissoluble. When the rates go up steeply, as they will under this bill, all the householders can do is to bear it. But they will do so without a grin.

It is because the gas industry is noncompetitive that regulation is necessary to protect the public interest. Half a century ago, we found this to be true of gas disrtibuted and indeed generally manufactured locally. The consumers could not switch from one gas company to another.

Duplicate gas mains running down the same street were impossible. Because there could be only one set of gas mains it was provided that a company had to have a certificate of convenience and necessity in order to install a gas main. It has been said on the floor of the Senate that the reason why we have regulation of the retail price of gas is because the States, or, in some cases, localities, issued certificates of convenience and necessity. This is a superficial view of the situation. The certificates of convenience and necessity were issued because there could be only one set of gas mains. It was the fact that the industry was noncompetitive that led to the requirement of certificates of convenience and necessity and to the regulation of rates. Since competition could not work, the States gradually created utility commissions to deal with this problem

and with the sister commodities of electricity and telephone service.

I once lived in a city where there were two telephone companies, and I had difficulty because some people were not on my line. I think 46 of the 48 States have State utility commissions, one of the exceptions being the State of Minnesota.

Then, as natural gas came in, we found the same thing to be true of pipelines. Where these lines crossed the State boundaries, State control was impossible. There were two decisions, the Missouri-Kansas decision of 1924, and another decision in 1927, Public Utilities Commission against Attleboro Steam and Electric Co., which provided that, according to the interpretation then given by the Court, States could not regulate the price of gas in interstate commerce.

So in 1938 Congress passed the Natural Gas Act, regulating the transportation and sale for resale of gas shipped across State lines.

As the Supreme Court has decided in the Phillips case, this act not only gave the Power Commission the right but, in fact, imposed on it the duty of protecting the consumer from unfair prices charged at the points where the gas entered the pipeline to move into interstate commerce.

It is this protection granted to the consumers by the Natural Gas Act of 1938 which the current Harris-Fulbright bill (S. 1853) would remove. The current bill is indeed virtually identical with the Moore-Rizley bill, which even the Republican-controlled 80th Congress refused to enact, and it is actually worse than the Kerr bill which, though it passed Congress in 1950, was vetoed—very courageously—by President Truman.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. PASTORE. Is it not a fact, under the interpretation of the Supreme Court in the Phillips decision, handed down in June 1954, that the Court did not say the Federal Power Commission shall have supervision over the wells themselves? All the Court said was that when the gas was sold for resale in interstate commerce, only then did the Federal Power Commission have jurisdiction. In other words, the proponents of the bill would have us believe that the Federal Government is going to step in and control the whole production industry. All the Phillips case holds—and I know the Senator from Illinois will correct me if I am in error—is that once the producer dedicates his gas by agreeing to sell it for resale in interstate commerce, then, and only then, does the Federal Power Commission have jurisdiction.

Mr. DOUGLAS. The Senator from Rhode Island is absolutely correct. The production and gathering of gas, and the regulation thereof, are not under the jurisdiction of the Federal Power Commission. That power rests with the State.

I shall now briefly summarize the reasons why Senate bill 1853 is a bad bill, why it would gouge the consumers of this country of $600 to $900 million a year, and would raise the valuation of the known gas reserves by from $12.5 billion to $30 billion; why the arguments in its support are hollow; why effective regulation is necessary, and how this can be obtained. After I have given this brief preview of my argument, I shall then take up the case point by point and in some detail as befits so important a measure.

I shall be glad to yield for questions on facts as I treat and develop them, and I shall yield for questions on policy. However, I should prefer to postpone yielding on policy until I have finished a given section or subsection of my speech. However, I shall be glad to yield at any time for questions on the interpretation of facts or allegations of the inaccuracy of facts.

Let us consider these points one by one.

First. Competition in the purchase and sale of gas in the field is not adequate to protect consumers. The gas pipelines and the gathering lines are so costly that once they are laid, they cannot be shifted. Moreover, in order to justify constructing and bringing the pipelines into a gas field and laying the lines, there must be such huge known reserves of gas that the pipelines are forced to go to the big producers for this gas. The little producers are of little initial help to them, and of very little ultimate help. As a matter of fact, evidence submitted by the industry itself shows the various long pipelines are primarily dependent upon a relatively small number of producers for their gas. The great desirability of gas to the householder as a fuel is forcing the pipelines to secure more and more gas. But, in doing so, they are being held up by the producers for higher and higher prices, in many cases up to 20 and 21 cents a thousand cubic feet, instead of an average of about 10.7 and, in some cases 30 cents.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. MONRONEY. I do not wish to interrupt unduly, but this is in point with what the Senator from Illinois has requested.

Is not the 20-cent offers for gas to the producers largely to the foreign producers, such as in the case of the Illinois company which is now seeking a vast amount of Canadian gas, at a rate of 20 cents-plus at the point of delivery at the international boundary?

Mr. DOUGLAS. The Senator from Oklahoma is mistaken. We have many contracts, which I shall present, which show that the contracts being signed or renegotiated run very high and are around the figure which I have quoted.

I hold in my hand an exhibit on current contract prices in the southern Louisiana fields, submitted in the matter of the Union Oil Co. of California, et al, docket Nos. G–43341 and G–43342. The exhibit contains an analysis of contracts entered into during 1952–53, and indicates that 60 percent of them, as of June 7, 1954, were at the rate of 16 cents or above, and that 25 percent were at 19 cents and above. I will hand the exhibit to the Senator from Oklahoma. I think he will find that I have made a rather temporate statement.

Mr. MONRONEY. The question I addressed to the Senator—and I do not propose to interrupt unduly——

Mr. DOUGLAS. We should get the facts.

Mr. MONRONEY. I appreciate the great amount of research which the Senator from Illinois has done. Believe me, I have attempted to do research on our side of the case. We are both interested in presenting the complete facts, not simply the obvious statistical matter. We wish the whole subject to be developed. I have done that, and I know the Senator from Illinois has also.

I am interested particularly in the quantities of gas as related to the total output, because I am certain the Senator will agree with me that a contract which would add only a small percentage to the total amount of gas which runs through the pipelines would not be genuinely indicative of the going rate for natural gas.

I think it is highly important that as we consider the delivery of, let us say, a trillion cubic feet of gas—which might include some gas at 4 cents, some at 6 cents, some at 8 cents, some at 10 cents, and some at 12 cents—we reach an average. For the southwestern part of the country, it is about 9½ cents, while the national average at present is, I think, 10½ cents.

Mr. DOUGLAS. It is 10.7 cents.

Mr. MONRONEY. That includes the high cost Appalachian gas and the gas bought in small quantities, such as the Iroquois gas, about which the distinguished and well-informed acting chairman of the subcommittee spoke the other day.

As the pipelines seek to acquire a quantity of gas for certain specific needs, they are willing to pay a higher rate per thousand cubic feet for still uncommitted gas which can be obtained without incurring the expense of building additional gathering lines, than they would for the gas which accommodates the bulk of their supply.

Has the Senator from Illinois any knowledge of the quantities of gas which are being acquired in these exorbitant contracts at a 19-cent rate? I think it is important to the case that that information be given. If the Senator could supply the information as to quantities, I think it would help to indicate whether the gas rate is in fact going to become 19 cents.

Mr. DOUGLAS. In the figures for the southern Louisiana field, which I submitted, I covered the point that 60 percent of the contracts were for more than 16 cents.

Mr. MONRONEY. That is as to the number of contracts. I am interested in the volume of gas in relationship to the pipeline capacity for which the price has been fixed. In other words, a small quantity of gas properly located on the pipeline would command a better price than would gas 50 miles away, which would require additional gathering facilities.

Mr. DOUGLAS. I think it will be found that the pipelines which go into southern Louisiana buy the major portion of their gas from the large producers. Therefore, there were not many

small producers to be dealt with. In fact, the contracts to which I have referred are for large quantities of gas. They are not a few selected or unusual contracts for small amounts at high prices.

The situation, further, is different in southern Louisiana, for example, than it is in Pennsylvania, West Virginia, and Ohio. There are 3,500 small producers in those fields. But in the territory of the State of the Senator from Oklahoma and in the States of Louisiana and, largely, Texas, it is the large producers who have the reserves.

Mr. MONRONEY. I am very familiar with the Oklahoma situation. It depends on the field. If a gas field has been discovered and developed by a large company, obviously there would be a larger amount of gas than there would be in a field which had been discovered as an oil field, later drilled deeper and found to be a gas field, and there would then be in the field a dozen, two dozen, or more small producers.

Let me further state what I am sure the Senator from Illinois recognizes. The long pipelines that must get gas in huge quantities to supply Chicago, and the industrial fuel used by Chicago and other places, do not wish to deal with a small well owner who is producing a small amount of gas in connection with oil operations.

Mr. DOUGLAS. I am not saying they should not do that, but what the Senator has stated confirms my statement that it is the big producers with whom the pipelines are dealing. Once contracts for higher prices are made with a certain producer, under the escalation clauses and under renegotiation, those prices become virtually universal.

Mr. MONRONEY. But the Senator knows that under the Fulbright bill renegotiated contracts are subject to the same tests as are favored-nations contracts—the test that the price must not exceed the reasonable market price arrived at by the Federal Power Commission.

Mr. DOUGLAS. If the Senator will permit me to say so, no greater hoax has ever been perpetrated on the Senate of the United States than has the term "reasonable market price." "Reasonable market price" is defined as "reasonable market price." Then "reasonable market price" is further defined as "reasonable market price."

It reminds me of Gertrude Stein, who acquired a great reputation by writing the sentence, "A rose is a rose is a rose." I may say to the Senate that the Senator from Oklahoma and the Senator from Arkansas have outwritten Gertrude Stein, because they define a reasonable market price as "a reasonable market price is a reasonable market price is a reasonable market price is a reasonable market price." There is no more sense to that than there is to the sentence about the rose.

Mr. MONRONEY. Will the Senator yield further?

Mr. DOUGLAS. I yield.

Mr. MONRONEY. If what my distinguished friend has said is correct, then the Federal Government for 160 years has been perpetrating a fraud upon all the people from whom it has acquired land in condemnation suits, because that land has been acquired, against the wishes of the citizen owners, at reasonable market price. It is just as easy, indeed far easier, to establish reasonable market price than it is to take the two imponderables which have been discussed—the intangible of determining what is a reasonable return according to the Federal Power Commission, and the other intangible of determining the cost of producing gas, since gas production is so intermingled with the production of oil and with the cost of discovery of oil, and with lease cost and development cost, that by comparison the Siamese twins were completely separate.

Mr. DOUGLAS. I shall be glad to yield on these points when I come to them.

Mr. MONRONEY. I am sorry.

Mr. DOUGLAS. I know how these matters run together, but I wish to say the Senator from Oklahoma is confusing the standards used in public condemnation proceedings, the reasonable market price principle, with the standards used when a public industry is being regulated.

I yield to the Senator from Rhode Island, who stood a while ago seeking to be recognized.

Mr. PASTORE. I think the Senator has touched on the point I had in mind. When I rose it had not been touched on. The fact of the matter is, as the distinguished Senator from Oklahoma has brought out, that the quantity of gas involved makes little difference. The whole habit and practice in the field has been to follow the third party favored-nations clause. It makes no difference, with respect to a new company, whether there is much or little gas involved. The question is how much the company has to pay for it. When that clause comes into play as soon as the gas is paid for, ipso facto the price goes up all over the field. That is the important thing.

Mr. DOUGLAS. I have conducted a survey of 2,100 contracts made by pipelines of producing companies in the field, the contracts being from the 1st of January 1953 to the 1st of July 1955, plus a cross section made in the past. I found that in 70 percent of the cases the contracts have most-favored-nation clauses, and that almost all others have renegotiation clauses. And in virtually every case the contracts are renegotiated up to the level of the most recent and highest price.

Mr. PASTORE. Will the Senator yield on that point?

Mr. DOUGLAS. I yield.

Mr. PASTORE. In his very intense and, I know, far-reaching research, has the Senator ever found a favored-nations clause that regulated the price downward?

Mr. DOUGLAS. None, out of the 2,100.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. MONRONEY. Would the Senator say that the study to which he refers is a study of the contracts which were put into the record of the hearings by him?

Mr. DOUGLAS. No.

Mr. MONRONEY. They are the only ones we have had a chance to check.

Mr. DOUGLAS. I hold in my hand an analysis. There are four sets of figures. One is a list of 247 contracts, which I put in the hearings last June. There is another list of 1,600, which we made in the last few days. In the tabulation sheets which I hold in my hand there is an analysis of about 160 contracts of the Lone Star Co., which go away back into the past. In addition I have studied the contracts of 2 other companies, bringing the total of contracts to 2,100.

Mr. MONRONEY. Lone Star is an intrastate company.

Mr. DOUGLAS. But it has recently become an interstate company. When it became an interstate company it had to file all its past contracts, and it was that very fact which enabled us to go into the past.

As to the assertion of the Senator from Oklahoma that the older contracts did not contain most favored nation clauses, I am sorry to say that his assertion turned out to be incorrect. Most of the old contracts have been renegotiated and now contain most favored nation clauses.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. MONRONEY. Will the Senator say how many of these contracts, which we have not been able to examine——

Mr. DOUGLAS. The Senator can get them.

Mr. MONRONEY. Will the Senator from Illinois tell the Senate at this time the number of contracts which contain third-party favored-nations provisions, such as are condemned by the distinguished Senator from Rhode Island [Mr. PASTORE]? Let us know how many contain the third-party favored-nations provision. The Senator from Illinois has the statistics, while I do not.

Mr. DOUGLAS. I wish to say to the Senator that I also regard second party favored-nations clauses as poor.

Mr. MONRONEY. But the Senator from Rhode Island had a different view of them.

Mr. DOUGLAS. No.

Mr. MONRONEY. I think the RECORD will show that the Senator said they were not so bad, but that the vicious contracts were the third-party favored-nations clause contracts.

Mr. PASTORE. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

Mr. PASTORE. When I spoke about the second party favored-nations contracts, I remember saying I was rather luke-warm toward them, and I did not want to make an issue of them, but the thing that disturbed me, and the kind of contract at which I was aiming my fire was the very vicious third party favored-nations contract, which I think ought to be outlawed by statute.

Mr. MONRONEY. That is why I am trying to get the Senator from Illinois to tell us how many of the contracts contain third-party favored-nations clauses.

Mr. DOUGLAS. I think the Federal Power Commission does not distinguish

between second party and third party favored-nations clauses. In my own view they are almost equally bad.

Mr. MONRONEY. Of the 247 contracts which the Senator put in the record in the Committee hearings only four contained third party favored-nations clauses, which the distinguished and able acting chairman of the committee has so properly condemned. All of these contracts provide for renegotiation and under the bill this makes them subject to the approval of the Federal Power Commission as are new contracts and limits them to reasonable market prices.

Mr. DOUGLAS. We can have a detailed discussion of these points when I come to them, but I will say that second party favored-nations clauses are bad, too.

As I have said, most existing contracts have so-called escalation clauses under which previously agreed upon rates are revised upward to the level of prices in the new contracts which are being made in the general field or area. The last price, therefore, becomes the predominant price—or the marginal price becomes also the average or prevailing price. That is my first point.

My second point is this. Average prices in the field or at the wellhead were, in 1954, about 10 cents per 1,000 cubic feet—M c. f.—an increase of almost 12 percent in the principal producing fields, in the Southwest, in the previous 6 years.

(At this point Mr. DOUGLAS yielded to Mr. MORSE, on whose request House bill 7871 to amend the Small Business Act of 1953, was considered debated, and passed. Mr. MORSE's remarks and the debate and proceedings which ensued, were, on request of Mr. MORSE and by unanimous consent, ordered to be printed in today's RECORD at the conclusion of Mr. DOUGLAS' speech.)

Mr. DOUGLAS. I may remark parenthetically, in this connection, that this afternoon I have been confirmed in my opinion that there are two types of time—clock time and senatorial time. I yielded earlier in the afternoon for a half hour to the Senator from Montana [Mr. MANSFIELD], and that stretched itself to 45 minutes. I yielded for 10 minutes to the Senator from Oregon [Mr. MORSE], and that ran for 35 minutes. I marvel at the ability of my colleagues to treat time in such an expansive way.

I love all my colleagues. I have great affection for them. But I must regretfully say that after my experience this afternoon, I shall be compelled to refuse to yield the floor further until a quarter of 6 this evening, when I shall be prepared to yield temporarily to those who wish to introduce new business. I trust this action will not be regarded as uncooperative on my part, but the experience this afternoon has been interesting, and makes me want to have senatorial time more closely approximate clock time.

The Senator from Oklahoma has questioned my analysis of the 247 contracts which I placed in the Senate hearings around page 1600. He has said that according to his analysis only four of the contracts contain third-party, most-favored-nation clauses.

I may say that the Federal Power Commission staff makes no breakdown, so far as I can determine, as to whether these contracts contain third-party favored-nation clauses. I have just phoned them to establish that fact. Seventy-one percent have most favored-nation clauses, but the Commission's analysis does not cover the question as to whether the contracts contain second- or third-party clauses.

To my mind, there is simply a difference in degree between the two types of favored-nation clauses. A second-party, favored-nation clause is terrible. A third-party, favored-nation clause is outrageous. The only difference is in the degree of badness.

I opened my copy of the Senate hearings to my analysis page 1600; and while the information there is inadequate for a complete analysis, it appeared to me as though the first 16 contracts set out, on pages 1600 and 1601 alone, contained third-party, favored-nation clauses. But I shall await with interest the detailed examination and reading of those 257 contracts by the junior Senator from Oklahoma. I should like to see the proponents produce and point out the third-party, favored-nation clauses which they say occur in only 4 out of 247 contracts.

As I have already said, the average prices in the field or at the wellhead were, in 1954, about 10 cents a thousand cubic feet, which was an increase of almost 120 percent in the principal producing fields in the Southwest in the previous 6 years.

These price increases could only have occurred under contracts in which a large proportion had escalation, renegotiation, and most favored-nation clauses, all of which not only permit but "trigger" price increases.

The chart which I have placed on the wall shows the weighted average unit cost paid by 17 interested pipelines for natural gas purchased from southwestern independent producers, and also the rates by years from 1946 onward, and indicates an increase of a little more than 120 percent from 1946 to 1954.

In 1955, the average price rose to 10.7 cents a thousand cubic feet. I should like to have the proponents of the bill take notice that the representatives of the oil and gas producers are saying that rates should go up to 15, 20, and 25 cents a thousand cubic feet. Although the average rate in 1954 was 10 cents a thousand cubic feet, a 15-cent rate is common, and would almost certainly be the new minimum if S. 1853 were passed.

A 20-cent rate is being paid even now in some cases and would, sooner or later—in my judgment, sooner rather than later—become the prevailing price. In fact, a 25-cent rate is quite possible. If the Fulbright bill passes, these prices will become the prevailing prices because of the renegotiation and escalation provisions which are common in most all gas contracts, and because of these same provisions, further increases will follow.

These new rates will be increases of 5, 10, and 15 cents, respectively, over the present average—1954—of 10 cents per thousand cubic feet. Since the total utility sales of natural gas now amount to a little over 6 billion thousand cubic feet a year, this means that each cent of increase will amount annually to $60 million. Natural gas utility sales were 58,014.1 million therms in 1954—see Gas Facts, 1954 page 102, table 81. The preliminary figures for 1955 as prepared by the American Gas Association and published in the January 2 issue of the Oil and Gas Journal show natural gas utility sales of 62,908.1 million therms. It is, perhaps, an underestimate to use the figure of 6 billion thousand cubic feet in computing the increases in cost which will arise if this bill is passed, for sales may be even greater by the time the legislation could become effective. A 10-cent increase would increase the cost to the consumers by at least $600 million more per year and a 15-cent increase would cost them at least $900 million more per year. That would be the amount of the increased annual income to the gas and oil producers in the field.

Let us now consider the increased valuation of the reserves. At the end of 1954 the gas producers reported that the proved recoverable reserves of natural gas amount to 211 trillion cubic feet—See Gas Facts, 1954, page 9, table 2—or 21 times the total annual flow—total production in 1953 was 10.6 billion thousand cubic feet and the preliminary figures for 1954 were 11 billion thousand cubic feet, see Gas Facts, 1954, page 24, table 15. Even if we take only the gas sold by utilities—about 6 billion thousand cubic feet—an increase of 10 cents per thousand cubic feet would, as we have said, send up the value of the reserve by 21 times $600 million or by $12.6 billion. The increase in the value of the reserves would be at least $18.9 billion if the price per thousand cubic feet went up by 15 cents or to a new average of 25 cents. Further gains might be made from the increased price on intrastate sales. Applied to all reserves, these increased field prices would boost the value by almost $30 billion. Furthermore, since the known reserves are constantly increasing, this factor also would send the whole figure upwards.

Mr. President, as I pointed out in the colloquy with the junior Senator from Oklahoma [Mr. MONRONEY], the gas sold by the utilities is only about 60 percent or less of the total flow.

Mr. LONG. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. LONG. The Senator from Illinois realizes, does he not, that almost half of the natural gas consumed is consumed within the producing States?

Mr. DOUGLAS. That is the point I have been trying to make, although only 20 percent of the gas sold by utilities stays in the original state.

Mr. LONG. The Senator is not urging, is he, that the Federal Power Commission either could or should have the power to control the gas rates within the producing States?

Mr. DOUGLAS. No. I am saying that if the price of natural gas as it enters the pipeline for interstate commerce is increased, it will be found that the price

will go up within the consuming States as well. So there will be a general increase in the price of gas for intrastate use as well as for interstate use.

Mr. LONG. The Senator knows that gas prices already have gone up within the producing States, just as prices as a whole have gone up across the Nation.

Mr. DOUGLAS. I am saying that prices will go up still more. In slang parlance, "You ain't seen nothin' yet."

Mr. LONG. The reason why prices have risen up to this point is based upon a law of economics which I know the Senator has taught from time to time to many students of economics. The Senator certainly is an eminent economist, and he must have explained that when there is much bidding for a given commodity the price tends to go up.

It was the consumers in States such as the State which is represented, in part, by the Senator from Illinois who came to the South and Southwest seeking natural gas, and who bid the price up. We did not ask them to bid the price up.

Mr. DOUGLAS. I am not trying to locate the original sin in this matter; I am simply saying, as I shall develop more fully, that a seller's market exists, in which the pressure for gas is such that the price will be bid up on new increments. This will extend, because of favored-nation clauses, to past amounts under old contracts. The result will be that unless there is effective regulation the consumers will be forced to pay everything the traffic will bear.

Mr. LONG. Mr. President, will the Senator yield?

Mr. DOUGLAS. In just a moment. On a commodity such as gas we say that the proper price is, not what the traffic will bear, but a fair and just price.

Mr. LONG. The Senator certainly knows that natural gas is in competition with other products, and gas consumers are in competition among themselves for the product. They may not realize it, but those who do not have gas today would like to have gas.

Mr. DOUGLAS. Is the Senator from Louisiana saying that if the price of gas becomes too high they will turn to coal or oil?

Mr. LONG. Or else not buy it. Persons buying gas do not have to buy it, do they?

Mr. DOUGLAS. There is no legal compulsion for them to buy it. My good friend from Arkansas made the statement in committee that they do not have to buy gas; they can get something else; but he has not made that statement since. Now I find my good friend from Louisiana making the same statement. I am going to show my friend that there are 15 million consumers who heat their homes with gas who have gas furnaces at an average cost of $500. Millions of persons have gas ranges which cost, on an average, $175. Millions have gas hot water heaters which cost, on an average, $150. Many persons have gas refrigerations, at an average cost of $150.

Mr. LONG. Will the Senator yield?

Mr. DOUGLAS. Not at this time. I am in the full flight of my figures. There is an average investment of $500, and in the case of families who heat their homes with natural gas, the average investment is probably close to $1,000.

Now the Senator from Louisiana has nerve to say on the floor of the Senate that those consumers can discount all that equipment and turn to coal or oil as fuel. He is just like Marie Antoinette, who, during the French Revolution, when someone told her the populace in the streets have no bread, said, "Let them eat cake." What the Senator from Louisiana is saying is, "Let them discard gas and take coal and oil."

Mr. LONG. Will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. LONG. I am not saying at all what the Senator has interpreted me as saying. If the gas producers had known that the law would be that which the Senator is contending for, the consumers in his State would not be getting natural gas. Those who were producing the gas for the Senator's State were doing so under a contract with a stipulated price, and the contract further stipulated that if the price should rise or become more favorable in their State, the producers would get the benefit of the increased price. That was the reason why they were willing to commit their reserves for 20 years, notwithstanding the court decision which appears to force them to deliver their reserves after the 20 years. The Senator surely realizes that many of them who had such contracts would not have been willing to sell to Illinois or other States if they had known that there was going to be a welshing on the contracts. The Senator wants to avoid the terms of the contract, and it was under those terms that the gas was committed to interstate commerce.

Mr. DOUGLAS. The Senator from Louisiana misunderstands the entire nature of the 1938 law. He misunderstands the court decisions that have been made since the law was enacted. The principle of regulation by the Federal Power Commission of the price of gas as the gas enters the pipelines has been the historic policy of the Government since 1938. Producers who sold the gas did so under the laws of the country, and if they misinterpreted the laws we must say, regretfully, it is too bad, but we cannot alter the laws of the country because certain people misinterpret them. But why, if they misunderstood the law, did they try to change the law three times—under the Moore-Rizley bill, the Kerr bill, and now the Fulbright-Harris bill.

Mr. LONG. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. LONG. If a seller sells his gas under a contract that provides he will get 10 cents a thousand cubic feet for the first 5 years, and then after that he will get 15 cents, and the Federal Power Commission regulates the rate later and tells him he will get only 10 cents after 5 years, can the Senator from Illinois tell me the seller has not bargained for a 15-cent rate, and can the Senator assure me he would have contracted to sell the gas had be been told he would have to sell it at 10 cents a thousand cubic feet after 5 years?

Mr. DOUGLAS. Neither the Senator from Rhode Island [Mr. PASTORE] nor I object so much to the escalator step provisions, but what we do object to is the favored nations provisions. Many of the renegotiation provisions virtually require the writing of a new contract, and the terms of a new contract usually embrace the most recent prices paid.

Mr. LONG. Will the Senator yield further?

Mr. DOUGLAS. I yield.

Mr. LONG. The Senator well knows, just as the Senator from Louisiana knows, that if a person is selling any other kind of fuel, he sells it on a day-to-day basis, whether that fuel be coal or pine knots. He sells that fuel at the going market price at the time. The gas producers did not care to sell their gas for a 20-year period, but they were forced to do so by the Federal Power Commission. Why? Because in order to amortize the investment on pipelines, the pipeline companies had to be able to assure themselves of the supply over a long period of time. Therefore, the producers were compelled to commit their gas over a period of many years, and were not able to sell it on a day-to-day basis.

As far as I am personally concerned, I should be satisfied to enter into an agreement whereby all pipelines would be made common carriers, and allow consumers to purchase direct from producers. I predict that if that were done consumers would pay more than they do now, because each producer could bargain with many buyers, instead of having a producer deal with only one pipeline. The producer could sell to all.

Mr. DOUGLAS. I may say to my good friend that what he persists in doing is to treat gas the same as coal or other fuels. I have tried, the Senator from Rhode Island [Mr. PASTORE] has tried, and the Senator from Michigan [Mr. POTTER] has tried to make it clear that the fuels are not the same; that in the case of other fuels there are alternative methods of transportation which permit the bypassing of a particular consumer or distributor and going to others, because these other fuels may be transported by barge, truck, railroad, or other means, so that competition can be brought into play. That certainly works in the coal industry. It does not work too well in the oil industry, because the same people who control oil control gas, but it works in the case of coal. In the case of gas there is involved the laying of distributive mains, the pipelines, and the gathering lines at the other end. There are no alternative methods of transportation.

Mr. LONG. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. LONG. Because of the great admiration I have for the Senator from Illinois, I am distressed to find him so completely in error in the assumption he has made. The Senator knows as well as I do that the price of gas at the well is less per B. t. u. than is the price of coal or oil. What is the reason? Because there is only one way to get the gas out of the well, and that is by laying pipelines, at great expense.

Therefore the person who produces the gas is in no position to get it to the market. If the Senator from Illinois cares to go with me to the State of Louisiana, I will show him, in Louisiana, gas burning in the air because it cannot be sold. Some of the producers would be glad to accept almost any price but they are unable to get their gas to market. Almost all producers have to accept a much lower price for the B. t. u. value of the product. They have to accept it because they are not in a position to bargain with different consumers, and transport it to market.

Mr. DOUGLAS. The Senator has stated the purpose of the advocates of the bill, which is that the producer of gas should get for that gas absolutely all that the traffic will bear, up to the equivalent fuel costs of coal and oil.

Mr. LONG. Now the Senator from Illinois is ducking the argument.

Mr. DOUGLAS. No; I am not.

Mr. LONG. The point we were getting to was whether the gas producer gets a better price because there is only one way he can transport his fuel. I believe the Senator from Illinois is ready to agree now that the producer gets a lesser price because there is only one way he can transport his fuel. He is at a disadvantage.

Mr. DOUGLAS. No. He was at a disadvantage in the 1930's and perhaps in the early 1940's, when there were no pipelines there, and when the gas was being flared; that is true. But the demand for gas is such that the consumers are constantly putting pressure on the pipelines, and the pipelines are constantly putting pressure on the producers; and the result is that the producers now hold the aces in the deck.

Mr. LONG. Mr. President, will the Senator from Illinois yield further to me?

Mr. DOUGLAS. Of course.

Mr. LONG. Again let us face the actual argument that is developing between the two of us. As one who represents a gas-producing State, I have no regret and no argument about the fact that gas sells at a price far below the value it actually has. It will continue to sell for far below that price. But when the Senator from Illinois argues on the floor of the Senate that a gas producer gets more money because there is only one way—and a very expensive way—to get the gas from the well to the consumer, the Senator from Illinois is arguing against the facts. The producer actually receives much less; and the figures show that gas at the wellhead, per B. t. u.—in other words, in terms of the heating value of the gas—as compared to oil or coal, sells for only a fraction of the amount which could be obtained at the mouth of the mine for coal or for any other fuel at the point produced. The facts to substantiate that point are available.

Mr. DOUGLAS. Of course, the important point is the comparative amounts of consumption.

Mr. LONG. No, Mr. President. The Senator from Illinois has a chart showing the low price for which gas for industrial-sales purposes is sold. So far as other fuels are concerned, it makes no difference in price whether coal, oil, wood, or any other fuel is to be used for industrial purposes or any other purposes. The purchase is made at the mouth of the mine for the same price, regardless of the purpose the purchaser has in mind or the use which will be made of the fuel.

Mr. DOUGLAS. Mr. President, I wish to proceed with my remarks. However, what the Senator from Louisiana really is arguing for is to have the producer allowed to get all that he can obtain; that is true. We accept that principle for nearly all commodities, when there is approximately full competition, because we believe that competition will keep the price down to a proper figure. But when there is no competition, society has come to believe that the person who holds the whip hand should not be allowed to obtain everthing the traffic will bear, because that would give him more than the so-called just rate of return.

Let me refer to the definition given by the Senator from Oklahoma [Mr. MONRONEY], the floor leader on the other side of this debate. He was arguing for "reasonable market price," which is the standard of the Fulbright bill, and which I believe the Senator from Louisiana supports. On page 539 of the CONGRESSIONAL RECORD for January 16, 1956, we find the following in the first column:

> The reasonable market price is established on the basis of a situation in which supply and demand are in balance, not a situation in which there is an extreme scarcity or where there is an extremely high demand.

I would accept that; but the point is that gas does not conform to it. Instead, the situation is one in which the quantities supplied to most sections are below the quantities demanded, with the result that if there is no regulation, the price will be bid up to a tremendously high point.

I think there is no doubt that if controls are removed, as the sponsors of the bill believe should be done, the price will rise to 20 cents per thousand cubic feet, and that will mean $600 million a year in increased consumer costs and a windfall of $12.6 billion to the producers in the increased value of their gas reserves. The point is that these huge sums will go to the large gas and oil producers, who already have more favors from the Government than does any other group, and who already are extremely prosperous and extremely powerful, and do not need this additional reward.

Mr. LONG. Mr. President, will the Senator from Illinois yield further to me?

Mr. DOUGLAS. Of course I yield.

Mr. LONG. The Senator from Illinois, able economist that he is, of course now is departing from what he tells us when he teaches us economics.

Mr. DOUGLAS. I do not think the Senator from Louisiana can justify that statement.

Mr. LONG. The Senator from Illinois tells us that the larger the supply of a given commodity, the lower the price; and that if the supply is increased to meet the demand, there tends to be a fair price; and that as the supply continues to increase, there is a lower price. That is in accordance with the economics I learned in college.

Mr. DOUGLAS. Yes; other things being equal; but that must always be taken in conjunction with the demand. Supply is not an absolute quantity; it is relative to demand.

Mr. LONG. Certainly the Senator from Illinois knows there are vast quantities of potential reserves not yet discovered and not yet developed, but which would be discovered and developed, provided industry felt that it could get a fair price for the product when it developed it.

For example, the Senator from Illinois was one of those who participated in the tidelands debate. During that debate, I heard references made to figures which sounded too high to me. Nevertheless, the Senator from Illinois had some geologists support his position that on the Continental Shelf of the Gulf of Mexico there were enormous reserves of gas. I believe the Senator from Illinois said there was enough gas there to heat the United States for between 500 and 600 years, and that all the gas was owned by the Federal Government.

Mr. DOUGLAS. I do not know about the cost of extracting the gas from the Continental Shelf; but I wish to say that those who reproach the liberal forces of the country for making an unsuccessful fight on the offshore oil bill forget the fact that it was because of our struggle that we redeemed the Continental Shelf to the people of the United States. Louisiana, Texas, and California claimed out to the 3-mile limit, or in some cases the 3-league limit; but we put up such a fight that beyond that point we saved the Continental Shelf for the United States. Then it was discovered that the major portion of the oil and gas, at least off the coast of Texas, presumably is to be found beyond the 3-league limit. So I wish to state that there never was a more fruitful debate, lasting for a month on the floor of the United States Senate, than the one some of us made; and history will show that we saved the people of the United States at least $50 billion. We intend to fight, this time, to save the people of the United States $30 billion. That is worth debating a month; and I am ready to debate it for at least 3 weeks, myself. [Laughter.]

Mr. LONG. Mr. President, will the Senator from Illinois yield further to me?

Mr. DOUGLAS. I am glad to yield.

Mr. LONG. Certainly the Senator from Illinois knows that no one ever proposed, and there was no proposed legislation, including the bill the Senator from Illinois filibustered——

Mr. DOUGLAS. I did not filibuster. A filibuster is an attempt to prevent a vote. I did not try to do that, but I did attempt to alert the public to the issues involved.

Mr. LONG. Certainly the Senator from Illinois knows that none of those bills would have caused any State government to own or possess the Continental Shelf.

Mr. DOUGLAS. There was a studied ambiguity in the original bill introduced by the then senior Senator from Oregon, Mr. Cordon, which looked as if it gave

the outer Continental Shelf to the States.

Mr. LONG. As one who served on the committee, I must say that I never saw any provision of any bill which would have undertaken to cause the States to own the Continental Shelf. If the Senator from Illinois will check on that, I believe he will find that he was also in error in making that particular statement, because in no tidelands bill was it ever stated that the States would own the Continental Shelf.

Mr. DOUGLAS. There was language leading in that direction.

I was merely trying to show that the fights have not been wholly in vain.

Mr. LONG. That is a statement with which we perhaps disagree.

Let me ask the Senator from Illinois whether he agrees that if the vast reserves he discussed during the debate on the tidelands bill are developed—the almost unlimited reserves, almost beyond the imagination of the mind of man—there will be plenty of gas for use throughout the Nation. There will be no scarcity of gas in the foreseeable future; and that certainly for our lives and the lives of our children there is no potential shortage of gas, if the amount of gas the Senator from Illinois tells us we have is developed.

Mr. DOUGLAS. The greater the killing, then, for the big oil and gas industry. I stated that they would get an increased writeup on only 211 billion thousand cubic feet of gas. But if they are going to get it on 500 billion thousand cubic feet, that amounts to $50 billion. It seems that the amount at stake in this bill is even greater than I thought.

Mr. LONG. Does not the Senator realize that those producing gas are not going to ship it outside the State if they can get a better price in the State than outside the State? They would not be shipping the gas they are now shipping to Illinois if they had been told they would be subjected to the kind of regulation the Senator is proposing. Does it not stand to reason that as gas reserves are developed, they will be held off the market? Gas producers will develop oil instead of gas. They will await the day when they can sell their gas within the producing State. States which are now producing gas are using half of it. Industries are looking for greater reserves. Louisiana, a relatively small State, is one of the foremost producing States, producing almost as much gas as any other State. There is a scarcity of reserves for industry, which is looking for more gas. Yet as time goes by, reserves can be found if the sale is there for the gas. When the Senator tries to impose the dead hand of Federal regulation upon the gas industry when gas is exported, he will simply increase the market for gas within the State, and it will not be exported to other areas, which could well use the product.

Mr. DOUGLAS. The Senator's argument is very interesting. Now he is saying that there is a plenitude of gas. There are oceans of gas, gas beyond the dreams of man.

Mr. LONG. Except in the mind of the Senator from Illinois.

Mr. DOUGLAS. Only a day or two ago the Senator's colleagues were arguing that there was no gas, that there were no reserves, that things were tightening down. The Senator cannot have it both ways. The proponents of this bill cannot say on Friday that there are enormous reserves, after having said on Thursday that there are no reserves.

Mr. LONG. Did not the Senator from Illinois make exactly the same argument in the tidelands oil debate? Is he not guilty of the same inconsistency? In the tidelands debate the Senator from Illinois told us that we had gas enough to last us for the better part of a thousand years.

Mr. DOUGLAS. No. I was speaking of oil. I was not speaking of gas. I merely threw in gas and sulfur as by-products. That bill smelled of sulfur and brimstone, and so does this one.

Mr. LONG. I shall be glad to produce for the Senator, tomorrow or any other day, if I may have a few moments to look them up, his figures on gas on the Continental Shelf.

Mr. DOUGLAS. There may have been such figures, but I was primarily interested in oil. The oil and gas producers are virtually the same crowd.

Mr. LONG. It is very difficult to keep the Senator on the same subject for long. I should like to keep him on the same subject long enough to pin him down.

Mr. DOUGLAS. I am pinned.

Mr. LONG. The Senator from Illinois is the statesman who stood here in the Senate and told us of reserves of gas beyond the imagination of man.

Mr. DOUGLAS. Reserves of oil.

Mr. LONG. He made that statement in the very same position in which he now stands.

Mr. DOUGLAS. The Senator from Louisiana now says that that statement is true.

Mr. LONG. The Senator from Illinois is the man who told us about the enormous reserves.

Mr. DOUGLAS. What the Senator from Louisiana is saying is that that was a true statement.

Mr. LONG. I assume the Senator from Illinois was sincere when he made the statement

Mr. DOUGLAS I was quoting geologists, including some from the Standard Oil Company of New Jersey.

Mr. LONG. Today the Senator from Illinois stands in the same place and tells us that there is a great scarcity of gas, and that that is why he is fighting the bill.

Mr. DOUGLAS. There is a present scarcity of gas relative to demand.

Mr LONG. Perhaps the Senator is willing to clarify the apparent inconsistency of which he accuses me.

Mr. DOUGLAS. There are latent supplies of gas.

Mr. LONG. Enormous latent supplies.

Mr. DOUGLAS. There are enormous latent supplies which are not yet proved, so to speak.

Mr. LONG. If the Senator's type of price control is applied to the gas industry, such latent supplies will never be available to States outside the producing areas.

Mr. DOUGLAS. There was more drilling in 1955 than there was in any preceding year. The industry is more prosperous than virtually any other American industry. These producers are giants.

Mr. LONG. Has the Senator examined the figures with respect to the increase in reserves available?

Mr. DOUGLAS. During 1954?

Mr. LONG. Yes.

Mr. DOUGLAS. Those figures are very interesting. The reported reserves increased by about the same amount as the flow, by about 10 billion thousand cubic feet. There was a slight gain, I think of 300 million thousand cubic feet. So that the reserves at the end of the year were slightly more than at the beginning of the year. The two figures are approximately the same.

Mr. PASTORE. Mr. President, will the Senator yield to me?

Mr. DOUGLAS. Let me reply further to the Senator from Louisiana.

I am told—and I think this is correct—that there was a very good increase in new reserves, but that reappraisal of the old reserves by the big companies reduced the annual increase somewhat. I do not know why this was done. I make no charges, but I do not think it is as yet firmly established that there had been errors in the past estimation of reserves. Furthermore, I think it will be found that, in general, the oil reserves are developed by the big companies in the ratio of 12 to 15 times the annual yield, so they keep the reserves at a constant level.

Mr. LONG. Mr. President, will the Senator further yield?

Mr. DOUGLAS. I yield.

Mr. LONG. Did it occur to the Senator that there might be a tendency on the part of individuals who discover a deposit in which both oil and gas exist to develop only the oil, and wait until they can find a satisfactory market for their gas, the reason being that one would not want to be placed under a Federal price control system, and would therefore prefer not to sell in the interstate market, but would prefer to wait until he could sell on the intrastate market?

Mr. DOUGLAS. The other day I introduced into the RECORD figures on drillings. Even with respect to developmental drillings of gas wells which were completed as gas wells, the number in 1955 was much greater than that in 1950, and represented a decrease of only about 4 percent from 1954. So the Senator from Illinois and his supporters are making mountains out of 1 or 2 molehills. The full weight of the figures is that there has been an increase in drilling, with respect to both oil and gas.

That is the reason why the business is expanding. The companies are prosperous. They have the most liberal tax provisions ever granted to any group. They have a depletion allowance of 27½ per cent. They may write off their intangible drilling and development costs. These are in addition to normal expenses such as depreciation and interest. Good heavens. What else do they want? We have given them our cloak, our shoes, and our shirt. Do they want our trousers too? [Laughter.]

Mr. LONG. If the Senator wishes to pick out gas producers——

Mr. DOUGLAS. They are big gas producers.

Mr. LONG. I assume the Senator is speaking of the oil and gas companies, because in many instances they are the same.

Mr. DOUGLAS. That is correct.

Mr. LONG. Today in many cases the producers are the large oil companies. It is true that they are prosperous today; but is not that true of others? Are not others prosperous?

Mr. DOUGLAS. We want everyone to be prosperous.

Mr. LONG. Does the Senator contend that the profit margins of large oil companies are any greater, generally speaking, than those of General Motors?

Mr. DOUGLAS. Is the Senator from Louisiana saying that General Motors should be taken as the standard? We trust that in the long run competition will reduce the profit margin of General Motors.

Mr. LONG. There is much greater competition among gas producers than among automobile manufacturers. Is it not true that there is a far greater number of gas producers than there are producers of automobiles?

Mr. DOUGLAS. But who finances the drillings?

Mr. LONG. I assume that almost all the 8,000 producers are capable of obtaining sufficient financing, either on their own account, or from banks, to enable them to drill.

Mr. DOUGLAS. Just a moment. The Senator refers to 8,000 producers. There are 8,000 alleged producers 2,443 of them do not produce enough even to make a showing in the statistics compiled by the Federal Power Commission. Of the 5,557 which are reported, it will be found that there are about 4,625 which sell less than 100,000 thousand cubic feet.

I shall introduce later in my speech a table, from which I shall now speak. It indicates that 4,625 out of the 5,557 producers who report to the Federal Power Commission sell less than 100,000 thousand cubic feet. The price of that gas averages 10 cents per thousand cubic feet. That means that 4,600 producers had a business of less than $10,000 a year.

Mr. LONG. Is not the Senator from Illinois encouraged, as an advocate of small business, to know that there are 4,625 small-business men in the gas business?

Mr. DOUGLAS. I am delighted. I wish there were more. However, this is the interesting thing about it. They sold less than 2 percent of the gas. Seventy percent of the gas was sold by the 35 big producers.

Mr. LONG. By the 35 big ones?

Mr. DOUGLAS. What the Senator from Louisiana is trying to do is to take the big producers and dress them up in oil-soaked overalls, and he is trying to take the big Wall Street companies and make them a part of the chorus in the opera.

Mr. LONG. Did I understand the Senator to say that 35 companies produce 75 percent of the gas?

Mr. DOUGLAS. I believe it is 70 percent.

Mr. LONG. If we take those figures as being correct—and I do not care to dispute them at this time—I would suggest that we compare those figures with the production of automobiles.

Mr. DOUGLAS. The Senator from Illinois will go into that question later. I shall point out the concentration of the long pipelines is much greater than shown by these figures. Furthermore, the big producers have much of the reserve gas. In order to put a gas line into operation, it is necessary to sign up the large producers.

If a pipeline needs large quantities, it must go to the large producers for reserves. They are the ones who get the cream and hold the whiphand. It is not the little fellows. It is not the 4,625 little fellows or the 5,360 little fellows. It is the 197 big boys who sell 90 percent of the gas, particularly the 35 big ones who sell 70 percent of the gas.

Mr. LONG. In the automobile industry, which, after all, is a much larger industry than the gas industry, there are only 5 companies which produce 100 percent of the automobiles. The Senator from Illinois is worried about concentration in an industry in which 35 percent of the companies produce 70 percent of the product. He points to thousands of small producers in the industry who produce small amounts of gas. I ask him whether that is not a healthy condition for an industry to be in.

Mr. DOUGLAS. The Senator from Louisiana is a very subtle and powerful thinker. However, I believe he has made an error in reading the testimony of Mr. Boatwright. That is not saying anything against Mr. Boatwright. If we take the figures in the electric-power industry, we find several hundred electrical distributing companies in that field. Does that mean that there is great diffusion in the electrical industry? Does that mean that there is perfect competition in the electrical industry? It does not. What we find there is a series of local monopolies. What I am saying is that in the field of gas we have a series of quasi-monopolies. They are not absolute monopolies; they are quasi-monopolies. The Senator from Louisiana is a sufficient scholar to know that "quasi" means "almost" or "near." They are quasi-monopolies. The conditions of free and equal competition, as defined by the floor leader for the Senator's bill, namely, equal competition, with neither side having the whip over the other, does not exist here.

Mr. LONG. Mr. President, will the Senator yield again?

Mr. DOUGLAS. It is a pleasure to yield to my friend from Louisiana.

Mr. LONG. Does not the Senator from Illinois know that it does not require tremendous intelligence for a person to go into the gas or oil producing business? As a matter of fact, many of the people who have made some of the greatest successes in that business had no formal education.

Mr. DOUGLAS. That does not mean they do not have intelligence.

Mr. LONG. No. However, it is possible to go into the gas-producing business with a relatively small amount of capital, compared with most other industries.

Mr. DOUGLAS. However, most of the reserves, or almost 70 percent of them, are in the hands of the 35 companies.

Mr. LONG. Would the Senator be pleased to know—and I am sure he would—that there are literally hundreds of people in Louisiana—and I speak only for the State because I am familiar with it—that there are literally hundreds of people in the State—and I am sure there are many others in other States—who are ready today to go out and drill a gas well if the Senator can find them some leases on which it looks as though they may have a good prospect of discovering gas? Is that not different from a great many industries in which there is required an enormous concentration of capital? I have in mind particularly the automobile industry. I would advise the Senator, if he is thinking of starting a new business, to consider the gas business, before he considers going into the automobile business or, for that matter, even the appliance field.

Mr. DOUGLAS. I have troubles enough without going into any business. Mr. H. L. Hunt has never taken me into his confidence with respect to the proper location of wells.

I may say to my good friend from Louisiana that, while he may be speaking of the teeming hundreds or thousands of people who are in the gas and oil business, the statistics indicate that there are only 254 producers of natural gas in Louisiana, whereas there are 486,000 consumers, or about 2,000 times as many consumers as producers. I say to my friend, of whom I am very fond, as long as he is so much concerned with the little man, as his father was concerned with the little man, although I did not always agree with him, he should, in the words of Thomas Wolfe, "Look homeward, angel, to these consumers."

Mr. LONG. As a matter of fact, I had some experience with the problems of government as it relates to the industry, both on a State and National level, and I have been both for and against the position advocated by the gas and oil producers depending upon the particular issue.

Mr. DOUGLAS. Let it be said for the Senator that he wears nobody's collar.

Mr. LONG. Nevertheless, when the Senator points to figures, he is not showing us the figures on royalty owners. Those figures would run into many thousands.

Mr. DOUGLAS. The Senator may not have been on the floor when I pointed out that under the royalty system about one-eighth of the fat drips down from the table of the big boys into the mouths of farmers and stockmen, who are crouched underneath the table. That is what happened to Lazarus, who sat at the table of Dives. The crumbs which Dives did not eat fell into the mouth of Lazarus. Lazarus got his royalty, and I suppose that fact attached him emotionally to Dives. However, that is not a very healthful condition.

Mr. LONG. I must have read a different Bible. I was under the impression that the rich man did not give

Lazarus the crumbs. Nevertheless, the Senator will find that thousands who do have some gas production do find it of sufficient interest to them that they become very much interested in it. Some of the royalty owners were only 40-acre farmers, who find their income from gas to be substantial and large enough to be very important to them.

Mr. DOUGLAS. That is correct. Of course that is true. That furnishes a part of the driving force behind the bill. However, the diffused interest of 21 million residential and commercial consumers is more important than the interest of the 35 big producers.

Mr. LONG. Where the Senator from Illinois is making his mistake in his effort to obtain very cheap gas for those outside the producing States is that he fails to realize that within the producing States gas will simply not be made available for shipment at the price at which the Senator would like to obtain it.

As long as there is a tremendous market for the gas within a producing State, the producers will not sell the gas for a low price outside the State if they can get a better price within the State.

Mr. DOUGLAS. We want the gas companies to get a fair and just price. We are not interested in driving a hard bargain. We want them to get a just and fair price. We do not want them to get more than a fair price, or an unjust price. If they get a fair price in interstate commerce, they can get a fair price in intrastate commerce.

But if the price is boosted to an unfair level in interstate commerce, then the intrastate price will also go up. So we are trying to defend the consumers in Louisiana.

Mr. LONG. The history, thus far, has been that gas was selling at a lower price within producing States than outside those States, including large consuming areas such as Illinois which wanted to buy gas shipped in pipelines. At that point they were the ones who ran up the price of gas in order to have the gas available. If the Senator from Illinois is successful in what he is trying to do, far from obtaining sufficient gas it will simply mean that the price will be better within producing States. Whoever heard of price control working when a producer was privileged to sell his gas without such price control?

Mr. McNAMARA. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

Mr. McNAMARA. I think in line with what the Senator from Louisiana is saying, it is interesting to know that the State of Michigan has many customers for gas who are not being supplied, but, despite that fact, the Panhandle Pipeline Co. ran a pipeline under the Detroit River to Windsor, Canada, to sell gas there. So the company is not concerned with the demand of the customers in Michigan, but is selling the gas where it can obtain a higher price.

Mr. LONG. I was saying that so long as there is price control in one market and no control in the other, gas companies will sell in localities where there is no price control.

Mr. McNAMARA. The point I was trying to make was that the argument which has been made, that they are going to go on strike and going to withhold the gas, is not a logical argument. They are already shipping gas out of this country so as to keep the price up to the consumers who are already short. The companies are enjoying the shortage.

Mr. LONG. I think the Senator will agree with me that if a person is in position to sell his gas for a better price outside the United States than inside the United States, he will do so. We will simply find that the gas will not be made available to the interstate market.

I am glad the Senator from Michigan came to my aid and documented the argument which I have been making. The producers in the United States will sell their gas within the producing State or they will ship their gas to Canada, and the producers in Canada will ship their gas to the United States if there is Federal regulation of the interstate market.

Mr. DOUGLAS. Is it not true that sales of gas by the big producers in Louisiana, Texas, and Oklahoma, to be put to such local uses as the manufacture of carbon black, tend to be at a lower price than the sales of gas to pipelines to be shipped in interstate commerce?

Mr. LONG. The Senator is 30 years behind times. That was true 30 years ago. New interests are coming to Louisiana seeking access to gas supplies. At the present time, I am familiar with at least one particular aluminum concern looking for additional gas reserves so that additional industry can be brought into an area. Obviously, if the law is not amended the industry must locate inside a producing State, because it is only in a producing State that they can obtain the enormous gas reserves necessary to operate the aluminum industry.

Mr. DOUGLAS. Is it not true that the average price received by the producer for local sales tends to be at a lower price than the price he receives for gas sold to transmission companies for resale?

Mr. LONG. Not now, no. Naturally, any gas producer would sell his gas wherever he gets the best price. That is the experience of Louisiana, and I assume that Texas and Oklahoma have the same experience.

If a consumer undertakes to come into a producing State and buy gas at a higher price, naturally the gas producer immediately asks those who wish to purchase within the State the same price, so that the price has gone up to all. Under long-term contracts there is still a quantity of gas contracted for sale years ago in connection with which the producer did not have the good judgment to recognize that the price would go up in order to insist upon a price adjustment.

Mr. DOUGLAS. Is the Senator ready to say that the Louisiana producer receives more for the gas he sells locally than for the gas which goes into pipelines and is transmitted?

Mr. LONG. Based on a contract entered into today, a contract for sale within the State would bring every bit as good a price as would a contract for sale outside the State.

Mr. DOUGLAS. That is very interesting.

In 1953 the producer sold to pipelines and to local utilities 5.1 billion thousand cubic feet. Then came the decision of the Supreme Court in 1954 which the proponents of the bill have said had such a bad effect. But did that decrease the amount of gas sold to the pipelines? Not at all. They sold to the pipelines and to local utilities a little over 6 billion thousand cubic feet, approximately one-half billion more than they sold the year before. It has been increased by approximately a billion thousand cubic feet in the past 2 years. Hundreds of thousands, indeed, probably millions of consumers have put in natural-gas appliances, and are now buying natural gas. The producing companies did not have to sell to the transmission companies to supply those consumers. It must indicate that they are not only expanding their local sales, but their interstate sales, and that the threat that if we do not give them 20 cents per thousand cubic feet, they will turn their gas into carbon black, does not hold.

Mr. LONG. The Senator knows that I never suggested that. The only gas that is being turned into carbon black, so far as I know, is "sour" gas, namely, gas that can not be used commercially. The point I am making is that gas in my State is selling at as good a price as it is selling outside the State. The price regulation which the Senator is advocating has never yet been imposed. The Senator knows that when it is imposed there will be an early stop put to the exportation of new reserves to which he is referring.

Mr. DOUGLAS. In this whole connection the Senator assumes that the Federal Power Commission would use its powers injudiciously or unfairly. It must be assumed that the Federal Power Commission would take into consideration a price sufficient to get gas to move. In order to do that it does not have to recognize "reasonable market price." It can still operate in terms of a just and fair price.

Mr. LONG. I would be curious to know what is the Senator's formula for arriving at reasonable market price.

Mr. DOUGLAS. I do not have to settle all the problems of valuation in the world to know that this egg smells bad. Some of the issues can be put up to the Federal Power Commission.

Mr. LONG. Does the Senator know what he is advocating? In other words, I can say what a fair return means as applied to a utility. It means 6 percent return on invested capital. What does the Senator's formula mean?

Mr. DOUGLAS. A fair return to the producer, in my judgment, would be appreciably more than 6 percent, because there is a risk of drilling a dry hole.

Mr. LONG. What would a fair return be?

Mr. DOUGLAS. I am not on the Power Commission, but I should say that a group of reasonable men could fix a rate of return which would be adequate. Mr. Draper, who has fought the bill, has

said that the rate of return, in his judgment, should be above 6 or 6½ percent. I do not know what it should be. As a horseback opinion, based upon such knowledge as I have, I would be ready to allow 8 percent or 8½ percent. But I do object to 16 percent, 20 percent, 40 percent, and so on. That I do object to.

Mr. LONG. Suppose a man drills with the chances being 9 to 1 that he will not discover a well.

Mr. DOUGLAS. The 9-to-1 figure has been advanced previously; but if we consider recent data on drillings, taken from Gas Facts, we find that the ratio is that about one-sixth of the wells come in.

Mr. LONG. Has it ever occurred to the Senator from Illinois that he is proposing a formula which might work all right on some large companies and yet would put thousands of small producers out of business? A large corporation might be able to live under the Senator's formula; but if a small producer missed in the drilling of one of those wells, he would be out of business.

Mr. DOUGLAS. The Senator from Louisiana is familiar with an alternative proposal which the Senator from Illinois has introduced in Congress and which is before the committee, and which it is his present intention to offer as an amendment in the nature of a substitute, namely, to exempt producers of less than a certain amount of gas. Under the proposed legislation, regulation would be applied to about 197 producers.

Mr. LONG. Based upon certain production?

Mr. DOUGLAS. That is correct.

Mr. LONG. If the Senator succeeds in accomplishing his purpose, any corporation which is 5 times that size will break itself up into 5 corporations, in order to avoid price control.

Mr. DOUGLAS. Yes, that thought has occurred to me, but I think such action could be detected.

Mr. LONG. What would prevent a large corporation from selling to five different corporations? Assume a large company sold to five different corporations. Why should it not receive the same benefits that other smaller corporations would receive?

Mr. DOUGLAS. I would exempt the companies which did not produce more than 2 billion cubic feet, or 2 million thousand cubic feet, which would be an annual business of around $200,000 at present prices.

Mr. LONG. Why could not a corporation which had an annual business of $1 million simply sell its assets to 5 different corporations; and if that were done, why should not all 5 corporations receive the same benefits as were received by the other small corporations?

Mr. DOUGLAS. I think that could be detected as a collusive sale and penalized as such.

Mr. LONG. Assume that the sale was not collusive. Assume that the corporation simply found it did not care to do business in any other fashion. Why should it not receive the same benefits as others who were already exempt?

Mr. DOUGLAS. If the big companies could do that, they would not oppose my bill. But the fact that they are opposing my bill, I think, indicates that my proposal would be a restraint upon them.

I feel certain that the big companies have representatives in the gallery and that they are listening to this debate very carefully. There are many segments of Washington who, I assume, are listening to the debate.

Mr. LONG. If the Senator is successful in his proposal, I can assure him that this is one of the results he can anticipate.

Mr. DOUGLAS. Then I am sure they would support my bill. But they are not supporting it. They are insisting on the Harris-Fulbright bill instead. So evidently they believe my limitation would be successful.

Mr. LONG. Can the Senator tell me what harm there could be in allowing a large corporation to sell its gas on a competitive basis?

Mr. DOUGLAS. This is the point: For the sake of ease in administration, the law has always permitted classification. For instance, under the minimum wage law, enterprises employing fewer than eight employees are exempt, because otherwise it is thought that administration would be difficult.

Exemptions were granted under the social security law and similar acts. So in order to facilitate administration, legislatures have granted exemptions on the basis of size, and the courts have upheld such exemptions.

I remember a 1915 decision of the Supreme Court of the United States which was handed down by Mr. Justice Hughes, who was a member of the Court before he ran for the Presidency. I think the case was Miller against Wilson. The decision upheld a California 8-hour law for women and was confined to manufacturing. The question was raised as to why the law should not apply to other branches of industry as well; that it was class legislation, and its application was limited too narrowly.

The Supreme Court ruled that the legislatures had the power to classify, could deal with proximate issues, and could deal with evils which they regarded as the greatest, without taking in everything under the sun at one time.

I could cite offhand other issues. I think a similar issue was raised in the case of Bunting against Oregon. I think the same issue was involved in social security cases and fair labor standards cases.

Mr. LONG. Might I predict that even though the Senator's amendment might make his proposal somewhat more workable, he would still fail to achieve the objective he is seeking, when he attempts to obtain gas on a regulatory basis, limited to an 8-percent return.

Mr. DOUGLAS. I said that was an offhand, horseback opinion. I think that figure might be adequate. But it might be 9 percent or 10 percent. I am not qualified to pass on what is a fair return.

Mr. LONG. The point I am trying to make could be very simply illustrated.

Mr. DOUGLAS. All I am saying is that the return should be just and reasonable. We shall have to trust the Commission to determine what is just and reasonable. The Senator asked me what my ideas were. I said that, offhand, I thought the return would not be less than 8 percent. It might be more. But let us put that question to the group which has the power to act. We do not have to know what the precise decisions of the administrative body should be in order to give the administrative body the power to act. That is the whole essence of administrative law.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. DOUGLAS. In a moment. I am now in full flight. [Laughter.]

All Congress knows when it passes these bills is that competition does not work perfectly in a given industry; that a completely unregulated price will not be just and reasonable. So it provides the administrative body with terms which that administrative body can use, after due study, to arrive at a just and reasonable conclusion.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. DOUGLAS. I now yield to the Senator from Rhode Island; then I shall yield further to the Senator from Louisiana.

Mr. PASTORE. Would the Senator from Illinois anticipate that the Federal Power Commission would institute a rate which would put a producer out of business or discourage him from searching or exploring for more gas and oil?

Mr. DOUGLAS. No, I would not. As a matter of fact, I should say that the Federal Power Commission has been so intimidated by the gas and oil interests that the errors which have been made have been in favor of the gas and oil interests. That has been true under the administration of my party as well as under the present administration.

Mr. PASTORE. Mr. President, will the Senator further yield on that point?

Mr. DOUGLAS. I yield.

Mr. PASTORE. I call the Senator's attention to the testimony of General Thompson, on page 54 of the report of the hearings. I asked General Thompson this question:

> Have we any comparative figures to show for the same period of time just how much drilling took place insofar as natural gas is concerned during the period that we were under Federal power regulation as against an equivalent period before Federal power regulation?

Mr. DOUGLAS. That was the question asked by the eminent Senator from Rhode Island.

Mr. PASTORE. Mr. Thompson answered:

> Mr. Chairman, the decision came down last June. The drilling of last year was pretty well planned the year before because in the appropriations everybody plans about a year ahead for his drilling. So the effect would not have anything to do with the drilling of last year.
>
> But as far as drilling for gas is concerned—

And this, I think, is important—

> hardly anybody drills for gas. They get gas accidentally when they are looking for oil.

Fundamentally, we have instituted as part of our governments and law, insofar as internal revenue is concerned, the regulation that oil drillers are allowed a depletion credit of 27½ percent. At

that great rate of depletion, does the Senator from Illinois imagine for one moment that whatever we do here in allowing the Federal Power Commission to regulate the prices of natural gas is going to discourage this great search for oil, in the hope of getting advantage of the 27½ percent depletion allowance?

Mr. DOUGLAS. No, I do not; and the Senator from Illinois will later introduce evidence to indicate that the industry pays a smaller fraction of its net profits in taxes than does virtually any other industry in the country. The industry is already receiving favors from the Government almost beyond human measure, and I think it has inducement enough.

Mr. PASTORE. As a matter of fact, I think the characterization which was made by the distinguished Senator from Illinois, when he testified before our committee, was to the effect that they will be searching for oil as they are searching for uranium.

Mr. DOUGLAS. I do not know that I said that, but I should like to have said it.

Mr. President, I have completed 3½ pages of my prepared speech, and I hold in my hand 150 pages. I would call the attention of the Senate to the fact that thus far most of the time has been taken up in colloquy, and I shall be glad to entertain further colloquy, because the Senator from Illinois feels in good form today, and had a good night's sleep, and he is going to recuperate over the weekend and will be ready next week to make the remainder of his speech. So I say to my friend from Louisiana that I shall be very glad to have colloquy and exchanges with him.

Mr. President, as I was saying when I was interrupted some time ago, if the Harris-Fulbright bill passes, the pipeline companies will have no inducement to keep the gas prices down, since, if they go up, the pipeline companies will be able to charge more to the distributors and the distributors will have to unload on the consumers. In fact, the pipelines will want gas prices to go up. For if they do, the pipelines will get more for the 22 percent of the gas which they produce themselves. Therefore, not only will the pipelines have no inducement to keep producers' prices down, for these can be passed on, but they will have a positive inducement to let the big producers force up the prices, for then their own production companies will be assured of a correspondingly higher price and they will make bigger profits.

In fact, the pipeline companies will be able to pass on the so-called reasonable market price, or they will be able to pass on what they are paying. "A reasonable market price is a reasonable market price is a reasonable market price," and the attempt to control the profits which producers receive by attempting to control the price which the pipelines can pass on—which is the Harris-Fulbright device—is illusory. It will not work. In all probability, it is unconstitutional. It is ineffective. But not only will the pipeline companies be indifferent as to whether the price which they will have to pay will go up; they will be actual accomplices in wanting the price to go up, because we should never forget that the pipelines produce approximately 21 percent of the gas which they transmit. The more they pay the so-called independent producer, and the higher the established market price, then the higher the price which they can charge for the gas which they themselves produce and put into the system.

If the pipeline companies now pay 11 cents a thousand cubic feet, let us say, and later they pay to the independent producer 20 cents, that price becomes the reasonable market price, and the gas which they themselves produce will be charged in at 20 cents. So the more pipeline companies pay the independent producer, the more they will themselves get. Therefore, they will not be free bargainers; they will be accomplices in trying to raise the price which they pay to the producer, and they will not be able to, and will not wish to, defend the ultimate consumer.

Mr. LONG. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. LONG. Actually, it seemed to me it would be just as well for those in the pipeline business to divest themselves of their gas holdings, based on what the Senator from Illinois has said. They would then be in a position to treat all producers alike. The Senator knows that when the so-called Kerr bill was before the Senate, the distinction was very clearly made that the bill applied to those who were selling at arm's length.

Mr. DOUGLAS. The so-called independent producers. That is why this bill is worse than the Kerr bill.

Mr. LONG. It seems to me that if the Kerr bill had passed, those who had gas reserves would certainly not have developed additional reserves; if capital went into the industry, it would go in as independent capital rather than as pipeline capital.

Mr. DOUGLAS. The Kerr bill treated the independent producer more liberally than it did the pipeline company. The pipeline companies would undoubtedly still further have divested themselves of their producing properties, which they have done to some extent, anyway.

Mr. LONG. As a matter of fact, it seems to me it is very difficult to regulate pipelines properly when the pipelines own gas reserves, especially if one recognizes the fact that gas reserves should not be regarded as a public utility. But the Senator seems to believe that gas producers should be treated as public utilities, so I do not know why he is so much concerned about the pipeline company which owns its own reserves.

Mr. DOUGLAS. Under the Harris-Fulbright bill the pipeline company not only has no inducement to keep down the price which it pays to the producer; it has every inducement to increase the price. So we do not have the normal protection of a buyer. The consumer does not have the normal protection of a buyer which he does in the case, for instance, of coal merchants or wood pulp merchants, and so on.

I thank the Senator for bringing the point out even more emphatically than I was able to do.

Mr. LONG. Under the bill, does not the Federal Power Commission retain the right to pass on the reasonableness of all new contracts?

Mr. DOUGLAS. It has the power, ostensibly, to prevent a pipeline company from passing on a price in excess of what is judged to be reasonable. In the first place, I say "reasonable" is simply the existing price. That definition is defective.

Mr. LONG. Reasonable market price.

Mr. DOUGLAS. Reasonable market price.

Second, the pipeline will have the inducement to allow the producers to send up the market price, because the higher the price is brought up, the more the pipeline will get out of its own production.

Third, if the Federal Power Commission should summon up its courage and issue an order restraining a pipeline company from passing on more than a given price, I doubt whether any court in the country would hold that restraint to be constitutional, because the pipeline company would have made the contract, would have agreed to the price, and the price would have been paid. Then to prohibit the company from passing on an expense which it had incurred, in a field over which the Federal Government would have divested itself of authority, I think would be held by every court in the land to be confiscatory and the taking of property without due process of law, and, therefore, in violation of the fifth amendment, because the fifth amendment covers many things.

Mr. LONG. Does not the Senator from Illinois and I agree that the ideal situation is one in which the pipeline company does not own its own reserves, but in which the pipeline is a common carrier, and is regulated as a common carrier, under standard common carrier regulations?

Mr. DOUGLAS. I heard the very eminent Senator from Arkansas make an argument about 2 days ago that the pipeline companies should develop reserves; that is why they should be given greater powers than given under the Kerr bill. Now the Senator from Louisiana is coming back to the Kerr bill. Does the Senator from Louisiana wish perhaps the substitution of the Kerr bill for the Harris-Fulbright bill?

Mr. LONG. No; I am content to support either of them. I think both are good bills.

Mr. DOUGLAS. I will say that the Kerr bill, monstrosity that it was, was not as deformed as the Caliban that now is being foisted upon the American people.

Mr. LONG. Under this bill, is it not the responsibility of the Federal Power Commission to look for the very type of situation the Senator from Illinois is suggesting? In other words, if a pipeline has a large amount of reserves, is it not the responsibility of the Federal Power Commission to look carefully at any contract by which the pipeline company might undertake to pay a higher

price than the one it is paying for its present supply of gas?

Mr. DOUGLAS. Under the bill, it cannot pass on more than a reasonable market price.

Mr. LONG. That is correct.

Mr. DOUGLAS. But the reasonable market price will be established by agreement between the producers and the pipeline companies; and once it is established, it can be applied to the regular production. I am saying that in that event, gas-purchase contracts where as little as possible is paid for the gas will be changed to ones in which as much as possible is paid.

Mr. LONG. Is it not true in most cases that a pipeline having considerable reserves will be subject to close scrutiny, in the case of the situation the Senator from Illinois has in mind, wherein the pipeline is in a position to obtain more, and that the Commission will have the responsibility of looking very carefully, to make sure that the pipeline is not receiving a higher price than the one received in areas where the price can be held down?

Mr. DOUGLAS. Mr. President, the Senator from Louisiana seems to be in favor of control, except he favors inadequate and ineffective control after the price has been paid, instead of direct and effective control. Why not let the dog have some teeth, instead of extracting all its teeth and turning loose a toothless and ineffective canine for the job of regulation?

Mr. LONG. Do I correctly understand that the Senator from Illinois is fearful that a pipeline will pay a gas producer more than the pipeline is actually in position to write off as an expense? Is that what the Senator from Illinois is arguing against now?

Mr. DOUGLAS. Oh, no. I am saying that since the pipeline can mark up its own production to the price it pays to the independent producer, its net income will increase, the more it pays the independent producer; and therefore in this transaction we do not have the ordinary desire of a purchaser to keep down the price, and therefore the pipeline becomes an accomplice of the producer, rather than a defender of the ultimate consumer.

Mr. LONG. But in the instance in which a pipeline is purchasing for a large number of consumers, assuming that the pipeline owns no reserves of its own, which I understand is the case——

Mr. DOUGLAS. It is true of some pipeline companies; I believe it is true, or largely true—I say this subject to correction—of the transmission of the Tennessee Gas Pipeline Co. But it is not true of all pipelines. I think the record shows that 21 percent of all gas transmitted by pipelines comes from the pipelines' own fields. So it is not a negligible factor.

Mr. LONG. Yes. Nevertheless, a pipeline dealing with its own customers, and not having any reserves of its own, is able to obtain for the customers a much better price than the one the customers could obtain for themselves, in a case in which 10 or 15 customers were trying to purchase gas. Obviously, a producer who has several prospective purchasers for his product is able to bargain one of them against another, and thus is able to obtain a higher price than the one he could obtain if he had only one prospective purchaser with whom to deal.

Mr. DOUGLAS. Is the Senator from Louisiana saying that the pipeline companies should give up their function of purchasing gas, and should merely become circular railroads, so to speak, through which the gas purchased by industrial consumers and local distribution companies would move? Is that what the Senator from Louisiana is saying?

Mr. LONG. It has been argued that that would not be practicable. Nevertheless, it always seemed to me that if it could be worked out from a practical point of view, it might be desirable to let the pipelines simply transport the gas, in the same way that the railroads transport any other product, and let the gas be purchased at the end of the pipelines.

Mr. DOUGLAS. Until the Senator from Louisiana writes that into the Natural Gas Act, I think we must proceed on the assumption that the pipeline companies will be purchasers not merely transportation agencies.

Mr. LONG. That is true.

Mr. DOUGLAS. Since that condition obtains, the Fulbright bill presents them with an opportunity to raise the market price of gas; that is all. It would be better to regulate the price at which the independent producers sell their gas to the pipelines—I refer to the big producers—and also the price the transmission companies charge.

Mr. President, let me say that I have enjoyed very much this colloquy with the able Senator from Louisiana.

The big companies in the oil and gas industry are therefore playing for enormous stakes in seeking the passage of this bill. This explains why they have raised a war chest of at least $1,500,000 to promote the Harris-Fulbright bill, and indicates the nature of the campaign we have seen and may expect.

Thus far, Mr. President, I have developed, or tried to develop, two points.

Now, I come to my third point, in summary:

We can expect that almost the full burden of these increases will fall upon the householder. Industrial rates and particularly interruptible industrial rates are already competitive with coal and oil and were on the average in 1953, 24.7 cents per thousand cubic feet for firm industrial and 21 cents per thousand cubic feet for interruptible industrial.

The nature of those two demands is shown in connection with the last chart to which I have referred. The interruptible industrial supply of gas, as I explained the other day, is sold in the summer months and in the late spring and early fall months, when home heating by means of gas decreases to virtually nothing. At that time the gas transmission companies and gas distribution companies have on their hands large quantities of gas for which there is no residential demand. At other seasons of the year there is a large residential demand for the gas, but not at those seasons. So those companies have to find customers who will take those large quantities of gas off their hands. Therefore, they sell the gas, at "dump" rates, to a few industrial firms. These firms have alternative fuel systems. During the winter months they will burn coal or fuel oil. During the summer months they will burn natural gas. The large companies have developed methods of burning coal and fuel oil which make those fuels competitive with the interruptible gas. If the rates for interruptible gas go up by 5 cents per thousand cubic feet, or by 10 cents per thousand cubic feet, then it will be found that the industrial firms which already have on hand their alternative fuel systems, will largely—I do not say they will do so wholly—turn to the use of oil and coal for the summer months, as well as for the winter months; and then the local gas companies will be "all dressed up with no place to go."

This means that if they are to recoup themselves they will have to unload upon the residential consumer not merely the average increase in the field price of gas, but the average increase plus the increase in the cost of the gas which otherwise would have gone for interruptible uses, which now would have to be purchased, and which could not be used for industrial purpose. Therefore the residential consumer would have to pay his burden, and a large part of the burden of the interruptible service as well. Even when purchases of the interruptible gas can be slowed down during the summer months, the overhead required will have to continue, in the form of gas mains and gas services equipped to take the full winter load, but utilized only at those times, and operating with a low load factor during the summer months and a high idle overhead.

That means that, to the degree that the higher cost of industrial gas is used and passed on in the form of a higher price, for the products of industry, the consumers will bear this cost indirectly. To the degree that it is shifted to the residential users, it will be passed on directly. In one event or the other, it will be the consumers who will bear the burden. I think it is this very fact which has led, in part, to the opposition of the distributing companies to this bill. This argument has been developed very cogently by Mr Arthur K. Lee, a utility operator from my own city of Chicago. He has written an exceptionally able pamphlet on this very subject. As a matter of fact, he devised the chart a large reproduction of which I have placed in the back of the chamber.

I point out that while the industrial consumers—perhaps I should say the interruptible industrial consumers—have alternative fuel systems, so that they can switch from one to the other, residential consumers have no such protection. They are tied to gas furnaces, in which they have invested an average of $500. They are tied to the gas range, in which they have invested $200 or $250.

They are tied to the gas hot water heater. They are tied, in some cases, to the gas refrigerator. They have a large

investment. They cannot switch to alternative fuels. I think it will be found that some of the small industrial purchasers who do not have devices for generating heat from coal as efficiently as it is done by the big concerns will not be able to make the transition, and that they will bear a part of the burden.

In order to make the record clear, I should like to put my analysis in somewhat more detailed form.

For some reason the American Gas Association did not publish figures for interruptible gas sales in 1954, so that the 1953 figures are the latest available. Increases of 5, 10, and 15 cents per thousand cubic feet in the field would therefore amount to increases of 24, 48, and 72 percent in the interruptible rate using 1953 figures.

If such increases as these were imposed, the gas companies would lose this interruptible business. For the industries would shift completely during the summertime to the alternative fuel which they now use for the winter months, namely coal, and in some cases oil. Something of the same sort would happen in the case of ordinary industrial gas and other large-scale consumers.

In order to recoup for their increased costs, the distributive companies would directly or indirectly have to throw almost all of the increase upon the householders whose rates would go up not by 5, 10, or 15 cents per thousand cubic feet but by 10, 20, or 30 cents per thousand cubic feet, or by an average of 14, 28, or 40 percent. It would almost certainly be greater than the first of these percentages, might well be 30 to 40 percent, and would almost certainly be from 25 to 30 percent. As residential and commercial consumers now spend on the average of about $80 per year for natural gas, if the full burden of the $600-million increase fell on them, the cost to them would be an additional $30 per year or a percentage increase of 37½ percent. Thus, the present consumers would have little protection. They would not want—and most could not afford—to scrap their existing investment in gas furnaces, gas hot-water heaters, gas ranges, and so forth, which average over $500 per household and total over $14 billion for the country. In addition, the discomfort of burning coal and the labor in keeping the fires going would be a great deterrent. New households would, moreover, be discouraged from using gas, and the gas companies and the young housewives would lose here.

Fourth. As I shall show, these gains are not necessary to induce adequate exploration and they would yield a grossly and improperly high rate of earnings to the gas producers. The wellhead prices should, instead, be regulated by the Federal Power Commission in order to protect the consumers.

By exempting about 5,360 producers who sell less than 2 million thousand cubic feet and confining regulation to some 197 producers who sell 90 percent of the gas to the pipelines for resale, the administrative work can be lightened and the small producer freed from the redtape of Government regulation. At the same time the consumers are protected.

The argument that the Commission should or could protect the consumer by granting the producer the "reasonable market price," is ridiculous. Even if we take the standard of "reasonable market price" as applying directly to the producer, which it does not, the market price which would be taken as reasonable would be fixed under the quasi-monopolistic conditions which have been described. The actual field prices under this rule would be taken to determine what the reasonable field prices should be. This is circular reasoning with a vengeance and assumes what it was supposedly intended to find out. The Commission, however, should give a fair rate of return upon the actual investment which should be higher in the field of natural gas than that permitted for the electrical industry.

On this issue the interests of the consumers far outweigh those of the producers and the general national welfare would be best served by defeating the Harris-Fulbright bill (S. 1853) and giving instead a clear mandate to the Power Commission to get on with its proper work of regulation.

If I may summarize my argument—although this is only the beginning of it—and give a preview of what I intend to prove, I am convinced that the proposed exemption from Federal regulation of interstate sales of natural gas by nontransporting producers would, without justice or reason, add hundreds of millions of dollars a year to the bills of the Nation's gas users.

I believe that the legitimate interests of natural-gas producers can be fully protected under fair and reasonable regulation of those interstate sales.

I believe that consumers can be adequately protected by exempting the little producers who sell only about 10 percent of the gas in interstate commerce.

And I know that the widespread publicity campaign of the oil and gas industry, that competition can be relied upon to protect the consumer against exorbitant prices, is not supported by the evidence. It ignores the basic and decisive fact, which cannot be emphasized too often, that, unlike coal, oil, cheese, milk, beer, potatoes, copper, and other commodities to which the industry literature mistakenly compares gas, there is only one feasible method of distribution of gas, namely, the pipelines and the local gas mains. And it ignores the inevitable and demonstrated result that once the lines are laid, the homes hooked into the utility systems, and the cooking and heating appliances bought, the chances for the users of gas to get any real protection against unfair producers' prices by competition are nil. I shall develop these points more fully as this debate continues. I have made only a beginning this afternoon.

This drive for exemption which will permit nontransporting producers to charge all that the traffic will bear was first stopped in 1948 when the Senate Interstate Commerce Committee in the Republican 80th Congress decided that the Moore-Rizley bill, which closely resembled the pending Harris and Fulbright measures, was against the public interest and therefore did not bring it out of committee. The exemption drive was stopped again in 1950 by President Truman's courageous veto, only to be revived once more by the Federal Power Commission's regrettable decision in the Phillips case in 1951, when it ceded jurisdiction, instead of exercising it. The Supreme Court in 1954 reversed the Commission and once more upheld the Federal authority to protect consumers by regulating these producers' interstate sales. Now I hope the Senate will again disapprove the measures designed to reverse that basic decision and will decide to permit the Federal Power Commission, however unwilling and hesitant it may be, to get on with the job of fair and reasonable regulation to protect the 80 million users of natural gas.

I thought I would make more progress this afternoon than I have. Therefore, I wrote in my prepared statement that my remarks today would deal with at least three issues which I believe are basic to a consideration of the Harris-Fulbright bill to amend the Natural Gas Act. I should amend that statement to say that my remarks during the coming few days will deal with these issues. These issues include the following:

BASIC ISSUES BEFORE CONGRESS

My remarks today will deal with at least three issues which I believe are basic to a consideration of the Harris-Fulbright bill to amend the Natural Gas Act, which is now before the Senate. These issues include the following:

First. Does the public interest require that the prices charged by producers for natural gas sold in interstate commerce for resale be subject to regulation by the Federal Government?

Second. If the public interest requires such regulation, what type of control should be applied, and should it be applied to all producers?

Third. Should natural-gas pipeline companies owning natural-gas reserves through leaseholds and gas rights be allowed to include in operating expenses the market value of the gas they produce from such reserves?

These three basic issues are not the only issues involved in the proposal to amend the Natural Gas Act which is now before the Senate; however, they are among the main issues which I believe are of vital concern to natural-gas consumers, as well as its producers, transporters, and distributors.

With regard to the first issue, it is my firm conviction that Federal control of the prices charged by natural-gas producers selling in interstate commerce for resale is necessary in the public interest. In that connection may I point out that even the President's Cabinet Advisory Committee on Energy Supplies and Resources Policy recognized that some degree of control is necessary. Likewise the bill as introduced by the Senator from Arkansas [Mr. FULBRIGHT] and as reported by the committee, also recognizes, at least in theory, that the Federal Government should have some authority with respect to the prices paid by pipeline companies for gas purchased from other producers, in order to protect the consumers' interest. Based upon my

own study of this entire question, I firmly believe that unless the Federal Government controls the prices charged by producers for sales of natural gas in interstate commerce, the intent and purpose of the Natural Gas Act is nullified and Federal and State natural-gas rate regulation will become a useless exercise in futility.

PURPOSE OF NATURAL GAS ACT

The intent and purpose of the Natural Gas Act is plain. Congress passed the act because it was clearly apparent to the Members of that body in 1938 that Federal control of the natural-gas industry was necessary to secure reasonable rates for natural gas in the consuming areas. State regulatory commissions found themselves helpless to control the cost of natural gas at the city gate—that is, at the receiving end—to the distributing utilities because these sale transactions were in interstate commerce and beyond the reach of State authority. Municipalities and State commissions asked Congress to place Federal control over the previously unregulated interstate sales so that reasonable rates for natural gas could be secured for the consumer.

NATURAL GAS ACT PROVIDED EFFECTIVE REGULATION

Congress responded to these requests for legislation by passing the Natural Gas Act. The Federal Power Commission took this new jurisdiction and proceeded to fix just and reasonable rates. This action resulted in lower consumer rates in many cities and towns of the Nation. Table No. 1, which follows, summarizes the rate reductions which the Federal Power Commission—with its will to protect the public interest still strong as it was at that time—secured through proceedings under the Natural Gas Act. While a good many of the reductions listed, which total $43,345,000 on an annual basis, were secured only after formal proceedings and in some instances litigation, there were a number of rate reductions made voluntarily as a result of informal negotiations.

Mr. President, I ask unanimous consent that the table I have in my hand be printed in the RECORD at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE I–1.—*Reductions effected by Federal Power Commission in the interstate resale rates of natural gas, 1938–52*

Company	Rate reduction (annual basis)	Effective date	States where ultimate consumers live
1. Natural Gas Pipeline Company of America	$6,508,000	Sept. 1, 1940; Sept. 20, 1942	Kansas, Nebraska, Iowa, Illinois, and Indiana.
2. Hope Natural Gas Co	3,610,000	July 15, 1942	Ohio and Pennsylvania.
3. Canadian River Gas Co. et al	2,086,000	May 13, 1942	New Mexico, Colorado, Wyoming, Kansas, Nebraska, Iowa, Illinois, and Indiana.
4. Panhandle Eastern Pipe Line Co	5,094,000	Nov. 1, 1942	Kentucky, Kansas, Missouri, Illinois, Ohio, Indiana, and Michigan.
5. Interstate Natural Gas Co	1,100,000	June 15, 1943	Louisiana, Mississippi, Alabama, Georgia, Arkansas, Tennessee, Illinois, and Missouri.
6. Cities Service Gas Co	4,446,000	Sept. 1, 1943	Oklahoma, Kansas, Missouri, and Nebraska.
7. Lone Star Gas Co	2,071,000	May 15, 1942	Oklahoma and Texas.
8. El Paso Natural Gas Co	526,000	Nov. 1, 1942	Arizona, New Mexico, and Texas.
9. United Gas Pipe Line Co	1,862,000	Apr. 1, 1943	Alabama, Mississippi, Florida, Louisiana, Texas, Georgia, Tennessee, Arkansas, Missouri, and Illinois.
10. Northern Natural Gas Co	2,287,000 1,880,000	Feb. 1, 1943 November 1947	Iowa, Kansas, Minnesota, Nebraska, and South Dakota.
11. Memphis Natural Gas Co	353,000	July 26, 1943	Tennessee, Arkansas, Louisiana, Mississippi.
12. Mississippi River Fuel Corp	790,000	Jan. 20, 1946	Arkansas, Illinois, and Missouri.
13. Penn York Natural Gas Corp	53,000	Mar. 15, 1946	New York.
14. Southern Natural Gas Co	1,200,000	May 1, 1946	Alabama, Georgia, and Mississippi.
15. Ohio Fuel Gas Co	636,000	May 15, 1946	Indiana and Ohio.
16. United Fuel Gas Co. and Cincinnati Gas Transportation Co.	1,753,000	Sept. 1, 1946	Kentucky, Ohio, and West Virginia.
17. Tennessee Gas Transmission Co	850,000	Apr. 1, 1947	Mississippi, Tennessee, Kentucky, West Virginia, Ohio, Pennsylvania, and New York.
18. Atlantic Seaboard Corp	167,000	April 1947	Kentucky, West Virginia, Virginia, Maryland, and Pennsylvania.
19. Kansas-Nebraska Natural Gas Co	187,000	Oct. 1, 1947	Kansas and Nebraska.
20. Northern Natural Gas Co	1,880,000	November 1947	Iowa, Kansas, Minnesota, Nebraska, and South Dakota.
21. Kentucky-West Virginia Gas Co	424,000	Nov. 1, 1948	Pennsylvania.
22. United Natural Gas Co	252,000	Jan. 1, 1950	Pennsylvania and New York.
23. Colorado-Wyoming Gas Co	357,000	Nov. 26, 1950	Colorado and Wyoming.
24. Colorado Interstate Gas Co	2,973,000	Sept. 15, 1952	Do.
Total	43,345,000		

Mr. DOUGLAS. Mr. President, now I should like to pass to a discussion of the main characteristics of the gas industry. Let us start where the gas is used. The proponents of the pending bill would have us believe that the only type of gas used locally is residential gas. The charts and tables which they have put up in the Chamber compare the price in the field with the price at the city gate and with the price paid by the residential customer, and the prices shown are 10 cents, 25 cents, or 30 cents, and the prices of $1.51, $3.01, or $3.64. Those are the comparisons they make.

THE MAIN CHARACTERISTICS OF THE GAS INDUSTRY

1. THE CONSUMERS AND DISTRIBUTORS

There are three main classes of users, residential users. commercial enterprise, and industrial users. The industrial users divide themselves into two groups, the interruptible and the noninterruptible. Gas for residences is used primarily to heat dwellings, to heat water, and for cooking, with some used for refrigeration.

Since heating is the most important of these uses, this means that this type of demand is high in the winter months and dwindles away to almost nothing in the summer, and to very low levels in the last spring and early fall. It is well illustrated by the chart on display in the Chamber which shows the seasonal rise and fall in the residential use of gas.

The industrial demand is of two main types; namely, interruptible and firm. The gas for interruptible industrial use is sold almost exclusively during those months when the residential demand is either low or nonexistent. It therefore is designed to fill up the seasonal valleys in residential demand. This also is clearly shown by the large chart. The industrial plants which burn gas on this basis for heat and power, therefore, use alternative fuels such as oil and coal at other seasons of the year. They have these alternative fuel systems existing side by side and can switch from one to another according to whether gas or fuel oil or coal is the cheapest.

The sales of firm gas to industry are mostly to utilities in the South and Southwest for the purpose of generating electrical power. I do not say all the sales are for that purpose.

I say the major portion of them is for that purpose.

Over 95 percent of all the gas sold to consumers is now natural gas, and this percentage has increased markedly in the last 25 years. Last year 21.2 million out of the total of 26.5 million residential gas customers used natural gas, or 80 percent of the total.

May I say at this time that this is the difference between the figure of 21 millions for the number of families using natural gas and the figure of 26 millions which has been used before. The figure of 26 millions is correct for all types of gas and the figure of 21 millions is correct for natural gas.

I have tried to restrict my statement to the consumers of natural gas.

This was an increase of 1.5 million residential customers over the number using natural gas in 1954. Manufactured gas, which was dominant in the East a half century ago, has been steadily losing ground.

Let us now see the relative quantities of natural gas which were bought by the main types of customers in 1954.

Mr. President, I ask unanimous consent that the table which I have prepared be printed in the RECORD at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Customer	Number of customers for natural gas	Millions of thousand cubic feet [1]	Utility revenues
Residential	19,720,000	1,783.0	$1,436,653,000
Commercial	1,572,000	491.0	303,923,000
Industrial	82,000	3,241.0	767,212,000
Other	25,000	286.8	68,522,000
Total	21,399,000	5,801.4	2,576,310,000

[1] These computations are from Gas Facts and are on the basis of 10 therms per thousand cubic feet.

Mr. DOUGLAS. Mr. President, in brief, the table shows that residential customers bought approximately 1.8 billion thousand cubic feet, for which they paid $1,437,000,000; that commercial customers bought 491 million thousand cubic feet, for which they paid approximately $304 million, and that industrial consumers bought 3,241,000,000 thousand cubic feet, for which they paid approximately $767 million. It will thus be seen that while the residential customers were 92 percent of the total number of consumers they purchased only 31 percent of the natural gas sold but paid 56 percent of the revenues. The situation was reversed in the case of the industrial users, who consumed 56 percent of the gas but contributed only 30 percent of the revenues. This shows how much higher the rates are for residential than for industrial gas. This point will be developed in greater detail later. If, indeed, we separate the natural gas bought by industry into the 2 categories of firm and interruptible, we find from the 1953 figures, which are the last available, that in that year the firm gas came to 1,634.4 million thousand cubic feet, for which $402,959,000 was paid, while the interruptible gas sold amounted to 1,332.7 million thousand cubic feet, for which $279,177,000 was paid. As we shall see, this indicates a dump rate for the interruptible gas which is appreciably lower than for the firm industrial rate. The disparity in rates between the residential and the interruptible industrial gas is therefore even greater than was indicated by the 1954 figures, which do not differentiate between the two types of industrial gas.

All these local sales of natural gas are made by distributing companies of various sizes, varying from large concerns, such as Consolidated Edison of New York City, United Gas Improvement of Philadelphia, and Peoples Gas of Chicago and its suburbs, to smaller gas-utility companies. These companies bear the cost of laying the local mains which bring the gas to the customers and which for the Nation amount to nearly 300,000 miles. They also pay for hooking up the household appliances or industrial burners with these mains. The average current cost for connections with a given house is estimated at $500 per unit, although some years back, in a period of lower costs, the outlay per house was probably around $200. In view of the attacks which the big producers are now making upon the local distributors, these facts need to be borne in mind, including cost of inspection. They show the heavy expenditures which the local utilities have to make. This is particularly great in such places as Manhattan, where the distributing mains have to be laid through rock, and, therefore, have a much higher cost than in many other localities.

The total receipts of the local gas companies in 1954 amount to $2,576,310,000. As we have said, the residential customers paid $1,436,653,000 of this, while the commercial customers paid $303,923,000, and the industrial plants $767,212,000. Miscellaneous receipts of $68,522,000 completed the total.

Out of this total, the local companies had to pay production costs for the gas which they manufactured, plus the prices charged them by the pipelines for the natural gas delivered to them, plus the distribution and administrative costs connected with bringing the gas from the gates of the cities and towns to the ultimate consumers in their homes, stores, and factories, plus a return on their invested capital.

I hold no particular brief for these companies but I would point out that they are subject to State regulation on the prices which they charge. They, at least, differ from the big producers in that they are not proposing that they be exempted from regulation. No doubt most of them try to have very soft and favorable regulation, and I have fought many battles in Illinois with Mr. Insull and his successors in an effort to get fair and reasonable regulation.

I think, Mr. President, I can speak on this point with a certain degree of propriety, because for some years I gave 5 percent of my income, which was not large, and 10 percent of my time, in an effort to get adequate regulation of electricity and gas rates in my city, and I bear upon myself the honorable marks of battle, and I am very glad that I made the fight. So, let no one charge me with being an apologist for the local distributing company or of advocating soft regulation. We should strengthen our efforts to get effective regulation on the State level. But the Fulbright bill does not do anything to help this need within the States. What it does is to let the big producers charge all the traffic will bear. But, while I am no apologist for the distributing companies, I want to say this for them. They have never had the nerve to claim that theirs was a competitive industry or to try to repeal the regulatory laws now on the books. That extraordinary performance is reserved for the big producers who are now vigorously attacking the local distributors in a vain effort to divert the attention of the public from their own gains—a purely diversionary tactic.

Let us now turn to the present investment which consumers have made in the various types of household appliances. I am presenting these in great detail in table II (1). These figures, compiled in great detail during these last few weeks by the gas distributing companies of the Nation, furnish almost unique information.

I shall, however, give merely the nationwide totals in my verbal presentation and allow the more minute details to be revealed by the major table II (1), which I ask unanimous consent to have inserted in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE II–1.—*Estimated residential gas customer investment in major gas appliances*

Geographical area	Thousands of residential gas customers, 1955 (estimated)	House heating		Gas range		Water heater		Refrigeration		Total investment, millions of dollars	Investment per customer with range at $175 and refrigerator at $250	Investment per customer with $50 added for incidental appliances
		Thousands of units	Investment, millions of dollars	Thousands of units	Investment, millions of dollars	Thousands of units	Investment, millions of dollars	Thousands of units	Investment, millions of dollars			
United States	26,549	15,212	7,834	20,797	3,640	15,270	2,521	1,605	401	14,396	542	592
New England	1,535	181	93	1,120	196	491	81	123	31	401	261	311
Middle Atlantic	6,720	1,722	886	5,779	1,012	2,822	466	470	117	2,481	369	419
East North Central	5,965	2,880	1,485	4,891	856	3,877	640	358	89	3,070	515	567
West North Central	2,055	1,506	775	1,665	291	1,438	237	123	31	1,334	649	699
South Atlantic	1,872	1,039	535	1,217	213	992	164	94	23	935	500	550
East South Central	1,018	787	405	784	137	652	108	92	23	673	661	711
West South Central	2,910	2,905	1,496	2,444	428	2,183	360	175	44	2,328	800	850
Mountain	869	800	412	626	109	652	108	26	7	636	732	782
Pacific	3,605	3,392	1,747	2,271	398	2,163	357	144	36	2,538	704	754

Source of material: Gas Facts, 1955 (AGA); Economics of Gas House Heating and Related Load Characteristics (AGA), 1950 Survey by Bureau of Labor Statistics.

Mr. DOUGLAS. Mr. President, I think this table is unique in that it brings together for the first time the number of residential customers of gas for household purposes and the investments which have been made in each of the appliances, classified for the United States and for various regions.

In summary, the 26.5 million residential consumers in 1955 had a total investment in major gas appliances of $14,396,000,000 or an average of $542. This is a large sum to the typical family, being 13 percent of the average family income, or the entire pay check for the average family for almost 7 weeks. When the price of gas goes up, if this bill is passed, all the householder and his wife can do is to

wince and bear it. He is not going to scrap his investment in a gas furnace, hot-water heater, or gas range. If he did, it would take every bit of money the average family earns for 2 months or more.

The totals by the separate types of appliances are as follows:

Appliance (1)	Number of households (2)	Investment (3)	Average investment per household (4) = (3) ÷ (2)
House heating	15,212,000	$7,834,000,000	$515
Gas ranges	20,797,000	3,640,000,000	175
Water heaters	15,270,000	2,521,000,000	165
Refrigerators	1,605,000	401,000,000	250

For those families who have all 4 of these appliances, the average investment is, therefore, approximately $1,100.

It may well be that there are 15 million families who have at least 3 appliances; namely, those who heat their homes with gas, who cook with gas, and who heat their water with gas.

The figures I have given are for all families using gas and, hence, include the approximately 5 million families who use manufactured gas. The average investment for the 21 million families who use natural gas is probably higher than for those who use manufactured or mixed gas. This is true for a number of reasons. First, the families using natural gas have, on the average, been using this gas for a shorter period of time than the other group and, hence, have bought their appliances more recently and at a higher price level. Secondly, a very high proportion of the families using natural gas do so for heating purposes—and the necessary gas furnaces involve a cost which is three times that of the average range or hot-water heater, which tends to be all that the residential consumers of manufactured gas use.

Not many consumers of manufactured gas will be found who heat their houses with manufactured gas. Such gas is used chiefly for cooking—for boiling eggs in the morning—and sometimes for heating water. It is not usually used for heating homes. As a result, the consumption of manufactured gas per household tends to be lower.

Since it is the eastern cities which consume a larger proportion of manufactured and mixed gas, I submit that this, perhaps, may be one of the reasons why the average price per thousand cubic feet in those cities seems to be higher than it is for the rest of the country. I do not say it is the sole reason; I say it is a reason. The very eloquent exponents of the bill did not mention that fact.

Also, of course, it should be realized that natural gas must travel a longer distance to get to the East and New England than it does to St. Louis or Kansas City.

Taken all in all, it is probably safe to say that the nearly 15 million families which use natural gas for house heating have an investment amounting to an average of approximately $1,000 and which may run as high as $1,100. This is 25 percent of the income of the average American family and represents the entire paychecks of such families for 3 months of a year. These families are indeed the ultimate captive customers of the gas producers, and they are tied to the latter by a venture of fortunes which they cannot break. They have made their heavy investments because of the present rates and have given these appliances as hostages to fortune. Their marriage with gas, as I have said, is virtually indissoluble. But once this bill is passed, they will be caught—or, in slang language, they will be "hooked." The cash nexus, to use Carlyle's phrase, is virtually unbreakable. We who are opposing this bill are trying to protect them, and we submit that the 21 million families who use gas for one purpose or another, the real John Q. Publics of America, deserve more consideration than the oil-rich men, most of them northern absentees, who dominate the oil and gas producing States of the Southwest.

I may say again that the small industrial users are also, in many cases, captive consumers along with the residential consumers.

THE PIPELINES

Thus far I have discussed the local distribution of gas. Now I shall come to the pipeline companies which bring the gas to the city gates, for distribution by local distributing companies.

The local distribution companies buy their natural gas from long-distance pipelines. This gas is delivered to them at the points of connection between the principal distribution gas mains and the long-distance transmission or pipelines. In the case of the local distribution companies, this point of connection is called the city gate. Thus, Joliet is the city gate for the natural gas which enters the Chicago area.

The interstate transmission of natural gas is almost completely dominated by 17 pipeline companies.

We hear it said there are 130 pipeline companies. Yes, I guess there are. But 17 pipeline companies buy 96 percent of the gas which moves in interstate commerce. Really, when we come right down to the point, there are three pipelines that do not transport much gas in interstate commerce. So instead of 17, the figure actually is about 14.

These 17 companies purchase 96 percent of the natural gas which the so-called independent producers sell to the pipelines which then resell to the distribution companies and they to the ultimate consumers. The pipelines also make some direct sales to industrial companies. Since these are not sales for resale, they are not regulated by the Federal Power Commission.

The most important of these long-distance pipelines are the United Gas Pipeline Co.; the Texas Eastern Transmission Corp.; the Michigan Wisconsin Pipeline Co., about which I shall say more later; the El Paso Natural Gas Co.; the Natural Gas Chicago District Pipeline Co.; Northern Natural Gas Co.; the Texas Gas Transmission Co.; Cities Service Gas Co., and so on.

These pipeline companies own, in all, approximately 68,000 miles of transmission mains, of which 17,000 miles are 10 inches or under in diameter; 21,000 miles from over 10 to 20 inches, inclusive; and 30,000 miles of over 20 inches in diameter.

When I come to a discussion of my figures on the cost per inch diameter of gas mains, Senators will see the enormous investment in the gas mains, and will understand that once the gas mains have been laid, nobody will tear them up in order to go to another source; and that, in effect, is the sole and exclusive means by which gas can be taken from the well, put into the pipeline, and carried through the pipeline to the local distributing company.

These pipeline companies get their gas in turn from two sets of sources, namely, first, the so-called, independent producers—approximately 79 percent or roughly four-fifths of the gas destined for interstate resale comes from this source; second, from wells which either the pipelines or their affiliates and subsidiaries own—these furnish about 21 percent or one-fifth of the total supply. Pipelines also buy a smaller quantity from other pipelines which is included in the 79 percent.

Even the big producers admit that under the present law the Federal Power Commission can control the price at which this second type of gas is charged into the system, namely, gas coming from the wells which the pipelines or their subsidiaries own.

The Kerr bill of 1949–50 did not propose to change this feature of the law but aimed to free from regulation the sales by the nontransporting producers. But the present Harris-Fulbright bill, like its grandparent, the Moore-Rizley bill, aims, however, to abolish effective regulation for both sources of gas, merely requiring the pipeline companies to charge in the gas they produce at a reasonable market price, which, if it means anything, means the prevailing price paid to the so-called nontransporting producers. Since the latter price will be unregulated under the Fulbright bill, this means that the chargeable price of the natural gas produced by the pipelines will also, in effect, be unregulated.

It is very hard in this discussion not to repeat points which one has made. But I remember a saying by Dr. Johnson, the English lexicographer, who declared that men need not so much to be informed as to be reminded.

I should like to remind the Senate, at least through the printed pages of the CONGRESSIONAL RECORD, that under the terms of the Harris-Fulbright bill, the more the pipelines pay to the so-called independent producers, the more they will charge in the gas which they produce themselves.

So we do have an actual inducement to raise the price which they pay for the gas which they buy.

THE PRODUCTION OF NATURAL GAS

Mr. President, let me now turn to the production of natural gas. The last year for which complete production figures for all aspects of natural gas are available is 1953. There are some later data for some aspects of production, which I shall provide for the RECORD, but as the figures are complete for 1953, I shall begin with that year and later shall introduce some material for 1954 and even for 1955.

In 1953 the production of natural gas in the United States was 10.6 billion thousand cubic feet, according to the 1954 edition of Gas Facts. Of this total production, 1.4 billion thousand cubic feet was used for repressuring which left a net production figure of 9.2 billion thousand cubic feet in that year. Losses and waste amounted to 841 million thousand cubic feet, so that marketed production was only 8.4 billion thousand cubic feet. Of this amount, 1.47 billion thousand cubic feet was used in the field, another 123 million thousand cubic feet was added to underground storage, and 240 million thousand cubic feet was lost in transmission. Other uses took 500 million thousand cubic feet, leaving a balance available for sale of 6 billion thousand cubic feet.

The producers in the field sold 900 million thousand cubic feet directly to industrial companies, leaving 5.1 billion thousand cubic feet sold by utilities and pipelines. Of this amount, about 4.2 billion, or around 80 percent, was shipped across State lines.

This is the point of the discussion which I had with the Senator from Oklahoma [Mr. MONRONEY] a few days ago. It may be true that 50 percent of the so-called marketed production is used in interstate commerce, but only about one-third of the gas available for sale is in intrastate commerce. That fact needs to be noted. And of that sold to utilities and pipelines 80 percent moves in interstate commerce.

Mr. President, I have an additional table as a footnote in my statement, which I ask unanimous consent to have printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Production and disposition of natural gas, 1953

	Thousand cubic feet
Gross production (AGA)	10,645,798,000
Less used for repressuring (AGA)	[1] 1,438,606,000
Total	[1] 9,207,192,000
Net production (B. of M.)	9,238,540,000
Less losses and waste in the field (B. of M.)	841,624,000
Marketed production (B. of M.)	8,396,916,000
Use:	
Field use (AGA)	1,470,000,000
Net input to storage (AGA)	123,000,000
Losses in transmission, etc. (AGA)	240,000,000
Net imports and exports (AGA)	19,000,000
Compressor fuel (AGA)	230,000,000
Used in manufacture of mixed gas (AGA)	179,000,000
Unaccounted for (AGA)	92,916,000
Balance available for sale	6,043,000,000
Sales:	
Sold by producers (AGA)	903,000,000
Sold by pipelines and local utilities (AGA)	5,140,000,000

[1] The Bureau of Mines and the AGA figures for net production vary by some 31 million M c. f. See 1954 Gas Facts, pp. 24 and 121.

Mr. DOUGLAS. Mr. President, for 1954 we have primarily used figures from the Bureau of Mines, which are given in a table.

I ask unanimous consent to have the table printed in the RECORD at this point as a part of my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Production and disposition of natural gas, 1954

	Thousand cubic feet
Gross production (AGA)	11,014,000,000
Less used for repressuring (AGA)	[1] 1,399,000,000
Total	[1] 9,615,000,000
Net production (B. of M.)	9,468,113,000
Less losses and waste in field (B. of M.)	723,567,000
Marketed production (B. of M.)	8,742,546,000
Use:	
Field use (B. of M.)	1,457,000,000
Net input to storage (B. of M.)	102,000,000
Net imports and exports (B. of M.)	22,000,000
Losses in transmission (estimated)	249,546,000
Compressor fuel (estimated)	240,000,000
Used in manufacture of mixed gas (estimated)	180,000,000
Balance available for sale	6,492,000,000
Sales:	
Sold direct by producers (estimated)	886,000,000
Sold by utilities	5,606,000,000
Gas entering interstate pipelines (FPC)	5,837,273,000
Net input to storage	79,771,000
Export to Canada	6,131,000
Company use	332,990,000
Loss and unaccounted for	122,946,000
Balance available for sale	5,295,435,000
Total utility sales natural gas	5,605,900,000
Natural gas component mixed gas (estimated)	180,000,000
Add allowance for losses and company use (estimated at 3 percent)	173,500,000
Total utility gas requirements	5,959,400,000
Volume of gas supplied through interstate lines	5,295,435,000
Utility sales volumes supplied from production or by purchase from producers	663,965,000
California	296,278,000
Other States	367,687,000
California utility sales 3 percent	756,518,000
Received from El Paso Natural	460,240,000
Supplied by producers	296,278,000

[1] There is again a minor discrepancy amounting to 147 billion cubic feet between the Bureau of Mines figures for net production and the preliminary figure published in the 1954 Gas Facts, p. 24.

Mr. DOUGLAS. Mr. President, the sales by utilities amounted to 5.6 trillion cubic feet, of which 4.7 trillion were shipped across State lines.

The latest preliminary information, reported in the Gas and Oil Journal for January 2, 1956, is that 6.2 trillion cubic feet of natural gas were sold by utilities in 1955. The increase of utility sales in the last 2 years has been at the rate of one-half trillion cubic feet per year.

The figure indicates the expanding market that has been going on during this time, and it indicates that gas has been available for this expanded market. Furthermore, it indicates the gas has been available for the expanding volume of interstate sales. Interstate sales, not merely intrastate sales, have been increasing. The idea that gas available for regions outside the Southwest has declined is not well founded; the supply has been expanded.

These figures I have cited may seem cumbersome and unnecessary, Mr. President, but they are very important for a number of reasons. They are important to make it clear just what is really meant when we talk about "regulating the production" of natural gas. In fact, no one is advocating the regulation of the natural gas producers—at least, none of us are. What is being regulated and should be regulated is the sales of natural gas for resale in interstate commerce. That is the point at issue.

Individual producers use and sell natural gas in a variety of ways. First, a number of them sell directly to utilities within the States where the production is located. Although these are sales for resale, they are not regulated by the Federal Power Commission because they are not in interstate commerce. Second, a large number of sales are made directly to industry within the boundaries of the State in which production takes place. These sales are not regulated by the Federal Power Commission, for they are neither sales for resale nor are they in interstate commerce. As is clear from the figures which I gave in the beginning, a large proportion of production is used for repressuring, used in the field, lost or wasted, and so on. There is a third general use for natural gas which is not regulated by the Federal Power Commission. Finally, producers of natural gas sell to interstate pipelines, and to some utilities, for resale in interstate commerce. These are the only sales which are supposed to be regulated by the Federal Power Commission and which the Supreme Court, in the Phillips decision, told the FPC to regulate, under the clear terms of the Natural Gas Act of 1938.

That distinction is very necessary. No Federal authority tells the producer what he is supposed to do. No Federal agency tells him what investment he should make, how much gas he should produce, or what use he should make of the natural gas he produces. But if the producer decides to sell his production for resale in interstate commerce, then those sales, and only those sales, are to be regulated by the Federal Power Commission. There has been a great deal of misinformation on this point, and I hope we can all agree that what I have outlined here is, in fact, true.

In 1954, which is the latest year for which reliable data on this point are available, there were 5,557 so-called in-

dependent producers who sold natural gas in interstate commerce. The figure was not 8,000, as the big producers have tried to make us believe. The total sales in interstate commerce for resale of these 5,557 producers amounted to approximately 4.7 billion thousand cubic feet in that year. In tables which I shall introduce later I shall give considerable detail about who they are, the amounts they produce, and their average sales, among other information. In the meantime, I desire to give some specific figures about them which are drawn from the tables which I shall introduce at a later point in my remarks.

Of these 5,557 producers who sold natural gas for resale in interstate commerce in 1954, only 197—or 3.5 percent of their number—sold 89.52 percent, or virtually 90 percent of the natural gas for resale in interstate commerce. The remaining 5,360 producers—or 96.5 percent of their number—sold only 10.48 percent of the gas. Each of these 5,360 little producers sold less than 2 million thousand cubic feet of natural gas in that year for resale in interstate commerce. Under the bill which I introduced, S. 1926, and which I intend to offer as a substitute for the Fulbright bill, the sales for resale by these companies would be exempted from regulation by the Federal Power Commission.

Of the 197 big producers who sold more than 2 million thousand cubic feet in 1954, the top 35 sold 70 percent of all natural gas for resale in interstate commerce in 1954. The biggest 22 producers sold 54 percent of all natural gas in interstate commerce for resale. These big companies are the ones which, in the main, will gain from the bill. They are companies with household names, and include Phillips Petroleum, four Standard Oil companies, Shell Oil, Gulf Oil, the Texas Co., Cities Service, Union Oil Co., and the Sun Oil Co., among others.

These few big producers dominate the production of natural gas, as is clear from the figures and the nature of the industry. Ten of them are on the list of the first 20 biggest industrial corporations in America.

In all this complexity of figures we should remember that the increases in price charged for gas as it enters the pipeline will be passed on to the final price paid by all who use it, whether within the State of entry or without, whether consumed by individuals or industries, or whether sold directly by pipelines or sold to utilities for resale. As I shall show, the residential consumer in the households will have to bear the major amount of the burden.

Mr. President, I should like to introduce for the RECORD a compilation of some very interesting figures on the amount of gas shipped in interstate commerce from various States and the amount of receipts of natural gas brought into the individual States, so that we may see which States are the producing States and which are the consuming States. I ask unanimous consent that the table for 1953, which is as accurate as the figures from Gas Facts and the Federal Power Commission make possible, be printed at this point in the RECORD. We have made a similar study for 1954 from Bureau of Mines figures, which shows substantially identical results.

The PRESIDING OFFICER. (Mr. BIBLE in the chair). Without objection, it is so ordered.

The table submitted by Mr. DOUGLAS is as follows:

Interstate shipments and receipts of natural gas, classified by States, 1953

State	Number of producers [1]	Interstate shipments, M c. f.	Percent of total interstate shipments	Number of consumers	Interstate receipts, M c. f.
I. GAS-PRODUCING STATES EXPORTING MORE NATURAL GAS THAN IS IMPORTED					
Kansas	228	295,677,000	7.10	440,900	174,520,000
Louisiana	254	772,025,000	18.54	486,200	80,974,000
Mississippi	22	121,832,000	2.93	192,600	86,032,000
New Mexico	271	232,257,000	5.58	113,500	52,688,000
Oklahoma	229	261,940,000	6.29	499,700	26,863,000
Texas	829	2,218,689,000	53.30	1,683,400	104,347,000
Wyoming	19	36,030,000	.86	49,900	2,999,000
Total	1,852	3,938,450,000	94.60	3,466,200	528,423,000
II. GAS-PRODUCING STATES IMPORTING MORE GAS THAN IS EXPORTED					
Alabama	[2]	45,000	[3]	236,900	139,890,000
Arkansas	27	1,441,000	.03	209,900	142,014,000
Colorado	17	19,434,000	.47	253,300	108,035,000
Illinois	[2]	1,000	[4]	895,700	363,609,000
Indiana	[2]	861,000	.03	291,800	112,825,000
Kentucky	251	43,667,000	1.05	311,000	80,739,000
Maryland	14	653,000	.02	429,900	30,426,000
Michigan	[2]	45,000	[3]	1,193,800	195,385,000
Montana	80	536,000	.01	85,100	6,684,000
New York	12	103,000	[2]	2,097,600	209,273,000
North Dakota	[2]	36,000	[2]	12,800	3,181,000
Ohio	54	44,000	[2]	1,792,400	421,241,000
Pennsylvania	993	36,396,000	.87	884,900	312,570,000
Utah	2	10,000	[3]	94,700	28,546,000
Virginia	2	3,632,000	.09	261,300	29,592,000
West Virginia	1,424	117,892,000	2.84	312,800	119,970,000
Total	2,876	224,796,000	5.40	9,363,900	2,303,980,000
III. STATES WHICH EXPORT NO NATURAL GAS					
Arizona				177,000	73,709,000
California				3,319,800	357,108,000
Connecticut				132,000	6,402,000
Delaware				[4]	2,138,000
District of Columbia				181,700	13,658,000
Florida				15,700	19,670,000
Georgia				262,200	124,793,000
Idaho					
Iowa				273,100	109,197,000
Maine					
Massachusetts				527,700	19,435,000
Minnesota				329,800	105,462,000
Missouri				655,500	179,027,000
Nebraska				218,200	77,122,000
Nevada				[5]	
New Hampshire				26,700	921,000
New Jersey				283,900	62,850,000
North Carolina				37,400	6,885,000
Oregon					
Rhode Island				20,600	690,000
South Carolina				13,600	9,115,000
South Dakota				34,600	13,963,000
Tennessee				205,100	109,023,000
Vermont					
Washington					
Wisconsin				414,500	39,616,000
Total	[6] 62			7,129,100	1,330,784,000
Grand total	[7] 4,790	4,163,246,000	100.00	19,959,200	[8] 4,163,246,000

[1] Source: FPC study.
[2] No breakdown available. Are included in total of 62 for group III.
[3] Less than 0.005 of 1 percent.
[4] Not available.
[5] Nevada acquired natural gas 1954, although none is reported for 1953.
[6] No breakdown available.
[7] Includes 435 duplications of producers who operate in more than 1 State.
[8] Includes 59,000 M. c. f. for which no breakdown is available.

Source: Gas Facts, 1954.

Mr. DOUGLAS. Mr. President, I also placed the table in the CONGRESSIONAL RECORD last week, as I recall. The table shows some very interesting things, and I should like to comment on some of the figures which are revealed in it.

In the first place there are only 7 States, out of the 48 States plus the District of Columbia, which in 1953 exported more natural gas than they imported. The most notable State is, of course, Texas, which exported 2,218,689,000 thousand cubic feet—or thousand cubic feet—of gas, and imported only 104,347,000 thousand cubic feet.

Then we have Louisiana, which exported 772 million thousand cubic feet and imported only approximately 81 million thousand cubic feet.

Other exporting States were Kansas, Oklahoma, and New Mexico, while Mississippi and Wyoming were small net exporters. These are the seven exporting States whose producers would gain by the passage of the gas bill.

Even here, Mr. President, I should like to call attention to the large number of consumers of gas in the seven co-called gas exporting States.

For example, as I mentioned earlier this afternoon, in the State of Texas there are 1,683,000 consumers of natural gas, and only 829 producers. It has

always seemed extraordinary to me that there is a tendency to consider the producing interest of a State, and to ignore the consuming interest of a State. If the pending gas bill passes Congress and is signed by the President—and I say God forbid that it should be—and we have an increase of 10 cents a thousand cubic feet, while it may actually benefit the 829 producers in Texas it will injure the 1,683,000 consumers in the State of Texas. In the State of Louisiana—so well represented by both its able senior Senator and its able junior Senator, both of whom are good friends of mine—there are 486,000 consumers, as compared with only 254 producers. It seems to me that the interests of the nearly half a million consumers should be considered in this matter, and not merely the interests of the 254 producers, because the half million consumers in Louisiana will pay more if this bill passes.

Similarly, in Kansas there are 441,000 consumers and only 228 producers.

In Oklahoma there are almost precisely half a million consumers, and only 229 producers.

I urge that these figures be studied by Members of this body from the exporting States, to see where the real interest of their States actually lies. If these figures are studied, I think they should produce a change of attitude on the part of many Members of the Senate from such States.

There are 16 States which, while they exported some gas, imported appreciably more gas than they exported. Those States are Alabama, Arkansas, Colorado, Illinois, Indiana, Kentucky, Maryland, Michigan, Montana, New York, North Dakota, Ohio, Pennsylvania, Utah, Virginia, and West Virginia. The figures for some of these States are very interesting. The figures for the State of Arkansas are extremely interesting.

There are only 27 producers in the State of Arkansas, and they shipped out 1,441,000 thousand cubic feet, only three one-hundredths of 1 percent of the total amount of gas which crossed State lines. However, they imported 142 million thousand cubic feet, or 100 times as much as they exported.

It is sometimes forgotten that Arkansas is a great gas-importing State. I wish that were better understood and were more fully appreciated. In addition, there were 210,000 consumers in the State, who burned gas either to heat their homes or to heat water or to cook with. Thus there are 210,000 consumers in Arkansas, but only 27 producers.

The State of Colorado has 253,000 consumers and 17 producers, with imports of more than 5 times the quantity of gas which they exported.

In the State of Pennsylvania—part of the old Appalachian field—there are a great many small producers. There are 923 producers. Nevertheless, this State imports approximately 9 times the amount of gas which it exports.

Ohio, with 54 producers, has nearly 1,800,000 consumers, and imports approximately 10,000 times as much gas as it exports.

West Virginia, which has more than 1,400 very small producers, represents about a standoff. It imports slightly more gas than it exports, but it has 313,000 consumers.

I hope these figures will give Senators from these 16 States a little sense of proportion. I hope they will be studied carefully. Although not many of those Senators are present at this time in this Chamber, I hope they will read the figures in the CONGRESSIONAL RECORD, and will study them carefully.

There are 26 States, if we include the District of Columbia, which export absolutely no gas whatever, but which import large quantities of gas. These are: Arizona, California, Connecticut, Delaware, District of Columbia, Florida, Georgia, Idaho, Iowa, Maine, Massachusetts, Minnesota, Missouri, Nebraska, Nevada—the State is so well represented by the distinguished Senator [Mr. BIBLE] who now is presiding over the Senate, and we hope will join us in the position we take regarding this bill—New Hampshire, New Jersey, North Carolina, Oregon, Rhode Island, South Carolina, South Dakota, Tennessee, Vermont, Washington, and Wisconsin.

There are 6 of those States which imported no gas in 1953. I shall comment upon those States in a moment. What I should like to point out is that in the 26 States, if we include the 6 which consume no gas, there are more than 7 million consumers. I hope that the real interest of the people of those States will be studied.

There is a tendency on the part of some persons in the six States referred to—namely, Idaho, Maine, Nevada, Oregon, Vermont, and Washington—which import no gas to say that they are not concerned in this struggle. Let me say that these six States imported no gas in 1953, but I understand that the State of Nevada now has some gas. They might do it in the future. They may get the benefit of gas in the future if the prices are kept down. If prices are increased, then the chance of their getting the benefit of natural gas will be greatly reduced. I trust that argument will sink home with Senators from these six States.

I should like to point out in this connection that the prices of gas and oil are interconnected, and that if the price of gas rises as a result of this bill we may expect, in all probability, an increase in the price of fuel oil, so that States which at the moment seem to be economically remote from this struggle will be very seriously affected. I call this fact also to the attention of the 12 distinguished Senators who represent those States.

In all, there were some 19.9 million households in 1953 and some 21 million households in this country in 1955 which burned natural gas. There were just under 5,000 producers in 1953 and 5,557 producers in 1954 who sold gas in interstate commerce for resale. Later in the debate I shall have more to say about who some of these producers are.

The truth is that although there are 5,000 producers, the vast majority of them are small producers who can produce very little gas. Twenty-three hundred of them are in the States of Pennsylvania and West Virginia, in the so-called Appalachian gas field, which is now a relatively small field, quantitatively speaking.

I now turn to another topic, namely, the price of natural gas at the wellhead, the city gate, and to the consumer.

THE PRICE OF NATURAL GAS—WELLHEAD, CITY GATE, AND CONSUMER PRICES

The advocates of the Harris-Fulbright bill have been charging that the prices paid to the producers in the field form only a small fraction of the final prices paid by consumers in the cities. In attempting to prove this point, the representatives of the big producers, such as Dr. John Boatwright of Standard Oil and my good friends in the Senate who are sponsoring this bill have stressed the comparison between field prices and residential rates, particularly in the large Northeastern cities, where the residential rates per thousand cubic feet are very high—testimony by John S. Boatwright, Senate hearings, pages 209–213. This argument is largely followed by the majority of the Senate Interstate and Foreign Commerce Committee—report on amendments to the Natural Gas Act, pages 45–67—who devote 22 pages of their report to these comparisons or twice as much space as is given to the substance of their report. Comparisons, for example, are being frequently made in the discussion between average field prices of 9, 10, and 11 cents per thousand cubic feet of natural gas and average delivered residential prices per thousand cubic feet of $1.36 in Philadelphia, $2.42 in New York, $3.01 in Boston, and $3.64 in Providence—Boatwright, page 212. The conclusion which is attempted to be drawn from all this is that we should disregard the prices which the big producers receive in the field and concentrate our attention instead on the prices which the distributing companies charge to the householders at the far end of the gas lines.

At least two initial comments should be made about these price comparisons. The first is that the average residential rate for the country is much lower than these high Eastern rates which have been quoted. We may also find that the difference in average rates per household are very much less between cities. I am investigating this point and hope to have some material to present on this point later in the debate. The second point is that if we take the commercial and industrial prices as well as the residential into consideration, we will find that the average price to all consumers is very much below the residential average, and that field prices form a very considerable proportion of this composite average. Also, some of the cities, particularly in the Northeast, use mixed

gas, which is more costly, rather than pure natural gas.

Let us take each of these points in turn, beginning with the average field prices of natural gas for the last 17 years. The basic facts are that the average for 1955 was 10.7 cents per thousand cubic feet, or an increase of 5.8 cents over the 1938 price and 4.2 cents in 1950. Incidentally, the results prove that I am a pretty good prophet, for when I was debating the Kerr bill in 1950, I stated that failure to regulate the price of gas in the field would cause prices to go up by 5 cents per thousand cubic feet in a few years. The increase in 5 years was 4.2 cents which meant that my prophecy was 84-percent accurate. By the time this debate is concluded in a number of days, it will probably be still closer to 100-percent accurate.

Mr. President, I have a table which I ask to have printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Average field (or wellhead) price, cents per thousand cubic feet [1]

1938	4.9
1940	4.5
1945	4.9
1946	5.3
1949	6.3
1950	6.5
1951	7.3
1952	7.8
1953	9.2
1954	10.1
1955	10.7

[1] Source: Gas Facts, 1954, table 16, p. 27; supplemented for 1954 and 1955 from Bureau of Mines, Information Service Release, P. N. 91645, Jan. 2, 1956.

Mr. DOUGLAS. We have an average price in the field of 10.1 cents for 1954 and 10.7 cents for 1955.

Now let us see the average price for all natural gas consumed by residential users. This was 77.4 cents per thousand cubic feet in 1953 and 80.6 cents in 1954—source, computed from Gas Facts 1954, table 81, page 102, and table 102, page 126. These averages are very much lower than the specific high figures for the big eastern cities which have been cited.

But we should also take into consideration the average prices paid by commercial and industrial users which go to help make up the composite average. In 1953, the average commercial price was 59.2 cents per thousand cubic feet, and in 1954 it was 61.9 cents—source, computed from Gas Facts 1954.

For industrial users, the average price is lower still. In 1953, it was 24.7 cents per thousand cubic feet for firm gas and 21.0 for interruptible gas—source, computed from Gas Facts 1953, table 82, page 110, and table 105, page 132. The combined industrial average in 1953 was 22.8 cents per thousand cubic feet. No separate quantity or price figures for interruptible or firm gas are given for 1954, but the combined industrial average was 23.7 cents per thousand cubic feet. The relation of these various prices to one another is shown on one of the big charts on display in this Chamber.

Let us now combine these figures and get a composite average price for all consumption. This, of course, takes into account the relative quantities of each type of service. It is a simple figure of the total receipts from the sale of natural gas by the distributive companies divided by the total number of thousands of cubic feet of such gas which were sold.

Mr. President, I ask unanimous consent that a table showing these figures be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Year	Average price per thousand cubic feet of natural gas obtained by local distributors	Percent which field price forms of average consumer price
	Cents	*Percent*
1938	32.7	15
1940	32.6	14
1945	30.1	16
1946	31.2	17
1949	33.8	19
1950	35.4	18
1951	37.3	20
1952	39.8	20
1953	42.3	22
1954	44.4	23

Mr. DOUGLAS. The table shows that the figure representing the average price per thousand cubic feet of natural gas obtained by local distributors was 44.4 cents for 1954, whereas I have shown that the average price in the field was 10.1 cents.

This table shows that in 1954, the average field price of natural gas formed 23 percent of the average price obtained by the local distributors. This percent has been increasing over the years from 15 percent in 1938 up to 18 percent in 1950, to the 1954 figure of 23 percent, instead of 10 percent or less, as has been claimed. Instead of a dollar and a dime the figure is a dollar on the one hand and a quarter on the other. Much has been made of the argument that this percentage increase is no more than a tip. Although one tries to be generous, it cannot be said that 25 percent is the ordinary tip. Gas producers are doing better than is commonly believed. I may say that this percentage has been increasing over the years. It was 15 percent in 1938. It went to 18 percent in 1950, and has gone up to 23 perecnt in 1954. It will be interesting to see what the figure for 1955 is.

But to the field prices are, of course, added the transmission costs of the pipelines plus the amounts allowed them on their investment by the Federal Power Commission. It should of course be realized that the delivered prices at the city gate are subject to regulation by the Federal Power Commission.

Table II–1 shows the average "city gate" price per 1,000 cubic feet of natural gas which was paid by the local distributors to the pipelines by years from 1949 to 1954.

Mr. President, I ask unanimous consent that a table showing these figures be printed in the RECORD at this point as a part of my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE II–1.—*Payments by local distributors to pipelines and transmission companies for natural gas at the city gate, for the United States, 1949–54*

Year	Quantity sold, M c. f.	Total amounts paid by distributing companies to pipelines for natural gas	Average price paid by distributors to pipelines for natural gas, per M c. f. (cents)	Percent of average utility price received by pipelines
1949	2,931,240,000	$491,860,000	16.8	50
1950	3,678,930,000	633,055,000	17.2	49
1951	4,276,560,000	798,720,000	18.7	50
1952	4,749,140,000	1,002,722,000	21.1	53
1953	5,401,960,000	1,277,516,000	23.6	56
1954	5,773,640,000	1,436,816,000	24.9	56

Mr. DOUGLAS. This table shows that in 1954, the average price paid by the distributors to the pipelines was 24.9 cents per thousand cubic feet. Since the average field price in that year was 10.1 cents, this meant an average markup for long-distance transmission of 14.8 cents per thousand cubic feet. I think this was about 1½ cents per 100 miles of pipeline.

Since the average delivered retail price of natural gas for all consumptive uses in 1954 was 44.4 cents per thousand cubic feet, this meant that the cost of the gas to the distributors was 56 percent of the final price and the local markup was 19.5 cents per thousand cubic feet, or 44 percent. I do not know whether or not the average distributive costs of 19.5 cents per thousand cubic feet and a local markup of 44 percent are in fact reasonable, but the place to decide that question is before the various State utility commissions and not the United States Senate. We can do nothing about it. Those are matters for States to regulate. The proponents of the bill are not proposing that we should have national regulation of the distributive rates; nor are the opponents of the bill advocating it. Those are matters for State regulation. As I have said, as a citizen and local official I have fought to keep some of these gas rates down and effective citizen action is needed on local as well as national levels. Let us remember, however, that the local markup covers the expense of nearly 300,000 miles of distributive mains plus the cost of connecting the householders to these mains plus the overhead and administrative costs of inspecting, billing, collecting and managing, plus a return on investment, and is supposedly regulated.

It is also interesting to analyze by sections of the country, the "city gate" prices which are paid by the distributors. This is done in table II–2.

Mr. President, I ask unanimous consent to have the table printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE II–2.—*Payments by local distributors to pipelines and transmission companies for natural gas at the city gate, by regions, 1954*

Region	Quantity sold, M c. f.	Total amounts paid by distributing companies to pipelines for natural gas	Average price paid by distributors to pipelines for natural gas, cents per M c. f.
New England	59, 350, 000	$30, 000, 000	50. 5
Middle Atlantic	727, 260, 000	263, 543, 000	36. 2
East North Central	1, 264, 800, 000	350, 180, 000	27. 7
West North Central	529, 880, 000	133, 803, 000	25. 3
South Atlantic	801, 530, 000	229, 614, 000	28. 6
East South Central	645, 110, 000	146, 442, 000	22. 7
West South Central	923, 830, 000	117, 504, 000	12. 7
Mountain	675, 960, 000	133, 731, 000	19. 8
Pacific	145, 920, 000	31, 999, 000	21. 9

Mr. DOUGLAS. Mr. President, if I were trying to take up time unnecessarily, I would go over each one of the figures. In order to facilitate the development of my argument, however, I am having these tables put into the RECORD in their totality. Then I shall comment on them. I shall try not to utter an irrelevant sentence. However, the subject needs careful consideration.

It will be noticed that the New England utilities pay the highest price of all for natural gas delivered to them, namely 50.5 cents per thousand cubic feet, or twice as much as the countrywide average of 24.9 cents. The Middle Atlantic utilities had to pay 36.2 cents per thousand cubic feet or almost 50 percent more than the nationwide average. On the other hand, the West South Central utilities, which are very close to the gas fields, paid only 12.7 cents per thousand cubic feet, or about half as much as the nationwide average, and only a quarter of the New England rate and one-third of the Middle Atlantic rate. It should be understood, of course, that the delivered price at the city gate includes the prices paid in the field; so the pipeline charges are the residual left between these two rates. They are, therefore, relatively low close to the fields and much higher farther away. This is simply commonsense.

These facts, therefore, present a very different and more balanced picture from that which the advocates of this bill have painted. They justify a very close scrutiny of producer prices and their regulation along with transporting and distribution charges. Higher prices exacted by the producers in the field will have to be passed on to the pipeline companies, and they in turn will have to pass it on to the distributive companies, and they to the consumers at the end of the line, or to change the metaphor, at the bottom of the pyramid. The 21 million householders and the consumers of the industrial products which have used gas will ultimately bear the heavy burden and if we pass this bill and it is signed, its advocates and supporters will be responsible for these heavy charges.

Mr. President, there has just been handed to me a poem by an anonymous poet, who was apparently inspired by the catchy rhyme of the Senator from Oklahoma [Mr. MONRONEY] about a dollar and a dime. The poem reads:

Six percent on a dollar
Is more than a hoot or a holler,
But 16 percent on a dime
Makes you rich in a much shorter time.

A footnote indicates that the 16 percent referred to in the poem is the Phillips rate of profit shown in an FPC study submitted by Commission Buchanan.

I do not know whether the ananymous poet is as good a rhymster as the distinguished Senator from Oklahoma. However, I believe the poem, inadequate as it may be, describes the situation more accurately.

Now I shall begin a brief discussion of the legal history of the issue.

A BRIEF DISCUSSION OF THE LEGAL HISTORY OF THE ISSUE—THE HARRIS-FULBRIGHT BILL IS AN ATTEMPT TO SUPERSEDE THE DECISION OF THE SUPREME COURT IN THE PHILLIPS CASE

The advocates of the Harris-Fulbright bill are, in effect, proposing to overrule and supersede the 1954 decision of the United States Supreme Court in the Phillips case—*Phillips Petroleum Co. v. Wisconsin et al.* (347 U. S. 672). In that case the highest Court in the country held that the Natural Gas Act of 1938 required the Federal Power Commission to regulate the price at which the natural gas was sold to the pipeline companies in interstate commerce for resale. In so doing, the Court was merely upholding a previous decision by the United States circuit court of appeals.

Many advocates of the bill exempting these sales from regulation are trying to reargue the case decided by our highest courts. They are still contending that the Court was mistaken in its interpretation of the 1938 act and that their proposed exemption merely restores this act to its real meaning and is in conformity with the actual intent of Congress in passing the measure.

I do not intend to argue this point at any great length. Suffice it to say, these same contentions were made in great detail by the oil- and gas-production industry before both the circuit court of appeals and the United States Supreme Court, and in both instances the courts rejected these arguments. It should in all conscience be enough for us that the Supreme Court has passed on the question of existing law. Much as we may value our legal judgment and acumen, we should not set ourselves up as a super-Supreme Court. We were never intended by the framers of the Constitution to be that. If the advocates of the Harris-Fulbright bill want to repeal or vitally alter the 1938 Natural Gas Act, let them be frank enough to say so. But I hope they will not try to excuse themselves by saying that they are merely restating the meaning of the original act and rescuing it from the maltreatment and misinterpretation of our highest courts.

I am sorry to say that that is exactly the contention which has been made by some of the Senators who have spoken on the floor of the Senate in behalf of the pending bill.

But while a lengthy anaylsis would be inappropriate, it may be worth while to summarize briefly the reasons why the decision in the Phillips case was sound and well taken.

The best way to do this is to cite the salient passages in the 1938 Natural Gas Act and see what they mean. Section 1b of that act provides that it "shall apply to the sale in interstate commerce of natural gas for resale for ultimate public consumption for domestic, commercial, industrial, or any other use, and to natural-gas companies engaged in such transportation or sale, but shall not apply to any other transportation or sale of natural gas or to the facilities used for such distribution or to the production or gathering of natural gas"—Fifty-second United States Statutes at Large, page 821, 1938; title 15, United States Code, section 717 (6). These functions of regulating the sales in interstate commerce of natural gas for resale for ultimate public consumption were thus confided to the Federal Power Commission.

What needs to be especially noted is the fact that the Federal Power Commission was given jurisdiction not only over "the transportation of natural gas in interstate commerce" but also over "the sale in interstate commerce of natural gas for resale." The sales of natural gas by producers to pipelines which cross State lines are obviously sales in interstate commerce, and if it is then resold by the pipeline companies to the local distributors for ultimate public consumption, as it in fact is, it is quite obviously also a sale for resale. The plain commonsense use of the English language therefore confirms the interpretation of the Supreme Court. Were not powerful economic groups interested in avoiding regulation, the plain meaning of these words would be unquestioned.

But the big producers have tried to alter this meaning. They lay their emphasis upon the exemption later in the same paragraph of "the production or gathering of natural gas." They argue that the sale of the gas to the pipeline is an integral part of the physical processes of production or gathering and hence cannot properly be regulated by the Federal Power Commission. This contention that a sale of gas which will then move through pipelines into interstate commerce and for resale to the consuming public should not be treated as a real sale but rather as a part of "production or gathering" is quite extraordinary.

Mr. President, I now come to a very vital distinction.

Production and gathering are physical processes which are clearly distinguishable from the economic and legal transactions of sale. Sale—and consumption—is in fact the ultimate purpose of all natural gas operations. To assert that this ultimate purpose, this economic and legal transaction, is a mere "incident" of production or of gathering, is to reverse the proper relation or relative importance of these separate factors. Perhaps the whale could swallow Jonah, but I doubt that Jonah could swallow the whale. And the Court believed the same.

Furthermore, the physical processes of production and gathering in the States or origin, like distribution and retail sales in the States of consumption, were clearly within the power of the States to regulate. Wholesale sales in interstate commerce were on the other hand ruled by the Supreme Court at an early date to be outside the power of the States to regulate—see *Missouri* v. *Kansas Natural Gas Co.* (265 U. S. 2981 (1924)); *Public Utilities Comm.* v. *Attleboro Steam & Electric Co.* (273 U. S. 83 (1927)).

I think, perhaps, the ruling in those cases has been somewhat changed by a later decision of the Supreme Court, about which I shall comment later.

There was and is therefore under our Federal system a great difference in the legal status of production and gathering, on the one hand, and sales in interstate commerce for resale, on the other hand. It was this very gap in regulation which led to the Natural Gas Act—the gap created by the illegality of State efforts to regulate interstate wholesale sales, and the lack of any exercise by Congress up to 1938 of the Federal power to regulate such sales. This gap in control over these sales was cited over and over again in the reports and in the debates leading to the adoption of the Natural Gas Act in 1938.

To yield to the claim that the act's exemption of production and gathering—which the States can and do regulate—carried with it the sales in the field in interstate commerce for resale—which the States could not regulate—would have recreated the very gap which Congress said it intended to close. The court explicity rejected this argument. And unless we too reject it by defeating this bill, we shall recreate the gap in the consumers' protection which the Gas Act was intended to plug.

Sound legislative interpretation thus supported and supports the commonsense conclusion that the economic and legal transaction of sale cannot and should not be shanghaied out of the regulatory power of the Federal Government under the cloak of production and gathering.

Mr. President, I now wish to dwell briefly on the question of State rights. I only wish that Senators from south of the Mason and Dixon's line were present.

PHILLIPS DECISION NOT A VIOLATION OF STATES RIGHTS

Some have asserted that retention of this Federal power to regulate interstate gas sales is an interference with States rights. But Judge H. Lester Hooker, chairman of the State Corporation Commission of Virginia, in his testimony before the Senate committee, hearings, page 447, completely dispelled the fog of this illusion.

After reciting his own long advocacy of States rights, Judge Hooker said:

> When the Federal Government fixes that price, it does not deprive the State of origin of any right, because that State has no right to fix that price. The sale is a transaction in interstate commerce.

He further pointed out that the absolute minimum of power that can be delegated to the Federal Government is the power to settle controversies between the States. Even the Articles of Confederation did this. Judge Hooker made it clear that the consuming States are not claiming the right to fix the producers' prices.

New York, New Jersey, Virginia, Illinois, Massachusetts, Rhode Island, and Connecticut are not claiming the right to fix the prices which the producer may obtain. What Judge Hooker said was this:

> They are claiming that here is an obvious conflict of interest among the States and that it is the duty of the Federal Government to provide an impartial tribunal in which that conflict of interest can be peaceably adjuciated. The whole issue is whether the price should be fixed by an interested party or by a disinterested umpire (hearings, p. 447).

Mr. President, our basic principles of allocation of power between the Federal and State governments are therefore fully supported by the court's ruling in the Phillips case. To supersede the court would violate those principles.

THE INTENT OF CONGRESS

But the intellectual contortions which the advocates of this bill go through are even more remarkable, when they attempt to interpret the legislative history of the Natural Gas Act.

In the hearings some of the witnesses, with great solemnity, cited testimony before a congressional committee in 1936 by Mr. DeVane, then solicitor of the Power Commission, to prove that the 1938 act was not intended to give that Commission jurisdiction over the proper price of natural gas as sold to the pipelines. In so doing, they gloss over the fact that Mr. DeVane's testimony was not only given 2 years before the passage of the Gas Act, but was also on a very different bill which was never passed. The 1936 bill, H. R. 11662, 74th Congress, 2d session, merely sought to give the Federal Power Commission jurisdiction over the interstate transportation of natural gas and hence only covered long-distance pipelines. There was no language in the 1936 bill which could be interpreted to cover the sale by the producers of natural gas to the pipelines.

I hold in my hand a copy of H. R. 11662, 74th Congress, 2d session. I read the salient passage:

> The provisions of this act shall apply to the transportation of natural gas in high pressure mains in interstate commerce, and to natural gas companies engaged in such transportation, but shall not apply to the distribution of natural gas moving locally in low pressure mains or to the facilities used for such distribution or to the production of natural gas.

Therefore, when Mr. DeVane was asked whether this bill covered regulation of the price at which natural gas could be sold by producers to pipelines, he, of course, said, "No." That bill did not refer to anything except to transportation charges and pipelines. But the bill which was passed was a very different bill, and it had a very different coverage.

When the 1937 bill, H. R. 6586, 75th Congress, 1st session, came before Congress, it was a very different measure. I hold in my hand a copy of that bill, which contains very specific language by which the Federal Power Commission was to have jurisdiction over the sale of natural gas in interstate commerce for resale to the public, while natural gas was also defined to include persons engaged in the sale of natural gas in interstate commerce for resale to the public. Let me read section 1 (b):

> The provisions of this act shall apply to the transportation of natural gas in interstate commerce, to the sale in interstate commerce of natural gas for resale for ultimate public consumption, for domestic, commerical, industrial, or any other use, and to natural gas companies engaged in such transportation for sale. It shall not apply to facilities used for such distribution or for the production or gathering of natural gas.

In other words, the coverage of the 1937 bill was virtually identical with the coverage as contained in the act which was finally passed, and included not merely transportation, as provided for in the bill upon which Mr. DeVane commented, but it also included the sale for resale of natural gas in interstate commerce.

So it has been a great mistake to quote the DeVane testimony as though it interpreted the content of the 1938 act. Mr. DeVane was talking about an entirely different bill, a bill which was limited exclusively to the transportation of natural gas.

The 1938 bill and act referred not merely to that, but to the sale for resale of natural gas in interstate commerce for ultimate public consumption. So I regret greatly that the DeVane citation should be brought forward in an attempt to give credence to this wrong interpretation of the bill.

Mr. President, I have on the floor of the Senate additional material for use in my discussion of the bill, but I understand the junior Senator from Wisconsin is present and wishes to have me yield to him so that he may make a brief speech.

I shall be very glad to yield to the Senator from Wisconsin, provided it is understood I do not yield my right to the floor, and that upon the convening of the Senate at its next session, and following the conclusion of morning business, I will still hold my right to the floor.

Mr. CLEMENTS. Mr. President, that is the understanding which the leadership had earlier today. As a matter of fact, it goes as far back, I understand, as yesterday.

The PRESIDING OFFICER. Without objection, it is so ordered.

SMALL BUSINESS ADMINISTRATION DISASTER LOANS

During the delivery of Mr. DOUGLAS' speech,

Mr. MORSE. Mr. President, will the Senator from Illinois yield for brief remarks on a parliamentary problem confronting me, if it is understood that my remarks will appear in the RECORD following his?

Mr. DOUGLAS. I yield.

Mr. MORSE. I wish to state a parliamentary problem which confronts me: The Banking and Currency Committee

has made a unanimous report on a flood-disaster-loan amendment to a Small Business Administration bill. I am sure this matter will be noncontroversial. It is of great importance that the bill be passed by the Senate, because the House of Representatives has already passed a companion House bill, and it is urgent that there be a conference between the two Houses not later than Monday, and possibly even this weekend.

With the understanding that consideration of the bill will not take a considerable length of time, will the Senator from Illinois extend me the great courtesy of permitting me to ask unanimous consent for the present consideration of Calendar 1424, House bill 7871, with the understanding that in doing so he will not lose his right to the floor? Let me say that this has been cleared with the majority and minority leadership of the Senate.

Mr. DOUGLAS. I shall be glad to consent. I am sure the Senator from Oregon will not take an undue amount of time.

Mr. President, am I correct in my understanding that the debate which will ensue will appear in the RECORD following my remarks on the natural gas bill?

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MORSE. Then, Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of Calendar 1424, House bill 7871, to amend the Small Business Act of 1953.

The PRESIDING OFFICER (Mr. BIBLE in the chair). Is there objection to the request of the Senator from Oregon?

There being no objection, the Senate proceeded to consider the bill (H. R. 7871) to amend the Small Business Act of 1953.

Mr. MORSE. Mr. President, there lies on the desk of each Senator the unanimous report of the Banking and Currency Committee on Senate bill 2960, as well as a copy of the bill itself. There also is on the desk of each Senator a copy of House bill 7871, the House version of the Senate bill. I ask unanimous consent that all after the enacting clause of House bill 7871 be stricken out, and that there be inserted the text of Senate bill 2960.

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). The question is on agreeing to the motion of the Senator from Oregon.

Mr. LANGER. Mr. President, may we have an explanation of this matter?

Mr. MORSE. The explanation is to be found on page 6 of the committee report, from which I now read:

SUMMARY

In brief, this bill makes the following changes in existing law:

1. It combines the disaster loan fund (now $25 million) of the Small Business Administration and the business-loan fund (now $150 million) into a single fund to be used for both disaster loans and business loans.

2. It increases this total fund by $35 million, thus raising the combined fund from $175 million to $210 million.

3. It fixes a maximum interest rate of 3 percent on (*a*) disaster home loans; (*b*) direct disaster business loans; and (*c*) the Small Business Administration's share of disaster business loans made in participation with private lenders.

4. It fixes a maximum term of 20 years for both disaster home loans and disaster business loans.

5. It makes a technical change in the structure of section 207 of the Small Business Act of 1953, as amended, which change has no substantive effect.

The Small Business Administration agreed with us that the change needs to be made.

I read further from the committee report:

The committee wishes to stress the urgency of this legislation and to urge its prompt and favorable consideration by the Senate.

House bill 7871 has been passd by the House of Representatives; but the House bill does not include provision for a combination of the funds, but calls for a larger authorization, two matters which the Senate committee feels can best be ironed out in conference. That is why we wish to have an early conference.

Mr. FULBRIGHT. Mr. President, will the Senator from Oregon yield to me?

Mr. MORSE. I yield.

Mr. FULBRIGHT. As chairman of the Banking and Currency Committee, I wish to say we had a full consideration of this matter in the committee. There was no opposition by any member of the committee on either side. Approval was voted under what we might term an urgency condition, because the money is very badly needed now for use in connection with the disasters which have afflicted both the west coast and the east coast.

As chairman of the committee I wish to back up the Senator from Oregon, who is handling this measure. I hope there will be no objection.

Mr. ANDERSON. Mr. President, does not the Senator from Oregon think this is an unusual way for us to proceed? All Members were assured that no legislative business other than the natural gas bill would be considered today by the Senate.

Mr. MORSE. On yesterday we discussed this matter on the floor of the Senate, and I announced that this measure would be brought up today; and the leadership assured me that they would have no objection to having it brought up today, but they wanted to clear it with their party members on the committee. That clearance was obtained; and these bills are on today's calendar, following that previous notice.

Let me say to the Senator from New Mexico, to give some idea of the urgency of this matter, that, counting the known demands from past disasters, the Small Business Administration is now $23,300,000 in deficit on disaster loan money; and it has demands for loans for flood victims, both in the Northeast and in California, Oregon, and Nevada. The Small Business Administration is using for disaster purposes regular small-business loans, at 6 percent interest, but each loan contains a provision that when the Congress makes the money available it will revert to 3 percent.

I do not know of any matter which could be of more urgency than this one when we realize that the flood victims need these loans at once.

Mr. ANDERSON. I understand that the amount of money granted for disaster loans is $25 million; but now the Small Business Administration is throwing the $150 million for business loans into the fund for disaster loans. Is not that correct?

Mr. MORSE. This bill makes it a combined fund.

Mr. ANDERSON. That will make the entire $150 million available for disaster loans, will it not?

Mr. MORSE. We would add an additional amount.

Mr. ANDERSON. But the whole $150 million will thus be available for disaster loans, will it not?

Mr. MORSE. Let me call attention to the following language on page 3 of the committee report:

We do not look upon this combination merely as a safety factor to insure adequate funds for disaster loans, but we view it also as a way to insure adequate funds for regular small business loans. We believe that the combination of these two funds creates a total pool of lending authority for both purposes and that such a pool of lending authority could fulfill an increased need for either disaster loans or business loans until such time as the Congress could act and determine whether the total pool should be increased. We must emphasize that this action should in no way result in a reduction in funds available for regular business loans. If such were our desire we would not recommend a $35 million increase in the combined fund.

Let me also say to the Senator from New Mexico that in part the negotiations in the conference will be over the amount and also over the question of whether the two funds should be combined. The House version of the bill differs in those two respects.

Mr. ANDERSON. I renew my inquiry as to whether or not this proposal would increase the disaster loan fund from $25 million to $210 million. There is a $175 million overall fund, and there is $35 million additional——

Mr. MORSE. It means that in the face of a great disaster if the Small Business Administration felt that loans should be made immediately for disaster relief purposes, they could make loans, until such time as they could come before Congress and ask for additional funds.

Mr. ANDERSON. But the proposal would increase the disaster fund from $25 million to $210 million.

Mr. MORSE. If they wanted to use all the money for disaster loan purposes.

Mr. ANDERSON. I think that is a great deal of money to be dealt with in a measure which is suddenly brought up on the floor, without a quorum call.

Mr. FULBRIGHT. It is not exclusively for disaster loans, but it could be so used. The bill would have to go to conference. Why does the Senator see anything wrong with it?

Mr. ANDERSON. I think it is a very unusual procedure to bring up in this manner a bill involving $200 million.

Mr. FULBRIGHT. This is not all new. One hundred and seventy-five million dollars is already committed.

Mr. ANDERSON. Not for disaster loans. Twenty-five million dollars is committed for disaster funds.

Mr. FULBRIGHT. That is correct.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. PASTORE. First of all I wish to compliment the distinguished chairman of the subcommittee who is handling this measure. We have dealt with this situation for a number of months, and we know how desperate the situation is. There have been several conferences in my State with representatives of the Small Business Administration. We were told that the claims were so numerous, and the money became so quickly tied up, that really no further relief could be afforded by the Small Business Administration.

Those who have suffered the greatest in my State are the small-business people. If they must borrow this money without this pending measure the interest will be 6 percent and not 3 percent. That is our dilemma. In order to cure the situation speedily, and allow opportunity for adjustment later, we propose to amend the act and allow an additional fund of $35 million, so as to cope with the situation. I think it is a fair procedure and that it meets the emergency situation, which requires emergency action. I do not see any harm that could result. As a matter of fact, I am surprised that it required as long as it did before we reached this measure. I should not like to see the bill delayed further.

Mr. MORSE. I assure the Senator from New Mexico that the testimony of the Small Business Administration before the committee was that in their opinion the total of $175 million would be adequate if they could get permission to use this additional fund for flood disaster relief purposes. They do not expect the requests for disaster loans to exceed the amount the Senate committee is asking for. In fact, they did not ask for that much. But we did not share the view of the Small Business Administration. We felt that we ought to have money in reserve to be used for disaster loan purposes if it should become necessary. On the other hand, the House did not even share our conservatism in this connection. The House provided in its bill for a sum substantially higher than the $35 million recommended by the Senate committee.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. ANDERSON. The bill would have to go to conference. How much is provided for in the House bill?

Mr. MORSE. The final figure on the House side was $100 million in addition to the present $25 million.

Mr. ANDERSON. So if we allowed an authorization of $150 million, plus $100 million, plus $25 million, we would get up to $275 million.

Mr. MORSE. On the basis of the House bill.

Mr. ANDERSON. That is a fair-sized sum of money to be appropriating here late in the afternoon, without adequate consideration.

Mr. MORSE. Mr. President, there is no combination feature in the House bill. Only a part of the money is designated for flood disaster relief, and the remainder is earmarked for small-business loans.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. FULBRIGHT. Is it not true that this is only an authorization?

Mr. MORSE. That is correct.

Mr. FULBRIGHT. The Appropriations Committee will still have an opportunity to examine the subject. This authorization bill is merely an effort to get the program underway.

The majority leader [Mr. JOHNSON of Texas] referred to this bill the other day before he left the city. Senators will recall that he made reference to it as being an emergency measure.

Mr. MORSE. The RECORD will show that I engaged the majority leader and the minority leader [Mr. KNOWLAND] in colloquy on this question, and they both assured me that they would consider the request and give it clearance, which they have done.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. LANGER. I thank the distinguished Senator from Oregon for his very excellent presentation of this subject, and for his explanation of the bill. I think it should be passed quickly.

Mr. MORSE. The Senator is very kind.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. ANDERSON. One of my interests—and probably my only interest—is that we have had a rule in connection with consideration by unanimous consent of bills on the calendar, that no measure involving more than $1 million would be passed by unanimous consent. But here we are dealing, by unanimous consent, with a measure which could involve $200 million.

Mr. MORSE. Yes.

Mr. ANDERSON. I could call for the regular order, which I do not desire to do. I am merely trying to say that I feel that a measure which involves perhaps as much as $200 million is dealing with a pretty fair-sized sum of money.

Mr. MORSE. I thought the majority leader put it pretty well the other day. I explained the situation. I have paraphrased very accurately what the CONGRESSIONAL RECORD will show. The majority leader said, "Whenever the Banking and Currency Committee brings to the floor of the Senate a unanimous recommendation and urges emergency consideration, it will have a persuasive effect with me."

I am sure the Senator from New Mexico has the same high regard for the members of the Committee on Banking and Currency that the majority leader has, and I have.

Mr. ANDERSON. I do not think that enters into the question at all.

Mr. MORSE. It enters into it only to this extent, I say most respectfully: We considered this question with the greatest care. We would not be asking for this extraordinary procedure—and I agree that, under the rules of procedure in the Senate, it is extraordinary—if it were not for the fact that thousands of families who need this assistance have great humanitarian rights in connection with the very early consideration of the bill. They need the money. I do not mind being called out of bed at 3 o'clock in the morning on an emergency. I was called out the other morning because the Rogue River was again approaching a flood crest. The entire area from which people were once evacuated is about to be evacuated again.

We have before us a bill which will not involve a single wasted dollar. The Small Business Administration is not going to grant loans which do not meet the loan requirements. The human factor buttresses the position of the Banking and Currency Committee and justifies the action requested.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. PASTORE. I wish to say for the benefit of Members of the Senate that we may live to regret what we do in connection with the natural gas bill which we have laid aside, but we shall never regret anything we do in the way of favorable action upon the pending bill providing relief for the victims of disastrous floods.

Mr. FULBRIGHT. The Senator has not given up; has he?

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. LEHMAN. I was not present in the Chamber when the motion was made, and I did not have an opportunity to listen to the remarks of the distinguished Senator from Oregon. However, I think I am more or less of an authority in the matter of disaster insurance. I served as acting chairman of the Banking and Currency Committee at the time when hearings were held in nine different localities on this question. I personally had an opportunity to observe much of the damage, not only in my own State, but in other States. We went through the Northeastern States, and down to North Carolina, and conducted very exhaustive hearings. The damage which was done and the losses incurred by small-business men were appalling. The damage, in dollars and cents, amounted to between $1 billion and $1,800,000,000. The exact amount has not yet been determined. In many cases the houses and possessions of the victims were completely wiped out. The houses are gone. Many of their personal effects have been lost. Their furniture is gone. The only thing they have left is the mortgage, which will have to be paid.

Mr. MORSE. And the will to carry on.

Mr. LEHMAN. And the will to carry on.

So I very much hope that the bill will be passed. I am sure the Banking and Currency Committee will have under consideration broader legislation with regard to disaster insurance. In the meantime this bill serves a very real purpose. The funds have been exhausted for some time. This device had to be used in order to take care of at least some of the loan applications which were made.

I join the Senator from Oregon in a very definite and urgent plea that the bill be passed as promptly as possible.

Mr. MORSE. I thank the Senator.

Mr. CLEMENTS. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the Senator from Kentucky.

Mr. CLEMENTS. It is my understanding that yesterday the agreement which was made was that if there should be any objection to the bill on the part of any Member of the Senate, the bill would not be taken up before Monday. I regret that I was absent from the Chamber when the Senator from Oregon moved to lay aside the unfinished business and take up this bill.

I should like to inquire now if there is any objection on the part of any Member of this body to consideration of the bill this afternoon. It is my understanding that if this measure is passed, it will have to go to conference, and that the report of the conferees will be brought back to this body for action at a later date.

Mr. MORSE. Mr. President, my reply to the Senator from Kentucky is that if there is such an understanding, I want such understanding made a part of the RECORD. Had I known of any such understanding, I would have made a statement at the time I asked for unanimous consent. If the Senator from Kentucky tells me that there was such an understanding, it is good with me. Let me tell the Senator from Kentucky my understanding.

The Senator will recall that I sought first to have the bill considered yesterday. We pursued the possibility of having it considered yesterday. I talked with the leadership on both sides. It was decided that the committee report should be printed first, and that I should renew my request today. It was my understanding that the leadership would then meet to consider the request and decide whether or not to give the bill clearance. I told the Seante my understanding. I think the notation on the desk of the minority leader, which I checked before I made my request, will show that the bill was cleared for action today.

I wish to assure the Senator from Kentucky that it is perfectly agreeable to accept the proposal, if there are any objections, to let the bill go over until Monday. But I want to assure the Senator that I knew of no such understanding yesterday, because no such understanding was expressed to me. If such a conversation was had I did not hear it, because I was seeking to get an agreement to take up the bill yesterday and, if it could not be taken up yesterday, to have it considered today.

But let me say, on the merits of the matter, that we need this weekend to consider the bill in conference so it can be approved by both Houses of the Congress early next week. I think it would be most unfortunate to delay further a bill to which I do not believe a single Member of the Senate objects.

Mr. CLEMENTS. It is not the desire of the acting majority leader to labor any particular point about the matter, but it is my understanding that on yesterday it was determined that a report should be made available today so that each Member of the Senate would have an opportunity to study the report and then opportunity would be afforded for any individual Member to voice his objection to it today.

Mr. MORSE. That is correct.

Mr. CLEMENTS. If any objection were made, we would take the bill up on Monday. I can assure the Senator that the acting majority leader has no objection to action on the bill today, but if any Member of this body desires it to go over until Monday I think he should have the right to express himself.

Mr. MORSE. I certainly would not have objected to that yesterday, nor do I object to it today.

Mr. CLEMENTS. That is the reason I asked the question whether there was any Member who, after studying the report, had any objection to having the bill taken up today. If there were objection, I think the Senator from Oregon would be one of the first to withdraw the request.

Mr. MORSE. There is no question about that. What I wanted to make clear for the RECORD was that when I report to the Senate I always report with complete accuracy, so far as my understanding is concerned. When I reported to the Senate it was on the basis of the conversation which I thought I had with the leadership yesterday; and I did not recall that there was any agreement about taking up the bill on Monday if there was objection to it.

Mr. CLEMENTS. Although, evidently, the Senator from Oregon did not have knowledge of that agreement, I can assure him that such was the agreement among the leadership.

Mr. MORSE. I am willing to accept the agreement here and now.

Mr. CLEMENTS. I wish to impress upon the Senate what I consider to be the importance of time in this matter and the importance of passing the bill so that it can go to conference. Whether it be taken up today or on Monday, it is an important measure upon which the Senate should take prompt action.

Mr. WATKINS. I have not had any instructions from the minority leader.

Mr. MORSE. It is in typewriting on the Senator's desk.

Mr. WATKINS. One of the staff members said the bill would have clearance with the majority leader.

Mr. ANDERSON. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. ANDERSON. I have gone through the discussions. I do not object to the measure being considered. What I have tried to say, over and over again, is that a figure of $150 million of business loans was fixed. It is possible to use every dollar for flood relief only. There are other parts of the United States where small business loans are worth while and are needed. If it is not intended to use some of the money in that way it is not necessary to provide that the whole $150 million can be taken away from the Small Business Administration.

I know that many persons have been asking about the importance of the Small Business Committee, and now it is proposed to turn the money for small-business loans entirely to flood relief.

Mr. MORSE. It may appear that way, but that is not the fact. When we reach the point where what we consider to be the allotment for disaster loans is being exceeded, the Senator will find me asking for additional authorizations.

Mr. ANDERSON. Did not the Senator say there was a $23 million deficit?

Mr. MORSE. But terrible flood disasters which have hit the Northeast and are now hitting the west coast. Let me give the Senator this hypothetical case: Suppose, God forbid, that tonight there should be a great earthquake on the west coast and that San Francisco should become a shambles. We would want the administration to proceed forthwith and use what funds it had in the jackpot, and then we would ask for additional funds.

Mr. ANDERSON. I should think that would be something with which the Red Cross would deal first.

Mr. MORSE. Not by means of loans. The Small Business Act as it was originally passed provided for three things: First, so-called regular small-business loans going to businesses which have not suffered disaster; second, small businesses which have been wiped out by a flood or hurricane; and, third, homeowners whose homes have gone down the river as a result of a flood.

Mr. PASTORE. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. PASTORE. While the law spells out the reasons for which the fund can be used, has the appropriation in the past ever been tied down to so much for this and so much for that? Can they spend all the money for any purpose? Have they under existing law the authority to use the entire appropriation of $150 million for disaster purposes and to rehabilitate small business?

Mr. MORSE. No. The difficulty is that when they use the business loan funds for disaster-loan purposes, the interest rate has to be 6 percent.

Mr. PASTORE. We wish to have the money loaned for disaster purposes at 3 percent.

Mr. MORSE. That is correct.

Mr. ANDERSON. The present law limits the outstanding disaster loans to $25 million.

Is the report incorrect?

Mr. MORSE. No. The amount authorized to be used for disaster loan purposes at 3 percent interest is $25 million.

Mr. ANDERSON. Then the statement in the report is incorrect.

Mr. MORSE. No. What the Small Business Administration has done is to take other money available for regular small business loans and to lend that money to small-business men who have been wiped out by disaster, but lending that money at 6 percent. They have done that with the understanding that when Congress authorizes additional money for disaster loan purposes, the Small Business Administration will rewrite those loans at 3 percent.

Mr. ANDERSON. As I understand, the present law limits the aggregate amount of the loans to $25 million. Is that correct?

Mr. MORSE. That is correct.

Mr. ANDERSON. An aggregate total of $25 million, interest or not. Is that correct?

Mr. MORSE. That is correct.

Mr. ANDERSON. They have already loaned $23 million more than that. Is that correct?

Mr. MORSE. Twenty-three million, three hundred thousand dollars, if we count the present known demand for disaster loans.

Mr. ANDERSON. Why should there be a limitation in the act, then?

Mr. MORSE. That is why we are proposing a combination of the two funds, so that we will not get into that situation again.

Mr. ANDERSON. I should like to make it clear that I am not trying to sabotage the proposed legislation in which the Senator from Oregon and the Senator from Rhode Island are particularly interested. However, I should like to have some assurance that when the bill emerges from conference, the result will not be a stopping of the normal functions of the Small Business Administration.

Mr. MORSE. Certainly not.

Mr. ANDERSON. The Senator from New York [Mr. LEHMAN] stated that the need was not $150 million but $1.8 billion. I would appreciate some assurance that the whole $150 million will not go down the river.

Mr. MORSE. The paragraph I read to the Senate a few moments ago gives such assurance I believe. I want to be very clear in stating that the purpose of the proposed legislation is not to bring to an end the regular small-business loans. The combining of the two funds is not for that purpose. It is not for the purpose of denying regular small-business loans. What we are saying is that we want the Small Business Administration to be put in such a position that, in the event a disaster occurs, it can use the money which has not been loaned. In other words, we want the administration to be able to use the money for the time being for disaster purposes, until such time as Congress may authorize additional funds. I am sure the Senator from New Mexico agrees that under such circumstances Congress will authorize additional funds.

Mr. PASTORE. I do not understand why the Senator from New Mexico takes the position that all this money will go down the river. What has gone down the river is the businesses that have been caught in the flood. What we are trying to do is to lend some money to small businesses so that they may rehabilitate themselves. If they were to secure loans under the regular procedure, the interest rate would be 6 percent for any money small businesses borrowed. All we are trying to do is help such small businesses to obtain loans at 3 percent interest.

All one has to do to understand what this is all about, is to visit the areas where small businesses have been lost because of flood conditions.

In Congress we have been appropriating billions of dollars to rehabilitate the economies of foreign countries, and we do not wink an eyelash when we do it. Yet when it is proposed to provide $35 million to help small-business men in New England, some of us seem to be overcautious about it. I am surprised.

Mr. LONG. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. LONG. First I should like to say that some of us who come from States like Louisiana, have a great deal of sympathy for anyone who suffers flood damage. We have sustained billions of dollars in flood damage in our area. We fully understand the problem.

However, in approaching this problem, if we are to pass legislation to make more funds available for disaster loan purposes, why does not the Senator propose legislation to replenish the funds available. Why do we not put more money into the Small Business Administration for disaster loans, without taking money away from what would be available for small businesses generally?

Mr. MORSE. I make two points. We heard the Small Business Administrator testify before our committee. He said that from the standpoint of the efficiency of his agency and from the standpoint of what he considered to be sound administrative policy, he would like to have the two funds combined, so that when a situation such as this arises, the administration could make loans for disaster purposes at 3 percent, and not go into the red, so to speak, on disaster loans. We thought he was sound in his position. We asked the administrator if it would make it easier for the Small Business Administration to make the 3-percent loans—we believe we should not be charging disaster victims 6 percent—and it was the Small Business Administration recommendation that we incorporate it in the bill. That is the story, plus the fact that the Small Business Administration felt it needed a safety valve in this proposed legislation.

Mr. ANDERSON. The Administrator of the Small Business Administration made the same recommendation, to combine these loan funds, a year ago, did he not?

Mr. MORSE. Yes; and they passed such a measure.

Mr. ANDERSON. The House rejected it. Therefore we will do in connection with this proposed emergency legislation what the House has refused to do. In other words, we are trying to club them into it now by way of flood relief legislation.

Mr. MORSE. No; we are going into conference. Let me tell the Senator from New Mexico what we did in the closing hours of the last session. We did not go into conference on this matter. We merely decided, because we were up against the deadline of adjournment, that for the time being we would accept the House version. That is what we did.

Mr. LONG. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. LONG. I should like to ask why we cannot find some way of simply providing a reserve for emergencies in this type of situation, and avoid the possibility every time a flood strikes a section of the country of exhausting the fund set up for small business loans, thus requiring small business to wait until Congress meets again. Why not set up a reserve to meet such emergencies?

Mr. MORSE. The Senator may not recall, but when the matter first came up in the early days of the session I pointed out on the floor of the Senate that this proposed legislation is not the permanent answer. I pointed out that we need sweeping legislation on the whole subject of disaster loans, in order to meet disasters which occur from time to time.

In a colloquy with the Senator from Connecticut [Mr. BUSH], I said we would have to have a much broader disaster loan bill. It was pointed out that we also needed some legislation which would provide for the building of public works which would prevent the floods in the first instance.

What we are dealing with here is merely a little piece of emergency legislation, which is necessary to make available to the Small Business Administration money with which to help the needs of fellow Americans who right now need these loans. They will not get the loans unless this legislation is enacted. Let us pass the bill now to meet the present emergency, and then proceed with the type of legislation which the Senator from Louisiana has in mind. I would be happy to have him introduce such a measure, and I would be happy to be a cosponsor with him of it.

Mr. LONG. The Senator from Oregon is a member of the committee considering such proposed legislation. He is in a position to steer such a measure through the committee. I would be happy to have him introduce it.

Mr. MORSE. The Senator from New York is working on proposed legislation which meets many of the suggestions of the Senator from Louisiana, and I am proud to be a consponsor of it.

Mr. LEHMAN. Mr. President, I assure the Senator from Louisiana that the Committee on Banking and Currency is very much alive to the necessity of sweeping legislation which will make it possible for the victim of a disaster to obtain funds with which to rehabilitate himself and property which has been damaged. At the present time it is quite difficult to obtain any insurance against floods or high water.

Mr. LONG. While we are on the subject, I should like to say that the idea of raising small-business loans to 6 percent has always seemed to me to be ridiculous. However, that is only one more phase of the administration's policy of raising interest rates. While this administration has been in power, the interest rates on everything have been raised. Personally I do not agree with that philosophy.

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). The question is on agreeing to the motion of the Senator from Oregon [Mr. MORSE], that all after the enacting clause in H. R. 7871, be stricken and that there be inserted in lieu thereof the text of S. 2960.

The motion was agreed to.

The amendment to the House bill is as follows:

That subsection (b) of section 204 of the Small Business Act of 1953, as amended, is hereby amended to read as follows:

"(b) The Administration is authorized to obtain money from the Treasury of the United States for use in the performance of the powers and duties granted to or imposed upon it by law, not to exceed a total of $310 million outstanding at any one time.

For this purpose appropriations not to exceed $310 million are hereby authorized to be made to a revolving fund in the Treasury. Advances shall be made to the Administration from the revolving fund when requested by the Administration. This revolving fund shall be used for the purposes enumerated subsequently in section 207 (a) and (b). Not to exceed an aggregate of $210 million shall be outstanding at any one time for the purposes enumerated in section 207 (a) and (b) (1). Not to exceed an aggregate of $100 million shall be outstanding at any one time for the purposes enumerated in section 207 (b) (2) and (b) (3). The Administration shall pay into miscellaneous receipts of the Treasury at the close of each fiscal year, interest on the net amount of the cash disbursements from such advances at a rate determined by the Secretary of the Treasury, taking into consideration the current average rate on outstanding interest-bearing marketable public debt obligations of the United States of comparable maturities."

SEC. 2. The proviso in paragraph (1) of subsection (b) of section 207 of the Small Business Act of 1953, as amended, is hereby amended to read as follows: "*Provided*, That no such loan including renewals and extensions thereof may be made for a period or periods exceeding 20 years: *And provided further*, That the interest rate on the Administration's share of loans made under this subsection shall not exceed 3 percent per annum."

SEC. 3. (a) Subsection (b) of section 207 of the Small Business Act of 1953, as amended, is hereby further amended (1) by striking the word "and" which follows the semicolon at the end of paragraph (3); (2) by striking the period at the end of paragraph (4) and inserting in lieu thereof "; and"; and (3) by adding at the end of such subsection a new paragraph as follows:

"(5) to further extend the maturity of or renew any loan made pursuant to this section, beyond the periods stated therein, or any loan transferred to the Administration pursuant to Reorganization Plan No. 2 of 1954 for additional periods not to exceed 10 years, if such extension or renewal will aid in the orderly liquidation of such loan."

(b) Subsection (f) of section 207 of such act is hereby repealed.

The PRESIDING OFFICER. The question is on the third reading of H. R. 7871.

The bill was ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, the title will be amended to read: "An act to amend the Small Business Act of 1953, as amended."

Without objection S. 2960 is indefinitely postponed.

ORDER FOR RECESS UNTIL MONDAY

Mr. CLEMENTS. Mr. President, I ask unanimous consent that when the Senate completes its work today, it stand in recess until 12 o'clock noon on Monday.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL MONDAY

Mr. CLEMENTS. Mr. President, pursuant to the order previously entered, I now move that the Senate stand in recess until Monday.

The motion was agreed to; and (at 6 o'clock and 8 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until Monday, January 23, 1956, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate January 20 (legislative day of January 16), 1956:

IN THE ARMY

The following-named officer under the provisions of section 504 of the Officer Personnel Act of 1947 to be assigned to a position of importance and responsibility designated by the President under subsection (b) of section 504, in rank, as follows:

Maj. Gen. James Edward Moore, O15650, Army of the United States (brigadier general, U. S. Army), in the rank of lieutenant general.

The following-named persons for appointment in the Regular Army of the United States, in the grades and corps specified, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), Public Law 759, 80th Congress, and Public Law 36, 80th Congress, as amended by Public Law 37, 83d Congress, and Public Law 294, 84th Congress:

To be captain

Smith, Charles M., DC, O966974.

To be first lieutenants

Domnitz, Jack, MC, O4055392.
Farrell, Virginia M., ANC, N900594.
Goska, Francis A., DC, O2274597.
McHughes, Lee M., JAGC, O2264176.
Noonan, Roger G., DC, O2274609.
Vielhaber, David P., MSC, O2203084.
Waldron, Charles A., DC, O1766718.

To be second lieutenants

Beitzel, Barbara A., AMSC, J100198.
Patterson, William J., MSC, O2271711.

The following-named persons for appointment in the Medical Corps, Regular Army of the United States, in the grade of first lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), subject to completion of internship:

Dunbar, John D.
Jones, Richard E., O2275358.
Longway, Ralph E., O2275391.
Sacks, Josiah, O2275583.
Shaw, Glenn R., O2275349.

The following-named officer for appointment, by transfer, in the Regular Army of the United States, with specification of branch, arm, or service, in the grade specified:

To be first lieutenant

Hawkins, Lewis L., O66986.

The following-named persons for appointment in the Regular Army of the United States, in the grade of first lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Bruen, John D., O1936201.
Leach, Anthony J., Jr., O1936328.

The following-named distinguished military students for appointment in the Regular Army of the United States, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Carson, Lawrence E.
Haynes, Richard E.
Pace, Donald L.

EXTENSIONS OF REMARKS

Bernard DeVoto

EXTENSION OF REMARKS
OF
HON. JAMES E. MURRAY
OF MONTANA
IN THE SENATE OF THE UNITED STATES

Friday, January 20, 1956

Mr. MURRAY. Mr. President, last November this country lost a great conservationist and historian with the death of Bernard DeVoto. He was perhaps the most articulate spokesman among those who treasure and have long fought to preserve our natural resources.

I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an article by the distinguished junior Senator from Oregon [Mr. NEUBERGER], which appeared in the January 1956 Progressive under the title "Defender of the Wilderness," and article entitled "Death of a Fighter," written by John B. Oakes and published in the New York Times, and an editorial entitled "A Man Who Knew the West," from the Glasgow (Mont.) Courier, all of which pay tribute to Mr. DeVoto and his work.

There being no objection, the article and editorials were ordered to be printed in the RECORD, as follows:

[From the Progressive of January 1956]

DEFENDER OF THE WILDERNESS

(By Hon. RICHARD L. NEUBERGER, of Oregon)

Bernard DeVoto once told me that, above and beyond everything else, he would like to have been with Lewis and Clark on that first of all treks across our continent. This privilege having been denied him, he did the next best thing. He became the principal defender of the realm Lewis and Clark explored. Let some greedy looter touch so much as one pine grove or a single foaming waterfall, and DeVoto was off to the rescue—armed with a portable typewriter that shot dum-dum bullets.

He voted and he paid his taxes in Massachusetts, on the edge of the Harvard yard. He frequented the magazine offices, publishing houses, and broadcasting studios of Manhattan Island. He was an intellectual and a sophisticate, and he never made any bones about it. Yet, when he died suddenly this past November, the deepest sorrow must have been in the far-off mountain ranges and lonely canyons of the West. This might have astonished him, for once he wrote:

"I have nothing to do with the West. I broke the story of the attempted land-grab in 1946 and, because at that time I happened to be the only slick-paper journalist who was a qualified conservationist, the spotlight has been on me ever since. * * * I do go West a lot. I love the country. I have a lot of friends out there."

Thus did he play down his role as protector of the wilderness. But others knew that role for what it actually was. After DeVoto's death, at the early age of 58, the

former Chief of the United States Forest Service, a lean man named Lyle F. Watts, said to me, "He was our best friend, because he wasn't afraid of anybody or anything, and because he could command an audience. Our natural resources are a whole lot less safe today, now that he is dead, than they were last night, when Benny DeVoto was alive."

DeVoto had a profound faith in the average person's love of this land and its bounty. He visited my wife and me in February of 1954, a few weeks before I filed for United States Senator. Over broiled Chinook salmon from the Columbia River at lunch, we wondered if a Democrat could get elected in the State of Oregon, where it hadn't been done since 1914. My adversary was to be the incumbent Senator, who had sponsored the surrender of the oil tidelands, the relinquishment of public grazing and timberlands, and the yielding up of Hells Canyon.

After DeVoto had bidden goodby to us and walked down the steep steps in front of our old frame house, he abruptly turned on the sidewalk and puffed back up the cement steps. I came halfway to meet him. Breathing deeply from the exertion, he faced me in the bright sunlight. A faint smile creased his face, with its broad mouth and wide, flattened nose. He could not have been described by his own mother as a handsome man, yet a kind of aura lighted his eyes as he spoke.

"Be of good cheer, my friend," he said. "The American people have never yet voted to abandon their natural resources when the issue was understood by them—and they never will. Everything's going to be all right. I'm just about sure of that."

Throughout the hard, bruising Oregon campaign which followed, a stream of small checks came steadily from Cambridge. They were the result of dinner parties "for NEUBERGER," given by DeVoto and his personable wife, Avis. Often the signatures on the checks were of celebrated teachers, writers, and scientists. Some of them I knew to be Republicans. When I later asked Mrs. DeVoto about this political heresy on the part of her guests, she replied, "Oh, certainly, but when Benny told them of the grand fight you were making for conservation out in Oregon, they couldn't resist. He just melted them away, and they reached for their checkbooks."

He was that sort of man. To him, halfway measures were worse than none when the American outdoors seemed in peril. He was the first person to sniff danger when a presumably innocent bill was introduced by Senator Guy Cordon and Representative HARRIS ELLSWORTH, both of Oregon, allowing lumber companies to be reimbursed with public timber of their own selection rather than in money, when the Government took over any of their land for reservoirs, highways, or military encampments. The bill might have slipped through Congress almost without notice, had not DeVoto led off with a bristling "Easy Chair" in Harper's, warning that the legislation could give the country's biggest lumber operators a foothold in the national forests from which they might never be wrested.

II

Another writer would have let the matter go at that. But with DeVoto, who was born in Ogden, Utah, this was merely the beginning. He wrote innumerable letters about the Cordon-Ellsworth bill. He goaded groups like the Wildlife Management Institute and the National Wildlife Federation. He summoned the Wilderness Society and the Sierra Club to battle. He set up headquarters at his own expense in the Hay-Adams House, where he conferred with people, like Representative LEE METCALF, of Montana, and Senator HERBERT LEHMAN, of New York. He irritated his editors at Harper's by hammering away on the issue of natural resources, when they thought the interests of magazine circulation dictated more diversified contents in the Easy Chair.

Yet, althought the Cordon-Ellsworth bill for timber exchanges had the full backing of the Republican administration, it was voted down decisively, 226 to 161, by a Republican House of Representatives. Many Members of the House told me that a man who never participated directly in this rollcall deserved nearly full credit for the outcome. "Without DeVoto," said Representative METCALF, "the bill probably would be part of our Federal statutes right now."

Wesley A. D'Ewart, then a Republican Congressman from Montana, tried harder than anyone else to bring about passage of the timber-exchange legislation. He also was the author of a grazing bill which would have given 18,000 privileged livestock operators greater control over upland meadows in the national forests than would have been vested in 33 million Americans who enjoy using this domain for fishing, camping, hiking, and hunting. When Secretary of the Interior McKay recently appointed D'Ewart as his assistant in charge of public lands administration, DeVoto heard the fire bells clanging. He was embroiled in the battle against D'Ewart's confirmation by the Senate at the time that death claimed him. This cause, and many others, will suffer for want of his pugent phrasemaking and his boundless energy.

I have thought frequently that Benny DeVoto loved the West because he knew so much about it. Riding with him one afternoon on the Great Northern's gleaming Empire Builder, I listened to a recital of each place along the line where some mountain man had snared a beaver or hidden in the bullrushes to save his scalp. When DeVoto felt that Oregon had not properly marked historic points on the campfire trail of Lewis and Clark, the "easy chair" which ensued helped to shame our State into some corrective measures.

Perhaps DeVoto's most controversial essay appeared in Harper's in 1947, entitled "The West Against Itself." Its theme was that the major demands for exploiting the timber, minerals, water, and scenery of the West always had come from westerners, who, in turn, were under heavy political and economic pressure from absentee landlords. This exploitation contrasted with orderly development. The doctrine was hotly challenged, particularly by leading figures in the Republican Party, who kept promising a new and brighter era in Western progress if only a "dyed-in-the-wool" westerner could become Secretary of the Interior.

In January of 1953, President Eisenhower appointed as Secretary of the Interior a native of Oregon and that State's former governor, Douglas McKay. This dyed-in-the-wool Westerner indorsed the bills to give preferential priviliges in the national forests to big lumber operators. He approved the relinquishment of the tidelands oil deposits. He indorsed commercial invasion of the national park system. He led the crusade to abandon Hells Canyon to the Idaho Power Co., which is incorporated 3,000 miles away in Maine. He suggested turning over the John Day power site on the Columbia River to Pacific Power & Light, another Maine-incorporated company. He fired the career biologist heading the Fish and Wildlife Service and replaced him with a political appointee.

Westerners, looking at the wreckage of the resource program in their region, remembered DeVoto's reminder of Theodore Roosevelt, of Oyster Bay, N. Y., and of Gifford Pinchot of Connecticut and Pennsylvania, who had teamed up originally to set aside the national forests for all the people. Westerners remembered how DeVoto had told them of Franklin D. Roosevelt of Hyde Park, N. Y., who had built Grand Coulee and Bonneville Dams, and of Harold Ickes of Chicago and Oscar L. Chapman, born in Virginia, who had administered these dams in the public interest. They thought of the Westerner who was taking Hells Canyon away from them, and they wished they had heeded the warnings voiced by DeVoto.

There was a place above all others that held DeVoto's heart. On the lofty divide above the Lochsa Fork of the Clearwater River in Idaho, wavers a thin and overgrown trail. Lewis and Clark tottered along that trail when they were near starvation. Tears of excitement and high adventure filled Benny's eyes on the day he trod the trail himself. This, to him, was all that Valhalla could ever be—the wilderness, the solitudes of lodgepole pine and alpine fir, the tossing meadows of bear grass, that path where the first white men had come so long ago.

III

It was an experience he never forgot. It lived with him until his death. One memorable evening, in the spring of 1955, he recalled it to me as we ate prime ribs in the paneled dining room of the Carlton in Washington. I know that this sumptuous atmosphere faded for DeVoto, and that he was back again on the trail with Meriwether Lewis and William Clark, whose marvelous exploits of exploration are the substance of his greatest book, The Course of Empire.

DeVoto wrote: "Whenever I go back to the Bitterroots, I realize afresh that they are my country—Traveler's Rest to Lolo Pass, to Crooked Fork, to the Lochsa, and on down the works of the Clearwater.

"* * * To everyone his own desire in mountains, mountain meadows, and mountain streams, but for me the best of the West is the Lochsa country. * * * If working journalists are rewarded on the far shore, I will sometime get a long summer within a few miles of the Powell Ranger Station."

I prefer to think that courage and persistence and integrity are qualities of character which never die. The next time that I go down the Lochsa and over the Lolo Trail with his friend Bud Moore, the district forest ranger, perhaps we shall see DeVoto in faded breeches and green flannel shirt and his old logger's boots. And we shall hear him, too, in the lilting roar of the Lochsa, as it surges through the timbered fastnesses which he thought so important to save for the next generation of Americans.

[From the New York Times]

DEATH OF A FIGHTER

The cause of conservation in the United States has lost one of its most articulate, militant, and influential spokesmen with the death of Bernard DeVoto. Noted as a historian, as an editor, and as a critic, Mr. DeVoto was a fearless fighter for the things he believed in, and one of the things he believed most passionately was the preservation of America's natural resources, including its majestic scenery.

From his famous "Easy Chair" which for 20 years he occupied in Harper's magazine, he fought many a major conservation battle. As a westerner and an expert on American land policies, he was particularly well qualified to expose the efforts of some stockmen to push through a grazing bill that would have given them vested rights in national forest land. He fought the proposed invasion of Dinousaur National Monument tooth and nail; and one likes to believe that before he died he knew that that project had been defeated.

Among the last verbal bouts which he enjoyed was one with the State of Maine. He had written an article describing part of United States Route 1 running through Maine as "an uninterrupted eyesore of driveins, diners, souvenir stands, purulent amusement parks, cheap-jack restaurants," and he summarized that part of coastal Maine he had seen as "a jerry-built, neon-lighted,

overpopulated slum." Mr. DeVoto's vivid words could apply equally well to many other sections of U. S. 1, in Connecticut and New Jersey, for example. They could apply to dozens—probably hundreds—of roads in many parts of the United States, including some that formerly were among the most beautiful.

[From the Glasgow Mont.) Courier]

A MAN WHO KNEW THE WEST

The recent death of Bernard DeVoto, author and historical authority, brought to the end of his life a man who probably knew as much about our section of the West as any person in the world.

Mr. DeVoto had won a Pulitzer prize for his great book, Across the Wide Missouri. It is a definitive volume on the western fur trade. He had done other notable jobs on the West, such as his editing of the Lewis and Clark journals and his book, Course of Empire.

If one is curious about the mountain men, trappers, and Indians who were roaming this country, right where we live, early in the last century, he will get an explicit portrayal of their lives, down to minute details, in Across the Wide Missouri.

Mr. DeVoto visited here several times. We recall one occasion when he came with two Montanans who had gained prominence as writers—A. B. Guthrie and the late Joseph Kinsey Howard. Their respect for him gave evidence of his spiritual mentorship of their efforts to tell the story of our country.

So we Montanans are indebted to Mr. DeVoto in several ways. He was the kind of writer who sometimes injected himself actively into current controversies and never left anyone in doubt where he stood. Above all that, he did much to chronicle the real, unvarnished annals of a generation that bloomed and died and left its mark on the intermountain West.

The Importance of Transportation

EXTENSION OF REMARKS

OF

HON. EDWARD MARTIN

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Friday, January 20, 1956

Mr. MARTIN of Pennsylvania. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address entitled "The Importance of Transportation," which I delivered on September 24, 1955, at Reading, Pa.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE IMPORTANCE OF TRANSPORTATION

(Address of Senator EDWARD MARTIN, of Pennsylvania, at the parade of progress, celebrating the 50th anniversary of the Parish Pressed Steel Co., at Reading, Pa., Saturday, September 24, 1955

I am highly honored by your invitation to come to the historic city of Reading, the county seat of the rich and charming county of Berks.

Courageous and God-fearing people have developed this area into an industrial and agricultural section unsurpassed by any similar area in the world.

In all the history of Berks County its many cultural institutions and its churches of every denomination have had the splendid support of the people.

We meet to celebrate the 50th anniversary of a great industry that has contributed so much to the welfare and prosperity of Berks County, the Commonwealth of Pennsylvania, and the Nation. The establishment of the Parish Pressed Steel Co. a half century ago was a notable event in our history. It was the first step in the parade of progress that has marched forward through the years.

This celebration demonstrates pride in the past and renews our faith in the future. It represents outstanding achievement under the system of free, competitive, private enterprise which is the foundation of American economic strength.

It is an example of success based on the superior skill and know-how of the American worker and American management, which have created the greatest industrial empire the world has ever known.

Today I want to direct your attention to the important place of transportation in the growth and expansion of the United States.

Transportation has always been and still is one of the big problems in America. It is a problem that we must face with the same courageous spirit that our ancestors met the difficulties of their day.

The history of transportation in America is a fascinating story. It is filled with the romance of an expanding empire of freedom and opportunity. It is the story of resolute, courageous men and women who pushed westward over the mountains and plains to open new lands, to clear the forests, and to create new communities that have become great centers of industry and enterprise. From the earliest settlements along the Atlantic seaboard, to the present time, the development of our systems of transportation has been one of the most important factors in our material, cultural, and spiritual progress. It is the foundation upon which were built the great foreign and domestic commerce carried on our rivers and harbors, our highways, railroads, airlanes, and pipelines. It made possible the development of agriculture, the opening of rich mines, oilfields, and forest resources.

In the early days the streams and Indian trails provided the only means of communication and travel. The first roads that connected scattered communities were built to accommodate horse-drawn vehicles in the unhurried pace of that day.

Military necessity was another strong influence in road development.

The westward migration brings to mind the great fleet of Conestoga wagons, which had their origin in Pennsylvania, and other covered wagons, ever moving toward the setting sun. This is an inspiring picture. It is typically American. It embodies the American spirit of self-reliance and individual responsibility. It meant hardship, privation, and often death, but it developed the greatest nation the world has ever known.

Today we have five major transportation systems in the United States: Waterways, roads, railways, airplanes, and pipelines.

There is much competition among these systems. It would be most helpful if our five methods of transportation could be coordinated so there would be less competition, but in our free-enterprise system this is almost impossible as it would involve too much governmental interference.

However, the people should demand that each type of transportation be required to bear its fair and equitable burden of taxation.

Each system of transportation has had some help from government.

Roads are entirely financed by the three levels of government.

Railroads in the early days received grants of land to aid them in their financing.

Airports are constructed from public funds.

Ports and waterways have been financed by the Federal Government.

Pipelines had some Federal help during World War II to aid in their construction. They are owned by private enterprises.

We now have invested in highways, 1931 through 1955, $75,230,000,000 distributed as follows: Federal $11½ billion; State: $43 billion; local: $21½ billion.

In waterways the Federal Government has invested, including harbors, channels, inland and intracoastal waterways, 1931 through 1955, $1,450,000,000.

In railroads we have a total of 401,539 miles, with a value of $33,581,000,000. They pay taxes of $1,261,000,000 a year. They are owned by the people.

In aircraft the total investment of public money is $2,200,000,000. The total value of scheduled and nonscheduled airlines is $1,175,000,000, and the total taxes paid by airlines is $450 million a year.

The Federal Government has not built any pipelines except during World War II—the Big and Little Inch—which were sold to private industry in 1947 for $143,127,000. Private enterprise in the last 10 years has invested almost $50 billion in pipelines for oil and gas.

The waterways of our country have always held a magnificent place in our material, cultural, and spiritual progress.

Transportation on the rivers may not be as romantic as it was at one time, yet it continues to increase in importance.

In the early days, transportation on the rivers centered around speed. Now the objective is tonnage. For example in 1953, from conservative estimates, there were 158 million tons carried on the Mississippi River system, which includes the Gulf Intercoastal Canal. This tonnage was principally bulk commodities, such as coal, steel, chemicals, and petroleum.

An ordinary towboat, pushing 9,000 tons of petroleum products form Houston, Tex., to Pittsburgh, Pa., is doing a job that would require 830 tank cars of 8,500-gallon capacity, or 1,300 tank trucks of 5,000-gallon capacity. By rail it would require 16 trains of 50 cars each. If transported by truck, it would cover 50 miles of road space.

This traffic is constantly increasing. The Army engineers' records show that in 1944 the waterways over which petroleum products and coal are transported carried about 20 billion ton-miles; in 1953, it had moved to over 33 billion ton-miles.

In 1953 the Chief of Engineers, United States Army, estimated the total cost to complete all authorized river and harbor projects presently deemed necessary in the interest of commerce and navigation at about $2½ billion.

The natural waterways in America have been a success, but there have been some notable examples of financial failure in State government construction and operation of canal systems.

The great example was the most dismal failure of the publicly owned canal system of Pennsylvania. That system started in operation about 1824. The Commonwealth of Pennsylvania offered its direct obligations in bonds to finance the construction of these canals. The total construction cost was about 33½ million; maintenance and repairs amounted to about 24½ million; interest on loans amounted to 43½ million, which made a total investment for the State of over 101 million. The State collected in tolls about 32½ million and sold the canals for $11,281,000, or a financial loss to the State of almost $60 million. That was an enormous amount of money at that time.

America has more men of know-how in the operation of business than any other country in the world, but somehow Government operation of business has been almost a complete failure. Considering living standards it has always failed any place in the world.

For a moment, let us consider our expansion in the United States, for this is the real

reason for much of our transportation difficulties.

One of the most spectacular developments has been the surprising increase in our population. According to the latest Census Bureau estimates we are now a Nation of more than 165 million people. We never expected to reach that number.

The figure represents an increase of more than 13 million, or nearly 9 percent, above the total for the last general census of 1950 and 25 percent since 1940.

Translated into terms of human needs and the American way of life this population increase has imposed upon us many great problems.

We need more schools to educate the growing army of young people. We need more hospitals. We must build more churches of every denomination. We must have more, better and safer roads to accommodate the vastly increased volume of motor traffic that crowds upon our inadequate and hazardous highway systems.

The highways are today, as always, the basic means of transportation. The other transportation systems—waterways, railroads and the air—aid and supplement the roads just as the auxiliary branches of the armed services help the doughboy gain and hold his objective.

Turning now to the present and the future, there is widespread agreement that bold, new steps must be taken to correct the deficiencies that have accumulated on our highway system during and since World War II.

President Eisenhower has proposed that bold plan.

The Nation has not kept pace with highway needs. The time has come when obsolete and dangerous roads must be replaced or rebuilt to modern standards of safety and efficiency. Larger, faster, and increased numbers of motor vehicles have added to our problem and will continue to do so. The American people now own more than 58 million motor vehicles and that figure is expected to rise beyond 81 million in the next 10 years. They now own 253,000 buses, about 10 million trucks, and 48 million passenger cars.

The trucking industry has grown to be one of the big industries of our country. Its annual gross expenditures for all purposes is about $29 billion.

The Federal Government has collected annually from taxes on gasoline, diesel fuel, lubricating oil, excise taxes on motor vehicles and tires and tubes more than $2½ billion. The Highway Act of 1954 allocated funds equivalent to all the Federal gasoline tax to the States for road construction.

For many years roads were built where there was the strongest political pressure. There was no comprehensive plan.

The plan proposed by President Eisenhower places emphasis on the national system of interstate highways. This is a specially designated network of 37,600 miles to connect 42 State capitals and 90 percent of all the cities over 50,000 population. It will have controlled access and will bypass large centers of population. It will cost about $25 billion.

The system has been carefully laid out to take care of the military, civilian defense and industrial needs of the country. When completed it will bring our people closer together and provide the means for a better understanding of our great country.

We need the roads. There is no disagreement on that score. We must have them if we are to have an expanding economy. We need them for our industrial, cultural, and spiritual advancement. We need them for national and civilian defense. We need them to reduce the frightful toll of lives taken each year by accidents on our highways. The big decision we must make is how they shall be financed. It's up to the American people to decide, for they must pay the bills.

Personally I feel the President's plan for a bond issue is sound. I do believe, however, that serious consideration should be given to the question of tolls. I believe that the collection of tolls, wherever feasible, on sections of roads, bridges and tunnels, would be advantageous to our country and fair to the traveling public. Or perhaps it might be wise to require the payment of a license fee for vehicles traveling on the interstate system. Some money should come directly from the general funds.

In the past the romance of traveling in covered wagons, stagecoaches and packet lines were adventures pictured in the famous prints of Currier and Ives and other artists. The tying together of the Atlantic and the Pacific by steel rails was acclaimed all over the world.

The first plane across the continent was hailed as an event unparalleled in transportation.

The completion of the interstate highway system will be another romantic story in American progress. I am hopeful that the next session of Congress will see the wisdom of an early start on this tremendously important project. Let me assure you that as a Member of the Senate and as the ranking Republican member of the Senate Public Works Committee, I shall do everything possible to expedite the enactment of the necessary legislation.

Again, I say, it is an honor to appear in this historic county.

Through the years you have contributed outstanding patriotic service to our Nation.

You have had a large part in building the economic strength of the United States. You have worked hard to make America.

What has made us such a great nation?

First and foremost in attributing the success of the American Republic I would place our system of government, based on God's greatest gift to mankind, freedom of the individual.

Second, I would place the sturdy courage and faith of our people—the American character based upon hard work, thrift, tolerance, love of liberty, and love of God.

These priceless endowments are the foundation stones upon which American initiative, energy, and know-how, combined with transportation, created the vast empire of industrial and agricultural production that twice in a third of a century saved the world from dictatorship.

Let us take inspiration from this parade of progress to rededicate ourselves to patriotic purpose, to face the future confident and unafraid, trusting in the mercy and goodness of God to direct the course of our Nation in the path of righteousness, justice, and peace.

Major Aspects of the Senate Highway Bill

EXTENSION OF REMARKS
OF
HON. DENNIS CHAVEZ
OF NEW MEXICO
IN THE SENATE OF THE UNITED STATES
Friday, January 20, 1956

Mr. CHAVEZ. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a speech on the major aspects of the Senate highway bill, which I delivered before the first general session of the American Roadbuilders' Association, 54th annual convention, at Miami Beach Municipal Auditorium, on Thursday, January 12, 1956.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

MAJOR ASPECTS OF THE SENATE HIGHWAY BILL

(By Hon. DENNIS CHAVEZ, United States Senator)

It is indeed a pleasure for me to be here again today to address the very fine organization which you gentlemen represent. I have known many of your members and Washington representatives for years during my service in the House of Representatives and in the Senate, where I have had the honor and privilege of serving since 1930. Your president, Jack Robertson, is a particularly good friend of mine, and the other officers of your fine association are always welcome, not only in my office but before the Senate Committee on Public Works of which I have the honor to be chairman.

I am happy to greet this exceptional group of Federal, State, and local highway officials and I know that the many heads of industry have taken time from their own pressing business to attend this important meeting.

I wish to pay my respects, too, to the distinguished guests of this convention who have come from the Republics of Central and South America. We have been working in the Senate and the same can be said for the House, I think with considerable success, to hasten the completion of the Pan-American Highway and also extend increasing technical and engineering assistance to our other friendly neighbors in the Pan American Republics. Surely it would be a wise course for our Government to expand the highway assistance program that is now under way. I feel confident that we shall take steps in this direction in the near future.

My experience in the field of highway legislation has been continuous since becoming a Member of the United States Senate in 1935, and during the more than 20 years which I have served on the committee concerned with roads many changes have taken place in the field of highway transportation, with the motor vehicle registration increasing from about 26 million in 1935 to more than 61 million in 1955, and it is estimated that the total will reach 81 million by 1965.

Until 1950 Federal assistance was provided mainly on about 234,000 miles of the primary Federal aid system which interconnected most of the principal cities which had been selected by State and Federal authorities. In 1940 $100 million was provided for the primary system and only $15 million provided for the secondary system, and $20 million for grade crossings.

World War II saw the end of the pioneering period of road building and many cities were interconnected by two-laned surface roads but they were entirely inadequate to care for the great volume of traffic which had developed.

We in Congress recognized the great importance of an accelerated road program and in the Highway Act of 1944, we authorized a greatly expanded postwar highway program of $500 million annually for 3 years and increased funds for the secondary system by tenfold, and included for the first time funds for routes within cities. There was a delay in the initiation of the program until October 1945, however, progress was slow because of shortages of manpower, materials and contractors.

The national system of interstate highways was designated in 1947. Authorization of funds specifically for this system was first made in legislation of 1952 for funds for fiscal years 1954 and 1955 and allowed $25 million for each year, which we realized was insufficient to make the needed progress. In the Federal Aid Highway Act of 1954, we authorized $875 million for apportionment to the States for each of the fiscal years 1956 and 1957, which was an increase of 52 percent over funds for the 2 preceding

years. In the 1954 act we increased the funds for the interstate system from 25 million to 175 million dollars annually and authorized the use of these funds to pay for 60 percent of the construction costs.

I feel that the statistics which I have quoted is desirable to emphasize the fact that the Congress has recognized the extreme importance of an accelerated highway program and we have realized that even the 1954 authorization is not sufficient to care for the tremendous impact of automobiles, busses, and trucks on our highways which amount to a total of more than 3,366,000 miles, of which about 235,000 miles are on the primary Federal aid system, which includes the interstate system, and about 483,000 miles on the secondary system. It is interesting to note that of the 3,366,000 miles there are more than 1,200,000 miles with no surfacing.

Although the 1954 authorization provided for matching funds up to the fiscal year ending June 30, 1957, steps were taken during the first session of the 84th Congress to authorize a greatly expanded program of road construction to enable our highly mobile economy to move about with greater ease and safety. Several highway bills were introduced and hearings were started on February 21, 1955, and extended through April 15, 1955, with about 100 persons and organizations interested in highway development being given an opportunity to be heard. Among this group many outstanding members of your own organization gave fine testimony on the problem of highway needs and the ability of our industries to carry out the program of construction.

After the many days of public hearings and numerous executive sessions by our Committee on Public Works the bill designated as Senate bill 1048 was reported and passed by the Senate with certain amendments being made on the floor of the Senate.

I want to say that in my many years of experience as a representative of my people in New Mexico and the country as a whole that the legislation which we passed in the Senate on the highway program is one of the most outstanding pieces of work that I have seen. The bill, as you know, would authorize $900 million annually for 5 years for the primary, secondary, and urban highways and $1 billion, $1.25 billion, $1.5 billion, $2 billion, and $2 billion for each of 5 years for the interstate system. We felt that the interstate system should be accelerated because of its value in serving interstate commerce and national defense but that we must not neglect the secondary system which not only means much to our national economy but also to the local economy of each State and community.

In our consideration of a program of such magnitude for the interstate system we believed that since the Federal Government would be matching on a 90–10 basis, on the interstate system, that protection should be provided for this investment, so we included a provision designed to limit weights and dimensions of vehicles. We also instructed the Bureau of Public Roads to conduct tests to determine the effect of overloading on highways. The Maryland road test and the recently completed road test in Idaho, have indicated that roads must be constructed much more substantially to withstand the impact of heavy vehicles. However, many of our existing roads are not now constructed to such standards, therefore we must not overload them. Other provisions included were designed to expedite the acquisition of rights-of-way and to take care of relocations.

One of the many items which have given me great concern over my many years of experience in highway legislation, is the effect of by-passing communities which depend on highway traffic for their livelihood. In many cases communities prefer to have main highways pass around them but they should be given consideration in the matter.

During consideration of the highway bill I pointed out that in any program of the magnitude proposed, we should insure that the workers on these projects would not be treated unfairly insofar as living wages and decent hours are concerned, however, there was considerable opposition to including compulsory labor pay standards as a part of the legislation but I was assured that such matters would be taken care of by the States and contractors and that in the construction program all workers would be treated fairly.

There are many more features of the bill which we passed in the Senate which are technical in nature and I need not dwell on them at this time, but I cannot leave you without commenting on the terrible toll of life which is taken daily on our highways and streets. In 1941 highway traffic deaths reached nearly 40,000. Then wartime gasoline rationing reduced the toll but they began to increase and in December 1951 we had our millionth traffic death. In 1954 there were more than 36,000 deaths as a result of traffic and in addition a million and a quarter people were injured, with over 100,000 suffering permanent disability. It is quite evident that our highways are not adequate to handle the terrific amount of vehicular traffic, nor to utilize the tremendous power to speed being built into our modern automobiles. The only answer is to drive carefully and work for better roads and continue to drive carefully.

Acknowledging the need for a great new system of modern roads—for the States and the cities and the counties and the hamlets—is one thing; defining the method by which we can bring this miracle to pass is something else again. It seems to me that we are possessed here with a problem that embraces our total economy and modern society—probably our defense and survival. Thus, when we speak about building roads for this country, whether it be in New Mexico or Maine, we are really touching one of the most delicate nerves of the Nation. There is absolutely no place for political bickering or a scramble for credit in the essential job to be done. The great burden will rest, as it always has, with the States and their political subdivisions. But the responsibility of the Federal Government cannot be lightly brushed aside. There is no sense in pretending that there will be any substantial difference in the saving of dollars because we shift responsibility from one government to another. There isn't anything easy or cheap in this whole road building plan. It's all going to have to be paid for and the only important question is how can it best be planned to serve the Nation as a whole? The Federal-aid program has become an old adventure, once termed radical during the administration of Woodrow Wilson. But after 40 years, the remarkable cooperative Federal-State arrangement which has been distinctive in the field of road building has proved itself beyond question. We have recently been expanding the Federal-aid program and I see no good reason for changing my view that the program should be expanded to a still greater degree.

The nub of these remarks is that, in my opinion, better highways are a desperate American need. Further, insofar as I am able to judge, our committee and the United States Senate will continue to warmly support a reasonable, workable national program to bring about a solution.

I would not want to close my speech without paying tribute to a dear friend of mine and your association who has passed away.

While Tom Keefe was well known from coast to coast among the ranks of men who serve the highway industry and the engineering profession, his friendship with key figures in the Federal Government in Washington was developed highly.

Tom built up a fabulous array of friendships, not only among the most powerful and highly placed Members of Congress but throughout the Federal executive branch. His formula for winning friends was disarmingly simple and in its philosophy mirrored the man himself. "Serve others," he would say, "without hope or desire of personal reward."

That was the credo by which this exceptional and, at times, explosive man lived and by which he was able to perform remarkable services for his country. Those who were privileged to know him well are aware of the nobility and true essence of his service and his unflagging work.

We shall look far to again find such a man. We are filled with gratitude for the unselfish help that he gave us. We miss him now most deeply. But we hope, since that is the way matters are arranged by the Highest Authority, that he is finding a richly deserved and everlasting peace.

Thomas J. Keefe, a native of West Philadelphia, lived at 4411 Bradley Lane, Chevy Chase, Md. He is survived by his wife, Elizabeth, three sons, and a daughter.

Views of Senator McCarthy on the Natural Gas Bill

EXTENSION OF REMARKS
OF
HON. JOSEPH R. McCARTHY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES
Friday, January 20, 1956

Mr. McCARTHY. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement I have prepared concerning my views on the natural-gas bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR McCARTHY

Let me state why I am supporting the Harris bill which prohibits Federal control of the production of natural gas.

The primary purpose of the Harris bill is to promote our free enterprise system which has helped make America strong and free. The bill is designed—not to protect monopolies, or to gouge the public, as some people claim: But to serve the public interest. That is the point I want to emphasize. Let me first deal with several arguments of those who oppose the bill.

The opponents of the Harris bill claim that the gas-producing industry is a monopoly. This is not true. There are over 8,000 producers of natural gas, not one of whom supplies over 5 percent of the market. As a matter of fact, of the 452 manufacturing industries in the United States, all but 70 of them are more concentrated than the natural-gas industry. Beyond this, natural-gas producers must compete for the fuel market with the producers of coal and oil. The transportation and distribution phases of the industry are, in most bases, monopolies; they are and should be regulated by government. The production phase is highly competitive and thus is regulated by the free market.

Opponents of the Harris bill claim, nonetheless, that the cost of gas to the consumer is too high. These are the facts:

(1) Between 1938 and 1953 the average price of all types of gas to the home user increased only 7 percent—while the general cost of living increased 90 percent, and the costs of competing fuels, coal and oil, doubled. Moreover, the price of straight natural gas actually decreased by 7 percent.

(2) It is true that in the past 2 years consumer gas bills have gone up more rapidly than in the past. It is important to remember, however, that the field price of gas (which opponents of the Harris bill want to regulate) is only a very small part of the customer's gas bill. To illustrate this point: The cost of gas to the average Wisconsin family is $74.62 a year; but if the gas producer should give away his product, if gas were free, this average family would save only $4.96 a year. (The major portion of the consumer's gas bill goes to those who transport and distribute the gas.) We should therefore remember that the Harris bill deals with only a fragment of the problem of the rising cost of gas. Now, how does the Harris bill deal with this fragment?

The field price of gas, along with the other components of the customer's costs, has risen in the past few years. The principal reason for this recent increase is that more people are changing over to gas from other fuels, coupled with the fact that the increase in the supply of gas has not kept pace with the increase in the demand for it. Since 1945, the consumption of gas has doubled, while available gas reserves have increased by only one-third. When demand outstrips supply, prices will rise; it is the law of supply and demand. Now: Since we cannot decrease the demand for gas, the only way to check the price rise is to try to increase the supply of gas. This is what the Harris bill aims to do. One of the main reasons that supply is falling behind demand is the existence of Federal controls.

What opponents of the Harris bill either do not understand, or wish to conceal, is that Federal regulation has the effect of decreasing the supply of gas and thus of increasing the price to the consumer. The gas business is a highly risky venture: The producer, to survive, must get as high a price as the free market will allow for the gas he does find—in order to offset the tremendous losses he suffers when, as happens 7 times out of 8, he drills a dry hole. Federal regulation will discourage the investment of risk capital that is needed for new gas discoveries. We already have evidence of this. In the past 2 years, since Federal controls have been in effect, additions to gas reserves have drastically decreased. Moreover, many producers in Texas, Oklahoma, and Louisiana—instead of submitting to Federal regulation which gives them less than a fair price on sales in interstate commerce—have begun to divert their gas to local utilities and to nonfuel uses, such as the manufacture of carbon black.

If Federal controls are kept on, the present trend is bound to continue: Less and less gas will be added to present reserves, and more and more of the gas that is available will be diverted for local use in the gas-producing States. This means that the Wisconsin gas consumer will have to pay higher and higher prices for gas, and it may mean, in the not too distant future, that the gas supplied to Wisconsin and other States located at great distances from the producing areas will be cut off altogether.

The Harris bill seeks to prevent this from happening. It proceeds on the theory that the consumer's best protection against high prices is the free market. Let me add that in the event a single gas producer corners some section of the market and tries to hike his price above the market level, the Harris bill provides adequate protection. It prevents any producer from selling gas in interstate commerce at higher than the reasonable market price.

Finally, let me express my fear that Federal regulation of this competitive industry is a step toward socializing our entire economy. If gas production is subjected to Federal regulation, there is no logical reason not to regulate coal and oil production. And if all fuel production is regulated, why stop there? Why not impose Federal controls on the production of cheese and milk? To prevent socialization of our country, I believe Americans must stand together and oppose the attempts of the planners and the socialists to pick off competitive industries, one by one.

SENATE

MONDAY, JANUARY 23, 1956

(Legislative day of Monday, January 16, 1956)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Dear God and Father of mankind, in the miracle of another dawning our glad hearts rejoice with gratitude that new every morning is the love our waking and uprising prove—as fairer than morning, lovelier than daybreak, steals upon us the sustaining consciousness that we are with Thee.

We pause at the beginning of another week, with its pressing cares and urgent concerns, which affect multitudes of individual lives, that with a sense of Thy overshadowing presence, in the secret of Thy pavilion we may take refuge from the strife of tongues. Through the lips that speak in this forum of a free land, may there be heard by a listening world the solemn summons to men of good will of all kindreds under the sun, to a new commonwealth of all peoples in which power shall be administered as a sacred trust, dedicated to the dignity of every child of Thine and to the common good.

We ask it in the name of the Elder Brother of humanity, Son of God and Son of Man, whose at last shall be the kingdom and the power and the glory. Amen.

THE JOURNAL

On request of Mr. CLEMENTS, and by unanimous consent, the reading of the Journal of the proceedings of Friday, January 20, 1956, was dispensed with.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Miller, one of his secretaries.

REPORT OF NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS—MESSAGE FROM THE PRESIDENT (S. DOC. NO. 90)

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Armed Services and ordered to be printed as a Senate document.

To the Congress of the United States:

In compliance with the provisions of the act of March 3, 1915, as amended, establishing the National Advisory Committee for Aeronautics, I transmit herewith the 41st annual report of the Committee covering the fiscal year 1955.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *January 23, 1956.*

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. KILGORE. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet on Wednesday next at 2 o'clock, in a room convenient to the Senate Chamber. A great number of private-claim bills are to be processed, and I should like to arrange for an afternoon meeting of the committee on Wednesday, in a room convenient to the Senate Chamber. Members of the committee have agreed to attend such a meeting if unanimous consent can be obtained to hold it.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

On request of Mr. CLEMENTS, and by unanimous consent, the Subcommittee on Technical Assistance of the Foreign Relations Committee was authorized to meet during the session of the Senate today.

NOTICE OF CONSIDERATION OF TREATIES ON THE EXECUTIVE CALENDAR

Mr. CLEMENTS. Mr. President, on the Executive Calendar there are two treaties. The first is Executive Calendar No. 13, Executive F, 83d Congress, 2d session, being a protocol amending the Slavery Convention signed at Geneva on September 25, 1926. The second is Executive Calendar No. 14, Executive P, 82d Congress, 2d session, a protocol signed at Brussels on December 16, 1949, modifying the convention of July 5, 1890, concerning the creation of an International Union for the publication of customs tariffs, and so forth.

I give notice at this time that it is the intention of the majority leader to call up these treaties for consideration on Wednesday, after the morning hour, and immediately following a quorum call.

I ask unanimous consent that these two treaties be made a special order of business at that time.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. CLEMENTS. Mr. President, I ask unanimous consent that there may be the usual morning hour for the presentation of petitions and memorials, the introduction of bills, and the transaction of routine business, and that any statement

made in connection therewith be limited to 2 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

PROHIBITION OF ALCOHOLIC BEVERAGE ADVERTISING IN INTERSTATE COMMERCE—PETITIONS

Mr. BUSH. Mr. President, I have received petitions from many men and women in Connecticut supporting proposed legislation to prohibit the advertising of alcoholic beverages by radio and television and in magazines and newspapers. The signatures are too many to print in the RECORD, but I should like the RECORD to show that, as of this date, 1,526 names appear on the petitions which have been sent to me and which I ask to have referred to the Committee on Interstate and Foreign Commerce.

The PRESIDENT pro tempore. The petitions will be received and referred to the Committee on Interstate and Foreign Commerce.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. KILGORE, from the Committee on the Judiciary, without amendment:

H. R. 1078. A bill for the relief of Dr. Robert C. Jalbuena (Rept. No. 1414);

H. R. 1084. A bill for the relief of Dorothy Antonia (Suk-fong) Leong (Rept. No. 1415);

H. R. 1092. A bill for the relief of George Henry Mahoney (Rept. No. 1416);

H. R. 1193. A bill for the relief of Dr. and Mrs. Ivan Pernar (Rept. No. 1417);

H. R. 1198. A bill for the relief of Kenneth K. W. Lau and Romana Say Soat Kheng, also known as Mrs. Anne Say Lau (Rept. No. 1418);

H. R. 1208. A bill for the relief of Mrs. Esther Moreno (Rept. No. 1419);

H. R. 1232. A bill for the relief of Salvador, Mercedes, and Miguel Chofre (Rept. No. 1420);

H. R. 1657. A bill for the relief of Louis B. Prus-Latkiewicz (Rept. No. 1421);

H. R. 1907. A bill for the relief of James Wilson (Rept. No. 1422);

H. R. 2049. A bill for the relief of Anastasios Seleimetzidis (Rept. No. 1423);

H. R. 2525. A bill for the relief of Madiros Kebabjian (Rept. No. 1424);

H. R. 2782. A bill for the relief of Josefa Martinez Infante (Rept. No. 1425);

H. R. 2945. A bill for the relief of Joan Frances Feeley (Rept. No. 1426);

H. R. 3188. A bill for the relief of William Lawler (Rept. No. 1427);

H. R. 4025. A bill for the relief of Mrs. Donald A. Howard (nee Miss Elsa Ursula Kuchinke) (Rept. No. 1428);

H. R. 4326. A bill for the relief of Regina Dippold (Rept. No. 1429);

H. R. 4548. A bill for the relief of Michele Pica (Rept. No. 1430);

H. R. 4612. A bill for the relief of Vladimir and Svatava Hoschl (Rept. No. 1431);

H. R. 4769. A bill for the relief of Mrs. Barbara (Pearson) Boycott (Rept. No. 1432);

H. R. 5869. A bill for the relief of Andreas (or Andrew) Voutsinas (Rept. No. 1433);

H. R. 5870. A bill for the relief of Jesajahu Braun (Rept. No. 1434); and

H. R. 7197. A bill for the relief of Mrs. Mary Christine Dowdy (Rept. No. 1435).

By Mr. KILGORE, from the Committee on the Judiciary, with an amendment:

S. 1026. A bill for the relief of Nihat Cengiz (Rept. No. 1436); and

S. 1897. A bill for the relief of Gosta Harry Roner (Rept. No. 1437).

By Mr. KILGORE, from the Committee on the Judiciary, with amendments:

H. R. 1887. A bill for the relief of Dr. Tsi Au Li (Tsi Gziou Li), Ru Ping Li, Teh Yu Li (a minor), and Teh Chu Li (a minor) (Rept. No. 1438).

DESIGNATION OF FEBRUARY AS AMERICAN HEART MONTH—REPORT OF A COMMITTEE

Mr. O'MAHONEY. Mr. President, from the Committee on the Judiciary, I report favorably, without amendment, the joint resolution (S. J. Res. 115) designating the month of February in each year as American Heart Month, and I submit a report (No. 1439) thereon.

The PRESIDENT pro tempore. The report will be received, and printed.

Mr. BARKLEY. Mr. President, on January 12, I introduced a joint resolution authorizing the President to declare the month of February American Heart Month, in order to invite the attention of the people to the ravages of heart disease. The committee has reported the joint resolution without amendment; there is no objection to it, and I have the authority of the committee to ask unanimous consent that the joint resolution be now considered.

The PRESIDENT pro tempore. The clerk will state the joint resolution by title.

The LEGISLATIVE CLERK. A joint resolution designating the month of February in each year as American Heart Month.

The PRESIDENT pro tempore. Is there objection to the present consideration of the joint resolution?

Mr. BARKLEY. There is no appropriation involved.

Mr. KNOWLAND. Mr. President, reserving the right to object, was the joint resolution reported unanimously from the committee?

Mr. BARKLEY. It was.

Mr. KNOWLAND. I have no objection.

There being no objection, the joint resolution was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That the President of the United States is authorized and requested to issue annually a proclamation designating February as American Heart Month, and to invite governors of the States and Territories of the United States to issue proclamations for like purposes; and that the President's proclamations urge the people of the United States to give heed to the nationwide problem of heart and circulatory diseases, and to support all essential programs required to bring about its solution.

The preamble was agreed to.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS—REPORT OF A COMMITTEE

Mr. KILGORE. Mr. President, from the Committee on the Judiciary, I report an original concurrent resolution favoring the suspension of deportation in the cases of certain aliens, and I submit a report (No. 1411) thereon.

The PRESIDENT pro tempore. The report will be received, and the concurrent resolution will be placed on the calendar.

The concurrent resolution (S. Con. Res. 66) was placed on the calendar, follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months:

T-647943, Aguiar, Atanasio Roldan or Atanasio Roldan.
A-1402427, Ali, Hassan.
A-3597006, Almanza, Avelina (nee Valdivia).
A-9610412, Alonzo, Michael.
A-3481902, Ambrosino, Michael or Michele Ambrosino.
A-9537473, Andersen, Ingvald Andrew.
A-6093625, Arellano-Moreno, Sabino.
A-6323176, Arellano, Carmen Torres De.
A-2930860, Aronis, George Bernard.
E-085904, Asensio-Torrado, Jose or Jose Asensio.
T-303938, Najara-Ochoa, Pedro.
A-2552572, Barajas, Maximiliano.
E-41852, Benavides-Torres, Samuel.
E-086225, Bertuzzi, Galliano Fortunato or Galliano Bertuzzi.
1610-8546, Bilbao, Adolfo or Adolph B. Bow.
A-9625368, Boussoulas, Demetrios Aroyriou.
A-4178923, Burcea, Ioan.
A-4115087, Burgos, Santo Enrique.
A-7983091, Cairo, Olga Ann.
A-6859579, Castillo, Gonzalo Mena y.
A-4596763, Chavarria-Reyes, Epimenio.
A-6026500, Chen, Ho Mei.
A-7539202, Chen, Phoebe Shu Heng.
A-6779241, Christmas, Blossom Lucille Cann.
0900-37577, Chung, Louis Wei Shan.
0900-38790, Chung, Marie Catherine Lu.
0900-64703, Correa, Adan Martinez.
A-9831140, Cristo, Giordano.
A-7241577, Csiszar, Michael.
A-1822412, Daniels, Edmund Siegfried Douglass.
A-1845873, Davis, Helen George.
A-9764736, Dean, Benedetto.
A-3320341, Espiritu, Teofilo Primero.
A-5374217, Fiss, Walter Willy.
T-1143538, Flores, Virginia Acosta Matamobos De.
T-1892843, Foo, Ling King.
A-4946176, Foster, William Herbert.
A-7999529, Fried, Lee Mow.
0900-54609, Galvan-Lopez, Felix.
A-6472266, Gamponia, Maria Aquilizan.
T-2760978, Gandara, Joaquin.
A-6986666, Garcia-Pulido, Benito.
E-40664, Garcia-Rojas, Enrique.
E-40665, Garcia, Evangelina Gonzalez De.
A-5657167, Goni, Mario Vincente.
A-5961424, Grafi, Karl Charles.
A-5978398, Green-Ruiz, Alejandro.
A-6978157, Griffith, Eustace.
0900/65211, Guerrero, Maria del Refugio Solorio de.
0900/65195, Guerrero-Rios, Juan.
A-6523158, Gusman, Guadalupe Alatorre De.
0900-47522, Gutierrez, Oscar Roberto Argumosa.
A-7351304, Gutierrez-Padilla, Enrique.
T-2782084, Guzman, Candelario.
A-3344028, Hardalau, Petru.
E-093674, Henriksen, Niels Peter.
A-2264112, Hess, Walter Conrad Raimond.
A-5981990, Higashide, Seiichi.
A-6143940, Higashide, Angelica Yoshinaga.
A-6143935, Higashide, Elsa Yukiko.
A-6143936, Higashide, Carlos Shuichi.
A-6143937, Higashide, Irma Setsuko.
A-6143938, Higashide, Arturo Hideki.
A-6143939, Higashide, Marta Yoko.
A-9559825, Ho, Chiu or Chin Ho.
A-5945075, Jennings, Honora.
A-5780243, Ito, Kesemi.
A-2581013, Kaltnisch, Raphael.
A-6857817, King, Philip.

A–3556556, Kocipak, Andrew.
0300–71008, Kow, How.
A–9510993, Kwan, Tong Bun.
A–9649805, Lee, Ah Moe.
0900–65341, Ledesma, Maria Lopez de.
E–25266, Lehmann, Arno Alfred.
A–5719563, Lehmann, Emil.
A–6067650, Levkovich, Ramona.
0900–51281, Ling, Mary.
A–5122500, Litiner, Jacobo.
A–7082575, Louie, Shea Wing.
0900–61320, Luna, Jose Francisco Gonzales.
E–4859, Magr, Frank.
0900–62107, Mariscal-Guillen, Selina.
A–6748458, Mathur, Prem Narain.
A–4914354, McLaughlin, Peter.
A–4914352, McLaughlin, Evelyn Holmes.
0900/58304, Medina, Israel Miguel Cervantes.
A–6886827, Meisels, Brandel.
0300–400058, Messina, Michele.
0900–64069, Miranda, Maria Pineda Garcia de.
0900–64115, Miranda-Acosta, Jose Luis.
A–4260072, Molvar, Alfred.
A–9831027, Moro, Cosimo.
A–5977619, Noda, Yasuki.
A–6214509, O'Neill, Amy Frances nee Rumsey.
0900–64982, Pallares-Sanchez, Jesus.
T–1495420, Park, Gee Tung.
T–1495421, Pung, Li Shau.
0300–89977, Pegoraro, Stefano.
A–3469402, Ramirez-Banderas, Jose.
1409–14325, Rangel-Soto, Tomas.
E–061673, Reyes-Magana, Mauricio.
0900–59670, Rodriguez, Juan Garza.
0900/63968, Rodriguez-Rangel, Jose.
T–2760400, Rodriguez-Razo, Aurelio.
A–7457191, Santillan-Cedeno, Leopoldo.
A–5046381, Savitzky, George.
0300–398756, Sheck, Yuen.
A–7809014, Siao, George John.
A–5924765, Silva-Rodriguez, Felix.
0900/64920, Sobrevilla, Manuel Rodriguez.
0900–64921, Rodriguez, Maria Reynalda Vera de.
A–7544370, Soong, Eugene You-Chi.
A–6370045, Soong, Nancy.
A–3585245, Suey, Marh.
A–6446669, Szewczyk, Stefania.
0901–18372, Tejeda, Jose Narcisco.
0901–17201, Tejeda-Vallalpando, Leonor.
0901–17203, Tejeda-Vallalpando, Ruben.
0901–17202, Tejeda-Vallalpando, Jose Roberto.
0901–17205, Tejeda-Vallalpando, Manuel.
A–6953070, Tsien, Siu Hwa.
0901–17204, Vasquez, Francisca.
A–5030257, Venezia, Giovanni.
0935/10084, Villa-Ramirez, Jose.
E–39942, Villarreal, Celia San Martin.
0900/47468, Watanabe, Kenzo.
E–096771, Williams, Leslie C.
0900/53576, Wing, Chin.
0300–292427, Won, Leung Cheung.
A–9507805, Wong, Hung.
A–5624176, Wong, King Sun.
0900–61245, Zamora, Felipe Acosta.
A–5359958, Zermo, Christiano.
A–6739608, Zivolich, Marina.
A–5977417, Arashiro, Seisun.
E–050460, Bolivar, Reynaldo Manalili.
A–4726934, Buyund, Dolla Bin.
0900/58315, Cervantes-Ortega, Candido.
A–7890082, Chen, Lincoln Chih-Ho.
A–7890083, Chen, Victor Chih-Chia.
A–4037840, Cohen, Louis.
0300–258672, Cohn, Frida.
A–9748470, Cuder-Blanco, Rafael.
A–5659527, Den, Chin.
0803–7557, Esquibel-Caberra, Guadalupe.
V–850206, Ferguson, Alfred George.
0300–26803, Fernandez, Dorothea.
0900–27719, Figueroa, Conrado.
0900/64599, Flores-Robles, Alejandro.
A–5367611, Frankelis, Dorothy.
A–9684338, Fung, Fat.
0900–64859, Gallegos-Gallegos, Cruz.
A–2856825, Garcia-Garcia, Severo.
E–094509, Hamoy, Elena Saile.
A–6955158, Herrera-Conde, Matias.
A–7137125, Jimenez, Santos.
A–9510248T, Kai, Leo Chin.
A–6203207, Klare, Morris.
A–7898192, Kortus, Titiana Louisa.
V–1445496, Ledezma-Baiza, Gloria Manuela.
0300–286525, Lee, Kum Pui.
0300–286526, Lee, Lydialoo.
T–303877, Lira, Enriquet, Herrera de.
A–6748499, Liu, David Tun Yuan.
A–6848622, Liu, Nai-Wen Chou.
A–4172684, Lohser, Erich Paul.
A–6342294, Mennis, Robert Gordon.
A–6528033, Montes, Cirilo Reverianc Salgado.
16000–94086, Negreta-Irigoyen, Laureano Lopez.
E–082824, Nepomuceno, Clara Anta Alvares de.
A–3421695, O'Brien, Emily Elizabeth.
A–4792740, Oomen, Anthony Ferdinand.
E–42699, Orozco-Medina, Virginia.
E–42700, Orozco-Medina, Jose Luis.
A–6638788, Pardo-Nigueruelo, Manuel.
A–7450424, Pardo, Petronila.
A–5088326, Path, Ahmat Ben.
A–5263554, Patti, Carmella Rizzo.
A–4322699, Petruch, Methodius Cirylius.
A–1435925, Polidoro, Agostino.
0900/59065, Reyna-Zamora, Juanita.
A–7849297T, Robertson, Aubrey.
A–6745338, Saavedra, Jose.
A–4829244, Schmidt, Arthur Friedrich.
A–7809034, Schwarzenberg, Isabella Eleonora.
0300–397874, Shell, Wong.
0900–58157, Silva, Jose Merced.
A–7190622, Sison, Juana Opana.
A–3062660, Soares, Obed Minto.
A–6634629, Soulas, Eleni.
T–1496810, Suzuki, Matsuzo.
A–5015106, Sviridoff, Anatole Karloff.
A–5884953, Tobolsky, Rose.
A–6703117, Tsikinias, Ifigenia.
A–1345676, Ulyshen, Anna.
0900–64967, Valle-Cerda, Concepcion.
A–2979044, Veloudos, Anthony.
A–2783888, Vinchesi, Joseph.
A–5588203, Wong, Kie.
0300–422302, Wong, Yen.
T–1892407, Wong, York.
E–079820, Wu, Ling Sen.
A–3406051, Yankovic, John Michael.
A–4468852, Banks, Max.
A–6444637, Chang, Albert Chiang.
A–6703483, Chang, Lita Wou.
0900–63964, Hess, Cleopatra Prokos.
A–1649371, Kulikowski, Tadeusz.
A–2365630, Sakamaki, Sueharu Francis.
A–2727597, Sakamaki, Rosa Teru.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS—REPORT OF A COMMITTEE

Mr. KILGORE. Mr. President, from the Committee on the Judiciary, I report an original concurrent resolution favoring the suspension of deportation in the cases of certain aliens, and I submit a report (No. 1412) thereon.

The PRESIDENT pro tempore. The report will be received, and the concurrent resolution will be placed on the calendar.

The concurrent resolution (S. Con. Res. 67) was placed on the calendar, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months:

E–066633, Armijo, Margarita Avalos De.
A–3125109, Avalos-Rodriguez, Eugenio.
0900/36012, Barbose, Maria De Los Angeles Gomez de.
0900/45063, Barbose-Herrera, Salvador.
A–5013464, Chin, Sam.
A–7298517, Choy, Jim.
A–2610295, Coelho, Antonio Rodrigues.
E–074295, Corona, Fernando Villanueva.
E–057216, Drinkwaard, Marinus.
A–5070792, Frassetto, John.
T–2760454, Garcia-Guerrero, Prudencio.
A–4638865, Hannemann, Kurt Emil Walter.
0900/60230, Hernandez-Cuellar, Augustin.
A–8078870, Johnson, Therese Yvonne Myers.
0800–65443, Jow, Yee.
A–2416308, Kurosaka, Sato.
A–3568273, Lauman, Selma.
A–3070354, Leibovitz, Hyman.
A–1442074, Loboff, Peter Andrevitch.
A–7186334, Lo Piccolo, Giuseppe.
0300–354972, Notaro, Vincent.
A–6096828, Ohashi, Yasuriko.
A–6153228, Ohashi, Asa.
A–6153228, Ohashi, Ayano.
A–2760828, Ordaz, Sophie (nee Lopez).
A–1624208, Prigodina, Julia Lvovna.
A–9512765, Robstad, Trygve.
A–3542341, Elias, Josef.
0900–55600, Escobarete, Guadalupe Sanchez de.
A–2734878, Kennedy, William Thomas.
A–6428095, Wang, Dee Kwok.
A–6428094, Wang, Derek H. T.
A–6340941, Calban, Maria Calban.
A–5231878, Chin, Ching.
A–3325280, Flores-Aguilar, Luis.
0900–65065, De Gutierrez, Maria Alverado.
1607–18271, Gutierrez-Garcia, Ruben.
0900–59772, Limon-Guzman, Santos.
0900–59944, De Limon, Socorro Rivera.
0900–59945, Limon-Rivera, Cristina.
0300–430883, De Marco, Elsie Maria.
0300–123659, Muscat, Giuseppe.
T–2760154, Roca, Silveria.
T–1497427, Roman, Josefina Roca.
E–094532, Rozenberg, Abraham.
A–1740456, Ruiz-Carmona, Jesus.
A–7145523, De Ruiz, Maria Guadalupe Guerrero.
A–7083042, Wilson, Matilda Emily.
A–5928409, Yung, Woo Yu.
A–6741749, Brown, Naomi Ruth Rahim-Lewis.
A–2113785, De Cantu, Marcelina Riojas.
0900–58064, De Dias, Maria Louisa Anzaldua.
A–6526070, Garcia-Alvarez, Alfonso.
A–5097415, Julio, Antonio Fernandez.
0300–406032, King, Chin.
A–9519622, Lun, Jet.
1612–2059, Palacios-Guillen, Narcisco.
A–1515457, Szabados, Benedek.
T–2671953, Villanueva-Esparza, Rosa.
A–7995747, Villanueva-Esparza, Daniel.
A–7388735, Silva-Guerrero, Cruz.
A–7388837, De Silva, Rafela Morales.
0300–182833, Giancontieri, Melchiore.
A–7115268, Kiang, Nan.
A–5930175, Lam, Kwai.
0900–65622, Moreno-Hernandez, Arnulfo.
A–5657580, Reyes, Nicolas.
A–7057909, Sanchez, Carmen Rodriguez Hierra y.
0300–310218, Scott, Clinton Joslyn Howard.
A–1270077, Smith, Joseph Nathaniel.
A–6161491, Suzuki, Kin.
A–6185239, Suzuki, Kane.
A–6161487, Hamahashi, Masumi Felicia (nee Suzuki).
A–6161488, Suzuki, Chieko Rosalie.
E–084333, Syrak, Charles.
A–7366045, Yioras, Eleftherios.
E–086060, Alexis, Joseph Nathaniel.
A–5016627, Barca, Amilcare.
E–119230, Ching, Ho Bo.
T–1143398, Estrada-Cardona, Jose Luz.
A–7463023, Guerrero-Lopez, Alfonso.
A–7469428, Guerrero, Maria de Jesus Gonzales de.
0900–61528, Marquez-Gracia, Jose Tiburcio.
A–7450925, Montelongo-Jaramillo, Remigio.
A–4800019, Top, Todor.
A–9652030, Wah, Chan Chin.
A–4171996, Wong, Wing Hem.
A–7476835, Aldana-Garcia, Carlos.

A-5388868, Amato, Antonio.
A-5769833, Balogh, Geza Stefan.
A-6087502, Erebia-De Garza, Maria.
A-6465708, Cagnazzi, Giuseppe.
A-6354161, Cajudoy, Teodora Gampong.
A-3174507, De Solis, Elvira Moncada.
T-2760153, Diaz-Garcia, Elena.
A-6165371, Flores, Domingo.
0900-65627, Gonzales-Vargas, Rafaeel.
A-7955360, Lukac, Suzanne Anna Marie.
A-6957100, Joannides, Johnny.
A-6957101, Joannides, Vanda Chiesa.
A-6373370, Panoussis, Dimitrios, Ioannis.
A-6373369, Panoussis, Maria Spanou.
A-3418700, Rakulich, Ante Jure.
A-6492285, Salbosa, Conrado.
A-6492286, Salbosa, Antonia.
A-3423289, Schrage, Ben.
A-5619669, Suykerbuyck, James Pol.
A-6687259, Vandable, Regina.
T-1496196, Vargas-Rosas, Remegio.
A-2127885, Vojas, Vladimir.
A-6585976, Archundia-Garuno, Luis.
A-6732157, Andal, Manuel Catapang.
A-4664251, Gulston, Frederick Thomas.
T-2672151, Lunkeit, Henry Johannes.
A-5453516, Stahl, Ernst Heinrich.
A-7181915, Butte, Nelly Tong.
T-1496797, Caspillo, Victoriano.
A-6403025, Furlong, Louise Kathleen.
A-3150948, Gasparovich, Stepan.
A-5978834, Greenberg, Benjamin Maurice.
A-2787968, Leong, Wing Jip.
A-7841862, Ling, Chuey.
A-8282823, Man, Ching.
0300-248739, Pappus, Stavroula Antoine.
A-7266318, Quong, Lee Chuen.
A-6954778, Richardson, Iris May.
A-7351172, Rogacki, Witold.
A-5407827, Wisplaar, Tobios.
A-6095314, Zacharatos, Efrosine.
E-050427, Galano, Margarita Acierto.
E-119210, Yong, Chung Ti.
A-3676218, Bramer, Theodore.
A-5977838, Esquibias, Petra Sanchez.
A-6836324, Gottlieb, Istvan.
A-6836339, Gottlieb, Leonie Marie.
A-6828858, Gottlieb, Istvan.
A-6171044, Hermosillo-Davalos, Jose.
A-7491666, Manon, Luis.
A-9765151, Pao, Sun Ah.
A-2353968, Piedra, Joaquin.
E-075916, Brewer, Maria Paula.
A-7459742, Brewer, Susanna.
A-2659069, Dot, Wong.
A-2893527, Kulisich, Vincent Jerry.
0300-409149, Lee, Fay Fay.
A-6145874, Mashal, Menashi Moshi.
A-3518687, Nava, Pasquale Giovanni Nava.
A-6432316, Pittillo, Richard.
A-6340936, Ramos, Luisa Ordonez.
A-6340928, Montero, Charita.
A-6340926, Montero, Marcelino.
A-6340927, Montero, Leonar.
A-5210884, Reiss, Magdalena.
0300-380913, Schenone, Gio-Batta.
A-7874982, Schenone, Rose Ferrera.
A-7284772, Sulliban, Leoncia Claridad.
A-5479090, Healey, William Farquhar.
A-4222108, Sancho-Portoles, Miguel.
A-6458971, Torres-Alvarado, Jose Carmen.
A-7250943, Tsou, Tang.
A-6161466, Yamashiro, Alberto Isamu.
A-6303559, Zaniewski, Maximilian.
A-4108465, Salazar, Simon.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS—REPORT OF A COMMITTEE

Mr. KILGORE. Mr. President, from the Committee on the Judiciary, I report an original concurrent resolution favoring the suspension of deportation in the cases of certain aliens, and I submit a report (No. 1413) thereon.

The PRESIDENT pro tempore. The report will be received, and the concurrent resolution will be placed on the calendar.

The concurrent resolution (S. Con. Res. 68) was placed on the calendar, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation pursuant to the provisions of section 244 (a) (5) of the Immigration and Nationality Act (66 Stat. 214; 8 U. S. C. 1254 (c)):

A-1518753, Alexsandrovsky, Haeme.
A-2521036, Babiasz, Ludwik.
A-3152204, Bassiuk, Berl.
A-3151508, Block, Meyer.
A-1935641, Boguszewski, Stanislaw.
A-1570711, Caiffe, Michael.
A-6432266, Coons, Florence Elizabeth.
A-2299257, Duszczyk, John.
A-1504456, Garcia-Garcia, Emeterio.
A-3112331, Grubstein, Joseph.
A-5520577, Macavei, Theodore.
A-5877015, Otterpohl, Johannes.
A-4424294, Said, Hasan.
A-5950523, Vecchio, Frederick.
A-4543147, Weker, August Franz.
A-5401183, Nadler, Benjamin.
A-6268870, Psket, Frank.
A-5012003, De Rocco, Guadalupe Garcia.
A-5953621, Graztis, Charles Kazimes.
A-3363786, Hanacki, Alexi.
A-1972550, Keri, Imre.
A-3758152, Kubo, Ryukichi.
2530-P-111999, Romond, Victor.
A-2192737, Saleba, Harry K.
A-5050186, Schlam, Max.
A-5722106, Steinberg, Morris.
A-5481658, Vence, Julia Ghislaine Victoria.
A-3748814, Bizub, Jan.
E-096633, Karpany, Michael.
A-1029615, Manuela, Vincenzo.
A-4472520, Marino, Phillip John.
A-2432814, Pessin, Joseph.
2774-P-150818, Dadasovich, Trivan.
A-5481160, Maniscalco, Bernardo.
A-2996201, Memcevic, Mato.
A-4897523, Chimiel, Mary Georjk.
A-2499495, Karlsson, Per August Elis.
A-3223867, Lasczsesten, Andras.
A-5283964, Muszinski, Stephen Joseph.
A-2413009, Mykkanen, Waino John.
A-2664328, Ozdoba, Sylvester.
A-1290504, Pitkowski, John.
A-1292775, Reiss, Jack.
A-3080509, Sherman, Abraham.
A-1517262, Silverman, Rebecca.
A-4529980, Veccirkas, Antanas.
A-5413225, Wisniewski, Paul.
A-5940963, Armedio, Carmine.
A-1913728, Boolen, Leona Margaret (nee Toews).
A-5094529, Greenberg, Leon Levine.
A-4165058, Kozinski, Peter.
A-1970246, Lefcovitz, Leopold.
A-1049318, Milligan, Clarence Reynolds.
A-5334014, Ragni, Louis.
A-4911237, Urasik, George.
A-5773002, Valey, Stephen Francis.
A-3468884, Castillo, Armando.
A-5208250, Fagan, Nathan.
A-5486663, Navarro-Hernandez, Pedro.
A-2173393, Rogalski, Stanislaw.
A-5976758, Stoka, Dominick.
A-3561023, Tomkowsky, Edward Joseph.
A-4158186, Volpi, Umberto.
A-1288760, Erblick, Max.
A-2214247, Mauch, Erhard.
A-1679210, Podkoscielny, Thomas.
E-093853, Prestia, Giuseppe.
A-4963684, Rodriguez, Jose.
A-4374868, Spinack, Charles.
A-1755527, Zawadski, Eliasz.
A-1526573, Carlo, John.
A-1859088, Cekovich, John.
A-4073697, Crnogarac, Paul.
A-8847111, Herman, Andrew.
A-4506868, Kleinberg, Harry.
A-4387639, Nemo, Al.
A-5017732, Szabelski, Frank.
A-4843933, Vilim, Josephine (nee Hubek).
A-3997690, Einsentein, Sam.
0300-428551, Galvano, Alberto.
A-1071707, Isakowitsch, Alfred.
A-1309588, Kidder, Kako.
A-4567843, Nemirowsky, Jacob Charles.
A-2750348, Szalay, Joseph.
E-79714, Hong, Yen.
A-5809281, Aszoni, Istvan.
A-1009222, Fewskes, Oscar Charles.
A-4364776, Albano, Lawrence.
0300-422308, Becker, Hyman.
A-5208729, Bombas, Joseph John.
A-3450971, Glasgow, Joseph.
A-3430836, Koll, Cornelius.
A-2608347, Marchuk, Peter.
A-1590661, Schwartz, Alexander.
A-5643340, Shiojuk, Michael.
A-5093662, Fischer, Arnold Paul.
A-5920401, Hanson, Melvin Frank.
A-3623036, Kalousek, Mathilda.
A-4924351, Miller, Frank Louis.
A-6441524, Perez-Negrete, Concepcion.
A-5648276, Raczynski, Alexander.

ALLEGED IRREGULARITIES IN CONNECTION WITH ERECTION OF GRAIN ELEVATORS IN PAKISTAN—REPORT OF A COMMITTEE—INDIVIDUAL VIEWS (S. REPT. NO. 1410)

Mr. McCLELLAN. Mr. President, on behalf of the Senate Committee on Government Operations, I wish to submit a report and make a very brief statement regarding it.

This report on Foreign Operations Administration grain elevators to be erected in Pakistan, criticizes the actions of former Director of FOA, Harold E. Stassen, charging him with poor judgment and bad business practices, and attempting to hinder and impeded the legitimate function of the subcommittee.

Were it not for the investigation by this subcommittee, there was every indication that Mr. Stassen would have proceeded to negotiate a contract at an excessive cost of almost $1 million to the United States taxpayer, even against the advice of specialists in his own organization.

The evidence presented at the hearings indicated collusion between Mr. Alfred E. Poulsen, vice president of the Agricultural Construction Co., of Los Angeles, Calif., and Mr. Robert H. Pinner.

Mr. Pinner, an old acquaintance and former business associate of Poulsen, received his appointment as a consulting engineer to FOA on the Pakistan grain-storage program on the recommendation of Mr. Poulsen, and the evidence showed that Pinner had clandestinely passed on information to Poulsen to assist his company in preparing its bids.

The report revealed that on May 25, 1955, copies of the subcommittte's hearings were referred to the Attorney General of the United States for appropriate action on possible violations of perjury and conspiracy to defraud the Government.

Regarding the statement in the individual views to the effect that the record shows that Mr. Stassen stopped the letting of a contract in December 1954 when the first adverse claims were made, in my opinion that statement is not in accordance with the facts. The Agricul-

tural Construction Co. received notice on January 4, 1955, that the contract was to be negotiated with them. I quote:

> We take pleasure in advising you that the Pakistan Government, with the assistance of the Foreign Operations Administration, is prepared to negotiate with you a contract for the grain-storage project.

Even as late as March 28, 1955, Mr. Stassen wrote a letter to me as chairman of this subcommittee, stating that he had found no irregularities in this matter and that he intended to proceed with the negotiation of the contract.

The minority's press statement that "Mr. Stassen offered his cooperation in his first letter to the subcommittee, the only difficulty arose when he insisted that employees of FOA should have the right of counsel when summoned before the subcommittee investigators and that star chamber sessions should not be held with FOA employees" is not in accordance with the facts. The facts are set forth on page 2 of the report for all to see. There it is pointed out that it was necessary for me to write on three separate occasions requesting material and data on this matter from Mr. Stassen, and even then it was not forthcoming. In addition, Mr. Stassen was not attempting to prevent star chamber proceedings as the minority describes them, but as explained by Mr. Saccio, who was representing Mr. Stassen, the latter wished to have his own personal representative present when interviews were held with members of his agency. These men had differed with Mr. Stassen's decision and the subcommittee members felt his representative being present at such an interview was a form of intimidation. Mr. Saccio testified that Mr. Stassen felt that the operating men in the agency should not be put in a position where their further usefulness to the agency will be impaired and that Congress should receive explanations of what had been done in his agency only from him (Stassen) or his senior deputies. There was never any question raised as to whether these men could have their own private attorneys. That is specifically provided for by the rules of the subcommittee and that issue was never broached.

As a result of the subcommittee findings the International Cooperation Administration, successor to the Foreign Operations Administration, is now preparing complete plans and specifications for new bids, a step which should have been taken at the very beginning.

The PRESIDENT pro tempore. Without objection, the report, together with the individual views, will be received and printed.

THE ILLICIT NARCOTICS TRAFFIC—REPORT OF A COMMITTEE (S. REPT. NO. 1440)

Mr. DANIEL. Mr. President, pursuant to Senate Resolution 67, 84th Congress, 1st session, from the Committee on the Judiciary I submit a report containing a summary of preliminary findings and recommendations of the Subcommittee on Improvements in the Federal Criminal Code, concerning the illicit narcotics traffic. I ask that the report be printed.

The PRESIDENT pro tempore. The report will be received and printed, as requested by the Senator from Texas.

REPORT ENTITLED "REPORTS TO THE CONGRESS BY THE SECOND COMMISSION ON ORGANIZATION OF THE EXECUTIVE BRANCH OF THE GOVERNMENT" (S. REPT. NO. 1441)

Mr. KENNEDY. Mr. President, from the Committee on Government Operations, I submit a report made by its Subcommittee on Reorganization, entitled "Reports to the Congress by the Second Commission on Organization of the Executive Branch of the Government," and ask that it be printed.

This report, approved unanimously by the Committee on Government Operations, is a factual presentation of the reports to the Congress by the Commission on Organization of the Executive Branch of the Government—the last Hoover Commission — including the Commission's task force reports and appendixes.

The committee report also lists by title, author, and committee reference the 237 bills introduced in the 1st session of the 84th Congress which relate to the Hoover Commission's reports concerning reorganization of the executive branch, with a cross-reference to implementation of the 314 specific recommendations made by its 20 reports.

This report was prepared by the subcommittee staff to provide Members of the Congress with a ready reference to the Hoover Commission recommendations as related to the specific bills which have been introduced to implement them. I believe it will be of inestimable value to Members, the executive branch, and the public.

I might say in submitting this report that it is the intention of the subcommittee on reorganization to examine carefully and intensively the Hoover Commission reports which have been referred to it and the accompanying legislation which has been introduced to implement those reports, or recommendations contained therein, and to hold hearings upon those matters which would provide more efficient government and more economical operations as expeditiously as possible.

Members of the Senate may recall that the first two bills which implement recommendations of the last Hoover Commission—dealing with more efficient disposal of surplus property and improved management of Federal records—which were reported favorably by the Senate Government Operations Committee last July, were passed by the Senate toward the close of the last session of the Congress.

The subcommittee is presently holding hearings on recommendations made by the Hoover Commission, and recently elaborated upon by former President Herbert Hoover, which would relieve the President of the United States of some of his heavy administrative burden. Hearings upon this matter will be resumed tomorrow morning.

The PRESIDENT pro tempore. The report will be received and printed, as requested by the Senator from Massachusetts.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MURRAY (by request):

S. 3004. A bill to authorize the Secretary of the Interior to compromise, adjust or cancel certain debts of individual Indians and Indian tribal organizations, and for other purposes; and

S. 3005. A bill to authorize and direct the Secretary of the Interior to convey to David Peters, or to his heirs or assigns, title to land held by the United States in trust for him; to the Committee on Interior and Insular Affairs.

By Mr. FULBRIGHT:

S. 3006. A bill to provide for the liquidation of Government-held stocks of cotton, and for the natural flow of American cotton into world trade channels at competitive prices; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. FULBRIGHT when he introduced the above bill, which appear under a separate heading.)

By Mr. KNOWLAND:

S. 3007. A bill to establish an immediate program to aid in reducing the public debt by providing that certain receipts from the sale of capital assets of the Government shall be used for such purpose; to the Committee on Finance.

(See the remarks of Mr. KNOWLAND when he introduced the above bill, which appear under a separate heading.)

By Mr. STENNIS (for himself, Mr. EASTLAND, and Mr. GORE):

S. 3008. A bill relating to cotton acreage allotments; to the Committee on Agriculture and Forestry.

By Mr. SALTONSTALL (by request):

S. 3009. A bill for the relief of Kiyoshi Kinoshita; to the Committee on the Judiciary.

By Mr. CASE of South Dakota:

S. 3010. A bill to authorize the Secretary of the Army to make a monetary allowance in lieu of providing a headstone or marker for the unmarked grave of a soldier or a member or former member of the Armed Forces; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. CASE of South Dakota when he introduced the above bill, which appear under a separate heading.)

By Mr. WELKER:

S. 3011. A bill for the relief of Chan Lee Nui Sin; to the Committee on the Judiciary.

By Mr. KERR:

S. 3012. A bill for the relief of Richard Rhen-Yang Lin and his wife Julia Lam Lin and their minor child Richard Rhen-Yang Lin, Junior; to the Committee on the Judiciary.

By Mr. KERR (for himself and Mr. MONRONEY):

S. 3013. A bill to extend the rights, benefits, and privileges granted to World War II veterans to certain citizens of the United States who entered the armed forces of governments allied with the United States during World War II, and to their dependents; to the Committee on Finance.

By Mr. LANGER:

S. 3014. A bill providing for the furnishing, free of charge, of gravel from wildlife refuges to the State (or political subdivision thereof) in which such a refuge is located for public road purposes; to the Committee on Interstate and Foreign Commerce.

S. 3015. A bill to confirm and protect the right of individuals to communicate with Members of Congress; and

S. 3016. A bill for the relief of Maryland Township, Carpio, N. Dak.; to the Committee on the Judiciary.

By Mr. KEFAUVER:

S. 3017. A bill to provide for the hospitalization and treatment of members of the Coast Guard and their dependents in hospitals and other medical facilities of the Armed Forces, and for other purposes; and

S. 3018. A bill to revise section 3 of the act of January 2, 1951, relating to registration of manufacturers of and dealers in gambling devices; to the Committee on Interstate and Foreign Commerce.

S. 3019. A bill for the relief of Moshe Davidovitz and Frieda Davidovitz; to the Committee on the Judiciary.

S. 3020. A bill providing for the adoption by the Tennessee Valley Authority of measures designed to eliminate the air pollution problem in Kingston, Tenn., occasioned by the operation of steam plants by such Authority; to the Committee on Public Works.

By Mr. KEFAUVER (for himself, Mr. LANGER, Mr. WILEY, and Mr. THYE):

S. 3021. A bill to amend title 18, United States Code, to make unlawful certain practices in connection with the placing of minor children for permanent free care or for adoption; to the Committee on the Judiciary.

(See the remarks of Mr. KEFAUVER when he introduced the above bill, which appear under a separate heading.)

By Mr. JENNER:

S. 3022. A bill for the relief of Dimitrios George Kousoulas; to the Committee on the Judiciary.

By Mr. CLEMENTS (for himself and Mr. BARKLEY):

S. 3023. A bill to amend the Watershed Protection and Flood Prevention Act in order that a greater number of local organizations may qualify for assistance under the provisions of such act; to the Committee on Public Works.

(See the remarks of Mr. CLEMENTS when he introduced the above bill, which appear under a separate heading.)

By Mr. KEFAUVER:

S. 3024. A bill for the relief of Donald Shang-Peh Kao; to the Committee on the Judiciary.

By Mr. SMATHERS:

S. 3025. A bill to amend paragraph (2) of subdivision (c) of section 77 of the Bankruptcy Act, as amended; to the Committee on the Judiciary.

(See the remarks of Mr. SMATHERS when he introduced the above bill, which appear under a separate heading.)

By Mr. DANIEL (for himself and Mr. JOHNSON of Texas):

S. 3026. A bill for the relief of Annunziata Gambini and Tomazo Gambini; to the Committee on the Judiciary.

LIQUIDATION OF GOVERNMENT-HELD STOCKS OF COTTON

Mr. FULBRIGHT. Mr. President, I introduce, for appropriate reference, a bill to provide for the liquidation of Government-held stocks of cotton and for the natural flow of American cotton into world trade channels at competitive prices. I am introducing this bill at the suggestion and request of Mr. Oliver O. Scroggin, Little Rock, Ark., who has had extensive experience as a cotton farmer and broker and who has given the cotton problem serious study. I believe this proposal has merit, and I hope the Committee on Agriculture and Forestry will give it serious and sympathetic consideration.

Mr. Scroggin appeared before the Senate Committee on Agriculture and Forestry on Friday, January 20, for the purpose of explaining this proposed solution to the cotton problem.

I ask unanimous consent that a copy of a letter from Mr. Scroggin to me dated November 10, 1955, explaining the proposals embodied in this bill be printed at the conclusion of my remarks in the body of the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 3006) to provide for the liquidation of Government-held stocks of cotton, and for the natural flow of American cotton into world trade channels at competitive prices, introduced by Mr. FULBRIGHT, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

The letter presented by Mr. FULBRIGHT is as follows:

LITTLE ROCK, ARK., *November 10, 1955.*

The Honorable J. W. FULBRIGHT,
United States Senator,
Old Post Office Building,
Little Rock, Ark.

DEAR SENATOR FULBRIGHT: I wish to thank you for the time given me in attempting to explain a possible solution to the cotton problem. As you have suggested, I am writing a letter so you may give the ideas further consideration.

Two results are essential for the success of any program. First, the liquidation of Government-held stocks. Second, the natural flow of American cotton into the trade channels of the world at competitive prices. Any program that does not accomplish this is doomed to failure. Another factor that must be given considerable thought is, that it is impossible for the American cotton farmer to remain solvent if he is forced to buy his needs in a protected market and sell his product in a free market. Eventually he will be squeezed dry. Yet, on the other hand, if he is unable to meet his competition of foreign growths and synthetics, he cannot continue long as a cotton producer. The only possible answer is a direct subsidy to the farmer or a large reduction in the prices of the things he must buy. There must be some offset for the high tariffs and high labor costs.

Out of this crop of around 15 million bales, the Commodity Credit Corporation, through its 90 percent of parity loan, will be forced to add some 4 or 5 million bales to its already burdensome stock of more than 8 million bales. This surplus in Government hands is a threat to the entire cotton industry, and doubly so as it is politically controlled. A fixed-price loan, based on acreage instead of bales, can only add to this surplus from year to year. Cotton must be produced for consumption rather than storage.

I suggest the following as a solution:

1. Eliminate all Government loans on cotton in the future allowing American cotton to seek its own value in the markets of the world. Any loan, whether it be 75 percent or 90 percent of parity, notifies the world a year in advance the minimum price of American cotton for the coming year. This gives foreign producers and manufacturers of synthetics a big advantage.

2. Many farmers have been producing inferior cotton for the loan in preference to consumption. The Commodity Credit Corporation has several million bales of such cotton in their stocks, so I would suggest, although it is not necessary for the success of my plan, that such cotton be stockpiled under a law to the effect that none of this cotton can be sold except in time of war or a national emergency.

3. Notify the world that none of the remaining stocks can be sold except at 105 percent of parity plus carrying charges.

4. Eliminate all acreage controls in the future and allow each individual farm the right to produce as it sees fit, taking its chances on world prices.

5. The Department of Agriculture has reduced the farmer's acreage allotment the past few years in the expectation of a production of 10 million bales of cotton. In every instance the farmer has increased his yield per acre, thereby producing crops of from 13 to 15 million bales. A control of production must be in allotted bales in preference to acres. Set up a figure of 10 million bales for the coming crop and prorate to each farm its share of this 10 million bales, based on its past history of production. Pay each farm a direct subsidy, basis Middling fifteen-sixteenths, for what it receives for its share on a free market and 90 percent of parity. However, until the surplus Government stocks are liquidated, make the payment in cotton or the rights to so many pounds of cotton, basis Middling fifteen-sixteenths. These rights could readily be converted into money through sales to the cotton trade.

As an illustration: A farmer has 160 acres of good cotton land. Under the present program he is allotted 32 acres in cotton. He goes to considerable expense to increase the yield on these 32 acres, as in most instances this plot of land must carry the load for the entire farm. Due to the droughts and poor markets, his attempts at producing other crops have not been very successful. Through his increased expense he is able to produce 40 bales of cotton, of which 32 will go into American mill consumption, 2 bales are sent to the world markets on the give-away program, and the balance goes into the Commodity Credit loans. The Department decreases his acreage allotment further the coming year, so his problem of making ends meet becomes greater from year to year.

Under my plan it would be up to the farmer to decide how much cotton he wished to plant, knowing that he is guaranteed 90 percent of parity on, say 32 bales, his share of the 10 million bale allotment. Any production over the 32 bales would be sold at world prices. If the world prices and demand were good, he would increase his production, but, if poor, he no doubt would stay within the range of his allotment. This, in itself, should act as a stabilizing influence on not only American production, but foreign growths and synthetics as well.

The subsidy payment in cotton could work as follows: A printed form could be given the farmer showing he is due 90 percent of parity on 32 bales of cotton—16,000 pounds. When he sells this 16,000 pounds, the difference between what Middling fifteen-sixteenths is quoted that day and 90 percent of parity on Middling fifteen-sixteenths would be the amount due him. For instance, if Middling fifteen-sixteenths is quoted at 27.35 and 90 percent of parity is 33.52, his subsidy would be 6.18 per pound, or $988.80. This right to purchase $988.80 worth of surplus stocks at the market price from the Commodity Credit Corporation could readily be converted into cash through a sale to the cotton trade. None of the surplus stock could be sold at market prices except through payment with subsidy rights, except as follows:

6. To further expedite the exportation of the surplus stocks, allow the Commodity Credit Corporation to accept 10 percent of any sale, but not more than 10 percent, in approved foreign exchange. This will help the countries that cannot obtain dollars to pay for cotton.

7. If a farm reduced its yield below its allotted share, pay it a subsidy in cotton also, until such time as the surplus stocks dis-

appear. As in the above instance, if the farmer raised only 14 bales, he would still be entitled to his subsidy of $988.80. Perhaps it would be helpful in keeping down production to pay an additional bonus for reduced production.

Such a plan as this would improve the quality of the cotton crops. It would be very much to the advantage of the farmer to produce a higher type of cotton. As an illustration, the above-mentioned farmer plants good seed and is careful with his picking, so his crop is worth 30 cents on the market; he receives 30 cents for his crop and 6.18 subsidy, making the value of his crop 36.17. But, on the other hand, if he planted a poor quality of cotton and his crop would only bring 20 cents on the open market, the net value of his crop would be 26.18.

It is my opinion that this plan will restore the cotton economy of the South to an active expanding economy, instead of a stagnant mess.

In a few years we would have a complete liquidation of Government-held stock through normal trade channels. The cotton trade certainly is in a better position to market these stocks in an orderly manner than the Government.

The efficient American cotton farmer would regain his standings in the cotton markets of the world, and regain at least a portion of his lost markets.

There is little doubt but that consumption of American cotton would increase 5 million bales annually. The American cotton mill would be in a better position to meet the competition of synthetics and importation of finished goods.

The export giveaway program could be eliminated as there would be no need for it.

This plan would benefit all concerned—the American cotton farmer, the taxpayer, the consumer, and the entire cotton industry.

Yours very truly,

OLIVER SCROGGIN.

PROGRAM TO AID IN REDUCTION OF PUBLIC DEBT

Mr. KNOWLAND. I introduce, for appropriate reference, a bill to provide that all receipts from the sale of capital assets, which normally would be covered into the general fund of the Treasury, shall be put aside for retirement of the national debt.

Mr. President, as all Members of the Senate know, the national debt now is $280 billion. If the Federal Government should start to reduce the debt at the rate of $1 billion a year, it would take 280 years for the debt to be retired. I believe the bill I am introducing would at least assure the American people that any sale of capital assets would be used for the gradual reduction of the national debt.

Mr. President, the text of the bill is not long, and I ask unanimous consent that it be printed at this point in the body of the RECORD, as a part of my remarks.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 3007) to establish an immediate program to aid in reducing the public debt by providing that certain receipts from the sale of capital assets of the Government shall be used for such purposes, introduced by Mr. KNOWLAND, was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That in order to establish an immediate program to aid in reducing the public debt all receipts, covered into the Treasury for deposit in the general fund and resulting from the sale, after the date of enactment of this act, of any property of the Federal Government which is considered a capital asset under proper accounting procedures, shall be deposited into a special account which shall be established on the books of the Treasury. The Secretary of the Treasury shall from time to time utilize the money in such special account for the payment at maturity or the redemption or purchase before maturity of any obligations of the United States included in the public debt of the United States. All obligations of the United States paid, redeemed, or purchased with money out of such special account shall be canceled and retired and shall not be reissued.

MONETARY ALLOWANCE IN LIEU OF HEADSTONE OR MARKER FOR CERTAIN GRAVES

Mr. CASE of South Dakota. Mr. President, I am reintroducing for appropriate reference, a bill which I introduced in the first session of this Congress. The bill would authorize the Secretary of the Army to make a monetary allowance, in lieu of a headstone, to veterans' next of kin or to kin of others entitled to a Government headstone or marker.

We have carefully rewritten the bill to conform to suggestions made by the Secretary of the Army, in his report to the Chairman of the Senate Armed Services Committee, on October 5, 1955. As you know, Mr. President, the Quartermaster General of the Army administers the supplying of Government headstones.

I should like briefly to summarize our reasons for introducing the bill: Many next of kin would like to commemorate the graves of the deceased with a little better stone than the modest one supplied by the Government. With an allowance of about $25, roughly the current cost to the Government of supplying a stone or marker, they can add a little bit and can get a larger or more decorative stone.

We believe the present program of supplying a stone should parallel the program with reference to burial costs of veterans. The Government now makes an allowance of $150 to next of kin for burial. The Government does not just provide a GI issue casket, so to speak, for the deceased. So, we feel that the Government should not just issue a stone or marker if the next of kin desire something else.

This would, however, remain a matter of voluntary option to the next of kin. Under my bill they could receive the money or accept the stone now issued by the Government. Likewise, in a national cemetery, any stone provided would have to comply with the general scheme and propriety, as regulated by the administrators of the cemetery.

I am happy to say that in its national executive committee meeting on November 17–19, the American Legion approved the proposal in this bill. I hope other veterans' groups will give it favorable attention.

The bill is commended to the Senate for its early attention.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3010) to authorize the Secretary of the Army to make a monetary allowance in lieu of providing a headstone or marker for the unmarked grave of a soldier or a member or former member of the Armed Forces, introduced by Mr. CASE of South Dakota, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

AMENDMENT OF CODE RELATING TO CARE OR ADOPTION OF MINOR CHILDREN

Mr. KEFAUVER. Mr. President, I am about to introduce a bill, and I ask unanimous consent that I may speak on it in excess of the 2 minutes allowed under the order which has been entered.

The PRESIDENT pro tempore. Without objection, the Senator from Tennessee may proceed.

Mr. KEFAUVER. Mr. President, on behalf of myself, the Senator from North Dakota [Mr. LANGER], the Senator from Wisconsin [Mr. WILEY], and the Senator from Minnesota [Mr. THYE], I introduce, for appropriate reference, a bill to amend title 18, United States Code, to make unlawful certain practices in connection with the placing of minor children for permanent free care or for adoption. This is a matter of deep personal concern to every American who has an ounce of compassion in his being.

I refer to the plight of the many thousands of children in this Nation who are deprived each year of their God-given right to a normal upbringing under the loving care of their natural parents, for any one of a number of reasons beyond their control, and who are therefore subject to adoption.

Under our present laws, anyone who arranges to sell a car, a motorboat, or any other piece of property illicitly obtained across State lines would be subject to arrest and imprisonment. Yet, Mr. President, there are no Federal regulations governing the sale of a child, however obtained, across State lines.

Are the children of this country not entitled to at least the same measure of protection that we give to a secondhand car? Under present law, they are not. It is for this reason that I introduce the instant bill imposing criminal sanctions against persons engaged in the commercialized placement of children for adoption across State lines.

This portion of the measure is designed to combat the so-called interstate baby-selling racket.

The bill also provides for a simple, effective, and constructive method of safeguarding the natural parents, the child, and the adoptive parents against irresponsible and careless interstate placement of children, even when there is the absence of a profit motive.

Mr. President, it is a wonderful and happy development that so many fine and decent Americans are eager to invite children into their homes for adoption.

Last year, more than 90,000 adoption petitions were filed in the United States. While it is true that there are still infants who are difficult to place for reasons of racial origin or physical and mental capacities, the demand for easy-to-place infants so far exceeds the supply that a spirited competition exists in all parts of the country to obtain these children for adoption.

This situation was called to the attention of the Subcommittee To Investigate Juvenile Delinquency, of which I have the honor to be chairman.

As a result of our investigations, the subcommittee learned that a basic and tender human emotion—the urge toward parenthood on the part of couples who are deprived of children of their own—is frequently exploited by unscrupulous individuals whose only desire is for personal gain.

Mind you, Mr. President, I do not maintain that all persons engaged in the placement of children are irresponsible or motivated by profit. But there are enough unprincipled individuals involved to warrant Federal safeguards. And I am confident that well-intentioned persons who are assisting in the placement of children would welcome the establishment of standards to protect the rights of the child as well as those of the adoptive and natural parents.

Here is a typical, shocking example of the manner in which children are placed for sale:

An Oklahoma woman who testified at the subcommittee's hearings in Chicago on this subject last July admitted that she operated an interstate baby selling business from a farm in north Texas. She secured her clientele through newspaper advertisements. Her ads appeared in Oklahoma papers for more than a year. This woman has a criminal record of 27 arrests, and 7 felony convictions, including 1 for robbery.

Thirty-three States, including Texas and Oklahoma, as well as the Federal Government, do not make baby-selling a crime. Because of these wide-open loopholes in our State and Federal statutes, this female racketeer was able to operate her interstate traffic in infants until the law caught up with her. But her operations were not stopped because of her traffic in human life, but because two automatic pistols were discovered in her north Texas home—the same place she used to harbor unmarried mothers.

Had the legislation I am proposing today been then in force, she could have been removed from this nefarious racket at the very outset of her activities.

The investigations of our subcommittee revealed that during 1955, thousands of children were transported for sale—like so many sacks of flour—from State to State, in assembly-line fashion, for prices ranging usually from $500 to $3,500. In one recent case, which has just come to the subcommittee's attention, involving the placement of a child brought from Miami, Fla., to New York City, the price was $10,000.

The fact that in many cases this price was camouflaged in the guise of fictitious medical, legal, or service fees, only intensifies the seriousness of this traffic.

Law-enforcement officials at the local or State level are unable to cope with this vicious situation, either because they have no statute on which to act, or because the essential witnesses are scattered throughout the country.

It is imposing an impossible burden on a police force in a small community to ask its members to investigate and enforce a law that involves an essentially interstate situation. That is why I seek to bring before the attention of the Senate, Mr. President, a Federal law that will clearly define Federal responsibility in this area.

I wish to pay tribute to my colleagues, the Senator from Wisconsin [Mr. WILEY] and the Senator from Minnesota [Mr. THYE] for the bills which they have introduced on this subject. Also, the distinguished senior Senator from North Dakota [Mr. LANGER] has investigated and gone into the matter very thoroughly, and intends to make important proposals which would help a great deal. I am delighted to have him as a cosponsor of this measure.

I think the bill which I have introduced encompasses most of the good proposals of all previously suggested legislation.

The proposed legislation has another purpose: To insure that all children sent across State lines for permanent free care or adoption are accorded a proper degree of protection against irresponsible or careless placement.

Its requirements are simple: In all cases where children are adopted, a study must be made of the suitability of a prospective adoptive home for the child. It is important that this study be made before the child has been in the adoptive home for such a long period of time that the removal of the child from an undesirable environment would only result in tragedy.

This study now often takes place 3 months to a year after a child has been placed, when it is obviously far too late to rectify an unwholesome situation.

The proposed legislation requires that the study or investigation be made prior to the placement and transfer of the child across State lines. The study would be made by the State department of public welfare of the State in which the child will reside. This department will then determine whether the proposed placement is in the best interest of the child. If the answer is affirmative, the department will approve the child's admission into the State, for adoption. Although the passage of money or other compensation does not enter into this aspect of the bill, it is predicated on the obvious necessity to protect the child against improper placement.

The proposed legislation is also designed to give protection to children who are permanently placed, but never are adopted. Our investigations revealed that a vicious and deceitful trick is frequently employed by professional baby brokers in this connection: We found that a natural mother frequently is placed in a hospital under the name of the prospective adoptive parents, who innocently accept the proposal as one best for the child and themselves. The birth certificate then is made out in the name of the adoptive mother. There is no formal adoption in these situations. The child is thereby deprived of all the protection and security that an adoption decree would give him. These cases are occurring with such frequency that it is mandatory to root out this practice. The bill therefore covers these situations.

In conclusion, I should like to emphasize that the proposed legislation is not intended in any way to remove or interfere with the basic responsibilities of the States in dealing with adoptive matters. Already over 70 percent of the States have in operation laws regulating and controlling in some manner the importation and admission into their States of children for adoption or care. Rather, the bill is intended to combat situations which are beyond the control of the States, and to eliminate the tragic and sordid interstate traffic in children.

Mr. President, I commend the bill to the attention of the Senate. In so doing, I should like to ask, again: Are not the children of this country entitled to at least the same measure of protection that we give to a secondhand automobile?

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3021) to amend title 18, United States Code, to make unlawful certain practices in connection with the placing of minor children for permanent free care or for adoption, introduced by Mr. KEFAUVER (for himself, Mr. LANGER, Mr. WILEY, and Mr. THYE), was received, read twice by its title, and referred to the Committee on the Judiciary.

AMENDMENT OF WATERSHED PROTECTION AND FLOOD PREVENTION ACT

Mr. CLEMENTS. Mr. President, on behalf of myself and my colleague, the junior Senator from Kentucky [Mr. BARKLEY], I introduce, for appropriate reference, a bill to amend the Watershed Protection and Flood Prevention Act in order that a greater number of local organizations may qualify for assistance under the provisions of such act. I ask unanimous consent that a statement, prepared by me and my colleague, may be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bill (S. 3023) to amend the Watershed Protection and Flood Prevention Act in order that a greater number of local organizations may qualify for assistance under the provisions of such act, introduced by Mr. CLEMENTS (for himself and Mr. BARKLEY), was received, read twice by its title, and referred to the Committee on Public Works.

The statement presented by Mr. CLEMENTS is as follows:

STATEMENT BY SENATOR CLEMENTS AND SENATOR BARKLEY

We are today introducing proposed legislation which would correct what we consider to be serious defects in the Watershed Protection and Flood Prevention Act, which is Public Law 566.

Our primary purpose in offering amendments to this law is to assure Federal participation in the cost of flood-prevention projects on small watersheds. The existing legislation, especially as interpreted by the Secretary of Agriculture in its administration, does not guarantee that the Federal Government will share in the cost of these projects. Interpretations of the intent of this legislation which have been issued by Secretary of Agriculture Benson reveal that he does not feel that the Federal Government should make a material contribution to the cost of these projects.

Congress has decided that as a matter of policy the Federal Government should recognize flood prevention and control as a national problem, and that the use of Federal funds on programs to relieve these problems is justified. That policy should be applied to the small watershed program.

This program is vitally important to the national welfare, because experience has shown that flood prevention needs to start in the upper reaches of the major rivers, on the small watersheds.

The amendments which we are offering would make specific Federal assumption of the construction cost of structural measures allocable to flood prevention. In addition, our amendments would permit the Government to share in the cost of other phases of the conservation, development, utilization and disposal of water. The present legislation is vague on this point.

The present law is too restrictive in connection with construction of reservoirs which would provide for storage of water in excess of 5,000 acre-feet. We propose that this provision be made flexible, subject to review by Congress. There can be times when it is vitally important that reservoirs to store water for purposes other than flood control be larger than 5,000 acre-feet, and it should be possible to include them in small watershed projects.

At the time of introduction of these amendments, we also wish to call attention to the fact that the budget for fiscal year 1957 submitted by the President does not contain sufficient funds to provide a realistic development of the small watershed program. Only $16 million is proposed, and that sum would provide for only 75 projects for the entire country. There could not even be that many if a reasonable share of the cost is borne by the Federal Government.

In the State of Kentucky alone there are 138 applications from local districts for small watershed projects. Obviously the approach proposed by the President would not provide for the kind of early attention to this problem which is justified because of its seriousness and the national welfare which is involved.

JOINT COMMITTEE TO STUDY MATTERS RELATING TO ELECTION, SUCCESSION, AND DUTIES OF THE PRESIDENT

Mr. GREEN. Mr. President, I submit, for appropriate reference, a concurrent resolution which provides for the creation of a temporary joint congressional committee to make a full and complete study of all matters connected with the election, succession, and duties of the President and Vice President from the time of their nomination until the termination of their terms of office. The purpose of the contemplated study is to achieve a sound basis for such remedial legislation as may be necessary to make the law certain and complete as to the Presidential election, succession, and duties.

Profound legal problems and grave constitutional questions are involved in any consideration of this phase of our system of government. While these issues are of the utmost importance, I believe they can be adequately considered by the Congress only after a thorough examination of the entire subject. To that end, I have submitted, either alone or with others, resolutions similar to the one which I now offer during each Congress for at least the last 10 years. In the 81st Congress, I sponsored Senate Concurrent Resolution 14, which passed the Senate on October 17, 1949, but died in the House of Representatives. I invite the attention of my colleagues to Senate Report No. 1096 of the 81st Congress, which favorably recommended the adoption of that resolution.

The concurrent resolution which I submit differs from those previous resolutions solely in its expansion to emphasize the necessity for defining and determining matters relating to the inability of the President to discharge his powers and duties, and to explore the best procedures for relieving the President of the vast accumulation of heavy burdens which presently fall squarely on his shoulders.

Although the subject matters comprehended by the terms of my concurrent resolution have been the cause of much speculation and discussion from time to time ever since the drafting of our Constitution, probably never before in our history has the need for their study and solution been greater.

Since September 24, 1955, when President Eisenhower was stricken with his dread illness, those issues raised by me on the floor of the Senate over many years have stood before the people of our country, and indeed the peoples of the entire world, in the sharpest focus.

On last Thursday, January 19, 1956, President Eisenhower held his first full-dress news conference since last summer. At that conference, in discussing the laws of Presidential succession and, in particular, succession pursuant to the disability of a President, President Eisenhower is quoted in the New York Times as having said:

> I think it is a subject that, in its broadest aspects, every phase of it should be carefully studied by the Congress, advised with by the Attorney General, and any kind of advice they want from the Executive Department, and some kind of a resolution of doubt reached. I think it would be good for the country.

I thoroughly concur in this forthright statement by the President. I believe the concurrent resolution which I now submit would provide the best vehicle with which to reach the desired objective. I hope my colleagues in the Congress will show their agreement with me by giving this measure early approval.

I ask unanimous consent that the concurrent resolution be printed in the RECORD at the conclusion of my remarks.

The PRESIDENT pro tempore. The concurrent resolution will be received and appropriately referred; and, under the rule, will be printed in the RECORD.

The concurrent resolution (S. Con. Res. 65) was referred to the Committee on Rules and Administration, as follows:

Resolved by the Senate (the House of Representatives concurring), That there is hereby created a joint congressional committee to be composed of 5 Members of the Senate to be appointed by the President of the Senate and 5 Members of the House of Representatives to be appointed by the Speaker of the House of Representatives. The joint committee shall select a chairman from among its members. A vacancy in the membership of the joint committee shall not affect the power of the remaining members to execute the functions of the joint committee, and shall be filled in the same manner as in the case of the original appointment.

SEC. 2. It shall be the duty of the joint committee to make a full and complete study and investigation of all matters connected with the election, succession, and duties of the President and Vice President from the time of the nomination of the President and Vice President, through the time of their election and time of their inauguration until the termination of their respective terms of office, with the purpose of making the law certain and complete as to the presidential election, succession, and duties. These matters shall include, but shall not be confined to, the following:

I. As to the election of the President and Vice President—

(1) Whether or not the President and Vice President should be elected by the electoral college, as at present, and if so whether or not the members should be legally bound to vote in accordance with their instructions.

(2) Whether or not candidates for President and Vice President should be nominated by national political conventions, as at present, and, if so, recommendations which should be made to the parties for improving the convention process, and, if not, a method which would be preferable.

(3) Whether or not provision should be made for the case where before the election of presidential electors, or after such time but before the election of President and Vice President, a candidate for the presidency or for the vice presidency dies, declines to run, or is found ineligible to take office if elected.

(4) Whether or not provision should be made for the case of the death of any of the individuals from whom the House of Representatives may choose a President whenever the right of choice shall have devolved upon it, and for the case of the death of any of the persons from whom the Senate may choose a Vice President whenever the right of choice shall have devolved upon it.

(5) Whether or not a constitutional amendment should be proposed under which failure of candidates for President and Vice President to receive a majority of the electoral votes shall be resolved by popular vote rather than by the House of Representatives.

II. As to succession to the office of President—

(1) Whether the provisions of Public Law 199 of the 80th Congress, approved July 18, 1947, relating to Presidential succession, adequately provide for all possible contingencies occasioned by the removal, resignation, death, or inability of both the President and the Vice President.

(2) Whether there are, or should be any differences between the status, powers, duties, and privileges of an elected President and of any other individual succeeding to the office of President.

(3) Whether or not the term of the Vice President or other individual succeeding to the Presidency should be limited to a duration of approximately 2 years, a new presidential election to coincide with election of Members of the House of Representatives where such individual succeeds to the Presidency during the first or second year of the term for which the President was elected.

III. As to inability of the President to discharge his powers and duties—

(1) How it shall be determined whether the President is unable to execute the powers

and duties of the office; and how the extent and duration of such inability shall be determined and defined.

(2) How it shall be decided that the inability requires the constitutional discharge by the Vice President of the powers and duties of the office of President, or results in the succession of the Vice President to the office of President.

(3) What provision should be made to determine a similar inability affecting the Vice President, or other individual, acting during the inability of the President.

(4) Whether there are, or should be, any differences between the status, powers, duties, and privileges of an elected President and of any other individual executing the office of President, during a period of temporary Presidential inability.

IV. As to the powers and duties of the President—

(1) Whether the heavy burdens of the Presidency necessitate the creation of an office of Executive Vice President; whether the establishment of such an office requires a constitutional amendment; and what powers and duties of the President should be assigned to such office.

(2) Whether the act of October 31, 1951 (65 Stat. 712) which provided generally for the delegation of Presidential functions should be modified or extended.

SEC. 3. The joint committee shall report to the Senate and House of Representatives the results of its study and investigation together with its recommendations, including drafts of any legislation recommended and of any proposed constitutional amendments considered necessary or desirable. The joint committee shall submit its final report to the Senate and House of Representatives not later than June 30, 1956, and thereupon the existence of the joint committee shall terminate.

SEC. 4. For the purposes of this concurrent resolution, the joint committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Congress, to employ counsel, clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The expenses of the joint committee, which shall not exceed $25,000 shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives upon vouchers approved by the chairman of the joint committee. Disbursements to pay such expenses shall be made by the Secretary of the Senate out of the contingent fund of the Senate such contingent fund to be reimbursed from the contingent fund of the House of Representatives in the amount of one-half of the disbursements so made.

Mr. KILGORE, from the Committee on the Judiciary, reported the following original concurrent resolutions, which were placed on the calendar:

S. Con. Res. 66. Concurrent resolution favoring the suspension of deportation in the cases of certain aliens;

S. Con. Res. 67. Concurrent resolution favoring the suspension of deportation in the cases of certain aliens; and

S. Con. Res. 68. Concurrent resolution favoring the suspension of deportation in the cases of certain aliens.

(See concurrent resolutions printed in full, which appear under the heading "Reports of Committees.")

INVESTIGATION OF ACTIVITIES OF CERTAIN ORGANIZATIONS IN NOMINATION OR ELECTION OF MEMBERS OF CONGRESS

Mr. JENNER submitted the following resolution (S. Res. 190), which was referred to the Committee on Rules and Administration:

Resolved, That (a) the Senate Committee on Rules and Administration, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete study and investigation of organizations (other than duly organized political parties or political committees thereof) the principal purpose or activity of which is (1) to influence the nomination or election of Members of Congress, (2) to influence legislation in Congress generally so as to advance or implement an overall policy or philosophy of government to which such organization is committed, or (3) designed to, or does, affect the constitutional standing or responsibility of the Congress.

(b) Such study and investigation shall include, but shall not be limited to—

(1) the personnel, organizational structure, sources of finances and expenditures of each organization investigated by the committee;

(2) any contributions to election campaigns made by each such organization;

(3) the background of the principal individuals sponsoring or connected with each such organization;

(4) the effect, if any, on the constitutional role of the Congress produced as a result of the activities of each such organization; and

(5) the effect, if any, on freedom of individuals to elect Members of Congress resulting from the activities of each such organization.

SEC. 2. For the purposes of this resolution the committee, from the date of the adoption of this resolution until January 31, 1957, inclusive, is authorized to (a) make such expenditures as it deems advisable, (b) employ upon a temporary basis technical, clerical, and other assistants and consultants, and (c) with the consent of the heads of the departments and agencies concerned, to utilize the reimbursable services, information, facilities, and personnel of any of the departments or agencies of the Government.

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than January 31, 1957.

SEC. 4. The expenses of the committee under this resolution, which shall not exceed $, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

AMENDMENT OF NATURAL GAS ACT, AS AMENDED—AMENDMENTS

Mr. LANGER submitted amendments, intended to be proposed by him, to the bill (S. 1853) to amend the Natural Gas Act, as amended, which were ordered to lie on the table and to be printed.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. KEFAUVER:

Address delivered by him at naturalization ceremonies in the United States district court, Washington, D. C., on January 10, 1956.

By Mr. WILLIAMS:

Address delivered by him before Baltimore Life Underwriters Association, Inc., and Maryland State Association of Life Underwriters, at their annual convention in Baltimore, Md., on October 14, 1955.

Address delivered by Hon. CLARENCE J. BROWN, Member of Congress, Seventh Ohio District, at the salute-to-Eisenhower dinner at Wilmington, Del., on January 20, 1956.

By Mr. HUMPHREY:

Address entitled "Political Requirements for Prosperity," delivered by him on December 7, 1955, before the Congress of American Industry, in New York City.

Letter written by him to the editor of the Minneapolis Star, on the subject of education as a Federal problem.

By Mr. LEHMAN:

Testimony by him before the Senate Judiciary Subcommittee on Immigration.

Statement by him relative to festival of music.

Address delivered by him at dinner sponsored by United Jewish Appeal, at Waldorf-Astoria Hotel, on January 21, 1956.

SECRETARY DULLES' FOREIGN POLICY

Mr. SMITH of New Jersey. Mr. President, there appeared this morning in the New York Herald Tribune a column written by David Lawrence, entitled "Korean War Called Proof of Need for Deterring Reds."

In this article Mr. Lawrence continues his discussion of the so-called deterrent policy. I feel it is a very valuable contribution to the present debate over American foreign policy.

I next wish to call attention to an article which appeared in the London Daily Telegraph and Morning Post of Tuesday, January 17, 1956. The article is on the same subject, and is entitled, "Dulles' Words and Policy." Here we have, in one of the most important British newspapers, a defense and explanation of Mr. Dulles' deterrent policy. It would appear that the people of Great Britain and their press are not in such a turmoil over the Life article as some would have us believe.

At a later date I shall have printed in the RECORD the full text of the speech recently made by Prime Minister Anthony Eden on this same matter.

I ask unanimous consent that the two articles to which I have referred be printed in the body of the RECORD in connection with my remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Herald Tribune of January 23, 1956]

TODAY IN NATIONAL AFFAIRS—KOREAN WAR CALLED PROOF OF NEED FOR DETERRING REDS

(By David Lawrence)

WASHINGTON, January 22.—If, as now indicated, there's to be a political debate in the Senate on foreign policy and the brink-of-war doctrine, the Democrats might well reread a most interesting speech that Adlai Stevenson, Democratic candidate for the Presidency, made in Chicago on September 29, 1952. Here is what he said:

"We all know that when the Communists attacked across the 38th parallel that was the testing point for freedom throughout the world.

"The men in the Kremlin thought they would be unopposed, and, if they were, the whole question of the future could be settled in one blow. If they had been allowed to conquer free people in Korea, they could have picked away at the free world and engulfed millions piece by piece, 1 by 1.

"Sooner or later we would have had to fight, and the later we made our stand the bigger and the harder the war would have been."

Significantly, Mr. Stevenson concedes that the "men in the Kremlin thought they would be unopposed" if they attacked in Korea. But why did they think so? Why weren't they warned by the United States Department of State that if they did attack, it would bring them to the brink of war?

The answer generally given is that Dean Acheson, Secretary of State in the Truman administration, did the opposite. He revealed publicly in a speech on January 12, 1950, that Korea was not within the defensive perimeter of the United States, which he defined as running from the Aleutian Islands to Japan to the Philippines.

KOREA EXCLUDED

He excluded Korea when he said that if any attack occurred on any country outside the defensive perimeter, the power of the United Nations would have to be invoked and he didn't think it had proved a weak reed to lean upon by any people who are determined to protect their independence against outside aggression.

But Soviet Russia never through the U. N., or, specifically, the United States, would intervene and it so happened that only 6 months after that speech was delivered the Moscow government's delegation happened not to be present at the Security Council meeting in New York City to exercise a veto when the U. N., on the initiative of the United States, did order collective resistance to the aggression in Korea.

Hence the Soviet miscalculated twice—about America and the U. N. itself. Had the United States, however, enunciated a policy of deterrence such as Secretary of State Dulles has been espousing, namely, to warn clearly in advance what will be done to repel aggression, it is conceivable that the Korean war might have been prevented altogether. The 140,000 American casualties might have been saved and also the millions of Korean, Red Chinese, and European casualties, to say nothing of the ten billion or more spent by the people of the United States in the Korean war.

LONDON EDITORIAL QUOTED

There is no misunderstanding of the Dulles policy by thoughtful observers in Europe. On January 17, last, in the midst of the furor over the Life article, the London Daily Telegraph was saying editorially about that article:

"No one can deny that in Korea and Indochina the Communists were challenging Western interests and that over Formosa they were threatening to do so. If the deterrent policy is not a complete sham, it therefore stands to reason that the United States was, as Mr. Dulles affirmed, brought to the brink of war. In each case the possibility of the United States declaring war in China was a major factor, affecting, if not determining, Chinese policy. To deny this or to attack Mr. Dulles for affirming it is to weaken by complication the whole conception of the deterrent policy on which the Western security rests. * * *

"But is it in substance so very different from the policy which Sir Winston Churchill was urging on the Chamberlain government in 1938—except that Mr. Dulles has a real saber to rattle, whereas Chamberlain's scabbard was empty? * * *

"Since the summit conference at Geneva it has been fashionable to talk about war having been outlawed by common consent. This gives a profoundly misleading impression. What happened at Geneva was that both sides understood each other to have renounced ambitions which might lead to war. From renewed Russian toughness it is possible that Moscow is confusing these two impressions."

HYSTERICAL OUTBURST

"No doubt, China, whose conduct in recent months has been noticeably mild, needs little encouragement to follow suit. That is why the hysterical outburst against Mr. Dulles' reference to war is doubly dangerous. If it were to confirm Russia's happy confidence that Geneva had cleared away the great deterrent, or if it were to encourage China to start probing again, then our distaste for hearing Mr. Dulles mention the awful word now might make us face the reality of war later."

The Daily Telegraph points out further that "to allow these marginal complaints" about the Life article "to provoke us into denouncing the central burden of his (Dulles') argument—that peace has depended in the past, and still depends, on American willingness to fight—is to cut off England's nose to spite Mr. Dulles' face."

The idea may be paraphrased for American domestic politics this way: for Democrats to denounce the Dulles doctrine for captious reasons and to imply an unwillingness of the United States to fight when it becomes necessary, would be to cut off America's nose to spite a Republican Secretary of State. It could push the United States over the brink into war.

[From the London Daily Telegraph and Morning Post of January 17, 1956]

MR. DULLES' WORDS AND POLICY

Anger at the brash way Mr. Dulles has recently expressed himself in Life, coupled with regret at the statement's unfortunate timing, has disguised one cardinal fact; that in substance the main offending passage simply reiterated the West's generally accepted deterrent policy. What is the essence of that policy? It is that the West, by holding itself free to launch nuclear war if and when its vital interests are challenged, hopes to deter potential enemies from further aggression. The corollary of this policy is that when hostile countries do challenge Western interests, as was certainly the case in Korea, Indochina and Formosa, we are brought just so much nearer the verge of war.

No one can deny that in Korea and Indochina the Communists were challenging Western interests and that over Formosa they were threatening to do so. If the deterrent policy is not a complete sham, it therefore stands to reason that the United States was, as Mr. Dulles affirmed, brought to the brink of war. In each case the possibility of the United States declaring war on China was a major factor affecting, if not determining, Chinese policy. To deny this, or to attack Mr. Dulles for affirming it, is to weaken by implication the whole conception of the deterrent policy on which Western security rests.

It is perfectly true that Mr. Dulles' description of diplomacy as "the ability to get to the verge without getting into the war" sounds like gratuitious saber rattling. But is it in substance so very different from the policy which Sir Winston Churchill was urging on Chamberlain government in 1938—except that Mr. Dulles has a real saber to rattle whereas Chamberlain's scabbard was empty? And are those organs of opinion which now so vehemently criticize Mr. Dulles was speaking with brutal frankness not those which found the same fault with Sir Winston before the war? There is every reason for criticizing the Secretary of State for discussing foreign policy in a mazagine article clearly designed for electoral propaganda, and for raking up the dead ashes of an Anglo-American misunderstanding over Dien Bien Phu, just before the Prime Minister's visit to Washington; but to allow these marginal complaints to provoke us into denouncing the central burden of his argument—that peace has depended in the past, and still depends, on American willingness to fight—is to cut off England's nose to spite Mr. Dulles' face. As a matter of fact, President Eisenhower's budget statement shows that he continues to be ready to shoulder this inescapable duty.

Since the summit conference at Geneva it has been fashionable to talk about war having been outlawed by common consent. This gives a profoundly misleading impression. What happened at Geneva was that both sides understood each other to have renounced ambitions which might lead to war. From renewed Russian toughness it is possible that Moscow may be confusing these two impressions. No doubt China, whose conduct in recent months has been notably mild, needs little encouragement to follow suit. That is why the hysterical outburst against Mr. Dulles' reference to war is doubly dangerous. If it were to confirm Russia's happy confidence that Geneva had cleared away the great deterrent, or it were to encourage China to start probing again, then indeed our distaste for hearing Mr. Dulles mention the awful word now might make us face the reality of war later.

ROTATING OF CCC STOCKS AS A CURB ON THE PRICE-DEPRESSING DUMPING OF CORN

Mr. HUMPHREY. Mr. President, one of the topics of great concern before the Committee on Agriculture and Forestry and also of great concern to the American farmer is the tendency on the part of the Department of Agriculture to dump supposedly deteriorating corn or other farm products on the market at distressed prices, thereby underselling farmers whom the Department of Agriculture is supposed to be protecting by means of the farm program. I have brought this matter to the attention of the Committee on Agriculture and Forestry and also to the attention of the Department of Agriculture.

I have prepared a statement on the subject, and I desire to have printed at this point in the RECORD my statement relating to the dangers involved in the dumping process in the case of so-called deteriorating or distress commodities.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

ROTATING OF CCC STOCKS ASKED TO CURB PRICE-DEPRESSING DUMPING OF CORN

Curbing of the Secretary of Agriculture's authority to dump supposedly deteriorating corn or other farm products onto the market at distressed prices, underselling farmers they are supposed to protect, will be asked in the new farm bill today by Senator HUBERT H. HUMPHREY, Democrat of Minnesota.

Protesting what he termed had been a cruel hoax seriously depressing the corn market during the past year, Senator HUMPHREY said he would insist that the new farm bill contain a provision requiring the Secretary to replace by purchases of good quality stocks in the open market any commodities he is forced to sell because they are in danger of spoilage.

"The present farm law contains a necessary provision permitting the Secretary to sell rather than hold any commodities in danger of spoiling in storage," Senator HUMPHREY explained. "Nobody objects to that, but the present administration has

seized on this power as a 'dumping' vehicle to depress already low prices still further.

"The antispoilage provision was never intended as a market factor. If the Commodity Credit Corporation's holdings are acquired for the purpose of stabilizing prices, as the law requires, then these stocks should be rotated by being replaced with new commodities acquired in the open market whenever it becomes necessary to dispose of deteriorating commodities."

Senator HUMPHREY charged Secretary Benson had been endeavoring to use the "spoilage" loophole as a surplus disposal tool, regardless of the consequences on the farmer. The result, he declared, has kept the free market far below the price support levels, driving prices down to 60 percent of parity and rendering the support program on corn ineffective.

"Thousands of bushels of corn have been improperly disposed of in this way at bargain-counter prices, declared out of condition in borderline cases and yet accepted by the trade for normal feed use in direct competition with the products the farmer is trying to sell at decent prices. These supplies have sharply curtailed normal markets available to our farmers, and forced down the entire price level on corn.

"It is far from a secret in the grain trade that corn supplies labeled 'in danger of spoilage' by the Department of Agriculture are being purchased regularly by the trade and used to displace corn that would otherwise have been purchased from farmers.

"Such tactics as these, indicating the Department's willingness to undercut the market, have kept private dealers apprehensive about carrying any substantial inventories of their own, aggravating the Department's surplus problem and adding to its storage costs that otherwise would be borne by the private trade.

"In spite of all its lip service to preserving free markets, this is just one more illustration of the way the Department of Agriculture has consistently disrupted normal functions of such markets, led to administered low prices for farm products, and channeled too great a proportion of our commodities through Government hands," Senator HUMPHREY said.

"No matter what we write in the law, there will be trouble trying to stabilize farm prices as long as we have officials in the Department of Agriculture committed to lowering prices instead of encouraging higher prices. Secretary Benson talks about hopes for more buoyancy in the commodity markets as a result of new farm legislation, but there cannot be much buoyancy if traders know the Department is eager to dump its holdings and undersell the normal market at any excuse it can find."

NEED FOR FACTS REGARDING SURPLUS VERSUS INVENTORY FOR THE NATION'S NEEDS

Mr. HUMPHREY. Mr. President, in recent days and, in fact, recent months, there has been considerable evidence indicating a necessity for reevaluating or restudying our holdings of food and fiber in terms of national-security needs. I have found that the Government has never determined by means of definite figures what are the necessary reserves of food and fiber in the United States for strategic and national-security reserves.

Let me expound on this point for a moment. For example, under the Office of Defense Mobilization and the National Security Council, we have requirements for reserves of strategic metals. Those amounts of strategic metals are known, and the figures for them are ones which the Government has officially designated. But we do not have any such known requirements regarding food and fiber reserves. Therefore, we treat all the inventory or stocks of the Commodity Credit Corporation under the title of surpluses. The truth is that many or much of these commodities are not surpluses at all; in fact, at least a part of them should be designated as necessary, strategic, vital reserves in case of a great national emergency or act of nature.

Therefore, I have urged that the National Security Council determine what level of supply of various major commodities should be maintained, to be available in the public interest for immediate needs and for potential emergency needs. I have also asked that the Department of Agriculture make known to what extent its present holdings are normal inventory of the commodity trade, rather than real surplus beyond total domestic requirements, export needs, and safe reserves.

Mr. President, I ask unanimous consent that my statement regarding this particular matter be printed at this point in the RECORD. I also ask unanimous consent to have printed at this point in the body of the RECORD a letter relating to Government storage operations of grains and foodstuffs, which I have directed to the chairman of the Committee on Agriculture and Forestry. The letter deals with the commitments of the Government to the private and cooperative warehousing groups, for the storage of Government-owned commodities. The information the letter requests from the Department of Agriculture should be exceedingly beneficial to our committee and to the Senate, in the ultimate consideration of the farm bill.

There being no objection, the statement and letter were ordered to be printed in the RECORD, as follows:

JANUARY 22, 1956.

SENATOR HUMPHREY ASKS FACTS ON SURPLUS VERSUS INVENTORY FOR NATION'S NEEDS

Senator HUBERT H. HUMPHREY, Democratic of Minnesota, called upon the administration yesterday to "tell the Congress and tell the American people what is surplus and what is not in the Government's holdings of farm commodities."

He urged the Senate Agriculture Committee of which he is a member to (1) ask the National Security Council to determine what level of supply of various major commodities should be maintained as available, in the public interest, for immediate needs and potential emergency needs; (2) ask the Department of Agriculture to make known to what extent its present holdings are normal inventory of the commodity trade rather than real surplus beyond total domestic requirements, export needs, and safe reserves.

"Here we are in Congress, asked in the President's message to get rid of our surplus and cut back our agricultural production plant, without the slightest guidance from the administration as to what they mean by surplus, or what level of supply they believe should be retained in the public's interest to protect consumers against a future shortage," Senator Humphrey said.

"Instead of all the prattle about surplus to hide the failure of its farm program, it is time the administration gave us some facts about where it believes we should draw the line between safe supplies and surplus production.

"Instead of embarking recklessly on a get-rid-of-it-at-any-cost campaign, let us first find out what the Nation's needs are in terms of our growing population, our increased cattle numbers, and our possible emergency needs on the international scene."

If by surplus the administration means everything in the Government's hands, Senator HUMPHREY warned, "it is recklessly misleading the American people at the risk of stampeding us into shortages."

"The truth is that much of the Government's present commodity holdings are the normal inventory of the private commodity trade," Senator HUMPHREY said.

Senator HUMPHREY challenged the administration to reveal the decrease in inventories normally carried in private hands "since it first announced its intention to lower price support levels."

Much of the so-called surplus problem, Senator HUMPHREY said, is merely getting the private trade to "carry its own inventory, instead of having it carried at Government expense.

"Ever since this administration started lowering price supports and adopting other price-depressant policies, private commodity dealers have reduced their own normal inventories because they knew they could buy back all they wanted whenever they needed it later at lower prices from the Government.

"You cannot expect the trade to carry large inventories of its own as long as it thinks the Government might come along and lower prices. As a result, any surplus disposal program based upon domestic dumping at lower prices means the trade will be even less inclined to increase its own inventories, and our surplus will grow rather than dwindle."

The most effective "surplus disposal" policy that could be adopted right now, Senator HUMPHREY said, would be for Secretary Benson to announce he was going to ask Congress to restore 90 percent of parity for next fall's crop, but that the trade would have 90 days in which it could still buy from the Government at present support levels.

"Private traders would start rebuilding their inventories to normal levels overnight, greatly reducing the stocks in Government hands and drastically cutting Government storage costs," Senator HUMPHREY said.

"If an auto dealer were overstocked, he could not stimulate much business by publicly announcing prices would be lower 6 months from now. But he could attract business now, by revealing prices were going to be raised 6 months from now."

JANUARY 21, 1956.

The Honorable ALLEN J. ELLENDER,
Chairman, Committee on Agriculture and Forestry, United States Senate, Washington, D. C.

DEAR ALLEN: In view of the issue raised before our committee Friday about the extent to which one of our Minnesota grain cooperatives was benefiting from Government storage operations, I believe it only fair to ask that the record be completed by requesting the Department of Agriculture to provide full information on storage payments to all warehousemen in Minnesota, private as well as cooperative.

For that purpose, I urge you to have the committee staff obtain from the Department of Agriculture a complete listing which shows:

1. All the storage facilities in Minnesota approved by the Department for storage of CCC-owned commodities;

2. The total amount of storage utilized in each during the calendar year 1955;

3. The total payment to each for storage purposes during the same period;

4. Designation of which facilities have been given guaranteed occupancy contracts for such storage and which have not;

5. The amount of payment to each holder of such guaranteed occupancy contract covering space unused for storage purposes;

6. The extent to which each approved storage facility has been granted tax amortization benefits of accelerated depreciation.

Only in this way do I believe proper comparisons can be made to judge whether there is any validity to charges entered in our record pertaining to the storage benefits accruing to the Grain Terminal Association of St. Paul, one of our great Midwest cooperatives.

Furthermore, I believe the hearing transcript will show requests were made for further information about the total extent of the grain operations of this cooperative. Because it is a major competitor in the grain trade with other private firms, I do not believe it fair or just to ask the GTA to make any report of its operations not similarly requested of all its major competitors in the grain business.

To the extent that the same information is asked from any other grain handlers or dealers, I am sure officers of the GTA will be happy to provide detailed data on any of its operations to our committee.

As long as this subject of grain storage has been raised, I believe the committee should go further, looking carefully into what policies the Department of Agriculture has been following.

During the previous administration, a vigorous crackdown was made on grain handlers defrauding farmers and the Government through theft of grain. You, as chairman of our committee, were largely instrumental for exposing these thefts, and full cooperation of the Department of Agriculture was given in bringing charges against these crooked dealers. If I recall rightly, charges were filed against more than 300 grain handlers, involving some $7 million. More than 50 convictions were obtained, many others subsequently settled out of court, and some charges are still unresolved.

It is my understanding today that practically all of these same warehousemen have once again been approved by the Department for handling of Government-owned grain. The Department of Agriculture is again doing business with them. Of course, some of them went through mock reorganizations or name changes, but basically the same people are involved.

In my opinion, this situation calls for a full-scale investigation as soon as the farm bill is out of the way, either by our committee or, if you deem advisable, by the Senate's Permanent Investigating Committee.

If the information I have received is correct, it seems deplorable to me that men who defrauded the Government are now rewarded with new contracts at nearly double the previous storage fees.

It is more than deplorable when, in the face of such a situation, spokesmen for this administration have the effrontery to publicly criticize a farmer-owned cooperative on the ground that its primary interest is making money through grain storage.

Testimony of Mr. M. W. Thatcher, general manager of the GTA, flatly called such charges a lie. From my own knowledge of the situation in Minnesota, I support him most vigorously. The GTA's primary interest at all times has been the highest possible returns for its farmer members, and its dealings with the Government have at all times been as clean as a whistle.

If such charges are to be bandied about, however, it would be constructive to get the facts on the table for all to see.

Sincerely,

HUBERT H. HUMPHREY.

OPPOSITION TO THE HARRIS-FULBRIGHT NATURAL-GAS BILL—TELEGRAMS FROM MINNESOTA

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the body of the RECORD two telegrams I have received expressing opposition to the Harris-Fulbright natural-gas bill. One is from the mayor of Robbinsdale, Minn., informing me of the Robbinsdale City Council opposition, and the other is from the Hennepin County AFL–CIO Industrial Union Council.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

MINNEAPOLIS, MINN., *January 19, 1956.*

Senator HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: The Hennepin County AFL-CIO Industrial Council is unalterably opposed to and protests the removal of governmental controls over natural gas. The resultant increase in gas rates would be felt very severely in Minnesota where many thousands of homes are heated by gas. We ask that you vote against any bill to remove governmental controls over natural gas.

ELEANOR HELMBRECHT,
Secretary-Treasurer, Hennepin County AFL-CIO Industrial Union Council.

MINNEAPOLIS, MINN., *January 18, 1956.*

Senator HUBERT HUMPHREY,
Senate Office Building,
Washington, D. C.:

The Robbinsdale City Council records its sincere opposition to the passage of the Fulbright bill, S. 1853, and solicits your support in seeing its defeat or return to committee for further hearings and amendment which would reduce the chance for any unfair rate increases to the consumers in our area. Best regards.

ROBERT A. MERWIN,
Mayor, City of Robbinsdale, Minn.

MINING PATENTS IN THE ROGUE RIVER NATIONAL FOREST

Mr. NEUBERGER. Mr. President, on January 19, the junior Senator from Arizona [Mr. GOLDWATER] criticized the coverage given by the Washington Post and Times Herald and Mr. Drew Pearson to the current congressional investigation of the manner in which mining patents in the Rogue River National Forest were granted to the Al Sarena Mining Co.

Mr. President, the national forests are the richest public lands belonging to the citizens of the United States. Their protection is an important duty entrusted by the people to the Congress. The effect on the national forests of the administration of our mining laws is far-reaching and, in a case such as that of the Al Sarena patents, deserves the careful scrutiny of responsible committees of Congress. Nevertheless, Mr. President, some Senators and Members of the other House have tried to obscure the Al Sarena case and have sought to prevent a full and complete hearing of the administration of our mining laws in that case.

As a Senator from Oregon, I am particularly concerned about the facts and conditions which have made an inquiry into the Al Sarena patents necessary. I believe the press deserves credit for having directed the spotlight of public attention to this case, and to the dangers which misuse of laws and careless procedures in granting mining patents would constitute to all of our irreplaceable national forests. As further instances of this alert interest of some segments of the press in the facts and in the important implications of the Al Sarena case, I ask unanimous consent to have included in the CONGRESSIONAL RECORD editorials about the Al Sarena investigation from St. Louis Post-Dispatch for January 16, 1956, and from the Christian Science Monitor of January 19, 1956.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the St. Louis Post-Dispatch of January 16, 1956]

THE MINE IN THE FOREST

The partisan wrangling in the Senate and House subcommittees investigating the Al Sarena mining claims reflects no credit on either side.

The undisputed facts are that Secretary of Interior McKay has granted to Al Sarena Mines, Inc., of Trails, Oreg., for $1,500 mineral patents which also gave the company rights to a stand of timber in Rogue River National Forest which the Forest Service estimated was worth a quarter of a million dollars and which Republicans defending the action concede was worth $77,000.

Secretary McKay's predecessor, Secretary Chapman, repeatedly put off the Al Sarena claim. The Forest Service assayed the ore and found it not worth mining. The Bureau of Land Management of Mr. McKay's own Department made three assays with the same results.

The A. W. Williams Inspection Co., of Mobile, Ala., was chosen by Al Sarena to assay the ore. Its chief chemist and metallurgist, John A. McDaniel, testified the first assay showed "little or no mineral value." A later assay by the Mobile company showed a somewhat higher content of gold and silver. On the basis of this later assay, Secretary McKay overruled his own and the Agriculture Department's experts and granted a mining patent to Al Sarena.

Since the congressional investigation started, the Interior Department has displayed some very dubious tactics. Mr. McDaniel testified under questioning that an associate solicitor for public lands in Interior, James D. Parriott, asked him to come to his office, and discussed his testimony with him in advance. Senator SCOTT, of North Carolina, declared "the Department of the Interior is coaching witnesses."

At the hearing the same Mr. Parriott distributed to newspaper reporters a tax statement from the company under investigation, making himself an errand boy for the private interests, instead of a Government servant interested only in getting to the heart of the matter.

Still other questionable tactics earlier have been alleged. Senator SCOTT declares Clarence Davis, now Under Secretary and then Solicitor of the Interior Department, decided in favor of Al Sarena on the basis of the private company's second assay before he had even seen the report of that assay.

Mr. Davis first asserted that he had definitely seen the report. Later he changed his testimony to say he "guessed" he must have heard of its contents. A letter accompanying the report was marked received in Washington 2 days after Mr. Davis' decision.

All this suggests a puzzlingly hasty and slipshod procedure and an amazing haziness on Mr. Davis' part about the most significant single fact in his entire action.

Democrats on the subcommittee assert Al Sarena has spent only $8,000 on its mining claims, but Representative HOFFMAN, of Michigan, contends a substantial amount has been spent.

Senator NEUBERGER, of Oregon, foresees a "gigantic raid on the national forests" if the Al Sarena case is used as a precedent for the Government to overrule its own experts and grant patents on the basis of reports by assayers of the applicant's own choosing.

Here are enough facts to justify any investigating committee's digging in. The inquirers will want to know exactly how much Al Sarena has spent in developing its mining claim; how much it has already received from the sale of timber; what is the remaining stand worth.

Either the patent granted by Secretary McKay is a legitimate mining claim or it is a fraud and a giveaway of a sizable sum of the public's money. The public has a right to know which.

[From the Christian Science Monitor of January 19, 1956]

TIMBER VIA MINING CLAIMS

Under an old mining law the Al Sarena Mining Corp. of Alabama obtained since 1948 title to 473 acres of land in southern Oregon at a cost of $2,355. Following custom as well as law, it represented to the United States Forest Service that the land contained "silver and gold of sufficient value to justify a person of ordinary prudence in further expending his time and money. * * *" Thus, it gained rights to some $500,000 worth of timber.

However, it appears the Interior Department granted patents to this land over the protests of the Forest Service and Bureau of Land Management as to 300 acres of it, and that the claims had been twice refused by prior Interior Secretaries.

It is charged that the department's approval was based on findings of a Mobile, Ala., assayer (the mining company's home town), strangely chosen over assayers convenient to the claim. It is further charged that the samples against which these tests could be checked were thrown into the river, and that the then solicitor of the department issued his favorable ruling before the findings of the assayer could have reached him.

The solicitor, Clarence A. Davis, is now Under Secretary of the Interior. A Senate subcommittee is investigating the records and the charges. And observers are saying that the Al Sarena case may become as celebrated and as politically controversial as that of Dixon-Yates.

Last July the President signed an act intended to tighten up the old mining law so as to make it harder for one valuable natural resource to be exploited on what can amount to pretexts as to another. May we hope this will help to take care of the future. The charges made in the Al Serena case, impugning as they do the integrity of high officials in a Cabinet department, should be sifted thoroughly and proved or disproved.

FEDERAL ASSISTANCE TO PUBLIC SCHOOLS

Mr. NEUBERGER. Mr. President, the people of Oregon regard the education of our children as one of the most important trusts of society. For many years, they have unstintingly devoted heavy proportions of our communities' limited fiscal resources to make the standard of education in our State among the highest in the Nation. But the needs of new school construction in Oregon—estimated by the State superintendent of public instruction, Dr. Rex Putnam, at $100 million over the years just ahead—are perhaps beyond the fiscal powers of even Oregon's education-minded communities. Thus, Mr. President, the necessity and wisdom of a program of Federal financial assistance for State school construction has won widespread support in Oregon.

Other Senators, whose States no doubt are confronted with the same school emergencies, will recall that last year the administration rejected the principle of large direct Federal grants to the States for school construction, and instead offered only a program further to increase local borrowing at high interest rates—a program which was quite unacceptable to most of the Nation's education groups. At the same time, forward-looking Members of both this and the other House of Congress advanced legislation to offer real, immediate financial assistance to the States, so as to prevent a generation of American children from growing up with part-time schooling in inadequate, overcrowded, unsafe, and unsanitary buildings. Of these bills, the Kelley bill won the overwhelming approval of the House Committee on Education and Labor. This particularly pleased the present junior Senator from Oregon, who had been criticized during the 1954 campaign for his advocacy of Federal assistance to our schools.

Mr. President, all of us who are interested in early and effective action to meet the school crisis must be glad to note this year the administration's reversal of its 1955 position. The administration's belated recognition that only large direct Federal grants for State school-construction programs can meet the crisis has greatly improved chances that a good aid-to-education bill will pass at this session of the Congress.

However, although it has gone part way toward meeting the program for which the Democratic majorities in the 84th Congress have fought, the administration's bill does not go far enough toward meeting the needs of States such as Oregon. To help take care of the $100 million educational requirements forecast by the State superintendent of public instruction for the next 5 years, it would offer Oregon $2,332,000—or $11,660,000 spread over 5 years—while Oregon would have to provide matching funds of $13,390,000 or $2,678,000 annually.

It is true that, inadequate as it is, the administration plan is a step forward from its 1955 position; for it comes closer to meeting the proposals advanced last July by Adlai Stevenson in his great speech to the National Education Association, when he called for $400 million annually for school construction over the next 4 years. But as a representative of the people of Oregon, Mr. President, I must conclude that the Kelley bill reported by the House Education Committee comes closer to meeting our needs than that offered by the administration. Even that bill provides little enough in financial terms, measured against the dimensions of the need. But under it, Oregon would at least get $15,452,384 over the next 4 years—$3,863,096 annually—and would have to put up only an equal amount in matching funds.

Mr. President, under the administration bill, Oregon would receive less than it would have to raise in matching funds on the theory that it is not among the poorer States. It is true, as I have said, that the people of Oregon have done their best to find finances to pay for the educational standards which they consider so important. But to consider Oregon among the wealthier States is based on an inaccurate assessment of the nature of our resources.

In recent years, Oregon has not been a wealthy State. According to the Commissioner of Internal Revenue, internal revenue collections on a Nationwide basis decreased by 1.7 percent from 1952 to 1954, while collections in Oregon decreased by 15.2 percent. The only State to show a decline proportionately larger than that of Oregon was Wyoming, where collections fell off 16.5 percent. An analysis of this drop in Oregon tax collections, made for me by the Internal Revenue Service and by the Office of Business Economics of the Department of Commerce, brought out the fact that most of the decline was due to an abrupt drop in business income taxes, with lower individual and employment tax collections accounting for most of the rest. The records of the unemployment fund during that period tell the same story. And Oregon is only 17th among the States in average per capita income, which—while it is far from the bottom group in wealth—certainly does not make it one of the rich States of the Nation.

The fact is that Oregon's wealth lies in the natural resources, particularly the timber, within its borders. Hydroelectricity shares this value in our economy. Like many other raw-material producing and exporting areas throughout the world, Oregon may show relatively high per-capita income when the prices for its harvestable resources are high; but any slackening or interruption in the export process has immediate destructive effects on the economy of our State. We have little industry to stabilize that economy by the steady, year-round processing of our own bountiful resources.

Thus, Mr. President, I cannot agree with the administration's classification of Oregon as a State which must put up more in matching funds than it is to receive Federal assistance for its new schools. I would prefer the Kelley bill, under which Oregon would receive a greater total sum and on a 50–50 matching basis. I hope that even the amounts to be allocated under that bill, can be raised in the Senate to provide a more adequate school program for all States. However, Mr. President, the need is immediate, and thus I am pleased to be able to say that I expect to have the opportunity to support at least some bill in the Senate this year which will recognize the principle and at last initiate the process of giving Federal financial assistance to the construction of the thousands of new schools for which a generation of America's children are waiting—and let us never forget, Mr. President, that no child can stop growing older to wait for us to act.

UKRAINIAN INDEPENDENCE DAY

Mr. BUSH. Mr. President, on yesterday, January 22, thousands of Americans of Ukrainian descent observed the 38th anniversary of the independence of the Ukraine. It is a source of pride to me that New Haven, Conn., was the first city in the United States to recognize Ukrainian Independence Day. Again this year the blue and gold colors of Ukrainia

were flown over the New Haven City Hall.

Mr. President, I ask unanimous consent to have printed in the RECORD a statement summarizing the feelings of the American-Ukrainian community, and I regard it as a privilege to associate myself with the sentiments expressed therein.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

UKRAINIA'S STRUGGLE FOR FREEDOM

The centuries-old struggle for freedom and independence on the part of the Ukrainian nation constitutes an impressive chapter in the annals of human history. This indomitable will for national freedom clearly crystallized itself in the old Ukrainian Kievan state from the 9th to the 14th century, in the Ukrainian Kozak state from 1648 to 1783, and more recently in the Ukrainian National Republic from 1917 to 1920. As one of the first victims of Soviet imperialism, Ukraine, since the very inception of alien Bolshevik tyranny, has proved to be the Achilles heel of the Soviet Union. The destruction of its national churches, the horrible man-made famine of 1932–33, the mass murder at Vinnitsia in 1937–39, and the vast purges and deportations decreed by Moscow have failed to exterminate the spiritual and moral resources for national freedom in Ukraine. The historic capital of Kiev, with centuries of rich tradition and culture conserved in its vaults, still symbolizes today the indestructible hope and passion of a nation destined to be sovereign, free, and independent.

During the Second World War millions of Ukrainian patriots seized the short-lived opportunity of the German invasion to realize once again this hope, only to be frustrated in their valiant efforts by the scourge of another imperialism. But this unbending will continues to be strong and powerful in the epic struggle of the Ukrainian Insurgent Army (UPA) against the evil forces of Soviet imperialism, and in the resistance of the Ukrainian people.

As a nation of over 40 million people—the largest non-Russian nation behind the European Iron Curtain—Ukraine stands as one of our most important and natural allies in the eventual defeat of Soviet imperialism. Its historic claim to national freedom and independence cannot be ignored. Its place as a sovereign and equal partner in the mutual construction of the free Europe of tomorrow must be assured, if the foundation of permanent peace among freedom-loving nations is to be impregnable.

Mr. McCARTHY. Mr. President, 38 years ago yesterday, on January 22, 1918, the government of Ukraine issued a proclamation of independence. Shortly thereafter, Ukraine was invaded by the Bolsheviks, and was incorporated into the Communist Union of Soviet Socialist Republics.

Since that time, Ukrainian patriots have engaged in continuous and valiant underground resistance to the Soviet regime. Also the Ukrainian emigrés and others of Ukrainian descent have, in many parts of the world, continued to promote the cause of Ukrainian freedom.

On the anniversary of the declaration of Ukrainian independence, I think it is fitting that we in America commend these Ukrainian patriots, and, once again express our determination never to rest until freedom is restored to people now living in Communist captivity.

ADDITIONAL EVIDENCE OF MALADMINISTRATION IN PHILADELPHIA REVENUE OFFICE

Mr. WILLIAMS. Mr. President, the announcement last Friday by the Philadelphia Revenue Office that they had discovered nine more lawyers in the Philadelphia-Wilmington area who not only have failed to pay their Federal income taxes but also have not even been filing any income tax returns for the past several years, is more than disturbing—it is alarming.

Allegedly 3 of these lawyers live in the Philadelphia area, 2 in the Camden, N. J., area, and 4 from the Wilmington, Del., area.

This disclosure, coming as it does on top of two other cases involving nonpayment of taxes by prominent Philadelphia lawyers, raises certain grave questions which should be answered by the Treasury Department or, if necessary, by a congressional committee:

First. Is this failure on the part of these 11 lawyers to file tax returns a localized situation affecting the Philadelphia regional area alone, or can it be that this is only a part of a national pattern?

Second. Is this practice of not paying taxes one being followed just by members of the legal profession, or is it prevalent among other groups of self-employed individuals?

Third. If this is not to be considered merely a localized condition, then it is imperative that every revenue office throughout the country be immediately alerted and instructed to inaugurate a check of all self-employed individuals—attorneys or otherwise—to determine whether or not similar conditions exist throughout the country.

Fourth. Or if this is considered to be a localized situation, one confined to the Philadelphia-Wilmington area only, then it raises other questions:

a. Who as administrative officers were responsible for having allowed these deplorable conditions to develop?

b. Who are the men referred to in the grand jury report of January 6, 1956, as as having knowingly permitted Attorney Lemuel B. Schofield, the first case discovered, to get by for 10 years without filing his returns or paying his taxes, and what connection, if any, did they have with these latter named cases?

c. Are these officials still on the Federal payroll? If not, when did they leave and under what circumstances?

d. Had the Department been put on notice by their examiners, regarding the conditions in the Philadelphia office, and if so, why were the warnings ignored?

Both the Treasury Department and the Congress have a responsibility to furnish the answers to these questions without further delay.

If this be the result of administrative laxity or collusion between some official and these nontaxpayers then the public has a right to know. Those responsible should be identified and held accountable.

If failure to discover that these prominent individuals were not properly filing their tax returns and paying their taxes represents weakness in administrative practices and accounting procedures, then admit it and state what steps are being taken to see that it does not happen again.

If it represents a weakness in our revenue laws, as has been suggested by the grand jury report of January 6, 1956, then let both Congress and the Treasury Department unite in changing the law.

It is almost unbelievable that 11 members of the legal profession in one area would have deliberately refused either to file a tax return or to pay their taxes over a period of the past several years.

Certainly this could not possibly be attributed to ignorance of the law, because these men are lawyers.

Whether we like it or not, and regardless of how disturbing this whole situation may be, the problem is now before us, and both the Treasury Department and Congress must recognize their responsibility not only to clear up all questions but also to take the appropriate steps to bring to justice all those involved. In fairness to the individuals involved, before releasing any of the names I would suggest that the Treasury Department make a thorough check to make sure that their being listed as delinquent is not an administrative error or the result of improper crediting.

I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an article entitled "Federal Grand Jury May Probe Dodging of Tax by Hundreds," published in the Philadelphia Daily News of January 21, 1956, in which is reported the case of the nine additional attorneys.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FEDERAL GRAND JURY MAY PROBE DODGING OF TAX BY HUNDREDS

A Federal grand jury may be called into session soon to probe hundreds of income tax complaints against lawyers, doctors and other self-employed professional men in the Philadelphia area.

This appeared likely today as Internal Revenue Service agents dug deeper into reports that many failed to file income tax returns over a period of several years.

The Lemuel B. Schofield case, bared last summer, touched off the probe. It has been snowballing since then.

Shortly after Schofield's death last summer, it was revealed he had not filed income tax returns for 8 years. The noted criminal lawyer and former city safety director owed back taxes and penalties amounting to around $1 million.

Yesterday, L. Alfred Chamberlin, regional Internal Revenue Service Commissioner, said 9 more attorneys practicing in the Philadelphia area face prosecution for failure to file income tax returns. Their names were withheld.

The new cases do not include the Schofield nor that of a second Philadelphia lawyer, Clarence J. Corcoran. The latter was charged with failing to file returns over a 10-year span on an estimated income of $144,000.

Three of the tax-dodging attorneys are practicing in Philadelphia, Chamberlin said. Four practice in Wilmington and 2 in Camden, he said.

The probe was being broadened to include suspects in the stock brokerage and accountancy fields and other self-employed professional people. Thousands of returns of persons in this group are to be re-examined, Chamberlin said.

The area covered by Chamberlin's regional office includes Pennsylvania, New Jersey, Delaware, Maryland and the District of Columbia.

H. Leland Brown, director of the Internal Revenue Service office in Wilmington, said today the probe there was in full swing.

Asked why lawyers had been singled out, Brown replied:

"It could have been any profession. It just happened we examined the lawyer category first."

He did admit, however, that revelation of the Schofield case turned the spotlight on the attorneys.

Meanwhile, Senator JOHN J. WILLIAMS, Republican of Delaware, asked for a complete report from the Treasury Department on what he called the "scandalous situation" in the Philadelphia IRS office.

"An inquiry into conditions is long overdue," he told the Senate. He asked the Treasury to submit a report on "what action has been or is being taken."

"If such a statement is not available," WILLIAMS declared, "then I think Congress should recognize its responsibility and take the appropriate steps to place the responsibility."

INCOME TAXES BY COMPARISON—EDITORIAL FROM THE WASHINGTON OBSERVER

Mr. MARTIN of Pennsylvania. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a very interesting editorial which appeared in the Washington (Pa.) Observer of January 20. In the editorial, a comparison is made between income taxes for the various brackets.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

INCOME TAXES BY COMPARISON

Now that it's time to file income tax returns, a few figures and comparisons are important.

First, the woman who quit the $64,000 question race this week had only $16,600 left after Uncle Sam took away her income tax.

But if she had gone on and won the $64,000, the second $32,000 would have netted her only $8,708. She would have had left out of the $64,000 only $25,308, and would have paid a total tax of $38,692.

But when the head of a household pays income tax on his earned income, interesting things may happen.

If his taxable income is $2,000, after all exemptions, he pays 20 percent, or $400. If the income goes up to $4,000, taxable, he pays $820. Another $2,000 of income and he will pay $1,300. The rate climbs progressively with income, so that $20,000 of taxable income means a tax of $6,260, or more than 40 times what the poor man with only $2,000 of taxable income is assessed.

From there it goes up rapidly. On $24,000 the tax is $7,200, on $32,000 it is $12,420, and on $100,000 it is $60,480. On $200,000 it is $145,480, and on $300,000 it is $235,480, leaving the taxpayer less than 25 percent of what he earned.

The taxpayer can keep only 9 percent of what he earns above $300,000.

Sometimes we hear that the rich should pay more of the income tax. But in view of the facts and the income-tax rates, we wonder.

For a man who earns a million, and there are said to be a few, would pay $872,480. He would have left only $127,520, less than 80 times the amount left to the man whose taxable income was only $2,000. But he earned 500 times as much. He pays 2,181.2 times as much tax.

It must be remembered that American business must be financed by those who have something left from their income after taxes. And wages are earned from business. Without business there can be no wages, and no jobs.

Some say incomes in the higher brackets should be taxed more heavily; others feel that business needs a larger margin for investment.

And we have noticed that those who cry for heavier taxes on the larger incomes also cry about heavier taxes if their own incomes creep up into higher income-tax brackets.

These figures are given so that taxpayers may make more intelligent demands, criticisms, or recommendations.

AMENDMENT OF THE NATURAL GAS ACT, AS AMENDED

The Senate resumed the consideration of the bill (S. 1853) to amend the Natural Gas Act, as amended.

THE INTENT OF CONGRESS

Mr. DOUGLAS. As the Senate was recessing on Friday I was engaged in a brief discussion of the legal history of the issue. I was pointing out that the terms of the Natural Gas Act are very clear. They state that the act shall "apply to the sale in interstate commerce of natural gas for resale for ultimate public consumption." As I pointed out, when gas enters a pipeline crossing State lines, it is obviously in interstate commerce, since, when it is sold to the pipeline, which later sells the gas, either directly to industrial consumers or to local distributing companies, it is obviously a sale for resale. Therefore, there is no doubt that the sale of gas by producers to interstate pipeline companies is a sale of gas for resale in interstate commerce for ultimate public consumption, and falls under the existing act, and is subject to regulation by the Federal Power Commission.

The attempt to say that the later exclusion from the act of the processes of production and gathering carries with it the exclusion of a sale for resale is ill-founded. Production and gathering are physical and technical processes, but a sale is an economic and legal transaction.

Although I do not intend to argue the meaning of those terms at great length, I wish to say it was commonsense for the Supreme Court in 1947, in its unanimous opinion in the Interstate case to rule that the sale by independent producers to pipelines of gas for interstate commerce was included in the act, and that it was similarly commonsense for the Supreme Court to rule as it did in 1954 in the Phillips case.

In addition to these two very important decisions of the Supreme Court, the Circuit Court of Appeals on not fewer than three occasions ruled to the same effect. Therefore, the attempt to argue that the Supreme Court in 1954 indulged in an unprecedented and unwarranted interpretation of the act does not stand up under the wording of the act and previous judicial interpretations.

If the exponents of the Harris-Fulbright bill were to say frankly that what they want to do is to change the meaning of the 1938 act, that would be perfectly understandable, and the issue could be fought out on that basis. However, to say that their proposal is to return to the original meaning of the 1938 act is incorrect and ill-founded.

In concluding my remarks on Friday, I was dealing with a small point which, however, has caused some confusion. From time to time witnesses testifying before congressional committees have pointed to a statement by Mr. DeVane, former solicitor for the Federal Power Commission, to sustain their contention that the 1938 act was not intended to cover the sale of natural gas in interstate commerce for resale.

It is true that Mr. DeVane in 1936, when asked if the bill upon which he was testifying conferred upon the Federal Power Commission the authority to regulate the price of gas under these conditions, replied, "No." Mr. DeVane did say that.

However, what the exponents of the Harris-Fulbright bill do not say is that this testimony by Mr. DeVane was given 2 years before the bill was passed, and was given in connection with a completely different bill.

At the conclusion of Friday's session, I was reading from the bill upon which Mr. DeVane was testifying, and which in its salient section 1 (b), and also in later sections, gave jurisdiction to the Commission solely to deal with transportation of natural gas, and said not a word about sale in interstate commerce of natural gas for resale.

In 1937 a very different bill was introduced, which in its original form was very similar to the act as finally passed. It conferred jurisdiction not merely in the transportation of natural gas in interstate commerce, but also in the sale in interstate commerce of natural gas for resale for ultimate public consumption.

Therefore, the attempt to quote the DeVane testimony as indicating the intent of Congress is a malformation, to put it mildly, of the actual legislative history.

I am sorry the distinguished Senator from Texas [Mr. DANIEL] inadvertently continued that contention in his speech on the floor of the Senate last week.

Perhaps the most conclusive evidence of all as to the actual intent of Congress is the colloquy which took place on the floor of the Senate during the debate on the bill between Senator Connally of Texas and Senator Burton K. Wheeler of Montana. Senator Wheeler was in charge of the bill. I read from page 9314, volume 81, of the CONGRESSIONAL RECORD for August 19, 1937. This was the question which Senator Connally, of Texas, representing a great gas producing State, asked of the Senator from Montana about the bill which the Senate was then debating:

Mr. CONNALLY. If a man should produce gas in my State and ship it in interstate commerce, then he would have to sell it at the price fixed by the Commission?

I ask Senators to listen to the reply of Senator Wheeler:

Mr. WHEELER. Exactly; at the wholesale price fixed by the Commission.

Could there be any clearer statement of legislative intent than that? That is a direct statement by the Senator in

charge of the bill, that the price of gas sold by a producer to a pipeline came under the content of the act and, therefore, under the powers of the Federal Power Commission.

That was not the only direct quotation on the floor of the Senate. Later, the great Senator from Idaho, Senator Borah, joined Senator Connally and Senator Wheeler in the discussion of the bill. I now read from page 9316 of the CONGRESSIONAL RECORD for the same day:

Mr. BORAH. If the Commission does not have power to fix the price of gas, who will fix it?

Mr. CONNALLY. Nobody, of course.

Mr. BORAH. Then it will be fixed by these combinations.

Mr. WHEELER. Exactly; and that is exactly what is happening.

The debate on the bill was therefore perfectly clear that Congress intended to give the Federal Power Commission authority to regulate the price at which gas entered interstate pipelines for ultimate resale to consumers.

As I have previously mentioned, two of the members of the Supreme Court who upheld the power of the Federal Power Commission in their majority opinion in the Phillips case were Members of the Senate at the time the final bill was introduced. Mr. Justice Black was in the Senate when the bill was introduced, and, I think, when the bill was debated, and Mr. Justice Minton, who was a Member of the Senate from Indiana, took, as the RECORD shows, an active part in the debate on the bill.

So I hope that this inappropriate quotation will be wiped off the books as being completely beside the point.

THE PHILLIPS CASE WAS NO SUDDEN ASSENTING OF FEDERAL AUTHORITY AND DID NOT CATCH THE PRODUCERS BY SURPRISE

The advocates of the Harris-Fulbright bill are obviously wrong in attempting to alter the meaning and scope of the 1938 Natural Gas Act. But their bland insistence that it was not until the Supreme Court's decision in the Phillips case that they had any idea that sales of gas to pipelines were under the jurisdiction of the Power Commission is an even more amazing argument. For while it is true, as Senator O'MAHONEY has said, that the Federal Power Commission has "wobbled all over the face of the earth" on this question, it is also true that as far back as 1947 the United States Supreme Court in the Interstate case had made it crystal clear by a unanimous opinion that the jurisdiction of the Commission covered the sale at wholesale in interstate commerce of gas destined for resale.

Mr. FULBRIGHT. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

Mr. FULBRIGHT. The Senator is well acquainted with the Chicago Sun-Times, is he not?

Mr. DOUGLAS. Yes.

Mr. FULBRIGHT. Does he regard it as a reputable newspaper?

Mr. DOUGLAS. Yes.

Mr. FULBRIGHT. Is the Senator familiar with the editorial on the gas bill which is published in that newspaper this morning?

Mr. DOUGLAS. I have not read the editorial.

Mr. FULBRIGHT. Does it not interest the Senator very much that a great newspaper like the Chicago Sun-Times differs with his interpretation with respect to the bill?

Mr. DOUGLAS. I would say that it indicates that good newspapers, like good Senators, sometimes go wrong on questions; and the Senator from Arkansas is conspicuously wrong in connection with this matter.

Mr. FULBRIGHT. I do not think the Senator should brush off my question in that fashion.

Mr. DOUGLAS. I am not brushing off the Senator's question. The Senator does not claim to be infallible, does he?

Mr. FULBRIGHT. No, but I am open to reason. I should like to pose one question to the Senator from Illinois. I recommend that he read the editorial. I hope he will not ignore it.

Mr. DOUGLAS. No; I shall read it.

Mr. FULBRIGHT. Since the editorial is in one of the great newspapers of his city, I should think the Senator would be interested in reading it.

Mr. DOUGLAS. I shall read it, I assure the Senator.

Mr. FULBRIGHT. What I hope the Senator will answer is this point—and it is made in the editorial and it has been made in other places. If the utility concept of regulation is applied to producers, how does the Senator expect the supply of gas in interstate commerce to continue? I am not referring to the production. When the question has been asked in the past it has always been said that production would continue. It is the question of interstate commerce in which I am interested at the moment. If the Senator would answer that one question for me it might cause us to reconsider our views, but I do not believe I have heard of the Senator's devoting his powerful reasoning to that particular point.

Mr. DOUGLAS. I am very glad the Senator from Arkansas now retreats from his position, because, for several days last week, the proponents of the bill said that exploration had been discouraged by the Phillips decision. Now that we have proved that exploration had not been interrupted, that there were more drillings in 1955 than in any previous year, and that exploration, both in wildcatting operations and regular drilling operations, had progressed, I am glad to see that the Senator has centered his attention upon interstate shipments. It is a great victory for our side to have the Senator withdraw from the position which he originally took.

Mr. FULBRIGHT. Of course, I do not withdraw from any such position whatsoever. The point I am making now is the same as I made then. Again, the Senator from Illinois, instead of answering my question, goes off in another direction, making fun of a supposed position which I did not take with regard to drilling. The drilling is, for purposes of interstate commerce, a quite incidental matter. The core of the matter, which the Senator from Illinois always finds a way to evade, is the dedication of the gas in interstate commerce. How does the Senator expect to make the producers dedicate the gas when it will be decidedly unprofitable to do so, relative to intrastate commerce?

Mr. DOUGLAS. I point out to my good friend from Arkansas that the prices received for gas sent to the pipelines will tend to be higher than the prices now received by the producers for gas destined for local consumption. There is already a price differential which pulls the gas into interstate transmission; and in comparing the prices received by producers for carbon black and other intrastate uses with the prices they receive for gas in interstate commerce, I think the Senator from Arkansas will find a wide differential.

Mr. FULBRIGHT. The Senator from Illinois knows that there is practically no more gas devoted to carbon black; that the real market is in petrochemicals, manufactured by such companies as Dow Chemical Co. in Louisiana, or Esso Standard in Baton Rouge; or, in my own State, Reynolds Metals, that single industry taking more than 100 million cubic feet of gas a day in Arkansas.

So the Senator from Illinois is quite out of date if he thinks that large amounts of gas are still devoted to carbon black, as was the case in the days before the completion of the great interstate lines.

Mr. DOUGLAS. Another one of the errors which the Senator from Arkansas makes is in his interpretation of the type of regulation which a conscientious Power Commission would provide under the act. Such a Commission would not fix so low a rate as to shut off in interstate commerce the gas needed for 21 million residential consumers or for the large number of industrial users. They would simply try to prevent the companies which stand in a strategic position from charging all the traffic would bear.

Mr. FULBRIGHT. If I understand the Senator from Illinois, he is now coming around to reasonable market price. That is what the bill proposes. The Senator talks about retreating from a position previously taken. He is retreating from the utility type of regulation if he adheres to his last statement.

Mr. DOUGLAS. No; I stand for a just and reasonable price.

Mr. FULBRIGHT. How under the decision of the Court does the Federal Power Commission have the discretion to allow whatever price is required to move the gas in interstate commerce?

Mr. DOUGLAS. As I read the decisions of the Court, they do not tie the Federal Power Commission to a strict, unalterable definition of the term "just and reasonable"; not at all. As I have said, if I were sitting on such a Commission—and of course I never will—I would regard a 6 percent return as inadequate in an industry which involves great risk. But the rates of return which the producers will get if the Fulbright bill should pass would certainly be unjust and unreasonable from virtually any standpoint.

If the Senator from Arkansas seems to think that the Commission should exercise reason in interpreting market price, why does he think they would not

exercise reason in interpreting "just and fair price"?

Mr. DANIEL. Mr. President, will the Senator yield for a comment on that question?

Mr. DOUGLAS. I yield.

Mr. DANIEL. I should think the reason the Senator from Arkansas might fear such action is that the Commission tried to allow a fair average field price in regulating certain producers, and only recently the Circuit Court of Appeals for the District of Columbia denied it the right to do so. The court said, in effect, "You must at least have as the point of departure the 'just and reasonable rate' which is the cost-plus price used in utility ratemaking."

So we have at times had the example of the Federal Power Commission attempting to fix a fair price or an average field price, but the court has said, "You cannot do that, because you are bound to have as the point of departure the standard utility rate base used for determining the profit allowed on utility-type services."

Mr. DOUGLAS. I have read the decision of the Supreme Court in the case to which the Senator from Texas has referred. I think it is quite apparent that what the Court said was that "just and reasonable price" should not be the sole test. But the Court did not exclude the Commission, under certain circumstances, from taking into consideration, at least as one factor, what the actual market price was.

I should furthermore like to ask, What is it the oil industry wants? They already have their dry wells written off, which is proper. They already have their intangible drilling and developmental costs written off, which is proper. But they also have a 27½-percent depletion allowance.

As I shall show somewhat later in the afternoon, the oil and gas industry pays a smaller fraction of its net profits in the form of taxes than probably any other industry in the country. Yet it wants "All this and heaven too." If it does not get sufficient incentive now, what incentive could it possibly be given?

When the Senator from Arkansas addressed his question to me, I was proceeding to the argument of the big producers in the Interstate case, when they made the same argument they later made in the Phillips case, namely, that the sale of gas which subsequently crossed State lines was outside Federal regulation, because it was an integral part of production or gathering. But the Court held—and we need not be reminded that it was by a unanimous vote—that this did not exempt such sales from being included under the provision in the 1938 act itself governing sales in interstate commerce for resale.

The Court, in an opinion by Chief Justice Vinson, held that—

> In denying the Federal Power Commission the jurisdiction to regulate the production or gathering of natural gas, it was not the purpose of Congress to free companies such as petitioner from effective public control. Exceptions to the primary grant of jurisdiction in the section are to be strictly construed. It is not sufficient to defeat the Commission's jurisdiction over sales for resale in interstate commerce to assert that in the exercise of the power of rate regulation in such cases, local interests may in some degree be affected. Prior to the decision of the Supreme Court, the Federal Power Commission and the circuit court of appeals had of course ruled similarly. There was also a court of appeals decision in 1942 to the same effect—see *Peoples Natural Gas Co.* v. *Federal Power Commission* (127 F. 2, p. 153). The Supreme Court refused to accept an appeal from this case, title 316, United States Code, section 700.

In fact it was this very ruling of the courts in the Interstate case that caused the gas-producing interests to sponsor the Moore-Rizley bill in the Republican-controlled 80th Congress. This bill aimed to do exactly what the present Harris-Fulbright bill would do, namely, first, to free from Federal regulation the sale of gas to the interstate pipelines by the so-called independent producers; and, second, to free the pipelines themselves from having the Power Commission fix the price which the pipelines were to give to gas which they produced themselves and which they took into their own long-distance lines.

The Moore-Rizley bill passed the House, but the resultant storm of indignation was so great that the bill never passed the Senate and indeed was not even brought out of committee.

But the big gas producers did not quit. They were so stirred up by the Interstate decision and by the fact that the Power Commission in a burst of courage asserted its jurisdiction, that in 1949–50 they sponsored the Kerr bill, which came before this body in the latter year. Most of us can remember that bill even after 6 years and the very vigorous debate which it occasioned. I certainly can, because for a solid month I faced the genial, brilliant, and powerful Senator from Oklahoma. The Kerr bill, however, was not quite so bad as the Moore-Rizley bill or its modern sister, the Harris-Fulbright bill, since it did not free the pipelines themselves from regulation of the prices allowed them for the gas they produced.

The Kerr bill passed the House by the narrow margin of 176 to 174, and the Senate by a vote of 44 to 38. But it was vetoed by President Truman, and no effort was made to override that veto.

But still the giant gas producers refused to quit. They induced the Federal Power Commission to refuse to take jurisdiction over the price which the Michigan-Wisconsin and other pipelines were compelled to pay to the Phillips Co. for gas which ultimately went to Michigan, Wisconsin, Missouri, and Iowa, and to certain other States as well. They thus attained by administrative refusal to act what they had sought to secure by legislation. I shall later hint at some of the reasons for this reversal of opinion on the part of the Commission.

But upon suit of the cities of Detroit and Milwaukee and the States of Wisconsin and Michigan, first the circuit court of appeals and then the Supreme Court, as I have said, reversed the decision of the Power Commission and told them to assume affirmative jurisdiction over the price at which the pipelines bought gas from the so-called independent producer—in the Phillips case, Phillips was the sole supplier—which was destined to enter interstate commerce and, by resale to distributors, to be sold to the general consuming public.

If the decision of the courts is carried out, then there must be general regulation of such prices, namely prices at which gas is sold by producers to interstate pipelines for interstate transmission and sale.

It is to escape these very consequences that the Harris and Fulbright bills were introduced, and this is why they are being pushed just as the Moore-Rizley and Kerr bills were pushed, to reverse the decision of the highest courts in the Interstate case.

In the light of the clear language of the act, the clear explanations of Senator Wheeler in Senate debate, the clear rulings of the courts in 1942, 1946, 1947, 1953, and 1954, and the previous unsuccessful drives to amend the act in 1947 and in 1950, it is difficult to understand how the producers can reasonably claim that the Phillips decision in 1954 surprised them.

WHY DID THE POWER COMMISSION WOBBLE?

It is perfectly true that the Federal Power Commission has at different times taken opposite sides on this question. In the late thirties and early forties, the supply of natural gas in the Southwest greatly exceeded the demand, with large amounts being burned or flared. It was then a buyer's market, and the Power Commission probably felt that there was little or no immediate need to regulate the price. Moreover, they were busy with transmission of pipeline gas.

For a brief period, however, they did assert jurisdiction over field prices, and were upheld by the circuit court in 1942 and again in 1946. But almost immediately afterward it, the Power Commission, then reversed itself and argued in the Supreme Court against its own decision and against the decision of the court of appeals. The Supreme Court, as I have previously stated, however, ruled in 1947 that the act gave the Commission jurisdiction. Even after the Interstate decision, the Commission did not take jurisdiction.

But after the completion of a thorough field survey, there was a change of opinion within the Commission, and the majority—3 out of 5—took a stand against the Kerr bill. President Truman reappointed one of the members of the Commission who had taken a stand against the Kerr bill.

Now pressures began to be applied against the Commission. As the senior Senator from Texas remarked with characteristic delicacy before the Senate Committee on Interstate and Foreign Commerce: "But he"—the Commissioner in question—"changed his mind, and there were changed appointments"—hearings, page 65. We all know what happened. President Truman reappointed one of the members of the Commission who had taken a stand against the Kerr bill, but the Senate refused to ratify the appointment.

Then there was a reverse switch inside the Commission which with the appointment of a new member—the new Commissioner voted against taking jurisdiction in the Phillips case—changed from a 3-to-2 majority for regulation, into a 4-to-1 majority against regulation.

One Commissioner changed his vote, and the new member, who had replaced the old member who had been against the Kerr bill, took a stand opposite to that of the member whom he replaced. Only one member of the Commission was then for regulation; Mr. Buchanan, of Pennsylvania. His term expired shortly after the new Republican administration took office. He was denied reappointment by the White House after the change of administrations, and resigned shortly before his term expired.

All of us as men know the great pressure which has been exerted by the big producers on the Commission and upon its members, and the punishment which has been meted out to those who took an opposite stand. Since this is a real world, it is not to be wondered at that the majority of the Commission have chosen to play it safe, although there have been rumbles of dissent from time to time by one of the present Commissioners, namely, Mr. Draper, one of the most experienced members of the Commission, who has also recommended against the passage of this bill.

From this summary of the legal history, it is therefore apparent that the Harris-Fulbright bill seeks to set aside a clear and repeated ruling of the Supreme Court, which affirmed the duty of the Federal Power Commission to protect the public interest by regulating sales of natural gas in interstate commerce for resale.

The frequent decisions to this effect in Congress, as well as in the courts, and the producers' own unsuccessful efforts to amend the act in this respect demolish the claims of producers that they were surprised by the Phillips decision of 1954.

And the shifts and sidesteps and reversal of form of the Federal Power Commission—whatever appeals or pressures may have produced them—are at variance with the steady line of decisions by the courts and cannot reasonably be made the basis for a claim that the consumers of gas and the distributing companies and the pipelines have lost their rights to a protection given them in the Natural Gas Act.

STATE MINIMUM PRICE LAWS

Mr. President, here is one point which I should like to make very briefly. Suppose the Harris-Fulbright bill should pass—God forbid that it should do so—what then would be the situation so far as concerns the ability of the States to regulate the prices which could be charged for the gas produced within their own borders? In my remarks of last Friday I commented on the fact that, if the Attleboro and the Missouri-Kansas decisions, rendered in the 1920's, should stand, States would not have the right to regulate the prices of gas entering into interstate commerce. But, as we all know, two principal gas-producing States, Kansas and Oklahoma, have already asserted and exercised the right, in the absence of effective Federal regulation—and we have really had no regulation—to place minimum prices on natural gas at the wellhead in specific fields. Prices fixed by the State commissions have been progressively higher. Such laws have been proposed, but not yet enacted, in other States. It should be noted that the minimum wellhead prices set by these two States—Kansas and Oklahoma, who had them—were above the average price at which natural gas sold in interstate commerce.

I should like to comment for a moment on these State minimum laws. The oil and gas industries have favored such acts. They say they are against governmental control of prices, but they have fostered, and put through two State legislatures, and may put through more State legislatures, laws fixing minimum prices. In other words, they are opposed to Federal regulation which would protect the consumer by fixing maximum prices above which they could not go, but they are in favor of State regulation which would fix minimum prices which they may receive. So I suggest the record indicates that they are not opposed to governmental control of prices; they are merely opposed to governmental control of maximum prices in the interests of consumers.

Later, I shall comment on the inconsistency of their policy with respect to State regulation of output.

But, Mr. President, a very interesting point is raised in this connection. I have read the case of Cities Service Gas Co. against Peerless Oil & Gas Co., which was handed down by the Supreme Court in 1950, in volume 340, United States Reports, page 179; volume 71, Supreme Court Reports, page 215. While there may be some dispute between attorneys as to the precise ruling of the Court, I think there is a very real possibility that the Court would have upheld the State acts, had it not been for the provisions of the Natural Gas Act of 1938; giving jurisdiction to the Federal Government over sales for resale in interstate commerce. If the power of the Federal Government to regulate sales for resale in interstate commerce is knocked out by enactment of the Harris-Fulbright bill, it is quite possible that we may then have a situation in which these prices may be fixed by the respective producing States.

In this connection, I should also like to cite the case of *Natural Gas Pipeline Company of America* v. *Corporation Commission of Oklahoma* ((1955) 349 U. S. 44; 75 S. Ct. 578). If this should be so—and I am inclined to believe that it may well be—then, Mr. President, if the Harris-Fulbright bill becomes law and if Federal control over prices charged by producers for sales in interstate commerce is withdrawn, the States may well again fix minimum wellhead prices. Such minimum wellhead prices fixed by the producing States tend to be regulation in one direction only; namely, upward.

As Judge Hooker, of Virginia, said, I too submit that Congress alone has authority to protect the consumers of the States which have natural-gas production against prices fixed at the wellhead by State authorities in the producing States. What would happen, if each State had the power to fix the prices of the products it produced, which later enter interstate commerce. Not only would Texas, Louisiana, Oklahoma, and Kansas have the power to hold up consumers in connection with the sale of natural gas, but think of the power the State of Minnesota, for instance, would have in the case of pig iron, or the power which California, Arizona, Texas, and Florida would have in connection with the sale of citrus fruits, or the power which would be placed in the hands of various localized industries throughout the country. That situation would generate a condition of commercial anarchy in which the States in which the production of certain articles was concentrated would be able to hold up the rest of the country by the threat to charge ever higher prices. As Judge Hooker, of Virginia, said—and certainly he is a loyal subscriber to what he understands to be States rights—this would expose the rest of the country to the selfish interests of the producing States; whereas granting authority to the Federal Government merely would put into neutral hands the question of the fixation of prices.

"The whole issue is whether the price should be fixed by an interested party or by a disinterested party," Judge Hooker testified.

The consuming States alone do not have the power to regulate prices under the present act. If it is repealed, it may well be that the producing States will have that power. The purpose of the present act is merely to enable a neutral authority, namely, a national authority, to take into consideration the interests of both producers and consumers.

So passage of the Harris-Fulbright bill would be a serious step backward. It was to avert precisely such commercial anarchy that the provision of conferring power on Congress to regulate commerce between the several States was inserted by James Madison into the Federal Constitution. I have read with great care the proceedings of the Constitutional Convention of 1787, and I have also read most of the Madison Papers in connection with that period.

Mr. President, I have finished my brief discussion of some of the legal aspects of the 1938 act.

THE ALLEGED COMPETITION IN THE PURCHASE AND SALE OF GAS IN THE FIELD IS GROSSLY INADEQUATE TO PROTECT THE CONSUMER—WHY A MONOPOLY POSITION IS PRESENT IN THE SALES FOR RESALE OF NATURAL GAS IN INTERSTATE COMMERCE AND WHY THERE IS LITTLE OR NO COMPETITION—THE FACTORS LIMITING COMPETITION

Now I wish to pass to another main topic, namely, the question of whether there is adequate competition in the purchase and sale of natural gas in the field, so as adequately to protect the consumer. I shall take the position, which the facts show, that a monopoly or quasi-monopoly position is present in the sales for resale of natural gas in interstate commerce, and that there is, in fact, little effective competition.

Competition in the natural gas industry is limited in all three sectors of the industry — distribution, transmission, and production. It is limited in the distribution sector because the customer has but one place to buy his gas, namely, the local gas utility. It is limited because once he invests several hundreds of

dollars in gas appliances he has no effective alternative to gas for his stove, refrigerator, clothes dryer, or furnace unless he junks his appliances and his furnace at a cost of many hundreds of dollars. As has been stated by the distinguished Senator from Michigan [Mr. POTTER], the householder is in a sense a captive customer. The very able and distinguished Senator from Arkansas [Mr. FULBRIGHT] remarked at the hearings that if the consumers did not like the price they had to pay for gas, they could turn to oil or coal. With all deference to my good friend from Arkansas, who is one of the brightest ornaments of this body and of whom we are all justly proud, that remark is very similar to that of Marie Antoinette, who, when she was told at the outbreak of the French Revolution that the populace lacked bread, replied "They can eat cake."

It is also true that the distributing company is tied to the customers, for once the distributive gas mains have been laid, at a current expense exceeding $500 per customer, they cannot be moved or changed, except at prohibitive expense on the part of the gas utility.

Mr. POTTER. Mr. President, will the Senator from Illinois yield?

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). Does the Senator from Illinois yield to the Senator from Michigan?

Mr. DOUGLAS. I am very glad to yield to the distinguished Senator from Michigan.

Mr. POTTER. The Senator from Illinois was commenting on the testimony of the author of the bill, the Senator from Arkansas [Mr. FULBRIGHT], when he appeared before our committee, and said that if the gas consumers do not like the price charged for the gas, they can use oil or some other fuel.

Mr. DOUGLAS. Yes. That is a correct statement, is it not, of what the Senator from Arkansas said on that occasion?

Mr. POTTER. Yes; it is.

I assume that analogy could be carried further, and it could be argued that it is not necessary to regulate the rates charged for electricity, because if the consumers do not like the rates charged them for electricity used for lighting their homes, they can use candles or kerosene lamps.

Mr. DOUGLAS. I think that is true. Similarly, it could be argued that it is not necessary to regulate telephone rates, because the public could use carrier pigeons.

Mr. POTTER. Yes; or could talk loudly through an open window.

I think the point made by the distinguished author of the bill was that natural gas is a luxury fuel; and being such, people do not have to buy it.

However, as the distinguished Senator from Illinois has pointed out, in view of the fact that consumers have individually invested $400, $500, or more in the purchase of appliances which use gas as a fuel, the consumers cannot overnight convert to another fuel without suffering great economic hardship. Therefore, in truth, the consumer is a captive customer. Therefore he is, in truth, a captive customer.

Mr. DOUGLAS. I thank the Senator from Michigan.

If there is any doubt as to what the Senator from Arkansas said, it will be found on page 18 of the hearings.

It is impossible for there to be two local gas companies competing for business in the same town. This makes gas very different from coal or oil. That is why the local production and distribution of gas was early recognized as a public utility and why rates to the customers were fixed by public regulation rather than entrusted to nonexistent competition.

But competition is also limited, or even absent, from the transmission sector of the industry because of the huge high fixed cost investments in pipelines, because the fact that once laid the lines cannot be shifted and changed about at will, and because pipeline companies must procure a 15 to 20 years supply of gas which can only be procured from one of the few large producers who have such long-term supplies available. There is, of course, competition between and among pipelines for a supply of natural gas. But in the process of transporting gas from the wellhead to the ultimate consumer, the fact of expensive pipelines which dominate particular areas limits competition and promotes the natural monopoly which characterizes the industry.

Therefore, regulation of sales for resale in interstate commerce is essential because of the absence of competition in the distribution and transmission sectors of the industry. In addition, however, relative absence of competition at the producing end of the industry makes continued regulation of utmost importance if the consumer is to be protected against unconscionable increases. It is only the most unreconstructed producers or their representatives who continue to argue that there is competition in the transmission and distributing sectors of the business. Their main case is that competition between and among producers will protect the consumer against huge price increases.

I shall show in this section that competition is virtually as limited in the producing as in the transmission and distributing sectors of this industry. The relative absence of competition in all three sectors makes the continued regulation of sales for resale of natural gas in interstate commerce absolutely essential if consumers are not to be gouged. In this section of my speech I shall deal in the main, only with the conditions which limit competition among producers of natural gas for sale in interstate commerce. I shall first give a general summary of the many reasons why it is true that competition is absent from the producing sector, and I shall then proceed to develop each of the points further, both logically and statistically.

In the first place, the sales for resale of natural gas in interstate commerce are dominated by a very few large producers. In 1954 over one-half the sales were made by 23 producers. A total of 35 producers accounted for more than 70 percent of the sales, and 197 producers, or less than 4 percent of their number, sold 90 percent of the natural gas in interstate commerce in that year. These 197, out of a total of 5,557 producers, were the only ones which sold in excess of 2 million thousand cubic feet of natural gas in 1954. In other words, out of a total sale in 1954 of approximately 4,685,933,511 thousand cubic feet by independent producers of natural gas to natural gas companies reporting to the FPC, 4,376,631 thousand cubic feet were sold by these 197 producers.

Therefore, competition in fact is limited by the very small number of producers who dominate the sales for resale of natural gas in interstate commerce. When the big companies come before us to argue that there is adequate competition at the production end of the industry because of some 8,000 independent producers who compete rigorously between and among each other, neither their figures nor their facts approach the true state of affairs in the industry.

Competition is also limited because these producers are, in almost every case, the biggest and most profitable American corporations.

Ten of the 35 producers who sell over 70 percent of the production are among the first 20 most profitable American corporations. Their names are household terms—Standard Oil of New Jersey, Standard Oil of Indiana, Standard Oil of California, Socony Vacuum, the Texas Co., Gulf Oil Co., Phillips Petroleum, and many others.

Of course, bigness alone does not necessarily imply monoply, and it is not the fact of bigness alone which calls for the continued regulation of sales for resale of natural gas in interstate commerce. Nevertheless, the size, profits, assets, and sales of these few corporations are of such magnitude that the companies dominate the market. Only such companies can supply the huge quantities of natural gas which buyers must have for purposes of long-term continued supplies. Thus, their size alone gives them a dominating and almost unchallengable position in the industry and this limits competition.

Apart from their effect in diminishing competition, a major point concerning them is that the $600 to $900 million annual increase in gas rates which will come about if this bill is passed, and the $12.5 to $30 billion windfall in the increased value of gas reserves, will go in great part to these companies which are already among the biggest and most profitable companies in America and, for that matter, in the world.

In addition to the limited number of companies which dominate interstate sales, and their size and profitablity, these same producers and a few pipeline companies dominate the production of gas in the two major producing fields in America—the Panhandle and Hugoton fields. These few companies account for 90 percent of the production in these fields which contain 20 percent of the Nation's gas reserves. One sees in the production in these fields—which we shall challenge in greater detail—the same concentration and domination by a few companies that one sees in the production end of the industry in general.

The reserves in these fields are already committed to existing markets and are under long-term contracts. Thus, it is

impossible for new companies or existing pipelines to bargain for or obtain new gas supplies in these fields except by bidding up prices to the big producers to uncalled for levels. To this extent, also, competition is now limited.

What is true of the ownership of gas reserves in the Panhandle-Hugoton fields is also largely true of the ownership of the bulk of gas reserves in the country. As I shall show, of the 211 billion thousand cubic feet of proven gas reserves, at least two-thirds and probably 75 percent of the total are owned by a very few large producers or utilities. Most of these reserves are already committed. In addition, when new reserves are found they are committed very quickly. Therefore, very little of the potential supply of natural gas is uncommitted at a time when demand is increasing at an exceedingly fast rate. This means that a company wishing to acquire a supply of gas which is adequate for a 20-year period—some 2 trillion cubic feet, at the rate of 300,000 thousand cubic feet a day—which it must do if it is to both justify the huge financial investment required in laying pipelines and other facilities and also satisfy the FPC that it has adequate reserves which it must do to obtain a certificate of convenience and necessity, must "blast" itself into the market by offering prices higher than existing ones. This, of course, bids up prices as a whole and puts the few large producers who have such huge quantities of reserves in a position to ask and get whatever price the traffic will bear. The pipeline companies have the choice of either paying these high prices or not doing business. Given this alternative they will pay 17 cents, 20 cents, or even higher prices per thousand cubic feet for gas. The price which the pipeline companies pay can be passed on to the consumer. Not only is there this inducement to bid up prices rather than not do business, but as many of them own producing subsidiaries, they have a positive inducement to bid up the prices, for then their own companies will thus gain huge profits. The pipeline itself will not have to shoulder these added costs. These too can be passed on to the consumer and the companies can pocket these for themselves. Thus, even so-called "arms length" bargaining between pipeline companies and producers does not protect the consumers for the pipeline has no real incentive to pay low prices. It finds it necessary, and in some cases convenient, to pay all the traffic will bear.

We should realize, and I shall submit evidence later on this point, that the transmission lines are very expensive. They cost from forty to one hundred thousand dollars per mile. The major existing transmission systems have investments in those systems ranging from $78 million to $655 million. The smallest sized pipelines now being built have, as I have said, daily capacities of 300 million cubic feet.

Once laid, the lines cannot be moved at will, even if new sources of supply become available. They must deal with the big producers who are the only ones with reserves large enough to meet the pipeline's long-term needs. Small producers offer little or no competition because of the nature of the pipeline investments and requirements. The pipelines are tied to the fields and to the big producers by an indissoluble marriage. Divorce is not economically possible.

Because of these plain facts, the production, transmission, and distribution of natural gas is unlike the coal, auto, cheese, milk, or brewing industries to which the big gas producers try to compare the natural-gas industry. In those cases there are alternative producers and distributors whom the consumers can play off against each other and in dealing with whom they can utilize alternative systems of distribution such as railroads, trucks, barges, and so forth, and different competitors within each. But once gas mains and pipelines are laid, and once gas is committed, there is no practical alternative product or seller or means of distribution to which the consumer may turn. The consumer buys his gas from one place, the local gas utility. The utility must buy from a pipeline and the pipeline from price-setting producers. This is the fundamental condition by which this industry differs from the industries to which the big gas producers have falsely compared it.

Mr. NEUBERGER. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

Mr. NEUBERGER. I wish to compliment the Senator from Illinois on the great speech he is making on the natural-gas bill. I remind him that I believe I represent, in part, the only region in the Nation which so far has not been served by natural gas. However, even at this moment, as the Senator from Illinois occupies the floor, a pipeline of large dimensions and involving great expense is being extended across the desert and plains and mountains to Oregon and the other areas of the Pacific Northwest.

Within a short time after this great issue is resolved, however it may be resolved, the people of our region will be affected by what is done on the floor of the Senate.

I should like to thank the distinguished Senator from Illinois for the efforts he is putting forth in behalf of the consuming public, the housewives, the business men and industrialists, who will purchase natural gas to use as fuel in the State of Oregon. While I am not so well acquainted with the issues involved as I should be, because, as I said earlier, our region is yet to be served by natural gas, I feel that many persons in our area are indebted to the Senator from Illinois for the courageous and effective way he is discussing the bill.

Mr. DOUGLAS. I thank the Senator from Oregon for his characteristically generous remarks, although I do not feel that I deserve them. I should like to say to the Senator that it is desirable when natural gas reaches the State of Oregon, that the rates charged for it be sufficiently reasonable to permit housewives to use the gas, and it is also desirable that the rates should not absorb so much purchasing power that families will not have money for other things.

(g) To resume the thread of my remarks, competition in the gas field is really between and among buyers seeking adequate supplies. It is a seller's market in which a few big companies dominate the supply. New companies seeking gas supplies, or old companies seeking additional supplies, must blast their way into the market. It is not a free market where there are willing buyers and sellers, neither being under economic compulsion to buy or sell if the price is not right or reasonable.

(h) In addition to the limited supplies and the domination of these supplies by a few producers, which brings about a seller's market and a quasi-monopoly position, supplies are artificially limited for conservation purposes by proration and ratable take regulations imposed by State Conservation Commissions. Allowable production is limited to market demand. Additional gas may be purchased only by bidding for the excess allowables. There is, therefore, intensive bidding for an artificially limited supply of excess allowables. This has the effect of sending prices to an even higher point than the already dominant position of the few large producers brings about.

Thus, the competitive factors ordinarily found in open market trading of commodities is limited even further by ratable take and proration regulations which are made, ostensibly for conservation purposes.

Some would claim that the State conservation commissions have gone beyond their stated objectives and limit production not only for conservation reasons but in an attempt to control prices and limit supply. But whether this is true or not is not at issue in this debate. It is, nonetheless, a fact that production and supply are limited, even if one grants that it is done for purely conservation purposes. In this event it seems somewhat fantastic for the big gas producers to argue, on the one hand, that proration is necessary for conservation purposes, and on the other hand that the market should be completely free and that the principles of free enterprise should be followed. This is, of course, a demonstrably conflicting argument and yet the big companies do argue it both ways, depending on circumstances. Of course there is not a free market when every producer is told what his yearly production must be, although this may be necessary and justified on grounds of conservation. But where the big producers have a whip hand as in sales of natural gas for resale they argue for an unregulated market.

(i) In some States, Oklahoma and Kansas in particular, State conservation commissions have established minimum wellhead prices. These prices, of course, limit competition for they prevent pipeline companies from buying gas at prices below these minimums. In Oklahoma, an 11 cent minimum price per thousand cubic feet was established effective January 1, 1954. This price, of course, was above the average price of 10.1 cents per thousand cubic feet for natural gas in that year, so that in Oklahoma, a price above the average price became the minimum price because of these arrangements.

Following a recent Supreme Court decision, these State minimums no longer apply to sales for resale in interstate commerce for those sales are clearly

under the jurisdiction of the Federal Power Commission. If the Fulbright bill is passed the States could then reestablish these minimums in all probability. As in the past, they would hinder, impede, and limit competition in this industry.

Mr. POTTER. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

Mr. POTTER. The distinguished Senator from Illinois, is an eminent economist. When he speaks of free competition, he means free competition for the buyer and also for the seller, does he not?

Mr. DOUGLAS. Exactly so.

Mr. POTTER. In the sale of natural gas, is it not a fact that the consumer does not always buy in a free market?

Mr. DOUGLAS. That is correct.

Mr. POTTER. The point which the distinguished Senator from Illinois is making is that from the seller's end it is not a free market as we generally understand that term.

Mr. DOUGLAS. That is true, because it is dominated by a few sellers; but, also, as the Senator is now hinting, the total output is regulated by rates fixed by the various State commissions. This is done at the instance of the oil and gas companies, although, obviously, if the supply is limited, the price will go upward beyond what it otherwise would be. It is conservation to restrict supply, but it is confiscation, say the oil and gas companies, to fix maximum prices. They do not object to having the Commission fix minimum prices, oh, no; but they say it is confiscation to protect consumers by fixing maximum prices. There is more hocus-pocus and downright hypocrisy in the attitude of the big producers in this matter than in almost any other matter of which I have ever known.

Mr. DANIEL. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

Mr. DANIEL. Does the Senator think the hocus-pocus and hypocrisy is all on one side of the question? As one Member of the Senate, I want it to be known that I do not think so.

Mr. DOUGLAS. If the Senator from Texas can point out any hypocrisy in which I am indulging, I shall be very glad to have it pointed out; and if I am being hypocritical, I shall try to mend my ways.

Mr. DANIEL. I certainly intend to try to point it out before the debate is concluded. I resent the charges of hypocrisy, hocus-pocus, gimmicks, and gadgets which are being tossed about.

Mr. DOUGLAS. What does the Senator call it when there is the same group advocating minimum prices in the field, and objecting to maximum prices?

Mr. DANIEL. In the first place, that situation does not prevail.

Mr. DOUGLAS. It prevails in Oklahoma and in Kansas.

Mr. DANIEL. As I understand, the courts have taken care of that. The group that is advocating the bill is not advocating minimum prices.

Mr. DOUGLAS. I think the Senator from the Texas was not on the floor when I analyzed the decision of the Supreme Court and pointed out that there was a very strong chance that if the Harris-Fulbright bill should be passed and Federal control over the price of gas were eliminated, then the States could fix the minimum prices in the field. The Senator from Texas knows perfectly well that gas companies in Oklahoma and Kansas were responsible for the passage of the minimum-price laws in those States. Is it not an established fact that that is true? Yet the same interests are opposed to Federal regulation of maximum prices. The gas and oil interests have been in favor of State limitation upon production. When we limit production we naturally decrease supply, and that tends to make prices higher than they otherwise would be. That is called, as I have said, conservation. But when the Federal Government tries to fix prices it is called confiscation. It all depends on whose ox is gored. If State action will help producers they are for it, but they are against Federal action which is designed to protect consumers.

Mr. DANIEL. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

Mr. DANIEL. I wish the RECORD to show that the State of Texas has neither a minimum price nor a ratable take now in effect.

Mr. DOUGLAS. That may be.

Mr. DANIEL. There has not always been a seller's market. When we had free competition, before Federal control was threatened, it was very much a buyer's market. That will be the condition again, if the bill is passed.

Mr. DOUGLAS. But I pointed out very clearly that in the 1930's and possibly in the early 1940's large quantities of gas were being flared, and that a seller's market did not prevail then.

Mr. POTTER. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

Mr. POTTER. I believe the Senator stated that two States have minimum-price laws.

Mr. DOUGLAS. Oklahoma and Kansas.

Mr. POTTER. Is there any type of contract of the producing companies which contains a clause providing that if the State of Texas, for example, should in the future establish a minimum-price law fixing a figure which is in excess of the contract price of the producer, he could raise the price to the minimum price in the State of Texas?

It is my understanding of the Senator's opinion, following his vast study in connection with the proposed legislation, that if the bill should be passed it would be possible for the States to change their minimum-price laws.

Mr. DOUGLAS. That, I think, is quite possible. I am not a constitutional lawyer, but as I read the decision that is probable. This would mean a breakdown of interstate commerce in the United States, because, as I have pointed out, the State of Minnesota, whose distinguished Governor I observe on the floor, could then fix the minimum price for iron ore; the States of California, Arizona, Texas, and Florida could fix the minimum price for citrus fruits, and so on; and we would then find the producing areas of the country holding up the rest of the Nation.

Mr. POTTER. The Senator has mentioned the fact that 4 States produce 80 percent of the natural gas.

Mr. DOUGLAS. That is correct.

Mr. POTTER. The other 44 States could be at the mercy of the 4 producing States, if the 4 States could establish minimum-price laws and boost up the price to the other 44 States.

Mr. DOUGLAS. That is true. There would be about 40 States at the mercy of the other 8 States, because there are some other States which export more gas than they import.

Mr. DANIEL. Mr. President, will the Senator from Illinois yield to permit me to ask a question of the Senator from Michigan?

Mr. DOUGLAS. I yield.

Mr. DANIEL. I wonder if the Senator from Michigan does not feel that the people of 47 States are at the mercy of the State of Michigan for the prices of the automobiles which they purchase. Does the Senator think it would be right for Congress to pass a law fixing the prices at which the manufacturers of automobiles may sell their products in interstate commerce to the people of the rest of the country?

Mr. POTTER. The Senator from Texas can buy either a Chevrolet or a Ford or any other make of car he chooses. He has a choice of automobiles from which to buy. My constituents have no choice in selecting the source of the natural gas which they consume.

Mr. DANIEL. The purchasers of the natural gas in the first instance have the choice, and they must make a 20-year contract. They must tie to someone who will supply the gas for them for that length of time. The point being made by the proponents of the bill is that unless it is passed the pipeline companies are not going to find producers who will tie up supplies for 20 years in order to fill the pipelines. If automobile producers were to be regulated by the Federal Government as public utilities, I doubt that it would be possible for the great automobile industry in the State of the Senator from Michigan to remain in existence.

Mr. POTTER. The Senator from Texas has completely missed the point of the argument. On the one hand, we have free competition for a buyer as well as for a seller. In automobile manufacturing, there is competition in the field of selling and in the field of buying. That competition does not exist in the natural-gas business. That is the big difference between the industries affecting the two commodities.

Mr. DANIEL. That is an argument which could be continued for a long, long time. It seems to me there is more competition among the 8,000 producers of natural gas than there is among the 7 big companies in the automobile business, which certainly seem to be getting together on the prices they charge the consumers.

Mr. DOUGLAS. I am just reaching the detailed points of my argument on this matter. I will hand the Senator from Texas a copy of my manuscript on this issue, which clearly demonstrates the limited nature of the competition, and which, if he will read it, since I am certain he is an open-minded man, will convince him that the Senator from Illi-

nois and the Senator from Michigan are correct in this matter.

(j) Finally, the system which limits competition, increases field prices, and thus creates an artificially high price structure in the producing sector of this industry, is crowned by an almost universal inclusion of escalation clauses in contracts between the buyers and sellers of natural gas. Almost all long-term contracts provide for, one, step escalation under which prices increase at stated intervals; two, for renegotiation at specific time periods; and/or for, three, second- or third-party most-favored-nation clauses whereby contract prices automatically rise to the highest price paid by the given pipeline buyer to any of its customers, or to the highest price paid by any buyer in a field or area. We have been analyzing some 2,100 contracts, and we find the renegotiation provisions to be equally as vicious as the most-favored-nation provisions, which are universally vicious.

Therefore, competition in the field is limited by the domination of supply and reserves by a very few companies; by the tremendous costs of pipelines and pipeline systems; by the need pipelines have for huge long-term supplies which only the dominant producers can provide; by the seller's market, and effective competition only between and among buyers; by the fact that pipeline buyers can pass high prices on to the consumer and, in some cases, own production companies which profit from higher prices; by the limit on supply imposed by "retable take" and "pro-ration" regulations and the intense bidding which is then brought about for the limited supply of excess allowables; and by State minimum wellhead prices.

But not only do these factors increase prices and limit supply but the system of escalation clauses, renegotiation clauses, and most-favored-nation clauses, makes these artificially high prices the new dominant or average prices. Thus, escalation clauses create a constant spiralling of prices in which the previous high price becames the new dominant price. To put it another way, the marginal or most recent and highest price becomes the average price.

For all these reasons, Mr. President, competition in the purchase and sale of gas in the field is really no protection for the consumer. There is in fact, little competition in the field except between buyers who bid up the price of gas. As the consumer is the captive customer of the industry, he will get it in the neck if the Federal Power Commission is denied jurisdiction over the sales for resale of natural gas in interstate commerce.

Mr. President, I should like to continue by developing each of these points more explicitly, by giving facts and figures of how they work, and by supporting these generalizations with examples and statistical proof.

MAJOR OIL COMPANIES DOMINATE INTERSTATE SALES MARKETS

Throughout these hearings and in the copious advertising, pamphlets, news articles, letters, speeches, resolutions, and other publicity material of the oil and gas industry, many statements have been made concerning the vigorous competition between thousands of producers to market their gas. I believe Dr. Boatwright of Standard Oil Company of Indiana has used a figure in excess of 8,000 as the number of producers selling gas. This claim that competition among producers is adequate to protect consumers against unfair prices is in my opinion untenable. It is one of the key issues before the Senate.

The latest available figures compiled by the Federal Power Commission at my request show, as I have stated, that in the year 1954 a total of 5,557 nontransporting producers sold to companies reporting to the Federal Power Commission just under 4,685,933,511 thousand cubic feet of natural gas. This number of producers, I understand, is subject to some small adjustment as the reports of natural gas companies to the Commission from which this information was extracted do not in all cases disclose the respective interests of all vendors where joint sales are made. But I believe this figure represents the most accurate information we have available at this time.

The sales volumes and number of producers, by size intervals, are shown in table IV–1, which I ask unanimous consent to have printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE IV–1.—*Sales of natural gas by independent producers to natural-gas companies reporting to the Federal Power Commission, year 1954*

Size interval (thousand cubic feet of natural gas)	Producers			Sales			Average sales volume per producer
	Number in interval	Cumulative		Volume in interval	Cumulative		
		Number	Percent		Volume	Percent	
				Thousand cubic feet	*Thousand cubic feet*		*Thousand cubic feet*
Over 100,000,000	8	8	0.14	1,675,195,321	1,675,195,321	35.75	209,399,415
50,000,000 to 100,000,000	15	23	.41	976,988,682	2,652,184,003	56.60	65,132,579
25,000,000 to 50,000,000	15	38	.68	524,707,042	3,176,891,045	67.80	34,980,469
10,000,000 to 25,000,000	25	63	1.13	412,667,258	3,589,558,303	76.60	16,506,690
5,000,000 to 10,000,000	45	108	1.94	314,952,062	3,904,510,365	83.32	6,998,935
2,000,000 to 5,000,000	89	197	3.55	290,523,574	4,195,033,939	89.52	3,264,310
1,000,000 to 2,000,000	128	325	5.85	181,299,692	4,376,333,631	93.39	1,416,404
500,000 to 1,000,000	161	486	8.75	113,529,787	4,489,863,418	95.82	705,154
100,000 to 500,000	446	932	16.77	110,216,682	4,600,080,100	98.17	247,123
Under 100,000	4,625	5,557	100.00	85,853,411	4,685,933,511	100.00	18,563
Total	5,557			4,685,933,511			

Source: Federal Power Commission study.

Mr. DOUGLAS. Mr. President, it will be noted from the table that 4,625 producers, or 83.23 percent of the total number sold only 1.83 percent or less than 2 percent of the total gas produced by the interstate pipeline companies, while the remaining 932 producers furnished 98.17 percent of the total volume purchased. This table reveals the great concentration of natural-gas production and gas reserves in the hands of a comparatively few producers. As a matter of fact, only 23 producers account for 56.60 percent of the gas purchased in the field by pipeline companies, and 35 producers about whom I shall speak later sell over 70 percent of the gas sold in interstate commerce.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD, table IV–2.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE IV–2.—*Sales of natural gas made by independent producers in 1954 to natural gas pipeline companies classified by States and regions*

	Number of producers	Volume	Percent
		Thousand cubic feet	
Southwest:			
Arkansas	28	6,399,382	0.14
Kansas	264	318,385,833	6.79
Louisiana	284	919,199,724	19.62
Mississippi	27	131,139,767	2.80
New Mexico	338	265,220,242	5.66
Oklahoma	249	261,626,286	5.58
Texas	983	2,561,265,593	54.66
Total	2,183	4,463,236,827	95.25
Rocky Mountain:			
Colorado	34	16,753,439	.36
Montana	62	5,231,319	.11
Wyoming	18	39,429,488	.84
Total	114	61,414,246	1.31
Appalachian:			
Kentucky	440	23,858,975	.51
Maryland	14	1,040,302	.02
New York	11	477,900	.01
Ohio	849	9,436,699	.20
Pennsylvania	947	58,867,223	1.26
Virginia	1	1,227,917	.03
West Virginia	1,431	60,082,269	1.28
Total	3,693	154,991,285	3.31
Other States	64	6,291,153	.13
Grand total	[1] 6,054	4,685,933,511	100.00

[1] Includes 497 duplications of producers who operate in more than 1 State, principally in the Southwest and Rocky Mountain regions.

Source: Federal Power Commission study.

Mr. DOUGLAS. Mr. President, table No. IV–2 shows the sales of natural gas made in 1954 by producers to pipeline companies classified by States and regions. More than 95 percent of the total volume of gas purchased by pipeline companies in the field comes from the 7 Southwest States. Texas provided 54.66 percent of the total supply from independent producers in 1954. Three States in the Rocky Mountain region supplied 1.31 percent, and 7 States in the Appalachian area, 3.31 percent.

The Southwest region is shown by the table to have 2,183 vendors; however, as a substantial number of producers make sales in more than 1 State, the figure of

2,183 contains many duplications—possibly as many as 425. It can be seen from this table that in the Appalachian area, which accounts for only 3.31 percent of the total volume purchased, there are located about two-thirds of the total producers selling to companies which report to the Federal Power Commission.

The identity of the 35 major producers who made the greatest sales to interstate pipeline companies in 1954 is shown by table No. IV–3, which I ask unanimous consent to have printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE IV–3.—*List of 35 nontransporting producers who sold natural gas to interstate pipeline companies in 1954*

No.	Name of producer [1]	Sales (M. c. f.)	Percent of total sales	
			Percent	Cumulative
1	Phillips Petroleum Co	510,241,292	10.89	10.89
2	Standard Oil Co. (Indiana)	280,679,921	5.99	16.88
3	Standard Oil Co. (New Jersey)	225,741,667	4.82	21.70
4	Shell Oil Co	173,872,949	3.71	25.41
5	Socony-Mobil Oil Co	146,476,188	3.13	28.54
6	The Chicago Corp	143,164,436	3.05	31.59
7	Gulf Oil Co	134,609,295	2.87	34.46
8	Cities Service Oil Co	116,687,499	2.49	36.95
9	The Atlantic Refining Co	115,589,076	2.47	39.42
10	The Texas Co	102,645,248	2.19	41.61
11	The Shamrock Oil & Gas Corp	92,112,450	1.97	43.58
12	Sun Oil Co	79,439,904	1.69	45.27
13	Skelly Oil Co	77,963,528	1.66	46.93
14	The Pure Oil Co	70,202,494	1.50	48.43
15	Sunray-Mid Continent Oil Co	63,502,086	1.35	49.78
16	Carthage Corp	60,695,079	1.29	51.07
17	The Superior Oil Co	60,019,581	1.28	52.35
18	Republic Natural Gas Co	59,887,028	1.28	53.63
19	United Carbon Co	59,347,599	1.27	54.90
20	Tide Water Associated Oil Co	59,054,393	1.26	56.16
21	Ohio Oil Co	58,441,293	1.25	57.41
22	Oil & Gas Property Management Co	56,532,952	1.21	58.62
23	Standard Oil Co. (California)	54,998,906	1.17	59.79
24	Southern Production Co	50,724,965	1.08	60.87
25	La Gloria Corp	48,380,531	1.03	61.90
26	Union Oil Company of California	47,203,429	1.01	62.91
27	H. L. Hunt	44,781,061	.96	63.87
28	Sinclair Oil & Gas Co	43,920,304	.94	64.81
29	Southwest Gas Producing Co	42,119,410	.90	65.71
30	Columbian Carbon Co	41,717,130	.89	66.60
31	Warren Petroleum Corp	41,689,710	.89	67.49
32	Union Oil & Gas Corporation of Louisiana	34,941,089	.75	68.24
33	Delhi-Taylor Oil Co	33,904,710	.72	68.96
34	Texas Natural Gasoline Corp	33,768,690	.72	69.68
35	Continental Oil Co	33,519,128	.71	70.39
	Subtotal (35 producers)	3,298,575,021	70.39	70.39
	All others (5,522)	1,387,358,490	29.61	100.00
	Grand total	4,685,933,511	100.00	

[1] Includes subsidiaries.

NOTE.—The volumes reported for many of the producers include minor amounts of gas sold jointly with other producers, including those listed above.

Source: Federal Power Commission study.

Mr. DOUGLAS. Mr. President, these 35 companies supplied more than 70 percent of the total volume of natural gas purchased in the field by interstate pipeline companies in 1954. Twenty-two of the 35 companies are major oil companies. They are the "who's who" of the oil industry in America.

The Phillips Petroleum Co. heads the list with 10.89 percent of the total sales; 2 Standard Oil companies follow with a total of 10.81 percent; the Shell Oil Co. follows with 3.71 percent. Another Standard company, Socony-Mobil Oil Co., is next with 3.13 percent. These 5 companies make 28.54 percent of the total sales.

THE BIG PRODUCERS RANK HIGH AMONG AMERICA'S INDUSTRIAL GIANTS

Mr. President, I should like to point out that the big gas producers rank high among America's industrial giants. Let us compare the dominant companies in this industry with other industrial corporation by sales, assets, and net profits in dollar terms, and see whether they are weak and poor, as the economist for Standard Oil suggests.

I have before me, and I now submit for the RECORD, a supplement to the July 1955 issue of Fortune magazine. It is called the Fortune Directory of the 500 Largest United States Industrial Corporations. It contains the names, ranked in order of total sales, of the 500 biggest industrial corporations in the United States. The sales are for the year 1954. Therefore, the time period in Fortune's listing and in the list, which I have just submitted, of the 35 largest producers of natural gas, is the same. The figures in Fortune's list were compiled from the Census Bureau's figures.

Mr. President, let us compare this Fortune list with the 35 so-called independent producers of natural gas who sold 70 percent of the natural gas to natural gas pipeline companies in 1954.

I now request unanimous consent to have inserted at this point in the RECORD a list of the 35 independent producers of natural gas, ranked according to their sales to pipelines in the year 1954, as well as their rank according to dollar values of sales, assets, and net profits as calculated by Fortune in its list of America's 500 largest industrial corporations.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE IV–4.—*List of 35 largest nontransporting producers ranked according to sales of natural gas to interstate pipeline companies in 1954 compared with their rank in Fortune's list of 500 largest industrial corporations*

Name and rank in sales of natural gas	Rank in Fortune's 500 largest industrial corporations according to—		
	Total sales	Assets	Net profits
1. Phillips Petroleum Co	30	15	17
2. Standard Oil Co. (Indiana)	12	6	12
3. Standard Oil Co. (New Jersey)	2	1	2
4. Shell Oil Co	16	18	11
5. Socony-Mobil Oil Co	9	5	8
6. The Chicago Corp	(1)		
7. Gulf Oil Co	8	7	9
8. Cities Service Oil Co	29	17	27
9. The Atlantic Refining Co	47	31	42
10. The Texas Co	14	8	4
11. The Shamrock Oil & Gas Co	(1)		
12. Sun Oil Co	38	44	36
13. Skelly Oil Co	153	80	56
14. The Pure Oil Co	80	58	52
15. SunRay-Mid Continent Oil Co.[2]	106	47	43
16. Carthage Corp	(1)		
17. The Superior Oil Co	358	154	150
18. Republic Natural Gas	(1)		
19. United Carbon Co	(1)		
20. Tide Water Associated Oil Co	63	60	48
21. Ohio Oil Co	121	73	39
22. Oil & Gas Property Management Co	(1)		
23. Standard Oil Co. (California)	18	10	6
24. Southern Production Co	(1)		
25. La Gloria Corp	(1)		
26. Union Oil Company of California	84	39	46
27. H. L. Hunt	(1)		
28. Sinclair Oil & Gas Co	21	14	13
29. Southwest Gas Producing Co	(1)		
30. Columbian Carbon Co	478	276	279
31. Warren Petroleum Corp	266	156	169
32. Union Oil & Gas Corporation of Louisiana	(1)		
33. Delhi-Taylor Oil Co	(1)		
34. Texas Natural Gasoline Corp	(1)		
35. Continental Oil Co	53	47	30

[1] Not listed.

[2] Merged, May 1955. Rank based on consolidated 1954 sales, assets, and net profit figures.

Mr. DOUGLAS. Mr. President, from this list, what do we see? Are the big producers in the gas industry small businesses, or are they America's largest corporations? Are those who advocate this bill pushing the cause of the small wildcatter, or are they carrying the torch for Standard Oil, Phillips Petroleum, Shell Oil, Gulf Oil, the Texas Co., and other huge corporations?

Mr. President, these facts should be noted: These 35 companies are very high on the list of America's 500 largest industrial corporations. Six of them are in the first 10 biggest American industrial corporations, if we measure them by their assets. Here we see the name of Standard Oil of New Jersey, the largest American industrial corporation. Here we see Socony-Mobil Oil Co., the fifth largest American industrial corporation. Here we see Standard Oil of Indiana, Gulf Oil Co., the Texas Co., and Standard Oil of California, who rank 6th, 7th, 8th, and 10th, respectively, in the Fortune list of America's largest industrial corporations, when measured by total assets.

Not only are these 6 in the Big Ten, but Sinclair, Phillips, Cities Service, and Shell rank 14th, 15th, 17th, and 18th, re-

spectively. Thus, 10 of these biggest producers of natural gas are in the first 20 largest American corporations. And these 10 account for over 38 percent of the sales of natural gas to interstate pipeline companies.

What about their profits? Are they big but poor, or are they big and rich? Are they impecunious companies who are suffering financial losses or are they among the most profitable big businesses in the world? Five of these companies are listed by Fortune in the first ten most profitable American corporations. They are Standard Oil of New Jersey, with 1954 profits of $584 million; the Texas Co. with 1954 profits of $226 million; Standard Oil Company of California with 1954 profits of $211 million; Socony-Mobil Oil Co. with 1954 profits of $183 million; and Gulf Oil, with profits of $182 million in 1954. Four others, Shell Oil, Standard Oil of Indiana, Sinclair Oil & Gas, and Phillips Petroleum are listed 11th, 12th, 13th, and 17th in terms of their profits. The amounts of their profits were $121 million, $117 million, $91 million, and $76 million, respectively, in 1954.

And, Mr. President, the remaining 25 of the 35 major producers of natural gas are not unduly overshadowed by the big ten.

Of the 35 producers, 22 of them, or 12 more than the big 10, are listed in the first 500 on Fortune's list. To break down these 22 even further, it will be seen that in rank according to sales, 16 of them are among the first 100 largest corporations. Nineteen are in the first 200, 20 in the first 300, and 21 in the first 400. These 22 who make Fortune's list accounted for over 54 percent of the sales of all natural-gas producers to interstate pipelines in 1954.

The net profits of these 22 companies from all their endeavors totaled $2,187,920,000 in 1954. Their total sales of all items in that year amounted to $21,302,878,000. They held assets of $25,392,031,000.

Mr. President, I ask unanimous consent to have these figures, shown in table IV–5, printed in the RECORD at this point as a part of my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE IV–5.—*Dollar values of total sales, assets, and net profits of the 22 largest gas-producing companies in Fortune's list of the 500 largest United States industrial corporations for 1954*

Name of producer [1]	Total sales	Assets	Net profits
Phillips Petroleum	$794,559,000	$1,092,745,000	$76,325,000
Standard Oil (Indiana)	1,660,343,000	2,187,358,000	117,157,000
Standard Oil (New Jersey)	5,661,382,000	6,614,743,000	584,793,000
Shell Oil Co	1,312,060,000	1,041,886,000	121,127,000
Socony-Mobil Oil Co	1,703,575,000	2,256,691,000	183,806,000
Gulf Oil Co	1,705,329,000	1,969,052,000	182,813,000
Cities Service Oil Co	813,174,000	1,053,527,000	43,724,000
Atlantic Refining Co	596,168,000	611,682,000	36,761,000
The Texas Co	1,574,370,000	1,945,509,000	226,141,000
Sun Oil Co	659,532,000	494,870,000	40,344,000
Skelly Oil Co	211,082,000	291,843,000	29,455,000
The Pure Oil Co	388,278,000	410,764,000	31,163,000
Sunray-Mid Continent Oil [2]	289,489,000	486,372,000	36,668,000
The Superior Oil Co	76,137,000	142,435,000	10,360,000
Tide Water Associated Oil	459,030,000	395,869,000	34,547,000
Ohio Oil Co	248,484,000	324,949,000	38,224,000
Standard Oil (California)	1,113,343,000	1,677,849,000	211,872,000
Union Oil of California	349,667,000	511,238,000	35,888,000
Sinclair Oil & Gas	1,021,461,000	1,186,771,000	91,580,000
Columbian Carbon Co	52,884,000	74,154,000	4,559,000
Warren Petroleum Co	112,406,000	141,525,000	8,930,000
Continental Oil Co	500,125,000	480,199,000	41,683,000
Total	21,302,878,000	25,392,031,000	2,187,920,000

[1] Listed in order of sales of natural gas to interstate pipelines. These 22 companies and their subsidiaries sold 54.16 percent of the natural gas sold to interstate pipelines in 1954.
[2] Merged, May 1955.

Mr. DOUGLAS. That these were not poor companies is shown not only by their rank in sales, but also by the fact that their rank according to profits was higher than their rank by sales for 19 of the 22 corporations, lower in only 1 case, and the same for 2 of them. Thus, their profit margins were higher than their rank according to sales and they cannot claim that they are suffering undue hardships.

Thus, while Standard Oil of New Jersey was 2d in net profits and 2d in sales; while Standard of Indiana was 12th in sales and 12th in net profits; and Gulf was 8th in sales but 9th in profits, all the others ranked higher in profits than in sales. Thus, among those in the first 100 largest corporations by sales, Phillips Petroleum ranked 30th in sales but 17th in net profits; Shell Oil was 16th in sales but 11th in net profits; the Texas Co. was 14th in sales but 4th in net profits. Note that, Mr. President. And Sinclair Oil was 21st in sales but 13th in net profits.

Of those companies which failed to make the 1st 100 in sales, a number did make the 1st 100 when ranked by profits. The Ohio Oil Co. was 121st in sales but 39th in net profits; Sunray-Mid Continent was 106th in sales but 43d in net profits, and Skelly Oil was 153d in sales but 56th in net profits.

Even the remaining companies ranked higher when ranked by profits than when ranked by sales. Thus, Superior Oil Co. was 358th in sales and 150th in net profits; the Warren Petroleum Co. was 266th in sales but 169th in net profits, and the Columbian Carbon Co. was 478th in sales but 276th in net profits.

Thus, not only in absolute amounts, but in the ratio of net profits to sales, these companies did very well indeed. They did much better than other types and kinds of American businesses on the average.

It may be said that many of these are composite companies, and that we cannot separate the amounts made from gas from the amounts made on oil, or retail distribution. However, the point is that it is very difficult to get from these companies figures on their gas operations, as distinguished from their other activities. Last week I addressed telegrams on this question to the leading 35 companies. I hold in my hand the replies to these telegrams. I shall be glad to show them to anyone. The general tenor of the replies I have received is that it is impossible for them to separate their gas operations from their other operations.

Mr. MONRONEY. Mr. President, will the Senator yield at that point?

Mr. DOUGLAS. I yield.

Mr. MONRONEY. The Senator knows the high regard I have for his statistical and analytical ability. Certainly no Member of the Senate is more deserving of praise for the effort he devotes to any subject.

Mr. DOUGLAS. So much for the anesthetic. When is the needle coming? [Laughter.]

Mr. MONRONEY. I wonder if the very distinguished Senator from Illinois, in outlining, on the next to the last page, the profits of the Texas Co. at $226 million; Standard Oil Company of California, $211 million; Socony-Mobiloil Co., $183 million; Gulf Oil Co., $182 million; Shell Oil, Sinclair Oil, and others—which he considers as leaders in respect to profits—realizes that those same companies are the ones which are leaders in the importation of oil from the Near East. That is a situation which does considerable damage to the producers of crude petroleum in the State of Illinois, where the wells are badly pinched in. In the State of Oklahoma, we are allowed to produce only a small fraction of our oil, while a great flood of foreign oil, at a tremendous profit, comes in to enlarge the profits of these very corporations.

Having identified some of the quick sources of profits which accrue to the disadvantage of the oil and gas producers of Oklahoma—because oil and gas are produced together in many wells and many fields—let me say that I should be more impressed with the statistical analysis if the Senator had also cited the rather authoritative Chase Manhattan Bank publication, Financial Analysis of the Petroleum Industry for 1954. That study summarizes the 1954 annual reports of the 35 largest oil companies.

Mr. DOUGLAS. Was not my list correct?

Mr. MONRONEY. The companies referred to are the 35 largest. The information to which I invite the Senator's attention is found on page 19 of the bulletin, which I am sure the distinguished Senator knows is a rather factual and analytical publication. I believe it is ranked rather high by economists and statisticians; is that not true?

Mr. DOUGLAS. I do not wish to impugn its reliability. I will say that I

have seldom caught it in an untruth, but I think upon occasion it does not tell all the truth.

Mr. MONRONEY. On page 19 of the analysis for 1954 it is shown that, with respect to the 35 largest companies, natural gas accounted for about 2 percent of the total operating revenues, 98 percent being in other fields.

These companies are outlined in pretty much the same relationship as has been indicated. However, they are shown alphabetically, instead of being listed as the first 10. If it be true that the natural-gas business accounted for 2 percent of the total gross operating revenue of the 35 companies, taking the net income as a percentage of total income, we find that the net income represents 10.2 percent of gross income from all operations, including the foreign oil, on which there is a very high percentage of profit.

Even disregarding this tremendously high percentage of profit on imported oil, and assuming that net profit from gas represented the same percentage of total revenue from their natural-gas sales for the year 1954 of $456 million—and I believe this is the nearest and clearest statistical approach that can be found—the estimated net profit from gas of these 35 companies amounted to $46½ million.

I should like to call the attention of the distinguished Senator from Illinois to the fact that while these 35 major companies, which, he said, had the lion's share of the business, were making $46½ million, the total net profit of gas utilities for gas operations went from $82.6 million in 1941 to $356 million in 1954.

Mr. President, I advance the theory that that is nearly 8 times the profit of these 35 major oil companies from the sale of gas. And these are the producers who the distinguished Senator from Illinois has said are responsible for the great magnitude of the natural gas that moves in interstate commerce. The gas is sold for a profit of $46½ million at the well.

Mr. DOUGLAS. Mr. President, is the Senator from Oklahoma asking a question or making a speech?

Mr. MONRONEY. I am sorry. I shall complete my statement in 30 seconds, because I do not wish to deprive the Senator of furnishing even more statistics which I feel are of little cogency to the real issue before the Senate. I say it is unchallenged that the percentage of gas produced by these companies is only 2 percent of their gross revenues. One cannot overlook the relationship between the cost of the gas shown by the net profits of these companies, of $46½ million, as against $356 million for the companies that distribute the same gas.

Mr. DOUGLAS. I may say to my good friend from Oklahoma that I did not mean to shut him off, and I shall invite him to enter the field again subsequently. However, I cannot quite understand where the Chase Manhattan Co. gets its segregated figures on gas, as distinguished from other operations, because I hold in my hand a great number of telegrams from the 35 companies, and nearly all of them state that they can not segregate their receipts and profits from gas as compared with their receipts and profits from oil.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I shall read from one telegram. It is from the Sinclair Co.

The telegram was sent to me by Mr. Rheinberger, vice president of the Sinclair Oil and Gas Co. I read a part of is as follows:

> This company is primarily engaged in the business of producing both oil and gas, with the major part of its investments and revenues from oil. It has not segregated its business in a manner that will enable us to give answers to your questions which will give you a fair picture of our business with respect to the matters called for, particularly as to costs for investments in nonproducing leases, dry holes, geophysical and explanatory information, and other items in regard to the calculation of profit, its investments, depletion, and depreciation. Furthermore, to attempt to do so would require a tremendous amount of expense, time, and effort.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. DOUGLAS. It is extraordinary that the Senator from Oklahoma is able to produce figures which purport to show the profit on gas, when the companies themselves say they cannot do so.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield gladly.

Mr. MONRONEY. I have stated repeatedly that that is one of the great difficulties. In fact, it is impossible to segregate the two, and this represents one of the impossibilities of making the Supreme Court's decision effective. It is impossible to divide the cost factors. I have repeatedly stated that it is impossible to do it. The cost factors cannot be divided.

Furthermore, not being an economist, but only a former newspaperman, I must sometimes travel by devious routes in order to wind up at my conclusion. I apologize again for the undue time I am taking.

If I did not believe it was extremely material to the issue, I would sit back and enjoy the distinguished Senator's remarks without interruption. The volume of sales of natural gas is easily ascertainable. It is the easiest thing in the world to ascertain, because it is metered as it goes through the lines, and we know what the sales are.

Mr. DOUGLAS. I believe the Senator from Oklahoma will agree with me that the sales by these 35 leading sellers of gas in 1952 amounted to approximately 3 billion M. c. f.'s, which, at an average price of a little more than 10 cents per M. c. f. in the field, would come to approximately $350 million. That is the figure for sales. We do not know what the profits are. That is the point. The Senator from Oklahoma cannot have it both ways. He cannot, on the one hand, say he knows what the profits are, and, on the other hand, say he cannot allocate the costs and compute the profits.

Mr. MONRONEY. I am surprised that the distinguished Senator from Illinois did not follow me more closely.

Mr. DOUGLAS. I followed the Senator with great closeness.

Mr. MONRONEY. We know what the sales were. The only way we have of computing the profits is to take the percentage of profits for the whole oil and gas operation and apply them against the sales of gas by these companies. In that way we wind up with the estimated figure which I tried to explain, namely, $46½ million.

Mr. DOUGLAS. I am not certain that that is a correct allocation, and without knowing the identities of the firms on your list, I do not know that it is comparable to my list of leading gas producers.

Mr. MONRONEY. If only 2 percent of their gross revenues is from gas, then certainly it is not a complete fallacy, and it would certainly be cogent to this argument, to apply that as a statistical fact. There it is. We have that fact on the authority of the study by Chase Manhattan Bank. That study states that 2 percent of the gross revenues of those companies comes from gas sales.

I know of no other way to approach it. Of course, I will agree with the distinguished Senator from Illinois that no man alive can take an investment in undeveloped leases, whether for oil or gas, and allocate the proper part of it to a well that is producing gas. It cannot be done. That is why the Supreme Court's formula will not work.

That is what I have been trying to say to the Senate. I have been trying these many days to explain to the Senate that it is necessary to use a reasonable market price formula, allowing a return based on the reasonable field price. The reasonable market price is the price set by the competition which has existed historically, and most of the sales are made on the basis of 20-year contracts. A producer must make a contract that he will supply gas for 20 years.

Mr. DOUGLAS. Is the Senator from Oklahoma aware of the fact that in the Phillips case the Commission found that the Phillips Company did keep distinct records on its gas and oil operations, and that the profits from gas were 16 percent? That fact was not allowed to be taken into evidence, because the Commission favored the reasonable market price, and therefore it did not go into the rates of profit. However, the records were printed and the figures were segregated.

Mr. MONRONEY. Could the Senator from Illinois tell me how they could allocate, in any reasonable way, in connection with the acreage they held, the wildcat acreage, which costs a considerable amount of money to maintain? It is unproven acreage. A company does not know whether it will develop gas or oil.

Mr. DOUGLAS. The Phillips Company did have accounts which permitted a division of oil and gas costs. The record shows the profits which they allocated to gas were very considerable—about 16 percent. The Senator from Oklahoma has been making an attack on the floor of the Senate and in the press on the distributing companies.

Mr. MONRONEY. No; it is no attack. I am only trying to establish that their cost factors are about 10 to 1 over the cost factor of the gas at the wells——

Mr. DOUGLAS. Is the Senator aware of the fact that the average rate of return of the distributing companies is from 5½ to 6 percent, and that, so far

as we can tell, the average rate of the composite companies has been slightly more than 14 percent?

Mr. MONRONEY. The figures from the Chase Manhattan Bank bulletin are 10.2 on sales. The capital structure of the gas-distributing company bears little relationship to the proper value of the company. The Senator will agree with that statement, I am sure. It represents, in many cases, capitalization on completely obsolete equipment. It represents capitalization on worthless gas-manufacturing plants, and even real-estate investments, which in the case of the Washington utility, I am afraid the citizens of Washington are being charged for in their rate base. The return on watered stock goes away back to the Insull days. The Senator from Illinois was one of the crusaders against the situation which prevailed at that time. I know he does not wish to return to the days when great profits were made on watered stock. The return should be based on actual value instead of on so much watered stock.

Mr. DOUGLAS. Let me fire a volley at the Senator from Oklahoma. I have figures showing the net income available for common equity of corporations engaged in the production of gas and oil for the year 1954, and I pick out three companies which I think are almost exclusively gas companies: the Chicago Corp., the Hugoton Production Co., and the Republic Natural Gas Co. The two Senators from Oklahoma are on the floor. Am I correct in my impression that these three companies are almost exclusively gas companies?

Mr. MONRONEY. I shall have to yield to my distinguished colleague to answer that question. I am not familiar with those companies. I never heard of them. They are not in the list of those mentioned, are they?

Mr. DOUGLAS. No; they are not in that list.

Mr. KERR. I shall be glad to try to answer any questions the Senator from Illinois wishes to ask me.

Mr. DOUGLAS. I merely wish to inquire if those companies are not almost entirely gas companies.

Mr. KERR. The Chicago Corp. probably has a greater investment in refining facilities than in gas production.

Mr. DOUGLAS. I am speaking of the Hugoton Production Co.

Mr. KERR. I thought the Senator started with the Chicago Corp.

Mr. DOUGLAS. That is correct. The next is the Hugoton Production Co.

Mr. KERR. I am not familiar with that company. I wonder if it is not the Hugoton Plains. If it is, it was engaged almost solely in the production of gas. I think it sold out some years ago.

Mr. DOUGLAS. These are figures for 1954.

Mr. KERR. The other company is what?

Mr. DOUGLAS. The Republic Natural Gas Co.

Mr. KERR. I would say it has more gas than oil.

Mr. DOUGLAS. I pick these out as three companies which I think are primarily gas companies.

Mr. KERR. A number of companies to which the Senator has referred have made tremendous profits. If he will examine the facts he will find that those which have made the highest profits made far more than 50 percent of their profits from imported oil.

Mr. DOUGLAS. I was careful to point out that they are composite companies. The Chicago Corp., in 1954, according to my figures, earned 14.01 percent on its equities.

The Hugoton Co. earned 26.7 percent on its equities.

The Republic Natural Gas Co. earned 16.7 percent on its equities.

The Southern Production Co., which is partly an oil and partly a gas producer, earned 21.4 percent on its equities.

The Louisiana Land & Exploration Co.——

Mr. KERR. I think that is a subsidiary, is it not?

Mr. DOUGLAS. I think that is correct.

Are the Senators from Oklahoma maintaining that the gas industry is unprofitable?

Mr. MONRONEY. No. Some men can make a profit in the gas business or the oil business. I do not happen to have that kind of good judgment. The investments which I have made have turned out to be dusty. At the moment I own a zero amount of natural gas and a zero amount of oil. But what the Senator from Illinois is saying about return on equity capital goes to the crux of the bill. I do not know anything about the Hugoton Co., which the Senator mentioned. Most of the companies buy leases for a dollar an acre as wildcat leases. If they take a big enough wildcat gamble, they may get 20 or 30 thousand acres which may become productive. Companies have leased a large amount of acreage with no gas under it. If gas was discovered, the land became worth $100 or perhaps more than that an acre, if they were lucky enough to hit a big gas field. That is exactly why I quarrel with the Senator's Supreme Court formula, which gives no credit at all in the rate base for the discovery value of gas. If we strip it down to $1 an acre——

Mr. DOUGLAS. My good friend from Oklahoma knows perfectly well that under the tax laws the drilling and exploration costs are deducted. He knows that the cost of the dry hole is deducted. He knows that there is a 27½ percent depletion allowance on gross receipts.

Mr. MONRONEY. But if there is no profit for the year, there is nothing from which to charge it off. If there is no production, the company is in the red.

Mr. DOUGLAS. The taxpayers pay for the red.

Mr. MONRONEY. There are approximately 20 men who lose to 1 who gains in the search for gas.

Mr. DOUGLAS. The Senator from Oklahoma is becoming intoxicated with the exuberance of his language. The figures for 1955 show that producing wells were drilled at the ratio of 1 to 6.

Mr. KERR. May I make an explanation?

Mr. DOUGLAS. Are my facts wrong?

Mr. KERR. They are not wrong if they are applied correctly.

Mr. DOUGLAS. The productive wells amounted to about one-sixth—not one-ninth or one-fortieth, but one-sixth.

Mr. KERR. If the dry wells were 10,000, that was out of about 56,000 wells drilled.

Mr. DOUGLAS. No; these were wildcats.

Mr. KERR. Then I say that the figures stated by the distinguished Senator from Illinois are not correct.

Mr. DOUGLAS. These figures were taken from Oil and Gas Journal, weekly well completions.

Mr. MONRONEY. If the Senator will refer to Gas Facts, 1954, which is taken as an authoritative publication, I believe, by all of us, tables 24 and 25, he will find that the ratio of successful wells to dry wells for all wildcat wells was about 1 in 8; and the ratio in the new field wildcats is about 1 in 9. Those figures are from Gas Facts. I think this reliable statistic should be considered in connection with the 1 to 6 ratio.

Mr. DOUGLAS. I am citing the Oil and Gas Journal, weekly well completions, at the end of 1955, and the figures are for 1955; whereas the figures of the junior Senator from Oklahoma are for 1954.

Mr. MONRONEY. I think it will be found that there were more successful oil completions and fewer successful gas completions, which seems to suggest that even nature seems to be worried about the Supreme Court's edict becoming operative.

Mr. DOUGLAS. That, I should say, was poetic license. I believe literary critics would call it a pathetic fallacy.

Mr. LONG. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. LONG. Has the Senator explained the real reason why the price of gas is high in the northern and eastern cities? The real reason why the price of gas tends to be high in those cities is that the utility companies in those areas have been operating for many years with old gas manufacturing plants. While natural gas has been brought in, so as to reduce greatly the cost of gas to the companies, they have nevertheless loaded their rate base down with all the old, obsolete equipment which they had on hand from the time when they manufactured their own gas. That is the reason why such high prices exist for gas in northern and eastern cities, whereas the prices charged in the southern and southwestern cities are far less.

Mr. DOUGLAS. There may be something to what the Senator from Louisiana says. As a matter of fact, I made a contention similar to his in the case of the Peoples Gas Co. in Chicago in the 1930's. But I think the Senator's attempt to change the subject away from the subject matter of the bill to the consideration of matters upon which only the State utility commissions have jurisdiction is a diversionary tactic. If the Senator wishes to go into that question, I may say that some cities still have mixed gas, and therefore have more than the ordinary high costs of manufactured gas. Furthermore, they are at the end

of longer pipelines, and thus have higher transmission costs. Also they have high costs in connecting residences with gas mains. In many northern cities the people are not yet heating their homes with gas as are the people in other sections of the Nation. So the volume of consumption per house is low, and therefore the carrying charges, the expenses incurred from the gas main into the house itself, are high.

The gas which the consumer uses to boil eggs and fry bacon in the morning is not enough to carry the investment in the connecting lines between the gas main and the house and the cost of installation.

So I think the Senator has been unfair to the northern companies—and the public knows I am not an apologist for them.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. PASTORE. Is it not a further fact that there has been a lack of absolute conversion only because of the instability of the natural-gas market? The chief complaint of the distribution companies has been that because of the varied and spiraling escalation clauses, there has not been a stability in the market whereby they could feel certain from one month to the next of exactly what the price would be. This has led to a certain cautiousness on their part in maintaining supplies of mixed gas or of keeping intact some of their artificial gas manufacturing facilities, because they think the time may come soon when they will have to go back to fabricating gas inasmuch as natural gas may not be available to them.

Mr. LONG. The real reason is that they capitalize their obsolete equipment in their rate base and charge the consumer twice as much as he should be charged. The Senator from Rhode Island has not said a word about that. That is the real reason why gas costs so much for the consumers in the northern cities.

Mr. PASTORE. Where does the Senator from Louisiana get the idea that the distributing companies are using obsolete equipment? Is that not a figment of his imagination? Furthermore, what is there in the bill which will give the distribution companies brandnew equipment? What are we arguing about? We are arguing as though the bill tomorrow would make a brandnew plant out of every distribution company in the country. There is nothing in the bill which would remedy the present situation.

If it be true that there is some abuse on the part of the distributing companies, we shall be adding to that abuse by enabling the producer to gouge the consumer even more than he may be gouged at the hands of the distributing companies. We shall not be giving the distributing companies brandnew equipment. Whatever ills may have existed in the past will not be cured by the bill. If there already be injury to the consumer, the bill will only add insult to that injury.

Mr. MONRONEY. Mr. President, will the Senator from Illinois yield for an escalation question which I should like to address through him to the Senator from Rhode Island?

Mr. DOUGLAS. The bill is so full of escalation clauses that I think the Senator should be permitted to indulge in such a question on the floor.

Mr. MONRONEY. The Senator from Rhode Island asks why we are talking about obsolete equipment. The Washington Gas Light Co. has written off, since its conversion to natural gas, $4,700,000 to take care of obsolete equipment. That writeoff goes on to my Washington gas rate and to that of other Senators. That is because throughout the years when artificial gas was used, the company did not writeoff the proper, acceptable amount of depreciation.

Now the company has found a profitable operation with the use of natural gas, which incidentally costs them 5 cents a thousand cubic feet less than manufactured gas. The local company soon obtained a 12-cent increase in the consumer's rate. With natural gas costing 5 cents a thousand less, that is an increase of 17 cents in the spread.

Mr. DOUGLAS. I may say that the Senator's argument reminds me of the line in the opera of Gilbert and Sullivan:

> The flowers that bloom in the spring, tra la, have nothing to do with the case.

We cannot do a thing about the distribution costs; they are entirely under the control of the State utility commissions. This is purely a diversionary tactic on the part of the Senator from Oklahoma, and is intended to divert attention from the $600 million which his friends in the gas fields will pocket.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. PASTORE. On that very point, does not the logic of the junior Senator from Oklahoma reach this one conclusion: That simply because the distributing companies are whacking the consumers, then let the producers do it, too. That is what the Senator is arguing, that is all it amounts to. If the distributing companies can whack the consumers once, let the producers whack them a second time.

Mr. MONRONEY. I have been intrigued by the $600 million and $800 million figures which it is alleged will be the increased cost to the consumer.

Mr. DOUGLAS. We shall demonstrate that.

Mr. MONRONEY. Household gas is what all the Senators from the northern States have been crying about. They want a cheap price——

Mr. PASTORE. For the housewife.

Mr. MONRONEY. For the housewife. I am so glad the Senator from Rhode Island has mentioned the housewife, because the cost of gas to the housewife in 1954 was a total of $196 million.

Mr. PASTORE. Does the Senator think the bill will bring the price down or up?

Mr. MONRONEY. The price of gas will stand a better chance to remain where it is under this bill than under the law which some Senators are suggesting that the Supreme Court be permitted to write for Congress. To me it is rather fantastic for anyone to suggest that there will be unreasonable increases after all these years of interstate operation, from 1936 until 1956, during which there has been no control over the producer and but little increase in the cost of gas. In 1926 natural gas cost at the well 9½ cents. In 1954 the cost was 10½ cents.

If Senators can show me any unregulated commodity in the whole United States which has not increased in greater proportion than that, I shall be greatly surprised. There has been a one-cent increase since 1926. We grant that during the days of 30-cent wheat, 5-cent cotton, and nickel hogs, the price went down about 4.5 percent. But the Senators do not want to roll us back to the Hoover days, do they?

Mr. DOUGLAS. The Senator from Oklahoma disregards the facts in the case, because the figures I have introduced show that in his region in the Southwest the average price which the producers got from the 17 big pipeline companies in 1946 was 4.3 cents. In 1954 it was 10.36 cents, an increase of 120 percent.

Mr. MONRONEY. Those were the days of 30-cent wheat. From 1940 to 1946, every ounce of steel was pressing into service for war. There were so many sources of supply, and so many gas fields had been discovered as we increased our drilling for oil for war purposes, that enough gas was being flared in west Texas to heat the homes of Chicago and New York for 10 years. But we got the steel. Then the long pipelines were laid, and there was a market for the gas. The Senator still wants to keep gas at prices which prevailed when we had 30-cent wheat.

Mr. PASTORE. Mr. President, will the Senator from Illinois yield to me?

Mr. DOUGLAS. I yield.

Mr. PASTORE. Of course, one thing the Senator from Oklahoma overlooks is that he reverts back to 1938.

Mr. MONRONEY. To 1926, when there was a normal market and 9½-cent gas.

Mr. PASTORE. There was a time when gas was being burned up because there was no available market for it outside of the very States where it was being drilled.

Mr. MONRONEY. In 1926 there was a balanced market. There was a supply seeking a market, but gas was not in such great supply that it was being burned in the air and flared in every well in the country.

Mr. PASTORE. Will the Senator from Illinois yield further?

Mr. DOUGLAS. I yield.

Mr. PASTORE. The real progress and development in the gas industry has taken place in the past 5 years. The important thing is for the Senator to consider the figures of the past 5 years, and then take into account petitions now pending before the Federal Power Commission. There are petitions before the Federal Power Commission for rates of 20 cents, 21 cents, 23 cents, and even up to 30 cents a thousand cubic feet. I say to the distinguished Senator from Oklahoma that there is such a terrific

demand for gas today that if the gas were turned into the open market without some supervision on the part of the Federal Power Commission, the poor consumer would be sunk.

Mr. MONRONEY. The Senator from Rhode Island speaks of 20- and 22-cent gas. Going back to the theory that the Supreme Court has a right to invalidate an existing contract, then the contract no longer exists for the pipeline to supply natural gas to Chicago or Providence, R. I. Therefore, canceling of the contract might be advantageous to the producer, who is trying to find out what the law is. Nobody knows. If such contracts are rendered invalid by the Supreme Court's decision, then the producers are going to ask for 20 cents a thousand cubic feet. What I am trying to say is that unless the pending bill becomes law, consumers are going to pay much more, as a result of scarcity, and the possibility of getting only high-cost gas committed to interstate commerce. If the bill is passed consumers will be under reasonable market prices, which the Federal Power Commission will have a right to regulate to insure that they do not go beyond a certain yardstick.

Mr. PASTORE. What we overlook is that the Natural Gas Act applies to producers and gatherers. As a result, producers cannot cancel contracts, because they are under Government supervision, and every contract consummated since 1938, when the Natural Gas Act was enacted, comes under the authority of the Federal Power Commission. Contracts consummated since 1938 cannot be canceled.

Mr. MONRONEY. We cannot have it both ways. Some of the lawyers argue that if the Commission can rule out a price favorable to the producer, then it can also rule out a price which is unfavorable to the producer. So many producers are asking for a 20-cent price on the theory that the Supreme Court opinion permits such increases.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. McNAMARA in the chair). The Senator will state it.

Mr. DOUGLAS. Who has the floor?

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DOUGLAS. I was in some doubt about it.

Now that we have the Senator from Oklahoma present, and he is in such good form, let me say to him I think it was most inappropriate for him to take the highest examples of the highest residential rates in northern cities and suggest that they were typical of the country as a whole.

Mr. MONRONEY. Mr. President——

Mr. DOUGLAS. I shall yield in a moment.

Instead of residential rates of $1.56, $3.01, $3.54, the Senator from Illinois has pointed out that the average residential rate for the country as a whole is only about 80 cents. If the 23-cent and 24-cent industrial rate were considered, the average rate for all purposes would be only 44 cents. So, instead of the producer getting one dime, he is getting one quarter of that amount. If one considers the city-gate prices, they average approximately 25 cents. The distributive costs are only 19 cents a thousand feet, making a total of 44 cents. Why does not the Senator from Oklahoma, with his sense of fairness, bring those facts out?

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I shall yield in a moment, but I should like first to take the offensive against the Senator from Oklahoma. I point out that the Oklahoma City and Tulsa consumers are paying most of their money to the producers.

Mr. MONRONEY. I have tried to point out that in those Oklahoma cities the cost at the burner tip is less than the spread from the city gate to the burner tip in the States of the Senator from Illinois and the Senator from Rhode Island. In every case where we have quoted residential prices and the spread, we have taken the figure most advantageous to the gas distributing companies. Where there was one rate for cooking—which was high, being $3 and some cents in Rhode Island—and one for cooking and heating, which was $1.65, I think the acting chairman of the committee knows that the Senator from Oklahoma took the lower figure. We had the average rate as between cooking and heating in Milwaukee, and we quoted that.

Even taking the most advantageous figure of the gas distributing company, there will be the difference in spread we have quoted. To quote the average rate of distribution based on industrial use, is to defend a system of allowing industrial use to interfere with household consumption. I cannot defend the practice of allowing a prodigal waste of gas for industrial use. The supply of gas is, according to the best Bureau of Mines estimates, only enough for 22 years, compared with a supply of other fuel which is estimated at 10,000 years. I cannot go along with encouraging the prodigal use of this fuel in short supply under boilers when more abundant fuels can be used for that purpose.

Mr. DOUGLAS. I hope I do not offend my friend from Oklahoma, whom I like very much, when I use a quotation from the Book of Job: "He multiplieth words without wisdom." My good friend seems to think it is a terrible thing to use gas for industrial purposes in the North, but I am sure he knows that various chambers of commerce in his area of the country are making appeals to industry to go to the Southwest, where those industries can have cheap gas for industrial use. It seems to be a terrible thing to use gas under industrial boilers in the North, but it is the standard operating procedure in the Southwest.

Furthermore, my good friend will find, if he examines the industrial rate in the Southwest, that most of it goes for the price paid to the producer in the field.

Mr. President, I will tell you what my good friend, the Senator from Oklahoma, is doing: In jacking up the price of gas in the field, he is strangling industry and hitting consumers in his region. There was some testimony to that effect from the Oklahoma distributing companies; they had the courage to say that, even though they operate in oil and gas territory.

Mr. MONRONEY. Mr. President, will the Senator from Illinois yield to me?

Mr. DOUGLAS. I am glad to yield.

Mr. MONRONEY. I should like to say that the increase in the industrial use of gas in my State has occurred in the past 4 or 5 years, largely because of the great uncertainty on the part of the gas producers and their consequent unwillingness to enter into 20-year contracts. I know of instances of a gas producer taking a lower rate for the sale of gas within the State for use as boiler fuel for the generation of electricity. That is a use of natural gas which I deplore; but the producer did not wish to undergo the uncertainty which would arise in connection with his signing himself into servitude for 20 years as a public utility. The number of such instances will increase, rather than decrease, because in the gas-producing States there are industrial markets which can be developed. We have no control over that; but I think the history of economics shows that business will tend to remain where it is least faced with Government regulation, and will be hesitant to enter fields in which there is a tight yoke of Government regulation, particularly a new system of Government regulation on a public-utility basis which never before has existed in this industry, since the first sales of natural gas in Fredonia, N. Y., in 1824.

From 1824 until the Supreme Court's decision in 1954, the natural-gas business was a free-enterprise business. But by a 5-to-3 Supreme Court decision that situation was changed. The entire system of pricing natural gas was changed, because five Justices, sitting in the cloistered Supreme Court building, decided they were compelled to rule in that way.

Mr. DOUGLAS. Mr. President——

Mr. MONRONEY. I yield the floor. [Laughter.]

Mr. DOUGLAS. Mr. President, I did not know the Senator from Oklahoma had legal possession of the floor. I thought perhaps he had squatter's rights to the floor. [Laughter.] However, I am glad that legal possession of the floor has reverted to me.

If my good friend, the Senator from Oklahoma, had been on the floor earlier this afternoon or late Friday afternoon, or if he had read the RECORD for Friday, he would have realized that I made it perfectly clear that the Natural Gas Act has always meant, according to the interpretation of the courts, what the Supreme Court said it meant in 1954 in the Phillips case, namely, that it covered the price at which gas was sold to the pipelines, for transmission in interstate commerce. If the Senator from Oklahoma will read, tomorrow, the CONGRESSIONAL RECORD for today, he will see that that point was made clear on the floor of the Senate during the debate between Senator Connally, Senator Wheeler, and Senator Borah, and that the circuit court three times and the Supreme Court twice made rulings to the same effect.

So, Mr. President, it is utterly nonsensical for the Senator from Oklahoma to claim that the Supreme Court's decision in 1954 was a capricious one.

Now let me deal with the argument the Senator from Oklahoma makes. The Senators on his side of this question have been trying constantly to divert attention from the main issue by calling attention to certain distributive rates in a few selected northeastern and northern cities. They have constantly made an effort to do that. I am sure the Senator from Oklahoma will not take my remarks personally, because I do not refer to him, and I know that he would not attempt to pass off a false argument any more than he would attempt to pass off a false coin. However, I will say that the argument, as advanced by others, reminds me of the favorite trick which is said to be used by a pickpocket who has in his pocket money which does not belong to him. The first thing he does is to yell "Stop, thief" at someone else, so that attention will be diverted away from the actual thief.

In this connection, Mr. President, I make no personal reference to the Senator from Oklahoma; but I say that is the practice to which some persons resort, in an effort to divert attention from their own difficulties.

Mr. LONG. Mr. President, will the Senator from Illinois yield to me?

Mr. DOUGLAS. I shall be glad to yield in a moment.

Mr. President, we cannot do a thing about the retail residential rates in the northeastern area of the country. I could take some time in explaining those rates. I could say that in Manhattan, for example, there is a great rock structure, and expensive tunnels have to be dug through the rock, and a high cost has to be paid in that connection. I could also point out that some cities use manufactured gas, which has a higher cost of production than natural gas, and they do not make extensive use of gas for house heating and thus do not have the benefit of a large volume of gas consumption, which would result in reducing the unit cost, and so forth.

Instead, I merely say that the yield to the distributing companies, under the rulings of the public-utility commissions, is only 5 percent or 6 percent. Perhaps the rate base is too high, but we cannot do anything about that.

However, in the Southwest the Senator from Oklahoma will find that the production rates are largely made up by the production cost in the field, and when the rate is raised, consumers—both industrial and residential—are hurt. So I am sorry that the Senator from Oklahoma seems to have his mind fastened only on the rates in the cities, rather than on the rates in the field.

Mr. President, I have said some harsh things about the arguments the Senator from Oklahoma is advancing, but not about the Senator from Oklahoma himself.

Mr. MONRONEY. Mr. President, I appreciate that, and I feel the same way about my distinguished colleague from Illinois.

However, Mr. President, for the life of me I cannot understand why the concern for the consumer, about which we have heard so much, results in an attempt to place regulation on the producer, who gets only about 10 percent of the consumer's dollar.

Mr. DOUGLAS. About 25 percent.

Mr. MONRONEY. The producer gets about 10 percent of the residential consumer's dollar. I cannot understand why that 10 percent is regarded as being so important, whereas the 90 cents or 90 percent of the consumer's dollar is regarded as so unimportant. Neither can I understand why the spread in connection with city distribution is regarded as so unimportant.

Mr. DOUGLAS. That is not unimportant. But, first, let us get the first figures straight. The average price at which all gas is sold locally is approximately 44 cents per thousand cubic feet.

Mr. MONRONEY. Including industrial sales.

Mr. DOUGLAS. That is correct.

Mr. MONRONEY. I thank my colleague.

Mr. DOUGLAS. The average amount received by the producer in the field is 10.7 cents per thousand cubic feet, or 23 percent of the ultimate consumer's dollar. The average price at the city gate is just under 25 cents per thousand cubic feet, or about 56 percent of the consumer's dollar. The local mark-up is about 19 cents per thousand cubic feet, or about 44 percent of the consumer's dollar.

It may be that those amounts are too great. I certainly hold no brief for the local distributing companies. But I object to having the Senator from Oklahoma and the Senator from Louisiana center all their attention on the distributing companies, about which we can do nothing because they are under State regulation; and I object to having those Senators try to divert attention from the producers, about whom we can do something.

Mr. MONRONEY. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

Mr. MONRONEY. It seems to me this situation almost resembles the case of a doctor who, upon examination, finds a patient to have cancer, but makes a diagnosis of fits, because he cannot cure cancer, but he can cure fits. A doctor who makes such a diagnosis under those circumstances is a rather poor doctor.

In the same way I object to the diagnosis presented by the opponents of the bill. They are treating the patient for a disease which does not threaten him. When treating him for that disease, they fail to make him aware of the disease—or problem—he actually has. When the opponents of the bill fail to give proper attention to the rates charged in connection with the city distribution lines, they are doing the consumer a great disservice, rather than a service.

Mr. DOUGLAS. Mr. President, let me say that I am willing to give $5 to a local league of utility consumers, to prosecute a case on gas rates before the Public Utilities Commission of the District of Columbia. For that purpose, I now place $5 on the desk of the Senator from Oklahoma.

I am willing to do my duty as a consumer, to see that this subject is gone into. If the Senator from Oklahoma will match my $5, we shall have at least $10 with which to bring suit.

Mr. MONRONEY. Here is my $5. Will the Senator from Illinois join the junior Senator from Oklahoma, the junior Senator from New Mexico [Mr. ANDERSON], the junior Senator from Texas [Mr. DANIEL], and the Senator from Arkansas [Mr. FULBRIGHT] in appearing before the District of Columbia Committee to ask that the Washington Gas Light Co. be required to print three simple facts about the rate on its bills—facts which cannot be ascertained from the goobledygook now on the back of the gas bill? I refer, first, to the cost of the gas at the well for the last conveniently obtainable 12-month period; the cost of the gas to the distributing company at the city gate; and the cost per thousand cubic feet for moving the gas from the city gate to the consumer's burner tip. If we can make clear to the thousands of gas consumers of Washington, D. C., who are paying one of the highest charges in the country for city delivery, that with the consumption of gas increasing, rates should be reduced, the $5 which the Senator from Illinois has donated, and which the Senator from Oklahoma has matched, will be the most effective public regulation which could be brought about.

Mr. DOUGLAS. Will the Senator from Oklahoma add the profits of the producers to the items referred?

Mr. MONRONEY. I should be glad to do so if they could be ascertained. But they cannot be ascertained. How do we know whether they are paying for gas leases or oil leases? If the Fulbright bill is not passed, the ultimate gas consumer will be playing for every dry hole in the country.

Mr. DOUGLAS. The Senator from Illinois will vote for the proposal of the Senator from Oklahoma if he will vote against the Harris-Fulbright bill?

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. PASTORE. If I may make further suggestion in conjunction with this act of donation, perhaps we ought to substitute a resolution for the pending bill, calling upon the governor of every State to have every distribution company given better supervision, and calling for an investigation of the spread. In the meantime we can postpone action on the natural-gas bill until, say, June 30, 1956.

Mr. DOUGLAS. I think that is an admirable suggestion.

Mr. President, I believe Oliver Wendell Holmes began his book The Autocrat of the Breakfast Table by saying: "As I was saying when I was interrupted." So I shall resume the discussion which I began some minutes ago.

Mr. LONG. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. LONG. I assure the Senator from Illinois that so far as the junior Senator from Louisiana is concerned—and I believe so far as all his colleagues are concerned—we are all satisfied that the Sen-

ator from Illinois is acting in complete good faith and good conscience in the fight he is making, although some of us do not agree with him.

Mr. DOUGLAS. I accord to my opponents the same measure of good faith and good conscience.

Mr. LONG. I do not believe it helps matters to impugn the motives of those who disagree with us.

Mr. DOUGLAS. I am criticizing only the logic of the proponents of the bill.

Mr. LONG. The Senator has made reference to the motives of certain individuals. He has made much of the argument that producers would like to get better prices for their gas. Of course, they would, inasmuch as they are selling gas.

But did it ever occur to the Senator that some of the coal-producing interests might want this bill defeated because some of them are of the conviction that gas will simply not be sold in interstate commerce in greater quantities in competition with coal unless this bill should pass, feeling that the gas producers will not make gas available in interstate commerce, and will not be willing to sell it under the kind of regulation which the Senator is proposing?

Mr. DOUGLAS. The Senator from Louisiana may have inside knowledge, which the Senator from Illinois does not possess, as to what is going on in the corridors. If the coal industry is in favor of the bill, it may be because it is felt that under it the price of gas will go up, and the coal industry will sell more coal, believing that new families starting life will use coal rather than gas to heat their houses, and that industrial companies will turn to coal rather than gas.

Mr. LONG. Of course a coal producer would like to see coal sell on a competitive basis with natural gas, because under the type of regulation the Senator from Illinois would like to have the result might be that certain individuals who would prefer to buy natural gas if they could get it would buy coal. But I submit to the Senator that there are some people interested in coal who would like to have the bill defeated, feeling that natural gas will not be sold in interstate commerce unless the gas producer considers that he is safe from the kind of regulation the Senator is here advocating.

Mr. DOUGLAS. That may be. I have never heard such an argument. The Senator from Louisiana cannot have it both ways. He cannot have the coal industry favoring the bill, and at the same time have the coal industry opposing it.

From what I have understood about the forces at work away from the floor of the Senate, the coal industry is for the Harris-Fulbright bill, because it is felt that the increase in the price of gas would be so great that the housewife in the newly formed family would stoke the furnace with coal rather than turn on the gas.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. PASTORE. Does not the argument of the proponents of the bill rest on this logic: That if the Federal Power Commission were to regulate the producers, perforce the Federal Power Commission would put the producers out of business? Does the Senator from Illinois have any such fear?

Mr. DOUGLAS. I have not.

Mr. PASTORE. Does the Senator from Illinois fear that the Federal Power Commission is going to confiscate the property of the producers and not give them a fair profit on their investment and their labor? Whoever heard of such a thing as the Federal Power Commission, which is a governmental agency, an arm of Congress, dedicating itself to putting a great industry like the gas producing and gathering industry out of business? I do not follow such logic.

Mr. LONG. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. LONG. Let us examine a simple state of facts.

Who would say that it is fair to inform a gas producer that he has a right to sell gas in interstate commerce—as the Federal Power Commission did—without Federal control of the price, and to allow him to sign contracts, but, after the contracts have been signed at a price of 15 cents for the gas, which is more than the average price at the moment, to say to the same producer that he must deliver the gas, but he cannot be permitted to charge the price which it was intended he should receive, and which was stipulated in the contract; and furthermore, that after the 20-year period, after the expiration of the life of the contract, he must continue to sell gas? Does that seem to the Senator to be just and fair?

Mr. DOUGLAS. The Federal Power Commission would fix a fair and just price.

Mr. LONG Just a moment. That is what we are talking about. Is it fair to a gas producer who signed a contract to sell his commodity at a given price to tell him, first, that he must sell it for a price below that for which he agreed to sell it, and secondly, to tell him that when the contract is due to expire, in 20 years, he must continue to deliver his product after the period of 20 years has expired?

Mr. DOUGLAS. The Senator is speaking as though it is the terms in the 20-year contract which govern the price at which gas is being sold. The Senator knows perfectly well that what is affecting the price of gas in the field is the so-called escalation clauses, under which prices will be increased much above the price provided in the original 20-year contract.

It is the escalation clauses, plus the forced renegotiation of original contracts in order to get additional allotments of gas, which are raising hob, and which will send up the price of gas in the field unless there is some regulation.

Mr. LONG. A few days ago the Senator stood here and informed us that he had no particular objection to these escalation clauses, if I correctly recall, because at that time he said he could understand why a man who did not want to sell his gas over a long period of time, but was compelled to do so in order to find a market for it, should be entitled, over a period of time, to receive a price more in line with the going market price as time went on.

Mr. DOUGLAS. To which Senator is the Senator from Louisiana referring?

Mr. LONG. I am referring to the Senator from Illinois.

Mr. DOUGLAS. Oh, no. I said that the second party favored-nations clause was terrible, and that the third party favored-nations clause was outrageous.

Mr. LONG. I assume we are talking about an escalation clause under which a producer sells gas for 5 cents during the first 5 years, 10 cents during the next 5 years, and 15 cents during the following 5 years.

Mr. DOUGLAS. I do not object so much to that, but I do object to second and third party favored-nations clauses. The Senator from Louisiana knows that frequently a producer, let us say, sells 100 million thousand cubic feet of gas to a pipeline, at a given price of, let us say, 10 cents, and then the pipeline wants another 15 million thousand cubic feet. Under such circumstances, a producer will frequently say, "I will sell you the additional 15 million at 20 cents, provided you agree to renegotiate the original contract and rewrite up the original price to 20 cents." Therefore on renegotiation conditions are found which are very similar to those under the most-favored-nations clauses.

Mr. LONG. The Senator from Illinois perhaps is placing an unfair interpretation upon what may well be a sensible business relation. Let me explain to him what I have in mind. A gas producer with a product to sell would very much prefer to sell his product in the same way the producer of coal, or the producer of oil, or the producer of almost any other product, sells his product. Producers other than gas producers sell their product on a going day-to-day market price. The situation in the gas business is due to the fact that the trend has been for gas prices to rise. In order to sell his gas the producer must sell it to a pipeline company, which must make a major investment in order to get the gas to the market. The result is that the pipeline company insists on tying reserves up over a long period of time so that the pipeline company can obtain a return and amortize its capital investment.

Mr. DOUGLAS. That is usually for a period of 15 or 20 years.

Mr. LONG. The producer undertakes to obtain an agreement with the pipeline company that he will sell his gas at a stipulated price, but that, in any event, if the market should become more favorable to the producer, the producer will receive the benefit of the higher market price at which the product is being sold.

There is nothing evil about a farmer selling his product at a going price. There is nothing wrong with General Motors selling its automobiles at the going price. That is how almost every industry in the world does its business.

Mr. DOUGLAS. What the Senator from Illinois persists in doing is to say that the sale of natural gas is like the sale of eggs or butter or of cordwood, or of any other product. The Senator from Rhode Island [Mr. PASTORE], the Senator

from Michigan [Mr. POTTER], and the Senator from Illinois have been contending, throughout the debate, that the sale of natural gas is different from the sale of other products. That is so because once gas mains, pipelines, and gathering lines have been laid, the industry is organically tied together in all its parts. The pipeline cannot separate itself from the producer or the gatherer. It is tied to the producer and gatherer. The Senator from Louisiana, I thought, made a very interesting point the other day when he said that the small producer was tied to the pipeline. That may be true. However, the pipeline is tied to the big producer. That is the point.

Mr. LONG. The point is, however, that the producer does not get more for his gas because of the difficulty of getting it to market; on the contrary, he gets less. If we take the value of gas in terms of heat units, as against coal or oil, the value of a thousand B. t. u.'s of gas is much less than a thousand B. t. u.'s of oil or coal, so far as a comparison of the sales price for the three products is concerned.

The reason is that the other producers can transport their commodities to market by different forms of transportation. The gas producer, on the other hand, is limited to one or two pipelines, which make large invesments in order to get the product to market. That is why the gas producer has been getting less and will continue to get less for his product. I am not complaining about the fact that he will continue to get less, but I do say he is entitled to sell his fuel competitively, in the same way other producers are entitled to sell their products competitively.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. PASTORE. The Senator from Louisiana has put his finger on the nub of the whole problem. The proponents of the bill have been reluctant to accept the suggestion made by the Senator from Illinois to exempt the small producer. The pending bill is not a bill that favors the small producer. The bill, S. 1853, is a bill for the big gatherer. Anyone who reads the provisions of the bill will find that the whole purpose of the bill is to help the large gatherer. We realize that the small producer has his problems and we are willing to exempt him. Why do the proponents of the bill resist such an exemption?

Mr. LONG. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield, and I will be very much interested in the Senator's answer.

Mr. LONG. It would be an improvement to do what the Senator suggests, in terms of exempting the small producer. That would be an improvement over what the Senator is recommending for the large producers.

Mr. DOUGLAS. Why does not the Senator want such an exemption provided?

Mr. LONG. One moment, please. I cannot see why the Senator would object to letting the large concerns sell the gas competitively, as he would permit the small ones to do. Why not?

Mr. PASTORE. Because the large producers control the market.

Mr. DOUGLAS. Because they control the market. One hundred and ninety-seven producers sell 90 percent of the gas. Thirty-five producers sell 70 percent of the gas.

Mr. LONG. Will the Senator compare the gas industry with the oil industry?

Mr. DOUGLAS. If we control the dog, we control the tail. However, if we control the tail, we do not control the dog.

Mr. LONG. There is competition in the gas industry; in fact, there is more competition in the gas industry than almost any other industry in the country. If we compare the gas industry with the automobile industry, we find that in the automobile industry five of the largest producers produce all the automobiles. By comparison, the Senator is making much of the fact that perhaps 35 gas producers produce 70 percent of the gas. However, there are thousands of small producers who are also competing with the large producers from day to day trying to find gas, and, if they find it, to sell it.

Mr. DOUGLAS. If the Senator from Louisiana will listen with patience as I unfold my argument—and I have only begun to do so—he will see the strategic importance of the large producers.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. PASTORE. I believe there is another point the Senator from Louisiana has missed. It is true that 4 or 5 large automobile companies produce all the automobiles. However, in the automobile industry there is not the situation of a captive consumer. That is something that is being continuously overlooked in the debate.

Mr. DOUGLAS. It is being overlooked by the proponents of the bill.

Mr. PASTORE. The consumer who turns on his jet at home in order to cook with natural gas, actually is in captivity. Consumers, in other words, have no other place to go. Their distribution company is tied to the pipeline company, the pipeline company is tied to the gathering company, and the gathering company collects from all the small producers. Does not the Senator see that it is one continuous chain right down the line?

All the Supreme Court has said—it has not said that the FPC shall control the well—is that when the producer sells his gas for resale in interstate commerce, then and only then is the public interest involved, because of the consumer interest, and for that reason the operation should be under governmental control. It is as simple as that. The whole argument revolves around the captive consumer. The minute we forget that fact, we can take the whole Natural Gas Act and throw it in the Potomac River.

Mr. LONG. Let us go back a minute to see whether the consumer is a complete captive. If a pipeline wishes to terminate its relationship with any individual producer, all the pipeline company needs to do is to turn off the spigot. It can do that very easily.

Mr. PASTORE. What about the gathering lines?

Mr. LONG. The gathering line can buy gas from someone else. It, too, can turn off the spigot and buy from someone else. The idea that either is limited to one source is not correct.

Mr. DOUGLAS. I will show my good friend from Louisiana that in the field the competition is far more limited than in the country as a whole. Dr. Boatwright, inadvertently, I think, gave the game away in the table on page 184 of the hearings, which shows that the first 4 producers—I do not know whether he meant the gatherers or producers—the first 4 producers in 9 of the 13 cases which he cited furnished more than 50 percent of the gas which the pipelines obtained.

The Senator from Rhode Island has the figures before him. I believe we have put them into the RECORD. They bear me out. In the famous Phillips case, the Phillips Co. was the sole gatherer and seller to the Michigan & Wisconsin Pipeline Co. It was the only line. It sold 100 percent of the gas.

Mr. LONG. My understanding is that the Senator is in error. I believe that they were four different companies in each case.

Mr. DOUGLAS. That may be.

Mr. LONG. The situation was that there was a different group of four companies in each case.

Mr. DOUGLAS. That is all right. The point is that any one pipeline is tied to a relatively small number of producers who hold the upper hand. There are not 8,000 producers trying to sell gas to it. Four or five companies hold the upper hand; and in the case of the Michigan-Wisconsin Co., one gatherer, Phillips, supplies the entire amount.

Mr. LONG. Is the Senator from Illinois prepared to agree that natural gas is in competition for customers with the coal industry and the fuel-oil industry?

Mr. DOUGLAS. That is correct.

Mr. LONG. If they are in competition for customers, why should they not be able to compete in the price just as other producers do?

Mr. DOUGLAS. We get back to the fundamental question whether the producer of natural gas should be allowed to obtain the full amount the traffic will bear, or whether he should obtain only a just and reasonable return.

Mr. LONG. Wait a moment. When the Senator says "what the traffic will bear" he is referring to a competitive price for the product, is he not?

Mr. DOUGLAS. Not nesessarily. Natural gas, as the Senator from Louisiana is well aware when he visits places in the North, has a great advantage as a fuel aside from its cost. As a matter of fact, in a great many of the northern cities natural gas is not cheaper than coal, but is much cleaner than coal, and there is less work involved in its use. So there cannot be a comparison in pure cost per B. t. u. That is the case with industrial fuel, but not in the case of residential fuel.

Mr. LONG. The Senator is referring to the residential price and to the 98-cent rate of markup which the utility

company in Washington charges the public. But the Senator says that the average markup was about 19 cents. If the 19-cent figure were used for residential distribution, then, of course, the cost of gas would be far, far less to the consumer than the cost of heating with coal or fuel oil would be.

Mr. DOUGLAS. Is the Senator arguing that the distributing cost should be reduced?

Mr. LONG. It seems to me it should be less.

Mr. DOUGLAS. If the Senator wants to join and contribute $5 to the Consumers League I shall be very glad to take it.

Mr. LONG. A fair return, generally speaking, should relate to the value of the commodity being sold. Gas is selling at the well for only a fraction of the price of others fuels per B. t. u. Can the Senator tell me whether anything is particularly wrong about letting gas producers sell their product competitively?

Mr. DOUGLAS. The real point, as I said the other day, and it was not accurately given in the CONGRESSIONAL RECORD, is that the average costs should be compared at the point of consumption, not at the point of production. Who is to get the great benefits of the gas resources of the Nation which are to be distributed? The Senator from Louisiana would say that the people who own the gas rights should get the entire benefit. I am saying that these great riches given to us by God and by the beneficent processes of nature should yield a fair return on investment to those who own the rights, but that beyond that the people as a whole should get the benefit. I suppose we have reached a very fundamental difference.

Mr. LONG. Here is our fundamental difference in point of view: It is my feeling that as the production of a particular item becomes very profitable, more people wish to get into the business.

In the case of gas I anticipate that as the business grows more profitable, a greater number of people will go into it and produce more of it, and that will bring down the price. We have had great success in using that system. With more people going into a profitable industry, and with greater production, down comes the cost of the product. That is what has built this great Nation, not the utility concept, the kind of thing for which the Senator is arguing. What was the result of the policy of France? The French would not take off rent controls. They did not want the landlords to make any large profits by raising rents. They still have housing shortages. If they had decontrolled when we did, they probably would have had more housing.

If we impose the utility type of regulation on the gas producers they will not want to produce for the interstate market, which will mean that the people will get less gas, and will pay a higher rather than a lower rate for what they do get. The producers will do the same thing the large city distributors are doing. They will pad their rate base, their costs, and everything else, so that they can get a larger rate base, and then will take the high-cost gas and put it into interstate commerce and keep the low-cost gas for the intrastate market. Far from helping the consumer, I fear the Senator will wind up hurting the consumer, although I concede that the Senator is 100 percent sincere in what he is trying to do.

Mr. DOUGLAS. If the producers are going to benefit by the continuation of the present act, why is it they are bending heaven and earth to amend the present act?

Mr. LONG. I do not say the big producers would benefit from a continuation of the present act. I stated what would happen if the present act should be continued in force. In pursuance of that suggestion, if we apply the type of regulation which the Senator is proposing, the producer will pad his rate base with unnecessary items, just as is being done in Washington and in other cities by the distributing companies, and in the course of time the price of gas will be raised. The high-cost gas would go into interstate commerce and the low-cost gas would be used in the intrastate market where it is not subject to regulation. It would also mean that pipelines might be built from the Southwest to Canada, passing right by northern cities which should have service.

Mr. DOUGLAS. What the Senator is saying is that the regulation of utility rates in general and gas rates in particular is always due to break down.

Mr. LONG. What the Senator is proposing is a sort of Federal OPA for gas, but in administering it we could not properly control the consumption of gas, because the intrastate market would not be subject to regulation any way.

Mr. DOUGLAS. Two-thirds of the retail sales of gas are interstate.

Mr. LONG. The Senator from Illinois has said the gas product is in great demand. If it is in great demand, the consumers are bidding for the product. They want it. But the Senator wants to put price control on only one-third of the gas used. No one would care to sell gas under the Senator's type of control. The producer would prefer to sell it to those who are not in the interstate market, because they could then sell it at whatever price they wished.

Suppose the Senator were manufacturing soap, and could sell it to whatever group or source wanted it. Then suppose the Rexall chain had price control imposed upon it. If the public wanted the Senator's product, and he could sell it through many different outlets, if the Walgreen chain had no price control, he would sell his product through Walgreen.

If price control is placed on the interstate market, it will mean that the gas producers will not want to commit their gas to that market; they will want to keep it within the State.

The Senator knows that a pipeline passed by the city of Detroit and went into Canada, leaving the American customers without gas, simply because that gas would have to come under the Senator's type of regulation, or at least it was feared that it would.

On the other hand, the Canadians built a pipeline to the United States in order to supply gas from Canada.

The American producers will tend to keep their gas within the States where it is found, in an effort to avoid the control which will be imposed by the Federal Power Commission.

Mr. DOUGLAS. Nevertheless, I say that two-thirds of the gas which is sold is sold interstate.

Mr. LONG. I was under the impression that the gas was sold in a ratio of about 50–50—half within the State and half outside.

Mr. DOUGLAS. If we consider the gas which is sold by utilities, two-thirds of it is sold interstate, and only one-third intrastate.

Mr. LONG. Apparently a considerable amount of gas is also being sold in foreign commerce, which of course is also not subject, and could not be, to the type of regulation the Senator is here advocating.

Mr. DOUGLAS. I take it that what the Senator has been fundamentally contending for——

Mr. LONG. Is the free enterprise system, frankly.

Mr. DOUGLAS. That gas should sell at its thermal equivalent as compared with oil and coal.

Mr. LONG. No; I did not say that.

Mr. DOUGLAS. I thought the Senator was saying that. He asked if it were not fair that gas should sell for the same amount being paid for competitive fuels.

Mr. LONG. What I said was that the gas should sell at a competitive price.

Mr. DOUGLAS. In terms of other fuels.

Mr. LONG. At a price competitive with other fuels; yes.

Mr. DOUGLAS. Does the Senator know what that price would be?

Mr. LONG. I do not know. I should say, at the moment, that a 12½-percent figure would be a competitive price, because it was reached by virtue of competition. Of course, the Senator wants to impose some other type of competition.

Mr. DOUGLAS. I will tell the Senator what the Sun Oil Co., in a case, said would be the price at which it would be necessary to sell gas. They said the amount which would have to be received for gas to be equivalent to the price of oil at $2.97 a barrel, would be 53½ cents per 1,000 cubic feet, which is about 5 times the present rate.

So if it were put on a heating equivalent basis, that would mean quintupling the price of gas in the field. I think that it what the gas and oil industry is shooting at—they do not necessarily expect to get it, but that is their goal.

I am simply taking the testimony of a witness of the Sun Oil Co. I wish to make the record clear that in that case they were not asking for 53½ cents; they were asking for 17 cents. But the argument they advanced was that in order to get the same price for the equivalent number of B. t. u. as would be obtained for fuel oil at $2.97 a barrel, it would be necessary to receive 53½ cents per 1,000 cubic feet of gas.

Mr. LONG. The Senator knows that the competitive price is not the price one would ask for the product. It is the price upon which the buyer and seller are willing to agree. What the Senator

said a moment ago, referring to the equivalent value of oil as against gas or coal, brings out a point I have been urging. The fact that a gas producer has to send his gas through a pipeline makes him a captive, because he has to sign a contract, sometimes for the life of his entire reserve, in order to make a sale of his gas at all. He is at that disadvantage, not being able to deal with many customers. Even though he is compelled to sell at a lesser price, it is nevertheless a competitive price, and the gas should sell competitively.

Mr. DOUGLAS. The producer may be tied to a pipeline company, but the pipeline company is tied to the producer. The distributing company is tied to the pipeline. The consumer or householder, because of his investment, is tied to the distributor. They are all tied to one another. Under those conditions, how is it possible to fix prices? We say that that is not a competitive condition, a natural situation; that it is necessary to call in a neutral. The neutral is the Federal Government.

I have never noticed that Texas, Louisiana, or Oklahoma was devoid of influence in the National Government. In fact, I should say they have more influence, per inhabitant, 10 times as much influence—as have the States of Illinois, New York, Connecticut, or any of the other captured and captive provinces, which are enchained in the Senate and in the Federal Government, and are ruled by the small States.

Mr. LONG. The Senator is giving undue credit to some of the Members of Congress who represent those States during a Republican administration.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. LEHMAN. It is a fact that the price of coal is subject to seasonal variations. Coal can be purchased in the summer time very much more cheaply than in the winter, and the purchasers can accumulate their coal in the summer. The large industrial companies, knowing this, and taking advantage of that situation—a perfectly legitimate advantage, of course—are able to use coal, and it is economically profitable; and, on the other hand, they use gas when it is economically profitable.

But the house owner, having an installation which is costly, and which, of course, is not susceptible of removal, is not in that position. He is hooked, and hooked forever. He is bound to pay the price the public utilities charge. I understand that if the Fulbright-Harris bill should pass, the price which the public utility companies must pay, because of the increase in the cost of the gas at the well, could be added to the price which they charge their consumers.

Mr. DOUGLAS. Certainly.

Mr. LEHMAN. Therefore, is it not a fact that it is the household consumer who is the real captive?

Mr. DOUGLAS. Oh, yes. I shall show that the probable increase in the field will be 10 cents a thousand cubic feet. In the past year, 6 billion thousand cubic feet were sold. An increase of 1 cent on 6 billion thousand cubic feet would amount to $60 million a year. An increase of 10 cents would amount to $600 million a year. The major portion of the increase would have to be borne by the householders. They would make the payments, and the major portion of the receipts would go to the 35 big companies, most of which are among the industrial giants of the Nation.

So this is not a share-the-wealth movement; it is a movement to concentrate wealth still further.

Mr. LONG. The Senator realizes, does he not, that those companies will pay taxes, will drill more wells, will produce more gas, and that the general public willl benefit even more greatly as time goes by?

Mr. DOUGLAS. I never expected to hear the junior Senator from Louisiana, with all his human sympathies, with all his background, standing in the Senate and defending the taking of money away from the little fellow in order to give it to the big companies. I feel certain that on mature reflection the junior Senator from Louisiana will not want to do that, because it is contrary to everything that he was taught as a boy, and is contrary to all the standards by which he has lived.

Mr. LONG. If my friend from Illinois gained the impression from anything I have said that it is possible to have capitalism without capital, and private industry without profits, I am afraid he gained an erroneous impression of my views, because it seems to me that over a period of time all industries must make a profit in order to stay in business.

Mr. DOUGLAS. Certainly. Does the Senator from Louisiana believe that the Senator from Illinois denies that? We want them to make a profit, and a liberal profit. We simply say that because the consumers are captives of the producers, the producers should not make unconscionable profits.

Mr. LONG. Permit me to say that the natural gas industry comprises approximately 8,000 producers of gas.

Mr. DOUGLAS. But only 35 amount to anything.

Mr. LONG. If the Senator says 35——

Mr. DOUGLAS. The figures show that 35 companies sell 70 percent of the gas which enters interstate commerce.

Mr. LONG. That is correct. I was under the impression that the Studebaker Co. and the Kaiser Co. and the Willys Co. were fairly large automobile companies; I believe they account for only about 5 percent of the automobiles manufactured. If one looks at the three companies which comprise 5 percent of the automobile industry, and then considers the thousands of small producers who account for 30 percent of the gas production, I ask the Senator if he is not heartened to see an industry where 8,000 producers can compete with each other.

Mr. DOUGLAS. There was once a popular song, the title of which was "The Music Goes Round and Round." The discussion with the Senator from Louisana well conforms to that title. The argument goes round and round. The Senator from Louisana constantly brings up the concentration of industry in automobiles, in beer, in cheese, in steel, and other fields, and says, "Why, there are more producers in the field of gas than there are in those industries. Therefore, what are you kicking about?"

What I am trying to say is that, in terms of a given pipeline, there is far more concentration. The figures of Dr. Boatwright indicate that in 9 of the 13 great pipeline systems over half of the gas is furnished by 4 producers. The Senator from Louisiana should consider that total, which appears on page 184 of the hearings. In the case of one of those pipelines, the Michigan-Wisconsin Pipe Line Co., one gatherer, the Phillips Co., sells all the gas. There exists high concentration along a given pipeline. That is the point. The pipelines are tied to the producers. The distributors are tied to the pipelines. The consumers are tied to the distributors. Therefore, ultimately, the consumers are tied to the big producers. If the price is upped, the consumer pays the piper.

Mr. LONG. May I correct what appears to be an error in the Senator's statement?

Mr. DOUGLAS. If there is an error.

Mr. LONG. A pipeline will not make a contract with a producer of gas until he has a contract for the production of gas. A pipeline is not wedded or tied to any particular producer. If the Senator wanted to go into the pipeline business he would look in an area where there was gas.

Mr. DOUGLAS. The concentration of reserves is approximately the same. To get gas, the pipelines have to go to the big producer, who controls the reserves. In order to get the reserves committed, the pipelines must pay the price which the producers demand, because of the unsatisfied demand for natural gas which comes from the housewives, the glass industry, and so forth.

Mr. LONG. Let me state what seems to me to be the logic of the situation. If the price of natural gas shall rise, the business will become more profitable. More people will go into it, and more gas will be produced. Therefore, a greater supply will be available for use in the interstate market, as well as in the intrastate market. The increase in supply will hold the price down. I think that if the Senator were successful in securing the type of control he seeks, and wanted to keep the business from being profitable, fewer people would go into it; there would be less drilling, less gas would be available, and the consumers, in the long run, would have to pay a higher price.

Mr. DOUGLAS. Is the Senator from Louisiana saying we have a limited reserve of gas or a limitless reserve? Does the Senator say there is gas everywhere?

Mr. LONG. My judgment is that if money is available to develop and explore reserves, we will be in no danger of running out of gas in our lifetime.

Mr. DOUGLAS. We know that the proved reserves are approximately 21 times the present annual flow; but is the Senator saying that if the price were raised to 20 cents a thousand cubic feet in the field, that would result in enor-

mous additional reserves coming to the market?

Mr. LONG. It seems to me, whatever the price, that if we tend to hold prices down to the point where a given business is not profitable, production will be reduced. If a particular industry becomes profitable, more people will get into it, there will be more drilling, and more gas will be found. Does not that make sense?

Mr. DOUGLAS. The Senator from Illinois has noticed that in a region which is showing rapid expansion, optimism soars to almost unlimited heights. People believe there is no end to the expansion. I remember being on the Pacific coast, in the lumber camps of the Northwest, a good many years ago. The timber owners at that time were talking in terms of the forests of the Northwest lasting forever. I think that because of the tremendous growth and development which have occurred along the Gulf of Mexico, from Louisiana through Texas, and up into Oklahoma, the Senator has been swept off his feet by the fortunes which have been made and by the optimism of the area, and that he should not be so optimistic as he seems to be. I ask him to throw a little salt on the future.

Mr. LONG. I am not at all that optimistic; but when people say that we will run out of fuel in this country, that does not make sense.

Mr. DOUGLAS. We will not run out of coal.

Mr. LONG. We have more than a thousand years' reserve of coal.

Mr. DOUGLAS. In the case of coal; yes.

Mr. LONG. It seems to me that one of these days people are going to find a way of gassifying coal at the mouth of mines and making it available as natural gas. If so, there will be much more competiton than there is now.

Mr. DOUGLAS. We hope to develop such a process in Illinois.

Mr. LEHMAN. Mr. President, will the Senator from Illinois yield to me?

Mr. DOUGLAS. I yield to the Senator from New York.

Mr. LEHMAN. The Senator from Louisiana has stated that we could not hope or expect that any industry would prosper or survive unless it could make substantial or reasonable profits, but I wonder whether the Senator from Illinois will not agree with me that it would certainly be a very surprising statement—surprising not only to me, but to the American people, and to every economist in the world—if the claim were made that the large companies, the 35 which produce 70 percent of the natural gas, were not prosperous companies. I am willing to make the statement that of those 35 great companies, virtually all have been making vastly greater profits over the past 2 or 3 years than they made previously. I believe it will be shown, when the statements are published, that the profits for 1955 are at a record height, and that the companies are making unusually large profits. A very considerable part of those profits, of course, is due to what I believe to be inequitable tax loopholes, against which the Senator from Illinois has been fighting for some years.

Mr. DOUGLAS. But without much success.

Mr. LEHMAN. Without much success. I refer, of course, to the 27-percent depletion allowance.

Mr. DOUGLAS. The Senator from New York has made a very interesting point. Earlier, I placed into the RECORD a table relating to that subject, but I did not read it. I should like to read the figures of the net profits of some of the companies, and I now read the figures to the closest million:

Phillips Petroleum in 1954 made $76 million net profits.

Standard Oil of Indiana, $117 million.

Mr. LONG. Will the Senator yield so that I may ask if these profits are from gas production?

Mr. DOUGLAS. No; they are not.

Standard Oil of New Jersey, $585 million.

Shell Oil Co., $121 million.

Socony-Mobil Oil Co., $184 million.

Gulf Oil Co., $183 million.

Cities Service Oil Co., $44 million.

Atlantic Refining Co., $37 million.

The Texas Co., $226 million.

Sun Oil Co., $40 million.

Skelly Oil Co., $29 million.

The Pure Oil Co., $31,163,000.

Sunray-Mid Continent Oil., $36,668,000.

The Superior Oil Co., $10,360,000.

Tide Water Associated Oil, $34,547,000.

Ohio Oil Co., $38,224,000.

Standard Oil Company of California, $211,872,000.

Union Oil of California, $35,888,000.

Sinclair Oil & Gas Co., $91,580,000.

Columbian Carbon Co., $4,559,000.

Warren Petroleum Co., $8,930,000.

Continental Oil Co., $41,683,000.

Or a total of $2,187,920,000.

And let me point out that that occurred during the recession.

Mr. LONG. Are those figures before or after taxes?

Mr. DOUGLAS. They are after taxes. Later I shall have something to say on the tax question.

Mr. LONG. Did it ever occur to the Senator from Illinois that the total of all those profits is less than the profits reported by General Motors Corp., alone?

Mr. DOUGLAS. At this time I shall not discuss General Motors Corp.; but later in these remarks I shall discuss the tax question.

As I pointed out, those figures were for the recession year of 1954.

Mr. LEHMAN. What about the figures for 1955?

Mr. DOUGLAS. For 1955, the profits after taxes would be still greater.

Mr. LEHMAN. Mr. President, will the Senator from Illinois yield for a question?

The PRESIDING OFFICER (Mr. ALLOTT in the chair). Does the Senator from Illinois yield to the Senator from New York?

Mr. DOUGLAS. Yes; but, Mr. President, first let me say that the figures to which I have referred are obtained from Fortune magazine, from the so-called Fortune Directory of the 500 largest United States corporations.

Now I yield to the Senator from New York.

Mr. LEHMAN. Does the list include the profit figure for the Standard Oil Company of New Jersey for 1954?

Mr. DOUGLAS. Yes; it is $584,793,000.

Mr. LEHMAN. Does the list include the profit figure for the Standard Oil Company of California?

Mr. DOUGLAS. Yes, and it is $211,872,000.

Mr. LEHMAN. Does the list include the profit figure for the Texas Oil Co.?

Mr. DOUGLAS. Yes. The Texas Co. has been doing amazingly well; its net-profit figure for 1954 is $226,141,000.

Mr. LEHMAN. Those are the 1954 figures, are they not?

Mr. DOUGLAS. Yes. Let the record now show that these are the figures for profits after taxes. I made an error; in order to be safe, and not exaggerate, I said they were the figures for profits before taxes. But Fortune magazine has, in its article, two columns, one being "pretaxes," and the other being "net profit." We took the "net profit" column.

Mr. LEHMAN. For what year are those figures?

Mr. DOUGLAS. 1954.

Mr. LEHMAN. The Senator from Illinois has not submitted the figures for 1955, I believe.

Mr. DOUGLAS. No; I have not. The figures for 1955 would show much greater net earnings for these companies.

Mr. LONG. Mr. President, the Senator from Illinois realizes that the greater portion of those profits come from the production of oil, does he not?

Mr. DOUGLAS. That is correct.

Mr. LONG. The Senator from Illinois does not know what proportion of those profits is represented by the production of gas, does he?

Mr. DOUGLAS. No. That is because these companies either cannot or will not show the figures for their profits from gas alone. But then some Senators complain when we introduce composite profit figures for gas and oil. If the Senator from Louisiana can produce the profit figures for gas alone, I wish he would do so.

Mr. LONG. Mr. President, will the Senator from Illinois yield to me?

Mr. DOUGLAS. I yield.

Mr. LONG. The point I had in mind was that I do not see that it makes much difference what the profits for any given company may be. It is fine for the big companies to make large profits, and I have no objection to that. My objection is that so many small companies are not making money and many persons are not sharing the same type of prosperity the large companies are enjoying. I have particularly in mind, among others, the farmers.

Mr. DOUGLAS. Of course the farmers deserve our careful attention. But I say that we are not dealing with emaciated producers who are starving because of the gas rates. They are not suffering from economic malnutrition. Quite to the contrary, they are doing extremely well. But the Senator from Louisiana would puff them up to enormous size.

Mr. LONG. How would the Senator from Illinois know that?

Mr. DOUGLAS. Because if the Senator from Louisiana would have those companies given $76 million more profits, 70 percent of it would go to the large companies, and they would be simply bulging; they would be like the fat boy in Dickens' Pickwick Papers.

Mr. LONG. That statement is based on the assumption the Senator from Illinois cares to make, namely, that the price of gas would immediately rise 10 cents or some other large amount.

Mr. DOUGLAS. I will prove it.

Mr. LONG. No doubt the Senator from Illinois would prove it to his own satisfaction.

Mr. DOUGLAS. I will prove it to the satisfaction of the American people.

Mr. LEHMAN. Mr. President, will the Senator from Illinois yield to me?

Mr. DOUGLAS. I yield.

Mr. LEHMAN. The Senator from Illinois has pointed out that the profits he has cited came largely from the oil business.

Mr. DOUGLAS. That is true.

Mr. LEHMAN. Is it not a fact that in the case of a large part of the sales, the profits from the sale of gas cannot be divided from the profits derived from the sale of oil?

Mr. DOUGLAS. That is generally true; but frequently—in fact, usually—the companies drill for oil, not gas. If they do not find oil, they are happy to find gas.

Mr. LEHMAN. Yes; if they do not find oil, they continue to drill until they tap gas.

Mr. DOUGLAS. No doubt.

Mr. LEHMAN. Mr. President, will the Senator from Illinois yield for a further question?

Mr. DOUGLAS. I yield.

Mr. LEHMAN. I wonder whether the Senator from Illinois will permit the junior Senator from New York to join the distinguished and select group of Senators who are putting up $5 each in order to aid in the prosecution of a case to help cut the rate on gas?

Mr. DOUGLAS. Yes. Does the Senator from New York have $5? [Laughter.]

Mr. LEHMAN. Yes; I have.

Mr. DOUGLAS. Does the Senator from New York wish to produce $5?

Mr. LEHMAN. I hope I have that much with me.

Mr. DOUGLAS. Mr. President, the Senator from New York, being a capitalist, has presented me with $20. I shall return $15 change to him. I hope the Presiding Officer will not regard this matter as a violation of proper parliamentary procedure; but we are taking up a collection to aid the consumers' movement in the District of Columbia, to enable them to get lower gas rates. So we can discharge our personal obligation in this way.

I now return the $15 to the Senator from New York.

Mr. LEHMAN. Is this a dividend?

Mr. DOUGLAS. No; it is change from the Senator's $20 bill.

The PRESIDING OFFICER. Let the Chair inquire as to the disposition of the fund.

Mr. DOUGLAS. The Parliamentarian is in charge of it.

Mr. President, we can make our contributions, as citizens within States and within the District of Columbia, to reduce the gas rates there; but, as Senators, we must deal with the price of natural gas in the field, and only that.

Mr. President, 2 hours ago I started to read the next sentence in my prepared remarks, and then there were interruptions. Now I shall continue with my prepared remarks.

What we have here are a small number of huge corporations who produce and sell 70 percent of the natural gas sold to interstate pipelines. They are trying to gain exemption from Federal regulation for that portion of their business—sales for resale in interstate commerce—which is affected with a public interest. And all this is being done in the name of the small producer and the risk-taking wildcatter.

Let us not deceive ourselves, Mr. President, about the meaning of these figures—namely, the figures for the enormous profits of the leading 35 companies—and who will gain the windfalls if this bill is passed. It is now a matter of public record who produces the giant share of natural gas and who will take the profits if the sales for resale of natural gas in interstate commerce by these giant corporations are freed from effective public regulation. Pennies from 21 million consumers will swell the exchequers of these huge companies. Let us lay to rest, once and for all, the absurd notion that this bill would benefit the little fellow and that it would protect the consumer. This bill would take vast sums from the pockets of 80 million individual consumers and from the workingman's weekly pay check. These sums would go into the treasuries of America's largest and most profitable corporations. It is not the small wildcatter who would reap the profits from this bill, and it is not the average man and woman who clip the coupons of Standard Oil.

Price increases totalling at least $600 million to $900 million a year will be loaded on the consumer if this bill is passed; and the big companies stand to gain, not only that, but from $12.5 billion to $30 billion a year in pure windfall profits because of the increased value of their gas reserves.

The issue before us, then, is whether the interests of wealth and power are to run our Government, or whether our Government is to be run in the interest of the public.

Mr. President, as tiny rivulets feed the rivers which ultimately flow into and form the immensity of the ocean, so would the tribute to be levied by this bill on 21 million American homes go into the profits of the economic giants which already largely dominate this country. If these drops of purchasing power, great in their totality, are kept in places where they now fall, then the needs of the people for a more abundant life may be in large measure satisfied. Since my party has historically always believed in and fought for building up purchasing power from the bottom, rather than allowing it to concentrate at the top, I pray that in this hour we may be faithful to our historic principles.

Mr. President, the same proponents of the bill have said, "Why should you object? This is only a few pennies a day from every family." I remind the Senate and the country that a few pennies a day—say 8 pennies a day—from each of the 21 million families goes to make up the figure of $30 per family, or $600 million a year in the aggregate. In their totality these sums are large, but since individually they are small, it is not to the interest of any consumer to come to Washington and make a plea. That is why the diffuse consumer interest, powerful as it is in its totality, is relatively weak and unrepresented. That is why we do not find many lobbyists for consumers in the corridors of the Capitol. They cannot afford to come here to save $30.

Mr. FULBRIGHT. Mr. President, will the Senator yield to me in order that I may insert in the RECORD at this point the editorial which I mentioned, from the great Sun-Times of Chicago?

Mr. DOUGLAS. I would prefer to have it printed at the conclusion of my remarks. I shall be glad to yield for that purpose.

Mr. FULBRIGHT. I shall be glad to place it at the conclusion of the Senator's remarks. However, inasmuch as he is discussing consumers, I thought it would be appropriate to insert it at this point.

Mr. DOUGLAS. I think it would be fine to insert it at the conclusion of my remarks.

I lament the fact that the Senator from Arkansas has fallen below his usual level by supporting the bill. I lament the fact that the Sun-Times has fallen below its usual level. I must admit that it showed a pretty good sense of values during the last election campaign when it supported the senior Senator from Illinois. But even the best of people slip sometimes, and even the best of newspapers slip. In this instance there is an aberration, both on the part of the Sun-Times and on the part of the Senator from Arkansas. I hope that in a few months he will be restored to his natural state of mental health, and that we may then resume intellectual discussions, and that we shall continue to have the most kindly feelings toward each other.

I feel the same way toward the Sun-Times. It is an erring brother who has strayed from the fold.

> But while the lamp remains to burn,
> The vilest sinner may return.

Mr. FULBRIGHT. With the Senator's permission, I ask unanimous consent to insert the editorial referred to in the RECORD at the conclusion of the Senator's remarks today. Is that agreeable to the Senator?

Mr. DOUGLAS. That is quite agreeable.

Mr. FULBRIGHT. I thank the Senator for his generosity.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arkansas? The Chair hears none, and the editorial may be printed in the RECORD as requested.

(See exhibit 1.)

Mr. DOUGLAS. I was remarking that it is curious how some spokesmen for the

bill will say, "You will never miss it if we take a few pennies from you. It is only a few cents a day."

Mr. FULBRIGHT. Who said that?

Mr. DOUGLAS. I have heard that argument. We shall document it.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. DOUGLAS. It is going to amount to $600 million a year, paid primarily by housewives and families who are having a hard time getting along. It will go to corporations which are already making enormous profits. That is what will happen.

I now yield to the Senator from Arkansas.

Mr. FULBRIGHT. Do I correctly understand the Senator to say that he will document the statement, showing who made the argument about a few cents a day not mattering?

Mr. DOUGLAS. I have seen it in the press.

Mr. FULBRIGHT. The Senator has not heard it on this floor from any of the proponents of the pending legislation.

Mr. DOUGLAS. No. The Senator from Arkansas is too wise to make such an argument, as are other Senators. But it has been in the oil press, and it has had an influence on public opinion. If I were associated with 1 of the 35 big companies I would be ashamed to go around asking for a few pennies a day from housewives.

Mr. FULBRIGHT. Mr. President, I do not know whether the Senator intends to leave the impression that the press, except for a few unusually bright newspapers which have gone into the subject, as has the Sun-Times, is not supporting the Senator from Arkansas. I think all the other newspapers—at least the local newspapers—are supporting the view of the Senator from Arkansas.

Mr. DOUGLAS. I said the arguments are being made in statements in the press. Since we have a relatively free press, the press has reprinted the arguments of the nonsenatorial proponents of the bill.

Mr. President, I now wish to deal with the point as to whether present incentives for producers are adequate.

THE PRESENT INCENTIVES FOR PRODUCERS ARE CERTAINLY ADEQUATE

I now wish to submit for the RECORD further evidence that there are ample incentives and ample rewards in the gas industry so that no claim can be made by the big companies that the Fulbright bill is needed to increase them. That is a patently false argument, and it will not stand examination for the big companies and for the vast majority of medium sized companies.

A very important point, in discussing the incentives for the producers is that the drilling for gas is largely incidental to drilling for oil. Very few people drill for gas alone. Only where gas is well known does very much drilling for it take place. At this point, let me call, as many others have done, on the testimony of Gen. Ernest O. Thompson, chairman of the Texas Railway Commission who, I think, those on the other side of this matter will most readily admit is a very knowledgeable man, indeed, concerning the oil and gas industry.

When General Thompson testified before the Senate Interstate and Foreign Commerce Committee on the bill before us, he had this to say:

> Much of the gas that is used in this country has been found as an incident to the search for oil, and also large quantities of the gas that go into pipelines were produced with and as an incident to the production of oil (hearings, p. 52).

And on page 54 of the hearings, he is quoted as saying:

> I was talking about finding new oil. I say later in here that gas comes from the oil from some wells. A large part of the gas comes incident to oil production.

And on the same page he says:

> But as far as drilling for gas is concerned, hardly anybody drills for gas. They get gas accidentally when they are looking for oil.

And later on page 62 he repeats these statements:

> I have not seen anybody going out and looking for gas on purpose.

And—

> As I said in the beginning, nearly all of the gas has been discovered looking for oil. About the only place I know of where they actually drill for gas is up in Pennsylvania, where they got it.

Mr. President, I do not believe that anyone denies General Thompson's statements on this matter. I certainly do not deny that the finding of gas is merely incidental to the search for oil.

The point becomes, then, Are there adequate incentives in existing circumstances for people to drill for oil? From the figures we have for recent years it is clear that the number of wells drilled and the amounts expended in the search for oil, have certainly not diminished.

Mr. FULBRIGHT. Mr. President, will the Senator yield for a clarification?

Mr. DOUGLAS. I yield.

Mr. FULBRIGHT. I believe it is admitted that in wildcatting operations, except in some restricted areas, the incentive—at least formerly—was in drilling for oil, because the outlet for gas was so restricted, and the price was such that there was no incentive to drill for gas alone.

Mr. DOUGLAS. General Thompson made this statement last spring.

Mr. FULBRIGHT. The point is that once gas is discovered, there must be continued development of a field. The discovery of one well is not sufficient to develop a field. After the field has been developed, the incentive is the gas, and not the oil. Also, only about a third of the gas occurs in connection with oil. Is not that correct?

Mr. DOUGLAS. I think that is approximately true. However, I point out that of the developmental gas wells, approximately 27 percent more developmental wells were drilled in 1955 than in 1950.

Admittedly, there are risks in the business. But from the assets, sales, and profits of the big oil companies, it is clear that they do not need any further incentives to take risks in this business. They are in a better position than any other single industry in America. The big oil producers are also the big gas producers, and 10 of the biggest ones are among the first 20 biggest American corporations.

An additional incentive to drill for oil, incidentally for gas, is the big depletion allowance which drilling companies receive. It is now 27.5 percent of gross income, or not to exceed one-half of net income, for the property, or it can be figured on a cost-depletion basis if that gives a higher figure.

I do not propose to argue at this time the merits of the depletion allowance. It is not at issue in this debate. It is not unfair to point out, however, that the effect of the depletion allowance is to compensate oil producers in a very handsome way for the risks involved in drilling for oil, and incidentally, for gas.

In addition to the depletion allowance, the depreciation of other assets, and "intangible drilling and development costs" are legitimate expenses which may be deducted before taxes. Of course, interest payments are a deductible cost for oil and gas producers as they are for other companies.

Therefore, I think it is fair to say that these companies already have tremendous inducements and incentives to drill for gas and oil. They do not need any additional incentive, such as this bill would give. They do not need increased income of from $600 to $900 million a year by way of increased prices at the well head, and they most certainly do not deserve from $12.5 billion to $30 billion in windfall profits for the increased value of their reserves which would follow if this bill is passed.

In order that the special benefits which accrue to the oil and gas producers may be made clear, I am going to submit for the RECORD, figures which I have taken from Standard & Poor's Corporation Records which show the amount of income taxes and the percent of income taxes paid by 27 gas-producing companies.

I make it clear that these 27 companies are not the huge composite companies like Standard Oil, Shell Oil, the Texas Co., and the other giants about whom I have just spoken and who have production, refining, and distributive sections in their companies. The companies which I shall cite are, by and large, producing companies and not composite companies. They indicate what happens at the producing level in terms of tax liability and they give us a good idea, also, of what happens at the producing end of the huge composite corporations.

I do not wish to do anything on the floor of the Senate which might be termed unfair to individuals. For this reason I shall call these companies by letter names—company A, company B, and so forth. As all of these companies are listed in Standard & Poor's Corporation Records their net income and taxes are a matter of public record. Therefore, I see no reason why they should not be used in this debate. I shall, however, not name the companies on the floor of the Senate but I do offer to any Senator who desires them, the

actual names of the companies which I shall call by a letter name. If they wish they may check my figures against those given in Standard & Poor's Corporation Records. I am not trying to hide the names of the companies from any Senator who wishes them, but since I am striking at the evil but not at any person, as such, I shall not make the names public.

I have here the code, and any Senator can check it. However, I would request Senators not to publish the names of the companies, because I do not wish to be unfair to anyone.

When I was a young man I was taught that one should attack the sin, never the sinner. I have tried to observe that teaching in debate on the floor of the Senate. In other words, one can attack abuses, but not individuals. I do not wish to single out any company for public attack. Perhaps I am unduly concerned, because it may be that in these days, according to the code of the times, no sin has actually been committed. What has happened is that the companies have taken advantage of the great tax favors which have been given them. I do not charge them with doing anything illegal. I wish the RECORD to show, however, what the situation is with respect to these companies. Then all can see how these companies have fared.

Now, as everyone knows the Federal corporation income tax is now 52 percent of net income as it has been since 1952. From 1946 to 1949, the Federal corporation income tax was 38 percent on amounts above $50,000. In 1950, it was increased to 42 percent, that was with the advent of the Korean war, in 1951 it went to 50¾ percent, and, also, in the years 1950, 1951, 1952, and 1953, there was an excess profits tax. So, in the ordinary course of events, companies would pay Federal taxes at these rates. However, because of depletion allowances and the allowances for intangible drilling and development costs, oil and gas companies, however, pay at a very much lower rate.

Because of these special tax benefits great amounts of capital have been attracted into the industry. The growth of the oil companies in the past 30 years has been a phenomenal one. The oil companies have displaced, as America's largest corporations, those industries such as steel, tobacco, matches, sugar, meatpacking, and other companies who in the earlier days were America's biggest corporations.

Not all that capital has come from the South. It has also been attracted from the North and from the East. We should not dress these companies in Confederate uniforms, and say that they represent Southerners, and that it is the Yankees who are trying to oppress these poor Southern companies.

I never knew that John D. Rockefeller pulled the lanyard of the cannon that fired the first shot on Fort Sumter, on the command of General Beauregard. I never knew that H. L. Doheny served under Joe Johnston. I never knew that Andrew W. Mellon was in the Army of Stonewall Jackson. I never knew that these northern oil magnates were in Pickett's Division as it charged across the wheat field at Gettysburg from Seminary Ridge to Cemetery Ridge. I never knew that the big oil men were with Robert E. Lee and held the bridle of Traveler as Lee moved through the slosh and mud to stillness and defeat at Appomattox.

It is northern and eastern and Wall Street capital that is in the Southwest. To try to dress up those corporations in overalls and make them a part of the chorus of the musical comedy "Oklahoma!" or to try to dress them up in Confederate uniforms is to misunderstand the real nature of what is happening.

I hope the Senator from Arkansas [Mr. FULBRIGHT] will not leave us now.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. FULBRIGHT. If the Senator will discuss the bill, I shall stay in the Chamber. I see no point in staying to hear the Senator discuss Confederate history. I see no relevancy of the Senator's remarks to the pending bill.

Mr. DOUGLAS. I have carefully refrained hitherto from saying it, and have not said that is was the Senator from Arkansas who said the Yankees were trying to oppress the South. But these companies are owned by Wall Street capital. We cannot dress them up in oil-soaked overalls or in Confederate uniforms.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am delighted to yield.

Mr. FULBRIGHT. The Senator knows that the chief royalty owners, who certainly are primarily local people in the various States, own more of the reserves than any single big company, no matter how big it may be. They own at least one-eighth of the reserves. I do not know why the Senator is trying to deny it.

Mr. DOUGLAS. I have placed that information in the RECORD.

Mr. FULBRIGHT. The other ownership of the corporation he speaks of is widely dispersed. However, regardless——

Mr. DOUGLAS. The Senator has maintained exactly the opposite on the floor of the Senate.

Mr. FULBRIGHT. I do not understand what the ownership has to do with the bill.

Mr. DOUGLAS. What I am saying is that the companies are already making so much money they do not need additional incentives.

Mr. FULBRIGHT. I am sure the Senator is not opposing the bill because some companies may be making a profit.

Mr. DOUGLAS. Not some companies. Nearly all the companies are making very large profits.

Mr. FULBRIGHT. Do any of them make as much profit as General Motors, for example?

Mr. DOUGLAS. No; I do not believe they do.

Mr. FULBRIGHT. Do any of them make as much profit as Du Pont or a number of other large corporations? Even so, what would that have to do with the bill?

Mr. DOUGLAS. Standard Oil Company of New Jersey is the No. 2 company in net profits in the United States. Standard Oil Company of California, Standard Oil Company of New York, Standard Oil of Indiana, and the Texas Co. are huge companies, and ranked 6th, 8th, 12th, and 4th in net profits in the country in 1954. What I am trying to demonstrate is that the attempt to show that the producers are starving, and that they therefore need this bonus is baseless.

Mr. FULBRIGHT. Not one of us has ever said that.

Mr. DOUGLAS. That has been the implication.

Mr. FULBRIGHT. I do not recall that any proponent of the bill has said any such thing. What the profits of the companies have been is quite irrelevant to the question before the Senate. It is irrelevant to the question of whether the bill will protect the consumer interest. The situation under the Supreme Court decision would be wholly unrealistic and would result in cutting off the supply of gas.

Mr. DOUGLAS. I believe it was Dr. Boatwright who said that the bill may cost the housewife 20 cents a month—or perhaps it was 25 cents a week—but, then, he said, what are a few pennies. That argument has been used. It has been said that we should help the 8,000 producers in the field.

Mr. FULBRIGHT. Will the Senator point out where Mr. Boatwright made any such statement? I made no such statement, certainly.

Mr. DOUGLAS. We will search for it. If Dr. Boatwright did not make that statement, or if the statement was not made by the proponents, we will, of course, withdraw it. In fact, I do withdraw it. It was Gen. Ernest O. Thompson, chairman of the Texas Railway Commission, and a proponent of this bill who was reported by the Oil and Gas Journal to have told the Independent Natural Gas Association in September 1953:

> A fair estimate of the going price for gas reserves is probably 12 to 15 cents per thousand cubic feet and this ought to rise by another 5 cents per thousand. Such an increase—

The general said—

> should amount to about 25 cents a month, or less than 1 cent a day to the household consumer.

Mr. FULBRIGHT. Has the Senator ever answered the question I asked this morning about the diversion of the gas from interstate commerce in case the cost-plus formula is imposed upon the companies?

Mr. DOUGLAS. I think the Senator will find that the gas sold in interstate commerce brings a higher price than gas sold in intrastate commerce. Therefore, they do not divert gas from a more profitable use.

Mr. FULBRIGHT. Why is there such a shortage of gas in the Chicago area?

Mr. DOUGLAS. In the Chicago area, roughly, 71 percent of the gas is used for industrial purposes. While I do not wish to get into an argument with the Peoples Gas Co.—I have had many arguments with them in the past—if they would divert some of the gas now used for industrial purposes to residential purposes, there would be an adequate supply for those who at present do not get gas.

Mr. FULBRIGHT. Then the Senator does not think there is an adequate supply?

Mr. DOUGLAS. I say, if it were diverted from industrial use.

Mr. FULBRIGHT. Why is it not diverted, since the price would far higher, if that is the feasible thing to do?

Mr. DOUGLAS. I have been making the point over and over again——

Mr. FULBRIGHT. Why is it not so diverted?

Mr. DOUGLAS. The Senator can ask the Peoples Gas Co. I have asked that question. Of course, the Peoples Gas Co. in Chicago is unique among distributors in that it is supporting the bill of the Senator from Arkansas. I have against me in my own city all the newspapers and the local gas distributing company, whereas in a good many localities that is not the case. But that does not make the Senator from Arkansas correct.

Mr. FULBRIGHT. The Senator certainly does not want the RECORD to show that the Peoples Gas Co. is the only distributing company that is in favor of this bill. Does he not know that less than 3 percent are supporting the Senator's position and that the others are supporting the bill? It is certainly not a unique company.

Mr. DOUGLAS. If the Senator will count noses he will find there are more gas distributors against the bill than there are in favor of it.

Mr. FULBRIGHT. What proof does the Senator have of that? There is the group gathered together in the lobbying organization downtown. There are over a thousand distributors, and only 65 are identified as opposing the bill.

Mr. DOUGLAS. I am not interested in the strength of the lobby on either side. I am interested in the ethics of the situation. When we come to the Chicago situation the Senator from Arkansas is fully aware of the fact that the local gas company controls their own pipelines. While I do not wish to impute improper motives to them, it is natural that they should be thinking in terms of their pipelines and the producing end rather than in terms of the distributing end. That is really the explanation.

Mr. FULBRIGHT. If the Senator will permit me, I do not follow his explanation at all. Most of them can make more money on the distributing end than on the production end, as has been demonstrated. Why do they not take the higher priced gas if they have such an alternative?

Mr. DOUGLAS. The Senator is speaking of the distributing end. I have been speaking of the producing end, and I have been trying to make it clear that, under the bill, a pipeline company which owns its own resources will pay a high price to so-called independent producers, because as it pays higher prices to the independent producers it can charge higher prices into its cost for the gas which it produces. Therefore, the pipeline companies which are also producers are naturally very much in favor of this bill, and I suppose the corporations which are largely controlled by the People's Gas Co. have the same desire. I do not wish to indict the People's Gas Co., but I think it is perhaps thinking of itself as a producer rather than as distributor.

Mr. President, it is now commonplace that the one area and the one place in our business life where a man may both make and keep a million dollars is in the oil industry. I believe the figures of how little taxes are paid by some of the major gas producing companies will show just how well off they already are.

I have figures for these 27 companies by year from 1945 to 1954 in almost every case. I shall give in each case the net income of these companies before Federal taxes, the Federal corporation income taxes they paid, the net income after taxes, and the percent of Federal corporation income taxes they paid to their net income. This latter percent, in recent years, may be compared with the general Federal corporation tax rate of 52 percent. In addition, I shall cite both the highest and lowest percent of income taxes to income before taxes paid by these companies over the last 10 years.

I ask unanimous consent, Mr. President, that the figure for these 27 companies may be included in the RECORD in order as I present them, but that my interpretative remarks about each may be included after I present each table so that my remarks are placed near the table to which they refer. Also, Mr. President, when I talk about taxes, and the rate of taxes, or taxes paid, I am referring only to the Federal corporation income tax.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOUGLAS. Mr. President, the first is company A:

Company A

Year	Net income before income taxes	Income taxes	Net income after income taxes	Percent of income taxes to income before taxes
1954	$21,029,648	$1,252,000	$19,777,648	5.95
1953	18,812,590	367,000	18,445,590	1.95
1952	16,550,361	654,000	15,896,361	3.95
1951	17,369,652	1,073,000	16,296,652	6.17
1950	18,467,607	3,068,000	15,399,607	16.61
1949	14,759,193	375,000	14,384,193	2.54
1948	27,367,252	4,725,000	22,642,252	17.27
1947	17,749,626	2,830,000	14,919,626	15.94
1946	10,130,975	1,275,000	8,855,975	12.59
1945	5,611,770	215,000	5,396,770	3.83

In 1954 company A paid taxes at only 5.95 percent of net income before taxes. In the last 10 years, the highest percent it paid was 17.27 in 1948. The lowest year was 1953 when it paid taxes at only 1.95 percent.

Next is company B:

Company B

Year	Net income before income taxes	Income taxes	Net income after income taxes	Percent of income taxes to income before taxes
1954	$3,291,733	$38,172	$3,253,561	1.16
1953	5,594,074	1,552,500	4,441,574	27.75
1952	4,436,030	669,500	3,766,530	15.09
1951	5,561,770	714,880	4,846,890	12.85
1950	5,709,537	1,023,900	4,685,637	17.93
1949	3,259,928	163,040	3,096,888	5.00
1948	6,295,858	898,900	5,396,958	14.28
1947	4,011,073	1,023,126	2,987,947	25.51
1946	2,089,932	417,000	1,672,932	19.95
1945	2,321,605	205,908	2,115,697	8.87

In 1954 company B paid taxes at the extraordinary low rate of 1.16 percent, which was also the lowest rate it paid taxes in the period. In 1953 it paid Federal corporation taxes at the rate of 27.75 percent, the highest in the 10-year period.

Mr. MONRONEY. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

Mr. MONRONEY. As I understand, the Senator does not wish to identify the companies by their proper names, but I am certain that in the splendid relationship which is existing between the distinguished Senator and those on the other side we might privately discuss the companies so that we can identify them.

Mr. DOUGLAS. I have prepared a code. I have used Standard and Poore's Corporation Record.

Mr. FULBRIGHT. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

Mr. FULBRIGHT. Is it not a fact that if the cost-plus formula of so-called just and reasonable rates were applied to producers of gas, it would have the effect of completely nullifying the depletion allowances for the producers of gas; and that while the Senator may think that is a desirable objective, nevertheless, it is a rather indirect way to approach it.

Mr. DOUGLAS. I am sure that is not correct.

Mr. FULBRIGHT. What is not correct? I said, if we should apply the traditional utility formula of cost-plus, the Senator certainly would not deny that such a formula would have the effect of completely nullifying the depletion allowance?

Mr. DOUGLAS. I may say that the depletion allowance is not a part of the investment. It is an accounting procedure by which investment is treated.

Mr. FULBRIGHT. But the effect of applying it would simply nullify completely any benefit to the producer. All the benefit would accrue to the consumer in such a case. Is not that clear?

Mr. DOUGLAS. No; it is not clear. But I shall deal with it later. I should like to proceed with the 27 companies to which I have referred.

Mr. FULBRIGHT. I apologize for detaining the Senator. I shall not detain him any further.

Mr. MONRONEY. Mr. President, will the Senator yield for an inquiry?

Mr. DOUGLAS. Yes.

Mr. MONRONEY. Does the percentage to which the Senator is now referring relate to the gross sales?

Mr. DOUGLAS. No; it is the percentage of income taxes paid on income before taxes. It does not relate to gross sales.

I may say that we are not dealing with small companies. Company A had net income before taxes of $6 million in 1945, but rose to $21 million in 1954.

Company B had earnings of $2,300,000 in 1945, rising to $5,600,000, roughly, in 1953, and declining to $3,300,000 in the recession of 1954.

Next is company C:

Company C

Year	Net income before income taxes	Income taxes	Net income after income taxes	Percent of income taxes to income before taxes
1954	$4,625,759	$336,889	$4,288,870	7.28
1953	4,391,404	179,114	4,212,290	4.08
1952	3,588,107	91,660	3,496,447	2.55
1951	3,934,107	399,397	3,534,710	10.15
1950	3,696,584	847,072	2,849,512	22.91
1949	3,373,448	679,553	2,693,895	20.14
1948	4,542,842	982,540	3,560,302	21.63
1947	2,284,109	529,781	1,754,328	23.19
1946	161,816	212	161,604	.13
1945	33,895	256	33,639	.76

In 1954 company C paid taxes at the rate of 7.28 percent. In 1947, the highest year, they were 23.19 percent. In 1945 and 1946 it paid taxes at a rate of less than 1 percent. In 1952 and 1953 the percents were 2.55 and 4.08. Thus, in 5 of the last 10 years its taxes have been only 8 percent or less.

Company D is next:

Company D

Year	Net income before income taxes	Income taxes	Net income after income taxes	Percent of income taxes to income before taxes
1954	$309,405	----------	$309,405	----------
1953	303,453	$11,332	292,121	3.73
1952	159,084	25,686	133,398	16.15
1951	415,948	8,234	407,714	1.98
1950	277,514	1,500	276,014	.54
1949	177,187	1,000	176,187	.56
1948	526,061	35,000	491,061	6.65
1947	399,643	52,000	347,643	13.01
1946	139,923	1,000	138,923	.71
1945	140,101	1,500	138,601	1.07

In 1954 company D paid no Federal income taxes whatsoever. Its highest year was in 1952, when it paid 16.15 percent. Except for that year and in 1947, it never paid more than 7 percent in Federal corporation income taxes. In the 6 remaining years it paid at the amazingly low rates of 3.73 percent, 1.98 percent, 0.54 of 1 percent, 0.56 of 1 percent, 0.71 of 1 percent, and 1.07 percent. It paid Federal income taxes for the entire 10-year period at the rate of 4.8 percent.

Mr. President, it is very difficult for me to understand how the representatives of these and other companies now have the nerve to come here and tell us they need to be freed from regulation of their gas sales for resale in interstate commerce because they lack incentives. In fact, they are treated better than any other type of business in America. Some of them pay almost no Federal income taxes of any kind. This particular case is not unusual, nor is it the worst I shall present. I am certain that other industries in America would be overjoyed if they paid Federal income taxes at such low rates.

Company E is next:

Company E

Year	Net income before income taxes	Income taxes	Net income after income taxes	Percent of income taxes to income before taxes
1954	$5,320,750	----------	$5,320,750	----------
1953	6,420,968	$1,048,000	5,372,968	16.32
1952	5,601,723	1,400,000	4,201,723	24.50
1951	5,866,052	2,000,000	3,866,052	34.09
1950	4,951,476	1,500,000	3,451,476	30.29
1949	4,928,459	1,020,000	3,908,459	20.70
1948	5,766,543	960,000	4,806,543	16.65
1947	3,650,374	600,000	3,050,374	16.44
1946	3,248,813	200,000	3,048,813	6.16

Company E paid no taxes at all in 1954, although it had a net income of $5.3 million. In 1951 it paid taxes at a rate of 34.09 percent, its high year, and its second low year was 6.16 percent in 1946. Just incidentally, the president of this company is a supporter of the Fulbright bill and has been writing to his friends in the gas-distributing end of the natural-gas business complaining that they did not understand the difficulties in the gas-producing business.

Producers like these are among those who have been attacking the gas distributors for excessive profits and rates. I believe if one had a choice, one would enter the production end rather than the distribution end of the business when one looks at taxes paid and profits made. In fact, I would welcome the offer made by the distributors to open their books but at the same time we should ask the producing companies to come forward and open their books. Then we would have some real basis to determine who is making exorbitant profits. For my part, I am willing to let the chips fall where they may. I am not impressed, however, by the producers' argument that since the distributors are making high profits—which may or may not be true—the producers, too, should be allowed to charge excessive prices. That is the logic of their position, and I believe it is one to which we should not give credence. I do not believe they need $600 million more a year.

Company F is next. This is a company having very high earnings:

Company F

Year	Net income before income taxes	Income taxes	Net income after income taxes	Percent of income taxes to income before taxes
1954	$50,383,000	$8,700,000	$41,683,000	17.27
1953	55,775,000	14,900,000	40,875,000	26.71
1952	52,488,000	14,400,000	38,088,000	27.43
1951	58,593,000	17,300,000	41,293,000	29.53
1950	57,407,000	15,000,000	42,407,000	26.13
1949	46,487,000	10,390,000	36,097,000	22.35
1948	74,080,000	19,863,000	54,217,000	26.81
1947	40,655,000	9,298,000	31,357,000	22.87
1946	22,599,000	3,585,000	19,014,000	15.86
1945	16,371,000	1,228,000	15,143,000	7.50

In 1954 company F paid Federal income taxes of 17.27 percent. Their high year was 1951, when they paid at a rate of 29.53 percent, and their low year was 1945, when their rate was 7.5 percent. By standards in the oil and gas producing industry, company F paid very high taxes, indeed, but by the 52 percent rate paid by most other industries, their taxes average below half the rate ordinarily paid.

Now we come to company G:

Company G

Year	Net income before income taxes	Income taxes	Net income after income taxes	Percent of income taxes to income before taxes
1954	$785,624	----------	$785,624	----------
1953	730,699	----------	730,699	----------
1952	968,287	$69,022	899,265	7.13
1951	935,134	137,220	797,914	14.67
1950	892,552	147,275	745,277	16.50
1949	969,991	204,860	765,131	21.12
1948	872,719	150,367	722,352	17.23
1947	654,922	160,452	494,470	24.45
1946	471,923	135,664	336,259	28.75
1945	461,448	180,808	280,640	39.18

They paid no Federal income taxes in 1953 and 1954. Their high year was 1945, when they paid at a rate of 39.18 percent. Since then the rate of their taxes has declined steadily, except for 1949, when it rose somewhat. They, too, have had it very good.

Company H is next:

Company H

Year	Net income before income taxes	Income taxes	Net income after income taxes	Percent of income taxes to income before taxes
1954	$2,276,415	$238,329	$2,038,086	10.47
1953	1,899,343	156,039	1,743,304	8.22
1952	1,998,758	370,291	1,628,467	18.53
1951	1,992,234	411,166	1,581,068	20.64
1950	1,270,271	72,843	1,197,428	5.73

Records for this company are available only for the last 5 years. Its high year was 1951, when it paid Federal corporation income taxes at a 20.64 rate, and its low year was 1950 when the rate was 5.73 percent. Note that it, like so many others, has had a sizable growth in net income over the period for which we have data.

I emphasize that in all these cases the ordinary rate of taxation in the last years, since 1952, has been 52 percent. That is the standard of comparison.

Next we come to company I:

Company I

Year [1]	Net income before income taxes	Income taxes	Net income after income taxes	Percent of income taxes to income before taxes
1954	$6,769,145	$196,335	$6,572,810	2.90
1953	5,414,053	26,156	5,387,897	.48
1952	5,067,243	410,539	4,656,704	8.10
1951	4,477,673	404	4,477,269	.01
1950	3,456,001	202,087	3,253,914	5.85
1949	2,949,585	72,628	2,876,957	2.46
1948	2,774,079	201,176	2,572,903	7.25
1947	3,172,001	504,487	2,667,514	15.90
1946	755,220	258,488	496,732	34.23
1945	102,860	65,966	368,946	64.13

[1] 12 months ended June 30.

Here is a company which has shown a steady growth in net income before taxes. It has risen from $102,860 in 1945 to $6.7 million in 1954. The percent of Federal income taxes it has paid declined sharply from the 64.13 percent it paid in 1945 to the 0.01 of 1 percent it paid in 1951. In that year, incidentally, it paid income taxes in the amount of $404 on a net income of $4.4 million. That, Mr. President, is a tax bill which is lower than the taxes paid by a married couple having 3 dependents with an adjusted gross income of $5,600 before deductions and exemptions. Such a couple would pay $408 in income taxes at the present time. A married couple with 2 children, at the present rate, would pay $404 in Federal income taxes with an adjusted gross income of $4,911. A married couple with no dependents would pay that much with an adjusted gross income of $3,578, and a single person would pay $404 in taxes on an adjusted gross income of $2,911. Yet this company, with an income before taxes in 1951 or $4,477,673—or net income 800 times that of the married couple with 3 dependents—paid only $404 in taxes in 1951. If an oil and gas company may keep all but $404 of a net income of $4.4 million and yet insists that it needs more to provide incentive, what must have happened to the incentive of some poor schoolteacher or white-collar worker who earned from $2,911 to $5,600 per year and who yet paid taxes equal to this big company? It seems to me ridiculous to argue that further incentives are needed for these companies in the name of risk taking and incentive.

Company J is next:

Company J

Year	Net income before income taxes	Income taxes	Net income after income taxes	Percent of income taxes to income before taxes
1954	$3,570,162	$360,000	$3,210,162	10.08
1953	3,363,964	500,000	2,863,964	14.86
1952	2,561,162	267,461	2,293,701	10.44
1951	3,971,370	965,230	3,006,140	24.30
1950	2,302,729	519,263	1,783,466	22.55
1949	1,551,586	104,000	1,447,586	6.70
1948	1,344,021	150,000	1,194,021	11.16
1947	1,230,364	50,000	730,364	4.06
1946	409,171	----------	409,171	----------
1945	328,260	----------	328,260	----------

Here is a company which paid Federal income taxes at a rate of 22.55 percent in 1950, no Federal income taxes in 1945 and 1946, and paid at a rate of 10 percent in 1954. Notice its steady growth from a company with net income of $328,260 in 1945 to one with a net income of $3.5 million in 1954. It, too, seems to need little additional incentive.

Next is company K:

Company K

Year	Net income before income taxes	Income taxes	Net income after income taxes	Percent of income taxes to income before taxes
1954	$11,541,464	$1,278,154	$10,263,310	10.01
1953	11,762,519	1,590,080	10,172,439	13.52
1952	9,218,224	1,875,000	7,343,224	20.34
1951	10,327,002	2,400,000	7,927,002	23.24
1950	8,723,484	2,000,000	6,723,484	22.93
1949	8,716,231	1,800,000	6,916,231	20.65
1948	17,245,547	4,000,000	13,245,547	23.19

Company K—Continued

Year	Net income before income taxes	Income taxes	Net income after income taxes	Percent of income taxes to income before taxes
1947	$9,301,386	$2,300,000	$7,001,386	24.73
1946	5,321,560	1,010,000	4,311,560	18.98
1945	4,235,097	257,000	3,978,097	6.07

The low year for this company was in 1945, when the rate at which it paid Federal income taxes was 6.07 percent. Its high year was 1947, with a rate of 24.73 percent. In 1954, it paid at a rate of 10.01 percent. It, too, appears not to be in financial difficulties.

Company L is next:

Company L

Year	Net income before income taxes	Income taxes	Net income after income taxes	Percent of income taxes to income before taxes
1954	$7,762,785	$1,275,000	$6,487,785	16.42
1953	8,494,844	1,785,000	6,709,844	21.01
1952	7,844,057	1,500,000	6,344,057	19.12
1951	8,553,640	1,500,000	7,053,640	17.54
1950	8,086,702	1,983,000	6,103,702	24.52
1949	7,805,345	1,900,000	5,905,345	24.34
1948	7,512,733	1,726,006	5,786,727	22.97
1947	7,667,536	1,575,000	6,092,536	20.54
1946	5,146,094	1,100,000	4,046,094	21.38
1945	3,209,359	831,500	2,377,859	25.91
1944	3,519,208	1,068,760	2,450,448	30.37

Here is a most unusual oil and gas company. While other oil and gas companies paid Federal taxes at rates as low as 1 percent or no taxes at all in this period, its taxes never fell below 16 percent—in 1954—and were, in 1944, at a wartime rate of 30.37 percent. By oil and gas company standards, it seems to have paid Federal corporation income taxes at an unusually high rate, even though its average is only about half that of most American corporations. In comparison with the rest of the industry, I wish to praise this company and congratulate it; but I remind the Senate that its average Federal tax rate is only about half that of most American corporations.

Company M is next. This is truly a gigantic company:

Company M

Year	Net income before income taxes	Income taxes	Net income after income taxes	Percent of income taxes to income before taxes
1954	$174,803,000	$28,500,000	$146,303,000	16.30
1953	207,757,854	43,500,000	164,257,854	20.94
1952	175,792,000	30,500,000	145,292,000	14.68
1951	220,981,000	51,500,000	169,481,000	23.30
1950	161,360,000	32,000,000	129,360,000	19.83
1949	138,480,000	18,000,000	120,480,000	13.00
1948	240,069,000	54,000,000	186,069,000	22.49
1947	153,207,000	29,100,000	124,107,000	18.99
1946	79,332,000	7,500,000	71,832,000	9.45
1945	80,395,000	9,500,000	70,895,000	11.82

In 1954, this company paid Federal income taxes at a rate of 16.30 percent. Its high year was in 1951, when it paid at a rate of 23.3 percent. Its low year was 1946, when the rate was 9.45 percent. It appears to be a high Federal income-taxpaying company by the oil and gas industry standards.

My colleagues will notice that where a company is shown as having paid high taxes in comparison with the rest of the industry, I single it out for praise. Even so, I remind my colleagues the rate is less than half of that for other companies.

The next company is company N.

Company N

Year [1]	Net income before income taxes	Income taxes	Net income after income taxes	Percent of income taxes to income before taxes
1954	$2,384,380	$23,923	$2,360,457	1.00
1953	3,077,447	4,724	3,072,723	.15
1952	2,334,532	99,844	2,234,688	4.28
1951	1,209,045	31,250	1,177,795	2.58
1950	282,202	49,750	232,452	17.63
1949	1,225,576	6,949	1,218,627	.57
1948	1,395,517	29,053	1,366,464	2.08
1947	359,903	15,000	344,903	4.17
1946	(106,098)	200	(106,298)	----------
1945	1,537,551	406,500	1,131,051	26.44

[1] 12 months ended June 30.

NOTE.—Parentheses indicate deficit.

The high year for company N was in 1945, when it paid taxes at 26.44 percent. Of course, this was a wartime year. In fairness to company N, it lost money in 1946. Since then, while carrying sizable profits, its taxes have been below 5 percent in every year except 1950. In most other years, even though highly profitable ones, it paid very few taxes. The rate the company paid was only 1 percent in 1954; .15 of 1 percent in 1953; 4.28 percent in 1952; 2.58 percent in 1951; .57 of 1 percent in 1949; 2.08 percent in 1948; and 4.17 percent in 1947. Curiously enough, it seemed to pay at a higher rate in its poor years than in its lucrative years. Thus, in 1953, when net income was $3 million, it paid only $4,724 in taxes, or but .15 of 1 percent. Yet, in 1950, when it made only $282,202 it paid $49,750, or Federal income taxes at a rate of 17.63 percent.

I wish to say that I am not condemning any company.

Company O is next:

Company O

Year	Net income before income taxes	Income taxes	Net income after income taxes	Percent of income taxes to income before taxes
1954	$2,205,837	$42,130	$2,163,707	1.91
1953	2,600,271	50,000	2,550,271	1.92
1952	2,202,835	40,000	2,162,835	1.81
1951	2,623,191	30,000	2,593,191	1.14
1950	3,744,852	40,000	3,704,852	1.01
1949	4,158,672	42,322	4,116,350	1.00
1948	4,353,435	348,900	4,004,535	8.01
1947	1,517,480	48,919	1,468,561	3.22
1946	689,609	10,241	679,368	1.51
1945	664,526	4,103	660,423	.62

Company O has an amazing record. Except for 1947 and 1948, it never paid Federal income taxes at a higher rate than 1.92 percent of its net income, which was the 1953 figure. Yet in the period from 1945 to 1954 its net income has more than tripled. Its net income was at a high of $4.3 million in 1948, when it paid a rate of 8 percent. But in the next year, with net income at $4.1 million, it paid at a rate of 1 percent. It is an amazing example of low rates, 1 to 2 percent for the most part, instead of

the 38 to 52 percent which most corporations paid.

Company P is next:

Company P

Year	Net income before income taxes	Income taxes	Net income after income taxes	Percent of income taxes to income before taxes
1954	$6,209,385	$470,000	$5,739,385	7.57
1953	6,761,834	515,000	6,246,834	7.62
1952	7,023,582	540,000	6,483,582	7.69
1951	7,008,444	535,000	6,473,444	7.63
1950	6,616,103	415,000	6,201,103	6.27
1949	4,940,029	270,000	4,670,029	5.47
1948	5,679,055	333,000	5,346,055	5.86
1947	2,827,824	159,000	2,668,824	5.62
1946	2,532,718	151,000	2,381,718	5.96
1945	2,522,301	157,075	2,365,226	6.23

Company P's net income before taxes has ranged from $2.5 million to $7 million in the years 1945–54. Yet, its rate of Federal income taxes has varied from 5.47 percent, the low, in 1949 to 7.69 percent, the high, in 1952. It paid taxes at a very steady, but a very low rate, even during years when its income almost tripled.

Company Q is next:

Company Q

Year	Net income before income taxes	Income taxes	Net income after income taxes	Percent of income taxes to income before taxes
1954	$14,484,813	$1,967,000	$12,517,813	13.58
1953	12,815,586	1,143,000	11,672,586	8.92
1952	9,570,934	602,000	8,968,934	6.29
1951	8,190,680	385,000	7,805,680	4.70
1950	6,263,638	400,000	5,863,638	6.39
1949	5,183,830	210,000	4,973,830	4.05
1948	7,713,057	407,623	7,305,434	5.28
1947	3,895,936	85,000	3,811,936	2.02
1946	1,614,888	65,000	1,549,888	4.02
1945	997,075	40,000	957,075	4.01

Company Q is one whose net income has grown tremendously since 1945, when it was below $1 million, to 1954, when it was $14.4 million. In 1954 the rate at which it paid taxes was 13.58 percent, the high, and its low year was 1947, when its taxes were at a 2.02 percent rate. One sees no lack of incentive here, or lack of funds by which to expand operations.

Mr. President, I may say, in this connection, that I have given the identifying code to the Members of the Senate with the understanding they will not publish the names of the companies, although they can use the names to check and verify my figures.

I ask the Senator from Oklahoma if that is understood.

Mr. MONRONEY. Yes.

Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. MONRONEY. It would be more helpful to us, since the Senator has the annual reports from which these figures were taken——

Mr. DOUGLAS. The Senator can get the annual reports.

Mr. MONRONEY. I knew, because of the Senator's attention to detail and accuracy, that he would have them before him. The important consideration, which comes back to the basic question, is what percentage of the gross revenue of these companies comes from oil and what percentage comes from gas.

Mr. DOUGLAS. We cannot separate them.

Mr. MONRONEY. The cost of operations and leases cannot be separated, but in most of the annual reports will be shown gas revenues, which can be deducted from gross revenue. The amount that comes from other gross revenues can be separated. Therefore, we can find how much bearing the tax savings the Senator from Illinois is discussing have to this case. I believe it will be quite important for the RECORD to have the complete figures stated because otherwise the implication would be—although I know the Senator from Illinois does not wish to have such an implication made—that the figures are generally for gas production. That implication might easily occur, inasmuch as we are dealing with the natural-gas bill.

However, I know that in the case of some of the companies, their oil operations, in connection with drilling, sometimes involve expenditures of $2 million for the drilling of only 1 well in the offshore lands; and the companies are making extremely large capital investments for new production. Those expenditures have long been allowed in arriving at the tax structure.

Mr. DOUGLAS. But let me say to my good friend, the Senator from Oklahoma, that he cannot have it both ways.

Mr. MONRONEY. I am not asking for it both ways.

Mr. DOUGLAS. I sent to the 35 large gas-producing companies a telegram requesting detailed figures regarding costs, profits, investments, and so forth, I have received the telegrams they sent in reply, and I shall make them a part of the RECORD.

Mr. MONRONEY. The Senator from Illinois earlier read several of them.

Mr. DOUGLAS. Yes. They said they either could not or would not provide us with profit figures for the sale of gas. So we cannot obtain the figures from the companies. Yet the Senator from Oklahoma complains when we introduce the only figures we have, namely, composite figures for both oil profits and gas profits. Obviously, those who complain cannot have it both ways. And in view of the fact that gas drilling and exploration is incidental to oil—as these telegrams state—I believe it not an unfair picture to give profit figures which include both gas and oil.

Mr. MONRONEY. But I understood the Senator from Illinois to say, in reading a telegram, that the figures for the cost of operation could not be separated, so as to show the figures for oil and the figures for gas. He stated that the accounting methods the companies use in keeping their books do not permit the stating of separate figures for oil profits and gas profits.

Mr. DOUGLAS. That is what the companies said.

Mr. MONRONEY. Yes. I am saying that the Senator from Illinois can arrive at a reasonable estimate of their profits from gas by taking the gross receipts from the sales of gas—which are easily ascertainable from annual reports or other records of the companies—and applying them to their total sales. Thus he can arrive at the percentage. Then the Senator from Illinois will obtain a more nearly proportionate allocation of profits from the sale of gas alone. That is not a direct method of arriving at the information, because no one can break down the exploration costs in the case of a dry hole. In that case one does not know whether oil or gas or only dust will be produced. That is one of the problems which makes the Supreme Court's plan so unworkable.

Mr. DOUGLAS. But there is an indissoluble marriage between gas and oil.

Mr. MONRONEY. Nature made it that way, and the Supreme Court cannot change it.

Mr. DOUGLAS. Then the Senator from Oklahoma should not complain if I introduce figures for both gas and oil.

Mr. MONRONEY. I am not complaining. But I request additional information, which should be readily ascertainable from the papers the Senator from Illinois has.

Mr. DOUGLAS. Then I refer the Senator from Oklahoma to my sources of information. The Senator from Oklahoma has more abundant resources than I have; he can obtain the figures from Standard and from Poor.

Mr. MONRONEY. Let me say that I have one staff member at work on this; and I am keeping him rather busy now, in checking the statistics the Senator from Illinois has been submitting. He submits such an abundance of them—which we are delighted to have—that it makes quite a chore for this young man to check them.

Let me say that the members of the staff of the Senator from Illinois have been most courteous, cooperative, and helpful in sharing laborsaving devices between the two staffs; and we appreciate that.

Mr. DOUGLAS. We are glad to do so. But the Senator from Oklahoma is not stripped of allies in this matter. Although he does not wear anyone else's collar, nevertheless he has affiliated with him 6 of the 10 largest organizations in the country, with enormous resources; and I am quite certain that some of their men are now in the hotels downtown. Although the Senator from Oklahoma does not wear the collars of any of these companies, yet I am sure they will be willing to give him some assistance.

Mr. MONRONEY. The Senator from Oklahoma does not "wear" their assistance, either; and we are very careful to check on any material we use. For that reason, a very heavy burden is imposed on our staff.

Mr. DOUGLAS. Let me say that there is no more honorable Member of the Senate than the Senator from Oklahoma, who conducts himself in a very gentlemanly and upright manner. We attempt to do the same.

Mr. President, if we have made any error in the submission of these figures, we shall be glad to correct it. We have gone quite thoroughly into these details.

Mr. President——

The PRESIDING OFFICER (Mr. DANIEL in the chair). The Senator from Illinois has the floor.

Mr. DOUGLAS. Mr. President, next we come to company R:

Company R

Year	Net income before income taxes	Income taxes	Net income after income taxes	Percent of income taxes to income before taxes
1954	$8,395,561	$1,636,500	$6,759,061	19.49
1953	11,536,428	3,477,350	8,059,078	30.14
1952	13,532,095	3,884,000	9,648,095	28.70
1951	14,940,795	4,645,000	10,295,795	30.11
1950	10,850,226	2,351,801	8,498,425	21.68
1949	6,470,610	299,023	6,171,587	4.62
1948	8,229,656	1,635,000	6,594,656	19.87
1947	4,773,864	576,444	4,197,420	12.07
1946	2,475,239	370,000	2,105,239	14.95
1945	1,983,259	252,500	1,730,759	10.27

The high year for this company was 1953 when it paid Federal corporation income taxes at a rate of 30.14 percent. Its low year was in 1949 when it paid at a rate of 4.62 percent. Even at these low rates, its taxes seem somewhat above the average for these 27 companies.

Company S is next:

Company S

Year [1]	Net income before income taxes	Income taxes	Net income after income taxes	Percent of income taxes to income before taxes
1955	$4,284,521	$220,000	$4,064,521	5.13
1954	5,241,179	43,000	5,198,179	.82
1953	5,525,948	583,000	4,942,948	10.55
1952	5,618,762	1,425,000	4,193,762	25.36
1951	5,280,578	964,000	4,316,578	18.26
1950	2,944,322	191,000	2,753,322	6.49
1949	4,736,153	342,000	4,394,153	7.22
1948	4,213,001	266,000	3,947,001	6.31
1947	3,200,034	160,000	3,040,034	4.99
1946	1,809,404	30,000	1,779,404	1.66

[1] 12 months ended June 30.

I am informed that this company is almost entirely a gas-producing company. I will say for the benefit of my friend, the Senator from Oklahoma, that, as I understand, this company has very few oil profits. The Senator from Oklahoma can identify this company on the chart.

Company S paid taxes at the rate of 25.36 percent in 1952, its high year, and at a rate of 0.82 of 1 percent in 1954, its low year. It, too, has done very well, paid very few taxes, and has shown a good record of earnings throughout the period. One doubts that its incentive has been ruined or that it needs even more privileges, tax benefits, or higher prices for its natural gas in order to make profits and to keep its head above water.

Next, we come to company T. We have a record for only 6 years for this company:

Company T

Year	Net income before income taxes	Income taxes	Net income after income taxes	Percent of income taxes to income before taxes
1954	$542,208	$2,500	$539,708	0.46
1953	408,107	----------	408,107	----------
1952	431,569	----------	431,569	----------
1951	273,473	----------	273,473	----------
1950	183,116	5,000	178,116	2.73
1949	(6,000)	----------	(6,000)	----------

NOTE.—Parentheses indicate deficit.

Mr. President, it is to be noted that the company paid income taxes for only 2 years in that period, namely, for 1950 and 1954.

Here is a company with a steady growth in the amount of its net income. It is a company which has paid no taxes whatsoever in 4 of the last 6 years. Even in the 2 years for which it did pay taxes, they were at nominal rates of .46 percent and 2.73 percent. In fairness, it paid no taxes in 1949, because it lost money in that year. Surely it has been treated better than most small companies in similar circumstances, but outside the gas and oil industry.

Company U is next:

Company U

Year	Net income before income taxes	Income taxes	Net income after income taxes	Percent of income taxes to income before taxes
1954	$7,805,307	$335,000	$7,470,307	4.29
1953	7,140,132	600,000	6,540,132	8.40
1952	7,715,591	1,000,000	6,715,591	12.96
1951	10,239,600	2,900,000	7,396,000	28.32
1950	7,659,000	1,200,000	6,459,000	15.67
1949	6,656,347	875,000	5,781,347	13.15
1948	9,030,713	2,250,000	6,780,713	24.91
1947	7,191,002	1,250,000	5,941,002	17.38
1946	3,400,586	400,000	3,000,586	11.76

The income and taxes of company U seem to have fluctuated less than many others in this list. Their lowest was in 1954 when it paid taxes at a rate of 4.29 percent on a net income of $7.8 million. Their high year was in 1951 when they paid taxes at a rate of 28.32 percent.

Next we come to company V:

Company V

Year	Net income before income taxes	Income taxes	Net income after income taxes	Percent of income taxes to income before taxes
1954	$4,173,767	----------	$4,173,767	----------
1953	3,951,367	$350,000	3,601,367	8.86
1952	4,414,623	660,000	3,754,623	14.95
1951	3,112,871	----------	3,112,871	----------
1950	1,904,836	526,000	1,378,836	27.61
1949	[1] 592,448	7,500	584,948	1.26
1948	461,640	2,400	459,240	.52
1947	416,506	4,100	512,406	.98
1946	328,052	11,282	316,770	3.44
1946 [2]	176,841	5,250	171,591	2.97
1945 [2]	293,539	6,127	287,412	2.00

[1] Before $653,408 loss on wells abandoned.
[2] 12 months ended Apr. 30. In 1946, the company changed to a calendar-year basis so 1946 taxes are shown both ways.

This company paid taxes at a high rate in 1950—by oil and gas producing company standards—when it paid taxes at a rate of 27.61 percent. In most other years it has paid almost no taxes whatsoever. In 1954 and 1951, it paid nothing. In 1947 and 1948 its taxes were below 1 percent. In 1949 it paid taxes of 1.26 percent. In 1945 and 1946 its taxes were 2 percent and 3.44 percent. This is an amazing thing.

Next is company W:

Company W

Year [1]	Net income before income taxes	Income taxes	Net income after income taxes	Percent of income taxes to income before taxes
1954	$10,260,388	($100,000)	$10,360,388	[2]
1953	12,500,382	(500,000)	12,000,382	[2]

[1] 12 months ended Aug. 31.
[2] Credit taxes.

Company W—Continued

Year [1]	Net income before income taxes	Income taxes	Net income after income taxes	Percent of income taxes to income before taxes
1952	$12,100,165	$200,000	$11,900,165	1.65
1951	15,195,639	1,900,000	13,295,639	12.03
1950	7,128,542	200,000	6,928,542	2.81
1949	7,483,443	200,000	7,283,443	2.67
1948	17,917,474	3,000,000	14,917,474	16.74
1947	5,266,897	400,000	4,866,897	7.59
1946	1,844,156	----------	1,844,156	----------
1945	5,422,254	450,000	4,972,254	8.29

NOTE.—Parentheses indicate credit.

This is a truly interesting situation. Here is a company which in 1954 and 1953 had net incomes in excess of $10 million and $12.5 million respectively, but which not only did not pay any taxes in those years but which had net tax credits of $100,000 and $500,000 respectively. In 1946 it paid no taxes. In 1949 and 1950 its taxes were below 3 percent. In 1952 they were 1.65 percent. What other kind of company in America can have a net income of $10 to $12 million per year and receive a tax credit from the Federal Government? Is their incentive being ruined? Are they afraid to take risks? If they have no incentive when the Government gives them tax credits, what has to be done to give them an incentive? The American people should weep for such companies. The men and women who earn their money by the sweat of their brows, and who at this time of the year are scraping together enough to pay their Federal income tax, must feel a great compassion for these poor companies, devoid of incentive, who with millions of dollars in net income yet pay no taxes. How demanding can these companies become? If I were in their place I would be ashamed to show my face in the halls of Congress, yet apparently the more they get the more they want. And as they get more they use their influence and power to get still more. So privilege feeds on privilege. They are never satisfied. They never have enough.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. MONRONEY. Has the Senator concluded his list of cases?

Mr. DOUGLAS. I was discussing company W.

Mr. MONRONEY. I have a question to ask, which might well be asked at this time, because it bears on the entire list.

In computing the net income, is the cost of drilling dry holes taken into consideration before or after that figure is arrived at?

Mr. DOUGLAS. I believe it is before, but I will check the record to make sure. I think the cost of drilling dry holes is computed as an operating expense, but I will check it.

Mr. MONRONEY. I think the Senator is correct with respect to depletion coming after net income, and perhaps with respect to developmental wells, both of which items are related to actual income. I think it would clarify the record to determine where the dry holes come in.

Mr. DOUGLAS. I think they are taken into consideration before net income.

Mr. MONRONEY. Apparently, from what the Senator from Illinois has said, all these companies are companies engaged in exploration and search for oil. Today approximately a quarter of a million dollars is sunk in every dry hole encountered in the search for oil. If there are 10 dry holes, it is not long before the producer has $2,500,000 chargeable to dry holes. Perhaps that has already been charged against net income. I hardly know how to compute my own personal income tax, which I assure the distinguished Senator from Illinois is not so complicated as corporation bookkeeping. However, I think the record would be much clearer if it were made absolutely definite and certain when the dry holes are charged off.

Mr. DOUGLAS. It is my impression that they have been treated as operating costs. In fact, I have now checked this question, and dry holes are deducted as operating expenses before the figure of net income before taxes—profits—is arrived at.

Now we come to company X:

Company X

Year	Net income before income taxes	Income taxes	Net income after income taxes	Percent of income taxes to income before taxes
1954	$5,245,527	----------	$5,245,527	----------
1953	4,470,659	$240,000	4,230,659	5.37
1952	3,635,498	450,000	3,185,498	12.38
1951	3,702,765	550,000	3,152,765	14.85
1950	3,770,706	696,200	3,047,506	18.46
1949	4,022,266	640,907	3,381,359	15.93
1948	4,731,952	901,906	3,830,046	19.06
1947	2,940,750	597,621	2,343,129	20.32
1946	1,394,512	163,973	1,230,539	11.75
1945	666,557	----------	666,557	----------

This company paid taxes at a rate of 20.32 percent in 1947, its high year, and no taxes at all in both 1945 and 1954. Yet, in 1954 when it paid no taxes it had a net income before taxes of $5.2 million. I believe that in this case as in the others, the facts speak for themselves. I ask any Member of the Senate who has not yet made up his mind on this issue, to study these figures and ask himself, seriously, if these companies are without incentive.

Company Y is next.

Company Y

Year	Net income before income taxes	Income taxes	Net income after income taxes	Percent of income taxes to income before taxes
1954	$8,256,034	$400,000	$7,856,034	4.85
1953	8,874,068	1,275,000	7,599,068	14.37
1952	8,101,335	1,255,000	6,846,335	15.49
1951	8,009,124	1,185,000	6,824,124	14.79
1950	7,047,367	1,050,000	5,997,367	14.89
1949	7,048,753	710,000	6,338,753	10.07
1948	9,186,038	1,725,000	7,461,038	18.78
1947	4,883,907	760,000	4,123,907	15.56
1946	2,428,249	315,000	2,113,249	12.97
1945	1,934,850	175,000	1,759,850	9.04

Like most of the others, the net income of company Y has shown a steady growth in this 10-year period. It has risen from $1.9 million to over $8 million. Yet it paid taxes last year at the rate of 4.85 percent. In other years the rate was between 10 and 20 percent, except for 1945, when it was 9.04 percent.

We now come to company Z:

Company Z

Year	Net income before income taxes	Income taxes	Net income after income taxes	Percent of income taxes to income before taxes
1954	$1,382,897	----------	$1,382,897	----------
1953	3,292,988	----------	3,292,988	----------
1952	1,547,048	----------	1,547,048	----------
1951	703,747	----------	703,747	----------
1950	151,488	----------	151,488	----------
1949	154,707	----------	154,707	----------
1948	134,881	----------	134,881	----------

This is really an extraordinary record. Here is a company which in 7 years has paid absolutely no taxes of any kind. Yet, in those 7 years its income varied between $134,000 and $3.2 million a year.

What further incentive is needed here? What more could a benevolent Government do for an individual or a company than to forgive all of its taxes? This company paid zero percent taxes while individuals in this country were burdened with heavy income taxes, and other corporations with heavy corporate taxes.

Finally, Mr. President, I come to company A–Z.

I have run out of the alphabet. I must start over now with company A–Z:

Company A–Z

Year	Net income before income taxes	Income taxes	Net income after income taxes	Percent of income taxes to income before taxes
1954	$647,516	----------	$647,516	----------
1953	1,008,416	$80,000	928,416	7.93
1952	768,664	----------	768,664	----------
1951	1,143,004	283,000	860,004	24.76
1950	969,156	264,774	704,382	27.32
1949	394,227	----------	394,227	----------
1948	874,306	173,000	701,306	19.79
1947	655,289	73,000	582,289	11.14
1946	227,789	----------	227,789	----------
1945	322,232	----------	322,232	----------

In 5 of the last 10 years this company paid no Federal income taxes. In the 5 other years, it paid Federal income taxes at rates which varied from 7.93 percent in 1953 to 27.32 percent in 1950. It has earned good money—not as much as some others. It certainly has had a helping hand. It must have drilled a great many wells to have tax write-offs in the magnitudes which would put it outside the reach of the income tax in 5 of these years. I believe the argument that more is needed for these companies as an incentive to drill for "gas" is an argument which does not stand the test of factual material.

We must recall again that very few people drill for gas as such, except in well known gas areas and gas fields. Primarily they drill for oil. For the risks involved, they receive very heavy tax benefits. There is no justification for more and especially is there no justification for loading on the consumers increased costs of gas which would cost them between $600 million and $900 million per year, and which would eventually cost them from $21.5 to $30 billion.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. MONRONEY. I have the confidential list before me, and I will not divulge it. However, in checking through it I find listed very few of the companies which the Senator found to be so important in the early part of his speech. I wonder why the distinguished Senator from Illinois did not also give us the figures affecting the other companies.

Mr. DOUGLAS. We are doing both. We covered the 35 big companies. I believe it is true that the 27 companies are exclusive of the 35, with 4 exceptions. Therefore, we have covered 58 companies. However, the Senator from Illinois is very much limited in his resources; he does not have behind him the enormous powers which the junior Senator from Oklahoma has behind him. The Senator from Illinois must content himself with a detailed analysis of the 27 companies and with general figures on the 35 companies, although we have both for 4 companies. If the distinguished junior Senator from Oklahoma wishes to go into the 31 companies—not 35—I shall be very glad to have him do so. Then I will check his figures, as I hope he will check my figures on the 27 companies. I am perfectly willing to say that I have identified the source for him, and I am certain that the Library of Congress will segregate the figures for him.

Mr. MONRONEY. The junior Senator from Oklahoma did not understand the distinguished senior Senator from Illinois to deal with the tax matter at the time he discussed the 35 giant corporations.

Mr. DOUGLAS. That is correct.

Mr. MONRONEY. Most of the companies are among the big ones. They are engaged in importing oil from the Near East. If the Senator from Illinois had included those companies in the tax picture, would the case have been as favorable or less favorable? Why were those 27 companies chosen? Was it because out of thousands of companies operating in the country those were the worst examples?

Mr. DOUGLAS. Oh, no.

Mr. MONRONEY. Or middle examples?

Mr. DOUGLAS. Oh, no.

Mr. MONRONEY. Or the best examples?

Mr. DOUGLAS. No. We do not wish to make whipping boys of these companies. If the Senator from Oklahoma wishes to take the 31 big ones, which we did not take, he can do so.

Mr. MONRONEY. I hold no brief for any of them.

Mr. DOUGLAS. These are, roughly, run-of-the-mine companies. That is roughly what they are. I have presented figures on 58 companies.

Mr. MONRONEY. But no tax figures such as the Senator presented on the 27 companies.

Mr. DOUGLAS. I will let the Senator from Oklahoma get the tax figures on the 31 companies. The Senator from Illinois did not willfully disregard those companies.

Mr. MONRONEY. I am sure he did not. However, the Senator from Okla-

homa showed that, on a roughly corresponding list of 35 of the leading oil producers, the gas production was but 2 percent of the total revenue of the companies. Perhaps in these 27 cases the percentage may also be of some significance. I am wondering why the 35 giants were omitted from the usual very careful analysis of the distinguished senior Senator from Illinois.

Mr. DOUGLAS. I say to my good friend that he will find these companies to be middle companies, and only 4 exceptions appear on our list of the 35 biggest gas producers.

They are not so widespread in their activities as the 35 companies which I previously mentioned. They have more refineries, but they do not have as large a refinery business as the big 35; nor do they have in general the widespread distributing system the big giants have.

We were trying to use companies whose activities, in the main, are confined to the oil and gas fields. There are 2 or 3 companies which are exclusively gas companies. What I did first was to show the sales and profits of the big composite companies who sell 70 percent of the natural gas in interstate commerce. Then I went on to give another 27 examples of middle-size operating companies. This giving us an idea of the way the operating ends of the big composite companies work. That was the reason for giving first the 35 big companies and then these 27 other examples, of which 4 are duplications.

Again I wish to say that the list I furnished is confidential. I do not wish to crucify anyone. If the list does get into the hands of the press and it is published, the press will be violating a confidence.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. MONRONEY. These figures are all available, are they not?

Mr. DOUGLAS. That is correct.

Mr. MONRONEY. They are not an inside look at Treasury Department records, as I understand.

Mr. DOUGLAS. No; they are not figures from the Treasury Department.

Mr. MONRONEY. However, the Senator from Illinois does not wish to be the source of the information, as I understand.

Mr. DOUGLAS. That is correct.

Mr. MONRONEY. That is very considerate of him. Of course, most companies realize that all this is an open matter and no one is trying to conceal what they paid or did not pay.

Mr. DOUGLAS. That is correct. I wish to make my case on principle, rather than make some companies whipping boys.

MAJOR OIL COMPANIES OWN BULK OF NATION'S NATURAL GAS RESERVES

If we turn from sales to the ownership of gas reserves, we find that the information which is available with respect to the ownership of the Nation's gas reserves, although admittedly incomplete, shows that such reserves are owned mostly by the major oil companies of the Nation. From published sources, including reports made to the Federal Power Commission by pipeline companies and financial manuals, it is possible to secure a substantial amount of data as to the ownership of gas reserves.

In the hearings before the House Interstate and Foreign Commerce Committee, the Federal Power Commission submitted data showing the ownership of gas reserves by nontransporting producers and by pipeline companies and affiliates—House hearings, page 23. From studies which I have had prepared, I have been able to supplement these reserve estimates to some extent and to account for the ownership of 135.779 trillion—those figures are almost astronomical—cubic feet of natural gas, which is 64.14 percent of the Nation's estimated proven gas reserves according to the gas reserves committee of the American Gas Association. Of these 135.779 trillion cubic feet, nontransporting producers owned 106.503 trillion cubic feet or 78.44 percent of the total, and utility companies owned 29.276 trillion or 21.56 percent of the total reserves. Table IV–5 lists 30 nontransporting producers and 16 utility companies which together own 129.464 trillion cubic feet or approximately 61 percent of the Nation's total gas reserves.

The reserve ownership in both categories is understated to some extent even for the companies listed, by reason of the fact that some utility companies which made reports to the Federal Power Commission, although owning reserves, did not report the volume owned. Likewise, for certain affiliated producing companies the volume of reserves owned was not available from public sources. The reserve data for a number of nontransporting producers is not up to date, since all these corporations do not always supply information to the statistical organizations of their current reserve ownerships. Some of the figures which are included in the table with respect to the reserves of nontransporting producers are dated several years earlier than 1954.

In addition to the 46 companies listed on table IV–5 which have reported reserve ownership, and the additional 49 companies for which consolidated figures are shown on the table, there are a number of other important natural-gas producers which do not publicly disclose the extent of their ownership of gas reserves. Among such producers are such large corporations as Cities Service Oil Co., Gulf Oil Corp., and Shell Oil Co., which are 3 of the largest producers selling gas in interstate commerce, their rank being 8th, 7th, and 4th, respectively. In addition, there are a number of other large producers owning substantial reserves, including Amerada Petroleum Corp., Carter Oil Co., which is a subsidiary of Standard Oil Company of New Jersey, the H. L. Hunt interests, Republic Natural Gas Co., Southwest Gas Producing Co., Superior Oil Co., and United Carbon Co. Based on 1954 production figures, it is estimated that these 10 companies, for which data are not available, own reserves aggregating from 20 to 30 trillion cubic feet. I want to emphasize that these estimates of natural-gas-reserve ownerships by major oil companies are on the low side.

Natural-gas companies reporting to the Federal Power Commission are required to report the volume of reserves which they have under contract with producers in addition to the reserves which they own. It appears that they have under contract with the nonaffiliated producers 109.353 trillion cubic feet. If we add to that the reserves owned and under contract to utilities which are not subject to the jurisdiction of the Federal Power Commission we find that such utilities report reserves available to them of approximately 140 trillion cubic feet.

Thus the total reserves of natural gas which are known to be committed to utility markets, and admittedly this is on the low side, make up about two-thirds of the Nation's total proven gas reserves, which are estimated at 211.7 trillion cubic feet. The utility markets received about two-thirds of the 1954 production. Tremendous quantities of natural gas are used by the producers in their field operations and in the refineries, and large volumes are sold directly by the producers to industries as fuel for electric generation plants and for use in cement, carbon black, chemical, and other plants. In 1954 field use alone amounted to 1.578 trillion cubic feet. Thus it appears reasonable to conclude that most of the natural gas reserves of the country are dedicated to markets of one type or another and that there are not available to buyers many trillion cubic feet of the gas which have been discovered and which have not yet been committed to a market. There are, of course, some reserves which are uncommitted. Certainly there is somewhat of a lag between discovery and the sale of the gas reserves, although there have been many instances where the reserves were sold shortly after the discovery well was completed and some reasonable estimate of the reserves in the field could be made.

But the important consideration which I wish to emphasize with respect to the ownership of the Nation's gas reserves is the fact, as shown by the table which I have presented, that 30 nontransporting producers and 16 utility companies together own 61 percent of the Nation's estimated proven gas reserves. And this percentage is actually higher because, as I have already pointed out, a number of the large transporting producers have not published their current reserve ownership figures, and if such information were available, the figure of 61 percent would be increased to 70 or 75 percent.

With the ownership of this tremendous portion of the Nation's gas reserves within their control and with a scarcity of gas in sight in the future, it is no wonder that we find the large oil and gas producers bending every effort to promote this legislation.

DOMINATING POSITION OF MAJOR PRODUCERS IN PANHANDLE-HUGOTON FIELDS

The dominating position of the major gas producers in the Panhandle-Hugoton fields is clear from an examination of the data showing that 10 pipeline companies and 20 major nontransporting producers account for 90 percent of the production of gas in these two fields. This is of substantial significance, since these two fields are outstanding in size and together

contain 20 percent of the Nation's gas reserves. The Hugoton field is considered to be the largest gas field in the world with a total reserve today of about 25 trillion cubic feet. The second largest gas field is the Panhandle field with a total reserve of approximately 17 trillion cubic feet. These two fields, which adjoin across the 3-State area of Kansas, Oklahoma, and Texas, cover an area of about 5 million acres. From these reserves 7 major pipeline companies receive the preponderance, and, in some instances, their entire supply of natural gas. One would normally expect to find a large number of individual producers taking part in the exploitation of such a tremendous gas reserve, but the facts show otherwise. According to information furnished by the Texas Railroad Commission, the Oklahoma Corporation Commission, and the Kansas Corporation Commission, which bodies are in charge of the regulation of oil and gas production in their respective States, there are only 180 producers in these two fields, including pipeline companies owning reserves.

Mr. MONRONEY. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

Mr. MONRONEY. Since it is my own State which the Senator is discussing, and I am familiar with it, I should like to say that the section to which reference has been made is what used to be the Dust Bowl. The farmers owned large tracts of land. Most of their neighbors of faint heart moved away, and the "Okies" abandoned their lands in the Grapes of Wrath days. The fact that there are 180 producers is not strange, because their land was opened up as merely wildcat territory. Companies try to get what is known as a big-lease spread, so that if they do make a discovery they will have under their control a large amount of acreage.

Mr. DOUGLAS. Is the Senator saying that a larger number of farmers will receive royalties?

Mr. MONRONEY. No; I am not saying that. They do get one-eighth of all gas produced, which perhaps makes them the largest beneficiaries, whether stockholder, or anyone else interested in these companies.

Mr. DOUGLAS. I mentioned that fact in the first page of my speech.

Mr. MONRONEY. I know the Senator recognizes that. The gas crop is a pretty big crop on Oklahoma farms.

Mr. DOUGLAS. I wish to say that Lazarus received a few crumbs which fell from the table of Dives.

Mr. MONRONEY. A gas lease on a farm is not "crummy" in Oklahoma. It may be in Illinois.

Mr. DOUGLAS. In Oklahoma actual millionaires are on every hand.

Mr. MONRONEY. The farmers are not the rich ones.

Mr. DOUGLAS. That is what I hope the Senator will always remember.

Mr. MONRONEY. I am a Democrat, and we recognize better than anyone else that the common folks are in the Democratic Party.

Mr. DOUGLAS. I had the feeling that the oil and gas boys worked both sides of the street.

Mr. MONRONEY. They usually support Republican candidates, I may add. I have had considerable difficulty in that field in times past on certain questions, having joined with the distinguished Senator from Illinois on the tidelands issue, but I have the satisfaction of knowing we were right in that case. I thought they were wrong on that issue. I believe they are right on this one.

But the point I am making is that 180 producers in a 5-million-acre field, the greatest in the Nation, is not an unusual situation when we consider the condition of the land, the larger ownership of the farms, and the conservation methods being used to produce the field and make it last longer. I know the distinguished Senator from Illinois does not misunderstand me, but others who may hear might think it was a monopoly condition, when, as a matter of fact, it is one of the conditions of discovery and development, and it is not as diversified an ownership as exists in many of our gas fields.

Incidentally, the reserves are going to be tremendously increased. The statistics are inadvertently not complete. An entirely new horizon of gas production has been found in the below-sea-level part of the Hugoton field. So the figures should show a greater reserve.

Mr. DOUGLAS. Mr. President, I am delighted the Senator has said that, because last week on the floor of the Senate he and the Senator from New Mexico [Mr. ANDERSON] were lamenting the fact that the gas reserves had not gone up in the year 1954. Now it is found that in 1955 and the beginning days of 1956 there are tremendous reserves. If that is so, then the Phillips decision could not have had a very adverse effect upon discovery, exploration, and development.

Mr. MONRONEY. It is not too difficult a matter for an intelligent oil or gas man to understand that where gas is found in one stratum by drilling, there may be other producing strata.

During the remarks of the distinguished Senator from Illinois last Friday, I was momentarily absent from the floor to discuss a matter with the editor of the Guymon, Okla., daily newspaper—incidentally, my former managing editor, who was visiting Washington—who informed me of this great new bonanza which had developed. It is only as to 1 or 2 wells now, but some of those 200,000 people in Illinois, and especially Chicago, who are waiting for gas, may find a great, new, abundant field coming in.

Mr. DOUGLAS. That would be fine.

Mr. MONRONEY. The bad years may be behind us. But even these discoveries do not necessarily mean that the new gas will be committed in interstate commerce. If the producers feel there will be an unregulated market, which might pay them even less per thousand cubic feet than a regulated market, they will choose the unregulated market.

Mr. DOUGLAS. I am very glad to have the junior Senator from Oklahoma play an obligato, from time to time, to the tune I am attempting to bring forth.

Mr. President, I ask unanimous consent that the table which I have prepared on the reported ownership of natural reserves by certain corporations may be printed at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE IV–5.—*Reported ownership of natural gas reserves by certain corporations*

	Trillion cubic feet
Nontransporting producers:	
Humble Oil & Refining Co	16.000
Phillips Petroleum Co	13.200
Standard Oil Co. (Ind.)	11.380
The Texas Co	11.100
Socony-Mobil Oil Co	8.000
Standard Oil Company of California	4.500
Sun Oil Co	3.900
Pure Oil Co	3.700
Delhi-Taylor Oil Corp	3.000
Atlantic Refining Co	2.210
Continental Oil Co	2.200
Tidewater-Associated Oil Co	2.180
Ohio Oil Co	2.000
Sunray-Mid Continent Oil Co	1.948
Union Oil Company of California	1.864
Shamrock Oil & Gas Corp	1.700
Sinclair Oil & Gas Co	1.700
Columbian Carbon Co	1.552
The Chicago Corp	1.520
Three States Natural Gas Co	1.516
Union Oil & Gas Corporation of Louisiana	1.474
Western Natural Gas Co	1.446
Southern Production Co	1.166
Skelly Oil Co	1.053
Kerr-McGee Oil Industries	.883
Standard Oil Co. (Ohio)	.717
Texas National Petroleum Co	.700
Lion Oil Co	.405
Pubco Development, Inc	.361
Aztec Oil & Gas Co	.359
Subtotal	103.734
Other companies reporting reserve ownership	2.769
Total reported	106.503
Utility companies:	
El Paso Natural Gas Co	4.585
United Gas Pipeline Co	4.044
Colorado Interstate Gas Co	3.021
Panhandle Eastern Pipe Line Co	3.015
Columbia Gas System, Inc	2.028
Cities Service Gas Co	2.000
Natural Gas Pipeline Company of America	1.639
Northern Natural Gas Co	1.500
Arkansas Louisiana Gas Co	.923
Lone Star Gas Co	.700
Mountain Fuel Supply Co	.697
Kentucky West Virginia Gas Co	.693
Southern Natural Gas Co	.574
Montana Power Co	.528
Consolidated Natural Gas Co	.413
National Fuel Gas Co	.370
Subtotal	26.730
Other companies reporting reserve ownership	2.546
Total reported	29.276
Grand total reported	135.779

Mr. DOUGLAS. Mr. President, table IV–6, which I present, lists the 10 pipeline companies and the 20 major independent producers which, together, account for 90 percent of the total production in these two fields, based upon the allowables for the month of November 1954. An examination of the identity of these producers reveals that approximately the same concentration of ownership by the large oil companies exists in these two fields as exists in the national statistics of sales to interstate pipeline companies to which I referred earlier.

I ask unanimous consent that table IV–6 be printed at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE IV–6.—*Principal producers and allowable production for the Panhandle and Hugoton gas fields*

	November 1954 allowable production (thousand cubic feet)			Percent of total allowables	Cumulative percentage
	Panhandle	Hugoton	Total		
PIPELINE COMPANIES					
Colorado Interstate Gas Co	11,955,273		11,955,273	9.23	9.23
Panhandle Eastern Pipe Line Co	2,734,577	4,635,082	7,369,659	5.69	14.92
Cities Service Gas Co	4,665,092	1,908,623	6,573,715	5.08	20.00
Natural Gas Pipeline Company of America	6,217,504		6,217,504	4.80	24.80
Hugoton Production Co		3,189,811	3,189,811	2.46	27.26
Northern Natural Gas Co	596,596	2,589,194	3,185,790	2.46	29.72
Other pipeline companies (4)	873,904	1,978,039	2,851,943	2.01	31.73
Total, 10 pipeline companies	27,042,946	14,050,749	41,093,695	31.73	
MAJOR INDEPENDENT PRODUCERS					
Phillips Petroleum Co	12,517,794	7,773,457	20,291,251	15.67	15.67
Stanolind Oil & Gas Co	16,847	8,134,056	8,150,903	6.29	21.96
Cities Service Oil Co. and subsidiary	62,832	7,333,642	7,396,465	5.71	27.67
Shamrock Oil & Gas Corp	5,044,211	2,132,244	7,176,455	5.54	33.21
Republic Natural Gas Co		5,577,378	5,577,378	4.31	37.52
Dorchester Corp	1,809,136	1,923,837	3,732,973	2.88	40.40
Kerr-McGee Oil Industries and affiliate	1,307,321	2,072,828	3,380,149	2.61	43.01
Magnolia Petroleum Co	728,852	2,379,588	3,108,440	2.40	45.41
Hugoton Plains Oil & Gas Co		2,496,509	2,496,509	1.93	47.34
Huber, J. M., Corp	1,987,375	96,474	2,083,849	1.61	48.95
Skelly Oil Co	509,751	1,537,313	2,049,064	1.58	50.53
United Producing Co		1,926,507	1,926,507	1.49	52.02
Deerfield Gas Producing Co. and Kearney Gas Producing Co		1,471,141	1,471,141	1.14	53.16
Cabot Carbon Co	566,363	715,271	1,281,634	.99	54.15
Hawley, J. B	8,925	1,257,938	1,266,863	.98	55.13
Columbia Fuel Corp		1,140,748	1,140,748	.88	56.01
White Eagle Oil Co		908,453	908,453	.70	56.71
Western Natural Gas Co		886,931	886,931	.68	57.39
The Texas Co	102,450	645,651	748,101	.58	57.97
Champlin Refining Co	3,103	639,234	642,337	.50	58.47
Total, 20 major independent producers	24,664,951	51,049,200	75,714,151	58.47	
Subtotal, 30 producers	51,707,897	65,099,949	116,807,846	90.20	
Other independent producers, 150	7,302,189	5,392,980	12,695,169	9.80	68.27
Total, 180 producers	59,010,086	70,492,929	129,503,015	100.00	100.00

Source: Proration orders of Texas Railroad Commission, Oklahoma State Corporation Commission, Kansas State Corporation Commission.

Mr. DOUGLAS. Mr. President, it is evident that the ownership of reserves by pipeline companies and their producing affiliates in these two fields is a much greater percentage of the total than is found in other gas-producing areas of the Southwest.

The reserves in the Panhandle-Hugoton fields are for all practical purposes entirely committed to existing markets. There is very little undrilled acreage remaining.

EFFECTIVE COMPETITION IMPOSSIBLE BECAUSE TRANSPORTATION LIMITED TO LARGE FIXED INVESTMENT IN PIPELINES

In the hearings before the House and Senate committees, Dr. Boatwright, the Standard Oil economist who appeared for the producers, presented testimony and statistics which showed that the concentration ratios in the production phase of the natural-gas industry are much less than in other extractive industries except bituminous coal, and are considerably less than in most manufacturing industries. In other words, the statistics which Dr. Boatwright presented showed, for example, that the 8 largest producers of copper account for 91 percent of the total domestic production, while the first 8 gas producers account for only 28 percent of the total natural gas produced in the country. The intent of such testimony and statistics was to demonstrate that domination of the supply of natural gas by a few producers does not exist to the extent that domination situations exist in other extractive and in manufacturing industries. It is claimed that there is plenty of room for newcomers in the producing segment of the gas industry and that there are enough producers in that industry to provide sufficient competition to prevent monopolistic price-fixing practices.

While these statistical facts as to the concentration ratios in the various industries may be correct, nevertheless, as I have twice pointed out, they do not provide the answer to the question of monopoly in the sale of natural gas for resale in interstate commerce. In this country we have several hundred electric utilities, several hundred gas-distribution utilities, and over a hundred natural-gas pipeline companies. I am sure that if concentration ratios on a national basis were computed for the electric or gas utility industries, they would show, based upon the theory advanced by Dr. Boatwright, that competition was rampant in the utility industry, and far more so than in the extractive industries. Yet the Federal Government and the State governments have found that regulation of utilities is necessary in the public good.

We must look at more than the concentration ratios: We must look at the marketing relationships, the geographical relationships, the time factors, and the cost factors in order to judge whether regulation of the sales of natural gas in interstate commerce by producers and gatherers is required.

An examination of these relationships with respect to the sale of natural gas in interstate commerce, on the one hand, and the producing or manufacturing of the commodities referred to by Dr. Boatwright on the other, will show that such relationships are as different as night is from day.

Let us proceed to examine into these relationships. To get into the natural gas pipeline company business, the promoters of the project must first secure contracts from producers for the purchase of natural gas reserves sufficient to meet the market requirements of the project for a period of from 15 to 20 years in the future.

This point has been fairly well developed in the colloquy with the junior Senator from Louisiana [Mr. LONG] earlier today. This is a legal prerequisite of the Federal Power Commission if the company is to secure a certificate of public convenience and necessity. Practically, it is also a prerequisite of the bankers who are going to put up the money.

If a project is to be one involving a big transcontinental pipeline bringing gas from the Southwest, it must move large volumes of gas daily to make the project economically feasible. If there is to be a pipeline with an initial daily capacity of 300 million cubic feet, which is about the minimum size now built, the promoter must have in hand, at the time he files his application with the Federal Power Commission for a certificate of public convenience and necessity, purchase contracts for at least 100 billion cubic feet a year and covering about 2 trillion cubic feet of dedicated reserves. Where can a promoter secure 2 trillion cubic feet of natural gas in a hurry?—and promoters are always in a hurry to close their deal and reap their profits. The answer is simple: Only by going to the major oil companies who control most of the gas reserves in the Southwest. No other companies have such reserves. They are nonexistent elsewhere.

These gas reserves must be secured in large blocks in order to obtain economical transportation costs. Generally they must be blocks of more than 2 trillion feet.

In order to secure these reserves from the oil companies, the pipeline promoter has got to pay a premium over and above the prevailing contract rates for gas in the producing areas. The gas producers know the promoter needs reserves for his pipeline. The big oil companies operate in most of the producing States of the Southwest. They have the big blocks of reserves, whether they be located in Texas, Louisiana, Kansas, or Oklahoma. The pipeline promoter cannot afford to depend upon securing his minimum 2 trillion feet by buying small blocks of reserves from the smaller independent producers scattered hither and yon. If gas were to be secured in this fashion, the pipeline project would be uneconomical because of the tremendous investment

required in the lateral supply lines. Thus the promoter must deal with the big boys—with the producers who are listed in the blue book of the American oil industry. He has no other practical choice.

When the major portion of the gas reserves are secured and the location of them is known, the line itself is located so as to tie into these reserves by the most economical route.

After the certificate is secured and the transmission lines are in the ground, the pipeline company is committed to a general area along the pipeline. Pipelines are expensive. The large diameter 24- to 36-inch lines which are in common use by the big pipeline companies cost from $40,000 to $110,000 a mile, depending upon the diameter of the pipe, the terrain covered, the amount of rock excavation, the number of river crossings, the number of compressor stations, and other factors. Of the major pipeline companies running from the Southwest to the North and Northeast, investments in transmission facilities run all the way from $80 million to $650 million.

Because of the large fixed investment in pipeline and compression facilities, these lines cannot be moved from place to place to secure cheaper gas even if the contracts with producers would permit the pipeline company to displace the committed reserves. Of course the contracts with producers do not so permit. The producers and the pipeline companies are tied together by long-term contracts. Once these contracts are entered into and the pipeline located, there can be no further bargaining except when the pipeline company wants additional reserves or when renegotiation and redetermination time is at hand under the provisions of the contract. As I shall point out later in more detail, the prices cannot be reduced in these renegotiations, but can only go up. These pipeline systems cannot be moved around like a garden hose. Small producers who have reserves in the general area of the line cannot offer any real competition—supply or pricewise—to the major oil companies who control the large blocks of reserves. Generally they add their small volume of reserves to the project and obtain the same price as did the major producers who set the price in the first place.

A large number of pipeline companies purchase gas from producers at the wellhead. Thus in addition to their investment in transmission lines, they have large investments in gathering facilities, purification facilities, and field compressor stations. These facilities also are immobile and serve to minimize the bargaining power of the pipeline buyer. In addition, the pipeline can pass on these increased prices and has little incentive to bargain over them. From the time the pipeline is committed to a general area, it is limited in its bargaining power. I think I should grant initially that in making a choice as to whether a company will go, for example, to Kansas or Louisiana, there may well be a choice of areas, and that the pipeline company will tend to go into the particular area where the price is low. But my point is, once it chooses the general area, then it is committed.

When the demand for gas increases, the company is faced with the problem of securing the reserves to meet that demand. It has the choice of dealing with the producers along the route of its pipeline or building a multimillion dollar line to a new area. The producers know this, and are in a position to take advantage of it. Even though the pipeline company's market is not expanding, there is the compulsion of good business practice to buy additional reserves to replace the reserves which are consumed each year.

The competitive forces which operate to assure reasonable prices for commodities such as copper, coal, oil, and lumber, and which do away with the need for Federal regulation, are not present in the natural gas industry. The promoters of this legislation persist in ignoring the unique and distinctive considerations connected with pipelines and mains which are inherent in the marketing of natural gas and which do not apply to the marketing practices with respect to other commodities. This is the hard fact by which the claim of effective competition among producers of gas is refuted. If a producer of coal or fuel oil raises his price, the buyer can haul his fuel supplies from another producer, who charges a lower price. And there are numerous alternative means of transportation, like railroads, barges, and trucks, which do not exist in the gas industry. Also there are no long-term contracts with escalator clauses, most favored nation clauses, and renegotiation provisions. But if a gas producer raises his price, the expense of tearing up a pipeline and laying a new one to a lower-cost reserve supplier prevents the pipeline company from shopping around for a lower price. All segments of the gas industry—producers and gatherers, pipeline and distribution companies, and the ultimate consumers—are bound and tied together, organically and irretrievably, by the pipeline and distribution mains. Normal competitive forces cannot and do not operate to keep producers' prices at reasonable levels under these conditions.

I should like to place in the RECORD at this point, Mr. President, some statistical evidence concerning the cost of pipelines which, because of their very high costs, on the one hand, and the tremendous investments of consumers in gas appliances on the other hand, make for very limited competition in the natural gas industry.

In 1946, or 10 years ago, the Federal Power Commission published figures of the average book costs of natural gas transmission lines completed prior to that year. These costs were as follows:

Diameter of pipe (inches)	Cost per mile of line	Cost per inch of diameter per mile of line
4	$3,400	$850
8	7,100	900
12	12,000	1,000
16	17,700	1,100
20	24,000	1,200
24	30,600	1,300

Source: FPC, Natural Gas Company Cost Units (FPC S-54), p. 2.

The costs were published in 1946 but were based on costs prior to 1946.

At the same time the FPC estimated that the construction costs of pipelines for which certificates of public convenience and necessity were granted during 1945 and 1946 would be substantially increased. These estimates for these years were as follows, and were from one-third to 50 percent more than those listed above:

Diameter of pipe (inches)	Cost per mile of line	Cost per inch of diameter per mile o. line
4	$6,000	$1,500
8	12,000	1,500
12	18,500	1,550
16	25,500	1,600
20	33,000	1,650
24	41,000	1,700

Source: FPC, Natural Gas Company Cost Units (FPC S-54), p. 3.

I have requested more up-to-date data from the Federal Power Commission, but they inform me that they have not kept comparable figures on pipeline construction costs for later years. They have said, however, that they estimate current pipeline construction costs at $2,500 to $3,000 per inch of diameter per mile. Using this FPC estimate, I have estimated current construction costs as follows:

Diameter of pipe (inches)	Cost per mile of line	Cost per inch of diameter per mile of line
4	$10,000	$2,500
8	20,000	2,500
12	31,200	2,600
16	43,200	2,700
20	56,000	2,800
24	69,600	2,900
30	90,000	3,000
36	108,000	3,000

These figures of costs per mile tell only a part of the story. High as they are, they give only a partial view of the costs of pipeline systems which are involved in the transmission business.

I now ask unanimous consent to have inserted in the RECORD at this point the gross investment of 14 major pipeline and transmission companies in their field systems and transmission systems. We have been able to segregate the assessment of the major interstate pipelines from their field system and their transmission system.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Gross investment of major interstate pipeline companies in gathering, field compression, dehydration, and purification facilities, and in transmission facilities

	Field system	Transmission system	Transmission line cost per mile [1]
Cities Service Co	$24,500,000	$118,000,000	$27,120
El Paso Natural Gas Co	164,000,000	332,000,000	53,103
Michigan Wisconsin	----------	111,000,000	69,723
Natural Gas Pipe Line Co	6,500,000	107,000,000	48,350
Northern Natural Gas Co	28,000,000	264,000,000	41,970

[1] Includes compressor station cost.

Gross investment of major interstate pipeline companies in gathering, field compression, dehydration, and purification facilities, and in transmission facilities—Continued

	Field system	Transmission system	Transmission line cost per mile [1]
Panhandle Eastern Pipe Line Co.	$18,000,000	$209,000,000	$43,442
Southern Natural Gas Co.	5,200,000	174,000,000	44,833
Tennessee Gas Transmission Co.	7,500,000	655,000,000	82,350
Texas Eastern Transmission Co.	----------	353,000,000	76,556
Texas Gas Transmission	----------	147,000,000	49,949
Texas Illinois Natural Gas Pipe Line Co.	----------	165,984,000	110,361
Transcontinental Gas Pipe Line Corp.	3,000,000	266,819,000	110,847
Trunkline Gas Supply Co.	3,700,000	78,000,000	64,250
United Gas Pipeline Co.	40,500,000	305,000,000	37,330
Total	300,900,000	3,285,803,000	----------

That the figures which I previously submitted are fair, or on the conservative side, is shown from this table. The costs per mile vary, of course, depending on the size of the system, its original cost, and the size of the pipeline. Nonetheless, these figures give one an idea of the tremendous sums of money needed by companies if they are to engage in the transmission of natural gas. With outlays for transmission systems ranging from $78 million to $655 million, it is clear that committed reserves of gas are absolutely essential before such sums are expended. Thus, the cost of the pipeline systems and the huge reserves needed to keep them full for long periods of time very severely limit competitive influences in the industry. I may say that we worked out the transmission system cost per mile. It varies from approximately $27,000 a mile for the Cities Service Co., up to a little more than $110,000 a mile for the Texas-Illinois Natural Gas Pipe Line Co., and almost $111,000 a mile for the Transcontinental Pipe Line Co. There are a variety of intermediate figures, for various of the other companies. For instance, the figures for Northern Natural Gas Co., Panhandle Eastern Pipe Line Co., and Southern Natural Gas Co. are $41,970, $43,442, and $44,833, respectively. These figures are for both their field systems and their transmission systems.

CONCENTRATION OF PIPELINE PURCHASES AMONG VENDORS

I have made the point, Mr. President, that once pipelines have been laid, it is impractical and, because of the huge expenses involved, almost impossible for the lines to be picked up and moved about at will to tap new and competitive sources of supply. Like the gas mains, once the pipelines and transmission systems are in the ground, at costs of many millions of dollars per system and many tens of thousands of dollars per mile, a point of no return is reached. Because of the huge high fixed costs involved, because of the requirements of the FPC that before a certificate of convenience and necessity for a pipeline company is given, the company must prove that it has a 20-year supply of gas; and because bankers and investment firms do not give pipeline companies huge loans without such assurances, competition is limited by the nature of the business and the nature of the fixed investments. I believe that that point has been made, and that there is no alternative argument against it.

Further proof that pipelines are limited by the nature of these high fixed costs was introduced into the hearings before the Senate Interstate and Foreign Commerce Committee by Dr. Boatwright, the Standard Oil economist. On page 184 of the hearings, he introduced his table XVI, which showed the concentration of pipeline purchases among vendors for certain pipeline companies. This is a very interesting table, and I ask unanimous consent that it be printed in the RECORD at this point in my remarks.

The PRESIDING OFFICER (Mr. LONG in the chair). Is there objection?

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE XVI.—*Concentration of pipeline purchases among vendors*

	Percentage purchased from—			
	1st 4 vendors	1st 8 vendors	1st 20 vendors	1st 50 vendors
United Gas Pipeline Co.	40.6	53.2	71.4	87.9
Northern Natural Gas Co.	67.2	87.8	97.3	100.0
Texas Eastern Transmission Corp.	35.2	55.0	83.6	98.5
Tennessee Gas Transmission Co.	40.4	58.8	81.4	95.6
Cities Service Gas Co.	61.4	80.7	98.3	100.0
Panhandle Eastern Pipeline Co. and Trunk Line Gas Co.	58.7	77.9	90.1	98.9
Colorado Interstate Gas Co.	53.4	79.4	97.5	100.0
Michigan-Wisconsin Pipe Line Co.	100.0	------	------	------
Texas-Illinois Natural Gas Pipeline Co. and Natural Gas Pipeline Company of America	55.3	84.9	99.3	100.0
Southern Natural Gas Co.	75.2	90.6	99.4	100.0
El Paso Natural Gas Co.	46.2	60.3	81.3	94.2
Texas Gas Transmission Corp.	86.3	97.0	100.0	------
Transcontinental Gas Pipe Line Corp.	50.8	72.4	97.6	100.0

Source: Senate hearings, p. 184.

Mr. DOUGLAS. Mr. President, earlier in the afternoon we had a colloquy regarding the table. I pointed out that in 9 of the 13 companies which Dr. Boatwright listed, over half of the purchases of the individual pipelines were made from 4 or fewer vendors—independent producers—of natural gas. In one case, that of the Michigan-Wisconsin Pipe Line Co., 100 percent of its purchases were made from 4 or fewer vendors of natural gas. The Texas Gas Transmission Co. purchased 86.3 percent of its supply from the first 4 vendors. In the case of Southern Natural Gas Co., the percentage purchased from the first 4 vendors was 75.2 percent. In the case of Northern Natural Gas Co. and Cities Service Gas Co., 67.2 and 61.4 percent, respectively, of their supply was purchased from 4 or fewer vendors. Panhandle Eastern Pipeline Co. and Trunk Line Gas Co.; Texas-Illinois Natural Gas Pipeline Co., and Natural Gas Pipeline Company of America; Colorado Interstate Co.; and Transcontinental Gas Pipe Line Corp., all purchased from 50 to 60 percent of their supply from 4 or fewer vendors of natural gas.

When broken down according to sales from the first 8 vendors, we find that all 13 companies purchased half or more of their supplies from the first 8 vendors, and 8 of the 13 companies purchased over 75 percent of their natural gas from 8 or fewer companies.

If we look at column three of Dr. Boatwright's table, we note that 9 of these pipeline companies purchased 90 percent or more of their gas from fewer than 20 vendors.

Where is the great competition which supposedly exists in the field? Why is it that the pipelines buy the greatest share of their gas from such a small number of vendors. What happened to the 8,000 or more little producers whom the big producing companies invoke when they insist that competition is rampant among producers? Instead of having 8,000 individual small producers jumping over and around each other to gain the business of individual pipeline companies, we see that for all practical purposes the number of suppliers is greatly limited, and that the pipelines each buy from very few producers.

Because of this fact, competition is limited to the situation in which the pipelines fall over each other to get an adequate supply of gas for the 20-year period which the FPC and the investment houses demand they have before they can go into or extend their business. And the only place they can get such reserves and such supplies is from the few big producers in the field. That, Mr. President, accounts for the fact that these pipelines have such limited sources of supply; and Mr. President, that is why the consumer and the 21 million American families who use gas are the captive customers of the few gigantic producers in this industry.

Dr. Boatwright has hoisted himself on his own petard. Far from proving that competition is rampant among producers, his own table shows us just how scarce the competition really is, and how dependent the pipelines are on a very few producers for the tremendous supplies which they need to keep their pipes full and flowing.

Mr. CLEMENTS. Mr. President, will the Senator from Illinois yield for a question?

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Kentucky?

Mr. DOUGLAS. I yield for a question.

Mr. CLEMENTS. After consultation with the Senator from Illinois, the Senator from Kentucky wishes to state that it is the desire of the acting majority leader—and he assures the Senator from Illinois that this suggestion does not have the disapproval of the minority leader that when the Senate concludes its session today, it be with the understanding that on tomorrow, following the morning hour, the Senator from Illinois will have the floor.

Mr. DOUGLAS. I appreciate that very much.

Mr. CLEMENTS. I should like to inquire of the Senator from Illinois whether it will be agreeable to him, on tomorrow, early in the afternoon, after he takes the floor, to yield to the Senator from Kansas [Mr. CARLSON], for remarks which may take 30 minutes or longer.

Mr. DOUGLAS. Yes. The Senator from Kansas spoke to me this afternoon about this matter. I said I would be very happy to do that, if it is understood that I shall not lose my right to the floor.

Mr. CLEMENTS. Mr. President, I ask unanimous consent that when the Senator from Illinois relinquishes the floor this afternoon, he may do so with the understanding that on tomorrow, after the morning hour, he will have the floor; and with the further understanding that at some time in the early part of tomorrow afternoon he will yield to the Senator from Kansas [Mr. CARLSON], so that the Senator from Kansas may address the Senate on the subject of the natural gas bill.

Mr. DOUGLAS. And with the further understanding that in doing so, I shall not thereby lose the floor.

Mr. CLEMENTS. Yes, with the further understanding that at the conclusion of the remarks of the Senator from Kansas, the Senator from Illinois will have the floor.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

EXHIBIT 1

[From the Chicago Daily Sun-Times of January 23, 1956]

FACTS ABOUT GAS

Chicago householders who heat their homes with gas and the 125,000 families on the waiting list for such service should have a special interest in the gas debate now going on in the United States Senate.

The debate centers on the Harris-Fulbright bill. It would exempt producers of natural gas—the owners of gas wells—from Federal regulation as public utilities. It would restore a condition that existed prior to June 1954, when a Supreme Court decision forced the Government to take over regulation of the wells.

Opponents of the bill, who want the Government to set strict price controls on gas at the wellhead, argue that if the Harris-Fulbright bill passes, the price of gas to homeowners will be raised unconscionably. Supporters of the bill deny this and point out that from 1938 to 1953, during a period when there was no Federal control, prices rose only 7 percent while the cost of living generally went up 90 percent. Today gas is the best heating buy on the market—and that's why there's such a waiting list for gas service. Only 10 percent of the consumer's bill goes to the gas well owner. The rest goes to pipelines and local gas companies.

A careful examination of the issues has convinced us that the best interests of producers and consumers will be served if the Senate approves the bill and the President signs it. The House has already passed it.

Public utility-price controls over gas producers are, in our opinion, both unfair and unworkable. This Nation never has put such controls on natural gas until the Supreme Court decision of 1954.

It must be understood the Supreme Court did not pass judgment on the arguments for or against Federal control. It simply decided that the wording of a 1938 act of Congress showed Congress intended that there should be such control. In 1950, Congress passed a bill saying it intended no such thing, but President Truman vetoed it. The issue is up again this week.

One of the arguments for controls goes like this: The consumer's furnace actually is connected with the gas well. The price the consumer pays the gas company is regulated (because the gas company is a monopoly); the price the company pays the pipeline is regulated by the Federal Power Commission, so the price the pipeline pays the producer should be regulated.

Your electric lights are tied to a coal mine, too, but no one is advocating putting coal under Federal price control because it is hauled by a regulated railroad to a regulated electric company to be burned to produce electricity for your lights.

The rates charged by the electric, gas, and telephone companies are set by State commissions because they are monopolies. They are granted monopolies because it would be nonsensical to have several competing companies tearing up the streets. The rate generally set is cost plus 6 percent profit. Telephone rates are regulated too. But no one (except an outright Socialist) would argue that copper prices should be regulated because telephone wires are made of copper.

Gas producers—like coal and copper producers—are in a different category. They are entrepreneurs. They invest their money in searching for gas wells. One such entrepreneur might spend $2 million on 20 wells before hitting a producer. Another might sink one well and strike gas. The well might produce both gas and oil. How could the cost-plus-6-percent formula be set fairly in these cases?

The Harris-Fulbright bill does protect the consumer by retaining a degree of Federal control over the price paid to the producer. It requires the Power Commission to place a ceiling of a reasonable market price on the amount pipelines may pay. This will prevent unconscionable gouging.

This is a concession and a compromise to those who fear gas producers might try to raise their prices to the point where they would get as much for their product as coal operators get for theirs. The reasonable price compromise would allow contracts that were frozen by the Supreme Court order in 1954 to go back into effect.

To insure continued supplies to homeowners who have invested in gas heating equipment, gas line companies must, by law, have 20-year contracts with gas producers. Some of these contracts contain an escalator clause to protect the producer against increases in costs, just as many union labor contracts protect workers against cost-of-living changes.

In some cases, gas producers, to meet competition and begin cashing in quickly on their investments, set their prices very low for the first few years of the contract. The Supreme Court freeze has forced them to continue these prices and prevented them from getting the fair overall return they had bargained for.

Rather than operate under such conditions many of the producers have decided to restrict their sales to gas users within their own States. Such sales have no price regulations. As a consequence, gas that normally might be flowing to Chicago householders now is being used in factories or in electric-power plants in Oklahoma.

John E. Swearington, Standard Oil Co. (Ind.) vice chairman, last week revealed that controls have caused the cancellation of many new pipeline projects. One, he said, would have brought to Chicago 150 million cubic feet of gas a day, enough to take care of the 125,000 Chicagoans on the waiting list.

Government price-fixing, therefore, already is making Chicago more gas-starved than it ought to be. Increasing use and volume sales have kept prices in line. If such expansion does not continue it is likely the cost of gas to the consumer will go up despite Government controls.

If the controls are lifted by passage of the Harris-Fulbright bill, how much would costs go up under the working of the free enterprise system? One opponent of the bill estimated producers would raise their prices 5 cents per 1,000 cubic feet. That would amount to $11.65 a year for the average home heated with gas. This is only slightly more than the new city tax on gas recently voted by the city council.

So, we might have to pay a little more for gas if the bill passes. But if it doesn't we will have to pay a good deal more—in Government principles as well as dollars.

Mr. KEFAUVER. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial, published a few days ago in the Chattanooga (Tenn.) Times in opposition to the bill now before the Senate. The editorial analyzes the proposal as set forth in the bill, and reaches the sound and logical conclusion that the bill is not in the public interest, and that there is no justification for its passage.

The editorial also commends and compliments the distinguished senior Senator from Illinois [Mr. DOUGLAS] for the courageous and untiring fight he has made in opposition to the proposed legislation, and for his efforts to present the facts, which to my mind are unanswerable, for the protection of the public interest.

I wish personally to join the writer of the editorial in expressing gratitude to the Senator from Illinois for the time, effort, and great amount of thought he has put into his opposition to the bill, and for the fight he is leading against its passage. In my opinion the Senator from Illinois is rendering a great public service, which, as time passes, will be more and more appreciated by the great mass of the people of the United States.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

AGAINST PUBLIC INTEREST

The Democrats in the Senate will undergo a test when the vote comes on the natural gas bill.

The Fulbright bill, a companion measure to the Harris bill which passed the House last year by a 6-vote margin (209 to 203), would end Federal regulation of prices of natural gas as supplied by producers to distributors for resale in interstate commerce. House Democrats were 136 to 86 against it. The House Republicans were 123 to 67 in favor of the measure.

Proponents of the bill in the Senate claim to have enough votes to pass it. If they do and if the House concurs in any changes made by the Senate, it is believed that President Eisenhower would sign the measure.

The Democrats, who expect to make much of the charge that the Eisenhower administration has followed a "giveaway" course, will blunt that issue if they permit the passage of the natural gas bill.

Senator DOUGLAS, Democrat, Illinois, began a speech yesterday against the measure, which he says will last 3 or 4 days. He says it is not a filibuster. Apparently he has made a thorough study of the bill. He claims that it would cost consumers of gas between $600 million and $900 million.

Democrats from the States which produce natural gas, principally Texas, Arkansas, Louisiana, and Oklahoma, are sponsoring the measure in the Senate.

Senator DOUGLAS pointed out yesterday that when a consumer is hooked up to pipeline he must keep on with it. When the rates go up he must pay them. If the producers raise their prices to the pipelines the consumers must stand the raise. Senator DOUGLAS said that 21 million families have $11 billion invested in appliances that burn natural gas. Naturally they do not want to lose that investment.

Tennessee uses natural gas but does not produce any. The defeat of the Fulbright bill would certain be to the interest of Tennessee consumers. In the vote in the House last year, only one Tennessee Congressman, PERCY PRIEST, surprisingly enough, voted in favor of the bill. The Kentucky delegation voted solidly against it and only one member of the Virginia delegation supported it. Every Representative from New York City voted against it.

It seems to us that Senator DOUGLAS is on sound ground when he says that because the gas industry is noncompetitive, regulation is necessary to protect the public interest.

The Fulbright-Harris bill does not entirely abolish Federal supervision but says something about a reasonable market price, and this standard was described in a minority House report as "a disguised backdoor surrender of regulatory control to the producers themselves."

Senator DOUGLAS has done a monumental job, we understand, in gathering the facts for the public. This able Senator may succeed in turning the tide against a measure which ought not to be enacted.

The bill may at least be amended in the Senate, in which case it would have to go before the House again. We feel certain that the House, which in spite of pressure by Speaker SAM RAYBURN only passed the bill by a narrow margin last year, would this time reject it.

ATTENDANCE BY SENATOR SMITH OF MAINE DURING DEBATE ON THE NATURAL GAS BILL

Mr. MONRONEY. Mr. President, will the Senator from Illinois yield to me for a few brief remarks?

Mr. DOUGLAS. I yield, with the understanding that I shall not lose my right to the floor.

Mr. MONRONEY. Mr. President, on last Saturday evening a nationwide radio commentator stated that the distinguished Senator from Maine [Mrs. SMITH] had not been present during the course of the debate on the Fulbright-Harris bill.

I should like to say that this is in error, because I distinctly remember, during the course of two of my discussions on the bill, that the distinguished Senator from Maine was present, at least for a portion of the time; and I have seen her in the Chamber at other times while the debate has been in progress.

As is her custom, I am sure she is informing herself as to both sides of the debate. As one of the proponents of the bill, I do not have the slightest idea how the distinguished senior Senator from Maine will vote, and I am sure the distinguished Senator from Illinois, knowing that she makes up her mind in due course, has no idea how she will vote. I am certain that she has been following the debates during the time when she could be present in the Chamber, and following them otherwise from the RECORD as they have continued over quite a number of hours.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. PASTORE. I wish to verify everything the distinguished Senator from Oklahoma has said with reference to the distinguished senior Senator from Maine.

ORDER FOR RECESS TO TOMORROW

Mr. CLEMENTS. Mr. President, I ask unanimous consent that when the Senate completes its work today, it stand in recess until tomorrow, at 12 o'clock noon.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF THE BANKRUPTCY ACT

Mr. SMATHERS. Mr. President, will the Senator from Illinois yield to me, to permit me to introduce a bill and to make appropriate remarks thereon?

Mr. DOUGLAS. I shall be very glad to do so, provided it is understood that in yielding for that purpose, I shall not lose my right to the floor.

Mr. SMATHERS. Of course.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. SMATHERS. I thank the Senator from Illinois.

Mr. President, I introduce, for appropriate reference, a bill to amend paragraph (2) of subdivision (c) of section 77 of the Bankruptcy Act. The intent of the bill is to make trustees of a railroad seeking reorganization subject to the lawful orders of State regulatory bodies to the same extent that such a railroad would be subject to such orders if a petition for reorganization had not been filed.

In the bill there are safeguards which I believe will properly protect all persons involved.

My State is faced with a situation in which the Florida East Coast Railroad has been unable to complete its reorganization, although it has been in the process of reorganizing since August 31, 1931, a period of almost 25 years.

During this period, several proposed plans of reorganization have been through our courts and the Interstate Commerce Commission. The Supreme Court has had this case before it three times. The Interstate Commerce Commission has issued innumerable reports, and now has the matter before it once more, and I presume will issue a fifth plan of reorganization. I am afraid that whatever plan is decided upon by the Commission will follow the tortuous path of the previous plans through the district court, the court of appeals, and up to our Supreme Court, and possibly back to the Commission, to start all over again.

In the meanwhile, this railroad is using facilities in Miami, for example, that are so outmoded and inadequate, that one must see them to realize how terrible the situation is. And they are dangerous. Trains block street crossings by the hour, and this is in the heart of the city. These trains move through, and disrupt, the midtown heavy traffic.

We had, in Miami, not too long ago, a very distinguished visitor from a friendly foreign country who was speaking before a banquet audience. He was describing his memories of his first trip to Miami 30 years ago, and, in so doing, mentioned getting off the train at a little, old, run-down wooden station. I presume he was about to compare the city of those bygone years with its present appearance. I do not know—he never got that far—because the audience was laughing so hard he could not continue. The speaker was somewhat taken back. He could not imagine what it was he had said that was so funny. You see—he had arrived by air this time—he did not know that the ramshackle, run-down wooden station of 30 years ago was still doing business at the same old place.

Our State regulatory body has ordered the Florida East Coast Railroad to remove the station and the tracks from the heart of Miami. Under a normal situation, this would have been done long ago, but here the railroad is trying, and has been trying for years, to reorganize. The trustees are under direct control of the United States district court, and the State cannot interfere.

So while this case goes up and down from the Commission, through our courts and back again, like a yo-yo up and down a string, a great city's traffic is brought to a halt several times each day, and death lurks at every crossing.

This should not be. Under proper safeguards a State or a city should not be frustrated and blocked from doing what it must do to protect its citizens as they go their daily rounds. My bill, I am convinced, would accomplish that purpose.

This is not, by any stretch of the imagination, a bill aimed solely at Florida. It is of general application, although my remarks might tend to indicate otherwise.

But let me briefly describe existing law and my bill.

Section 77 of the Bankruptcy Act, as amended—title 11, United States Code, section 205—provides a procedure whereby an insolvent railroad can file a petition seeking its reorganization. Such petition may be filed in a court within whose territorial jurisdiction it operates, and a copy must be filed with the Interstate Commerce Commission. Subdivision (b) of that section prescribes statutory requirements of any such plan of reorganization intended for the protection of the creditors and shareholders of the insolvent railroad.

Subdivision (c) prescribes proceedings to be taken after the approval of the petition by the court. It provides, one, for the appointment of trustees of the debtor's property; and second that such trustees shall have the power to operate the business of the debtor subject to control by the court and subject to the jurisdiction of the Interstate Commerce Commission.

My bill would amend paragraph (2) of subdivision (c) by inserting new matter which would require that the trustees, in operating the business of the debtor, shall also be subject to lawful orders of State regulatory bodies to the same extent that the railroad would be subject to the orders of such bodies if a petition for reorganization had not been filed.

The exercise of such regulatory powers by State agencies is qualified by express provisions which would require approval by the Interstate Commerce Commission of orders requiring the expenditure of money from the debtor's estate, or the incurring of obligations for the expenditure of funds from such estate. It would also provide that the new matter so added by the bill shall not be deemed to authorize any action to be taken which would not comply with any applicable provision of the Interstate Commerce Act.

I think this amendment is sound, and one badly needed. Many local situations do not seem so pressing to a court or Commission miles away from the trouble spot. They can be brought sharply into focus by a State body, and most clearly to the Interstate Commerce Commission where the final authority would be under my bill.

That is where the authority should be. The Commission is our body of transportation experts. We created it, and we should help it.

I intend to do all in my power to speed the enactment of this proposed legislation.

The PRESIDING OFFICER (Mr. DANIEL in the chair). The bill will be received and appropriately referred.

The bill (S. 3025) to amend paragraph (2) of subdivision (c) of section 77 of the Bankruptcy Act, as amended, introduced by Mr. SMATHERS, was received, read twice by its title, and referred to the Committee on the Judiciary.

FREEDOM OF INFORMATION—ADDRESS BY SENATOR DANIEL

Mr. DANIEL. Mr. President, for several years I have been concerned about too much secrecy in matters concerning the public's business. As a public official and a former newspaperman, I have witnessed the dangers and the adverse results of such practice.

I have always thought that the people's business should be transacted out in the light of day—not under the censorship of official secrecy.

The surest way to eliminate graft, corruption, and neglect is to let the people know what is going on. Just as germs cannot live in the glare of sunlight, neither can corruption exist when the spotlight of publicity is placed on any office.

With these views in mind, one of my earliest speeches on the floor of the Senate urged that the President revoke Executive Order 10290, under which secrecy and censorship in Federal agencies had become firmly entrenched. This order has been changed, but there is still too much censorship of non-military information through the failure of Federal, State, and local officials to make available to the press and the public the information about their offices and their official duties.

On January 21 I spoke to the annual midwinter meeting of the Texas Press Association on this subject, and I ask unanimous consent that my remarks be printed in the body of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

INFORMATION ABOUT THE PEOPLE'S BUSINESS

Much has been said and much has been written about what we, in this country, call freedom of the press. But—for all the talk and all the writing—this particular freedom is not fully appreciated, nor is it fully understood.

In a real sense, the freedom which the authors of the Bill of Rights had in mind when they wrote this protection into our basic law was quite different from the freedom which it connotes to our minds.

One hundred and eighty years ago, the daily journal was both unknown and, because of mechanical limitations, inconceivable. The processes of printing were tedious and laborious.

The problem which confronted our Founding Fathers was a problem unknown to our times. For centuries, governments of Western Europe and the British Isles had recognized that Gutenberg's invention, the printing press, presented a direct and powerful challenge to the vested interests of the status quo. A ruling sovereign could deal easily with armed revolt or insurrection. The palace walls and the palace guard were far stronger than the force of any temporary army of the people.

To the climate of that day, the printing press became virtually an enemy of the state. Here was an instrument, a machine—a weapon, in fact—which could arouse the people far more successfully than any momentary leader. The printing press could do what a battering-ram could not do; it could demolish castle walls, lay bare the secrets of ruling despots, and expose to public scrutiny the abuses of power by unworthy tyrannies. This was, indeed, an awesome power for the sovereigns of the Middle Ages to face.

In consequence, then, the governments reacted to the printing press as modern governments have reacted to atomic energy. The policy was instituted of licensing printing presses, so that whatever use was made of such machines would have to conform to the policies of the licensing government and not be against their interests. In effect, printers became servants of the state—the same picture we see in Russia today—the same in any tyranny.

Our constitutional guaranty of freedom of the press, therefore, was a guaranty of an individual's right to own and to control a printing press without subservience to the Government. That guaranty was monumental, because it established the fact that a free government of free men did not need to live in fear of the thoughts and words of its free citizens. For a government so conceived, the licensing and control of printing presses was as intolerable as castle walls and palace guards.

As years have passed, our popular thinking on this subject has expanded broadly. The term "press" has itself acquired a new meaning, applying more to those who seek information to be published on the presses than to the machines themselves—applying now to all who disseminate news and opinions, whether by press, radio, or television. Unhappily, though, the nature of governments has not undergone so great a change. Governments are still secretive, by instinct and by habit; they continue to be reluctant to take the people into confidence except at those times and in those ways which the controlling clique may decide to be best for their own interests.

As a result, in our own times, we seldom hear suggestions made that printing presses be in any way controlled or licensed, but we hear—more and more—suggestions made that the information about governmental activities be licensed, limited, or controlled. This, in many respects, is a more insidious use of governmental power than direct control.

In any situation, uninformed opinion is dangerous opinion. The value of free speech, free thought, free expression becomes meaningless if, at the foundation, there is missing full and free access to complete, accurate, and honest information. When any government, on any level, controls the basis for men's opinion, then it is controlling the people and their decisions, rather than being controlled by them.

On September 24, 1951, as you all will remember, former President Truman issued Executive Order 10290 directing that the agencies of the executive branch of the Federal Government designate an officer whose duty it would be to determine whether information released by that agency would be consistent with the national interest.

There was no quarrel with the proposition that military information be subjected to such review, but the Executive order in question went much beyond that. It encompassed virtually every significant agency of Government, and its net effect was to provide that every item of information released by such agencies would first be subject to review and censorship. The order did not pertain to a determination of whether the information was accurate; it created, instead, a situation in which accurate information, truthful information, could be withheld for the reason that the truth might be embarrassing or harmful to the departments concerned or the officers of such departments.

When I presented my candidacy for the United States Senate to the people of Texas 4 years ago tonight, I said:

"To govern themselves, the people must have access to the truth without the censorship of nonmilitary information now imposed by Presidential order."

"I pledge myself to work to make sure that the people's business is transacted at all times out in the light of day—not under the censorship of official secrecy."

After I went to the Senate, I wrote to President Eisenhower on April 15, 1953, calling attention to the fact that this Executive Order was still in force. I said in my letter:

"The order is not limited to military security, and its existence serves to foster an attitude of concealment and to inhibit the full and free disclosure of information by civilian agencies. If allowed to stand permanently, such an order can only serve to make secrecy a habit. I know you agree that free men cannot prudently tolerate such an addiction.

"To the extent that the people are informed, to that extent we are strong, because our real security lies in the wise decisions of a fully informed public. This is the enduring genius of representative governments of free men.

"Since you have already demonstrated that you do not approve of such limitations on information concerning the people's business, it is my hope that you will give careful consideration to revoking Executive Order 10290."

I am happy to say that, shortly thereafter, President Eisenhower took action on this subject.

I do not say that the changing of this one Executive order has, in any way, resolved the problem involved. There is still the idea in the minds of many Federal officials that they should have the right to decide and control what the people know about the operation of their own Government. The matter of secrecy and closed door sessions in both the executive and legislative branches in Washington is so serious that a special congressional committee is investigating this subject for appropriate affirmative legislation.

It must be said and emphasized, too, that the problem is not simply a Washington problem. What is done there is, of course, of lasting consequence to all our lives, but

we must be mindful of the fact that the Federal Government is a government of delegated powers. Ours is a Union of States, in which certain functions and responsibilities are delegated to the central Government. For all the importance of knowing the truth about the central Government, we cannot justly maintain a double standard exempting the State government from equal scrutiny.

If we are to say and to believe that government is best which is closest to the people, then it follows logically and irrevocably that the people should know more about the government closest to them. Secrets are intolerable on the Federal level and indefensible on the State level.

It was a pleasure to be associated with your organization in the drafting and support of laws requiring notices of official actions to be published in the public press. It was here on the State level that I learned as a newspaper man and a public official the great dangers of public servants keeping their actions secret from the public by making them unavailable to the press.

Lest these remarks and the subject thereof be interpreted as having been chosen to apply to very recent happenings here in Austin, let me hasten to say that Vern Sanford and I agreed on this subject over a month ago. Unless he is a seer or a prophet, neither of us knew that it might have particular applicability at this time. My thoughts on this subject were entertained and written long before recent occurrences to which they may in part apply, and I shall not change these thoughts or one word of my remarks on this account.

On the State and local level, fully as much as on the national level, those who demand the freedom to write and publish without control must exercise the responsibility of searching tirelessly for the truth without accepting controls over their search, whether self-imposed or imposed by governmental practice.

Here on the State and local level we need more affirmative legislation requiring the public's business to be transacted in the light of day—and forbidding it under the censorship of official secrecy. It is necessary not only for the detection and riddance of the few who have violated their public trust, but for protection of the great majority of our public officials and employees who are honest and loyal in their public and private actions.

Every man and woman who believes in our American theory of the people governing themselves through elected representatives must defend the right of the people to know the truth about both their Government and their elected representatives.

The one sure way to do away with graft, corruption and neglect is to let the people know what is going on. Just as germs cannot live in the glare of sunlight, neither can corruption exist when the spotlight of publicity is placed on any office.

Making available full information about the people's business is a duty and responsibility of public officials. Digging it out and reporting it to the people is the duty and responsibility of the public press.

The public and public officials have a great respect for the working press. The awareness that a newspaperman is interested in a decision being made—that he knows the decision is taking shape and will be on hand to ask questions about it—undeniably influences the official in trying to reach a fair and just decision. Where reporters are rarely seen, abuses of public trust occur more frequently.

Our State government, like our Federal Government, has grown and grown rapidly in recent years. It is attaining annually new importance to the lives of all Texans. In turn, Texas is earning a new place of influence in national affairs. How the State government of Texas is run matters a great deal in what the people of this Nation think of the institution of State government throughout the land. Of this, we must be ever mindful.

Accordingly, this carries with it an obligation, as I see it, to place State government in Texas—and in each State—under more diligent scrutiny. Give the people of Texas the true facts and they can be depended upon to reach the right decisions in this process of governing themselves.

We have seen, within the past few months, how a diligent, inquiring reporter, Kenneth Towery, of Cuero, rendered an outstanding service to the State in bringing to light one of the most serious abuses of public trust in Texas history. He has been, properly, highly honored in his profession for what he did.

The seeking out of misdeeds and malfeasance is only a part of the newspaper's obligation. It is the first, but not the last of the press' responsibility.

The press is obliged, quite as much, to help the public participate in the shaping of important decisions about the State's policies and the administration of those policies. All that government does, on any level, is done in the public's name and for the public good. No area of governmental activity is, therefore, immune to public interest, and no area should be immune to the attentions of the press.

The press—and the public—must seek always after the truth. Only from information, good, accurate, and thorough information, can we make the decisions which must be made for good government. Those who stand in the way of the search, stand, also, in the way of good government. Those who neglect the search, neglect, also, good government.

I believe that full reporting is the foundation of freedom and we cannot settle for less, whatever the price may be. The people's business, whether in Washington or in Austin or at the courthouse or the city hall, must be transacted in public, and when we compromise this principle, we compromise our integrity and jeopardize our liberty.

RECESS

Mr. DANIEL. I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 27 minutes p. m.) the Senate took a recess, the recess being under the order previously entered, until tomorrow, Tuesday, January 24, 1956, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

MONDAY, JANUARY 23, 1956

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, whose divine grace is inexhaustible in its fullness and invincible in its strength, may we leave behind all feelings of fret and fear, of doubt and discouragement as we enter upon the duties of this new week.

We humbly confess that we cannot meet the desperate needs of our time unless our minds and hearts are conscious of Thy nearness and power.

Grant that in all our efforts to solve our difficult problems we may have as our motive to bring glory to Thy great and holy name.

Hear us for the sake of the Captain of Our Salvation. Amen.

The Journal of the proceedings of Thursday, January 19, 1956, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 7871. An act to amend the Small Business Act of 1953.

The message also announced that the Senate agrees to the amendments of the House to a joint resolution of the Senate of the following title:

S. J. Res. 12. Joint resolution to request the Secretary of State to arrange for the International Joint Commission, United States and Canada, to conduct a survey of the proposed Passamaquoddy tidal power project, and for other purposes.

The message also announced that the Vice President has appointed Mr. JOHNSTON of South Carolina and Mr. CARLSON members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 56–5.

The message also announced that the Vice President appointed the Senator from Missouri, Mr. HENNINGS, a member of the Migratory Bird Conservation Commission in lieu of the Senator from Virginia, Mr. ROBERTSON, resigned.

THE LATE HONORABLE J. LEROY ADAIR

The SPEAKER. The Chair recognizes the gentleman from Illinois [Mr. SIMPSON].

Mr. SIMPSON of Illinois. Mr. Speaker, a former Member of the House of Representatives, Judge J. Leroy Adair, passed away last Thursday at his home in Quincy, Ill.

At the time of his death he was serving as a Federal judge in the southern Illinois district. Judge Adair was appointed to the Federal bench by the late President Roosevelt in 1937. Prior to that he had served as a House Member from what at that time was known as the 15th Illinois District. His House service consisted from 1933 to 1937. His committee assignments were Coinage, Weights and Measures, and the Judiciary.

In 1914 Judge Adair served as city attorney of Quincy. He next served as State's attorney of Adams County, Ill.

In 1928 he was elected to serve as a member of the Illinois State Senate. He served in this capacity for 4 years.

Judge Adair leaves Mrs. Adair, the former Miss Maude E. Grueber, whom he married in Clayton, Ill., in 1911, to mourn his passing. He is also survived by a brother, Ray Adair of Clayton, Ill., and four nieces.

Mr. Speaker, it was not my good fortune to know Judge Adair intimately. It was my privilege to know that he was held in the highest esteem. As the editor of the Quincy Herald-Whig, Mr. A. R. Higgins, has stated, he was known as a "lawyer's judge," one of the highest compliments to be paid a judge by members of the legal profession.

He lived his life as a typical, fine American in its best tradition. From a beginning in a rural community through elected offices, step by step, and then appointed for life to the highest tribunal in America. An example for everyone with all the understanding possible for a man to have in an allotted short time on this earth.

Mr. Speaker, another of the more than 9,000 who have served in this body has answered the last rollcall. Judge Adair, as a public servant, will take his place as was intended before the Judge of us all. Judge Adair's friends had faith in him. His final resting place was near where he entered this life. While on earth, to what more should any of us desire.

Mr. Speaker, I ask unanimous consent to include at this point in the RECORD the account of Judge Adair's passing from the Quincy (Ill.) Herald-Whig.

The SPEAKER. Is there objection?

There was no objection.

(The matter referred to follows:)

[From the Quincy (Ill.) Herald-Whig of January 20, 1956]

UNITED STATES JUDGE ADAIR'S DEATH IS SUDDEN—SUCCUMBS IN HOME—WIDELY KNOWN JURIST AND FORMER CONGRESSMAN HAD BEEN ON FEDERAL BENCH SINCE 1937

Federal Judge J. Leroy Adair, 68, died suddenly in his home, 2101 Grove Avenue, Thursday afternoon at 5:30 following a brief illness. Although he had been ill several weeks with a heavy cold, Judge Adair's death came unexpectedly and was a great shock to his many friends.

Judge Adair contracted a cold shortly before Christmas but continued his court duties until the holiday season. Recently, he underwent a physical checkup in Chicago and returned home to recuperate from his cold. About 2 weeks ago he went to Peoria to preside at a naturalization ceremony. He was scheduled to return to Peoria this week to preside at several jury trials but the session was postponed because of his illness.

SEEMED TO BE IMPROVING

Although confined to his home by a cold and a cough, Judge Adair was not confined to bed. He was visited by his physician Thursday and seemed to be improving Thursday afternoon, Miss Olivia Higgins, his secretary, conversed with Mrs. Adair by telephone with Judge Adair relaying information through Mrs. Adair. About 5:30 Judge Adair was seized with a choking attack and went to a bathroom, where he gave a few gasps and died before medical aid could be summoned.

Judge Adair had presided on the Federal bench since 1937. Although he spent most of his time in court in Peoria, he still maintained his home court here. He also presided in Springfield occasionally. Judge Adair was one of the most respected jurists on the Federal bench. He was known as a lawyer's judge, one of the highest compliments to be paid a judge by members of the legal profession. His warm personality won him a host of friends and his keen knowledge of law was recognized by other judges on the Federal bench.

WENT OUTSIDE DISTRICT

Judge Adair had been called upon frequently to preside in important cases outside his district. In recent years he had presided in New York City, Washington, D. C., Logansport, Ind., and Madison, Wis., and was one of the most energetic jurists in the Federal judicial system. He seldom took a vacation, putting in long months, hearing scores of cases each year. Despite his pressing court duties, Judge Adair was never to busy to confer with attorneys and other visitors to his chambers. He often gave encouraging advice to young attorneys appearing before his bench for the first time. He tempered justice with wisdom and human qualities at all times, and once he had handed down a decision, it seldom was overruled by a higher court.

Judge Adair had a long and illustrious career in the legal profession. He was born Feb. 23, 1887, in Coatsburg, a son of Henry L. and Sarah E. Pevehouse Adair. His family came to Brown County from Kentucky in 1818 and moved to Adams County in 1830. He was graduated from Clayton High school in 1903 and later taught school for a year. He was later engaged in the grocery business for 2 years and then attended Illinois College at Jacksonville for 2 years before entering law school at the University of Michigan from which he was graduated as valedictorian in 1911. He received the Algers' medal, highest honor in debating, while attending the university.

IN OKLAHOMA 2 YEARS

Judge Adair first located in Muskogee, Okla., where he practiced law for 2 years. He returned to Adams County in 1913 and established his law practice here.

In 1914, he was named city attorney by Mayor William K. Abbott, and in 1916 was elected State's attorney of Adams County. He also was elected State's attorney in 1924, and in 1928 was elected State senator.

He served as a Member of the United States Congress from the old 15th Congressional District, comprised of Adams, Schuyler, Fulton, and Knox Counties, from 1932 to 1936, defeating the veteran Republican incumbent, B. M. Chiperfield of Canton. Judge Adair declined to be a candidate for reelection to Congress at the conclusion of his first term and shortly afterwards was appointed judge of the Southern Division of the Southern Federal District of Illinois by President Franklin D. Roosevelt upon recommendation of United States Senator William Dieterich, of Beardstown, a friend of long standing.

WIDOW AND BROTHER SURVIVE

Judge Adair was widely known as an authority on the Constitution of the United States and often was asked to speak on that subject. In his naturalization ceremonies in the Peoria court, Judge Adair always impressed upon those receiving their citizenship the assurance of personal liberty provided for by the Constitution.

Judge Adair was a member of First Union Congregational Church, Bodley Lodge, No. 1, A. F. & A. M., Quincy Consistory, Mohammed Shrine of Peoria, the Quincy Shrine Club, Ghazzeh Grotto, Quincy Country Club, and Country Club of Peoria. He also was a member of Quincy Turners, Creve Coeur Club of Peoria, Benevolent and Protective Order of Elks, Fraternal Order of Eagles, American Bar Association, Illinois Bar Association, Adams County Bar Association, Peoria County Bar Association, and the American Judiciary Society of Ann Arbor, Mich. He was married to Maude E. Gruber April 15, 1911, in Clayton.

Surviving are the widow and a brother, Ray Adair, of Clayton, and four nieces.

Funeral services will be held Sunday afternoon at 2:30 in First Union Congregational Church with burial in South Side Cemetery in Clayton.

Mr. SIMPSON of Illinois. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the life, character, and public service of the late Judge Jackson Leroy Adair.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PRICE. Mr. Speaker, I am shocked and grieved to hear the announcement by the gentleman from Illinois [Mr. SIMPSON] of the death of the Honorable J. Leroy Adair, judge of the Federal District Court for the Southern District of Illinois, and a former Member of the House of Representatives.

My personal acquaintance with Judge Adair goes back 22 years to March 1, 1933, the day of my first arrival in Washington as secretary to the late Honorable Edwin M. Scheafer. My contacts with him were frequent thereafter, through his years of service in the House and later as a member of the Federal bench.

As a legislator in the general assembly at Springfield, then in Congress, Roy Adair brought honor and distinction to himself and to the constituency which he served so ably. There are many remaining here who served with him and observed his great ability and his loyality and devotion to his legislative work.

On the bench he established an outstanding reputation and his judicial decisions were recognized for their clarity and wisdom in interpretation of law. He grew rapidly in stature as a statesman and as a jurist and has forever left his mark as a great son of Illinois.

Mr. O'BRIEN of Illinois. Mr. Speaker, it was with deep sorrow that I learned of the passing of the Honorable Jackson Leroy Adair. He and I came together as freshmen to the 73d Congress. We served together in the 74th Congress. He was not a candidate for renomination to the 75th Congress, accepting in early 1937 the appointment by President Roosevelt as United States district judge for the southern district of Illinois.

Before coming to the Congress Judge Adair had served as city attorney of Quincy, prosecuting attorney of Adams County, and as a member of the State senate of Illinois. His activities while most distinguished had been in the southern section of Illinois, hence he was not as well known in Chicago and Cook County as would have been the case had his residence been close to us.

In the Congress, I came to know him intimately and well. His keen intellect, his stout integrity, his full measurement to all the tests of manhood and statesmanship I quickly came to realize and value. So when his appointment to the high position of judge of the United States district court was under consideration, and I by chance learned of it, I at once conveyed to the Honorable Patrick Nash, the great leader of the democracy of Cook County, expression

of my great esteem of my colleague. At the time Mr. Nash did not know Mr. Adair personally, but he accepted my appraisement of my colleague's worth and gave his endorsement for the appointment that quickly followed.

Judge Adair made an enviable record on the bench as he had made in the Congress of the United States. He was respected and beloved by his fellow jurists, the members of the bar and by the people generally. His honor was above reproach, his knowledge of the law and the brilliance of his intellect unsurpassed, and his heart was of gold. His passing has taken from the Federal bench one of its richest adornments and saddened the hearts of an unnumbered host of dear friends. I extend my deepest sympathy to the members of his family.

FORTY-FIRST ANNUAL REPORT OF THE COMMITTEE ON AERONAUTICS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (S. DOC. 90)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committee on Armed Services and the Committee on Interstate and Foreign Commerce:

To the Congress of the United States:

In compliance with the provisions of the act of March 3, 1915, as amended, establishing the National Advisory Committee for Aeronautics, I transmit herewith the 41st annual report of the Committee covering the fiscal year 1955.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *January 23, 1956.*

CALENDAR WEDNESDAY

Mr. COOPER. Mr. Speaker, I ask unanimous consent that business in order on Calendar Wednesday this week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

DISTRICT OF COLUMBIA BUSINESS MADE IN ORDER ON THURSDAY, JANUARY 26

Mr. COOPER. Mr. Speaker, I ask unanimous consent that business in order on District day may be in order on Thursday of this week.

I might state, Mr. Speaker, that I am advised by the chairman of the District Committee that probably the most important bill to be considered on that day is S. 1289, to establish a domestic relations branch in the municipal court of the District of Columbia, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

MR. DULLES SHOULD WRITE ANOTHER ARTICLE FOR LIFE

Mr. REUSS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin.

There was no objection.

Mr. REUSS. Mr. Speaker, Mr. Henry Luce, of Life magazine, over the weekend, blames much of the deplorable effect of the Secretary of State's "brink of war" article on critics of the article who "put prejudice and personal advantage above the best interests of the United States." If I were to join Mr. Luce in impugning motives, I would be compelled to find his phrase marvelously apt for describing the original article.

But I would prefer to leave motives aside. Mr. Luce says that Life is interested "in helping its readers achieve a clear view of the world crisis." What better help could Life give its millions of readers to "achieve a clear view of the world crisis" than for it to give Mr. Dulles another opportunity soon to set forth in Life his constructive proposals for 1956? How does Mr. Dulles propose to deal with the problems that threaten to tear the world apart, not in 1953, 1954, or 1955, but today? To name three:

First. What can the United States do to make our national resolution to defend Taiwan against aggression a morally righteous position? Mr. Dulles in April 1954, wanted to send American ground troops into Indochina in defense of French colonialism and the corrupt absentee regime of Bao Dai. Fortunately the President and the American people refused to enter such a continental war for such a morally dubious cause. The American people stand ready to face the brink of war in defense of Formosa, but they demand that our cause be morally justified—justified by great efforts, that have not yet been made, to obtain the shield of the U. N. approval for resisting Red aggression against Taiwan, and by great efforts, that have not yet been made, to convince the Formosan people that we do not mean to deny them their democratic voice in their own destiny.

Second. What is our Government doing in the Middle East to declare ourselves against aggression by either side, and to link such a declaration to a long-term solution to the refugee problem and to the problem of economic backwardness which is a root cause of the troubles?

Third. What, indeed, are we doing about the whole dangerous and disastrous issue of colonialism generally? Mr. Dulles has not hesitated to threaten the French with agonizing reappraisal when German rearmament under the European defense community was at stake; or to charge the British in the pages of Life with having broken faith over Indochina. Could he not be as firm—though I hope a good deal more diplomatic—in a better cause? Could he not use his forcefulness to ease Britain's rigid colonialism in Cyprus before its value to NATO and the rights of its Turkish minority go down the drain, along with colonialism? Why not exert his influence with the French where it might be useful, as in the present chaos of shortsighted colonialism in north Africa? Why not, even, anticipate crisis for once and turn his penchant for blunt diplomacy on the Portuguese to bring about a constructive solution to the Goa problem?

The true test of a successful foreign policy, it seems to me, is not how often it brings us to the brink of war, but how successfully it keeps us from the brink, by grappling with the problems which might, if neglected, explode into warfare. It is long-range thinking, not short-range bluff, which is important.

I sincerely hope that Life—and Mr. Dulles—will give us an article addressed to questions like these. If they do, criticism of a specious effort to turn the errors of the past into virtues will speedily give way to praise for an honest discussion of current issues. The American people desperately want and need such a discussion.

THE SOIL BANK PLAN

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include a telegram.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SPRINGER. Mr. Speaker, all of us realize the urgent necessity for early consideration of farm legislation in this session.

Every responsible farm organization in America that I know of is backing the soil-bank plan and other closely related legislation to help the farmer this year. To do this the Committee on Agriculture of the House is going to have to work early and late to get this legislation out of the committee in time to be enacted before the growing season starts. Any person or any committee or any part of it which tries to hinder this legislation by delay or otherwise will certainly have down on their heads the disapproval of farmers generally.

I sincerely hope that during this session the farm problem will not be a partisan one and that we can come forward with constructive legislation at an early date so that the farmer may know where he is going this year and what he may anticipate in legislation from the Government.

I have received this morning a telegram from Otto Steffey, president of the Illinois Agricultural Association, which is the largest single State farm organization in the country. The telegram is as follows and indicates the urgency of getting legislation out of committee and on to the floor for consideration by this body:

CHICAGO, ILL., *January 18, 1956.*

Hon. WILLIAM L. SPRINGER,
House Office Building, Washington, D. C.:

Early enactment of soil bank and related legislation is necessary if to be effective and help in 1956. Farmers are now making plans and ordering seed and supplies. Seeding small grain will start in March. We urge that the basic program upon which

there is substantial agreement be enacted immediately leaving details and controversial matters for later consideration.

BOARD OF DIRECTORS, ILLINOIS AGRICULTURAL ASSOCIATION.
OTTO STEFFEY, *President.*

PERMIT FARMERS TO GROW WHAT THEY NEED

Mr. McGREGOR. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. McGREGOR. Mr. Speaker, I find a great deal of hardship is prevailing among my farm group because of certain portions of an agricultural program which was passed several years ago and is now in effect. Many of my farmers find themselves in a position of not being able to grow enough grain to feed even their livestock and to give them an adequate supply of straw.

I have introduced a bill which will exempt from marketing quotas farmers who raise grain entirely for their own use on their farms either as feed or seed. I feel this legislation will give freedom from a program to that group of farmers who now do not derive benefit. Certainly in this great Republic responsible farmers should have the right to grow the crops that are necessary to sustain their own farms without Federal control or interference.

PERMIT ALL FARMERS TO VOTE ON WHEAT REFERENDUM

Mr. McGREGOR. Mr. Speaker, I think we have become a great Nation because of the many freedoms it is our privilege to enjoy. That freedom has been protected at the ballot box by an expression of the views of the majority. With this thought in mind, I have introduced a bill to permit wheat farmers, including those who plant less than 15 acres of wheat, to vote in any wheat marketing referendum conducted by the Secretary of Agriculture.

The records will show that in Ohio only 57,000 of nearly 152,000 wheat producers have the right to vote. This certainly is unfair. If this bill is passed, Mr. Speaker, I am sure that we will be carrying on the majority views of the people and that is what we want. Regardless of the pros and cons of a marketing program, the majority of the people should determine whether it should be in effect or not in effect.

THE CREDIT SITUATION OF THE FARMERS

Mr. H. CARL ANDERSEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. H. CARL ANDERSEN. Mr. Speaker, the credit situation of the farmers throughout this country is becoming more difficult day after day. We speak of the cost-price squeeze on our farm economy, but actually it is more than that. It is a credit-cost-price squeeze. As our farmers see the market go down and down on the commodities they sell, the cost of farm machinery and other items of production go up and up, the vise they are caught in is given an added twist by the tightening of their credit.

Today, many farmers, like most businessmen, operate on credit. This may be in the form of short-term notes at the bank or places of business, crop loans, long-term financed heavy equipment, or farm mortgages. I am told that in American business, lack of adequate credit or capital is responsible for more business failures than any thing else except inadequate or improper management. The same is probably true of agriculture.

Farm indebtedness is on the rise. Farm mortgage debt has risen about one-half billion a year since 1950, after having been fairly stable from 1943 to 1950. Short term debt is climbing too—up about one-third billion in the past year.

My primary concern is for the farmers caught in this squeeze, but I am also concerned with the effects on rural business communities. By liberalizing farm credit we accomplish two important things. First, we help individual farmers keep their heads above the economic waters by extending their credit. Second, we help the merchant and the banker in the farm communities by loosening up a tight credit situation.

The two bills I am introducing today will, if enacted, do much to improve this situation. They have to do with the lending authority of the Farmers' Home Administration.

One of these bills will extend the terms of payments on production and subsistence loans to a total of 10 years rather than the existing 7-year limitation. At the present time, the Farmers' Home Administration can make such loans for a 5-year period, and may extend them to a total of 7 years. My bill will simply allow further extensions to a total of 10 years.

The second bill would give the Farmers' Home Administration authority to "make or insure loans to eligible farmers and stockmen for the purposes of refinancing, consolidating, renewing, or extending all or part of the existing debts of the applicant, whether unsecured or secured by real or personal property, and for farm operating and subsistence expenses." The new title V which would be added to the Bankhead-Jones Farm Tenant Act makes no material changes in the credit tests the Farmers' Home Administration applies to other loan applications. The applicant for one of these loans must show that he has a reasonable chance to pay it off, and it must also be determined that this is the only source for such credit on reasonable terms.

Today the Farmers' Home Administration is unable to negotiate or insure loans of this nature. As a result, many farmers, particularly the GI's who have gone into their own farming operations in recent years, find themselves unable to make payments on mortgages which seemed entirely feasible just a few years ago. They need refinancing if they are to remain in agriculture, and this bill would make that possible to the extent of $50 million each fiscal year.

This credit assistance will be available only to the family-type farm, as it is these folks who need the credit assistance the most. They are the ones hit the hardest by falling farm commodity prices, and although I do not have the statistics on it my impression is that they are burdened with a disproportionate share of existing farm debt.

I hope we can have early action on these bills as the need is most urgent. Liberalized credit will not by itself solve our farm problems. We must have 90 percent of parity price supports on the basic storables and a good soil-bank program along with other necessary measures to reverse the downward trend in farm prices. But, in the meantime, we have to have additional credit for many of our farmers if they are to stay in business until the Congress can act on the overall farm problem.

It may take as long to get the farm price level back up as it took it to come down. It usually does in such situations at best. That is why it is so imperative that we liberalize credit now to keep many good farm people from being forced out while their income is at such a low ebb.

A group of us are now working together on the development of a program of direct action to raise the prices farmers are receiving for their hogs and cattle. We feel that something of this nature must be done and done soon to save many of our farmers from great losses on livestock production. Credit extension, as provided for in these bills, is of equal importance, especially to the young GI who has not had a chance to become firmly established in agriculture, and I hope this effort to liberalize credit will have equal support.

Mr. DIXON. Mr. Speaker, I arise in support of two measures which my colleague, Representative H. CARL ANDERSEN, of Minnesota, is introducing today, the first of which will liberalize the repayment period for Farmers Home Administration production and livestock loans by extending the repayment period from the present level of 7 years to 10 years; and the second which authorizes the Farmers Home Administration to refinance general indebtedness, public as well as private, incurred by farmers who have the possibility of working out of a temporary period of distress.

Both of these measures give concrete expression to the recommendation of President Eisenhower in his special farm message calling for a liberalization of the credit policies of the FHA and hold out immediate hope to many farmers threatened with insolvency, as illustrated by the following communications:

Mr. Lewis S. Wight, chairman of the Box Elder County Commissioners, writes:

The livestock men of Grouse Creek in Box Elder County are in need of immediate assistance. Continued appeals to Washington through our State department of agricul-

ture, have failed to bring results. Conditions are so serious that most of the livestock men are unable to participate on the Federal grain program for drought relief.

State Representative Kleon Kerr, of Box Elder County, writes:

We have ranchers as you know that have been hurt not only by reduced price for livestock, but drought conditions have made operation almost impossible. There does now appear to be improved outlook for moisture. If injured ranchers can secure reasonable credit, they will be able to continue if the hoped for improved farm economy materializes.

Gov. J. Bracken Lee writes:

Have just finished meeting with Box Elder County Commission relative to serious economic situation in western Box Elder County which has been brought on by 3 years drought. Immediate personal needs of residents there are being met by State welfare department, but ranchers and farmers in that area stand to lose everything they own unless supplemental feed can be obtained for livestock.

UKRAINIAN INDEPENDENCE DAY

Mr. KEATING. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEATING. Mr. Speaker, yesterday, all the Ukrainian-American communities throughout the country held simultaneous observances. Because I feel that Ukraine is outstanding in its claims to national freedom and independence and should be regarded as an important keystone in the building of the hoped-for free world of tomorrow, I have asked for this time to commemorate this event.

The centuries-old struggle for freedom and independence on the part of the Ukrainian nation constitutes an impressive chapter in the annals of human history. This indomitable will for national freedom clearly crystallized itself in the old Ukrainian Kievan state from the 9th to the 14th century, in the Ukrainian Kozak state from 1648 to 1783, and more recently in the Ukrainian National Republic from 1917 to 1920. As one of the first victims of Soviet imperialism, Ukraine, since the very inception of alien Bolshevik tyranny, has proved to be the Achilles heel of the Soviet Union. The destruction of its national churches, the horrible man-made famine of 1932 to 1933, the mass murder at Vinnitsia in 1937 to 1939, and the vast purges and deportations decreed by Moscow have failed to exterminate the spiritual and moral resources for national freedom in Ukraine. The historic capital of Kiev, with centuries of rich tradition and culture conserved in its vaults, still symbolizes today the indestructible hope and passion of a nation destined to be sovereign, free and independent.

During the Second World War millions of Ukrainian patriots seized the short-lived opportunity of the German invasion to realize once again this hope, only to be frustrated in their valiant efforts by the scourge of another imperialism. But this unbending will continues to be strong and powerful in the epic struggle of the Ukrainian Insurgent Army—UPA—against the evil forces of Soviet imperialism, and in the resistance of the Ukrainian people.

As a nation of over 40 million people—the largest non-Russian nation behind the European Iron Curtain—Ukraine stands as one of our most important and natural allies in the eventual defeat of Soviet imperialism. Its historic claim to national freedom and independence cannot be ignored. Its place as a sovereign and equal partner in the mutual construction of the free Europe of tomorrow must be assured, if the foundation of permanent peace among freedom-loving nations is to be impregnable.

FARM SURPLUS

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, it is a pleasure to advise my Republican colleagues—and I wish you would pay attention—that our Democratic friends are trying to help get rid of the farm surpluses. Or perhaps those of just wheat and corn. They are doing that this way: The way the law stands now, the wheat farmer, the corn farmer, if he gets a little too much wheat or corn and feeds it to his stock or poultry, they prosecute him and he pays a fine or goes to jail. There are several prosecutions pending in the Federal court, Western District of Michigan, Southern Division. So, you see, if they can get those farmers in jail or fix it so that they cannot operate next year, there will be less surplus. The way they are helping is to block all those bills introduced by Republican Representatives which would amend that law to correct that situation. One such bill is by the gentleman from North Carolina [Mr. JONAS]. Now, my proposition is this: If they will not permit amendment of the law, let us reciprocate. Let us cut off, some of their gravy, so that the farmer or individual who produces tobacco cannot chew it and the fellow who grows peanuts cannot eat them.

Fair, is it not?

REREFERENCE OF BILL

Mr. BLATNIK. Mr. Speaker, I ask unanimous consent that S. 890, the water pollution control bill, be recommitted to the House Committee on Public Works for further consideration.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

FARM SURPLUS

Mr. HAYS of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HAYS of Ohio. Mr. Speaker, I would just like to point out to my good friend from Michigan that I am happy to see him get concerned about the farm problem. I am sure he will be interested to know that back in the days of Secretary of Agriculture Wallace, they called his program "plowing wheat under," but Mr. Benson has now come up with a program and the Republicans call it "incorporating the wheat into the ground."

CIVIL RIGHTS IN MISSISSIPPI

Mr. WILLIAMS of Mississippi. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WILLIAMS of Mississippi. Mr. Speaker, no State in the history of this Nation has suffered such unwarranted, libelous, and slanderous attacks as has the State of Mississippi. The latest shot to be fired in this libel campaign is a filthy little document put out by the NAACP called "M is for Mississippi and Murder." The Governor of our State in his inaugural message last week put the lie to these accusations of violence in the State of Mississippi when he made public the record of murder and homicide in Mississippi for the last year that we have statistics available, 1954.

In Mississippi, in 1954, 6 Negroes were killed by white persons; 8 white persons were killed by Negroes, and 182 Negroes were killed by members of their own race. I would suggest to the NAACP and their fellow traveling friends that they try to clean up the mess that they have in their own back yards of Chicago, New York, and yes, Washington, D. C., before they try to tell the peace-loving citizens of the State of Mississippi how to run their affairs.

Mr. Speaker, the following editorial from the Jackson, Mississippi Daily News, January 18th issue, is pertinent, and I commend it to the attention of the House:

HERE ARE THE FACTS

One piece of information in Governor Coleman's inaugural address that should be placed before all Members of Congress, newspaper editors, and the public generally, is set forth in the following paragraph:

"Despite all the propaganda which has been fired at us, the country can be assured that the white people of Mississippi are not a race of Negro killers. Official statistics for the State of Mississippi for 1954 show that in that year, the last for which we have figures available, 8 white people were killed by Negroes and only 6 Negroes were killed by whites, while 182 Negroes were killed by members of their own race. In other words, there were 30 times as many Negroes killed by members of their own race as by members of the white race."

These figures are authentic, but it is not likely they will cause the NAACP and other riffraff and ragtag of the human race to

quit drawing horrid pictures seeking to show that a reign of terror exists in Mississippi, that Negroes are being slain without the slightest provocation and that no Negro can feel his life is safe in Mississippi.

The campaign of hatred, slander and misrepresentation will continue, and that is why we have citizens councils being formed to refute it.

DEPARTMENT OF THE ARMY

Mr. SIEMINSKI. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. SIEMINSKI. Mr. Speaker, I rise at this time to commend the Department of the Army and its congressional liaison representative, Brig. Gen. C. J. Houck, Jr., for the recent consideration shown an 18-year-old boy, son of a constituent father of mine, whose career could have been stigmatized for life had the Army not shown him simple and strong faith, generous and sympathetic, wise and understanding treatment that a boy of this sort needed. They could have given him the back of their hand and ruined him. They did not do it. I thank them very much. Enclosed is a copy of a letter I sent to the President on the matter the other day:

JANUARY 18, 1956.

The Honorable DWIGHT D. EISENHOWER,
The White House, Washington, D. C.

DEAR MR. PRESIDENT: Last week a constituent father called me and I learned of his distressing problem. His young son (18 years of age) was having a hard time. It was a serious situation. This young man could have been stigmatized for life and his whole career could have been eclipsed by action that was then pending. I assured the father that the Department of the Army would act in the interest of the boy.

I write to you because I want you to know of the understanding that your legislative liaison chief has with Members of Congress who have problems such as these. I cannot speak too highly of the manner in which Brig. Gen. C. J. Hauck, Jr., assisted, advised, and endeavored to help in this particular situation. At times the hours were an inconvenience to the general, but it never bothered him. The anxiety of all concerned, of course, was great and the general's patience was indeed a wonderful reflection on the Army.

It is hard to educate the civilian population to the ways of the military, and it does take an unusually talented man to assure civilians that the military is interested and will not forget anyone. General Hauck was all of this.

This boy's whole future is brighter. There will be no stigma. The parents are overjoyed. As a Member of Congress, it is refreshing to know that the Army has a heart after all.

Assurances of my high esteem.

Cordially,

ALFRED D. SIEMINSKI,
Member of Congress.

WHY THE DELAY ON THE AIR RESERVE TECHNICIAN PLAN?

Mr. EDMONSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. EDMONDSON. Mr. Speaker, one of the questions in Washington today for which no one seems to have an answer is this one: "Why the delay on the Air Reserve technician plan?"

Because Oklahoma's Second District is the site for an Air Reserve squadron, which thus far has made fine progress, I will confess to a special interest in this question. If a plan is known to exist which is almost certain to provide a more efficient Air Reserve, while at the same time freeing needed service technicians for the Regular Air Force wing—and doing all this at a substantial saving in American tax dollars—why should there be a day's delay in putting such a plan into effect?

So far as I can determine, everyone who has studied the Air Reserve technician plan—which is similar to the very successful plan now in operation in the Air National Guard—has given the plan enthusiastic approval.

If there are bugs in it, no one has pointed out where they are, or what they are.

On the other side of the picture, the Continental Air Command has made a finding that the ART proposal would "provide for maximum combat readiness and effectiveness of the Air Force Reserve in the event of mobilization." This is certainly a desirable objective—not present under existing Air Reserve conditions—although there have been tremendous strides toward an effective Air Force Reserve within the operating limitations now present.

The Continental Air Command summary of benefits under the ART plan also includes increased wing manning, increased employment of civilians in Air Reserve flying center areas and the promotion of better esprit de corps in Reserve wings. These, too, are most desirable objectives recognized by all. Increased local interest in the Air Reserves and greater local participation are also confidently predicted, based upon Air National Guard experience.

Another compelling argument for the plan, as pointed out by Continental Air Command, is the fact that it would make available 8,283 military men, of whom 893 are officers, for use in expanding to the 137-wing program. The ART program, carried forward with full use of Air Reserve technicians, would require less than one-fifth the total military personnel now drawn from Regular forces to man the Air Reserve organizations.

If we are to achieve the 137 wings which most authorities agree are the minimum Air Force for our national security, let us have the Air Reserve technician plan now, as an important step toward that security.

Or let us have an authoritative answer, from someone in the administration, to the question: "Why the delay on the Air Reserve technician plan?"

CARE

Mr. MARTIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN. Mr. Speaker, I rise to read a statement which is endorsed by Speaker SAM RAYBURN and myself. It supports one of our great humanitarian efforts.

The whole world salutes CARE on its 10th birthday. In 10 brief years it has become an outstanding crusade to help suffering human beings. Its noble work is not truly measured in bushels, tons, and bales—but in hope restored in millions of homes, in lives renewed in every quarter of the globe, in food, clothing, shelter for whole nations torn and broken by war.

Governments have made great contributions to put the world back on the road to peace and progress. But Government alone cannot supply the inspiration of charitable purpose and compassionate devotion now so effectively organized the world around by the millions of contributors who have provided the sinews of CARE.

This great work demonstrates anew that every man is his brother's keeper. So long as such motives guide the free world, mankind is on the mend. Through such work we promote the cause of peace.

May CARE continue to mobilize the same rich and generous support in the years ahead.

PERMISSION TO STATE OF LOUISIANA TO PURCHASE CERTAIN PROPERTY

Mr. LONG. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 7927) to extend the time within which the State of Louisiana may make initial payment on the purchase of certain property from the United States.

This is an amendment to a bill which gives the State of Louisiana the right to purchase certain properties, but we ran into a snag because the legislature had not appropriated sufficient money. As we cannot obligate a future legislature of the State, we are asking time for the legislature to meet and to appropriate the balance of the money. This is merely an amendment to a bill which has already passed the Senate and the House and the present bill has been reported favorably by the Committee on Banking and Currency.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

Mr. MARTIN. Reserving the right to object, Mr. Speaker, and I shall not object because I understand this is merely extending the time the State of Louisiana through its legislature may comply with a request of the Federal Government.

Mr. LONG. The gentleman is correct.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 2 of the act entitled "An act to provide for the conveyance of certain property under the juris-

diction of the Housing and Home Finance Administrator to the State of Louisiana," approved August 4, 1955 (Public Law 235, 84th Congress), is amended by striking out "6 months" and inserting in lieu thereof "1 year."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DEFENSE APPROPRIATIONS

The SPEAKER. Under previous order of the House, the gentleman from Kansas [Mr. SCRIVNER] is recognized for 60 minutes.

Mr. SCRIVNER. Mr. Speaker, you have read and will read much about General Ridgway in succeeding days.

Mr. Speaker, I seldom impose myself upon the House. This is the first time in more than 10 years I have taken a special order. I do this so that other Members of the House of Representatives can be saved the time necessary to read the hearings held by the Military Subcommittee on Appropriations on the budget for the fiscal years 1955 and 1956, as well as the CONGRESSIONAL RECORD as they relate to General Ridgway's statements heretofore and hereafter made. It has, of course, been a tedious task to do all the required reading. I trust that what I have done here will, as I said earlier, save the Members of the House a great deal of time and trouble.

So that there may be no misunderstanding due to misinformation, let us go to the record for facts relating to General Ridgway and his series of articles.

General Ridgway made his first appearance before the Military Subcommittee on Appropriations Monday, February 8, 1954, presenting his views on the 1955 budget requests. With him was his civilian counterpart, Secretary of the Army Stevens.

In the Department of the Army printed volume of the hearings on page 51, Representative WIGGLESWORTH, the then committee chairman stated:

Mr. WIGGLESWORTH. I understand, General, from the testimony of Secretary Wilson and Admiral Radford, that this overall military program, of which the Army program now before us is a part, is a result of the New Look and has the unanimous endorsement of the President, of the National Security Council, and of the Joint Chiefs of Staff. That is correct, is it not?

General RIDGWAY. Yes, sir. So far as the Joint Chiefs of Staff are concerned it was on stated assumptions and limitations.

The reference to the Secretary and Admiral Radford relates to the hearings of the week before, when on February 3, as shown on page 119, Department of Defense hearings, Admiral Radford replied to a question by Mr. WIGGLESWORTH:

Mr. WIGGLESWORTH. The program, as I understand it, has the full endorsement of yourself, as Chairman of the Joint Chiefs of Staff, and of the Joint Chiefs of Staff as a whole?

Admiral RADFORD. Yes.

Prior to Admiral Radford's statement, Secretary Wilson and Mr. WIGGLESWORTH had had this to say:

Mr. WIGGLESWORTH. It takes into consideration, as I understand it, all the factors in the world picture, such as the buildup of the NATO powers and the termination of fighting in Korea, the strength of possible opponents, and it represents the unanimous opinion of the members of the Joint Chiefs of Staff, the National Security Council, and the President of the United States; is that correct?

Secretary WILSON. That is right.

Later, as shown on page 101, Mr. SIKES expressed to Secretary Wilson his concern about the reduction:

Mr. SIKES. Mr. Secretary, I have been disturbed about the real meaning of the "new look" in defense policy. To me it means a weakening of our overall military strength at a time of continuing danger from communism. I am quite seriously disturbed about the proposed manpower reductions, particularly in the Army.

Mr. MAHON—see page 138, Department of Defense hearings—asked Admiral Radford about the military budget. Here is the record:

Mr. MAHON. Does the military budget which is before this committee meet with your unqualified approval?

Admiral RADFORD. Yes.

This was followed by a requested statement furnished later by Admiral Radford:

Since the Joint Chiefs of Staff make recommendations only on what are called above-the-line forces, that is, major forces such as the numbers of divisions, warships, and wings, I would certainly not consider myself the expert to answer a question involving specific amounts of money. However, I would like to say that I do agree on the above-the-line forces which this budget will support and on which it is largely based. If this reduction in money correspondingly involved a reduction in the above-the-line forces for which it now provides, then my answer would be "No."

Prior to Mr. WIGGLESWORTH's inquiry of General Ridgway, the General in a prepared statement had said:

As Chief of Staff of the Army, I am directly responsible to the Secretary of the Army for the efficiency of the Army, its state of preparation for military operations, and plans therefor. As Chief of Staff of the Army, I am also a member of the Joint Chiefs of Staff, who are by law the principal military advisers to the President, the National Security Council, and the Secretary of Defense. However, the statutory responsibilities as a member of the Joint Chiefs of Staff are additional and in no way lessen my responsibilities as Chief of Staff of the Army, the role in which I appear here today.

The Army has been guided in the preparation of this budget by basic economic and strategic decisions which have been made at a higher level.

In order to have a yardstick, a finite factor with which to measure our Army's strength and needs for the safety of the Nation, I must speak in terms of divisions. There is no magic in numbers of divisions. With them must go morale, leadership, and such things as support of the people at home.

All the way through there were references indicating his disagreement with the budget, such as those when talking about the national defense plans.

These are of particular concern since we are steadily reducing Army forces—a reduction through which our capabilities will be lessened while our responsibilities for meeting the continuing enemy threat remain unchanged. In the long-range view it is contemplated that the execution of these missions may be modified by compelmentary means being developed within the Military Establishment. In the development of these new means we must not lose sight of the Army's missions and commitments of today which must properly be met if our military posture is to be maintained.

After making his statement, and answering the query of Mr. WIGGLESWORTH, as a matter of courtesy, Mr. WIGGLESWORTH turned the general over to Mr. SIKES, Democrat, Florida, since he—Mr. SIKES—had an engagement to meet. Mr. SIKES was, and is, a member of the Army panel of five members, and his questions ranged over a variety of subjects, all showing his concern about the proposed reduction, and where it was to take place. General Ridgway—page 58—showed the reduction would come in noncombat positions. Although Mr. SIKES offered many openings, General Ridgway did not protest to any great extent or express any element of surprise.

Later, in response to one of my questions, General Ridgway furnished a statement—page 67—comparing World War II divisions and today's—with 15 percent more men and 84 percent greater firepower without atomic weapons, which the General said later in the Department of the Army hearing for 1956, page 81:

We could beef up the firepower on a percentage basis of our divisions 500 percent, or maybe 10,000 percent, by putting a few of these atomic weapons in the division.

They are not in the division today, as you know, sir.

On page 68, General Ridgway said:

For the size of the Army, it is the best Army in the world.

And—

It will be a lot better than a lot of the armies bigger numerically.

No pessimism there.

Then this colloquy took place—page 69:

Mr. SCRIVNER. Just to make the picture complete, I would quote again from page 2 of your statement where you say: "The Army has been guided in the preparation of this budget by basic economic and strategy decisions which have been made at a higher level."

To whom or to what bodies, do you refer when you say "at a higher level"?

General RIDGWAY. The Department of Defense and higher.

Mr. SCRIVNER. What is higher than the Department of Defense?

General RIDGWAY. The National Security Council.

Mr. SCRIVNER. And what is higher than the National Security Council?

General RIDGWAY. The Commander in Chief.

Mr. SCRIVNER. From what I have been reading in recent days, weeks, and months, and even years, the Commander in Chief has a reputation of being a pretty good military man.

General RIDGWAY. Indeed he has.

Secretary STEVENS. That is for sure.

Mr. SCRIVNER. I wanted to be sure we all understood because it does make a difference.

We all have the highest regard for him and his experience and his decisions and opinions. I do not think that we have to worry

about him selling us and the country, and the Army—since he is an old Army man—very short, do you?

General RIDGWAY. No, sir.

No dispute or discussion indicated there.

As a matter of fact, his words indicate some idea that mere numbers was not the answer—page 69:

Mr. SCRIVNER. Here is a statement on page 3 of your statement that I could not quite understand:

"It is contemplated that the execution of these missions may be modified by complementary means being developed within the Military Establishment."

What do you mean by that?

General RIDGWAY. Well, sir, I will say our nuclear capabilities, of course, are the major one.

(Discussion off the record.)

Mr. SCRIVNER. All of that enables a smaller number of men to do a much bigger job.

General RIDGWAY. I would rather put it the other way; we are so overshadowed numerically anyway if we had to go up against this fellow. What it means is, within a certain number which the Federal Government decides it will approve, we can do a whole lot better job than we could have done before.

General Ridgway clearly expressed his attitude and approach—pushing the matter of cost to one side, as shown by the Department of Army hearings, page 80—when Representative HRUSKA, now Senator, of Nebraska, said:

Mr. HRUSKA. Is that not where we get into the field of policy? Incorporated in this, called the New Look, there are certain things which we are willing to go along on on the basis of a calculated risk, or a basic assumption, if you want to call it that, and it is upon that that we are proceeding in cutting back to 17 divisions; is that not true?

General RIDGWAY. Well, certainly, that is the prerogative of the civilian authorities, yes, but it must be done in the light of the professional opinion of the military advisers. I think that is a sacred duty on their part; to say what they think the consequences are going to be from a military point of view. It is not our function to estimate whether the Federal Government can afford it or not.

Had he then felt as he now appears to feel, he had ample opportunity, to say so in the following passage, again on page 80:

General RIDGWAY. Within the present budget there probably is not any better solution. We said within the limitations imposed we think the general order of magnitude of these forces is about as shown.

Mr. HRUSKA. As presently planned?

General RIDGWAY. As presently planned; within the limitations imposed.

And that portion which immediately follows shows that General Ridgway did recognize the place for decisions—although he might not have agreed—and here again he had an opportunity to state his objections:

Mr. HRUSKA. In your statement on page 12 you say: "In any attempt to look to the future and to prepare for tests of the future, the need for a strong Army and the importance of ground warfare remain as great as they ever were." That is looking at it for a long pull, is it not, and that would include the probability of hostilities breaking out? However, there are times, are there not, when the probabilities of hostilities appear less than at other times?

General RIDGWAY. Yes; you are right.

Mr. HRUSKA. Is that not again the foundation for this so-called New Look; that we feel as a matter of national policy and the determination is being made by higher levels referred to here yesterday, namely, the Joint Chiefs of Staff, the National Security Council, and the President as Commander in Chief, that they have determined this is probably a valley insofar as the probability of hostilities breaking out is concerned, and therefore in order to be able to live with our military commitments and our Military Establishment we will deemphasize certain aspects of it and we will emphasize other aspects of it; is that the basis of it?

General RIDGWAY. I think so, sir. It is a decision of the constituted authorities of our Government.

Following Representative HRUSKA, Mr. MAHON, Democrat, Texas, took up the questioning of General Ridgway.

And on page 85, Mr. MAHON opened the door wide for any criticism or comment the general desired to make:

Mr. MAHON. I was struck with this statement, from page 3 of the statement you made yesterday: "Lastly, the growth in Soviet nuclear capabilities has come to form the basis for an increasing threat to the United States."

I observe particularly the words "increasing threat." In view of that statement can you reconcile a reduction over a period of months of 300,000 men in the Army, on grounds other than economic?

General RIDGWAY. No, sir; although there were other factors, notably the increase in air power."

On page 89 and 90, the following questions and answers appear:

Mr. SCRIVNER. General, I have listened with a great deal of interest to some of the questions asked you and some of the answers you have given. Maybe I do not understand the military approach, or maybe I do not understand your responses, but I seem to get the implication that as a military man as Chief of Staff of the Army, it is not within your province at all to care about the financial condition of the country. You say we have to have so many men, and whether we have the dollars or not makes no difference. Am I to assume that?

General RIDGWAY. Not at all, sir. That could not be farther from it.

Mr. SCRIVNER. I did not think that was right. Surely you in the position you occupy in the places you have been can understand as well as others, perhaps, that one of the major necessities for the survival of this country, which is a capitalistic country, is financial solvency; is it not?

General RIDGWAY. I fully agree, sir.

Mr. SCRIVNER. In other words, we can fall from within due to the consumption by the fires of inflation just as rapidly, if not more so, than we could fall from an attack from without, can we not?

General RIDGWAY. That is right, sir.

Mr. SCRIVNER. So that there is not anything wrong for anybody—whether it is the President of the United States, your Commander in Chief, or the National Security Council, or the Joint Chiefs of Staff—to take into consideration some of the financial conditions of this country.

General RIDGWAY. We are always aware of those, sir. The point I was trying to convey was merely this, sir: When a certain set of missions is given to us and we compute the requirements for the accomplishments of those missions and submit them with all the supporting reasons, it is not within our competence nor within our sphere of responsibility to say whether that is the proper overall answer.

Mr. SCRIVNER. No, but it is within the sphere of responsibility of the National Security Council and your commander in chief; and he considered all of these things you presented, did he not?

General RIDGWAY. I have never questioned that, sir.

* * * * *

Mr. SCRIVNER. * * * When we go beyond that we are imperiling the economic stability of the Nation.

General RIDGWAY. That is beyond by province.

Mr. SCRIVNER. Would it not stand true for us as well as for France or Italy or Germany or somebody else?

General RIDGWAY. It would, in the discretion of the proper authority.

Although other statements indicated otherwise, General Ridgway did concede that one must learn about the enemy of country—pages 89 and 90.

During all this hearing General Ridgway expressed no surprise at anyone's statement that this was a unanimous recommendation.

When these hearings were over—the committee recommended funds, which included the Army reduction. This was affirmed by the full committee of 50 and the bill was reported to the House of Representatives.

During the debate, members of the committee and others called direct attention to General Ridgway's opposition to the proposed reductions.

The debate was full and complete, with Mr. WIGGLESWORTH, Republican, Massachusetts, the subcommittee chairman, in charge of debate, which opened April 28, 1954—page 5665, CONGRESSIONAL RECORD. Mr. WIGGLESWORTH pointed out that this had a unanimous endorsement. Mr. MCCORMACK raised a question or inference that it was not—as far as the Army was concerned—page 5666, CONGRESSIONAL RECORD.

Mr. MAHON, senior Democrat on the subcommittee followed Mr. WIGGLESWORTH and—on page 5671—Mr. MAHON said:

The Army has been most unhappy about the budget estimate this year. Secretary Stevens, in testifying before our committee earlier in the year * * * showed a great deal of concern about the reductions in the Army budget. General Ridgway expressed a similar concern. * * *

* * * * *

* * * I, for one, have great confidence in President Eisenhower, especially in this field. * * *

* * * * *

* * * I have faith in our President and in the Joint Chiefs of Staff and in the civilian leaders in the Pentagon, in this: That they are doing the best they honestly can to provide a program that is for the best interests of this country.

And Mr. MAHON expressed his view of the budget as follows—page 5672, CONGRESSIONAL RECORD, April 28, 1954:

That the budget is large enough to do the things that I have suggested—and yet small enough to be met by the taxpayer over a fairly long haul without the economic collapse of this country.

Later on Mr. BROOKS, Democrat, of Louisiana, a member of the Armed Services Legislative Committee, queried Mr. MAHON about the reduced size of the Army. Mr. MAHON in response told Mr. BROOKS, the House of Representatives, and the public—page 5673, CONGRESSIONAL RECORD, April 28, 1954:

Mr. MAHON. As I said, of course, General Ridgway evidenced in many ways his concern

over the reduction, but, of course, he went along with it as a good soldier.

Further on Mr. SIKES, Democrat, of Florida, a member of the Army panel, took the floor and stated that he was "not enthusiastic about the budget picture and particularly does that apply to the Army portion of the bill."

Mr. SIKES referred frequently to General Ridgway, the cut, and on page 5685 quoted General Ridgway:

I state this without equivocation, the Army will lose combat effectiveness under this measure. Because of the New Look it will lose combat effectiveness at a time when it may be very dangerous to do so. And again I quote General Ridgway, who said this:

"I should like now to review the missions and commitments with which the Army has been charged under our national-defense plans. These are of great concern, since we are steadily reducing ground forces, a reduction through which our capabilities will be lessened while our responsibilities for meeting the attacks of the enemy would remain unchanged."

Mr. CANNON, Democrat, of Missouri, then ranking Democrat—now chairman—of the Appropriations Committee, who had listened to part of the testimony, on April 29 told the House:

On this bill, Mr. Chairman, I go along with the President of the United States who possibly is better qualified to pass on military matters than anyone else in the Nation today.

Toward the end of the debate, Mr. PRICE, Democrat, of Illinois, a member of the Armed Services Legislative Committee, in a prepared speech, quoted at length from General Ridgway's testimony before our committee—page 5748, CONGRESSIONAL RECORD, April 29, 1954—most of which has been heretofore referred to, and directed attention to the effect on the Army.

There was no amendment offered to increase the Army funds or restore the proposed cut. And late the evening of the 29th of April 1954, the bill was passed, as recommended by the committee, without amendments, 378 to 0.

Following this, the Senate conducted hearings making few if any changes and, although General Ridgway again gave his views before the committees of that body, the Military Appropriations Act of 1955 became law.

About a year later, after an election, hearings on the 1956 military budget began. The chairman was Mr. MAHON, Democrat of Texas, with Mr. WIGGLESWORTH the senior Republican. The Military Subcommittee then consisted of 9 Democrats and 6 Republicans.

During the intervening 12 months many comments were made by many persons about the strength of the Army and some forthcoming proposed reductions. The Democrats quite naturally, would not overlook any opportunity to needle the Republican administration and leadership.

Hearings on the military budget began January 31, 1955, with Secretary Wilson, as usual, the first witness.

At the outset, Secretary Wilson introduced into the hearings a letter to him from President Eisenhower setting out the philosophy behind the proposed military budget—pages 4 and 5, Department of Defense hearings, 1956:

Our first objective must therefore be to maintain the capability to deter an enemy from attack and to blunt that attack if it comes—by a combination of effective retaliatory power and a continental defense system of steadily increasing effectiveness. These two tasks logically demand priority in all planning. Thus we will assure that our industrial capacity can continue throughout a war to produce the gigantic amounts of equipment and supplies required.

We can never be defeated so long as our relative superiority in productive capacity is sustained.

* * * * *

It is, of course, obvious that defensive forces in America are maintained to defend a way of life. They must be adequate for this purpose but must not become such an intolerable burden as to occasion loss of civilian morale or the individual initiative on which, in a free country, depends the dynamic industrial effort which is the continuing foundation of our Nation's security.

It is at this point that professional military competence and political statesmanship must join to form judgments as to the minimum defensive structure that should be supported by the Nation. To do less than the minimum would expose the Nation to the predatory purposes of potential enemies. On the other hand, to build excessively under the impulse of fear could, in the long run, defeat our purposes by damaging the growth of our economy and eventually forcing it into regimented controls.

It is for the reasons so briefly touched upon above that I have decided to present to the Congress, on behalf of the administration, a program which has been under development during the past 2 years. That program contemplates an active personnel strength of the Armed Forces at June 30, 1955, of approximately 3 million, within which the Air Force will be increased to about 975,000.

The underlying long pull is the key—an abandonment of a hypothetically fixed M-day, or day when we might be called upon to mobilize.

Mr. SIKES, chairman of the Army panel, questioned Mr. Wilson about the cut for the Army in the 1956 budget—asserting the Army was surprised by it—page 25. Mr. Wilson asserted they had been consulted right along. Mr. SIKES repeatedly raised the question of how important a factor budget balancing was—and suggested that General Ridgway was unhappy as shown by this excerpt:

Mr. SIKES. Mr. Secretary, the man who presently is charged with the responsibility for properly carrying out Army policies, its Chief of Staff, has not indicated that he is in complete accord with the desirability from the defense standpoint of these cuts. He is quoted in today's press as saying that "in these days of military mobility and modern weapons there are conditions in which more rather than fewer men probably would be needed."

CONSIDERATION GIVEN TO ARMY'S RECOMMENDATIONS

To what extent were the recommendations of the Chief of Staff and the other Army leaders weighed in this matter? Was the balancing of the budget the primary consideration in this cut?

Secretary WILSON. No, sir.

Mr. SIKES. Then to what extent was it considered?

Secretary WILSON. The points of view of all the Chiefs and the meetings of the Chiefs were all cleared through the Security Council, discussed and considered by the President.

On February 2, Mr. SIKES, seeking to find who was responsible for the proposed Army cut asked Mr. Wilson the following questions and received the following answers:

Mr. SIKES. I have been attempting to establish the actual responsibility for the proposed reduction in Army strength. It has been brought out that this is not a reduction that was proposed by the Army. As a matter of fact, the Army apparently knew nothing of this until December and received the news of the reduction with some consternation, because it required a complete revision of their program and budget estimates.

It has been brought out it did not have the concurrence of the Chief of Staff of the Army, and apparently did not have the support or at least the unanimous support, of the Joint Chiefs of Staff.

I would like to ask for a direct statement, Mr. Secretary, on the responsibility for this cut in the Army's strength. Is it your responsibility and your decision, or is it the responsibility of President Eisenhower, or if not, whose responsibility is it?

Secretary WILSON. I can answer that in part right now by saying, of course, it is the final responsibility of the President. There is no question about that. I am an adviser to the President and what is finally done, he has to take the responsibility for. He gets the information and listens to all of us.

Mr. SIKES. Then whose proposal was it originally?

Secretary WILSON. Perhaps I can answer it better than by answering it out of my mind now. The determination of the strength of the Army, as well as of the Air Force, Navy and Marine Corps, represents a decision reached after long study within the Department of Defense and the National Security Council and was finally approved by the President. It was not based upon the proposal of any particular individual.

Mr. WIGGLESWORTH discussed some matters with Mr. Wilson before all the other Democrats had questioned him—and the record discloses:

Mr. WIGGLESWORTH. Now, this recommendation, I take it for granted, is made in the light of world conditions, the strength of our allies, the strength of the Communist power, the improved use of manpower, the tremendous improvement in firepower, the fact that several divisions have been withdrawn from the Far East, and all other available information at this time?

Secretary WILSON. That is correct. All of those things have been taken into account.

Mr. WIGGLESWORTH. And it is believed that the forces recommended are sufficient to take care of the initial stages of any conflict that we got into, whether minor or major?

Secretary WILSON. That is also correct.

Mr. WIGGLESWORTH. And this recommendation, after hearing the views of the various Chiefs of Staff, is the recommendation of yourself as Secretary of Defense, of the National Security Council, and of the President?

Secretary WILSON. That is correct.

Mr. DEANE, Democrat, of North Carolina, pointed out—page 65—that the preceding day—January 31—the Armed Services Committee had opened hearings on the proposed strength cut of the Army and pointed out that General Ridgway was dissatisfied with the proposed cut. Mr. Wilson then inserted a statement showing how the decision had been

reached. In it he did not claim unanimity. That statement follows:

In arriving at the conclusions set forth above, the Joint Chiefs of Staff, and all the military services, have been consulted at frequent intervals. Their views, while not in all cases unanimous, have been considered by the National Security Council and the President. The total personnel strength of the active forces, and the target end strength for each service for June 30, 1956, have resulted from these reviews. I believe that it is fair to add that the Air Force feels that our defense program is a good one. The Navy and the Marine Corps have some minor reservations and would perhaps like a few additional personnel. The Army, from its point of view, would still recommend some higher strengths for the active forces of the Army. In my opinion, the program we have adopted is a sound one.

After Mr. DEANE had concluded, Representative FLOOD, Democrat, Pennsylvania, took out after the Secretary voicing his alarm about the cut.

Mr. Wilson, in response to questions, pointed out the added use of civilians, especially overseas—and the growth of the National Guard and Reserves, together with higher mobility, and so forth, as some of the reasons justifying a reduction, along with increased scientific progress, as pointed out in President Eisenhower's letter—page 97.

Before Secretary Wilson was excused as a witness, Mr. MAHON again raised the question of the reduction in the Army—and asked Mr. Wilson to again state the impelling reason.

This Mr. Wilson did—page 127:

I would like to refer again to my statement:

"At all times we have kept in mind the necessity for providing forces which are adequate for our Nation's security and have attemped to the best of our ability to determine the size of these forces in the light of:

"(1) The need to maintain these forces in a qualitatively improved state of readiness.

"(2) The importance of assisting our allies in their own military-security programs.

"(3) The necessity for an adequate defense of the continental United States within our integrated military programs.

"(4) The best utilization of the qualified manpower that can be made available.

"(5) The need for sustaining an adequate and stable military program over an indefinite number of years, and as a consequence the feasible annual expenditures and new appropriations that can be made available for military programs within the framework of a growing economy."

And Mr. MAHON and others pointed out that there was division of opinion among the Joint Chiefs of Staff. Mr. MAHON said:

Mr. MAHON. * * * Now, I would like to have at this point just what the facts are with respect to the consultation between you and the Army, its Secretary, General Ridgway and his staff members, with respect to this decision.

In response, he was informed:

There has been full consultation between me and the members of my staff and the Secretary of the Army and the Chief of Staff of the Army as regards the size of the Army in the present program. The views of the Joint Chiefs of Staff have been fully considered and the views of all interested parties have been made fully known to the President and the members of the National Security Council.

Admiral Radford, Chairman of the Joint Chiefs of Staff, was the next witness.

In response to a question by Mr. MAHON, Admiral Radford stated—page 150—that he was unqualifiedly supporting the budget and the program it provided.

A little later Mr. SIKES took over the questioning and suggested there had been some sudden change to cut. This Admiral Radford denied, and stated it was under constant review until finally submitted to Congress.

Then Mr. SIKES asked Admiral Radford—page 153:

Mr. SIKES. Whose decision was it to make this cut? Was it the decision of the President, of the Secretary of Defense, or the Joint Chiefs of Staff?

To which Admiral Radford replied—page 153:

Admiral RADFORD. I read that the President said yesterday that he made the decision.

Mr. SIKES. Do you stand by that?

Admiral RADFORD. That is my understanding.

Mr. SIKES. Was the consideration primarily a budget consideration, a matter of saving money?

Admiral RADFORD. No. I think the President took into account, as he said, all the advice he had from various sources, including that from the Joint Chiefs of Staff.

Mr. SIKES. But apparently not that of the Army leaders?

Admiral RADFORD. No; I am quite sure the Army did not like it.

Radford also stated that a difference of two divisions did not make the difference of losing or winning a war, and that our capabilities would be practically as great despite the cut.

Mr. SIKES kept on with his comments and then Admiral Radford stated—page 154:

However, I will say this: The Armed Forces of the United States which will be in being during fiscal year 1955 if this present budget is approved, or the program is in general approved by the Congress, will be very strong. They will be stronger in air power. They will be very strong in naval power. And there is some reduction in Army forces.

And a little later, he added the comment that "our position is much better right today."

In response to a question by Mr. FLOOD, also a member of the Army panel, Admiral Radford asserted—page 157:

I feel that if world conditions do not materially deteriorate then the strength represented by those total figures will provide adequate security for the United States.

In response to a later question by Mr. WIGGLESWORTH, Admiral Radford pursued the present philosophy further by saying—page 160:

Admiral RADFORD. As I stated earlier, I unqualifiedly support the overall Defense Department program, which the 1956 budget now before this committee will make possible. Some of the reasons why I support the program I have already mentioned. However, I shall try to summarize them here.

My overriding reason for supporting this program is that in my opinion it will provide force levels that are adequate for the security of the United States. This program is a complete rejection of our historical but dangerous policy of fluctuating between the peaks and valleys of military preparedness. * * * Our long-range program can provide a stability within the services which they have never before been able to attain. It calls for the maintenance in an improved state of readiness of the largest forces that this country has ever attempted to retain on active duty for an indefinite period of time. * * * This stability will result in greatly improved efficiency and combat readiness of our forces. * * * It calls for the integration of atomic weapons into our strategy and tactics as rapidly as possible. It places maximum emphasis on the latest scientific developments and minimizes the requirements for sheet numbers of men.

This program will permit us to be prepared for all the essential tasks to be performed in the initial phases of a global war. * * *

The objective of our long-range program is to deter an enemy from attack if possible but to insure victory should an attack come.

Several weeks later, after detailed hearings before the three panels had concluded, to learn what if any new situations had occurred that might call for last minute changes, Admiral Radford was recalled on April 19, 1955.

On that occasion, Admiral Radford, in response to a query from Mr. MAHON said:

We have today the strongest military forces we have ever maintained in peacetime, and from a purely military standpoint I feel that we are ready to take care of these foreseeable actions which might come short of a general emergency, and we are very well prepared to take care of the initial stages of a general emergency.

Mr. MAHON. In your judgment the committee and the Congress should approve in broad outline the program which was laid out by the Secretary of Defense and by the President and by others and presented to the committee?

Admiral RADFORD. I feel that you should; yes, sir.

February 7, and following, our committee had heard Secretary Stevens and General Ridgway. Prior thereto, the Armed Services Committee had called in General Ridgway to conduct their investigation into what had been termed an interdepartmental squabble over the Army strength.

On February 6, 1955, Mr. VINSON had announced, and his statement was carried in the local papers—page 87, Department of Army—that after hearing public and secret statements of General Ridgway and others, he was backing President Eisenhower's long-pull reduced forces.

Going back to our hearings, General Ridgway in his prepared statement to our subcommittee, said:

In view of the magnitude and scope of the missions which are being performed by the Army, and in spite of the reductions in strength which are being effected, the Army continues to take every possible measure to maintain the maximum combat potential with the forces available.

In response to questions by Mr. SIKES, General Ridgway told of having requested funds for 1,173,000 which was 73,000 more than allowed—page 25—and—page 29—asserted, we would not be able to assist the free world as much as we would be had his request been granted. The General concurred—page 26—in a statement by Mr. SIKES that the change in strength came with little warning, and

that he thought the figures represented an arbitrary limit.

Repeated questions were asked seeking to get the General to express his views. He told Mr. FLOOD and the committee, page 44:

General RIDGWAY. I am not here, sir, and gentlemen, to in any way oppose the decision of the properly constituted authority. I have consistently adhered to one position, and that was I conceived it to be my duty to give my honest, forthright opinion as to what was required to meet a given set of circumstances under a given international situation. And, further, if what was provided was substantially less than what I regarded was the minimum, to give an equally forthright statement of what I conceived to be the military consequences of such substantial shortage. That I have done, sir. That is what I am doing here.

When going over the budget with Mr. WIGGLESWORTH, General Ridgway made his now famous "directed verdict" charge—page 78:

Now, sir, I should like to make clear that that figure in the first place resulted from what I call a directed verdict. There is not the slightest criticism implied in this, for proper authorities did it, but it was the result of fixed manpower and dollar ceiling being given the Joint Chiefs of Staff to start with. They were told to come up with recommendations within these manpower and dollar ceilings. In addition to that there were certain stated assumptions: That the international situation would not deteriorate, and certain other conditions which I do not recall at the moment.

And a short time later in response to a query of mine, General Ridgway gave this reply—page 81:

We could beef up the firepower—on a percentage basis—of our divisions 500 percent or maybe 10,000 percent, by putting a few of these atomic weapons in the division. They are not in the division today, as you know, sir.

Near the conclusion of General Ridgway's appearance, I said, in part—page 87:

General Ridgway, in the past few days—and I am sure not upon your invitation—you have been the subject of many headlines, the subject of many radio and television comments, some of which seem to try to put you in the field of battle against your Commander in Chief, which I am sure is not the proper picture.

There are three men amongst all the hundreds of high-ranking military men that I know now, and have had the pleasure of knowing, who stand very high in my regard. You are one of the three. Admiral Radford is another one, and President Eisenhower is the third one, so I find myself in a position of having to make a choice between the views presented by those three men that I admire so much.

After considering everything, the statement you have made here and what has been printed in the papers, plus many things that have not been printed, I have no hesitancy in taking my position and standing behind the decision that has been made by the Commander in Chief and the chairman of the Joint Chiefs of Staff, without any reflection whatsoever on my part with regard to you and your ability as a military man.

Apparently, some of that view to which I have just alluded is shared by the chairman of the Armed Forces Legislative Committee, and Mr. Chairman, at this point I would like to insert in the RECORD a news story from the Washington Post and Times Herald of February 6, entitled "VINSON Backs Ike's Figures on Military."

Then, a few minutes later, I made this observation—page 88:

Mr. SCRIVNER. Knowing you as I do, I cannot help but think back to the statements that you made to us last year. You were uneasy about the situation last year. I think that I can understand your feelings because throughout all the years that you have been in the military service you have seen what has been referred to as the periods of "feast and famine" when at one time our Army goes up and then all of a sudden it goes down to the lowest possible number, and it rises again, and you know, and we know, that this is not good.

I may have been wrong, but I seemed to sense in some of your statements last year, and again reflected this year, not so much the uneasiness about the particular figure given now as a goal, but a fear—and I do not like to say "fear," because men like you do not express fear, an uneasiness, or hesitation, some misgiving, but certainly not fear—that if it keeps on we will see the Army whittled and whittled and whittled to where we will see it again down to the nethermost depths.

Do I understand or interpret the situation correctly or not?

General RIDGWAY. In part, sir, yes.

General Ridgway—page 89—asserted that—contrary to some suggestions that he had not been consulted—such was not a true statement. Then I reviewed the procedure generally followed:

Mr. SCRIVNER. As I recall the procedure, you, as Chief of Staff of the Army, were called upon to present your position, your views. Admiral Carney was called upon to present his views as Chief of Naval Operations, and General Twining was called upon to present his views on the Air Force. Those views go up through the Chairman of the Joint Chiefs of Staff, and then go up to the National Security Council, and then to the Commander in Chief, and finally, after looking over all these views, someone—and it is not within your province—has to make a decision, and that decision was made this year as it was last.

I recall that we talked about this a little bit last year and you said then, as I am sure you would repeat today, that whatever decision is made, you, as Chief of Staff of the Army, will give this country the best Army of its size that the Nation has ever had. Is that not correct?

General RIDGWAY. That is correct, sir.

While General Ridgway complained that the Army was in the process of preparing their views when the final figure was announced, Secretary Stevens asserted that General Ridgway's views were expressed from time to time and that "the National Security Council and the President, too, knew pretty well the Army's point of view"—page 111. To this General Ridgway added the comment that his views as Chief of Staff were known before and after the final figure was settled upon—page 111, February 25, 1955.

Under a Democrat subcommittee chairman, with a Democrat majority, on the Military Subcommittee, and a 30 to 20 Democrat majority on the Appropriations Committee, the 1956 military budget was considered. It was reported out practically without change, despite efforts to restore Army—and some other—cuts, pretty much as had happened the prior year when the Republicans were in the majority.

From the foregoing, it can be seen that General Ridgway, not only could, but did express his views, before the committees of Congress, the Representatives of the people and when these hearings were printed they told his story to the public. In fact, they were highlighted and emphasized on the floor of the House of Representatives when, on May 11, 1955, Chairman MAHON brought out the bill—H. R. 6042—for military appropriations.

When the bill was debated, Mr. SIKES presented his views, voiced his alarm, and called General Ridgway's views to the attention of the House.

Mr. FLOOD focused attention on the general's statements before our committee and predicted erroneously—page 6220, CONGRESSIONAL RECORD, May 12, 1955—that General Ridgway "is going to be fired from his job," no doubt, for his expressed opposition to the cuts.

Representative PRICE, as in the previous year's debate, again quoted from General Ridgway's testimony.

Before the debate concluded—page 6231—Mr. VINSON, Democrat, of Georgia, chairman of the Armed Services Legislative Committee, took the floor. He related that his committee had had General Ridgway before it along with the remainder of the Chiefs of Staff and the Secretaries. He stated:

We had a long hearing. I had some conferences with them in executive session. After the testimony it was concluded that a reduction to an end strength of 1,027,000, as carried in this bill, did not imperil the security of the Nation.

After lengthy debate, an amendment offered by Mr. FLOOD to increase the funds for the Army was rejected.

Late in the evening, May 12, 1955, after exhaustive debate, the House of Representatives voted 382 to 0 to pass the bill with the Army figures just as they were originally presented.

Here then, although quite lengthy, is the story of General Ridgway's so-called fight with the administration. It was no fight. There were differences of opinions. The President did not agree with General Ridgway. Neither did the National Security Council or the majority of the Joint Chiefs of Staff. The Military Subcommittee did not agree. The House Appropriations Committee did not agree. The House of Representatives did not agree.

GI EDUCATIONAL BENEFITS

Mr. KEATING. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEATING. Mr. Speaker, today I have introduced a bill to amend the Veterans' Readjustment Assistance Act of 1952 to make GI educational benefits available to all veterans whether or not they serve during a period of war or of armed hostilities.

We must keep faith with the young people who are giving at least 2 and oftentimes more of particularly vital years of their lives to the service of their country. Most of them donate the years between the ages of 18 and 23, years when normally they would be carrying

on their education or beginning to shape careers for themselves. Yet the security of the country gives us no choice. We must have these young people and we must have them at that age.

We cannot repay them merely by monetary payments, by veterans' preference arrangements, and so-called GI loans. We must do more. To me it seems that the finest and fairest way our great Nation can reward these young people for interrupting their lives is to give them our thanks in the form of extended education opportunities.

The fabulous success of the original GI bill is a matter of public record. For example, in the 10-year period between its inception in 1944 until 1954, more than 7,800,000—over half of all personnel who served in the war—trained under the bill. In addition, 1,270,000 veterans took advantage of the Korean GI bill, which succeeded the original law.

The effects of this expanded educational opportunity on the educational level of this country has been appreciable. According to a Bureau of the Census study in 1954, the average male veteran had completed 12 years of school as compared with 9 years for the nonveteran male. The Bureau credited the GI bill for at least partially bringing about this advance in educational achievement.

The income level of the Nation has also felt repercussions from the veterans education program. In a 5-year period spanning 1947 to 1952, for example, the median income of veterans between the ages of 25 and 34 shot up 50 percent.

The median income of nonveterans in the same group for that period increased only 10 percent. Once again, the Census Bureau credited the higher level of education achieved by veterans over nonveterans as a strongly contributing cause.

On the basis of figures such as these, it is possible to say that, attributing only a portion of the greater earnings of veterans to the GI bill, those who have availed themselves of this training will be paying approximately one billion dollars more each year in Federal income tax. Within the next 12 years these users of the original GI bill alone will pay off the entire cost of the program. The same result is possible, I believe, under the program as I propose to extend it.

There are other important factors to be considered in any discussion of extending the educational benefits to veterans. We must think nowadays more and more of the security of the Nation. Here is a field in which an extended GI bill can make a definite contribution.

In trying times as these, it is especially important that we do all we can to encourage our youth to complete a college education. To a greater extent than ever before, the very safety of the country depends on the quality and quantity of education at the higher levels. This is the day of the trained technician and skilled expert. Such men are primarily recruited from the ranks of the college graduates. Without them the Nation's future is hopeless, and even shortages can be dangerous.

We hear every day of shortages of trained personnel in this or that field, and propsects for the future are not bright. The experts tell us that in the field of engineering the United States is not even graduating enough trained personnel to continue its present rate of technical expansion beyond 1970. If we are to maintain our present standards of living in the face of a rapidly expanding population, industry 10 years from now must produce 40 percent more than it does today. The technological advance essential to bring about this increased productivity has as its keystone the availability of more and more trained researchers.

It is a well known fact that Russia has passed us in the annual number of engineering graduates. We are still ahead in terms of total number but at our present rate the future looks dismaying. The United States today has about 800,000 engineers. Soviet Russia has 650,000. If the present trends continue, Russia will have graduated 1,200,000 engineers in the period ending in 1960 . Our number for the same time will be only 900,000.

Something must be done and it must be done fast. One solution lies in extending educational benefits to veterans of our Armed Forces. This provides only a partial answer to the problem, I admit, but I feel that past experience indicates that it is a step in the right direction.

Educational benefits for veterans are not only our way of repaying these young people for the years they have given to their country; they are a way in which we can increase our number of trained personnel and thus make the security of the Nation that much stronger.

I hope early and favorable action will be taken on this bill.

AN IMPORTANT CONTRADICTION

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOLIFIELD. Mr. Speaker, on May 19, last year, I made some remarks before the House in which I asked the administration a question of vital importance.

My question was this:

How can the administration, on the one hand, call for a decrease in farm acreage allotments, and, on the other hand ask the Congress to approve the building of two extremely costly desert reclamation projects which would produce more farm products to be supported by the Nation's taxpayers?

No answer to this question has come from the administration.

Now, Mr. Speaker, we have before us the President's plan for solving the terrible headache of surplus crops. On January 9 Mr. Eisenhower proposed that millions of acres of our best farmland be taken out of production and placed in a soil bank.

But, Mr. Speaker, it was only on January 5 that Mr. Eisenhower, in his state of the Union message, called upon Congress to approve the multi-billion-dollar Upper Colorado River project and its satellite, the Fryingpan-Arkansas project.

Let me quote the President:

I strongly recommend that action be taken at this session on such wholly Federal projects as the Colorado River storage project and the Fryingpan-Arkansas project.

Together these two projects would provide irrigation water for approximately a million acres of land. The cost of bringing water to these arid lands would run as high as $5,000 an acre, and the subsidy which the taxpayers of the United States would be forced to provide for these 2 projects alone would be at least $4.5 billion, and possibly much more.

Almost in the same breath that he asked Congress to approve these 2 unnecessary projects, the President asked Congress to support his program to take at least 40 million acres of farmland out of production.

Now, it is apparent that although Mr. Eisenhower and his Secretary of Agriculture, Mr. Benson, agree that we should have a gigantic soil bank and a soil conservation reserve, they do not agree on the policy of bringing more land into production through such projects as the Upper Colorado and the Fryingpan-Arkansas.

On October 11, 1955, Secretary Benson said in Kansas City—and I quote from the Kansas City Star of that date:

This is not the time to place a big new block of land in production.

I admit that I cannot understand how the administration can reconcile these two programs.

A soil bank is like any other bank. It must make sound investments or it will fail and the depositors and stockholders will lose money.

The administration's soil bank cannot afford to invest in such unsound and unjustified projects as the Upper Colorado and the Fryingpan-Arkansas.

Latest figures of the Commodity Credit Corporation show that the taxpayers of this country have invested about $8 billion in the crop-support program. It is costing us about $1 million a day to store our surplus farm products.

In the fearful struggle to alleviate this terrible burden, Mr. Eisenhower asks that the farmers of this country drastically decrease acreages now producing, and that at least 25 million of these acres be placed in a conservation reserve and planted to forage and woodlands.

Then, while this is being done, the administration plan, as voiced by the President, calls for the development, at enormous cost, of a million more acres in two fantastic irrigation schemes.

Obviously, no bank could operate efficiently or profitably under such a plan.

In this case, while the Nation's farmers were depositing their acres in the front of the bank, the bank's officials would be making bad investments in the back room.

I cannot bring myself to believe that Congress will permit itself to be drawn into such an untenable position.

Now, Mr. Speaker, the supporters of the Upper Colorado project and the Fryingpan-Arkansas project will tell you that they are long-range plans, that it will take 15 years to build them and put them into operation. They attempt to argue that in another 15 years we will

need more food in this country, because of our population increase.

Well, certainly Mr. Eisenhower is not proposing any short-range program in his soil-bank plan. He is not asking that 25 million acres of cultivated land be transposed into pastures and trees just for the next year or two. Nor is he asking that another 15 million acres of the best farm land lie idle only for 1956 or 1957.

Mr. Eisenhower believes that we do not need at least 40 million acres of land now producing crops in our farms. If and when we do need more land to produce food, we would have millions of acres in the soil bank, and we could draw on this reserve. That is Mr. Eisenhower's plan.

The rate of per acre production in this country is steadily increasing. One of the most aggravating angles of the surplus crop dilemma is the fact that although a farmer cuts the number of producing acres in his farm, by the use of more fertilizer and insecticides he still increases the quantity of his production on other acres. So the surpluses continue to mount.

If and when we need more food, the production on our present acreage can be increased many fold. The Census Bureau estimates that our population by 1975 will exceed 200 million, and it is generally agreed by authorities that to meet the food demands of this larger population we will need an increase in production of food and fiber of about 40 percent over the present production.

How are we to get that 40 percent increase?

Probably the most authoritative and definitive report on the subject yet published is that of the President's Materials Policy Commission, the Paley report, which informed President Truman:

> Most of the desired 40-percent increase in agricultural production can come from wider application of technology to increase crop and livestock yields per acre.
>
> The rest of the gain in production can come from shifting the use of land already in farms so as further to increase the productivity of present agricultural acreage.
>
> As an additional safety factor, there are well over 100 million acres of grass and woodland not now in farms which could be used in crop rotations.
>
> It seems unlikely that the Nation will need to expand to any large extent the total acreage now in farms.

Of the 25 million acres Mr. Eisenhower wants placed in a conservation reserve, he says:

> Today the Nation does not need these acres in harvested crops.

Mr. Speaker, let us take a moment to strike a balance for the proposed soil bank.

First. At least 40 million acres would be taken out of production under the proposed plan.

Second. Mr. Eisenhower suggests that, with regard to the conservation phase of his program, about $350 million would be spent in 1956, and about $1 billion in the next 3 years.

Third. More hundreds of millions will be spent each year in paying farmers for the acreage they are keeping from production.

Now, on the other side of our balance sheet, we have the President's proposal that the Upper Colorado and Fryingpan-Arkansas projects be approved by Congress. This would bring into production about a million acres of land and ultimately cost the taxpayers of the Nation more than $4 billion.

If this is sound banking I cannot understand it. And I wonder if Mr. Eisenhower has been fully informed on the matter.

As I have said, the significant question I asked the administration last May remains unanswered. In asking it again now, I need to change my previous remarks little. I shall repeat only a part of what I said, so that my colleagues may have the information before them.

Here are two brief tables based on Bureau of Reclamation reports on the Upper Colorado and the Fryingpan-Arkansas projects:

Upper Colorado River storage project

Estimated initial construction cost	$1,600,000,000
Hidden subsidy cost to taxpayers	4,000,000,000
Subsidy cost per acre	5,000
Subsidy cost per 150-acre farm	750,000
Number of 150-acre farms	5,066
Number of acres to receive water	760,0000

Fryingpan-Arkansas project

Estimated initial construction cost	[1] $156,541,000
Hidden subsidy cost to taxpayers	500,000,000
Subsidy cost per acre	1,600
Subsidy cost per 160-acre farm	256,000
Number of 160-acre farms	1,900
Number of acres to receive water	309,000

[1] The Reclamation Bureau's construction estimates on this project have been revised several times; repayment periods have been changed; power rates have been changed. The above construction estimate is entirely unrealistic. One item alone will illustrate this: Involved are several score miles of open canals at an altitude of 7,000 to 10,000 feet. Engineers have testified that these canals will have to be covered, to prevent them from freezing and to operate them efficiently, and the Bureau of Reclamation has admitted that to cover the canals and make conduits out of them would cost an additional $64 million. That very thing had to be done on the Colorado-Big Thompson project, greatly increasing construction costs, and Congress was obliged to appropriate additional money. Adding $64 million for the covered conduits would increase the estimated construction cost of the Fryingpan project to more than $200 million. In such case, repayment periods would have to be lengthened, and subsidy costs would greatly increase.

The Bureau has this to say about the kind of crops that would be grown on the Fryingpan-Arkansas project—House Document No. 187, 83d Congress, 1st session, July 1953:

> The principal irrigated crops are alfalfa, corn, grain, sorghum, sugar beets, barley, wheat, truck crops, and dry beans. Dairying and poultry raising are enterprises near market outlets.

Of the principal crops which the Bureau says the Fryingpan project would grow, corn, grain, sorghum, barley, wheat, and dry beans are now supported. Sugar beets are under the restriction program of the Sugar Act of 1951, and the price is held up to a desired level. What are called proportionate shares are established by the Secretary of Agriculture. Thus, if more sugar-beet land is brought into production, shares of all others must be decreased accordingly.

From Reclamation Bureau reports, I have compiled a table showing the types of crops which would be grown on each of the irrigation projects proposed in the overall Upper Colorado River project, and I show whether or not they are supported crops.

The table follows:

Name of project	Acres to be irrigated	Crops to be grown	Crops supported
La Barge	7,970	Hay	
		Small grains	Yes.
		Pasture	
		Dairy cows	Yes.
		Sheep	Yes.
Seedskadee	60,720	Dairy cows	Yes.
		Sheep	Yes.
		Hay	
		Pasture	
		Small grains	Yes.
Lyman	40,600	Hay	
		Pasture	
		Small grains	Yes.
		Dairy cows	Yes.
		Beef cattle	
Silt	7,300	Alfalfa	
		Small grains	Yes.
		Sugar beets	Yes.
		Potatoes	
		Dairy cows	Yes.
		Beef cattle	
		Sheep	Yes.
Smith Fork	10,430	Hay	
		Small grains	Yes.
		Pasture	
		Dairy cows	Yes.
		Beef cattle	
Paonia	17,040	Grain	Yes.
		Fruit	
		Dairy cows	Yes.
		Beef cattle	
Florida	18,950	Dairy cows	Yes.
		Beef cattle	
		Small grains	Yes.
		Alfalfa	
Pine River	15,150	Dairy cows	Yes.
		Beef cattle	
		Hay	
		Small grains	Yes.
Emery County	24,080	Alfalfa	
		Grains	Yes.
		Beef cattle	
		Dairy cows	Yes.
		Fruit	
		Sheep	Yes.
Central Utah	60,380	Alfalfa	
		Grain	Yes.
		Fruit	
		Sugar beets	Yes.
		Dairy cows	Yes.
		Beef cattle	
		Sheep	Yes.
Hammond	3,670	Alfalfa	
		Grains	Yes.
		Beans	Yes.
		Fruit	
		Dairy cows	Yes.
		Sheep	Yes.
Eden	20,200	Hay	
		Pasture	
		Dairy cows	Yes.
		Sheep	Yes.
		Beef cattle	
Gooseberry	16,400	Alfalfa	
		Pasture	
		Grain	Yes.
		Dairy cows	Yes.
		Beef cattle	
		Sheep	Yes.
Navaho	137,240	Alfalfa	
		Grains	Yes.
		Pasture	
		Fruit	
		Vegetables	
		Dairy cows	Yes.
		Sheep	Yes.
San Juan-Chama	225,000	Alfalfa	
		Grains	Yes.
		Pasture	
		Dairy cows	Yes.
		Sheep	Yes.
Rabbit Ear	19,190	Hay	
		Pasture	
		Small grains	Yes.
		Beef cattle	
		Sheep	Yes.
		Dairy cows	Yes.

Name of project	Acres to be irrigated	Crops to be grown	Crops supported
Troublesome	13,640	Hay	
		Pasture	
		Small grains	Yes.
		Beef cattle	
		Sheep	Yes.
		Dairy cows	Yes.
West Divide	65,610	Alfalfa	
		Small grains	Yes.
		Pasture	
		Beef cattle	
		Sheep	Yes.
		Dairy cows	Yes.
Savery-Pot Hook	31,610	Alfalfa	
		Small grains	Yes.
		Pasture	
		Dairy cows	Yes.
		Sheep	Yes.
Dolores	66,000	Alfalfa	
		Small grains	Yes.
		Pasture	
		Beans	Yes.
		Dairy cows	Yes.
		Beef cattle	
Sublette	84,000	Hay	
		Pasture	
		Small grains	Yes.
		Beef cattle	
		Sheep	Yes.
Fruitgrowers	3,850	Alfalfa	
		Grain	Yes.
		Fruit	
		Dairy cows	Yes.
		Beef cattle	
Bostwick Park	6,870	Hay	
		Pasture	
		Beef cattle	
		Sheep	Yes.
Dallas Creek	21,940	Alfalfa	
		Small grains	Yes.
		Pasture	
		Beef cattle	
		Dairy cows	Yes.
		Sheep	Yes.
East River	2,750	Hay	
		Pasture	
		Beef cattle	
		Dairy cows	Yes.
		Sheep	Yes.
Fruitland Mesa	19,400	Hay	
		Pasture	
		Small grains	Yes.
		Beef cattle	
		Sheep	Yes.
		Dairy cows	Yes.
Grand Mesa	25,300	Alfalfa	
		Small grains	Yes.
		Pasture	
		Fruit	
		Dairy cows	Yes.
		Beef cattle	
		Sheep	Yes.
Ohio Creek	16,910	Hay	
		Pasture	
		Small grains	Yes.
		Beef cattle	
		Sheep	Yes.
Tomichi Creek	27,580	Hay	
		Pasture	
		Small grains	Yes.
		Beef cattle	
		Sheep	Yes.
		Dairy cows	Yes.
Battlement Mesa	6,830	Hay	
		Pasture	
		Small grains	Yes.
		Beef cattle	
		Sheep	Yes.
		Dairy cows	Yes.
Bluestone	10,875	Alfalfa	
		Grain	Yes.
		Vegetables	
		Fruit	
		Sugar beets	Yes.
		Beef cattle	
		Sheep	Yes.
		Dairy cows	Yes.
Eagle Divide	10,875	Hay	
		Pasture	
		Small grains	Yes.
		Beef cattle	
		Sheep	Yes.
		Dairy cows	Yes.
Parshall	27,510	Hay	
		Pasture	
		Small grains	Yes.
		Beef cattle	
		Sheep	Yes.
		Dairy cows	Yes.
Woody Creek	2,965	Hay	
		Pasture	
		Small grains	Yes.
		Beef cattle	
		Sheep	Yes.
		Dairy cows	Yes.

The point is, that the President is asking that the taxpayers of the Nation be forced to cough up this enormous sum for these two unjustified irrigation schemes to bring into production a million acres of arid lands to grow more surplus crops, and if not surplus crops, then more grasslands for cows to graze on and produce more butter, cheese, and milk to add to the towering piles of surpluses.

In the very States where the administration is proposing to build these unneeded irrigation projects, other agricultural acres are to be taken out of production and placed in Mr. Eisenhower's "soil bank."

It is safe to say that large grain acreages would be taken out of production in Utah, Colorado, and Wyoming, if the soil-bank program is put into effect.

How can Mr. Eisenhower justify a plan to take certain acres out of production in a State and put other acres to growing the same kinds of crops in the same State?

I wish Mr. Eisenhower, or someone in the administration, would answer my question. I think it deserves an answer. And I think the people of the United States deserve to know how the Chief Executive reconciles these two conflicting policies.

The farmers certainly are interested. So are the taxpayers, who have to foot the bill.

SPECIAL ORDER VACATED

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent that I may vacate the special order for 15 minutes granted me for today.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. HAYS of Ohio, for 20 minutes today.

Mr. QUIGLEY for 20 minutes on Thursday, January 26.

Mr. SCRIVNER, for 1 hour today and to include excerpts from hearings held by the House Military Appropriation Subcommittee.

Mr. HAYS of Ohio, for 20 minutes on tomorrow.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the RECORD, or to revise and extend remarks, was granted to:

Mr. MASON on the subject An Equitable Excise Tax System.

Mr. SCRIVNER and to include excerpts from Military Appropriations Subcommittee hearings.

Mr. FJARE and to include qualifications of the Honorable Wesley A. D'Ewart as Under Secretary of the Interior.

Mr. DIXON in support of measures to be submitted by Mr. H. CARL ANDERSEN, of Minnesota, regarding liberalization of credit for the farmers and also to include extraneous matter.

Mr. RADWAN (at the request of Mr. MILLER of Nebraska).

Mr. AYRES.

Mr. AUCHINCLOSS and to include extraneous matter.

Mr. MINSHALL and to include an address by Hon. CHARLES A. HALLECK.

Mr. SIEMINSKI and to include extraneous matter.

Mr. COLMER.

Mr. RHODES of Pennsylvania (at the request of Mr. COOPER) and to include an address by Senator OLIN D. JOHNSTON.

Mr. PRIEST (at the request of Mr. COOPER) and to include a letter from the Secretary of Health, Education, and Welfare to the Speaker of the House.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. PFOST (at the request of Mr. METCALF), on account of illness in the family.

Mr. SHELLEY (at the request of Mr. ENGLE), on account of illness, for the first 3 weeks of February.

Mr. DAVIS of Georgia, for tomorrow, on account of official business.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on Thursday, January 19, 1956, present to the President, for his approval, bills of the House of the following titles:

H. R. 938. An act for the relief of Mrs. Elena Apostolescu Bustiuc;

H. R. 1015. An act for the relief of Mr. and Mrs. Derfery William Wright;

H. R. 1022. An act for the relief of Antonio Andrea Chitato;

H. R. 1145. An act for the relief of Ora L. Powers;

H. R. 1146. An act for the relief of the Pacific Music Supply Co.;

H. R. 1183. An act for the relief of Baldomero R. Garcia, Teresa Garcia y Braganza, Francisco Garcia, Teresita Garcia, and Eduardo Garcia;

H. R. 1219. An act for the relief of the estate of Mr. Margaret A. Swift;

H. R. 1447. An act for the relief of Aleksandra Borkowski;

H. R. 1752. An act for the relief of Johanna Juresic Grgurich;

H. R. 1768. An act for the relief of the Jefferson and Plaquemines drainage district and certain persons whose properties abut on the Federal Government's right-of-way for Harvey Canal in Louisiana;

H. R. 1910. An act for the relief of Blanka Goldstein;

H. R. 2273. An act for the relief of Der Chuck Yee and Wu Mei On;

H. R. 2278. An act for the relief of Consuelo Calderon de Villarreal;

H. R. 2296. An act for the relief of Simone Gilliland;

H. R. 2466. An act for the relief of Marino and Giselda Proni;

H. R. 2467. An act for the relief of Ivo and Elia Monari;

H. R. 3027. An act for the relief of Leo E. Verhaeghe;

H. R. 4582. An act to amend the Internal Revenue Code of 1954 with respect to deductions from gross income of amounts contributed to employee trusts;

H. R. 5428. An act to amend the Internal Revenue Code of 1939 with respect to the period of limitation for filing claims by cer-

tain transferees and fiduciaries for credit or refund of income taxes;

H. R. 7036. An act to amend section 37 of the Internal Revenue Code of 1954 with respect to the earned income limitation on retirement income;

H. R. 7282. An act relating to the allowance of the credits for dividends received, for dividends paid, and for a Western Hemisphere trade corporation in computing the alternative tax of a corporation with respect to its capital gains; and

H. R. 7364. An act relating to the application of the documentary stamp tax to transfers of certain obligations paid for in installments.

ADJOURNMENT

Mr. COOPER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 47 minutes p. m.) the House adjourned until tomorrow, Tuesday, January 24, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1407. A communication from the President of the United States, transmitting proposed supplemental appropriations for the fiscal year 1957 in the amount of $913,450,000 for the Department of Defense (H. Doc. No. 318); to the Committee on Appropriations and ordered to be printed.

1408. A letter from the Assistant Secretary of Defense transmitting a report on military prime contracts with business firms for work in the United States for the period July 1 through November 30, 1955, pursuant to section 6 of Public Law 268, 84th Congress, which amended section 211 of the Small Business Act of 1953; to the Committee on Banking and Currency.

1409. A letter from the Director, United States Information Agency, transmitting a draft of proposed legislation entitled "A bill to provide for the promotion and strengthening of international relations through cultural and athletic exchanges and participation in international fairs and festivals"; to the Committee on Foreign Affairs.

1410. A letter from the Chairman, Federal Communications Commission, transmitting a report on backlog of pending applications and hearing cases in the Federal Communications Commission as of November 30, 1955, pursuant to section 5 (e) of the Communications Act as amended July 16, 1952 by Public Law 554; to the Committee on Interstate and Foreign Commerce.

1411. A letter from the Chairman, United States Civil Service Commission, transmitting the 34th Annual Report of the Board of Actuaries of the Civil Service Retirement and Disability Fund for the fiscal year ended June 30, 1954, pursuant to section 16 of the Civil Service Retirement Act; to the Committee on Post Office and Civil Service.

1412. A letter from the Attorney General, transmitting a draft of proposed legislation entitled "A bill to amend section 3731 of title 18 of the United States Code relating to appeals by the United States"; to the Committee on the Judiciary.

1413. A letter from the Secretary of State, transmitting the Eighth Annual Report of Tort Claims Paid by the Department of State under part 2 of the Tort Claims Act (28 U. S. C. 2672) during the calendar year 1955, pursuant to section 404 of the Federal Tort Claims Act, as amended, (28 U. S. C. 2673); to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ENGLE: Committee on Interior and Insular Affairs. S. 926. An act to authorize the Secretary of the Interior to construct, operate, and maintain the Ventura River reclamation project, California; without amendment (Rept. No. 1659). Referred to the Committee of the Whole House on the State of the Union.

Mr. FRAZIER: Committee on the Judiciary. H. R. 5862. A bill to confer jurisdiction upon United States district courts to adjudicate certain claims of Federal employees for the recovery of fees, salaries, or compensation; without amendment (Rept. No. 1660). Referred to the Committee of the Whole House on the State of the Union.

Mr. DURHAM: Committee on Armed Services. S. 1261. An act to authorize the conveyance of certain lands within Caven Point terminal and ammunition loading pier, New Jersey, to the New Jersey Turnpike Authority; without amendment (Rept. No. 1661). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON of Illinois: Committee on Government Operations. Eighth intermediate report of the Committee on Government Operations pertaining to a merger of Naval Supply Activities in the San Pedro-Long Beach area; (Rept. No. 1662). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON of Illinois: Committee on Government Operations. Ninth intermediate report of the Committee on Government Operations pertaining to Foreign Service promotions under the Wriston program; (Rept. No. 1663). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. WOLCOTT:

H. R. 8652. A bill to provide for an experimental national flood indemnity and reinsurance program and for other purposes; to the Committee on Banking and Currency.

By Mr. H. CARL ANDERSEN:

H. R. 8653. A bill to amend the Bankhead-Jones Farm Tenant Act to adjust the loan limitations of title II so as to provide more effective assistance to production and subsistence loan borrowers; to the Committee on Agriculture.

H. R. 8654. A bill to amend the Bankhead-Jones Farm Tenant Act and to authorize the Secretary of Agriculture to make or insure loans to farmers and stockmen for the purpose of refinancing existing debts, and for other purposes; to the Committee on Agriculture.

By Mr. AUGUST H. ANDRESEN:

H. R. 8655. A bill to amend the Bankhead-Jones Farm Tenant Act to adjust the loan limitations of title II so as to provide more effective assistance to production and subsistence loan borrowers; to the Committee on Agriculture.

H. R. 8656. A bill to amend the Bankhead-Jones Farm Tenant Act and to authorize the Secretary of Agriculture to make or insure loans to farmers and stockmen for the purpose of refinancing existing debts, and for other purposes; to the Committee on Agriculture.

H. R. 8657. A bill to amend the act of June 22, 1948 (62 Stat. 568), and for other purposes; to the Committee on Agriculture.

By Mr. GATHINGS:

H. R. 8658. A bill to amend the Agricultural Act of 1949, as amended, and the Agricultural Adjustment Act of 1938, as amended, and for other purposes; to the Committee on Agriculture.

By Mr. ABERNETHY:

H. R. 8659. A bill to amend the Agricultural Act of 1949, as amended, and the Agricultural Adjustment Act of 1938, as amended, and for other purposes; to the Committee on Agriculture.

By Mr. ROONEY:

H. R. 8660. A bill to amend the War Risk Insurance Act so as to provide relief for victims of disasters resulting from the forces of nature; to the Committee on Interstate and Foreign Commerce.

By Mr. ANFUSO:

H. R. 8661. A bill to amend the War Risk Insurance Act so as to provide relief for victims of disasters resulting from the forces of nature; to the Committee on Interstate and Foreign Commerce.

By Mr. BUCKLEY:

H. R. 8662. A bill to amend the War Risk Insurance Act so as to provide relief for victims of disasters resulting from the forces of nature; to the Committee on Interstate and Foreign Commerce.

By Mr. CELLER:

H. R. 8663. A bill to amend the War Risk Insurance Act so as to provide relief for victims of disasters resulting from the forces of nature; to the Committee on Interstate and Foreign Commerce.

By Mr. DAVIDSON:

H. R. 8664. A bill to amend the War Risk Insurance Act so as to provide relief for victims of disasters resulting from the forces of nature; to the Committee on Interstate and Foreign Commerce.

By Mr. DOLLINGER:

H. R. 8665. A bill to amend the War Risk Insurance Act so as to provide relief for victims of disasters resulting from the forces of nature; to the Committee on Interstate and Foreign Commerce.

By Mr. FOGARTY:

H. R. 8666. A bill to amend the War Risk Insurance Act so as to provide relief for victims of disasters resulting from the forces of nature; to the Committee on Interstate and Foreign Commerce.

By Mr. HOLTZMAN:

H. R. 8667. A bill to amend the War Risk Insurance Act so as to provide relief for victims of disasters resulting from the forces of nature; to the Committee on Interstate and Foreign Commerce.

By Mr. KEOGH:

H. R. 8668. A bill to amend the War Risk Insurance Act so as to provide relief for victims of disasters resulting from the forces of nature; to the Committee on Interstate and Foreign Commerce.

By Mr. KLEIN:

H. R. 8669. A bill to amend the War Risk Insurance Act so as to provide relief for victims of disasters resulting from the forces of nature; to the Committee on Interstate and Foreign Commerce.

By Mr. MULTER:

H. R. 8670. A bill to amend the War Risk Insurance Act so as to provide relief for victims of disasters resulting from the forces of nature; to the Committee on Interstate and Foreign Commerce.

By Mr. ZELENKO:

H. R. 8671. A bill to amend the War Risk Insurance Act so as to provide relief for victims of disasters resulting from the forces of nature; to the Committee on Interstate and Foreign Commerce.

By Mr. ANFUSO:

H. R. 8672. A bill to amend the Civil Service Retirement Act of May 29, 1930, to permit the retirement on full annuities, without regard to age, of those officers and employees with 30 years of more of service; to the Committee on Post Office and Civil Service.

By Mr. BURNSIDE:

H. R. 8673. A bill relating to burley tobacco farm acreage allotments under the Agricultural Adjustment Act of 1938; to the Committee on Agriculture.

By Mr. COLMER:

H. R. 8674. A bill to provide for the return of certain property to the city of Biloxi, Miss.; to the Committee on Veterans' Affairs.

By Mr. DURHAM:

H. R. 8675. A bill to promote the national defense by authorizing the construction of aeronautical research facilities by the National Advisory Committee for Aeronautics necessary to the effective prosecution of aeronautical research; to the Committee on Armed Services.

H. R. 8676. A bill to amend the Atomic Energy Act of 1954; to the Joint Committee on Atomic Energy.

By Mr. ENGLE:

H. R. 8677. A bill authorizing a monetary contribution for the flood-control accomplishments of the multiple purpose Oroville Dam proposed to be constructed on the Feather River by the State of California; to the Committee on Public Works.

By Mr. FJARE:

H. R. 8678. A bill for the relief of the town of Medicine Lake, Mont.; to the Committee on the Judiciary.

By Mr. FORD:

H. R. 8679. A bill to amend title II of the Social Security Act to increase the amount of outside income which a widow with minor children may earn without suffering deductions from the benefits to which she is entitled under such title; to the Committee on Ways and Means.

By Mrs. GREEN of Oregon:

H. R. 8680. A bill to extend the provisions of the Veterans' Readjustment Assistance Act of 1952 until such time as existing laws authorizing compulsory military service cease to be effective; and to provide for payment of tuition and fees of veterans receiving educational benefits under such act; to the Committee on Veterans' Affairs.

By Mr. HALE:

H. R. 8681. A bill to establish an effective program to alleviate conditions of excessive unemployment in certain economically depressed areas; to the Committee on Ways and Means.

H. R. 8682. A bill to provide for the conveyance to the State of Maine of certain lands located in such State; to the Committee on Armed Services.

By Mr. HENDERSON:

H. R. 8683. A bill to amend the Internal Revenue Code of 1954 to relieve farmers from the excise tax on gasoline and lubricating oils used exclusively in farm tractors or farm machinery or for other agricultural purposes; to the Committee on Ways and Means.

By Mr. HOEVEN:

H. R. 8684. A bill to amend the Bankhead-Jones Farm Tenant Act and to authorize the Secretary of Agriculture to make or insure loans to farmers and stockmen for the purpose of refinancing existing debts, and for other purposes; to the Committee on Agriculture.

H. R. 8685. A bill to amend the Bankhead-Jones Farm Tenant Act to adjust the loan limitations of title II so as to provide more effective assistance to production and subsistence loan borrowers; to the Committee on Agriculture.

By Mr. HOPE:

H. R. 8686. A bill to amend the Bankhead-Jones Farm Tenant Act and to authorize the Secretary of Agriculture to make or insure loans to farmers and stockmen for the purpose of refinancing existing debts, and for other purposes; to the Committtte on Agriculture.

H. R. 8687. A bill to amend the Agricultural Act of 1954, as amended, by providing for the further acceleration of the brucellosis eradication program; to the Committee on Agriculture.

H. R. 8688. A bill to amend the Bankhead-Jones Farm Tenant Act to adjust the loan limitations of title II so as to provide more effective assistance to production and subsistence loan borrowers; to the Committee on Agriculture.

By Mr. KARSTEN:

H. R. 8689. A bill to provide for the refund of the internal-revenue tax paid on fermented malt liquor lost or rendered unmarketable by reason of the 1951 floods; to the Committee on the Judiciary.

By Mr. KEATING:

H. R. 8690. A bill to amend the Clayton Act, as amended, by requiring prior notification of certain corporate mergers; to the Committee on the Judiciary.

H. R. 8691. A bill to amend the Veterans' Readjustment Assistance Act of 1952 to make the educational benefits provided for therein available to all veterans whether or not they serve during a period of war or of armed hostilities; to the Committee on Veterans' Affairs.

By Mr. KILDAY:

H. R. 8692. A bill to authorize permanent appointments in the Armed Forces of the United States, and for other purposes; to the Committee on Armed Services.

H. R. 8693. A bill to amend the Career Compensation Act of 1949, as amended, in relation to the refund of reenlistment bonuses; to the Committee on Armed Services.

H. R. 8694. A bill to amend certain laws relating to the grade of certain personnel of the Army, Navy, Air Force, and Marine Corps upon retirement; to the Committee on Armed Services.

By Mr. LOVRE:

H. R. 8695. A bill to amend the Bankhead-Jones Farm Tenant Act to adjust the loan limitations of title II so as to provide more effective assistance to production and subsistence loan borrowers; to the Committee on Agriculture.

H. R. 8696. A bill to amend the Bankhead-Jones Farm Tenant Act and to authorize the Secretary of Agriculture to make or insure loans to farmers and stockmen for the purpose of refinancing existing debts, and for other purposes; to the Committee on Agriculture.

By Mr. McGREGOR:

H. R. 8697. A bill to permit all wheat farmers (including those who plant less than 15 acres of wheat) to vote in any wheat marketing quota referendum conducted by the Secretary of Agriculture; to the Committee on Agriculture.

H. R. 8698. A bill to further amend the Agricultural Adjustment Act of 1938, as amended, to exempt certain wheat producers from liability under the act where all the wheat crop is fed or used for seed on the farm, and for other purposes; to the Committee on Agriculture.

By Mr. McINTIRE.:

H. R. 8699. A bill to authorize the Secretary of Agriculture to cooperate with public and private agencies in the development and maintenance of recreational facilities on the national forests and other lands administered in connection therewith, and for other purposes; to the Committee on Agriculture.

By Mr. MAGNUSON:

H. R. 8700. A bill to provide for certain reductions in the reimbursable construction cost of the Kittitas Division of the Yakima reclamation project, Washington; to the Committee on Interior and Insular Affairs.

By Mr. METCALF:

H. R. 8701. A bill to amend wheat marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agriculture.

By Mr. PERKINS:

H. R. 8702. A bill to amend the Railroad Retirement Act of 1937 to provide that an individual with 30 years' service may retire regardless of age, to provide increased annuities, and to increase the amount of outside income which certain individuals may earn without losing the right to receive their annuities; to the Committee on Interstate and Foreign Commerce.

By Mr. POAGE:

H. R. 8703. A bill to protect the income of cotton producers, encourage the expansion of domestic and world cotton markets, and provide an equitable competitive position for the United States cotton textile industry, by establishing the support level of American upland cotton at 75 percent of parity and providing for compliance payments to cooperators, and for other purposes; to the Committee on Agriculture.

By Mr. PRIEST:

H. R. 8704. A bill to extend through June 30, 1957, the duration of the Poliomyelitis Vaccination Assistance Act of 1955; to the Committee on Interstate and Foreign Commerce.

By Mr. RADWAN:

H. R. 8705. A bill to extend the educational benefits of the Veterans' Readjustment Assistance Act of 1952 to all veterans of the Armed Forces who have served therein since June 27, 1950; to the Committee on Veterans' Affairs.

By Mr. ROOSEVELT:

H. R. 8706. A bill to establish a national policy with respect to commercial fisheries; to establish the Office of Assistant Secretary of Commerce for Commercial Fisheries; and define his functions, powers, and responsibilities; to strengthen the commercial fisheries segment of the national economy, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. SHELLEY:

H. R. 8707. A bill to correct an inequity resulting from the setting of the effective date of Public Law 68 of the 84th Congress; to the Committee on Post Office and Civil Service.

By Mr. SIKES:

H. R. 8708. A bill to determine the need for improvement of the Chipola Cut-Off in the Apalachicola River, Fla., via Wewahitchka; to the Committee on Public Works.

By Mr. VINSON:

H. R. 8709. A bill to continue the effectiveness of the act of July 17, 1953 (67 Stat. 177), as amended; to the Committee on Armed Services.

H. R. 8710. A bill to amend the Armed Services Procurement Act of 1947; to the Committee on Armed Services.

By Mr. DURHAM:

H. J. Res. 482. Joint resolution relating to the compensation of the staff director of the Joint Committee on Atomic Energy; to the Joint Committee on Atomic Energy.

By Mr. COLE:

H. J. Res. 483. Joint resolution relating to the compensation of the staff director of the Joint Committee on Atomic Energy; to the Joint Committee on Atomic Energy.

By Mr. THOMPSON of New Jersey:

H. J. Res. 484. Joint resolution to provide for the observance and commemoration of the 50th anniversary of the official founding and launching of the conservation movement for the protection, in the public interest, of the natural resources of the United States; to the Committee on the Judiciary.

By Mr. DAVIS of Wisconsin:

H. Con. Res. 205. Concurrent resolution clarifying the intention of the Congress with

respect to the insurance by the Federal Housing Commissioner of certain loans for the purchase and installation of bulk milk tanks on dairy farms; to the Committee on Banking and Currency.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Colorado, memorializing the President and the Congress of the United States to enact legislation approving the apportionment of power credits made by the Upper Colorado River Commission; to the Committee on Interior and Insular Affairs.

Also, memorial of the Legislature of the State of Rhode Island, memorializing the President and the Congress of the United States with urgent and earnest request to give the State of Israel the right to buy arms for the purpose of defending her people against aggression; to the Committee on Foreign Affairs.

Also, memorial of the Legislature of the State of South Carolina, memorializing the President and the Congress of the United States to issue a directive to the Secretary of Agriculture requiring him to impose quotas on textile shipments to the United States from Japan and other foreign countries; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BURLESON:

H. R. 8711. A bill for the relief of Guy Aycock; to the Committee on the Judiciary.

By Mr. BURNSIDE:

H. R. 8712. A bill for the relief of Rev. W. P. Hooper; to the Committee on the Judiciary.

Mr. CEDERBERG:

H. R. 8713. A bill for the relief of Louise Reynolds; to the Committee on the Judiciary.

By Mr. CLEVENGER:

H. R. 8714. A bill for the relief of Mary Kremser; to the Committee on the Judiciary.

By Mr. HILLINGS:

H. R. 8715. A bill for the relief of Hiroko Higasa Goss; to the Committee on the Judiciary.

By Mr. SCHENCK:

H. R. 8716. A bill for the relief of Celia Han-fang Wu; to the Committee on the Judiciary.

By Mr. SHELLEY:

H. R. 8717. A bill for the relief of Mariano Soria Cabero; to the Committee on the Judiciary.

By Mr. WINSTEAD:

H. R. 8718. A bill for the relief of John R. Hill; to the Committee on the Judiciary.

By Mr. WOLCOTT:

H. R. 8719. A bill for the relief of Onie Hack; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

446. By Mr. FOGARTY: Petition of the Woman's Christian Temperance Union of Rhode Island, submitted by Mary M. Eldridge, legislative director, and signed by 283 residents of Rhode Island urging the use of the powers of Congress to get alcoholic beverage advertising off the air and out of the channels of interstate commerce and thus protect our people and the rights of States to prevent advertising of commodities which have been declared unlawful by the rights of local option granted them under State law; to the Committee on Interstate and Foreign Commerce.

447. By Mr. HOEVEN: Petition of Unit 65, National Association of Retired and Veteran Railway Employees, Sioux City, Iowa, urging enactment of H. R. 6141, H. R. 6142, or S. 1920; to the Committee on Interstate and Foreign Commerce.

EXTENSIONS OF REMARKS

Congressman Halleck's Salute to Ike

EXTENSION OF REMARKS

OF

HON. WILLIAM E. MINSHALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, January 23, 1956

Mr. MINSHALL. Mr. Speaker, on January 20, 1956, the third anniversary of the inauguration of our beloved President, Dwight D. Eisenhower, Republicans all across our great Nation joined together in 53 gala salute-to-Eisenhower dinners to pay homage to this most distinguished American.

One of the foremost of these salute-to-Eisenhower gatherings was in Cleveland, Ohio, where the number of Republicans who desired to honor our famous President was so tremendous that the dinner was served in two separate auditoriums. On hand as the featured speaker of the occasion was our extremely able colleague the gentleman from Indiana the Honorable CHARLES A. HALLECK.

Congressman HALLECK's remarks in Cleveland during this third anniversary celebration are inspiring not only to all Republicans but to each and every American citizen, and for this reason I wish to include his brilliant comments and thoughts on the conduct of our Nation's Government:

Mr. Chairman, distinguished guests, my honorable colleagues in the Congress, and fellow Republicans, it is always a pleasure to come to Cleveland.

I have enjoyed your hospitality on many occasions in the past, and I hope you will be kind enough to invite me back in the future.

I am particularly happy to appear in the State so ably represented in the Senate by JOHN BRICKER and GEORGE BENDER and in the House by your splendid 17-man delegation: GORDON SCHERER, BILL HESS, PAUL SCHENCK, BILL MCCULLOCH, CLIFF CLEVENGER, CLARENCE BROWN, JACK BETTS, TOM JENKINS, OLLIE BOLTON, JOHN VORYS, DAVE BAUMHART, BILL AYRES, JOHN HENDERSON, FRANK BOW, HARRY MCGREGOR, FRANCES BOLTON, and BILL MINSHALL.

You know, a list of names like that is music to my old Republican ears. It's going to be even longer next year.

From time to time I have come here on fund-raising missions. (For the party, that is—not for me personally.)

I have always found folks around here most generous and loyal in their support of republicanism.

These two wonderful dinners here tonight certainly underscore that support.

Well do I remember the lean years, when many of us wondered whether we would ever again be able to elect a Republican President and a Republican Congress, and give the country guidance under sound Republican leadership.

It sometimes seemed that we would never overcome the illusion of free money out of Washington and the Federal paternalism of the double dealers—new and fair.

I know about those long, difficult years, because I was fighting the battle in the House of Representatives and carrying the story, as best I could, up and down the land.

Let me say "thanks" for the help and encouragement you have given in the past.

And let me say, also, that your time and money were not wasted.

Republicans did triumph.

We did win.

And tonight we meet here in tribute to our Republican President—one of the truly great leaders of American history—in war and in peace—Dwight D. Eisenhower.

Few men, indeed, have been accorded the honor of serving their Nation in both military and civilian positions of highest trust and responsibility.

Dwight D. Eisenhower has met the challenge of both assignments with magnificent success.

We called on him to help us win a war. Under his banner victory was ours.

Now we have called on him to help us win the peace. Under his wise and courageous leadership, we are moving toward that goal.

I scarcely knew Dwight Eisenhower before his election to the Presidency.

It has been my rare privilege since the late days of 1952 to meet with him, to work with him and, I might add, to enjoy some moments of relaxation with him—although for a President of the United States, such moments are all too rare.

As a result of this association, I can say with all the conviction at my command that here is a man completely dedicated to serving all the people of America.

Dwight D. Eisenhower is devoid of any desire for personal glory.

His sole ambition is to do a good job for his country.

But Dwight Eisenhower needs no accolade from me.

The trust and confidence he inspires was reflected in the overwhelming public endorsement he received in 1952.

Today public trust in Dwight Eisenhower is running stronger than ever.

His place is assured in the hearts of his countrymen as one of the most beloved and admired Presidents in history.

For us it is a matter of pride and gratification that he bears the label of our party and is one of us.

Our principles are his principles.

His triumphs are our triumphs.

We share a common pride and satisfaction in the record of Republican stewardship, of unparalleled achievement for America.

No administration has ever done more to keep faith with its pledges to the people.

We promised to strive for peace.

The Korean war—is that grinding, stalemated, treadmill war so soon forgotten?—was

ended as one of the first orders of business for the new administration.

There have been no new wars.

And let me say here and now I'd rather have an administration that saves us from the abyss of war than one that pushes us over the precipice.

So would every right-thinking American.

We promised to strive for solid prosperity.

The Nation today is enjoying the greatest economic abundance ever known to mankind anywhere.

More Americans have jobs today, are making better wages, producing more and better products, buying more and investing more than ever before in the country's history.

Back of those two broad accomplishments are a host of actions that have made America—for all of us—a better place in which to live.

And back of the actions we have taken are the principles for which we, as Republicans, stand.

Our accomplishments speak for the wisdom of Republican policies and principles.

I could not let an opportunity of this nature pass without paying deserved tribute to Senator Robert A. Taft, who played a vital role in the championing of the principles and policies under which we operate today as a political party.

I had the privilege of working with Bob Taft on a special assignment in 1950 to draft a statement of Republican principles and objectives.

He was the chairman of a three-man committee in the Senate and I was chairman of a similar group in the House.

You know, that's about all Republicans had back in those days—principles and objectives—and a never-say-die spirit.

Out of that statement, adopted by Republicans in the Congress and endorsed by the Republican National Committee, grew the Republican platform of 1952.

No one knows better than I of Bob Taft's devotion to the cause of Republicanism.

I say to you here tonight: He, too, would have been proud of the record his party has made in the last 3 years.

He would have been in the forefront of these dinners, speaking somewhere over this broad land in a sincere testimonial to the leadership of Dwight Eisenhower.

Back in 1950, 2 years before the 1952 platform was drafted, Republicans made this pledge:

"We dedicate our efforts to win lasting peace * * *," and "to build a country in which every citizen may make the most of his skill, his initiative, and his enterprise. * * *"

In 1952 we were given the chance to make good.

We have come a long way—farther than a lot of folks thought possible in so short a time.

In foreign affairs, citizens were confused by bumbling, fumbling diplomacy, by inconsistency and indecision.

They were alarmed by disclosures of one-man deals involving the lives and fortuntes of millions and millions of free people.

We took a firm stand against secret commitments. We pledged no more Yaltas or Potsdams.

There haven't been any—and there won't be any as long as a Republican President remains in the White House.

No President has gone further than President Eisenhower to bring Congress into his confidence in the conduct of foreign relations.

The Formosa resolution is exhibit A of that policy.

We expressed our conviction, in 1950, that a strong national defense must be maintained at all cost as long as the threat of Communist aggression remains.

Republican leadership today is giving America more defense for every dollar.

Equally important, we are balancing the needs of the military with the needs of our domestic economy, thereby holding fast to another cardinal principle set down in 1950 that:

"A strong American economy is a vital factor for our security."

Believing what we said, your Republican administration and a Republican Congress brought into play policies that would get the job done.

You know, friends, this has been quite an experience for me.

I spent nearly 20 years of my career in the Congress on the outside looking in, as far as the administration of government was concerned.

When I first went to Washington, I was the only Republican from Indiana. It was convenient. I could hold my Republican caucus in a phone booth.

I've often said I felt like the banty rooster who was turned loose in the barnyard with a herd of Percherons.

The little rooster looked up at the horses and said, "Look here, fellows, let's have an understanding: I won't step on your toes if you don't step on mine."

In any event, folks, it was rough going and, as I say, we began to wonder whether the time would ever come when Republicans would be called upon to take over the reigns of government.

But the day of reckoning did come.

The people of America were sick of war and threats of more wars.

They were alarmed at the accelerating march toward socialism.

They were chafing under controls and regimentation.

Taxpayers were angered by the increasing waste of hard-earned dollars taken from them in ever higher amounts.

Citizens were worried about a spiraling inflation which drained their savings, shrunk the value of annuities and pensions, and cut deeply into living standards.

Our people were rightfully indignant at the growing disclosures of scandal and corruption in high places.

They were startled by disclosures that Communists and their sympathizers were holding positions of trust within the Government itself.

In short, the people of this country were finally wised up, fed up, and burned up at the mess and they called on the Republican Party to clean it up.

Believe me, the job has not been easy.

No one expected it would be.

For instance, we knew Uncle Sam had been taken on a spending spree and that this finances were in bad shape. But we hadn't suspected how bad.

The national debt was a well-advertised fact.

But we discovered the old boy had been put in hock for another $81 billion worth of merchandise and services for which no provision to pay had been made.

This $81 billion represented obligations of the Federal Government—I O U's, promises to pay, or c. o. d. orders—whatever you want to call them.

And consider this: Here were $81 billion worth of bills run up by an administration which had been promising the American people a tax cut.

How irresponsible can you get?

I hardly need mention that for a new administration, one pledged, among other things, to bring the Federal budget into balance at the earliest possible moment, this was something of a shocker. And that's an understatement.

And I hardly need mention, but I'm certainly going to, that tonight, we can list another major accomplishment to the credit of the Eisenhower administration.

We have reached the goal of a balanced budget.

We have halted deficit spending.

We have restored fiscal integrity to the national scene.

And let me pause right here to give due credit to another great citizen of Ohio, an outstanding American, George Humphrey, who has done a distinguished job as Secretary of the Treasury.

For my money, and, I might add, for every taxpayer's money, we've never had a better one.

And that reminds me of another important fact about this Eisenhower-Republican team.

We've got a lot of high-caliber citizens serving America now.

President Eisenhower's genius for finding the right people for the right job has played handsome dividends for the country.

No longer, may I say, is it a condition precedent to service in Washington that you must first have been a failure at everything else you ever tried.

Back in 1950, Republicans spoke out against a planned economy, price and wage controls, socialized medicine, Brannan plans and other radical schemes being put forward in a flood.

One of the first major actions by Republican leadership was to throw controls out the window.

Remember the anguished howls from the opposition?

Remember the dire predictions of what was going to happen to commodity prices, to rents, to the cost of living in general, how everything was going to skyrocket?

It didn't happen, did it?

What did happen was that American enterprise, freed of artificial restrictions and bureaucratic regimentation, rolled up its sleeves and went to work in a new atmosphere of freedom.

Labor and management, working under a fair and impartial administration of the Taft-Hartley law, have moved steadily forward—and with a minimum of time lost from strikes.

You don't hear much about the Taft-Hartley Act being a slave labor law any more, do you?

It never was.

Even labor leaders themselves know that unions have made unprecedented gains in membership.

And their members know that they have made steady progress toward higher wages and more take-home pay.

Their standard of living was never higher.

Can anyone believe this is all an accident?

Any reasonable person knows otherwise.

This better life for all Americans has come about because of sound, far-sighted Republican leadership in government.

It has come about because Republican policies have stimulated the economy.

We have halted inflation.

America today has a dependable dollar.

We promised the American people we would materially reduce Federal spending.

We have cut spending—with a vengeance. Starting with a $14 billion chop in the spending proposals of President Truman, we have continued an unrelenting drive against waste and extravagance in the Federal household.

We had to, because we had also promised a tax cut.

Thanks to Republican thrift and the determination of the Eisenhower administration and a Republican Congress to make good on a pledge, we gave the American people the biggest tax cut in the history of any nation—nearly $7½ billion.

Who benefited the most?

Two out of every three dollars of that tax cut stayed in the pockets of individuals.

Your Republican Congress completed a monumental revision of our Federal tax laws.

By this action, we encouraged wider ownership of business enterprises.

We stimulated plant expansion and the creation of more jobs.

We provided increased deductions for medical expenses.

We corrected inequities, bringing tax relief to working mothers and improving the status for citizens in retirement.

We encouraged soil conservation through more favorable treatment for farmers engaged in these activities.

Let me say something here about the farm situation.

I am amazed at the audacity of Democrat spokesmen who attempt to lay the blame for our farm problems on Republicans. These people are trying to cast themselves as heroes on the basis of their own past mistakes—which is a good trick if they can get away with it—but I don't think they can.

Even the most casual observer of the economic scene a few years back was aware of the growing crisis in agriculture—a crisis spawned by mounting surpluses.

It was a simple case of war-inspired production engulfing an economy based on peacetime needs.

We have tackled the difficulty with courage, refusing to be stampeded into ill-considered, trick panaceas that can do no more than offer an illusion of relief while speeding the day of an even worse reckoning.

No problem we have faced is more complex or more delicate.

Let no American farmer be deluded by promises that there is an easy answer.

Our goal is to restore the farmer's prosperity in the market place through a program which will assure him his fair share of the national income.

We propose to accomplish that purpose without resort to political witchcraft and without demanding that the farmer forfeit his traditional independence.

We will have no part of any scheme to make our farm families the wards of Government, or to threaten the farmer himself with jail if he doesn't comply with Federal edict.

We will reach our goal as we have reached others, mindful that a strong agricultural economy is basic to the welfare of our country.

There were other things good for America we pledged to pursue in that Republican statement of 1950.

We recognized the social responsibility of government.

The record of the past 3 years in this respect is on the books.

Under the Eisenhower-Republican administration, we have established the Department of Health, Education, and Welfare, giving it Cabinet status.

We have broadened and improved the social security program.

Unemployment insurance coverage has been extended to millions of additional workers.

The minimum wage has been increased.

A program of hospital construction for the chronically ill is now in operation.

And we have done these things under traditional American concepts, without anything smacking of socialization.

We said something, too, in that 1950 statement, about loyalty.

The Republican 83d Congress was quick to give the administration new legal weapons in its fight against subversives.

Our internal security program has been completely overhauled, and security risks are under notice that operation "open-up" has replaced "cover-up" as a Federal policy.

We have rooted the risks out of Government wherever they can be found.

And we aren't hiring any new ones.

I could go on and on, with specific examples of Republican accomplishments for a better America.

But I want to speak just briefly, now, about the broad picture.

We have taken a few old-fashioned virtues out of the mothballs and restored them as principles of Government.

They are as good as new.

I speak simply of such virtues as thrift, diligence, self-reliance—yes, the old "do it yourself" spirit, if you please.

What's wrong with that? It made our country great, didn't it?

I speak of initiative, freedom, dignity and integrity.

Republicans, under the leadership of Dwight D. Eisenhower, have brought them all back to the national scene—and we're building a better country than the world has ever known, on those foundations.

And now I want to offer a personal observation on a subject which is currently holding the attention of the whole world.

I wouldn't care to hazard a guess on how many people have asked me for an opinion on the matter—even since arriving in Cleveland this morning.

The question is this: Is President Eisenhower going to run again?

I have said before and will say again that he's going to run.

He's the best man in the country for the job.

Oh, of course, folks on the other side say all Republicans are hoping the President will run again because the party needs him.

Well, we wouldn't expect them to admit it, but they know, deep down, that another 4 years with Dwight D. Eisenhower in the White House would be the best thing that could happen to the country and to the cause of world peace.

The President is alert and active. He is full of bounce and sparkle.

Let me say this: President Eisenhower will make his ultimate decision with one thought in mind: "What is best for America?"

I only hope that his deep humility will not lead him to underestimate the vital importance of his leadership.

We have come far in 3 years toward putting America back on the track.

We have restored that priceless ingredient to the national scene—public confidence in Government.

Evidence of that confidence is everywhere—in consumer spending, private investment and in the vast plans for expansion of business and industry.

We are moving forward with giant strides.

How important is a Republic victory in 1956?

The alternative is a return to what we had, the loss of what we have gained.

We can't let that happen.

The ground we have covered in 3 short years is but the promise of what the future can hold for our beloved country under wise and understanding leadership—Republican leadership of the kind we have enjoyed under Dwight D. Eisenhower.

We must not fail.

Ridgway Reneges

EXTENSION OF REMARKS
OF
HON. ERRETT P. SCRIVNER
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES
Monday, January 23, 1956

Mr. SCRIVNER. Mr. Speaker, one would be surprised at my surprise at General Ridgway's recently expressed surprise at President Eisenhower's budget message for 1955, stating that the military budget was unanimously recommended by the Joint Chiefs of Staff.

Early in February 1954 Secretary Wilson had told the Military Subcommittee on Appropriations that this was a unanimous recommendation. Admiral Radford had told the committee the decision was unanimous.

And, as shown in the printed volume of the Department of the Army appropriations hearings on the 1955 budget, on page 51, Representative WIGGLESWORTH, the then committee chairman, stated:

Mr. WIGGLESWORTH. I understand, General, from the testimony of Secretary Wilson and Admiral Radford, that this overall military program, of which the Army program now before us is a part, is a result of the New Look and has the unanimous endorsement of the President, of the National Security Council, and of the Joint Chiefs of Staff. That is correct; is it not?

General RIDGWAY. Yes, sir. So far as the Joint Chiefs of Staff are concerned it was on stated assumptions and limitations.

With this record of unanimity before you, are you not also surprised at General Ridgway's surprise?

Another Mississippian Receives National Recognition—Illustrious Luther A. Smith, 33d Degree, Sovereign Grand Commander

EXTENSION OF REMARKS
OF
HON. WILLIAM M. COLMER
OF MISSISSIPPI
IN THE HOUSE OF REPRESENTATIVES
Monday, January 23, 1956

Mr. COLMER. Mr. Speaker, a few months ago Mr. Boyd A. Campbell, a citizen of Jackson, Miss., and a former college classmate of mine, was signally honored by being selected as president of the United States Chamber of Commerce, a position which he is currently serving with honor and distinction. Now another Mississippian, the Honorable Luther A. Smith, a distinguished jurist and citizen of Hattiesburg, Miss., has more recently been selected as the sovereign grand commander of the supreme council, 33d degree, Ancient and Accepted Scottish Rite of Freemasonry, southern jurisdiction of the United States of America.

Mr. Smith for many years has been an outstanding and consecrated worker in Freemasonry in Mississippi. He has possibly devoted as much time and effort as well as having made as great a contribution to that cause in the whole of the South as any other man. But all of his efforts have not been in behalf of Masonry. He has enjoyed an enviable record as an outstanding citizen and jurist in his native State. It was, therefore, no surprise that he was selected for this high honor by his fellow Masons. He is a man of high demeanor, an outstanding Christian gentleman of substantial character, who enjoys the confidence and respect of all who know him. His appointment to this full-time position required his resignation as judge of the court of chancery for the 10th district

of Mississippi and his removal to Washington.

We predict that this beloved Mississippian will make an outstanding contribution in his new position not only to Masonry, but to his God and country.

The Natural Gas Controversy

EXTENSION OF REMARKS
OF
HON. NOAH M. MASON
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Monday, January 23, 1956

Mr. MASON. Mr. Speaker, should the Federal Government regulate and control the price of natural gas at the wellhead? The House said no when it passed the Harris bill last summer. Briefly, the controversy came about as follows:

In 1938 Congress passed the Natural Gas Act regulating the rates charged by the interstate pipelines for transporting gas. Since these carriers enjoy a monopoly in the field of transportation, it is only proper that their transportation rates—like all other interstate transportation agencies— should be regulated and controlled. However, in the Natural Gas Act of 1938 Congress said "The provisions of this act shall not apply to the production or gathering of natural gas," leaving the price charged for the production of gas to be determined by the operation of a free market.

In 1954 the Supreme Court by a 5 to 3 decision—in spite of the clear prohibition contained in the act—ruled that the Federal Government had the power to regulate and control the price of gas at the wellhead. Since this decision was contrary to the express provisions of the Natural Gas Act of 1938 and violates the specific provision of that act, bills were introduced in Congress by Congressman HARRIS and Senator FULBRIGHT to nullify the Court decision and to place the production of natural gas where it had always been—the price at the wellhead subject only to the control of a free market.

Mr. Speaker, the price of natural gas for heating homes is made up of three factors, namely:

First. The price to the producers at the wellhead.

Second. The price charged by the pipelines for transportation, and

Third. The price received by the local public utility for distribution.

The last two factors are regulated and controlled as public monopolies, yet they get 90 percent of the price charged the consumer. The producer of the gas gets only 10 percent of the price charged.

In other words, if the average Illinois consumer pays $70 per year for heating his home with gas, the producer gets only $7, and the transportation and distributing agencies get $63. This figures out about 60 cents per month or 2 cents per day the consumer pays to the producer for the gas he uses. The balance of his bill goes to the pipeline owner and to the local distributing utility—each one of which has been and now is regulated and controlled by Government.

Mr. Speaker, I include as a part of my remarks the following editorial taken from the Saturday Evening Post of January 21, 1956:

IF GAS PRODUCERS CAN BE REGULATED, SO CAN THE CORNER GROCER

There is a shocking absence of understanding about the potentially destructive results of governmental regulation of individual enterprise. For evidence we refer you in advance to arguments made against the Fulbright bill.

The Fulbright bill is the Senate version of the Harris bill passed by the House last session. Both seek to release producers of natural gas from regulation by the Federal Power Commission. In June 1954, the Supreme Court ruled that FPC should regulate such producers, although the Natural Gas Act of 1938 had specifically stated that it should not.

This is not a remote legalistic controversy. It involves a housewife in a Chicago suburb who learns with dismay that she cannot obtain the inexpensive natural-gas service which she had expected for cooking and heating in her new house. At about the same time an Oklahoma housewife flips a switch in her house and a light glows. These two events are related. The electricity which fired the Oklahoma lamp bulb was generated in a utility plant fueled by the natural gas which had been intended for the Chicago housewife, but which she didn't get.

The reason for the diversion is simple. Oklahoma gas producers had planned to deliver to a pipeline a supply of natural gas which would have served the Chicago housewife and 200,000 other Illinoisans. But when the Supreme Court ruled that sales of gas by producers across State lines were to be regulated—that is, price-fixed—Oklahoma producers abandoned negotiations for the sale. Instead they sold their product within their own State, a transaction that was exempt from FPC control.

So many natural-gas producers were alarmed by regulation that the volume of gas committed to large interstate pipelines in 1954 declined approximately two-thirds from 1953, a loss to prospective consumers of more than 4 trillion cubic feet. And in 1955, drillers completed 12 percent fewer gas wells than in the previous year while at the same time oil-well completions rose.

Those who want regulation speak in the name of consumers who are supposed to believe that Federal regulation of producers is needed to curb monopoly and keep cost at a reasonable level.

Take cost first. The argument is that natural-gas producers, although competing against one another in discovery, production, and sale of gas reserves, are in a position to hike the gas bills of city consumers unless they are controlled. Why, then, during the years 1938 to 1954, when producers were free, did gas costs in the field rise only one-ninth as much as the cost of living? Moreover, the cost of natural gas in the field on the average is only 10 percent of the city consumer's bill. Ninety percent lies in transmission and distribution—two services which are properly under utility-type regulation because they enjoy certain monopolies. Anyway the proposed legislation contains specific protection for the consumer from unwarranted price increases.

But aren't the producers of natural gas a monopoly? There are 8,000 of them, none producing as much as 5 percent of the total. If they constitute a monopoly, then three-quarters of American industries are in exactly the same class, since natural-gas production is less concentrated in number of owners than are most industries.

It is curious that those who most violently predict high cost and monopoly are blind to the fact that regulation of producers will inevitably bring about exactly what they profess to fear. Natural gas has been cheap because it could be bought and distributed in a volume huge enough to distribute the expense of pipelines and city mains among millions of consumers. Cut down that volume and a smaller number of consumers will have to bear the transmission and distribution costs. Household bills will go up, not down, and unwillingness of producers to sell outside their own States could eventually deprive distant consumers of gas altogether.

What, then, becomes of the monopoly charge? A producer cannot gouge a consumer with whom he will not deal. The monopoly will become one of States, not of people, as producing States not only keep their gas at home but as a consequence attract industries from consumer States into their own areas. This is already happening. More than half of all natural gas is now consumed in the States where it is produced.

There is another sinister threat in this controversy. The regulation of producers of natural gas is the first example of regulation of a competitively produced commodity. It would hardly be the last. Natural gas is more often than not intermixed with oil production. Could we regulate the gas and not the oil from the same field? Then why not coal, lumber, iron, and on right into a complete statist straitjacket?

Sometimes we wonder if this is not the goal which the regulation advocates have had their eye on all along.

Address by Hon. Estes Kefauver, of Tennessee, at Naturalization Ceremonies in the United States District Court, Washington, D. C.

EXTENSION OF REMARKS
OF
HON. ESTES KEFAUVER
OF TENNESSEE
IN THE SENATE OF THE UNITED STATES
Monday, January 23, 1956

Mr. KEFAUVER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a brief address delivered by me at the United States District Court for the District of Columbia, on January 10, on the occasion of the naturalization ceremony at which about 125 new citizens assumed their citizenship responsibilities.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Fellow Americans, I am pleased and honored to be one of the first to welcome you as new citizens and to hail you as fellow Americans.

You have come to the United States from more than 30 countries throughout the world. I find that to be an extraordinary and happy fact. And I see in it a promise of ever-accelerating vitality for this new country of yours.

This great Nation will never become decadent, will never become ingrown and feed upon itself, so long as the strengths, the hopes, the skills, the aspirations and the cultural attainments of new citizens like yourselves continue to enhance its life stream.

You are going through a crucial experience which may not be apparent or entirely comprehensible to the millions of Americans who achieved their citizenship solely through the

accident of birth. I think I have some understanding of how you feel as you raise your hands and swear allegiance to the United States.

Some of you came to us from other free, democratic nations because you felt that this country offered you a promise of greater opportunity for yourselves and for your children.

Others among you fled from poverty, persecution and degradation.

No matter what your national origin, no matter what your previous station in life, no matter what your cultural background, you share this in common:

The United States offered a beacon light of hope, to which your eyes were turned long before you set foot on our shores.

No matter how severe the poverty and persecution some of you are leaving behind, it was an emotional strain for you to cut your ties to your homelands. I wish more of our older citizens could comprehend this fact as easily as they can understand the feeling of exhilaration and hope with which you eagerly accepted your new status as Americans.

American citizenship is not given easily, nor should it ever be accepted lightly.

Citizenship bequeathes privileges. Citizenship also demands responsibility. And the greatest responsibility which has devolved upon you today in accepting the rights and privileges of citizenship is to so exercise them as to become evermore responsible citizens.

The complexity of our times throws a heavier and heavier burden upon every citizen. The citizens' responsibility in our times are no longer merely local and confined to his individual community. They are also national and international.

A great American, Benjamin Franklin, used to say that if a man keeps his business, his business will keep him. Nowadays, if a man should attend solely to his business, he might find himself ultimately with no business to which to attend. This is especially true in international affairs. For, as you know better than most native-born Americans, this country is engaged in a life-and-death struggle with a powerful enemy who is determined to subdue all others to his will.

Hence, the citizen must be profoundly concerned with the advances of this enemy and the counteradvances of his own government to meet them. Keep yourselves informed. For the more informed you are the more likely that you will not only act forehandedly but wisely.

Never forget that your new government is much more than just a group of men here in Washington. Government should be, and will be—if we all, new and old citizens, participate alike—a combination of the desires and the spirit and the willingness of all of us.

So long as this admirable spirit prevails among us, our democracy shall retain its continuing vitality and its ability to grapple successfully with questions of the greatest magnitude and complexity.

Fellow Americans, never forget that this is a nation of immigrants. We have drawn upon the diverse races and cultures of the world. Our prosperity and our preeminent place in the world are as much due to our greatest resource—people—as it is to our vast store of physical assets. Immigrants like you have tapped them and, consequently, this Nation has flourished.

Take, for example, the varying nationalities of men who helped the United States to create the first atomic bomb. Among them were men born in Germany, in Hungary, in Denmark, in Italy, and elsewhere. And without their minds and skills one doubts that we could have achieved atomic fission, and certainly not for many years.

Yet I must admit to you quite frankly that this Nation has, in recent years, piled up great difficulties for people from other nations who hope to make their home here. I am convinced that the period of hysteria on which this shortsighted policy is based will pass—as all periods of hysteria in our national life have passed—if those who truly love America and its great tradition of freedom will only act as freemen.

In conclusion, I want to assure you that there are no second-class American citizens. The rights and responsibilities you have just had conferred upon you make you the equal of all other citizens—no matter how many generations ago their forefathers first came to this land.

Enjoy your privileges and rights. Exercise your responsibilities. And welcome most sincerely, fellow Americans.

Statement of Hon. Herbert H. Lehman, of New York, at United Jewish Appeal Dinner

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EXTENSION OF REMARKS

OF

HON. HERBERT H. LEHMAN

OF NEW YORK

IN THE SENATE OF THE UNITED STATES

Monday, January 23, 1956

Mr. LEHMAN. Mr. President, I ask unanimous consent that there be printed in the CONGRESSIONAL RECORD the remarks which I made at a dinner sponsored by the United Jewish Appeal at the Waldorf-Astoria Hotel on the evening of January 21, 1956.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

A POSITIVE POLICY FOR THE MIDDLE EAST AND A LOOK BACKWARD AT PAST MISTAKES

(By Senator HERBERT H. LEHMAN, at dinner sponsored by United Jewish Appeal, Waldorf-Astoria Hotel, January 21, 1956)

I am much moved by the tribute you have paid me this evening. I do not consider the tribute to be directed to me personally. I would be vain, indeed, if I did.

I take your approbation to be for those causes and principles for which I have stood and fought for many years. I am proud and glad of the support you have thus expressed for those causes and principles, and thank you from the bottom of my heart.

I would surely be insensitive if I were not deeply affected by your having singled me out as a symbol of those causes and principles.

But what means even more to me is the fact that this large assemblage has shown with its deeds tonight a true devotion to some of those causes.

I mean the cause of freedom. I mean the cause of humanitarianism. And I mean the cause of democracy.

In a sense Israel symbolizes all of these causes, and more. Israel is also the cause of faith fulfilled, of prophecy come true, and of sacrifice recognized and rewarded.

But in contributing to the United Jewish Appeal, as you have so generously done tonight, you are doing more than contributing to the State of Israel and to the cause for which she stands.

You have contributed to the fight against prejudice and discrimination and oppression. UJA stands for these causes, as well as for the welfare and the upbuilding of the State of Israel.

You have contributed to the hope of a future for hundreds and thousands of Jews in north Africa, in Europe, and Asia, and wherever Jews still live with the mark of fear upon their hearts. You are holding out to them the lifegiving hope of emigrating one day to a land of refuge, freedom, and opportunity, and of escaping finally from either the shadow or the fact of terror and tyranny. This in itself is a noble and essential undertaking.

For these reasons, and just because I enjoy meeting with old and true friends, I am happy to be here tonight and to join with you in acclaiming the work of UJA.

I need not enumerate the full category of all UJA accomplishments, reflected in human souls rescued from every quarter of the globe and resettled in many quarters of the globe. That work is going on today, and, of course, it must continue to go on.

But it is surely worthwhile to reexamine and reassess the fundamental significance of what UJA has up to now accomplished in Israel, and the full scope of the present challenge there. Thus we may be able to see that problem in full perspective.

What has been achieved up to the present?

You have helped to build a state: a fortress of freedom, a haven of refuge, and a bastion of democracy in the Middle East.

You have helped to transform an idea into a fact, a hope into a reality, and a prayer into a realization.

You have helped to provide asylum for 800,000 hard-pressed human souls, the unwanted, the uprooted, the homeless and helpless.

You have helped to write history and to fulfill an ancient promise.

You, with your contributions, have helped to buy that which is beyond price and purchase—a future for an entire people and a place in history for a new democratic nation.

But all of us know that what has been done in the past provides only a measuring stick for that which remains to be done. The present challenge is far greater than any faced heretofore.

We must, however, understand better than we do the nature and magnitude of this challenge. It is not susceptible of simple description or simple solution.

Forces have been unleashed which we did not conceive when the establishment of Israel was first undertaken and pressed to realization. Stupendous dangers have arisen beyond any we foresaw. We must see them clearly now and grapple with them. There is, of course, no turning back now.

On the turnpike of history, there are few entrances, but the exits are equally few and equally difficult to reach. We are supremely confident that whatever the dangers ahead, Israel is on this turnpike to stay.

The forces and dangers rampant today in the Middle East were not brought into being by Israel. They were there all the time. But they were brought into focus by Israel, and today they are directed against Israel.

These forces are not local. They are international, just as the dangers are international. And they are not single, but plural.

First of all, and most apparent, is the force of international communism, aggression and subversion. This force, while worldwide, has only lately loomed as an immediate danger in the Middle East. But in fact, it was potentially there all the time.

Side by side with this ruthless force is another, even more powerful and violent—the revolutionary force of the oppressed and underprivileged peoples of the earth, awakening after centuries of troubled passivity, to demand their share of the 20th century. This force was also there, in the Middle East, all the time. But it was not recognized. Some do not recognize it, and do not reckon with it, even today.

Frequently, these two forces, so utterly different and distinct, are mistaken for one and the same, because they often overlap each other. In this lack of perception on our part there lies a danger to us as great as from communism itself.

The tidal waves of these two tremendous forces, churning the waters of our time, wreaking havoc upon all shores, could easily be expected to spare Israel from their effects. And they have not.

In fact, Israel today lies at the very focus of both these forces, and is receiving the buffets of both of them.

For the Soviet Union, Israel represents an intolerable enclave of freedom and stability in the midst of a seething world, ripe for a Communist-type revolution. For the Arab leaders, Israel represents a convenient diversion for the surging forces of ferment and upheaval within their countries—a ready object for blind feelings of resentment and indignity among the ruled and oppressed peoples of the area.

Israel symbolizes a kind of revolution, too, but an orderly, western-type revolution, the unleashing of the energies of a people for dynamic progress, within the framework of democracy, and by the consent of the governed.

To both the Arab leaders and the Kremlin, then, but for different reasons, Israel is a menace—for the Arab chieftains, a dangerous example; for the men of Moscow, a dangerous center of western influence.

In the face of this situation, what has been the policy of the free nations, and more particularly, the policy of our own Government?

In brief, it has been a shortsighted policy, reflecting little resolution or determination, and no comprehension whatever of the basic forces or factors involved.

Our Government has followed a policy of so-called "impartiality" as if it were a simple question of favoring one or the other of two equal and equally good friends who cannot get along with each other * * * as if the merits were equally distributed on both sides.

Our Government has acted as if the Arab nations were stable powers and stable societies, like England and Norway and Holland and Denmark.

We sought to draw one and then the other of the Arab States into our complex pattern of world politics, as in the Baghdad Pact and the Northern Tier.

In this we have built a fortress out of straw, and set it up on quicksand.

What a folly this has been. What a lack of understanding this has shown.

We have reaped from some of the Arab nations, for all our so-called impartiality, a harvest of hostility and anti-Western agitation. And we set the stage for the direct entry of the Soviet Union into the very center of the scene. Perhaps it was inevitable, but we made it doubly easy for the Communists and doubly hard for ourselves.

Meanwhile our policies have served to give the Israelis a shattering sense of isolation—a feeling of having been abandoned and left to shift for themselves, though surrounded by deadly enemies bent on their destruction.

We should have based our policy on the bedrock facts of the Middle East today: grinding poverty, unrest, and instability in the Arab States; and dynamism, democracy, and stability in Israel. But instead of that, we based our policy on pious phrases about peace, meaningless sentiments about impartiality, and mechanical calculations of naive military strategy.

We undertook to build up a line of defense against the Soviet Union, without reckoning on the power of the Communists to leapfrog the line and come up in our rear.

We have given short shrift to the stable and democratic nation of Israel, whose ideals are the same as ours.

Meanwhile, we have vainly courted the favor of neighboring totalitarian regimes, which sit uncertainly on top of seething volcanoes within their own countries, and which logically look for any expedient to remain in power, even the expedient of alliance with the Soviet Union.

But where do wo go from here?

It is rather easy to criticize, and I would be less than fair if I did not say that the problem is hard and complex, even beyond description.

I do not envy Secretary Dulles his responsibility, although I strongly disagree with the solutions he has put forth up to now. Nor would I begrudge him his mistakes, if they were the result of efforts pointed in the right direction.

But it is not enough to speak of peace as a goal and of impartiality as a principle. The test of words and settlements lies in actual, specific policies and programs.

It seems crystal clear to me that as far as the Arab States are concerned, we must concentrate with all our might on helping them to resolve their basic problems. We must not let them fall prey to Communist-type revolutions or to Communist intrigues.

We must help to raise the status of their people.

We must assist and cooperate in basic economic undertakings, such as the Aswan Dam in Egypt and the Jordan River development plan.

We must offer large-scale assistance for the resettlement of the Arab refugees.

We must encourage progressive and forward-looking policies, such as land reform and the disestablishment of economic feudalism.

We must be generous but firm.

We must make clear that our economic assistance is designed to release the energies of the Arab peoples to enable them to help themselves to peace and prosperity, not to war and hostility against Israel.

Israel must be assured of security and territorial integrity. Her fears of aggression must be quieted, and the saber rattling that now resounds through the area on both sides must be stilled.

A program of progressive disarmament, as soon as peace has been agreed upon, should be and can be in order, so that all energies may be harnessed for the betterment of the peoples concerned:

This, then, must be our answer to the Soviet intrusion into this area:

1. A security pact with Israel, but open to all her neighbors.

2. Arms for Israel, as long as arms are needed to maintain the present precarious balance of forces.

3. Large-scale and long-range economic aid to the Arab States and to Israel.

And then peace and disarmament.

Does this not constitute a positive policy? I think so.

Let us then, as a Nation, without regard to any partisanship whatever, unite on some such policy, with all the collateral programs and conditions which are required. Let us take the lead and convince the other free nations of the desirability of this policy, and solicit their cooperation and participation in it.

Let us, as individuals, advocate and support such a policy. Let us meanwhile continue to support our embattled and endangered coreligionists in Israel and elsewhere with United Jewish Appeal and with bonds. Let us do this with unmeasured devotion and unstinted generosity.

And then let us all, together, work and look forward to the day when the spur to our efforts will not be the threat of war and destruction, but what Henry James called the moral equivalent of war: Heroic dedication to the uplift of humanity and the fulfillment of mankind's dream: Peace on earth, justice to all, and security for all.

This we will surely achieve in a not too distant day, if we have courage, and faith, and humility before God, the one Father of us all.

Political Requirements for Prosperity

EXTENSION OF REMARKS
OF
HON. HUBERT H. HUMPHREY
OF MINNESOTA
IN THE SENATE OF THE UNITED STATES
Monday, January 23, 1956

Mr. HUMPHREY. Mr President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address I delivered before the Congress of American Industry, sponsored by the National Association of Manufacturers, at New York City, on December 7, 1955. The subject matter of the address was the political requirements for an expanding American economy.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

It is a privilege to be invited as one of the guest speakers at the 60th Congress of American Industry. You represent in considerable measure the economic lifeline of our dynamic American economy.

Let me at the outset give you a few words about my political and economic philosophy, in order that you may better understand the bill of particulars I intend outlining as essential political requirements for an expanding and prosperous economy.

I have great faith and confidence in the political judgment of the American people, and the economic know-how of American industry.

I believe in free and open competition in the market place of commodities, as well as in the market place of ideas. Political and economic freedom cannot endure long without the free exchange of ideas and material goods.

A balanced and orderly free society, however, requires not only competition, but cooperation, between the individuals and segments of that society. This cooperation must embrace not only private individuals and institutions, but also embrace the institutions of government.

The topic assigned for this discussion clearly indicates the widespread recognition of the importance of government in the American economic structure.

Government—Federal, State, and local—and I include all three levels—can act as a creative force, either through positive action or by negative and restraining influence.

Fortunately for the American people, the Constitution of the United States places a direct responsibility on the Government to promote the general welfare. That general welfare relates to the economic welfare of each and every citizen.

The first obligation of government is to be just—to assure equal opportunity for all. With this moral requirement of justice and equal opportunity, it has been necessary in the past, and it will be necessary in the future, for government to use its powers to curb the private exploitation of our human and natural resources, to regulate commerce in the interests of fair and honorable competition, and to assist the underprivileged and those who are the victims of economic and social injustice.

There are those who term such action by government as interference with free enterprise. I respectfully suggest that they are either unmindful of the constitutional requirements of the government to promote the general welfare, or have willfully and wrongfully in interpreted the rules of free enterprise to be synonymous with the code of the jungle.

Freedom is not license, nor is enterprise exploitation.

Free enterprise is a constructive force. It has a social obligation as well as a profit motive.

A political democracy or a constitutional republic cannot long endure when the social and economic needs of the citizenry are sacrificed or ignored. For that reason, the political requirements for prosperity must, above all, include social justice and equal opportunity.

Before looking ahead, it might be wise to look briefly at the past—to place in perspective where we are today. As in most areas of life, there is little that is new—but much to be learned from the past.

We have found it necessary to regulate utilities in the public interest. We now accept the obligation of government to design and administer programs on behalf of conservation of our great land, water, mineral, and timber resources.

We discovered in the late 1800's that competitive enterprise could develop organic monstrosities in the form of monopolies and trusts. It became necessary for the Government to adopt a body of law, such as the Sherman Act, the Clayton Act, and the Robinson-Patman Act, in order to preserve an orderly and responsible competitive enterprise system.

We have witnessed within the past half century unscrupulous speculation in the stock market which seriously threatened the solvency of our entire financial and industrial structure.

Government had to act, to protect the public interest, by establishing the Securities Exchange Commission.

Likewise, the laws and regulations pertaining to our monetary and credit institutions had to be strengthened and revised in order to protect the public from unwise and, at times, unethical financial manipulation. The Government's response was establishment of a Federal Reserve System to assure an adequate credit for a growing economy, and a banking and monetary code to assure fiscal solvency and the confidence of depositors.

Social needs of the American people were recognized in passage of the Social Security Act, the fair labor standards law, and a wide variety of measures dealing with health, welfare, and education.

These are some of the lessons and experiences of the past.

But these public policies also have served us well in recent days and the present. Rather than stifling private enterprise, they have encouraged wholesome development and expansion.

Legislative policies of the past 25 years have greatly assisted in building a strong base for the American economy.

This is a mass-production economy, and mass production requires mass consumption.

This is a consumer's economy, and it can expand and remain prosperous only so long as it is geared to maximum purchasing power.

Every segment of the economy must be afforded an opportunity to share in prosperity.

Here, in my opinion, are the five major political requirements for that kind of prosperity:

1. We must coordinate programs and policies of Federal, State, and local governments, and private groups, within the framework of a free, private, competitive economic system, to insure maximum employment, production, and purchasing power. This means a continuing, effective concern for balanced economic growth and stability; for increased productivity which relates itself not only in an expanding volume of goods and services but also in a higher living standard and wages.

We have embodied this philosophy into public law—the employment Act of 1946. That act places upon Government a responsibility to assure maximum production, maximum employment, and maximum purchasing power. It calls for keeping our economy in balance. This is no idle gesture. It is but further expression of the constitutional mandate to promote the general welfare.

We need full employment and decent wage standards, not only to provide a rising living standard for workers and their families but also to maintain the output of industry and to provide the major incentive for capital-goods expansion. Our machines are no more profitable in their capacity to turn out goods and services than the economic capacity of our consumers to pay for and use those same goods and services.

Encouragement of responsible collective bargaining under law is an essential link to achieving the balance we seek under the Employment Act of 1946. Collective bargaining is labor's response to corporate business structure. We need both—but both without abuse of privilege or power.

We must expand and modernize such built-in safeguards to the economy as our programs of social security and unemployment compensation. Such programs, in effect, are part of our economic life insurance, for which principal and premiums alike must be constantly adjusted to keep pace with growth of our national production and population.

2. We need a tax structure at Federal, State, and local levels that not only meets the standards of social justice based on the principle of ability to pay, but also contributes toward our goal of economic growth and stability. Our Joint Committee on the Economic Report is right now conducting studies and hearings aimed at this very purpose, and I hope from such hearings will flow recommendations which can be enacted to meet this objective.

Personally, I feel that revision of our tax structure in line with these long-term objectives should include both greater allowances for families, thereby stimulating family purchasing power; and a more equitable structure for middle-income groups, who under present laws find it extremely difficult to accumulate reserve capital.

Independent small business cannot grow and expand on credit alone—even liberal credit. It must have the opportunity to reinvest earnings. I know of no better way to restrain the present trend toward monopoly and mergers—a trend that has been accelerated in the past 3 or 4 years.

Unfortunately, the present tax laws are a mosaic of inequities, loopholes, and favoritism. I remind my friends in business that for every special privilege loophole written into our tax laws, someone else must pay the bill through a heavier burden of taxation. The Government needs a certain amount of money for purposes of national security and Government services. If a few are permitted to evade paying their just and fair share of this national bill, then others are compelled to pick up the check. A just and fair tax policy is more than mere tax reduction. It is tax equity.

3. We must stop at once the sharp recession in American agriculture, and by well-directed and designed Government policies restore agriculture to a position of equality in the economic scene.

We need to attack the farm problem on several fronts, including more adequate and effective income protection for farmers through the most workable combinations of price-supporting crop loans, purchases, and possibly production payments; expansion of both domestic and overseas surplus distribution efforts; use of some form of a conservation acreage reserve land-rental plan as an incentive for production adjustments similar to the aid given wartime industry for conversion to peacetime markets; and improved and modernized credit facilities geared to modern mechanized farming's greater cash operating needs.

We must fully recognize the interdependence of all segments of our economy. There is no such thing as long-term prosperity in business and industry if agriculture continues to suffer from drastic income decline and growing indebtedness.

America's farmers are still one of the great potential markets in the world. I suggest that we spend as much time developing American markets as we do foreign markets. Both are important, but the potentialities of a stronger American market offer much greater opportunities to American industry for the immediate future. It is not trite to say that our problem is underconsumption, not overproduction.

A point 5 program to assist the underprivileged and underdeveloped areas of America will yield every bit as constructive a result as a point 4 program in foreign areas.

4. We need a liberal, long-range credit structure with flexibility to meet short-range needs. We can no longer evaluate credit policies on the basis of standards acceptable a generation ago. The amount of outstanding credit must be related to gross national income, and potential maximum production and employment. I am referring not only to commercial credit, but also to consumer and housing credit. Liberal credit terms for home construction may be justified not only in terms of our rapidly expanding economy, but equally so in terms of our rapidly growing population. There is yet another justification—the social values of home ownership.

Consumer credit is the life-line of consumer goods production. Expanded consumer credit becomes dangerous only when the economy slackens, or irresponsibility creeps into its use. Credit, therefore, must be closely related to our objective of increased investment, maximum employment, and economic balance between industry, labor, and agriculture.

Fifth, we must have a continuing long-range development of our natural resources—and encourage peacetime uses of atomic energy as newest of our resources. It is with natural resources in particular that government must play a paramount role. First of all, government is the only agency that can mobilize the manpower and technological resources of the Nation to control the erosion of land, the protection of forests, the harnessing of the rivers for the purpose of flood control, navigation and irrigation. Likewise, if these costs are to be offset in part, the building of hydroelectric facilities is sound economics. Such electrical energy is a new capital resource made available to the American people and to American enterprise, out of resources already belonging to all the people.

Atomic energy is our greatest untapped source of power and potential wealth. Because it is a Government-developed resource, the Government has a direct responsibility to stimulate its peacetime uses for the benefit of all. The Government must not jealously withhold such a resource, but instead share its great potentialities with private industry, with rural-electric cooperatives, and with municipalities.

These, then, are my basic criteria for political economic policies required for prosperity.

But economic policies alone do not assure a wholesome and healthy environment for an expanding economy.

We still have objectives of social justice to be fulfilled, and social values to consider.

Health, welfare, and education of our American citizens is basic to a dynamic and expanding economy. It would be short-sighted to seek a material prosperity in which such basic human needs were brushed aside.

There are often costs to maintaining full prosperity.

Yet there have been and still will be far higher costs to industry as well as consumers

for failing to maintain reasonably balanced growth in our economy.

The 1953–54 recession, measured realistically by lost production and consumption, is estimated to have cost all Americans about $30 billion. This is a loss which is never recovered. It is a mighty big chip out of the log of prosperity. During the 10 years of the great depression and partial recovery, estimates of our accumulated economic loss, due largely to unemployment and industrial idleness along with agricultural decline, ran as high as $600 billion to $700 billion in 1954 prices.

It is these economic facts about which we need to be concerned in considering whatever political and economic measures are required to assure prosperity.

A Government policy of doing too little, too late, of taking halfway measures when dramatic action is required, is false economy.

The question is not so much how much we spend or what tax adjustments we make to insure prosperity, but rather that we do the right thing early enough, and on a large enough scale, to obtain the results we need for our balanced objectives of maximum employment, maximum production, and maximum purchasing power.

In summary, the key to the success of any of these political requirements for prosperity is a constant alertness, a boldness of vision that refuses to be satisfied with any goals of the past as being satisfactory goals for the future, a determination to act aggressively and quickly on any of these related fronts when action is needed, and a willingness to accept change when change is called for rather than be chained to any dogma of the past.

Overheard

EXTENSION OF REMARKS
OF
HON. ALFRED D. SIEMINSKI
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES

Monday, January 23, 1956

Mr. SIEMINSKI. Overheard in the Library of Congress the other day was the following:

"They talk about the discrimination of man against man, why don't they talk about the discrimination of nature against man?"

"Like what?"

"We should have 4 seasons on each of the 5 continents."

"How are we going to get it?"

"Adjust the earth on its axis. Archimedes said that with a fulcrum he could move the world."

"So you think a pressure chamber with jet fission, like a sling, could circle the globe and move it?"

"If not, then maybe we'll be able to locate the pituitary gland in the mechanism of the universe that might enable us to adjust the earth to the convenience of man like we adjust the hands on a watch.

"Then maybe with 4 seasons on each continent, or with our ability to adjust the earth's line of spin we'll have fewer wars, fewer depressions and far less havoc wrought by nature's discrimination against man?"

"Yes, that should mean for each of us longer life with less pain; a life lived more creatively with less waste"—

So it went, Mr. Speaker. The conversationalists were evidently trying to make proper use of the modern world and all of its opportunities. Or were they waiting for the man with a butterfly net?

Address by Hon. Clarence J. Brown, of Ohio, at Salute-to-Eisenhower Dinner, Wilmington, Del.

EXTENSION OF REMARKS
OF
HON. JOHN J. WILLIAMS
OF DELAWARE
IN THE SENATE OF THE UNITED STATES

Monday, January 23, 1956

Mr. WILLIAMS. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an excellent address given by the Honorable CLARENCE J. BROWN, of Ohio, at a salute-to-Eisenhower dinner held in Wilmington, Del., on January 20, 1956.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

My fellow Americans, it was with genuine pleasure that I accepted the invitation of your splendid chairman of this dinner, Barton Feroe, to come to Wilmington tonight to address the Republicans of Delaware, for my appearance here has given me the opportunity to see many old friends. I am always happy to appear on any platform with your great United States Senator, JOHN WILLIAMS, a man whose civic courage is unsurpassed in the Nation. He has contributed much to bring about honesty and decency in the affairs of Government.

It is also pleasing to come to the State which gave to our national life such outstanding legislators and statesmen as my old friends, Dan Hastings and John Townsend. Both gentlemen were, and still are, giants in governmental affairs. Both were outstanding leaders during their service in the United States Senate, and were so recognized far and wide.

Then, too, it is a real pleasure to come to the State of which my longtime friend, and former colleague in the House of Representatives, Caleb Boggs, is the able and distinguished Governor. He has given a splendid account of his stewardship during the time he has occupied the Governor's chair. Under his direction your State has enjoyed good government, great prosperity, and almost fantastic growth. Delaware is today the fastest-growing State east of the Mississippi River, with the possible exception of Florida, where I understand they count the tourists. Delaware ranks fifth in the Nation, but even more important, it ranks first in the United States, in the percentage of its citizens who are gainfully employed, and last or lowest in the percentage of those who are unemployed. It is not difficult for any person who wants to work, to find a job at good pay, here in the State of Delaware. Such a condition springs not only from good government on the State, national, and local levels, but also as the result of forward-looking and enlightened industrial and business leadership within your State. And to add to my pleasure is the opportunity it affords for me to renew my friendship with your efficient State chairman, Ed Duffy, who has given to Delaware an effective Republican organization. There is none better in the land.

So I salute you—the political, civic, and industrial leaders of this great State of Delaware, in your forward march toward the fulfillment of your destiny.

We are here tonight to participate with thousands of other Republicans in the more than 60 salute-to-Eisenhower dinners which, at this very moment, are being held across the width and breadth of this land to pay tribute to one of the greatest Presidents this Republic has ever had—Dwight David Eisenhower. Like the immortal Washington, he was first in war when the forces of cruel dictatorship threatened our continued liberties and, in fact, our very existence. Like Washington, he has been and is first in peace, for no one has waged a more valiant battle for the cause of world peace than has our warrior chieftan of World War II—now the President of the United States—Dwight D. Eisenhower. And may I add, ladies and gentlemen, that like the first President of this Republic, Dwight David Eisenhower today comes first in the hearts of his fellowmen. It is due more to his efforts than to those of any other human being in this world, that the guns are now quiet on every battlefront and military planes no longer drop their cargoes of death and destruction.

Dwight D. Eisenhower, as a candidate for President in 1952, told the war-wearied people of the United States and the world that if he were elected he would go to Korea and do what he could to bring an end to the fighting there. There were those who argued, in the height of the campaign, that Mr. Eisenhower was playing politics—that he did not mean what he said. But he kept that promise—just as he has kept every other promise he has ever made. The guns in Korea were silenced in late July of 1953, less than 6 months after Mr. Eisenhower assumed the Presidency of the United States. Nowhere in the world tonight are American boys fighting and dying. True, they stand on guard tonight in many places in this troubled world to protect the security of their beloved country; but they are not being called upon to kill or be killed. Today, under the leadership of a gallant warrior and great statesman—our beloved President—our national defense is stronger; our people are more secure; and the outlook for world peace is brighter, than at any time since World War I first began.

So in the field of international affairs, Dwight D. Eisenhower has brought peace to the United States and hope to the world. While it is an uneasy peace we enjoy, it is a stronger, more secure one than we have had for many years. Under his leadership the people of a free world have united in a determination that the freedom of their governments, and of their individual citizens, shall be maintained and preserved.

On the home front the President we salute tonight has brought a reformation in our governmental affairs that is almost unbelievable. Above all else he has given us honesty and decency in Government. And only those who have served in Washington under past administrations can understand and appreciate the importance of the fiat statement I have just made. The ever-recurring scandals of former years suddenly came to an end when Dwight D. Einsenhower became President, for he brought to Washington with him men of outstanding character and ability, all as part of a team, to help in the gigantic task of remolding and redirecting the affairs of state.

Not only did Ike bring honesty to Washington, but efficiency and economy, as well. For the first time in many years the budget will be balanced this fiscal year, and again next. Federal expenditures have been reduced during the Eisenhower administration by approximately $10 billion a year. The work of Government is being conducted more efficiently and effectively than ever before, with 175,000 less employees on the public payroll. We have a stronger national defense today—with less manpower—than at any time since World War II ended.

During these first 3 years of the Eisenhower administration the Nation has enjoyed the greatest peacetime prosperity in all human history—a prosperity which has been established upon a sound basis. Business and industry have been freed of costly, worrisome controls, and our national economy has been placed, and maintained, upon a high level. Needs of the workingman have been met, and his rights protected and furthered, without bending the knee to corrupt labor bosses, or the placing of unfair or undue burdens upon his employer.

As President Eisenhower starts the fourth year of his administration today, he is in a position where his opponents dare not attack him personally, or his record. Instead they deal in generalities to make such charges as—and I quote: "The Cabinet is made up of millionaires," and "the Eisenhower administration favors the rich against the little man," and so on, ad nauseum.

Perhaps it may be well to look at the record. For 20 years before Mr. Eisenhower came to office we had one party doing a lot of talking about "the forgotten man," and how much it would do for "the little man." I cannot help but wonder if public memory is as short as some people would like us to believe. I do not believe the average wage earner has forgotten what went on during the Roosevelt and Truman administrations, and especially during the postwar years, under Truman, or the effect such activities actually had on his—the wage earner's pocketbook.

All of you here tonight, along with every wage earner, can remember the famous cost-of-living wage increases which came about under the Truman administration, and how our Fair Deal friends boasted of what they were doing for the workingman. If I recall correctly, there were five rounds of those so-called cost-of-living wage increases. Now I ask you, why were they called cost-of-living wage increases? The answer is simple. It is: That the Truman administration deliberately sponsored one of the most terrific periods of inflation this or any other country has ever endured. Between the end of World War II and the end of the Truman administration, the cost of living increased 47.4 percent. Just think of it. I repeat, under the Truman administration, the cost of living increased almost 50 percent—47.4 percent, to be exact. Do you wonder that the American workingman had to have five rounds of such so-called cost-of-living wage increases?

The truth is, the Truman administration had the American workingman on a treadmill. Or, to put it another way, it reminds me of the story about the farmer dangling an ear of corn on a pole just out of reach of his mule's mouth, just to keep him running.

Now let's take a look at the record of the Republican Party and Mr. Eisenhower's administration since he took office 3 years ago today. Let's see what our party and our President have done for the average workingman, or for the little man, if you please.

Inflation under the Truman administration has been stopped dead in its tracks by the sound Republican policies put into effect under the Eisenhower administration. In the 3 years we Republicans have been in power nationally the cost of living in the United States of America has increased less than 1 percent, as compared to the astounding 47.4-percent increase which took place, to the detriment of all, during the 7 years of Truman.

And now, get this: While we were checking inflation, the wise policies put into effect by the Eisenhower administration made it possible for our working people to get wage increases—real wage increases—not phony cost-of-living wage increases. Should you believe this to be only my personal opinion, let me cite my source of information. It is the American Federation of Labor. That great labor organization, in its monthly research report, volume 8, No. 2, issued in February of last year, stated that wage increases—and I quote—"were almost entirely over and beyond the amount needed to compensate for the cost of living." In other words, the AFL disclosed in its official report, that wage increases during 1954 represented the greatest gain in real wages since World War II. And they pointed out that those wage increases had been gained with fewer hours and less work-time loss through strikes, than in any year in recent history.

I repeat, my source of information is the American Federation of Labor. Do you wonder, ladies and gentlemen, that George Meany, president of the American Federation of Labor, said publicly, just a few months later, at a luncheon at the Washington Press Club—and I quote—"Yes, right now we never had it so good."

Let's take one more look at this whole matter of real wage increases. The pre-Eisenhower peak in real wage earnings was $61.28 during the year of 1944, which was the height of World War II. With peace under the Truman administration real wages plummeted nearly $10 a week and did not start back up again until the Korean war had begun. In the last year of the Truman administration real weekly earnings, with the Korean war going full force, averaged only $59.89.

But under President Eisenhower and the Republican Party, in peacetime, with none of our boys fighting and dying, real earnings of the American workers have climbed each year to set a yearly new all-time high, with the result that the latest official figure or real wage is $68.32 per week. I call this doing something for the little man instead of just talking about how much will be done for him, don't you?

But let's look at the matter in another way. Some of our friends of the opposition try to tell us everything is being done for the rich by this administration and nothing for the average American. Well, according to the United States Treasury we have approximately 9,000 millionaires in the United States, out of 168 million people. Last year the motor-car industry of America produced and sold over 8 million automobiles. Now you and I know that the 9,000 millionaires have not bought all of them. At least 8 million motor cars were sold to the little men of the country in 1955. During the past 3 years of the Republican administration, approximately 4½ million new homes have been built in the United States. Now I don't believe anyone can tell you that the 9,000 millionaires in this country are occupying all of those 4½ million homes. Neither are they looking at the 30 million television sets, or using all of the millions of refrigerator and deep-freezes, automatic washers and dryers, and all of the many other appliances which make modern living so much better than it was a few short years ago.

Now the truth is Mr. Meany was right in his Press Club speech. The little man has never had it so good as under the Eisenhower administration.

Of course, that is not all of the story, by any means. The Republican Party under the leadership of President Eisenhower can list scores of other things it has done in the interest of the little man. For example: 10 million more workers have been brought under old age and survivor benefits of the Social Security system, while at the same time the actual amount of retirement benefits has been increased for all. Unemployment coverage has been extended to 4 million additional American workers. Draft calls have been reduced. And let me emphasize that no American boy is being drafted today to be maimed or killed in a futile war.

Taxes have been cut by 10 percent on the average. Numerous benefits have come to the average citizen in the way of reduced excise taxes, and other helpful tax law provisions have been voted. For example, 2,100,000 working mothers can now deduct $600 annually from their income tax report for child-care expense; 1,300,000 parents have been given an additional deduction of $600 where a dependent child earns more than his $600 exemption yer year; 1,800,000 retired people have been given an additional $1,200 annual retirement exemption from taxes, and 8,500,000 families get larger medical expense deductions than ever before, all thanks to the Republican Congress and a Republican President cooperating on the gigantic job of revising and rewriting the Nation's internal revenue laws for the benefit of the average American—the so-called little man.

And on the economic front, let me point out that in the year of 1955 our national product reached the grand total of more than $390 billion. The total of our individual incomes last year was $302 billion. More than 65 million Americans were gainfully employed in December of 1955, and less than 2 million were unemployed, mostly for reasons of their own.

So, if I may use the same sort of an expression as did that great leader of American labor, George Meany—Never did America have it so good as under the Republican administration headed by the man we salute here tonight—our President—Dwight David Eisenhower.

For many weeks now all Americans—and in fact thoughtful persons all over the world in every land and clime—have been concerned over the state of the President's health. There are very few human beings who do not know that in late September the man we honor tonight suffered a heart attack out in Denver, which incapacitated him for some time.

I cannot tell you tonight the condition of the President's heart, but I do know one thing—he has a heart. Not since our Party a 100 years ago gave to the Nation the Great Emancipator, Abraham Lincoln, have we had a President more humane—more interested in the welfare of his fellow men, more religious in mind and nature, more ready and willing to take his difficulties and the troubles of his country to Almighty God in prayer, than the present Chief Executive of the United States, our beloved Dwight David Eisenhower. We know—not as Republicans but as Americans—that he is a good man, that he is a trustworthy man, that he is a man of faith and of courage; that he bears good will toward all men, and that he is dedicated to the pursuit of peace. May all of us here tonight, each in our own way, say a silent prayer that God in his wisdom may strengthen and renew the gallant fighting heart of our President so that he may continue to give to us and to the world the enlightened leadership which has been his during the past years.

So here tonight, not as Republicans alone, but as a grateful people, we give our salute to Eisenhower.

Kiwanis Trophy Award

EXTENSION OF REMARKS

OF

HON. WILLIAM H. AYRES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, January 23, 1956

Mr. AYRES. Mr. Speaker, throughout the world there are many organizations putting forth every effort to make the world a better place in which to live. One of these organizations is Kiwanis International.

Every Member of Congress is familiar with Kiwanis as I doubt if there is a single Member who has not at one time addressed at least one of the Kiwanis clubs in his district.

On Saturday evening, January 21, it was my privilege to attend the annual dinner honoring the past presidents of my own club, West Akron Kiwanis, in Akron, Ohio. Several years ago one of our members, Mr. Ray Fair, originated the idea of presenting a speech trophy each year to one of the members who proved himself to be an outstanding salesman for Kiwanis. It is customary to present the winner with a trophy patterned after the favorite sport in Spain. In the past the following Kiwanians have been so honored: Jacques Belet, Lee Shannon, Walt Garner, John Kistler, Ed Kusel, and Lloyd Oliver.

This year the honor was bestowed on Mr. Austin F. O'Brien. The choice was excellent and I feel confident Mr. O'Brien will uphold the tradition of the honor.

Festival of Music

EXTENSION OF REMARKS
OF
HON. HERBERT H. LEHMAN
OF NEW YORK
IN THE SENATE OF THE UNITED STATES
Monday, January 23, 1956

Mr. LEHMAN. Mr. President, I have prepared a statement commenting on a forthcoming musical presentation on January 30 to be broadcast over the facilities of the National Broadcasting Co. This presentation has considerable significance in the cultural world, and will be heard and listened to by many millions of our fellow citizens. It will bring together a very large number of outstanding artists of our time.

It has been suggested that in recognition of this event, as well as of the general public interest in music, the week of January 30 be proclaimed as Festival of Music Week.

I ask unanimous consent, Mr. President, that the remarks I have prepared for this occasion be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

On Monday evening, January 30, 1956, the National Broadcasting Co. will telecast in color and black and white, over its nationwide facilities, a major presentation entitled "Festival of Music."

Although the chief emphasis of this program is, of course, on music, it will have overtones of education, art, and culture. Because of the scope of this program, the great array of talent to be presented, and the groundbreaking nature of the transmission itself, this NBC undertaking commands our attention and invites reflection.

A century ago America was awakening to the universal language of music. Our forefathers were crowding into small concert halls—into drawing rooms and other available auditoriums, to hear the first performances of Beethoven's Fidelio and Verdi's La Traviata. But an opportunity to see and hear these performances was available only to the privileged few. Still, the national appetite for musical presentations was not to be denied. There were touring companies which appeared in centers of population from one end of the country to the other. Who of that era will forget the barnstorming production of Ben Hur, and the tours of the Metropolitan, Chicago, St. Louis, and San Francisco opera companies? The enthusiasm of those who attended band concerts by John Philip Sousa and the great philharmonic orchestras left their landmark in the thousands of public-park bandstands across the land.

Then there was the phonograph which caught the public fancy, then declined in popularity, then rose again to present heights. Surely it was a wise man who said he preferred to write a nation's songs rather than to make its laws.

Then, in recent years, the inventive genius so characteristic of America produced the television. American inventive genius made it possible, through television, for half the Nation's population to have the finest songs and the most notable performances of the greatest artists brought into their own homes. And now television, the world's seventh scientific wonder has added the brilliant hues of the spectrum—color television—to the conventional black and white.

It would seem appropriate, I think, as a recognition of the possibilities of this new medium, to establish a week in which we may remind our people of the values which can and sometimes do come to them through television—a Festival of Music Week.

The National Broadcasting Co.'s Festival of Music will be an unprecedented color-television transmission which for quality of artistic performance, I am told, will be outstanding. The NBC color-television transmission of Monday, January 30, will last 1½ hours. Mr. Charles Laughton will act as master of ceremonies. He in turn is to present the glories of the world's greatest composers, sung and played by such great artists as Marian Anderson, Jussi Bjoerling, Zinka Milanov, Jan Peerce, Roberta Peters, Gregor Piatigorsky, Artur Rubinstein, Isaac Stern, Rise Stevens, Renata Tebaldi, Blanche Thebom, and Leonard Warren.

Seldom has so distinguished a group of artists been assembled for a single performance.

It might be appropriate, therefore, to take advantage of this significant event and to set aside the week of January 30, by proclamation, as Festival of Music Week.

Education Is a Federal Problem

EXTENSION OF REMARKS
OF
HON. HUBERT H. HUMPHREY
OF MINNESOTA
IN THE SENATE OF THE UNITED STATES
Monday, January 23, 1956

Mr. HUMPHREY. Mr. President, recently in response to an editorial entitled "Education Is a National, Not Federal, Problem," which appeared in the Star, of Minneapolis, Minn., I cited the activities of Federal Government which related to our educational system, with specific reference to legislation developed and passed providing Federal aid to education. I ask unanimous consent that my letter dated January 13, 1956, be printed in the CONGRESSIONAL RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JANUARY 13, 1956.

The EDITOR, THE MINNEAPOLIS STAR,
Minneapolis, Minn.

DEAR MR. EDITOR: Your editorial of Wednesday, December 21, entitled "Education Is a National, Not Federal Problem" deserves further consideration. This editorial was written in reply to my letter of the same date printed in your column Everybody's Ideas.

You may recall that I served as a member of the President's Commission on Intergovernmental Relations. We studied with great care and detail the educational needs of our country, and gave specific attention to the efforts currently being made by the respective States and local subdivisions in order to meet educational needs. Furthermore, we studied the financial needs or capacity of States and localities to further develop their educational structure, including both facilities and personnel.

The primary responsibility for public education does belong to the State and its political subdivisions. The educational system should be close to the people. The management of our schools should rest essentially with the local citizenry. Our public education system is one of the great achievements of our people.

Indeed, education is a national problem. Your second paragraph indicates a lack of understanding as to the American tradition, or an unwillingness to accept the role of the Federal Government in our educational structure. You stated as follows, referring to my letter: "But he also implies that education is a problem for the Federal Government, and there he is at odds with the tradition of America. Financing education is a local and State problem, which on the whole has been handled well at those levels."

Let's examine the role of the Federal Government in education, and see whether or not my conviction that the Federal Government does have a responsibility in the educational field is at odds with the tradition of America.

The legislative milestones in the development of Federal aid to education are as follows:

In 1787 the Northwest Ordnance set aside certain public lands for public education purposes.

In 1826 the Morrill Act provided for grants of Federal land to each State for the establishment of colleges specializing in the subjects of agricultural and mechanical arts. Our own University of Minnesota is such a college.

1867: Congress established an independent Federal Department of Education. Its name was officially changed to the United States Office of Education after 1929.

In 1917 the Smith-Hughes Act established the first program of Federal grants-in-aid to promote vocational education in public schools. This in turn was strengthened and expanded under the George-Barden Act.

In the 1930's the Public Works Administration made loans and grants for school construction, and the Federal Emergency Relief Administration, along with the WPA, provided funds for school construction plus adult education and nursery school programs.

1936: The George-Barden Act.

In 1940 the Lanham Act, which authorized athletic aid to local governments for construction, maintenance, and operation of school facilities.

In 1944 the Servicemen's Readjustment Act, commonly known as the GI bill of rights, set up a program of additional benefits for World War II veterans, and later extended to veterans of the Korean war.

In 1946 the National School Lunch Act authorizing aid in the form of funds and food to cities for use in school-lunch programs.

In 1950 Public Law 874, authorizing Federal payments for maintenance and operating costs of schools overburdened by increased enrollment resulting from Federal activities.

Also in 1950, Public Law 815 authorizing grants to States for construction of schools in federally affected areas. Both of these laws have been extended.

In 1954 Public Law 530 authorizing the White House Conference on Education, along with Public Law 532 establishing a 9-member advisory committee on education.

This is but a brief review of some of the activities of the Federal Government directly relating to our educational structure. Again, I should add that our vast programs for scientific, technological and medical research are not included in the above listing of legislative enactments. The scope of our research programs is growing every year, and the amount of funds appropriated runs into the millions. Surely, Mr. Editor, it is within our tradition for the Federal Government to have an important role in education—a tradition which started in 1787 and continues to this day—a tradition which was recently reaffirmed by the reports and conclusions of the White House Conference on Education.

Until the 1930's the overwhelming share of school revenues were obtained at the local independent school district level. Then came the period of State aid to the local schools. State aid was bitterly opposed, but the economic necessities of a modern school system equipped to meet the growing population brought acceptance and approval of State aid.

The impact of the depression and World War II, along with the postwar surge in population, placed tremendous burdens on our school system. There can be no doubt as to the shortage of school facilities, despite a major school construction program by local school districts. It is common knowledge that our classes are overcrowded, that our teacher shortage is growing every year, that our colleges are not graduating an adequate supply of new teachers to fill the gap and to replace those who are retiring.

Here are the facts as reported in the Congressional Quarterly for February 1955. Since then, the situation has grown even more critical despite the enlarged program of local school districts and States.

A report by the United States Office of Education shows that in the fall of 1954 there were 2,600,000 pupils in excess of normal school building capacity in the United States. About 9 percent of all pupils were being accommodated in makeshift or improvised quarters. Nationwide there is a shortage of over 340,000 classrooms. An additional 58,000 teachers were needed in 1955. The teacher total is diminishing rather than growing in relation to pupil population. It is estimated that in the next 5 years approximately 620,000 public elementary and secondary classrooms and related facilities will be needed. The 1955 building program was scheduled to produce about 60,000 classrooms, far short of current needs without taking into consideration the lag in construction during the depression and war and immediate postwar years, or the future growth of the population.

Again quoting from the Congressional Quarterly: "While school needs are essentially a State and local community problem, the Federal Government has played a major role in promoting education. For example, in fiscal year 1953, Federal expenditures for education in the States totaled $1,200,000,000. The bulk of the Federal funds, $725.6 million, were for education of veterans. Other major items were support of land grant colleges, vocational education and payment to the States for school construction and maintenance in federally affected school districts. This figure does not include the vast sums of money appropriated by Congress for research, much of which was allocated to our universities and technical schools.

I know of no public or lay spokesman who is recommending that the Federal Government take over the responsibilities for our public school system. However, our public education program is in trouble due to inadequate facilities, shortage of teachers, and lack of adequate local and State revenues. To be sure, some of the States could do a better job than they are doing. Federal legislation should not be designed to relieve States and local governments of their responsibilities. Federal aid should be supplemental and not replacement. Federal aid to public education should in the main be limited to school construction needs. Control over school management, curriculum, and educational program must remain in the hands of the local community and its appropriate school agency. There is no evidence that would lead one to conclude that Federal aid means Federal domination. Our land-grant colleges have not been dominated by the Federal Government. Our vocational education programs are not dominated or managed by the Federal Government. Yet, in both of these areas of education the Federal Government has made a sizable contribution.

Regrettably, many States and localities are restrained by constitutional and charter limitations in providing the necessary funds for school purposes. Theoretically, one can argue that city charters and State constitutions should be changed, and indeed this should be done. In the meantime, our public education structure continues to deteriorate and becomes evermore inadequate to meet the heavy increase in school enrollment. The Federal Government is the people's Government; it belongs to the people. The Federal Government is responsive to public opinion and public will, yes, even more so than some State and local governments. The Congress is elected by the people, just as is a State legislature. The President is elected by the American people, just as is the governor by the people of his State.

Our Nation is becoming evermore integrated. The American people move from one area to another. Our system of commerce and transportation has united this country into one great Nation. Education is a national problem, and the provision of proper educational facilities is the responsibility of the people of this country acting through their instrumentalities of government. While editors and Senators, governors and Presidents, Congressmen and legislators argue over Federal aid to education, our school system suffers and remains inadequate. We are in a struggle for survival. We need a strong, intelligent, and well-informed citizenry. We need competent scientists and technicians. We need, above all, equality of opportunity for education. That equality of opportunity is being denied today to millions of our young people—young people who are called upon to serve in the defense of this country; young people who may reside in our State or some other State in the years to come; young people who will be called upon to shoulder burdens of yet unknown and uncharted proportions in the future.

I suggest we bring this argument on Federal aid to education to a halt and get on with building the schools, training the teachers, providing scholarships for talented men and women, expanding our programs of research and development, equipping our universities and institutions of higher learning to meet an unprecedented enrollment. A rich and prosperous America can afford to pay the bill. Our failure to pay this bill could well result in jeopardy to our national security and long-term national prosperity. Education is a sound investment. There are no cutrate prices nor bargain-basement sales on the development of talent, skill, and good citizenship.

Sincerely yours,

HUBERT H. HUMPHREY.

Educational Benefits for Veterans

EXTENSION OF REMARKS

OF

HON. EDMUND P. RADWAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, January 23, 1956

Mr. RADWAN. Mr. Speaker, for the past several weeks I have been working intensively on a bill which I consider most essential to the continued progress and security of our Nation. Today I was privileged to introduce it for the approval of the Congress. It is entitled "A bill to extend the educational benefits of the veterans' Readjustment Assistance Act of 1952 to all veterans of the Armed Forces who have served therein since June 27, 1950." Because the purposes of this proposal can easily be hidden behind such an austere title, I would like to explain them briefly.

As you all know, Congress passed a bill during the closing days of World War II which was intended to show our 11 million citizens under arms the Nation's appreciation for their victory, and to lend them a helping hand as they returned to civilian life. That was the purpose of the "GI bill of rights," as it was promptly dubbed, but as it turned out, the Nation could not have done itself a greater favor in its efforts to aid the veterans. Just as an example, the 7,800,000 veterans who took advantage of the education and training program are now paying back the cost of that program, because their education has permitted them to attain an income level at which they are paying an extra billion dollars in Federal income taxes. These benefits were revived for the Korean vet, and then once again permitted to expire.

For some time, as my constituents are aware, I have been concerned with several serious national problems. It is said that Russia has now surpassed us in the education and training of scientists and engineers, and that they are at the present time training over twice as many engineers as we are. Everyone knows that science and engineering is the key to survival in this scientific world.

Another problem is represented by our need to keep our guard up in this period of so-called peace. It is difficult to make the Armed Services attractive to our young men when we are technically at peace. Still a third problem lies in the fact that we have and probably will continue to have a serious shortage of doctors in this country. A fourth problem exists in the need to aid and improve our

educational system generally. The recent White House Conference on Education, and the constant efforts to bolster our colleges and universities are ample proof of that. Finally, as I indicated above, we have been a Nation that has always shown gratitude to its veterans.

My purpose in introducing the above-described bill is to extend the education and training benefits of the GI bill to all veterans of the Armed Forces. Rarely does one enactment serve so many useful purposes. It should certainly encourage enlistments in the Armed Forces, and at the same time encourage many who would otherwise not receive a higher education to acquire training in the sciences and engineering. As happened after World War II, many beneficiaries of the act will undoubtedly study medicine. The Nation's colleges and universities will receive a much needed helping hand, and the veteran will know that his gift of a period of service is not unappreciated. The overall benefit to the Nation will be incalculable.

I have long been active in veterans affairs and have served on that committee in the House. I can sincerely say that I never experienced greater satisfaction in presenting a bill concerning the veteran.

Civil Service Week

EXTENSION OF REMARKS
OF
HON. GEORGE M. RHODES
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, January 23, 1956

Mr. RHODES of Pennsylvania. Mr. Speaker, under leave to extend my remarks, I would like to include a speech by the distinguished chairman of the Senate Post Office and Civil Service Committee, Senator OLIN D. JOHNSTON, which he made January 21, 1956, at a banquet held in the Willard Hotel, Washington, D. C., observing the 73d anniversary of the establishment of the Federal civil service.

Senator JOHNSTON'S speech follows:

Mr. Chairman, distinguished guests, ladies, and gentlemen, it is a real pleasure for me to be here tonight and join with you in observance of the 73d anniversary of the establishment of the Federal civil service.

I think you will agree with me that we have come a long way since 1883—when the Civil Service Act was first signed into law—the purpose of which was to make Government service attractive to able men and women who wished to make the public service a career.

I am equally confident you will agree that from time to time the road has not always been an easy one—that on occasions the rate of progress and record of accomplishments have not always been as accelerated or productive as we would have liked.

We all can recall very recent instances of roadblocks that have been erected to slow down and even untrack the civil service system.

Yet—today our civil-service system is given almost unanimous public acceptance. Any thinking man or woman—in the Federal service or outside—is well aware that the caliber, integrity, and ability of the great rank and file of our career Government employees are not merely above reproach, but are outstanding.

I know that all of us are constantly acknowledging the progress and achievements of private industry.

But how many of us are familiar with, or even aware of the record of contributions by Federal workers to this amazing parade of industrial progress.

Private industry and management are thoroughly aware of it.

Hardly a day passes that some industry representative or technician, from almost any field of endeavor one cares to mention, is not seeking guidance and help from Government experts—career employees.

Unfortunately, my dear friends, despite its wide acceptance, there has been—and only too recently—a disposition in some quarters to discredit the civil-service system and Government employees. We noted with considerable alarm—efforts, blazingly unfolding before our very eyes, to wreck the civil-service law, throw out thousands of loyal, competent employees, and return Federal employment to the chaotic political spoils system from which it had emerged some 73 years ago.

Tampering with the public career service should not be entered into lightly. Certainly it is not an undertaking to be attempted by any political party.

It was my great pleasure to appear also at last year's civil-service anniversary observance.

At that time I expressed my deep concern over the misleading, unfair and un-American operation of the administration's so-called security program for Federal employees. I referred to the reporting of security statistics as the numbers game.

It is now 1 year later. And tonight, my friends, I think I can say with calm assurance that the American people have at long last been given the facts.

The record is now clear.

Swept away is the smokescreen of political intrigue and deliberate confusion.

No longer will anyone be taken in by politically motivated, deliberate misleading and unwarranted attacks on Federal employees. Not only has the web of confusion been swept aside, but exposure of repeated injustices to loyal, patriotic, competent employees has made those in charge of this program of planned deception more cautious and less eager to smear, without cause, the reputations of employees they wanted to be rid of for reasons which were solely political and had not the slightest relationship to national security.

I am happy to be able to say that our investigation of the security program has resulted in making the air in Washington somewhat cleaner this year.

In this respect, I want to take just a moment to pay tribute to the press, particularly the reporters in Washington, D. C. True to their finest traditions, they were not fooled by the political camouflage. They probed deep and exposed to public opinion the injustices, the outrages which were being attempted in the name of national security.

I have stated many times before—and I repeat it again—that politics are, and should be, a basic part of the operations of our Government, whether it be on a National, State, or local level. They are an integral part of the two-party system which has made the economic and social health of our great country so sound and progressive.

And it follows that patronage jobs are an elementary part of our political system. However, I say most emphatically, that the practice of patronage jobs should be confined only—and solely—to positions of topmost or policymaking level.

I am unalterably opposed to the philosophy that has sprung up during the last 2 or 3 years of claiming all Government jobs as political plums. That eligibility for Federal employment be considered on the basis of party affiliation and contributions. I am opposed to this type of job clearance or approval for either party—Democrat or Republican.

When the 84th Congress convened a year ago, the morale of the Federal career service was at low tide. The service had been visited by patronage raids and jobs both high and low were under scrutiny for merger with schedule A, B, or C.

The pay raise approved by Congress with enthusiasm only a few months earlier had evaporated like the morning dew with the rising of the sun.

Several administration bills enacted by the 83d Congress were found to be deficient or unworkable. Career employees were well aware of the frigid atmosphere sweeping down upon them from above.

In that setting there is little wonder that the future seemed dark and void of any real chance of improvement short of another 2 years.

When I stood here on this platform 1 year ago, I promised you that the 84th Congress had drawn a plan of definite objectives for strengthening and reestablishing the civil-service laws toward the purpose for which they were created—as well as generally improving the lot of Federal workers.

They were not idle words, nor empty promises.

The recorded accomplishments of the 1st session of the 84th Congress are unsurpassed and unparalleled in American legislative history.

We did not choose to wait for 2 years but moved with dispatch to improve immediately the lot of the Federal career employee by approving an unprecedented number of beneficial, needed, and workable measures.

Among such enactments were:

A bill to provide pay increases to career employees under the Classification Act of 1949.

A bill to increase the pay and provide other benefits to our postal employees.

These two pay bills marked the third attempt on the part of Congress to obtain a pay increase for Federal employees—for on two previous occasions similar bills were snuffed out by Presidential veto.

Additionally, the 84th Congress approved:

A bill to amend the Employees Uniform Allowance Act so as to make its benefits available to all employees who are required to wear a prescribed uniform.

A bill to amend the Life Insurance Act to protect the policies of thousands of Federal employees who were members of various beneficial associations.

A bill to require the Civil Service Commission to grant career appointments to a large number of employees who were denied conversion under the administration's program.

A bill to give persons now retired or who retire in the near future benefits equal to the increase in pay given to active Federal employees.

A bill providing for the purchase of bonds at Government expense to cover officers and employees.

The 84th Congress also approved:

A bill to increase travel allowances and a number of other measures of importance to certain groups of Federal employees.

I believe there is rather general agreement that the list of accomplishments during the 1st session of the 84th Congress in behalf of the career service is an imposing one.

But let me hasten to add that much is yet to be desired and I am so bold as to predict here and now that much will be accomplished during this, the 2d session of the 84th Congress.

We have established a group of experts to study the Civil Service Commission and its administration of the civil service law. To

assist in this endeavor, I am inviting five outstanding Americans to volunteer their services as advisors and consultants to the committee for this study. I am happy to announce that your own president—my good friend and advisor Jim Campbell—has agreed to represent the Federal employee groups on this Advisory Council. The committee will make its report and recommendations later in the year.

This is also an appropriate time and occasion to announce that public hearings on S. 2875, the bill I introduced to revise the Civil Service Retirement Act from stem to stern, will be held February 1, 2, and 3.

It is my hope that the bill can be reported by the Post Office and Civil Service Committee within a few days after conclusion of the hearings and then be called up for consideration in the Senate soon thereafter.

The bill has many good features, some of the more important of which are:

1. It raises the factor for the computation of annuities for employees generally from 1½ to 2 percent.

2. It permits optional retirement after 30 years of service regardless of age under a vastly more favorable reduction formula for each year the employee is under the age of 60 at the time of retirement.

3. It provides for immediate annuities to employees who are separate through no fault of their own with 25 years of service regardless of age and to employees with 20 years of service who are 50 years of age or older.

4. It establishes minimum benefits for employees retired because of total disability.

5. It provides automatic cost-free annuities to surviving spouses up to one-half of the first $4,000 of an employee's annuity.

6. It increases the benefits payable to surviving children by one-third.

Finally, the bill corrects many inequities in a number of areas.

In conclusion I wish to express the hope that during the current session of the 84th Congress we will be successful in obtaining enactment of:

1. Legislation to provide health insurance to Federal employees on a joint Government-employee contributory basis.

2. Legislation to guard against unjustified salary cuts as a result of the downgrading of an employee's position.

3. Legislation to provide longevity increases to wage-board employees.

4. Legislation to provide proper employee union recognition.

5. Legislation to redirect, reorganize, and revitalize the Civil Service Commission to the end that it once again will measure up to its responsibility as chief architect and protector of the civil-service merit system.

Any contribution I can make to the enactment of the legislation program outlined above is more than justified on the basis of the contribution made by our body of career employees toward making ours the greatest Government on the face of the earth.

I thank you.

1956 Economic Report of the President

EXTENSION OF REMARKS
OF
HON. HENRY ALDOUS DIXON
OF UTAH
IN THE HOUSE OF REPRESENTATIVES
Monday, January 23, 1956

Mr. DIXON. Mr. Speaker, President Eisenhower's 1956 Economic Report clearly indicates that the goals of maximum employment, production and purchasing power envisioned by the Employment Act of 1946, were achieved by the economy in 1955. As the President indicated, we are now upon the threshold of a $400 billion economy. Of particular interest and concern to all of us is the fact that our economic achievements in 1955 in terms of increased output and employment were accomplished without price inflation.

Mr. Speaker, the dollar value of all goods and services created by the economy in 1955 gives a clear indication of the very rapid advances made in the recovery and expansion phases of the business cycle. The Gross National Product which is a measure of the value of the production created was $387.4 billion in 1955. This was nearly $27 billion above the value of all goods and services produced in 1954. It is clear, Mr. Speaker, that the economic projections of the prophets of gloom and doom missed their mark by wide margins, and I am sure as the economy continues to expand in 1956, that the people will realize the political nature of their prophecies which we can also expect to magnify out of proportion the soft spots which always are present, even in an expanding economy.

I am sure all of us are greatly cheered by the President's statement that total employment rose by over 3 million and unemployment declined by one-half million between the last 3 months of 1954 and the corresponding months of 1955. As you already are aware, Mr. Speaker, total employment during 1955 reached an alltime record high of 65 million. This in spite of the fact that additions to the civilian labor force increased by over 2½ million.

One indicator of the general prosperity which prevailed in 1955 and which accompanied this steady increase in employment was the increase in the average workweek. This resulted in considerable overtime work, especially in the latter part of 1955. These two factors, combined with a steady rise in average weekly earnings, brought labors' income earnings to record levels in almost all industries.

But of equal importance, Mr. Speaker, was the fact that unemployment as a percentage of the civilian labor force declined from 5.2 percent during the first quarter of 1955, to 3.4 percent for the last 2 quarters of the year. This is the level of unemployment, Mr. Speaker, which is below that which most economists point out is normal for years in which the country is free from war or severe economic recessions. The 2.3 million unemployed during the last quarter of 1955, although regrettable, consists primarily of new entrants into the labor force and those in the process of changing or shifting jobs to new industries or occupations because of technological advancements. The simple facts are that unemployment is near an irreducible minimum.

Another indicator of the well being of the economy is measured by the purchasing power which people have to buy goods and services. In 1955 disposable incomes, that is that income which people have to spend or save after paying all taxes, increased by $14.4 billion over that prevailing in 1954, setting a new record of $268.2 billion. But most important of all, Mr. Speaker, was the fact that although disposable income and resulting expenditures reached new levels, the price level index remained relatively stable.

It is small wonder that President Eisenhower was able to report to the American people in his 1956 economic report that—

Full employment, rising incomes, and a stable dollar have been cherished goals of our society. The practical attainment of these ideals during 1955 was the year's greatest economic achievement.

The President's statement—

It is reasonable to expect that high levels of production, employment, and income will be broadly sustained during the coming year.

Is equally encouraging.

Text of President's Talk at GOP Salute Dinner

EXTENSION OF REMARKS
OF
HON. JAMES C. AUCHINCLOSS
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Monday, January 23, 1956

Mr. AUCHINCLOSS. Mr. Speaker, I appreciate the permission of the House to extend my remarks in the RECORD and include the address made by the President of the United States on the occasion of the salute to Eisenhower dinners held in many parts of our country on January 20, 1956.

Of course, this was a partisan affair, perhaps the largest of its kind ever held, and in his brief address the President was at his best. In it he revealed the sincerity of his character which has profoundly impressed the people of our country; he stated in simple language his philosophy of government; and he showed in no unmistakable terms the reverence for duty and service to his country which have dominated his entire life. Americans everywhere admire and respect such devotion, free from the taint of personal ambition, and his underlying and undying resolution to do the right as "God gives him the power to see the right." Yes; it was a partisan occasion, but President Eisenhower spoke as a dedicated American, and his principles are enshrined in the hearts of us all.

The above-mentioned address follows:

TEXT OF PRESIDENT'S TALK AT GOP SALUTE DINNER

Thank you, thank you very much indeed. Mr. Vice President, Chairman Hall, my very dear friends here and throughout the United States, in this past half hour, on the magic carpet of television, I have traveled around the country, recognizing faces of old friends hundreds of miles distant, recalling visits to cities as I glimpsed them on the screen, feeling the enthusiasm and warm friendship of so many thousands whom I have never met. I wish I could meet them so that I might personally say to each, "Thank you."

In fact, my friends, all my friends, after such a tribute as has been paid to Mrs. Eisenhower and to me this evening, the heart is so full that it is indeed dangerous to try to say more than "thank you." I shall let it go at that.

GRATEFUL TO ALL

Naturally, I have been deeply moved through the flying minutes of this electronic hour. I am grateful to everyone—the Republican clubs, and all the organizations and individuals and their friends—who, directly or indirectly, participated in this salute.

But my deepest emotion is concerned with things not shown by the TV cameras, things of the mind and heart and spirit—the memory of millions of our people—Republicans, Independents, and Democrats—who in 1952 worked tirelessly to make reality of their ideas of good Government; the memory of men and women who stirred their friends and communities to action and who—when the election was done—returned to their jobs and their homes, quietly performing the work of America, raising their families, discharging their responsibilities of citizenship, living worthy, rewarding lives.

Those many millions made possible the event whose anniversary you observe today. They are the basis and the strength of what so many have called a new era. They brought fresh vigor to the political life of America with their vision, energy, and dedication. We in Washington—inspired by them—have sought to be worthy of their trust. The heartfelt thanks of everyone at these dinners tonight goes to them. They, in the homes of America, are the ones who truly merit a great salute.

During recent months I have had an unusual, even an enforced, opportunity to ponder on many subjects—the essential goodness and honest purposes of people; the common bonds that join all Americans, regardless of ancestry, faith, or politics; the anxiety of multitudes, at home and abroad, to encourage and pray for one stricken by illness; the unity of aspirations that binds humanity together.

DEFENSES ARE ALERT

In pursuit of these aspirations, we in the Federal Government strive with all our strength to convert the uneasy peace in which we live to one that is genuine, based on the great moral principles of justice and right. Knowing well that true peace cannot be achieved by retreat from reality and responsibility or by desertion of friends, we make certain that our defenses are alert and strong; that our partnerships with others are based on deep friendships and common great purposes; that gradually the truth of our Nation's peaceful goals and our respect for the rights of others is brought to all peoples of the earth. Let no one be in doubt; this struggle for peace will be waged relentlessly by Americans of all parties and all creeds until at last success shall crown our efforts and reward our faith.

At home we enjoy prosperity; not the false prosperity of a dizzy inflation or of economic activity based mainly on arms spending; not the tragic prosperity of a few who can squander and of millions who must pinch; rather, the genuine and widely shared prosperity of an immense productivity for peacetime satisfaction of human needs.

This record is the product of an industrious citizenry, supported in the Federal Government by a program designed for progress, and dedicated to integrity, to concern for every individual, to faith in America and its principles.

Many tasks still await action. Problems involving sectors of the home front and relationships abroad demand the earnest and sympathetic attention of all Americans. Thus the present and the future are heavy with challenge, rich with opportunity. We must not relax merely because the general record is good.

For every good citizen, his party is, or he wants it to be, an instrument for genuine service, united in its devotion to a program that preserves intact the vital principles of the American creed; that attacks every problem in the light of those principles; that recognizes inescapable change and meets it; that believes in the dignity of every individual, in his equal right to justice and fair play, in his equal opportunity for the exercise of his talents, in his right to proper sharing in the Nation's prosperity. This is my conception of the Republican Party on this January 20, 1956. As long as our party lives by these principles and dedicates itself to these goals, it will continue to draw into its ranks in ever-increasing numbers, men and women of idealism from every walk of life and from every section of our country.

PONDERS HIS ROLE

As we move toward the solution of existing problems, my own future role in our party remains undetermined; whether to be a candidate for your nomination or a worker in the ranks. I could devoutly wish that there were some method by which the American people could, under the circumstances, point out the path of my true duty. But it appears that this is a question that first I alone must answer.

That answer will be forthcoming as quickly as it is firmly fixed in my mind. I trust that it will not unduly reflect concern for self, and I pledge that in whatever capacity I shall serve, I shall support with all my strength the foreign and domestic programs for America that have been the guide of all of us for these past 3 years. That work must go on to fruition, in the interests of all Americans.

Again my warmest thanks to all of you.

Extension Through June 30, 1957, of Poliomyelitis Vaccination Assistance Act

EXTENSION OF REMARKS
OF
HON. J. PERCY PRIEST
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Monday, January 23, 1956

Mr. PRIEST. Mr. Speaker, I have today introduced a bill to extend through June 30, 1957, the duration of the Poliomyelitis Vaccination Assistance Act of 1955—Public Law 377, 84th Congress. The present terminal date contained in the act is February 15, 1956.

In view of the fact that little time is left before the expiration of Public Law 377, 84th Congress, the Subcommittee on Health and Science of the Committee on Interstate and Foreign Commerce has scheduled hearings on the bill, which I have introduced today, to begin Tuesday, January 24 at 10 o'clock.

The extension of the Poliomyelitis Assistance Act has been requested by the Secretary of Health, Education, and Welfare and, in introducing this bill, I would like to make public the letter dated January 19, 1956, signed by the Secretary of Health, Education, and Welfare, and addressed to the Speaker requesting introduction of the extension bill:

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
January 19, 1956.

Hon. SAM RAYBURN,
Speaker of the House of Representatives.

DEAR MR. SPEAKER: I am enclosing for your consideration a draft of a bill to amend the Poliomyelitis Vaccination Assistance Act of 1955 (Public Law 377, 84th Cong.). The proposed amendments would extend the terminal date for the availability of funds appropriated for carrying out the purposes of the act, but would not otherwise modify the original program authorization.

The present terms of the act authorize the appropriation of such sums as may be necessary for making payments to States which have submitted, and had approved by the Surgeon General, applications for Federal grants. Sections 2 and 6 of the act, however, contain provisions terminating the availability of funds appropriated for this purpose on February 15, 1956. The Supplemental Appropriation Act, 1956 (Public Law 219, 84th Cong.) included an appropriation to the Public Health Service of $30 million for "grants to States for carrying out the purposes of the Poliomyelitis Vaccination Assistance Act of 1955."

The legislative history of both the enabling legislation and the appropriation for carrying out the purposes of the act indicates that it was the intent of Congress to authorize and initiate immediately a program of Federal assistance to States but to provide an opportunity for reviewing program developments early in the second session of the Congress before completely implementing the Federal grant provisions of the act. Thus the objective of program review is the apparent reason for the inclusion of the February 15, 1956, time limit on the availability of appropriations, as well as the limitation of the initial appropriation to an amount sufficient to provide the several States with approximately half of the allotments indicated by section 3 of the enabling act.

On the basis of our experience to date, we believe that the enabling legislation provides an adequate base for program planning and administration, and we see no need for amendments other than the proposed extension of the time limit on availability of funds.

The progress of program development thus far has been contingent upon two key factors, apart from the availability of Federal funds: (1) the development and approval of State plans under the act and (2) the rate of production of vaccine required for State vaccination programs, as well as for distribution through private channels.

The progress of State plan development to date has been very satisfactory. With one exception all States have completed, and had approved, their plans for vaccination programs, and have initiated their programs of vaccine purchase and distribution. As of December 31, 1955, Federal payments totaling $7,674,766 had been made to these States from the initial appropriations for this purpose. Further progress in the implementation of these programs will therefor be governed primarily by the availability of vaccine.

The volume of vaccine production and release during 1955 was limited but it is expected that the rate of production will now accelerate. Through December 31, 1955, a total of 16,390,608 cubic centimeters of vaccine had been released for sale to public agencies and commercial users (in addition to the 13,571,223 cubic centimeters of vaccine supplied to the National Foundation for Infantile Paralysis). Approximately 53 percent, 8,750,000 cubic centimeters, has been reserved by the States for public agency purchase. It is presently estimated that by February 15 of this year, the amount of released vaccine reserved for public agency purchase will aggregate approximately 15 million cubic centimeters. This will be about one-fourth of the total required for implementation of the federally aided vaccination programs indicated by the allotment formula in section 3 of the Poliomyelitis Vaccination Assistance Act. The purchase of this amount of vaccine, together with additional State program expenses authorized by the act, will require payments to the States by February 15 of approximately half of the $30 million appropriated last year.

On the basis of present data on prospective vaccine production, we are recommending that the availability of funds appropriated pursuant to the act be extended through June 30, 1957. This should allow ample time for vaccine production to reach the required levels and for the available supply to be distributed and administered.

We shall appreciate it if you would refer the enclosed draft bill to the appropriate committee for consideration.

The Bureau of the Budget advises that enactment of this proposed legislation would be in accord with the program of the President.

Sincerely yours,

M. B. FOLSOM, *Secretary.*

D'Ewart Is Well Qualified to Serve as Assistant Secretary of the Interior

EXTENSION OF REMARKS
OF
HON. ORVIN B. FJARE
OF MONTANA
IN THE HOUSE OF REPRESENTATIVES

Monday, January 23, 1956

Mr. FJARE. Mr. Speaker, under leave to extend my remarks, I would like to call the attention of my colleagues to the excellent qualifications of Mr. Wesley A. D'Ewart for the position as Assistant Secretary of the Interior. A brief résumé of his varied activities follows:

CONSERVATION AND LEGISLATIVE BACKGROUND OF WESLEY A. D'EWART, ASSISTANT SECRETARY OF THE INTERIOR FOR PUBLIC LAND MANAGEMENT

More than four decades of firsthand experience with natural resource conservation and development were brought to the Department of the Interior by Wesley A. D'Ewart, of Montana, who on October 6, 1955, was sworn in as Assistant Secretary for Public Land Management.

This experience dates from 1912, when he became a forest ranger, until 1955, when he served as a Special Assistant to the Secretary of Agriculture, which position he left to accept the appointment as Assistant Secretary of the Interior. During the intervening years, Mr. D'Ewart engaged in ranching in Montana, was a member of the State legislature, a member of the State College Advisory Committee, president of the Absaroka Conservation Committee and a Member of Congress. As a rancher he put together a cattle operation which he still owns and which is managed by his son. On this property he carried out the best soil and water conservation practices, reseeding at his own expense over 1,000 acres of his range, building a water storage reservoir and carefully managing his grasslands so as to greatly increase their productivity.

As a member of the Montana State Legislature's House of Representatives for 3 terms and of the State senate for 2 terms, Mr. D'Ewart served on committees concerned with resource development and management. Montana has a State water conservation board that has a national reputation for the development of small water and irrigation projects. Mr. D'Ewart took an active interest in this and supported legislation and appropriations to strengthen the work this agency was doing. During this time he was instrumental in organizing and was first president of the Montana Reclamation Association. This association has taken a very active part in supporting the State Water Board and the Bureau of Reclamation in developing the water resources of Montana. Montana has 5 million acres of State-owned land. Mr. D'Ewart as a member of the State legislature, made a study of their management and operation and sponsored legislation to improve their operation.

Mr. D'Ewart was elected to the United States Congress in a special election in 1945, and served continuously until January 1955. Throughout this decade in Congress, Mr. D'Ewart was a member of the House Committee on Interior and Insular Affairs, or its earlier counterparts. This committee is charged with the conservation, development, and operation of the vast Federal public domain of the United States and its Territories. As a member of this committee he made official visits to many of the national parks, and Indian reservations ranging from Alaska to Florida. On committee business, he toured Alaska, Puerto Rico, Hawaii, and the Virgin Islands, and became familiar with matters affecting those areas which came within his jurisdiction as Assistant Secretary.

As a Member of Congress Mr. D'Ewart made many positive and constructive contributions to conservation and land management. In the 83d Congress alone he introduced, and the Congress enacted, nine bills to protect, enlarge, and improve the management of the national parks. Despite his advocacy of reduced spending in almost every Federal activity, Mr. D'Ewart testified, debated, and voted in favor of increased appropriations for the National Park Service and the Forest Service in every session of Congress during his term of office. In 1954, when the Atomic Energy Act amendments were about to be passed, it was Mr. D'Ewart who rushed through a last-minute amendment to protect the national parks from uranium prospecting. It was a D'Ewart bill which, by authorizing the National Park Service to obtain by exchange some 10,000 acres of State-owned land inside the boundaries of Glacier National Park, will enable the National Park Service to preserve the integrity of the park. For this action he received the thanks of all of the major wildlife and conservation groups, as well as the Department of the Interior itself.

Mr. D'Ewart has been a stalwart proponent of the wildlife refuge system. During the last session in which Mr. D'Ewart was a Member of Congress, he introduced what many conservationists regard as an outstanding bill to facilitate the management of our wildlife refuges. The bill provided also for an increase in the number of refuges by establishing a new Division of Duck Stamp Fees, which would provide funds for administration of the areas. The bill he first introduced was the basis for legislation pending in the present Congress.

One of the most important conservation measures enacted into law in recent years was Public Law 167. This law corrects the widespread abuses of the mining laws, particularly in the national forests. While in Congress, Mr. D'Ewart introduced and held hearings on a bill intended to end these abuses of the mining laws. Although his bill was not enacted, the attention it brought and the information brought forth in its consideration were beneficial and led to the introduction of a bill similar in form and intent which became law in the 84th Congress. As Special Assistant to the Secretary of Agriculture, Mr. D'Ewart also contributed importantly to the enactment of this legislation.

While a Congressman, Mr. D'Ewart was a member of the National Forest Reservation Commission, which has the important duty of blocking out national forest holdings by purchase of private lands lying within or adjacent to them. He gave much time to this program and was instrumental in obtaining expanded appropriations for it.

Mr. D'Ewart is one of the best informed men in the Nation on Indian affairs. He was one of those who was instrumental in the development of the Navaho-Hopi rehabilitation program, and has contributed to the enactment of other progressive measures in this field. While striving to safeguard the interests of those Indians desiring to remain on reservations, he has at the same time supported programs designed to provide increasing opportunities for those Indians who want to separate themselves from any special relationships with the Federal Government.

During his term in office, Mr. D'Ewart sponsored a number of measures, which Congress enacted, to improve public-land management in the Department of the Interior. Among these was the amendment to the Recreation Act, which permits the lease for a long term or the sale or donation of areas of the public domain having recreational value to nonprofit organizations, such as the Boy Scouts.

Assigned to the Assistant Secretary for Public Land Management are a vast and almost infinitely varied scope of responsibilities for conservation and development of the Nation's natural and human resources.

Under his direction are five key bureaus of the Department of the Interior—the Bureau of Indian Affairs, the National Park Service, the Fish and Wildlife Service, the Office of Territories, and the Bureau of Land Management.

In supervising these 5 agencies, the Assistant Secretary for Public Land Management directs the activities of more than 27,000 Department of the Interior employees, or more than half of the Department's total number. He is responsible for the custody or management of almost a billion acres of land; the welfare of 400,000 Indians; the administration of 176 national parks, monuments, and similar areas, the administration of 5 territories, numerous island possessions, and 96 trust territory island units; and the conservation of vital fish and wildlife resources.

Some indication of the responsibilities vested in Mr. D'Ewart as the Assistant Secretary for Public Land Management:

The Bureau of Land Management has exclusive jurisdiction over 486 million

acres of unappropriated, unreserved public lands, varying degrees of responsibility for 300 million acres of reserved lands, and administrative jurisdiction over 58 million acres of acquired lands. This is a total land area of 826 million acres.

Land responsibilities of the Department of the Interior are varied. The Bureau of Land Management, for example, not only issues leases on public lands and processes withdrawals, but under the mining and mineral leasing laws it leases the minerals on public domain lands. An important phase of this latter activity in recent months has been the conduct of lease sales on the outer Continental Shelf, the first three of which returned more than a quarter of a billion dollars to the Federal Treasury in bonus bid payments and first year rentals.

Through the granting of grazing permits, the Bureau has numerous range responsibilities. It also carries out sustained yield forest management of timberlands under its jurisdiction.

The Bureau of Indian Affairs is responsible for 53 million acres of Indian land held in trust by the United States. It manages 300 reservations or similar areas located in 25 States. Activities of the Bureau of Indian Affairs include: Acting as trustee with respect to Indian lands and money and assisting the owners in making the most effective use of their lands; providing public services where needed; furnishing guidance and assistance to those Indians who wish to leave reservation areas; and collaborating with the Indian people in the development of programs leading toward full-fledged Indian responsibility for the management of their own property and affairs as well as the gradual transfer of public service responsibilities to the agencies which normally provide these services for non-Indian citizens.

The National Park Service administers 21,898,000 acres of Federal land in 176 national park system areas as well as 2,020,000 acres in 5 areas administered for other Federal agencies. It is responsible for the protection of natural and historical areas while providing for their use and enjoyment by the public.

The areas over which the Office of Territories has jurisdiction cover 582,000 square miles and include a population of 3 million. It guides and coordinates operating programs designed to promote the economic and political development of the areas under the jurisdiction of the United States. The office supervises and directs the operations of the Alaska Railroad and the Alaska Road Commission, and conducts public works construction programs in the Virgin Islands.

The Fish and Wildlife Service administers 264 national wildlife refuges in 42 States, Alaska, Hawaii and Puerto Rico, and 89 fish hatcheries in 42 States. The total land area administered by the Fish and Wildlife Service aggregates nearly 18 million acres. Its activities embrace the conservation of North American waterfowl; the administration of laws governing commercial fishing; programs for the maintenance of fresh water fisheries; the control of injurious species; and programs for fish and wildlife restoration.

Statement by Senator Lehman Before Senate Judiciary Subcommittee on Immigration

EXTENSION OF REMARKS
OF

HON. HERBERT H. LEHMAN

OF NEW YORK

IN THE SENATE OF THE UNITED STATES

Monday, January 23, 1956

Mr. LEHMAN. Mr. President, because of the increasing interest, in and out of Congress, in our present immigration and citizenship laws and policies, I ask unanimous consent that there be printed in the CONGRESSIONAL RECORD the highlights of the testimony I gave on November 22, 1955, before the Subcommittee on Immigration of the Senate Committee on the Judiciary, urging and advocating general revision and liberalization of these citizenship and immigration laws.

This testimony may be of use and interest in the continuing study which is being given, and is yet to be given, to this vital subject.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HERBERT H. LEHMAN BEFORE THE SENATE JUDICIARY SUBCOMMITTEE ON IMMIGRATION IN SUPPORT OF S. 1206, AN OMNIBUS BILL, PROPOSING REVISION AND LIBERALIZATION OF OUR IMMIGRATION AND CITIZENSHIP LAWS

Mr. Chairman, I appreciate this opportunity to appear before you. I need not tell you what high importance I, personally attach to these hearings, on a subject in which I have a deeper interest and with which I have a closer identification than perhaps any other legislative subject before the Congress.

I would like to pay tribute, Mr. Chairman, to your own leadership as chairman of the Judiciary Committee and of this subcommittee, a leadership which has resulted in the convening of these hearings.

As you know, I have been urging the holding of hearings on proposals to revise our basic immigration and naturalization laws for the past 3 years, since January 1953. Hence, I personally consider these hearings to be historic—the opening phase in a procedure which must lead certainly—whether next year or the year after—or the year after that—to a wholesale revision and overhaul of the Immigration and Nationality Act of 1952, the so-called McCarran-Walter Act.

In paying tribute to your leadership, Mr. Chairman, and to the support given to the holding of these hearings by other members of your committee and of this subcommittee, I would also like to pay my special respects to the ranking minority member of this subcommittee, Mr. WATKINS. My tribute to him is not on account of his views on this particular subject, because I think we start off in basic disagreement on the McCarran-Walter Act, as on quite a few other matters. But I have always found him to be deeply sincere in his desire to get the facts and to be fair and judicious, and to do the wise and honorable thing in any situation. I know that he is eager, as I am, to arrive at a proper judgment on this pending matter. I am pleased and gratified with his presence at these hearings, in this recess period, here in Washington, at such a great distance for his home State.

I make this special mention of Senator WATKINS, because I want to emphasize the completely nonpartisan nature of the move to revise the McCarran-Walter Act.

I assume that the first question before this subcommittee is: Should we revise the McCarran-Walter Act at all? Is there need or strong support for revision?

These hearings will give you the answer to that question, Mr. Chairman. But let me point out, should there be any question or doubt, that the drastic revision of present law can be correctly described as a public mandate, long overdue in being carried out.

In 1952, when the present law was approved, the President of the United States vetoed it, and the support for his veto fell only two votes short of the necessary one-third of the Senate. During the original Senate consideration of the McCarran-Walter Act, despite the absence of an adequate debate on the subject, almost one-third of the Senate voted for radical amendments to that measure.

And in the presidential election campaign of 1952, the candidates of both major parties, including the successful candidate, pledged revision of the act. President Eisenhower, as a candidate, made a number of speeches and statements to this effect. So did the candidate for the Vice Presidency, who now presides over the Senate of the United States.

Subsequent to that election, President Eisenhower urged revision in his first state of the Union message, and in many subsequent speeches, statements, and remarks.

Mr. Chairman, there are pending before the Senate at least three major bills for drastic revision of the present law, bearing the names of 20 Senators, of both parties. I have not had time to count the number of bills pending in the House on this subject, but it is a very great number indeed.

I would guess that if Congress does not make a comprehensive revision of the law in the next session, this will be a political issue in many parts of our country, and both parties will be called upon to make an accounting of the attitude of their representatives in the Congress toward the revision of this law. And many individual candidates will likewise be called upon. Let no one think that the people are not watching or are not interested. I am sure these hearings will bear me out on this point.

But Mr. Chairman, as I have said again and again, this is not a partisan question. I am critical of the officials of the present administration for not having responded to your recent efforts—extending over many months, as I understand it—to get the Secretary of State and the Attorney General to testify before this committee in regard to this legislation. But I am equally critical of the fact that no Attorney General or Secretary of State of any other administration has personally appeared to testify on this vital subject in the past 20 or 30 years.

But today this is an issue which begs for the concern of all men of good will. It calls for a strong and consistent bipartisan effort to erase from our statute books the shame of the McCarran-Walter Act.

I am sure that most of those who voted for the McCarran-Walter Act in 1952, and who voted to override the President's veto, did so in good faith but without a thorough knowledge of the provisions which they were voting to fix upon our statute books. With respect to my colleagues in the Senate who voted for this law, I believe it is fair to say that very few of them comprehended its scope and impact, at that time, when its 302 pages of highly technical material were thrust upon them during the closing days of the 82d Congress.

Few of them had any idea what effects their vote would have on the lives of literally hundreds of thousands of naturalized American citizens, resident aliens and potential immigrants overseas.

I hope that these hearings will help to dispel any remaining illusions about the McCarran-Walter Act.

I think, then, that the question of whether there is a demand for the revision of the McCarran-Walter Act answers itself. The reply to the question "Shall we revise the McCarran-Walter Act in any respect?" must be in the affirmative.

The next question, of course, is: "How shall we revise the McCarran-Walter Act? What, exactly, is wrong with the present law?"

Mr. Chairman, the rest of my remarks today will be devoted to answering these questions.

I need scarcely remind the committee that there is pending before you, among other proposals, a comprehensive bill introduced by me and 12 other Members of the Senate, S. 1206. My cosponsors on this bill are: Senators GREEN, HUMPHREY, KEFAUVER, KENNEDY, LANGER, MAGNUSON, MCNAMARA, MORSE, MURRAY, NEUBERGER, PASTORE, and CHAVEZ.

I think I may say without fear of contradiction that S. 1206 is the most complete proposal before this subcommittee. It is a complete rewrite of present law, a complete recodification of the codification of 1952. I shall discuss this bill at length in the course of my remarks.

Of course I would like to see S. 1206 adopted in substantially its present form. But Mr. Chairman, despite the herculean labors which went into the drafting of my bill—and I will describe those, too, in a few moments—I have no pride of authorship. I want to see the present law overhauled and drastically revised. I don't care whose name is attached to the bill reported out by this committee. As long as a bill of appropriate amendments curing the substantial evils of present law is reported out, I shall support that bill with all my heart.

The question then is: What are the substantial evils in our present law, Mr. Chairman, and what kind of a bill must be reported out to overcome those evils?

The McCarran-Walter Act has some good parts in it. Of course it has. It provided, within its four titles and 407 sections, some improvements over preexisting law. But the improvements were relatively few. And the preexisting law had many repressive, discriminatory, and restrictive features. The McCarran-Walter Act adopted most of the worst features of preexisting law and added scores of new evils.

So today I will not try especially to distinguish between those unfortunate features of the McCarran-Walter Act that were newly added in 1952 and those taken over from the legal jungle of immigration and nationality laws which preexisted the McCarran-Walter Act. They were all included in the act of 1952 and must all today be scrutinized and reexamined.

The Immigration and Nationality Act of 1952 is characterized by a consistent philosophy. That philosophy we must scrutinize first of all.

That philosophy is based on a collection of discarded theories—really myths—which are absolutely alien to all our legal, social, and political institutions.

I will enumerate some of those myths in a moment, but first let me say that the present law, in my considered judgment, has done more harm to our country than can be easily repaired—and I was abroad for 2 months this summer and saw at first hand the evidence of some of the damage that the McCarran-Walter Act has done, in terms of our prestige and reputation, among the plain people of Europe.

The McCarran-Walter Act represents a pyramid of unfounded fears—fear of foreigners; fear of criminals; fear of Communists and anarchists; and fear even of naturalized American citizens. Waves of fear have passed over America—fear of depression in peace and of betrayal of war. Each wave has left its flotsam and jetsam imbedded in our immigration and citizenship laws.

Like the inhabitants of ancient China, we have built a great wall designed to keep out fancied hordes of invaders. And like China's Great Wall, our modern-day wall—the McCarran-Walter Act—has, in fact, served only to isolate us, and not to protect us. Those few resourceful Communists or criminals who are determined to enter our land can enter with a minimum of danger to themselves across the long, unguarded borders of Mexico and Canada.

But our official gates of entry through which we could admit selected, qualified, and useful immigrants—and visitors—are kept so heavily barred and guarded that application for lawful entry is discouraged; only those driven by the direst necessity persist in their efforts to gain legal admission into our country. This might be called admission by adverse selection.

I know that some aliens do gain admission to the United States, but it is a fact that some of the most desirable, both would-be immigrants and would-be visitors—scientists, teachers, writers, professionals, and businessmen—are either discouraged from applying or barred from entering.

The issue before us is not just one of immigration. It is citizenship, too. The whole basic concept of membership in our Nation is involved in this legislation. And that concept affects every citizen of our land, and, of course, those living abroad, too.

Once upon a time, American citizenship was an unqualified patent of membership in our society. Once acquired by birth or naturalization—without distinction—it could not be forfeited, save by deliberate and willful surrender—by an oath of renunciation.

Under present law, citizenship acquired by naturalization may be stripped from the citizen or may be forfeited by the citizen—on any one of a half dozen or more grounds. And in many cases the citizen involved may not even know that he has forfeited his American citizenship or has been stripped of it. Some of the grounds for denaturalization are acts which a native-born citizen may perform without major penalty or without penalty at all.

And even native-born citizens may lose their citizenship on relatively minor, technical grounds, also without ever knowing about it.

This whittling away, bit by bit, of the inviolability of American citizenship status, is, in my judgment, one of the most dangerous and reprehensible aspects of our present law. And the violent distinctions between naturalized and native-born citizens are, to my mind, un-American and intolerable.

I believe that if the Congress, as a whole, and the American people, as a whole, knew of these provisions in the present law, they would not rest until the cancerous encroachments upon the sanctity of citizenship were completely cut out of the law.

These provisions, and all the other evils in the present act, were lumped together and justified as being made necessary to combat Communists.

Mr. Chairman, none of us want to see Communists gain entry into the United States. But as I have already indicated, this law does not prevent real spies or saboteurs from entering this country, if they really want to. All they have to do is either come in as diplomats, or walk across the Canadian or Mexican borders.

All this law does is hurt our own people, and our own country in the eyes of the people of the rest of the world. And it hurts thousands and hundreds of thousands of innocent people here and abroad.

In order to guarantee absolutely that no Communist ever enter the United States, it would be necessary to forbid all entries, even by diplomats. We would have to seal all our borders. Such a solution would, of course, be untenable, and impossible.

We can and should be careful about whom we admit into the United States. But we should be reasonable—not hysterical. We should have clear and enforceable standards of entry—not an impassable maze of barriers.

We have built into our immigration laws scores, and even hundreds, of restrictions which depend completely on the discretion and judgment of minor government functionaries. And from the decisions of these functionaries there is, in many cases, no appeal whatever. We have made a grant of unreviewable authority to these officials. Questions of life and death can be decided without a chance for review or appeal.

This law, as now written, presupposes that these minor functionaries have both the gift of clairvoyance and the profoundest knowledge of the inner secrets of human nature. An alien can be barred from admission if, in the opinion of a consular officer, within his sole judgment, the alien might, in the future, after his admission into the United States, join an organization on the Attorney General's subversive list. A consul may, in his discretion, bar an alien from admission into this country if it appears to the consul, again within his sole judgment, that such an alien is likely, after admission, to engage in a public disorder.

And there are scores and scores of such restrictions—all of them meaningless except insofar as they provide the consular official, or the immigration officer, with a justification for rejecting any and every alien whom the consul or immigration official does not happen to like.

Mr. Chairman, this law resembles no other law of which I have knowledge. The criteria it establishes for admission into this country are so numerous and so impossible of standardization that they violate the basic principles of our Constitution.

I realize, of course, that no alien has an absolute right to be admitted into this country. Nor is the Constitution effectively applicable to aliens seeking entry into the United States. Still, I think it would be desirable if we would apply, to the maximum possible extent, our legal principles of justice and fair play to all who come into contact with our laws—whether they be aliens or citizens of the United States.

We need to apply human standards to human beings. It has been many centuries since trial by ordeal was a practice under Anglo-Saxon law. The presumption of guilt until innocence is proven is repugnant to us. Yet, the McCarran-Walter Act provides for trial by ordeal and presupposes guilt until innocence is positively proven.

This law, Mr. Chairman, bears the dark stains of prejudice, of fear and suspicion. It is an archaic law—something out of the dim past. The law needs to be modernized, humanized and liberalized. It needs to be simplified.

It must be made flexible so that its implementation can be adapted to the changing needs of changing times.

It must be simplified so that it can be understood by all our people at home and by those abroad, too.

It must be strengthened so that a positive and uniform control can be exercised over immigration from all parts of the world in a way to serve the best interests of the United States and the needs of the people desiring admission into our country.

I said a few moments ago, Mr. Chairman, that the McCarran-Walter Act is based on a collection of outmoded myths and theories entirely repugnant to the great body of American law.

The first of these myths is that the American people have a particular blood strain which would be corrupted by Italians, Poles, Greeks, and other peoples from southern and eastern Europe, unless protected by the national-origins quota system. According to this racist theory, a person of Anglo-Saxon blood is 20 times more desirable as an immigrant and as a citizen than a person of Italian blood.

The general concept of blood strains, on which the national-origins quota system is based, is an old one, but it was generally discredited and discarded by the beginning of the present century. Still, it was embraced in the national-origins quota system when that system was adopted by the Congress in 1924. This concept was also adopted at around the same time by Adolph Hitler, who used it as justification for his notorious nonsense about the so-called Aryan race.

But in 1952, the national-origins quota system was revalidated in the McCarran-Walter Act, although its supporters insisted, at that time, despite all the evidence to the contrary, that no racial bias, prejudice, or discrimination was intended. I contend, however, that you can't change a skunk by insisting that it's a kitten.

The second myth underlying the philosophy of the McCarran-Walter Act is that all aliens are potential criminals, Communists, and saboteurs, or must be treated accordingly.

The third myth is that immigration is a burden on the national economy and that immigrants threaten the jobs and wage levels of American workers.

There are other myths, too, but these are the ones which most clearly dominate our present immigration and citizenship policies. I believe it is necessary to bring these myths out into the open, so that we may better understand what the McCarran-Walter Act is all about.

I believe it is necessary, Mr. Chairman, to eliminate the last trace of this mythology from our immigration and citizenship policies.

That is why, Mr. Chairman, I cannot go along with a proposal for piecemeal amendments to the present law.

This law needs radical surgery, not minor patchwork. It needs to have the spirit and the philosophy cut out of it, and to be infused with a new and different philosophy, as well as a new and different set of provisions.

In my opinion, Mr. Chairman, the best way to amend the present law is by an omnibus bill, retaining the good features, and there are some, but replacing all the objectionable provisions. Immigration and citizenship law is so complex and the whole immigration and citizenship code is so inextricably interwoven that the job of piecemeal amendment would be a totally impossible one, if there is to be a sincere effort to eradicate the marks of suspicion, discrimination and injustice from the present law.

At the time of the consideration of the McCarran-Walter Act, I, and some of my colleagues, including you, Mr. Chairman, prepared over a hundred amendments, perhaps there were 200, in an attempt to improve the bill. Even the sum total of these amendments did not get at some of the worst features of the law.

So, I repeat, that in my view the only way to remedy the evils complained of is to enact a substitute measure. I realize, of course, that there can be differences of opinion over the content of such a substitute measure.

I have submitted our bill, S. 1206, in the belief that it is not only the most comprehensive, but indeed, the best legislative proposal on this subject, and I say this without personal pride. I did not personally draft this bill, although I participated in scores of drafting conferences on it over a period of many months.

I believe that our bill, S. 1206, represents the best thinking and the most expert information now available in legislative form on this subject. It was the work of perhaps 30 to 40 different experts and legislative draftsmen, outstanding lawyers, professors of law, former officials of the immigration service, social scientists and lay workers in the field of immigration and citizenship.

I want to add that we worked directly from the report and hearings of the President's Commission on Immigration and Citizenship, headed by the former Solicitor General of the United States, Mr. Philip B. Perlman, and including some of the most distinguished representatives of the Government and of the great religious faiths in our country.

This bill, S. 1206 conforms in general to the recommendations of scores of religious and nonsectarian organizations of all kinds and complexions, veterans groups, church organizations, labor unions, scientific organizations, and representatives of industrial and commercial firms in this country. This bill was drafted after exhaustive consultation. I hope this committee will find it worthy of exhaustive study and review.

And now, Mr. Chairman, I would like to turn to some of the specific provisions of S. 1206, and in the course of commenting upon them, I will also comment upon the comparable provisions of the McCarran-Walter Act.

Incidentally, Mr. Chairman, I shall append to my testimony, and ask that there be inserted into the record, a detailed summary of the provisions of S. 1206. Hence, my testimony this morning will touch only upon the highlights of this measure.

APPROPRIATE ADMINISTRATIVE AGENCY

The Immigration and Naturalization Service in the Department of Justice and the Bureau of Security and Consular Affairs of the State Department, are the agencies presently charged with primary responsibility for the administration of our immigration laws. This divided responsibility is the result of a long history of transfers, consolidations, and separations which have accomplished little in efficiency or logical administrative organization except to establish the relative immunity of both the INS and the consular service to cabinet-level direction. The general attitude which prevails in the lower echelons in these services—and understandably so—is anti-alien.

I do not mean to cast any reflections on the individual civil servants involved. They merely reflect the general spirit of the present law.

It is clear to me that neither the State Department nor the Justice Department is equipped to discharge the full responsibility for this highly sensitive operation. The Secretary of State cannot give major attention to this complex problem. His concerns are already far too burdensome.

I can say the same of the Attorney General.

The Congress has been faced before with the problem of coordinating and consolidating complex programs. In many instances, the solution has been found in the creation of an independent agency of the Government.

In this bill we are proposing the creation of a single, new and independent agency to be known as the Immigration and Naturalization Commission, and to consolidate within this commission the present immigration and naturalization responsibilities of both the Attorney General and the Secretary of State.

I believe this subcommittee would be extremely interested in reviewing the discussions in Congress which led to the establishment of the Atomic Energy Commission following World War II. You will remember that there were those who sincerely believed that all atomic energy functions and activities of the Federal Government should be vested in the hands of the Department of Defense. But witness after witness, representing many varied backgrounds, argued in favor of an independent Atomic Energy Commission.

When I recently reviewed some of this testimony, I was struck by the many parallels between the arguments used for the establishment of the AEC and the arguments which persuaded me to propose the creation of an independent Immigration and Naturalization Commission. It occurred to me that we might never have had the success in our postwar atomic energy developments if the sole responsibility had remained with the military, whose prime concentration and interests would have logically been in the weapons field.

In the same way, the primary concentration of the Department of Justice is upon detection of law violations and the apprehension of violators. Hence the prevailing spirit in the Immigration and Naturalization Service is naturally one of suspicion and even of antagonism toward the alien. The whole emphasis is on prevention of immigration and to deportation of aliens already here. I do not mean to say that there are not individual immigration officers who have a kindly and humanitarian spirit. I do say, however, that the prevailing attitude, which springs, as I have said, from the law, is that of the cop on the beat.

I would like to see the emphasis placed on the welcoming of duly qualified aliens and on resettling them and helping them to integrate into our national life. This can best be done by setting up a new agency which will reflect the spirit of the proposed new law.

In reference to the Consular Service, the immigration function is, for most consular officers, a part-time and transient duty, the least interesting in their category of duties and generally regarded as the most onerous. It is an apprenticeship job for foreign service officers on their way up the ladder of promotion. Yet these vice-consuls and consuls have what amounts to the power of life and death over aliens who apply for admission into our country.

The Hoover Commission has, in the past, recommended that the Consular Service and the Immigration and Naturalization Service, be merged for the sake of efficiency. They do duplicate each other's work to a major extent.

I agree with the Hoover Commission in this respect. I think these functions should be combined, and that they should be placed in a new independent agency, along the lines I have suggested. I hope this committee will look favorably upon this important aspect of S. 1206. The approval of this proposal will help give a fresh start to a radically modified immigration and citizenship policy.

Today, the alien seeking admission to the United States has no assurance of uniform justice and no right of appeal from the decision of a consular officer. The alien who has landed in the United States has a limited right of appeal and review; but these rights are far from being either adequate or uniform.

Under present law, administrative review in deportation and exclusion cases is not assured by statute; it exists at the pleasure of the Attorney General in the form of a Board of Immigration Appeals set up by order of the Attorney General. And the Attorney General is not bound by the decisions of this Board.

The proposed act establishes an orderly system of fair procedure and adequate review, by an independent, quasi-judicial tribunal. This so-called Board of Immigration and Visa Appeals would be independent of the Commission itself and is modeled after our Tax Court.

As is generally true of other independent agencies, the Commission, under the terms of S. 1206, would be governed by the Administrative Procedure Act. And this would assure a separation of the prosecuting and adjudicative functions, and fair and open hearings, unavailable under present law. It is my proposal that the Board's decisions in visa denial cases would be final, but limited judicial review would be permitted in other matters coming before this Board.

QUOTA SYSTEM

In the year 1797, a Congressman looked at the population of the new American Nation,

and said that while a liberal immigration policy had been a good thing up to then, the United States had already reached the peak of its absorbable population, and that immigration to the United States should be stopped altogether. That was in 1797.

This Representative was the forerunner of many others down through the centuries who thought that they recognized the limits of the potentialities of the United States. It is unfortunate that some of this heritage of pessimism is still present in our land today.

Our capacity for absorbing immigration is still great today. I do not know what it is. No one knows. But it is a fact of our history that our greatest periods of economic expansion took place immediately following great tides of immigration. Our Nation continues to support an ever-increasing population at an ever-higher standard of living.

Other witnesses will be more competent than I to discuss in detail the economic implications of immigration. I am sure, however, that we not only can absorb; but that we critically need a constant but controlled stream of fresh immigration for the expansion of our economy.

Of course, I do not propose unlimited immigration into the United States. I know of no responsible student of the subject who does. Indeed, I propose a very conservative level of immigration, not measurably greater than the average number who have been entering the United States for permanent residence in recent years.

I propose a limit of roughly 250,000 immigrants per year, which is considerably less, in my judgment, than the number we could safely admit. But I wish to be conservative in this matter. My main purpose is not to increase greatly the flow of immigration but to change radically the discriminatory and restrictive manner in which immigration is regulated today.

Indeed, if S. 1206 is approved and if proper enforcement powers are given to our border patrols, the amount of immigration into our country—if we include illegal immigration from Mexico and Canada—would be considerably reduced from the present level.

I don't know how many illegal immigrants are currently entering the United States from Mexico and Canada, but I have seen official figures for 1952 and 1953 indicating that this illegal immigration has been in the neighborhood of 2 million entries per year.

I propose, of course, the long-overdue abolition of the national origins quota system.

I propose, in its place, a so-called unified quota system, an entirely new manner and formula for the selection of individual immigrants.

I believe that with due consideration for a potential immigrant's ability to meet specified standards of health, security, literacy, honesty, and ability to earn a living, the alien's admissibility should be based on the criteria first of our country's need for him, and then of his need for our country.

The national origins quota system reflects neither of these two criteria. And of course the national origins quota system, whatever its merits—and I know of none—is stamped with the loathsome stigma of racial and national discrimination.

In fact the national origins quota system is a totally inflexible and unworkable method of selecting immigrants. It is so unworkable that ways and means must constantly be found to get around it. The whole series of emergency immigration bills we have enacted in recent years, the hundreds and thousands of private bills we enact periodically, and which take up so much of the time of this committee, and the special bills, such as the bills to admit sheepherders—all these are made necessary solely by the incredible national origins quota system.

I say that this is no way to run the immigration policies of our Nation. It is unwise, expensive, unfair, discriminatory, and above all, works against the best interests of the United States in foreign policy, economics, and national defense.

May I say further, Mr. Chairman, that it is a little realized fact—but a very true fact—that the national origins quota system has never accomplished its own stated purposes. The advocates of the national origins quota system in 1924 had as their avowed purpose the maintenance of the so-called pattern of national origins as it was purported to be in the United States in the year 1920. I will not discuss further the fallacy of the underlying theory. I have already done so.

Rather, I must point out that the NOQS has worked in an exactly opposite manner. In reality we have not received 42 percent of our immigrants from Great Britain and Northern Ireland since 1927, as contemplated in the original statute. It has been much less for the very simple reason that Englishmen do not particularly wish to emigrate to the United States.

It is perfectly clear that the NOQS has not served to preserve our so-called national origins pattern.

If this is so—and I am sure that it cannot be refuted—why then did the authors of the Immigration and Nationality Act of 1952 continue this system? The answer is quite clear—this was a devious way by which immigration from Spain, Italy, Greece, the Middle East, Africa, Asia and all areas of the world, except a few northern European nations, could be kept to a bare minimum.

True, there was a slight—a very slight relaxation of restrictions for the Nations of Asia by means of the Asia-Pacific Triangle formula. But it was a most paradoxical relaxation—one which fixed the concept of the blood test into our immigration laws. Today not only is an immigrant born in Japan charged to the Japanese quota and to the overall Asia-Pacific Triangle quota, but an immigrant born in England whose mother was Japanese and whose father was English is also charged to the Japanese quota and to the overall Asia-Pacific Triangle quota.

Mr. Chairman, I believe the unified quota system, which is at the heart of S. 1206, is logical and administratively practical.

I have outlined it in a simple chart which I will append to my testimony.

In simple terms, four preference categories are established. The first preference category is designed to expedite the reunification of families. The second preference is designed to bring to the United States persons with special skills and technical and artistic abilities who will promote our national economy, our national security, and the arts. The third preference category is designed to provide a quota to be used for the oppressed, the persecuted, and the refugees, including orphans, of the world. The fourth and final preference is designed to be allocated to promote the foreign policy interests of the United States.

Finally, S. 1206 provides for a so-called newcomer quota of 50,000 a year for all qualified persons throughout the world wishing to immigrate who are eligible on a first-come-first-serve basis.

Mr. Chairman, I commend this new quota approach to you for your most serious consideration. No halfway approach, no pooling of unused quotas, can remedy present law.

There is one aspect of the unified quota system which has elicited some criticism—namely, placing the nations of the Western Hemisphere under the general quota system. I would like, briefly, to answer the criticism.

In the first place, it is inaccurate to say there is no quota system for Western Hemisphere nations today. In actuality there is and there isn't, depending on where you live, who your parents were, and the sometimes informal quotas established by individual consular officials.

I say to those who criticize placing Western Hemisphere nations under the quota system, let's be fair to all. The same criteria should apply to all peoples, regardless of the place of their birth. I believe our Latin American neighbors will respect us for such a policy.

FAIR PLAY AND DUE PROCESS

Mr. Chairman, I turn to another general area of immigration policy on which I would like to comment. I turn now to the question of the violations of our standards of justice and fair play written into our present immigration laws.

We should have an immigration law which guarantees to aliens and to naturalized citizens the maximum possible sweep of administrative justice and judicial review available under our system of government. The Immigration and Nationality Act of 1952 does not do this. S. 1206 is, I believe, a fair and honest attempt to achieve this goal, while at the same time providing adequate safeguards for the security of our Nation.

In the proposed act, every practical protection has been provided for our national security. Comprehensive and workable standards are established so that genuine subversives and antidemocratic elements are effectively barred from the United States. The proposed law contains enforceable provisions for the deportation of those truly undesirable aliens who, despite all precautions, might obtain entry into this country.

It is my belief that the antisubversive provisions of the proposed act will be more effective in actual operation than those of the 1952 act. The fact is, that the 1952 act erects such a confused and contradictory network of antisubversive provisions that it catches in its web many anti-Communists while allowing true subversives—Nazis, Fascists, and Communists, to slip into the United States.

Turning to the question of the deportation provisions in present law, I believe that these sections of the law ride roughshod over our Constitution. Here the special inquiry officer of the Immigration Service is both prosecutor and judge in deportation hearings. The statutes of limitations on deportation were abolished in the 1952 act, and all of the new grounds for deporting an alien have been made retroactive.

I would like to comment at this point on the subject of private immigration bills. In every session of Congress, hundreds and thousands of these bills are introduced by Members of both Houses. I do not believe we should deny to an alien or to a citizen the recourse to congressional relief in extraordinary circumstances calling for such relief. But what Congress is doing today is acting as a supreme court of immigration appeals.

I believe that the Congress—in order to provide a more just and orderly procedure for the handling of the thousands of these individual cases—should establish a statutory Immigration Review Board with adequate powers, together with authorization for limited review of the Board's decision in our courts.

This was the justification for the establishment of the United States Court of Claims—and while it hasn't completely solved the problem of private claim bills, it has greatly relieved the Congress of this burden.

I have already discussed the impact of present law on citizenship status. Under S. 1206, two basic changes are made in present law:

First, those acts which automatically cause loss of citizenship are limited to (1) renunciation of United States citizenship; (2) obtaining naturalization in a foreign country; (3) deserting in time of war; (4) leaving the country to avoid military service; (5) conviction for treason; and (6) an attempt to overthrow the Government by force of arms.

But under the terms of S. 1206, all distinctions between native-born and naturalized citizens are removed.

Mr. Chairman, I have spoken at great length—much too great length, I am sure—in view of the number of witnesses you have

yet to hear today and during the many days to come. You have indulged me, I know, because of your awareness of how deeply I feel about this issue.

I want to make clear, however, that in this testimony I have only scratched the surface. I have not undertaken to describe all the defects in the present law or all the provisions of my bill designed to cure these defects. To do so would not only try your patience, but would be beyond my physical capacity at one sitting. I have given some of the highlights. Some further details—but by no means all—are included in one of the appendixes which I have attached to my testimony. I am also submitting for the record various pertinent statements, data, and material which I believe will supplement the record in regard to this legislation.

In conclusion, let me say only this. You have as heavy a responsibility as any committee I know. The complexity of the legislation before you is as apparent to me as it is to you. You have sought and will receive the guidance of many persons who are more expert than I on some of the technical phases of this legislation.

I know that you, and members of the staff of this committee, will continue, during the months ahead, to explore all the manifold intricacies of this legislation. I know also that many aspects of the matter will receive no public testimony whatever.

I can only suggest and urge that you give this legislation all the time that it needs.

I would be less than honest with you, or with myself, if I held out the hope, or entertained the hope, that a major revision of present law is likely in the coming session of Congress.

But progress toward that goal can be made. The hearings which you are now holding represent such progress. I hope that the committee may reach some definite conclusions regarding some of the legislative proposals before you.

If this much can be done, much will have been accomplished, not only for the thousands and hundreds of thousands of aliens directly affected, but for the prestige of America throughout the world.

The Largest Corporation in the World

EXTENSION OF REMARKS

OF

HON. JOHN J. WILLIAMS

OF DELAWARE

IN THE SENATE OF THE UNITED STATES

Monday, January 23, 1956

Mr. WILLIAMS. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address which I made before the Baltimore Life Underwriters' Association, Inc., and the Maryland State Association of Life Underwriters, at their annual convention held in Baltimore on October 14, 1955.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE LARGEST CORPORATION IN THE WORLD

(Address by JOHN J. WILLIAMS, United States Senator, of Delaware, before the Baltimore Life Underwriters' Association, Inc., and the Maryland State Association of Life Underwriters, October 14, 1955)

The Government of the United States represents the largest business corporation in the world.

The President and members of his cabinet are comparable to the president and executive management of a major corporation. The Members of Congress represent the board of directors, while the 165,000,000 Americans are the stockholders. Whenever the Government's revenues exceed its expenditures, the directors can declare a dividend—or tax reduction.

Next year as we approach the question of a tax reduction—or dividend—it is important that we first examine the financial background of this organization.

We find that in 22 of the past 25 years our Government has operated with an unbalanced budget—or red ink. Furthermore, when we subtract the surpluses in the 3 years in which we did have a balanced budget from the accumulated deficits of the other 22 years, we have a net total deficit for this period of $250 billion.

This means that during the past 25 years our Government has averaged spending in excess of its income $10 billion per year, $800 million per month, $26 million per day, or slightly over $1 million per hour for every hour during the past quarter of a century.

This $250 billion accumulated 25-year deficit has been added to the national debt or charged against the future generations, and today we are still operating with an unbalanced budget.

It is with this background that the Congress next year will approach the question of: Should we again reduce taxes?

In view of the financial record and huge debt of our Government, should our 165 million Americans — stockholders — expect their President and executive committee—the Cabinet—to recommend to the directors—Members of Congress—the payment of any dividend by a tax reduction until the balancing of the Federal budget is assured, even then should not some provision be made for paying at least a portion of the Federal debt?

There are only three methods by which a tax reduction of any description could be financed at this time.

First, would be to reduce Government expenditures to the point where there would be a surplus sufficient to finance the proposed tax cuts.

Second, would be to keep on spending, but cut taxes in the low-income groups, and transfer the load to the so-called high-income groups.

The third alternative, assuming Government spending continues, would be to borrow the money, further increase our national debt and charge the cost against the future generations.

First, I make it clear that in my opinion Government expenditures can and should be cut if the Congress and the American people only have the will to do it and it is this proposal that I shall now discuss.

On this question I am confident that the overwhelming majority of the American people would enthusiastically endorse the suggestion that Government expenditures be reduced sufficiently to balance the budget and to cut taxes. If we were to conduct a poll of the American citizens asking the question as to whether or not we should eliminate or reduce Government subsidies, I think that the overwhelming response would be in the affirmative. Yet I wonder if we are not overlooking the fact that during the recent years this principle of Government subsidies has expanded until it has become an accepted if not a fixed part of our economic system.

The question is often raised as to whether or not, in a showdown, the American people would back up their Representatives in Congress for an abolishment of this principle. Sure, everybody would agree that all Government subsidy or support programs should be reduced or repealed—all, that is, except those which directly affect them.

The most of the criticism against Government subsidies is leveled against the Government farm-support program. The reason for this is that the Government's support of agricultural products directly affects not only the American farmer but also the budget of the millions of American housewives.

This, however, is only one of the many forms of subsidies now being financed by the Federal Government and in many instances those who are most vocal in their criticism of the farm-support program are themselves recipients of some form of Government subsidies.

For instance, the owners and officials of the airlines in this country would no doubt agree that the principle of Government subsidies is vicious; yet they are perfectly willing to accept subsidies from the Government amounting to many millions of dollars annually—subsidies which in effect guarantee their operations against loss.

Our American railroads were built and developed years ago under the principle of Government subsidies. Large grants of land were given to the promoters in the early stages of development. Today these same railroad lines are still accepting their subsidies for carrying the mail.

Our American newspaper system has been rather critical of the principle of Government subsidies in general, particularly the subsidy as related to the farm-support program. Yet I recall few instances where the members of the press have objected to their subsidies in the form of low postage rates, nor have they objected to the special earmarking of over $100 million of the ECA funds to be used to subsidize the distribution of American newspapers and magazines in continental Europe.

If we were to conduct a poll of the leading corporations in this country—a group which surely believes in the principle of free enterprise—I venture to say that almost without exception they would express opposition to the principle of Government support prices. Still we find that a large number of this same group have enthusiastically endorsed a plan to let the American taxpayers guarantee the investments of the American industries in foreign countries.

Likewise, we find that our merchant marine, another division of our free-enterprise system, is perfectly willing to have the Government continue underwriting a large percentage of the cost of the construction of its ships, nor do they object to the Government's annual contribution of several million dollars to subsidize the operations of these same vessels.

We hear a lot of discussion among prominent men, many of whom are identified with our State and local governments, expressing grave concern over the encroachment of the Federal Government upon the rights of the individual States; yet in many instances we find that these same officials are clamoring for more and more Federal aid for the construction of our State highways, our public schools and our hospitals, and for Federal aid in many other fields which were formerly recognized as inherent State functions.

Our western mining industry has been successful during the past years in having legislation passed whereby the Government will support the price of the products—oft-times at rates far in excess of the prevailing market prices. This subsidy, amounting to several million dollars annually, is also at the expense of the taxpayers.

Even our children, from the day they enter the public schools, become recipients of Government subsidies by virtue of the fact that our Federal Government makes annual contributions of several millions to the school-lunch programs.

One of the most conservative groups in this country is the American bankers; yet they had no objection to the policy of the Government guaranteeing a support at par under all Government bonds, thereby protecting their huge investments.

These are not all, but I cite them as examples to emphasize the extent to which this principle of Government subsidy has

become a fixed part of our economic system. Again at the next session of Congress, instead of reducing these subsidies, the majority of the proposals which will be before the 84th Congress will be to increase them further.

My opinion is that the time is long overdue when we should start a systematic reduction of all subsidies, but until such time as Congress and the American people demonstrate their intention to do this we must recognize the fact that Government expenditures will not be reduced, nor will the budget be balanced whereby we can have a sufficient surplus to make a reasonable payment on the national debt with enough left over to finance a tax reduction.

Now, let us discuss the second proposal—that we can keep on spending, still cut taxes in the low-income group, but make up the loss in revenue by increasing the revenue rates in the upper brackets.

To explode this suggestion I point out the following statistics:

1. To raise the personal exemptions by $100 (or from $600 to $700) would result in a loss in revenue of $2,500,000,000. To make up this loss by increasing the rates in the upper brackets would necessitate a 100 percent tax rate (or complete confiscation) of every personal income in excess of $20,000.

2. To increase personal exemptions by $200 (or from $600 to $800) as was proposed at the last session of Congress, would result in a loss in revenue of $4,500,000,000 and to offset this loss it would necessitate a 100 percent tax rate (or complete confiscation) of every income in excess of $10,000.

Certainly no one in America would suggest such drastic action.

That brings us to the third alternative and one which can only be justified in the name of political expediency; and that is, to keep on spending, cut taxes, and borrow the money to make up the difference, thereby increasing our tremendous national debt and passing the responsibility of this debt on to the future generations.

This is the most politically popular proposal and the most dangerous. If we as a government cannot live within our income today during a period when we are enjoying the highest level of prosperity in the history of our country then when can we ever expect a balanced budget! And to accept the theory of permanent deficits is an open invitation to uncontrolled inflation.

Inflation resulting from the past deficits has already cut the value of the American dollar by one-half. That means that one-half the value of every savings account, every Government bond, pension account, and life insurance policy has been eaten away by the past inflationary financing policies of the Federal Government.

To illustrate this we have only to point out that 10 years ago the Federal Government sold a bond upon the basis that if we put up $3, in 10 years we would receive $4 However, the $4 which is being received today in payment of the $3 investment will not buy any more than 2 of the originally invested dollars. Actually one-third of that which they originally invested has been taken away through inflation.

A continuation of this unsound policy of planned deficit financing will only further depreciate the value of the America dollar and thereby further destroy the life savings of millions of Americans.

The most unfortunate result of this inflationary spending and deficit financing policies of the past 25 years has been the pauperizing of many of our aged and retired people. Many individuals who retired a few years ago on pensions, life insurance, or savings accounts, which they then considered to be adequate, have as a result of the depreciated dollar—or increased cost of living—found themselves in the embarrassing position where their incomes will not provide the actual necessities of life, and they are now being forced to appeal to the public for charity.

As a Member of the United States Senate and as a member of the Senate Finance Committee, I am opposed to a further continuation of these unsound and inflationary deficit spending policies. I am opposed to any form of tax reduction under such circumstances. Government expenditures can and should be reduced, but until such time as the reductions have actually been authorized by the Congress and until such time as the budget is actually balanced and a reasonable payment made on our national debt, no form of tax reduction should even be considered.

My time today has permitted me to call attention to only a few of the contributing factors, domestic subsidies, which are responsible for the overwhelming debt that today threatens the solvency of our largest business organization in the world—the Government of the United States.

Other factors are foreign subsidies, unnecessary and extravagant expenditures, corruption, and inefficiency which for too long a time has prevailed in the management of this greatest corporation. A continuation of these practices will speedily bankrupt our Government and destroy our republic.

If we wish to preserve our American form of Government we must now begin to set our house in order and make America strong financially, physically, mentally, and morally, never forgetting the wise advice expressed by Thomas Jefferson:

"I place economy among the first and most important virtues and public debt as the greatest of dangers to pursue our independence. * * * The same prudence which in private life would forbid our paying our money for unexplained projects, forbids it in the disposition of public money."

SENATE

TUESDAY, JANUARY 24, 1956

(Legislative day of Monday, January 16, 1956)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O Thou God of our salvation, to Thee we lift our hearts in prayer, bringing nothing but our need and the adoration of our contrite spirits. From Thy bountiful hands we have received the gift of life, the blessings of home and of friendship, and the sacrament of beauty in all the earth. In the fullness of Thy mercy Thou hast given us work to do and the strength wherewith to do it.

For this still moment may we hush all other sounds save the divine knocking and the entreating voice which reaches us through all the stubborn self-willed barriers which we erect: "If any man will open the door, I will come in." We know, O spirit of love and purity, that when our heart's door swings on its hesitant hinges and Thou dost enter, those things which are unlovely and unclean cannot stay to embitter and pollute. Thus with hospitality to the highest, even in this sad and mad day, may we walk and work in the peace that the world giveth not, in the charity that thinketh no evil, in the good will that bridges all chasms, so that when the sunset comes we may face its summons with an approving conscience and with Thy "well done." We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. CLEMENTS, and by unanimous consent, the reading of the Journal of the proceedings of Monday, January 23, 1956, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

ECONOMIC REPORT OF THE PRESIDENT—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 280)

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States, which was read and, with the accompanying report, referred to the Joint Committee on the Economic Report.

(For President's message, see House proceedings for today.)

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the Committee on Agriculture and Forestry.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed the bill (H. R. 7927) to extend the time within which the State of Louisiana may make initial payment on the purchase of certain property from the United States, in which it requested the concurrence of the Senate.

ENROLLED JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled joint resolution (S. J. Res. 12) to request the Secretary of State to arrange for the International Joint Commission, United States and Canada, to conduct a survey of the proposed Passamaquoddy tidal power project, and for other purposes, and it was signed by the President pro tempore.

HOUSE BILL REFERRED

The bill (H. R. 7927) to extend the time within which the State of Louisiana may make the initial payment on the purchase of certain property from the United States, was read twice by its title and referred to the Committee on Banking and Currency.

LEONG DING FOON QUON

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the amendments of the Senate to the bill (H. R. 1496) for the relief of Leong Ding Foon Quon, which was, in line 5, to strike out "returning resident aliens" and insert in lieu thereof "a returning resident alien."

Mr. KILGORE. Mr. President, I move that the Senate concur in the House amendment, which makes a very slight modification of the Senate amendments. It really amounts to little more than the correction of a typographical error. It corrects the words "returning resident aliens" to "a returning resident alien."

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from West Virginia that the Senate concur in the amendment of the House to the amendments of the Senate.

The motion was agreed to.

NOTICE OF CONSIDERATION OF TREATIES ON THE EXECUTIVE CALENDAR

Mr. CLEMENTS. Mr. President, I should again like to call to the attention of the membership of the Senate that on tomorrow, after the transaction of the usual morning business, two treaties, Executive F, of the 83d Congress, 2d session, and Executive P, of the 82d Congress, 2d session, will be called up for consideration by the Senate.

Mr. SALTONSTALL. Mr. President, will the Senator yield at that point?

Mr. CLEMENTS. I am happy to yield.

Mr. SALTONSTALL. May I ask if it is the understanding of the acting majority leader that if any particular Member on either side of the aisle desires an opportunity to speak tomorrow on the treaties, he may consult with the majority leader later in the day?

Mr. CLEMENTS. I would be pleased if he would do so. Later in the afternoon the plan for tomorrow may be much more clearly defined.

Mr. SALTONSTALL. I thank the acting majority leader.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. CLEMENTS. Mr. President, I ask unanimous consent that there may be the usual morning hour for the presentations of petitions and memorials, the introduction of bills, and the transaction of other routine business, and that any statement made in connection therewith be limited to 2 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

STRENGTHENING OF INTERNATIONAL RELATIONS THROUGH CULTURAL AND ATHLETIC EXCHANGES

A letter from the Director, United States Information Agency, Washington, D. C., transmitting a draft of proposed legislation to provide for the promotion and strengthening of international relations through cultural and athletic exchanges and participation in international fairs and festivals (with accompanying papers); to the Committee on Foreign Relations.

REPORT OF ANTHRACITE EXPERIMENT STATION, SCHUYLKILL HAVEN, PA.

A letter from the Secretary of the Interior, reporting, pursuant to law, on the activities of, experiments by, and donations to, the Anthracite Experiment Station, operated by the Bureau of Mines, at Schuylkill Haven, Pa.; to the Committee on Interior and Insular Affairs.

PROPOSED CONCESSION PERMITS, EVERGLADES NATIONAL PARK, FLA.

Two letters from the Assistant Secretary of the Interior, transmitting, pursuant to law, proposed concession permits in the Everglades National Park, Fla. (with accompanying papers); to the Committee on Interior and Insular Affairs.

AMENDMENT OF CODE, RELATING TO APPEALS BY THE UNITED STATES

A letter from the Attorney General, transmitting a draft of proposed legislation to amend section 3731 of title 18 of the United States Code relating to appeals by the United States (with accompanying papers); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A resolution of the General Assembly of the State of Rhode Island; to the Committee on Foreign Relations:

"Resolution memorializing Congress with urgent and earnest request to give the State of Israel the right to buy arms for the purpose of defending her people against aggression

"*Resolved*, That the members of the General Assembly of the State of Rhode Island and Providence Plantations now earnestly and urgently request the Congress of the United States of America to use utmost efforts to give the State of Israel the right to buy arms for the purpose of defending her people against aggression; and be it further

"*Resolved*, That duly certified copies of this resolution be transmitted by the secretary of state to the President of the United States, the presiding officers of each branch of Congress and to the Senators and Representatives from Rhode Island in the Congress of the United States."

A resolution adopted by the City Council of the City of Visalia, Calif., favoring the enactment of legislation to provide appropriations for the construction of the Terminus Dam project; to the Committee on Appropriations.

By Mr. ALLOTT:

A joint resolution of the Legislature of the State of Colorado; to the Committee on Interior and Insular Affairs:

"Senate Joint Memorial 1

"Memorializing the Congress of the United States to enact legislation approving the apportionment of power credits made by the Upper Colorado River Commission

"Whereas the Upper Colorado River Commission, at Santa Fe, N. Mex., on January 5, 1955, agreed on a formula for apportioning the power credits generated at Glen Canyon and other storage projects in the upper basin; and

"Whereas that formula allocates to the State of Colorado 46 percent thereof, to the State of Utah 21.5 percent thereof, to the State of Wyoming 15.5 percent thereof, to the State of New Mexico 17 percent thereof; and

"Whereas such allocation is fair and equitable to the States of New Mexico, Utah, Wyoming, and Colorado: Now, therefore, be it

"*Resolved by the Senate of the 40th General Assembly of the State of Colorado, in 2d regular session convened (the House of Representatives concurring herein)*, That the foregoing apportionment of power credits and the above formula adopted by the Upper Colorado River Commission be and it hereby is recommended to the Congress of the United States for its favorable consideration and that the said formula be enacted into law; and be it further

"*Resolved*, That copies of this memorial be forwarded to the President of the Senate, and to the Speaker of the House of Representatives of the Congress of the United States, and to each Member of Congress from Colorado.

"STEPHEN L. R. MCNICHOLS,
"*President of the Senate.*
"MILDRED H. CRESSWELL,
"*Secretary of the Senate.*
"DAVID A. HAMIL,
"*Speaker of the House of Representatives.*
"LEE MATTIES,
"*Chief Clerk of the House of Representatives.*"

(The PRESIDENT pro tempore laid before the Senate a joint resolution of the Legislature of the State of Colorado, identical with the foregoing, which was referred to the Committee on Interior and Insular Affairs.)

A resolution of the House of Representatives of the State of Colorado; to the Committee on Agriculture and Forestry:

"House Memorial 4

"Memorializing the Congress of the United States to permit ranchers and farmers and other citizens to sell their agricultural and other products to individuals of foreign nations; and that ranchers and farmers be further allowed, in the payment of income taxes, to treat losses and gains from the sale of crops and livestock as long-term capital gains and losses

"Whereas it is a known fact that although the agricultural and livestock industries of our Nation are suffering adversity and depression, such industries are restrained from selling agricultural surpluses, in a private capacity, to individuals in foreign lands; and

"Whereas farmers and ranchers could, if allowed, profitably dispose of existing agricultural surpluses by selling its produce to individuals in foreign lands, including the Far East, in return for gold privately held there, as well as for other valuable goods; and

"Whereas the farm and ranch industries pay income taxes at regular rates on long-term maturing crops and livestock sold, without benefit from fast writeoff by depreciation of land and improvements necessarily bought each year: Now, therefore, be it

"*Resolved by the House of Representatives of the 40th General Assembly of the State of Colorado*, That it is the consensus of the members of the house of representatives of the 40th general assembly that farmers and ranchers specifically, and all citizens generally, be allowed and encouraged to sell their produce to any individuals residing anywhere in the world so long as such transactions are not made with individuals of a nation with whom a state of war exists; and that farmers and ranchers and all citizens be given access to the same dollar exchange as is now available to foreigners in such business transactions and trade; and be it further

"*Resolved*, That farmers and ranchers be allowed to treat profits and losses from the sale of crops and livestock as long-term capital gains and losses; and that capital invest-

ments made by farmers and ranchers be given the same depreciation consideration of fast writeoffs as has been widely extended to industry for years past; and be it further

"*Resolved*, That copies of this memorial be transmitted to the President of the United States and to the Senators and Congressmen representing the State of Colorado in the Congress of the United States.

"DAVID A. HAMIL,
"Speaker of the House of Representatives.
"LEE MATHIS,
"Chief Clerk of the House of Representatives."

A resolution of the House of Representatives of the State of Colorado; to the Committee on the Judiciary:

"House Memorial 5

"Memorializing the Congress of the United States to take action for the enforcement of the 14th amendment to the Constitution of the United States by investigating State restrictions upon suffrage, and to enact legislation making certain discriminations and practices against private citizens a Federal offense

"Whereas every citizen in our country is entitled under the Constitution of the United States to personal security, and should be protected in that right, including protection from the brutal attacks of lynch mobs; and

"Whereas the present reign of terror engulfing the State of Mississippi, and occurring in lesser degree in other States, consists of the brutal murder of Negro citizens, the intimidation of voters and those who seek the right to exercise this sacred right of American heritage, and the intimidation of white citizens unsympathetic to violent suppression of legally protected rights; and

"Whereas subterfuges such as organizations known as the Federation for Constitutional Government, White Citizens' Councils, and other groups, have as their avowed purpose the circumvention of the United States Supreme Court decision against segregation in the public schools; and

"Whereas the deprivation of civil rights of any law-abiding citizen of the United States is a denial of our democratic traditions, undermines our national unity, and reflects discredit upon our Nation in the eyes of the world; and

"Whereas many States have systematically disenfranchised many of their citizenry by a variety of restrictions; and

"Whereas the 14th amendment to the Constitution of the United States provides in part that "when the right to vote at any election for choice of electors for President and Vice President, Representative in Congress, the executive and judicial officers of a State, or members of the legislature thereof, is denied to any male inhabitants of such State, being 21 years of age, and citizens of the United States, or in any way abridged, except for participation in rebellion, or other crime, the basis of representation therein shall be reduced in the proportion which the number of such male citizens shall bear to the whole number of male citizens 21 years of age in such State," and further provides "the Congress shall have the power to enforce by appropriate legislation the provisions of this article": Now, therefore, be it

"Resolved by the House of Representatives of the 40th General Assembly of the State of Colorado, That the members of this house do hereby memorialize the Congress of the United States to take immediate action looking to the enforcement of the 14th amendment to the Constitution of the United States by investigating all State restrictions upon suffrage, with a view toward having each State abandon such restrictions or suffer reapportionment of the lower House of the Congress in keeping with the constitutional mandate; and, further, to enact legislation making systematic denial of economic opportunity, lynching, and other assaults by public officials or private citizens, acting either in concert or individually, a Federal offense; and be it further

"Resolved, That a copy of this memorial be transmitted to the President of the United States and to the Senators and Congressmen representing the State of Colorado in the Congress of the United States.

"DAVID A. HAMIL,
"Speaker of the House of Representatives.
"LEE MATTEES,
"Chief Clerk of the House of Representatives."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McCLELLAN, from the Committee on Government Operations:

H. R. 7156. An act to provide for the conveyance of certain land of the United States to the Board of County Commissioners of Lee County, Fla.; without amendment (Rept. No. 1442).

REPORT ON INVESTIGATIONS OF INEFFICIENCIES IN DEPARTMENT OF AGRICULTURE GRAIN BIN PROGRAM (S. REPT. NO. 1443)

Mr. McCLELLAN. Mr. President, from the Committee on Government Operations I submit a report made to it by the Senate Permanent Subcommittee on Investigations on Inefficiencies in the Department of Agriculture Grain Bin Program. The subcommittee held hearings on this matter in the latter part of July and early August.

As background, we learned that in order to store surplus grain, the Department of Agriculture has been actively engaged in the purchase of grain-storage bins since 1939. As of August 20, 1954, it had on hand 192,878 grain bins with a capacity of 843,890,529 bushels. The cost to the American taxpayer for these facilities totals $177,217,000.

In the 1949 and again in 1950, a large number of bins purchased by the Department of Agriculture were found to be defective after erection. The Department of Agriculture endeavored to recoup its losses; but because the Navy Department provided inadequate inspection at the manufacturer's plant and because the Department of Agriculture made no adequate provision for inspection at the erection site, the Government had considerable difficulty. In fact, only $31,000 out of $893,864.89 of the dollar volume of the claims outstanding against manufacturers and erectors flowing from defective grain bins purchased in the year 1949–50 has been collected by the Government.

The subcommittee received allegations that a large number of the grain bins, both wooden and metal, purchased during 1954 were defective. The subcommittee unanimously found after its hearings as stated in the report, that:

The metal grain bin program of 1954 was handled in an atmosphere of confusion, gross carelessness, and a lack of coordination which was compounded by the division of responsibility between the Department of Agriculture, Naval Inspection Service, and State agricultural offices to whom the bins were delivered.

The fact that some of these bins are neither weather nor grain tight, the fact that moisture and vermin might enter the structures, and the necessity of moving the grain to new bins to prevent its deterioration and contamination have made the 1954 grain bin program unnecessarily costly to the Government.

The Department of Agriculture did not adopt sufficient corrective measures, following the mistakes in 1949 and 1950. From the number of defective grain bins in 1949 and 1950, the Naval Inspection Service knew, or should have known, of the deficiencies in its inspection service. Both the Department of Agriculture and the Naval Inspection Service were guilty of gross inefficiency, and demonstrated poor business management and lack of judgment.

Fourteen major errors were made by the Department of Agriculture and the Naval Inspection Service in the 1954 Grain Bin Program. They are listed on pages 14 and 15 of the subcommittee report. The subcommittee has also been informed that 14 corrective measures have been taken by the Department of Agriculture and the Department of the Navy, as a result of the subcommittee's investigation and hearings on this matter. Those corrective measures are set forth on pages 16 and 17 of the report.

Mr. President, those employed by the Government of the United States are charged with a public trust. Those holding positions of responsibility are dealing not with money of their own, but with money of the American taxpayers. Inefficiency, carelessness, and waste cannot be tolerated any more than graft, corruption, and dishonesty. The Senate Permanent Subcommittee on Investigations will continue looking into matters of this kind. Wherever they are found, they will be exposed. It is hoped that such exposure will act as a deterrent to such carelessness in the future, and that the American taxpayers' dollar will thus be more efficiently expended.

I ask that the report be printed.

The PRESIDENT pro tempore. The report will be received and printed.

STUDY OF MINERALS, MATERIALS, FUELS, AND CERTAIN OTHER MATTERS—REPORT OF A COMMITTEE

Mr. MURRAY. Mr. President, from the Committee on Interior and Insular Affairs, I report favorably, without amendment, the resolution (S. Res. 183) authorizing the Committee on Interior and Insular Affairs to make a study of minerals, materials, and fuels and certain other matters within its jurisdiction. I ask unanimous consent that the resolution be referred today to the Committee on Rules and Administration.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the resolution was referred to the Committee on Rules and Administration.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. GEORGE, from the Committee on Foreign Relations:

Herbert V. Prochnow, of Illinois, to be a Deputy Under Secretary of State;

Isaac W. Carpenter, Jr., of Nebraska, to be an Assistant Secretary of State;

Wiley T. Buchanan, Jr., of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary to Luxembourg;

John D. Hickerson, of Texas, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary to Finland;

Thomas C. Mann, of Texas, a Foreign Service officer of class 2, to be Ambassador Extraordinary and Plenipotentiary to El Salvador;

Robert H. Thayer, of New York, to be Envoy Extraordinary and Minister Plenipotentiary to Rumania;

Dr. Frederick J. Brady, of Maryland, to be the representative on the Executive Board of the World Health Organization;

John J. Muccio, of Rhode Island, to be Ambassador Extraordinary and Plenipotentiary to Iceland;

Rufus H. Fitzgerald, of Pennsylvania, to be a member of the United States Advisory Commission on Educational Exchange; and

Arthur A. Hauck, of Maine, to be a member of the United States Advisory Commission on Educational Exchange.

NOMINATION OF DR. THOMAS B. NOLAN TO BE DIRECTOR OF THE GEOLOGICAL SURVEY — EXECUTIVE REPORT OF A COMMITTEE

Mr. MALONE. Mr. President, from the Committee on Interior and Insular Affairs, I report favorably the nomination of Dr. Thomas B. Nolan, of Nevada, to be Director of the Geological Survey, taking the place of William E. Wrather, who is retiring. The nomination was approved this morning by the committee.

The PRESIDENT pro tempore. The nomination will be received and placed upon the Executive Calendar.

Mr. MALONE. Mr. President, I ask unanimous consent to have a biographical sketch of Thomas B. Nolan printed in the RECORD at this point as a part of my remarks.

There being no objection, the biographical sketch was ordered to be printed in the RECORD, as follows:

BIOGRAPHICAL SKETCH

Dr. Thomas B. Nolan was born in Greenfield, Mass., May 21, 1901. He attended Yale University, receiving his Ph. B. in metallurgy in 1921 and Ph. D. in geology in 1924. He has been on the staff of the Geological Survey since 1924, when he was appointed a junior geologist. He was appointed the Assistant Director in 1944.

Dr. Nolan, before becoming Assistant Director, was engaged in geologic work in the States of Nevada and Utah, including studies of the Gold Hill and Tonopah mining districts. His work on tungsten deposits led to his designation as the Survey's tungsten specialist. His work in this capacity played an important part in the country's ability to meet its greatly increased needs for tungsten during World War II. For his work in tungsten, Dr. Nolan was honored with the K. C. Li gold medal and $1,000 prize in 1954, an award administered by the Trustees of Columbia University and given for meritorious achievement in advancing the science of tungsten. In recent years Dr. Nolan has continued his geologic work, as time has permitted, at Eureka, Nev.

Dr. Nolan is a member of the National Academy of Sciences. He has been the Department of Interior representative on the Interdepartmental Committee on Scientific Research and Development since the committee was formed in 1947. He served as a member of the Scientific Advisory Committee on Specialized Personnel, an advisory group to Maj. Gen. L. B. Hershey, from the committee's organization in 1948 until its termination in 1953.

Dr. Nolan is a past president of the Society of Economic Geologists and a member of many scientific and professional organizations, including the Geological Society of America, American Academy of Arts and Sciences, Mining and Metallurgical Society of America, American Geophysical Union, American Society of Photogrammetry, Explorers Club of New York, and the Cosmos Club.

He was awarded the Spendiaroff Award at the Washington meeting of the XVI International Geological Congress in 1933.

Dr. Nolan resides with his wife, the former Mabelle Orleman, at 2219 California Street, NW., their legal residence is in Eureka, Nev. They have one son, Thomas B. Nolan, Jr., who is a freshman at Yale.

Mr. MALONE. Mr. President, Mr. Nolan has been a member of the staff of the Geological Survey since 1924. Since 1944 he has been assistant director. He has specialized in reports on minerals found throughout the country, and is well qualified to handle the job.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, January 24, 1956, he presented to the President of the United States the enrolled joint resolution (S. J. Res. 12) to request the Secretary of State to arrange for the International Joint Commission, United States and Canada, to conduct a survey of the proposed Passamaquoddy tidal power project, and for other purposes.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SCOTT:

S. 3027. A bill to provide a system of graduated price support levels for cotton and wheat based upon amounts produced; to the Committee on Agriculture and Forestry.

S. 3028. A bill for the relief of Dionisios Vasiliou Tsiros; to the Committee on the Judiciary.

(See the remarks of Mr. SCOTT when he introduced the first above-mentioned bill, which appear under a separate heading.)

By Mr. FLANDERS:

S. 3029. A bill for the relief of Josephine Langton; to the Committee on the Judiciary.

By Mr. NEELY (by request):

S. 3030. A bill for the relief of Costantinos F. Agoris; to the Committee on the Judiciary.

By Mr. BYRD (for himself and Mr. ROBERTSON):

S. 3031. A bill to incorporate the George Washington Boyhood Home; to the Committee on the Judiciary.

By Mr. DUFF (for himself, Mr. MARTIN of Pennsylvania, Mr. ROBERTSON, Mr. BYRD, Mr. WILLIAMS, Mr. CASE of New Jersey, Mr. SMITH of New Jersey, Mr. BUTLER, Mr. BEALL, and Mr. KILGORE:

S. 3032. A bill granting the consent and approval of Congress to the Middle Atlantic Interstate Forest Fire Protection Compact; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. DUFF when he introduced the above bill, which appear under a separate heading.)

By Mr. THYE (for himself and Mr. BRIDGES):

S. 3033. A bill to extend the duration of Public Law 815, 81st Congress, which provides for school construction assistance to local educational agencies in areas affected by Federal activities, and for other purposes; to the Committee on Labor and Public Welfare.

By Mr. CARLSON:

S. 3034. A bill to amend the Bankhead-Jones Farm Tenant Act to adjust the loan limitations of title II so as to provide more effective assistance to production and subsistence loan borrowers; and

S. 3035. A bill to amend the Bankhead-Jones Farm Tenant Act and to authorize the Secretary of Agriculture to make or insure loans to farmers and stockmen for the purpose of refinancing existing debts, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. MURRAY (for himself and Mr. MANSFIELD):

S. 3036. A bill to provide for the establishment of a new fish hatchery in the vicinity of Miles City, Mont.; to the Committee on Interstate and Foreign Commerce.

By Mr. THURMOND:

S. 3037. A bill to amend the Federal Property and Administrative Services Act of 1949, as amended, to prevent the allocation of procurement contracts to certain designated geographical areas, and for other purposes; to the Committee on Government Operations.

(See the remarks of Mr. THURMOND when he introduced the above bill, which appear under a separate heading.)

By Mr. HUMPHREY:

S. 3038. A bill to provide for the issuance of a special series of postage stamps commemorating the construction, at Minneapolis, Minn., of the first bridge across the Mississippi River; to the Committee on Post Office and Civil Service.

(See the remarks of Mr. HUMPHREY when he introduced the above bill, which appear under a separate heading.)

By Mr. NEUBERGER:

S. 3039. A bill to prevent the consumption of alcoholic beverages aboard aircraft used in air commerce and military aircraft; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. NEUBERGER when he introduced the above bill, which appear under a separate heading.)

By Mr. NEUBERGER (for himself and Mr. MORSE):

S. 3040. A bill for relief of Gertrud Charlotte Samuelis; to the Committee on the Judiciary.

By Mr. LANGER:

S. Res. 191. Resolution to authorize an investigation of the procedure in Federal condemnation cases; to the Committee on the Judiciary.

(See the remarks of Mr. LANGER when he submitted the above resolution, which appear under a separate heading.)

PROPOSED SYSTEM OF GRADUATED PRICE SUPPORT LEVELS FOR COTTON AND WHEAT

Mr. SCOTT. Mr. President, in an effort to write legislation that will meet the needs of this Nation's agricultural economy, the Senate Committee on Agriculture and Forestry has been in almost constant session since the 2d session of the 84th Congress began.

Today, Mr. President, I am proposing legislation, which, I think, embraces

principles which should be thoroughly explored by the committee.

With this in mind, I introduce, for appropriate reference, a bill which would provide a system of graduated price supports for cotton and wheat. Although the bill includes only cotton and wheat, I feel that the same approach to the other basic commodities can be easily worked out in the event the committee finds that this is the proper approach.

The proposed legislation would provide a system of price supports based on the same principle as our income tax laws. Under the system, the larger the farming operation, the less assistance it receives from the Government.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3027) to provide a system of graduated price-support levels for cotton and wheat based upon amounts produced, introduced by Mr. SCOTT, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

MIDDLE ATLANTIC INTERSTATE FOREST FIRE PROTECTION COMPACT

Mr. DUFF. Mr. President, on behalf of myself, my colleague, the senior Senator from Pennsylvania [Mr. MARTIN], the junior Senator from Virginia [Mr. ROBERTSON], the senior Senator from Virginia [Mr. BYRD], the Senator from Delaware [Mr. WILLIAMS], the junior Senator from New Jersey [Mr. CASE], the senior Senator from New Jersey [Mr. SMITH], the senior Senator from Maryland [Mr. BUTLER], the junior Senator from Maryland [Mr. BEALL], and the Senator from West Virginia [Mr. KILGORE], I introduce, for appropriate reference, a bill granting the consent and approval of Congress to the Middle Atlantic Interstate Forest Fire Protection Compact.

The bill would grant approval of the Congress to a compact by six Middle Atlantic States (Delaware, Maryland, New Jersey, Pennsylvania, Virginia, and West Virginia) for a cooperative program in preventing and suppressing forest fires. This compact parallels the general pattern of the northeastern interstate forest-fire protection compact which the Congress approved in 1949 and the southeastern compact approved in 1954.

The bill would provide for individual State fire plans and an integrated regional fire plan. Compact administrators, one from each State, would guide the compact with the assistance of an advisory committee representing legislators, forestry commissions, and forest industry. A State requesting aid would be required to assume costs for States rendering aid. The bill would provide that the compact shall not affect any existing or future cooperative relationship or arrangement between any Federal agency and a member State or States.

Protection of the timber resource from fires is important to the economic and industrial stability of the Middle Atlantic region. The interstate compact proposed by this bill would be helpful in attaining greater protection against forest fires in the member States.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3032) granting the consent and approval of Congress to the Middle Atlantic Interstate Forest Fire Protection Compact, introduced by Mr. DUFF (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

AMENDMENT OF FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT, RELATING TO ALLOCATION OF PROCUREMENT CONTRACTS

Mr. THURMOND. Mr. President, I introduce for appropriate reference, a bill to amend the Federal Property and Administrative Services Act of 1949, as amended, to prevent the allocation of procurement contracts to certain designated geographical areas, and for other purposes.

I ask unanimous consent that the bill may be printed in the body of the RECORD, together with a letter of December 15, 1955, written by me to Defense Mobilization Director Arthur S. Flemming, and his reply, dated January 5, 1956. These two letters will show the necessity for introducing such proposed legislation to prevent the Government from channeling defense contracts to distress areas.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and letters will be printed in the RECORD.

The bill (S. 3037) to amend the Federal Property and Administrative Services Act of 1949, as amended, to prevent the allocation of procurement contracts to certain designated geographical areas, and for other purposes, introduced by Mr. THURMOND, was received, read twice by its title, referred to the Committee on Government Operations, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That (a) section 302 (c) of the Federal Property and Administrative Services Act of 1949, as amended (41 U. S. C. 252 (c)), is amended by adding at the end thereof the following new sentence: "No contract for the procurement of goods or services shall be negotiated without advertising because of any determination that any labor surplus exists within any geographical area, or because any geographical area has been designated a disaster area or an economically distressed area, and no program for the procurement of goods or services shall contain any provision for the allocation of all or any portion of the contracts to be awarded thereunder to contractors conducting business operations within any geographical area because of any such determination with respect to, or any such designation of, such area."

(b) Section 2 (c) of the Armed Services Procurement Act of 1947, as amended (41 U. S. C. 151 (c)), is amended by inserting at the end thereof the following new sentence: "No contract for the procurement of goods or services shall be negotiated without advertising because of any determination that any labor surplus exists within any geographical area, or because any geographical area has been designated a disaster area or an economically distressed area, and no program for the procurement of goods or services shall contain any provision for the allocation of all or any portion of the contracts to be awarded thereunder to contractors conducting business operations within any geographical area because of any such determination with respect to, or any such designation of such area."

The letters presented by Mr. THURMOND are as follows:

DECEMBER 15, 1955.

HON. ARTHUR S. FLEMMING,
Director, Office of Defense Mobilization,
Executive Office Building,
Washington, D. C.

DEAR MR. FLEMMING: It has been called to my attention that the Philadelphia Quartermaster Depot of the Army recently issued invitations to manufacturers to bid on contracts to supply the Army with large quantities of webbings and tapes of a type which are manufactured in South Carolina, as well as other States. In these invitations it was stated that unless the bidder represented a firm operating in a disaster area that the bid would not be considered for the contract award.

I had previously known of this practice of the Federal Government, under authority of Executive orders, setting aside certain percentages of contracts and assigning as much as 50 percent to labor surplus areas even when the low bid was filed by another manufacturer. However, this is the first instance which has come to my attention in which a 100-percent set-aside has been made in advance of accepting bids.

The practice of setting aside any part of a contract except to the low bidder is a dangerous and unfair procedure, in my opinion, but the setting aside of 100 percent of a contract to a labor surplus area or a disaster area is even more unfair. Such a procedure means that manufacturers outside disaster or labor surplus areas do not even have the privilege of competing, and, therefore, the Government agency seeking to procure supplies or materials eliminates possible low bidders by restricting procurement to select manufacturers. With some bidders eliminated, it is quite possible and probable that disaster area bidders would not be as conservative in their bids and the result would be that the Government would pay more than necessary for its purchases under such circumstances.

However, cost to the Government aside, this practice rewards one citizen at the expense of another.

If a manufacturer is able to produce supplies and materials at a lower cost or if he is willing to accept a smaller profit than others, he should be awarded a contract on which he bids, unless he is unable to meet the specifications required by the Government. A manufacturer should not be penalized for efficiency of operation which enables him to be the low bidder on Government procurements.

Several established Government departments and agencies assist communities various ways. Other departments and agencies assist communities in the event of natural disasters. At the present time a committee of the Senate is considering further assistance to disaster areas in the form of new disaster insurance. I believe the establishment of such policies is properly the province of the legislative branch of the Government.

Because of the reasons I have stated, I urge you to rescind your Defense Mobilization Order supplement of August 25, 1955, in which the following is stated: "* * * Procurement agencies shall use their best efforts to award procurement contracts to contractors located in disaster areas and to encourage prime contractors to award subcontracts to firms in those areas."

We cannot control the occurrence of natural disasters. But the Federal Government should not visit disasters by decree upon good

American citizens by refusing to permit them to bid on Government contracts.

Sincerely yours,

STROM THURMOND.

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF DEFENSE MOBILIZATION,
Washington, D. C., January 5, 1956.

Hon. STROM THURMOND,
United States Senate,
Washington, D. C.

DEAR SENATOR THURMOND: This is in reply to your letter of December 15, 1955, in which you urged the rescission of the supplement of August 25, 1955, to our DMO VII–7 and point out that activities under the policy of that supplement result in discrimination against producers in your State and elsewhere.

I appreciate your concern in this matter, but I am sure you will agree that in the event of a major disaster in any portion of our country the common good requires rapid restoration of the industrial capacity and economic health of that area. Participation of both Government and private instrumentalities is necessary to achieve that common objective and it is likely that while the resulting activities are temporary they will affect in some degree many individuals and private concerns in other parts of the country.

In the mobilization area the Government has been engaged for some time in encouraging the development and maintenance of an industrial base adequate to produce goods and services necessary in time of war. A major disaster tears down important elements of that mobilization base and creates circumstances which threaten the availability of the manpower necessary to insure its operation. To assist in meeting those problems we have issued supplements to several of our outstanding mobilization base documents, including the procurement policy referred to in your letter. Others deal with tax amortization of emergency facilities, defense loans and machine-tool leasing. The floods in the northeastern United States and the new flood disaster occurring on the west coast since your letter was written have given rise to the special mobilization-base problems which those policies were designed to meet. Those supplements are effective, of course, only with respect to those areas found to be disaster areas under the Disaster Relief Act and will not be applicable after the findings under that statute are withdrawn. In the meantime, some temporary diminution of normal business opportunities in other parts of the country may result from such activities, but we believe that those disadvantages will be outweighed by the resulting national benefits.

If you should need other information with respect to those policies, please do not hesitate to call on me.

Sincerely yours,

ARTHUR S. FLEMMING,
Director.

ISSUANCE OF SPECIAL SERIES OF STAMPS COMMEMORATING THE CONSTUCTION OF FIRST BRIDGE ACROSS MISSISSIPPI RIVER AT MINNEAPOLIS, MINN.

Mr. HUMPHREY. Mr. President, 1956 is the 100th anniversary of the city of Minneapolis, Minn., gateway to the Northwest, the largest city of Minnesota and the center of much of its manufacturing, transportation, and food processing.

One hundred years ago Minnesota was a raw wilderness. Indeed, the entire Nation west of the Mississippi was wilderness. There was one bridge across the entire 1,100 mile length of the Mississippi River which connected the eastern half of the United States with the new west. This was at Minneapolis, between Saint Anthony Falls and the new city. This historic bridge contributed in great measure to the pioneer settlement of the Minnesota wheat regions and the great Dakota country. The Legislature of the Territory of Minnesota granted the charter in 1853 for the erection and maintenance of this bridge, which was begun in 1854. Not only did this bridge become the very first bridge to span the main channel of the Mississippi, but it was one of the first long suspension bridges anywhere in the United States.

At the completion of this bridge, there were no more than a dozen houses on the west side of the Mississippi, in what is now known as Minneapolis. Today there stands a city of well over half a million inhabitants.

The original bridge has been replaced, but its significance remains, as the great impetus to the early growth of Minneapolis.

Early in the fall of 1955, the city of Minneapolis requested the Postmaster General to authorize the printing of a commemorative stamp depicting the first span across the Mississippi River, in the year of the Minneapolis Centennial. There have been numerous discussions with the Post Office Department. One objection after another has been raised and disposed of.

In particular, the claim of the Rock Island-Davenport community to have had the first span across the Mississippi has been refuted according to the following sources:

For verification of the date of the Saint Anthony Falls-Minneapolis bridge we cite—

First. The Reverend Marion David Shutter, History of Minneapolis: Gateway to the Northwest; publisher, S. J. Prack Publishing Co., Chicago, 1923, volume I, pages 117 and 122–123.

Second. Compendium of History and Biography of Minneapolis and Hennepin County, Minn., by Maj. R. I. Holcomb and William H. Bingham, published by Henry Taylor & Co., Chicago, 1941, page 119.

Third. Dr. William E. Leonard, Early Days in Minneapolis, published in the Minnesota Historical Society Collections, volume 15, page 501. dated 1915.

All the above sources agree that the bridge was completed early in 1855 and in the winter of 1855–56 was opened to transportation on a regular basis.

The date of completion of the bridge across the Mississippi at Rock Island-Moline was April 21, 1856—substantially later than the Saint Anthony Falls-Minneapolis bridge was actually opened to traffic. The source is Chicago, Rock Island, and Pacific Railway Representative Employees, published by Biographical Publishing Co., Chicago, Ill., 1900.

The above information was furnished to me by the Library of Congress, and I take the time of the Senate to bring this to the attention of the Senate simply because I have been having a running debate with the Post Office Department as to the historical facts relating to the suspension bridge. It has been some time since I have spent so much of my energy and time on the study of history, but I felt it was an argument which could be won. I felt it was worthy of being won, and I am now presenting evidence which should make it crystal clear that, while the Post Office Department may know how to deliver the mail, it has flunked its course in history.

I furnished this information, in turn, to the Assistant Postmaster General, Mr. Albert J. Robertson, on November 15, 1955. In mid-December according to the Minneapolis Tribune staff correspondent, Mr. Charles Bailey, the Postmaster General still did not accept the fact that the Minneapolis-Saint Anthony Falls bridge was the first span across the Mississippi.

There can be no question as to the facts in the matter. Furthermore, I submit that the importance of this bridge and the resulting community of Minneapolis in the development of the entire Northwest is of such great historical importance that it is an extraordinarily suitable subject for a commemorative stamp.

Therefore, I take pleasure in introducing for appropriate reference, a bill to instruct the Postmaster General to issue in calendar year 1956, a commemorative stamp with a representation of the first bridge across the Mississippi at Minneapolis.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3038) to provide for the issuance of a special series of postage stamps commemorating the construction, at Minneapolis, Minn., of the first bridge across the Mississippi River, introduced by Mr. HUMPHREY, was received, read twice by its title, and referred to the Committee on Post Office and Civil Service.

PROHIBITION OF SERVICE OR CONSUMPTION OF ALCOHOLIC BEVERAGES ABOARD AIRCRAFT

Mr. NEUBERGER. Mr. President, many people in the State of Oregon have urged the enactment of a law forbidding service or consumption of alcoholic beverages aboard commercial and military airplanes. It is my understanding that, so far, the Civil Aeronautics Board has declined to promulgate an order against this peril to air safety.

It is obvious that any passenger or crew member, who is affected by alcohol, could threaten the operations of an aircraft in flight. Many lives might thus be needlessly endangered.

However, Mr. President, the banning of alcoholic beverages should not be confined merely to commercial and military planes. It should be forbidden aboard all aircraft. After all, every plane shares the airlanes with some other planes. We know what tragedy and catastrophe can occur in the air if planes collide, or on a landing field if a plane does not use a runway carefully and accurately.

We would think it silly if we ruled out alcohol on trucks and busses using the

highways, but permitted alcohol to be consumed in private cars rolling over the same highways. This would not make much sense.

For these reasons, Mr. President, I introduce, for appropriate reference, a bill to ban the consumption of alcoholic beverages on any civilian aircraft—commercial or private—operation of which is subject to regulation by the Civil Aeronautics Board, and on military aircraft. The sanction of drinking per se is not here at issue. It is a matter of safety. I think that safety dictates the outlawing of all alcoholic beverages on any flight. This is only fair to all the people who use the air for travel and to their loved ones. It also is in special fairness to the passengers of commercial planes who could be terribly endangered through the uncontrolled or reckless flight of a private plane, whose crew or travelers were indiscriminately consuming alcoholic beverages.

I ask unanimous consent that the bill be printed in the RECORD, at this point.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 3039) to prevent the consumption of alcoholic beverages aboard aircraft used in air commerce and military aircraft, introduced by Mr. NEUBERGER, was received, read twice by its title, referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That section 601 (a) of the Civil Aeronautics Act of 1938 is amended by striking out the word "and" following the semicolon at the end of clause (6), by striking out the period at the end of clause (7) and inserting in lieu thereof a semicolon and the word "and," and by inserting after clause (7) the following new clause:

"(8) Such reasonable rules and regulations as may be necessary to prevent the consumption at any time of alcoholic beverages aboard any aircraft used in air commerce."

SEC. 2. The Secretary of Defense shall establish such regulations as may be necessary to prevent the consumption at any time of alcoholic beverages aboard military aircraft.

INVESTIGATION OF PROCEDURE IN FEDERAL CONDEMNATION CASES

Mr. LANGER. Mr. President, I submit, for appropriate reference, a resolution, and ask that it be read.

The PRESIDENT pro tempore. Without objection, the resolution may be read.

The legislative clerk read the resolution (S. Res. 191) as follows:

Resolved, That the Committee on the Judiciary of the Senate, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete study and investigation of (a) the number of condemnation cases now pending in the Lands Division of the Department of Justice and, (b) whether the adjudication of such cases is being expeditiously proceeded with, and if not, the reasons therefor and the measures which should be adopted to assure the expeditious disposition of such cases.

SEC. 2. For the purposes of this resolution the committee, from the date of the adoption of this resolution until January 31, 1957, inclusive, is authorized to (a) make such expenditures as it deems advisable, (b) employ upon a temporary basis technical, clerical, and other assistants and consultants, and (c) with the consent of the heads of the departments and agencies concerned and the Committee on Rules and Administration, to utilize the reimbursable services, information, facilities and personnel of any of the departments or agencies of the Government.

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than January 31, 1957.

SEC. 4. The expenses of the committee under this resolution, which shall not exceed $———, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

Mr. LANGER. Mr. President, it is my information that thousands of condemnation cases are pending. In some cases land has been in process of condemnation for a great many years. I do not think it is right for the Federal Government, merely by making a deposit in court, to deprive a farmer or anyone else of the use of his property or the use of the money if the deposit is not sufficient. A great many times the deposit is placed in court and the farmer does not want to take it. The result is that it may be several years before he is able to find another location which is satisfactory to him. Often the price is not satisfactory.

I think the entire subject should be investigated, with the idea of enacting legislation with a view of expediting the procedure in Federal condemnation cases.

The PRESIDENT pro tempore. The resolution will be received and appropriately referred.

The resolution (S. Res. 191) was referred to the Committee on the Judiciary.

AMENDMENT OF SOCIAL SECURITY ACT—AMENDMENT

Mr. HENNINGS. Mr. President, on behalf of myself, and my colleague, the junior Senator from Missouri [Mr. SYMINGTON], I submit, for appropriate reference, an amendment, intended to be proposed by us, to the bill (H. R. 7225) to amend title II of the Social Security Act to provide disability insurance benefits for certain disabled individuals who have attained age 50, to reduce to age 62 the age on the basis of which benefits are payable to certain women, to provide for continuation of child's insurance benefits for children who are disabled before attaining age 18, to extend coverage, and for other purposes.

The proposed amendment would enable Missouri to continue to participate in the Federal aid-to-the-blind program on a permanent basis.

Prior to 1950, Missouri and Pennsylvania, alone, had been held ineligible for Federal assistance in meeting the financial requirements of their "peculiarly"—and I use the word designedly—humane and liberal aid-to-the-blind programs because, whereas, the Federal law sanctioned earnings by recipients up to a maximum of $600, Missouri allowed an income of $1100 annually.

However, in 1950, the law was amended (section 344 (b)) to exempt Missouri and Pennsylvania from the restriction imposed under the Federal law, thus qualifying them for Federal assistance in meeting the payments to those blind individuals who met the income limitation; that is, up until June 30, 1955. In the meantime, Missouri continued to bear the entire cost of the payments to those blind recipients whose income exceeded the $50 per month Federal income restriction.

This partial exemption operated so efficiently and to the mutual advantage of the State and the Federal Government, that it was subsequently extended to June 30, 1957. The purpose of this bill is to enable Missouri and Pennsylvania to continue to participate in the Federal program on a permanent basis without being unduly penalized for adhering to a more humane and more liberal standard in administering aid to its blind citizens.

It does not seem to me, nor to the people of my State, that earnings up to $1,100 annually are excessive. In our judgment, it is only just and proper that we should be permitted to retain this standard permanently, provided that State funds only are used for payments to those who do not qualify under the more restrictive Federal requirement for assistance.

At the present time, the Federal Government shares in the payments to three-fourths of the blind recipients in Missouri. Missouri bears the entire cost of assisting the remaining 25 percent who are not eligible under the Federal program. Of the total expenditure for aid to the blind, Missouri paid well over half; and, I might add, that not one Federal dollar was used to pay any individual who did not meet the $50 restriction of the Federal law.

I sincerely believe that the amendment which we proposed is humanitarian in principle and sound both from the standpoint of good administration and simple justice. It accords the States of Missouri and Pennsylvania no more than equal treatment with other States, conceivably less. I hope the Finance Committee will give the amendment prompt and favorable consideration.

The PRESIDENT pro tempore. The amendment will be received, appropriately referred, and printed.

The amendment was referred to the Committee on Finance, and ordered to be printed.

ADDITIONAL CLERICAL ASSISTANTS AND FUNDS FOR COMMITTEE ON GOVERNMENT OPERATIONS — REFERENCE OF RESOLUTION

Mr. CLEMENTS. Mr. President, I ask unanimous consent that Calendar No. 1519, Senate Resolution 188, to provide additional clerical assistants and funds for the Committee on Government Operations, be taken from the calendar and referred to the Committee on Rules and Administration.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. MARTIN of Pennsylvania:

Address delivered by Senator SALTONSTALL at the salute-to-Eisenhower banquet in Philadelphia, Pa., on January 20, 1956.

By Mr. LEHMAN:

Report on the Nation, delivered by him to the people of New York State on January 20, 1956.

ADDRESS BY SENATOR THURMOND BEFORE VIRGINIA STATE BAR ASSOCIATION

Mr. BYRD. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a very able address delivered by the Senator from South Carolina [Mr. THURMOND] before the Virginia Bar Association at White Sulphur Springs, W. Va., on August 6, 1955.

Senator THURMOND's address is an outstanding contribution to the discussion of fundamental principles relating to the Constitution and the Supreme Court, and is very pertinent in view of recent decisions that have been made. It is worthy of the fullest consideration by every American who believes in our constitutional government of representative democracy.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Meeting with you here tonight is a great pleasure and privilege. I consider it an unusual honor to have been invited to speak before such a distinguished association. The States of Virginia and South Carolina have always had common interests and common objectives. I hope this fraternity will grow closer with time. Certainly, in the United States Senate, I have felt a strong fraternity with the distinguished Senators representing you. No State is better represented in the Senate than Virginia, and I am happy to count Senator BYRD and Senator ROBERTSON as my friends.

The subject I wish to discuss tonight is one about which I have been deeply disturbed. I know that you, too, have been concerned with recent events involving the separation of powers of the three branches of the Federal Government and the division of rights between the Federal Government and the States.

I still believe in the United States Constitution as a living document, immutable except by the processes established when it was written to amend it legally. Believing this, I wish to cite several provisions of this vital instrument of the American Government.

To begin with, the Constitution provides in article I, section 1, that: "All legislative powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and House of Representatives."

In view of recent developments in our judicial system, I feel it appropriate to read this section of the Constitution again as you and I have read and reread it many times in the past. I hope that members of the Federal judiciary will read it and reread it again in the future.

Section 8 of article I enumerates the powers of the Congress.

Section 9 of article I spells out specific prohibitions and limitations on the powers of the Congress.

Section 10 of article I defines limitations on the power of the States and, further, specifies additional limitations which require approval of the Congress prior to action by the States.

Even the clarity of these provisions did not satisfy many of the people when the Constitution was finally ratified by the nine requisite States to become effective in 1789. Several States ratified only after long debate and the adoption of recommendations that a Bill of Rights be added to make some of the provisions even clearer.

A total of 124 amendments were proposed by the States for inclusion in the Bill of Rights. Seventeen amendments were accepted by the House, two of which later were rejected by the Senate. The remaining 15 were reduced to 12 before final approval by the Congress. The States rejected 2 of the proposals and thereby the Bill of Rights was distilled to the original 10 amendments.

The first eight amendments listed certain rights specifically retained by the people. The ninth stated that the "enumeration in the Constitution of certain rights, shall not be construed to deny or disparage others retained by the people."

And the 10th amendment declared:

"The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people."

Although this amendment did not, of itself, add power to the States, or to the Federal Government, the 10th amendment did make clear the intent of the framers of the Constitution and the understanding of the States in ratifying the Constitution and the Bill of Rights.

James Madison has been quoted as saying:

"Interference with the power of the States was no constitutional criterion of the power of Congress. If the power was not given, Congress could not exercise it; if given, they might exercise it, although it should interfere with the laws, or even the constitutions of the States."

I have no argument with that conception of the power of the Congress. My contention is that legislative power, not granted even to the Congress, by the Constitution or by statute, has been assumed by the judiciary. By assumption of such power, the Supreme Court has not only seized power granted the legislative branch alone, but the Court has also invaded the specifically reserved rights of the States.

On occasion a President of the United States has attempted to usurp power vested in the Congress. The most recent example was the steel seizure case. On April 8, 1952, President Truman issued an executive order directing the Secretary of Commerce to seize and operate most of the steel mills of the country. His purpose was to avoid a nationwide strike of steelworkers during the Korean war.

President Truman issued the seizure order "by virtue of authority vested in me by the Constitution and laws of the United States, and as President of the United States and Commander in Chief of the Armed Forces of the United States."

By a 6 to 3 opinion the Supreme Court upheld an injunction of the district court restraining the seizure. Justice Black wrote the majority opinion in which he pointed out that no statute expressly authorized or implied authorization for the President to seize the steel mills; that in its consideration of the Taft-Hartley Act in 1947, the Congress refused to authorize Government seizure of property as a means of preventing work stoppages and settling labor disputes. He also declared that the power sought to be exercised was the lawmaking power, which the Constitution vests in the Congress alone. Further, he pointed out that such previous actions by the Chief Executive did not thereby divest the Congress of its exclusive lawmaking authority.

Thus the Supreme Court was quick to repel this latest attempt by a chief executive to exercise authority not vested in him by the Constitution or by statute.

But the Court's memory was short indeed when it considered the school segregation cases. The Court itself usurped the power of the Congress by its decision on May 17, 1954, and its decree of May 31, 1955.

By this time, you are probably wondering if I am avoiding mention of the 14th amendment upon which the appellants in the school cases depended for their argument that the States could not separate the races in the public schools.

I am not avoiding it. I want to discuss it with you tonight.

In the first hearing, the Supreme Court asked the appellees, including school districts in South Carolina and Virginia, to present evidence at the rehearing, which was held in December 1953, on the understanding of the 14th amendment at the time of its enactment. Information was required on the Congress which approved the amendment and the States which ratified it.

The preponderance of evidence presented in the briefs showed that the Congress which approved the amendment and, the States which ratified it, did not understand it as applying to segregation in the schools.

As the brief in the South Carolina case pointed out, the "debates of the 39th Congress on the 1st supplemental Freedman's bill, the Civil Rights Act of 1866 and the 14th amendment contain no evidence of any intention on the part of Congress to forbid school segregation."

The brief also pointed out that "of the 37 States to which the amendment was submitted, only 5 abolished or prohibited segregation in their schools when they ratified the amendment; and there is no evidence that they did so because they thought the amendment required such action rather than as a matter of local educational policy. Of these 5, 3 later established segregated school systems after the 14th amendment had become a part of the Constitution of the United States."

Nine States did not have segregated schools when the amendment was submitted to them.

Four States, in which segregated schools were maintained when the 14th amendment was ratified, refused to ratify the amendment, but there was no evidence in the proceedings of their legislatures that they did not do so because of any understanding that the amendment prohibited segregated schools.

Two States had segregated schools and have maintained them.

Nine Northern States were operating segregated schools and either continued to do so or reestablish them.

Eight seceded States continued to operate, or immediately reestablished, segregated schools after ratification of the amendment.

Of course, I have merely touched on the strong evidence that the 14th amendment was not understood at the time of its ratification to prohibit segregated schools. But, the evidence was well documented in the briefs presented to the court. Significantly, the evidence was not refuted.

However, the Court saw fit largely to disregard this evidence for which it had asked. Commenting on the evidence, the Court said on May 17, 1954:

"This discussion and our own investigation convince us that, although these sources cast some light, it is not enough to resolve the problem with which we are faced.

"At best, they are inconclusive. The most avid proponents of the postwar amendments undoubtedly intended them to remove all legal distinctions among 'all persons born or naturalized in the United States.'

"Their opponents, just as certainly, were antagonistic to both the letter and the spirit of the amendments and wished them to have the most limited effect. What others in Congress and the State legislatures had in mind cannot be determined with any degree of certainty."

I want you to note particularly the use of the Court's words "undoubtedly intended," in reference to what the proponents of the 14th amendment thought. The Court cast aside the real evidence presented as inconclusive, but, by some unstated power, arrived at the intent of dead partisans where no evidence existed.

Admitting that the question was not one of equalization of facilities and other "tangible" factors, the Court stated:

"Our decision, therefore, cannot turn merely on a comparison of these tangible factors in the Negro and white schools involved in each of the cases. We must look instead to the effect of segregation itself on public education."

This statement is clearly an admission that the decision was not rendered on the basis of any provision of the Constitution. Regardless of what the Court called inconclusive evidence, as to the understanding of the 14th amendment when it was adopted in 1868, the Court did not have to rely on that amendment alone in view of the clarity of the 10th amendment. When the Court found itself in doubt as to the intent of the 14th amendment—and its questions showed doubt existed—then the Court should have relied on other provisions of the Constitution not lacking in clarity.

However, the Court made its position still more untenable by its comments on the time elapsed since adoption of the 14th amendment and the *Plessy* v. *Ferguson* decision of 1896, by which the doctrine of "separate but equal" school facilities was established.

The Court said:

"We cannot turn the clock back to 1868 when the amendment was adopted, or even to 1896 when *Plessy* v. *Ferguson* was written. We must consider public education in the lights of its full development and its present place in American life throughout the Nation. Only in this way can it be determined if segregation in public schools deprives these plaintiffs of the equal protection of the laws."

In other words, the Court was no longer interested in the evidence it had requested, regardless of the understanding of the Congress which approved and the States which ratified the 14th amendment.

The doctrine of "separate but equal" was established on the Constitution, and even if the 14th amendment had not existed, the doctrine would have been fair and equitable to apply to the expenditure of public funds for public schools. No responsible official of a State government would deny the obligation of the State to provide equal facilities for the races. Virtually all of the Southern States have already fully complied with that doctrine.

In my own State of South Carolina more funds have been allocated for Negro schools in the past several years than for the construction of white schools. In less than 4 years, South Carolina has spent about $150 million on the construction of new schools, with approximately 60 percent being for Negroes. Since white pupils outnumber Negro pupils in South Carolina by 3 to 2, this means that approximately twice as much per capita has been spent for Negro pupils for school construction.

Long ago differences in teachers salaries were wiped out and salaries based on knowledge, training, and experience. My State is meeting the responsibility which goes with the constitutional right for State regulation of public schools. I know that Virginia and the other States are meeting their responsibility too.

But let us consider further how the Court arrived at its decision to destroy provisions of the constitutions and/or the laws of 17 States and the District of Columbia. It legislated by judicial fiat in a field which even the Congress had not invaded.

Thus, in this decree, the Court disregarded the distinctions made in the first and third articles of the Constitution between the powers of the Congress and the Judiciary. The same decree also overrode the 8th and 9th sections of article I of the Constitution and the 10th amendment, in which the rights of the States are enumerated.

Although the Court admitted that "education is perhaps the most important function of State and local governments," it failed to follow that thought to its logical conclusion. The conclusion would be that, in lieu of specific constitutional or statutory limitation, the States have the power to operate the kind of public schools they deem best, the equity of all pupils being protected.

Quoting from the decision in the Kansas case, the Court stated:

"A sense of inferiority affects the motivation of a child to learn. Segregation with the sanction of law, therefore, has a tendency to retard the educational and mental development of Negro children and to deprive them of some of the benefits they would receive in a racially integrated school system."

If this thesis had validity, the Court, also should have treated the question of whether an adverse effect would result from the mixing of children of the same age level of lower intelligence with those of higher intelligence. Certainly differences of inferiority and superiority would be emphasized greatly by close proximity. What would be the effect on the pupils of higher intelligence levels? Would they have to follow instruction geared to less intelligent pupils? Educators have long advocated that greater opportunities be provided for exceptional pupils. They have not recommended mixing them with less able pupils.

Still referring to the "sense of inferiority" of segregated pupils, the Court said:

"Whatever may have been the extent of psychological knowlege at the time of *Plessy* v. *Ferguson*, this finding is amply supported by modern authority." Then, in a footnote, it cited a group of psychologists. Disregarding the degree of objectivity exercised by these psychologists, I do question the authority of the Court to replace the Constitution with opinions expressed in textbooks.

On May 31 of this year, the school cases were remanded to the district courts, leaving to them the setting of time for compliance. On July 15 the case which arose in Clarendon County, S. C., was heard in Columbia before a three-judge Federal court composed of Judges John J. Parker, Armistead M. Dobie and George Bell Timmerman. Judges Parker and Timmerman had sat on the original court which had ruled that the doctrine of "separate but equal" school facilities for the races was not violative of the Constitution.

In his opening remarks at the hearing on July 15, Judge Parker said:

"Whatever may have been the views of this court as to the law when the case was originally before us, it is our duty now to accept the law as declared by the Supreme Court.

"Having said this, it is important that we point out exactly what the Supreme Court has decided and what it has not decided in this case. It has not decided that the Federal courts are to take over or regulate the public schools of the States. It has not decided that the States must mix persons of different races in the schools or must require them to attend schools or must deprive them of the right of choosing the schools they attend. What it has decided, and all that it has decided, is that a State may not deny to any person on account of race the right to attend any school that it maintains. This, under the decision of the Supreme Court, the State may not do directly or indirectly but, if the schools which it maintains are open to children of all races, no violation of the Constitution is involved even though the children of different races voluntarily attend different schools, as they attend different churches."

Judge Parker's words point clearly to a means of continued school segregation on a voluntary basis. Were it not for the agitators who have no regard for the Constitution and for the best interests of a majority of both races, I believe voluntary segregation would work satisfactorily.

However, I cannot tell you that I believe it will work. Already petitions have been filed in several districts of South Carolina, since this hearing, asking for the admission of Negro pupils to white schools, where facilities are equal or better for the Negroes. The same thing is happening in other States.

But permit me to quote Judge Parker further:

"Nothing in the Constitution or the decision of the Supreme Court takes away from the people freedom to choose the schools they attend. The Constitution in other words, does not require integration. It merely forbids discrimination. It does not forbid such segregation as occurs as the result of voluntary action. It merely forbids the use of governmental power to enforce segregation. The 14th amendment is a limitation upon the exercise of power by the State or State agencies not a limitation upon the freedom of individuals.

"The Supreme Court has pointed out that the solution of the problem in accord with its decisions is the primary responsibility of school authorities and that the function of the courts is to determine whether action of the school authorities constitutes 'good faith implementation of the governing constitutional principles.'"

Let me emphasize Judge Parker's statements that "the Constitution does not require integration," and that "it merely forbids the use of governmental power to enforce segregation." These words are extremely important to the officials of the States and the schools, as we consider means of maintaining our way of life under the Constitution.

The solution to the problem lies in the hands of the States. While the Congress never would have been able to amend the Constitution, or to pass legislation, to declare separate school facilities discriminatory, neither could it now enact legislation to overrule the action of the Court.

There are not enough people in Washington concerned with the same principles on which our Constitution was established to pass such regulatory measures.

Therefore, the States and school districts must construct laws and regulations within the principles stated by the Court. Not even the edict of the Court prevents the adoption of systems of classifying pupils other than that of race.

A friend has written me suggesting, facetiously, that I should introduce a bill making all legislation by the Supreme Court subject to review by the Congress. I agree this would be just as constitutional as what the Court itself has done.

I reject the contention of the propagandists who have convinced some sincere persons that the Supreme Court has spoken and everybody should bow to what the Court has declared the law of the land.

Those persons who sought to destroy the Constitution and the rights of the States did not meekly bow to the doctrine of separate but equal established under the Constitution by the *Plessy* v. *Ferguson* decision. Instead, for a half century they conducted a propaganda campaign against the Constitution and against the decision of a respected Court.

We might do well to adopt the tactics of our opponents. If propaganda and psychological evidence are effective for our opponents, they can be effective for us. Our worthy objective of preserving the Constitution justifies the method.

Not only must the States find substitutes for the constitutional practices which have been invalidated, they must also fight each case with every legal weapon at their disposal. They must, at the same time, hold to the provision of equal facilities for the races, in spite of the temptation to forget humane treatment for those who exert pressures of propaganda and the courts.

In the Congress I, for one, shall fight against every effort to enact legislation which I believe discriminatory against the greatest minority group in this Nation—the white people of the South—who have been subjected to abuse worthy of the dictators.

I also propose to consider carefully every nomination made by the Chief Executive to the courts and to other positions of power. If I find the appointee, by his actions and statements, to be disqualified for the trust he would assume, I shall vote against his confirmation. By this method the Senate can exert its rightful power in an effort to protect the Constitution against further inroads.

I deem it my duty, my solemn obligation, under my oath, to take such action to defend the Constitution of the United States.

The process of adaptation of the Constitution to changing times had attained a speed so great that in *Smith* v. *Allwright*, in 1944, the late Justice Roberts declared that Supreme Court decisions appeared to have taken on the attributes of restricted railroad tickets, valid only for the date of their issuance.

As attorneys you probably know that in the 18 years since 1937, 33 previously formulated principles of constitutional law have been discarded or overruled by the Supreme Court. In the preceding 137 years of this Nation under the Constitution, only 29 previously established principles were overruled.

From the beginning the lawyers of this country have had a strong hand in making it a great Nation. Of the 56 men who signed the Declaration of Independence, 24 were lawyers. Twenty-one of the thirty-nine delegates who drafted and signed the Constitution also were lawyers. A high percentage of the Members of the Congress and the State legislatures today are lawyers. No other profession has contributed so much to the establishment and the maintenance of our Government.

As your able and devoted forefathers fought the fights of liberty—on the battlefields and in the lawmaking bodies—I hope you will devote your legal talents to preserving the guaranties of the Constitution. We have seen in other lands what happens to the rights of the people when duly constituted govermnent is destroyed.

We cannot flinch at being charged with "impeding progress." The Supreme Court by its decree has impeded the progress made in 75 years of work to provide equal and adequate public education for the white and Negro children of the South. No accuser can point his finger in any other direction with as much accuracy.

FOREIGN POLICY DOCUMENTS

Mr. SMITH of New Jersey. Mr. President, during the months when the Congress was adjourned, several very important foreign policy conferences took place, and numerous important statements covering various phases of our foreign policy were delivered either by the President or by the Secretary of State.

It seems to me that these statements and communiqués might well be printed in the RECORD together, so that Senators may more easily refer to them and better understand our policies.

I understand that some Members of the Senate plan a fullfledged review of our foreign policy. This could be very helpful if conducted in a cooperative, friendly, and bipartisan manner. It is important that the various segments of our foreign policy be under constant review, evaluation, and study.

I hope that the series of statements which I wish to insert in the RECORD today will be helpful to all my colleagues, and especially to those who intend to review our foreign policy. Let me say that I collected these documents, with the approval of the Secretary of State and with the help of the State Department. They have been selected as the most important ones issued between the sessions of the 84th Congress.

So, Mr. President, I ask unanimous consent to have the following documents printed in the body of the RECORD.

UNITED STATES FOREIGN POLICY TOWARD EUROPE AND RUSSIA

In the field of United States foreign policy toward Russia and Europe, I submit:

First. The July 23 directive of the heads of government of the four powers to the foreign ministers, issued at the end of the first Geneva Conference.

Second. President Eisenhower's July 25 address to the Nation, after returning from the first Geneva Conference.

Third. The statement made by Secretary Dulles on July 26, 1955, on the first Geneva Conference.

Fourth. The Secretary of State's Report to the Nation on November 18, after the Foreign Ministers meeting. This is known as the Second Geneva Meeting.

Fifth. The Tripartite Declaration on Germany and European Security, issued on November 16, 1955, at the close of the Second Geneva Conference.

Sixth. An address by Secretary Dulles, delivered on December 8, in Chicago. The address is entitled "The Foundations for a Firm Peace."

Seventh. The Final Communiqué of December 16 of the Paris NATO Council Meeting.

NEAR EASTERN POLICY

With regard to United States policy in the Near East, I submit:

First. Secretary Dulles' August 26 address before the Council on Foreign Relations, having to do particularly with Arab-Israeli problems.

Second. Mr. Dulles' statement on October 4, concerning dangers of a Middle East arms race.

Third. President Eisenhower's November 9 statement concerning Near Eastern policy.

Fourth. The President's letter to Rabbi Abba Hillel Silver, regarding peace in the Near East.

ECONOMIC AID

On the subject of economic aid, I submit:

Secretary Dulles' December 20 statement; and the statement of the members of the United States delegation to the United Nations, as read by Mr. Dulles at his news conference on January 11, 1956.

There being no objection, the documents were ordered to be printed in the RECORD, as follows:

SEVENTH PLENARY MEETING, JULY 23

(EDITORIAL NOTE.—At this meeting the Heads of Government agreed on the definitive phraseology of the final directive to the Foreign Ministers. The directive was formally adopted at the Eighth Plenary Meeting.)

DIRECTIVE OF THE HEADS OF GOVERNMENT OF THE FOUR POWERS TO THE FOREIGN MINISTERS[1]

The Heads of Government of France, the United Kingdom, the U. S. S. R. and the United States of America, guided by the desire to contribute to the relaxation of international tension and to the consolidation of confidence between states, instruct their Foreign Ministers to continue the consideration of the following questions with regard to which an exchange of views has taken place at the Geneva Conference, and to propose effective means for their solution, taking account of the close link between the reunification of Germany and the problems of European security, and the fact that the successful settlement of each of these problems would serve the interests of consolidating peace.

1. European security and Germany

For the purpose of establishing European security with due regard to the legitimate interests of all nations and their inherent right to individual and collective self-defense, the Ministers are instructed to consider various proposal to this end, including the following: A security pact for Europe or for a part of Europe, including provisions for the assumption by member nations of an obligation not to resort to force and to deny assistance to an aggressor; limitation, control, and inspection in regard to armed forces and armaments; establishment between East and West of a zone in which the disposition of armed forces will be subject to mutual agreement; and also to consider other possible proposals pertaining to the solution of this problem.

The Heads of Government, recognizing their common responsibility for the settlement of the German question and the reunification of Germany, have agreed that the settlement of the German question and the reunification of Germany by means of free elections shall be carried out in conformity with the national interests of the German people and the interests of European security. The Foreign Ministers will make whatever arrangements they may consider desirable for the participation of, or for consultation with, other interested parties.

2. Disarmament

The Four Heads of Government,

Desirous of removing the threat of war and lessening the burden of armaments,

Convinced of the necessity, for secure peace and for the welfare of mankind, of achieving a system for the control and reduction of all armaments and armed forces under effective safeguards,

Recognizing that achievements in this field would release vast material resources to be devoted to the peaceful economic de-

[1] Text from Conference document CF/DOC/25, July 23, 1955.

velopment of nations, for raising their well-being, as well as for assistance to underdeveloped countries,

Agree:

(1) for these purposes to work together to develop an acceptable system for disarmament through the Subcommittee of the United Nations Disarmament Commission;

(2) to instruct their representatives in the Subcommittee in the discharge of their mandate from the United Nations to take account in their work of the views and proposals advanced by the Heads of Government at this Conference;

(3) to propose that the next meeting of the Subcommittee be held on August 29, 1955, at New York;

(4) to instruct the Foreign Ministers to take note of the proceedings in the Disarmament Commission, to take account of the views and proposals advanced by the Heads of Government at this Conference and to consider whether the four Governments can take any further useful initiative in the field of disarmament.

3. Development of contacts between East and West

The Foreign Ministers should by means of expert study measures, including those possible in organs and agencies of the United Nations, which could (a) bring about a progressive elimination of barriers which interfere with free communications and peaceful trade between people and (b) bring about such freer contacts and exchanges as are to the mutual advantage of the countries and peoples concerned.

4. The Foreign Ministers of the Four Powers will meet at Geneva during October to initiate their consideration of these questions and to determine the organization of their work.

TEXT OF THE ADDRESS OF THE PRESIDENT REPORTING TO THE NATION AFTER HIS RETURN FROM THE GENEVA CONFERENCE

Good evening friends, Secretary Dulles and I, with our associates, went to the Big Four Conference at Geneva resolved to represent as accurately as we could the aspirations of the American people for peace and the principles upon which this country believes that peace should be based.

In this task we had the bipartisan, indeed almost the unanimous, support of the Congress. This fact greatly strengthened our hand throughout the negotiations. Our grateful thanks go out to all your Senators and your Congressmen in the United States Congress. Aside from this, we had, during the past week, thousands of telegrams of encouragement and support from you as individuals. Along with these came similar telegrams from great organizations, church organizations, business, and great labor organizations.

All of these combined served to make us feel that possibly we were faithfully representing the views that you would have us represent. Now peace—the pursuit of peace—involves many perplexing questions. For example:

Justice to all nations, great and small;

Freedom and security for all these nations;

The prosperity of their several economies and a rising standard of living in the world;

Finally, opportunity for all of us to live in peace and in security.

Now, naturally, in the study of such questions as these, we don't proceed recklessly. We must go prudently and cautiously—both in reaching conclusions and in subsequent action. We cannot afford to be negligent or complacent. But, we must be hopeful. We must have faith in ourselves and in the justice of our cause. If we don't do this, we will allow our own pessimism and our own lack of faith to defeat the noblest purposes that we can pursue.

Now, because of the vital significance of all these subjects, they will be exhaustively surveyed by our Government over a period of many weeks. Tonight the most that I can give to you are a few personal impressions and opinions that may have some interest for you and certainly have some bearing on the outcome and on the progress of those negotiations.

Of course, an interesting subject that could be taken up, had I the time, would be the personalities of the several delegations, the relationship or apparent relationships of one to the other—the principal considerations that seem to motivate them. These would all have a bearing on this problem. But I forgo them and take up instead just two general opinions in which I am sure every American shares:

The first of these, that we must never be deluded into believing that 1 week of friendly, even fruitful, negotiation can wholly eliminate a problem arising out of the wide gulf that separates, so far, East and West. A gulf as wide and deep as the difference between individual liberty and regimentation, as wide and deep as the gulf that lies between the concept of man made in the image of his God and the concept of man as a mere instrument of the state. Now, if we think of those things we are apt to be possibly discouraged.

But I was also profoundly impressed with the need for all of us to avoid discouragement merely because our own proposals, our own approaches, and our own beliefs are not always immediately accepted by the other side.

On the night I left for Geneva, I appeared before the television to explain to you what we were seeking. I told you that we were going primarily to attempt to change the spirit in which these great negotiations and conferences were held. A transcript was made of that talk, and I should like now to read you one paragraph from it.

This is what I said with respect to our purpose: "We realize that one ingredient has been missing from all past conferences. This is an honest intent to conciliate, to understand, to be tolerant, to try to see the other fellow's viewpoint as well as we see our own. I say to you if we can change the spirit in which these conferences are conducted, we will have taken the greatest step toward peace, toward future prosperity and tranquillity that has ever been taken in all the history of mankind."

During last week in formal conferences, and in personal visits, these purposes have been pursued. So now there exists a better understanding, a closer unity among the nations of NATO.

There seems to be a growing realization by all that nuclear warfare, pursued to the ultimate, could be practically race suicide.

There is a realization that negotiations can be conducted without propaganda and threats and invective.

Finally, there is a sharp realization by the world that the United States will go to any length consistent with our concepts of decency and justice and right to attain peace. For this purpose, we will work cooperatively with the Soviets and any other people as long as there is sincerity of purpose and a genuine desire to go ahead.

In the course of carrying on these discussions there were a number of specific proposals, some of which were items on the official agenda. That agenda contained German reunification and European security, disarmament, and increased contacts of all kinds between the East and the West.

Most of these conference meetings were given wide publicity and even some of the specific suggestions made in those conferences likewise were publicized. In any event, I can assure you of one thing:

There were no secret agreements made, either understood agreements or written ones. Everything is put before you on the record.

Outside of these conference meetings there were numerous unofficial meetings—conversations with important members of the other delegations and, of course, very specifically with the Soviet delegation.

In these conversations a number of subjects were discussed and among them the Secretary of State and I specifically brought up, more than once, American convictions and American beliefs and American concern about such questions as the satellites of Eastern Europe and the activities of international communism. We made crystal clear what were American beliefs about such matters as these.

Now to take up for a moment the items on the official agenda.

Probably no question caused us as much trouble as that of German reunification and European security. At first we thought that these could be dealt with separately, but the American delegation concluded that they had to be dealt with as one subject. We held that Germany should be reunited under a government freely chosen by themselves, and under conditions that would provide security both for nations of the East and for nations of the West—in fact in a framework that provided European security.

In the matter of disarmament, the American Government believes that an effective disarmament system can be reached only if at its base there is an effective reciprocal inspection and overall supervision system, one in which we can have confidence and each side can know that the other side is carrying out his commitments. Now because of this belief, we joined with the French and the British in making several proposals. Some were global, some were local, some were sort of budgetary in character. But all were in furtherance of this one single objective, that is, to make inspection the basis of disarmament proposals.

One proposal suggested aerial photography, as between the Soviets and ourselves by unarmed peaceful planes, and to make this inspection just as thorough as this kind of reconnaissance can do. The principal purpose, of course, is to convince every one of Western sincerity in seeking peace. But another idea was this: if we could go ahead and establish this kind of an inspection as initiation of an inspection system we could possibly develop it into a broader one, and eventually build on it an effective and durable disarmament system.

In the matter of increasing contacts, many items were discussed. We talked about a freer flow of news across the curtains of all kinds. We talked about the circulation of books and particularly we talked about peaceful trade. But the subject that took most of our attention in this regard was the possibility of increased visits by the citizens of one country into the territory of another, doing this in such a way as to give each the fullest possible opportunity to learn about the people of the other nation. In this particular subject there was the greatest possible degree of agreement. As a matter of fact, it was agreement often repeated and enthusiastically supported by the words of the members of each side.

As a matter of fact, each side assured the other earnestly and often that it intended to pursue a new spirit of conciliation and cooperation in its contacts with the other. Now, of course, we are profoundly hopeful that these assurances will be faithfully carried out.

One evidence as to these assurances will, of course, be available soon in the language and the terminology in which we will find speeches and diplomatic exchanges couched. But the acid test should begin next October because then the next meeting occurs. It will be a meeting of the Foreign Ministers. Its principal purpose will

be to take the conclusions of this conference as to the subjects to be discussed there and the general proceedings to be observed in translating those generalities that we talked about into actual, specific agreements. Then is when real conciliation and some giving on each side will be definitely necessary.

Now, for myself, I do not belittle the obstacles lying ahead on the road to a secure and just peace. By no means do I underestimate the long and exhausting work that will be necessary before real results are achieved. I do not blink the fact that all of us must continue to sacrifice for what we believe to be best for the safety of ourselves and for the preservation of the things in which we believe.

But I do know that the people of the world want peace. Moreover, every other individual who was at Geneva likewise felt this longing of mankind. So, there is great pressure to advance constructively, not merely to reenact the dreary performances, the negative performances of the past.

We, all of us, individually and as a people now have possibly the most difficult assignment of our Nation's history. Likewise, we have the most shining opportunity ever possessed by Americans. May these truths inspire, never dismay us.

I believe that only with prayerful patience, intelligence, courage, and tolerance, never forgetting vigilance and prudence, can we keep alive the spark ignited at Geneva. But if we are successful in this, then we will make constantly brighter the lamp that will one day guide us to our goal—a just and lasting peace.

Thank you. Good night to each of you.

[No. 458, July 26, 1955]

GENEVA CONFERENCE

At his news conference today Secretary Dulles made the following statement:

"The Geneva 'Summit' Conference produced good results.

"First of all, I would put the fact that it registered a certain transformation in the relations between the Soviet Union and the Western Powers. They became less brittle. That should mean that, for the predictable future, we can subject our differences to the patient processes of diplomacy with less fear that war will come out of them. That, of course, does not mean that early and easy solutions are in sight. It does mean that the war danger has further receded.

"Another development at the Geneva Conference was the resourcefulness and initiative of the Western Powers. That was particularly evidenced by President Eisenhower's dramatic proposal that the United States and the Soviet Union should agree that peaceful planes would fly over each others territory to take photographs so that each could be sure that the other was not planning a massive surprise attack.

"This is the most dramatic, and at the same time most serious and sober, peace proposal that history records. The Soviets made no immediate reply, but that is not surprising for the proposal is one which no doubt they wish to take time to study. If, however, they have the genuine desire of peace which they indicated at Geneva, then I feel confident that positive results will come from President Eisenhower's proposal.

"The Western Powers also brought to the fore the problem of German reunification. This now is very much a matter of practical international statesmanship. German reunification is in the air and I am convinced that it will come about, not immediately, but surely. Of course, we recognized that it will come about more easily within a framework of European security. So the Western Powers accepted the Soviet request that European security be studied. In that connection we put forward a series of practical suggestions which will come before the October Foreign Ministers Conference. These can give the Soviet Union assurance that German reunification, far from endangering the Soviet Union, can take place under conditions which will provide safety to all.

"We had occasion to bring home to the Soviet rulers the importance which the United States Government and people attach to the right of the satellite nations to have governments of their own choosing. Also we made clear our grave objection to the revolutionary and subversive activities of international communism. We obtained no assurance, but we hope that developments will in fact tend to eliminate these causes of tension.

"The Conference in no way weakened the close ties and unity of purpose which exist between the three Western Powers which were present at Geneva. On the contrary, their unity emerges stronger than ever from this new testing to which it was subjected.

"The Conference did not press national viewpoints to a point where there would have been a breakdown, which would have dimmed the hopes of future peace. On the other hand, the Conference avoided the equal danger of creating an illusion that all was now so well that we could safely relax our efforts to build individual and collective self-defense.

"President Eisenhower played a great role at this Conference, one of which our Nation can always be proud. Also the people of the United States can themselves take pride in the contribution of each to an unprecedented peacetime demonstration of spiritual unity behind our determination to make peace both just and durable.

"In looking to the future we must not forget the sequence of events that brought us where we are today. The free world has been strong and unified. It must remain so for the long arduous months ahead in which we must expect disappointments as well as cherish hopes. There are certainly opportunities for the free world in the present situation, but there are also possible hazards. The task of statesmanlike diplomacy is to realize to the full the opportunities while avoiding the hazards."

[No. 659, November 18, 1955]

REPORT TO THE NATION BY THE HONORABLE JOHN FOSTER DULLES, SECRETARY OF STATE

Following is the text of the report to the Nation by the Honorable John Foster Dulles, Secretary of State, upon the occasion of his return from the Foreign Ministers Conference at Geneva:

"For the last 3 weeks the British, the French, and ourselves have been negotiating with the Russians at Geneva. I got back yesterday and reported fully to the President in a talk which began last evening and was resumed this morning. Now I am reporting to you, the American people.

"As I expect most of you know, this Geneva meeting did not reach any agreements. As a result, many questions are in the air.

"Does this mean that the so-called spirit of Geneva is dead?

"Does it mean that the risk of war has increased?

"Will the so-called cold war be resumed in full vigor?

"Will the United States now have to change basically its military and mutual security programs?

"Does it mean an end to negotiating with the Soviet Union?

"I shall try to answer all of these questions.

"First of all, however, I would like to recall how this latest Geneva Conference came about.

"I go back to last spring. Until then Soviet Russia had been pursuing a menacing policy. That was Stalin's line. He believed it was possible to ride roughshod over the free nations.

"After Stalin died, that effort continued for a time. The Soviets made intense and blustering efforts to keep West Germany apart from the other Western European nations. Despite this, the Federal Republic of Germany last May joined NATO and the Brussels Treaty creating Western European Union.

"This Soviet failure was followed by a change in the Soviet demeanor. Stalin's successors professed, at least superficially, to desire cooperative relations with the free nations. And they made important concessions for this purpose.

"For example, they had for 8 years refused to sign the treaty which would give Austria her freedom. But last May they signed that treaty and pulled the Red Army out of Austria.

"They made their peace with Tito, who for 7 years had been the object of their most bitter attacks because he had taken Yugoslavia out of the Soviet bloc.

"They moderated their propaganda and their manners.

"They made it clear that they would like to sit down and talk with the Western nations.

"The United States responded, as it always will respond, to any prospect, however slight, of making peace more just and durable. That response was backed up with virtual unanimity and on a bipartisan basis. So, the United States joined with Britain and France to invite the Soviet leaders to the summit Conference at Geneva. There President Eisenhower met for 6 days with the heads of the other 3 governments, in an effort to create a better atmosphere and a new impulse toward the solution of the problems that divide us.

"That meeting indicated a desire on all sides to end the bitterness and harshness which could generate war. War, all recognized, would be a common disaster.

"In addition, the heads of government agreed that their foreign ministers should get together in October to negotiate about European security and the problem of Germany, about the limitation of armament and about the reduction of barriers between the Soviet bloc and the free world.

"The three Western leaders recognized that the value of the summit Conference would be largely determined by subsequent results. Thus, President Eisenhower, in the closing speech of the Conference, said, 'Only history will tell the true worth and real values of our session together. The follow-through from this beginning by our respective Governments will be decisive in the measure of this Conference.'

"Following the Summit Conference the United States, in cooperation with Britain, France, and the Federal Republic of Germany, prepared thoroughly for this Foreign Ministers Conference that was to come.

"We were fully aware of the complexity of the problems which we faced. The Summit Conference had shown deep differences on the issues of German unity and European security, disarmament, and freer contacts. To be acceptable, solutions of these problems must take account of legitimate interests on both sides—especially as to security.

"Our preparations for the meeting recognized this basic fact. The Western proposals provided the basis for real negotiatitons with the Soviet Union.

"In my initial statement to the Conference, I expressed the point of view I have just outlined. 'The United States,' I said, 'came to this meeting dedicated to exploring patiently and sincerely all possible approaches to realistic solutions of these problems.'

"Despite the effort, no specific agreements were reached.

"The explanation, as I see it, is this: The Soviet Union appears to want certain results in terms of European security, disarmament, and contacts of a sort. But it is not yet willing to pay the price needed to get these results. And when I say pay the price, I do not refer to bargaining terms. I mean the price in terms of doing what is inherently necessary to reach the results which we all say we want.

"Let me illustrate what I mean by telling you what happened at the Conference.

"I

"First of all, we talked about European security and Germany. The Soviet Union wanted security against the possible resurgence of German militarism. This was not unreasonable in the light of what the Russians had suffered from the German armies during World War II. The Western Powers were indeed prepared to meet the Soviet Union in this matter.

"We made security proposals of a serious and far-reaching nature. Perhaps the best proof of their merit is the fact that the Soviet delegation later came up with security proposals which copied many features of our own.

"But there was one basic and decisive difference. Our proposals were based upon the reunification of Germany. We do not believe that solid peace in Europe can be based on the injustice of a divided Germany. The Soviet proposals were based on preserving the Soviet puppet regime in East Germany and the indefinite division of Germany, at least unless Soviet control could be extended to all Germany.

"The Soviet Union at the Summit Conference had explicitly promised to consider the reunification of Germany by free elections and had explicitly recognized the close link between the reunification of Germany and European security.

"We tried hard, but in vain, to get the Soviet delegation to discuss seriously the problem of the reunification of Germany.

"When the Soviet Union came to face up to what that involved, it balked. Obviously, if Germany were reunified by free elections this would mean the end of the puppet regime which the Soviet Union has installed in East Germany. This in turn would almost surely have serious repercussions upon the other satellite countries of Eastern Europe. There the Soviet-controlled governments are facing rising pressure. Many within the satellite countries believe that the 'spirit of Geneva' means that they are entitled to more tolerance and to governments more responsive to the needs and aspirations of their own nation.

"So the Soviet Union took the position that while they were eager to get a treaty of European security they would not be willing to sacrifice their East German regime to get it. Despite what they had agreed to at the Summit Conference, they declared they would preserve their regime in East Germany, in clear defiance of the ardent wishes of the East Germans themselves.

"Some had thought that the Soviet Union might be willing to allow Germany to be reunified by free elections if reunified Germany would not enter the North Atlantic Treaty Organization. But in fact the Soviet delegation made it abundantly clear that it would not permit Germany to be reunified by free elections even on such terms.

"So we see that although the Soviet Union doubtless wants a European security system to which it is a party, it is not willing to provide an essential prerequisite, namely the reunification of Germany in freedom.

"II

"The second problem that we had to discuss was that of limitation of armament. Primary responsibility in this field is now with the United Nations Disarmament Subcommittee. But the foreign ministers were directed to help if they could.

"Both sides showed an eager desire to bring about limitation of armament. We want this both as an aid to peace and to permit economic resources to be devoted in greater measure to the benefit of mankind. But the Western nations are unwilling to agree to disarm unless we can be sure that both sides are carrying out the agreement. That is why we insist that disarmament be effectively supervised and controlled.

"Three times in this century the United States experience has shown that one-sided weakness in disarmament does not in fact preserve peace. The Untied States does not intend now to risk its very existence upon promises which may not be kept.

"The United States is, however, second to none in its desire for safeguarded reduction of armaments. It was to make that more possible that President Eisenhower, at the Summit Conference, proposed to the Soviet Union an exchange of blueprints of military establishments, and then aerial inspection to verify the blueprints and thereby improve the atmosphere by dispelling the fear of aggressive intentions on either side. That concept of President Eisenhower was rejected by the Soviets, although they did recognize for the first time that aerial inspection had a proper place in a control system.

"But the Soviet Union does not attach the importance which we do to inspection and control. It continued to urge agreements, even though there was no way to check adequately whether these agreements were being fulfilled.

"So our discussion of disarmament was inconclusive. We left further development of the subject to the United Nations Subcommittee on Disarmament.

"It seems that the Soviet Government feels as yet unable to allow inspection and control which, if it is adequate, would open up their society which is still largely based on secretiveness. So the Soviet Union, while wanting the immense benefits that could come from reduction of armament, is not willing to submit itself to the safeguards which would make this possible.

"III

"The third and final item of our agenda was the development of contacts between the East and the West. The Western Powers put forward 17 proposals of a concrete nature. Many of these would have involved the freer exchange of ideas, information, and news. All such proposals the Soviet delegation rejected. It was willing to have contacts which would enable it to garner technical know-how from other countries. It was willing to send and receive persons under conditions which it could closely control. But it reacted violently against anything that smacked of the elimination of barriers to a freer exchange of ideas. It abhorred the introduction into the Soviet bloc of thoughts which might be contrary to the official doctrine of the Soviet Communist Party.

"So we reached no agreement on this topic.

"The reason again is clear. We believe that human contacts are designed, not to serve governmental purposes, but to enable the members of the human family to have the understanding and knowledge of each other which is a foundation for durable peace. But after a generation of fanatic indoctrination, the Soviet rulers can hardly bring themselves to loosen their existing thought controls to permit of freer contacts with the free world.

"IV

"On all these matters dealt with at Geneva we tried to negotiate seriously with the Soviet Union. We wanted to reach constructive agreements if that could be done. But we were not prepared to reach agreements at the expense of the interests or security of the United States or its partners. Neither were we willing to make so-called agreements which were really meaningless. So when the Soviet Union showed itself unwilling to negotiate seriously on this basis we came away without agreement.

"It would have been easy to make some apparent agreements with the Soviet Union—but they would have been without real content. They would have given an illusion of a meeting of minds, where none in fact existed. The three Western Powers stood steadfastly against that kind of a performance. In doing so, they showed their confidence in their own strength and in the steadfastness of their own people. Thereby, this conference may have improved the prospects for real agreements in the future.

"V

"I now turn to the answers to the questions which I put at the beginning:

"(1) Does this second Geneva Conference end the so-called spirit of Geneva?

"The answer to that question depends upon what is meant by the spirit of Geneva. Some felt that the spirit of Geneva was some magic elixir which would of itself solve all of the great problems of the world. Obviously, it was not that. Any such view was doomed to disillusionment.

"That was never the view of the President nor myself. We constantly warned against that view. President Eisenhower, before he went to Geneva, said that that Conference would be a beginning and not an end. At Geneva he said that the value of the Conference could only be judged by what happened afterwards. And after he returned he told the American people that the acid test of the Summit Conference would begin when the Foreign Ministers met.

"That testing, so far as it has gone, has shown that the Soviet leaders would like to have at least the appearance of cooperative relations with the western nations. But it has shown that they are not yet willing to create the indispensable conditions for a secure peace. Also they have seriously set back the growth of any confidence the free world can justifiably place in Soviet promises. They did this by refusing to negotiate for the reunification of Germany, to which they had agreed in July.

"However, they seem not to want to revert to the earlier reliance on threats and invective. In that respect the spirit of Geneva still survives.

"(2) Has the outcome of the second Conference at Geneva increased the risk of general war?

"President Eisenhower said that he believed that the Summit Conference made it less likely that there would be open war between our countries. Nothing that happened at the Foreign Ministers Conference requires a change in that estimate. So that aspect of the Geneva spirit also remains.

"(3) Do the events of the last 3 weeks mean that the cold war will be resumed in its full vigor?

"The phrase cold war is a loose one.

"Of course, there are sharp differences between the objectives of the Soviet Government and our own. We believe in justice for all and in the right of nations to be free and the right of individuals to exercise their God-given capacity to think and to believe in accordance with the dictates of their mind and conscience. We shall not cease to pursue these objectives or ever seek a so-called peace which compromises them.

"However, these great purposes which have been characteristic of our Nation from its beginning can be and will be pursued by us without resort to violence or without resort to the use of hatred and perversion of truth which are characteristic of war. It is our

purpose to continue to seek friendship and understanding with the Russian people as a whole and to use truth as the instrument of our national policy.

"The cold war in the sense of peaceful competition will inevitably go on. The spirit of Geneva could not and did not change that fact. Moreover, we must assume that the Soviet Union will continue its efforts by means short of war to make its system prevail as it has done in the past. We can, however, hope that this competition will not entail all the same hostility and animosity which so defiled the relations between us in the past.

"(4) Will the United States now have radically to revise its programs for defense and mutual security?

"The answer to this is no. We have not lowered our guard on the basis of Soviet promises and did not do so because of the Summit Conference. Our security programs, which are bi-partisan in character, are designed to meet the peril as long at is may continue. We are on what we call a long haul basis. Our military strength must be based on the capability of the Soviet bloc and cannot vary with their smiles or frowns. We will reduce our own military strength only as the Soviets demonstrably reduce their own. Hence the outcome of the Geneva Conference does not require us to alter the general scope of our programs. Their general order of magnitude can remain as planned.

"Our steady policies have proved their worth. We believe in holding fast and reinforcing that which has proved good.

"(5) Does this last Geneva Conference mean an end to future negotiation with the Soviet Union?

"It need not be an end and neither the President nor I believe that it will be an end. It would of course be foolish to attempt new negotiations if everything remains as it was when this last Conference came to an end.

"We know, however, that conditions will change because change is the law of life.

"At this Geneva Conference the Soviet Union had to face up concretely to the cost of achieving the larger results which it says it wants in terms of European security, disarmament, and increased contacts between East and West.

"On this occasion no positive results were achieved. But I recall that President Eisenhower, after returning from Geneva, said that he was 'profoundly impressed with the need for all of us to avoid discouragement merely because our own proposals, our own approaches, and our own beliefs are not always immediately accepted by the other side.' And he pointed to the difficulty of bridging the wide and deep gulf between individual liberty and regimentation and between the concept of man made in the image of God, and the concept of man as the mere instrument of the state.

"That gulf has created obstacles so great that they could not be overcome at this recent Geneva Conference.

"That does not mean that our efforts at that Conference was wasted. The proposals we advanced were basically sound and respected the legitimate interest of all. When solutions come, they will have to take into account the principles which we sought to apply.

"The Soviets pride themselves on being realists. They have shown in the past that they will adapt their policies to facts and realities once they recognize them. We believe that the free nations, by maintaining and strengthening their unity, can make it apparent to the Soviet Union that solutions such as we proposed are in its real interest and will benefit them more than the local and temporary advantages to which they now seem to attach overriding importance.

"Of course the Soviets will not change their policies if they believe that the free world is going to fall apart. That is why continuation of the present partnership of the independent nations is indispensable to a peaceful solution of present problems.

"It is vital that all free nations, including ourselves, clearly understand this basic truth.

"I am happy to be able to make a good report about this partnership.

"In Paris, before the Geneva Conference, we had a useful session of the NATO Council. It was attended by virtually all of the Foreign Ministers of the 15 member countries. It served further to cement the unity represented by the Council.

"While in Europe I also consulted with leaders of the movement to develop still further the unity of Europe. This movement is again becoming vigorous. In my talks, I made clear that the initiative for further steps toward European integration must come from the Europeans themselves but that the United States stands ready and eager to help to realize this great idea.

"I went to Spain, Italy, and Yugoslavia. In each place I had a full and helpful discussion of the international scene. The result was, I think, to create better understanding and firmer ties of friendship.

"Finally, a most important fact is that at the Geneva Conference there were the closest personal and working relations between the British Foreign Minister, Mr. Macmillan, and the French Foreign Minister, Mr. Pinay, and myself. We also worked closely with the representative of the Federal Republic of Germany in matters that concerned it.

"This spirit of fellowship, which fortified our common effort in a common cause, is one of the important products of the Geneva Conference.

"The statement which I make to you tonight follows extended conference with President Eisenhower. He authorizes me to say that he fully shares the evaluation which I have made of the Geneva Conference and of its impact upon our national policies. That evaluation stems from the President's ruling and life purpose for a fair, just, and durable peace for the world, a purpose which I share and which, with him, I strive to implement.

"And now, in closing, let me read from my verbatim notes of our conference at Gettysburg this morning. As I was leaving, the President turned to me and said:

"'I know that no setback, no obstacle to progress, will ever deter this Government and our people from the great effort to establish a just and durable peace. Success may be long in coming, but there is no temporal force so capable of helping achieve it as the strength, the might, the spirit of 165 million free Americans. In striving toward this shining goal, this country will never admit defeat.'"

[No. 649, November 16, 1955]

TRIPARTITE DECLARATION ON GERMANY AND EUROPEAN SECURITY

Following is the text of a joint declaration by the Foreign Ministers of the United States, United Kingdom, and France on Germany and European Security issued at the close of the Geneva Conference at Geneva today:

"At Geneva, the Foreign Ministers of France, the United Kingdom, and the United States of America tried to reach agreement with the Soviet Foreign Minister on what the four heads of government in July agreed were the closely linked problems of German reunification and European security. To this end they made a proposal for the reunification of Germany by free elections in 1956 and for a treaty of assurance giving the Soviet Union far-reaching safeguards against aggression when Germany was reunified.

"Marshal Bulganin in July had agreed that the reunification of Germany was the common responsibility of the four powers and should be carried out by means of free elections. The Soviet Foreign Minister, however, despite the directive of the heads of government, made it plain that the Soviet Government refused to agree to the reunification of Germany since that would lead to the liquidation of the East German regime. He made counter proposals which would have involved the continued division of Germany as well as the eventual dissolution of the Western security system. It is for this reason that the negotiations have failed.

"The Foreign Ministers of France, the United Kingdom, and the United States of America are aware that this result must bring a sense of cruel disappointment to the German people, East and West of the zonal border which now unjustly divides them. However, the three Foreign Ministers believe that the Soviet Government will come to recognize that its own self-interest will be served by ending the injustice of a divided Germany. They believe that the Soviet Government will realize that so long as it persists in withholding unity from the German people, thus perpetuating the division of Europe, there can be no solid security in Europe, nor indeed in the world.

"The three Western powers will themselves not cease their efforts to end the injustice and wrong now being done by dividing the German people and will continue to stand ready to contribute to the security which can be enjoyed by all only when Germany is reunified."

THE FOUNDATION FOR A FIRM PEACE

(Address by John Foster Dulles, Secretary of State, before the Illinois Manufacturers' Association, Chicago, Ill., December 8, 1955)

We are, it seems, in a new phase of the struggle between international communism and freedom.

The first postwar decade was a phase of violence and threat of violence. There was the continued Soviet military occupation of northern Iran, the Communist guerrilla war in Greece, the Soviet blockade of Berlin, the Communist take-over of Czechoslovakia under the menace of armed invasion, the war against Korea, the war against Indochina, the warfare in the Formosa Straits, and the hostile threats against western Europe when the German Federal Republic acted to join the West.

Since last spring this phase of violence seems to have undergone an eclipse. But we should remember that one of the doctrines taught by Lenin and constantly emphasized by Stalin was the need for "zigzag." Repeatedly Stalin drove home the idea that it is as important to know when to retreat as when to attack, and that when blocked in one course it is necessary to find another.

Stalin is dead. But for 30 years his writings have been the Communist creed, and Stalinism in fact, though not in name, is still a potent influence in Russia. In prudence, therefore, we must act on the assumption that the present Soviet policies do not mark a change of purpose but a change of tactics.

We do not, however, want policies of violence to reappear. Therefore, it is useful to have clearly in mind what are the free-world policies which have caused the Soviet Union to shift from tactics of violence and intimidation as being unproductive.

The free nations have adopted and implemented two interrelated policies for collective security. The first policy is to give clear warning that armed aggression will be met by collective action. The second policy is to be prepared to implement this political warning with deterrent power.

THE POLITICAL WARNING SYSTEM

The first major political warning to the Soviet Union was expressed in the North Atlantic Treaty, a product of the Democrat-Republican cooperation of 1948 and 1949. By the North Atlantic Treaty, the parties told the Soviet rulers that, if they attacked any one, they would have to fight them all. If the Kaiser and Hitler had known in advance that their aggressions would surely bring against them the full power of the United States, they might never have begun their armed aggression. As it was, they did what despots readily do—they miscalculated. The North Atlantic Treaty left no room for such miscalculation. That, said Senator Vandenberg, was "the most practical deterrent to war which the wit of man has yet devised."

But the North Atlantic Treaty was not enough. With that alone, it might be inferred that we were relatively indifferent to what occurred elsewhere, notably in Asia. And, indeed, less than a year after the North Atlantic Treaty came into force, the Communists attacked the Republic of Korea.

But now, except for countries of South Asia which choose neutralism, the gaps in the political warning system have been closed. The United States with bipartisan cooperation has made mutual security treaties with the Philippines, Japan, the Republic of Korea, and with the Republic of China on Taiwan. We have entered into the ANZUS pact. We have joined with seven other nations to make the Southeast Asia Collective Defense Treaty. There is the Balkan alliance of Yugoslavia, Greece, and Turkey and the Baghdad Pact, which includes the northern tier of Turkey, Iraq, Iran, and Pakistan.

All of these treaties are made pursuant to what the United Nations Charter calls the inherent right of collective self-defense. Together they constitute a worldwide political warning system. They prevent the despots from miscalculating that they can use Red armies to conquer weaker nations, one by one.

THE DETERRENT OF RETALIATORY POWER

It is, however, not enough to have a political warning system. It must have backing if it is effectively to deter. That poses a difficult problem.

"With more than 20 nations strung along the 20,000 miles of Iron Curtain, it is not possible to build up static defensive forces which could make each nation impregnable to such a major and unpredictable assault as Russia could launch. To attempt this would be to have strength nowhere and bankruptcy everywhere. That, however, does not mean that we should abandon the whole idea of collective security and merely build our own defense area. * * * Fortunately, we do not have to choose between two disastrous alternatives. It is not necessary either to spread our strength all around the world in futile attempts to create everywhere a static defense, nor need we crawl back into our own hole in the vain hope of defending ourselves against all of the rest of the world. * * * As against the possibility of full-scale attack by the Soviet Union itself, there is only one effective defense, for us and for others. That is the capacity to counterattack. That is the ultimate deterrent. * * * The arsenal of retaliation should include all forms of counterattack with a maximum flexibility. * * * In such ways, the idea of collective security can be given sensible and effective content."

What I have just been saying is what I said 5 years ago.[1]

That program has now become a reality. We have developed, with our allies, a collective system of great power which can be flexibly used on whatever scale may be requisite to make aggression costly. Our capacity to retaliate must be, and is, massive in order to deter all forms of aggression. But if we have to use that capacity, such use would be selective and adapted to the occasion.

"To deter aggression, it is important to have the flexibility and the facilities which make various responses available. In many cases, any open assault by Communist forces could only result in starting a general war. But the free world must have the means for responding effectively on a selective basis when it chooses. It must not put itself in the position where the only response open to it is general war. The essential thing is that a potential aggressor should know in advance that he can and will be made to suffer for his aggression more than he can possibly gain by it. This calls for a system in which local defensive strength is reinforced by more mobile deterrent power. The method of doing so will vary according to the character of the various areas."

What I have been saying is from an article I wrote about 2 years ago.[2]

Our mutual-security arrangements help provide the local defense strength needed to preserve internal order against subversive tactics and to offer a resistance to aggression which would give counterattacking, highly mobile forces time to arrive.

Thus we have collective defense policies which, on the one hand, are calculated to deter armed aggression and which, on the other hand, we can, if need be, live with indefinitely.

The two elements I have described—on the one hand, a political warning system and, on the other hand, selective retaliatory power—constitute in combination a firm foundation for peace. If we want peace to continue, we must preserve that foundation intact.

We earnestly strive for some dependable system of limitation of armament. Until we succeed in such efforts, however, we and our allies must constantly maintain forces, weapons, and facilities necessary to deter armed aggression, large or small. That is an indispensable price of peace.

THE STRUGGLE FOR JUSTICE

But we dare not assume that the only danger is that of armed aggression and that, if armed aggression can be deterred, we can otherwise relax. There still exist grave injustices to be cured and grave dangers to be averted.

President Eisenhower, speaking last August, pointed out that "Eagerness to avoid war—if we think no deeper than this single desire—can produce outright or implicit agreement that injustices and wrongs of the present shall be perpetuated in the future. We must not participate in any such false agreement. Thereby, we would outrage our own conscience. In the eyes of those who suffer injustice, we would become partners with their oppressors. In the judgment of history we would have sold out the freedom of men for the pottage of a false peace. Moreover, we would assure future conflict."

And the President went on to point to the division of Germany and the domination of captive countries as an illustration of the injustices of which he spoke.

We shall not seek to cure these injustices by ourselves invoking force. But we can and will keep these injustices at the forefront of human consciousness and thus bring into play the force of world opinion which, working steadily, will have its way. For no nation, however powerful, wishes to incur, on a steadily mounting basis, the moral condemnation of the world.

This force was a potent factor in bringing Austria its freedom. Last May, after 7 years of delay, the Soviet Union signed the Austrian Treaty, the Red forces were withdrawn, and Austria was liberated.

We face a similar problem with respect to the reunification of Germany. The July meeting of the heads of government at Geneva had brought this problem to the forefront. There the four heads of government had explicitly agreed that "the reunification of Germany by means of free elections shall be carried out." However, at the second Geneva conference last month, the Soviet Union repudiated that agreement, despite Western offers which gave maximum assurances that a reunified Germany would not create insecurity for the Soviet Union and any of Germany's neighbors. Apparently the Soviets realized that all-German elections would surely remove from power the puppet regime which it has installed in East Germany. This, in turn, would have repercussions throughout the Soviet satellite world.

Therefore, the Soviet Union took the rigid position that it could accept no proposals for Germany, however reasonable, if they might enable the German people to get rid of those whom the Soviet has picked to rule in the Eastern Soviet Zone of Germany.

The result is that the West must continue to maintain the pressure of world opinion for the undoing of the present injustice which separates 17 million Germans from the great body of their fellows.

WESTERN UNITY

The Western European nations need also to continue to develop their own unity, not merely for defense but also for well being. It is the past divisions of Western Europe, and the rivalries of these nations, which has been the greatest cause of war and economic weakness.

The North Atlantic Treaty Organization serves greatly, not only to protect Europe but to provide a sense of unity and fellowship. I shall be sharing in that next week when Secretary Humphrey, Secretary Wilson, and I go to Paris for the December NATO Ministerial Council meeting. These meetings enable the Ministers of Foreign Affairs, of Finance, and of Defense to consult together and tighten the bonds which join the 15 NATO partners. These bonds are strong and tested. NATO is more than a mere military defense. Its members are constantly seeking and finding useful ways, other than military, to give expression to the closeness and warmth of their relationship.

But there is also need for unity on a more intimate basis among the continental European nations themselves. The six nations of France, Germany, Italy, Belgium, the Netherlands, and Luxembourg already have begun to create common institutions, notably the coal and steel community. I was glad to find on my last visit to Europe that the movement to develop along these lines is taking on new vitality. That movement must obtain its strength primarily from the peoples concerned. It is, however, a development in which the United States has a deep interest and which it is prepared to support if opportunity offers.

As this movement develops, it is bound to exert a powerful influence on the eastern European countries. If the western European countries find, in unity, increased prosperity, there will be increasing pressure in the satellite countries for independent governments responsive to the needs and aspirations of the people.

This may speed the day when the Soviet rulers will come to realize that to hold these eastern European nations in subjugation involves an obsolete reactionary practice, entailing costs, moral and material, far outweighing the seeming advantages.

THE LESS DEVELOPED COUNTRIES

New tasks also confront us in the less developed areas of the world. There, hundreds

[1] Where Are We, address made at New York, N. Y., on December 29, 1950, under auspices of American Association for the United Nations.

[2] Foreign Affairs, April 1954.

of millions of people lack what could and should be theirs.

These areas have always been a target of Soviet communism.

Today, as the Soviet rulers are balked in their effort to extend their influence by force, they have picked these areas as targets of their guile. The Soviet peoples seriously lack many of the commodities of everyday living. The satellite peoples are particularly exploited, and their standards of living have been seriously reduced. But the Soviet rulers find it easy to neglect these needs while professing concern for the welfare of those whom they call "colonial and dependent peoples" whose amalgamation into the Soviet Communist orbit has always been an open goal of Soviet policy.

The Soviet rulers, themselves exponents of a materialistic philosophy, have concentrated their educational efforts on training scientists. By now, the Soviet output of trained technical personnel is large. Also these technicians are always at the command of their government, to do whatever their government wants. They are thus available to go into the other areas, as a symbol of promises which are alluring.

We need not become panicky because Soviet communism now disports itself in this new garb. We need not assume, as some seem to assume, that the leaders in the Asian countries are unaware of danger and easily duped by false promises. These leaders have, indeed, had much political experience and have helped to win great political successes for their countries.

But the peoples of free countries which are not adequately developed do need the kind of help which matured industrial economies have historically provided for less developed economies. The flow of private capital partly meets that need. But government also has an important role to play.

We have indeed for several years had a governmental program for economic and technical assistance, much of which is directed to the less developed areas. That program is manned by a splendid corps of dedicated men and women. Congress has appropriated substantial funds to finance this program and to provide economic aid, much of which goes to the less developed areas. We expect to ask the Congress this coming year for as much money for this purpose as we think can usefully be spent, and we expect that the Congress will, as in the past, patriotically respond. Also we shall seek somewhat more flexibility than heretofore.

We are helping in other ways too. For example, our scientists, with the help of those from other free countries, had the imagination to see the immense possibilities in fissionable material. We were the first to crack the atom and to find the way to harness its vast power. We are in the lead in developing President Eisenhower's program of atoms for peace.

However, the coming years pose a challenge to our Nation and its people. A grudging response will not be enough. Nor will public money alone provide the answer. An effective response will call for a revival of the crusading spirit of our past.

We need to recapture the spirit which animated our missionaries, our doctors, our educators, and our merchants who, during the last century, went throughout the world carrying the benefits of a new way of life. For the most part these persons were not seeking to make money for themselves, although the profit motive was an honorable incentive. What they sought, and what they gained, was the unique joy that comes from creating and from sharing.

It would indeed be tragic if our people, and particularly our youth, now became so attracted by mercenary considerations, by the lure of the market place, that they lost the missionary spirit, the sense of destiny, which has been characteristic of our Nation since its beginning and which has made it great.

I frequently think of the scriptural promise that material things will be added unto those who seek first the kingdom of God and His righteousness. This Nation has from its earliest days been influenced by religious ideals. Our forebears believed in a Divine Creator who had endowed all men with certain inalienable rights. They believed in a moral law and in its concepts of justice, love, and righteousness. They had a sense of mission in the world, believing it their duty to help men everywhere to be and to do what God designed. They saw a great prospect and were filled with a great purpose.

Under the impulsion of that faith, there developed here an area of spiritual, intellectual, and economic vigor the like of which the world had never seen. It was no exclusive preserve. Indeed, sharing was a central theme. Millions were welcomed from other lands to share equally the opportunities of the founders and their heirs. Through missionary activities and the establishment of schools and churches American ideals were carried throughout the world. Our Government gave aid and comfort to those elsewhere who sought to increase human freedom.

Meanwhile, material things were added to us. Now we must take care lest those by-products of great endeavor seem so good that they become promoted to be the all-sufficient end.

That is the danger against which we must always be on guard. That is particularly the case today, when a huge materialistic state like the Soviet Union, thwarted in its efforts to aggrandize itself by force, coldly and cruelly calculates on how to exploit, for its selfish ends, the aspirations of the peoples of less-developed lands.

What the world needs to know at this juncture is that our Nation remains steadfast to its historic ideals and follows its traditional course of sharing the spiritual, intellectual, and material fruits of our free society, in helping the captives to become free and helping the free to remain free, not merely in a technical sense but free in the sense of genuine opportunity to pursue happiness, in the spirit of our Declaration of Independence.

And may we never forget that, as Lincoln said, that Declaration was not something exclusive to us, but there was "something in that Declaration giving liberty, not alone to the people of this country, but hope for the world for all future time. It was that which gave promise that in due time the weights should be lifted from the shoulders of all men, and that all should have an equal chance."

That was the spirit in which our Nation was conceived. May it also be the spirit in which we live.

FINAL NATO COMMUNIQUE

The North Atlantic Council held its regular December Ministerial Session in Paris on the 15th and 16th of December. Member governments were represented by Foreign, Defense, and Finance Ministers. Dr. Kristinn Gudmundsson, Foreign Minister of Iceland, acted as chairman.

I

The Council examined and assessed the present international situation.

It unanimously welcomed the vigor with which the three Western Ministers had presented to the Second Geneva Conference the proposals already outlined at previous meetings of the North Atlantic Council. These proposals aimed at the reunification of Germany through free elections; left the unified German Government free to choose its own foreign policy and offered a security pact to the U. S. S. R.

The Council noted with regret—

1. That the U. S. S. R. had repudiated the proposal to negotiate on the reunification of Germany through free elections, in spite of the directive agreed at the First Geneva Conference.

2. That the U. S. S. R. was opposed to any effective system for the control of armaments including the air inspection plan proposed by President Eisenhower.

3. That the U. S. S. R. had given proof of its fear and hostility with regard to the free exchange of information between the people of the Soviet Union and the free world.

The Council declared that the negative outcome of the Geneva Conference had in no way halted the efforts of the North Atlantic Powers to secure the reunification of Germany in freedom, such reunification continuing to be held by them as an essential condition for the establishment of a just and lasting peace.

The Council reaffirmed that they consider the Government of the Federal Republic as the only German Government freely and legitimately constituted and therefore entitled to speak for Germany as the representative of the German people in international affairs; it stressed once again that the security and welfare of Berlin should be considered as essential elements of the peace of the free world in the present international situation; it urged the importance of consulting further within NATO on the question of German reunification and on the situation in Berlin.

The Council also reviewed recent provocative moves and declarations by the Soviet Union regarding the Middle East and Asia. They recognized that these tactics, coupled with a continued increase in Soviet military capability created new problems and a new challenge to the free world.

II

Following a report by the Secretary General on the work and activities of the Organization in the last 8 months, the Council discussed future defense planning of NATO. It considered the Annual Review Report for 1955 and approved force goals for 1956, 1957, and 1958. The Council welcomed the German Federal Republic's participation for the first time in the NATO Annual Review. The Council adopted procedures designed to give new impulse and direction to the future defense planning of the alliance and to insure even closer cooperation in this field. The Council expressed the firm determination of all member governments to see the Atlantic forces equipped with the most modern weapons. The Council noted with satisfaction that substantial progress could be achieved in this respect as a result of the valuable assistance of the United States, the United Kingdom and Canada.

The Council devoted major attention to improving the arrangements for air defense, and warning in Europe. It accepted recommendations for the reorganization and closer coordination of the air defense in NATO European countries, so as to integrate further NATO activities in this vital field. The Council also received a report on a new type of communications system for air defense and warning. The United States offered to finance a pilot project for this new system.

III

The Council recognized that recent developments in the international situation made it more necessary than ever to have closer cooperation between the members of the alliance as envisaged in article 2 of the treaty. They decided to instruct the Permanent Council to examine and implement all measures conducive to this end.

IV

In concluding its work, the Council declared that the North Atlantic Treaty Organization remains the essential foundation of the security of the 15 associated nations. Such association is in direct contrast to the obsolete system under which isolated nations are in danger of being subjugated, one by one, by despotic groups such as the Soviet bloc.

[No. 517, August 26, 1955]

THE MIDDLE EAST

(Address by the Honorable John Foster Dulles, Secretary of State, before the Council on Foreign Relations, Council on Foreign Relations Building, New York City, Friday, August 26, 1955)

One of the first things I did as Secretary of State was to go to the Middle East. I wanted to see for myself that area so rich in culture and religious tradition, yet now so torn by strife and bitterness. So, in the spring of 1953, I visited Egypt, Israel, Jordan, Syria, Lebanon, Iraq, and Saudi Arabia. Upon my return I spoke of the impressions gathered on that trip and of the hopes which I held as a result of talks with leaders and people there.

Some of those hopes have become realities. At that time the Suez base was a center of controversy and of potential strife. Now, as a result of patient effort, in a spirit of conciliation, the problem of the Suez base has been successfully resolved.

Another problem which was then concerning many of the leaders in the Middle East was that of the security of the area. It was clear that effective defense depended upon collective measures and that such measures, to be dependable, needed to be a natural drawing together of those who felt a sense of common destiny in the face of what could be a common danger. Here, too, there has been some encouraging progress.

A third problem which called for attention was the need for water to irrigate land. I mentioned in my report the possibility that the rivers flowing through the Jordan Valley might be used to make this valley a source of livelihood rather than dispute. Since then Ambassador Eric Johnston has held talks with the governments of countries through which the River Jordan runs. They have shown an encouraging willingness to accept the principle of coordinated arrangements for the use of the waters. Plans for the development of the valley are well advanced. Ambassador Johnston is now on his fourth visit to the countries concerned in an effort to eliminate the small margins of difference which still exist.

A beginning has been made, as you see, in doing away with the obstacles that stand in the way of the aspirations of the Middle Eastern peoples. It is my hope—and that is the hope of which I would now speak—that the time has come when it is useful to think in terms of further steps toward stability, tranquility and progress in the Middle East.

THE ARAB-ISRAEL PROBLEM

What are the principal remaining problems? They are those which were unresolved by the armistices of 1949 which ended the fighting between Israelis and Arabs. Before taking up these problems specifically, I would first pay high tribute to what the United Nations has done to preserve tranquility and to serve humanity in the area. Despite these indispensable efforts, three problems remain that conspicuously require to be solved.

The first is the tragic plight of the 900,000 refugees who formerly lived in the territory that is now occupied by Israel.

The second is the pall of fear that hangs over the Arab and Israel people alike. The Arab countries fear that Israel will seek by violent means to expand at their expense. The Israelis fear that the Arabs will gradually marshal superior forces to be used to drive them into the sea, and they suffer from the economic measures now taken against them.

The third is the lack of fixed permanent boundaries between Israel and its Arab neighbors.

There are other important problems. But if these three principal problems could be dealt with, then the way would be paved for the solution of others.

These three problems seem capable of solution, and surely there is need.

Border clashes take an almost weekly toll of human lives and inflame an already dangerous mood of hatred. The sufferings of the Arab refugees are drawn out almost beyond the point of endurance. The fears which are at work, on each side, lead to a heavy burden of armament, which constitutes a serious drag on economic and social progress. Responsible leaders are finding it hard to turn their full attention and energies to the positive task of creating conditions of healthy growth.

Serious as the present situation is, there is a danger that unless it improves, it will get worse. One ill leads to another, and cause and effect are hard to sort out. The atmosphere, if it worsens, could becloud clear judgments, making appear attractive what would in fact be reckless.

Both sides suffer greatly from the present situation, and both are anxious for what they would regard as a just and equitable solution. But neither has been able to find that way.

This may be a situation where mutual friends could serve the common good. This is particularly true since the area may not, itself, possess all of the ingredients needed for the full and early building of a condition of security and well-being.

The United States, as a friend of both Israelis and Arabs, has given the situation deep and anxious thought and has come to certain conclusions, the expression of which may help men of good will within the area to fresh constructive efforts. I speak in this matter with the authority of President Eisenhower.

I

To end the plight of the 900,000 refugees requires that these uprooted people should, through resettlement and, to such an extent as may be feasible, repatriation, be enabled to resume a life of dignity and self-respect. To this end, there is need to create more arable land where refugees can find permanent homes and gain their own livelihood through their own work. Fortunately, there are practical projects for water development which can make this possible.

All this requires money.

Compensation is due from Israel to the refugees. However, it may be that Israel cannot, unaided, now make adequate compensation. If so, there might be an international loan to enable Israel to pay the compensation which is due and which would enable many of the refugees to find for themselves a better way of life.

President Eisenhower would recommend substantial participation by the United States in such a loan for such a purpose. Also he would recommend that the United States contribute to the realization of water development and irrigation projects which would, directly or indirectly, facilitate the resettlement of the refugees.

These projects would, of course, do much more than aid in the resettlement of refugees. They would enable the people throughout the area to enjoy a better life. Furthermore, a solution to the refugee problem would help in eliminating the problem of recurrent incidents which have plagued and embittered the settlements on both sides of the borders.

II

The second principal problem which I mentioned is that of fear. The nature of this fear is such that It is hardly within the capacity of the countries of the area, acting alone, to replace the fear with a sense of security. There, as in many other areas, security can be assured only by collective measures which commit decisive power to the deterring of aggression.

President Eisenhower has authorized me to say that given a solution of the other related problems, he would recommend that the United States join in formal treaty engagements to prevent or thwart any effort by either side to alter by force the boundaries between Israel and its Arab neighbors. I hope that other countries would be willing to join in such a security guarantee, and that it would be sponsored by the United Nations.

By such collective security measures the area could be relieved of the acute fears which both sides now profess. The families located near the boundaries could relax from the strain of feeding that violent death may suddenly strike them; the peoples of the area whose standards of living are already too low would no longer have to carry the burden of what threatens to become an armaments race if indeed it does not become a war; the political leadership of the area could devote itself to constructive tasks.

III

If there is to be a guarantee of borders, it would be normal that there should be prior agreement upon what the borders are. That is the third major problem. The existing lines separating Israel and the Arabs states were fixed by the Armistice Agreements of 1949. They were not designed to be permanent frontiers in every respect; in part at least, they reflected the status of the fighting at the moment.

The task of drawing permanent boundaries is admittedly one of difficulty. There is no single and sure guide, for each of two conflicting claims may seem to have merit. The difficulty is increased by the fact that even territory which is barren has acquired a sentimental significance. Surely the overall advantages of the measures here outlined would outweigh vastly any net disadvantages of the adjustments needed to convert armistice lines of danger into boundary lines of safety. In spite of conflicting claims and sentiments, I believe it is possible to find a way of reconciling the vital interests of all the parties. The United States would be willing to help in the search for a solution if the parties to the dispute should desire.

IV

If agreement can be reached on these basic problems of refugees, fear, and boundaries, it should prove possible to find solutions for other questions, largely economic, which presently fan the flames of hostility and resentment.

It should also be possible to reach agreement on the status of Jerusalem. The United States would give its support to a United Nations review of this problem.

CONCLUSION

I have not attempted to enumerate all the issues on which it would be desirable to have a settlement; nor have I tried to outline in detail the form which a settlement of any of the elements might take. I have tried to show that possibilities exist for an immeasurable improvement and that the possibilities do not require any nation taking action which would be against its interests whether those interests be measured in terms of material strength or in terms of national prestige and honor. I have also, I trust, made clear that the Government of the United States is disposed to enlarge those possibilities by contributions of its own, if this be desired by those concerned.

Both sides in this strife have a noble past, a heritage of rich contributions to civilization; both have fostered progress in science and the arts. Each side is predominantly representative of one of the world's great religions. Both sides desire to achieve a good life for their people and to share, and contribute to, the advancements of this century.

At a time when a great effort is being made to ease the tension which has long prevailed between the Soviet and western worlds, can we not hope that a similar spirit should prevail in the Middle East? That is our plea. The spirit of conciliation and of good neighbor brings rich rewards to the people and to the nations. If doing that involves some burdens, they are burdens which the United States would share, just as we would share the satisfaction which would result to all peoples if happiness, contentment, and good will could drive hatred and misery away from peoples whom we hold in high respect and honor.

[No. 588, October 4, 1955]

DANGERS OF MIDDLE EAST ARMS RACE

At his news conference today Secretary of State John Foster Dulles made the following statement:

"At my press conference the last of August (August 30) I was asked about possible Soviet bloc shipments of arms to Arab countries. I made two observations. The first was that the Arab countries were independent governments and free to do whatever they wished in the matter. My second observation was that from the standpoint of United States relations with the Soviet Union, such delivery of arms would not contribute to relaxing tensions.

"Those two observations stand today. I might add this:

"It is difficult to be critical of countries which, feeling themselves endangered, seek the arms which they sincerely believe they need for defense. On the other hand, I doubt very much that, under the conditions which prevail in the area, it is possible for any country to get security through an arms race. Also it is not easy or pleasant to speculate on the probable motives of the Soviet bloc leaders.

"In my talk about this matter of August 26, I spoke of the fear which dominated the area and said that I felt that it could be dissipated only by collective measures designed to deter aggression by anyone. I proposed a security guaranty sponsored by the United Nations. That, I said, would relieve the acute fears which both sides now profess.

"It is still my hope that such a solution may be found."

STATEMENT BY THE PRESIDENT

LOWRY AIR FORCE BASE,
Denver, November 9, 1955.

All Americans have been following with deep concern the latest developments in the Near East. The recent outbreak of hostilities has led to a sharp increase in tensions. These events inevitably retard our search for world peace. Insecurity in one region is bound to affect the world as a whole.

While we continue willing to consider request for arms needed for legitimate self-defense, we do not intend to contribute to an arms competition in the Near East because we do not think such a race would be in the true interest of any of the participants. The policy which we believed would best promote the interests and the security of the peoples of the area was expressed in the Tripartite Declaration of May 25, 1950. This still remains our policy.

I stated last year that our goal in the Near East, as elsewhere, is a just peace. Nothing has taken place since which invalidates our fundamental policies, policies based on friendship for all of the peoples of the area.

We believe that true security must be based upon a just and reasonable settlement. The Secretary of State outlined on August 26 the economic and security contributions which this country was prepared to make toward such a solution. On that occasion I authorized Mr. Dulles to state that, given a solution of the other related problems, I would recommend that the United States join in formal treaty engagements to prevent or thwart any effort by either side to alter by force the boundaries between Israel and its Arab neighbors.

Recent developments have made it all the more imperative that a settlement be found. The United States will continue to play its full part and will support firmly the United Nations, which has already contributed so markedly to minimize violence in the area. I hope that other nations of the world will cooperate in this endeavor, thereby contributing significantly to world peace.

HOTEL GETTYSBURG,
Gettysburg, Pa., November 15, 1955.

The White House today made public the following exchange of correspondence between the President and Rabbi Abba Hillel Silver.

The President's message is as follows:

"Rabbi ABBA HILLEL SILVER,
Commodore Hotel,
New York, N. Y.:

"I am glad to comply with your request to send a message to the meeting which you are addressing this evening, as I know of your great concern about the recent developments in the Near East which disturbs all of us.

"A threat to peace in the Near East is a threat to world peace. As I said the other day, while we continue willing to consider requests for arms needed for legitimate self-defense, we do not intend to contribute to an arms competition in the Near East. We will continue to be guided by the policies of the Tripartite Declaration of May 25, 1950. We believe this policy best promotes the interest and security of the peoples of the area.

"We believe the true and lasting security in the area must be based upon a just and reasonable settlement. It seems to me that current problems are capable of resolution by peaceful means. There is no reason why a settlement of these problems cannot be found, and when realized I would be prepared to recommend that the United States join in formal treaty engagements to prevent or thwart any effort by either side to alter by force the boundaries upon which Israel and its immediate neighbors agree.

"The need for a peaceful settlement becomes daily more imperative. The United States will play its full part in working toward such a settlement and will support firmly the United Nations in its efforts to prevent violence in the area. By firm friendship toward Israel and all other nations in the Near East, we shall continue to contribute to the peace of the world.

"DWIGHT D. EISENHOWER."

Rabbi Silver's letter to the President is as follows:

"MY DEAR MR. PRESIDENT: I have been profoundly disturbed by the recent events in the Near East which have aroused deep apprehension in Israel and among peace-loving people everywhere. I am to address on November 15 a mass rally at Madison Square Garden in the city of New York in which many civic, religious, and labor organizations will participate to express the vital concern over the situation. I know that they would welcome a word from you as coming not only from the Chief Executive of our beloved country but as the foremost spokesman of international justice, freedom, and peace in the world today. Personally I would greatly appreciate such a message.

"With warmest regards and with all good wishes for your complete recovery and well-being,

"ABBA HILLEL SILVER."

[No. 701, December 20, 1955]

ECONOMIC ASSISTANCE

At his news conference today Secretary of State John Foster Dulles made the following statement:

"The United States seeks no monopoly in rendering economic assistance. We welcome any grant of economic aid which invigorates less developed countries and makes them more free and more independent. This has been United States policy for many years. Since World War II we have given substantial economic aid to many free nations. Not one of them has, on that account, lost any particle of freedom or independence.

"If the Soviet Union were to follow our example, that would be gratifying. Imitation is the sincerest flattery. But there is likely to be a question as to whether the Soviet really seeks to promote the vigorous independence of free nations. That question arises because of the long Soviet record in absorbing other countries. Also, the Soviet Union is not, like the United States, a country which has economic surpluses. The Soviet Union is a deficit area. Most of the Russian people are without things which we regard as necessities of life. The captive peoples of Eastern Europe, who once enjoyed high standards of living, have been economically squeezed by the Soviet Union so that their present living standards are deplorable.

"It would seem unnatural for the Soviet rulers to provide economic aid to other peoples when the peoples they already rule are themselves in dire need.

"We hope that Soviet economic aid is not offered as a Trojan horse to penetrate, and then take over, independent countries.

"The leaders of countries which are receiving Soviet offers are, of course, aware of this political danger. They are for the most part statesmen of experience. They have won political successes in making their own countries independent and I believe they can be counted upon to be alert to defend that independence."

[No. 14, January 11, 1956]

Secretary of State John Foster Dulles at his news conference today read the following statement sent to him on December 9, 1955, by the members of the United States delegation to the 10th session of the United Nations General Assembly concerning United States foreign economic policy:

"Impelled by a unanimous feeling that economic and social questions are assuming increasing importance on the international scene, the United States delegation to the 10th General Assembly has joined in framing this statement.

"The present period in history may one day be recognized as a major turning point in the struggle between communism and freedom. It appears to be clearly a shift in the cold war, in which economic and social problems have moved to the forefront.

"Members of the United States delegation during this General Assembly session have observed the effectiveness of Soviet tactics under these new conditions. This can be seen both in the way the Soviet bloc delegates work in various United Nations meetings, and also in the voting that occurs in many committees. As we observed maneuvers, we were conscious that the Soviet Union, elsewhere in the world, was using economic and social collaboration as a means for jumping military as well as political barriers. Examples of this can be found in India, Egypt, and Burma.

"We believe that the United States must counter these Soviet efforts. We can succeed, not by outbidding communism in sheer amounts of economic aid, but by making newly independent and newly articulate peoples feel that they can best satisfy their wants by becoming and remaining part of the community of free nations.

"We welcome more emphasis on economic and educational endeavors, for we have a proven experience in these fields.

"We are in a contest in the field of economic development of underdeveloped countries which is bitterly competitive. Defeat in this contest could be as disastrous as defeat in an armaments race.

"We could lose this economic contest unless the country as a whole wakes up to all its implications.

"The members of the delegation signing the statement were:

"Ambassador Henry Cabot Lodge, Jr., Permanent Representative to the United Nations, chairman of the delegation; the Honorable Brooks Hays, Member of Congress; the Honorable Chester E. Merrow, Member of Congress; the Honorable John O. Pastore, United States Senator; Mr. Colgate Whitehead Darden, Jr.; Mr. Robert L. Brokenburr; Mr. Laird Bell; Mr. Jacob Blaustein; Ambassador James J. Wadsworth, Deputy Representative to the United Nations; Mrs. Oswald B. Lord."

UKRAINIAN INDEPENDENCE DAY

Mr. MARTIN of Pennsylvania. Mr. President, on last Sunday, January 22, loyal American citizens of Ukrainian birth or ancestry observed the 38th anniversary of the proclamation of Ukrainian independence. This is a most significant anniversary in the struggle of oppressed and persecuted people who have kept alive the spirit of their national independence in the face of Russian imperialist tyranny and Communist terrorism.

Ukraine is a nation of 40 million, the largest non-Russian nation held captive behind the Iron Curtain. For 35 years its people have been enslaved under the iron yoke of communism. They have endured mass murder, wholesale deportations, brutal torture in slave labor camps, the destruction of their churches. Yet they have never abandoned hope of eventual liberation and the reestablishment of their land as a free, sovereign, and independent Republic.

This 38th anniversary is an appropriate occasion to make known to the courageous people of Ukraine that we Americans are wholeheartedly dedicated to the cause of human freedom, and that we join them in prayer that Ukraine will soon again be free and independent.

INVESTIGATION BY JUDICIARY SUBCOMMITTEE OF ILLICIT NARCOTICS TRAFFIC

Mr. KILGORE. Mr. President, I ask unanimous consent to have printed in the body of the RECORD various editorials and articles relative to the excellent inquiry which is being conducted into the illicit narcotics traffic by the Senate Judiciary Subcommittee on Improvements in the Federal Criminal Code of which the junior Senator from Texas [Mr. DANIEL] is chairman.

I might say, before introducing the specific editorials, that I have received many compliments and my attention has been drawn to editorials in newspapers throughout the country, praising the manner in which this investigation has been conducted. One editorial aptly put it, I think, by saying "Senator DANIEL and his colleagues have dealt with a sensational subject in an unsensational way."

The subcommittee has reflected great credit upon the Senate, and I believe that the Senator from Texas, the other members of the subcommittee, and his staff, are to be highly commended.

The first editorial which I should like to have printed at this point is from the Washington Post, of Monday, January 16, and is entitled "Dope and Democracy."

The second editorial appeared in the Franklin Banner-Tribune, Franklin, La., on January 10, entitled "We Agree With the United States Senator."

The third item is an article by Columnist Drew Pearson and is entitled "Senator DANIEL Wars on Dope Smuggling," from the Birmingham (Ala.) News of December 20, 1955.

The fourth is an editorial from the Beaumont (Tex.) Journal of December 23, 1955, entitled "DANIEL Deserves Praise."

The fifth is an editorial entitled "The Weak Spot," which appeared in the Boston Record of November 26, 1955.

The sixth is an editorial from the Sandusky (Ohio) Register-Star-News of December 3, 1955, entitled "The Terrible Toll of Dope."

The seventh item is an editorial which appeared in the San Angelo (Tex.) Standard of November 2, 1955, entitled "Conference on Dope."

The eighth item is an editorial entitled "Pushers' Penalty," which appeared in the Baltimore News-Post of January 12, 1956.

The ninth is an editorial from the Knoxville Journal of November 27, 1955, entitled "Narcotics Seen as Weapon of Reds."

The 10th is an editorial published in the San Antonio News of November 3, 1955, on "Teen-Age Dope Addiction—It Is Happening Here."

Finally, from the San Bernardino (Calif.) Sun, an editorial entitled "Menace of Narcotics" which appeared November 17, 1955.

There being no objection, the editorials and article were ordered to be printed in the RECORD, as follows:

[From the Washington Post and Times Herald of January 16, 1956]

DOPE AND DEMOCRACY

The preliminary report of the subcommittee headed by Senator PRICE DANIEL that has been investigating the extent of the illicit dope traffic in these United States is an altogether frightening document. It confirms the stories that the number of American dope addicts has been steadily multiplying since the end of the Second World War and that schoolchildren and other adolescents account for a startling proportion of the neophytes.

On the basis of testimony gathered at hearings in 13 cities, the subcommittee estimates the number of chronic dope addicts at 60,000. About half of these are known to the Federal authorities and names are being added to their lists at the rate of more than 1,000 a month. Apparently this vicious and growing trade is still confined to the larger centers of population. The subcommittee finds that nine-tenths of it is concentrated in 42 American cities. The same cities, according to the investigators, account for a little less than half of the crime in the country. Thus, the relationship between the increased use of drugs and the increased incidence of crime since the war years seems pretty clearly established. The impelling motive in many cases is to obtain funds for the purchase of dope, something that may cost the addict as much as $100 a day.

One serious and disheartening aspect of the problem is the failure of international efforts to control the manufacture and distribution of heroin and other opiates. Here the United Nations has made far less progress than was made by the League of Nations in the period between the wars. Up to now, only 14 nations besides the United States have ratified the protocol that would attack the evil at its source by limiting the cultivation of poppies. Among the nations that have shown the greatest reluctance to accept the protocol are Turkey, Iran, and our neighbor, Mexico. These, with Red China and Lebanon, are identified by the subcommittee as the chief areas of supply for our dope smugglers and racketeers.

The subcommittee proposes various stringent legislative remedies for this evil. Some of them, like resolutions calling for the return of the United Nations Division of Narcotic Drugs from Geneva to New York, and a special treaty of cooperation between Mexico and the United States, lie, of course, beyond the statute-making powers of Congress. Others, such as demands for speedier trials and increased penalties for major and minor narcotics racketeers, increased powers for Federal narcotics agents, and compulsory registration of narcotics addicts, seem to us eminently reasonable and necessary. One or two, such as the admissibility into Federal courts of evidence obtained by wiretapping, and statutory sanction for the death penalty in especially flagrant cases, are more questionable in point of wisdom, although it would be hard, indeed, to refute the subcommittee's assertion that promotion of the drug habit—constituting, as it does morally, a species of high treason—is a far greater social danger than an isolated case of murder. Here, as in the problem of internal subversion, we are between the horns of the great dilemma of our time: how to eradicate a grave and obvious menace without further vitiating our national liberties.

[From the Franklin (La.) Banner-Tribune of January 10, 1956]

WE AGREE WITH THE UNITED STATES SENATOR

United States Senator PRICE DANIEL, Democrat, of Texas, headed a Senate judiciary subcommittee which investigated illegal narcotics traffic in some 11 cities throughout the Nation.

He reported that drug addiction is responsible for nearly 50 percent of all crimes in major cities and for 25 percent of all those reported in the Nation.

There has been an alarming increase in dope traffic since the end of the last world war and DANIEL has called for legislation under which the death penalty could be applied to smugglers and peddlers of heroin in extreme cases.

Of the 60,000 addicts in the United States at the present time some 13 percent are under 21 years of age, and the list is growing in an illicit business that grosses more than a half billion dollars a year.

We agree with the Texas Senator's recommendation about the death penalty for extreme cases and more stringent regulations all the way across the board on the sale and use of narcotics. Adults who sell dope to teen-agers and children would do better with outright murder because they commit these youngsters in the prime of life to the category of The Living Dead.

More investigative personnel are needed and the Federal and State laws should be tougher. Dope can destroy this Nation with more devastating and lasting effect than an atom bomb dropped on every city and hamlet in the land.

[From the Birmingham (Ala.) News of December 20, 1955]

SENATOR DANIEL WARS ON DOPE SMUGGLING

(By Drew Pearson)

WASHINGTON, December 20.—When I reported recently that Democrats, with a few exceptions, had shirked their much-ballyhooed job of investigation this summer, I think I was unfair to two Senators.

I overlooked the fact that Senators PRICE DANIEL, of Texas, and PAUL DOUGLAS, of Illinois, both Democrats, have been doing an extremely important and able job of investigating—DANIEL into narcotics and DOUGLAS into the racketeering of labor's welfare funds.

Senator DANIEL examined a total of 357 witnesses, trying to find a solution for the narcotics racket, and in 7 months wore out stenographer after stenographer in gathering 8,199 pages of testimony. Yet he was able to save $20,000 out of the $50,000 given him by the Senate to do the job.

I want to report on the fine job done by Senator DOUGLAS in a later column. Meanwhile, here are some of the highlights of one of the worst crime cancers in the United States, plus Senator DANIEL's recommendations:

With 80 percent of United States addicts dependent on heroin sneaked in from foreign countries, DANIEL will demand the death penalty for professional dope smugglers. He also will urge that Congress expand the Customs Service, to permit more complete inspection of persons entering the United States of America. Under Eisenhower, the Customs Service has been reduced, and smuggling has risen. With over 65 million people crossing the Mexican border each year, our Latin-American neighbor is a major problem. Though top Mexican officials want to cooperate, many low-ranking functionaries either ignore the problem entirely or make it worse by taking bribes. As a result, "shooting galleries" thrive in places like Tiajuana, and most of the addicts who cross over for injections also bring back large supplies for future use or profit. A girl addict from Nuevo Laredo testified that she brought in $52,000 worth of heroin in a single year, hidden on her body. Professional smugglers also operate across the border, smuggling in 95 percent of the marijuana used in the United States, as well as raw opium, heroin, morphine, and cocaine. Border-hopping Mexican wetbacks, incidentally, are not deeply engaged in the dope traffic.

SOME CHIEF NEEDS

Detection: Chief needs are stiffer penalties for possession of dope and strengthening of the Federal Bureau of Narcotics. Today it has fewer narcotic agents for the entire United States than the FBI has in the city of New York. Federal law-enforcement officers are hampered by their inability to get warrants after dark unless they have absolute proof that their suspect possesses dope. DANIEL wants to change this.

In one case, a professional dope trafficker voluntarily surrendered a suitcase full of heroin to Federal officers who had been tipped off after dark and couldn't get a warrant. Later the man was freed by a Federal judge who called his arrest improper. DANIEL will also urge that protection, possibly including free drugs, be given to addicts who volunteer information on peddlers. At present addicts are afraid to talk for fear someone will slip deadly cyanide poison into one of their dope capsules.

RADICAL CHANGE

Treatment: DANIEL will recommend a radical change in the handling of addicts. Today they are treated like common criminals, given short jail sentences, only to be found later back in their old haunts. Instead, Uncle Sam should give the courts power to commit addicts to hospitals compulsorily, the power to keep them there, and the ability to supervise their rehabilitation in society. At present, addicts are admitted on a strictly voluntary basis to the two Federal narcotics hospitals in Lexington, Ky., and Fort Worth, Tex. Of the few who enter, only 25 percent stay for the full 135-day treatment, and when they leave they get only $3 in cash and a rail ticket back home. DANIEL wants Federal narcotics patients to get the same treatment as Federal convicts, who get $25 and a new suit of clothes, plus kindly supervision from parole officers and aid in finding jobs.

"It is a disgraceful situation," says DANIEL * * * to convince his fellow lawmakers, he is making a movie of the pitiful addicts, to be shown to all Senators and Representatives.

HEADLINES AND FOOTNOTES

Certain big bankers have come up with a novel, if somewhat heartless, solution for the farm problem. They have concluded that Secretary of Agriculture Benson's most bothersome surplus is the surplus of farmers. The great National City Bank of New York suggested in its December economic report: "There are still too many farms and farmers." This is the same bank formerly headed by Under Secretary of the Treasury Randolph Burgess. Bashful Herb Block, Pulitzer prize-winning cartoonist, again punctures the phonies with his sharp wit in his new book, Here and Now. Adlai Stevenson, risking a break with the South, will campaign against the State of Mississippi. He'll attack Mississippi's abuse of human rights, such as the kidnap-murder of the Negro boy, Emmitt Till. Jack Kroll, the CIO's longtime political action director, has told friends he'll soon bow out as a leader of the merged CIO-AFL.

Secretary of Defense Wilson ordered the Navy to give up its attempt to smash the Air Force's jet speed record. Reason: He wants to crack down on interservice rivalry. Spain's dictator Franco has been grumbling to visitors that it would be a mistake to introduce democracy to Morocco across the Mediterranean.

President Eisenhower is considering two alternatives as a substitute for his pre-illness press conference. He will either accept questions from reporters in writing or will authorize Vice President NIXON to meet the press in his place. Secretary of State Dulles has been griping to the White House about Secretary of Agriculture Benson's plans to dump farm surplus overseas. Dulles complains this is upsetting foreign markets and giving our diplomats new headaches.

[From the Beaumont (Tex.) Journal of December 23, 1955]

DANIEL DESERVES PRAISE

Columnist Drew Pearson, who more often reprimands than praises, does well to laud Senator PRICE DANIEL for his able and courageous investigation of the narcotics racket this past summer.

Senator DANIEL deserves everything good said about him for the probe that put much of the dope racket on the table and opened the eyes of the public to its dangers to society in schools and homes. Additionally, the Texas Senator's recommendations for stiffer penalties for professional dope smugglers makes sense, as does his stand for fairer and more decent treatment of addicts.

Also, if the Senator, as Columnist Pearson says, was able to carry on such an intensive investigation and at the same time save $20,000 of the $50,000 given him by the Senate to do the job, he merits a salute from the taxpayers. Economy in government is so rare these days that anyone who achieves it deserves the approbation of the public.

Senator DANIEL has done a highly creditable job in investigating the narcotics racket, just as he has in many other things. Whether his recommendations will, as they deserve to be, made into law, the probe will certainly enhance his chances for being elected governor of his home State if he decides he wants to make the race.

[From the Boston Record of November 26, 1955]

THE WEAK SPOT

Testifying at a Chicago hearing of a United States Senate subcommittee investigating the narcotics traffic, State Attorney John Gutknecht put a lot of blame for the dope evil on sentimental judges.

He was referring to those jurists who permit guilty narcotics peddlers to get off with relatively light sentences.

In his testimony, he put a finger on a deplorably weak spot in our law enforcement, one which is not confined to any city or State nor to the narcotics laws alone.

This weak spot is the too-lenient treatment of vicious felons, not only by some judges but by all too many parole boards as well.

Police records in virtually every city in the country are studded with the case histories of criminals who have been turned loose only to prey upon society—even in some instances going as far as murder.

Obviously, in each such case, the laws which the people have enacted for their protection, and the law enforcement machinery for which the people pay, are nullified and the money and effort wasted.

And every time a criminal gets off easy, delinquent youngsters tempted to a life of crime are further encouraged to break the laws.

There are, of course, many occasions when justice should be tempered with mercy.

But there have been all too many occasions in which so much unjustified mercy has been shown that justice has been obliterated.

Our penal laws, prisons, and parole systems exist primarily for the protection of society, not the benefit of the criminal.

The increase in the narcotics traffic, in juvenile crime, and the number of criminals who fail to go straight after being turned loose are alarming evidence that this protection at present is inadequate and that something should be done about it.

[From the Sandusky (Ohio) Register-Star-News of December 3, 1955]

THE TERRIBLE TOLL OF DOPE

Some months ago a prowler broke into the home of an East Side widow at night, slugged her sister, broke furniture and windows, tore a chandelier from the ceiling, and escaped before police arrived. From what they heard and saw, they were sure that the man was crazed while under the influence of narcotics. The crime has never been cleared up.

There are hundreds of habitual dope users in Cleveland. They commit thousands of crimes, of a wide range from petty thievery, purse snatching, and vandalism to prostitu-

tion, rape, and murder. The offenses are committed while the addict is under the influence or while he or she is trying to get the necessary money to satisfy the inhuman craving the vice inflicts. Many of the incidents, like that of the prowler, get little or no news attention because of their frequency.

Many readers therefore were amazed at the revelations of the awful cost of narcotics addiction given in Friday's Senate subcommittee hearings here.

Cleveland Police Chief Story testified he estimated that 40 percent of crime here can be traced to narcotics. Addict witnesses told of spending $20 to $200 a day—repeat, a day—on dope. Ohio's attorney general, C. William O'Neill, estimated that there are 15,000 addicts in Ohio and that they have been spending $75 million on narcotics. The subcommittee chairman, Senator PRICE DANIEL, estimated that there are at least 60,000 known addicts in this country. In England, he was told, there are about 400 known addicts.

At that, things are better in the United States than they reportedly were in 1900, before open sale of morphine was prohibited. In those days, when our population was just over 75 million, or less than half of that today, there were 400,000 addicts, according to DANIEL.

We think that, just as there was a tremendous reduction from the 1900 figure, there can be a tremendous slash in the present ranks of addicts. This can be accomplished by greater legal penalties for the sale, possession, and use of narcotics, as Ohio recently tightened its laws.

It can be done by dealing realistically, not emotionally, with addicts who claim they have reformed but actually have not.

And, most of all, it can be done by an aroused public interest in what addiction means to the individual, to families, and to the Nation.

A Cleveland police expert on the problem estimated at Friday's hearings that 90 to 95 percent of known local addicts were Negroes. In southern areas, Senator DANIEL said, the majority of addicts were white. Whatever the emotional and social reasons for this, parents and school, welfare, religious, and civic leaders must do more to counterattack this epidemic blight.

Young people, Negroes and white, must constantly be warned of the terrible price that the kick from marihuana can lead to.

There must also be more effective ways of reclaiming addicts who sincerely want to reform—and too often find they are shunned and deprived of gainful employment because of their past.

The witnesses who told their pitiful stories before the subcommittee—stories repeated in kind all over the Nation—should alert even the most aloof. Reclamation of even one of the thousands of dope users is a worthwhile brotherly goal.—Cleveland Plain Dealer.

[From the San Angelo (Tex.) Standard of November 2, 1955]

CONFERENCE ON DOPE

Wisely Senator PRICE DANIEL plans to seek a high-level conference of United States and Mexican officials on curbing the flow of illicit narcotics across the border. Testimony at recent hearings in Texas indicates that about 90 percent of the heroin and 98 percent of the marihuana entering this State comes from Mexico. This smuggling is done by expert professionals. The long stretch of border and the smallness of the dope parcels make them hard to intercept.

Various Mexican officials have indicated willingness to cooperate with our country in trying to suppress this smuggling. The meeting suggested by Senator DANIEL might work out enforcement methods that at least would better the present situation. To be effective, these methods will have to go back of the border. They will have to reach to the hemp patches and poppy patches in isolated spots in Mexico and to the importation of opium and heroin into Mexico for smuggling into this country.

Racketeers in this country are as responsible as anyone for the dope smuggling. We can be thankful that Mexico seems willing to work with the United States in trying to curb this traffic. Both countries will gain from any progress that can be made in lessening this evil.—Dallas News.

[From the Baltimore News-Post of January 12, 1956]

PUSHERS' PENALTY

Declaring itself "shocked at the extent and far-reaching effects of the illicit drug traffic," a Senate Judiciary subcommittee has recommended the death penalty for "unregenerate" dope peddlers.

"Peddlers are selling murder, robbery, and rape and should be dealt with accordingly. Their offense * * * in truth and in fact is murder on the installment plan," the subcommittee concluded.

The Hearst newspapers have been saying the same thing editorially for years.

Recent disclosures of a dope smuggler's "haven and heaven" at Los Angeles harbor; of rising importation of narcotics across the Mexican border; of totally inadequate numbers of enforcement officers at all points and of the comparative lenience of existing laws, add weight to the subcommittee's statement.

Death for repeated dope peddling is opposed by some well-meaning humanitarians and penologists.

They contend that it would prove no deterrent at all.

Against that view we have cited the dramatic drop in kidnaping cases since that crime was made a capital offense.

The formality itself of making dope peddling a capital offense may not at once impress the vile and mercenary salesman of "murder on the installment plan."

The mere enactment of the Lindbergh law did not drive kidnapers immediately out of business.

But when the first convictions and executions followed, when death did become the last reckoning, kidnaping dropped to virtual rarity.

So would dope peddling after the first few persistent peddlers of the white death have been dealt the same treatment.

The Senate subcommittee is to be commended for a realistic and urgently needed recommendation.

It deserves strong support in both Congress and the State legislatures.

[From the Knoxville Journal of November 27, 1955]

NARCOTICS SEEN AS WEAPON OF REDS

(By Paul Harvey)

Senator PRICE DANIEL, of Texas, in Los Angeles investigating narcotics, heard 1 witness offer to get him "all he wanted * * * and be back in 20 minutes."

Senator DANIEL sputtered, "Do you mean to tell me you think you could get all the narcotics you could pay for within 10 minutes of this courthouse?"

Witness Don Seelbinder, 22, drug addict, replied, "I know I could."

The young man went on to say, "It's easy to buy junk in Los Angeles. A man at Temple and Figueroa Streets will sell me an ounce of heroin for $275."

Narcotics Commissioner Harry Anslinger thinks much of our crime is directly related to the fact that an addict will do anything to get money to buy illicit drugs. Getting the drugs is no problem; just getting the money.

So a wet-eared kid whose jag is wearing off clubs a hack driver to death for a 10 spot start toward that $275.

But Senator DANIEL is looking beyond the domestic crime which it breeds. He says, "We will develop here the actual existence of a Communist plot, activated through Red China, to push heroin into other countries.

"This invasion by narcotics is aimed particularly at the United States."

He says this way the Reds get money they need and at the same time undermine our institutions and demoralize our people.

Well * * * the Senator is certain to be accused of being overzealous, of looking under the bed, by those who have not watched the Communist conspiracy use this very means to subjugate the minds of two-thirds of Southeast Asia.

Why not the United States next?

"The Communists have learned," says Senator DANIEL, "that if they can get a soldier or a citizen on heroin they have one less enemy to defeat by other means."

Somewhere between the acute anxiety of the Senator and the total nonchalance of the ultraconfident there is an appropriate meeting ground for our lawmakers.

I recommend such a meeting promptly. Here's why:

Now that the forces of totalitarianism and the disciples of freedom have reached an atomic standoff, there will necessarily be a change of weapons.

If you consider Senator DANIEL's suspicions extreme you would be stunned by some of the more quiet conjecture that's been making the rounds in Washington.

Men of stature are frankly anxious that the Russians might revert to some sinister kind of sickness to gradually reduce the resistance of the United States.

We know it is not impossible.

And if their diabolical plot were revealed they have a whole stack of trumped-up, forced confessions signed by Americans stating that we employed germ warfare first.

Any survivor of the Katyn massacre would know by now that the Bolsheviks will do anything they can get away with.

That explains the redoubled efforts of our Pentagon to emphasize research in chemical and bacteriological warfare. Because a few Senators looking under the bed have demanded we keep one jump ahead.

[From the San Antonio News of November 3, 1955]

TEEN-AGE DOPE ADDICTION—IT IS HAPPENING HERE

Police reports of five teen-age youths of Edgewood High School involved within a week in the horrors of the dope racket should send a chill of apprehension down the spine of every parent in San Antonio.

These are not isolated incidents, not something to be shrugged off as a blighted-area phenomenon, not a worry that will go away if we close our eyes or turn our backs to it. Listen to Capt. G. E. Matheny:

Heroin and marihuana usage among students is "worse this year than ever before * * *. It's like a disease that keeps spreading, and I don't know where it is going to stop."

The Senate Judiciary Subcommittee investigating narcotics traffic pinned down these hard facts: Texas is sixth among the States in dope troubles. San Antonio is among the Nation's 20 worst communities. More than half this city's crimes can be traced to dope.

Senator PRICE DANIEL's subcommittee is scheduled to return to San Antonio for further investigation. It is welcome. Let those

who lament the resulting bad publicity explain how else the people can be made aware of this urgent problem, how else they can be moved to demand and to pay for better narcotics control, how else lawmakers can be shown what is needed in the way of stricter statutes and more adequate appropriations for law enforcement.

It is foolish to doubt that our community's youth is in grave danger. Impressionable, venturesome, gang-spirited, restless youths are the easiest mark for the dope peddler. The pusher, whether through greed for high profits or desperation for funds to feed his own ravenous habit, will not pass up the school trade—unless the calculated risks are made prohibitive. We must make those risks prohibitive.

The DANIEL hearings pointed up the pressing need for stiffer, surer penalties for dope peddling and using. The testimony also emphasized the necessity for strengthening the narcotics-control arm of law-enforcement agencies at every level of government.

And we might add that delinquency is a silly-soft word for teen-age dope crimes. A firmer official hand must be placed on such offenders; but, as a corollary, help must be given—fully and immediately—to any dope-trapped youth who turns to governmental or social-welfare agencies for help.

What can the average parent, the common citizen, do to combat this menace to the well-being of the community's youth? Plenty:

Give generously to the United Fund, which is largely devoted to character-building youth activities and to relief for families in crime-breeding environment.

Demand that local government provide something like an adequate recreation program that will reach into every neighborhood—and be willing to pay the taxes necessary to run it.

Take a stronger personal interest in school programs and educational problems, as the school officials vainly beg so many indifferent parents to do.

Keep a closer check on your child's activities, associates, behavior, and don't be afraid to seek expert help if you think it is needed.

Support those who are working for better law enforcement and better laws to enforce.

Don't think "it can't happen here." It is happening here. And don't think it can't happen to your boy or girl. It happens to someone's every day.

[From the San Bernardino (Calif.) Sun of November 17, 1955]

MENACE OF NARCOTICS

An ugly story of the growing narcotics traffic in southern California, and particularly in Los Angeles County, has been unfolded at the hearings conducted by Senator PRICE DANIEL in Los Angeles this week.

Statements have been made that Los Angeles peddlers have succeeded in making that city second only to New York City in the amount of narcotics reaching addicts, or those on the road to becoming addicted.

Naturally the exact source of supply is not known to law-enforcement officers, or it could be cut off, but indications are that about one-third of the illegal narcotics is received from Mexico, the remainder from Asia and eastern United States.

Senator DANIEL explained that the inquiry into narcotics traffic is not a slap at Mexico, explaining:

"This is a two-way deal—if people in the United States buy and handle narcotics we are equally to blame. What we want to emphasize is that this is a two-way problem, and we must have the cooperation of the Mexican Government to solve this."

Adolfo Dominguez, consul general of Mexico, attended the hearings as representative of his government, and has indicated a willingness to assist the United States in its efforts to stamp out the narcotics evil.

As for Communist China, the story was different. Senator DANIEL declared that the Chinese Communists are using narcotics, not only for money, but in a plot to demoralize the free world. He said heroin from Red China is being sent to Korea, Japan, and the United States. He indicated the greatest supply of narcotics reaching the United States has its origin in China.

And that dope can demoralize people, none can deny. William H. Parker, Los Angeles chief of police, told Senator DANIEL that narcotics play a part in approximately 50 percent of all major criminal activities. He added it is obvious that a heroin addict who is attempting to support a $50-a-day habit is rarely in a financial position to do so without resorting to other criminal activities.

Even though, according to Sheriff Eugene Biscailuz, there is some encouragement in the improved situation as regarding juveniles, there is some cause for grave concern. The sheriff said that in the past 2 years narcotics arrests in the 18-19-year-old group declined, but showed an increase in the 20 to 29 age bracket.

Sheriff Biscailuz' testimony bore out contentions that Los Angeles County is a growing hotbed of narcotics activities, explaining that in the 30 months ending in June 1954, there were 13,924 felony narcotics arrests in California, of which 8,932, or 64.3 percent, were in Los Angeles County.

This is not good news for San Bernardino County, since it borders Los Angeles County to the east. There is no reason to presume that an invisible county boundary confines narcotics traffickers to Los Angeles County. There is no indication that narcotics traffic in this county begins to approach the scale it flourishes in Los Angeles, but it does seem that there would be considerable.

As for the remedy, the first step would be to choke off narcotics at their source, sharply reducing the supply reaching peddlers. The next, according to witnesses, would be to provide far more severe penalties for dope handlers. Ray E. Vader, a United States customs agent at San Diego, wants the death penalty for persons thrice convicted of smuggling and selling narcotics.

This sounds rather drastic but there is a tragic situation with which to deal. The illegal traffic in narcotics is a scourge and calls for stern handling by Federal, State, county, and local officers.

THE PROBLEM OF ALCOHOLISM

Mr. CARLSON. Mr. President, I wish to call to the attention of the Senate some very interesting figures regarding the increase of alcoholism in the Nation in comparison with my own State of Kansas.

A study has just been published by Dr. Mark Keller and Vera Efren in the Quarterly Journal on Alcohol Studies.

Kansas is the only State in the Union where the rate of alcoholism has not increased in the period from 1940 to 1953. During the 13-year period, the national rate—the number of problem drinkers per 100,000 population—has gone up 44 percent. Kansas, the study says, is the outstanding exception. Its incident rate has actually dropped 4 percent.

This study shows that not even the abandonment of prohibition in Kansas, in 1949, has brought any substantial change in its rate of alcoholism. As a matter of fact the study shows that Kansas in 1940 ranked 26th among the States in the number of alcoholics. Its total was estimated at 4,240 problem drinkers per 100,000 population.

Thirteen years later, despite the abandonment of prohibition, the State was in 45th place, with an estimated 4,070 alcoholics. During the same period when Kansas actually dropped 4 percent, such States as Maine showed an increase of 107 percent, as did North Dakota; Iowa 22 percent, Oklahoma 18 percent and California 100 percent.

Alcoholism is one of the real problems confronting the Nation at the present time, and the people of Kansas can well be proud of their record, which in my opinion is based on their traditional insistence on sobriety. Our churches and many organizations are continually carrying on a campaign of temperance and it is getting results.

I ask unanimous consent to have printed, as a part of these remarks, an article based on a study which appeared in a recent issue of the Quarterly Journal on Alcohol Studies.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

KANSAS IS ONLY STATE IN UNION WHERE ALCOHOLISM HAS NOT SHOWN AN INCREASE

(By Rene J. Cappon)

KANSAS CITY.—Kansas is enjoying a remarkably favorable position in the country with respect to alcoholism, a study by two Yale scientists showed today.

It is the only State in the Union where the rate of alcoholism has not increased in the period from 1940 to 1953.

During the 13-year period, the national rate—the number of problem drinkers per 100,000 population—has gone up 44 percent. Kansas, the study says, is the outstanding exception. Its incident rate has actually dropped 4 percent.

The study, by Dr. Mark Keller and Vera Efren, was published in the Quarterly Journal on Alcohol Studies.

"Not even the abandonment of prohibition in Kansas in 1949, has brought any substantial change in its rate of alcoholism," the authors said.

They did not, however, venture a conclusion from this fact. They said the effect of prohibition on alcoholism, and the possible relationship of alcoholism to drinking rates, remain to be analyzed.

In 1940, the Keller-Efren tabulations show, Kansas ranked 26th among the States and the District of Columbia in the number of alcoholics. Its total was estimated at 4,240 problem drinkers per 100,000 population.

Thirteen years later, despite the abandonment of prohibition, the State was in 45th place, with an estimated 4,070 alcoholics.

During that same period, such States as Maine showed an increase of 107 percent, as did North Dakota; Iowa 22 percent, Oklahoma 18 percent, and California 100 percent.

In 1953, the latest year for which figures are available, the District of Columbia was leading the Nation in the incidence of alcoholism, with a whopping 7,800 problem drinkers per 100,000 population. California was second with 7,060, and Connecticut third with 6,380.

Only Iowa, Alabama, Idaho, and South Carolina had rates lower than Kansas in 1953.

The figures used in the study are projections of the so-called Jellinek formula, based on mortality rates from cirrhosis of the liver. It's considered reasonably valid, though a margin of error must be allowed for the statistics derived from it.

A field survey by Kansas Commission on Alcoholism actually came up with results lower than the Jellinek formula estimates. The commission figured a 1953 rate of 15.8 percent compared to the Jellinek estimate of 13.4 percent.

Other field surveys in the Nation, the Yale study indicates have tallied more closely with the Jellinek method. But in any event the divergence found in Kansas, whatever the reason, would seem to have small effect in computing the State's position nationally, since the Jellinek formula was used throughout.

The precise reason for Kansas superiority in its alcoholism rate is something of a mystery. It cannot be explained by any difference between urban and rural States, since predominantly agricultural States like Montana, Indiana, and Minnesota show substantially higher incidence.

Nor does there seem to be much of a clue in liquor consumption as such. Kansas, in the early fifties, consistently gulped about 1 percent of the distilled spirits consumed in the United States, fluctuating from 25th to 29th among the States in this category.

In the absence of concrete evidence, the possibility cannot be ruled out that many years of prohibition created special drinking, or nondrinking, patterns in Kansas with a bearing on alcoholism.

Further, the abandonment of prohibition in Kansas is perhaps too recent to be reflected in the Yale figures, even if a direct relation between prohibition and alcoholism should be established later.

TEN YEARS OF CARE

Mr. CARLSON. Mr. President, this week we observe the 10th anniversary of CARE, a great humanitarian relief program. The official full name of CARE is the Cooperative for American Remittances Everywhere.

During those 10 years the American people have helped to bring hope on a person-to-person basis to millions of people in despair in 54 countries throughout the world. Person to person means that a CARE package from an individual or group of individuals is delivered overseas with the name of the American donor on the package. It is a package of aid from one human being to another. The donor knows he has sent a personal package, and the recipient knows who sent it. CARE has been a channel for direct individual assistance.

In the past 10 years, 19 million thank-you letters and personally signed receipts for CARE packages have been returned to the United States.

Expressions of thanks have been received from leaders of all nations where CARE has operated. The people of the world recognize the generous spirit and the personal interest of the people of America, expressed through CARE. It has become recognized as one of the outstanding relief agencies of our country, and it has had the cooperation of many fine people.

THE PROBLEM OF FARM SURPLUSES

Mr. CAPEHART. Mr. President, I rise again to call the attention of the Senate, of the entire Congress, and of the administration to the troublesome farm surpluses which constitute one of the major problems confronting us today. As we all know the surpluses are owned and controlled by the Government itself, and it is only the Government which can dispose of them.

In my opinion, we cannot hope to have a large increase in farm prices until we get rid of the surpluses, or at least until there is worked out a plan to get rid of the surpluses within a reasonable length of time.

This problem is a responsibility of Congress, as well as of the administration, and the American farmers expect Congress to do something about it.

On January 17 I appeared before the Committee on Agriculture and Forestry in support of S. 2852, introduced by me and many other Senators. It is a bill which seeks to get rid of farm surpluses.

I ask unanimous consent that the statement which I made before the committee be printed in the RECORD at this point as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR CAPEHART

Mr. Chairman, I consider it a privilege, but nonetheless a grave responsibility, to have the opportunity to testify before your committee today in support of S. 2852, introduced by me, for myself and several other Senators, to create an International Food Community Board, and for other purposes.

This bill would provide for the creation of a Board to dispose of surplus agricultural commodities, in an orderly manner, to needy people, in this and other free nations, and thereby relieve our agricultural economy of the disastrous effects on farm prices resulting from the existing Government surpluses.

We would give these commodities only to peoples who are not able to buy them and we would achieve the distribution in a manner so as not to in any way disturb existing markets and channels of distribution for agricultural products.

Later in these remarks, I will explain in some detail the provisions of the bill. Now I want to show its need.

Certainly there is no occasion for me to call attention to this committee to the fact that the United States is now enjoying is greatest peacetime prosperity in history—with one important exception. Personal income exceeded $300 million in 1955. Dividends to stockholders were almost $11 billion in 1955. Our population increased to a new all-time high of 165 million. But farm income was at the disproportionately low level of 29 billion dollars.

I am not here today to speak of the great general prosperity of the Nation, but rather to try to do something about the one important exception—the desperate plight of the American farmer. We must raise farm income to the levels of the general high prosperity of this Nation. This is not only essential to the millions of farmers in the United States, but it is good business for the United States, as well as good Government.

Farmers are huge purchasers of farm implements, trucks, automobiles, building materials, clothes, and countless other basic items of our industrial economy.

This Government has long recognized that the prosperity of our economy is in direct relation to the purchasing power of its consumers. Industry has just as great a stake in raising the level of the purchasing power of farmer-consumers as does anybody else.

Secondly, the fiscal obligations of this Government require large amounts of revenue in the form of taxes. Low-farm incomes cost the Government staggering sums in the taxes farmers are not paying on the income they are not making.

It is elementary economics that price is based on supply and demand; but not on the total demand or the total supply; more usually it is based on the top 5 percent of supply or demand.

When supplies are only 95 percent of demand, we have a tight market with rising prices. But when supplies are 105 percent of demand, we have surpluses and a soft and declining market. It is the 5 percent at the top that regulates prices.

It is my firm conviction that the single most direct cause of the current unreasonably low-farm prices is the huge inventories of Government-owned or pledged farm surpluses that currently overhang the market.

The $7.3 billion of Government-owned or pledged farm surplus inventories hang over the farm commodity market like a sharp sword loosely dangling over the farmer's economic head, have depressed farm prices and are keeping them low.

Two points, Mr. Chairman, are essential to restoring normalcy in farm prices: (1) We must remove the existing farm surpluses from continuing to depress farm prices; and (2) we must adopt means to insure that for the future farm production will be kept at levels reasonably consistent with consumption of agricultural products.

I am certain that no one even remotely concerned with the desperate problem of the farmer will dispute this position. Many proposals are now being made to limit production to the level of consumption, particularly the soil-bank proposal made by President Eisenhower in his state of the Union message.

I am certain that the Nation's farmers were more than pleased with the President's fine farm program contained in his message to the Congress on January 9, 1956.

The President recognized the presence of these surpluses as the main farm problem, saying: "Of the many difficulties that aggravate the farm problem, mountainous surpluses overshadow everything else."

The President went on to say: "Farmers, the intended beneficiaries of the support program, today find themselves in ever-growing danger from the mounting accumulations. Were it not for the Government's bulging stocks, farmers would be getting far more for their products today."

And I know we must all agree with the President's statement that: "The attack on the surplus must go forward in full recognition of the fact that farm products are not actually marketed when delivered to and held by the Government. A Government warehouse is not a market. Even the most storable commodities cannot be added forever to Government granaries, nor can they be indefinitely held. Ultimately the stockpiles must be used."

President Eisenhower wants to do something to dispose of these surpluses. He referred to a start being made by the Secretary of Agriculture, saying: "Because the problem continues to be so serious and stubborn, the Secretary of Agriculture is appointing an Agricultural Surplus Disposal Administrator, who will report directly to the Secretary. The duties of the Administrator will relate to all activities of the Department associated with the utilization of Commodity Credit Corporation stocks and of our current abundant production.

Existing laws limit the Secretary of Agriculture in the disposal of farm surpluses, but S. 2852 would give the President a truly effective means with which to dispose of surpluses that are not wanted and do no good to anyone. We must get rid of the surpluses now, if we are to increase farm prices.

But there still remains, Mr. Chairman, the equally important, and equally vital, need to do something about the existing surpluses. We cannot solve the problem merely by long-range programs to limit production. Most people interested in the farm economy agree on the depressing effect of these surpluses, but I am consistently told that there is just nothing further that we can do about it above existing disposal programs.

We are told that to sell these surpluses abroad at prices below existing market prices will divert trade from other countries and bring disaster to the farm economies of other friendly nations. This, of course, we must not do. And we are told that to seek to dispose of additional supplies on the domestic market would further depress prices, and, of course, this we will not do.

In the free world, however, there are millions of underfed and underclothed people who desperately need the surplus commodities that have created so unfortunate an economic problem for us. Those people are underfed and underclothed because they do not have the money to buy adequate food or clothing and, therefore, it would be necessary to give these commodities to them if we are to make use of them. This we are told would be a giveaway program.

Criticism of my program to create an International Food Community Board to feed and clothe needy people of this and other friendly nations, with our surplus agricultural commodities, is that we are giving something away. I propose to meet that criticism head-on.

I have never considered it unwise, undesirable, or wrong to give something away when it was both good business as well as being a charitable Christian act. I can demonstrate to you now that my program is, in fact, good business for the United States.

First, although there has been criticism that this administration has not done enough to relieve the farm problem, the investment of this Government in programs primarily for the stabilization of farm prices and income, in years 1954 and 1955, has been $2,263,000,000. This compares with a total expenditure for such programs in the prior 4 years of $1,747,000,000.

These farm surpluses are not something new. They began to accumulate in the fiscal year ending June 30, 1949, at which time the CCC inventory of wheat was over 227 million bushels. It is now about four times that amount. By June 30, 1950, the CCC inventory of corn was over 332 million bushels. It is now about double that amount.

The periods of greatest accumulation of these surplus inventories were the fiscal years ending June 30, 1949, 1950, and 1951 and again 1954 and 1955.

I say that it is not good business for the United States to continue to spend billions of dollars to inadequately and inefficiently support farm prices because we are unwilling to be realistic and give, to needy peoples of this and other friendly Nations, that portion of our farm surplus that is depressing farm prices.

Second, now, Mr. Chairman, there is nothing new about what I propose and some of my friends in industry who dislike giving away agricultural surpluses owned by the Government forget that just a few years ago the Government adopted a somewhat similar program for the benefit of industry.

At the end of World War II, the United States owned billions of dollars of surplus—and I emphasize that we then referred to them as surplus—industrial facilities. The cost to the Government of those facilities ran into the billions, and in the post-war period their replacement cost was even greater. Those facilities were referred to as surplus because it was then thought by some that the post-war demand for steel, aluminum, rubber, and many other industrial items would be substantially below their war-time demand and there would be no demand for the production of those facilities. This reasoning, of course, did not anticipate the great industrial expansion of the American economy in the post-war years.

In 1952 General Services Administration prepared a document entitled "Surplus Industrial Real Property and Related Property, Sales and Transfers as of September 30, 1952" listing surplus properties previously disposed of. This is very interesting reading. And, of course, we now have the benefit of hindsight to measure the extent of the give-away in those transactions.

Let me give you a few examples. One aluminum company purchased four plants at Newark, Ohio, Troutdale, Oreg., Spokane, Wash., and Trentwood, Wash., for $41 million which had cost the Government $150 million. At the time of the sale the replacement cost was undoubtedly much higher. And the recent financial statements of the buyer make clear that the plants were really not surplus, but have been fully and profitably utilized ever since their purchase.

Another aluminum company purchased so-called surplus Government plants at Jones Mill, Ark.; Hurricane Creek, Ark.; Phoenix, Ariz., and Chicago, Ill., for $48 million that had cost the Government $144 million. This company not only found that production from these plants was not surplus, but with the profits from full-scale operations in those plants it has since constructed new additional facilities on its own.

I might add that in virtually all of these sales the plants were sold on very liberal credit with but little, and sometimes even no, down-payment.

If we continue looking through this book, Mr. Chairman, we find an oil refinery at Catlettsburg, Ky., sold for $2.3 million which had cost the Government $16.4 million; steel properties in Utah that cost the Government $191 million being sold for $47 million; and another steel mill in Utah that cost the Government $12 million being sold for $1 million.

We also find an aircraft factory in San Diego, Calif., that cost the Government $9.7 million being sold for $1 million; a chemical plant in Sterlington, La., that cost $17.6 million being sold for $5.8 million; a steel mill at Daingerfield, Tex., that cost the Government $24 million being sold for $5 million, and then the Government loaned the purchaser $73.5 million for expansion. The list of those sales is long and involves billions of dollars.

It would be an interesting, although perhaps an academic study, to compute the billions and billions of dollars of profits that have been made in the past 10 years on the purchase in 1945–48 of surplus steel mills, aluminum plants, synthetic rubber plants, airplane factories, chemical plants—and on down the list.

I am not prepared to be critical of that surplus disposal program, although I have previously expressed the view that the prices at which those plants were sold were too low. On the other hand, the acquisition of those plants by private enterprise has put thousands of people to work at good wages. Those people have bought homes, automobiles, clothing, food, and other commodities in excess of the quantities which we might expect would have been sold to them had they been less gainfully employed. This, in turn, has created additional employment in the construction industry, the automobile industry, the clothing industry and so on down the line.

And those companies have paid income taxes on the profits they made out of these facilities.

I am not sure but what this Government and our people have not gained through having those plants operated by private enterprise more than the billions of dollars we lost in their disposal.

The point I am trying to make is that while I oppose giving something away for nothing as much as any Member of the Senate, we should not permit blind adherence to a principle to stop us from doing something that is good business for this Government.

Third, we might draw an analogy to what may possibly be referred to as the biggest give-away program of all time. In the post-war years, the American taxpayers gave about $55 billion of military and economic aid to friendly foreign nations. This was properly justified largely on the premise that our help was needed to restore the economies of many friendly nations to that level of prosperity where seeds of communistic unrest necessarily die. And, in part, the program was justified because we could not expect continued prosperity in the United States if there was poverty throughout the rest of the world.

I have no doubt that substantial good came from those grants, but I have no less doubt that billions of our dollars were wasted in that $56 billion program. That program is now justifiable only on the basis that it was good business for the United States to give away $56 billion to friendly foreign nations because in the long run we would profit by our having done so.

I should like now also to remind industry in the United States that it received the major benefit flowing from the foreign economic and military-aid program. Eleven billion of the $56 billion thus expended was spent for agricultural products, but the great bulk of the grants in that program were spent right here in the United States for manufactured goods. The foreign-aid program created a demand for manufactured goods in excess of that which industry could expect from normal consumption. It provided a stimulus to American industries which certainly accounted, to a significant extent, for the post-war stability and growth of many American industries. I know that industry will not want now to deny the farmer an opportunity to receive that same type of assistance toward needed economic-stability.

Fourth, I have already referred, Mr. Chairman, to the fact that it is good business for this Government to restore a reasonable level of farm prices. We would thereby not only reduce the demands on the Treasury for funds required to maintain the farm-support program, but we would also create revenue for the Treasury in the taxes the farmers would pay on the profits they would earn on fair farm prices. Isn't it better to conserve the dollars in the Treasury—and to create a source of new dollars for the Treasury—than to conserve excess and unneeded surpluses of agricultural products in warehouses?

Lastly, I again call attention to the fact that we propose to give away only what we can't sell, and to give it only to people who cannot afford to buy; thus we will not disturb existing markets, we will be doing a Christian act that is, in fact, good business for us.

I would summarize my program thus: There is a portion of our existing agricultural surplus that is a necessary reserve against future emergencies. There is an additional portion of this surplus that can be disposed of under existing law at adequate prices. But above those quantities, existing agricultural surpluses are not an asset, but a liability. I propose only to dispose of that liability.

On December 2, 1955, I released an 8-point farm program, the points of which are:

1. Increase farm prices by eliminating the great agricultural surpluses now depressing food markets through furnishing food to hungry people throughout the world, this to be done in a manner that furnishes food to people who otherwise could not purchase those commodities. Every effort should be made to accomplish the purpose without displacing existing market demands for food commodities. It is time that we recognize the principle that providing food to the hungry, underprivileged people of the world by equitable distribution of our overabundance is more important than the maintenance of the present maladjusted distribution of food in the markets of the world.

2. The establishment of an International Food Community Fund patterned after the Community Chest funds which are so effective throughout the United States. The purpose of this agency would be the distribution to needy peoples of the world, including those of the United States, of excess surplus food commodities of the United States until such time as supply and demand are in reasonable balance.

3. The establishment of rigid production controls to keep production within the reasonable limits of consumption until existing excess surpluses have been utilized; such production controls are necessary to achieve fair prices for farm commodities.

4. The establishment of a soil bank plan as an additional measure of limiting production. In most of the agricultural areas of the United States it is impossible to create substantially new acreage. The fertility of our soil is an important national asset that should not be wasted when its production is not presently needed.

5. That the Congress recommend that the President call a conference of food producers, processors, manufacturers, and distributors to seek means for enabling the farmer to receive a larger portion of the amount the American consumer pays for food.

6. The establishment of a Government research laboratory to find new and improved uses for farm products in industry with the objective that greater quantities and increased numbers of products of the farm can be utilized as raw materials of industrial production.

7. The promulgation of a plan to advertise farm products to promote their increased consumption such as has been utilized in the citrus fruit industry and would be financed by producers' contributions on a percentage of sales basis. Modern mass production in industry has been made possible through extensive promotional advertising—it is time we adopted those methods to increase consumption of farm products.

8. Take out of production land owned by the Government both for the growing of grains and for grazing purposes.

S. 2852 is designed to accomplish points 1 and 2 of my program. Other points in this program are either included in other bills now pending before your committee, can be accomplished without new legislation, or merely require increased appropriations.

Throughout this session of Congress I shall continue to press for all eight points in my program, either by amendments to pending bills or, where necessary, by introducing new bills.

The farm problem is, without a doubt, the most serious domestic problem facing this Government today. It is the one black spot in our otherwise prosperous economy. We cannot, and I know this Congress will not, leave the farmer so far behind in the enjoyment of our current high level of prosperity.

There are many proposals, most of them meritorious, designed to bring future farm production within the limits of anticipated consumption. I will support vigorously adequate and feasible proposals to accomplish that result. But that is only half of the job. We must first distribute the existing farm surplus that hangs over the farm market as a dead weight depressing farm prices. This is vital to any restoration of farm prices to normal levels.

Now I would like to discuss in some detail the provisions of S. 2852.

Section 1 of the bill provides that the act may be known as the International Food Community Board Act of 1956.

Section 2 makes clear that the purpose of the bill is to accomplish the distribution of surplus agricultural commodities, in an orderly manner, to needy peoples at home and in friendly nations abroad. This is to be done to relieve the agricultural economy of the United States of the harmful effect of these unwelcome surpluses that hang over the markets, and at the same time to provide food and clothing for underprivileged people.

To administer this program, there would be established by section 3 of the bill the International Food Community Board. Its members, including a chairman and a vice chairman, would be appointed by the President from among the heads of departments in the executive branch of the Government.

This committee might consider it desirable to provide that two or even three members of this board be selected from outside the Government—men who could give this program their full time. I would think, however, that the board should certainly include the Secretary of Agriculture, and either the Secretary of State or the Director of the International Cooperation Administration, or both of them. Their departments are best equipped to help achieve the objectives of the program, and the Board would have to work closely with their agencies.

Section 3 also provides that to the extent possible this board is to function through existing agencies and with existing employees of the Federal Government. The primary purpose of these provisions is to avoid a substantial cost to the Government of administering the program. I would hope that this program could be administered with a minimum of administrative expense, and I feel certain this can be done with the full use of existing agencies.

The International Cooperation Administration, for example, now has agents throughout the world who should be well equipped to advise the board on what plans in their respective areas could best achieve the purposes of this program. And we would want to coordinate this program in with their foreign aid programs. Similarly, the Secretary of Agriculture has administrative people located in almost every part of the United States whose advice and help should be used.

I would not object to amending the bill to provide for some outside members of the board. Perhaps the chairman should be one who can give the program his full time, but I would in any event like to see the maximum utilization of existing Government agencies in the accomplishment of the program.

Section 4 provides for the creation of State or regional liaison committees to assist the Board in the disposal of these surplus commodities within the United States. I would expect these committees to assume the major responsibility for making known to charitable organizations within their respective areas, including orphanages, old peoples' homes, sanitariums, and the like, the availability of the program. These committees would also help the Board to find and to process suitable applicants for surplus commodities. The committees could serve at home in much the same manner that I would expect the Foreign Service and the International Cooperation Administration to serve the Board abroad.

Section 5 specifies the duties of the Board in disposing of these excess agricultural surpluses. It provides that the President should estimate the quantities of existing surplus commodities necessary to provide an adequate national reserve for emergency purposes; and that he should also estimate the quantities of these surplus commodities that can be sold or otherwise disposed of under existing programs. The President is given the right to revise the estimates from time to time and his revisions would result in corresponding revisions in the program. Only the excess surpluses over and above those estimates would be included in this program.

The Board is urged to distribute the remaining surplus commodities within a 3-year period. But the Board is required to dispose of those commodities in a manner "which will not materially displace, disrupt, or interrupt existing commercial markets." We do not propose that the Board give these surplus commodities to any recipient who is now purchasing similar commodities or who is financially able to do so.

If there were a surplus of shoes, it would do no good to give me a pair. For I already have a pair of shoes and when they wear out I will be able to buy a new pair. But if we can give a pair to a little girl without shoes, or whose shoes are worn out, and whose father cannot buy her a new pair, we have done a good thing without disrupting the market for new shoes. This bill will not permit the surpluses to be given to anyone who would otherwise have purchased similar goods.

On the other hand, there are many charitable organizations whose limited budgets do not permit them to purchase all of their actual requirements of commodities in our surplus stocks. In such cases, the bill requires the Board, or the distribution organization, to obtain a written obligation requiring such institutions to continue to purchase these commodities at the levels of their current budgets and distribution to them. Our surpluses would be only above and after their current levels of purchases.

The bill provides, and I think this is an important provision, that to the maximum extent possible, the distribution of these surpluses should be through nonprofit organizations. I would hope that many public spirited citizens could be interested in helping to achieve this distribution through nonprofit organizations.

We all know of the splendid work CARE has done in distributing packaged foods to needy peoples. I am hopeful that similar bulk distribution could be achieved under this program through similar nonprofit organizations. I have in mind that such nonprofit organizations would collect through public subscription their costs of administering the program.

I believe that in many foreign countries nonprofit organizations can function more quickly, more directly, and more effectively in the distribution of food and clothing to needy people than could ever be achieved through local governments. I would therefore hope that we could avoid any distribution through local governments and utilize primarily nonprofit organizations of charitably minded or public spirited people.

The bill further directs the Board promptly to store in foreign countries the commodities ultimately to be distributed abroad. I have in mind that it will take some months to set up a suitable organization to process and arrange for the ultimate distribution of these commodities. But to the extent that the Board determines that stated quantities of these commodities are ultimately to be distributed abroad those commodities should now be exported from the United States so that they do not continue to depress domestic farm markets. Storage costs

will probably be no greater abroad, but more important we must immediately remove these excess surpluses from over the head of the domestic market.

The bill further provides, however, that commodities thus stored abroad should continue to be under the exclusive jurisdiction of the United States until they are allocated for actual distribution to consumers; but they may not be returned to the United States except in an emergency.

Section 6 of the bill directs the Commodity Credit Corporation to deliver to the Board such surplus commodities as are to be distributed under the program without reimbursement. This, of course, means the surplus over and above what the President estimates as is necessary reserve for emergency purposes or can be sold under existing programs.

This provision presents a bookkeeping problem to the Government on which arguments can be made on both sides, but which I hope will not affect the achievement of the program. The bill might very well provide for full reimbursement to CCC for these commodities, but this would require large appropriations by the Congress to the Board. On the other hand, if these transfers are without reimbursement they will result in a bookkeeping deficit to CCC.

I would hope that the American people would never charge that bookkeeping deficit—and it is only a bookkeeping deficit—against the cost of the farm support program. For in large part, this is an economic program the consequences of which extend far beyond the farm economy. But in any event, this is a mere intragovernmental bookkeeping problem that should be resolved in the most expeditious manner.

The provisions of section 7 relate to agreements by the Board with distributing organizations. The bill contemplates that the actual distribution of these surpluses to needy peoples will be undertaken largely by nonprofit private organizations. We must have in mind that wheat must be milled into flour before it can be used by the needy. Cotton must be woven into cloth and made into sheets and towels before it can be used in underprivileged hospitals around the world. Most of these agricultural surplus commodities must be processed before their ultimate distribution.

I feel that most, if not all, processing, as well as the actual distribution of the commodities, should be done by private nonprofit organizations. I would also hope that the costs of the necessary processing and distribution could largely be defrayed by public subscription, at home and abroad, to these private organizations.

The bill would authorize the Board to permit these private organizations to contract with processors to process these commodities in exchange for the byproducts; with the limitation that the fair value of the byproducts cannot exceed the reasonable value of the processing. We would hope also that shipping companies might donate the use of otherwise unused cargo space to transport some of these commodities abroad. We must also contemplate that some needy recipients—such as hospitals and other institutions—could pay a modest charge for goods that they would be unable to buy at the full normal price. The bill, therefore, provides that these nonprofit organizations can charge an amount for the goods distributed by them under this program not in excess of their actual costs for the commodity, its processing, and its transportation, but not including administrative overhead. I feel that these organizations should defray their own administrative expenses from their own funds.

The bill also gives the Board authority to sell these commodities whenever it can do so consistent with the objectives of the program. The Board is not required to get the fair value of the commodity. Frankly, I doubt that there will be many occasions when the Board will be able to sell surplus commodities available to it having in mind that it is to receive only the surpluses not otherwise capable of being disposed of through existing programs. The bill would also authorize the Board, in exceptional cases, to defray the cost of processing and the cost of transportation. Funds for this purpose must, of course, be appropriated, except that any income received for the sale of commodities could be utilized to defray those obligations.

There is also provision in the bill permitting the Board to barter surplus commodities for raw materials needed for our national stockpile or for goods and services for Armed Forces personnel. And the Board might sell commodities for foreign currencies which it would then discount with the Export-Import Bank of Washington. The bank might then use those foreign funds for its general lending purposes.

Finally, Mr. Chairman, the bill provides that the act shall expire June 30, 1960. I do not propose that we hereby set up a permanent disposal board. I am most hopeful that we will adopt means of bringing future production more nearly in line with consumption so that there will be no future excess farm surpluses. This bill is designed only to distribute the existing excess surpluses.

The farm question is not a political matter, but is so vital an economic problem, to so large a segment of our economy, that it demands bipartisan consideration and bipartisan support. I urge this committee to report favorably to the Senate my bill to create an International Food Community Board.

Mr. CAPEHART. Mr. President, I again wish to suggest that, in my opinion, Congress ought to give the President and the administration a mandate and express the conviction that farm surpluses should be gotten rid of, either by sale, by barter, by exchange for foreign currency, or by giving them away to the poor people of the United States and of the world.

If there are any laws which interfere with the fast disposal of the farm surpluses, the administration ought to come before Congress and ask that such laws either be repealed or amended. We expect the administration to do what is necessary to get rid of the surpluses.

However, in my opinion, Congress, as the board of directors of the Government, has its own responsibility in the matter. We should either pass immediately S. 2852, or similar legislation, and thus notify the administration that, speaking for the American people, we expect the Government to take drastic action in order to dispose of the farm surpluses. The surpluses are no longer an asset, but a liability. As a businessman I have always believed it is essential to get rid of a liability.

I know the Committee on Agriculture and Forestry is meeting every day. I am not criticizing the committee. However, I am saying that Congress has a responsibility. We should accept the responsibility and we should give a mandate to the administration to get rid of the farm surpluses.

PROSPECTIVE REPORT ON IMPACT OF THE PEACEFUL USES OF ATOMIC ENERGY

Mr. ANDERSON. Mr. President, as most of our Members are aware, at the beginning of next week a highly important report will be submitted to the Joint Congressional Committee on Atomic Energy. This is the report by the panel on the Impact of the Peaceful Uses of Atomic Energy. I have not yet seen the panel's report; I do not know what it is going to say. I will not know until the report is formally presented to the joint committee on January 31, but I do know that nine outstanding private citizens and an able staff have been hard at work ever since the joint committee created the panel last March.

Because of the caliber of the men who are going to give us this report, and because of the qualifications of the 327 scientists, businessmen, and leaders in farm, labor, academic, and professional life who have given generously of their time and thought to the many problems on which the panel asked their advice, I am confident that whatever the report will have to say will be of outstanding interest to the United States and to all other nations of the free world.

The panel was appointed by the joint committee because it recognized that the country now is in a transitional period in regard to atomic energy. Under the Atomic Energy Act of 1954, we are moving out of a period of Government monopoly of atomic energy; and we are moving into a period in which the Government begins to share the atom, in all its many peaceful uses, with the American people in all their many livelihoods.

The joint committee asked the panel to study whether this transition is well begun, and whether the laws and administration of those laws are such as to make possible the full and early benefits of all peaceful uses, and what impact these peaceful uses will have on our way of life, our economy, our industry, and our natural resources, and including the effect on employment.

Next week, we shall know what the panel's findings and recommendations are. From the makeup of the panel, I am sure, that whatever its findings, the report will be a real stimulus to fruitful discussions in this session of the Congress. The nine panel members are:

Robert McKinney, chairman. Mr. McKinney is editor and publisher of the Santa Fe New Mexican, and a former Assistant Secretary of the Interior.

Ernest R. Breech, chairman of the Ford Motor Co.

George R. Brown, chairman of the Texas Eastern Transmission Co., and a former member of the President's Materials Policy Commission.

Sutherland C. Dows, president and chairman of the Iowa Electric Light & Power Co.

John R. Dunning, physicist, and dean of engineering at Columbia University.

T. Keith Glennan, president of the Case Institute of Technology, and a former member of the Atomic Energy Commission.

Samuel B. Morris, general manager and chief engineer of the Los Angeles Department of Water and Power; former member of the Materials Resources Planning Board and the President's Water Resources Policy Commission.

Walter Reuther, president of the United Auto Workers, and vice president of the AFL-CIO.

Frank M. Folsom, president of the Radio Corporation of America.

The work in assembling the monumental collection of material on which the report is based was carried out by an able panel staff, of which Herbert I. Miller is executive director; and Walter A. Hamilton, executive secretary.

I commend to the Congress a careful study of the report when it becomes available.

TRIBUTE TO COL. C. M. BOYER

Mr. THURMOND. Mr. President, recently the Reserve officers of our armed services received with regret the news that Col. C. M. (Count) Boyer, United States Army Reserve, retired, will resign this year from his duties as executive director of the Reserve Officers Association.

As a former president of the ROA, I have had the pleasure of working very closely with Colonel Boyer on many occasions. Like others who know him intimately, I have found him to be an outstanding American citizen soldier who, through his advocacy of a strong combat-ready Reserve, has made immeasurable contributions toward keeping our Nation prepared against enemy attack.

This great citizen soldier has served his country as a Reserve officer for more than 30 years, and he has worked with the ROA for 10 years. During the 4 years he has served as executive director of the ROA Colonel Boyer has reflected the views of Reserve officers on Capitol Hill, at the Pentagon, and at the White House. His success in fulfilling his many responsibilities can be measured to some degree by the high respect in which he is held by legislators, Government officials, and officers of our military services.

I regret to see Colonel Boyer retire, but I feel that his is a well-deserved retirement. It is a comfort to know that he will be retained by the ROA as a consultant on Reserve affairs.

At this point I ask unanimous consent to have printed in the RECORD an article from the Army Times of January 14, 1956, entitled "Boyer To End Active Decade With ROA Next April or June."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BOYER TO END ACTIVE DECADE WITH ROA NEXT APRIL OR JUNE

WASHINGTON.—Col. Charles M. Boyer, longtime executive director of the Reserve Officers Association, has announced he will retire either in mid-April or in June, after the next ROA national convention.

He will be succeeded by Brig. Gen. Harold R. Duffie (retired), ex-commanding general of the New Orleans Port of Embarkation and presently an ROA assistant executive director.

Colonel Boyer, who will be 69 next month, jokingly told the Times he was retiring because "I just don't have enough time for my tennis. I'd like to be playing three or four times a week," he said, "but as it is I can only get out on weekends." (He is a former Southern Veterans tennis champion and today is one of the Army-Navy Country Club's most outstanding players.)

During his 10 years with ROA, eight of which he has spent as executive director, Colonel Boyer has been a familiar figure on Capitol Hill, the Pentagon and at the White House. He has been instrumental in the passage of much of the significant Reserve legislation since World War II.

He lists as laws "ROA has been primarily responsible for during the past ten years" the inactive duty training bill for Army and Air Reserves; the Reserve retired law; disability retirement for individuals with less than 30 days' active duty, or while engaged in inactive duty training; the Armed Forces Reserve Act of 1952; the Reserve Officers Personnel Act of 1954 and the Reserve Forces Act of 1955.

Colonel Boyer has had over 30 years' service as a practicing citizen-soldier with the Army Reserve. He is a former commanding officer of the 524th Coast Artillery Regiment in his native Atlanta, Ga.

With the advent of World War II and call to active duty, he served at Fort Barrancas, Fla., Pensacola, Atlanta; and as commanding officer of antiaircraft artillery, Harbor Defense, Long Island, Fort Wright, N. Y.

Due to his vast knowledge of Reserve affairs, he was transferred to Washington for duty in the Chief of Staff's office as assistant to the Executive for Reserve and ROTC affairs. In this capacity he worked closely with Gen. George C. Marshall, then Chief of Staff.

At the close of the war, Colonel Boyer accepted the bid of ROA's trustees to join the association as assistant executive director. Several years later he was named executive director.

Colonel Boyer is a graduate of William Jewel College, Liberty, Mo., where he was a four-letter athlete.

"The past 10 years have been hectic ones," he said, "but I have had a lot of satisfaction from all of our accomplishments.

"ROA is in the best financial shape in its history. Membership is on a decided increase and the organization enjoys the highest prestige with the Pentagon, the White House, Congress and the public that any organization could ask for.

"General Duffie has a challenge to carry ROA to even greater heights."

General Duffie is a native of Boston. He enlisted in the Army in 1913 and during 41 years of service rose through the ranks from private to brigadier general.

He served on the Mexican Border in 1916, in France during World War I and in England and France again during World War II. Following the war he was commanding officer of Camp Kilmer, N. J., and then commanding general of the Transportation Center at Fort Eustis, Va.

INSURANCE AGAINST FLOOD DAMAGE

Mr. NEUBERGER. Mr. President, during the past months, the whole Nation has been shocked by reports of the terrible damage suffered by areas which have been struck by floods, hurricanes, and other disasters—first on two separate occasions in New England and more recently on the west coast, in California, and in my own State of Oregon.

During the weeks preceding the resumption of the congressional session, valuable studies of insurance or other possible alleviation of the heavy losses caused by such disasters have been carried on, under the leadership of the distinguished junior Senator from New York, by the Senate Committee on Banking and Currency. I know that all of us whose home States are always in danger of disasters, such as those of the last year, can confidently expect that these studies will result in the adoption of a forward-looking Federal disaster insurance program this year.

The need for Federal action in this field was again emphasized last week, when the American Insurance Association issued its report on a study of flood damage in the Northeastern United States. The conclusions of this report uphold the conclusions reached in an earlier 1952 study made for the American Insurance Association, that flood insurance is a problem beyond the scope of any feasible commercial insurance plan. When, after repeated study, the private industry most directly familiar with a widespread need concludes that it cannot feasibily meet that need, that is the very occasion when the American people have a right to turn to their elected government for constructive action.

Mr. President, I ask unanimous consent to include in the CONGRESSIONAL RECORD an article from the New York Times for Sunday, January 22, 1956, discussing the report on flood insurance of the American Insurance Association.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FLOOD INSURANCE HELD UNFEASIBLE—SURVEY OF 1955 DISASTERS CONFIRMS VIEW, ADDS THAT WORSE ONES MAY OCCUR

(By Gene Smith)

Insurance against flood damage is not feasible.

The insurance industry has long felt that this was the only position it could adopt. Now it knows. An intensive study of the damage caused by last August and October's floods in the Northeastern States has confirmed a 1952 report on the disastrous floods in Kansas the year before.

The 1952 report, which was approved by the National Association of Insurance Agents, concluded that "insurance against the peril of flood cannot successfully be written."

Last week the American Insurance Association issued the combined report of its flood committee and a 29 page Report on Floods and Flood Damage of 1955 in the Northeastern United States. Like the 1952 version, this report was prepared by the engineering firm of Parsons, Brinckerhoff, Hall & Macdonald.

UPHOLDS 1952 VERDICT

Like the 1952 report, it also concluded that there is no basis for altering the traditional industry position on the impracticability of covering flood damage.

"On the contrary," A. I. A. reported, "the further study that has been given this subject has supported and strengthened this conclusion."

The engineers' report is even more pessimistic, warning that "the Northeastern States have not yet experienced the greatest possible floods due to rainfall."

"The maximum possible rainfall exceeds by a considerable amount any measured precipitation measured in the past," it continues. "The greatest storm tides have probably been approached on several occasions at certain locations on the coast of

southern New England. Other Atlantic coastal regions have not yet experienced the greatest possible storm tides."

Some inkling of the severity of the problem is seen in the conflicting damage reports that are carried in the study. The Corps of Engineers placed direct and indirect damage at $1,600,000,000, while the Federal Civil Defense Administration estimated direct damage alone at $445 million.

The engineering firm, combining these and other estimates, arrived at the compromise figure into these percentages: Industrial properties, 35 percent; commercial, 14; public utilities, 19; public facilities, 20; residential property, 9; and agricultural and miscellaneous, 3 percent.

Parsons, Brinckerhoff was originally commissioned by AIA to study the August 1955 floods in Massachusetts, Rhode Island, Connecticut, New York, New Jersey, and Pennsylvania. Before the study could be completed the October floods came. The study was extended to include these also.

As the report was being completed, the first of the Pacific coast floods occurred. On the chance that unique meteorological or other positive factors not previously considered might be involved in the Far West, the engineers were again requested to enlarge their study.

HURRICANES DIVERTED

Although the third phase has not been completed, indications are that it will offer nothing to change the overall conclusions. The completed study notes that the northeastern floods were caused by tropical hurricanes diverted from their previous normal paths by unusual meteorological conditions.

"Such storms have been considerably more frequent on the north Atlantic seaboard since 1938 than in the preceding hundred years," the engineers reported. "Whether the situation is a result of permanent change in climatic conditions or is only in the nature of a temporary weather cycle is a moot question among meteorologists, and probably will not be definitely answered for many years."

The possibility of such a cyclic change should not be overlooked, they added. This is especially true in the light of final tabulations which show a total of 24,654 residential dwellings in the 6 States were damaged or destroyed in the August floods alone.

Frank A. Christensen, president of the America Fore Group, in a year-end report last week, said:

INSURANCE NO ANSWER

"It is still our considered opinion that flood insurance in any form, whether undertaken by private companies or through an agency of the Government, would not provide the answer to the age-old problem. In any case, flood control and a system of relief and rehabilitation will have to be pursued intelligently and effectively."

The AIA's committee concurs with the following statement regarding the engineering report:

"A realistic approach to the problem of flood damage would still seem to be an orderly plan for relief and for rehabilitation of essential services, plus a long-range flood-control program in which Federal, State and local governments could cooperate to reduce the probability of damage by flood.

"It would be inappropriate for the insurance business to volunteer recommendations to the Congress of the United States regarding the course it should follow in dealing with the problem of flood damage, but it is not inappropriate to repeat the offer previously made by capital stock insurance companies and their local agents to cooperate fully by making available their facilities in connection with any flood damage or indemnity program which might be enacted by the Congress or of any State or other competent authority."

PROPOSAL FOR A FAMILY ALLOWANCE PROGRAM

Mr. NEUBERGER. Mr. President, I contributed to the Crosier Missionary magazine for February 1956 an article setting forth the case for my Senate resolution urging a study of Canada's famous family allowances program for children.

My article, entitled "Social Security for America's Children," makes the case for instituting this beneficial program in our own country.

I have been pleased to write this article for the Crosier Missionary, which is published in the city of Onamia, Minn., under the editorship of the Reverend Benno Mischke, O. S. C.

I prophesy that the day will come when family allowances will be as much a part of America's Social Security system as old-age and survivors' benefits. After all, let us not forget that, 20 years ago, social security itself was considered something drastic and revolutionary. Now social security is accepted by 99 percent of the American people as a program wise and necessary in concept.

Mr. President, I ask unanimous consent that the article may be printed in the RECORD at this point as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SOCIAL SECURITY FOR AMERICA'S CHILDREN?

(By RICHARD L. NEUBERGER, United States Senator from Oregon)

In the United States we have worked out various programs for giving aid and comfort to people in their later years. These programs take such form as old-age assistance, social security, and disability benefits. Public opinion demanded this protection, so men and women would have some safeguards against poverty and neglect when they become too old to work steadily.

Ironically, this richest of all nations has no comparable program for its children. This is not true of the country which is our closest neighbor. For the past 10 years Canada has had in operation a system known as Family Allowances. It began as a controversial experiment. Today it is accepted by Canada's four major political parties, and no responsible leader of government even has remotely suggested that Family Allowances should be abandoned. Indeed, prominent Canadians compete with each other to promote ideas for the extension of this program which has meant so much to Canada's children and their parents.

Because of the success of family allowances in Canada, I have introduced a resolution in the United States Senate calling for a full-scale study of what has been accomplished in this field by the vast northern nation which Rudyard Kipling once described as "Our Lady of the Snows." It seems to me that the welfare of America's boys and girls demands such a study, particularly inasmuch as 89 percent of the children in the United States are dependent for food, shelter, clothing, and medical care on only 33 percent of the wage-earners.

Furthermore, I believe the best way to solve the riddle of juvenile delinquency is to keep the mother in the home. When the mother must leave the hearth to help nourish and sustain her children, vandalism is encouraged. It is far better, in my opinion, for children to be at the apronstring than at the latchstring. Suppressing so-called comic books is a feeble blow at juvenile delinquency compared with keeping the mother with her youngsters. Family allowances will enable the mother to stay at home by making it less necessary for the mother to get a job.

What are family allowances and how will they operate?

The family allowance program in Canada consists of a series of monthly payments to parents of children under 16 years of age. The size of the payments varies with the age of each child. This is the schedule of allowances:

	Per month
Children under 6	$5
Children aged 6 to 10	6
Children aged 10 to 13	7
Children aged 13 to 16	8

The payments are made to the mother. All Canadian mothers receive the allowances regularly on the 20th of every month. No "means" test decides which youngsters shall receive the benefits. The money goes to the children of lumber workers in British Columbia, to the children of truck drivers in Manitoba, to the children of Mounties on patrol in the Yukon, to the children of industrialists in Toronto, to the children of Eskimos in the Northwest Territories. There is no stigma attached to the allowances. They are universal. They go to all Canadian families.

What are the allowances used for? Canadian law merely requires that they must be spent for "the health and welfare of the child." And they are so spent.

In 1951, after the family allowance project had been in operation for 6 years, Laval University, of Quebec, conducted a searching study into the ways in which the funds had been spent. The university's researchers established that the allowances had been used most frequently for the following purposes:

1. Children's clothing.
2. Insurance policies for children.
3. Medical care and medicines for children.
4. More nutritious food for children.
5. Children's savings accounts in banks.
6. Toys for children.

A few months ago the following statement was made to me in a letter from Canada's Minister of Health and Welfare, the Hon. Paul Martin, who has supervised so effectively an orderly program for handling the Salk anti-polio vaccine in that nation.

The success or failure of family allowances in Canada is no longer a matter of debate in this country. The program is accepted by all political parties, by the labor parties, by social workers, and by the population at large. * * * We have received many letters from parents and reports from social workers to the effect that receipt of family allowances has been of great value to a large number of families, the great majority of whom devote the allowances to increasing the welfare and health of the child in the numerous ways which that may be done.

Abundant evidence exists in Canada that family allowances have had a favorable impact on such vital problems as juvenile delinquency, child health, infant mortality, and general education, and have at the same time broadened the market for many consumers' goods.

What pertinence does the Canadian experience have for our own country? Why should we contemplate family allowances here?

To begin with, children are the most precious wealth of any nation. Money, natural resources, political power, diplomatic strength, military might—these things cannot be compared to a country's boys and girls, because they are wholly dependent on the health, morale, and attitudes of the next generation of citizens.

America is growing its biggest crop of children. The excess of births over deaths in this country is now running at the rate of 2,600,000 annually, or more than 200,000 every

month. During 1954 the total number of births of new Americans passed the 4 million mark. Never before in our history had this occurred. In other words, America is enjoying a boom in babies. Could any boom be finer?

We want these babies to grow up to be happy, healthy, and prosperous. Their standard of living will contribute materially to this. Until they are grown, the standard of living of their parents will determine their own.

What is wrong about assisting this segment of the population to furnish adequate food, shelter, and clothing for America's children.

I realize that some persons will shun a proposal even to study an important new social program of this sort. Yet we must be aware that every new idea has had its bitter critics. There were men who ridiculed as folly the spending of a meager $2,500 in public funds to send Lewis and Clark to the Pacific Coast with our country's flag. Let us not forget that social security itself was condemned less than 20 years ago as a cruel hoax. Tories in Congress charged that "the liberty of all the people of the United States is in jeopardy" when Theodore Roosevelt advocated a Pure Food and Drug Act in 1908 to safeguard the substances which the men, women, and children of the land were putting into their stomachs.

Happily there has been a vast majority of Americans in nearly every era who have said with the poet James Russell Lowell:

"New occasions teach new duties
Time makes ancient good uncouth."

That sort of vision is needed now when we consider the question of family allowances. But I can, of course, anticipate the kind of opposition which we shall hear. I should like to answer several of these charges in advance so that people can be ready to study the issue dispassionately and with an understanding of the facts.

First. It will be said, of course, that family allowances are socialism, creeping or otherwise.

Canada has has family allowances for 10 years now, and during those 10 years American big business has hurried to invest its money across the border in Canada. While the family allowance program has been in effect, the value of United States investments in Canada has rocketed from $4,900,000,000 to approximately $9 billion. This gain of nearly 100 percent demonstrates two factors conclusively: First, that Canada's economy has been sound and prosperous while family allowances have been in effect; and, second, that this program has not discouraged American capitalists from risking huge amounts of capital in Canada.

Second. It will be claimed that the family allowances will not be spent for their principal purpose, which is the health and welfare of America's children.

I challenge any such assumption. Canada has had comparatively few instances in which legal action was required to bring about compliance with the Family Allowances Act. In 1952 one of Canada's celebrated Mounties, George J. Archer, superintendent of the Royal Canadian Mounted Police, said to me:

"We feel that the family allowances law is obeyed in the great majority of instances, because even the worst scoundrel in other things has a sense of obligation where his children are concerned.

"After all, compliance with the act rests with the mothers of the country and their feelings of motherhood. Can any reliance be more dependable than this?"

Third. It will be claimed that there should be a means test, that the allowances should go only to families who are in need.

In my opinion, this would defeat the entire purpose of the program. My wife and I have seen Canadian mothers proudly spending their family allowances checks for clothing, for doctors' bills, for nutritious children's foods, for music or ballet lessons, for electric toy trains, and for dolls. The lines which often form in front of children's shoe stores in cities like Edmonton or Winnipeg are symbols of family allowance days. This candid spending of the funds never would take place if there were a means test. The allowances would be used furtively and with a sense of shame, if at all.

It is likely that the army of investigators needed to police the system, if a means test were instituted, actually would cost more money than the relatively small number of checks going to families who do not need them. In Canada, the total cost of administering the family allowances system amounts to only about 2 percent of the total funds disbursed. Administrative charges would be many times this proportion if a means test were applied.

Family allowances should be paid as a matter of right and not because of poverty. We have visited well-to-do families in Canada where the allowance checks were scrupulously dedicated to the welfare of the children. The family of a utility executive was collecting a fund to let his three daughters travel in Europe after their graduations from secondary school. A banker intended to buy annuities for his son. A high-ranking officer in the Mounted Police planned to use the collected family allowances checks to help put his boy through military school.

Fourth. It will be claimed that families with children should be assisted through higher income-tax exemptions for children rather than by family allowances.

This is an argument with some validity, but it fails to recognize the fact that it would prove of relatively little help to those who need assistance most—the families in the lower income brackets who already pay only meager or no income taxes because of the skimpiness of their incomes. Exemptions benefit most those with larger incomes in the higher tax brackets.

In addition, a cut in taxes puts no compulsion on the family to concentrate the increased income on items of special value and importance to the children. Family allowances, however, are in a different category. They are earmarked for the boys and girls of the family. The mother receives the check with the understanding that she is to spend it for the health and welfare of the child. Practically all mothers heed this stipulation. This is why the consumption of milk, baby foods, and children's shoes increased immediately in Canada when family allowances were enacted. No such phenomenon would have occurred had there simply been a general tax reduction.

In bringing the great question of family allowances to the attention of Congress, it seemed to me the best procedure was to sponsor a study of Canada's successful system rather than to introduce a bill immediately for a similar program in the United States. We can profit by Canada's experience. In addition, knowledge of what Canada has accomplished will serve to alert American public opinion to the arguments and the need for a program of family allowances on our side of the international boundary.

This approach was justified when my resolution attracted the wholehearted backing of seven illustrious cosponsors—Senators PAUL H. DOUGLAS, of Illinois; ESTES KEFAUVER, of Tennessee; HERBERT H. LEHMAN, of New York; WAYNE L. MORSE, of Oregon; JOHN F. KENNEDY, of Massachusetts; HUBERT H. HUMPHREY, of Minnesota; and PATRICK MCNAMARA, of Michigan.

The number of the resolution is Senate Resolution 109, and it has been referred by the Presiding Officer to the Senate Committee on Labor and Education, whose chairman is Senator LISTER HILL, of Alabama. Letters and telegrams to Senator HILL and, particularly, to your own Senators and Congressman will help to secure favorable action. There is no reason why the resolution should not be passed, if the public will support it. Only apathy could bring about its defeat. The sum called for to study the Canadian family allowances program is a mere $26,000. Compare this with the $250,000 investigations which have become so common.

In the last analysis, the future is reliant wholly on a country's children. Their welfare, their health, their mental and moral outlook, their spiritual well-being, their nutrition, their schooling, their recreation—these things are paramount. I am convinced, from what I have seen and observed in Canada, the family allowances can contribute beneficially toward such goals.

Family allowances must be the next great step forward in social security for the United States—security at the beginning of life's hazardous trail, as well as at its end.

Mr. NEUBERGER. Mr. President, I thank the distinguished Senator from Illinois [Mr. DOUGLAS] for yielding to me. I wish to compliment him upon his vigilant championing of the public interest in the case of the natural gas bill.

Mr. DOUGLAS. Mr. President, I appreciate what the Senator from Oregon says. It so happens that 30 years ago I wrote a book on the subject of family allowances. I am interested to see this subject revived in such capable hands after the passage of so long a period.

Mr. NEUBERGER. I shall be delighted, when this subject comes before the Senate, to have the benefit of the expert observations and wisdom of the Senator from Illinois.

SENATORS COURAGEOUS

During the delivery of Mr. DOUGLAS' speech later today,

Mr. SYMINGTON. Mr. President, in the St. Louis Post-Dispatch of January 6, 1956, appeared an editorial entitled "Senators Courageous."

It is about the book Profiles in Courage, written by the distinguished junior Senator from Massachusetts [Mr. KENNEDY].

Those of us from both sides of the aisle who know the record of our author-colleague, both in the war and during the past year, know that his own profile well illustrates the title of his great book.

Mr. President, I ask unanimous consent to have this editorial printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SENATORS COURAGEOUS

If Senator KENNEDY of Massachusetts had made a vivid, moving speech on the opening day of this session of Congress embodying the essence of his new book, Profiles in Courage, and citing examples, the Washington correspondents would have reported it extensively.

By now many editorials would have been written and printed in warm commendation of the young Senator's speech. Thousands of citizens, eager to go more deeply into the subject of courage in politics, would be reading his book.

Senator KENNEDY's interest in courage among political leaders began when he first

read about John Quincy Adams. Son of the second President, J. Q. Adams was a loyal Federalist and an opponent of Jefferson who defeated the first Adams in 1800. When Jefferson in a great and farsighted act of statesmanship, purchased the Louisiana Territory, the Federalists denounced it from the housetops. But one Federalist Senator did not go along—John Quincy Adams of Massachusetts. He strongly backed Jefferson and thus angered many constituents. When Jefferson called for an embargo on British imports because the Crown was seizing our ships and impressing our seamen, Adams again strongly supported Jefferson. The Senator was condemned by New England commercial interests and newspapers as a "deserter," "a party scavenger," "a renegade" who "associated with the assassins of his father's character."

But Adams, although bitterly turned on by friends, remained unshaken by the outpouring of hate. After he had been defeated for the Senate, his integrity was rewarded when he was elected sixth President in 1824.

"How many John Quincy Adamses have there been?" young Senator KENNEDY asked himself. And when the World War II naval hero entered his long hospitalization, after a spinal operation in October 1954, he began to read American political history intensively to see. Profiles in Courage, is the result and not many times has convalescence been better used.

Three others among JOHN KENNEDY'S selection of courageous Senators staked political careers on their unpopular efforts to prevent the breakup of the Union over slavery—Daniel Webster of Massachusetts, Thomas Hart Benton of Missouri, and Sam Houston of Texas. Seeking to keep the Lone Star State out of the Confederacy, Texas' soldier-Senator said: "I know neither North nor South; I know only the Union."

Next comes a completely forgotten Senator, Edmund G. Ross of Kansas. He went to Congress to oppose President Johnson on Reconstruction policies and wound up casting the vote that saved Johnson from removal following impeachment by the politically hostile House. Ross saw that Johnson was not getting a fair trial and voted according to his conscience. Doing so, Ross said: "I look down into my open grave." For Ross knew that Kansans would scream for his head, as they did.

Then there was Lucius Q. C. Lamar of Mississippi, an ex-Confederate officer, who set his State aflame by calling for a policy of moderation and adjustment with the North. Finally Senator KENNEDY tells of the courage of two recent Senators—the unswerving George W. Norris of Nebraska and Robert A. Taft of Ohio. He does not say each Senator was right in his position, but he salutes willingness to risk denunciation, as when Taft, in 1946, opposed the Nuernberg war crimes trials as "a blot on the American record we shall long regret."

These of course do not exhaust the list of men of courage in the history of the Senate and the junior Member from Massachusetts cites others as he goes—Henderson of Missouri, Trumbull of Illinois, Grimes of Iowa. And he names some governors, too, Hughes in New York and Altgeld in Illinois.

Inspiring as it is to read these stories of courage in men who sat in elective office and felt the wrath of embittered constituents, it is hardly less moving to read Senator KENNEDY'S own description of the pressures that beat down on Members of Congress and his own analysis of courage in public office today. As he says:

"Only the very courageous will be able to keep alive the spirit of individualism and dissent which gave birth to this Nation, nourished it as an infant and carried it through its severest tests upon the attainment of its maturity."

We hope Profiles in Courage becomes a national best seller, especially in Washington—and among administrators as well as lawmakers.

Mr. DOUGLAS. Mr. President, the sentiments expressed by the Senator from Missouri are, I am sure, those of every Member of this body.

The PRESIDENT pro tempore. The routine morning business is concluded, and the Chair lays before the Senate the unfinished business.

AMENDMENT OF THE NATURAL GAS ACT, AS AMENDED

The Senate resumed the consideration of the bill (S. 1853) to amend the Natural Gas Act, as amended.

The PRESIDENT pro tempore. The Chair recognizes the Senator from Illinois.

Mr. DOUGLAS. Mr. President, in accordance with the agreement reached last night, I am very glad to yield temporarily to the Senator from Kansas [Mr. CARLSON] with the understanding that I shall not lose my rights to the floor.

Mr. CARLSON. Mr. President, I wish to express my sincere appreciation to the distinguished senior Senator from Illinois for giving me an opportunity to make a brief statement, with the understanding that he will resume the floor after I have concluded my remarks.

The PRESIDENT pro tempore. The Senator from Kansas is recognized.

Mr. CARLSON. Mr. President, I should like to conclude my statement without yielding, in order that I may keep its context uninterrupted. I shall be glad to yield after I have concluded my remarks.

Mr. President, of the many complex issues now before Congress, few if any call for a more immediate—or a sounder—solution than that posed by the recent attempt, through a Supreme Court decision, to convert the production of natural gas into a public utility.

Natural gas currently accounts for about a fourth of our Nation's energy supply. Some 25 million homes, in all parts of the country, already enjoy its benefits. Yet the demand for this clean, convenient, efficient, and relatively low-cost fuel still continues to grow. In many of our largest cities, hundreds of thousands of would-be consumers are on waiting lists for natural gas when and if it becomes available.

In 1954 the total field price of the gas used by the Nation's 25 million residential consumers amounted to less than $180 million. This was $7.20 a year for the average consumer, or 60 cents a month. Now before the Senate there is pending proposed legislation, popularly known as the Harris bill, which would, if enacted, preclude any substantial increase in these figures.

Of even greater importance, volume wise, is the amount of gas used industrially and commercially: Nearly four times as much as is used by residential consumers. It is here that gas meets its strongest competition from coal and oil. Nevertheless, an adequate supply of natural gas, or the absence of such a supply, can also have a tremendous effect on industrial development. For many industries natural gas is very much the preferred fuel. For many other industries, primarily those in the petrochemical field, it is also a very vital raw material.

Coming as I do from a gas-producing State, it seems to me that several questions arise as to the need for Federal control of the production of natural gas.

Are Federal utility controls over the production of natural gas the answer to our problem? Does the history of the natural gas industry reveal any clear and imperative need for such controls over gas at the wellhead? Is there an inordinately large concentration of gas production in the hands of a few large companies? Is it fair or desirable to single out this one competitively produced commodity, during peacetime, for utility price-fixing at its point of production? Will such price-fixing stimulate the search for more natural gas and will it increase the amount of gas going into interstate commerce?

My study of this problem has convinced me that the answers to all these questions are indisputably in the negative. I am further convinced that Senate passage of the Harris bill, as amended and approved by the House, is clearly in the public interest. I am convinced that unless this bill is passed, all nonproducing areas, will sooner or later experience serious shortages of natural gas.

Before going into the reasons for these views, let us take a quick look at just what the Harris bill is.

In the first place, the Harris bill sets up new consumer safeguards against the possibility of unreasonable prices. It is not a decontrol bill. It does remove gas producers from direct utility control, but it does place the ceiling of a reasonable market price on the amount an interstate pipeline may pay producers for their gas and then pass it on to consumers.

The Federal Power Commission is given the authority to determine what this reasonable market price is.

In short, the Harris bill restores competitive and risk-taking conditions at the field level. To the consumer protection afforded by this competition, it adds another protective device—that of a reasonable market price as determined by the Federal Power Commission. It was exactly this sort of added protection which was urged by consumer representatives in both the House and Senate hearings.

The events which have led up to the pressing necessity for passage of the Harris bill are unprecedented in our Nation's history.

First of all, it must be understood that the overall natural gas industry is divided into three distinct segments—production, transmission, and distribution. At one end of the line is the producer, the company or individual that puts risk capital into the search for natural gas. When and if he finds gas, the producer sells it to an interstate pipeline which transports it across State

lines to a consuming area. Here a distributing company takes delivery and then pipes the gas to the burner-tip of the consumer.

Two of these segments—transmission and distribution—are now subject to regulation. They enjoy the right of eminent domain. Their competition is limited by Federal authority in the case of interstate pipelines, and by State or municipal authority in the case of distributors. Because these two phases of the business are, in a sense, legal monopolies, they have their prices fixed by public agencies. In return, however, they are granted what amounts to a virtually guaranteed return on their investment, which usually is about 6 percent.

In brief, then, transmission and distribution companies enjoy both a minimum of competition, and a minimum of risk.

In the case of producers, however, the situation is quite different. No governmental agency shields the producer from competition. He must compete vigorously with other producers for leases. Nor does any agency protect him from risk. If he hits a dry hole, it is his own bad luck. He has no right of eminent domain, no assured market, no guaranteed return on his investment. To him go none of the benefits of a public utility, nor does any governmental agency, under our laws, have the right to grant him any of these benefits.

That being the case, how is it, then, that the producer of natural gas has fallen under the shadow of Federal utility control?

The answer lies in some ambiguous language in the Natural Gas Act of 1938. That law was passed to fill a regulatory gap. Up until then, gas producers were subject—as they still are—to the regulatory functions of the various State conservation agencies. Distributing companies were subject to State or municipal regulation. But because the interstate pipelines operated in interstate commerce, neither State nor municipal authorities could regulate their activities.

Congress filled that gap in 1938 with the Natural Gas Act. It gave the Federal Power Commission jurisdiction over natural gas companies selling gas in interstate commerce for resale, which was clearly the function of the transmission companies. At the same time, however, Congress made it clear—or thought it did—that the Federal Power Commission was not to assume jurisdiction over the production or gathering of natural gas.

Section 1 (b) of the act provided that the provisions of the law "shall not apply to any other transportation or sale of natural gas or to the local distribution of natural gas or to the facilities used for such distribution or to the production or gathering of natural gas."

In 11 separate cases, up to and including the Phillips case, the Federal Power Commission recognized this clear-cut exemption, and ruled that it had no jurisdiction over independent gas producers; that is, those not affiliated with an interstate pipeline.

On June 7, 1954, however, the Supreme Court, in the Phillips case, handed down a split decision which rewrote the law. It ruled, in effect, that independent gas producers were making sales of gas in interstate commerce for resale and hence were subject to the jurisdiction of the Federal Power Commission.

In so ruling, the five-man majority of the Supreme Court ignored the intent of Congress, as clearly revealed in the legislative history of the Natural Gas Act. By judicial fiat, it rendered null and void the exemption from Federal utility control which the act plainly granted to the production and gathering of natural gas.

In effect, then, the Supreme Court rewrote the law. Its reason for its startling new interpretation was that Congress passed the Natural Gas Act in order to protect consumers, and that such protection demanded Federal control over producers and gatherers of gas, as well as over those who merely transport the gas.

The law, of course, as passed by Congress, reads quite differently, but ignoring that fact for the moment, let us see if such Federal protection was actually necessary. In other words, what happened to the field price of gas in the 16 years between 1938 and 1954, when producers were entirely free of Federal control? And what happened to the residential retail price—the price that consumers had to pay at their burner-tips?

In 1938, the average wellhead price, according to Bureau of Mines figures, was 4.9 cents for each thousand cubic feet of gas. In 1953, the year just before the Phillips decision, the price was 9.2 cents per thousand cubic feet. During this same period, the cost-of-living index—the Consumers Price Index—went up 90 percent. The field price of gas, however, went up a little less than 90 percent. In other words, the gas producer was getting less money—in terms of real purchasing power—for his gas in 1953 than he was in 1938.

What happened, without controls, to the price the consumer had to pay? In city after city, natural gas replaced manufactured gas. Since the latter costs several times as much to make as natural gas costs, even after being transported hundreds of miles to the city gates, substantial savings were made possible at the retail level. During the 16 years when the cost of living was going up 90 percent, the retail cost of gas for residential consumers increased only 7 percent. If that was unreasonable, then what this Nation needs is more prices that are similarly unreasonable.

A fact unknown to many people is that the field price of gas is a very small factor in the ultimate price paid by the residential consumer. It currently amounts to only about 10 cents out of every dollar the consumer pays. Even if the Federal Government confiscated every gas well in the Nation and gave the gas away free, so long as it lasted, the average consumer would save only about 2 cents a day.

Most of the money the residential consumer pays—about 90 percent—goes to pay, not for the gas, but for the service of transporting and distributing it. And the more gas the pipeline and distributor can buy and sell, the larger the volume, the cheaper the gas becomes on a unit basis.

The greatest ultimate benefit for everyone concerned—producer, transporter, distributor, and consumer—can best be derived from large-scale sales over a long period of time.

Just as it is obvious that the risk-taking and competitive business of producing gas has none of the characteristics of a public utility, it is equally clear that there is no semblance whatever of monopolistic conditions in this phase of the overall industry. Recent figures show that there are more than 8,000 independent gas producers actively engaged in selling gas in interstate commerce. No single one of these producers sells as much as 5 percent of the gas used in this country. Of America's 452 leading industries, 382 show a greater concentration of control over output than does natural-gas production.

In 1949, the Department of Commerce released a study on this very matter. It revealed that in gas production, the first 8 companies accounted for 28 percent of the output. In copper, the first 8 companies accounted for 91 percent of the output; in iron ore, the first 8 companies accounted for 77 percent; in lead, 70 percent; in zinc, 60 percent.

Of the extractive industries, only bituminous coal, with a figure of 24 percent, ranked lower on the concentration scale than natural gas.

What about some of the other industries? In cigarettes, the first 8 companies in this Nation accounted for 99.7 percent of the output; in steel works and rolling mills, 62.8 percent; in wholesale meat packing, 53.6 percent. And as we all well know, the first three companies in the automobile industry account for more than 90 percent of the total output.

It is plain as the nose on one's face that if natural gas production is a monopoly, so are most of the other great industries of the Nation. If natural-gas production is to be made a Federal public utility on that basis, then so should most of the other great industries.

To make the production of natural gas a Federal public utility would set a precedent which could later be applied, with equal justification, to almost any business or industry that turns out consumer products. As the old Chinaman once said, the longest journey begins with but a single step.

But will imposing utility controls on the production of gas increase the available supply? Will it mean lower prices? The long-range results, I am convinced, will be exactly the opposite.

We can already see signs of the coming trend. In 1953, for example, the large interstate pipelines were able to sign up reserves of new gas amounting to 6.4 trillion cubic feet. The following year, when the Phillips case decision dropped like a bombshell, these pipelines were able to sign up only 2.3 trillion cubic feet of new gas—less than the amount of their annual marketed production. Such a trend spells shortages in the years ahead.

The Supreme Court's unfortunate decision is also reflected in the gas fields themselves. Late figures show that in 1955 oil-well completions increased about 8 percent. Gas-well completions, however, declined about 12 percent. Here, too, we can see the foreshadowing of coming shortages.

The fact of the matter is, of course, that of today's marketed production of natural gas, one-half is consumed in the producing States. Unless the Harris bill is passed, we must surely expect to see the amount consumed in the producing States go up and up and up. We can expect, too, to see a further drift of industry to the States where there is plenty of fuel available.

Under utility controls, with producers being allowed only 6 percent or thereabouts on their investment—and being allowed this only on their successful ventures—only the high-cost gas will find its way into interstate commerce. A producer will naturally make every attempt to see his low-cost gas inside the producing State, where he can get a competitive price for it. To sell it in interstate commerce would, from his point of view, be exceedingly foolish.

As the volume of gas going through the pipelines declines, the unit cost of transporting and distributing that gas will increase. This will obviously result in much higher prices for consumers, regardless of Federal price fixing.

The one logical solution to this chaotic situation is passage of the Harris bill. This bill reinforces our traditional competitive principles by removing the gas producers from direct utility control. At the same time, however, as I have already indicated, it provides a further consumer protection—in addition to that already afforded by competition—by allowing the Federal Power Commission to determine the reasonable market price a pipeline may pay and then pass on to the consumer.

The Harris bill also answers objections raised in past years to escalation clauses. Neither in new nor in existing contracts will the so-called favored-nation escalation clauses be allowed to result in anything other than the reasonable market price being passed on to the consumer. This provision, in effect, obviates all objections to escalation clauses. The only types of escalation clauses which will not be subject to FPC jurisdiction will be those designed to take into account tax increases and those which provide for fixed, periodic increases clearly stated at the time the original contract is made. This latter type of clause is commonly used for the benefit of the interstate pipeline, which prefers to pay less for its gas in the early life of a contract, when the pipeline's fixed costs are at their highest point. As the pipeline's fixed costs decline because of depreciation, the pipeline can afford to pay more for the gas—usually without raising the price to its distributor customers.

The Harris bill is not a decontrol bill. It seems clear to me that it is an eminently fair bill to everyone concerned—fair to producers, to transporters, to distributors, and, most of all, fair to the consuming public.

Its immediate passage will assure us of much more gas, and at much less cost, than Federal utility controls possibly could.

Mr. President, I have in my hand a resolution adopted by the League of Kansas Municipalities at its annual meeting in Hutchinson, Kans., on September 13, 1955. The resolution reads as follows:

LEAGUE RESOLUTION NO. L-7—MEMORIALIZING CONGRESS TO AMEND THE NATURAL GAS ACT

Whereas the Supreme Court of the United States has recently ruled that sales of natural gas by independent producers and gatherers made in the field in which the gas is produced are subject to regulation by the Federal Power Commission under the terms of the Natural Gas Act when the gas is ultimately transported to and sold in other States; and

Whereas the League of Kansas Municipalities has, from its inception in 1910, concerned itself with the problems of its member cities in supplying themselves with an adequate supply of natural gas at reasonable rates and it has carried on studies, conducted research, issued brochures, news releases, reports and recommendations to its member cities, and to all municipalities of Kansas, concerning the availability, regulation and cost of natural gas to the ultimate consumer; and

Whereas the ultimate consumer has a tremendous investment in gas consuming devices for the utilization of this fuel, the protection of which is a prime responsibility of municipal governing bodies; and

Whereas the production of natural gas is a highly competitive business and its conservation is of vital concern to the various States wherein it is found; and

Whereas the State of Kansas has for 20 years regulated the production of natural gas to the end that wasteful practices be prohibited and this great natural resource conserved by the discouragement of early abandonment, the drilling of marginal wells, and the orderly production of natural gas to insure maximum recovery thereof; and

Whereas the regulation of the price of gas sold by independent producers and gatherers is contrary to the public interest, including the interests of consumers in the municipalities who are members of this League, in the following particulars: (1) such regulation will result in curtailing the development of new sources of supply of gas because it will lessen the incentive of producers to explore for and produce natural gas, will interfere with and impede State conservation measures and thereby result in waste of gas and will ultimately increase the cost of gas to the consumer; (2) Federal regulation is unnecessary in that field prices represent only a small portion of the cost of gas to consumers and in any event such prices are competitive with other fuel prices; (3) Federal regulation cannot be justified except on a socialistic basis which could lead to the regulation of the price of all commodities, including oil, coal, and other products of nature, and which would further centralize regulatory authority in the Federal Government and thereby usurp the powers and functions of the State;

Whereas there was introduced in the 84th Congress, 1st session, H. R. 6645, commonly known as the Harris bill, which bill had for its purpose the removal from the field of Federal regulation sales of natural gas by independent producers and gatherers made in the field; and

Whereas H. R. 6645 was unanimously supported by each of the six Congressmen from Kansas; and

Whereas both United States Senators from Kansas have publicly endorsed H. R. 6645: Now, therefore, be it

Resolved, by the 47th Annual Convention of the League of Kansas Municipalities in convention assembled at Hutchinson, Kans., that United States Senator ANDREW F. SCHOEPPEL, United States Senator FRANK CARLSON, and Representatives AVERY, SCRIVNER, GEORGE, REES, HOPE, and SMITH, be commended and congratulated for their support of H. R. 6645; be it further

Resolved, That the Congress of the United States be memorialized to pass H. R. 6645, known as the Harris bill, or legislation of similar import, so as to amend the Natural Gas Act, to restore to the several States their historic function of regulation and conservation of natural gas, and remove from the field of Federal regulation sales of natural gas by independent producers and gatherers made in the field, even though such gas is ultimately sold in interstate commerce; be it further

Resolved, That the executive director of the League of Kansas Municipalities be instructed to furnish a copy of this resolution to each Member of the United States Senate and the House of Representatives.

Passed this 13th day of September 1955.

THE LEAGUE OF KANSAS MUNICIPALITIES,
By GLEN DAVIS, *President*.

Attest:

ALLEN E. RUTBAW,
Executive Director.

Mr. LONG. Mr. President, will the Senator yield?

Mr. CARLSON. I am happy to yield.

Mr. LONG. I wish to congratulate the Senator on a very concise, clear, and enlightening statement on the subject before the Senate. I believe the presentation he has made will help us better to understand the pending bill. I know it has added to my understanding of the general subject matter. I commend the statement to all our colleagues.

I see that the Senator from Arkansas [Mr. FULBRIGHT] is still on the floor. He came to me a moment ago, when he was about to leave, and asked me to express his high regard for the presentation which the Senator from Kansas has made.

Mr. CARLSON. I wish to state to the distinguished Senator from Louisiana that I appreciate very much his comment. What we are considering is a difficult problem. I tried to present it as fairly as I could.

Mr. FULBRIGHT. Mr. President, will the Senator from Kansas yield?

Mr. CARLSON. I yield to the Senator from Arkansas.

Mr. FULBRIGHT. I thought the Senator from Kansas might proceed for a longer time than he actually did, and I had to leave for an engagement. I desired to compliment the Senator from Kansas on a very statesmanlike presentation, and to clarify a point upon which many people seem to be confused, namely, that in the opinion of the Senator from Kansas the pending bill if passed, would be for the long-term benefit of consumers.

Mr. CARLSON. I wish to state to the distinguished Senator from Arkansas that that is my firm belief. Represent-

ing in part, as I do, an area in which there is production, gathering, and distribution of gas, that is my opinion. If we in Kansas had wanted to be selfish, we could have insisted that the gas be kept in Kansas for use in our State. Instead, we are sending it all over the Nation.

Mr. FULBRIGHT. I am glad to have the statement of the Senator from Kansas, because there seems to be great misunderstanding on the subject. I thank the Senator for his statement.

Mr. CARLSON. I appreciate the Senator's kind remarks.

I wish to express my sincere thanks to the distinguished Senator from Illinois for his courtesy in letting me take up this time.

Mr. DOUGLAS. The Senator from Kansas is always courteous, and I was happy to yield to him.

Mr. President, before resuming my speech I ask unanimous consent that there may be inserted at the conclusion of my remarks today a copy of the telegram I addressed on January 13 to the 35 largest oil producers in the country, together with the replies I have received from those companies to date.

The PRESIDING OFFICER (Mr. FREAR in the chair). Without objection, it is so ordered.

(See exhibit A.)

Mr. DOUGLAS. Mr. President, at the conclusion of the session of the Senate on yesterday I was pointing out that the gathering lines and transmission lines are very costly affairs. I used as my source a publication by the Federal Power Commission entitled "The Natural Gas Company Cost Units, FPC, S–54," which was published some 10 years ago. I pointed out that even by the time that bulletin had been published the estimates printed had become obsolete, and the actual costs as of 1945–46 were appreciably higher than the amounts listed in the pamphlet itself.

Furthermore, I pointed out that although the Federal Power Commission has not officially published more up-to-date data, it informs me that it estimates that current pipeline construction costs are running from $2,500 to $3,000 per inch per mile. Using this estimate, I estimate the current construction costs to be approximately as follows:

A 4-inch-diameter pipe will have a cost per mile of $10,000.

An 8-inch-diameter pipe will have a cost per mile of $20,000.

A 12-inch-diameter pipe will have a cost per mile of $31,200.

A 16-inch-diameter pipe will have a cost per mile of $43,200.

A 20-inch-diameter pipe will have a cost per mile of $56,000.

A 24-inch-diameter pipe will have a cost per mile of $69,600.

A 30-inch-diameter pipe will have a cost per mile of $90,000.

A 36-inch-diameter pipe will have a cost per mile of $108,000.

The cost per inch of diameter per mile rises slightly as the diameter of the pipeline increases.

I went on from this point to show the huge investments in the transmission systems and the field systems made by the 14 major pipeline companies, and demonstrated that they had approximately $301 million invested in their field systems and very close to $3,300,000,000 invested in their transmission systems, with very high average costs per mile of pipeline.

I pointed out that, because of their very cost, these pipelines could not be moved around like garden hoses, but that they were, so to speak, located, and had to remain located, where they were.

What do these pipelines find when they seek to purchase gas from the producers which adjoin the lines? They do not find the 8,000 producers to whom the witness for Standard Oil referred in his testimony. That figure has been repeated many times on the floor of the Senate. They find, along a given pipeline, a very limited number of producers. I have only to turn to the testimony introduced by Dr. Boatwright himself, printed on page 184 of the hearings, which shows that the largest four sellers, in 9 of the 13 instances of the big pipelines, furnished more than 50 percent of the gas; that in one case, Cities Service, the first four furnished 61 percent of the gas; in the case of Southern Natural Gas, the first four furnished 75 percent of the gas. In the case of Texas Gas Transmission, they furnished 86 percent of the gas; and in the case of Michigan-Wisconsin, one gatherer, the Phillips Co., furnished all the gas. There were not 8,000 producers or gatherers there, but only one.

The point is that competition along the pipeline is limited. The large number of producers, chiefly in the Appalachian field, which is an obsolete field anyway, has nothing whatsoever to do with the supply of gas furnished to the big pipelines extending into the Southwest. I ask, What protection is there for the consumers of Wisconsin and Michigan so far as competition is concerned. There is no competition, but complete, 100 percent monopoly.

We should never forget—although at times the effort seems to be made to have us forget—that consumers, because of the investments which they have made in gas furnaces, in heaters and ranges, and other appliances, cannot scrap those household appliances and turn to alternative fuels. They are tied to local companies. The local companies are tied to the pipeline companies. The pipeline companies are tied to producers and gatherers; and in the case of the Phillips Co., tied to only one gatherer. Therefore the consumers of gas in Milwaukee and Detroit are tied to a 100 percent monopoly in the field. The situation differs only by degree with other pipelines and fields.

Mr. President, I have shown that there is a concentration of holdings along the various pipelines, and that once the pipelines are laid and the gathering lines are laid, they cannot be shifted into a new field or to other producers, and that therefore there is an indissoluble tie which binds producers and pipelines together.

What is the competition in these fields? Is it between sellers, between buyers, or between both? We say that the competition in the gas fields is overwhelmingly between the buyers seeking gas supplies. For the next period of my discussion that is the point which I shall be able to prove.

COMPETITION IN GAS FIELDS IS BETWEEN BUYERS SEEKING GAS SUPPLIES

The behavior of field prices in the Southwest in recent years is a matter of public record and is not a matter of dispute. Everyone is aware of the fact that the average prices paid by pipeline companies have more than doubled since 1946.

I believe I have already introduced into the RECORD a table showing the figures which I have illustrated on the chart in the rear of the Chamber. The chart shows, whereas the average price was approximately 4⅓ cents per thousand cubic feet in 1946, so far as field prices were concerned, the price had risen by 1954 to 10.4 cents. Of course it was higher in 1955. However, the increase in the 8 years from 1946 to 1954 was approximately 140 percent, or from a relative 100 to a relative 240.

Despite all the claims of free and vigorous competition among six or eight thousand producers, there can be no question that there has been a sellers' market in the gas fields.

I shall introduce later evidence on the 1955 price and on present contract prices. I shall also introduce evidence on expected future prices. That evidence will nail down this point even more tightly.

The situation of a sellers' market and competition between buyers prevailed even as far back as 1947.

The late R. H. Hargrove, then vice president of United Gas Pipeline Co., testified in Docket No. G–580 before the Federal Power Commission that:

> The sellers are a strong group. There are a great many independents, small companies, which could not be regarded as strong. But the sellers market is now pretty well dominated by the larger oil companies.

Mr. Hargrove later became one of the promoters and also president of Texas Eastern Gas Transmission Co.

General Thompson, a member of the Texas Railroad Commission, testified that the competition in the gas fields was between the buyers competing for a supply of gas during his appearance before the House Interstate and Foreign Commerce Committee. I refer Senators to the hearings on the companion Harris bill in the House, at page 109 of the hearings. The questioning was by Representative HESELTON, of Massachusetts, who, incidentally, has played a very fine part in this whole fight. The questions are by Representative HESELTON, and the answers are by General Thompson:

> Question. Do you consider that there is any real competition so far as natural gas is concerned?
>
> Answer. Oh, yes.
>
> Question. Competition between whom?
>
> Answer. Between the various purchasers trying to get the gas from the various sellers.

In other words, there was competition between buyers, not competition between sellers.

Dr. Boatwright, of Standard Oil Company of Indiana, one of the strongest proponents of the Harris bill, who testified before the Senate committee, described the competitive pricing situation in the gas fields in these words—Senate hearings, page 150:

The new pipeline seeking to commit reserves will go and offer a higher price than the present buyer and hope in that manner to get the reserves committed to his line. Then the old buyer will find it necessary to meet that offer, or he will lose the new sources that are being developed by some of his present suppliers. He doesn't lose that which is committed, he loses the new supplies being developed.

He may not lose what is committed, but he must buy the new installments of gas. We will show that in most cases he must renegotiate the price at which the original purchase was made.

In proceedings before the Federal Power Commission, there is ample evidence that the market in natural gas in the fields is a sellers market. I should like to call attention to the evidence dealing with certain specific situations in this regard. Mr. Joseph Bowes, president of Oklahoma Natural Gas Co., testified in a proceeding before the Federal Power Commission as follows:

Question. Would you state, Mr. Bowes, what the costs of your gas have been over the last few years?

Answer. In 1945 until about 1949, the price was almost steady at 5 cents. It may have fluctuated a little bit above, at times a little below, depending on how much gas of our own we produce. From 1950 to 1952, it was approximately 6 cents and since that time it has gone up to where it is now at an average price of 9.9 cents.

Later, Mr. Bowes was asked the following question:

Question. Mr. Bowes, in your testimony I believe you stated that competition for gas has raised the price of gas. Is this competition between buyers competing for a supply of gas or is it competition between the sellers?

Answer. Well, primarily the competition for gas, the price of gas, has been brought about by the building of transcontinental pipelines into the South looking for gas and the tremendous market that they have up there which they can't catch up with.

They are all bidding against each other, and naturally any company in the gas business, whether you are in the transcontinental end of it or local, you meet the effect of that continued bidding for gas even though it is on the gulf coast, you meet it somewhere.

In other words, Mr. Bowes was saying that the competition was on the part of the buyers.

In the same proceeding, Mr. E. A. Brown, vice president in charge of gas buying for Lone Star Gas Co., a large integrated transmission and distribution utility operating in the State of Texas and also in the State of Oklahoma, testified as follows:

Question. What has been the recent trend in field prices for gas purchased by Lone Star?

Answer. In the last several years it has been a trend of continual and continuous increases for gas bought both in Oklahoma and Texas.

These increases have come about from operations of favored nation clauses and from increased competition for supplies of gas.

Another official of Oklahoma Natural, Mr. C. C. Ingram, superintendent of gas purchase and reserves for the company, testified in the same vein. The questions and answers that follow reveal what pipeline companies have been faced with in recent years in buying natural gas reserves:

Question. In view of the continuing gas buying requirements of Oklahoma Natural, what is your opinion as to the effect of the payment of 12 cents for gas purchased by Cities Service Gas Co. from the Signal Gas Co. at the Fat Fox plant? What effect would this have on the price paid by Oklahoma Natural?

Answer. It is my opinion that this increased price will cause an increase in the prices paid for gas by Oklahoma Natural.

Question. How do you arrive at this conclusion?

Answer. Well, as soon as a higher price is established in an area, the producers and people that negotiate the contract for the producers immediately raise their demand rates some 3 to 5 cents higher than the established price and they maintain constant pressure throughout the negotiation for an increased price above your established price, and eventually if they have no other sale of their gas, they will settle for nothing less than the price being paid in the area.

Now keeping in mind that I am talking especially of reserves of some important size. There are some minor reserves that may be bought at a lesser price in the area, but they would be very minor.

Mr. David Searls, who testified before the Senate and House committees, presented to the Federal Power Commission last January 11 the position of the American Petroleum Institute, Mid Continent Gas & Oil Association, and eight other oil and gas trade organizations in FPC docket G–142. Mr. Searls urged upon the Commission that it should accept the prices named in all producer pipeline company contracts where they are negotiated at arm's length, as representing per se the just and reasonable rate under the Natural Gas Act. Then he described the competitive situation in the buying of gas. Mr. Searls said that the new companies must come to the Southwest areas and see what the going price is for natural gas. He then stated:

Undoubtedly, they would find that the price may be 12½ or 13 cents. Well, can a new company come in and buy gas at that going price when it wants 300 million cubic feet a day or 400 million cubic feet a day and wants to obtain that natural gas within a reasonable time? No.

In other words, in order to get the new gas, it is necessary to pay not only the going rate, but to pay more than the going rate. Mr. Searls went on to say:

It—

The pipeline company—

has got to blast its way into the market, and the way to blast itself into the market is to offer a premium, to offer a higher price for gas. That is competition. That is what we are taught by all principles of economics, that competition requires that.

That is one reason the price of gas has gone up. There has been this demand for it, new buyers coming into the market. Those new buyers coming into the market to get large quantities of gas have had to pay higher prices. That is the law of supply and demand, which is the basis for competition.

The same trade associations filed a statement in FPC Docket R–137, when the Commission was considering rules with respect to the escalation clauses in gas purchase contracts. In demonstrating "price behavior" where demand exceeded supply, the trade associations referred to the situation in one Texas producing area in these terms:

In 1947 El Paso could negotiate new gas contracts at 3.85 cents. From 1949 to 1951, new prices ranged from 5.54 to 6.95 cents. Then the pressure of increasing demand and new companies entering the region drove prices up, until El Paso was contracting in 1953 for the output of the Spraberry field at 10.52 cents—almost twice the amount of the lower prices in the preceding year.

In other words, prices doubled in the field within a year.

Again with respect to the east Texas price situation the associations stated as follows:

In 1950, another company entered the market. This was Texas Gas, which now accounts for more purchasers in the Carthage field than does Tennessee * * * Texas Gas entered the market at 6.61 cents, but was forced by the pressure of increasing demand and competition from the other transmission companies to raise its price to 9.50 cents in 1952–53. At the same time, United began to pay 8.50 even to suppliers previously receiving low prices and 9.50 cents for new gas. Texas Eastern doubled its prices to 11.70 and 12.70 cents on the newer sales, and paid about 10 cents on some of the older contracts.

The manager of production and supply for Cities Service Gas Co., Mr. Russell W. Hofsess, also testified in a proceeding before the Federal Power Commission with respect to obtaining gas reserves as follows:

Question. Let me ask you this. Hasn't the price of gas gone up considerably in recent years in this area?

Answer. Yes, sir; there is considerable competition between the companies taking gas in this particular area down through the last 6- or 7-year period, and one company has purchased some gas, another comes back and raises the price again.

Mr. Hofsess further testified:

Prices to be paid as shown in the adjustment for gas from recently negotiated contracts are appreciably higher than gas which it is replacing or displacing and results in a corresponding increase in the total cost of gas purchased. The extremely favorable position which sellers of newly available gas are now in because of the demand for gas and the keen competition between purchasers of gas in areas in which the Cities Service Gas Co. secures its supply makes it necessary to take volumes of gas as they are available at extremely competitive prices in order to negotiate contracts for the gas and to have the added reserves available to support requirements during subsequent years.

The testimony of O. F. Flumerfelt, president of Iroquois Natural Gas Co., of Buffalo, N. Y., who went down to the Southwest to purchase gas for his company to be transported by Tennessee Gas Transmission Co., also demonstrated the existence of a sellers' market. In this case, Mr. Flumerfelt testified in a proceeding before the Commission in May of 1954—Docket No. G–1969—that in

buying gas from Shell Oil Co. in the Sheridan field, he had to buy it by "blind bidding." Mr. Flumerfelt testified under oath:

I had to give a proposal along with other competitors for this gas who gave their proposals. I had no knowledge of what the other proposals would be and when all of the proposals were in, Shell called a meeting of the operators and went over these proposals to decide which would be the most favorable to accept.

Mr. Flumerfelt testified that he wanted to buy 75 million cubic feet a day at the time but was not able to buy more than 50 million cubic feet. When questioned as to why he was not hopeful of being successful in negotiating for larger volumes, he replied:

Because of the demands for reserves of this character by other parties who are buying gas in that locality and need it. I am referring, particularly, to the competition that we have by purchasers buying for Illinois, Indiana, Michigan, and Wisconsin. They have a somewhat shorter haul than Iroquois does.

I am aware of the fact that the testimony given by Mr. Flumerfelt under oath in a proceeding before the Federal Power Commission which was unrelated to the question of legislation amending the Natural Gas Act has been disputed by an official of Shell Oil Co. who wrote a letter to the Senate committee. Nevertheless, I believe a fair appraisal of the circumstances and facts clearly indicates the true situation in the acquisition of such gas in the Sheridan field was as related by Mr. Flumerfelt.

In the Colorado interstate rate case before the Federal Power Commission, Mr. Ralph E. Davis, the geologist to whom I referred earlier, testified concerning the acquisition of gas by pipeline companies, as follows:

Question. Is it becoming harder for buyers to get suppliers every day?

Answer. It is very much harder even in Louisiana where the gas discoveries are the best in the country.

Question. Are you talking about offshore or onshore?

Answer. Both. Even their gas is more difficult to buy. It is harder to buy than it is to sell it.

In the same proceeding Mr. Davis related his actual experience in the acquisition of gas on behalf of Permian Basin Pipeline Co., which is extremely revealing, Mr. Davis said:

I have negotiated the purchase of gas, if you want to take a moment or two on it. About 3 years ago when the Permian Basin Pipeline Co. was trying to build a pretty substantial pipeline system in the Permian Basin in west Texas, and they had made negotiations for gas at the price of 10 cents for certain gas, but my problem which was coming up to me was to write a report that could be properly written so they had enough gas to permit them to finance this deal, and they just did not have enough gas. I couldn't write a report that I could expect insurance companies to be interested in. They wanted enough life in the proposition to practically assure the bonds. * * * But getting right down to my point, the management of the Permian Basin sent me to Bartlesville to negotiate with Boots Adams, who was then president of Phillips Petroleum, now he is chairman, and Phillips had a great big block of gas down on the southwest side of the Permian Basin.

I digress long enough to say that Phillips is the largest seller of natural gas to pipelines.

I continue the quotation from the testimony of Mr. Davis:

If we could get that gas then we could think about a 20-year bond issue. So I fought with Adams and finally wound up with 15 cents. In other words, they got what he wanted and why? I didn't know where I could find another block of gas like it. I am not so dumb a fellow that I would go and give him 15 cents if I could get it for 10 or 12.

* * * * *

Question. How high was he at the start?

Answer. I think he thought that was an awfully high figure and that was what he started at, and he didn't budge.

Further evidence that the competition in the gas fields is between buyers competing for the available supply of gas reserves is shown by the testimony of Mr. Roger D. Stanwood, who is assistant to the vice president in charge of gas supply for Transcontinental Gas Pipe Line Corp., in a recent case before the Federal Power Commission. Mr. Stanwood was asked whether he found competitive situations existing in the south Louisiana area, and he replied:

The competition for purchasing gas in the south Louisiana, and by "south Louisiana" I mean the area previously identified, has been extremely competitive in, say, the postwar period. United Fuel Gas Co. and its transporter, Gulf Interstate, have purchased substantial volumes of gas in the area; American Louisiana Gas Co., an entirely new project, as is United Fuel Gas, have also purchased substantial volumes in the area; Tennessee Gas Transmission Co. has recently made application for certification to serve a part of that same area. Each of these companies being identified, have negotiated for higher prices being paid than Transcontinental.

In addition, there is a competitive local pipeline, being the Olin Interstate Natural Gas Co., who purchase gas for supplies to the Baton Rouge industrial market.

Also United Gas Pipe Line Co. has purchased substantial volumes for its supply of gas.

I call special attention to the next sentence:

And to the best of my knowledge, their last negotiation will call for a price of 20 cents, I believe this fall.

He was further questioned:

Question. Mr. Stanwood, when you use the term "competitive," you mean competition as between purchasing pipelines, not as between producing companies, isn't that true, in this sense that you are using it?

Answer. There is always competition for the acquisitions of gas supply. But each pipeline has to determine its ability to pay gas based on its ability to sell gas.

Question. You didn't use the term "competitive" with relation to competition as between producing companies, you used it as competition between purchasing pipeline companies; is that correct?

Answer. That is correct.

Mr. President, I believe the evidence which I have brought forth from the testimony of a wide variety of persons who are skilled and versed in the industry and who have purchased gas, is conclusive that the market in the gas fields is a sellers' market. It is not a free market. It is not a market in which there are willing buyers and willing sellers, neither set of parties being under economic compulsion to buy or sell, but each having sufficient bargaining power to withdraw and deal on equal terms with other buyers and sellers. It is not that kind of market. Instead, it is a market in which the big sellers hold the upper hand.

RATABLE TAKE MINIMIZES COMPETITION

Mr. President, I now wish to discuss the question of ratable take, which certainly minimizes and decreases competition.

In many producing areas, State conservation commissions have sought to protect the correlative rights of producers in a gas field through the imposition of ratable take or proration regulations. The conservation commissions make orders by which market demand is allocated among all the wells in a producing field. Where this occurs, the competitive factors in the purchase and sale of natural gas are minimized. Where the total production of a field is geared to gas market demand, buyers are unable to bargain with individual producers in the field on an equal footing. All producers are required to produce their reserves ratably and pipeline buyers must take their gas requirements ratably from the producers in the field in accordance with the proration order of the conservation commission.

The proration orders work in this fashion: If a pipeline company has an estimated monthly market demand of 500,000 thousand cubic feet, and the producers in the field with whom it has contracts have an allowed production of only 400,000 thousand cubic feet, the pipeline buyer must purchase the additional 100,000 thousand cubic feet from other producers or from other buyers who have allowables in excess of their market demand. Under these circumstances, the pipeline company can only accept the terms dictated by the producers with the excess allowables.

The effect of this is that there is intensive bidding for the excess allowables, which would not be the case if there were a free market. The high prices which result are then used as reasons to invoke the escalator and renegotiation clauses in existing contracts. Thus, one of the effects of "ratable take" and "proration" regulations is to create highly competitive bidding among buyers for a limited supply of "excess allowables." These artificially high prices are used to raise other prices down the line. If the Fulbright bill is passed, with its "reasonable market price" standard, these high prices will almost certainly become the so-called reasonable market price.

More stringent regulations in this direction have been taken recently by the Department of Conservation of the State of Louisiana. This was reported by the Oil and Gas Journal of November 28, 1955, to be the "most sweeping move ever taken to control gas production." The

order, which became effective on January 1 of this year, provides for statewide ratable taking of gas with the objective of preventing overproduction of wells by producers and making it necessary for the pipeline companies to take their requirements from all of the producers in the field ratably, based upon their market demands. Texas, which prescribed "proration" in the Panhandle field and in the Hugoton field several years ago, is extending its system to other fields. Under these regulations the market demand will be divided among the wells in a field so that there will be equal withdrawals from the wells based upon their deliverability. These "ratable take" orders place the output of gas under controls similar to those which have been established by the oil-producing States, in order to prevent the production of oil in excess of the so-called market demands.

What I have said is not in itself a criticism of the actions of the conservation commissions. They allocate the total production of a gas field among the producers who have wells in such fields in order that correlative rights may be protected and to assure producers who have been unable to secure a market outlet the opportunity to minimize the drainage of their share of the gas in the common reservoir. Certainly this may very well be the proper thing to do for conservation reasons. But it can hardly be disputed that such regulations do lessen the competitive factors normally found in the open market trading of commodities. The buyers of cotton, coal, cheese, milk, beer, and copper are not required by State law to buy any fixed proportion of their requirements from all producers in a State or specific area.

In connection with this phase of the problem of natural-gas production there has been considerable agitation among producers for posted gas prices comparable to the posted prices in the oil fields. It seems obvious that if any such proposal is placed in effect; the posted prices would automatically gravitate to the highest price then being paid in the field, thus providing another deterrent to free competition.

Mr. President, I commented briefly yesterday on the fact that the gas and oil companies have been the driving forces behind the rulings of the various State conservation commissions to restrict the output of gas. In other words, the big companies have invoked governmental power to restrict the output, and the effect of restricting the output has been, naturally, to increase the price. In other words, the opposition of the big companies is not to governmental action. They favor governmental action when it will help them. They are opposed to governmental action only when it will protect the consumer.

As I have earlier remarked, when the output is restricted in order to benefit the producers, that is conservation; when prices are restricted to protect the consumer, that is called, by the big producers, confiscation.

MINIMUM WELLHEAD PRICES IMPEDE COMPETITION

Another impediment to a free competitive market in a natural-gas field is the system of minimum wellhead prices established by the conservation commissions of Kansas and Oklahoma a few years ago. There is not only restriction of output, but in two of the States there is fixation of minimum prices, namely, in the States of Oklahoma and Kansas.

Oklahoma initiated minimum wellhead prices on the basis of a minimum of 7 cents per thousand cubic feet. Kansas followed with an 8-cent price. Oklahoma then topped this with a price of 9.8262 cents. And effective January 1, 1954, the State of Kansas raised the ante to 11 cents per thousand cubic feet. All such action was, of course, in the name of conservation, but in essence it is price fixing.

Under a recent decision of the United States Supreme Court—*Natural Gas Pipeline Company of America* v. *Corporation Commission of State of Oklahoma* (75 Supreme Court 576)—the authority to fix wellhead prices for sales of natural gas in interstate commerce for resale was held to be invalid since such interstate sales are subject to exclusive regulation by the Federal Power Commission under the Natural Gas Act. In this case the Supreme Court ruled:

> Oklahoma has attempted to fix a minimum price to be paid for natural gas, after its production and gathering has ended, by a company which transports the gas for resale in interstate commerce. We held in *Phillips Petroleum Company* v. *Wisconsin* (347 U. S. 672) that such a sale and transportation cannot be regulated by a State but are subject to the exclusive regulation of the Federal Power Commission. The Phillips case therefore controls this one.

This seems to indicate that if Congress were to amend the Natural Gas Act and deprive the Federal Power Commission, as a Federal agency, of the authority to regulate the price at which the gas entered the pipeline for resale in interstate commerce, it would then be possible for the States to fix minimum prices at the wellhead for the sale of natural gas.

If the Fulbright bill is enacted it would reestablish the validity of such minimum price orders with respect to sales of natural gas in interstate commerce for resale.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. PASTORE. On the very point which has been illustrated by the Senator from Illinois, I should like to suggest that section 2 of the pending bill states specifically that the gas shall not be considered as being in interstate commerce until such times as it shall be delivered to transportation facilities.

Subsection (11) of section 2 reads:

> "Sale in interstate commerce of natural gas for resale" means only such sale in interstate commerce of natural gas for resale as occurs after the commencement of the transportation of such natural gas in interstate commerce as defined in paragraph (10), but does not include any sale which occurs in or within the vicinity of the field or fields where produced at or prior to the commencement of such transportation in interstate commerce of the natural gas.

Therefore, under section 2 of the pending bill, what it is proposed to do is to move the jurisdiction of the Federal Power Commission from the wellhead to the point where the gas is actually being put in interstate commerce. Therefore it becomes, from that point back to the wellhead, a matter of local jurisdiction, and therefore minimum prices would apply, under State law. I do not think there can be any question about that.

Mr. DOUGLAS. I think the Senator from Rhode Island is correct, and the result the Senator points out, as I shall try to prove, would be very dangerous.

Serious efforts have been made by producers and royalty owners in the State of Texas to secure minimum price orders similar to those prescribed by the conservation commissions of Louisiana and Oklahoma. So far their efforts have not succeeded. One of the arguments being used against their attempt is that enactment of such State legislation would damage the chances of getting Congress to exempt producers from Federal regulation.

Once there were such an exemption, that argument would not hold, and we would see the enactment of State minimum prices. I want to emphasize that these would merely fix a floor and would not fix a ceiling. Above the floor, the favored nations clauses and the renegotiation clauses and the hard bargains on new contracts would still apply.

If the Fulbright bill should become law and if Texas and Louisiana were also to enact minimum price orders, the four States of Kansas, Oklahoma, Louisiana, and Texas, which control 80 percent of the Nation's gas reserves within their borders, would be in a position to control to a substantial extent natural gas rates throughout the country for the benefit of the producers doing business within their borders. The constitutional principles upon which this great Government was founded would be violated if any such situation should come to pass, for the commerce clause of the Constitution of the United States provides that Congress shall have the power to regulate commerce among the several States.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. PASTORE. Is not that another element which destroys the argument that there is competition within the production field? If the State has the right to impose minimum prices, under the guise of conservation, or whatever one may want to call it, what is left of the argument that there is competition?

Mr. DOUGLAS. That is one of the extraordinary inconsistencies in this whole argument. Within the States, the gas producers are in favor of States restricting the amount of gas to be sold, thus boosting prices. They do not, however, object to States fixing minimum prices at which the gas may be sold.

Mr. MONRONEY. Mr. President, will the Senator from Illinois yield at that point?

Mr. DOUGLAS. I yield.

Mr. MONRONEY. The States do not fix the amount of gas to be sold based on any other reason than proper conservation. We take pride in the fact that when trillions of cubic feet of gas were being blown into the air, action was taken to stop this prodigal waste of gas. At great expense to the producers of oil, they were forced to utilize the gas. With regard to the question of minimum prices, I say, yes, we did have a law providing for a minimum price.

Mr. DOUGLAS. Is not one in effect now?

Mr. MONRONEY. It has been held to be unconstitutional.

Mr. DOUGLAS. But if the Fulbright bill should pass, in all probability the fixing of minimum prices would be held to be constitutional.

Mr. MONRONEY. I should rather doubt that, but I would have to leave that question for lawyers to decide. I have found no feeling among lawyers in my State to indicate that would follow. I think anyone who reads the bill and understands the constitutional provisions could not help realizing that the price of gas is still being regulated by the Federal Power Commission, whether the utility cost or reasonable market value basis is used.

I did not want to leave unchallenged the perhaps unintentional conclusion that the States regulated the production of gas and its conservation merely to boost prices.

Mr. DOUGLAS. If the Senator from Oklahoma had been present earlier, he would know that I made it clear——

Mr. MONRONEY. I had a committee meeting to attend.

Mr. DOUGLAS. I said that whether or not the decisions were wise, or based on conservation grounds, the effect was to increase prices, and that therefore the gas companies favored State action if the effect was to increase prices, and they favored State action for minimum prices in the field. It is only Federal action to fix maximum prices to protect the consumer that they oppose.

Mr. MONRONEY. Mr. President, will the Senator yield further?

Mr. DOUGLAS. I yield.

Mr. MONRONEY. I thought the Senator was referring to pipelines when he favored or supported a minimum price by State law.

Mr. DOUGLAS. I am speaking of the producers.

Mr. MONRONEY. I thought the Senator was referring to pipelines when he said "gas companies." Pipelines buy gas at the cheapest possible price.

Mr. DOUGLAS. I was speaking of producers.

Mr. MONRONEY. I shall not argue the point except to say that, in view of the contracts signed 20 years ago which provided for a price of 2 or 3 cents per thousand cubic feet, States did enact minimum-price legislation for the purpose of conservation, and to keep the fuel from being used to displace coal in heavy industrial use. The primary reason for the passage of such legislation was conservation.

Mr. PASTORE. Mr. President, will the Senator from Illinois yield to me?

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). Does the Senator from Illinois yield to the Senator from Rhode Island?

Mr. DOUGLAS. I yield.

Mr. PASTORE. I think we have reached a point in the debate where we cannot let pass any further statements about the meaning of the bill—for instance, statements to the effect that the States would have authority to fix the price of gas at the wellhead, if the bill should become law. That point must be clarified at this time, because I think it relates to a very important part of the bill.

As a lawyer and a member of the committee and a Member of the Senate, I defy anyone to dispute the fact that the proper interpretation of subsections (10) and (11) of section 2 of the bill is that they actually limit the point at which the Federal Power Commission has jurisdiction. That has been so stated in very clear language; it has been stated that the jurisdiction of the Federal Power Commission does not begin until such time as the gas is delivered into the interstate transportation facilities, after—and now I shall read from the bill:

> After the completion in or within the vicinity of the field or fields where produced of all production, gathering, processing, treating, compressing, and delivering of such natural gas into the transportation facilities of a person engaged in transporting, in such transportation facilities, natural gas in interstate commerce beyond the vicinity of the field or fields where produced.

That means that the line of jurisdiction has been moved from the wellhead to the point where the gas is put into interstate commerce. Therefore, everything back of that point to the wellhead is under local jurisdiction. How can that conclusion be escaped?

Mr. DOUGLAS. The bill really goes even further than that, does it not? Under it, the price can be regulated only at the city gate.

Mr. MONRONEY. Mr. President, will the Senator from Illinois now yield to me?

Mr. DOUGLAS. Yes; I am glad to yield to the Senator from Oklahoma.

Mr. MONRONEY. I wish to answer the distinguished junior Senator from Rhode Island [Mr. PASTORE].

The language he just read refers to the point of sale. Gas is sold at many points. In the case of small wells, and also in the case of big wells, gas is sometimes sold at the mouth of the well. It is sometimes sold at the end of a gathering line or at the tailgate of a natural-gas plant. But the place where the market value of gas in interstate commerce is fixed is where it enters the long line.

Mr. PASTORE. No, Mr. President; subsections (10) and (11) of section 2 give jurisdictional definitions; they cannot be regarded as doing anything else.

Mr. MONRONEY. They relate to the historic method of gathering gas. We would be idiots indeed if we tried to change the historic pattern and if we said, "You must buy from the individual well, regardless of whether it produces 1,000 cubic feet or 200,000 cubic feet a day." We should not attempt to change the historic pattern of permitting the pipelines to buy the gas they want in the most convenient and equitable way they can buy it, and thus to get the gas in the quantities they need. Any language other than that, from which the Senator from Rhode Island is trying to find a very new and novel change to be wrought in the bill, would be uneconomical and unnatural and would not result in supplying the gas necessary to feed the long lines.

Mr. PASTORE. Mr. President, if the Senator from Illinois will yield further to me——

Mr. DOUGLAS. I yield.

Mr. PASTORE. Let me say that the Senator from Oklahoma does not answer the question I have raised. Instead, what he says would merely serve to confuse the issue.

I have asked this question: Under subsections (10) and (11) of section 2, is it not clear that the jurisdiction of the Federal Power Commission begins with the pipeline, at the point where the gas is put into interstate transportation; and therefore everything back of that point, to the well, becomes subject to local jurisdiction?

Can the Senator from Oklahoma not answer that question either "Yes" or "No"?

Mr. MONRONEY. But the gas has a sale value only when it enters the long line. I know the Senator from Rhode Island would not wish to have Federal jurisdiction extended so as to control intrastate commerce.

Mr. PASTORE. Of course not.

Mr. MONRONEY. Certainly even the distinguished opponents of the bill would not wish to have Federal jurisdiction and power stretched so far as to apply to gas moving in a pipeline serving only the State of Oklahoma.

Mr. PASTORE. Of course not. All we are saying is that once the bill becomes law, the States may set the minimum price, if they wish to. That is as clear as the nose on one's face.

Mr. MONRONEY. No minimum price could be set on gas in interstate commerce.

Mr. PASTORE. But interstate commerce does not reach down to the wellhead; that is just the point.

Mr. MONRONEY. Then the Federal Government has nothing to say about it.

Mr. PASTORE. That is exactly what we are saying.

Mr. MONRONEY. But when it is interstate gas, purchased by a long line, it is subject to the jurisdiction of the Federal Power Commission, the same group which today has control under the strange construction of the Supreme Court.

Mr. PASTORE. Mr. President, if the Senator from Illinois will yield further to me——

Mr. DOUGLAS. I yield.

Mr. PASTORE. Furthermore, I think it behooves the proponents of the bill to write into it—if that is what they mean—a provision that the jurisdiction of the Federal Power Commission shall be such that no State can impose a minimum price on gas that is sold in interstate commerce. But this bill does

not do that, and I challenge any one of the proponents of the bill to prove that it does do it.

Mr. MONRONEY. If the Senator from Rhode Island will read the bill——

Mr. PASTORE. Mr. President, I have read the bill so often that it is coming out of my ears. [Laughter.]

Mr. MONRONEY. And if the Senator from Rhode Island will also reread the very able statement by the distinguished author of the bill, the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Rhode Island will find the answers clearly defined and far more cogently stated than they have been in any argument I have heard from either the distinguished senior Senator from Illinois—I say this while making my apologies to him—or from my distinguished colleague, the acting chairman of the Committee on Interstate and Foreign Commerce.

Mr. PASTORE. Mr. President, let me say that I am waiting very patiently and with great anxiety and interest to hear the answer by the distinguished Senator from Oklahoma to the question I have asked.

Mr. MONRONEY. If the Senator from Rhode Island will read the answers given by the distinguished lawyers who have discussed the bill, he will find the answer.

Mr. PASTORE. Who are those lawyers?

Mr. MONRONEY. The distinguished author of the bill [Mr. FULBRIGHT], and the distinguished Senator from the State of Texas [Mr. DANIEL], who I think know more about the actual legal phases of oil and gas sale than does any other Member of the Senate, I say with all due apologies to other Senators. Both of them have dwelt at length upon this point.

Yet the distinguished opponents of the bill like to presume that they have found a deep-dyed conspiracy to have the bill interpreted as meaning other than what it really means. I cannot agree that the distinguished Senator from Arkansas [Mr. FULBRIGHT] or myself or the other 11 members of the Committee on Interstate and Foreign Commerce would under any circumstances try to deceive either this body or the public in any degree whatsoever.

Mr. PASTORE. Mr. President, will the Senator from Illinois yield further to me, so that I may answer the Senator from Oklahoma?

Mr. DOUGLAS. I yield.

Mr. PASTORE. It is not a question of deception, Mr. President. The question is one of reading the language appearing on page 5 of the bill.

If we must wait for the distinguished Senator from Arkansas [Mr. FULBRIGHT] to answer my question, or if we must wait for the distinguished junior Senator from Texas [Mr. DANIEL] to answer my question, then I repeat that I wait patiently and with great anxiety for the answer.

Mr. MONRONEY. I suggest that, in the meantime, there be a rereading of that which previously has been said.

Mr. PASTORE. Mr. President, if it will make the Senator from Oklahoma any happier, I will read it another 15 times. But doing so will not change the clear wording of the bill.

Mr. MONRONEY. I am speaking, not only of the bill, but also of the debate on the bill by those distinguished attorneys.

Mr. DOUGLAS. Mr. President, I have enjoyed the colloquy betwen the Senator from Rhode Island and the Senator from Oklahoma.

The issue really is this: Kansas and Oklahoma have passed minimum price laws governing the sale of gas, the Oklahoma price being, when I last knew of it, a little less than 10 cents, and the Kansas price being 11 cents.

In the Phillips case, the Supreme Court ruled that the 1938 act required the Federal Power Commission, as an agent of the Federal Government, to take jurisdiction over such a price. It was because the Supreme Court had made that decision in the Phillips case that in the Natural Gas Pipeline case the Court ruled that the States did not have such authority. But once the jurisdiction of the Federal Power Commission is restricted by the Fulbright bill, then the Supreme Court's ruling will no longer apply, because the law which justified its action will have disappeared, and it will have disappeared on the very point stated by the Senator from Rhode Island, namely, that the sale of gas—whether at the wellhead or from the gathering system as it enters the interstate pipeline—will, under the Harris-Fulbright bill, no longer be subject to the jurisdiction of the Federal Power Commission; and therefore, under the opinion of the Supreme Court, it would seem probable—in fact, overwhelmingly so—that, despite the decisions of the 1920's, it would revert to the States.

Mr. PASTORE. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I am glad to yield.

Mr. PASTORE. As a matter of fact, did the court not say distinctly that ordinarily the State would have the right to control minimum prices, except for the Phillips case; and this bill would do nothing more than repeal the opinion in the Phillips case. Is that correct?

Mr. DOUGLAS. I think that is the substance of the decision. It is interesting that the dissent so summarized the decision of the Court.

Mr. PASTORE. Naturally; and this bill would do nothing more than override the decision in the Phillips case.

Mr. DOUGLAS. That is correct.

Mr. PASTORE. That is why the bill is here.

Mr. DOUGLAS. That is correct.

Mr. PASTORE. The Phillips case was actually the obstacle to the State's imposing a minimum price on gas which goes into interstate commerce.

Mr. DOUGLAS. That is correct.

If the Fullbright bill should pass, we would have State regulations of minimum prices, which would be a violation of the intent of the Founding Fathers in the commerce clause of the Constitution. The result would be that sales for resale in interstate commerce which are made by producers to pipeline companies would be defined as not being in interstate commerce. The States in which most of the natural gas is produced would have complete authority to fix the initial price of the gas entering the interstate line.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. MONRONEY. As I have previously stated, and as the authors of the bill have stated, the bill would have no effect on the minimum price feature.

I ask the distinguished Senator if he would not agree that if the States chose to enact an extraction tax of any amount, they would have, under their authority even in accordance with the Supreme Court's Natural Gas Act, the Fulbright bill, or any other provision, the right to impose whatever severance tax they desired to impose?

Mr. DOUGLAS. The Senator from Oklahoma is not going to get away with confusing a severance tax with a minimum price. A severance tax is a tax levied on output for the benefit of the community. A minimum price is a price fixed upon sales, to benefit the seller in this case. The two things are entirely different.

Mr. MONRONEY. We are talking about the same thing. I merely wish to point out that in order to provide gas as cheaply as possible in interstate commerce, the State of Oklahoma enacted an extraction tax of only one-half cent a thousand cubic feet.

Mr. DOUGLAS. I am not objecting to a severance tax.

Mr. MONRONEY. We exact a tax of half a cent a thousand cubic feet for the exhaustion of our natural resource. Yet the State of New York, which exhausts no natural resource, and screams for the same position which the distinguished Senator advocates in opposition to the bill, exacts a tax of 12.8 cents from the consumer. When we are looking at the cost of gas to the consumer, we must remember that the minimum price is ruled out by law. We do not think that is right, but we submit to it. The situation would not be changed by the pending bill. I predict that the States will not sit idly by, under the type of regulation we would have under the Senator's proposal and continue a tax which is only one-twenty-fifth of the tax which the State of New York charges on our product, production of which involves the exhaustion of a natural resource.

Mr. DOUGLAS. I do not believe that any Senator who opposes the bill has objected to a severance tax as such. Severance taxes are levied upon output, and the total amount of such taxes goes into the State treasury and is spent, presumably, for the benefit of the people of the particular State. They represent 100 percent public revenue.

However, the minimum State prices to which I have referred—just under 10 cents in Oklahoma and 11 cents in Kansas—do not go into the treasury of the State. They are paid to the private producer, and they are higher than many of the minimum prices which had previously been paid, and are designed to increase the income of the producer. That was their sole purpose.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. PASTORE. Is it not true, moreover, that if the State of New York, like the State of Rhode Island or the State of Massachusetts, imposes a sales tax or some other tax, the money is not being taken out of the pockets of the producers in Oklahoma? It is being taken out of the pockets of taxpayers in the particular State or city—to do what? To support their schools, their fire departments, their sewers, their transit systems, and so forth. How far are we going to distort these arguments?

Mr. MONRONEY. We have schools in Oklahoma which are badly in need of support.

Mr. PASTORE. Does not the severance tax help to support those schools?

Mr. MONRONEY. To the extent of one-half cent a thousand cubic feet.

Mr. PASTORE. There is a great deal of gas in Oklahoma. A fast nickel is better than a slow dime.

Mr. MONRONEY. We hope to have even more gas. What I am saying is that, to encourage low prices to the consumers of Rhode Island, Oklahoma foregoes the normal extraction tax and collects a tax of only half a cent a thousand cubic feet, while in New York State a tax of 12.8 cents is collected. Yet we hear the proponents of the bill crying for the New York consumers when the tax in New York amounts to more than the entire cost of the raw gas.

Do Senators think we are going to sit idly by in Oklahoma, exhausting our natural resources, when we have held the tax low in order to help the consumers in the East, while in New York there is a tax of 12.8 cents? We do not think the city of New York should free-load on the gas producers of Oklahoma and at the expense of our school system in Oklahoma.

Mr. SYMINGTON. Mr. President, will the Senator from Illinois yield to me?

Mr. DOUGLAS. Mr. President, some 40 years ago William Jennings Bryan negotiated a series of treaties which provided for a cooling-off period of 1 year. I think such a cooling-off period may be appropriate in the proceedings at this time.

I therefore yield to the Senator from Missouri for 1 minute in order that he may make a statement. However, I do so on condition that his remarks may be printed elsewhere than at this point; that I shall not lose my right to the floor; and that our discussion may be resumed thereafter.

The PRESIDING OFFICER. Without objection, it is so ordered.

(At this point Mr. DOUGLAS yielded to Mr. SYMINGTON who asked and obtained permission to have printed in the RECORD an editorial entitled "Senators Courageous," which appears in today's RECORD before the beginning of the speech of Mr. DOUGLAS.)

Mr. SYMINGTON. Mr. President, I thank the distinguished Senator from Illinois for his typically gracious courtesy in yielding to me.

Mr. DOUGLAS. Mr. President, I wish to comment on the remarks of the Senator from Oklahoma [Mr. MONRONEY], who says, in effect, "If this bill fails of enactment we will impose such a high severance tax that the people in the North and West will pay through the nose after all."

This is in keeping with the threats and blackjack tactics which the people from those regions have used during the past 6 years, in the attempt to jam this bill through.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. DOUGLAS. No; I will not yield at the moment. I will yield later.

Mr. MONRONEY. The Senator accuses me of using blackjack tactics. He has always been very considerate. A few moments ago he asked for a cooling-off period of 1 minute. Instead, I think he heated up during that minute. [Laughter.]

In Oklahoma we are foregoing a logical tax in order to help to keep rates low to consumers. But what use is it if rates are to continue to increase by governmental action through saddling taxes on the consumer in the East? If the eastern cities or States fail to protect their consumers, why should Oklahoma neglect to collect an adequate tax to support its own schools?

Mr. DOUGLAS. What the Senator from Oklahoma is saying has been the threat expressed by many producers and representatives in that area, namely: "If the bill is not passed, we will not give you any gas. We will slap on a tax, and you will have to pay a higher rate. If we cannot get the whip hand over you by national law, we will get the whip hand over you by State law." I do not believe that Oklahoma should secede from the Union in that respect.

What I have indicated will be the situation if the Fulbright bill becomes law and sales for resale in interstate commerce which are made by producers to pipeline companies are defined as not being in interstate commerce. The States in which most of the natural gas is produced would have complete authority to fix the initial price of the gas entering the interstate lines. Surely Congress would not wish to issue this kind of a blank check to the major oil companies of this country. In the hearings on the Kerr bill in the 81st Congress, the Federal Power Commission supplied information showing the effect of the then 7- and 8-cent minimum price orders of the Kansas and Oklahoma commissions based upon sales of natural gas in 1947 in the Kansas and Oklahoma Hugoton field. According to this information the minimum price orders—and those orders were in effect 6 years ago—had the effect of increasing the cost of gas to the pipeline companies by nearly $8½ million on an annual basis. The more recent prices of 9.8262 cents and 11 cents per thousand cubic feet when applied to the volumes of gas being produced in the Hugoton field of Kansas and Oklahoma in the year 1954 show that the effect of such orders has been to increase the annual cost of gas to the pipeline companies by approximately $30 million over the contract prices. In one rate-increase case, that of Cities Service Gas Co., which is now pending before the Federal Power Commission, the evidence shows that with respect to the gas purchased in the Kansas Hugoton field, the difference between the contract prices and the minimum price prescribed by the Kansas commission of 11 cents amounts to $4,183,000 on an annual basis. In other words, that is the added cost which consumers in Oklahoma, Kansas, Missouri, and Nebraska, served by just one pipeline company, were paying for gas by reason of the Kansas minimum price order, until that order was declared unconstitutional. The recipients of these millions are for the most part the major oil companies. Subsidiaries of Standard Oil Company of Indiana and Socony-Mobil Oil Co. get 81 percent of the $4,183,000. Seven other producers, all large corporations, account for the balance.

There has been much testimony in the hearings before the Senate and House committees concerning the sanctity of contracts and the unfairness of letting the Federal Government set aside the pricing provisions of contracts between producers and pipeline companies, thereby depriving the producers of benefits which they felt had been secured through advantageous contract provisions.

I remember that the Senator from Louisiana [Mr. LONG] made a very eloquent plea in that direction a few days ago. But these minimum price orders abrogated all contract prices which had been agreed upon between producers and the pipeline companies. The producers asked the State governments to abrogate the contract prices.

The producers say they are against the basic principle of utility price fixing, yet they fought to secure a price-fixing order from their State conservation commissions regardless of their signatures on the gas purchase contracts. I wonder what happened in the States of Oklahoma and Kansas to the slogans "free enterprise" and "free competition," which are the battle cries of proponents of the legislation. The answer is simple: these slogans were sold down the river for higher profits.

The producers say they follow the principle of free enterprise when they get the State government to help the producer, but say it is socialism when the Federal Government tries to protect the consumer.

INCREASES IN FIELD PRICES HAVE ALREADY INCREASED COST OF GAS TO ULTIMATE CONSUMERS—INCREASES IN FIELD COST OF GAS TO PIPELINE COMPANIES

I shall now try to develop a line of thought and argument to show, first,

that the increases in the field prices have increased the cost of the ultimate consumer and, second, that contracts in existence for gas which has not been delivered will increase the price of gas still further in the future. Let me begin with the increase in the field cost of gas to pipeline companies.

Commencing in 1949, natural-gas pipeline companies began to file applications with the Federal Power Commission for substantial increases in their resale rates. There appear to have been three major causes for these increases: First, increased cost of labor, materials, and taxes; second, increased costs incident to adding system capacity which was more costly per unit than existing capacity; and, third, increased costs due to the higher prices paid for the purchase of natural gas in the field from nonpipeline producers. The greatest of these were the increases in the cost of gas purchased from such producers—Commissioner Nelson Lee Smith, during a panel discussion at the Practicing Law Institute on June 7, 1954, presented data from a study of 20 major natural-gas companies which showed that in the period 1948 to 1953, inclusive, the average increase in purchased-gas costs was 4.52 cents per thousand cubic feet, which represented 84 percent of the average increase in wholesale revenues secured by these 20 companies during the same period.

In other words, in the proceedings before the Federal Power Commission in the past 2 or 3 years the producers have been advancing the very same standards which Messrs. HARRIS and FULBRIGHT include in their bill, namely, the use of the existing market prices to determine what the market prices should be.

In order to demonstrate the great increase which has occurred in the unit cost of gas to interstate pipeline companies, I have had prepared from data furnished the Federal Power Commission by the pipeline companies, table No. V–1. I ask unanimous consent that the table be printed in the RECORD, at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE V–1.—*Average cost of natural gas purchased from nonaffiliated producers in Southwest by 17 major natural gas pipeline companies*

Name of company	Cents per M c. f.								1954 or pending rate-increase filing	Increase—rate filing or 1954 over 1946	Percentage increase
	1946	1947	1948	1949	1950	1951	1952	1953			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Arkansas Louisiana Gas Co	2.891	3.094	3.362	3.656	4.393	6.777	8.071	9.177	[1] 10.512	7.621	263.61
Cities Service Gas Co	4.554	6.396	6.957	7.170	7.621	8.086	8.464	8.824	[2] 11.146	6.592	144.75
Colorado Interstate Gas Co	[3]	6.003	5.734	6.702	7.343	7.448	7.647	8.211	[4] 12.887	6.884	114.68
El Paso Natural Gas Co	2.433	2.757	3.517	4.781	5.417	5.616	5.690	8.312	[5] 9.103	6.670	274.15
Lone Star Gas Co	5.319	5.373	5.220	5.410	4.994	5.490	5.998	9.032	9.404	4.085	76.80
Michigan Wisconsin Pipeline Co	[6]	[6]	[6]	8.087	8.219	8.287	8.731	9.477	[7] 9.929	1.842	22.78
Natural Gas Pipeline Company of America	[8]	[8]	6.022	6.063	6.047	6.969	8.108	9.195	[9] 10.658	4.636	76.98
Northern Natural Gas Co	5.126	5.177	5.712	5.649	7.369	8.093	8.875	11.239	[10] 11.667	6.541	127.60
Panhandle Eastern Pipeline Co	4.042	4.219	4.422	4.735	5.798	5.930	7.915	8.471	[11] 8.741	4.699	116.25
Southern Natural Gas Co	5.351	5.465	6.028	6.271	6.749	6.202	7.146	8.082	[12] 9.655	4.304	80.43
Tennessee Gas Transmission Co	4.528	4.524	4.315	5.119	5.027	5.318	6.144	9.264	[13] 11.928	7.400	163.43
Texas Eastern Transmission Co	------	6.793	7.492	7.285	7.265	7.175	8.153	12.496	12.449	5.656	83.26
Texas Gas Transmission Co	6.262	6.951	6.209	7.004	6.995	7.563	7.217	9.694	9.498	3.236	51.68
Texas Illinois Natural Gas Co	[14]	[14]	[14]	[14]	[14]	8.557	8.437	8.790	10.343	1.786	20.87
Transcontinental Gas Pipeline Co	[15]	[15]	[15]	[15]	[15]	7.138	7.430	7.721	[16] 10.848	3.710	51.98
Trunkline Gas Co	[17]	[17]	[17]	[17]	[17]	7.647	7.667	7.943	[18] 10.920	3.273	42.80
United Gas Pipeline Co	4.244	4.098	4.072	4.792	5.644	5.848	7.389	8.026	[19] 9.818	5.574	131.34
Weighted average	4.328	4.621	4.772	5.385	6.023	6.400	7.262	8.857	10.363	6.035	139.44

[1] Company filing, docket U–1016, APSC.
[2] Company filing, docket G–9468.
[3] No purchases made from producers.
[4] Company filing, docket G–2576.
[5] Company filing, docket G–4769.
[6] Operations commenced Oct. 27, 1949.
[7] Company filing, docket G–8511.
[8] No purchases made from producers.
[9] Company filing, docket G–3123.
[10] Company filing, docket G–2505.
[11] Company filing, docket G–2506.
[12] Company filing, docket G–4264.
[13] Company filing, docket G–5259.
[14] Operations commenced Dec. 1, 1951.
[15] Operations commenced Mar. 1, 1951.
[16] Company filing, docket G–8487.
[17] Operations commenced October 1951.
[18] Company filing, docket G–9597.

Source other than as noted: FPC Form No. 2.

Mr. DOUGLAS. Mr. President, in addition, during the past 2 or 3 years applications for rate increases have been based on claims of pipeline companies for the market value, instead of the cost, plus a fair return of the gas they themselves produce from owned or subsidiary-owned reserves. This table shows the average annual cost of gas to 17 major pipeline companies buying gas in the Southwest States commencing with the year 1946 and ending with the year 1954, as reflected by their reports to the Federal Power Commission or by the figures furnished by the companies in their most recent applications to the Federal Power Commission for rate increases.

These 17 companies, in 1954, purchased approximately 4,140,000,000 thousand cubic feet of natural gas from independent producers, which is approximately 92.7 percent of the total volume bought by all companies in the Southwest, and 88 percent of the total volume purchased by all pipeline companies, subject to the jurisdiction of the Federal Power Commission in that year from nonaffiliated producers. Thus, I believe the table reflects a reasonably accurate representation of the increased cost of gas purchased in the Southwest from independent producers. It will be noted from this table that in the case of most companies the cost of gas gradually increased from 1946 until 1951, and that thereafter the magnitude of the annual increases became much greater. The percentage increase for each company is shown in the right hand column. The increases range from 20.87 percent in the case of Texas-Illinois Natural Gas Co. to 274.15 percent for El Paso Natural Gas Co. The principal market of this latter company is California.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. MONRONEY. It is a bit amusing to me that the lower price per thousand cubic feet for natural gas in the Southwest, which ranges between 7 and 10 cents, is always the target of the sharp barbs of the distinguished senior Senator from Illinois, whereas the 16-cent price for gas in the Appalachian field has been completely overlooked.

In fairness to those of us who come from the Southwest, I believe it should be stated that the reason the nationwide average is 10½ cents is that a great deal of cheap gas flows into the lines and that that cheap gas brings down the 50 percent to 75 percent higher gas price in the Appalachian Field.

In the usual fair development of the case, which the distinguished senior Senator from Illinois always pursues, I believe it might be material not always to make the Southwestern gas producers the whipping boys. After all, if gas is selling for 2 cents a thousand cubic feet and goes up to 6 cents a thousand cubic feet, there is an increase of 300 percent, but only a 4-cent increase in the price.

Mr. DOUGLAS. The remark of the Senator from Oklahoma is highly amusing, because he ignores the fact that the Southwest furnishes 90 percent of the gas sold to pipeline companies, whereas the Appalachian region furnishes only 3.3 percent.

Mr. MONRONEY. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. No, not at this time. I wish to finish my sentence, and then I shall yield.

Everyone knows that the Appalachian field, which I think is the earliest field, is relatively played out; it is more or less passé. The great volume of gas comes from the Southwest. I have talked about the Southwest because that is the place which furnishes gas to the rest of the country. These figures do not include the Appalachian region. They cover the Southwest, and show an increase of 140 percent from 1946 to 1954. They show that the increases in price were particularly rapid after the passage of the Kerr bill. In this connection, I wish to say that I prophesied on the floor of the Senate that if the Kerr bill went into ef-

fect—and it did go into effect because of the refusal of the Federal Power Commission to act—within a few years the price of gas in the Southwest would go up by 5 cents per thousand cubic feet. As of last year it has gone up by 4.2 cents, and now it is close to 5 cents. So I was 84 percent correct last year, and I am about 100 percent correct today. When I say that the price will go up to 10 cents if the Harris-Fulbright bill is passed, I think my statement is backed by a record of prophecy which has been pretty well fulfilled.

I now yield to the Senator from Oklahoma.

Mr. MONRONEY. The Senator from Illinois, I think, has still missed some of his statistics in referring to 3 percent in the Appalachian region. If he checks his figures, I think he will find that the integrated companies which supply Pittsburgh and many points in Ohio, and many companies operating in West Virginia and Virginia, are still taking a far larger quantity than the figures of the Senator would show.

Furthermore, I find it a little difficult to accept the 1940 to 1946 cut-off period, to which the Senator continually refers, which, in the gas-producing industry, takes us back to the days of 30-cent wheat, 5-cent hogs, and nickel cotton, in spite of the many protests raised by the Senator against rolling other prices back to those depression levels. But it is a fact that, historically, the price of gas in the adjusted and relatively free competitive market in 1926 was 9½ cents. Now, 30 years later, it has gone up about a half cent, on the national average. Of course, we can throw back to the 4-cent days when gas was flared in the air and there were no facilities for taking it in interstate commerce. But I cannot agree with that any more than I can agree that 30 cents for a bushel of wheat was the proper price.

Mr. DOUGLAS. Mr. President, chart No. 1, which is in the rear of the Chamber, covers the same period as that shown in table No. V–1 and shows the weighted average cost of gas in cents per thousand cubic feet purchased by the 17 companies from the independent producers. In 1946 the weighted average cost of gas to these companies was 4.328 cents per thousand cubic feet. Based upon the most recent available data, which primarily applies to the year 1954, the weighted average cost is 10.363 cents per thousand cubic feet—an increase of 6.035 cents or 139.44 percent.

What has been the financial impact on the natural-gas pipeline companies of the higher cost of gas purchased from nonaffiliated producers? Again using the 17 major companies purchasing natural gas in the Southwest, I have had prepared table No. V–2, which follows, and which I ask unanimous consent to have printed in the RECORD at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE V–2.—*Increase in cost of natural gas purchased by 17 major natural-gas pipeline companies in Southwest from nonaffiliated producers based on prices paid in 1948 and most recent known prices*

Name of company	Average price paid		Increase	Percentage increase	Volume purchased, 1954, or as shown by rate filing (thousand cubic feet)	Annual increase in cost of purchased gas
	1948 or as indicated	1954 or pending rate increase filing				
	Cents per M c.f.	*Cents per M c.f.*	*Cents per M c.f.*			
Arkansas-Louisiana Gas Co	3.36	[1] 10.51	7.15	212.80	161,763,746	11,566,107
Cities Service Gas Co	6.96	[2] 11.15	4.19	60.20	194,879,368	8,165,445
Colorado Interstate Gas Co	5.73	[3] 12.89	7.16	124.96	87,774,399	6,284,647
El Paso Natural Gas Co	3.52	[4] 9.10	5.58	158.52	648,874,719	36,207,209
Lone Star Gas Co	5.22	9.40	4.18	80.08	178,832,863	7,475,214
Michigan-Wisconsin Pipeline Co	[5] 8.09	[6] 9.93	1.84	22.74	124,059,891	2,282,702
Natural Gas Pipeline Company of America	6.02	[7] 10.66	4.64	77.08	64,522,000	2,993,820
Northern Natural Gas Co	5.71	[8] 11.67	5.96	104.38	206,955,994	12,334,577
Panhandle Eastern Pipeline Co	4.42	[9] 8.74	4.32	97.73	149,777,002	6,470,366
Southern Natural Gas Co	6.03	[10] 9.66	3.63	60.19	201,499,059	7,314,416
Tennessee Gas Transmission Co	4.32	[11] 11.93	7.61	176.16	509,126,209	38,744,504
Texas Eastern Transmission Co	7.49	12.45	4.96	66.22	169,418,049	8,403,135
Texas Illinois Natural Gas Co	[12] 8.56	10.34	1.78	20.79	158,105,635	2,803,051
Texas Gas Transmission Co	6.21	9.50	3.29	52.98	85,790,631	2,822,699
Transcontinental Gas Pipeline Corp	[13] 7.14	[14] 10.85	3.71	51.96	209,500,000	7,772,450
Trunkline Gas Co	[15] 7.65	[16] 10.92	3.27	42.75	97,027,827	3,172,809
United Gas Pipeline Co	4.07	[17] 9.82	5.75	141.27	893,850,823	51,396,422
Total					4,141,758,215	216,209,573

[1] Company filing, docket U–1016 A. P. S. C.
[2] Company filing, docket G–9468.
[3] Company filing, docket G–2576.
[4] Company filing, docket G–4769.
[5] Operations commenced Oct. 27, 1949.
[6] Company filing, docket G–8511.
[7] Company filing, docket G–3123.
[8] Company filing, docket G–2505.
[9] Company filing, docket G–2506.
[10] Company filing, docket G–4264.
[11] Company filing G–5259.
[12] Operations commenced Dec. 1, 1951.
[13] Operations commenced Mar. 1, 1951.
[14] Company filing, docket G–8487.
[15] Operations commenced Oct. 1, 1951.
[16] Company filing, docket G–2506.
[17] Company filing, docket G–9597.

Source: Other than as noted, FPC Form No. 2.

Mr. DOUGLAS. Mr. President, this table reflects a computation of the increase in the cost of gas for the 17 companies based on the prices and volumes purchased in the year 1954, or as shown in the most recent applications to the Federal Power Commission for a rate increase, as compared with their weighted-average cost of gas in the year 1948. As will be noted from this table, the annual increase in the cost of gas to the 17 companies is in the aggregate running at the rate of $216,209,573.

I believe the Senate and the public will agree, after examining this table, that these increases in the cost of purchased gas which have already occurred in the past 5 or 6 years are not exactly chickenfeed.

INCREASES IN FIELD COSTS HAVE BOOSTED PIPELINE RESALE RATES

I turn now to the effect of this huge increase in the field cost of gas to pipeline companies upon the resale rates of such companies which are subject to the jurisdiction of the Federal Power Commission. In this connection, it should be noted that most of the interstate pipeline companies sell some portion of the gas they handle directly for consumption. Also, some companies make intrastate sales for resale. The proportions of these two classes of business differ materially between the 17 pipeline companies previously referred to. On the average 70 percent of the volume of gas which the 17 companies sell is sold for resale to distributing utilities.

Between July 1, 1949, and December 1, 1955, a period of 6 years and 5 months, natural gas pipeline companies—as distinguished from nontransporting or independent producers—have filed 170 requests with the Federal Power Commission for increases in their resale rates aggregating $520,025,300 on annual basis. This great sum is indeed startling in relation to the fact that the Commission during the years 1939–1952 succeeded in reducing pipeline-company rates only $43,345,000 as shown by table No. I–1.

The disposition made by the Federal Power Commission of the rate-increase applications is as follows:

	Number	Amount
Total filed	170	$520,025,300
Disallowed and withdrawn	------	164,553,000
Placed in effect without suspension	(47)	16,093,000
Placed in effect after suspension	------	199,150,600
Total disposed of	91	379,796,600
Pending Dec. 1, 1955	32	140,228,900

Incidentally, my prediction in 1950 that the increases in rates would amount in a few years to over $200 million annually if producers' rates were not regulated has been abundantly confirmed. The increases granted to date have been $215 million a year, while claims for another annual boost of $140 million are still pending.

Table No. V–3 has been prepared to show the rate increases which 14 of the 17 pipeline companies previously referred to have requested of the Federal Power Commission during the same period of 6 years and 5 months and to also show the disposition of such rate-increase applications.

I ask unanimous consent that this table be printed in the RECORD at this point in my remarks. I think it throws light upon what has happened.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE V–3.—*Rate increase applications filed by 14 interstate pipeline companies with the Federal Power Commission and their disposition (July 1, 1949, to Dec. 1, 1955)*

	Effective date	Amount filed for	Disposition		
			Allowed	Disallowed or withdrawn	Pending
Cities Service Gas Co	Apr. 23, 1954	$12,589,000	[1] $3,089,000		$9,500,000
	Oct. 23, 1955	3,936,000	1,030,000		2,906,000
Total		16,525,000	4,119,000		12,406,000
Colorado Interstate Gas Co	Oct. 27, 1952	375,000	375,000		
	Oct. 3, 1953	6,508,000	[1] 183,000		6,325,000
	Sept. 1, 1954	10,269,000			10,269,000
Total		17,152,000	558,000		16,594,000
El Paso Natural Gas Co	Oct. 1, 1949	900,000	900,000		
	Oct. 1, 1950	2,400,000	2,400,000		
	June 1, 1951	7,200,000	3,000,000	$4,200,000	
	Jan. 1, 1953	15,286,000	9,575,000	5,711,000	
	do	260,000	[1] 260,000		
	Nov. 15, 1954	18,113,000	[1] 210,000		17,903,000
	Apr. 1, 1955	214,500	[1] 214,500		
Total		44,373,500	16,559,500	9,911,000	17,903,000
Michigan-Wisconsin Pipe Line Co	Oct. 1, 1951	3,700,000	3,726,700	3,873,300	
	Dec. 12, 1952	3,900,000			
	Apr. 1, 1955	1,526,000			1,526,000
Total		9,126,000	3,726,700	3,873,300	1,526,000
Natural Gas Pipe Line Company of America	Dec. 1, 1951	2,400,000	2,400,000		
	Apr. 1, 1953	3,500,000	3,500,000		
	Nov. 13, 1953	7,200,000	5,450,000	1,750,000	
	Oct. 1, 1954	10,702,000		642,000	10,060,000
Total		23,802,000	11,350,000	2,392,000	10,060,000
Northern Natural Gas Co	Sept. 27, 1950	4,100,000	5,100,000	4,200,000	
	Apr. 27, 1951	5,200,000			
	June 27, 1952	10,600,000	2,998,000	7,602,000	
	Dec. 27, 1953	13,485,500	6,859,000	6,626,500	
	Aug. 2, 1954	8,128,000			8,128,000
Total		41,513,500	14,957,000	18,428,500	8,128,000
Panhandle Eastern Pipe Line Co	Feb. 20, 1952	21,400,000	12,779,000	8,621,000	
	Aug. 1, 1954	12,127,000		4,992,500	7,134,469
Total		33,527,000	12,779,000	13,613,500	7,134,469
Southern Natural Gas Co	Apr. 2, 1953	6,313,000	5,835,000	478,000	
	Nov. 1, 1954	7,018,000	4,927,000	2,091,000	6,533,000
Total		13,331,000	10,762,000	2,569,000	6,533,000
Tennessee Gas Transmission Co	Dec. 17, 1951	13,660,000	12,300,000	5,700,000	
	do	4,400,000			
	Feb. 15, 1953	17,900,000	14,500,000	3,400,000	
	Mar. 1, 1954	6,510,000	4,790,000	1,720,000	
	June 1, 1954	13,616,000		13,616,000	
	Sept. 1, 1954	1,000,000	1,000,000		
	Nov. 3, 1954	8,616,000			8,616,000
Total		65,642,000	32,590,000	24,436,000	8,616,000
Texas Eastern Transmission Corp	Sept. 9, 1953	41,800,000	30,593,000	11,207,000	
Texas Gas Transmission Co	Jan. 8, 1953	10,542,000	10,410,000	132,000	
	Nov. 7, 1955	793,000		793,000	
Total		11,335,000	10,410,000	925,000	
Texas Illinois Natural Gas Pipe Line Co	Jan. 1, 1954	5,858,500	4,021,000	1,837,500	
Transcontinental Gas Pipeline Corp	May 1, 1952	13,900,000		13,900,000	
	Mar. 18, 1953	9,819,000	7,327,000	2,492,000	
	June 1, 1954	5,658,000		[2] 5,658,000	
	Nov. 1, 1954	3,204,000	5,053,300	1,122,700	
	Dec. 1, 1954	796,000			
	Mar. 1, 1955	2,176,000			
	do	9,500	[1] 9,500		
Total		35,562,500	12,389,800	23,172,700	
United Gas Pipeline Co	Dec. 8, 1949	952,000	167,000		785,000
	Jan. 1, 1950	283,500	283,500		
	Feb. 16, 1950	44,300	44,300		
	Aug. 1, 1951	465,000	465,000		
	Nov. 11, 1951	620,000		[2] 620,000	
	Nov. 26, 1951 [3]	1,300,000		[2] 1,300,000	
	Mar. 3, 1953	9,500,000	3,879,000	6,459,000	2,185,000
	Mar. 27, 1953	131,000		131,000	
	July 25, 1953	1,778,000	[1] 951,000		
	Aug. 1, 1953	1,000,000			
	Nov. 1, 1955	9,979,000	1,141,000		8,838,000
Total		25,152,800	5,789,800	7,555,000	11,808,000
Total		384,700,800	170,604,800	119,920,500	94,175,500

[1] Sales for industrial use only.
[2] Withdrawn.
[3] Filing date.

Mr. DOUGLAS. Mr. President, it will be noted that Arkansas-Louisiana Gas Co., Lone Star Gas Co., and Trunkline Gas Co. have been omitted from the tabulation. The explanation for this is that Arkansas-Louisiana and Lone Star have only very minor sales of gas subject to the Federal Power Commission's jurisdiction, almost all of their gas sales being made at retail in the States of production. Trunkline Gas Co. is a subsidiary of Panhandle Eastern Pipeline Co. and its rates for the sale of gas to Panhandle are based on a cost-of-service formula. The revenue received by Trunkline is dependent upon its operating and other costs plus a return of 6 percent. Under this formula, all increases in its cost of purchased gas automatically are passed on to Panhandle.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. KENNEDY. Perhaps I am about to ask the Senator a question on which he may already have touched. Will the Senator give some idea of what effect an increase of 2 or 3 cents in the price of natural gas in the field would have upon the price the consumer eventually would have to pay? Obviously, it would be several times 2 or 3 cents. Will the Senator explain the reason for that?

Mr. DOUGLAS. Of course, an increase of 2 or 3 cents in the field would be passed on to the consumer. Slightly more than 6 billion thousand cubic feet were consumed in 1955. An increase of 1 cent would, therefore, cause an increase in price of $60 million; an increase of 2 cents would mean a total increase of $120 million; an increase of 3 cents would mean an increase of $180 million.

However, as I am contending, probably the increase, very quickly would be 10 cents, or a total increase of $600 million.

The Senator from Massachusetts also asked, I think, whether an increase of 2 or 3 cents in the field would reflect itself in a final increase of more than this amount. If there were strict regulation, it ought not to do so, except as other elements of increased costs might enter into the adjustments made by the Federal Power Commission or the State regulatory commissions.

Mr. KENNEDY. Even if there were an increase of 5 cents in New England, on a total bill of $3, the proponents of the pending measure make the point that, after all, that would be a very slight fraction, with reference to the overall figures. Nevertheless, unless the price were increased geometrically, it would be a very small increase on the overall bill, and one that might be justified if it encouraged the discovery of additional sources of gas, I was wondering if the Senator would deal with that argument.

Mr. DOUGLAS. I think the proponents of the bill have been unfair in selecting only a few of the high cost residential cities, such as Philadelphia, New York, Providence, and Boston. The rates in those cities are not typical, for a number of reasons which I tried to show yesterday, and which I shall now try to summarize.

In the first place, until recently, those cities largely used manufactured gas, and in them there has been very little heating of homes by gas. Coal or oil is still used as the predominant fuel for the heating of homes. Therefore, the additional consumption of gas per household tends to be relatively low. Gas is used for cooking, and in some cases for heating water, but not for house heating.

As the Senator from Massachusetts well knows, it costs a large sum of money to connect a given house with the gas main running along the street. The cost of connection has averaged $200, but I have been told that it is now running close to $500. So it is necessary initially to hike the charge for residential gas to a high price, until the distributor can move into a volume of house heating and thus bring the rates down.

Taking the country as a whole, the average residential price for gas is not $1.50 or $2.01 or $3.64, but is about 80 cents, as is shown on the first chart in the rear of the chamber.

But only about a third of the gas consumed in cities is used for residential purposes. A considerable amount is used by commercial establishments, notably by hotels and restaurants. The major portion of the gas, however, goes to industry. Most of it, not all of it, is sold during the summer months, when the residential demand for gas falls to almost nothing. So in order to sell gas during the summer months, the local distributing companies make very favorable rates to industries, rates averaging around 22 or 23 cents a thousand cubic feet.

The result is that if residential sales, commercial sales, and industrial sales are considered together, the average price received for a thousand cubic feet of gas is about 44.4 cents. If that amount is split, we find that 10.7 cents, or 23 percent, goes to the producers, and the transmission companies take another 14 cents. So the average price delivered to the city gates is a little less than 25 cents.

To this amount the distributing companies add, on the average, approximately 19 cents. Thus their retail markup is about 43 or 44 percent of the consumer's total dollar.

I am no apologist, the Lord knows, for the local distributing companies. I think that in some cases they have perpetuated higher prices. But I think the people from the Southwest have introduced an extraneous issue and have chosen unfair examples, but have not taken into account the average revenues for all purposes. If they had, the situation would be different.

The argument has been advanced, not by the Senator from Massachusetts [Mr. KENNEDY], but by General Thompson—we identified the statement yesterday—that the increase would be only a few cents from the individual consumer, the implication being, Why should we pay much attention to it? The Senator from Massachusetts does not hold that view. But that is the argument.

The increases will not be 2 or 3 cents, but, as I shall show, will be about 10 cents a thousand cubic feet, in my judgment. A large proportion of the increased cost would not be unloaded upon the interruptible industrial gas users, because then they would turn to coal or oil. So the residential consumers will have to bear not only the 10-cent increase on the gas which they consume, but also most of the 10-cent increase to the industrial users. Thus the increase to the residential consumers will be in all probability appreciably higher, percentagewise or in cents per thousand cubic feet, than the increase gained in the field, the net result being that the residential consumers will bear the major portion of the burden.

If the increase should be 10 cents per thousand cubic feet, that would amount to $600 million. The major portion of that increase would not be borne by industry; it would be carried by the residential consumers. Twenty-one million families are using natural gas, so the average increase per family would not be far from $20 or $30 a year. Twenty or thirty dollars a year per family is an appreciable amount. When it is multiplied by 21 million, the result is a sum of tremendous magnitude.

The real task of defending the consumer is the task of saving a few cents per family here and there. The weakness of the consumer is that with respect to any particular item or any particular issue, the amount which a given head of a family will lose is so small that it does not justify his buying a book on the subject or coming to Washington to lobby for or against it. So the consumer interests of the great mass of American people are left unprotected as a result of the powerfully concentrated interests having a tremendous driving power.

Of the producers in the American gas industry, only 35 of them sell 70 percent of the gas, and, therefore, presumably will obtain 70 percent of the benefits. They will be taking 40 cents or 50 cents a week out of the pockets of each of the 21 million families of the United States, and that amount will go to Standard, to Phillips, to Gulf, to Texas, to Atlantic, to Shell, and to all the other big companies.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. LEHMAN. Even assuming, as the Senator from Massachusetts [Mr. KENNEDY] has stated, that the increase is only a very small percentage of the charge made by the distributing company to the householder, is it not a fact that the figures which the Senator from Illinois already has adduced demonstrate that if the increase is as little as 10 cents, it will add to the consumer's bill $600 million a year?

Mr. DOUGLAS. To all consumers, yes. My point is that the major portion of the increased prices would fall upon residential consumers. It would not be possible to unload all of these added prices upon the interruptible industrial rates, because the industries would turn to oil or coal. Therefore, to recover

their costs, the companies would have to make more than a 10 cent increase in rates charged to residential consumers.

Mr. LEHMAN. I have no figures to demonstrate whether in the past the charges of the public utility companies, the distributing companies for manufactured gas, have been reasonable or not. My judgment is that many charges have been made which are not justified; but whatever the fact may be, is it not true that, whatever the increased charge at the well for the gas may prove to be, that will be an increase which will inevitably be borne by the consumer of gas, mainly the residential consumer of gas?

Mr. DOUGLAS. That is correct.

Mr. LEHMAN. There is no way for him to evade that increase, because the consumer is a captive. He cannot change his method of using gas within his household, whether it be for cooking or heating purposes.

Mr. DOUGLAS. That is correct.

Mr. LEHMAN. Is it not a fact that, as I believe the Senator from Illinois himself has pointed out, this additional charge, even though it may be small when compared to the total distributing charge, would merely be adding insult to injury, and that the consumer could not possibly avoid paying that charge?

Mr. DOUGLAS. The Senator from New York is completely correct.

The 14 companies listed on the table have applied to the Commission for rate increases totaling $384,700,800, of which $170,604,800 has already been allowed by the Commission. Increases pending as of December 1, 1955, amount to $94,-175,500. Requested increases in the amount of $119,920,500 have either been disallowed or withdrawn. The total increases, either granted or pending, amount to $214,096,000. This amount includes some duplication, as I previously mentioned, because of sales between several of the listed pipeline companies. However, the proportion of such duplication is much less than in the overall statistics for rate-increase requests referred to previously.

It will be also noted from the table that all but 2 of the companies have filed more than 1 rate increase with the Commission, and several companies have filed 4, 5, 6, or more rate increases during this period.

As most of the 14 companies secure a portion of their gas supply from their own reserves or from an affiliated producing company, as well as by purchase from other pipeline companies, it is difficult to directly relate the dollar increase in the field cost of gas of the 14 companies to the rate increases granted such companies or those which are presently pending. I have previously pointed to the fact that increases in pipeline-company rates were brought about by 3 principal factors, the dominant factor being the increased cost of gas purchased from nontransporting producers. This is quite evident when the increased cost of gas to the pipeline companies is compared with the increases in resale rates which have been granted by the Commission or are presently pending. For comparative purposes, the total increase of $216,209,573 in the cost of gas to 14 major pipeline companies purchasing gas in the Southwest, which occurred since 1948, should be adjusted to exclude the portion of the gas purchased which is resold to direct industrial customers. These adjustments are set forth on table V–4.

Mr. President, I ask unanimous consent that the table be printed in the RECORD at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE V–4.—*Increases in field cost of gas to pipeline companies and portion applicable to resale business*

Name of company	Annual increased cost of purchased gas	Percent of total sales to sales for resale	Annual increased cost for sales for resale
Arkansas-Louisiana Gas Co	$11, 566, 107	5. 33	$616, 474
Cities Service Gas Co	8, 165, 445	65. 35	533, 612
Colorado Interstate Gas Co	6, 284, 647	78. 10	4, 908, 309
El Paso Natural Gas Co	36, 207. 209	86. 17	31, 199, 751
Lone Star Gas Co	7, 475, 214	4. 08	304, 989
Michigan-Wisconsin Pipeline Co	2, 282, 702	100. 00	2, 282, 702
Natural Gas Pipeline Company of America	2, 993, 820	99. 21	2, 970, 169
Northern Natural Gas Co	12, 334, 577	80. 44	9, 921, 934
Panhandle Eastern Pipeline Co	6, 470. 366	88. 38	5, 718, 509
Southern Natural Gas Co	7, 314, 416	68. 86	5, 036, 707
Tennessee Gas Transmission Co	38, 744, 504	99. 78	38, 659, 266
Texas Eastern Transmission Corp	8, 403, 135	100. 00	8, 403, 135
Texas Illinois Natural Gas Pipeline Co	2, 803, 051	100. 00	2, 803, 051
Texas Gas Transmission Corp	2, 822, 699	94. 42	2, 665, 192
Transcontinental Gas Pipe Line Corp	7, 772, 450	98. 72	7, 672, 963
Trunkline Gas Co	3, 172, 809	99. 80	3, 166, 463
United Gas Pipe Line Co	51, 396, 422	46. 68	23, 991, 850
Total	216, 209, 573	69. 42	150, 855, 076

Mr. DOUGLAS. Mr. President, from this tabulation, it appears that the increased cost of gas purchased from nontransporting producers which is applicable to sales for resale in interstate commerce amounts to $150,855,076, compared with rate increases granted to or presently pending for the 14 companies, amounting to $214,096,000. While this would indicate that increases in the cost of gas purchased from nontransporting producers account for 70 percent of the rate increases, the true proportion is greater because of duplications which inflate the dollar amounts of rate increases granted or pending. For example, Natural Gas Pipeline Co. of America purchases a large portion of its gas supply from Colorado Interstate Gas Co. Colorado Interstate's pending rate cases include proposed increases in rates to Natural Gas Pipeline Co. of $7,824,000. Thus, duplication of this amount is included in the combined total of the allowed and pending rate increases of the two companies. Other major and minor duplications exist with respect to most of the other listed companies.

Another factor which is responsible for a portion of the rate increases granted, and now pending at the Federal Power Commission, is the inclusion in operating expenses of the pipeline companies of a value for the gas which these companies and their affiliates produce. Chairman Kuykendall of the Commission has furnished me with information showing that pending and allowed rate increases for 9 of the 14 companies listed on table V–3 are based in part on the substitution of the commodity value or average field price of gas for the cost of production, including a fair return. Based solely upon allowing the commodity value in place of cost plus a fair return, the aggregate annual rate increases for seven of these companies amount to $30,389,812. Data were not available for two other listed companies which have filed rate increases based in whole or in part on an allowance for the commodity value of the gas produced from owned reserves.

From the evidence at hand, it is quite clear that increases in the cost of gas purchased by pipeline companies from the so-called independent producers are responsible for the major share of the increases which pipeline companies have been granted by the Federal Power Commission and those which are presently pending. Another important factor is the change of ratemaking policy by the Commission with respect to gas reserves owned by pipeline companies.

Enactment of the Fulbright bill would, in effect, confirm all of these pending rate increases of pipeline companies, amounting to about $94 million on an annual basis. Moreover, it would make possible future rate increases as the price of gas in the field continued its upward spiral in the absence of effective Federal regulation.

Before passing to my next subject, let me point out that one of the most significant facts revealed by the statistics furnished by the Federal Power Commission, as to rate increases filed by interstate pipeline companies, is that between January 1, 1955, and December 1, 1955, natural-gas pipline companies filed field rate increases which aggregated only $19,735,400. This amount represents a substantial reduction in the annual rate of increases filed during the years 1951 through 1954, which ran at the rate of $100 million or more per year.

I believe that it is rather obvious that the slowdown in the filing of requested rate increase by the pipeline companies has been due to the Phillips decision and its authorization of regulation by the

Federal Power Commission of gas producers.

Thus, it is reasonable to conclude that regulation of producers, as thus far exercised by the Commission—and it has not done so except in the last year or so—has had a pronounced effect upon rate increases filed by producers and pipeline companies.

INCREASES IN PIPELINE RATES REFLECTED IN INCREASED RATES TO ULTIMATE CONSUMERS OF GAS, WHILE AVERAGE COSTS OF ELECTRICITY ARE DOWN

At this time, Mr. President, I wish to point out that, just as the increased amounts received by the producers caused the pipeline companies to pay more, so will the increases in the amounts the pipeline companies pay force the distributors to pay more and force the ultimate consumers to pay more.

The distributing utilities which have purchased natural gas from pipeline companies under rate schedules providing for higher rates, in the past few years have absorbed these increased costs, either in whole or in part, or passed them on, through increases in local retail rates for residences, commercial establishments, and factories. The manner in which these individual distribution companies met the increased costs of purchased gas differs from company to company, but the satistics of the country as a whole and for many of the States reflect substantial increases in the average revenue paid by the natural-gas consumer since 1948.

I have previously commented upon the action of the Federal Power Commission in reducing the rate of pipeline companies in the early or middle 1940's; and I have indicated that these rate reductions were reflected in lower rates to the ultimate consumer. It will be recalled that Congress passed the Natural Gas Act because it was convinced that existing natural gas rates were excessive, and that gas consumers were entitled to relief. Thus, in the period from 1940 to 1945, the average revenue per term of natural gas sold by all gas utilities in the United States for consumption decreased from 3.2627 cents to 3.0178 cents or, in terms of thousand cubic feet, approximately 2.58 cents.

The rough rule of conversion, as the distinguished Presiding Officer [Mr. BIBLE] knows, is that there will be 10 therms per thousand cubic feet. The more precise conversion figure is, I believe, 9.66.

Chart No. 2 shows the trend of the average cost to consumers of natural gas for the entire United States at the retail level for the years 1945 to 1954, inclusive, for residential, commercial, and industrial service. The average cast for all sales, including a rather small volume of gas sold principally to governmental authorities, is also shown. The decline in residential gas costs, which I just mentioned, continued through the year 1948. The chart shows a dip in the upper figure. In 1949, the rise in cost to the consumers commenced. The costs chart reflects a steady increase during the period in the average unit cost for natural gas for the commercial and industrial classifications.

The average unit cost for residential service has increased approximately 17.6 cents per thousand cubic feet in the period 1945–54. Increases in the average rates for commercial and industrial service during the same period were approximately 20.3 cents per thousand cubic feet and 7.2 cents per thousand cubic feet, respectively. The larger increases in the average cost of natural gas to residential and commercial consumers illustrate the fact, to which I shall refer later in more detail, that increases in the field cost of gas have a pyramiding effect upon the residential and commercial users. The distribution companies are unable to pass on to the industrial customers their proportionate share of such increased cost of gas, since to do so would result in the loss of that business to coal or oil. I submit that the historical figures I have introduced, showing a very slight increase in the cost of gas for industrial sales, but a very marked increase in the cost of gas for residential sales, confirm the statement I made in colloquy with the Senator from Massachusetts [Mr. KENNEDY], namely, that the consumers will have to bear some of the burden of the price increase in the field upon the gas consumed by industrial plants in the consuming centers.

For the purpose of arguing that natural-gas rate increases have not been out of line, comparisons have been made by the exponents of the bill or those favorable to the bill, in testimony before the Interstate Commerce Committee and in the public press, between the cost of natural gas for residential use, on the one hand, with the cost of living, the cost of manufactured gas, and the cost of fuel oil and of coal. While I consider that such comparisons are not relevant to the issue, it appears to have been overlooked that in the home the chief competitor of gas for cooking, water heating, and refrigeration is electricity. Electricity is also competitive, but to a much lesser degree, for space heating. That is particularly true in the Northwest, but it is not so in most areas of the country, where electricity is the chief competitor of gas for cooking, water heating, and refrigeration.

Chart No. 3 compares the trend of the average revenue received by utilities from the sale of gas for residential use in the United States for the years 1945–54 with the average revenue received per kilowatt-hour from the sale of electricity for residential service. It should be noted that in this period, the average cost per therm for natural gas decreased from 6.3 cents in 1945 to 6.06 cents in 1948, and then increased to 8.06 cents per therm in 1954. To get a rough figure per Mcf, one can multiply the cost per therm by 10. Meanwhile, the average cost of electricity per kilowatt-hour decreased from 3.47 cents in 1945 to 2.80 cents in 1954. In other words, during that period the residential cost of electricity was going down, but the residential cost of gas was going up.

While these data clearly indicate that the average householder in the United States has been able to buy electricity at a progressively lower unit cost each year since 1945, and that the average unit cost of natural gas for residential use has rapidly increased since 1948, I would not want this chart to be interpreted as showing that residential electric tariff rates, as such, have declined 19 percent. As a matter of fact, FPC studies of the typical electric bills in cities of 50,000 or over in population, show that there has been practically no change in the monthly bills of residential customers between 1945 and 1953, based on typical increased kilowatt-hour consumption.

Thus, the decline in the average unit cost of electricity to the residential customer has come from increased consumption which has permitted the customer to purchase a portion of his electric requirements at a lower rate per kilowatt-hour.

Most residential gas rate schedules have similar graduated rates by which the unit cost progressively decreases as the consumption increases. The national statistics show that the average annual consumption of natural gas per residential customer increased from 682 therms in 1945 to 950 therms in 1951. This would be expected, in view of the increase in the use of gas for residential space heating and other household purposes. However, the average annual consumption dropped in 1952 to 903 therms, and in 1953 to 871 therms. The explanation of this drop in average usage is due, I believe, to the fact that several million manufactured-gas customers were transferred to natural-gas service in the years 1951, 1952, and 1953, principally on the eastern seaboard. These customers had an average annual usage of gas which was less than the average usage of existing natural-gas customers, and such usage was not appreciably increased after conversion. One of the chief reasons why it did not increase may have been the high rates. Moreover, the rates which these customers paid for natural gas were generally higher than the average natural-gas rates paid for the entire United States. Thus, the sharp increase in the average cost of gas to the residential consumer which started in 1951, as shown by the chart, is somewhat accentuated. However, I should like to point out that with increases in the consumption of gas over the period as a whole from 1951, one would have expected that the average price paid would have decreased. Instead, it increased, although the average price paid for electricity by the consumer decreased, in terms of the cost or the price per unit.

Similar data were obtained for the States of California, Oklahoma, Texas, Ohio, West Virginia and Michigan where there has been a minimum changeover of distribution systems from artificial to natural gas in the period 1945–53. These data show that a gradual decline occurred in the average cost of gas per therm in these States until 1950 and 1951 when an upward trend commenced. In California, the average cost per therm had increased in 1954 over 1950 by 15 percent; in Oklahoma by 30 percent; in

Texas by 13 percent; in Ohio by 12 percent; in West Virginia by 23 percent; and in Michigan by 15 percent. At the same time, the average annual unit consumption per residential customer in these States also increased. These percentage increases in average cost per therm may be compared with the national average increase of 24 percent.

These statistics indicate that natural-gas rates in many localities have increased in the past 4 years in such magnitude as to have overcome and offset the normal decrease in the average cost of gas per therm due to increased residential consumption. At the same time, the average cost of electricity, the most potent competitor of gas for the residential market, has been steadily declining. It is no wonder that distribution companies are opposing this legislation, which would heap still heavier burdens upon the consumer.

Mr. FULBRIGHT. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. I am glad to yield.

Mr. FULBRIGHT. I understand that a few moments ago the question was raised as to the effect upon State minimum price laws if the bill should be passed. That is a very technical question. It is the position of myself and other sponsors of the bill that such minimum price laws would not be effective in the face of the bill, and that the Federal Government would still occupy the field. For example, with regard to escalation clauses, the proposed regulation indicates an intention on the part of Congress to occupy the field for certain purposes. The question is very involved and technical. I mention the subject to the Senator from Rhode Island [Mr. PASTORE], who, I believe, raised the question in the first instance.

Mr. DOUGLAS. I raised the objection, but the Senator from Rhode Island commented upon it.

Mr. FULBRIGHT. I was not present when the discussion began. I doubt whether I or any of the other proponents would be properly prepared to make a full legislative history at this moment. However, it is the intention of the Senator from Arkansas, at a later and more appropriate time, when it will not interfere with the speech of the Senator from Illinois, to develop this subject very fully, and to state, without any equivocation, the understanding and belief of the proponents of the bill as to what its effect would be with regards to State minimum price laws.

Mr. DOUGLAS. Is it not true that the Supreme Court would have to render final judgment on this question?

Mr. FULBRIGHT. That is not unusual. That is true in every case.

We believe that our interpretation is a very reasonable one, and that, inasmuch as the Federal Government occupies a certain field, particularly in the sections relating to escalation clauses, or indicates an intention to do so, State minimum price laws would not be applicable in such cases.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. PASTORE. I quite agree with the Senator from Arkansas that now is not the proper moment to enter into an involved debate as to the interpretation of subsections 10 and 11 of section 2 of the pending bill. However, I invite the attention of the Senator from Arkansas to the fact that subsections 10 and 11 of section 2 are words of limitation on jurisdiction. Insofar as the Federal Power Commission's jurisdiction is over the producers, there is only one limitation, and that is with respect to existing contracts which have to do with the obligation of the pipeline companies under existing escalation clauses to pay more than the "reasonable market price," as spelled out in the bill.

We definitely take the position that with that single exception—which I hardly think would be sustained in any court of law—this is, in fact, a decontrol bill, and that subsections 10 and 11 of section 2 are nothing more than a limitation of the jurisdiction of the Federal Power Commission over producers. I think that point ought to be developed, because I firmly believe that if it is the clear intention of the proponents of the bill not to make this a decontrol bill, other language should be used to clarify the situation.

Mr. FULBRIGHT. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

Mr. FULBRIGHT. I do not wish to pursue the subject further at this time. I say that the proponents—at least, speaking for myself—do not consider this to be a decontrol bill, but rather a control bill with a different technique from that advocated by the opposition.

Mr. DOUGLAS. Would the Senator from Arkansas say that it is a more effective control measure than the existing law?

Mr. FULBRIGHT. It is a more effective control measure.

Mr. DOUGLAS. In other words, this bill is for the purpose of protecting the consumer?

Mr. FULBRIGHT. Precisely. That is what I said in the beginning.

Mr. DOUGLAS. That is a very charming position for the Senator from Arkansas to take. This is the first time I ever heard of the gas producers of Oklahoma, Texas, Kansas, and Louisiana spending enormous sums of money to protect the consumer. It is very charming of the Senator from Arkansas.

Mr. FULBRIGHT. The Senator from Illinois has often shown a complete absence of understanding of the gas business, or he would not take such a position. I can conceive that he has had no occasion to understand the economics of the gas-producing business, but what I have stated is the fact. I so stated in my opening remarks a week ago today. If the Senator had taken the trouble to read that statement, I am sure he would not be under any misapprehension as to the character of the bill.

Mr. DOUGLAS. It is very interesting that the Senator from Arkansas contends that this bill is meant to protect the consumer and prevent prices from increasing. Other proponents of the bill say that it means a very appreciable increase in prices in the field. That is a subject which is being discussed in the gas-producing centers. I am sure the Senator from Arkansas is sincere, but his associates have a different opinion of the bill from that which he has expressed.

Mr. FULBRIGHT. I do not recall hearing any spokesmen on the floor of the Senate say that the purpose of the bill is merely to raise the price to the producer.

Mr. DOUGLAS. Not on the floor; in the "boiler room."

Mr. FULBRIGHT. There are many misapprehensions. I read in great city newspapers that this is a decontrol bill, which certainly it is not. The Washington Post is just as badly informed about the bill as are the people to whom the Senator from Illinois refers. Thank goodness, the Sun-Times of Chicago understands what the bill is.

Mr. DOUGLAS. I thank the Senator from Arkansas.

Mr. President, I have been speaking for some time on the increases in the price of gas which have already occurred in the field, which have been passed on in part to the pipeline companies, which in turn have passed them on to the distribution companies, which in turn have passed them on to consumers. That is the past history. I think it was Shakespeare, in The Tempest, who said, "The past is prologue." As I come down Pennsylvania Avenue each morning I see that sentence on the Archives Building.

The first slogan is, "Study the Past," which we have done. The next quotation is from The Tempest—"The Past Is Prologue." Or, in slang, that means, "You ain't seen nothing yet." That is Shakespeare in modern dress, a la Orson Welles.

Existing contracts in the field, and many not yet fully executed, contain "sleepers" and clauses which would lead very quickly to a great increase in price. We can prove that by what is happening in the field.

ESCALATION CLAUSES IN GAS PURCHASE CONTRACTS LIMIT COMPETITION

The almost universal inclusion in gas purchase contracts of "favored nation," "renegotiation," and other escalation clauses presents a clear example of the domination and control by producers over the sale of gas in the producing fields. These clauses, which did not become prevalent until about 1947, place onerous burdens upon pipeline companies and effectively limit and impede competition among buyers and sellers. The escalation clauses are of several different types, but all of them are designed to jack-up the price of gas in the producing fields. They are one-way-street clauses.

Let me first describe the favored-nation type clauses. There are two principal types of such clauses, but with some variations in their terms and applicability. The type of clause known in the industry as the "two-party favored-

nation clause" provides that if the pipeline company buying gas from producer A in a field, area, or Texas Railroad Commission District contracts to buy gas from B in the same field, area, or district at a price higher than it is already paying producer A, it must then thereafter pay producer A the same price it agrees to pay producer B.

A more vicious type of favored-nation clause—so well analyzed by the Senator from Rhode Island [Mr. PASTORE]—is known as the "third-party favored-nation clause." In this type of clause the pipeline buyer agrees to pay its suppliers within a certain field, area, or Texas Railroad Commission district the highest price paid by any other buyer to producers in the same field, area, or district, or the average of the 2 or 3 highest prices being paid in such field, area, or district.

Another type of escalation clause which is almost universally included in gas-purchase contracts is the renegotiation, redetermination, or better market clause. These clauses generally provide that at stated intervals—2, 3, 4, or 5 years—there shall be a renegotiation or redetermination of the contract price based upon the current prices then being paid in the field. If the buyer and seller cannot agree, then the price is fixed by arbitration. However, the arbitrators are bound to take the average of the 2 or 3 highest prices being paid by pipeline companies in the field, area, or Railroad Commission district as the basis of the renegotiated price.

RENEGOTIATION CLAUSES LIKE THIRD-PARTY MOST-FAVORED-NATION CLAUSES

In practice, the renegotiated contracts tend to be worse than they seem on their face. Very frequently a pipeline company, in order to get additional gas, will go to a producer with whom it already has a contract and ask him for additional gas. The producer is then likely to say to the pipeline company: "Yes, we will give you a new contract, provided you renegotiate our original contract."

The pipeline may then say, "Well, the period for renegotiation has not come up yet. It will be 2 or 3 years before that time arrives."

The producer can then say, "Well, that may be, but you want to get some additional gas, and unless you renegotiate the price provided in the original contract we will not give you the additional gas."

If the pipeline needs the additional gas, as commonly it does, the original contract is renegotiated.

Therefore, in practice, the renegotiation clauses, which seem fair, can be used as levers to force up the price of gas previously contracted for to the level of the new gas, if the new gas is to be obtained.

This point is very important, and I do not believe it has been adequately covered in the literature on the subject or in the analysis of the problem.

The price cannot be negotiated downward; it can only be negotiated upward. Lest there be some question about this assertion, let me quote from a recent FPC hearing. In docket No. G 4331, part 1, pages 121–122, between Union Oil Company of California and the Louisiana Land & Exploration Co. and others, the following colloquy took place between Mr. John P. Bracken, of the Philadelphia United Gas Improvement Co. and Mr. Jack F. Gale, senior gas contract representative in the gas supply department of Transcontinental Gas Pipe Line Corp.:

Mr. BRACKEN. As I recall in the gas business down in this particular area (North Elkton field, Louisiana) any renegotiation is an upward renegotiation. There is no such thing as a downward renegotiation.

Mr. GALE. As a general rule.

I think it is quite clear, Mr. President, that there is general agreement that these renegotiation clauses in gas contracts can mean only that negotiation proceeds upward. It is something that is not denied, but quite readily admitted by anyone with knowledge of the subject.

We have discussed the so-called step escalation clauses, which provide for automatic increases at stated intervals. We on our side have no objection to those clauses provided they are for small amounts. But they are used to cover up the most-favored-nation clauses and the renegotiation clauses.

Another type of escalation clause, although not too common, is an escalation based upon rate increases granted by the Federal Power Commission to the pipeline company. These are sometimes called "spiral clauses." If the Federal Power Commission grants a rate increase to the pipeline company based on an increase in its cost for purchased gas, labor, and materials, the producer gets the same percentage increase on his sales to the pipeline company. This, of course, further boosts the pipeline company rate increase.

ESCALATION CLAUSES MEAN CONSTANT INCREASES IN FIELD PRICES

The existence of these various types of escalator clauses in gas purchase contracts has provided several avenues by which producers can secure, in the absence of regulation, increase after increase in their profits at the expense of the consumer. To express the fast action of these clauses and their effect upon the field prices paid by pipeline companies, there has come into use in industry and regulatory circles the word "trigger," which means that when a higher contract price becomes effective in a field, area, or railroad commission district, a chain reaction is set off as the escalation clauses in existing contracts begin to operate.

The spiraling of gas prices in the field through the operation of these escalation clauses is clearly revealed in the rate increase proceedings of producers which are now going on before the Federal Power Commission. In one pending case involving Sun Oil Co., Sohio Petroleum Co., Maracaibo Oil Exploration Corp., and E. J. Hudson, the higher rate applied for increases the cost of gas to Transcontinental Gas Pipeline Corp. from 9.79715 cents to 17 cents per thousand cubic feet, an increase of 74 percent. The "triggering" of the "favored nation" clause in the Sun and Sohio contracts occurred, according to the Commission in its opinion dated October 24, 1955, because of the purchase of gas by Transcontinental from the Hassie Hunt Trust at a price of 16 cents per thousand cubic feet, plus 1 cent per thousand cubic feet for the Louisiana severance tax. In most areas in the Southwest a new purchase of gas by a pipeline company at a higher price than is currently being paid sets off a new wave of price increases as the various contracts are "triggered."

The "favored nation" clauses and also the other clauses—particularly the "renegotiation" clauses—are intended to keep the contract price of gas in step with the prices negotiated in the most recent contracts. General Thompson, of the Texas Railroad Commission, testified before the House Interstate and Foreign Commerce Committee that all of these clauses are designed to increase the price. General Thompson is a very frank man; he states his mind, and does not try to conceal his thoughts. So far as I have been able to ascertain, none of the clauses have any provision for a reduction in price even if some other producer sells his gas for less than the existing market price.

The question has been asked why are these pipeline companies willing to sign these gas purchase contracts which contain the "favored nation" clauses and the other clauses which in a large measure are responsible for the drastic increases in the field cost of gas. I think the answer is quite clear. They could not do otherwise if they are to obtain a supply of gas. The producers hold the whip hand in the bargaining. They play the fiddle and the pipeline companies are forced to dance the tune. This is demonstrated by evidence before the Federal Power Commission involving Arkansas Louisiana Gas Co., where its vice president and director, J. C. Hamilton, testified in Docket No. G–2307 on May 11, 1954, with respect to the various contracts his company had entered into with producers, which contained "favored nation" clauses:

Mr. BRUNNER. Mr. Hamilton, from the very beginning of this hearing, from time to time, various contracts have been referred to that contained so-called favored-nation clauses. Those are both in the initial contract submitted in the course of this proceeding and also the new contracts that recently came in. * * *

I wonder if you will, in your own words, state for the record the reason for accepting conditions of the type and character, or provisions contained in the various contracts with reference to favored-nation clauses, and what impact those clauses, both under initial supply submitted and on the new supply submitted, might have upon the cost of gas as considered and submitted in this proceeding?

The answer by Mr. Hamilton was:

Answer. Generally speaking, Mr. Brunner, the reason those favored-nation clauses were included in the contract was because we could not get the gas without them. In other words, they have come to be within the last 6 or 7 years, a requirement of every producer when he is selling gas.

In other words, in addition to the sliding scale of prices that is in most of those contracts, the producer requires you to undertake in the contracts that if you pay prices higher than contained in the contract at some future time, then you will pay him the higher prices in lieu of the prices carried in the contracts.

Now, of course, that has been brought about by competition for the gas supplies in the particular area that we operate in, and in other areas, too, for that matter.

Question. In essence are you saying with regard to these favored-nation clauses that you had to accept them if you desired to purchase gas in such fields?

Answer. Yes. That is true. In other words, we were in competition with other pipeline companies for the purchase of these gas supplies and we had to pay the going price for it.

Further evidence of this same nature is shown by recent testimony before the Federal Power Commission in docket Nos. G–2569 and G–2570 by Mr. C. C. Ingram, vice president of Oklahoma Natural Gas Co., who is in charge of purchasing gas for that company. Mr. Ingram was questioned on December 15, 1954, as to why it was necessary for Oklahoma Natural Gas Co. to accept the inclusion of "favored nation" clauses in its gas purchase contracts. Mr. Ingram testified:

Question. You mentioned a few minutes ago the favored-nation clauses and the insistence by producers on their inclusion in gas purchase contracts. Speaking only now as to Oklahoma Natural, why was it necessary for Oklahoma to accept the inclusion of such clauses in their gas purchase contracts?

Answer. I would say that you have to have those in there for the same reason we had to pay 10 cents.

Question. Well, didn't Oklahoma Natural recognize that by the inclusion of such clauses a very dangerous situation was being created as to potential increases in their cost of purchased gas?

Now, Mr. President, listen to the reply. Mind you, this testimony comes from a pipeline company in the Oklahoma area surrounded by the big producers. It required a great deal of courage for this pipeline company to testify as I am about to show it did. The reply was:

Well, you have to weigh that danger against the danger of not having any gas supply, and you come to the conclusion that you have to accept that rather than to not have gas at all.

Both of these companies are large natural gas companies, each with assets of over $100 million. Both of the companies own some gas reserves. Both conduct their production, transmission, and distribution operations in the gas producing States. Yet they found that producers control the price of gas. If they needed more gas it was necessary to sign contracts containing "favored nation" and other escalation clauses. The same thing applies when they provide for renegotiation of existing contracts.

In addition to the effect upon prices of natural gas in the field, these clauses also drastically limit the area of competition among producers. It is known that one pipeline company, Tennessee Gas Transmission Co., refused to sell additional volumes to certain of its customers because if they were to purchase such gas from producers and pay the current prices then being demanded such action would "trigger" the "favored nation" clauses in their existing gas purchase contracts. This action would bring about a multimillion dollar increase in their cost of gas. This would have led to the filing of their fifth application to the Federal Power Commission for a rate increase. Instead, they prevailed upon certain of their customers to purchase the gas in the field directly from the producers, with Tennessee transporting it to their markets. In this way Tennessee was able to defer an increase in its overall cost of gas supply. This worked, but not for long. Tennessee's contracts were finally "triggered" and on November 1, 1955, its cost of gas increased approximately $8 million a year. It promptly filed a rate increase application with the Federal Power Commission.

Favored nation and renegotiation clauses create a situation in which free competition and the alleged arms-length bargaining between producers and pipelines does not and cannot exist. Such clauses operate effectively to restrict the pipeline companies from making advantageous purchases for additional reserves within the field, area, or railroad commission district.

If the pipeline company agrees to pay the current market price demanded by the producers, which is always higher than the existing contract prices, this immediately sets off another round of increases and adds further to their total cost of purchased gas.

Once a pipeline company agrees to the higher price with one producer, there can be no real negotiation as to any lesser initial price with other producers since they insist on the inclusion in these new gas purchase contracts of the second or third party favored nation clauses. From evidence in proceedings before the Federal Power Commission, it is known that certain pipeline companies have avoided the purchase of additional volumes of gas in certain Texas Railroad Commission districts because of favored nation clauses in their existing contracts. Instead, they have turned to southwestern Louisiana and for particular blocks of gas have paid much higher prices than they were currently paying in Texas. They knew that if they paid a higher price for additional gas from Texas sources their overall cost of gas would increase tremendously through the operation of favored nation and renegotiation clauses. Transcontinental Gas Pipeline Corp., which paid approximately 10.5 cents per thousand cubic feet for gas in 1954, is now contracting for gas at 16 cents, plus 1 cent for the Louisiana severance tax. Other pipelines are in similar predicaments. Because they do not wish to incur the tremendous increase in their overall cost of gas by triggering favored nation clauses in contracts, they are compelled to go to other areas and purchase gas at much higher prices. The big producers who own the reserves in these other areas know the bind in which the pipelines find themselves and are taking advantage of it.

The existence of these clauses in gas purchase contracts is proof positive of the fact that there is no real and effective competition in the purchase of gas in the field such as is normally found in a free and open market. Regulation is the only sensible answer.

Mr. President, this is Benjamin Franklin Week, so I think it is appropriate for me to read a quotation from Poor Richard's Almanac in which Franklin summed up the situation pretty well. He wrote in that almanac:

Necessity never made a good bargain.

WIDESPREAD ESCALATION CLAUSES IN CONTRACTS SUBMITTED TO THE FEDERAL POWER COMMISSION IN 1953

Mr. President, it has been objected that our discussion has been purely theoretical, that we have discussed what might happen, but have not shown what does happen.

Now, Mr. President, I wish to submit quantitative proof of the widespread use of renegotiation clauses, step escalation, most-favored-nation clauses, and other forms of escalation clauses in the contracts made between nonaffiliated gas producers and interstate pipelines. These clauses, in every case have the effect of raising the price of natural gas during the life of a contract and, in the case of most-favored-nation clauses, of triggering general price increases throughout entire areas.

I shall submit various sets of data. The data which I shall submit first are for the year 1953. I shall subsequently submit for the RECORD similar data for the period January 1, 1954, through June 30, 1955. These contracts represent contracts submitted by natural-gas pipeline companies to the FPC as evidence that the pipeline companies had supplies of gas adequate to gain certificates of convenience and necessity for the purpose of expanding their business. In addition, I have examined 491 contracts, which are all the contracts under which 3 pipeline companies buy almost the entire amount of their gas. All in all, the data I shall submit are the result of examining some 2,100 contracts. This, I think, has been done for the first time in the history of the discussion of this issue.

The data are divided into two major groups. First, there is a list of all the contracts submitted by pipeline companies in the year 1953. This list includes data from 247 contracts. I ask unanimous consent that this list of contracts may be printed in the RECORD at this point in my remarks; together with the tabular classifications of most provisions of this contract.

There being no objection, the material was ordered to be printed in the RECORD.

Data on contracts made by interstate pipeline companies for the purchase of gas from nonaffiliated producers based on certificate filings, Jan. 1 to Dec. 31, 1953

Name of company (1)	Date of contract (2)	Producing areas (3)	Term of contract (years) (4)	Contract rate adjusted to 16.7#-¢/M c. f. (5)	Additions to contract rate for taxes (6)	Estimated annual volumes purchased, M c. f. at 16.7# (7)	Favored-nation clauses (8)
American Louisiana Pipe Line Co. (sellers):							
Stanolind Oil & Gas Co	June 1, 1953[1]	Bayou Mallet Field, La	23 from June 1, 1953	1st 5-year period [2] 20.28 2d 5-year period 23.06 3d 5-year period 25.84 Thereafter 28.62	Portion of increases in certain taxes.	Based on recoverable reserves.	Based on area in Louisiana south of lat. 31° N. or portion of Continental Shelf in Gulf of Mexico south of Louisiana.
Do	do	Iowa Field, La	do	do 28.62	do	do	Do.
Do	do	North Elton Field, La	do	do 28.62	do	do	Do.
Do	do	Savoy Field, La	do	do 28.62	do	do	Do.
Do	do	South Elton Field, La	do	do 28.62	do	do	Do.
Do	do	Welsh Field, La	do	do 28.62	do	do	Do.
Do	do	Cameron Field, La	do	do 28.62	do	do	Based on area in Louisiana south of Intracoastal Canal or portion of Continental Shelf in Gulf of Mexico south of Louisiana.
Do	do	Lewisburg Field, La	do	1st 5-year period [2] 22.23 2d 5-year period 25.01 3d 5-year period 27.79 Thereafter 30.57	do	do	Based on area in Louisiana south of lat. 31° N. or portion of Continental Shelf in Gulf of Mexico south of Louisiana.
Do	do	South Jennings, La	do	do	do	do	Do.
British-American Oil Producing Co.	Nov. 6, 1953	Cameron Field, La	do	1st 5-year period [2] 20.28 2d 5-year period 23.06 3d 5-year period 25.84 Thereafter 28.62	do	do	Based on area in Louisiana south o. Intracoastal Canal or portion of Continental Shelf in Gulf of Mexico south o Louisiana.
Kerr-McGee Oil Industries, Inc.	do	do	do	do	do	do	Do.
Gulf Refining Co	Oct. 26, 1953	Krotz, Springs Field, La	Life of field	1st 5-year period [2] 22.23 2d 5-year period 25.01 3d 5-year period 27.79 Thereafter 30.57	do	do	Based on area in Louisiana south of lat. 31° N. or portion of Continental Shelf in Gulf of Mexico south of Louisiana.
Humble Oil & Refining Co	Oct. 29, 1953	do	20	do [2] 30.57	do	do	Do.
The Superior Oil Co	July 17, 1953[3]	Deep Lake; Constance Bayou; and blocks 71, 76, and 149 fields, Cameron Parish and offshore, Louisiana.	Until committed reserves have been delivered or life of fields.	do [2] 30.57	do	do	Do.
Arkansas Louisiana Gas Co. (sellers):							
Hassie Hunt Trust	Jan. 6, 1952	Sligo Field, La	To June 1, 1980	1-6-52 to 6-1-55 7.78 Next 5 years 8.78 do 9.78 do 10.78 do 11.78 Thereafter 12.78	All gathering tax	324,850/well	Based on Sligo Field.
D. B. McConnell	do	do	do	do 12.78	do	do	Do.
Atlantic Refining Co	Aug. 6, 1953	Dorchest-Macedonia, Ark.	Aug. 26, 1957, year-to-year thereafter.	To 1-1-54 5.88 Next 2 years 8.32 Thereafter 8.76	Portion of increases in certain taxes.	10,220,000 maximum	Based on Dorchest Macedonia Field.
Carter Oil Co	Apr. 25, 1952	Ada Field, La	Jan. 1, 1958, year-to-year thereafter.	To 1-1-52 8.25 Thereafter 10.89	do	7,193,000	
Skelly Oil Co	May 7, 1951	Athens Field, La	To Dec. 21, 1972	To 12-21-52 9.00 Next 2 years 11.77 do 12.25 do 12.75 do 13.25 Next 3 years 13.75 do 14.25 do 14.75	do	Ratably	Based on 50-mile radius.
J. R. Burnham et al	Jan. 3, 1952	Caddo-Pine Island, Mooringsport, La.	To Jan. 3, 1967	5.00	do	164,250/well	

[1] Amendment June 1, 1953: For buyer's take in excess of daily average to protect against drainage—take under remaining Stanolind contracts may be reduced.
Amendment June 19, 1953: Letter agreement re cancellation by Stanolind of contracts for prior commitments.
Amendment Nov. 1, 1953: Determination of average daily quantity.

[2] Minimum rate 2d, 3d, and 4th periods.

[3] Sept. 21, 1953, letter agreement re amount of recoverable reserves.

Data on contracts made by interstate pipeline companies for the purchase of gas from nonaffiliated producers based on certificate filings, Jan. 1 to Dec. 31, 1953—Continued

Name of company (1)	Date of contract (2)	Producing areas (3)	Term of contract (years) (4)	Contract rate adjusted to 16.7#-¢/M c. f. (5)		Additions to contract rate for taxes (6)	Estimated annual volumes purchased, M c. f. at 16.7# (7)	Favored-nation clauses (8)
Arkansas Louisiana Gas Co.—Con. Phillips Petroleum Co	July 18, 1952	Dawnsville Field, La	20 years	1st 5 years	7.50	Portion of increases in certain taxes.	328,000/well	
				2d 5 years	8.50			
				3d 5 years	9.50			
				Thereafter	10.50			
				If reserves are determined to be 26,991,000 M c. f. prices will be: First 2 years, 11.0 cents/M c. f. increasing 5 cents/M c. f. each 2 years until 12.5 cents/M c. f., then 5 cents/M c. f. each 3 years until 14.5 cents/M c. f. A reduction of .834 cents/M c. f. in each step is provided for discrepancies.				
Plymouth Oil Co	Apr. 9, 1952	Greenwood Field, La	To June 10, 1972; year-to-year thereafter.	To 7-26-52	7.98	do	Ratably	Yes.
				Next 5 years	9.69			
				do	10.83			
				do	12.25			
				Thereafter	13.39			
				If proved reserves equal 26,991,000 M c. f. the prices will be—				
				To 7-26-52	7.98			
				Next 5 years	10.26			
				do	10.83			
				do	12.25			
				Thereafter	13.39			
Hunt Oil Co	Dec. 18, 1952	Haynesville Field, La	Jan. 14, 1953, to Oct. 1, 1970.	To 10-1-54	11.5	do	164,195/well	Based on 50-mile radius.
				Next 2 years	12.0			
				do	12.5			
				Next 3 years	13.0			
				do	13.5			
				do	14.0			
				Thereafter	14.5			
Monarch Petroleum Co	Feb. 12, 1953	Rodessa Field, La	15 years	6.67 cents/M c. f. for gas delivered into buyer's line A; 5.84 cents /M c. f. for gas delivered into buyer's line C14-669.		do	do	
Union Producing Co	Mar. 26, 1953	Santell Field, La	3 years; year-to-year thereafter.	9.45 cents/M c. f.		do	328,000/well	
Bart Fields	do	do	do	do		do	do	
Rock Hill Oil Co	Sept. 16, 1952	East Carthage, Tex	Jan. 14, 1953 to July 26, 1972.	To 7-26-52	7.98	do	Ratably	Based on Carthage Field.
				Next 5 years	9.69			
				do	10.83			
				do	12.25			
				Thereafter	13.39			
D. Thomas & E. J. Hudson	Sept. 11, 1952	do	do	To 7-26-52	7.98	Portion of increases in certain taxes.	do	Do.
				Next 5 years	9.69			
				do	10.83			
				do	12.25			
				Thereafter	13.39			
S. H. Killingsworth	Aug. 11, 1953	Odessa Field, Tex	To June 26, 1958—thereafter as long as production can be delivered in accordance with agreement.		3.99	do	160,096/well	
The Hunter Co	Aug. 8, 1952	do	To Sept. 26, 1972	1st 5 years	7.50	do	320,192/well, from units of 90 acres or more; 160,096/well, from units less than 90 acres.	
				Next 5 years	8.50			
				do	9.50			
				Thereafter	10.50			
Ohio Oil Co	Nov. 20, 1952	do	To Nov. 28, 1972	do	10.50	do	do	
Mid Continent Petroleum Co.	Dec. 9, 1952	do	Jan. 6, 1958—year-to-year thereafter.		7.50	do	162,096/well	

Heep Oil Corp	May 29, 1953	Wallace Johnson Field, Tex.	To July 18, 1973	7.50 cents per M c. f. without Hill zone with Hill zone prices will be from month after Hill zone— Test 10.26; Next 3 years 10.83; do 11.40; do 11.97; do 12.54; do 13.11; Thereafter 13.68	Portion of increases in certain taxes.	320,193/well	Any higher prices in the field.
Renwar Oil Corp	do	do	do	do 13.68	do	do	Do.
Mid State Oil Corp	Nov. 12, 1952	Waskom Field, Tex	To July 26, 1972	Until 1-10-53 10.72; Next 2 years 11.22; do 11.72; do 12.22; Next 3 years 12.72; do 13.22; do 13.72; Remainder of term 14.22	do	Ratably	Based on Waskom Field.
Bert Fields et al	do	do	do	do 14.22	do	do	Do.
Hobart Key et al	Jan. 19, 1953	do	Dec. 10, 1952 to July 26, 1972, year-to-year thereafter.	do 14.22	do	do	Do.
Gross & Hedge et al	do	do	do	do 14.22	do	do	Do.
Southern Production Co	May 28, 1953	do	I. D. to July 26, 1972, year-to-year thereafter.	do 14.22	do	do	Do.
Ashland Oil & Refining Co. and Humble Oil & Refining Co.	do	do	do	do 14.22	do	do	Do.
Warren Petroleum Corp	July 2, 1953	Willow Springs Field, Tex.	20 years, year-to-year thereafter.	do 14.22	do	Based on North Lansing Field purchases.	Based on 25-mile radius.
Falsenthal et al	do	do	do	do 14.22	do	do	Do.
C. H. Lyons et al	Aug. 12, 1953	Beckville area, Texas	20 years, for life of production thereafter.	Until 1-10-57 11.40; Next 5 years 12.51; Next 6 years 13.62; Thereafter 14.73	do	328,391/well	Based on Carthage Field.
Tom Potter et al	Aug. 14, 1953	Hallsville area, Texas	20 years, year-to year thereafter.	Until 1-10-55 [4] 9.00; Next 2 years 9.26; do 9.75; Next 3 years 10.16; do 10.60; do 11.03; Remainder of term 11.47	do	365,000/well	Based on district No. 6.
Sam Sklar et al	do	do	do	do 11.47	do	do	Do.
Smith & Cameron	do	Smithland Field, Tex.	Life of well	4.00		182,500/well	
Placid Oil Co	do	Hallsville area, Texas	To Jan 10, 1971	1st 2 years 10.20; do 10.64; Next 2 years 11.08; do 11.52; Next 3 years 11.95; do 12.38; do 12.83; Remainder of term 13.27		Based upon estimated remaining reserves.	Based on 25-mile radius.
Phillips Petroleum Co	do	Smithland Field, Tex.	Life of well	4.00		182,500/well	
Cities Service Gas Co. (seller): Oklahoma Natural Gas Co. (assignment). [5]	July 14, 1953	Garvin County, Okla.	To Dec. 26, 1972	12-26-52 to 12-25-57 11.21; 12-26-57 to 12-25-62 12.33; 12-26-62 to 12-25-67 13.45; 12-26-67 to expiration 14.57	½ of any additional taxes levied after Dec. 26, 1952.	13,482,005 maximum	Beginning with 3d 5-year period, average of the 3 highest prices paid at residue plants located in Garvin, McClain, Stephens, Cleveland, Grady, Caddo, and Canadian Counties, Okla., but not less than prices shown in column 5.
Colorado Interstate Gas Co. (sellers):							
Mid Continent Petroleum Corp.	Jan. 3, 1951	Hugoton Field, Kans	To Apr. 1, 1955; thereafter by agreement.	9.16	Portion of increases in certain taxes.	Ratably	
Lario Oil & Gas Co	May 29, 1951	do	To Feb. 14, 1967; thereafter until terminated by either party.	1st 5 years 9.16; Next 10 years 10.18; Thereafter by negotiation.	do	do	
Skelly Oil Co	Oct. 23, 1951	do	To Feb. 14, 1967; thereafter until terminated by either party.	1st 10 years 10.18; Thereafter by negotiation, each 5 years.	do	do	

[4] No pressure base shown in contract.

[5] Original Cities Service Oil Co.'s contract with Oklahoma Natural Gas Co. dated July 21, 1948, and Dec. 26, 1952.

Data on contracts made by interstate pipeline companies for the purchase of gas from nonaffiliated producers based on certificate filings, Jan. 1 to Dec. 31, 1953—Continued

Name of company (1)	Date of contract (2)	Producing areas (3)	Term of contract (years) (4)	Contract rate adjusted to 16.7¢/M c. f. (5)		Additions to contract rate for taxes (6)	Estimated annual volumes purchased, M c. f. at 16.7¢ (7)	Favored-nation clauses (8)
Colorado Interstate Gas Co. (sellers)—Continued								
W. L. Hartman et al	Aug. 14, 1952	Hugoton Field, Kans	20 years; thereafter life of leases.	1st 5 years	10.18	Portion of increases in certain taxes.	Ratably	
				2d 5 years	11.20			
				3d 5 years	12.23			
				Thereafter by negotiation, each 5 years.				
United Producing Co., Inc.	July 1, 1952	do	Life of leases	1st 5 years	13.24	do	do	
				2d 5 years	14.26			
				3d 5 years	15.28			
				4th 5 years	16.30			
				Thereafter by negotiation, each 5 years.				
Ross Beach, Jr	Nov. 18, 1952	do	To Feb. 14, 1967; thereafter until terminated by either party.	To 2-14-67	10.18	do	do	
				Thereafter the standard field price.				
A. E. Herman Corp. et al	Nov. 19, 1952	W Panhandle Field, Tex.	20 years; thereafter for life of lease.		9.12	do	Maximum allowable/well.	Based on Moore Co. Tex.
H. F. Sears	Dec. 16, 1952	do	do	1st 5 years	10.60	do	do	
				Thereafter by negotiation for each 5-year period but never less than	10.83			
Phillips Petroleum Co	Jan. 27, 1953	do	To Jan. 1, 1960	Prior to 1-1-57	17.10	do	12,679,735 minimum	
				1-1-57 to 1-1-60	18.24		14,408,375 maximum	
Combined Carbon Co	Jan. 30, 1953	do	Life of leases	1st 5 years	17.10	do	11,206,595 minimum	
				2d 5 years	18.24		12,329,420 maximum	
				Thereafter by negotiation; should a minimum field price be established then price is increased 1.14 cents per M c. f. above minimum.				
W. B. Osborn	Sept. 14, 1951 [6]	Hugoton Field, Tex	To Feb. 14, 1967; thereafter until terminated by either party.	From 6-30-51	10.18	do	143,376/well	Based on Hugoton Field.
Gulf Oil Corp	Sept. 7, 1951 [7]	do	do	do	10.18	do	do	Do.
Terminal Facilities, Inc	Oct. 20, 1953 [8]	Morton Co. Field, Tex	Life of lease	1st 5 years	15.27	do	10 percent allowable/well.	
El Paso Natural Gas Co. (seller): Pecos Petroleum Co.	Apr. 3, 1953 [9]	Turnstill Field, Tex	20 years and from year to year thereafter.	Through 9-30-54	5.60	do	3,240,000	Based on radius of 150 miles of Andrews, Tex.
				Next 5 years	6.62			
				do	7.64			
				Thereafter	8.66			
Equitable Gas Co. (sellers): Humble Oil & Refining Co.	Sept. 18, 1953	Flour Bluffs and East Flour Bluffs, Nueces County, Tex.	To Dec. 1, 1974	12-1-54 to 12-1-58	15.96	do	8,004,815 maximum; 1,600,893 minimum.	Based on district No. 4.
				12-1-58 to 12-1-62	17.10			
				12-1-62 to 12-1-66	18.24			
				12-1-66 to 12-1-70	19.38			
				12-1-70 to 12-1-74	20.52			
Sunray Oil Corp	do	do	do	do	20.52	do	do	Do.
Flour Bluffs Oil Corp	do	do	do	do	20.52	do	do	Do.
Gas Transport, Inc. (sellers): C. O. Wigal et al	May 23, 1953	Wood & Jackson Co., W. Va.	To Dec. 31, 1954	Up to 1,294 M c. f. per day	20.88	None	943,890 when and if available.	None.
				Over 1,294 M c. f. per day	23.19			
United Carbon Co	Oct. 19, 1950	Wood Co., W. Va	Life of production		23.19	do	4,720,910 maximum	Do.
D. B. Amick	Aug. 15, 1950	Cottageville area, Jackson Co., W. Va.	To Mar. 31, 1955	If more than 1 well is drilled per tract	20.88	do	All available	Do.
E. M. Reynolds	July 15, 1950	do	do	do	19.72	do	do	Do.
Black & Greenlee (Duncan Gas Co.).	Sept. 1, 1950	Wood Co., W. Va	To Dec. 31, 1951		20.88	do	1,573,515 maximum	Do.
Iroquois Gas Corp. (seller): Shell Oil Co. et al.	Dec. 1, 1952	Sheridan, Tex	To Nov. 1, 1974	11-1-54 to 11-1-57	18.81	Portion of increases in certain taxes.	16,009,630 minimum; 17,610,593 maximum.	Based on district No. 3.
				11-1-57 to 11-1-61	19.95			
				11-1-61 to 11-1-65	21.09			
				11-1-65 to 11-1-69	22.23			
				11-1-69 to 11-1-74	23.37			

Kansas-Nebraska Natural Gas Co., Inc. (sellers):								
Ohio Oil Co.	Nov. 1, 1953	Cheyenne County, Nebr.		1st 3 years Increasing 0.556 each succeeding 2-year period until expiration of contract.	16.12	Portion of increases in certain taxes.	900 M c. f. per day for each 8,997,000 M c. f. of recoverable reserves.	
Gulf Oil Co.	Sept. 5, 1952 [10]	Unruh Field, Kans.	Life of field		7.13		Ratably	
Honaker Drilling Co.	Aug. 1, 1952	do	5 years from July 1, 1952; year to year thereafter.		6.11		do	
Nadel & Gussman	Nov. 19, 1952	do	5 years—year to year thereafter.		6.11	Portion of increases in certain taxes.	do	
E. H. Adair et al.	Nov. 17, 1952	do	do		7.13	do	do	Yes.
Ben. F. Brack Oil Co., Inc.	May 11, 1953	do	Life of lease		5.09	do	do	
Nadel & Gussman	May 14, 1953	do	5 years; year to year thereafter.		5.09	do	do	
Carter Oil Co.	Jan. 30, 1953 [11]	Big Springs Field, Nebr.	20 years	1st 5 years 2d 5 years 3d 5 years 4th 5 years Thereafter to be negotiated each 5 years but not less than 13.75.	10.69 11.71 12.73 13.75			Do.
F. Kirk Johnson et al.	Oct. 3, 1952	Frenchman Creek Field, Colo.	20 years, life of field	1st 5 years Thereafter by negotiation each 5 years but not less than 14.26.	14.26	Portion of increases in certain taxes.	573,506/well	Do.
Harry Royster	Mar. 13, 1953	do	do	do	14.26	do	Ratably	
Deep Rock Oil Corp.	Feb. 5, 1953	Fleming Field, Colo.	do	do	14.26	do	do	
H. C. Arnold et al.	do	do	do	do	14.26	do	do	
F. K. Johnson et al.	May 22, 1953	Giacomini Field, Colo.	do	do	14.26	do	1/30 of recoverable reserves.	Based on surrounding area.
British American Oil Producing Co.	June 10, 1953	Logan County, Colo.	Until depleted	All royalties and overriding royalties, casinghead gas.		All taxes	Pro rata share of buyer's lateral line capacity.	
Do.	do	do	20 years	1st 5 years 2d 5 years 3d 5 years 4th 5 years	14.26 15.27 16.29 17.31	Portion of increases in certain taxes.	982 M c. f. per day for each 9,820,300 M c. f. of recoverable reserves.	50-mile radius, based on surrounding area.
Shell Oil Co.	do	do	do	do	17.31	do	Up to 3,928 M c. f. per day, casinghead gas and 982 M c. f. per day for each 9,820,300 M c. f. of recoverable reserves, natural gas.	
Skelly Oil Co.	do	do	do	do	17.31	do	Up to 1,964 M c. f. per day, casinghead gas and 982 M c. f. per day for each 9,820,300 M c. f. of recoverable reserves, natural gas.	
McDermott & Barnhart	do	Yenter Field, Colo.	do	1st 5 years 2d 5 years 3d 5 years 4th 5 years Natural gas, all royalties and overriding royalties; casinghead gas.	14.26 15.27 16.29 17.31	Portion of increases in certain taxes natural gas; all taxes, casinghead gas.	982 M c. f./day for each 9,820,300 M c. f. of recoverable reserves, natural gas, pro rata share of buyer's lateral line capacity of casinghead gas.	Based on 50-mile radius.
W. R. Tully et al.	May 14, 1953	Weld County, Colo.	do	1st 5 years Negotiated each 5 years thereafter.	14.26	Portion of increases in certain taxes.	Ratably	
Cooperative Refinery Association.	Sept. 29, 1952	Hugoton Field, Kans.	5 years; thereafter for 5-year periods for the life of lease	1st 5 years Thereafter by negotiation.	11.20	do	do	
City of Lakin, Kans.	Nov. 3, 1952	do	Life of lease		11.20	do	do	
The Texas Co.	Sept. 19, 1952	do	20 years	Up to 11-1-57 11-1-57 to 11-1-62 11-1-62 to 11-1-65 Subsequent 5-year periods, the weighted average price paid by the other major operation in the field.	9.16 9.67 10.18	do	do	After Nov. 1, 1957.

[6] Letter amending contract dated Aug. 26, 1947: Tax payments.
[7] Letter amending contract dated Apr. 20, 1949: Tax payments.
[8] Amendment to original contract dated Mar. 2, 1953.
[9] Amendment to contract dated Apr. 9, 1951.
[10] Amendment to contract dated October 1, 1946, adjusting price.
[11] Amendment to contract dated November 1, 1952, adding acreage.

Data on contracts made by interstate pipeline companies for the purchase of gas from nonaffiliated producers based on certificate filings, Jan. 1 to Dec. 31, 1953—Continued

Name of company (1)	Date of contract (2)	Producing areas (3)	Term of contract (years) (4)	Contract rate adjusted to 16.7# ¢/M c. f. (5)	Additions to contract rate for taxes (6)	Estimated annual volumes purchased, M c. f. at 16.7# (7)	Favored-nation clauses (8)
Kansas-Nebraska Natural Gas Co., Inc. (sellers)—Continued							
American Gas Production Co.	May 18, 1953	Hugoton, Kans.	20 years; thereafter so long as merchantable gas is available.	Up to 2-1-58 11.40 Thereafter by negotiation each 5-year period.	Portion of increases in certain taxes.	Ratably	
Gulf Oil Co.	Sept. 17, 1952	do	Life of leases	1st 3 years 11.20 4th year 11.40 Next 6 years the price is increased 228 cents/M c. f. a year; thereafter the price will be negotiated each 5 years.		do	
Louisiana Natural Gas Corp. (sellers):							
Magnolia Petroleum Co.	Aug. 17, 1953	Chalkley Field, Cameron Parish, La.	To Nov. 1, 1954; thence month-to-month.	7.78	All gathering tax	3,283,900 maximum	
Sun Oil Co.	June 1, 1953	East Moss Lake Field, Calcasieu Parish, La.	To Feb. 1, 1973	I. D. to 2-1-57 10.00 Next 5 years 11.00 do 12.00 Remaining term 13.00	Portion of increases in certain taxes.	229,950 minimum; 459,900 maximum.	Lake Charles district.
Union Oil Company of California.	Mar. 18, 1953	do	do	13.00	do	361,350 minimum; 722,700 maximum.	Do.
R. Thomas McDermott	Apr. 2, 1953	Maxie Field, Acadia Parish, La.	20 years	13.00	do	853,735 minimum; 1,313,635 maximum.	Based on 50-mile radius.
Stanolind Oil & Gas Co.	Aug. 1, 1953 [12]	Iowa Field, Calcasieu Parish, La.	To June 1, 1956	7.78	do	1,313,635 minimum; 1,970,270 maximum.	
Union Sulphur & Oil Corp.	Mar. 13, 1953 [13]	Lake Arthur Field, La.					
Natural Gas & Oil Corp.	Jan. 1, 1952 [14]	Iowa Field, Calcasieu Parish, La.	To Jan. 1, 1972	I. D. to 1-1-52 8.5 Next 5 years 10.0 Renegotiate thereafter.	do	853,735 minimum	Yes, after Jan. 1, 1962.
C. Hankamer et al.	Jan. 18, 1952	East Moss Lake Field, Calcasieu Parish, La.	20 years	1st 5 years 10.0 Increasing 1.0 cent per M c. f. each 5 years thereafter.		394,200 minimum; 788,400 maximum.	Lake Charles district.
Louisiana Natural Gas Corp.	Feb. 18, 1952	Edgerly Field, La.	To Jan. 1, 1972	I. D. to 1-1-57 with 1.0 cent per M c. f. escalation thereafter. 10.00	do	183,960 mimimum; 324,850 maximum.	50-mile radius.
Hudson & William et al.	Dec. 1, 1951	Egan Field, La.	do	I. D. to 1-1-52 8.5 Next 5 years 10.0 do 11.0 do 12.0 do 13.0	do	640,210 minimum; 985,135 maximum.	
Hudson & Irwin, Crown Central Petroleum Corp., Southern Six Drilling Co., Ted McIntyre.	Feb. 18, 1953 [15]	Iota Field, La.	To Jan. 1, 1962	I. D. to 1-1-52 8.5 Next 5 years 10.0 Balance of term 11.0	do	427,050 minimum; 656,635 maximum.	
Bateman Drilling Co.	July 29, 1952	do	To Sept. 1, 1972	1st 5 years 10.0 2d 5 years 11.0 3d 5 years 12.0 4th 5 years 13.0	do	do	Do.
Bel Oil Corp.	Oct. 27, 1952	N. Elton, La.	Year to year	5.56	do	1,642,135 maximum	
Gulf Refining Co.	Jan. 26, 1953	S. Bell City Field, La.	To Apr. 1, 1973	1st 5 years 10.0 2d 5 years 11.0 3d 5 years 12.0 4th 5 years 13.0	do	496,400 minimum; 886,585 maximum.	Yes.
J. P. Owen	May 19, 1953	Maxie Field, La.	To Mar. 1, 1973	do 13.0	do	853,735 minimum; 1,313,635 maximum.	50-mile radius.
New York State Natural Gas Corp. (sellers):							
Baden Oil & Gas Co.	Nov. 24, 1952	Cameron Co., Pa.	When wells decline to 18,353 cubic feet daily delivery.	do 27.24	None	2,511,930 maximum	None.
David B. Zimmer	Nov. 7, 1952	do	do	do 27.24	do	do	Do.
Pamaco Gas Co.	Dec. 11, 1952	do	do	do 27.24	do	do	Do.
Bennetts Valley Development Co.	Jan. 29, 1953	Elk Co., Pa.	do	do 27.24	do	do	Do.
Arthur F. Kelly	Feb. 19, 1953	Cameron Co., Pa.	do	do 27.24	do	do	Do.
Stevenson Development Co.	Mar. 16, 1953	do	do	do 27.24	do	do	Do.
Mid-Atlantic Oil & Gas Co.	Apr. 14, 1953	Elk Co., Pa.	do	do 27.24	do	do	Do.

Niagara Gas Transmission Co., Ltd. (sellers): Marina Gathering Co. (Kerr-McGee and Phillips).	Feb. 6, 1953	Rollover, La.	To Nov. 1, 1974	I. D. to 11-1-58	18.2	Portion of increases in certain taxes.	18,061,295 minimum; 21,345,565 maximum.	Based on average of 3 highest prices paid by anyone.
				11-1-58 to 11-1-62	19.3			
				11-1-62 to 11-1-66	20.5			
				11-1-66 to 11-1-70	21.6			
				11-1-70 to 11-1-74	22.7			
Phillips and Kerr-McGee	do	Hog Bayou, La.	do	do	22.7	do	do	Do.
Phillips	do	West Fulton Beach and Fulton Beach area, Texas.	do	I. D. to 11-1-58	17.10	do	do	Based on average of 3 highest paid in district 4.
				11-1-58 to 11-1-62	18.24			
				11-1-62 to 11-1-66	19.38			
				11-1-66 to 11-1-70	20.52			
				11-1-70 to 11-1-74	21.66			
Northern Natural Gas Co. (sellers): Phillips Petroleum Co. (Dumas).	Jan. 1, 1953	Western Panhandle, Tex.	To Jan. 1, 1960	Prior to 1-1-55	[15] 13.11	None	12,807,850 minimum; 16,011,455 maximum.	None.
				1-1-55 to 1-1-57	[16] 14.82			
				1-1-57 to 1-1-59	[16] 16.53			
				1-1-59 to 1-1-60	[16] 17.10			
				Compression cost will be 1.254 cents per M c. f.				
Phillips Petroleum Co.	do	Eastern Panhandle, Tex.	To Oct. 1, 1955	I. D. to 10-1-54	11.97	Portion of increases in certain taxes.	12,807,850 minimum; 17,611,250 maximum.	Do.
				10-1-54 to 10-1-55	17.10			
Do.	do	Gray Eastern Panhandle, Tex.	To Oct. 1, 1960	10-1-55 to 10-1-58	14.82	do	9,605,705 minimum; 14,408,375 maximum.	Do.
				10-1-58 to 10-1-59	15.39			
				10-1-59 to 10-1-60	15.96			
Tennessee Gas Transmission Co. (sellers): Humble Oil & Refining Co.	Aug. 1, 1952	Gyp Hill, Hagist, Mariposa, Pita, Rachal, Scott and Hopper, Sun & Kelsey.	20 years	I. D. to 2-1-53	7.23	do	16,010,000 maximum. Based upon estimate of recoverable reserves.	Based on district No. 4.
				2-1-53 to 11-1-59	11.40			
				11-1-59 to 11-1-64	11.40			
				11-1-64 to 11-1-69	13.68			
				11-1-69 to expiration	14.82			
Do.	do	Heyser (residue gas only)	do	Date of contract to 2-1-53	7.12	do	Based upon estimate of recoverable reserves.	Based on district No. 2.
				2-1-53 to 1-1-59	11.40			
				1-1-59 to 1-1-64	12.54			
				1-1-64 to 1-1-69	13.68			
				1-1-69 to expiration	14.82			
Plymouth Oil Co.	do	Heyser	do	do	14.82	do	do	Do.
Magnolia Petroleum Co.	Nov. 21, 1952	do	To Mar. 1, 1970	do	14.82	do	do	Do.
Sun Oil Co.	Dec. 1, 1952	Gyp Hill	To Jan. 1, 1974	I. D. to 2-1-53	7.23	do	do	Based on district No. 4.
				2-1-53 to 11-1-59	11.40			
				11-1-59 to 11-1-64	12.54			
				11-1-64 to 11-1-69	13.68			
				11-1-69 to expiration	14.82			
Sun Oil Co.	Nov. 13, 1952	Heyser	To Mar. 1, 1970	8-1-52 to 2-1-53	7.12	do	do	Based on district No. 2.
				2-1-53 to 1-1-59	11.40			
				1-1-59 to 1-1-64	12.54			
				1-1-64 to 1-1-69	13.68			
				1-1-69 to 3-1-70	14.82			
Ralph E. Fair	Nov. 20, 1952	McAllen	To Jan. 1, 1974	I. D. to 2-1-53	7.23	do	do	Based on district No. 4.
				2-1-53 to 11-1-59	11.40			
				11-1-59 to 11-1-64	12.54			
				11-1-64 to 11-1-69	13.68			
				11-1-69 to expiration	14.82			
Magnolia Petroleum Co.	Sept. 29, 1952	North Keeran	To Dec. 31, 1973	I. D. to 2-1-53	7.12	do	do	Based on district No. 2.
				2-1-53 to 1-1-59	11.40			
				1-1-59 to 1-1-64	12.54			
				1-1-64 to 1-1-69	13.68			
				1-1-69 to expiration	14.82			
The Texas Co.	June 12, 1952	Raymondville	To Nov. 1, 1974	I. D. to 9-1-52	5.00	do	do	Based on district No. 4.
				9-1-52 to 11-1-59	11.40			
				11-1-59 to 11-1-64	12.54			
				11-1-64 to 11-1-69	13.68			
				11-1-69 to expiration	14.82			
Jake L. Hamon	Nov. 17, 1952	Jake Hamon	20 yrs. after I. D.	Delivery to 2-1-53	7.23	do	3,201,780 maximum	Do.
				2-1-53 to 11-1-59	11.40			
				11-1-59 to 11-1-64	12.54			
				11-1-64 to 11-1-69	13.68			
				11-1-69 to expiration	14.82			
Heep Oil Corp.	Jan. 7, 1953	Plymouth and W. Caloboose.	do	I. D. to 11-1-59	11.40	do	Based upon estimate of recoverable reserves.	Do.
				11-1-59 to 11-1-64	12.54			
				11-1-64 to 11-1-69	13.68			
				11-1-69 to expiration	14.82			

[12] Amendment to contract dated Oct. 10, 1952, extending term.
[13] Letter agreement to take gas from a field unnamed in original contract of Feb. 1, 1951.
[14] Amendment to contract dated May 15, 1951, increasing volume.
[15] Contract supersedes prior agreements.
[16] Less compression cost.

Data on contracts made by interstate pipeline companies for the purchase of gas from nonaffiliated producers based on certificate filings, Jan. 1 to Dec. 31, 1953—Continued

Name of company (1)	Date of contract (2)	Producing areas (3)	Term of contract (years) (4)	Contract rate adjusted to 16.7# ¢/M c. f. (5)		Additions to contract rate for taxes (6)	Estimated annual volumes purchased, M c. f. at 16.7# (7)	Favored-nation clauses (8)
Tennessee Gas Transmission Co. (sellers)—Continued								
The Chicago Corp	Aug. 15, 1952	McFaddin	To Jan. 1, 1974	8-15-52 to 1-1-54	7.12	Portion of increases in certain taxes.	Based upon estimate of recoverable reserves.	Based on district No. 2.
				1-1-54 to 1-1-59	11.40			
				1-1-59 to 1-1-64	12.54			
				1-1-64 to 1-1-69	13.68			
				1-1-69 to expiration	14.82			
The Chicago Corp	do	Stratham—Aqua Dulce	do	8-15-52 to 11-1-54	6.36	do	37,910,073 minimum	Based on district No. 4.
				11-1-54 to 11-1-59	10.16			
				11-1-59 to 11-1-64	11.20			
				11-1-64 to 11-1-69	12.24			
				11-1-69 to expiration	13.27			
Sun Oil Co	Apr. 18, 1950	Government wells	To Apr. 17, 1970	I. D. to 11-1-54	5.46	do	Based upon estimate of recoverable reserves.	Do.
				11-1-54 to 11-1-59	6.38			
				11-1-59 to 11-1-64	7.29			
				11-1-64 to expiration	8.21			
Drilling & Exploration Co., Inc.	Nov. 25, 1952	West Ace Field, San Jacinto and Polk Counties, Tex.	To Feb. 1, 1973	I. D. to 1-1-59	11.40	do	do	Based on district No. 3.
				1-1-59 to 1-1-64	12.54			
				1-1-64 to 1-1-69	13.68			
				1-1-69 to expiration	14.82			
Heep Oil Corp. et al	May 1, 1953	do	To May 11, 1973	do	14.82	do	do	Do.
Jordan Drilling Co. et al	Dec. 22, 1952	do	To Feb. 1, 1973	do	14.82	do	do	Do.
The Texas Co	Nov. 3, 1953	do	To Dec. 31, 1973	do	14.82	do	do	Do.
Stanolind Oil & Gas Co	Nov. 2, 1953	Alamo Field; Hidalgo County, Tex.	To Jan. 1, 1974	I. D. to 11-1-59	11.40	do	do	Based on district No. 4.
				11-1-59 to 11-1-64	12.54			
				11-1-64 to 11-1-69	13.68			
				11-1-69 to expiration	14.82			
Fidelity Oil & Royalty et al	Mar. 6, 1953	East Alice Field, Jim Wells County, Tex.	To June 4, 1973	do	14.82	do	do	Do.
South Texas Oil & Gas Co	Mar. 26, 1953	Tom Graham (E. Alice area), Jim Wells County, Tex.	20 years after I. D	do	14.82	do	do	Do.
Standard Oil Company of Texas.	July 27, 1953	Alta Mesa, Scott and Harper, Brooks County, Tex	To Jan. 1, 1974	I. D. to 11-1-59	11.40	do	do	Do.
				11-1-59 to 11-1-64	12.54			
				11-1-64 to 11-1-69	13.68			
				11-1-69 to expiration	14.82			
F. M. Boykin, Jr., et al	Apr. 3, 1953	West Calaboose Field, San Patricio City, Tex.	20 years after I. D	I. D. to 11-1-59	11.40	do	do	Do.
				11-1-59 to 11-1-64	12.54			
				11-1-64 to 11-1-69	13.68			
				11-1-69 to expiration	14.82			
Easter Wood Products Co	Feb. 24, 1953	do	do	do	14.82	do	do	Do.
Heep Oil Corp	Nov. 4, 1953	Plymouth and West Calaboose, San Patricio City, Tex.	do	do	14.82	do	do	Do.
Phillips Petroleum Co	Jan. 29, 1953	Calallen Field, Nueces County, Tex.	To Jan. 1, 1972	4-6-53 to 11-1-54	7.23	do	do	Do.
				11-1-54 to 11-1-59	11.40			
				11-1-59 to 11-1-64	12.54			
				11-1-64 to 11-1-69	13.68			
				11-1-69 to expiration	14.82			
Rock Hill Oil Co. et al	May 4, 1953	do	do	I. D. to 11-1-59	11.40	do	do	Do.
				11-1-59 to 11-1-64	12.54			
				11-1-64 to 11-1-69	13.68			
				11-1-69 to expiration	14.82			
				Dehydration charge per M c. f.	.25			
Sherwood & Blohm et al	Feb. 13, 1953	North Chesterville Field, Colorado County, Tex.	20 years after I. D	I. D. to 1-1-59	11.40	do	do	Based on district No. 3.
				1-1-59 to 1-1-64	12.54			
				1-1-64 to 1-1-69	13.68			
				1-1-69 to expiration	14.82			
Floyd L. Karston et al	Aug. 7, 1953	Cleveland Townsite, Liberty County, Tex.	do	do	14.82	do	do	Do.
Austral Oil Exploration Corp. et al.	July 1, 1953	Corpus Christi Bay, Nueces County Tex.	do	do	14.82	do	do	Based on district No. 4.
Sun Oil Co	Nov. 2, 1953	do	To Jan. 1, 1974	do	14.82	do	do	Do.
F. A. Callery et al	June 1, 1953	North Delhi Field, Harris County, Tex.	20 years after I. D	I. D. to 1-1-59	11.40	do	do	Based on district No. 3.
				1-1-59 to 1-1-64	12.54			
				1-1-64 to 1-1-69	13.68			
				1-1-69 to expiration	14.82			
F. Williams Carr et al	June 25, 1953	Duffy Field, Wharton County, Tex.	do	do	14.82	do	do	Do.
Murchison Bros. & Denius et al.	May 4, 1953	Edwards Ranch, Victoria County, Tex.	To Jan. 1, 1974	do	14.82	do	do	Based on district No. 2.

Gilcrease Oil Co.	June 26, 1953	North El Campo Field, Wharton County, Tex.	20 years after I. D.	I. D. to 1-1-59 1-1-59 to 1-1-64 1-1-64 to 1-1-69 1-1-69 to expiration	11.40 12.54 13.68 14.82	Portion of increases in certain taxes.	Based upon estimates of recoverable reserves.	Based on district No. 3.
Progress Petroleum Co. of Texas et al.	Nov. 24, 1952	do	do	I. D. to 2-1-53 2-1-53 to 1-1-59 1-1-59 to 1-1-64 1-1-64 to 1-1-69 1-1-69 to expiration	7.12 11.40 12.54 13.68 14.82	do	do	Do.
Lloyd H. Smith et al.	Sept. 21, 1953	Southwest Hutchens (North El Campo), Wharton County, Tex.	Sept. 21, 1973	I. D. to 1-1-59 1-1-59 to 1-1-64 1-1-64 to 1-1-69 1-1-69 to expiration	11.40 12.54 13.68 14.82	do	do	Do.
Anderson Pritchard Oil Corp.	May 19, 1953	North Ulm-Frelsburg area, Colorado County, Tex.	20 years after I. D.	do	14.82	do	do	Do.
Texas Co.	May 15, 1953	Gyp Hill, Brooks County, Tex.	Jan. 1, 1974	I. D. to 11-1-59 11-1-59 to 11-1-64 11-1-64 to 11-1-69 11-1-69 to expiration	11.40 12.54 13.68 14.82	do	do	Based on district No. 4.
Caroline Hunt Sands et al.	Oct. 6, 1953	Hillje (West El Campo), Wharton County, Tex.	20 years after I. D.	I. D. to 1-1-59 1-1-59 to 1-1-64 1-1-64 to 1-1-69 1-1-69 to expiration	11.40 12.54 13.68 14.82	do	do	Based on district No. 3.
Westbrook Oil Corp.	Sept. 11, 1953	Kuhlmann Field, Tex.	do	do	14.82	do	do	Do.
Anderson & Cooke et al.	Sept. 29, 1953	North Louise Field, Tex.	do	do	14.82	do	do	Do.
Gilcrease Oil Co. et al.	June 24, 1953	(El Toro area), Miller Field, Tex.	do	do	14.82	do	do	Based on district No. 2.
Natural Gas & Oil Corp. et al. (includes McGuire).	Oct. 15, 1953	Pelican Field, Tex.	do	do	14.82	do	do	Based on district No. 3.
Newman Bros. Drilling Co. et al.	May 4, 1953	East Placedo Field, Tex.	do	do	14.82	do	do	Based on district No. 2.
The Superior Oil Co.	Aug. 17, 1953	Portilla Field, Tex.	To Jan. 1, 1974	do	14.82	do	3,842,355 minimum	Based on district No. 4.
Continental Oil Co. et al.	Nov. 3, 1953 [17]	Rincon Field, Tex.	20 years after I. D.	do	14.82	do	1,609,650 minimum	Do.
Arnold O. Morgan	May 13, 1953	Rob Welder Field, Tex.	do	do	14.82	do	Based upon estimate of recoverable reserves.	Based on district No. 2.
Anderson-Pritchard Oil Corp.	June 17, 1953	Nelsonville area, Texas	do	do.[18]	14.82	do	do	Based on district No. 3.
Magnolia Petroleum Co.	Apr. 24, 1953	La Reforma and South La Reforma Fields, Tex.	To Nov. 1, 1974	To 11-1-59 11-1-59 to 11-1-64 11-1-64 to 11-1-69 11-1-69 to expiration	11.40 12.54 13.68 14.82	do	do	Based on district No. 4.
Delhi Oil Corp.	Sept. 4, 1953	North Magnolia City Field, Tex.	To Jan. 1, 1974	do	14.82	do	do	Do.
H. R. Smith	June 22, 1953	do	20 years after I. D.	do	14.82	do	do	Do.
Magnolia Petroleum Co.	May 14, 1953	Longoria Field, Tex.	Nov. 1, 1974	do	14.82	do	do	Do.
F. P. Zoch, Jr. et al., Rockhill.	Apr. 3, 1953	Santa Anita grant, Santellena Field, Tex.	20 years after I. D.	do	14.82	do	do	Do.
The Texas Co.	June 10, 1953	do	do	do	14.82	do	do	Do.
Blanco Oil Co. et al.	Oct. 1, 1953	Seven Sisters Field, Tex.	Jan. 1, 1974	do	14.82	do	do	Do.
Livezey Gas Corp.	May 5, 1953	West Sinton, South Sinton Field, Tex.	May 20, 1973	do	14.82	do	3,842,355	Do.
Spartan Drilling Co., et al.	June 15, 1953	Spartan and South Sinton Fields, Tex.	20 years after I. D.	To 11-1-59 11-1-59 to 11-1-64 11-1-64 to 11-1-69 11-1-69 to expiration	11.40 12.54 13.68 14.82	do	Based upon estimate of recoverable reserves.	Do.
Trinity Drilling Co.	Oct. 5, 1953	do	Jan. 1, 1974	do	14.82	do	do	Do.
Shell Oil Co.	Feb. 1, 1953	Stedman Island Field, Tex.	Mar. 1, 1973	do	14.82	do	do	Do.
So Relle & So Relle et al.	July 9, 1953 [17]	Sublime Field, Tex.	20 years after I. D.	To 1-1-59 1-1-59 to 1-1-64 1-1-64 to 1-1-69 1-1-69 to expiration	11.15 12.29 13.43 14.57	do	do	Based on district No. 3.
Tide Water Associated Oil Co.	Dec. 2, 1952 [17]	do	do	To 1-1-59 1-1-59 to 1-1-64 1-1-64 to 1-1-69 1-1-69 to expiration	11.15 11.40 12.54 13.68	do	do	Do.
A. O. Morgan	Oct. 13, 1952	North Odem, San Patricio County, Tex.	do	I. D. to 2-1-53 2-1-53 to 11-1-59 11-1-59 to 11-1-64 11-1-64 to 11-1-69 11-1-69 to expiration	7.23 11.40 12.54 13.68 14.82	do	do	Based on district No. 4.

[17] Amends original contract.

[18] Dehydration charge .219 cent/M c. f.; lateral payment charge 2 cents/M c. f. until 1,212,000 M c. f. received.

Data on contracts made by interstate pipeline companies for the purchase of gas from nonaffiliated producers based on certificate filings, Jan. 1 to Dec. 31, 1953—Continued

Name of company (1)	Date of contract (2)	Producing areas (3)	Term of contract (years) (4)	Contract rate adjusted to 16.7#-¢/M c. f. (5)	Additions to contract rate for taxes (6)	Estimated annual volumes purchased, M c. f. at 16.7# (7)	Favored-nation clauses (8)
Tennessee Gas Transmission Co. (sellers)—Continued							
W. C. McBride et al	Nov. 4, 1952	West Magnolia City, Jim Wells County, Tex.	20 years after I. D.	I. D. to 9-1-52 7.23 9-1-52 to 11-1-54 11.40 11-1-54 to 11-1-59 12.54 11-1-59 to 11-1-64 13.68 11-1-64 to expiration 14.82	Portion of increase in certain taxes.	Based upon estimate of recoverable reserves.	Based on district No. 4.
N. C. Ginther et al	Oct. 27, 1952	West Vidauri (Vincent lease), Refugio County, Tex.	Oct. 27, 1972	10-27-52 to 2-1-53 7.12 2-1-53 to 1-1-59 11.40 1-1-59 to 1-1-64 12.54 1-1-64 to 1-1-69 13.68 1-1-69 to expiration 14.82	do	do	Based on district No. 2.
Texas Eastern Transmission Corp. (sellers):							
Adams and Haggerty	Mar. 23, 1953	Big Hill Field, Jefferson County, Tex.	20 years from delivery date. Renewable annually thereafter.	To 11-1-53 14.25 Increase 0.228 cent per M c. f. yearly to maximum of 18.58 cents per M c. f.	do	320,196 (after 2 years, 877.3 M c. f. per day for each 8,772,500 M c. f. reserves).	Based on Louisiana and Texas fields.
B. B. Orr	Apr. 9, 1953	Willow Springs Field, Gregg County, Tex.	do	do 14.25	do	On initial determination of reserves 320,196 M c. f. per year for each 8,772,500 M c. f. of reserves.	Do.
Trans-Tex Drilling Co	Apr. 17, 1953	Willow Springs Field, Gregg County, Tex.	do	do 14.25	do	do	Do.
Charanne and Mosbacher et al.	Apr. 16, 1953	Englehart Field, Colorado County, Tex.	do	do 14.25	do	do	Do.
Texas Gas Corp	Apr. 30, 1953	Absorption Plant, Chambers County, Tex.	15 years from delivery date. Continue in force 1-year periods to termination.	To 11-1-53 14.25 Increase 0.228 cent per M c. f. yearly to maximum of 17.67 cents per M c. f.	do	3,842,355 never to exceed 9,605,888 M c. f.	Based on Texas railroad commission districts 3 and 6.
Humble Oil & Refining Co.	Apr. 27, 1953	Carthage Field, Panola County, Tex.	May 1, 1953, to May 1, 1968.	To 11-1-53 13.11 Increase 0.228 cent per M c. f. yearly to maximum of 16.53 cents per M c. f.	do	6,083,728 maximum	Based on Carthage field and railroad district 6.
Le Cuno Oil Co	Feb. 16, 1953	Waskom Field, Harrison County, Tex.	20 years from delivery date, and year to year thereafter.	To 11-1-53 14.25 Increase 0.228 cent per M c. f. yearly to maximum of 18.58 cents per M c. f.	do	On initial determination of reserves, annual take of 320,196 M c. f. for each 8,772,500 M c. f. of reserves.	Based on Louisiana and Texas fields.
Grant, Ryan, Scurlock & Frank W. Sharp.	Apr. 28, 1952 [19]	Spanish Camp Field, Wharton County Tex.	To July 1, 1972; renewable annually thereafter.	To 11-1-53 14.25 Increase 0.228 cent per M c. f. yearly to maximum of 18.58 cents per M c. f.	do	384,236 M c. f.	Based on railroad district 3.
R. E. Smith	May 19, 1953	Carthage Field, Panola County, Tex.	July 1, 1953 to May 1, 1968.	To 11-1-53 13.11 Increase 0.228 cent per M c. f. yearly to maximum of 16.53 cents per M c. f.	do	3,810,235 M c. f.	Based on Carthage Field and railroad district 6.
Sun Oil Co	May 19, 1948 [20]	North Winnie, Gilbert Ranch, Stowell and Hankamer Fields, Chambers and Jefferson Counties, Tex.	10 years from Aug. 9, 1948.	To 11-1-53 14.25 Increase 0.228 cent per M c. f. yearly to maximum of 18.58 cents per M c. f.	do	12,589,415 M c. f. from North Winnie, Gilbert Ranch, and Hankamer. All gas produced by Sun from Stowell.	None.
Pan-Am Southern Corp	Sept. 9, 1952	West Bryceland Field, Bienville Parish La.		To 11-1-52 6.9956 To 11-1-53 14.2492 Increase 0.2279 cent per M c. f. yearly to maximum of 18.5809 cents per M c. f.	do	1,067,260 M c. f.	Based on area which supplied first 475,000 M c. f of capacity.
Texas Gas Corp	Apr. 30, 1953	Stowell, Big Hill, South Mayes, North and West Port Neches, Fannett, East Mayes, East Jackson pasture, Chambers, Jefferson, and Orange Counties, Tex.	Primary term, 15 years; year to year thereafter.	To 11-1-53 14.25 Increase 0.228 cent per M c. f. yearly to maximum of 17.67 cents per M c. f.	do	6,724,045 M c. f.	Based on point or points of delivery within Texas railroad districts 3 and 6.

California Co.	Sept. 24, 1943 [21]	Tremont, Hico-Knowles, North Choudrant, Lincoln Parish, La.	20 years	Effective 11-1-52 Increase 0.2286 cent per M c. f. yearly.	14.2917	do	9,098,059 M c. f.	Radius 100 miles from point of delivery.
Southwest Gas	Sept. 13, 1947 [22]	Hico Knowles, Dubach, Lincoln Parish, La.	do	Effective 11-1-52 Increase 0.2286 cent per M c. f. yearly.	14.2917	Portion of increase in certain taxes.	8,729,276 M c. f.	Do.
Deep Rock Oil Corp.[23]	June 1, 1953	Arneckeville Field, De Witt County, Tex.	do	I. D. to 1 year from date at 1st delivery Increasing 0.2 cent each year to 15.7.	11.4	do	320,105 M c. f. per year minimum.	Yes.
Cocke, Goodrich & Goodrich.[23]	Mar. 6, 1953	Helen Gohlke Field, Tex.	do	do	11.4	do	All casinghead gas and such gaswell gas as producer elects to produce under allowables.	Yes.
Cocke, Goodrich & Sayelle [23]	do	do	do	do	11.4	do	do	Yes.
Grego & Musselman [23]	do	do	do	do	11.4	do	do	Yes.
Henshaw Brothers [23]	do	do	do	do	11.4	do	do	Yes.
Tennessee Gas Production Co.[23]	May 9, 1953	Seclusion Field, Le Veca County, Tex.	do	do	11.4	do	160,235 M c. f. per year minimum.	Yes.
Cities Service Oil Co.[23]	Apr. 15, 1953	S. Cottonwood Creek Field, De Witt County. Tex.	10 years; year to year thereafter.	I. D. to 1 year from date at 1st delivery. Increasing 0.2 cent each year to 12.31.	10.25	do	All casinghead gas and such gaswell gas as producer elects to produce under allowables.	No.
Jake L. Hamon, et al. [21]	do	do	do	do	10.25	do	do	No.
Jake L. Hamon and Edwin L. Cox [23]	do	do	do	do	10.25	do	do	No.
Hauck Bros.[23]	do	do	do	do	10.25	do	do	
David L. Gordon [23]	June 1, 1953	Angel City Field, Goliad County, Tex.	20 years	I. D. to 1 year from date at 1st delivery. Increasing 0.2 cent each year to 15.7 cents.	11.4	do	270,100 M c. f. per year minimum.	Yes.
La Gloria Corp.[23]	Apr. 15, 1953	S. Cottonwood Creek Field, De Witt County, Tex.	10 years; year to year thereafter.	I. D. to 1 year from date at 1st delivery. Increasing to 0.2 cent each year to 12.31 cents.	10.25	do	All casinghead gas and such gas well gas as producer elects to produce under allowables.	No.
Mid States Oil Corp.[23]	do	do	do	do	10.25	do	do	No.
W. L. Nagley (Paisano Trading Co.).[23]	do	do	do	do	10.25	do	do	No.
Sunray Oil Corp.[23]	do	do	do	do	10.25	do	do	No.
Seaboard Oil Corp.[23]	do	do	do	do	10.25	do	do	No.
Texas Gas Transmission Corp. (sellers):								
M. B. Chastain et al.	Aug. 27, 1953 [24]	Carthage Field, Panola County, Tex.	To Aug. 8, 1973	8-8-52 to 7-31-57 8-1-57 to 7-31-62 8-1-62 to 7-31-67 8-1-67 to 7-31-72	10.83 11.97 13.11 14.25	do	3,121,845 minimum; 4,802,670 maximum.	
Elledge & Hall	Dec. 1, 1951	Sligo Field, La.	20 years	1-1-53 to 1-1-58 Next 5 years do Thereafter	10.83 11.97 13.11 14.25	do	1,313,635 minimum; 1,970,270 maximum.	
S. E. Carthage group	July 1, 1952	Carthage Field, Tex.	To Jan. 1, 1973	1st year Next 5 years do do Thereafter	7.50 10.83 11.97 13.11 14.25	do	29,390,495 minimum; 39,062,300 maximum.	
E. Carthage group	do	do	do	do	14.25	do	11,862,500 minimum; 18,250,000 maximum.	
W. Carthage group	do	do	do	do	14.25	do	4,781,500 minimum; 7,363,875 maximum.	
Skelly Oil Co.	Aug. 1, 1952	do	To Aug. 1, 1972	1st 5 years Next 5 years do Thereafter	10.83 11.97 13.11 14.25	do	9,636,000 minimum; 14,448,900 maximum.	
Placid Oil Co.	do	do	To Jan. 1, 1973	do	14.20	do	416,100 minimum; 640,210 maximum.	
Delta Drilling Co., et al.	do	do	do	1st year Next 5 years do do Thereafter	7.50 10.83 11.97 13.11 14.25	do	624,150 minimum; 959,950 maximum.	
R. Lacy, Inc.	July 1, 1952	do	do	do	14.20	do	328,500	
Sun Oil Co.	do	do	do	do	14.20	do	do	
D. B. McConnell	Dec. 31, 1952	Sligo, La.	To Jan. 1, 1973	1st year Next 5 years do do Thereafter	6.75 9.74 10.77 11.79 12.82	do	640,210 minimum; 985,135 maximum.	

[20] Amended June 30, 1949, and Nov. 1, 1952.
[21] Amended Apr. 23, 1953.
[22] Amended letter agreement Apr. 28, 1953.
[23] Contract transferred to Texas Eastern by Wilcox Trend Gathering System.
[24] Amends original contract.

Data on contracts made by interstate pipeline companies for the purchase of gas from nonaffiliated producers based on certificate filings, Jan. 1 to Dec. 31, 1953—Continued

Name of company (1)	Date of contract (2)	Producing areas (3)	Term of contract (years) (4)	Contract rate adjusted to 16.7¢/M c. f. (5)		Additions to contract rate for taxes (6)	Estimated annual volumes purchased, M c. f. at 16.7¢ (7)	Favored-nation clauses (8)
Texas Gas Transmission Corp. (sellers)—Continued								
D. B. McConnell & Brinkman.	Dec. 31, 1952	Sligo, La.	To Jan. 1, 1973	Thereafter	12.82	Portion of increase in certain taxes.	640,210 minimum; 985,135 maximum.	
D. B. McConnell, Elledge & Brinkman.	Aug. 1, 1952	do	do	do	12.82	do	do	
Hassie Hunt Trust	Dec. 10, 1953 [24]	do	do	do	12.82	do	533,630 minimum; 820,885 maximum.	
Placid Oil Co	Feb. 6, 1953	do	do	do	12.82	do	do	
Southwest Gas Producing Co.	Feb. 23, 1953	Lisbon, La.	do	do	12.82	do	11,165,360 minimum; 17,076,160 maximum.	
Texas Northern Gas Corp. (sellers):								
Bates, Cornell & Weiner	June 17, 1953	Mowato Field, Acadia Parish, La.	20 years	1st 5 years 2d 5 years 3d 5 years Remaining term	10.00 11.00 12.00 13.00	do	1,067,260 minimum; 1,642,135 maximum.	Based on 50-mile radius.
Superior Oil & Pure Oil Co	Oct. 2, 1953 [25]	Bosco Field, La.	Life of lease	1st 5 years Increasing 1 cent per M c. f. each 5 years thereafter.	10.00	do [36]	1,067,260 minimum; 1,920,995 maximum.	Do.
Phillips Petroleum Co	Nov. 20, 1950	Lewisburg, Acadia, St. Landry Parishes, La.	20 years	1st 5 years Increasing 1 cent per M c. f. each 5 years thereafter.	10.00	do [37]	256,230 minimum; 394,200 maximum.	50-mile radius.
David C. Baird et al	Apr. 16, 1951	Bayou Millet, La.	To Jan. 1, 1972	do	10.00	do	240,170 minimum; 369,380 maximum.	Do.
Stanolind Oil & Gas Co	Feb. 29, 1952 [25]	do	Year to year		7.78	do	394,200 maximum	
Do	Apr. 17, 1952	Savoy Field, La.	do		7.78	do	1,970,270 minimum; 2,955,405 maximum.	
Amerado & Sohio Petroleum Corp.	Apr. 1, 1952	Lewisburg, Acadia, St. Landry Parishes, La.	20 years	1st 5 years Increasing 1 cent per M c. f. each 5 years thereafter.	10.00	do	853,735 minimum; 1,313,635 maximum.	50-mile radius.
Nicklas Oil & Gas Co. et al.	Jan. 22, 1952	North Richie Field, La.	do	do	10.00	do	320,105 minimum; 492,750 maximum.	Do.
Amerado & Sohio Petroleum Corp.	July 3, 1952	Lewisburg, Acadia, St. Landry Parishes, La.	Life of lease	1st 5 years 2d 5 years 3d 5 years 4th 5 years	10.00 11.00 12.00 13.00	do	106,580 minimum; 164,260 maximum.	Do.
Do	Dec. 12, 1952		do	do	13.00	do	187,975 minimum; 289,080 maximum.	Do.
L. J. Roussal	Feb. 26, 1953	South Bayou Millet, La.	Year to year		8.34	do	656,635 maximum	
Amerado Petroleum Corp.	Oct. 30, 1953	Lewisburg, Acadia, St. Landry Parishes, La.	To Oct. 30, 1954		7.78	All taxes	All gas available	

[24] Amends original contract.
[25] Amendment to contract.
[36] To Jan. 1, 1960, balance of term.
[37] To Sept. 14, 1959, balance of term.

1954 AND 1955 CONTRACTS ALSO EXAMINED

Mr. DOUGLAS. Mr. President, second, there are tabulations based on the data found in some 1,356 contracts which were submitted by pipeline companies in the entire year 1954 and the first 6 months of 1955. As these lists are many pages in length, and because the pattern is substantially the same as in the 1953 contracts, I shall not ask that they be printed in the RECORD, but I shall gladly make them available to any Senator who wishes to examine them.

I shall ask my assistant to take them in his arms and place them on the desk of the junior Senator from Arkansas [Mr. FULBRIGHT], who unfortunately is absent from the Chamber, so that the Senator from Arkansas may look at the figures and tell me whether my analysis is correct.

In each case, these tabulations have been prepared by the FPC at my request. June 30, 1955, was the latest date for which complete information was available. Members of the Senate may procure copies for themselves from the FPC if they desire to do so.

These lists of contracts, Mr. President, are not all the contracts negotiated in the gas industry during the 2½-year period to which I have referred. They are lists of current contracts which pipeline companies submitted to the FPC for the purpose of gaining certificates of convenience and necessity. I want to make that point quite clear. But they do include all contracts negotiated in this period which have been submitted to the FPC in support of certificate applications.

Let us examine these contracts to establish certain points of fact. First, to what extent do these contracts contain step-escalation clauses which grant increases in price at regular and stated intervals? Second, to what extent do they contain most-favored-nation clauses whose effect is to trigger prices in an entire field or area to the highest price paid in the field or area? As my colleagues know, two-party or second-party most-favored-nation clauses mean that if a pipeline company, under a new or renegotiated contract, or under step-escalation or other escalation clauses, pays producer B more than it is paying producer A, then A's price automatically is increased to the price the pipeline pays B. In the case of a third-party most-favored-nation clause, producer A's price increases to the highest price paid in the area or entire field by any pipeline company, not merely the one with which it has a contract.

VIRTUALLY NO FIXED-PRICE CONTRACTS

It is important to examine these contracts for at least three reasons. First, spokesmen for the big companies in the gas industry have claimed that this bill is necessary because the producers must enter into long-term (usually 20 years) contracts at fixed prices.

The point is, however, that very few contracts are for fixed prices. Almost all contracts have step-escalation provisions if they do not have most-favored-nation provisions or renegotiation provisions. Provided the step-escalation clauses are for small increases over periods of several years, they are not the serious threat to the consumer that the most-favored-nation and the price redetermination clauses are, although it should be noted that the steps have been getting higher and higher and there are now more and more annual steps rather than 5- or 10-year steps. Step-escalation clauses, however, are the minimum condition of escalation in the vast majority of contracts. The fact that they do exist, and together with most-favored-nation or renegotiation provisions, exist almost universally, means that the big producers have no real claim that they must make long-term contracts at fixed prices. This is simply not so, as I shall show.

WIDESPREAD USE OF MOST-FAVORED-NATION CLAUSES

As we have said, we do not object to step escalation provisions, provided they are for small amounts.

These lists of contracts are important, in the second place, for they show the widespread use of most-favored-nation clauses which "trigger" prices to higher and higher levels. Without protection from the FPC, the widespread existence of these "trigger" provisions show that if this bill is passed, an average price of 20 cents to producers will most certainly prevail in not too long a time. An average price at 20 cents will come about automatically within the near future unless the Commission is allowed and encouraged to proceed substantially as it is supposed to proceed at the present time.

OLD CONTRACTS HAVE BEEN RENEGOTIATED

In the third place, these lists of contracts are important for they show that even in older contracts most-favored-nation clauses either existed originally, or now exist in them because of renegotiation. This is an important point, for when I raised the issue of most-favored-nation clauses with my friend and colleague, the Senator from Oklahoma [Mr. MONRONEY], last week, he replied that although most-favored-nation clauses are more or less universally included in recent contracts that a great deal of gas was still purchased under old contracts at very low fixed prices, and the net result was that the two types more or less balanced out each other. I believe that this is not entirely so or primarily so. There are a number of reasons why—which I shall argue here and for which I shall submit proof in a few moments.

First. Pipeline companies must have new gas to meet the increasing demands for gas. By and large the bulk of this gas is purchased from the big producers who are the only ones able to supply sufficient quantities. The pipelines already have contracts with these producers. When the pipelines seek new gas to satisfy new demand, the producer is able to say to them, "We will supply the gas only if you will renegotiate these old contracts which you now have at lower prices." As there is far more demand for gas than existing supplies, and as competition exists largely only between pipeline companies seeking gas, the old contracts are renegotiated when pipelines seek new gas to meet increased demand. These new, or renegotiated, contracts are at much higher prices and almost universally contain most-favored-nation clauses.

Second. Pipeline companies use up gas year by year and must purchase new gas merely to replenish the yearly supply they sell. Here is another opportunity for the big producers to demand renegotiation of old fixed-price contracts which are converted to new high-priced contracts with most-favored-nation clauses.

Third. There have been large increases in the average price of natural gas in recent years. I have already submitted tables from the Federal Power Commission showing these increases. These increases could only have come about for either of two reasons:

(a) Either a great proportion of contracts under which gas is purchased have most-favored-nation clauses.

(b) Or, if the number of contracts with most-favored-nation clauses does not make up the greatest portion of contracts under which sales are made, those contracts with most-favored-nation clauses are the ones by which the greatest quantities of gas are purchased.

In fact, I believe I can show that both (a) and (b) are true.

SEVENTY-ONE PERCENT OF 1953 CONTRACTS HAVE MOST-FAVORED-NATION CLAUSES

Let us first examine the list of contracts submitted in 1953 to the FPC by pipeline companies. There are 247 contracts on this list. Eight of these on the list were merely amendments to existing contracts. That leaves 239. Of these, 24 were for very short periods or short-term contracts. In fairness, I shall exclude these from the analysis. I wish to mention in passing, however, that many of them were at extremely high prices. One 19-month contract had a price at 20–23 cents per thousand cubic feet. Another for the life of the lease was at 23.19 cents. Two 5-year contracts were at 20.88 cents and at 19.72 cents, and one 15-month contract was at 20.88 cents per thousand cubic feet.

That leaves 215 long-term contracts. It is proper, therefore, to confine our analysis of this first group to these 215 contracts.

Of these 215 contracts, only 2 of them, or 1 percent, had no escalation of any kind; 27 percent, or 59 contracts, had step-escalation clauses but did not contain most-favored-nation clauses, although most of them included other types of escalation clauses which in practice have the same result as most-favored-nation clauses. Those were renegotiation provisions. Two contracts, or 1 percent, had most-favored-nation clauses as the only type of escalation which could be determined from the terms of the contract. However, and this is the important point, 152 contracts, or 71 percent of their number, contained both step-escalation and most-favored-nation clauses. These contracts were submitted to the Federal Power Commission in 1953 as proof of existing pipeline supplies. About half

were negotiated in 1953. The bulk of the remainder were negotiated in 1952, and a few in 1951 and before. Therefore, when I say that step-escalation is almost universal, these 211 of 215 contracts containing them prove that point. Thus, spokesmen for the producers are not altogether exact when they tell us that contracts are for fixed prices. When I say that escalation provisions are almost universal in existing contracts, I am telling the sober and overwhelming truth. Further, when I say that the base prices in existing contracts are already out of date, I am not dealing in imaginary conclusions. Further, when I say that most of these contracts contain provisions whose effect is to send their prices to the highest prices paid by the buyer or the highest prices in the area, I believe I am telling the truth based on the statistical evidence.

Seventy-two percent of the contracts contain the most-favored-nations clause, and a very large percentage of the remaining contracts provide for renegotiation.

In 1953 the average price of natural gas at the wellhead was 9.2 cents. Let us now ask the question, how many of these 215 contracts contain specific contractual provisions for prices above the 1953 figure of 9.2 cents? Of the 215 contracts, 197 of them contain specific minimum figures to which prices will rise. One must remember that in those 154 contracts which contain most-favored-nation clauses, the specific contractual prices contained in escalation clauses can and will be superseded at the moment the pipeline with whom they have contracts pay another producer a higher price, in the case of second person most-favored-nation contracts, or the moment any pipeline in the area pays a higher price to another producer, in the case of third person most-favored-nation clauses. Thus, in these contracts prices will rise above those specified in the contracts, even if one takes the highest price of the specific renegotiation or step escalation provision.

Nonetheless, of the 197 contracts in which specific step escalation prices were spelled out, only 2 of them provided for eventual prices less than 10 cents; 135 provided for prices from 10–15 cents; 32 for prices from 15–20 cents; 7 for prices from 20–25 cents; 16 for prices from 25–30 cents; and 5 of them for prices at the wellhead in excess of 30 cents.

Now, these are contractual provisions in 1953 contracts to which prices will rise under their provisions. As a matter of fact, the amount of the increases which will take place have been seriously understated, because there have not been included the specific amounts to which prices may be driven by the most-favored nations and the renegotiation clauses.

When I said that if this bill is passed one can expect a 10-cent increase in the average price of gas at the wellhead, or a new average price of 20 cents, I was not making an undocumented statement. When I said that a good many contracts were already at 20 cents, I was speaking from fact. And when I said that prices could well rise, and in fact would rise, to prices much higher than 20 cents, I was not merely speculating. As one may see from these 1953 contracts, contractual escalation clauses provided in some cases for amounts in excess of 25 cents, and in others in excess of 30 cents at the wellhead. And of course, these specific prices are those which would come about in the ordinary course of events, even if the most-favored-nation and renegotiation clauses were not put into effect. But the fact is that most of these contracts include most-favored-nation clauses, so that the highest, or marginal, price in an area becomes the average price, and prices will then rise still more.

I now ask unanimous consent to introduce into the RECORD a list of the prices contained in the 1953 contracts to which, under various escalation provisions, prices may rise without any changes whatsoever in the contracts.

The PRESIDING OFFICER (Mr. PASTORE in the chair). Is there objection?

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Price:	*Number of contracts*
Less than 10 cents	2
10 cents to 14.9 cents	135
15 cents to 19.9 cents	32
20 cents to 24.9 cents	7
25 cents to 29.9 cents	16
30 cents and above	5
	197

WIDESPREAD USE OF MOST-FAVORED-NATION AND OTHER ESCALATION PROVISIONS IN CONTRACTS SUBMITTED TO THE FEDERAL POWER COMMISSION FOR JANUARY 1, 1954, THROUGH JUNE 30, 1955

Mr. DOUGLAS. Mr. President, I have the same data for 1954 and the first 6 months of 1955 as I submitted for 1953. The total number of contracts was 1,356.

They lie on the desk of the Senator from Arkansas, who, I hope, will come to the floor and tell me whether or not my tabulation is correct.

Of the 1,356 contracts only 111, or 8.2 percent, had no escalation provisions. However, of the 111, 46 were short term, 45 were for the life of the lease at 27.5 cents per thousand cubic feet, 10 were for the life of the lease at 25 cents per thousand cubic feet, and 1 was for the life of the lease at 23.5 cents per thousand cubic feet. One carried a price set by the State, and 3 were 10-year leases, which period is from half to two-thirds the normal contract period. Thus, even those which we shall exclude because they are short-term contracts, leaving 1,250 for our analysis, had extremely high prices, even though some of them had no escalation clauses. Also excluded were a few contracts for very small amounts of distress gas.

Only 5 contracts, or four-tenths of 1 percent of the remainder, had no type of escalation clause. Eighteen of the 1,250 contracts, or just over 1 percent, contained most-favored-nation clauses only. Four hundred and fifty-seven, or about one-third, contained other types of escalation clauses only, most of which were step-escalation clauses. However, 75, or one-sixth of the 457, had price redetermination clauses whose effect is the same as most-favored-nation clauses which trigger up the price of gas. But, the vast majority of these contracts, or 770 of 1,250 contracts, or 62 percent of their number, had both favored-nation clauses and other escalation provisions.

SIXTY-NINE PERCENT OF 1954–1955 CONTRACTS HAVE MOST-FAVORED-NATION CLAUSES

Thus, of the 1,250 contracts, 770 had both most-favored-nation and other escalation clauses, 18 has favored-nation clauses only, 75 contained price redetermination clauses which have the same, or worse, effects as do most-favored-nation clauses. The total, therefore, of contracts in this period with most-favored-nation clauses, or their equivalent, was 69 percent. This compares with 71 percent of the 1953 contracts with such clauses, which I have already submitted.

OLD CONTRACTS HAVE MOST-FAVORED-NATION CLAUSES

We went one step further, because, in addition to the 1,356 contracts negotiated after January 1, 1953, the data from the Federal Power Commission provided us with a rare opportunity to look at the terms of all the contracts of one pipeline company, namely, Lone Star Gas Co. Previously, this company did only an intrastate business, and therefore was not required to get a certificate of convenience and necessity from the Federal Power Commission; but it recently entered the interstate market, and it was required to submit to the Federal Power Commission the entire list of contracts under which it buys gas for interstate commerce. In all, it submitted 910 contracts. Of these, 161 are dated in the year 1950 or before. Some of them go back to the 1920's.

To determine the question raised by my friend and colleague, the Senator from Oklahoma [Mr. MONRONEY]—and I only wish that he were on the floor at this time—namely, that new contracts had most-favored-nation clauses, but that old ones, by and large, did not. I analyzed the 161 contracts dated in 1950 or before to see to what extent they contained most-favored-nation clauses as of the time they were submitted to the Federal Power Commission in 1954–55.

The results are extremely interesting. I divided the 161 contracts into 4 groups by years. These are given below:

Number of Lone Star contracts negotiated in 1950, and before, which contain most-favored-nation clauses

Date originally negotiated	Number of contracts	Number with most-favored-nation clauses	Number without most-favored-nation clauses	Percent with most-favored-nation clauses
1936 and before	13	4	9	30
1936–40	20	17	3	85
1941–45	43	42	1	98
1945–50	85	63	22	74
Total	161	126	35	78

This shows, Mr. President, that for this pipeline company the contracts entered into before 1951, and dating back to the 1920's, have a larger percentage of most-favored-nation clauses than were contained even in more recent contracts submitted by all pipeline companies filing with the Federal Power Commission. I believe it is probable that many of these contracts did not originally have such clauses. But what this analysis does show is that either (a) old contracts have most-favored-nation clauses in the same or higher proportion as do new contracts, or (b) most of the old contracts have been renegotiated to include most-favored-nation clauses.

I know that Lone Star Gas Co. is not an exceptional company in this respect. Transcontinental Gas Pipeline Corp. as of December 1, 1955, had 66 contracts under which the bulk of its gas was purchased. Of these 66 contracts, 4 were short-term contracts. Of the remaining 62 long-term contracts, 60 or 97 percent had most-favored-nation or price-redetermination clauses. Tennessee Gas Transmission Co., as of July 1, 1954, had 264 contracts, of which 255 had most-favored-nation or price-redetermination clauses.

Furthermore, Mr. President, virtually every long-term contract negotiated in recent years, including the 2,100 I have analyzed and others filed before 1953, contains a clause permitting the renegotiation of the contract, in addition to whatever escalation and favored-nation clauses it contains.

Therefore, Mr. President, I submit with great respect to the Senator from Oklahoma [Mr. MONRONEY] that there is little difference between old and new contracts, in terms of most-favored-nation clauses, for the old contracts either contained them, or, as is probable, have been renegotiated to contain them.

I believe that my analysis of over 2,100 contracts—and, if I may say so, I think that is really unprecedented in the history of testimony on this subject—supports my contention that the going rate in the field is constantly triggered to higher and higher prices because of most-favored-nation and other escalation provisions, such as renegotiation. Without adequate protection for the consumer, which the Harris bill does not contain, prices will rise within a relatively short period of time from the passage of this bill, to at least an average price of 20 cents per thousand cubic feet. And this would raise gas prices by at least $600 million a year, most of which would be loaded on to the residential customer.

WHAT WILL HAPPEN TO GAS PRICES IF CONGRESS EXEMPTS PRODUCERS FROM REGULATION—FIELD PRICES WILL CONTINUE TO INCREASE UNLESS RESTRAINED BY REGULATION

Mr. President, the proponents of the Harris-Fulbright bill are now denying that the big producers are claiming appreciably higher field prices, or that consumers are in any danger of big increases in their bills. The plain facts refute this, and show—instead—that they are, for, on the basis of claims submitted by producers before the Federal Power Commission and statements made by producers and officials of producing States, it is evident that field prices of natural gas will continue their climb to higher and higher levels unless restrained by effective regulation under the Natural Gas Act.

I have previously pointed to the absence of effective competition in the gas fields and to the concentration of production and gas-reserve ownership within the hands of a relatively small group of major oil companies, large gas producers, and pipeline companies. I have also shown that the demand for natural gas is exceeding supply, and that the evidence indicates that the future ratio of additional discoveries to annual consumption is uncertain.

We have also seen that the average cost of gas at the wellhead in the Southwest has increased from approximately 5 cents per thousand cubic feet in 1947, to nearly 11 cents in 1954, with prices in new contracts ranging from 17 to 24 cents. We have analyzed over 2,100 contracts, most of which were made in the 2½-year period from January 1, 1953, to July 1, 1955; and we showed how field prices are moving up, under pressure of new contracts and escalation clauses. These increases have occurred in the absence of Federal control, because of the Federal Power Commission's inexcusable refusal to take jurisdiction.

What basis is there to assume that the cost of gas in the field will not continue to spiral upwards if this bill becomes law? The proposed legislation before us will not serve to prevent price increases. The key provisions of the bill make it mandatory for the Federal Power Commission to allow producers the current market price. That is what they have been receiving without regulation in the past, and that is what they will continue to seek in the future. All evidence from what has happened to field prices shows that in the absence of regulation, the market price will continue to climb.

PRODUCERS SEEK AND EXPECT HIGHER PRICES IN FUTURE

Mr. President, the producers make no bones about their desire and intention to seek higher prices. They feel that they are entitled to charge for natural gas all that the traffic will bear. That is the basic reason why they have included in their gas-purchase contracts, favored-nation, renegotiation, and other types of escalation clauses. They know that natural gas is in short supply in relation to demand, and that short supply will bring about constantly higher prices. These contract provisions will enable producers who have sold and who are now selling their gas, to reap the benefits of future price increases. Here is specific evidence to support these assertions.

This was made very clear in testimony before the Federal Power Commission by Mr. Howard B. Shelton, vice president and general manager of Sohio Petroleum Production Co., a subsidiary of Standard Oil Company of Ohio. Mr. Shelton testified on September 15, 1955, in Docket No. G-8488, that his company had never entered into a 20-year contract without a favored-nations provision, and would not dispense with such provision unless he could make a contract commencing at a sales price of 25 cents per thousand cubic feet with escalation of 2 to 5 cents each year or 5 years, so that during the last 5-year period of the contract, the company would be selling its gas at 35 cents to 45 cents per thousand cubic feet. Mr. Shelton testified that if he could not get his price, which ultimately in the last 5-year term of the contract would amount to a 45-cent price, then he would insist upon some renegotiation provisions or favored-nation provisions in the gas-sales contract.

Producers who before the Federal Power Commission are seeking rate increases in current proceedings are maintaining that their gas should be valued in the field on an equivalent heating basis with crude oil, or upon the basis of the current prices of heating oils in the market areas less the transportation cost of gas from the field to market. The junior Senator from Louisiana [Mr. LONG] seemed to make this same argument on the Senate floor during the debate.

Thus, in a rate proceeding involving Sun Oil Co., evidence was produced by witnesses for the company showing that in the Egan field in south Louisiana, crude oil was selling for $2.97 a barrel and that on an equivalent heating value basis, the gas which Sun Oil Co. produced in the Egan field and sold to the Transcontinental Gas Pipe Line Corp. was worth 53½ cents per thousand cubic feet.

Mr. President, I present for the RECORD at this point a photostatic copy of the comparison which the Sun Oil Co. made in support of its contention.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Value comparison of Egan crude oil and Egan natural gas on heat content basis

[Place of comparison: Egan Field, La.]

	Time of comparison		
	December 1954	March 1955	October 1955
Egan crude oil:			
Heat content, B. t. u. per gallon	138,020	138,080	137,960
Average price per barrel	$2.97	$2.97	$2.97
Average price per million B. t. u.'s	$0.512	$0.512	$0.513
Egan natural gas:			
Heat content, B. t. u. per cubic foot	1,042	1,042	1,042
Calculated equivalent value of gas per M c. f. on heat-content basis	$0.534	$0.534	$0.535

Mr. DOUGLAS. I notice that the very able junior Senator from Oklahoma [Mr. MONRONEY] is now occupying the chair. I ask my assistant to take to the desk of the Presiding Officer the five volumes of contracts which I have just submitted in evidence, so that during his leisure moments in the coming hours he may inspect them. I have introduced an

analysis of these contracts showing that approximately 70 percent of them have most-favored-nation clauses, and that many others have renegotiation provisions.

The PRESIDING OFFICER (Mr. MONRONEY in the chair). The present occupant of the chair will say to the distinguished Senator from Illinois that he would never think of reading something while the distinguished Senator had the floor. If the present occupant of the chair may have the permission of the Senator from Illinois to take these volumes to his office later, he will not then be missing the discussion which the Senator from Illinois is presenting. The present occupant of the chair would then find it possible to pursue his examination of the volumes.

Mr. DOUGLAS. The Senator from Illinois will be very glad to lend the 2,100 contracts to the Senator from Oklahoma, so that when he goes to bed tonight he may have it beside his bed. If he awakens during the midnight hours he can go over them and see the very large proportion which contain renegotiation clauses and most-favored-nation clauses.

The PRESIDING OFFICER. The present occupant of the chair enjoys reading "whodunits" before going to bed. He will be very happy to pursue the examination of these contracts with that thought in mind.

Mr. DOUGLAS. Let me make it clear that the Sun Oil Co. is not requesting the Federal Power Commission to allow it 53½ cents per thousand cubic feet. But it is asking the Commission for a rate of 17 cents per thousand cubic feet, which is an increase of 7.2 cents above the present contract rate of 9.8 cents. The evidence which is presented by producers to the Federal Power Commission in support of rate increases and the arguments of the proponents of this bill provide clear evidence of the intention of the big gas producers to seek higher and higher prices for natural gas, and this heating equivalent argument can be the basis for many high present and future demands.

A somewhat more modest claim for higher field prices was made by Mr. Thomas D. Bailey, of Oklahoma City, Okla., a producer of gas and oil, who recommended to the Federal Power Commission in its docket No. R-142 that it should adopt the competitive fuel price method in fixing rates of gas producers. Mr. Bailey was quite candid in stating:

> Of course, this would necessitate increasing of present field prices to 25 cents or more per million B. t. u. (approximately 1,000 cubic feet), at the present time, which amounts to almost tripling present average prices received at the wellhead for gas produced in the United States.

Other evidence that producers expect prices of natural gas to increase in the future is clear from the statement made by Mr. Richard J. Gonzales, director and economist for Humble Oil & Refining Co., who told the American Power Conference at Chicago, Ill., on March 25, 1954, that strong demand under existing circumstances will continue to produce upward trends in prices of natural gas until a competitive balance is obtained. He said:

> The circumstances which resulted in ridiculously low prices were temporary and no longer exist.

He also said:

> Present costs of coal and oil to consumers and other factors indicate that average field prices of about 20 cents per thousand cubic feet on new contracts may be required * * * to balance supply and demand.

Remember this was almost 2 years ago. Since then the amount of gas shipped in interstate commerce has increased by approximately 1 billion thousand cubic feet.

A number of public officials in the producing States also say that gas is presently underpriced and that there should be further increases. Gen. Ernest O. Thompson, chairman of the Texas Railroad Commission, is reported by the Oil and Gas Journal to have told the Independent Natural Gas Association in September 1953:

> A fair estimate of the going price for gas reserves in Texas today is probably 12 to 15 cents per thousand cubic feet and this ought to rise by another 5 cents per thousand.
>
> Such increase—

The General said—

> would amount to about 25 cents a month, or less than 1 cent a day to the household consumer.

The question of the authenticity of this quotation arose yesterday. I had originally ascribed the statement to Dr. Boatwright. I believe either the Senator from Arkansas [Mr. FULBRIGHT] or the Senator from Oklahoma [Mr. MONRONEY] said he could not remember that anyone ever made the statement, but we have found the quotation. General Thompson had made the statement in the Oil and Gas Journal. So it should not be credited to Dr. Boatwright. However, I was correct in the statement that a leading member of the oil industry had made the statement.

General Thompson is also reported to have urged the transmission companies to continue the program of renegotiating contracts to establish higher field prices for gas. Remember these were his figures over 2 years ago.

One of the industry trade magazines, Gas Age, editorialized on February 10 of 1955 as follows:

> As we see it, gas is generally underpriced at the well, at the city gate, and at the burner tip.

The objective of producers and producing-State officials to continue the principle of what the traffic will bear, without regard to any interest but their own, is nothing new in the natural-gas industry. Back in 1946, when representatives of producers appeared before the Federal Power Commission in its investigation of the natural-gas industry, they made it clear that they wanted all they could get for their gas. Thus, Mr. R. C. Kay, president of the Panhandle Producers and Royalty Owners Association, said that he was "just like any other land or royalty owner. Every increase in price I receive would be considered an adequate price as of that date. But we would still be looking for a higher price. As far as the closest we can say to a fair price we might say is the highest price currently being paid in the field for gas of like quality."

Dr. E. DeGolyer, geologist, petroleum engineer, and director of Republic Natural Gas Co. and Texas Eastern Transmission Corp., in the same proceeding made the following comment about the attitude of the gas producers toward the prices they receive. When asked as to what, in his opinion, would be an adequate field price, he replied:

> When you say how much, I really don't know. I suppose if I were getting 2 cents, I would look upon 4 cents as something highly to be desired and I suspect, human nature being what it is, if I were getting 4 cents, I would be looking for 8 cents or even Colonel Thompson's 10 cents.

Let me say in this connection that I have great faith in Dr. DeGolyer's competence and integrity as a geologist. I have repeatedly heard him testify, or read testimony in which he stated facts which were not in favor of the particular interest he was representing at the time. So I do not wish to have it thought for a moment that the quotation which I have given is any reflection upon Dr. DeGolyer's character, which, in scientific matters, I think is extremely high.

While the prices which Dr. DeGolyer mentioned 10 years ago have long since become passé as resembling current prices in the gas fields, he does express very well the vigorous desire of the typical oilman for higher prices and greater profits. Some insight into the continuing business practices in the gas industry is found in the testimony of Mr. Howard B. Shelton of Sohio Petroleum Co., to which I referred earlier. Mr. Shelton testified only a few months ago in the proceedings to which I earlier referred, in this fashion:

> Question. And it would be your efforts under the conditions which prevail to obtain for your company the highest and most salable contract with respect to price that you would be able to obtain?
>
> Answer. Yes, sir.
>
> Question. And if you found the other party in a bind and in need for gas, if you knew that, why, you would take advantage of that, too?
>
> Answer. You are trying to create a condition?
>
> Question. No; I am creating a hypothetical condition that if you found the fellow was under the gun, so to speak, for a gas supply, and you had that gas supply, and he was trying to buy it from you and you, knowing that, you would take as much advantage of that as you could?
>
> Answer. I would.

I wish to put the issue squarely. Is it in the national interest that the big producers of natural gas should be given the right to charge what the traffic will bear and thereby take enormous sums from 21 million residential consumers of natural gas who have no practical means to defend themselves? Since natural gas is a public utility and since competition does not operate to keep prices down,

regulation is the only effective protection for the people. Under this regulation, the producers should and would be given a fair and adequate return on their investment. They would simply be denied the right to make unconscionable profits. This is the issue alone which we of the Senate must now decide.

CURRENT "TRIGGER" CONTRACTS: LARGE VOLUMES AT HIGH PRICES WHICH IN ABSENCE OF REGULATION WILL BOOST AVERAGE PRICES IMMEDIATELY TO NEW HIGH LEVELS

In the preceding section, Mr. President, I gave examples of the prices which producers of natural gas seek and expect. These included prices at 17, 20, 25, and 45 cents, and mentioned even 53½ cents per thousand cubic feet at the wellhead as theoretically justified.

For myself, I have kept my predictions to a conservative level of 20 cents per thousand cubic feet if this bill is passed. And I believe, even without the support which the evidence from the oil and gas producers has given my argument, that I can prove that this increase to 20 cents per thousand cubic feet—or an increase of 10 cents per thousand cubic feet—would certainly be upon us not too long after this bill passes, if indeed it should pass.

We all know that in 1954 natural gas in interstate commerce sold for a weighted average price of 10.1 cents and that the preliminary figure for 1955 is 10.7 cents. Obviously a great many individual contracts were at prices both above and below the weighted average.

We also know that in 1954, the 17 major pipeline companies which bought 92 percent of the total volume of gas purchased by all pipeline companies in the Southwest, and 88 percent of the gas purchased in the country paid 10.3 cents per thousand cubic feet. This 1954 price paid by the pipelines represented an increase of 6.03 cents per thousand cubic feet over the weighted average these same companies paid in 1946, or an increase from 4.32 cents to 10.36 cents. This was a 140 percent increase.

That was a very steep increase in the price of natural gas at the wellhead. Far from being the few pennies that the proponents of this bill would have us believe, the average price paid in 1954 by these 17 companies meant that the annual increase in the cost of gas to them was running at the rate of $216 million. That is not exactly chickenfeed, Mr. President. At present volumes, each 1 cent of further increase in gas at the wellhead will cost the consumer $60 million annually, and a 10-cent increase will cost $600 million.

INCREASES MORE THAN TIPS TO WAITERS

The arithmetic for that analysis is simple. In 1955 6 billion thousand cubic feet were sold by utilities. An increase of 1 cent, therefore, would amount to an increase of $60 million in the charges and the amounts paid. That is for a 1-cent increase. An increase of 10 cents would therefore mean an increase of $600 million a year.

It amounts to far more than the normal tip which the junior Senator from Texas [Mr. DANIEL] or any other Senator, tips a waiter at lunch.

These increases in the average price of gas since 1946 could only have come about because new contracts are at very much higher prices than the old ones. They have come about, also, because old contracts have been renegotiated or otherwise escalated upward. The steepest increases have occurred recently when the most-favored-nation clauses and renegotiation clauses have been operating.

Now, Mr. President, I believe that if this bill should be passed, the new average price would rise in a fairly short length of time to at least 20 cents per thousand cubic feet at the wellhead. I base that conclusion on the following additional reasons.

Of some 247 contracts submitted to the Federal Power Commission by pipeline companies in 1953, 71 percent of the long-term contracts contained most-favored-nation clauses. In some 1,600 additional contracts submitted in 1954 and the first half of 1955, 69 percent had most-favored-nation clauses. For the contracts some individual pipeline companies have with producers, the percentage with these clauses is even higher.

In addition, renegotiation clauses in these and other contracts made in the last 4 or 5 years are almost universal. Renegotiation is really the same thing as the third-party most-favored-nation clauses. The new price is usually based on the 3 or 4 highest prices in the field or area. Its only saving grace is that renegotiation supposedly occurs less automatically than increases under most-favored-nation clauses and, supposedly, can only occur at stated intervals, usually 5 years, but now often in 4 or 3 or 2 years.

Although the opportunity for increases under renegotiation provisions is in theory less frequent than for increases under most-favored-nation clauses, economic pressures are now such that renegotiation takes place virtually every time a pipeline seeks a new supply of gas to meet an increased demand or to replace its yearly depleted supply. Because of this, renegotiation now takes place much faster than the mere contractual provisions state. The result is that many, many gas contracts made by pipelines 4 to 5 years ago have been renegotiated on the basis of the new highest prices in the field or area. And those which have not been renegotiated soon will be.

Thus, although some—like the Senator from Oklahoma [Mr. MONRONEY]—are not as much troubled as I am by the second-party most-favored-nation clauses or by the fact that 70 percent, at least, of the contracts now contain some form of favored-nation provisions, it is impossible to get around the fact that renegotiation is now universal. And renegotiation inflates prices farther than second-party most-favored-nation clauses and is just as harmful as the outrageous third-party most-favored-nation clauses. Renegotiation, which increases prices to the average of the 3 or 4 highest prices in an area, is now in almost all contracts, and will take prices, before too long, to the highest price in most areas.

"TRIGGER" CONTRACTS

Mr. President, let me give some examples of high-priced large-volume contracts, which act as a "trigger" for the remaining low-priced contracts, and, in the absence of regulation, will result in rapid increases in field-price averages.

I have in my hand copies of exhibits Nos. 2 and 16, Docket No. 6-8288, submitted at the end of November 1955—only 2 months ago—in the matter of Sun Oil Co. et al., before the Federal Power Commission.

These are lists of current comparable contracts in the contract pricing area where Sun Oil is buying gas in Louisiana.

As I have previously mentioned, the Sun Oil Co. wanted to increase its rate from 9.8 cents to 17 cents. This would give them an annual increase of $284,432. That rate was suspended, and the Sun Oil Co., in order to justify its rate, came forward with the rates which were being paid to the other producers in that area, or what would be called the reasonable market price if the pending bill should ever become law.

These contracts are very interesting. They are not for piddling or trifling amounts of gas, nor for piddling or trifling amounts of money.

An examination of them will show that almost all major oil companies—certainly most of the big ones—are selling in the pricing area. I read off the names of Stanolind, Superior Oil, Shell Oil, Union Oil of California, Atlantic Refining Co., H. L. Hunt, Phillips Petroleum, Humble Oil, Magnolia Oil, the Texas Co., Cities Service, Sinclair Oil, and others.

I ask unanimous consent that the contracts be included in the RECORD at this point in my remarks.

The PRESIDING OFFICER. Does the Senator wish to read the contracts or to insert them in the RECORD?

Mr. DOUGLAS. I ask unanimous consent to have them printed in the RECORD at this point. Then I shall comment on them.

The PRESIDING OFFICER. Is there objection?

There being no objection, the contracts were ordered to be printed in the RECORD, as follows:

Current comparable contracts in contract pricing area, Sun Oil Co., Docket No. G–8288

Item No.	Map reference	Seller	FPC reference (seller's R. S. unless indicated as docket)	Field	Parish	Date of contract	Contract quantity (Mcf. per day)	Delivery pressure (P. s. i. g.)	Delivery point	Contract price (cents per Mcf.)
CONTRACT IN QUESTION—PURCHASER—TRANSCONTINENTAL GAS PIPELINE CORP.										
1	1	Sun Oil Co., et al. (11 other sellers)	44	Egan	Acadia	Apr. 30, 1948	31,700	800	Fence of field facilities in field.	Rate suspended.
PURCHASER—AMERICAN LOUISIANA GAS PIPELINE CO. (AMERICAN NATURAL GAS CO.)										
2	2	Stanolind Oil & Gas Co	Purchaser's Docket G–2306.	Bayou Mallet	Acadia	June 1, 1953	Estimated 1,801 for 20-year depletion [1]	1,050	Field	Base 18.25 Tax 1.00 Total 19.25
3	3	do	do	Lewisburg	Acadia and St. Mary.	do	Estimated 1,566 for 20-year depletion [1]	1,050	do	Base 20.00 Tax 1.00 Total 21.00
4	4	do	do	North Elton	Allen	do	Estimated 1,779 for 20-year depletion [1]	1,050	do	Base 18.25 Tax 1.00 Total 19.25
5	5	British-American Oil Producing Co.	do	Cameron	Cameron	Nov. 6, 1953	Fraction of estimate of 50,320 from total from field for 20-year depletion.[1]	1,050	do	Base 18.25 Tax 1.00 Total 19.25
6	6	Kerr-McGee Industries, Inc.	27	do	do	do	do	1,050	do	Base 18.25 Tax 1.00 Total 19.25
7	5	Stanolind Oil & Gas Co	Purchaser's Docket G–2307.	do	do	June 1, 1953	do	1,050	do	Base 18.25 Tax 1.00 Total 19.25
8	6	do	Purchaser's Docket G–2306.	Iowa	Jefferson Davis and Calcasieu.	do	Estimated 4,156 for 20-year depletion of reserves.[1]	1,050	do	Base 18.25 Tax 1.00 Total 19.25
9	7	do	do	South Elton	Jefferson Davis	do	Estimated 964 for 20-year depletion of reserves.[1]	1,050	do	Base 18.25 Tax 1.00 Total 19.25
10	8	do	do	South Jennings	do	do	Estimated 36,559 for 20-year depletion of reserves.[1]	1,050	do	Base 20.00 Tax 1.00 Total 21.00
11	9	do	do	Welsh	do	do	Estimated 1,173 for 20-year depletion of reserves.[1]	1,050	do	Base 18.25 Tax 1.00 Total 19.25
12	10	do	do	Savoy	St. Landry	do	Estimated 4,682 for 20-year depletion of reserves.[1]	1,050	do	Base 18.25 Tax 1.00 Total 19.25
PURCHASER—NIAGARA GAS TRANSMISSION, LTD.										
13	11	Kerr-McGee Industries, Inc. (1 other seller).	Not filed as rate schedule, but contract in Kerr-McGee Rate Schedule No. 7 to Tennessee.	Hog Bayou	Cameron	Feb. 6, 1953	Estimated 12,000	1,000	Field	Base 16.40 Tax 1.00 Total 17.40
14	11	Marine Gathering Co	2	Various offshore	do	do	Estimated 22,500 from billing	1,000	Valve connection of transporter serving Rollover Field, Cameron Parish.	Base 16.40 Tax 1.00 Total 17.40

[1] To deplete 91 percent of reserves in remaining term of contract. Quantities estimated from FPC reserves.

PURCHASER—OLIN GAS TRANSMISSION CORP.

15	12	Sun Oil Co	Intrastate	Bateman and Sweet Bay Lakes.	St. Mary and Terrebonne.	June 4, 1954	Minimum of 10,000 until 1962, then 1,000 M c. f. for each 8,000,000 M c. f. reserves.	1,025	Field	Base 20.00 Tax 1.00 Total 21.00

PURCHASER—TENNESSEE GAS TRANSMISSION CORP.

16	13	E. J. Hudson et al (3 other sellers)	8	Delta Farms area.	Lafourche	May 18, 1955	Estimated 2,211 [2]	1,000	Field	Base 17.00 Tax 1.00 Total 18.00
17	14	The California Co	Purchaser's Docket G-8805.	Various (11 fields).	Lafourche, Jefferson, Plaquemines, and Terrebonne.	Apr. 1, 1955	Estimated 12,803 [2]	1,000	Central in each field.	Base 17.00 Tax 1.00 Total 18.00
18	15	Superior Oil Co	45	Bayou Penchant and Four Isle Dome.	Terrebonne	Apr. 6, 1955	Estimated 29,704	1,000	do	Base 17.00 Tax 1.00 Total 18.00
19	16	Shell Oil Co	130	Various	Terrebonne, St. Mary, and Plaquemines.	Mar. 29, 1955	Estimated 37,018 [2]	1,000	do	Base 17.00 Tax 1.00 Total 18.00
20	17	M. L. Mayfield	Purchaser's Docket G-8805.	Amelia	St. Mary	Apr. 1, 1955	Estimated 3,803 [2]	1,000	Field	Base 17.00 Tax 1.00 Total 18.00

PURCHASER—TEXAS GAS TRANSMISSION CORP.

21	18	Union Oil Company of California	Purchaser's Docket G-8828.	East Lake Palourde.	Assumption	Apr 14, 1955	50,000 minimum	1,000	Field	Base 20.00 Tax 1.00 Total 21.00
22	18	California Co	do	do	do	Apr. 1, 1955	10,000 minimum	1,000	do	Base 20.00 Tax 1.00 Total 21.00
23	18	Atlantic Refining Co	do	do	do	Apr. 22, 1955	2,000 minimum	1,000	do	Base 20.00 Tax 1.00 Total 21.00

PURCHASER—TRANSCONTINENTAL GAS PIPE LINE CORP.

24	19	Anthony J. Tamborello et al. (5 other sellers).	1	Bayou Mallet (South).	Acadia	Sept. 7, 1954	1,000	1,000	Field	Base 16.00 Tax 1.00 Total 17.00
25	19	Ted Weiner et al. (8 other sellers)	3	do	do	Sept. 27, 1954	2,100	1,000	do	Base 16.00 Tax 1.00 Total 17.00
26	20	Hassie Hunt Trust	3	Maxie	do	Sept. 14, 1954	3,500 until May 1, 1955, then 8,250	1,000	do	Base 16.00 Tax 1.00 Total 17.00
27	21	Phillips Petroleum Co	149	Bear	Beauregard	Aug. 16, 1954	1,750	1,000	do	Base 16.00 Tax 1.00 Total 17.00
28	21	Shell Oil Co	25	do	do	Aug. 31, 1954	3,000	1,000	do	Base 16.00 Tax 1.00 Total 17.00
29	22	Texas Gas Pipe Line Corp	Seller's Docket G-2310.	Various in Texas	Delivery point in Cameron.	(3)	Present deliveries approximately 41,395	1,000	Across Sabine River in Cameron Parish.	Base 16.00 Tax 1.00 Total 17.00

[2] 1,000 M. c. f. for each 10 million M. c. f. reserves. Quantities estimated from FPC reserves.
[3] Service agreement dated Jan. 27, 1955.

Current comparable contracts in contract pricing area, Sun Oil Co., Docket No. G-8288—Continued

Item No.	Map reference	Seller	FPC reference (seller's R. S. unless indicated as docket)	Field	Parish	Date of contract	Contract quantity (Mcf. per day)	Delivery pressure (P. s. i. g.)	Delivery point	Contract price (cents per Mcf.)
				PURCHASER—TRANSCONTINENTAL GAS PIPE LINE CORP.—Continued						
30	23	Sunray Mid-Continent Oil Co	77	South Duson	Lafayette	Dec. 10, 1954	5,000	1,000	Field	Base 16.00 Tax 1.00 Total 17.00
31	24	Houston Oil Company of Texas	7	Live Oak	Vermilion	Jan. 17, 1955	5,000 until Nov. 1, 1955 then on reserves	1,000	do	Base 16.00 Tax 1.00 Total 17.00
32	27	do	Seller advised will file R. S. on Sept. 7, 1955.	Esterwood	Acadia	July 18, 1955	400 minimum	1,000	do	Base 16.00 Tax 1.00 Total 17.00
				PURCHASER—UNITED FUEL GAS CO.						
33	25	Crown Central Petroleum Co	1	Church Point	Acadia	Dec. 22, 1953	1,000 M c. f. for each 8,000,000 M c. f. reserves. Deliveries 1,083 June 1955.	1,000	Field	Base 16.00 Tax 1.00 Total 17.00
34	26	Forest Oil Co., et al. (55 other sellers)	3	Ellis	do	Jan. 15, 1954	All casinghead and 2,000 M c. f. for each gas well or 1,000 M. c. f. for each 8,000,000 reserves whichever is greater. Estimate from billing 2,187.	1,000	do	Base 16.00 Tax 1.00 Total 17.00
35	26	Humble Oil & Refining Co	25	do	do	Jan. 26, 1953	All casinghead and 1,000 M c. f. for each 8,000,000 M c. f. from gas wells. Estimate from billing 2,187.	1,000	do	Base 16.00 Tax 1.00 Total 17.00
36	26	Sun Oil Co., et al. (1 other seller)	38	do	do	Dec. 30, 1952	All casinghead and 2,000 M c. f. for each gas well or 1,000 M c. f. for each 8,000,000 M c. f. reserves whichever is greater. Present deliveries approximate 11,000.	1,000	do	Base 16.00 Tax 1.00 Total 17.00
37	27	Atlantic Refining Co	63	Midland-Esterwood.	do	Jan. 5, 1953	1,000 M c. f. for each 8,000,000 M c. f. reserves. Estimated from billing 10,000.	1,000	Tail gate Acadia plant in Egan Field.	Base 16.00 Tax 1.00 Total 17.00
38	28	Humble Oil & Refining Co	24	Cameron Meadows.	Cameron	Jan. 26, 1953	All casinghead gas and 1,000 M c. f. for each 8,000,000 M c. f. reserves. Estimated from billing 4,434.	1,000	Field	Base 16.00 Tax 1.00 Total 17.00
39	29	Magnolia Petroleum Co	1	Gum Cove	do	Dec. 19, 1952	5,000 M c. f. or 1,000 M c. f. for each 8,000,000 M c. f. reserves whichever is greater. Estimated from billing 5,000.	1,000	do	Base 16.00 Tax 1.00 Total 17.00
40	30	Magnolia Petroleum Co	2	Chalkley	do	Jan. 23, 1953	do	1,000	do	Base 16.00 Tax 1.00 Total 17.00
41	31	Pan American Production Co., et al. (3 other sellers).	1	Various	Cameron, Iberia, and Acadia.	May 27, 1952	All casinghead and 1,000 M c. f. for each 8,000,000 M c. f. reserves. Estimated from billing 18,563.	1,000	At each field	Base 16.50 Tax 1.00 Total 17.50
42	32	Shell Oil Co	27	Deep Lake	Cameron	Oct. 6, 1953	1,000 M c. f. for each 8,000,000 M c. f. reserves. Estimated from billing 5,000.	1,000	Field	Base 16.00 Tax 1.00 Total 17.00
43	33	The Texas Co	4	Mud Lake (East)	do	Nov. 8, 1952	1,000 M c. f. for each 8,000,000 M c. f. reserves. Estimated from billing 18,000.	1,000	do	Base 16.00 Tax 1.00 Total 17.00
44	34	M. L. Mayfield	1	Pine Prairie	Evangeline	Jan. 25, 1954	2,500, estimated from billing 1,500	1,000	Purchaser's line in Evangeline Parish.	Base 16.00 Tax 1.00 Total 17.00
45	35	Humble Oil & Refining Co	26	Avery Island	Iberia	Jan. 20, 1953	All casinghead and 1,000 M c. f. for each 8,000,000 M c. f. reserves. Estimated from billing 7,500.	1,000	Field	Base 16.00 Tax 1.00 Total 17.00
46	36	The Texas Co	3	Valentine	Lafourche	May 22, 1953	All casinghead gas and 10,000 or 1,000 M c. f. for each 8,000,000 M c. f. whichever is greater. Estimated from billing 18,000.	1,100	do	Base 16.00 Tax 1.00 Total 17.00

47	36	Stanolind Oil & Gas Co. et al. (5 other sellers).	78	do	do	June 25, 1953	All casinghead gas and 2,000 M c. f. per day or 1,000 M c. f. for each 8,000,000 M c. f. reserves whichever is greater. Estimated from billing, 2,000.	1,100	do	Base 16.00 Tax 1.00 Total 17.00
48	37	The Texas Co	2	Gathering System	St. Landry	May 22, 1953	25,000. Estimated from billing, 15,000	1,150	Sec. 39, T. 145, R. 20 E., St. Charles Parish.	Base 16.00 Tax 1.00 Total 17.00
49	38	Ted Weiner et al. (12 other sellers)	2	Franklin	St. Mary	Dec. 22, 1953	2,000 or 1,000 M c. f. for each 8,000,000 M c. f. whichever is greater. Estimated from billing, 2,000	1,000	Field	Base 16.00 Tax 1.00 Total 17.00
50	39	The Texas Co	5	Bayou Sale Lake and Horse Shoe Bayou	do	Sept. 24, 1954	Up to 2,500. Estimated from billing, 2,000.	1,000	Bayou Sale Field	Base 16.00 Tax 1.00 Total 17.00
51	40	Shell Oil Co	26	Orange Grove	Terrebonne	Sept. 1, 1954	1,000 M c. f. fo each 8,000,000 M c. f. reserves. Estimated from billing, 2,000.	1,000	Field	Base 16.00 Tax 1.00 Total 17.00
52	40	Ted Weiner et al. (6 other sellers)	1	do	do	Aug. 28, 1953	1,000 M c. f. for each 8,000,000 M c. f. reserve but not less than 2,000. Estimated from billing 1,000.	1,000	do	Base 16.00 Tax 1.00 Total 17.00
53	41	Cities Service Production Co. et al. (2 other sellers.)	1	Bourg and Presque Island.	Terrebonne and Lafourche.	Oct. 31, 1952	1,000 M c. f. for each 8,000,000 M c. f. reserves. Estimated from billing 22,400.	1,100	do	Base 16.00 Tax 1.00 Total 17.00
54	42	Humble Oil & Refining Co	23	Erath	Vermilion	Sept. 11, 1952	9.299398 percent of Erath Field deliveries. Estimated from billing 9,299.	1,000	do	Base 20.00 Tax 1.00 Total 21.00
55	42	The Texas Co	6	do	do	Sept. 10, 1952	52,107 or 52.107 percent of deliveries from Erath Field. Estimated from billing 52,100.	1,000	do	Base 20.00 Tax 1.00 Total 21.00
56	42	Tidewater Associated Oil Co	26	do	do	Sept. 11, 1952	12,600 or 12.61049 percent of the deliveries from the Erath Field. Estimated from billing 12,600.	1,000	do	Base 20.00 Tax 1.00 Total 21.00
57	43	Tidewater Associated Oil Co., et al. (51 other sellers).	25	Florence	do	Jan. 30, 1953	All casinghead gas and 1,000 M c. f. for each 8,000,000 M c. f. reserves. Estimated from billing 8,000.	1,000	Outlet of Acadia plant in Egan Field.[3]	Base 16.00 Tax 1.00 Total 17.00
58	26	Bateman Drilling Co., et al. (1 other seller).	1	Ellis	Acadia	Dec. 30, 1952	All casinghead and 2,000 M c. f. for each gas well or 1,000 M c. f. for each 8,000,000 M c. f. reserves whichever is greater. June 1955 deliveries 1,611.	1,000	Field	Base 16.00 Tax 1.00 Total 17.00

[3] No such deliveries being made from the Acadia plant. R. W. Byram & Co. reports show 290,597 M c. f. delivered to United Fuel in June 1955.

Expanded list of additional current comparable contracts in contract pricing area, Sun Oil Co., Docket No. G–8288

Item No.	Map reference	Seller	FPC reference (seller's R. S. unless indicated as docket)	Field	Parish	Date of contract	Contract quantity (M c. f. per day)	Delivery pressure (P. s. i. g.)	Delivery point	Contract price (cents per M c. f.)
PURCHASER—AMERICAN LOUISIANA GAS PIPE LINE CO. (AMERICAN NATURAL GAS CO.)										
[1]1	44	Superior Oil Co	7	Various	Cameron	July 17, 1953	Estimated, 207,200	1,000	A point in E½ of E½, sec. 16, T. 12 S., R. 14 W., Louisiana meridian, north of Mermentau River.	Base 20.00 Tax 1.00 Total 21.00
PURCHASER—E. A. COURTNEY										
2	45	Shell Oil Co	126	Happytown	St. Martin	Sept. 1, 1954	Seller's share of 10,000 for field, estimated from billing 4,000.	1,000	Field	Base 13.50 Tax 1.00 Total 14.50
3	45	The Texas Co	122	do	do	Oct. 22, 1954	The Texas Co.'s share of 10,000 per field, estimated from billing 2,583.	1,000	do	Base 13.50 Tax 1.00 Total 14.50
PURCHASER—W. H. HUNT TRUST ESTATE, DOING BUSINESS AS PARK PIPE LINE										
4	46	H. L. Hunt	11	Oberlin	Allen	July 15, 1955	As required to fulfill Transco.'s requirements; estimated from billing 2,753.	[2]	Field	Base 14.75 Tax 1.00 Total 15.75
PURCHASER—SOUTHERN NATURAL GAS CO.										
[1]5	31 and 55	Southern Production Co	3	Lake Sand and Duck Lake.	Iberia, St. Martin, and St. Mary.	Dec. 15, 1952	74,932	1,000	Duck Lake, 1¼ miles south of Verdunville; Lake Sand, 1¼ miles south of South Bend.	Base 10.26 Tax 1.00 Total 11.26
PURCHASER—TRANSCONTINENTAL GAS PIPE LINE CORP.										
7	25	Sunray Mid-Continent Oil Co	108	Church Point	Acadia	July 25, 1955	Seller's share of gas from field, estimated 1,500 from billing.	1,000	Texas Gas connections with Transco, Acadia Parish.	Base 16.00 Tax 1.00 Total 17.00
8	27	Southwest Gas Producing Co	Seller's docket G–9054	Midland-Esterwood.	do	May 31, 1955	1,000 minimum; 1,375 maximum	1,000	Tailgate of Acadia Plant in Egan Field.	Base 16.00 Tax 1.00 Total 17.00
[1]9	47	Forest Oil Corp, et al. (1 other seller)	1	North Egan	do	Aug. 24, 1954	To Nov. 1, 1955, 10,000 then on reserve basis. Reserves divided by 7,300 days.	1,000	Field	Base 16.00 Tax 1.00 Total 17.00
[1]10	4	Bell Oil Corp	3	North Elton	Allen	May 27, 1954	4,500	1,000	Tailgate of seller's plant in field.	Base 16.00 Tax 1.00 Total 17.00
11	46	W. H. Hunt Trust Estate, doing business as Park Pipe Line.	5	Oberlin	do	July 15, 1955	To Jan. 1, 1956, as necessary to relieve distress conditions. Then on reserves. Reserves divided by 7,300. Estimated from billing 2,664.	1,000	Purchaser's line in Allen Parish.	Base 16.00 Tax 1.00 Total 17.00
[1]12	48	Morris Rauch	1	Vinton	Calcasieu	June 9, 1953	350	1,000	Field	Base 16.00 Tax 1.00 Total 17.00
[1]13	48	Union Oil Company of California	4	do	do	Nov. 17, 1953	1,020 minimum, 1,360 maximum	1,000	do	Base 16.00 Tax 1.00 Total 17.00

14	49	Atlantic Refining Co	118	Palmetto	St. Landry	May 13, 1955	500 minimum, 700 maximum	1,000	do	Base 16.00 Tax 1.00 Total 17.00
15	49	Sinclair Oil & Gas Co	58	do	do	do	do	1,000	do	Base 16.00 Tax 1.00 Total 17.00
16	24	do	78	Live Oak	Vermilion	Sept. 3, 1955	1,500 minimum, 4,125 maximum	1,000	do	Base 16.00 Tax 1.00 Total 17.00
[1] 17	50	Phillips Petroleum Co	220	Tigre Lagoon	do	Nov. 17, 1953	1,800 minimum, 2,400 maximum	1,000	do	Base 16.00 Tax 1.00 Total 17.00
[1] 18	51	Union Oil Company of California	6	Fresh Water Bayou.	do	do	9,980 minimum, 13,300 maximum	1,000	do	Base 16.00 Tax 1.00 Total 17.00
[1] 19	50	do	3	Tigre Lagoon	do	do	49,830 minimum, 66,440 maximum	1,000	Field	Base 16.00 Tax 1.00 Total 17.00
[1] 20	52	do	5	East White Lake	do	do	2,440 minimum, 3,250 maximum	1,000	do	Base 16.00 Tax 1.00 Total 17.00
[1] 21	53	do	2	West White Lake	do	do	30,490 minimum, 40,650 maximum	1,000	do	Base 16.00 Tax 1.00 Total 17.00
					PURCHASER—UNITED FUEL GAS CO.					
6	25	Pan American Production Co	2	Church Point and Northwest Branch.	Acadia	Oct. 5, 1953	1,000 for each 8,000,000 M c. f. reserves. Estimated 5,100 from current production.	1,000	Church Point Field	Base 16.40 Tax 1.00 Total 17.40 (Escalated to 17.4 cents Nov. 1, 1955, from 17 cents.)
22	36	Dolte Cheramie, et al. (4 other minority sellers: J. L. Wood, R. S.-1, W. R. Wheeler, R. S.-1, Robert Mosbacker, R. S.-1, and Eunice J. Viret, R. S.-1).	1	Valentine	Lafourche	Sept. 17, 1954	Seller's share of production from properties operated by Texas Co. Estimated from billing 800 for minority owners.	1,100	Field	Base 16.40 Tax 1.00 Total 17.40 (Escalated to 17.4 cents Nov. 1, 1955, from 17 cents.)
23	36	Rebstock & Reeves Drilling Co. et al. (4 other party sellers).	1	do	do	June 25, 1953	All casinghead gas and 1,000 for each 10,000,000 M c. f. gas well gas reserves. Estimated from Byram Reports.	1,100	do	Base 16.40 Tax 1.00 Total 17.40 (Escalated to 17.4 cents Nov. 1, 1955, from 17 cents.)
24	54	Texas Gulf Producing Co. et al. (1 other party seller).	10	Lake Long	do	May 8, 1953	10,000	1,050	do	Base 16.40 Tax 1.00 Total 17.40 (Escalated to 17.4 cents Nov. 1, 1955, from 17 cents).
25	42	John L. Abercrombie et al (24 other party sellers).	1	Erath	Vermilion	Sept. 10, 1952	Seller's percentage of gas from Erath Field. Estimated from billing 1,000.	1,000	do	Base 20.20 Tax 1.00 Total 21.20 (Escalated to 21.20 cents Nov. 1, 1955, from 21 cents.)

See footnotes at end of table.

Expanded list of additional current comparable contracts in contract pricing area, Sun Oil Co., Docket No. G–8288—Continued

Item No.	Map reference	Seller	FPC reference (seller's R. S. unless indicated as docket)	Field	Parish	Date of contract	Contract quantity (M c. f. per day)	Delivery pressure (P. s. i. g.)	Delivery point	Contract price (cents per Mcf.)
PURCHASER—UNITED GAS PIPE LINE CO.										
[1] 26	55	Humble Oil & Refining Co	35	Duck Lake	St. Martin	Feb. 9, 1954	Estimated from billing 51,000	1,000	Field	Base 20.20 Tax 1.00 Total 21.20 (Escalated to 21.20 cents Nov. 1, 1955, from 14.50 cents.) (Escalated from 13.5 cents to 14.50 June 1, 1955.)
27	55	W. H. Cocke	1	do	St. Martin and St. Mary.	July 26, 1954	36½ million cubic feet per year for each billion cubic feet reserves. Estimated from billing 433 M c. f. per day.	1,000	do	Base 20.20 Tax 1.00 Total 21.20 (Escalated to 21.20 cents Nov. 1, 1955, from 14.5 cents.) (Escalated from 13.5 cents to 14.5 cents June 1, 1955.)
28	55	R. H. Goodrich	1	do	do	July 30, 1954	do	1,000	do	Base 20.20 Tax 1.00 Total 21.20 (Escalated to 21.20 cents Nov. 1, 1955, from 14.5 cents.) (Escalated from 13.5 cents to 14.5 cents June 1, 1955.)
[1] 29	55	Hunt Oil Co	5	do	do	July 7, 1952	36 MM c. f. per year for each M[2] c. f. reserves. Estimated from recent sales 39,244 M c. f. per day.	1,000	do	Base 20.20 Tax 1.00 Total 21.20 (Escalated to 21.20 cents Nov. 1, 1955, from 14.5 cents.) (Escalated from 13.5 cents to 14.5 cents June 1, 1955.)
[1] 30	55	Arkansas Fuel Oil Corp	13	do	do	Aug. 15, 1952	36 MM c. f. per year for each M[2] c. f. reserves. Estimated from recent sales 23,072 M c. f. per day.	1,000	do	Base 20.20 Tax 1.00 Total 21.20 (Escalated to 21.20 cents, Nov. 1, 1955, from 14.5 cents.) (Escalated from 13.5 to 14.5 cents, June 1, 1955.)
[1] 31	55	The Texas Co	102	do	do	June 1, 1954	36 MM c. f. per year for each M[2] c. f. reserves. Estimated from recent sales 8,548 M c. f. per day.	1,000	do	Base 20.20 Tax 1.00 Total 21.20 (Escalated to 21.20 cents, Nov. 1, 1955, from 14.5 cents.) (Escalated from 13.5 to 14.5 cents, June 1, 1955.)

[1] Items 1, 5, 9, 10, 12, 13, 17, 18, 19, 20, 21, 26, 29, 30, and 31 are transferred to this list from exhibit 4. All with the exception of item 5 was transferred to exhibit 4 from exhibit 3 at the last hearing, item 5 has been classified as comparable since the last hearing.

[2] As required to deliver.

ANALYSIS OF "TRIGGER" CONTRACTS

Mr. DOUGLAS. Mr. President, most of these companies are on the list of the 35 biggest producers who produce 70 percent of the gas in interstate commerce. These exhibits also show the names of a number of the 17 big pipeline companies who transmit 88 percent of the gas in the country. There are names like United Gas Pipeline Co., Southern Natural Gas Co., Transcontinental Gas Pipe Line Co., Texas Eastern Gas Transmission Co., and Tennessee Gas Transmission Co. Therefore, these contracts are between and among some of the biggest producers and the biggest pipelines in the country.

I have added up the volumes contracted for in these "current" comparable contracts—of course Sun Oil's contracts do not appear—and multiplied these volumes by the price so as to get a fair and weighted price per thousand cubic feet. I believe that no charge of selecting 1 or 2 priced contracts for small volumes can be made, and I shall introduce the figures in a moment to show that.

I have used only "current" contract prices—not some future price to which every one of these contracts will go. When volumes were for minimums and maximums—as in a few cases—I have taken the volume half way between the two when the present daily volume was not given. Further, I have taken only the 20-year or long-term contracts. My data will be on the conservative side, for in 1 or 2 high-priced contracts it was not possible to determine the volumes, and I have left them out. Further, as these are long-term contracts, the prices in every case will escalate to higher levels by step escalation, or most-favored-nation, or renegotiation clauses, and in most of them, by all three. However, I am using only the prices at which gas sold when these contracts were submitted—and that, too, makes my computations conservative.

In all, there are 82 contracts. A good many, of course, are between the same individuals and were made on the same date for the same consideration, and really represent a single large purchase of gas.

Of these, their number and price were distributed as follows:

Number:	Price (cents)
1	11.26
2	14.5
1	15.75
43	17
5	17.4
1	17.5
5	18
9	19.25
8	21
7	21.2

In fairness, Mr. President, it should be pointed out that the price includes a 1-cent Louisiana serverance tax. We do not object to severance taxes. In fact, I think it might be a good thing for the States in the Southwest to have to pay more such taxes in order to raise revenue. The tax is absorbed by the purchaser and is passed on by the pipeline to its customers.

In order that the substantial and representative character of these contracts may be fully appreciated, let us see what volumes are being purchased under them.

I have here a table which I should prefer to insert in the RECORD and then to comment upon it.

I ask unanimous consent to have the table printed in the RECORD at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Number of contracts	Price per M c. f.	Total volume M c. f. (rounded)	Total amount
	Cents		
1	11.26	546,900,000	$61,560,940
2	14.5	47,700,000	6,916,500
1	15.75	19,600,000	3,087,000
43	17	2,280,700,000	387,719,000
5	17.4	698,800,000	120,551,000
1	17.5	134,000,000	23,450,000
5	18	702,000,000	126,360,000
9	19.25	219,400,000	42,234,500
8	21	2,387,100,000	501,291,000
7	21.2	901,500,000	191,118,000
Total (82)	[1] 18.45	7,937,700,000	1,464,287,940
Yearly basis (82)	18.45	396,870,000	73,214,407

[1] Weighted average.

THE DANIEL BOONES OF THE INDUSTRY

Mr. DOUGLAS. Mr. President, here are 82 contracts which average 18.45 cents per thousand cubic feet for a yearly volume of 396 million thousand cubic feet or a yearly cost at the present weighted average of $73,214,407.

As the contracts run for 20 years, even if prices do not rise 1 cent and even if the volumes are not increased as some of the contracts allow, the volume of gas under contract is 7.9 billion thousand cubic feet worth $1.46 billion. Under these 82 contracts, the volume of gas under 20-year contract is 130 percent of the 6 billion thousand cubic feet which was sold by pipelines and utilities in 1955. Spread out on a yearly basis, it is one-fifteenth or 6.6 percent of the gas which was sold by utilities and pipelines last year. Therefore, it represents a sizable block of gas.

The volumes and amounts here are not small and are not unrepresentative. Obviously, there are other existing and current contracts at lower prices which somewhat offset these. Nonetheless, these prices and these contracts are the Daniel Boones of the natural-gas industry—they lead the way. As Daniel Boone pierced the Appalachian Mountains and came into Kentucky, so these contracts lead the way into that bright and promised land which lies before the gas producers if this bill is passed and the siren song of the proponents of the bill proves to be effective.

Under renegotiation and most-favored-nation and redetermination and other escalation clauses they will soon be the prevailing and average prices for the industry. And the fact that most of the big producers and half of the major pipelines are buying gas under these contracts at these prices shows that they cannot help but become the prevailing and average prices on the next round of renegotiation and most-favored-nation increases.

Some of the specific contracts are certainly interesting.

Six of the seven contracts at 21.2 cents per thousand cubic feet were purchases by United Gas Pipe Line Co. The sellers included among others, the Texas Co., Humble Oil Co., and H. L. Hunt. These 6 contracts are for a total volume of 893.7 million thousand cubic feet or a yearly volume of 44.6 million thousand cubic feet. Before June 1, 1955, they were at 13.5 cents per thousand cubic feet. On June 1, 1955, they escalated to 14.5 cents. Then on November 1, 1955, they escalated again to 21.2 cents per thousand cubic feet. Thus, in a matter of 6 months, these contracts increased in price by 8.7 cents or by 64 percent.

That, Mr. President, is an example of just how fast escalation and renegotiation can operate. These are the "trigger" contracts. These are the Daniel Boones of the natural-gas industry, leading the way for the others who will soon follow.

The fact that annual prices in 1955 were at 10.7 cents is no protection whatsoever against swift and fast escalation to unconscionable prices if this bill passes. When I review the picture of what is happening in such "market price" spiraling, I am amazed by the moderation of my own prediction of a 20-cent field price average.

I believe it was Warren Hastings who said he was amazed at his own moderation. I am amazed at my moderation in fixing a 20-cent limit on natural gas in the future.

In the light of the statements of the producers themselves, who state that 20 cents, 25 cents, 45 cents, and even higher, is a fair price for gas at the wellhead, in the light of the almost universal pressure of renegotiation and other forms of upward pressure on contract prices, and in the light of the facts revealed by the Sun Oil exhibits for the Louisiana field, 20 cents per thousand cubic feet cannot be far away. Contracts like these are the ones to keep our eyes on. Here are the "triggers" pointing at the consumers' pocketbooks. Here are the Daniel Boones. Here are the predecessors of higher and higher gas prices.

RESIDENTIAL GAS CONSUMER HAS NO EFFECTIVE ESCAPE FROM MONOPOLY PRICES

Mr. President, let me return to a theme which should be familiar by this time, but which evidently has not been fully appreciated by the advocates of the bill; namely, that as the price of natural gas goes up, the residential gas consumers will have no escape from the monopoly prices.

It is clearly recognized by the industry that unless consumers have a close substitute for a product or commodity and can readily turn to such substitute when prices get too high, the prices which the consumer may be forced to pay may be very high. This well-known economic fact was spelled out by the American Petroleum Institute, Independent Petroleum Association of America, Mid-Continent Oil and Gas Association, and seven other oil and gas trade organizations in a joint statement filed with the Federal Power Commission in Docket No. R–137. In that statement they commented as to

what would happen with respect to advances in prices of commodities in situations where the demand outruns supply. In their brief on page 44 they said:

> However, in most markets there would be some ceiling on rising prices (both initial and any subsequent rises), based on the amount the customer is willing to pay in relation to the price of competing products. If there is no close substitute for the product, then this ceiling may be very high. Fortunately for the consumer, this is not the case in the natural-gas market since coal and heat oil offer direct active competition.

The statement describes precisely the bind in which the residential gas consumer finds himself for the reason that he has already made an expensive investment in a range, water heater, gas furnace, or other appliance which will burn neither coal nor oil. There is no close substitute. The captive residential consumer has no effective means by which he can escape the incidence of unreasonable prices for natural gas. He cannot turn to other fuels without junking his expensive gas appliances.

On the first day of my address, last Friday, I introduced figures to show that the average investment per household in gas furnaces is $515; for gas ranges, $175; for water heaters, $165; and for gas refrigerators, $250.

The most common combination of a gas furnace, a gas range, and a gas water heater costs well over $800. I am leaving out the item of gas refrigeration.

Moreover, in many sections of the country the newer houses themselves and the chimneys, are designed primarily for the burning of natural gas.

The proposal which is offered to the residential consumer by proponents of this legislation that he is perfectly able to protect himself against rising gas prices by turning to competitive fuels is akin to telling the man marooned on a desert island that if he does not like salt water to drink he can swim 2,000 miles to the mainland for a drink of fresh water. It is ridiculous to tell 21 million natural-gas customers—21 million American families—that they can invest another 10 or 12 billion dollars in coal, oil, or electric appliances if they do not like the treatment they are obtaining from the natural-gas industry.

Mr. HUMPHREY. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield to the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I wish to say to the Senator from Illinois that it is with the deepest regret that I have not been able to be present to hear his splendid presentation. I do not always read the CONGRESSIONAL RECORD every day, because I do not have the time, in which situation I am sure other Members of the Senate find themselves, but I have been reading the debate of the Senator from Illinois. It is with a great sense of thankfulness and appreciation that I speak as I do now, because the Senator has enlightened and helped me considerably.

I want the Senator to know that I have been attending meetings of the Committee on Agriculture and Forestry from 10 o'clock in the morning until about this time every day, with an interruption or two so I could be on the floor. Otherwise, I would have been present to hear the Senator's address.

We are trying to report from the committee an agricultural bill by next week. I am sure the Senator from Illinois is interested in such a bill, and that he will vote with me for an agricultural bill, if it is a good bill, just as I am going to vote with him on the gas bill.

Mr. DOUGLAS. I thank the Senator from Minnesota. All the Senator from Illinois has been doing has been to try to hold the fort until the big guns can come up. The Senator from Illinois hopes that the Senator from Minnesota, with his customary brilliance, will take the floor and discuss the pending bill. I am sure he will do so in a far abler manner than the Senator from Illinois has been able to do it.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. HUMPHREY. I may say, while the analogy may not be too appropriate, that in this instance, as in other instances, the Senator from Illinois is, indeed, the atom cannon, and it is he who delivers the major blow. The rest of us come along, sort of in his wake, trying to do our part. I shall have a statement to present, and I hope it will be worthy of the Senate's consideration, and of the approval of the Senator from Illinois, because if it should receive his approval I will know it to be a very sound statement.

Mr. DOUGLAS. The whole country appreciates the Senator from Minnesota, and I am sure his contribution to the debate will be illuminating.

ORDER FOR RECESS UNTIL TOMORROW

Mr. CLEMENTS. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

Mr. CLEMENTS. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. CLEMENTS. Mr. President, will the Senator from Illinois yield further for a question?

The PRESIDING OFFICER (Mr. MONRONEY in the chair). Does the Senator from Illinois yield further to the Senator from Kentucky?

Mr. DOUGLAS. I yield.

Mr. CLEMENTS. Can the Senator from Illinois give to the acting majority leader some idea as to the extent of the remarks he intends to make on the bill?

Mr. DOUGLAS. The Senator from Illinois will say that he has read approximately 130 or 140 pages of the manuscript which he has prepared. While there are some 50 or 60 pages remaining, it is the intention of the Senator from Illinois not to hold the floor later than tomorrow. He hopes to be recognized when the Senate convenes tomorrow, but he certainly thinks he will complete his address tomorrow, and the address may not take all of tomorrow afternoon.

Mr. CLEMENTS. Do I understand, then, that, unless there should be some unusual, extraordinary happenings tomorrow, which cannot be foreseen at the present time, the Senator from Illinois will conclude his remarks on the bill tomorrow?

Mr. DOUGLAS. That is correct.

Mr. CLEMENTS. Mr. President, I ask unanimous consent that when the Senate convenes tomorrow, after the usual morning hour, and after the completion of debate and action on the two treaties which have been scheduled to come before the Senate immediately after the morning business is concluded, the Senator from Illinois may have the floor at that time.

Mr. CURTIS. Mr. President, reserving the right to object, let me point out that that would foreclose any other Senator from having the floor, following the debate and action of the treaties; would it not?

Mr. CLEMENTS. Let me say to my friend, the Senator from Nebraska, that if I were not about to make another unanimous-consent request, the answer to his question would be in the affirmative. However, the next unanimous-consent request the acting majority leader will make will, he believes, completely satisfy the Senator from Nebraska.

Mr. CURTIS. Then at this time I withhold any objection.

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). Is there objection to the unanimous-consent request of the Senator from Kentucky? Hearing none, it is so ordered.

Mr. CLEMENTS. Mr. President, I now ask unanimous consent that at some stage in his remarks tomorrow, the Senator from Illinois may yield to the Senator from Nebraska [Mr. CURTIS], in order to permit him to address the Senate for an indefinite period—I know not how long he wishes to speak; I understand he would like to have from 30 to 50 minutes—and with the understanding that the Senator from Illinois will not lose his right to the floor.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. CURTIS rose.

Mr. CLEMENTS. Did the Senator from Nebraska intend to object?

Mr. CURTIS. I wonder whether the Senator from Illinois is able to state at what time he might be able to yield to me?

Mr. DOUGLAS. I shall be glad to discuss that matter privately with the Senator from Nebraska, and to be as accommodating as possible.

Mr. CLEMENTS. Mr. President, it is fair to say, is it not, that the Senator from Illinois and the Senator from Nebraska will have no difficulty in agreeing on the time?

Mr. DOUGLAS. To date, we never have disagreed on personal matters, although sometimes we disagree on issues before the Senate. But on personal matters, I think we can reach agreement. Let me say, Mr. President, that I am in a very accommodating mood, this evening, as regards personal matters, al-

though I am adamant as a rock insofar as principles are concerned.

Mr. CLEMENTS. Mr. President, knowing the Senator from Illinois and the Senator from Nebraska as I do, there is no question in my mind that they will reach an agreement which will be very pleasing to the Senator from Nebraska, and, I am sure, will be a relief to the Senator from Illinois.

Mr. President, I understand that no objection was made to the request I made.

The PRESIDING OFFICER. That is correct; there was no objection, and the order has been entered.

AMENDMENT OF THE NATURAL GAS ACT, AS AMENDED

The Senate resumed the consideration of the bill (S. 1853) to amend the Natural Gas Act, as amended.

SUBSTITUTE EXEMPTING 5,360 PRODUCERS

Mr. DOUGLAS. Mr. President, I send to the desk an amendment, which I have prepared, in the form or nature of a substitute for the pending so-called Harris-Fulbright bill. I ask unanimous consent that the amendment may be printed at this point in today's RECORD. I wish to have the amendment lie on the desk, and be distributed to all Members of the Senate.

The PRESIDING OFFICER. The amendment will be received, printed, and lie on the table, and, without objection, will be printed in the RECORD.

The amendment, in the nature of a substitute intended to be proposed by Mr. DOUGLAS, is as follows:

Strike out all after the enacting clause and insert:

"That subsection (b) of section 1 of the Natural Gas Act, as amended, is hereby amended by striking out the period at the end thereof and adding the following: 'or to any transportation or sale of natural gas for resale in interstate commerce which occurs at or prior to the completion of production or gathering during any calendar year by any person if (1) during the preceding calendar year the total sales of natural gas for resale in interstate commerce by such person, alone or in the aggregate with affiliated producers and gatherers, did not exceed 2 billion cubic feet computed at 14$^{65}/_{100}$ pounds per square inch absolute at 60 degrees Fahrenheit, and (2) such person is not a natural-gas company by reason of other transportation or sale of natural gas for resale in interstate commerce and is not affiliated with a natural-gas company.'

"SEC. 2. Section 2 of such act is amended by inserting '(a)' after the section number and by adding at the end thereof the following new subsection:

"'(b) For the purpose of this act, a person shall be deemed to be affiliated with a producer or gatherer if such person directly or indirectly controls, is controlled by or is under common control with such producer or gatherer by reason of voting stock interest, common officers, directors, or stockholders, voting trusts, or by any other direct or indirect means'."

CONSUMER HAS NO ALTERNATIVE

Mr. DOUGLAS. Frankly, Mr. President, I find it shocking to read in the hearings testimony to the effect that if the residential consumer does not like the price of gas, he can turn to coal—that he has no right to demand just and reasonable gas prices. The expressed philosophy simply means turning back the clock. Let the monopolies—let the utilities charge what the traffic will bear. If he does not like the cost of telephone service, or what he pays for electric lights, the consumer can go back to writing letters and burning candles. How can such a proposal be seriously advanced?

I cannot emphasize too strongly that natural gas is now a necessity in the daily lives of the people of America, just the same as electricity, telephones, and water. All these services are furnished by utilities, and if the citizen needs such service, there is only one place where it may be obtained on a practical and economical basis—and that is from the local utility.

The substitutes and alternatives are substitutes in a technical sense only. The homeowner might use candles and oil lamps in place of electricity. He can also buy water in bottles or drill his own private well if he does not like the cost of water furnished by the local utility. But it is well recognized by all the regulatory statutes dealing with public utilities, as passed in the United States, that the substitute sources for the commodities purchased from such utilities furnish no real or practical protection for the consumer against unreasonable rates. The fact that it is possible for the consumer at a great financial sacrifice to shift from natural gas to oil, coal, and electricity if he does not like the price charged, simply denies the need for any regulation of utility rates in this country.

REGULATION IS ESSENTIAL FOR CONSUMER PROTECTION

Mr. President, I have already pointed out that in the absence of regulation of field prices, there is nothing to prevent the field cost of gas from continuing to spiral toward, and that it is the expressed intention of producers to seek higher prices in the future. Thus, it is essential that regulation, under the Natural Gas Act, over the prices paid producers of natural gas be continued for the protection of 21 million American families who are captive customers of the natural-gas industry.

It is contended by promoters of this proposed legislation that the consumer is best protected by competition. The proponents make much of the point that prices of natural gas have not gone up along with prices of competitive fuels or with the general cost of living. They presented statistical data and charts showing that residential consumers have been receiving a great bargain in natural gas.

The cost of natural gas to the residential consumer does not, of course, show the same reaction to inflationary conditions as does the cost of other fuels. There is no reason why gas prices should have risen as fast as the general cost of living. Unit costs of gas should have decreased as consumption increased. The same situation prevails with respect to the cost of electricity; but during that period, the average cost of electricity per kilowatt-hour has gone down, whereas the average price of gas per thousand cubic feet has gone up. Retail gas and electric rates are regulated.

The effect of regulation and the benefits which consumers have derived therefrom are demonstrated clearly by the chart which appears at page 497 of the hearings, whereon are compared the cost of living, weekly wages in Wisconsin industries, and rates for electric, gas, telephone, and bus fares in that State during the period 1940 through 1954. This chart shows that increases in all utility rates have lagged far behind increases in prices and wages, and that electric rates have even declined. This demonstrates the benefits of regulation to the consumer, and the decrease in unit costs of electricity as consumption increases. Moreover, it is a well known economic fact that as high fixed costs of a product are spread over more and more units, the cost per unit goes down. We see that this has happened with electricity, but that it has not happened with natural gas.

The argument that unit gas prices have increased, but less than the increase in the cost of living, is really an important admission by the proponents of the bill. Either the industry is grossly inefficient, has excessive profits, or has loaded onto the consumer disproportionate costs at a time when unit costs should have decreased as the industry rapidly expanded. Far from being an argument in support of the bill, it is an outright admission of price increases for which no justification has been furnished.

Although Dr. Boatwright has testified that the "consumer is best protected by a competitive market," the Standard Oil expert furnished to the committee evidence that refutes his own conclusion, for he testified and presented statistics to demonstrate that during the past 6 years, 1947 through 1953, industries purchased natural gas from 14 pipeline companies at higher prices than the resale rates fixed by the Federal Power Commission. Dr. Boatwright says "This would indicate that the regulated prices for sales to utilities are lower than prices based on competition among fuels." Dr. Boatwright's table VII, which he presented to the Senate committee—Senate hearings, page 170, table VII—shows that the industrial rates of the pipelines, which are not regulated, are higher than the resale rates prescribed by the Federal Power Commission.

This fact becomes of even greater significance when it is recognized that, in the main, the volumes which are sold for industrial purposes at the higher prices than the price of resale gas are of an interruptible or "dump" nature, and have a lower priority of service than the firm service to distributing utilities. In other words, industries were willing to pay more for interruptible service than is paid by utilities for firm service under rates prescribed by the Federal Power Commission.

Further evidence of the beneficial effect of regulation is shown by comparing the costs allocated by the Federal Power Commission to the industrial nonjurisdictional business with the revenues which the companies receive from such industrial business. In every pipeline

company rate case where direct sales are made to industries, it is found that the revenues received from industrial sales are substantially in excess of the allocated cost of service. For example, in the Panhandle case—Commission Opinion No. 269—in which the cost and revenue figures applied to the year 1952, the opinion shows—table 11, appendix 1—that the average revenue received from industrial service was 28.09 cents per thousand cubic feet, whereas the allocated cost, including a return of 5¾ percent, was only 19.35 cents. On the other hand, the allocated cost per thousand cubic feet to jurisdictional business was 24.57 cents per thousand cubic feet. On that basis the Commission increased Panhandle's rates to its jurisdictional customers to that level, which was still 3½ cents per thousand cubic feet below the unregulated industrial rate.

Is there any reason to doubt that the rates charged by the pipelines to distributors for firm service would be substantially higher than those charged industries for interruptible, second-priority service, if regulation were absent? This fact should dispel any doubt that the consumer is best protected by regulation. Higher prices charged by gas producers on sales to pipelines would have to be passed on to the distributors, and by them in turn to the consumers.

PRODUCERS STAND TO COLLECT BILLIONS IN PROFITS IF THE GAS INDUSTRY BILL IS ENACTED

Huge profits are at stake in this legislative proposal to nullify effective natural gas regulation. If the gas producers succeed, it will cost consumers of this country from $600 to $900 million annually. It will increase the value of the known gas reserves of the Nation from $12½ billion to $30 billion. The industry's million and a half dollars plus "educational campaign" is a minute fraction of the annual "improvement" which will be available to producers if they succeed in their objective. It is no wonder that "big oil" is working and spending to put this bill through Congress.

The producers and proponents deny that this legislation would cost the consumer several hundred million dollars annually. They say that these figures are simply taken out of the air. They say that it will not happen if they are freed from regulation. On the other hand, the evidence is clear that the producers seek and expect to secure higher prices in the future. They are anticipating future field prices ranging all the way up to 45 or 50 cents per thousand cubic feet. That was the statement of one witness. I have presented evidence showing that current prices in contracts now being entered into in the Southwest range up to more than 20 cents with periodic price step-ups beyond that, which go as high as 28 cents and some at 30 cents per thousand cubic feet during the life of the contract. We also know that these gas purchase contracts are loaded with escalation clauses of every conceivable variety. Would the proponents of this legislation dare assert that the price of gas is going to stabilize at the present level if producers are freed from regulation? They know they cannot make such a promise.

For the year 1955, the American Gas Association reports the utility sales—and I emphasize "utility sales"—of natural gas to be 62,908 million therms, which is roughly equivalent to 6.3 trillion cubic feet. This volume represents an increase in sales of approximately one-half trillion cubic feet over the year 1954. Of this volume residential consumers purchased approximately 2 trillion cubic feet; commercial customers, 0.55 trillion cubic feet; industrial and others, 3.74 trillion cubic feet.

If we take the 1955 sales of 6 trillion cubic feet—or 6 billion thousand cubic feet—which is an understatement by 5 percent, and multiply it by 5 cents per thousand cubic feet, the modest increase suggested several years ago by General Thompson, of the Texas Railroad Commission, to which I referred earlier, we obtain an annual increase in the cost of gas of $300 million. If we multiply the 6 trillion cubic feet, or 6 billion thousand cubic feet, by 10 cents per thousand cubic feet, which I have pointed out is the more likely figure, we obtain an increase of $600 million per year. The 10-cent increase coincides with the 20-cent average field price which Dr. Gonzales, of Humble Oil & Refining Co., prophesied would be necessary to achieve a demand-supply balance. If we were to use an increase of 15 cents per thousand cubic feet, which coincides with the 25-cent field price suggested by Mr. Bailey, the Tulsa, Okla., producer, and by Mr. Shelton, of Sohio Petroleum Co., to whom I referred earlier, we obtain an overall annual increase of the cost of gas to all consumers of $900 million.

Annual increases in the cost of gas to consumers could be computed so as to reflect the ideas of some of the gas industry's spokesmen that natural gas should be priced on the basis of its heat content as compared with oil and coal. These spokesmen point out that natural gas is a premium fuel and should command prices higher than oil and coal. As one example of this thinking, I refer to a statement made by Mr. Rayburn L. Foster, general counsel of Phillips Petroleum Co., in an address before the Executives Club, Milwaukee, Wis., on October 24, 1955.

It will be remembered that it was Milwaukee, Detroit, and the two States of Michigan and Wisconsin which kept the Phillips case alive. Mr. Foster was going into the camp of the enemy. He said:

> I can find no fault with the idea that gas, being a superior and more sought-after fuel than coal or oil, ought to sell for at least as much as coal or oil if the demand and supply situation prompts purchasers to pay that much for it. Certainly there is no warrant for the Government intervention to prevent the normal effect of competition to the extent of bringing the price of a superior fuel up to a parity with an inferior fuel.

Spokesmen for the oil and gas producers say that an annual increase in the cost of gas to the consumer of $800 million is fantastic and sheer, unsupported propaganda. They ask this question: If Federal regulation is all that prevents producers' prices from rising precipitately, why did they not do so before June 7, 1954? The short answer to that question is that they did. It is shown by the evidence which I have already presented that between 1946 and 1954, producers' prices more than doubled. Since 1948, the rise in field prices has added more than $200 million on an annual basis to the cost of gas to pipeline companies. With current prices being entered into at double the present average field price, and with most of the contracts containing renegotiation and favored-nation clauses, the only thing that stands in the way of further precipitate, upward rises in field prices of gas is Federal regulation provided for by a good law and made effective by a good and active commission.

Enforcement of the Natural Gas Act is all that will block these heavy new demands by the producers.

It is well known that the demand for natural gas exceeds the supply. Mr. L. F. McCollum, president of Continental Oil Co. and chairman for the producers' lobby for the Fulbright bill—National Gas and Oil Reserves Committee—said recently, according to the Oil and Gas Journal, January 9, 1956, that because the regulated local distributors get the biggest cut out of the consumers' gas bill, and the pipeline companies get the next largest cut, such facts alone should convince the public that gas producers are not going to get anything like $800 million a year more through passage of the bill. To demonstrate his point, he added:

> To raise decontrolled prices anywhere near the predicted sum would seriously endanger the natural gas industry's competitive position with oil and coal, and could well drive gas entirely out of the fuel market.

Mr. McCollum's statement certainly implies that the oil industry has the power if it cares to exercise it to increase the cost of gas to the consumer by $800 million a year, but that they would not do it because it would damage their competitive position with oil and coal. But with the oil and gas supply both controlled by the major oil companies, how can they lose by jacking up the price of gas?

That is a point which has not been sufficiently emphasized in the debate. Substantially the same companies control both gas and oil, although there are alternative methods of distribution in the case of oil which differentiate oil from gas.

Oil industry spokesmen claim that there is a large unsatisfied market for natural gas and that consumers are clamoring for more and more.

The residential consumer is a captive customer. In 1954, residential consumers paid $1,436,000,000 for natural gas. The average annual bill was about $80. What Mr. McCollum is saying is that the average residential consumer cannot be compelled to pay an additional $30 a year for natural gas. Yet, what alternatives do the residential consumers have if rates go up that much? Either they pay the $30 or they junk their gas appliances, which cost from $500 to $1,000 a living unit.

As I have repeatedly said, based upon my analysis of the situation, I am convinced that the annual increase in the cost of gas if this bill becomes law will reach a minimum of $600 million. This is based upon an average increase in the field price of natural gas of 10 cents which would bring that average to 20 cents, the initial price named in numerous contracts in the last 3 years. I am content to rest my estimate of the increased cost to the consumers on that figure.

I should like to point out, since the reserves are 21 times the annual flow, if we apply a factor of 21 to the annual increase in revenue, it means a minimum increase in the value of the reserves of $12,600,000,000. If the price is increased by 15 cents, or to a total of 25 cents in the field, it means an annual increase of $900 million. Capitalized at 21 times, the value would be $18,900,000,000.

Of course, there is some question as to whether that would not also increase the value of that portion of the reserves which will not be used for gas sold, but utilized for other purposes. That would send the value of the reserves still higher.

EXAMPLE OF WINDFALLS AVAILABLE TO ONE COMPANY IF FULBRIGHT-HARRIS BILL PASSES

The question of gas reserves is an interesting one. I hold in my hand the 24th annual report of the Panhandle Eastern Pipeline Co. for 1953. On pages 11 to 13 are some very interesting statements about the gas reserves, and I read the following:

> Our owned gas reserves in the so-called proven area are carried at their cost aggregating less than $3 million, which your company estimates is in the order of 1 percent of their replacement cost under present conditions.

The report goes on to describe the reserves of the company. Farther down, in the paragraph at the bottom of page 11, the report states that reserves of 3 trillion, 500 billion cubic feet are owned by the company, and that, in addition, Trunkline Gas Co. has under gas purchase contract a natural-gas reserve of 2 trillion, 300 billion cubic feet, which is committed to that company.

If we accept these figures, a 13-cent rate would give their reserves a present value of $455 million for properties which are carried on their books at $3 million.

Mr. President, let me repeat that figure. Here is a pipeline company which carries its reserves on its books at $3 million; reserves which at a 13-cent rate, are worth $455 million. Think of the melon which can be cut. If the rate goes up to 20 cents per thousand cubic feet, the value of the reserves will be worth $700 million, instead of the $3 million carried on the books.

FULBRIGHT BILL WORSE THAN KERR BILL

Panhandle happens to be fortunate in having these huge reserves. The Tennessee Gas Transmission Co. is not so fortunate. With Panhandle standing to make this enormous amount from an increase in the average price, does anyone believe that they will put up any heroic resistance to an increase in the average price? Every increase in the average price sends up the value of their enormous reserves. That may explain why most pipeline companies have changed their tune since 1950 and are now enthusiastically behind the pending bill. The pending bill is worse than the Kerr bill. The Kerr bill, as I have pointed out again and again, did not propose to change the law so far as the properties of the pipelines were concerned. The pipelines would still be under regulation. However, this time the pipelines have been cut in, too. That would be quite a luscious melon which Panhandle would have to cut.

I wish to call attention to the fact that I have merely read from the company's statement to its stockholders, not from a muck-raking journal. I have taken a statement out of their own mouths.

RESIDENTIAL CONSUMERS WILL BEAR BRUNT OF INCREASE IN GAS RATES IF PRODUCERS ARE GRANTED EXEMPTION

A great deal of money and energy has been expended by the producers to demonstrate to the public and to Congress, that the producers' share of the consumers' dollar is approximately 10 percent. In this connection, violent attacks are being made on distributing utilities. It is charged that they are responsible for high gas rates. These attacks are purely diversionary in nature. They have nothing to do with the real issue which is before the Congress.

I have had a chart made of a section of pipeline which shows graphically the composition of the gas flowing through the line by classes of sales. This chart, which is based on 1953 natural gas sales made by utilities, shows that the nonspace heating residential, commercial, and firm industrial sales, account for approximately one-half of the total natural gas sales by utilities. The other half is accounted for by the interruptible, industrial sales and residential space-heating sales.

In 1954, utilities sold approximately 3.13 trillion cubic feet of gas for industrial purposes. The average realization was 24.5 cents per 1,000 cubic feet. As the average field cost of gas purchased by the interstate transmission line in 1954 was 9.6 cents per 1,000 cubic feet, it is obvious that the producers' share of the industrial customers' dollar was about 40 percent in place of the 10 percent the producers have talked about.

Generally speaking, most gas which is sold to industry by pipeline companies and distributors is sold in competition with oil and coal. There are, however, some industrial uses of natural gas where it has superiority because of technological reasons. However, with respect to gas which is sold for burning under boilers, industrial sales are made on a highly competitive basis as between the three principal fuels.

Mr. HUMPHREY. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I shall be very glad to yield.

Mr. HUMPHREY. I heard the Senator's comment with respect to the Panhandle statement. As I recall, he was reading from the company's statement.

Mr. DOUGLAS. Absolutely; from page 11 and later pages of the annual report of the Panhandle Eastern Pipeline Co. for 1953.

Mr. HUMPHREY. The Senator, earlier in his statement, estimated that there would be an increase in the value of gas reserves of around $12½ billion if this bill should pass.

Mr. DOUGLAS. That is the minimum figure.

Mr. HUMPHREY. In the light of what the Senator from Illinois has said about the Panhandle Co., does he not feel that he may be at the minimum-minimum in his estimate?

Mr. DOUGLAS. I may well be. Of course, if they were to value their gas-producing properties at the present figure, there would be a tremendous writeup, so that not all of the increased value would come from the increases in field rates, but a large part would.

Mr. HUMPHREY. The Senator is indicating, in other words, that the valuation made is based on information which is not exactly current or on estimates which are not current, or which perhaps were made at the time of acquisition of the properties.

Mr. DOUGLAS. The pipeline company apparently gave very little value to its gas reserves.

Mr. HUMPHREY. In the beginning?

Mr. DOUGLAS. Yes; that is correct. It may be that the figures represent cost, but the company gave a very low value. The increase in the price of gas has already sent up the value of the reserves enormously. It will go up still further if a further increase takes place, as we believe it will.

Mr. HUMPHREY. The Senator referred to charges, and I heard him mention the amounts of industrial gas which had been sold on an annual basis. Was the Senator speaking of firm industrial or interruptible and firm?

Mr. DOUGLAS. We should differentiate between the two. As I remember, roughly 50 percent of the industrial gas is interruptible. These are 1953 figures. We do not have the 1954 figures. About half is interruptible.

Mr. HUMPHREY. It is the dump rate which lowers the base rate by the average rate, which figure is generally used by the proponents of the bill in the discussion of the so-called national average base rate.

Mr. DOUGLAS. That is absolutely correct. The exponents of the bill have been taking the highest residential rates as though they were the typical rates, when, as a matter of fact, the average residential rate is only about 80 cents per thousand cubic feet. If we take into account the industrial rate, the average overall rate is only about 44 cents, of which the producer gets 10.7 cents.

Mr. HUMPHREY. I am sure the Senator would be intrigued by the observation that if the public power advocates in discussing public power wished to operate under firm power rates and dump power rates and come down to a low kilowatt rate they would be subject to very severe criticism by those who were trying to discuss a rate structure as between public power and private power. When we discuss public power we say the firm power rate is 3 mills. Everyone knows that the secondary power rate may be a fraction of the 3-mill rate, because it is very much in the same classification as

as is interruptible industrial gas, as a blending in of the interruptible industrial gas with firm industrial gas, which brings down the overall rate structure.

Mr. DOUGLAS. That is correct.

Mr. HUMPHREY. I hope the Senator does not mind my interruption. While I trust every Member of the Senate will read the Senator's splendid discussion and argument on the subject, I wish that the laymen who may read this RECORD—and there are a number of students of Government and of economics who do read the RECORD, persons who are opinion-makers and who write commentaries—may be able to form a layman's point of view. Some of the terminology involved is rather technical. I shall be the laymen's advocate for the moment and, in that way, be able to make the RECORD more clear.

Mr. DOUGLAS. The Senator's statement is very much appreciated.

Mr. President, increases in the cost of gas to distributing utilities presents the management with two alternatives. One, whether to lose industrial business or pass on the entire increase to the residential and commercial users. Competition with other fuels is such that none or only a small portion of the increase can be passed on to industrial users, particularly for boiler fuel sales on an interruptible basis. If we take an example where one-half of the sales of a distributing utility are sales to industry and its cost of gas increases by 10 cents per thousand cubic feet at the city gate, practically the entire 10 cents per thousand cubic feet applicable to the entire volume of gas purchased would be passed on to the residential and commercial users, if the industrial business were to be retained.

That is, if residential and commercial took half, which they do not, the increase would be approximately 20 cents. If they took a third, the increase would be approximately 30 cents.

Mr. HUMPHREY. Mr. President, will the Senator from Illinois yield further?

Mr. DOUGLAS. I yield.

Mr. HUMPHREY. The Senator's point is that as to industrial gas, and particularly interruptible industrial gas, where there are supplementary fuel systems, if the price goes up too much, the consumers simply revert to fuel oil or some other fuel.

Mr. DOUGLAS. And if prices increased, they would also lose business.

Mr. HUMPHREY. Therefore the remainder of the increase would have to be borne primarily by the residential consumers.

Mr. DOUGLAS. And they have already given their fortunes as hostages in the purchase of gas ranges and gas hot water heaters, and do not have alternative fuel systems.

Mr. HUMPHREY. Yes; and the purchasers may still be paying on their gas appliances.

Mr. DOUGLAS. That is correct. I am in the same situation, so far as a gas furnace is concerned.

The Senator from Minnesota has made a very interesting addition to the discussion. I have been saying that the appliances could not be junked. The Senator from Minnesota has pointed out that in many cases the purchasers are still paying for them. Therefore, in an added sense, they are tied to them, the balances unpaid are obligations.

In the event the industrial business is lost its share of fixed charges and overhead expenses must be assigned against the residential and commercial customers. Thus the cost of serving those two classes of customers would rise substantially more than the average increased cost of gas at the city gate. If the load factor of the distributor decreases, this reduces the load factor of the pipeline company with the result that its unit cost of transporting the gas increases, and the average price at the city gate is increased still further.

Another factor of some importance concerns the gas consumed in the compressors required to push the gas through the pipeline and the gas lost in transmission and distribution operations. In order to sell one thousand cubic feet of gas to the ultimate consumer approximately one and one-eighth thousand cubic feet of gas must be purchased in the field. The cost of the additional one-eighth thousand cubic feet of gas purchased must be added to the one thousand cubic feet of gas sold by the distribution company in making comparisons of producers' prices and the cost of gas to the ultimate consumer.

Thus it is possible for the increases in the cost of gas to the residential consumer to be several times the increase in the cost of gas in the field due to the pyramiding effect on the residential consumer of increases in the pipeline company rates and the distributing company rates, due to competitive fuel situations governing the sales of gas for industrial purposes and the lowering of the pipeline company and distribution company load factors through the loss of industrial business.

It is therefore highly misleading to charge that increases in the price of gas in the field can have only a minor effect on the consumers' gas bill.

GAS CONSUMERS IN PRODUCING STATES HIT BY RISING COST OF GAS IN THE FIELD

The gas consumers of the producing States are also being adversely affected by the rising cost of gas in the field. This situation has been brought out into the open in two proceedings before the Federal Power Commission.

One of the proceedings involved the issuance of a Certificate of Public Convenience and Necessity by the Federal Power Commission to Signal Oil & Gas Co. Signal was seeking to sell to Cities Service Gas Co. approximately 30 million cubic feet a day of gas from its Fox gasoline plant in the south central area of Oklahoma at an initial price of 12 cents a thousand cubic feet. Oklahoma Natural Gas Co., which is the largest distributor of gas in the State of Oklahoma, and Lone Star Gas Co. with large operations in Texas, opposed Signal's application solely on the ground that the 12-cent price was excessive and urged that any certificate issued to Signal be conditioned upon the filing of a rate of a 10 cents per thousand cubic feet.

The Federal Power Commission on November 26, 1955, in opinion No. 288, conditioned the certificate of public convenience and necessity in accordance with the requests of Oklahoma Natural Gas Co., Lone Star Gas Co., the city of Kansas City, Mo., and other cities who would be affected by the increased cost of gas to Cities Service Gas Co. This denial of the 12-cent price could not have been accomplished except for the Supreme Court's decision in the Phillips case.

In its opinion, the Commission pointed out that gas prices in the purchase areas of both Oklahoma Natural and Lone Star, in Oklahoma, were almost constant at about 5 cents per thousand cubic feet from 1945 to 1950—page 10. The average was about 6 cents in 1952 and that the present maximum price in the areas in Oklahoma was 10 cents per thousand cubic feet. The average field price of all gas purchased by Oklahoma was approximately 9.9 cents per thousand cubic feet. The Commission stated:

> The contention of Oklahoma Natural and Lone Star that a 12-cent sales price by Signal will drive the maximum price in the area from 10 to 12 cents is not contradicted by Signal, and a witness for Cities Service admitted that this would be the effect of the sale as proposed. Although the favored-nation clauses in the existing contracts of Oklahoma Natural and Lone Star would not be triggered by the price Cities Service pays Signal, nor would any of Cities Service's favored-nation's clauses be triggered, the record clearly shows that the price proposed by Signal would inevitably cause a general price area increase for all major sales to 12 cents per thousand cubic feet as a result of future purchases of new supplies of gas.

The impact of the higher price of gas upon gas consumers was pointed out by the Commission in its opinion in these words:

> Oklahoma Natural presented evidence that a general 2-cent increase in the cost of purchased gas would cost the company approximately $2 million a year. Lone Star stated that the comparable cost to it would be approximately $1,140,000 a year. With respect to Cities Service, a comparable cost would be approximately $1 million a year. Oklahoma Natural also contends that it loses important industrial sales as a result of a general increase in purchased gas cost.

I would also refer Senators to the testimony given in this proceeding by Mr. Joseph Bowes, president of Oklahoma Natural Gas Co., and Mr. Peters and other officials of the company, pointing out that if the increase in the price of gas raises their costs $2 million annually, they cannot absorb the $2 million. They testified that they would either lose their industrial business or would have to add the $2 million to the bills of their residential customers.

The other case before the Federal Power Commission involved a proposal of Natural Gas Pipeline Company of America in Docket G–4280 to build a line through the southwestern part of Oklahoma and into Jack and Wise Counties, Tex., for the purpose of purchasing and transporting to its markets, which are chiefly in the city of Chicago, an additional 78,000 thousand cubic feet of gas per day. Natural Gas Pipeline Co. has

entered into contracts with producers in this area for the purchase of gas at prices of 15 cents per thousand cubic feet with escalations to higher levels.

Oklahoma Natural Gas Co. and Lone Star Gas Co. in this proceeding took a position similar to that in the Signal case. These companies claimed that if Natural were permitted to build this project and to pay the price of 15 cents for natural gas, which is 5 cents in excess of the current going price in the area, it would cause a general price increase for all sales in the area. This would result in Lone Star being required to increase the rates to its customers by an amount of approximately $13 million a year, principally to Texas consumers.

In an effort to avoid this situation, Lone Star, which up to this time has not had any rates subject to the jurisdiction of the Federal Power Commission, offered to sell Natural Gas Pipeline Co. its additional requirements and to deliver it at Natural's compressor station in the Panhandle field at a price which would secure a saving to Natural of some $3⅓ million annually.

During the course of this proceeding, which is presently pending before the commission, Mr. A. H. Eddins, executive vice president of Oklahoma Natural Gas Co., presented testimony in behalf of his company. Mr. Eddins pointed out that in 1951 his company paid an average of 5.3 cents per thousand cubic feet for gas and that since then its average cost has risen to 9.9 cents. After testifying that the cost of gas is the largest expense to the company, Mr. Eddins further testified—pages 2698–2699, G–4280:

Question. What impact has a rising cost of gas supply had upon the rates to consumers?

Answer. The company's rates have been twice increased by corporation commission in the last 3 years to permit the company to earn a reasonable return with the rising cost of gas and gas service. Our cost of gas has practically doubled within the last few years, and the consequent rate increases have applied to all our customers, in total over $6 million annually.

Question. What would be the impact of an increased price of purchased gas of Oklahoma Natural in the amount of 5 cents per thousand cubic feet?

Answer. We are now faced with a threat as a result of the proposed pipeline of Natural Gas Pipeline Company of America that the cost of gas will rise drastically.

Question. How substantial an increase in cost would this be to the company?

Answer. If our cost of purchased gas were to rise 5 cents it would amount to an annual increase of over $5 million in our costs, which of course we would have to pass on to our customers.

Question. Would Oklahoma Natural be able to absorb this without further rate increases?

Answer. No, the recent Oklahoma Corporation Commission orders allowed us a rate of return of 6 percent on an investment-rate base, and we could not absorb any additional cost without reducing our return to a level below the reasonable return found by that Commission.

Question. Could the additional cost be passed on to industrial customers?

Answer. If our increased costs were passed on to industrial customers, it would in my opinion result in a substantial loss of the industrial load which would leave us with capacity unused, and gas which we are contractually bound to purchase, which our customers could not consume. We have reached the point with the industrial customers where further increase in rates would result in a serious loss of such business to competing sources of fuel. Our present industrial load is necessary to permit the system absorption of the constant intake of natural gas during the summer and other off-peak periods. We are faced with two alternatives. One, lose a substantial part of the industrial load if the rates are increased and create a problem of taking care of our existing gas purchase contracts, or, two, we can apply all of the increase to the domestic and commercial customers.

I have just quoted from the sworn testimony of the executive vice president of the largest gas utility in Oklahoma. In the 12 months ended August 31, 1955, Oklahoma Natural sold 29,220,000 thousand cubic feet to residential customers for $18,167,000. Thus, the $5 million increase which Mr. Eddins was talking about would constitute on the average an increase of 27½ percent in the residential rates of 302,000 residential customers of Oklahoma Natural.

Let me ask the Senators from the great State of Oklahoma if in the light of this testimony they are not concerned about what will happen to the gas bills of 300,000 Oklahoma families?

Since 1951, the average rate charged for residential service by Oklahoma Natural has increased from 44.56 cents per thousand cubic feet to 62.17 cents per thousand cubic feet, an increase of nearly 40 percent. Another 5-cent increase in the field cost of gas to Mr. Eddins' company would boost it another 27½ percent.

Is Oklahoma Natural gouging its customers in Oklahoma? I should think not, when it is willing to incure the enmity of producers by putting up a fight before the Federal Power Commission, in which it was joined by Lone Star Gas Co. of Texas and the city of Chicago, to protect gas consumers from increases in rates.

Consolidated Gas Utilities Co., another utility company with 100,000 customers, serving both Oklahoma and Kansas, also intervened in this same proceeding before the Federal Power Commission. In its petition to intervene, it made this statement:

Your petitioner points out that Natural has stated in its application that it proposes to purchase additional volumes of gas along the route of its proposed pipeline. Therefore, should Natural Gas Pipeline Co. succeed in obtaining supplies of natural gas for its proposed pipeline in Oklahoma at a price equivalent to the 15 cents per thousand cubic feet proposed to be paid in Jack and Wise Counties, Consolidated will be unable to purchase additional supplies of gas in the areas where gas will be purchased by Natural unless it is willing to pay 15 cents for all additional gas so purchased. Furthermore, if Natural succeeds in purchasing gas in Oklahoma at such price, the price which Consolidated will be forced to pay for new connections will likewise be 15 cents and thus, for comparable gas now purchased in the same areas, the price will be increased from the present 10 cents rate under the provisions of the "favored nation" and "renegotiation" clauses in Consolidated's gas purchase contract. Consolidated avers that such an increase in its cost of purchased gas would require it to substantially increase its rates to its customers, to their great detriment and disadvantage, and contrary to public interest.

In this connection, Consolidated points out that in the part of Oklahoma to be traversed by Natural's pipeline there are oil refineries which sell fuel oil to industrial and commercial customers at a price which probably would be less than that of natural gas if the cost of such gas at the wellhead increased to 15 cents. The impact on Consolidated and its customers if a substantial part of its commercial and industrial business were lost to fuel oil resulting from any such increase in the price of gas at the wellhead cannot be overstated.

These Oklahoma and Texas utilities recognize clearly the effect of higher field prices upon rates to their customers and that the greatest impact will be upon the residential consumer because of the impossibility of increasing industrial rates. It is regrettable that the public officials of these great gas producing States and their elected representatives to this body apparently do not foresee the consequences to their own citizens, who use gas to meet their daily needs, if the producers have their way and succeed in securing exemption from regulation of their interstate sales under the Natural Gas Act.

Mr. HUMPHREY. Mr. President, will the Senator yield to me at this point?

Mr. DOUGLAS. I yield.

Mr. HUMPHREY. When the Senator speaks of the consumers' gas bill, I am certain he recognizes that the letters and messages we have been receiving, which relate to consumers, are generally considered to be from commercial and residential consumers. I do not know if the Senator's mail is of the same type as mine, but most of the letters I have received have been from the commercial and residential users of gas.

I gather that what the Senator is trying to point out is that if gas prices go up at the producers' level, the interruptible industrial gas becomes too expensive, and industry reverts to another fuel, if industry has an alternate power system, then the full burden of the increase in the cost of gas will fall upon the commercial and residential users.

Mr. DOUGLAS. That is absolutely correct.

Mr. HUMPHREY. Of even more significance, a smaller volume of gas will be going through the pipelines.

Mr. DOUGLAS. That is correct.

Mr. HUMPHREY. That will result in a decrease in the pipeline load, which when translated into the thousand-cubic-feet or units of gas moved will place a greater overhead cost on the delivery of each unit.

Mr. DOUGLAS. The Senator is correct.

Mr. HUMPHREY. Not only will the greater overhead cost start with the producer, but it will continue through the pipeline; and in order to get 1 thousand cubic feet at a main into a house, it is necessary to have 1⅛ thousand cubic feet coming into the pipeline.

Mr. DOUGLAS. That is correct.

Mr. HUMPHREY. That also will pyramid the cost. A pipeline having a smaller volume of gas moving through it will result in the cost of the movement

of the gas being at a higher percentage on what is moved.

Then the gas will reach the distributing company, which has thousands, perhaps millions, of dollars invested in its network of mains feeding into the homes and places of business. When there is no demand for gas by the interruptible industry, because of the increase in cost, the whole burden of the additional cost of the gas will fall upon those who are, in a sense, less able to pay for it.

Mr. DOUGLAS. That is correct.

Mr. HUMPHREY. Or, to put it another way, the burden will fall upon those who are restricted by the nature of their heating or power system to the gas facility.

Mr. DOUGLAS. That is absolutely correct.

Mr. HUMPHREY. This would affect thousands upon thousands of ordinary business establishments.

Mr. DOUGLAS. Yes; thousands of business establishments. It would affect 1,572,000 commercial establishments, according to 1954 figures; and 19,700,000 residential consumers. The latter figure, as we know, has since been increased to 21 million. So virtually half the American people are involved as consumers.

Mr. HUMPHREY. Also, a rising percentage of new construction is desirous of using gas fuel as a means of heating or for power, if it is available.

Mr. DOUGLAS. That is correct.

Mr. HUMPHREY. One point which impressed me, as I looked over some of the Senator's earlier statements, was that the producers seem to have forgotten one of the important essentials of what might be called the competitive capitalistic system; namely, that it is not the margin which is taken off each unit which is so important; it is the velocity of the units.

What our producer friends want to do is to have an increase in the velocity of flow of units of gas, but to maintain the same margin of profit they had on a smaller velocity or flow of gas. This is contrary to the whole idea of the consumer's economy. It is contrary to the theory of a mass consumption and a mass production economy.

As I understand competitive econnomics, we try to take a smaller slice of the profits portion, but get the slicer working faster on a larger volume.

Mr. DOUGLAS. The purpose is to produce a larger volume.

Mr. HUMPHREY. In other words, as the volume moves through, while the unit of profit may be substantially diminished, the total aggregate profit will be substantially higher because of a greater flow of goods, or in this instance a greater flow of gas. But it seems to bother some producers when they find that they are producing more but are not making, in the same proportion, the same amount more profit on the basis of the increased production.

If that were the case, I think we would pretty well dry up all sources of new wealth in the United States or in any other area of the world. This is what is done in Europe in many instances. I do not want to be uncharitable, but the European economy has regulated or limited the flow of goods, with the profit being as large as the market will bear.

Mr. DOUGLAS. Per unit.

Mr. HUMPHREY. Our American economy is based on the production of a volume of goods, with a minimum of profit. This provides for overhead and capital improvement, and a net profit which is a fair and reasonable return on the investment. I think this certainly has been demonstrated in the gas business.

Mr. DOUGLAS. I thank the Senator from Minnesota.

Mr. President, I sent to the desk a few minutes ago an amendment in the nature of a substitute. The amendment would exempt from the regulation of prices producers who sell less than 2 million thousand cubic feet of natural gas in a year. When the bill reaches the stage where the consideration of amendments will be timely, I intend to offer my amendment in the nature of a substitute.

Mr. HUMPHREY. Mr. President, will the Senator yield at that point?

Mr. DOUGLAS. I yield.

Mr. HUMPHREY. As I think everyone is aware, the Senator from Illinois has been working on this question a long time, and some of us have discussed the matter with him. Do I understand correctly that the amendment in the nature of a substitute would exempt a major portion of the independent producers?

Mr. DOUGLAS. It would exempt about 5,300 of approximately 5,500 producers. It would exempt 96 percent of all producers, and would confine regulation to 197 of the biggest producers; but they are the ones who produce 90 percent of the gas. We would exempt only the tail, and if the dog is regulated, that is the main concern we have, and we do not need to pay much attention to the tail.

Mr. HUMPHREY. I think the Senator from Illinois has put his finger on the sensitive gas and oil nerve, because I have heard a great deal of talk to the effect that "you would not want to regulate a little dairy producer, would you? You would not want to control the price the little producer would charge for a few dozen eggs, would you?"

In other words, those who have argued for unregulated prices on gas production at the wellhead, so to speak, have said, "How would you feel if your dairy farmer's production were regulated as to price?"

Let me say that if there were, out of some 6,000 farmers, about 100 or 200 who produced more than 90 percent of all the butter, perhaps there would be a pretty good case made for regulation of some of the prices, particularly if it were in the form of a pipeline operation. I refer to the method and form of distribution.

The Senator from Illinois has put his finger on the real issue. Our concern is not so much with the independent producer of gas from a well; the real concern in the bill has to do with eliminating regulation of prices charged by the large producers, who make up about 4 percent of the total number of producers.

Mr. DOUGLAS. The Senator from Minnesota is quite right. Lest some person excessively critical of the Senator from Minnesota and the Senator from Illinois should read the RECORD, I should like to say that, of course, neither the Senator from Minnesota nor the Senator from Illinois is proposing regulation of dairy prices.

Mr. HUMPHREY. No; I was pointing out that there are some persons who have said, "Senator HUMPHREY, you would not want your dairy farmers regulated as to prices." I may say that is a false and almost totally nongermane analogy, simply because of the nature of the distribution and the handling of gas as such.

All milk produced is not put in one tube for transportation to a particular city, and all butter produced does not go into one chute for a particular community. There are thousands and thousands of independent producers.

Mr. POTTER. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield to the Senator from Michigan, who has borne a heroic share of this battle.

Mr. POTTER. I was interested in the argument made by the Senator from Minnesota. Of course, if the dairy farmers had captive consumers, such as the gas producers have, an entirely different situation would be presented.

I should like to take this opportunity to commend the distinguished Senator from Illinois for his valiant fight against the pending bill. I know it is a trying chore for the distinguished Senator to speak and bring out the facts, and there are many facts which he has developed. He is probably the most knowledgeable man on the Senate floor with respect to this bill. I think the effort he has made has brought to the attention of the American people the purpose behind the bill, who will benefit, who will pay, and the fact that the pending bill should not be passed. The distinguished Senator from Illinois has performed a great service, and I wish to commend him.

I might add at this time that, if we did not have great respect for the forum in which we are present, I assume that we probably could agree quite readily to amendments this evening, without too much difficulty.

Mr. DOUGLAS. I believe the opponents of the bill have on their side, not only a majority of Senators present, but all those present.

Mr. HUMPHREY. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

Mr. HUMPHREY. I gather that the absence of Senators who are in favor of the bill must indicate that they are in sympathy with the substitute which the Senator from Illinois has proposed. I may say, most frankly, that the substitute would give the greatest freedom to the small, independent producer that anyone could ever hope for; namely, nonregulation. I wish the proponents of the bill were present to hear the Senator from Illinois, because I am sure they are interested in the small producers.

The evidence which the Senator from Illinois has been presenting is the kind of evidence which should convince anyone. I do not think there has ever been

such an overall, comprehensive examination of this very difficult and complex question as has been presented by the Senator from Illinois.

I may say to the Senator from Michigan that the junior Senator from Minnesota has read the speech of the Senator from Michigan as it was delivered and printed in the RECORD. It has been studied by one of my associates, who is working on the bill. If the Senator will forgive me, we may take a line or two, or at least some of the thoughts contained in the presentation of the Senator from Michigan and use it in the speech which I shall make in a day or so.

Mr. DOUGLAS. Mr. President, I wish to say I appreciate the kind words of the Senator from Minnesota. I do not deserve them. We are all working together, to the best of our ability. It is a great consolation that we have the feeling that our cause is just, and that there exists a fellowship between us which is very precious.

Mr. President, I have said there was one great advantage in confining regulation to the 197 top concerns in that it would free the small producer from regulation. But there is another great advantage in that it would free the Federal Power Commission from a lot of work. One of the arguments which has been made against the bill has been that if the Federal Power Commission should have to regulate 8,000 producers—in reality the number is only 5,500—the Commission would bog down in paperwork. By exempting more than 5,300 of the producers, we would confine the task of regulation to manageable proportions. The Federal Power Commission could regulate 197 big producers. In fact, I would say that the system of regulation as proposed would involve much less redtape than would the ineffectual form of regulation proposed in the Harris-Fulbright bill, because there is contained in that bill a provision that, in the matter of escalation clauses and other provisions, may induce the pipeline companies to ask for an advance ruling.

If the pipeline companies should ask for an advance ruling—and I am certain they would—it would mean that the Federal Power Commission would have to have submitted to it contracts of all 5,500 producers, and the Federal Power Commission, under the Harris-Fulbright bill, would be confronted with the same administrative difficulties which have taxed them under the present law.

The exemption of 97 percent of the producers—taking 2 million thousand cubic feet as the cutoff figure—would really make the enforcement program manageable.

Mr. POTTER. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. POTTER. It also would meet the argument which the proponents have been making with regard to the so-called redtape, as they call it, for the same small producer, the one who does not have the big financial backing. The distinguished Senator from Illinois has well brought out the fact that the great volume of the gas which is sold is not sold by the so-called small producers. There are not many of them who even sell gas in interstate commerce—only a handful. It is the large producers who sell the bulk of the gas.

Mr. DOUGLAS. Exactly so.

Mr. POTTER. I think the amendment of the distinguished Senator from Illinois has great merit, and I would assume that the proponents of the bill would simply accept the amendment without debate.

Mr. DOUGLAS. I have thought so. But the amendment is met with most bitter opposition from the large producers and from the proponents of the Harris-Fulbright bill.

Mr. HUMPHREY. Mr. President, will the Senator from Illinois yield to me?

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). Does the Senator from Illinois yield to the Senator from Minnesota?

Mr. DOUGLAS. I am glad to yield.

Mr. HUMPHREY. It is perfectly obvious that the proponents of the Harris-Fulbright bill have great personal faith and confidence in the Senator from Illinois, because at this time, when the Senator from Illinois has submitted his amendment in the nature of a substitute, we find that no proponent of the bill is on the floor ready to object. Therefore, inasmuch as all Senators now present are opposed to the Harris-Fulbright bill, it is obvious that the proponents of the bill trust the Senator from Illinois and know full well that neither he nor any other opponent of the bill present at this time would violate what might be termed the moral principles or principles of ethical conduct governing this body.

If the proponents of the bill would accept with equal good faith the arguments of the Senator from Illinois, we could soon conclude the debate; and the public interest would be protected, and the proponents of the bill would be able to say to their constituents, "We were able to avoid having any regulation imposed upon 96 percent of all the producers."

Mr. President, no other group in America can boast of having received treatment as good as that. If any other group received such treatment, it could show that it had done quite well. Most of the time we find it difficult to do that well for even a scant majority of any particular group.

Mr. POTTER. If we could do as well for the consumers as that would do for the producers, we would be doing very well indeed for the consumers.

Mr. President, I would really assume that the proponents of the bill would accept the amendment of the Senator from Illinois. If the proponents are interested in learning the historic facts the distinguished Senator from Illinois has to present and the great benefit which they would receive by means of the amendment of the Senator from Illinois, I should think they would be present, in the interest of their own constituents.

So I am a little distraught that the proponents of the bill are not at this time in the Chamber, to hear the very able arguments being made by the Senator from Illinois.

In line with the suggestion of the distinguished Senator from Minnesota [Mr. HUMPHREY] that only opponents of the bill are now on the floor, let me say that of course I realize that the ethical principles of procedure are observed in the Chamber; but it is interesting to speculate what could be done if there were a contrary notion on the part of the Members present this evening.

Mr. DOUGLAS. Mr. President, the Senator from Michigan [Mr. POTTER] had a marvelous war record in the European theater—a record which is one of the noblest achieved by any member of the armed services, although the Senator from Michigan never speaks of it—which endears him to us all the more, of course.

I wonder whether the Senator from Michigan recalls an incident in the New Zealand war, during a battle between the Maoris, one of the aborigines of New Zealand, and the British troops. The Maoris were a very chivalrous group. During one battle they were pushing the British forces very hard, and the ammunition of the British became exhausted. So the Maoris suspended the fighting for the day, and that night took to the British troops a supply of ammunition sufficient to enable them to fight effectively the next day. Certainly that was evidence of a very high degree of chivalry. I doubt that, personally, I would be willing to go that far in demonstrating chivalry.

On the other hand, of course we shall not move the adoption of any of these amendments, although I believe we could do so, inasmuch as the present Presiding Officer [Mr. MCNAMARA] is favorable to our point of view regarding the amendments and the bill.

Mr. President, I am very happy to see the beaming countenance of the acting majority leader [Mr. CLEMENTS], who now appears in the Chamber. I expect that he may be about to move that the Senate take a recess.

Mr. POTTER. Mr. President, if the distinguished Senator from Illinois will yield further to me——

Mr. DOUGLAS. I am glad to yield.

Mr. POTTER. Let me say that I am most appreciative of the kind remarks of the distinguished Senator from Illinois concerning my own war service. His remarks mean doubly as much to me, in view of his own distinguished record. I know that the Senator from Illinois enlisted in the Marines at an age when 99.9 percent of the persons in his age group would be working in their normal pursuits or professions, without thought of offering their service in combat. I am well aware of—and have told the American people of—the distinguished record of the Senator from Illinois, which of course is one which cannot be excelled by any other Member of Congress.

Mr. DOUGLAS. Mr. President, I appreciate what the Senator from Michigan has said. When I spoke of his most distinguished war record, I did not wish to elicit a return compliment from him. Of course I may say that both of us get real satisfaction from the privilege which was given to us.

Mr. President, if the distinguished Senator from Kentucky [Mr. CLEMENTS],

the acting majority leader, has a motion to make, I shall be glad to yield to him.

EXHIBIT A

JANUARY 13, 1956.

Spokesmen for gas producers submitted in hearing on Harris-Fulbright bill considerable material seeking to prove that consumers are being gouged by local gas utilities with implied acquiescence of State regulatory commissions. But such spokesmen did not present any basic information on economics of gas production. Our hearings record is therefore devoid of such essential data, and it is not otherwise publicly available. In order that full facts may be available for Senate consideration, it is requested that you furnish me with answers to the following questions at your earliest convenience, since the managers of the bill propose its immediate consideration. Please state as of the most recent available date and as of the end of each of your last 5 fiscal years (1) the volume of your gas reserves in producing gas lands; (2) the volume of your gas reserves in nonproducing gas lands; (3) your gross investment in gas leases and production facilities, (4) your depreciation and depletion reserves, and (5) any unamortized exploration costs not included in your gross investment figure. Please state also for each of the years 1950 through 1954, for the most recent available 12-month period, and for the first full year in which you sold gas for interstate markets, the following figures with respect to your gas business: (1) total volume of gas sales, (2) total revenues, (3) cost of production exclusive of taxes, (4) Federal income taxes, (5) other taxes, (6) depreciation and depletion accounts, (7) net income, and (8) the percentage which net income from sales of gas after taxes bears to total investment in gas producing properties.

PAUL H. DOUGLAS,
United States Senator.

BOOK TELEGRAM ADDRESSEES, JANUARY 13, 1956

Phillips Petroleum Co., Bartlesville, Okla.

Stanolind Oil & Gas Co., Stanolind Building, Tulsa, Okla.

Stanolind Oil & Gas Co., 910 South Michigan Avenue, Chicago, Ill.

Humble Oil & Refining Co., Humble Building, Houston, Tex.

Shell Oil Co., 50 West 50th Street, New York, N. Y.

The Chicago Corp., 135 South La Salle Street, Chicago, Ill.

Atlantic Refining Co., 260 South Broad Street, Philadelphia 1, Pa.

The Texas Co., 135 East 42nd Street, New York 17, N. Y.

Shamrock Oil & Gas Corp., First National Bank Building, Eighth Street, Amarillo, Tex.

Sun Oil Co., 1608 Walnut Street, Philadelphia, Pa.

Skelly Oil Co., Skelly Building, Tulsa, Okla.

Gulf Oil Corp., Gulf Building, Pittsburgh, Pa.

American Gas Production Co., Care of Cities Service Co., 60 Wall Street, New York, N. Y.

Magnolia Petroleum Co., Care of Socony-Vacuum Oil Co., 26 Broadway, New York City, N. Y.

The Pure Oil Co., 35 East Wacker Drive, Chicago, Ill.

Gulf Refining Co., Gulf Building, Pittsburgh, Pa.

The Superior Oil Co., 601 West Fifth Street, Los Angeles, Calif.

Republic Natural Gas Co., Life of America Building, 311 South Akard Street, Dallas, Tex.

Tide Water Associated Oil Co., 17 Battery Place, New York City, N. Y.

Ohio Oil Co., 539 South Main Street, Findlay, Ohio.

Sunray Oil Corp., First National Bank Building, Tulsa, Okla.

Western Natural Gas Co., et al., 1006 Main Street, Houston, Tex.

Southern Production Co., Inc., Fort Worth National Bank Building, Fort Worth, Tex.

Union Oil Company of California, Union Oil Building, 617 West Seventh Street, Los Angeles, Calif.

Sinclair Oil & Gas Co., 600 Fifth Avenue, New York City, N. Y.

Warren Petroleum Corp., 2100 National Bank of Tulsa Building, Tulsa, Okla.

United Carbon Co., Charleston, W. Va.

Union Sulphur & Oil Corp., 663 Gulf Building, Houston, Tex.

Taylor Oil & Gas Co., Taylor, Tex.

Continental Oil Co., Ponca City, Okla.

Sohio Petroleum Co., care of the Standard Oil Co., Midland Building, Cleveland, Ohio.

The California Co., 800 California Building, New Orleans 12, La.

Dorchester Corp., 701 First National Bank Building, Amarillo, Tex.

Texas Gas Products Corp., postoffice box 1409, Tulsa, Okla.

Carthage Corp., 505 Walnut Street, Cincinnati, Ohio.

NEW YORK, N. Y., *January 18, 1956.*

Hon. PAUL H. DOUGLAS,
United States Senate,
Washington, D. C.:

This will acknowledge receipt of your telegram dated January 16, 1956, addressed to Magnolia Petroleum Co., care of Socony-Vacuum Oil Co., New York. We forwarded copy of this telegram on its receipt to Dallas, Tex., office of our affiliate Magnolia Petroleum Co. with request that it be given their prompt attention.

F. W. BARTLETT,
Executive in Charge of Production, Socony Mobil Oil Co., Inc.

HOUSTON, TEX., *January 19, 1956.*

Senator PAUL DOUGLAS,
United States Senate,
Washington, D. C.:

Our information on Harris-Fulbright bill hearings is that material submitted by proponents to which you refer was intended to and did show the relative amounts realized by producers, transporters, and distributors from the sale of gas. This indicated that the average price realized by producers is around 10 percent of the price paid by residential users served by local gas utilities. The record is not devoid, as you say, of essential data on the economics of natural gas since such information was presented by John Boatwright and other witnesses. This testimony made it clear that gas exploration and production are inseparably related with oil exploration and production. Your inquiry is apparently intended to ascertain the rate of return on investments in gas operations for purposes of comparison with the return on investments of local gas utilities. You must realize that a comparison of rates of return on highly hazardous investments such as the exploration for and production of gas and on utility investments with low risk is meaningless and most likely to be misleading.

In seeking to make these comparisons you request information on the amount of investment in gas properties, the cost of producing gas exclusive of taxes, Federal income taxes, other taxes, depreciation and depletion reserves and accounts, and net income, all with respect to gas and covered by seven of your enumerated questions. As you know, leases secured from landowners cover both oil and gas which are usually found together in underground reservoirs. Wherever oil is found, gas is also present in the reservoir and both oil and gas are produced from the same wells, utilizing the same equipment and facilities. Because of this complex interrelationship between these two products, and the activities involved in exploration for and production of them, no generally accepted accounting practices or methods exist in the industry for separating or allocating these items of investment, cost, and net income as between oil and gas. Consequently, we are unable to answer the enumerated questions mentioned. Also, since we do not capitalize exploration expenses, the inquiry regarding unamortized exploration costs is not applicable. In view of these facts, the other information sought would be useless in any effort to ascertain rate of return on investments in gas operations. Data on gas sales and revenues are published in our annual reports. Our gas sales for 1954 were approximately 335,111,000 thousand cubic feet and our gross revenue from these sales amounted to $30,852,687, an average of only 9.2 cents per thousand cubic feet. Effective competition accounts for this low field price.

HUMBLE OIL & REFINING CO.,
HINES H. BAKER, *President.*

TULSA, OKLA., *January 19, 1956.*

Hon. PAUL H. DOUGLAS,
United States Senate,
Washington, D. C.:

This will acknowledge receipt of your wire of January 13 addressed to Sinclair Oil and Gas Co., 600 Fifth Avenue, New York, and latter received by its headquarters here. This company is primarily engaged in the business of producing both oil and gas, with the major part of its investments and revenues from oil. It has not segregated its business in a manner that will enable us to give answers to your questions which will give you a fair picture of our business with respect to the matters called for particularly as to costs or investments in nonproducing leases, dry holes, geophysical and exploratory information, and other items in regard to calculation of profits investments, depletion, and depreciation. Furthermore, to attempt to do so would require a tremendous amount of expense, time, and effort.

L. G. RHEINBERGER,
Vice President, Sinclair Oil and Gas Co.

TULSA, OKLA., *January 18, 1956.*

Hon. PAUL H. DOUGLAS,
United States Senate,
Washington, D. C.:

Acknowledging your telegraphic inquiry December 13, none of information requested readily available and most of it could not be made available without extensive engineering studies and accounting audits. Point out that this company is engaged in production of crude oil, condensate, and gas and recovery of natural gas liquids. No presently existing laws or regulations require such companies to segregate costs and profits between these categories of operations and we attempt no such segregation in our accounts. It is generally considered in the industry that such segregation is impractical if not impossible. Our sales of gas for interstate deliveries are comparatively small, averaging about 50 billion cubic feet annually at an average field sales price of less than 9 cents per thousand cubic feet, which on a B. t. u. basis is equivalent to about half of the average price of coal f. o. b. mines.

B. R. CARNEY,
Warren Petroleum Corp.

NEW YORK, N. Y., *January 19, 1956.*

Hon. PAUL H. DOUGLAS,
United States Senate,
Washington, D. C.:

We acknowledge your night letter of January 13, 1956, which was not received till Monday morning in which you request certain statistical and financial data related to Shell Oil Co.'s natural-gas activities.

First, Shell denies that either it, or to the best of its knowledge any industry spokes-

men, stated during the congressional committee hearings on the Harris-Fulbright bill that consumers are being gouged by local gas utilities. Anyone who reached this conclusion must have done so on the record of the hearings which developed a price distribution picture that shows that less than 12 percent of the residential gas consumers' dollar reaches the gas producer in the field.

Second, the broad basic economics of gas production were discussed by Dr. Boatwright in his statement Consumer Interest in Natural Gas Competition submitted to the Senate committee during the course of the hearings. We recommend this statement for your reading as it includes not only data on gas price distribution but also information on competitive markets, demand and supply, and field price behavior. It is Shell's belief that the economics of gas production as measured by public utility accounting practices assuming for the moment that valid costs can be determined, which we deny have little practical bearing on the cost of natural gas to the ultimate residential consumer when almost 90 percent of the price he pays is already regulated by the appropriate Federal and State commissions having jurisdiction.

The economics of gas production from the consumers' standpoint reduce to the simple price-supply-demand relationships that exist for any commodity in a free market. This may be even more true in a business such as ours with the great risk in capital expenditures for exploration.

Third, the capital investments and operating expenditures in the search for and the development of gas reserves are so inextricably bound up with the concomitant expenditures for allied activities on the crude oil side that Shell does not and cannot segregate these costs between the two commodities on any valid basis, much less in accordance with the breakdown you suggest. Apart from our inability to segregate exploration and production costs between oil and gas is the added difficulty of separating cost of interstate gas sales per se from that of intrastate gas sales and other gas operations such as those for gasoline recovery, cycling, pressure maintenance, artificial lift, and so forth.

Fourth, considering the many alternate means of exploiting our gas reserves, the fact that we do not calculate reserves on a pipeline gas quality basis but instead include in the figures both wet and dry gas whether or not associated with oil in the reservoir and whether or not available for sale, and the fact that we often exclude minor reserves from our figures, we feel that public disclosure of our gas reserves would not be helpful and may be subject to misinterpretation.

Fifth, Shell does disclose its total sales of gas in its annual report to shareholders and in rounded billion cubic feet these were as follows:

1950	122
1951	146
1952	177
1953	223
1954	286
1955	295

1955 sales are estimated at roundly 295 billion cubic feet. Shell accumulates gas sales revenue figures on an overall basis but we do not disclose these because not only does the unit price vary as determined by the point of sale, i. e., wellhead on up to plant outlet but is also affected by delivery pressures, and the type of gas sold, i. e., whether wet oil well and gas well gas sold for gasoline recovery or dry, dehydrated separator or plant residue gas sold for local or interstate use. Publication of unqualified revenue figures are meaningless and we do not have a breakdown of sales revenues by categories.

Sixth, we sincerely regret our inability to supply you with more specific answers to the requested data but we are sure you will appreciate that this is so because Shell is unable to segregate original cost and expenses between oil and natural gas as explained in third, above.

W. F. KENNEY,
Vice President and General Counsel, Shell Oil Co.

TULSA, OKLA., *January 18, 1956.*

Hon. PAUL H. DOUGLAS,
United States Senator, Senate Office Building:

Replying to your January 13 telegram regarding the economics of that unsegregated phase of our business relating to the production and sale of gas, it is impossible to furnish the requested information. Since nearly all of our gas production and gas producing rights arise under leases covering both oil and gas, many of which produce or will produce both oil and gas, our accounting and other records do not reflect investment or operating costs or the other requested information separately as to either oil or gas. While we can furnish gas reserve figures as to our producing leases, it is impossible to determine the gas reserves under our undeveloped leases.

CHESLEY C. HERNDON,
Executive Vice President, Skelly Oil Co.

CHICAGO, ILL., *January 17, 1956.*

Senator PAUL H. DOUGLAS,
Senate Office Building,
Washington, D. C.:

In response to your telegram your request has been submitted to our accounting department. However, our accounting procedures do not segregate items of cost as to operations, dry holes, exploration, lease acquisition, surrenders, seismic work, and other general exploratory expenses as between gas and oil. Any such allocation would have to be on a purely arbitrary basis. We likewise do not in our accounting procedures distinguish between oil and gas the depreciation on the many dually completed wells which are producing both oil and gas, nor do we segregate as between liquids and gas any elements of cost in very extensive gathering systems. For your information we receive an average of 9.4 cents per thousand cubic feet for natural gas. After paying royalties, overrides, production costs, State taxes, Federal taxes, debt retirement, and a modest dividend to our stockholders, what is left from sales of natural gas and oil is immediately employed in the search for new reserves.

RICHARD WAGNER,
Chairman, the Chicago Corp.

NEW ORLEANS, LA., *January 18, 1956.*

Hon. PAUL H. DOUGLAS,
United States Senate, Senate Office Building, Washington, D. C.:

We are somewhat confused by your wire of January 16, as to the connection between alleged gouging by local gas utilities and the basic economics of the independent gas producer. The former is a conventional utility with a monopoly franchise and fixed rate of return, while the latter is engaged in a high-risk, highly competitive business.

The figures you request relative to the cost of exploring for, producing, and marketing natural gas are not reflected in our accounting procedures separately, and apart from the costs of exploring for, producing, and marketing crude oil. The reason is that the search for oil and gas are inextricably tied together, the costs being the same whether you find one, both, or neither. Any attempt to allocate costs between crude oil and natural gas is arbitrary and the result misleading.

THE CALIFORNIA CO.,
H. J. POLK.

NEW YORK, N. Y., *January 16, 1956.*

Hon. PAUL H. DOUGLAS,
United States Senate,
Washington, D. C.:

Your telegram January 13, addressed to Sinclair Oil & Gas Co., 600 Fifth Avenue, New York, has been referred to that company at Tulsa, Okla., where headquarters are located.

SINCLAIR REFINING CO.,
F. A. BUSH.

FINDLAY, OHIO,
January 18, 1956.

Hon. PAUL H. DOUGLAS,
United States Senate,
Washington, D. C.:

Your night letter of the 13th instant was delivered on Saturday while our offices were closed. We are answering at the earliest possible moment. At the outset, may we respectfully disagree with your interpretation of the evidence submitted by the producers on the Fulbright-Harris bill. No spokesman for the producers ever charged the distributing companies with gouging the consumers with the implied acquiescence of the State regulatory commissions. The producers did submit testimony to show that the price they received for gas in the field is less than one-tenth of the price paid by the consumers for the same at the burner tips, but this testimony was submitted for the purpose of showing that even had the Fulbright-Harris bill gone so far as to remove all field price controls, which it does not, nevertheless 90 percent of the price paid by the consumers for gas at the burner tips would still be fixed on a utility basis by the State regulatory agencies and by the Federal Power Commission operating in their respective jurisdictions.

Regarding the 13 questions propounded to us, we regret we cannot furnish you all of the information desired because we do not and cannot separate the costs and investments in exploring for, developing, and producing oil, gas, and condensate when these hydrocarbons are produced from the same lease and, in many instances, from the same well. However, we will furnish you as much of the information as we have available. In answer to the first question of the first series, you are advised that our estimated developed net proven gas reserves for the year 1951 were 1,125,740 million cubic feet; for 1952, 1,301,166 million cubic feet; for 1953, 1,361,893 million cubic feet; for 1954, 1,399,7003 million cubic feet; for 1955, 1,480,277 million cubic feet. In response to the second question in the first series, you are advised that our estimated undeveloped net proven reserves for the year 1951 were 747,100 million cubic feet; for 1952, 644,218 million cubic feet; for 1953, 770,898 million cubic feet; for 1954, 715,165 million cubic feet; and for 1955, 629,729 million cubic feet. We cannot furnish answers to your third, fourth, and fifth questions in the first series because we have never been able to devise a satisfactory accounting procedure for separating the costs and investments in different hydrocarbons coming, in many instances from the same reservoir. Any system for allocating a certain percent of the exploration, development, and production cost to oil and a different percent to gas is arbitrary. In response to the first and second questions in the second series, we regret to inform you that for 5-year period inquired about we did not separate in our accounting procedure revenues from liquids removed from casinghead gas and revenues from the remaining residue gas. Consequently, we cannot give you for the 5-year period the information sought in the first and second questions. In response to the third to eighth question in the second series, this information cannot be supplied because, as previously pointed out, we have never been able to devise any satisfactory accounting procedure under which we can separate the cost of producing oil from the cost of producing gas where the two hydrocarbons come from the same lease, the same reservoir, or the same well. Moreover, it has never been necessary in the operation of our business for us to attempt to arbitrarily segregate these costs.

THE OHIO OIL CO.

SUNRAY MID-CONTINENT OIL CO.,
Tulsa, Okla., January 19, 1956.

Hon. PAUL H. DOUGLAS,
United States Senate,
Washington, D. C.

DEAR SIR: Receipt is acknowledged of your telegram of January 14, 1956, in answer to which we wish to advise as follows:

First, the name of Sunray Oil Corp. on May 16, 1955, was changed to Sunray Mid-Continent Oil Co. The statements made in this letter, therefore, are made with reference to the operation and business of Sunray Mid-Continent Oil Co.

In your telegram, you ask information and data from this company be made available for use during the Senate consideration of the Harris-Fulbright bill. The information and data is requested for gas only.

Sunray Mid-Continent Oil Co. is engaged primarily in the business of discovering, developing, and producing oil. In the search for oil, it has also discovered and developed gas reserves. In this business, it is impractical, if not impossible, to conduct the search for and development of oil separately from that of gas. It is the experience of this company that, more than one-half the time, when gas is discovered and developed, it is found in the same leasehold or common reservoir and results from the same exploratory effort as is oil.

It might be possible that such information could be reconstructed, but it would require:

1. Some arbitrary method of allocating the gross figures between oil and gas and other operations of the company (in the industry there is no accepted basis that we know for making such allocations);

2. An audit of the books and records of the company and its predecessor companies back for a period of more than 5 years.

3. The hiring of an outside force, in addition to the normal company accounting department, to accumulate and compile the necessary data; and

4. A substantial length of time, perhaps a year or more, to complete the job.

It is therefore apparent that we are unable to make timely or meaningful compliance with your request.

I am enclosing the annual reports of the company for 1954, 1953, and 1952 which, I believe, contain a substantial amount of the information you have requested but not in the form in which you have requested it. The annual report for the calendar year 1955 has not yet been prepared and published.

Very truly yours,

C. F. MCCARROLL,
Manager, Gas Sales Division.

UNITED CARBON CO.,
Charleston, W. Va., January 19, 1956.

Hon. PAUL H. DOUGLAS,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: I have your long telegram of January 13. I would like very much to supply you with full information as requested, as I believe that the better informed you are as to the situation of independent natural gas producers, the less you will be disposed to favor Federal regulation of natural gas production. However, the information requested by you would require many months and many thousands of man hours to assemble, as United Carbon Co. and subsidiaries operate 1,769 wells in eight States and many different fields.

I note your reference to the claim that consumers are being gouged by utility companies now engaged in the business of distribution. I certainly make no such claim, though I am well aware that the total gas rate charged by the distributing companies is usually many times the price per thousand cubic feet received by the independent gas producer. Whether the distributor's rate is or is not a gouge depends upon the effectiveness of the regulation now imposed and which will continue to be imposed regardless of the Fulbright bill. The transmission companies and the distributors are public utilities, possessors of franchise and monopoly, who are entitled to earn a fair return on their invested capital, no more and no less, and we assume that is what they are receiving. We independent producers, possessing no franchise and having no guaranty of a profit, fair or otherwise, are in an entirely different category.

As producers of natural gas on a large scale, we deal only with the transmission companies. We find that they are pretty hard bargainers. If we have some gas that a transmission company really wants they pay us up to 15 cents per thousand cubic feet in the Hugoton field and in the Texas Panhandle. If, however, we have an isolated well or lease, with only one transmission line nearby, we find that they will pay us 10 cents or less. The reason is that we have only one possible market and the buyer has the whip hand.

I personally have been much interested in newspaper reports of your activities in connection with the regulation of gas production. You have always been described to me as a statesman who was more interested in the truth than in political advantage. I respectfully suggest that if you will inform yourself as to the circumstances attending the production of natural gas, you will conclude not only that regulation of this nonutility business is unwise and un-American, but also that with regulation the consumers will pay more money for less gas.

I am taking the liberty of sending to you, under separate cover, a copy of our last annual statement, covering the calendar year 1954, from which you will see that, though successfully engaged not only in natural gas production, but also in oil production and carbon black manufacture, we are not making extravagant profits, but merely about 12 percent on net sales.

Yours very truly,

OSCAR NELSON, Jr.

UNION OIL AND GAS CORPORATION
OF LOUISIANA,
Houston, Tex., January 19, 1956.

Hon. PAUL H. DOUGLAS,
United States Senate,
Washington, D. C.

DEAR SENATOR DOUGLAS: This will refer to your recent telegram which we received Monday morning. We have instituted a preliminary review of the matter and, at the present time, it appears that we are faced with an almost insurmountable task because of the many elements making up the items set out in your telegram and the nature of our accounting procedures. We are, however, continuing our review.

Your telegram was addressed to Union Sulphur and Oil Corporation at 663 Gulf Building, Houston, Tex. In order that your files may be corrected, the company name was changed to Union Oil and Gas Corporation of Louisiana last year and our offices were moved to The Houston Club Building.

Very truly yours,

ELLIOTT G. FLOWERS.

HOUSTON, TEX., *January 23, 1956.*

Hon. PAUL H. DOUGLAS,
Senate Office Building,
Washington, D. C.:

With reference to your night letter of January 13, received by us January 16, we deny that any spokesman for our company has asserted or implied that local gas utilities are gouging consumers. A fact which cannot be disputed, and which the record shows, is that local gas distributors receive the major portion of the gas consumer's dollar, whereas gas producers receive a relatively minor share.

Although we do not consider that any of the information requested from us has any real bearing on the merits of the Harris-Fulbright bill, we are quite willing to answer your inquiries to the extent possible.

As to our reserves, in a prospectus dated October 28, 1954, and filed with the SEC, Continental stated that as of August 31, 1954, its estimated natural-gas reserves in the United States were in excess of 2.2 trillion cubic feet. This figure included both producing and shut-in gas. It may not be comparable with reserve figures of other companies because there is no uniform method of calculating reserves and different companies use different methods in making their computations.

We are unable to answer your questions concerning our gross investment, depreciation and depletion reserves, exploration and production costs, taxes, and net income applicable solely to our gas business, because:

A. Leases on millions of acres are acquired and the leased lands are tested at great expense by various exploratory methods. There is no way of telling, other than by actual drilling of wells, whether the lands will produce oil or gas or both or whether they will be wholly unproductive. Many of these leases are abandoned, some before and some after drilling. Accordingly it is impossible to allocate the leasehold and exploratory costs to such gas as may be discovered on the few properties found to be productive of oil or gas or both in paying quantities.

B. Natural gas is generally associated in the same reservoir with oil or other hydrocarbon liquids. When so associated, the gas and liquids are produced together from the same wells. It is absolutely impossible to allocate to the gas alone its proper share of the gross investment, production, and processing costs, taxes, depletion and depreciation, and net income.

According to our records, the volume of natural gas, natural-gas liquids, and casinghead gas delivered during the past 6 years from our company's leases to pipelines, natural gasoline plants, and consumed in company operations, were as follows (in billions of cubic feet):

1950	1,070
1951	1,271
1952	1,439
1953	1,442
1954	1,298
1955 (estimated)	1,230

Our revenues from gas alone cannot be accurately stated because our records lump together revenues derived not only from gas but also from natural-gas liquids produced from the same wells.

CONTINENTAL OIL CO.

BARTLESVILLE, OKLA., *January 23, 1956.*

Hon. PAUL DOUGLAS,
United States Senate,
Senate Office Building,
Washington, D. C.:

Your telegram addressed to American Gas Production Co. (now named Cities Service Gas Development Co.) has been forwarded to this company for reply. Cities Service Gas Development Co. is a wholly owned subsidiary of Cities Service Oil Co.; its properties are operated by Cities Service Oil Co. in conjunction with our other oil and gas properties located in 20 States.

We are familiar with the testimony submitted at the hearings on the Harris-Fulbright bill. We have not found in the record testimony "seeking to prove that consumers are being gouged by local gas utilities with implied acquiescence of State regulatory commissions." On the other hand, there is testimony, to which you undoubtedly refer, establishing conclusively that the price paid producers of natural gas in the field constitutes only a small portion of the ultimate price paid by consumers. There was further testimony demonstrating that the field price for natural gas under free competi-

tion has advanced far less than the general cost of living. The testimony seems to justify the belief that there is no reason for Congress to single out natural gas as the one commodity at the producers level for Federal price regulation on a public utility basis.

Our company is primarily an oil producer, but a majority of our wells also produce gas. We have given much consideration to the problems of allocating investment and costs between oil and gas. It is evident that, because exploration for and production of natural gas is inseparably associated with exploration for and production of oil, it is impracticable to make reasonable or realistic segregation of investment in acreage and production facilities, depreciation and depletion reserves, exploration and geophysical costs, taxes, and other costs of production. Therefore, it is impossible for us to supply information which would show the economics of gas production. Even if we could answer your questions on the basis of speculative assumptions, we respectfully submit that such information would have little relevancy to the main issue developed in the debate on the Fulbright bill, that is, whether or not it is in the public interest to regulate prices for natural gas in the field by Federal authority on a public utility basis.

CITIES SERVICE OIL CO.

NEW YORK, N. Y., *January 24, 1956.*

Hon. PAUL H. DOUGLAS,
Senate Office Building,
Washington, D. C.:

Your telgram of the 13th instant was received on January 16.

Some of the information you have requested is unobtainable and some would take so long to prepare that it could not be ready in time to serve your purpose. However, we can advise you now that our estimated gross gas reserves at the end of 1951 were 9.6 trillion cubic feet; at the end of 1952, 10 trillion; at the end of 1953, 10.5 trillion; at the end of 1954, 11.1 trillion; and at the end of 1955, 11.4 trillion; and our gross sales of natural gas in 1951 aggregated 162 billion cubic feet; in 1952, 181 billion; in 1953, 209 billion; in 1954, 244 billion; and in 1955 are estimated at 288 billion.

THE TEXAS CO.

TULSA, OKLA., *January 23, 1956.*

HON. PAUL H. DOUGLAS,
United States Senator,
Senate Office Building:

This refers to your telegram of January 13, which was received in this office on the morning of January 16, requesting certain information concerning the natural gas operations of this company. You state that "spokesmen for gas producers submitted in hearing on the Harris-Fulbright bill considerable material seeking to prove that consumers are being gouged by local gas utilities with implied acquiescence of State regulatory commissions. But such spokesmen did not present any basic information on economics of gas production." We respectfully take exception to that statement. Spokesmen for the gas producers merely sought to show, which has now been established as a fact, that the producers of natural gas receive a very small part of the consumers' dollar and that approximately 90 percent of what the typical consumer pays is already subject to State and Federal regulation because of its franchise and monopoly status. We know of nothing in the testimony that implies gouging of the consumer by any segment of the industry or that charges any State regulatory agency with failure to perform its proper function. With respect to the economics of gas production, we feel that a great amount of testimony bearing directly on the subject was presented to both the House and Senate committee hearings on the pending legislation. The testimony goes as far as it is possible to go in the light of the fact that the production of oil and gas is essentially a single operation. All producers whether large or small, are faced with the impossibility of determining the separate costs of the joint products which are found as a result of an exploratory effort or which are produced as a result of the work of a single project.

Certain questions in your telegram point up this problem. You ask for information concerning (1) our gross investment in gas leases and production facilities; (2) our depreciation and depletion reserves; (3) any unamortized exploration costs not included in our gross investment figure; (4) cost of gas production exclusive of taxes; (5) Federal income taxes with respect to gas; (6) other taxes with respect to gas; (7) depreciation and depletion accounts on gas; (8) net income on gas; and (9) the percentage which net income from sales of gas after taxes bears to total investment in gas producing properties. It is not possible to answer these questions. Our records do not reflect the information and there is no manner in which the records could be kept to reflect the information without making allocations and segregations among oil, gas, and liquid products extracted from gas upon a completely arbitrary and unjustified basis. As you are undoubtedly aware from your study of this question, oil, gas and liquifiable hydrocarbons contained within the gas are produced in many instances from the same leasehold and through the same well bore, not only do the combinations of the products recovered vary from well to well, from lease to lease, and from field to field, but the proportion which each product bears to the total varies between parcels of land within the same lease and, from month to month, even within individual wells for example, a lease may contain oil wells from which casinghead gas is produced with oil and also gas wells producing gas and liquefiable hydrocarbons. Wells which are oil wells today may become gas wells tomorrow. And, in the case of oil wells, the relative volume of gas will change continually until abandonment. In operations of this type the same personnel are engaged in the production of the combined products, accordingly, all costs incurred in the operations are necessarily charged against the leases without segregation among the individual products. It is not only obvious that to do otherwise would be completely inaccurate, but any arbitrary apportionments made at any particular time would immediately become invalid because of the continuous changes in the character of the production recovered. Under these circumstances, which as you can see do not permit cost segregation among the combined products, it is clear that answers cannot be given to any question raised in your telegram that would have to be based upon a profit-and-loss calculation by individual products.

A further question raised in your telegram, which is impossible of answer from the information contained in our records, concerns our total volume of gas sales and the total revenue received from those sales for each of the years 1950 through 1954. Our records do not segregate the sales of dry or residue gas suitable for transmission in a pipeline and ultimately sold for consumer use from sales of wet gas in the field for delivery to the processing plant for the removal of the liquefiable hydrocarbons contained in the gas. In the latter type of sale, both the volume sold and the revenue received include consideration of the liquid hydrocarbons contained within the gas. The records are maintained on a basis that combines the proceeds obtained from the liquid hydrocarbons and from the production ultimately sold as a dry gas after processing. This is true, for example, with respect to the annual report of our parent company, Standard Oil Co. (Indiana), for 1954, which states that during that year its producing subsidiaries sold 393.47 billion cubic feet of gas for $37 million. The column stated includes liquefied hydrocarbon production and the revenue stated includes lease revenue from the sale of liquefied hydrocarbons. We are, therefore, unable to advise separately the realization obtained from the sale of natural gas suitable for transmission in pipelines. However, in case you desire the combined sales and revenues for gas and liquefied hydrocarbons, the report referred to shows them as follows: 1950, 208.9 billion cubic feet for $12 million; 1951, 264.66 billion cubic feet for $17 million; 1952, 315.858 billion cubic feet for $22 million; and 1953, 367.555 billion cubic feet for $29 million. Other questions in your wire relate to information concerning the volume of gas reserves in producing and nonproducing lands. The estimates made by this company in that connection are included in the total shown in the annual reports of Standard Oil Co. (Indiana). As per its annual reports the total reserves of natural gas of Standard Oil Co. (Indiana) have been estimated and published by years as follows: 1952, 10.1 trillion cubic feet; 1953, 9.9 trillion cubic feet; 1954, 11.38 trillion cubic feet. These figures represent our best estimate of proven gas reserves for producing and nonproducing lands. No segregation of reserve estimates between producing and nonproducing gas lands is maintained.

Lastly, your telegram requested that questions (4) through (9) above be answered with respect to the "first full year in which you sold gas for interstate markets." Gas sales and revenues for the same period were also requested. It appears that such a sale was made about November 1, 1932. All of the records which the company maintained at that time have been stored for years in various warehouses. Many of them have been destroyed in order to save space. If these records are still in existence, they would also reflect the impossibility of answering your questions accurately as our method of accounting has not changed in the meantime. Oil and gas were produced jointly from the same leases, through the same well bores in those days too.

STANOLIND OIL & GAS CO.

BARTLESVILLE, OKLA., *January 20, 1956.*

Hon. PAUL H. DOUGLAS,
United States Senator,
Senate Office Building,
Washington, D. C.:

This is an answer to your night letter of January 13 asking for certain information concerning our natural-gas business.

You preface your request for information by stating that "spokesmen for gas producers submitted at hearings on Harris-Fulbright bills considerable material seeking to prove that consumers are being gouged by local gas utilities with implied acquiescence of State regulatory commissions." We have read of such charges being made on the Senate floor and in the press but we know of no such charges before the committee. We do not understand that any material submitted to the committee was for the purpose which you attribute to it. Nor do we understand the fact to be as you state that spokesmen for gas producers did not present to the committee any basic information on the economics of gas production. To mention one witness, we think Dr. Boatwright covered the subject quite adequately.

It has been our position, and some of our officials have so stated in a number of public addresses, that high distributor margins in many areas are due in large part, at least, to the small volume of gas handled and that the remedy of consumers against high prices lies in increased consumption of natural gas in their areas which should bring about lower distributor margins. Substantial increased consumption to distributing systems can only be possible by encouraging independent producers to produce and sell

natural gas to interstate pipelines. Utility type regulation of producers will have the opposite effect and will inevitably result in less gas supplies for interstate markets.

A few examples of distributor margins in relation to the volume handled will serve to illustrate the point that volume is the key to lower distributor margins:

Boston, with an annual volume per customer of 23 thousand cubic feet has a distributor margin of $2.36. Baltimore, with an annual volume per customer of 43 thousand cubic feet has a distributor margin of $1.12. Detroit, with an annual volume per customer of 98 thousand cubic feet has a distributor margin of 58 cents. Pittsburgh, with an annual volume per customer of 154 thousand cubic feet has a distributor margin of 43 cents. Kansas City, Mo., with an annual volume per customer of 222 thousand cubic feet has a distributor margin of 28 cents.

Notwithstanding your questions are propounded upon what we regard as an erroneous premise, we shall answer them insofar as the information is available.

The first year in which sales were made by Phillips for interstate market probably was 1924. For that year total volume was 32 billion cubic feet, revenue, $862,000 for both interstate and intrastate sales.

Total volumes of gas sales and total revenues for periods referred to in your telegram for both interstate and intrastate sales are: 1950 volume 504 billion cubic feet, revenue $26 million; 1951 volume 579 billion cubic feet, revenue $33,900,000; 1952 volume 568 billion cubic feet, revenue $37,200,000; 1953 volume 567 billion cubic feet, revenue $45,900,000; 1954 volume 624 billion cubic feet, revenue $51,800,000; 1955 (December estimated) volume 631 billion cubic feet, revenue $52,900,000.

Our books do not reflect the figures which you request concerning investment, costs, net income, etc., for gas. Much of the gas which we sell is produced either from oil wells together with crude oil or from condensate wells together with condensate. We have no allocation of investment or production costs as between crude oil and condensate on the one hand and the gas produced from those wells on the other. The rest of the gas is produced from gas wells but contains natural gasoline and other liquefiable products, most of which are removed in natural gasoline plants. We have no allocations of investment and production costs for such wells as between such liquids on the one hand and the gas on the other. Therefore, in respect of gas as distinguished from crude oil, condensate, and natural gasoline, our records do not reflect the figures which you request for "gross investment in gas leases and production facilities," "depreciation and depletion reserves," "unamortized exploration costs not included in gross investment figures," "cost of production exclusive of taxes," "Federal income taxes," "other taxes," "depreciation and depletion accounts," "net income," and "the percentage which net income from sales of gas after taxes bears to total investment in gas producing properties."

It has always been the policy of Phillips Petroleum Co. not to disclose publicly estimates of its supplies of raw materials and feed stocks, including reserves of natural gas, except as required by the Securities and Exchange Commission in connection with public financing. The only estimate of its total gas reserves published by Phillips Petroleum Co. during the last 5 years is that contained in a registration statement and prospectus filed with the Securities and Exchange Commission dated May 26, 1953 and stated as follows: "The total proved reserves of natural gas of 17.89 trillion cubic feet are classified as follows: (a) 73.9 percent are 'owned reserves' and 26.1 percent 'controlled reserves'; (b) 68 percent of the 'owned reserves' and 94.6 percent of the 'controlled reserves' will be produced from presently developed acreage; (c) 73 percent of 'owned reserves' are from properties which are dedicated or contracted for varying tenures under contracts in effect on December 31, 1952."

PHILLIPS PETROLEUM CO.,
K. S. ADAMS,
Chairman.

PITTSBURGH, PA.,
January 20, 1956.

Hon. PAUL H. DOUGLAS,
United States Senate,
Washington, D. C.:

In reply to your telegram of January 13 we have made every effort to supply the information requested. The evidence presented by representatives of the natural gas producing industry in the hearings on the Fulbright-Harris bill showed that the price received by the producers for natural gas at the wellhead is only a very small percent, approximately 10 percent on the average, of the price ultimately paid at the burner tip by the residential consumer. The purpose of this testimony was to show that competition between producers has resulted in making natural gas available to consumers at a reasonable price in the field without the necessity of Federal regulation of independent gas producers and that, even if the regulation of the field price of natural gas contained in the Fulbright-Harris bill were eliminated and the price paid to producers left free from Federal regulation, as it was for many years before the decision in the Phillips case, the price paid to the producer would not rise out of proportion and would not materially affect the ultimate price paid by the consumer. We know of no spokesman for the producers who ever charged that consumers were being gouged by local gas utilities with implied acquiescence of State regulatory commissions and respectfully disagree with this interpretation which you place on the evidence presented in behalf of the gas producing industry in the hearings on the Fulbright-Harris bill. We regret that most of the information which you request in your telegram cannot be obtained for the reasons hereafter stated. However, we are furnishing you all of the available data requested. In answer to the first question of the first group, you are advised that our estimated gas reserves in producing gas lands for the period ending December 31 in each of the following years were the following million thousand cubic feet: 1950, 3,574,678; 1951, 3,655,891; 1952, 3,852,172; 1953, 3,987,696; 1954, 3,960,026; and for period ending October 31 1955, 3,963,024. In answer to the second question in this group, our estimated gas reserves in nonproducing gas lands for the period ending December 31 in each of the following years were the following million thousand cubic feet: 1950, zero; 1951, zero; 1952, 3,854; 1953, 20,015; 1954, 201,071; and for period ending October 31, 1955, 176,970. For several reasons we are unable to furnish the information requested in the third, fourth, and fifth questions of this group. As you know, gas is frequently produced simultaneously with oil and in many other instances gas and oil are produced from the same lease and the same reservoir at different stages of production. As a result, any allocation of investment and cost and depreciation and depletion reserves between oil and gas would necessarily be abritrary and wholly unsatisfactory. For many years attempts have been made to devise a satisfactory accounting procedure providing for such an allocation but to date none has been found to our knowledge. For these reasons our records do not reflect this data requested by you with respect to our gas properties. We are unable to answer the first and second questions in the second group for the reason that during the periods about which inquiry is made our records do not reflect how much of the gas sold by us has gone into interstate commerce. The information requested in the third through the eighth questions of the second group is not available for the reasons heretofore stated in reply to the third, fourth, and fifth questions of the first group. We regret our inability to supply more of the information you requested and wish to assure you of our continued desire to cooperate with you and other Members of the Congress in every way possible.

GULF OIL CORP.

RECESS

Mr. CLEMENTS. Mr. President, pursuant to the previous order of the Senate, I move that the Senate now stand in recess.

The motion was agreed to; and (at 6 o'clock and 16 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until tomorrow, Wednesday, January 25, 1956, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate January 24 (legislative day of January 16), 1956:

DEPARTMENT OF AGRICULTURE

Marvin Leland McLain, of Iowa, to be an Assistant Secretary of Agriculture, vice James A. McConnell, resigned.

COMMODITY CREDIT CORPORATION

Marvin Leland McLain, of Iowa, to be a member of the Board of Directors of the Commodity Credit Corporation, vice James A. McConnell, resigned.

HOUSE OF REPRESENTATIVES

TUESDAY, JANUARY 24, 1956

The House met at 12 o'clock noon.

Rev. Thomas J. Furphy, O. S. F. S., Northeast Catholic High School, Philadelphia, Pa., offered the following prayer:

O almighty and eternal God, who deigns to look upon our fair country with an eye ever filled with love and kindness, grant to us here present Thy bounteous benediction that by every thought, word, and action we may always feel Thy love and solicitude.

O God of wisdom and justice through whom all authority is rightly administered, assist with Thy holy spirit of counsel and fortitude the elected Representatives of our Nation here present that they may be enabled by Thy powerful protection to discharge their duties with honesty and ability.

May God support us all the day long till the shades lengthen and evening comes; and the busy work is hushed, the fever of life is over and our work is done. Then in His mercy may He give us safe lodging, a holy rest, and peace at last. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Tribbe, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate has passed a joint resolution of the following title, in which the concurrence of the House is requested:

S. J. Res. 115. Joint resolution designating the month of February in each year as American Heart Month.

COMMITTEE ON RULES

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file reports.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

LEGISLATIVE CALENDAR

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, the Committee on Rules is meeting this afternoon on several bills, and I am advising the membership of the House that if they report out a rule on some of them, I might bring some of them up tomorrow. Is that agreeable to the gentleman from Massachusetts?

Mr. MARTIN. Certainly. May I inquire further? According to present indications, the school construction bill will not be up this week.

Mr. McCORMACK. That is right. I will go beyond "indications" and say it will not be up this week.

ECONOMIC REPORT—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 280)

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Joint Committee on the Economic Report and ordered to be printed with illustrations:

THE WHITE HOUSE,
January 24, 1956.

To the Congress of the United States:

I am herewith presenting my economic report, as required by section 3 (a) of the Employment Act of 1946.

In preparing this report, I have had the assistance and advice of the Council of Economic Advisers. I have also had the advice of the heads of executive departments and independent agencies.

Since my report is long, I present below, largely in the words of the report itself, what I regard as its highlights.

RECENT ECONOMIC ACHIEVEMENTS

Full employment, rising incomes, and a stable dollar have been cherished goals of our society. The practical attainment of these ideals during 1955 was the year's great economic achievement.

The past year has brought fresh witness to the basic strength and resiliency of our economy. We have broken through to new and higher ground, and have reached the threshold of a $400 billion economy.

Whether we observe economic activity at the stage of production, or employment, or income disbursement, or consumer spending, we find evidence of progress and prosperity. The Nation's expanding income is being shared widely. Employment and wages are at record levels. Both investment and consumer spending are going forward at a good pace. Some groups of people have not, however, enjoyed a full measure of prosperity, and we must keep that fact before us as we build for the future.

THE ROLE OF GOVERNMENT

The mainspring of our economy is to be found in the qualities of the American people. Given free institutions and a favorable physical environment, an expanding economy is the natural fruit of the enterprise of such a people.

Today, we believe as strongly in economic progress through free and competitive enterprise as our fathers did, and we resent as they did any unnecessary intrusion of Government into private affairs. But we have also come to believe that progress need not proceed as irregularly as in the past, and that the Federal Government has the capacity to moderate economic fluctuations without becoming a dominant factor in our economy.

Our governmental policies have concentrated on building an economic environment that favors an orderly expansion of private activities. The Federal Government has not sought to maintain good times by expanding our already huge governmental outlays or by permitting the value of money to depreciate.

The administration has sought, in cooperation with the Congress, to discharge its responsibility through a series of closely related policies. First, by removing direct controls over prices and wages, which had outlived their usefulness. Second, by preserving an actively competitive environment and assisting new and small businesses. Third, by curtailing governmental activities that could be handled as well or better by private enterprise. Fourth, by restricting public expenditures, and yet adding to the country's defensive strength and its stock of public assets, especially highways, hospitals, and educational facilities. Fifth, by lightening the burden of taxes imposed on individuals and businesses. Sixth, by extending the ties of trade and investment with other nations of the free world. Seventh, by tempering the impact of unemployment, old age, illness, and blighted neighborhoods on people, yet not impairing self-reliance. Eighth, by extending the automatic workings of our fiscal system that tend to offset or cushion changes in income arising from changes in economic activity. Ninth, by attacking fundamental causes of weakness in the farm situation. Tenth, by acting promply and resolutely when either recessionary or inflationary influences in the general economy became evident.

To help keep our surging economy in a healthy condition the Government in 1955 held the tax line. The Federal Reserve System shifted from a policy of active credit ease to one of moderate restraint. These policies contributed in large degree to the achievement and maintenance of prosperity without price inflation.

EXTENDING PROSPERITY

A period of general prosperity, such as we have recently been experiencing, presents a challenge to an intelligent citizenry. We must find ways and means of extending prosperity to the less flourishing sectors of our economy.

The position of farmers in our dynamic economy has aroused deep concern. It is imperative that we strengthen farm programs on the basis of a realistic appraisal of the present situation.

The persisting decline in farm prices and incomes reflects a continuing imbalance between farm output and its ultimate disposition. The imbalance and resulting huge surpluses are to be traced largely to the technological revolution in American agriculture, changing domestic demands for farm products, the expansion of agricultural production abroad, and the repeated extension of wartime price-support levels long after the end of World War II.

Many parts of our agricultural policy are working well and require only moderate changes. Together with the nine-point program built around the soil bank put forward in the recent message on agriculture, they constitute a many-sided attack on the ills that beset agriculture. There is no easy cure for persisting surplus conditions. The programs now recommended, if framed wisely and adopted promptly, will promote the welfare of farmers and the Nation.

The basic cause of low incomes is low productivity, irregular employment, or both. The Government can do a great deal to help people who have been left behind in the onrush of progress by undertaking special programs for raising their productivity.

One of the largest groups of low-income families is in rural areas, mostly on farms too small for efficient operation. The rural-development program is a soundly conceived approach to helping these farm families raise their productivity and thereby improve their economic status. Legislation is needed which will permit the program to be expanded in line with recommendations made last year.

To cope with chronic unemployment which has persisted in some communities, despite the attainment of practically full employment in the Nation at large, a new area assistance program is recommended.

Vocational rehabilitation, widened coverage of the Federal old-age and survivors insurance program, and housing needs of older people are fields in which advances should be made.

Relatively few people are as yet protected by insurance against catastrophic

illness. The pooling of risks by private carriers, or if need be through a Federal program, would help meet this problem.

A joint Federal-State program for indemnifying flood victims on losses to real property, business inventories, and household effects should be authorized.

BUILDING FOR FUTURE PROSPERITY

Lasting prosperity of the Nation depends far more on what individuals do for themselves than on what the Federal Government does or can do for them. The rate of our economic advance in the years ahead will depend largely on our ability as a people to preserve an environment that rewards individual initiative and encourages enterprise, innovation, and investment.

Government can contribute to the strengthening of competitive enterprise through monetary, fiscal, and housekeeping policies that promote high and rising levels of economic activity; by helping small- and medium-sized businesses overcome impediments to their expansion; and by vigorous measures for preventing monopolistic practices and combinations.

For the present fiscal year a balanced budget is in prospect. Once a budgetary surplus comes definitely into sight and economic conditions continue to be favorable, we should begin reducing our huge public debt. Such an act of fiscal integrity would signify with unmistakable clarity that our democracy is capable of self-discipline.

To help meet the pressing need for more schoolrooms, the Congress is urged to authorize a program of Federal aid for school construction which, over a 5-year period, could be expected to stimulate the States and localities to sufficiently greater efforts to remove the accumulated shortages.

The country urgently needs a modernized interstate highway system to relieve existing congestion, to provide for the expected growth of motor vehicle traffic, to strengthen the Nation's defenses, to reduce the toll of human life exacted each year in highway accidents, and to promote economic development.

The development of consumer installment credit has been highly beneficial to our economy. However, it sometimes accentuates movements in the buying of consumer durable goods. Although present conditions do not call for the use of any authority to regulate the terms of installment credit, this is a good time for the Congress and the executive branch to study the problem.

Sound policies to promote the expansion of the international flow of goods, capital, enterprise, and technology will powerfully advance our national security and economic welfare, and help to build a stronger and more unified community of free nations.

Early passage of legislation authorizing membership of the United States in the Organization for Trade Cooperation and providing for further customs simplification is of high importance.

CONCLUSION

Foresight has helped our Nation make great strides in recent years toward a balanced and sustained prosperity. We have succeeded in expanding the scope of free enterprise, and yet increased the sense of security that people need in a highly industrialized age.

Taking recent developments all together, it is reasonable to expect that high levels of production, employment, and income will be broadly sustained during the coming year, and that underlying conditions will remain favorable to further economic growth.

Great opportunities lie ahead for American businessmen, consumers, workers, farmers, and investors. The recommendations of this report should be helpful in the realization of these opportunities.

DWIGHT D. EISENHOWER.

PENSIONS AT 62 FOR ALL WORLD WAR I VETS

Mr. LANE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, over 37 years have passed, but the Congress of the United States has not yet enacted a general pension for the aging veterans of World War I, even though the Nation has recognized the obligation by providing pensions for the veterans of all previous wars in our history, culminating in the pension of about $100 a month that is now received by the veterans of the Spanish-American War, without regard to other income.

The precedents are many.

The Nation is committed, in gratitude and in honor, to give the veterans of World War I pensions equivalent to those granted to veterans of previous wars.

It cannot default on this duty, without betraying a national policy that has prevailed for many generations.

I have long sponsored a resolution calling for the payment to all honorably discharged veterans of World War I, and who have reached the age of 62, a monthly pension of $100 a month for the rest of their lives, as a matter of right, and without reference to disability or indigence.

The cost? Less than half the interest on the national debt.

The thinning ranks of 1917–18 are approaching the 60th milestone of their lives. Even as I speak, some of them are passing their 62d, 65th, or 67th birthdays.

It is too late for those who have been mustered out of life.

But, before they were called to the bivouac of the dead, they, too, believed that this Nation would do right by its veterans.

The time has now come when the Nation can recompense their surviving comrades during the harvesttime of their lives.

"Nothing is too good for them," we said, as they fought to defend our freedoms during the critical days of 1917–18.

How have we carried out that pledge since then? Precious little, on the whole. And less than little, when we recall the struggles to provide for their families during that other and longer battle for survival that they were forced to fight during the depression in their own country.

These were the men of the bonus army. Remember? The Federal Government's shameful treatment of them is not a bright page in our history.

But where are we going to get the money to pay a pension to these old soldiers?

We are getting and spending that money today on many projects outside the United States. The plight of strangers in other lands touches us to the quick. We are so eager to help that we sometimes assist them before assistance is requested. But when anyone in the United States raises his voice in behalf of pensions for veterans at 62, the attitude suddenly changes. The defensive strategy of evasion, delay, and financial juggling comes into play even though the Nation was never in a better position to pay such pensions than it is today.

More than 37 years have passed since the end of World War I. Time enough for the veterans to become old. Time enough for this Nation to start paying back its obligation to those who defended it, because there is not too much time left for veterans to enjoy a pension of $100 a month, beginning at 62.

HOME IMPROVEMENT YEAR

Mr. WIDNALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. WIDNALL. Mr. Speaker, last Monday, January 16, I attended a meeting here in Washington that may well be one of the most important of the year 1956 for the American people.

In the presence of Members of both Houses of Congress, top members of the President's White House family, Cabinet members, officials from many departments of the Federal Government, and industrial leaders, a nationwide campaign—Home Improvement Year—was launched to improve our middle-aged homes.

The older neighborhoods of our towns and cities are the dwelling places of half the American people. Some of them are fine and beautiful. Others are blighted and in danger of slipping into slums. All of them are composed chiefly of prewar houses, many of which were the best of their day, but nearly all of which lack the comfort, convenience, and livability now normally provided in newer houses which have benefited from the new technology of our Nation.

Altogether, there are some 20 million houses of sound construction that can be salvaged and improved for modern living. They represent an investment exceeding $200 billion.

But they stand for a lot more than dollars. They are the living places of about half of our families. Keeping these homes in good condition, bringing

them abreast of the modern benefits of American progress, represents jobs—represents productive work and a better livelihood for millions of our laboring force.

Our homes today are one of our greatest national assets, and one of our most important resources for better living. Our homes mean higher incomes for our workers and better living conditions for the same labor force which contributes so much to homebuilding itself.

But we have not been maintaining that asset properly. We have not been creating the job opportunities that necessary maintenance and desirable improvement of our existing homes can provide.

By concerted effort, however, we can and must give this task the attention it needs on a truly national scale. As a people, we are going to make a big start in 1956, which the Housing and Home Finance Administrator, at President Eisenhower's urging, has just designated as "Home Improvement Year."

I am introducing today into the RECORD some of the statements made by Administrator Cole and others on the occasion of the formal launching of this vital enterprise of the people. In my judgment, it is going to mean a significant upsurge in our living standards and our production—benefits that will be measured at the grassroots for the consumer, the working men and women, for the communities of America, as well as for capital and investment.

It is going to mean better homes for 20 million families. These are families that need and want better homes, and that can afford to pay for improving them if financing, merchandising, and working skills are made available for this job on a large scale.

While we should continue to help poorer families, unable to pay the full cost of good modern housing, to get out of the slums—while we should continue without slackening to clear out slum structures and to renew the blighted areas of our communities—we would be tragically nearsighted if we did not give our concerted attention to the maintenance and improvement of the great mass of sound housing where millions of our medium-income families live.

The benefits in family life and modern comforts to the mass of our people are obvious. The building industry—our manufacturers and materials suppliers, our lenders, our builders, and allied business—are already alert to this opportunity and have joined together to make their services available in every American community for this improvement campaign.

And there is another equally important group for whom home improvement means greatly increased opportunity for service and for productive income. They are the workers—the laboring force—whose hands and minds must accomplish this job and who create the tangible wealth of this country.

For industry is not just money, or markets. Industry is people—people who plan and think and work to provide a better living for all of us.

The people of industry are not only those who meet in the director's room to manage and direct. They are also the men on the lumber lot, the women who serve us in our lending institutions, our stores and offices, the salesmen in the building materials and hardware stores, the draftsmen and the truckdrivers, the carpenters, the bricklayers, the skilled workmen with their modern power tools—adding a new wing to the home for the growing family, modernizing the kitchen or the bath, bringing more light, more space, more areas for living and recreation into the older home, in line with modern techniques and design.

We need the force of every one of these people in Home Improvement Year. And all of them stand to benefit from the work and business opportunities that flow from uplifting the housing standards of our people. We need their skills and craftsmanship. Indeed, we cannot afford to waste them.

We need them today to make our homes better. We will need even more of them in the early sixties when, once again, we will face mounting demands from a rising crop of new families for whom more homes must be built and for whom existing homes must be available in good condition and large numbers. We must keep employment high, the year round, not only for the sake of the fine draftsmen we already have in our building heritage, but to induce thousands of others to enter this field, to learn through their apprenticeship the skills that must be maintained and expanded for future needs.

Home Improvement Year goes beyond the improvement of homes alone. It is a dynamic force in our present and future economy to keep our living standards rising and our laboring force fully employed and their skills maintained and replenished.

I now insert into the RECORD the condensed remarks, made at the launching of Home Improvement Year, January 16, 1956, by Mr. Clem D. Johnston, chairman of the board, Chamber of Commerce of the United States; Mr. Fritz B. Burns, a builder, of Los Angeles, Calif.; Hon. Albert M. Cole, Administrator of the Housing and Home Finance Agency; Mr. John R. Doscher, executive director of Operation Home Improvement:

STATEMENT OF CLEM D. JOHNSTON, CHAIRMAN OF THE BOARD, CHAMBER OF COMMERCE OF THE UNITED STATES, AT THE HOME IMPROVEMENT YEAR KICKOFF, MAYFLOWER HOTEL, JANUARY 16, 1956

Ladies and gentlemen, I have the pleasure of welcoming you, on behalf of the Chamber of Commerce of the United States, to this unusual meeting—this launching of Home Improvement Year.

This is a fascinating and important venture. We are setting out to take another step to help improve the homes of America.

To me this is another achievement of business leadership. You manufacturers and distributors of building materials and equipment, you building trade association members, you private enterprise-minded men in Government, and we in the Chamber of Commerce of the United States, voluntarily came together to design this campaign and set in motion a program which can help improve millions of homes.

Home Improvement Year will have other benefits:

1. It will add to our national production.

2. It will provide more jobs for the craftsmen who support their families by employment in the home-improvement industry.

3. It will provide increased sales of building materials and equipment and services.

These are the things—more production, more jobs, and more sales—which bring better living to the people of America. This is one of the important objectives of the national chamber.

This is why we are for this nationwide home-improvement campaign.

I am proud that our voluntary, private, and competitive way of getting progress in America has provided this opportunity to again let the profit motive give us a purpose which can benefit so many Americans.

I congratulate you for your participation and, again I welcome you.

CONDENSATION OF REMARKS BY FRITZ B. BURNS, BUILDER, OF LOS ANGELES, CALIF., AT THE LAUNCHING OF HOME IMPROVEMENT YEAR

This is a happy day for me.

I started in the real-estate business before I finished grade school. I began building homes before I was old enough to vote. As a young man I found keen satisfaction in watching new homes rise and seeing cities expand. I was proud to think I had a hand in their growth.

I never lost my early feelings of satisfaction and pride in our industry. But as I grew older I began to realize that something else was happening to our cities—something evil. While new homes grew constantly better and cities flourished, many of the older homes and older neighborhoods were going to wrack and ruin.

Along with a lot of other people I started thinking about what would happen if we continued to neglect these older neighborhoods. The majority of the houses in them were still soundly built. Why should they be abandoned this way? But the fact was that most of them had not been kept up. They needed a lot more than a coat of paint. They had to be brought up to the new standards found in the new houses we were putting up all over the county. If they were not, no matter how much new building in the country we put up, we would have, instead of a net gain in housing, a net loss of decent dwelling places.

As I just remarked, a lot of people were thinking about the problem. All of them wanted to do something about it, too, and some of us got together, in various parts of the country, and worked out plans. But there was no central dynamo to provide the power on a national scale.

One day just under a year ago, Bill Ulman, of the Housing Agency, and I were mulling over the situation in my office in Los Angeles. We agreed that it might do a lot of good if we could set up a national home-improvement week. Some time later, in Denver, Al Cole, Bill Ulman, Axel Nielsen, and I developed the idea further. Why not have a home-improvement month? Why not a home-improvement year?

That was the real start. We would line up the National Association of Home Builders, with its "new face for America" campaign. We would line up the National Association of Real Estate Boards and pick up its "build America better" project. And we would use that fine organization, Action—the American Council to Improve Our Neighborhoods. We could call together the producers, the retailers, and the lenders into one mighty effort to rescue the living wealth of America—our homes.

The United States Chamber of Commerce offered to sponsor the whole program—and within 3 months of that first exploratory talk in Los Angeles, Operation Home Improvement was born.

The important thing, perhaps the most important, is that everybody we talked to recognized the need for unity of action. All the diverse organizations supporting Home Improvement Year are working together.

There are no rivalries, no jealousies, no conflicts. We have a perfect partnership.

An indispensable member of this partnership of the forces of private enterprise is the Federal Government. I think of this member as the cement that gives solidarity and strength to the structure we are erecting together.

And it must be an enduring structure. Working always as a team, combining our idealism with the hardheaded Yankee commonsense that is our precious heritage, demanding never less of ourselves than the very best that is in us, requiring inflexible standards of material and workmanship, we will make it an enduring structure.

The supervising architect is well known to all of us. And he is favorably known to all of us. We have not always agreed with his decisions. Some of us have argued with him. A few of us have quarreled with him. But we all trust him. And all of us know in our hearts that we couldn't find a better man for the job.

He isn't a builder by profession. He is not a dealer in real estate. He is not a mortgage lender. He is not a manufacturer or supplier of building materials. He came up the hard way—through Congress.

I present to you my very good friend, the Administrator of the Housing and Home Finance Agency, Al Cole, of Kansas.

CONDENSATION OF AN ADDRESS BY ALBERT M. COLE, ADMINISTRATOR OF THE HOUSING AND HOME FINANCE AGENCY, DESIGNATING 1956 AS HOME IMPROVEMENT PLAN

The moment at hand, January 16, 1956, was chosen many months ago as the time to start a great national crusade to raise the level of living in all parts of our country. The means by which we will achieve that end is improvement of the fundamental element of living, the homes of America.

This is a joint enterprise. Millions of individuals will take part in it. Thousands of communities will participate. Civic organizations and many special groups, such as the ones sponsoring this meeting, will contribute their energies. Major areas of private industry, including all media of communications, will marshal their powerful forces. The Federal Government will aid in every possible way.

When the present administration took office, not quite 3 years ago, President Eisenhower and his team were keenly aware of the need for more and better housing for all the people of the Nation. But on this occasion I want to discuss, not slums, not blighted areas in danger of becoming slums, not even those urban sections that touch on such areas. I want to talk about all older areas—those in which houses 10, 20, 30 years and older predominate—in all the towns and cities of the United States.

It is in the older areas, many of very high quality, that more than half of the Nation's people live today. The total property investment—though not precisely measurable—is considerably in excess of $200 billion.

And we have not been protecting that investment. We have been letting a vast national asset—dwelling place of half the American people—depreciate at a rate no factory or mercantile establishment would tolerate. And business leaders have been partly at fault. They thought only in terms of "somebody else's property." Along with others, they failed to see that this was the Nation's property, the Nation's economy—and thus the depreciation directly affected us all.

The capital value of our properties has not been keeping pace with other capital values. More important, the dividends have been falling off—and I mean not only municipal tax revenues but dividends in efficiency, comfort, and satisfaction. The dividends in livability have not kept up with the dividends from other sources. Nor have they begun to keep up with American standard of livability which the restless genius of American home builders is constantly elevating to new heights. Countless thousands of our dwellings not only lack the utility and livability made possible by postwar technical developments, but are limited to facilities popular between 1900 and 1935.

Today the building and allied industries—with the continued cooperation of the Government—are about to undertake an enterprise of tremendous scope and of a social import that cannot yet be measured. These industries are not only going to construct probably 1,300,000 new homes in 1956, but they are going to improve very substantially 10 million or more existing dwellings at a cost of over $9 billion. An additional 10 million or more homes will receive maintenance and repairs in excess of another $5 billion. The total will be about $3 billion, or 25 percent, more than was spent in 1955—and I believe it is a conservative estimate. The Chamber of Commerce of the United States, for example, recently published a statement which I will quote:

"These figures certainly indicate that, despite the discovery that the residential modernization market may be about twice as large as we thought, the limit may be far from reached. A possible additional expansion of 25 to 50 percent of the present activity is within probability."

I also want to read to you the sentence immediately following:

"This is a challenge to the construction industry that should not be passed at a time when other sectors of the construction market may be temporarily close to the limits of increased expansion."

This is indeed a challenge to home builders. It is also an opportunity of spectacular dimensions for lenders, realtors, architects, producers, and all allied trades and professions. It will mean a whole new area of employment for labor. And neither the challenge nor the opportunities will be ignored by any of these.

I do not use the term "challenge" lightly, nor as a matter of rhetoric.

For years a nearly hopeless burden has been placed on the individual homeowner who wished to improve his home in an older neighborhood. He was usually unable to borrow the funds for a real job of improvement—a new wing, a new bathroom or kitchen—because few wished to lend substantial sums to a homeowner in an aging area that showed signs of blight.

Now we have a really fresh approach. We urge broadscale, neighborhoodwide home improvement, not just pockets of endeavor. And instead of relying solely on the part-time efforts of well-meaning citizen groups—without whom there would be no real progress—we now rely also on the national and local businessmen who can find in this crusade the fulfillment of a social and economic need without jeopardizing the interests of his stockholders.

I must at the same time remark that it is the responsibility of businessmen and lenders to be vigilant in the interests of homeowners. There is no place in this national movement for greed or careless practices. There can be no toleration of laxity in granting either conventional or Government-insured loans. I urge lenders and builders alike to require identical standards in the granting of both these types of loan.

You are all aware that during the half dozen years ahead there will be a fall off in new family formations due to the coming of age of the smaller baby crop born during the depression period of the 1930's. An attendant moderate drop in demand for new homes during those few years can be very profitably balanced by satisfying the demand for home improvement—and thus, without risking pressures of an inflationary character, keep fully employed the producers and suppliers of building materials, the forces of labor and management. At the same time the building industry will be tooling up in preparation for the clearly visible new home-building boom that will get underway in the early 1960's.

As one new and practical step to assist in the home-improvement effort, the Housing and Home Finance Agency will recommend liberalization of its procedures, through both legislation and regulations, to an extent that will bring our mortgage insurance facilities into phase with today's standards. We are also undertaking to send through the country highly qualified teams to aid in training the personnel in all our field offices and thus expedite all qualifying applications for Federal assistance.

The challenge facing us all will be met. All elements of the building industry are moving forward to accept the challenge and to seize the opportunity.

Newspapers great and small, magazines of every kind, trade journals, the radio and television chains, all are giving lavishly of their space and time. They, too, have determined to meet the challenge.

Many other industries, some of them not even indirectly associated with the building and building-service industries, have recognized the challenge. They know that anything which makes for a better America must have their support. And they are warmly giving it.

Municipal authorities in thousands of communities feel the challenge deeply. They are very close to the need for improving the homes of America. They know the importance of good homes and sound neighborhoods in maintaining a sound capital structure in their communities. And they know how great are both the financial and social dividends. Their support is being given to the limit.

I believe I am safe in saying that no peacetime endeavor of the American people has ever had such assurance of universal support as this our nationwide home improvement enterprise, a true partnership of private industry and Government. This partnership has no opposition. Everywhere it has support.

In this room here today, in addition to the representatives of many industries, there are present distinguished members of both Houses of Congress. Many of the President's Cabinet and several of the White House staff are with us today, as are other Government officials from a number of Departments, State and municipal officers, and community leaders. They are labor leaders, education and health authorities, publishers, editors, news analysts. There are religious leaders and persons eminent in numerous other fields of activity. All of you have come here with a single purpose.

You have come to demonstrate your faith in the enterprise that all of us are undertaking together.

You believe that our postwar technology, which has already greatly raised the level of living in America, will continue to advance. You believe that the soaring national standard of livability can be increasingly enjoyed by ever-growing numbers of our people. And you believe that millions of them are eager to realize that standard in its most elemental reality—the homes in which they live and rear their children to become useful members of society.

You believe, too, I have no doubt, that as millions of Americans in the medium income group advance their present level of living closer to the new American standards, private industry as a whole will become more and more convinced of the real feasibility—as well as the desirability, which no one now disputes—of home improvement on an even broader scale. We should never permit ourselves to forget that the long-term objective—the attainment of which will be most profitable in every way for all concerned—is

to raise the level of living for all the American people.

I have here a letter written to me by the President of the United States, in which he says in part:

"I hope that the Housing and Home Finance Agency can now join with communities, the building and lending industries, and private citizens in a nationwide effort toward this goal. "DWIGHT D. EISENHOWER."

In response to the President's directive I will now read a statement, the substance of which I hope will be given wide and continuous publicity throughout the United States:

"DECLARATION OF 1956 AS NATIONAL HOME IMPROVEMENT YEAR

"The President of the United States has stated that the present administration from the outset recognized three major goals of equal importance in the complex task of housing the American people.

"One goal was to provide, by private enterprise and initiative, a modern home for every American family that seeks and can afford to buy such a home. This is approaching achievement.

"Another goal was to provide more and better housing, both by private enterprise and Government aid, for American families with low incomes. This is being increasingly accomplished.

"A third goal was nationwide renewal and restoration of middle-aged dwellings in basically sound condition.

"Aware of the magnitude and urgency of this need to rehabilitate our older homes, the President has expressed his desire that the Housing and Home Finance Agency stimulate our communities, the building and lending industries, and private citizens everywhere to a full and systematic achievement of a modern home for every American.

"If this objective is attained with the energy at our command, and with the crusading spirit of our people, our entire population—owners, tenants, and laboring force alike—will be enormously benefited.

"Therefore, as Administrator of the Housing and Home Finance Agency, I urge the American people to join with the President and the great forces of private enterprise in concerted effort to attain nationwide improvement of our country's homes and neighborhoods.

"In pursuance of our common objectives, I designate 1956 Home Improvement Year."

REMARKS BY JOHN R. DOSCHER, EXECUTIVE DIRECTOR, AT THE LAUNCHING OF HOME IMPROVEMENT YEAR, JANUARY 16, 1956

Someone wired recently and referred to this day as an historic occasion. In many respects it is. For today marks the beginning of a campaign which is bound to have a very positive effect on our Nation. This campaign is called Operation Home Improvement.

Today, for the first time, all the many and diverse factors in the building business are joining forces under the banner of Operation Home Improvement to combat one of our most serious domestic problems: the deterioration of our housing inventory.

Private industry has a big job to do in selling home improvement to the American people. To do it takes a big idea. Nothing less could unite an industry. Nothing less could make an impression on the American people who are the most promoted-to people in the world.

Operation Home Improvement is a big idea. It's big because it is simple. It is not a new organization or association. It is simply a year-long campaign designed to coordinate the efforts of all in the home-improvement industry, both at the national and at the local level, to accomplish two things: (1) To interest more people in improving their homes, and (2) to help to make it easier for home owners to buy materials and services.

The campaign is sponsored by the Chamber of Commerce of the United States and the building industry. As you have seen, it has the active support of the Federal Government.

The potential is indeed enormous. Some economists estimate that the home improvement market could be doubled in the next few years. The condition of our housing inventory in America certainly points up the need.

We've got a big job to do in developing this market. Statisticians tell us that 1 house in 10 is a slum, half of the remaining are in need of repair and improvement. Certainly the other half need to be maintained. We have always prided ourselves on having the highest standards of living in the world, but with the alarming deterioration of our housing inventory, our standards are being steadily lowered.

What's happened to the American pride in the home?

Why don't people spend money to keep their homes up to modern standards?

Certainly, with our current prosperity, full employment, the highest wages we've ever had even adjusted for inflation, people can afford to improve their homes. Half the owner-occupied homes in America are owned scot-free—there are no mortgage payments to be made every month. Most of these are the older homes that are in need of modernization. The other half of our homeowners have about a 50-percent equity—more than enough on which sound readvances could be made for improvement work.

Manufacturers, trade association executives, financing experts, service, and installation people and Government housing officials, all agree that Operation Home Improvement is a big enough idea to help achieve a new degree of teamwork. With one seal and one slogan and the declaration of Home Improvement Year, this idea has already created unprecedented cooperation at the national level. And, from tests at the local level in pilot cities, it is apparent that the idea is big enough to get everyone pulling together.

It looks now as if the seal of OHI may well become one of the greatest banners ever used in the history of American business. This year, this seal will appear in many millions of dollars worth of national advertising. In local advertising, beginning today, it is being used by countless thousands of dealers, contractors, lenders, and retailers of home equipment products. It is estimated that at the local levels alone, over $250 million worth of advertising will carry this seal during Home Improvement Year. In addition, an equal amount will probably be spent on direct mail, display materials, and other promotional activities using the seal.

Never before have all the diverse elements of this huge industry joined together for the common good of all. And by joining forces in this common effort, everyone in this industry is helping to insure our most precious possession—the American home—the bulwark of our way of life.

It is because of this that Operation Home Improvement is one campaign that is big enough to deserve the attention of editors of leading magazines. Every major magazine has joined the team to help sell better living in better homes. Millions and millions of families will be reading more and better editorial material on the subject. And on these editorial pages, they'll see the OHI seal time and time again.

Newspapers, too, are using the seal editorially.

Through the repetitious impact of the seal in editorial content of magazines and newspapers, and in advertising, people everywhere will get the idea that "56 is the year to fix"—and they will be encouraged to improve their homes this year.

Operation Home Improvement is indeed a big idea. And it is a well coordinated national effort. But perhaps most exciting is what happens at the local level when a whole city gets behind OHI and makes a local campaign out of it. Today, many mayors are proclaiming "Home Improvement Year" to mark the beginning of their local campaigns.

This local level application is most important because it means that dealers, contractors, and lenders are joining together to encourage more people to improve their homes and to help to make it easier for them to buy materials and services.

The timing for this integrated campaign is perfect. Our economy needs this multi-billion-dollar stimulus—the building industry needs this campaign to maintain sound growth—and the American people need the help that this campaign promises in making repair and remodeling work easier to buy.

Thus, Operation Home Improvement is private enterprise's answer to President Eisenhower's request that there be established a concerted effort to improve old but still sound dwellings. As Collier's magazine stated on its editorial page this week, "The campaign is based on a valid premise: that pride in one's home and community can be as infectious as slovenliness—and far more rewarding and economical. From any viewpoint—the welfare of the community or the self-interest of the homeowner—the program makes sense and deserves vigorous support."

PAYMENTS TO LOCAL GOVERNMENTS IN LIEU OF TAXES ON FEDERAL INDUSTRIAL PROPERTY

Mr. MEADER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and include extraneous material.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MEADER. Mr. Speaker, in the last days of the 1st session of the 84th Congress, the Congress adopted my bill, H. R. 6182, providing for payments to local governments in lieu of taxes on certain types of federally owned industrial properties. On August 12, 1955, the bill was signed by the President and became Public Law 388.

Mr. Speaker, no payments to local units of government have yet been made pursuant to that law.

I investigated that failure to comply with the law. I believe the results of my inquiry will interest other Members of the Congress, particularly those in whose constituencies are located plants on which payments are to be made, the officials of the local units of government which will receive these payments, and the public generally.

As might be expected, some of the agencies required to pay taxes on industrial properties dragged their feet at the outset developing facts and taking action to precede actual payments to localities required under Public Law 388. However, I am happy to report that with the cooperation of the Department of Defense and Members of the Congress, particularly those from districts affected, that reluctance has been overcome and a more cooperative attitude has been brought about.

The first problem encountered by the agencies was to identify those properties

which came within the four corners of the act, namely, properties formerly owned by the Reconstruction Finance Corporation or its subsidiaries and which were transferred to other agencies of the Government subsequent to January 1, 1946. I have now obtained a list of these properties from the Department of Defense, the General Services Administration, and two other affected agencies, and incorporate it at this point in my remarks:

CODE

GSA—General Services Administration
USAF—United States Air Force
USA—United States Army
USN—United States Navy

State and city	Name of plant	Owning agency	Plancor No.	Acquisition cost
Alabama: Gadsden	Republic Steel Corp	GSA	269	$12,439,000
California:				
Norwalk	Norwalk Air Force Tank Farm.	USAF	912	1,157,153
Burbank	Lockheed AF Plant No. 14	USAF	236	
Pittsburg	Pacific Ordnance Steel Foundry.	USA	516	4,278,685
El Segundo	NIR aircraft plant	USN	697	8,105,747
Riverbank	Riverbank ordnance plant	USA	226-A-4	4,568,724
Chula Vista	Rohr Aircraft Corp	GSA	993	2,011,000
Manteca	Permanente Metals Corp	GSA	707	7,097,000
El Segundo	Douglas Aircraft Corp	GSA	890	643,000
Connecticut:				
Stratford	AF No. 43	USAF	1383	1,544,920
Southington	NIR aircraft plant	USN	612-N	2,769,289
Canaan	New England Lime Co	GSA	547	5,885,000
Illinois:				
Chicago	AF No. 39	USAF	792	
	Chicago ordnance plant	USA	91	3,449,463
	Pullman Standard Car Co	GSA	104	482,000
	Eversharp, Inc	GSA	1372	73,000
Granite City	Granite City Steel Co	GSA	312	7,730,000
Indiana:				
Indianapolis	AF No. 30	USAF	2188	518,831
	AF No. 26	USAF	548-A	9,241,319
East Chicago	East Chicago ordnance foundry.	USA	269	11,187,043
Kansas: Wichita	AF No. 13	USAF	139	
Louisiana:				
Lake Charles	Mathieson Alkali Works	GSA	264	21,485,000
Shreveport	Louisiana ordnance plant	USA	2190	191,993
Maryland: Halethorpe.		USAF	1778	
Massachusetts:				
North Grafton	Wyman-Gordon	USAF	2304	
Everett	AF No. 28	USAF	46	2,815,253
West Lynn	AF No. 29	USAF	864	1,995,528
Lynn	NIR gear plant	USN	153-G	4,988,748
Michigan:				
Adrian	AF No. 60	USAF	324	6,653,562
Willow Run	AF No. 31	USAF	2294	580,623
Bay City	Dow Chemical Co	GSA	988	1,129,000
Saginaw	General Motors Corp	GSA	446	2,834,000
Muskegon	Continental Motors Corp	USA	166-M	
Minnesota: St. Paul	Engineering Research Association.	USN	1931	739,815
Missouri:				
St. Louis	NIR aircraft plant	USN	17-A	2,386,347
Kansas City	do	USN	1213	34,157,376
St. Louis	St. Louis Ordnance Steel Foundry.	USA	1672	5,437,210
Montana:				
Columbus	Anaconda Copper Mining Co.	GSA	133	105,000
	do	GSA	587	1,600,000
Butte	Domestic Magnesium & Development Co.	GSA	1804	489,000
Nebraska: Omaha	Alcohol plant		1608	5,280,000
New Jersey:				
Wood-Ridge	AF No. 33	USAF	994-A	
Newark	NIR Ordnance plant	USN	581	5,009,703
Trenton	Naval air test turbine station.	USN	586	2,765,500
Teterboro	NIR aircraft plant	USN	8-132	1,030,992
Newton	Anken Film Co	GSA	2354	57,000
Burlington	Burlington ordnance plant	USA	226-A-3	8,068,654
New York:				
Johnson City	AF No. 59	USAF	821	4,405,885
Kenmore	AF No. 18	USAF	746	3,414,997
Tonawanda	AF No. 40	USAF	155	8,431,764
Syosset	NIR ordnance plant	USN	559	271,275
New York:—Con.				
Rochester	NIR ordnance plant	USN	901	$172,880
Poughkeepsie	do	USN	2351	1,161,189
Mespeth	New York Naval Shipyard Annex.	USN	226-A-1	12,274,757
Tahawus	National Lead Co	GSA	1245	3,969,000
Utica	Utica Drop Forge & Tool Co.	GSA	2386	622,000
Brooklyn	Mergenthaler Linotype Co	GSA	472	3,383,000
Valley Stream	Columbia Aircraft Corp	GSA	1266	1,045,000
Syracuse	General Electric Co	GSA	788	1,118,000
Schenectady	do	GSA	174	1,648,000
Wingdale	Amco Magnesium Co	GSA	546	6,000,000
Nevada:				
Gabbs townsite	Basic Magnesium, Inc	GSA	201-H	1,007,000
Henderson	Bureau of Reclamation, Interior Department.			
North Carolina: Burlington.	Firestone Tire & Rubber Co.	GSA	506, 506-A	2,053,000
Ohio:				
Cleveland	AF No. 41	USAF	145	1,040,503
Lockland	AF No. 36	USAF	10	
Toledo	AF No. 27	USAF	1907	3,699,316
Columbus	NIR aircraft plant	USN	18-A	15,825,000
Akron	University of Akron			
Lima	Lima Ordnance Steel Foundry.	USA	857	
Hamilton	American Rolling Mill	GSA	759	777,000
Troy	Waco Aircraft Co	GSA	398	739,000
Warren-Youngstown.	AF No. 27	GSA	259 W&Y	10,158,000
Ashtabula	National Carbide Co	GSA	1166	3,237,000
Luckey	Magnesium Reduction Co	GSA	669	4,286,000
Painesville	Clifton Products	GSA	1716, 1911	441,000
	Diamond Magnesium Corp	GSA	244	14,377,000
Oregon: Troutdale	Portland Disposal Co	USA	226-O	$7,825,385
Pennsylvania:				
Williamsport	AF No. 32	USAF	2212	256,499
Lester	NIR gear plant	USN	181	3,933,600
Lebanon	NIR ordnance plant	USN	400	782,633
Lester (Essington).	NIR aircraft plant	USN	2061	1,041,948
Erie	Aluminum Forgings, Inc	GSA	1395	8,432,000
Chester Springs	Franklin (Benj.) graphite plant.	GSA	1285	1,033,000
Indiana	McCreary Tire & Rubber Co.	GSA	1936	763,000
Corapolis	Corapolis Ordnance Steel Foundry.	USA	1294-OO	546,401
Easton	Lehigh Foundries, Inc	GSA	2354	1,338,000
Homewood	Westinghouse Electric Corp	GSA	1603	109,000
Newcastle	United Engineering & Foundry Co.	GSA	765	22,964,000
Texas:				
Dallas	NIR aircraft plant	USN	25	18,169,783
Valasco	Dow Magnesium Corp	GSA	243	26,095,000
Houston	Hughes Tool Co	USA	143	5,884,577
Saginaw	NIR aircraft plant	USN	898	497,073
Washington:				
Seattle	AF No. 17	USAF	1,577	
Renton	AF No. 20	USAF	156	
Spokane	Electro-Metallurgical Co. (Quarry).	GSA	571,1108	20,849,000
Renton	Pacific Car & Foundry Co	GSA	303	2,937,000
Tacoma	Wilkeson Products Co	USA	602	361,718
Wisconsin: Milwaukee.	AF No. 58	USAF	220	2,077,857

Mr. Speaker, before payments can be made upon those properties, additional data must be obtained from the local assessing officers. A letter requesting such information recently has been sent from the Department of Defense, and the General Services Administration is obtaining similar information through its regional offices. I incorporate a copy of the Defense Department letter at this point in my remarks:

DEAR SIR: In order to facilitate this Department's preparation of its budget estimate, I should appreciate your supplying certain information as soon as possible to (the selected office in your Department).

The records of this Department indicate that payments in lieu of real property taxes on the following properties or portions thereof at the designated localities may be payable under the terms of Public Law 388 of the 84th Congress:

"Date of transfer by RFC of custody and control."

"Property."

Public Law 388, a copy of which is attached, adds sections of 701-705 to the Federal Property and Administrative Services Act of 1949. Section 703 provides:

"Where real property has been transferred on or after January 1, 1946, from the Reconstruction Finance Corp. to any Government department, and the title to such real property has been held by the United States continuously since such transfer, then on each date occurring on or after January 1, 1955, and prior to January 1, 1959, on which real property taxes levied by any State or local taxing authority with respect to any period become due, the Government department which has custody and control of such real property shall pay to the appropriate State and local taxing authorities an amount equal to the amount of the real property tax which would be payable to each such State or local taxing authority on such date if legal title to such real property had been held by a private citizen on such date and during all periods to which such date relates."

Sections 702 (b) and 702 (d) provide:

"The term 'real property' means (1) any interest in land, and (2) any improvement made thereon prior to any transfer thereof occurring on or after January 1, 1946, from the Reconstruction Finance Corp. to any other Government department, if for the purpose of taxation such interest or improvement is characterized as real property under the applicable law of the State in which such land is located.

"The terms 'real property tax' and 'real property taxes' do not include any special assessment levied upon real property after the date of a transfer of such real property occurring on or after January 1, 1946, from the Reconstruction Finance Corp. to any other Government department."

Section 704 (b) further provides that no payment shall be made under section 703 with respect to any real property of any of the following categories:

"(1) Real property taxable by any State or local taxing authority under any provision of law, or with respect to which any payment in lieu of taxes is payable under any other provision of law.

"(2) Real property used or held primarily for any purpose for which real property owned by any private citizen would be exempt from real property tax under the constitution or laws of the State in which the property is situated.

"(3) Real property used or held primarily for the rendition of service to or on behalf of the local public, including (but not limited to) the following categories of real property: courthouses; post offices and other property used for purposes incidental to postal operations; and federally owned airports maintained and operated by the Civil Aeronautics Administration.

"(4) Office buildings and facilities which are an integral part of, or are used for purposes incidental to the use made of, any properties described in paragraph (1), (2), or (3) of this subsection."

The information needed is as follows:

"(1) Bills for payment due under Public Law 388, if real property taxes levied by your State or by any local taxing authority within your State have become due since January 1, 1955 for all or any portion of the period since that date. In this respect, I invite your attention to the provisions of sections 702 (b) and 702 (d), quoted above. Section 703 does not authorize payments until the taxes become due, but if taxes for all or any portion of the period since January 1, 1955 have not yet become due and will become due within the next year, I should appreciate your submitting an estimate of the bill. Any bills should show, in addition to the total payment due, the assessed value of the property transferred and the applicable tax rate.

"(2) If a composite tax rate is used by any taxing jurisdiction, a breakdown of the elements of the rate or rates.

"(3) Copies of tax bills pertaining to these properties for the three years prior to transfer of custody and control and any tax bills rendered thereafter. All bills should indicate assessed value of the property and the applicable tax rate.

"(4) A statement of whether any of the plants listed above fall within any of the four categories listed in section 704 (b)."

The information requested above will be used to supplement our records.

Sincerely yours.

Mr. Speaker, I am assured that as soon as a substantial number of replies has been received from local assessing officers, the agencies will start making payments. I sought to learn when those payments might be expected by local units of government and received assurances they could begin within the next 60 days.

Under Public Law 388, only that property transferred on January 1, 1946, should be considered in computing the payment to be made in lieu of taxes. In other words, improvements and additions made by the Federal Government after the property was transferred from the RFC or its subsidiaries are not subject to the law.

I also inquired about the availability of funds to make those payments to localities and was assured that money is available and that the financial procedures will present no problem whatever.

I have intentionally refrained from listing the amounts of current estimates of the payments to be made on each property because those figures could be affected by information from assessing officials, and current estimates might therefore be misleading. It is expected, however, that the total of those annual payments will be in the neighborhood of $3 million.

POLITICS INFLUENCING MILITARY DECISIONS

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Speaker, I am going to refer again to the statements being made by General Ridgway. I feel I have some special right and privilege to make these remarks, because it was my motion and amendment considered last year on the Defense appropriation bills when I said very much the same thing that General Ridgway is now stating when he is out of uniform. I read from the Washington Post of this morning:

"The gentlemen who accept these great posts of authority and responsibility in the Defense Department should be as completely divorced from politics as is humanly possible. I think the tendency, which was manifested many times during my tour as Chief of Staff, of civilian secretaries making military decisions on a basis of political expediency constitutes a danger to this country.

"The power that is vested in the civilian secretaries, particularly in the Secretary of Defense, is so enormous that it could do incalculable harm if applied on the basis of what is good for the party, instead of what is good for the country. * * * They should never bring political pressure to bear on their military advisers.

"I must also say, regretfully, that my ideas and my efforts did not receive the same support from Secretary of Defense Wilson. From that office stemmed many suggestions that I take actions which, had I done so, would have seriously impaired the Army's capability to accomplish its missions, and would have weakened, rather than enhanced the esprit, the pride, the confidence of victory, which are the basic strength of any military mission.

"For example, it was suggested that I reduce the strength of combat divisions overseas, that I inactivate certain units and reduce others to a cadre basis.

"Finally, in a letter to the Secretary of Defense, transmitted through the Secretary of the Army, I pointed out that it was just such thinking as this, applied to the Far East theater, which brought us to the brink of disaster in the Korean war, and I made it explicitly clear that I would not reduce the strength of combat units facing potential enemies overseas, thus subjecting them to the possibility of annihilation, unless I had a direct order to do so.

"After each exchange of views," Ridgway continued, "I came away convinced that either the Secretary was a man whose mental processes operated on a level of genius so high I could not grasp his meaning or that considerations beyond the ken of a soldier's logic were influencing his thinking."

H. R. 8001, THE FISHERIES POLICY BILL

Mr. WILSON of California. Mr. Speaker, on January 3, I introduced H. R. 8001, the fisheries policy bill, and a number of my distinguished colleagues have introduced similar legislation since that date. A feature common to all of these bills is the establishment in the Department of Commerce of an Office of Assistant Secretary of Commerce for Commercial Fisheries.

As I remarked on this floor on January 12, the primary desire in this feature of the legislation is not to change the fisheries function from one executive department to another, but it is, rather, to focus attention on the grave problems of the commercial fisheries of the Nation by establishing an office at a policymaking level whose primary responsibility would be to give these problems attention.

In asking that this office be established in the Department of Commerce, however, we are following the recommendations of the best authority on the subject of which we know, the Commission on Organization of the Executive Branch of the Government, established by the Congress under the chairmanship of former President Herbert Hoover, to study the executive branch of the Government and to recommend what steps were necessary to improve its efficiency.

The Commission established a distinguished task force of experts to recommend to it particular actions that would be beneficial in the field of natural resources. On pages 226–227 of that task force's printed report occur these statements:

Fishery and wildlife activities have been administered by the Fish and Wildlife Service of the Department of the Interior since the consolidation of the Bureau of the Biological Survey and the Bureau of Fisheries in 1940. Consolidation of these functions in a Fish and Wildlife Service has not facilitated efficient and economical administration. This administrative combination of dissimilar major functions has resulted in the neglect of the commercial fishery phase of the responsibility.

Fisheries are predominantly an ocean resource, whereas terrestrial wildlife is predominantly a land resource. Fishery problems deal with important basic industrial and commercial activities. Wildlife problems are largely concerned with recreation and noncommercial activities. The areas of common interest are much less important than the differences.

The desirability of separating fishery functions from those concerned with terrestrial wildlife is emphasized by the following:

1. Important fishery problems are increasingly related to ocean resources. The development and management of these resources often involve cooperation with other nations. Problems of this sort are far removed from those of land management and recreation with which most wildlife problems are concerned.

2. Government functions dealing with commercial fishing, a productive food industry and a provider of trained seamen and ships, should be clearly identified and so

organized that prompt authoritative action can be taken to mobilize the industry in times of national emergency.

3. Except as fisheries and terrestrial wildlife are both of recreational interest, the major functions dealing with each of these resources are of special concern to widely differing private interests and to different Federal agencies.

Further on the task force says:

It is the opinion of the committee that the activity of the Federal Government should be more clearly focused on these problems and that there is need for greater efficiency and better service in the protection, development, and use of the Nation's fishery resources. The inclusion of fishery functions in the agency also concerned with terrestrial wildlife has not facilitated adequate attention to fisheries problems. The committee recommends the separation of fishery functions from those of wildlife. It recommends the establishment of both a Fisheries Service and a Wildlife Service in the proposed Department of Natural Resources.

The Hoover Commisison decided against recommending to the Congress the establishment of a separate Department of Natural Resources, but, having in mind the comments of its task force on natural resources with respect to fisheries, it did make recommendations to the Congress with respect to commercial fisheries. On pages 27 and 28 of its report to Congress on the Department of Commerce the Hoover Commission said:

V. INDUSTRIAL AND COMMERCIAL SERVICES

With one exception, all of the functions and activities of the Government that would comprise the Industrial and Commercial Service in the enlarged Department of Commerce are already located there. That exception is the activities of Government dealing with commercial fisheries. Certain other improvements in Commerce activities are, however, recommended.

Fishery activities

At one time, the commercial fishery functions of the Federal Government were handled by a Bureau of Fisheries which was located in the Department of Commerce. In 1940, this Bureau was consolidated with the Biological Survey of the Department of Agriculture, and transferred to a new organization, called the Fish and Wildlife Service which was located in the Department of the Interior. A Bureau of Fisheries can be one of the most important industrial and commercial agencies in the Government. It is related to industry, to commerce, and to the merchant marine at many points.

Our Committee on Natural Resources, whose report is submitted separately, recommends that this essential industry, commercial fisheries, should be more actively developed as an important contributor to the Nation's food supply. However, the committee recommended that this activity be grouped with those agencies dealing with natural resources.

Recommendation No. 13

The Commission recommends that all commercial fishery activities of the Department of the Interior be transferred to a Bureau of Commercial Fisheries in the Department of Commerce.

Mr. Speaker, the act of 1903, which originally established the Department of Commerce, provided that its major purpose should be "to foster, promote and develop the foreign and domestic commerce; the mining, manufacturing, shipping, fishing industry; and the transportation facilities of the United States."

It was during this period from 1903 to 1940 when the commercial fishery function was in the Department of Commerce that the major fisheries of the country developed and prospered. We would like to see the conditions of those years recaptured. We agree with the Hoover Commission's recommendation on this subject and in our proposed bill we have followed those recommendations to the letter.

THE LATE HONORABLE MARTIN J. KENNEDY

The SPEAKER. Under previous order of the House, the gentleman from New York [Mr. DONOVAN] is recognized for 60 minutes.

Mr. DONOVAN. Mr. Speaker, I rise to pay my respects to the memory of the late Hon. Martin J. Kennedy who for 14 years was a Member of this House. He came here from New York City in 1930. He left these Halls in December 1944.

Martin Kennedy passed away on the 27th of last October. During all those years from 1930 to 1944 he represented the district that I now have the privilege and honor to represent. It is located on the upper east side of Manhattan Island in the City of New York.

Martin Kennedy was a beloved and distinguished member of our community. He spent the largest part of his life in devoted public service. Before he came to Congress in 1930 he had served 6 years in the New York State Legislature.

He left behind him a revered widow and one son. The blood of Martin Kennedy flows in the veins of 5 little grandchildren. Their mother was once a pretty child whom I used to take to church on Sunday many years ago.

Martin Kennedy is now gone. There remains of those who served in the Halls of Congress from that 18th Congressional District of New York only myself. It is not easy for me to stand here this morning 3 months after he departed this world to express the deep devotion, love, and affection that I bore for Martin J. Kennedy. But I am confident that I am speaking for thousands of New Yorkers.

I see before me one of his closest friends who served with him when he was a Member of this House. I yield to the gentleman from New York [Mr. KEOGH].

Mr. KEOGH. Mr. Speaker, I join with my distinguished colleagues in paying tribute to one whom I knew and knew well, both during our service in this body and during his subsequent years in private life. Martin Kennedy was my friend in all the fine meanings of that word. He was my guide and counselor both here in Washington and in New York. Only too infrequently does one have the opportunity as he passes through life to meet a person possessed of the virtues and character of a sterling patrician, a faithful public servant, and a distinguished citizen, and Martin Kennedy was one such.

Martin Kennedy served his city, his State, and his country with an unselfish and an unwavering devotion, with what we like to think of as meeting the highest requirements of devoted public service. No task was too burdensome, no assignment too trivial for him. He would devote himself unsparingly to it. Such is the heritage he leaves to a loving wife, Elizabeth. He leaves a greater heritage and a great name to a fine, loyal, and devoted son, John, who himself is the father of five young children. But more than that, Martin Kennedy will leave in the Halls of this great body a memory that will be matched by few men who have served here or who will serve here. My sympathy goes to his family.

Mr. KEATING. Mr. Speaker, will the gentleman yield?

Mr. DONOVAN. I yield to the gentleman from New York.

Mr. KEATING. Mr. Speaker, while Martin Kennedy served in Congress before my time, I have known of his outstanding service in this body and to our country.

I want to join with the gentleman from New York [Mr. DONOVAN] in expressing sympathy to the family of Martin Kennedy, and appreciation for the fine life he lived and the great contributions he made.

I want to do that also on behalf of the minority leader, the gentleman from Massachusetts [Mr. MARTIN] who was temporarily called out of the Chamber, and who requested me to speak also in his behalf and in behalf of the Members on this side who served with Martin Kennedy.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. DONOVAN. I yield to the distinguished majority leader.

Mr. McCORMACK. Mr. Speaker, I join in the remarks made by my friend from New York and my other colleagues from New York on the passing of our former colleague and late dear friend, Martin Kennedy.

Martin Kennedy was a remarkable man. He was a man who inspired others by his fine outlook on life and by his devotion to duty. He was one who did so under great pain and suffering at times. His indomitable willpower was evidenced by his ability to overcome a serious condition that happened to him many years ago.

Martin Kennedy was a gentleman whose faith in God and country was deep, whose loyalty to our Government and its institutions was outstanding. Mr. Kennedy and I during his service in this body became very close friends. I was in New York City on the morning of his burial and attended the Mass. The gentleman from New York [Mr. KEOGH] and other Members were also there.

Mr. Speaker, I join with the New York delegation in conveying to Mrs. Kennedy and her son and to their loved ones my profound sympathy in their great loss and sorrow.

Mr. DONOVAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks at this point in the RECORD on the life and character of the late Martin J. Kennedy.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROONEY. Mr. Speaker, it was with sadness that I learned of the untimely passing of our former colleague, Hon. Martin J. Kennedy, who was a distinguished and revered member of the New York delegation during his long tenure of service in the House of Representatives.

Martin Kennedy was a kindly friend of mine for many years. It is with those years of friendship in mind that I rise to pay this brief tribute to his life and character.

Martin Kennedy was a native New Yorker who served as a Democratic Representative in this body for 14 years. Representing the 18th Congressional District of New York City, he was steadfast in his devotion to his constituents. During his long and distinguished service, he made many substantial contributions to good government and was held in high esteem and respect by his colleagues on both sides of the aisle.

Through all the years of our personal friendship and association I learned on countless occasions the warmth of his heart and the kindliness of his spirit. I shall always retain a happy recollection of our fraternal associations as fellow members of the Ancient Order of Hibernians and the Knights of Columbus.

In Martin Kennedy's passing I have lost a good friend and shall always cherish his memory. His good wife, his son, grandchildren, and brother and sister have my deepest sympathy in their sad bereavement.

Mr. KLEIN. Mr. Speaker, I would like to add my few words to those of the other Members extolling the virtues of our departed colleague, Martin J. Kennedy. It was my privilege to have served with him in this body. He was a good and kindly man who left behind him many friends—many of whom may not have known him personally as we did here, but who knew of him as a friend of mankind. He served his constituents conscientiously and helped to maintain the reputation of Members of Congress, particularly of the New York Democratic delegation to this great House. He was a credit to our State and our Nation, and to the Democratic Party. We shall remember him with great affection. I am certain his widow and his son, John, are very proud of him, as they should be. We shall all miss him.

Mr. CELLER. Mr. Speaker, It was with much sorrow that I learned of the death of Martin John Kennedy, who had served so ably in the House of Representatives from my State for 14 years. He gave the keenness of his mind and the depth of his heart to the multiplicity of crucial problems that came before him in his years of service, which included the years of the depression, the years of the Second World War, and their aftermath.

His was an independent judgment, as vigorous as it was sincere. There were times when I, though a fellow Democrat and a fellow New Yorker, disagreed with him on matters of national policy. But these disagreements were in the best of the democratic tradition. To him, facing a problem meant facing it squarely, examining it all in every light. To him it meant having the courage to disagree with the majority if, after true consideration, such were his convictions.

His was a personality of many facets. I enjoyed his friendship. I enjoyed his directness. I enjoyed his independence. His passing has been a jog to the springs of memory, recalling to me the intensity of the years we shared together in the House, the moments of trouble and the moments of elation. I am proud to have known Martin John Kennedy and to have worked with him. The New York delegation is proud to have numbered him among one of theirs. It is well that we now do honor to his name, as he did honor to it in his life.

FEDERAL AID TO SCHOOL CONSTRUCTION

The SPEAKER pro tempore (Mr. KEOGH). Under previous order of the House heretofore entered, the gentleman from New York [Mr. POWELL] is recognized for 60 minutes.

Mr. POWELL. Mr. Speaker, the Rules Committee is now considering a rule pertaining to the Kelley bill dealing with Federal aid to school construction. It is possible therefore that next week the House of Representative will consider this bill with any amendments thereto which would appropriate $400 million a year for the next 4 years to build new school buildings so sorely needed by our children within these 48 States.

The overtones of this legislation and the subsequent debate will reach far out into nearly every avenue of our national life. The position that I will take in offering various amendments will be of major concern to both the proponents and the opponents.

My motivations will be moral as well as legal. Drew Pearson and Marquis Childs, among many others, have written concerning this problem and my approach in recent days. News articles and editorials have appeared in most of the national dailies. Not everything, however, that has been presented has revealed the entire problem. Therefore, with a view toward establishing all the truths, may I sketch first the facts surrounding this issue:

The May 17, 1954, decision of the United States Supreme Court declared that segregation in public education was unconstitutional. This was followed by the May 31 order that all provisions of Federal, State, or local law requiring or permitting segregation in public education must yield to the principle announced in the 1954 decision. In spite of this clear pronouncement by the Court, the Federal agencies still refuse to withhold funds which certain defiant States are using to extend segregation in the public schools.

At this point I offer a letter from the Comptroller General of the United States dated January 23, 1956. In this letter I have raised three specific questions with the Comptroller General. Each of these questions was asked for the purpose of determining whether the Congress must specifically direct Federal agencies to withhold funds from the defiant States. The heart of the Comptroller General's answer is as follows:

> The statutes conferring jurisdiction upon the accounting officers of the Government have been enacted primarily for the purpose of giving effect to the various laws enacted by the Congress so far as they involve the expenditure of public moneys. On the fundamental basis that it is for the Congress to say how and on what conditions public moneys shall be spent, the position of the General Accounting Office, as the agent of the Congress, is to give full effect to enactments of the Congress regardless of any collateral questions which may be raised so long as they remain unchanged by legislative action and unimpaired by final judicial determination.

In other words, the Supreme Court drew up a great guidepost with a sign pointing "This way to democracy through integration." Failure of the Congress to include my amendment will place this body in the position of ignoring the clear requirements of the United States Constitution. The Comptroller General's opinion shows that the executive branch of our Government which will be in charge of dispensing the Federal funds under this bill will do absolutely nothing to prevent Federal funds from going to those States which are openly defying the Supreme Court.

I have had lengthy correspondence in the past with Mrs. Oveta Culp Hobby, former Secretary of the Department of Health, Education, and Welfare, concerning the Hill-Burton Act. In 1954, colored doctors who sought the right to visit their patients in hospitals aided by the Hill-Burton Act were refused permission solely because of their race. Mr. Park M. Banta, General Counsel for the Department of Health, Education, and Welfare, ruled in a letter dated March 10, 1954, that his agency was powerless to act because Congress had not authorized it to withhold funds from hospitals that refused to permit colored doctors to attend their patients. I am inserting a copy of this letter which was addressed to Mr. Clarence Mitchell in the RECORD:

MARCH 10, 1954.

Mr. CLARENCE MITCHELL,
Director, Washington Bureau,
NAACP, Washington, D. C.

DEAR MR. MITCHELL: The Secretary has asked me to reply to your letter of February 11, 1954, in further reference to aid under the Hospital Survey and Construction Act for the proposed city-county hospital project at Houston, Tex. You are particularly concerned with the question of the authority of the Federal Government to refuse to approve an application for Federal aid under the act where the hospital does not allow colored doctors to use its facilities for treatment of their patients.

As indicated in Dr. Cronin's letter to you of January 8, 1954, the staffing policies of hospitals fall within the scope of section 635 of the act, which provides that, except as otherwise specifically provided therein, no Federal officer or employee shall have the right to exercise any supervision or control over the administration, personnel, maintenance, or operation of a hospital receiving funds under the act. The provisions of the act requiring assurances as to nondiscrimination relate only to the provision of hospital facilities for patients and not to staffing practices. Efforts at the time of enactment of the statute to extend the nondiscrimination provisions to the staffing practices of hospitals were unsuccessful.

You refer to the discussion of the proposed amendment offered by Senator MURRAY. (CONGRESSIONAL RECORD of December 11, 1945, pp. 11797–11798.) Your attention is also invited to the discussion of a proposed amendment by Senator LANGER which was similarly

rejected. (CONGRESSIONAL RECORD, December 11, 1945, p. 11799.)

In the light of this legislative history, it is clear that the Congress did not, by the provisions on nondiscrimination, intend to confer on the Surgeon General authority to withhold approval of an application solely because the applicant refuses to permit colored doctors to use the hospital facilities, and this view has been consistently followed in the administration of the act. For this reason, regardless of the desirability of permitting the Surgeon General to withhold approval of an application in such cases, further congressional action would seem necessary to authorize such action on his part.

Sincerely yours,

PARKE M. BANTA,
General Counsel.

The Hill-Burton Act seeks to accomplish the same laudable ends we are seeking in the program of giving aid to the States for education. It appropriated Federal money to build hospitals. These hospitals have been built—many of them in the South. Negroes are either excluded from the hospitals or placed in inferior, substandard Jim Crow sections. Negro doctors and nurses are either completely excluded or Jim Crowed. The executive branch of the Government through Mrs. Hobby has consistently said that it will do absolutely nothing concerning this condition.

The present Secretary who succeeded Mrs. Hobby, Mr. Marion Folsom, has also publicly stated that he will follow the pattern of his predecessor. The question of the Department of Health, Education, and Welfare's policy toward States which defy the Supreme Court was raised at the White House Conference on Education. Delegates from the State of South Carolina brought a report to the Conference which openly announced defiance of the Supreme Court. When the question of whether these delegates could have their transportation paid by the Federal Government was raised, Mr. Banta ruled that because Congress had included no conditions in the law authorizing travel funds payments could not be withheld. This question was also submitted to the Comptroller General, who also ruled that payments must be made because Congress had not placed any restrictions in the act it passed. Later, Dr. Harold Hunt, Under Secretary of the Department of Health, Education, and Welfare told the Herald Tribune forum on December 6 that enforcement of the Supreme Court's decision against school segregation was the responsibility of the law-enforcement agencies. On December 7 he was asked whether his agency would withhold funds it now administers from States which defy the Supreme Court. He also replied that funds would not be withheld except in his case, he placed the burden of deciding whether grants should be made on the courts. I offer this correspondence for the RECORD also:

DECEMBER 20, 1955.

Mr. CLARENCE MITCHELL,
Director, Washington Bureau NAACP,
Washington, D. C.

DEAR MR. MITCHELL: Your letter of December 7, 1955, refers to the responsibility of this Department for the administration of the several education grant-in-aid programs under which Federal funds are made available to the States and to local school districts. You state that in the allotment of funds under these programs the responsibility of enforcing the Supreme Court's decision concerning segregated education rests therefore in the Department of Health, Education, and Welfare. You then ask to be advised "what steps the Department is taking to prevent the unconstitutional spending of federally appropriated funds."

At the time of its decision in May 1954, declaring that segregated State or Federal elementary and secondary education deprives Negro students of rights guaranteed by the Federal Constitution, the Supreme Court asked for further argument to consider whether it could permit a gradual adjustment to be accomplished. Subsequently, in its order of May 1955, the Supreme Court recognized that the effectiveness of its decisions throughout the country must be gradual and directed the district courts to consider all the various problems involved in determining whether or not a particular State or school district was proceeding "to make a prompt and reasonable start * * * consistent with good faith compliance at the earliest practicable date."

In short, it seems clear that under the Supreme Court's decisions the question as to the time when in the public interest there must be full compliance in any particular situation with the constitutional principle announced was to be left for final determination by the courts in the exercise of their equity powers.

Accordingly, under the present state of the law, the Department has taken the position that any decision to withhold grants because of the continuation of some degree of segregated education should necessarily be based on a court determination that the particular State or school district in question was not proceeding to make such a prompt and reasonable start toward good faith compliance with the pronouncement of the Supreme Court.

Sincerely yours,

HAROLD C. HUNT,
Under Secretary.

It is important to remember that the five States which have most vigorously proclaimed their defiance of the Supreme Court now receive over $75 million a year as grants from the Federal Government for educational purposes. All this money now is being spent for segregated schools.

When President Eisenhower attacked my amendments as being "extraneous" and "unnecessary," he did not say he would use his executive power to prevent funds going to those States defying the law of the land.

The question, therefore, that I must ask and which I have asked the American people wherever I have spoken during 1955 is this: "Is it not illegal and immoral to appropriate Federal funds to any State which not by public opinion but by legislative action has voted to defy the law of the land?" Not a single person nor organization has been able to factually indicate that I am wrong. The only reply that I get is "Your amendment might kill the bill." How shocking that we Americans, who are supposedly religious, have so lost our sense of values that we are willing to support illegal and immoral un-American actions and attitudes.

But I have refused to be dissuaded, to retreat, to compromise.

I am a stanch advocate of Federal aid to education, and have been all my public life. If I were not, I would introduce a simple amendment to deny all funds to all States that refuse to obey the Supreme Court decision. This I am not going to do. My amendments are as follows:

Line 15, on page 5, I am proposing an amendment to section 103 (a) of the bill which is as follows:

(8) Provide that school facilities of the State are open to all children without regard to race, in conformity with the requirements of the United States Supreme Court decisions; except that if a State plan does not so provide, it shall not prevent payment of funds authorized under this act to such State for use in counties or other political subdivisions within the State that are operating their schools in conformity with the said Supreme Court decisions.

On page 6, at the end of line 25, section 104 (a), the bill is amended by changing the period at the end thereof to a comma and adding the following language:

And shall state that the county or other subdivision in which each project is located is operating its schools without regard to race, in conformity with the requirements of the United States Supreme Court decisions. A State plan which meets the requirements of the Commissioner in every other way shall be permitted to be put into effect in those school districts which comply with the Supreme Court decisions.

This amendment will deny funds only to those school districts that refuse to obey the Supreme Court decision. There are sections of Arkansas, Delaware, Maryland, Oklahoma, and West Virginia that are now integrated. Tennessee, Kentucky, and Texas are beginning district by district to integrate. Under my bill, every single school district in these States will receive funds.

My second amendment will even make my proposition much more acceptable. Here it is: At section 104 (d) of the Kelly bill I will present this amendment:

Any funds allotted to a State under this act which are not paid to said State because of failure to comply with section 103 (a) or 104 (a) of the act shall be paid to said State at such time as said State does comply, provided such compliance occurs before 3 years from the date of enactment, notwithstanding any other provisions of this act.

In other words, there will be held in escrow funds for every single school district in Mississippi, Alabama, Georgia, South Carolina, Virginia, Florida, Texas, or anywhere else that is not integrated at the time the bill is passed. At any time, therefore, within the 4 years of the length of the bill if those school districts do decide to integrate, the money will not have been appropriated, it will be available.

One of the most ridiculous arguments made by many of my colleagues is that my amendments will hurt the Negro people. When I ask how do they know, they tell me, "Well, we know the Negro." This is as stupid as for me to stand up before an audience of Irishmen on St. Patrick's Day and tell them that I know the Irish, or to tell a group of Italians of the Order of Columbus that I know Italians. These men who say they know the Negro do not even know the white man. During the very week that the State of Virginia by a vote of 2 to 1 thrust education back into the Dark Ages and voted to scrap public

education, the School Board of Arlington, Va., voted that they would integrate.

One of the outstanding opponents in the past of any form of integration, a good colleague of mine from Oklahoma came to me just this past week and said that they are integrating without any trouble and, furthermore, next year that the University of Oklahoma, which has the best football team in the United States, will probably have a crack Negro on its squad.

Negro people have waited many, many years for this hour of democracy to come and they are willing to wait a few more years rather than see a bill passed which will appropriate Federal funds to build a dual system of Jim Crow schools in defiance of the law.

The CIO has always stood firm in the field of race relations. I am sad to announce the shocking news that the first official act of the new labor organization of the CIO and AFL, combined, in the field of race relations is a plan—placed into operation last week—to defeat my amendment. If this action is not rescinded, then the vast majority of American people will have to agree that Mike Quill was right when he warned that the new trade-union movement was discriminatory. The United Steel Workers last week sent representatives at their expense from all over the United States to Washington to lobby against my amendments.

What would happen if the Federal aid to education bill became the law of the land without my amendment? The decision of the Supreme Court of the United States would be ignored by Congress. Segregation, Jim Crow, and discrimination would be more richly endowed than ever before. Heavy blows would be dealt to those expanding islands of democracy in the deep South where courageous, consecrated white southerners are fighting for full democracy, for integration, for obedience to the law of the land, and for obedience to the moral law of God. There would be no encouragement to these individuals and groups to press in their districts, counties, and States for right and law. Millions would be squandered by building dual schools. All this would amount to moral chaos at a particular time in history when America cannot afford any form of moral confusion.

Unless our institutions are undergirded with religious morality, we build our Nation in vain.

Unless the grace and truth of the prophets and Jesus Christ supersede the mores and customs of bigotry, our Nation will never be exalted.

The fight between the free world and the slave world will be won on the basis of moral stamina only. We acknowledge that the Soviet is basically immoral and atheistic, but all reports indicate that religion is growing. Shall we let an immoral Soviet grow in grace while we supposedly Christian Americans through default, expediency, and compromise become unmoral?

We will not win the battle through the force of arms. We will win through ideas. Here and now we must make the choice; shall it be Marx or Christ; Lenin or Lincoln; Stalin or Roosevelt; Khrushchev or Eisenhower? These choices can only be made by a Congress on its knees in prayer; a Nation on its feet practicing brotherhood, and a people dedicating its minds and its hearts to the absolute values of good and truth and righteousness, rather than to the relative values of compromise.

The problem before our Nation now in this House of Congress is basically a moral problem. Even if legal aspects do arise, we know that all legalisms are but sounding brass and tinkling cymbals unless great pillars of morality support them.

This is our challenge.

Have we the moral courage?

CYPRUS AND THE MIDDLE EAST

The SPEAKER pro tempore (Mr. KEOGH). Under previous order of the House, the gentleman from Ohio [Mr. HAYS] is recognized for 20 minutes.

Mr. HAYS of Ohio. Mr. Speaker, I have never been one to criticize without at least offering an alternative to that which I criticize. Today I would like to address myself to the situation in the Middle East and especially as it concerns the question of Cyprus. The present difficulties in the Middle East are no little due to the lack of a positive American policy in that part of the world, and to the obvious mishandling from the British side of the problems in that area.

In the first place our position in the eastern Mediterranean, and that of the free world, have been gravely weakened as a result of the policy followed on the Cyprus question. The Tripartite Conference in London last August could hardly have been expected to yield any other results, than to hopelessly complicate the issue and, what is worse, provide an open and acute conflict between Turkey and Greece, at the expense of our defense position in the Mediterranean by paralyzing, as it did, the Balkan Alliance and undermining NATO.

The British policy on this issue since 1953 was aiming at introducing Turkey as a third interested party in the controversy and cultivating Turkish stubborn opposition to the Cypriot claim for self-determination. I would quote in this respect from a report dated October 13, 1954, by the well-known London weekly, Economist, the following—and remember, this is a British paper I am quoting from:

> There is good reason for thinking that since 1953 the Foreign Office has been urging Ankara, in the words of Othello's advisers, to "consider the importance of Cyprus to the Turk," a subject which had previously excited the Turks as little as the Dodecanese.

In pursuance of this policy the Tripartite Conference in London was called in order to create an opportunity for Turkey to oppose the self-determination of Cyprus. The British belief apparently, was that Turkish intransigence followed by Turco-Greek conflict would provide an excuse for the indefinite continuation of colonialism in Cyprus.

It appears that little consideration was given to the harmful effects of such policy upon Western unity and defense in the Mediterranean. They were, however, easily foreseeable. Yet United States influence had been directed toward inducing Greece to participate in the Conference in spite of the latter's warning of the extreme dangers from such a conference.

The proceedings at the Conference and its results have shown both its utter uselessness and its disastrous repercussions upon the West.

The exemplary conduct of the people of Greece—in spite of the anti-Greek riots in Istanbul and Smyrna they had shown responsible restraint which saved the situation from worsening—appears in the eyes of the Secretary of State to have merited a rebuke couched in identical terms as that addressed to Turkey. The victim was thus put in the dock together with the aggressor. This exacerbated public feeling in Greece, already wounded by American opposition in the United Nations to the self-determination of Cyprus. A neutralist movement has since appeared in Greece, something wholly nonexistent before. It is somewhat amazing to me to hear some people say that the neutralist movement in Greece is due to the failure of the Marshall plan. The neutralism in Greece today is directly due to the mishandling of the whole Cyprus situation by the State Department during the last year.

It seems that United States policy in the Middle East is passively following in the wake of British policy, retaining its initiative only on Far Eastern affairs. But from the moment the United States took over from the British the military and other responsibilities in Greece and had spent millions in that respect, they had a corresponding duty to formulate and adopt their own policy in all Greek affairs, a policy consistent with American principles and with the wider interests of the free world.

American policy should be directed toward an early solution of the problem of Cyprus in a way satisfactory to all concerned and on the principle of self-determination, for the application of which a date should be fixed as rightly pointed out by the Manchester Guardian of January 2, 1956, another British paper. A fair and honorable solution would ensure the friendliness and cooperation of the local population, rendering the island an asset in defense. The real interest of Turkey, as well, would be to ensure such an effective use of the island in defense, by the appropriate solution of the problem. The rights of the Turkish minority can be fully safeguarded by the necessary guaranties, as had been done in so many other cases.

It seems to me that a sensible policy would be for the United States to urge immediate self-determination on Cyprus with a prior understanding by both the Cypriots and the Greeks as well as the Turks that no matter how the vote goes the military bases on Cyprus shall be reserved to NATO and to be garrisoned by whatever troops NATO determined would most feasibly suit its purposes in the defense of the eastern Mediterranean. I have every reason to believe that this solution would be acceptable to all parties and we only need the cooperation of the British to put it into effect.

It would reaffirm America's traditional stand toward colonialism. It would give the Cypriots the chance of self-determination which they so ardently desire and perhaps most important of all from a military standpoint it would make the bases on Cyprus truly military bases for defense against the common enemy instead of bases for troops to be fighting with the people of the islands. It must be quite obvious even to the most feeble of military minds that the bases on Cyprus are useless as they now exist with the troops stationed there busily engaged in carrying on a repressive warfare with the population of the island. In order to get these bases back into a useful capacity for the defense of the Mediterranean, it seems to me that the policy that I have outlined is the thing that will do it.

Mr. BENTLEY. Mr. Speaker, will the gentleman yield?

Mr. HAYS of Ohio. I yield.

Mr. BENTLEY. The gentleman is inclined to blame the State Department's mishandling of this problem for the wave of neutralism that exists in Greece today. I wonder if the gentleman would not admit that there are other factors which are responsible for whatever neutralism may exist in Greece.

Mr. HAYS of Ohio. The gentleman and I have discussed this matter before. It seems to me the Cyprus situation has been the thing that ignited it and has caused the whole thing to flare up into a flame. It is like throwing gasoline on smoldering embers.

Mr. BENTLEY. Does the gentleman think the State Department is entirely responsible for the situation that exists today?

Mr. HAYS of Ohio. I think the State Department is responsible for not having a definite policy in the eastern Mediterranean and apparently letting the British dictate our policy there.

Mr. BENTLEY. After all, is not the determination of policy there a matter strictly between the British and the Cypriot people themselves?

Mr. HAYS of Ohio. Not any more so than was the situation in Egypt in connection with the Suez Canal and the Egyptians and the British. It seems to me the State Department had a lot to do with the determination of policy in that instance.

Mr. BENTLEY. What the gentleman means, is then that he thinks we may try to get into too many parts of the world where our interests are not paramount, instead of letting the people there settle the issues themselves.

Mr. HAYS of Ohio. I do not follow the State Department in all that it thinks is of paramount interest in the eastern Mediterranean.

Mr. BENTLEY. Then it is the gentleman's idea that we should not enter into the Cyprus situation at all, that it is one in which we should have no interest?

Mr. HAYS of Ohio. On the contrary, we should have an interest, but our policies have not been consistent, especially in view of our past policies of self-determination for the peoples of the world.

Mr. BENTLEY. In other words, the gentleman thinks the State Department by its present policy has been responsible for the situation as it exists today.

Mr. HAYS of Ohio. I do not say we are entirely responsible for it, but we did not do anything to prevent it.

Mr. BENTLEY. I want to clear that up. I am sure the gentleman does not want to make the statement that the State Department is entirely responsible, but that he will recognize there are other factors that have made their contribution.

Mr. HAYS of Ohio. I think the State Department's attitude and actions are responsible in very great parts for the anti-NATO feeling, for the neutralist feeling—I will not say anti-American feeling for I do not think there is such, but certainly they have a right to feel our attitude is strange on this matter of self-determination.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. HAYS of Ohio. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I want to congratulate my friend from Ohio in his well-prepared and carefully analyzed speech which comes at a most timely moment in the world's history.

The United States has a consistent record of anticolonialism, going back to the days of the Founding Fathers. The American Revolution was a revolt of the people of the Thirteen Colonies against the British colonialism of those days. The very birth of our country came as a result of the desire to be independent by reason of a detestation of colonialism.

The people of America of succeeding generations have been strong in support of those peoples seeking to throw off the yoke of colonialism. This very Congress only last year showed by a unanimous vote of both branches how deeply entrenched that ideal is in our minds: The right of a people capable of self-government to attain their national desires and objectives through independence and freedom.

I introduced a resolution last year rededicating America to its time-honored position in opposition to colonialism and also to the modern ruthless form of colonialism, Communist imperialism. Unfortunately, in the United Nations our Government through our representatives have given tens of millions of people throughout the world the color of right to think we are identified with colonialism. As a result of this action, contrary to the history and spirit of America, our influence has sadly waned in various parts of the world. Instead of our leadership encouraging and inspiring people under colonial rule to seek in an orderly way self-government we have caused them to believe we are against them—that the ringing words of the Founders of our country against colonialism have been forgotten by us, and instead of holding this great ideal in the minds of others that we are arrayed against them. As a result of this state of mind on the part of several hundreds of millions of persons throughout the world, by way of reaction, we have suffered and our potential enemy, the Soviet Union, and communism have gained—this with our Nation having the finest record of anticolonialism in the world's history, not only with our own independence being achieved but also in the case of Cuba and our relinquishment of control over the Philippines.

For decades our country was the moral leader throughout the world in its traditional principle of the right of people to self-determination.

In the Far East and in the Middle East our prestige and leadership have been weakened as a result of people there thinking that we are helping colonial powers to remain in power.

In the eastern Mediterranian, for example, our position has been greatly weakened as a result of the policy followed in the United Nations on the Cyprus question, which the gentleman from Ohio [Mr. HAYS] has in particular addressed himself to. The quicker our country plays a leading part in the solution of this question, the better it will be for the free world. Our country should immediately exercise its powers and influence with Great Britain to quickly and satisfactorily settle this important matter.

There is no question but what the trouble in French North Africa is caused by the Kremlin. The Kremlin could stop this trouble there at once, and probably would if France would give the Soviet Union something it badly wants—withdrawal from NATO. But if the French should do this it would be only the beginning of the end.

We read of trouble occurring in British North Africa. There is no question but what it is Communist inspired, the origin being in the Kremlin. The dream of Russia for centuries has been control of the Mediterranian. And it is vitally important for the free world that the Cyprus question be quickly settled and in a satisfactory manner. America should act so that people everywhere will recognize us again as the leader against colonialism.

The conference at Bandung took an emphatic position against colonialism and imperialism of all forms. Great men there spoke out against Communist imperialism with the No. 1 man of Red China present and right to his face. They looked with hope and expectancy to America for that moral leadership which would foster and strengthen nations that had just emerged from colonialism and that we would be an inspiration to peoples still subjected to seek their right of self-determination.

May I say to those nations and to those people that the people of the United States overwhelmingly sympathize, yes, support them, in their aspirations. Even with their disappointments, they should realize that the United States and its people are just as much opposed to colonialism as were the Founders of our country. They should look a little ahead and realize that if by way of reaction they gravitate toward the Soviet Union, it will only be the beginning of the end of their freedom and independence. For America has no designs on any other country. There are no people in the world who have any fear of the United States destroying their independence and freedom. We are not bent on world revolution and ultimate world domination. But the situation is differ-

ent in relation to the Soviet Union and communism. However, the fact remains that there are several hundreds of millions of persons in the world, and in an important part, who feel we are on the side of colonialism. We are not going to change their minds by words. We can only do it by deeds.

We did this last year in the unanimous adoption of a resolution which I had the honor to sponsor; but while the effect of that resolution has not as yet been lost, it has been diminished by the manner in which we have acted in the United Nations when votes on the question of anticolonialism came up.

But it is not too late for us to recover our leadership. There is still time for our country to get back to its traditional position. In the moral leadership of the world, there is still time for our country to reassert its position.

The cold war is being waged in the economic field, but the ideological and political relations are just as important, and probably more so.

In the light of the requirements of this new competition, there should be a reappraisal of America's policy and a new approach. Not only by words but by actions and deeds we should show the peoples of other lands that America is opposed to colonialism and thereby regain the confidence of countless of millions who detest communism but who seek the right of self determination.

Mr. HAYS of Ohio. I thank the gentleman for his contribution.

Mr. BENTLEY. Mr. Speaker, will the gentleman yield?

Mr. HAYS of Ohio. I yield to the gentleman from Michigan.

Mr. BENTLEY. I want to commend the gentleman on his statement, and I also want to commend our distinguished Majority Leader, the gentleman from Massachusetts, on his fine statement with regard to colonialism. I may say that a great many of us on both sides of the aisle certainly share this view on colonialism, whether it is practiced by the Soviet Union or any other power. I seem to recall that last year during the debate on foreign aid I offered an amendment which if adopted would have denied foreign aid to any country that persisted in future acts of colonialism. I do not recall the gentleman's position on that, but I wonder how he would feel about it. In other words, is the gentleman willing to use foreign aid in the implementation of his views?

Mr. HAYS of Ohio. Well, I would say to the gentleman that that would be in my opinion one way to do it. I would think that it might be our last resort. In other words, that would be using a club to get what we might get by persuasion, and I would prefer to first try to persuade our British friends and others who practice colonialism, to do what we would like, and then if we cannot persuade them, I certainly would be inclined to go along with the gentleman's amendment. I have always been one who likes to use persuasion before I use force, because I think the results you get by means of persuasion are frequently better than use of force.

Mr. BENTLEY. I thank the gentleman.

Mr. MADDEN. Mr. Speaker, will the gentleman yield?

Mr. HAYS of Ohio. I yield to the gentleman from Indiana.

Mr. MADDEN. I want to join with the gentleman from Ohio [Mr. HAYS] and the gentleman from Massachusetts, [Mr. MCCORMACK] on the outstanding contribution they have made in analyzing the situation especially in regard to Cyprus. I have talked to a great number of folks back in my district who are familiar and acquainted with that situation in Cyprus and the remarks of the gentleman from Ohio and the gentleman from Massachusetts are sensible contributions toward a solution of self-determination for the people living on the Island of Cyprus. In regard to colonialism, the resolution which the gentleman from Massachusetts [Mr. MCCORMACK] sponsored last year, if enacted by the Congress will prove a long step in solving some of our international difficulties. The Bandung Conference which was held last May or June resulted in the defeat for the Kremlin in its cold war campaign. The Communists set up that Conference with the thought that they might incite the people of Asia and Africa against the Western world. As a matter of fact, it reverberated against the Communists and the representatives of these nations of Asia and Africa made speeches on the floor of that Conference in opposition to Communist colonialism the same as any other kind of colonialism. Unfortunately for the Communists, who created that Conference with the thought that they would win a great victory over the Western world, they failed miserably because the Asian and African nations wanted no part of colonialism either Communist or European.

The people of Cyprus are entitled to enjoy the government and independence which the great majority of its inhabitants desire.

The remarks made by the gentlemen from Ohio and Massachusetts are timely and if followed, in essence, by the United Nations would contribute greatly to the peace of the world.

AIR COLLISIONS

Mr. MCCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MCCORMACK. Mr. Speaker, the radio announced last Friday that the CAA is going to investigate a near collision of two giant airplanes carrying some 70 unsuspecting people over the Cleveland Airport last Thursday night.

GENERAL CONDITION

It is becoming well known that our control and protective system has not kept up with the accelerated development of the air industry which has become enormous and will become increasingly dangerous with the full advent of jet machines. Split seconds may mean the saving or snuffing out of hundreds of lives. It is said that several collisions per day are narrowly averted at our busy and overcrowded airports.

PRESIDENT'S BUDGET MESSAGE

The January 1956 budget message at page M66 states:

Promotion of aviation: During the past 5 years, the rapidly expanding use of the Federal airway system and the increasing speeds of both conventionally powered planes and military jet aircraft have produced serious traffic congestion. To maintain our high standards of safety, aircraft have had to be delayed or flights canceled, with a resulting heavy cost in time and money to both the operators and users of the planes.

As a step in meeting the immediate problem, I am recommending new authority to incur obligations of $40 million in 1957. This will enable the Department of Commerce to expand further the capacity of the present airway system by installing greatly improved air navigation and traffic control facilities.

To keep pace with further advances in aviation, I shall shortly initiate a comprehensive study of the Nation's long-range needs for aviation facilities. This study will take into account both civil and military needs in order to avoid costly duplication of equipment and systems. I shall expect it to point the way to the development, installation, and operation of the most efficient and economical air navigation system within the capabilities of our technology.

In addition to the expenditures to expand the capacity of the airway system, expenditures for operating the present airway system must rise substantially to handle the expanding traffic, to operate new facilities provided under earlier appropriations, and to take over from the Department of Defense the costs of operating certain radar installations serving common military-civilian needs. Federal grants to help local communities build airports are also increasing as a result of the legislation enacted last year. In total, expenditures of the Civil Aeronautics Administration will rise by an estimated $50 million to $200 million in the fiscal year 1957.

CIVILIAN-MILITARY ISSUE

The President speaks of "initiating a comprehensive study of the Nation's long-range needs for aviation facilities." The needs involve both civil and military aviation and costly duplication of equipment and systems are to be avoided. Furthermore, the system is to be most efficient and economical, with the capabilities of our technology.

The President also speaks of the need for appropriations to permit the CAA "to take over from the Department of Defense the costs of operating certain radar installations serving common military-civilian needs."

It is presumed that the choice of words was intended as written and that "costs" not "operations" will be assumed by the civilian agency.

Since the unveiling of the SAGE project at Lexington, Mass., last week, a number of responsible newspapers have carried articles about the multibillion Air Force defense system which will interlace the continent with ground and radio communications and which will be controlled by our most advanced technologically mechanical brain machines at various locations throughout the Nation.

The elaborate and extremely costly system is intended to detect all planes which enter its scope, provide flight surveillance and control and if necessary

dispatch the proper weapon to destroy a hostile intruder.

It is obvious that all planes, both friendly and unfriendly must be detected, their flights plotted, controlled, or intercepted. Not one must get through, over, or under the detection system.

There is much in common between the growing military and civilian programs. The planes traverse the same space at ever swifter speeds as they converge at centers of population and the overcrowded airports by day and night and in storm and fog.

The gigantic military defense network of which the major portion is known as SAGE is to a great extent a standby system. When completed, it will include 25,000 to 28,000 wire circuits at an estimated cost of $240 million per annum. With all operation and maintenance costs included, the total annual cost after construction will be around $400 million annually according to Secretary Wilson. It might well be more.

But this multi-billion-dollar investment will be but partially used in peacetime by the military though its advocates speak of its almost unlimited capacity with robot machines which react several hundred thousand times faster than the human mind, according to Dr. George E. Valley, Jr., associate director of the Lincoln Laboratory, which has helped create it.

It is small wonder that economy-minded citizens want to see the full potential of the system employed to assist the overtaxed civilian aviation system.

BUDGET BUREAU STUDY

Reliable sources state that Budget Director Rowland R. Hughes appointed a high-level special aviation study group last year under W. B. Harding, of Smith-Bainly & Co., investment bankers, to study the possibilities of SAGE as a means of solving the serious safety and economic problems of air commerce in the forthcoming jet age.

DOUBLE DUTY URGED

Reportedly, the Harding study group pointed out that SAGE would be to a great extent capable of handling the double duty of air defense and civilian traffic control. The report added that—

Exploiting this double capability takes on added urgency as we contemplate the additional $260 million which the CAA has discussed spending in the next 5 years (for civilian traffic facilities) while the military is rushing to completion its $3 billion or more investment in SAGE and its associated radars.

We cannot escape the conclusion—

The report declared—

that these two independently conceived and separately developed systems could be better coordinated. If they are not urgently developed into a common system there will be wasteful duplication in time and tax money.

While the report comments on the potential of duplication and waste between the planned civilian system and Air Force SAGE system, it is common knowledge that there is also great duplication and triplication among the various communication systems of the Department of Defense. This extends also to the procurement, storage, and distribution of supplies and equipment required by the systems.

SHARE THE COST IDEA

Recent statements from a high official in the Commerce Department indicates that he feels the time has come to reduce subsidies to commercial aviation. The Budget Bureau has also subscribed to the policy of charging the public for the use of public facilities and services. It is quite possible, therefore, that a double duty military-civilian system may evolve with much if not most of the cost borne by commercial aviation. If so, this might afford a desirable check and balance against excessive costs.

WHO WILL OPERATE SYSTEM

The inevitable problem of designating an operator for a double duty military-civilian system must be met headon and presumably by the Congress. If two systems are not practicable because of cost and other considerations, who will operate the one? Should it be a military or civilian operator? Should it be a joint operation, a committee, or board, or council?

SENATOR MONRONEY'S BILL S. 2818

Without committing myself to it at this time, a possible solution may lie in a proposal of Senator MONRONEY, Democrat, Oklahoma. A bill he has introduced—S. 2818—would divorce the Civil Aeronautics Administration from the Department of Commerce and make it an independent agency. It is quite possible that such an autonomous agency, which would not be in either the military or commercial aviation orbit, could serve both with economy, efficiency, and impartiality.

It is certain that this subject which has flashed on the horizon will be one of stirring interest very soon. It should be thoroughly looked into by appropriate committees of the Congress.

UKRAINIAN INDEPENDENCE DAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, on January 22, 1956, about 2 million Ukrainians, who have been expelled from their country as the result of centuries of occupation by foreign enslavers and now by the Red Russian terrorists, celebrated the declaration of the independence of Ukraine here and abroad. This declaration of independence was proclaimed in the stormy times of Russian revolution which ended with the most terrible scourge in human history, the rule of the Red Kremlin.

On January 22, 1918, Ukraine organized itself as an independent democratic republic which protected all the personal rights of its citizens and the rights of the national and religious minorities to organize their own cultural and religious lives on their own pattern.

By proclaiming their national independence, the Ukrainian people freed themselves also from their religious dependence upon Moscow, which had been forced upon them 250 years before. This religious dependence upon Moscow had been a sore point in the souls of millions of Ukrainian men and women. When it enslaved Ukraine politically, Moscow also enslaved the Ukrainian Orthodox Church and made it a tool of the Russian policy of russification in Ukraine. In 1918, the entire hierarchy of Ukraine consisted of Russians; the higher clergy and the theological institutions were in the hands of Russians who had been sent in from the north, from the territory of the Russian people. The lower clergy who were Ukrainians were terrorized by the tsarist police and their own spiritual authorities and were forced to act as the tools of the Russian imperial system. The Ukrainian language had been driven out of the Orthodox churches of Ukraine. It is no wonder, then, a strong movement commenced in the independent Ukrainian Republic to free the church in Ukraine from Moscow and to form a Ukrainian Orthodox Church which was not subject to the patriarch of Moscow but was completely autocephalous and a Ukrainian national church.

By 1921, when the Bolsheviks finally occupied the Ukrainian Republic, the organization of the Ukrainian Autocephalous Church had been completed. Its head was the Kievan Metropolitan Vasyl Lypkivsky, who was succeeded in 1927 by Mykola Boretsky. Ukrainian Orthodox bishops had been consecrated for the entire country. They were under the Metropolitan of Kiev. The Ukrainian Orthodox Church had been thoroughly Ukrainianized and the Ukrainian peole had received the right again of praying in their mother tongue and in accordance with their own traditions.

When the Bolsheviks established their Communist regime in Ukraine, they felt themselves too weak to start a struggle over this and for about 10 years they tolerated the existence of the Ukrainian Autocephalous Church. It was only after they had dealt with their opposition in the territory of Russia that they attempted in 1930 to annihilate the Ukrainian Autocephalous Orthodox Church.

Then they brought to trial the outstanding leaders of the church and condemned them to the concentration camps; some they shot immediately. The persecution of the Ukrainian Autocephalous Church continued for some years and ended with its complete destruction. All the bishops were removed from the administration; more than 30 bishops were liquidated by Red Moscow directly or by heavy forced labor in the camps of death. Finally the order came from Moscow to break up the Ukrainian Autocephalous Church and to forbid it to exist as an organization.

In the meanwhile the Kremlin had come to an understanding with the Patriarch of Moscow, and the dioceses and individual parishes of Ukraine through the work of the MVD, passed again under the control of the Moscow Patriarch.

Still the Bolsheviks did not control the entire territory of Ukraine. As a result of the downfall of the Ukrainian

Democratic Republic in 1921, the western part of Ukraine passed under the rule of Poland. The overwhelming majority of the population in western and Carpathian Ukraine had acknowledged for centuries the Catholic Faith of the Eastern Rite. They had accepted the supremacy of the Roman See. This part of Ukraine as a result of the extension of the boundaries of the U. S. S. R. in 1941 also finally passed under the control of Red Moscow and soon that regime began to liquidate the Ukrainian Catholic Church, especially in Galicia and Carpathian Ukraine. It thus followed the footsteps of the Russian Tsars in their treatment of the Ukrainian Catholics.

In the early months of 1945 an order came from the Moscow Patriarch to Metropolitan Joseph Slipy who resided in Lviv and to all the bishops of this part of Ukraine to accept Russian Orthodoxy. When they refused, the Metropolitan and seven bishops were arrested, brought before a secret Soviet court and sentenced to long terms in concentration camps. Of the bishops arrested, four have died but the others are still living in the labor camps.

Moscow put in the places of the arrested bishops who were of course Ukrainian Catholics, Russian Orthodox bishops who began to compel the clergy and the faithful to recognize the rule of the Russian Orthodox clergy but usually without much success.

The Ukrainian Autocephalous Church was formally destroyed 25 years ago. The Ukrainian Catholic Church was formally liquidated 10 years ago. During the joyful celebration of the Ukrainian Declaration of Independence the Ukrainians outside the borders of Ukraine remember also these sad anniversaries of the religious persecution of 40 million Ukrainian men and women in their native Ukraine, their brothers and sisters, by the Kremlin. Yet despite the formal suppression of both Ukrainian churches, they still exist underground like the churches in the catacombs of old.

This situation must be brought before the eyes of the world, for this is all taking place on the territory of the Soviet Union, a member of the United Nations. It must be made particularly clear to the members of the neutralist block, the former colonial nations who are now cynically courted by the hypocritical words of the leaders of the Red Kremlin.

Peoples everywhere and nations of all lands have had their ups and downs in modern times, but in our lifetime East European nations have endured more suffering and misery, and have had to put up with more varieties of hardship than peoples elsewhere. Most of these East Europeans have had their share of greatness and glory, and they all have contributed considerably to the common pool of our western civilization. Today they all share the same fate: they groan under the despised and contemptible Communist tyranny. This is particularly true in the case of the numerically largest ethnic group in Eastern Europe, the 40 million Ukrainians.

But the Ukrainians have had more than their share of misfortune during the last half century. While most East European nations enjoyed a period of national independence during the hiatus between world wars and have become victims of communism since World War II, helpless Ukrainians were engulfed in Soviet communism in 1920, and they have been struggling unsuccessfully against it ever since.

While the independence proclaimed on January 22, 1918, is a memory, it has become a memorable day, a glorious landmark in recent Ukrainian history, and it is being celebrated by Ukrainians everywhere except in the Ukraine. That fair land of riches and plenty, that fertile home of the peasant is a deserted and desolate steppe land as far as liberty and freedom is concerned. There is no freedom of movement, no freedom of action, no freedom of expression; and Communists have been trying hard to eliminate freedom of thought. Under such abominable circumstances patriotic Ukrainians are not allowed to celebrate their independence day. We in this free country of ours, however, are glad to join with all Americans of Ukrainian ancestry in the celebration of that day and hope that soon the Ukrainians will have the freedom to do the same in their beloved homeland.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. CELLER (at the request of Mr. ROGERS of Colorado), for the balance of the week, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. HESELTON, for 20 minutes tomorrow.

Mr. POWELL, for 30 minutes on Thursday next.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mrs. ROGERS of Massachusetts and to include a description of a bill she introduced.

Mr. LANE in two instances and to include extraneous matter.

Mr. SEELY-BROWN.

Mr. MCGREGOR.

Mr. OSTERTAG and to include extraneous matter.

Mr. SADLAK and to include a letter.

Mr. JOHNSON of Wisconsin.

Mr. WILLIAMS of New Jersey in two instances and include extraneous matter.

Mr. WILSON of California in the body of the RECORD immediately preceding the eulogies on the late Martin J. Kennedy.

Mr. WILLIS.

Mr. DONOHUE (at the request of Mr. MCCORMACK) and to include extraneous matter.

Mr. DINGELL (at the request of Mr. MCCORMACK).

Mr. REED of New York.

Mr. CELLER.

SENATE JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S. J. Res. 12. Joint resolution to request the Secretary of State to arrange for the International Joint Commission, United States and Canada, to conduct a survey of the proposed Passamaquoddy tidal power project, and for other purposes.

ADJOURNMENT

Mr. MCCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 15 minutes p. m.) the House adjourned until tomorrow, Wednesday, January 25, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1414. A letter from the Secretary of Agriculture, transmitting the report of the Administrator of the Rural Electrification Administration for the fiscal year ending June 30, 1955, pursuant to section 10 of the Rural Electrification Act of 1936 (49 Stat. 1363); to the Committee on Agriculture.

1415. A letter from the Governor of the Canal Zone, President, Panama Canal Company, transmitting a report of disposal of foreign excess property by the Panama Canal Company and Canal Zone Government for the year ending December 31, 1955, pursuant to section 404 (d) of the Federal Property and Administrative Services Act of 1949 (63 Stat. 398); to the Committee on Government Operations.

1416. A letter from the Assistant to the President, The American Academy of Arts and Letters, transmitting the official report of the American Academy of Arts and Letters for the year 1955; to the Committee on House Administration.

1417. A letter from the Secretary of the Interior, transmitting a report on the activities of, expenditures by, and donations to the laboratory operated by the Bureau of Mines at Schuylkill Haven, Pa., for the calendar year 1955, pursuant to the act of December 18, 1942 (56 Stat. 1056); to the Committee on Interior and Insular Affairs.

1418. A letter from the Assistant Secretary of the Interior, transmitting a proposed concession permit with William Mann, which, when executed by the superintendent, Everglades National Park, will authorize the concessioner to provide charter-boat service for sport fishing in Everglades National Park, Fla., during a 6-month period beginning January 1, 1956, pursuant to the act of July 31, 1953 (67 Stat. 271); to the Committee on Interior and Insular Affairs.

1419. A letter from the Assistant Secretary of the Interior, transmitting a proposed concession permit with Walter F. Mann, which, when executed by the superintendent, Everglades National Park, will authorize the concessioner to provide charter-boat service for sport fishing in Everglades National Park, Fla., during a 6-month period beginning January 1, 1956, pursuant to the act of July 31, 1953 (67 Stat. 271); to the Committee on Interior and Insular Affairs.

1420. A letter from the Chairman, Board of Directors, Future Farmers of America, transmitting a report on the audit of the accounts of the Future Farmers of America for the fiscal year ended June 30, 1955, pursuant to

section 14, paragraph (b), of Public Law 740, 81st Congress; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DURHAM: Committee on Armed Services. S. 1959. An act to direct the Secretary of the Army or his designee to convey a 6.89-acre tract of land out of a 199.959-acre tract of land situated in the vicinity of Houston, Harris County, Tex., to the State of Texas; without amendment (Rept. No. 1664). Referred to the Committee of the Whole House on the State of the Union.

Mr. VINSON: Committee on Armed Services. H. R. 7993. A bill to authorize the construction and conversion of certain naval vessels, and for other purposes; with amendment (Rept. No. 1665). Referred to the Committee of the Whole House on the State of the Union.

Mr. O'NEILL: Committee on Rules. House Resolution 388. Resolution for consideration of House Resolution 471, joint resolution to permit FHA title I repair assistance to new homes damaged by major disasters; without amendment (Rept. No. 1666). Referred to the House Calendar.

Mr. MADDEN: Committee on Rules. House Resolution 389. Resolution for consideration of H. R. 6274, a bill to provide that no fee shall be charged a veteran for furnishing him a copy of his discharge or a copy of his certificate of service; without amendment (Rept. No. 1667). Referred to the House Calendar.

Mr. THORNBERRY: Committee on Rules. House Resolution 390. Resolution for consideration of H. R. 7540, a bill to provide for the sale of a Government-owned housing project to the city of Hooks, Tex.; without amendment (Rept. No. 1668). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. AVERY:

H. R. 8720. A bill to amend the Bankhead-Jones Farm Tenant Act to adjust the loan limitations of title II so as to provide more effective assistance to production and subsistence loan borrowers; to the Committee on Agriculture.

H. R. 8721. A bill to amend the Bankhead-Jones Farm Tenant Act and to authorize the Secretary of Agriculture to make or insure loans to farmers and stockmen for the purpose of refinancing existing debts, and for other purposes; to the Committee on Agriculture.

By Mrs. BLITCH:

H. R. 8722. A bill to amend the Watershed Protection and Flood Prevention Act; to the Committee on Agriculture.

By Mr. BROYHILL:

H. R. 8723. A bill to create a Washington Metropolitan Area Authority with certain powers over terminal and transportation facilities in the Washington metropolitan area; to the Committee on Interstate and Foreign Commerce.

By Mr. COOLEY:

H. R. 8724. A bill to provide an annual income program for owners of small tracts of land who develop thereon approved commercial forestry, and to assist in such development; to the Committee on Agriculture.

By Mr. DELANEY:

H. R. 8725. A bill to amend the War Risk Insurance Act so as to provide relief for victims of disasters resulting from the forces of nature; to the Committee on Interstate and Foreign Commerce.

By Mr. DONOVAN:

H. R. 8726. A bill to amend the War Risk Insurance Act so as to provide relief for victims of disasters resulting from the forces of nature; to the Committee on Interstate and Foreign Commerce.

By Mr. DOYLE:

H. R. 8727. A bill to correct an inequity resulting from the setting of the effective date of Public Law 68 of the 84th Congress; to the Committee on Post Office and Civil Service.

By Mr. ENGLE (by request):

H. R. 8728. A bill to authorize the burial in national cemeteries of the remains of certain commisisoned officers of the Public Health Service; to the Committee on Interior and Insular Affairs.

By Mr. FINO:

H. R. 8729. A bill to amend title II of the Social Security Act to provide that the work clause shall not apply to work performed by individuals who have attained the age of 65; to the Committee on Ways and Means.

By Mr. FLOOD:

H. R. 8730. A bill to repeal the cabaret tax; to the Committee on Ways and Means.

By Mr. FORAND:

H. R. 8731. A bill to establish a national policy with respect to commercial fisheries; to establish the Office of Assistant Secretary of Commerce for Commercial Fisheries, and define his functions, powers, and responsibilities; to strengthen the commercial fisheries segment of the national economy, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. GRANT:

H. R. 8732. A bill to provide an annual income program for owners of small tracts of land who develop thereon approved commercial forestry, and to assist in such development; to the Committee on Agriculture.

By Mrs. GRIFFITHS:

H. R. 8733. A bill for the relief of the city of Detroit; to the Committee on the Judiciary.

By Mr. HORAN:

H. R. 8734. A bill to amend the Bankhead-Jones Farm Tenant Act and to authorize the Secretary of Agriculture to make or insure loans to farmers and stockmen for the purpose of refinancing existing debts, and for other purposes; to the Committee on Agriculture.

H. R. 8735. A bill to amend the Bankhead-Jones Farm Tenant Act to adjust the loan limitations of title II so as to provide more effective assistance to production and subsistence loan borrowers; to the Committee on Agriculture.

By Mr. JENSEN:

H. R. 8736. A bill to amend the Bankhead-Jones Farm Tenant Act to adjust the loan limitations of title II so as to provide more effective assistance to production and subsistence loan borrowers; to the Committee on Agriculture.

H. R. 8737. A bill to amend the Bankhead-Jones Farm Tenant Act and to authorize the Secretary of Agriculture to make or insure loans to farmers and stockmen for the purpose of refinancing existing debts, and for other purposes; to the Committee on Agriculture.

By Mr. JOHNSON of Wisconsin:

H. R. 8738. A bill to amend the Watershed Protection and Flood Prevention Act; to the Committee on Agriculture.

By Mr. KEARNS:

H. R. 8739. A bill to incorporate the National Music Council; to the Committee on the Judiciary.

By Mrs. KELLY of New York:

H. R. 8740. A bill to amend the War Risk Insurance Act so as to provide relief for victims of disasters resulting from the forces of nature; to the Committee on Interstate and Foreign Commerce.

By Mr. KING of California:

H. R. 8741. A bill to correct an inequity resulting from the setting of the effective date of Public Law 68 of the 84th Congress; to the Committee on Post Office and Civil Service.

By Mr. LAIRD:

H. R. 8742. A bill to amend the Watershed Protection and Flood Prevention Act; to the Committee on Agriculture.

By Mr. LOVRE:

H. R. 8743. A bill to waive certain provisions of law to permit the Secretary of the Army to acquire certain school facilities in Pollock, S. Dak., required to be relocated by reason of the Oahe Dam and Reservoir project; to the Committee on Public Works.

By Mr. MATTHEWS:

H. R. 8744. A bill to establish a national policy with respect to commercial fisheries; to establish the Office of Assistant Secretary of Commerce for Commercial Fisheries, and define his functions, powers, and responsibilities; to strengthen the commercial fisheries segment of the national economy, and for other purposes; to the Committee on Merchant Marine and Fisheries.

H. R. 8745. A bill to amend the Watershed Protection and Flood Prevention Act; to the Committee on Agriculture.

By Mr. MILLER of Nebraska:

H. R. 8746. A bill to amend the Bankhead-Jones Farm Tenant Act to adjust the loan limitations of title II so as to provide more effective assistance to production and subsistence loan borrowers; to the Committee on Agriculture.

H. R. 8747. A bill to amend the Bankhead-Jones Farm Tenant Act and to authorize the Secretary of Agriculture to make or insure loans to farmers and stockmen for the purpose of refinancing existing debts, and for other purposes; to the Committee on Agriculture.

H. R. 8748. A bill to protect the public health by amending the Federal Food, Drug, and Cosmetic Act to prohibit the use in food of new food additives which have not been adequately tested to establish their safety; to the Committee on Interstate and Foreign Commerce.

By Mr. O'BRIEN of New York:

H. R. 8749. A bill to amend the War Risk Insurance Act so as to provide relief for victims of disasters resulting from the forces of nature; to the Committee on Interstate and Foreign Commerce.

By Mr. POAGE:

H. R. 8750. A bill to amend the Watershed Protection and Flood Prevention Act; to the Committee on Agriculture.

By Mrs. ST. GEORGE:

H. R. 8751. A bill to amend the Agricultural Adjustment Act of 1938 to exempt certain wheat producers from liability under the act where all the wheat crop is fed or used for seed on the farm, and for other purposes; to the Committee on Agriculture.

By Mr. SCHWENGEL:

H. R. 8752. A bill to amend the Bankhead-Jones Farm Tenant Act to adjust the loan limitations of title II so as to provide more effective assistance to production and subsistence loan borrowers; to the Committee on Agriculture.

H. R. 8753. A bill to amend the Bankhead-Jones Farm Tenant Act and to authorize the Secretary of Agriculture to make or insure loans to farmers and stockmen for the purpose of refinancing existing debts, and for other purposes; to the Committee on Agriculture.

By Mr. SCRIVNER:

H. R. 8754. A bill to clear the title to certain Indian land; to the Committee on Interior and Insular Affairs.

By Mr. SCUDDER:

H. R. 8755. A bill to establish a national policy with respect to commercial fisheries; to establish the Office of Assistant Secretary of Commerce for Commercial Fisheries, and define his functions, powers, and responsi-

bilities; to strengthen the commercial fisheries segment of the national economy, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. THOMSON of Wyoming:

H. R. 8756. A bill to authorize the Administrator of General Services to convey certain lands in the State of Wyoming to the city of Cheyenne, Wyo.; to the Committee on Government Operations.

By Mr. YOUNGER:

H. R. 8757. A bill authorizing a preliminary examination and survey of Pescadero Creek, Calif., for flood control and other purposes; to the Committee on Public Works.

H. R. 8758. A bill authorizing a preliminary examination and survey of San Gregorio Creek and tributaries, California, for flood control and other purposes; to the Committee on Public Works.

H. R. 8759. A bill authorizing a preliminary examination and survey of Redwood Creek, San Mateo County, Calif., for flood control and other purposes; to the Committee on Public Works.

H. R. 8760. A bill authorizing a preliminary examination and survey of streams and in the vicinity of Burlingame, Calif., for flood control and other purposes; to the Committee on Public Works.

H. R. 8761. A bill authorizing a preliminary examination and survey of streams and in the vicinity of South San Francisco, Calif., for flood control and other purposes; to the Committee on Public Works.

H. R. 8762. A bill authorizing a preliminary examination and survey of streams and in the vicinity of San Mateo, Calif., for flood control and other purposes; to the Committee on Public Works.

By Mr. MOULDER:

H. Res. 387. Resolution authorizing the printing of additional copies of the 1955 Annual Report of the House Committee on Un-American Activities, (H. Rept. No. 1648, 84th Cong., 2d sess.); to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. ASPINALL: Memorial of the Legislature of the State of Colorado memorializing the Congress of the United States to permit ranchers and farmers and other citizens to sell their agricultural and other products to individuals of foreign nations; and that ranchers and farmers be further allowed, in the payment of income taxes, to treat losses and gains from the sale of crops and livestock as long-term capital gains and losses; to the Committee on Agriculture.

Also, memorial of the Legislature of the State of Colorado memorializing the Congress of the United States to enact legislation approving the apportionment of power credits made by the Upper Colorado River Commission; to the Committe on Interior and Insular Affairs.

Also, memorial of the Legislature of the State of Colorado memorializing the Congress of the United States to take action for the enforcement of the 14th amendment to the Constitution of the United States, by investigating State restrictions upon suffrage; and to enact legislation making certain discriminations and practices against private citizens a Federal offense; to the Committee on the Judiciary.

By Mr. FORAND: Resolution of the Rhode Island General Assembly memorializing Congress with urgent and earnest request to give the State of Israel the right to buy arms for the purpose of defending her people against aggression; to the Committee on Foreign Affairs.

By the SPEAKER: Memorial of the Legislature of the State of Illinois, memorializing the President and the Congress of the United States relative to transmitting a copy of the 1955 Annual Report of the Jupiter Patriotic Association of America, Inc.; to the Committee on the Judiciary.

Also, a memorial of the Adjutant General's Department of the State of Ohio memorializing the President and the Congress of the United States relative to transmitting copies of the amendments to the existing interstate compacts between the State of Ohio and the States of West Virginia and Florida; to the Committee on Armed Services.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mrs. BLITCH:

H. R. 8763. A bill for the relief of Waltraud G. Schramm; to the Committee on the Judiciary.

By Mr. CLARK:

H. R. 8764. A bill for the relief of Herta Marie Zelenak (nee Pich-Lipinski); to the Committee on the Judiciary.

By Mr. DONOVAN:

H. R. 8765. A bill for the relief of Antonio Ciolino; to the Committee on the Judiciary.

By Mr. HAYS of Ohio:

H. R. 8766. A bill for the relief of Gertrud (Scholz) Bayer; to the Committee on the Judiciary.

By Mr. HUDDLESTON:

H. R. 8767. A bill for the relief of the estate of Gladys Louise Chambless; to the Committee on the Judiciary.

By Mr. JAMES:

H. R. 8768. A bill for the relief of Mrs. Patricia M. Emerson; to the Committee on the Judiciary.

By Mrs. KELLY of New York:

H. R. 8769. A bill for the relief of Henry Aleong Gonzales, Perline Aleong Gonzales, and Annette Aleong Gonzales; to the Committee on the Judiciary.

H. R. 8770. A bill for the relief of Ruby Delmena Addison; to the Committee on the Judiciary.

By Mr. LANE:

H. R. 8771. A bill for the relief of Virginia Casani; to the Committee on the Judiciary.

By Mr. POWELL:

H. R. 8772. A bill for the relief of Ralph (Raffaele) Gargiulo; to the Committee on the Judiciary.

By Mr. SHELLEY:

H. R. 8773. A bill for the relief of Frank Louis Morita and John Michael Takezawa; to the Committee on the Judiciary.

H. R. 8774. A bill for the relief of Aston Willis Waite; to the Committee on the Judiciary.

By Mr. SISK:

H. R. 8775. A bill for the relief of Miss Elena Brena; to the Committee on the Judiciary.

By Mr. WALTER:

H. R. 8776. A bill for the relief of Efstratios Skenderis; to the Committee on the Judiciary.

H. R. 8777. A bill for the relief of Giovanni Terlevich; to the Committee on the Judiciary.

By Mr. YATES:

H. R. 8778. A bill for the relief of Teresa Mary Vazquez; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

448. By Mr. BUSH: Petition of Pennsylvania State Camp, Patriotic Order Sons of America, favoring the continuation of the McCarran-Walter Act, Public Law 414, and opposing any amendments which would destroy its effectiveness; to the Committee on the Judiciary.

449. By Mr. SHORT: Petition of Mr. Charles E. Lunn and other citizens of Springfield, Mo., protesting alcoholic beverage advertising on the radio and television; to the Committee on Interstate and Foreign Commerce.

450. Also, petition of Mrs. W. M. Oldham and other citizens of Springfield, Mo., protesting the advertising of alcoholic beverages on radio and television; to the Committee on Interstate and Foreign Commerce.

EXTENSIONS OF REMARKS

Albert Gallatin

EXTENSION OF REMARKS

OF

HON. HARRISON A. WILLIAMS, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 24, 1956

Mr. WILLIAMS of New Jersey. Mr. Speaker, history records that the cabinet of our third President, Thomas Jefferson, was a most harmonious one because, in appointing its members, he had taken into account the lessons learned as Washington's Secretary of State. Therefore, while he selected wise and strong personalities, they were chosen for their complementary qualities as well as for their specific abilities in the arts of war and peace. Because they believed in small "d" democracy as did their leader, the cabinet members were able to work effectively in concert. There was no upstaging; there was discussion and agreement. As a result, at the conclusion of the two Jefferson administrations, the national debt had been reduced, trade was flourishing and taxes were lowered.

No single member of the Presidential Cabinet was more responsible for this happy state of affairs than the Swiss-born Albert Gallatin who had deported himself excellently as a Member of Congress before his appointment as Secretary of State in 1801. This talented immigrant, who had come to America at the age of 19 from Geneva where he was born on January 29, 1761, brought not only his notable fiscal talents to the service of his adopted land but his deep-seated belief in the rights of the people as well.

Since he was so concerned with distributing the benefits of his wise commercial and financial policies among all the people and because he was born abroad, Gallatin had a rough road to travel, for both these factors earned

him the active ill will of the Hamiltonian forces with their pro-British and aristocratic orientation. Because he was French-speaking and democratic, his enemies—the Federalists—were quick to link him with the French revolution whose excesses, along with Jefferson, he deplored, but whose basic democratic concepts he favored.

Gallatin, as a Member of the House, had already established the Ways and Means Committee to approve Government's disbursement of the people's money. As Treasurer, he worked to liquidate the public debt and lower taxes. Rigid economy and extended trade he held the best ways to progress and prosperity. Consequently, he was an opponent of commercial and military wars.

The Jeffersonians, less interested in diplomatic representation than commercial representation in foreign countries, had a staunch supporter in Gallatin who was to negotiate a number of advantageous trade agreements when, after leaving the Treasury, he was to represent his country abroad. The War of 1812 had only shortly ended when he put through a pact eliminating excessive English duties on American goods; and, in London in 1818, he worked successfully for a commercial convention.

In commemorating his birthday, I have pointed up his trade achievements purposely; for, in America's dealings with the land of Gallatin's birth, this country has departed from the trade precepts he proved so sound.

A tariff barrier must be hurdled, not by one side but by both; and in imposing restrictions on Swiss watch imports, not only the Swiss but the Americans are being hurt. United States importers and assemblers who make their livelihoods by buying goods abroad are penalized; United States exporters who ship their farm and manufactured goods are hurt for the foreign nation affected tends to buy less because it can earn fewer dollars; the consumer has to pay more for the imported product.

In rescinding tariff curbs against the Swiss watch industry, we stand to gain in many ways: First, Switzerland and other foreign friends will know that we mean it when we say, "trade, not aid," is the best policy; second, goods will flow more freely between the two countries to the benefit of both their economies; and third, the people of both lands will be able to get the products each wants at fair and profitable prices.

Cleaning Up the Doorway to America

EXTENSION OF REMARKS

OF

HON. HAROLD C. OSTERTAG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 24, 1956

Mr. OSTERTAG. Mr. Speaker, as our country expands in population and industry, immense new burdens are laid upon our limited supplies of surface waters. The demand for water constantly increases. The supply is constant, however; and the supply of clean, usable water is decreasing. This is a situation which we shall ignore to our peril. There is an old saying that you never miss the water till the well runs dry. Our national water resources are not inexhaustible, however, and unless we mobilize to keep them clean and useful, the well will run dry. That is a job for the individual; for the communities; for industry; for the States, and for the Federal Government. No one can escape responsibility. Efforts to keep our surface waters clean and usable must be constant and unremitting.

The States have a particularly large stake in this matter. One of the first questions that industry's scouts ask, when they look for new sites, is: How is the water supply? Is it adequate? Is it useful? Will it last?

Mr. Speaker, I have been actively interested in the preservation of our surface waters for many years, first as chairman of New York's Joint Committee on Interstate Cooperation, and now as a member of this body. It is a tribute to the vision of New York's citizens that they supported the enactment of a statewide water pollution control program some years ago.

Moreover, they have also supported the creation of interstate pollution control agencies, so that today, New York has cooperative interstate arrangements with every one of the States on its border, to control the pollution of its surface waters.

Among the oldest and most successful of those interstate agencies is the Interstate Sanitation Commission, comprised of representatives of the States of New York, New Jersey, and Connecticut. The Commission is now marking its 20th year of operation. When it was established, the waters around New York, the doorway to America, were swiftly deteriorating under an overload of filth. Today, through the unrelenting efforts of this tri-State agency, the never-ending battle against pollution is being won.

President Eisenhower has taken note of this significant battle in a telegram to the Commission. It is included in its 20-year report, which was released today. Calling it "the first of many interstate bodies created by the States to deal with such problems," the President has expressed the hope that its report will receive widespread attention among American citizens. "For the problem of the pollution of our waters," he points out, "is of concern to all of us."

Mr. Speaker, the work of the Interstate Sanitation Commission is important to every State in the Union, and to the District of Columbia, for it proves that the States, working together, can deal effectively with the problem of pollution control if they have the will and the determination.

At this time, there is pending before Congress legislation to strengthen and extend a program of Federal-State cooperation in the control of water pollution. The Interstate Sanitation Commission's report provides effective guidelines for such cooperation in conformance with administration's policy of keeping as much government as possible close to the people who live under it and pay for it.

Under leave to extend my remarks, Mr. Speaker, I include some excerpts from the Interstate Sanitation Commission's report, and I commend the entire report to the attention of the Members of this House:

CLEANING UP THE DOORWAY TO AMERICA—TWENTY YEARS OF PROGRESS IN POLLUTION CONTROL, 1936–56—INTERSTATE SANITATION COMMISSION—NEW JERSEY, NEW YORK, CONNECTICUT

Text of telegram from President Dwight D. Eisenhower to the Commission on the occasion of its 20th anniversary:

THE WHITE HOUSE,
Washington, D. C.

Dr. WILLIAM C. COPE,
Chairman, the Interstate Sanitation Commission:

Twenty years ago, the interstate compact between New York, New Jersey, and Connecticut was signed, with the approval of the Congress. It provided for their partnership in combating the growing pollution of the interstate waters around New York Harbor.

The first of many interstate bodies created by the States to deal with such problems, it has been a pioneering organization. I am therefore glad to learn of the Commission's plans for issuing a progress report. I hope it will receive widespread attention among American citizens, for the problem of the pollution of our waters is of concern to all of us.

DWIGHT D. EISENHOWER.

In the overview the commission's job is to protect the rights of the public in its varied legitimate uses of the waters of the district, by releasing the waters from their bondage of carrying waste.

Although the uses appear incompatible at first, it has long been recognized that waters serve many purposes, providing there is judicious control. This control starts with the commission's classification by desired use, (the A and B classification). These classifications were set up after public hearings, so that all interested could be heard.

Once the classifications were set up, then standards of treatment established in the compact became effective.

No treatment of wastes is perfect, and all effluent brings some pollution to the waters. But the waters have recuperative powers themeslves with the action of tides, currents, sun, wind, and benevolent bacteria.

The commission's effort has been to keep the pollution low enough so that the natural recuperative powers could keep the waters in good shape.

This phase of the program is related to the directive of the compact to abate present and "control future pollution."

We measure this in terms of people served. Here is the record.

In 1936 the sewage of 7,200,000 people was being discharged untreated into the waters of the district.

Today sewage from 9,500,000 is receiving treatment. This is more than the total contributing pollution 20 years ago.

Pollution existing in 1936 has been abated.

COSTS

This program, like any other improvement, has cost money. First let us clearly state that the administrative cost of the commission is small compared to the cost of construction of sewage treatment plants and appurtenances, which total to date $300 million. The construction costs are carried by local bond issues and taxes, and the commission's job is to assure each municipality that all other municipalities will construct plants to

equal the standards set, and to synchronize the program so that no municipality is unduly penalized for its efforts.

Notwithstanding the accomplishment over the 20-year period the costs of constructing these treatment plants averages about $1 per year per person served.

INDUSTRY

The importance of the waters of the area to the industry cannot be overrated. Some industries which are large employers and taxpayers in the area, utilize waters in the millions of gallons per day.

To the knowledge of the commission, no industry has left the area because of the quality of the waters for which the commission is responsible, and no undue hardships in treatment of water have been imposed.

RECREATION

Health is always first.

Despite the dysentery epidemic in Chicago from sewage pollution in the thirties, and the catastrophe of 1,100 cases of gastroenteritis following harbor water entering water mains on the west coast a few years back, the commission will not guarantee that drinking or swimming in polluted water, or eating polluted shellfish will kill you. It might, but no guarantee.

The chief engineer puts the story of polluted water in this comparison:

"Fill your bathtub with clean, warm water. Take a dipper and dip out one quart from the used but unflushed toilet bowl. Dump it in the tub. That is the equivalent of some of the bathing waters when the commission started 20 years ago."

You can bathe in that bathtub but people consider it an unpleasant idea and not up to American standards.

Today in the A areas the picture is different—like a well-known soap—99 percent plus of all discharge into the bathing area is treated and sterilized with chlorine.

In fishing and shellfishing, the commission's program of treatment has produced a gradual improvement in the waters of the district despite the fact that 2 million more people have moved into the area. This is reflected in the fact that there is now fishing in Jamaica Bay, where one doubts that were many fish 20 years ago. There have been changes in opening and closing shellfish areas. Shellfish are reported being cultured in the Hudson for transfer elsewhere for growth. The Harlem River, once a black, fetid stream, is now much improved. And so it goes down a long list of waters of the area.

THE ROAD AHEAD

As has been indicated there is a job ahead to:

1. Complete the remaining work now under way to bring treatment up to present standards.

2. Maintain an equitable use of the waters of the area through the changing years ahead.

3. Revise the standards as the purity of the waters increases, to meet new needs as populations increase, to cope with new industries and new types of pollution.

Not only are there such new problems as radioactive and chemical wastes, but the Legislatures of New York and New Jersey have delegated to the commission the task of studying whether air pollution is an interstate problem, in the New York metropolitan area, and to recommend means of control. Connecticut has enacted legislation giving its consent to the study, subject to the approval of the Congress of the United States.

This will bring a new kind of problem to the commission to study, in a new field, under an extension of the interstate compact.

The joint legislative committee on interstate cooperation regarded the work of the interstate sanitation commission "as one of the outstanding examples in the United States of an effective pollution abatement program. The success of this interstate compact demonstrates the great potentialities of interstate cooperation and the compact method in solution of interstate problems."

Address by Hon. Leverett Saltonstall, of Massachusetts, at Salute-to-Eisenhower Banquet in Philadelphia

EXTENSION OF REMARKS
OF
HON. EDWARD MARTIN
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES

Tuesday, January 24, 1956

Mr. MARTIN of Pennsylvania. Mr. President, on last Friday evening, our very distinguished and able colleague from Massachusetts [Mr. SALTONSTALL] delivered an address at Philadelphia. I believe the address should be carefully read by all Members of the Senate. Therefore, I ask unanimous consent that it be printed in the CONGRESSIONAL RECORD.

There being no objection, the address it be printed in the RECORD.

Philadelphia holds many happy memories for me—of friendships and hospitable homes, of winning 2 college-crew races in 1 day on the Schuylkill—but by far the most pleasant of all is my friendship and daily contact with your two fine Senators—ED. MARTIN and JIM DUFF. Serving first as a governor with ED MARTIN, I have worked with him over the years in Washington. Later JIM DUFF and I became friends when he was your governor. That friendship and respect for him have increased in Washington. You have two conscientious, hard-working men of integrity and experience in Government representing you in the United States Senate.

This is a great week for Boston and Philadelphia. First we celebrate the 250th anniversary of Benjamin Franklin's birth and now I have the pleasure of joining you in your salute to our great President—Dwight Eisenhower.

Boston was the birthplace of Benjamin Franklin; Philadelphia became his chosen place of home and business. I suppose, when every true American thinks of Philadelphia, he hears the Liberty Bell. How symbolic is that bell in the history of our country.

Back in Massachusetts there is a story that in the latter years of Benjamin Franklin's life, not long after the town of Franklin, Mass., was incorporated, its people wrote to your great citizen and said they were building a steeple for their townhall. They told him they would be honored if he would contribute the bell to be hung in that steeple. Franklin, who was abroad at the time, replied characteristically: "Sense is better than sound," he wrote. "I am sending you a gift of books from London."

I tell this little story not to minimize the proclamation of "liberty throughout the land and unto all its inhabitants thereof" that was made by the Liberty Bell, but, being a Massachusetts man, I take some pride in the fact that Benjamin Franklin, born in our city of Boston, placed sense—good Yankee commonsense—above the ringing sounds of a fine bell.

Tonight we are gathered together to salute another great American, as great in his day as Benjamin Franklin was in that vital period of our history between 1750 and 1800. We are gathered to pay our tribute to a man of action, of great commonsense, a man of character, integrity, and patriotism.

There is perhaps no citizen within our memory who, as a civilian and as a soldier, has served our country more faithfully or with greater effect. It has been the good fortune of few to equal his career as a soldier, a diplomatic administrator, and a statesman. It is the good fortune of few to qualify as his equal in the highest office of our land.

As a soldier he was the leader of the combined free forces in fighting Hitlerism. As a soldier and as a diplomat, he was the first Commander in Chief of NATO, organized to preserve the peace that had been won at such great sacrifice and to build up a greater security against a future world war.

Now as the President of our country, he has the responsibility not only of being the Chief Executive of the United States, but also of being the head of the country recognized as the leader of the forces of freedom as they seek greater peace in the world. Truly, today, as the President of the United States, chosen by the people, Dwight Eisenhower has proved himself a political leader of enormous ability and personal appeal.

So, tonight we render him our salute. In so doing we rededicate ourselves to the task of maintaining peace in the world, achieving greater prosperity and more happiness for the people of our country. With pride we believe that he is a man fit to walk beside Benjamin Franklin and those other defenders of our freedom and our future, whose names and public service are engraved on our history.

Recently Mrs. Saltonstall and I completed a trip that took us into many countries as we went around the world. In almost every one of those places I saw their leaders and each time the first question that was asked of me was, "How is your great President? We hope he is getting well rapidly. We need him in his sincere effort to strengthen our security and the peace of the world. We need him as do you."

Let's look at the record as the late Governor Smith, a Democrat, used to say. But let us look at the Eisenhower record. Let us recall for a moment those objectives which persuaded Eisenhower to make himself available as a candidate for the Presidency.

The most appealing issue of the campaign of 1952 was to end the war in Korea. Eisenhower promised to do his best to do that. It has been ended.

He declared his firm intention to rout Communists out of our Government and out of our industrial life. That routing of the Reds has gone forward actively, relentlessly, and generally successfully.

Corruption in public service has been stopped. That record speaks emphatically for itself.

As a candidate Ike resolved to eliminate economic controls and thereby unshackle our economy, which he was convinced could realize undreamed-of potentials.

The year 1955 with its many new records proves the wisdom and success of that policy. Nineteen fifty-five shows a gross national product of almost $387 billions, 6 percent above 1953's, the all-time high. The average weekly wage is running as high as $76, with 63 million people employed. Just think of it. We built 7,250,000 new automobiles and installed some 7,600,000 new TV sets in 1955.

Candidate Eisenhower, as he promised faithfully to do, has established a climate in labor relations in which our industrial effort has reached these unparalleled successes because there were fewer major labor disputes and greater progress and achievement by both management and labor than has been recorded in several decades.

He pledged himself to reduce the Federal payroll, to balance the budget, and to reduce, if possible, high taxes, and thus increase the

ability of men and women everywhere to have more to spend for their needs. Taxes were reduced, and we look to a balanced budget and to an ever-increasing efficiency in government.

You and I supported the President in his campaign because we believed in a restoration to the States and to the individual communities of those rights and authority properly due them. The events of every passing day give witness to this respect for local decision and local control of affairs in every area of government where the best decision is the decision made by men and women close to home.

In this era where the free peoples must be constantly alert and where strength, firmness, and unity are the foundation upon which we must build greater security and enduring peace, Candidate Eisenhower pledged a reordering of our defensive posture. As Commander in Chief, he has built, and is continuing to build, a defensive force on the ground, in the air, and on the sea that has the ability to meet the challenges of the nuclear age in which we live, and yet at the same time achieve that posture with a due respect for the health of the economy over the long pull. That is the only way upon which the foundations of our military security can be maintained.

The Air Force program—to reach 137 wings at the end of fiscal year 1957—is a little ahead of schedule, and we will have 131 wings at the end of the present fiscal year. All medium bomber wings of the Strategic Air Command are now equipped with six-jet B–47's. These B–47's, together with a very large fleet of KC–97 tankers and an extensive overseas base complex, constitute our principal ready striking force. Our forces today represent a deadly deterrent for any country considering an attack on us because of their strength, their modern equipment, and their ability to retaliate promptly with devastating effect.

Truly, Korea, communism, corruption, and change were the issues of the campaign of 1952. These issues brought pledges of action—pledges that have been kept.

What everyone of us wants in government is confidence in the integrity, admiration of the character, and reliance upon the word of those whom we vote into high office. Three years have proved that President Eisenhower and the men whom he has chosen to work with him have kept his campaign promises to a remarkable degree—not an easy thing to do at any time, and even more difficult in these days, when crises loom suddenly at home or abroad in the East or in the West.

Now, as men and women who love our homes, are proud of the places in which we live and work, we face the challenging job ahead. We face our responsibilities determined to see it that we have a government in which we have confidence, one in which we can take real pride.

On such an occasion as this, when we salute our great President—Dwight Eisenhower—it is fitting and proper that we take a close look and a long look at that job ahead.

It is right that we ask ourselves why it is we want to maintain strongly the ideals and the policies of Ike's administration. It is timely that we rededicate ourselves right now to this program which has as its heart the maintaining of peace in the world and the creation of greater prosperity and progress for all in this great country of ours.

To maintain our security and to win greater opportunities for peace in the world is our primary objective for the future. Our success in that endeavor depends upon two great fundamentals. First, the effective enunciation of, and the persistent endeavor to carry forward, an imaginative, sound, sensible, long-range foreign policy—not to react any more than is absolutely necessary to day-to-day crises that may occur, but, rather, to sustain the confidence of the free peoples of the world in what we are trying to accomplish over the years. This requires careful planning at home and effective action on those plans in everyone of our embassies and consulates throughout the world.

I was impressed as I went around the world by the high caliber of the men and women working for us everywhere, sometimes under very difficult conditions. I was equally impressed by the knowledge that the people in these countries, as well as their leaders, have of us. They look to us for leadership. They admire us, they respect us, they envy us, and, naturally, they are going to try to get from us all that they think they can.

We on our part must give them confidence that we are going to stay with them in their efforts to gain real freedom and a better life. At the same time we must never let ourselves forget that the cornerstone upon which our foreign policy is laid is that action which will provide greater security and a better opportunity for ourselves here at home. That is the aim, I know, of the Eisenhower administration.

To back up that long-range policy, we must be strong in a military sense. Our forces must be equipped with the most modern weapons available. There must be sufficient young men efficiently trained so that they can carry out their duties with the least possible danger to themselves and for the maximum defense of this Nation. This goal requires constant research and experiment, efficient production, and an ever-increasing expense as weapons become more complicated and destructive.

In this time of tension, in this atomic age, we can no longer plan, as did the great Confederate general, Nathaniel Bedford Forrest, just to "git thar fustest with the mostest." Ours is the tougher job of "gittin thar fustest with the mostest of the bestest," if any aggressor takes the field.

Manpower alone will not prevail in modern warfare. Nuclear weapons alone will not achieve victory. What is required is a shrewd, skillful, sensible balancing of the two in such a way as to make most effective use of our Armed Forces in order that they in turn may offer the greatest possible deterrent power, whenever and wherever required. No one realizes this more clearly, no one is more determined to see that this military stature is maintained effectively than is the man in the White House today.

These are the facets of the administration concerning security and peace that play upon us at home and concern many, many peoples in many sections of the world today.

But, basic also to our own future, is the progressive and honest administration of those obligations of government which we have determined over the years to be those responsibilities that we believe government can bear better for us than we can for ourselves at home, in our towns, or in our States.

Time does not permit me, nor would you desire me to discuss these questions 1 by 1. Let us remember that the President, as a good administrator and as a loving father and grandfather, understands these problems as does every man and woman in his own home. I think they are best expressed by the statement that the President made to the 48 Republican national committeemen on September 10, 1953, in Denver, Colo., when he said: "If we are for the people, which means for the individual as such, we go first to the 10 first amendments of the Constitution—the Bill of Rights. That was written for the people. That Bill of Rights does not guarantee to each of us a profitable living. It guarantees to each of us an equal opportunity with all others to earn our living for ourselves and for our families, and to protect our future.

"We could discuss further what we mean by 'for the people,' but I refer to another quotation of Lincoln's which was generally to this effect, 'The function of government is to do for the people what the individual cannot do at all, or do so well for himself, and in all those things which the individual can do for himself, the government ought not to interfere.'"

What I have had to say about our national defense, our foreign policy, our sound economy, applies to these words of the President. There is equal application of those words to be found in the vigorous attack which this administration is making on the problem of school construction and of highway construction, in the fields of health, education, and welfare, with most immediate stress placed upon amendments to our social-security laws in order that more Americans may be included within their benefits.

It is to be found, inspiringly, in the historic, unprecedented progress that has been made in the winning of civil rights for ever more Americans. It is revealed, dramatically, in this administration's blueprinting of further campaigns of conscience against those restrictions and discriminations which have been anything but American.

When we salute President Eisenhower tonight, we salute one who believes in our history and our traditions and in our continuing progress and growth, who thinks not of himself but of what he, as long as he is in the White House, can do to better the life of each and every one of us. When we salute our President, we salute a man who has great understanding of world problems and a unique experience in dealing with the leaders of the world. He wants peace. He wants progress and he will do everything in his power to continue to work for that peace and that progress.

His epochal speech to the General Assembly of the United Nations in December 1953 radiated that confidence and his sincere determination to work toward these objectives among the peoples of the world, whatever their racial origin, wherever they may live.

Truly, we can go home tonight firm in the realization that this administration is determined to achieve peace with honor, peace with security, peace with prosperity, peace with progress, and a leadership of our affairs at home that will offer greater opportunities for every American.

This dinner is of and by itself a salute to a great American. It represents also a gathering of patriotic citizens who recognize that still more is required of each of us—in our hearts, in our minds, and in our daily devotion to duty as we tackle the job ahead under the leadership of this man we salute tonight. That job can be done and will be done.

Let me conclude with the words of that great man who was born in our Boston 250 years ago this week and became your great Philadelphian:

"It is undoubtedly the duty of all persons to serve the country they live in, according to their abilities. Let it suffice, that I now take up a resolution, to do for the future all that lies in my way for the service of my countrymen."

Dwight D. Eisenhower fulfills admirably today that patriotic sentiment of Benjamin Franklin's spoken over 200 years ago.

Anniversary of Ukrainian Independence

EXTENSION OF REMARKS

OF

HON. ANTONI N. SADLAK

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 24, 1956

Mr. SADLAK. Mr. Speaker, on Sunday, January 22, Americans from all

parts of the Nation celebrated the 38th anniversary of the independence of the Ukraine.

Geographically, the Ukraine is part of the Union of Soviet Socialist Republics, but historically has stood as one of the primary bulwarks against Soviet imperilism, throughout the centuries. This unconquerable desire for national freedom is still imbued in the hearts of Ukrainian patriots whose sufferings at the hands of Communists dates back to the destruction of its churches and the Red sponsored famine of 1932–33.

The German invasion of World War II brought short lived hope for these freedom loving Ukrainians, who soon were persecuted and dominated by another imperialism. But even now, the Ukrainian Resistance Army continues to fight against Soviet attempts to destroy the peoples' burning desire for independent freedom. Brutal purges and deportations ordered by Moscow have liquidated countless numbers of Ukrainian leaders, but the spiritual and moral resources of the people produce immediate substitutes.

Ukrainian culture, centered in the capital city of Kiev, continues to flourish, and historically has been the moving force behind the nationalistic spirit of the people. Its centuries of traditions and customs represent the indefatigable struggles of a country destined to possess the same freedom enjoyed by Americans in the United States.

With over 40 million people, the Ukraine is the largest non-Russian nation behind the Iron Curtain, and should the Communists ever attempt actual aggression, Ukrainians can be counted as our most important and natural allies, in defeating Russian imperialism.

The struggle and goals of this freedom loving nation, like that of our forefathers should not be ignored. The continual free existence of the United States and other independent sovereignties, is contingent upon the establishment of those liberties throughout the family of nations. The Ukrainians have proven their right and demonstrated their ability to express their own free, independent voice in our family of nations.

Acadian Bicentennial Year

EXTENSION OF REMARKS
OF
HON. EDWIN E. WILLIS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 24, 1956

Mr. WILLIS. Mr. Speaker, we of Louisiana feel very proud of the Acadian bicentennial celebration staged so successfully in our State during 1955. This year-long observance opened with special events at the New Orleans Sugar Bowl on New Year's Day and was climaxed with a brilliant finale in Longfellow-Evangeline State Park, certainly one of the most beautiful public parks in the country, at St. Martinville, my hometown. Here the talents of several hundred of their descendents were utilized in honoring the 200th anniversary of the migration of the Acadians to Louisiana from Nova Scotia, and large numbers of the State's outstanding musicians and dancers joined in the presentation of a most colorful folk festival.

The bicentennial year included a visit to Louisiana by a delegation from French Canada, a pilgrimage to the Mother Church of the Acadians at St. Martinville, and a reciprocal good will trip to Nova Scotia by a large party of prominent Louisianians.

Other events added to the great interest shared in the observance by thousands of visitors from throughout the United States and from abroad, who helped to make this the greatest statewide celebration in Louisiana's history.

We are grateful for the recognition given the bicentennial by Congress in adopting a concurrent resolution which I had the privilege of introducing in the House and which was sponsored in the Senate by United States Senators ALLEN J. ELLENDER and RUSSELL B. LONG, of Louisiana. A similar measure was offered in the House by Representative T. A. THOMPSON.

The concurrent resolution stated that "the Congress of the United States joins the people of Louisiana in commemorating the bicentennial anniversary of the migration of the Acadians from Nova Scotia to Louisiana and other areas, and pays tribute to their spirit of courage, perseverence, and loyalty that has inspired the Nation."

Appreciation to all who had a part in the program has been expressed by Dr. Thomas J. Arceneaux, president of the Acadian Bicentennial Celebration Association. In behalf of the executive committee and himself, Dr. Arceneaux, dean of the College of Agriculture at Southwestern Louisiana Institute, Lafayette, a State college which is doing much to preserve the French language and picturesque Acadian customs in that section, points out that national attention has been centered on the State and fitting honor has been paid to a people who have contributed so much to Louisiana.

Flood Control Protection for Worcester, Mass.

EXTENSION OF REMARKS
OF
HON. HAROLD D. DONOHUE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 24, 1956

Mr. DONOHUE. Mr. Speaker, I should like to include at this time the statement I presented last Thursday to the Public Works Subcommittee of the House Appropriations Committee at their hearing on the supplemental appropriations bill.

The statement follows:

Mr. Chairman and members of the committee, I am very grateful for the opportunity to appear even briefly before you today.

Mindful of your tremendous committee schedule and burdens, together with your personal office duties, I have no intention of entering upon any long, extended discussion or recitation of figures on general flood control projects with which we are all concerned. I realize full well that statistical facts and figures are available to you from our efficient Corps of Army Engineers. Also, my most able and distinguished friend and colleague, from my neighboring district, Representative PHILBIN, is here to speak on behalf of the Massachusetts State Flood Control Committee, and no one can explain our overall flood control problems better than he.

I would, therefore, like to confine my remarks at the moment to the particular project, commonly described as the Worcester Diversionary Tunnel, so vitally necessary to the life, safety, and property protection of the citizens of my native city and for which, as you all know, there has been included a sum of $60,000 in this bill to enable the Army engineers to complete a resurvey of the area and planning involved.

Very briefly, the project, in essence, provides for an intake structure for flood water to enter and then a tunnel and channel, with a total length of slightly less than 3 miles. Its purpose will be to conduct part of the flood water flow that normally passes through the city of Worcester directly into the Blackstone River lying south of Worcester. As I have said, the specific technical facts and figures are before you in the reports.

Now, while it is true that Federal participation in this project was authorized in 1944, it is not so true to have the impression casually conveyed and casually accepted that our city refused or turned the Federal authorization down. No official city action of that nature was ever taken. It is more completely the truth to realize that the intention of the city was to hold the project in abeyance because of the imminence and impact of staggering war costs. Also, no one then, including the Army engineers or our best weather experts, could foresee that by 1955 our fair city and area would be adjudged by our professional weather people to stand in the "path of hurricanes." It is indeed idle to currently speculate on what could have been past done, and it would be a punishment beyond the fault, if any there was, to reproach a people for the order in which they listed local problems for solution, when the threat of repetitive natural disasters could not be then scientifically known or suspected. Those of you who come from areas that have been unfortunately visited by these floods and other natural disasters are, I am sure, well aware of the practicalities of human nature which often impractically delay decisions, and in the light of the terrible tragedies and damage that descended upon us through our floods of August 1955, and the widespread destruction and ruin similarly wrought upon so many other sections of the country in most recent months and years, will, I am confident, be sympathetic toward any community in the Nation seeking to sensibly protect themselves from any additional sudden catastrophe from the changing weather, winds, and patterns.

The city of Worcester governing body has already taken the official action required for municipal participation in cooperation with the Federal Government. The State legislature is at this moment attempting to expedite the enactment of the necessary legislative approval of which you must be assured. No one knows better than we do that the legislative machinery sometimes may grind with exceeding slowness and irritation. I am informed that the particular measure includes all of the projects proposed for the State of Massachusetts and some in cooperation with neighboring States and its comprehensiveness further enables us to understand a reasonably lengthy consideration of an inevitably cumbersome measure. However, I am also informed that the Governor himself and the leaders of the legislative

branches are doing all in their power to speed the action and if absolutely necessary, to formulate and approve a special bill for our particular Worcester project. May I, therefore, pray your patience on this score, with the assurance that the requirements of the law and this committee will be met at the earliest possible moment.

The essentiality of this project to the continuing welfare of Worcester is undoubted by anyone. Prayerfully remembering the personal sorrow and human tragedy which cannot be materially valued, it has been reliably but conservatively estimated that the presence of this tunnel during our most recent flood disaster would have prevented approximately $15 million of the property damage that was done. The Army Corps of Engineers has repeatedly and authoritatively stated that the tunnel is a vitally needed protection and it will do the job within reason. They have also testified that the project is well justified economically, inasmuch as the benefits that will derive are far greater than the cost and that the ratio of annual benefit to annual cost is exceedingly good. The President has included and requested the funds for this flood control work, and in order to initiate the resurvey that must be accomplished before actual construction is started, which is planned for 1957, there remains only the approval of this committee; without your approval, the whole project could encounter tragic disruption.

I most sincerely urge that you give this item, the only one in our area for which funds are here allotted, your very sympathetic consideration, and if your precedents and policies demand, you will approve it with the proviso that the resurvey not begin until the assurances required are of record, and they will, I pledge, be presented for your official technical record within the very reasonable future.

May I thank you, Mr. Chairman and committee members, for your courtesy and attention.

A Well-Deserved Tribute to Our Great President

EXTENSION OF REMARKS

OF

HON. DANIEL A. REED

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 24, 1956

Mr. REED of New York. Mr. Speaker, Secretary of the Treasury George M. Humphrey, a great American statesman, has paid a perfect tribute to another great American statesman, President Dwight David Eisenhower.

Under leave to extend, heretofore granted, Mr. Speaker, I am inserting in the RECORD the address of the Secretary of the Treasury George M. Humphrey delivered at the New York-New Jersey Salute to Eisenhower dinner at Madison Square Garden, January 20, 1956:

We are here tonight to salute the greatest American of our time—Dwight David Eisenhower.

History may ultimately record him as the greatest man of many times, but it is clearly evident at the moment that he is beyond doubt the outstanding figure in the world today.

Never before in history have the hopes of so many millions of people throughout the world been centered on the shoulders of one man. Never before in history has a man stricken with illness had the fervent prayers for his recovery from so many millions of people all over the world.

One reason for this great attachment of so many millions to our President is the fact that he has become a symbol for peace. A military man for most of his life, President Eisenhower has fought valiantly for peace and against war during the past three decades.

His military service in the Philippines and later in Africa and in Europe brought him into intimate contact with the people of many nations. His warm personality, remarkable good will, great wisdom, enormous patience, and devotion to duty have become well known to both the leaders and the ordinary citizens of many countries on a close personal basis.

IN WORLD WAR II HE WAS THE CONQUERING HERO

In World War II he was the conquering hero who led the forces which repelled the armies of the dictators and eventually won peace and freedom for the overrun nations. He returned to Europe to head the drive for a NATO structure again to protect the free world from another threat to peace and freedom.

During the last 3 years as President of this great land, President Eisenhower has become increasingly in the eyes of the world the great hope for a just and lasting peace. He has become the embodiment of the fervent hopes of millions of the world's people for the eventual day of just peace among nations.

So, I am humbly proud, and I know that you too are proud, to be among the vast numbers of American citizens who tonight are saluting President Eisenhower.

His character is reflected in the objectives he has held and worked for during his term of office and the depth of his sincerity has imbued his associates with those same objectives and enthusiasm for their accomplishment. His objectives are few and simple. They can be characterized with but a single word—progress—steady, insistent, persistent progress in three fundamental directions.

Toward a just and lasting peace throughout the world.

Toward a widespread and continuing prosperity.

Toward greater freedom for the individual in his pursuit of happiness and protection from the ravages of adversity for all mankind.

SEES HIS IDEALS ROOTED IN PRACTICABILITY

His high ideals are firmly rooted on the solid foundation of practicability. He is no idle dreamer. He wants and works for his dreams to come true. How far he has succeeded is history, but it is worth reviewing for just a few moments tonight.

His accomplishments toward peace have recently been described at length in the state of the Union message to the Congress. The problems are enormous. The broad highway to accomplishment is not clear and it is beset with frustrations and difficulties at every turn, but the bare fact remains that within a few months after he took office the shooting stopped in Korea and no American mothers have had to worry about their sons and daughters since then in a shooting war.

Crises continually beset us and will continue to do so but we can all rest assured that we have a wise, cool head directing a firm hand on the tiller to steer our ship of state as carefully as it can be done between the rocks and shoals of war and aggression, but forward—always forward, pressing forward toward a just and lasting peace.

His accomplishments toward a widespread and continuing prosperity are here before our eyes to see on almost every hand. Only a part of our farm population is still suffering from the burdensome surpluses accumulated under past laws ill devised to bring on anything but the very burdens which are now bearing so heavily on farm crops, production, and prices in some fields. Practical, workable relief in that area is of first concern, and no problem is receiving greater attention. But it is the result of an accumulation of years of bad practice and cannot be soundly corrected all at once.

Everywhere else on almost every side we are having the greatest employment, the most jobs, the best pay, the lowest percentage of people unemployed, the highest earnings, and the best times, by any measure, that this country has ever seen with new high records in almost every line.

It is no accident that this great economic achievement has come about under the leadership of President Eisenhower. We have achieved prosperity without the bloody cost of war, and without the false promise of inflation. The American people today enjoy not only a record economy but a sound one. This achievement in economic integrity is no surprise to anyone who knows the President. It reflects the integrity of the man.

It is a subject, next to peace, that is closest to his heart, and closest to your welfare.

I am asked many times why we in the Eisenhower administration have given such very great importance to balancing the budget and stopping inflation.

Balancing the budget in prosperous times is the prime requisite of financial integrity.

We have made financial integrity and stability in the cost of living, one of our foremost goals.

We have not done this out of any academic concern. It isn't just a matter of accounting or bookkeeping or businessman's fetish.

Money has no value except as it affects people. We are so concerned about the value of the dollar because it is the people's money we are collecting, spending—and defending, and because stability in the cost of living so vitally affects each of us.

WE ARE DETERMINED TO AVOID INFLATION

We are determined to avoid inflation, as well as to prevent deflation. Either can jeopardize the happiness, the hopes, and the well-being of all the 167 million people of this great Nation.

Inflation can steal away your savings, your pension, and the value of your wages.

Deflation can endanger millions of jobs.

The integrity—the staying power—of the value of the dollar is of primary importance to each and every one of us no matter what our condition. Rich or poor—old or young—on a salary or a daily wage, or living on a pension or an insurance policy, we are all concerned, not only as it affects our current cost of living but our very jobs are at stake.

A job is the most important thing in America.

Whether you are working for yourself, in a profession or in a factory, in a mine, in transportation, in some form of service, or on a farm, it is all the same.

To have a job you must have tools, power and machines to work with, and someone must save and invest to supply them. We have a rapidly growing population and over a million new jobs must be created every year to supply our needs. That means new tools—new factories—new mines—new trucks and trains, and all kinds of things to work with.

That means more and more investment to buy them; and who will invest if the value of their money is uncertain? Who will buy the big bond issues? Who will make the mortgage loans? You all are involved. Not only is your job at stake but your home is also. Who will make the loans that permit you to buy your home or your car on time if the value of money is uncertain?

MILLIONS OF YOU ARE ALSO INVESTORS

Moreover, millions of you are also investors. It is not the rich who supply the funds today. The great investors in this country are not only the millions of small individual investors, but are the small savers who through

the insurance companies, the pension funds, the savings banks, union and fraternal funds, and the other ways of saving buy the stocks, bonds, and mortgages and make the other loans.

Sound money is the incentive that keeps men doing their best. That spurs their imagination to do research and make new inventions. That underlies our great industrial machine. That will modernize the old jobs and make the new jobs to make the new and better and cheaper things we all need to continually increase our scale of living. That will induce the savings and investment of savings of the millions of Americans who have confidence in our free system and the soundness of our finances.

These are the material reasons why a balanced budget, financial responsibility, and the soundness of the dollar are of fundamental importance to each and every one of us, no matter who we are, nor where we are.

Bad money, like a bad apple, will rot the whole barrel.

A government that adopts inflation as a policy to achieve its ends leads its people into false land.

FALSE MONEY LEADS TO THE SLAVE STATE

When you tinker with a value so basic as the value of money—when you induce inflation and make it a policy to give the people more and more income of less and less buying power—falseness in all other things must follow.

The government which adopts a policy of inflation must preempt to itself an ever-growing web of other powers with which it can hide the falseness of its money and smother the complaints of the people as they see the buying power of their savings and life insurance being stolen away, as the prices of food, clothing, and shelter rise faster than more false money can supply.

False money leads to the slave state.

The buying power of the dollar dropped from 100 cents to only 52 cents in just 15 years preceding the election of this administration. But the long trend of inflation that had been eating away at the value of your dollar has now been halted, and there has been no significant loss in the buying power of the dollar now for over 3 full years.

This means that when your incomes are increased—and they are now at record highs—you have a real raise, not merely a raise to match the higher cost of living that was for so long the order of the day. This has been a real "Eisenhower extra."

WHO WANTS TO GO BACK?

You all remember their slogans in the last campaign "You never had it so good" and "Don't let them take it away." You can ask them now "Who wants to go back?"

Now how did this all happen? What were some of the specific moves by the Eisenhower administration which contributed to this result?

Total Government spending was cut sharply. Spending now is $10 billion under 3 years ago, and $14 billion less than had been planned by the final budget of the previous administration.

We at long last have balanced the budget, the surest index to thrifty management in a home, in a business, or in the Federal Government.

And, we have made the largest dollar tax cut in the history of this country. This great tax reduction of almost $7,500 million was a mighty assist in the transition from a wartime to a peacetime economy.

The Eisenhower administration has also accomplished much toward greater freedom for the individual in his pursuit of happiness and from the ravages of adversity. Artificial controls, rationing, price fixing, and all manner of directives and decisions from Washington were promptly removed in nearly everything but farm programs, where rigid laws prevented. Ten million additional people were included in social-security benefits. The minimum wage was increased. Additional health research is assisting in the prevention and treatment of disease. Large-scale integrated Federal road and school building programs are proposed. The scale of living of 167 million Americans is higher than ever in our history.

SAYS SLAVE STATES MULTIPLY ON INFLATION

These, then are some of the ways that the administration of President Eisenhower has contributed toward peace, defended the value of your work and savings, and increased your freedom of opportunity and free choice.

We can never take for granted the preservation of our free way of life. Only a people of high integrity can deserve freedom. No people, however great, can preserve integrity if it must transact its business, measure its worth, in a false, inflated currency. Prudence, thrift, honest work, and honest government must all go hand in hand.

And make no mistake about it. It is no coincidence that since the scourge of inflation was let loose on the modern world slave states have multiplied.

In the slave state, men do things under the lash of the whip of "do it or else." They have been robbed of the honest values that spur men in the free world to work, to save, and to build a better life. We are determined here on preserving those values, so that in our country men will never lack the incentive to do the things in freedom that make for a fuller and better life—and do them far better than they can ever be done in any slave state.

IN THESE TIMES OF DEADLY CONTEST

These basic incentives to honesty, thrift, hard work, and production cannot fail to inspire—as it has inspired—thrifty, hard-working government. And it cannot fail to preserve among our people those qualities of prudence, thrift, industry, and spirit of self-betterment that have made them the greatest and best provided people on this earth.

In these times of deadly contest between our way of freedom and the reactionary ways of the Communist slave state, it behooves us all to keep intact and vigorous all our qualities of greatness. Only if we do so can we remain a great beacon light of freedom and promise in the free world, an encouragement to all others to pursue our way of freedom, and avoid seduction into slavery.

The large measure of success in restoring freedom from war and financial integrity and progress in the pursuit of happiness for all the people are truly the proudest accomplishments of the great leader we salute tonight.

It reflects, as perhaps nothing else can, the basic honesty and high character of the President himself.

There is no more fitting time than this to pledge that we shall not falter in this great task, nor shall we ever be driven from it by men who would ignore tomorrow's doom for today's advantage.

There Is Need for a Long-Term Foreign Economic Policy

EXTENSION OF REMARKS

OF

HON. HARRISON A. WILLIAMS, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 24, 1956

Mr. WILLIAMS of New Jersey. Mr. Speaker, there is a compelling need today, it appears to me, for a sound, long-term foreign economic policy as part of our foreign policy. Limited authorization for long-term aid would provide the President with the flexibility he needs for such projects as the Aswan Dam, which is of imaginative and dramatic interest to the people in the area it will affect. It is not in our national interest for the President's hands to be rigidly tied in this field.

Authorization is not appropriation, of course, and the Congress must retain its ability to review each year's requests. However, authorization would give renewed courage to our friends in the free world as demonstration of the fact that we are in this fight to win. The contest with the Soviets which we now face requires the ability for long-term planning.

I urgently hope the administration will maintain its position on this vital subject.

I would like to call the attention of the Congress to a statement by 17 House Democrats on this subject, made last weekend. May I also point out the eloquent editorial in this morning's Washington Post and Times Hearld, entitled "On Planning Ahead."

JOINT STATEMENT BY 17 DEMOCRATIC MEMBERS OF CONGRESS ON LONG-RANGE FOREIGN ECONOMIC POLICY

The attached release is issued by the following Democratic Members of Congress, including two members of the House Committee on Foreign Affairs—Congressmen A. S. J. CARNAHAN and HARRISON A. WILLIAMS, JR.—VICTOR L. ANFUSO, New York; THOMAS L. ASHLEY, Ohio; JOHN A. BLATNIK, Minnesota; RICHARD BOLLING, Missouri; A. S. J. CARNAHAN, Missouri; CHET HOLIFIELD, California; LESTER HOLTZMAN, New York; EUGENE J. KEOGH, New York; RICHARD E. LANKFORD, Maryland; EUGENE J. MCCARTHY, Minnesota; TORBERT H. MACDONALD, Massachusetts; ADAM C. POWELL, JR., New York; JAMES M. QUIGLEY, Pennsylvania; HENRY S. REUSS, Wisconsin; JAMES ROOSEVELT, California; FRANK THOMPSON, JR., New Jersey; HARRISON A. WILLIAMS, JR., New Jersey.

JOINT STATEMENT—FOREIGN ECONOMIC POLICY

The shift in the Soviet foreign policy from primary emphasis on military encroachment to emphasis on economic, political, and psychological penetration of the free world has been obvious for some time. A primary reason for the shift has been the success of the United States bipartisan policy of developing the military strength of the free world.

This success argues strongly for the continued maintenance of our military strength, but at the same time we must recognize the new challenge we face and develop policies to forward the free world's interests and combat the Communists' tactical shift. Indeed, we should recognize the shift of Soviet tactics as providing the West with a great new opportunity. If the contest between tyranny and freedom is to be pursued on economic, political, and psychological grounds, we have a clear advantage. Our system of political freedom and an expanding economy which benefits all is clearly superior to the Soviet system of regimentation and forced economic advance. But this advantage is ours only if we use it.

One of the best tools in the arsenal of freedom is a sound, long-range foreign economic policy. We must tell the world, through a statement of principle in the Congress, that America is in the fight for freedom to stay and that we are prepared to continue our offers of help to those free countries which are prepared to help themselves advance economically and politically toward freedom.

We therefore join in urging that such a statement of principle be written into the mutual security legislation this year. We believe this statement should make clear that it is the bipartisan policy of the United States to resist aggressive communism but also, and equally important, to further the opportunities of all men to realize their legitimate aspirations for freedom and economic progress.

Moreover, we look with favor on providing authority in this year's legislation for the President to make certain advance commitments of economic development funds for a period not exceeding 5 years. Within a reasonable limit this will increase, not reduce, the flexibility of our aid program by permitting the Executive to meet emergency situations as they arise.

We recognize, of course, that apropriations for each year's expenditures must and should be reviewed by each Congress. However, we believe a statement of the intent of the American people, speaking through their elected representatives, that we are in this fight to win would assist in offsetting the gains the Soviets are attempting to achieve in those areas striving for economic and political advancement. We believe our friends in those areas would take renewed confidence in their ability to resist Communist encroachment and their capacity to achieve their legitimate aspirations within the framework of freedom if they have tangible evidence that the United States is prepared to assist them as long as such assistance is necessary.

[From the Washington Post and Times Herald of January 24, 1956]

ON PLANNING AHEAD

It is unfortunate that Secretary Dulles' dance on the diplomatic brink has influenced the discussion of long-term foreign aid commitments. Reverberations over the magazine article about Mr. Dulles continue to demonstrate the baneful effects of the indiscretion, more because of the bald and smug overstatement that because of disagreement with the basic doctrine of deterrence of aggression. A return to perspective is not much helped by the assumption on the part of some of Mr. Dulles' champions that it was perfectly all right to release a campaign document which, incidentally, scared the free world, but that it is dastardly politics to question the wisdom and propriety of this sort of performance by the Secretary of State.

Be this as it may, the country simply cannot afford to let the discussion of its long-term interests in foreign affairs be diverted by massive retaliation against Mr. Dulles. Especially for that reason, the courageous statement of 17 Democratic Members of the House of Representatives in support of the principle of advance commitment of certain foreign aid funds is noteworthy and commendable. America's interest in economic aid as an instrument of free world policy goes far beyond partisan politics; and the Democrats' own record in supporting such aid against right-wing Republican opposition is creditable.

Critics can point to a good many instances in which narrow-minded actions within the Republican administration have worked against the very principles it is now promoting. Chalmers Roberts' story in this newspaper Sunday about how Burma was rebuffed last summer when it sought to pay for American technical aid with surplus rice pointed to incredible shortsightedness. It is in just this sort of problem—the adaptation of techniques to suit the needs of individual countries such as Burma—that the Soviet Union has scored a propaganda success.

Administration mistakes quite apart, however, the new Russian campaign designed to neutralize large areas of the free world faces this country with an immediate challenge. Obviously, even so strong a capitalist economy as ours could not stand the cost of attempting to counter every Machiavellian maneuver of the Soviet masters. They are free to promise without regard to public opinion at home or the needs of their own people. If we are to meet the challenge we need to place our emphasis, not on efforts to outbid the Russians frontally, but on skillful application of flexible and selective techniques.

Beyond the grant-and-loan type of aid, we probably ought to devise means of absorbing the surpluses of the countries we are trying to help, either through preclusive buying or a sort of brokerage system. But long-range commitment authority, although it is by no means the whole answer, is indispensable to a flexible approach. We ought to be in a position to encourage countries we are trying to help to plan ahead on specific projects of open economic benefit, such as dams and roads, with the assurance that they can be carried through.

The fact that one Congress cannot bind another need not prejudice this kind of flexibility if legislators will adapt the military aid contract authorization formula to the economic aid program. New appropriations would always be subject to congressional check. Economic warfare of the sort now forced upon us requires broad advance planning of the sort that would be impossible on a year-to-year basis. The economic challenge will remain long after the 1956 campaign and Mr. Dulles' boasts have been forgotten; and this is the point that both the administration and Congress need to keep in mind.

A New Life for Old Cities

EXTENSION OF REMARKS

OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 24, 1956

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following address which I delivered over station WMEX, Boston, Mass., on Saturday, December 17, 1955.

The address follows:

A NEW LIFE FOR OLD CITIES

American cities are faced with a serious challenge.

That challenge is: How to do the modernizing job that has been postponed time and time again, until now it can be postponed no longer.

Cities have not yet broken with the outmoded past. In many cases they have not succeeded in adjusting themselves to the present. Few of them are thinking of the future.

The downtown areas of cities were designed for a bygone age. Every development since then has been expected to fit into this rigid mold.

Of course this has been impossible.

Cities are belatedly waking up to the fact that they must adapt themselves to the needs of motor cars and electric power. They cannot expect progress to operate in the channels and according to the patterns that were good enough for the 19th century, but are inadequate for the dynamic needs of today.

Both people and industries are in flight from the cities to the suburbs.

A big city like New York tried to meet the challenge by vertical development but this has obvious limitations.

Industry cannot function in skyscrapers.

And huge apartment houses are not the best places in which to bring up families.

People want more room for living and more room for working.

When a conservative organization like the United States Chamber of Commerce recognizes the problem as urgent, we can believe that it is.

The Federal Government has alerted itself to the problem by making some Federal aids available for the redevelopment of cities. More help will be forthcoming, as the pressure for change becomes inevitable.

The Chamber of Commerce of the United States, as a result of an exploration of community problems by local chambers, has issued an urban-development guidebook which is a pioneer in its field.

It is recommended for all civic-minded people who are interested in the problems of community growth and change.

As the chamber observes, and I quote: "For many generations, the physical structure of the city remained the same. It had rectangular blocks with narrow building lots on them. It was designed to be compact. Its supply of power and its means of transportation made compactness necessary. The waterwheel and the steam engine, the horse and buggy, and foot travel, did not permit a community to spread out. At the turn of this century, the motor age and the age of electric power began to pull apart the time-honored city structure. The radius of men's activities multiplied several times. Today, after 50 years, our cities are in an urban crisis. Basically, this crisis is created by the process of finding more room in which to do things. But we cannot get more room within the old structure of our cities. These structures have to be broken apart and recreated, and this is what we are in the process of doing. As a result of our urban crisis, a new community is emerging out of the old community."

Congestion, blight, inadequate public finance—these are the three major headaches of every city and town.

The typical community is threatened by suffocation.

Take one example.

Worcester, Mass., had a population of about 100,000 in 1900. By 1954 this had more than doubled. For transportation, at the turn of the century, Worcester had 16,000 horses. By 1954, with the same downtown street layout, over 67,000 motor vehicles were crowding for passage, and at a faster speed.

New York City has estimated that traffic delays cost its citizens more than $1 billion a year, or about two-thirds of the city's budget.

This is driving business, industry, and residents out of town, lowering property values and damaging the tax base.

The third factor, urban blight, may be defined as deterioration. It affects commercial and industrial properties, as well as residential. This failure to maintain properties or improve them, makes them less inviting for use. Neither people nor industries will put up with rundown houses or factories.

Nearly every city or town in the country is faced with increasing difficulties in its public finances, frequently amounting to crises. Hardly enough revenue is coming in from the one source—real-estate taxes—to keep up municipal services. The result is a shortage of funds to cope with the problems of congestion and blight.

In the last analysis, it is up to all the people of a given community to cooperate in the renovation of their city or town, so that it will keep step with progress.

Of course, a wide base of citizen participation is necessary to prevent any few individuals or small groups from exploiting a

city's redevelopment program for their own selfish interests, instead of working for the community at large.

Since the early 1930's, most American cities have been receiving direct financial aid from other governments, but principally from the State government. This aid most commonly takes the form of shared taxes and of annual grants, to be used mainly for highways, public welfare, and schools.

Since 1949, direct Federal financial aid has been available for slum clearance and urban redevelopment. The Housing Act of 1954 has considerably widened the range of Federal participation in dealing with slums and blighted areas.

The Congress, in providing funds for urban renewal, emphasized the fact that the communities themselves must assume the main initiative and responsibility.

There is no justification for Federal assistance except to cities which will face up to the whole process of urban decal and undertake long-range programs.

As soon as a community proves that it has developed a so-called workable program for dealing with the problems of slums and blight, it may qualify for the following types of Federal aid:

1. The urban renewal service. The chief purpose of this service is to provide technical and professional assistance in preparing the workable program, and in planning and developing urban renewal programs.

2. Advances for surveys and plans.

3. Temporary loans for urban renewal projects.

4. Definitive (long-term) loans for urban renewal projects for use when project land is leased rather than sold for development.

5. Capital grants for urban renewal projects—up to two-thirds of net project cost.

6. Special grants for demonstration projects in urban renewal—also on a two-thirds basis.

7. Special grants for urban planning assistance. Of importance to the smaller cities and towns and to metropolitan areas, in the field of community planning.

8. Special provisions for FHA mortgage insurance to provide easier financing for building or rehabilitating residential property.

9. Special mortgage-insurance provisions to facilitate construction or rehabilitation of low-priced residential accommodations to rehouse families displaced, either by urban renewal projects, or by other governmental action.

10. Provision for low-rent public housing to be used in connection with rehousing displaced families that cannot pay for adequate private housing.

In cases where blighted housing is redeveloped to commercial or industrial use, of course, the revenues received by the city are usually substantially greater than would result from residential use of the land. This, in turn, eases the load of all other real-estate taxpayers.

Project treatment of blight often benefits the community by helping keep its central area economically strong by removing an important cause of the migration of residents, business, and industry to areas beyond corporate limits. In many instances, those who move would prefer central-area locations except for nearby unpleasant or profit-inhibiting conditions.

In many instances, the judicious selection of project areas near the downtown district, and the careful replanning of land uses and street patterns in these areas, serves to loosen up and spread out the area and thus provide more space for traffic movement and for parking.

Slum areas are not only firetraps, health hazards, and traffic bottlenecks, but cost a city more in terms of municipal services, than they pay in taxes. When torn down and replaced by modern facilities tailored to the automobile age, they not only pay their share of the tax load, but considerably more.

Sacramento, Calif. (population 163,000), is an example of a city that is working hard on slum clearance, the elimination of traffic congestion, and in the establishment of industrial areas to provide locations for new industries.

How is this being financed?

The Sacramento Redevelopment Agency is pioneering a new type of revenue bond which is permissible under the California community redevelopment law. It is expected that this bond arrangement will provide the necessary one-third local grant-in-aid which, combined with a two-thirds Federal grant, will meet net project costs.

These bonds will be secured primarily by the increased tax revenue derived from the new buildings in the redeveloped project, which may be pledged under California law by the city council to pay local cost of that development project.

In Nashville, Tenn., the congested central business district is not far from the State capitol buildings and grounds, but has long been separated from them by residential slums and blight. The rundown area of about 70 acres is now being cleared for redevelopment, mainly for commercial use. Improved highways and off-street parking will ease the traffic flow. It is expected that, within a few years, the business district itself will occupy substantially more space than at present. This will mean greater economic activity and greater income, for a city that is liberated from the seedy slums that once held back its progress.

There is no city or town in the United States that cannot improve itself if its people cooperate in a program of urban redevelopment.

We have some public and private means to do the job.

If necessary, we can devise new and better ones.

But any means unused are as good as none.

A new life for old cities can be created only by citizen interest and citizen action.

The 38th Anniversary of Ukrainian Independence

EXTENSION OF REMARKS

OF

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 24, 1956

Mr. DINGELL. Mr. Speaker, January 22, 1956, was the observance of the 38th anniversary of Ukrainian independence. This day offers the American people a wonderful opportunity to reaffirm their faith in the eventual liberation of the Ukrainian nation from Communist tyranny.

Freedom has been eliminated in the Ukraine. The Soviets have denied the people their civil liberties and have destroyed their democratic institutions. The objectives of the Soviet regime are obvious, for with the denial of human rights and the destruction of Ukrainian culture Moscow hopes that resistance to tyranny will be crushed.

Tangible evidence that despotism exists is the eyewitness testimony of mass murders, starvation, and persecution received from Ukrainian victims of Soviet atrocities given to the House Select Committee on Communist Aggression a couple of years ago.

However, despite these ruthless tactics employed by the oppressor, the Ukrainians have remained faithful to their homeland and its traditions and continue to fight for their ideals. The Soviet press itself acknowledges the existence and activity of the Ukrainian nationalists whose goal is to separate the Ukraine from Russia. This admission is evidence of the growth of the resistance movement and that the Soviets fear what it can do.

There are over 1½ million Americans of Ukrainian birth or descent who are conscious of and have a strong interest in this struggle. It is appropriate on the occasion of the celebration of the 38th anniversary of Ukrainian independence that all Americans join with them in hoping and praying that in the not too distant future the enslaved Ukrainians will once more enjoy the liberty for which they are so valiantly struggling.

These feelings of sympathy, which we in America share for the gallant people of the Ukraine, must not be limited to mere well-wishing. Although this date calls attention to both the joy and sorrow of the Ukraine, the chains which bind the Ukranian people bind many other millions of peoples in other lands; and we must remember that freedom is assured for none until all are free. Only by rescuing others from serfdom to the Soviet may we then in America be able to devote ourselves to the fullest development of our own economic and cultural heritage.

With these things in mind, America must press vigorously for the right of those countries behind the Iron Curtain to self determination at the earliest possible date, and to see to it that the captive lands are able to enjoy free elections at as early a date as possible. We must continue to help with economic aid, and with weapons, those who courageously fight against Soviet domination in the Ukraine, Poland and other nations held captive.

The principle of early free elections is set forth in both the Atlantic Charter and in the Yalta agreement. Indeed, these two documents specifically guarantee early free elections to most of the peoples held captive by the Russians.

I call upon the President to make it an inflexible policy of this country to press continuously and vigorously for liberation of all the countries detained against the will of their people by the Soviets, by all means short of war. We must make liberation of these countries one of the principal topics of each and every future meeting between representatives of this country and Russia. All our economic and diplomatic pressure must aim at early and truly free elections within all the countries of Eastern Europe.

The Ukranian people, and the others enslaved behind the Iron Curtain, look to us for help in their struggle for freedom and justice. Never let it be said that America has turned its back on those who cry for liberty.

Report by Senator Lehman to the People of New York State

EXTENSION OF REMARKS
OF

HON. HERBERT H. LEHMAN

OF NEW YORK

IN THE SENATE OF THE UNITED STATES

Tuesday, January 24, 1956

Mr. LEHMAN. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD the text of a radio report I made to the people of New York State on January 20, 1956.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

NEW YORKER'S REPORT ON THE NATION

(Text of Senator HERBERT H. LEHMAN's first radio report to the people of New York State during the 2d session 84th Cong.)

Fellow New Yorkers, greetings from the Nation's Capital. I am resuming my periodic radio reports to the people of New York State. I want you to know what your Senator is thinking and doing in the course of this critical congressional session. Many important issues and legislative proposals, vitally affecting the interests of our State, will be before the Congress this year. I want your help and guidance in representing the interests of New York. So write and tell me what you think, too.

As in the past, I will report to you every 4 weeks over this station. And I want to express my appreciation to the station to which you are listening for carrying these reports.

As you know, Congress convened on January 3, and, as I speak to you today, the legislative work of the session has just about gotten under way. We heard the President's state of the Union message on January 5, his special message on farm problems on January 12, and his budget message on January 16. Our work is now cut out for us.

President Eisenhower's state of the Union message contained some fine words and fine sentiments with many of which I agree. But these sentiments were strangely different from those which have been expressed in the recent past by the congressional spokesmen for the President's own political party. The President's message has been described as a New Deal document. I wouldn't go that far. I wouldn't say that the President has become a New Dealer.

No; he has just borrowed a little of the liberalism some of us have been preaching for a great many years. He borrowed some of our sentiments, and our phraseology—about the welfare of the people and the need for the Government to do for the people what the people cannot do for themselves, with regard to the people's health, and security, and well-being.

Yes, the President said some very fine things. But what does his administration propose to do, to translate those sentiments into actions and programs? Will the Eisenhower administration support sound legislation? Will it fight for amendments to the McCarran-Walter Act, and for civil rights legislation, for Federal appropriations for school construction and medical research? Will the administration oppose giveaways of our natural resources and the ever-increasing concentration of economic power in the hands of monopolies? Will the administration work to extend social security coverage and to make social security available to the disabled? Will the administration fight for the interests of the consumer against the forces of special privilege? Will it put the welfare of the average farmer and the average worker and the small-business man above the interest of the processor and the great corporations?

Well, we will see. By the deeds of the Eisenhower administration, not its words, shall we know them.

I am going to report to you today on some of the legislation which I think this Congress must pass, and which this administration should support, and some of the legislation which Congress should defeat and the administration should oppose. I am going to talk not so much in generalities as in particulars.

But first, I want to say a word about the world scene, and to comment on the strange story of the Secretary of State, John Foster Dulles, and his recent interview with Life magazine.

This interview has been much discussed in the public press and on the floor of Congress. Senator HUBERT HUMPHREY, a member of the Senate Foreign Relations Committee, has charged that what Secretary Dulles told in Life magazine about last year's great international crises, in Korea, in Indochina, and with regard to the islands of Quemoy and Matsu off the coast of China * * * what Secretary Dulles described as his own policy in these three critical situations, was quite different from what Secretary Dulles had told the Foreign Relations Committee, in confidence, about these same situations.

There is a question of fact involved here. Secretary Dulles owes the Foreign Relations Committee an explanation, and he owes an explanation to the American people.

Did Secretary Dulles deliberately take us right up to the brink of war, as he told Life magazine? Was he, in fact, ready to plunge this country into war, without the consent of Congress, and without even the consent of President Eisenhower, as far as we know?

Who authorized these warlike actions, and these decisions to risk war? Had the American people authorized Secretary Dulles to take these risks, to stake the fate of our civilization on his own wisdom and discretion?

Is this administration seeking peace or war? Is the policy of this administration the one enunciated by President Eisenhower at Geneva or the one enunciated by Secretary Dulles in Life magazine?

In fact, my friends, I believe that we avoided war because of our allies, and not in spite of them. We avoided war because of the strength and unity of the free world, a strength and unity established under Presidents Roosevelt and Truman, despite the reckless policies of Secretary Dulles, which almost broke up the unity of the free world, and almost got us into war. And today, that unity was never more strained, and placed under greater pressure than it has been by Secretary Dulles' unfortunate and ill-timed statements to Life magazine.

Our allies are embarrassed and indignant at the evident distortion of history in which Secretary Dulles has indulged. And our enemies are rubbing their hands with glee, reprinting and rebroadcasting with obvious relish the statements made to Life magazine by Mr. Dulles.

Mr. Dulles claims full and sole credit for deterring the Communist power, in Korea and Indochina and in Quemoy and Matsu. Let him beware. He has resurrected the specter of massive retaliation. He brandishes the hydrogen bomb. He indicts our country as one willing to risk atomic war to gain its objectives, or, at least, Mr. Dulles' objectives.

Mr. Dulles should remember that he who claims credit for the wind must also accept blame for the storm.

Much more remains to be said on this score. It will be said in the months ahead. I hope and pray that no permanent harm has been done our country, and the cause of free world unity and peace by these rash and self-serving assertions by Mr. Dulles. The cause of a nonpartisan foreign policy has been struck a heavy blow.

But back to Congress and its prospects for constructive legislative action.

There is one bill before the Congress which is being hotly debated which I would not call constructive legislation. Quite the contrary. I refer to the natural gas bill, the so-called Harris-Fulbright bill, the bill to take the price of natural gas—the gas that lights your ovens and heats your homes—out from under the regulation of the Federal Power Commission.

The Harris-Fulbright bill would exempt producers of natural gas from rate regulation. The Supreme Court decided not long ago that these natural gas producers were subject, under the law, to Federal Power Commission rate regulation. The purpose of the Harris-Fulbright bill is to set aside the decision of the Supreme Court, and to give the natural gas producers the unquestioned right to charge for natural gas whatever the traffic will bear.

The producers quite frankly admit that as soon as rate regulation is abolished, the price will go up. Who will pay? The consumers will pay. We in New York State will pay.

It will cost the consumers of the Nation from a quarter to a half billion dollars a year. We in New York State will pay our share, to enable the 35 great companies which control 70 percent of the total production of natural gas to increase their already great profits. And these profits are not subject to the ordinary rates of taxation which apply to other business profits. No; these profits get the benefit of a notorious tax loophole, the 27 percent depletion allowance.

I am going to fight against this bill. I am going to oppose it as hard as I can. But what is the administration doing about this bill? What is their attitude? There was no word about it in the President's state of the Union message. There is still today no word from the White House as to President Eisenhower's attitude. There is only an eloquent silence.

I hope this bill will be defeated in the Senate. It has already passed the House. Only you, the consumers—the general public—can prevent this bill from passing. You can express yourself, to your representatives in Congress, and to the President. You can tell them how you feel about this proposed outrage upon the consumers of America.

Then there is the subject of juvenile delinquency, which is very close to my heart, and on which congressional action is urgently needed.

I must mention, too, the need for legislation to provide a system of flood and disaster insurance. The people of New York State, and of Connecticut, and Massachusetts, and Rhode Island and Pennsylvania know how desperately such insurance is needed. I will do my best to see that such legislation is enacted.

I would like to talk at length about the need to amend the McCarran-Walter Act, and the Refugee Relief Act. I need not tell you of my interest in that legislation. I haven't time today but I can tell you that we have a fight ahead on this, too.

And civil rights. If there is one front that calls for legislative action, it is this one. How long can we endure the continued denial of basic human rights to some of our citizens? How long can we tolerate the denial of the right to vote to the Negroes in great parts of the South? How long can we tolerate the brutal physical violence, the reign of terror which is now underway in some parts of the South against Negroes and whites who dare to join in the fight for equal rights, for human rights?

Here is a front that demands action. Here is a test of the good will of the administration, and of its courage and sincerity. I hope that all men of good will, of both parties, and without regard to party, will respond to this challenge and take the necessary action, without further delay. Yes, there is much more to be said, but no time to say it in.

Goodby and good luck, to all of you. I will be talking to you again, over this station, 4 weeks from now with my next report to New York.

Crisis in Education Is Concern of All

EXTENSION OF REMARKS
OF
HON. LESTER R. JOHNSON
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 24, 1956

Mr. JOHNSON of Wisconsin. Mr. Speaker, in the course of the last century the people of the United States developed the finest public and private educational system in the world. Our educational system and those who are responsible for its functional operations have served us well in peace and in war. Most students of American affairs believe that our educational system has contributed much to giving our Nation an informed and enlightened citizenry.

In keeping with our concept of the vital role of public education we have retained control and financing of public schools at the local level to assure maximum democratic management. The philosophy of local control and responsibility explains why at the present time only 3 percent of all school funds are contributed by the Federal Government. Local communities pay 55 percent of the Nation's school bill, and the remaining 42 percent comes from State governments. However, since World War II local governments have had more than their share of difficulties in meeting financial responsibilities to maintain and expand school facilities.

The financial difficulties of local and State governments stems from the fact that for a number of years the Federal Government collects more than 75 percent of all tax money. Our State and local governments must get along with what is left. No one will dispute the fact that the Federal Government has had to collect the bulk of taxes to wage a war and prepare for defense in the tense years since the end of World War II. Expenditures for war and defense have left education without fiscal parity since 1940.

I am not an educator, but—as a parent, citizen, and interested layman—I am concerned about the crisis in our educational system. I believe, for a number of reasons, that the crisis in education is the concern of every person. I believe that Congress must enact legislation to provide for Federal aid to education. There is too much at stake to ignore any longer the crisis in education.

During and since World War II a growing number of educators, PTA members and other interested laymen have pointed out the lack of classrooms, shortage of teachers, and other problems rising out of overcrowded classrooms and use of obsolete buildings.

Since 1950 a total of 5,600,000 children have been added to our school population. It is estimated that our annual increase in school population for the next 5 years will be 1,350,000. According to educational authorities, elementary school enrollment in 1960 will be 68 percent above 1946 and 28 percent above that of 1954. Secondary schools also face a crisis, for by 1969 the children already born will push secondary school enrollment to more than 70 percent above the 1954 level.

The increase in school population comes at a time when 56 percent of the Nation's classrooms are overcrowded. The United States Department of Health, Education, and Welfare—in an estimate released on January 12, 1956—states that at least 470,000 new classrooms are needed in the next 5 years. Of this total, 180,000 are needed to replace worn out classrooms of questionable safety. The other 210,000 classrooms are needed to take care of estimated new enrollment. Surveys show that 47 percent of our public-school buildings are over 30 years old, and 22 percent of our school buildings are over 50 years old.

While the proposed legislation deals only with Federal aid for school construction, I believe that some mention must also be made of the teacher-shortage situation. At present we need an additional 140,000 teachers. There will be need for 500,000 more teachers in 1965 than we have today. In other words, we must find 16 new teachers for every 10 that are now teaching.

I presume that one of the main reasons for the shortage of teachers is the low pay. For example, in 1954 the Nation's teachers' colleges graduated 100,000 teachers. Only 63,000 out of the 100,000 graduates were willing to take positions teaching. Our financially hard-pressed State and local governments cannot raise enough money to build schools and increase teachers' salaries. It is pertinent to point out that State and local governments spent almost $2.5 billion on school construction in 1955 as compared to about $1 billion in 1949–50.

Before I close there is one other aspect of our educational crisis that I wish to mention. Earlier in these remarks I stated that our educational system has served us well in peace and war. While I believe we have the finest educational system in the world, I am very much disturbed over reports about the number of scientists and engineers that are being graduated in Soviet Russia.

In 1954, for instance, Russia graduated 54,000 scientists and engineers as compared to about 20,000 in the United States. In a few years Russia will be graduating each year 80,000 scientists and engineers. I need not emphasize the importance of scientists and engineers in the event the world is plunged into a nuclear weapon war. As Admiral Rickover said recently, "if the crisis in education is not met, we will be in danger of losing the cold war by default."

In the event that this comes to pass there will be no Congress in which we—as freemen—can debate the question of Federal aid for education. If we lose by default—and thus fall under the iron heel of a dictator—there will be no opportunity to debate segregation, desegregation, Federal or local responsibility in education.

For this and other reasons, I believe we must act now. I urge my colleagues to temper their thinking with the cold and hard facts of the crisis in education—we may not have too many opportunities to consider this question if we fail to act now for one reason or another.

Adequate Highways: How and When?

EXTENSION OF REMARKS
OF
HON. J. HARRY McGREGOR
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 24, 1956

Mr. McGREGOR. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address made by me before the 54th annual convention of the American Road Builders' Association, at Miami Beach, Fla., on January 13, 1956:

It is always a pleasure to attend a national convention of the American Road Builders' Association—and this is one of the best. The atmosphere is informal, the company is genial, and the main discussion is one that's close to my heart.

Having been a roadbuilder myself and having spent many a long hour on highway legislation in Congress, it is not hard for me to understand the mutual problems that bring you together. I think I can share the sentiments you feel about a business that is one of the toughest and, yet, one of the most rewarding in the world.

I am a firm believer in the application of private enterprise methods to highway construction. I'm glad to say it and you can mark it down: ARBA is the champion when it comes to supporting this viewpoint. The ingenuity and thoroughness with which most of America's roads are being built today is evidence of the effectiveness of the contract method of doing business.

When men are pitted against each other in competitive bidding, as required by most of our State and city highway departments, the best in each comes to the top. The public gets the benefit—in lower costs and higher quality.

The leadership that America has earned in the know-how of roadbuilding comes from this unique teamwork of public officials, engineers, and businessmen.

Right now, the vital issue facing our industry is what Congress will do about the need for a national highway program. For months, my colleagues and I have wrestled with this problem at close range. It is a subject surrounded with complications and opinions.

A frequent question that comes up, is: "Can the highway industry, without economic dislocation, expand to handle a larger construction program?"

ARBA has always answered that question to my satisfaction, and I am sure, to the satisfaction of most Members of Congress. We are not so far from World War II that we cannot remember how quickly industry can expand its capacity. That is particularly true if wise planning has eliminated some of the uncertainties from the picture.

I think you should always be prepared to appraise your own strength—and I'm glad

to hear you are now making a reappraisal—and to give Congress the benefit of your expert findings. We have learned to rely upon ARBA's knowledge of the roadbuilding industry and the capacity of each segment to produce the kind of highways America needs—and in the time and volume they are needed. We will need your help in this session, as in other sessions, to answer some of the still unresolved problems that hamper adoption of a greatly expanded roadbuilding program.

I would like to divert for just a moment and pay my respects to the officers and staff of the American Road Builders Association, in their endeavors that the country may have adequate highways. To you, Mr. President Robertson, you have done an excellent job, Bert Miller, Bob Smith, and all of the other staff members have been most helpful and most courteous, however, today we do miss one who has been of great assistance not only to your present speaker but to the problem of the road industry and America as a whole. I am referring to my distinguished friend, the late Tom Keefe, who departed from this world a few months ago. Tom is not with us in body but his activities and the results of his endeavors will long be remembered by all of us.

It was my pleasure to address you a year ago on the subject, President Eisenhower's Highway Challenge. A great deal has happened since then, some of it dismaying—some of it highly encouraging. You have followed the progress of Federal legislation closely throughout the past 12 months and it is not necessary to review the defeat of what many Members of Congress considered a reasonable, workable solution to the problem of financing a long-range road program. It is pointless to dwell upon what might have been, or to quail before the job that must be done now to get our highways into shape. The important thing is to keep our mind on the increasing need and seek fresh solutions.

The grand plan presented by our beloved President, speaking in the interests of all America, may have lost some of its trimmings, but his noble objective is intact. Thanks to the boldness of our President's proposal and to the farsightedness of highway leaders, we are thinking today in terms of money for road construction far larger than ever before. That contribution—in imagination and leadership—must be acknowledged, for it has played a major part in advancing the national good roads cause—farther than any other one action in history.

Some of us who have worked in legislative harness for highway development in this country for many years can appreciate better than others that last year was not a year lost. It was actually a gain. We went through a legislative shakedown and we all learned a lot.

Two years ago, it was my responsibility to serve as chairman of the House Subcommittee on Roads. For weeks, that committee heard the testimony of witness after witness lay bare the highway dilemma facing the Nation. It became apparent to all of us that, on one hand, the automotive age had almost overwhelmed the country and, on the other hand, highway construction had not kept pace. It was reported that automobiles and trucks manufactured in the last 10 years, if parked bumper to bumper, would occupy 4 times as many vehicle lanes as new highways built to accommodate them.

This disturbing imbalance was brought home to us at our hearings 2 years ago. It became obvious that Congress must step up Federal assistance to the States to build expressways, cross-country throughways, and farm-to-market roads. This we did in the Case-McGregor Act. Federal aid was boosted 52 percent above the act of 1952 to $875 million annually.

Soon after that, when President Eisenhower advanced his grand plan for a multi-billion-dollar-road program, many of us knew that the proposal was not unreasonable nor overly ambitious. The burden of testimony before our committee had all said otherwise. The pro and con arguments were still there, of course. But there was no doubt of the need. Not any longer.

Today, the need simply grows greater. Last year, our assembly plants turned out 8 million motor vehicles. It has been estimated that 4½ million more will be produced in the current 6-month period. Those of you who are dealing with traffic problems know what that means.

Traffic accidents continue to mount as the number of automobiles, trucks, and buses on our streets and highways increases. Some 38,500 lives were lost last year. The Christmas holiday traffic slaughter was a nightmare. There is no valid excuse in a nation as advanced as ours for such preventable loss in human life. Where inadequate highways are at fault, they must be expanded or rebuilt to safer standards. Other stern measures must be taken. How can we do otherwise?

Economic losses are secondary to the loss of lives, and the toll of injuries, but they are significant. Here's a flat statement: Inefficient highways are costing the American people entirely too much money. Maybe those who won't be moved by crushed bones and spilt blood, will feel a twinge in the pocketbook. But this is no joke.

Every morning and evening literally millions of safe-driving people are forced to waste precious hours driving or riding to work on congested, overtaxed streets. Where is our vaunted national efficiency?

Economic advisers tell us that America is expanding at a tremendous rate and that our transportation facilities will be strained to the limit within the next few years. Highway transportation, which serves the Nation so well, must not be held in stalemate during this expansion period. Roadbuilding must go ahead—fast—so that this form of transportation can keep pace with demand.

These are pressing reasons for immediate, realistic action.

The question is: "What will Congress do about it?"

I wish I could answer that question positively for you. I know that in the roadbuilding business, the uncertainty during legislative debate can be discouraging and sometimes costly.

Most of us in Congress who have studied the highway needs of America for years know exactly where we stand. Some of our colleagues, and I say this kindly, are just becoming reeducated on this new and greater road problem and are just now realizing in full the urgency for new highways. I know that the number of advocates of realistic roads is increasing. It may be a slower process than we would like, but it is the only right way for problems of such scope to be properly handled. The legislation that finally starts America into an era of unprecedented roadbuilding will be better because of that process.

I am sure that men of good will can sit down together and resolve their differences. I am sure they will do so in this case. If one man can help, I assure you I'm ready and willing to cooperate—to the hilt—right now.

We who are privileged to hold responsible posts on the House committee are fully aware that the next move is ours. You may be sure it occupies the time and thought of all of us. I assure you that my most conscientious effort will be to help draft the kind of legislation that will bring America's highways up to the high standards required.

May I quote from President Eisenhower's state of the Union message to Congress January 5, 1956.

"In my message of February 22, 1955, I urged that measures be taken to complete the vital 40,000-mile interstate system over a period of 10 years at an estimated Federal cost of approximately $25 billion. No program was adopted."

Continuing my quote from the President's message, "If we are ever to solve our mounting traffic problem, the whole interstate system must be authorized as one project to be completed approximately within the specified time. * * * Furthermore, as I pointed out last year, the pressing nature of this problem must not lead us to solutions outside the bounds of sound fiscal management. As in the case of other pressing problems, there must be an adequate plan of financing. To continue the drastically needed improvement in other national highway systems, I recommend the continuation of the Federal Highway Act."

That, ladies and gentlemen, was a statement of the President of the United States and I am in accord with it 100 percent. I want to make it perfectly clear that I favor and will do everything I can to put into a law an adequate highway program, both for the interstate and the intrastate and I will be for a reasonable program whether it goes into effect as a one-package bill, or the interstate and intrastate in separate pieces of legislation.

The 1954 Highway Act, which it was my privilege to author, is a biennial highway authorization, and it expires June 30, 1956. This bill authorized $315 million primary, $210 million secondary, $175 million urban, and $175 million interstate, plus various amounts for forest highways, roads and trails, parkways, Indian reservation roads, etc. This total amount approximately equals the amount of revenue brought in by the 2-cent-per-gallon Federal gas tax.

This authorization is financed by taxes now in existence, and no additional taxes would be necessary if the existing law, 1954 Highway Act—Public Law 350—would be reenacted. Additional amounts or allocations could be added to each system, possibly $100 million total, and we would still be within the limits of the revenue brought in by existing taxes. I am of the firm conviction that this law could be reenacted with very little opposition. You know the history of the Clay committee bill, as well as the so-called Democrat, or Fallon, bill, that was before the last session of Congress. Both bills were defeated, and, in my opinion, because of the financing involved. Some refused to accept the Clay committee bond recommendation, which called for $25 billion worth of bonds for highway purposes extending over a period of years. The Congress also defeated the so-called Democrat, or Fallon, bill, because many felt that the revenue-raising features or taxes were not equitable. Regardless of the arguments pro or con, the program was defeated. Regardless of the merits or demerits of the interstate highway program, which is to be financed by an entirely new financial program, the question arises, Shall the interstate system, with a new financial program requiring additional taxes, be incorporated in the same legislation that includes the intrastate system primary, urban, and secondary roads when the financing is already established and no new taxes are necessary?

I hear the same arguments, and some new ones, on the floor of Congress and on the Hill that I heard last August. No one seems to object to the intrastate bill but most everyone seems to object to the interstate proposal financing program. Most everyone, with some exceptions, wants an interstate highway but they want the other person to pay for it. I hear some old arguments renewed, with more emphasis relative to financing the highway program and I am referring to the Governor's Conference group, and others, insisting that the roads, both interstate and intrastate, should be financed from revenue derived by the Federal Government from existing excise taxes on automotive products paid by highway

users. A very fetching appeal. I would like, however, to point out some of the facts of life regarding this approach. Excise taxes levied by the Federal Government have been and are now levied and justified as a source of revenue for the general support of government. I know as well as you that while the Federal gas tax was never levied as a highway user charge, that developments over the past 10 years have more and more led to its being accepted as such and I think we all understand the reasons behind this acceptance. The excise fuel tax yields approximately $1 billion a year. The total excise yield to the Government from this and related automotive excises now reaches $2.5 billion. I question seriously whether we are entitled to consider these excise taxes as highway user charges, certainly those taxes beyond the Federal fuel tax and lubricating oil taxes. I question the physical soundness of a move in this direction, at least beyond the Federal fuel tax. The other excises can, by no stretch of the imagination, be considered a fair measure of highway use. Congress at no time by legislative action has ever identified these excise taxes as highway user charges.

To earmark the total yield of the automotive excise taxes for highway purposes, as some are recommending, would deprive the general revenue now used for support of the Government of an additional $1½ to $2 billion over and above the fuel tax yield. This would unbalance our Federal budget to the tune of $1½ to $2 billion and would have to be made up from other tax sources if the budget is to be balanced and, ladies and gentlemen, the budget is balanced for the first time in many years. I am asking you would you deplete our existing general revenue fund by that amount of money to build highways? If you would, what tax would you recommend to take its place to make up this deficit? Would you want me to support or would you, if you were in my position, support an increase in the income tax, for example? Faced with this choice, it would seem to me—and I hope that you will agree—to be a sounder financial procedure to consider the levying of additional equitable charges on the highway users, who are the direct beneficiaries of a greatly expanded system, in some manner related to the benefits they derive.

May I again quote from the President, who has said on numerous occasions, "A sound Federal highway program, I believe, can and should stand on its own feet with highway users providing the total dollars necessary for improvements and new construction."

Another important factor should be considered when we are even thinking of depleting the general revenue fund. We all know that the general tax funds of all levels of our Government—Federal, State, and local—are presently drained nearly dry and with our tremendous increase of population, the burden placed on the revenues in the forseeable future will require all the talent and ingenuity we have to prevent the complete destruction of our various government structures. The increasing demand for schools, hospitals, welfare, social security, sanitation, public buildings, and playgrounds presents us with a general revenue problem of staggering proportions. So, before your organizations or any of you individually propose to deplete the revenue fund by $1½ to $2 billion for highway purposes, give consideration to the other urgent and, yes, vital needs.

It is never possible to devise a tax acceptable in full degree to those upon whom the tax is imposed. No tax that this Congress or any other Congress may devise will be completely painless to that individual or group upon whom the increase falls. I, personally, believe that there is equity and fairness in the theory that the highway-user-charge principle should be applied on the basis of benefits derived. I state positively and publicly that I do not believe that such a user charge should be punitive. The justification of levying a tax is to soundly finance an adequate highway program and not to exterminate or discriminate unfairly against a legitimate highway user.

I have endeavored to explain my position relative to a new financing program. You can readily see that it is controversial and subject to a great deal of discussion but remember one thing, ladies and gentlemen, if you are going to build highways somebody has to pay for them.

The controversial subject of financing the new program for the interstate system is not applicable to the existing law which was passed by nearly a unanimous vote of the Congress in 1954 and which I authored. It is known as the Highway Act of 1954. It expires June 30, 1956. I have previously given to you the amount of money that it spends for highways. It can be renewed and no new taxes required over the existing taxes. I repeat, why jeopardize this program now in effect by incorporating in the same legislation a 10- or 15-year highway construction program newly and entirely differently financed and which, in my opinion, will jeopardize the passing of the existing law.

I firmly believe in an adequate highway program including the interstate system as well as the intrastate system but I do not want the existing highway program destroyed and scuttled because of the insistence of some to incorporate into the legislation, soon to be before the Congress, new ideas including financing and distribution. I think the interstate system is strong enough to stand on its own merits in its own legislation and I think the proponents of the interstate system are weakening their position when they are attempting to have it carried in the program of the existing law. Let us not jeopardize the existing program that is working so well. Let us have a 10-year or 12-year interstate program in separate legislation and let us continue our intrastate highway program, bringing it before Congress once every 2 years for a look-see by the membership of Congress at that time.

Freedom for the Ukraine

EXTENSION OF REMARKS
OF
HON. HORACE SEELY-BROWN, JR.
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 24, 1956

Mr. SEELY-BROWN. Mr. Speaker, under permission given me to extend my remarks, it is my purpose to speak briefly about freedom for the Ukraine, in connection with the 38th anniversary, January 22, of Ukraine independence.

In my district, last Sunday, several thousand Americans whose ancestral origin is in the Ukraine, gathered in their churches, and afterward in their fraternal halls and in their homes, to take appropriate recognition of this day, which commemorates a joyous but unfortunately only a briefly fulfilled achievement in the centuries-old struggle for freedom and independence on the part of the Ukrainian nation.

I wish that all Americans might have shared in some way in the recognition of Ukrainian Independence Day, because if the hope of every one of us for the expanding of freedom to include every human being throughout the world is to be realized, Ukraine as soon as possible must take its place as a sovereign and equal partner in the buttressing of a free Europe and a free world.

The Ukrainian people are 40 million strong. They comprise the largest non-Russian nation behind the Iron Curtain. They admire the American people, and they are the friends of the United States of America. But, unfortunately, they are the captives of Soviet imperialism, and in the last 38 years they have been made many times the most conspicuous victims of that imperialism translated into shameful tyranny.

The Soviet lexicon calls the Ukraine a "republic" in the Union of Socialist Soviet Republics, but this is a mockery of the term, as is the membership of the Ukraine in the United Nations, where it is recognized as a satellite, and where it is known by everyone that its delegates, like all of the officers of the "republic" are but tools of Moscow.

The determination of the Ukrainian people to be really free and independent, however, is stronger than any bonds which temporarily may restrain them. Have they not struggled for centuries for freedom and independence, and having won it, and then lost it, are they not using every resource which is theirs, to win it again?

When the shackles that bind the loftiest aspirations of many noble peoples in Europe are broken at last, the Ukrainian people will have an important part in that achievement, and they will be our allies and our partners in making a better world.

Area Redevelopment

EXTENSION OF REMARKS
OF
HON. EDITH NOURSE ROGERS
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 24, 1956

Mrs. ROGERS of Massachusetts. Mr. Speaker, my bill, H. R. 8491, would carry out the President's recommendation, in the state of the Union message, to "help deal with the pockets of chronic unemployment that here and there mar the Nation's general industrial prosperity."

In spite of the prosperity enjoyed by the Nation as a whole, some of our communities are suffering from chronic unemployment. For example, in my congressional district, the city of Lowell, Mass., has had severe, continued unemployment resulting from a loss of basic industries.

While many of these situations are due to special causes of a local character, the whole Nation has an interest in helping the affected areas to achieve sound and lasting improvement in their economic condition. Federal assistance should be provided, because the particular localities most seriously affected may be most handicapped in financing their own redevelopment. However, emphasis should be on helping the communities to help themselves. Federal

participation should be kept within modest limits and in conjunction with State and local programs.

The plan is simple. A State having an area of substantial and persistent unemployment may apply for Federal assistance. The Secretary of Labor would then certify the area as one eligible for assistance upon finding certain objective conditions as to the duration and amount of unemployment in the area. Federal assistance would then be provided in research and planning to rehabilitate the local economy; the construction or improvement of industrial plants and facilities, and related community facilities such as water and sewage systems; and the training or retraining of workers in skills necessary to take advantage of new employment opportunities and to supply the labor requirements of new industries. Financial aid for plant construction or improvement would be in the form of loans.

General administration of the program would be assigned to an area assistance administrator in the Department of Commerce. Technical assistance in programs to increase the employability of the labor force for specific job opportunities would be provided by the Secretary of Labor, with the Secretary of Health, Education, and Welfare providing assistance to State vocational education agencies in their programs. An advisory board with the Secretary of Commerce as chairman, and the Secretaries of Agriculture, Labor, Treasury, and Health, Education, and Welfare, and the Administrators of the Housing and Home Finance Agency and the Small Business Administration as regular members, would advise the Secretary of Commerce in carrying out the policies of the act.

Habeas Corpus Bill Upheld

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 24, 1956

Mr. CELLER. Mr. Speaker, under leave to extend my remarks, I insert herewith a letter which was printed in the New York Times of January 24, 1956:

HABEAS CORPUS BILL UPHELD—CONGRESSMAN DEFENDS LEGISLATION AS SEEKING TO END ABUSE OF WRIT

To the EDITOR OF THE NEW YORK TIMES:

The letter from A. Philip Randolph, president, Brotherhood of Sleeping Car Porters, published January 16, contained a critical view of a bill, then pending in the House of Representatives, relating to habeas corpus applications.

In the letter Mr. Randolph stated that the proposed legislation, if enacted, would "place such crippling restrictions" on the writ that it would become "unavailable and useless as a remedy except in very exceptional circumstances." He also stated that it will put "wage earners and Negro citizens in situations where it would be difficult for them to vindicate their Federal constitutional rights and to secure their personal liberty."

Such statements, as well as the entire letter, give an incorrect, if not completely false, impression of the purpose of this legislation. The letter is so written that it leads the reader into believing that the legislation is designed to discriminate against minority groups because of their race, color, or creed. Nothing could be further from the truth.

RACIAL BIAS DENIED

Even Thurgood Marshall, special counsel for the NAACP, recognized that such was not the case. While he testified in opposition to the bill, he nevertheless stated that the legislation had "no special racial significance" and contained "no threat of racial discrimination."

The purpose of the bill, H. R. 5649, is to restrain the abuse of the use of habeas corpus in our Federal courts by prisoners who have been convicted in State courts of State crimes. Until recent years a court having jurisdiction of the defendant and of the crime could render a judgment which was binding until reversed on appeal.

A person imprisoned under such a judgment could be released on habeas corpus only on a showing that the court was without jurisdiction to render it. Recent decisions of the Supreme Court, however, have held that even though a court may have had jurisdiction at the inception of a case it may lose jurisdiction during the course of the proceedings as a result of some violation of the defendant's constitutional rights.

This expansion of habeas corpus by the Supreme Court led almost at once to flagrant abuse of the writ, especially by persons imprisoned under judgments of State courts. Prisoners began to use the writ to appeal, as it were, their State convictions in the lower Federal courts. Simply by alleging a violation of a constitutional right a prisoner could seek to have a lower Federal court review the entire State court proceedings even where the conviction had been confirmed by the highest court of the State and certiorari denied by the United States Supreme Court.

The great writ of habeas corpus is one of the most important safeguards of individual liberty; but it was never designed as a writ of review in the Federal courts or anywhere else. The purpose of the proposed legislation is to restrict State prisoners to State courts, and require them to first exhaust available State remedies such as habeas corpus proceedings in the State courts before they will be permitted to make application to the Federal courts.

APPROVAL OF JUDICIARY

It is worthy of note that this legislation has the support of both Federal and State authorities. It has been approved by the Judicial Conference of the United States, composed of the Chief Justice of the United States (Justice Warren) and the Chief Judges of the Federal courts of appeal, the Conference of Chief Justices of the States, composed of the senior judge of the highest court of each State, the Association of State Attorneys General and the Section on Judicial Administration of the American Bar Association. It also has the support and approval of the United States Department of Justice.

Yet in the face of this considered judgment by our learned legal authorities Mr. Randolph implies that the legislation is unconstitutional.

Actually the legislation takes away the use of the writ from no one. The right is guaranteed under the Constitution. No one can suspend the writ; the Constitution forbids it. In those cases where there is a miscarriage of justice the writ will still be available. No matter what injustice there may be, there will be no denial whatsoever of the application for the writ under this legislation. But the application must be properly channeled and there must be proper supervision.

On January 19 this legislation passed the House of Representatives without opposition. This additional approval by the membership clearly indicates its worthiness, from a legal standpoint as well as from the standpoint of justice.

EMANUEL CELLER,
Chairman, Committee on the Judiciary.

The 38th Birthday of Ukrainian Independence

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 24, 1956

Mr. LANE. Mr. Speaker, January 22 marked the 38th anniversary of the independence declared by the gallant people of Ukraine.

In spite of Communist occupation and conquest, their devotion to freedom lives on, as strong and as imperishable as their Christian faith.

It is the light that never fails.

Communism has employed every torture and oppression to crush their spirit without success.

With all their material power the Communists are uneasy.

Why?

Because they know they are powerless to overcome the eternal spirit that glows in the hearts of 40 million Ukrainians. Having rejected the divinity that is in man, communism has alienated itself from the people.

Reading between the lines of Communist strategy, we detect this weakness.

Under one pretext or another, they seek to have the United States recognize the status quo in Eastern Europe and thus legitimize their brutal conquests.

That cunning plan is doomed in advance.

For the avowed and undeviating policy of the United States is to achieve by peaceful methods, the eventual liberation of every country held captive behind the Iron Curtain.

Peace can never be established on the shifting sands of expediency or appeasement.

It must be built on the firm foundations of moral principle, freedom, justice, honor.

Free Ukrainians the world over reverently observe the 38th anniversary of their independence.

In so doing they remind us of our own struggle to win freedom and of our responsibility to give every assistance possible to others seeking this same objective.

To the Ukrainians in the United States, and to their relatives overseas, we send greetings.

Although the times are dark, their day will come when the sun will also smile over a free, self-governing, and happy people who are proud to be Ukrainians.

SENATE

WEDNESDAY, JANUARY 25, 1956

(Legislative day of Monday, January 16, 1956)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

God of all mercies, who didst guide our fathers as they laid the foundations of this Republic, who hast entrusted to our hands a sacred heritage, crimsoned by sacrifice and the strength of chastening trials, in these high hours of decision freighted with destiny, grant that those, who here speak for the Nation, may be so true to their high calling, as servants of the common good, that radiant joy may transfigure duty, and that on this and every day which may be granted us, appointed tasks may be met with purity of purpose, without moral compromise or craven fear.

We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. CLEMENTS, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, January 24, 1956, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 7871) to amend the Small Business Act of 1953; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SPENCE, Mr. BROWN of Georgia, Mr. PATMAN, Mr. RAINS, Mr. WOLCOTT, Mr. GAMBLE, and Mr. TALLE were appointed managers on the part of the House at the conference.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H. R. 1496) for the relief of Leong Ding Foon Quon, and it was signed by the President pro tempore.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. CLEMENTS. Mr. President, I ask unanimous consent that there may be the usual morning hour for the presentation of petitions and memorials, the introduction of bills, and the transaction of other routine business, and that any statement made in connection therewith be limited to 2 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT OF FEDERAL CROP INSURANCE CORPORATION

A letter from the Secretary of Agriculture, transmitting, pursuant to law, a report of the Federal Crop Insurance Corporation, for the year 1955, with an accompanying report; to the Committee on Agriculture and Forestry.

REPORT OF RURAL ELECTRIFICATION ADMINISTRATION

A letter from the Secretary of Agriculture, transmitting, pursuant to law, a report of the Administrator of the Rural Electrification Administration, for the fiscal year ended June 30, 1955, with an accompanying report; to the Committee on Agriculture and Forestry.

REPORT ON OVEROBLIGATION OF AN APPROPRIATION

A letter from the Administrator, General Services Administration, Washington, D. C., reporting, pursuant to law, the overobligation of an appropriation under "Repair, Improvement, and Equipment of Federally Owned Buildings Outside the District of Columbia"; to the Committee on Appropriations.

CONSTRUCTION OF MODERN NAVAL VESSELS

A letter from the Judge Advocate General, Department of the Navy, transmitting a draft of proposed legislation to authorize the construction of modern naval vessels, and for other purposes, with an accompanying paper; to the Committee on Armed Services.

REPORT ON AUDIT OF FUTURE FARMERS OF AMERICA

A letter from the Chairman, Board of Directors, Future Farmers of America, Washington, D. C., transmitting, pursuant to law, a report on the audit of the accounts of the Future Farmers of America, for the fiscal year ended June 30, 1955, with an accompanying report; to the Committee on the Judiciary.

COORDINATION BETWEEN THE CIVIL SERVICE RETIREMENT ACT AND THE SOCIAL SECURITY ACT

A letter from the Chairman, United States Civil Service Commission, transmitting a draft of proposed legislation to provide a measure of coordination between the Civil Service Retirement Act and the Social Security Act, and for other purposes, with an accompanying paper; to the Committee on Post Office and Civil Service.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A resolution adopted by the Board of Supervisors of Maui County, Hawaii, favoring the enactment of legislation to authorize the issuance of public-improvement bonds by the Territory of Hawaii; to the Committee on Interior and Insular Affairs.

A resolution adopted by the delegates to the Hawaii State Constitutional Convention of 1950, relating to the reapportionment of the Legislature of Hawaii; to the Committee on Interior and Insular Affairs.

The petition of Ralph R. Murray, of Collegeville, Pa., favoring the enactment of legislation prohibiting the manufacture and sale of automobiles with power to drive in excess of 40 miles an hour; to the Committee on Interstate and Foreign Commerce.

A resolution adopted by the Oklahoma Naturopathic and Physiotherapy Physicians Association, at Oklahoma City, Okla., favoring an investigation of the structure, powers, and policies of the American Medical Association; to the Committee on Labor and Public Welfare.

A letter, in the nature of a petition, from the grand jury, county of San Diego, Calif., signed by Joseph Levikow, foreman, transmitting a resolution adopted by the grand jury favoring an investigation into the administration of aid by the Department of Social Welfare of the State of California (with accompanying papers); to the Committee on Labor and Public Welfare.

A resolution adopted by the board of directors of the Kaweah Delta Water Conservation District, Visalia, Calif., favoring the enactment of legislation to provide funds necessary for the construction of adequate flood-control works on the Kaweah River; to the Committee on Public Works.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HILL, from the Committee on Labor and Public Welfare:

S. 2990. A bill to extend through June 30, 1957, the duration of the Poliomyelitis Vaccination Assistance Act of 1955; without amendment (Rept. No. 1446).

S. Res. 193. An original resolution to provide additional funds for the Committee on Labor and Public Welfare; placed on the calendar; and

S. Res. 194. An original resolution authorizing the Committee on Labor and Public Welfare to employ four additional temporary clerical assistants; placed on the calendar.

(See the remarks of Mr. HILL when he reported the above resolutions, which appear under separate headings.)

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce:

S. Res. 180. Resolution providing additional funds for the Committee on Interstate and Foreign Commerce; without amendment.

By Mr. PASTORE, from the Committee on Interstate and Foreign Commerce:

S. 1456. A bill to amend sections 212, 219 (a), 221 (a), and 410 (a) of the Communications Act of 1934, as amended; with an amendment (Rept. No. 1445).

ANNUAL REPORT OF COMMITTEE ON GOVERNMENT OPERATIONS (S. REPT. NO. 1444)

Mr. MCCLELLAN. Mr. President, I submit the annual report of the Committee on Government Operations, and I ask unanimous consent that I may proceed to comment thereon for about 10 minutes.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Senator from Arkansas may proceed.

Mr. MCCLELLAN. Mr. President, the Senate Permanent Subcommittee on Investigations of the Committee on Government Operations, pursuant to the Legislative Reorganization Act of 1946, is charged with the duty of studying the operation of Government activities at all levels with a view to determining their economy and efficiency. This task is a huge one, particularly when we consider that this past year the professional staff of the subcommittee consisted of only 11 members. The executive branch, at a cost of over $53 billion, operates several hundred separate departments, agencies, and independent offices, employing 2,366,075 civilians alone.

One of the first steps taken by this subcommittee at the beginning of last year was to adopt 17 rules of procedure, which rules are set forth in the report beginning on page 1. The purpose of the rules was to enumerate proper procedures; to set forth certain basic rights of witnesses; to define more explicitly the rights and privileges of individual Senators serving on the subcommittee, and yet not hinder the subcommittee in such a way as to prevent it from meeting its responsibilities.

The subcommittee, during this past year, conducted 79 actual investigations and 67 preliminary inquiries. Thirty-six days of open hearings were held and 91 witnesses heard. In addition, there were 12 days of executive sessions at which 28 witnesses were heard.

The subcommittee's hearings extended through the operations of many of the Government agencies, including the Department of the Army and Agriculture, the Foreign Operations Administration, the Air Force, the State Department, Treasury Department, Navy Department, the Interstate Commerce Commission, and the Department of Commerce.

It covered such widespread activities as the Army loyalty security procedures, exemplified by the Peress case; conflict-of-interest matters at Cabinet and other levels, as in the hearings on former Secretary of Air Harold E. Talbott and Hugh Cross, the former Chairman of the Interstate Commerce Commission. Hearings were held on what steps were being taken or could be taken to obtain the release of American nationals held by the Red Chinese Government. It included studies of waste and inefficiency in the procurement and construction of grain bins by the Commodity Credit Corporation of the Department of Agriculture and the deficiencies in this same program of the Naval Inspection Service; possible collusion and fraud in the negotiation for the award for the construction of grain elevators in Pakistan by a consulting engineer hired by the Foreign Operations Administration; fraud and corruption in the procurement of military apparel by the armed services, as illustrated by the hearings on Harry Lev, Marvin Rubin, and others; a study of the infiltration of Communists in the vital areas of defense plants, and the inquiry on redefection of refugees in Europe back to Communist nations, as well as the failure by the Treasury Department to enforce tariff restriction on watches which is alleged to have cost the United States Government many millions of dollars over the period of the past 25 years.

The subcommittee also investigated East-West trade. It was found that our allies' trade with Communist China in 1955 had increased considerably over the previous record year of 1954. The subcommittee feels that our allies, particularly the British, are making major contributions to the Chinese war economy. At least 13 Americans remain imprisoned in China while our allies' trade with China continues to increase. The role of our allies in this matter during the Korean war, and during this unhappy post-war period is a matter of deep distress to the subcommittee. The subcommittee is vigorously continuing its study of this matter with particular emphasis on the type of goods that are now being sent to Russia and her European satellites, which just a short while ago were felt by our Government to be strategic.

During the year the staff of the subcommittee made a study of the redefection campaign in Europe, which is a concentrated effort of Communist countries to induce people to return to their homelands. It became apparent during 1955 that the problem had become a matter of major significance. Although the number of persons who have actually redefected is unknown, the redefection campaign has had an unsettling effect and the free world is in danger of losing a propaganda advantage which it has thus far maintained.

Legislative investigations to be worth while should accomplish a constructive result. In addition to serving as a basis for legislation, they also serve the important function of bringing to light the existence of conditions which need corrective action. All too often instances have been uncovered by legislative committees of failure to abide by the letter and spirit of our laws, rules, and regulations, and it is only after the legislative investigation that effective action is taken to remedy such conditions. The subcommittee believes it has made a very constructive record during the past year.

As a result of the hearings on the Peress matter, the Peress case is finished as a controversial influence on American life, and the Army has taken 19 corrective measures in order to uncover and deal with security cases.

Because of what was uncovered by the investigations and hearings in the domestic grain-bin program, the Department of Agriculture and the Naval Inspection Service have instituted 21 corrective measures.

In the investigation conducted in connection with the procurement of military hats, bribery, perjury, collusion and fraud, and improper inspection were revealed, as well as the method of making large secret profits through deviations at the expense of the Government. As a result of these hearings, claims are now being pressed by the Government for over a half million dollars on these improper profits. Two Army, one Navy, and one Treasury Department employees were dismissed from Government service. An Air Force officer resigned in the face of a court-martial. Twelve persons and corporations were suspended and two others were debarred and placed on the Consolidated List of Debarred, Ineligible, and Suspended Bidders. New procedures were instituted in procurement of patented components which will save the Government in the future hundreds of thousands of dollars. The subcommittee has recently uncovered further evidence of inefficiency and fraud in the purchase and inspection of textile materials by the armed services. Hearings on this matter will be held in the near future.

In the FOA-Pakistan grain-elevator case, the subcommittee, despite being hampered, delayed, and hindered by Mr. Stassen, the then Director of FOA, uncovered strong evidence of collusion in the negotiations for the award of the contract and prevented FOA from carrying out its announced purpose of negotiating and entering into a contract with the apparent high bidder and thus saved the Government possibly a million dollars.

Its investigation of conflict-of-interest situations resulted in the resignation of Air Secretary Harold E. Talbott and Hugh Cross as Chairman of the Interstate Commerce Commission.

The investigation was continued with regard to Communists in defense plants, and several witnesses were called from Allis-Chalmers, Fitchburg, Mass.; Bethlehem Steel Corp., Bethlehem, Pa.; and General Electric Co., Schenectady, N. Y.

Just this past week the subcommittee held open hearings indicating that over $3 million had been paid by the Government to schools training GI's whose owners refused to tell Government officials whether they had or had not been members of the Communist Party on the grounds that such an answer might tend to incriminate them. The subcommittee intends to continue its investigation into this matter and is working on legislation to prevent its reoccurrence.

Mr. President, I may say that the committee expects to present proposed legislation to prevent such a thing from recurring.

It is difficult, if not impossible, to calculate the actual monetary savings accomplished by the legislative investigations of this subcommittee. It is evident, however, that although such savings are important and are many times in excess of the cost of operating the subcommittee, of even greater importance is the subcommittee's function as a deterrent to improprieties and even criminal offenses on the part of those in Government and those dealing with the Government. The watchdog functions of the subcommittee in the field of general Government operations serves an extremely useful and essential purpose as a check and balance on the executive departments.

It should also be noted that these investigations were conducted with an appropriation of $190,000 and that approximately $15,000 of this amount will be unexpended and therefore returned to the Treasury of the United States.

Thus far, Mr. President, for an expense of $175,000, the results to which I have referred have been accomplished.

In closing I would like to say the subcommittee wishes to express its sincere appreciation to the General Accounting Office for assigning two investigators to the subcommittee for special work and for the major assistance it rendered in many ways during the past year.

It is also most grateful to the Senate Committee on Appropriations for the assignment of an investigator to assist this subcommittee.

Mr. President, on behalf of the Government Operations Committee, I submit the annual report of the Senate Permanent Subcommittee on Investigations, and ask that it be printed.

The PRESIDING OFFICER. The report will be received and printed, as requested by the Senator from Arkansas.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CARLSON:

S. 3041. A bill to provide a measure of coordination between the Civil Service Retirement Act and the Social Security Act, and for other purposes; to the Committee on Post Office and Civil Service.

(See the remarks of Mr. CARLSON when he introduced the above bill, which appear under a separate heading.)

By Mr. MURRAY (by request):

S. 3042. A bill to amend section 27 of the Mineral Leasing Act of Februray 25, 1920, as amended (30 U. S. C., sec. 184), in order to promote the development of phosphate on the public domain; to the Committee on Interior and Insular Affairs.

By Mr. SCOTT:

S. 3043. A bill to amend section 270 of the Internal Revenue Code of 1954 so as to reduce the maximum amount of deductions allowable to individuals from the operation of certain businesses; to the Committee on Finance.

By Mr. THYE:

S. 3044. A bill to amend the Agricultural Act of 1949, as amended, so as to extend the provisions of section 201 (c) and the provisions of section 202 (a) and (b), relating to the disposition of surplus dairy products, and the provisions of section 204 (e) of the Agricultural Act of 1954 relating to the program for eradication of brucellosis; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. THYE when he introduced the above bill, which appear under a separate heading.)

By Mr. ELLENDER (by request):

S. 3045. A bill to amend section 314 of the Agricultural Adjustment Act of 1938, as amended; and

S. 3046. A bill to amend the act of May 29, 1884 (23 Stat. 31), as amended, and the act of March 3, 1905 (33 Stat. 1264), as amended, to eliminate the requirement of certain notices thereunder and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. FULBRIGHT:

S. 3047. A bill to provide for the establishment of the Pea Ridge Battlefield National Park, in the State of Arkansas; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. FULBRIGHT when he introduced the above bill, which appear under a separate heading.)

By Mr. MAGNUSON:

S. 3048. A bill for the relief of Vendelin Kalenda; and

S. 3049. A bill for the relief of Fethi Hep Cakici; to the Committee on the Judiciary.

By Mr. HUMPHREY:

S. 3050. A bill for the relief of Annemarie Appelt and her two minor children, Karin Amelia Green and Sylvia Green; to the Committee on the Judiciary.

By Mr. MAGNUSON:

S. J. Res. 125. Joint resolution proposing an amendment to the Constitution of the United States providing for the establishment of the office of Senator at Large in the Senate of the United States for ex-Presidents of the United States; to the Committee on the Judiciary.

By Mr. BYRD (for himself and Mr. BRIDGES):

S. J. Res. 126. Joint resolution proposing an amendment to the Constitution of the United States relative to the balancing of the budget; to the Committee on the Judiciary.

(See the remarks of Mr. BYRD when he introduced the above joint resolution, which appear under a separate heading.)

By Mr. EASTLAND:

S. J. Res. 127. Joint resolution proposing an amendment to the Constitution of the United States to prevent interference with, and to eliminate limitations upon, the power of the States to regulate health, morals, education, marriage, and good order therein; to the Committee on the Judiciary.

RESOLUTIONS

The following resolutions were submitted or reported, and referred as indicated:

Mr. DIRKSEN (for himself, Mr. BARRETT, Mr. BEALL, Mr. BENDER, Mr. BUSH, Mr. CHAVEZ, Mr. IVES, Mr. KENNEDY, Mr. KUCHEL, Mr. MANSFIELD, Mr. MCCARTHY, Mr. MURRAY, Mr. O'MAHONEY, Mr. PASTORE, Mr. PURTELL, Mr. MALONE, Mr. LANGER, and Mr. MAGNUSON) submitted the following resolution:

S. Res. 192. Resolution favoring the unification of Ireland; to the Committee on Foreign Relations.

(See resolution printed in full when submitted by Mr. DIRKSEN, where it appears under a separate heading.)

Mr. HILL, from the Committee on Labor and Public Welfare, reported the following original resolutions:

S. Res. 193. Resolution providing additional funds for the Committee on Labor and Public Welfare; and

S. Res. 194. Resolution authorizing the employment of additional clerical assistants by the Committee on Labor and Public Welfare.

(See resolutions printed in full when reported by Mr. HILL, where they appear under separate headings.)

Mr. JENNER submitted the following resolution:

S. Res. 195. Resolution to print the 37th biennial report of the Convention of American Instructors of the Deaf; to the Committee on Rules and Administration.

(See resolution printed in full when submitted by Mr. JENNER, where it appears under a separate heading.)

COORDINATION BETWEEN CIVIL SERVICE RETIREMENT ACT AND SOCIAL SECURITY ACT

Mr. CARLSON. Mr. President, the Senate Post Office and Civil Service Committee has today received a bill to implement the recommendations of the Committee on Retirement Policy for Federal Personnel.

Following the enactment of Public Law 555, 82d Congress, President Truman appointed H. Eliot Kaplan of New York State as Chairman of the Committee. The ex officio members of the Federal Personnel Committee were the Secretary of the Treasury, Secretary of Defense, Chairman of the Board of Governors of the Federal Reserve System, the Director of the Bureau of the Budget, and the Chairman of the Civil Service Commission.

This Committee spent much time studying the Federal Service Retirement System and made interim reports to Congress.

When President Eisenhower assumed office at the beginning of the 83d Congress, he continued the same committee in order that they might complete their study. This committee received $225,000 by congressional appropriation and $50,000 through the President's employment fund, making a total of $275,000. The Committee spent $217,000, and I feel it is important that Congress give consideration to their report and their study.

This committee was created at a time when Congress was greatly concerned with, first, the alleged inadequacy of the financial structure of the civil service retirement system; and, second, the continuing efforts to liberalize the civil service retirement system with total disregard for benefits the members of that system might be acquiring under other Government-sponsored systems.

Among other things, the committee was instructed by Public Law 555 to submit its findings and recommendations on the relationships between the civil service retirement system and the general system of old-age and survivors' insurance.

The committee's third report which is published as Senate Document No. 89, part 3, of the 83d Congress, 2d session, recommends that the civil service retirement system be continued as an independent staff retirement plan but that it be coordinated with old-age and survivors' insurance.

In recommending coordination of the two systems in Senate Document No. 89, the committee spelled out its specifications pertaining to coordination. These are:

First. Establish a rational relationship between retirement benefits and service for those whose work-lifetime may include employment in both the Federal service and private industry, taking into account the advantages to Federal employees by extending old-age and survivors' insurance coverage to Federal employment.

Second. Maintain complete independence of the civil service retirement system.

Third. Assure continuance of the civil service retirement system as the primary means of providing adequate protection for career employees, while placing some of the cost on the old-age and survivors' insurance system for providing coverage—particularly for those shifting between Federal and private employment.

Fourth. Provide at least the present level of retirement benefits based on Federal employment.

Fifth. Maintain the total employee contribution at approximately the present level.

Sixth. Maintain simplicity of formula and administration.

I introduce, for appropriate reference, a bill which would carry out the committee's recommendations.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3041) to provide a measure of coordination between the Civil Service Retirement Act and the Social Security Act, and for other purposes, introduced by Mr. CARLSON, was received, read twice by its title, and referred to the Committee on Post Office and Civil Service.

AMENDMENT OF AGRICULTURAL ACT OF 1949 RELATING TO DISPOSITION OF SURPLUS DAIRY PRODUCTS

Mr. THYE. Mr. President, I introduce, for appropriate reference, a bill to amend the Agricultural Act of 1949, as amended, which embodies three amendments of the basic law which I feel are both desirable and necessary.

The first amendment will extend the general authority of the Secretary of Agriculture to dispose of surplus stocks of dairy products until 1958. The second proposed amendment would also continue until 1958 the utilization of dairy products by the Veterans' Administration and by the military services. It will be recalled that these provisions of the law were approved as a means of increasing the consumption of dairy products in veterans' hospitals and in Armed Forces hospitals, as well as through the regular rations of the military services. I believe these provisions of the law should be continued.

The final proposed amendment incorporated in the bill relates to the program for eradication of brucellosis. Specifically, the bill proposes that the Secretary of Agriculture is authorized to transfer up to $20 million, the present figure being $15 million, from funds available to the Commodity Credit Corporation to the appropriation item "plant and animal diseases and pest control." This will provide an additional $5 million for the fiscal year ending June 30, 1956. Additionally, this amendment in my bill would authorize the transfer of $25 million for the fiscal year ending June 30, 1957, and $25 million for the fiscal year ending June 30, 1958. The brucellosis control program has made substantial progress up to the present time, and I am firmly convinced that we must provide adequate funds so as to not hinder its future development. At the present time, I understand there is an immediate need for funds, and, consequently, I am hopeful that Congress will be able to promptly approve an additional transfer of funds for this current fiscal year. Beyond that, I hope Congress will see fit to permit an expansion of the program by authorizing an additional transfer of $10 million, making the total $25 million, for the succeeding 2 fiscal years.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3044) to amend the Agricultural Act of 1949, as amended, so as to extend the provisions of section 201 (c) and the provisions of section 202 (a) and (b), relating to the disposition of surplus dairy products, and the provisions of section 204 (e) of the Agricultural Act of 1954 relating to the program for eradication of brucellosis, introduced by Mr. THYE, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

PEA RIDGE BATTLEFIELD NATIONAL PARK, ARK.

Mr. FULBRIGHT. Mr. President, I introduce, for appropriate reference, a bill to provide for the establishment of the Pea Ridge Battlefield National Park in the State of Arkansas. I ask unanimous consent that the bill be printed in the body of the RECORD, together with an article by May C. Downer which was printed in the Southwest Times Record, Fort Smith, Ark., on Sunday, October 9, 1955, entitled "Memorial to the Dead Needed"; and an editorial from the Arkansas Gazette, Little Rock, Ark., entitled "Pea Ridge Park."

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and newspaper articles will be printed in the RECORD.

The bill (S. 3047) to provide for the establishment of the Pea Ridge Battlefield National Park, in the State of Arkansas, introduced by Mr. FULBRIGHT, was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed as follows:

Be it enacted, etc., That the Secretary of the Interior shall acquire, by gift, purchase, condemnation, or otherwise, the lands (together with any improvements thereon) known as the Pea Ridge Battlefield, near Bentonville, Ark., and any other lands adjacent to such battlefield which in his opinion, are necessary or desirable to carry out the purposes of this act.

SEC. 2. (a) The lands acquired under the first section of this act shall be set aside as a public park for the benefit and enjoyment of the people of the United States, and shall be designated as the Pea Ridge Battlefield National Park. The National Park Service, under the direction of the Secretary of the Interior, shall administer, protect, and develop the park, subject to the provisions of the act entitled "An act to establish a National Park Service, and for other purposes," approved August 25, 1916 (39 Stat. 535).

(b) In order to provide for the proper development and maintenance of the park, the Secretary of the Interior shall construct and maintain therein such roads, trails, markers, buildings, and other improvements, and such facilities for the care and accommodation of visitors, as he may deem necessary.

SEC. 3. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

[From the Southwest Times Record, Fort Smith, Ark., of October 9, 1955]

MEMORIAL TO THE DEAD NEEDED—MOVEMENT ON TO INCLUDE PEA RIDGE BATTLEFIELD IN OUR NATIONAL PARK SYSTEM

(By May C. Downer)

Quite a flurry of excitement was noted in northwest Arkansas over the recent announcements that the Pea Ridge Battlefield might become a historical shrine, and that a section of the battlefield might be included in the national park system.

Gov. Orval Faubus has encouraged the idea by appointing a committee to seek Federal funds for this purpose.

This idea is not original as many old timers in Benton County—where was fought on March 6-8, 1862, one of the most important battles between the States—can testify.

More than 25 years ago the plan of converting the Pea Ridge Battlefield into a national park was advocated by both the Northern and Southern survivors of that bloody battle, which many historians have declared one of the most decisive battles of the war.

TWENTY-SIX THOUSAND SOLDIERS

More than 26,000 soldiers were engaged in that battle in which three Confederate generals, W. G. Slack of Missouri, Ben McCulloch, of Texas, and James McIntosh of Arkansas, were killed or fatally injured, and thousands of soldiers killed or wounded and died later.

A bill was introduced by Congressman John N. Tillman of Fayetteville to have $50,000 appropriated for the purchase of the tract where the battle was fought and to create a national park. Although the bill was approved by the full committee and the Committee on Military Affairs, nothing came of the proposal.

The bill had the support of the Pea Ridge National Park Association which was formed in March of 1934, and the late Gov. C. H. Brough who made an extensive campaign through Arkansas, Oklahoma and Missouri to raise $15,000 to match $50,000 in Federal aid for purchase and improvement of the proposed park. Everyone praised the idea but financial support was lacking.

Members of that Pea Ridge Park Association were Capt. C. L. Pickens, Bentonville, president; J. M. Putman, Pea Ridge, vice president; Mrs. Elliott R. Berry, Bentonville, secretary; Claude Duty, Rogers, assistant secretary; Roland D. Judd, Rogers, executive secretary; and J. S. Elder, Rogers, treasurer.

HISTORY WELL KNOWN

Every person who has studied the history of the United States is familiar with the account of the battle of Pea Ridge. There is no need to tell of that battle, which was then Leestown, a small trading post, and 1 mile north of Elk Horn tavern, the place that later was to become nationally known as the headquarters of Union officers who confiscated the building early in the engagement.

Elk Horn tavern was owned by Joe Cox and his young bride, Lucy who took refuge in the basement, and were terrified by the sound of the battle, the cries of the wounded, a number of whom were brought into the building to await transfer to hospitals in other States. Mrs. Cox said the moans of the men, the scraping feet of the officers, the discharge of the guns were nightmares throughout her passing years.

Winston Springs, near the scene of the battle, came in for a share of publicity. Both armies fought bitterly for their possession since they were the main source of drinking water. A small stream fed by the springs ran near the scene of the fighting and kept at least one wounded Union soldier alive for 2 days before he was found by his Irish buddy. With a broken leg and other wounds, he had managed to crawl to the edge of the stream, and cupped the cold water on his face and into his mouth.

REVISITED BATTLEFIELD

Long years later with his two daughters he visited the battlefield during a Blue and Gray Reunion. He then was living in Chicago and had acquired considerable wealth. His daughters said he had many times expressed a desire to return to the place where he had nearly died.

Together the three told the writer this incident: When the man was wounded he was left for dead. When he was found among the dying and dead by his buddy, he was ordered to be taken to Cassville, Mo., the nearest point for surgery which meant in those days amputation of the leg, the quickest way to heal—or else.

The young soldier made his buddy swear that he would not permit surgeons to amputate the leg. Arriving in Cassville in an oxen-drawn cart, the orderlies were told to place the man on the table. His Irish friend armed with the oxen yoke dared any knife to be laid on the man. None was.

Somehow the man recovered and 50 years later was in perfect health with only a slight

lameness as he walked over the Pea Ridge battleground.

Elk Horn Tavern was given back to its owners who lived there many years. The place was converted into a show place where thousands of persons from all parts of the United States have come to look over the now peaceful land, once the scene of what has been termed the fiercest battle fought west of the Mississippi during the War Between the States.

WALNUT TREE POPULAR

One of the sights the tourist always visits is the old walnut tree, a stone's throw from Elk Horn Tavern.

The tree, then a healthy young sapling, stood in line of the battle at one point. Every limb was shorn from its trunk. The next year a few shoots came out, then more as the years went by. Until 2 or 3 years ago, the lordly old tree was among the largest in the area. Hundreds of bushels of walnuts have been picked from the tree, and almost everyone who comes during the fall season goes away with a souvenir. If trees could talk, how much that tree—now almost a century old—could tell.

The tourist sees on the hillside just above the tavern two monuments to the men who died on that battlefield or died later from wounds received during the battle.

On the pedestal of one are the following inscriptions: "Gen. W. G. Slack of Missouri; on the west—Gen. Ben McCulloch of Texas; on the south—Gen. James McIntosh of Arkansas." And on the east—"To the Brave Confederates Who Fell on This Field March 7 and 8, 1862."

ALSO SOME VERSE

On the marble block beneath is inscribed the following: "Oh, give me a land where the ruins are spread, and the living tread light on the hearts of the dead;

"Yes, give me a land that is blest by the dust, and bright with the deeds of the downtrodden just.

"Oh, give me the land with a grave in each spot, and names in the grave that shall not be forgot.

"Yes, give me the land of the wreck and the tomb; There is grandeur in graves, there is glory in gloom.

"The graves of our dead, with green overgrown, may yet form the footstool of Liberty's throne, and each single wreck in the warpath of might shall yet be a rock in the temple of right."

Nearby is the other monument with a handshake inscribed on its side, representing the united and friendly North and South.

SIGNS OF DECAY

There are signs of decay about the place. One little old lady, Mrs. Randy Scott, daughter of Joe and Lucy Cox and now 90 years old, and her invalid daughter, Mrs. Lottie Doke, live in the big old house. Both are too feeble to keep it up as they would like to, but they are gracious hostesses to the tourist who passes that way. For a dime one may go through the rooms, and see some of the most priceless relics and antiques. One can walk down the narrow path and look at the walnut tree that, like the owners, has lost some of its beauty. One of the longest limbs of the tree was blown off, but it is still graceful with its dark green leaves. Singing birds build their nests there year after year.

Someone has said, "Poor is the land which has no heroes, but beggered is the land which having them forgets."

Those who fought and died on the Pea Ridge battlefield should not be forgot, neither the Blue nor the Gray, for each fought for the cause each believed was right, and even at this late hour, it is fitting that they be honored.

It is hoped that Governor Faubus who is a native of northwest Arkansas, will be able to start the machinery moving that will eventually perpetuate their memory, by building a National park on the old battlefield.

[From the Arkansas Gazette, Little Rock, Ark.]

A PEA RIDGE PARK

The movement to have the Pea Ridge battlefield in Benton County designated as a national park brings to mind some important Civil War history which was written there by men of the Blue and the Gray 94 years ago come March 6–8. At Pea Ridge was fought the first battle in Arkansas between Confederate and Union armies. Although the size of the forces was comparatively small the engagement was one of the most decisive west of the Mississippi River.

Gen. Samuel R. Curtis and his 20,000 Federal troops were moving southward from Springfield, Mo. Gen. Earl Van Dorn, with 15,000 Confederate troops—described as "ill trained"—attacked at Pea Ridge with the hope of destroying the invaders. Casualty records show 402 of Curtis' men killed, 800 wounded, and 300 captured while Confederate losses were 185 killed, 525 wounded, and 300 missing. The South also lost three generals in the engagement, Ben McCulloch and James L. McIntosh killed and W. Y. Slack mortally wounded. General Curtis moved on southeastward into Arkansas with little more than minor opposition in skirmishes at Salem, Spring River, Talbott's Ferry, Searcy, Smithville, and St. Charles.

There are many interesting historical aspects to the Pea Ridge battle, one being the fact that a Cherokee Indian brigade of Confederates under Gen. Albert Pike came over from Oklahoma for the fight.

The battlefield is located in one of the most scenic areas in the Nation, one which attracts tourists and other visitors from many States. It would be a fitting thing if the Government would designate the battleground as a national park and assist in preserving it for the benefit of the American public.

AMENDMENT OF CONSTITUTION RELATING TO BALANCING THE BUDGET

Mr. BYRD. Mr. President, the Federal Government has operated in the red for a quarter of a century. If the budget is balanced this year, it will be by inadvertence; Federal officials underestimated revenue from last year's business boom. Expenditures are increasing.

The terrible Federal debt is at or near its all-time peak, and the President has said he will ask for an extension of the $281 billion ceiling for next year.

The administration has brought in a budget requesting appropriations $9 billion higher than total appropriations provided for fiscal 1955. Unexpended balances remaining to be spent out of old appropriations, as of next July 1, are estimated at $74.6 billion. These balances, together with $66.3 billion new appropriations requested by the President, would make a total of approximately $141 billion available for expenditure by Federal agencies as of the beginning of the coming fiscal year.

Once appropriations are made, for all practical purposes, the rate of expenditure from these balances cannot be controlled by Congress under present procedures.

The Senator from New Hampshire [Mr. BRIDGES] ranking minority member of the Senate Appropriations Committee, and I, introduce, for appropriate reference, a joint resolution proposing a constitutional amendment which would require Congress to stay in session each year until it has produced a balanced budget by reduction in expenditures, increased revenue, or both and would require the President to submit budgets within the estimates of revenue.

The amendment, of course, would make exceptions of national emergency situations, such as war.

The PRESIDENT pro tempore. The joint resolution will be received and appropriately referred; and, without objection, the joint resolution will be printed in the RECORD.

The joint resolution (S. J. Res. 126) proposing an amendment to the Constitution of the United States relative to the balancing of the budget, introduced by Mr. BYRD (for himself and Mr. BRIDGES), was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is hereby proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States:

"ARTICLE —

"SECTION 1. On or before the 15th day after the beginning of each regular session of the Congress, the President shall transmit to the Congress a budget which shall set forth his estimates of the receipts of the Government, other than trust funds, during the ensuing fiscal year under the laws then existing and his recommendations with respect to expenditures to be made from funds other than trust funds during such ensuing fiscal year, which shall not exceed such estimate of receipts. If the Congress shall authorize expenditures to be made during such ensuing fiscal year in excess of such estimated receipts, it shall not adjourn for more than 3 days at a time until action has been taken necessary to balance the budget for such ensuing fiscal year. In case of war or other grave national emergency, if the President shall so recommend, the Congress by a vote of three-fourths of all the Members of each House may suspend the foregoing provisions for balancing the budget for periods, either successive or otherwise, not exceeding 1 year each.

"SEC. 2. This article shall take effect on the first day of the calendar year next following the ratification of this article.

"SEC. 3. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within 7 years from the date of its submission to the States by the Congress."

UNIFICATION OF IRELAND

Mr. DIRKSEN (for himself, Mr. BARRETT, Mr. BEALL, Mr. BENDER, Mr. BUSH, Mr. CHAVEZ, Mr. IVES, Mr. KENNEDY, Mr. KUCHEL, Mr. MANSFIELD, Mr. MCCARTHY, Mr. MURRAY, Mr. O'MAHONEY, Mr. PASTORE, Mr. PURTELL, Mr. MALONE, Mr. LANGER, and Mr. MAGNUSON) submitted the following resolution (S. Res. 192), which

was referred to the Committee on Foreign Relations:

Whereas on June 6, 1919, the United States Senate adopted resolutions favoring self-determination for the people of Ireland and the House of Representatives in the 65th Congress (1919), 3d session, adopted a House Joint Resolution declaring that the people of Ireland should have the right to determine the form of government under which they desire to live, all of which action was influential in securing freedom for 26 of the 32 counties in Ireland; and

Whereas the maintenance of internal peace and security requires settlement of the question of the unification of Ireland; and

Whereas 26 or the 32 counties of Ireland have been successful in securing international recognition for the Republic of Ireland which has as its basic law a constitution modeled upon our own American Constitution; and

Whereas on the 14th day of December 1955 the United Nations by appropriate action admitted the Republic of Ireland into full membership into the United Nations with all the duties and responsibilities which go with such membership: Now, therefore, be it

Resolved, That it is the sense of the Senate that the Republic of Ireland should embrace the entire territory of Ireland unless a clear majority of all of the people of Ireland in a free plebiscite determine and declare to the contrary.

ADDITIONAL FUNDS FOR COMMITTEE ON LABOR AND PUBLIC WELFARE

Mr. HILL, from the Committee on Labor and Public Welfare, reported the following original resolution (S. Res. 193), which was placed on the calendar:

Resolved, That the Committee on Labor and Public Welfare is hereby authorized to expend from the contingent fund of the Senate, during the 84th Congress, $15,000 in addition to the amount, and for the same purpose, specified in section 134 (a) of the Legislative Reorganization Act approved August 2, 1946.

ADDITIONAL TEMPORARY CLERICAL ASSISTANTS FOR COMMITTEE ON LABOR AND PUBLIC WELFARE

Mr. HILL, from the Committee on Labor and Public Welfare, reported the following original resolution (S. Res. 194), which was placed on the calendar:

Resolved, That the Committee on Labor and Public Welfare is authorized, from February 1, 1956, through January 31, 1957, to employ four additional clerical assistants to be paid from the contingent fund of the Senate at rates of compensation to be fixed by the chairman in accordance with section 202 (e), as amended, of the Legislative Reorganization Act of 1946, and the provisions of Public Law 4, Eightieth Congress, approved February 19, 1947, as amended.

PRINTING OF BIENNIAL REPORT OF CONVENTION OF AMERICAN INSTRUCTORS OF THE DEAF

Mr. JENNER submitted the following resolution (S. Res. 195), which was referred to the Committee on Rules and Administration:

Resolved, That the report of the proceedings of the 37th biennial meeting of the Convention of American Instructors of the Deaf, held at West Hartford, Conn., June 26 to July 1, 1955, be printed, with illustrations, as a Senate document.

AMENDMENT OF SOCIAL SECURITY ACT—AMENDMENT

Mr. LONG. Mr. President, I submit an amendment, intended to be proposed by me, to the bill (H. R. 7225) to amend title II of the Social Security Act to provide disability insurance benefits for certain disabled individuals who have attained age 50, to reduce to age 62 the age on the basis of which benefits are payable to certain women, to provide for continuation of child's insurance benefits for children who are disabled before attaining age 18, to extend coverage, and for other purposes. The bill is presently pending before the Finance Committee. I would further like to explain that the purpose of my amendment is to continue the so-called McFarland amendment. Senators will recall that some years ago the then majority leader, the Senator from Arizona, Mr. McFarland, proposed an amendment which would require the Federal Government to match an additional $5 in providing old-age pensions to needy persons. That has subsequently been extended. I believe it will expire some time in the latter part of this year. Obviously, Mr. President, that matching should continue, because the States are in no position to raise the additional funds necessary. It seems to me that inasmuch as we have provided additional social-security benefits already, and are undertaking to provide additional social-securty benefits again for those who are drawing social security, we should undertake to do something for the needy of the Nation. So far during the Eisenhower administration nothing whatever has been done to improve the condition of needy individuals of this country.

The amendment which I am submitting, in addition to extending the McFarland amendment, would require the Federal Government to contribute an additional $5. I have in mind the aged needy. I have made some study of the cost of the proposal, which reveals that it would cost approximately $77 million for the first year. It seems to me it is a small enough contribution to make toward improving the condition of the needy of this land.

Mr. PURTELL. Mr. President, will the Senator from Louisiana yield for a question?

Mr. LONG. I yield.

Mr. PURTELL. Has the Senator completely overlooked the amendment to the Social Security Act under the Eisenhower administration with reference to farmers?

Mr. LONG. I said, the needy.

Mr. PURTELL. Does the Senator hold that it was not because of the needy in the social-security field?

Mr. LONG. Of course, that does not help any of the farmers who are over the age of 65 today. It helps only those who are able to pay the social-security tax. We should give the needy a further benefit. So far they have not had that benefit. While the Eisenhower administration has done something for the needy already, the Senator will perhaps agree that we should do more.

Mr. PURTELL. I am glad the Senator remembers that the administration has done something.

Mr. LONG. So far, the recipients have had to pay more taxes in the hope that the Federal Government would make a greater contribution to the welfare program.

There being no objection, the amendment was received, referred to the Committee on Finance, and ordered to be printed.

EXTENSION OF POLIOMYELITIS VACCINATION ASSISTANCE ACT OF 1955—ADDITIONAL COSPONSORS OF BILL

Mr. HILL. Mr. President, on January 19, 1956, I introduced the bill (S. 2990) to extend through June 30, 1957, the duration of the Poliomyelitis Vaccination Assistance Act of 1955. I ask unanimous consent that the names of the Senator from Montana [Mr. MURRAY], the senior Senator from New York [Mr. IVES], the Senator from West Virginia [Mr. NEELY], the Senator from Connecticut [Mr. PURTELL], the Senator from Illinois [Mr. DOUGLAS], the Senator from Arizona [Mr. GOLDWATER], the junior Senator from New York [Mr. LEHMAN], the Senator from Ohio [Mr. BENDER], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Colorado [Mr. ALLOTT], and the Senator from Michigan [Mr. MCNAMARA] may be added as additional cosponsors of the bill, the next time it is printed.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. CLEMENTS:

Proceedings in the ceremonies sponsored by the Christopher Gist Historical Society of the Covington and Newport area in Kentucky, held to commemorate the memory of Hon. John White Stevenson, including address delivered by Senator CLEMENTS.

By Mr. MARTIN of Pennsylvania:

Address delivered by him before the 41st annual meeting of the American Association of State Highway Officials at New Orleans, La., on December 6, 1955.

By Mr. WILEY:

Address delivered by him before Green Bay, Wis., Junior Chamber of Commerce January 22, 1956, on the subject of the need for youthful spirit in Government and private affairs.

Excerpts from a broadcast by him over radio station WTMJ, Milwaukee, Wis., January 22, 1956, on the subject of raising the parity level of dairy products to that of the six basic commodities.

Address delivered by Secretary of Commerce Sinclair Weeks at the Milwaukee salute-to-Ike dinner, January 20, 1956.

By Mr. JENNER:

News releases issued by him as follows: December 19, 1955, Package Deal on New U. N. Members; December 20, 1955, Yugoslavia in the Security Council; and Decem-

ber 30, 1955, the Committee for an Effective Congress.

By Mr. BUTLER:

Article entitled "The Challenge of Political Courage," written by Senator KENNEDY, and published in the New York Times magazine section of December 18, 1955.

SALUTE TO EISENHOWER

Mr. BUTLER. Mr. President, on Friday last the people of America joined with the Republican Party in honoring our beloved President, Dwight D. Eisenhower. As an expression of tribute to him the salute-to-Eisenhower affairs thoughout the Nation bespoke the feelings of all of our citizens. This atmosphere is reflected in a fine editorial which appeared in the New York Herald Tribune on Sunday, January 22, 1956, which I ask to have printed in the body of the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE LARGEST TOWN MEETING

The great salute to Eisenhower which brought a nation together for what the President called the flying minutes of this electronic tour was deeply impressive on many levels.

From a purely technical standpoint it was a spectacular feat, displaying the ability of modern communications to join all parts of a vast and complex land in a common experience. With 49 gatherings, widely separated in space, spanning a continent, yet linked by the greatest closed circuit television network in history, the salute became what Republican National Chairman Leonard W. Hall called the largest and most significant town meeting in this country's history.

On the political level, this triumph of technology enabled the Republican Party to demonstrate its vigor and unity. Around the central figure of the President, the members of his Cabinet, his party associates, his friends in every section of the Nation, developed a composite picture of what 3 years of Mr. Eisenhower's administration have meant in terms of an evolving party faith that goes beyond partisanship. As Mr. Stassen said in St. Louis, the President's actions have never been motivated by "what is separately and narrowly good for management or for labor, or for any special interest, alone." Using the single yardstick, what is good for America, the President has rebuilt and revitalized the Republican Party.

Thus the technical and political aspects of the salute focus on a fundamental reality: the ideas and ideals which President Eisenhower represents.

Foremost of these, as virtually every speaker emphasized on Friday night, is peace. "Never before in history has a man stricken with illness had the fervent prayers for his recovery from so many millions of people all over the world," said Mr. Humphrey in New York. "One reason for this great attachment of so many millions to our President is the fact that he has become a symbol for peace." And Mr. Dewey in Baltimore gave a concrete example. Quoting an Indian newspaper which "has rarely been kindly in its comments on the United States," Mr. Dewey read from its summary on the Geneva conference: "President Eisenhower arrived at the meeting at the Summit and by sheer force of personal character he dragged all the others up to the summit with him."

This force for peace which Mr. Eisenhower has exerted is not one of personality alone. In Mr. Humphrey's words, "his high ideals are firmly rooted on the solid foundation of practicality." In international affairs, that means strength, military and economic, at home and among the Nation's allies; it means imaginative leadership in presenting constructive plans for lessening the strains of the global conflict between East and West, recognizing the power of peaceful change in an evolving world situation. No contemporary statesman, as Mr. Sherman Adams said in Hartford, "has known more of the world's troubles" than Mr. Eisenhower, "or is better equipped to deal with them."

In the domestic program of the Eisenhower administration, prosperity, greater freedom and increased "protection from the ravages of adversity" are the points cited by Mr. Humphrey as cardinal. The Secretary of the Treasury laid special emphasis upon avoiding both inflation and deflation, to induce the private investment needed for continuing economic growth and preserve the advantages of prosperity. Mr. Benson, in Houston, warned against attempts "to place agriculture on the auction block" and asserted that the President's farm program "is right for the farmers and it is right for America."

Ambassador Henry Cabot Lodge, in Pittsburgh, cited progress toward ending segregation and discrimination because of race and color; Mr. CASE spoke of the President's "forward-looking proposals for aid in school construction, for flood control, aid to economically depressed areas, new highways throughout the country, improved social security and housing." Mr. Dewey praised the "new and refreshing faith in the American people" which the Eisenhower administration has brought to our Government, whereby "price controls, wage controls and a monumental bureaucracy were lifted from the backs of our people." Vice President NIXON spoke, in Chicago, of "the millions of American wage earners who have made the greatest gains in the history of labor under President Eisenhower's fair and friendly policy."

All of these achievements represent a great cause, and a challenge. The principles for which President Eisenhower stands must be firmly rooted into the structure of American Government. How could that be better done than by Mr. Eisenhower himself?

In his moving response to the salute, the President pledged that "in whatever capacity I shall serve, I shall support with all my strength the foreign and domestic programs for America that have been the guide of us all these past 3 years." It is certain that he will continue to work, in the future as in the past, "to convert the uneasy peace in which we live to one that is genuine, based on the great moral principles of justice and right"; that he will endeavor to make the Republican Party "an instrument for genuine service, united in its devotion to a program that preserves intact the vital principles of the American creed."

His future part, "whether to be a candidate for your nomination or a worker in the ranks," remains undecided. The President expressed the devout wish that "there were some method by which the American people could, under the circumstances, point out the path of my true duty." If "the largest town meeting" could not do that, it could, and did, give voice to the earnest hope of the American people that the President will feel morally able to continue in the greater role. It is a hope that will be fervent in the hearts of Americans and freemen everywhere during the days ahead.

THIRTY-EIGHTH ANNIVERSARY OF UKRAINIAN INDEPENDENCE

Mr. IVES. Mr. President, on January 22 our fellow citizens of Ukrainian descent commemorated the 38th anniversary of the independence of the Ukraine. It is a privilege to join with them in taking note of this historic occasion. The gallant Ukrainian people were among the first to fall prey to the ruthless Communist tyranny. Despite decades of subjugation and suffering, the struggle for freedom and independence continues in this brave land. On the anniversary of their independence day we reaffirm our support for the valiant people of the Ukraine as they look forward to the day of liberation from Communist imperialism.

PRESENTATION OF 1956 CIVIC ACHIEVEMENT AWARD TO MISS AGNES JACOBS

Mr. PURTELL. Mr. President, on Monday evening of this week it was my pleasure to attend the annual dinner of the Danielson, Conn., Chamber of Commerce. The feature of the dinner was the presentation of the 1956 civic achievement award to Miss Agnes Jacobs who has been a teacher in the Killingly school system for 39 years.

The presentation of the award was an inspiring event. Gathered to pay Miss Jacobs honor were many of her former pupils who have become outstanding citizens of the community and State.

There have been no statues or monuments erected to honor Miss Jacobs or the hundreds of others like her who have served so devotedly as members of the teaching profession. Yet their work has been immortalized in the influence they have wrought upon their pupils and which has been passed on to and felt by succeeding generations. Their great work has been symbolized through monuments of the spirit which will outlast by many, many years any soaring statues of stone. The presence of so many of her former pupils at the dinner was a most impressive monument.

This was a heartfelt tribute to a woman who has unselfishly served her community and its children for almost 40 years. In addition, Miss Jacobs has been most active in church and civil affairs. Hers, truly, has been a life of service to others.

In paying honor to Miss Jacobs, I feel the chamber of commerce also paid tribute to the thousands of unselfish, devoted schoolteachers in the State of Connecticut and throughout our country. These dedicated men and women in our public, parochial, and private schools, in our colleges and universities have a most sacred trust and responsibility. For it is to them that the Americans of tomorrow look for guidance. They are, in fact, shapers of the American destiny.

I want to take this occasion to pay my respects to Miss Jacobs and through her to the teachers of my own State of Connecticut and this Nation.

EXECUTIVE SESSION

The PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

Under the order previously entered, the Senate will now proceed to the consideration of executive business for action on the two treaties on the executive calendar.

The Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. HILL, from the Committee on Labor and Public Welfare:

Francis A. O'Neill, Jr., of New York, to be a member of the National Mediation Board; and

John C. Hume, and sundry other candidates, for personnel action in the regular corps of the Public Health Service.

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce:

Harold Chadwick McClellan, of California, to be an Assistant Secretary of Commerce.

Rupert L. Murphy, of Georgia, to be an Interstate Commerce Commissioner; and

Ira T. Sanders, and sundry other persons, for permanent appointment in the Coast and Geodetic Survey.

By Mr. POTTER, from the Committee on Interstate and Foreign Commerce:

Frederick Henry Mueller, of Michigan, to be an Assistant Secretary of Commerce.

By Mr. BRICKER, from the Committee on Interstate and Foreign Commerce:

Robert W. Minor, of Ohio, to be an Interstate Commerce Commissioner, vice J. Haden Alldredge, retired.

PROTOCOL AMENDING THE SLAVERY CONVENTION; PROTOCOL MODIFYING THE CONVENTION CONCERNING CREATION OF AN INTERNATIONAL UNION FOR THE PUBLICATION OF CUSTOMS TARIFFS

The PRESIDENT pro tempore. If there be no further reports of committees, the Chair lays before the Senate two protocols, Executive F (83d Cong., 2d sess.), and Executive P (82d Cong., 2d sess.).

Mr. CLEMENTS. Mr. President, I ask unanimous consent that the two protocols be considered en bloc, and that after they have passed through their regular parliamentary stages and the resolutions of ratification have been reported and debate has been concluded, a yea-and-nay vote be taken on the question of advising and consenting to the ratification of Executive F, 83d Congress, 2d session, and that the second protocol, Executive P, 82d Congress, 2d session, be deemed to have been ratified or rejected, as the case may be, by the same vote.

The PRESIDING OFFICER (Mr. MURRAY in the chair). Is there objection to the unanimous-consent request? The Chair hears none, and it is so ordered.

The Senate, as in Committee of the Whole, proceeded to consider, en bloc, the following protocols:

Executive F, 83d Congress, 2d session, a protocol amending the slavery convention signed at Geneva on September 25, 1926, which was opened for signature at the headquarters of the United Nations, New York, on December 7, 1953, and was signed on behalf of the United States of America on December 16, 1953.

Executive P, 82d Congress, 2d session, a protocol, signed at Brussels under date of December 16, 1949, modifying the convention of July 5, 1890, concerning the creation of an International Union for the Publication of Customs Tariffs, the regulations for the execution of the convention instituting an International Bureau for the Publication of Customs Tariffs, and memorandum of signature.

The protocols were severally read the second time, as follows:

PROTOCOL AMENDING THE SLAVERY CONVENTION SIGNED AT GENEVA ON 25 SEPTEMBER 1926

The States Parties to the present Protocol,

Considering that under the Slavery Convention signed at Geneva on 25 September 1926 (hereinafter called "the convention") the League of Nations was invested with certain duties and functions, and

Considering that it is expedient that these duties and functions should be continued by the United Nations.

Have agreed as follows:

ARTICLE I

The States Parties to the present Protocol undertake that as between themselves they will, in accordance with the provisions of the Protocol, attribute full legal force and effect to and duly apply the amendments to the Convention set forth in the annex to the Protocol.

ARTICLE II

1. The present Protocol shall be open for signature or acceptance by any of the States Parties to the Convention to which the Secretary-General has communicated for this purpose a copy of the Protocol.

2. States may become Parties to the present Protocol by:

(a) Signature without reservation as to acceptance;

(b) Signature with reservation as to acceptance, followed by acceptance;

(c) Acceptance.

3. Acceptance shall be effected by the deposit of a formal instrument with the Secretary-General of the United Nations.

ARTICLE III

1. The present Protocol shall come into force on the date on which two States shall have become Parties thereto, and shall thereafter come into force in respect of each State upon the date on which it becomes a Party to the Protocol.

2. The amendments set forth in the annex to the present Protocol shall come into force when twenty-three States shall have become Parties to the Protocol, and consequently any State becoming a Party to the Convention, after the amendments thereto have come into force, shall become a Party to the Convention as so amended.

ARTICLE IV

In accordance with paragraph 1 of Article 102 of the Charter of the United Nations and the regulations pursuant thereto adopted by the General Assembly, the Secretary-General of the United Nations is authorized to effect registration of the present Protocol and of the amendments made in the Convention by the Protocol on the respective dates of their entry into force and to publish the Protocol and the amended text of the Convention as soon as possible after registration.

ARTICLE V

The present Protocol, of which the Chinese, English, French, Russian and Spanish texts are equally authentic, shall be deposited in the archives of the United Nations Secretariat. The texts of the Convention to be amended in accordance with the annex being authentic in the English and French languages only, the English and French texts of the annex shall be equally authentic, and the Chinese, Russian and Spanish texts shall be translations. The Secretary-General shall prepare certified copies of the Protocol, including the annex, for communication to States Parties to the Convention, as well as to all other States Members of the United Nations. He shall likewise prepare for communication to States, including States not Members of the United Nations, upon the entry into force of the amendments as provided in article III, certified copies of the Convention as so amended.

In witness whereof the undersigned, being duly authorized thereto by their respective Governments, signed the present Protocol on the date appearing opposite their respective signatures.

Done at the Headquarters of the United Nations, New York, this seventh day of December one thousand nine hundred and fifty-three.

ANNEX TO THE PROTOCOL AMENDING THE SLAVERY CONVENTION SIGNED AT GENEVA ON 25 SEPTEMBER 1926

In article 7 "the Secretary-General of the United Nations" shall be substituted for "the Secretary-General of the League of Nations".

In article 8 "the International Court of Justice" shall be substituted for "the Permanent Court of International Justice", and "the Statute of the International Court of Justice" shall be substituted for "the Protocol of December 16th, 1920, relating to the Permanent Court of International Justice".

In the first and second paragraphs of article 10 "the United Nations" shall be substituted for "the League of Nations".

The last three paragraphs of article 11 shall be deleted and the following substituted:

"The present Convention shall be open to accession by all States, including States which are not Members of the United Nations, to which the Secretary-General of the United Nations shall have communicated a certified copy of the Convention.

"Accession shall be effected by the deposit of a formal instrument with the Secretary-General of the United Nations, who shall give notice thereof to all States Parties to the Convention and to all other States contemplated in the present article, informing them of the date on which each such instrument of accession was received in deposit."

In article 12 "the United Nations" shall be substituted for "the League of Nations".

For Afghanistan:
For Australia:
W. D. FORSYTH, 9th December 1953.
For Austria:
Sous réserve de ratification
HEINRICH HAYMERLE.
For the Kingdom of Belgium:
For Bulgaria:
For the Union of Burma:
For Canada:
DAVID M. JOHNSON, 17 Dec. 1953.
For China:
Subject to ratification
CHING LIU HSIA.
For Cuba:
For Czechoslovakia:
For Denmark:
For Ecuador:
For Egypt:
For Finland:
For France:
Sous réserve de ratification
HENRI HOPPENOT, 14 janvier 1954.
For Greece:
Subject to ratification
ALEXIS KYROU.

For Haiti:
For Hungary:
For India:
For Indonesia:
For Iraq:
For Ireland:
For Italy:
For Lebanon:
For Liberia:

EDWIN A. MORGAN.

For Mexico:
For Monaco:
For the Kingdom of the Netherlands:
Sous réserve de ratification
D. J. VON BALLUSECK, 15 Déc. 1953.
For New Zealand:
L. K. MUNRO, 16 December 1953.
For Nicaragua:
For the Kingdom of Norway:
For Poland:
For Portugal:
For Romania:
For Sweden:
For Switzerland:

A. LINDT.

For Syria:
For Turkey:
For the Union of South Africa:
JORDAAN, 29 Dec. 1953.

For the United Kingdom of Great Britain and Northern Ireland:

EVELYN EMMET.

For the United States of America:
Subject to acceptance
HENRY CABOT LODGE, Jr., December 16, 1953.
For Yugoslavia:
Certified true copy
For the Secretary-General:
YUEN-LI LIANG,
Acting Principal Director in charge of the Legal Department.

PROTOCOL

MODIFYING THE CONVENTION OF JULY 5, 1890, CONCERNING THE CREATION OF AN INTERNATIONAL UNION FOR THE PUBLICATION OF CUSTOMS TARIFFS, THE REGULATIONS FOR THE EXECUTION OF THE CONVENTION INSTITUTING AN INTERNATIONAL BUREAU FOR THE PUBLICATION OF CUSTOMS TARIFFS, AND THE MEMORANDUM OF SIGNATURE, SIGNED AT BRUSSELS, DECEMBER 16, 1949

The Representatives of the signatory Governments,

Convinced of the importance of the work of the International Bureau for the Publication of Customs Tariffs instituted by the Convention of July 5, 1890,

Considering that the funds authorized by the said Convention are not sufficient to enable the Bureau to carry out its task adequately,

Duly authorized, hereby agree to make the following modifications in the Convention of July 5, 1890, Concerning the Creation of an International Union for the Publication of Customs Tariffs and in the Regulations for the Execution of the Convention Instituting an International Bureau for the Publication of Customs Tariffs as well as in the Memorandum of Signature:

Convention of July 5, 1890, Concerning the Creation of an International Union for the Publication of Customs Tariffs.

Articles 8 to 10 are replaced by the following articles:

ARTICLE 8

The annual budget of expenditures of the International Bureau is fixed at the maximum figure of 500,000 gold francs.

ARTICLE 9

With the view of fairly assessing the quotas of the Contracting States, these will be divided, according to the amount of their trade, into seven classes each contributing in the proportion of a certain number of units, namely:

1st class: Countries whose trade regularly amounts to more than 5,000 million gold francs: 53 units.

2nd class: Countries whose trade regularly amounts to from 3,000 to 5,000 million gold francs: 36.5 units.

3rd class: Countries whose trade regularly amounts to from 1,500 to 3,000 million gold francs: 25 units.

4th class: Countries whose trade regularly amounts to from 500 million to 1,500 million gold francs: 20 units.

5th class: Countries whose trade regularly amounts to from 300 to 500 million gold francs: 13 units.

6th class: Countries whose trade regularly amounts to from 100 to 300 million gold francs: 8 units.

7th class: Countries whose trade regularly amounts to less than 100 million gold francs: 3 units.

ARTICLE 10

In regard to countries whose language will not be used by the International Bureau the foregoing figures will respectively be reduced by two-fifths, so that they will stand, namely:

	Units
For the 1st class	at 31.8
For the 2d class	at 21.9
For the 3d class	at 15.
For the 4th class	at 12.
For the 5th class	at 8.
For the 6th class	at 5.
For the 7th class	at 1.

REGULATIONS FOR THE EXECUTION OF THE CONVENTION INSTITUTING AN INTERNATIONAL BUREAU FOR THE PUBLICATION OF CUSTOMS TARIFFS

Articles 7, 8, and 10 are replaced by the following articles:

ARTICLE 7

The amount of the proportional contribution of each State will be returned in the form of subscriptions to the International Journal calculated at the rate of 100 gold francs each.

	Gold francs
A. Salaries of the functionaries and employees of the International Bureau (including an additional 15%)	250,000
B. Expenses of printing and distributing the Customs Journal	180,000
C. Provision for Staff Pensions Fund	25,000
D. Rental aid repair of the premises occupied by the International Bureau, fuel, light, supplies, office expenses, etc	30,000
E. Contingency fund	15,000
Total	500,000

ARTICLE 10

The head of the International Bureau is authorized, subject to the approval of the Minister of Foreign Affairs of Belgium, to carry over to the current year unused sums of the previous year. These sums will so far as they extend be applied towards the formation of a reserve fund intended to provide for contingent expenses, but said reserve fund shall, in no case, exceed 100,000 gold francs. The surplus will if so deemed fit permit the price of subscription to the Journal to be reduced but it shall not be used to increase the number of copies guaranteed by the Contracting States; such surplus may also go towards payment of the expenses involved in translation into another language besides those enumerated in Article 1.

This last-mentioned measure can only be carried out subject to the unanimous assent of the States and Colonies members of the Union.

MEMORANDUM OF SIGNATURE

The Memorandum of Signature annexed to the Convention of July 5, 1890, is replaced by the following text:

The undersigned delegates this day assembled for the purpose of making the necessary modifications in the Convention and Regulations concerning the International Union for the Publication of Customs Tariffs, have exchanged the following declarations:

1. Regarding the classification of the countries of the Union in respect to their quotas in the expenses of the International Bureau (Articles 9, 10 and 11 of the Convention):

The delegates declare that the adhering countries are divided into the following classes and shall respectively be bound to contribute in the proportion of the number of units hereinafter set forth:

	Units
First class:	
Germany	53
United States of America	53
France	53
Great Britain	53
Second class:	
Australia	36.5
Belgium	36.5
Canada	36.5
China	21.9
Italy	36.5
Japan	21.9
Pakistan	21.9
Netherlands	21.9
Sweden	21.9
Indian Union	36.5
U. S. S. R.	21.9
Third class:	
Argentina	25
Brazil	15
Denmark	15
Spain	25
Switzerland	25
Czechoslovakia	15
Union of South Africa	25
Fourth class:	
Austria	20
Chile	20
Colombia	20
Cuba	20
Egypt	12
Finland	12
Greece	12
Iran	12
Mexico	20
Norway	12
Philippines	20
Poland	12
Portugal	12
Rumania	12
Turkey	12
Venezuela	20
Yugoslavia	12
Fifth class:	
Bolivia	13
Bulgaria	8
Hungary	8
Peru	13
Siam	8
Uruguay	13
Sixth class:	
Belgian Congo	5
Iraq	5
Seventh class:	
Albania	1
Costa Rica	3
Dominican Republic	3
Ecuador	3
Haiti	3
Honduras	3
Lebanon	1
Luxembourg	3
Panama	3
Paraguay	3
Syria	1

The amounts of the contributions are established provisionally according to the following table. These contributions shall be revised when circumstances change considerably and in any event before March 31, 1954.

	Yearly contribution (in gold francs)	Number of copies of the Journal to which the adhering countries are entitled
FIRST CLASS		
Germany	26,500	265
United States of America	26,500	265
France	26,500	265
Great Britain	26,500	265
SECOND CLASS		
Australia	18,250	182
Belgium	18,250	182
Canada	18,250	182
China	10,950	110
Italy	18,250	182
Japan	10,950	110
Pakistan	10,950	110
Netherlands	10,950	110
Sweden	10,950	110
Indian Union	18,250	182
U. S. S. R.	10,950	110
THIRD CLASS		
Argentina	12,500	125
Brazil	7,500	75
Denmark	7,500	75
Spain	12,500	125
Switzerland	12,500	125
Czechoslovakia	7,500	75
Union of South Africa	12,500	125
FOURTH CLASS		
Austria	10,000	100
Chile	10,000	100
Colombia	10,000	100
Cuba	10,000	100
Egypt	6,000	60
Finland	6,000	60
Greece	6,000	60
Iran	6,000	60
Mexico	10,000	100
Norway	6,000	60
Philippines	10,000	100
Poland	6,000	60
Portugal	6,000	60
Rumania	6,000	60
Turkey	6,000	60
Venezuela	10,000	100
Yugoslavia	6,000	60
FIFTH CLASS		
Bolivia	6,500	65
Bulgaria	4,000	40
Hungary	4,000	40
Peru	6,500	65
Siam	4,000	40
Uruguay	6,500	65
SIXTH CLASS		
Belgian Congo	2,500	25
Iraq	2,500	25
SEVENTH CLASS		
Albania	500	5
Costa Rica	1,500	15
Dominican Republic	1,500	15
Ecuador	1,500	15
Haiti	1,500	15
Honduras	1,500	15
Lebanon	500	5
Luxembourg	1,500	15
Panama	1,500	15
Paraguay	1,500	15
Syria	500	5

2. Regarding the payment of the contributions to be made by the Contracting Parties:

The delegates declare that the same shall be paid in Brussels during the first quarter of each financial year and in money that is legal tender in Belgium.

Should any of the Contracting Parties leave outstanding more than two yearly contributions, in spite of the reminders addressed to such Party by the Belgian Government, it will be the right of the International Customs Tariff Bureau temporarily to discontinue the dispatch of its publications to said Contracting Party.

The present Protocol shall remain open for signature at the Ministry of Foreign Affairs of Belgium until March 31, 1950, inclusive.

From that date, the present Protocol shall be deposited in the archives of the Belgian Government.

The present Protocol shall enter into force between the States which have signed, notified their acceptance or sent in their ratifications, at such date as the aggregate of their annual contributions to the International Customs Tariff Bureau shall exceed one half of the authorized expenditures of the said Bureau, as specified in the present Protocol.

After the present Protocol has entered into force the States which have not signed the present Protocol or have signed it with a reservation may adhere to it upon request. Such adherence shall be notified through diplomatic channels to the Belgian Government, which in turn shall notify the Governments of each of the other Contracting States; such adherence shall enter into effect thirty days after the dispatch of the notification by the Belgian Government.

Done at Brussels, in a single copy, on the 16th day of December 1949.

For Germany: Federal Republic of Germany initialed subject to approval by the Allied High Commission for Germany.

Dr. LUDWIG IMHOFF.

For Argentina:
Ad referendum.

E. MOSS.

For Australia:

J. P. QUINN.

For Austria:

K. FARBOWSKY.

Subject to the definitive consent of the Austrian Government.

For Belgium:

M. SUETENS.

For Bolivia:

For Brazil:
Ad referendum to the Brazilian Parliament.

R. DE LACERDA LAGO.

For Canada:

BRUCE MACDONALD.

For Chile:

For China:

For Colombia:

A. GOMEZ JARAMILLO.

For Denmark:

B. F. FALKENSTJERNE.

For the Dominican Republic:

Dr. T. FRANCO FRANCO.

Ad referendum.

For Egypt:

A. RACHID.

For Spain:

MERRY DEL VAL.
DE MORALES.

For the United States of America:

For Finland:

R. J. NUMELIN.

For France:
ad referendum.

LECUYER.

For Great Britain and Northern Ireland:

G. COCKERHAM.

For Greece:

T.N. TRIANTAFYLLAKOS.

Subject to ratification.

For Haiti:

E. SYLVAIN.

For Iraq:

T. AL-PACHACHI.

For Iran:

For Italy:

E. CACCIALUPI.

For Japan:

T. ISHIDA.

For Lebanon:

J. HARFOUCHE.

For Luxembourg:

J. P. KREMER.

For Mexico:
Ad referendum.

F. A. DE ICAZA.

For Norway:
Subject to ratification.

J. RAEDER.

For Pakistan:

H. ALI.

For the Netherlands:

B. PH. VAN HARINXMA THOE SLOOTEN.

For Sweden:
Subject to approval by Parliament.

G. VON OTTER.

For Switzerland:

A. MARCIONELLI.

For Syria:

For Czechoslovakia:

For Turkey:

For the Union of South Africa:

PH. R. BOTHA.

For the Indian Union:

B. F. H. B. TYABJI.

For Venezuela:

For Yugoslavia:
Subject to subsequent approval.

M. RISTIC.

Certified a true copy.

[SEAL] JUL A. DENOËL,
Chief of the Treaty Service.

BRUSSELS, *May 19, 1950.*

Mr. CLEMENTS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. CLEMENTS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GEORGE. Mr. President, I believe unanimous consent was given to have both treaties considered and voted upon en bloc; I understand that is the effect of the unanimous-consent agreement.

The PRESIDING OFFICER. That is correct.

Mr. GEORGE. Mr. President, the first protocol, which is before the Senate is Executive F, 83d Congress, 2d session.

This protocol is very short and simple. By the Slavery Convention of 1926, to which the United States is a party, the parties undertake to prevent and suppress slave trade in territories under their jurisdiction and to bring about the complete abolition of slavery in all its forms. The convention assigned to the Secretary General of the League of Nations the functions of receiving denunciations and instruments of accession to the convention, of notifying the other parties of these, and of receiving laws and regulations adopted for the purpose of implementing the convention. Since the League of Nations is now defunct, it is necessary to reassign these functions; and by this protocol the Secretary General of the United Nations is designated to perform them.

By the same token, all references to the Permanent Court of International Justice, to which, among others, the function of settling disputes between the parties arising from the convention was assigned, are replaced in the protocol by the International Court of Justice, since the former court is likewise defunct. This change affects the United States position with respect to the article providing for the settlement of disputes, under the 1926 convention. According to its terms, as a nonmember of the Permanent Court of International Justice the United States had the option of referring disputes to which it was a party to courts of arbitration other than the

Permanent Court. Since the United States, however, now is a member of the International Court of Justice, it will be obligated under the terms of the protocol to submit disputes regarding interpretation or application of the slavery convention to that court.

Acceptance of this protocol by the United States is consistent with Senate Resolution 196, by which the Senate in 1946 authorized the President to accept on behalf of the United States the jurisdiction of the International Court of Justice, subject to certain reservations.

The procedural changes made by the protocol follow the pattern set by earlier protocols which invested the Secretary General of the United Nations with similar duties relating to conventions on white-slave traffic, on narcotic drugs, and on the circulation of obscene publications.

Since the United Nations and the parties to the convention are agreed that continued international cooperation for the elimination of slavery is desirable, it is necessary to make these changes in the original convention, so that it may be fully effective.

In summary, Mr. President, this protocol is merely an amendment to the existing Slavery Convention of 1926. As I have stated, the protocol will substitute for the old League of Nations, the United Nations; and also will substitute for the old Permanent Court of International Justice, the new International Court of Justice. The protocol will not add anything in substance to the treaty; it simply is necessary to make the treaty conform with the existing machinery for procedural functions and for the interpretation of the Slavery Convention of 1926.

I may say that the only point raised about this matter was an inquiry, addressed to me, asking whether the protocol is consistent with Senate Resolution 196, by which the Senate in 1946 authorized the President to accept, on behalf of the United States, the jurisdiction of the International Court of Justice, subject to certain reservations. The answer to the question is in the affirmative; it is still a matter for the United States to determine whether any issue arising under this slavery convention will actually be submitted to the Court.

Mr. President, I see no reason for any further explanation of this amendment to the existing treaty, unless some Senator has a question to ask.

Mr. President, the second protocol which will be covered by the one vote is Executive P, 82d Congress, 2d session.

The purpose of this protocol is to correct the long-standing inadequacy in the financing of the International Bureau for the Publication of Customs Tariffs. As all of us know, it is necessary to translate the tariff laws and the money terms used by many countries, in order that tariff laws and duties may be properly understood by other countries. This is done by this International Bureau.

The Bureau was established in 1890 with a budget ceiling of 125,000 gold francs, equivalent to $40,838. This amount was raised by assessments on member nations according to the amount of their foreign commerce, the United States being assessed about $2,233 a year, along with other major trading nations. With rising costs and increasing work due to extensive postwar tariff negotiations, the budget ceiling and assessments became completely inadequate to support the work of the Bureau. In 1949, therefore, the protocol now before the Senate was negotiated, raising the ceiling to 500,000 gold francs, or about $163,350, and the United States contribution to $8,658. This is an increase of about $6,400 a year, and constitutes approximately 5.3 percent of total membership assessments.

In recommending the protocol to the Senate, the Foreign Relations Committee weighed carefully the benefits derived by the United States, and concluded that these amply justified the increased contribution.

The Bureau, located in Belgium, collects, translates, publishes, and distributes to its members the tariff schedules, regulations, and laws of all the members. The United States receives 100 copies of each item, which are used extensively by Government agencies concerned with tariffs. The Department of Commerce in particular finds them extremely useful in answering inquiries of United States businessmen interested in exporting, and in giving out general information on foreign countries.

The Bureau employs about 20 skilled translators. Since in the United States such translators would command a salary of about $9,000, it would cost over $100,000 to duplicate the work of the Bureau, according to Department of Commerce estimates. In other words, for the price of our increased contribution to the International Bureau for the Publication of Customs Tariffs, we could barely hire one translator to do the same work.

The protocol has been in force since 1950, with respect to the nations which have acceded to or ratified it. Since that date, our Government has continued to receive the services of the Bureau, while still contributing only $2,233, according to the old scale of assessments. It would seem only equitable that the Appropriations Committees at the proper time consider payment of the increased assessment as of the effective date of the protocol.

The work of the International Bureau is clearly of considerable benefit to the United States, and it is equally clear that it cannot be adequately financed on scales adopted in 1890. I urge the Senate, therefore, to give its advice and consent to ratification of the protocol.

If there are no questions, I think the vote might now be taken, one vote determining both issues.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. KNOWLAND. As I understand, both of these treaties were reported unanimously from the Committee on Foreign Relations.

Mr. GEORGE. Both treaties were reported unanimously from the committee. There was no dissent. I had the impression that an amendment had been offered to the latter treaty, but I am mistaken. That amendment was offered to a treaty which is still before the committee.

Mr. KNOWLAND. Mr. President, if there is no further discussion, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. McNAMARA in the chair). Without objection, it is so ordered.

If there be no objection, the protocols will be considered as having passed through their various parliamentary stages up to and including the presentation of the respective resolutions of ratification.

The resolutions of ratification will be read.

The resolutions of ratification to Executive F, 83d Congress, 2d session, and to Executive P, 82d Congress, 2d session, were read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive F, 83d Congress, 2d session, a protocol, amending the slavery convention signed at Geneva on September 25, 1926, which was opened for signature at the headquarters of the United Nations, New York, on December 7, 1953, and was signed on behalf of the United States of America on December 16, 1953.

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive P, 82d Congress, 2d session, a protocol, signed at Brussels under date of December 16, 1949, modifying the convention of July 5, 1890, concerning the creation of an International Union for the Publication of Customs Tariffs, the regulations for the execution of the convention instituting an International Bureau for the Publication of Customs Tariffs, and memorandum of signature.

The PRESIDING OFFICER. The yeas and nays having been previously ordered, the Secretary will call the roll.

The legislative clerk called the roll.

Mr. CLEMENTS. I announce that the Senator from Texas [Mr. JOHNSON] is necessarily absent.

The Senator from Georgia [Mr. RUSSELL] is absent because of illness.

I further announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Florida [Mr. SMATHERS], and the Senator from Alabama [Mr. SPARKMAN] are absent on official business.

On this vote, the Senator from New Mexico [Mr. CHAVEZ], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Texas [Mr. JOHNSON], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Georgia [Mr. RUSSELL], the Senator from Florida [Mr. SMATHERS], and the Senator from Alabama [Mr. SPARKMAN] if present would each vote "yea."

Mr. SALTONSTALL. I announce that the Senator from New Hampshire [Mr. BRIDGES], the Senator from Kansas [Mr. CARLSON], and the Senator from Arizona [Mr. GOLDWATER] are necessarily absent.

The Senator from Colorado [Mr. MILLIKIN] is absent because of illness.

If present and voting, the Senator from New Hampshire [Mr. BRIDGES], and the Senator from Kansas [Mr. CARLSON] would each vote "yea."

The yeas and nays resulted—yeas 84, nays 0, as follows:

YEAS—84

Aiken	Frear	McClellan
Allott	George	McNamara
Anderson	Gore	Monroney
Barkley	Green	Morse
Barrett	Hayden	Mundt
Beall	Hennings	Murray
Bender	Hickenlooper	Neely
Bennett	Hill	Neuberger
Bible	Holland	O'Mahoney
Bricker	Hruska	Pastore
Bush	Humphrey	Payne
Butler	Ives	Potter
Byrd	Jackson	Purtell
Capehart	Jenner	Robertson
Case, N. J.	Kennedy	Saltonstall
Case, S. Dak.	Kerr	Schoeppel
Clements	Kilgore	Scott
Cotton	Knowland	Smith, Maine
Curtis	Kuchel	Smith, N. J.
Daniel	Langer	Stennis
Dirksen	Lehman	Symington
Douglas	Long	Thurmond
Duff	Magnuson	Thye
Dworshak	Malone	Watkins
Eastland	Mansfield	Welker
Ellender	Martin, Iowa	Wiley
Ervin	Martin, Pa.	Williams
Flanders	McCarthy	Young

NOT VOTING—12

Bridges	Goldwater	Millikin
Carlson	Johnson, Tex.	Russell
Chavez	Johnston, S. C.	Smathers
Fulbright	Kefauver	Sparkman

The PRESIDING OFFICER. Two-thirds of the Senators present concurring therein, the resolution of ratification to Executive F, 83d Congress, 2d session, is agreed to.

In accordance with the terms of the unanimous-consent agreement, the resolution of ratification to Executive P, 82d Congress, 2d session, is agreed to by the same vote.

Mr. GEORGE. Mr. President, I request that the President be notified of the ratification of the two protocols upon which a vote has just been taken.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE CALENDAR

Mr. CLEMENTS. Mr. President, I move that the Senate proceed to the consideration of the nominations on the Executive Calendar, beginning with New Reports.

The motion was agreed to.

The PRESIDING OFFICER. The first nomination on the Executive Calendar under the heading of New Reports will be stated.

DEPARTMENT OF STATE

The Chief Clerk read the nomination of Herbert V. Prochnow, of Illinois, to be Deputy Under Secretary of State.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. CLEMENTS. Mr. President, I ask that the President be notified of the confirmation of this nomination.

The PRESIDING OFFICER. Without objection, the President will be notified.

The Chief Clerk read the nomination of Isaac W. Carpenter, Jr., of Nebraska, to be Assistant Secretary of State.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. CLEMENTS. Mr. President, I ask that the President be notified of the confirmation of this nomination.

The PRESIDING OFFICER. Without objection, the President will be notified.

DIPLOMATIC SERVICE

Mr. CLEMENTS. Mr. President, I ask that the nominations in the Diplomatic Service be considered en bloc.

The PRESIDING OFFICER. Without objection, the nominations in the Diplomatic Service are confirmed en bloc.

The nominations confirmed en bloc are, as follows:

Thomas C. Mann, of Texas, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to El Salvador.

John D. Hickerson, of Texas, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Finland.

John J. Muccio, of Rhode Island, to be Ambassador Extraordinary and Plenipotentiary of the United States of American to Iceland.

Wiley T. Buchanan, Jr., of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Luxembourg.

Robert H. Thayer, of New York, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Rumania.

Mr. CLEMENTS. Mr. President——

Mr. PASTORE. Mr. President, will the Senator from Kentucky yield?

Mr. CLEMENTS. I yield.

Mr. PASTORE. Mr. President, it is with a great deal of pleasure that I support the nomination of John J. Muccio to be Ambassador to Iceland.

Mr. Muccio is from my own State of Rhode Island, and he has served as a Foreign Service officer since August 15, 1921. He brings to his position as Ambassador to Iceland his many years of experience at various posts throughout the world. He was our first United States Ambassador to Korea and in 1950 was awarded the Medal of Merit by the President of the United States.

Mr. Muccio is a devoted public servant who, I am confident, will reflect the best principles of American tradition on foreign soil.

Mr. President, I ask unanimous consent that a biographic sketch of Mr. John Joseph Muccio be printed in the RECORD at this point.

There being no objection, the biographic sketch was ordered to be printed in the RECORD, as follows:

BIOGRAPHIC SKETCH OF JOHN JOSEPH MUCCIO

Born: Valle Agricola, Italy, March 19, 1900; son of John Anthony and Filomena (Muccio) M. Became naturalized United States citizen, June 1921.

Education: Ph. B., Brown University 1921; LL. D., 1952; M. A., George Washington University, 1925; LL. D., Seoul National University, Korea, 1952.

Experience: Foreign Service officer since August 15, 1921; vice consul, Hamburg, 1924; vice consul, Hong Kong, 1926; consul, Yunnanfu, February, 1928, Hong Kong, March 1928; Foochow, March 1939; Shanghai, February 1931; consul and 2d secretary, La Paz, Bolivia, February 27, 1935; 2d secretary, Panama, August 1938; 1st secretary, June 1939; consul and 1st secretary, Managua, May 1940; counselor, Panama, August 1943; counselor or Embassy, Habana, 1943–44; member, American Mission to Germany, May 1945–47; special representative of President of United States to Korea, August 1948; appointed first United States Ambassador to Korea, 1949; United States Delegate U. N. Trusteeship Council, 1952. Awarded Medal of Merit by President Truman in 1950. Presently Minister at Iceland. Served with United States Army, 1918.

Clubs: Shanghai (Shanghai); Union, Panama Golf (Panama); Metropolitan (Washington).

Home: 30 Lyman Avenue, North Providence, R. I.

Address: Department of State, Washington, D. C.

Mr. CLEMENTS. Mr. President, I ask that the President be notified of the confirmation of the nominations in the Diplomatic Service.

The PRESIDING OFFICER. Without objection, the President will be notified.

WORLD HEALTH ORGANIZATION

The Chief Clerk read the nomination of Dr. Frederick K. Brady, of Maryland, to be the representative of the United States of America on the Executive Board of the World Health Organization.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

UNITED STATES ADVISORY COMMISSION ON EDUCATIONAL EXCHANGE

The Chief Clerk read the nomination of Rufus H. Fitzgerald, of Pennsylvania, to be a member of the United States Advisory Commission on Educational Exchange.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Arthur A. Hauck, of Maine, to be a member of the United States Advisory Commission on Educational Exchange.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

DIRECTOR, GEOLOGICAL SURVEY

The Chief Clerk read the nomination of Thomas B. Nolan, of Nevada, to be Director of the Geological Survey.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. CLEMENTS. Mr. President, I ask that the President be notified of the confirmation of these nominations.

The PRESIDING OFFICER. Without objection, the President will be notified.

NOTICE OF HEARINGS ON CERTAIN NOMINATIONS BY COMMITTEE ON FOREIGN RELATIONS

Mr. GEORGE. Mr. President, as a Senator and chairman of the Committee on Foreign Relations, I desire to announce that the Senate received today the nominations of 519 persons for appointment to the offices indicated on the

list which appears elsewhere in the Senate proceedings of today. Included in this group are appointments of Foreign Service officers of various classes, promotions of Foreign Service officers, and consular and/or diplomatic designations for career, staff, and reserve officers. These nominations will be considered by the Committee on Foreign Relations at the expiration of 6 days.

LEGISLATIVE SESSION

Mr. CLEMENTS. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 5844) to increase the fee for executing an application for a passport from $1 to $3.

STABILITY AND ECONOMIC JUSTICE FOR AMERICAN AGRICULTURE

Mr. GEORGE. Mr. President, I ask unanimous consent to have printed in the RECORD five articles concerning the situation of Georgia farmers and the condition of agriculture at this time, and I also ask unanimous consent to have printed in the RECORD a brief statement which I have prepared in connection with the same subject, the statement to precede the articles.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR GEORGE

Nearly every Member of this body has his convictions regarding the present deplorable situation on the Nation's farms and many of us have our own individual ideas about what the administration should do and what the Congress apparently is going to have to do to restore stability and economic justice to the pattern of American agriculture.

I share a feeling of injustice insofar as concerns the present treatment of the farmer and the farm family in our otherwise prosperous Nation. I expect to do everything within my power in this Congress to help to right this wrong.

All of us, I think, can benefit from having access to first-hand information from the farmer himself. During this past congressional recess, the Senate Committee on Agriculture accepted my invitation to come to Georgia and spend a day receiving testimony of conditions existing on the farms in my State. I think all of us benefited from this meeting.

This weekend, I read an article from the Atlanta Journal magazine under the heading, "The Georgia Farmer Speaks His Mind," written by a very capable reporter, William Hammack.

What do Georgia farmers think about the farm problem? The five articles will tell us.

TWO FUNDAMENTAL TROUBLES

Monk Bennett and H. O. Thomas are partners in a big dairy operation at Madison, Ga. They farm more than 2,000 acres and they have some 400 cows. Their dairy averages more than 500 gallons of milk a day. Their huge dairy barns with tall sentinel silos overlook rolling pasturelands where their Holsteins graze.

What's wrong with the farm situation today, gentlemen?

Mr. Thomas chuckled and Mr. Bennett said, "You planning to listen to us talk a whole doggoned week?" Then they got down to cases.

"There are two fundamental troubles," Mr. Bennett said.

"First: A farmer can't sell on an open market, and buy on a closed market, unless something is done about the difference in prices. Tariffs protect industry. A guaranteed minimum wage protects labor. But the farmer has been left out in the cold.

"Second: When a farmer produces goods for export, he must receive a fair American price—not the price on the world market. In other words, the farmer needs a sort of tariff in reverse, because there's a big difference between world prices and reasonable United States prices, and the farmer, in order to live, must have a reasonable United States market price for his products."

Mr. Thomas and Mr. Bennett are outstanding dairymen. When they started their dairy operation some 11 years ago, the average production per cow in their dairy was 5,500 pounds of milk a year. But because the partners have worked hard and planned with vision, they have greatly increased the efficiency of their operation. Today, the average production per cow in their dairy is more than 9,000 pounds of milk a year.

"In spite of that," Mr. Thomas said, "we owe more than twice as much money as we did when we started out. Don't misunderstand—we have made money, we've made a good living, and we have increased the size and scope of our operation. But it's tough not to be able to get out of debt in more than 10 years, and it's tougher when that debt is double what it was more than a decade ago. But if you run a dairy farm, you've got to run it right, and you've got to have proper equipment. Our equipment costs have sky-rocketed, but our milk prices have just nudged up a little bit. Let me give you an example:

"In 1946, we bought a forage harvester for about $800. At that time, milk was selling for around 40 cents a gallon. We wore out that harvester, bought a new one, wore it out, and now we need another one. Today, a harvester costs $1,800. But milk is selling for only 50 cents a gallon. Draw your own conclusions from that."

"Everything we buy today—labor, equipment, processed feed—costs much more," Mr. Bennett observed. "And the rising price curve on these necessities is climbing much sharper and faster than the relative price of milk. But there's one exception in this picture of constantly rising costs—the prices of one category of necessities we have to buy are actually going down, but, to tell the truth, that doesn't make us any happier, because we know these particular low prices are hurting farmers. The stuff we buy from farmers, such as corn and oats and so forth, costs us less today than it did a year ago. For example, local corn this year is around $1.10 a bushel, while last year it averaged about $1.65. Frankly, we don't see how a man can grow corn for $1.10 a bushel. But the man can't stop."

"And that brings up another point which, we believe, is very important," said Mr. Thomas. "A farmer can't stop growing his crops because the prices are low. He's got to produce to live. So, since labor and industry and business are protected, the farmer should have some protection against ruinous prices for what he produces."

COTTON-GROWING CHAMPION

Neal C. Dabbs, of Cartersville, Ga., is a tenant farmer who was named Georgia's champion cotton farmer of 1955. Mr. Dabbs, a hard-working young man, produced 17,136 pounds of cotton on 5 acres, which figures out to 2.6 bales to the acre, a splendid agricultural accomplishment. He plants 45 acres to cotton on the 135-acre farm he rents. As Mr. Dabbs rides his diesel tractor in breaking the rich blackish land of the farm, or as he jockeys his smaller tractor in cultivation, or as he perches high on his new cotton picker in the white harvest season, he can see, from certain of his fields, the prominences of famous Etowah Mounds.

"Conditions are pretty hard on the farmer today," Mr. Dabbs said. "He's got to get out and hustle and make a big volume in order to make what would be a normal salary. And he gets a mighty poor return on his investment in equipment.

"I've got an investment of more than $11,000 in my machinery. I have to farm the way I do, I have to make big yields of cotton, to make a go of it."

What about 90 percent of parity for cotton?

"I'd be afraid to raise cotton without a guaranty of some kind. I'd be afraid to invest money in a cotton crop. And farming takes money. Figure it this way: I have to have $11,000 worth of equipment to prepare the land, plant, cultivate and harvest. It costs more than $30 an acre for cotton-seed and fertilizer. It costs around $30 an acre for labor. Then there is the poisoning program. It all adds up.

"If the farmer has a promise from the Government that he will get, at least, a certain price for his cotton, and if he knows his average per acre yield, then he can figure out how much he may be able to make, if weather conditions are all right. But if there were no parity price. I don't think a farmer could go to the bank and secure loans to raise cotton.

"To my notion, 90 percent of parity is fair. If the Government loan were 100 percent of parity, then the buyer would be kept out of the market, because the farmer would just put all of his cotton in Government loan. But when the loan is 90 percent, then the buyer has a chance to step in and hike his own price and get the cotton. Ninety-percent parity is just a protection for the cotton farmer."

Mr. Dabbs is proud of his new cotton-picker. "It was a big success in 1955," he said. "I was able to average picking eight bales of cotton a day during the best part of the season. And the only labor it took was my own and that of two other men. My record day was when I picked and ginned 12 bales. Of course, that was in cotton which was yielding more than a bale to the acre. A cotton farmer, you know, hopes for a bale to the acre. Everything over that—man, that's what makes Santa Claus jump down the chimney.

"I did some custom picking last year, too, for friends and neighbors. My picker picked 240 bales altogether last season. The only way for a cotton farmer to stay in business these days, because of the high price of labor and costs, is to mechanize."

What has been your experience with rising equipment costs?

"Let me put it this way: Back in 1939, I bought my first tractor. It cost about $1,000. I paid for it with 10-cent cotton. A cotton farmer pays money for equipment, but he figures the price in terms of cotton. In 1955, I bought another tractor. It cost around $3,200. But I paid for it with cotton that brought from 34 to 36 cents. So, actually, my new tractor cost me about the same amount of cotton as my first one did.

"But to get back to parity," Mr. Dabbs went on, "I don't like the idea of these sliding scales. I'm right behind 90 percent

of parity. If they were to weaken parity prices, or do away with parity, I'd be scared, I tell you the truth."

A Family of Farmers

A. C. Ewing, of Covington, Ga., has attained a goal which is advocated by many agricultural economists—he operates an honest-to-goodness family farm. And the Ewings are an agricultural family. Mr. and Mrs. Ewing's eldest son, Charles, who graduated a few years ago at the University of Georgia, where he majored in dairy production, is associated with his father in the management of the 45-cow Ewing dairy farm. And it seems that Mr. Ewing is bringing up his own veterinarian; his second son, Alton, is in the veterinary school at the university. Morton, the youngest Ewing boy, who helps his father and brother on the farm, is a senior in high school and he is planning to go to the College of Agriculture at the university. And Mr. and Mrs. Ewing's daughter, Marion, a Georgia graduate, married a boy who graduated in ag engineering at the university.

The senior Ewings' comfortable farm home is right across the road from Charles' attractive new house. Mr. Ewing is known as the "Alfalfa King" of Newton County.

"A farmer makes a fair salary these days on what he sells, but he gets no return on his investment," Mr. Ewing said reflectively. "If a man wanted to go into the dairy business today, it would take a minimum investment of $1,000 a cow. We're making a living wage. But we are getting no return at all on what we have invested.

"There's another point I'd like to make. The comparative prices on what we receive for our products and what we have to pay out for equipment are not in line. We pay high. We get low. And if Charles and I had to hire much labor, that would take an even bigger bite today out of our total income.

"It's my personal opinion," Mr. Ewing went on, "that most of the folks who will work, and who want to work, have left the farm to go to the city where they can earn even higher wages. I certainly don't begrudge high wages for labor. I'm all for higher wages, because the more money a man working in town makes, the more of my products he's going to buy."

What is your opinion of Secretary Benson's farm program?

"The farmer needs protection. He's got to have protection," Mr. Ewing replied. "So fas as I can see, the Benson program hasn't worked for us."

How have you met today's rising costs of production?

Charles Ewing said: "We have tried to increase our efficiency. I think that's the only way a farmer can lick rising costs these days. And he's got to take better care of his equipment, because replacement costs are climbing to beat the band. It all boils down to this: he's got to become a better farmer. In our case, that means increasing production per cow. If my father and I had stood still for the last 5 years—if we were producing now exactly what we were producing then, why, we wouldn't be making enough to exist on today."

Three-Way Income

Charlie Mann, of Hickory Flat community, near Canton, Ga., raises chickens. A busy farmer, Mr. Mann also owns a number of farm machines, and he augments his income by custom work—shelling corn for neighbors with his corn sheller, harvesting their grains with his combine, bailing hay, and so forth. And he operates a small feed mill where he grinds and mixes feed for his own chickens; he sells some of the feed, he says, "strictly on a cash basis."

Mr. Mann remarked thoughtfully, "Things have been pretty rough lately. Everything I have to buy, and my labor costs, are higher than I've ever known them to be. But the prices I get for my products are down.

"Take corn. Right now, local corn is selling for $1.40 a bushel. Last year it was $1.75. Two weeks ago, corn was only $1.30.

"But major equipment prices are up from 7 to 10 percent over what they were even 6 months ago.

"I keep records. I know that it costs me $1 a bushel to produce corn. It costs me another 12½ cents a bushel to shell it. Well, if I want to come out even a little bit ahead, I have to take advantage of all the by-products. Take shucks, for instance. I can't sell loose shucks, but if I bale them I can sell them, and I can't afford to lose this possibility of income. And I take cobs and grind them up in my hammer mill. I put the groundup cobs before my cattle, and they can eat what they want of the stuff. There's food value in it, because some grains of corn are left on the cobs after the ears run through the sheller. Groundup cobs make good chicken litter, too.

"I've got three sources of income," Mr. Mann went on. "Most of my money comes from chickens. Right now, I have 5,000 birds. The thing I like about the chicken business is that it's a short-term proposition. If you turn over any money at all, you turn it over quick. It takes about 10 weeks for my biddies to grow to broiler size, so in 10 weeks, I either show a profit, or I take my licking and start off from scratch again.

"At one time, I thought it might be a good idea if the Government took a hand in the price of chickens. But I've since changed my mind. I think now that it's better to leave the poultry business the way it is. Of course, it's mighty easy for a farmer to produce a surplus of chickens, but these days, he has just got to produce more to show a profit.

"My second source of income," Mr. Mann continued, "is from custom work with my farm machinery: My corn sheller, combine, hay baler, feed mill, and so on. My third source is the sale of small grains, corn, and hay."

How have you tackled the rising costs of farm machinery and farm labor?

"The only way I could. I had to hike my own prices for custom work. Naturally, this runs up the cost of production to the friends and neighbors I do the work for, but if I didn't get higher prices for my custom work, I just wouldn't be able to keep going."

Although farm prices are sagging, the cost to the consumer still remains high. What do you think is the reason for this?

"I hear a lot of talk that the middleman is taking took big a bite these days. Well, it may be so. But I don't know. The middleman has got to live, too. And it costs money to process stuff, package it, resell it, ship it, and so on."

What's your answer to the farm problem?

"That's the solid gold $64 million question. For one thing, I believe the farmer has just got to produce more. Of course, this will increase present surpluses to some extent, but the farmer has got to raise more and better chickens, increase yields per acre, and spread out, in pure and simple self-defense. He's just got to do it to make a reasonable living."

Democratic Cows—Republican Calves

Leon Lewis, of Cartersville, Ga., raises sheep, dairy cows, laying hens, and hogs. His pleasant home sits above his green pastures where his sheep and cows graze.

"Farmers are going downhill now," Mr. Lewis said. "Sure, farmers have nice homes and good equipment, but their homes are going to need work on them pretty soon and the equipment is wearing out. I'm living today on what I've made in previous years, on my capital, you might say. I'd like to buy some new equipment right now, but I can't pay for it as I go, and I don't see any point of going into debt for it. Not the way things are today."

When did you make money farming?

"Why, under the Democrats, of course. My cows all came along when the Democrats were running the Government, but my calves were born under a Republican administration. And like a fellow told me the other day, these Republican calves are just sucking those Democratic cows to death."

What do you think of Secretary of Agriculture Benson's farm program?

"Benson hasn't got a program, at least, not for us farmers."

What's the matter with the farm situation as you see it?

"I asked a fellow that question the other day, and he said, 'Well, as soon as enough farmers get starved out, maybe the rest of the farmers can make a living.' "

But people are leaving the farm to go to the city. Why aren't the farmers who stay on the land enjoying prosperity?

"Farmers produce more these days. We raise more and better stock, we raise more produce through advanced farming methods and greater know-how. But we have to produce more, if we want to get by. Let me give you an example:

"I used to be able to carry 1 10-gallon can of milk a day to the market, and I'd get $200 in a month's time. So I tried to carry 5 cans of milk a day, to make $1,000 a month. That $1,000 was gross, of course, not profit.

"Well, last month, I carried 6 cans of milk a day to the market, but my gross was down to $800. It wasn't $1,200. My milk income has been cut one-fourth. So I've got to produce more, just to come out even."

What are you doing to keep your head above water in these days of sagging farm prices?

"I'm diversifying. Personally, I like sheep. I think that the sheep business is just about the best paying proposition a man can get into, year in and year out. I've been raising sheep for about 20 years. But I'm not specializing in sheep because I can't afford to. I raise laying chickens, and cows and hogs. If I lose money on milk, maybe I'll make it back on chickens. If I lose money on both of them, maybe I'll squeeze by with my sheep.

"Take hogs. Right now, hogs are selling for under 12 cents a pound. And the College of Agriculture at the University of Georgia in Athens has always said that it takes 10 bushels of corn to raise 100 pounds of hog. Local corn is $1.15 a bushel right now. So it takes me $11.50 worth of corn to raise less than $12 worth of hog. And that is disregarding my investment in the sow, the hog lot, the pasture, and the supplement for the hog feed.

"In 1954, eggs were worth nothing. But I stayed with the egg business, and last year I did fairly well. But this year the bottom might fall out of the egg market again."

You say you'd like to buy some new equipment?

"I'd like to buy a modern tractor and a combine. If I were making what I made a few years ago, I'd buy them right now. But equipment prices have gone up just about the same percentage my own prices have come down. I suppose that's because of increased labor costs. I'm glad factory workers are making more. It means they'll be able to buy more of what I raise. But I surely wish I could afford to buy more of what they make, too."

THE GRASSROOTS OF WISCONSIN PROTEST NATURAL GAS RATE INCREASE LEGISLATION

Mr. WILEY. Mr. President, I send to the desk a series of additional messages

from public officials of Wisconsin, conveying their vigorous judgment in opposition to the natural gas rate increase bill known as the Harris-Fulbright bill.

These expressions and official resolutions, adopted by duly elected officials of localities throughout Wisconsin, demonstrate anew that the people of my State overwhelmingly oppose this legislation.

ARTIFICIAL MAIL FOR BILL FROM OIL STOCKHOLDERS

I stress this fact because an artificial effort apparently is being made in Wisconsin and elsewhere, to get stockholders in petroleum and related companies to send messages to the Congress urging that the present bill be passed, so that the oil and gas companies, in effect, can have complete freedom.

Freedom for what? Freedom to "charge all that the traffic will bear."

Of course, stockholders have a perfect right to exercise their American right of petition, to present a case in their own special interest—to urge an action which they feel will achieve the objective of enhancing their own investment.

STRAW CAN BREAK CAMEL'S BACK

But Congress' concern should not be special interests, but the national interest. We believe profoundly in American shareholding, in stock and bond ownership by an ever wider group of Americans. But simply because stockholders in some corporations may want rates changed by that corporation to skyrocket—is no reason why Congress should permit that to occur. Besides, the stockholders may find that continual rate increases may in the long run prove harmful rather than helpful, to their own investment.

Our people will not tolerate unlimited rate increases. These are straws which can break a camel's back.

In any event, letters which have been generated by the petroleum- and gas-producing companies, while meriting consideration, do not actually reflect the genuine sentiment of the overwhelming mass of Americans throughout Wisconsin or other States.

There is a larger interest than the special interests of the oil and gas companies: It is the interest of 165 million Americans and, in particular, 30 million gas consumers. That is the basic interest with which I concern myself.

I want the oil and gas industry to flourish. It is a great and vital industry which has performed well in war and peace, but I say it will continue to so function under reasonable rate control.

I ask unanimous consent that the texts of the official messages from Wisconsin be printed at this point in the body of the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FORT ATKINSON, WIS., *January 18, 1956.*
Senator ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.:

The members of our city council and myself join to urge you to oppose the Harris-Fulbright bills which we feel are not in the best interests of our citizens.

A. A. STATZ,
Council President.
WALTER SMITH,
President pro tempore.
DELBERT WANDSCHNEIDER,
Councilman.
WALTER GOEGLEIN,
Councilman.
RICHARD STROMMEN,
Councilman.
E. F. KLEMENT,
City Manager.

GREEN BAY, WIS., *January 18, 1956.*
Senator ALEXANDER WILEY,
Capitol Building, Washington, D. C.:

The Common Council of Green Bay, Wis., unanimously endorsed the stand of the Fox Valley conference of mayors against the Fulbright bill.

CLIFFORD A. CENTEN,
City Clerk.

TWO RIVERS, WIS., *January 17, 1956.*
Senator ALEXANDER WILEY,
Senate Office Building:

At its regular meeting on January 16, 1956, the City Council of Two Rivers unanimously voted to go on record in opposition to the Harris-Fulbright bill on natural-gas regulation and to request your support in opposing this measure.

JOHN E. DEVER,
City Manager.

WEST ALLIS, WIS., *January 16, 1956.*
Senator ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.:

The Common Council of City of West Allis has directed me to communicate city's protest against Fulbright-Harris bill, which would exempt natural-gas rates from present Federal control at wellhead. Respectfully request that you exert all possible efforts to defeat this measure. Letter follows.

GEORGE A. SCHMUS,
City Attorney.

CUDAHY, WIS., *January 17, 1956.*
Senator ALEXANDER WILEY,
Washington, D. C.:

The Common Council of the City of Cudahy, Wis., has gone on record opposing to United States Senate bill 1853, known as the Fulbright bill. Your assistance is requested.

JAMES F. KELLER,
City Clerk.

SPARTA, WIS., *January 16, 1956.*

DEAR SENATOR WILEY: We are opposed to the Harris-Fulbright bill, because, if finally adopted, the people of Wisconsin would lose the fruits of the victory we won in the Phillips case. The present time our utilities that sell or will sell natural gas is subject to regulation by our State public service commission.

Yours very truly,
OTIS M. ERICKSON,
Mayor, City of Sparta.

MENOMONEE FALLS, WIS., *January 19, 1956.*
Senator ALEXANDER WILEY,
Washington, D. C.

DEAR SIR: The following is a quote from the minutes of the last meeting of the village board, village of Menomonee Falls, Wis.:

"The following resolution was introduced by Mr. Kraemer, seconded by Mr. Heagney:

"RESOLUTION

"*Be it resolved,* That the Village Board of Trustees of the Village of Menomonee Falls, Waukesha County, Wis., go on record as being opposed to the passage of United States Senate bill S. 1853, known as the Fulbright bill, on the Present United States Senate Calendar.

"All ayes to the resolution by rollcall vote, and resolution unanimously adopted."

Please make note of this expression of opinion.

Yours very truly,
LEONE SUNDERLAND,
Commissioner.

SUPERIOR, WIS., *January 19, 1956.*
Senator ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: I wish to take this opportunity to express the city of Superior's opposition to the natural gas bill S. 1853, pending before the United States Senate.

We believe that decontrol of natural gas prices would have a serious adverse effect on the citizens of Wisconsin cities and villages.

Very truly yours,
THOMAS THOMPSON,
Acting City Manager.
EDWARD G. NELSON,
President, City Council.

WAUWATOSA, WIS., *January 20, 1956.*
The Honorable ALEXANDER WILEY,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: Enclosed herewith is a certified copy of a resolution adopted by the Common Council of the City of Wauwatosa at their regular meeting held Tuesday, January 17, 1956.

Very truly yours,
P. H. RIEMER,
City Clerk.

Whereas an amendment to the National Banking Act permitting commercial banks to deal and trade in public revenue bonds has been proposed in the Congress of the United States; and

Whereas United States Senate hearings on the proposed amendment are scheduled to begin in the spring of this year; and

Whereas the hereinabove proposed amendment to the National Banking Act would promote the best interests and general welfare of the city of Wauwatosa: Now, therefore, be it

Resolved by the Common Council of the City of Wauwatosa, That the city of Wauwatosa be recorded in favor of the passage of the proposed amendment to the National Banking Act permitting commercial banks to deal and trade in public revenue bonds now pending in the Congress of the United States; be it further

Resolved, That the city of Wauwatosa strongly urges our national representatives in Washington to support and vote for this legislation; be it further

Resolved, That the city clerk be and he is hereby authorized and directed to mail certified copies of this resolution to Senators ALEXANDER WILEY and JOSEPH MCCARTHY and Congressman CLEMENT ZABLOCKI, National Capitol, Washington, D. C.

Passed and dated January 17, 1956.
P. H. RIEMER,
City Clerk.

Approved January 17, 1956.
WM. B. KNUESE,
Mayor.

MANITOWOC, WIS., *January 19, 1956.*
Senator ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR SIR: Enclosed is certified copy of resolution unanimously adopted by the mayor and Common Council of the City of Manitowoc, Wis., at their regular meeting of Monday, January 16.

The resolution, as you will note, opposes the passage of the Fulbright bill.

Very truly yours,
ARTHUR POST,
City Clerk.

Whereas there is now pending in the Congress of the United States the Fulbright bill which would exempt natural gas producers from Federal regulation; and

Whereas this exemption would give the natural-gas producers the right to charge any amount they may care to, which would affect each and every user of natural gas in the city of Manitowoc: Now, therefore, be it

Resolved by the mayor and common council, That we go on record opposing the passage of the Fulbright bill, and be it further

Resolved, That a copy of this resolution be sent to Senator ALEXANDER WILEY and Senator JOSEPH MCCARTHY, and our Congressman from the State of Wisconsin.

Introduced and adopted January 16, 1956.

Approved January 19, 1956.

WALTER KOEPKE,
Mayor.

OSCAR L. ANDERSON.

MADISON, WIS., *January 17, 1956.*

Senator ALEXANDER WILEY,
Washington, D. C.

DEAR SENATOR WILEY: Attached hereto is a certified copy of a resolution adopted by the Common Council of the City of Madison, Wis., on January 12, 1956; said resolution opposing the passage in Congress of the Harris-Fulbright bill.

Your efforts in connection therewith will be greatly appreciated.

Very truly yours,

ELDON L. HOEL,
Deputy City Clerk.

Whereas the primary purpose of the Congress of the United States in adopting the Natural Gas Act of 1938 was to protect consumers from exploitation by suppliers of natural gas, while at the same time assuring the suppliers of a fair and reasonable price for their product; and

Whereas the means whereby Congress accomplished this purpose was to confer jurisdiction upon the Federal Power Commission to fix reasonable rates for sales of natural gas in interstate commerce for resale to consumers; and

Whereas at the present session of Congress there has been introduced before the United States Senate the so-called Fulbright bill, which would exempt from regulation by the Federal Power Commission independent producers of natural gas making sales in interstate commerce for resale: Now, therefore, be it

Resolved, That the Common Council of the City of Madison go on record as opposing the passage in Congress of the Harris-Fulbright bills; further

Resolved, That a copy of this resolution be forwarded to Senator ALEXANDER WILEY and to Senator JOSEPH R. MCCARTHY.

PORT WASHINGTON, WIS., *January 17, 1956.*

Hon. ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WILEY: The city of Port Washington wishes to express their opposition to the natural gas bill (S. 1853).

We believe that it is important to the City of Port Washington, and to the entire State of Wisconsin, that this bill be defeated.

Yours very truly,

PAUL T. SCHMIT, *Mayor.*

WHITEWATER, WIS., *January 18, 1956.*

The Honorable ALEXANDER WILEY,
United States Senator,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WILEY: The Whitewater City City Council, at a regular meeting on January 17, 1956, instructed me to notify you that they are opposed to passage of Senate Bill S–1853, known as the Fulbright bill.

The council vote was unanimous in opposition to this bill.

Respectfully yours,

C. F. TRINKLE,
City Manager.

KAUKAUNA, WIS., *January 18, 1956.*

Senator ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WILEY: We are opposed to the passage of the Fulbright bill S. 1853 removing Federal regulation on the sale price of natural gas. We have in the United States taken the position that when a monopoly has been created in the form of essential utility services that such a monopoly must be regulated. Electricity, water, and gas come under these essential services. Franchises, indeterminate permits along with State and Federal price regulation are common control measures.

Also our very able Public Service Commission of Wisconsin has taken the stand of opposing bill S. 1853.

Respectfully yours,

H. F. WECKWERTH,
Manager.

RESOLUTION 553

Whereas United States Senate bill S. 1853 known as the Fulbright bill, is on the present United States Senate Calendar, the effect of which will be to exempt producers of natural gas from regulation of prices they charge in contracts for the sale of gas to pipeline companies for transmission and resale in Wisconsin and other consumer States; and

Whereas the Michigan Wisconsin Pipe Line Co. has a monopoly of about 95 percent of the present Wisconsin natural gas market and are supplied by the Phillips Petroleum Co., which has a monopoly of natural gas supply from its gas wells in Texas and Oklahoma; and

Whereas the purpose of the present Natural Gas Act is primarily for the ultimate consumer which will be defeated by the Harris-Fulbright bills because they will create a gap in effective natural gas regulation at its source, by exempting the producers of the natural gas we buy in Wisconsin from any direct Federal regulation and restore to the Phillips Petroleum Co. its unregulated monopoly of basic supply and price of gas to our State or to any other future similar monopoly that might arise in the future: Be it therefore

Resolved, That the city of Cedarburg by its common council is opposed to passage of the Harris-Fulbright bills by the United States Senate; be it further

Resolved, That a copy of this resolution be promptly forwarded to Senator WILEY and Senator MCCARTHY.

Passed and adopted this 12th day of January 1956.

E. STEPHAN FISCHER,
Mayor.

J. C. SCHROEDER,
City Clerk.

WEST BEND, WIS., *January 16, 1956.*

Hon. ALEXANDER WILEY,
Washington, D. C.

DEAR SENATOR WILEY: The people of the city of West Bend, Wis., are very definitely opposed to the Harris-Fulbright natural gas control bill now pending in the United States Senate. There are many private and commercial natural gas consumers in this city. We appeal to you and hope that you will do all you can to defeat this bill.

Yours truly,

WALTER SCHMIDT,
Mayor.

KAUKAUNA, WIS., *January 12, 1956.*

Senator ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WILEY: We are opposed to Senate bill S. 1853, known as the Fulbright bill, that would exempt gas producers from Federal Power Commission regulation in establishment of prices for sale of natural gas to pipeline companies for resale in interstate commerce.

Our very able Public Service Commission of Wisconsin has from the very beginning insisted that the Federal agency retain control of gas prices. There are now many monopoly practices, including gas operation, in the furnishing of essential utility services and for these privileges there must be adequate controls.

The passage of the proposed legislation is detrimental to public interest.

Respectfully yours,

JOSEPH F. BAYORGEON,
Mayor.

WEST MILWAUKEE, WIS., *January 17, 1956.*

Hon. ALEXANDER WILEY,
United States Senator, Senate Office Building, Washington, D. C.

DEAR SENATOR WILEY: We are attaching certified copy of resolution opposing bill S. 1853, to remove Federal control of the price of natural gas at the wellhead.

This resolution was passed and adopted at our January 16, 1956, village board meeting, and a certified copy was ordered sent to you.

Very truly yours,

VILLAGE OF WEST MILWAUKEE,
H. C. DIERINGER, *Clerk.*

RESOLUTION OPPOSING BILL S. 1853 TO REMOVE FEDERAL CONTROL OF THE PRICE OF NATURAL GAS AT THE WELLHEAD

Whereas bill S. 1853 is pending before the United States Senate to remove Federal control of the price of natural gas at the wellhead; and

Whereas the removal of Federal control of the price of natural gas at the wellhead would leave natural-gas consumers without adequate protection from exorbitant rate increases; and

Whereas an adequate supply of natural gas, reasonably priced to the consumer, is essential to the economic stability of the citizens and industries of the Village of West Milwaukee and the State of Wisconsin: Now, therefore, be it

Resolved by the Village Board of West Milwaukee, Milwaukee County, Wis., That the United States Senate reject any legislative proposals which would leave the price of natural gas unregulated by Federal authority; be it further

Resolved, That a duly certified copy of this resolution be sent forthwith to the two United States Senators from Wisconsin, the Honorable ALEXANDER WILEY and the Honorable JOSEPH R. MCCARTHY.

Passed and adopted by the Village Board of the Village of West Milwaukee, Milwaukee County, Wis., this 16th day of January 1956.

CHARLES J. BECKOR,
President.

HERMAN C. DIERINGER,
Clerk.

KENOSHA, WIS., *January 18, 1956.*

Hon. ALEXANDER WILEY,
Senator from Wisconsin,
Washington, D. C.

DEAR MR. WILEY: Enclosed herewith find copy of a resolution which was adopted by the Council of the City of Kenosha, Wis., on the 16th day of January 1956.

Very truly yours,

J. R. SAWICKI,
City Clerk.

RESOLUTION 5649—OPPOSING HARRIS AND FULBRIGHT BILLS

Whereas there are pending before the Congress two bills known as the Fulbright bill (S. 1853) and the Harris bill (H. R. 6645); and

Whereas these bills if adopted would have the effect of removing producers of natural gas from any Federal regulation of the price charged by such producers to pipeline companies and other distributors; and

Whereas such exemption of producer prices from any effective control very probably would result in higher prices of this important product to the ultimate consumer, for the benefit of a few producers who operate under semimonopolistic conditions; and

Whereas Government officials and others, such as the National Institute of Municipal Law Officers, the League of Wisconsin Municipalities, and a National Committee of Mayors, representing millions of consumers of natural gas, all have expressed their opposition to this legislation on a nonpartisan basis: Be it

Resolved by the Council of the City of Kenosha, Wis., That they hereby join in this strong voice of protest, on behalf of the citizens of Kenosha, and urge their representatives in the Congress to do all within their power to secure the defeat of the proposed Harris and Fulbright bills.

Dated this 16th day of January 1956.

EDWARD C. FECHNER,
President of Council.

Attest:

J. R. SAWICKI,
Clerk of Council.

NORTH FOND DU LAC, WIS.,
January 16, 1956.

Senator ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WILEY: As this village has a present market for natural gas, I urge you to oppose the passage of the Harris-Fulbright bills for the reason that natural gas consumers would be left without adequate protection if there were no Federal control of the prices of natural gas.

Very truly,

FRANCIS W. SPANGLE,
Village President.

1956 ECONOMIC REPORT OF THE PRESIDENT

Mr. WATKINS. Mr. President, I ask unanimous consent to have printed in the body of the RECORD my comments on the 1956 Economic Report of the President.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WATKINS

As a member of the Joint Committee on the Economic Report, it gives me a great deal of personal pleasure to comment on the major achievements of the economy in 1955 as reported in the 1956 Economic Report of the President.

Section 2 of the Employment Act of 1946 provides that "it is the continuing policy and responsibility of the Federal Government to use all practicable means consistent with its needs and obligations and other essential considerations of national policy * * * to promote maximum employment, production, and purchasing power." In his 1955 economic report of a year ago, President Eisenhower in this respect said that:

"With economic activity continuing to expand, it is reasonable to expect that the Nation's output within the coming year [1955] will approach the goals of 'maximum employment, production, and purchasing power' envisaged by the Employment Act."

His 1956 Economic Report, released at noon today, makes it very plain not only that these goals were achieved but also that they were achieved by a much greater margin than anyone expected—especially his critics on the Joint Committee on the Economic Report.

Simply phrased, as President Eisenhower put it:

"We have reached the threshold of a $400 billion economy, and the recent advance has been accomplished without the specious aid of price inflation * * *, whether we observe economic activity at the stage of production, or employment, or income distribution, or consumer spending we find evidence of progress and prosperity. Employment and wages are at record levels. Profits are satisfactory in most industries. Both investment and consumer spending are going forward at a good pace."

This is not to say, Mr. President, that some negative or adverse cumulative movements which affect some of our people do not exist. They do exist, and as the President said:

"We shall need to keep that fact before us as we build for the future.* * * If economic growth is not to be seriously retarded in the future, we must * * * strive to make up for neglects of the past."

The prophets of gloom and doom, Mr. President, in this election year will undoubtedly continue to distort the facts to suit their own selfish purposes. This they will do by minimizing our achievements during 1955 and by magnifying the few remaining adverse cumulative movements which always are present even during the recovery and expansion phases of the business cycle. But so that the American people and the Members of the Senate who have not yet had a chance to examine the President's 1956 Economic Report can have the salient facts before them, I should like to discuss the major achievements of 1955—a year which, under the leadership of a Republican President, gave us unparalleled economic growth and prosperity.

PRODUCTION

The gross national product, which expresses the dollar value of all goods and services created by the economy, is an aggregate measure allowing for seasonal variations, which for 1955 gives us the greatest picture of "the rapidity of recent progress" as the President pointed out in his Economic Report.

In 1955 the value of all goods and services created was 387.4 billion dollars, some 26.9 billion dollars in excess of those produced by the economy in 1954 which were valued at 360.5 billion dollars. The professional staff of the Joint Committee on the Economic Report estimated that a gross national product of 375 billion dollars would be required in 1955 if the goal of maximum employment, production, and purchasing power envisaged by the Employment Act of 1946 were to be achieved. The professional staff also emphasized that this could not be achieved unless the gross national product was running at a seasonally adjusted rate of 385 billion dollars at the end of 1955.

The Committee staff was not optimistic, nor were the Democratic members of the Joint Committee, that this goal could be achieved. At that time the staff director reported to the Committee chairman that:

"If realized, this expansion would be a substantial accomplishment. It would call for a continuance in succeeding quarters of a rate of advance in economic activity close to that prevailing since the third quarter of 1954. The concensus of views of witnesses appearing before this Committee a month ago was that this rate of acceleration might not be maintained." (1955 Joint Economic Report, p. 83.)

What were the results? How far short of reality were these projections? Namely, these:

1. The political pessimism of the "prophets of gloom and doom" was not realized.

2. The market value of all goods and services created in 1955 exceeded by $12.4 billion that rate the economists told us probably would be necessary to achieve maximum employment, production, and purchasing power.

3. The year-end rate of production was some $12.3 billion in excess of the most liberal expectation—a rate which in 1956 will give us a $400-billion economy.

EMPLOYMENT

During 1955 total employment reached 65 million people. This was a level never before approximated in any period of our history. As President Eisenhower observed:

"Total employment rose by over 3 million and unemployment declined by 1½ million between the last 3 months of 1954 and the corresponding months of 1955, as the civilian labor force increased by over 2½ million. The average workweek was increased, and there was considerable overtime work, particularly during the latter part of 1955. The longer hours, combined with a continued rise in average hourly earnings, brought weekly earnings to record levels in most industries."

Mr. President, the greatest rate of increased employment was sustained during the spring and summer months of 1955. During the fall and early winter months, employment continued to rise, but at a lesser rate, because as production approached full capacity in most industries fewer workers were needed and fewer workers were actually seeking employment. This is made evident by the fact that unemployment, as a percentage of the total civilian labor force, declined from 5.2 percent and 4.1 percent, respectively, during the first two quarters of 1955 to 3.4 percent for the last two quarters of the year. This level of unemployment, Mr. President, which prevailed during the last 6 months of 1955, and which is continuing to prevail here in the first quarter of 1956, is below that of 4 percent, which economists suggest is normal for years not marked by war or severe recession.

Thus, although there were some 2.3 million people unemployed during the last quarter of 1955, they primarily consisted of (1) new entrants into the labor force, (2) those in the process of changing jobs, and (3) those shifting to new industries or occupation because of technological changes and developments.

The present situation, Mr. President, as Dr. Grover W. Ensley, Staff Director of the Joint Committee on the Economic Report, pointed out in his November 1955 address to the 33d Annual Agricultural Outlook Conference, is this:

"Unemployment and unused industrial capacity are today near an irreducible minimum as compared to a year ago. Likewise, the participation rate of the population in the labor force is relatively high."

Most heartening, also, Mr. President, are the following facts concerning the composition of unemployment as noted by President Eisenhower:

1. "On the average, roughly half of those unemployed in any given month were no longer in that status in the following month" (p. 117).

2. "Unemployment declined the most among those unemployed the longest. The number unemployed for 5 to 14 weeks fell by about 20 percent; and the number unemployed for 1 to 5 weeks or more fell by about 40 percent" (p. 117).

3. "The rate of unemployment among married men living with their families declined sharply, from about 3 percent at the end of 1954 to about 2 percent at the end of 1955" (p. 117).

PURCHASING POWER

As the Employment Act of 1946 suggests, one of the best indicators of economic activity is the aggregate income paid to people by industries, agriculture, and Government. By the term "disposable income" is meant that income which people actually have to spend or save after payments of all taxes. In 1955, disposable income increased by $14.4 billion over that prevailing in 1954. The $269.2 billion of disposable income workers, farmers, professional and self-employed people received in 1955 was some $1.5 billion in excess of that which the professional staff of the Joint Committee on the Economic Report projected as possible of attainment in 1955, if maximum employment and production were achieved.

American employees, Mr. President, will be gratified to learn as indicated by the 1956 Economic Report that:

"By far the major dollar addition to personal income in 1955 was in labor income, which rose by $12.6 billion, after a decline of $1.8 billion in 1954. * * * This increase reflected gains in employment, longer average hours of work in manufacturing and other activities, and substantially higher basic rates of pay in major industries and for Government employees" (p. 108).

We should also note that investment income—rent, dividends, and interest—made a net gain of $2.2 billion in 1955; and that business and professional incomes increased $1.4 billion. Although farm income declined by $900 million, farmers can take heart in the President's firm conviction that:

"Many parts of our agricultural policy are working well and require only moderate changes. Together with the nine-point program built around the soil bank put forward in the recent message on agriculture, they constitute a many-sided attack on the ills which beset agriculture. * * * How soon and in what degree the decline of farm incomes and farm spending is checked will largely depend on how promptly the Congress acts on the administration's newly proposed farm program."

This record receipt of disposable income, Mr. President, gave rise to personal consumption expenditures also of record proportions in 1955. Although such expenditures rose by $16 billion in 1955 to $52.4 billion, consumer prices remained relatively stable. In fact, Mr. President, actual consumption in terms of real not money income, increased almost $6.5 billion—the largest such gain in any postwar year since 1946. Indeed, 1955 was a year of prosperity with general price stability. As President Eisenhower so well expressed it:

"Full employment, rising incomes, and a stable dollar have been cherished goals of our society. The practical attainment of these ideals during 1955 was the year's greatest economic achievement."

OUTLOOK FOR 1956

The President's 1956 Economic Report does not contain projected levels of needed employment, production, and purchasing power; nor do I believe that their inclusion, for reasons I discussed in considerable detail in my supplemental views on the 1955 Joint Economic Report, serves any really useful purpose. The science of forecasting is so unreliable, given our present economic knowledge, that I must agree with the views expressed by the Chairman of the Council of Economic Advisers before the joint committee last year:

"Economists who are familiar with statistical vagaries * * *, and who know how difficult it is to measure with tolerable accuracy even experiences of the past, will hesitate to specify numerical goals for the Nation's economy over the next six months * * *. They know that in setting goals some arbitrary assumptions * * * which often are no less reasonable than the particular ones selected, can lead to such a wide range of results, that the calculated goals cannot have great value for policy decisions." (1935 Joint Economic Committee Hearings, p. 44.)

For verification of this fact, we need look no further than many of the projections, which I have already called to your attention, which were made by the professional staff of the Joint Committee on the Economic Report. And I would remind you, Mr. President, that this professional staff is composed of competent and serious-minded economists who are experienced in applying the tools of national income analysis.

However, a thorough study of the 1956 Economic Report will, I believe Mr. President, cause you and all Americans who will take the time to study it to agree with President Eisenhower that 1956 will be a prosperous year, that:

"Taking recent developments all together it is reasonable to expect that high levels of production, employment, and income will be broadly sustained during the coming year, and that underlying conditions will remain favorable to further economic growth" (p. 49).

Mr. CLEMENTS. Mr. President, in conformity with the previous action taken by the Senate, the Senator from Illinois [Mr. DOUGLAS] is entitled to the floor.

Mr. MONRONEY. Mr. President, will the Senator from Illinois yield to me at this time?

Mr. DOUGLAS. I shall be happy to yield to the Senator from Oklahoma.

VISIT TO THE SENATE OF HIS HIGHNESS PRINCE BERNHARDT OF THE NETHERLANDS

Mr. MONRONEY. Mr. President, I thank the Senator from Illinois for yielding to me at this time. It is a high honor and a distinct privilege to be permitted to introduce to the Senate a great friend of the United States, a distinguished representative of one of our finest and most respected allies.

I take pleasure in introducing to the Members of the Senate His Highness, Prince Bernhardt of The Netherlands, who is seated in the gallery.

[Prolonged applause, Senators rising.]

AMENDMENT OF THE NATURAL GAS ACT, AS AMENDED

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (S. 1853) to amend the Natural Gas Act, as amended.

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). The Senator from Illinois is recognized.

Mr. DOUGLAS. Mr. President, toward the conclusion of my address on yesterday, I was pointing out that under the new contracts which are being negotiated the prices being paid are extremely high. In that connection, I cited an analysis of some 82 contracts which the Sun Oil Co. submitted in justification of its own claim for a 17-cent rate in Louisiana.

I hasten to say, as I made clear yesterday, that the 82 contracts which were submitted were not Sun Oil contracts; they were contracts of a variety of pipelines which were offered in justification of the 17-cent rate which Sun had requested. Incidentally, the Sun rate was 7.2 cents higher than the rate under which it was then operating.

I pointed out that of the 82 contracts, only one was at 11.26 cents; 2 were at 14.5 cents; only one was at 15.75 cents; 43 were at 17 cents; 5 were at 17.4 cents; 1 was at 17.5 cents; 5 were at 18 cents; 9 were at 19.25 cents; 8 were at 21 cents; and 7 were at 21.2 cents.

In order that I may be absolutely fair, Mr. President—as I have tried to be throughout—of course it should be added that these prices include the 1-cent severance tax imposed in the State of Louisiana.

Mr. President——

The PRESIDING OFFICER (Mr. NEELY in the chair). The Senator from Illinois has the floor.

Mr. DOUGLAS. My attention has been called to a very recent application for an increase in rate; it was on the part of the Tide Water Associated Oil Co., which is selling gas to the United Gas Pipe Line Co. in the Hollywood field of Louisiana, in Terrebonne Parish. The application was filed on January 3, 1956, as supplement No. 3 to Tide Water's Federal Power Commission gas-rate schedule No. 34.

The Federal Power Commission has not yet acted on the application for a rate increase. The producer asks that the effective date be January 1, 1956.

The old rate was 10 cents per 1,000 cubic feet—or 9 cents plus the 1-cent Louisiana gathering tax.

The proposed new rate would be 19½ cents—including the 1-cent gathering tax—for the first 5 years; 21½ cents for the next 3 years; and 22 cents thereafter, with a renegotiation clause for 10 years. But there is also a redetermination provision to the effect that the average of the highest prices paid to 3 different purchasers of gas, for resale, in 3 listed parishes shall become the predominant price. So the obligation really contains a favored-nation clause, only the clause bears the alias of "redetermination."

Mr. President, this contract is not a small one. The actual volume of gas purchased by United Gas Pipe Line Co. from Tide Water Associated Oil Co. in 1955 was 14 million thousand cubic feet. It is anticipated that in 1956, that amount will more than double, or will be 28,182,000 thousand cubic feet. The cost on the old volume was $1,300,000; and the increase estimated on the anticipated new volume will bring that to $2,600,000 a year.

I mention this merely to bring my figures up to date, and also to indicate that there are already in the works in these areas, tremendously high rates for new contracts, and that old contracts are being rewritten so as to take account of the newer and higher rates.

REGULATION OF PRODUCERS' INTERSTATE SALES UNDER PRESENT LAW IS ENTIRELY WORKABLE AND CAN BE SIMPLIFIED

Mr. President, at this time let me deal in more detail than I was able to do yesterday, with the contention about regulation. In contrast with the argu-

ment of the exponents of the bill, I think I can prove, this afternoon, that the regulation of producers' interstate sales is entirely workable under present law, and that it can be simplified.

One of the grounds most strongly urged against permitting the Federal Power Commission to proceed under the present law with its regulation of natural gas producers' sales for resale in interstate commerce is that such utility type regulation is so complex and difficult as to be unworkable, and is inefficient, unfair, and subject to endless delays.

When we strip this argument of all of its scare talk or threats about "no incentives," and "no gas," and "can't do it," and look instead at the actual experience of the Power Commission, we find that it can do it, because it has done it—although on a more limited scale, to be sure.

Moreover, any real desire to diminish and simplify the regulatory burden and to give relief to the truly small, independent producers can best be met by adoption of the exemption amendment I am proposing. I shall refer first to this latter point.

EXEMPTION OF SMALL PRODUCERS' SALES IS POSSIBLE WITHOUT SURRENDERING BASIC CONSUMER PROTECTIONS

On May 11, 1955, I introduced S. 1926, a separate bill, which was designed to exempt from Federal regulation, producers of natural gas whose sales in interstate commerce for resale are less in the aggregate than 2 million thousand cubic feet of natural gas a year. When the pending bill reaches the stage where the consideration of amendments is timely, I intend to offer S. 1926 as an amendment in the nature of a substitute.

I discussed that amendment at the conclusion of the session on yesterday when I submitted the amendment. It now lies on the desks of Senators, and is marked "1-24-56—A." When the pending bill reaches the stage where the consideration of amendments is timely, I intend to offer the amendment as an amendment in the nature of a substitute for the bill.

This proposal to exempt small producers from Federal regulation of their interstate sales is based solely on the ground that their regulation is not essential for the protection of the public interest. The exemption would also relieve the Commission and the small producers of many burdens.

This proposed exemption of small producers does not in any way alter my conviction that the large producers who dominate the interstate market should continue to be subject to the jurisdiction of the Natural Gas Act. While I believe it is feasible and possible for the Federal Power Commission to regulate the sales of the small producers, nevertheless, if the public interest may be adequately protected without their regulation, there is no justification for subjecting them to unnecessary regulation, or for subjecting the taxpayers to the financial burden of nonessential regulation.

Let us examine the practical effect of this amendment.

The exemption of producers whose sales in the aggregate are less than 2 million thousand cubic feet of natural gas a year would remove from jurisdiction under the Natural Gas Act more than 96 percent of the producers who made sales to interstate pipeline companies in 1954. While such an exemption would remove all but approximately 197 producers from Federal regulation of their interstate sales, it would leave subject to regulation the interstate sales of the 197 producers who in the aggregate sold approximately 90 percent of the natural gas to interstate pipeline companies in 1954. In other words, it would exempt 96 percent of the producers from regulation, but would retain regulation over 90 percent of the gas.

According to information furnished by the Federal Power Commission, which I earlier placed in the RECORD, 5,557 producers sold natural gas to interstate pipeline companies in 1954. Of these 5,557 producers, 5,360 of them sold less than 2 million thousand cubic feet of natural gas in 1954, and in the aggregate their sales amounted to only 10.48 percent of the total volume of gas purchased by interstate pipeline companies in the year 1954. Thus, if we would relieve these 5,360 producers from regulation under the Natural Gas Act, there would be left subject to Federal regulation only 197 producers. But these are the producers who sold 89.52 percent of the natural gas purchased by interstate pipeline companies in the year 1954.

I do not believe it is necessary to subject these 5,360 small producers' sales to regulation in order to provide adequate protection to the Nation's 21 million natural-gas customers against monopoly prices. These small producers do not control a large enough share of the supplies of natural gas to affect materially the interstate movement of natural gas or the price levels in the gas fields. I believe the elimination of these small producers from regulation is a workable approach to the natural-gas situation which is before this Congress.

Regulating the sales of 197 producers is still a big job. But at least the job will be cut down to a more workable size. The main dam against a flood of high gas-field prices is retained, and the tiny volumes of unregulated interstate sales are not likely to vary much from the fair levels set by the Commission for the main stream.

I noticed in the argument of the able Senator from Arkansas [Mr. FULBRIGHT] a claim for simplicity in regulation under S. 1853 as follows:

> Is it not obviously more efficient to control the prices that some 120 pipelines pay for their gas rather than attempt to fix the prices at which more than 8,000 producers sell the same gas? (RECORD, p. 672.)

But it is a regulation of sales transactions that we are debating. The pipelines buy what the producers sell them. And it must be obvious that the prices paid by 120 pipelines for gas to 5,500—or 8,000, as he claims—producers involve precisely the same bilateral transactions as the prices at which the 5,500 producers sell to the 120 pipelines. I see no magic simplification in this.

If, as he says, they are going to control the prices which the pipelines can pass on to the distributing companies, and can bring under scrutiny the prices which are paid to the producers, it follows that under his plan all the contracts with the 5,500 producers will ultimately have to come before the Federal Power Commission. The pipeline companies will not be prevented from paying certain prices. The suggested procedure would merely be imposed as a pseudo-check to see whether or not those prices can be passed on to the distributors.

My good friend from Arkansas, in drafting his bill, has tied the Federal Power Commission down with the red-tape from which he said he was trying to free it, whereas my proposal would lop off 96 percent of the cases and confine regulation to the 197—the big boys.

If there were any regulation under S. 1853, as he asserts—and as I deny—it would affect and burden the small producers to the same degree as the large ones, and to a much greater degree than is provided for in my amendment in the nature of a substitute.

Compared with the complexity and vagueness of the alleged indirect controls of S. 1853, which I shall analyze shortly, this amendment of mine confining regulation to sales of about 197 producers is simplicity itself. Compared with the ineffectiveness of the controls in S. 1853, my amendment retains real protection for the consumers. Compared with the legal and economic uncertainties of S. 1853, this exemption of small producers offers a clear path ahead.

There is no question about the legality or constitutionality of this proposal for exemption. I placed in the hearing record, and I now ask unanimous consent to have printed at this point in the RECORD, a memorandum dated June 3, 1949, by the Federal Power Commission's Bureau of Law; and also a report written to Hon. JOHN W. HESELTON, Member of Congress, on April 5, 1955, by the American Law Division of the Legislative Reference Service of the Library of Congress, relating to this particular question.

There being no objection, the memoranda were ordered to be printed in the RECORD, as follows:

MEMORANDUM ON CONSTITUTIONALITY OF CLASSIFICATION IN DOUGLAS AMENDMENT TO EXEMPT SMALL PRODUCERS—I

MEMORANDUM FOR THE COMMISSION

JUNE 3, 1949.

Re constitutionality of proposed exemption of producers.

This memorandum is prepared in response to an assignment from the general counsel. It discusses the question of whether the proposed exemption from the jurisdiction of the Commission of sales of natural gas in interstate commerce at the conclusion of production and gathering where such sales, individually or in the aggregate with affiliated producers, do not exceed 2 billion cubic feet during the calendar year, would be constitutional as involving a permissible classification of natural-gas companies.

Such an exemption, in my opinion, would be constitutional since it is based upon a

reasonable classification of regulated and nonregulated companies for legitimate regulatory purposes. While it is estimated that the provision would exempt 97 percent of the 2,300 producers in the country who made sales to interstate pipelines in 1947 and 530 of the 600 producers in the 7 Southwestern States, the remaining 70 producers in the Southwesten States who would not be exempt sold 83.96 percent of the gas sold to interstate pipelines in the year 1947. Those producers, therefore, would be exempt whom it is not important to regulate.

Such reasonable classification and exemption based thereon has been repeatedly upheld by the United States Supreme Court. In *Wilson* v. *New* (243 U. S. 332), a similar classification and exemption was upheld. The rule was stated in the majority opinion on page 354 as follows:

"The want of equality is based upon two considerations. The one is the exemption of certain short-line and electric railroads. We dismiss it because it has been adversely disposed of by many previous decisions. The second rests upon the charge that unlawful inequality results because the statute deals not with all, but only with the wages of employees engaged in the movement of trains. But such employees were those concerning whom the dispute as to wages existed growing out of which the threat of interruption of interstate commerce arose, a consideration which establishes an adequate basis for the statutory classification."

Similarly in the case of *Chicago, Rock Island & Pacific Railway Co.* v. *United States* (284 U. S. 80), the Supreme Court said on page 93:

"The classification which results in exempting railroads less than 100 miles in length from the necessity of making reports of per diem accruals separately to each of the numerous car owners throughout the country is attacked as arbitrary and unreasonable. We think it is neither. It is of a kind frequently made and frequently upheld by this Court. *St. Louis & I. M. Ry. Co.* v. *Arkansas* (240 U. S. 518, 520); *Wilson* v. *New* (243 U. S. 332, 354), and authorities cited. Moreover, the car equipment of the country is substantially in the hands of the trunk lines, that owned by the short lines being almost a negligible proportion of the whole. And this fact affords some additional ground for the classification."

To the same effect, in the case of *Dow* v. *Beidelman* (125 U. S. 680), the United States Supreme Court said, on page 691:

"The legislature, in the exercise of its power of regulating fares and freights, may classify the railroads according to the amount of the business which they have done or appear likely to do. Whether the classification shall be according to the amount of passengers and freight carried, or of gross or net earnings, during a previous year, or according to the simpler and more constant test of the length of the line of the railroad, is a matter within the discretion of the legislature. If the same rule is applied to all railroads of the same class, there is no violation of the constitutional provision securing to all the equal protection of the laws."

See also *New York, New Haven and Hartford Railroad Company* v. *New York* (165 U. S. 628 (1897)); *Chesapeake and Ohio Railway Company* v. *Conley* (230 U. S. 513 (1913)); *Great Atlantic & Pacific Tea Co.* v. *Grosjean* (301 U. S. 412 (1937)); and *Carmichael* v. *Southern Coal & Coke Co.* (301 U. S. 495 (1937)).

For other authorities see dissenting opinion by Mr. Justice Brandeis in which Mr. Justice Holmes and Mr. Justice Stone concurred, in *Louisville Gas & Electric Co.* v. *Coleman* (277 U. S. 32), at pages 42 to 44, and dissenting opinion by Mr. Justice Cardozo in *Stewart Dry Goods Co.* v. *Lewis* (294 U. S. 550), at page 579, both of which gave broad application to the doctrine.

LOUIS W. MCKERNAN,
Chief, Division of Interpretation and Research, Bureau of Law.

Approved:

BRADFORD ROSS,
General Counsel.

MEMORANDUM ON CONSTITUTIONALITY OF CLASSIFICATION IN DOUGLAS AMENDMENT TO EXEMPT SMALL PRODUCERS—II

THE LIBRARY OF CONGRESS,
LEGISLATIVE REFERENCE SERVICE,
Washington, D. C., April 5, 1955.

To: Hon. JOHN W. HESELTON.
From: American Law Division.
Subject: Constitutionality of H. R. 4924.

The above bill would amend section 1 of the Natural Gas Act, to make it inapplicable to "any sale of natural gas in interstate commerce at or prior to the conclusion of production or gathering by a person whose total sales of natural gas in interstate commerce individually or in the aggregate with affiliated producers and gatherers do not exceed on an annual basis 2 billion cubic feet computed at 14.65 pounds per square inch absolute at 60° F. provided such person is neither a natural-gas company by reason of other activities nor affiliated with a natural-gas company."

We are of the opinion that a statute of this character would be constitutional. Exclusions based on differences of degree, stated in terms of differences in numbers, are commonplace in the law. For example, the Fair Labor Standards Act exempts employees of certain newspapers which have a circulation of less than 4,000 (U. S. C. 29: 213). The SEC is authorized to exempt from the Securities Act of 1933, as amended, issues of securities which do not exceed $300,000 (U. S. C. 15: 77 (c)). The Trust Indenture Act of 1939 does not apply, in stated circumstances, to securities issued pursuant to an indenture which limits the aggregate principal amount outstanding thereunder to $1 million or less (U. S. C. 15: 77 ddd). A similar exemption is granted from the provisions governing the issuance of securities by motor-vehicle carriers (U. S. C. 49: 314). Stockyards in which the area normally available for handling livestock, exclusive of runs, alleys, or passageways, is less than 20,000 feet, are exempt from the Packers and Stockyards Act (U. S. C. : 202). The Adamson Act, which established the 8-hour day for railroad employees, exempted certain independently owned lines not more than 100 miles in length (U. S. C. 45: 65). The Federal Unemployment Tax is imposed only on employers of eight or more (U. S. C. 26: 3306).

Occasionally, the objection is raised that a statute is invalid because of exclusions of this character. But the Supreme Court has consistently rejected these arguments. In *Wilson* v. *New* ((1917) 243 U. S. 332, 354), it dismissed the contention that the exemption of short-line railroads made the Adamson Act invalid, with the brief comment that this point "has been adversely disposed of by many previous decisions." In support of this statement it cited a series of cases in which State statutes which exempted small enterprises were sustained against the charge that they violated the equal-protection clause.

"To hold that Congress in establishing its regulation is restricted to the making of uniform rules," wrote Mr. Chief Justice Hughes in *Currin* v. *Wallace* ((1939) 306 U. S. 1, 14) "would be to impose a limitation which the Constitution does not prescribe. There is no requirement of uniformity in connection with the commerce power * * *." In *Mabee* v. *White Plains Publishing Co.* ((1946) 327 U. S. 178, 184) the Court held that the exemption of certain small newspapers from the Fair Labor Standards Act did not constitute an unconstitutional discrimination against other newspapers. It declared:

"The fifth amendment does not require full and uniform exercise of the commerce power. Congress may weigh relative needs and restrict the application of a legislative policy to less than the entire field."

Administrative convenience and the expense of enforcing a law against persons engaged in small-scale operations have been deemed to be adequate reasons for the exclusion of such persons, *Steward Machine Co.* v. *Davis* ((1937) 301 U. S. 548, 584).

MARY LOUISE RAMSEY,
American Law Division.

Mr. DOUGLAS. Both of these legal memoranda make it clear that Congress has power to classify businesses subject to Federal jurisdiction by size and to limit such regulation to those of a certain size. There are many precedents for such classification. I mention as examples the limits in the Fair Labor Standards Act; in various features of the Social Security Act; in the Adamson Act; and in State labor laws the constitutionality of which has been upheld by the United States Supreme Court.

The break off point suggested in my amendment—2 million thousand cubic feet, is reasonable in the light of the objective of the law, which is consumer protection.

The advocates of complete exemption of all producers, regardless of size, have belittled the exemption of the smaller producers. But no small producers to my knowledge appeared before the committees and objected to their exemption, nor did any appear in behalf of the Fulbright bill. It is the big boys who object to the exemption of the little fellows.

The proponents of the Fulbright bill have imagined numerous schemes by which larger producers may be able to evade and avoid Federal regulation by subdividing their interests. But I wonder if the big oil and gas producers are not really more concerned that if Congress should exempt the little fellows, as proposed in my amendment, the industry giants will no longer have any small producers behind whom to hide. If my amendment contained loopholes through which the big producers could escape regulation, would they be trying to dream up reasons why it should not be enacted, or would they complain that the purpose of the bill could be evaded and avoided by subdividing their interests or through other machinations?

The truth of the matter is that the Commission at the present time has classified by size, natural gas companies and electric utilities for accounting requirements and for the furnishing of reports to the Commission. Moreover, it has even prescribed a size classification for the so-called independent producers. Producers whose sales of natural gas subject to the jurisdiction of the Federal Power Commission amount in the aggregate to less than one million thousand cubic feet annually are permitted to use a simplified form of application for Certificates of Convenience and Necessity.

The volume-of-sales test, therefore, is one which the Commission has itself applied for other purposes and cannot be

as difficult as some persons seek to make out. Commissioner Draper, with his long experience, has asserted that such an exemption of small producers, as in the companion Heselton bill, H. R. 4924, "would accomplish relief to the small producers far better than bills of the nature of S. 1853 and H. R. 4560"—hearings, page 1228. The Heselton bill would be much better than the Harris or Fulbright bills.

I now ask unanimous consent to have printed at this point in the RECORD a table furnished to me by the Federal Power Commission, showing the names of all the nontransporting producers who, on the basis of 1954 sales, would, under the terms of my amendment, be subject to the jurisdiction of the Federal Power Commission by reason of making sales in interstate commerce in the year 1954 of natural gas in the excess of a volume of 2 million thousand cubic feet.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Sales by producers of natural gas to natural gas pipeline companies [1]—1954 producers whose combined sales were 2 million M c. f. or more

[Excludes sales to associated pipeline companies]

Name of producer	Sales (M c. f.)	Revenues		Name of producer	Sales (M c. f.)	Revenues	
		Amount	Per M c. f. [2]			Amount	Per M c. f. [2]
Phillips Petroleum Co.[3]	510,241,292	$45,227,184.71	8.9	Sklar Sam, trustee [3]	6,604,597	$580,213.24	8.8
Stanolind Oil & Gas Co.[3]	268,552,898	27,081,345.31	10.1	Midland Gasoline Co	6,539,107	469,704.80	7.2
Humble Oil and Refining Co.[3 4]	220,327,503	20,788,758.35	9.4	Gillring Oil Co	6,468,713	657,715.88	10.2
Shell Oil Co.[3]	173,872,949	17,907,304.16	10.3	Grubb Hawkins et al.[3]	6,466,554	579,437.08	9.0
Magnolia Petroleum Co.[3]	146,476,188	13,673,924.63	9.3	Altex Corp	6,427,007	668,227.20	10.4
The Chicago Corp	137,490,167	12,400,644.82	9.0	Goldston, W. L., et al.[3]	6,424,011	424,701.05	6.6
The Atlantic Refining Co.[3]	115,589,076	10,653,925.36	9.2	British American Oil Production Co	6,347,076	500,155.34	7.9
The Texas Co.[3]	102,645,248	11,037,137.53	10.8	Standard Oil Company of Texas	6,174,218	634,535.38	10.3
The Shamrock Oil & Gas Corp.	92,112,450	8,157,125.48	8.8	Le Cuno Oil Co	6,129,271	817,635.49	13.3
Sun Oil Co.[3]	79,439,904	6,839,924.81	8.6	Peppers Refining Co	6,003,465	548,298.59	9.1
Skelly Oil Co.[3]	77,963,528	7,525,159.47	9.6	The Nueces Co	5,997,177	600,163.81	10.0
Gulf Oil Corp.[3]	71,783,072	6,919,437.20	9.6	Oil & Gas Property Management, Inc	5,991,937	798,496.70	13.3
American Gas Production Co.[3]	70,202,494	7,794,118.07	11.1	Salt Dome Production Co.[3]	5,840,442	690,225.16	11.8
The Pure Oil Co	66,361,092	5,879,259.03	8.8	Mid Atlantic Oil & Gas Co	5,794,748	1,593,555.86	27.5
Gulf Refining Co	62,826,223	6,042,141.87	9.6	Murphy Corp.[3]	5,782,975	667,534.87	11.5
Carthage Corp	60,695,079	5,820,547.39	9.6	Champlin Refining Co.[3]	5,674,269	630,853.36	11.1
The Superior Oil Co.[3]	60,019,581	4,927,965.99	8.2	Placid Oil Co. et al.[3]	5,624,838	514,869.96	9.2
Republic Natural Gas Co.[3]	59,887,028	6,258,798.56	10.4	The Carter Oil Co.[3 4]	5,414,164	468,876.53	8.7
Tide Water Associated Oil Co.[3]	59,054,393	5,916,635.74	10.0	R. Olsen Oil Co.[3]	5,393,219	493,365.85	9.1
Ohio Oil Co.[3]	58,441,293	5,363,786.49	9.2	Benson & Montin, Inc	5,200,953	515,902.40	9.9
Sunray Oil Corp.[3]	56,631,392	5,869,739.06	10.4	Alaska Steamship Corp	5,049,751	531,680.61	10.5
Western Natural Gas Co., et al.[3 4]	50,846,188	3,883,552.03	7.6	Ginther, N. C., et al.[3]	5,040,679	532,087.01	10.6
Southern Production Co., Inc	50,724,965	5,668,401.24	11.2	Barbara Oil Co	5,038,380	408,589.68	8.1
Union Oil Co. of California [3]	47,203,429	4,568,319.70	9.7	Hudson, E. J., et al.[3]	4,964,928	485,167.81	9.8
Sinclair Oil & Gas Co.[3]	43,920,304	4,297,380.16	9.8	Seaboard Oil Co	4,933,607	361,158.10	7.3
Southwest Gas Production Co., Inc.[3]	42,119,410	4,780,623.57	11.4	Hudgins, T. J., trustee	4,886,168	298,183.26	6.1
Warren Petroleum Corp.[3]	41,689,710	3,852,315.88	9.2	Reef Fields Gasoline Corp	4,870,803	447,969.35	9.2
The California Co	39,676,709	4,737,961.11	11.9	McConnell, D. B	4,847,384	433,895.45	9.0
United Carbon Co	39,194,826	5,478,469.08	14.0	Union Pacific Railroad Co	4,795,287	635,319.87	13.2
Union Sulphur & Oil Corp	34,941,089	3,370,797.70	9.6	Christie Mitchell Mitchel	4,746,894	563,519.67	11.9
Taylor Oil & Gas Co	33,904,710	2,587,680.00	7.6	Wilson, Sam E., Jr., et al.[3]	4,737,049	292,316.89	6.2
Dorchester Corp	33,884,979	3,009,534.65	8.9	West, J. M.[3]	4,695,179	523,420.52	11.1
Continental Oil Co.[3]	33,519,128	2,981,801.24	8.9	Honolulu Oil Corp	4,655,856	473,421.03	10.2
Texas Gas Products Corp	29,191,125	2,983,056.69	10.2	Carter Gragg Oil Co.[3]	4,582,847	476,951.98	10.4
Sohio Petroleum Co.[3]	27,706,985	2,481,692.76	9.0	Texas Natural Gasoline Corp.[3]	4,577,565	471,878.78	10.3
La Gloria Corp.[3]	26,600,242	1,901,087.23	7.1	Murphy, C. H., Corp	4,438,022	528,126.34	11.9
Cullen, H. R., et al.[3]	26,108,762	1,867,271.55	7.2	Natural Gas Distributing	4,274,822	388,162.42	9.1
Hugoton Plains Gas & Oil Co	25,045,634	2,494,226.08	10.0	Heep Oil Corp., et al.[3]	4,258,174	450,643.35	10.6
Sid Richardson Gasoline Co	24,940,998	2,294,648.65	9.2	Orange Grove Oil & Gas Corp	4,255,900	279,414.00	6.6
Columbian Fuel Corp	23,601,908	3,189,325.69	13.5	Associated Oil & Gas Co	4,255,309	336,182.07	7.9
Glassell & Glassell	22,151,934	1,795,811.75	8.1	Chavanne, H. J., et al.[3]	4,240,659	518,974.32	12.2
La Gloria Oil & Gas Co	21,780,289	1,837,213.88	8.4	Sunray Oil Co.[4]	4,105,294	412,771.20	10.0
Union Producing Co.[3 4]	21,303,241	1,714,158.12	8.0	Seaboard Oil Co	4,004,294	294,595.77	7.4
The Marine Gathering Co	20,875,067	1,766,574.66	8.5	Smith, R. E	3,968,010	464,257.16	11.7
Hunt Oil Co.[3]	20,584,901	2,372,542.00	11.5	South Texas Corp	3,888,260	397,198.15	10.2
United Producing Co.[3]	20,152,773	3,763,311.41	18.7	Martin, O. G., et al.[3]	3,883,623	344,924.49	8.9
J. M. Huber Corp	18,441,695	1,658,964.33	9.0	Southern California Petroleum Corp.[3]	3,865,023	295,296.71	7.6
Hugoton Production Co	17,551,016	2,290,761.30	13.0	Fullerton Oil Co.[3]	3,829,032	347,690.05	9.1
Amerada Petroleum Corp.[3]	17,237,724	1,595,357.23	9.2	Anderson Prichard Oil Corp.[3]	3,817,713	403,626.18	10.6
Cities Service Oil Co.[3 4]	16,839,096	1,517,339.64	9.0	Waskom Natural Gas Corp	3,797,300	505,045.56	13.3
Panoma Corp	16,656,036	1,672,541.73	10.0	Natural Gasoline Corp., et al.[3]	3,749,596	325,799.82	8.7
American Republics Corp.[3 4]	15,589,790	1,891,100.07	12.1	Gasoline Production Corp.[3]	3,723,055	270,188.45	7.2
Lacy Rogers, Inc., et al.[3]	14,739,534	1,241,244.58	8.4	Stevens County Oil & Gas Co., et al.[3]	3,658,862	402,473.00	11.0
Texas Gas Corp	14,254,658	1,546,414.86	10.8	New Ulm Corp	3,473,453	462,751.14	13.3
Texas Gulf Producing Co.[3]	13,619,298	1,303,550.81	9.6	Texas Consolidated Oils	3,471,543	345,020.81	9.9
Pan American Production Co.[3]	12,127,023	1,632,924.42	13.5	Saturn Oil & Gas Co	3,436,148	378,062.13	11.0
Hassie Hunt Trust	12,117,938	1,359,547.75	11.2	Burnett & Cornelius	3,433,117	168,183.99	4.9
Hunt, H. L.[3]	12,078,222	1,532,487.16	12.7	British American Oil Co.[3]	3,410,961	78,488.57	2.3
Brown, Joe W	11,701,860	1,170,624.93	10.0	Kansas Natural Gas, Inc.[4]	3,369,279	370,810.43	11.0
Cabot Carbon Co	11,238,261	1,217,880.67	10.8	Rock Hill Oil Co.[3]	3,316,113	263,860.96	8.0
Lion Oil Co.[3]	11,180,642	1,060,997.95	9.5	Imperial Production Corp	3,315,230	306,732.27	9.2
Deerfield Kearney Gas Production	11,177,092	1,229,480.17	11.0	Oil Drilling, Inc.[3]	3,304,549	365,933.70	11.1
Keta Gas & Oil Co	10,726,262	2,841,469.10	26.5	Barnsdall Oil Co	3,301,410	226,266.00	6.8
Columbian Carbon Co	9,755,363	2,053,435.33	21.0	Natural Gas Distributing Corp	3,300,779	285,364.29	8.6
Cities Production Corp.[3]	9,440,394	1,157,248.94	12.2	Adams & Hagarty, et al.[3]	3,295,603	403,537.09	12.2
Aztec Oil & Gas Co.[3]	9,181,791	906,871.54	9.9	Josey, R. A., Inc., et al.[3]	3,260,573	226,910.46	7.0
Standard Oil Co	9,147,979	947,047.43	10.4	Devonian Gas & Oil Co	3,249,169	893,521.63	27.5
Arkansas Fuel Oil Corp	9,045,417	1,028,347.81	11.4	Kerr McGee Oil Industries	3,233,381	480,582.60	15.1
Felsenthal, S. J	9,017,838	898,776.27	10.0	Vanson Production Corp	3,079,149	433,980.00	14.1
Texas Pacific Coal & Oil Corp	8,954,526	858,511.15	9.6	Bowie Gasoline Co	3,043,522	306,014.20	10.0
Lyman, C. V	8,942,894	876,293.53	9.8	Osborn, W. B.[3]	2,987,098	319,159.98	10.7
Little Nick Oil Co.[3]	8,670,758	867,301.90	10.0	Whelan, D. E. and R. J	2,985,243	379,917.71	12.7
Southern Union Gathering Co.[3 4]	8,598,321	1,503,274.16	17.5	Gravis & Mitchell	2,900,162	169,861.36	5.8
Hydrocarbon Production Co. et al.[3]	8,359,859	595,852.00	7.1	Terminal Facilities, Inc	2,894,214	318,364.08	11.0
Cities Service Development Co	8,265,884	573,785.97	6.9	Gas Gathering Co	2,871,682	361,961.74	12.6
Midstates Oil Corp.[3]	8,251,414	749,147.14	9.1	Delta Gulf Drilling Co	2,864,202	278,149.20	9.7
General American Oil Company of Texas	7,992,857	858,325.77	10.7	Kirby Petroleum Co.[3]	2,863,829	310,308.60	10.8
Fair, Ralph E	7,289,108	744,335.98	10.2	Denton Oil Co	2,853,443	286,617.71	10.0
Pecos Co	7,239,545	668,579.05	9.2	Anchor Gasoline Corp. et al.[3]	2,777,909	226,030.08	8.1
Fidelity Oil & Royalty Co.[3]	7,049,859	831,778.10	11.8	Crescent Production Co., Inc	2,765,887	260,609.66	9.4
Renwar Oil Corp.[3]	6,979,650	853,159.73	12.2	Mid Continent Petroleum Corp	2,765,400	298,132.03	10.8
Oklahoma Natural Gas Co	6,892,533	780,983.96	11.3	Cotton Valley Operators Co	2,735,401	140,021.63	5.1
White Eagle Oil Co. et al.[3]	6,882,326	769,923.08	11.2	Kelly, John M	2,614,587	201,155.06	7.7
Bert Fields	6,793,970	626,027.17	9.2	Fralich, Charles E., and Case	2,584,847	646,211.75	25.0
Pubco Development, Inc.[3]	6,772,225	735,095.32	10.8	Forest Oil Corp.[3]	2,561,510	235,864.41	9.2

See footnotes at end of table.

Sales by producers of natural gas to natural gas pipeline companies[1]*—1954 producers whose combined sales were 2 million M c. f. or more*—Continued

[Excludes sales to associated pipeline companies]

Name of producer	Sales (M c. f.)	Revenues		Name of producer	Sales (M c. f.)	Revenues	
		Amount	Per M c. f.[2]			Amount	Per M c. f.[2]
Rushing, J. S.	2,556,091	$263,095.88	10.3	Fralich, Charles E.	2,351,235	$587,808.75	25.0
B & A Pipe Line Co.	2,536,923	233,503.46	9.2	Engineering Development Co., Inc., et al.[3]	2,312,201	274,227.00	11.8
W. C. McBride, Inc., et al.[3]	2,522,771	196,612.66	7.8	Beaver Lodge Oil Corp.[3]	2,266,270	247,213.28	10.9
Richardson, S. W., et al.[3]	2,486,789	170,429.00	6.8	Piper, R. G., et al.[3]	2,257,020	123,030.24	5.4
Luse, W. R., et al.	2,473,445	252,917.87	10.2	Hancock, James D., & Co., Ltd.	2,214,648	221,464.80	10.0
Blanco Oil Co.	2,470,186	266,422.26	10.8	Independent Oil & Gas Co.	2,206,258	151,459.71	6.9
Hawkins, H. L., et al.[3]	2,460,571	229,444.80	9.3	Smith, Lloyd H.	2,200,141	285,936.28	13.0
Gross Association and Commonwealth of Pennsylvania	2,452,708	674,494.75	27.5	Abercrombie, J. S., Co.[3]	2,199,100	145,078.08	6.6
McAlester Fuel Co.[3]	2,437,606	138,478.33	5.7	Natural Gas Production Co.	2,196,713	192,672.33	8.8
Morgan, Arnold O.	2,432,082	265,874.61	10.9	Quinto Creek Production Co., Inc., et al.[3]	2,190,576	156,113.00	7.1
Runnels Gas Products Corp.	2,406,176	241,931.60	10.0	Commercial Petroleum & Transport	2,182,515	285,733.14	13.1
Plymouth Oil Co.	2,378,026	258,152.63	10.8	Navajo Natural Gas Co.	2,169,046	92,516.00	4.3
Housh, C. N.	2,364,029	312,091.27	13.2	Fairman, Hermes, et al.[3]	2,100,689	577,689.53	27.5
				Trahan, J. C., et al.[3]	2,073,860	195,038.36	9.4

[1] Data from reports of purchases by interstate natural gas pipeline companies.
[2] Average for all contracts with natural-gas pipeline companies.
[3] Includes sales by producer named in association with others where producer named appeared 1st on each of the various contracts reported.
[4] Sales to associated pipeline companies excluded.

Mr. DOUGLAS. For all these reasons, the simple amendment which I shall call up at the proper time offers the best alternative for reducing the regulatory job to its essential minimum, yet relieving the maximum number of small producers' sales from regulation, and maintaining the needed degree of protection for consumers.

FPC HAS ALREADY HAD A GREAT DEAL OF EXPERIENCE IN REGULATION OF PRODUCING COMPANIES

I wish now to turn to the claims of proponents of this legislation that regulation of nontransporting producers' sales is infeasible; that the cost of regulation will be staggering and benefits negative. I cannot agree with these assertions. They are totally unsupported, and are in fact contradicted, by actual experience.

First of all, it should be noted that for 16 years the Federal Power Commission has had subject to its jurisdiction and has regulated a large number of natural-gas companies, pipelines, who are engaged in the exploration, development, and production of natural gas in most of the same areas and fields in which the nontransporting, or so-called independent producers, conduct their operations. In addition, several natural-gas companies have producing company subsidiaries or affiliates.

In short, the Commission can do the job if it wants to do it, because already it has done the same job on a smaller scale.

At the end of 1954, 44 natural-gas companies, subject to the jurisdiction of the Federal Power Commission, reported the ownership of 29,239 gas wells. So far as can be ascertained, producing affiliates and subsidiaries owned 1,827 gas wells, making a grand total of 31,066 gas wells, or approximately 43 percent of the total number of gas wells in the United States which were under regulation by the Federal Power Commission so far as the price at which gas could be charged into the pipeline accounts is concerned.

Natural-gas-pipeline companies under the jurisdiction of the Federal Power Commission, reported an investment in natural-gas-production properties as of the end of 1954 of slightly more than $1 billion. This may be compared with their reported investment in transmission facilities as of the same date of $4,489,000,000. Affiliated producing companies also have an estimated investment in production facilities of several hundred million dollars more. Thus, it will be seen that the Federal Power Commission has had many years a substantial segment of the natural-gas-producing industry subject to its jurisdiction, and it is actually experienced in the regulation of the production phase of the industry, which the proponents of S. 1853 argue present such difficult problems.

It is obvious that the Federal Power Commission is understaffed at the present time. To do the effective job which is necessary in the public interest will require more funds. But this will be money well spent in the national public interest.

I believe the staff of the Commission is, in the main, devoted, competent, and sincere. However, I do not honestly believe that the Federal Power Commission, as it is presently constituted, is performing its duties of regulating natural-gas companies in as effective a manner as is possible. It does not appear that a majority of the Commission believe that the Natural Gas Act was really passed for the purpose of preventing exploitation of consumers at the hands of natural-gas companies.

The Commission's decision in the Phillips case, which was later overruled by both the circuit court of appeals and the Supreme Court, is one indication of it, and its decision in the Panhandle Eastern case is another good illustration. In the latter case, a majority sought to junk the Commission's long-standing, proven, ratemaking procedure, thus making it possible—had it been upheld—for the pipeline companies to obtain bonanza profits by selling the gas which they produce themselves to their customers at several times the actual cost of production including a fair return. Fortunately, the United States Circuit Court of Appeals for the District of Columbia unanimously turned down this giveaway of the public interest.

The Commission last year also joined in recommending the successful efforts to reduce its own jurisdiction by the Hinshaw bill. And it is now endorsing the legislative program of the oil and natural-gas industry to amend the Natural Gas Act through passage of the Fulbright bill. Certain Commissioners, from time to time, notably Mr. Draper, a member of the present Commission, have vigorously dissented from the action of the majority of the Commission.

Despite these shortcomings, including the plain disregard of the congressional intent in the Phillips case, the Federal Power Commission is the only instrument we have to carry out the essential purposes of the Natural Gas Act. Moreover, the evidence is clear that the consumers have received some benefits, even in the more recent years from regulation under the Natural Gas Act. This should have been quite apparent from the data to which I referred earlier, showing that in the period from July 1, 1949, to September 1, 1955, the Commission has been responsible for the disallowance and withdrawal of rate increases by pipeline companies amounting to $164,553,000 on an annual basis.

In other words, poor as the Commission is, it has nevertheless served in some degree to protect the public interest. It is the only group we have. As Touchstone, in As You Like It, in referring to a lady, said, it is "an ill-favored thing, but mine own."

It is a poor thing indeed, but it is the only public regulatory body we have. If Congress declines to go along with this determined drive of the industry for amendments to the Natural Gas Act, it would have a very salutary effect, I am sure, at the Federal Power Commission. It might cause some of the timidity at the Commission to be transformed into courage, and it might lead the Commission to believe that public opinion will watch them as it will watch the yea and nay vote on the pending bill.

The Commission would—or should—then recognize that it has a responsibility and a duty to carry out the congressional intent which it can no longer dodge. We might reasonably hope therefore that it would go about its business of regulating both the pipelines and nontransporting producers in accordance with the standards of regulation which were applied so successfully in the public interest during the first 10 years of regulation under the Natural Gas Act.

In any case, as I have said, the Commission is our only instrument to carry

out the general plan of Federal regulation which has been built up to protect consumers of natural gas.

If after backbone is supplied by the courts and Congress, there is timidity or faltering or betrayal, we can only hope that a new administration and "changed appointments," to quote my good friend, the senior Senator from Texas, may breathe new life into it again before it is too late.

It has been a very curious thing that only those who have defended the public interest in the past have been denied reappointment or confirmation by the Senate, and that those who have gone along with the industry have been reappointed and confirmed, or appointed afresh. Possibly next year—one never knows—the political winds may come from a different quarter.

REGULATION OF PRODUCERS' SALES NOW WELL UNDERWAY

Although I have been busy with other duties, I have attempted to keep informed of the Commission's progress in carrying out the law. On the basis of the data supplied by it, I believe the Commission's regulation of producer's sales is now well, though far from perfectly, under way.

Shortly after the Supreme Court handed down the Phillips decision, reversing the Commission, the Commission promulgated rules dealing with independent or nontransporting producers. Originally issued as order No. 174, these rules have been subsequently modified and improved by later orders. Basically, these rules did two things. First, they provided for the filing by each producer of his contracts with the pipeline company or other buyer covering those sales which he made in interstate commerce for resale. Certain supplemental information was requested for the purpose of establishing the rate being charged on June 7, 1954, as the effective rate. The rules also provided means by which supplemental changes in contract rates could be filed.

The second basic requirement applied to certificates of public convenience and necessity, which are required under section 7 (c) of the Natural Gas Act. The rules provided for the making of applications in the nature of "grandfather" applications covering the sales being made on June 7, 1954. Moreover, the producers were classified by size, as I noted earlier, the producers selling less than 1 million thousand cubic feet being required only to file a simplified form in applying for certificates of convenience and necessity.

Independent or nontransporting producers were relieved by such rule from compliance with the accounting and reporting requirements of the Commission's existing rules. Undoubtedly, these rules can be further simplified and improved.

According to a press release issued on March 10, 1955, 10,000 rate schedules of producers had been processed, and the situation was current.

I wish to emphasize that, because it has been stated on the floor in debate that the staff of the Commission has been hopelessly bogged down and they have been away behind in their work. But here is a press release issued by the Commission itself, the members of which are supporters of the Fulbright bill, which says that they were up on their homework on the 10th of March 1955.

This means that producers selling gas in interstate commerce to pipeline companies or others have on file at the Federal Power Commission a legal, effective rate. On January 6 of this year, only 3 weeks ago, the Federal Power Commission issued a further release concerning the processing of rate filings received by it from independent natural-gas producers which disclosed that during the first 18 months of regulation 13,531 rate filings were received by the Commission. It also appears from this press release that 7,038 of the filings were for rates which were in effect as of June 7, 1954. One thousand and ninety-seven filings were for new service, while 4,979 involved rate schedule changes, including increases in rates, and the remaining 397 were for various other filings.

The volume of certificate filings and processing thereof is also impressive. Down to January 1, 1956, less than a month ago, 6,483 independent producer applications for certificates of public convenience and necessity had been filed. Of these 5,207 covered service existing June 7, 1954, while 1,276 were for new service after June 7, 1954. These 1,276 applications, incidentally, seem to show that the highly advertised sitdown strike of producers following the Phillips decision, with which oil and gas spokesmen have tried to scare consumers, is largely a figment of their imagination. The palsy of "uncertainty" and the dread of "utility-type regulation" obviously has not scared these hardy producers out of a willingness to sell for the interstate market under fair regulation.

The Commission on January 1 had disposed of about one-third, or 1,802 of the existing service applications and 437 of the new service applications. But the Chairman's report to me also stated:

> Of the 839 new service applications pending as of January 1, 1956, the large majority have received authority to sell natural gas in interstate commerce for resale pending final disposition of the application for certificate.
>
> Section 157.23 (b) of the Commission's Rules issued by Order No. 174–B covers so-called grandfather operations as follows, "Pending action by the Commission on an application hereunder, the service for which authorization is sought shall be continued." Thus, any sales and operations subject to the Commission's jurisdiction for which application has been made, are in effect authorized by the Commission's Rules.

The processing of the pending applications is going forward at a rapid pace, as evidenced by the daily announcements of Commission orders granting such applications.

The action taken on rate increase applications is also extensive, though far from satisfactory in my opinion. According to the Commission's press release of January 6, 1956, in the 18 months ending December 1, 1955, producers filed 3,229 rate increases, amounting in total to $48,546,537 annually. The Federal Power Commission suspended 221 of these increases totaling $15,798,041 a year—$761,197 of which was later allowed, and $328,975 of which was withdrawn, leaving net $14,707,869 increases pending under suspension on December 1, 1955—but allowed 3,008 rate increases amounting in total to $32,748,496 a year to go into effect. Of this large number of increases which the Commission let go into effect, 1,978 covered increases in the Texas and Louisiana production fields and amounted in total to $6,904,444 per year. It is my understanding that most of the contracts between producers and pipeline companies provide that the purchaser will reimburse the seller for production and gathering taxes paid by the seller in varying percentages up to 100 percent of such taxes. A reasonable severance tax is a cost which can properly be passed on to the pipeline, and apparently many of them have been processed.

The increases which were permitted to go into effect cannot be effected, as I understand it, except after proceedings conducted under section 5 of the Natural Gas Act, and then the rates may be reduced only prospectively. The Commission's failure to suspend these producer increases, however, had made it necessary in one instance for the Tennessee Public Service Commission, municipalities, and distributing utilities, to file complaints with the Commission. It is my information that the Commission has thus far failed to act on such complaints. This is another instance of the Commission's failure to act in the public interest.

Rate increases under suspension when finally acted upon by the Commission are subject to revision from the date they become effective, and refunds may be ordered if the Commission finds that the rates were not justified in whole or in part.

If, instead of letting this regulating process go forward, S. 1853 were passed, note what would happen to these recently approved and pending matters.

Chairman Kuykendall testified before the House committee that if the Harris bill were enacted, the suspended producer rate increases would automatically go into effect. Thus, there are riding on this legislation, immediate definite increases in the cost of gas to pipeline companies, which would bring producers additional revenues of $14,707,869 a year.

A further effect of the passage of the Fulbright bill would be forever to prevent State commissions, municipalities, and distributing utilities from questioning the producer increases aggregating another $32 million, which the Commission, according to its release, has permitted to go into effect without suspension. Thus, customers and consumers would be deprived of any right whatsoever to challenge the reasonableness of the payments made by pipeline companies to producers pursuant to contracts entered into prior to passage of the Fulbright bill, and to secure just and reasonable rates. So the "hit parade" for producers would begin with a tidy little $41.5 million tune—$48.5 million, less the $7 million tax allowance. These are some of the most immediate consequences that passage of the Fulbright bill would bring to the gas consumers of this Nation.

Talk about the $64,000 question. This would lead to an increase of $600 million a year. The public is very much interested in the $64,000 question. I think it should display at least an equal interest in the $600-million question.

In the light of the résumé of Commission action to regulate producers' sales since the Phillips case, however, it is clear they not only can, but are starting to, do this job. But they have both eyes on the Congress, and if it passes the Fulbright bill they will lapse into what Grover Cleveland once defined as a state of innocuous desuetude, although I am afraid it will not be innocuous; I am afraid it will be a malign desuetude.

FPC CAN DETERMINE PRODUCER COSTS, AND COST-BASIS OF REGULATION IS WORKABLE

Mr. President, I wish to defend the thesis that the Federal Power Commission can determine producer costs and that the cost basis of regulation is workable.

It has been contended that the producers' costs are of no consequence and should not be used to determine the amount which the Commission should allow a producer to receive for the gas produced and sold in interstate commerce. And it is further contended that it is impossible to determine the costs of production or apply the cost standard of regulation to nontransporting producers.

The Senator from Oklahoma [Mr. MONRONEY] has made that claim on numerous occasions, asserting that oil and gas are interwoven, and that the costs of the gas cannot be separated from other costs.

I have already pointed out that the Commission can do and has done this kind of regulating of pipeline producers.

It is also a matter of record that the Federal Power Commission staff made an investigation of Phillips Petroleum Co. and determined the profits received from its gas business. I emphasize that: from its gas business. It is not the joint profits from gas and oil, or from oil alone, but from gas alone.

The Chairman of the Commission—whom I have criticized in other respects most harshly—very kindly furnished me with an exhibit in that case which showed a rate base for the company's gas department and its earning thereon. I also was advised by the Chairman that Phillips kept its books of account on a cost basis and measured its profits by relating them to net investment. Moreover, for income-tax purposes each producer must keep records showing capital investment, depreciation, depletion, and operating costs.

The testimony of former Federal Power Commission Chairman Thomas C. Buchanan before the Senate committee pins this point down firmly:

> The staff found that Phillips had excellent records of its gas operations; that such records were kept on the basis of cost, and that depreciation and depletion were properly recorded.
>
> The staff also found that the Phillips management used the rate of return earned on the depreciated original cost investment to gage the earnings performance of each department. In other words, Phillips was using the same basis to test the efficiency and profitability of its various operations as the Federal Power Commission uses to test the reasonableness of utility rates.
>
> I also invite your attention to exhibit No. 20 in the Phillips case which I offer for the record. This exhibit shows that in comparing the economics and the financial results of the Michigan-Wisconsin Pipe Line Co. contract renegotiation, Phillips management used the actual rates of return based on the money invested in that operation.
>
> This is the typical utility regulatory approach voluntarily adopted by Phillips, yet this committee has been advised that the application of utility-type regulation, that is, return on investment, is impractical of application to producers of natural gas (hearings, p. 816).

Here was the largest producer, classifying its accounts to obtain this information for its own use, and the Federal Power Commission got hold of the material. Yet, they want it said that it is impossible for other companies to do it. Of course, the Phillips Co. is a huge, composite company.

It is fantastic to believe that a producer would enter into a contract for the sale of gas without measuring the revenues expected to be received from that sale against the costs which he has already experienced in the development of the property and the costs which he estimates will be incurred in the future.

The 197 big producers are not business fools. They are very able, shrewd men. A small producer might do that, but a big one would not; and I am proposing to exempt small producers.

Furthermore, it is not only important that we have a regulatory method which the Commission and its staff can operate, it is also important to have one so well understood and clear that the producers themselves can measure their own rates in interstate commerce by the statutory requirements and thus be able to plan ahead more certainly. The further voluntary compliance is thus made possible, the less enforcement and litigation will be necessary. The cost-basis of regulation, based on familiar accounting methods, affords just such a measure. It would not involve all the uncertainty and legal paraphernalia of a complicated and burdensome advance determination of the sort which S. 1853 imposes on the Commission to weigh the various vague, new factors affecting the reasonable market price in each new contract.

At the same time it offers the best standard we have yet perfected for testing the fairness of the return on investment.

I wonder if the producers are really concerned about the impossibility or impracticability of ascertaining the true facts of their cost of doing business. Without being uncharitable, I suspect they may be more concerned lest such facts of record disclose the existence of exorbitant profits. In the Phillips material put into the hearings by Mr. Buchanan, these profits amounted to over 16 percent on the staff-computed rate base—hearings, page 821.

I call attention to this. Phillips was making profits amounting to 16 percent. I do not think that 16 percent is a fair rate of return. It is more than a fair rate of return. I am willing to concede that a fair rate of return ought to be more than 6 percent in the gas-producing industry. Possibly it should be 8, 8½, or 9 percent, but not 16 percent. But even 16 percent is not enough for Phillips. They want more.

I am sure that the competent staff of the Federal Power Commission can solve the many problems which were aired in the hearings by proponents of this legislation. Most of these so-called problems have already been solved, as I have pointed out, in the course of regulation of pipeline companies which own gas reserves.

FAIR REGULATION WILL GIVE A POSITIVE INCENTIVE TO PRODUCER AND ASSURE HIM A FAIR PROFIT

I believe one of the greatest incentives which can be given the producer to induce him to engage in exploratory work is the assurance of the recovery of the costs which he incurs, plus a reasonable return, commensurate with the risks taken, on the capital which he invests.

The rate of return must, of course, reflect the degree of risk inherent in the producing business. Constitutional standards require that the return be sufficient to take care of the capital costs of the business, assure confidence in its financial integrity, and induce the attraction on reasonable terms of the capital necessary for expansion of the business.

I would think that from the nature of the producing business, and based upon the testimony before the committee as to the risks involved, the profit margins allowed the natural gas producers would and should be higher than those normally thought of for gas and electric distribution utilities. The Federal Power Commission has allowed pipeline companies owning producing properties rates of returns running from 5½ to 6¼ percent on their overall operations. I want to emphasize the point that that is the overall operation and the capital investment in the transmission facilities vastly outweigh the capital investment in the producing facilities. Such returns may not be high enough for the natural gas producer. It appears that the Federal Power Commission's staff in the Phillips Petroleum Co. case suggested an 8½-percent rate of return for Phillips—hearings, pages 824–825.

"Utility-regulation" has been thrown around in this debate as if it were a dirty word, or at the least an exaction of a penalty which no free American should have to endure. To exempt producers' sales from "utility-regulation" is the constantly repeated aim of this bill. Yet utility regulation has not stifled the initiative or stopped the rapid expansion of the telephone or electric or natural gas pipeline industries. Quite the contrary. They are among our most phenomenally successful and growing businesses. "Utility regulation" are not dirty words. Utility regulation is an honorable way of protecting the consumers as well as producers in a monopolistic or noncompetitive, essential service.

Or the term "utility-regulation" is used by the exponents of the Harris-Fulbright bill to imply a limitation to a 6-percent return; and, in view of the extra risks

in natural gas exploration and development, it is argued that 6 percent is a grossly unfair profit limitation. But this is setting up a straw man. No one, to my knowledge, is proposing such a 6-percent limitation in the utility regulation of gas producers' interstate sales. Former Commission Chairman Buchanan testified—hearings, pages 824–825—that he "never heard any staff member or Commissioner express the view that independent producers should be limited to such rates of return"—that is, 6 or 6½ percent."

I know of no basis for fears of a 6-percent "utility regulation." An 8- or 8.5-percent utility-regulation rate seems much more likely, and I have advocated it before, and now do so again—but not a 16-percent rate of return.

Such utility regulation, moreover, may assist a producer to avoid the effects of any improvidently low contract that does not yield a fair return. Thus, when the junior Senator from Texas [Mr. DANIEL] asked Mr. Buchanan:

> If the Commission finds there are contracts which do not allow a just and reasonable rate of return to the producers, you think, then, the Commission could raise the prices above what is specified in the contracts?

Mr. Buchanan replied:

> I not only think it could, but I think it would.

This is why I say that fair regulation of their interstate sales will give a positive incentive to some producers.

In this connection, I think it is of more than passing interest to note that one producer who testified before the House committee in the 81st Congress on a prior Harris bill expressed the opinion that if everybody who produced oil and gas could be assured of a 6-percent return on their investment throughout the year they might be satisfied. The producer, Mr. B. A. Hardy, of Shreveport, La., recently had occasion to testify before the Arkansas Public Service Commission, and when his attention was called to his testimony before the House committee, he stated that he still held the same view, and felt that producers, on the basis of invested capital, would be lucky to get as much as a 6-percent return.

I would not want to see the producers treated unfairly. However, I do not think there is the slightest possibility that they would be so treated by the Federal Power Commission. Surely the history of regulation of the utilities industries, particularly the companies regulated by the FPC, shows that these companies have become prosperous, their securities are in demand, and their financial reputations are high. The dire prediction of disaster for producers, if their profit margins are held to a reasonable level through regulation of the prices charged for natural gas in the field, appears to be in the same class as those predictions which were made when the holding company and the Federal Power Acts were before the Congress 20 years ago.

Mr. WILEY. Mr. President, will the Senator yield, so that I may make a few remarks at this time in relation to a very important organization called CARE?

Mr. DOUGLAS. Mr. President, I am very glad to yield, with the understanding that the remarks will be printed at the conclusion of my address, that I do not lose my right to the floor, and that the Senator from Illinois may be privileged to add a few remarks of his own on the same subject.

The PRESIDING OFFICER (Mr. CLEMENTS in the chair). Is there objection?

Mr. DANIEL. Mr. President, reserving the right to object, I should like to ask if there is any particular length of time which the Senator from Wisconsin would like to have.

Mr. WILEY. No. I may say to the distinguished Senator from Texas that today marks the 10th anniversary of CARE. My colleagues know what CARE is. Some Senators desire to pay a compliment to that great institution. It is my privilege to make the first statement. I am sure it will not take very long to make statements about the organization.

The PRESIDING OFFICER. Does the Senator from Texas withdraw his objection?

Mr. DANIEL. Mr. President, I made no objection; I merely desired to ask a question.

The PRESIDING OFFICER. The Chair hears no objection to the Senator from Illinois yielding to the Senator from Wisconsin, with the understanding suggested by the Senator from Illinois.

The Senator from Wisconsin may proceed.

(Mr. WILEY and other Senators addressed the Senate on the subject of The 10th Anniversary of CARE. His remarks and those of other Senators appear in today's RECORD, under the appropriate heading, at the conclusion of the speech of Mr. DOUGLAS.)

Mr. DOUGLAS. Mr. President, I am delighted to see in the chair as Presiding Officer, the Senator from Arkansas [Mr. FULBRIGHT]. I send him my best regards and I hope he will continue to preside over the debate but not over the passage of the Fulbright bill.

The PRESIDING OFFICER. The Chair appreciates the remarks of the Senator from Illinois.

Mr. DOUGLAS. Mr. President, thus far I have been discussing the question as to whether the Federal Power Commission could administer the regulation of prices paid to producers of natural gas, and I showed that my amendment would exempt all but 197 and would reduce the regulatory problems to manageable proportions, and that, furthermore, the Federal Power Commission is now regulating the prices at which the gas produced by some 30,000 wells owned by pipeline companies will be charged into the cost of those companies.

Furthermore, Mr. President, I pointed out that so far from being behind in its work on applications since the Phillips decision, the Commission is making good headway, and that the Phillips company, the largest producer of natural gas, following the practice of segregating its gas accounts from the accounts of other branches of its business, has shown a profit of 16 percent.

I said that while we of the opposition are perfectly willing that there be a fair rate of return, and, indeed, would fight for a fair rate of return, which we believe should be in excess of 6 or 6½ percent, and might go to 8, 8½, or 9 percent, we submitted, on the facts brought out in the Phillips case, that some companies were making an exorbitant return, and this might account for some of the opposition displayed by some companies toward the bill.

NO SLACKENING OF DRILLING SINCE PHILLIPS DECISION

Mr. President, I now wish to deal with the second argument which has been brought forward by the advocates of the bill, namely, that if there is regulation of the rates by the Federal Power Commission, either gas will not be developed or that it will not be exported.

I think the figures which I have introduced on previous days indicate that there has been no slackening of drilling since the Phillips decision. It is well known and has been repeated almost ad nauseum in this debate that operators seldom drill for gas. They drill for oil and sometimes find gas. I pointed out that the total number of wildcat drillings in 1955, as reported by the Oil and Gas Journal, amounted to 12,302, or over a thousand more in the year 1954; more than a thousand in excess of the number drilled in 1953; nearly two thousand more than those drilled in 1952; and nearly four thousand more than those drilled in 1950.

So that the drilling of wells has not been diminished by the threat of Federal regulation.

Furthermore, I pointed out that so far as developmental wells were concerned, the total number of developmental wells was over 10,000 more in 1955 than it had been in 1950, over 2,000 more in 1955 than it had been in 1954, and that if we isolate gas wells the total number of developmental gas wells drilled in 1955 was approximately 800 more than in 1950.

A day or two ago the junior Senator from Oklahoma [Mr. MONRONEY] brought forth additional evidence, unwittingly, in support of our contention, when he pointed to the recent development of abundant and rich wells in Oklahoma which he said promise to flood that area with gas.

So, Mr. President, I think the claim of the exponents of the bill that its defeat would dry up drilling has completely collapsed. They have fallen back, therefore, upon the argument that gas would not be shipped freely out of the producing States if the price were regulated; and it is to that argument, ably advanced by the Senator from Arkansas [Mr. FULBRIGHT], that I now wish to address myself.

THREATS OF WITHHOLDING GAS FROM INTERSTATE MARKETS NOW SHOPWORN

I have listened to and read many arguments that producers of natural gas will seek intrastate markets and will refuse to sell their gas in interstate commerce if the Fulbright bill does not become law. I do not expect that the threats now being made that consumers of natural gas

in the nonproducing States will be deprived of natural gas in the future if the producers do not get their bill through this Congress, will be carried out any more than were the threats which were made at the time the Moore-Rizley and Kerr bills were under consideration.

Statements were freely made by producers and proponents of similar legislation in the 80th and 81st Congresses that not another foot of natural gas would be sold in interstate commerce unless those bills were passed. But the producers each year continued to make such sales and have been making more and more sales ever since.

They have been entering into new contracts also under regulation by the Federal Power Commission. This is demonstrated clearly by the press release of the Commission to which I earlier referred, indicating that since the Phillips decision on June 7, 1954, producers had filed rate schedules for 1,097 new sales to the interstate pipeline companies. Furthermore, the Commission is issuing certificates of convenience and necessity every week to producers to make interstate sales, and 1,276 applications covering new service since June 7, 1954, have been filed. This certainly does not indicate that producers are refusing to sell natural gas in interstate commerce under regulation.

Producers are in business to make money and to make as much money as is possible in producing and supplying an essential commodity to the American public. No reasonable business man will refuse to sell his product simply because his prices are controlled by the Government and the possibility is present that they might be less than his idea of a top price. I believe the long-run trends all prove that. The producers have preferred the interstate market because of the availability of an assured income over a long period of years.

General Thompson said, however, that Humble Oil is reportedly sitting on its reputed 18 trillion cubic feet of gas and not committing it to interstate sale—hearings, page 60—which, I add, ought to make them and their parent, Standard Oil of New Jersey, about the biggest little independent beneficiary of this bill.

The Senator from Oklahoma reports that Phillips Petroleum, another timorous giant, has likewise chosen to sell a large volume of gas intrastate for boiler fuel rather than to interstate lines.

Some, like Humble and Phillips, may have felt that if they could stir up enough Halloween ghosts to scare the consumers, they could make it Christmas Day for the producers. Then they hoped the consumers would weakly agree, "Don't turn off grandma's gas. We'll let you charge her all you can get in the market." And some poorly informed groups have fallen for this potentially profitable prank and for the various self-serving declarations and threats.

But that threatened sit-down strike by gas producers is not the picture that has developed over the recent years of such repeated alarums and excursions. Economic factors have driven and will drive ample gas to its most stable and profitable long-run market, and that is the interstate market. Congress should not be influenced or intimidated by these bluffs, threats, and veritable blackmail.

Mr. President, let us look at the disposition of natural gas to see if the claims made by the proponents of this bill that the gas now going to interstate pipelines will be diverted to intrastate use, are valid, if this bill fails to pass.

Earlier, I introduced complete figures on the production and disposition of natural gas. They show that in 1953, 1,470,000,000 thousand cubic feet of natural gas were used in the field; and that in 1954, this use declined to 1,457,000,000 thousand cubic feet. This intrastate use of natural gas certainly constitutes a "saturated market," that is, this use can only expand as the oil and gas industry itself expands. It is not possible to divert the gas now going into interstate pipelines to this field use.

Another important intrastate use of gas is found in the direct sales by producers for industrial purposes. In 1953, these sales totaled 903,000,000 thousand cubic feet and declined to 886,000,000 thousand cubic feet in 1954. Again it is clear that this market for natural gas offers no opportunity to divert large amounts of gas from interstate to intrastate use.

Other uses of gas, except for the amounts sold by utilities, are all incident to the production and distribution of gas, and offer no opportunity for profitable sales.

That leaves the gas that is sold by utilities; that is, retail sales—to use a common commercial term—for residential, commercial, and industrial use. In 1953, utility and pipeline retail sales of natural gas amounted to 5.1 billion thousand cubic feet, of which 4.2 billion thousand cubic feet were shipped interstate, and 0.9 billion thousand cubic feet were consumed intrastate. In 1954, retail sales by utilities and pipelines totaled 5.6 billion thousand cubic feet, of which 4.7 billion thousand cubic feet were interstate sales, and intrastate sales account for 0.9 billion thousand cubic feet. Notice, Mr. President, that the one-half billion thousand cubic feet increase in total utility sales from 1953 to 1954 occurred in interstate sales; intrastate sales remained about the same or less, about 0.9 billion thousand cubic feet. The conclusion from these facts is clear, Mr. President. The markets for natural gas in the producing States are pretty well saturated. All of the expansion in natural-gas sales from 1953 to 1954, took place in the interstate market; none of it in the intrastate market. The producing States cannot expect great increases in sales of natural gas within their States; the expansion of natural-gas sales within the producing States will be a gradual one paralleling the normal economic development and population growth of the country. I hope and expect that the great gas-producing section of the country will continue to enjoy a rapid economic development, but this will not absorb the great quantities of gas now going to the interstate market, any more than the rapid economic development within that section in the last decade has kept the interstate sales of natural gas from expanding.

It is idle to talk of a mass migration of industry to the Southwest in order to find cheap gas. For 30 years, the region has had cheap gas—much cheaper gas than it will have if this bill is passed—and its industrial development, while very impressive, has not interfered with the rapid expansion of natural-gas sales in the interstate market.

The proponents of the bill will argue that there is one industry which can come in and use great quantities of gas, a newly developing industry. That is the petro-chemical industry. But this industry may well find it more profitable to locate along the pipelines than within the producing States. First, they will prefer a stable price, rather than being held up for increases each time more gas is needed. Second, the only way producers can create an economic advantage for the petro-chemical industry to locate near the producing fields, will be to charge less for the gas than the regulated price, not more. But it goes beyond reasonable imagination to suggest the producers—even for spite—will choose this course which would be an economic disadvantage for them. Third, there is a very real technical advantage in being located along the pipeline. Much of the petro-chemical industry extracts only a small part of the gas, the ethane, normally about 20 percent of the gas, and leaves the bulk of the gas, the methane, normally about 80 percent, available for resale for fuel through the pipelines. My State has already seen the construction of such plants along the pipelines, which, incidentally, are being expanded. They are not being expanded in Oklahoma, along the lines of the Panhandle pipelines, or in Texas. But they are being expanded in Illinois, for example, in the town of Tuscola.

My good friend, the junior Senator from Oklahoma [Mr. MONRONEY], has suggested that gas might be exported in the form of electricity. This hope ignores the vast investment in transmission facilities which would be required, and also the higher costs of transmitting electricity. Also, the development of atomic energy for the purpose of generating electricity is very likely to reduce the volume of gas used for that purpose.

Mr. President, the production and sales of natural gas have followed the development of markets for the gas. They will continue to do so. Interstate sales of natural gas will continue and will grow if this bill is defeated, for the very simple reason that that is where the markets are. I do not believe that the gas-producing industry will cut off its nose to spite its face. I do not believe that it will refuse to sell gas in a profitable interstate market because it is denied unlimited profits in that market. That would be stupidity, and I do not believe that the heads of the great oil and gas producing companies are stupid. Quite the contrary. They are very able men.

Mr. President, we have been hearing an idle threat. It is not the first time we have heard it. We heard it in 1938 when we were told that not another foot of gas would be sold in interstate commerce if the Natural Gas Act was passed. We heard it again when the Moore-Rizley bill was before Congress in 1947

and 1948, and again when the Kerr bill was under consideration in 1950. And now we hear it again. Mr. President, the threat is just as empty now as it was on all those previous occasions. There is, of course, no way to conclusively disprove a prediction of what will happen in the future except to wait. There may be no ironclad guaranty against men doing odd and erratic things. But, when the same prediction has been made repeatedly under the same circumstances, and has repeatedly been proved false, and when the economic advantage of producers is to continue to serve the interstate market, reasonable men are likely to conclude that it is again false.

Mr. MONRONEY. Mr. President, will the Senator yield for an interruption in regard to the point he just made, that there is probably no danger of a shortage of gas?

Mr. DOUGLAS. I am very glad to yield for that purpose.

Mr. MONRONEY. The authoritative Oil and Gas Journal, in its current issue, makes available for the first time statistics for the full year 1955. It seems to me that those statistics should clear up the confusion in the minds of some Senators as to the effect of Federal price control on drilling for new gas supplies.

The distinguished senior Senator from Illinois himself has cited this publication as a source of industry facts, and it is universally recognized, I am advised, as the most reliable source of reports on this vital phase of the industry.

Some of the opponents of the Fulbright bill have persisted, however, in expressing doubt that the existing controls on natural gas production would have any appreciable effect upon the future supply of this highly valuable fuel. The caption of the editorial, in which the full report for 1955 is set forth, gives them their answer: "Drilling for Gas Has Dropped Alarmingly."

Because of the effect of future supply upon some 25 million consumers and the ability to meet steadily increasing demands, I believe that the full text of this latest report and editorial should be read by every Member of the Senate.

If I have the permission of the Senator from Illinois, I should like to read the full text of the editorial.

The text of the Oil and Gas Journal, issue of January 23, 1956, reads as follows:

The paralyzing effect of Federal price control in reducing the supply of a commodity is demonstrated emphatically in the statistics on drilling gas wells last year.

Drilling for gas dropped sharply while drilling for oil increased. The explanation is simple: The price of oil is free to fluctuate with supply and demand; the price of gas is held down by utility-type regulation of the Federal Power Commission under the Supreme Court mandate in the Phillips decision.

That decision came in the middle of 1954, and had an immediate result in slowing down drilling for gas. But when they made their 1955 drilling schedules, operators as a whole shifted heavily away from gas prospects and put major emphasis on looking for oil instead.

The grievous result is shown in the final figures for 1955. Oil-well completions increased 1,794, or 6 percent, over 1954, while gas-well completions dropped 364 wells, or 9.2 percent.

In 1953, 7.72 percent of all wells drilled were completed as gassers. The figure dropped to 7.27 percent in 1954. Last year it was only 6.37 percent. This is obviously a decided trend toward a diminishing supply of natural gas.

Even more telling are the figures on wildcatting—the search for new reserves. Wildcat wells completed as oilers increased 13.4 percent last year, while those completed as gas wells declined 11.5 percent. Only 2.9 percent of successful wildcats were gas producers last year, whereas the percentage was 3.5 in 1954. Will this convince advocates of price control that drillers can tell in advance whether they are looking for gas or for oil?

The story on wells drilled to developed already-discovered reserves is equally alarming. Here many operators are under various obligations to drill, whether they like the price or not. Yet development gas wells declined 8.9 percent while development oil wells increased 5.6 percent. The picture would have been far worse except for big gains in New Mexico, Colorado, and Wyoming where partially developed gas reserves were long ago committed to a new pipeline which did not start construction until 1955.

New gas supplies can't be got without drilling, and few people will drill for gas if its price is subject to an arbitrary reduction.

Unless the Harris-Fulbright bill is passed, drilling for gas wells will continue to decline. In contrast, gas consumption increased 7.3 percent last year. Congress must decide between diminishing supplies at fixed low prices or expanding supplies at competitive prices.

I thank the distinguished Senator from Illinois for the courtesy he has shown me in yielding to me.

Mr. DOUGLAS. I thank the Senator from Oklahoma for introducing that material.

The figures I have collected from the Oil and Gas Journal—the same source the Senator from Oklahoma has quoted—which are based on the weekly well completions, and cover the year 1955, tell a somewhat different story from the one the Senator from Oklahoma has just quoted. They show an increase in total wildcat drilling, namely, from 11,280 in 1954 to 12,302 in 1955.

I wish to point out to my good friend what has been repeatedly stated on the floor, namely, that when drilling is done, it is not known whether oil or gas will be found. The drilling is done primarily for oil, but sometimes gas is found.

Mr. MONRONEY. Mr. President, will the Senator from Illinois yield further to me?

The PRESIDING OFFICER (Mr. LEHMAN in the chair). Does the Senator from Illinois yield to the Senator from Oklahoma?

Mr. DOUGLAS. Yes, Mr. President; I am glad to yield.

Mr. MONRONEY. What the Senator from Illinois has just said would be true generally when applied to strictly wildcat oil operations. However, the extensions of known gas fields, going out 5 miles beyond where known gas fields exist, would be, in terms of drilling, "new pool wildcat" operations wells. Consequently, since more wildcat wells have been drilled on the outer perimeter of oil fields than have been drilled on the outer perimeter of gas fields, there has been a decline in what is, in fact, wildcatting for gas.

I agree with my disinguished friend, the Senator from Illinois—and that is one of the arguments we have used against the utility type of control—that the undeveloped wildcat acreage cannot be separated or divided in advance as between oil and gas; they are like the Siamese Twins.

Mr. DOUGLAS. I merely point out to my friend the Senator from Oklahoma—who is making a very tenuous argument—that so far as wildcat drillings are concerned, there was an increase of approximately 1,000 this past year.

So far as the developmental wells are concerned, it is true that, although there was an increase of approximately 750 in the number of oil wells, there was a decrease of 152—or about 5 percent—in gas wells. The Senator from Oklahoma said there had been a decrease of 364, or 9.2 percent, in the number of gas-well completions. All I can say is that the figures we have used give a different number. I shall be very much interested in reconciling the differences which the Oil and Gas Journal itself seems to have created.

Furthermore, I should like to point out that in connection with gas reserves, as they are stated, the reserves are stated by the large companies; and in 1955 the addition of new reserves was greater than had occurred, on the average, during the 4 preceding years. What declined was the volume shown in the reappraisal of old reserves. I should like to point out that the reappraisals of the old reserves are made by the companies themselves; they do not have to file any supporting data, and that material is a little tenuous and unreliable.

Mr. MONRONEY. Mr. President, will the Senator from Illinois yield further to me?

Mr. DOUGLAS. Yes; I am glad to yield.

Mr. MONRONEY. I know the Senator from Illinois wants to have as authoritative a record as can be had, made in connection with this matter, and I am sure he knows that the continuing reappraisal of reserves is made every year by oil and gas operators, both large and small, who desire to know what they really have in the form of reserves beneath the ground. So there was not a sudden reappraisal, as might be assumed by a reader of the RECORD who had not actually followed the entire discussion of this matter. As I recall, the reappraisal, in the form of extensions and revisions, in 1954, although it increased reserves, was 8.7 trillion cubic feet less than the amount in 1953. The discoveries of new fields and of new pools in old fields added 4.9 trillion feet, estimated, of proven reserves, also substantially less than 1954.

Mr. DOUGLAS. In other words, the companies in making their reports wrote down the figures for their existing reserves?

Mr. MONRONEY. Yes; as they do each year.

Mr. DOUGLAS. I merely wish to point out—and I am not making any charges at all—that if they were trying to have the Harris-Fulbright bill enacted into

law, they would not have done any differently from what they did. Let it be understood that I am not making any charges against them; I am merely saying that what they did served their purpose so far as this legislation is concerned.

Mr. MONRONEY. Mr. President, the Senator from Illinois is assuming that such persons would wish to falsify their records.

Mr. DOUGLAS. Oh, no, Mr. President.

Mr. MONRONEY. However, those figures arose merely from the endeavor to show, in connection with their financing and their flotation of bonds, what their reserves are. The oil companies and the gas companies in their regular annual reappraisals are merely following good, established business practices. Yet the Senator from Illinois would assume, as regards the year for which he would like to question the figures, that it was the year for which the oil companies and the gas companies decided to show a phony figure.

Mr. DOUGLAS. Insofar as new reserves discovered are concerned, I merely wish to point out that the volume in 1954 was 5.0 trillion cubic feet, whereas the average for the previous 4 years was 4.9 trillion cubic feet. So the volume discovered in 1954 was just a little bit more than the average volume for each of the previous 4 years, and there was not a falling off. That is the important point; namely, that there was no decline in the volume of gas in the newly discovered reserves.

There is another very interesting circumstance. I hold in my hand the record of the ratio of reserves to current production, both with respect to oil and with respect to gas. It shows that the ratio of the reserves of oil to the current production of oil over the past 16 years has been remarkably steady, running between 13 and 14 times.

Mr. President, I ask for unanimous consent that this table be inserted in the RECORD at this point in my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Reserve increase estimates for 1954

	Ratio of reserves to current production (years' supply)	
	Oil	Gas
1938	14.3	23.6
1939	14.6	24.5
1940	14.1	25.5
1941	14.0	32.0
1942	14.5	29.7
1943	13.3	23.0
1944	12.2	29.5
1945	12.0	30.5
1946	N. A.	32.5
1947	12.3	29.5
1948	12.3	28.9
1949	14.1	28.9
1950	13.6	26.9
1951	13.0	24.3
1952	13.0	23.1
1953	13.2	22.9
1954	13.6	22.5

Source: Computed from Gas Facts.

Mr. DOUGLAS. These figures computed from Gas Facts show also that, with the exception of the years 1945, 1946, 1947, 1948, 1949, the ratio of gas reserves to current use of gas has been remarkably steady, at around a figure of 23 times. In other words, there seems to be some mysterious force which keeps oil reserves at about 13 times annual production, and gas at around 23 times, except for the years when the east Texas field blew in, and there was a deluge of gas. This suggests that the drillings may be controlled so as to keep the reserves in a given ratio to current production.

Mr. MORSE. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. I am glad to yield to the Senator from Oregon.

Mr. MORSE. I have been trying to do my homework each night on this historic debate. I mean no flattery when I extend to the Senator from Illinois and the Senator from Rhode Island [Mr. PASTORE] my very high compliments for what I think has been one of the most outstanding jobs of debating I have witnessed in my 11 years in the Senate.

I wish to say to our good friend of the opposition, the Senator from Oklahoma [Mr. MONRONEY], that I know when we are up against a very able antagonist. I think he and his colleagues have done a great job in presenting the point of view of the advocates of the pending bill.

I ask the Senator from Illinois whether or not he thinks I am correct in the tentative conclusion which I have reached after studying the record of the debate thus far, namely, that, although they do not say so in so many words, the real objective of the proponents of the bill is to pass a bill which would permit the charging of prices higher than they fear they would be allowed to charge if the Federal Power Commission had jurisdiction.

Mr. DOUGLAS. In my judgment that is the purpose of the driving forces behind the bill, although I credit the Senator from Oklahoma [Mr. MONRONEY], the Senator from Arkansas [Mr. FULBRIGHT], and other proponents of the bill with perfectly good intentions.

Mr. MORSE. So do I. However, I believe that in the last analysis this great issue will have to be decided by the American people, because no matter what happens to the pending legislation, the final decision will be rendered by the American people, in a variety of ways.

I wished to inquire whether or not the Senator from Illinois shared my tentative conclusion that the driving purpose of the proponents of the proposed legislation is to permit higher prices outside of Federal regulation, if they can get away with it.

Mr. DOUGLAS. I agree with the Senator from Oregon. I have said that I think the increase, according to a reasonable estimate, will very shortly be equal to 10 cents per thousand cubic feet, which, at present rates of consumption, would be a little more than $600 million a year increase, and which would lead, at a minimum figure, to an increased capitalization of reserves of $12,600 million. Those are reasonable estimates.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. MONRONEY. I enjoy and appreciate very much, as I always do, the comments of my distinguished colleague from Oregon, who has a searching, analytical, and judicial mind. There is a threat posed by one of the two types of regulation which we are debating—and I think any reasonable man will say that there are two types of regulation, the first being the one advocated by the Supreme Court, the utility cost formula, and the second being the "reasonable market price." The latter is based upon a normal market, as in the case of a parcel of land being taken for a military reservation, for which the owner receives the reasonable market price. We from the oil- and gas-producing territory think we know a little more about the difficulties—in fact, the impossibility—of establishing any type of utility cost formula. Therefore, with the uncertainty involved in trying to ascertain the cost of many thousands of gas wells in various parts of the country, having varying quantities of production, and being operated under various types of leases, I feel that such a system of regulation would become completely unworkable, and that probably the Federal Power Commission would never succeed, during my lifetime, in extricating itself from the bog in which it would find itself.

The first imponderable is that of cost. The second imponderable is the question of what is a fair return. It is easy to say arbitrarily that it should be 6 percent, when there is nothing involved but steel and iron. The distinguished Senator from Illinois, who is probably the greatest authority in the Senate on his side of the case, told our committee that he did not know whether a fair return was 6, 8, 9, or 10 percent. I thought he was very fair in his presentation.

There is no strict rule; but a rule under which these 2 unknown factors, 2 imponderables, would have to be taken into consideration would be unworkable.

Under the formula based on reasonable market value, there would be but one variable. The rule has become well-established law over a period of 160 years. The question is, What is the product worth on the open market, when supply and demand are in reasonable balance, and the competitive situation is normal? It is not a question of regulation or no regulation.

Mr. DOUGLAS. Mr. President, will the Senator permit me to propound a question to him at this point?

Mr. MONRONEY. Certainly. I shall do my best to answer it.

Mr. DOUGLAS. Earlier in the debate, when the Senator was not in the Chamber, I cited one of the most recent applications before the Federal Power Commission, namely, a case in which the United Gas Pipeline Co. is buying gas from the Tidewater Associated Oil Co. in the Hollywood field of Louisiana.

This is supposedly an arm's-length purchase. There is no collusion. The present rate is 10 cents per thousand cubic feet, including a severance tax of

1 cent. The proposed new rate is 19½ cents for the first 5 years. The Senator says he wants a reasonable market price. I ask him if that is a reasonable market price.

Mr. MONRONEY. Let me tell my dear friend, who has done a great deal of statistical work in connection with this bill, and in connection with other matters, that yesterday I had the pleasure of occupying the chair of the Presiding Officer of the Senate while the Senator from Illinois was delivering that portion of his speech in which he made quite a point of this issue. His remarks were filled with statistics as to the rates at which certain amounts of gas had been purchased. I believe he said the figures he gave represented 6.6 percent of the total gas moving in the pipelines.

Mr. DOUGLAS. I merely selected a few contracts.

Mr. MONRONEY. They were examples.

Mr. DOUGLAS. I produced more contracts than the Senator from Oklahoma has produced.

Mr. MONRONEY. The quantities of gas cited by the Senator from Illinois, the rates for which, as I recall, ranged from 16 to 21 cents, according to my figure amounted to only 4.5 percent of the deliveries to pipelines. Granted that in these cases the gas may have been propitiously located astride a pipeline, where it is not necessary to build connecting lines, or to reach out into the Gulf of Mexico——

Mr. DOUGLAS. It is very interesting that the Senator from Oklahoma has not come in with thousands of other contracts to prove that the ones which I cited were not correct.

Mr. MONRONEY. I am taking the Senator's own figures. The rates which it was said would double the cost of gas in the field were based upon 4.5 percent of the deliveries to pipelines, when there is a weighted national average when the other 95.5 percent is included of 10.5 cents.

Mr. DOUGLAS. I used contracts covering 6.6 percent of the volume of gas sold by utilities. It would have been a higher percentage of sales to pipelines. We have weighted averages for past prices, but they do not indicate the contracts under which gas is now being sold. The statistics are for the past. They do not cover the current situation, in which high prices are being paid. That will mean that the past contracts will be written up.

Mr. MONRONEY. The Senator knows that the national average for the year 1954 is the latest that can be obtained.

Mr. DOUGLAS. That was 2 years ago.

Mr. MONRONEY. It was 1 year ago.

Mr. DOUGLAS. We are in 1956 now.

Mr. MONRONEY. It is impossible to strike a total average for 1954 until January 1, 1955. Let us not become confused in that regard.

Mr. DOUGLAS. I have figures for 1956.

Mr. MONRONEY. Mr. President, I am now beginning to wonder about his statistics if it is possible to establish national averages after a few days.

Mr. DOUGLAS. Not national averages.

Mr. MONRONEY. We are talking about national averages.

Mr. DOUGLAS. No; I am talking about samples, and large samples at that, which indicate what is happening, and which will soon become averages due to escalation, redetermination, and renegotiation.

Mr. MONRONEY. Even the price figures cited by the Senator from Illinois, on the basis of 4.5 percent, would have very little effect on the national average of 10½ cents for 1954, which is the latest year for which we have the figures. That is just 1 penny above the cost in 1926. If the Senator wants us to go back to 30-cent wheat, nickel, cotton, and 5-cent hogs, and put the producers of gas and oil under that kind of price, he may have the votes to do it. However, I do not believe the country or the Senate wishes to roll us back to the prices in the deadly depths of depression, when gas was selling at 4½ cents.

Mr. DOUGLAS. No one is proposing to do that. However, we do ask that the Senate take knowledge of the fact that what is happening in the field now is a tremendous increase in the contract prices. I have cited some 82 contracts covering large amounts. I now wish to take up a contract of the Texas Co.

Prior to June 1, 1955, the United Gas Pipe Line Co. was buying gas from the Texas Co. at 13½ cents. That price was increased by 1 cent on the 1st of June 1955. Then on the 1st of November it went up to 21⅕ cents. In other words, in the space of 5 months the price rose from 13½ cents to 21⅕ cents.

These movements do not enter into the 1954 statistics, of which the Senator from Oklahoma seems to be so fond, but are current happenings. The Senator from Oklahoma closes his eyes to them. We are not proposing to send the country back to 2-cent gas. Of course not. We do say that the sellers are holding the whip hand, and unless there is some Federal regulation the average price, which was 10 cents a few years ago, will go up to 20 cents very quickly. I have cited the Daniel Boones who are leading the way.

Mr. MONRONEY. Mr. President, will the Senator yield further?

Mr. DOUGLAS. I yield.

Mr. MONRONEY. The junior Senator from Oklahoma has constantly relied on Bureau of Mines statistics. We have tried our level best to search, as the Senator from Illinois has, for the overall averages on an annual basis, so as to determine where the price of gas is going. Once the Bureau has completed its statistical work for 1955, I am sure the Senator will find the junior Senator from Oklahoma using those statistics.

Mr. DOUGLAS. The Senator from Oklahoma always intends to be a year and a half behind, as I understand.

Mr. MONRONEY. I do not understand how it is possible to have such figures for 1956.

Mr. DOUGLAS. 1955. I now offer to the Senator from Oklahoma, for his inspection, photostatic copies of figures derived from the Federal Power Commission, as submitted to it by the Sun Oil Co. The table shows rates which other producers are receiving from pipeline companies.

Mr. MONRONEY. In how many fields?

Mr. DOUGLAS. In southern Louisiana.

Mr. MONRONEY. In how many fields?

Mr. DOUGLAS. In quite a number of fields.

Mr. MONRONEY. What quantities of gas are involved?

Mr. DOUGLAS. If the Senator would only read the RECORD, he would find that I have put those figures in the RECORD.

Mr. MONRONEY. Is this the same group the Senator was talking about yesterday?

Mr. DOUGLAS. Yes, very much the same.

Mr. MONRONEY. As I figured out the percentage, it is 4.5. That is the figure I arrived at with my own little lead pencil.

Mr. DOUGLAS. It is 6.6 percent of total retail sales. It would be a higher percentage of deliveries to pipelines.

Mr. MONRONEY. I figured it at 4.5 percent.

Mr. DOUGLAS. It is 6.6 percent.

Mr. MONRONEY. I had my staff work on it, and they cannot come up with the 6.6 figure. However, even if it is 6.6, that is a very small proportion of the total gas moving. It does not even check out like that. That is not the fault of the Senator, but of the method which is used.

Mr. President, I should like to ask permission to insert a table in the RECORD at this point, inasmuch as the Senator from Illinois said a moment ago that the gas supply has been constant. These figures are from Natural Gas Statistics, a Supplement to Economics of Natural Gas in Texas, issued by the Bureau of Business Research of the University of Texas. That publication shows that for the year 1954 the ratio of reserves to net production is at an all-time low, and that it has fallen consistently in the past 10 years from a 30½-year supply to a 22½-year supply. Since 1940, the year 1954 is the lowest reserve against the demand we have had in those years. I ask permission to insert the table in the RECORD.

Mr. DOUGLAS. I am delighted to have the Senator do that. I have a table. If the Senator will go back to 1938, he will find that the ratio in that year was 23.6; in 1939, 24.5; in 1940, 25.5. It is now 22.5. It is approximately the same now that it was in 1938.

Mr. MONRONEY. That was before there was any demand for interstate shipment of gas.

Mr. DOUGLAS. There was also a big jump in 1944, 1945, and 1946. I believe the Senator will find that was when the big east Texas gas field came in.

Mr. MONRONEY. There was not any gas in east Texas. I believe the Senator is referring to west Texas.

Mr. DOUGLAS. Very well; west Texas.

Mr. MONRONEY. There is a reason for everything, Mr. President, and the

reason for the big production during that period was that we were stepping up our search for oil for war purposes. The greater the number of wells drilled the greater chance of getting gas, because oil and gas are Siamese twins; they are found together.

Mr. DOUGLAS. I am glad the Senator admits that.

Mr. MONRONEY. That is why it is difficult to separate the twins, although the opponents of the bill say that the Supreme Court has performed a very successful operation. We seriously doubt that.

Mr. President, I ask that the table to which I have referred be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Ratio of proved reserves of natural gas to net production, United States, 1940–54

Year	Estimated reserves Dec. 31 (trillions of cubic feet)	Net production (billions of cubic feet)	Ratio of reserves to net production
1940	85.0	3,331	25.5
1941	113.8	3,459	32.9
1942	85.0	3,701	23.0
1942	110.0	3,701	29.7
1943	90.0	4,336	20.8
1943	110.0	4,336	25.4
1943	130.0	4,336	30.0
1944	133.5	4,731	28.2
1944	135.0	4,781	28.5
1944	140.9	4,731	29.8
1945	144.3	4,840	29.8
1945	147.8	4,840	30.5
1945	156.0	4,840	32.2
1946	160.6	4,943	32.5
1947	165.9	5,630	29.5
1948	173.9	6,008	28.9
1949	180.4	6,245	28.9
1950	185.6	6,893	26.9
1951	193.8	7,967	24.3
1952	199.7	8,640	23.1
1953	211.4	9,239	22.9
1954	211.7	9,427	22.5

Sources: For individual sources of estimates of reserves see table 46. Net production data: 1940–45, U. S. Bureau of Mines; 1946–54, American Gas Association and American Petroleum Institute.

Mr. DOUGLAS. Mr. President, I have prepared a rather full argument on the question of the bonanza which the Fulbright bill would give to the pipelines. It is my intention to summarize it and then have it placed in the RECORD.

I believe the Senator from Oklahoma has left the Chamber. I should like to clear up the difference between the 4½ percent which the Senator gave for the reserves and the figure of 6.6 percent which we gave. His figure was computed from what he terms to be marketed production. That includes 1,470,000,000 thousand cubic feet of gas used in the field but not sold to utilities. It includes various losses, such as losses in transmission and compressed fuel, and so on. Our figure is based on balances available for use, sale by producers directly, and sales by pipelines and local utilities. Although the figure is only 6.6 percent on a yearly basis, these are 20-year contracts. Therefore, the total amount of gas purchased under them is more than was sold by utilities and pipelines in 1954. That is a big chunk of gas. And the average price is 18.45 cents.

FULBRIGHT BILL PROVIDES BONANZA FOR PIPELINE COMPANIES OWNING GAS RESERVES

Mr. President, we have pointed out again and again in our discussion of the Fulbright bill that one of its worst provisions is subsection (f) of section 5, providing that the Commission shall allow to a pipeline company as an operating expense the "reasonable market price" of any gas which the pipeline itself or which an affiliate produces from its own reserves.

It will be noted that the Fulbright bill exempts from utility regulation the sale of certain gas produced by pipeline companies which everyone admits are utilities.

Outside a brief description of the legal effect of this provision, on pages 5 to 9 of the report, the majority of the committee do not at any place in the report attempt to justify this treatment of gas produced by pipeline companies.

PIPELINES WOULD BE ALLOWED "REASONABLE MARKET PRICE" FOR GAS THEY PRODUCE

Mr. President, one of the most unjust and inexcusable provisions in the Fulbright bill is subsection (f) of section 5 which provides that the Commission shall allow to a pipeline company as an operating expense the "reasonable market price" of any gas which the pipeline itself—or an affiliate—produces from its owned reserves.

Here you will note, Mr. President, the Fulbright bill exempts from utility regulation of sales of its own produced gas the pipeline companies which everyone admits are utilities.

Outside of two brief descriptions of the legal effect of this provision—pages 5 and 9—the majority of the committee do not at any place in the report attempt to justify this treatment of gas produced by a pipeline company or its producing affiliate or subsidiary. All justification is centered upon the exemption of the independent producer and the differentiation of his situation from that of the regulated utilities. The sole implied support for this provision is in one word, "only," in the phrase that the Commission shall allow "only the reasonable market price"—page 9, report. This is a little like saying they shall not let the price allowed go any higher than the sky.

The action of the Committee majority in including this subsection in the bill results in a gross injustice to the natural-gas consumer. It would permit the regulated pipeline stockholders to reap the benefit of the over $150 million charged to gas consumers in rates specifically for the purpose of defraying the costs of exploration and dry holes experienced by the regulated pipeline companies over a period of more than 16 years.

Under the traditional rate-making method which the Federal Power Commission consistently used from the time it obtained jurisdiction over natural-gas companies in 1938, these pipeline companies have secured rates based upon their cost of production, including all exploration and dry hole costs, depletion and depreciation costs, taxes and a fair return, not only on their investment in producing properties, but also on their investment in nonproducing leaseholds held for future use. These pipeline companies stand on a footing very different from that of the independent producers.

The pipeline companies have not stood the risk of exploration and dry holes. That risk has been shouldered by the rate payers, who over the years have financed, through the rates they have paid, the acquisition of leases, the dry holes, and the development of gas reserves which now aggregate approximately 29 trillion cubic feet. Under this bill, the customers of these pipeline companies would be compelled to pay for that gas, not on the the basis of what it cost the pipeline companies, including a fair return on the money which they invested, but on the basis of what the "reasonable market price" for that gas would be. This, as I have shown, is a constantly rising figure, unrelated to actual costs. In other words, under this provision of the bill, production by pipeline companies and their affiliates is exempted from regulation in the same manner as is the production of an independent producer.

FULBRIGHT BILL GOES BEYOND KERR BILL

As I have pointed out, Mr. President, the Kerr bill in 1950 did not contain any such gold mine for pipeline companies. It dealt only with the so-called independent producers. The Fulbright bill is a throwback to the old Moore-Rizley bill of the 80th Congress. That bill failed to come out of committee primarily because of the disclosure that the pipeline companies would reap a harvest of the same character permitted by the Fulbright bill. The bonanza was then estimated at $40 million annually, if computed on the basis of a 7-cent-field price. We now have an average field price of approximately 10 cents per thousand cubic feet, with prices in new contracts ranging upward of 20 cents, and 30-cent gas in the near future being talked of.

Mr. President, I have prepared a very thorough discussion of this matter. However, since I must yield the floor at quarter of 5, I now ask unanimous consent that the remainder of my discussion of the bonanza given to the pipeline companies may be printed in full-size type at this point in the RECORD.

The PRESIDING OFFICER (Mr. MORSE in the chair). The Chair is advised that, under the printing rule, the material referred to must be printed in smaller type; but under that arrangement it can be printed at this point in the RECORD.

Mr. DOUGLAS. I thank the Presiding Officer.

The PRESIDING OFFICER. Is there objection?

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

POWER COMMISSION GAVE IMPETUS TO PIPELINE DEMANDS FOR FIELD PRICE

On April 15, 1954, a majority of the Federal Power Commission handed down a decision, Opinion No. 269, in the case of Panhandle Eastern Pipeline Co. In the decision the majority abandoned the prudent investment method of ratemaking with respect to gas produced by Panhandle Eastern Pipeline Co. They substituted what is called the "com-

modity value" or "field price" method. The Commission's decision in that case was, in my judgment, an indefensible discrimination against the consumer. The disregard of the rights and equities of natural-gas consumers was shocking.

It is this decision of the Commission that proponents of the Harris-Fulbright bill cite in support of their subsection (f) for the pipeline companies. I shall show, however, that this bill goes far beyond even the Commission's unwise Panhandle decision.

One Commissioner, who could well be called the voice of experience after 35 years in the field of utility regulation and 25 years on the Federal Power Commission, stood by his deepest convictions and refused to participate in this giveaway of the public interest. Commissioner Claude L. Draper, who was appointed by President Hoover in 1930, at the time the Federal Power Commission was created, wrote a vigorous dissent from the decision of the majority. He exposed the fallacies of the majority's position in plain, everyday language.

The Panhandle case was taken to the Court of Appeals for the District of Columbia by the city of Detroit, Mich., and the county of Wayne, Mich. On December 15, 1955, the court handed down its decision and remanded the case to the Federal Power Commission. By a unanimous opinion, the court refused to accept the reasons advanced by the Commission why Panhandle should be granted a rate increase based upon the valuation placed upon its gas by the Commission. The position taken by Commissioner Draper and the city of Detroit and the county of Wayne, Mich., was vindicated. The position taken by the majority of the Commission in the Panhandle case decision in which they overruled the recommendations of their own staff was discredited by the court.

Thus, we have in connection with this section of the bill another effort to override a court decision, which presently stands in the way of exploitation of consumers by natural-gas companies.

COMMISSION'S JUSTIFICATION FOR FIELD PRICE DOESN'T HOLD WATER

The reasons which were advanced by the Federal Power Commission for departing from the rate base method of regulation and allowing Panhandle the weighted average field price is that the rate-base method has discouraged pipeline companies from engaging in exploration and the acquisition of gas reserves. I have assembled figures that show on the contrary that pipeline companies have not been so discouraged, but have been increasing their reserves and expenditures for such purposes year by year. I have also shown that pipeline companies and their affiliates in 1954 in the Southwest produced 43.5 percent more gas from their own reserves than they did in 1947.

The spokesman for the Independent Natural Gas Association failed to support the assertion that the Commission's rate-base method had driven the pipeline companies out of the production business. Mr. John F. Merriam, president of Northern Natural Gas Co., which would be a large beneficiary under this section of the bill, was asked by Senator MONRONEY during the hearing, page 251, whether under the pre-Panhandle holding of the Commission his company had curtailed its search for gas. Mr. Merriam replied, "No, we did not."

The previous sections of this debate have also proved that the exploration is carried on for oil primarily, and gas-discovery rates depend not on gas-regulatory action but on the speed of oil drilling and development.

"REASONABLE MARKET PRICE" ALLOWANCE IN S. 1863 IS WORSE THAN PANHANDLE DECISION OF COMMISSION

The "reasonable market price" standard incorporated in the Fulbright bill would provide the means of increasing natural-gas rates to consumers even above the level which the weighted-average-field-price method used by the Commission in the Panhandle case would permit. Under the method used in that case, low prices in old contracts were averaged in with the more recent contracts, and thus the weighted-average field price was less than the market price which the Fulbright bill prescribes.

The "reasonable market price" standard for pipeline-produced gas provides no protection for consumers against unfair, high prices. To the contrary, it provides a positive incentive to pipeline companies to pay higher prices for the gas they purchase from other producers, since by so doing they create a higher base by which their own produced gas is to be valued.

The "reasonable market price" standard is contrary to all utility regulatory principles. It provides no objective standards by which the reasonableness of the rates may be tested. If cost of production should be greater than market value, it will not work since, if only the market value were allowed, the utility would receive less than a fair return on its investment and the regulatory agency would run afoul of the constitutional limitation on confiscation. Thus we have in effect a proposed standard of cost or market value, whichever is the higher.

The "reasonable market price" is an unregulated price as I have shown in pointing out the weaknesses of the alleged consumer protections in the bill. This is recognized by the Chairman of the Commission in a recent speech he made before the annual convention of the National Association of Railroad and Utilities Commissioners in Nashville, N. C., last October 26. Chairman Kuykendall said:

"No one has suggested, insofar as I know, the use of a fair-value rate base. It seems clear that such a method would only be a roundabout way of arriving at the current value or market price of gas, which would, in effect, be an unregulated price."

The price under that formula would be based upon what the traffic could bear. The supply-demand relationship would be the governing factor. The fixing of utility rates on the basis of supply and demand is the very antithesis of utility regulation. The reason for this is obvious. There is no free market in utility services. It is a monopoly market.

COMMISSION'S PRIOR FORMULA FOR PIPELINES IS FAIR

There is nothing wrong with the rate-making standard which the Federal Power Commission applied to pipelines for 16 years prior to the Panhandle decision. The Natural Gas Act provides that rates shall be "just and reasonable" and the Commission is directed to order a decrease in rates "where existing rates are unjust, unduly discriminatory, preferential, otherwise unlawful, or are not the lowest reasonable rates."

The legislative history as well as the decisions of the United States Supreme Court interpreting the Natural Gas Act hold that the act provided for regulation along recognized and more or less standard lines. The method of regulation then being universally used by State regulatory agencies was the rate base method, under which a utility is permitted to recoup through rates its proper operating expenses, depreciation, taxes, and a fair return. The State commissions as standard practice included the gas production properties in the rate base and allowed the utility to recover costs of exploration and development, including dry holes.

The rate base method is still standard practice among the State regulatory commissions. For example, the Oklahoma Corporation Commission in December 1954, was using the rate base method. It included the producing facilities of the company in the rate base and the actual cost of the exploring and developing the producing properties in operating expenses. It allowed the Oklahoma Natural Gas a 6 percent return on its rate base. If the rate base method of regulation is fair and good enough for the gas consumers of Oklahoma, surely it should be good enough for the consumers of other States.

It is argued by proponents of this provision of the bill that the Commission's rate base method has had an ill effect on the natural-gas pipeline industry. But the evidence points to the contrary. It is clear that the industry has boomed ever since the Commission obtained jurisdiction under the act. Companies owing producing properties and those without producing properties have prospered. Profits have been high, and stocks have been selling at substantial premiums above book value. It would be difficult to find a more prosperous industry.

I have seen no plausible excuse for discarding "utility-regulation" methods for these admitted utilities.

ENORMOUS PIPELINE PROFITS WOULD RESULT FROM THIS FORMULA

Let me now turn to specific instances which show the effect of the "market price" standard on the rates of pipeline companies and the enormous profits which they would thereby secure.

Earlier in the debate I referred to information which was furnished me by the Federal Power Commission showing that 11 pipeline companies have filed rate increases with the Federal Power Commission in which there is a claim for the allowance of a field price or commodity value for the gas which they or their affiliates produce. Three of these companies are now on their second round of rate increases based upon the use of this method of regulation. Data were available only with respect to 8 of these 11 companies. Some of the increases have been acted upon and have gone into effect, including the Panhandle case, to which I referred earlier, that has now been reversed by the United States Court of Appeals for the District of Columbia.

The aggregate annual increase in rates of these 8 companies is $31,206,675 according to information furnished me by the Commission. The field prices claimed have ranged from 6.85 cents per thousand cubic feet through 10.41 cents per thousand cubic feet.

The spread between the actual cost of production, including a fair return, and the claimed field price is quite substantial for some of the companies. In the case of Panhandle Eastern Pipeline Co., the original decision of the Commission allowed Panhandle a field price of 8.4389 cents per thousand cubic feet. It was costing Panhandle an average of 2.34 cents per thousand cubic feet to produce the gas, including a return on its investment of 5¾ percent. Thus the field price method would have given this pipeline on the first round pure gravy in the amount of 6 cents per thousand cubic feet, and of course the "reasonable market price" formula will make the gravy even deeper.

The opportunity for enormous profits under this method of regulation was so great that within 2½ months after Panhandle had secured an increase in rates from the Commission of approximately $3,500,000 over and above a fair return, it returned to the "gold mine" and filed another rate increase, claiming that field prices had increased and that they were entitled to further "extra profits." In its most recent case Panhandle claimed a weighted average field price of 10.417 cents, an increase of approximately 2 cents over the price allowed by the Commission 2½ months earlier. The annual "take" by Panhandle now would become $4,939,000, according to information furnished me by the Federal Power Commission. This annual increase of

$4,939,000, and much more, will follow if the Fulbright bill is enacted with subsection (f) of section 5 included therein. Natural-gas consumers in Missouri, Illinois, Indiana, Michigan and Ohio, supplied with Panhandle's gas, will be confronted with rate increase after rate increase under the "reasonable market price" formula as it spirals upward.

Another company which has a large rate increase pending at the Federal Power Commission, based on substituting the field price or commodity value for the cost of production, is Colorado Interstate Gas Co. If this company obtained the same favorable treatment from the Federal Power Commission as did Panhandle, it would secure approximately $9 million of additional annual income from gas consumers in Colorado, Wyoming, Iowa, and Illinois. The company claimed that the average field price to which it was entitled was 9.403 cents per thousand cubic feet, which compares with its cost of production of approximately 2.23 cents per thousand cubic feet. This increase in rates, which is being collected under bond pending a final decision of the Commission, has already brought about an increase in the rates to residential and commercial consumers of Denver of 19.3 percent, according to testimony of the mayor of Denver before the committee.

The honorable Quigg Newton, then the mayor of Denver, pointed out that the use of the field-price method would increase the cost of gas to consumers in the city and county of Denver by approximately $4 million a year. He also pointed out that the company is contending that the current market price of gas which Colorado Interstate produces in the Texas Panhandle field is 15 cents per thousand cubic feet at the present time and that another huge increase in gas rates to the city of Denver would be possible if the Fulbright bill becomes law. Mayor Newton said (record, p. 656):

"The enactment of the Fulbright bill would require the FPC to allow the market value of the Panhandle field gas and thus deprive Denver of the rights granted under the conditions attached to the merger decree and also deprive Denver of the right to oppose the FPC's use of the value basis of regulation. This would result in a grave injustice to Denver gas consumers who had rights which they surrendered and who have invested an estimated $150 million in gas-burning appliances under an assurance from the FPC that gas rates would remain at a fairly stable level. It is a great shock to be confronted with prospective doubling of our city-gate rates based upon an act of Congress in utter disregard of all past relationships and considerations between Denver, the Federal Power Commission, and Colorado Interstate Gas Co. Because of this situation, Denver is compelled to actively protest with all the means at our command the passage of a bill which would sanction the exploitation of our consumers and perpetuate this rank injustice upon our citizens."

Gas consumers in my own State of Illinois would be adversely affected by this blue sky provision in the bill. Colorado Interstate Gas Co. supplies one-quarter of the natural gas requirements of Natural Gas Pipeline Company of America, which is the pioneer line connecting the Panhandle gas field with the city of Chicago. In addition, Natural Gas Pipeline Company of America has a rate-increase case pending before the Federal Power Commission in which it is also claiming the commodity or field value of the gas which it produces. According to information furnished to me by the Chairman of the Federal Power Commission, the allowance of the claimed field value will increase the company's rates by $5,787,338 a year. Part of this increase would fall upon citizens of the States of Iowa and Indiana, but the bulk of it would fall upon consumers in the State of Illinois, principally in Chicago. Natural Gas Pipeline Company of America is claiming a field price of 8.15 cents per thousand cubic feet. Market price would of course be higher, if the Fulbright bill passed.

Cities Service Gas Co. has two rate cases now pending before the Federal Power Commission. In the first case it claimed an average field price for its produced gas of 8.294 cents per thousand cubic feet. The cost of production is approximately 3 cents per thousand cubic feet. According to information furnished me by the Federal Power Commission, use of the 8.294-cent price would result in an increase in the company's rates of approximately $4.5 million a year. In the most recent case the company is claiming a field price of 9.444 cents per thousand cubic feet. The increase of only 1.15 cents per thousand cubic feet has the effect of increasing rates over $700,000 a year to consumers in the States of Kansas, Missouri, and Nebraska.

Other companies which have increases presently pending, or have had increases granted, include El Paso Natural Gas Co., which serves Texas, New Mexico, Arizona, and California; Southern Natural Gas Co., which serves Alabama, Georgia, and South Carolina; Kansas-Nebraska Natural Gas Co., which serves Kansas and Nebraska; Northern Natural Gas Co., which serves Nebraska, Iowa, South Dakota, and Minnesota; United Gas Pipeline Co., which supplies markets in Louisiana, Texas, Mississippi and also sells to other interstate pipeline companies which serve Alabama, Georgia, South Carolina, Missouri, Illinois, Ohio, Pennsylvania, New Jersey, New York, Massachusetts, Rhode Island, and Connecticut.

Municipalities served by natural gas supplied by Panhandle, Colorado Interstate and Natural Gas Pipeline Co., including Denver, Kansas City, Missouri, Chicago, and Detroit, are actively opposing before the Federal Power Commission these increases in rates based upon the use of the field price or market price method of valuing the gas produced by these pipeline companies. Passage of the Fulbright bill would completely nullify their efforts in this regard.

FULBRIGHT FORMULA WOULD GREATLY INFLATE PIPELINE RESERVE VALUES AS WELL AS ANNUAL PROFITS

The profits which these pipeline companies owning gas reserves will be assured of on their production operations if the Fulbright bill becomes law, and the decision of the Court of Appeals of the District of Columbia is thereby nullified, are fantastic. It is no wonder that some of these big pipeline companies have joined forces with big oil to put this bill across. This is a potent and profitable partnership. It means hundreds of millions of dollars in additional profits for the pipeline stockholders.

This can be demonstrated by reference to the fact that in 1954 interstate pipeline companies and their producing affiliates produced over a trillion cubic feet of natural gas. If the difference between cost of production and field price, or commodity value, were only 5 cents per thousand cubic feet, the additional profit which these pipeline companies could secure through the enactment of the Fulbright bill would amount to $50 million annually. If the difference becomes 10 cents per thousand cubic feet, the profit becomes $100 million annually.

Pipeline companies and their producing affiliates own 29 trillion cubic feet of gas. A 10 cent difference between the cost of production and the reasonable market price would add $2.9 billion to the value of their gas reserves.

The pipeline companies are licking their chops over the killing they will make. In its annual report to stockholders, Panhandle Eastern Pipeline Co. brags of the fact that its proven gas reserves are carried on the books at a cost aggregating less than $3 million, which the company estimates is approximately 1 percent of their replacement cost under present conditions. In other words, Panhandle envisions a profit of $297 million, for an investment of $3 million, if it receives the current market value of those reserves through rates authorized by the Federal Power Commission. This would seem to set something of a record for a regulated utility.

Data are included in opinion 269 of the Commission in the Panhandle case to show that based upon the allowance the Commission gave Panhandle for its produced gas it would earn on its production properties an annual profit of 24.54 percent after all taxes.

In the Cities Service Gas Co. rate case the staff of the Commission presented evidence to show that Cities Service Gas Producing Co., the hundred-percent-owned subsidiary of Cities Service Gas Co., which owns all of the production properties of Cities Service Gas Co., would receive an annual profit on its production properties of 69.47 percent after taxes. According to figures placed in the record by the company in the Colorado Interstate Gas Co. case, the field price which they are claiming would secure to it an annual profit on its investment in production properties of more than 60 percent after taxes.

The financial benefits of section (f) of the Fulbright bill will, of course, redound to the benefit of the common stockholders of the pipeline companies owning gas reserves. These stockholders are already earning ample returns of from 9 to 15 percent per annum based upon the allowance by the Commission in rate cases of a return of approximately 6 percent on the overall rate base. These stockholders have received generous returns under regulation and in no instance can they claim that the Commission's rate base method of regulation had deprived them of an ample return on their investment.

The common stocks of these pipeline companies have been selling in the market at levels away above their book values. All of these pipeline companies have prospered under regulations by the Federal Power Commission without having received the fantastic additional profits from their producing properties which the Fulbright bill would guarantee them. What possible justification can there be for this section of the bill?

Incidentally, when I review the figures of cost of production—including a fair return—for some of these poor, unfortunate regulated pipeline companies, 2.34 cents per thousand cubic feet, 2.23 cents per thousand cubic feet, 3 cents per thousand cubic feet, I cannot help wondering what the comparable figures would be for the sturdy, independent producers. If Phillips and Stanolind and Humble and the rest are anywhere nearly as efficient, it makes a 20-cent field price look mighty good. This is another reason I wish these companies had been willing to come forward with the facts about the economics of their gas production. But for the pipelines at least we can know the windfall which subsection (f) will give them.

The outlandish profits which the Fulbright bill thus makes available to the pipelines on their own gas production—profits proven by their financial data on file with the Commission—would seem to be worthy of a little notice by those whose hearts have been so woefully wrung by the depredations of the big bad distributors against the gas consumer. Or can these enormous prospective pipeline profits be another reason why it has seemed preferable to talk about something else?

I introduced S. 1248 in this Congress for the purpose of amending section 6 (a) of the Natural Gas Act to provide that in determining the just and reasonable rate or charge to

be observed by a natural-gas company, the Commission shall use the actual legitimate cost of its property as a basis therefor. In view of the decision of the court of appeals in the Panhandle case, S. 1248 appears to be unnecessary. At the appropriate point in the course of the debate, however, when we reach the stage of considering amendments, I shall offer an amendment to strike from the bill, section (f) thereof, and I hope that the consumers can be saved from this crowning exaction at least.

This section of the bill is nothing more nor less than a grand giveaway of the public interest and a serious set-back to responsible and fair utility regulation. It does not have the slightest semblance of equity or justice. As I have said earlier, it would be far better to repeal the Natural Gas Act in its entirety rather than let it be used as a vehicle for the exploitation of consumers.

ALLEGED CONSUMER PROTECTIONS IN FULBRIGHT BILL ARE WORTHLESS

Mr. DOUGLAS. Mr. President, now let me turn to a discussion of the alleged consumer protections in the Fulbright bill, which, in my judgment, are worthless.

The proponents of this proposed legislation point with pride to the provisions which they say will provide adequate protection to the consumer and at the same time will relieve the producer from the burdens of Federal regulation.

First. This is a neat stunt if they can do it. Then we can eat our cake and have it, too; the producers' interstate sales will not be regulated, but the consumers will be fully protected from exorbitant producers' sales prices. Everybody will be happy, and the hard facts of basic conflicts in interest will disappear, like the morning dew.

The proponents urge that the opponents study these provisions, and say that if we do so, we cannot help but come to the conclusion that the consumer is properly protected. Before appearing in opposition to the bill before the Senate committee, I made an analysis of these alleged protections, and examined analyses which had been made by others. I have done so again, in the light of the committee changes. It was and is my considered judgment, and nothing which would modify that judgment has been put forward by the proponents, that the proposed controls are of no protection whatsoever to the consumer. They give the appearance of regulation, but have none of its substance.

Second. Either we have here one of the true wonders of modern, statutory invention and improvisation, or—as I believe, and shall try to show—a very cumbersome and complex formulation of legal abracadabra, the net effect of which is no regulation of those interstate sales, and no consumer protection.

SUMMARY OF PROTECTIONS

Mr. President, let us now consider, in summary form, the various so-called "protections," and let us see what they actually amount to. The alleged protections may be briefly summarized as follows:

5 (b): In connection with new or renegotiated gas purchase contracts, the pipeline in rate increase proceedings will not be allowed by the Commission to charge as an operating expense anything more than the reasonable market price of the gas at the point of delivery into the pipelines.

5 (c): In connection with new and renegotiated gas purchase contracts, before execution the Commission may make a prior determination regarding whether the contract price is the reasonable market price; and the pipeline thereafter can charge as an operating expense only such reasonable market price.

5 (d): In connection with rate increase applications based on escalation clauses—except "step," or tax increases—in existing contracts, the Commission shall permit the pipeline to charge as an operating expense only so much as does not exceed the reasonable market price at the point of delivery into its interstate line.

5 (e): In connection with such an escalation-clause action, the pipeline shall be obligated to pay only the part of the increase not above the reasonable market price, and its gas purchase contract shall otherwise be in effect unchanged.

"REASONABLE MARKET PRICE" IS NO PROTECTION

The principal point to be noted in these alleged protections is that all of them rest on the standard of "reasonable market price," as if this were an effective limiting or restricting factor on gas-purchase-contract prices.

If it is not a test which limits the prices in gas purchase contracts—and I shall show that it is not—then the whole structure of these alleged protections falls like a house of cards. The meaning of "reasonable market price" is therefore, crucial.

What is the clear meaning of these words? "Market price" means "market price." The dictionary says it means: "the price for which anything sells in the market; the selling price." That is the definition in Webster's New Twentieth Century Dictionary, issued by the World Publishing Co. in 1951. Or it means "the price given in current market dealings," according to Webster's New Collegiate Dictionary, published by Merriam & Co. in 1953.

The simple truth is that "market price" is the current price, the going price, the selling price.

Mr. President, in connection with the use in the bill of the term "market price," let me repeat what I said earlier in the debate, namely, the bill's use of that term is similar to Gertrude Stein's famous line "A rose is a rose is a rose." Many unwary persons concluded from that, that there was deep meaning in Gertrude Stein—who, to my mind, Mr. President, was a geyser of pishposh.

Similarly, by saying "reasonable market price," which upon definition turns out to be a "reasonable market price," I believe that the people will think there is profundity in the definition. But when that phrase is coupled, as the bill now does, with the further words "at the point at which the gas is delivered" into the pipeline, the current or selling price at that point must almost necessarily be the price in the very purchase contract that is being tested.

I submit that when we test the validity of a price provision in a contract by seeing if it corresponds to itself, all the legalistic mumbo jumbo cannot conceal the fact that there is no independent guaranty of justice or fairness or reasonableness which the Commission can impose on that contract price. The contract is the test of its own validity. The lid is completely off. Commissioner Draper—who is not exactly a neophyte in these matters—in his able analysis recommending against enactment of this legislation put this whole point very well when he stated—hearings, page 1227:

> Price agreed upon in the very transaction under scrutiny would be the measure of its own lawfulness. The going price would thus be the reasonable market price and the sky would be the limit insofar as regulation is concerned.

Commissioner Draper's comments, made when the bill was more broadly phrased—the phrase was "reasonable market price thereof in the field" on page 3 of Senate bill 1853, as introduced—apply even more forcefully to the bill as passed by the House and reported in the Senate, for the phrase is "reasonable market price thereof at the point" of delivery.

HOUSE DEBATE AND COMMITTEE REPORT CONFIRM THIS INTERPRETATION OF REASONABLE MARKET PRICE

The legislative history of the bill thus far does not contradict the interpretation I have given, based upon the plain meaning of the words, or the importance I have attributed to this point.

The proponents of this bill deliberately chose the standard "reasonable market price." This is evident from the committee reports in the Senate and the House as well as the debate on the House floor. The author of the bill in the House, Mr. OREN HARRIS, of Arkansas, described—10304—the "reasonable market price" as the "heart of the legislation."

Mr. HARRIS also said:

> The words "market price" have a definite and well-established legal meaning. It is the price at which a commodity is currently selling, or has been recently sold for.

In simple language, the market price even as modified by the word "reasonable" means the prices which are being paid in current transactions. In other words, whatever the traffic will bear. It means a price unregulated other than by the law of supply and demand. This is made very clear by Mr. HARRIS, who stated—page 10305:

> Under our system of a free economy, it is only fair that those who have commodities to sell should be permitted to sell them at the market price, whether the commodity be gas in the field, wheat in the bins, corn in the crib, or merchandise on the shelves. As regards gas, however, a governmental agency will have the power to determine what is the reasonable market price if the producer sells the gas to an interstate pipeline company. Such power does not exist with reference to other commodities.

Now this is what Mr. HARRIS expects the Federal Power Commission to do in determining the "reasonable market price."

> If the Government is to regulate the price which a producer receives for gas sold to an interstate pipeline, it should not regulate the price below what the gas will bring as

a commodity in the open market. To reduce the price below the market would be unfair, and would be a discrimination against the producer who had gas to sell instead of steel, automobiles, or other commodities.

There we have it from the author of the bill. Can there be any question what the proponents of this legislation expect from it? They expect the contract prices which the producers have entered into with pipeline companies to be the reasonable market prices, because those contracts themselves reflect the current prices being paid for natural gas in the field in so-called arms-length transactions.

These current prices in new contracts will in turn trigger the escalation clauses in existing contracts, set off chains of renegotiation and redetermination, and another round of rate increases will commence.

There is no regulation involved in these alleged consumer protections as we know the term "regulation." These provisions will simply result in the endorsement of the prices which the producers and pipeline companies have agreed upon. Current prices will continue to increase and the Federal Power Commission, under the provisions of this bill, will be helpless to do anything about it.

We should always remember that there is to be no regulation, even under the term "reasonable market price," of the amounts which the pipeline companies are to pay the producers. There is to be regulation only as to the amount the pipeline companies will be able to pass on to the distributors.

We have seen how contract prices have jumped in the last several years. Is there any reason to believe that this spiral will not continue in the future? No. There is every reason to believe it is going up at an accelerated rate. Certainly there is nothing in the alleged consumer protections in this bill which would prevent that from happening. As a matter of fact, the proponents could not, if they had tried, have designed the language of the bill more effectively so that it would be impossible for the Federal Power Commission to prevent producer price increases.

The report of the House committee, which the Senate committee reprints in its report, discussed the meaning of the term "reasonable market price." The report defined everything that is not the reasonable market price. It is not to be an average of prices in the field. It is not the highest price. It is not to be the lowest price, nor the latest highest price or other price arrived at by the mechanical application of a single criterium. The report says the Commission must take into consideration the quality of the gas being purchased, the conditions of delivery, the level of prices established currently by generally comparable contracts, prices in different fields and producing areas, whether such prices in the contract have been established by arms-length bargaining and the variation of competitive market prices. After discussing the things that reasonable market price is not, the report states:

> Market prices in the vicinity arrived at in arms-length bargaining would appear to be reasonable in the absence of clear and convincing evidence to the contrary.

Thus, the committee in the House expects the contract prices to be the reasonable market price in the absence of clear and convincing evidence to the contrary. The impossibility of obtaining clear and convincing evidence to the contrary simply means that the contract price must be accepted as the reasonable market price.

There are vague directions to the Commission set forth in the bill itself in section 5 (b) applying to determinations of "reasonable market price" under that section only—pages 5 and 6, "competitively arrived at," "effect upon the assurance of supply," and "reasonableness as they relate to existing or future prices." But these do not clarify the matter as much as the report, and they certainly do not change the basic meaning of "market price."

If it were intended by the proponents to have the "reasonableness" of the market price be determined even in part on the basis of (a) the effect of such gas purchase contracts on consumer prices, or (b) the justice and fairness of the return to the producer on his gas production operations, it would have been a simple matter to write that into the bill and into the report. Without these considerations being permitted to the Commission, "reasonable market price" is no protection at all to the consumer.

Commissioner Draper in the opinion to which I have referred—hearings, page 1223—put it bluntly when he wrote:

> Legislation exempting producers' sales or regulating them indirectly by limiting prices paid to them by pipeline companies to a "reasonable market price"—which is in reality no regulation—would be contrary to the public interest and detrimental to the welfare of millions of consumers throughout the Nation.

INDIRECT CONTROLS WOULD BE INEFFECTIVE

From my earlier summary of the alleged consumer protections, it will also be noted that they all apply explicitly to pipelines, and not to gas producers.

But there are fatal weaknesses and defects in these provisions also, even if some way could be found of breathing some protecting force into reasonable market price as a standard.

If that standard is not a limiting one, but rather a blank check one, then, of course, the alleged protection does not exist, and direct or indirect controls are meaningless.

For the purposes of this analysis, therefore, we must assume that somehow reasonable market price at the point of delivery might be lower than—and thus limit—the actual gas purchase contract price. This strains my imagination, but for the sake of argument let us do it.

EXISTING PRICES EXEMPTED

The first major defect in the bill's protective machinery is that it does not apply to most existing gas-purchase contract prices.

Section 5 (b) and 5 (c) expressly apply—with further limitations—only to contracts executed or renegotiated after the date the bill becomes effective. This at best is locking the barn door after the horse has been abstracted.

Section 5 (d) applies to future rate-increase applications under most escalation clauses in existing contracts, but excludes step-rate escalation increases and tax-increase escalator provisions. As this section now stands, the Commission is forbidden to ascertain whether the prices paid under step-up escalation clauses and tax reimbursement clauses exceed the reasonable market price and to make any adjustment should the Commission find them to be excessive.

These so-called consumer-protection provisions forever foreclose the Federal Power Commission from inquiring into the reasonableness of prices paid under contracts executed or renegotiated prior to the day the bill becomes law and which are being paid on that date. That may help to explain the frantic rush to increase prices in the gas fields, which we have noted in the current contracts that we have submitted for the RECORD.

This has the effect of riveting into the economy practically all existing contract prices, as a base, and of granting all of the producer rate increases pending at the Federal Power Commission.

These alleged consumer protections forbid any of the customers of pipeline companies, State commissions, and municipalities from prosecuting their pending complaints at the Federal Power Commission concerning excessive producer prices, which the Commission has already allowed to go into effect. No opportunity whatsoever is given representatives of the gas consumers who are alleged to be protected by these provisions to object, or have corrective measures taken, with respect to the prices which are being paid on the day the bill becomes law. How can it be conscientiously said that adequate protection is given to consumers by these provisions? These alleged protections are pure hokum.

MEANING OF 5 (C) IS UNCERTAIN

Next there is a vagueness in section 5 (c)—the prior approved section—which might well defeat effective use of that control machinery in future—new or renegotiated—gas purchase contracts.

Let us also assume that a producer submits a contract to the Commission for prior approval and that the contract contains an initial price of 20 cents per thousand cubic feet plus annual step-up increases of one-half cent per thousand cubic feet, plus a two-party favored-nation clause, plus required renegotiation at the end of each 5-year period at prices not less than the highest of the three average prices in a certain Texas railroad commission district, and plus a tax-reimbursement clause. The Commision would be required to determine whether the price to be paid under the provisions of the contract is the reasonable market price. Would the Commission be expected to approve all of the pricing provisions of the contract, not only with respect to the initial price but the step-up provisions as well, the tax-reimbursement clauses, the favored-nation clauses, and the renegotiation clauses; or would the Commission's prior approval be confined to ascertaining whether the initial price of 20 cents per thousand cubic feet was the reasonable market price? The report of the com-

mittee throws no light upon this element of uncertainty.

If the meaning of the subsection is to confine the Commission's approval to the initial price, then any increases subsequently arising by reason of annual step-up provisions of the contract, favored-nation provisions, and renegotiation or tax clause provisions would fall under subsection 5 (b), but only in the event the operations of any of such clauses of the contract would require the pipeline company to file a rate increase application with the Federal Power Commission. If the proponents intend that the prior approval by the Commission would cover all of the pricing provisions of the contract, then the Commission's prior approval would be nothing less than signing a blank check for the producer.

LIMITATION ON PIPELINES EXPENSING EXCESS IS QUESTIONABLE, AND PROBABLY ILLEGAL

Sections 5 (b) and (c) also provide as follows, with respect to the Commission's determination of the reasonable market price.

After such determination, the natural-gas company shall be allowed to charge as an operating expense for natural gas purchased under the contract only such part of the contract price as does not exceed such reasonable market price.

This identical provision of sections 5 (b) and (c) purports to deny to the pipeline company the right to recover its cost of gas purchased under arm's length transactions in the event the prices called for by such contracts are found to be in excess of the reasonable market price by the Federal Power Commission.

That is about the only set of teeth provided in the act—and those teeth are not even there.

Adoption of these provisions is predicated upon the supposition that the Commission can legally deny recovery through rates, of payments made by the pipeline company where the Commission finds that they are in excess of the reasonable market price of the gas. This incorrect assumption ignores completely the constitutional limitations on ratemaking authority. A utility is constitutionally entitled to recover through rates its operating expenses, taxes, depreciation, and a fair return and the income taxes associated with that return. If the regulatory Commission does not so permit, the utility has a remedy in the courts under the fifth amendment. The authority of the courts to set aside decisions of regulatory commissions for failure to allow the utility to earn income sufficient to pay its costs of operations, plus a fair return on the invested capital or fair value of the utility's property, are legion. Thus, there is a grave constitutional impediment to the proposal of proponents that pipeline companies be denied recovery of the amounts paid for natural gas in arm's length transactions over and above the so-called reasonable market price.

It is true that regulatory commissions have disallowed items of operating expenses and refused to include expenditures made in the rate base, but it will be found that in practically every such instance, the sums disallowed were not arm's length payments but were payments made to affiliates, and to both sides at the bargaining table. The rate case opinions of the Federal Power Commission will be searched in vain for any disallowance by the Commission of bona fide expenditures in arm's length transactions because the prices charged the utility were thought by the Commission to be excessive.

One of the principal reasons that these proposed alleged protections will not work is that no regulatory commission, Federal or State, would deliberately forbid the recovery through rates of lawful payments paid by a utility in good faith under contracts entered into at arm's length, since to do so would jeopardize its financial stability. It is incomprehensible that the Federal Power Commission would require the pipeline companies to suffer financial loss while the producers selling the gas to the pipeline companies were able to secure excessive profits. Any such proposal is illogical, unfair, and completely contrary to sound principles of utility regulation.

To avoid these results, therefore, as well as for the reasons I have previously outlined, contract prices will be found by the Commission to be the "reasonable market price" in every case unless it can be clearly proved: First, that the contract was not at arm's length; second, that there was collusion between the parties; or, third, that comparable reserves could have been purchased at a much lower price. With producers maintaining corporate independence from the pipeline companies, it will be impossible to prove no "arm's length bargaining." Collusion in the legal sense is easy to avoid and difficult to prove, and with the demand for gas exceeding supply, the situation of available reserves at a lower price will never be encountered.

In other words, constitutional grounds might well knock such regulation down if attempted by the Commission, and to avoid such unconstitutional effects the Commission would in all probability allow the pipeline to expense the contract price—which means no regulation.

SECTION 5 (E) HAS FURTHER LEGAL CONTRADICTION

Another legal absurdity, or at least contradiction, in the bill is section 5 (e). This section provides:

Whenever, in connection with an increase in the price of natural gas under the provisions of an escalation clause, the Commission, pursuant to subsection (d), has made a determination as to the reasonable market price of such natural gas, the natural-gas company shall be obligated to pay only such part of the increase in price as results in a price which does not exceed such reasonable market price; and, except as otherwise provided in this subsection, the contract containing such escalation clause shall continue in effect according to its terms as though this subsection had not been enacted. No provision of any such contract shall be construed to authorize its cancellation because of the enactment of this subsection or subsections (d) and (f).

This provision purports to protect the pipeline company in a price squeeze in the event the Commission should determine that the contract price as under a favored nation, renegotiation, or spiral escalation clause should exceed the reasonable market price. In other words, the pipeline company is forbidden to collect an increase in rates from consumers of any excess above the reasonable market price, and it is also relieved from the obligation to pay to the producer any such excess.

This is the only section of the bill that purports to place any burden on the producer. This effort to authorize control over a contractual money obligation of the pipeline to the producer, however, runs the Commission head-on into the provisions of the bill which define transportation of natural gas in interstate commerce and sale in interstate commerce of natural gas to exclude the very transactions between producers and the pipeline companies which the bill attempts to regulate under section 5 (e).

By enacting proposed paragraphs (10) and (11) of section 2 of the act, Congress would declare that the sales taking place before transportation are not sales in interstate commerce. Yet, section 5 (e) of the bill attempts to provide regulation of these sales. At the very least, these provisions seem clearly contradictory and to furnish ready fuel for future litigation.

It seems to me that in the event the Commission sought to enforce section 5 (e) and should determine that the contract price under an escalation clause exceeds the reasonable market price and forbade the pipeline company to increase its rates based thereon, and the pipeline company refuses to pay the producer that part of the contract price which was in excess of the reasonable market price, the producer would have no difficulty in securing relief from the courts. This is for the simple reason that unless the sale is in interstate commerce for resale, no authority exists under the Natural Gas Act to diminish the producers' income which is provided by contract.

If the National Government cedes authority over the price of gas entering a pipeline, how can it subsequently come in and say it can regulate the price which the pipeline company can then pass on to the distributor?

Thus the proponents of these alleged consumer protections seem to me to have placed the Commission and the consumers in this neat dilemma: (a) If section 5 (e) is applied to reduce the gas contract price to the producer, he can complain and probably prove its illegality since by definition he is placed outside of regulated commerce; (b) if the contract revision part of section 5 (e) is knocked out by the producer, then the pipeline is faced with legal contract obligations which the bill says the pipeline cannot "expense," and for the reasons mentioned above in connection with 5 (b) and 5 (c), the pipeline can probably knock this attempted regulation out. The net result of the legal tangles, therefore, may well be—and I believe is—that the consumer is defenseless—even if "reasonable market price" had some limiting meaning, which it does not.

One is tempted to ask the proponents, if they believe section 5 (e) would be effective and be upheld as a valid change in the price in gas purchase contracts,

why did they not insert a similar provision in section 5 (b)? These are mysteries of draftsmanship too deep for one seeking consumer protection to understand. And since the new provisions of section 5 (e) were put into the bill after the hearings were ended, there is no testimony from outside witnesses in the hearings to help us solve this knotty riddle.

THE ADMINISTRATIVE LOAD

The burden which would be cast upon the Federal Power Commission under section 5 (c) as proposed, is tremendous. It would far exceed the burden imposed on the Commission under the Natural Gas Act as it now stands. There is no doubt in my mind but that a pipeline company entering into a new or renegotiated contract with a producer would seek to secure advance approval of the price to be paid as provided in that subsection.

I have previously shown that since June 7, 1954, 1,097 contracts were filed with the Federal Power Commission by producers making new sales to pipeline companies. Since rates for new service are not subject to suspension under the Natural Gas Act, these 1,097 contracts became lawful rate schedules without any formal proceeding, hearing, or other action of the Commission. However, if pipeline companies were to submit 1,097 producer contracts to the Federal Power Commission for approval, the Commission, unless it were to simply rubberstamp the price, would be compelled to give notice and opportunity for hearing to all parties and the Commission staff would necessarily be required to make an investigation in each of the cases to determine whether the new or renegotiated contract price was the "reasonable market price."

Based on the activity of intervening municipalities, State commissions, and distributors in the present producer rate increase cases before the Federal Power Commission, it can be fairly anticipated that most of the applications would require formal proceedings. As I visualize the inevitable result of the advanced determination as to new or renegotiated contracts and determinations in rate increase cases of pipeline companies of the reasonable market price with respect to contract escalation clauses, as proposed in the bill, it would be completely negative and would provide no protection whatsoever to the consumer against unreasonable natural gas rates.

Commissioner Draper has described the probable effect of this provision in the following terms, in the hearings, at page 1228:

> The Commission would thus be required to pass in advance upon each and every executory contract entered into between pipeline companies and producers, for it is not to be supposed that a pipeline company would bind itself to a gas purchase contract without getting a stamp of approval. The administrative burden of having to issue a declaratory order passing upon the lawfulness under the act of all these contracts would be staggering. In addition, procedural prerequisites are left unspecified. Even more important, in practical operation this procedure could well give the parties an inducement initially to agree upon a higher price than they thought would be acceptable to the Commission, and then, if necessary, by successive steps to reduce it to the permitted level. As to prices paid the producer, this would turn the present standard of the act requiring the lowest reasonable rates upside down, substituting instead the highest reasonable rates.

Section 7 (e) of the Harris-Fulbright bill is another section which throws a heavy administrative burden on the Federal Power Commission, by requiring the Commission to examine every contract, submitted in support of an application by a pipeline company for a certificate of convenience and necessity, to determine whether the price paid under the contract is "the reasonable market price" at the point at which the gas is transferred to the pipeline. This would delay the granting of certificates, and is an administrative burden which the Harris-Fulbright bill would impose on the Commission in excess of any burden which now exists.

The way to lighten the burden of the Federal Power Commission is to pass my bill S. 1926 which would require regulation of the sales of the 197 producers who sell 90 percent of the gas and which would exempt the 5,360 producers who together sell only 10 percent of the gas.

SUMMARY

Mr. President, the indirect controls, the alleged consumer protections, are in my opinion, ineffective and futile. They are worthless for providing safeguards to the consumer. The "reasonable market price standard" in itself absolutely negatives any hope of consumer relief from increasing gas prices.

The heart of the foregoing argument is: there are no regulatory teeth whatsoever in reasonable market price. And if there were any teeth in that standard, the alleged protective provisions would probably prove illegal.

Unless the drive of producers to secure from their sales of natural gas all that the traffic will bear is restrained by direct regulation under the act, it would be far better in my judgment to repeal the act in its entirety than to delude the natural gas consumer into believing that he is protected by Federal regulation under the Natural Gas Act as thus amended.

If the cost of gas to the interstate pipeline company is free from regulation, all subsequent regulation becomes an exercise in futility. This was recognized by the Supreme Court in the *Interstate* case (331 U. S. 682) where it said:

> Unreasonable charges exacted at this stage of the interstate movement become perpetuated in large part in fixed items of costs which must be covered by rates charged subsequent purchasers of gas, including the ultimate consumer. It was to avoid such situations that the Natural Gas Act was passed.

Mr. President, in the long argument which I have made I have shown, I think, that the passage of the Fulbright bill would inevitably mean a large increase in the price of gas in the field, amounting to at least 10 cents per thousand cubic feet; that the increase would be passed on to the pipelines; that the protections in the bill are grossly inadequate, indeed, almost nonexistent; that the pipelines would pass the price increases on to the distributing companies; that the distributing companies would have to pass them on to the consumers, and that the burden would fall upon the residential customers, 21 million families, who would have to pay most, if not all, of the $600 million a year which would be charged.

This bill is an unconscionable attack upon the pocketbooks of the American people. I hope the Senate will defeat it by a resounding vote.

Mr. President, I yield the floor.

Mr. DANIEL. Mr. President, I merely wish to state for the RECORD that although I have not interrupted the distinguished Senator from Illinois except once or twice, there are particular points on which our silence should not be interpreted as being a sign of assent or agreement. Before the debate is concluded, the proponents of the bill, including the junior Senator from Texas, will undertake to answer the points which have been made.

Mr. DOUGLAS. Mr. President, as the RECORD will show, I submitted myself to questions at all points in my address and I was perfectly willing to yield for any statement which was challenged. I think that is the proper way to conduct parliamentary debates, and I shall be very much interested in any future statement which may be made.

The PRESIDING OFFICER (Mr. MONRONEY in the chair). The Chair would like to say that he followed the statement of the distinguished Senator from Illinois and that the Senator from Illinois conducted his arguments on a high level, after long and close study of the statistics available.

While we have differed on the conclusions which should be drawn from some statistics, the Chair would like to join with other Senators in complimenting the Senator from Illinois for his masterly presentation of the argument on his side of the question. The fact that we wind up with different conclusions is in the true spirit of our democratic processes. The Chair is grateful to the Senator for the contribution he has made, and hopes that in due course, as the proponents of the bill further present their side of the case, the debate will continue, as the Chair feels sure it will, at the highest possible level of Senatorial courtesy and consideration.

Mr. DOUGLAS. Mr. President, may I thank the Senator from Oklahoma for the splendid way in which he conducted himself throughout the debate. I compliment him on his genuine, good sportsmanship. I have occupied the floor for 4 days, but I enjoyed it, and, after a little rest, I shall be ready to resume the debate next week.

I am happy to have served under the Senator from Rhode Island [Mr. PASTORE] who is the floor leader against the bill. We shall continue the battle at Phillipi.

Mr. PASTORE. Mr. President, although the Senator from Illinois is anxious to get away, I wish to join my colleagues in paying him tribute for the fine presentation he has made of our side of the case. I wish to say to him that he has always been an inspiration

to the liberals of this body. He is the great champion of the average American, and every time he comes into this Chamber the consumers of America feel that much more safe.

TENTH ANNIVERSARY OF CARE

During the delivery of Mr. DOUGLAS' speech,

Mr. WILEY. Mr. President, it is a real honor for me today to pay tribute to a remarkable organization which has performed magnificently for the people of our country and of the world. I refer to that splendid nonprofit organization whose title is Cooperative for American Remittances to Everywhere—familiarly known as CARE.

This week it is our pleasure to help, so to speak, "blow out the 10 bright candles in CARE's birthday cake." By doing so, we help focus attention on this young, vigorous organization which already has literally made a difference between life and death to uncounted number of distressed people abroad.

CARE'S REMARKABLE RECORD

Yes; within this short decade, CARE has furnished packages which have fed 76 million people. The food value of those packages alone represents 2,100,000,000 meals.

More than a fifth of a billion dollars has been contributed to CARE in the last 10 years. As a consequence, there have poured forth, under CARE auspices, enormous shipments of food, clothing, blankets, and self-help tools.

All this constitutes one of the most remarkable outpourings of good will in our history—remarkable even for so generous a country as the United States, considering the fact that simultaneously all of us, as taxpayers, were helping to contribute necessary aid on a government-to-government basis.

INTRODUCTION OF MISSION CHIEFS IN SENATE GALLERY

Mr. President, it is my particular purpose now to pay tribute to some of the men and women who are the "front-line combat soldiers," so to speak, in this peaceful army. They are soldiers of an army of good will, an army whose only enemies are mankind's age-old enemies—disease, illiteracy, poverty, starvation.

Seated in the Senate gallery at this moment are 22 mission chiefs from CARE's overseas missions. They have just visited the White House, where they met with Mrs. Eisenhower—a further indication of the warm support of the United States Government and the people of the United States for CARE.

I point out that three of the chairs in that part of the gallery, which might otherwise have been filled, are vacant this afternoon. Those vacant chairs represent lives lost in CARE overseas duty during the last 10 years.

I should like to ask that the CARE overseas mission chiefs stand now, so that they may receive an expression from the Senate and from the members of the public seated in the other galleries.

The PRESIDING OFFICER (Mr. JACKSON in the chair). Is there objection to the request of the Senator from Wisconsin? The Chair hears none.

[The delegation rose from their seats in the gallery, and there was applause by Members of the Senate and by the general public in the gallery.]

Mr. WILEY. Later, Mr. President, I shall ask that the individual names and missions of each of these persons be listed in the CONGRESSIONAL RECORD.

CARE SHOULD HAVE STILL MORE RESOURCES

As we survey the work of CARE, our only regret is that infinitely more resources have not been made available to it, not just as regards food, but also as regards self-help materials which CARE is also wisely distributing.

Just think how infinitely greater would have been the past results, and how much greater would be the results still to come, if more resources were made available to CARE by the American Government, in the form of surplus food; and by the American people, in the form of contributions for everything from plows to books to hospital equipment to suiting material and midwifery kits.

I hope, therefore, that as CARE completes its first decade, we shall give it the birthday present it would most enjoy, namely, by making available increased facilities, so it can further increase its service.

I have been pleased to be in contact with Mrs. Olive Clapper, Director of the Washington office of CARE. She rightly points out that if all Americans were to become more familiar with CARE's self-help program, particularly for the distressed areas of southeast Asia—

> We could be sending many millions of dollars worth of help, instead of only a few millions, and CARE could be the instrument of raising the standard of living in villages and towns in acute areas. A rise in the standard of living of 5 percent in the next 2 years is all that is needed to firm up a determination to hold on to freedom and turn thumbs down on communism, because these people are voters for the first time in their lives.

EACH PASSING DAY IS PRECIOUS IN FOOD DISPOSAL

Under these circumstances, Mr. President, time is precious. Each passing day means 1 million more dollars in storage charges for United States government surpluses. This means also, 1 additional day during which millions abroad live on the ragged edge of starvation.

Surely, this administration and the Congress will recognize, as they should, that our surplus disposal program, which has been moving ahead in first gear, should be shifted into high now—immediately. That means increasingly utilizing CARE and other efficient, constructive private means to do the job abroad which must be done.

I am pleased now to ask unanimous consent for the listing in the RECORD of the names of CARE's overseas mission chiefs who are present today in the Senate gallery.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Mr. Richard Reuter, executive director of CARE; Mr. Paul W. Gordon, (Yokohama, Japan), Far East; Mrs. Mary Elmendorf, Mexico; Mrs. Mary Lowrie, Panama; Mr. Derek Singer, Bolivia; Mr. Irwin Rubenstein, Honduras and El Salvador; Mr. Oden Meeker, Laos; Mr. Wells Klein, Vietnam; Mr. George Mathues, West Germany; Mr. Bertram Smucker, Berlin; Mr. Robert Meyer, West Germany; Mr. Raymond Izbicki, Italy; Mr. Edward Greaves, Greece; Mr. Fred Devine, Egypt; Mr. David Jack, Finland; Mr. Van Bowen, Yugoslavia; Mr. Frank Thomas, Israel; Mr. Milo Kamstra, Vietnam; Mr. Jeremy Boissevain, India; Mr. Barry Borden, Pakistan; Mr. Rudolph Adams, Egypt; Mr. John Standish Alden, assigned to Indochina.

Mr. WILEY. Mr. President, CARE is, of course, a nonprofit, nonsectarian, private American agency for person-to-person, international assistance. Because it is nongovernmental and goes from an American to a person in need, every CARE gift tends to be more effective than aid from a relatively, impersonal government.

Moreover, because CARE is nonsectarian, CARE aid often proves particularly adaptable in the rising nations whose cultural and religion patterns have tended to differ markedly from ours in the West.

CARE'S ADAPTABILITY TO CHANGING NEEDS

I point out that CARE has shown commendable flexibility in all its operations. As fast as new needs have arisen, CARE has responded to them.

Immediately after the war, when Europe was almost in chaos—with its cities battered, and vast populations homeless—CARE relief packages were rushed in to feed the starving. CARE's first shipload of food packages left the port of Philadelphia in May 1946, unloading at Le Havre, France, 2 weeks later.

Subsequently, whenever and wherever in the world natural disasters struck, CARE was always promptly on the scene, to rush in emergency aid.

In Europe, as the flow of refugees from behind the Iron Curtain mounted, CARE always proved available, to aid refugees in Germany, Greece, or elsewhere.

As the focus of the problems of the free world shifted to the plight of South Asia, particularly to amputated, refugee-swollen South Vietnam, CARE wisely responded to the area's special needs.

Likewise, nearly the whole of Latin America has come to be included in the realm of CARE's service.

SELF-HELP TOOLS

CARE early recognized that "man lives by more than bread alone." Men need to work out their destiny in their own way; they need to realize their dignity through earning their own daily bread by their own efforts.

CARE tool packages, therefore, enabled a carpenter apprentice of West Germany to follow his chosen trade, or a Pakistani farmer to exchange his crude inefficient wooden implements for a new tool. CARE plows have helped Greek youngsters or Indian lads in Peruvian vocational schools to improve farming practices in their home villages. CARE sewing machines permitted Italian and West German welfare organizations to set up sewing circles for unemployed women.

CARE books have brought the latest scientific and technological literatures to underdeveloped countries in desperate need of them. CARE midwifery kits have helped both as teaching aids and of course, in direct use in facilitating the birth of children in depressed lands where unfortunately, even the most elementary medical facilities have so often been lacking.

AID TO BATTERED KOREA

Perhaps nowhere on the face of the earth has CARE aid been more needed or more appreciated than in the Republic of Korea. There, almost one-third of the 21 million population have been homeless; two and a half million refugees fled before the Communist aggressor, and in the backwash of cruel war have been nearly a quarter of a million helpless orphaned youngsters, as well as countless maimed and wounded, sick and undernourished—all in the sacred cause of freedom.

THE FREEDOM VILLAGE PROGRAM

It is appropriate that CARE's latest form of effort—its Freedom Village program—integrating self-help, sent from abroad, and started in Korea.

To one village of 1,000 war refugees resettled by the Korean Civil Assistance Command, CARE brought plows, farm tools, and pigs; sewing, knitting, and weaving machines, plus cloth and thread; carpentry and other craft tools; books, stationery and stoves for the village school. The result was increased crops and farm income, year-round earnings for cottage industries, a livelihood for the village craftsmen, better educational opportunities—in short, a village put on its feet.

Freedom villages are now slated for southeast Asia, for the Middle East, and for Latin America, Korea, Peru, India, Pakistan, to name a few specific countries. Technicians from United States Government, United Nations and local government missions, or private foundations, teach the know-how for economic, health, and social improvements. CARE brings the villagers the go-with to make the know-how work.

But now, it may be asked: Who is responsible for the bold imaginative CARE work, for this intelligent program of efficient, economical, careful use of funds?

MEMBER AGENCIES OF CARE

The following is a list of the member agencies of CARE:

American Aid to France, Inc.; American Baptist Relief; American Friends of Yugoslavia; American Fund for Czechoslovak Refugees, Inc.; American Relief for Poland; Brethren Service Commission; Congregational Christian Service Committee; Cooperative League of the United States of America; Credit Union National Association, Inc.; General Conference of the Seventh Day Adventists; Greek War Relief Association, Inc., United States of America; United HIAS Service, Inc.; International Rescue Committee; Labor League for Human Rights, AFL; National CIO Community Services Committee; National Grange; Paderewski Testimonial Fund; Tolstoy Foundation, Inc.; Unitarian Service Committee; United Lithuanian Relief Fund of America; United Ukrainian American Relief Committee; World University Service; YWCA World Emergency Fund.

TRIBUTES BY PRESIDENT EISENHOWER AND OTHERS

Inevitably, the leaders of the United States have responded enthusiastically to CARE's great work. I quote some of the tributes by American leaders in tribute to CARE:

DENVER, COLO., *September 30, 1954.*

Mr. PAUL CONLY FRENCH,
Executive Director, CARE,
New York, N. Y.

DEAR MR. FRENCH: In its 9 years of activity, CARE has written a remarkable chapter which reflects our citizens' understanding of the new importance of their international role.

I wish there were more who understood the significance of America's international role. One of the purposes of these remarks is to acquaint our people with this most wonderful institution, which has alleviated pain and suffering among millions.

The President further stated:

It is a chapter which brightly reflects the philosophy which guides our actions: the assumption that the best way to help others is to help them help themselves.

CARE still provides direct aid to the victims of natural and manmade disasters—to the 500,000 refugees, for example, who fled before Communist aggression to the south of Indochina, and to the sufferers from the recent Danube flood in Austria. But CARE no longer brings food and clothing alone; it brings also the tools of reconstruction and rehabilitation. Its books are providing the student and scientist in many lands with food for the mind. Its plows are aiding the farmer in Korea and Pakistan, Greece, and India. Its tools are giving the carpenter in West Germany and the shoemaker of Haiti the chance to build economic freedom for themselves and their families. Its equipment of civic centers is aiding the Philippines farmer on the road to a better future.

Everywhere CARE is strengthening the belief and confidence in democratic processes.

Made possible through the voluntary contributions of countless individual citizens and civic groups in all parts of the United States, CARE aid in all of its forms is a magnificent symbol of good will and understanding among freemen.

Sincerely,

DWIGHT D. EISENHOWER.

Further tributes are as follows:

The CARE campaign to bring help from the people of America to the Vietnamese refugees is a vital humanitarian and national effort. * * * Government-to-government assistance, important as it is in long-range plans, cannot be as personally effective as the simple idea of people helping people.

RICHARD M. NIXON,
Vice President of the United States.

Through CARE the American people have a channel for assisting peoples in need overseas and for expressing their goodwill and feelings of brotherhood.

JOHN FOSTER DULLES,
Secretary of State.

The warmhearted activities of CARE justly deserve the grateful appreciation and support of the people of New York.

THOMAS E. DEWEY,
Former Governor, State of New York.

Fortunately, there is a way we can all help and that is by contributing to CARE which distributes to the Vietnam refugees, in the name of the American people.

ADLAI E. STEVENSON.

CARE has become a symbol of America's interest in the welfare of individual neighbors overseas.

CHESTER BOWLES,
Former United States Ambassador to India.

CARE aid * * * furnishes the most convincing proof to the rest of the world of the deep and lasting concern of the American people for those throughout the world who are hungry and in want.

JOHN S. FINE,
Former Governor, Commonwealth of Pennsylvania.

Inevitably, too, as regards Korea and elsewhere, the CARE program has aroused the sympathetic support of the widest variety of American and international organizations.

A look at CARE's record contains many proud chapters of cooperation written by the General Federation of Women's Clubs, the CIO and AFL, the Credit Unions National Association, the National Education Association, 4–H Clubs of America.

So, too, the National Advisory Committee for CARE represents an outstanding group of American leaders.

I ask unanimous consent that the list of members of the National Advisory Committee for CARE be printed in the RECORD at this point as a part of my remarks.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

The National Advisory Committee for CARE. A committee of business leaders consulting with CARE on agricultural surplus, self-help and overseas disaster relief and rehabilitation programs:

Chairman: Gardner Cowles, president, Cowles Magazines, Inc.

Members of the committee: Harry A. Bullis, chairman of board, General Mills, Inc.; John S. Coleman, president, Burroughs Corp.; George H. Coppers, president, National Biscuit Co.; Philip Cortney, president, Coty, International; Chester Davis, consultant, Pasadena, Calif.; A. L. Hammell, president, Railway Express Agency, Inc.; H. J. Heinz II, president, H. J. Heinz Co.; Paul G. Hoffman, chairman of board, Studebaker-Packard Corp.; Roy C. Ingersoll, president, Borg Warner Corp.; Eric Johnston, president, Motion Picture Association of America; Ward Melville, president, Melville Shoe Corp.; John Nuveen, investment broker, Chicago, Ill.; Warren Lee Pierson, chairman of board, Trans-World Airlines, Inc.; W. A. Roberts, president, Allis Chalmers Manufacturing Co.; F. F. Rondeau, president, Mutual Service Life Insurance Co.; George A. Sloan, president, Nutrition Foundation; Robert B. Smallwood, president and chairman of board, Thos. J. Lipton, Inc.; Joseph P. Spang, Jr., president, The Gillette Co.; J. D. Zellerbach, president, Crown Zellerbach Corp.

CARE COMBATS COMMUNISM

Mr. WILEY. Even if the Communist problem did not exist in the world, the American people would be glad to contribute to CARE, because there has never been an occasion in our history when our people—with their great hearts—have not gladly responded to humanitarian needs throughout the world. We know full well that two-thirds of the people of the world live today in underdeveloped

areas where average income is pitifully less than $1 per week.

But because the Communist problem does exist, because communism is contesting with the free world for the minds of men, especially, in these depressed lands, because communism tries to destroy the image of America and to smear the American character, CARE has become a particularly important instrumentality in the free world's effort to preserve itself from subversion and destruction.

Someone said the other day in analyzing the world situation that the world has been contracted by man's ingenuity so that every nation is in every other nation's backyard. Someone may ask, "What does that mean? What does it mean to you and to me?

The answer is that in applying the old rule of national self-preservation we must also apply the rule which Abraham Lincoln applied. He said, "The dogmas of the quiet past are inadequate for the stormy present."

Mr. President, one of the great weapons to preserve America is the very agency we have been talking about, CARE. It is one of the real arms which reaches out and, in its generosity and Christian spirit, creates a barrier against communism.

I conclude with this sincere word of tribute and thanks to Mr. Murray D. Lincoln, president of CARE, Mr. Richard W. Reuter, National Executive Director, Mr. Leo Perles, Secretary, Mr. Harold S. Miner, Treasurer and, Mr. Paul Comly French, formerly Executive Director.

I wish for CARE the highest degree of success in its further humanitarian efforts as it enters its second fruitful decade.

Mr. KENNEDY. Mr. President, I congratulate the Senator from Wisconsin on his fine statement, and I wish to associate myself with his remarks. I join him in complimenting CARE on what it has done over the years. America owes it a great debt of gratitude.

Mr. WILEY. I thank the distinguished Senator from Massachusetts. He is one who fully appreciates the significance and the extent of the grand job which is being done for suffering humanity by this great institution.

Mr. BARKLEY. Mr. President, I wish very briefly to associate myself with the remarks just made by the Senator from Wisconsin [Mr. WILEY] with regard to the great organization known as CARE. I congratulate it upon a full decade of activities, services, and benefactions to mankind all over the world.

We have in our country many organizations—charitable, eleemosynary, and non-profit—which are based fundamentally upon the heartthrob of mankind, particularly in our own country, and are pulsated by a desire to be of service to unfortunate men and women in other areas of the world.

Nearly every night over the radio, and every day in the press, we hear requests to respond, through the opportunity which is afforded by this agency to the need to serve mankind.

I believe it is rather a tribute to the comprehensive view that our own people take of their obligation that there are many organizations in the Nation dedicated to the service of men and women, devoted to propagating the ideals of charity, of religion, and of Christianity, and all that they mean, in the service of mankind.

It is rather strange that all of them, regardless of their name and their origin, fit into a little different niche. I believe that is particularly true of CARE.

I shall not sermonize, although I am sometimes tempted to do so. However, I do wish to quote one of my favorite passages from the Bible. It is in Revelation, and all Senators will recognize it. It is one of the most beautiful passages in the entire Scriptures:

> Behold, I stand at the door, and knock: if any man hear my voice, and open the door, I will come in to him, and will sup with him, and he with me.

That brief quotation epitomizes and sums up in a most beautiful way the situation which confronts the world, and which always confronts it, and confronts us as individuals.

All over the world men and women are knocking at our doors, not merely the doors of our homes and our abodes, but the doors of our hearts, no less, asking if we will hear their voices and if we will open the door, that they may come in.

CARE is doing as much as any other organization in America to respond to that impulse and to that impetus.

In distressed lands everywhere millions of men, women, and children are knocking at our doors and asking whether we hear their voices and whether we will open our doors, so that they may come in.

CARE, through its efficiency, its broadmindedness, and its wonderful work and ministrations, is hearing the voices of humanity and is opening the door. Into that door men and women are coming and supping, "I with him, and he with me."

Therefore, I am very glad to join the Senator from Wisconsin in paying tribute, on its 10th anniversary, to this great organization, and I wish for it continued strength, growth, and health, as well as the satisfaction that comes not only to an organization of that kind as a group, but to the individual members of it, who have responded to the call, and have opened the door, and have admitted millions of people.

That of itself is a tribute to our democracy. It is a tribute to our willingness to accept personal responsibility, and not lean upon the arm of Government to do all the things which are essential to be done in preserving the spirit of service and the devotion to the ideals which we cherish.

Mr. DOUGLAS. Mr. President, I should like to join the Senator from Wisconsin and the Senator from Kentucky in the tributes they have paid to CARE. It so happens that a former student of mine, Mr. Murray Lincoln, was one of the organizers of CARE. It has been a privilege of Mrs. Douglas and me to have been contributors to CARE every year for the past 10 years. Nothing has given us greater pleasure than the opportunity to offer such small help as we have been able to extend.

The great merit of CARE is that it is much more flexible than government can be. It can go into situations and deal with people in a way government cannot do. Furthermore, it is much more personal than government can ever be.

Actions of government tend to be impersonal. Motives of government, even when pure, tend to be suspected. However, the voluntary fellowship which individuals accord to other individuals transcends national lines and builds friendships.

I am very happy that my own community of Hyde Park in the city of Chicago was, I believe, the first community in the country which adopted a Korean village. I know it gave our community a deep sense of participation, and brought the Korean problem much closer to the some 60,000 residents of the community. I have watched CARE very closely. So far as I can tell, it has a good sense of dollar values. It does not waste money. It joins to high aspirations and Christian motives businesslike acumen and a sense of responsibility.

In short, it is one of the best developments of the last decade. I wish to express my own personal thanks to the devoted men and women who have carried on and are continuing to carry on in its work.

Mr. LEHMAN subsequently said: Mr. President, unfortunately, I could not be on the floor earlier this afternoon when the distinguished senior Senator from Wisconsin [Mr. WILEY] introduced the heads of mission of that great organization CARE, who were in the gallery. I should have been very happy at that time to have associated myself with his remarks and to have had the opportunity of expressing my admiration and appreciation for that splendid organization, which has done so much for the welfare of humanity.

CARE was organized in 1946; and while I have not had an active part in the administration of CARE, I had a very considerable part in launching it and in making it possible to function effectively during the early months of its existence.

I was at that time Director General of UNRRA, which, as my colleagues know, was composed of 46 nations, under an agreement signed at the White House on November 11, 1942.

After the war, when the United States Army was disposing of its surplus supplies, UNRRA purchased from the Army about 5 million "K" and "C" rations for the purpose of distributing this very much needed food to the starving people abroad.

I was approached by the head of CARE, which had just been organized, and, at his request, UNRRA released to CARE about 2½ million of those rations, making it possible for that organization to proceed immediately to carry on its work.

Since then I have followed the course of the operations of CARE with great interest and with deep appreciation. Since its organization, CARE has served 54 countries around the world. I believe it now operates in 23 countries. It has served many millions of people, and has

shipped supplies with a value of more than $200 million, all of which was provided by the generous people of this country and other countries in different parts of the world.

In addition to providing food packages addressed to designated individuals, CARE also has handled large quantities of undesignated packages, which have gone into a pool for the relief of the general population in countries which needed help so greatly at the end of World War II, and which, in many instances, continue to need help.

In addition to supplying food and clothing, CARE has made it possible for people to help themselves by supplying them with large quantities of items, such as plows, medical supplies, tools, sewing machines, and similar equipment, all of which were of very great assistance to the people, and which helped put them back on the road to recovery.

As former head of the greatest relief organization in the history of the world, I have watched with admiration and approval the continuing operations of CARE. The organization supplied a very great need at the time UNRRA was liquidated in 1947–48. CARE has merited the appreciation and the gratitude of hundreds of millions of people throughout the world.

I take this opportunity to express my greatest admiration and gratitude to Mr. Murray Lincoln, who is now president of CARE, and his able and devoted associates. I am very glad, indeed, to take this opportunity to give expression to my sentiments and my appreciation and to wish this great organization further and larger success in their work of real brotherhood among the free countries of the world.

Mr. MONRONEY subsequently said: Mr. President, I should like to be permitted to join in the statements made about CARE by my distinguished colleague the Senator from New York. I think the work of CARE is one of the really great efforts being made to follow the true spirit of religion in foreign affairs. This country has spent billions of dollars in government-to-government aid, but it seems to me that the policy followed by CARE of people-to-people assistance for those who are hungry, without clothing, and without resources, benefits not only the receiver but the giver.

I doubt very seriously if the true spirit of brotherhood, which the people of the United States have demonstrated to the rest of the world, could have become evident to underprivileged people of other nations and areas without the fine work which has been carried on by CARE and various church and religious groups in this country.

I am most happy to join my distinguished colleague, who has had great experience in helping in such operations while he was at the head of UNRRA, and was connected with other relief organizations.

Mr. LEHMAN. I wish to thank the Senator from Oklahoma.

Mr. HUMPHREY subsequently said: Mr. President, I should like to make a statement on a matter of deep concern to the Senator from Minnesota and the Presiding Officer [Mr. MORSE]. This is the 10th anniversary of CARE, a great organization and a great program.

I should like to pay a high tribute to CARE—an organization for people-to-people friendship — an organization which brings the heart of America home to many foreigners.

Some of us may find it difficult to realize that the great work which has been done by this organization has been going on for 10 years. Some of us may not even recall the circumstances attending its early existence, the terrible conditions which it sought to alleviate in a war-devastated Europe, and the disheartening obstacles which it had to overcome.

There was so much need in so many places for so many things, all at once. CARE, along with other international relief organizations, brought a message of hope to multitudes who had lost hope. CARE restored self-respect to individuals whose self-respect had dissolved in a nightmare of physical suffering, cold, hunger, and the struggle to survive. It became a household word to millions of persons overseas.

But the most significant thing about CARE, so it seems to me, is that it continues to exist. This fact alone attests the great need it satisfies. Indeed, if it were not now in existence, before long responsible persons would doubtless be moved to create it. It still labors to reduce suffering, to help the poverty stricken, and to raise standards of living among those whose pitiable existence can hardly be said to constitute a standard at all. And because too many of us in the United States may not be aware of the vital postwar work which CARE has done and is continuing to do, it is proper that we take due notice of its magnificent accomplishments on this floor. It is essential that we should be fully aware of the extent to which the activities of CARE are in the national interest of the United States, and in some respects even more effective than work by Government agencies ever could be.

In addition to food packages for 76 million people, CARE has sent abroad in the 10 years of its life an impressive quantity of self-help items, among which are over $2 million worth of hospital equipment, including 19 iron lungs, and $1.5 million of technical and educational books.

Surely we all recognize, by this time, that CARE is not just another relief organization, whatever may have been its major purpose initially. No, Mr. President, to a substantial degree CARE has become a mechanism for the survival of freedom in areas where freedom has less meaning than tomorrow's bread. It is incumbent upon all of us, upon Americans everywhere, to aid its program and to support its distinguished director, whose late husband, one of America's great war correspondents, was killed in the invasion of the Marshall Islands.

I am sure Senators know that I am referring to Mrs. Olive Clapper, wife of the late beloved Raymond Clapper.

I, for one, feel that, as essential as was the work of CARE during the immediate postwar years, today its program is even more important. For at a time when the Soviet Union is redoubling its seductive efforts to win over the underdeveloped, poverty-stricken areas of the world, the humanity and compassion of CARE are a potent instrument in the struggle to keep freedom alive.

Many of us in the Senate have searched for means which would achieve the goals of our foreign-aid program more effectively. It has been repeatedly impressed upon us that private initiative and investment of capital must be encouraged as a preferred alternative to continued Government aid. Experience has shown that private assistance to underdeveloped areas carries with it advantages which are not shared by any Government-aid program—partly because no such program radiates the personal, people-to-people touch. How many of us are aware that CARE has been engaged in this type of activity, in vital measures of self-help to raise standards of living where conditions are most acute?

CARE's overseas missions, on restricted budgets, are furnishing precisely the kind of technical assistance which is best suited to the sociological and cultural mores of the community. One of its most exciting projects is the sponsorship of freedom villages. In these villages CARE matches the technical supervision available through our own and United Nations missions—or through local agencies—with the means required to put impoverished villages on their feet. It has contributed plows, farm tools, weaving machines, carpentry, and other craft implements . Five hundred villages have been selected by CARE for help in Southeast Asia, in the Middle East, and in Latin America.

The program is an ambitious one, but it furnishes the link which is often missing when technical assistance is blocked by the absence of capital to purchase necessary tools. Those who contribute to CARE are furnished information on the recipient village and progress reports. The village likewise receives the names of its donors, and thus a common bond is established between them. I cannot help thinking that we in the Senate would welcome similar evidence of progress being made on projects we are called upon to underwrite each year.

Under the CARE freedom-village program, it is possible for an organization or group in the United States to adopt a complete village, and to contribute to it by funds devoted to the special need of the community. In this way, when a farmer in a village receives a plow with the name of his American friend, that plow keeps right on working long after the money donated for it has been spent. The plow itself becomes the symbol of food for his children, a symbol of friendship for America, while it serves to dilute and to narrow the promise and appeal of communism in communities where nationalism is rising. At the same time, because CARE is nonsectarian, it is inoffensive to those people who are jealous of their own religious and cultural heritage. Through the means which are provided on an individual, personal basis, CARE's efforts raise living standards without arousing emotions of indebtedness or resentment at the activities of a foreign government. On the other hand,

because the self-help and village programs are realistically geared to the capacities as well as the needs of a people, there is less likelihood that the benefits achieved will vanish when the community falls back upon its own resources.

These, I submit, are precisely the objectives of our own foreign policy of aiding less fortunate peoples. I consider CARE an essential adjunct of any enlightened technical-assistance program.

I wish to point out, Mr. President, that it is a very important adjunct to the United Nations technical-assistance program, our own technical-assistance program, and other programs.

The only trouble with CARE, so far as I can see, Mr. President, is that there is not enough of it. I think we have to care a lot more about CARE. This program is, indeed, an inspiration, and I think it carries with it the full spirit of American compassion, American charity, and American feeling of kinship and fellowship for our fellow human beings all over the world.

CARE's resources are, regrettably, too limited. I sincerely hope that on this 10th anniversary, the citizens of our great Republic, by nature generous and sympathetic to the dire needs of others, will be moved to recognize that the important work of CARE should be strengthened and supported in the cause of freedom.

AMENDMENT OF SMALL BUSINESS ACT OF 1953

During the delivery of Mr. DOUGLAS' speech,

Mr. MORSE. Mr. President, will the Senator from Illinois yield, with the understanding that in doing so, he will not lose his right to the floor? I wish to have the Chair lay before the Senate a privileged matter; and I ask unanimous consent that the proceedings in connection with it be printed in the RECORD following the remarks of the Senator from Illinois.

Mr. DOUGLAS. With that understanding, Mr. President, I am glad to yield.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MORSE. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives which now is at the desk.

The PRESIDING OFFICER (Mr. LEHMAN in the chair) laid before the Senate a message from the House of Representatives, disagreeing to the amendments of the Senate to the bill (H. R. 7871) to amend the Small Business Act of 1953, and requesting a conference on the disagreeing votes of the two Houses thereon.

Mr. MORSE. Mr. President, I move that the Senate concur in the request for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MORSE, Mr. ROBERTSON, Mr. SPARKMAN, Mr. LEHMAN, Mr. IVES, Mr. BEALL, and Mr. PAYNE the conferees on the part of the Senate.

Mr. MORSE. Mr. President, I thank the Senator from Illinois very much indeed for yielding.

Mr. DOUGLAS. Mr. President, I congratulate the Senator from Oregon upon getting his flood-control measure so nicely along.

Mr. MORSE. I thank the Senator from Illinois very much.

WHITE HOUSE CONFERENCE ON EDUCATION

Mr. HUMPHREY. Mr. President, one of the aftermaths of the recent White House Conference on Education was the development of a great deal of public discussion and increased awareness of the needs of our public-school system in the State of Minnesota. A very interesting journalistic enterprise was conducted in December 1955 by the Waseca Journal and Herald, of Waseca, Minn., edited by Mr. James Cowan, which brought to the readers of this fine newspaper an account of the conference by Mr. B. E. Youngquist, principal of the Southern School of Agriculture at Waseca, who had attended the White House Conference.

I wish to cite this to my colleagues as an example of outstanding journalistic enterprise on the part of a community newspaper and on the part of responsible public education officials. This is the kind of grassroots discussion which I hope will be forthcoming throughout the entire United States.

I ask unanimous consent to have the series of seven articles from the Waseca Journal and Herald printed in the CONGRESSIONAL RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Waseca (Minn.) Journal and Herald of December 8, 1955]

ONE THOUSAND SEVEN HUNDRED REAFFIRM AIMS OF PUBLIC EDUCATION

(EDITOR'S NOTE.—Bernard E. Youngquist, principal of the University of Minnesota's Southern School of Agriculture in Waseca, attended the White House Conference on Education in Washington, D. C., November 28 through December 1. This is his report to the people of Waseca—in seven chapters—on what the country is doing about its education problems.)

CHAPTER 1

(By B. E. Youngquist, as told to Jim Cowan, Journal and Herald news editor)

First of six questions studied at the White House Conference on Education was concerned with "What Should Our Schools Accomplish."

As set up, the 1,700 delegates divided into 166 discussion groups, each around a table, discussed the questions. Each table elected a chairman and met for 2 hours. Each table then came up with a set of recommendations which were brought to a next group of table discussions. This group was composed of chairmen of each of the tables in the original discussion group. Each chairman brought with him written recommendations from his group. The 17 groups further distilled the thinking and elected another chairman.

Two groups, composed of these chairmen, then met and distilled the thinking down to two sets of recommendations. These were combined into a single report which was presented to the conference general assembly and which will go to the President.

The first question was placed logically since the conferees felt that in order to discuss education they must first arrive at the why of education—to put down on paper a national philosophy regarding education.

One of the first things that came out was that the conferees reaffirmed the fact we are committed to free public education regardless of physical, intellectual, social, or other differences, as a primary civic responsibility to our children.

They expressed a strong belief that education should be controlled locally and financed as much as possible from the local and State level.

The conferees felt that any centralized control over education should be completely avoided.

That education is essential for the fullest development and enrichment of the individual was another belief expressed. It is further essential to our democratic way of life. They indicated that education is a sound and necessary investment in the future of our Nation, and that we have to expect to make that investment.

The question of private schools came up and the group felt that it is part of the American tradition of education that citizens should have the right to choose any school they may desire. However, the group felt that public funds should not be used to support private schools.

Fourteen points were boiled down from the original discussion groups and included in the final report.

I think the most remarkable thing about the conference is that the thinking of 2,000 people could be distilled down to a group of basic ideas upon which most any group of solid Americans would believe are essential to good, sound, public education. Even the educators thought they were good.

I don't want to change the wording of the ideas. They really get the point across.

In the President's report they appear this way:

"It is the consensus of this conference that the schools should continue to develop:

"1. The fundamental skills of communication—reading, writing, spelling—as well as other elements of effective oral and written expression; the arithmetical and mathematical skills, including problem solving. While schools are doing the best job in their history in teaching these skills, continuous improvement is desirable and necessary.

"2. Appreciation for our democratic heritage.

"3. Civic rights and responsibilities and knowledge of American institutions.

"4. Respect and appreciation for human values and for the beliefs of others.

"5. Ability to think and evaluate constructively and creatively.

"6. Effective work habits and self-discipline.

"7. Social competency as a contributing member of the family and the community.

"8. Ethical behavior based on a sense of moral and spiritual values.

"9. Intellectual curiosity and eagerness for lifelong learning.

"10. Esthetic appreciation and self-expression in the arts.

"11. Physical and mental health.

"12. Wise use of time, including constructive leisure pursuits.

"13. Understanding of the physical world and man's relation to it as represented through the basic knowledge of the sciences.

"14. An awareness of our relationships with the world community."

A very interesting point to note is that point 14 appears for the first time in any general set of objectives for public education. Certainly the citizenry of the country would accept this in fact but it is about time we are formally introducing this idea into the objectives we're striving toward in the schools.

Those who are engaged in education will note particularly the lack of direct reference to vocational education. However, as one goes through the entire report one senses

that vocational education is part of this whole process of general education.

The text of the report to the President made special reference to the need for active guidance and counseling of students in preparation for the world of work. I am convinced that this is absolutely essential to any effective program of public education.

The delegates expressed concern that by and large public education is not paying enough attention to the brilliant student and the retarded student with the least attention being paid to the brilliant student.

The conference did another thing. It went on record to encourage public schools to find their place in community organizations and to relate their program more closely to the community in which they exist. For instance, teachers should become a part of the community through active participation in civic affairs.

The community, on the other hand, should make more effort to include the teaching staff of the local schools in its community life. This idea has been accepted in word for the last 20 years and it is heartening to see it included in the report to the President.

I believe this relationship between educators and the community is absolutely essential if we are to do the best job in developing human resources.

One of the very heartening things about the conference and about the report is included in the last paragraph dealing with the report on this question:

It is titled "New Challenge in Education":

"Consideration must be given to the need for continuing growth and development in education at all levels in amount and scope, to keep up with the economic, social, and moral implications resulting from the advances in technology and science."

This is indeed a very significant statement in that one of the real problems in education is to stay up to date in what we teach and how we teach.

New ways of doing things move very slowly in education—a study was made in Michigan as to how long it takes for a new idea to gain general acceptance in a social institution like public education. The answer was about 24 years.

It is a good thing our industrial economy doesn't function at this rate.

We who operate in the social sciences might well take this lesson to heart. It is gratifying to see that the delegates want to keep our schools abreast of change—or putting it differently, want schools to keep up to date with social and technological changes.

In the past when people have sat down to consider the purposes of public education, the people sitting down have been educators by and large. They usually have come out with a list of objectives comparable to this list.

Our basic thinking still is the same. But the conference did recognize that we have a much more worldwide responsibility than previously has been interjected into the objectives of education.

And we as citizens must make greater efforts to keep our public education abreast of change.

These two things I believe were additional basic ideas which have been missing in previous considerations on the question of "What Should Our Schools Accomplish."

[From the Waseca (Minn.) Journal and Herald of December 12, 1955]

SCHOOL ORGANIZATION HELD UNDER MICROSCOPE

CHAPTER 2

(By B. E. Youngquist, as told to Jim Cowan, Journal and Herald news editor)

Once the conference had decided what the Nation's schools should accomplish in education, the next logical step was to examine the best ways that materials, buildings, and teachers can be brought together in schools—or "In What Ways Can We Organize Our School Systems More Efficiently and Economically."

Two attitudes seemed to emerge from the delegates in the early discussions of this particular topic.

A school district must be large enough if it is going to provide an all-around educational program, if it is going to be able to attract and hold good teachers and if it is going to be able to finance its operations.

The group felt rather strongly that public education is not organized as well as it might be at any level—national, State, or local—to provide the greatest amount of education for the tax dollar spent.

Enlarging from these basic topics, the delegates began discussing parts of the problem.

At this point I have a confession to make. The observers at the conference were not allowed to participate in the small discussion groups. Yours truly was able to filter into one of the groups, however, carrying my "observer" badge in my pocket. While I sat with the group a monitor came up and asked where my badge was. I told him it was in my pocket but also informed him it wasn't the right kind of badge.

He winked and said it was okay but that I'd better not be there when he came around again. I was there long enough to hear firsthand a lively discussion on school district organization.

Boiled down, the group felt that to adequately accomplish the goals set forth at the discussion of the first conference question, a school district should:

1. Include a well-defined community or interrelated communities.

2. Have resources and pupils sufficient to offer efficiently and economically a comprehensive educational program of elementary and secondary education.

3. Be able to maintain a competent, well-balanced staff of teachers.

4. Be able to marshal sufficient wealth to finance a school program.

5. Be small enough so as not to lose the advantages of community contact and local control, nor the response to public will. Avoid over-standardization. In meeting these criteria, every effort should be made toward intelligent long-range planning.

This is good information for Waseca or any community. The people in the Waseca community who are interested in school reorganization problems will find these recommendations worth their study.

You will notice the group said nothing specifically about reorganization of schools but it is obvious that a school organized on the recommendations of 20 years can't possibly accomplish the goals as outlined by the White House Conference on Education.

Notice, too, the reference to over-standardization. Many schools as they are now organized are just like machines and they expect to turn out a standardized product using a standardized method. Children all are different and do not lend themselves to this kind of mass production process.

Schools must pay more attention to the individual and the individual's differences must be considered in the organization and planning of school activities.

I would have liked to attend the discussion group which brought out the fact that men do not pay enough attention to school activities. The women in this group really got hot on this subject, I understand.

In any discussion group there are subjects which are discussed with more general agreement than others. The only subject which received unanimous support of this group was that if the schools are going to achieve the goals set up, the public must overcome the apathetic attitude which has been apparent.

A man in the group from Ohio put it this way: The American people have one of the most powerful forces for human good in public education. If this force is to remain strong and grow the American public must be better informed and more interested in education.

It is my belief that this is the most important thing as far as the future of public education is concerned. Most of the changes that need to come about in our schools require public support and the experience in progressive communities has been that an informed public has supported its schools, in generous measure.

The public must understand the school and its essential character within society and it must evaluate properly the school system. The public must adequately support the school system and must choose carefully the members of the board of education. These board members should be selected because of their ability and not because they represent special interest groups. And they should be nonpartisan.

The groups of conferees felt also that the citizen has the further responsibility to serve on citizen's committees working positively in behalf of the schools.

Responsibilities of the board of education were laid down by the conference too. The board has the responsibility for exercising leadership, for interpreting the schools to the people and for conveying the desires of the community to those who administer the schools.

The board, conferees decided, must exercise care and responsibility in the selection of a competent and professionally qualified administrator, and must establish the climate that will make possible the oppointment and retention of a competent staff.

The question of how teachers fit into the school community pattern was aired at some length. Conferees felt there exists a definite barrier between the community and professional school people, a stumbling block to more effective relationship between the school and community.

Teachers should be participating citizens in the community. At the same time, the people in the community should welcome the teacher as a fellow citizen who is interested in civic responsibilities as well as his professional responsibilities.

Summing up, there were two ideas which seemed to be most crucial in the thinking of the delegates at the conference. These ideas relate to almost any local school district in the country. Some communities have made more progress toward solving these problems than others.

Number one is the need for a large enough local school district so that it may be able to provide an all-around program of public education, and yet small enough so that it is close to the people.

Number two is the barrier between professional educators and community life, which must be lowered in order to attain the best possible results from the efforts of both and that both might be happier in the process.

Up to now the 1,700 conferees had explored only 2 of the 6 problems confronting education, but isn't it interesting to note the similarity between these problems concerning public education over the Nation and those problems which are of concern to those of us right here in the thriving community of Waseca.

[From the Waseca (Minn.) Journal and Herald of December 15, 1955]

PROBLEM OF FACILITIES RECEIVES NO ARGUMENT

CHAPTER 3

(By B. E. Youngquist, as told to Jim Cowan, Journal and Herald news editor)

Without any argument against the need for more school buildings, delegates to the White House Conference attacked the third question directly—"What are our school-building needs?"

Nntil now the conference had dealt with the question of what should our schools accomplish and the ways of organizing public education more efficiently. The conference was really beginning to roll.

There isn't very much present planning for facilities to take care of the heavy bulge coming in the number of schoolchildren. It was soon discovered by the conferees that under present plans that have been drawn up it will be impossible for most of the States to meet the coming crisis.

The extreme exponents of Federal aid were, of course, loud and vociferous in presenting the idea that the only solution to school-building problems was to let Uncle Sam foot the bill.

There even were a few who went so far as to say the Government ought to dictate what kinds of buildings and materials should be provided.

As the conferees dug deeper into the problem it soon became apparent that there wasn't a State represented at the conference which had really demonstrated an inability to build the schools that are going to be needed in the next 5 years.

In other words, we really haven't studied our problem as far as planning for adequate facilities for the next 5 years. Bringing this problem close to home, our Minnesota school-building problems need understanding and study by the citizens.

Some studies have been made on school-building needs, but most citizens have not interested themselves in the problems or are not aware that the problems exist. School leaders have been so busy administrating the internal problems of schools they have forgotten that the school is part of a community and that the people in the community must be kept informed at all times and not just when there is a bond issue to float.

Even though there were a few who said the problem could not be solved without Federal aid, the feeling of the majority by far was that very few States would require Federal aid to solve their school problems. The rest of the States (well over 40 of them) the conference felt, could handle their own school-building problems.

Conferees used a different approach to this question than to the rest of the series. First, there was no argument as to the seriousness of the problem, and secondly, they started out by listing several existing obstacles to meeting building needs.

1. School building codes are obsolete in most States.

2. The size of the local district too often is too small and prohibits the building of a school plant which is economical to operate.

3. Few communities have done effective long-term planning.

4. Extreme differences of tax evaluation practices prevent sound and equitable school building finance. There is too much dependence on the property tax as it now exists.

5. Few communities understand their school building needs.

There were others listed, including community resistance to additional taxation.

In connection with the obstacle caused by building codes, conferees thought the codes should be revised at intervals of not more than 5 years to make full use of newer building materials and methods. School leaders should be more willing to consult with industrial consultants before building in order to iron out certain architectural problems.

There isn't an item listed above that can't be corrected. In the eyes of President Eisenhower, and others who planned the conference, the reason for the conference was to provide a stimulus. If building problems had been discussed and talked about at local levels before the conference began, the conference probably moved delegates to return to the local levels and start work.

Some States did an outstanding job of holding community and State conferences at which building needs were brought out. The State of Minnesota had only one or two of these community conferences and was not one of the aggressive States in rising to the challenge of a close examination of the problems in education.

We in Minnesota have a way to go when it comes to understanding these problems on a local level.

The next phase of the conference discussion was suggesting of possible ways to overcome these obstacles. Heading the list was this:

That graphic presentations of accurate factual data be given to the public in the hope that an intelligent electorate will meet the problem on a local and State level.

Other suggestions included more realistic bonded indebtedness, equalized tax evaluation on statewide basis, State planning commission for public buildings and others.

On the Federal and State levels, suggestions included:

1. States should establish minimum building standards. This has been done but the standards are archaic for the most part and not up to date.

2. States should pursue research, and provide leadership through consulting services, for school districts on building construction with special emphasis on new building materials and techniques.

3. The Federal Government should have no control whatsoever over school building plans and specifications.

4. These people who put more trust in the Federal than State and local abilities to solve the problem suggested that the United States Office of Information engage in research in all areas of school building materials and construction and make results available to schools.

Conferees felt also that present buildings can be more effectively used for school and community purposes and suggested specific ways of doing this.

The possible use of buildings for the entire 12 months by children and adults should be explored for educational, civic, and recreational purposes, it was suggested. Buildings should be open for adult evening classes, recreation, and general civic and community purposes with school purposes having high priority. Proper supervisory control over use should be exercised so as to cause no interference with school operation. There should be supervision and budget provision for this extra use.

Some felt that activities should include use of buildings during school hours, on holidays, and weekends.

Double shift use of school buildings is highly undesirable but the conferees felt it may have to be tolerated in an emergency situation. It is no subsitute for an adequate building program, however.

Another point discussed was that the conferees felt that problems will not be solved until enough classrooms are available to make it possible to reduce the pupil-teacher ratio which will provide a more ideal teaching situation. The tremendous shortage of classrooms was a main point which was recognized.

The conference pointed out, in summary, that the floodtide of children coming along will make this school-building problem a very crucial one in nearly every community in the Nation.

To date, some communities have seriously studied the problem and have launched out boldly with bond issues and building programs. Too often these plans have been lacking the foresight of long-range planning and have been based on outmoded and unrealistic school-building codes.

Another general observation and a very encouraging one is the strong opinion of the delegates to the conference that while Federal aid may be necessary in a few instances to solve acute school-building needs, most school-building problems in the next decade can be solved at the State and local level.

A farmer from Iowa made the remark which may well set the tone of the conference finding on this question.

"With some more understanding on the local level and some real public interest I don't see anything about these school buildings that we can't lick right at home."

[From the Waseca (Minn.) Journal and Herald of December 19, 1955]

TEACHER PROBLEM MUST BE SOLVED RIGHT NOW

CHAPTER 4

(By B. E. Youngquist, as told to Jim Cowan, Journal and Herald news editor)

Assuming that adequate facilities are provided, that school organizations are set up properly and that the goals of education are well-defined, none of these can be effective without a solution to the problem of "How Can We Get Enough Good Teachers—And Keep Them."

The seriousness of this fourth question, considered by the White House conferees, was aptly illustrated when the conference was told that by 1960 the United States would be short about 1½ million teachers.

The figure is based on the shortages which have been developing for the past 5 years. If the trend continues for another 5 years, and if the population increases like it has since 1950, 1½ million teachers will have to be found.

Private liberal arts colleges have said they aren't going to be able to increase their enrollment much above present levels. The heaviest load is going to fall on public-supported universities and teachers colleges.

Some rather unusual solutions are going to have to come into the picture in order to deal with this crisis.

One of the basic attitudes of the conferees was this: The American public must be reawakened to the fact that teachers work with our most precious resource—our children.

We hear a lot about conserving our resources—soils, minerals, forests, water, etc.—but there is much less concern about conserving the most important of all resources. Our children's growth and development certainly have not been uppermost in the realm of public understanding and consideration.

Had the public taken a better look earlier at this many-sided picture, the problems facing education would not be as serious in degree nor as great in number as they are today.

A good educational system, the conferees believe, requires good teachers and enough of them in each locality to meet its needs. The belief was expressed that to increase the supply of good teachers from any source, three basic considerations must be kept in mind:

The prestige and status of teaching must be comparable to other professions within the community.

The salary structure must be high enough and flexible enough to compete effectively with other fields bidding for quality manpower.

The teacher's job must be so defined as to challenge and attract the interest of talented people.

One of the few times during the conference when the educators kept quiet was during the discussion of these three considerations. They wanted to see how the rest of the conferees would react to this part of the problem. In general, educators were pretty quiet on the entire discussion of this question.

As a result the group came out with practically the same feeling about the teaching profession as the teachers feel themselves. This is significant because it makes the statements mean more. Had the statements been stated by educators instead of lay people, the charge could have been made that

educators were trying to glorify their positions.

Right off the bat the discussion centered around "What is a good teacher?"

A good teacher is one who has an active, sincere interest in your youngster. He or she has a broad educational background and is professionally qualified and competent. The teacher possesses good physical and mental health, has good moral character and manifests a desire for self-improvement. The good teacher can work constructively with other professional workers, parents, and the community and is proud of teaching as a profession.

There must be enough good teachers in the classrooms to develop each child to his full potential.

But how can we get them?

There are several avenues of supply. One is by working with high school youths, stimulating them to an interest in teaching by presenting an example of dedicated and inspired teachers. Future teachers clubs are another way of interesting youths in the profession, and guidance activities focused on teaching can help provide a stimulus.

Private and public scholarships and other grants and the enlistment of all community agencies in recruiting high school teacher candidates must be called to help.

Programs of teacher preparation must be improved. Teacher training institutions must rebuild their program to include more effective teacher candidate selection and recruitment. Strong programs of broad, general background information to keep the teacher graduates from being narrow in their thinking should be planned.

Professional training of teachers is too often unreal and theoretical—bookish if you will. This must become more realistic and more closely related to the classroom problems the teacher meets in everyday teaching in the community.

It was brought out by the conference that evidence—lots of it—shows that lowering teaching standards doesn't make the profession any more attractive. It results in lowering the general competency of the profession and speeds up the process of driving out the good teachers.

Former teachers who have dropped from the profession were considered a source of help in the recruitment program. State surveys could be made to uncover this supply. These former teachers might be interested in returning to the profession if retraining program which were practical and dynamic were offered at convenient locations; if scholarships were available; if laws governing tenure and employment were made more reasonable; if working conditions and salaries were brought up to an attractive standard.

One other potential which I believe is fully as large as the former teacher group is the group of college graduate people who would be interested in teaching if special training programs were available. These programs would be streamlined to orient these people in the essential skills of teaching.

At best, this is an emergency measure and certainly shouldn't be considered a permanent source of teachers.

There was a feeling on the part of some of the conferees that the supply of good teachers can be increased by employee benefit plans comparable to those in industry. There is a real danger, I believe, in this approach going too far.

[From the Waseca (Minn.) Journal and Herald, of December 22, 1955]

FINANCING OF SCHOOLS NEEDS MODERNIZATION

CHAPTER 5

(By B. E. Youngquist, as told to Jim Cowan, Journal and Herald news editor)

The most widely publicized question studied during the White House conference on education was the one which dealt with financing our schools.

This issue was a crucial point and one which had the most vigorous opponents, the biggest group of exponents, and a large group in between which wanted to talk over and think about the question.

In chapter four the teacher problem was referred to as being the most immediate problem, the one which needs to be solved right away. There are many ways in which the teacher shortage problem can be attacked, one of which is included in the question of finance.

While this conference was not a voting body, or a decision-making conference designed toward some immediate action, several groups of lobbyists which moved into Washington and stood ready to influence the thinking of the conference if the opportunity presented itself. This seemed particularly true in the discussion on finance more than on the other questions.

One of the gratifying things about this conference to me was that there were not any conclusions drawn before the conference, as these groups expected and in some instances had accused.

Federal aid for the support of public schools was the most closely watched issue. In fact the feeling was so high that some of the reports which came out in the press were unbalanced. There was not the amount of time spent in discussing this as the amount of coverage would have you believe.

Press reports noted that the participants in the conference approved by a ratio of more than 2 to 1 the proposition that the Federal Government should increase its financial participation in public education. This was a true statement.

But the statement of financial participation in public education was not defined by the press. It was defined in the discussions by the conferees, however.

In my opinion the majority of delegates believed that the present participation of the Federal Government should be limited to that of building schools. A substantial majority felt that this applied to just a few States. But to recall a statement made several chapters ago, most States have not begun to explore their own resources as far as financing school building.

This was not brought out in its proper light in press reports of the discussions. Many people were led to believe that it was generally true that every State in the Union needed Federal aid to build schools as well as to operate them.

On the issue of Federal funds to the States for local school operation, the participants divided almost evenly. A very small minority was opposed to Federal aid for education in any form.

A generally accepted idea which was supported by the conferees was that Federal aid should never be permitted to become a deterrent to State and local initiative in education.

The proper State agency, the conferees felt, should administer Federal funds for education. The agency should determine the relative needs of local school districts. There was some opinion that Federal administration of financial grants for education should be vested in the United States Office of Education.

Almost unanimously opposed by the delegates was any Federal control over educational use of funds in local school districts. Accounting by the States to the Federal Government for fiscal purposes was not interpreted as Federal control of education, however.

One aspect which doesn't affect us in Waseca but which was very interesting was how the question of Federal aid should be treated in States where segregation is a problem. About a tenth of the conferees recommended that Federal aid should be made available to States only for those districts certifying that they are conforming to the Supreme Court decision prohibiting racial segregation in school systems.

Some felt the question of segregation should not be considered in discussions on Federal aid for support of education.

The key to the conference findings on State school aid was the consensus that State aid should be increased to provide, after a fair local levy, a basic program on an equalized basis. Some favored a combination of equalization and flat grants. There was general agreement that initiative on the local level to exceed the basic program should be encouraged.

Conferees felt a reexamination should be made in each of the constitutional and statutory restrictions on the bonding and taxing power of the State governments. These should be eased to the extent necessary to provide an adequate program of education. There was some opinion that, if necessary, constitutional restrictions should be removed.

On the subject of local schools support there were two basic tenets as I see it:

Many local school districts aren't getting as much education for their local dollar as they should.

The primary responsibility for control of education must come from the local school district and as such the problem of school finance is one which needs greater local understanding.

The way people live on farms and in towns changes over a period of time. School finance policies must be altered from time to time to fit these changes.

The major alteration on the local level concerns school district reorganization. Administrative units must eliminate or reduce to a minimum the inefficient and ineffective school districts in both the grade and high school levels.

Districts should be organized on the basis of natural areas of communication, geographic manageability and in keeping with the best interests of all those served by the school district.

[From the Waseca (Minn.) Journal and Herald of December 26, 1955]

PUBLIC APATHY MUST BE OVERCOME IN EDUCATION

CHAPTER 6

(By B. E. Youngquist, as told to Jim Cowan, Journal and Herald news editor)

"How Can We Obtain a Continuing Public Interest in Education?" was the sixth and final topic on the agenda of the White House Conference on Education.

Here was a question which pointed up a dangerous gap in American public education.

After 5 tiring workshop sessions crowded into morning, afternoon, and evening meetings for 3½ days, there were a few rumors floating about that this last question would not get the full treatment.

The rumor spreaders were pleasantly surprised.

It turned out that here was a subject on which the laymen were more expert and seemingly more informed than the educators. And the 166 groups went to town on the question.

"Do we believe that a continuing public interest is necessary?" conferees asked themselves and the answer was a roaring "Yes." If so, "Why?" they added.

"What activities can be listed which have been helpful?" "Which of these should be encouraged?" "What new ones can be thought up?

The conferees heard hundreds of examples of what had been done back home and what remained to be done. In fact, if the original 166 reports on this subject were published in their undistilled form there would be

enough material for the busiest of school publicity committees across the country.

An interesting sidelight on this topic is that the final report was written by a housewife from New Jersey and a young farmer from Ohio.

First of all, conferees said public education is a public enterprise and responsibility, basic to the welfare of our Democracy, and as such requires for its wholesome growth the active concern, support, and participation of the public.

"Too often the tenor of interest in the school goes up and down with the fortune of the local athletic team," was the comment of one prominent leader in field of labor. "Higher interest when the team is winning and 'Get the coach out of town' when the team hits a losing streak * * *," he said. This kind of slap-happy attitude wasn't considered adequate public interest.

Conferees felt that the best ambassador for the public school is a fine-quality educational program that sticks out all over by the enthusiasm and interest of its teachers and pupils.

However, the delegates felt that there were many activities at the citizen level which will create a continuing public interest in education. Some of the more common activities listed were:

Parent-teachers' associations.

Observance of special education days.

Newspaper reports on the local school, with an occasional feature article.

Formation of study groups.

Local lay citizen educational conference.

School board appointed lay advisory committees.

Parent-teachers' conferences.

School newspapers.

Illustrated annual reports by the board of education.

Teacher participation in community activities.

Conferees had rather caustic criticism for any PTA which spends its time raising nickels to buy wrestling mats, band uniforms, or what have you. The group felt strongly that the most worthwhile activity for any community PTA was to expend its efforts to increase the understanding of the local school, to widen its understanding of children, and to study at the problems of education on the State and national level.

If the problems and needs of the local schools are understood by enough people, there need be little worry as to how we can provide the needed band uniforms, wrestling mats, and any other equipment.

Certain other recommendations were suggested as being helpful and encouraging to continuing interest in education on the local level.

1. The community should use school buildings more.

2. School board meetings in all communities should be open to the public and citizens encouraged to attend them.

3. All citizens should be encouraged to participate more in school campaigns and to the polls on school elections.

4. There should be greater emphasis on instruction of students in the organization, financing, and purposes of public and nonpublic schools.

5. Boards of education should initiate programs that relate to educational matters.

6. Cooperative relationship should be encouraged between schools and public libraries.

7. Local and national publications should be encouraged to publicize the names and accomplishments of outstanding students in the community in the same manner as they do outstanding athletes.

8. Public relations should be an organized and planned part of every school program.

9. The setting aside and more effective use of additional channels for educational television should be accomplished.

10. A continuation of the White House conference should be held periodically at National, State, and local levels.

11. Legislative interim commissions, including both laymen and legislators, should be set up to study problems in education.

12. Educational programs of civic, service, labor, business, agricultural, and other organizations should be encouraged.

13. Study and dissemination of information on public education should be made by groups and organizations which are broadly representative of all parts of our society.

This group of recommendations applied to more than just the local level but applies in greater or less degree to every group having anything to do with education.

There isn't much which is new in the list of recommendations. About the only new thing about it is that some of the ideas haven't been used.

The all-too-common thinking is, "I've got too much to do already to be worrying about the schools, I'm too busy."

The question is, "What are you busy at?"

School authorities are on the firing line but their efforts fall short unless the firing line receives the interest and support of an informed public.

The American school system is a gigantic, constructive force—it merits some of your time.

In some respects this is the most important question of them all. It undergirds every other question of the conference.

Without a continuous public interest, it will be impossible to change a local school program of studies and activities to fit the needs of the pupils and of the community. Without an informed and interested public it will be near impossible to organize, or reorganize if such is needed, school systems into efficient school districts.

Public interest is essential to provide needed school facilities, to attract and hold an adequate supply of qualified teachers, and to pay for these things out of the public pocket.

All the way through the discussions, the term "public interest" crops up. Maybe there is some misunderstanding of the term.

By public interest, the conferees meant more than a casual concern. They meant special attention. They meant informed understanding. They meant willing cooperation. They meant, above all, a faith and a belief in American public education on the part of the greatest majority of American people.

They felt that public education is too crucial an item to swing and sway with the breeze.

[From the Waseca (Minn.) Journal and Herald of December 29, 1955]

CONFERENCE FINDINGS NEED THE LONG LOOK

CHAPTER 7

(By B. E. Youngquist, as told to Jim Cowan, Journal and Herald news editor)

An estimated 20 million words of earnest, across-the-table "grass-roots" conversation was reduced to something like 9,000 words of written reports at the White House Conference on Education held in Washington, D. C., November 28 to December 1.

The conferees, coming from all walks of American life, recommended many things, all aimed at improvement of the public school system. Nobody would hold that all school problems could be described—much less solved—in 9,000 words of report to President Eisenhower.

For those who like a bird's-eye view of what the conference recommended:

A list of goals for schools so that citizens and educators can have a clear and a commonly accepted understanding of what the American public wants the schools to accomplish.

A list of practices aimed at more efficient and economical operation of school systems.

A list of practices aimed at catching up with the overwhelming classroom shortage.

Proposals to attract and keep an adequate supply of good teachers.

Listed ways and means of improving local and State financing of education (limited Federal aid was endorsed for needy areas).

Proposed means of maintaining and furthur developing a continuing interest in education.

Bone-weary after 3 days and 4 nights of persistent, prolonged digging into facts, figures and points of view sometimes extreme, the conferees sized up what they had done. The press and other onlookers as well as the conferees themselves were surprised they had done so much.

"Soberest convention in my 22 years in Washington—they do nothing but work" growled a veteran Washington cab driver. He was correct about the hard work but wrong about calling it a convention—it was a giant workshop.

Few will deny that this conference made history. It will go on making history for sometime to come.

By no means is all of the history contained in the six brief reports which were made as summaries. These reports are each backed by 166 other reports all containing the thousands of ideas which must not—cannot—be allowed to get lost in the shuffle. The short final reports could be fairly criticized as the New York Times put it, as distillations of distillations (because the opinions of conferees at 166 tables went through 3 stages of condensation). Nevertheless the newspaper went on to say, "The conference also was a success to the extent that many of the recommendations in these reports will serve as guideposts for persons concerned with education at all levels."

President Eisenhower will get a three-part report on this gigantic stocktaking which began over a year ago and continued through the White House conference. The first part of the report will be the 53 official reports submitted by the States and Territories. The second part will be the 6 topic reports of the White House conference's 1,800 delegates as has been reported in this newspaper in the 6 previous articles.

The third part will be a summing up of the foregoing, the 996 individual Committee reports and the conclusions of the National Committee for the White House Conference on Education. The Committee is scheduled to meet in Washington, D. C., January 16 to formulate this third part of the report. What is contained in the entire report to the President will be under the microscope of the public eye and will be worked over for a long time to come.

Looking at the conference in general—a great many people, from many walks of life, spent several days thinking about the increasingly severe problems of the Nation's schools, teachers, and schoolchildren. Half a million people participated in the local meetings. The thinking of many people has been affected.

A southern judge remarked that he had thought his State was doing a pretty good job; now he knew that much more needed doing. A Midwestern State senator planned to go home to work for improved school organization. A scientist who had long been interested in school affairs said he was now much better informed on some of those matters. State governors and legislators, businessmen, club women, school officials, teachers, a few students, a few scientists, and others added their analysis of the Nation's interest in schools.

Millions of other persons read or heard news reports and had their interest stirred a bit more than usual. Even if the formal report is thrown away, the simple fact that the conference was held can be of lasting benefit to education in the United States.

For the great majority of Americans who really believe in democratic action, the conference was more than a success.

One top newspaper reporter of the more than 300 newspapermen who covered the conference said he had many doubts about the conference before it opened on Monday night. One of his chief doubts was that the voice of the people would be heard. Long before the conference was over, this reporter's doubts were gone.

The conferees said what was on their minds—they said it well—the Chairmen were faithful in recording, and the final judgment on each question was printed, broadcast, televised, and will go unaltered to the President of the United States.

Now that the conference is over, what next?

Look for a greater and a continued interest in public education. This is a must, the conferees said, if education is to do its job of training the human resources needed to maintain the best welfare of this Nation.

You can look for changes in the financing of education. Nobody wants Federal control of schools, but most agree that, as a nation, we must take care of areas who demonstrate they cannot provide adequate schools.

This kind of "giant workshop where all voices can be heard" may well set a pattern for the exploration of a problem which is of such general national concern as public education.

The American public has deep faith in education. It seems determined to get it and is willing to reshuffle the public moneys so this service can be financed.

A group of high-caliber lay people have had a good look at American public education and have come out with a set of ideas which will chart much of the near-future thinking on educational problems and should blueprint the policymaking relative to educational decisions at local, State, and national levels.

The method used at this conference has been criticized by some as "distillations of distillations or "as compromise to the fourth power." Actually, no information was lost in the process. All the thinking is on file in the 996 individual discussion reports, made before any distilling of ideas took place.

Already, 19 major national organizations of business, industry, and professional have included in their agenda for their next national conference a "consideration of the White House conference recommendations." This is hopeful for that continuing public interest the conferees recommended.

Can the lay citizen help?

Actually some of the significant reforms in American public education have been conceived in the minds of persons outside of the field of professional education. Benjamin Franklin's academy, Thomas Jefferson's blueprint for universal education, Horace Mann's design for State and local control of education are examples of how lay citizens have helped.

"If a nation expects to be ignorant and free in a State civilization, it expected what never was and never will be"—Thomas Jefferson.

"I continue to be amazed and favorably impressed by the quality of thinking and planning citizens do when they are fired by understanding and have an opportunity to do so"—Superintendent of Schools, Woodstock, Ill.

"It is an old but ever-vital truth that upon our schools rest much of the hope for the future of freedom. For to love freedom is, first of all, to understand it"—President Dwight D. Eisenhower.

There are some things you can do as a result of this "stock taking of education" that has culminated in the White House Conference on Education.

Interest yourself in local schools to the point of understanding what is really happening.

Take time to study issues on the local, State, and National levels. Sure you are busy—but what are you busy at?

Use your influence as a citizen to see that all the information brought together by the White House Conference on Education will be carefully preserved for research and study purposes. Further, that this information shall be available to any citizen or citizen group in the country who will need the White House Conference on Education information to round out their understanding of local educational problems or of public education on the State or national levels.

THE DULLES ARTICLE IN LIFE MAGAZINE

Mr. HUMPHREY. Mr. President, since the controversy over the Secretary of State's article in Life magazine arose 2 weeks ago, the fluctuations of Life's own official attitudes toward the controversy have been amusing to watch. They would be even more amusing if they were not tinged with serious questions going to the roots of Life's responsibility to its enormous worldwide readership for the impression of American attitudes and behavior which Life carries with it everywhere it goes.

Most of last week I am sure other Senators heard, as I did, the immodest exploitation of the Dulles article which repeatedly came over Washington radio stations. The editors of Life bought radio time to broadcast the following advertisement:

If you or someone in your family is about 21 years old, you may feel like writing a note of thanks to Mr. Secretary of State Dulles after you read Life magazine. Because Life tells how Mr. Dulles has kept us out of three potential wars. You probably remember 'em—Korea, Indochina, and Formosa * * * And Life's story of how Dulles staved off a full-scale war each time makes reading as lively as a good mystery.

As I noted on the Senate floor last Wednesday, January 18, Life did not limit its sales campaign to radio advertising. A full page ad was taken in the Washington Post and Times Herald, and I do not know in how many other newspapers, stressing the four interviews which Life had had with Mr. Dulles as a basis for the article.

Over the weekend, Life's editor-in-chief, Mr. Henry Luce, entered the Dulles controversy directly with quite a new approach. The four interviews have vanished now. Mr. Luce says the article was not an interview, was not cleared by the Secretary or anyone else at the State Department, and was based instead on "background conservation" with Mr. Dulles and on Life's "own review of the historical record." Mr. Luce took personal responsibility for approval of the article, adding that his editors were responsible for the vivid headlines, phraseology, and substance. Mr. Luce's statement complained that critics of the articles "put prejudice or personal advantage above the best interests of the United States." But he must be fully aware by now of the long list of distinguished and nearly unanimous editors, columnists, and commentators and public leaders who have condemned the Life article in the strongest possible terms both at home and abroad.

Mr. Luce concluded his statement by quoting some garbled but carefully selected excerpts from an editorial in the New York Times. None of us would quarrel with the theme of the Times statement quoted by Mr. Luce, that it is advisable to make known our position in advance to prevent miscalculations on the part of a potential aggressor.

But many of us differ strongly with Mr. Luce's final comment that the Life article gave concrete and vivid meaning to this theme. Our reasons for differing are contained in the paragraphs of the very New York Times editorial which Mr. Luce omitted from his quotation. The Times itself on Sunday, January 22, reprinted its editorial alongside the Luce statement, and the comparison itself shows what editorial liberties Mr. Luce has taken—and, I may say, apparently taken for the second time, this time with a New York Times editorial, the first time having been with Mr. Dulles.

Mr. President, I ask unanimous consent that the account may be printed at this point in the body of the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times of January 22, 1956]

LUCE DISCUSSES DULLES ARTICLE—ASSERTS EDITORS OF LIFE ONLY ARE REPONSIBLE FOR THE SUBSTANCE OF STORY

Henry R. Luce declared yesterday that the editors of Life magazine and no others had been responsible for the "substance and phraseology" of the controversial article "How Dulles Averted War."

The article, which appeared in the magazine's January 16 issue, quoted Secretary of State John Foster Dulles, as claiming mastery of the "necessary art" of going to the "verge of war," without getting into it.

Mr. Luce, the editor in chief of the magazine, said in a press statement that the attacks on Secretary Dulles because of the article had made an explanation "necessary and appropriate."

In his explanation he made these points:

The article was not an interview, but "our own review of the historical record" based on a "background conversation" with Mr. Dulles.

It was shortened and edited before publication and had not been cleared by Secretary Dulles "or any other official."

The use of the words "verge of war" and "brink" in headlines was "unfortunate" because they did not reflect Mr. Dulles' emphasis on a vigorous pursuit of peace.

Mr. Luce said the Life editors "heartily regret" any misunderstanding caused by the article, but added that "any fault of ours was furiously compounded by those who, for the moment, put prejudice or personal advantage above the best interests of the United States."

He quoted an excerpt from a New York Times editorial on January 18 as defining the true basis of United States foreign policy.

Mr. Luce's statement and the full New York Times editorial follow:

STATEMENT BY LUCE

"In view of the attacks made on Secretary of State John Foster Dulles because of an article in Life entitled 'How Dulles Averted War,' I believe it is necessary and appropriate for me to make a few simple points.

"First, the article as a whole was not an interview and it was not cleared by the Secretary or any other official. The article was based on background conversation with the Secretary and on our own review of the historical record.

"Second, the article originally written by Life's Washington bureau chief, James Shepley, was much too long for publication. It was shortened and edited, then approved by me. Responsibility for the published article, both as to substance and phraseology, belongs to the editors of Life and to no others.

"Third, most of the attacks on Secretary Dulles are based on one paragraph of direct quotation from the Secretary containing the words 'verge of war' and 'brink.' Taken in the context of the whole article, there is nothing in Secretary Dulles' words which is contrary to commonsense. For the Secretary is stating in vivid terms the perils of appeasement which should be understood by free men everywhere.

"Nevertheless our use of these particular words in the headlines was unfortunate in that they did not fully reflect the main emphasis of the lengthy conversation which was on the administration's vigorous pursuit of peace.

"Ever since its first year of publication in 1937 when war was already raging in Asia, Life has devoted its major effort to helping its readers achieve a clear view of the world crisis. We have always believed, in the darkest moments, that crisis can be overcome. We have repeatedly stated that what is most of all necessary is realistic analysis of the facts. This is one of the principles which has guided Secretary Dulles and which we desired to make plain. That President Eisenhower, advised by Secretary Dulles, did avert war we have no doubt. And that their courageous action achieved other objectives is also plain as day.

"If anything in our account of the Secretary's position caused any misunderstanding among our readers or the public, we heartily regret it. At the same time, we are bound to say that any fault of ours was furiously compounded by those who, for the moment, put prejudice or personal advantage above the best interests of the United States.

"The basis of American policy remains clear. The New York Times puts it as follows: 'As constantly emphasized by both President Eisenhower and Mr. Dulles, the United States is ready to adopt every honorable course to avoid war and achieve a just and lasting peace [and it has given ample proof of this]. But as also emphasized by both the President and the Secretary, the United States rejects appeasement and is determined to resist aggression whenever [wherever] basic moral values and its own vital interests [interest] are involved, even to [at] the cose of [a] calculated risk. Our Government further believes that the best way [to avoid aggression and war] is to make its position known in advance to prevent miscalculations on the part of a potential aggressor.'

"That is the general theme to which Life's article gave concrete and vivid meaning.

"HENRY R. LUCE."

THE TIMES EDITORIAL

"Taking notice of the storm aroused by a professedly authorized magazine article in Life extolling him for his 'artistry' in a personal 'verge of war' diplomacy, Secretary Dulles now offers a clarification of his own views on the issues involved. This clarification should allay some of the more reckless criticism of his whole conduct of foreign policy and may be welcomed as far as it goes. But it does not and cannot relieve him of all responsibility for another diplomatic faux pas.

"In this clarification, Mr. Dulles backs away from both the bulk and the tenor of the contested article and from a previous State Department endorsement of the 'substance' of his quoted remarks. He now declares that he did not write, read, or censor the article or know of its startling title, that the article expresses primarily the views of the author and that in dealing with complex subjects of foreign policy it inevitably tends to oversimplification and special emphasis. He also declares that the quotation about his 'art' of getting the United States three times to the verge of war without getting into it, while still true 'in substance,' was ambiguous in that it did not stress the defensive aspect, and that he would never have expressed the idea underlying it in quite that way, and certainly not for publication.

"In point of fact, the State Department did try to correct some of the wrong impressions conveyed by the Life article, but it was too late. This correction is now made by Mr. Dulles in a formal statement. In it Mr. Dulles reaffirms the two fundamental aspects of what is long-established American foreign policy. As constantly emphasized by both President Eisenhower and Mr. Dulles, the United States is ready to adopt every honorable course to avoid war and achieve a just and lasting peace, and it has given ample proof of this. But, as also emphasized by both the President and the Secretary, the United States rejects appeasement and is determined to resist aggression wherever basic moral values and its own vital interest are involved, even at the cost of a calculated risk. Our Government further believes that the best way to avoid aggression and war is to make its position known in advance to prevent fateful miscalculations on the part of a potential aggressor. That policy is amply demonstrated by our rearmament and by our alliances with other free nations to meet the aggressive designs of the Communist bloc.

"Stated in this way, the policies outlined by Mr. Dulles are, as he says, not personal but national policies which have had the endorsement of both parties and the great majority of the American people. But Mr. Dulles has an unfortunate knack for stating these policies not merely in ambiguous but in misleading and provocative phrases which arouse personal attacks on him and do a great disservice to the policies themselves. It is to be hoped, therefore, that the latest case of this kind will be the last one."

[From the New York Times of January 23, 1956]

BUTLER HITS LUCE ON DULLES STORY—DEMOCRATIC CHIEF CALLS LIFE GOP HOUSE ORGAN THAT TRIED TO GLORIFY SECRETARY

WASHINGTON, January 23.—Paul M. Butler, Democratic national chairman, said today that Life magazine's "brink of war" article was a "partisanly inspired effort to glorify" John Foster Dulles, Secretary of State, by a "house organ" for the Eisenhower administration.

Mr. Butler characterized as an "amazing performance" what he termed the "embarrassed backtracking" by Henry R. Luce, editor-in-chief of Life and Time, on the Life article.

"It now appears that both Life editors and Mr. Dulles himself went overboard in this effort at glorification, and the kickback was one of the worst reversals this administration has experienced," Mr. Butler said in a statement, which added:

"So Mr. Luce seeks to put the blame on Life editors. This is a most unconvincing maneuver in view of the fact that Mr. Dulles has already assumed responsibility for the quotes and views expounded in Life."

LUCE'S REMARKS RECALLED

Mr. Luce said Saturday Life was responsible for the "substance and phraseology" of the article that was based on an interview with Mr. Dulles. He described as unfortunate Life's choice of words in the headline and in a caption on the front cover that read: "Three times at brink of war; how Dulles gambled and won."

"If anything in our account of the Secretary's position caused any misunderstanding among our readers or the public, we heartily regret it," Mr. Luce said.

The article stirred criticism of Mr. Dulles by a number of Democrats and some segments of the British press. Mr. Dulles said last week that the article was necessarily oversimplified in its emphasis on some aspects of foreign policy.

Mr. Luce also said that any fault on the part of Life "was furiously compounded by those who, for the moment, put prejudice or personal advantage above the best interests of the United States."

RECKLESS JINGOISM CHARGED

Alluding to that statement, Mr. Butler said that Mr. Luce was assailing "the Dulles critics for hitting at the reckless jingoism for which Mr. Luce himself now apologizes."

Mr. Butler declared that what he called "Mr. Luce's attempt to explain away the shocking remarks" of Mr. Dulles was "nothing more than a continuation by the Luce publications of an editorial policy blindly dedicated to support of the Eisenhower administration."

"It seems to me," Mr. Butler added, "that Time and Life have become excellent media for keeping up with Republican Party propaganda lines, but the public should be warned that they cannot be depended upon for a factual and objective reporting on the Republican Party and the Eisenhower administration.

"The Luce magazines consistently prove themselves to be house organs for the Eisenhower administration and the Republican Party."

FOREIGN POLICY DEBATE—APPRAISAL OF WASHINGTON DISPUTE OVER DULLES' LIFE MAGAZINE ARTICLE

(By James Reston)

WASHINGTON, January 23—the foreign policy debate in Washington has taken a bad turn into angry personal and political recrimination.

What started as a legitimate inquiry into the policy decisions taken by the Eisenhower administration to avert war is now developing into a partisan argument that may very well influence congressional consideration of the administration's foreign aid and other overseas policies.

This is what often happens in the Capitol: Debate does not clarify, but obscures the central issue. Congress is now dividing for and against John Foster Dulles, Secretary of State, and the main question about the President's policy decisions in the Korean, Formosan, and Indochina crises is getting lost.

The main question raised by Mr. Dulles' interview in Life magazine was not whether he had consciously developed the "art" of carrying the country to the "brink" of war.

The main question—still unanswered after all the noise of the last few days—is whether the President of the United States "decided" on a policy of atomic retaliation against Manchuria and South China if the Communists made open war again in Korea and Indochina.

DULLES ATTACKED PERSONALLY

The Democrats, who control the congressional committees, and have the power to get an answer to this question, in private session, if necessary, have not kept to the central point. They have insisted on attacking Mr. Dulles personally and calling for his repudiation or dismissal.

Paul Butler, chairman of the Democratic National Committee, carried the inquiry further off the main track today by attacking Henry R. Luce, editor in chief of Life, for running what Mr. Butler called a house organ for the Republican Party.

The main facts in the case are these:

John R. Beal, the State Department correspondent for the Luce publications, who was doing a book on Mr. Dulles, and James Shepley, the chief Washington correspondent

for the same publications, had several meetings with Mr. Dulles, which were tape recorded.

These two veteran correspondents showed the transcript of the talks to their editors in New York, and Mr. Shepley wrote an article based partly on the transcript of Mr. Dulles' remarks and partly on other material, some of which was secret State Department memoranda made available to them by the Secretary of State.

Mr. Luce has apologized for the headlines on the article—"How Dulles Averted War * * * Three Times at the Brink of War: How Dulles Gambled and Won"—but he stands by the written article and the article contained these statements:

"In order to save lives in the U. N. command [in Korea], Eisenhower decided on the tactical use of atomic arms [against Communist bases in Manchuria] should hostilities be renewed. Our allies in the U. N. command would be informed of these decisions when and if the time came to implement them. * * *"

"Dulles recommended that the dangers be faced [in the Indochina crisis] and that if the Chinese Communists intervened openly, their staging bases in south China be destroyed by United States air power. President Eisenhower concurred. * * *"

"Dulles has never doubted, incidentally, that Eisenhower would have regarded an attack on Quemoy and the Matsus as an attack on Formosa."

MAIN QUESTION DEFINED

The main question, then, concerns, not Mr. Dulles' theories about the art of diplomacy, but whether the American Government took these decisions, whether the President concurred in a policy of aerial bombardment against Manchuria and south China under certain circumstances, and whether these decisions were concealed from the congressional leaders and the allies whose security would be involved in the outbreak of an atomic war.

There is no doubt that these alternate policies were considered. Everybody knew that. Nor is there any doubt that the presence of American power in the Pacific area and the danger of provoking America into an atomic war were major, if not the main, deterrents to further Communist conquest in Korea, Indochina, and the Formosa Straits.

The Democrats know this, and concede it in private, but what they do not know is whether the United States Government reached momentous policy decisions involving the prospect of a much wider war.

Mr. Shepley and Mr. Beal are not amateur reporters. They know the fundamental difference between the consideration of a policy involving the possibility of atomic war and decisions to follow such a policy.

They had a tape recording of the remarks by the Secretary of State to guide them, and their reports involve the most serious act a government can take.

The debate is not centering on this at all, however. It is centering on Mr. Dulles brink statement, which, after all, is scarcely a new charge against a foreign secretary.

Richard Cobden once made almost precisely the same charge against Lord Palmerston. "I do not believe in war," he said. "Palmerston likes to drive the wheel close to the edge, and show how dexterously he can avoid falling over the precipice. Meanwhile he keeps people's attention employed, which suits him politically * * *."

The Democrats don't really think of Mr. Dulles as a reckless man who enjoys looking brinks in the face. But they are angry with him. They have always looked askance at him, ever since he was in the Senate, and they are focussing their fire on his brink remarks, which they know to be essentially true.

Meanwhile, the bipartisan front, so essential to Mr. Dulles' foreign-aid program, has been weakened, and the main question—whether decisions were or were not taken—has been brushed aside by the President and Mr. Dulles and overlooked by Democrats.

Mr. HUMPHREY. Mr. President, the Secretary of State in his news conference last week and Mr. Luce in his weekend statement have jointly left a large twilight zone, not only over the responsibility for this unfortunate article, but over the far more important issues of policy involved. These central issues are among the most basic questions in the whole field of foreign policy.

I digress to say that the junior Senator from Montana [Mr. MANSFIELD], gave to the Senate recently a very fine exposition and explanation of the great basic issues in foreign policy. His remarks deserve most thoughtful, mature, and constructive consideration by the Senate. I point out, further, that that is the kind of consideration which those of us who discuss these subject matters should give. There should be no emotional, hysterical argument; we should argue on the basis of thoughtful, constructive analysis of the vital issues which affect our country.

It is in the national interest that the appropriate Senate commttees, in executive session if necessary, go to the root of Mr. Dulles' actual statements to the Life correspondents.

At a later date, as soon as the action on the pending bill had been completed in the Senate, it is my intention to discuss in considerable detail the issues of foreign policy—the issues in the Near East and Far East which affect us; the issues in the NATO alliance which affect us; the issues confronting us in other areas throughout the world, particularly in the Mediterranean.

We need to know—

First. Did President Eisenhower decide on the tactical use of atomic weapons in Manchuria if the Korean truce broke down, as the Life article says he did?

Second. If so, were our allies informed? The Life article says no.

Third. Did Secretary Dulles recommend that if the Chinese Communists intervened openly in Indochina, their staging bases in South China be destroyed by American air power?

Fourth. If so, did President Eisenhower concur, as the Life article says he did?

Fifth. Is it true, as the Life article says, that Secretary Dulles has "never doubted" that President Eisenhower would regard an attack on Quemoy and Matsu as an attack on Formosa?

Sixth. If so, is this assumption of Mr. Dulles about the President's attitude justified? Is this simply a general feeling, or is it an attitude based upon comment or discussion with the President?

It is essential that these questions be explored. If the answers to them are the answers Life supplied, then the administration has concealed the most important kind of far reaching decisions, both from Congress and from our Allies.

There is a simple method, Mr. President, of ascertaining the truth so far as Mr. Dulles' own contribution to the Life article is concerned. There exists a recorded transcript of the original interviews which the Life reporters had with the Secretary of State. Up to now, Mr. Dulles has categorically refused to release this transcript. Perhaps in the interest of bipartisan policy-making, he can now be prevailed upon to reconsider, because there is no better way to answer the arguments of those of us who have been deeply concerned about the situation than to have a full display of the statements, comments, and discussions of the Secretary as recorded. That will put at rest, once and for all, the whole question which we have debated during the past two weeks.

Mr. DOUGLAS. Mr. President, will the Senator from Minnesota yield for a question?

Mr. HUMPHREY. I am happy to yield to my friend from Illinois.

Mr. DOUGLAS. Would the Senator from Minnesota suggest that Mr. Dulles be invited to play the tape recording in the Senate Caucus Room, with admission by ticket to be afforded all Members of the Senate and the House?

Mr. HUMPHREY. I may say most sincerely to my friend from Illinois that in the light of the controversy which has grown and which continues to grow over the alleged statements, it seems to me that every Member of Congress is entitled to know what the facts are. I am saying this with the very thoughtful consideration that statements were attributed to the Secretary in the Life article which apparently were so open to controversy that the editor of Life magazine had to apologize not only for the journalistic technique—format, headlines, and so forth—but also for the substance, and to take responsibility for the substance.

The situation would be different if the article had appeared in a small publication, having very limited circulation. But I respectfully suggest that it appeared in one of the larger publications of the world, a very fine magazine.

In this instance, I feel that a disservice has been done either to the Secretary or to the people, and we ought to ascertain exactly what the facts really are.

As I said, I shall return at a later date to discuss foreign policy matters in much more overall detail. I am deeply concerned about what is happening in the Middle East. I could ask the question again and again: What is our policy in that area? I am deeply concerned about the political situation in France, a nation which is the keystone of the North Atlantic Treaty Organization. I am deeply concerned as to what the attitude of the United States will be on the question of Cyprus, which is involving our allies in bitter controversy, a question which has almost wrecked, or at least has severely tested—I will withdraw the word "wrecked"—the alliance of Yugoslavia, Turkey, and Greece.

I think there are still many unanswered questions as to how we are going to proceed in South Vietnam, in order to strengthen that fine country in its efforts to achieve full scale and permanent independence.

I cannot relinquish the floor without saying that anyone in his right mind today must be deeply concerned as to our relationship with India, the second larg-

est nation in the Asian area, a nation having a population of 375 million.

There are other matters of deep concern which the press brings to our attention every day, including the influence of Soviet economics and propaganda in the Latin-American sphere, the Soviet moving right into our hemisphere. The problem is growing more serious every day.

I should like to know more about the use of Czechoslovakia as a sort of spearhead for the introduction of Soviet armament to troubled areas in the world.

All these occurrences require most thoughtful, considerate, and nonpartisan explanation and study. The Secretary of State suggested yesterday that we consider these matters in a bipartisan tone and a bipartisan manner. I assure him that that will be done. I am proud to say, as one Member of the Senate, after having checked my voting record recently, that I voted in support of 93 percent of the issues presented by the President on foreign policy, as to appropriations and authority to be granted. I think I have a record of bipartisanship. I have a record of supporting long-term economic aid when members of the President's party could not see fit to do so.

I feel that the Democratic Party has been exceedingly responsible, all to its credit, in the discussion of foreign policy.

I suggest that the Secretary of State, as he asks for nonpartisan consideration of these great issues of foreign policy and bipartisan support, might very well go back and look at the platform plank of the Republican Party in 1952 on the subject of foreign policy. According to all accounts, that plank was primarily written by Secretary of State John Foster Dulles. That plank is filled with partisanship and a bit of irresponsibility.

Furthermore, I might say that to brand a party as a party of treason is partisanship of the most violent character.

There is one way in which to gain bipartisanship. There is one way to get a mature and constructive approach to all these questions. That is to come with clean hands and with the desire to have a truly bipartisan and nonpartisan discussion in terms of the welfare, security, peace, and freedom of the United States. I pledge myself to that particular objective, but certainly I feel there are questions which are unanswered, questions which deserve our most personal, direct, and continuous consideration. We are not talking about something small or of the little consequence; we are talking of something which affects the very life of our Nation itself, and also the lives of hundreds, thousands, yes, millions of individuals in the United States and throughout the world.

AMENDMENT OF THE NATURAL GAS ACT, AS AMENDED

The Senate resumed the consideration of the bill (S. 1853) to amend the Natural Gas Act, as amended.

Mr. PASTORE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. PASTORE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. POTTER. Mr. President, reserving the right to object, I think the Senator from Massachusetts [Mr. KENNEDY] is about to speak on a most important subject, the natural-gas bill, and that there should be a quorum present. If it were not for the late hour, and the persuasiveness of the Senator from Rhode Island, I would insist on a quorum tonight, but, seeing that the hour is late, I withdraw my reservation.

Mr. PASTORE. I could never agree more with the Senator from Michigan in his desire to have a greater number of Senators present than are now in the Chamber, in order to hear the eloquence of the Senator from Massachusetts, but, nonetheless, we are all hopeful they will read the RECORD.

The PRESIDING OFFICER (Mr. DANIEL in the chair). Is there objection to the unanimous-consent request of the Senator from Rhode Island? The Chair hears none, and it is so ordered.

Mr. KENNEDY. Mr. President, the debate on S. 1853, the so-called Fulbright bill to amend the Natural Gas Act of 1938, has been extensive and most illuminating. Every aspect of this controversy has been thoroughly probed by the very able proponents and opponents of the bill here in the Senate. I should, however, like to take a few moments to explain my own strong opposition to the bill.

The problem before the Senate today, it seems to me, is not whether the Supreme Court in the Phillips case should have spoken on this subject, or whether the Court accurately interpreted congressional intent in rendering its decision. Rather, we must resolve the policy question of whether the bill before us now is in the public interest and should be passed.

As I understand the position of the bill's proponents, there are four principal grounds upon which they seek to justify S. 1853: First, regulation of a commodity such as natural gas is not proper, necessary or desirable; second, if producers are regulated their normal incentives to discover new sources of natural gas will be lost and as a nation we will lose the benefit of the discovery of new gas fields; third, regulation of producers and gatherers present tremendous mechanical and administrative difficulties—in short, the industry is not suitable for regulation; and, fourth, the bill provides protection for the consumer of natural gas which is not available under the present act and such protection is adequate. Permit me to discuss each of these points.

First, I agree with the general principle that regulation by the Federal Government of any business activity should be undertaken only where there is the clearest demonstration that such regulation is absolutely necessary to protect the interest of the public. Applying that principle to the natural gas situation now before us, it seems to me abundantly clear that the nature of the industry calls for regulation. Indeed, the supporters of S. 1853 concede that there must be some regulation at each of the three basic phases of the industry's activity: the production and gathering of natural gas, the transmission of it into the States other than the producing State, and the distribution of the gas in the States of its ultimate consumption. Direct regulation of the distributor who sells to the consumer is, of course, maintained by every State. Similarly, the pipeline companies, which purchase the gas in the fields and transport it across State lines to the distributors, are directly regulated by the Federal Power Commission. The advocates of the Fulbright bill admit that indirect regulation of the price charged by the producers and gatherers to the interstate pipelines, through the power of the FPC to disallow the amount by which the price paid for the gas might exceed a reasonable market price, is desirable and agreeable to them. They insist that such regulation is sufficiently protective of the consumers' interest.

The willingness of the proponents to accept the principle of partial regulation of the producers and the gatherers seems to me to weaken severely any argument that this bill should be passed to restore to unregulated free enterprise, a segment of our economy which has been traditionally free of governmental intervention and which should not be regulated because of its competitive nature, a contention which incidentally is seriously weakened by a true picture of the producing portion of the industry. Free enterprise or Government regulation is not the issue in this debate. The question is how much regulation and what kind.

Second, let us examine the argument that without the passage of this bill, the gas production of the wildcatters, whose quests for profitable strikes are essential to the development of new sources, would dwindle to nothing. From all of the evidence that has come to my attention, it appears that the discovery of these gas fields has resulted, not from searches for gas, but, rather, as incidental results of searches for the more profitable oil which is found in the same general geographical areas. The bill will not affect those searches. Moreover, the 27½ percent depletion allowance provision in our internal revenue laws provides a very healthy incentive to continue the search for new gas fields. Finally, a return of 6 percent on one's investment—and included in that investment are the costs of all reasonable efforts to find gas, whether resulting in failures or strikes—should be a considerable inducement for many persons, and such a return will be possible under even the strictest regulation.

Third, the contention that producers and gatherers should be removed from direct regulation because regulation of them is administratively difficult, if not completely impracticable, is unconvincing. The Government has undertaken difficult regulatory functions in the past; if direct regulation is in the public interest, it should be undertaken even if difficult. The claim that reporting and other burdens of regulation fall particularly heavily upon the smaller producers could quickly be met—if the

proponents would agree—by adoption of the substitute proposal offered on the floor of the House, which would have expressly exempted producers and gatherers whose sale of natural gas for resale in interstate commerce does not exceed 2 billion cubic feet in any calendar year—a proposal which would exempt 90 percent of the producers.

Mr. PASTORE. Mr. President, will the Senator from Massachusetts yield at this point?

Mr. KENNEDY. I yield to the distinguished Senator from Rhode Island, who has been a leader in the fight against the bill.

Mr. PASTORE. Is the Senator from Massachusetts familiar with that fact that the proposed exemption from Federal regulation of small producers, including all those who produce up to 2 billion cubic feet of natural gas a year, was set forth in an amendment which in the committee was opposed by the very ones who are the proponents of the pending bill? Is the Senator from Massachusetts aware that the very ones who now are advocating the enactment of this bill because, so they say, the present situation works a hardship on the small independent producers, are the ones who, in the committee, opposed that amendment.

Mr. KENNEDY. It is difficult to realize that that is so, but I believe the record supports the Senator's statement. Obviously, if the proponents are genuinely concerned about the regulation of the small wildcat producers they should be glad to accept the offer of the opponents of the bill to have those producers exempted from regulation. It is difficult for the proponents to use the burden on the smaller producers as an argument in favor of the enactment of the bill and a major reason why the bill should be passed in view of their failure to support the effort made to free the small producer.

Furthermore, when we consider the complicated regulatory functions which the Government fulfilled during World War II, for example, it is a little ridiculous to argue that it would be difficult for the Government to regulate the producers in this field, particularly if 90 percent of them—namely, the small ones—were to be exempt from regulation by the Government.

Last, I am not convinced that the argument that the bill provides much needed protection to the consumer is advanced seriously. That assertion, when it is made, apparently rests upon the assumption that if the bill is not enacted, no new gas fields will be discovered, the supply will not match the increased demand, and prices will necessarily go up. I have already pointed out that the evidence does not support the claim that there would be no further discovery of new gas fields, because nearly all the witnesses, particularly Mr. Thompson, from Texas, made the point that the discovery of gas is only incidental to the major efforts directed toward the discovery of oil.

The other day, the figures cited by the Senator from Illinois [Mr. DOUGLAS] for the income of the major companies involved in this field showed that their major income is from oil, rather than from gas.

Far from protecting the consumer, Senate bill 1853 is more detrimental to consumer interests than any measure brought before this body in recent years. I say this for the following reasons:

First, enactment of the bill is certain to result in higher prices. No one disputes this. Indeed, one of the proponents' arguments—namely, that without increased prices there will not be exploration for new gas fields—rests squarely on that assumption. There is no real competition to keep it down. Although there are between 4,500 and 8,000 producers of natural gas in the country, 70 percent of the production is in the hands of 43 producers. Moreover, the nature of the industry is such that the interstate pipelines cannot shop for the lowest competitive prices, for the expensive, immobile pipelines cannot be wheeled about from field to field. With the increasing demand and diminishing reserves, the gas industry, the sixth largest in the United States, is destined to continue as a sellers' market.

Even the use of some new standard, such as "reasonable market price," cannot help but permit increased prices to consumers. As I understand it, the Federal Power Commission—whose authority, it should be remembered, would be limited to disallowing as expenses only the portion of the price paid by the pipeline above the reasonable market price—would be restricted to, in effect, ascertaining the market price paid for gas, without inquiry into its inherent reasonableness. No one yet has a clear idea of how that "market price" would be determined. Conceivably, it could be based on no more than the price paid by any pipeline to any producer.

The price of gas is of concern to all gas-consuming areas of the country. But it is a special problem in New England. There the competitive positions of gas and oil are quite close. While the cost of natural gas in Chicago is 90.8 cents, as compared with a cost of $1.13 for the equivalent heat from fuel oil—and the Memphis figures are 58 cents as against $1.09; the Kansas City figures are 51.8 cents, against 86.5 cents; Cleveland, 60 cents against $1.09—the Boston figures are $1.42 for gas, against $1.07 for the equivalent heat from fuel oil. The Springfield figures are $1.35 for gas against $1.11 for fuel oil; and in Worcester the figures are $1.27, against $1.10.

This New England price structure is explained by the fact that (a) we are at the end of the natural gas pipeline, and (b) fuel oil which reaches us by ship has no heavy transportation charge. There is a heavy investment by New England consumers in gas appliances; and, of course, our utilities have long-term obligations with the pipelines. But additional increases in the cost of gas could well result in causing the natural-gas industry to price itself out of the New England market, and in creating serious difficulties for the consumers and utilities of our area, where the competitive positions of natural gas and fuel oil are quite close, and where there is a very small margin between their prices. Thus price is a crucial matter to us in Massachusetts and, I believe, in all of New England.

Mr. PASTORE. Mr. President, will the Senator from Massachusetts yield further to me?

Mr. KENNEDY. I am glad to yield to the distinguished Senator from Rhode Island.

Mr. PASTORE. In addition to what the Senator from Massachusetts has just said, in view of the fact that the fuel oil industry is controlled by the same companies that control the natural gas industry, is it not inevitable that if the price of natural gas rises to such an extent that it no longer is competitive with fuel oil, then the price of fuel oil will rise, and then the prices of both natural gas and fuel oil will continue to go up and up and up, and the public will be unable to obtain relief?

Therefore, is it not fair to conclude that the result of such an increase in the price of natural gas will be an increase in the price of fuel oil?

Mr. KENNEDY. Of course.

Mr. President, the domestic oil industry has been in the forefront in urging the administration to limit the importations of residual fuel oil, upon which New England is heavily dependent. So, on the one hand, we have reduced importations of residual fuel oil—importations upon which we depend, in order to provide heat to a large portion of our area—and, on the other hand, we are faced with an increase in the price of natural gas, upon which we are equally dependent. Our area does not have large natural resources, Mr. President, but is particularly dependent upon importations from other areas. Therefore we are particularly sensitive to increases in the price of importations of this type.

Second. If, as has been suggested by lawyers and competent students of this complicated subject, the proposed indirect regulation of rates charged by producers turns out to be unconstitutional, we shall find ourselves without any regulation at all in a field of enterprise demonstrated to be monopolistic in character. The Court could well find that Congress could not delegate the right to determine rates to uncontrolled negotiations between producers and pipeline companies; or the Court might find that the vagueness of the criteria for ratemaking might raise constitutional issues. Mr. President, I am concerned lest we be left without any regulation.

Third. Passage of Senate bill 1853 would dignify and give congressional support to the escalation clauses which have become so much a part of the natural gas industry. Thus if, for example, a contract containing a most-favored-nation clause automatically results in an increase in the cost of gas, due to an increase negotiated on another contract between different parties, the Federal Power Commission would be precluded from finding that the automatically—yet artificially—induced increase was not a reasonable market price. The inclusion of escalation clauses in natural gas contracts has had a harmful effect upon the industry and should be eliminated or at least severely restricted. I recog-

nize the problems involved in securing long-term commitments from producers, and I know that they must be afforded some protection; but that protection should not be a one-sided affair with limited bargaining strength held by the ultimate consumer and distributor.

Fourth. The indirect regulation imposes its burden upon the pipeline rather than the producer; and there is no assurance that it will not result in financial destruction of the pipeline, instead of lower wellhead prices. Since S. 1853 would permit the FPC only to disallow part of the cost of natural gas as an expense, the pipeline may be saddled with a contractual obligation at one end of its operation and a price restriction at the other end. Certainly the interest of the consumer and of the Nation at large is not served by legislation which could result in the failure of interstate pipelines while leaving the price paid producers uncontrollable.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. PASTORE. I think the Senator from Massachusetts very graphically described and interpreted subsection (b) of section 3. It distinctly provides that the Federal Power Commission shall not be brought into this situation until such time as the pipeline company files application for a rate increase. Before it can file an application for a rate increase the escalation clause will have already been triggered off. The pipeline company will already have been compelled, under the contract, to pay a price which later the Federal Power Commission may determine to be above the reasonable market price. Therefore, the money will already have been paid out by the pipeline company. There is nothing in the bill which would compel the producer to pay it back.

There would be nothing the pipeline company could do about having its rates determined, because it would require a certain amount of time; and the whole effect of the operation would be to punish the pipeline company which, in good faith, paid under the conditions of an escalation clause, and later had to file with the Federal Power Commission an application to have the reasonable market price established. Then it might be told, "While you may have paid the money in good faith under the terms of your contract, we are sorry you cannot charge it off against the cost. We are very sorry, but you cannot recover the money."

Mr. KENNEDY. The Senator has put it succinctly. The control is on the pipeline; and in many cases they will not have the power themselves to enforce what we might consider a reasonable price from the producer. Therefore, the Federal Power Commission will be faced with the choice either of agreeing with the decision the pipeline company has made, or else not permitting the pipeline company to include the full cost of the gas as a proper expense, thereby imperiling the financial security of the pipeline.

Mr. PASTORE. Would the Senator go so far as to say that the proponents of the bill have not only proposed to free the producer from any Federal supervision, but have gone a step further and actually have inserted a provision which is punitive against the pipeline companies?

Mr. KENNEDY. Yes; and not against the producer.

Mr. PASTORE. And not against the producer.

Mr. KENNEDY. Fifth, the supporters of the bill have failed to set forth abuses or other conditions which justify the legislative changes they urge. They do not claim that regulation by the FPC under the Phillips decision has unduly depressed prices, or that the burdens of regulation have driven producers out of business or caused them not to sell their gas in interstate commerce. The necessity for such change has not been demonstrated.

When the interests of 29 million consumers are weighed against the interests of 8,000 producers and, as I have stated, all but 197 or 200 of them could be exempted because of the small amount of gas they produce if the supporters of Senate bill 1583 should agree, it is not difficult to see how the question should be decided, especially when a substantial percentage of the 197 or 200 producers are major companies, all of which have enjoyed the most profitable period in their history during the past 2 years or more. They enjoy a depletion allowance of 27½ percent, and would enjoy a return of at least 6 percent on their investment.

It does not seem to me that it can be successfully argued that the public interest would not be affected by freeing from all control 197 or 200 of the wealthiest companies in the United States.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. PASTORE. Does the Senator have any fear that, if the producers were under supervision, the Federal Power Commission would do anything but equity between the producer and the consumer?

Mr. KENNEDY. I think the argument has been made by some that if this bill is not passed, those of us in certain areas of the country who are dependent upon gas will find our supplies curtailed.

It seems to me the answer is obvious, for three reasons.

First, gas is found, in the main, as a secondary product in the search for oil.

Secondly, because of the depletion allowance given the producers, and finally because of the rate of return which would be allowed by the Federal Power Commission under the present law, the search for natural gas would continue. So far as the tax situation is concerned, it is by far the most profitable industry, as compared with the other industries of this country. It seems to me that there is no doubt that even under the present law, the major oil companies—and we are concerned only with the major companies—would continue their search for oil, and therefore would discover gas, and the natural-gas industry would continue to expand, even under the present situation. Therefore the bill is not necessary.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. PASTORE. Of course, the Senator understands that the Federal Power Commission would not be limited to an allowance of a 6-percent return. It could allow a greater return if it felt that it was necessary under the circumstances.

Mr. KENNEDY. That is correct. In other words, the Federal Power Commission would be concerned, as all of us are concerned, with developing new sources of supply. Therefore it would allow the producers of natural gas a sufficient return on their money to insure an increased supply of natural gas. If 6-percent plus the depletion allowance would accomplish that purpose, very well. If more were necessary, the FPC could allow more. But it is a great mistake to use the threat that natural gas will not be available to many parts of the country as a reason for supporting the bill.

When we talk about the public interest, and when we weigh the interests of the 29 million consumers dependent upon natural gas against the interests of the major companies which control the great percentage of production of natural gas, it seems to me there is no doubt that the interest of consumers would best be served by the defeat of the bill. The companies which would be subject to regulation have all flourished in recent years, and their future prospects are excellent.

The interests of the public demand that this bill be defeated.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. PASTORE. I wish to compliment and congratulate the Senator from Massachusetts upon the very graphic and clear presentation he has made of this subject. Because the Senator and I come from sister States, we realize what this issue means to us. In our area there are thousands of captive customers.

I think the Senator will agree with me when I say that we do not want any injustice done to the producers or gatherers. We do not want the Federal Power Commission to invoke any regulation which would confiscate their property or do other than encourage them in their desire to search for more gas.

Mr. KENNEDY. It seems to me that the suggested amendment, which would remove a great percentage of them from regulation by the Federal Power Commission, would take care of that basic argument.

Mr. PASTORE. It would be a great step in that direction. After all, the captive consumers found in the congested areas of the country at the end of the line have spent a great amount of money in converting their appliances so as to be able to use this fine product, natural gas. All we are saying is that there must be some supervision on the part of the Federal Power Commission, not only to insure a supply of gas, but to see to it that reasonable prices are charged the consumers, and that reasonable profits are made by the producers.

All the Supreme Court said in the Phillips case was that Federal control

should be invoked only at the time when the gas is sold for resale in interstate commerce.

Mr. KENNEDY. That is correct.

Mr. PASTORE. It is as simple as that.

Mr. KENNEDY. As I said earlier, in weighing the interests of the consumers, who number 29 million, or 30 million, against the interests of 200 major companies, if the amendment proposed by the distinguished Senator from Illinois [Mr. DOUGLAS] is accepted, our course of action is clear. The major companies, which have been making unprecedented profits in recent years, will not be harmed. Their interests will be well protected.

Mr. POTTER. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. POTTER. I commend the Senator for his very able speech, and for his profound knowledge of this subject. I know that the citizens of Massachusetts are well aware of his defense of their position. The Senator's constituents are captive consumers.

The proponents of the bill have stressed the fact that the Supreme Court's decision is an infringement upon free enterprise and free competition. The Senator will agree with me, I am sure, that free competition means competition for the buyer and for the seller.

Mr. KENNEDY. Yes. The point is that the consumer cannot switch to oil or to coal or to wood.

Mr. POTTER. The consumer is tied. It is not free competition as we normally understand that term. I should like to state again that the Senator from Massachusets has made a very able address in the public interest.

Mr. KENNEDY. I thank the Senator.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. HUMPHREY. I was deeply interested in the colloquy between the Senator from Massachusetts and the Senator from Rhode Island on the subject of the powers of the Federal Power Commission with respect to the regulation of the price. The present situation would permit the Federal Power Commission to regulate the price at the producer's level.

My question is this. Can the Senator from Massachusetts recall any instance when the Federal Power Commission, in its regulation of utility rates—whether electric rates or gas rates—has in any way imposed a price schedule or a rate structure which has caused the companies involved or the companies under regulation to lose money because of an inadequate price or unfair price, or has in any way caused them any serious economic injury because of an inadequate price under the regulatory powers of the Commission?

Mr. KENNEDY. Of course not. It would be self-defeating for the Federal Power Commission to do that. It has the responsibility not only to maintain a reasonable price, but also to encourage development of new sources of natural gas. The Commission is under an obligation to encourage the development of new sources of natural gas.

Therefore, in addition to the depletion allowance, the Commission will have to give producers an adequate return in order to encourage exploration and development by them. It is because of that fact that I believe those who support the bill because they feel there will be less gas provided in the future if there is Federal regulation are laboring under a misapprehension. There will be a higher price if the bill is passed. It is my opinion there will be additional gas if the bill is not passed, because there is no reason to believe that there will not be additional sources of gas discovered under the regulation now in effect.

Mr. HUMPHREY. Mr. President, will the Senator yield further?

Mr. KENNEDY. I yield.

Mr. HUMPHREY. As I recall, there will be no change in the tax structure relating to exploration and development and depletion allowances for gas and oil.

Mr. KENNEDY. That is correct.

Mr. HUMPHREY. There is no other industry in the United States which has so favorable a tax schedule as the gas and oil industry. There are differences of opinion among us as to whether that is desirable. The proponents of the depletion allowance in the tax schedule say, "If you alter the depletion allowance, or if you reduce it"—as some of us have suggested it be reduced, to 15 percent, from the present 27½ percent—"you will dry up the exploration and development which come from a favorable tax structure."

The whole purpose of the depletion allowance from its inception in the 1920's has been to encourage people to explore for oil. In most instances gas is a byproduct of oil.

The depletion allowance is still on the tax books. As the Senator from Illinois has pointed out, it is a very generous tax deduction. Would that more American citizens had the privilege of being in that great privileged class and had the right to deduct exploration costs.

If a company drills dry holes, it can deduct the cost as a business expense. None of those provisions in the tax structure are being tampered with. All those provisions are left intact, to encourage new development and new exploration. The Federal Power Commission is not known as a Scrooge when it comes to fixing rates. The Federal Power Commission has been very generous with respect to rates. It has been so generous of late as to raise the cost of gas in my section of the country. The rates have been raised considerably.

We have not protested the raise in the rates. We have felt that there must be some justification for it. However, I believe it is incumbent upon the sponsors of the bill to produce evidence that the Federal Power Commission has acted in an arbitrary and almost economically tyrannical manner in adjusting rates to a point where the industry has suffered.

According to market quotations, the stocks of oil and gas companies are gilt-edge stocks. The big companies, which have the lion's share of the gas resources, are doing quite well. I have not noticed their taking up any relief collections. I have not noticed that they are complaining about their low profit margin or about their gross profits. Does not the Senator agree with me?

Mr. KENNEDY. The Senator from Illinois read into the RECORD yesterday or the day before the profit and loss statements of the major companies involved in this field. I must say that last year was the most profitable year they ever had. Few other leading companies in American industry showed such a good record. There is no reason why they should not continue to do as well. They cannot afford not to continue to expand their resources. Some producers have the feeling that we in the northeast are exploiting the producing areas. We in New England, who are trying to sell our shoes all over the country, are not attempting to exploit consumers in other parts of the country. It seems to me, that weighing all the factors involved, there is no doubt about where the public interest lies.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. HUMPHREY. The Senator from Rhode Island [Mr. PASTORE], who presided as subcommittee chairman when the testimony on the bill was taken—and I may say he did a very commendable job in so presiding, and was congratulated on it by both the proponents and the opponents of the bill—pointed out that there is no desire on the part of those of us who oppose the Harris-Fulbright bill to deny the producer even a very generous profit. We believe in free enterprise so far as the gas producers are concerned. If we saw that regulation was driving the gas producers out of business, we would be the first to stand up in behalf of both the consumers and the producers, and make whatever alterations in the law which might be necessary. However, I believe the evidence is very clear, insofar as we have been able to discover any evidence, that the Federal Power Commission has been reasonable and objective and has, in fact, leaned over backward in an attempt to be fair and reasonable in all its regulations relating to gas rates.

Mr. KENNEDY. I thank the Senator.

Mr. PASTORE. Mr. President, will the Senator from Massachusetts yield?

Mr. KENNEDY. I yield.

Mr. PASTORE. Since the proponents of the bill have recognized certain evils—and they must have recognized them, because otherwise they would not have included in the bill section 3, dealing with the escalation clauses which have been triggered off, from time to time and have allowed gas prices to rise even when there was no economic justification for it—do not the Senator from Minnesota and the Senator from Massachusetts agree with me that the Supreme Court, regardless of whether it was an error, did us a favor when it said the producer must be under Federal supervision in view of what he had done in the past? In other words, if he had not been under supervision, or was released from supervision, he would return to the kind of wild escalation clauses which in some cases have triggered off the price of gas astronomically in one area of the country only because of a wholly unrelated

situation which developed in another area of the country.

Those facts were brought out before our committee. When certain of the pipeline companies were interested in buying natural gas, they—together with other persons who were also anxious to get such gas—were asked to bid the price they would pay for such gas. They told us at the hearings that this price was the result of artificial increases in price from time to time. That is the situation which today affects the captive consumers. The consumers in this situation have no choice. Their only choice, if any, is to throw out their gas kitchen ranges and perhaps install coal-burning or oil-burning ranges. They certainly cannot go to their distributor and say, "Get your gas from some other pipeline company," when there is only one pipeline coming into the particular city—and that one pipeline goes right down to the gathering point, the place where the gas is gathered from the various producers.

When we realize the character of this proposal and the fact that there are captive consumers, we must reach the conclusions that if we are going to supervise at all, we must supervise from the beginning to the end. If we are not going to do that, then we should repeal the Natural Gas Act.

Mr. KENNEDY. The Senator from Rhode Island has spoken directly to the point, as he always does.

Mr. CLEMENTS. Mr. President, I see the Senator from Minnesota [Mr. HUMPHREY] is on the floor, and I should like to ask him if it is his intention to speak on the bill tomorrow?

Mr. HUMPHREY. That is correct.

Mr. CLEMENTS. Is it the desire of the Senator from Minnesota that unanimous consent be obtained at this time that he may have the floor tomorrow at the conclusion of the morning business?

Mr. HUMPHREY. As I understand that has been the practice which has been followed in recent days.

Mr. CLEMENTS. This is a very important measure, and it has been the desire of the leadership to move it along as rapidly as may be possible and, certainly, in such a way that every Senator who desires to speak on the measure will have ample opportunity to do so, saving time by not having quorum-calls, and so forth.

Mr. President, if it is agreeable to the Senator from Minnesota, I ask unanimous consent that when the Senate completes its morning business tomorrow the Senator from Minnesota may have the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. I thank the Senator from Kentucky.

RECESS

Mr. CLEMENTS. Mr. President, I move that the Senate now stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 43 minutes p. m.) the Senate took a recess until tomorrow, Thursday, January 26, 1956, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate January 25 (legislative day of January 16), 1956:

DIPLOMATIC AND FOREIGN SERVICE

George H. Emery, of North Carolina, now a Foreign Service officer of class 1 and a secretary in the diplomatic service, to be also a consul general of the United States of America.

The following-named Foreign Service officers for promotion from class 2 to class 1:

Elmer H. Bourgerie, of Maryland.
Daniel M. Braddock, of Michigan.
Aaron S. Brown, of Michigan.
Augustus S. Chase, of Connecticut.
Warren M. Chase, of Indiana.
Theodore J. Hadraba, of Nebraska.
Howard P. Jones, of New York.
John H. Madonne, of Texas.
Thomas C. Mann, of Texas.
Robert B. Memminger, of South Carolina.
Marselis C. Parsons, Jr., of New York.
Arthur R. Ringwalt, of Nebraska.
Laurence W. Taylor, of California.
E. Paul Tenney, of Washington.
Sheldon Thomas, of New York.
Ray L. Thurston, of Wisconsin.
Clare H. Timberlake, of Michigan.
Rolland Welch, of Texas.
Clifton R. Wharton, of Massachusetts.
Woodbury Willoughby, of Virginia.

The following-named persons for appointment as Foreign Service officers of class 1, consuls, and secretaries in the diplomatic service of the United States of America:

Frank A. Waring, of California.
Glenn G. Wolfe, of West Virginia.

T. Eliot Weil, of California, now a Foreign Service officer of class 2 and a secretary in the diplomatic service, to be also a consul general of the United States of America.

The following-named Foreign Service officers for promotion from class 3 to class 2:

Leonard Lee Bacon, of New York.
James D. Bell, of New Mexico.
W. Wendell Blancké, of Pennsylvania.
Byron E. Blankinship, of Oregon.
William C. Burdett, of Georgia.
Frank P. Butler, of New Jersey.
Ralph N. Clough, of Washington.
Wymberley DeR. Coerr, of Connecticut.
Earl T. Crain, of Virginia.
William A. Crawford, of Pennsylvania.
Robert B. Elwood, of Iowa.
Thomas S. Estes, of Massachusetts.
Herbert P. Fales, of California.
Ernest H. Fisk, of Ohio.
Albert B. Franklin, of Massachusetts.
A. David Fritzlan, of Kentucky.
Paul F. Geren, of Arkansas.
John Goodyear, of New York.
Martin J. Hillenbrand, of Illinois.
Douglas Jenkins, Jr., of South Carolina.
Coburn B. Kidd, of Oklahoma.
William Koren, Jr., of New Jersey.
William Leonhart, of West Virginia.
Raymond E. Lisle, of New York.
William Bruce Lockling, of Arizona.
Edwin W. Martin, of Ohio.
Robert H. McBride, of Michigan.
Sydney L. W. Mellen, of Pennsylvania.
William J. Porter, of Massachusetts.
Milton C. Rewinkel, of Minnesota.
Robert W. Rinden, of Iowa.
Terry B. Sanders, Jr., of Texas.
Richard M. Service, of the District of Columbia.
John C. Shillock, Jr., of Oregon.
Harold Shullaw, of Illinois.
Harold Sims, of Tennessee.
C. Allan Stewart, of Arizona.
Wallace W. Stuart, of Tennessee.
John M. Vebber, of Wisconsin.
William A. Wieland, of New York.
William Witman 2d, of Pennsylvania.

The following-named persons for appointment as Foreign Service officers of class 2, consuls, and secretaries in the diplomatic service of the United States of America:

R. Gordon Arneson, of Virginia.
Miss Ruth Bacon, of Massachusetts.
Norman Burns, of Ohio.
William E. F. Conrad, of Ohio.
Carl D. Corse, of Maryland.
John E. Fobes, of Virginia.
Henry J. Kellermann, of Maryland.
Jeffrey C. Kitchen, of Oregon.
Geoffrey W. Lewis, of Virginia.
Graham N. McKelvey, of Illinois.
Daniel F. Margolies, of Maryland.
Jack D. Neal, of Texas.
Theodore B. Olson, of the District of Columbia.
Earl D. Sohm, of California.
Robert L. Thompson, of Maryland.
Edwin Elliott Vallon, of Maryland.
Joseph A. Yager, of Maryland.

Ralph H. Hunt, of Massachusetts, now a Foreign Service officer of class 3 and a secretary in the diplomatic service, to be also a consul general of the United States of America.

The following-named Foreign Service officers for promotion from class 4 to class 3:

J. Wesley Adams, Jr., of Illinois.
Stewart G. Anderson, of Illinois.
Donald C. Bergus, of Indiana.
Thomas D. Bowie, of Minnesota.
Mrs. Katherine W. Bracken, of Florida.
Robert A. Brand, of Connecticut.
Howard Brandon, of Georgia.
Clarence T. Breaux, of Louisiana.
Lewis D. Brown, of New York.
Rolland H. Bushner, of Oklahoma.
Edward W. Clark, of New York.
G. Edward Clark, of New York.
Ralph S. Collins, of Tennessee.
Alfred P. Dennis, of Virginia.
Dwight Dickinson, of New Jersey.
Miss Eileen R. Donovan, of Massachusetts.
Robert J. Dorr, of California.
Leon G. Dorros, of New York.
E. Allen Fidel, of Wyoming.
Seymour M. Finger, of New York.
Richard B. Finn, of New York.
John I. Fishburne, of South Carolina.
John F. Fitzgerald, of Pennsylvania.
William J. Ford, of New Hampshire.
William N. Fraleigh, of New Jersey.
John C. Fuess, of Massachusetts.
Francis J. Galbraith, of South Dakota.
Michael R. Gannett, of New York.
William F. Gray, of North Carolina.
Norman B. Hannah, of Illinois.
John W. Henderson, of Iowa.
Deane R. Hinton, of Illinois.
John D. Iams, of Oklahoma.
Samuel Owen Lane, of California.
G. Wallace LeRue, of Missouri.
Charles K. Ludewig, of the District of Columbia.
Scott Lyon, of Ohio.
James V. Martin, Jr., of Illinois.
Thomas W. McElhiney, of Maryland.
William A. McFadden, of New Jersey.
David D. Newsom, of California.
W. Paul O'Neill, Jr., of Pennsylvania.
Givon Parsons, of Texas.
Leon B. Poullada, of California.
James W. Pratt, of California.
Henry Clinton Reed, of Ohio.
Edward F. Rivinus, Jr., of Pennsylvania.
Randolph Roberts, of Virginia.
Peter Rutter, of Massachusetts.
Lubert O. Sanderhoff, of California.
Joseph A. Silberstein, of New York.
Herbert D. Spivack, of New York.
Emory C. Swank, of Maryland.
Nicholas G. Thacher, of New York.
Robert W. Tucker, of California.

The following-named persons for appointment as Foreign Service officers of class 3, consuls, and secretaries in the diplomatic service of the United States of America:

Herman H. Barger, of Virginia.
Louis C. Boochever, of Maryland.
John F. Buckle, of Utah.

Philip M. Burnett, of Maryland.
Thomas Patrick Carroll, of New York.
Frederick R. Carson, of Virginia.
Howard E. Chaillé, of Virginia.
Earle A. Cleveland, of Illinois.
John Hugh Crimmins, of Virginia.
William J. Crockett, of Nebraska.
Robert R. Cunningham, of California.
Theo E. Hall, of Kansas.
William G. Jones, of Maryland.
Neal E. Kimm, of Iowa.
Thomas B. Larson, of Maryland.
Richard E. Morrissey, of New York.
Carmen Richard Pasquale, of Pennsylvania.
Donald L. Ranard, of Virginia.
Irving W. Salert, of New York.
Norvelle H. Sannebeck, of Virginia.
James H. Sherrerd, of Nebraska.
Ben S. Stephansky, of Illinois.
Edward C. Wilson, of Florida.

The following-named Foreign Service officers for promotion from class 5 to class 4:

Robert M. Beaudry, of Maine.
Charles C. Carson, of Mississippi.
Thomas A. Cassilly, of Maryland.
David C. Cuthell, of Connecticut.
Delano McKelvey, of the District of Columbia.
Robert A. McKinnon, of Michigan.
Karl E. Sommerlatte, of Florida.
Robert W. Weise, Jr., of Minnesota.

The following-named Foreign Service officers for promotion from class 5 to class 4 and to be also consuls of the United States of America:

Charles C. Adams, of New York.
Thomas W. Ainsworth, of New Hampshire.
Arthur B. Allen, of the District of Columbia.
John Campbell Ausland, of Pennsylvania.
John A. Baker, Jr., of Connecticut.
John H. Barber, of California.
Robert J. Barnard, of Wisconsin
Harry G. Barnes, Jr., of Minnesota.
Raymond J. Barrett, of New York.
Carl E. Bartch, of Ohio.
Frederic H. Behr, of New Jersey.
Alf E. Bergesen, of New York.
Jules E. Bernard, of New York.
Slator C. Blackiston, Jr., of North Carolina.
Vincent S. R. Brandt, of Rhode Island
Robert C. Brewster, of Nebraska.
Emerson M. Brown, of Michigan.
Robert R. Brungart, of Maryland.
William A. Buell, Jr., of Rhode Island.
William B. Buffum, of New York.
Miss Patricia M. Byrne, of Ohio.
William C. Canup, of Michigan.
William A. Chapin, of Illinois.
Christian G. Chapman, of New York.
Peter R. Chase, of Massachusetts.
Albert C. Cizauskas, of New York.
Carroll E. Cobb, of Colorado.
Stephen A. Comiskey, of Colorado.
Richard H. Courtenaye, of California.
W. Kennedy Cromwell 3d, of Maryland.
Oliver S. Crosby, of Washington.
Donald M. Davies, of Virginia.
Arthur R. Day, of New Jersey.
Jonathan Dean, of New York.
Morris Dembo, of New York.
Walter H. Drew, of Colorado.
Theodore L. Eliot, Jr., of California.
Warrick E. Elrod, Jr, of Illinois.
Lawrence B. Elsbernd, of North Dakota.
James B. Engle, of Iowa.
Richard A. Ericson, Jr., of Minnesota.
John M. Farrior, of North Carolina.
Benjamin A. Fleck, of Pennsylvania.
Robert C. Foulon, of Illinois.
A. Eugene Frank, of Illinois.
John N. Gatch, Jr., of Ohio.
Seymour H. Glazer, of Louisiana.
Culver Gleysteen, of Pennsylvania.
Howard C. Goldsmith, of California.
Raymond E. González, of California.
Herbert I. Goodman, of Pennsylvania.
John G. Gossett, of Oklahoma.
Pierre R. Graham, of Illinois.
Lindsey Grant, of New York.
James C. Haahr, of Minnesota.
William N. Harben, of New York.
Harry W. Heikenen, of Minnesota.
William A. Heiseth, of Florida.
Gregory Henderson, of Massachusetts.
Converse Hettinger, of Wisconsin.
Thomas F. Hoctor, of New York.
Max E. Hodge, of New York.
Lewis Hoffacker, of Arizona.
John H. Holdridge, of California.
Jerome K. Holloway, Jr., of Maryland.
Robert B. Houghton, of Michigan.
Robert B. Houston, Jr., of Missouri.
Wharton Drexel Hubbard, of New York.
Paul R. Hughes, of California.
Mansfield L. Hunt, of Maine.
Robert A. Hurwitch, of Illinois.
Edward C. Ingraham, Jr., of New York.
Heyward Isham, of New York.
Alan G. James, of the District of Columbia.
Walter E. Jenkins, Jr., of Massachusetts.
Alexander C. Johnpoll, of New Mexico.
William M. Johnson, Jr., of Massachusetts.
James R. Johnston, of Ohio.
Howard D. Jones, of Oklahoma.
Abraham Katz, of New York.
Warren A. Kelsey, of Massachusetts.
William M. Kerrigan, of Ohio.
Bayard King, of Rhode Island.
David Klein, of Michigan.
Lowell Bruce Laingen, of Minnesota.
Francis X. Lambert, of Massachusetts.
Earl H. Luboeansky, of Missouri.
Dayton S. Mak, of Iowa.
LeRoy Makepeace, of Connecticut.
Philip W. Manhard, of California.
Doyle V. Martin, of Oklahoma.
Walter M. McClelland, of Oklahoma.
James H. McFarland, Jr., of Michigan.
John A. McVickar, of New York.
Francis J. Meehan, of the District of Columbia.
Kermit S. Midthun, of Michigan.
Paul M. Miller, of Maryland.
William B. Miller, of Ohio.
Lawrence C. Mitchell, of California.
Robert E. Moberly, of Idaho.
Sam Moskowitz, of Missouri.
Grant E. Mouser 3d, of Ohio.
Jacob M. Myerson, of the District of Columbia.
E. Jan Nadelman, of New York.
Joseph W. Neubert, of Washington.
Daniel O. Newberry, of Georgia.
John F. O'Donnell, Jr., of Massachusetts.
Robert L. Ouverson, of Minnesota.
Stephen E. Palmer, Jr., of New York.
Richard B. Parker, of Kansas.
John M. Perry, of Massachusetts.
Peter J. Peterson, of California.
Chris G. Petrow, of Massachusetts.
Paul M. Popple, of Illinois.
Clifford J. Quinlan, of Minnesota.
Lawrence P. Ralston, of Connecticut.
James R. Ruchti, of Wisconsin.
David T. Schneider, of Massachusetts.
Peter A. Seip, of Iowa.
Matthew D. Smith, Jr., of South Dakota.
Paul A. Smith, Jr., of Virginia.
Richard E. Snyder, of New Jersey.
C. Melvin Sonne, Jr., of Pennsylvania.
Moncrieff J. Spear, of New York.
William F. Spengler, of Wisconsin.
Daniel Sprecher, of New York.
Thomas C. Stave, of Washington.
Kenedon P. Steins, of Pennsylvania.
William N. Stokes, of North Carolina.
Lee T. Stull, of Pennsylvania.
Kenneth P. T. Sullivan, of Massachusetts.
Jack A. Sulser, of Illinois.
Godfrey Harvey Summ, of New York.
Kingdon W. Swayne, of Pennsylvania.
Robert J. Tepper, of New York.
Herbert B. Thompson, of California.
Malcolm Thompson, of Massachusetts.
David R. Thomson, of the District of Columbia.
Edward J. Thrasher, of New York.
Theodore A. Tremblay, of California.
Edward J. Trost, of New York.
Thomas T. Turner, of Washington.
William N. Turpin, of Georgia.
Philip H. Valdes, of New York.
George S. Vest, of Virginia.
Theodore A. Wahl, of New York.
Peter C. Walker, of New York.
Herbert S. Weast, of California.
Sidney Weintraub, of New York.
Alfred W. Wells, of New York.
Orme Wilson, Jr., of New York.
Stanley B. Wolff, of New York.
Wendell W. Woodbury, of Iowa.
Charles G. Wootton, of Connecticut.
Arthur I. Wortzel, of New Jersey.

The following-named persons for appointment as Foreign Service officers of class four, consuls, and secretaries in the diplomatic service of the United States of America:

Ellis K. Allison, of Maryland.
Lawrence H. Backs, of Washington.
St. John Bargas, of Louisiana.
Josiah W. Bennett, of Maryland.
Mrs. Isabel G. Blackstock, of Utah.
James E. Bowers, of North Carolina.
John A. Bywater, of the District of Columbia.
James S. Cunningham, Jr., of California.
Frank A. Davis, of Ohio.
Jefferson Dix, Jr., of Maryland.
Culver E. Gidden, of Texas.
Robert Whitcomb Heavey, of California.
Michel M. Ivy, of Washington.
Charles M. Johnston, of Maryland.
William Kane, of Virginia.
Andor Klay, of Ohio.
Walter E. Kneeland, of Texas.
Archie S. Lang, of New York.
Chas. E. Laurendine, of Alabama.
Mrs. Ruth A. Lovell, of California.
R. Glynn Mays, Jr., of Maryland.
Carl J. Nelson, of Virginia.
William V. M. Owen, of the District of Columbia.
James C. Powell, Jr., of Texas.
Miss Catherine A. Rock, of Pennsylvania.
Lawrence W. Sharpe, of Ohio.
Charles G. Sommer, of Ohio.
Donald S. Spigler, of Pennsylvania.
Erwin C. Thompson, of California.
Henry T. Unverzagt, of Virginia.
Jack L. Vrooman, of California.

The following-named Foreign Service officers for promotion from class 6 to class 5:

Miss Gloria E. Abiouness, of Virginia.
James E. Akins, of Ohio.
Robert N. Allen, of Oklahoma.
Daniel N. Arzac, Jr., of California.
G. Michael Bache, of Maryland.
George M. Barbis, of California.
Robert E. Barbour, of Tennessee.
Richard W. Barham, of Texas.
Malcolm R. Barnebey, of Texas.
Robert S. Barrett IV, of Virginia.
John A. Billings, of Missouri.
Richard J. Bloomfield, of Virginia.
Lewis W. Bowden, of the District of Columbia.
William G. Bradford, of Illinois.
William R. Brown, of Ohio.
Robert T. Burns, of Indiana.
Charles B. Cook 3d, of Pennsylvania.
Joseph H. Cunningham, of Nebraska.
Thomas A. DeHart, or California.
Walker A. Diamanti, of Utah.
Thomas I. Dickson, Jr., of Texas.
William B. Edmondson, of Nebraska.
Alfred J. Erdos, of Arizona.
Leo Espy, of Oregon.
Miss Barbara C. Fagan, of New York.
John E. Feissner, Jr., of the District of Columbia.
Robert T. Follestad, of California.
Wiliam Lee Frost, of Connecticut.
Fred J. Galanto, of Massachusetts.
Samuel R. Gammon III, of Texas.
John L. Gawf, of Colorado.
Charles A. Gendreau, of Minnesota.
H. Kent Goodspeed, of California.
Richard C. Harmstone, of the District of Columbia.
Donald S. Harris, of Connecticut.

William C. Harrop, of New Jersey.
Roy T. Haverkamp, of Missouri.
Robert T. Hennemeyer, of Illinois.
Martin B. Hickman, of Utah.
Howard Hill, of Missouri.
David C. Jelinek, of Wisconsin.
Robert W. Kent, Jr., of California.
C. Dirck Keyser, of New Jersey.
Burton Kitain, of New Jersey.
Miss Paulina C. Kreger, of Ohio.
Paul H. Kreisberg, of New York.
Lyle F. Lane, of Washington.
Myron Brockway Lawrence, of Oregon.
Edwin D. Ledbetter, of California.
Samuel W. Lewis, of Texas.
Charles E. Lilien, of Illinois.
Ralph E. Lindstrom, of Minnesota.
John A. Linehan, Jr., of Massachusetts.
John Lloyd 3d, of New Jersey.
Alan W. Lukens, of Pennsylvania.
John G. MacCracken, of California.
Julian F. MacDonald, Jr., of Ohio.
John C. Mallon, of Kentucky.
Timothy M. Manley, of Connecticut.
David P. Mann, of the District of Columbia.
S. Douglas Martin, of New York.
H. Freeman Matthews, Jr., of Virginia.
Nicholas V. McCausland, of California.
Miss Ruth A. McLendon, of Texas.
John E. Merriam, of California.
Dudley W. Miller, of Colorado.
S. Paul Miller, Jr., of California.
John L. Mills, of Georgia.
Harry J. Mullin, Jr., of Kentucky.
Michael H. Newlin, of North Carolina.
Emmit E. Noland, Jr., of Georgia.
Donald R. Norland, of Iowa.
Hugh B. O'Neill, of Connecticut.
Frank V. Ortiz, Jr., of New Mexico.
Richard B. Owen, of Michigan.
Russell R. Pearson, of Minnesota.
Frederick P. Picard III, of Nebraska.
Laurence G. Pickering, of Nebraska.
Richard St. F. Post, of Connecticut.
Arthur W. Purcell, of Massachusetts.
Jess F. Reed, of Washington.
James F. Relph, Jr., of California.
Robert A. Remole, of Minnesota.
Don W. Rogers, Jr., of Ohio.
Leo J. Ryan, of Florida.
Theodore Sellin, of Pennsylvania.
Robert G. Shackleton, of Ohio.
Allen C. Siebens, of Ohio.
Paul K. Stahnke, of Illinois.
Joseph F. Starkey, of California.
Lawrence L. Starlight, of New York.
Francis R. Starrs, Jr., of California.
Birney A. Stokes, of New Jersey.
William A. Stoltzfus, Jr., of Minnesota.
Jean R. Tartter, of Massachusetts.
Charles W. Thomas, of Illinois.
Richard D. Vine, of New York.
Robert B. Warner, of Michigan.
Robert H. Wenzel, of Massachusetts.
Lewis M. White, of New York.
Victor Wolf, Jr., of New York.
Dan A. Zachary, of Illinois.

The following-named persons for appointment as Foreign Service officers of class 5, vice consuls of career, and secretaries in the diplomatic service of the United States of America:

Robert M. Balthaser, of Pennsylvania.
William D. Calderhead, of Texas.
Robert Alexander Campbell, Jr., of the District of Columbia.
Miss Kathryn O. Clark, of the District of Columbia.
Miss Alice W. Clement, of Pennsylvania.
Eiler R. Cook, of Florida.
Jeffery R. D. Crockett, of the District of Columbia.
Robert W. Day, of Maryland.
George Falk, of Maryland.
Jack Friedman, of the District of Columbia.
Robert J. Gibbons, of Ohio.
Clifford H. Gross, of New York.
Ernest S. Guaderrama, of California.
Nez C. Hallett, Jr., of Texas.
Alfred Harding IV, of New York.
Gerrit J. W. Heyneker, of Massachusetts.
Edward C. Howatt, of Virginia.
Miss Marie A. Johnson, of Minnesota.
John Edward Karkashian, of California.
Kenneth W. Knauf, of Wisconsin.
Charles W. McCaskill, of Virginia.
Allan F. McLean, Jr., of Texas.
Miss Mary Louise Manley, of the District of Columbia.
Charles Willis Naas, of Massachusetts.
James M. E. O'Grady, of the District of Columbia.
Onesime L. Piette, of Virginia.
William R. Roof, of South Carolina.
Gerald Schwab, of New Jersey.
Richard G. Smith, of Florida.
Edward O. Stellmacher, of Maryland.
Raymond Thomsen, of Colorado.
Vladimir I. Toumanoff, of New Hampshire.
Ray E. White, Jr., of Virginia.

The following-named persons for appointment as Foreign Service officers of class 6, vice consuls of career, and secretaries in the diplomatic service of the United States of America:

Craig Baxter, of Ohio.
Arthur E. Breisky, of California.
Thomas R. Buchanan, of Illinois.
Miss Helen E. Kavan, of Ohio.
Robert V. Keeley, of Virginia.
Stephen Low, of Ohio.
David A. Macuk, of New Jersey.
Charles E. Marthinsen, of Pennsylvania.
Byron B. Morton, Jr., of New Jersey.
David W. K. Peacock, Jr., of New Jersey.
Miss Allene M. Roche, of Connecticut.
Samuel H. Weaver, of New York.
Miss Suzanne S. Williams, of Ohio.
Raymond W. Eiselt, of California.

The following-named Foreign Service staff officers to be consuls of the United States of America:

Arthur A. Bardos, of California.
Henry L. Davis, of New Jersey.
Elmer S. Dorsay, of Colorado.
John V. Lund, of California.
Stanley J. Prisbeck, of Pennsylvania.
Garland C. Routt, of Indiana.

The following-named Foreign Service Reserve officers to be consuls of the United States of America:

William A. Krauss, of California.
Irvin S. Lippe, of Ohio.
George A. Tesoro, of Maryland.

The following-named Foreign Service Reserve officers to be secretaries in the diplomatic service of the United States of America:

Saxton E. Bradford, of Arizona.
David W. Smyser, of Maryland.

The following-named Foreign Service Reserve officers to be vice consuls of the United States of America:

Basil A. Beardsley, of Ohio.
Francis J. Jeton, of Massachusetts.
A. Grima Johnson, of Louisiana.
Charles M. Shannon, Jr., of Virginia.
Michael Tanes, of Massachusetts.

UNITED STATES DISTRICT JUDGE

Justin C. Morgan, of New York, to be United States district judge for the western district of New York, vice John Knight, deceased.

IN THE COAST GUARD

The following-named persons to be lieutenants in the United States Coast Guard:

Warren R. Cushman
James L. Brewer
Alfred R. Hackbarth
John W. Leadbetter, Jr.

The following-named persons to be lieutenants (junior grade) in the United States Coast Guard:

John D. Franks
Bertrand J. Ronneberg
Herbert S. Hammaren
Raymond H. Baetsen, Jr.
David J. Linde
William J. Glass
Richard B. Brooks
Edward G. Taylor
David C. McClary
Robert T. Platt, Jr.
Kenneth G. Wiman
Robert V. Hackney
Melvin W. Hallock
James M. Barrett, Jr.
John R. L. Hihn
Sidney O. Tharrington, Jr.
Robert C. Branham
John R. Lobkovich
Gilbert P. Sherburne
John D. Costello
James R. Kelly
Clarence R. Gillett
Charles E. Jurgens
John H. Byrd, Jr.
Glenn N. Parsons
Robert G. Moore
Leon D. Santman
Patrick M. Jacobsen
Harry J. Gardner
Henry N. Helgesen
Peter J. DeLaat, Jr.
Robert A. Carlston
Robert B. Sims
Siegurd E. Waldheim
Eugene G. Verrett
Peter A. Morrill
Ralph S. Kelley, Jr.
James E. Thompson
David F. McIntosh
Gerald O. Lesperance
Carlton E. Russell
Willie W. Thurmond, Jr.
Robert D. Peters
Edmond Janczyk
Robert S. Lucas
Bruce W. Dewing
Herbert W. Eley
Donald C. Thompson
William S. Black
George E. Stickle, Jr.
Joseph Stech
John D. Steinbacher
Vincent E. Keyes
William H. Clark, Jr.
Herbert G. Lyons
John F. Ellis

The following-named pesons to be chief warrant officers, W–4, in the United States Coast Guard:

John L. Price
Kurt F. Czybora
James E. Barr
Harvey E. Willis
Thurman Salter
Harold G. Weber
Russell D. Erickson
William Miller
Walter F. Booth
Ross J. Hensley
August Dannenberg
Gabriel V. Denisov
Preddie G. Bookout
Milton H. Bradley
Frank Fitch
Ronald S. Jacobs
John E. Midgett
Richard E. Walker
Jesse M. Jenkins, Jr.
"A" "J" Beard
Frederick H. Raumer
Nulland E. Mahar
James E. Bill
Hubert R. Lindsey
Harlan E. Sterling
Alexander J. Cseh III
George W. Madsen
Edward L. Masters
Edward C. Brichta
James G. Leadbeater
George W. Rickles
Darcy W. Reid
Lester R. Chenoweth
Henry McAllister
Milo Taber

The following-named persons to be chief warrant officers, W–3, in the United States Coast Guard:

Ludwig K. Rubinsky
Michael Travers
Seward S. Smith
Lloyd M. Probst
Frank J. Macedonia
Eugene Linneman
George M. Seaman
Raymond C. DeSelms
Joseph E. Acker
John T. Hendrix
Myles P. Lattin
Melvin H. Eaton
Michael J. O'Leary
Hudson M. Cooper
Harold M. Schiffbauer
John T. Borys
Louis Breitenbach
Roscoe Smith
Ray E. Newton
Edward F. Birmingham
Robert A. Johnson
Joseph F. Van Cleave
Robert F. Anderson
John H. Elliott

The following-named persons to be chief warrant officers, W–2, in the United States Coast Guard:

Wendell C. Leatherman
Carl F. Michael
Donald H. R. Fraser
Christian A. Weitzel
Walter R. Goldhammer
Fred M. Guild, Jr.
Harold W. Wooley
John A. McCullough, Jr.
Benjamin F. Weems
Norman J. Wirsching
LeRoy F. Lander
William I. Janicke
Charles H. Sanders
Jack D. Rodgers
Marshall K. Phillips
William R. Wessel
Gordon R. Campbell
Ronald McClellan
Millard W. Johnson
Daniel W. Cluff
Robert C. Ashdon
William E. Hughes
Stanley Thoroughman
Victor A. Adams
Jack S. Breschini
Leo V. Walsh, Jr.
Shelbert P. Creech
Glenn N. Nelson
David A. Smith
William H. Thorrington
Warren E. Riley
Raymond I. Trenck
Floyd V. McCombs
Daniel C. Giller
Leslie A. Mears
Robert J. Klestinec
Millard W. Foster
Carl A. Simon
George S. Drew
Rudolph E. Anderson
William K. Cooper
Donald Cobaugh
Gerald M. Davis

Luther C. Knight
Ellis P. Ward
Charles C. Colmer
Edward E. Walker
Donald A. Nystrom
Herbert L. Johnson
John A. Dearden
Louie W. Stanley
Martin J. Trieschmann
James A. Lovewell
Artell B. Crowley, Jr.
Martin F. Groff
Lloyd T. Twiford
Robert E. Lee
George A. Davisworth, Jr.
George W. Hupper
Joseph L. Richardson
Joseph D. Edwards
Charles I. Carpenter
Roy Merrill
Adrian Fulcher
George J. McKinlock
Dwight F. Conyne
Walter S. Yeargain
Robert J. Krueger
George C. Werth
Alva W. Henderson
Herbert H. Oakes
Christopher D. Elling
John C. Carney
Philip L. Regan
Karl V. Macklin

POSTMASTERS

The following-named persons to be postmasters:

ALABAMA

Ignatious E. Self, Decatur, Ala., in place of H. G. Williams, Sr., resigned.

John G. Little, Jr., Greenville, Ala., in place of F. W. Stanley, removed.

Carolyn S. Brown, Northport, Ala., in place of W. T. Collins, retired.

Eugene Williamson, Orrville, Ala., in place of H. E. Marshall, retired.

Lee J. Ledbetter, Troy, Ala., in place of S. H. Greene, retired.

ALASKA

Neil W. Taylor, Auke Bay, Alaska, in place of J. V. Hickey, resigned.

Elvira M. Hehr, McKinley Park, Alaska, in place of I. D. Hume, resigned.

Lois G. Hudec, Northway, Alaska, in place of Lennie Lindstrom, resigned.

ARIZONA

Alice L. Maxwell, Chinle, Ariz., in place of E. D. Guillet, resigned.

ARKANSAS

Alma K. May, Booneville, Ark., in place of B. B. Bevens, retired.

Mack Hopper, Glenwood, Ark., in place of Edbert Jessup, removed.

Otis W. Tyler, Greenbrier, Ark., in place of H. E. Mayhew, retired.

Leland T. Lewis, Huntsville, Ark., in place of O. E. Faubus, resigned.

Teddy E. Miller, McCrory, Ark., in place of I. L. Dunnam, retired.

Ralph A. Morrison, Nettleton, Ark., in place of M. R. Hughes, retired.

Naomi Oleta Hixson, Paris, Ark., in place of R. C. Hixson, deceased.

CALIFORNIA

Raymond E. Balch, Angwin, Calif., in place of J. K. Battin, retired.

Windol M. Martin, Bellflower, Calif., in place of D. C. Tierney, resigned.

Alan H. Miller, Belmont, Calif., in place of H. W. Crandall, resigned.

Elmo Nicoli, Ben Lomond, Calif., in place of F. A. Dickinson, retired.

Esther M. Dauer, Biola, Calif., in place of P. W. McKamey, retired.

William B. Evans, Bridgeport, Calif., in place of E. M. Cain, resigned.

Jule M. Ashworth, Calistoga, Calif., in place of J. F. Ratto, retired.

Leonard A. Mannee, Colusa, Calif., in place of R. G. Power, deceased.

Stanley A. Powell, Downey, Calif., in place of J. A. Bryson, resigned.

Chester G. Umberham, El Modeno, Calif., in place of O. H. Umberham, retired.

Charles C. Clark, Fullerton, Calif., in place of F. D. Lowrey, removed.

Walter J. Wieger, Grass Valley, Calif., in place of R. L. Terrell, Jr., deceased.

Delpha P. Furgeson, Indio, Calif., in place of R. J. King, transferred.

Marion M. Davis, La Habra, Calif., in place of Bertha Hilbert, retired.

Marion S. Karrh, La Jolla, Calif., in place of N. L. Rannells, retired.

Llewellyn D. Crandall, Larkspur, Calif., in place of F. G. Kirby, resigned.

Etta A. Y. Wilbanks, Lebec, Calif., in place of M. M. Nelson, deceased.

Olsen O. Wheeler, Loma Linda, Calif., in place of G. W. McMurry, retired.

Doris L. Johnson, Madison, Calif., in place of I. B. Creamer, retired.

James W. Bristow, Mentone, Calif., in place of C. A. Partridge, resigned.

John R. Hann, Merced, Calif., in place of J. T. McInerny, retired.

Everett T. Carpenter, North Hollywood, Calif., in place of B. W. Harris, removed.

Thelma E. Jacobs, Parker Dam, Calif., in place of D. M. Stanley, resigned.

Dick A. Willey, Pollock Pines, Calif., in place of B. G. Proksch, resigned.

Walter A. Page, Redlands, Calif., in place of J. B. Stone, resigned.

Juanita A. Lombardi, Rockaway Beach, Calif., in place of C. B. Pardoe, deceased.

James T. Walter, Saint Helena, Calif., in place of F. B. Rossi, resigned.

Russell K. Bates, San Bernardino, Calif., in place of K. W. Dyal, resigned.

Lowell B. Chapman, San Pedro, Calif., in place of L. L. Dwight, retired.

Eugene P. Guenther, Shafter, Calif., in place of G. E. Guenther, transferred.

Charles E. Louk, Sierra Madre, Calif., in place of E. D. Robertson, retired.

Alfred H. Willhoit, Templeton, Calif., in place of C. G. Garratt, retired.

Mary Eleanor Lennie, Thousand Palms, Calif., in place of G. D. Hyde, retired.

Axel A. Granstrom, Weed, Calif., in place of F. B. Niswonger, resigned.

Walter Lewin, Westminster, Calif., in place of L. N. Strawbridge, removed.

Frank B. Johnson, Westmorland, Calif., in place of E. H. Cain, resigned.

Robert L. Reifel, Willows, Calif., in place of J. A. Angle, deceased.

Walter J. Fitzpatrick, Yosemite National Park, Calif., in place of F. C. Alexander, retired.

COLORADO

Hazel L. Weston, Bristol, Colo., in place of B. E. Osborn, resigned.

Foster A. Rose, Elizabeth, Colo., in place of H. K. Balvin, retired.

William L. Robbins, Grover, Colo., in place of L. H. Lawson, retired.

Earl K. Downing, Littleton, Colo., in place of W. A. Teller, retired.

Robert A. Clark, Mead, Colo., in place of J. T. Howlett, resigned.

Ira G. Cook, Milliken, Colo., in place of Lynne Taylor, Jr., resigned.

CONNECTICUT

Leroy M. Beaujon, Canaan, Conn., in place of J. W. Morris, retired.

Milford L. Carson, Enfield, Conn., in place of M. B. Hartley, retired.

Frank A. Lattanzi, New Haven, Conn., in place of W. J. Higgins, removed.

Wesley J. Gilbert, New Preston, Conn., in place of H. L. Lyman, retired.

Joseph P. LeVasseur, Rocky Hill, Conn., in place of C. H. Yeager, retired.

George A. Lamb, Sharon, Conn., in place of N. J. Bartram, retired.

Norma K. Schaefer, Weatogue, Conn., in place of F. G. Joyce, resigned.

FLORIDA

Alfred R. Dickey, Auburndale, Fla., in place of M. A. Warner, transferred.

Donald A. Reeves, Baker, Fla., in place of T. J. Walker, Jr., transferred.

Ray L. Mercer, Bunnell, Fla., in place of H. M. Benson, deceased.

Echo C. Beall, Campbellton, Fla., in place of J. E. Woodham, retired.

Sidney Pennington Smith, Everglades, Fla., in place of R. F. Muir, removed.

B. Maxine O'Neal, Nocatee, Fla., in place of J. D. Carlton, retired.

Walter K. Read, Ocala, Fla., in place of G. C. Woods, retired.

James R. Harris, Plant City, Fla., in place of F. M. Prewitt, retired.

GEORGIA

Burl F. Sanders, Atlanta, Ga., in place of L. F. Livingston, retired.

Adrian Dwight Massey, Canon, Ga., in place of J. F. White, removed.

Scott Walters, Sr., East Point, Ga., in place of A. W. Etheridge, retired.

James Harold Carlyle, Jr., Norcross, Ga., in place of Lida Simpson, deceased.

ILLINOIS

William S. Totten, Alexis, Ill., in place of G. A. Porter, removed.

Carl E. Heideman, Algonquin, Ill., in place of M. W. Struwing, removed.

Samuel W. Goers, Altamont, Ill., in place of J. G. Rehwald, retired.

James Haney, Arthur, Ill., in place of A. W. Eads, retired.

Gordon L. Smedley, Ashland, Ill., in place of Pearl Caswell, removed.

Arthur S. Petersen, Bensenville, Ill., in place of J. P. Bartholmey, transferred.

Earl F. Johnson, Buckley, Ill., in place of F. H. Asay, deceased.

Marjorie M. Herringer, Channahon, Ill., in place of M. S. Bordeaux, removed.

Frank Y. Mueller, Christopher, Ill., in place of D. C. Bacon, resigned.

Kenneth B. Westray, Clinton, Ill., in place of T. W. Cramer, resigned.

Robert N. Carson, Colchester, Ill., in place of J. R. Reynolds, retired.

Martin W. Daniels, Colfax, Ill., in place of H. W. Lorig, transferred.

Clyde C. Norton, Cordova, Ill., in place of A. J. Rogers, Jr., removed.

Colette C. Hynes, Crete, Ill., in place of G. S. Allen, resigned.

Francis J. Aydt, Dahlgren, Ill., in place of C. W. Karcher, deceased.

John E. Parker, Deer Creek, Ill., in place of H. R. Foster, retired.

Robert W. Miller, Du Quoin, Ill., in place of P. G. Barron, deceased.

Edward J. Kleen, Elmwood, Ill., in place of C. R. Bowers, retired.

Merle L. Miller, Fairview, Ill., in place of Earl Grimm, retired.

Milton H. Lacey, Farina, Ill., in place of M. W. Irish, removed.

Theron C. Tavenner, Freeport, Ill., in place of J. C. McKinstra, deceased.

Charles A. McDonald, Galesburg, Ill., in place of D. C. Beatty, retired.

Patricia Ann Higar, German Valley, Ill., in place of Edith Wieman, retired.

Harvey Ellet Calame, Godfrey, Ill., in place of Blanche Nelder, retired.

William M. Johnson, Granite City, Ill., in place of C. T. Heaton, removed.

Lester T. Peacock, Harvard, Ill., in place of D. E. Palmer, removed.

Leroy Davis, Harvel, Ill., in place of E. M. Watson, removed.

Floyd T. Huddleston, Hurst, Ill., in place of I. M. Pratt, transferred.

Bayard M. Wright, Lacon, Ill., in place of M. W. Dunn, removed.

Karl Max Hoover, Lovington, Ill., in place of J. F. Foster, resigned.

Wilbur M. Abel, Lowpoint, Ill., in place of P. V. Lancaster, resigned.

Roy E. Thomas, Marengo, Ill., in place of C. T. Carney, removed.

Paul O. Davis, Mason, Ill., in place of G. E. Ruffner, transferred.

William Harold McCreery, Mason City, Ill., in place of J. A. Peters, removed.

Robert G. Wheeler, Mill Shoals, Ill., in place of C. L. Quindry, transferred.

Joseph Knuth, Mount Prospect, Ill., in place of D. L. Besander, resigned.

Merlyn H. Reatherford, Moweaqua, Ill., in place of H. R. Richardson, removed.

Wesley H. Weihe, Nashville, Ill., in place of H. M. Fox, resigned.

Warren S. Plant, National Stock Yards, Ill., in place of G. F. Bennett, retired.

Donald L. Eilers, New Dougas, Ill., in place of L. R. Wall, retired.
Earl J. Thompson, O'Fallon, Ill., in place of J. L. Anheuser, resigned.
Gilbert H. Abraham, Orangeville, Ill., in place of E. M. Reeser, retired.
Elmer P. Hitter, Ottawa, Ill., in place of F. J. Mulholland, resigned.
John R. Simpson, Park Ridge, Ill., in place of M. E. Sullivan, retired.
Milo L. Pearson, Pleasant Hill, Ill., in place of Hallie Weir, retired.
Joseph E. Myers, Ramsey, Ill., in place of O. W. Hinton, removed.
George Harlin Sloan, Rankin, Ill., in place of R. H. Ryan, resigned.
Fred A. Lemm, Schiller Park, Ill., in place of H. E. Grom, removed.
Paul J. Michael, Somonauk, Ill., in place of E. P. Devine, retired.
William C. Regan, Stronghurst, Ill., Joseph Dixson, retired.
Harry W. King, Sycamore, Ill., in place of H. J. Winans, deceased.
Fred P. Campbell, Techny, Ill., in place of John Wacker, retired.
Clifford E. Vaughn, Tisilwa, Ill., in place of E. H. Reynolds, retired.
Clarence E. Harden, Tolono, Ill., in place of E. B. Strickland, retired.
Delbert R. Britt, Ullin, Ill., in place of Parke Burnham, removed.
Virden L. Peach, Walnut, Ill., in place of I. M. Lewis, retired.
James Ruzicka, Warrenville, Ill., in place of H. G. Sleep, retired.
William C. Kisselburg, Wauconda, Ill., in place of J. F. Carr, resigned.
Horace Roscoe Bradbury, West Point, Ill., in place of S. B. Gordon, retired.
Fred H. Oehler, Jr., Wilsonville, Ill., in place of Armand Rossi, deceased.
William A. Randles, Wolf Lake, Ill., in place of Dewey Coomes, removed.

INDIANA

Metellus G. Clay, Clear Creek, Ind., in place of Roy Decherd, retired.
Ernest D. Littler, Dunkirk, Ind., in place of J. A. Shrack, retired.
Marcus O. Lane, English, Ind., in place of Curtis Bennett, retired.
Walter A. Smith, Indianapolis, Ind., in place of G. J. Ress, retired.
Greta J. Dixon, Kentland, Ind., in place of A. M. Schuh, retired.
Wallace L. Gilmore, Michigan City, Ind., in place of H. W. Ohming, deceased.
Marjorie L. Van Dyke, Pimento, Ind., in place of Sylvia Liston, retired.
Vernice Dick Seward, Jr., Royal Center, Ind., in place of N. H. Minthorn, deceased.
Burton P. Smith, Warren, Ind., in place of J. A. Beavans, deceased.
Donald Eugene Greenburg, Wolcott, Ind., in place of M. A. Dismore, retired.

IOWA

Robert E. Shultz, Allison, Iowa, in place of S. B. Dailey, retired.
Louis E. Pfaff, Aurelia, Iowa, in place of M. C. Paulson, transferred.
George L. Beeler, Bellevue, Iowa, in place of G. M. Kueter, retired.
George E. Jenison, Belmond, Iowa, in place of J. C. Brady, transferred.
Herbert G. Martin, Clermont, Iowa, in place of G. P. Rounds, retired.
Maurice M. Neal, Dexter, Iowa, in place of J. E. McMenamin, removed.
Hollis E. Scott, Elkhart, Iowa, in place of E. F. Spratt, resigned.
Charles E. Powers, Exira, Iowa, in place of H. P. Hansen, Jr., resigned.
Charles H. Worsley, Farnhamville, Iowa, in place of E. H. Schnebel, retired.
Alexander W. Mihm, Fort Atkinson, Iowa, in place of J. J. Chekal, deceased.
Gerald J. Andersen, Gilmore City, Iowa, in place of E. E. Cox, transferred.
Russell H. Oviatt, Goldfield, Iowa, in place of G. G. Braden, deceased.
Rex C. Robinson, Hampton, Iowa, in place of M. J. McMahon, resigned.
Helen I. Stanger, Hopkinton, Iowa, in place of F. M. Wheeless, retired.
Emory A. Smith, Lakota, Iowa, in place of W. J. Leslie, retired.
Donald Lyle Youngers, Le Claire, Iowa, in place of W. A. Suiter, retired.
John N. Moore, Leon, Iowa, in place of Grover Hamilton, retired.
Clark M. Sexton, Oakville, Iowa, in place of G. W. Christianson, removed.
Joseph A. Nowatzke, Panama, Iowa, in place of C. M. Mischo, removed.
Clifton Lee Schmidt, Rockford, Iowa, in place of L. O. Smith, resigned.
Doris N. Hatheway, Sabula, Iowa, in place of H. A. Mohr, resigned.
Earl E. Cowden, Sidney, Iowa, in place of E. C. Mahler, resigned.
Eugene M. Clark, Stockport, Iowa, in place of H. E. Smith, transferred.

KANSAS

Charles E. Brown, Glasco, Kans., in place of C. E. Schneider, deceased.
Helen G. Lacy, Humboldt, Kans., in place of E. M. McGinity, retired.
Jacob C. Gaeddert, Inman, Kans., in place of J. F. Lambert, transferred.
Henry Michel, Lakin, Kans., in place of W. P. Halloran, resigned.
Elery N. Stevens, Lane, Kans., in place of F. B. Martin, retired.
Mabelle E. Mettling, Lewis, Kans., in place of H. R. Craft, deceased.
Arline D. Wright, Maple Hill, Kans., in place of S. J. Jones, retired.
Lowell E. Sohm, Otis, Kans., in place of Edison Brack, transferred.
John M. Hampton, Parker, Kans., in place of W. R. Dysart, retired.
Harold B. Vernon, Simpson, Kans., in place of Philip Louthan, retired.
Glen G. Shook, Virgil, Kans., in place of O. D. Allis, retired.

KENTUCKY

Guy Samuels, Baxter, Ky., in place of E. P. Leger, resigned.
David Combs, Bulan, Ky., in place of Estill Hurt, retired.
Escar O. Coe, Burkesville, Ky., in place of J. G. Talbot, resigned.
James G. Smith, Burlington, Ky., in place of Newton Sullivan, retired.
Clark N. Scott, Crab Orchard, Ky., in place of W. H. Pettus, resigned.
Kendall L. Alexander, Crofton, Ky., in place of D. S. Mitchell, resigned.
Robert H. Eckler, Dry Ridge, Ky., in place of F. E. Thomas, resigned.
Velma L. Lane, Flatwoods, Ky., in place of Nancy Clark, retired.
Roy C. Lutes, Florence, Ky., in place of L. L. Aylor, deceased.
James Wayne Hargan, Fort Knox, Ky., in place of S. H. Jones, deceased.
Orville Edwards, Gravel Switch, Ky., in place of R. O. Harmon, retired.
Frank L. Coldiron, Greenup, Ky., in place of R. B. Forsythe, resigned.
John C. Hicks, Hindman, Ky., in place of O. M. Sturgill, removed.
William H. Cecil, Lexington, Ky., in place of R. F. Williams, deceased.
Arnel C. Taylor, Livingston, Ky., in place of D. E. Pike, resigned.
Mattie F. Cole, Louellen, Ky., in place of M. B. Vaughn, retired.
Clarence B. Howard, Loyall, Ky., in place of H. F. Saulinas, resigned.
Pauline M. Collins, Lynch, Ky., in place of O. A. Brannon, resigned.
Alva H. Kelley, Madisonville, Ky., in place of J. D. Shain, retired.
Acton R. Anderson, Mayfield, Ky., in place of P. R. Brown, deceased.
Edward L. Arterburn, Park City, Ky., in place of R. E. Doyle, removed.
Grant Phillips, Jr., Pikeville, Ky., in place of Milton Tackett, deceased.
Mae A. Edwards, Prospect, Ky., in place of T. M. Murray, removed.
Paul D. Fowler, St. Mary, Ky., in place of W. R. Logsdon, retired.
Charles M. Carter, Jr., Scottsville, Ky., in place of J. P. Dodson, deceased.
Milburn L. Ireland, Sonora, Ky., in place of T. B. Terry, deceased.
Norma L. Rich, Uniontown, Ky., in place of M. C. Greenwell, retired.
Joseph K. Burton, Utica, Ky., in place of John Howard, removed.
Mervyn E. Allen, Vine Grove, Ky., in place of J. A. Gross, retired.

LOUISIANA

Laurence M. Carmadelle, Barataria, La., in place of Marie Carmadelle, deceased.
Effie E. Bickham, Blanchard, La., in place of K. S. Doggett, retired.
Lottie E. Viguerie, Charenton, La., in place of E. V. Delhaye, retired.
John N. F. Martin, Kenner, La., in place of H. E. Benefiel, retired.
Michael J. Byrne, Marrero, La., in place of L. A. Dubreuil, resigned.
William Caldwell Fisher, Morrow, La., in place of J. E. Hicks, resigned.
James H. Smith, Newllano, La., in place of E. O. Joynes, removed.
Homer M. Delacroix, Jr., Plaquemine, La., in place of R. E. Daigre, removed.
Carey O. Fairbanks, Sicily Island, La., in place of H. T. Young, resigned.
Homer B. Roark, West Monroe, La., in place of O. W. Boyd, Jr., transferred.

MAINE

Wilbur F. Moulton, Limerick, Maine, in place of A. H. Carpenter, retired.
Willis J. Gates, Millinocket, Maine, in place of G. J. Jones, retired.
Robert H. Morse, Old Orchard Beach, Maine, in place of J. H. McSweeney, deceased.
Paul C. Shaver, Stockton Springs, Maine, in place of C. M. Colcord, retired.
Richmond S. Hooper, York, Maine, in place of E. C. Bridges, retired.

MARYLAND

Gertrude E. Grabis, Bryans Road, Md., in place of R. C. Murphy, removed.
James F. Wallace, Jr., Easton, Md., in place of E. H. Bray, retired.
Maurice Anderson Spalding, Gaithersburg, Md., in place of C. G. Griffith, removed.
Edgar Marine Belt, Hampstead, Md., in place of J. W. Murray, retired.
William C. Coakley, Havre de Grace, Md., in place of J. A. Currier, retired.
Samuel Ahmuty, Jr., Odenton, Md., in place of W. L. Donaldson, retired.

MASSACHUSETTS

Norma G. Scothorne, Accord, Mass., in place of C. W. Robinson, retired.
Beatrice M. O'Brien, Ballard Vale, Mass., in place of R. E. O'Brien, deceased.
Albert Foster, East Freetown, Mass., in place of A. G. Sharrock, retired.
Carl H. Carlson, Franklin, Mass., in place of M. J. Costello, retired.
Merle L. Hunt, Hudson, Mass., in place of L. B. Corcoran, deceased.
James E. Elphinstone, Ludlow, Mass., in place of Hormisdas Boucher, retired.
Carroll A. Strysko, Montague, Mass., in place of D. J. Newton, retired.
Albert C. Coltin, Newburyport, Mass., in place of W. L. Randall, retired.
Raymond H. Allen, North Grafton, Mass., in place of James Connaughton, retired.
Norman V. Joyal, North Oxford, Mass., in place of William Bacon, deceased.
Jean T. Nelson, Ocean Bluff, Mass., in place of C. G. Starratt, retired.
John Wesley Warren, Sheffield, Mass., in place of J. G. Cassidy, retired.

MICHIGAN

Earl M. Halsey, Alma, Mich., in place of C. B. Dabney, deceased.

Marian G. Decker, Auburn Heights, Mich., in place of W. B. Horsey, retired.
Francis C. Fuller, Avoca, Mich., in place of E. B. Knisley, retired.
Alton C. Britton, Battle Creek, Mich., in place of J. O. Curry, retired.
Jeanette J. Reider, Big Bay, Mich., in place of W. R. Shortridge, resigned.
Roland W. Reese, Birmingham, Mich., in place of B. E. Fowler, removed.
John Alfred Bosworth, Brighton, Mich., in place of G. E. Pitkin, deceased.
Marie Norris, Casnovia, Mich., in place of R. G. Hayward, retired.
Owen A. Kern, East Detroit, Mich., in place of F. W. Schroeder, deceased.
DeRossa A. Essex, Essexville, Mich., in place of J. C. White, resigned.
Harold W. Bobb, Genesee, Mich., in place of M. E. Bobb, resigned.
Charles H. Hinman, Hastings, Mich., in place of R. G. Hubbard, retired.
Clarence L. Meredith, Hudson, Mich., in place of J. N. Mulvenna, retired.
John W. Van Eck, Kalamazoo, Mich., in place of Walter Schanz, removed.
Bert O. Hobolth, Keego Harbor, Mich., in place of P. P. Quinlan, retired.
Elizabeth M. Smith, Lennon, Mich., in place of M. E. McMichael, retired.
George D. Smith, Morenci, Mich., in place of H. F. Clark, resigned.
Russell J. Strazzulla, Newport, Mich., in place of T. V. Manor, transferred.
Leslie H. Dean, Sr., Pontiac, Mich., in place of G. L. Stockwell, retired.
William L. Osborne, Prescott, Mich., in place of B. O. Gillies, deceased.
Nellie J. Morrison, Rapid City, Mich., in place of C. K. Guy, removed.
Grant D. Maudlin, Royal Oak, Mich., in place of B. S. Trace, resigned.
Benedict A. Hunsanger, Ruth, Mich., in place of M. A. Zinger, retired.
George P. Donner, Jr., Spring Lake, Mich., in place of W. A. Hammond, deceased.
Chester J. Orr, Standish, Mich., in place of A. M. Rokosz, removed.
Harold J. Hawkins, Wayland, Mich., in place of M. R. Ehle, removed.
Earl L. Gay, Williamsburg, Mich., in place of H. E. Pray, transferred.

MINNESOTA

Homer D. Little, Appleton, Minn., in place of G. E. McGowan, deceased.
Robert P. Clark, Cromwell, Minn., in place of Elizabeth Wright, retired.
Dexter N. Femling, Dent, Minn., in place of O. H. Voigt, retired.
William D. Cook, Farmington, Minn., in place of E. C. Feely, deceased.
Maurice J. Wenker, Freeport, Minn., in place of G. F. Ostendorf, transferred.
Charles A. Lukens, Hadley, Minn., in place of C. R. Solter, removed.
Kent S. Bigbee, Jeffers, Minn., in place of M. L. Sweeney, retired.
Charles H. Bordwell, Keewatin, Minn., in place of O. A. Olson, retired.
Irvin L. Yeiter, La Crescent, Minn., in place of H. W. Wolfe, retired.
Paul R. Norby, Mabel, Minn., in place of P. H. Riede, removed.
Alvord J. Ellingboe, Paynesville, Minn., in place of G. J. Andrews, retired.
William R. Marx, Preston, Minn., in place of J. F. Meighen, removed.
Alvord J. Dammann, Sanborn, Minn., in place of H. E. Kent, retired.
Harold C. Olson, Two Harbors, Minn., in place of J. M. Lambert, retired.
Duane J. Davis, Verndale, Minn., in place of F. J. Lepper, transferred.
John D. Mellinger, Warba, Minn., in place of A. V. Erlandson, retired.
Sidney M. Anderson, Winger, Minn., in place of A. C. Jensen, deceased.
Chauncey B. Erwin, Winona, Minn., in place of L. L. Bronk, retired.

MISSISSIPPI

James A. Fellows, McComb, Miss., in place of A. H. Jones, retired.
Ethelyn B. Weldy, McLain, Miss., in place of S. M. Lewis, retired.
Euree J. Grantham, Mendenhall, Miss., in place of H. W. Mangum, removed.
Herman Alexander Smith, Ripley, Miss., in place of W. F. Henson, retired.
Rufus A. Ware, Stringer, Miss., in place of J. G. Ishee, retired.

MISSOURI

Linnie O. Stemmons, Avilla, Mo., in place of Grace Kissinger, retired.
Alfred C. Kennedy, Avondale, Mo., in place of H. L. Cross, resigned.
Winston H. Watt, Bosworth, Mo., in place of Teddy Couch, transferred.
Narvol A. Randol, Cape Girardeau, Mo., in place of N. M. Snider, deceased.
Lessie H. Bray, Clarksdale, Mo., in place of D. M. Barrow, retired.
Curtis M. Cook, Festus, Mo., in place of R. F. Irvin, removed.
John R. Smith, Jameson, Mo., in place of M. H. Reed, retired.
Charles F. Hern, Jasper, Mo., in place of A. M. May, resigned.
Irene A. Escoffier, Kimmswick, Mo., in place of W. R. Doss, retired.
Hollis N. Hartley, Lee's Summit, Mo., in place of J. F. Stevenson, retired.
Arthur Williams, New Bloomfield, Mo., in place of O. W. Craighead, retired.
Harry F. Rickhoff, New Florence, Mo., in place of W. G. Nunnelly, retired.
Delvan M. Mahurin, Novinger, Mo., in place of G. W. Daniels, retired.
Walter C. Raynes, Odessa, Mo., in place of A. W. Jeffries, transferred.
Joseph A. Wallenburn, Otterville, Mo., in place of J. H. Parsons, removed.
Herbert L. Schlattman, Perryville, Mo., in place of B. G. Griffith, retired.
Raymond M. Vollmar, Raymondville, Mo., in place of C. B. Hardin, resigned.
Robert E. Nichols, Seymour, Mo., in place of Raymond Carrick, transferred.
Charles I. Snodgrass, Tuscumbia, Mo., in place of C. O. Brockman, removed.
Roscoe G. Smith, Wellsville, Mo., in place of Fred Blattner, Jr., retired.

MONTANA

James P. Graham, Columbus, Mont., in place of P. F. Morrison, retired.
Lewis R. Knox, Helena, Mont., in place of J. R. Wine, deceased.
Elizabeth L. Calvert, Lima, Mont., in place of O. M. Cantrell, resigned.

NEBRASKA

Wayne A. Shaneyfelt, Aurora, Nebr., in place of C. J. Wright, removed.
Jack K. Pugh, Bradshaw, Nebr., in place of L. M. Kennedy, deceased.
Lloyd E. Scheer, Cook, Nebr., in place of E. D. Lipps, resigned.
Eugene L. Tarr, Gothenburg, Nebr., in place of C. R. Frasier, retired.
Wilmer R. McConnell, Imperial, Nebr., in place of C. C. Colbert, retired.
Gerald E. Brown, Kenesaw, Nebr., in place of C. L. Schunk, retired.
Lawrence L. Valentine, McCool Junction, Nebr., in place of R. L. Reinhart, retired.
Elmer E. Kasper, Prague, Nebr., in place of A. E. Kaspar, retired.

NEVADA

James Donald Morrison, Eureka, Nev., in place of J. V. Hooper, removed.
Frank M. Compston, Jr., Yerington, Nev., in place of H. W. Mildren, resigned.

NEW HAMPSHIRE

Rene R. Heroux, Berlin, N. H., in place of E. J. King, retired.
Lauretta L. Sumner, Grasmere, N. H., in place of B. L. Swett, deceased.
Carrie S. McDonald, Harrisville, N. H., in place of R. L. Alexander, retired.
Allan D. Towers, Lincoln, N. H., in place of S. F. Downing, retired.

NEW JERSEY

Elmer Stanton Holmes, Jr., Avalon, N. J., in place of M. F. Locke, declined.
George W. Schuyler, Clinton, N. J., in place of Nelson Pickel, deceased.
Moses N. Strader, Newton, N. J., in place of W. J. Morris, retired.
Elizabeth K. Simpson, Saddle River, N. J., in place of K. B. Donohue, retired.
Holloway W. Case, Sussex, N. J., in place of Harold Wilson, deceased.

NEW MEXICO

John R. Goddard, El Rito, N. Mex., in place of D. M. Chavez, retired.
Edward M. Berardinelli, Santa Fe, N. Mex., in place of A. F. Martinez, removed.

NEW YORK

Peter Hillen, Jr., Amityville, N. Y., in place of T. L. Wardle, deceased.
Howard E. Guinnip, Angelica, N. Y., in place of F. K. Jude, retired.
Reginald A. Erick, Angola, N. Y., in place of F. V. Wiatrowski, retired.
Patrick L. Agnano, Ardsley, N. Y., in place of M. T. Goehren, retired.
Gaetano Pavone, Bear Mountain, N. Y., in place of T. F. Reilly, retired.
Florence M. Drankhan, Boston, N. Y., in place of S. H. Dye, retired.
Herbert Improte, Centereach, N. Y., in place of A. V. Herron, resigned.
John Wesley Sinnickson, Center Moriches, N. Y., in place of T. E. Havens, resigned.
Irwin H. Dent, Davenport, N. Y., in place of C. A. Fisher, retired.
Amelia L. Donovan, Forestport, N. Y., in place of M. A. Murphy, retired.
Ralph L. Marshall, Freeport, N. Y., in place of E. A. Rice, retired.
Fred A. Griffin, Holtsville, N. Y., in place of W. L. Lester, removed.
Walter J. Beattie, Lake Luzerne, N. Y., in place of E. F. Sebald, retired.
James H. Graham, Levittown, N. Y. Office established July 1, 1952.
Horace E. Wadsworth, Nyack, N. Y., in place of W. F. McNichol, retired.
Richard Charles Rutland, Olcott, N. Y., in place of M. I. McKernan, resigned.
Russell A. Southard, Otego, N. Y., in place of D. L. Palmer, retired.
Joseph Huber, Rockville Centre, N. Y., in place of W. J. Murray, resigned.
Wesley H. Kline, Sanborn, N. Y., in place of M. A. Barber, retired.
Helen S. Record, Sherburne, N. Y., in place of E. H. O'Connor, retired.
Viola M. Comstock, Sodus Point, N. Y., in place of J. M. Garlock, retired.
Roy E. Hodges, Spencer, N. Y., in place of H. F. Zimmer, transferred.
Edmon L. Sowers, Thiells, N. Y., in place of Walter Stanhope, retired.
Beatrice V. Conway, Warners, N. Y., in place of A. M. Isbell, retired.
Edna H. Purcell, Waterloo, N. Y., in place of J. F. Marshall, resigned.

NORTH CAROLINA

Edward Leroy Hobby, Apex, N. C., in place of T. B. Miller, retired.
Guy E. Snyder, Bakersville, N. C., in place of J. F. Greene, resigned.
Lyle B. Cook, Boone, N. C., in place of J. E. Brown, Jr., removed.
Clarence W. Burrell, Canton, N. C., in place of W. C. Hill, retired.
Lala C. Shell, Elk Park, N. C., in place of B. H. Winters, retired.
Burl L. Orr, Fontana Dam, N. C., in place of B. Q. Cable, transferred.
Walter L. York, High Point, N. C., in place of S. C. Clark, retired.
William Oliver Keller, Lake Lure, N. C., in place of E. S. Holliman, resigned.
Robert Duke Tutterow, Mocksville, N. C., in place of Daisy Holthouser, transferred.

John Clyde Garrison, Morganton, N. C., in place of M. B. Kibler, retired.
Vernon W. Taylor, Oxford, N. C., in place of J. A. Williams, retired.
LeRoy A. Self, Pittsboro, N. C., in place of W. L. Farrell, removed.
Coy S. Lewis, Jr., Robbins, N. C., in place of G. E. Walker, deceased.
John H. Norton, Stony Point, N. C., in place of D. F. Cockrell, removed.
Marvin W. Thomas, Trenton, N. C., in place of G. C. Herritage, retired.
Nancy C. Harris, Wake Forest, N. C., in place of J. R. Wiggins, retired.
Enos R. Boyd, Waynesville, N. C., in place of J. H. Howell, retired.
Howell W. Ratcliff, Weaverville, N. C., in place of Kate Reagan, retired.
Josiah A. Maultsby, Jr., Whiteville, N. C., in place of A. E. Powell, retired.
Julius C. Vogt, Wilson, N. C., in place of G. T. Fulghum, retired.

NORTH DAKOTA

Pearl E. Taylor, Alexander, N. Dak., in place of B. K. Jenner, removed.
Agnes E. Butts, Big Bend, N. Dak., in place of A. J. Irwin, resigned.
Anna E. Schlabach, Driscoll, N. Dak., in place of A. M. Bruschwein, retired.
LeRoy B. Wentz, Elgin, N. Dak., in place of M. C. Rausch, retired.
Norman J. Dahl, Hillsboro, N. Dak., in place of F. O. Johnson, retired.
Mildred L. Knudsen, Marion, N. Dak., in place of Cleo Flugga, transferred.
Orris K. Rowe, New Leipzig, N. Dak., in place of H. T. Storm, deceased.
Floyd I. Ferguson, Oakes, N. Dak., in place of F. A. Gallagher, deceased.
Harold D. Walland, Rugby, N. Dak., in place of N. O. Knutson, removed.
Harold W. Bachman, Streeter, N. Dak., in place of Paul Kietzke, deceased.
Robert G. Brown, Wimbledon, N. Dak., in place of L. E. Peterson, resigned.

OHIO

Helen E. Smith, Adelphi, Ohio, in place of M. L. Neff, deceased.
Richard J. Gamble, Alliance, Ohio, in place of C. A. Richard, resigned.
Dorothy S. Hagelberger, Anna, Ohio, in place of W. D. Day, transferred.
Smith B. Applegarth, Barton, Ohio, in place of M. I. Timko, resigned.
Harry M. Hollerbach, Batavia, Ohio, in place of C. S. Coyle, deceased.
Earl A .Smith, Berlin Center, Ohio, in place of N. S. McConnell, deceased.
James R. Glass, Chesterhill, Ohio, in place of Hettie Woodward, retired.
John Clifton Richards, Delaware, Ohio, in place of D. R. Reider, deceased.
Robert E. Trout, Edison, Ohio, in place of I. S. Winget, retired.
Nicholas W. Smith, Elyria, Ohio, in place of W. H. Jene, deceased.
Mary E. Ayres, Goshen, Ohio, in place of N. B. Irwin, resigned.
John Benson Davis, Ironton, Ohio, in place of C. L. Collett, removed.
Roland M. Dorr, Kensington, Ohio, in place of H. J. Swearingen, retired.
Oliver Wolcott, Kent, Ohio, in place of L. A. Bietz, deceased.
Robert J. House, Killbuck, Ohio, in place of M. E. Croul, resigned.
Ernest L. McConnell, Kirkersville, Ohio, in place of Harry Clark, retired.
John W. Meadows, Lucasville, Ohio, in place of N. C. Schleinhege, deceased.
Arthur R. Miller, Madison, Ohio, in place of D. M. D. Waterman, transferred.
Ralph M. Hardy, Mansfield, Ohio, in place of C. L. Ford, removed.
Bernard W. Ifland, Metamora, Ohio, in place of W. C. Simon, removed.
Glen W. Duffy, Morristown, Ohio, in place of Lawrence Buffington, retired.
Harry E. Bricker, Negley, Ohio, in place of V. M. Murphy, deceased.
Samuel H. Wolf, New Paris, Ohio, in place of M. C. Melody, retired.
Albert F. Warnecke, Ottoville, Ohio, in place of A. M. Wannemacher, retired.
Murry N. Johnson, Pataskala, Ohio, in place of P. D. Tussing, resigned.
Margaret L. Hess, Petersburg, Ohio, in place of K. S. Schiller, retired.
John F. Crawford, Sardinia, Ohio, in place of R. M. Cartwright, transferred.
Virgil O. Hutchison, Smithville, Ohio, in place of F. W. Brown, deceased.
William O. Ochsner, Strongsville, Ohio, in place of N. C. Juchum, resigned.
Richard A. Campbell, Sylvania, Ohio, in place of E. T. Brighton, retired.
Phillip H. Gifford, Urbana, Ohio, in place of W. A. Strapp, deceased.
William Paul Wilcoxon, Uhrichsville, Ohio, in place of George Wiest, retired.
Edward J. Oswald, Unionport, Ohio, in place of R. H. Davis, deceased.
Seth W. Huntley, Vinton, Ohio, in place of Ermel Ward, removed.
Harold D. Brenneman, Warsaw, Ohio, in place of G. C. Speckman, retired.
Clark Wickensimer, Washington Court House, Ohio, in place of W. E. Passmore, deceased.
Everett J. Pearson, West Milton, Ohio, in place of W. A. Markley, resigned.

OKLAHOMA

Hobart F. R. Higdon, Avant, Okla., in place of E. V. Hamrick, deceased.
Ernest H. Armstrong, Baker, Okla., in place of R. W. Sellers, deceased.
Reuben Bailey Strong, Clinton, Okla., in place of G. F. Smith, deceased.
Grady V. Duncan, Durant, Okla., in place of B. W. Johnson, deceased.
Julius R. Griffith, Kinta, Okla., in place of R. L. Cummings, resigned.
Glenn M. Moore, Morris, Okla., in place of C. W. Jeffress, removed.
Edward E. Easton, Muskogee, Okla., in place of Harold Cartwright, resigned.
James F. Houser, Jr., Newkirk, Okla., in place of E. C. Lucas, transferred.
Carson Scott, Okmulgee, Okla., in place of H. B. Torbett, removed.
Randolph H. Grinstead, Pawhuska, Okla., in place of R. J. Morrow, retired.
Isaac L. Thomson, Valliant, Okla., in place of A. M. Mills, resigned.

OREGON

Neil L. Morfitt, Astoria, Oreg., in place of E. P. Burke, retired.
Francis L. Norton, Blachly, Oreg., in place of G. J. Pritchard, resigned.
Clarence A. Christianson, Cornelius, Oreg., in place of F. J. Dooher, deceased.
Lyle B. Dannen, Halsey, Oreg., in place of J. W. Drinkard, retired.
Myrtle E. Gibbs, Long Creek, Oreg., in place of R. E. Piquet, declined.
Ruth E. McLeod, Maupin, Oreg., in place of D. E. Miller, deceased.
George H. Carl, Oswego, Oreg., in place of M. B. Fievez, removed.
Wayne E. Dexter, Scappoose, Oreg., in place of J. J. Sheel, resigned.

PENNSYLVANIA

James W. Daubert, Allentown, Pa., in place of H. K. Bauman, deceased.
Evart L. Ervin, Beaver, Pa., in place of J. P. Bryan, retired.
Walter F. Rhine, Canonsburg, Pa., in place of S. J. Bondi, removed.
Mark D. Reber, Centerport, Pa., in place of R. P. Rentschler, retired.
Louis Hertzog, Delmont, Pa., in place of A. L. Leonard, removed.
Lyle T. Streeter, Easton, Pa., in place of H. C. Schultz, retired.
James W. Hutchison, Elizabeth, Pa., in place of E. E. Hall, retired.
Leo A. Patterson, Homestead, Pa., in place of E. P. Lawlor, deceased.
Henry Vance Raab, Horsham, Pa., in place of W. S. Knipe, resigned.
Clayton E. Hollinger, Lebanon, Pa., in place of D. E. Walter, removed.
Robert S. McGaughey, Luthersburg, Pa., in place of Carl Seyler, retired.
Francis E. Redding, McSherrystown, Pa., in place of J. K. Lapham, removed.
Charles S. Glisan, Markleysburg, Pa., in place of A. T. Seese, retired.
Bruce B. DeLong, Mertztown, Pa., in place of E. F. Fox, retired.
Wilbur M. Hall, Montgomery, Pa., in place of R. D. H. Hagenbuch, retired.
Elmer L. Zerphey, Mount Joy, Pa., in place of C. J. Bennett, Jr., resigned.
Robert W. Stahl, Mount Pleasant, Pa., in place of Clark Queer, resigned.
C. Lyman Sturgis, Uniontown, Pa., in place of J. A. Reilly, removed.
Mary E. Reagle, Wheatland, Pa., in place of R. E. Haney, retired.

PUERTO RICO

Carmen T. Alvarez Fuentes, Guaynabo, P. R., in place of Pedro Alvarez, deceased.
Rafael Rexach-Rexach, Rio Grande, P. R., in place of P. R. de Rexach, retired.

SOUTH CAROLINA

Nellie E. Hodge, Alcolu, S. C., in place of W. D. Hodge, removed.
William E. Barmore, Donalds, S. C., in place of P. M. Davis, retired.

SOUTH DAKOTA

Winfield T. Wilt, Mitchell, S. Dak., in place of T. F. Callan, removed.
Helen Olvia Putnam, Quinn, S. Dak., in place of Knute Tennyson, removed.

TENNESSEE

Jim N. Bone, Cumberland Furnace, Tenn., in place of E. L. Smith, deceased.
Betty L. Milton, Duff, Tenn., in place of E. A. Thornton, removed.
Robert I. Taylor, Jr., Dyersburg, Tenn., in place of R. R. Jones, transferred.
William C. Ashworth, Franklin, Tenn., in place of J. A. Jordan, deceased.
Ernest Neil Muzzall, Henry, Tenn., in place of M. B. Curry, transferred.
Paul R. Ledbetter, Obio, Tenn., in place of H. B. Fox, deceased.
Mable F. Harlow, Pulaski, Tenn,. in place of Ross Bass, resigned.
Cordie L. Majors, Ramer, Tenn., in place of J. E. Barnes, retired.

TEXAS

Harlan B. Pitchford, Avinger, Tex., in place of M. L. Felker, retired.
Joyce M. Procknow, Benbrook, Tex., in place of S. L. Moore, deceased.
Jack D. Cheek, Bullard, Tex., in place of O. L. Ferrell, retired.
Spencer H. Mayes, Graham, Tex., in place of W. E. Simpson, removed.
Donald J. Laughlin, Groves, Tex., in place of G. P. Stegall, resigned.
Emory D. Ester, Jr., Hawkins, Tex., in place of H. E. Minshew, removed.
Charles W. Ford, McGregor, Tex., in place of J. F. Bennett, Jr., transferred.
Faye H. Traylor, New Waverly, Tex., in place of Mae Whitley, resigned.
Charles C. Fair, Odessa, Tex., in place of W. T. Henderson, retired.
Frank M. Sutter, Pasadena, Tex., in place of C. T. Coolidge, retired.
Lester J. Fuzzell, Placedo, Tex., in place of S. R. Smajstrla, resigned.
Allie Cayard, Port Neches, Tex., in place of B. C. Howell, deceased.
William W. Schulz, Schertz, Tex., in place of G. J. Bolton, retired.
Robert W. Davis, Texas City, Tex., in place of R. J. Meskill, retired.
Donald L. Morrison, Throckmorton, Tex., in place of K. B. Daws, transferred.
Ila Mae Bullion, Truscott, Tex., in place of J. P. Bullion, declined.
R. T. Savage, Wellington, Tex., in place of R. F. Curry, retired.

UTAH

Glen Vern Blonquist, Coalville, Utah, in place of L. C. Sargent, retired.

Charles Norman Baxter, Milford, Utah, in place of Rudolph Nielson, retired.

Clark E. Blake, St. George, Utah, in place of M. C. Crandall, transferred.

VERMONT

Perley C. Brainerd, Bradford, Vt., in place of F. E. Allen, resigned.

Roy H. Jarvis, Grafton, Vt., in place of A. M. David, retired.

Ralph S. Nealy, Jericho, Vt., in place of J. C. Nolin, retired.

Kenneth H. Neill, Johnson, Vt., in place of C. L. Bishop, deceased.

Ballou L. Towne, Morrisville, Vt., in place of D. J. Wakefield, transferred.

Alice P. Waterman, North Thetford, Vt., in place of E. R. Winslow, retired.

VIRGINIA

Merrel M. Nash, Jr., Bayside, Va., in place of J. A. Mills, removed.

Sarah C. Russo, Beaverdam, Va., in place of L. J. Taylor, removed.

Mary G. Arnold, Bishop, Va., in place of M. C. Crockett, removed.

Emerson N. Lamb, Blue Ridge, Va., in place of M. Z. Reynolds, removed.

Radford C. Montgomery, Buchanan, Va., in place of O. H. Brewbaker, retired.

Ivan L. Potts, Colonial Heights, Va. Office established June 16, 1952.

R. Frazier Smith, Jr., Covington, Va., in place of T. B. McCaleb, deceased.

Daniel Jackson Kilby, Culpeper, Va., in place of R. G. Roberts, retired.

Ray W. Redd, Draper, Va., in place of C. H. Owens, resigned.

Inez P. Richardson, Fentress, Va., in place of A. L. Humphries, resigned.

Thomas E. Caldwell, Fincastle, Va., in place of A. G. Simmons, retired.

Harry G. Penley, Gate City, Va., in place of H. B. Quillen, Jr., resigned.

Allen S. Trevvett, Glenallen, Va., in place of B. P. Didlake, resigned.

Virginia G. Kiser, Grundy, Va., in place of P. V. Dennis, Jr., resigned.

Harry H. Kimberly, Jr., Hampton, Va., in place of H. C. Horseman, retired.

Charles N. Wysor, Honaker, Va., in place of L. J. Sample, resigned.

John H. Norris, Jr., Kinsale, Va., in place of R. L. Thrift, retired.

Robert H. Sipe, McGaheysville, Va., in place of D. L. Good, resigned.

Elna T. Gooding, Oakton, Va., in place of N. C. Loental, retired.

Fred M. Mullins, Pound, Va., in place of G. L. Robinson, retired.

Tecumseh S. Dalton, Pulaski, Va., in place of E. P. Whitman, retired.

Irving L. Wood, Ridgeway, Va., in place of L. N. Doyle, transferred.

Nancy E. Wood, Rock Castle, Va., in place of A. H. Giles, retired.

Joseph E. Bell, Smithfield, Va., in place of V. W. Joyner, deceased.

Francis A. Holdren, Vinton, Va., in place of L. M. Meador, removed.

Frank M. Taylor, Woodberry Forest, Va., in place of G. W. Marchant, resigned.

WASHINGTON

Fred S. Hughes, Clarkston, Wash., in place of A. W. Wilson, retired.

Mabel P. Rayback, Des Moines, Wash., in place of E. L. Baker, retired.

Dean W. Larimore, Granger, Wash., in place of W. I. Peterson, retired.

John H. Bonus, Klickitat, Wash., in place of G. D. Scofield, resigned.

Walter E. Soehl, La Center, Wash., in place of Edna Smith, retired.

Jack A. Middle, Mabton, Wash., in place of H. C. Smyth, deceased.

Calvin M. Langfield, Troutlake, Wash., in place of M. M. Aldahl, resigned.

Wanda G. Wyatt, Union, Wash., in place of H. G. Andersen, retired.

WEST VIRGINIA

Amanda C. Caldwell, Barnabus, W. Va., in place of N. R. Browning, resigned.

Elber O. Drake, Boomer, W. Va., in place of Sally Holliday, resigned.

Margaret Ann Arnold, Capels, W. Va., in place of J. W. Farris, resigned.

Dorothy R. Bland, Capon Springs, W. Va., in place of B. G. Brill, retired.

William H. Stepp, Chattaroy, W. Va., in place of T. J. Evans, retired.

Jesse J. Martin, Ethel, W. Va., in place of C. T. Lee, removed.

Martha W. Burdette, Glen Ferris, W. Va., in place of J. S. Knight, retired.

Loren A. Hoffman, Grafton, W. Va., in place of H. F. Courtney, deceased.

Edna Saxton, Handley, W. Va., in place of W. I. Shaver, resigned.

Mary Virginia Earman, Harpers Ferry, W. Va., in place of M. E. Marquette, retired.

John H. Wiseman, Hines, W. Va., in place of D. E. Pitzenbarger, removed.

William E. Eaton, Ivydale, W. Va., in place of M. D. Noe, resigned.

Florence D. Caldwell, Lookout, W. Va., in place of L. W. Merritt, resigned.

Buren R. Hill, Pineville, W. Va., in place of G. A. Brooks, resigned.

Lorraine D. Tennant, Pursgrove, W. Va., in place of Mabel Galeota, deceased.

Marshall H. Kirk, Red Jacket, W. Va., in place of W. A. Pollard, resigned.

James Denton Dinsmoor, St. Marys, W. Va., in place of O. C. Barkwill, retired.

Joseph A. Bolman, Shinnston, W. Va., in place of S. J. Martin, retired.

Edna L. Unger, Unger, W. Va., in place of P. R. Unger, deceased.

Jack G. Burnett, Whitesville, W. Va., in place of C. C. DuLowe, Jr., removed.

WISCONSIN

Myrtle Rautio, Amberg, Wis., in place of A. S. Port, retired.

Jean E. Herschleb, Arlington, Wis., in place of A. J. Karth, resigned.

Helen G. Klus, Armstrong Creek, Wis., in place of H. M. Gannon, retired.

Glenn W. Meyer, Birnamwood, Wis., in place of E. A. Koerner, transferred.

Martin N. Ross, Cambria, Wis., in place of A. G. Mohr, transferred.

Robert J. Antes, Evansville, Wis., in place of R. E. Reckord, retired.

Matilda J. Loden, Granville, Wis., in place of H. M. Pfeil, resigned.

Myles Clark, Mauston, Wis., in place of J. J. Steiner, retired.

John A. Wimme, Nelsonville, Wis., in place of A. J. Loberg, retired.

George W. Gessert, Plymouth, Wis., in place of G. E. Schuler, resigned.

Julius C. Sarafolean, Portage, Wis., in place of C. J. Rubin, deceased.

Earl E. Horn, Port Washington, Wis., in place of J. H. Biever, removed.

Felix F. Neider, Wabeno, Wis., in place of M. E. Lang, resigned.

WYOMING

Emilene A. Weisenberger, Bairoil, Wyo., in place of F. B. Smith, removed.

Virginia C. Bennion, Cokeville, Wyo., in place of V. L. Green, retired.

Priscilla Butwell, Frontier, Wyo., in place of S. S. Mackinen, resigned.

Dale E. Howery, LaGrange, Wyo., in place of W. R. Kirlin, retired.

Ruth Newbrough, Pavillion, Wyo., in place of E. G. Kirschbaum, retired.

Harold O. Jones, Saratoga, Wyo., in place of E. K. Peck, retired.

Harry L. Estes, Thermopolis, Wyo., in place of H. G. Murphy, deceased.

CONFIRMATIONS

Executive nominations confirmed by the Senate January 25 (legislative day, January 16), 1956:

DEPARTMENT OF STATE

Herbert V. Prochnow, of Illinois, to be Deputy Under Secretary of State.

Isaac W. Carpenter, Jr., of Nebraska, to be an Assistant Secretary of State.

DIPLOMATIC SERVICE

Thomas C. Mann, of Texas, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to El Salvador.

John D. Hickerson, of Texas, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Finland.

John J. Muccio, of Rhode Island, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Iceland.

Wiley T. Buchanan, Jr., of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Luxembourg.

Robert H. Thayer, of New York, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Rumania.

WORLD HEALTH ORGANIZATION

Dr. Frederick J. Brady, of Maryland, to be the representative of the United States of America, Executive Board of the World Health Organization.

UNITED STATES ADVISORY COMMISSION ON EDUCATIONAL EXCHANGE

The following-named persons to be members of the United States Advisory Commission on Educational Exchange for the term indicated, and until their successors have been appointed, and qualified:

Rufus H. Fitzgerald, of Pennsylvania, for a term of 3 years, expiring January 27, 1959 (reappointment).

Artuir A. Hauck, of Maine, for a term of 3 years, expiring January 27, 1950 (reappointment).

DIRECTOR, GEOLOGICAL SURVEY

Thomas B. Nolan, of Nevada, to be Director of the Geological Survey.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JANUARY 25, 1956

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Most merciful and gracious God, Thou art always willing and ready to hear and help all who come unto Thee with honest minds and humble hearts.

Make us eager to appropriate and worthy to receive the spiritual resources which Thou hast placed at our disposal.

Show us how we may be calm and courageous in a world that is shaken by storms and strife.

Inspire us with a faith that is faithful and brave enough to remain steadfast when the winds are contrary.

May we daily rededicate ourselves to the task of safeguarding those principles of righteousness and justice which will hallow and dignify the life of all mankind.

Hear us in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Ast, one of its clerks, announced that the Senate agrees to the amendment of the House to the amendments of the Senate to a bill of the House of the following title:

H. R. 1496. An act for the relief of Leong Ding Foon Quon and Ken C. Quon.

WHITE COUNTY BRIDGE COMMISSION

Mr. DENTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. DENTON. Mr. Speaker, I have today introduced a bill which would terminate the White County Bridge Commission and transfer its assets, liabilities, functions, and authority to the United States Commissioner of Public Roads.

Members will recall that on May 25 of last year the House, after some debate, approved a resolution creating a select committee which was directed to conduct an investigation of the finances of this federally established bridge commission and to ascertain when the toll bridge which it operates might become free of tolls.

This work has been carried forward by my two able colleagues the gentleman from Illinois [Mr. PRICE] and the gentleman from Illinois [Mr. SIMPSON], and myself, as members of the select committee. The first phase of its activities has been largely completed and the second phase of the select committee's work is under way. No conclusive statement by the committee as to its findings would be appropriate until this work has been completed and a report is prepared for the House.

But, for my own part, I think our study thus far has clearly shown a need for remedial legislation, and it is for that reason that I have introduced this bill today. Other legislation relating to this subject will be proposed by me at such time as it may appear to be warranted.

RELIEVE FARMERS FROM EXCISE TAX ON GASOLINE USED FOR AGRICULTURAL PURPOSES

Mr. MCCORMACK. Mr. Speaker, I ask unanimous consent that it be in order on Monday next for the Speaker to recognize the chairman of the Committee on Ways and Means, or any Member that the Chair might designate, to move to suspend the rules on the bill reported out of the Committee on Ways and Means to relieve farmers from the excise tax on gasoline used for agricultural purposes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

SMALL BUSINESS ACT OF 1953

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7871) to amend the Small Business Act of 1953, with Senate amendments thereto, disagree to the Senate amendments, and request a conference with the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. SPENCE, BROWN of Georgia, PATMAN, RAINS, WOLCOTT, GAMBLE, and TALLE.

EXEMPTING FARMERS FROM TAX ON GASOLINE USED IN AGRICULTURE

Mr. DOLLIVER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Iowa.

There was no objection.

Mr. DOLLIVER. Mr. Speaker, the unanimous-consent request which was just made by the genial majority leader of the House, namely, to provide for the consideration of the tax-exemption bill on gasoline used on farms by farmers, gives me a great deal of satisfaction.

President Eisenhower in his recent farm message advocated this measure. The House Committee on Agriculture unanimously endorsed it. And now the Ways and Means Committee has reported the bill and requested its consideration under a suspension of the rules. This indicates that the leadership of this House considers the bill sure of passage by at least a two-thirds vote.

This is a measure which I have advocated for a good many years. I introduced such a bill in the 83d Congress. I also introduced a similar bill in the 1st session of the 84th Congress. It is long overdue and should be passed unanimously under suspension of the rules on Monday.

Mr. TALLE. Mr. Speaker, will the gentleman yield?

Mr. DOLLIVER. I yield.

Mr. TALLE. Mr. Speaker, the gentleman from Iowa, my colleague [Mr. DOLLIVER], deserves a great deal of credit for the interest he has taken in this matter. Iowa farmers and their organizations have been supporting this measure eagerly for quite some time. I may say for myself that I have urged action eagerly, too, and will support the repeal measure wholeheartedly.

Mr. DOLLIVER. Mr. Speaker, farmers and farm organizations support it. It is only a matter of simple justice to make this bill the law of the land.

I believe most of the Representatives from the farm areas of the United States consider this as a measure which is of benefit to the farmers and that it should be passed without any question by this body.

THE LATE ARTHUR B. ROUSE

The SPEAKER. The Chair recognizes the gentleman from Kentucky [Mr. SPENCE].

Mr. SPENCE. Mr. Speaker, within the last hour I have heard with profound regret of the death last night of Hon. Arthur B. Rouse. For 16 years he represented the district in Kentucky which I now have the honor to represent. He was a Member of Congress from March 4, 1911, to March 3, 1927, when he decided not to seek reelection. Thereafter he was appointed clerk of the United States District Court for the Eastern District of Kentucky, where he served with distinction almost to the time of his death.

Arthur Rouse was greatly beloved by his people. He was a faithful, conscientious public servant and, no doubt, he could have remained in Congress as long as he desired. Because of his deep devotion to his family and his great interest in the education of his sons he desired to return to his home in Kentucky. I know the few Members now here who served with him will remember him with affection for he was a genial, companionable, and friendly gentleman. He was a good man and fulfilled his duties in every relationship in life. His Nation and his State are indebted to him for his long and faithful service. His wife and sons have lost a devoted husband and father. He was my friend and I feel a sense of personal loss. May the Lord's face shine upon him and give him peace.

Mr. Speaker, I ask unanimous consent that all Members may extend their remarks on the life and service of the late Arthur B. Rouse.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

THE LATE DR. FRANCIS E. FRONCZAK

Mr. RADWIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RADWAN. Mr. Speaker, in the closing days of the old year, Buffalo lost one of its most distinguished sons. Probably no other living resident of the Niagara frontier has ever had so full and varied a life. Dr. Francis E. Fronczak, first and foremost, won international recognition as one of the outstanding public-health authorities in the United States. But that only scratches the surface of his accomplishments. His contributions were so varied, his career so colorful, his influence so universal, that, documented as they are, they tax the credulity of mankind. Such a man passes through our midst rarely, and we in Buffalo are humbly grateful to have had him with us.

By vocation, Dr. Fronczak was a journalist, a doctor, a scientist, a lawyer, a

philosopher, a teacher, a soldier, a statesman, and a diplomat. Yet, his many diplomas did not remove from him a homespun simplicity and keen sense of humor which caused his books and countless papers to be widely read both here and abroad. This man truly possessed the common touch. In the field of public health, he pioneered in the treatment of alcoholism as a disease and championed many innovations in the field of tuberculosis, school nursing, and use of vaccines, to mention a few. But he will be best remembered as Buffalo's health commissioner under 9 separate mayors and 4 city charters.

Born in Buffalo in 1874, he was as early as 1902 recognized as a leader of the distinguished Polish community in that city. Dr. Fronczak's outstanding qualities as a civic leader and a humanitarian were just beginning, however. In 1914 he became president of the newly organized Central Relief Committee in this country to bring relief to war-stricken Poland. Shortly thereafter, his distinguished military career began when he became a major in the United States Army Medical Corps. While abroad, he was appointed by the Secretary of State to membership on the Polish National Committee in Paris, to represent the Poles in America. This committee represented Poland in the Council of the Allies, and Dr. Fronczak was designated director of the department of physical, moral, and material welfare of the Polish Army. He was also placed in charge of Polish war prisoners, refugees, expatriates, and orphans in France, Siberia, northern Russia, Morocco, Italy, Algeria, and England. He even served as ex officio member of the Cabinet of Premier Ignaz Paderewski, his close personal friend.

Although a medical officer, he saw action on several fronts, and was wounded and gassed at the Marne, and was designated to serve as one of the three members of the Council of War of the Polish Forces in France. Later, Dr. Fronczak was appointed a commissioner and medical advisor on the first American Red Cross Commission to Poland. In these assignments he devised many sweeping and revolutionary methods of ridding Poland of its unsanitary conditions and pestilence. On one such occasion he experienced an exciting episode in a life crowded with excitement. He was captured by the Bolsheviks, condemned to death at midnight, but rescued a few minutes before the fatal hour by a counterattacking Polish battalion. His outstanding contributions during this period brought Dr. Fronczak high honors, including knighthood in the French Legion of Honor, the French Croix de Guerre and Medaille Militaire, the Cross of Valor of Poland, the Gold Cross of Merit, Haller's Swords, the commander in the Order of Polonia Restituta, and others. In 1949 he received the papal decoration as a Knight of St. Gregory, and distinguished service citations from the American Public Health Association in 1950.

His awards and honors are far too numerous to list. Every chief executive of the United States from President McKinley to Franklin D. Roosevelt appointed this Buffalo doctor to represent his country as a public health specialist and delegate to national international congresses. In 1946 he became an official member of the Polish mission of the United Nations Relief and Rehabilitation Administration, as advisor in public health. In civic affairs, veterans' affairs, in the rehabilitation of displaced persons, his interest never waned. We in Buffalo are particularly grateful for his 81 colorful, vital, and creative years in our midst. His vision and his fearlessness in expounding new and untried ideas, his constant search for improvement of the welfare of the common man, his boundless energy and versatile talents—all of these place him among our Nation's truly great pioneers.

ATTACKS ON OUR PRINCIPLES OF GOVERNMENT BY GENERAL RIDGWAY

Mr. YOUNGER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. YOUNGER. Mr. Speaker, it seems to me that it is extremely unfortunate for a general of the Army to attack our principles of government, especially that portion of our constitutional system which places civilian control over the military.

General Ridgway certainly is entitled to his recommendations, which he undoubtedly made as Chief of Staff. He is entitled to differ with his Commander in Chief if he so wishes to set himself up as a better informed and more experienced soldier than the Commander in Chief.

But when he starts to tear down our system of civilian control in government he is going far afield and flying in the face of lessons learned throughout history by all free governments.

It is strange what three generations of West Point with its military life will do to the thinking of what otherwise might be a very solid citizen of a free civilian government.

I am reminded of the very sound advice given by Premier Clemenceau, the tiger of France, when he said: "War is too important to leave to the generals."

BANK PROXY LEGISLATION

Mr. MULTER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MULTER. Mr. Speaker, I am today introducing a bill to authorize the regulation of the solicitation of proxies in respect of securities issued by certain banks.

Nothing in existing law regulates the practice of procuring proxies in connection with the operation of the banks of the country. It is just as important that the solicitation of proxies of such institutions be regulated as the solicitation of proxies of publicly owned corporations.

Most bank stock is publicly owned. More important, however, banks are quasi-public institutions. Even though their relationship with their depositors is that of debtor and creditor, it bears the indicia of a high trust.

This type of legislation is particularly important when mergers and consolidations have become the order of the day.

GENERAL RIDGWAY

Mr. HAYS of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HAYS of Ohio. Mr. Speaker, I listened with interest to the gentleman from California [Mr. YOUNGER] talking about General Ridgway. As I heard him I wondered how he felt about it when the same kind of controversy arose over General MacArthur.

GENERAL RIDGWAY

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Speaker, in further reference to the controversy in connection with General Ridgway I must take diametric opposition to the gentleman from California [Mr. YOUNGER]. I am convinced because of these and other matters developing in the Defense Department appropriation hearings, that the time has come for this House to give very serious consideration to military legislation and to examine the advisability without delay of removing the Joint Chiefs of Staff from civilian jurisdiction, and have the Joint Chiefs report directly to the President. At the time the bill was passed we debated this joint but decided to try it out, but obviously it will not work and hence should be changed in the national interest.

HOME RULE FOR THE DISTRICT OF COLUMBIA

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. STAGGERS. Mr. Speaker, I know there is a great division of opinion on the statements of General Ridgway, but I would like to make a statement which I believe can be supported by Members on both sides of the aisle. In their platforms before the American people made in the last campaign both par-

ties promised home rule for the District of Columbia.

This morning I dropped a bill into the hopper providing just exactly what the platforms of both major parties promised to the District of Columbia: home rule. I call this to your attention for prompt action so that we can fulfill our promise to the residents of the District of Columbia.

Mr. YOUNGER. Mr. Speaker, may I have the privilege of addressing the House, my name having been mentioned?

The SPEAKER. No; not without unanimous consent of the House.

Mr. YOUNGER. Then, Mr. Speaker, I ask unanimous consent——

The SPEAKER. The Chair cannot recognize Members to speak for 1 minute more than once before the business of the day has been dispensed with. That has been the policy heretofore.

DISASTER ASSISTANCE

Mr. O'NEILL. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 388, and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for consideration of House Joint Resolution 471, to permit Federal Housing Administration title I repair assistance to new homes damaged by major disasters. After general debate, which shall be confined to the joint resolution, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the joint resolution shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the joint resolution for amendment, the Committee shall rise and report the joint resolution to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. O'NEILL. Mr. Speaker, House Resolution 388 will make in order the consideration of House Joint Resolution 471 to permit FHA title I repair assistance to new homes damaged by major disasters.

House Resolution 388 provides for an open rule and 1 hour of debate on House Joint Resolution 471.

This joint resolution provides for the removal of the present restriction preventing the use of title I insurance authority with respect to new residential structures which have not been occupied for at least 6 months, if such new residential structures are damaged by a disaster which the President has determined to be a major disaster under Public Law 875.

During the recent floods many new homes were damaged. The owners of these homes are precluded from obtaining title I insurance loans to finance repairs if they have not occupied their homes for longer than 6 months. If House Joint Resolution 471 is enacted, title I FHA insurance authority could be made available to assist the financing of repairs to both old and new homes in major disaster areas.

Mr. Speaker, I yield 30 minutes of my time to the gentleman from Illinois [Mr. ALLEN].

Mr. ALLEN of Illinois. Mr. Speaker, this House joint resolution has been reported unanimously by the Committee on Banking and Currency. I know of no objection to it and reserve the balance of my time.

Mr. O'NEILL. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of House Joint Resolution 471 to permit FHA title I repair assistance to new homes damaged by major disasters.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of House Joint Resolution 471, with Mr. MILLS in the chair.

The Clerk read the title of the House joint resolution.

By unanimous consent, the first reading of the House joint resolution was dispensed with.

Mr. SPENCE. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, the purposes of this resolution are so clear and obvious that it seems unnecessary to indulge in any lengthy discussion.

Title I of the National Housing Act provides that before an applicant may obtain a loan under that section the house must have been built and occupied for a period of 6 months.

This resolution does not repeal that section but merely gives the Administrator, when he thinks conditions justify, the opportunity to waive that requirement on houses in disaster areas. This resolution is largely the result of recent floods both on the east and west coasts where a large number of new houses have been devastated and where the owners are in great need for funds to repair these houses. Under the law now, unless an occupant had been in possession of the house and had occupied it for 6 months, the loan would not be obtainable. The reason for the enactment of this provision in the law is to prevent the borrower from resorting to title I to obtain funds for the first down payment. Under this resolution we are considering the great necessity of the people in disaster areas would justify the waiving of the 6-month provision. It would give many people the opportunity to get loans, probably under better conditions than they could obtain elsewhere, to repair their houses after the disaster. I am sure there is no controversy about the bill. It was voted out of the committee by unanimous vote, and I am quite sure it could have been put through the House by unanimous consent.

Mr. McVEY. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from Illinois.

Mr. McVEY. I want to commend the gentleman for his splendid presentation of this subject and to associate myself in support of this measure. I think it meets a very pressing need for those districts devastated by floods.

Mr. SPENCE. I may say that when disaster comes to America it drives us closer together, and it does not make any difference where we live. We have a common interest in restoring our own people to the position which they occupied before these tragic disasters struck. I think it is a privilege to be of service to the people on both the Atlantic seaboard and the west coast and give them the help that they so greatly need.

Mr. TALLE. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, every member of the Committee on Banking and Currency recognizes that the pending bill should be enacted promptly. It was reported by a unanimous vote of the committee, as the chairman, the gentleman from Kentucky [Mr. SPENCE], has stated. There is no danger in this legislation, for the President must declare an area a disaster area before this proposed change in the law can apply, and we surely can trust the Administrator to administer the law with genuine discretion.

Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. BALDWIN].

Mr. BALDWIN. Mr. Chairman, I would like to congratulate the chairman and members of the Committee on Banking and Currency on the speed with which they have acted on this problem and brought this resolution before the House. On behalf of many residents of northern California, we who represent the northern California area appreciate the interest and the consideration that this committee has given to the problems that have arisen as the result of the floods in the latter part of December and early January. It happened that many of the new subdivisions were in the areas most badly flooded, and those people who already have a burden of financial problems in moving into a new home, have this added problem of having silt, dirt, and debris of all types deposited in their homes and on their lots. I think this legislation and the prompt action on the part of the committee and the House is most worthwhile, and I certainly join in supporting this measure.

Mr. TALLE. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. SCUDDER].

Mr. SCUDDER. Mr. Chairman, I made two inspection trips viewing the damage wrought in California as the result of the recent floods, and I can assure you members of this committee that there were a great number of homes under construction, many of them with barely the foundation in place, when this catastrophe occured. Therefore, I feel that this legislation is highly needed to take care of the many homes the construction of which had just started, some half finished, many ready for occupancy. The law must be amended to assist

these owners. I feel that this amendment will be very beneficial to carry out the intent of the framers of the original law.

Mr. SPENCE. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. Moss].

Mr. MOSS. Mr. Chairman, I want to express the gratitude of the people of my district to the chairman and the members of the Committee on Banking and Currency for the expeditious handling of this most important resolution. I represent probably the major disaster area of California. There are many hundreds of my fellow citizens who have had their homes destroyed or severely damaged. Many of those people will be able to undertake repairs under the terms of this resolution. It would be of material benefit to the area.

I am again stating the feeling of sincere gratitude of many of the people I represent for the splendid handling of such an important item of legislation.

Mr. SPENCE. Mr. Chairman, I yield 3 minutes to the gentleman from Massachusetts [Mr. PHILBIN].

REPAIR ASSISTANCE TO DISASTER-DAMAGED HOMES

Mr. PHILBIN. Mr. Chairman, I rise in support of this very meritorious bill and heartily commend the committee for its fine, expeditious work in bringing the measure so promptly to the consideration of the House.

Great damage and destruction to homes of very many people was inflicted by ravaging floods which visited the Northeast, Massachusetts, and my own district last summer and fall which resulted in serious loss of life and huge property damage. Just recently our fellow citizens in the great State of California suffered a similar fate.

As I have pointed out in other speeches and statements, extensive Federal programs will be necessary, in fact urgent, to rehabilitate stricken areas and prevent future floods. It is also true that we must here greatly broaden our concepts to include speedy implementation of effective remedial measures in all disasters.

This bill, while limited in scope, moves in the right direction, and I urge its immediate, unanimous enactment.

Mr. TALLE. Mr. Chairman, I yield such time as he may require to the gentleman from Connecticut [Mr. SADLAK].

Mr. SADLAK. Mr. Chairman, I, too, join my colleagues in congratulating the rapidity with which the Banking and Currency Committee reported this worthwhile and needed resolution. The fact they reported it unanimously bespeaks the merit of the program.

I lend particular emphasis to endorsing House Joint Resolution 471 because it will mean badly needed relief to my people of Connecticut who have had the sad misfortune to be struck, not with 1, but 2 terrible flood disasters, last August and October. Many of these victims from all sections of the State had just moved into newly completed homes, which were either damaged or lost. Without this resolution amending title I of the Federal Housing Act, these unfortunate homeowners could not avail themselves of Federal loans to repair their residential structures.

There is no need to go further into the problem created by the recent flood disasters which have caused devastation and destruction throughout the Nation. The need for immediate and effective remedies is clear; not so clear is the method of curative and preventive measures.

But if the unanimity and benevolent intent of House Joint Resolution 471 is any criteria, I feel confident that subsequent legislation of this nature, which I have introduced and support, will receive the same approval.

Mr. TALLE. Mr. Chairman, I yield such time as he may require to the gentleman from Connecticut [Mr. SEELY-BROWN].

Mr. SEELY-BROWN. Mr. Chairman, I rise in support of House Joint Resolution 471. This resolution will permit FHA title I repair assistance to new homes damaged by major disasters.

As one who witnessed the very real damage done to many homes in the State of Connecticut as a result of the hurricanes and floods of last fall, I am well aware of the importance of this legislation to the people of my State. I urge the passage of this resolution and hope that prompt action may be taken by the other body so that final action may be completed with the least possible delay.

Mr. TALLE. Mr. Chairman, at the moment I have no further requests for time and I reserve the balance of my time.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. MULTER].

Mr. MULTER. Mr. Chairman, as the committee has already been told, this resolution has been unanimously approved by the Committee on Banking and Currency. It is a very simple amendment and yet it carries with it certain dangers. Since I am certain that all of the Members of this House who represent areas that were visited by the recent disasters, will get inquiries about it, I should like to alert the Members to the danger that may be present after the passage of the resolution.

Title I provides for what are called high interest rate loans. Those who borrow for home improvement and repairs, under title I usually pay 9.7 percent interest on the money borrowed and the term of the loan is limited to 3 years. Later in this session, there may be an effort to lengthen the term to 5 years.

Anyone who qualifies for a disaster loan does not have to apply for or try to get it from a bank under title I. He can get it under the disaster-loan program. Under that program he pays only 3 percent. He pays the interest only on the unpaid balances, and the term of the loan may be as long as 10 years. You must bear in mind that while we are permitting by this resolution disaster loans to be made under title I for repairs of homes, any homeowner who can qualify for a dsaster loan can qualify under the disaster-loan program and get a 10-year loan at 3 percent interest, and will not have to pay any bank 9.7 percent on a 3-year loan.

On that score, we wrote into the committee report a very specific direction to the agencies involved. Let me read it to you. It is brief. I quote:

The committee wishes to make clear its intent that these FHA and SBA programs—

And the disaster loan program is an SBA program—

be maintained independent of each other. To this end the committee directs that the rejection or disallowance of a FHA title I insured home loan—

Such as permitted under this bill—

shall not be established as a condition precedent to the obtaining of a disaster home loan from the Small Business Administration.

That direction was adopted by the committee unanimously. Obviously there is no dissent in this House to that direction.

May I at this point, ask our distinguished chairman of the committee if it is not the intent of the committee in putting this direction into the report that it apply not only to the Federal Housing Administration but also to the Small Business Administration and to its loan policy board, so that they cannot make as a condition precedent to granting a disaster loan, disapproval of an application under this title as amended?

Mr. SPENCE. I think the gentleman has stated the situation. Whatever help we have given to the people is given without conditions.

Mr. MULTER. That is the American way.

Mr. TALLE. Mr. Chairman, I have no further requests for time.

Mr. SPENCE. I have no further requests, Mr. Chairman.

The CHAIRMAN. The Clerk will read the joint resolution for amendment.

The Clerk read the joint resolution, as follows:

Resolved, etc., That section 2 (a) of the National Housing Act, as amended, is hereby amended by striking the period at the end thereof and inserting a colon and the following:

"*Provided*, That this clause (iii) shall not be mandatory with respect to the period of occupancy or completion of new residential structures where such structures have been damaged in a disaster which the President, pursuant to section 2 (a) of the act entitled 'An act to authorize Federal assistance to States and local governments in major disasters, and for other purposes' (Public Law 875, 81st Cong., approved September 30, 1950), as amended, has determined to be a major disaster."

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MILLS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the joint resolution (H. J. Res. 471) to permit FHA title I repair assistance to new homes damaged by major disasters, he reported the joint resolution back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the joint resolution.

The joint resolution was passed, and a motion to reconsider was laid on the table.

LIARS ARE NOT ALL FISHERMEN

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, while all fishermen are not liars, neither are all liars fishermen. If they were, in the annual contest to award a prize to the fishermen who come up with the biggest lie, I would be forced to vote for Drew Pearson, even though he is the top smear artist, and, in my opinion, the most cowardly of any who ever wrote for a newspaper.

This opinion is confirmed by his morning piece in the Washington Post—which will print almost anything for a dollar—which charges President Eisenhower, Lyndon Johnson, Senate leader, many Congressmen, including myself and Representatives Wolcott, Bentley, Thompson, Cederberg, and Dondero, from Michigan, with having been influenced and bought by the natural-gas lobby.

Read his piece.

[From the Washington Post and Times Herald of January 25, 1956]

THE WASHINGTON MERRY-GO-ROUND

(By Drew Pearson)

FUND OF $1.5 MILLION BACKS GAS BILL

Whether you are for or against the bill to exempt natural gas from Federal regulation, you can't help but rub your eyes at the clockwork precision of the lobby which is bent on pushing the Harris-Fulbright bill through Congress.

Never in the many years I have covered Washington have I seen such a skillful job of backstage manipulation. Whether the public wants natural gas regulation or not, it probably isn't going to get it. The Southwest oil and gas boys appear too powerful.

They have organized themselves into a lobby which 2 years ago began operating very quietly for the present Senate showdown. No detail was overlooked. Everything was geared originally to get the gas bill to a vote by last summer.

There was only one thing the lobby didn't figure on—the heart attack of the able Senate leader, LYNDON JOHNSON, the real godfather of the bill. Without his deft guidance, the bill missed out last summer, but JOHNSON has now made it the first order of business in the current Senate, despite opposition from many of his own Democrats, and despite the fact that Republicans welcome this debate as a chance to show that Democrats are in on the giveaway business, too.

Here are details of how the gas lobby quietly laid the groundwork for the showdown vote now about to come up in the Senate.

Stacked committee

First, Senator JOHNSON asked Mr. Eisenhower to appoint a Cabinet advisory committee to study the question of energy, including natural gas and its exemption from Federal regulation. Second, Lyndon switched his Texas colleague, PRICE DANIEL, though a freshman Senator, from the Interior Committee, where he had helped to pass the tidelands oil bill, to the Judiciary Committee, where he could help pass the natural gas bill.

Meanwhile Mr. Eisenhower, taking advice from his Texas friends, pretty well stacked the advisory committee with friends of the gas industry. Consultants to the natural gas section included Richard Gettell of Texas Oil; Richard Gonzales of Humble Oil; Minor Jameson, Jr., of the Independent Petroleum Association of America; and Serge Jureney of Continental Oil.

Jureney, incidentally, is assistant to the chairman of Continental Oil, L. F. McCullum, who is also head of the Natural Gas Industry Committee, mainspring behind the gas lobby.

This committee, at this point, proceeded to raise a total of $1.5 million with which to pressure and propagandize Congress.

Next step was to get their bill introduced in Congress under the best possible auspices. To do this they picked PERCY PRIEST, of Tennessee, chairman of the House Interstate Commerce Committee.

Work begins

Tennessee is a State which does not produce gas and does not relish an increase in the price of gas. Despite this, the lobby figured they could control PRIEST and even reported in advance in the Oil and Gas Journal that "once his bill is ready, PRIEST plans to hold prompt hearings."

Introduction of the bill was timed to coincide with the report of the Cabinet Advisory Committee, which in view of its heavy industry membership was sure to recommend against Federal regulation.

It did.

The lobby slipped up on one minor matter, however. Congressman OREN HARRIS, of Arkansas, was finally picked to be author of the gas bill, instead of PRIEST. HARRIS has long been close to the Arkansas public utilities and Pan American Airways. His wife was even the recipient of nylon stockings from Ham Moses, of Arkansas Power & Light during the war when they were scarce.

So HARRIS introduced the gas bill, while PRIEST pushed it. PRIEST did a remarkably efficient job.

When the final vote came up in the House, it squeaked through by a 209 to 203 vote margin, only because it had the powerful support of popular Speaker SAM RAYBURN and Republican leaders.

The fact that RAYBURN was for the bill was easy to understand. He comes from Texas. And the big oil boys have long been able to redistrict RAYBURN'S congressional district and defeat him if Sam doesn't go down the line for gas and oil.

GOP roll call

With Republican leaders, however, it was different. Former Speaker JOE MARTIN comes from Massachusetts, which needs cheap gas. CHARLEY HALLECK, the assistant GOP leader, comes from Indiana, also in need of cheap gas.

However, they came bustling down the House aisle as the vote was being taken, whispering to fellow Republicans, urging them to get in line for the gas bill.

"There'll be plenty of campaign funds to support any Congressman who votes right," was the word passed through the lobbies.

Here are some of the Congressmen who bowed to the lobby, despite the fact that they come from gas-consuming areas where housewives want low-priced gas:

Maryland: MILLER, DEVEREUX, HYDE, Republicans.

Maine: HALE, NELSON, MCINTIRE, Republicans.

Massachusetts: ROGERS, BATES, NICHOLSON, CURTIS, MARTIN.

Michigan: HOFFMAN, WOLCOTT, BENTLEY, THOMPSON, CEDERBERG, DONDERO.

Nebraska: CHASE, HARRISON, MILLER, Republicans.

New Jersey: WIDNALL, OSMERS, Republican.

New York: Mrs. ST. GEORGE, COLE, MILLER, KEARNEY, GWINN.

Ohio: MCCULLOUGH, BROWN, BETTS, JENKINS, BOLTON, F. P. VORYS, HENDERSON, BOW, MINSHALL, MCGREGOR, Republicans.

Illinois: MCVEY, HOFFMAN, SHEEHAN, CHURCH, REED, MASON, ALLEN, ARENDS, VELDE, SIMPSON, SPRINGER, VURSELL, CHIPERFIELD.

Only three northern Democrats voted for the bill: GRAY, of Illinois; WALTER, of Pennsylvania; and ASPINALL, of Colorado. In California four Democrats who usually vote with the consumers, this time voted with the lobby: MILLER, of Oakland; KING, of Los Angeles; DOYLE and SHEPPARD.

A BILL TO ESTABLISH A PRESIDENTIAL COMMISSION ON NURSING SERVICES

Mrs. FRANCES P. BOLTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Mrs. FRANCES P. BOLTON. Mr. Speaker, for many years my colleagues in the House have known of my deep concern with the needs of the American people for adequate health care in general, and for nursing services in particular.

Significant changes have come about in this vital area during the past two decades. Medical knowledge has surged ahead in new drugs, more refined distinctions of diagnosis, early ambulation of patients, better methods of hospital and home care.

Americans are growing increasingly aware of their health, as evidenced by their interest in publications, movies, and television programs with medical themes. What is even more significant, today over a hundred million people in the United States hold some form of voluntary hospital and health insurance. In 1940 the figure was only 10 million. These people have a right to expect that medical care is efficient and that nurses are available who are in tune with the changing concepts of medical and nursing care.

Another measure of the increasing demand: In 1954 11 people out of every 100 of our population were admitted to general hospitals. In 1930 it was only 5 out of 100.

All of this has had its effect on the essential role of the nurse on the health team. Her duties have become more complex, her responsibilities more diverse. The call for her services is not only at the bedside, but in the operating room, and in the all-important training schedule as teachers and supervisors. The public health nurse, in her turn, is not only a key person in the health program, but one of the leading educators of the need for better health methods.

But the supply of nurses has not kept pace with the increasing demand, this despite the fact there has been a relative and actual increase in the number of graduate nurses during the past 20 years.

Throughout this country every day there are people who are in immediate need of medical care who cannot get it because there are not enough nurses to take care of them. People have to wait. Admissions to hospitals are put off.

Mr. Speaker, a long study of the nursing situation and familiarity with its dilemmas and difficulties warranted my raising the question of the shortage in 1953.

Last year I introduced House Joint Resolution 171, to establish a national commission to study the subject of nursing services. At that time I proposed that the Commission be composed of 12 members, 2 from the Senate, 2 from the House, 2 from the executive branch of the Government, and 6 from private life. Among the latter would be representatives of the nursing, medical, and hospital administration professions.

I am today introducing a new bill, Mr. Speaker, which amends the provisions of the original bill with respect to the composition of the Commission. My new bill proposes the establishment of a Commission of 15 people, to be appointed by the President of the United States. It proposes that "included among the members of the Commission shall be individuals from the nursing and medical professions, persons experienced with the administration of hospitals and of public health agencies providing nursing services, and recognized authorities in the field of social science, education, accounting, and business management."

I made this change in the suggested composition of the Commission because I felt it might be difficult for Congressmen and Senators to take enough time away from their legislative responsibilities to function properly as Commission members. Under the terms of the amended bill, however, the President can appoint a Congressman or a Senator to the Commission if he so desires.

The presence on the Commission of recognized authorities in the fields of social science, education, accounting, and business management would give proper recognition to the interests of the patient. Such qualified people who are not concerned with the specialized interests of nurses, doctors or hospital administrators, but with the welfare of the public at large will act as a catalytic agent to develop areas of agreement which may lead toward constructive action.

In my new bill I have also succeeded in reducing to simple language the definition of the purpose of the Commission. The new bill states:

> The Commission shall gather by scientific methods authoritative data relating to problems of the patient and the public in securing adequate nursing services, and shall make recommendations to the President with respect to ways and means for solving such problems.

It is my hope that the Committee on Interstate and Foreign Commerce will schedule a hearing on this proposal at the earliest practicable time. Unless constructive steps are soon taken, the country will face a nursing crisis. This Commission on Nursing Services will make action possible.

Mr. Speaker, may I remind you that in 1953 I sent out a questionnaire to some 10,000 representative nurses, nursing associations, and nursing schools, doctors, hospital administrators, educators, laymen, State governors, Federal and State health authorities, and others. I wanted to get their views as to what was causing the shortage and what they thought could be done about it. More than 4,000 of these leaders and educators in the health-care field replied to that questionnaire.

The main substance of the replies can be summed up in these two sentences:

Everybody agreed that there was an urgent need for more nurses;

But there was absolutely no agreement within or among the related professional groups as to what should be done about it.

Let me give you some examples of the conflicting answers I received.

Some people said that Federal aid to nursing was imperative. Others said that Federal aid was the worst possible course of action.

Some people said that what we needed was more nurses with graduate degrees. Others said that this was ridiculous and that what we needed was more practical nurses.

Some people said that nurses should be educated in high schools. Others said that public education of nurses was wrong and nurses should be educated in hospital training schools.

Some people felt that government should assume more responsibility for training nurses, and others said that this was not government's business and government should stay out of it.

Some people insisted that the chief difficulty was that nurses were not being paid enough, and others said that "nurses are pricing themselves out of their profession."

Some people talked about the need for developing a special class of technical assistants to handle modern hospital equipment and apparatus, and others felt that such technical problems should remain a responsibility of the nursing profession.

Some people suggested that the restaurant, laundry, and recordkeeping functions of nurses might well be relegated to other people, thereby leaving nurses free for more actual nursing. Others had a different point of view.

There were opposing comments on the subject of the accrediting of nurses. Some people felt that the tightening up of licensing provisions was excellent, and others believe that this resulted in closing training schools that had been very valuable.

In short, there was absolutely no clear-cut pattern as to any indicated solution. And yet, on behalf of the public interest, a constructive course of action was imperative.

But could the nurses, the hospital administrators, the doctors, or all three put together, come up with the right answer?

The inescapable conclusion was that although this problem had been up to these professions for solution over a period of many years, they had not come up with any constructive answer. In view of the divergent views which they expressed in answer to my questionnaire, I saw little likelihood of their doing so unless some agency were created which would stimulate action and reconcile differences of opinion.

At this point I decided that the whole matter should be put up to an impartial commission which would be composed not only of representatives of the nursing, medical, and hospital administration professions, but also representatives of the general public who would attack the problem from the standpoint of the patient—that is, the person who gets sick and is immediately in need of nursing care.

As evidence of the need for a commission, I quote the following paragraph from the January 1, 1956, issue of Hospitals:

> No one denies there is a problem. No one really knows exactly why there is a problem today and whose fault it is. The doctor, nurse, and hospital administrator each tend to blame the other two parties. Accusations of shifting medical duties to nurses, hospital penury and poor working conditions, and raising the standards of nursing education beyond the fundamental requirements of bedside nursing are commonly heard.

Mr. Speaker, this new resolution which I have introduced today is to establish a Presidential Commission on Nursing Services. Under unanimous consent, I insert herewith this joint resolution and a list of the members of the national committee, chairmaned by Mr. Samuel Horwitz, trustee, Mount Sinai Hospital, Cleveland, Ohio, which has been formed to support the Commission plan:

House Joint Resolution 485

Joint resolution for the establishment of a Commission on Nursing Services

Whereas public confidence in the medical profession, including hospitals and nursing services, has been augmented by the increased longevity of the people which is the result of such services; and

Whereas it is generally recognized that the consequent demand for nursing services is increasing faster than the supply which is available for the health services of the people; and

Whereas the combined efforts of the recognized representatives of the medical and nursing professions and associations of hospital and public health agencies have not been successful over the past decade in supplying that demand; and

Whereas the economic status of nursing, the professional skills required, and the existing personnel shortage demand study in the light of the need of the public for nursing services; and

Whereas many segmental and unilateral studies of health service problems have been made, but none takes an overall multidisciplinary view of the situation on behalf of the patient; and

Whereas existing reports, studies, and knowledge could be utilized by a central task force organized to study the demand for nursing services in relation to the overall health of the Nation: Therefore be it

Resolved, etc.—

DECLARATION OF POLICY

SECTION 1. (a) It is hereby declared to be the policy of the Congress to promote the health of the American people by assisting them in securing improved nursing services. It is the purpose of this joint resolution to implement that policy by providing for the establishment of a commission which shall gather by scientific methods authoritative data relating to the needs for services ren-

dered by all types of nursing personnel (including professional and practical nurses, nursing aides, and nursing administrators, supervisors, and teachers) and shall make such recommendations to the President with respect thereto as it deems advisable in the interest of improving patient care.

(b) Nothing in this joint resolution shall be construed as authorizing or intending any interference with the programs of study and improvement of patient care which are being carried forward by the professional nurses' organizations, or by public or private endeavor, but rather this joint resolution shall be construed as an effort to augment such programs through the marshaling of resources for a multidisciplinary approach to the problem on behalf of the patient and in the public interest.

ESTABLISHMENT OF COMMISSION ON NURSING SERVICES

SEC. 2. (a) To carry out the purpose of this joint resolution there is hereby established a Commission on Nursing Services (hereinafter referred to as the "Commission").

(b) Service of an individual as a member of the Commission or employment of an individual by the Commisison as an attorney or expert in any business or professional field, on a part-time or full-time basis, with or without compensation, shall not be considered as service or employment bringing such individual within the provisions of section 281, 283, 284, 434, or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U. S. C., sec. 99).

MEMBERSHIP OF THE COMMISSION

SEC. 3. (a) Number and apopintment: The Commission shall be composed of 15 members appointed by the President. Included among such members shall be individuals from the nursing and medical professions, persons experienced in the administration of hospitals and of public health agencies providing nursing services, and recognized authorities in the fields of social science, education, accounting, and business management, to the end that the Commission will be qualified and dedicated to accomplish constructive results in the public interest.

(b) Vacancies: Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

ORGANIZATION OF THE COMMISSION

SEC. 4. The Commission shall elect a chairman and a vice chairman from among its members.

QUORUM

SEC. 5. Eight members of the Commission shall constitute a quorum.

COMPENSATION OF MEMBERS OF THE COMMISSION

SEC. 6. (a) Members from private life: The members of the Commission appointed from private life shall each receive $50 per diem when engaged in the actual performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of such duties.

(b) Members of Congress: Members of Congress, if appointed as members of the Commission, shall serve without compensation in addition to that received for their services as Members of Congress; but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(c) Members from the executive branch: Persons who are in the executive branch of the Government, if appointed as members of the Commission, shall serve without compensation in addition to that received for their services in the executive branch; but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

STAFF OF THE COMMISSION

SEC. 7. (a) The Commission shall have power to appoint and fix the compensation of such personnel as it deems advisable, without regard to the provisions of the civil-service laws and the Classification Act of 1949, as amended.

(b) The Commission, without regard to the civil-service laws and the classification laws and without regard to section 3709 of the Revised Statutes, may—

(1) secure data from agencies, organizations, and individuals and pay therefor in advance or by way of reimbursement; and

(2) procure temporary and intermittent services to the same extent as is authorized for the departments by section 15 of the Administrative Expenses Act of 1946 (5 U. S. C., sec. 55a), but at rates not to exceed $50 per diem for individuals.

EXPENSES OF THE COMMISSION

SEC. 8. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, so much as may be necessary to carry out the provisions of this joint resolution.

DUTIES OF THE COMMISSION

SEC. 9. (a) The Commission shall gather by scientific methods authoritative data relating to problems of the patient and the public in securing adequate nursing services, and shall make recommendations to the President with respect to ways and means for solving such problems.

(b) Report: The Commission shall submit to the President interim reports at such time or times as he deems necessary and shall submit to the President its final report not later than 2 years from the date of the enactment of this joint resolution. The Commission shall cease to exist on the day on which it submits its final report.

POWERS OF THE COMMISSION

SEC. 10. (a) Hearings and sessions: The Commission or, on the authorization of the Commission, any subcommittee or member thereof, may, for the purpose of carrying out the provisions of this joint resolution, hold such hearings and sit and act at such times and places as the Commission or such subcommittee or member may deem advisable.

(b) Obtaining official data: The Commission is authorized to request from any department, agency, or instrumentality of the Government any information it deems necessary to carry out its functions under this joint resolution, and each such department, agency, and instrumentality is authorized to cooperate with the Commission and, to the extent provided by law, to furnish such information to the Commission upon request made by the chairman or by the vice chairman when acting as chairman.

The Bolton resolution is endorsed and supported by the national committee for a Commission on Nursing Services, 3088 Mayfield Road, Cleveland 18, Ohio.

Chairman: Samuel Horwitz, trustee, Mount Sinai Hospital, Cleveland, Ohio.

MEMBERS

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Edith D. Bossie, president, Practical Nurses of West Virginia, Inc., Dunbar, W. Va.

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Victoria T. Burblis, R. N., director of nursing education, Springfield State Hospital, Sykesville, Md.

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Stanley Ferguson, director, University Hospitals, Cleveland, Ohio.

Chas. W. Flynn, executive director, Mississippi Hospital Association, Jackson, Miss.

B. Shulley Freeman, director of nurses, the Central Dispensary and Emergency Hospital, Washington, D. C.

F. B. Freeman, Neale, Newman, Bradshaw, Freeman & Neale, Springfield, Mo.

James A. Greig, editor, the A. S. T. A. Journal, Chicago, Ill.

Hartford E. Grugan, M. D., Williamsport, Pa.

H. Close Hesseltine, M. D., professor of obstetrics and gynecology, the University of Chicago, Chicago, Ill.

Charles Higley, M. D., past president, Cleveland Academy of Medicine, Cleveland, Ohio.

Frederick T. Hill, M. D., Waterville, Maine.

Dana Hudson, R. N., chairman, committee on legislation, Georgia State Nurses' Association, Atlanta, Ga.

Arnold S. Jackson, M. D., Jackson Clinic, Madison, Wis.

T. K. Leinbach, superintendent, Community General Hospital, Reading, Pa.

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Betty L. McCarver, R. N., Research Hospital, School of Nursing, Kansas City, Mo.

Peggie McKay, R. N., Abilene, Tex.

R. Louise McManus, director, Division of Nursing Education, Teachers College, Columbia University, New York, N. Y.

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Russell C. Nye, administrator, Northwestern Hospital, Minneapolis, Minn.

Bessie E. Oakes, R. N., director, Nursing Service, assistant administrator, Central Michigan Community Hospital, Mount Pleasant, Mich.

William A. Phillips, acting executive director, Holsten Valley Community Hospital, Kingsport, Tenn.

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R. D. Reekie, M. D., Spokane, Wash.

D. C. Reynolds, administrator, Madison General Hospital, Madison, Wis.

Beatrice E. Ritter, R. N., director of nursing, District of Columbia General Hospital, Washington, D. C.

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Kathleen Y. Sands, R. N., director of nursing, Evangelical Deaconess Hospital, Detroit, Mich.

W. T. Sanger, president, Medical College of Virginia, Richmond, Va.

George C. Schicks, director, Hospital of Saint Barnabas and for Women and Children, Newark, N. J.

James T. Shelton, M. D., superintendent and medical director, Porterville State Hospital, Porterville, Calif.

H. J. Short, business manager, Southern Pacific Hospital Department, San Francisco, Calif.

Vera B. Sligh, president, Licensed Practical Nurses Association of Florida, Inc., Division No. 11, Lakeland, Fla.

Mrs. Leo Smith, member of legislation committee, Women's Auxiliary to the American Medical Association, Waycross, Ga.

Herbert L. Spencer, executive director, Samuel H. Kress Foundation, New York, N. Y.

Virginia S. Stastny, director of nursing, Midland Memorial Hospital, Midland, Tex.

Melvin L. Sutley, superintendent, Wills Eye Hospital, Philadelphia, Pa.

Dorothea Thompson, R. N., supervisor, practical nurse program, Richmond Public Schools, Richmond, Va.

Hilda M. Torrop, R. N., executive director, National Association for Practical Nurse Education, New York, N. Y.

Kathryn Trent, R. N., director of nursing, Memorial Hospital, Charleston, W. Va.

Bryce L. Twitty, administrator, Hillcrest Medical Center, Tulsa, Okla.

Vera M. Unger, R. N., director of Nursing, Cochran School of Nursing, St. John's Riverside Hospital, Yonkers, N. Y.

Dorothy A. Vernstrom, director, School of Nursing, Nursing Service, Peter Bent Brigham Hospital, Boston, Mass.

Dudley P. Walker, M. D., past president, the Medical Society of the State of Pennsylvania, Bethlehem, Pa.

Grace A. Warman, director, School of Nursing and Nursing Service, the Mount Sinai Hospital School of Nursing, New York, N. Y.

Samuel Whitman, director, Cleveland Mental Health Association, Cleveland, Ohio.

Lillian H. Whittemore, treasurer, Maine Licensed Practical Nurses' Association, Old Orchard Beach, Maine.

Mrs. Robert W. Woodruff, Atlanta, Ga.

SECRETARY BENSON ADDS INSULT TO INJURY OF AMERICAN FARMERS

Mr. JONES of Missouri. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. JONES of Missouri. Mr. Speaker, adding insult to injury, President Eisenhower's Secretary of Agriculture in a letter to the editor which appears in the February issue of Harper's magazine gives expression to what I believe may be interpreted as his lack of concern for the plight of the American farmer.

Day by day we begin to understand why the Secretary of Agriculture appears to have less interest in the welfare of the farmers of this Nation, for within the last few days the Honorable Ezra Taft Benson has written that he looks upon the American farmer as "Our pampered tyrant" who "is about to get his boots licked by both political parties."

Not only does the Secretary look upon those whose interest he is supposed to represent, as "tyrants," but he concurs in the slanderous libel that has been given nationwide circulation, to the effect "that the farmer is generally eager to sell his vote to the highest bidder, and that city people are too indifferent" or benumbed "to resent this legalized corruption, even when the bribe is lifted right out of their own pockets."

Now I know, Mr. Speaker, that someone will deny that the Secretary of Agriculture feels this way about the farmers of America, and they will point out that the Secretary did not make the statements which I have just read, but I respectfully submit at this point a letter which appears in the February 1956 issue of Harper's magazine, in which the Secretary himself praises the article The Country Slickers Take Us Again, which appeared in the December 1955 issue of this same magazine, and which the Secretary apparently read with great satisfaction for he wrote the editor and author, stating among other things, "It"—the article—"is excellent."

When one states that a thing is excellent, I believe we can interpret this to mean concurrence, and approval in the superlative degree. Anyway this is how the Secretary expressed himself in writing to editor in Chief John Fischer to commend Mr. Fischer's slanderous and libelous article which should be, and I believe is resented by every red-blooded American farmer:

> I have read the article by John Fischer in the December issue of Harper's with a great deal of interest. It is excellent.
>
> EZRA T. BENSON,
> *Secretary of Agriculture,*
> *Washington, D. C.*

Now, Mr. Speaker, let us look to some of the other statements made by the author of this article, in which the Secretary concurs:

> For 20 years—from 1920 until 1940—the farmers were in pretty bad shape. During these decades, city people got in the habit of giving them handouts.

Can you imagine, Mr. Speaker, a Secretary of Agriculture having no more respect for the farmers of America than to accuse them of accepting handouts, or doles? Yes; he has accused the farmers of accepting doles, for the article states:

> The farmer not only got in the habit of accepting his dole; he came to believe that it belonged to him permanently, as a matter of right.

But, listen to this, and again I quote from the article to which the Secretary lends his endorsement:

> When any hog keeps his jowls in the trough long enough, he gets to thinking he owns the trough.

I want my Iowa colleagues to listen to this next statement. True, things may be better in Iowa than they are in other parts of the country, but I doubt very seriously if my Iowa friends concur in the statement:

> The ordinary—

Yes, it says ordinary—

> Iowa farmers * * * has a minimum—

And note the use of the word "minimum"—

> of two new cars and they are usually brand-new Buicks or Oldsmobiles or Cadillacs.

And this too, is a part of the article that our Secretary says is excellent, and I presume he believes that the ordinary farmer in Iowa has two brand new cars.

He also believes, if we are to take his words at face value, that, and I again quote from the Harper's article:

> The individual farmer isn't much worse off—only about 5 percent—than he was at the peak of his scandalous wartime prosperity.

Get that, if you will, "scandalous wartime prosperity." Does not the Secretary read and believe the statistics prepared by his own economists, or would he prefer to take the slanderous inaccurate statements of a "city slicker" who is out to build up public sentiment against the very segment of our economy that the Secretary should be trying to protect?

And listen to this statement which the Secretary endores in his letter to the author of the article, which reads:

> The farmers are being subsidized to produce millions of tons of things—cotton, wheat, rice, butter, and so on—which we don't need, can't possibly use, and can't even give away.

Does President Eisenhower's Secretary of Agriculture believe that "At least 40 million of our 350 million acres of cropland ought to be taken out of production"? and that "At least 1 million out of our 5½ million farm families ought to be nudged gradually off the land, and helped to find some useful (?) occupation"? He must believe this, for these are words taken directly from the article which Secretary Benson says is excellent.

Secretary Benson, by endorsing the article in Harper's magazine, says that—

> Fundamentally * * * our whole political structure, on every level, is stacked in favor of the farmer.

He bemoans the fact that the smaller populated agricultural States have the same number of United States Senators as do the larger industrial States. The article states:

> A grand-scale reshuffling of districts, both for Congress and the legislatures, seems to be the only long-range remedy—

And goes on to state that—

We can make a start next November, however, by throwing eggs at every candidate who poses as the farmer's friend. That will help get rid of one surplus, and a lot of political hypocrisy at the same time.

So, here we have the opinion of President Eisenhower's Secretary of Agriculture, who, in effect says that he believes any Member of Congress who poses as the friend of the farmer is a hyprocrite, and presumably the Secretary wants to make it clear that he is no hypocrite, for certainly he is demonstrating day by day and week by week, that he has less concern for the plight of the American farmer.

OUR FOREIGN POLICY INVOLVES RISKS

The SPEAKER. Under previous order of the House, the gentleman from Michigan [Mr. BENTLEY] is recognized for 30 minutes.

Mr. BENTLEY. Mr. Speaker, a recent article in Life magazine entitled "How Dulles Averted Wars" has stirred up a great deal of comment and controversy. Most of the dispute seems to center around the following paragraph from the article which appears therein as a direct quotation from the Secretary of State:

Says Dulles, "You have to take chances for peace, just as you must take chances in war. Some say that we were brought to the verge of war. Of course we were brought to the verge of war. The ability to get to the verge without getting into the war is the necessary art. If you cannot master it, you inevitably get into war. If you try to run away from it, if you are scared to go to the brink, you are lost. We've had to look it square in the face—on the question of enlarging the Korean War, on the question of getting into the Indochina war, on the question of Formosa. We walked to the brink and we looked it in the face. We took strong action."

As Mr. Dulles, in his news conference of January 17, made perfectly clear, such statements are, for the most part, either quotations or close paraphrases of what he has already said publicly. At this point, Mr. Speaker, I request permission to insert in the RECORD the complete text of Mr. Dulles' news conference insofar as it pertains to the magazine article in question.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

(The matter referred to is as follows:)

[Department of State press release of January 17, 1956]

SECRETARY DULLES' NEWS CONFERENCE OF JANUARY 17

(The following is the transcript of today's news conference by Secretary of State John Foster Dulles. It is authorized for direct quotation:)

Secretary DULLES. I have a brief statement to make about a matter which I judge to be of current interest.

An article in Life magazine has attracted much comment. Let me say this: I did not write the article, I did not review or censor the article, or know of its title. I did not know in advance of its publication date and, in fact, I did not read the article until after it was released for publication. Having read it, I authorized our press officer to say that the statements specifically attributed to me did not require correction from the standpoint of their substance.

Most of the statements specifically attributed to me are quotations or close paraphrases of what I had already said elsewhere. One is somewhat ambiguously phrased but the ambiguity can easily be resolved if read in context and with reference to the many public statements which I have made.

I believe that the United States should adopt every honorable course to avoid engagement in war. Indeed, I have devoted my whole life to the pursuit of a just and durable peace. I believe, however, that there are basic moral values and vital interests, for which we stand, and that the surest way to avoid war is to let it be known in advance that we are prepared to defend these principles, if need be by life itself.

This policy of seeking to prevent war by preventing miscalculation by a potential aggressor is not a personal policy; it is not a partisan policy; it is a national policy. It is expressed in mutual security treaties which we now have with 42 nations and which the United States Senate has overwhelmingly approved. It is expressed in Public Law 4, whereby the Congress, by an almost unanimous bipartisan vote, authorized the President to use the Armed Forces of the United States in the Formosa area, if he deemed it necessary for the protection of Formosa and the Penghus.

This policy of making clear our position in advance, of course, involves risks. As Senator Vandenberg said about the North Atlantic Treaty, it is a calculated risk for peace. But as we have learned by hard experience, failure to make our position known in advance make war more likely because then an aggressor may miscalculate. The policy of deterrence is only one aspect of the task of maintaining a just and durable peace. It is necessary to be patient; it is necessary to be conciliatory; it is necessary to make our peace a vital force for justice and human welfare so that all men will aspire to share that kind of peace.

My views with respect to peace have been made known on many, many occasions and there is no reason to think that they have altered because articles dealing with complex subjects of foreign policy inevitably tend to oversimplification and special emphasis.

Question. Mr. Secretary, the article, however, said that it was based on information hitherto undisclosed. I was wondering if you could tell us what the occasion was that—it did say that new information that it was presenting had been submitted by you and the State Department.

Answer. There is no substantive information in there which I know of which has not been generally a matter of public knowledge and found in the press.

Question. Mr. Secretary, do you believe that President Eisenhower would regard an attack on Quemoy and Matsu as an attack on Formosa?

Answer. That question stands today where it has stood ever since Public Law 4 was adopted and since our treaty of security was made with the Republic of China. As you recall, the treaty area is defined, but the President is authorized to use the Armed Forces of the United States in relation to related areas if he believes that is important for the defense of the treaty area.

Question. Well, in fact, Mr. Secretary, this article says that you never had a doubt that the President would regard an attack on Quemoy and Matsu as an attack on Formosa. Is that correct?

Answer. As I said before, I did not read the article in advance and I will not here discuss the views of the author.

Question. Mr. Secretary, you said that there is no information here which has not already been made public. Where can one find the statement that the President agreed on your recommendation and on the second occasion decided again when you telephoned him during the night that if there was no truce in Korea, the United States would bomb across the Yalu into Manchuria?

Answer. Well, I have seen that often times in the public press. You will recall that there had already been drawn up at that time the statement by the 16 nations who were in the war there, that if the war should be resumed it would probably not be possible to confine it to Korea. I think it is a fair inference that the same thing would have been true if the war would have gone on.

Question. Mr. Secretary, in the same connection, the article states that President Eisenhower concurred in your recommendation that the Communist forces in Indochina be opposed on the ground, and that if the Chinese forces intervened openly, that staging bases in South China would be destroyed by United States airpower. Did the President concur in a recommendation by you?

Answer. I am not going to discuss the views of the author. Views of that sort have been expressed and counterviews have been expressed. That is a source of public discussion, I would say.

Question. But did you make such a recommendation, sir?

Answer. I am not going to discuss the contents of the article because that would make it into a sort of state paper. When I have state pronouncements to make, I make my own speeches.

Question. A year and a half ago both you and the President told press conferences that you hoped to put out a white paper on the Indochina affair. Nothing yet has appeared until this article. When are we going to get the facts?

Answer. There have appeared many articles that I am aware of—some written by you.

Question. Mr. Secretary, you have just said that our views should be made clear lest the enemy miscalculate and get into war. Why do we not make our position clear on Matsu and Quemoy?

Answer. I think it is clear.

Question. It is not clear to me, sir.

Answer. It is not clear to you because you, like me, cannot read the minds of the Chinese Communists. But, to them, I think it is quite clear.

Question. What do you think they think we mean to do?

Answer. I think that they think that if an attack is started there which comprehends a claim to take by force Formosa and the Penghus that we will fight.

Question. Mr. Secretary, you have said I think in the beginning that most of the article which didn't—where you were not quoted correctly, were paraphrased or were close statements of what you have said, but you have also just said that you were not going to discuss any aspects of the article which may be the views of the author. I am simply asking you, sir, is there no way to clarify what you do and what you do not accept in the article? Well, let me put it this way: Are there things in the article that you do not accept as statements of fact attributed to you?

Answer. I said—perhaps I didn't make it as clear as I should—that most of the statements specifically attributed to me are quotations or close paraphrases of what I have already said publicly. That should be made clear.

Question. You said, except for one ambiguous statement. What was that ambiguous statement?

Answer. That was a phrase—I don't have the text here with me, which went on to say that, which implied that the getting to the brink of war might be our choice rather than a choice that was forced upon us. The whole paragraph I think is perfectly clear. But

one phrase taken out of context could be ambiguous.

Question. Could you state now what is the proper concept that you were trying to get across there?

Answer. Yes; we have faced a situation where in many parts of the world, in Europe and more recently in the Far East, there has been a threat of armed attack against what I referred to here as basic moral values and vital interests. Now, we had the choice of retreating in the face of those threats or making it clear that if they were pursued that it would involve a war. We believed that the best way to avoid a war was to make that clear. That meant that we stood firm at a point where there was a threat. But I have believed very strongly, as a result of my study of history, particularly the history of this century, that the greatest risk of war comes from not making it clear that you are prepared to defend the moral values and vital interests of the United States. We have had a history of wars which we got into despite the fact that we were always very eager for peace. I believe that it is not enough to want peace—which surely we all do—but that to get peace requires taking what Senator Vandenberg referred to as a calculated risk and making clear that certain things cannot be attacked with impunity.

Question. Mr. Secretary, is this the sentence that you considered ambiguous: "The ability to get to the verge without getting into the war is the necessary art"?

Answer. Will you read the preceding sentence, I think.

Question. The preceding sentence is—it is two sentences: "You have to take chances for peace, just as you must take chances in war. Some say that we were brought to the verge of war. Of course, we were brought to the verge of war. The ability to get to the verge without getting into the war is the necessary art."

Answer. Yes, that second sentence if read out of context does, I think, give an incorrect impression. The important thing is that we were brought to the verge of war by threats which were uttered in relation to Korea, in relation to Indochina, and in relation to Formosa.

Question. Mr. Secretary, in order to help some of us judge whether your past views on the Indochina armistice remain what they were, could you tell us whether you regard the armistice as it was negotiated as a major save for the free world in that it kept some of the country from going Communist or whether we just took no view and in effect refused to sanction it by not signing it?

Answer. Well, we did not, as you know, sign the armistice agreement because we were not a party to the war nor did we want to countenance some of the provisions of that armistice which we believed were very injurious, particularly with relation to the dislocation of the hundreds of thousands of Catholics in the northern area who had to be displaced under very rigorous conditions. We believe, however, that the event has proved that the losses which were taken by that armistice can be limited and do not necessarily involve what was one time feared—that is, the loss of the whole Indochina peninsula.

Question. Mr. Secretary, could you tell us what foreign policy considerations have guided you to collaborate with the writing of this article, why you agreed to it at this time, and whether these conclusions included the fact that Sir Anthony Eden would shortly come to this country?

Answer. It had no relationship to that whatsoever. My so-called collaboration involved nothing more than what I have done with a good many people here in this room—that is, from time to time have informal chats with certain of you. This particular one took place, I think, about the first of December. I had no knowledge at that time as to when an article would be issued, if indeed it would be issued at all.

Question. Mr. Secretary, the Herald-Tribune says in a front-page editorial today that this Life magazine article was submitted to the State Department before publication, and that one major change was requested, and that the magazine found it was too late to do that. And the second point is that the article contains at least one error of fact, namely that a British change of heart prevented the proposed meeting in Washington during the Indochina crisis. I would like to ask whether you or any of your aids suggested the change in the article which could not be made, and whether or not you believed the British change of heart did prevent the Indochina meeting?

Answer. Well, I am not going to go into the last question because that relates to past history where there obviously have been differences of opinion and it is not desirable, I believe, to revive possible differences and misunderstandings which may have occurred at that time.

As far as the other question is involved, that is something I have no personal knowledge of, and was undoubtedly handled by the Public Relations Division of the Department.

Question. Mr. Secretary, was any verbatim record kept of this conversation in whole or in part?

Answer. I believe that notes were made of the conversation.

Question. No, I mean in terms of either a recording or a stenographic account.

Answer. I believe that there was, yes, but I did not see it and it was understood that that was merely for the purpose of refreshing the recollections of the author and not for the purpose of supplying any material that could be quoted.

Question. Can that be made available to the press, Mr. Secretary?

Answer. No.

Question. Mr. Secretary, how did you determine—how did the writer determine what things you said that were to be quoted directly? Did you guide him on that?

Answer. I was not conscious at the time that anything that I said would be quoted directly.

Question. Then, are you saying, sir, that the quotations attributed to you were made on the writer's own authority and responsibility?

Answer. I said on that, I think, that the quotations in the main were actual reproductions of what I had previously said publicly and that otherwise I had no reason to question them from the standpoint of their broad substance.

Question. Well, you understand the difficulty that everyone is in, sir, because, as you remember yourself, when some questions have been put to you, that it has been impossible for you to discuss those questions because this is the author's point of view.

Answer. Right.

Question. On the other hand, you have said that the substance of what he said represents your point of view. At what point are we to determine that the author is speaking and at what point are we to determine that you are speaking? How are we to know?

Answer. Well, I suppose that you would know because of the fact that the only portion of the article on which I have commented was where certain statements were attributed to me in quotation marks, and I have felt, as I said, I think in my last press conference, that in view of that attribution to me in quotation marks of certain statements, I felt that if there was anything that was seriously wrong with them I had a duty to call attention to that lest harm be done. I, therefore, read the article and came to the conclusion that, broadly speaking, the substance of what had been attributed to me was substantially accurate and in line with what I previously had said. Therefore, I saw no reason to issue a repudiation or a correction.

Question. Mr. Secretary, in regard to this passage which contains the sentence used here before—I will read it again: "The ability to get to the verge without getting into the war is the necessary art." That passage is set in quotes, as though it were a direct quote from you. Can you tell us whether that passage is taken from a public statement of yours or was quoted from you in the course of that conversation?

Answer. I have said the substance of that, I think, on a good many occasions—that I believe that peace is not won by seeming to retreat when an aggressor threatened; that it was important to make clear the fact that we were going to stand firm, even though that might involve war. That is a sentiment which I have expressed a good many times over a great many years, and I think that this particular statement attributed to me, when read in the light of its context, is a fair reflection of my views.

Question. It is a reflection, then, but not a direct quote as it stands?

Answer. I would never myself have expressed myself in quite that way for publication.

Question. Mr. Secretary, what is your reaction to congressional reaction to this article?

Answer. Well, the article, I'm sorry to say, gives me a great deal more credit than is my due. The title of it gives me too much credit; the article, as a whole, gives me too much credit; and, as such, it was bound to attract criticism in some quarters.

I regret the fact that some people have given me too much credit, although I do not regret the fact that there are some people who seem to approve of what I have done.

Question. Sir, in regard to these three episodes discussed in the article, whether we might have gone to war and did not, were there, in each case, other factors leading to nonwar which were overlooked in the article?

Answer. I have said that articles such as this, dealing with a complex subject, inevitably oversimplify and, in that process, tend to overemphasize. I think, undoubtedly, there were a good many factors in the equation—not all of them are mentioned in this article.

Question. Mr. Secretary, in those same three instances, are you satisfied that our allies had a clear impression of what we had planned to do in the event that the talks broke down, or that the war in Korea was renewed? Had we made clear to them the drastic steps that we proposed to take in that event?

Answer. I think our policy was made clear to our allies; yes.

Question. Are you satisfied, sir, that it was made clear to the responsible committees of the Congress?

Answer. Well, it was made clear to the congressional leaders. Now, I think we have discussed this particular subject enough. It has been half an hour, and I would like to get on—if you have any questions about any other matters.

Question. Mr. Secretary, you and the President recently, particularly, have both emphasized the need for an expanded foreign aid on a longer-range basis. There has been some congressional opposition, notably that of Senator GEORGE and Senator KNOWLAND. Over the weekend there was speculation printed that the administration was prepared to pull back. My question is, sir: How hard, how vigorously, is the administration prepared to fight for this principle that you and the President have enunciated?

Answer. Well, I don't think it is a principle that we will have to "fight for," as you put it, although it is a principle which we believe in, and which we believe that Congress will concur in once the full picture has

been given to them. Under Secretary Hoover is, I think, this morning giving some of the story to the Foreign Relations Committee. I would like to, if I could, just take a moment off of just answering questions to say a few words about our philosophy on this whole subject.

The Soviet Union, as a result of its policies of the last 30 years, particularly the last 10 years, has made considerable strides in developing itself into an industrial state, which has considerable heavy industry, and it is among those which have developed atomic energy, both for peacetime and wartime purposes.

Now that evolution of the Soviet Union has made a considerable impression upon the neighboring countries of Asia, that development has occurred through very cruel and inhumane processes. The needs of the people have been largely ignored; there has been a very large amount of compulsory and slave labor. The methods by which industrialization has been achieved cannot be approved by any right-thinking person who believes in the dignity of man. Nevertheless, there is a result there, and it is a result which has an appeal to the less-developed countries who feel that their own independence will not be complete unless they can have a measure of not merely political independence, but, also, a measure of economic independence. And when the Soviet Union sends its emissaries to them, and says, "Now see what we have done; and we will help you do the same thing," that has a certain appeal to countries which are primarily producers of raw materials, and which are dependent upon other countries, heretofore the western countries, for industrial goods.

Now that kind of Russian competition I do not think can be met merely by the kind of economic aid which helps to meet emergencies—famine, floods, and the like—or helps to balance current budgets. It is necessary to help these countries to move forward along the path to which they aspire, and along which one neighboring country has largely done; that is, the Soviet Union.

Now, I believe that these offers of the Soviet Union are coupled with political purposes, and that their acceptance would involve untoward political results. Nevertheless, a temptation is there, the need is there; and, even if it were not for the Soviet example, I believe that the United States ought to try to help in ways which will not merely relieve on a year-to-year basis, but help to transform these economies into better-integrated economies of the kind that the people aspire to.

Furthermore, if our Government can engage in some of these long-term projects, they not only will have great value in catching the imagination of the people, and meeting their aspirations, but, also, it may make it possible to get from those countries themselves, or from other countries, or from organizations like the World Bank, a considerable amount of money. So our own money will go further—through some kind of a matching process.

I believe that when the nature of the problem is understood that there will be a realization that the enlightened self-interest of the United States requires that we should go forward to meet this situation in terms of projects on the assumption that we would continue to give them some support over a period of years.

Question. Mr. Secretary, do you consider that the passage of the enactment of the authority, which the President has requested, is of vital importance at this session?

Answer. I think it is vitally important at this time that we and indeed the whole world understand that what we really are engaged upon here is not just a single-shot operation, but that it is something which is apt to be continuing. Now I realize full well that it is a difficult problem in that one Congress cannot bind a second Congress, and that each Congress is free to make its own appropriations—free of any commitments made by a prior Congress.

The Marshall plan, as I recall, was carried through with year-by-year appropriations, but there was a recognition by the Congress of the importance of carrying through a 4- to 5-year program there. But it is always difficult to work this thing out.

I recall I was in the Senate at the time the first MDAP bill, the military-assistance bill, was passed. And I recall that there we worked on a basis of an appropriation, I think, for the first fiscal year, with contract authority for the next year. The working out of these things is difficult and complicated under congressional procedure, but I have no doubt that it will find a result which will, on the one hand, take account of the problem of the Congress; and, on the other hand, take account of the national importance of proceeding here on a long-range basis.

Question. Mr. Secretary, Senator KNOWLAND proposed that a neutralist be required to join collective-security agreements against communism in return for such long-term aid from the United States. Would you concur with that view, Mr. Secretary?

Answer: We believe that each case of aid needs to be considered on its own individual merits, and while, broadly speaking, there is a closer bond of sympathy between the United States and countries who have stood up to be counted with us; nevertheless, I would not want to exclude the possibility of giving some economic assistance to other countries.

Question. Mr. Secretary, how did Congress recognize the importance of continuing or carrying out the Marshall plan? How did it express that recognition?

Answer. My recollection is that it was expressed primarily in the report of the Foreign Relations Committee, and, possibly, the Appropriations Committees, in which they recommended the first installment. I must admit that my memory is somewhat vague on that point.

Question. Mr. Secretary, in another national magazine today, already printed and on the market, General Ridgway says that budgetary and domestic political considerations overrode purely military considerations in the formation of, or the writing of the Army budget. Would you care to comment on that?

Answer. I would make only this comment—not having seen the article. The budget-making process is a very complicated process, and each Department of the Government asks for the amount of money that it thinks it needs, looking at the situation merely from its own standpoint. And that goes for the different services. Finally, these are all put together, and then the request from one source has to be balanced against requests from another source, and then the whole has to be considered in terms of the national economy, and the values to be derived from a balanced budget, from a stable dollar, and the impact upon our domestic economy. The people who act only for one branch, or Department, or Agency of Government are unable alone to take into account all of these considerations. The man who finally makes the decisions about the budget—and that is, in the end, the Presidential decision—the President makes the decision, in consultation with the Cabinet, with the National Security Council. He evaluates many, many elements of the problem; among other things, the fact that national security depends not merely upon military power, but upon a whole complex of factors, including the vitality of your economy.

As you all know, the Communists for many, many years counted as a principal weapon, a principal opportunity, the likelihood of the collapse of the capitalistic system, and some sort of a boom-bust event. They figured that they would make more progress, perhaps, that way than they would, perhaps, by force of arms. So that when you are considering the national security you have to take into account many more factors than the point of view of any particular Department. And that total decision is one which is generally accepted by everyone because it is recognized that there is only one person in the country who can adequately take account of all of the factors, and that's the President of the United States.

Question. Mr. Secretary, do you believe that Latin America should be included among the areas to be considered for long-range planning?

Answer: Latin America is very much considered, particularly in the policies and activities of the Export-Import Bank.

Question. Mr. Secretary, why was the nomination of Mr. Bowie as Assistant Secretary of State withdrawn?

Answer. It has not been withdrawn.

Question. It said so in the RECORD this morning.

Answer. Well, if so, it's news to me. I do not think you are correct.

Question. Mr. Secretary, have you had time, in your preoccupation with the events of our current history, to form an impression of the new Soviet 5-year plan, especially in relation to the struggle—the competitive struggle of which you spoke last week?

Answer. The impression I have is that it dedicates the Soviet Union to continue to put its primary emphasis upon heavy industry, and that the trend toward more consumers' goods, which was forecast 2 years ago when Malenkov was temporarily Premier there—that that tendency continues to be submerged, with the primary emphasis upon heavy industry, which does not necessarily mean exclusively war industry, but, undoubtedly, is, in very large part, war industry.

Question. Mr. Secretary, has the administration made up its mind on the exact nature of what it would like the International Atomic Energy Agency to be; that is, an actual operating agency, or merely a broker between bilateral agreements?

Answer. Well, it isn't just a question of making up our mind, our views, as to the optimum result. Our views were set forth pretty fully in the speech that President Eisenhower made to the General Assembly of the United States in December. What was it, 1953?

Question. 1953.

Answer. That, as you know, contemplated having a world bank into which contributions of fissionable material would be made, and out of which material for industrial purposes would be drawn.

Now, for the first year and a half, the Soviet Union refused to go along with that program, and, therefore, it tended to develop along other lines. Belatedly, last July as a matter of fact, the Soviet Union indicated that it would be prepared to put up some fissionable material. Now the question as to how it will work out is a matter for international discussion at the present time. I believe that a further conference will be held soon, I think in February, and I will not be able to know until that time just what line will be developed. A good deal depends upon the views of other countries, and not just for our own. From our own standpoint we would still think it preferable if the original concept could be carried out.

Question. Mr. Secretary, have events caused you to change your mind about taking to the stump this year—the political stumps that is?

Answer. No, I think I will stand on what I said before on that subject.

Question. Thank you, sir.

Mr. BENTLEY. Some of the criticism of the Secretary of State appears to have been engendered by individuals who, deliberately or otherwise, took one sentence out of the above-quoted paragraph completely out of context. This, if read by itself, would make it appear that Mr. Dulles is gambling with the national security of this country by trying to see how close we can get to war without taking the final, fatal step. Such a misrepresentation is a complete distortion of the facts.

In the first place, ever since the cold war began, we have been taking a certain amount of calculated risk in our dealings with the Soviet Union. The Truman doctrine of military aid to Greece and Turkey involved certain risks. The North Atlantic Treaty, according to the late great Senator Vandenberg from my own State, was a calculated risk for peace. Our reaction to the Soviet blockade of Berlin definitely was such a risk. Any positive action on our part in this cold war period could be considered a calculated risk. But, during the last 10 years of the cold war, years which might appropriately be termed the "dangerous decade" we have not been afraid to take such risks because we believed that taking a strong stand where the circumstances warranted offered the best chance of averting a hot war, a shooting war.

On the whole, our foreign policy and the conduct of our foreign relations has been regarded as a bipartisan affair. It would now seem that some of our friends who belong to the other political party wish to make the Secretary's attributed remarks the occasion for a partisan debate. I think this would be regrettable but I am sure that the members of my party would not run away from the debate if it is forced upon us.

If certain public officeholders and would-be officeholders of the other party want to attack Mr. Dulles for having averted war, albeit by a narrow margin, I would like to ask them where he erred. Do they mean to say that he should not have averted war? That he should have gone over the brink? At least our Republican Secretary of State had sense enough to recognize the brink when he saw it. He has never invited Communist aggression by placing a vital area or country specifically outside of our defense perimeter. I wonder if our friends on the other side had sense enough to recognize the brink in 1950. From the record, it would appear that they did not.

Perhaps on the other hand, our friends are attacking Mr. Dulles for having permitted us to come so close to the brink in the first place. Does this mean that they wanted to stop so far short of the brink that there could be no possible risk of war? Or do they object to our having stated our own position in advance whenever aggression threatened? If they object to this policy, they must object to Public Law 4 which we passed last year by almost a unanimous vote, regarding the Formosa area. They evidently prefer to leave the Communists completely in the dark as to our plans and to permit the risk of miscalculation on the part of the aggressor, a risk which is infinitely more dangerous than any which Mr. Dulles may have taken.

Mr. ROGERS of Colorado. Mr. Speaker, will the gentleman yield?

Mr. BENTLEY. I yield.

Mr. ROGERS of Colorado. Do I understand that in your reference to the situation in 1950, the Democrats determined that war?

Mr. BENTLEY. I said with reference to 1950 that I was not sure that certain people in the administration realized how close we were to war before we started.

Mr. ROGERS of Colorado. Did not all parties agree that President Truman took the right step at that time?

Mr. BENTLEY. That was the right step after the aggression commenced. That is correct. I am talking about the steps leading up to the war. I think that is when the recognition was not general on the part of the administration.

Mr. ROGERS of Colorado. Do you feel that the Secretary of State should have the right to determine when we go over the brink and when we come back?

Mr. BENTLEY. No, of course I do not. Apparently some people think he has the right, and that is what I am trying to point out, that he does not have. That is up to the Congress.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. BENTLEY. I yield.

Mr. HALLECK. I was here in 1950 and I was a Member of the House. I did not know we were going to war with Korea until I heard it announced. No one consulted me or talked to me about it and I had absolutely no information about it; no intimation that we were that close to war.

Mr. BENTLEY. If the gentleman will permit me, I would like to proceed with my statement before I yield further.

If you gentlemen on the other side will think back into history for a moment, you will remember that our last three wars were all started as a result of miscalculation on the part of aggressors. The German Kaiser miscalculated American intentions when he renewed open submarine warfare in 1917. Hitler and Tojo certainly miscalculated in 1941 when they decided to embroil this country in World War II. And I have already mentioned the tragic miscalculation on the part of the Communists in 1950, a miscalculation for which they can hardly be blamed.

Other examples of international miscalculation run throughout history. I was in Germany in 1939 when Hitler marched into Poland. I remember Germans telling me, "There will be no war. The British will not fight." Of course, they were thinking of how the British and French had reacted to the partition of Czechoslovakia the previous year. And World War II, one of the most tragic episodes of human history, resulted through miscalculation by a dictator.

Mr. Speaker, none of us can see into the future; none of us know whether we will have war or peace in the decade that lies ahead. We have only the lessons of the past to guide us as to the future. The past definitely teaches us that dictatorships have launched aggressive warfare because they miscalculated the intentions of the democracies. John Foster Dulles would not be fit to be our Secretary of State today if he did not do everything in his power to make sure that the Communist dictatorships do not miscalculate again.

I know the American people, as well as the people of the whole world, both slave and free, urgently desire and pray for peace. I know that the Eisenhower Republican administration receives grateful recognition from the American people because it brought us peace in Korea and has since kept us at peace. I know that the leaders of the administration, from the President on down, are dedicated to the pursuit of a just and honorable peace. But there are certain principles vital to our moral integrity and certain interests essential to our national security which cannot and will not be sacrificed merely for the sake of peace alone.

Setting forth those principles and defining those interests which cannot be compromised, in terms unmistakably clear to any would-be aggressor, is necessary to prevent a future war being started through miscalculation. By our adherence to these principles and our protection of these interests, we have been brought to the verge of war in the past and we may be so brought again in the future. But an abandonment of previously announced positions might be more tragic even than war itself. Another Munich conference or a series of them would never prevent war, but only make it more inevitable. To the extent that our positions are made known in advance and then adhered to, come what may, to that extent the chance of averting war is enhanced.

Mr. ROGERS of Colorado. Mr. Speaker, will the gentleman yield again?

Mr. BENTLEY. I shall be glad to yield to the gentleman.

Mr. ROGERS of Colorado. Is the gentleman familiar with the prediction made by the present Secretary of State, Mr. Dulles, just before World War II broke out in Europe? Is the gentleman familiar with the statement that has been recorded in the paper to the effect that he said we had nothing to fear from Hitler and that no war would break out in Europe?

Mr. BENTLEY. No, I cannot say that I am familiar with that particular statement, but, of course, Mr. Dulles was speaking as a private citizen at that time without the knowledge that comes from Government service.

Mr. ROGERS of Colorado. In view of the fact that he did speak at that time as recorded in the press, is there anything which would lead the gentleman to believe that he is better qualified at this time than he was at that time?

Mr. BENTLEY. He is certainly better informed. The gentleman must recognize the difference between the Secretary of State and a private citizen, especially as to the sources of information available to him.

Mr. ROGERS of Colorado. Has not Mr. Dulles been in and out of the State Department quite a number of years,

with the Democrats as well as the Republicans?

Mr. BENTLEY. Could the gentleman tell me if he was in the State Department at that time or had been?

Mr. ROGERS of Colorado. I am not informed, but at least he had knowledge to the extent that he felt he was capable as a private citizen of making a prediction about what was going on in Europe, and we know how wrong that turned out to be.

The only thing I want to know from the gentleman is, whether based upon experience it is best now to entrust to one man the right to determine whether we go across the brink or whether we do not? That is the question I propounded to the gentleman a while ago.

Mr. BENTLEY. Based on the experience that we have had since Mr. Dulles has become Secretary of State, I think he is ably qualified for his present position. I have no way of judging what experience he had before he came to office.

Mr. CURTIS of Missouri. Mr. Speaker, will the gentleman yield for a question and an observation?

Mr. BENTLEY. I yield to the gentleman from Missouri.

Mr. CURTIS of Missouri. I wish the gentleman would actually quote the statement that Mr. Dulles has been quoted as making, because I think if you read the actual statement you will find it is quite limited in its observation, obviously taken out of context. I would like to see the statement itself and the context in which it was made, because I certainly do not think it implied what the gentleman has stated it did imply.

Mr. ROGERS of Colorado. May I make a further observation?

Mr. BENTLEY. I yield further to the gentleman.

Mr. ROGERS of Colorado. I do not have the context of what he stated or the speech that was made, but so far as I know there has been no denial but what Mr. Dulles did make that prediction just before the war broke out.

The first question I asked of the gentleman is whether or not he was advised of the circumstances under which Mr. Dulles had made that statement; of course, he said he did not know that.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. BENTLEY. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. May I suggest that perhaps Mr. Dulles made his statement relative to the situation in Europe based on information which had been furnished him by the State Department at that time?

Mr. BENTLEY. I think that is quite possible, I may say to the gentleman from Ohio.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. BENTLEY. I yield to the gentleman from Indiana.

Mr. HALLECK. I am a little surprised that the gentleman from Colorado would go back to World War II, coming from his side of the aisle, because that is one time we got to the brink and we really got over the brink into the terrible war that followed. We finally got into that war at Pearl Harbor.

I think we all know today that intelligent, far sighted, good judgment at that time would have averted Pearl Harbor.

Mr. BEAMER. Mr. Speaker, will the gentleman yield?

Mr. BENTLEY. I yield to the gentleman from Indiana.

Mr. BEAMER. I want to compliment the gentleman from Michigan for his very forthright remarks, and particularly there is one statement about which I wish to ask a question. The gentleman said there was a miscalculation on the part of the Germans, that that was one of the bases; I want to ask the gentleman, going back not only to World War II but also to World War I, whether or not the statements of the administration at that time advertising to the world our lack of preparedness was not a very great reason why we got over the brink and into war?

Mr. BENTLEY. Based on what I have been told, I understand that to be correct.

Mr. SCOTT. Mr. Speaker, will the gentleman yield?

Mr. BENTLEY. I yield to the gentleman from Pennsylvania.

Mr. SCOTT. May I congratulate the gentleman on his excellent statement and point out that if we arrive at the brink of anything during this administration it will be the Communists that will bring us to the brink, not the Government of the United States. I would like to make this further comment. When we entered the Korean war, speaking of getting to the brink, I was standing as I am now behind this very microphone. It was about half past 12. Most of the Members had gone downstairs to lunch. The very distinguished and beloved majority leader made an announcement here that we had suddenly entered the war in Korea. At that time Republicans and Democrats alike, without regard to party, supported the action of the President. But we were not told in advance, we had no foreign policy discussion, we knew nothing about the late night meeting. It was broken to us when most of the Members were off of the floor with a sudden statement, not accompanied by any previous discussion or any possibility of seeking the public opinion of America or the public opinion as represented here in the Congress. I would much rather have the American people engage in a discussion and know beforehand rather than to have these things suddenly broken during the lunch hour at a time when practically no one is on the floor.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. BENTLEY. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. The gentleman is certainly making some statements which are not historically correct. The gentleman should go back and study history a little more when he refers to the majority leader. It happened that I was on the floor when he made his references to me.

Mr. SCOTT. I would not have made them if the gentleman had not been on the floor.

Mr. McCORMACK. The gentleman had better study history a little more carefully.

Mr. SCOTT. Since the gentleman is asking for a correct statement, I suggest that he go to the CONGRESSIONAL RECORD of that day. The gentleman from Massachusetts made that statement at about half past 12, at which time I got up and asked whether or not we were entering into this conflict with too little or too late. The gentleman from Pennsylvania [Mr. FULTON] asked whether we were at war or not and, as I recall, the gentleman did not answer the query.

Mr. McCORMACK. The gentleman from Pennsylvania overlooks the fact there was a meeting of both sides in the White House preceding that.

Mr. SCOTT. In the early hours of the morning.

Mr. McCORMACK. The gentleman can very easily extend this. I am wondering whether some of my friends on the other side in an election year want to create an atmosphere where the appearance is that bipartisanship is broken, then of accusing someone else? Above all, we have to keep bipartisanship no matter what happens. I am speaking as a member of the minority party. My party is not in control of the White House, remember that. Foreign policy is made by those in control of the White House and the executive branch of our Government. The leadership is there.

Mr. SCOTT. And if broken, it is broken by the other party?

Mr. McCORMACK. Broken by whom?

Mr. SCOTT. The gentleman has said that as far as policies are made they are made in the White House. So if bipartisanship is broken it must be by the other side.

Mr. McCORMACK. The gentleman is always capable of making a political statement. The gentlemen on the Committee on Foreign Affairs should be careful what they say.

Mr. SCOTT. I think that is a good statement.

Mr. McCORMACK. I think the gentleman is trying to provoke a situation for political purposes.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. BENTLEY. I yield to the gentleman from Mississippi.

Mr. COLMER. Just for what it is worth I would like to make a brief observation. I do not know that it will be any contribution to the discussion, but I would like to make it just the same.

It is very unfortunate, in my opinion, for both sides of the aisle that this controversy has arisen, election year or no election year. The people of this country are more interested in the preservation of the Republic than they are in the election of a Republican or a Democratic President. That should be borne in mind.

What good purpose is served by going back and digging up skeletons, if skeletons there be, about who is responsible and who is not responsible for what has gone before? The thing that we need more, in the judgment of this humble Member of the House, is to present a unified front to our potential enemies, the Communists. Now, so far as the foreign policy of this administration and

the preceding administration is concerned, in my humble judgment there is no difference in the conduct of our foreign affairs. This administration has followed the procedure of the previous administration in dealing with the Communists. That policy is and has been all along to permit the Kremlin to call the signals and we run the defensive plays. Now, the thing that we want to do, it seems to me, in this country, is to place the future of this country in our dealings with the Communists on a unified front regardless of politics and quit this knocking and bickering on both sides. Such discord can only serve the enemy.

Mr. BENTLEY. I would like to say to the gentleman from Mississippi that I certainly agree with him. I would like to say that the members of this party, on this side of the aisle, were not the ones that first started to criticize Secretary Dulles, because of this recent magazine article and because of a sentence that was perhaps badly worded and taken out of context. If we are to have such criticism, it behooves the Secretary's own party to answer it, and as the Secretary only said yesterday in a press conference, we can have constructive debate on foreign policy without breaking down or wrecking the security of this country.

Mr. CEDERBERG. Mr. Speaker, will the gentleman yield?

Mr. BENTLEY. I yield to the gentleman from Michigan.

Mr. CEDERBERG. I was going to say the same thing as the gentleman from Michigan, that any criticism of the Life magazine article came from the other side of the aisle and not our side of the aisle. Shortly after the article appeared on the newsstands members of the other party appeared on radio and television all over the United States crticizing that very article, and we are here to defend the Secretary of State who has done such a tremendous and magnificent job in keeping this country at peace.

Mr. ROGERS of Colorado. Mr. Speaker, will the gentleman yield further?

Mr. BENTLEY. I yield.

Mr. ROGERS of Colorado. Do I understand from your last statement that you do not claim by your speech here to take any credit as a Republican for the activities of Mr. Dulles?

Mr. BENTLEY. I certainly think the Republican Party can claim credit for having put Mr. Dulles in the State Department.

I would like to conclude by saying this: I am not a strong defender of our present foreign policy in some respects, especially as regards the operation and administration of the foreign-aid program. But, in the last analysis, a foreign policy will be judged by the results it has produced. A foreign policy that gets us out of war and which keeps us at peace is obviously more successful than one which got us into war in the past. That is the basic essential of foreign policy: To keep us at peace provided that peace be just and lasting. I worked for the State Department under many of Mr. Dulles' predecessors long enough to know that I resigned from the Department in 1950 because I did not agree with the way our foreign policy was being conducted at that time, which was only 2 months before Korea. And, Mr. Speaker, although I reserve the right to criticize our present policy wherever I believe criticism is justified, I have nothing but praise for the way that Mr. Dulles has sought to prevent war. If our friends on the other side wish to make foreign policy an issue in the 1956 campaign, I am sure the American people will indicate in November which kind of foreign policy they prefer, the Democrat version or the Republican one.

Mr. Speaker, I ask unanimous consent to insert here as part of my remarks three articles: An article from a recent issue of U. S. News & World Report by David Lawrence, entitled "Firmness, Not Defeatism"; an editorial from the January 23d issue of the Detroit Free Press entitled "The Kibitzers Behind Secretary Dulles' Chair"; and an editorial appearing in this morning's issue of the Washington Post and Times Herald by Roscoe Drummond, entitled "What Would They Have Done on Formosa Threat?"

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

(The editorials are as follows:)

[From the U. S. News & World Report of January 27, 1956]

FIRMNESS, NOT DEFEATISM

(By David Lawrence)

The American people can breathe easier as a result of the pronouncements on foreign policy recently made by the Secretary of State, John Foster Dulles, and because of the outspoken support given him publicly last week by President Eisenhower.

Mr. Dulles has been speaking frankly to the world lest some aggressor miscalculate and start a war on the theory that the United States would not resist.

Irrespective of the exact wording of the Life magazine article which stirred up a controversy, the fact is that the governments in Peiping and Moscow have, in effect, now been told that the United States has not succumbed to the "strategy of terror" which the Communists have used through their propaganda in an effort to anesthetize public opinion here and abroad.

For many months now, the Communists have been playing a sinister game. They have endeavored to frighten the peoples of the West by emphasizing the horrors of the hydrogen bomb. But while the President tried to get an agreement to ban the use of nuclear weapons and entered wholeheartedly into a conference "at the summit" at Geneva last summer to bring about a truce in the world, the Communist governments upset those hopes shortly after the conference was held.

Marshal Bulganin said on December 31 last that he does not rule out the possibility of a nuclear war. Here was a veiled threat which had to be met, and the magazine article—reflecting in the main views of Mr. Dulles—was an opportune reminder that the American determination to use nuclear weapons, if necessary, has not changed.

What must be avoided today is the creation of the same atmosphere as enveloped Europe just before World War I and again before World War II. In each case a government that was planning aggression miscalculated. The belief prevailed in both instances that the United States would not enter a European war or that, if American intervention came, it would be too late to prevent a victory for the aggressor.

Adlai Stevenson in 1952 said that "the men in the Kremlin thought they would be unopposed" in Korea. Unfortunately, Secretary Acheson in January 1950 gave that impression, and America had to engage 6 months later in a bloody war to "repel aggression." A warning in advance might have avoided that war.

Mr. Dulles has sought in season and out to let the aggressor know in advance what is going to happen if there should be an attack in Europe or elsewhere threatening the security of the United States or its allies.

Fortunately, our allies agree with the course outlined by Mr. Dulles—namely, massively retaliation, in case of attack, which, of course, means the use of nuclear weapons on a selective basis to achieve the most effective results in a military sense.

Our allies are glad the United States is standing for firmness and not defeatism. Prime Minister Eden of Great Britain made a public speech supporting this very point last week after some British newspapers had misinterpreted the Life article as meaning something inconsistent with British policy. Mr. Eden said:

"If there is less fear of world conflict today, this is due to the deterrent of nuclear weapons. Remove the deterrent, or take risks in pretending that it is not there, and the world outlook would be terrifying indeed.

"The justification of both the atomic and hydrogen bombs is that they are deterrents, so awful that no country will risk their use against itself. It is therefore true that the danger of world war should decrease unless an aggressive-minded nation gets into its head that the bomb will not be used against it, whatever it does."

It cannot be proclaimed too often that the United States and its allies mean business and are not bluffing. It is to be hoped, moreover, that Soviet Russia will not make the mistake of assuming that the petty partisans in Congress are speaking for the American people when these unwise politicians attack the administration on a political front.

The aggressor could select 1956, our election year, as the occasion for taking risks.

It is reassuring that Senator GEORGE, Democrat, chairman of the Foreign Relations Committee, has not shared the critical attitude of some of his colleagues.

There is no international harm in a divided political party but we must not present the spectacle of a divided Government. The world should have no doubt that we have a firm leadership in these critical times.

This is the time of all times for politicians to abandon partisan techniques and stand up for America.

The courage of the Secretary of State, Mr. Dulles, should not be derided but applauded.

The wisdom of issuing warnings to an aggressor is unmistakably clear. The episode in which Secretary Dulles recently figured has turned out to be a timely warning. It becomes a constructive contribution to world peace.

For the policy of the United States is, and should continue to be, one of firmness, not defeatism.

[From the Detroit Free Press of January 23, 1956]

THE KIBITZERS BEHIND SECRETARY DULLES' CHAIR

Consider the melancholy plight of a Secretary of State living through hazardous times and an election year simultaneously.

Whatever he does, there must be no hint of appeasement. To be accused of it, about all he needs do is shake hands with an Iron Curtain statesman.

But neither is he to indicate that there are some things the United States won't stand for. When he does that he leads his country to the brink of war—because obvi-

ously we'd be in quite a fix if the other side told him to go jump in the Potomac.

Nor can he embark on any line of action in which there might just possibly be hope for a more friendly, less belligerent attitude by both sides. Averell Harriman, for one, makes this plain. He says we were "taken in" by going to Geneva last summer, and is querrulous about even trying Red intentions for size.

On the other hand, the Secretary is not to leave the enemy guessing—as we've done in the instance of Quemoy and Matsu. Without any information on what we'd really do, the foe might make the wrong guess and leave us with a very nasty choice.

We may be having a dull day, but admit frankly that we can't think of any other alternatives. However, if Secretary Dulles' critics have thought up some other lines of diplomacy we'd like to hear them expounded. We're afraid, though, that any invitation of this kind is going to get us nothing but a dead silence.

[From the Washington Post and Times Herald of January 25, 1956]

DULLES CRITICS QUERIED

(By Roscoe Drummond)

WHAT WOULD THEY HAVE DONE ON FORMOSA THREAT?

The new threats which Red China is aiming at Formosa provide a good opportunity to measure the critics of Secretary Dulles over the Life magazine article.

Are the critics merely complaining that Dulles has got himself entangled in a tactless expounding of policy?

Or are they contending that Dulles has involved the Nation in a policy which is wrong in fact and which should be reversed?

Are the critics, those in the press and those in politics merely complaining that the Secretary is wrong in exposition or are they contending that he is wrong in substance?

If the critics are simply saying that he has spoken unwisely and inopportunely most objective observers will, I think, feel they are right.

But if the critics are implying, without having the candor to say so, that Dulles should not risk going to the brink of war by warning a possible aggressor that aggression would mean war, then that is something else again.

What I am trying to say is this: Isn't it about time we began to discuss the realities of American foreign policy and not just phrases about foreign policy?

What is happening in the Formosa strait and the stalemated American-Chinese Communist talks at Geneva are a timely measure of the difference between acts and words.

In the Life article Secretary Dulles said: "The ability to get to the verge of war without getting into war is the necessary art."

Obviously that is a loose phrase. It played right into the hands of the Communist propagandists around the world, and Dulles can be validly criticized for saying it.

He did not mean, everyone knows he did not mean and the record of events refutes the idea, that it was United States policy that has brought the world to the verge of war at any time in the past 3 years or in the past 10 years.

The truth behind Dulles' loose phrase, as I see it, is that when events have shown that they were bringing the world to the brink of war the United States has been willing to risk war in order to avert war, has been willing to warn the potential aggressor that aggression would certainly involve him in war.

The Formosa situation is a precise example of this policy.

A year ago the Chinese Communists were openly proclaiming that they would take Formosa.

There was a foreboding buildup of Communist military power at the staging points from which an attempt to take Formosa would have to be launched.

There were tension-laden and probing attacks on some of the Nationalist-held islands which constitute the military approaches to Formosa.

Here was a series of events which tended to bring the world to the brink of war.

What was the most constructive and least riskful course which the United States could pursue to keep the Communists from toppling the world off the brink into war itself? We could do nothing, if we chose. We could leave the Communists in doubt and thus give them a reasonable calculation that they could commit the aggression with impunity. We could use words without fitting them to deeds.

The United States did none of these things. We removed the perilous element of doubt (1) by joining with the Chinese Nationalist Government in the mutual defense of Formosa, (2) by a Presidential statement clearly affirming that aggression against Formosa would be met with resistance, (3) by Congress overwhelmingly passing a resolution supporting the President.

This is the substance of "walking to the brink of war" as the best means of averting war. What critics of Dulles will contend that we shouldn't? What would they have done instead?

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. BENTLEY. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. I read somewhere or heard somewhere some statement about returning good for evil, and without any intimation of any kind, if there has ever been anything evil in what the gentleman said, I recall the statement of my distinguished colleague from Massachusetts that he had less than no admiration for me. I want to return the compliment by saying that I congratulate him this morning on not only today but so often refraining from injecting politics into any discussion that we have here on the floor.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. BENTLEY. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Again I think the RECORD should be corrected. I never said I did not have any admiration for the gentleman.

Mr. HOFFMAN of Michigan. Less than no admiration.

Mr. McCORMACK. What I did say was that I had a minimum of high regard for him.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. BENTLEY. I yield to the gentleman from Indiana.

Mr. HALLECK. Mr. Speaker, I, too, want to commend the gentleman from Michigan [Mr. BENTLEY] for the statements he has made on the floor. I think what he has had to say will be helpful. Certainly I agree with the gentleman from Mississippi [Mr. COLMER] that the thing paramount in the hearts and minds of all the people of America is that we avoid another war. There may be differences of opinion about how best to avoid a war and, of course, on occasion they will be expressed. But, as to any breach of the bipartisanship that we all hope for, I might again remind the Members that I certainly practiced it as the majority leader of the 80th Republican Congress when we responded to the request of President Truman for interim aid to France and Italy, Greek-Turkish aid, the Marshall plan, and then NATO. As one who has participated in that and knows something of it, I hope that that bipartianship will prevail. But I must say that I have been chafing in recent days when I have listened to speech after speech after speech by Democratic Members not only here but in the other body, over the radio, on the television, in the newspapers, challenging and criticizing Secretary Dulles for his statement and his position.

The important thing is simply this. The people of this country want a strong, a firm and consistent foreign policy which will be understood not only by our own people but by potential enemies anywhere wherever they may be. Because, in that, with a strong, powerful defense, the American people see their best chance for peace.

In my opinion, all the Secretary did was to put potential enemies on notice that we are not going to be pushed around.

I might recall also in that regard that the Formosa resolution, which certainly was an expression of that very sort of firm foreign policy, was adopted almost unanimously by the Congress of the United States. As we say out in Indiana, nothing pays off like success. We are still at peace and with God's help and the exercise of the kind of judgment of which, I am sure our leaders are capable and of which I think we ought to be capable, we shall remain at peace.

Mr. SCOTT. Mr. Speaker, will the gentleman yield?

Mr. BENTLEY. I yield to the gentleman from Pennsylvania.

Mr. SCOTT. Will the gentleman agree with this statement that war, having been defined as the failure of diplomacy, the keeping of the peace from a posture of strength is the best proof of a successful diplomacy?

Mr. BENTLEY. One hundred percent, I will say to the gentleman from Pennsylvania.

NATIONAL FLOOD INSURANCE AND REINSURANCE

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. ASHLEY] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ASHLEY. Mr. Speaker, I have today introduced a bill to provide for national flood insurance and reinsurance, and for other purposes, in order to meet the widespread economic distress suffered by so many of our citizens in recent years.

I am aware, Mr. Speaker, that a number of disaster insurance plans have been introduced in the early days of this Congress, principally by our colleagues from the New England States. The

tragic consequences of the torrential floods which swept their States last fall are well known to us all, Mr. Speaker, and I think we are all equally aware of the great flood damage which has recently been caused in California.

Less publicized and, therefore, little known, is the great loss suffered in other parts of the country—particularly in the Great Lakes area. Because I have a direct concern with the people and the economy of this region, I should like to point out the unfortunate situation with which we are faced.

It goes without saying, Mr. Speaker, that flood damage in many cases is in direct ratio to the lack of preventative measures which have been taken to control our lake and river waters. Many communities in the country have received some measure of protection from the Flood Control Act of 1936. Under this act, Congress declared a national policy and adopted a national program for flood control. That policy was stated as follows:

> That flood control on navigable waters or their tributaries is a proper activity of the Federal Government; that investigations and improvements of rivers and other waterways, including watersheds thereof, for flood-control purposes are in the interest of the general welfare; that the Federal Government should improve or participate in the improvement of navigable waters or their tributaries, including watersheds thereof, for flood-control purposes if the benefits to whomsoever they may accrue are in excess of the estimated costs, and if the lives and social security of people are otherwise adversely affected.

Unfortunately, Mr. Speaker, no specific reference was made to flood control in the Great Lakes by either committee in reporting out this measure. In 1937 Congress amended the 1936 act by enlarging and expanding its policy, but again the Great Lakes area was neither specifically included or excluded.

Flood-control laws were enacted in 1936, 1939, 1940, 1941, and 1942—but in no case was there specific reference to the Great Lakes, nor any change in the policy set forth in the 1936 act, as amended.

The 1944 Flood Control Act, however, did include authorization for construction of certain projects in the Great Lakes Basin as well as for preliminary examination of Reno Beach, Ohio, with a view to its protection from floods caused by frequent windstorms and from increases in the lake level of Lake Erie.

Similarly the Flood Control Act of 1946 authorized the project for flood protection in the Great Lakes Basin at Mount Clemens, Mich. But at this time, Congress also declared that no project or modification thereof for flood control on rivers and harbors shall be authorized by the Congress unless a report for such project or modification has been previously submitted by the Corps of Engineers.

During the 2d session of the 80th Congress, a letter from the Secretary of the Army, with accompanying papers pertaining to the Reno Beach project, was referred to the House Committee on Public Works. These papers are contained in House Document No. 554, of the 80th Congress. In his letter of transmittal the Secretary pointed out that, according to the Director of the Bureau of the Budget, "while there would be no objection to the submission of the report to Congress, authorization of the proposed works should not, at least at this time, be considered to be in accord with the program of the President." The Budget Director stated that while the Secretary of the Army based his discussion concerning authority for the Reno Beach project on amendatory flood-control acts, the Director found no change in the declaration of policy as contained in the basic 1936 act. One amendment in 1944 defined flood control to include channel and major drainage improvement. The Director argued that had Congress intended the 1936 policy to include lake and tidal floods, it would have amended the basic policy as it did in connection with drainage improvements; that to amend the policy so as to broaden flood-control work to include any inundations, would result in a restrictive effect on river-control works and was therefore undesirable. In response to this position taken by the Director, the Secretary of War pointed out that amending acts included the words "floods aggravated by or due to wind or tidal effects" and that authority for Reno Beach included such language, but the Director contended that the intent was for protection from floods constituting a menace to national welfare, and that the Reno Beach project is primarily to protect that area and is therefore a State or local responsibility.

Notwithstanding the director's contention, the flood control bill of that Congress, H. R. 6419, approved June 30, 1948—62d Statutes, pages 1171, 1178—contained authority for construction of certain projects in the Great Lakes Basin, including protection of the Reno Beach-Howard Farms area in Lucas County, Ohio. During hearings on the bill before the House Committee on Public Works, Colonel Gee of the Corps of Engineers of the Army testified—page 80—that the Reno Beach and Howard Farms is an area of over 2,000 acres of farmland of very high productive value, that the protection desired is that against overflow from the waters of Lake Erie. The House committee reported—House Report No. 1870, 80th Congress, page 49—that it "feels that the basic project is well justified by the prevention of damage and by the other values which will accrue from its construction."

This same congressional intent was manifested in the Flood Control Act in 1950 which authorized flood protection projects at Caledonia and Wellsville, N. Y., in the Great Lakes Basin.

In the hearings before the House Committee on Public Works prior to enactment of the Flood Control Act of 1954, water levels of the Great Lakes were discussed at some length. Col. Alfred D. Starbird, assistant chief, Civil Works for Flood Control, California, explained that the wide fluctuations in the levels of the Great Lakes, results from three basic reasons, namely, long-range fluctuations due to the rain cycles over a period of years, seasonal fluctuations higher in summer than in winter, and the daily fluctuations brought out basically by either a difference of barometric pressure between various areas of the lake or actually wind-driven tidal effects. Seven localities were considered for improvement in the report—House Document No. 424, 83d Congress—accompanying the hearings, of which three were recommended by the Corps of Engineers, namely, Detroit Beach, Mich., Lakeland-Luna pier, Michigan, and Point Place, Toledo, Ohio.

Colonel Starbird quoted the Bureau of the Budget as considering projects of this type to be an expansion of the Federal flood control policy enunciated in the Flood Control Act of 1936 and that the "Bureau of the Budget believes it would be desirable for the Congress, before authorizing these projects, to examine the extent, if any, to which the Federal Government would be justified in expanding its responsibilities for flood control to cover inundation of property aggravated by, or due to wind or tidal effects," and further advised that until the Congress takes affirmative action to expand the policy enunciated in the Flood Control Act of 1936 to cover this type of project, authorization of the project should not be considered to be in accord with the program for flood control. In response to a question by Representative MACK as to whether approval of these projects would establish a new precedent, it is significant that Colonel Starbird stated that there already is a precedent, that the Reno Beach Howard-Farms project was approved in the Flood Control Act of 1948 at an estimated cost of $500,000.

And there the matter rests today, Mr. Speaker. I think it is clear that this so-called congressional intent with respect to exclusion of the Great Lakes from flood-control projects has been established not by Congress, but by the Bureau of the Budget. It is perfectly clear that Congress intended Great Lakes flood-control projects to be planned when it authorized the Reno Beach project in 1948. Yet the Corps of Engineers have been told by the Bureau of the Budget that congressional intent has changed, and that the Great Lakes are now to be excluded. As a direct result of this infringement upon congressional prerogative by the executive branch of the Government, the Corps of Engineers has withheld their recommendation of these Great Lakes projects to the Bureau of the Budget for inclusion in the President's program.

In an effort to establish clearly the intent of Congress—which was specifically made known in 1948—I introduced during the last session bills which would authorize construction of flood control improvements on Lake Erie and which established that the inundation of property because of or aggravated by wind, waves, or tidal effects on the Great Lakes properly comes within the flood control activities of the Federal Government.

I go into this lengthy background, Mr. Speaker, because I do not want there to be any misconceptions, in the minds of the Bureau of the Budget or elsewhere, as to whether or not the Great Lakes

region is to be included in the disaster insurance program which I believe Congress will enact in the months ahead.

In my bill, I make it clear, for purposes of providing for national flood insurance and reinsurance, that the term "flood" shall include rising water caused by tide, wind, or rain, and water inundation caused by, or aggravated by, wind, waves, or tidal effects on the Great Lakes, and that it shall have such further meaning as prescribed by regulation of the Administrator. It is my hope, Mr. Speaker, that Congress will give close study to the direct connection between lack of flood protection in the past and the need for flood insurance in the present. It is my further hope that immediate scrutiny and attention will be given to both of these programs and that a clarification of congressional intent with respect to flood control will soon eliminate the confusion and misconceptions, deliberate and otherwise, which have been fostered by the Bureau of the Budget.

RESPONSIBLE JOURNALISM

Mr. CURTIS of Missouri. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, I understand the attention of the House has already been called to an article that appeared in the Washington Post and Times Herald this morning by Drew Pearson. I believe that anyone reading that article will realize that very serious charges have been made not only against individual Members but against the entire House of Representatives. If those charges are true, of course we have a very serious situation to face up to. On the other hand, if those charges are untrue, the various newspapers of this country which carried this article must face up to a serious situation if they wish to merit the title of responsible journals.

Mr. Speaker, I asked for permission to insert the article I referred to in the CONGRESSIONAL RECORD so that not only all Members could see it and judge its nature for themselves, but also so that this matter would become available for future reference. This is the article:

[From the Washington Post and Times Herald of January 25, 1956]

THE WASHINGTON MERRY-GO-ROUND

(By Drew Pearson)

FUND OF $1.5 MILLION BACKS GAS BILL

Whether you are for or against the bill to exempt natural gas from Federal regulation, you can't help but rub your eyes at the clockwork precision of the lobby which is bent on pushing the Harris-Fulbright bill through Congress.

Never in the many years I have covered Washington have I seen such a skillful job of backstage manipulation. Whether the public wants natural gas regulation or not, it probably isn't going to get it. The Southwest oil and gas boys appear too powerful.

They have organized themselves into a lobby which 2 years ago began operating very quietly for the present Senate showdown. No detail was overlooked. Everything was geared originally to get the gas bill to a vote by last summer.

There was only one thing the lobby didn't figure on—the heart attack of the able Senate leader, LYNDON JOHNSON, the real godfather of the bill. Without his deft guidance, the bill missed out last summer, but JOHNSON has now made it the first order of business in the current Senate, despite opposition from many of his own Democrats, and despite the fact that Republicans welcome this debate as a chance to show that Democrats are in on the giveaway business, too.

Here are details of how the gas lobby quietly laid the groundwork for the showdown vote now about to come up in the Senate.

Stacked committee

First, Senator JOHNSON asked Mr. Eisenhower to appoint a Cabinet advisory committee to study the question of energy, including natural gas and its exemption from Federal regulation. Second, LYNDON switched his Texas colleague, PRICE DANIEL, though a freshman Senator, from the Interior Committee, where he had helped to pass the tidelands oil bill, to the Judiciary Committee, where he could help pass the natural gas bill.

Meanwhile Mr. Eisenhower, taking advice from his Texas friends, pretty well stacked the advisory committee with friends of the gas industry. Consultants to the natural gas section included Richard Gettell of Texas Oil; Richard Gonzales, of Humble Oil; Minor Jameson Jr., of the Independent Petroleum Association of America; and Serge Jureney, of Continental Oil.

Jureney, incidentally, is assistant to the chairman of Continental Oil, L. F. McCullum, who is also head of the Natural Gas Industry Committee, mainspring behind the gas lobby.

This committee, at this point, proceeded to raise a total of $1.5 million with which to pressure and propagandize Congress.

Next step was to get their bill introduced in Congress under the best possible auspices. To do this they picked PERCY PRIEST of Tennessee, chairman of the House Interstate Commerce Committee.

Work begins

Tennessee is a State which does not produce gas and does not relish an increase in the price of gas. Despite this, the lobby figured they could control PRIEST and even reported in advance in the Oil and Gas Journal that "once his bill is ready, PRIEST plans to hold prompt hearings."

Introduction of the bill was timed to coincide with the report of the Cabinet advisory committee, which in view of its heavy industry membership was sure to recommend against Federal regulation.

It did.

The lobby slipped up on one minor matter, however. Congressman OREN HARRIS, of Arkansas, was finally picked to be author of the gas bill, instead of PRIEST. HARRIS has long been close to the Arkansas public utilities and Pan American Airways. His wife was even the recipient of nylon stockings from Ham Moses, of Arkansas Power & Light during the war when they were scarce.

So HARRIS introduced the gas bill, while PRIEST pushed it. PRIEST did a remarkably efficient job.

When the final vote came up in the House, it squeaked through by a 209–203 vote margin only because it had the powerful support of popular Speaker SAM RAYBURN and Republican leaders.

The fact that RAYBURN was for the bill was easy to understand. He comes from Texas. And the big oil boys have long been able to redistrict RAYBURN's congressional district and defeat him if SAM doesn't go down the line for gas and oil.

GOP rollcall

With Republican leaders, however, it was different. Former Speaker JOE MARTIN comes from Massachusetts which needs cheap gas. CHARLEY HALLECK, the assistant GOP leader, comes from Indiana, also in need of cheap gas.

However, they came bustling down the House aisle as the vote was being taken, whispering to fellow Republicans, urging them to get in line for the gas bill.

"There'll be plenty of campaign funds to support any Congressman who votes right," was the word passed through the lobbies.

Here are some of the Congressmen who bowed to the lobby, despite the fact that they come from gas-consuming areas where housewives want low-priced gas:

Maryland: MILLER, DEVEREUX, HYDE, Republicans.

Maine: HALE, NELSON, MCINTIRE, Republicans.

Massachusetts: ROGERS, BATES, NICHOLSON, CURTIS, MARTIN.

Michigan: HOFFMAN, WOLCOTT, BENTLEY, THOMPSON, CEDERBERG, DONDERO.

Nebraska: CHASE, HARRISON, MILLER, Republicans.

New Jersey: WIDNALL, OSMERS, Republicans.

New York: Mrs. ST. GEORGE, COLE, MILLER, KEARNEY, GWINN.

Ohio: MCCULLOCH, BROWN, BETTS, JENKINS, F. P. BOLTON, VORYS, HENDERSON, BOW, MINSHALL, MCGREGOR, Republicans.

Illinois: MCVEY, HOFFMAN, SHEEHAN, CHURCH, REED, MASON, ALLEN, ARENDS, VELDE, SIMPSON, SPRINGER, VURSELL, CHIPERFIELD.

Only three northern Democrats voted for the bill: GRAY, of Illinois, WALTER, of Pennsylvania, and ASPINALL, of Colorado. In California four Democrats who usually vote with the consumers this time voted with the lobby: MILLER, of Oakland, KING, of Los Angeles, DOYLE, and SHEPPARD.

Now, I think it very important for all Members of Congress to weigh carefully the full implication of the charges made in this article. If the charges are true, of course, the very process of legislation has been subverted and the Harris-Fulbright bill did not pass the House honestly. If it can happen on natural-gas legislation it can happen on any piece of legislation. The institution of the Congress itself is in question. Incidentally you will note that I was not named in the article though I certainly fit the description of a Republican Congressman from an essentially gas-consuming constituency who voted for the Harris bill. My vote I do not have to state, but will for the RECORD, was based upon my belief that the best regulation is honest competition and that there is real and honest competition in the gas-producing industry. This is the surest way to get the lowest price for the consumer. I might state that this or other honestly presented facts and arguments and not bribery was in my judgment the sole motivating force in the votes of my colleagues.

It does no good for Members to say to themselves and others, as I have heard them, "Oh, this is just Drew Pearson. Nobody believes him." Perhaps it is true that Mr. Pearson's reputation as an honest journalist is not very good among persons in public life who have had occasion to deal with him and his reporting, but the general public does not know this. Newspapers enjoying good reputations around the country print his syndicated column and the general public rightfully

assumes that responsible newspapers would not print and help circulate the words of a reporter whose veracity was questionable.

It does no good for the Members of the House to brush off this charge lightly. In any republican form of government—for that matter in any form of government—bribery and corruption can exist. It is important for our institutions to remain above reproach on this score. Any charge on this score made by anyone, in my judgment, should be investigated at once; proven true or false and the results published. If the charges were made without any basis of fact the person who made these charges should be called upon to explain just why the charges were made and his explanation publicized.

I want to say here and now that the need for constant criticism of the actions of public officials is so necessary and so great in a republic that nothing should be done to curb such criticism beyond the laws we presently have against slander and libel and beyond the personal decisions that other men must make in deciding whether to publicize criticism that seems unsubstantiated, or criticism that emanates from an individual who through his past actions has shown a sloppy regard for the truth.

There has been entirely too much loose conversation, and reporting in the press, radio, and television which brings the institution of the Congress into discredit among our citizenry. I know no surer or fatal way to undermine a Republic than to discredit the institutions which go to make it a Republic, in the eyes of the people. A Congress of integrity is the basic institution in any Republic. There are two ways to discredit the Congress. One, to make false and unsubstantiated charges against the integrity of its Members. Two, to pass off honest charges as "smears" and to do nothing about investigating them and correcting the errors if errors exist.

Mr. Drew Pearson has become more than a national figure. If the charges made in his article have any semblance of truth in them we should know it and do something about it. If they have no truth in them we should know that. Either many Members of the Congress are discrediting the Congress in the eyes of our citizenry or Mr. Drew Pearson is. It is time we found out who.

Mr. Speaker, one way to do this and the way I am presently advocating is to appoint a special committee of the House to go into this matter, at once, and let Mr. Pearson come before this committee in public hearing and document his case.

There has been too much public debate devoted to attacking the integrity of one's opponents instead of attacking the facts and logic advanced by one's opponents. There is too much fair argument on both sides of the issue involved in determining whether the Federal Government should attempt to regulate the gas producers without resorting to the "smear" approach.

REPUBLICANS ARE THE WORKERS' CHAMPIONS

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include an editorial from the Saturday Evening Post.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, the top smear artists of the Democratic Party have long charged Republicans, individually and as a group, with being antilabor.

The facts are to the contrary. Republicans gave the worker the Taft-Hartley Act, which labeled all the time by certain union leaders as the "slave labor act," has given the worker, as distinguished from the labor politicians, greater benefits than any legislation ever before put on the books. Under it union membership has increased as have union funds.

Republicans generally are, as is evident, loyal Americans who believe in freedom to work, as opposed to the political policy and philosophy of certain union officials who have attained position and power in labor organizations by insisting that before an individual woman or man can hold a job he must join, pay an initiation fee, and thereafter monthly dues, to a labor organization.

The exercise of that power is equivalent to the power to levy a tax. Even the State legislators and the Congress are limited in their authority to levy taxes.

But certain union leaders insist, and they have all too often been successful, that their unions have the right to charge a fee or a tax fixed by them, which must be paid by every individual who wants to hold a job to the organization they represent and that they in turn can use that fee to elect candidates to office.

That means that, if you or I are Republicans, if we wish to work in an industrial plant in our home town or city, we must first in order to exercise the right to work—the right to earn a livelihood and provide for our dependents—pay a sum of money to the union whose officers can then take the sum which we pay in and use it, should we have a brother or a sister who is a Republican and a candidate for public office, to defeat that brother or sister at the polls.

The proposition needs but to be stated to show that it is unfair, unjust, un-American, vicious, and can only lead to tyranny and oppression by a labor government.

Because I, as a Republican, insist that it is wrong to permit any individual or any group to force me, if I want an industrial job, to pay $2, $5, or $7.50 a month in order to hold that job and then permit the union officials to use that sum to defeat me at the polls should I be a candidate, or to defeat the candidate I support, these union leaders and certain Democratic smear artists try to pin an antilabor label on me.

In Michigan there no longer is a functioning Democratic Party organization though there is a political organization using that name. The CIO and some of its officials have taken complete control of the Democratic Party and they are spending union funds to advance the interests, not necessarily of the Democratic Party, but of their own political stooges.

The situation to which reference has just been made is outlined in an editorial published in the Saturday Evening Post dated Jnauary 28, 1956, which reads as follows:

THERE ISN'T ANY REPUBLICAN WAR AGAINST LABOR

Columnists, labor leaders, and politicians—some of them Republicans, too—have been giving out that the Republican Party, or, at any rate, some of its conservative members, is "fighting labor." Walter Reuther even accused some prominent Republicans of plotting to disfranchise the workingman. What started all this?

The most prominent Republican mentioned by these criticis is Senator BARRY GOLDWATER, of Arizona, who has cited impressive evidence that CIO unions have contributed part of their funds, collected as dues from the members, to the Political Action Committee, which almost invariably supports Democratic candidates. Inasmuch as union dues are compulsory in union-shop plants, this means that many workers are compelled to give financial support to candidates who do not represent their views. Inasmuch as surveys indicate that a fair percentage of union members are Republicans, it is difficult to defend the donation of union funds exclusively to Democrats.

The contention of the union leaders is that these political contributions are voluntary; but Gus Scholle, chairman of the Michigan PAC, stated in an interview in the Detroit Free Press that the committee's activities were supported from two sources—voluntary contributions and dues money allocated by local unions. Dues money is, of course, supplied by people of various political beliefs. The union defense of this practice appears to be an effort to show that the various committees through which the funds were channeled were not political parties within the meaning of the Taft-Hartley Act, which forbids such contributions. Nevertheless, in Michigan Democratic candidates have been the almost invariable beneficiaries of CIO contributions, however routed through committees devoted to education or citizenship.

In The CIO and the Democratic Party (University of Chicago Press), Fay Calkins, a former CIO political worker, reports that in the 1950 campaign in Michigan "CIO unions contributed about $211,550," or 64 percent of the total Democratic campaign fund. "CIO gave all but $6,000 of its contribution directly to candidates rather than to the State committee. CIO thus used its funds not only to elect Democratic candidates, but also to strengthen its position inside the liberal coalition."

This would be O. K. with everybody if CIO were not doing it all with money paid in part by union members who do not favor Democratic candidates and who have no interest in "strengthening the liberal coalition." That's what the argument currently raging is about.

An important principle is involved in this debate, as was pretty clear to everybody in the days when the chief offenders were corporations which contributed out of their treasuries to political candidates, usually Republicans. Such use of economic power was frowned upon, not only because it violated the rights of stockholders who might be Democrats, but more because it tended to put political parties and officeholders into the pockets of vested interests. The shoe is now on the other foot, but the principle remains.

This is all there is to this alleged war against labor by the GOP. President Eisen-

hower, in his message to the merged AFL-CIO, urged that the "rights of minorities holding different social, economic, and political views must be scrupulously protected and their views accurately reflected." That summarizes the Republican attitude on union politics.

INTERPOSITION: THE BARRIER AGAINST TYRANNY

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Mississippi [Mr. WILLIAMS] is recognized for 60 minutes.

Mr. WILLIAMS of Mississippi. Mr. Speaker, on May 17, 1954, the Supreme Court of the United States drove a knife into the heart of the American Constitution. On that date the Supreme Court delegated unto itself and the Federal Government certain powers in excess of those granted under the Constitution. On that date, nine appointed Justices assumed unto themselves the power to amend the Constitution in the absence of approval by the people or the several States in the manner which is provided in the Constitution. Willfully and wantonly, they violated every principle of established law. They usurped the legislative powers of the Congress, and contributed affirmatively to the destruction of our dual sovereignty form of Government.

For purposes of this discussion, let us set aside the emotional and political aspects of the subject matter involved in those decisions as well as the merits or demerits of racial segregation per se, and consider instead the constitutional crisis which the people of the 48 States face as a result of the Court's action.

For the States of this Union, North or South, to permit the Supreme Court's brazen act of usurpation to stand unchallenged is for them to surrender meekly their sovereignty to the Central Government. For the States to permit their sovereignties to be so usurped would be to provide the foundation on which oligarchies are built.

Because some States do not have segregation laws, their people may think that the Court's illegal ruling is of no importance to them. They may even believe conscientiously that the Federal Government would be morally justified in the employment of its full force and power against the Southern States in order to compel integration of the races.

If they believe either, they are overlooking the disastrous effects of the Court's action of May 17, 1954.

If the Supreme Court has the inherent right, under its judicial powers—which are not clearly defined in the Constitution—to amend the Constitution in this instance, the Court may likewise amend the Constitution by interpretation in cases affecting other States, and in matters equally as vital to them.

Chief Justice John Marshall, a Federalist himself, whose opinions would certainly show him a believer in a strong central government, once wrote this language into a decision:

> No political dreamer has ever been wild enough to think of breaking down the lines that separate the States, or of compounding the American people into one common mass.

In their attempt to destroy the lines that separate the States and to compound the American people into one common mass, the present Court found it necessary to go outside the law. They found it necessary to use, as the basis for their ruling, various sociological documents, some actually written by foreigners whose information on the subject was gained from abstract sources. The Black Monday decisions violate every principle of established law. There is no basis for such rulings in statutory law, nor can a substantial premise be found throughout the entire history of Anglo-Saxon common law.

Mr. Speaker, let us recall for a moment why the Constitution came into being and how the Union was formed. From a convention of patriots representing 13 independent colonies, there emerged a document forming a Federal Union. The time was 1787; the place, Philadelphia. After declaring their independence from the British Crown, they recognized the necessity for a common union or federation for the mutual protection of all. Acting on this premise, a convention was called to meet in Philadelphia in the late spring of 1787. In attendance were lovers of liberty who had made extreme sacrifices and endured extraordinary hardships in their common resistance to tyranny. The colonies' independence had been secured at a very high price: Death, destruction, privation, bankruptcy, and a tragic war. The high price paid for their liberty was fresh in the minds of the assembled patriots.

In that Convention each Colony voluntarily surrendered to the Union certain powers which they regarded as necessary to the purposes and function of the Central Government. These powers so surrendered were specifically enumerated and carefully limited. The individual States reserved to themselves all powers not expressly delegated to the Union nor prohibited to themselves in accordance with the terms of their compact.

In spite of the cautious wording of the original document, the States refused to ratify the Constitution until ample assurance was given to the States and the people that the Central Government so created could never devour its creators, or deprive the people of their inalienable rights. As a result, the Bill of Rights, the first 10 amendments were added to the Constitution.

These 10 amendments did not expand the authority of the Central Government. On the contrary, they further restricted its authority. Like the Ten Commandments, our Bill of Rights are "thou shalt nots," directed to the Federal Government. They shield the people and the States from an oppressive and tyrannical government born of overconcentration of powers. They were, and are now, the basis for individual liberty and State sovereignty.

The 10th amendment clarified the matter of delegated and reserved powers—in the simpliest of language. It reads:

> The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people.

In elaborating on the 10th amendment, the Supreme Court said, in 1864:

> The reservation to the States respectively can only mean the reservation of the rights of sovereignty which they respectively possessed before the adoption of the Constitution of the United States and which they had not parted from by that instrument. And any legislation by Congress beyond the limits of the power delegated would be trespassing upon the rights of the States or the people and would not be the supreme law of the land, but null and void. (*Gordon* v. *United States* (117 U. S. 697).)

In this particular case the Court had reference to an act of Congress, but its application is to the power of Federal Government. It follows, of course, that whichever branch of the Federal Government goes beyond the limits of the power delegated to it is trespassing upon the rights of the States or the people and such act is null and void. The 10th amendment applies with equal force to all agencies of the Federal Government.

Mr. Speaker, for nearly a century and a half the Supreme Court, the Congress, and the Executive recognized that the power to segregate the races was among the reserved powers of the States. Like the police power, the power to maintain and regulate schools, the power to segregate the races was reserved to the States for the reason that it was not specifically delegated to Congress nor prohibited to the States in the Constitution.

The Supreme Court had many opportunities to construe the meaning of the 14th amendment, and did so on several occasions.

The Court consistently held that States must extend equal protection of their laws to all persons; but not specifically the same protection to all persons. The Court's language was never intended to prevent reasonable classification as long as all classes were treated alike. This was known as separate but equal doctrine. The present Court upset the historical findings of the Federal judiciary in their decision of May 17, 1954, by saying:

> We conclude that in the field of public education the doctrine of "separate but equal" has no place. Separate educational facilities are inherently unequal.

In the words of the Indianapolis Star, under date of January 3, 1956:

> But we believe that in the issuance to the States, in the name of the Federal Government, of an order to cease the operation of segregated schools, the Supreme Court exceeded the Constitutional authority of the Federal Government.
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> The single conclusion on which the Court rested its assumption of this authority was, after all, a shaky one. It was the Court's arbitrary assertion, thereafter referred to as a fact, that separate schools cannot possibly be equal. Carried to its logical conclusion, this means that Indianapolis Public Schools 80 and 84, to pick 2 at random, cannot be equal because they are separate. To be sure they are separate on the basis of pupils' addresses rather than race or some other characteristic. But they are separate nonetheless, and pupils are arbitrarily assigned to one or the other. Going further, it could be said that if there were two third-grade classes in a given school, they cannot be equal because they are separate. In short, if what the Supreme Court asserted as a fact

is indeed a fact, the only community equality of educational opportunity is found in the one-room school. Yet on this premise the Court assumed application of the 14th amendment to the States' operation of public-school systems.

Mr. Speaker, it is quite obvious that the Court not only undertook to rewrite the 14th amendment, which they have no right to do, but they also have rendered a decision which is utterly impossible of enforcement.

Let us take a further look at the background of the Black Monday decisions. The language of the 14th amendment is the same as when it was submitted by Congress and ratified by the States. The present Supreme Court would have us believe that its meainng and intent has changed. This is not true; it was never intended by the sponsors or the ratifying States that it should take from the States their right to segregate the races in their public schools and other local institutions. How can the Court reconcile its interpretation of the intent of the 14th amendment in face of the fact that the very Congress which submitted it to the States proceeded to provide for a segregated school system in the District of Columbia, over which it exercises domain? How can they reconcile their position with the fact that a great number of the ratifying States continued to maintain segregated school systems?

If the idea had ever been entertained that segregated schools were to be prohibited by the operation of the 14th amendment, it stands to reason that Congress and the States would have abandoned their segregated school systems then and there. Certainly they would not have violated their own creature in the very act of creation.

The Constitution of the State of Mississippi was adopted in 1890, and it provides for separate public schools for the white and Negro races. The question of whether this provision was in conflict with the 14th amendment was raised in the case of *Gong Lum* v. *Rice* (275 U. S. 78) before the Supreme Court in 1927. Chief Justice Taft, in delivering the Court's opinion, said:

> The right and power of the State to regulate the method of providing for the education of its youth at public expense is clear.

Previously, in the case of *Cumming* v. *Richmond County Board of Education* (175 U. S. 528, 545) the Court had said in an opinion delivered by Mr. Justice Harlan:

> Under the circumstances disclosed, we cannot say that the action of the State court was, within the meaning of the 14th amendment, a denial by the State to the plaintiffs * * * of the equal protection of the laws, or of any privileges belonging to them as citizens of the United States. We may add that * * * the education of the people in schools maintained by State taxation is a matter belonging to the respective States.

In the case of *Plessy* v. *Ferguson* (163 U. S. 537, 544, 545) the Court had held the separate but equal doctrine as being in conformity with the intent of the 14th amendment. In that case, the Court had held that the establishment of separate schools for white and colored children "has been held to be a valid exercise of the legislative power even of courts of States where the political rights of the colored race have been longest and most rigidly enforced."

There is no doubt but that the Supreme Court has the authority to construe the Constitution when the issue is of first impression before the Court and there is no legislative history of the issue. But in the desegregation cases there were a long line of Court decisions, as well as 90 years of legislative history. In nearly threescore cases, the Federal Judiciary had held to the separate but equal maxim. For nearly a century, the Congress and State legislatures made laws in reliance on the settled principle that each State had the power to regulate its school system without interference by the Federal Government. In effect, the Supreme Court has now amended the Constitution, taking from the States powers exercised by them since the formation of the Union.

Only the people, acting through two-thirds of their national representatives and three-fourths of their State legislatures or State conventions can legally amend the Constitution. The Supreme Court cannot lawfully do it. But if the Black Monday decisions are allowed to stand, it will have been amended.

If the Court is sustained in its continued usurpation of power, State boundaries will be erased and the Constitution rendered meaningless.

On May 17, 1954, the Court did not suggest or contend that the principle enunciated in Plessy against Ferguson, in Cumming against County Board of Education, in Gong Lum against Rice, and all the other cases were bad decisions. The Court did not say they were erroneous interpretations of the Constitution. Instead, the Court held that these previous decisions were bad psychology and errors in sociology.

If we are to recognize the Supreme Court's Black Monday decisions as valid and binding, then we must also assume that the 10th amendment to the Constitution was repealed by the enactment of the 14th amendment. Certainly such was not the intention of those who forced the 14th amendment through the Congress and subsequently fought for its ratification by the States.

Is the Supreme Court of the United States, consisting of nine men holding office by appointment, and answerable not to the people but to their respective consciences if such they have, to exercise final and absolute dominion over every phase of society? Are they to be recognized as the sole and only judges of the limits to which the Federal agency may go in the exercise of its powers, the Constitution to the contrary notwithstanding? Are we to assume that the States and the people are helpless and without recourse against unconstitutional usurpations of authority by the Federal establishment? Are the States defenseless? Must they yield to Federal authority, when the exercise or assumption of that authority is beyond the limitations imposed on the Federal establishment in the Constitution?

If these premises are to be recognized as sound, then we have already changed our form of Government, and no longer live under a constitutional republic. If these premises are sound, we are wasting the fruits of the peoples' labors in maintaining State governments and in supporting county and municipal governments.

The Federal Government, being a creature of the several States, through usurpation, is slowly but surely cannibalizing its creators, to the end that it and it alone shall sit in exclusive judgment of the acts of the citizens of the several States.

If an unlimited central government is to be according to the will of our people, then it should be established by the people. The Court, an appointed body, is clothed neither with the authority nor the ability to speak for the people.

Look for a moment to the Declaration of Independence, which holds that Government derives its just powers from the consent of the governed. In elaborating further on this doctrine, the Declaration of Independence warns us as follows:

> Prudence, indeed, will dictate that governments long established should not be changed for light and transient causes; and accordingly all experience hath shown that mankind are more disposed to suffer while evils are sufferable, than to right themselves by abolishing the forms to which they are accustomed. But when a long train of abuses and usurpations * * * evinces a design to reduce them under absolute despotism, it is their right, it is their duty, to throw off such government, and to provide new guards for their future security.

These words were directed to the King of England and the tyranny of his regime, of course. Not the least among their grievances was the assertion:

> He—
>
> The King—
>
> has combined with others to subject us to a jurisdiction foreign to our constitution, and unacknowledged by our laws, giving his assent to their pretended acts of legislation * * * for taking away our charters, abolishing our most valuable laws, and altering fundamentally the forms of our governments; for suspending our legislatures, and declaring themselves invested with power to legislate for us in all cases whatsoever. * * * In every stage of these oppressions we have petitioned for redress in the most humble terms: Our repeated petitions have been answered only by repeated injury.

Today, the people of the Southern States suffer oppression at the hands of an irresponsible Supreme Court. We have seen that Court arbitrarily void provisions of our charters; they have abolished some of our most valuable laws, and they have virtually declared themselves invested with power to legislate for us in all cases.

Yes, Mr. Speaker, we in the States have petitioned again and again to this Court for redress, but the Court turns a deaf ear to our pleas, choosing instead to harken to the conscienceless demands of minority pressure groups seeking political favor, and to whom the preservation of constitutional Government is a matter of neither moment nor consequence.

Annually we gather in this Chamber for a reading of Washington's Farewell Address to Congress. We accord the reading of this document the proper out-

ward reverence and honor which it certainly deserves, and we can do no less. Many hear its reading, but few listen to the words or attempt to grasp its profound meanings.

If one listens closely to the next reading of this monumental message, he will hear this admonition to all who shall live under the Constitution of the United States:

> The Constitution which at any time exists till changed by an explicit and authentic act of the whole people is sacredly obligatory upon all. * * * But let there be no change by usurpation; for though this in one instance may be the instrument of good, it is the customary weapon by which free governments are destroyed.

As God-fearing people, we are obligated to resist tyranny, no matter what form it may take. If we are true to ourselves, we must resist it even when it wears the sheep's clothing of judicial robes, if freedom is to be the legacy we leave to our children.

The resolving of this crisis does not call for complacency, timidity, or cowardice. It will call for taxing new reservoirs of courage, and will demand sacrifices that will test the strength of our convictions. In the face of the Supreme Court's brazen usurpation of authority, its flagrant disregard of constitutional limitations, its wilful flaunting of judicial precedents, its wanton contempt for the doctrine of stare decisis and recognized principles of established law, we must resort to drastic measures if we are to preserve the structure of our Republic. This will mean suffering and sacrifice on the part of liberty-loving Americans, and it means seizing the offensive from the conscienceless self-seeking elements who seek to destroy our Republic. It means that we must seek and find the courage that distinguished our great American ancestors in their struggle to build this Republic, and there can be no retreating from principle for any cause whatsoever.

Mr. Speaker, inasmuch as the Federal Government is a creature of the States, it is the solemn duty of the States to protect themselves from encroachments upon their sovereignty. No machinery for this is set up in the Constitution. No relief is available in the statutes. Yet the law teaches us that for every wrong there must be a remedy.

The Black Monday decisions of the Federal judiciary go beyond the limits of delegated powers and therefore are an invasion of powers reserved to the States, but the States have a remedy. It was first used by Georgia in the 1790's. It was used by Kentucky and Virginia in the same decade. Other States used it in the 19th century. Jefferson, Madison, and Calhoun were its authors and originators. It was called the doctrine of interposition.

In the words of Jefferson from the Kentucky resolutions:

> *Resolved*, That the several States composing the United States of America are not united on the principle of unlimited submission to their general Government; but that by compact under the style and title of a Constitution for the United States and of amendments thereto, they constituted a general government for special purposes, delegated to that government certain definite powers, reserving each State to itself, the residuary mass of right to their own self-government; and that whensoever the General Government assumes undelegated powers, its acts are unauthoritative, void and of no force:
>
> That to this compact each State acceded as a State, and is an integral party, its co-States forming as to itself, the other party:
>
> That the Government created by this compact was not made the exclusive or final judge of the extent of the powers delegated to itself, since that would have made its discretion and not the Constitution, the measure of its powers; but that as in all other cases of compact among parties having no common judge, each party has an equal right to judge for itself, as well of infractions as of the mode and measure of redress.

In the words of Madison—committee report on the Virginia resolutions:

> It appears to your committee to be a plain principle, founded in commonsense, illustrated by common practice, and essential to the nature of compacts, that where resort can be had to no tribunal superior to the authority of the parties, the parties themselves must be made the rightful judges, in the last resort, whether the bargain has been pursued or violated.
>
> The Constitution of the United States was formed by the sanction of the States, given by each in its sovereign capacity. It adds to the stability and dignity, as well as to the authority of the Constitution, that it rests on this legitimate and solid foundation.
>
> The States, then, being the parties to the constitutional compact, and in their sovereign capacity, it follows of necessity that there can be no tribunal above their authority to decide, in the last resort, whether the compact made by them be violated; and, consequently, that, as the parties to it, they must decide themselves, in the last resort, such questions as may be of sufficient magnitude to require their interposition.

In the words of Calhoun:

> This right of interposition, thus solemnly asserted by the State of Virginia, be it called what it may—State-right, veto, nullification, or by any other name—I conceive to be the fundamental principle of our system, resting on facts historically as certain as our revolution itself, and deductions as simple and demonstrative as that of any political or moral truth whatever; and I firmly believe that on its recognition depends the stability and safety of our political institutions.

None can say that these three great statesmen were advocating anything but preservation of the Constitution and the Union. They had contributed as much, if not more, than all their contemporaries to the creation of this Republic. Certainly their philosophy and their interpretation of constitutional limitations should be given credence today, when the relationship of the Federal Union to the States is in issue.

The right of the States to check encroachments of the Federal Government must, of necessity, be an integral part of our system of dual sovereignty, and vice versa. What happens when a State encroaches on the Federal Government's delegated powers? The Federal Government immediately interposes its sovereignty between the encroachment and the citizens affected. Does anyone believe that our Founding Fathers would confer such power on the creature and withhold it from the creator? No, Mr. Speaker, the principle of interposition is a fundamental part of our system of dual sovereignty. The right of interposition should be reserved for use only when there is a deliberate, palatable, and dangerous usurpation of the sovereign States' powers.

A precedent in American history, when interposition was carried to its logical conclusion occurred in Georgia.

GEORGIA AND THE SUPREME COURT, 1792–93

The issue in the case of Chisholm against Georgia was the right of the Supreme Court to hear cases in which a State was sued by a citizen of another State. Chisholm, a citizen of South Carolina, sued Georgia to recover some lands confiscated during the Revolutionary War.

Georgia refused to recognize the competence of the Supreme Court to hear the case and when the case came to the Court in 1792, Georgia declined to enter an appearance but merely submitted a written remonstrance against the jurisdiction of the Court. In 1793, the Supreme Court ordered Georgia to appear under penalty of a judgment by default for Chisholm. Georgia maintained its defiance and a writ of inquiry was awarded for Chisholm.

The writ was never executed and Georgia succeeded in its defiance of the Court. Opposition to the Court's assumption of jurisdiction was intense in Georgia—the State house of representatives passed a bill declaring it a felony punishable by death for anyone to attempt to execute any compulsory process issuing from the Supreme Court in this case—and widespread in the other States. On the day after the Court's decision was announced, a constitutional amendment was introduced in Congress to prevent a State from being sued in the Federal courts. The 11th amendment which reverses the decision in Chisholm against Georgia was finally ratified in 1798.

There were other cases where the right of interposition was imposed but they turned into open defiance and were never followed through to their logical conclusion. Several interposition resolutions lay inactive or were withdrawn without following the amendment process. Others were not followed through because the legislation protested was amended, or repealed by Congress. Notable examples of the latter are the interposition resolutions of many Northern States in the matter of the fugitive slave law, and South Carolina on the tariff issue. Cases are cited below—not as examples of complete interposition but as examples of the forms of interposition that have occurred in American history.

PENNSYLVANIA AND THE FEDERAL COURTS—THE CASE OF THE SLOOP "ACTIVE"

This conflict between the Pennsylvania and Federal Government originated in the Revolutionary War. The sloop *Active* was captured during the war and sold. The Pennsylvania Court of Admiralty ruled that the proceeds belonged to the captors, but the owners of the ship appealed to the Continental Congress, which, through its Committee on Appeals, reversed the State court. The ruling of the Committee on Appeals was ignored.

Almost 20 years later Olmsted, the owner, applied to the Federal district court for a process to enforce the ruling of the Committee on Appeals. In 1803 Federal District Judge Peters ruled that the money be paid to Olmsted, but he was defied by the State and his decree was not enforced. Olmsted applied to the Supreme Court, which in 1809 issued a writ of mandamus directing the enforcement of the district court's decree.

When the Supreme Court's decision was announced the Governor notified the legislature that he proposed to call out the State militia to prevent the enforcement of the Court's decree. The Federal marshal attempted to serve process on the State treasurer, but was stopped by the State troops. However, the marshal declared his intention to call out a posse in order to enforce his authority.

At the last moment the State backed down. The process was served and the legislature appropriated the money to pay Olmsted's claim. As a final humiliation the general of the State militia was convicted in Federal court for forcibly resisting the Federal marshal. He was, however, pardoned by President Madison almost immediately afterward.

THE VIRGINIA SUPREME COURT OF APPEALS AND THE SUPREME COURT—MARTIN V. HUNTER'S LESSEE

This conflict between Federal and State authorities arose out of litigation to determine the title to certain lands in Virginia. The history of the litigation and the issues of law involved are very complex but do not need to be described in an account of the conflict between the two courts.

In 1810, the Virginia Court of Appeals held that Martin's claim to the lands in issue was not valid because of Virginia statutes restricting the rights of aliens to inherit land within the commonwealth. A writ of error to the Supreme Court was, however, allowed and that Court reversed the Virginia decision and entered an order requiring the Virginia Court of Appeals to enter judgment for Martin.

The Virginia court refused to comply with the mandamus from the Supreme Court. Their refusal was based on the independence of the State judiciary. The Virginia court acknowledged the supremacy clause of the Constitution but denied that this involved the supremacy of the Federal courts.

After the Virginia court's refusal to implement the Supreme Court's decision, the case went back to the Supreme Court on the sole issue of that Court's power to secure compliance with its decisions. Compliance was secured by sending the case back to the lower Virginia court in which it had originated and which enforced the Supreme Court's decision.

CONNECTICUT AND THE EMBARGO ACT, 1809

The Embargo Act was passed by Congress in 1807 and led to much discontent in the New England States. Many memorials against the act were passed but Congress ignored the protests and in 1809 passed a stringent enforcement act.

Connecticut refused to cooperate in the enforcement of this act and the general assembly in special session resolved—

That to preserve the Union and support the Constitution of the United States, it becomes the duty of the legislatures of the States, in such a crisis of affairs, vigilantly to watch over, and vigorously to maintain, the powers not delegated to the United States, but reserved to the States respectively, or to the people; and that a due regard to this duty, will not permit this assembly to assist, or concur in giving effect to this unconstitutional act, passed, to enforce the embargo.

The extent of the opposition to the embargo caused Congress to repeal it within a year of this protest.

OHIO AND THE NATIONAL BANK

In 1819 Ohio placed a tax of $50,000 on every branch of the Bank of the United States within its borders in order to drive it from the State. Despite the Supreme Court decision in McCullough against Maryland which had declared such a tax unconstitutional, Osborn, the State auditor, determined to collect the tax. He was enjoined from collecting the tax by the circuit court but nevertheless proceeded to take it by force from one of the branches of the bank. The Ohio legislature supported Osborn in a series of resolutions objecting to the doctrine that the States are bound on questions of constitutionality by Supreme Court decisions. The legislature also passed an act to withdraw from the Bank of the United States the protection of the laws of this State as a further way of seeking to expel the Bank which had been supported by the Supreme Court.

The Bank instituted proceedings against Osborn and in 1824 the Supreme Court affirmed a lower court decision against him. The tax money was refunded to the Bank.

GEORGIA AND THE INDIANS

In the 1820's Georgia became dissatisfied with the slowness of the Federal Government's removal of the Creek Indians from Georgia Territory. Governor Troup charged the Federal Government with failing to carry out its promises and ordered a State survey of the lands. President Adams threatened to use the Army to stop the Georgia surveyors but Governor Troup successfully defied him. The issue was settled by the withdrawal of the Creeks beyond the Mississippi.

At the same time as the Creek controversy, Georgia also took over the lands of the Cherokees within its borders. The Cherokee laws were annulled and Georgia statutes enforced in the territory. This controversy went to the Supreme Court when a Cherokee was convicted under Georgia law and sentenced to death. The Supreme Court granted a writ of error, but it was ignored, and the Cherokee was executed. At least two other cases arising out of the Georgia statutes regulating the Cherokee lands were appealed to the Supreme Court. In both the Court ruled against the State, but in each case the State authorities ignored all communications from the Court, and the criminal penalties awarded by the Georgia courts were carried out.

NULLIFICATION IN SOUTH CAROLINA

Opposition to the protective tariff increased in South Carolina throughout the 1820's. The 1828 "tariff of abominations" produced a formal protest from the State legislature and nullification sentiment increased for the next 4 years. The tariff of 1832 did not alleviate the situation, and in the fall of 1832 the State legislature issued a call for a State convention. The convention met in November 1832 and passed an ordinance of nullification that declared the protective tariff unconstitutional and authorized the legislature to take all steps necessary to prevent the enforcement of the tariff acts as from February 1833.

President Jackson responded with a message declaring that he would enforce the tariff with all the means at his disposal and a Force bill was introduced in Congress.

The Force bill was passed, together with a compromise tariff act that was acceptable to South Carolina. The South Carolina convention reassembled in March, rescinded its nullification act against the tariff, but passed an ordinance of nullification against the Force Act.

FUGITIVE SLAVES AND PERSONAL LAWS

The Federal Fugitive Slave Act of 1793 caused opposition from States in which abolitionist sentiment was strong. The act relied on State officers to enforce its provisions and several States passed laws extending the right of jury trial to suspected fugitive slaves. Such laws were passed in Indiana, 1824; Connecticut, 1838; Vermont, 1840, and New York, 1840. Though these laws were not direct challenges to Federal authority, they undoubtedly were designed to hinder the operation of the Federal statute.

The situation was altered by the decision of the Supreme Court in the case of Prigg against Pennsylvania. The significant portion of the decision was the ruling that State officers could not be compelled to enforce a Federal statute. As a direct result 4 States—Massachusetts, Vermont, Pennsylvania, and Rhode Island—passed laws prohibiting State officers from performing the duties assigned to them under the law of 1793 and also forbidding the use of State jails for fugitive slaves.

A new Federal Fugitive Slave Act was passed in 1850 which did not rely on State officers for its enforcement. Personal liberty laws providing safeguards for the fugitive slave and making the enforcement of the law more difficult were passed in 10 States—Vermont, Connecticut, Rhode Island, Massachusetts, Michigan, Maine, Wisconsin, Kansas, Ohio, and Pennsylvania.

The most positive defiance of the Federal Government on the fugitive slave issue occurred in Wisconsin in the 1850's. Sherman Booth, an abolitionist editor, was arrested for forcibly rescuing a fugitive slave. The State supreme court released him on a writ of habeas corpus and at the same time held the Federal Fugitive Slave law unconstitutional. However, Booth was indicted and convicted in the United States District Court only to have the State supreme court again release him. In 1855 the Supreme Court issued a writ of error but the Wisconsin court ignored it and refused to send a copy of its record.

The Supreme Court managed to procure a copy of the record in 1857 and in 1858 reversed the judgment of the Wisconsin court. The State courts refused to enforce the verdict but Booth was arrested by a United States marshal in 1860. He was rescued, rearrested, and finally pardoned by President Buchanan in the same year.

The South Carolina nullification resolution of 1832 nullified a revenue act designed to finance the United States Government. The revenue act was clearly within the delegated powers of the Congress, and was an act which it was constitutionally empowered to pass. There was no question in this case but that the act was constitutional.

Following the adoption by South Carolina of its nullification resolution, the legislatures of the States of Mississippi, Alabama, North Carolina, and Virginia adopted resolutions taking exceptions to South Carolina's right thus to nullify a legal and constitutional act of Congress. Even so, South Carolina won a distinct victory by her act of nullification.

In spite of this precedent, I do not believe that a State can legally nullify an act which Congress has the constitutional right to pass. No State can legally void actions of the Federal Government when those actions are clearly within the scope of powers delegated to the Federal Government by the Constitution. If such acts could be so nullified, we would have no effective Federal Government, of course.

But, Mr. Speaker, this is not the case presented by the May 17, 1954, decision. In the present case, the Supreme Court is clearly attempting to destroy the Constitution itself. It has made an abortive attempt to amend the Constitution. It is attempting to nullify the powers reserved to the States under the Constitution. Through acts of interposition, the States would merely be seeking to nullify the action of the nullifiers.

By design, the Supreme Court has committed a deliberate, palpable, and dangerous invasion of the field of sovereignty exclusively reserved to the States. The nine justices have committed an act of treason against the Constitution of the United States.

It is the duty of the States, in the face of such flagrant and illegal assumption of power by the Federal judiciary, to interpose their sovereignty and nullify the decision. In doing so, the States are protecting the Constitution against nullification by the courts, and are protecting the liberties of the American people.

The time is at hand when the States must reassert their constitutional rights or suffer their own destruction. The zero hour for State governments has arrived, and it might well be the zero hour, also, for our Republican form of government.

Mr. Speaker, I have heard many say that they favor interposition, but are opposed to nullification. This is the same thing as saying that we favor the aiming and firing of our guns but we are against hitting the target.

The very purpose of interposition is to nullify. If that is not to be the purpose, the act of interposition becomes merely an expression of disfavor and is meaningless.

Mr. Speaker, interposition is the act by which a State attempts to nullify. Interposition without nullification is a knife without an edge, a gun without bullets, a car without an engine, a body without life.

If the States are to preserve their sovereignties, if they are to preserve the Constitution, they must interpose and declare the Black Monday decisions to be illegal and invalid and of no force and effect within the territorial limits of their respective jurisdictions. This position I believe the States have the right and duty to take and to maintain until such time as this question of contested powers has been settled legally and finally by constitutional amendment.

Mr. Speaker, the South desires nothing more or less than its right to order and control its own affairs within the limitations of its constitutional prerogatives. The Southern States will not submit to judicial tyranny any more than our sister States will sanction illegal usurpations of their sovereignty. In seeking relief from the oppression of this decision, we must and will call on our sister States for their support to the end that the sovereign rights of all the States shall be preserved.

Mr. Speaker, while the Black Monday decisions constitute the basis for our present grievance, it might be well for the States of this Union to take stock of other usurpations of their sovereign powers. Treatymaking powers, taxing powers, the interstate commerce clause, and Government competition with private enterprise have all been, in recent years, the subject of frequent abuse by the three branches of the Federal Government. If we are to maintain our present form of government, the time is at hand when the States should take action, also, to redefine delegated and reserved powers.

Again I emphasize that public-school segregation, as vital as it is to the people of my State and the South, is but part of the all-embracing problem brought on by the Black Monday decisions. There have been deliberate, palpable, and dangerous encroachments in other fields. The trend toward centralization of power into the hands of the few was merely stabilized and amplified by the Black Monday decisions. It is quite apparent that we can expect more and more such abortive invasions of State sovereignties, and more and more usurpation of power by the Federal establishment. The question of whether the States are sovereign in the matter of reserved powers should be settled now, once and for all.

What will be the object of the Supreme Court's next act of usurpation? What among Jefferson's inalienable rights will be next to suffer destruction by judicial legislation?

Will it be the police power of the States? Intrastate transportation and commerce? Will it be State and local regulatory powers? Will it be property rights, marriage laws, contract laws, criminal laws? If we surrender to this trend, where will it end: Can anyone say?

In discussing the unsurrendered powers of the States, the Court, in 1911, said:

> Among the powers of the State not surrendered—which power therefore remains with the State—is the power to regulate the relative rights and duties of all within its jurisdiction as to guard the public morals, the public safety, and the public health, as well as to promote the public convenience and the common good. (*Chicago et al.* v. *McGuire* (219 I. S. 549).)

Will this be the next principle of constitutional government to feel the ax of the Court's usurpation?

We know not which principle of constitutional government will be next to be attacked. Therefore, the people are entitled to know whether the States—the original source of all Federal authority—or the Federal Government itself, is to be the final and supreme arbiter of the extent of delegated and reserved powers under our Constitution.

Jefferson once said:

> Timid men * * * prefer the calm of despotism to the boisterous sea of liberty.

He said:

> The God that gave us life gave us liberty at the same time. The hand of force may destroy, but cannot disjoin them.

It was his creed that resistance to tyranny was obedience to God.

Mr. Speaker, the same God that watched over Jefferson and inspired him to swear eternal hostility to tyranny watches over us. With His divine guidance and help we shall not fail.

Mr. RIVERS. Mr. Speaker, will the gentleman yield?

Mr. WILLIAMS of Mississippi. I yield.

Mr. RIVERS. Mr. Speaker, I want to congratulate the gentleman on this scholarly discussion of this unconstitutional decision by the politico-sociologically minded outfit known as the Supreme Court. The Supreme Court has invited and dared the States of the Union to interpose between them and law and order—yea, even riots and bloodshed in the States. To maintain their self-respect, Mr. Speaker, the States have no alternative in the absence of this action by this Congress in amending the Constitution or referring it to the people for amendment to interpose and follow out all the orderly processes in nullifying that unwarranted, unconstitutional, and unprecedented act of that politico-socialistic outfit up there.

This was done by the State of Pennsylvania, by the State of Massachusetts, by the State of Connecticut, by the State of Ohio, and the States of South Carolina, Georgia, Mississippi, and others when a like-minded Supreme Court tried to do the same thing at an earlier date.

So, Mr. Speaker, these people who said the South has nothing to do are going to find out. They see now across the Potomac that Virginia is doing something. It is not only South Carolina and the State of the distinguished gentleman from Mississippi now speaking. That is not all. You are going to see that we do not propose to have our institutions destroyed by that outfit across the street that care as much for precedent as the man in the moon. We are going to do something. This is just a gentle reminder that we are not going to take

it lying down. The gentleman should be thanked for his efforts. It is a scholarly presentation on an inflammatory issue which is destined to destroy this country if we do not put a stop to it.

Mr. DAVIS of Georgia. Mr. Speaker, will the gentleman yield?

Mr. WILLIAMS of Mississippi. I am delighted to yield to the gentleman from Georgia.

Mr. DAVIS of Georgia. Mr. Speaker, I want to say that the distinguished gentleman from Mississippi is making a very able statement today pointing out that the contention which is made by some people, that the Constitution is what the judges say it is, is not in fact, true. Our Constitution has no such uncertain and unstable meaning as that.

Our loyalty, of course, the loyalty of all of us, is to the Constitution of the United States. We have all taken an oath to support the Constitution, but our loyalty is to the Constitution of the United States itself and not to any erroneous construction, not to any perverted meaning, which is given to it by nine persons who happen for the moment to be sitting on the Supreme Court Bench. I wish to express my appreciation to the gentleman for the able way in which he is bringing out that important truth.

Mr. WILLIAMS of Mississippi. I am very grateful to my distinguished friend and jurist from the State of Georgia.

Mr. FLYNT. Mr. Speaker, will the gentleman yield?

Mr. WILLIAMS of Mississippi. I yield to the gentleman from Georgia.

Mr. FLYNT. Mr. Speaker, I should like to congratulate and commend my distinguished friend and colleague from Mississippi [Mr. WILLIAMS] on his masterful and scholarly open support of and reaffirmation of faith in the Constitution of the United States of America. I think it would be appropriate at this time to quote verbatim from the Constitution of the United States, to read therefrom the 10th amendment:

AMENDMENT X

The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people.

I now follow that by quoting the 11th amendment to the Constitution of the United States:

AMENDMENT XI

The judicial power of the United States shall not be construed to extend to any suit in law or equity, commenced or prosecuted against one of the United States by citizens of another State, or by citizens or subjects of any foreign state.

Mr. WILLIAMS of Mississippi. I might say at that point that the 11th amendment came about as the result of an act of interposition and nullification by the State of Georgia in 1790.

Mr. FLYNT. That is eminently correct.

Mr. Speaker, I am delighted that this masterful address of the gentleman from Mississippi [Mr. WILLIAMS] has been brought to the attention of the House today. I think it is most convincing evidence of the fact that those of us who happen to live in the southern States believe first and foremost in the preservation of a constitutional form of government, as it was, and as it is, and as we pray that it shall ever be, written in and made a part of the Constitution of the United States.

Before I go any further, lest some of my statements may be misunderstood, I want to say without any reservation or evasion that I am here and now willing to take a solemn oath that I hold no malice, hatred, or prejudice whatsoever in my heart, in my mind, or in my soul, against any man or any group of men, living or dead, because of his race or the color of his skin.

I think, Mr. Speaker, I have demonstrated and proved that by nearly 20 years as a member of the bar of all courts of the State of Georgia and of all courts of the United States, including the Supreme Court of the United States. I think I demonstrated it as an assistant United States attorney for the Northern District of Georgia, as a soldier in the United States Army for over 67 months, as a member of the general assembly of Georgia, as a solicitor general of the State of Georgia, and now as a Member of Congress.

In each instance over those 20 years, indeed, I believe, over the 41 years of my life, I have earnestly sought to give to every man and woman every dignity to which he is entitled as a human being and every right to which he is entitled as a citizen of the United States of America.

Yes, Mr. Speaker, I am willing to take such an oath, that I have no prejudice, malice, or hatred in my heart against any person or race. Yet I am just as willing to take another solemn oath that if necessary I will expend every ounce of my strength, every drop of my blood, even my life itself, to resist the efforts of the United States Supreme Court to usurp the power to amend the Constitution of the United States.

The skeptics and the wild-eyed dreamers may say with regard to the school decisions handed down on the 17th day of May, 1954, "What difference does it make whether those decisions were constitutional or not?" I will just as quickly reply that it makes all the difference in the world. If the Supreme Court of the United States can usurp the power to amend the Constitution of the United States of America and to write into it by judicial legislation that which was never intended by those who wrote the Constitution or by those who live under it today, then that same Court or any other similarly constituted group could just as easily abolish habeas corpus, trial by jury, freedom of speech and press, freedom of religion, the greatest of all freedoms—the freedom of choice, and every other personal right and emblem of liberty, which no human being in the world ever had guaranteed to him by the basic instrument of government of any country until the American Bill of Rights was added to the United States Constitution. If and when the time ever comes when the Supreme Court of the United States, or any other court, can usurp the amendatory powers which lie solely in not fewer than three-fourths of the States, then when that time comes we will become serfs under a totalitarian government even as Germany was under Hitler or as Russia is under the Communist conspiracy today.

The thing that has made and has preserved us as a great Nation is the fundamental premise that the United States of America is an indissoluable union of indestructible States. Our Federal Government is based upon the inviolate concept of the separation of powers so that neither the executive, the legislative, nor the judicial branch can go completely wild and destroy the sovereign rights of a sovereign people or of a sovereign state.

If that time ever comes there will be no one left to stop it because the supposed defenders of the Constitution, the black-robed justices of the United States Supreme Court, will be leading the carnival parade riding the chargers of dictatorship and tyranny like the Four Horsemen of the Apocalypse. I hope that time never comes and I humbly pray that it will not.

Mr. Speaker. I believe that our Constitution of the United States of America is a sacred thing. The most sacred and divinely inspired instrument produced by the brain and purpose of man since God gave the Ten Tablets of the Law to Moses on Mount Sinai, and since the Man of Galilee delivered His sermon on another mountain nearly 2,000 years ago.

Yes, the United States Constitution is a sacred thing. It protects and defends the weak and the oppressed against tyrants and would-be tyrants of strength and power. It protects minorities from vastly greater majorities. It protects the humblest cottage and the most stately mansion with equal sanctity. It protects the least of us from the powers of tyranny and despotism. It has caused us to have the greatest way of life ever experienced, or ever known, or ever dreamed of by the mind of man.

It has been defended by many thousands of Americans who have died to save it and yet who died with smiles in their souls because they helped to save it. It has been defended by countless millions more who have lived and so lived that our Nation, truly a nation under God and a nation under a divinely inspired Constitution, might be strengthened and might never perish from this earth. Let us, as citizens of the greatest nation the world has ever known, say reverently that if there has ever been a God's promised land on earth, this Nation of ours is it.

I hope that under our Constitution of the United States of America that we may ever preserve our Nation, and defend our Constitution against every attempt, foreign or domestic, to undermine or to destroy the concept of dual government under which the Federal Government has certain delegated powers and under which the States have certain reserved powers.

Let us as American citizens explicitly declare that the powers of the Federal Government result solely from the compact to which the States are parties and that the powers of the Federal Government in all of its branches and agencies are limited by the terms of the instrument creating that compact and by the

plain sense and intention of those provisions.

Let the terms of the United States Constitution and its plain sense and intention, apparent from the very face of the instrument itself, be that the ratifying States, parties thereto, have agreed voluntarily to delegate certain of their sovereign powers, but only those sovereign powers specifically enumerated, to the Federal Government thus constituted and that all powers not delegated to the United States by the Constitution or prohibited by it to the States be reserved to the States respectively or to the people.

Let us say in positive language that the Supreme Court of the United States has no authority to amend the United States Constitution by judicial order or judicial decree. The State of Georgia did not agree, indeed, I believe no State ever agreed in ratifying the 14th amendment, that the power to operate racially separate schools was to be prohibited to them thereby. As evidence of such clear understanding of the terms of the 14th amendment and its plain sense and intention, we all know that the very Congress which proposed the 14th amendment for ratification by the States, established separate schools in the District of Columbia. Further, we know that in many instances the very same State legislatures which ratified the 14th amendment also provided for separate public schools. Still further, we know that State and Federal courts alike, without any exception recognized and approved this clear understanding over a long period of years and held repeatedly that the power to operate such schools was indeed a power reserved to the States, without intervention of the Federal courts.

With the Supreme Court decision that recently approved the acts of the various States, the question of contested power has arisen. The Court asserts for its part that the States, did, in fact, in 1868, prohibit unto themselves, by means of the 14th amendment, the power to maintain separate schools, which power certainly the States have exercised for more than 80 years. Most of the States for their part, assert that they never surrendered such power. We, in the United States, who live in the section and States represented by me and by the gentleman from Mississippi, mindful of the resolution by which we ratified the 11th amendment to the United States Constitution, and mindful also of the resolution by which we ratified the first 10 amendments to the Constitution of the United States,which together are called the Bill of Rights, and cognizant of similar resolutions adopted by other States, both North and South, again assert this fundamental principle. That whenever the Federal Government attempts deliberately, palpably and dangerously to exercise powers not granted to it, the States who are parties to the compact have a right, and are in dutybound, to interpose for preserving the authorities and rights and liberties pertaining to them.

Failure on the part of the States thus to assert the clearly reserved powers would be construed as tacit consent to the surrender thereof and such submissive acquiescence to powerful and dangerous encroachment upon one power would, in the end, lead to the destruction and surrender of all powers, and inevitably to the obliteration of the sovereignty of the sovereign States, contrary to the sacred compact under which this Union of States was created.

We, as American citizens, concerned with this massive expansion of central authority, nevertheless have reserved our rights to interpose against the progress of such power, in the hope that will ameliorate such transaction. Now, however, in a matter so gravely affecting the people of our respective States in their most vital public institution, we can remain silent no longer.

Therefore, we must invoke that divine guidance impleaded by our people on July 4, 1776, when they first declared themselves to be a free and independent people and appeal now to all Americans everywhere, without regard to geography or latitude, and to all of our sister States and their citizens, for that decision which only not less than three-quarters of the States are qualified to make under our mutual compact.

We respectfully request them to join us as we make proper application for interposition.

We pledge our firm intention to take all honorable, legal and constitutional measures available to us to resist the illegal encroachment upon our sovereign power.

Let us state in no uncertain terms that we shall not be bound by the unconstitutional act, decision or decree of the Supreme Court of the United States.

Let us say in language that cannot be misunderstood that we swear allegiance to the Constitution of the United States and reaffirm our faith in it as the guardian and defender of our most sacred rights, and that we shall scrupulously obey its provisions, its orders, and its mandates.

Let us also clearly state that we will respect and will obey all properly constituted decrees of all courts and that we reaffirm our obedience and allegiance to the principle that the Government of the United States of America is a Government under law and not a Government of men alone.

Let us clearly state that we will respect and obey the Constitution and laws of the United States, but that we also expect to be allowed to respect the laws and the Constitution, of the sovereign States in which we live.

Finally, let us unmistakably state in language that cannot be misunderstood that we always have, do now, and shall ever, obey the law, but that as part of the sovereign people we shall never subject ourselves to, nor will we obey men—even nine in number—however white the marble of the building which houses that once-hollowed courtroom, or however black their judicial robes, so long as they disregard the Constitution, overthrow all judicial precedents, and admittedly base their decisions upon the insane rantings of a man named Gunnar Myrdal, who by his own admission, hates America with everything that constitutes a part of the American way of life.

Let us take renewed courage, and let us speak out whenever the occasion may arise so that we may never be accused of acquiescence because of our silence.

Let us take renewed courage as we try to preserve the greatest instrument the world has ever known, the Constitution of the United States. We know we are right. We shall not falter, and we shall not fail.

Mr. WILLIAMS of Mississippi. Mr. Speaker, I am very grateful to my friend from Georgia for those remarks.

Mr. LANDRUM. Mr. Speaker, will the gentleman yield?

Mr. WILLIAMS of Mississippi. I yield to the gentleman.

Mr. LANDRUM. I congratulate the gentleman from Mississippi. While the decision which prompted the very scholarly and masterful address he has delivered is of peculiar interest to us who live in the southern section of this country, the gentleman from Mississippi has, nevertheless, taken the time and made the effort, painstakingly, to point out to all of us the impending dangers inherent in such a decision as that rendered by the Supreme Court last May.

I think all Americans, and I know those of us who are charged with the responsibility of representing the American people in the form of government which we enjoy, should take notice of the statement made by the gentleman and of the dangers pointed out by this scholarly statement. It is time for us to realize that although this thing particularly disturbs us from our section of the country, that the time is at hand, when the Supreme Court has taken over the responsibilities which you tell the people you are going to perform when you come to this body to represent them. As the gentleman from Mississippi has suggested, the thing which is of particular moment is: Let us get down to business and realize that it is time now for us to understand the real problems, and the problem which is going to confront us until we resolutely stand here and resolve it ourselves. The Supreme Court must be stopped from usurping the legislative functions of our Government.

While I have the floor I also, if the gentleman will permit, wish to thank my friend and colleague from Georgia [Mr. FLYNT] for the splended statement he has just delivered.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. WILLIAMS of Mississippi. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. Without getting into this segregation issue, may I ask whether or not the principle involved in the case that the gentleman is discussing is not the same one the courts followed in the case of the offshore oil and in the natural gas case also?

Mr. WILLIAMS of Mississippi. Certainly the same principle is involved. The Court has usurped its powers in that case.

Mr. HOFFMAN of Michigan. Another question. Has the gentleman any opinion as to whether the appointment of

former Members of Congress to the Supreme Court, they having had a record of being permitted to legislate, and having legislated, is proper? And is it possible they have taken the idea over there with them that they are still a part of the legislative body created by the Constitution?

Mr. WILLIAMS of Mississippi. It appears so, but God only knows what they might think.

Mr. HOFFMAN of Michigan. I recall very distinctly when as a lawyer in my home community I used to read the decisions of the Supreme Court with almost as much conviction as I read my prayer book or Bible, either Old or New Testament. But down here when I have been getting five opinions in one case, and even those who are in the majority having different reasons—all of them—for their decisions, I have on occasions slipped and turned to a Western for my reading.

Mr. WILLIAMS of Mississippi. The gentleman has a very rare disease. It is the same as I have. I love the Constitution and believe we should follow it to the letter and that it should be changed only in the manner in which the Constitution provides and not by legislation or judicial decree.

Mr. HOFFMAN of Michigan. I wonder how many at the present time on the gentleman's side of the aisle, how many Members of the gentleman's party, will go along to prevent these—what would you call them. You cannot call them racketeers or extortionists—but respectable men who are welcome at the White House, for example, who have control of these unions, from collecting so much money?

Another thing, the charge is made here often by those on the other side that the Republican Party is antilabor. You know, these labor fellows now compel me, if I want to work in an industrial plant, to pay them—a while ago it was $2, then $5 and now it is $7—then they use that money to defeat me at the elections. Would you gentlemen not go along to outlaw all collections by the so-called labor organizations of money to be used against even Republicans?

Mr. WILLIAMS of Mississippi. Is the gentleman suggesting I have a ring in my nose?

Mr. HOFFMAN of Michigan. No; the gentleman has kept whatever it is free from the wringer and I want to express my appreciation.

Mr. WILLIAMS of Mississippi. The gentleman should not ask me that question. Ask somebody else. The gentleman knows where I stand.

Mr. HOFFMAN of Michigan. I know, but do you think there is any hope of getting that false charge withdrawn that the Republican Party is antilabor? I think the gentleman voted for the Taft-Hartley Act.

Mr. WILLIAMS of Mississippi. Yes, I voted for it, then voted to override the President's veto.

Mr. HOFFMAN of Michigan. Yes, I think it was put across by a Republican Congress with the help of certain Democratic Members.

Mr. WILLIAMS of Mississippi. We are talking about segregation and interposition. I appreciate the gentleman's remarks but I would like to get back on the track.

Mr. HOFFMAN of Michigan. I thought we would make a little hay, if possible.

Mr. RIVERS. Mr. Speaker, will the gentleman yield?

Mr. WILLIAMS of Mississippi. I yield to the gentleman from South Carolina.

Mr. RIVERS. At this time the Supreme Court and the prestige of that outfit has been brought down to an all-time low. Jefferson said in substance, I believe, that it is just as well that judges through their bias and unconstitutional laws be brought to task rather than the republic be destroyed. The Constitution is, after all, the supreme law of the land and this outfit has brought this derision and storm and vilification on themselves.

Mr. ABERNETHY. Mr. Speaker, will the gentleman yield?

Mr. WILLIAMS of Mississippi. I yield to the gentleman from Mississippi.

Mr. ABERNETHY. First permit me to congratulate my colleague on his very able and splendid address. He has given this House something to think about. The time has certainly come for the Congress to curb the Supreme Court and force it within the powers and limitations given it by the Constitution.

In this connection, I was very muchly interested in what our very able colleague from Michigan had to say a moment ago about the appointment of Congressmen, and I might add governors which he omitted, to the Supreme Court of the United States. Personally I have thought for a long time that that is a very bad practice and something should be done about it.

Mr. WILLIAMS of Mississippi. The gentleman might add, also, presidential candidates. I think that would be better.

Mr. ABERNETHY. Yes, I thank the gentleman. I not only think it is a very bad practice, but I think it has led to some very bad decisions and legislating by judicial decree. Also, the Court has fallen into disrepute. It seldom agrees on what the law is. Frequently its decisions are purely political, undoubtedly influenced by the political lives which all of them have led. They are men who studied law and practiced politics. They are not supreme in the science of law as our Founding Fathers intended them to be.

For many years, I have thought of introducing legislation which would disqualify Cabinet officers, governors, Senators, Congressmen, and so on from serving on the Federal bench at any time within 5 years of having served in such capacities. My object was to divorce the bench from the politician. It was my pleasure last year to discuss this proposal with certain officers of the American Bar Association. They were meeting here in Washington at the time. Many of them favored the idea. Some reserved opinion. Only one opposed. Thereafter I had a bill drafted by the legislative counsel. I got it out again the other day, took a look and made some revisions. I hope in the next few weeks to introduce it. I realize that if it should become law, it would disqualify me and every Member of this Congress from serving on the bench for 5 years from our last day of service here. That is exactly what I wish to do. As for myself I know I am not qualified to serve as a Federal judge, but my qualifications are as good as many who have been so assigned. I do not think, Mr. Speaker, that any Member of the Congress or any others who hold high political positions ought to be permitted to serve on the bench at any time within 5 years of a political service. If such a bill were made law, it would reverse what we have had on the Supreme Court the last 20 years. It would contribute materially to the establishment of a court made up of men who had devoted their lives to one of the oldest sciences known to man—the law—instead of a court made up of politicians and political "has beens." The judiciary would then be dignified with real students of the law and their opinions would be respected by one and all alike.

The SPEAKER pro tempore. The time of the gentleman from Mississippi has expired.

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent that the gentleman be permitted to proceed for 3 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. I would like to ask the gentleman to yield in view of what has just happened.

Mr. WILLIAMS of Mississippi. I yield.

Mr. HOFFMAN of Michigan. The gentleman from Mississippi [Mr. ABERNETHY] very modestly said he doubted his ability to serve on the Supreme Court.

Mr. ABERNETHY. Mr. Speaker, if the gentleman will yield, if the gentleman thinks I am so qualified, I deeply appreciate it.

Mr. HOFFMAN of Michigan. Now, I practiced law for some thirty-odd years in Michigan, and I would not even have presumed to be a candidate for one of the local judicial positions because I did not think I knew enough. Then I came down here and then the President appointed a police judge out of Detroit to be an associate justice of the Supreme Court. Now, how can you say that it requires any qualifications to be a member of that Court?

Mr. ABERNETHY. I might say to the gentleman that I have practiced law since 1924; that is, I attempted to practice, but I confess that during the last 20 years of my life I have not been entirely free of politics which certainly has not added to my stature as a possible jurist. But with all deference I submit that my qualifications are equal to if not exceeding those of some who now occupy the Federal bench, including the Supreme bench, with the qualification of neither being sufficient to meet the test of a real jurist. When a man gets into the field of political activity as a Senator or a Congressman or a governor and so forth, as a general thing, I think he loses at least temporarily some of the judicial

touch that he ought to have in order to qualify for a judicial position. There may be exceptions, I know; but the safe thing to do is to keep those who have been leading political lives off of the bench. The judiciary should be confined to those who have spent their lives mastering the law and nothing else.

Mr. BOYLE. Mr. Speaker, will the gentleman yield?

Mr. WILLIAMS of Mississippi. I yield to the gentleman from Illinois.

Mr. BOYLE. Of course, I have misgivings when I take the floor here this afternoon but I do not propose to sit idly by and hear our Supreme Court described and characterized in such uncomplimentary terms as have been employed today. I am admitted to practice before the Supreme Court of the United States, I have been admitted to the highest court of the State of Illinois, and I have been honored by the House of Representatives in making it possible for me to sit on the Committee on the Judiciary. I do not think we win anything when we deprecate the Supreme Court of the United States by a lot of loose language, directed not so much at its decisions but at its membership and their competence.

Mr. WILLIAMS of Mississippi. If I may interrupt.

Mr. BOYLE. Yes.

Mr. WILLIAMS of Mississippi. What can we compliment the present Supreme Court for? Certainly not their legal or judicial qualifications.

Mr. BOYLE. I compliment them for their qualifications. I may disagree with them in certain cases, as I have in the past. But I do not think you win by deprecating that Court which is recognized the world over as probably the loftiest judicial tribunal in the whole world.

It seems to me, as an officer of the Court, if I were to stand idly by and permit this assault to transpire without raising at least my own small voice in protest, I would be unfair to my assignment as a lawyer and my assignment on the Committee on the Judiciary of the House.

The SPEAKER pro tempore (Mr. HALEY). The time of the gentleman from Mississippi [Mr. WILLIAMS] has expired.

Mr. FLYNT. Mr. Speaker, I ask unanimous consent that the 30 minutes granted me under a special order for today may be transferred to the gentleman from Mississippi [Mr. WILLIAMS].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. WILLIAMS of Mississippi. Mr. Speaker, I am very grateful to my friend from Georgia for transferring his time to me. However, I shall not use more than 2 or 3 minutes and I shall use that for the purpose of replying to my good friend from Illinois [Mr. BOYLE] who so ably and valiantly sought to defend the nine political Justices who sit on the Supreme Court bench across the way.

Like the gentleman from Illinois [Mr. BOYLE], I believe in obeying the legal decisions of a court when that court is construing law and not making law.

In 1949 the Solicitor General of the United States, Mr. Perlman, in the case of Henderson against Southern Railroad, which was one of these segregation cases, asked the Supreme Court of the United States—and I think I can quote from what was in his brief—as follows:

> What we seek is not justice under the law as the law is written. What we seek is justice to which law in its making should conform.

Mr. Speaker, I am sure my good friend from Illinois will agree with me that when courts adopt that premise in the interpretation of law, there will be no such thing as established law in this country.

My good friend from Illinois may also be interested to know that at least two of the members of the present Supreme Court had never been admitted to practice before the Supreme Court before they were made members of that Court. I might also tell the gentleman from Illinois that among 8 of the 9 Justices there were less than 2 years' combined judicial experience at the time that these gentlemen took office. I think we should tell the whole story.

I think my colleague from Mississippi [Mr. ABERNETHY] has pinpointed one of our great needs in this country, and I do hope this Congress will have the courage and recognize the need for limiting the powers of the Supreme Court; and also to consider legislation establishing requirements and qualifications for members of that bench.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. WILLIAMS of Mississippi. I yield.

Mr. HOFFMAN of Michigan. I do not believe you are going to get the Constitution amended because there is a political issue in there on that particular thing. But is there any reason why the Congress, every time the Supreme Court legislates, should not overrule their decision as to specific statutory legislation by passing a bill, just as we did on the gas business?

Mr. WILLIAMS of Mississippi. There is no reason, of course, except political. The gentleman knows that I am ready to do it and I know he is ready to do it.

Mr. HOFFMAN of Michigan. I am, too.

Mrs. BLITCH. Will the gentleman yield?

Mr. WILLIAMS of Mississippi. I am delighted to yield to the charming and able lady from Georgia.

Mrs. BLITCH. The gentleman is to be highly commended for his comments on the iniquitous decision of the United States Supreme Court on May 17, 1954. I join him and my other colleagues who have expressed their deep convictions here today—convictions bred into them, I am sure, by a consuming love of liberty and the knowledge that only by preserving a government which functions by laws, and not through the whimsies of men, can we hope to keep the Republic we so dearly cherish, and under which we enjoy the blessings of liberty.

The clear threat to constitutional government has been made by the members of the United States Supreme Court. I take second place to no one in my respect for the three divisions of Government of the United States. But my reverence for one is not superseded by awe of either of the other two.

Thomas Jefferson, one of the framers of our Constitution, foresaw the possibility of a degenerated Court when that document was being written. His protestations were overruled by Alexander Hamilton, who argued, in effect, that there would be so few men in the Nation really qualified for membership on the Court that it would be impossible for the Court to be composed of men other than those of the most superior ability.

The mistake was made in that the qualifications of Justices were not spelled out. And so today we have a Court that by one decision has usurped the powers of Congress and the rights of the States.

Furthermore, by predicating its decision not on law and not on legal precedent, the Court has itself established a precedent which, if followed in any successive decision, they have jeopardized the liberty of every individual citizen of this Nation for all time to come, unless steps are taken to obliterate the excess of power in which the Court wallows.

So I would warn my colleagues of all parties and all shades of social opinion that if they would be mindful of the deprivation of individual human liberty, and if they would deserve the noble heritage which has come to all of us, then they must join their colleagues of the South in a fight to correct this evil, or, as sure as the sun sets this afternoon, we, in turn, will have no heritage of liberty to pass on to our children, much less to generations yet unborn.

Mr. WILLIAMS of Mississippi. I am very grateful for your contribution. Your position is sound, indeed.

Mr. WINSTEAD. Mr. Speaker, will my colleague from Mississippi yield?

Mr. WILLIAMS of Mississippi. I am glad to yield to my distinguished friend and colleague from Mississippi.

Mr. WINSTEAD. I want to compliment and congratulate the gentleman for his masterful presentation and assure him that I am in complete agreement with the thoughts he has expressed. The South is united in opposition to the Supreme Court's decision, and our stand shall prevail.

FLOOD DISASTERS AND THE URGENCY FOR ACTION

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Massachusetts [Mr. PHILBIN] is recognized for 60 minutes.

Mr. PHILBIN. Mr. Speaker, following the great floods of August 19, 1955, the Massachusetts delegation under the leadership of Majority Leader MCCORMACK and Speaker MARTIN met at Boston and designated a Committee on Flood Prevention and Relief comprised of the following Members of the House: PHILIP J. PHILBIN, chairman; HAROLD D. DONOHUE; EDWARD P. BOLAND; EDITH NOURSE ROGERS; RICHARD B. WIGGLESWORTH, and JOHN W. HESELTON.

This committee tackled its task immediately and gave most vigorous attention to the very difficult problems of relief, rehabilitation, protection and disaster insurance, which arose from the terrific impact of successive floods in our State and area. Members of our committee maintained continuous contact with the Army engineers, Federal Civil Defense, Small Business Administration, housing agencies, and other Federal, State, and local units concerned with the alleviation of flood conditions and the rehabilitation of stricken communities.

We also appeared in person before several congressional committees considering these problems and urged relief on an emergency basis and rehabilitation as rapidly as it could be effected. We also pleaded for adequate flood protection and disaster insurance. We are continuing to press for earliest possible action by the House upon the public works supplemental appropriation bill of 1956, which is now pending before the Appropriations Committee.

It is important that the Congress as a whole and the House Appropriations Committee in particular is most sympathetic with our plight and most anxious to render early assistance in the form of appropriations for many projects designed to prevent future floods. It is expected that action will be taken on this measure in the near future, and it is anticipated that by February 15 the Army engineers will have available either planning or construction funds for many projects. Of course, it is our plan to seek additional funds in the regular appropriation bill for fiscal year 1957.

Since there is great interest in the progress of measures to cope with floods and similar disasters, it appears appropriate to present herein for the RECORD a detailed outline of the flood disaster in the Northeast, especially in Massachusetts, an analysis of the situation in various river basins and extensive proposals for urgent action, including authorization and appropriations for flood control and related projects.

In the main these remarks substantially set forth the contents of our report and I hope they will be informative and helpful to Members of the House, who desire to have a fuller understanding of the great problems which confront us in the Northeast arising out of the recent very destructive floods.

DISASTER STRIKES

From the doldrums of the tropical seas on August 19, 1955, the devastating Hurricane Diane struck the Northeast and over an area of several hundred miles poured a vertiable deluge of torrential rains upon the countryside.

Carrying winds of 125 miles an hour at its eye, this great tropical storm spread over a 250-mile area packing a wallop, according to scientists, that no atomic bomb could match. Fortunately for the Northeast, as it progressed northward, the storm lost much of its fury. While it smashed along the east coast, as it veered inland, it lost wind force, but its heavy rains brought damaging floods and disaster in many places from Pennsylvania to New England.

This unwanted climatic visitor moved so fast and erratically that no accurate forecast of its path or probable effects could be made. Previous storms preceding Diane had been responsible for heavy rainfall and actually about 21 inches of rain was dropped upon our area in less than a week, turning almost every stream into a surging chaos.

Streams raised out of their banks, a battering ram of debris swept invincibly toward the sea.

Lives were lost, communities had to be evacuated, homes were destroyed and swept away in the flood, factories and industries wrecked or damaged, business establishments flooded and their goods swept away or destroyed, and a $2 billion havoc visited upon much of southern New England.

The damage in Massachusetts was so great as to defy full description.

RELIEF IS PROMPT

Relief was speedily mobilized. President Eisenhower flew from Denver to an early morning Bradley Field, Conn., conference with various governors and congressional leaders to take personal charge of Federal Government relief operations. He immediately cut red tape and cleared the way for action to relieve the afflicted and bring about rehabilitation of stricken communities.

Collaborating with local and State agencies, the Red Cross, the Army engineers, Civil Defense, Small Business Administration, various housing agencies, Armed Services components, Department of Commerce, Office of Defense Mobilization and many other Government offices and personnel moved vigorously in the stricken area to furnish needed relief and to start the huge job of mopping up the sand, silt, debris, rubbish and tangled wreckage that littered most of the area.

The homeless were fed, clothed, housed and furnished with medical treatment and supplies. Public communications, services, were restored; industries and business establishments put back in operation. No effort will be made here to outline all the damage that was done, of the many services rendered by the Government working with officials of State and local communities.

It is enough to say that the flood damage was enormous and stupendous, the loss of life was most serious and tragic, and the work of relief and rehabilitation to date magnificent.

Credit must be given to the Red Cross, to Federal agencies and to State and local agencies for their contributions and, above all, to the stricken people who, notwithstanding their tragic losses, faced these most distressing conditions with supreme courage and immediate, determined efforts to help themselves.

FLOOD CONTROL URGENT

The disastrous floods conclusively demonstrated one fact beyond question, namely, that Massachusetts and other parts of New England are not adequately protected against floods. Because of the hilly terrain, the heavy rainfall and the settlement of communities in river basins perhaps our area can never be fully protected against all damage from floods. But we certainly can and must be given every possible protection that is feasible from an engineering standpoint and deemed essential to prevent repetition of the last disaster. While we cannot wholly eliminate floods, we can certainly minimize their impact.

The Army engineers have made many studies of Massachusetts water resources in relation to flood control projects. Since 1927, 1936 and 1938 floods, particularly since August 19, 1955, this able group has given intensive consideration to and has submitted recommendations for specific flood control projects. This report will deal in detail with conditions in the several Massachusetts river basins and make recommendations for appropriate action by the Congress based upon past and current surveys.

CONNECTICUT RIVER BASIN

The Army engineers made exhaustive studies of this river basin and many of the results thereof are set forth in House Document 455 of the 75th Congress to which we allude.

The flood-causing storms usually travel across the territory under consideration in a north-northeasterly direction, at a speed of from 150 to 200 miles per day. The Connecticut River watershed, being long and narrow and lying practically north and south, is traversed diagonally, therefore, by these storms, with the result that the peak of the storm will cross the watershed generally in less than 1 day. This, together with the fact that the flow of the river is in the opposite direction to the course of the storm, combines to make the effects of the storm less severe and of shorter duration than might be expected from storms of equal intensity under different conditions.

Storms in New England fall into two classes—continental storms and tropical hurricanes. The latter can be expected in any month from May to December, but the greatest number seem to occur in August, September, and October. Storms originate in the Caribbean and the Gulf of Mexico and move in a westerly or northwesterly direction, after recurving northeast. They seldom reach the Northeast with destructive force, but when they do excessive precipitation occurs.

The Massachusetts congressional delegation committee on flood prevention and relief cites some basic problems:

What can be done about depreciation of values after floods? While there is a tendency, in the absence of disastrous floods over a period of years, for a gradual recovery of these depreciated values, the successful control of otherwise damaging floods will prevent recurrence of this depreciation and its subsequent loss.

Would dikes do away with opposition to flooding of lands required by flood reservoirs?

A system of dikes would cost about $43 million, according to 1939 Engineer estimates. They would cost more now. Protection would be one-half as effective as that afforded by reservoirs, the Engineers state.

Flood control in the Connecticut Basin would be best served by reservoirs and dikes where justified to protect areas of high value, they conclude.

Statistics on flood damage are compelling. For example, the Engineers estimate that the flood of March 1936 in the middle and lower Connecticut River Basin caused damage of $34½ million.

On the other hand, Army engineers state that completed projects in the Connecticut River Basin since made possible a saving of $45 million in the recent floods.

One project alone, the Knightville Dam, held back some 9,100,000,000 gallons of floodwaters. This prevented about $11,500,000 in damages, they state.

Dikes at Hartford are credited with preventing $22 million in damages; East Hartford, $3,750,000; Holyoke, $930,000; Chicopee, $500,000; West Springfield, $4,100,000; and Springfield, $1,800,000.

Had the rainfall extended to Vermont and New Hampshire, the downstream dikes in Massachusetts would have become overflowing bathtubs, in the Engineers' estimation.

The rainfall of Hurricane Diane was particularly heavy in the watersheds of the Westfield River, the West River, the Mad and Still Rivers which flooded Winsted, Conn., the Housatonic and the Naugatuck, which flooded Waterbury, the Connecticut, which spared Hartford because of an elaborate system of flood-control devices, the Quinebaug, in the Thames River Basin, which ravaged Southbridge and Putnam, Conn., the French River, also in the Thames Basin, which caused severe damage in Webster and Dudley, and the Blackstone, which swept through Blackstone Valley Basin into Woonsocket, causing heavy losses in many communities along the way.

In the view of the Engineers, protective dikes, dams, and floodwalls will not completely control floods until upstream dams and reservoirs are constructed. These reservoirs will hold back such flash rainfall as that which accompanied Hurricane Diane and permit rivers to flow at more normal levels, thus cutting flood damages to a minimum.

A very serious problem is presented in the Connecticut River Basin by flooding of the Quaboag, Swift, and Ware Rivers, not only along their own courses, but particularly by their confluence with the Chicopee River at Three Rivers, Mass. Great damage was suffered in this area and flood-control projects there are urgently needed. The completion of the Barre Falls Reservoir will be helpful, but other projects must be undertaken to control flood waters along the Quaboag, the Ware, Swift, and Chicopee Rivers. The reservoir project at West Brookfield is being restudied and resurveyed in connection with proposed plans for the entire area. It would afford protection for the Warrens, Palmer, and Three Rivers areas.

At the urgent request of our valued colleague, Mr. Heselton, we have recommended for authorization the flood control dam and reservoir on the middle branch of the Westfield River at Littleville, Mass.

The request for the West Brookfield reservoir on the Quaboag River was submitted to Congress on February 12, 1936, and again on December 11, 1937, by the Army engineers. The Congress authorized the project in the Flood Control Acts of 1936 and 1938.

The Army engineers classify West Brookfield as inactive due to a lack of economic justification. The most recent studies on West Brookfield were made in 1952. No change in the inactive designation was deemed feasible as a result of this survey but since the recent floods, at our request, studies are being pursued. It is probable that alternative sites or proposals will be selected in order to achieve practicable flood control in this area. The committee is urging special Engineer surveys for the flood-control needs of this area, including Spencer, Leicester, and the Brookfields.

The Barre Falls project, located on the Ware River east of Barre, is designed to protect Ware, Three Rivers, and downstream points on the Chicopee River as it flows into the Connecticut.

The project was authorized by the Flood Control Acts of 1936 and 1938.

The 1946 budget made no provision for Barre Falls. Congress, however, appropriated $55,000, the first advance planning grant for Barre Falls.

Again, the 1947 budget carried no funds for this project. The Congress appropriated $50,000 for further planning.

The 1948 budget asked $10,000 for this project. Congress appropriated $42,000.

The 1949 budget carried an item of $20,000 for Barre Falls. Congress appropriated $50,000.

The 1950 budget requested $10,000 for Barre Falls. Congress voted $20,000.

A total of $217,000 has been appropriated for Barre Falls for advance planning. The Engineers list this project as ready for construction. About $15,000 is needed for final planning, and we urge this and a construction appropriation.

Ten flood-control projects in the Massachusetts portion of the Connecticut River Basin have been completed at a cost of $19,153,000 to the Federal Government. These projects are the Birch Hill Reservoir on the Millers River, Chicopee, Holyoke, Knightsville Reservoir on the Westfield River, Northampton on the Mill River, Riverdale, Springdale, Springfield, Tully Reservoir on the east branch of the Tully River, and West Springfield. These completed projects did much to minimize damage in the Springfield and western Massachusetts area during the August floods.

THAMES RIVER BASIN

It is in this basin that the greatest Massachusetts damage occurred in the recent floods. It is here that perhaps our most urgent problem for flood protection exists on a very broad scale. A glance at the situation presently obtaining reveals the extensive work that will be required in this basin.

The Mansfield Hollow Dam, above Willimantic, Conn., the only completed project of seven proposed for the Thames River Basin, is credited with holding back some 11 billion gallons of water during the recent floods.

Four of these proposed projects are located in southern Massachusetts: East Brimfield, Westville, Hodges Village, and Buffumville. The other three are located in Connecticut: South Coventry, Andover, and Mansfield Hollow.

In addition, Congress has appropriated about $500,000 for improving the Quinebaug-Thames River channel at Norwich. While the work has not been completed, serious flooding at Norwich was definitely prevented this year.

The Westville Dam project on the Quinebaug River just outside Southbridge was deferred some time ago on the ground of lack of economic justification. The recent floods have focused attention on the real need for this project. Concurrence on the Buffumville Dam on the Little River at Charlton, Mass., was granted by Governor Tobin and Congress appropriated funds for planning purposes in June 1954. Funds to complete planning were voted by Congress this year.

Concurrence on East Brimfield was granted by Governor Herter in early September after the recent disastrous floods. State concurrence on Hodges Village has been granted and Westville is now before Governor Herter.

Local opposition was raised against two other Thames River Basin flood-control projects in the Thames Basin: one at South Coventry on the Willimantic River and the other on the Hop River at Andover. These projects have been listed as inactive by the Engineers.

Mansfield Hollow Dam at the meeting point of the Fenton, Mount Hope, and Natchaug Rivers with the Shetucket, just above Willimantic, was completed about 3 years ago. It has been successful as stated above in preventing serious floods.

Our committee presents herein the following references to pending projects in the Massachusetts portion of this basin:

The Buffumville project, located on the French River above Webster, is designed to protect Webster and Dudley from floods. It is 1 of 4 projects in the Thames River Basin located in Massachusetts.

The project was authorized by the Flood Control Act of 1941 and Congress has already appropriated about $165,000 for planning.

The project is designated by the Engineers as "ready for construction."

The Hodges Village project, located on the French River, is designed to protect Webster and downstream points in the Thames River Basin. It was authorized by the Flood Control Act of 1941.

No funds have been requested for this project, nor has Congress appropriated any.

The Army engineers state that in 1940 informal contacts were made with the State for concurrence on this project, at which time it was indicated State concurrence would not be forthcoming.

The New England division engineer, on September 21, 1955, formally requested Governor Herter for concurrence. The Governor has indicated he is having the matter investigated. The Army engineers state there is no known opposition to this project.

The East Brimfield project, located on the Quinebaug River west of Fiskdale, is designed to protect Southbridge. It is located in the Thames River Basin and previously was listed by the Army engineers as "inactive," either due to lack of

economic justification or lack of local interest. The Engineers have redesignated this project as "active" following the August floods.

The Engineers submitted the East Brimfield and the other Thames Basin projects to Congress on September 17, 1940. Congress approved East Brimfield in the Flood Control Act of 1941 and later appropriated $70,000 for planning.

At present additional funds are required to complete planning and these, plus construction appropriations, we propose to seek.

The Westville project, located on the Quinebaug River just west of Southbridge, is designed to protect this community and downstream points in the Thames River Basin.

Westville was authorized by Congress in the Flood Control Act of 1941 and $65,000 for planning was appropriated through June 30, 1945.

The 1946 budget requested $10,000 for Westville for further planning. Congress appropriated $14,000.

The Army engineers list this project as "inactive." The latest studies, made in 1952, indicated a lack of economic justification for the further advancement of this project. This lack was then attributed to increased development in the reservoir area.

However, it must be pointed out that this project together with East Brimfield, is most essential to protect Southbridge and downstream points, and to afford protection to the large plant of the American Optical Co. and other industries. These projects are particularly needed to protect homes and public services in the area.

BLACKSTONE RIVER BASIN

Damage in this river basin has also been very extensive and repetitious and since the river passes through thickly settled communities with industries located on or near the riverbanks, frequent flooding has been extremely costly.

After the floods of 1938, Congress authorized a survey of the Blackstone River Basin to alleviate future flood conditions. The Army engineers formulated a comprehensive plan of flood prevention, listing four projects as key points of the plan. Congress appropriated funds to work out detailed plans and engineering studies for these projects.

The Massachusetts projects are:

Worcester diversion tunnel, for which the Congress appropriated $70,000 for plans.

West Hill Reservoir, for which the Congress appropriated $83,000 for plans.

With the $70,000 appropriated for the Worcester diversion tunnel, the Engineers made several surveys and recommended the boring of a diversion tunnel through Pakachoag Hill and construction of a connecting channel to channel the Blackstone River around the Webster Square business area at Worcester. The Engineers spent a considerable portion of the $70,000 appropriation to ascertain just where the tunnel should go. Drill tests were made to find the type of rock to be tunneled. Nationally known consultants were hired to conduct still further tests. Our valued colleague, Congressman DONOHUE, has given this project his able and most vigorous attention.

The Worcester diversion tunnel is purely a local project designed to benefit Worcester alone. The city is called upon to pay only the cost of the land involved, estimated at about $450,000. The Federal Government would spend $4,190,000—more now—to complete the project. In the recent flood, the power plant of the Worcester County Electric Co., located at Webster Square, is reported to have suffered a loss greater than the entire cost of the completed project.

Key to the Worcester diversion project is assurance on the part of Worcester that it will provide necessary land and rights of way.

The West Hill Reservoir project is in need of funds to complete planning. This proposed reservoir is located on the Blackstone downstream from Worcester where the Blackstone Valley spreads out to flat terrain in a location containing a number of ponds and lakes, together with the West River which empties into the Blackstone.

This is largely a wildlife recreational area, given over in part to boating, swimming, hunting, and fishing. Upon completion of surveys, the Engineers recommended West Hill Reservoir which would consist of the widening and deepening of a large lake so that extra water could be stored in flood times.

Our Commonwealth expressed interest in developing the reservoir area into a State recreational project under an optional plan at a cost of about $200,000 to the Commonwealth. Negotiations are currently continuing.

Proposed construction of the reservoir at West Hill on the West River is to control runoff from a 28-square-mile drainage area and reduce floods downstream.

The proposed West Hill Reservoir will have capacity of 11,900 acre-feet at an estimated cost of $990,000—more now. The reservoir would control runoff from 28 square miles, provide a high degree of protection to points on lower West River, and would have considerable flood-reducing effect at downstream points on Blackstone.

The Worcester diversion tunnel would eliminate, it is believed, 100 percent of damage on Kettle Brook in upstream end of Worcester, 80 percent on lower end. Total annual benefits would be $161,880 so the Engineers estimate.

Federal funds for this proposed plan are contingent upon local interests giving assurance that they will (a) for Worcester diversion, Woonsocket channel, and Pawtucket floodwall, hold and save the United States free from claims for damages due to the construction works, maintain and operate all the works after completion, provide the necessary lands, easements, and rights-of-way; (b) for the Worcester diversion and Woonsocket channel, construct certain bridges, and remove obstructions to provide the necessary cross-sectional flow area.

The Engineers also recommend that the flood control capacity of the West Hill Reservoir be increased to provide conservation storage in the amount desired by the State of Massachusetts; providing that the estimated increased cost of the enlarged reservoir, in excess of the cost of the flood control reservoir, be contributed by the State prior to construction; and that in the event the State does not make the necessary appropriation, the reservoir be constructed without the conservation capacity.

The detail on West Hill follows:

The site is located in Massachusetts on the West River, 3 miles above its mouth, and 2 miles east of Uxbridge. The dam would be built to a height of 43 feet. A side channel spillway would be located in rock in the left abutment. The crest of the spillway would be 760 feet above mean sea level, and 15 feet below the top of the dam. The reservoir outlet would consist of a gate-controlled tunnel in rock in the left abutment. The flood-control capacity of the reservoir would be 11,900 acre-feet, equivalent to 8 inches of run-off from the drainage area of 28 square miles. With reservoir filled to spillway crest, an area of 860 acres would be inundated. It would be necessary to relocate two 14 foot gravel roads for a distance of 1.6 miles and 1.6 miles of 18 foot bituminous macadam road.

This reservoir would provide a high degree of protection to points on the West River and would have a considerable flood-reducing effect at downstream points on the Blackstone River. The total cost of the dam and reservoir would be $990,000 with annual charges of $52,980. The total average annual benefits that would accrue would be $72,770. The ratio of average annual benefits to annual costs is 1.38. The reservoir is included in the proposed plan for the Blackstone watershed. One of the above alternative projects involves conservation features with State participation.

The committee sought clarification from the Engineers of the flood prevention problem of those communities in the vicinity of Millbury between the Worcester diversion tunnel and the West Hill Reservoir, two vital projects in the Blackstone River Basin program. The Engineers state that "the recent floods of this past August indicate that conditions between the end of the Worcester diversion tunnel and the West Hill Reservoir must be examined. This work has been initiated, but no definite solution to the problem has been reached."

The committee will continue to work closely with the Army Engineers in seeking a solution to the problem. We are greatly indebted to Brig. Gen. Robert Fleming and his staff for this cooperation.

The West Hill project, located on the West River east of Riverdale, is designed to protect Uxbridge, Millville, and Blackstone in the Blackstone Basin.

The Army engineers submitted its request to Congress for West Hill on May 26, 1944. The project was authorized by Congress in the Flood Control Act of 1944, with $43,000 appropriated for advance planning through June 30, 1945.

The 1947 budget asked for $40,000 for West Hill. Congress appropriated this amount.

This project is multipurpose and includes recreational features. It is now the subject of negotiation between the

Commonwealth and the Federal Government to come to agreement on respective participations. We urge speed in considering and acting on this project because it is vital to several communities in our State as well as the lower Blackstone.

MERRIMACK RIVER BASIN

The Merrimack River Basin has also been the scene of many ravaging floods and great damage to individuals, communities, and industries. State compact agreements are still under consideration looking toward interstate flood-control projects. Our beloved colleague the gentlewoman from Massachusetts [Mrs. ROGERS] has contributed greatly in this area.

Along the river many valuable projects have been undertaken which have ameliorated dangerous water conditions, in some places through channel-widening and channel-deepening operations, smaller dams, and flood walls and dikes along the course of the river. However, this river and its tributaries, the Concord, Sudbury, and Assabet Rivers, and other smaller streams running into them, still present very serious problems which the Army engineers are considering. Corrective action will have to be taken throughout this entire river basin.

Studies are going forward to determine the need in this basin for constructing additional reservoirs and local protection works and improving the river in the interests of navigation, flood control, and water power. In fact, review reports have been authorized for practically all authorized flood-control projects and the entire area is being carefully studied, according to the Engineers.

In 1938 local flood-protection projects were completed on the Nashua River at Fitchburg and vicinity. However, recent floods caused considerable damage along this river at, above, and below Fitchburg, and at our request the Engineers are now making further studies to ascertain feasible plans for additional required protection.

CHARLES RIVER BASIN AND NEPONSET RIVER BASIN

These river basins will also require flood-prevention projects in order to forestall extensive damage from periodic storms.

As part of their survey of the Charles River, the Army engineers are reviewing the flood-prevention needs of the Milford area. Brigadier General Fleming, the New England division engineer, states:

> The flood of August 1955 was the record flood in this community. The Corps of Engineers has recently been authorized to make a complete reappraisal of flood-control plans in the area affected by the 1955 flood. Conditions on the Charles River, at Milford, will be carefully examined during the course of this study.

In the Dedham area along the Neponset River, Mother Brook was responsible for great damage and loss, and the Hyde Park and Readsville sections of Boston were also seriously affected. The Engineers are also giving these basins their attention. Our able colleague, Mr. WIGGLESWORTH, is especially active in plans for this area.

HOUSATONIC RIVER BASIN

This river and its tributaries definitely require flood-control projects practically throughout much of the basin. As is the case with the Thames, this river at flood stage seriously affects our neighbors in the great State of Connecticut. Studies and surveys are also proceeding in this basin.

HOOSIC RIVER BASIN

The Hoosic River has repeatedly gone on the rampage and it will be necessary to construct proper controls over this and other streams in the basin.

It is believed that completion of presently active projects at Adams and North Adams will largely relieve conditions in this river basin. The commiteee supports full appropriations to complete them at the earliest possible time. Our able colleagues, Mr. HESELTON and Mr. BOLAND, are giving special attention to projects in western Massachusetts.

OTHER NECESSARY WORK

Attention is also being given and surveys conducted to determine the feasibility of preventing flooding on the Mystic River, the Ipswich River, the Neponset River and the Housatonic River. In fact, we reiterate that, according to the engineers, all flood stricken areas, and all river basins, in our State are under study or review in order that effective control of floodwaters may be planned and instituted. In view of general conditions, the committee strongly urges that the studies and reviews be expedited, so that appropriations for construction can be sought at the earliest possible date.

NAVIGATION AND BEACH EROSION PROJECTS

The committee concurs in the recommendations of the New England Governors Conference regarding navigation and beach erosion projects in the whole New England area. The following is a listing of the Massachusetts projects and the amount of Federal funds needed in the fiscal year 1957 budget:

Mystic River, $2 million; Town River, $302,000; Fall River Harbor, $1,620,000; Weymouth Fore River, $2,058,000; Revere Beach, $75,000; Gloucester Harbor and Annisquam River, $180,000; Nantucket Harbor, $162,000; Chatham—Stage—Harbor, $167,000; Newburyport Harbor, $90,000; Falmouth Harbor, $60,000; Cape Cod Canal—Onset Bay, $157,000; Cohasset Harbor, $175,000; Boston Harbor—President Roads Anchorage, $2 million; Quincy Beach, $430,000; and Scituate Harbor, $393,000.

ARMY ENGINEER STUDIES

The committee has been in close touch with the Army engineers and Brig. Gen. Robert J. Fleming, Jr. and his staff have not only rendered Massachusetts and the flood area a great service, but under current authority are presently engaged in rounding out their old studies and making new studies where required with a view to instituting necessary projects or controls. At a later date we will have full reports on these recent surveys.

WATERSHED PROTECTION AND FLOOD-PREVENTION LAWS

Under Public Law 566, 83d Congress, the Department of Agriculture is authorized to inaugurate certain limited programs to prevent floods and protect watersheds by building small check dams, channel clearance, terracing, soil-conservation practices, and planning. This program is suitable for smaller areas and does not contemplate large flood-control projects and, therefore, it is not usually competitive with the projects of the Army engineers. Funds are furnished for this work to local communities and groups on a matching basis by the Federal Government, and it may well be that projects under this law would furnish a suitable answer in many communities where larger dams and projects are not economically justifiable or necessary, and where restoration and conservation of soil is a problem.

The objective of the Watershed Control and Flood Prevention Act is to reduce the peak flow of floods, cut down on the flow of silt and debris and rubbish, halt soil erosion, build up moisture in the subsoil of farms, and keep wells from going dry.

This program under the Department of Agriculture is not necessarily confined to agricultural regions alone, but is flexible enough to extend into industrial and residential communities where there is a substantial relationship to soil conservation, land utilization, and the prevention of damaging floods affecting productive soil.

FLOOD-CONTROL PROJECTS

It is very important that the committee give its earnest attention to specific, necessary flood-control projects. We are fortunate in one sense in that several of the necessary projects have already been authorized by the Congress, and that engineering studies of some of the others are under way. Other projects already authorized, but inactive up to this time, either for lack of economic justification or lack of local interest, can now, where necessary, be activated.

The committee strongly recommends that our delegation, coordinating our efforts with the New England Governors' Conference and the congressional delegations of the other New England States urge earliest possible action by the Congress on the following projects:

FOR AUTHORIZATION

Littleville Flood Control Dam and Reservoir to be located on the middle branch of the Westfield River.

FOR NECESSARY APROPRIATIONS FOR ENGINEERING STUDIES AND CONSTRUCTION OF THESE PROJECTS ALREADY AUTHORIZED

Barre Falls Reservoir, on the Ware River in Barre, Mass: Connecticut River Basin.

Buffumville Reservoir, Charlton, Mass.: Thames River Basin.

East Brimfield Reservoir, Holland, Brimfield, and Sturbridge, Mass.: Thames River Basin.

Hodges Village Reservoir, Oxford, Mass.: Thames River Basin.

Worcester diversion tunnel, Auburn and Millbury, Mass.: Blackstone River

Basin, 10 percent contributory by city of Worcester.

West Hill Reservoir, Upton, Northbridge, and Uxbridge, Mass.: Blackstone River Basin.

Adams local protection, Hoosic River, Adams, Mass.: Hoosic River Basin.

North Adams local protection, Hoosic River, North Adams, Mass.: Hoosic River Basin.

Westville Reservoir, Southbridge, Mass.: Thames River Basin.

All of the above with the exception of the Westville project were recommended by the New England Governors' Conference. That project is located on the Quinebaug River just west of Southbridge where recent flood damage was so severe and extensive. It has already been authorized, studied, and is urgently needed.

INDUSTRIAL AND OTHER DAMS

Many of these dams were washed out entirely, flooded, or were seriously damaged by the floods. Because they are usually located on private property, title to which is held by private individuals, companies or communities, the replacement and repair of these dams has presented no inconsiderable controversy.

The Army engineers state that under current authority, Public Law 875, they are not authorized to replace or repair these dams or, in fact, to do any other work, unless it is necessary to protect the public safety, or restore public facilities in an emergency. It is their considered opinion, moreover, that in many cases, it would be better not to replace these dams, but to let the water in the rivers and streams where they are located run unimpeded and freely toward the sea, thus minimizing flood danger.

The other side of this controversy is presented by local industries which use the water (a) for power, (b) for industrial purposes, (c) for fire protection, and local communities and residents using the water for fire protection and recreational purposes. There are also instances where the water behind these dams is used for agricultural purposes.

In two special instances pertinent to note here, these industrial dams gave way, one with gravest consequences involving serious loss of life and great damage to the area below, and the other without loss of life, but with considerable damage. In both instances, individuals and families had located their homes on the banks of the bodies of water formed by these dams and overnight when the floods came found their surroundings radically changed from attractive waterways to virtual mud holes—insect-infested, disease-breeding—unsightly and foul. Recreational use is entirely eliminated and fishing and swimming and boating made impossible. The plight of people living on the sites of these former attractive ponds is admittedly serious; their damage great, their rehabilitation difficult.

But there are a great many industrial and smaller dams on main rivers and tributaries and smaller streams heretofore serving a real, valuable purpose which, for one reason or another, will have to be replaced, rebuilt, or strengthened. The question is: Who will bear the cost? Under a real worthwhile adequate overall flood control program, is this the obligation of the Federal Government, or are such projects so closely bound up with private ownership, proprietary rights of individuals and local interests that they are to be deemed essentially the obligation of the local, county or State governments, or a combination thereof

The committee believes that there is an area for cooperation and coordination between Federal, State, county, and local governments as to these projects. We feel that some of them closely associated with larger projects should be financed by the Federal Government, whereas those by law or practice, traditionally the responsibility and problem of local, county or State units, might be dealt with by those respective units with possible contributions, if necessary, by the Federal Government.

The damage is so extensive and so great and the cost so high that it is probably all too true that only the Federal Government could assume this obligation without undue inconvenience, danger and prohibitive expense to individuals, industries and local and State units. The committee is of the opinion that the Army engineers, in connection with their current exhaustive studies, should be called upon to make appropriate recommendations at a very early date covering this subject matter, so that our delegation may move with all possible dispatch to insure every relief that Congress can appropriately grant predicated upon the demonstrable needs, as well as the responsibilities, of every level of Government concerned with solving these vital problems.

STATE CONCURRENCE

Under present procedures relating to the inauguration and institution of major flood control projects, the law requires State concurrence by the governor or, in a case like the Worcester diversion tunnel, where most of the benefits are strictly local, by duly constituted local authorities who shall also expressly agree to a substantial contribution in the form of water rights, land titles, easements or cash toward the completion of the project.

In the past the Governor of Massachusetts has given concurrence to the Barre Falls Reservoir project, the Buffumville Reservoir project and the East Brimfield Reservoir project. Of recent date the procedure requires hearings prior to the granting of the necessary State concurrence. Hearings on the Hodges Village Reservoir project were held and State concurrence was granted. The Westville Reservoir project requires State concurrence. It is not expected at present that any objections will be interposed. The concurrence is a condition precedent to Federal construction appropriations.

EMERGENCE ENGINEERING STUDIES

The delegation and the committee have previously very strongly urged allocation of emergency funds to complete engineering studies on all pending necessary flood control projects heretofore authorized by Congress.

The committee believes that pending congressional studies of flood and disaster insurance should be accelerated, so that the Congress may take early action upon measures in this category which would insure property of individuals, corporations and communities against damage by natural and man-made disasters.

The committee also believes that pending proposals to expand and perfect weather services, forecasting and warning systems and weather research should be given very careful consideration and acted upon by the Congress.

The committee further believes that the Congress should give attention to the coordination and improvement of the flood and disaster relief and rehabilitation agencies of the Federal Government. Consideration should be given to the question of direct governmental monetary relief for afflicted individuals, industries and businessmen so that they will not be overwhelmed by oppressive debt and obligations which constitute great hardship developing out of disaster.

The President's disaster relief fund should be increased to $50 million to be available annually whenever required. At the time of the Northeast floods, less than $10 million was in the fund. Congress this year appropriated $3 million for the President's fund.

ARMY ENGINEER EXPENDITURES

Up until the heavy October rains, the Army engineers had channeled $2,885,545 into Massachusetts for a total of 103 flood rehabilitation projects. Because of the restrictions of Public Law 875, 39 requests for help had to be disapproved, totaling $992,150, because private property was involved or no public hazard was deemed to exist. The committee has been in continuous touch with the Engineers regarding this work.

While the Engineers have been restricted considerably by Public Law 875, they have done their very best to comply with all requests for assistance. Moreover, they have done outstanding work in many communities whenever called upon and their contributions have been great indeed.

Reexamination of Public Law 875 should be considered by the Congress looking toward possible liberalization of this act to permit permanent, not just temporary, repairs to public and private facilities when disaster strikes.

ATTENDANCE AT CONGRESSIONAL HEARINGS

The chairman and members of the committee attended and presented their views on various aspects of flood control, rehabilitation, protection and disaster insurance before hearings held at Springfield by the subcommittee on water resources of the House Government Operations Committee, under the able chairmanship of our valued colleague, Congressman ROBERT JONES, of Alabama, and before the subcommittee of the United States Senate Committee on Banking and Currency, under the able leadership of our distinguished friend, the Senator from New York, Senator HERBERT LEHMAN.

At both these hearings we were accorded every courtesy, received most sympathetic attention and were given most generous expressions by the chairman and members of the respective com-

mittees that our proposals and urgent requests will receive earnest consideration.

We believe that these congressional committees are prepared to render us very valuable assistance, and that all Members of Congress when they become fully aware of the tragic and damaging consequences of recent floods will render us effective support and assistance—in our objective of speeding essential projects, and other necessary measures remedial, preventive, and protective.

For their constant interest, counsel and assistance, we express our deep gratitude to our distinguished colleagues, Hon. JOHN W. MCCORMACK and Hon. JOSEPH W. MARTIN.

APPLICATION FOR PASSPORTS

Mr. RICHARDS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5844) to increase the fee for executing an application for a passport from $1 to $3, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Lines 7 and 8, strike out "the fee of $1" and by inserting in lieu thereof "a fee of $3." and insert "the retention by" and "of the fee of $1" and by inserting after the word "officials" the following language: "to collect and retain the sum of $2 as the fee."

Amend the title so as to read: "An act to increase the fee for executing an application for a passport."

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Senate amendments were concurred in, and a motion to reconsider was laid on the table.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. SHEPPARD, for the balance of this week, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. WILLIAMS of Mississippi (at the request of Mr. FLYNT), today, for 1 hour.

Mr. FLYNT, today, for 30 minutes.

Mr. BAILEY, for 40 minutes, on Monday next.

Mr. YATES, for 40 minutes, on tomorrow.

Mr. PHILBIN, for 1 hour, today.

Mr. FLOOD, for 2 hours, on February 16, in connection with the celebration of Lithuanian Independence Day.

Mr. BYRD, on Thursday, for 5 minutes.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. ANFUSO.

Mr. MCVEY and to include an editorial.

Mr. YOUNG and to include extraneous matter.

Mr. ZABLOCKI and to include extraneous matter.

Mr. BYRD in three instances and to include extraneous matter.

Mr. CHELF (at the request of Mr. HARDY) and to include extraneous matter.

Mr. MADDEN.

Mr. O'NEILL in two instances and to include extraneous matter.

ENROLLED BILL SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 1496. An act for the relief of Leong Ding Foon Quon.

ADJOURNMENT

Mr. O'HARA of Illinois. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 28 minutes p. m.) the House adjourned until tomorrow, Thursday, January 26, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1421. A letter from the Administrator, General Services Administration, transmitting a report of overobligation of allotment under "Repair, improvement, and equipment of federally owned buildings outside the District of Columbia," pursuant to 31 United States Code 665; to the Committee on Appropriations.

1422. A letter from the Judge Advocate General, Department of the Navy, transmitting a draft of proposed legislation entitled "A bill to authorize the construction of modern naval vessels, and for other purposes"; to the Committee on Armed Services.

1423. A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of proposed legislation entitled "A bill to amend the act entitled 'An act to grant additional powers to the Commissioners of the District of Columbia, and for other purposes,'" approved December 20, 1944, as amended; to the Committee on the District of Columbia.

1424. A letter from the Chairman, United States Civil Service Commission, transmitting a draft of proposed legislation entitled "A bill to provide a measure of coordination between the Civil Service Retirement Act and the Social Security Act, and for other purposes"; to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BROWN of Georgia: Joint Committee on Defense Production. Fifth annual report of the activities of the Joint Committee on Defense Production (Rept. No. 1669). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. S. 1683. An act to amend the act of June 13, 1949 (63 Stat. 172), and for other purposes; without amendment (Rept. No. 1670). Referred to the Committee of the Whole House on the State of the Union.

Mr. DURHAM: Committee on Armed Services. S. 2624. An act to amend an act entitled "An act to provide for the sale of the Port Newark Army Base to the city of Newark, N. J., and for other purposes," approved June 20, 1936, as amended; without amendment (Rept. No. 1670). Referred to the Committee of the Whole House on the State of the Union.

Mr. KILDAY: Committee on Armed Services. H. R. 2216. A bill to amend the act of June 19, 1948 (ch. 511, 62 Stat. 489), relating to the retention in the service of disabled commissioned officers and warrant officers of the Army and Air Force; without amendment (Rept. No. 1672). Referred to the Committee of the Whole House on the State of the Union.

Mr. KILDAY: Committee on Armed Services. H. R. 2220. A bill to clarify the status of citizens or nationals of the Republic of the Philippines who are retired members of the uniformed services and who hold offices of profit or trust under the Republic of the Philippines, and for other purposes; without amendment (Rept. No. 1673). Referred to the Committee of the Whole House on the State of the Union.

Mr. KILDAY: Committee on Armed Services. H. R. 2426. A bill to amend the Navy ration statute so as to provide for the serving of oleomargarine or margarine; without amendment (Rept. No. 1674). Referred to the Committee of the Whole House on the State of the Union.

Mr. DURHAM: Committee on Armed Services. H. R. 8101. A bill to authorize the Secretary of the Army to give 25 World War II paintings to the Government of New Zealand; without amendment (Rept. No. 1675). Referred to the Committee of the Whole House on the State of the Union.

Mr. DURHAM: Committee on Armed Services. H. R. 2452. A bill to provide for the conveyance of certain lands by the United States to the State of Wisconsin; with amendment (Rept. No. 1677). Referred to the Committee of the Whole House on the State of the Union.

Mr. JOHNSON of California: Committee on Armed Services. H. R. 7761. A bill providing for the conveyance of a portion of the Sharpe General Depot, Calif., to the Stockton Port District; without amendment (Rept. No. 1678). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. KILDAY: Committee on Armed Services. H. R. 5590. A bill to amend the act entitled "An act to recognize the high public service rendered by Maj. Walter Reed and those associated with him in the discovery of the cause and means of transmission of yellow fever," approved February 28, 1929, by including therein the name of Gustaf E. Lambert; with amendment (Rept. No. 1676). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FRELINGHUYSEN:

H. R. 8779. A bill to establish a program of financial assistance to students in higher education, and for other purposes; to the Committee on Education and Labor.

By Mr. COOPER:

H. R. 8780. A bill to amend the Internal Revenue Code of 1954 to relieve farmers from excise taxes in the case of gasoline and special fuels used on the farm for farming purposes; to the Committee on Ways and Means.

By Mr. REED of New York:

H. R. 8781. A bill to amend the Internal Revenue Code of 1954 to relieve farmers from excise taxes in the case of gasoline and special fuels used on the farm for farming purposes; to the Committee on Ways and Means.

By Mr. ADAIR:

H. R. 8782. A bill to provide certain allowances and benefits to personnel of the Veterans' Administration who are United States citizens and are assigned to the Veterans' Administration office in the Republic of the Philippines; to the Committee on Veterans' Affairs.

By Mr. ASHLEY:

H. R. 8783. A bill to provide for national flood insurance and reinsurance, and for other purposes; to the Committee on Banking and Currency.

By Mr. BERRY:

H. R. 8784. A bill relating to the adjustment of wheat support prices for grade, and for other purposes; to the Committee on Agriculture.

By Mr. BLATNIK:

H. R. 8785. A bill to amend the act of June 22, 1948 (62 Stat. 568), and for other purposes; to the Committee on Agriculture.

By Mr. BROYHILL:

H. R. 8786. A bill to amend section 5 of the act of August 7, 1946, entitled "An act for the retirement of public school teachers in the District of Columbia," as amended; to the Committee on the District of Columbia.

By Mr. BURLESON:

H. R. 8787. A bill to provide for a prorated stationery allowance in the case of a Member of the House of Representatives elected for a portion of a term; to the Committee on House Administration.

By Mr. CARNAHAN:

H. R. 8788. A bill to provide for the establishment of the Foreign Affairs Advisory Board; to the Committee on Foreign Affairs.

By Mr. CRETELLA:

H. R. 8789. A bill to revise the Civil Service Retirement Act; to the Committee on Post Office and Civil Service.

By Mr. DENTON:

H. R. 8790. A bill to terminate the White County Bridge Commission, to transfer its assets, liabilities, functions, and authority to the Commissioner of Public Roads, and to authorize the donation of the bridge operated by the Commission to certain State agencies; to the Committee on Public Works.

By Mr. DEANE:

H. R. 8791. A bill to amend section 270 of the Internal Revenue Code of 1954 so as to reduce the maximum amount of deductions allowable to individuals from the operation of certain businesses; to the Committee on Ways and Means.

By Mr. EDMONDSON:

H. R. 8792. A bill to provide certain allowances and benefits to personnel of the Veterans' Administration who are United States citizens and are assigned to the Veterans' Administration office in the Republic of the Philippines; to the Committee on Veterans' Affairs.

By Mr. FASCELL:

H. R. 8793. A bill to amend paragraph (2) of the subdivision (c) of section 77 of the Bankruptcy Act, as amended; to the Committee on the Judiciary.

H. R. 8794. A bill to amend the Tariff Act of 1930 to provide that muzzle-loading pistols and revolvers shall be exempt from duty; to the Committee on Ways and Means.

By Mr. FRELINGHUYSEN:

H. R. 8795. A bill to provide for national flood insurance and reinsurance, and for other purposes; to the Committee on Banking and Currency.

By Mr. FRIEDEL:

H. R. 8796. A bill to increase the amount of telephone and telegraph service furnished to Members of the House of Representatives, and for other purposes; to the Committee on House Administration.

By Mr. GEORGE:

H. R. 8797: A bill to promote the dispersal of industrial facilities in the interest of national defense; to the Committee on Armed Services.

By Mrs. GREEN of Oregon:

H. R. 8798. A bill to provide that certain survivor benefits received by a child under public retirement systems shall not be taken into account in determining whether the child is a dependent for income tax purposes; to the Committee on Ways and Means.

By Mrs. GRIFFITHS:

H. R. 8799. A bill to correct an inequity resulting from the setting of the effective date of Public Law 68 of the 84th Congress; to the Committee on Post Office and Civil Service.

By Mr. HALE:

H. R. 8800. A bill to create a corporation to restore normal employment in labor surplus areas of group IV classification and produce industrial development in such areas; to the Committee on Education and Labor.

By Mr. HARRISON of Virginia:

H. R. 8801. A bill to change the postal classification of advertising matter, and for other purposes; to the Committee on Post Office and Civil Service.

H. R. 8802. A bill to amend the Internal Revenue Code of 1954 to provide an exclusion from income in the case of amounts withheld from retired pay of members of the uniformed services pursuant to the Uniformed Services Contingency Option Act of 1953; to the Committee on Ways and Means.

By Mr. HERLONG:

H. R. 8803. A bill to amend paragraph 219 of the Tariff Act of 1930 to remove the provision that certain glass imported in boxes must be packed in units containing 50 square feet or multiples thereof; to the Committee on Ways and Means.

By Mr. HOPE:

H. R. 8804. A bill to amend the Watershed Protection and Flood Prevention Act; to the Committee on Agriculture.

By Mr. HYDE (by request):

H. R. 8805. A bill to amend the District of Columbia Redevelopment Act of 1945 so as to afford certain preferences to businesses displaced by slum clearance or redevelopment and business property owners affected thereby; to the Committee on the District of Columbia.

By Mr. JARMAN:

H. R. 8806. A bill to provide for the conveyance of certain lands by the United States to the city of Lindsay, Okla.; to the Committee on Government Operations.

By Mr. KNOX:

H. R. 8807. A bill to extend for an additional 3 years the time within which the State of Michigan may commence and complete the construction of certain projects heretofore authorized by the Congress; to the Committee on Foreign Affairs.

By Mr. McDONOUGH:

H. R. 8808. A bill to correct an inequity resulting from the setting of the effective date of Public Law 68 of the 84th Congress; to the Committee on Post Office and Civil Service.

By Mr. McINTIRE:

H. R. 8809. A bill to amend the Fair Labor Standards Act of 1938, as amended, to exempt homeworkers in rural areas from the minimum wage and maximum hours provisions of that act in certain cases; to the Committee on Education and Labor.

By Mr. METCALF:

H. R. 8810. A bill authorizing the Secretary of Interior to construct, equip, maintain, and operate a new fish hatchery in the vicinity of Miles City, Mont.; to the Committee on Merchant Marine and Fisheries.

By Mr. MILLER of California:

H. R. 8811. A bill to authorize the Secretary of the Army to make a monetary allowance in lieu of providing a headstone or marker for the unmarked grave of a soldier, or a member, or former member of the Armed Forces; to the Committee on Armed Services.

By Mr. MORRISON:

H. R. 8812. A bill to revise the Civil Service Retirement Act; to the Committee on Post Office and Civil Service.

By Mr. MULTER:

H. R. 8813. A bill to authorize the regulation of the solicitation of proxies in respect of securities issued by certain banks, and for other purposes; to the Committee on Banking and Currency.

By Mr. OSTERTAG:

H. R. 8814. A bill to amend title II of the Social Security Act to increase the amount of outside earnings permitted without deductions from benefits payable thereunder; to the Committee on Ways and Means.

By Mr. PATTERSON:

H. R. 8815. A bill to authorize Federal assistance to States and local governments for the restoration of property and facilities of public park and recreational areas damaged or destroyed in major disasters; to the Committee on Public Works.

By Mr. PHILBIN:

H. R. 8816. A bill to authorize the construction of flood-protection measures, with particular reference to areas where severe damages have recently occurred as the result of extreme rainfall accompanying hurricane storms; to the Committee on Public Works.

By Mr. SILER:

H. R. 8817. A bill to provide for the conveyance of certain property of the United States to the city of Corbin, Ky.; to the Committee on Agriculture.

H. R. 8818. A bill to establish an immediate program to aid in reducing the public debt by providing that certain receipts from the sale of capital assets of the Government shall be used for such purpose; to the Committee on Ways and Means.

By Mr. TEAGUE of Texas:

H. R. 8819. A bill to provide certain allowances and benefits to personnel of the Veterans' Administration who are United States citizens and are assigned to the Veterans' Administration office in the Republic of the Philippines; to the Committee on Veterans' Affairs.

By Mr. TEAGUE of Texas (by request):

H. R. 8820. A bill to increase the maximum amount payable by the Veterans' Administration for mailing or shipping charges of personal property left by any deceased veteran on Veterans' Administration property; to the Committee on Veterans' Affairs.

By Mrs. FRANCES P. BOLTON:

H. J. Res. 485. Joint resolution for the establishment of a Commission on Nursing Services; to the Committee on Interstate and Foreign Commerce.

By Mr. BURDICK:

H. J. Res. 486. Joint resolution to provide for the observance and commemoration of the 50th anniversary of the official founding

and launching of the conservation movement for the protection, in the public interest, of the natural resources of the United States; to the Committee on the Judiciary.

By Mr. CHUDOFF:

H. J. Res. 487. Joint resolution to provide for the observance and commemoration of the 50th anniversary of the official founding and launching of the conservation movement for the protection, in the public interest, of the natural resources of the United States; to the Committee on the Judiciary.

By Mrs. GREEN of Oregon:

H. J. Res. 488. Joint resolution to provide for the observance and commemoration of the 50th anniversary of the founding and launching of the conservation movement for the protection, in the public interest, of the natural resources of the United States; to the Committee on the Judiciary.

By Mr. HOPE:

H. J. Res 489. Joint resolution to provide for the observance and commemoration of the 50th anniversary of the official founding and launching of the conservation movement for the protection, in the public interest, of the natural resources of the United States; to the Committee on the Judiciary.

By Mr. HYDE:

H. J. Res. 490. Joint resolution to provide for the observance and commemoration of the 50th anniversary of the official founding and launching of the conservation movement for the protection, in the public interest, of the natural resources of the United States; to the Committee on the Judiciary.

By Mr. RODINO:

H. J. Res. 491. Joint resolution to authorize the President to designate the month of March in each year as National Nephrosis Month; to the Committee on the Judiciary.

By Mr. STAGGERS:

H. Res. 391. Resolution providing for the consideration of the bill (S. 669) to provide an elected mayor, city council, school board, and nonvoting delegate to the House of Representatives for the District of Columbia, and for other purposes; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BUCKLEY:

H. R. 8821. A bill for the relief of Unto Aro; to the Committee on the Judiciary.

By Mr. COLMER:

H. R. 8822. A bill for the relief of Col. John A. O'Keefe; to the Committee on the Judiciary.

By Mr. DORN of New York:

H. R. 8823. A bill for the relief of Constantinos Cokkinos; to the Committee on the Judiciary.

By Mr. GAVIN:

H. R. 8824. A bill for the relief of Carmen Mario Cannella; to the Committee on the Judiciary.

By Mr. HERLONG:

H. R. 8825. A bill for the relief of the Olson Corporation of Beresford, Fla.; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

451. By Mr. BENTLEY: Petition of the Michigan Crop Improvement Association regarding the situation on Canadian seed wheat; to the Committee on Agriculture.

452. By Mr. BUSH: Petition of 126 citizens of Williamsport, Pa., favoring the passage of legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce, and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

453. Also, petition of residents of Williamsport and Lycoming County, Pa., favoring the passage of legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce, and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

454. By Mr. CRETELLA: Petition of the Woman's Christian Temperance Union, containing 37 names, in support of H. R. 4267, the Siler bill; to the Committee on Interstate and Foreign Commerce.

455. By Mr. MUMMA: Petition of Mrs. Ruby M. Kagel, and 20 other residents, of Duncannon and vicinity, Pennsylvania, urging enactment of legislation prohibiting the transportation of alcoholic beverage advertising in interstate commerce, and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

456. By Mr. RUTHERFORD: Petition of Mrs. Helen Ewing, president, El Paso WCTU, director of alcohol education of United Church Women, and 1,200 signers, in support of the Langer bill (S. 923) and the Siler bill (H. R. 4627) to bar alcoholic beverage advertising in interstate commerce and over the air, opposing the serving of alcoholic beverages on commercial airliners; to the Committee on Interstate and Foreign Commerce.

457. By the SPEAKER: Petition of the president, Hawaii Statehood Commission, Honolulu, T. H., petitioning consideration of a resolution adopted by the Hawaii State Constitutional Convention held in Honolulu on November 12, 1955, requesting that the Hawaiian Organic Act be amended so as to reconstitute the Legislature of the Territory of Hawaii along the lines set forth in the proposed Constitution for the State of Hawaii; to the Committee on Interior and Insular Affairs.

458. Also, petition of the deputy county clerk, County of Maui, T. H., requesting the issuance of public improvement bonds by the Territory of Hawaii without respect to the limitations imposed by the Hawaiian Organic Act or other acts of Congress, etc.; to the Committee on Interior and Insular Affairs.

459. Also, petition of Gerassimos Tsetoulis, Montreal, Canada, relative to an appeal of the treatment given the general Greek quota; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Resolution by West Virginia Legislature Urging Congressional Action To Effectuate Sale of the Institute Plant

EXTENSION OF REMARKS
OF
HON. ROBERT C. BYRD
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 25, 1956

Mr. BYRD. Mr. Speaker, the Senate Banking and Currency Committee will begin hearings tomorrow on Senate Resolution 197, introduced by Senator FULBRIGHT. Senate Resolution 197 would disapprove the sale of the Institute Rubber Producing Facility, at Institute, W. Va. I shall appear at the hearings in opposition to Mr. FULBRIGHT's resolution. I am sure that the Members of this House are sufficiently aware of the importance of proceeding with finalization of the Institute sale. I know that they are cognizant of the beneficial effect which the sale of this plant would have upon the State of West Virginia, especially in view of my State's recent history of unemployment.

As an indication of the importance of the Institute sale to the people of West Virginia, the legislature of that State, presently in session, on January 30 passed a resolution memorializing the Congress to oppose any and all measures the purpose of which would be to disapprove and block consummation of the sale of this facility. I am inserting a copy of the memorializing resolution at this point in the RECORD:

Senate Concurrent Resolution 6

Whereas there is now pending before the Banking and Currency Committee of the Senate of the United States a resolution to disapprove the negotiated contract for the sale to private ownership of the Federal Government's synthetic rubber facility at Institute, W. Va.; and

Whereas the report to Congress of the Synthetic Rubber Facilities Disposal Commission shows the pending sale to return to the Government by far its most favorable recovery, on the basis of net book value, of all of the copolymer plant sales; and

Whereas the Disposal Commission's report further shows clearly and conclusively that the pending sale contract fully meets the requirements of the disposal act with respect to—

1. Procurement of fair value price.
2. Market protection for small business.
3. Protection of competitive health of rubber industry.
4. Protection of public against any monopolistic trend; and

Whereas acceptance by Congress of this sale will provide immediate activation of this large facility which has been idle all but 2½ years since 1947, thus giving lucrative employment to hundreds of persons with prospect of steady work at substantial wages by private employers; and

Whereas the entire State of West Virginia, by the United States Department of Labor classification, has been for the past 2 years a class IV–B labor area (meaning highest level of unemployment) and the pending sale would alleviate this condition; and

Whereas the terms of the pending Institute sale contract are equal or superior to those upon which each of the other 12 copolymer plants have been sold to private ownership during the past year, and there appears to be no just reason why the pending Institute sale as the last one should be measured by any other standards than those which have governed the preceding copolymer plant sales; and

Whereas the rejection of the Institute sale contract apparently could have no other result than to deprive West Virginia of a great industrial operation in a facility ready for use, since the willing purchaser could provide himself with the same facilities elsewhere, without limitation as to size other

than the limitation he places on his own investment risk: Now, therefore, be it

Resolved by the senate (the house of delegates concurring therein), That the Legislature of West Virginia, in regular session assembled, does hereby respectfully and earnestly memorialize and petition the Banking and Currency Committee of the Senate of the United States to reject the disapproval resolution on the sale of the Institute plant, now pending before it; and further

Resolved, That, should such a resolution be reported to the Congress, that the Members of Congress be hereby respectfully and earnestly memorialized and petitioned to reject the same; and further

Resolved, That copies of this resolution be forwarded to the Vice President of the United States and the Speaker of the House, to all members of the Senate Banking and Currency Committee, to all West Virginia Members of the Congress and, should any disapproval resolution reach the floors of Congress, to all Members of the House and Senate thereof.

The Need for Youthful Spirit in Government and Private Affairs

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Wednesday, January 25, 1956

Mr. WILEY. Mr. President, I was privileged last Sunday to address the Green Bay Junior Chamber of Commerce of the subject of the need for youthful spirit in government and private affairs. I ask unanimous consent that my address may be printed in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

SENATOR WILEY STRESSES THE NEED FOR YOUTHFUL SPIRIT IN UNITED STATES GOVERNMENT AND PRIVATE AFFAIRS—SAYS YOUTHFUL SPIRIT "WILLING TO TAKE CAREFULLY CALCULATED RISKS" IS ESSENTIAL IN AIR-ATOMIC AGE

(Excerpts of address delivered by Hon. ALEXANDER WILEY, Republican, of Wisconsin, before Green Bay Junior Chamber of Commerce, January 22, 1956, Beaumont Hotel)

It is a real privilege for me to be present at this distinguished service award banquet.

Wisconsin is proud of the Jaysee movement. And Green Bay has every reason to be particularly proud of the award tonight to the most outstanding young man who has best served this fine community.

VALUE OF GRASSROOTS LEADERSHIP IN COMMUNITY

Awards of this nature serve to spotlight the most responsible type of grassroots citizenship.

They give a wonderful shot in the arm to those fine folks who, known and unknown, 365 days a year, are trying to make Green Bay and other Wisconsin and American communities real garden places.

I mean the sort of flourishing community in which we most enjoy raising our children—a wholesome community, appealing, friendly, clean, forward looking.

SPIRIT OF YOUTH ESSENTIAL FOR FOUR REASONS

The fact that you have selected your outstanding young man serves as the keynote for my comments tonight.

Why? Because America needs the spirit of youth, as much or more now than at any previous time in our history. Let me prove that point by four basic reasons:

1. We need the spirit of youth which recognizes the new realities of the air-atomic age, the realities of the contracted world of the 20th century.

I shall have more to say about this later on.

YOUTHFUL SPIRIT VITAL IN SCIENCE

2. Second, we need youth, because this is a scientific age. And in this age we urgently need the young mind, the growing mind, the fresh mind, which is curious, which is inquiring, which seeks to come up with answers to the great, great scientific problems of the universe.

What science? All science—physical science and social science, "pure" science and applied science.

I refer particularly to nuclear science, to electronic science, to physics, chemistry, biology, as well as to astronomy, geology, and yes, very definitely the social sciences as well.

Man today is reaching out billions of light-years into outer space.

He is preparing to fling a space satellite hundreds of miles into the sky, there to circle the earth in its orbit, and to transmit data on cosmic waves and other phenomena.

Meanwhile, too, man is reaching down to the most minute form of matter and energy within the atom. He seeks to harness forces so tiny that not even man's highest-powered electronic microscope can see them.

And so, in this quest of the infinite, man needs a youthful, dynamic spirit.

In our great atomic laboratories it is not unusual to find young 30-year-old geniuses directing operations that may critically affect the peace and well-being of the globe.

MANY YOUNG CIVILIANS IN GOVERNMENT

So, too, I may add, in our United States Government in Washington—in nonscientific pursuits as well—we have been bringing in an increasing number of able young leaders.

We have had a 27-year-old Assistant Secretary of Health, a 33-year-old Assistant Secretary of Labor, a new 37-year-old member of the Interstate Commerce Commission.

We have literally dozens of young men, serving as "right hands" to top Cabinet and agency officials. These young men come from the grassroots of America.

UNPRECEDENTED MASS OF YOUNG LEADERS IN WASHINGTON

Comparative studies are not readily available as regards the total number of young men appointed down through the years, by the executive branch of the Government.

But I have seen impressive lists of the enormous number of young people who have been appointed to very high office in Washington since January 1953.

And I believe that there is good ground to estimate that, probably at no previous time in American history, have more qualified young men been appointed in such numbers and to such high positions, in virtually every single Cabinet department and agency of our Government, than the past few years.

From the ranks of these young men will come the Cabinet officers and agency heads of tomorrow. From their ranks in the Department of Defense will come, as well, America's military leadership in years to come.

YOUNG AND OLD WOULD SUFFER IN WAR

It has long been said that "young men fight the Nation's wars, but older men are responsible for handling the Nation's affairs at peace."

Well, the facts show that, today, young people are high up in the effort as well, to keep this Nation at peace. That is as it should be.

Of course, the burden of the next war, if ever it comes, would not simply fall on the young people in combat ranks, it would fall on our entire population.

War must not come; it need not come, and I don't believe it will come.

AMERICA'S GROWING PEACETIME NEEDS

3. Now, let us continue on the need for youth.

Thirdly, we need the spirit of youth to meet the dynamically growing peacetime needs of our people.

We number, as you know, 165 million people today.

We will number 220 million people by 1975. This tremendous increase in population means that we need a youthful spirit which will help provide us with more housing, more jobs, more schools, more playgrounds, more hospitals, more roads, yes, more parking space, more suburban communities, more of all the good things of life.

Our gross national product today is $400 billion. It will reach the half-trillion-dollar mark in the not too distant future. But that will take work—and a youthful spirit.

TEAMWORK ESSENTIAL

4. Finally, and perhaps most important, we need the spirit of youth in teamwork.

Young folks—on and off the athletic field—particularly enjoy working together, playing together, growing together; and that is what we need today.

We are a country of competitive individualists, but we need cooperation.

We need it between the 48 States. We need it between regions—North and South, East and Midwest and Far West.

We need it between labor and management. (If you or I want to see grim examples of the results of lack of cooperation and understanding, you and I need only look to communities very close to us, to see the tragic consequences.)

THE AIR-ATOMIC FACTS—KEY TO SURVIVAL

But, my friends, I should like to turn back now to the very first phrase to which I referred.

You will remember that I mentioned that we need the spirit of youth in the air-atomic age.

Why? Because upon such spirit depends our very survival.

If you were to ask me: "Senator WILEY, what is your most important job in Washington? What do you regard as your greatest obligation?" My answer would be simply this— in one word: "Survival."

I mean that this Republic must endure; it must protect itself. That is the first law of nature—self-preservation.

You are all familiar with the overall Communist threat—a military-diplomatic-economic threat to our beloved country.

It is the most serious threat in world history.

Why, particularly, the military threat?

NATURAL BARRIERS NO LONGER EXIST

The answer is simple: It is because natural barriers no longer exist against possible lightninglike destruction of our country.

What were those barriers?

They were two: First, the barrier of space. Second, the barrier of time.

Today, because of man's ingenuity and inventiveness, there is virtually no space or time barrier between ourselves and the potential enemy.

The Atlantic and Pacific Oceans have been shrunken to the size of mere ponds. And the north polar area has been shrunken as well.

I have said from one end of Wisconsin to another, and I say to you tonight: We, in Green Bay, are actually closer than is the east coast to enemy attack—across the polar route—from Soviet bases in Siberia.

The fastest jet bomber from Soviet bases can reach us in less than 6 hours. Is it any wonder that our neighbor city of Milwaukee is today being ringed with Nike guided missile sites for purposes of defense against aerial onslaught?

And if there is developed—in 1 year—or 5 years an intercontinental ballistic or guided missile, it may reach us—not in 6 hours—but

in less than half an hour. I repeat, less than half an hour.

In less than 30 minutes, a Soviet guided missile—with a nuclear warhead—could come crashing down on us, from over the Arctic roof of the world.

So, I ask, can we dare underestimate the need for fresh minds, youthful minds, open minds to cope with this terrific defense problem?

YOUTH NOT A MATTER OF CHRONOLOGICAL AGE

You will note that I do not refer necessarily to young people, alone, as such.

Why? Because youth is not really a matter of chronological age. The truly young person is the person who is young in spirit.

There are so-called elderly men and women who genuinely have the youthful spirit, as much as a bright-eyed young person of 25 or 30. That is precisely what we need in this air-atomic age—alert eyes, alert minds—dynamic outlooks, peering into the future.

NO ENTANGLING ALLIANCES—AN OBSOLETE CONCEPT

Now, just as the facts of the air-atomic age have changed the strategy and tactics of war, so they have changed international diplomacy.

For years we Americans had prided ourselves on our avoidance of entangling alliances.

But now we have found that even if we wanted to continue that policy it would be hopelessly obsolete; it would no longer protect us.

So if some of us tend to look backward instead of forward, we must take the blinders off our eyes. We must recognize the new and dangerous world in which we live.

A great American President, Abraham Lincoln, once said: "The dogmas of the past are inadequate to the stormy present. * * * As our case is new, we must think anew and act anew. We must disenthrall ourselves and we will save our Nation."

THE REPUBLIC—MY PARAMOUNT INTEREST

Thus, in my work as senior Republican on the Senate Foreign Relations Committee, I have sought to make sure that we follow up-to-date policies which will truly save our Nation.

My interest, as you know, has always been this Republic—yours and mine—first and foremost.

But I have recognized—as you, my friends, should, that, because the globe has been contracted, we must try to prevent wars before—not after—they flare up in far corners of the world.

Of course, we must not try to take on all the world's burdens, but we must be willing to carry our share. We must not be mental shirkers or slackers.

Youth has courage. Youth is willing to face the facts. That is the spirit we need.

SAMPLES OF KEY QUESTIONS TODAY

What are the facts? Where are the dangers in the world today? What can we do—what should we do, if anything, about them?

These are vital questions. They deserve study.

What about our attitude toward the riots in North Africa, so near our strategic air bases?

What should be our position on the explosive Middle East problem, between the Arabs and the Israelis?

What about the growing Communist threats inside countries ranging as far apart as France and Indonesia?

What should be the level of appropriations in next year's mutual-security bill? How much can we really afford? How much is necessary? What safeguards, what restrictions, should be written in the bill? Should aid be limited to 1 year? What should be our attitude, as regards aid to neutralist powers?

These are not easy questions. But they are not questions which we can duck.

Reality is still reality, whether we ignore it or not. And we dare not ignore it, if we would survive; as we must, and as we will.

It is not I, alone, who must come up with sound answers to these questions: it is you and you and you who must help me, and help all our legislators and our Chief Executive to find and to stay on the right path to peace.

THE BRINK-OF-WAR CONTROVERSY

Now, you have all heard about the recent criticism of our Secretary of State because he is said to have asserted that we have been close to the edge of war on three occasions.

These criticisms of Secretary Dulles are, in my judgment, unfair and unfounded.

It is not he who brought us close to conflict, nor President Eisenhower, but the leaders of the Kremlin. Secretary Dulles merely responded to the Red danger; he did not create it. He responded firmly and forthrightly, precisely as the American people and the Congress desired.

In this world, we cannot escape danger.

Let no one fool himself into thinking that there is any easy, nondangerous way to avoid global conflict.

War requires sacrifices and risks, and avoidance of war requires sacrifices and risks.

These are perilous times. The unhappy fact of the world in which we live, is that perhaps for the rest of our lifetimes, whether we like it or not, we are going to live close to danger.

That does not mean that war would be actually imminent at any time, but it does mean that, so long as the Soviet Union continues to desire to conquer the world, we have no alternative but to be ready and vigilant every single hour of every single day and year.

Our vigilance helps to prevent war. Our firmness reduces the danger of war. It is not the taking of risks which brings war closer; it would be a policy of timid appeasement—a policy of so-called no risk—which would really be the greatest danger of all the riskiest of all alternatives. Why? Because the Reds grow fat and strong on their enemies' weakness.

We want peace. We despise war. But we will not be appeasers. We will not throw a little nation to the Red wolf, or a big nation. We will and we must stand firmly against Red aggression.

This is the answer of America's young and old alike.

CONCLUSION

It has been a great pleasure to be with you tonight, as you salute the outstanding young man of Green Bay.

I want to reiterate my tribute to the Jaycee movement of Wisconsin and the Nation.

I hope that this occasion will serve as a great stimulus to the young folks who did not gain this coveted award tonight.

They should feel encouraged to carry on their work, because whether they win a prize or not, they can feel real satisfaction for jobs well done, on behalf of a greater Green Bay and greater America.

Yugoslavia in the Security Council

EXTENSION OF REMARKS

OF

HON. WILLIAM E. JENNER

OF INDIANA

IN THE SENATE OF THE UNITED STATES

Wednesday, January 25, 1956

Mr. JENNER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a news release issued by me on December 20, 1955, entitled "Yugoslavia in the Security Council."

There being no objection, the release was ordered to be printed in the RECORD, as follows:

YUGOSLAVIA IN THE SECURITY COUNCIL

It is deeply humiliating to any true American to see the representative of the United States at the UN taking part in a deal over whether the Philippine Islands should have the vacant seat on the Security Council.

The Philippine Islands are perhaps our closest friends as a nation. They were our allies in a cruel war and bore the heaviest brunt of the battle, while the Soviet Union, which contributed no men to the Pacific War, took all the spoils. The Filipinos are our friends in the struggle to preserve freedom and international morality against Communist hate and barbarism. We know that in another war against totalitarian brutality our fighting men can count on them to stand beside us in the fray.

What is Yugoslavia to us? The Yugoslavs shot down American airmen on a peaceful mission and sneered at our demands for an apology. What was Tito doing while the Filipinos were fighting a bloody fight for every inch of their soil? Tito was a traitor to his own country, hiding in Moscow until the danger was over and he could come back in safety and murder our valiant ally, Mihaelovitch and his brave men. Let us not forget in passing that Mihaelovitch's guerrillas destroyed the Nazi supply trains which were to equip Rommel's armies in Africa. Our men who fought in Africa have reason to remember.

Does anyone in the United States believe American fighting men could count on Tito's armies to fight beside them, if we are forced into another war with totalitarianism? I hope our representative to the U. N. is not so innocent to believe that.

Let me remind you of the real reason why the Soviet Union is determined to prevent the Philippines from taking their seat on the Security Council. When the Bandung Conference opened, the Soviet Union and Red China were confident that Nehru could manage it as they wished into innocuous desuetude. Their little plan did not work because the wise and brave anti-Communist nations of Asia and Africa spoke out with all their force against the new colonialism of the Communists. The grand climax of that great conference was the speech by Carlos Romulo, in which he told the people of Asia to forget some of their hatred for the colonial power on whose flag the sun never sets and face the immediate threat from the new colonial powers on which the sun never rises.

The Soviet Union never forgives and never forgets. The Philippines must be humiliated because they spoke out as freemen.

But what of the United States? Do we not have enough courage to support, without stint, the brave and far-sighted Philippine nation, which spoke at Bandung as America used to speak.

The choice of the Philippines for the Security Council is an issue of principle and we must watch while the delegate from the United States consents to decide an issue of principle by drawing straws.

Imagine George Washington agreeing with the British to draw straws over who would win at Valley Forge. Imagine General Pershing drawing straws with the Germans over the battle of Belleau Wood. Imagine, if you can, General Eisenhower drawing straws with the Nazi leaders over the Battle of the Bulge.

What has happened to our country? The answer to our stupid weakness over the Philippines is the same as the answer to our stupid weakness over Outer Mongolia. It is the same as our stupid weakness over the clever move of the U. S. S. R. to pair by its veto, the desert province of Outer Mongolia with the 90 million highly productive people

of Japan. The trouble is that our representative in the U. N. does not represent the people of the United States. He does not represent the Government of the United States, including Congress. He receives his instructions from, and represents only, the permanent elite established within our Government by the New Deal, whose real policy is firmly to establish a collectivist international, in which the United States will be one obedient province.

The plan was carefully laid to put over both the package deal on Outer Mongolia, and the defeat of the Philippines, in the shadows while the Geneva Conference was theatrically lit up to hold our attention away from the U. N. It was a clever plan but it failed. Free China's courage bought us time.

Yesterday I said that Congress must look into the question of our representative's fantastic role in opposition to Dr. Tsiang of Nationalist China and in support of Soviet bulldozing tactics. Today I say again, Congress must look at our fantastic role in the fight to reward a brave leader of the anti-Communist Afro-Asian nations, with a well-deserved seat of honor on the Security Council.

In both cases we will find the same dominant role of the permanent elite over our foreign policy.

If the American people are ever to have a voice in the United Nations or in any other aspect of our foreign policy, Congress must cut down the power of this nonelected cabal and restore government by the people in place of government by leviathan.

Albert Gallatin and Our Trade Policy

EXTENSION OF REMARKS

OF

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 25, 1956

Mr. ZABLOCKI. Mr. Speaker, 160 years ago there was elected to our House of Representatives from western Pennsylvania the young Swiss-American Albert Gallatin who, as a Congressman, Secretary of the Treasury, and minister to European lands, was to establish his reputation indelibly in the history of this country to such a degree that he is ranked in the annals of America as one of the Founding Fathers, along with Washington, Jefferson, John Adams, and Madison. Gallatin was born in Geneva on January 29, 1761, and I believe it is fitting that we who have succeeded him as Congressmen celebrate his birthday today.

In his diary, Juljan Ursyn Niemcewicz, famous Polish writer and poet who accompanied Revolutionary War hero General Kosciuszko on a visit to America in 1797, early makes mention of the young Gallatin. He wrote:

> Our stay in Philadelphia brought me countless friendships. I made friends with many Members of Congress and citizens of Philadelphia—among them Jefferson, whom I had met when he was American Ambassador to France, and Gallatin, born in Geneva and one of the finest Members of Congress.

The youth of 19 who landed in Boston in 1780 was not fleeing Europe in the sense that he personally was oppressed; but it was in America that he felt he had the greatest opportunity to work out those principles of democracy which he was to hold so high throughout his valuable life.

Before embarking upon his successful and distinguished career as a public official, Gallatin fought in the Revolutionary War, taught at Harvard, and farmed in western Pennsylvania. He read extensively and was largely self-taught. It is in a sense surprising to read that his command of the English language was poor, and that he spoke with a heavy accent throughout his many years in this country. He himself complained to Jefferson that he could not write even a decent letter without great labor. In spite of these difficulties, he became distinguished as an excellent debater, and well-known for his logic and his tremendous knowledge and understanding of financial matters.

In the realm of finance, he was to institute two major reforms which were to give the people greater control over the Nation's finances. With Jefferson, he instituted a system of strict accounting and submission to Congress of all appropriations. This was to earn him the enmity of the aristocratic Hamiltonian forces who held the contrary view that there was time enough to tell the Congress about disbursements after the money had been spent.

Gallatin's management of the public debt earned him the gratitude of the American people during the first decade of the 19th century. Under the Federalists, public debt had risen to some $83 million—which was better than 9 times the total annual income of the Federal Government. Yet Gallatin, upon entering into office of the Secretary of the Treasury, made careful plans and estimated that the entire debt could be repaid in 17 years. During the 8 years of the Jefferson administrations—when the total revenues of the Government averaged $12 million a year—he lived up to his promise and managed to retire $57 million of the public debt. That is a record difficult to better.

For his financial acumen and democratic principles, Gallatin earned himself the hatred of the Federalist Party which was to abuse him for his foreign birth and accent. But he had the love of the people, the confidence of Jefferson and the unshaken belief that America's way was the democratic way.

The reduction of taxes and the promotion of trade were the basis of Gallatin's policy throughout his political career; and, in negotiations with foreign lands, he worked to end discriminatory tariffs to further the development of commerce. In this respect, he was one of the earliest proponents of the policy of "trade, not aid," either for his own country or for others.

It is regretfully that I recall now that just over a year ago this country ran counter to Gallatin's ideas in its dealings with Switzerland, land of his birth, in blocking the road to harmonious trade relations with that friendly trade partner.

Shortsightedly, we imposed higher tariffs on the imports of watches which largely emanate from Gallatin's native city—Geneva. A blow thereby was struck, not only against the Swiss watchmakers, but against America's exporters who value highly this cash market, and the American consumer who must pay more for his watch—results Gallatin would not countenance.

Few persons seem to remember that Switzerland, which has received no economic aid from us, has been our best cash customer in Europe. Since World War II, they purchased more from us than we bought from them. Our export surplus to Switzerland during this period amounted to $500 million. The annual volume of trade between our two countries has been very substantial. In 1954, for instance, we exported over $150 million worth of agricultural, manufacturing, and mineral commodities to Switzerland. Of this total, almost $3 million came from the State of Wisconsin.

Now if we are going to close our markets to Swiss goods, we are simultaneously curtailing their ability to purchase our products. We are hampering an exchange which is beneficial to both countries. It would be well, I believe, if we would reconsider the effects of our recent actions in the light of Gallatin's sensible precepts put forward nearly two centuries ago.

Report of the Second Hoover Commission

EXTENSION OF REMARKS

OF

HON. CLIFTON (CLIFF) YOUNG

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 25, 1956

Mr. YOUNG. Mr. Speaker, under leave to extend my remarks in the RECORD, I would like to insert a resolution received from the Las Vegas Junior Chamber of Commerce concerning the Second Hoover Commission report.

Their action herein is but one of a number of indications in my State of a growing awareness of the continuing need for efficiency and economy in government and adherence to constitutional principles:

> *Be it resolved*, That the Las Vegas Chapter of the United States Junior Chamber of Commerce endorse and support the principles of Federal efficiency, economy, and adherence to constitutional precepts and hereby urge our Representatives in Washington to give full study and consideration to the report of the Second Hoover Commission as a possible blueprint for securing better government at a better price.

In particular, I would like to commend Mr. Dave Boyer, chairman of the Las Vegas Jaycees committee on Your Stake in Better Government, and the members of his committee for the efforts they have expended in studying this complex report and their work at a grassroots level to obtain better government.

St. Louis Federal Jury Turns Against Injustice

EXTENSION OF REMARKS
OF
HON. FRANK CHELF
OF KENTUCKY
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 25, 1956

Mr. CHELF. Mr. Speaker, under unanimous consent, I place in the CONGRESSIONAL RECORD an editorial entitled "St. Louis Federal Jury Turns Against Injustice" that appeared in the Florence Morning News, Florence, S. C., on Tuesday morning, January 24, 1956, concerning the indictments of Matt Connelly and Lamar Caudle. Also a copy of a wire that I sent to the Messenger and Intelligencer at Wadesboro, N. C., on December 2, 1955, with respect to the same subject matter.

As a former chairman of the subcommittee of the House Judiciary Committee that conducted an investigation of the Justice Department in 1952, I agree with this editorial. In my opinion the indictment of Caudle will boomerang on the Republican Party because it is strictly political. A Democratic and Republican investigation of Caudle in 1952 and again in 1953 found nothing about which to indict Caudle. Why all this action on the eve of the 1956 presidential election?

The matters follow:

[From the Florence (S. C.) News of January 24, 1956]

ST. LOUIS FEDERAL JURY TURNS AGAINST INJUSTICE

The Federal grand jury in St. Louis is giving confirmation to strong statements of opinion that have been voiced over the past few weeks.

Matt Connelly and Lamar Caudle of the Truman administration have been indicted in St. Louis on a tax fraud conspiracy charge. The charge has all the obvious earmarks of a political effort to make Democrats bad and Republicans good. In a "frame" of this kind, where could the Republicans find two better men than Caudle and Connelly?

Now the jury has charged that much of what has happened is political; that the Government almost ordered the indictments; and, that things are going slow as a matter of election timing—not as a matter of justice.

Caudle has been hounded for years.

Previous hearings and investigations have demonstrated that this Justice Department tax official exemplified something of a high point in political naivete. They can prove he didn't use good judgment in some instances, but they haven't been able to prove he was dishonest—and they have worked with this same charge before.

If Caudle were not honest, any prosecutor able to pass a bar exam would have been able to prove it by now. The effort expended has been amazing.

Why try again?

Because he is a good gimmick.

His name has been tied to "Democratic corruption." Lamar Caudle has been associated with all of the evil connotations of Trumanism. This is election year and the Republicans made such a hit with their anvil chorus of crime and corruption at last election time that they are playing for a repeat.

Since the last time the Republicans burned a "Truman witch" a few of their 14 carat gold crusaders have tarnished. Men like Talbott, Wenzell and Strobel have pointed out that all Republicans aren't proper public servants.

The Republicans needed a real quick deal to get back in the headlines as champions of justice. They have done so by making justice a part of party politics.

From St. Louis comes the word that some members of the grand jury want out. Both Democrats and Republicans have protested the tactics being used and have been quoted in the St. Louis Post-Dispatch as believing the investigation is being handled so that any further indictments will be spaced at long intervals until November to serve the Republican Party rather than the interests of justice.

It would seem that the Republicans have enough to answer for without using the Justice Department as a means of stuffing the ballot boxes.

There is something more than sinister, worse than unjust, about using a man—already persecuted past reason—to serve partisan political advantage.

No one has been able to demonstrate that Lamar Caudle has been anything other than naive and kindhearted—neither of which seem to be acceptable in government. If we could feel that the government was honest in seeking conviction, then there would be little complaint; but there is the obvious evidence that the government is doing nothing more than using a well-worn name in an old game to win a new election.

WASHINGTON, D. C., *December 2, 1955.*
MESSENGER AND INTELLIGENCER,
Wadesboro, N. C.:

While I have not and shall not criticize a grand jury or court for any action or judgment, nevertheless, I believe I am one person who can say that your fellow-citizen, Lamar Caudle, has been really investigated. If after that investigation our subcommittee had thought he should have been jailed we would have said so in no mistaken language. After a thorough, searching, and relentless study and examination of the record and of the facts, the Subcommittee of the Judiciary Committee of the House investigating the Department of Justice in 1952 said among other things the following about Lamar Caudle:

"Every member of the subcommittee and its staff who observed Caudle and listened to his testimony over a long period shares in the opinion that he is an honorably motivated man. This does not rule out his shortcomings * * *. He made errors of judgment, some of which played their part in destroying public confidence in the government he served; and he swallowed more in the name of personal loyalty than any man should stomach, but Caudle never sold himself for riches or for power. If indeed he so much as skirted the edges of venality and corruption, he did more soul-searching about it than many of his associates who have emerged with unscathed reputations. And in every instance where the choice was clearly black or white, Caudle's choice appears to have been impeccably correct.

"The career of this man from his start as an eager young United States attorney to his final inglorious demise as a scapegoat is the most accurate reflection of decay within the Department of Justice that this subcommittee has come upon."

I am of the opinion that the leadership of the Republican Party wants to use both Caudle and Connelly as scapegoats to divert the attention of the country from the miserable record of Ezra Benson who has without any effort at all in less than 3 years, almost ruined every farmer in America. The GOP leadership wants us to forget such names as Adolphe Wenzell, Peter A. Strobel, and former Secretary of Air Talbott, and others who have been forced out of the present administration.

As a young prosecuting attorney I found it was much easier to indict a man than to convict him. As a young lawyer I also discovered it was far easier to sue a man in court than to get a judgment against him. It requires only words to indict or sue but thank God under our democratic judicial system it takes proof to convict in a criminal court or to get a judgment in a civil court. Last summer when the Justice Department requested the House Judiciary Committee to furnish it with our confidential files of our 1952 investigation, as the former chairman of the subcommittee that investigated the Department of Justice, I was unanimously named by the full committee to study the old records and to recommend to the committee whether they should allow the Justice Department to have these files. Although I knew at the time that "Justice" was on a hunting and fishing expedition, nevertheless, I recommended to the full committee that they allow the Department to have free access to all the files. In reading the old records this past summer I found nothing that would have changed my mind, thinking, opinion, or judgment in the Caudle case and for that matter any other individual investigated by us. Remember, the fellow heading the Department of Justice at present once intimated that former President Harry S. Truman was a "traitor" to his country. Just how partisan can one get? In my opinion Lamar Caudle is being castigated, eradicated, and "politicated." Therefore, in the interim, between now and the time of trial, I urge the good people of Wadesboro, Anson County, and North Carolina, where Lamar Caudle was born, raised, and educated, to reserve judgment of their fellow-citizen. Don't let anybody sell your hometown boy short.

FRANK CHELF,
Member of Congress, Former Chairman, Chelf Subcommittee.

Tito Suggests

EXTENSION OF REMARKS
OF
HON. WILLIAM E. McVEY
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 25, 1956

Mr. McVEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I should like to include an editorial from the pages of the Chicago Tribune entitled "Tito Suggests." We shall soon have before us the mutual security appropriation which, in more understandable terms to the public, means our foreign aid spending program. The appropriation asked for this year is about $2 billion in excess of the amount appropriated during the last session. To those of us who have voted consistently against the foreign-aid program in previous years, this amount seems excessive.

Particularly are we opposed to spending of the type that has been appropriated heretofore for Yugloslavia. That country adheres to the Communist doctrine. Tito, himself, has openly espoused that philosophy. There can be no doubt on this question. Nevertheless, we have aided that country in cold cash to the tune of approximately $689,316,000, in addition to substantial loans and credits.

The Federal Government has no money except what it draws from the taxpayers of this country. In my judgment, there is no justification for taking taxpayers' dollars to help support a Communist country in any part of the world.

Other governments receiving our aid are using such funds to balance their budgets and reduce taxes while we continue on the road of deficit spending. Our expenditures in our various foreign aid programs, without interest charges, now total $108,847,779,000. Think what a splendid fiscal position we would enjoy if even a considerable portion of that expenditure could have been used to discharge our own obligations.

Anyone who feels we can buy friendship with money is doomed to disappointment. Ideologies are not for sale. We can only hope to win out over Communist philosophy by setting an example to the world of a better form of government, and even in that case, we shall not always win. Take for example, China. That country, not including Formosa, has received aid from this country to the extent of $2,476,260,000. Yet everyone is acquainted with the controversies continually raging between China and the United States.

It is difficult for the average individual to understand the impact on our economy of this foreign aid spending program. If one should undertake to spread this cost over the householders of the Nation, it would be found that for every family of four, this program has cost or will cost approximately four thousand dollars. The working men and women, as well as the corporations, will carry this burdensome taxload, much of which is hidden in the excise taxes we pay everyday. We meet these taxes at every turn, and it is important that workers become conscious of the inroad of taxes upon their earnings.

The following editorial deals with only one aspect of our foreign-aid program, but it is well worth reading:

TITO SUGGESTS

Hardly had Secretary of State Dulles and his delegation to the United Nations discovered that we are now primarily in social and economic competition with the Soviet Union for the favor of fence sitting countries than Marshal Tito of Communist Yugoslavia professed to discover the same thing.

In a speech at Belgrade he called upon the big powers to gain the sympathy of underdeveloped countries through economic aid rather than treaties of military alliance. He coupled this statement with a denunciation of the Baghdad Pact, in which the United States has a sympathetic interest. This treaty alines Pakistan, Iran, Iraq, Turkey, and Britain in a defensive coalition against Soviet incursions into the Middle East.

When Tito called upon the big powers to give unselfishly, he was obviously mindful of two things. One is that he has collected a billion dollars in aid from the United States; the other, that he has refused to join 14 non-Communist nations in the North Atlantic Treaty organization for defense against Russia.

The possibility cannot be excluded that Tito sees some profit to himself in supporting the notion that the most agreeable rivalry between the United States and the Russians is a competition in handouts. He stands to collect from both sides, and, on performance, he can expect to collect more handsomely from the United States. This commits him to nothing, which is very much to his taste, for his renewed friendship with the Soviet Union in the last year suggests that it is not in his temperament to side against his fellow Communists in a quarrel.

The Committee for an Effective Congress

EXTENSION OF REMARKS
OF
HON. WILLIAM E. JENNER
OF INDIANA
IN THE SENATE OF THE UNITED STATES
Wednesday, January 25, 1956

Mr. JENNER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a news release issued by me on December 30, 1955, entitled "The Committee for an Effective Congress."

There being no objection, the release was ordered to be printed in the RECORD, as follows:

THE COMMITTEE FOR AN EFFECTIVE CONGRESS

The so-called Committee for an Effective Congress, which has displayed marked hostility to anti-Communist Members of Congress, has issued a violent denunciation of certain Senators who do not agree with its left-wing policies. This denunciation is worth careful study because it gives us the program which the left-wing collectivist faction has worked on to win control of Congress in 1956.

Properly to understand the aims of this committee, it is necessary to translate their statements from the "double-speak" of 1984, which they habitually employ, into simple English.

The name of the Committee for an Effective Congress is double-speak for "Committee for a Left-Wing Congress." The committee has operated over the last 8 years giving research assistance and funds to those Members of Congress who support the measures leading to a collectivist welfare state at home, and a collectivist one world in foreign policy.

Among the directors of the committee are Stringfellow Barr, George Biddle, Oscar Hammerstein II, Marshall MacDuffie, Robert Nathan, Arthur M. Schlesinger, Jr., Telford Taylor, Sumner Welles, and Maurice Rosenblatt, its campaign director.

This so-called nonpartison Committee for an Effective Congress is working, as I said, for the election of a left-wing Congress. It is also working for election of a centrally dominated Congress, whose members will obey the orders of their mentors, regardless of the people of their districts. The committee asks for contributions to provide its obedient Congressmen with research and technical assistance during the session, and financial aid in the campaign. The committee is, of course, serenely indifferent to the sentiments of the voters in the Congressional districts. It believes in the domination of both parties from some mysterious center, and in insuring the election of its supporters by heavy expenditures of funds and clever publicity, to overwhelm public opinion in the districts.

The committee is also working for a minority-dominated Congress. It hopes to control the election of enough members in key districts, to dominate the work of both parties and ignore the vast majority of the American people.

The committee is part of the "apparat" which is working to bring about in this country a single monolithic party, directed and managed from above, but presented to the people behind two different masks, one labeled "Democratic" and the other labeled "Republican," but both forced by this hidden minority to move ever farther to the left.

The plan is to name leftwing candidates in both parties in key districts, so that the voters will be confronted with Hobson's choice between two leftwing candidates with different labels. Whether the voters vote for a leftwing candidate, or stay at home, a minority will have won control of the district and an important advantage in control of the next Congress.

By dangling promises of support, or warnings of opposition, before present-day Members of Congress, the committee is building up a bloc of members who will vote for leftwing measures in the hope of leftwing support for reelection. Thus they gain leverage control of the Congress in office and use it to elect their bloc in the coming Congress.

The Committee for an Effective Congress is afraid and it tells us what it is afraid of, in double speech. It is afraid of what it calls "the hard core who voted against the censure of the junior Senator from Wisconsin." They are afraid this group of Senators will "hamstring both Republican and Democratic Presidents in the area of foreign policy." Translated into American English, this means the committee is desperately afraid some of the Republican Senators will speak out against our Achesonian foreign policy, and the double-speak peace of Geneva.

It is afraid Members of Congress will insist on an impartial investigation of the fund for the Republic.

It is afraid the Senate Internal Security Subcommittee will carry on its investigation of Communists, even if they have penetrated into the sacred precincts of newspapers which have blatantly supported the left-wing blocs in our political life.

It is afraid Congress will make a real investigation of the Government security system and find out why it has been so very difficult to remove important pro-Communists from Government offices.

The committee admits—in double speech—that it wants to keep discussion in Congress sidetracked on matters like farm prices, electric power, school construction, and insignificant tax reductions because it is afraid if Congress is permitted to discuss what it calls "Geneva, another Yalta," or the crisis with Red China, or, to quote them again, "subversion rampant," the committee's leverage control will vanish.

What we are confronted with here is something more than a left-wing bloc trying to elect a handful of left-wing Congressmen. This is a carefully designed strategic program for the subversion of the Congress and of the legislative power. If the committee succeeds in its aims, the Congress will represent a militant left-wing minority group. The American people will be helpless.

I believe Congress must deal with this threat to the Constitution at once.

I propose to introduce in this Senate a resolution paralleling that of Representative Clardy, calling for appointment of a special Senate committee to investigate the Committee for an Effective Congress and bring in a report before the close of this session on the following points, among others:

Funds of the committee.

Sources of its funds.

Interlocking relation with other bodies, including Communist fronts.

Attempts to influence the legislative program of the Congress.

Attempts to bring about the election or defeat of individual Members of Congress.

Influence upon the power of the people in their districts to control the choice of their Representatives.

Influence upon the independence of the legislative branch and the legislative process.

Influences designed to weaken the two-party system or set up hidden controls by

which parties which appeared independent could be made by the leverage principle to operate as one.

Congress has tolerated for years attempts from many directions to undermine its influence, weaken its independence, smear its loyal and patriotic Members, and render it helpless to carry out its constitutional duties.

It is time Congress struck back.

The Committee for an Effective Congress has provided us with a challenge to the independence of Congress which we dare not ignore.

Ukrainian Independence

EXTENSION OF REMARKS

OF

HON. RAY J. MADDEN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 25, 1956

Mr. MADDEN. Mr. Speaker, last Saturday evening I had the pleasure of attending a banquet at the Mayflower Hotel in Washington, D. C., wherein a great number of Ukrainian folks and friends of all nationalities gathered to commemorate the 38th anniversary of the declaration of Ukrainian independence. The unfortunate nations behind the Iron Curtain can be assured that Ukrainians living in this country will continue the fight for freedom and self-government until victory is attained. The continuation of Ukrainian struggle for liberation has not abated since enslavement by the Communist tyrant.

After the breaking up of czarist Russia in 1917, the declaration of the independence of the Ukrainian State was solemnly proclaimed on January 22, 1918, by the will of the entire Ukrainian people. This meant the resurrection of that independent state of the Ukrainian people which had formerly existed for more than 500 years and had reached a high state of culture under the name of Kievan Rus. This had been ruined in the 13th century by the Mongol invasion. It arose again under the name of the Ukrainian Kozak State and was destroyed by czarist Moscow. In January 1918, the aggressive invasion of the Moscow Bolshevik army, which poured from the north into Ukraine, precipitated the Ukrainian-Muscovite war. After 4 years of bloody struggle the Muscovite aggressors succeeded in again occupying Ukraine and with barbaric violence liquidating the revived Ukrainian State. In the place of a Ukrainian government, freely elected by the Ukrainian people, Bolshevik Moscow placed in power its own subordinate colonial administration composed of Muscovites and a handful of Ukrainian Quislings.

But the Ukrainian people never became reconciled to the violent seizure by Moscow and did not give up their political aspirations which they showed in the declaration of January 22, 1918. Again and again revolts broke out against Moscow's forces of occupation in Ukraine. Even that handful of Ukrainian Quislings who had been fascinated by the doctrine of communism and had therefore become collaborators with Bolshevik Moscow, at the end of the twenties, broadcast the slogan, "away from Moscow" and called for the creation of a Communist Ukrainian State, but one completely independent from Moscow and as a result Moscow liquidated almost all the recent Ukrainian Communist leaders.

It is thus clear that if even the recent Ukrainian Communist Quislings took the path of independence from Moscow and sought to rid Ukraine of the occupation by Moscow, the Ukrainian anti-Bolsheviks defended their right to an independent Ukrainian state even more vigorously. They stood for their ideal in all possible ways and in all fields of life. As an example, in science in January 1928, the vice president of the All-Ukrainian Academy of Sciences, Prof. K. Voblyn, gave a lecture at a scholarly meeting in Kiev on the subject that Ukraine should become an independent economic unit and that it had all the resources for a separate and independent development; and another Ukrainian scholar, Volobuyiv, published at the same time in the Bolshevik of Ukraine an article on the Problem of the Ukraine Economy and openly alluded to the colonial exploitation of Ukraine by Moscow in the older and the most modern times and drew the conclusion that the Ukrainian people could have a free economic development and correct social conditions only in their own separate state completely independent of Moscow. The same efforts and desires for independence from the occupation of Moscow were shown in literature by the Ukrainian writers and poets. The Ukrainian social and political workers organized an underground Centre of Revolt to revive the armed struggle against occupying Moscow and after the discovery of this center by the Bolshevik secret police and its liquidation in 1924, the Union for the Liberation of Ukraine with its youth division, the Union of Ukrainian Youth.

The Muscovite forces of occupation attacked these consistent efforts of the Ukrainians to recover their national political independence with the most savage measures. They ruthlessly liquidated not only the Ukrainian political leaders but they shot or tortured in the prisons with the methods of the medieval Inquisition dozens of Ukrainian scholars, writers, and poets. During the so-called Yezhovshchyna, Moscow liquidated, shot, or banished to concentration camps for efforts to separate Ukraine from Moscow even all the members of the TskKP(b)U and replaced them with satraps brought from Moscow, Nikita Khrushchev, A. Korotchenko, and so forth, and thus emphasized the complete colonial dependence of Ukraine upon Moscow in the system of the U. S. S. R. The entire Ukrainian people showed their desires for independence from the occupation by Moscow and to break this, the Moscow Communist Government organized in 1932–33 an artificial famine in Ukraine by collecting from the Ukrainian people and removing from Ukraine all the food supplies and thus starved about 4 million Ukrainians. As a manifestation of protest against this unprecedented barbaric crime of genocide committed by the Moscow Communist Government against the Ukrainian people, a member of the Organization of Ukrainian Nationalists—OUN—made an attempt on the life of the representative of the Moscow Bolshevik government.

This Organization of Ukrainan Nationalists—OUN—was an underground organization which took the further leadership of the struggle of the Ukrainian people for liberation from the occupation by Moscow and the restoration of an independent Ukrainian State.

On June 30, 1941, when the Moscow forces of occupation left Lviv, the capital of western Ukraine, the revival of the independent Ukrainian State was proclaimed. The German Nazis attacked the independent Ukrainian State. The German Gestapo arrested the members of the government of the revived Ukrainian State and thousands of Ukrainian patriots and sent them to German concentration camps. But this did not discourage the Ukrainians. They created for the armed revolutionary struggle against Germany the Ukrainian Insurgent Army—UPA—and continued the fight for fredom.

When in 1944 the Germans retreated from Ukraine and the country was again occupied by the Moscow Bolsheviks, the Ukrainian Insurgent Army turned its armed revolutionary struggle against them and appealed to the civilized world to aid the Ukrainian people in defending the independence of the Ukrainian state. But the Western World was then deaf to the appeals of the Ukrainian patriots and allowed themselves to be duped by the peace-loving false declarations of the Moscow Bolsheviks. The Ukrainian patriots continued their armed struggle under the banners of the UPA to defend the independence of the Ukrainian State which was being brutally enslaved by Bolshevik Moscow. They had to carry on the struggle alone without any help from the freedom-loving world which was completely indifferent. In this heroic struggle for the independence of their state and for freedom from occupation by Moscow tyranny, after the ending of World War II thousands of Ukrainian patriots perished including the organizer and commander in chief of the UPA, General Taras Chuprynka—in civil life, Engineer Roman Shukevych—who fell in battle in March 1950 in a suburb of Lviv.

All these facts show that the Ukrainian people are consistently struggling for the return of their own national state independence proclaimed on January 22, 1918 and reaffirmed on June 30, 1941. They have not stopped their fight for an independent Ukrainian state even under the most difficult conditions but are continuing it unbroken to the present day. Most recently the Western World has heard of this struggle from the Germans, English, Americans, French, et cetera, who have been released from Bolshevik concentration camps and who met during their confinement millions of Ukrainian patriots who had been banished from their opposition to the occupational forces of Moscow to the Moscow Bolshevik concentration camps.

This natural desire of the Ukrainian people, as of every other people, to revive their national state independence must be fully supported by the Western world both in the name of their respect for freedom and also because an independent Ukrainian state will be a natural defensive barrier for Europe against aggression from Moscow. The existence of an independent Ukrainian state is an assurance of the security of Europe against the aggression of Moscow and is therefore in the interest of the entire Western World.

The Parity Level of Dairy Products

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Wednesday, January 25, 1956

Mr. WILEY. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD excerpts from an address which I delivered over radio station WTMJ on January 22, 1956, on the subject of the raising of the parity level on dairy products to that of the six basic commodities.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

SENATOR WILEY URGES PROMPT ACTION ON RAISING DAIRY PARITY TO LEVEL OF SIX BASIC COMMODITIES—PRESENTS OTHER SUGGESTIONS TO ACHIEVE SUPPLY-DEMAND BALANCE

(Excerpts of remarks delivered by Hon. ALEXANDER WILEY, Republican, of Wisconsin, over WTMJ farm program, Milwaukee, Wis., January 22, 1956)

Congress is definitely going to enact a new and effective farm law to help raise dairy and other farm income.

ACTION MAY COME IN FEBRUARY

By the middle of February, the Senate Agriculture Committee is expected to report out its version of the new bill. The House of Representatives had already passed its version, last year, designed to raise parity to 90 percent. The Senate version will undoubtedly be offering a compromise figure.

One thing is sure, and that is, that increased income assistance for the dairyman is and must be on the way.

THE IRONIC CONTRAST OF FARM HARDSHIP TODAY

Why? Well, just note this unfortunate contrast:

Dairy income has been skidding or holding at low levels, while almost all other segments of our economy are at the highest levels of our history.

The dairyman's hardship has resulted in lower purchasing power all over Wisconsin. That means that everyone is hurt, including the consumers, when the farmer is hurt.

Our aim, of course, is definitely to eliminate the cost-price squeeze on the farmer.

The prices of machinery, labor, and equipment have skyrocketed. Meanwhile, price of milk, pork, beef and other products have been at low or declining levels. Today, as a whole, the farmer is getting only around 40 cents out of the consumer's average food dollar. We must close this gap between the farmer's small return and the ultimate sale-prices so as to provide for the farmer a sound basis of operation—that, is, his cost of production plus a reasonable profit.

How are we going to do this?

FAIR TREATMENT UNDER THE PRICE-SUPPORT PROGRAM

We must all remember that the price-support program—imperfect as it is—serves at least as a temporary implement to help sustain our farmers.

Our ultimate objective, of course, must be a program that does not depend upon Government support to maintain a stable and profitable price level.

We must aim to reestablish farming on its own healthy plane, independent as much as possible, receiving its full share of our national prosperity.

Meanwhile, we must make sure that milk gets the same parity level as other so-called basic products.

MILK AS BASIC AS ANY PRODUCT

Milk is just as basic as cotton, tobacco, wheat, or corn. It must not be discriminated against or treated as a step-child.

Cheese, butter, milk powder, ice cream, none of these essential dairy products must be allowed to suffer—as regards price, production, or consumption.

PRODUCTION HIGHER

Today, milk production is at the 124½ billion pound per year mark.

The so-called milk surplus has fortunately been declining. It would actually be eliminated entirely if we were all to drink more milk each day.

ESTABLISH A SUPPLY-DEMAND BALANCE

One of the first things we must do is to attempt to establish a supply-demand balance. Many folks have said that we are suffering from overproduction. I don't think so. Instead, I believe that our problem is underconsumption.

Until the surplus problem is solved, however, it may be necessary to adjust our production as well as attempt to increase consumption.

NEW MEANS OF FOOD DISPERSAL

Basically, we must be more enterprising in figuring out ways of dispersing and utilizing foods. I will list some of the means by which this can be done:

1. We must develop new distribution channels, both foreign and domestic, to increase consumption of our so-called surplus foods;

2. We must constantly improve sales promotion, to educate the public in the uses of dairy foods; and

3. We must expand our research program. As you know, I have introduced a bill (S. 788) for a Dairy Research Laboratory in Madison, to provide research into new and different uses of our dairy products.

DISPOSING OF SURPLUS FOODS

Meanwhile, let's not keep our dairy and other farm products sitting in warehouses. Let's get them out to the people to be consumed.

Merely providing warehouse space for our stockpiles of surpluses—of corn, wheat, etc.—is costing us $1 million a day for storage. We have got to eliminate the governmental redtape and foot dragging on surplus disposal. We've got to move this cheese, butter, milk powder and other products into the stomachs of hungry people.

The dietary standards of many people can be greatly improved if we disburse these so-called surplus foods wisely, and perhaps profitably, to those in the world who need it.

This can be achieved by:

1. Stimulating the sale—not just give away—of surplus products held in storage by the Department of Agriculture. During 1955, for example, the Department sold—I emphasize—sold $1.2 billion worth of surplus products.

2. Expanding distribution of milk, cheese, milk powder, and other foods, through school lunches, the Armed Forces, and relief to distressed people; and

3. Encouraging the use of surplus foods in foreign policy, as strategic weapons in the economic warfare against communism.

FOOD STORAGE

A program of permanent food storage should be an important consideration for any plan for the future.

Our great, cosmopolitan cities, depending to a large degree on perishable foodstuffs, are only a few days away from potential food storage. Consequently, we must take a new look at our storage practices, to determine how to keep sufficient food on hand for local, regional, or national emergencies, as well as for normal modern use.

LEGISLATION

As we all recognize, there is no blanket cure for the current farm crisis.

Instead of hunting for a cure-all, we must deal realistically and individually with each phase of the problem.

Our legislative pattern in Congress for 1956 must be guided by this philosophy. The dairying problems, for instance, will have to be resolved according to today's needs of the dairymen, and according to tomorrow's production and consumption prospects.

In the new Congress, I have so far introduced three bills of significance to the dairy farmer:

School milk: The first two bills provide for expansion of the school-milk program for this year and for 1957. It would bring more milk and health to the school children of Wisconsin and America.

Bang's disease: I have also introduced a bill to provide sufficient funds to continue expanding the program for eradicating dread brucellosis which has cost such severe economic loss for the farmer.

Seaway: In addition, my bill, S. 171, to expand and deepen the connecting channels of the St. Lawrence Seaway is coming up before a Senate committee this month. This great seaway, upon completion, will provide speedier and more inexpensive domestic and foreign markets for the agricultural products of Wisconsin and all of the great Middle West.

I shall, of course, introduce additional legislation in the Congress as new situations arise, or as we find solutions to our present problems.

LONG-RANGE PROGRAM

A prominent feature of any program must be long-range planning, to provide a stable future for our farmers. Important aspects of such planning are:

First, we must develop long-range farm studies, with the objective of changing over production from surplus commodities to products in short supply.

This would help use our productive capacity over a more varied field. We would provide new and different products, which would result in a better living for all of us. We would help to eliminate the recurring cycles of surplus foods and price depression.

Second, we must establish a soil-bank program to preserve the fertility of the land. This plan would involve safeguards to prohibit nondairy farmers from using acres diverted say, from wheat and cotton to production of dairy products for commercial purposes. Such diversion would, if unchecked, only serve to increase the dairy surplus.

CONCLUSION

In conclusion, I want to emphasize that these proposals are designed not simply to help the farmer, but also to help the storekeeper, farm-implement dealer, professional man, and all of the other Americans who are dependent upon the buying power of the farmer. I include, too, the housewife who wants vitamin-rich, nutritious products for her children and family.

Albert Gallatin

EXTENSION OF REMARKS
OF
HON. VICTOR L. ANFUSO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 25, 1956

Mr. ANFUSO. Mr. Speaker, to let go by without mention the birthday anniversary of Albert Gallatin, Congressman, great Secretary of the Treasury in Jefferson's time, banker, and resident of my State in his later years, is something I feel we in the House cannot do.

Member of our House of Representatives, Senator, Treasurer, foreign minister, banker, ethnologist, historian and writer, this illustrious and eminently useful citizen came to America at the age of 19 from Geneva, Switzerland, where he was born on January 29, 1761. At the age of 35, he was the acknowledged intellectual leader of the Jeffersonian Party in the House and the only man in his party competent to return to the people the right to determine how the Nation's money is spent. That he was able to do so, in the face of enormous opposition by Hamilton's Federalist Party, was a tribute both to his talents and to his fortitude.

The development of commerce in an atmosphere of peace was Gallatin's yardstick for the prosperity of the people of his adopted land. All wars, commercial or other, he called fatal to progress, though he was to experience both kinds during his life of service and to rectify some of the evil results which followed them.

Shortly after the War of 1812 with England was over, Gallatin succeeded in negotiating a treaty with America's former enemy ending all discriminatory tariffs. In 1818 he assisted United States Minister to England Rush in concluding a commercial convention.

As a result of his efforts in fiscal and foreign trade matters, the credit and prestige of the United States in the opening decades of the 19th century were at a peak. And, it is at such a peak that I know all of us here want to keep them.

However, there have been some dips of late as a result of certain ill-conceived departures by the current administration from its own "trade, not aid" policy. In a period when it must be our considered aim to win as many new friends as possible, alienating the affections of our old ones cannot be condoned. Most especially, we have erred in offending the Swiss, excellent trade partners since 1850 when the Swiss-American Treaty of Friendship and Commerce was signed. Boosting the duty on watch imports and threatening other discriminatory tariff actions is certainly no way to hold the affection of our best cash customer in Europe. Moreover, this attitude upset our other foreign friends who were dismayed and made apprehensive.

As a Congressman from the State of New York, where most of the watch importing and assembly firms are found, I am more aware than most of the bad effects the imposition of the new tariff barriers on watch imports is having—or is threatening to have—on the legitimate businesses of a major segment of the American jewelry industry. For, since less than 5 percent of the total gross retail price of a watch returns to Switzerland, it is obvious that American importers, assemblers, and wholesale and retail jewelers must bear the brunt of any discriminatory action which limits watch imports. And, because watches constitute the most important commodity group exported by Switzerland to the United States, any diminution of imports is bound to curtail Swiss spending for American products.

If we can learn from Gallatin's career the one thing of value which has particular relevance today, it is that harmonious commercial dealings with foreign lands provide our best insurance for peace and prosperity.

Package Deal on New U. N. Members

EXTENSION OF REMARKS
OF
HON. WILLIAM E. JENNER
OF INDIANA
IN THE SENATE OF THE UNITED STATES
Wednesday, January 25, 1956

Mr. JENNER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD, a news release issued by me on December 19, 1955, entitled "Package Deal on New U. N. Members."

There being no objection, the release was ordered to be printed in the RECORD, as follows:

PACKAGE DEAL ON NEW U. N. MEMBERS

I warmly congratulate the representative of Nationalist China in the United Nations for his fearless veto of the admission of Outer Mongolia as an independent state.

Everyone who loves freedom owes a debt of gratitude to Dr. Tsiang and to free China, for this courageous refusal to bow the neck to the demand of Soviet Russia, that every nation must defer to her bullying, or all pending applicants would be barred from membership in the United Nations. Dr. Tsiang has performed a service for the United States, for all independent nations, and for those pitiful men and women who still love freedom though they dwell in the darkness of the new colonial slavery.

I only wish Dr. Tsiang had gone further, and used his veto against admission of the Communist governments of the four captive nations.

It is a matter of the deepest shame to most Americans that the delegate from the United States did not stand beside free China, and publicly refuse to yield to the threats of Soviet Russia.

Our Government pretended to abstain from taking any position. But for 2,000 years Pontius Pilate, who washed his hands of responsibility, has been the symbol of the lowest form of moral cowardice.

I do not know by what process the American Government committed itself to accept the Canadian proposal for a package deal on admission of new member nations into the United Nations. It is obvious, if the requirements of the charter have any significance that each nation seeking admission should be voted on individually. We have always in the past insisted on careful examination of the qualifications of each applicant for membership. To agree to a package deal on any terms was to make a major concession to the Soviet Union. In this instance we had to accept the ridiculous pretension that Outer Mongolia is either a nation or free, when it is neither. It is a dependency of the Soviet Union as well as legally part of the territory of China.

This package deal also permitted the Soviet Union to win recognition by the U. N. of four bastard governments, set up by Soviet arms and Soviet guile, to misrepresent the free people of Hungary, Bulgaria, Rumania, and Albania. William Z. Foster has told us why the Soviet Union is so eager to get additional votes in the U. N. Its aim is to add to the voting strength of the Soviet leviathan in its war of votes against the United States in the U. N. He does not tell us why the United States should accept such a hostile proposal. But we know, from Geneva, that consent of the United States to obliteration of the last vestiges of once free nations, is a step in the insidious campaign to inveigle us into full acceptance of the status quo in Europe, and desertion of the liberty-loving people of the captive nations.

I am therefore deeply shocked to learn that statements have appeared in the press attributed to American Government sources, and carrying the tone of a threat, saying that Nationalist China would be voted out of the U. N. if it dared to oppose the Soviet deal on this question. This is a strange new doctrine. The American people ought to understand clearly what it means. It means that a nation which uses its legal veto, against the will of the Communist leadership, is to be dismissed from the U. N. Such warnings indicate a subservience to the threats and bluster of the Soviet Union which is almost beyond belief. If this is what the spirit of Geneva is leading us to, let us face it now.

I hope that no member of the American Government will support, by any slightest approval, this threat to a free and fearless nation. I shall consider it a matter of the greatest importance to Congress if it appears that American officials have condoned attempts to punish free nations which do not bow to the commands of the Soviet Union.

I hope that Congress will give its early attention to the question of American policy in the United Nations. It must make absolutely certain that our American representatives accept no secret proposals to strengthen the Communist bloc. Rather let us insist now and always that any spokesman for the American people at any conference of the United Nations or its subsidiary organizations, speak out with the true voice of America in defense of all those who love freedom.

Red Propaganda

EXTENSION OF REMARKS
OF
HON. ROBERT C. BYRD
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 25, 1956

Mr. BYRD. Mr. Speaker, it is generally agreed that the latest Bulganin note to our Government was another bold step in the Communist propaganda offensive. Let us examine, therefore, a few general aspects of Red propaganda.

Soviet propaganda is characterized by its totality, fictionalism, militancy, and flexibility. It is colorful, massive in scope, easily available and extremely vitriolic. On the one hand, it is negative and destructive; on the other it appeals to the nobler sentiments of mankind. Through it real values become unreal

fictions. Soviet propaganda is achieved through mass action, and mass action is to Soviet propaganda what space is to geopolitics.

Jacob Spolansky, in the Communist Trail in America, makes a most appropriate comment on Communist propaganda when he states: "The Communist doctor never seeks to cure the afflicted patient: he wants to be able to make a propaganda speech at his bier."

Tributes to Hon. John White Stevenson

EXTENSION OF REMARKS
OF
HON. EARLE C. CLEMENTS
OF KENTUCKY
IN THE SENATE OF THE UNITED STATES
Wednesday, January 25, 1956

Mr. CLEMENTS. Mr. President, on December 9, 1955, it was my pleasure to participate in ceremonies sponsored by the Christopher Gist Historical Society of the Covington and Newport area in Kentucky. These ceremonies were held to commemorate the memory of one of Kentucky's greatest statesmen—John White Stevenson.

One of the highlights of the program dedicated to John White Stevenson was the unveiling of an historic marker of granite, containing a steel time capsule. In it were placed a number of important historical papers, a quotation pertaining to Governor Stevenson's career from the Biography of American Congressmen, a report on the history of the land, today marked by the granite monument, and which was once the site of Stevenson's mansion, which dates back to 1751; a number of current, local newspapers, and other documents in which any reader of the future would be interested.

John White Stevenson served with great distinction as Governor of the Commonwealth of Kentucky, a Representative in the United States Congress, and as a Member of this great body.

Because of the contributions made by John White Stevenson to both the State and Federal Governments, I ask unanimous consent to have the proceedings of the dedication ceremony and of the remarks made upon that occasion, printed in the RECORD.

Mr. President, I am informed by the Public Printer that the proceedings are estimated to make 2¼ pages of the RECORD at a cost of $180. Notwithstanding the fact that the manuscript exceeds by a quarter of a page what is permitted to be printed customarily, I ask unanimous consent that it be printed in the CONGRESSIONAL RECORD.

Mr. President, following the proceedings to which I have referred, I ask that there also be printed in the RECORD the address which I had the privilege of making before a meeting of the Christopher Gist Historical Society on the same occasion.

There being no objection, the proceedings and address were ordered to be printed in the RECORD.

The proceedings and the address by Mr. CLEMENTS are as follows:

A REVIEW OF THE CEREMONY COMMEMORATING THE LIFE, TIMES, AND ACCOMPLISHMENTS OF JOHN WHITE STEVENSON, HELD DECEMBER 9, 1955, AT COVINGTON AND FORT MITCHELL, KY.

(By Charles B. Truesdell, secretary, Christopher Gist Historical Society)

The program honoring the memory of John White Stevenson, former Governor, former Member of the National House of Representatives, and former United States Senator, held Friday afternoon and evening, December 9, 1955, was under the sponsorship of the officers and members of the Christopher Gist Historical Society of the Covington-Newport area of Kentucky.

At 4 p. m. Friday, December 9, history was reenacted when the historical marker of granite, about 4 feet high, with a bronze inlay—giving the highlights of Governor and Senator Stevenson's career was unveiled. The marker stands at the northeast corner of Fourth and Garrard Streets in Covington, Ky., the site of Governor Stevenson's mansion until recently, when it was razed to make way for the construction of a new Kentucky State office building.

Records, prepared by the Christopher Gist Society's document committee, were placed in a steel box inside the marker by Senator EARLE C. CLEMENTS and Judge James B. Milliken, Cold Springs, Ky., chief justice, Kentucky Court of Appeals.

This phase of the program was attended by numerous city, county, and State and Federal officials, as well as local citizens, including Russell S. Clark, assistant principal of the John G. Carlisle School, Covington, and city clerk of the city of Park Hills, Kenton County, Ky., chairman of the board of management of the Christopher Gist Historical Society, who presided; the Reverend John F. Murphy, president of the Villa Madonna College of Covington; Charles B. Truesdell, secretary of the Christopher Gist Historical Society; Prof. Charles E. Stevenson, South Fort Mitchell, associate professor of law at the College of Law of the University of Cincinnati, Ohio.

In commencing the afternoon program, Chairman Clark said: "Ladies and gentlemen, as chairman of the board of management of the Christopher Gist Historical Society, permit me to give you a warm welcome on this cold and snowy afternoon. We appreciate your interest in this event which has led you to brave this rather inclement weather to witness this historic event of the unveiling of a marker to the memory of John White Stevenson, whose former home stood upon this site and which now is in the process of becoming a State office building."

Chairman Clark then presented the Honorable James B. Milliken. In his introduction of Judge Milliken, Chairman Clark said: "Now may I present to you the Honorable James B. Milliken, who lives and whose home is in Cold Spring, in our adjoining county of Campbell, a member of the Kentucky Court of Appeals, who will soon become the chief justice of that court on January 1, next. I take great pride in presenting Judge Milliken, who will speak on the career of John W. Stevenson, whose memory we honor today."

In his statement, Judge Milliken told those in attendance at the ceremony: "With us today to mark the site of the home of John White Stevenson are two of his grandchildren. In the truest sense, history and memory mingle here in a common cause—to commemorate the homesite of a great man.

"If 'the use of history is to give value to the present hour and its duty,' as Emerson once remarked, then the traffic which swirls about us now might well pause to appreciate the fact that the man who once lived here, as a boy, knew Thomas Jefferson, and came here upon the advice of James Madison. Born in Richmond, Va., in 1812, the son of an able statesman and former Ambassador to Great Britain, and graduated from the University of Virginia at Charlottesville, in 1832, John White Stevenson came west imbued with the ideas and ideals of the Founding Fathers of this Nation, and promptly put them into practice on the local scene. Soon after his arrival here he became a member of the Covington City Council and shortly afterward was county attorney.

"Immediately after the Mexican War he was elected to three successive terms in the State Legislature; was a delegate to the Constitutional Convention of 1849, and was a member of the committee of three who adopted a civil and criminal code of practice for use in the courts of the State. The criminal code is still in use with few changes, and the civil code largely remained in effect until the adoption of the new civil rules patterned after the new Federal rules in 1953.

"It was natural that a man of his ability and experience should be called into the national orbit. He was a delegate to the Democratic National Conventions of 1848, 1852, and 1856, and was a Member of Congress from 1857 until the outbreak of the Civil War in 1861. As a disciple of Jefferson and Madison he strove to save the Union, but when war came his sympathy was with his friends and kin in the South, a position forced upon many of his southern contemporaries by the crushing course of events.

"When the Civil War was over Kentucky called him back into service as Lieutenant Governor in 1867. He restored civil order by dissolving renegade bands of former soldiers who marauded the countryside and took determined measures to get the schools back into operation. From the Governorship he went to the United States Senate in 1871 where he served with marked distinction until 1877. He refused to stand for reelection in order to return to the practice of law in the hope of bolstering his dwindling finances.

"Successful as he was in private practice—he was general counsel of the Kentucky Central Railroad, now a part of the Louisville and Nashville Railroad—John White Stevenson always responded to the call of public service. He taught law at the Cincinnati Law College, taught a 'quiz' class for young men who were about to take their bar examinations, and he was chairman of the Democratic National Convention which met in Cincinnati in 1880.

"At the time of his death in 1886 he was known as one of the pioneer spirits and a former president of the American Bar Association. Rich in background, rich in talent and character, he served and prospered in the best American tradition.

"In honoring his memory today we pay tribute to liberty under law, to hope, and dedicate ourselves anew to the great American proposition that government of the people, by the people, and for the people, shall not perish from the earth."

Following Judge Milliken's remarks, Chairman Clark then asked for the historical documents, prepared by the document committee of the Christopher Gist Historical Society, to be placed in the steel container later sealed within the marker by Senator EARLE C. CLEMENTS and Judge James B. Milliken.

Statements made by various civic, commercial, historical, religious organizations, and churches predicting what the Kenton-Campbell County area would be like in the year 2055 were also enclosed in the bronze marker. Organizations submitting statements were: Kiwanis Club of Covington, Thomas Sullivan, chairman of the education committee; the Kenton County chapter of the American Red Cross, Mrs. Genevieve H. Runner, executive secretary; the Ludlow Business Men's Club, Paul J. Blanford; the Colonel Aerie of Eagles of Dayton, Fred H. Blakely, secretary; the Simon Kenton chapter of the National Society of the Daughters of the American Revolution, Mrs. Alberta Stevenson (W. Baxter) Harrison, chapter registrar; the

Young Men's Christian Association of Covington, Willard L. Wade, general secretary; the Covington Protestant Children's Home, Robert R. Shepherd, superintendent; Kenton County Ministerial Association, Rev. Jesse L. Murrell, executive secretary; the Trinity Episcopal Church of Covington, Rev. Bruce A. Weatherly, rector; the Covington Retail Merchants Association, Mrs. Mildred Hitch, secretary; the Kiwanis Club of Latonia, Kentucky Historical Society, Bayless R. Hardin, secretary-treasurer; the Listening Post of Kenton County, Mrs. Frances Glascock, acting secretary and counselor; the Jaycee Wives, Mrs. P. Summe, president; the Covington Lions Club, Edward Wimmer, president; the Covington Optimist Club, R. Clark; the Opti-Miss Club, Mrs. Bernard Klosterman; the Covington Rotary Club, Edward Williams, president; the Covington Ro-Anns, Mrs. Edward Williams, president; the Covington-Kenton County Chamber of Commerce, Col. John G. Cox, executive director; the Northern Kentucky Druggist Association, W. Nie, president, and Mrs. Nie; the Covington Art Club, Mrs. Homer Snook, president; the Covington Business and Professional Woman's Club, Mrs. Ida C. Dyas, news director; the Boy Scouts of America, C. T. Alexander; Licking area council Girl Scouts of America, Katherine Boyce; the Chamber of Commerce of Campbell County, Miss Lenora Bacon, executive secretary; the Latonia Kiwanis Club, Stanley Chrisman; the Covington Kiwanis Club, Dr. Sullivan; the Fort Wright Civic Club, the Park Hills Civic Association, Harry Hamilton; the Kersten-O'Day Post Veterans of Foreign Wars, Dayton, Kentucky; the Kenton County Taxpayers Association, Earl Metcalfe, secretary; the Daughters of Isabella, Mary Moser; Kenton County Bar Association, Harry K. Aurandt, president; Kenton County Realtors Association, John Krumpelman, president; and others.

The November issue of the Kentucky Historical Society Communique, Bayless E. Hardin, editor, was placed in the box; also a roster of the members of the Christopher Gist Historical Society; also the first issue of the Gist of Things, Mrs. Ida C. Dyas, editor, official publication of the Christopher Gist Historical Society, issued on November 15, 1955; also the 1954 issue of the bound volume of monthly papers read at the society's meeting, this one being written and read by Mrs. Stephens L. Blakely, on the subject: Chronicles of Old Trinity (Trinity Episcopal Church of Covington), which carried an article relative to Governor Stevenson who was an ardent member of that church.

In addition to these statements, a history of the land on which the marker stands was sealed within the marker. It read as follows: "Within this envelope is to be found a report of the owners of the land whereon the Governor John W. Stevenson Mansion was located from 1751 until the present time (1955), and now owned by the State Property and Building Commission of the Commonwealth of Kentucky. (1751) The Ohio Land Company of Virginia first owned the land under provisions of a survey made by Capt. Christopher Gist, in March 1751, under patent granted by the Colony of Virginia. Later owners of the property were Col. Stephen Trigg, Col. John Todd, Jr., and Col. William Christian, from 1780 until 1782; James Welch, 1785; Col. George Muse, 1788; Col. James Taylor, 1798; Thomas Kennedy, 1801; Gen. John S. Gano, Richard Gano, and Thomas D. Carneal, 1815; Uriel Sebree, Alfred Sanford, Joseph Kennedy, William Ruddle, and John C. Buckner, first trustees of the town of Covington, 1815; Thomas Carneal, 1818; John W. King and wife, Ann, 1818–19; Herman J. and his wife, Rosina E. Groesbeck, 1838; John P. Winston and his wife, Julia P. Winston, 1852; John W. and his wife, Sibella Winston Stevenson, 1855; on December 14, 1914, the property passed from the family ownership, at which time a conveyance was made from John W. Stevenson, a widower, Mary W. Stevenson Colston and Edward Colston, her husband, Judith Stevenson Winslow, a widow, Judith Braxton Colston, unmarried, Sally Colston Mitchell, and Mary L. Mitchell, to E. B. Sayers, 1914, and finally the State Property and Building Commission of the Commonwealth of Kentucky—the report was compiled by Attorneys John R. Blakely, John H. Klette, Jr., Dr. Charles G. Talbert, Attorney Orie S. Ware, Bayless E. Hardin, secretary of the Kentucky Historical Society, and C. B. Truesdell, chairman of the document committee.

"Other documents placed in envelopes and handed to Senator CLEMENTS and Judge Milliken were extracts from the Cincinnati Commercial Gazette, August 11, 12, and 13, 1886, relative to the death of Governor Stevenson; also extracts from the Cincinnati Enquirer, of August 11, 1886, relative to the death of Governnor Stevenson. Also, copy from Biographical Directory of the American Congress, 1774–1949, by Harrison, relative to Governor and Senator Stevenson, 1812–86; also copy of the same directory relative to Andrew Stevenson, father of John White Stevenson, 1784–1857. Also copy of an article taken from the American Biography relative to John White Stevenson.

"Also, copy of the inscription on the face and side of the marker; copy of the records of Spring Grove Cemetery, Cincinnati, Ohio, where Governor Stevenson is buried; copy of a letter under date of July 7, 1955, from Miss Judith Braxton Colston, granddaughter of Governor Stevenson, to C. B. Truesdell, secretary of the Kentucky Historical Society, relative to her grandfather and the Governor Stevenson Mansion; also, copy of program at both the site of the Governor Stevenson Mansion in Covington and at the Fort Mitchell Country Club; also copies of the Kentucky Post, the Kentucky edition of the Cincinnati Enquirer, the Kentucky Times Star, and the Louisville Courier-Journal, covering a period of the last month which contained articles relative to the program; also a photo of Governor Stevenson and an etching made from the photo of Governor Stevenson and an etching made from the photo of Governor Stevenson by Mayor John J. Moloney of Covington."

Promptly at 6:30 p. m., Friday, December 9, the second phase of the commemorative program sponsored by the Christopher Gist Historical Society in honor of former Governor and Senator John White Stevenson commenced with a reception at the beautiful Fort Mitchell Country Club, Fort Mitchell, Kenton County, Ky. Mr. Eugene E. Druly, chairman of the reception committee was in charge of greeting and introducing the more than 150 members and guests of the Christopher Gist Historical Society.

Robert S. Tate, president of the Christopher Gist Historical Society, presided over the evening meeting and commenced his opening remarks by stating that, "The purpose of this meeting, as you well know, is for the purpose of paying homage and tribute to a very distinguished Kentuckian and Kenton Countian, of our own area; a former State governor and a former United States Senator—John White Stevenson."

Mr. Tate then introduced Mr. Gilbert W. Kingsbury, who served as master of ceremonies and toastmaster for the rest of the program. Mr. Kingsbury, prior to introducing the speakers for the evening said:

"Our objective is to make our fellow citizens more aware of our heritage. And we do have a heritage—as the flags before us on the table indicate. We were claimed by the French, governed by the British, contributed to the Confederacy and the Union, and we pay our allegiance today to the flag of the Commonwealth and the Stars and Stripes.

"We have given our State and Nation many a man of whom we can be proud, in addition to John White Stevenson, the man we honor today. There are Richard P. Ernst, John Fisk, John G. Carlisle, William Goebel, Maj. Samuel Woodfill, Brent Spence, who has served in Congress longer than any Kentuckian in our history.

"With us, here tonight, to help in calling attention to our glorious past, are two granddaughters of Governor Stevenson, Miss Braxton Colston and Mrs. Mark L. Mitchell, of Cincinnati. Also with us are two great grandsons of that illustrious man, Mark Mitchell, Jr., and Edward Mitchell.

"I would be remiss if I did not pay tribute to Mr. John C. Morrell who helped us in constructing the monument dedicated this afternoon. At times we feared that the job would not be completed in time for this event but I reckoned without the skill and know-how of this engineer. I must also pay tribute to William Judy, executive director of the State building commission who, from the beginning has given us his great help in planning the dedication.

"This afternoon we heard from a fellow-northern Kentuckian, Judge James B. Milliken, who, on January 1, will become chief justice of the State. I would have to look up the records to find out the last time we have been so honored. Judge Milliken adds another star to our crown.

"Tonight we hear from another student of law. Charles E. Stevenson has been a friend of mine since we attended Covington High School. Today, I told him in considerable awe for his attainments as a scholar. He is associate professor of law at the University of Cincinnati, where once taught Governor Stevenson. Soon, Professor Stevenson will be Dr. Stevenson, and tonight he is going to trace the teaching career, at the same college of law, where Governor Stevenson once held forth. Professor Stevenson of Kentucky and the University of Cincinnati College of Law."

REMARKS OF GOV. JOHN WHITE STEVENSON'S CAREER AS A LAW PROFESSOR

(By Charles E. Stevenson, associate professor of law, College of Law, University of Cincinnati)

It is indeed a privilege and a pleasure to be asked to represent the College of Law of the University of Cincinnati in this program honoring the memory of one of its distinguished faculty members, John White Stevenson.

When I was asked to speak of Governor Stevenson and his career as a law professor, my feeling at first was that I should decline, as such a talk by me would be out of tune with the trend of today. For some reason in the recent years of our time, we are not accustomed to hear one Stevenson speak well of another, but rather have come to expect to hear only of Stevensons for Eisenhower.

After I had overcome this first reluctance and accepted the commission, I recalled some of the personal problems Governor Stevenson had posed for me in the past. For many years in my childhood, I lived within two blocks of the Stevenson home at Fourth and Garrard Streets. Often I had heard others speak of the Stevenson Mansion, and long and fruitlessly I puzzled as to why, if this were the Stevenson Mansion, my family never went there. And this problem of mine was further complicated by the fact that although everyone spoke of the large brick building on the corner as the Stevenson Mansion, it bore over its door in large and unmistakable letters the name "Lafayette." Why was this? It just did not come to make sense to me, and as nearly as I can recall, I never did solve the mystery.

Later on when I attended Trinity Church, I at first thought a special welcome had been prepared for me, for I chanced to sit in a

pew bearing the name "Stevenson." I became somewhat suspicious of this conclusion, however, when I noticed a window dedicated to the memory of John White Stevenson. After I had taught at the College of Law of the University of Cincinnati for a time, I learned that Governor Stevenson had preceded me there also.

The teaching career of Governor Stevenson at the Cincinnati Law School started in 1878 and lasted until 1886; 8 years. During those years the law school was located on Walnut Street between Fourth and Fifth, at the present location of the Mercantile Library Building. The law-school bulletins of those days indicate that the classes ran from the Thursday after the second Tuesday in October until the second Wednesday in May. The regular course of study lasted 2 years, with the optional third-year postgraduate course. No particular previous course of study was required of the students. The student body average about 130 persons. The faculty was composed of some six men. Governor Stevenson taught the courses in commercial law and contracts.

The Cincinnati Law School traces its history back to 1833, and is the oldest law school west of the Allegheny Mountains. The faculty of the law school has included many prominent men, jurists, judges, governors, and one President. In general, the order of procedure was for the members of the faculty to go from the law school into public life. In the case of Governor Stevenson this order was reversed and he brought with him to his teaching all the practical experience gained from a lifetime of service as jurist, Congressman, Senator, and governor.

It has been said that the teacher is the only craftsman whose raw material has a soul. To him is given an opportunity not given to others. How well he performs his function, the development of this raw material—often will be unknown to the teacher for a long time. Indeed, it may never be known to him and may be but dimly perceived by others. Governor Stevenson's teaching career came at the end of a lifetime of public service and it is to be regretted that he did not live long enough to observe in the lives of his students the fruits of his career.

It would be impossible to list here the names and accomplishments of all the students who came within the orbit of Governor Stevenson's teaching, or even of the Kentucky students who attended the law school during this period. Indeed, it is impossible to tell with certainty the extent of the influence Governor Stevenson exerted on any individual. It is clear, however, that many of the students who sat at the feet of Governor Stevenson later rose to prominence and were imbued with his spirit of public service.

Some of Stevenson's school students from Kentucky, whose names will be recalled by many of you here, were Alex D. Simrall, James Pryor Tarvin, Lewis Conner Yager, John Flavel Fisk, John Galvin, George Benjamin Ranshaw, Benjamin F. Braziana (the family of this student later acquired the site of the Stevenson mansion, and it was from them that the Commonwealth of Kentucky purchased the land. It also may be of interest to an historical society that the firm of attorneys who represented the vendor in this latter transaction traces its descent from the firm founded by Governor Stevenson), and Senator Richard P. Ernst, who lived diagonally across the street from the Stevenson home. Senator Ernst, perhaps the prize student of all, had a lifetime of public service—known to all of us—that emulated that of his teacher.

When I started this subject of the teaching career of Governor Stevenson, I assumed that none of his former students would still be alive. However, on November 25, 1955, the Cincinnati Enquirer carried a notice of the death of one David Woodmansee, 96, a graduate of the Cincinnati Law School, class of 1885. It is entirely possible that others of this period are still alive who recall from their personal experience the teachings of Governor Stevenson. Within the lives of these two men—teacher and student—the present had contact with a large portion of the history of this area. Our country is indeed young from the standpoint of history. It is entirely possible for someone alive today to have had personal contact in his childhood with another who lived during the American Revolution. Although we today, consciously or unconsciously, are guided by the ideals and wisdom of those who have gone before, it is well to recall always that the history of our country largely lies before us.

Through the students who studied under him to the present generation and through them to the future, undoubtedly will pass some of the inspiration of Governor Stevenson. It can be said with confidence that he did not waste his talent, but rather made the most of his opportunity to mould this "raw material with a soul."

ADDRESS BY SENATOR EARLE C. CLEMENTS BEFORE THE CHRISTOPHER GIST HISTORICAL SOCIETY OF THE COVINGTON AND NEWPORT AREA IN KENTUCKY, DECEMBER 9, 1955

Following the address by Professor Stevenson, Mr. Kingsbury introduced Senator EARLE C. CLEMENTS, as follows:

"It is fitting that our senior Senator from Kentucky make this dedicatory address for he is the political heir of Governor Stevenson. Like Mr. Stevenson, he has served as a Member of the House of Representatives, he has occupied the Governor's Mansion at Frankfort, and today he is the assistant majority leader in the United States Senate where he follows closely in the footsteps of another great Kentuckian, ALBEN W. BARKLEY.

"Time does not permit a recitation of his accomplishments during the 5 years he has been in the Senate, nor the listing of the honors his senatorial colleagues have heaped upon him. However, it was the New York Times, I believe, which last summer described him as a Senator's Senator. And that, I feel, is praise indeed.

"I now have the honor of presenting Senator EARLE C. CLEMENTS, of Kentucky."

ADDRESS BY SENATOR CLEMENTS

Mr. Toastmaster, members of the Christopher Gist Historical Society, distinguished guests, ladies and gentlemen, it has been said that some men are born great, others achieve greatness, and still others have greatness thrust upon them.

John White Stevenson was a great man. Moreover, he was destined to be great for this time—and with this man—destiny took no chances.

Usually fickle—wholly whimsical—swayed by passing fancies and sudden enthusiasms—and ever inscrutable—destiny sometimes kind, other times tragically cruel—always is unpredictable.

But—somehow—not with John White Stevenson. On all three counts—birth, achievement, and fortuitous circumstances—Destiny qualified and foreordained him to be great. This time Destiny was resolute—clearly evidenced throughout his 74 years—was to make John White Stevenson a great American—a great Kentuckian—a great man.

First, Destiny saw to it that John White Stevenson was born great.

On the 4th day of May in the trouble-tossed year of 1812, with the Nation on the verge of war, he was born at Richmond, Va., the son of Andrew Stevenson, who himself was a man of parts, having served as the Speaker of the National House of Representatives at Washington, and as Minister to the Court of Saint James at London.

Second, Destiny decreed it so that the time was propitious for the man named John White Stevenson to achieve greatness. The period between 1812 and 1877, when by his own choice and decision, he terminated his public career, were years of challenge. And, to make doubly certain that the man and the time came together, Destiny scheduled several meetings for young Stevenson, where he met and knew and listened to greatness, to men like Thomas Jefferson and James Madison. History records that it was Madison who urged young Stevenson to go West; Madison spoke the words, but every Kentuckian has every good reason to believe that Destiny inspired them. John White Stevenson took that advice, and headed West from his native Virginia to Vicksburg, Miss., where he nailed up a shiny, new lawyer's shingle, and entered the practice of law. But not for long. He had an appointment elsewhere, and Destiny made sure he kept it by prodding him to partially retrace his steps East, to the place where all of the plans for him were to unfold, on to our own, lovely Covington, Ky.

He arrived in 1841, a young man, tall, lean, strong; a man full of vitality, interest, and the urge to be useful, a man just right for a brand new county named Kenton, that had come into being only the year before his arrival. Now everything was neatly in place, the right man born at the right historical time, and at only 29 settled in the right place.

It was almost natural that John White Stevenson was quickly and favorably noticed. Almost immediately he had his foot on the first rung of the ladder of public service, as the representative of the first ward of the Covington City Council. His term of office on that council was outstanding, and his fellow citizens happily encouraged him to the next rung of the ladder, by electing him attorney of Kenton County.

The years passed quickly, and with them came additional success as the young lawyer steadily rose to achieve greatness.

Let's briefly sketch his climb up the ladder of public service.

In 1845 he was elected to Kentucky's house of representatives, where he served with distinction until 1849, when he was a delegate to the State constitutional convention, where he became one of the architects of that great legal structure, which, with some subsequent modifications, continues to serve us today.

In 1850, John White Stevenson was appointed one of the three commissioners to revise Kentucky's civil and criminal codes.

In 1848—in 1852—and again in 1856—he was a delegate to the Democratic National Conventions.

In 1857 Destiny was growing impatient, and the voters ended that impatience by electing him to the United States House of Representatives, and he served in the 35th and 36th Congresses.

In 1861, the Nation trembled, was a house divided against itself. Darkly, the shadows of civil strife fell across the land, and with war, again came dark and bloody ground.

On January 30, 1861, John White Stevenson rose in the House of Representatives at Washington. He plead for an end to the threat that hung over the Nation, divided, split, shaken to its very foundation. His words were charged with the fervor of high patriotism and deep devotion to the Union. The speech, which was hailed as one of the greatest of the session, was a valiant appeal that rang with the honesty of Stevenson's own convictions, but not great enough to clear the national atmosphere of the tension and bitterness that simultaneously gripped and divided the people, now to disperse the emotional thunderheads then rumbling over the length and breadth of the country. Nevertheless that speech publicly and na-

tionally marks John White Stevenson as a man having the courage of his convictions even though as he knew it would, in the next election, it cost him his seat in Congress.

In 1867, John White Stevenson was elected Lieutenant Governor of Kentucky, and now, suddenly, he had greatness thrust upon him, because 5 days after taking the oath of office, Gov. John L. Helm died, and John White Stevenson became the 25th Governor of the Commonwealth of Kentucky and, by virtue of subsequent reelection, served in that capacity until 1871, when he resigned, having been elected to the United States Senate.

When in 1867, John White Stevenson became Chief Executive of the Commonwealth, it was a raw, lusty time but he, who, himself had been born in another violent period, in 1812, brought all of his talents, all of his great gifts of leadership to bear on the solution of the tense and trying problems of the day, to restore balance and order. Yet, it was a time of peace, but an uneasy one, not unlike our own in that respect, and men's hearts were not yet free of the awful hurts and aftermath of 4 bloody years of Civil War. The house divided was now one, on the blueprints at least, but in Washington, the House of Representatives had adopted a resolution to impeach President Andrew Johnson for high crimes and misdemeanor. The tragic year, the blight and vengeance of so-called reconstruction years, had descended like a pall over the still bleeding heart and soul of the South.

But there were other things, other headlines—some of them good news. On March 2, 1868, the State legislature appropriated money in the amount of $4,000 to clear and improve the Cumberland districts. Kentucky's riverways had been discovered as passages to the interior of the United States—when Texas cowhands rode steamboats—not broncos—up to Louisville—then herded them north—to high profit. Jesse James had not yet become a legend—in the time of John White Stevenson; on March 20, 1868, Jesse and his outlaw band stormed into Russellville and robbed the bank and in Owen County a woman was charged with being a witch—but good news was made when oil was discovered at Boyd Creek near Glasgow in Warren County.

But behind this hodgepodge of news, other work—good work—was going forward. Right here in Covington, in September 1869, a waterworks was authorized, and funds in the amount of $300,000 were appropriated to build the Holly waterworks—and in December of that same year, Governor Stevenson notified the State legislature that he had leased, for 50 years, at $1,500 annually the locks and dams on the Kentucky River and in 1871 the newspapers recorded the tobacco crop as outstanding—106 million pounds.

Now, those who really know, need not be told that no scholar am I, always having preferred the field to the bleachers, and so I want to thank you for the opportunity your invitation has afforded me to take a close and detailed look at the statesman, John White Stevenson, to whom we are paying tribute today. In the preparation of this talk, I have come to see him in sharp focus. I have come to recognize him not only as a predecessor of mine, but to visualize him as a familiar figure in the same places I have served, in our State legislature, where I, too, have served; in the Governor's office, and in the marble Halls of Congress, in both Houses of which I, also, have served. Not that this is at all unique. In the interests of factual information as well as modesty, let me add that in 1953, my distinguished colleague, Senator FRANK CARLSON (with whom I served in the National House of Representatives, and whose services as Governor of Kansas paralleled mine as Governor of Kentucky and, needless to say, we are contemporaries in the United States Senate) compiled a complete historical list of all the men who have occupied the offices of Governor, Congressman, and United States Senator.

Of all the States, the Commonwealth of Kentucky has the signal honor of having more men to have occupied all three offices than any other State. Seven men, all together, from our Commonwealth, have been so honored. In addition to John White Stevenson, and myself, there were John Adair, John J. Crittenden, James B. McCreary, Thomas Metcalfe, A. O. Stanley, all of whom served Kentucky as Governor, Congressman, and United States Senator.

My friends, every period has its problems, its challenges, and certainly ours is no exception—indeed, ours may well be described as a period of utmost challenge. For a very long time the old adage that contended two conclusions had been definitely established, (1) history repeats itself; and (2) there is nothing new under the sun—stood without fear of contradiction; but entirely not so any longer—there is something new under the sun, atomic energy—first the atomic bomb and now, even more terrifying, the hydrogen bomb, which is no longer our secret. The mauve shadow, the veiled threat of the vast, mushroom-shaped explosion, hangs over the entire world, and because of it, through continued superior military strength, inspired diplomacy, plus the wisest use of the facilities of the United Nations, we must cope with and successfully meet this supreme challenge of our period, the equal of which does not appear in the annals of recorded history. Probably not in our day, but eventually, humanity, in sheer self-defense, must meet the supreme challenge of atomic destruction, and remove and erase that specter from the horizons of the world.

Beneath that shadow in southeast Asia this supreme challenge manifests itself indirectly—almost stealthily. Under that shadow teeming millions, long dormant, are arousing, restlessly stirring, awakening to their inalienable rights, demanding self-rule and a better way of life.

Last June it was my privilege to visit the Far East—Korea, Formosa, Vietnam, Laos, Cambodia, Burma—and talk with the leaders of those hordes of awakening peoples who are desperately hungry, not for food alone, but for learning, for opportunity, for tools, for medicine, for privacy, for strength to develop and defend their newly won independence, for time to master the difficult art of self-government, and last, but not least, hungry for acceptance—by us and the other and more fortunate advanced nations of the world. These gnawing hungers, now rising from the ancient, troubled soil of Asia, gradually must be assuaged and eventually satisfied, through the continued aid and cooperation of the older free nations of the world. By denoting these dangers, the free world will make certain that the vast populations of southeast Asia will not, in the urgency of their duress, turn from sustenance to the demoralizing pap of communism. Were that to happen, the Iron Curtain would ring down on all of Asia, and the hope for peace would, indeed, grow dim.

There is also the challenge of the crises in the Middle East—of which we are all aware.

Here at home, there are problems too, that add to the pressure of this period of the supreme challenge.

There is, for example, the ironic situation that confronts us in agriculture. There was one, and not so long ago, the challenge of providing enough food for ourselves. We met that challenge and reversed it until today there is the challenge of plenty of abundance, of what has become known as surpluses. It will take wisdom to provide a solution, to cope with this current challenge, the sardonic challenge of plenty.

In a few weeks the second session of the 84th Congress will convene and the representatives of the American people will return to the seats in Congress with high hopes and renewed determination to cope with and meet the challenge of our time at home and abroad.

We will, for example, devote ourselves anew to finding a legislative solution to the current farm crisis—that now threatens to again undermine as it did back in the 1920's the entire economic and financial structure of the Nation.

We will consider, and I hope enact, legislation to provide veterans' survivorship benefits, to simplify customs, to build more schools, to build additional highways, to further the development of peacetime atomic energy, aid and lend further impetus to the development of medical science, to improve the health of the Nation, to erect necessary additional houses, and to liberalize and expand our social security system.

These are a few items that I submit to you tonight as a kind of bill of particulars on the activities of the forthcoming session.

We will do our courageous best to meet the challenge of our times, knowing all too well that there are too few John White Stevensons to assist us.

In closing I want to congratulate the officers and members of the Christopher Gist Historical Society on their efforts toward creating a greater awareness of Covington's adopted distinguished son, John White Stevenson. In this you are making a significant and magnificent contribution because our youth of today will be mindful of another great Kentuckian, giving them one more heroic figure to add to the long list of Kentuckians who have gallantly served our Commonwealth and our Nation wholly deserving of praise and emulation.

A State nurtured, influenced, encouraged, and developed by men of the intellectual attainments, courageous vision, and exceptional stature of John White Stevenson can look back with pride and forward with confidence; Kentucky and the Nation need not be alarmed about the future. As we go forward to meet the supreme challenge of our time let us remember that other men of other times successfully met the challenge of their time and that as they did, so must we.

CONCLUSION OF PROCEEDINGS

Following the address on Governor Stevenson by Senator CLEMENTS, Toastmaster Kingsbury thanked the many individuals who had helped to make the program possible, and turned the meeting over to Robert S. Tate, who extended his appreciation to various members of the society who had helped plan and organize both the afternoon and evening ceremonies honoring John White Stevenson.

President Tate also paid tribute to the activities and work of Attorney Stephens L. Blakely, one of the organizers of the local historical society and its first president, who has served continuously as a devoted worker and officer. He also paid tribute to Mr. Irle R. Hicks, Sr., the society's clerk and treasurer, and to Mrs. Calvin S. Weakley, a charter member, who has been a member of the board of management since the society was organized. President Tate, who is also referred to as "Colonel" Tate, by having served on the staff of former Governor Wetherby, of Kentucky, also paid tribute to other officers of the historical society for the work they had done, naming specifically Prof. William A. Fitzgerald, assistant secretary, a member of the faculty of Holmes High School, Covington, and mayor of Florence, Ky.; Attorney W. Baxter Harrison, a member of the board of management, who served as the second president of the society, and Mrs. Vincent Reuscher, the society's librarian.

Address by Hon. Edward Martin of Pennsylvania Before State Highway Officials

EXTENSION OF REMARKS
OF

HON. EDWARD MARTIN

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Wednesday, January 25, 1956

Mr. MARTIN of Pennsylvania. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address which I delivered before the 41st annual meeting of the American Association of State Highway Officials at New Orleans, La., on December 6, 1955.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY UNITED STATES SENATOR EDWARD MARTIN, OF PENNSYLVANIA, DELIVERED BEFORE THE 41ST ANNUAL MEETING OF THE AMERICAN ASSOCIATION OF STATE HIGHWAY OFFICIALS AT NEW ORLEANS, LA., TUESDAY, DECEMBER 6, 1955

I am highly honored by your invitation to come to the historic city of New Orleans, the metropolis of the rich and charming State of Louisiana.

Courageous and God-fearing people of many nationalities have developed this area into a great empire of commerce, industry and agriculture, combined with the highest cultural and spiritual attainments.

I want to take this opportunity to express my high regard for my distinguished colleagues in the Senate from Louisiana, ALLEN ELLENDER and RUSSELL LONG. Although we are on opposite sides politically, I admire them greatly as sincere and patriotic American statesmen.

It is a great honor to appear before this association. Here are assembled the road builders of America. Much of the future progress of our country depends upon you because transportation is the lifeline of our expansion and roads are the backbone of transportation.

Transportation has always been and still is one of America's big problems. It is a problem we must face with the same courageous spirit that our ancestors met the difficulties of their day.

Roads are today, as always, the basic means of transportation. The other systems—railroads, waterways, the air and pipelines—aid and supplement the highways just as the auxiliary branches of the armed services help the "doughboy" gain and hold his objective.

We have spent an enormous amount of money for transportation in the United States as the following figures show:

In highways, 1931 through 1955, we have spent $75,230,000,000 distributed as follows: Federal, $11½ billion; State, $43 billion; local, $21½ billion.

In waterways, 1931 through 1955, the Federal Government has spent $1,450,000,000. It will take $2½ billion more to complete our waterways system.

In railroads, fully owned by the people, there is invested, $33,581,000,000. Enormous expansion is being made in this service to keep up with the public demand.

In airlines there is invested by Government $2,200,000,000. Practically every city is improving its airport facilities.

In pipelines, fully owned by the people, there is invested $10 billion. The "big inch" lines now have as many miles as the railroads and are continually increasing this mileage.

The last half century has seen more progress in transportation than all the rest of recorded history. In that period we developed what we were proud to call the finest highway system in the world. That is true. Our highway system is superior in quality and mileage to any other in the world. At the same time we have 75 percent of all of the passenger cars and 50 percent of all the trucks in the world. Nevertheless the tragic fact remains that highway development, as we all know, has fallen far behind the rising needs of our vastly increased volume of traffic. Our roads are now what they should have been 10 years ago.

It is true, of course, that part of our highway difficulties can be blamed on the necessary suspension of roadbuilding activities during the war years. But more than anything else, the problem has been aggravated by our phenomenal national expansion.

One of the most spectacular developments has been the surprising increase in our population. According to the latest Census Bureau estimates we are now a Nation of more than 165 million people. We did not expect to reach that number for many years to come. It represents an increase of more than 33 million, or 25 percent, in less than 15 years since the general census of 1940.

Translated into terms of human needs this amazing population increase has imposed upon us many great problems in addition to the problem of our inadequate and hazardous highways.

We need more schools to educate the growing army of young people. We need more housing. We need expanded recreational facilities. We need more hospitals. We must build more churches of every denomination.

Each of these vital needs is an essential part of the American way of life. They must be paid for, either with private funds accumulated by hard work and thrift, or by public funds raised by taxation.

It is no exaggeration to say that President Eisenhower's call for bold new steps to solve the highway problem has made the Nation highway conscious. The President performed an outstanding service to the Nation when he centered attention on this vital problem. I am convinced that when the next session of Congress convenes it will be bombarded from all sections of the country with demands for prompt action.

We need the roads. There is no question about that. We must have them if we are to have an expanding economy.

We need them for our industrial, cultural, and spiritual advancement.

We need them for national and civilian defense.

We need them to reduce the frightful toll of lives taken each year by accidents on our highways.

We need them to bring the people of every section closer together and thus provide the means for a better understanding of our great country and its problems. My study of the War Between the States convinces me that if we had had a good system of highways and better means of communication the war might have been avoided.

The big decisions we must now make are how the highways shall be financed, where they will be built; how they will be built; how they will be policed; and how they will be maintained.

It's up to the American people to decide, for they must pay the bills.

The President's proposal was, of course, the most ambitious highway construction program ever visualized for this country or any other country. At no time were its broad objectives the subject of controversy.

Every phase of the situation was examined with the greatest care by the subcommittee on roads of the Senate Public Works Committee under the distinguished junior Senator from Tennessee, Mr. GORE. The printed record of hearings held by that subcommittee comprises a volume of 1072 pages. It includes the views and opinions of every element concerned with the planning, construction, financing, and administration of highways. The subcommittee heard testimony from State governors, the mayors of numerous cities, outstanding engineers, contractors, highway safety experts and many others.

The hearings disclosed that it will probably take 2 years to get the program fully underway. It will be necessary to increase the number of engineers working on road projects. Contractors will have to enlarge their organizations. More road building equipment will be required and the production of road building materials will have to be expanded. But we were assured that within 2 years we can have an adequate engineering personnel, an adequate number of qualified contractors and adequate materials available to do the job.

In this most comprehensive presentation of the highway situation there was virtually unanimous endorsement of President Eisenhower's broad concept of a vastly expanded and strengthened national highway system.

The principal area of disagreement was the method for financing the program. That is the big problem before us today.

At this point I would like to recall the statement of President Eisenhower issued on July 28, the day following the defeat of the Fallon bill in the House.

Expressing disappointment over the rejection of the legislation the President said, and I quote:

"The Nation badly needs new highways. The good of our people, of our economy, and of our defense, requires that construction of these highways be undertaken at once.

"There is a difference of conviction, I realize, over means of financing this construction. I have proposed one plan of financing which I consider sound. Others have proposed other methods.

"Adequate financing there must be," the President continued, "but," he added, and this is the important part, "contention over the method of financing should not be permitted to deny our people these critically needed roads."

You are all aware, of course, that I supported the corporation-bond plan regardless of the fact that for a half century in public life I have favored the pay-as-you-go principle. In order to get the roads built I would again support a bond plan. However, in view of the opposition to that plan, particularly among many fine conservative people who stand against deficit financing of any kind, I would give my support to any reasonable compromise that will assure prompt action.

In this connection it is worth noting that 75 percent of the State and local bond issues proposed to finance road building and other projects were defeated at this year's elections. There was a real revolt by the voters who approved only about $470 million of the proposals. More than $982 million were turned down. This reversed the pattern of recent years since World War II in which the voters ratified an average of 85 percent of the bond proposals submitted for their consideration.

Recently I received a brochure prepared by the American Municipal Association which disclosed some startling facts. It stated that the failure of Congress to enact an expanded Federal-aid program for highways has delayed up to 10 years the construction of expressways, arterials, and bypass routes that are needed now to alleviate the traffic strangulation of existing city streets.

A survey by the association revealed that in 85 cities representing 38 States and the District of Columbia, 129 projects, with a total estimated cost of $5½ billion, are or

will be adversely affected by the absence of a national highway program.

Here are a few examples:

Detroit is holding up the construction of 6 expressways involving more than $363 million pending Federal action.

New York City has plans for a $600 million network of roads and bridges but cannot proceed without assurance of expanded Federal aid.

Chicago wants to complete 33½ miles of expressways which will cost over $350 million.

In Pennsylvania much work has already been done in the cities of Pittsburgh and Philadelphia. Philadelphia has a limited access road where the speed limit is 60 miles per hour, from Fairmont Park to the Pennsylvania turnpike. These 32 miles cost over $100 million.

The parkway in Pittsburgh is almost completed. The 33 miles cost $118 million. In both Pittsburgh and Philadelphia the Federal and State government paid about 95 percent of the cost.

I have mentioned only a few samples. There are many more. They point out very clearly that the longer the accelerated highway program is delayed the more it will cost in higher prices for right-of-way and construction as well as economic losses from traffic congestion.

It goes without saying that under any plan that may be adopted the people will pay the bill through new and higher taxes.

Some day a great genius may arise among us who will devise a system of taxation that will meet with universal approval. But until that day arrives every tax proposal that may be advanced will bring opposition from some source. Therefore it must be our constant aim to impose such new taxes as may be required in as fair and equitable a manner as is humanly possible.

There is no doubt in my mind that the financing problem related to highway development can be solved in a way that will distribute the costs on a fair and equitable basis.

Such a solution will not be difficult if all parties concerned approach the problem in the American way and that means placing the National interest above sectional advantage. It will require strong and resolute resistance to those groups who seek to exert political or other pressure in their desire to gain selfish advantage.

Now let us look at some of the financial aspects of the highway situation.

Federal, State and local governments are spending annually on roads and streets about $7½ billion.

The three levels of government are collecting taxes related to the use of roads of more than $8 billion.

The Federal Government collects more than $2½ billion in taxes on gasoline and excise taxes on motor vehicles, parts and tires.

This is twice the amount of taxes collected by the Federal Government from all sources before World War I.

There is general agreement that the national system of interstate highways is a prime responsibility of the Federal Government.

The interstate system, as you know, is a specially designated network of 40,000 miles. It was carefully laid out to meet the military, civilian defense and industrial needs of the country. To serve these purposes it will connect 42 State capitals and 90 percent of all the cities of over 50,000 population. It will have controlled access and will bypass large centers of population. It will take about $25 billion to complete it.

How can this expenditure be financed? Some proposals that could be considered are as follows:

An additional 1 cent Federal tax on gasoline which would yield annually more than $500 million. This year 15 States have already raised their gas tax.

The present tax on rubber might be increased to yield an annual total of $300 million.

A Federal license fee on trucks and buses using the interstate system to yield $300 million.

Increased appropriations from the general fund and some matching funds from the States.

The collection of tolls on tunnels, bridges, and perhaps some sections of road on the interstate system could yield $300 million. In this connection there is being discussed the possibility of charging tolls for the use of the locks and dams, built with Federal funds, on our waterways. It is a sound principle of government to make governmental projects, as far as possible, self-liquidating. This principle has been applied with great success to reclamation and irrigation projects.

Although emphasis is placed on completing the interstate system in a 10 or 15 year period we must always provide for the needs of the primary, secondary, urban and other roads. They have increasing importance in our general highway plan.

In any national road program we must keep our economy strong.

Taxes and spending must be carefully planned to keep local government in a healthy financial condition.

Balanced budgets at all levels of government, Federal, State and local, are essential to our economic progress.

It now appears that we will have a balanced budget through increased revenues and economies in government departments and agencies. That means that highway money can be taken from the general fund provided the present level of taxes is maintained.

Personally I do not think there should be a reduction in taxes until the budget is balanced and a start is made in cutting down the enormous Federal debt.

All of these fundamentals of government finance are tied in with the vast expenditures that must be made to give the United States a modern, safe and efficient highway system.

The completion of the interstate highways will be a monumental achievement. Our first objective must be to get the job started. I am confident that the next session of Congress will clear the way.

Girls on Parole

EXTENSION OF REMARKS
OF
HON. THOMAS P. O'NEILL, JR.
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 25, 1956

Mr. O'NEILL. Mr. Speaker, Miss Katharine Sullivan, a neighbor of mine in Cambridge, Mass., and an able public official of the Commonwealth of Massachusetts, is also a distinguished author. For more than 10 years she has been on the Massachusetts Parole Board, and out of her experiences has come a new book which I wish to call to the attention of the Members of the United States House of Representatives. It is entitled "Girls on Parole," and a study on the parole system; how it works and how it can be improved.

I do not think that most of us realize that 95 percent of the people who go to prison come out again. That they sit next to us in the subway, that they pass us on the street, and that they hold down responsible jobs. The problem of assisting these people to again take their places in society is one of paramount importance to all of us. Miss Sullivan's study is expert, understanding and sympathetic. Her interesting account of the lives of those being restored to freedom, and of the effectiveness of the parole system should not be missed. It is real worthwhile reading, and I am sure that all of you wil enjoy the book and profit by what Miss Sullivan has to say.

America's Educational Needs Today and in the Foreseeable Future

EXTENSION OF REMARKS
OF
HON. ROBERT C. BYRD
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 25, 1956

Mr. BYRD. Mr. Speaker, America is becoming aware of the startling shortcomings of its rather gangling public-school system. In this—the Nation of multicolored, chrome-plated, zippy automobiles, super duper, bigger-than-before movies and spectacular color television we are faced with these not-so-super facts:

The current accumulated deficit of public-school classrooms is 250,000 and it is estimated that this figure will increase to 470,000 by 1959.

Fires damaged 4,000 school buildings during one recent year.

Seven hundred thousand public school children were attending school on part-time sessions.

More than 83,000 teachers left the profession during the last year.

Of the 86,696 persons who were graduated last year with standard preparation for teaching, only 56,800 actually entered teaching.

This year our public schools lack 141,300 qualified teachers.

In this—which we like to believe is the most modern Nation in the world—we have 140,000 classrooms that are makeshift or badly outmoded. Included in this category are buildings without plumbing, those without heating, others that are worn out, structurally weakened or potential "tinderboxes."

Last year for each dollar spent for schools in the United States $2.96 was spent for defense, $1.60 for new automobiles, and 45 cents for roads. Look at it this way—the United States is spending about 2½ percent of its national income on education. In contrast to this, it spends 4 percent on recreation. In one recent year—1951—the amount spent for advertising for every family in this Nation was $1.99 per family, while the amount spent for primary and secondary education was $1.52 per household. As one person pointed out: "The national outlay for educating citizens is substantially less than the outlay for educating customers." It has also been estimated that in order to maintain the present pupil-teacher ratio in the face

of our heavy population growth, the teaching staffs of our schools will have to be enlarged by 500,000 in the next 10 years. To meet this, "more than half the college graduates during the next 10 years will have to enter the teaching profession."

Is this too plain a fact for us to comprehend—the future of this Nation is in its educational system. At present this all-important system is understaffed and inadequately housed. It should be clear that we must increase both our interest in our schools and the money made available for their support.

Perhaps this information might help you to see the urgency of my plea. On good authority, we know that the Soviet Union's scientific and technical education system presents a formidable challenge to the free world. The Soviets are currently graduating more university students in the sciences than we are—about 120,000 to 70,000 in 1955. They "will graduate about 1,200,000 in the sciences in the 10 years from 1950 to 1960, while the comparable United States figure will be about 900,000."

We are training less than half of the scientists and engineers we need today. The head of the United States Atomic Energy Commission, Lewis L. Strauss, warns:

> This situation is going to get worse for us before it can possibly become better; it is going to get better for the Soviets before it can possibly get worse.

He stressed this alarming situation further when he said:

> Already dangerous, within less than a decade [it] could become disastrous.

This lag cannot be solved without concerted effort from many forces in the United States. Currently, few college students are being prepared to teach mathematics and the sciences at the high school level. High school enrollments are mounting steadily, the need for scientists is skyrocketing, while the proportion of college graduates who qualify to teach high school mathematics and science continues to decrease.

Perhaps all of this sounds like we have opened "Pandora's box," because the obstacles we have looked at seem insurmountable. It should be remembered, however, that along with all of the unpleasant things in Pandora's box there was a quality—hope. With hope and hard work we will be able to meet the challenges I have outlined. I am sure, however, it will take 90 percent hard work and 10 percent hope.

Progress Under the Eisenhower Administration

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES

Wednesday, January 25, 1956

Mr. WILEY. Mr. President, last Friday night it was my pleasure to attend the gala salute to Eisenhower dinner held in Milwaukee.

This dinner, like companion rallies all over our Nation, evidenced the enthusiastic support of the Republican Party for the President of the United States—support which is, I know, shared by the overwhelming mass of the American people.

We heard a splendid address from the distinguished Secretary of Commerce, the Honorable Sinclair Weeks.

Secretary Weeks presented point by point the proof of the great and constructive change which has occurred since Dwight D. Eisenhower took office on January 20, 1953.

He commented, of course, as well, on the future opportunity for the Republican Party's service to our Nation.

I am pleased to ask unanimous consent to have printed in the CONGRESSIONAL RECORD the text of Secretary Weeks' remarks.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

COMPLETE U-TURN IN GOVERNMENT

(Address delivered by Hon. Sinclair Weeks, Secretary of Commerce, at the salute to Eisenhower dinner January 20, 1956, Pfister Hotel, Milwaukee, Wis.)

I am most happy to be with you tonight and to participate in your salute to one of the greatest Americans in history—our President, Dwight D. Eisenhower.

The most gratifying experience of my life is to be a member of his Cabinet and to attempt to carry out his policies to the best of my ability.

Sufficient time has elapsed since the President's inauguration, exactly 3 years ago today, for the American people to pass judgment on his character, his leadership, and his brand of dynamic conservatism.

THREE SHORT YEARS AGO

Three short years ago American families were receiving heart-breaking telegrams announcing that a father or a son had perished in Korea.

The people of this State remember with solemn pride and sorrow that 723 Wisconsin boys were killed and 1,936 were wounded. Thanks to President Eisenhower's leadership, those tragic days are over.

Three short years ago people were talking about corruption and security risks. They were waiting eagerly for the new administration to clean up the mess. And it has.

Three short years ago inflation was pushing up the cost of living. Today we have a stable dollar in an era of unprecedented prosperity.

Why the change?

The American most responsible for today's peace, prosperity, and individual well-being is the leader whom we salute tonight, our President.

CLASH OF DIFFERENT IDEOLOGIES

I propose to cite chapter and verse on some of the accomplishments of the Eisenhower administration. But before I do so I believe it might help pin point the political situation if I described the difference between Eisenhower principles and those practiced in an election year by the current spokesmen of the opposition party.

I allude to spokesmen rather than rank-and-file Democrats. I do so because—as the 1952 election and every nationwide poll thereafter indicate—millions of Democrats are united with millions of independents and Republicans in wholehearted support of the President. And if—as we all hope and pray—President Eisenhower runs again, he will win by an even greater landslide.

Nevertheless, the professional politicians in the opposition party, who lack popular issues, are doing everything in their power to wiggle back into the White House and to greater control of the Congress. In a nutshell most of these old "pros" have three basic political principles—utterly different from the ideals of Eisenhower supporters.

First of all, to them politics is just a game.

Second, to them the Federal Government is a combination of Great White Father and Simon Legree.

Third, to them the only right course is toward the left.

Let me explain in more detail.

HIT-AND-RUN ACCUSATIONS

1. To them politics is just a game. To us politics is serious business, affecting the welfare of the Nation and future generations. Because they look upon politics as parlor tricks you will find many normally responsible men temporarily abdicating responsibility and making hit-and-run accusations about the administration or expressing opinions on public questions which at heart they do not believe.

To many of them—I regret to say—the art of election-year politics is to try to get away with as many reckless charges and fake promises as possible. They have their tongue in cheek so much that it is a wonder they don't choke.

In my opinion, however, the average voter today is too smart and too fair to be deceived by false charges which seem to be the election year stock in trade of altogether too many headline-hunting politicians.

WHY PEOPLE TRUST PRESIDENT EISENHOWER

In contrast, I believe that one of the chief reasons why the people of America and the people of the world trust President Eisenhower is because of his great sincerity.

Can anyone recall a single instance in which he has thrown mud at a critic or hit an opponent below the belt?

Can anyone point to his ever taking a stand which he did not believe was in the best interest of all the American people?

GREAT WHITE FATHER

2. To many of our professional opponents, the Federal Government is a sort of two-faced creature; one moment squandering vast sums of the people's money on unnecessary projects in the role of the Great White Father; the next, cracking down on business and other groups with the slave whip of Simon Legree. Both moves are aimed at wangling the votes of special interests.

DISHED UP BY SOCIALISTIC COOKS

3. To many of our professional opponents the only right course for government is toward the left. So they have scant interest in the success of private enterprise and a mouth-watering hunger for any radical scheme dished up by Socialistic short-order cooks. Such things as socialized medicine, bureaucratic-electric power monopoly instead of private power, and other pink concoctions.

Study the record and you will find that the inevitable result of unsound left-wing doctrines are back-breaking taxes, colossal debts, increasing deficits, grave injustices, wastes, scandals, bureaucratic browbeating, chains on business and class warfare—all bad for the American people.

Do you think the American people want to junk the current prosperity of private enterprise for that sort of throwback?

COMPLETE U-TURN IN GOVERNMENT

The Eisenhower conception of the role of the Federal Government is quite different from what it had been for 20 years. In fact during the past 3 years the American people have witnessed a complete U-turn in Government. Because the change in direction has been accomplished without the squeaking of brakes and the blowout of tires, some

people do not quite understand yet what has been happening.

This is what has happened: For two decades the thinking at top Government levels was that economic stability was impossible without huge, continuous Government expenditures and without Government nursemaiding the entire economy.

President Eisenhower completely changed that kind of negative thinking. His administration operates on the theory that the role of Government is to create and maintain conditions favorable to private initiative. Instead of having economic decisions made by distant bureaucrats, our policy is to encourage millions of private individuals to make their own economic decisions.

TIED TO THE APRON STRINGS OF GOVERNMENT

The Eisenhower administration withdrew the heavy hand of Government from the economy and substituted the friendly hand of encouragement. We turned our back on socialism and took the path to freedom. Instead of a weakling economy tied to the apron strings of Government, we now have a self-managed, self-supporting economy, encouraged by an understanding Government, which is producing the greatest prosperity in the experience of all mankind.

FACED A FINANCIAL JUNGLE IN 1953

In the words of Al Smith, "Let's look at the record."

Three years ago the incoming administration faced a financial jungle far worse than we had suspected during the campaign.

The inherited budget, left on our doorstep by the previous administration, was estimated at $77.9 billion. The estimated revenues were $68 billion—leaving a deficit of $9.9 billion.

We found obligations to spend around $80 billion with no provision for payment. The value of the dollar had shrunk in purchasing power in 15 years from 100 cents to 52 cents—an inflation which was eating up pay raises and the savings and pensions of individuals. A further indication of the price paid by the public is shown by the increase in the cost-of-living index from August 1945 to January 1953. In the 7½ years immediately following the war it climbed 47 percent. But from January 1953 to the present, it has risen only 1 percent.

This from a previous administration whose spokesmen this year are begging for a second chance to plunge this Nation into the monetary swamp again.

Had the former state of affairs continued we would have suffered a fiscal debacle. Not only would our economy have been seriously weakened but its slump would have dragged down national security, which depends on a vigorous economy to support atomic defense.

WENT TO WORK WITH THE PRUNING SHEARS

The President determined to take drastic measures to cure the situation. His entire team went to work with the pruning shears, lopping off waste and extravagance in Government.

Since fiscal 1953 Government spending has been reduced by $10.5 billion. This made possible the largest tax cut in history. Almost $7.5 billion were kept by business and people to spend or save as they pleased and not, as formerly, handed over in taxes for Government to spend. The reduction helped every single taxpayer in the country with almost two-thirds of the savings going directly to individuals—a fact which accounts for their current record income.

TWO YEARS OF BALANCED BUDGETS IN SIGHT

Only 3 years ago we started with a terrible financial handicap. Today we look forward to a balanced budget for this fiscal year and next year and to another year of prosperity.

Today inflation-breeding deficits have been replaced by modest surpluses, despite new obligations for defense, agriculture, health, and programs to enhance opportunities for human well-being and economic growth.

Has any administration in history ever cured financial troubles so fast and stimulated prosperity so widely? When critics complain about flyspecks, the Eisenhower administration proudly points to its record.

All this and peace, too.

HELP FOR AREAS OF CHRONIC UNEMPLOYMENT

But although the majority of Americans never had it so good, this administration will not ease up in our endeavors to nudge the economy until our farmers and people in areas of chronic unemployment share more of the general prosperity.

I should like to describe briefly our plans for area redevelopment because it is one of the Commerce Department programs to foster a stronger economy.

For quite a number of years areas dependent on a single local resource or single industrial activity often have been hard hit when their major asset failed. Previous administrations neglected them. At the Commerce Department we established an Office of Area Development which gave local communities expert advice in finding ways to increase local industry and employment. But despite this practical assistance, the operation was limited. We requested additional funds last year from Congress which were denied.

This year we are asking for much greater authority and appropriations to assist communities in wiping out chronic unemployment and in getting back on their feet. Among the benefits planned are greater technical assistance; grants to educational institutions and public authorities for surveys of local conditions; training in new job skills and adequate loans to supplement local efforts for self-improvement.

I think the program is typical of the Eisenhower administration approach to economic problems—a humanitarian effort to lift the burden of worry and privation from the families of the unemployed—a sound economic program to help communities to help themselves. Thus they will again become productive units, adding to the stability and growth of the overall economy.

This is just one example of the things the Eisenhower administration is doing.

We want this type of administration to continue. We do not want to go back. Who will decide this?

WHERE ELECTION WILL BE DECIDED

I believe that the 1956 presidential election will not be decided by the sour grapes arguments of leftwing columnists or the revived New Deal brain trust or the professional Calamity Janes or the antiadministration politicians, whose sales pitch—as usual—will be playing up gripes and greeds.

The 1956 election will be decided in the grocery store by housewives who know from bitter experience that the cost of living doubled during the 15 years before the Eisenhower administration.

It is stable today, and has been since January 1953.

The election will be decided by families who now can have new washing machines, new do-it-yourself kits, new television sets, new cars, and new homes.

The election will be decided by rank and file labor-union members who in a Republican administration have more overtime pay, better working conditions, and less time lost through strikes.

The election will be decided around the fireside where elderly people, the disabled and victims of adversity will remember that an Eisenhower administration extended social security to additional millions and encouraged States to expand unemployment insurance and other economic security measures.

The election will be decided in the home, where the family circle no longer is broken by war but now is united and happy.

The election will be decided on the Eisenhower Republican record and on the program which this administration will set in action unless blocked by a Democratic-controlled Congress.

FIVE MORE YEARS OF EISENHOWER?

In the time at my disposal I have described briefly some of the wreckage left by the previous administration; some of the measures by which the current administration cleared away that wreckage and brought healthy economic recovery, which eventually developed into the greatest prosperity in the history of mankind—a prosperity without war and without inflation.

But the fortunate economic state of the Union is more than material plenty. It is the reflection of the executive ability and the moral stature of the greatest American of our age, the best liked President of the century.

To what heights of peace and prosperity this Nation can go, if we have 5 more years of President Eisenhower.

In conclusion, I repeat my expression of pleasure for this opportunity to join you in saluting the President of the United States. You will find in his recent state of the Union message not only his accounting of stewardship and future programs but also a clear insight into his fine character.

STATE OF THE UNION

Let me refresh your memory with the first paragraph of that inspiring message:

"The opening of this new year must arouse in us all grateful thanks to a kind providence whose protection has been ever present and whose bounty has been manifold and abundant. The state of the Union today demonstrates what can be accomplished under God by a free people; by their vision, their understanding of national problems, their initiative, their self-reliance, their capacity for work, and by their willingness to sacrifice whenever sacrifice is needed."

The best tribute we can pay the President is the pledge of our active support.

The Challenge of Political Courage

EXTENSION OF REMARKS

OF

HON. JOHN MARSHALL BUTLER

OF MARYLAND

IN THE SENATE OF THE UNITED STATES

Wednesday, January 25, 1956

Mr. BUTLER. Mr. President, during the past week I have been reading with much pleasure the recent book entitled "Profiles in Courage," which has been written by our distinguished colleague, the junior Senator from Massachusetts [Mr. KENNEDY]. It is indeed an interesting and excellent study of those inherent traits of courage which a public official is frequently called upon to muster. In the general approval of this worthwhile book, I hope that an article by the Senator from Massachusetts, on the subject the Challenge of Poltical Courage, as it appeared in the New York Times magazine section on December 18, 1955, will not be overlooked, and I therefore ask unanimous consent that it be printed in the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE CHALLENGE OF POLITICAL COURAGE

(By JOHN F. KENNEDY)

"People don't give a damn," a syndicated columnist told millions of readers not so many year ago, "what the average Senator or

Congressman says. The reason they don't care is that they know what you hear in Congress is 99-percent tripe, ignorance, and demagogery and not to be relied upon."

Earlier a member of the Cabinet had recorded in his diary: "While I am reluctant to believe in the total depravity of the Senate, I place but little dependence on the honesty and truthfulness of a large portion of the Senators. A majority of them are small lights, mentally weak, and wholly unfit to be Senators. Some are vulgar demagogs * * * some are men of wealth who have purchased their position * * * some are men of narrow intellect, limited comprehension, and low partisan prejudice."

And still earlier a Member of the Senate itself told his colleagues that "the confidence of the people is departing from us, owing to our unreasonable delays."

The Senate knows that many Americans today share these sentiments. Senators, we hear, must be politicians—and politicians must be concerned only with winning votes, not with statesmanship or courage. Mothers may still want their favorite sons to grow up to be President, but, according to a famous Gallup poll of some years ago, they do not want them to become politicians in the process.

Does this current rash of criticism and disrespect mean the quality of the Senate has declined? Certainly not. For of the three statements quoted above, the first was made in the twentieth century, the second in the nineteenth and the third in the eighteenth (when the first Senate, barely under way, was debating where the Capitol should be located).

Does it mean then, that the Senate can no longer boast of men of courage?

Walter Lippmann, after nearly half a century of careful observation, rendered in his recent book a harsh judgment both on the politician and the electorate: "With exceptions so rare they are regarded as miracles of nature, successful democratic politicians are insecure and intimidated men. They advance politically only as they placate, appease, bribe, seduce, bamboozle, or otherwise manage to manipulate the demanding, threatening elements in their constituencies. The decisive consideration is not whether the proposition is good but whether it is popular—not whether it will work well and prove itself, but whether the active-talking constituents like it immediately."

I am not so sure, after nearly 10 years of living and working in the midst of "successful democratic politicians," that they are all "insecure and intimidated men." I am convinced that the complication of public business and the competition for the public's attention have obscured innumerable acts of political courage—large and small—performed almost daily in the Senate Chamber. I am convinced that the decline—if there has been a decline—has been less in the Senate than in the public's appreciation of the art of politics, of the nature and necessity for compromise and balance and of the nature of the Senate as a legislative chamber.

And, finally, I am convinced that we have criticized those who have followed the crowd—and at the same time criticized those who have defied it—because we have not fully understood the responsibility of a Senator to his constituents or recognized the difficulty facing a politician conscientiously desiring, in Webster's words, "to push [his] skiff from the shore alone" into a hostile and turbulent sea. Perhaps if the American people more fully comprehended the terrible pressures which discourage acts of political courage, which drive a Senator to abandon or subdue his conscience, then they might be less critical of those who take the easier road—and more appreciative of those still able to follow the path of courage.

The first pressure is a form of pressure rarely recognized by the general public. Americans want to be liked—and Senators are no exception. Realizing that the path of the conscientious insurgent must frequently be a lonely one, we are anxious to get along with our fellow legislators, our fellow members of the club, to abide by the clubhouse rules and patterns, not to pursue a unique and independent course which would embarrass or irritate the other members. We realize moreover, that our influence in the club—and the extent to which we can accomplish our objectives and those of our constituents—are dependent in some measure on the esteem with which we are regarded by other Senators. "The way to get along," I was told when I entered Congress, "is to go along."

Going along, it was clear, included fulfillment of my obligation to follow the party leadership whom I had helped select. All of us in the Congress are made fully aware of the importance of party unity (what sins have been committed in that name) and the adverse effect upon our party's chances in the next election which any rebellious conduct might bring. Even the success of legislation in which a Senator is interested depends in part on the extent to which his support of his party's programs has won him the assistance of his party's leaders.

Finally, the Senator who follows the independent course of conscience is likely to discover that he has earned the disdain not only of his colleagues in the Senate and his associates in his party but also of the all-important contributors to his campaign fund.

It is the thinking of that next campaign—the desire to be reelected—that provides the second pressure on the conscientious Senator. It should not automatically be assumed that this is a wholly selfish motive—although it is not unnatural that those who have chosen politics as their profession should seek to continue their careers—for Senators who go down to defeat in a vain defense of a single principle will not be on hand to fight for that or any other principle in the future.

Defeat moreover is not only a setback for the Senator himself—he is also obligated to consider the effect upon the party he supports, upon his friends and supporters who have gone out on a limb for him or invested their savings in his career, and even upon the wife and children whose happiness and security—often depending at least in part upon his success in office—may mean more to him than anything else.

Where else, in a nontotalitarian country, but in the political profession is the individual expected to sacrifice all—including his own career—for the national good? In private life, as in industry, we expect the individual to advance his own enlightened self-interest—within the limitations of the law—in order to achieve overall progress. But in public life we expect individuals to sacrifice their private interests to permit the national good to progress.

In no other occupation but politics is it expected that a man will sacrifice honors, prestige and his chosen career on a single issue. Lawyers, businessmen, teachers, doctors, all face difficult personal decisions involving their integrity—but few, if any, face them in the glare of the spotlight as do those in public office. Few, if any, face the same dread finality of decision that confronts a Senator facing an important call of the roll. He may want more time for his decision—he may believe there is something to be said for both sides—he may feel that a slight amendment could remove all difficulties—but when that roll is called he cannot hide, he cannot equivocate, he cannot delay—and he senses that his constituency, like the raven in Poe's poem, is perched there on his Senate desk, croaking "Nevermore" as he casts the vote that stakes his political future.

Few Senators "retire to Pocatello" by choice. The virus of Potomac fever, which rages everywhere in Washington, breeds nowhere in more virulent form than on the Senate floor. The prospect of forced retirement from "the most exclusive club in the world," the possibilities of giving up the interesting work, the fascinating trappings, and the impressive prerogatives of congressional office, can cause even the most courageous politician serious loss of sleep.

Thus perhaps without realizing it, some Senators tend to take the easier, less troublesome path to harmonize or rationalize what at first appears to be a conflict between their conscience—or the result of their deliberations—and the majority opinion of their constituents. Such Senators are not political cowards—they have simply developed the habit of sincerely reaching conclusions inevitably in accordance with popular opinion.

Still other Senators have not developed that habit—they have neither conditioned nor subdued their consciences—but they feel, sincerely and without cynicism, that they must leave considerations of conscience aside if they are to be effective. Not all Senators agree with them—but few would deny that the desire to be re-elected exercises a strong brake on independent courage.

The third and most significant source of pressures which discourage political courage in the conscientious Senator or Congressman—and practically all of the problems described apply equally to Members of both Houses—is the pressure of his constituency, the interest groups, the organized letter-writers, the economic blocs and even the average voter. To cope with such pressures, to defy them or even to satisfy them, is a formidable task. All of us occasionally have the urge to follow the example of Congressman JOHN STEVEN MCGROARTY of California, who wrote a constituent in 1935:

"One of the countless drawbacks of being in Congress is that I am compelled to receive impertinent letters from a jackass like you in which you say I promised to have the Sierra Madre mountains reforested and I have been in Congress 2 months and haven't done it. Will you please take two running jumps and go to hell."

Fortunately or unfortunately, few follow that urge—but the provocation is there, not only from unreasonable letters and impossible requests, but also from hopelessly inconsistent demands and endlessly unsatisfied grievances.

To my office, for example, comes a delegation representing New England textile mills, an industry essential to our prosperity. They want the tariff lowered on the imported wool they buy from Australia—but they want the tariff raised on the finished woolen goods imported from England with which they must compete. One of my southern colleagues told me that a similar group visited him the same day with the same requests—but further urging that he take steps to (1) end the low-wage competition from Japan and (2) prevent the Congress from ending—through a higher minimum wage—the low-wage advantage they themselves enjoy to the dismay of my constituents.

Recently, two groups called me off the Senate floor—the first was a group of businessmen seeking to have a local Government activity closed as unfair competition for private enterprise; and the other was a group representing the men who work in that Government installation and who are worried about their jobs.

All of us in the Senate meet endless examples of such conflicting pressures, which only reflect the inconsistencies inevitable in our complex economy. If we tell our constituents frankly that we can do nothing, they feel we are unsympathetic or inadequate. If we try and fail—usually meeting a counteraction from other Senators representing

other interests—they say we are like all the rest of the politicians. All we can do is retreat into the cloakroom and weep on the shoulder of a sympathetic colleague—or go home and snarl at our wives.

We may tell ourselves that these pressure groups and letterwriters represent only a small percentage of the voters—and this is true. But they are the articulate few whose views cannot be ignored and who constitute the greater part of our contacts with the public at large, whose opinions we cannot know, whose vote we must obtain and yet who in all probability have only a limited idea of what we are trying to do.

These then, are some of the pressures which confront a man of conscience. He cannot ignore the pressure groups, his constituents, his party, the comradeship of his colleagues, the needs of his family, his own pride in office, the necessity for compromise and the importance of remaining in office. He must judge for himself which path to choose, which step will most help or hinder the ideals to which he is committed.

He realizes that once he begins to weigh each issue in terms of his chances for reelection, once he begins to compromise away his principles on one issue after another for fear that to do otherwise would halt his career and prevent future fights for principle, then he has lost the very freedom of conscience which justifies his continuance in office. But to decide at which point and on which issue he will risk his career is an overwhelming and frightening responsibility.

Why, then, does any man resist these pressures and speak out with courage and conscience? Perhaps those Senators whose acts of political courage are recounted in my forthcoming book were men who forgot all about themselves in their dedication to the public good. But, on the other hand, it is perhaps more likely that John Adams, surely as disinterested a public servant as we ever had, came much nearer to the truth when he wrote: "It is not true, in fact, that any people ever existed who love the public better than themselves."

If this be true, what then caused such statesmen to act as they did? It was not, it seems to me, because they loved the public better than themselves. On the contrary, it was precisely because they did love themselves—because each one's need to maintain his own respect for himself was more important to him than his popularity with others—because his desire to maintain a reputation for integrity was stronger than his desire to maintain his office—because his conscience, his personal standard of ethics, his integrity or morality, call it what you will, was stronger than the pressures of public disapproval—because his faith that his course was the best one, and would ultimately be vindicated, outweighed his fear of public reprisal.

When the politician loves neither the public good nor himself, or when his love for himself is limited and is satisfied by the trappings of office, then the public interest is badly served. But when his regard for himself is so high that his own self-respect demands he follow the path of courage and conscience, all benefit.

Today, the challenge of political courage looms larger than ever before. For our everyday life is becoming so saturated with the tremendous power of mass communications that any unpopular or unorthodox course arouses a storm of protests. Our political life is becoming so expensive, so mechanized, and so dominated by professional politicians and public-relations men that the idealist who dreams of independent statesmanship is rudely awakened by the necessities of election and accomplishment.

And our public life is becoming so increasingly centered upon that seemingly unending war to which we have given the curious epithet "cold" that we tend to encourage rigid ideological unity and orthodox patterns of thought and to frown on insurgent individualism.

Thus, in the days ahead, only the very courageous will be able to make the hard and unpopular decisions necessary for our survival in the struggle with a powerful enemy; an enemy with leaders who need give little thought to the popularity of their course, who need pay little tribute to the public opinion they themselves manipulate, and who may force, without fear of retaliation at polls, their citizens to sacrifice present laughter for future glory. And only the very courageous will be able to keep alive the spirit of individualism and dissent which gave birth to this Nation, nourished it as an infant, and carried it through its severest tests upon the attainment of its maturity.

SENATE

THURSDAY, JANUARY 26, 1956

(Legislative day of Monday, January 16, 1956)

Rev. Frank C. Marvin, Jr., minister, First Presbyterian Church,, Fairmont, W. Va., offered the following prayer:

Eternal Father, strong to save, whose arm doth bind the restless wave, who bid'st the mighty ocean deep its own appointed limits keep, we bow our heads this day before Thee, for we know that with Thee we can do all things. May we be so aware of Thy spirit in our midst that the faith that was in Jesus Christ may be in us.

Let Thy blessing be with these Senators who have been chosen to rule Thy people. May they glorify Thee by their words and deeds, remembering that they serve more than State or Nation, but also Thine unshaken kingdom.

May our faith in Thee never become a badge we display with pride, but rather a banner we unfurl with humility, and follow in the steps of Jesus Christ our Lord, in whose name we pray. Amen.

THE JOURNAL

On request of Mr. CLEMENTS, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, January 25, 1956, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

REPORT OF NATIONAL SCIENCE FOUNDATION — MESSAGE FROM THE PRESIDENT (H. DOC. NO. 319)

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read and, with the accompanying report, referred to the Committee on Labor and Public Welfare.

To the Congress of the United States:

Pursuant to the provisions of Public Law 507, 81st Congress, I transmit herewith the Fifth Annual Report of the National Science Foundation for the year ending June 30, 1955.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *January 26, 1956.*

THE ADMINISTRATION'S HEALTH PROGRAM—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 320)

The PRESIDENT pro tempore. The Chair lays before the Senate a message from the President of the United States, which, in view of the fact that it has already been read in the House, will be noted in the RECORD, and referred to the Committee on Labor and Public Welfare.

(For President's message, see House proceedings of today.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed a joint resolution (H. J. Res. 471) to permit FHA title I repair assistance to new homes damaged by major disasters, in which it requested the concurrence of the Senate.

HOUSE JOINT RESOLUTION REFERRED

The joint resolution (H. J. Res. 471) to permit FHA Title I repair assistance to new homes damaged by major disasters, was read twice by its title and referred to the Committee on Banking and Currency.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. CLEMENTS. Mr. President, I ask unanimous consent that there may be the usual morning hour for the presentation of petitions and memorials, the introduction of bills, and the transaction of other routine business, and that any statement made in connection therewith be limited to 2 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

SENATOR BRIDGES OF NEW HAMPSHIRE—RESOLUTION

Mrs. SMITH of Maine. Mr. President, on December 8, 1955, a testimonial dinner was held in honor of Senator STYLES BRIDGES, the senior Senator from New Hampshire, the senior Republican Member of the United States Senate, and former President pro tempore of the Senate. At that dinner, a resolution signed by the Honorable Lane Dwinell, Governor of New Hampshire, in behalf of the people of New Hampshire, was read. I ask unanimous consent that it be incorporated in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas all citizens of the State of New Hampshire are cognizant of the forthright representation they have in the Nation's

Capitol in the person of the Honorable STYLES BRIDGES; and

Whereas all citizens of the State of New Hampshire are desirous of publicly manifesting their appreciation for his fearless and capable example: Now, therefore, be it

Resolved, That we here assembled, for ourselves and for the citizens of the sovereign State of New Hampshire, hereby acknowledge the 25 long and faithful years of public service rendered by the Honorable STYLES BRIDGES, United States Senator from New Hampshire, and express our heartfelt gratitude for his loyalty to the people of this State, and more particularly for his patience and faithfulness in assistance so willingly given in the innumerable personal problems with which we, his friends, so often confront him; and we especially acclaim his great vision and integrity in all matters of national concern. And with great affection, we tender to him our homage.

In testimony whereof, the Governor of New Hampshire has hereunto set his hand and seal at Manchester, N. H., this 8th day of December, in the year of our Lord 1955, in behalf of the people of New Hampshire.

LANE DWINELL,
Governor of New Hampshire.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT ON CLAIMS PAID BECAUSE OF CORRECTION OF MILITARY RECORDS OF COAST GUARD PERSONNEL

A letter from the Acting Secretary of the Treasury, transmitting, pursuant to law, a report of claims paid on account of the correction of military records of Coast Guard personnel, for the 6-month period ended December 31, 1955 (with an accompanying report); to the Committee on Armed Services.

AMENDMENT OF FEDERAL RESERVE ACT, AS AMENDED

A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to amend section 14 (b) of the Federal Reserve Act, as amended (with accompanying papers); to the Committee on Banking and Currency.

PETITIONS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A resolution adopted by the General Assembly of the State of Connecticut; to the Committee on Appropriations:

"House Joint Resolution 6

"Joint resolution memorializing Congress to aid in a program of flood control and hurricane protection

"*Resolved by this assembly:*

"Whereas hurricanes and floods have become a serious menace to life and property in Connecticut; and

"Whereas Connecticut is a highly industrialized State, and an important part of the national economy and national defense, ranking fifth in the per capita payment of Federal taxes, so that disruption of its production and commerce adversely affects the Nation as a whole as well as the people of Connecticut; and

"Whereas these hurricanes and floods are occurring with increasing frequency and violence, and the State of Connecticut is not able to finance adequate corrective and protective measures to meet the threat of future hurricanes and floods. The floods of August and October, 1955, alone, have caused personal and property damage estimated in excess of $200 million: Now, therefore, be it

"*Resolved*, That this general assembly believes it of the utmost importance that the Congress of the United States take immediate action to provide adequate funds to carry out a program of flood control and hurricane protection measures which will protect the State of Connecticut against future disasters of this nature; be it further

"*Resolved*, That the clerks of the house and senate shall cause a copy of this resolution to be sent to the President of the United States, the Speaker of the House of Representatives, and to the President of the Senate, the chairman of appropriate committees in the House and Senate, and the Connecticut Senators and Representatives in Congress."

RESOLUTIONS OF GASOLINE RETAIL DEALERS ASSOCIATION OF NEW HAMPSHIRE

Mr. BRIDGES. Mr. President, I ask unanimous consent to have printed in the RECORD, and appropriately referred, two resolutions adopted by the Gasoline Retail Dealers Association of New Hampshire at its annual meeting on January 15, 1956.

There being no objection, the resolutions were referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Whereas the service-station operator and thousands of other small-business men, are responsible in great part for the industrial strength of this country; and

Whereas discriminatory pricing has in the past been detrimental to their livelihood: It is hereby

Resolved, That this association go on record as supporting and encouraging progressive action to secure enforcement of the Robinson-Patman Act to correct price discrimination practices harmful to the retail gas dealer and other small-business men; and it is further

Resolved, That this association vigorously support and seek adoption by the Congress of such bills as the Kefauver-Patman bill, which have as their objective, elimination of price discrimination; it is further

Resolved, That this association join with retail grocers, food brokers, druggists, and other small-business trade associations, in supporting the above bill and similar bills which would tend to promote equality of opportunity for the small-business man; it is further

Resolved, That a copy of this resolution be forwarded to the New Hampshire congressional delegation and urge their support.

Whereas the small gasoline dealer is one of the segments of small business in the country, and in the community; and

Whereas he has been prejudiced by monopolistic practices by the retail petroleum industry; and

Whereas gasoline retail dealers as lessees have in the past been dominated by suppliers: It is hereby

Resolved, That this association go on record as condemning any course of business by suppliers or distributors which interferes in any manner with the freedom of choice of any gasoline retail dealer to deal in competitive products; and condemning also such practices as threats of lease cancellations, and other unlawful practices; and it is further

Resolved, That this association hereby vigorously supports and seeks adoption of H. R. 7096, the freedom-of-choice bill, and any similar bills which endeavor to make ulawful the denial of freedom of choice in trade to the retail gasoline dealer; it is further

Resolved, That a copy of this resolution be forwarded to the New Hampshire congressional delegation and urge their support.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McCLELLAN, from the Committee on Government Operations:

S. 1992. A bill to provide for the conveyance of a certain tract of land in Madison County, Ky., to the Pioneer National Monument Association; with amendments (Rept. No. 1447).

By Mr. KILGORE, from the Committee on the Judiciary, with an amendment:

S. 1221. A bill for the relief of the estate of Joseph Kelsch (Rept. No. 1450).

By Mr. KILGORE, from the Committee on the Judiciary, with amendments:

H. R. 6790. A bill for the relief of Anna K. McQuilkin (Rept. No. 1451).

By Mr. GREEN, from the Committee on Rules and Administration, without amendment:

S. Con. Res. 64. Concurrent resolution providing for a joint committee to arrange for the inauguration of the President-elect of the United States, January 20, 1957;

S. Res. 161. Resolution authorizing the Committee on Foreign Relations to employ two temporary additional clerical assistants (Rept. No. 1453);

S. Res. 164. Resolution authorizing the Committee on Post Office and Civil Service to employ a temporary additional clerical assistant;

S. Res. 184. Resolution to provide additional funds for the Committee on Interior and Insular Affairs;

S. Res. 185. Resolution extending the time for filing a report by the Subcommittee on Disarmament (Rept. No. 1454);

S. Res. 198. Resolution to pay a gratuity to Inez Riley;

S. Res. 199. Resolution to pay a gratuity to Doretha Johnson; and

S. Res. 200. Resolution extending the time for investigation of welfare and pension plans (Rept. No. 1452).

By Mr. GREEN, from the Committee on Rules and Administration, with an amendment:

S. Res. 163. Resolution to investigate certain problems relating to interstate and foreign commerce (Rept. No. 1455); and

S. Res. 183. Resolution authorizing the Committee on Interior and Insular Affairs to make a study of minerals, materials, and fuels and certain other matters within its jurisdiction (Rept. No. 1456).

By Mr. GREEN, from the Committee on Rules and Administration, with an additional amendment:

S. Res. 153. Resolution extending the time for an investigation of the administration of the civil-service system and the postal service (Rept. No. 1457); and

S. Res. 154. Resolution extending the time for a study of the Government employees security program (Rept. No. 1458).

By Mr. GREEN, from the Committee on Rules and Administration, with amendments:

S. Res. 162. Resolution to investigate matters pertaining to technical assistance and related programs (Rept. No. 1459); and

S. Res. 188. Resolution to provide additional clerical assistance and funds for the Committee on Government Operations (Rept. No. 1460).

By Mr. BYRD, from the Committee on Finance:

H. R. 7030. A bill to amend and extend the Sugar Act of 1948, as amended, and for other purposes; with an amendment (Rept. No. 1461).

MASSACHUSETTS COLLEGE OF PHARMACY—REFERENCE OF BILL TO COURT OF CLAIMS—REPORT OF A COMMITTEE

Mr. KILGORE. Mr. President, from the Committee on the Judiciary, I report an original resolution, referring the bill (S. 104) to the Court of Claims, and I submit a report (No. 1449) thereon.

The PRESIDENT pro tempore. The report will be received and the resolution will be placed on the calendar.

The resolution (S. Res. 196) was placed on the calendar, as follows:

Resolved, That the bill (S. 104) entitled "A bill for the relief of the Massachusetts College of Pharmacy" now pending in the Senate, together with all the accompanying papers, is hereby referred to the Court of Claims, and the court shall proceed with the same in accordance with the provisions of sections 1492 and 2509 of title 28 of the United States Code and report to the Senate, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand as a claim, legal or equitable, against the United States and the amount, if any, legally or equitably due from the United States to the claimant.

INEZ RILEY—REPORT OF A COMMITTEE

Mr. GREEN. Mr. President, from the Committee on Rules and Administration, I report an original resolution to pay a gratuity to Inez Riley.

The PRESIDENT pro tempore. The resolution will be received, and placed on the calendar.

The resolution (S. Res. 198) was placed on the calendar, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Inez Riley, widow of Haywood Riley, an employee of the Office of the Architect of the Capitol at the time of his death, a sum equal to 6 months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

DORETHA JOHNSON—REPORT OF A COMMITTEE

Mr. GREEN. Mr. President, from the Committee on Rules and Administration, I report an original resolution to pay a gratuity to Doretha Johnson.

The PRESIDENT pro tempore. The resolution will be received, and placed on the calendar.

The resolution (S. Res. 199) was placed on the calendar, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Doretha Johnson, widow of Raymond J. Johnson, an employee of the Office of the Architect of the Capitol at the time of his death, a sum equal to 6 months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

EXTENSION OF TIME FOR INVESTIGATION OF WELFARE AND PENSION PLANS—REPORT OF A COMMITTEE

Mr. GREEN. Mr. President, from the Committee on Rules and Administration, I report an original resolution extending the time for investigation of welfare and pension plans, and I submit a report (No. 1452) thereon.

The PRESIDENT pro tempore. The report will be received and the resolution will be placed on the calendar.

The resolution (S. Res. 200) was placed on the calendar, as follows:

Resolved, That section 1 of Senate Resolution 40, 84th Congress, 1st session, agreed to February 21, 1955 (authorizing an investigation of welfare and pension plans by the Committee on Labor and Public Welfare), is amended by striking out "January 31, 1956" and inserting in lieu thereof "March 15, 1956."

REPORT ENTITLED "REVIEW OF FEDERAL HOUSING PROGRAMS"—ANNUAL REPORT OF THE SUBCOMMITTEE ON HOUSING OF THE COMMITTEE ON BANKING AND CURRENCY (S. REPT. NO. 1448)

Mr. SPARKMAN. Mr. President, from the Committee on Banking and Currency, pursuant to Senate Resolution 57, I submit a report prepared by the Subcommittee on Housing, entitled "Review of Federal Housing Programs," and ask that it be printed.

This report, approved unanimously by the Committee on Banking and Currency, is a factual and analytical review of Federal housing programs. It was prepared by the Subcommittee on Housing to provide Members of the Congress with a ready reference to the nature and scope of activities in the housing field during 1955, and to review the present and prospective problems confronting this very important segment of our economy. I believe it will be of great value to Members, the executive branch, and the public.

The PRESIDENT pro tempore. The report will be received and printed, as requested by the Senator from Alabama.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. IVES (for himself and Mr. ALLOTT) (by request):

S. 3051. A bill to provide for registration and reporting of welfare and benefit plans; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. IVES when he introduced the above bill, which appear under a separate heading.)

By Mr. NEELY (by request):

S. 3052. A bill to amend the act of April 1, 1942, so as to permit the transfer of an action from the United States District Court for the District of Columbia to the municipal court for the District of Columbia at any time prior to trial thereof, if it appears that such action will not justify a judgment in excess of $3,000; to the Committee on the District of Columbia.

By Mr. NEELY (for himself, Mr. MCNAMARA, and Mr. BEALL) (by request):

S. 3053. A bill to extend the time within which the District of Columbia Auditorium Commission may submit its report and recommendations with respect to the civic auditorium to be constructed in the District of Columbia, and to provide that such commission shall continue in existence until the construction of such auditorium has been completed; to the Committee on the District of Columbia.

By Mr. SMITH of New Jersey:

S. 3054. A bill to provide for the establishment of a Federal Advisory Commission on the Arts, and for other purposes; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. SMITH of New Jersey when he introduced the above bill, which appear under a separate heading.)

By Mr. BIBLE:

S. 3055. A bill to provide an adequate basis for administration of the Lake Mead National Recreation Area, Arizona and Nevada, and for other purposes; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. BIBLE when he introduced the above bill, which appear under a separate heading.)

By Mr. SPARKMAN:

S. 3056. A bill for the relief of Eugene W. Broadway; to the Committee on Labor and Public Welfare.

By Mr. MONRONEY:

S. 3057. A bill to permit apartment projects constructed under the National Housing Act to provide transient or hotel-type accommodations if such accommodations were furnished in such projects prior to May 28, 1954; to the Committee on Banking and Currency.

By Mr. FREAR:

S. 3058. A bill for the relief of Javier F. Kuong; and

S. 3059. A bill for the relief of No Kum Sok (also known as Kenneth No); to the Committee on the Judiciary.

By Mr. O'MAHONEY (for himself, Mr. MURRAY, Mr. BARRETT, Mr. NEUBERGER, Mr. GOLDWATER, and Mr. JACKSON):

S. 3060. A bill to provide a 10-year program for the construction and improvement of roads, trails, buildings, and utilities in national park and monument areas and other areas administered by the National Park Service and for the construction and improvement of parkways authorized by acts of Congress; to the Committee on Interior and Insular Affairs.

By Mr. COTTON:

S. 3061. A bill to extend veterans' preference benefits to the mothers and fathers of certain ex-servicemen and ex-servicewomen upon an equal basis; to the Committee on Post Office and Civil Service.

S. 3062. A bill to amend Public Law 815, 81st Congress, in order to extend for 2 years the program of assistance for school construction under title III of such law; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. COTTON when he introduced the last above-mentioned bill, which appear under a separate heading.)

By Mr. BRIDGES (for himself, Mr. COTTON, Mrs. SMITH of Maine, Mr. PAYNE, Mr. SALTONSTALL, Mr. KENNEDY, Mr. BUSH, Mr. PURTELL, Mr. GREEN, Mr. PASTORE, Mr. GEORGE, Mr. CAPEHART, Mr. YOUNG, Mr. ROBERTSON, Mr. BRICKER, Mr. THYE, Mr. HUMPHREY, Mr. KEFAUVER, Mr. DIRKSEN, Mr. POTTER, Mr. BARRETT, Mr. BEALL, and Mr. THURMOND):

S. 3063. A bill to provide for the recognition of the Altar of the Nation, located in the Cathedral of the Pines, Rindge, New Hampshire, as a national shrine; to the Committee on Interior and Insular Affairs.

By Mr. BYRD:

S. 3064. A bill for the relief of Thomas J. Smith; to the Committee on the Judiciary.

By Mr. THYE:

S. 3065. A bill to extend the special school milk program to colleges; to the Committee on Agriculture and Forestry.

RESOLUTIONS

The following resolutions were submitted or reported, and referred as indicated:

Mr. KILGORE, from the Committee on the Judiciary, reported an original resolution (S. Res. 196) referring the bill (S. 104) for the relief of the Massachusetts College of Pharmacy to the Court of Claims; placed on calendar.

(See resolution printed in full, which appears under the heading "Reports of Committees.")

Mr. FULBRIGHT submitted the following resolution:

S. Res. 197. Resolution opposing the sale of the Government-owned synthetic rubber plant at Institute, W. Va.; to the Committee on Banking and Currency.

(See resolution printed in full, which appears under a separate heading.)

Mr. GREEN, from the Committee on Rules and Administration, reported the following original resolutions, which were placed on the calendar;

S. Res. 198. Resolution to pay a gratuity to Inez Riley;

S. Res. 199. Resolution to pay a gratuity to Doretha Johnson; and

S. Res. 200. Resolution extending the time for investigation of welfare and pension plans.

(See above resolutions printed in full, when reported by Mr. GREEN, which appear under separate headings.)

REGISTRATION AND REPORTING OF WELFARE AND BENEFIT PLANS

Mr. IVES. Mr. President, on behalf of the junior Senator from Colorado [Mr. ALLOTT] and myself, I introduced for appropriate reference a bill to provide for the registration and reporting of welfare and pension plans.

President Eisenhower again has urged the Congress to enact legislation needed as a safeguard for our rapidly increasing private welfare and pension funds, and he has stated that it would be desirable to require Federal registration of these plans and reports on their administration and finances.

Pursuant to the President's recommendation during the 83d Congress, the Subcommittee on Welfare and Pension Funds of the Senate Committee on Labor and Public Welfare was created and for the past year and three quarters has been engaged in a thorough study of welfare and pension funds with a view to the enactment of needed legislation. During the 83d Congress, I had the honor and privilege of acting as its chairman. This subcommittee, now under the able chairmanship of the senior Senator from Illinois [Mr. DOUGLAS], is currently completing its study and I am hopeful that it will be able to present its findings and legislative recommendations in the near future.

The United States Department of Labor, in behalf of the President, has also been considering this important subject and has proposed legislation which is designed to provide for the full disclosure of the financial operations of welfare and pension funds established by employer or employee organizations or by both. The legislative recommendations of the Department of Labor are contained in the bill which the junior Senator from Colorado and myself are now introducing. Both of us are pleased to introduce this legislation at the request of the Department of Labor, in order that the subcommittee may benefit from the study of the Department in connection with welfare and pension plans. I know that these recommendations will be extremely helpful to the Subcommittee on Welfare and Pension Funds in the preparation of its own legislative recommendations.

I ask unanimous consent that the bill, together with an explanation of it, prepared by me, be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and explanatory statement will be printed in the RECORD.

The bill (S. 3051) to provide for registration and reporting of welfare and benefit plans, introduced by Mr. IVES (for himself and Mr. ALLOTT) (by request), was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That this act may be cited as the "Welfare and Benefit Plans Registration Act of 1956."

SEC. 2. Findings and policy: (a) The Congress finds that in recent years there has been a phenomenal increase in the number of welfare and benefit plans for the wage earners of the United States, with a corresponding increase in the amount of money contributed to, involved in, and disbursed by such welfare and benefit plans; that these plans have served greatly to advance the health and well-being of millions of wage earners and their families; that these plans have become an important factor in present day industrial relations and it is essential that their integrity be maintained; that much of the money involved in such plans is exempted by law from taxation by the United States, and that it is essential for the protection both of the revenue of the United States and of the interests of the beneficiaries that full disclosure be made of the financial details of the operation and administration of such plans.

(b) It is hereby declared to be the policy of this act to afford protection to the revenue of the United States and to the beneficiaries of the welfare and benefit plans above referred to, and to promote the general welfare, by requiring the registration of welfare and benefit plans and the reporting of appropriate information respecting their receipts, disbursements, assets, liabilities, and financial activities.

SEC. 3. Definitions: When used in this act—

(a) The term "welfare or benefit plan" means any plan, fund or program established by employers or employee organizations, or by both, for the purpose of paying or providing, for the benefit of beneficiaries, for medical or hospital care, pensions or annuities on retirement or death of beneficiaries, compensation for injuries or illness, or insurance to provide any of the foregoing, or life insurance, disability and sickness insurance, or accident insurance; but shall not include any plan, fund, or program established by statute to provide benefits prescribed by such statute.

(b) The term "employee organization" means any labor union or any organization of any kind, or any agency or employee representation committee, association, group, or plan, in which employees participate and which exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, conditions of work, or other matters incidental to employment relationships.

(c) The term "employer" includes any person acting directly or indirectly in the interest of an employer in relation to an employee, or a group or association of employers, but shall not include a foreign government or the Government of the United States or of any State, Territory, or possession or political subdivision thereof or the District of Columbia, or any governmental instrumentality of such a government.

(d) The term "employee" means any individual employed by an employer.

(e) The term "beneficiary" means any employee of an employer or any member of an employee organization who is eligible to receive a benefit of any type from a welfare or benefit plan, or whose dependents or the members of whose family may be eligible to receive any such benefit.

(f) The term "person" means an individual, partnership, corporation, association, or employee organization.

(g) The term "Secretary" means the Secretary of Labor.

SEC. 4. Registration: The person or persons responsible for the control, disposition, or management, either directly or through an agent or trustees designated solely by such person or persons, of the money received by or contributed to any welfare or benefit plan for which—

(1) any exemption from taxation is claimed under the Internal Revenue Code by reason of the nature or activities of such plan; or

(2) any claim is made that money involved in such plan constitutes an allowable deduction in computing taxable income under the Internal Revenue Code; or

(3) contributions are received from any person who claims all or any part of such contributions as an allowable deduction under the Internal Revenue Code in computing taxable income;

shall register such welfare or benefit plan with the Secretary and shall file a report with the Secretary within 3 months after the close of the fiscal year of such plan, and shall thereafter file with the Secretary an annual report. Every registration and all reports of every such plan shall be in such form as the Secretary may, by regulations, prescribe. Every report shall be sworn to by a person responsible for the registration of such plan, and shall include such information or documents relating to the income and disbursements of the plan as the Secretary may, by regulations, prescribe.

SEC. 5. Government agency cooperation: (a) The Secretary is authorized to request from any department, agency, or independent instrumentality of the Government any information he deems necessary to carry out his functions under this act; and each department, agency, and instrumentality is directed to cooperate with the Secretary and, to the extent permitted by law, to furnish such information to the Secretary upon his request.

(b) The Secretary shall consult with the Secretary of the Treasury and the Secretary of Health, Education, and Welfare regarding the administration of this act by the Secretary, and the Secretary may utilize the facilities of the Department of the Treasury and the Department of Health, Education, and Welfare for such research and other purposes as the Secretary may deem appropriate. Any such utilization of any such facilities shall be pursuant to proper agreement, and payment to cover the cost thereof shall be made either in advance or by way of reimbursement as may be provided in such agreement.

SEC. 6. Access to information filed with the Secretary: (a) The Secretary may provide that portions of the reports of welfare or benefit plans, in such form as the Secretary may prescribe by regulations, shall be mailed by the person or persons responsible for the registration of such plan to each beneficiary.

(b) When in the judgment of the Secretary the disclosure of any information contained in the reports or other documents filed by welfare or benefit plans pursuant to this act would be in the public interest or in the interest of the beneficiaries, such information as the Secretary deems appropriate to disclose may be made available to the public under such regulations as the Secretary may prescribe.

(c) The Secretary may by regulations require the person or persons responsible for the registration of any welfare or benefit plan to file a copy of any report required by this act, or any portions thereof, with such State agency as the Secretary may designate.

(d) The Secretary shall by regulations provide for the making available of information furnished to him by welfare and benefit plans pursuant to this act to other departments and agencies of the Government to assist in the performance of the statutory functions of such departments and agencies.

SEC. 7. Powers of the Secretary: (a) The Secretary is authorized to make such rules and regulations as may be necessary to carry out the provisions of this act.

(b) The Secretary may by regulations provide for the exemption from any provision of this act of any class or type of welfare or benefit plans if the Secretary finds that the application of such provision to such plans is not required in order to effectuate the purposes of this act.

(c) The Secretary is authorized to utilize any information submitted under this act for statistical and research purposes and to compile and publish such studies, analyses, reports, and surveys as he may deem appropriate.

(d) The Secretary is authorized to make such expenditures and, subject to the civil-service laws and the Classification Act of 1949, as amended, to appoint and fix the compensation of such personnel, including attorneys, as may be necessary to perform the functions imposed upon the Secretary by this act. Attorneys appointed under this section may appear for and represent the Secretary in any litigation, but such litigation shall be subject to the direction and control of the Attorney General.

SEC. 8. Reports to the Congress: The Secretary shall submit annually a report to the Congress including such information and data, and such recommendations for further legislation in connection with the matters covered by this act, as the Secretary may find desirable.

SEC. 9. Enforcement: (a) Any person who willfully violates or fails to comply with any provision of this act or the rules and regulations thereunder shall be fined not more than $5,000 or imprisoned not more than 1 year, or both.

(b) Any person who makes a false statement or representation of a material fact, knowing it to be false, or who knowingly fails to disclose a material fact, in any registration, report, or other document required to be submitted to the Secretary by this act or the rules and regulations thereunder, shall be fined not more than $5,000 or imprisoned not more than 1 year, or both.

(c) The District Courts of the United States, and the United States Courts of any Territory or other place subject to the jurisdiction of the United States, shall have jurisdiction, for cause shown, to restrain violations of, to enforce any duty created by, or to compel disclosure of any information required to be submitted to the Secretary in accordance with this act or the rules and regulations thereunder. All actions under this subsection shall be brought on behalf of the Secretary.

SEC. 10. Effect of other laws: Neither the provisions of this act nor any action taken thereunder shall be held to exempt or relieve any person from any liability, duty, penalty, or punishment provided by any law of the United States or of any State or Territory relating to the operation or administration of welfare or benefit plans, or in any manner to authorize the operation or administration of such a plan contrary to any such law.

SEC. 11. Separability of provisions: If any provision of this act or the application of such provision to any person or circumstance is held invalid, the remainder of this act and the application of such provision to other persons or circumstances shall not be affected.

The explanatory statement presented by Mr. IVES, is as follows:

EXPLANATORY STATEMENT BY SENATOR IVES

PURPOSE OF BILL

This bill is designed to provide for full disclosure of the financial operations of welfare and benefit plans established by employers or employee organizations, or by both, to provide benefits such as medical or hospital care, pensions or retirement annuities, compensation for injuries or illness, or insurance to provide any of those benefits, for employees of employers, members of employee organizations, or the dependents of such employees or members. The bill excludes any plan, fund, or program established by statute to provide benefits prescribed by such statute, such as the laws relating to unemployment compensation and workmen's compensation.

Most of the older craft unions for many years have made available medical services, hospitalization, and cash payments during disability, as well as group life insurance and pension plans. During the late 1920's plans providing such benefits were brought within the scope of collective bargaining in isolated instances.

The real growth in number of plans has occurred during the past 10 years. It is estimated that at least 12 million workers are now covered by plans under collective bargaining. From slightly more than one-half million in 1945, coverage increased to upward of three million by mid-1948, to more than 7½ million by early 1950, and since then to the estimated 12 million figure. The total number of employees covered by all private health, insurance, and pension plans is unknown, but the amount of money involved today is probably in excess of $20 billion.

This rapid growth has led to many problems. As President Eisenhower indicated in his message of January 11, 1954, transmitting to the Congress his legislative recommendations affecting labor-management relations, the interest of the Federal Government in the subject extends to protecting these funds for the millions of working men and women who are their beneficiaries.

Full disclosure concerning the financial operation of these plans has been widely urged as desirable and practical. It would undoubtedly be a deterrent to malpractice, mismanagement, and waste. The ready availability of detailed information respecting the financial operations of a plan would greatly contribute to honesty and efficiency of administration. These plans have become an important factor in present-day industrial relations and it is essential that their integrity be maintained. In addition, the availability of such information respecting other plans would lend material assistance to individual plans in devising means to improve their actuarial soundness. Moreover, much of the money involved in such plans is exempt from taxation under Internal Revenue Code. The disclosure which the bill provides would afford a substantial measure of protection both to the revenue of the United States and to the beneficiaries of those plans.

ADMINISTERING AGENCY

The Secretary of Labor would be charged with the function and responsibility of administering the bill, and he would be authorized to utilize any information obtained under the bill for statistical and research purposes. However, the Secretary would be directed to consult with the Secretary of the Treasury and the Secretary of Health, Education, and Welfare respecting the administration of the measure.

COVERAGE

The bill applies to all welfare or benefit plans for which (a) any exemption from taxation is claimed under the Internal Revenue Code, (b) any claim is made that money involved in such plan constitutes an allowable deduction for income tax purposes, or (c) contributions are received from any person claiming such contributions as a deduction under the Internal Revenue Code. However, the Secretary would be empowered to exempt from any provision of the bill, by regulations, any class or type of plans if the Secretary finds that the application of such provision to such plans is not required in order to effectuate the purposes of the bill. This procedure, analogous to one followed by the National Labor Relations Board, would facilitate the administration of the measure by the Secretary.

REGISTRATION

The registration and reporting requirements are the heart of the bill. The person or persons responsible for the control, disposition, or management of the money contributed to or received by any welfare or benefit plan covered by the measure would be required to register such plan with, and submit annual reports to, the Secretary in such form as the Secretary may prescribe by regulations. The reports would be sworn to by a responsible official of the particular plan and would contain such information as the Secretary may prescribe by regulations.

UTILIZATION OF OTHER GOVERNMENT AGENCIES AND OF INFORMATION SUBMITTED IN REPORTS

The bill authorizes the Secretary to request information from other Government agencies and utilizes on a reimbursable basis the facilities of the Departments of the Treasury and Health, Education, and Welfare for such research and other purposes as the Secretary may deem appropriate. Information obtained by the Secretary from welfare and benefit plans would be made available, under regulations, to other Government agencies to assist in the performance of their statutory functions. The Secretary would also be authorized to require portions of the information contained in the reports of welfare and benefit plans to be furnished to the beneficiaries of the plans. The measure further permits the Secretary to make public information in the reports, the disclosure of which he deems appropriate in the interest of the public or the beneficiaries. The Secretary would be empowered to require any plan to file copies of all or part of its reports with an appropriate State agency.

OTHER PROVISIONS

An annual report would be submitted to the Congress by the Secretary including such information, data and legislative recommendations in connection with the subject matter of the bill as he may find advisable.

The bill would make it a misdemeanor willfully to violate or fail to comply with any provision of the bill or the regulations, or to submit false statements to or conceal material facts from the Secretary. Civil litigation to restrain violations of, to enforce

any liability or duty created by, or to require disclosure of information in accordance with, the measure or the regulations issued thereunder could be brought on behalf of the Secretary.

Section 10 makes clear that neither the provisions of the bill nor any action taken thereunder would exempt or relieve any person from compliance with any Federal, State or Territorial law relating to the operation or administration of welfare or benefit plans, or authorize the operation or administration of such a plan contrary to any such law.

Section 11 is the separability of provisions portion of the measure.

PROPOSED FEDERAL ADVISORY COMMISSION ON THE ARTS

Mr. SMITH of New Jersey. Mr. President, I introduce, for appropriate reference, a bill to provide for the establishment of a Federal Advisory Commission on the Arts.

Last spring a similar bill was introduced in the House by Representative WAINWRIGHT, of New York.

President Eisenhower, in his 1955 state of the Union message, stated that:

> The Federal Government should do more to give official recognition to the importance of the arts and other cultural activities.

The purpose of this Commission, in the President's words, is "to advise the Federal Government on ways to encourage artistic and cultural endeavor and appreciation."

The bill makes it clear that, although the encouragement of the arts is an appropriate matter of concern to the Federal Government, this is primarily a matter for private and local initiative.

It is my hope that legislation along the line of this bill, as recommended by the President, will receive early consideration and approval by the Congress.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3054) to provide for the establishment of a Federal Advisory Commission on the Arts, and for other purposes, introduced by Mr. SMITH of New Jersey, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

BASIS FOR ADMINISTRATION OF LAKE MEAD RECREATIONAL AREA, ARIZONA AND NEVADA

Mr. BIBLE. Mr. President, I introduce, for appropriate reference, a bill to provide an adequate basis for administration of the Lake Mead National Recreation Area, Arizona and Nevada, and for other purposes.

One of the country's largest and most scenic recreation areas is that surrounding Lake Mead and Lake Mohave, formed by Hoover and Davis Dams on the Colorado River. More than 2,600,000 persons visit this area annually, attesting to its national significance.

Administrative problems of control over this nearly 2 million acre area have arisen through the year since its withdrawal by Executive order in 1930 for reclamation purposes. It has been administered by the National Park Service by an interbureau agreement with the Bureau of Reclamation.

The principal effect of my bill will be its recognition and designation of the area as a recreation area of national significance. It is of extraordinary scenic and scientific interest, with the plateau section, including nearly 100 miles of the Grand Canyon, the mouth of the canyon, 155-mile long Lake Mead—the world's largest manmade body of water, and Lake Mohave, not to mention numerous sites of geological, biological, and archeological interest.

My bill redescribes the boundaries of the national recreation area, with the new boundaries eliminating some 162,560 acres from the present gross area of 1,951,928 acres. It is recognized this is a large acreage, but it includes a region of almost indescribable ruggedness, whose principal values apart from the storage of water, are those served by the national recreation area, and collateral uses such as mining and grazing.

The bill will fully protect the purposes of the water-control projects, and at the same time will allow for greater development of the tremendous recreation advantages. As I have told the Senate before, the facilities supplied by the National Park Service on Lake Mead have been pitifully inadequate in the last 20 years, compared with demands and the potential available.

Present regulations governing hunting, grazing, and vacation cabin sites will be continued substantially the same. Insofar as the mineral potential of the area is concerned, the policy of allowing the use of as much land as is required for mining and the removal of minerals will be continued.

Recognition is given to the canyon portion of the Hualapai Indian reservation within the national recreation area. This Arizona tribe has indicated its willingness to have certain of its lands included, allowing the tribe to participate and benefit from establishment of the area.

In effect, the bill will provide a suitable and harmonious adjustment of various activities within the recreation area. At the same time, it will permit greater development of the area's recreational potential, which growing populations in Nevada, Arizona, and other western States are quite properly demanding.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3055) to provide an adequate basis for administration of the Lake Mead National Recreation Area, Arizona and Nevada, and for other purposes, introduced by Mr. BIBLE, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

ASSISTANCE FOR SCHOOL CONSTRUCTION IN CERTAIN AREAS

Mr. COTTON. Mr. President, I introduce, for appropriate reference, a bill extending for 2 years the provisions of title III of Public Law 815 of the 81st Congress relating to assistance for school construction in federally impacted areas.

The present law expires June 30, 1956, so far as the receipts of applications for Federal assistance are concerned, and the federally connected children who come into the schools after that date cannot be counted for purposes of computing payments under the act.

Unless the law is extended for an additional period, there will be a most unfortunate discrimination against many school districts in the country, including at least one in my State of New Hampshire.

The last session of Congress authorized, under the Capehart housing program, approximately 105,000 housing units for military personnel, all of which must be under contract by September 30, 1956. Relatively few of these units will be completed and occupied by June 30, 1956, when the present act expires.

Some 1,500 of these military housing units have been programed for the new Air Force base at Portsmouth, N. H. The staffing of that base will throw an estimated 700 additional children on the facilities of the Portsmouth School Board. All of that burden, occasioned entirely by Federal defense activity, will be felt after the expiration date of the present law. In fact, the present plans call for the housing units to be complete and occupied in July and August of 1956. So none of the children will be present on June 30, 1956, the present cutoff date, but most of them will have moved in and be ready when school opens in September of this year.

Therefore, I am introducing this bill to extend the provision of title III of Public Law 815, in accordance with the recommendations of President Eisenhower in his state of the Union and budget messages.

The bill, of course, authorizes only limited Federal aid for school construction in those areas where the activities of the Federal Government have contributed significantly to a shortage of classrooms.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3062) to amend Public Law 815, 81st Congress, in order to extend for 2 years the program of assistance for school construction under title III of such law, introduced by Mr. COTTON, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

SALE OF GOVERNMENT-OWNED SYNTHETIC RUBBER PLANT, INSTITUTE, W. VA.

Mr. FULBRIGHT. Mr. President, I submit, for appropriate reference, a resolution, pursuant to Public Law 336 of this Congress, disapproving the proposed sale of the synthetic rubber plant at Institute, W. Va., to Goodrich-Gulf Chemicals, Inc.

I shall not now take the time to read to the Senate a statement I have prepared, indicating the necessity for the adoption of the resolution. I ask unanimous consent that the text of the resolution and also the statement, prepared by me, explaining the reasons for its submission, be printed in the RECORD.

The PRESIDENT pro tempore. The resolution will be received and appro-

priately referred; and, without objection the resolution and statement will be printed in the RECORD.

The resolution (S. Res. 197) to oppose sale of Government-owned synthetic rubber plant at Institute, W. Va., was referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

Resolved, That the Senate does not favor sale of the Government-owned synthetic rubber plant at Institute, W. Va., known as Plancor No. 980, as recommended in the report of the Rubber Producing Facilities Disposal Commission.

The statement presented by Mr. FULBRIGHT is as follows:

STATEMENT BY SENATOR FULBRIGHT

On January 12, 1956, the Rubber Producing Facilities Disposal Commission filed a report recommending this sale. This report has been refererd to the Banking and Currency Committee.

Under the law the proposed sale will become final unless either House adopts a resolution of disapproval before the expiration of 30 days of continuous session from the filing of the Commission's report. The resolution I am introducing is the appropriate vehicle for hearings to review the proposed sale.

In my judgment such a review is necessary.

Under the law, the Attorney General was required to advise the Disposal Commission whether a proposed sale would violate the antitrust laws and whether a proposed sale would "best foster the development of a free, competitive synthetic rubber industry." The Attorney General's advice to the Commission is set forth in the report.

In the report the Attorney General states:

"Prior to the Commission's decision to sell the Institute plant to Goodrich-Gulf, we advised the Commission that a sale of that plant to Goodrich-Gulf or to Goodyear Synthetic Rubber Corp. would not best foster the development of a free, competitive synthetic rubber industry, since such disposal would add significantly to the substantial position presently held by these companies in the field of synthetic rubber."

Later, after the Commission had decided that only Goodrich-Gulf had offered a purchase price equal to the full, fair value of the plant, the Attorney General decided that the sale would best foster the development of a free, competitive synthetic rubber industry.

The Attorney General, considering whether the sale would violate section 7 of the Clayton Act, said:

"Were this a private transaction rather than a sale by the Government subject to the review of the Congress, I would probably request a Federal court to enjoin consummation pending a determination of legality by the court under section 7 of the Clayton Act."

However, apparently proceeding on the basis that section 7 of the Clayton Act applies only to transactions between two corporations and not to acquisitions from the Government, the Attorney General stated:

"In order, however, to permit the Congress to have the final determination, as the law anticipates, I set forth the considerations hereinabove mentioned, and am willing to, and do, express the opinion that the proposed disposal of the Institute plant to Goodrich-Gulf would not violate section 7 of the Clayton Act."

These statements by the Attorney General in my judgment leave the Congress no alternative but to review the proposed sale. In addition, 1 day after the filing of the Disposal Commission's report, the Federal Trade Commission issued a complaint against the B. F. Goodrich Co. and the Texas Co. charging them with antitrust law violations. This also, in my judgment, makes it necessary for us to review the proposed sale.

There is no question that sale of the Institute plant and addition of its output to the supply of synthetic rubber are desirable, under the proper conditions. The increased supply of rubber would be helpful to the rubber consuming industry and the added employment would be welcome in the area. But there may be other and better ways to get the plant into operation without the dangers which the Attorney General suggests are involved in this sale. These should be explored fully.

Accordingly, I wish to announce that the Banking and Currency Committee will hold hearings on the proposed sale on next Wednesday, February 1, at room 303, Senate Office Building. I have asked the Attorney General, the chairman of the Federal Trade Commission and other witnesses to testify.

It seems appropriate also to point out at this time that we now have additional evidence that the sales prices under last year's disposal program were unnecessarily low. Last year some of us argued that selling for only $260 million an industry which had earned an average of about $66 million was even more than a cut rate bargain. Apparently, the bargain, from the standpoint of the big rubber and oil companies, was even greater than we thought. The Federal Facilities Corporation report for the fiscal year 1955 has now been received and we find that the Government collected over $80 million from these plants during the year, even though all but one of the plants was transferred to the buyers in April of 1955.

In addition, you will recall that last year no one even put in a bid for Institute, supposedly the least efficient and least desirable of all the GR–S plants. Now a price of $90 a ton of capacity is offered. This is actually higher than the rate realized last year on three of the plants and very close to the per ton rates received for a number of the other plants.

Mr. FULBRIGHT. Mr. President, I very urgently request Members of the Senate to read the remarks explaining the resolution, because it is very easy to misapprehend its purpose and the occasion for it.

PROPOSED PEA RIDGE BATTLEFIELD NATIONAL PARK — ADDITIONAL COSPONSOR OF BILL

Mr. FULBRIGHT. Mr. President, on yesterday, I introduced the bill (S. 3047) to provide for the establishment of the Pea Ridge Battlefield National Park, in the State of Arkansas. I ask unanimous consent that the name of my colleague, the senior Senator from Arkansas [Mr. MCCLELLAN] be added as cosponsor of the bill the next time it is printed.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

WEATHER FORECASTING SERVICES FOR AGRICULTURE (S. DOC. NO. 97)

Mr. ELLENDER. Mr. President, on July 11 of last year the Senate requested the Secretary of Commerce and the Secretary of Agriculture to report to the Committee on Agriculture and Forestry the steps taken to improve and extend the horticultural and agricultural weather forecasting service. That report has been made and filed with the committee. I ask unanimous consent that it be printed as a Senate document, with an illustration, and referred to the Committee on Agriculture and Forestry.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD as follows:

By Mr. DIRKSEN:

Address delivered by the Vice President at salute to Eisenhower dinner in Chicago, Ill., on January 20, 1956.

By Mr. NEUBERGER:

Press release regarding speech by him at the Madison Avenue Baptist Church in New York City on January 25, 1956.

AMERICAN FOREIGN POLICY

Mr. SMITH of New Jersey. Mr. President, in connection with the matters relating to foreign policy which I recently had printed in the RECORD, I now ask unanimous consent that there be printed in the body of the RECORD an editorial entitled "The President's Press Conference," which appeared in the New York Herald Tribune of Friday, January 20, 1956.

I also ask unanimous consent to have printed in the body of the RECORD two statements having to do with the recent Geneva parley between our representatives and the Chinese representatives, who were trying to get together in connection with troubles and problems involving China. One of the statements appeared in the New York Times of January 19, 1956, and is entitled, "Text of Red China's Statement on Geneva Parley." The other article appeared in the New York Times of January 22, 1956, and is entitled "United States Statement on Geneva Negotiations With Chinese Reds Over Taiwan."

It seems to me the statements should appear in the RECORD in connection with the other foreign policy statements I placed in the RECORD a day or two ago.

The PRESIDENT pro tempore. Is there objection to the unanimous-consent request of the Senator from New Jersey?

There being no objection, the editorial and news articles were ordered to be printed in the RECORD, as follows:

[From the New York Herald Tribune of January 20, 1956]

THE PRESIDENT'S PRESS CONFERENCE

President Eisenhower's first press conference in Washington in 5½ months formed a notable contrast to his meeting with reporters in Key West. Then his health was, almost exclusively, the subject of the questions. Yesterday they covered a much wider range, although the great decision facing the President undoubtedly preoccupied the correspondents.

By reading his letter to New Hampshire, on his attitude toward the inclusion of his name in that State's primaries, the President was able to give a comprehensive answer—as comprehensive as is now possible—on the subject of a second term. Mr. Eisenhower made it clear that he does not intend to make any official objection if his name is placed

on primary ballots. He gives a frank statement on his condition: "normal and satisfactory" progress toward a "reasonable level of strength," but with the necessity for carefully regulating his "future life to avoid fatigue." The President was meticulous in not foreclosing his future decision in any way; he gave assurance that it would be based on "my best judgment on the good of our country."

This covered the ground so far as it can be done at this stage. The President also was asked about Mr. Dulles and the Life magazine article, which the Secretary of State had dealt with in a previous conference. The principal point made by each was that a detailed discussion of "a privately written" article would, in the President's words, "thereby make of it a paper which, if it is going to discuss those subjects, should be most carefully and properly written." But both went on to restate the fundamentals of American policy.

President Eisenhower's affirmation was in these terms: "I am supporting before the world a program of peace. It is really waging peace, based upon moral principles of decency and justice and right. If you are going to do that and are not going to be guilty, every time the thing looks dangerous, of a Munich, you have got to stand firmly."

Such a course involves risk. But in a world where predatory aggressors are at large, there is always risk, which appeasement positively increases. The great fact about Mr. Eisenhower's leadership is that America and the free world have confidence that he will not court war by either appeasement or by truculence. This fact, proved again in his review of the world situation to the newsmen yesterday, is the real reason for "the flood of mail"—"of one tenor only"—that the President has been receiving on the subject of his candidacy. He is vitally important to the country and to the cause of freedom and peace.

[From the New York Times of January 19, 1956]

TEXT OF RED CHINA'S STATEMENT ON GENEVA PARLEY

The Sino-American ambassadorial talks have been going on for more than 4 months without any agreement being achieved on the second item of the agenda ever since agreement was reached on September 10, 1955, on the return of civilians of both sides.

The two sides have not yet entered into discussion of the substance of the two subjects proposed by the Chinese side, that is, abolishment of the embargo and preparations for a Sino-American conference of the Foreign Ministers to discuss the relaxation and elimination of the tension in the Taiwan (Formosa) area.

The American side raised the question of so-called renunciation for the use of force, but has been unwilling to enter into an agreement on this question acceptable to both sides. Moreover, the United States has recently stepped up military activities in the Taiwan area to aggravate the tension, and United States Secretary of State Dulles even renewed the clamors for an atomic war against China.

In these circumstances, the Chinese Government deems it necessary to make public the course of events in the Sino-American talks so as to set forth the stand of the Chinese side.

I

As soon as agreement was reached at the Sino-American talks on the return of civilians of both sides, our side put forward under the second item of the agenda two subjects for discussion—the question of embargo and the question of preparation for Sino-American negotiations at a higher level.

But the American side refused to proceed to any substantive discussion of these two subjects. It was not until October 8, 1955, that the American side suggested that both China and the United States should, first of all, make a declaration in the renunciation of the use of force.

If the so-called renunciation of the use of force means that China and the United States should, in accordance with the purposes and principles of the United Nations Charter, settle peacefully disputes between the two countries without resorting to force, then it is precisely what China has advocated consistently.

It was precisely for the purpose of realizing the principle of nonuse of force in international relations that China proposed at Bandung (Indonesia, at a Conference of Asian-African Nations) that China and the United States should sit down and enter into negotiations.

It was for this same purpose that in the Sino-American ambassadorial talks China proposed the holding of Sino-American negotiations at a higher level. However, the question of nonuse of force in the international relations between China and the United States should in no way be mixed up with the domestic matters of either China or the United States.

So far as the question of Taiwan is concerned, the occupation of China's territory of Taiwan by the United States is an international dispute between China and the United States, while the liberation by the Chinese people of their own territory of Taiwan is China's sovereign right and internal affair.

The Chinese Government has repeatedly declared that it would strive for the liberation of Taiwan by peaceful means so far as it is possible. But this internal affair of China's cannot possibly be a subject of the Sino-American talks.

II

After making clear in the talks its abovementioned stand, the Chinese side put forward on October 28, 1955, a draft agreed announcement of the Ambassadors of China and the United States on the question of renunciation of the use of force as raised by the American side. The text of the draft anouncement reads as follows:

"Ambassador Wang Ping-nam, on behalf of the Government of the People's Republic of China, and Ambassador U. Alexis Johnson, on behalf of the Government of the United States of America, jointly declare:

"In accordance with article 2, paragraph 3 of the United Nations Charter, 'all members shall settle their international disputes by peaceful means in such a manner that international peace and security, and justice, are not endangered.'

"And in accordance with article 2, paragraph 4 of the United Nations Charter, 'all members shall refrain in their international relations from the threat or use of force against the territorial integrity or political independence of any state, or in any other manner inconsistent with the purposes of the United Nations.'

"The People's Republic of China and the United States of America agree that they should settle disputes between their two countries by peaceful means without resorting to the threat or use of force.

"In order to realize their common desire the People's Republic of China and the United States of America decide to hold a conference of foreign ministers to settle through negotiations the question of relaxing and eliminating the tension in the Taiwan area."

If there is sincerity on both sides there should not be any difficulty in reaching an agreement on the basis of this draft announcement submitted by the Chinese side. The United States is a member of the United Nations. It should not have any objection to the explicit provisions of the United Nations Charter.

The United States has resorted to the use and threat of force against China in the Taiwan area, thus creating tension there. In order that the principle of nonuse of force stipulated in the United Nations Charter may be realized in Sino-American relations, it is obvious that only through a Sino-American conference of the foreign ministers will it be possible to settle the question of the relaxation and elimination of the tension in the Taiwan area.

III

However, in the course of the talks, the American side expressed unwillingness to have particular stipulations of the United Nations Charter specifically mentioned in the announcement, or to have the announcement explicitly provide for the holding of a Sino-American conference of the foreign ministers. It was not until November 10, 1955, that it, two whole months after both sides reached agreement on the first agenda item, that the American side for the first time put forward in concrete form its own draft announcement concerning the renunciation of the use of force. The substantive part of the draft announcement put forward by the American side reads as follows:

"Ambassador U. Alexis Johnson, on behalf of the United States of America, informed Ambassador Wang Ping-nan that:

"In general, and with particular reference to the Taiwan area, the United States of America renounces the use of force, except in individuals and collective self-defense.

"Ambassador Wang Ping-nan, on behalf of the People's Republic of China, informed Ambassador U. Alexis Johnson that:

"In general, and with particular reference to the Taiwan area, the People's Republic of China renounces the use of force, except in individual and collective self-defense."

Just as the Chinese side has pointed out in the talks, the draft announcement put forth by the American side is in substance an attempt to confuse the international dispute between China and the United States in the Taiwan area with the domestic matter between the Chinese Government and the Chiang Kia-shek clique and a demand that China accept the status quo of the United States occupation of China's territory, Taiwan, and give up its sovereign right to liberate Taiwan.

That is absolutely unacceptable to China. Taiwan is China's territory. There can be no question of defense, so far as the United States is concerned. The United States has already used force and the threat of force against China in the Taiwan area. Therefore, should one speak of defense, it is precisely China which should exercise its right of defense to expel such force and threat. Yet the United States has demanded the right of defense in the Taiwan area. Is this not precisely a demand that China accept continued United States occupation of Taiwan and that the tension in the Taiwan area be maintained forever?

IV

Nevertheless in order that the talks may progress step by step, the Chinese side made another effort and on December 1, 1955, put forward the following new draft:

"Ambassador Wang Ping-nan, on behalf of the government of the People's Republic of China, and Ambassador U. Alexis Johnson, on behalf of the Government of the United States of America, agree to announce:

"The People's Republic of China and the United States of America are determined that they should settle disputes between their two countries through peaceful negotiations without resorting to the threat of force.

"The two ambassadors should continue their talks to seek practical and feasible means for the realization of this common desire."

The Chinese side holds that the only practical and feasible means for settling disputes between China and the United States, particularly a serious question such as the tension in the Taiwan area, is a Sino-American conference of the foreign ministers.

However, in order to promote the progress of the talks, the Chinese side has agreed to issue first the above announcement and then the ambassadors of the two sides will discuss and decide upon the specific question of holding a Sino-American conference of the foreign ministers. At the same time, it should be pointed out that since the United States has already used force and the threat of force against China in the Taiwan area, it would not be possible to realize the desire expressed in the above announcement if agreement is not reached at the Sino-American ambassadorial talks on the holding of a Sino-American conference of the foreign ministers.

It can thus be seen that if the United States Government really has the sincerity to renounce the use or threat of force, it has no reason whatsoever to continue to drag out the talks instead of entering into agreement on our new draft.

V

However, in three consecutive meetings following out putting forward of this new draft, the American side refused to make any specific comments, expressing neither opposition nor agreement to it. It was not until January 12, 1956, that the American side put forward a counter-proposal. The full text of it reads as follows:

"Ambassador U. Alexis Johnson, on behalf of the Government of the United States of America, and Ambassador Wang Ping-nan, on behalf of the Government of the People's Republic of China, agree to announce:

"The United States of America and the People's Republic of China are determined that they will settle disputes between them through peaceful means, and that, without prejudice to the inherent right of individual and collective self-defense, they will not resort to the threat or use of force in the Taiwan area or elsewhere.

"The two Ambassadors should continue their talks to seek practical and feasible means for the realization of this common desire."

It is obvious that in substance there is no difference whatsoever between this counter-proposal of the American side and its November 10 draft announcement which the Chinese side has firmly rejected long ago. The American side continues to demand that our side accept that the United States has "inherent right of individual and collective self-defense" in China's Taiwan area. That is what our side absolutely cannot accept.

VI

Ever since September 10, 1955, the American side has on the one hand dragged out the discussion of the second item of the agenda and refused to enter into an agreement acceptable to both sides on the question of so-called renunciation of the use of force, while on the other hand it has continuously been haggling over the implementation of the agreement on the first agenda item. As a matter of fact, it is precisely the American side which is violating that agreement. According to the agreement, the United States has the obligation to adopt measures so that the Chinese in the United States can expeditiously exercise their right to return to China. But the American side has up to now failed to furnish our side with a complete name-list and information concerning the Chinese residents and students in the United States, thus making it difficult for India to carry out the tasks of a third country as specified in the agreement.

Recently the United States Government has issued a regulation that the Chinese in the United States must secure entrance permits for Taiwan, openly to deprive them of the right to return to China in the future. There are tens of thousands of Chinese in the United States. Owing to the continued obstructions and threats by the American side in violation of the agreement, the great majority of them have up to now been able or not dared to apply for returning to China. As far as the Americans in China, their number was not very large to begin with. During the Sino-American talks, out of the 59 law-abiding Americans in China, all 16 who applied have been permitted to depart. Even among the 40 Americans who committed offenses against the law in China 27 have been released before the completion of their sentences as a result of the lenient policy of the Chinese Government. In spite of these facts, the American side still kept raising groundless charges in the talks. This can only be interpreted as an attempt to shirk its responsibility for violating the agreement and to manufacture a pretext for dragging out the talks.

VII

The tension in the Taiwan area is the key issue between China and the United States, and the root of the tension is United States armed occupation of China's territory. Nevertheless, the Chinese side still advocates settlement of this dispute between China and the United States through negotiation and has been striving constantly in the Sino-American ambassadorial talks for finding a practical and feasible means to achieve this aim. The American side, however, has deliberately dragged out the Sino-American talks and refused to enter into agreement on the means for the relaxation and elimination of the tension in the Taiwan area, and on the contrary demands that China accept the status quo of United States armed occupation of Taiwan.

In the meantime, United States Secretary of State Dulles again openly cried out recently that in order to hold on to China's territory and infringe China's sovereignty, he would not scruple to start an atomic war. The United States aggressors imagined that this would frighten the Chinese people into giving up their own sovereign rights. But this attempt will never succeed.

In the recent years, the armistice in Korea, the restoration of peace in Indochina, and the withdrawal from the Tachen Islands have successively demonstrated the strength of the world people who fight for peace and uphold justice, and declared the bankruptcy of the policy of positions of strength and atomic intimidation. Should the United States aggressors still want to carry on such a policy of atomic intimidation, they would inevitably encounter great and more disastrous defeats.

The Chinese Government holds that the Sino-American talks should seek practical and feasible means for the relaxation and elimination of the tension in the Taiwan area. The Chinese side has already put forward a reasonable proposal completely acceptable to both sides. The Sino-American talks should speedily reach an agreement on the basis of this reasonable proposal and proceed to settle the question of abolishment of the embargo and the question of preparations for a Sino-American conference of the foreign ministers. To drag out the talks and carry out threats will settle no question.

[From the New York Times of January 22, 1956]

TEXT OF UNITED STATES STATEMENT ON GENEVA NEGOTIATIONS WITH CHINESE REDS OVER TAIWAN

AMBASSADORIAL TALKS AT GENEVA

The Chinese Communists issued a misleading statement on January 18 regarding the Geneva discussions which have been taking place between United States Ambassador [Alexis] Johnson and Chinese Communist Ambassador Wang [Ping-nam]. It is thus necessary that the record be set straight.

These conferences were started last August to discuss the repatriation of civilians and other practical matters at issue.

AGREEMENT TO REPATRIATION OF CIVILIANS

On September 10, 1955 the representatives of both sides, by agreement, issued statements that civilians were entitled to return to their own countries (annex A).

The Communist declaration stated:

"The People's Republic of China recognizes that Americans in the People's Republic of China who desire to return to the United States are entitled to do so, and declares that it has adopted and will further adopt appropriate measures so that they can expeditiously exercise their right to return."

As of today, 4 months after this declaration was made, only 6 out of the 19 for whom representations were being made on September 10 have been released. Thirteen Americans are still in Communist prisons.

As for the United States, any Chinese is free to leave, the United States for any destination of his choosing, and not a single one has been refused exit. The Indian Embassy, which was designated to assist any Chinese who wished to leave, has not brought to the attention of this Government any case of a Chinese who claims he is being prevented from leaving, nor has it stated that it is impeded in any way in carrying out its functions under the terms of the September 10 agreed announcement.

DISCUSSION OF RENUNCIATION OF FORCE

After this agreed announcement was made, the two sides proceeded to discuss "other practical matters at issue between them."

The Communists suggested the topics of the termination of the trade embargo against Communist China and the holding of a meeting by the foreign ministers of both sides.

Ambassador Johnson at the October 8, 1955 meeting, pointed out that progress in further discussions could not be expected in the face of continuing Communist threats to take Taiwan (Formosa) by military force, and suggested that both sides agree to announce that they renounced the use of force generally and particularly in the Taiwan area and agree to settle their differences by peaceful means. The United States representatives made clear that this renunciation of the use of force was not designed to commit the Communists to renounce pursuit of their policies by peaceful means with respect to Taiwan. These proposals were in the terms shown as Annex B.

Three weeks after the United States proposal to renounce the use of force, the Communists on October 27 proposed a draft, a copy of which is shown on Annex C. In this proposal, the Communists pointedly omitted any reference to the Taiwan area, or to the recognition of the right of self defense, and inserted a provision for an immediate meeting of foreign ministers.

This proposal was unacceptable because it would have made it possible for the Communists to claim that the proposal did not apply to the Taiwan area, which is the very place against which the Communist threats are directed, and to claim further that the United States had renounced the right to use force in self defense. Ambassador Johnson further pointed out that consideration of higher level meetings was neither appropriate nor acceptable under existing circumstances.

On November 10, 1955, Ambassador Johnson, in an attempt to reach an acceptable form of declaration, submitted a new draft declaration (Annex D). This made clear that the renunciation of the use of force was without prejudice to the peaceful pursuit of its policies by either side; that it had general application, but applied particularly to the Taiwan area; and that it did not deprive either side of the right of self defense.

The United States proposal was rejected by the Communists, who on December 1, 1955, made a counterproposal (Annex E). This represented an advance over their previous proposal in that it dropped the provision for talks on the foreign minister level in favor of the continuance of ambassadorial talks, but still pointedly omitted any references to the Taiwan area and to recognition of the right of self-defense.

In a further effort to reach agreement, Ambassador Johnson, at the January 12 meeting, suggested two simple amendments to the Communist counterproposal. These were the insertion of the words "without prejudice to the inherent right of individual and collective self-defense" and of the words "in the Taiwan area or elsewhere." This United States revision of the Chinese counterproposal is shown in Annex F.

THE COMMUNIST PUBLIC STATEMENT

This was the status of the discussions when the Communists released their public statement of January 18.

The Communist statement apparently rejects the United State proposal. It states "Taiwan is Chinese territory: There can be no question of defense, as far as the United States is concerned * * * yet the United States has demanded the right of defense of the Taiwan area. Is this not precisely a demand that China accept continued occupation of Taiwan and that the tension in the Taiwan area be maintained forever?" And further, it states: "The American side continues to demand that our side accept that the United States has 'the inherent right of individual and collective self-defense' in China's Taiwan area. This is what our side absolutely cannot accept."

THE UNITED STATES POSITION

Two points must be made clear. First, the United States is not occupying Taiwan, and Taiwan has never been a part of Communist China. The claims of Communist China and the contentions of the United States with respect to this area are well known and constitute a major dispute between them. It is specifically with respect to this dispute that the United States has proposed the principle of renunciation of force and the settlement of differences by peaceful means. This is the principle which the Communists say they have accepted.

In this connection the United States has made completely clear that in renouncing the use of force neither side is relinquishing its objectives and policies, but only the use of force to attain them.

Secondly, the United States has rights and responsibilities in the Taiwan area; also it has a mutual defense treaty. Accordingly it is present in the Taiwan area. The Communist refusal to state that the renunciation of force is without prejudice to the right of self-defense against armed attack can only be interpreted as an attempt to induce the United States to agree that if attacked it will forego the right to defend its lawful presence in this area.

The right of individual and collective self-defense against armed attack is inherent; it is recognized in international law; it is specifically affirmed in the Charter of the United Nations. No country can be expected to forego this right. Indeed the Communists should be as anxious to preserve this right as is the United States.

CONCLUSION

The present exchange makes clear that:

1. Four months after the Communists announced that they would adopt measures to permit Americans in China to return to the United States, 13 Americans are still held in Communist prisons.

2. The United States proposed that the parties renounce the use of force without prejudice to the right of individual and collective self-defense against armed attack, in order that the discussions might take place free from the threat of war.

3. The United States made clear that this renunciation would not prejudice either side in the pursuit of its objectives and policies by peaceful means.

4. The Communists, while stating that they accept the principle of the renunciation of force, have deprived such acceptance of its value by refusing to agree that it is without prejudice to the right of individual and collective self-defense against armed attack and that it is applicable to the Taiwan area.

In short, the Communists so far seem willing to renounce force only if they are first conceded the goals for which they would use force.

The United States, for its part, intends to persist in the way of peace. We seek the now overdue fulfillment by the Chinese Communists of their undertaking that the Americans now in China should be allowed expeditiously to return. We seek this not only for humanitarian reasons but because respect for international undertakings lies at the foundation of a stable international order. We shall also seek with perseverance a meaningful renunciation of force, particularly in the Taiwan area.

ANNEX A

AGREED ANNOUNCEMENT OF THE AMBASSADORS OF THE UNITED STATES OF AMERICA AND THE PEOPLE'S REPUBLIC OF CHINA

The Ambassadors of the United States of America and the People's Republic of China have agreed to announce measures which their respective Governments have adopted concerning the return of civilians to their respective countries.

With respect to Chinese in the United States, Ambassador Johnson, on behalf of the United States, has informed Ambassador Wang that:

1. The United States recognizes that Chinese in the United States who desire to return to the People's Republic of China are entitled to do so and declared that it has adopted and will further adopt appropriate measures so that they can expeditiously exercise their right to return.

2. The Government of the Republic of India will be invited to assist in the return to the People's Republic of China of those who desire to do so as follows:

A. If any Chinese in the United States believes that contrary to the declared policy of the United States he is encountering obstruction in departure, he may so inform the Embassy of the Republic of India in the United States and request it to make representations on his behalf to the United States Government. If desired by the People's Republic of China, the Government of India may also investigate the facts in any such case.

B. If any Chinese in the United States who desires to return to the People's Republic of China has difficulty in paying his return expenses, the Government of the Republic of India may render him financial assistance needed to permit his return.

3. The United States Government will give wide publicity to the foregoing arrangements and the Embassy of the Republic of India in the United States may also do so.

With respect to Americans in the People's Republic of China, Ambassador Wang Pingnan, on behalf of the People's Republic of China, has informed Ambassador Johnson that:

1. The People's Republic of China recognizes that Americans in the People's Republic of China who desire to return to the United States are entitled to do so, and declares that it has adopted and will further adopt appropriate measures so that they can expeditiously exercise their right to return.

2. The Government of the United Kingdon will be invited to assist in the return to the United States of those Americans who desire to do so as follows:

A. If any American in the People's Republic of China believes that contrary to the declared policy of the People's Republic of China he is encountering obstruction in departure, he may so inform the office of the chargé d'affaires of the United Kingdom in the People's Republic of China and request it to make representations on his behalf to the Government of the People's Republic of China. If desired by the United States, the Government of the United Kingdom may also investigate the facts in any such case.

B. If any American in the People's Republic of China who desires to return to the United States has difficulty in paying his return expenses, the Government of the United Kingdom may render him financial assistance needed to permit his return.

3. The Government of the People's Republic of China will give wide publicity to the foregoing arrangements and the office of the chargé d'affaires of the United Kingdom in the People's Republic of China may also do so.

ANNEX B

UNITED STATES STATEMENT AND PROPOSAL ON RENUNCIATION OF FORCE, OCTOBER 8, 1955

One of the practical matters for discussion between us is that each of us should renounce the use of force to achieve our policies when they conflict. The United States and the People's Republic of China confront each other with policies which are in certain respects incompatible. This fact need not, however, mean armed conflict, and the most important single thing we can do is first of all to be sure that it will not lead to armed conflict.

Then and only then can other matters causing tension between the parties in the Taiwan area and the Far East be hopefully discussed.

It is not suggested that either of us should renounce any policy objectives which we consider we are legitimately entitled to achieve, but only that we renounce the use of force to implement these policies.

Neither of us wants to negotiate under the threat of force. The free discussion of differences, and their fair and equitable solution, become impossible under the overhanging threat that force may be resorted to when one party does not agree with the other.

The United States as a member of the United Nations has agreed to refrain in its international relations from the threat or use of force. This has been its policy for many years and is its guiding principle of conduct in the Far East, as throughout the world.

The use of force to achieve national objectives does not accord with accepted standards of conduct under international law.

The Covenant of the League of Nations, the Kellogg-Briand Treaties, and the Charter of the United Nations reflect the universal view of the civilized community of nations that the use of force as an instrument of national policy violates international law, constitutes a threat to international peace, and prejudices the interests of the entire world community.

There are in the world today many situations which tempt those who have force to use it to achieve what they believe to be legitimate policy objectives. Many countries are abnormally divided or contain what some consider to be abnormal intrusions. Nevertheless, the responsible governments of the world have in each of these cases renounced the use of force to achieve what they believe to be legitimate and even urgent goals. It is an essential foundation and preliminary to the success of the discussions under item 2 that it first

be made clear that the parties to these discussions renounce the use of force to make the policies of either prevail over those of the other. That particularly applies to the Taiwan area.

The acceptance of this principle does not involve third parties, or the justice or injustice of conflicting claims. It only involves recognizing and agreeing to abide by accepted standards of international conduct.

We ask, therefore, as a first matter for discussion under item 2, a declaration that your side will not resort to the use of force in the Taiwan area, except defensively. The United States would be prepared to make a corresponding declaration. These declarations will make it appropriate for us to pass on to the discussion of other matters with a better hope of coming to constructive conclusions.

ANNEX C

CHINESE COMMUNIST DRAFT DECLARATION ON RENUNCIATION OF FORCE, OCTOBER 27, 1955

1. Ambassador Wang Ping-nan on behalf of the Government of the People's Republic of China and Ambassador Johnson on behalf of the Government of the United States of America jointly declare that:

2. In accordance with article 2, paragraph 3, of the Charter of the United Nations, "All members shall settle their international disputes by peaceful means in such a manner that international peace and security and justice are not endangered"; and

3. In accordance with article 2, paragraph 4, of the Charter of the United Nations, "All members shall refrain in their international relations from the threat or use of force against the territorial integrity or political independence of any state, or in any other manner inconsistent with the purposes of the United Nations";

4. The People's Republic of China and the United States of America agree that they should settle disputes between their two countries by peaceful means without resorting to the threat or use of force.

5. In order to realize their common desire, the People's Republic of China and the United States of America decide to hold a conference of foreign ministers to settle through negotiations the question of relaxing and eliminating the tension in the Taiwan area.

ANNEX D

UNITED STATES DRAFT DECLARATION ON RENUNCIATION OF FORCE, NOVEMBER 10, 1955

1. The Ambassador of the United States of America and the Ambassador of the People's Republic of China during the course of the discussions of practical matters at issue have expressed the determination that the differences between the two sides shall not lead to armed conflict.

2. They recognize that the use of force to achieve national objectives does not accord with the principles and purposes of the United Nations Charter or with generally accepted standards of international conduct.

3. They furthermore recognize that the renunciation of the threat or use of force is essential to the just settlement of disputes or situations which might lead to a breach of the peace.

4. Therefore, without prejudice to the pursuit by each side of its policies by peaceful means they have agreed to announce the following declarations:

5. Ambassador Wang informed Ambassador Johnson that:

6. In general, and with particular reference to the Taiwan area, the People's Republic of China renounces the use of force, except in individual and collective self-defense.

7. Ambassador Johnson informed Ambassador Wang that:

8. In general, and with particular reference to the Taiwan area, the United States renounces the use of force, except in individual and collective self-defense.

ANNEX E

CHINESE COMMUNIST DRAFT COUNTERPROPOSAL FOR AN AGREED ANNOUNCEMENT DECEMBER 1, 1955

1. Ambassador Wang, on behalf of the Government of the People's Republic of China, and Ambassador Johnson on behalf of the Government of the United States of America, agree to announce:

2. The People's Republic of China and the United States of America are determined that they should settle disputes between their two countries through peaceful negotiations without resorting to the threat or use of force;

3. The two ambassadors should continue their talks to seek practical and feasible means for the realization of this common desire.

ANNEX F

UNITED STATES REVISION OF CHINESE COMMUNIST DECEMBER 1 COUNTERPROPOSAL

1. Ambassador Wang, on behalf of the Government of the People's Republic of China, and Ambassador Johnson, on behalf of the Government of the United States of America, agree to announce:

2. The People's Republic of China and the United States of America are determined that they will settle disputes between them through peaceful means and that, without prejudice to the inherent right of individual and collective self-defense, they will not resort to the threat or use of force in the Taiwan area or elsewhere.

3. The two ambassadors should continue their talks to seek practical and feasible means for the realization of this common desire.

THE PRESIDENT'S HEALTH MESSAGE

Mr. SMITH of New Jersey. Mr. President, today we had the honor of receiving the special health message of President Eisenhower to the Congress.

The President's recommendations are forward-looking and constructive, and represent a well-balanced program to improve the health of our people.

It is the third time President Eisenhower has sent to the Congress a comprehensive series of health recommendations. In 1954 Congress enacted, at the President's recommendations, a broadening and expansion of the hospital construction program and an expanded vocational rehabilitation program. In 1955, at the first session of the present 84th Congress, we failed to enact significant health legislation, other than a bill for a study in the mental health field and the Poliomyelitis Vaccination Assistance Act.

This year, I fervently hope that we can take more vigorous action on health measures. As in the past, I am sure this can be achieved—and must be achieved—on a bipartisan basis. My colleague, the distinguished chairman of the Senate Labor and Public Welfare Committee, the senior Senator from Alabama [Mr. HILL], has a keen interest in health legislation; and I am confident that we shall work together harmoniously and effectively in giving consideration to the recommendations made by the President.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, a brief outline of the President's recommendations. I have prepared the outline for the use of the Senate.

There being no objection, the outline was ordered to be printed in the RECORD, as follows:

The President's health message covers five broad areas:

1. Medical research;
2. Grants for the construction of medical research and training facilities;
3. Steps to alleviate health personnel shortages;
4. Meeting the costs of medical care; and
5. Other basic health services.

I would like to say a few words about each of these areas and refer to the legislation involved.

1. MEDICAL RESEARCH

I do not need to tell any Member of this body about the tremendous value and importance of medical research.

The President has effectively recognized this by including a 28 percent increase in his budget for the National Institutes of Health. In actual research grants, the percentage increase is much larger—47 percent. These increases, if granted, would represent the largest expansion of medical research support by the Federal Government in its history.

These budget requests will, of course, be handled by the Appropriations Committees. I urge their most sympathetic consideration.

2. MEDICAL RESEARCH AND TEACHING FACILITIES

The President points out that medical research, as well as medical training, is dependent on having the necessary physical facilities. He emphasizes the close interrelationship of medical research and teaching, with the medical school as the situs of both.

The needs of our medical schools for construction funds are well known. Our committee only last year heard testimony from the deans of the medical schools describing their plight. We know that the lack of good research and teaching space is going to hamper our research efforts in the future, unless the groundwork is now laid for a large expansion. Furthermore, we know that medical schools cannot expand their enrollments unless their facilities are enlarged.

For these reasons, the President has proposed a 5-year $250 million construction program for schools of medicine, osteopathy, public health, and dentistry, as well as other research institutions. These institutions would be required to supply at least equal amounts in matchng funds.

I propose to introduce tomorrow or Monday a bill to carry out this recommendation, and I call upon any of my colleagues who so desire to join with me in sponsoring this important legislation. The proposal is a bold one and a sound one. It is the only proposal of its type—to the best of my knowledge—which is clearly cognizant of and reflects in its structure the ever-increasing interdependency of the research and teaching functions in our great centers of medical learning. This bill, in brief, will combine—in a carefully thought out way—the best features of the various research construction and medical school aid bills which have been heretofore introduced.

3. HEALTH PERSONNEL

The President's health message underscores the fact that the increasing demand for health services and the increasing complexities of medical science will require more trained personnel in the health field. There are definite shortages in many of the health specialties.

The President points out that the increase in funds requested for the National Institutes of Health and the National Science Foundation will permit a major increase in trainees and research fellows.

He also points out that the construction-grant program will give medical, dental, and

other schools an opportunity to expand their enrollments.

In the nursing field, the President reiterates two recommendations which he made last year:

1. A 5-year program of grants for the training of practical nurses—this is contained in title III of S. 886, the administration's health bill which I introduced last year; and

2. Traineeships for graduate nurses, helping them to acquire the special skills needed for supervisory and administrative work in hospitals. This proposal is a part of title IV of S. 886.

Finally, the President recommends that the Public Health Service be granted authority to establish traineeships in other public health specialties. This is also covered in title IV of S. 886.

4. MEETING THE COSTS OF MEDICAL CARE

The President in his message has again stated the policy of his administration of encouraging the further expansion of voluntary health insurance. He expresses particular concern for covering older persons, those living in rural areas, the self-employed, and others working in small organizations who cannot be reached through ordinary group enrollment methods. The President also again emphasizes the need for protection against major medical expenses, sometimes called protection against "catastrophic illness" costs.

The President, consistent with his position since he took office, believes that the Federal Government can assist in encouraging the more rapid expansion and improvement of voluntary health insurance. His message refers to the expansion and improvement which has occurred in the last 2 years, since the introduction of the administration's reinsurance bill.

It is the belief of the administration that private insurance and prepayment plan organizations would be encouraged to progress more rapidly in developing broader coverage if permitted to pool their efforts. With this in mind, the administration is considering proposals which would authorize joint development of new plans and policies by a number of carriers or prepayment plans. If new plans or policies were developed through the efforts of such a pool, those plans and policies could be put into effect by any insurer. Thus, there would be a great stimulus to further competition and wider extension of benefits to the American people.

The President's message emphasizes his intention to press again for enactment of a Federal reinsurance service if a practical plan for pooling by organizations without the participation of the Federal Government cannot be developed. The Federal reinsurance plan, as previously proposed by the President, is embodied in title I of S. 886.

The health message again calls for enactment of a program of improved medical care for public assistance recipients—the most indigent group in our population. In order to alleviate the effect of the present $55 maximum for Federal sharing in public assistance payments by States and localities to individuals, the President proposes that the Federal Government be permitted to share, on a 50–50 basis, in a pooled fund from which payments could be made to individuals in excess of the present $55 maximum for Federal sharing. This program would give great incentive to improved medical care programs for the indigent in the State and localities, and would help to insure better health care for a segment of our population which clearly cannot afford voluntary health insurance premiums. It is my understanding that members of the Senate Finance Committee—to which this bill would be referred, since it relates to the public assistance titles of the Social Security Act—will introduce a bill embodying this improved medical care program for those on relief.

5. STRENGTHENING BASIC HEALTH SERVICES

The final portion of the President's health message encompasses a variety of important programs and proposals, all of which contribute to improving the public health.

The first one is a vitally important measure which would enable the Public Health Service to obtain accurate and up-to-date information on the incidence and effects of illness and disability in the country. We as legislators cannot develop sound legislation unless we have the facts and data on which to base our thinking. Nor can research be directed to our most urgent problems, or the execution of our health programs be carried out most effectively, unless we have improved statistical data. For this reason, I propose to introduce a bill which would facilitate recurring health surveys, on a sampling basis, which would be kept constantly up to date. The President's budget for fiscal 1957 contains $1 million for this proposal.

With respect to physical facilities in which medical care and treatment can be given, the President offers a two-pronged approach: (1) An extension of the Hospital and Medical Facilities Construction and Survey Act for a 2-year period; and (2) a program of Federal insurance for mortgage loans made by private lending institutions for the construction of hospitals, clinics, nursing homes, and other types of private medical facilities. I propose to introduce a bill to extend the Hill-Burton program, and the second proposal is embodied in title II of S. 886.

I wish to call to the attention of the Congress that the President has called for a $19 million increase in funds to expand construction under the Hospital and Medical Facilities Construction and Survey Act. This would represent a 17 percent increase.

A third area which requires the urgent attention of the Congress is the improvement of the Indian health program. You will recall, under legislation enacted by the 83d Congress, the administration of the Indian health program was transferred from the Bureau of Indian Affairs to the Public Health Service. Legislation is now needed which will authorize the Public Health Service to construct and maintain urgently needed sanitary facilities for the Indian population. A bill will be introduced shortly to carry out this program.

A fourth area of need is in the field of mental health. Last year the President recommended authorization of a new program of mental health project grants, aimed particularly at improving care in mental institutions and of reducing the length of stay in these institutions. That proposal is embodied in title VI of S. 886. While the study bill which the Congress enacted last year was indeed a worthy one, we must accompany it with an action program—and the President has pointed the way to the most effective type of action program which can be instituted at this time. I hope that we will not delay in enacting title VI of S. 886 or its equivalent.

In the field of air and water pollution, the President proposes increased appropriations, and expresses the necessity of extension of the Water Pollution Control Act, which expires this June 30.

I am pleased to say that this body last year reported S. 890, a bill to extend the Water Pollution Control Act, and that that bill is now pending in the House.

The President also recommends extension of the Poliomyelitis Vaccination Assistance Act—and the bill to effectuate this was reported by the Senate Labor and Public Welfare Committee.

The President has also called for increased support for the Food and Drug Administration, the expanded vocational rehabilitation program, and the veterans' medical program.

Mr. SMITH of New Jersey. In conclusion, Mr. President, I wish to say that we have had placed before us this morning a broad and comprehensive statement of the most urgent areas of need of the Nation in the health field. The President has laid before us a practical program for immediate action. It is one that combines proposals for research, for obtaining more trained personnel, for building more facilities, and for helping to meet the costs of medical care.

I commend the President for his continued emphasis on the importance of improving the health of the people of our Nation. I commend him further for proposals which preserve the traditional role of the Federal Government—as a partner, rather than a dominating authority.

It now is up to the Congress to consider the President's program, to consider other proposals which may be made, and to enact at this session sound and effective health legislation.

Mr. ALLOTT. Mr. President, the President's special message on health, which was delivered to the Congress at noon today, is truly an example of statesmanship of a high order. It is a state of the Union message on the state of the Nation's health and, as such, it is a document which deserves the careful attention of all Americans. Our national health, the President tells us, is good—and this is heartening, indeed—but much can be done to improve it. He then proceeds to outline a comprehensive and balanced program of measures which can be taken by Government, voluntary effort, industry, and the individual citizen. The measures deal with research, medical care, professional health manpower, and basic health services. This is a sound and an orderly program, which should be speedily enacted by the Congress. It deserves the careful consideration of all Americans.

OPINION OF THE SUPREME COURT IN THE TWIN CITY POWER CO. CASE

Mr. MURRAY. Mr. President, I ask unanimous consent that there be printed in the RECORD, at the conclusion of my remarks, a copy of the opinion of the Supreme Court, delivered on January 23, 1956, by Mr. Justice Douglas, in favor of the United States of America, in its appeal against the Twin City Power Co. et al. This case, as I understand it, involved condemnation proceedings by the United States for the land required for right of way for the Clark Hill (Ga.) Dam and Reservoir on the Savannah River. The company, which owned the right-of-way, claimed that "just compensation which the United States must pay by force of the fifth amendment includes the value of the land as a site for hydroelectric power operations." Justice Douglas's opinion, concurred in by the Chief Justice and three Associate Justices, reversed the court of appeals, and held that "to require the United States to pay for this waterpower value would be to create private claims in the eminent domain."

A dissenting opinion by Mr. Justice Burton was concurred in by three other Associate Justices. The dissenting

opinion held that the judgment of the court of appeals in favor of the Twin City Power Co. should be affirmed.

The 5 to 4 majority opinion of the Supreme Court in the Twin City case may be of considerable significance in connection with the acquirement by the United States of the right-of-way for Yellowtail Dam and Reservoir, of the Missouri River Basin project, in Montana. In the case of Yellowtail Dam the Department of the Interior in 1950 offered the Crow Indian tribe $1,500,000 for about 7,000 acres of land required for the dam and reservoir right-of-way. The Crow Tribal Council recently countered with an offer to sell the Indian lands to the Government for $5 million. The tribe, however, insisted on reserving recreation and mineral rights for its own use. Previously, the tribal council had asked for an annual rental of the land of $1 million a year for 50 years, after which it was to own the dam and powerplant. The $5 million offer was a substitute for the higher offer.

The Department of the Interior, through the Bureau of Reclamation, had sought to negotiate with the Crow Tribal Council for fair, just, and adequate compensation for the Yellowtail Dam right-of-way. The tribal council's $5 million offer with reservations was a take-it-or-leave-it proposition, it would seem.

It is my understanding that the Department of the Interior now proposes to request the Department of Justice to institute condemnation proceedings immediately, and to seek an "order for immediate possession," so that construction of the project can proceed while court proceedings or negotiations are going forward.

The Congress in the fiscal year 1956 Appropriations Act appropriated $4 million to start construction of Yellowtail Dam. In the fiscal year 1957 budget, the President has recommended an additional $10,850,000 to continue construction of the dam. The Senate Appropriations Committee, in its report on the fiscal year 1956 bill, instructed the Secretary of the Interior to proceed to get construction started and to report to the committee any problems with respect to right-of-way claims of the Crow Indians.

I have advised the Crow Indian Tribal Council, the Secretary of the Interior, and the Senate Appropriations Committee that I favor full, just, and adequate compensation to the Crow Indians for the Yellowtail Dam right-of-way. I shall insist on that result.

However, construction of Yellowtail Dam must be started promptly if the fiscal year 1956 appropriation is not to be lost. I am advised there is no reason why negotiations cannot proceed after condemnation proceedings are instituted and "an order for immediate possession" entered. Under this order, the tribe would retain title to the land pending final action.

What I fear, Mr. President, is that delay on the part of the Crow Indians will strike a fatal blow to construction of the dam. This will mean loss of jobs to the Crow Indians, as well as loss of needed power production, flood control, and irrigation storage. The threat to monetary return to the Crow Tribe for right-of-way is also serious.

The appraised value of the 7,000 acres of Crow land required for Yellowtail Dam, under the Supreme Court decision, I understand, is less than $50,000, without having the power site value considered, as compared with the $1,500,000 offered the Crow Tribe in 1950, and the $5 million the tribal council is now asking.

In the Twin City Power Co. case in Georgia, the condemnation value fixed by the lower court was $1,257,033, including the power site value. Under the Supreme Court decree, the power company will receive only $150,841.

I am advising the Crow Tribal Council that I shall, as chairman of the Senate committee on Interior and Insular Affairs, join with my Democratic colleagues from Montana in securing from the Congress, by legislation if necessary, for the Crow Indians full, just, and adequate compensation for the Yellowtail Dam right-of-way land. I am also informing the council that, in my opinion, it will be necessary to secure a Federal court order for immediate possession or for the Crow Indians to give the Bureau of Reclamation immediately right of entry to the land, to start construction, while condemnation proceedings or negotiations are in progress.

There being no objection, the opinion was ordered to be printed in the RECORD, as follows:

SUPREME COURT OF THE UNITED STATES — No. 21 — OCTOBER TERM, 1955 — UNITED STATES OF AMERICA, PETITIONER, *v.* TWIN CITY POWER COMPANY AND WILLIAM P. DAUCHY, ITS MORTAGEE, ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FOURTH CIRCUIT, JANUARY 23, 1956

Mr. Justice Douglas delivered the opinion of the Court.

This is a suit for condemnation of land instituted by the United States against respondent power company. A single question of valuation is presented. It is whether the just compensation which the United States must pay by force of the fifth amendment includes the value of the land as a site for hydroelectric-power operations. The Fourth Circuit Court of Appeals held that it does (215 F. 2d 592). The Court of Appeals for the Fifth Circuit reached the same result in litigation involving other lands in the same hydroelectric project (*United States* v. *Twin City Power Co.* (221 F. 2d 299)). We granted the petition for certiorari in the former case because of the importance of the issue presented (348 U. S. 910).

The condemnation proceedings are part of the procedure for completion of the Clark Hill project on the Savannah River, a navigable stream in southeastern United States. The Clark Hill project is the first in a series of steps recommended by the Chief of Army Engineers for the improvement of the basin of that river (H. R. Doc. No. 657, 78th Cong., 2d sess.). That report conceives of the Clark Hill project as serving multiple purposes—hydroelectric, flood control, and navigation. It states that the Clark Hill project, "if suitably constructed and operated primarily for hydroelectric-power development, would incidentally reduce downstream flood damages and improve low-water flows for navigation" (id., p. 3). Congress approved this project as part of "the comprehensive development of the Savannah River Basin for flood control and other purposes" (sec. 10 of the Flood Control Act of 1944, 58 Stat. 887). And see *United States ex rel. Chapman* v. *Federal Power Commission* (345 U. S. 153, 170).

The court of appeals concluded that the improvement of navigation was not the purpose of the taking but that the Clark Hill project was designed to serve flood control and water-power development (215 F. 2d 597). It is not for courts, however, to substitute their judgments for congressional decisions on what is or is not necessary for the improvement or protection of navigation. See *Arizona* v. *California* (283 U. S. 423, 455–457). The role of the judiciary in reviewing the legislative judgment is a narrow one in any case. See *Berman* v. *Parker* (348 U. S. 26, 32); *United States ex rel, TVA* v. *Welch* (327 U. S. 546, 552). The decision of Congress that this project will serve the interests of navigation involves engineering and policy considerations for Congress and Congress alone to evaluate. Courts should respect that decision until and unless it is shown "to involve an impossibility" as Mr. Justice Holmes expressed it in *Old Dominion Co.* v. *United States* (269 U. S. 55, 66). If the interests of navigation are served, it is constitutionally irrelevant that other purposes may also be advanced. *United States* v. *Appalachian Power Co.* (311 U. S. 377, 426); *Oklahoma ex rel. Phillips* v. *Atkinson Co.* (313 U. S. 508, 525, 533–534). As we said in the *Appalachian Power Co.* case, "Flood protection, watershed development, recovery of the cost of improvements through utilization of power are likewise parts of commerce control" (311 U. S., at 426).

The interest of the United States in the flow of a navigable stream originates in the Commerce Clause. That Clause speaks in terms of power, not of property. But the power is a dominant one which can be asserted to the exclusion of any competing or conflicting one. The power is a privilege which we have called "a dominant servitude" (see *United States* v. *Commodore Park Inc.* (324 U. S. 386, 391); *Federal Power Commission* v. *Niagara Mohawk Power Corp.* (347 U. S. 239, 249)) or "a superior navigation easement." *United States* v. *Gerlach Live Stock Co.* (339 U. S. 725, 736). The legislative history and construction of particular enactments may lead to the conclusion that Congress exercised less than its constitutional power, fell short of appropriating the flow of the river to the public domain, and provided that private rights existing under State law should be compensable or otherwise recognized. Such were *United States* v. *Berlach Live Stock Co., supra,* and *Federal Power Commission* v. *Niagara Mohawk Power Corp., supra.* We have a different situation here, one where the United States displaces all competing interests and appropriates the entire flow of the river for the declared public purpose.

We can also put aside such cases as *United States* v. *Kansas City Life Ins. Co.* (339 U. S. 799), where assertion of the dominant servitude in the navigable river injured property beyond the bed of the stream. Here we are dealing with the stream itself, for it is in the water power that respondents have been granted a compensable interest.

It is argued, however, that the special water rights value should be awarded the owners of this land since it lies not in the bed of the river nor below high water but above and beyond the ordinary high-water mark. An effort is made by this argument to establish that this private land is not burdened with the Government's servitude. The flaw in that reasoning is that the landowner here seeks a value in the flow of the stream, a value that inheres in the Government's servitude and one that under our decisions the Government can grant or withhold as it chooses. It is no answer to say that payment is sought only for the location value of the fast lands. That special location value is due to the flow of the stream; and if the United States were required to pay the judgments

below, it would be compensating the landowner for the increment of value added to the fast lands if the flow of the stream were taken into account.

That is illustrated by *United States* v. *Chandler-Dunbar Co.* (229 U. S. 53) the case that controls this one. In that case a private company installed a power project in St. Marys River under a permit from the Government, revocable at will. The permit was revoked, Congress appropriating the entire flow of the stream for navigation purposes. The Court unanimously held that the riparian owner had no compensable interest in the waterpower of which it had been deprived. Mr. Justice Lurton, speaking for the Court, said "Ownership of a private stream wholly upon the lands of an individual is conceivable; but that the running water in a great navigable stream is capable of private ownership is inconceivable" (Id. at 69). The Court accordingly reversed a judgment that awarded the riparian owner what respondents have obtained in this case, *viz.*, "the present money value of the rapids and falls to the Chandler-Dunbar Co. as riparian owners of the shore and appurtenant submerged land" (Id., at 74). The Court said, "The Government had dominion over the waterpower of the rapids and falls and cannot be required to pay any hypothetical additional value to a riparian owner who had no right to appropriate the current to his own commercial use"[1] (Id., at 76). Some of the land owned by the private company was in the bed of the stream, some above ordinary high water. But the location of the land was not determinative. It was the dominion of the Government over the waterpower that controlled the decision. Both in Chandler-Dunbar and in this case it is the waterpower that creates the special value, whether the lands are above or below ordinary high water. The holding in Chandler-Dunbar led us to say in *United States* v. *Appalachian Power Co., supra,* at 424, that the "exclusion of riparian owners" from the benefits of the power in a navigable stream "without compensation is entirely within the Government's discretion." And again, "If the Government were now to build the dam, it would have to pay the fair value, judicially determined, for the fast land; nothing for the waterpower" (Id., 427).

The power company in the present case is certainly in no stronger position than the owner of the hydroelectric site in the Chandler-Dunbar case. While the latter was deprived of a going private power project by the Government, the present private owners never had a power project on the Savannah and as a result of the Government's preemption never can have one.

It is no answer to say that these private owners had interests in the water that were recognized by State law. We deal here with the Federal domain, an area which Congress can completely preempt, leaving no vested private claims that constitute private property within the meaning of the fifth amendment. Location of the lands might under some circumstances give them special value as our cases have illustrated. But to attach a value of water power of the Savannah River due to location and to enforce that value against the United States would go contra to the teaching of Chandler-Dunbar—that the running water in a great navigable stream is capable of private ownership is inconceivable (229 U. S., at 69).

The holding of the Chandler-Dunbar case that waterpower in a navigable stream is not by force of the fifth amendment a compensable interest when the United States asserts its easement of navigation is in harmony with another rule of law expressed in *United States* v. *Miller* (317 U. S. 369, 375).

"Since the owner is to receive no more than indemnity for his loss, his award cannot be enhanced by any gain to the taker. Thus, although the market value of the property is to be fixed with due consideration of all its available uses, its special value to the condemnor as distinguished from others who may or may not possess the power to condemn, must be excluded as an element of market value."

The Court in the Chandler-Dunbar case emphasized that it was only loss to the owner, not gain to the taker, that is compensable (229 U. S., at 76). If the owner of the fast lands can demand waterpower value as part of his compensation, he gets the value of a right that the Government in the exercise of its dominant servitude can grant or withhold as it chooses. The right has value or is an empty one dependent solely on the Government. What the Government can grant or withhold and exploit for its own benefit has a value that is peculiar to it and that no other user enjoys. Cf. *U. S. ex rel. T. V. A.* v. *Powelson* (319 U. S. 266, 273, *et seq.*). To require the United States to pay for this waterpower value would be to create private claims in the public domain.

Reserved.

DISSENTING OPINION

Mr. Justice Burton, with whom Mr. Justice Frankfurter, Mr. Justice Minton, and Mr. Justice Harlan join, dissenting.

The issue here is the determination of the compensation which, under the fifth amendment, must be paid for privately owned fast land adjoining a navigable stream when such land is taken by the United States for a public use. For the reasons hereafter stated, I agree with the courts below that the proper measure of such compensation is the fair market value of the land at the time it is taken, and that this includes recognition of any fair market value of the land that is due to its riparian character.

This issue has confronted the United States ever since it proposed to construct a multipurpose dam across the Savannah River, and found it necessary to acquire privately owned land on which to locate its Clark Hill Dam, plant, and reservoir. Part of the needed land lay in South Carolina on the north bank of the river and the remainder on its south bank in Georgia. Of the 7,000 or more acres thus required, about 4,700, at the heart of the project, are the ones before us. Those in South Carolina are owned by the Twin City Power Co., a South Carolina corporation. Those in Georgia are owned by the Twin City Power Company of Georgia, a Georgia corporation. The latter is a wholly owned subsidiary of the former and the two will be referred to as Twin City.

In 1947 the United States, in 7 proceedings, but under a single program, took possession of the 4,700 acres. It filed 4 actions in the United States District Court for the Western District of South Carolina, and 3 in the corresponding court for the southern district of Georgia. Each sought to condemn the title to some of the property taken and to fix the compensation to be paid for it.

Because of the necessity for proceeding in 2 jurisdictions, the compensation issue has been passed upon by 2 district courts and 2 courts of appeals, as well as by 3 commissioners appointed jointly by the district courts to recommend the compensation to be paid. All of the opinions rendered have held that the fair market value of the land taken should include recognition of the value of its location, availability and exceptional suitability for use as a dam site, plant site, or reservoir basin incidental to a waterpower development. By doing so, they have expressly declined to limit their estimates of the fair market value of the Twin City land merely to its market value for agricultural purposes and the supplying of timber as contended by the Government.[1]

For over 50 years, the land in question has been the subject of frequent consideration and negotiation in connection with the proposed construction of some dam to raise the level of the Savannah River from 60 to 100 feet in that vicinity. Twin City was organized for the development of a hydroelectric plant in this area and began acquiring this property for that purpose in 1901. By 1911, it owned practically all of the land necessary for an integrated site for a hydroelectric power project with a 60-foot head at Price's Island.[2] Under six acts of Congress, passed between 1901 and 1919, Twin City was authorized to build power dams in the Savannah River at Price's Island utilizing the land involved here. The Secretary of War and the Chief of Engineers of the United States approved those plans. The land before us included an excellent dam site where the river narrowed to 900 feet. At appropriate points, the land included sound foundation rock and much clay suitable for earth dam purposes. The stream flow at Price's Island exceeded that of most hydro developments in North Carolina, South Carolina, or Georgia. At all material times, there has been an ample and growing market for the electrical energy to be produced. The area contained substantially no improvements requiring removal and was suited for a reservoir basin extending 11 or more miles up the river.

In 1925, the Federal Power Commission granted Twin City a preliminary permit for a development at Price's Island involving a dam with a 60-foot head of water. In 1926, the Southeastern Power & Light Co. nego-

[1] In the Chandler-Dunbar case an award of compensation was made for the value of the land for a lock and canal, passing "around the falls and rapids." *United States* v. *Chandler-Dunbar Co.* (229 U. S., at 67, 76–78). It may be that the Court was influenced by the fact that on the special facts of the case, the use of the land for canals and locks was wholly consistent with the dominant navigation servitude of the United States and indeed aided navigation. Whatever may be said for that phase of the case, it affords no support for respondent, since waterpower value, held to be compensable by the Court of Appeals, was ruled to be noncompensable in the Chandler-Dunbar case.

[1] See opinion of District Judge Wyche speaking in 1949 for the district courts for the western district of South Carolina and the southern district of Georgia (86 F. Supp. 467); report of commissioners in 1953 (R. 14); opinion of District Judge Wyche confirming in 1953 the Commissioner's report which also was confirmed by District Judge Scarlett for the southern district of Georgia (114 F. Supp. 719); opinion of District Judge Wyche, sitting with District Judge Scarlett, overruling in 1953 motion to amend findings and enter a new judgment (R. 55); opinion of Chief Judge Parker in 1954 joined by Circuit Judges Soper and Dobie, constituting the Court of Appeals for the Fourth Circuit (215 F. 2d 592); and opinion of Chief Judge Hutcheson in 1955 joined by Circuit Judge Holmes and District Judge Dawkins, constituting the Court of Appeals for the Fifth Circuit (221 F. 2d 299). See also, opinion rendered in 1947 in *Savannah River Electric Co.* v. *Federal Power Commission* (164 F. 2d 408), by the Court of Appeals for the Fourth Circuit.

[2] Twin City's 4,700 acres would include all except about 170 acres of the land and rights necessary for the location of a dam, plant, and reservoir basin with a 60-foot head of water at Price's Island. A 60-foot head at that point with a 5-foot surcharge would require about 400 additional acres instead of 170, a 70-foot head with a 5-foot surcharge, 1,250 acres, and an 80-foot head with a 5-foot surcharge, 2,800 acres. The Twin City land was not only available but essential for such developments in the vicinity of Price's Island. Cf. *United States ex rel. T. V. A.* v. *Powelson,* 319 U. S. 266; *Olson* v. *United States,* 292 U. S. 246.

tiated with Twin City for the purchase of its land. Shortly thereafter, the Savannah River Electric Co. intervened and obtained a license from the Commission to construct a 90-foot dam for a hydroelectric development which would have absorbed the land now before us. The Savannah River Electric Co. also instituted, but later abandoned, proceedings to condemn the Twin City property. After World War II, the Savannah River Electric Co. applied to the Commission for a permit to construct a dam for the development of water power at a point almost identical with the Clark Hill site. That proposal called for occupation of the Twin City land and negotiations for its purchase were renewed. By then, however, the United States had made plans for its own comprehensive improvement of the Savannah River for flood control, navigation, and power purposes. In 1944, Congress had authorized the Clark Hill project. 58 Stat. 894. In 1947, the efforts of the Savannah River Electric Co. came to an end with its unsuccessful petition for a Federal license.[3] In that year, the Government took possession of the land for its present Clark Hill project, calling for a 130-foot dam about 6 miles below Price's Island and for the complete absorption of the Twin City land.

Included in the 4,707.65 acres to be evaluated are 4.519.15 acres owned in fee, and 188.50 over which Twin City merely has flowage rights.[4] The latter are significant because a market for flowage rights is a recognition of a special value of the land for that use.

There is no need to discuss here the question whether the Clark Hill project, as authorized by Congress, is primarily in the interest of navigation, rather than of flood control or power development, for, in any event, the United States has the power of eminent domain. By payment of just compensation, it may acquire whatever private property may be necessary and appropriate for the project, including the Twin City fast land and flowage rights.

There also is no need to discuss the traditional servitude, generally referred to as the navigation servitude, which the United States enjoys within the banks and bed of the Savannah River. All of the Twin City land and flowage rights involved are located above and beyond the ordinary high-water mark of the river. It is conceded that the United States has a right to exercise its navigation servitude without payment of compensation within the limits of the servitude. There is no claim made here for payment for any value in the flow of the stream for any part of the bed of the river or for any land below the ordinary high-water mark of the river.[5]

"It is not the broad constitutional power to regulate commerce, but rather the servitude derived from that power and narrower in scope, that frees the Government from liability in these cases. (*United States* v. *Chicago, M. St. P. & P. R. Co.* (312 U. S. 592), and *United States* v. *Willow River Power Co.* (324 U. S. 499).) When the Government exercises this servitude, it is exercising its paramount power in the interest of navigation, rather than taking the private property of anyone. The owner's use of property riparian to a navigable stream long has been limited by the right of the public to use the stream in the interest of navigation. See Gould on Waters, chapter IV, sections 86–90 (1883); I Farnham, Waters and Water Rights, chapter III, section 29 (1904). This has applied to the stream and to the land submerged by the stream. There thus has been ample notice over the years that such property is subject to a dominant public interest. This right of the public has crystallized in terms of a servitude over the bed of the stream. The relevance of the high-water level of the navigable stream is that it marks its bed. Accordingly, it is consistent with the history and reason of the rule to deny compensation where the claimant's private title is burdened with this servitude but to award compensation where his title is not so burdened." *United States* v. *Kansas City Ins. Co.* (339 U. S. 799, 808).[6]

Similarly, there is no controversy here between the United States, any State, or private landowner as to the paramount right of the United States to take possession of the land in question for the puposes stated. Unlike the situation in *Federal Power Commission* v. *Niagara Mohawk Corp.* (347 U. S. 239), there are no vested water rights claimed here under State law. Twin City does not contest the right of the United States to develop the power resources of the river. It asks only that, to the extent that the United States takes private fast land for public use, it shall pay its fair market value, including its fair market value for riparian uses.

"The statement in that opinion (p. 326) (*Monongahela Navigation Co.* v. *United States* (148 U. S. 312)) that 'no private property shall be appropriated to public uses unless a full and exact equivalent for it be returned to the owner' aptly expresses the scope of the constitutional safeguard against the uncompensated taking or use of private property for public purposes. (*Reagan* v. *Farmers' Loan & Trust Co.* (154 U. S. 362, 399).)

"That equivalent is the market value of the property at the time of the taking contemporaneously paid in money. * * *

"Just compensation includes all elements of value that inhere in the property, but it does not exceed market value fairly determined. The sum required to be paid the owner does not depend upon the uses to which he has devoted his land but is to be arrived at upon just consideration of all the uses for which it is suitable. The highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future is to be considered, not necessarily as the measure of value, but to the full extent that the prospect of demand for such use affects the market value while the property is privately held. (*Boom Co.* v. *Patterson* (98 U. S. 403, 408). *Clark's Ferry Bridge Co.* v. *Public Service Commission* (291 U. S. 227). 2 Lewis, Eminent Domain, 3d ed., sec. 707, p. 1233. 1 Nichols, Eminent Domain, 2d ed., sec. 220, p. 671.) The fact that the most profitable use of a parcel can be made only in combination with other lands does not necessarily exclude that use from consideration if the possibility of combination is reasonably sufficient to affect market value."[7] (*Olson* v. *United States* (292 U. S. 246, 254–256).)

In the instant case, the Commissioners, the district courts and the court of appeals have applied the above rule. The Commissioners considered all elements of value which they could ascertain with reasonable accuracy, provided those elements were sufficiently assured to be reflected in the fair market value of the premises.[8] In confirming the report of the Commissioners, the district court said:

"Since the award to Twin City of $1,257,033.20 is not the value of its property for any particular purpose but represents its fair market value after considering all of the reasonable uses of the property which were not too remote or speculative, this amount is the 'just compensation' required by the fifth amendment and the applicable statues. * * * This is the amount that in all probability would have been arrived at by fair negotiations between an owner willing to sell and a purchaser desiring to buy" (114 F. Supp., at 725).

The potential use of this land for dam, plant and reservoir purposes is far from speculative in the light of the 50 years of recognition of its availability and suitability

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[3] *Savannah River Electric Co.* v. *Federal Power Commission, supra.*

[4] These 188.50 acres are those on which the flowage rights have been found by the lower courts to be valid and enforceable, as distinguished from the 745.58 acres of options which have been treated by the lower courts as unenforceable. The flowage rights were acquired by Twin City through deeds of purchase and, for reservoir purposes, they are as valuable as a title in fee. They evidence a control over riparian land without which water rights are useless for the development of a hydroelectric project.

[5] The answers filed by the condemnees in this action were so construed by the district court. The United States, relying on *United States* v. *Chandler-Dunbar Co.* (229 U. S. 53), moved to strike portions of the amended answers filed by the condemnees. In denying these motions, the district court said:

"But, I do not understand that the condemnee by its answers claims to have any private property right in the water power capacity or the raw water of the river; neither has it built, nor does it own, any structures in the stream for which it claims compensation. On the contrary, its claim is limited to the fair market value of its fast lands, based upon the most profitable use to which the land can probably be put in the reasonably near future." *United States* v. *1532.63 Acres of Land* (86 F. Supp. 467, 476).

[6] Following the above statement, we illustrated, in a footnote, the limitation of the servitude to the bed of the stream as fixed by its ordinary high-water mark. We showed that in the Chicago case, supra, this Court permitted the overflowing, without compensation, of land within the bed of the stream but denied application of the servitude to nearby land outside of the bed of the stream. The Court also remanded that case for a determination of whether or not certain other lands were within the bed of the stream.

[7] Near this point, there also appears the following statement which has significance here in view of the competition between Twin City and others prior to the taking of the land in question by the United States:

"* * * It is common knowledge that public service corporations and others having that power [of condemnation] frequently are actual or potential competitors, not only for tracts held in single ownership but also for rights of way, locations, sites, and other areas requiring the union of numerous parcels held by different owners. And, to the extent that probable demand by prospective purchasers or condemnors affects market value, it is to be taken into account." (292 U. S., at 256).

See *United States ex rel. T. V. A.* v. *Powelson, supra,* at 275; and also *Grand River Dam* v. *Grand-Hydro* (335 U. S. 359); *United States* v. *Miller* (317 U. S. 369); *McCandless* v. *United States* (298 U. S. 342); *City of New York* v. *Sage* (239 U. S. 57); *Boom Co.* v. *Patterson* (98 U. S. 403, 407–408).

[8] The following are excerpts from the Commissioner's report:

"By reason of their geographical location, these lands and other property rights of Twin City had a peculiar value for water power purposes. * * *

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"All the witnesses in the main, had taken the steam plant comparison method as one of the principal bases for arriving at the water power value of the property of Twin City. * * * In that connection, we wish to make it clear that the figure arrived at by the so-called 'steam plant comparison method' [$1,600,000], was not taken as an absolute guide, or basis, but was used as one of the principal bases, together with numerous other factors considered by these expert witnesses. * * *"

for those purposes. The land was accumulated by Twin City for this very purpose and it is now flooded as part of the Clark Hill project. The steam plant comparison computations made by the Commissioners are substantially uncontroverted. If a purchase price had been sought by negotiation in 1947, it is inevitable that a primary consideration would have been the value of the flowage rights and of the dam and plant locations in relation to water-power development. We cannot realistically imagine that such a negotiation would have been limited to a consideration of the land's timber and its minor value for agricultural uses.[9]

The value recommended by the Commissioners and approved by the courts below includes nothing for strategic or "hold-up" value. It reflects no inflation due to the "taking" of the property by the Government and no deflation due to the absence of other bidders after the Government announced that it would take the property. There was nothing condemned or valued that could be described as "in the flow of the stream." Only the fast land was taken and valued. It is because of that land's location near, but apart from, the flow of the stream that an additional fair market value, long recognized in this land, was recommended and approved below. The location of land is always a factor, and often a primary factor, in determining its market value. Every public utility exercising the right of eminent domain is required to pay it.

Before passage of the Water Power Act, the paramount, but unexercised, right of the Government to control the water power in the Savannah River did not exclude the development of that river under State control. The Water Power Act imposed additional conditions and provided for Federal licensing. (See *Federal Power Commission* v. *Niagara Mohawk Corp.* (347 U. S. 239), and *Grand River Dam Authority* v. *Grand-Hydro* (335 U. S. 359).) But, even though a Federal license then became generally necessary, a substantial market for the fast land still existed, because of its importance to any licensee. Up to the time of its "taking" of the property, the Government was but one of several prospective purchasers.

After the Federal Government announced that it would, itself, develop and use the water power, it still had to acquire fast land for its dam and plant site and for its reservoir basin. Although its taking of the property cut off further competitive bids for the land, the Government had the same constitutional obligation to pay just compensation for whatever private property it took.

A classic comment upon a comparable situation was made by this Court when the Federal Government, after condemning a lock and dam, sought to pay only for the tangible property taken, without recognizing the established value of a franchise issued by a State to exact tolls for the use of the canal and lock. In requiring recognition of the latter value, the Court said:

"And here it may be noticed that, after taking this property, the Government will have the right to exact the same tolls the navigation company has been receiving. It would seem strange that if by asserting its right to take the property, the Government could strip it largely of its value, destroying all that value which comes from the receipt of tolls, and, having taken the property at this reduced evaluation, immediately possess and enjoy all the profits from the collection of the same tolls. In other words, by the contention this element of value exists before and after the taking, and disappears only during the very moment and process of taking. Surely, reasoning which leads to such a result must have some vice, at least the vice of injustice." (*Monongahela Navigation Co.* v. *United States* (148 U. S. 312, 337–338).)

While the United States enjoys special rights in relation to navigable streams, such as its navigation servitude, there is no good reason why, when the Government condemns private property for a public use, its condemnee should not receive from the Government the same measure of just compensation as from other condemnors. If the property taken is private property, the constitutional compensation for it should be the same. That measures includes the "highest and most profitable use for which the property is adaptable * * * to the full extent that the prospect of demand for such use affects the market value while the property is privately held." (*Olson* v. *United States, supra*, at 255.)

"No precedent has been advanced which suggests that a different measure of compensation should be required where the United States rather than the State is the taker of the property for a public project. Nor has any reason been suggested why as a matter of principle or policy there should be a different measure of compensation in such a case. * * *

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"The United States no more than a State can be excused from paying just compensation measured by the value of the property at the time of the taking merely because it could destroy that value by appropriate legislation or regulation." (*United States ex rel. T. V. A.* v. *Powelson* (319 U. S. 266, 278, 284). See also, *United States* v. *Cress* (243 U. S. 316, 319, 326–327, 329–330).)

The Government contends, however, that since it need not pay for appropriating the water in the stream, it should not be required to pay for any value in the fast lands that is predicated upon the riparian location of such lands, or their special value in relation to the use of that water. In this connection, the issues decided and the statements made by Justice Lurton for a unanimous Court in *United States* v. *Chandler-Dunbar Co.* (229 U. S. 53), are helpful. The Chandler case was a condemnation proceeding brought by the United States under a special act of Congress relating to all the land and other property between the St. Mary's Falls Ship Canal at Sault Sainte Marie, Mich., and the international boundary to the north. The United States took this land and property so as to improve navigation in these highly navigable waters. It exercised plenary control over the entire river and over everything within its bed up to its ordinary high-water mark. It thus exercised its navigation servitude and eliminated, without compensation, a hydroelectric development which the Chandler-Dunbar Co. had constructed on the latter's submerged land within the bed of the river. That elimination was no longer in issue in this Court. The principal questions related to the district court's awards for water rights claimed by Chandler and for fast land owned by Chandler above and beyond the bed of the river.[10]

1. The district court allowed Chandler $550,000 for the water rights. Chandler, however, established no vested right to such water under State law and this court disallowed the entire claim. It said:

"Unless * * * the water-power rights asserted by the Chandler-Dunbar Co. are determined to be private property, the court below was not authorized to award compensation for such rights. * * *

"Ownership of a private stream wholly upon the lands of an individual is conceivable; but that the running water in a great navigable stream is capable of private ownership is inconceivable" (Id., at 69).

That conclusion is not questioned.

2. In fixing compensation to Chandler for its strip of 8 acres of fast land, the district court allowed for "use for canal and lock purposes, an additional value of $25,000," and for a smaller area consisting of two other parcels of fast land for "its special value for canal and lock purposes an additional sum of $10,000" (Id., at 75). These allowances of additional value for fast lands, due to their suitability and availability for canal and lock purposes, are significant for our present purposes. The court explained them as follows:

"That this land had a prospective value for the purpose of constructing a canal and lock parallel with those in use had passed beyond the region of the purely conjectural or speculative. That one or more additional parallel canals and locks would be needed to meet the increasing demands of lake traffic was an immediate probability. This land was the only land available for the purpose. It included all the land between the canals in use and the bank of the river. Although it is not proper to estimate land condemned for public purposes by the public necessities or its worth to the public for such purpose, it is proper to consider the fact that the property is so situated that it will probably be desired and available for such a purpose. Lewis on Eminent Domain, section 707. (*Boom Co.* v. *Patterson* (98 U. S. 403, 408); *Shoemaker* v. *United States* (147 U. S. 282); *Young* v. *Harrison* (17 Ga., 30); *Alloway* v. *Nashville* (88 Tenn., 510); *Sargent* v. *Merrimac* (196 Mass., 171)" (Id., at 76–77).)

Justice Lurton then reviewed and quoted at length from the opinions in *Boom Co.* v. *Patterson, supra*, and *Shoemaker* v. *United States, supra*.[11]

Coupled with the reasoning of the Court and its quotations from earlier cases, these allowances support the position taken by the lower courts in the instant case. They are "additional values" allowed for the location, special suitability and availability of the riparian land for use in connection with the recognized future public use of the area. In fact, the uses for which the allowances are made are of the very same type as that for which the land has been condemned. There is no allowance for strategic or "holdup" value. The Chandler case thus supplies spe-

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[9] The estimate which the Commissioners made of the value of the land based upon its timber and agricultural value, plus an allowance of $5 per acre for the assembly of the title under a single ownership, was about $37 per acre in South Carolina and $31 per acre in Georgia, producing a total of $150,841.85. This contrasts with the $267.02 per acre, and a total "just compensation" of $1,257,033.20, approved by the Commissioners and the courts below.

[10] The allowances of value are here discussed in the following order: (1) for water rights; (2) for value of land for canal and lock purposes; (3) for value of land for general purposes; and (4) for value of land for factory sites contingent upon availability of surplus privately developed electric power. In the text of the Chandler case, at pages 74–75, the value of canal and lock purposes is treated last.

[11] Although erroneously referring to it as having been used in a lower court instruction in the Shoemaker case, Justice Lurton's quotation of the following language lends this Court's approval to it: " 'The market value of the land includes its value for any use to which it may be put, and all the uses to which it is adapted, and not merely the condition in which it is at the present time, and the use to which it is now applied by the owner; * * * that if, by reason of its location, its surroundings, its natural advantages, its artificial improvement or its intrinsic character, it is peculiarly adapted to some particular use—e. g., to the use of a public park—all the circumstances which make up this adaptability may be shown, and the fact of such adaptation may be taken into consideration in estimating the compensation' " (229 U. S., at 78).

cific authority for the decision of the lower courts in the instant case.

3. In fixing the compensation for the same eight acres and the smaller area, the district court also made a basic allowance of $20,000 for the value of the strip "for all general purposes, like residences, or hotels, factory sites, disconnected with water power etc.," and $10,000 in relation to the smaller area for "general wharfage, dock and warehouse purposes" (Id., at 74, 75). This Court upheld both, thereby further demonstrating that the location of land is a proper element to be considered in determining "just compensation."

4. On the other hand, the district court approved one other element of additional value in relation to these land areas which this court rejected. In valuing the 8 acres, the district court allowed an additional value of $20,000 for "use as factory site in connection with the development of 6,500 horsepower, either as a single site or for several factories to use the surplus of 6,500 horsepower not now used in the city" (Id., at 74–75). Likewise, in valuing the smaller area, the district court allowed an additional value of $5,000 in "connection with the canal along the rapids, if used as a part of the development of 4,500 (6,500) horsepower" (Id., at 75). It has been suggested that these rejections are in conflict with the court's simultaneous approval of the additional values of the same land for canal or lock purposes. The Government also claims to find in these rejections some support for its opposition in the instant case to any allowance reflecting the favorable location of the fast land it has taken on the banks of the Savannah River.

The court's reasons for rejecting these particular values in the Chandler case, as expressly stated by Justice Lurton, lend no such support to the Government's position in the instant case. He said:

"These additional values were based upon the erroneous hypothesis that that company [Chandler-Dunbar] had a private-property interest in the waterpower of the river, not possibly needed now or in the future for purposes of navigation, and that that excess or surplus water was capable, by some extension of their works already in the river, of producing 6,500 horsepower.

"Having decided that the Chandler-Dunbar Co. as riparian owners had no such vested property right in the waterpower inherent in the falls and rapids of the river, and no right to place in the river the works essential to any practical use of the flow of the river, the Government cannot be justly required to pay for an element of value which did not inhere in these parcels as upland" (Id., at 75–76).

In other words, the rejected values were not part of the fair market value of the land for any assured use. They sought to recognize a value in the fast land for factory sites which were conditioned upon there being excess water in the stream not needed by the Government for navigation, and further conditioned upon the development by Chandler of structures in the bed of the stream to develop 6,500 additional horsepower from this excess water. Not only was there found to be no such excess water but Chandler's potential power development within the bed of the stream was expressly disallowed. The rejection thus was due to the speculative nature of the proposed use and not to the favorable riparian location of the land for assured uses. It was thoroughly consistent with the Court's allowance of established values of the land for canal and lock purposes.

To accept the Government's position in the instant case would, in effect, extend its navigation servitude far above and beyond the high-water mark of the Savannah River. In the face of decisions uniformly limiting that servitude to the bed of the stream, the Government would take 4,700 acres of private property for a public use, substantially without compensation therefor. This would enforce the Government's right of condemnation, while repudiating its constitutional obligation to pay for the private property taken.

The justice of sustaining the interpretation placed on the fifth amendment by the courts below is emphasized in the following statements made by this Court in *Monongahela Navigation Co.* v. *United States* (148 U. S. 312, 324, 325):

"The question presented is not whether the United States has the power to condemn and appropriate this property of the Monongahela Co., for that is conceded, but how much it must pay as compensation therefor. Obviously, this question, as all others which run along the line of the extent of the protection the individual has under the Constitution against the demands of the Government, is of importance; for in any society the fullness and sufficiency of the securities which surround the individual in the use and enjoyment of his property constitute one of the most certain tests of the character and value of the government. The first 10 amendments to the Constitution, adopted as they were soon after the adoption of the Constitution, are in the nature of a bill of rights, and were adopted in order to quiet the apprehension of many, that without some such declaration of rights the Government would assume, and might be held to possess, the power to trespass upon those rights of persons and property which by the Declaration of Independence were affirmed to be unalienable rights.

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"And in this there is a natural equity which commends it to everyone. It in no wise detracts from the power of the public to take whatever may be necessary for its uses; while, on the other hand, it prevents the public from loading upon one individual more than his just share of the burdens of government, and says that when he surrenders to the public something more and different from that which is exacted from other members of the public, a full and just equivalent shall be returned to him."

For the foregoing reasons, the judgment of the court of appeals should be affirmed.

TRIBUTE TO GENERAL MacARTHUR ON HIS BIRTHDAY

Mr. KNOWLAND. Mr. President, I do not want to let this day pass without paying in some small way my respects to Gen. Douglas MacArthur, who was born on this date 76 years ago.

I am sure it is unnecessary for me to comment in detail on the outstanding events to date in the life of General MacArthur. From his graduation from the United States Military Academy in 1903 to his retirement from the Army in 1951, his extensive experience and military successes through a period of 53 years have been almost without parallel. He has not only won worldwide respect and recognition for his brilliant military performances, but today he is regarded by the American people as one of their truly great living heroes.

On this occasion, I want to extend to General MacArthur my best wishes, and I am sure the wishes of those present here today, for his continued success and good health in the years ahead.

Mr. SMITH of New Jersey. Mr. President, I should like to identify myself with the splendid tribute just paid by the Senator from California to Gen. Douglas MacArthur.

Mr. WILEY. Mr. President, the distinguished Senator from California [Mr. KNOWLAND] and the distinguished Senator from New Jersey [Mr. SMITH] have spoken most eloquently about Wisconsin's son, Gen. Douglas MacArthur. On other occasions I have been able to slip in ahead of the Senator from California and make remarks similar to those which he has made.

Even the distinguished Senator from New Jersey will have to admit that General MacArthur is one great man who did not come from the "Hub of the Universe," as he describes New Jersey.

I agree 100 percent with all that has been said about this great man, who made such a fine record for himself in the service of his country. We remember the words he uttered when he was forced to withdraw from the Philippines, "I shall return." He did return. It was under his leadership that the Pacific became once more what we might call an American pond, when our fleet took over.

I am glad to pay homage to this great man, who has accomplished so much, and who has been so much. May he have many more years to serve his country. He is no longer in our military service, but he is engaged in other activities in which he is making a fine record.

Mr. WELKER. Mr. President, I ask unanimous consent to proceed for not more than 4½ or 5 minutes.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Senator from Idaho is recognized for 5 minutes.

Mr. WELKER. Mr. President, I wish to associate myself with the remarks of the distinguished minority leader [Mr. KNOWLAND], and the distinguished Senator from New Jersey [Mr. SMITH], and the distinguished Senator from Wisconsin [Mr. WILEY], and to wish happy birthday to General MacArthur.

On January 21 of last year, I introduced Senate Joint Resolution 26, in which I was joined by my good friends and colleagues, Senator DANIEL and Senator SMATHERS. This joint resolution would confer upon Gen. Douglas MacArthur the title of "General of the Armies of the United States."

A full year has passed and no action has been taken on the joint resolution. General MacArthur is a distinguished, loyal, courageous, fighting American, and today we celebrate his 76th birthday. No man in our lifetime has dedicated himself more completely to the preservation of the liberty and freedom of this Nation than has Douglas MacArthur. For more than 50 years, he has lived his life with only one purpose—the defense of this Nation.

Mr. President, can we easily forget those dark days in 1941, when this country staggered from the blows inflicted in a surprise attack by a ruthless enemy? Are we willing to forget, in a few years, that this great general stepped forth and rallied the military forces of this Nation and led them to brilliant and final victory? Yet he did not come home to receive the honors which a grateful Nation wanted so much to bestow upon him. Instead, this loyal patriot remained behind to secure peace in the Pacific and, in doing so, he secured for

himself and for all Americans the everlasting gratitude and admiration of a vanquished people.

It is strange, Mr. President, that the people whom he fought so bitterly and defeated should honor and pay tribute to him before deserved honors were forthcoming from his own countrymen. General MacArthur is regarded by the Japanese people, not as a man to be feared and hated in defeat, but rather, as the great statesman and humanitarian that he is. The orderly transition of the Japanese from chaos to the peaceful rebuilding of their nation and resumption of their normal way of life is a tribute to the genius of General MacArthur. Never, to my knowledge, has it been equaled by any man in his field.

This man could have sat back and enjoyed the rest he so richly deserved, but there was another chapter to be written in this saga of a loyal American. There was the momentous matter of police action in Korea, and once again Gen. Douglas MacArthur was to be called upon to lead our fighting men against the enemy. At an age when many military men are enjoying the ease and comfort of retirement, General MacArthur was again on the field of battle in Korea, where his delaying tactics at the Pusan perimeter enabled the Allied forces to maintain a foothold on Korea. The Inchon landing was conceived and directed by MacArthur, and is looked upon by military leaders throughout the world as one of the most brilliant strategic achievements in military annals. In spite of the brilliant record of the 10th Corps and the 8th Army under the command of General MacArthur and his able officers, Generals Almond and Walker, Gen. Douglas MacArthur was to experience a bitter frustration of his plan for final victory. With forces at the Yalu River and victory within his grasp, General MacArthur was told, "You can go this far, and no farther." Mr. President, we all know the terrible shame, humiliation, and loss of American lives suffered by this Nation as a result. Certainly his words of wisdom, "There is no substitute for victory," will live forever in the minds of Americans.

This great American has most certainly been vindicated in his beliefs and plans for the preservation of our first line of defense in the Pacific. Is it not time, Mr. President, that we say to the world, and particularly to our generals and fighting men of tomorrow, that America is indeed grateful to such men? Or are we to be guilty of better hindsight than foresight, as we have been in too many instances? I ask my friends and colleagues in the Senate to consider this proposal and then ask themselves whether we are failing in our duty if we do not pay this long-overdue honor to one of the most illustrious military men in our history.

I beseech my colleagues to confer upon Gen. Douglas MacArthur the title of "General of the Armies of the United States." Certainly no man deserves it more.

TRIBUTE TO JUDGE JENNINGS BAILEY

Mr. GORE. Mr. President, recently in Washington, D. C., a distinguished Tennessean retired from public life after many years of valuable service to his profession and his country. A few days ago, at the age of 88, Judge Jennings Bailey held his last court. When he was a young lawyer in Tennessee, Judge Bailey remarked that a man was old when he reached 70. Upon his retirement from United States District Court for the District of Columbia, Judge Bailey has ended a useful and notable career. He was the oldest active Federal judge in the United States.

Judge Bailey was born in Nashville. His father, James E. Bailey, a colonel in the Confederate Army, was elected to fill the class I Senate seat which I now occupy, in January 1877, upon the death of Andrew Johnson. Colonel Bailey served in the Senate until 1881. Thus, it is a coincidence that the Tennessean to whom I wish to pay tribute today was the son of one of my predecessors in this class I seat in the United States Senate. It is interesting to note that the first Senator to occupy this seat was William Cocke; the second was Andrew Jackson, who served during the 5th and 7th Congresses, from 1797 to 1803. Andrew Johnson first served in this seat in the United States Senate in 1857–63, during the 35th and 37th Congresses, and again from March 1875 to March 1881.

Judge Jennings Bailey was educated at the Southern Presbyterian University in Clarksville. He attended Vanderbilt University Law School and did graduate work at Harvard. While he was practicing law in Nashville in 1918, President Woodrow Wilson appointed him to the old Supreme Court of the District of Columbia. During his 37 years on the bench, Judge Bailey saw this court expand to a regular Federal court. Judge Bailey is widely known for his comprehensive knowledge of the law. He will be missed on the bench, but his many friends wish him good health and happiness in his retirement, a well deserved rest after many years of marked service.

UNITED STATES POLICY IN THE MIDDLE EAST

Mr. LEHMAN. Mr. President, on Tuesday, January 24, at a press conference, the Secretary of State, John Foster Dulles, expressed the hope that Democrats would avoid debate on our policy in the Middle East. I am in complete disagreement with that suggestion. Therefore, on yesterday I issued to the press a statement which I shall read at this time:

I have noted the press reports of Secretary Dulles' press conference yesterday in which he expressed the hope that Democrats would agree to exempt our policy in the Middle East from criticism and debate.

Speaking not as a Democrat, but as a Member of the Senate from New York, I must say that I, for one, cannot accede to Secretary Dulles' request.

If ever there was a policy which needed to be examined and reexamined and debated, it is the administration's course of action in the Middle East; I really don't think it amounts to a policy.

Our actions in the Middle East have been based on fallacious assumptions and naive concepts of strategy. I agree with Secretary Dulles that we face grave dangers to our vital interests and to the cause of peace in the Middle East.

These can be averted only by a prompt formulation of a positive policy. We must not let the balance of power be disturbed in this area. We must not sacrifice the territorial integrity of Israel. We must use our power and influence to maintain the peace and to oppose aggression by any nation against any nation in this area for the purpose of territorial aggrandizement.

The need for a policy along these lines must be exhaustively discussed and debated. Such a debate is required in the vital interests of the United States.

TAXATION OF THE SELF-EMPLOYED

Mr. WILEY. Mr. President, I have earlier pointed out to the Senate the facts that two of the great professional organizations in America—the American Medical Association and the American Bar Association—vigorously support what is known as the Jenkins-Keogh legislation, H. R. 9 and H. R. 10—bills which have been offered by the Honorable EUGENE J. KEOGH, of New York, and THOMAS A. JENKINS, of Ohio, who are both extremely active, of course, on the House of Representatives Ways and Means Committee.

I have stressed that such legislation could do a great deal to provide a fair break for America's professional people who are taxed so much in the years of their relatively high income, that they are unable to save up for their later years.

I am hoping that the House of Representatives will take action on this proposed legislation and that the Senate Finance Committee and the Senate will thereafter follow through.

I send to the desk two additional important expressions on this subject.

The first is from Mr. John H. Zebley, Jr., president of the American Institute of Accountants, speaking for the CPA's of America. The other is from Mr. Charles B. Shuman, president of the American Farm Bureau Federation, speaking for more than 1½ million farm and ranch families.

I ask unanimous consent that both of these letters be printed at this point in the body of the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

AMERICAN INSTITUTE OF ACCOUNTANTS, INC.,
New York, N. Y., January 13, 1956.

HON. ALEXANDER WILEY,
United States Senate,
Washington, D. C.

DEAR SENATOR WILEY: On behalf of the 26,000 members of the American Institute of Accountants, I urge you to support the Keogh-Jenkins bills (H. R. 9 and 10) during the present session of Congress.

Our executive committee, council, and our members themselves in their annual meeting have unanimously approved the principle embodied in these bills, that the self-employed should have tax treatment of funds set aside for retirement comparable to that which is now permitted for corporation executive and employees.

Certified public accountants in public practice, because they accept individual re-

sponsibility for their work, are prohibited by law in almost all States, and by their own standards of professional conduct, from doing business as corporations. They should not for this reason be discriminated against in the tax treatment of their retirement plans.

The American Institute of Accountants has been working closely for several years with other national professional organizations to develop fair and reasonable legislation to remove the present inequity in the tax treatment of funds set aside by the self-employed to provide retirement income.

The principles on which we have agreed are embodied in H. R. 9 and H. R. 10, reported favorably by the Ways and Means Committee in the omnibus tax bill at the close of the first session of the 84th Congress.

I hope that they will have your support.

Yours sincerely,

JOHN H. ZEBLEY, Jr.
President.

AMERICAN FARM BUREAU FEDERATION,
Washington, D. C., January 24, 1956.

Hon. ALEXANDER WILEY,
United States Senate,
Washington, D. C.

DEAR SENATOR WILEY: The delegates to the 37th annual convention of the American Farm Bureau Federation, held last December, reaffirmed the position taken several years by this organization in support of the principles set forth in the Jenkins-Keogh bills (H. R. 9 and 10). Our policy resolution on this subject reads as follows:

"We favor amendment of the income tax law so that self-employed persons and others in a similar situation may have tax treatment similar to that now available to the several million employees who are participants in pension plans established by corporate employers. To accomplish this the Federal tax laws should permit a deduction for premiums paid into a properly safeguarded pension fund. When such plans mature the income derived therefrom should be taxable."

This proposal has been considered by the House Ways and Means Committee in public hearings on two occasions. On July 19, 1955 the committee approved the Jenkins-Keogh bills, with amendments.

On behalf of the 1,623,222 farm and ranch families who are members of this organization, we urge that the Congress give favorable consideration to the enactment of this legislation during this session. We believe there are many farmers, as well as others to whom the benefits of pension plans of corporate employers are not available, who will avail themselves of this proposal when enacted.

Respectfully yours,

CHARLES B. SHUMAN,
President.

COMMUNIQUE OF THE SECRETARY OF STATE ON UNITED STATES-PORTUGUESE CONVERSATIONS

Mr. WILEY. Mr. President, there have been a number of allegations that the Secretary of State, Mr. Dulles, has unnecessarily offended the Government and people of India by a statement which he made in December in connection with the visit to the United States of the Minister of Foreign Affairs of Portugal. I have made it a point to obtain a copy of that statement, which I shall ask to have printed in the RECORD.

I do not think the statement does what the press has said. It seems nowadays that the Secretary of State is the "whipping boy." When I hear so many of such comments, I cannot help but think that many times, we, as Senators, forget the real basis of our Government.

We are legislators. We are not in the executive branch of Government. It is not our function to lay down policy in connection with foreign affairs. As a legislator, it is my primary function to legislate. It is the function of the executive branch to execute and administer. It is the function of the courts to interpret. If we should all stay in our own bailiwicks, we would get along much better.

I ask unanimous consent to have printed in the RECORD at this point a copy of the communique issued by the Secretary of State on December 2, 1955, on United States-Portuguese conversations.

There being no objection, the communique was ordered to be printed in the RECORD, as follows:

COMMUNIQUE ON UNITED STATES-PORTUGUESE CONVERSATIONS

In the course of the official visit of the Minister of Foreign Affairs of Portugal to Washington, conversations took place between Dr. Paulo Cunha and the Secretary of State, Mr. John Foster Dulles, and other officers of the United States Government on matters of mutual interest to both countries and also on other issues of general interest to their respective foreign policies.

The conversations were carried on in an atmosphere of excellent understanding, and they have therefore made a considerable contribution to the strengthening of Portuguese-American relations. Among other topics, problems of defense within the framework of NATO were discussed. The interdependence of Africa and the Western World was also emphasized.

Problems connected with the trade relations between the United States and Portugal, and certain points relating to the use of atomic energy for peaceful purposes were also considered.

Various statements attributed to Soviet rulers visiting in Asia, which included references to the policies of Western powers in the Far East and allegations concerning the Portuguese provinces in the Far East, were discussed by the two Foreign Ministers. They considered that such statements do not represent a contribution to the cause of peace. The two Ministers whose countries embrace many peoples of many races deplored all efforts to foment hatred between the East and West and to divide peoples who need to feel a sense of unity and fellowship for peace and mutual welfare.

Mr. WILEY. It is my opinion, Mr. President, that the Secretary of State made a justifiable statement on that occasion. I am sure that he had no intention of offending the Indian people or Government. A fair reading of his statement supports that view.

EXPANSION OF THE STEEL INDUSTRY

Mr. ALLOTT. Mr. President, we have read a great deal about the expansion of the steel industry to meet the growing needs of the economy.

On January 16, Mr. Benjamin F. Fairless, president of the American Iron and Steel Institute, made a statement on the plans of iron and steel companies to increase the Nation's steelmaking capacity by 15 million tons within the next 3 years, with more to come.

We in Colorado are witnessing this great expansion, as the largest steel plant operated by the Colorado Fuel & Iron Corp. is located at Pueblo, Colo. This plant, producing a wide variety of steel and wire products as well as coke and chemical byproducts for the basic industries of Colorado and other Western States, has a broad program of expansion and product diversification underway.

This expansion and improvement program has included the addition of a modern and high speed rod mill; new machines to produce a wider variety of wire, rolled, and specialty products; enlarged power facilities; a new seamless tubing and casing mill to produce tubular products for the oil country goods market and many other types of machinery and equipment.

Present improvements in progress at the Pueblo plant will increase steel-producing capacity by 15 percent, further increase seamless tubing and casing capacity, and broaden the product range of the various rolling mills.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point in my remarks the statement of Mr. Fairless regarding the expansion of the steel industry in general.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

A survey just completed by American Iron and Steel Institute shows that iron and steel companies plan to add another 15 million tons to the Nation's steelmaking capacity within the next 3 years, with more to come.

This increase, already underway, is at the rate of about 5 million tons a year, and represents a sharp stepping up of the industry's expansion over the past 10 years which was at the rate of about 3½ million tons annually.

Since the end of World War II, the steelmaking capacity of the industry has been expanded by 36 million tons, or 40 percent, to a total of 128 million tons today. The additions planned would bring the total to 143 million tons.

The need for this great expansion is apparent in the rapidly growing population of our country, in the rising standards of living and in the generally expanding economy.

The total cost of the steel expansion and modernization since the end of World War II has been more than $7 billion.

Billions of dollars more must be spent for the new expansion over the next 3 years. In 1956 alone, steel companies plan to spend $1.2 billion.

Various complex factors affecting costs make exact estimates difficult for the current and coming expansion.

First is the generally rising price level. This has special impact in the steel industry, because steel mills must buy materials in hundreds of categories, and need labor in practically every classification of skill.

Another factor in costs is the variation in circumstance that each company faces as it determines for itself how to secure expanded production most economically.

Where existing plants are already fully developed, additional capacity must be built from the ground up at a cost of more than $300 per ton, compared with $50 25 years ago.

In other cases, where additions can be made to existing plants, the cost of expansion will be relatively lower.

The new expansion will involve great engineering, industrial, and financial problems. Companies must again seek new sources of ores, open additional new mines and construct new taconite processing facilities. New sources of raw materials

necessitate construction of new railroads and ships. This is in addition to construction of new blast furnaces, steelmaking furnaces, rolling mills and other finishing equipment. Every cost that must be incurred in expansion has increased greatly in recent years.

There is every expectation that a continuing large rate of expansion will be required for many years to come because of the astonishing rise in America's population and because each American is using more things made of steel than ever before. Moreover, the steel industry must do its share in helping to maintain our Nation's strength in defense.

The population of the United States was 76 million in 1900. Now it is 166 million. By 1975, it is expected to be close to 200 million.

We have not only grown in numbers, but we want more things—more houses, more roads, more automobiles, more of everything which raises our standard of living. Steel is needed for all of these.

Of course, very few people buy steel outright in the form of hard metal. But everyone buys or uses steel every day in the form of thousands of products—from kitchen knife to skyscraper. During this century, the per capita use of steel has increased fivefold. And, in the United States today, we require about 3 tons of steelmaking capacity for every family of 4.

As a result of all these developments, America already is in the midst of a period of vast industrial expansion.

Furthermore, science is bringing in a new age of nuclear energy, electronics and supersonic speed.

Steel is the basic material needed for all this growth. This is because steel is the most versatile and also the lowest priced of all the metals. It sells for an average price of less than 7 cents a pound. And the individual steel companies, competing with each other, can be counted upon to keep pace with the requirements for their products.

Looking back over the last 25 years, we see that workers in the steel industry have constantly benefitted from the industry's great growth.

The wages of steelworkers today place them among the top 10 percent of all workers in this country, and they enjoy substantial pensions, insurance and other benefits. They are safer at work than at home. They are also twice as safe as workers in all industrial plants. Working conditions are good.

As the steel companies go forward with their great expansion, thousands of new jobs will open up—in the steel industry itself and in industries which use steel or supply the materials and services the steel industry uses.

The steel companies recognize their obligation to provide our country with all the steel it will need over the years. But the growing demands for steel and the problem of financing new capacity make the job they have to do bigger than anything they have faced before.

Over the years, the profits of steel companies have been below the average for other leading industries. And because permissible depreciation allowances under the tax laws are inadequate to meet rising construction costs, steel companies are constantly being forced to use profits just to keep their present plants intact. This reduces the amount available from profits to help pay for expansion.

Beyond that, the staggering sums which must be raised by the companies to meet the enormous cost of further expansion can come from two sources only: directly from the remaining profits of the steel companies, and from the savings of investors who have confidence in the ability of the companies to earn profits that are attractive to investors.

So steel's greatest problem today, as I see it, is to get the money required to carry the expansion that the country expects.

EXECUTIVE SESSION

Mr. CLEMENTS. Mr. President, under a previous order the Senator from Minnesota [Mr. HUMPHREY] is to have the floor this morning at the conclusion of morning business. First, however, I ask unanimous consent that the Senate proceed to the consideration of executive business, for action on nominations under the heading "New Reports."

The PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the Committee on the Judiciary

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. HICKENLOOPER, from the Committee on Agriculture and Forestry:

Marvin Leland McLain, of Iowa, to be an Assistant Secretary of Agriculture, vice James A. McConnell, resigned; and

Marvin Leland McLain, of Iowa, to be a member of the Board of Directors of the Commodity Credit Corporation, vice James A. McConnell, resigned.

By Mr. FULBRIGHT, from the Committee on Banking and Currency:

Samuel C. Waugh, of Nebraska, to be President of the Export-Import Bank of Washington.

By Mr. ANDERSON, from the Joint Committee on Atomic Energy:

Harold S. Vance, of Indiana, to be a member of the Atomic Energy Commission.

The PRESIDENT pro tempore. If there be no further reports of committees, the Secretary will state the first nomination under New Reports.

DEPARTMENT OF COMMERCE

The Chief Clerk read the nomination of Frederick Henry Mueller, to be Assistant Secretary of Commerce.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Harold Chadwick McClellan, to be an Assistant Secretary of Commerce.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

INTERSTATE COMMERCE COMMISSION

The Chief Clerk read the nomination of Robert W. Minor to be a member of the Interstate Commerce Commission.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Rupert L. Murphy, to be a member of the Interstate Commerce Commission.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

NATIONAL MEDIATION BOARD

The Chief Clerk read the nomination of Francis A. O'Neill, Jr., to be a member of the National Mediation Board.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

PUBLIC HEALTH SERVICE

The Chief Clerk proceeded to read sundry nominations in the Public Health Service.

Mr. CLEMENTS. Mr. President, I ask unanimous consent that the Public Health Service nominations be considered and confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the Public Health Service nominations are confirmed en bloc.

COAST AND GEODETIC SURVEY

The Chief Clerk proceeded to read sundry nominations in the Coast and Geodetic Survey.

Mr. CLEMENTS. Mr. President, I ask unanimous consent that the Coast and Geodetic Survey nominations be considered and confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations in the Coast and Geodetic Survey are confirmed en bloc.

Mr. CLEMENTS. Mr. President, I ask unanimous consent that the President be immediately notified of the nominations confirmed today.

The PRESIDENT pro tempore. Without objection, the President will be immediately notified.

LEGISLATIVE SESSION

The PRESIDENT pro tempore. Without objection, the Senate will resume the consideration of legislative business.

The Senate resumed the consideration of legislative business.

AMENDMENT OF THE NATURAL GAS ACT, AS AMENDED

The PRESIDENT pro tempore. The Chair lays before the Senate the unfinished business, which is the bill (S. 1853) to amend the Natural Gas Act, as amended.

THE DOMESTIC PARITY PLAN FOR AGRICULTURE

Mr. NEUBERGER. Mr. President, the continuing agricultural crisis has made it obvious that some urgent remedies are necessary to bring our farmers full equality in the market place with other segments of the population.

One of the most sound proposals put forth is that of the domestic parity or so-called two-price plan for the harvesting and marketing of wheat, with one price going to that portion of the crop used for human consumption domestically and a lower price for that which finds its way into the world market.

Along with my distinguished senior colleague [Mr. MORSE] and with the two distinguished Senators from the State of Washington [Mr. MAGNUSON and Mr. JACKSON], I am a sponsor of S. 1770 to institute the domestic parity plan.

I believe that the validity of this plan is pointed out in an article by Mr. Norman Thomas which appeared on the editorial page of the Oregonian, of Portland, on January 14, and in a very cogent editorial which appeared in the publication Truth on the Square for Christmas 1955, under the editorship of ex-State Senator Joe E. Dunne, one of the prominent political figures in my State of Oregon.

I ask unanimous consent that the editorial and the article by Norman Thomas may appear in the body of the RECORD.

There being no objection, the editorial and the article were ordered to be printed in the RECORD, as follows:

[From the Portland Oregonian of January 14, 1956]

HELP FOR WHEAT MEN SEEN IN OREGON TWO-PRICE PLAN

(By Norman Thomas)

NEW YORK.—It is already certain that the principal fight over a program to stem the decline in the farm economy will come over the question of a rigid 90 or 100 percent parity. Otherwise the President's special message, the most comprehensive in coverage of issues that I remember, has been well received. Details of it when elaborated will come in for sharper criticism.

My general sympathy on many other matters with supporters of rigid parity cannot persuade me of the soundness of their position on parity. The conference on economic progress in its otherwise excellent pamphlet, Full Prosperity for Agriculture, argues that as an immediate step to raise the average price received by farmers the level of price support should be raised to an average of about 90 percent of parity in 1956. Thereby the costly increase of surpluses would be further subsidized with dubious and inequitably distributed benefit to farmers.

The conference itself says in another section of its report that "farm price supports and income payments should help to narrow the gap between poverty and high incomes in agriculture and to strengthen the family-type farm."

It goes on to point out that in 1953, 1.9 of the farmers received 25 percent of the income benefits derived from price supports at the expense of taxpayers. Nine percent of the farmers got half of the benefits.

After examining the record of the last two decades the Twentieth Century Fund's book, Can We Solve the Farm Problem? argues that rigid parity had far less to do with years of the farmers' prosperity than drought in the thirties and war demand in more recent years.

Granting that more immediate help should be given to some farmers than can be promptly derived from the soil-bank plan and other measures suggested by the President, far better than enactment of rigid 90-percent parity would be favorable consideration of direct subsidies, somewhat along lines suggested by former Secretary Brannan, and for wheat, perhaps, the domestic parity, or 2-price plan, outlined by the Oregon Wheat Growers League in cooperation with the National Grange.

But any plan of subsidies or of 2 prices, 1 domestic and 1 foreign, should take account (1) of the needs of the family-sized farms rather than of the enormous acreages under big operators; and (2) of the differences in effective demand at a good price for durum, hard red spring wheat, soft white wheat, and hard red winter wheat.

Basically, the farm problem is not a problem of overproduction in a hungry world but of underconsumption. By no means are all our own people in America well fed. This, although under the influence of price support there has been actual overproduction of some products, notably butter. The long-range task in agriculture is the increase of effective demand, and that will come less by subsidizing farmers than by raising the purchasing power of the masses.

The problems of reasonable control of land values, and of greater cooperation among operators of family farms in ownership of machinery and in marketing, must be included in any comprehensive farm plan. Soil conservation or restoration is enormously important in a country which has wasted its wealth of soil prodigiously. This gives justification to the soil-bank plan which the President has proposed.

Then, planners with a long-range view must consider the growth in consolidation in farms and the necessity of improving conditions for the high percentage of farmers who operate on barely more than a subsistence level. The problem of migratory farm workers cannot be excluded from a comprehensive and equitable plan.

Whatever is done, there must be an end to the accumulation of abnormal surpluses kept in costly storage. Present surpluses must be reduced to reasonable levels without destroying food in a hungry world, without catastrophically lowering current prices to farmers at home, and without destroying farm markets for farmers in other lands, e. g., for rice growers in Burma. Quite a job for politicians in an election year.

[From Truth on the Square]

WHEAT FARMERS SUGGEST

The Oregon Wheat Commission, through its chairman, Marion T. Weatherford, has been making, what we think, are sound and reasonable suggestions as follows:

Establish two prices for wheat—give parity support on all domestic use of wheat, and all the rest can go into secondary uses, for export or feed as the need is supplied.

He makes it clear that the farmer does not want subsidy, he wants protection for all domestic use, pointing out that the wheat in a loaf of bread now only costs 2½ cents per loaf, and that at most, the cost of wheat per loaf increase under such a program would not exceed two-thirds of a cent more, and since wheat has been going down constantly, and the price of bread has remained stationary or even raised. He believes the bakers could absorb this cost, and it wouldn't hurt the public if they had to pay this slight increase, because of the relief it would give the Government through lowered storage costs and the end of subsidy as is now given.

The wheat, outside of domestic use, bakery, household and food uses, would then be used for animal and poultry feed and export.

Then we are told Canada might not like to have us do this, the State Department says, but we ask, "Since when has Canada ever done anything for us?" They won't even let us have the water for Libby Dam. Why don't we look out for ourselves for a while. The art of poultry and animal feeding is lost, or nearly so, because we have wheat stored in boats, docks, elevators, even in tin sheds on the farms, and in the meantime, we bring in corn, paying $12 million in freight alone for it last year.

The whole wheat problem could be resolved with only a few changes in our program—by feeding, say 300 million bushels of wheat, and if we could export the same amount, it wouldn't take long before we would be drawing on these reserves, and the end of the problem would happily find a solution, and it would get the Government out of the wheat business.

THE DEEPENING OF THE GREAT LAKES CHANNELS

Mr. HUMPHREY. Mr. President, one of the major projects of interest to the 17 States which lie within the basin of the Great Lakes, and which are tied together economically by that magnificent waterway, is the proposal to deepen the connecting channels of the lakes to a depth of 27 feet, so that oceangoing vessels may traverse the channels fully loaded en route between Duluth-Superior and the Atlantic.

This morning I testified before the Senate Subcommittee on Rivers and Harbors in behalf of my bill, S. 961, introduced on February 4, 1955, entitled "A bill to authorize the modification of the existing projects for the Great Lakes connecting channels above Lake Erie."

A companion bill, introduced by Representative JOHN A. BLATNIK, of the Eighth District of Minnesota, H. R. 2552, passed the House of Representatives on August 1, 1955.

Because of the importance of this measure, and because of the urgent need to commence construction on the project to deepen the connecting channels, I wish to call to the attention of this body the text of testimony before the Subcommittee on Public Works. I ask unanimous consent to have the text of this testimony inserted in the body of the RECORD.

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). Is there objection?

There being no objection, the text of the testimony was ordered to be printed in the RECORD, as follows:

THE DEEPENING OF THE GREAT LAKES CHANNELS

(Testimony by Senator HUBERT H. HUMPHREY, Subcommittee on Navigation and Flood Control, Senate Committee on Public Works, January 26, 1956)

I wish to thank the subcommittee and the subcommittee chairman for according me the privilege of testifying on behalf of the bill now before the subcommittee to authorize the deepening and further improving of the connecting channels between Lakes Erie, Huron, Michigan, and Superior.

The State of Minnesota is vitally interested in the proposed project, and not alone because it will provide safe access for oceangoing vessels from the Atlantic to Minnesota via the St. Lawrence Seaway. If there were no St. Lawrence Seaway, the needs of the vast inland industrial heart of the Nation would still demand that the connecting channels be deepened. The satisfaction of these needs is long overdue.

The natural waterway, which links the State of New York directly with the industrial and agricultural heart of the Nation—with Pennsylvania and Ohio, Michigan and Indiana, Illinois, Wisconsin, and Minnesota—is almost an inland sea. More than half of our people live in the basin of the Great Lakes. The lakes are a natural resource very nearly incapable of evaluation. They have been the sine qua non of the magnificent American steel industry—that industry which underpins the whole fabulous American economy.

Overwhelmingly, the commerce of the Great Lakes has been the freighting of iron ore from the Gogebic, Marquette, and Menominee Ranges of Wisconsin and the Upper Peninsula of Michigan, with most of the ore coming from the Cuyuna, Vermillion, and the vast Mesabi Range of Minnesota. Eighty-five

percent of all the steel produced in the United States has originated in ore freighted from the upper Great Lakes region via Lake Superior to the great Soo canal at Sault Sainte Marie, down the St. Mary's River, across Lake Huron to the St. Clair River and Lake St. Clair, past Detroit via the Detroit River and on to the steel mills of Ohio and Pennsylvania; together with a strong flow of ore through the Straits of Mackinac, down Lake Michigan to the mills in the Gary-Chicago area. With the gradual depletion of the magnificent Mesabi direct-shipping ores, a new form of high-content ore has been developed in the Mesabi area to replace the old ores. This is taconite—a Minnesota development which I am convinced will someday be hailed as the key to the Nation's defense economy—an almost unlimited domestic source of iron ore.

But iron ore, while the major item of commerce on the Great Lakes, is far from being the only important item. The district engineer estimates that in addition to 65 million tons of iron ore, 17,500,000 tons of stone, and 4,800,000 tons of grain will be benefited each year for the next 50 years. These are tremendous amounts of tonnage in their own right and appear small only beside the staggering figures for iron ore.

Newer ships, gradually replacing the mostly obsolescent ships of the Great Lakes fleet now serving the steel industry, are faster and larger. They are potentially greatly more efficient. But their efficiency is presently sharply curtailed because oreships traveling from Duluth and Superior to the great steel mills of lower Lake Michigan and Lake Erie must continue to traverse connecting channels completed in 1895. These channels allow only vessels drawing 22.3 feet or less to traverse safely from Duluth to the Erie ports.

Some of the newer vessels of the Great Lakes fleet are designed to carry safely more than 26,000 tons, but it is presently impossible to load them to anywhere near this limit because the present depths of the three connecting channels will not permit it.

It is interesting and instructive to note that a large ore carrier of 20,000 tons capacity can presently be loaded to capacity only during unusually high water conditions. When the lake levels fall to their lowest cyclical point, such a vessel will not be able to navigate the present channels fully loaded. But with channels deepened an additional 2 feet, such a vessel could be loaded with 2,400 tons more ore. The Lake Carriers Association estimates that if water levels were at datum the loss of tonnage would be some 3 million tons in a season.

The proposed project which the Congress is asked to authorize will allow the deepening of the three connecting channels to a depth of at least 27 feet, and will safely accommodate vessels upbound and downbound with drafts of 25.5 feet, at low-water datum.

The Corps of Engineers estimates that the prospective commerce to be benefited by the deepening of the channels will average 88,300,000 tons each year—exclusive of commerce via the St. Lawrence. Yet it is interesting to note that in 1 year—1953—the fleet hauled 95,844,449 tons of iron ore alone through the channels to the steel mills of the lower lakes.

The demand for steel is rising steadily. Our steel mills are consuming ore at better than 7 million tons per month this year—2 million tons more per month than last year.

The Iron and Steel Institute in its 1955 spring meeting estimated that American steel production would rise by 2 million tons per year for the foreseeable future. The goal is to produce 160 million tons per year, compared to the 110 million tons we now produce.

In an all-out war, the economic backbone of this Nation, without question is the steel industry and that backbone can be geographically described by the course of the four Great Lakes and their connecting channels which link the massive deposits of domestic iron ore at the western end with the rich coal fields of the eastern terminus. Along this backbone ply the ships of the Great Lakes fleet, free from submarine attack, servicing the industrial heart of the Nation—truly the arsenal of democracy. On the grounds of the Nation's defense alone, the channel deepenings would be warranted. When war comes, a $109 million becomes immediately a relatively trivial sum. But even a billion dollars could not then deepen the Great Lakes channels quickly enough to speed up the flow of vital iron ore in time.

Even in peacetime, however, deepening of the channels far more than justifies its cost. Total first costs of the project to the Federal Government would be $109,125,000 on a 1954 price basis. This is a modest sum when the long-range benefits to the Nation are considered. It is a modest sum, also, considering the sum being allocated to the deepening of a 31-mile stretch of the Delaware River to service the new Fairless works—$87 million.

The Corps of Engineers estimates the annual charges for the channel work to be $4,250,000. The corps estimates the annual benefit due to the channel deepening alone to be $7,600,000 which is a highly favorable cost-to-benefit ratio of 1 to 1.7.

The engineers have been careful to limit their estimates of the benefits to be gained by deepening the connecting channels to the internal commerce of the Great Lakes between American ports—excluding that which will enter and leave the lakes via the St. Lawrence Seaway when the project is opened in 1959. "Additional unevaluated benefits will accrue in connection with commerce which is exclusively Canadian and with commerce entering or leaving the lakes through the St. Lawrence Seaway," say the engineers.

Yes, the proposed project to deepen the connecting channels stands on its own merits. It is necessary. And it is long overdue. It would be completely justified if Great Lakes were land bound, without access to the sea.

But, I cannot help but contemplate what the engineers have so cooly termed the unevaluated benefits which will accrue when the St. Lawrence Seaway opens the lakes to ocean shipping, and the connecting channels make it possible for an oceangoing vessel to steam 2,400 miles inland from the Atlantic, and 2,400 miles from Minnesota to the open sea.

The existing project provides for upbound channels with depths suitable for vessels drawing only 20 feet when lake stages are at their established datum planes. What is proposed is to deepen the upbound channels as well as the downbound channels to accommodate oceangoing vessels drawing up to 25.5 feet.

With the St. Lawrence Seaway and the connecting channels open to ocean shipping, the effect will be to extend our coast line from the tip of Maine to the Minnesota shore of Lake Superior, to make direct coastwise shipping possible and thereby link the Midwest with the Atlantic and Gulf States via tanker and cargo ship. The St. Lawrence Seaway Corporation estimates that 55 million tons of commerce will move along the seaway by 1970. It is only conjecture what this will mean to the port cities of Buffalo and Erie, Ashtabula, Cleveland, Lorain, and Toledo, to Detroit and Marquette, to Chicago and Milwaukee, to Ashland, Superior, and Duluth. But we know what riches the sea has brought to every great port of the world. And few ports have so rich a hinterland, so much to export to the world, and such eager markets as do the port cities of the Great Lakes.

This hinterland consists of 17 States, producing 31 percent of the Nation's industrial goods and 34 percent of its food and fiber.

This will be the northern seaboard of the United States, the busiest and perhaps the richest of the three American coasts.

No one can ignore the probabilities of the future of the Great Lakes. No one (and certainly not a midwesterner who has lived most of his life more than a thousand miles in any direction from salt water) can regard with equanimity opening of the heart of America to seagoing vessels.

Yet, we are asked to do just this today. We are asked to consider the deepening of the connecting channels solely in the light of their calculated benefits to the inland commerce of the Great Lakes. These benefits are clearly outlined. The costs are carefully presented to us. And solely on the comparison of the costs and benefits to this inland commerce, the proposed modification is eminently justified.

I strongly urge that the subcommittee act favorably on the proposed bill, so that it may be brought speedily before the full Senate for authorization. If action can be taken promptly it will be possible to secure in this session of Congress the necesary appropriations to commence work on the channels during the present year.

PROBLEMS FACING AMERICAN AGRICULTURE

Mr. HUMPHREY. Mr. President, the serious and difficult problems facing American agriculture require detailed study, vision, and the cooperation of all segments of the American economy. Our agricultural programs and policies need to be revised and strengthened. Federal and State Governments must mobilize their resources if we are to avert a disastrous agricultural depression.

The Senate Committee on Agriculture and Forestry has made an exhaustive study of the economic, technological, and social problems facing our agricultural economy. We have received the testimony of hundreds of citizens from all sections of the Nation. We have heard from the farmers, from the experts in the field of agricultural production and economics, from Members of Congress, and from State and local officials.

Gov. Orville L. Freeman, of Minnesota, testified before the Senate Committee on Agriculture and Forestry on January 23. His statement before our committee demonstrated Governor Freeman's deep concern for and understanding of the problems confronting our farm families. He presented a detailed analysis of the economic plight of American agriculture; he laid down sound basic principles of national agricultural policy; he gave to our committee specific suggestions and proposals designed to correct the present inequities and to restore agricultural income.

I call to the attention of my colleagues the Governor's testimony and urge that it be given the most careful study. I fully subscribe to the policies and programs outlined by Governor Freeman and shall press for their enactment into Federal law. They represent the considered judgment of the majority of the farmers of the State of Minnesota.

I have introduced appropriate bills and resolutions during the past 2 years to carry out the Governor's suggestions. An effective farm policy must be based on a comprehensive overall program. Piecemeal approaches will not be effective. A constructive program should include the following proposals:

First. Restoration of 90 percent support on basic commodities, but with a cut-off on any support loans on produc-

tion valued in excess of $25,000 from any one farm.

Second. Inclusion of perishables such as beef, hogs, milk, chickens, and eggs under the same level of support as basics, but providing discretionary authority for use of a broader range of methods of support such as production payments, direct purchases geared to reflect price protection to farmers instead of letting the benefits go to processors, and loans or purchase agreements, either individually or in combination with each other.

Third. Extension of mandatory price support protection to other feed grains at a feed value equivalent ratio to the support level for corn.

Fourth. A conservation acreage reserve program on a voluntary sign-up basis, providing for a soil, water, and timber bank to encourage retiring land from crop production and building its future fertility by expanding grasslands, preserving more wetlands, and stimulating planting of brush and timber cover, with adequate protection against expanding commercial production of livestock and dairy products.

Fifth. A comprehensive Federal yardstick family-farm credit program providing direct and guaranteed Federal loans to meet all needs of family farmers unable to obtain such credit at reasonable rates from cooperative and other private sources.

Sixth. Extending authority for and expanding the Agricultural Trade and Development Act for overseas disposition of agricultural surpluses.

Seventh. A food-stamp plan to stimulate domestic consumption among low-income families.

Eighth. Specifically provide for administration of farm programs by farmer-elected committees at the community, county, and State levels.

Ninth. Extend and expand special school lunch milk program, to include provisions for milk distribution among child-care centers, settlement houses, and other nonprofit children's institutions and camps; extend authorization for brucellosis eradication indemnities; and fix, by law, formula for milk equivalent parity ratio for manufactured dairy products.

Tenth. Forest marketing guidance through authorizing price reporting on forest products and further research into forest products marketing problems.

Eleventh. Loan authorization to finance improved terminal marketing facilities for handling fresh produce, aimed at eliminating inefficiency costs now passed along to consumers.

Twelfth. Revitalizing crop-insurance program by turning administration back to farmer committees and expanding to more counties and more crops.

Mr. President, I ask unanimous consent that the statement to which I have referred may be printed in the body of the RECORD at this point in my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF ORVILLE L. FREEMAN, GOVERNOR OF MINNESOTA, BEFORE THE COMMITTEE ON AGRICULTURE, UNITED STATES SENATE, JANUARY 23, 1956

I want to thank you for this opportunity to present my views with regard to the agricultural problems we face today. I have not come to attempt to advise you in any detail as to what specific provisions you should enact into law. But I do want to present briefly: (1) A few facts which indicate Minnesota's concern for an adequate national farm program; (2) some important aspects of the current agricultural situation in the United States which I believe should be basic in any consideration of an agricultural program; (3) the principles and goals which I believe ought to be the basis of our agricultural policy; and (4) certain basic agricultural programs which I think should be incorporated in the bill which you will enact.

I

As Governor of Minnesota, I feel a deep responsibility for the interests of all the people in our State and an obligation to urge you to enact without delay a comprehensive program that will remedy the serious farm situation which now threatens the livelihood of so many Minnesota people.

Agriculture is a major factor in Minnesota economic life. Twenty percent of our people earn their living on farms, as compared with a little over 13 percent for the United States as a whole. Much of Minnesota's business and industry involves the handling and processing of agricultural products. Minnesota merchants depend on farm purchasing for a great proportion of their business. In fact, the economic well-being of all the people in Minnesota is affected to a substantial extent by the degree of prosperity of our agriculture. I believe this to be a general principle which applies as well to the people throughout all of the United States.

Minnesota's agricultural production is highly diversified. In 1954, 70 percent of the cash receipts from farming came from livestock, dairy, and poultry products, and 30 percent from all crops. Corn accounted for 10.2 percent, soybeans for 6.8 percent, oats for 2.1 percent, and wheat for 2 percent. Dairy products alone accounted for 18.6 percent, cattle and calves for 17.3 percent, and hogs for 20.5 percent. These figures clearly show that a program which affects principally wheat and corn cannot begin to meet the needs of Minnesota farmers. They indicate how serious the drop in prices in dairy products and hogs have been for Minnesota.

The State-Federal Crop and Livestock Reporting Service reported in September 1955, that Minnesota cash receipts from farming and Government payments were $24,365,000 lower in 1954 than in 1953. This is a 2 percent decrease in just one year. The 1955 totals have not yet been reported, but the Agricultural Marketing Service reported on January 3, 1956, that average prices received by Minnesota farmers in mid-December were 9 percent below the December 1954 level. This trend must not continue.

I present these facts, not in an attempt to supply you with statistics, of which, I am sure, you already have volumes; but to indicate briefly significant aspects of the farm problem as they relate particularly to Minnesota.

II

There are certain important aspects of the current agricultural situation which must be kept constantly in mind in seeking to arrive at a sound solution. Most outstanding of these is the now accepted fact that today everything is booming except agriculture. The fact that all other prices are stable or rising slightly, while prices received by the farmer are going down at a serious rate, and the fact that per capita farm income for 1954 was only one-half of the national average, reflect a serious imbalance in our economic life.

Farm prosperity is important

It is a serious mistake to proceed on the assumption that because the numbers of people engaged in agriculture are constantly declining, farm prosperity is no longer a goal of paramount importance. The 13 percent of our population who earn their living on farms are an important element in our society, whose well-being cannot be neglected. They are engaged in an occupation of basic importance to our Nation's strength and security.

But it is not only the economic well-being of 22 million people that is at stake. Agriculture is a $13 billion customer of industry and labor. Ten million people are employed in the marketing and processing of farm products; 6 million more are employed in plants producing specific farm needs. The well-being of these millions and their families is intimately related to that of agriculture.

One need hardly recall that the late, great depression of the early thirties was preceded by a serious farm depression in the 1920's, which existed in spite of the boom in other aspects of our economy. In the greatly augmented interdependence of our world today, we know that our economy as a whole cannot long continue sound and prosperous if we permit one important part of that economy to be deprived of its proportional share.

Agricultural efficiency has not been rewarded

American agriculture on the whole is the most productive and efficient agricultural enterprise in the world. This is, in part, due to the natural advantages of soil, water, and climate with which our Nation is blessed. But it is also due largely to the ability, initiative, and hard work of our farmers; to the kind of farm economy under which they operate; to the progress made by our scientists and investors; and to our leadership in mechanization.

Moreover, our agricultural efficiency has increased 40 percent between 1947 and 1954. In the past few years it has been increasing at the rate of nearly 5 percent a year. This phenomenal increase in productivity has resulted in our ability to supply food and fiber for increasing numbers of people in our own and other countries; and to pile up what has been, under present policies, embarrassing surpluses—with fewer people engaged in farming.

Such a substantial increase in productivity per man-hour would normally be expected to result in greater rewards to those engaged in such production. Yet farmers have not benefited from their increase in productivity. In this critical modern age, when all the world reaches out for the higher standards which can be attained only by increased productivity, it is an appalling contradiction to have a situation which results in decreasing rewards for increased efficiency in production.

Importance of family farm economy

The family-size farm is the bulwark of American agriculture. Its owner is typically the investor, the manager, and the worker—and most of the farmwork is done by the owner and his family. During the past 20 years, these farmers have substantially increased their standard of living, their purchasing power, and their participation in cooperative, public, civic, and community activities. Maintenance of this type of farm economy is important to businesses in towns, to standards of family and community life, to a healthy agricultural economy, and to our free democratic society.

These family farms face certain competitive handicaps when compared with huge corporation farms, of which there are about 100,000 in the United States. (Yet these 100,000 account for almost one-fourth of our total agricultural production.) These corporation farms make profits for their stockholders. They hire mass labor, often Mexican, Jamaican, or Puerto Rican migrants—or migrants from some parts of the United States. They pay low wages—in some cases in 1955 less than 40 cents an hour—and hire many workers only during the peak season, assuming no responsibility for them during the rest of the year. They

are not customers for the local merchants since they buy fertilizer, feed and seed in wholesale lots, and often have a distributorship or buy machinery direct from the manufacturer. They have sufficient capital to make changes and shifts in production when it is economically advantageous to do so.

The family farms find it more difficult to meet the cost of rapid shifts in production which may be required by market fluctuations, by new products and techniques. Yet, because of its importance to our social, as well as our economic life—and because in general the family farm is a most efficient producing unit—this type of farm economy should be encouraged positively by our agricultural economy.

General agreement

Thus far I have commented upon aspects of the farm problem about which, I believe, there is general agreement on the part of most of those concerned with agriculture. They might be summarized by saying that we have an extremely, and increasingly, productive farm economy which is not at present receiving the benefits from increased production to which it is entitled. This economy is based upon the typical American family-size farm, which ought to be preserved and encouraged in the interest of the entire Nation. It is important, not only to farmers, but to all Americans, to make sure that the 13 percent of our population that lives on farms has a chance for economic well-being; and it is therefore a threatening cloud over our current economic picture that agriculture is suffering a serious decline at a time when other segments of our economy are booming.

Surpluses and prices

Surpluses are generally taken as a symptom of the malady which afflicts American agriculture, and it would seem that the current agricultural program is directed solely at the elimination of that symptom. Yet few ailments can be cured by attacking symptoms alone, without considering the real cause.

Agriculture deals with basic human needs, and our agricultural enterprise should produce: (1) Enough for a high standard for our own people, including those in lower income levels who do not now have adequate nutrition; (2) a large enough reserve to serve as a stockpile to meet any natural or man-made emergency; (3) a supply of food which can be used, by means of a wise international policy, as an instrument for peace and democracy in those underdeveloped countries whose people are hungry.

And we must not forget that our rapidly increasing population will bring about rapidly increasing demands for food. We must therefore conserve and enhance the productivity of our soil—as well as our capacity to make use of that productivity—to make sure that we can meet our needs in the not so distant future.

Policies which we follow with regard to surpluses are most significant. We need to remember that reserves and surpluses are not the same; that in a commodity as vital as food we always need some carryover in case unforeseen circumstances create a need. Such a carryover should be regarded as desirable rather than something to be eliminated—unless we want to operate under an economy of scarcity. To regard all supplies not currently needed as surplus is therefore not only erroneous, but harmful to our society.

But even small surpluses will depress prices, particularly if administrative officials permit them to have that effect. And obviously millions of independent farmers, acting individually, cannot make adjustments necessary to meet changing demand.

"Free market" principle cannot work

This leads to one of the fallacies in the present farm program—which lies in the assumption that if surpluses could be eliminated the operation of the so-called law of supply and demand would function in a free market to resolve the problems of agriculture. This is not the case.

Experience has shown that lower prices do not cut down production, but rather increase it. In Minnesota, our dairy farmers have been hit hard by the drop in dairy prices—the sale of dairy products in our State brought in $20 million less in 1954 than in 1953. Yet in August 1955, milk production on Minnesota farms was 612 million pounds—or 6 percent—higher than our milk production in August, 1954.

Farmers try to produce more in order to maintain their income and meet their overhead. They will continue to do this as long as they can. It is probably true that if prices should continue to go down far enough, for a long enough time, a substantial number of farmers will become marginal and quit. They will no longer have the money or credit or incentive to operate. This eventuality seems to be the basis of the claim, inherent in the present flexible lower price policy, that in the long run lower prices will eliminate surpluses by eliminating farmers.

If the run were long enough, it might come about that millions of farmers would give up in poverty and desperation. I have been told by many young farmers, veterans who began farming after the war and borrowed money to get started, that they are about to give up unless some change occurs soon. But this is not, and never has been, the American way. Our worship of some so-called law of survival of the fittest has never extended to the length of allowing people to suffer increased loss and bankruptcy in order to get rid of them and thus get rid of the problems they present. Moreover, should many of these farmers give up, the land would still remain, and could easily be incorporated in the development of the corporation farms to which I referred. The land would probably continue to produce surpluses.

Nor do we apply these free market ideas to other areas of our economic life. We give depreciation allowances and tariff protection to industry. We have fair trade laws which permit private interests to fix minimum prices. We subsidize transportation and publications because we regard it in the national interest to do so. A healthy agricultural economy is certainly as important to the national interest.

Furthermore, agriculture is of all industries the one to which the law of supply and demand could apply least effectively. Demand may be somewhat predictable, but no human agency can foretell what weather and other natural hazards may do to the supply. Nor have we devised any way, except through government, by which millions of farmers can get together to determine what share each of them should contribute to any needed supply.

Farmer should not bear sole cost of adjustment

Agriculture, like industry, expanded greatly to meet wartime needs. Our Government encouraged this expansion, as essential to national security. In order to induce farmers to expand their productive facilities they were guaranteed prices at a high fixed percentage of parity. Now that the need for increased production seems no longer present, the problem is how to make the necessary adjustment. The measures taken to cushion this adjustment for industry are well known. Certainly, when changing conditions call for economic changes, farmers should not be the lone group called upon to make the sacrifices and to suffer the losses attendant upon such readjustment.

III

What ought to be the goals of an agricultural program to solve the farm problems—and what are the principles that should be followed in our efforts to achieve those goals?

GOALS

Parity in income as well as in price

Farmers are entitled to parity in income, and Government programs should insure a situation in which farmers could achieve such parity. Parity in income means that farmers operating efficiently could achieve an income which—in terms of ability, effort, and investment involved—would be on a par with those averaged by nonfarm families or the population as a whole.

Family-size farm

The family-size farm economy should be sustained and encouraged as the most desirable form of agricultural production from the point of view of both social and economic efficiency. While on occasion the huge corporation-type farm may produce more profits, the other social and economic consequences are so alien to our American standards that our farm policies should definitely be directed toward the preservation of the family farm.

Long-term needs

We should not lose sight of the long-term needs, for food and fiber, of our own people and those outside our borders. The productive potential of our soil and water resources must be conserved and enhanced.

PRINCIPLES

Federal action

It is obvious that only a program that is national in its scope can meet the needs of American agriculture. I have already stated that no way has been devised whereby millions of independent producers can coordinate a program except through Government. This is very clearly an area in which a great need exists and there is no other agency which can meet that need except Government. No preconceived attitude of opposition to Government action per se should be permitted to overshadow that fact. It is a basic principle of our democracy, held by our Founding Fathers, announced eloquently by Abraham Lincoln, and followed consistenly by our people, that when a need exists which cannot be met by individual action or by any other private means, it is the obligation of Government to act.

Local participation

A national program should not be arbitrary or overcentralized. Overall planning must be national in scope in order to be effective. But decentralized administration by farmers themselves through democratic processes adapted to each locality, making use of farmer committeemen elected by the farmers themselves, and charged with real responsibility, should be a major feature of the program.

This local direction by farmer-elected committees is of utmost importance, particularly in a program which involves control of production, for in such a program success depends upon the understanding and participation of farmers. In Minnesota we have had convincing experience of the importance of this factor. During the 4 months between November 1, 1939, and March 1, 1940, the committee program reached 211,868 farmers at 4,199 meetings, held in every county in the State. The Extension Service, PMA, FHA, SCS, and everyone concerned cooperated. The Minnesota figure for farmer participation and compliance reached 94 percent. But in recent years this picture has changed. Local committees no longer function as actively as they did, and county office managers perform most of their functions. The attitude has changed. Farmer participation has dropped considerably, to an average of 50 percent or lower.

Any agricultural program, and especially one in which production control must be an important part, means the economic livelihood of our farmers. They have a right

to local participation. This is the only means by which such a program can be planned locally on a sound basis and effectively carried out. It alone can produce the understanding necessary for the success of the program.

Careful study and analysis

The formulation of specific programs should be based upon a constant consideration of the goals to be achieved. It should involve a careful study of successes and failures of measures that have been tried, the soundest possible statistical analysis, and a careful consideration of the trends of technology and population in a changing world. You have access to such information, research, and analysis. The time for decision has arrived. An adequate and effective farm program must come out of this session of Congress.

IV

I should like to present a few important features that I believe should be incorporated in the comprehensive program which should be enacted.

Price supports

Price supports at fixed levels of at least 90 percent of parity should be restored immediately—and they should apply to all products which are in fact basic to our agriculture, and not merely to 5 or 6 products. The facts which I have presented about Minnesota make it clear that to most of our farmers livestock and dairy products and other perishables are of major importance. Any program which is to be both equitable and effective should include these products for parity support.

But price supports alone are not enough. Programs should be developed and directed not only toward parity prices but toward parity in income. Production payments along principles now followed for sugar and wool should be used. We should use loans, purchase agreements, production payments, and any variation or combination of these and other techniques, when they can contribute to the overall goal.

As a part of such an income support program, intelligent, equitable, and effective use of production controls is essential. I would repeat that this must include local farmer participation, broad acceptance, and general understanding.

Family-size farms

The support program should provide special encouragement to family-size farms. A program which would pay higher supports in cases where the total gross income of a farm was within the range usually received by such a family farm would provide substantial encouragement. Such variations in support levels, based on gross income, would help to improve the competitive position of the family-size farm in relation to large corporation farm.

More and easier credit

Easier credit for farmers should be provided. This, too, would be of special assistance to family farms. Young farmers who began after the war have been particularly hard hit by the cost-price squeeze, because the capital investment they had to make was so great, and they have had constantly decreasing returns. In Minnesota most farmers are paying 8 percent on short-term chattel loans—and 8 percent interest today will put almost any family-size farmer out of business if he must operate on very much borrowed capital.

Our situation in Minnesota clearly indicates this need for credit. The real-estate debt on Minnesota farms increased from $324 million in 1953 to $337 million in 1954; the nonreal-estate debt increased from $160 million in 1953 to $181 million in 1954 (according to U. S. Department of Agriculture report of January 1, 1955). Federal land-bank reports, which take us into 1955, show that PCA loans on chattel mortgages in Minnesota totaled $14.6 million at the end of 1953, $16.6 million at the end of 1954, and $18 million at the end of 1955; and that Federal land-bank mortgages totaled $65.1 million at the end of 1953, $70 million at the end of 1954, and $78.5 million at the end of 1955. The increase in per capita farm debt was even greater, since the population living on our farms has decreased as follows: 645,819 in 1951; 636,490 in 1952; 629,698 in 1953; 625,453 in 1954; and 624,071 in 1955. This increase in debt is most significant because it comes while incomes are declining.

Many Minnesota farmers have reported that they cannot get credit that they sorely need. They cannot get the credit to build farm homes that people in cities and towns can get. Therefore, I believe that it is important to provide more and easier credit.

I should like to propose a program of guaranteed loans to farmers, to provide them with capital, to build homes, to get needed machinery, and to make necessary transitional changes. A program patterned after the insured mortgages under the Federal Housing Administration whereby the Federal Government would insure sound loans to farmers made by private lending agencies could do a great deal toward solving the credit problem. I believe that a program could be worked out whereby sound loans now existing could be brought under such a guaranty. Such a program could provide credit at lower interest rates and for longer terms than are now available. If this credit program were a part of a sound overall farm program, and if it were carried out on a really adequate and financially sound basis, it would do a great deal to restore to American farmers their confidence in the future. It would make it easier for them to carry out the changes in their operations that may be necessary. It would assist those businesses now hard hit by depressed farm purchasing power and the financial institutions that would participate in the program. I urge you to give serious consideration to this proposal.

Assistance to lower income farmers

Assistance must be given to the lower economic level of farm groups—either to provide them with the help they need to become better farmers, or to ease the transition to some other occupation. Encouragement of decentralized location of industry, in areas where labor from the farm can be used, has proved beneficial to all concerned in Minnesota, and we are continuing to push this development. Training programs and guidance in rural high schools could ease transition from farms where this is necessary. Financial aid, either for improving agricultural operations or for transferring to another field would help.

Increased consumption

Measures should be taken to achieve the optimum consumption of agricultural products. This should include an expanded school lunch program. In Minnesota our school lunch program is working so effectively that the present allotment will be exhausted by the end of February 1956, and an additional allotment is needed if the program is to continue. I believe we are all agreed that supplying more milk for our children is one of the most constructive parts of our program.

We should also increase consumption by a food stamp plan to provide better nutrition for the millions of American families whose incomes are not now sufficient to provide them with adequate nutrition. Twelve million families with incomes of less than $2,000 a year cannot purchase enough good food to meet American standards. In Minnesota alone, our 52,000 people on old-age assistance, the 20,800 receiving aid to dependent children, plus thousands of others who receive various kinds of local assistance and relief, could benefit from such a plan, while at the same time helping to eliminate our surpluses. The food stamp plan provided should have the flexibility which would permit its use to promote the consumption of products which at any time might be in long supply, particularly as applied to perishables. It is interesting and important that perishable foods—dairy products and fresh fruits and vegetables—are among those most needed by those whose diets are nutritionally deficient because of insufficient income.

A program for increased consumption should also include leadership in formulating and carrying out international programs for the use of food as an instrument for peace and good will abroad.

Conservation of soil and fertility

Programs for the preservation and restoration of our soil and water resource potential should be undertaken, and those that exist should be expanded. We should strengthen the Soil Conservation Service and our programs for forestry management and flood control. A sound and effective program for taking acreage out of production should be adopted. Any soil bank program, however, should be carefully designed to consider the nature of the soil which ought to be banked, to operate equitably in all areas and among all farmers, and to be really effective in accomplishing desired ends. A program, for example, such as the one now proposed with regard to land used to produce basic commodities, would affect in Minnesota only the acreage now devoted to corn and wheat, and would be of value to only a very small proportion of the farmers in Minnesota.

Farm cooperatives

Constructive encouragement of farm cooperatives, a policy which has been written into Federal law since 1929, should be continued and expanded. Farmers have already done much to improve their own financial position through cooperative organization, and can do much more.

Research and experimentation

Scientific and technological research, to develop new and better products and particularly new uses for agricultural products, should be constantly emphasized.

Importance of administration

No government program can be carried out effectively to achieve the purposes for which it was enacted unless it is administered by personnel who believe in those purposes and are determined to carry out the intent of the law. This is particularly true with regard to an agricultural program designed to meet the needs of a vast area under changing conditions, because such a program cannot be spelled out in rigid detail, but must rather provide for variations to meet diverse and unpredictable situations.

I believe that the programs in effect today could have been of greater benefit to our farmers had they been administered more thoroughly in line with the intent of the law. I have already referred to the decreased effectiveness of the local farmer-committee program. Administrative officials have not always used the authority they have to the greatest benefit of the farmers. In the current pork purchase program, for example, perhaps the processors and packers have benefited by the expenditure of $85 million, but it has not helped the price that farmers receive for their hogs. Had such expenditures been made to farmers, for example, as premium payments for marketing lean hogs of less weight, there would have been less pork on the market and the benefit would have been to the farmers themselves. When administrative officials in charge of a program express their disapproval of the purposes of the program itself, there is little reason to hope that the program will succeed.

I would therefore urge you to write into the law you will enact, as specifically as you

can, a statement of the intent and purposes to be achieved, and require that it be administered in a manner that carries out those intents and purposes.

Farm problem can and must be solved

We cannot afford a defeatist or a laissez-faire attitude toward our farm problem. We in America are blessed with a democratic government. We ought not to be afraid to use it. We must not be caught in blind prejudices that prevent action by means of representative government, when only by such means can solutions be found and implemented.

We can solve the serious agricultural problem which faces us today if we adopt a program based on a philosophy of plenty, which recognizes the needs of the future, which has the imagination and the courage to meet the challenge of bringing to our own people—and to the world—the possibilities of plenty that scientific and technological progress make possible.

I believe that you can evolve a constructive, far-sighted program to the benefit of America and the world. It has been a great privilege for me to try to make some contribution to your efforts to that end.

Mr. HUMPHREY. Mr. President, from day to day Members of Congress bring to the attention of their colleagues letters which they have received. I have in my possession a letter which was written to me by a friend of my family, a gentleman who lives in South Dakota where my mother resides and which was my native State. The letter reads, in part, as follows:

DEAR HUBERT: Have been going to write for a long time but never got around to it, because you have always tried to do for the American farmer what is right. You know what the farmer needs, because you have been brought up among us.

This new administration farm bill seems to stress only the soil-bank plan. I don't intend to follow it unless it has a 90-percent clause in it for top-quality crops.

The Eisenhower-Benson plan is to have the family farmer build up the soil, then lose it, so the corporation farmers can reap the benefits. And we will lose our farms if this administration stays in office. If you will read the 23d chapter of St. Matthew it will give you an idea what the farmer thinks of the 1952 promises of the present administration. I didn't owe any money to anybody January 1, 1953. Now $2,000 is what I owe and I have to borrow more to put in another crop.

* * * * *

When the Eisenhower farm message was read in Congress egg prices dropped 7 cents a dozen. The egg buyers lost $2.10 a case on what they had on hand. Yesterday his budget message was read and eggs dropped 3 cents more and oyster shells went up 3 cents a 50-pound paper sack, and a 50-pound block of salt went up 2 cents.

Mr. Benson's hog-buying program with subsidy direct to packer done just what I thought it would. It kept live hogs market lower and kept the price at meat counter up.

By buying up the best cuts of pork, hams, loins, the luncheon meat and some lard, left a surplus of less desirable cuts and scarcity of the pork chops and hams at the counter.

CATTLE AND HOGS

Mr. President, this leads me to the consideration of a matter which has been discussed day after day in newspapers, magazines, and in the Congress.

Mr. President, I note by the press that many of our Republican colleagues of this body and the House are beating a path to the White House insisting that Secretary Benson do something about hog and cattle prices.

They are apparently beginning to realize the keen disappointment of America's livestock producers in the President's supposedly bold new farm program.

The sad truth is that nothing in the program offers any real help to the two groups of producers now hit the hardest—cattlemen, and hog growers.

Perhaps if enough Republican House Members join this pig revolt—with their eye on coming elections—Secretary Benson will take another look at some of the good Democratic suggestions offered him some time ago to meet this situation.

Secretary Benson has both funds and authority to act. The hesitant action he is taking now on hogs is a failure, serving to boost profits to packers and processors but doing little good for producers.

As the pressure on Secretary Benson mounts from his own party, I suggest he dig into his files and take another look at the as yet-unanswered letters 16 Democratic Senators sent him as a New Year's message, suggesting he start off the New Year by expanding his livestock purchases and doing it in a way to get the assistance to farmers.

Mr. President, every single day the newspapers of the United States carry feature stories to the effect that members of midwestern delegations are calling at the White House or at the Agriculture Department literally demanding that something be done. It is the major news feature in every midwestern newspaper. It has even become so significant that it has made the eastern newspapers, although in the East the hog prices are not of such critical importance to the producer as they are to the midwestern farmer.

There is nothing to stop the Secretary of Agriculture from requiring that the packers certify that they are paying fair prices to the producers before accepting their bids. There is nothing to stop him from requiring packers to submit offers only on pork from lightweight hogs, thus stimulating the market for lighter hogs, and thereby cutting down the potential total pork supply.

Or, if the Secretary wants an even simpler method, the best way to get assistance directly to the producers is to give it to them directly, in the form of compensatory payments.

Secretary Benson knows that Congress would give him almost any authority he asked for which would assure getting assistance to the farmers, instead of to the packers. But he has not asked for any assistance. He has not asked for any more funds.

All of us hope he will change his mind and act at once. But if he does not, we in Congress must make certain that hogs and cattle are not overlooked in the new farm bill.

I digress to point out that the loss to the cattle and hog producers in the Midwest has run into hundreds of millions of dollars, which can never be reclaimed because of the inexcusable delay. This is the kind of economic liquidation that goes far beyond what one might call watching the market operate, hoping that it will readjust itself. The farmers of the Middle West, in the great hog producing States of Illinois, Indiana, Iowa, Nebraska, Wisconsin, and Michigan, and, indeed, other States of the Middle West, have been going through the wringer. They are suffering from very dire economic circumstances.

Whether Secretary Benson wants it or not, I want to see authority included in the new farm bill for the Secretary to use up to $300 million of Commodity Credit Corporation funds to aid hog and cattle producers, but with enough strings attached to keep it all from going to the packers. I think our committee is more aware of the needs of these producers than Secretary Benson seems to be, and I believe they would go along with such a request. All I shall insist upon is that we provide safeguards to keep the packers from getting more and more as producers of hogs and beef get less and less.

Mr. President, I ask unanimous consent to have printed in the body of the RECORD at this point a report which I have received from the Department of Agriculture, in response to my request during our committee hearings, on the actual purchases of pork and prices paid, together with prices received by farmers for hogs at comparable dates. Anyone who examines the table will see the inequities of the present program.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Average cost of barrows and gilts in packer and shipper purchases at 8 markets, since the week ended Nov. 12, 1955

[Dollars per 100 pounds]

Week ended—	Chicago	St. Louis National Stock Yards	Kansas City	Omaha	Sioux City	South St. Joseph	South St. Paul	Indianapolis	8 markets combined
Nov. 12	13.15	13.36	13.01	12.82	12.49	12.89	12.67	13.48	12.93
Nov. 19	12.01	12.28	12.04	11.84	11.45	11.94	11.62	12.48	11.91
Nov. 26	11.26	11.89	11.53	11.23	11.02	11.48	11.24	11.82	11.38
Dec. 3	10.98	11.50	10.99	10.78	10.45	10.96	10.52	11.38	10.90
Dec. 10	10.72	11.34	10.66	10.35	10.22	10.78	10.40	11.18	10.67
Dec. 17	10.57	11.17	10.71	10.47	10.29	10.69	10.21	11.26	10.60
Dec. 24	10.73	11.22	10.58	10.39	10.29	10.58	10.13	11.36	10.60
Dec. 31	11.06	11.39	11.01	10.78	10.71	10.86	10.33	11.50	10.90
Jan. 7	10.85	11.36	11.05	10.83	10.68	11.17	10.37	11.34	10.88
Jan. 14	10.92	11.35	10.99	10.70	10.48	11.04	10.70	11.34	10.90
Jan. 21	11.03	11.62	11.47	11.09	10.99	11.42	11.11	11.50	11.24

Source: Compiled from weekly livestock market news reports issued by the Livestock Division, AMS.

NOTE.—Hog prices at the principal markets on Monday, Jan. 23, were reported mostly 25 to 75 cents per 100 pounds higher than the close on Friday, Jan. 20.

Mr. HUMPHREY. Mr. President, I pointed out on the Senate floor a week ago that as the Government purchases of pork products were being made, the prices which the Government paid for those products were going up on every purchase; that the price which the farmer received for live hogs on the market was going down; and that the dates of the purchases of hogs and the drops in hog prices were almost identical. I gather that some persons had doubts as to the veracity or the validity of that observation. Therefore, I ask unanimous consent that the entire chart be printed at this point in the RECORD.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

U. S. Department of Agriculture pork and lard purchase program—Summary of offers and acceptances by weeks through Jan. 20, 1956

Purchase date	Offers			Acceptances				
	Number of bidders	Quantity	Range of prices	Number of contracts	Quantity	Range of prices	Average f. o. b. price per pound	Total f. o. b. plant cost
Lard:								
Nov. 9, 1955 [1]	21	25,576,200	$12.10-$18.70	4	1,915,200	$12.10-$15.94	$15.16	$290,421.96
Nov. 22, 1955 [1]	16	30,620,400	12.62- 18.32	5	4,956,000	12.62- 15.87	15.12	749,584.68
Nov. 30, 1955 [1]	18	37,128,000	11.99- 16.97	4	7,704,000	11.99- 15.09	14.24	1,097,153.60
Dec. 15, 1955	12	73,224,000	13.89- 18.29	7	16,380,000	13.89- 15.00	14.37	2,354,270.40
Total				20	30,955,200		14.51	4,491,430.64
Luncheon meat:								
Nov. 17, 1955	8	1,663,200	39.19- 47.35	3	415,800	39.19- 41.90	40.28	167,502.06
Nov. 23, 1955	8	2,019,600	39.75- 44.95	6	1,009,800	39.75- 41.90	41.51	419,197.68
Dec. 1, 1955	8	1,960,000	40.89- 44.60	7	1,425,600	40.89- 41.90	41.81	596,084.94
Dec. 8, 1955	8	2,079,000	41.37- 44.60	7	1,782,000	41.37- 41.90	41.87	746,188.74
Dec. 15, 1955	8	1,603,800	41.85- 44.51	6	950,400	41.85- 41.90	41.89	398,110.68
Dec. 22, 1955	8	1,960,200	41.80- 42.47	8	1,722,600	41.80- 41.90	41.89	721,591.20
Dec. 29, 1955	8	1,841,400	41.85- 43.98	7	1,009,800	41.85- 41.90	41.89	423,046.80
Jan. 5, 1956	8	2,257,200	41.90- 44.95	6	1,900,800	41.90- 41.90	41.90	796,435.20
Jan. 11, 1956	9	2,435,400	41.90- 42.90	9	2,435,400	41.90- 42.90	42.07	1,024,459.92
Jan. 19, 1956	9	3,088,000	42.50- 43.90	9	2,197,800	42.50- 42.90	42.82	941,460.30
Total				68	14,850,000		41.98	6,234,077.52
Pork and gravy:								
Nov. 17, 1955	15	5,314,700	62.50- 84.78	2	226,200	62.50- 64.50	63.28	143,145.01
Nov. 23, 1955	14	4,976,400	63.42- 79.71	7	1,300,650	63.42- 64.50	63.94	831,579.06
Dec. 1, 1955	13	3,788,850	63.49- 77.50	6	1,017,900	63.49- 64.50	64.38	655,281.61
Dec. 8, 1955	15	3,845,400	63.42- 75.70	13	2,827,500	63.42- 64.50	64.37	1,820,006.33
Dec. 15, 1955	16	4,524,000	64.40- 71.50	14	3,166,800	64.40- 64.50	64.48	2,042,018.80
Dec. 22, 1955	19	6,786,600	64.15- 66.44	17	6,050,850	64.15- 64.50	64.48	3,901,752.64
Dec. 29, 1955	18	4,071,600	64.45- 71.63	13	2,940,600	64.45- 64.50	64.48	1,896,115.84
Jan. 5, 1956	12	2,657,850	64.48- 68.21	7	1,639,950	64.48- 64.50	64.50	1,057,711.20
Jan. 11, 1956	19	6,786,000	64.48- 66.50	13	5,824,650	64.48- 64.50	64.50	3,756,814.42
Jan. 19, 1956	17	7,521,150	64.18- 67.00	12	5,824,650	64.18- 64.50	64.50	3,756,610.84
Total				104	30,819,750		64.44	19,861,035.75
Ham:								
Nov. 23, 1955	7	1,440,000	56.23- 72.90	1	288,000	56.23- 57.12	56.65	163,144.80
Dec. 1, 1955	5	1,620,000	57.76- 65.83	3	1,152,000	57.76- 59.95	58.58	674,856.00
Dec. 8, 1955	7	2,808,000	58.70- 62.66	6	2,088,000	58.70- 59.95	59.76	1,247,806.80
Dec. 15, 1955	8	2,484,000	59.87- 62.95	4	1,152,000	59.87- 59.95	59.93	690,393.60
Dec. 22, 1955	6	2,664,000	59.87- 60.27	5	1,728,000	59.87- 59.95	59.94	1,035,705.60
Dec. 29, 1955	5	2,304,000	59.95- 64.32	3	396,000	59.95- 59.95	59.95	237,402.00
Jan. 5, 1956	5	1,944,000	59.95- 63.58	2	900,000	59.95- 59.95	59.95	539,550.00
Jan. 12, 1956	7	2,160,000	59.00- 63.08	6	1,800,000	59.00- 61.50	60.40	1,087,290.00
Jan. 19, 1956	8	2,232,000	60.80- 64.29	7	1,188,000	60.80- 61.50	61.42	729,684.00
Total				37	10,692,000		59.91	6,405,832.80
Total pork and lard				229	87,316,950			36,992,376.71

[1] Includes lard in both 3-pound and 50-pound tins.

Because the prices quoted for processed pork products were not considered to be in their proper relation to hog prices currently being received by farmers, no offers were accepted week of Nov. 10, and no offers on canned ham week of Nov. 17.

Mr. HUMPHREY. Mr. President, Senators will find as they look over the chart, which I have before me, that when the hog-purchase program started on November 12, 1955, hogs on the 8 combined markets in the Midwest—in the 8 combined stockyard markets in the Midwest—were selling for $12.93 a hundredweight. On January 1, they were selling for $10.90. On December 24, they were selling for $10.60.

The highest figure they have reached since was on January 21, 1956, $11.24.

Meantime, the purchases which the Government has made have been as follows:

On luncheon meat the price has gone up from 39 cents a pound, on November 17, 1955, to 42 cents a pound on January 19, 1956. On January 11, the price was 41.9 cents. On January 5, it was 41.9 cents. On December 8, it was 41.37 cents.

The price which the Government pays continues to go up; the price which the farmers receive continues to go down.

As to the pork and gravy—and I digress to say that the price of gravy is indeed extensive in this operation—on November 17 the pork and gravy which the Government purchased cost 62.5 cents. On January 19, it cost 64.18 cents. On December 22, it cost 64.15 cents.

What kind of purchase program is this? The packers are not in trouble. They have never had it better. They really have peace and prosperity. The farmers are a little short on prosperity.

The farmers' prices have gone down, down, and down. The packers' prices have gone up, up, and up, and their profits have skyrocketed.

Prices are at unprecedented levels. Some of us have been pointing out this fact for many weeks. We have been trying to the best of our ability to get something done before it is too late. We went through this condition a little more than a year and a half ago in the cattle market. We are about to go through it again.

Members of the Senate who own cattle are finding out through personal observation as they sell cattle that they are losing money. They cannot afford to feed cattle today, despite the low prices of feed grains. Feed grains are today selling at a price so low that they are being sold at a loss to the producer of such grains.

Mr. President, I should also like to read a telegram from a group of Iowa producers, showing the sentiment which exists in the Midwest today. The telegram is signed by O. C. Swackhammer, president of the Midwest Livestock Feeders' Association, of Shenandoah, Iowa. It was addressed to me under date of January 24, and reads as follows:

SHENANDOAH, IOWA, *January 24, 1956.*
HON. HUBERT HUMPHREY,
Senate Building, Washington, D. C.:

One thousand hog producers in emergency meeting called by Midwest Livestock Feeders' Association adopted unanimously these resolutions today. Urge immediate action. Evidence 8 to 10 percent of all farmers going

broke or leaving farm. Eighty to eighty-five percent returning Korean veterans already broke:

1. We request that the Secretary of Agriculture use all money available for immediate action, retroactive to September 1, 1955, as emergency payments to farmers as a direct subsidy payment, to bridge the gap between what farmers are actually receiving and 100 percent of parity.

2. We understand that the Secretary of Agriculture has at present $120 million to support hog prices, and $120 million to support cattle prices. We strongly recommend that these sums of money be used at once to bolster the farmer's income. And we further recommend that payments be made directly to the producers rather than through the packers of livestock products.

3. We favor a thorough investigation of price spreads between prices received by producers of livestock and those paid by consumers of livestock products. It was also recommended that farmers of 160-acre farms be placed on this investigating committee.

4. We favor further liberalization of restrictions on loans so farmers may adequately be financed during this emergency period.

O. C. SWACKHAMMER,
President, Midwest Livestock Feeders' Association.

Mr. President, Mr. Swackhammer has said that approximately $240 million of funds is available, and there are that many dollars available. They are section 32 funds; they are not funds taken from the Federal Treasury as taxpayers' funds. They are funds collected as excise imposts, excise taxes, imposts, and duties upon imports into the United States. That amount of money is not being used.

A little more than half or about half of the $85 million which the President and the Secretary said they were going to use in the pork-buying program has been used to date.

I have also a report on the distribution of surplus lard and pork products to section 32 outlets, which I ask unanimous consent to have printed at this point in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows.

DISTRIBUTION OF SURPLUS LARD AND PORK PRODUCTS TO SECTION 32 OUTLETS

I. LARD

Lard is now being made availabe to all State distributing agencies for donations to nonprofit school lunch programs, charitable institutions, and to State, county, and local welfare agencies for the relief of those needy persons and families who have been certified as eligible to receive surplus commodities.

This situation reflects the fact that by December 15 maximum quantities of lard for which domestic section 32 outlets were available had been procured. On November 9, the first week purchases were made under the pork products purchase program, the Department purchased approximately 2 million pounds of lard. However, during subsequent weeks purchases increased significantly. Total purchases amount to almost 31 million pounds. Purchases by weeks are shown in the table above.

The Department is endeavoring to develop outlets for lard under the programs of the International Cooperative Administration and sales for local currency through the use of Public Law 480. In this connection, a Public Law 480 agreement for 88 million pounds of lard to Yugoslavia has just been announced. Consideration is being given to possible means under which donations for foreign relief purposes could be accomplished.

II. PORK PRODUCTS

The volume of purchases of canned pork to date has been sufficient to meet only the current needs of school lunch programs which are accorded first priority on available donations. However, in view of the current step-up in the volume of purchases and the broadening of the program to include frozen pork items and small size cans of luncheon meat, it is anticipated that acquisitions will be sufficient to provide distribution to institutional and needy family outlets by some time late in March or April.

Early purchases of canned pork were relatively small because many of the early offers were judged to be too high in relation to market prices of hog and pork products. (See table above.) However, in the past 2 weeks the volume of acceptable offers has been larger. For example, during the week ending January 20 the Department purchased slightly more than 9 million pounds of canned pork meat products, bringing the total canned pork meat purchases to more than 56 million pounds. Purchases and offers by weeks are shown in the table above.

To further stimulate an increased volume of offers, the Department has made two changes in the program. It has expanded the program to include purchases in frozen form (pork loins, skinned shankless shoulders, and skinned smoked hams) which are especially suited for use in institutions. In addition, it has offered to purchase canned luncheon meat in 12-ounce cans—a size suited to the needy family distribution by welfare agencies.

Mr. HUMPHREY. Mr. President, I have recommended in my statement that there be an increase in these funds by some $300 million through the authorization of Commodity Credit funds. I have made this recommendation because the expenditure of that amount of money will definitely lift the prices of pork or live hogs and of beef cattle, and will more than put that much back into the farmers' income, many times over. The farmer will thus become a better purchaser, he will become a taxpayer, and will be able to meet his obligations and his debts.

I was particularly impressed by the Livestock Feeders Association suggestion that "It was also recommended that farmers of 160-acre farms be placed on this investigating committee."

What a refreshing idea it would be for farmers to investigate the price spread between prices received by producers and processors of these products. I hope this particular suggestion will be carried out.

Mr. President, all of us concerned with the collapse of hog prices should read with a great deal of interest the January 7 issue of Wallaces' Farmer and Iowa Homestead, showing that 76 percent of Iowa farmers polled favored direct payments to support income of hog producers.

I ask unanimous consent to have the Iowa magazine article on this poll inserted at this point in the body of the RECORD, together with an article by Art Thompson, editor of Wallaces' Farmer, entitled "A Way To Boost Our 1956 Income."

I commend both of these articles to my colleagues for thoughtful reading.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

SUPPORT HOGS, FARMERS SAY—HOW?—BIG MAJORITY FAVOR PRODUCTION PAYMENTS

Farm operators, interviewed by the Wallace-Homestead poll, showed a marked shift toward production payments as a way of supporting hog prices. They were asked:

"If you think the Government should support hog prices at $17, which of the following should the Government do?

"1. If the market price drops to $14, pay the farmer the $3 difference between the market price and the $17 support price on the hogs he sells."

Vote was 76 percent in favor of No. 1.

"2. Buy and store pork to keep the market price up to $17."

Vote was 9 percent in favor of No. 2. And 16 percent were undecided.

Iowa farmers have been asking for some kind of Government help for hogs for quite a while. But they've been divided about the kind of help.

Now a good many have made up their minds. They want production payments.

This means a Government check for the difference between the support price and the average price on the day the farmer sells.

If the support is $17 and the market price averages $13, then the farmer gets a check for $4 per hundred on the weight of hogs sold.

STILL PAY FOR QUALITY

Suppose he has top hogs and gets $14.50 instead of $13. That's all right. He still gets his $4 check. Quality and bargaining ability continue to pay dividends.

Look at the table above for the way in which the question was asked and the way farm operators answered it. And look below to the way in which the vote of farm men changed on this point from August to December of 1955.

	August (percent)	*December (percent)*
1. Production payments	52	76
2. Buy and store	35	9
3. Undecided	13	15

Why the change in 4 months? For one thing, hog prices dropped. Farmers were more eager for action.

For another, Benson's pork-buying program had fizzled. By early December, he had spent only $15 million out of the $85 million promised and hog prices had continued to fall.

Do all Iowa farm operators want Government action on hog prices? No.

The Wallace-Homestead poll asked about supporting prices at $17 per hundred at Chicago. About 60 percent of the farm operators approved. Four percent wanted to use other methods—production quotas, higher supports, etc. And 25 percent said: "Leave the hog market alone."

FARM BUREAU VIEWS

How do farm bureau members stand on production payments now? How do Republicans and Democrats stand?

Among bureau members, 69 percent were for production payments and 9 percent against. This also is a big change since August.

Republican and Democratic farmers voted about the same way.

	Republicans (percent)	*Democrats (percent)*
1. Production payments	77	76
2. Buy and store	9	12
3. Undecided	14	12

Farmers of different ages seemed to agree pretty well. But young farmers were press-

ing a little harder than older ones for production payments.

Younger farmers—those from 20 through 34 years—were 79 percent for production payments. Older farmers were 64 percent in favor.

The survey also showed that a number of farm operators were thinking about the possible need of quotas for sows.

A farmer in Poweshiek County, Iowa, said: "If we have price supports, everyone will jump in and raise more hogs. Some kind of production control would be necessary."

His neighbor added: "The Government should control production of hogs. The cotton men in the South control cotton production. We'll have to do the same thing with hogs."

A WAY TO BOOST OUR 1956 INCOME—NEED EARLY VIGOROUS ACTION TO HEAD OFF DANGEROUS SLUMP

1. Cut corn acres in 1956.
2. Pay more for soil conservation.
3. Restore corn loans to 90 percent of parity.
4. Make supplemental hog payments direct to producers.

I once knew a deputy sheriff who, if there was time, took a short drink before making an arrest, especially of a friend. It was important, he said, to get yourself in a proper frame of mind before tackling a tough job.

Suggesting a farm program for 1956—the thing I am going to attempt in this article—is certainly a tough job. So, like the deputy sheriff, I have been reinforcing my own frame of mind, but not with the bottle. Instead, I have just looked at the latest report of the President's Council of Economic Advisers and the trend of auto production.

What did I find? In the third quarter of 1955 total national income was up 9 percent from a year earlier. Farm income was down 9 percent. Corporate profits, after taxes, were up 31 percent. Total national production for the year—goods, services, etc.—reached an all-time mark of close to $400 billion.

The farmer helped set this record. But he got only a part of his income share from it. Who got the rest? Somebody got it. It was produced; the record shows that.

I looked at the auto figures because it has sometimes appeared that manufacturing might go right on until every American had a new car. Now I discover that by mid-December the big companies had largely cut out Saturday operations. One was shortening the work week by 5 hours. Another had laid off 1,400 employees.

Back of these moves was the fact that car sales had slowed up, at least temporarily. Unlike farmers, the manufacturers were not responding to this situation by continuing high output and taking ruinous prices.

In view of these findings, therefore, I find it a little easier to suggest some expensive medicine for our farm problem. Farm income has fallen so far, and our outlook is so threatening that half-way measures are no longer enough.

Here in the Corn Belt, our problem is clearly one of too much feed production, both actual and potential. Unfortunately, it is not evenly distributed, but in total it is there.

We must really come to grips with the excess this time. The American public will have little patience with us if we do not, even though a straight unconditional handout, labeled "prosperity" dividend, could be justified.

Yet, at the same time, city people must understand that farmers will have to have Government guidance in making this adjustment. Sharp criticism will go along with this concession, do doubt, but it will just have to be endured.

What kind of a program will do the job? Or speaking more accurately, what is most likely to be possible?

1. It must be kept in mind that Secretary Benson has again placed no restrictions on the use of land diverted from wheat and cotton. As in 1955, we can only assume that much of it will go into feed crops, even corn.

2. It is very questionable whether a new farm law can be passed by Congress and put into action in time for 1956 feed crops.

Advocates of the land rental or soil-bank plan are aware of this possible delay but believe, nevertheless, some acreage can be signed up later in the year to get a head start for 1957.

3. We now know that we head into 1956 with the prospect of a continuing weak hog market. And even with widespread program sign-up, the feed supply adjustment isn't going to affect this hog trend much until late 1956, if then.

So, taking things as they are, about the best we can do is "beef up" the existing corn acreage allotment plan.

Set the acre cut high enough, and increase the rate of payment for shifting to more soil-conserving crops. How much cut? Perhaps as much as double that of last year. This is making realistic allowance for fertilizer usage and some tendency to reduce on the poorest land.

Some people think we should shift from acre to bushel allotments for corn, thus to make things fairer for the man who is short of money for fertilizer and so on. However, since most corn never passes through the market, checking bushel compliance would be a real headache.

There also should be rules against putting corn acres into other feed crops. But since the wheat and cotton growers have already been excused from this obligation, it is hardly fair to ask the Corn Belt to observe it.

At this point, the farmer already maintaining a substantial soil conserving base is inclined to say that he will be penalized if corn allotments are again based largely on cropping history. Of course, county committees have some leeway in adjusting for these cases. A further solution, suggested by H. C. M. Case, University of Illinois economist, is to vary both the payment per acre shifted and the loan level for the farm. Farms with an above-average percentage of land in soil-conserving use would be eligible for above-average rates.

Along with the soil-conserving payment, any participating farmer should continue to be eligible for crop loans. Should it also be the rule henceforth that only participants can be eligible for Government price support of oats, sorghums , or any other grain, whether under allotment or not?

As for level of support, a return of the corn loan rate from the present 87 percent of parity back to 90 percent or even 100 percent (about $1.82, national average) could be justified if we really held down production. Under present circumstances, I am inclined to think it should be not less than 90 percent of parity anyway.

If this should threaten to result in an undue further pileup of corn in storage, the Government might suspend or reduce the loan rate and shift to making direct payments on open market sales.

Finally, to obtain a high level of participation (which we must surely have) and to help farm income at an early date, it is suggested that those who sign up—and only those who sign up—should also be eligible to receive supplemental payments on hog marketings.

As now, the hogs would continue to sell for what they will bring in the open market, but the producer would also receive a supplemental payment to bring his total return up to some more acceptable level. Benson is understood to believe that he does not have clear-cut authority under the law to do this. Congress needs to clear this up.

If hog payments are authorized, from what date should they be in effect? Some producers want them applied retroactively back to all hogs sold since October 1, 1955. Others, realizing that it probably will be impossible to obtain enough money for such a backdated scheme, would settle for a start sometime before midyear 1956.

Would it be possible to begin distribution of supplemental hog payments before compliance with acreage allotments can be checked? Theoretically, it should be possible to advance at once a part of the payment due on sales already made, with the balance to come later, after cropping compliance is verified.

What would be a reasonable support goal for hogs? Eighty percent of parity (equivalent about to $17 per hundredweight at Chicago) might not be too far off. A large volume of hogs is still in prospect, and feed supplies will remain somewhat plentiful down to the end of the current year. Some hog men who are worried about the competitve position of pork say the payments should be graduated to favor meat-type animals.

Even if there should be a short crop of corn in 1956, due to a coincidence of smaller acreage and serious dry weather, we could always fall back on the Nation's big wheat stocks of more than 1 billion bushels. This is a point to make to the American consumer. He is not going to starve under a proper adjustment program.

Some farmers feel there should be hog allotments as well as corn acreage limits, say an allowance of one sow for each 20 acres of land farmed.

These proposals are partly aimed at men who made very large increases in farrowing over the past several years and who thus are regarded as particularly responsible for the current excess.

Hog allotments, however, would be very difficult to establish and administer. Ask anyone who counted pigs under the first AAA program in 1934. It is better to bring down the feed supply, thus to discourage excessive feeding.

Summing up the corn-allotment, hog-payment program as herein outlined could put as much as $750 million in the hands of farmers in the commercial corn area. This will be a shocking figure to people who think taxes first and farmers' welfare afterward, if at all. But on serious reflection they might have difficulty figuring out where the money could be better spent.

In addition to the foregoing, perhaps supplemental payments should also eventually replace the present purchase and storage operation for dairy products. Milk output has recently been rising at a time when it was expected to decline and the Government is having to step back into the market.

The dairy industry has put up a manful struggle with self-promotion since Benson cut its price support sharply 3 years ago. But demand still refuses to overtake supply and thus yield higher prices.

What about support action for beef cattle? Traditionally, cattle producers have declared against Government assistance. Until a different view becomes general, a support proposal for cattle would seem to be out of order.

On the consumption side, the school-lunch program certainly should be pushed with all possible vigor. Nearly one-half of our schools haven't yet been reached. The food-stamp plan should be revived, at least on a pilot basis. And direct distribution to welfare outlets can be expanded.

In time, these outlets could absorb a very substantial quantity of livestock products, produced from our grain surpluses, including wheat. This would ease our adjustment

problem. We know it takes about 6 acres to yield in livestock products the food value from 1 acre in cereal crops.

Abroad, the outlook for further trade is not bright. Benson has been pushing exports hard, but he is alienating some of our good friends in other countries.

So it's a problem that will have to be solved at home. If we really put our minds to it, we can lick it. In the community committee system, we already have the machinery for effective action. We just need someone to call the right signals.—ART THOMPSON.

Mr. HUMPHREY. My colleagues will be interested to know that when Iowa farmers were asked whether or not the Government should buy and store pork to keep the market price up to $17, as compared with a direct payment program, a very small number of those farmers favored the former method as an alternative to production payments. If our object is to enact legislation which will have the support of farmers, then we need to follow the support program.

Relief agencies are not getting the pork products it was said would be available to them. There has been loose talk about the purchase program. It is primarily talk, and there has not been much action.

AMENDMENT OF THE NATIONAL GAS ACT, AS AMENDED

The Senate resumed the consideration of the bill (S. 1853) to amend the Natural Gas Act, as amended.

The PRESIDING OFFICER. Under the unanimous-consent agreement the Senator from Minnesota is entitled to the floor.

Mr. HUMPHREY. Mr. President, it is my privilege today to discuss the bill pending before the Senate, the Fulbright-Harris bill, which pertains to the natural-gas industry, and which has provoked very strong criticism throughout the consuming American public.

There are before the Senate bills which would exempt from regulation by the Federal Power Commission the producers' sales price of natural gas for resale in interstate commerce.

This proposed legislation comes before us with the regularity and dependability of Halley's comet. I must say it comes more often, but it is just about as regular and dependable.

I have no doubt that if we succeed in defeating the bill this time, it will be back for another go around in 3 or 5 years.

Perhaps the big oil companies view what is happening as a war of attrition against those of us who seek to protect the interests of the natural-gas consumers throughout the Nation. If so, I can assure them that we have not yet begun to tire, and I am pleased to see that my good friend, the distinguished senior Senator from Illinois [Mr. DOUGLAS] is all but indefatigable in this cause. The presentation by the Senator from Illinois was one of the finest arguments ever made in the Senate. It demonstrated his unique ability in the field of economics, and his broad understanding of this very complex and difficult field.

It is not surprising that the big oil companies want to push this legislation through. There is much at stake. They stand to increase their profits by something like $600 million or more a year as a minimum. They could ultimately be nearly $30 billion richer by the increase in value of their natural-gas reserves. The only wonder is that, with so much at stake, they have not spent more than the $1,500,000 which it is reported they have put into a public relations campaign around the country to sell this legislation to the unsuspecting public. I must say the public is becoming less unsuspecting, and that the telegrams and messages which are being received indicate there is growing concern about what is happening here in the Congress of the United States.

Mr. President, from time to time I have placed in the RECORD a number of telegrams. I now ask unanimous consent to have printed in the body of the RECORD a number of resolutions and messages from organizations and village and city councils in Minnesota, stating their opposition to the Harris-Fulbright bill to amend the Natural Gas Act. They are from the following groups: St. Paul Federation of Men Teachers, Local 43; Local 6–75 OCAW AFL-CIO; St. Paul Chapter of American Veterans Committee, Hennepin County Central Committee of Democratic-Farmer-Labor Party; Local No. 160, United Packinghouse Workers of America, AFL-CIO; Local 65, National Federation of Post Office Clerks; Bartenders Union, Local 287; Local 1011 of the Minnesota Maintenance, Administrative and Professional Employees; and the City and Village Councils of Albert Lea, Springfield, Fridley, Red Wing, Inver Grove, Lauderdale, Mankato, and West St. Paul.

There being no objection, the resolutions and communications were ordered to be printed in the RECORD, as follows:

ST. PAUL, MINN., *January 25, 1956.*
Senator HUBERT HUMPHREY,
Senate Office Building,
Washington, D. C.:

Resolutions by councils Inver Grove, Lauderdale, Mankato, West St. Paul against Fulbright bill received here.

MARSHALL F. HURLEY,
Corporation Council.

ST. PAUL, MINN., *January 25, 1956.*
Hon. HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.:

St. Paul Federation of Men Teachers, Local 43, unanimously opposed to passage of Harris-Fulbright gas bill. We appreciate your stand in opposition.

KARL F. GRITTNER,
Secretary.

ST. PAUL, MINN., *January 25, 1956.*
Senator HUBERT HUMPHREY,
Senate Office Building,
Washington, D. C.:

Members of Local 6–75 urgently request you as Senator from Minnesota to exercise your utmost effort to defeat the Fulbright bill which is now in the Senate. This legislation is not in the public interest.

Yours truly,

CHET JEBLONSKI,
President, Local 6–75, OCAW, AFL–CIO.

ST. PAUL, MINN., *January 26, 1956.*
HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.:

The Harris-Fulbright bill must be defeated. We heartily commend you for placing consumer interest first.

ST. PAUL CHAPTER, AMERICAN VETERANS' COMMITTEE.

MINNEAPOLIS, MINN., *January 20, 1956.*
Senator HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.:

Members of Hennepin County Central Committee of Democratic Farmer Labor Party had meeting January 19. Requested you be notified of their opposition to Harris-Fulbright natural gas bill and that you support firmly our stand both on floor debate and when this important measure comes up for a vote.

HELEN ADAMS,
Secretary, Hennepin County Central Committee.

RESOLUTION OF LOCAL NO. 160, UPWA, AFL-CIO, SOUTH ST. PAUL, MINN.

Whereas the Fulbright bill (S. 1853) now on the calendar of the Senate would increase prices to consumers of gas by many millions of dollars and unreasonably swell the profits of the producers; and

Whereas the purpose of this bill is to reverse the United States Supreme Court's decision, which held that producers who sell natural gas to interstate pipelines for resale in interstate commerce are subject to regulation by the Federal Power Commission; and

Whereas passage of the Fulbright bill would serve no useful purpose other than to assist the special interest groups in gouging the gas-consuming public: Therefore be it

Resolved, That the members of Local No. 160, United Packinghouse Workers of America, AFL-CIO, meeting this 13th day of January 1956, go on record of vigorously opposing the Fulbright bill or any legislation designed to exempt the primary production of gas from regulation by the Federal Power Commission; be it further

Resolved, That we urge our representatives in Washington to work for the defeat of the Fulbright bill.

EDWARD W. SCHMIDT,
President, Local No. 160, United Packinghouse Workers of America, AFL-CIO.

NATIONAL FEDERATION OF POST OFFICE CLERKS,
St. Paul, Minn., January 17, 1956.
Hon. HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR HUMPHREY: At the regular meeting of local 65 held Sunday, January 15, 1956, the Fulbright bill, S. 1853, and the Harris bill, H. R. 4560, now pending before this session of Congress was discussed. A motion carried that the Secretary inform our Congressmen and Senators that we are vigorously opposed to any legislation that would exempt the primary production of gas from regulation by the Federal Power Commission. If such action is taken it can only result in a higher rate for the consumers of this natural resource.

These producers of natural gas are entitled to a fair and reasonable rate of return and can secure such return under the proper Federal regulatory authority.

We urge you to oppose the passage of the Harris bill, as amended, and the Fulbright bill. We further request that the Senate of the United States return the Fulbright bill, as amended, to the Senate Committee on Interstate and Foreign Commerce for further hearings on the bill and its amend-

ments, which have been added to it since the last public hearing. This action would at least give the public of the United States an opportunity to present its side of the case.

We respectfully request that you exercise your utmost efforts to defeat this legislation which is definitely not in the public interest.

Sincerely,

JOHN A. MORGEN,
Secretary, Local 65, N. F. P. O. C.

AMERICAN FEDERATION OF STATE, COUNTY, AND MUNICIPAL EMPLOYEES,
St. Paul, Minn., January 17, 1956.

Hon. HUBERT H. HUMPHREY, Jr.
Senate Building, Washington, D. C.

DEAR SIR: The members of Local 1011, Minnesota Maintenance, Administrative and Professional Employees, of the American Federation of State, County, and Municipal Employees, at their regular monthly meeting January 16, 1956, voted their unanimous opposition to passage of the Fulbright bill (S. 1853), and the Harris bill (H. R. 4560), as being detrimental to the best interest of the present and potential Minnesota consumers of natural gas. They earnestly solicit your active opposition to the final adoption of either or both of these measures.

Very truly yours,

A. F. WICKLUND,
President, Minnesota Maintenance, Administrative and Professional Employees, No. 1011.

ALBERT LEA, MINN., *January 16, 1956.*

Hon. HUBERT H. HUMPHREY,
Senator from the State of Minnesota, United States Senate, Washington, D. C.

DEAR SENATOR HUMPHREY: Pursuant to direction of our city council of the city of Albert Lea, Minn., I enclose herewith a certified copy of a resolution passed by our city council on January 9, 1956.

Very truly yours,

WILLIAM AANERUD,
Secretary of the Council.

RESOLUTION OF THE COUNCIL OF THE CITY OF ALBERT LEA, MINN.

Whereas the Congress of the United States now has under consideration two bills, one being known as the Fulbright bill (S. 1853) and the other as the Harris bill (H. R. 4560), the same being similar in nature and relating to the use of natural gas; and

Whereas the Council of the City of Albert Lea believes that the passage of either of said bills may well result in higher rates for the consumers of natural gas; and

Whereas it further appears that the public has not had adequate opportunity to inform itself of the provisions and effect of said bills and voice its opinion to Members of Congress; Now, therefore, be it

Resolved by the City Council of the City of Albert Lea, That it urge the honorable Senators and Congressmen from the State of Minnesota to oppose passage of the legislation; and be it further

Resolved, That a copy of this resolution be transmitted to each Member of Congress from the State of Minnesota and to the United States Senate Committee on Interstate and Foreign Commerce and to the clerk of said committee and the clerk of the Senate of the United States.

Passed January 9, 1956.

KENNETH C. JORDAHL,
Mayor.

RESOLUTION OF THE CITY OF SPRINGFIELD, BROWN COUNTY, MINN.

Whereas on April 15, 1955, the city of Springfield, through its city council, expressed its opposition to the passage of H. R. 4560, the so-called Harris bill, by the House of Representatives of the United States of America, which bill purports to exclude from the jurisdiction of the Federal Power Commission the power to regulate natural gas prices, and its conclusion that such resolution would be contrary to the welfare of the citizens of this community who are users of natural gas, and to this city which is also a user of natural gas, and would result in higher rates for the consumers of those natural resources; and

Whereas this city council is of the opinion that fair and reasonable rates can be secured by the producers of natural gas under proper Federal regulatory authority; and

Whereas the Fulbright bill (S. 1853) now on the calendar of the United States Senate contains provisions which are similar in effect to the Harris bill: Now, therefore be it

Resolved by the City Council of the City of Springfield, Minn., That it reiterates its conclusion and opinion heretofore expressed that the Harris bill and the Fulbright bill are contrary to the best interests of the general users of natural gas in this community and to this city as an extensive user of gas, and that this city council again restates its firm opposition to these proposed bills and to this proposed legislation; it is further

Resolved That this city council urgently requests the Senators and Congressmen from the State of Minnesota to use their best efforts to prevent the passage of this proposed legislation as not in the public interest; it is further

Resolved, That a copy of this resolution be immediately sent to the Honorable Senators and Congressmen from the State of Minnesota.

Passed and adopted this 9th day of January 1956.

B. J. ESSYELN,
Mayor.

Attest:

P. H. SOLYNTJIS,
City Clerk.

JANUARY 18, 1956.

DEAR SIR: At a regular meeting of the village council of Fridley, Minn., Councilman Frederick introduced the following resolution and moved its adoption:

"Whereas the Harris bill passed by the House of Representatives and the Fulbright bill now before the United States Senate will result in an increased cost of natural gas to the consumer; and

"Whereas a fair and reasonable margin of profit to the gas producing industry can be realized under proper Federal regulations; and

"Whereas passage of the Fulbright bill would result in considerably high consumer prices of natural gas: Now, therefore, be it

"*Resolved,* That the village council of the village of Fridley, Minn., protest the passage of the Harris bill and urge defeat of the Fulbright bill; and be it further

"*Resolved,* That the council urgently request the Senators and Congressmen from the State of Minnesota to use every effort to defeat this legislation which is contrary to the best public interest; and be it further

"*Resolved,* That copies of this resolution be transmitted to the Honorable Senators and Congressmen from the State of Minnesota, to the clerk of said committee and to the clerk of the United States Senate."

The motion was duly seconded by Councilman Marcucci and upon vote being taken, all members voted in favor of the resolution.

I hereby certify that the foregoing is a true copy of the resolution adopted by the Fridley Village Council.

ERNEST MADSEN,
Clerk.

RESOLUTION ADOPTED BY THE BARTENDERS UNION, NO. 287, ST. PAUL, MINN., JANUARY 15, 1956

Whereas we, the members of the bartenders union and our families, are users of natural gas, and because we are certain that the Fulbright and Harris bills, if passed in the Senate and House will in time prove to be contrary to our best interests and the whole gas-consuming public in our city; and

Whereas the passing of these bills would take away from the Federal Power Commission the regulation of those engaged in the primary production of gas and this in effect could lead to only one end, increases in the rate to be paid by the ultimate consumer of natural gas: Now, therefore, be it

Resolved by the members of the Bartenders Union Local, No. 287, of St. Paul, Minn., That the Harris and Fulbright bills, as amended, are contrary to our best interests and those of the whole gas-consuming public in our city, and we respectfully request that the Senate of the United States return said Fulbright bill, as amended, to the Senate Committee on Interstate and Foreign Commerce for further hearings on said bill and the amendments which have been added to it since the last public hearing thereon. This will at least give the public of the United States an opportunity to present its side of the case before the honorable Senate committee: Further

Resolved, That the members of the Bartenders Union Local, No. 287, of St. Paul, do urgently request that the Senators and Congressmen from the State of Minnesota exercise their utmost efforts to defeat this legislation.

Approved January 15, 1956.

ROBERT L. MORGAN,
Secretary, Bartenders Union, Local No. 287.

RED WING, MINN., *January 18, 1956.*

Hon. HUBERT H. HUMPHREY,
United States Senator, Washington, D. C.

DEAR SENATOR HUMPHREY: At a special meeting of the City Council of the city of Red Wing, Minn., held on January 16, 1956, a detailed discussion was entered into with respect to the provisions contained in the Fulbright bill (S. 1853) now before the United States Senate for consideration.

It was felt by the members of our city council that if the Fulbright bill should pass, all independent producers who sell gas in the producing field for transmission by pipe line will be freed from the Federal regulations in effect at the present time, that it would definitely not be for the best interests of the citizens of communities using natural gas and that the ultimate result will be for the consumer to pay a higher rate for natural gas.

After due and fair consideration of this proposed measure, action was taken by the city council that they go on record opposing the passage of the Fulbright bill now before the United States Senate and instructed the city clerk to inform our United States Senators of their action and respectfully request their support in opposing passage of this measure.

I trust this request will merit your favorable consideration.

Very truly yours,

H. E. NORDHOLM,
City Clerk.

Mr. HUMPHREY. Mr. President, what does surprise me is the short memory the backers of the proposed legislation display. With so much at stake, one would think they could recall their previous efforts to cash in on this bonanza. Yet I have seen pamphlets, distributed throughout the country by the

natural gas and oil interests, which claim that the producers' sales price of natural gas was never subject to regulation before June 1954, when the Supreme Court so held in the Phillips decision. The pamphlets, newspaper advertisements, and all the other propaganda that has flooded the country for the past year, charge that the Supreme Court "reinterpreted" the law in a way that no one ever quite imagined was possible before.

If this were true, then I can only wonder what all the shouting was about back in March 1950, when the Kerr bill was pending in the Senate. The Kerr bill would have exempted independent producers of natural gas from regulation under the Natural Gas Act of 1938. And the natural gas and oil interests should have recalled the big push they made back in 1947 with the Moore-Rizley bill, and the other bills in the 80th and 82d Congress which would have removed this authority from the Federal Power Commission.

I cite this as only one of the many mistaken notions about the proposed legislation that have been disseminated throughout the country by the natural gas and oil propaganda machine. We could argue the legislative history of the Natural Gas Act for months on end, but I am sure that the proponents and opponents of the Harris and Fulbright bills would not reach agreement on what was intended regarding the regulation of producers' sales price of natural gas.

Let me digress from my prepared statement to point out that there has never been any doubt in the minds of the producers of natural gas that the act of 1938 did provide regulation of producers' sales of natural gas in interstate commerce. If there was no doubt, then why the Moore-Rizley bill? Why the Kerr bill? The effort to pass these bills was not merely that there might be clarification; it was that there might be an affirmative declaration on the part of Congress to exclude producers' sales of natural gas from regulation by the Federal Power Commission.

But we do not have to argue that point further. It has been done for us before the highest Court in the land. We know that the Supreme Court, in arriving at a decision in a case such as the Phillips case, reviews the committee reports and congressional debate to decide what was the legislative intent at the time the Natural Gas Act was made law. We know that they also take into consideration the whole history of the act since its enactment and the judicial decisions bearing upon its interpretation. The Supreme Court has gone through this careful and judicious process and handed down a decision declaring that producers' sales of natural gas for resale in interstate commerce are subject to the regulation of the Federal Power Commission.

I do not think there is any longer any argument about what the Natural Gas Act does provide. Those issuing the natural gas and oil propaganda are only interested in trying to convey the false impression that this Federal regulation was never the original intention of the Natural Gas Act.

I repeat that when the highest Court of the land speaks, as it did in the Phillips case, the intension of the act is clarified. That was the purpose of the Court, and that was the purpose of State of Wisconsin, which brought suit in the Phillips case, namely, to clarify, once and for all, the purpose of the Natural Gas Act of 1938. That purpose was regulation from the producer's sale of gas, for purposes of resale in interstate commerce, right up to the consumer.

We now have before us the question of whether we shall repeal the Natural Gas Act. Mr. President, that statement may seem to be rather broad and inclusive. However, in fact the Harris-Fulbright bills would repeal the Natural Gas Act, or at least would make the act inoperative and ineffective.

I know that the bills do not say this in so many words. They aim only at freeing the producers' sales price from regulation. But there cannot be effective regulation at the State level and there cannot be effective regulation by the FPC of the pipelines' sales price to local distributors, if the original sales price of the gas is not regulated as it enters the transmission lines, for sale in interstate commerce.

The system is an integrated one. The industry is of a peculiar kind. In order to have effective regulation, the regulation must begin at the point where the gas enters the pipelines, and must extend to the point where the distribution systems bring the gas into the homes of consumers or into the industrial factories.

So, in effect, we are being asked to end effective regulation of rates of natural gas. I am sure my good friends, the proponents of this measure, will dispute that point. In fact, they have disputed it day after day. But the burden of proof rests upon them.

This question needs to be asked: How can there be effective regulation of the price of natural gas, as it is sold to the consumer, unless the regulation of the price begins at the point of origin of the gas, the point where the gas enters the pipelines, for interstate transmission and resale? If the proponents of the bill wish to remove Federal control over the price of natural gas at the point where it enters interstate commerce, they are going to have to show me and show the Senate how any effective regulation is possible in the later stages of transmission and distribution.

All of us are familiar with the numerous varieties of escalation clauses the producers have in their contracts with the pipelines. I shall speak of them later. At this time let me point out that the Senator from Rhode Island [Mr. PASTORE], the Senator from Illinois [Mr. DOUGLAS], the Senator from Michigan [Mr. POTTER], and other Members of the Senate have emphasized in considerable detail the point of the existence of escalation clauses in the contracts. So there is no great need for me to make an additional record on that point or to repeat the statements or observations they already have entered into the RECORD.

If the proposed legislation before this body passes and is signed by the President, there will be no way for the Federal Power Commission and State authorities to exercise effective regulation over the rates of natural gas as they effect the ultimate cost to the natural-gas consumer.

This is the very problem the Natural Gas Act was aimed at eliminating, when it was passed in 1938. Mr. President, if we study the congressional proceedings during that period, we see why the Natural Gas Act was enacted. It was enacted for the sole purpose of providing effective regulation of the price, for the benefit of the consumer and for the legitimate profit protection of the producer. Both considerations were uppermost in the minds of the Congress in 1938. Prior to 1938, the State regulatory commissions were not able to regulate the sales of natural gas which were made for resale in interstate commerce. To close this gap, the Congress passed the Natural Gas Act of 1938. Congress knew what it was doing; it recognized the problem.

But now we are being asked, by means of the Harris-Fulbright bills, to reopen that gap, and thereby to make literally impossible effective regulation over price by the Federal Power Commission.

Mr. DOUGLAS. Mr. President, will the Senator from Minnesota yield for a question?

The PRESIDING OFFICER (Mr. SALTONSTALL in the chair). Does the Senator from Minnesota yield to the Senator from Illinois?

Mr. HUMPHREY. Yes; I am happy to yield to the star of this debate and the man who has done a tremendous job.

Mr. DOUGLAS. Oh, no.

I should like to ask the Senator from Minnesota whether it is true that the legislative history of that act as set forth in the debate on it, clearly shows that it was the intent of Congress to regulate the sales of natural gas in interstate commerce for resale?

Mr. HUMPHREY. That certainly is the obvious interpretation of the legislative intent. I am confident that is what the Court had in mind when it rendered its decision in the Phillips case.

Mr. DOUGLAS. Is it not true that the then Senator from Montana, Burton K. Wheeler, then chairman of the Senate Committee on Interstate Commerce, made the specific statement that it was intended to regulate the price which the producers of gas would receive when they sold the gas to the pipelines?

Mr. HUMPHREY. That is my understanding—as the Senator from Illinois has documented in his own presentation, and as I have read what other Senators have had to say.

Mr. DOUGLAS. Is it not true that one of the Members of the Senate at that time was the then Senator Sherman Minton, of Indiana, who is now an Associate Justice of the Supreme Court?

Mr. HUMPHREY. Yes; he was a Member of the Senate at that time.

Mr. DOUGLAS. And since then, Senator Minton has become an Associate Justice of the Supreme Court. He wrote the opinion of the Court in the Phillips case, did he not?

Mr. HUMPHREY. Yes; my recollection is that Justice Minton wrote that opinion. I think it is fair to say that

in doing so, he recalled vividly the arguments which were made both in committee and in the Senate Chamber itself at the time when the Natural Gas Act was passed.

Mr. DOUGLAS. Is it not also true that prior to the decision of the Supreme Court in the Phillips case, the Supreme Court in the Interstate Natural Gas Co. case handed down a unanimous opinion to the same effect?

Mr. HUMPHREY. That is true.

Mr. DOUGLAS. Namely, that the sale of gas in interstate commerce, for resale, was subject to the jurisdiction of the Federal Power Commission?

Mr. HUMPHREY. The Senator from Illinois is eminently correct. I was just referring to some of the documentation I have on that particular matter. It was in the Interstate Natural Gas Co. case.

Mr. DOUGLAS. It was decided in 1947. It was that decision of the Supreme Court in 1947 which caused the oil and gas interests, who very largely are the same, to sponsor the Moore-Rizley bill, in the 80th Congress, which passed one House, but failed of passage in the Senate; is that not correct?

Mr. HUMPHREY. Again the Senator from Illinois is accurate in his observations regarding the history of that legislation and the legislative intent.

Mr. DOUGLAS. Is it not also true that the circuit court on three occasions, in 1942 and, I believe, in 1946, prefatory to the decision in the Interstate Natural Gas Co. case, and in 1953, in its hearing on the Phillips case—also declared that that act clearly gave to the Federal Power Commission not only the power or authority, but the duty——

Mr. HUMPHREY. The mandate.

Mr. DOUGLAS. Yes, the mandate to regulate the price at which gas was sold from the producer or gatherer to the long-distance transmission pipelines?

Mr. HUMPHREY. The Senator from Illinois is absolutely correct. Those court decisions are a matter of public record, and I think their application and meaning are unmistakable.

Mr. DOUGLAS. Does the Senator feel that the pending bill is justified on the ground that it is merely an effort to reaffirm the original intent of Congress?

Mr. HUMPHREY. I may say to the Senator, as I said a moment ago, that one of the purposes of the High Court, when a suit is brought before it, is to interpret and to state, from its own observation, what the intent of the Congress was in the enactment of the particular statute, and to apply the statute in accordance with the ruling and interpretation of the Court.

I am confident in my own mind that the court decisions to which the Senator has referred indicate unmistakably that the courts, both at the circuit court level and the Supreme Court level, looked back upon the act of 1938 as embracing the effective regulation of price, all the way from the point where the gas enters the pipeline to the point where the distributing company serves the consumer.

As I have said, the issue is, Is the sale of natural gas by the producer for resale in interstate commerce affected with a public interest and necessary in the public interest? If it is, then I contend that the Federal regulation provided in the Natural Gas Act should be retained, and the Harris-Fulbright proposed amendment to the Natural Gas Act should be defeated.

There is a subsidiary issue, as to whether regulation might be administered more effectively by the Federal Power Commission if only the sales of producers producing more than 2 billion cubic feet of natural gas a year were regulated.

Then there is a host of related and diversionary issues which must be dealt with in considering the proposed legislation which is before the Senate. I mentioned the cutoff relative to the size of companies. That is the effect of the substitute amendment which has been presented by the Senator from Illinois [Mr. DOUGLAS].

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I am happy to yield to the Senator from Rhode Island.

Mr. PASTORE. I realize that sometimes repetition is monotonous, but I think at times it serves to emphasize a point. My only reason for bringing up this subject now is for purposes of emphasis.

Is the distinguished Senator from Minnesota aware of the fact that when in committee the amendment to exempt the small independent producer who produces less than 2 billion cubic feet a year was suggested, it was resisted by the very proponents of this bill?

Mr. HUMPHREY. No; I regret to say I did not know that.

Mr. PASTORE. That amendment in the nature of a substitute was suggested in committee, and its sponsors were rebuffed by the proponents of the bill, who have been shedding crocodile tears all over the floor of the Senate about the 8,000 small independent producers. When we suggested that such producers be exempted, they refused to accept the amendment. I think I have an idea why they did. They have been hiding behind the glamour of the small independent producer. That issue has given impetus to the bill, and to all the propaganda which has been spread over the country.

Mr. HUMPHREY. The Senator from Rhode Island has been in charge of the bill, as chairman of the subcommittee, in terms of holding hearings. He did a wonderful job. Both the proponents and the opponents of the bill have highly commended the Senator from Rhode Island for his fairness and objectivity.

I say to the Senator from Rhode Island that the American people need to know that one of the amendments proposed on the floor, namely, the Douglas amendment, would exempt nearly 90 percent of all the independent producers from any kind of Federal regulation. That is a fact, as I understand from the debate which I heard the other day, and from the statistical evidence which has been presented in committee and on the floor of the Senate.

The Douglas amendment proposes the regulation of larger producers, who produce the great volume of gas tied into the pipelines as a definite part of an interstate operation.

Apparently we have a big selling job to do in behalf of the public interest. The oil lobby has been doing very well throughout the country. In my city of Minneapolis, the industry took a full-page advertisement in the Minneapolis Star-Tribune, in an effort to sell its point of view on this bill to the consumer.

I am not protesting that. I believe in freedom in exchange of ideas. I think everyone has a right to present his own point of view. However, in order to get the story over to the people, those of us who are sincere in our conviction that the law of 1938, as interpreted by the Court, should stand as it is, in behalf of the consumers' interest, will have to do a little repetition.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. PASTORE. I suppose the Senator is aware of the fact that in the progaganda he mentions, those of us who are honestly and sincerely fighting for the consumers' interest in connection with this bill have been characterized as political demagogs.

Mr. HUMPHREY. Yes; I have heard that. I will not accuse the proponents of the bill of acting in anything but good faith. I will not permit myself to be unduly disturbed by charges of political demagoguery. Usually when one stands up to fight for the people's interest he is accused of being even worse than a demagog.

Mr. PASTORE. I am not laying this charge at the door of the proponents of the bill. I am speaking about the propaganda.

Mr. HUMPHREY. I hold the proponents of the bill in highest esteem. They have presented their arguments in good faith. Everyone has a right to state his point of view. The debate thus far has been conducted in the spirit of good manners and honest discussion. However, the propaganda which is being used in an attempt to influence public opinion outside the Senate has surely laid its whip across the backs of those who are opposed to the bill.

Mr. PASTORE. Is the distinguished Senator from Minnesota aware of the fact that some of us who are opposed to the bill as it is now drawn tried to make certain specific concessions in committee, so that we might have a bill which would do equity and justice to the producers as well as the consumers, and that we were enveloped in an atmosphere of "Take it or leave it, without amendments"?

Mr. HUMPHREY. That is my understanding. The hearings are replete and complete. Anyone who examines this volume of testimony, consisting of almost 1,900 pages, will surely understand that from the standpoint of the sheer weight of the testimony, every point of view was presented. If one scans the testimony, he will find that several proposals were made to modify the bill. The proposals which the Senator mentioned a moment ago, for the exemption of smaller independent producers, and for regulation of the larger producers, was made in the committee. It seems

to me that every effort was made to present a bill which would meet the basic requirements of equity and justice to the producer.

Mr. PASTORE. Is the Senator also aware of the fact that at least two witnesses who appeared before our committee stated very emphatically and explicitly that when the Natural Gas Act was under consideration in 1938 they had taken the position that they were opposed to the producers and gatherers being under Federal supervision, but that because of the abuses which have taken place in this industry since the Natural Gas Act was enacted in 1938, they have changed their position? They recently came before our committee and took the position that now, because of the experiences they have had, they feel that the producers and gatherers should be supervised by the Federal Power Commission.

Mr. HUMPHREY. I had heard that. I thank the Senator for his reiteration of that particular point in the testimony, because I think it indicates that there is a growing awareness of what has happened in the industry, and a growing awareness of the urgent necessity for the Congress to redeclare itself for regulation on an integrated basis, from the point where the sale is made by the producer of gas going into the pipeline, straight through to the distribution.

Mr. PASTORE. Does the Senator realize that some of the propaganda which envelops this bill goes to the extent that if the bill is amended in the Senate, it will be done only for the purpose of insuring its defeat in the House? If we improve the bill, will not those who originally voted for it in the House of necessity vote for it again?

Mr. HUMPHREY. I thank the Senator for his observation.

There has been brought to my attention a news item which appeared in today's Washington Post, under the headline "Squeeze Alleged in Oil Industry." The article is dated Minneapolis, Minn., January 25. That is what caught my eye. It reads as follows:

MINNEAPOLIS, MINN., January 25.—A lawyer for independent oil distributors charged today that a monopoly composed of integrated oil companies controls petroleum production in Texas and other States so it can regulate nationwide prices and "fleece" the public.

General Counsel Paul E. Hadlick, of the National Oil Marketers Association told the Northwestern Petroleum Association that unless the situation is corrected, independent jobbers and refiners will be squeezed out of business.

He recommended that either Congress or the States enact laws divorcing transportation and marketing from production of oil. This failing, he said, the Department of Justice should file antitrust suits against the so-called integrated companies.

An integrated company is one which produces, refines, and sells its own products. Many of the big oil companies which market gasoline fall into this category.

"The integrated oil industry is more powerful than the United States Government and all the people in it," Hadlick said. "It has fairly well squeezed the oil jobber out of the retail gasoline business in the big cities and the trend is to smaller operations in areas unprofitable to the integrated companies."

While that does not apply directly to gas, as such, nevertheless gas is a part of the overall gas and oil industry.

Then there are a whole host of related and diversionary issues that must be dealt with in considering the legislation before us.

One of the issues—which I class as "diversionary"—concerns the percentage of cost of natural gas to the consumer that goes to the local utility, the pipeline, and the producer. My erudite friend, the senior Senator from Illinois [Mr. DOUGLAS] is fond of quoting a part of the Gilbert and Sullivan song:

> The flowers that bloom in the spring
> Tra la,
> Have nothing to do with the case.

Well, the argument about the percentage of consumers' cost going to the local gas company has nothing to do with the case. It is so irrelevant to this legislation in fact that I can only marvel at the ingenuity of whoever thought to bring it into the discussion in the first place.

This legislation aims at freeing the producers' sales from Federal regulation. The local gas companies' rates are already regulated as a public utility. I am not ready to concede that, in each and every case, local utility rates are excessive. Wherever they are excessive, then more effective enforcement of public utility regulation is called for.

Mr. LONG. Mr. President, will the Senator yield?

Mr. HUMPHREY. I shall be glad to yield in a moment.

But removing Federal regulation from the original sales price of natural gas in the field is certainly not going to improve upon any local utility situation. Further, local utilities are not a matter over which the Senate has any jurisdiction.

Mr. President, I was rather surprised that the argument about high prices charged by local distributing companies should be made during the course of this debate. I was surprised because those who make that argument are generally proponents of local and State regulation. The local distributing companies are locally regulated. Am I to understand that the proponents of the Harris-Fulbright bill are opposed to local regulation of distributing companies? Do they now feel that all such regulation should be federalized? Is that what they are asking for?

Furthermore, Mr. President, the pending bill deals essentially with one subject. It deals with exempting producers from price regulation whenever their gas is sold in interstate commerce. It has nothing to do with the diversionary arguments about what the local utility is doing. If the local utility is gouging the public, there is a way to take care of that situation through local and State regulatory agencies.

We are talking about an area that is Federal in responsibility, namely, the regulation of pipelines, for example, and the regulation of the price at which the producer sells the gas for resale in interstate commerce. Now I yield to my good friend the able Senator from Louisiana.

Mr. LONG. The Senator knows, does he not, that the type of price regulation for which he is contending has not yet gone into effect?

Mr. HUMPHREY. That is correct.

Mr. LONG. Theoretically, it should go into effect; but he does know that it has not yet gone into effect, does he not?

Mr. HUMPHREY. The Senator is correct.

Mr. LONG. The producers of gas are not yet having their prices fixed on the basis of cost plus 8 percent or plus any percentage return, but are still doing business based on their contract prices. Is the Senator aware of that fact?

Mr. HUMPHREY. I recognize that to be the fact. I also recognize the fact that the oil and gas companies know that under the Phillips decision by the Supreme Court the Federal Power Commission can step in at any time it wishes to do so. The fact that it has the authority is very important. The fact that it does not use the authority is not so important as the fact that it does have that authority, in terms of being able to bring some order into the price market.

Mr. LONG. Assuming that the Federal Power Commission has the power, does it follow that it also has the duty to exercise that power?

Mr. HUMPHREY. It depends on whether the Federal Power Commission feels that the price being charged by the producer is excessive to the point that it requires regulation.

Mr. LONG. Then the question resolves itself into this: As I understand, the Senator is arguing that the Federal Power Commission should merely have the power. Is that correct? Or is he arguing that since the Commission has the power it should exercise the power?

Mr. HUMPHREY. The Federal Power Commission, first of all, should have the power. It does have the power. There is no argument about that. It does have the power. Having the power, it should keep it. There ought to be no diminution of power. I am arguing that the Federal Power Commission ought to exercise that power once it has the authority, particularly if it finds an excessive rate structure. I am sure if it did find that to be the case it would deal with it.

Mr. LONG. Very few persons have indicated how, in their opinion, the rate structure should be arrived at. The Senator from Illinois made his position clear. He feels that it should be arrived at by finding the cost of a particular gas producer at a particular well, and allowing him an 8 percent return on that cost. Is that the basis on which the Senator from Minnesota feels the rate structure should be arrived at?

Mr. HUMPHREY. I am not an expert in what is called cost accounting. That is what it amounts to. I have the feeling that the Federal Power Commission has the talent—and if it does not have it, it can make it available to itself—to ascertain the cost. Therefore, I do not believe it is an unsurmountable problem. I do feel that the producers are entitled to a fair profit. The rate of profit which the Senator from Illinois [Mr. DOUGLAS] described seems to me to be equitable and fair. Furthermore, the Federal

Power Commission has not wrought any injustice upon any producer of any fuel. I do not believe the Senator from Louisiana can cite an instance where the Federal Power Commission has in any way acted in an arbitrary manner in terms of denying a fair profit upon the cost of operation.

Mr. LONG. Does the Senator know of any fuel on which the Federal Power Commission undertakes to regulate the prices, other than with respect to natural gas?

Mr. HUMPHREY. Not unless the Senator considers electricity to be a fuel.

Mr. LONG. Electricity is a power which is generated from fuel.

Mr. HUMPHREY. It is a fuel, too.

Mr. LONG. It is not actually a commodity, though.

Mr. HUMPHREY. I suggest that such a definition would be a rather restrictive one, if electricity could not be called a commodity. It is certainly a commodity. It is an item. It is a source of energy. It is a fuel which is used in industry and commerce and in homes.

Mr. LONG. The Senator knows also, I believe, that the cost of producing natural gas varies tremendously, and that the large deposits, generally speaking, are the low-cost ones. In other words, a producer may drill a hole 5,000 feet into the ground. He may reach a tremendous deposit of oil or of gas. On the other hand, he might find a dry hole.

Mr. HUMPHREY. That is correct.

Mr. LONG. On the other hand, he may find salt water, which would be of no more value to him than a dry hole. Then again he may find a very small deposit of gas. That small deposit of gas would be high-cost gas, as compared with a huge deposit. The Senator recognizes that fact, does he not?

Mr. HUMPHREY. I suppose one could make an argument on that basis. Most of the natural gas, however, is a byproduct of oil development.

Mr. LONG. I believe the Senator will find that he is in error in that regard.

Mr. HUMPHREY. I said most of it.

Mr. LONG. I believe the Senator will find that he is in error in that regard. A person, for example, in the area of the country which I have the honor in part to represent, might find geophysical indication on a seismograph picture indicating that there might be oil or gas present in the structure. The person might drill into the ground, hoping to find either one. If he finds oil, well and good. If he finds gas in commercial quantities, he is likewise delighted, provided it is of sufficient quantity to be sold.

The question I am getting at is this: The large quantities of gas which justify the laying of interstate pipelines or which justify the laying of any other kind of pipeline is low-cost gas, as compared with the smaller quantities, which many times do not pay the expense of drilling a well, if it is to be sold in competition with low-cost gas. The Senator recognizes that such competitive factors apply to the situation, I am sure.

Mr. HUMPHREY. Of course there are always some competitive factors to be considered. However, let me go back to a point I mentioned, namely, as to where gas usually comes from. It is usually incidental to oil production. I should like to refer to the testimony of Gen. Ernest O. Thompson, the chairman of the Texas Railroad Commission. He tetified on page 55 of the hearings, as follows:

> Nearly all the gas discoveries in my experience have been found incident to the search for oil.

He says in the middle of the same page:

> Nearly all the gas discoveries in my experience have been found incident to the search for oil. Encourage oil exploration if you want to find gas.

I shall have a few words to say about that, because some fear has been expressed that if we do not remove natural gas from regulation at the point where it enters the pipeline, we will discourage the exploration for natural gas. I shall talk about some of the features of the oil industry which I do not think are too discouraging. It so happens that when one is drilling for oil, as the Senator from Louisiana knows—and I admire his great knowledge of the subject as I admire his sense of fairness; he is a very honorable, fair, and reasonable man in this field as well as in all others—I have found out, at least to my satisfaction, that exploration for gas is not going to be pinched off at all because we may regulate the price of natural gas, because, as Mr. Thompson has said, most of the discoveries of gas are incident to exploration for oil. I do not say all of them are.

Mr. LONG. Most persons making explorations would be pleased to find either oil or gas. But there is a point which I should like to discuss at this stage. A person with gas available for sale within or without a State would normally wish to sell it at the best price available. If he has to be regulated as a public utility, limited to 3 cents, 5 cents, or 10 cents on his natural gas, does the Senator think he will let the gas go outside the State when he can sell it for a better price within the State?

Mr. HUMPHREY. There is nothing in the proposed legislation relating to intrastate transactions. The gas producers can sell gas in their own States right now, and they will still do so after we have considered this bill, regardless of the ultimate decision. I do not believe for a single moment that all the gas or even a reasonable portion of it can be sold within the State of its origin. I know the Senator will reply, "They will simply not let it out of the well; they will only take out so much for their intrastate needs and will not produce it for interstate needs."

I think the answer is that if gas production is profitable they are going to produce it for interstate sale. If it is not profitable they will not produce it for either intrastate or interstate sale; they will merely let it flare off.

The Senator has no evidence that the Federal Power Commission has ever regulated an industry to a point where it did not make a profit. As a matter of fact, it is almost cost-plus. The Federal Power Commission's regulation is a bonanza, so to speak, because it sees to it that the producers make a profit.

Mr. LONG. What the Senator from Minnesota is advocating is that when a man takes a chance of 9 to 1 that he will find a dry hole——

Mr. HUMPHREY. If he does not find gas he can charge off his expense.

Mr. LONG. How can he charge it against a subsequently successful well? A man does not know to whom he can sell the gas. He knows he can sell it if he finds it, or he can sell the oil. But if he loses up to a quarter of a million dollars on the well, how can he make someone in Minnesota pay him a quarter of a million dollars?

Mr. HUMPHREY. Under the tax structure——

Mr. LONG. Under the tax structure, he loses a quarter of a million dollars.

Mr. HUMPHREY. He can charge it off as a business expense.

Mr. LONG. Is the Senator under the impression that the United States Treasury is going to reimburse a man a quarter of a million dollars which he lost on a dry well?

Mr. HUMPHREY. Not any more than it will reimburse some business losses which are taken. A man can take advantage of certain business losses when he comes to pay his taxes at a time when he makes a profit.

Mr. LONG. Suppose he went broke: How would he get his money back?

Mr. HUMPHREY. If that happens, it just happens; but if he hits the jackpot he gets a 27½-percent depletion allowance.

I shall come to exploration and depletion allowances in a little while.

Mr. LONG. I have a second point——

Mr. HUMPHREY. By the way: No other producers get a 27½-percent depletion allowance.

Mr. LONG. Assuming a man does have sufficient money, after he loses a quarter of a million dollars on his first well, to drill a second well and finds a sizable deposit of gas, by what logic can he be entitled to get back his quarter of a million dollars?

Mr. HUMPHREY. I am not saying that. If he hits a dry hole he is entitled, under the tax laws, to charge off his loss as a deductible item.

Mr. PASTORE. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. PASTORE. The sale of his gas at a reasonable market price will take care of the loss he incurred on the 99 dry holes.

Mr. LONG. Mr. President, will the Senator from Minnesota yield further?

Mr. HUMPHREY. I yield.

Mr. LONG. The point I am getting to is that if a man lost a quarter of a million dollars on his first well and he drills a second well costing him $100,000, and finds a sizable deposit of gas, then, according to the Senator's proposal, he will get his $100,000 back plus——

Mr. HUMPHREY. Oh, no. The Senator knows the tax laws better than that. If he is successful with the second well it is not subject to deduction. The man the Senator is really talking about is the small independent producer, who, under the Douglas amendment, will be exempt. We are not talking about Phillips and the Standard Oil Co.

Mr. LONG. I asked the Senator what we should do about a man who lost a quarter of a million dollars on one well and drilled another well costing him $100,000. If the second well is successful, is he entitled to earn back his $100,000 plus a fair return?

Mr. HUMPHREY. The Senator knows much better than I do, because I am speaking in terms of academic knowledge from having read the tax laws. I have not had an opportunity to be close to an area where oil wells are drilled or to be in the oil business. But the Senator knows what happens if a driller does not "hit the jackpot." If he fails, he charges the failure off as an exploration or development cost, because under present tax laws, when he drills a well, he cannot charge it off then. When he strikes oil, he gets a 27½ percent depletion allowance, which the Senator from Illinois [Mr. DOUGLAS] has discussed at great length, and which I have discussed on other occasions. I have felt that figure was rather excessive. We have suggested 15 percent. But that is not in the pending bill.

One of the reasons for granting a depletion allowance was to encourage exploration and development; it was to provide incentive to individuals, as well as corporations, to drill for gas and oil. How much more incentive do they need? Their securities today are gilt-edged. They have one of the finest records on the stock market. Some of the very best investment capital is involved in the gas industry. Those people did not go into the gas industry for exercise; they went into it for profit. Their exploration and development costs are deductible. They have an oil depletion allowance of 27½ percent. No one else has more. In some industries there is a 15-percent depletion allowance, but no one else has 27½ percent.

There are other significant provisions in the tax laws, with which the Senator from Louisiana is familiar. Let me call attention to the oil royalties under section 214 of the Revenue Act. It refers to what are called short-term oil payments, and gives favorable capital gains treatment to all the income derived from a short term in oil payments.

There are more gimmicks in the tax laws to provide incentives for the oil and gas business than there are for any other business in America. Apparently the oil and gas industry needs hormones and vitamins pumped into it all the time.

Mr. LONG. The average man who would lose a quarter of a million dollars on a single well would not need those provisions, because he would be in a lost position, anyway.

Mr. HUMPHREY. I think the Senator is absolutely correct. That is one of the possibilities which is likely to occur. But we are discussing what we call the use of risk capital.

The junior Senator from Louisiana has defended the little fellow, the independent producer, all his life. He is defending him now with all sincerity and honest conviction.

The Senator from Illinois [Mr. DOUGLAS] has proposed an amendment in the nature of a substitute which provides that any oil producer who produces less than 2 billion cubic feet of gas shall be exempt.

Mr. LONG. He would be required, if the Senator's amendment prevailed, to sell his gas in competition with other producers, who, in turn, would have their prices fixed on a cost plus 8 percent basis.

Mr. HUMPHREY. But the competition is not quite what the Senator assumes it to be, because we are talking about mobile units. It is not like picking up a car at one garage and taking it to another. The gas wells are inside mother earth. When a pipeline is run into a particular gas field, and there are a number of independent producers, every nonexempt pipeline that enters that territory receives the same kind of treatment.

Mr. PASTORE. Is it not fair to say that the 27½ percent depletion allowance under the internal-revenue law is the producer's apple pie; and that if the pending bill shall be enacted, the pie will become pie a la mode?

Mr. HUMPHREY. And they will have whipped cream on top of that, at 75 percent of parity.

Mr. President, I understand there are some honored and distinguished guests in the Chamber. I desire to yield to my colleague, the Senator from Alabama [Mr. SPARKMAN], who wishes to present them to the Senate. We shall be able to return to the fray in a moment.

I ask unanimous consent that, without losing my right to the floor, I may yield to the Senator from Alabama.

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). Without objection, it is so ordered.

VISIT TO THE SENATE BY MEMBERS OF THE BUNDESTAG OF THE WEST GERMAN FEDERAL REPUBLIC

Mr. SPARKMAN. Mr. President, I appreciate the courtesy on the part of the distinguished junior Senator from Minnesota in yielding, so as to afford an opportunity to introduce to the Senate four distinguished visitors, whom I should like to present at this time. They are all members of the German Bundestag.

I present, first, Mr. Wilhelm Mellies; next, Dr. Wolfgang Pohle; then Mr. Helmut Schmidt; and last, Mr. Hermann Gluesing.

The PRESIDING OFFICER. On behalf of the United States Senate, the Chair welcomes these distinguished guests, and expresses the hope that they will have a very pleasant visit while they are in the United States. We are honored by their presence in the Senate today.

Mr. WILEY. Mr. President, it was my distinct pleasure yesterday to have luncheon with these distinguished gentlemen from Germany, who are members of the Bundestag. I met several of them some years ago. I remember one of them from a meeting we had in, I think, Geneva, Switzerland. I became very well acquainted with them when we were in Bonn, and I recall with gratitude the good care they took of the visiting United States Senators and Representatives.

I join with all the other Members of the Senate in welcoming these distinguished gentlemen to this country. I understand that tomorrow they will leave for the Middle West. We hope they will return, filled with the desire that the German people and the German State will come closer and closer to ourselves, so that we can all cooperate for peace on earth.

Again, I say, gentlemen, welcome. We are glad you are here.

Mr. HUMPHREY. Mr. President, I wish to join in this expression of welcome to our distinguished friends, fellow legislators, from the Federal Republic of West Germany. It was my privilege to visit their Parliament on one occasion, and I was deeply impressed.

As the Senator from Wisconsin [Mr. WILEY] and the Senator from Alabama [Mr. SPARKMAN] have both said, we have admiration for the West German Government, for the Bundestag, and for the German people and their very charming nation, as well as for Chancellor Adenauer. We hope, as has been stated by other Senators, that the bonds of friendship may grow stronger and stronger, and the understanding between our peoples become universal.

We welcome you today, and I know I speak in behalf of my colleagues when I join in welcoming and greeting you.

Mr. LONG. Mr. President, I, too, wish to join in an expression of greeting to our distinguished visitors who are members of the German Bundestag.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that a brief biographical sketch of each of the members of the German Bundestag who is our guest today may be printed at this point in the RECORD.

There being no objection, the sketches were ordered to be printed in the RECORD, as follows:

Mr. Wilhelm Mellies, Bundestag, Deputy from the State of North Rhine-Westphalia; deputy chairman of the Social Democratic Party (SDP).

Home address: Waldheide 319, Heidenoldendorf, Germany.

Born on September 5, 1899, in Pivitsheide (Lippe).

Studied at teachers' training seminar in Detmold.

Former president of the Landtag in the State of Lippe; county commissioner of Detmold County; president of the German Communal Association; member of Economic Council of the Joint Economic Area, 1948–49.

Member of German Federation of Trade Unions (DGB).

Mr. Mellies has traveled in Holland, Switzerland, Italy, Yugoslavia, and Finland.

Dr. Wolfgang Pohle, Bundestag Deputy from the State of North Rhine-Westphalia; member of European Coal and Steel Community; member of the board of directors of Mannesmann Steel Corp.; member of the Christian Democratic Union (CDU).

Home address: Hindenburgstrasse 15, Dusseldorf-Meererbusch, Germany.

Born on November 28, 1903, in Erfurt, Germany.

Studied at Universities of Goettingen, Leipzig, and Heidelberg.

Present member of executive board of Association of Employers in Metal Industries. Former member of Directorate of the Association of Mines, 1929–39; director of Mannesmann Tube Works.

Dr. Pohle accompanied Bundestag President Gerstenmaier on an extensive study

trip throughout Africa during the past summer. He has also traveled in England, France, and Italy.

Mr. Helmut Schmidt, Bundestag Deputy from the State of Hamburg; member of Bundestag Committees on Transportation, Economics, and Defense; member of the Social Democratic Party (SDP).

Home address: Zickzackweg 6 b, Hamburg-Othmarschen, Germany.

Born on December 23, 1918, in Hamburg, Germany.

Present member of German Society for Transport. Former head of the Transport Department of the City of Hamburg.

Author of "Guide to the Science of Transport."

Mr. Schmidt was drafted into the German Army during World War II and served in a tank division in Russia.

He has traveled in England, the Netherlands, Belgium, France, Denmark, Sweden, Austria, Switzerland, Spain, Yugoslavia, Greece, and Turkey.

Mr. Hermann Gluesing, Bundestag Deputy from the State of Schleswig-Holstein; member of Bundestag Committees on Internal Administration, Protection of Constitution, Communal Policy, Civil Service Law; Christian Democratic Union (CDU) Party member.

Home address: Wrohm ueber Heide/Holstein.

Born on October 10, 1908, in Wrohm, Germany.

Mr. Gluesing is a farmer by profession. He has managed his own farm since 1937. From 1947 to 1949 he was head of the County Agricultural Association, and from 1948 to 1950 he was County Commissioner (Landrat).

Mr. Gluesing served in the German Armed Forces from 1940 to 1945.

Mr. Gluesing has traveled abroad in England, Switzerland, Holland, Belgium, France, Denmark, and Spain.

AMENDMENT OF THE NATURAL GAS ACT, AS AMENDED

The Senate resumed the consideration of the bill (S. 1853) to amend the Natural Gas Act, as amended.

Mr. HUMPHREY. Mr. President, I believe we should return to the fray. I should say to our friends from the Bundestag that the junior Senator from Minnesota is now engaged in debate with one of the most able of our Senators, the junior Senator from Louisiana [Mr. LONG]. We are discussing a subject on which the junior Senator from Louisiana is an expert, and on which I am simply trying to do my best. So you can observe the results.

Mr. WILEY. The Senator from Minnesota is too modest.

Mr. LONG. The junior Senator from Minnesota has frequently discussed this subject and is well informed on it. As I recall, he debated it as far back as 1950. He is extremely well informed, but is too modest, as was suggested by the Senator from Wisconsin [Mr. WILEY].

The Senator from Minnesota has said that the producer of gas who lost $2 million in an unsuccessful effort to find oil or gas, and then invested $100,000 in a successful well, should be entitled to make an 8 percent return on the successful well.

Assuming that the successful well at $100,000 was extremely successful, an 8 percent return might permit the producer to make a profit of 1 cent a thousand cubic feet on that particular well, if it was a very good well. How does the Senator from Minnesota expect to persuade that man to sell his gas for 1 cent a thousand cubic feet, when there is an industrial producer in his State who is willing to pay as much as 10 or 15 cents a thousand cubic feet for the gas from that particular well?

Mr. HUMPHREY. I do not. I expect him to sell his gas to the industrial purchaser. I say to the Senator from Louisiana in all kindness that he has selected a hypothetical example in which someone has lost $2 million on a dry well, and then has come in with a successful $100,000 well. He is about to tell me that that person will never be able to liquidate the loss from the $100,000 well if he adds in the $2 million failure.

No one compelled the man to lose $2 million. That was his own wish. If he were a member of a large corporation in the business of exploring, he would simply charge it off as a part of the loss. If he were an independent operator, first of all he would try to reduce that $2 million loss. If he were an independent operator, he would not be regulated under the Douglas amendment, except by the fact of competition. If he were an independent operator, he might sell most of his gas in intrastate commerce, not in interstate commerce. Perhaps he might sell it to the industrial users in his State.

We want to be fair to our friends who are engaged in the business of producing gas and oil. But there really comes a point of no return. They have the benefit of tax adjustments and tax concessions. They have a pretty good assured market. They have the benefit of pipelines and distributing companies which will handle their product over a long period of time.

I may say, in all frankness, that most producers are not applying for relief.

Mr. LONG. I know the Senator from Minnesota wants to be completely fair.

Mr. HUMPHREY. Yes; I do.

Mr. LONG. He always is. Therefore, I am curious to know why he thinks anyone would want to sell his gas in interstate commerce if he could get a better price by selling it within the State in which it was produced.

Mr. HUMPHREY. I do not think he would. What is more, I would recommend that he should not. I do not believe business is operated on a charity basis. We have the Community Chest to dispense charity. I believe business is entitled to a profit. I think if a small producer finds he can sell his gas in interstate commerce at a profit, and in intrastate commerce at a very good profit, of course he will sell the gas in intrastate commerce. That is what he should do. I am saying the test of the pudding is in the eating.

I am of the opinion that Standard Oil of New Jersey, Panhandle, Gulf Oil, Phillips, Shell Oil, Socony Mobil Oil, Cities Service, Texas, and Shamrock are going to find it profitable to sell gas in interstate commerce. Most of the gas which is sold in interstate commerce is sold by less than 200 firms, the top ones.

Mr. LONG. I assume the Senator has referred to the table put into the RECORD by the Senator from Illinois.

Mr. HUMPHREY. Yes.

Mr. LONG. I point out that the figures in that table refer to both gas and oil.

Mr. HUMPHREY. I am sorry. I did not identify the table correctly for the Senator. It is the list of 35 nontransporting producers who sold natural gas to interstate pipeline companies in 1954.

Mr. LONG. I had a different set of figures in mind.

Mr. HUMPHREY. Those figures show that the top 15 companies had 48.78 percent of the total sales of all gas. Those figures are taken from a Federal Power Commission study.

Mr. President, first of all, let me say I have thoroughly enjoyed this opportunity to discuss the pending measure. I think on this issue, which is highly controversial, we have in the Senate a fairly good standard of responsibility and, I hope, of informative debate.

A while ago I was speaking on the matter of Federal Power Commission regulation and its effect on profits. Let us see how groundless is the fear of the oil company gas producers that they will be poorly treated by the Federal Power Commission, which apparently must be their fear, or held down to a niggardly profit, or forced into bankruptcy.

How have the pipelines fared under Federal Power Commission supervision, after the dire prophecies made in 1938 like those we are now hearing?

If my colleagues will look at the debates when the natural-gas bill of 1938 was under consideration they will see that the pipeline companies were fearful that if the bill were enacted it would threaten the whole system of natural-gas distribution—which, of course, did not happen.

To ask the question is to answer it. The record of the pipelines is, as everyone knows, spectacular. From small beginnings, this industry has mushroomed into one of the Nation's giants.

Interstate natural-gas shipments have gone up nearly 10 times. Sixty-four thousand miles of pipeline have been laid, and nearly $5 billion invested. There is no sign of punitive regulation here. After all, the interstate pipelines opposed the Natural Gas Act. Now they have 64,000 miles of pipeline laid and nearly $5 billion invested, all of which occurred under Federal regulation. They are not stopping their investments, and the pipeline companies are not applying for food stamps or calling at the local welfare office. They are doing well.

Even though 6 percent is the standard return permitted by the Federal Power Commission, the pipeline gas companies, as a group, are earning more than 6½ percent on their rate base, which, because of the great proportion of bonded debt, means considerably more than 10 percent on the stockholders' equity, and probably actually 12 or 13 percent. There are no signs here of an early trip to the poorhouse.

And what about individual companies? Let us take the past 5 years, although in some cases this leaves out some of the more spectacular growth. Here is how the stocks fared, between 1950 and 1955:

Tennessee Gas Transmission went from 14 to 28.

United Gas Corp. went from 17 to 33.

Texas Eastern Transmission Corp. went from 17 to 27.

Panhandle Eastern Pipe Line went from 42 to 79.

Northern Natural Gas Co. went from 34 to 43.

Mississippi River Fuel went from 15 to 28.

Transcontinental Gas Pipeline went from 17 in 1951 to 33 in 1955.

Texas Gas Transmission went from 16 to 22.

It seems to me to be clear that the producers have nothing to fear from Federal Power Commission regulation.

I am not giving a theoretical argument. These are actual statistical facts. As I think all of my colleagues opposing the Fulbright bill have pointed out, these stocks are gilt-edged. I have heard the distinguished senior Senator from Wisconsin [Mr. WILEY] say on other occasions on this floor that there is not any better stock than the gilt-edged stocks of the gas and oil companies. They did not get that way because they were overregulated. They did not get that way because they were denied an opportunity for investment capital or incentives.

(At this point Mr. HUMPHREY yielded to Mr. CAPEHART, who requested that certain material be printed in the RECORD, and debate ensued, all of which, on request, and by unanimous consent, was ordered to be printed in today's RECORD at the conclusion of Mr. HUMPHREY'S speech.)

Mr. HUMPHREY. Mr. President, I am glad to accommodate my colleagues during the time we are engaged in this rather extended debate. Let me say again that it has been a very pleasant experience, and I know that the debate will be kept on a most friendly, cordial, but firm basis. I intend to proceed in that spirit myself. We shall have peace and calm and quiet.

Mr. President, we must in all candor describe this diversionary effort of trying to bring in the local public utility as the scapegoat as some kind of herring. I am not sure what the color of the herring is. One can easily get into trouble when he starts designating herring by colors. I, for one, do not wish to have it drawn across my path as I discuss the real issue as to whether the producer's sale price of natural gas in interstate commerce should be regulated by the Federal Power Commission. That is the central, paramount issue in this debate and in the bill.

First, I think it is most significant that no producer appeared before the subcommittee holding hearings on the bill to testify that he was not making enough profit. No one testified that there was a lack of incentive for producing natural gas, yet this is one of the great arguments of the proponents of the pending legislation. They argue that Federal regulation would destroy the incentive and initiative of the industry; that the natural gas producers would not continue taking the great risks involved in hunting for and drilling for new reserves of natural gas.

Let us examine that contention. We have been considering it in connection with the debate, but I shall continue to discuss it. We had it on no less authority than Gen. Ernest O. Thompson, chairman of the Texas Railroad Commission, that natural gas is practically always discovered incidental to the search for oil. I brought that point into the argument a few moments ago, and gave citations from the hearings before the committee.

General Thompson has been described by his good friend, the distinguished majority leader, Mr. JOHNSON, of Texas, as the father of petroleum conservation in America. In his testimony before the Senate Interstate and Foreign Commerce Committee on the Fulbright bill, General Thompson said:

> Nearly all the gas discoveries in my experience have been found incident to the search for oil.

He continued:

> Encourage oil exploration if you want to find gas.

I am sure that the proponents of the Harris-Fulbright bills agree with General Thompson that the finding of natural gas is incidental to the search for oil. For many years casing-head gas was flared or burned off. Gas produced incidental to the production of oil could not be transported easily to distant markets, as it now is through long-distance pipelines. So this potential gold mine—if I may use an inappropriate metaphor—was wasted.

Now we come to the contention of those who would free natural gas sales from the producer to the pipelines from Federal control. It has already been pointed out that the Harris-Fulbright bill goes even beyond what the Kerr bill was intended to do. The Kerr bill would merely have exempted the producers of natural gas from Federal control.

The pending proposed legislation would even remove Federal regulations from the producers' sales price of those pipeline companies which maintain their own production operations.

Those who write the literature of the Natural Gas and Oil Resources Committee like to speak of natural gas production as a risky, highly competitive business. It is risky in the sense that a good many holes drilled in the search for oil turn out dry. But is there adequate consideration given to the oil companies to compensate them for the risk they encounter in their search for oil?

I am grateful for the statistics which my colleague, the Senator from Illinois [Mr. DOUGLAS] has recently placed in the RECORD in the course of his remarks on this subject.

The discussion of the learned senior Senator from Illinois was so brilliant and thorough that any of us who follow him can only reiterate in a small way what he has said. We are indebted to him for the definite work on the subject. Anyone who is to understand the subject at issue here in all its complexity should study the remarkable presentation made to this body by the Senator from Illinois during the past week.

Some of the statistics which the Senator from Illinois placed in the RECORD bear upon the percentage of income tax which oil companies pay after they have deducted the generous depletion allowance of 27½ percent.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. HUMPHREY. I will yield in a moment.

During certain years some of the companies paid no income tax at all, and during other years their tax was remarkably low. No other industry has been favored to the extent the oil industry is favored.

At this point I should like to have printed in the RECORD as a part of my remarks my comments on percentage depletion, to be found on page 12 of a booklet published by the Public Affairs Institute. The booklet, which was written by myself, is entitled "Tax Loopholes." On page 12 there is an item on percentage depletion. It continues through pages 13 and 14, to the top of page 15. I think when anyone reads the RECORD, along with what the Senator from Illinois has placed in the RECORD, he will find that no single industry in the United States receives the favorable tax treatment which the oil industry receives. No other industry receives treatment even approaching it.

There is a reason. The alleged reason is to encourage exploration and development, so as to insure an ever-increasing abundance of oil and gas. On that basis Members of the Senate have voted for the very favorable tax treatment relating to the oil and gas industry. There have been bitter arguments on the floor of the Senate over the equity of the special tax concessions, but the majority has spoken, time after time, since 1925.

The main argument used by the proponents of these special tax concessions is that the tax concessions get results; they result in the production of gas and oil, so that today we are self-sufficient with respect to those particular commodities. That is a plausible argument. Now, not only do they want favorable tax concessions, but they want to have the right to take all the market will bear in relation to their gas production.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Minnesota?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

A. PERCENTAGE DEPLETION

The first and most important tax loophole which should be corrected is percentage depletion.

Depletion comes from the word "deplete." When an operator of an oil well sells oil from his well, or the owner of a mine sells coal from his mine, he is depleting or exhausting his capital. Similarly, when a factory owner uses up his equipment in manufacturing his product or a cab driver runs his cab down while driving customers, capital is being used up. In the case of the factory owner or cab driver, the tax laws permit the individual to deduct from his profit an amount which is equivalent to the capital used up during the year in computing his net profit which is

subject to income tax. This deduction is called depreciation. The corresponding deduction allowed to the owner of an oil well or a coal mine is called depletion.

If depletion were computed in the same manner as depreciation, there would be nothing wrong. Income tax is a tax on income, not on capital. Consequently, a deduction for capital used up is appropriate. The trouble is that in the case of oil and coal and most other minerals, the deduction is far in excess of the capital used up. As a matter of fact, the deduction has nothing to do with the capital used.

For the factory owner or cab driver, depreciation is computed by dividing the total investment by the number of years the investment is used. If a factory building costs $100,000 and is expected to last 50 years the factory owner is allowed to deduct $2,000 each year for depreciation; after 50 years he has deducted the entire $100,000 investment from his profits.

Not so with the owners of oil wells or of coal mines. For them, the law permits a deduction which is called "percentage depletion." This deduction is a stated percentage of gross income, not of the amount invested in the property. For oil, the deduction is 27½ percent; for sulfur, 23 percent; for coal, 10 percent; and for other minerals 15 percent or 5 percent.

Why does this method of computing depletion result in excessive deductions? Take the case of an oil well in which $1 million was invested. Suppose the well produces $5 million of oil for each of 10 years. The owner can deduct 27½ percent each year, or $1,375,000. In the 10 years, he deducts a total of $13,750,000 or almost 14 times the amount he actually invested.

In his 1950 tax message, President Truman said of depletion allowances:

"I know of no loophole in the tax laws so inequitable as the excessive depletion exemptions now enjoyed by oil and mining interests." The President further commented:

"I am well aware that these tax privileges are sometimes defended on the ground that they encourage the production of strategic minerals. It is true that we wish to encourage such production. But the tax bounties distributed under the present law bear only a haphazard relationship to our real need for proper incentives to encourage the exploration, development and conservation of our mineral resources. A forwardlooking resources program does not require that we give hundreds of millions of dollars annually in tax exemptions to a favored few at the expense of the many."

The Treasury has made an exhaustive study of percentage depletion and has produced these startling figures. (1) In 1947, oil companies were able to deduct 13 times more through percentage depletion than they would have been allowed to deduct if they had been required to use ordinary depreciation methods. (2) Twelve millionaires owning oil wells paid an average income tax of only 22½ percent on their incomes in the period 1943–47, just one-half of 1 percent less than the wartime rate on the first $2,000 of taxable income. (3) One oil operator was able to develop properties yielding $5 million in a single year and he didn't pay a cent of income tax in that year.

In total, oil and mining interests benefit to the tune of about three-quarters of a billion dollars from percentage depletion. Eighty-five percent of this huge subsidy goes to the oil companies. No wonder President Truman called this the most glaring loophole in our tax laws. If percentage depletion had been eliminated, the entire tax increase on people earning less than $4,000 a year could have been dropped from the last tax bill.

Mr. HUMPHREY. Mr. President, I also ask unanimous consent to have printed in the RECORD at this point as a part of my remarks my description of the particular section of the Revenue Act relating to oil royalties, a provision which I bitterly fought but to no avail.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

F. OIL ROYALTIES

Section 214 of the bill, which was added by the committee, would give favorable capital-gains treatment to ordinary income derived from so-called "short-term in-oil payments."

I believe the members of this body should have a full understanding of the effect of this obscure amendment. And if I make a misstatement either of fact or law, I shall appreciate being corrected. As I understand the present law, if a person has an interest in an oil-producing property, as the lessee and operator, or as the landowner and lessor participating in the fruits of the operation, he is taxed on his income from the oil property at ordinary income tax rates and not at capital gain rates.

Thus, a common type of arrangement would be for the operator to obtain a lease from the owner of the land for oil exploration. The owner of the land in return for the lease would retain, say, a one-eighth royalty interest which entitles him to one-eighth of the return from the oil produced. The lessee or operator of the oil-producing property would retain the remaining interest which would be a seven-eighths working interest. The return to each of those persons is clearly income taxable at ordinary rates, the same as rental income to a lessor or royalty income to the owner of a patent or invention.

The owner of the oil royalty or working interest under existing law can sell a part of his interest for the whole life of the interest and obtain capital gains treatment. That is because he is selling the capital asset that he owns, or a part of it, and not just the income from that asset for a short period which is taxable to him at ordinary income tax rates.

So much for the typical situation as it exists today. But a new device or wrinkle has lately emerged in increasing importance, the effect of which is that the owner of the interest assigns the income coming to him for a short period and thus seeks to escape the application of ordinary income-tax rates and to get the favorable capital-gains treatment at a top rate of 25 percent. The owner of the interest makes an assignment of a so-called "short-term in-oil payment." The owner assigns to a third person the income from his royalty interest for a short period, expressed in terms of an assignment of the income up to a fixed amount, say $100,000. Or to the same effect, but more deviously, the owner purports to assign the income from a certain number of barrels of oil to be produced from the property. Thus, if the owner of the royalty interest anticipates that his returns for the next year from the oil property taxable to him at ordinary income-tax rates will amount to $100,000 he assigns his interest up to the extent of $100,000 of yield on the royalty interest. He now claims that on that transaction he is entitled to receive capital-gains treatment instead of the application of the higher income-tax rates.

I know that it will be said that this provision is not intended to include a bald assignment of a specified amount of income, say $100,000, expected to be returned on the oil interest within the near future, say 6 months, a year, or 18 months. It will be said that under the terms of the amendment such bald escape from taxations will be prohibited and capital-gains treatment will be permitted only if he makes an assignment of a definite amount of oil in place. But the difference is a formal one only and has no substance.

It is common knowledge that with modern exploration and discovery processes and all the recent techniques of science, the yield from an oil-producing property over a given period of time can be predicted with remarkable accuracy. A certain well is a known producer and it is as certain as anything can be in the course of human events that oil will continue to be produced at least over the short period of time covered by the type of assignment that we are here dealing with. So the owner of the interest, to obscure the fact that it is an assignment in all reality of a certain specified amount of income over the very near future, would now under this provision make an assignment of a certain number of barrels of oil to reach the identical result. The going price per barrel of oil is determinable, and there is a going discount for future income over the short period of the assignment. So the assignment, instead of being expressed in terms of a short term assignment until the yield reaches $100,000, will now be expressed in terms of a certain number of barrels of oil which at the going market price less discount for advance payment will yield substantially the same sum. That is the effect of this provision. With its adoption the owner of the working interest or the royalty interest has readily at hand a legalized device for transmuting ordinary income which might be taxable to him at rates in high brackets, to capital gains treatment. Thus by successive short-term assignments, an oil promoter could remove his oil income from the progressive rates effective against ordinary income and be subject only to the maximum effective capital gains rate of 25 percent.

Under this section these types of dealings in oil would be carved out to be given extraordinary favorable tax treatment not accorded in other areas of business. The owner of leased real estate may and often does assign his rental income for 1 or more years to another person. Nevertheless that type of assignment has always been treated as merely an assignment of future income, and the rental incomes continues to be taxed to the owner of the property at ordinary income tax rates.

Owners of copyrights or patents also may make short-term assignments but they receive no such tax advantages which would be accorded by this amendment. A corporation executive might find it advantageous for tax purposes, if it were permitted to him to assign to another person his entire salary for the coming year, and thus claim capital gains treatment on his salary, but you and I know that is not permitted and could not be permitted.

Neither could the retired worker living on his investment income assign his interest coupons and similarly get this tax advantage which is now proposed to oil interests. He could sell his bond and get capital gains treatment and so can these owners of oil interests assign all or part of their interest for the entire life of the interest and get capital gains treatment. The present treatment is fair and in accordance with fundamental principles of taxation.

It is said in defense of this special treatment of oil interests that oil is an exhausting asset and hence deserves such special recognition. But I call your attention to the fact that under existing law the owner of the royalty interest or the working interest is already entitled to take as a deduction from income his equitable share of the special depletion allowance accorded oil, at the rate of 27½ percent of gross income from the property. That allowance is more than ample recognition of the fact that the interest is a depletable one.

Our tax laws have been under criticism for many years because of the opportunities they afford ingenious tax avoiders to take advantage of the difference between the tax

rates on regular income and the lower preferential rates on capital gains. The President and the Secretary of the Treasury have earnestly appealed to the Congress that loopholes of this type be eliminated. Now at a time when most of our people are asked to pay virtually wartime tax rates, we are presented in this bill with a provision, section 214, which would extend this avenue of tax avoidance even further and without a semblance of sound reasoning.

It is time that we recognize how such unobtrusive provisions as this one erode the tax system. Here we have a bill—designed for emergency revenue purposes—which, if section 214 were approved, would be used as a vehicle for fostering specially favorable tax treatment to a limited group. And this is the same group which now receives the excessive percentage depletion allowance, which has been described by the President as the worst loophole in the tax law. At the very least this body should not approve provisions which clearly extend tax loopholes.

Mr. HUMPHREY. Mr. President, I merely point out that this is a new gimmick in the tax laws, which permits one to take ordinary earned income and, by the use of a royalty system, to convert it into capital gains, which represents very favorable treatment. As I have said many times, it reminds me of the Middle Ages, when the lord of the manor, the feudal baron, or the king, would hire some magician or would-be scientist and put him in a room at the top of the castle. Such men were called alchemists. The alchemist was told, "Take gross metal and convert it into gold." The poor old fellow would stay in the room year after year, with burners, tubes, and pipes, trying to convert gross metal into gold. He never was able to do it. However, the modern tax lawyer is able to take earned income, which is taxable at a high rate, and convert it into capital gains. That makes the poor alchemist and the magician of old look as though he did not even have an insight into life itself.

Now I am happy to yield to my good friend from Arkansas.

Mr. FULBRIGHT. The Senator from Minnesota is very gracious. His flight of fancy reminded me that what he is trying to do, in conjunction with the Supreme Court, is to take the production of a commodity, which bears no resemblance at all to a monopolistic utility, and make it a utility, which it is not. He is trying to bring about a similar change of nature with respect to a particular activity. That is one reason why we differ on the subject. He is seeking to apply a formula dealing with monopolies to a circumstance and an activity which bear no resemblance at all to monopoly. My question——

Mr. HUMPHREY. Before the Senator asks his question, I should like to reply to his statement, because he has a much better memory than I have, and I should like to reply to his statement before I forget it. The definition of what is a utility, and the question of the relationship of the production of gas to its sale when it goes into interstate commerce, are questions over which there may be honest disagreement. I must say the Senator will have great difficulty in trying to show how he can regulate the price of gas effectively if he cannot regulate it where it enters the pipeline.

Mr. FULBRIGHT. We expect it to be done reasonably through the passage of the bill. The bill prescribes the formula in detail.

Mr. HUMPHREY. The bill does it in the sense that under it there simply will not be any regulation. Of course some persons feel that one way to solve the farm problem is to eliminate the farmers. I happen to be opposed to that way of handling the farm problem. There are some persons who say the way to handle the problem of regulation is to eliminate regulation. My good friend does not go quite that far, overtly or directly, but he flanks it a bit and he moves in on it.

Mr. FULBRIGHT. I am sorry the Senator from Minnesota is lending his powerful voice to spreading the confusion that the pending bill is a decontrol bill. It is not a decontrol bill. It would control the price of gas through the Federal Power Commission, the only difference being that the Commission would fix the price on the basis of a reasonable market price formula, instead of on a cost-plus formula. However, that is not the question I wanted to ask the Senator.

Mr. HUMPHREY. Perhaps it is not a decontrol bill. It is certainly a decoy bill.

Mr. FULBRIGHT. It is a control bill in the interest of the consumer, instead of in the interest of the distributing utility.

Mr. HUMPHREY. I know the Senator believes that to be so. He is the kind of man who is interested in the consumer. I know that.

Mr. FULBRIGHT. That is not the question I wanted to ask the Senator.

Mr. HUMPHREY. I think it is wonderful that he believes the bill is a consumer-interest bill.

Mr. FULBRIGHT. I am sure it is. I should like to ask the Senator a question now.

Mr. HUMPHREY. What the Senator from Illinois [Mr. DOUGLAS], the Senator from Rhode Island [Mr. PASTORE], and other Senators are trying to do is to help the Senator from Arkansas get away from the misunderstanding he has about what the bill would do. We do not disagree with the Senator's objective. We disagree with what is happening to the objective. By our friendly cooperation, we are trying to be helpful to him.

Mr. FULBRIGHT. I appreciate the Senator's kind sentiment. I should like to ask him a question.

Does not the Senator realize—and if he does not, he ought to make further study—that if we take the cost-plus formula, the so-called utility formula, and permit a 6-percent return—I use 6 percent, although it is true that the Minneapolis Gas Co. is permitted a higher return——

Mr. HUMPHREY. Let us not go off fishing in uncharted waters.

Mr. FULBRIGHT. However, normally speaking, the utility formula allows a 6-percent return on invested capital after all expenses are paid. Does not the Senator from Minnesota realize that if we accept the formula, we thereby eliminate any benefit to the producer arising from depletion allowance?

Mr. HUMPHREY. No; the Senator from Minnesota does not realize that at all.

Mr. FULBRIGHT. It is an indirect way of repealing the depletion allowance insofar as it applies in the gas business. Is that not correct?

Mr. HUMPHREY. No. The Senator knows better than that, I am sure.

Mr. FULBRIGHT. Thereby we will have made a very serious inroad into the incentive toward exploration. The Senator realizes that, I am sure.

Mr. HUMPHREY. No; the Senator from Minnesota cannot realize that. First of all, the depletion allowance is based upon gross income. The bill does not affect depletion allowance at all. The depletion allowance is figured on the total gross income from the gas and oil business. The rate or price on the unit of gas which is sold will not be affected by the depletion allowance, except that the depletion allowance will make the companies a little richer.

I may say to the Senator, who has the consumer's interest at heart, I am sure, but who has permitted himself to raise the ghost that the depletion allowance—that sacred cow of the oil industry—is going to be milked or slaughtered, that we are not even going to pat it—not at this time.

Mr. FULBRIGHT. Mr. President, I am amazed that my friend from Minnesota, aside from his judgment of the bill, should reveal that his understanding of the tax structure is so superficial. I am sure he has studied the tax laws. If we permit a 6 percent return on invested capital after all expenses, I cannot understand how in the world any benefit could come to the producer, inasmuch as the whole benefit from the depletion allowance would be passed on to the consumer, because it is 6 percent on invested capital.

Mr. HUMPHREY. I know the Senator feels that his argument is logical and cogent. However, I am unable to understand it. Let me make it quite clear to the Senator that the depletion allowance is based on gross income and that depletion allowance will be taken by the oil company and by the gas company. The depletion allowance will not be lost.

What the Senator is saying is that in figuring out what the rate structure is to be we must take into consideration some depletion that is arrived at by the depletion allowance. If he wants to take off a leaf from the tree by that kind of argument, he is right. However, the Senator should not send up a big trial balloon about the loss of the depletion allowance. The depletion allowance would not be lost. It would still be in effect.

Mr. FULBRIGHT. If the producer lost it, the consumer would get the benefit of it.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. DOUGLAS. Do we not have a precedent by reason of the fact that since 1938 the Federal Power Commission has regulated the price of gas on

the basis of the cost that can be expensed?

Mr. HUMPHREY. The Senator is correct. He went into that in his remarks.

Mr. DOUGLAS. We have the statement from authorities who have studied the matter that the Federal Power Commission has allowed rates to pipeline companies based upon their cost of production, including all exploration costs, dry hole costs, depletion allowance, depreciation, taxes, and a fair return. In other words, the depletion allowances have been taken into account as an expense prior to all these items. Is that correct?

Mr. HUMPHREY. Prior to the fixing of the rates.

Mr. DOUGLAS. That is right.

Mr. HUMPHREY. The Senator is correct. I may say to my good friend from Arkansas, that, for the sake of the argument, even if the depletion allowance beneficially affecting the producer is slightly modified by rate fixing, there is no evidence that the rate fixing by the Federal Power Commission has resulted in confiscation, or in failure to make a profit, or in deterring further investment capital from seeking new opportunities in expansion.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. FULBRIGHT. There has been no utility type regulation except since the 1954 decision.

Mr. HUMPHREY. There has been pipeline regulation, however.

Mr. FULBRIGHT. That is not in issue here.

Mr. HUMPHREY. It is in issue, however, in this sense, that one argument, which has been advanced as a smokescreen, to divert us from what is happening in connection with the gas bill, is that if we regulate the sale price of gas at the well, there will be a failure to develop production, and there will be no incentive for new production.

Mr. FULBRIGHT. That is correct.

Mr. HUMPHREY. The theory is that regulation of the producer's sales price will result in a lack of incentive, which in turn will result in a lack of production.

Mr. FULBRIGHT. That is correct.

Mr. HUMPHREY. The argument refers to utility regulation, or cost-plus regulation.

Mr. FULBRIGHT. Utility regulation.

Mr. HUMPHREY. Utility regulation, not merely regulation.

Most Americans would be very happy with cost-plus contracts.

Mr. FULBRIGHT. I have not seen the General Motors Corp. or other corporations of that nature applying for them.

Mr. HUMPHREY. We have been trying to get a little cost regulation for farmers—only "cost," not "plus."

Mr. FULBRIGHT. That reminds me of what the Senator said the other day about the percentage which the farmer gets for his products. The Senator was complaining bitterly, and I join with him, that the farmer receives only a very small proportion of the consumer's dollar and that the gas producer gets 10 cents. Why is the Senator from Minnesota so hard-hearted about the producer in my State and so generous with the milk producers of Minnesota?

Mr. HUMPHREY. The Senator from Illinois [Mr. DOUGLAS] is a sponsor of a substitute amendment designed to exempt the small producers from regulation. It is even more generous than is the Senator from Arkansas, who has in mind some broad type of regulation which I have not been able to identify. He is going to regulate a little bit, but the Senator from Illinois is so much in favor of the independent producer that he would exempt those who produce less than 2 billion cubic feet a year from any regulation whatsoever. So, Mr. President, we are not proposing to press the small independent producers. What we are talking about is this: 15 companies controlled 50 percent of the sales of gas in 1954—and I placed the figures in the RECORD a few moments ago—and there are less than 200 companies which controlled 90 percent of the sales of gas; so by the very nature of the pipelines and the nature of the equipment which is involved we find ourselves in a utility situation right back to the producer when the gas goes into the pipeline, because pipelines are not lying around like the loose ends of garden hose. Gas is collected in a gathering plant. The Senator from Arkansas is an expert in this field. We are only trying to regulate in the interest of the consumer and in the public interest and to assure the large producers that they will have literally gold-paved streets. They have today, and they will have in the days to come, a guaranteed profit on their gas wells. As has been pointed out by the proponents of the bill, gas is only incidental to oil, but it is akin to gold, black gold, known as oil, upon which the profit in the market is rather substantial. I do not really believe we will have to pass any emergency relief acts or have a special session for the benefit of the natural gas producers.

Mr. FULBRIGHT. Mr. President, will the Senator from Minnesota yield further?

Mr. HUMPHREY. I yield.

Mr. FULBRIGHT. Following out the Senator's line of thought, is he willing to guarantee a return to the little wildcatter who drills a well, even though he does not find any gas at all? He is the one who is going to have a tough time.

Mr. HUMPHREY. No one is compelling him to drill any wells. If a man who drills an oil well or a gas well fails, he can charge it off as a business loss. If he succeeds, he has a rather favorable tax treatment. I am not going into a long argument over tax treatment. That is provided for in the tax laws. But the Senator has no evidence to indicate that Federal regulation means the diminution or the drying up of the industry.

Mr. FULBRIGHT. The Senator from Minnesota has stated time and time again that the amount of gas regulated in interstate commerce has decreased about two-thirds——

Mr. HUMPHREY. Much of it is used in intrastate commerce. There are large gas plants which are members of a great industry. There was a period of time when the gas produced in the fields of Oklahoma, Texas, and the Southwest was going to Northern States industry-wise. I am glad that industry has moved closer to the source of power and fuel. The Senator's State has been a beneficiary.

Mr. FULBRIGHT. Then the Senator thinks it is all right for the gas not to move in interstate commerce. How does that affect consumers in Minnesota?

Mr. HUMPHREY. We want both. It depends upon the kind of contracts that are written, giving favorable treatment to both the pipeline company and the consumer. The contracts have built-in escalator clauses which, apparently, are recognized by all as being abuses.

Mr. FULBRIGHT. They are not recognized as being abuses.

Mr. HUMPHREY. The contracts contain most-favored-nation clauses. That is a little unusual.

Mr. FULBRIGHT. There are not necessarily abuses. They are called for by the character of the contract. The Senator knows that to be true. I dare say that no real-estate company will make a 20-year lease without some comparable provision for adjustment in the lease.

Mr. HUMPHREY. That is not a proper comparison. If a landlord raises the rent on a house on a certain corner, the rent on all the other houses does not go up automatically.

I would not generalize all escalator clauses as being abuses. It depends on the particular contract.

Mr. FULBRIGHT. The Senator has said they are objectionable.

Mr. HUMPHREY. That is correct.

Mr. President, as I said, in addition to the depletion allowance on their income tax, the oil companies have numerous other little assistances that should provide them with enough incentive to go on with the search for new reserves of oil.

The interstate conservation commissions keep down the production of oil and consequently of natural gas—ostensibly to conserve our natural resources. But one has to be quite naive not to perceive that restricting production also serves to keep the price of oil and natural gas up.

Minimum wellhead prices have been fixed by the interstate commissions. Until recently they put a floor under the price of natural gas even for sales to interstate pipelines. A Supreme Court ruling has upset this practice. But we may expect it to be back with us if the Harris-Fulbright bill becomes law.

In the Reciprocal Trade Agreements Act we passed last year, the so-called national security amendment—agreed to as a compromise for the Neely amendment—permits the imposition of import quotas when any commodity is being imported in such quantities as to threaten the national security. The Director of the Office of Defense Mobilization has been circumventing the procedure established under that provision. He has warned that import quotas would be imposed unless imports of oil are curtailed voluntarily. Thus domestic oil producers have gotten one more form of

Government protection that serves to keep their prices up.

Mr. MONRONEY. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. MONRONEY. Does the Senator know of any case where that has happened? We hear much talk about it, but we have not seen any such result.

Mr. HUMPHREY. Perhaps the Senator misunderstood my statement. I said that the Director of the Office of Defense Mobilization has been circumventing the procedure established under that provision. He has warned that import quotas would be imposed unless imports of oil were curtailed voluntarily. Thus domestic oil producers have gotten one more form of Government protection that serves to keep up their prices.

Mr. MONRONEY. But the warning has not yet been heeded.

Mr. HUMPHREY. I accept the Senator's statement on that, because he is well informed on the subject.

There are other assists from the Government which the oil companies receive that should certainly insure that none of them will be at a loss for incentive. They are waging an all-out propaganda campaign against Government interference with what they call free enterprise, but they do not object to the Government underwriting them in every way that gives them an assured profit beyond anything that any other industry dreams of. Far from being free enterprise the oil and natural-gas industry is subsidized enterprise. Certainly the State agreements regulating rate of production and minimum price make the enterprise something less than free.

I do not think that there is a great deal of substance to the argument raised by the proponents of the pending bill that regulation will destroy the incentive of the natural-gas producers.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MONRONEY. I know how earnestly the Senator from Minnesota searches for facts in connection with his duties on the Senate floor. It would seem to me that he should not ignore the fact that there is conservation value in prorated taking, not blowing the wells wild, but pinching them in, which is definitely in the interest of the consumers of the Senator's State.

Mr. HUMPHREY. I said that.

Mr. MONRONEY. I seemed to detect in the Senator's statement an intimation that proration is a sort of subsidy thrown to the gas producers. In fact, I think many would rater blow the gas into the air, as they did before the conservation laws became very strict.

Mr. HUMPHREY. If there was on my part any such intimation as the Senator has indicated he detected, I want the record to be corrected. What I was talking about was tax concessions. I am not talking about what I consider to be conservation practice. The conservation practices which have been engaged in have been all to the good. I think it is necessary to have such conservation practices.

Mr. MONRONEY. I do not think the bill changes the Supreme Court decision on minimum prices. I think that decision will be unchanged. But that is something which the lawyers, who are better qualified to interpret the decision, can discuss.

There is a conservation interest involved because our 22 years' supply of a superior fuel for household consumption should not be used in such a way, for instance as basic boiler fuel, so as to penalize the tens of thousands of coal miners. Coal would serve just as well and would provide employment for coal miners. There is in the country 10,000 years supply of coal. It is with that point in view that we are trying in many cases to protect gas producers, who were parties to contracts which make their prices tantamount to a price of 30 cents for wheat in the depression. The minimum price law was enacted so that there would not be a prodigal use of gas at 1 cent or 2 cents a thousand cubic feet, thus depleting the resource and leaving Oklahoma and Texas without a gas supply to sell in interstate commerce.

Mr. HUMPHREY. Conservation methods which will properly preserve and regulate the supply of natural resources are most certainly commendable. I am keenly interested in the observation which the Senator made about our large coal deposits. I think there are many uses which may be made of them which are not being made today. In the days to come that will undoubtedly be done.

As the Senator knows, many of us feel strongly, too, that natural gas is an outstanding fuel for home consumption. The more we can get and have for that particular use, the better off we shall be.

The arguments between the proponents and opponents of the bill are not related to all subject matters. I think our basic disagreement is upon the method of regulation. It is a disagreement which will soon be resolved, when the yeas and nays are called.

Mr. MONRONEY. I thank my distinguished friend for saying something which has been rather hard to detect. Some of our colleagues seem to think that the question is of complete regulation or no regulation at all. I am glad the Senator recognizes that there is a choice between two types of regulation, one under the utility cost formula, and the other a reasonable market price formula. It is the latter which we think would be far more effective in protecting the consumers and assuring them of a gas supply.

Mr. HUMPHREY. I said I did not think there was a great deal of substance to the argument raised by the proponents of the bill that regulation would destroy the incentive of the natural-gas producers. I might say that since the Fulbright-Harris bill does embody rate-increase regulation, even the proponents of the Fulbright-Harris bill apparently are not afraid that some form of regulation will destroy incentive. What natural-gas producers probably fear is that full enforcement of the regulatory power granted in the Natural Gas Act will require them to open up their books. Then it will be seen that far from being a highly risky business, the oil and natural-gas production business is one of the best in our Nation today.

As the Senator from Illinois [Mr. DOUGLAS] has already pointed out, the one place in our business world where a man may still make and keep a million dollars is in the oil industry. I think there are other fields, too. I believe that statement was rather restrictive.

I do not wish to be misunderstood. I hold no brief against the oil and natural gas producers making a million dollars. I would not even be disturbed at them making an additional $30 billion—provided it is not made at the expense of a captive consumer who is at the mercy of the producer.

I may add, it does give me some pain to see the facts of the natural gas producers plight presented in such a pitious way. I would like to start out with the record corrected before we start determining whether the production of natural gas is a highly risky venture that does not have its compensations.

Life is full and rich for the oil and natural gas producers. Of that I am convinced. Not, perhaps, for the small independent producers, but for those for whom the Douglas amendment in the nature of a substitute would provide regulation.

The other half of the phrase we read all the time in the oil and natural gas pamphlets is "competitive"—natural gas production is a "risky, highly competitive industry." Here we come to the crux of the argument. Whether there is, in fact, a great deal of competition in the sale of natural gas to pipelines that will serve to keep prices down through the free play of the market place. The proponents of the legislation say there is—those of us who insist that sale of natural gas from producer to pipeline is part of a unique situation, say there is not. Let us examine the natural gas industry, and the way the gas gets from the well to the consumer.

When the literature distributed by the natural gas and oil people speaks of "competition," the figure "8,000 independent producers" is customarily used. We get the picture of all these 8,000 little wild-catters sinking their individual wells and then vying with each other to see who can get to market first with his natural gas. Well, it simply does not work that way.

In 1954 there were 5,557, producers of natural gas for interstate sale. But we must not be deceived by this statistic. More than half the natural gas sold into interstate commerce during that year was produced by only 16 companies. Better than 70 percent of it was produced by 35 producers. And nearly 90 percent of the gas in interstate commerce came from 197 producers.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MONRONEY. The figure of 5,000 reflects, I think, the interstate producers

Mr. HUMPHREY. Yes; that is correct.

Mr. MONRONEY. More than 8,000 have been listed by the various State regulatory bodies, under the conservation laws. I think the number, including the

Appalachian fields has gone up to about 10,000. Gas is gas; and the gas which is not now on the interstate lines might be most valuable to the Senator's constituents in the State of Minnesota. They might be able to get a most desirable fuel at their burner tips, which they are now denied simply because the producers fear they might become a public utility if the gas they provide is once connected with the long lines. That is why we feel the Fulbright-Harris bill will encourage a greater development. The producers will not then run the risk of becoming a public utility. A producer is not going to spend $10,000 a year to get a certificate of convenience and necessity to move his gas in interstate commerce, he is not going to seek capital to incur a great risk, only to sell a small amount of gas. Instead, he is going to find consumers in his home State, where he can operate under a free enterprise system and seek a price which the market will bring.

The error which many persons make—I do not think the Senator from Minnesota has made it, but it might be inferred by those who carelessly read his remarks or interpret them from a cursory reading—is that the last purchase price becomes the reasonable market price. This is not correct. The same body which would enforce the utility-type regulation will also interpret and enforce the reasonable market price.

As I pointed out yesterday in debate with the distinguished Senator from Illinois [Mr. DOUGLAS], the contracts which he fears the most, those which may go up to 17 cents or 20 cents a thousand cubic feet, provide only 4.4 percent of the gas which goes into the long lines. There are 20-year contracts at around 7 or 8 cents. After all, an average of 10½ cents must mean some 5-cent gas, some 8-cent gas, some 2-cent gas as well as 17-cent gas.

The consumer is afforded protection under a reasonable market price, because of past contractual relationships and because 90 percent of the gas is now moving under 20-year contracts. Even the spiral and favored-nations type of contract would be subject to review if gas companies should ask for an increase in rates. The Federal Power Commission would then determine whether the price would be beyond the reasonable market price, and the Commission could invalidate an existing contract. The new contracts must also be measured by the standard of a reasonable market price.

The only two exceptions would be where the State had increased its excise or severance tax, which I think the Senator would agree would be reason for a step-up in rate. The second exception would be if there were specified increases at fixed periods, which were arrived at so as to give the pipeline company some aid. The theory is that a 2- or 3-cent increase over the years would be one which pipeline companies could well absorb in their rate base.

I ask the Senator from Minnesota to excuse me for such an extended interruption, but he has been very kind, as most of the opponents of the bill have been. I think it is of help to have the distinguished Senators from Minnesota, Michigan, Illinois, Rhode Island, and Massachusetts discuss the facts and figures, and to yield at all times to cogent and germane interruptions as the bill is debated.

Mr. HUMPHREY. I wish to thank the Senator from Oklahoma. He makes a very strong argument, as I have told him before. There are honest differences of opinion as to the best means of regulation. Some of us believe that the language in the Harris-Fulbright bill which refers to regulation will not produce the kind of regulation which will be effective, and at the same time the kind of regulation which will permit a fair and reasonable profit.

Mr. President, I wish to note that since the Phillips decision in 1954, which upheld the regulatory power of the Federal Power Commission over the producers' sales price of gas at the pipeline, or gas coming into the pipeline, almost 1,000 new interstate producers of natural gas have entered the field. They have not been afraid of Federal regulation. After the Supreme Court had spoken and had clarified the law almost 1,000 new producers entered the business of the sale of gas for interstate purposes.

Furthermore, in the past 2 years, since the Phillips decision, the increase in the sale of natural gas in interstate transmission has been about one-half billion cubic feet. It does not appear, Mr. President, that the producers of natural gas have been withholding their product from interstate commerce; nor does it appear that the producers of natural gas have been fearful of the results or the eventualities which would follow Federal regulation.

Mr. President, I should like to have the RECORD crystal clear that such happenings occurred after the Phillips decision, which was unequivocal in stating that the Natural Gas Act of 1938 applied to the producers' sales price of natural gas in interstate commerce.

Mr. President, I know that the proponents of the legislation now shift their argument to point out that in the automobile industry there are only three producers dominating the market, with only three others of any consequence in the field. But the number involved in sales in interstate commerce is not the only consideration that makes natural gas production and sales unique in requiring regulation.

While nearly ninety percent of the market is dominated by 197 producers, there is an additional factor which makes this a utility situation. That is the nature of the natural gas industry and the way natural gas is distributed.

As everyone knows, natural gas is delivered from wellhead to consumer through a system of pipelines. These pipelines are not only expensive, they are fixed. Once they are laid into a field, they cannot be taken up and moved about in search of a new supply or a less expensive supply of natural gas.

As the chairman of the public service commission in my neighbor State of Wisconsin has written about the pipeline company:

> It could not move its pipeline like a garden hose from one producer to another in search of lower prices.

As the pipelines are expensive to build and as they are fixed in place once they are laid into a field, the pipeline company must be assured of an adequate supply before it can commit itself to a natural-gas field. This, in fact, is one of the assurances it must be able to give the Federal Power Commission—its ability to fulfill the long-term commitment to the distributors it is intending to serve.

Consequently the pipeline must sign a long-term contract with the natural-gas producer—sometimes for 20 years, often for the life of the field. Once contracted for, there is no further possibility for the free play of competition in the market place to work on holding prices down. Once the contract is made, the price is as firm as is the pipeline itself, which is laid in the ground, with the exception of the escalator clause, which can lift it up as if there were a swelling in the earth or a small earthquake.

Nor is there competition at work in the initial period of negotiating for the supply of natural gas from the producer in a given field. Before the great interstate pipelines were laid, there was this kind of competition. There was greater supply of natural gas than there was demand. A buyer could shop around and get a better price from one producer than from another. It was a buyer's market.

In the decade since World War II—since about 1947, in fact—the rapid growth of pipelines, extending to nearly all parts of the country, has altered the situation. The demand for this superior fuel has outstripped the supply. There is a seller's market. Now the pipelines bid each other up in competing for the supply of natural gas from the fields.

During the earlier period—before the growth of the pipelines—competition did operate to keep prices reasonable. The sales price of natural gas from producer to pipeline was maintained at about cost plus a reasonable profit. That is why there was no need to regulate the producers' sales price of natural gas at that time.

It has only been since the increased demand for natural gas as a fuel both for residential and industrial use that the sellers' market has produced the opportunity for increasing prices to whatever the traffic will bear. This does not only operate in the market when a pipeline is initially negotiating with a producer a contract for the sale of natural gas over a long period. Even after the contract has been signed, the producer's price can rise to whatever the producer can get for his gas. Pending, first, litigation and, now, a will on the part of the Federal Power Commission to fulfill its responsibilities under the Natural Gas Act, there has been no effective regulation in recent years.

The kinds of escalation clauses under which the producer can get a higher price for his gas are listed in the House committee report, which has been made a part of the Senate committee report. On page 35, we find a description of the various kinds of escalation clauses:

> The two-party favored-nation clause: Under this clause, the specified price in a long-term fixed contract is increased in the event

the buying pipeline company shall pay a higher price to another producer for gas in the same field or in any area specified in the contract.

The third-party favored-nation clause: Under this clause the price is increased in the event an unrelated third party shall pay a higher price to another producer for gas in the same field or in an area specified in the contract.

Escalation clauses known as the price redetermination clause, the price-renegotiation clause, or the better-market clause: Under each of these clauses, the price is increased in the event the average of the 2 or 3 highest prices which are paid by pipelines in a given area shall exceed the price specified in the contract.

The spiral escalator clause: Under this clause the price is increased in the event the resale rates of the pipeline company shall be increased.

The step-up clause: Under this clause the price under the contract will increase by specific amounts at definite dates in the future.

The tax-increase clause: Under this clause the pipeline company agrees to reimburse the producer who sells the gas for increase in taxes levied on the seller after a specified date.

The House committee report goes on to say—and this is the majority report, I hasten to point out—that:

Many witnesses appearing before the committee, particularly those representing distributing interests and consumer areas, maintained that escalation clauses in existing contracts, unless their operation is controlled in some effective manner, could result in very large increases in the cost of gas to consumers—particularly in view of the fact that a contract for natural gas usually runs for 20 years or more, and a large proportion of the contracts presently in effect were entered into in recent years.

This is just what has been happening in recent years. In the absence of effective Federal regulation prices have gone steadily upward, and they have been passed on to the consumer. The average field price of natural gas has more than doubled since 1946.

This is what will happen if the present proposed legislation is enacted and if there is no regulation over this utility situation. The increased prices will come at the producers' level, and will be passed through the pipelines, through the distribution companies, ultimately to the consumers; and the increased prices will be passed on to the consumers with a vengeance.

Let me review the factors that I have said make the sale of natural gas in interstate commerce a utility situation.

First, there are not really a large number of producers. More than half the natural gas entering into interstate commerce in 1954 was produced by 16 companies, and 197 companies produced nearly 90 percent of the gas. This in itself would not be a utility situation.

But the gas is transported in interstate commerce through a system of pipelines which are expensive and fixed. So the pipeline company must be assured of a long-term supply, and must, therefore, enter into long-term contracts with the producer.

Because there has been a tremendous increase in the demand for natural gas in less than the past decade, demand has outstripped supply. It has become a seller's market. There is no competition between producers seeking to sell gas to the pipelines. The producers can sell as much as they can produce. The competition is between the pipelines, not between the producers.

This sellers' market is accentuated by the regulatory practices of the State conservation commissions, which restrict the production of natural gas. The producers' sales price is bid up even higher, because of this artificially created shortage of supply and by other practices instituted by the conservation commissions.

Mr. President, I wish to say again that the conservation aspects are thoroughly worthy; but it should be noted that when we conserve on a tight market, when the very practice of conservation—namely, holding back the amount coming into the market—is engaged in, the result is to tighten the supply. I do not wish my comments to be regarded as indicating any opposition by me to sound conservation practices. I think it would be foolhardy not to have good, sound conservation of our oil and gas reserves and resources.

That is all the more reason, then, that, if we do have conservation, we should have regulation of the price when the producers sell the gas for transportation in interstate commerce, because then all the pressure works toward the end of increasing the price, and there is no pressure to reduce the price.

Quite naturally, the producers wish to get all they can for their sales. Because of that fact, and because the pipelines are at the mercy of the producers in negotiating for supplies of gas, the producers have placed escalation clauses in their contracts with the pipelines. These permit them both to require the pipelines to accept an increase in price whenever a higher price is agreed upon in the field or anywhere else by the pipeline, and to get an increase in price whenever the resale price of the pipeline is increased. The last clause is called the "spiral" escalation clause. I think "spiral" is probably a good word to apply to the entire process. There can be no doubt that, given the situation I have described, without regulation the producers' sales price goes up, up, up—just as it has been doing in recent years.

This is no free market. All the talk of free enterprise flys in the face of facts. Those issuing the propaganda put out by the Natural Gas and Oil Resources Committee are fond of saying: "If gas is regulated, won't other commodities soon follow? What about lumber—and automobiles—and oysters?"—or words to that effect. All of us have heard this argument.

But, Mr. President, I have never heard of lumber being transported in interstate commerce by pipeline, nor have I heard of automobiles being shipped through interstate pipelines—fixed pipelines, without any alternative pipelines, and with only one pipeline from one producer.

Furthermore, Mr. President, I never expect to live to see the day when oysters are transported in interstate pipelines. It would be interesting, but I doubt that it will happen.

No one has suggested that any other commodity is transported in interstate commerce in quite the same way that the natural-gas industry operates. The argument that if natural gas is regulated, there will soon be regulation of coal, lumber, potatoes, tomatoes, and oysters, is just a scare argument; and those who write the propaganda for the natural gas and oil interests know it.

Let me say why I called the consumer of natural gas a captive consumer, a short time ago. The consumer receives the natural gas from the pipeline and local distribution systems. While the Federal Power Commission regulates the interstate pipelines, and the State commissions regulate the rates charged the consumer by the local gas companies, increases in sales prices by producers have, nonetheless, been passed on to the consumer, in recent years. The escalation clauses require the pipelines to accept these increases, and the Federal Power Commission has allowed the rates charged by the pipeline to go up accordingly.

If the Harris-Fulbright bill is passed and signed by the President, we can expect the increases of producers' sales prices to be passed on to the consumer in the same way. I know that the proponents of the bill assure us that something called the reasonable market price has been added, and is supposed to protect the consumer.

This is the so-called regulatory language in the Fulbright-Harris bill. I take the word of the proponents that it is regulation. It is a new breed, which, as yet, has not been identified. But apparently it has arrived on the scene, and we shall have to accept it as at least a token of regulation. This is the standard which the FPC is to use in considering a pipeline company's application for an increase to determine what part of the price paid by the company to the producer for natural gas may be counted by the company as a market expense.

We get closer to the truth if we refer to the "reasonable market price" as the going rate, for that is what it is. It is the going rate for gas in the field. It is reasonable only if we start by subscribing to the proponents' contention that there is a free play of competition in the competitive market in sales of natural gas which serves to keep the price down. Unless we accept this myth, "reasonable market price" means the actual market price in the field, in which the competition is among pipelines in bidding prices up.

The "reasonable market price" standard, as applied to the escalation clauses, was added as an afterthought, a sort of sop to the consumer. I think it is important for the record to show that no one representing the consumers of the United States has ever had an opportunity to testify before either committee on "reasonable market price" and what it does or does not mean in relation to the escalation clauses. It was added to the bill only after the hearings in both the House and Senate had been concluded.

(At this point Mr. HUMPHREY yielded to Mr. BARRETT, who addressed the Senate on the pending bill. On request of

Mr. BARRETT, and my unanimous consent, his remarks appear following Mr. HUMPHREY's speech.)

Mr. HUMPHREY. Mr. President, "reasonable market price" will not provide protection for the consumer. When I say "reasonable market price," I use that terminology as it is used in the Harris-Fulbright bill. An increase in the producer's sale price will be passed on to the consumer if the Harris-Fulbright bill becomes law.

It is interesting that the proponents of the bill can claim that the "reasonable market price" provision will give adequate protection to the consumer against unjust rate increases and at the same time argue that the Harris-Fulbright bills are needed to free the producers' sale price from regulation if producers are to have the incentive to go on discovering new gas reserves and marketing the gas in interstate commerce.

Mr. President, I hope those who may glance at the RECORD or hear this debate will carefully note that the proponents or sponsors of the measure say, on the one hand, that they provide for regulation in the "reasonable market price" regulatory concept, but, at the same time, protest that those of us who argue for regulation under the Federal Power Commission according to the utility concept would be drying up the sources of gas supply, injuring the consumers because of failure to find new sources of supply; in other words, that it would reduce incentive.

It is difficult for me to understand how a "reasonable market price" is going to be protecting the consumer if the producer is going to be getting that added incentive he is seeking through this legislation.

The Senator from Illinois has a substitute proposal. I have spoken of it earlier. It would free from Federal regulation all those producers marketing less than 2 billion cubic feet of gas in interstate commerce each year. Senator DOUGLAS estimates that this would exempt about 5,360 producers from regulation. They would all be left quite free from control by the Federal Power Commission. But under the Douglas substitute amendment, 197 producers, producing more than 2 billion cubic feet of gas for sale into interstate commerce each year, would still be regulated. As these 197 producers sell nearly 90 percent of the gas transported in interstate commerce, the consumer would receive adequate protection under the substitute proposal of the able Senator from Illinois.

I hope that the Douglas amendment will be acceptable to the proponents of the Harris-Fulbright bill, but I do not think it is. It would actually be an improvement over the Natural Gas Act as it presently stands, for it would relieve the Federal Power Commission from the job of regulating all 5,557 producers. It would, while doing so, provide effective regulation of the sales price of natural gas in interstate commerce, for pipeline purchases are made almost wholly from the 197 producers who would be regulated.

I think that the proposed Douglas substitute will provide adequate protection to the consumer, while freeing 5,360 independent producers from regulation, and taking an administrative burden off the Federal Power Commission. It is a reasonable proposal. It is a proposal which is administratively sound, one which will give economic justice to the independent producers, the regulated producers, the pipelines, the distributing companies, and the consumers.

But if we do not adopt the Douglas substitute—if we adopt the Fulbright amendments instead—the "reasonable-market-price" provision will not protect the consumer. The consumer is a "captive consumer," and will not be able to escape from the increased rates that spiral up to him through the pipelines. He is a "captive consumer" because he is chained to the source of the natural-gas supply by the fixed system of pipelines. He is also held captive as he is committed to continuing to use natural gas by his own costly investment in one or more appliances in his home—a gas furnace, a gas range, a hot-water heater, or possibly a refrigerator.

It has been estimated that the natural-gas consumer has an average investment in these appliances of more than $500. I must say that that is a most modest estimate. Those who use natural gas for all four purposes may have as much as $1,100 invested. The champions of this legislation say that if the natural-gas consumer does not want to absorb the increases in gas rates, he can merely switch to some other fuel. This could be so costly for many consumers that it would be prohibitive. They would simply have to take a beating on the increased fuel costs, even though the price did not get above what other fuels were selling for.

I might point out that many of the homes built during the last decade were constructed to be heated with natural gas. Some do not even have chimneys. I am sure that users of natural gas who built their homes without chimneys—as well as those who have recently converted to gas at considerable expense—did not do so thinking that they might be threatened in a short time with a sharp rise in fuel costs. They have a right to expect some consideration and protection from the Congress. They should not suddenly be left to the mercy of the natural-gas producers, who have shown in their efforts to get the bill passed that they are out to raise their prices to all that the traffic will bear.

I must again state that not a single witness before the subcommittee, under the chairmanship of the junior Senator from Rhode Island [Mr. PASTORE], testified that his gas-producing business was losing money, or testified as to the inadequacy of his profits. It would have been very difficult for him to have testified to the latter, because the profit ratio for the gas and oil business is exceedingly good. It is abundant and plentiful.

The proponents of the bill warn that unless the producers get their way and are exempted from Federal regulation, the consumers will not get any more gas; that it will be diverted for intrastate use. This echoes the warning of the official of Phillips petroleum who warned Wisconsin officials that unless they dropped the case—which finally led to the Supreme Court decision—the people of Wisconsin could go without gas. I do not think this attitude reflects any great concern for the public interest. It is the sort of selfish unconcern for the consumer which gives rise to the need of Federal regulation. In fact, it indicates very well that the producer will take all the market can bear, a market which is under very severe handicaps due to fixed lines and investment in equipment. We cannot count on the public spiritedness and sense of fair play of the oil companies to insure that the consumers' interests are given fair consideration.

Only one type of consumer can easily convert to some other fuel if gas rates go prohibitively high. That is the industrial user of gas on an interruptible basis. I discussed this matter several days ago with the Senator from Illinois [Mr. DOUGLAS] in a colloquy during the debate on the floor.

Such industries take the excess supply of gas which residential users are not using in the summer. Since they burn other fuels in the winter, they already have facilities for other fuels installed and would quickly stop using gas when it became priced too high. Since the interruptible user of gas gets the gas at an inducement rate—or dump rate—the commercial and residential consumers are already sharing part of the cost of this use of natural gas. But if the interruptible user should stop using gas altogether, this would dump onto the consumer the entire extra cost of natural gas which the distributor is committed to take.

We could bandy back and forth all day the possible cost to the consumer of the increased cost of natural gas if the Harris-Fulbright bill becomes law. My friends who support the bill will not admit that there will be any great increase in producers' sales price if regulation is removed. The argument goes that the producer must be freed from Federal regulation if he is to be provided with the inducement to continue drilling wells and producing gas in this highly risky, highly competitive business. Yet, the price of natural gas will not rise appreciably, so they say. I do not quite see where the inducement lies if it does not come in an increase in the price they are receiving from their gas sales.

On the one hand, the proponents of the Harris-Fulbright bill try to indicate there will be very little or no real increase in the price to the consumer. On the other hand, they say if there is to be Federal regulation which denies an increase in price, or a substantial increase in price, there will not be any new research, discoveries, and new supplies brought into the pipelines.

What the increase in sales price of natural gas from the producer to the pipeline could mean to the consumers in my own State of Minnesota can be seen in the following figures. They are based on total sales during 1953, so they are a conservative estimate, as both sales price and volume have increased since that time. In 1953, total sales of natural gas in Minnesota amounted to 91,220,000 thousand cubic feet. If the sales price were to go up only 5 cents, this would mean an increased cost to the people in my State of $4,561,000. This would

be the smallest probable increase. Representatives of the oil and gas producers are saying that rates should go up, from about 10 cents, to 15, 20, or even 25 cents per thousand cubic feet.

If the rate went up 10 cents, the people of Minnesota would be paying an additional $9,122,000. If it went up 15 cents, the natural gas consumers of my State would have to foot an additional bill of $13,683,000. And that increase, by the way has not been considered an improbability.

It is not only the natural gas consumers of Minnesota who will bear the increased cost if the rates of natural gas rise unchecked by effective Federal regulation. Electrical energy is generated with natural gas as fuel in some cases. In 1954, 30,418,258 thousand cubic feet of gas were used for the generation of electricity in Minnesota. If the producers get an additional 15 cents for their sales in interstate commerce, the electric bill to Minnesotans could be increased by $4,062,739. So the electric user will feel the increased cost even if he is not a natural gas user.

I have already stated at the beginning of my remarks that the cost to the Nation's consumers might be approximately $600 million additional a year. An even higher estimate has been made of $900 million. These figures are large; they convey something to us of the effect the bill can have on consumers throughout the Nation. But I do not think they dramatize the consequences of the proposed legislation we have under consideration in the way that a letter I have received seems to dramatize it.

I wish to read a part of that letter to the Senate. It expresses what this measure means to consumers far more eloquently than can the figures $600 million or $900 million or even the almost $30 billion that the producers stand to gain ultimately.

The letter is from a minister in Faribault, Minn., and is dated December 21, 1955. It reads:

DEAR SENATOR HUMEHREY: My gas bill has just arrived for the month of November. Because of the action of the Federal Commission which regulates such matters and lifted the ceiling a couple of years ago, my bill is more than 57 percent higher than it would have been a year ago. This is all out of proportion with the fair profit warranted according to the Federal Commission study some time ago. A 40 percent increase last spring and now a 17 percent increase really hurts one's stability, especially in these northern winters where we use so much fuel.

Mr. MONRONEY. Mr. President, will the Senator detail those increases in cents, rather than in percentages? I am sure the Senator realizes that if the price were increased from 1 cent to 2 cents, for example, it would be a 100-percent increase. Sometimes the figures 17 percent or 20 percent are somewhat misleading. I am sure the statistical data which I request are available in the file of the Senator, because I know the thoroughness with which he pursues these matters. and I think it would be well if he placed that information in the RECORD.

Mr. HUMPHREY. I shall be glad to obtain those figures. I wish to say to the Senator from Oklahoma that I agree with him that when percentages are discussed, there is always a chance they may seem distorted and that one can get a distorted picture. I want to say further to the Senator that I am reading from a personal letter. I shall later get down to the actual cost in dollars. The increases referred to in the letter which I am reading were increases which came about as a result of rulings of the Commission on what we call areas or regions, and were also due to some of the escalator factors involved in contracts.

I continue to read from the letter:

I was in the rooms of a lady who receives county aid a few days ago and found that part of the day she is turning her gas low and sitting in blankets in order to reduce the cost of heating. My church must raise its budget this year by $450 to meet the increased fuel costs.

I cannot see that there is any excuse for this on the basis that other costs have gone up, and so the gas rate should also. So extensive an increase is taking advantage of a monopoly. We are told that when atomic power is fully developed its costs will be much under the prices of today. I cannot see, however, the advantage of cheap sources if those who have the opportunity of distributing power are allowed, because of their privileged position, to take advantage of the consumers. * * *

What are the consumers supposed to do? Shall we work up a petition and switch to Government owned utilities and sources of supply? Once it was necessary for the Government to get into business in order to give the farmers electricity and the advantages of the rest of the population. I hope it won't be necessary for us to get all tangled up in a new Government business in order to work out an equitable distribution of profits from natural resources. It would be far better to regulate the present monopolies, giving them a reasonable profit, than to do this.

That letter came to me from the Reverend Wayne Van Kirk, of the Congregational Church in Faribault, Minn.

I should like to have the RECORD note that I first inquired of the Reverend Van Kirk if it was agreeable to him that I read the letter into the RECORD.

Mr. MONRONEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. PASTORE in the chair). Does the Senator from Minnesota yield to the Senator from Oklahoma?

Mr. HUMPHREY. I yield.

Mr. MONRONEY. The misunderstanding of the Reverend Van Kirk is a rather widespread one, and is due to what I consider to be an effort of many of the high-cost city distributing companies to place the blame on the producer. The misconception of the Reverend Van Kirk, and his feeling that perhaps a Government agency is needed to get the gas to him, might be dispelled by the knowledge that when gas or coal is transformed into electric energy, the cost of the gas or coal, or whatever other fuel may be used, is passed on to the consumer.

One of the points which has been made in the debate is that many of the fields which might be connected to increase the supply available for residential use are instead selling intrastate for boiler fuel. The Senator may know that last year a trillion feet went into such an operation in Oklahoma. When a fuel is used to generate electricity, any increase in its cost is automatically passed on to the electricity consumer, and no one ever questions it. That is done even under the best of utility regulation.

We are saying, and have been trying to say, that gas is a fuel, and not a utility. It would be pretty hard, for example, to have controls on the corner grocery store and not on a chain store, or vice versa.

It seems to me that what the public does not understand is that if the fuel were used under boilers or for intrastate use, the accepted utility pattern would be automatically to pass increased costs on to the consumer.

That happens in the REA's. Many distributing companies that buy field gas serve REA's. There has never been any question of their right to escalate their costs as the cost of the gas supply has increased.

Mr. HUMPHREY. I can say that I appreciate the feeling of the Senator from Oklahoma that there has been distortion and misunderstanding. In the debate we ought to be as fair as it is possible to be, in line with our convictions. There can be no question that some distributing companies or consumers try to say the producer is responsible for increased costs. It is the view of the Senator from Minnesota that effective regulation of the price of gas includes starting at the point where the producer sells to the interstate line. I do not want the RECORD, however, to indicate that I believe that many of the gas price increases which have been charged the consumers are totally the result of producers' increases, because that is not true.

The Senator has made this point on other occasions. Some of the points he made were very illuminating. I desire to say that while a distributing company under regulation may overcharge, and there may be evidence to support it, the pending bill does not relate to that, nor do the arguments of those of us who are opposing the bill.

What we are really talking about is whether or not, in order to have effective regulation of price, it is desirable to start price regulation at the point where the producer's gas for sale in interstate commerce goes into the interstate line.

Mr. MONRONEY. I am in complete agreement with that statement. The Harris-Fulbright bill starts where the gas enters the interstate line. We recognize that there are many, many gas wells with which a pipeline would not want to connect. If a pipeline were trying to get a supply, for example, to Milwaukee, it would not want to commit itself to build a long line without first assuring itself of an adequate supply.

For that reason, we are on all fours as to where regulation should start. We differ only when we consider the two imponderables of cost plus reasonable return on investment. I know the Senator will recognize the difficulty of establishing a cost basis for thousands of gas wells belonging to 8,000 producers.

Mr. HUMPHREY. We are going to exempt most of those.

Mr. MONRONEY. Of course, then a point is reached where gas is a service, not a commodity; and the farmer who sells to a large producer may suffer

from downward regulation of a price which already is low, whereas another farmer who sells to a small producer gets the benefit of an unregulated price. Such a situation is similar to the one referred to, I believe, by the distinguished Senator from Illinois [Mr. DOUGLAS], who admitted that "you just cannot get there from here." Under such regulation, it will be impossible to obtain all the gas that is needed.

It is said, "Because a producer is large, we shall impose regulation upon him."

Mr. HUMPHREY. Mr. President, the Senator from Oklahoma makes a very plausible argument; but let me turn the argument around, and say that the "reasonable market price" concept of the Harris-Fulbright bill is, in fact, the field price; it is not regulation.

Mr. MONRONEY. Well, Mr. President, that depends.

Mr. HUMPHREY. A theory of regulation thus is placed in the bill, so that when a consumer examines the bill, he will say, "Oh, well, it does provide for some regulation."

But, Mr. President, in view of the nature of the gas industry and the predominant nature of some of the gas-producing companies, "reasonable market price" will result in only one thing, namely, the field price.

Mr. MONRONEY. Mr. President, other Senators have expressed great fear because in some new contracts which have been made for 4 or 5 percent of the gas supply, the price is higher. However, let me point out that those contracts have been made under laws which have been in existence for 20 years; and those laws were made on the basis of the conditions which existed at that time, some 20 years ago. The result is that most of the gas supply is frozen at prices almost equivalent to the 30-cent price which used to be obtained for wheat. Certainly we do not wish to go back to such a situation.

The pending bill will hold some feet to the fire, in the case of those old contracts.

Mr. HUMPHREY. It will remove the chilblains, but it will not get the feet very warm.

Mr. MONRONEY. Perhaps it will not. But in the case of new supplies of gas, it will open the doors to the production of gas which will move in interstate commerce.

The operators of gas wells who do not wish their wells to be classified as public utilities, will not be willing to appear before the Federal Power Commission several times a year and file reports on the "p. d. q."—reports in so large a volume that they will literally resemble, I may say to the distinguished Senator from Montana, one of the biggest snowstorms ever to occur in his glorious State. Those reports have been coming before the Federal Power Commission in extremely large volumes, and will do so for years to come. Then, perhaps by means of Univac or some other super-electronic device, a way will be found to coordinate the statistics regarding the thousands of oil wells, and perhaps someone will find a way to coordinate the two variables. One of those variables is cost, the other is the return on the investment. The Senator from Illinois [Mr. DOUGLAS], who has done perhaps the greatest amount of specialization on this matter among the opponents, told our committee that he did not know whether that figure should be 5 percent, 6 percent, 7 percent, or 8 percent. But there are those two variables in this situation.

We say that a reasonable market price is not a single field price; neither is it necessarily a weighted-average price.

Mr. HUMPHREY. Then what is it?

Mr. MONRONEY. It is the same as the reasonable market price for a piece of land, in case the Federal Government condemned some land belonging to the Senator from Minnesota which the Government wanted for a military reservation. In that case the question would be, "What is the reasonable market price of the land?" The Senator would be compensated on that basis.

The reasonable market price would not be the perfect price but it certainly would come nearer to being a working basis than any price which ever would be obtained under the Rube Goldberg system which the Supreme Court, without thinking of any of the practicalities called for. In fact, the Court did not have before it any of the evidence that Congress had before it in 1938, when it exempted production and gathering from the act.

Mr. President, production is a tangible thing and it must be dealt with in a proper way so as to be of use to everyone. Production cannot be eaten. The Congress must have had in mind, in that connection, and in view of all the money spent to conserve gas, that the gas would be sold.

Mr. HUMPHREY. Mr. President, I am quite sure that the Supreme Court reviewed the legislative history, as shown in the congressional debate on the Natural Gas Act of 1938, and as illustrated by the applications of the Natural Gas Act; and I am sure the Court took into consideration the decisions of the circuit courts. I cannot believe that the Supreme Court simply blindly went into the situation, and made a ruling on the basis of the word "sell." It seems to me that the Court knew exactly what it was doing.

Furthermore, I have all the confidence in the world in the ability of the Federal Power Commission to employ the kind of cost accountants and competent experts in this field, who would be able to work out an equitable formula. An equitable formula was worked out for the pipelines, and an equitable formula was worked out for the electrical utilities. The Federal Power Commission has done fairly well along those lines, and has not been niggardly; in other words, its actions have been on the generous side, in connection with such formulas for rate structures.

Mr. MONRONEY. But all of them related to service; did they not? All of them related to pipes or wires or other facilities for which the cost figures at the time of purchase were easily ascertainable; and they did not represent something so intangible as the cost of discovery and the cost of drilling and the amount of such cost to be charged to gas produced in conjunction with oil.

With regard to the Supreme Court's decision, let me say that I would have looked upon it, perhaps, a little more favorably if the Court had rendered a more nearly unanimous decision, instead of a 5-to-3 decision.

Mr. HUMPHREY. Yes; it was a 5-to-3 decision.

Mr. MONRONEY. However, all the previous holdings by Mr. Justice Jackson, who was absent at that time, went even further than the holdings of Mr. Justice Douglas and the other Justices who dissented in that case.

Mr. HUMPHREY. But Mr. Justice Minton was the one, I believe, who wrote the majority opinion; and he had been a Member of the Senate at the time when the Natural Gas Act of 1938 was passed. So I gather that he had a fairly good working knowledge of the intent of the act.

Mr. MONRONEY. Would the Senator from Minnesota say that the 96 Members of the Senate who were Members of the Senate at the time when the Natural Gas Act was considered had a thorough working knowledge of all the points the Senator from Minnesota has studied in connection with this debate?

Mr. HUMPHREY. That is the assumption.

Mr. MONRONEY. Yes.

In referring to the Senate service of former Senator Minton, of Indiana, I would not attempt to specify the number of minutes he spent in the Senate Chamber during the consideration of the Natural Gas Act of 1938. Of course, I know that he was diligent and competent in the performance of his duties. However, I wonder whether he was present in the Senate Chamber during the entire debate on that act, or whether perhaps he was in his office for a part of the time, in connection with other important business. If so, he would not have heard all the debate in regard to the circumstances under which the act would not apply.

Mr. HUMPHREY. It seems to me that the Court pointed out that if there is to be regulation, it must apply from the beginning to the end—in short, that an artery cannot be severed somewhere in the middle.

Mr. President, I say that the consumers deserve the protection of the Natural Gas Act. The act should not be amended in such a way as to leave the consumers subject to even greater increases in the cost of the fuel with which they heat their homes or their commercial establishments. Instead of amending the Natural Gas Act, we should be demanding that the Federal Power Commission carry out its responsibilities under the act in the public interest.

This is one of the reasons, Mr. President, why from time to time I have felt that even though we in Congress write a law which carries with it a direction and a mandate, there is always a danger that regulatory bodies themselves may not enforce the law with the enthusiasm and the determination with which they should. However, all that we who serve in Congress can do is write the proper kind of law, or see that a law already written is not rewritten in an improper

way. That is exactly what we are attempting to do at this time.

Mr. President, let me read once more the passage from the Reverend Van Kirk's letter:

> I was in the rooms of a lady who receives county aid, a few days ago, and found that part of the day she is turning her gas low and sitting in blankets, in order to reduce the cost of heating. My church must raise its budget this year by $450, to meet the increased fuel costs.

When we speak of the consumer, let us not just talk in abstract terms, Mr. President; but let us be thinking of that lady with her blanket wrapped around her and the Reverend Van Kirk's church as it seeks to gather the money needed to meet the increased fuel costs.

And when we speak of those who seek to have Federal regulation removed, so their prices can seek their own level, let us remember that nearly half the gas produced was sold in interstate commerce in 1954 by Phillips Petroleum Co., Standard Oil Company of Indiana, Standard Oil Company of New Jersey, Shell Oil Co., Socony-Mobil Oil Co., the Chicago Corp., Gulf Oil Co., Cities Service Oil Co., the Atlantic Refining Co., the Texas Co., the Shamrock Oil & Gas Corp., Sun Oil Co., Skelly Oil Co., and the Pure Oil Co.

Mr. President, there are 14 names. Those companies sold nearly 50 percent of all the gas sold to all the industries, commercial establishments, and residences in the United States. They have great economic power. They have great resources. If those companies were to seek only the market price, without any regulation, in a market where demand is constantly pressing supply, in a market which must have conservation practices to protect our needs for the long run, such prices would skyrocket, were there not at least, first, authority for Federal regulation, and second, the application of Federal regulation.

I have nothing against these companies making a just and reasonable profit. Let us not forget that the Natural Gas Act provides that they shall be assured of a profit. They will not be assured of an unreasonable profit, which is what they seek, in my opinion, in the proposed legislation which is now before the Senate.

I, for one, believe, as the Natural Gas Act says, that "the business of transporting and selling natural gas for ultimate distribution to the public is affected with a public interest," and that "Federal regulation in matters relating to the transportation of natural gas and the sale thereof in interstate and foreign commerce is necessary in the public interest."

It goes without saying, after this rather extended discussion, that I do not intend to vote for the denial of the public interest. I shall vote against the Harris-Fulbright bill.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. HUMPHREY. I am glad to yield.

Mr. MONRONEY. The Senator has been very kind in allowing me to interrupt him. It is helpful to the debate to hear a little from both sides as we go along, and no one could have been more courteous than the Senator from Minnesota has been.

The economic reports of the Chase Manhattan Bank are considered to be rather authoritative. Let me refer to its report on the petroleum industry for 1954, in connection with the 35 large companies of which the Senator spoke. I grant that supplying gas to large cities such as Washington, Minneapolis, or Detroit, is a large scale business. It would be difficult for a small independent operator to connect up, and have such cities depend on a single small operator. Such cities like to deal with the giants.

I invite attention to the percentage of the net income in relation to the total income of these 35 companies. With all the tax advantages of which the Senator has spoken, the net income for 1954 represented 10.2 percent of total sales. Many of these companies are importing companies, and half of their profits come from imported oil.

Gas and oil are inseparable, except as to the comparison of revenue derived from gas and oil. Let us apply the overall profit statistics. Gas is a little less profitable, but let us assume that the profits from oil and from gas are the same.

The total revenue of these 35 companies from sales of gas in 1954 was $456 million. If we take 10.2 percent of that figure, we arrive at an estimated profit of $45.6 million from the sales of all those companies, as compared with the staggering profits of $300 million to $400 million on the same gas when it is sold at the burner tip. I think we have overemphasized the producers' profits as well as his price.

Mr. HUMPHREY. I would not want to say that the Senator does not have a point there, as to the cost figure at the end of the line, at the burner tip. However, the truth is that the only thing we are discussing, and apparently the only power we have to exercise, is at the producer level. The distribution company is locally regulated; and if such local regulation is not good enough, the local people will have to do something about it.

Mr. MONRONEY. Perhaps we can wake up some of the sleepy utilities commissioners, or even some of the newspapers in the District of Columbia to the fact that it costs 98 cents to deliver gas from the city gate to the burner tip. Perhaps we can get some space in the newspapers if we can buy an advertisement with the $20 which the Senator from New York [Mr. LEHMAN], the Senator from Illinois [Mr. DOUGLAS], the Senator from Rhode Island [Mr. PASTORE], and I put up the other day.

The PRESIDING OFFICER (Mr. PASTORE in the chair). The Chair informs the Senator from Oklahoma that the junior Senator from Rhode Island did not put up anything.

Mr. MONRONEY. I am very sorry. I was giving him credit for doing so.

Perhaps the debate on the gas bill will serve a purpose if we find out whose fingerprints are on the hold-up weapon.

Mr. HUMPHREY. Yes.

Mr. MONRONEY. Perhaps we can do that by examining the relative cost. The raw product represents an exhaustion of a natural resource. Every time we produce a thousand cubic feet of gas in Oklahoma, there is a thousand cubic feet less to produce. There is not much friction in the lines as the gas travels the long distance from the city limits to the burner tip of the Senator from Minnesota, or to my burner tip. There is not much friction in gas. As a matter of fact, natural gas clears the obsolete lines of an accumulation of tar. The famous health-giving petro-chemical facilities of natural gas work against the old smoggy artificial gas.

Perhaps it would be helpful if we could only make the people understand the breakdown of the three elements of cost, namely, cost at the well, cost at the city gate, and the city delivery spread in the household rate to the average consumer. I think then we would be well on the way to bringing about some savings to the consumer, rather than merely talking about it and cutting down a cent or two on the cost of the raw gas.

Mr. HUMPHREY. I know the Senator is most sincere in his desire to be of help to the consumer. I am not in a position to deny or affirm whether or not the distribution companies are getting too much for what they sell to the consumer.

Mr. MONRONEY. Mr. President, will the Senator yield for one important observation?

Mr. HUMPHREY. I am glad to yield.

Mr. MONRONEY. I know that the Consolidated Edison Company of New York, which distributes gas over the long distance from the city limits of New York to the burner tip, among a highly concentrated population, made more net profits alone than the 35 largest oil companies combined made from the sale of the gas.

Mr. HUMPHREY. That is an interesting statistic. I always accept the statistics which the Senator cites, knowing that they are cited in good faith, and that they are valid.

There may be some weakness in the regulation of the local distributing companies. I know the proponents of the Harris-Fulbright bill have been somewhat perturbed because local distributing companies have been opposed to the proposed legislation. They became opposed to it primarily because they were in the position of having rate increases forced up the line to them, so to speak. By the time they got an adjustment in their rate schedule at the local community level, 2 or 3 months had gone by. There had been increased cost to the company, but no increased rate to the purchaser at the consumer level.

I shall not argue whether or not the local distributing company is making more money than someone else, or too much money. I hope this debate will arouse the interest of the local regulatory bodies. I have said a number of times that one reason we have Federal regulation is that the local regulatory bodies became ineffective or nonexistent. That has brought the American people to Washington to seek assistance through Congress and the Federal Government.

Merely because someone may be taking us to the cleaners at the end of the line is no reason why we should lose our shirt, trousers, and shoes at the beginning of the line. The mere fact that the price may be too great at the burner tip is no excuse for raising the price a little on the sidewalk, or at the end of the pipeline, at the gas well level.

Mr. MONRONEY. Mr. President, will the Senator further yield?

Mr. HUMPHREY. I yield.

Mr. MONRONEY. If the Senator bought a suit and one of the legs fell off the trousers when he tried to wear the suit, he probably would not go back to the same store to buy another suit.

What the Senator from Minnesota is asking us to do in supporting the Supreme Court's position is to use, in a situation where its use is a thousand times more difficult, the utility-cost formula which has broken down in the cities. Perhaps there is no other formula that can be used there, but it is important to this debate that the failure of the local utility commissions properly to regulate in many States—and the situation is not uniform—might indicate that all is not a bed of roses in this system, particularly if we apply it, not to the normal type of utility, but to a variable and hazardous business like the gas business.

The Senator from Minnesota is familiar with regulation. He is a great crusader for many of these ideals. As I said the other day, the people who own the gas distributing companies are such nice people, they belong to the chambers of commerce, and their public relations officials help in all civic drives, and they head the Rotary Club, or the Kiwanis Club, or both, and they play golf with the right people——

Mr. HUMPHREY. They never vote for me, I may say.

Mr. MONRONEY. They never vote for me either. However, they do business with the right banks, they belong to the right churches, and they contribute to the right charities. There is not too much enthusiasm, therefore, for a rate fight against such nice people, who send everyone greetings at Christmas time and at New Year's, and always cheer the big red football team.

Mr. HUMPHREY. We could use a couple of such teams up our way. The Senator does not need any in his part of the country, with the kind of football team Oklahoma has.

Mr. MONRONEY. All that enters into the rate base. The consumer is paying for all of it. Suppose there is a courageous utility regulator, who was elected on a platform to protect the people, and he initiates a rate case. He will find that the chamber of commerce or the board of trade will not be inclined to help him, and he will note that the newspapers are looking the other way. It will be said, "Those controlling and operating the gas company are such nice people, we must not even mention that this subject is being debated on the floor of the Senate."

However, let us assume that there is a bold public utility commissioner. He will look around and get a $5,000-a-year attorney, and will put him to work.

The gas companies come up with a hundred thousand or two hundred thousand dollar-a-year attorneys. Perhaps they have three or four of them. They put their books down and say, "We cannot go on with the case until we have had a physical appraisal made of the properties. It would be a violation of the fifth amendment of the Constitution to deprive the company of a proper evaluation."

Then perhaps the Commissioner will hire an engineer. He gets a nice young fellow, just out of Minnesota State University, or out of the University of Oklahoma, or out of an A. & M. College, and he is paid a salary of $5,000 or perhaps $6,000. He is just starting out in the engineering business. The utility companies, on the other hand, hire one of the biggest engineering companies in the United States. Perhaps they are paid fees amounting to $300,000 or $400,000 or $500,000. They show that the little engineer did not know what he was talking about, and they keep saying that for a year or two.

I went through all that once for about 2 years. I saw the hearings taken up with testimony on every tool and every nut and every bolt and every tin tool house, and I saw all that debated at length before the corporation commission. When they get all through, a utility commission is probably ready to give the company a rate increase, instead of decreasing the rate.

Finally the public got interested in the Oklahoma case. They became interested in it through an aggressive newspaper. I had the honor to work on that newspaper. Finally the rate, which had been 87 cents in Oklahoma City, for gas which was being bought for 5 cents in the Chikasha field, was reduced by 30 cents.

The price paid by the Washington Gas Light Co. has gone down 5 cents since it converted to natural gas, but its rate to the consumers has gone up 12 cents. I do not know what the company would do if the cost of natural gas decreased still further.

Mr. HUMPHREY. I say to the distinguished Senator that those of us who are his colleagues and friends know of his long fight for equity and justice in the economic field. I do not impugn his motives at all.

Mr. MONRONEY. I am sure of that.

Mr. HUMPHREY. I wish to say further to the Senator from Oklahoma that many utility companies undoubtedly need a careful examination. Undoubtedly they need the kind of pinpointing which the Senator from Oklahoma has exhibited this afternoon. It would be all to the good if that could be done. However, I cannot help feel—and I draw my argument to a close on this point—in light of the fact that the companies which would be subject to regulation under the Douglas amendment are all large companies, that it is necessary to have an appropriate agency do the regulating. I can think of no one better suited to that job than the United States of America through the Federal Power Commission.

The Senator from Illinois [Mr. DOUGLAS] indicated the other day that he sent 35 telegrams to the big oil companies asking for a breakdown between their oil and gas business with respect to their profit.

They replied that they could not give such a breakdown. That is not to dispute the facts which the Senator presented from the Chase-Manhattan Co. I say that merely to point out that the oil and gas companies have shown a little reluctance, or perhaps it is inability, to present us with a breakdown between their oil and gas business.

Mr. MONRONEY. That cannot be done. The Senator from Illinois agrees that it is impossible to tell which of 10 million acres of undeveloped land, under lease, for example, are for gas or for oil, or to tell the relative cost of operation of a well producing 30 percent gas. What the Senator from Illinois was asking for was the cost of operation, separately, for the gas and for the oil. The nearest we could come to it—and I have not dreamed up this statistical table——

Mr. HUMPHREY. I am sure of that.

Mr. MONRONEY. I have taken the net profit from all operations of the 35 companies, for example, to compute the percentage of profit from their gross volume of gas business, and it is only 2 percent of their receipts.

Mr. HUMPHREY. But they accounted for 50 percent of the total sales of natural gas. That is what is important. The 2-percent figure sounds small when related to the total business. It indicates the size of the company, and indicates that it is a man's job to regulate these giants of industry.

Certainly we must not send any junior grade executive to do that kind of job. About the best I can think of in connection with that kind of job is to have the United States Government do it, even though the Government does not always do too well.

Mr. MONRONEY. I assume that the shock troops the Senator would send forth to do that job would be the ones who have done it under three administrations, namely, the Federal Power Commission.

Mr. HUMPHREY. I believe there is room for improvement in that Commission.

Mr. MONRONEY. I should like to read from the testimony of the Chairman of the Commission.

Mr. HUMPHREY. The present Chairman?

Mr. MONRONEY. Yes. It is concurred in by the majority of the members of the Commission under three administrations, the administrations of Roosevelt, Truman, and Eisenhower.

The Chairman of the Commission testified:

> I feel that the use of original cost would make us slaves to mathematical formulas which simply don't work in the producing industry.
>
> If we endeavor to regulate on an original cost basis * * * and even assuming we exempt the small producers * * * we are left I think 80 to 100 producers * * *
>
> At present we regulate about 120 pipeline companies, and some of those are rather small, and there are probably less than a hundred that really give us much work.

* * * * *

I hope the Congress will see fit to relieve these producers from the necessity of getting certificates of public convenience and necessity. Those requirements are not, as I see it, applicable to producers as they are to utilities, pipeline companies which have certain fixed areas in which they operate, and so forth. * * *

The situation under the Fulbright bill * * * would be better for the Federal Power Commission, and better for the consuming public, and better for the pipelines, and all segments of the gas industry, including the producers, than the situation that now exists.

That refers to the Supreme Court decision.

Mr. HUMPHREY. The only suggestion I can make is that perhaps we need a new Chairman of the Commission.

Mr. MONRONEY. That is the majority opinion of the Commission. Only 1 member of the 5-member Commission has taken a different viewpoint.

Mr. HUMPHREY. The members of the Commission may not have the same view the Senator from Minnesota has. However, the Supreme Court, in examining the law—and we are talking about the law of 1938—said the law states that there shall be regulation. The Supreme Court stated the law requires regulation of the producers' sales of natural gas in interstate commerce. It is on that argument that we base our case. While the producer's sale price may go up only a little under the most generous treatment in this case, it is an increase that should be justified only in terms of the economic needs of the particular companies.

After all, this is an industry which is integrated. Gas is a commodity which flows through a pipeline. It becomes a source of fuel and a source of power. It has every right to be regulated. It is the view of those of us who oppose the bill that the intent of Congress in 1938 in passing the Natural Gas Act was to include under Federal regulation the very subject matter we are discussing. The Court has so ruled.

Mr. MONRONEY. By a 5-to-4 decision.

Mr. HUMPHREY. Yes; but a football game that is won by a score of 7 to 6 is won just as well as if the score were 21 to 0.

Mr. MONRONEY. We do not win them that way.

Mr. HUMPHREY. There have been some scores like that in the past.

Mr. MONRONEY. At the end of the first half the score may be that.

Mr. HUMPHREY. The team in the Senator's State had some like that, even with a Minnesota coach.

Mr. MONRONEY. We very much appreciate the contribution.

Mr. HUMPHREY. I think on this note it would be better to end this discussion.

Mr. President, I should like to refer to another topic, since I shall soon have to leave the floor.

The PRESIDING OFFICER. The Senator from Minnesota has the floor.

INDIAN REPUBLIC DAY

Mr. HUMPHREY. Mr. President, today, January 26, is a day of special significance in the free world. It is Republic Day in India. Six years ago the enactment of the constitution of India provided a dynamic, liberal framework for the future development of this surging new nation of 370 million people.

India had become independent 3 years earlier, on August 15, 1947, and the anniversaries of Indian Independence Day are also celebrated annually. Of course, independence day also represents much that India and America have in common: the end of an obsolete colonialism and the emergence of self-government. When India achieved her independence in 1947 the death knell of old-fashioned Western colonialism was sounded in Asia.

But, Mr. President, it has always seemed significant to me that of these two great Indian anniversaries, independence day and republic day, the latter—the one which is celebrated today—is the greater event in India. It was with the enactment of the new Indian constitution on republic day, January 26, 1950, that the Indian nation's future democratic development was given form and direction.

India has the world's longest written constitution. Much of it, especially the sections covering the bill of rights, draws heavily from American constitutional theory.

As India's former Ambassador to the United States, Madame Pandit once pointed out:

Our leaders found many parallels between their struggle for freedom and yours, and were inspired by the example of Abraham Lincoln, the writings of Jefferson and Paine, and the great truths contained in the Declaration of Independence. The earnestness and sincerity of your pioneers helped us in the pursuit of a great ideal, just as your Constitution has influenced our legislators in the drafting of the Constitution of the Indian Republic.

Mr. President, much has happened in India since that first Republic Day in 1950. Six years are a very short span in the history of a nation whose history dates back to nearly 6,000 years. Among other things, the Indian people have successfully conducted the world's largest free election. Peasants, villagers, and women, who had never before been permitted to vote, swarmed to the polls from October 1951 to February 1952 to cast their ballots. Over 100 million people participated.

India has also embarked on a long-range economic development program and has completed her first 5-year plan. Most of her economic targets were achieved and in many cases they were overfulfilled. But no one in India underestimates the challenge: For the eyes of most Asians today are focused on the growing competition between democratic India and Communist China for economic progress. This is only one reason why the entire democratic world has such a stake in India's success.

It is fitting that on this anniversary of India's embarking on the path of constitutional democracy, that all of us reassert the great ideas, hopes, and goals which America and India have in common. These are so important, both for our own future and for India's, that there must be renewed attempts on both our parts for friendly, constructive cooperation. We can learn to disagree on occasional matters of policy and temperament without forfeiting that vast area of common understanding and joint effort which is essential to the future of freedom.

AMENDMENT OF THE NATURAL GAS ACT, AS AMENDED—LETTER OF ALEX M. CLARK

During the delivery of Mr. HUMPHREY's speech,

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. HUMPHREY. Mr. President, the Senator from Indiana, who has other duties today, asked me to yield to him for about 5 minutes. I ask unanimous consent that I may do so without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CAPEHART. Mr. President, I also ask unanimous consent that my remarks appear in the RECORD following the speech of the able Senator from Minnesota.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CAPEHART. Mr. President, I am glad the senior Senator from Wisconsin [Mr. WILEY] is present on the floor of the Senate, because I have in my hand a letter from the former mayor of Indianapolis, Alexander M. Clark, who is now chairman of the Joint Committee of Consumers and Small Producers of Natural Gas. First, I wish to read the letter, and then I wish to put a number of items into the RECORD.

The letter to which I have referred reads as follows:

JANUARY 24, 1956.

Hon. HOMER E. CAPEHART,
Senate Office Building,
Washington, D. C.

DEAR SENATOR CAPEHART: As per our recent conversation, I am forwarding to you a list of over mayors for you to introduce into the CONGRESSIONAL RECORD. This I am requesting you to do as my senior Senator from the State of Indiana in view of that fact that Senator ALEXANDER WILEY of the State of Wisconsin saw fit to attack me and the committee I head (as evidenced by the attached photostatic copy of his letter).

As you know, many months ago I testified before the Interstate and Foreign Commerce Committee on behalf of the Fulbright amendment, and at the instance and in behalf of many mayors all over the United States. A copy of the testimony and list of mayors was made a matter of record, which record you have.

A number of other Senators have courteously asked for a list of these mayors for their personal information; therefore, the introduction of this list will serve a twofold purpose.

Upon receipt of the Senator's from Wisconsin letter (which was introduced into the CONGRESSIONAL RECORD before I received it), I was called upon by my local press; to wit: the Indianapolis News, to make some statement. I have attached a copy of that statement for your information.

For your personal information I am attaching a copy of an editorial that appeared in the Indianapolis Star Thursday, January 19, 1956.

I want to thank you very much for your cooperation in this entire matter.

Very truly yours,

ALEX. M. CLARK,
Chairman.

Mr. President, I ask unanimous consent to have printed in the RECORD, as a part of my remarks, a letter from the Senator from Wisconsin [Mr. WILEY] to Alex M. Clark; a copy of the statement Mr. Alex M. Clark made to the Indianapolis News; an editorial published in the Indianapolis Star; and the names and addresses of approximately 350 mayors who are a part of the organization represented by Mr. Alex M. Clark, and the organization the able Senator from Wisconsin questioned; he questioned whether there was such an organization, and, if so, what it was, and who its members were. In fact, I think he went so far as to say that the able former mayor of Indianapolis was a "phony," and that perhaps the organization was a "phony." The best proof that that is not true is the list of 350 mayors.

I also ask unanimous consent to have printed in the RECORD, so as to be available to the Senator from Wisconsin, as it was to everyone else, a statement the then mayor of Indianapolis, Alex M. Clark, made in May 1955. I ask that the statement be printed in connection with my remarks, together with the names and addresses of nearly 300 mayors, and together with their telegrams. In other words, I ask unanimous consent that the actual telegrams from approximately 300 mayors be printed at this point in the RECORD.

Mr. President, I wish to say that all this information was available to any Senator who at the time cared to look at it. When any Senator reads it, I think it will be the best proof in the world that my friend, the honorable former mayor of Indianapolis, is a highly respected person, and an honest man, with the best of purposes and intentions; and that in no respect is he, or was he ever, a "phony." No one in Indiana ever thought he was a "phony"; and I honestly believe that the able Senator from Wisconsin should apologize to him, in view of the evidence I have just placed in the RECORD.

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). Is there objection?

There being no objection, the documents were ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON FOREIGN RELATIONS,
January 18, 1956.

Mr. ALEX M. CLARK,
Chairman, Joint Committee of Consumers and Small Producers of Natural Gas, Washington, D. C.

DEAR MR. CLARK: I have at hand your letter of January 16 in which you refer to an organization purportedly representing 350 mayors and over 400 small gas producers of some 30 States, as allegedly being in favor of the Harris-Fulbright bill.

I am glad that you have written to me, because I had noted the formation of your somewhat curious organization in wire service reports and had been meaning to write to you.

I am taking the liberty of doing so now in the form of this open letter.

I think that the American people will be most interested to see the names of the mayors whom you assert are members of your organization and the cities which they purportedly represent. We will be interested in noting in what States these cities predominate.

Moreover, the American people would be interested in learning the source which initiated your group and its precise financing of your organization—whether the initial financing has come from the mayors (which is certainly to be doubted), or from the "small gas producers," or who knows, perhaps directly or indirectly from the large gas producers who stand to profit from the present bill—over a period of years to the tune of literally billions of dollars.

Let me say in all candor that from what has been seen of it, competent observers regard your organization as a phony.

They feel the organization's name is a phony and its purpose is a phony.

You cannot possibly genuinely represent the "consumers" of so much as one city of the United States, because the consumers' interest, even in a great producing State like Texas, is unequivocally on the side of fair Federal regulation of natural-gas rates.

Competent observers believe that your organization was established strictly as a "smoke screen." It was designed to befog the issue. It was designed to fool any gullible Americans who might be naive enough to think that consumer ranks were allegedly split on this issue.

As for the small-gas producers, the fact of the matter is that, although there are a goodly number of small producers, their total production is completely insignificant to the massive volume of the few large producers.

I wonder what would be your position and that of the small producers which you purportedly represent, on an amendment which may be offered to clear the air. It would exempt small producers from the type of genuine Federal Power Commission control which should certainly, at the very minimum, be imposed on large producers.

I assure you, sir, I make all the above comments not in any personal way as a reflection against you or any individual mayor or ex-mayor who happens to see things differently from myself and from my associates in our fight to protect the Nation's interest.

You have a right to present your viewpoint and to organize accordingly.

But I think that the American public should be made aware, as I am trying to make them aware by means of this open letter, that your organization is the type of transparent device which any intelligent American can "see through" a mile or two thousand miles away. The smell of oil is all over your group.

At any rate, you are not going to be successful in splitting the ranks of American consumers, because 30 million consumers should and will know that they will be gouged mercilessly if the phony controls in the Harris-Fulbright bill are enacted.

I have written to you in frankness because folks in the State of Indiana or folks in the State of Texas ordinarily appreciate frankness.

Lastly, I point out that I am placing in the CONGRESSIONAL RECORD today messages from mayors received from all over our country which, unlike your own group, genuinely reflect consumer interest, and which rightly oppose the Harris-Fulbright bill.

Sincerely,

ALEXANDER WILEY.

STATEMENT MADE TO PRESS FOLLOWING SENATOR WILEY'S ATTACK ON JOINT COMMITTEE OF CONSUMERS AND SMALL PRODUCERS OF NATURAL GAS

I have Senator WILEY's letter which he placed in the CONGRESSIONAL RECORD before it was received by me. Frankly, I was quite surprised, particularly at his choice of words, since I had always thought that a United States Senator was more dignified. In due time, I will reply to the Senator's letter in a courteous manner.

I might add that I have advised my fellow committee members of his letter, and Mayor Norris Poulson, of Los Angeles, Calif.; Mayor H. Roe Bartle, of Kansas City, Mo.; Mayor Haydon Burns, of Jacksonville, Fla.; and Mayor Milo Knutson, of LaCrosse, Wis., have informed me that they intend to send the Senator from Wisconsin telegrams protesting his unwarranted and extremely undignified attack upon our committee, apparently because we do not happen to share his views with respect to the pending legislation, the Fulbright-Harris bill.

ALEX. M. CLARK,
Chairman, Joint Committee of Consumers and Small Producers of Natural Gas.

[From the Indianapolis Star of January 19, 1956]

THE ISSUE IS REGULATION

Sight of the real issues is being lost as the Senate debates the Fulbright-Harris bill to exempt independent producers of natural gas from the price-control jurisdiction of the Federal Power Commission. The debate appears to center around the question of whether the bill would reduce or raise the prices paid by gas consumers.

Debate of that question makes the assumption that it is the duty and responsibility of the Federal Government to legislate low prices for the things people buy. Since when has it been established that this is a function of the Government?

The Fulbright-Harris bill can be advocated very well on the basis of its probable effect in reducing the future prices of gas, but that is not the issue.

The Congress of 1938, which passed the Natural Gas Act, did not think so. This was hardly a Congress which could be accused of being subservient to big business or of being bent on giving away the people's resources. It was the Congress which was elected in the year of President Roosevelt's landslide second-term victory. This Congress, writing a law to regulate the transportation and distribution of natural gas in interstate commerce, put in that law a clause specifically exempting the gathering and production of gas from FPC regulation.

There is also the issue of whether the laws of the United States are to be made by Congress or the Supreme Court. Until a year and a half ago the FPC had operated on the theory that the law meant what it said, and that there was no regulatory power over the price of gas at the wellhead. Congress showed no inclination to find fault with that interpretation. On the contrary, a bill to reaffirm this interpretation was passed in 1950, by the Congress elected along with President Truman. He vetoed it. Then the Supreme Court in 1954 decided otherwise. It concluded that the price of natural gas at the wellhead ought to be regulated, and that, therefore, it was regulated by the 1938 act. This was judicial legislation, pure and simple.

To settle the issue as to who makes laws, Congress ought to act, one way or another. Either the Fulbright bill should be passed, or if Congress believes that wellhead prices, indeed, ought to be regulated then the 1938 act should be amended accordingly. In either case, the Supreme Court edict usurping the legislative function should not be allowed to operate as law.

In the Fulbright-Harris bill, the question before the Senate is whether regulation should be applied for its own sake. The independent producers, those which do not also operate pipelines, are not utilities; they hold no monopoly of supply or market. They are simply competitive entrepreneurs, finding gas where they can and selling it where they can, at prices dictated, until the Supreme Court intervened, by the demands of the market. That demand was already, still is, and still would be under the Fulbright-Harris bill, subject to Federal regulation of

the prices charged by pipeline companies and other interstate distributors. It is also subject to State utility rate setting.

If gas price regulation at the wellhead is permitted to stand, it would establish the Government in the business of regulating prices as a general practice. That is not, nor should it be, a governmental function. Therefore, the Fulbright-Harris bill should be passed.

MAYORS FAVORABLE TO PASSAGE OF FULBRIGHT HARRIS BILL

List of mayors from whom wires and letters have been received by Alex. M. Clark, chairman of the Joint Committee of Consumers and Small Producers of Natural Gas:

Alabama: W. Max Griffin, Foley.

Arizona: R. D. Lundberg, Glendale; W. C. Karr, Miami.

Arkansas: H. C. Hay, Texarkana.

California: Elmer E. Robinson, San Francisco; Norris Poulson, Los Angeles; D'Arcy Quinn, Alhambra; W. R. Selby, El Segundo; A. W. Bolton, Gardena; G. C. England, Inglewood; T. P. Foye, Manhattan Beach; A. H. Cox, Pamona; E. V. Dales, Riverside; J. T. Richard, Santa Barbara; C. H. Peckenpaugh, South Gate; Victor G. Binsaca, San Mateo; J. J. McKeegan, Richmond; George A. Starbird, San Jose; Dan Searle, Monterey; Clarence A. Higgins, Pacific Grove; Jack W. Oldemeyer, Seaside.

Colorado: Howard Olsen, Yuma; Jack H. Goodrich, Rifle; William H. Allen, Ft. Collins; R. D. Murray, Trinidad; William Elam, Rangely; James Buchanan, Limon; Dr. John Gillespie, Boulder; O. B. Swanson, Delta; H. M. Wright, Grand Junction; Wm. M. Whittier, Ft. Morgan; Carl Ustick, Jr., Rocky Ford; Jimmy Bertwel, Cortez; James Manning, Lyons; T. Harold Wilson, Durango; James H. Walker, Sterling; Clarence A. Graves, Estes Park; E. M. Jones, Kit Carson; B. W. Quinn, Johnstown; Oscar Beck, Greeley; Franck G. Reckard, Wellington; O. E. Eagleton, Del Norte; Clarence B. Bomeke, Sedgwick; Otto F. Vliet, Longmont; R. C. Hawkins, Peetz; Leslie L. Kunkel, Holyoke; Lester B. Harms, Fleming; M. C. Widmaier, Ault; Allen K. Taylor, Alamosa; R. J. Brazil, Salida; Herbert W. Ross, Montrose; Louis Stolarczyk, Kersey; John R. Jamison, Crook; Hubert Lewis, Center; C. H. Quinlan, Antonito; G. A. Hagan, Fruita, W. H. Sheppard, Grover.

Connecticut: P. Francis Hicks, Winsted; Charles Clark, Naugatuck.

Delaware: August F. Walz, Wilmington (committee member).

Florida: Haydon Burns, Jacksonville (committee member); J. Marvin Phillips, Live Oak; W. H. Byrom, Milton; Thomas E. Brooks, Fort Walton Beach; J. C. Presley, Crestview; C. P. Mason, Pensacola; Cortex Steele, Laurel Hill; Curtis Hixon, Tampa.

Georgia: Martin Bryan, Rossville; W. A. Bowen, Statesboro; J. D. Kicklighter, Glennville; I. S. Duggan (city commissioner), Hawkinsville; John B. Giddens, Valdosta; E. A. Heibel, Doraville; John E. Yarborough, Rome.

Illinois: Girth Hicks, Danville; Virgil F. Lafferty, Champaign; Glen E. Chapman, Urbana; Robert D. Morgan, Peoria; Robert A. Dinerstein, Park Forest; Leo W. Lenane, Quincy; H. V. Calhoun, Belleville; John R. Kimbark, Evanston; D. J. McFerren, Hoopeston; T. J. Trogdon, Jr., Paris; Melvin Epler, Albion; H. B. Ewing, Mattoon; A. J. Branat, Carmi; Ray Koehler, Grayville; I. E. Turman, Norris City; L. E. Beylor, Delavan; William Hajeck, Riverside; Carl W. McGehee, Chicago Heights.

Indiana: Noland C. Wright, Anderson; Robert Meyers, Fort Wayne; E. L. Danielson, Elkhart; V. C. Anderson, Hammond; K. R. Snyder, Lafayette; J. A. Scott, South Bend.

Iowa: G. E. Mendon, Mason City; C. H. Knight, Nashua; A. Vanderstoep, Orange City; George W. Young, Sioux City; Otis O. Rule, Ackely; Clarence P. Welu, Dubuque; Earl R. Pulver, Anamosa.

Kansas: A. C. Ferrell, Atchison; Herbert L. Stone, Cedervale; Joe D. Faulconer, El Dorado; George C. Schnelbacher, Topeka; Clause Devorss, Wichita; H. E. Purdy, Mission; mayor of Lyons, Lyons; Ward A. McGinnis, Eureka; W. L. Ramey, Hugoton; J. E. McMuller, Great Bend.

Louisiana: John E. Coon, Monroe; James C. Gardner, Shreveport; Jesse L. Webb, Jr., Baton Rouge; Ashton J. Moulton, Lafayette; Leon Gary, Houma; S. L. Gray, Lake Charles.

Massachusetts: Bernard L. Durgin, Haverhill; Peter J. Levanti, Fitchburg; Ralph W. Crossman, Leominster; Daniel B. Brunton, Springfield.

Michigan: Etta M. Reid, Port Huron; William E. Brown, Ann Arbor; John W. Hewitt, Hastings; C. M. McKee, Grand Ledge; E. E. Thompson, Alma; Frank E. Tabor (council president), Carson City.

Maryland: Arthur G. Ellington, Annapolis; Joseph L. Mathias, Westminster; John A. Derry, Frederick; Joseph Hinebaugh, Oakland.

Missouri: J. R. Schroder, Hannibal; F. C. Haley III, Louisiana; Ralph L. Morgan, Camdenton; H. Roe Bartle, Kansas City; Tom Epps, Branson; Noel Alsup, Mountain Grove; A. C. Flint, Bethany; Lloyd Gathman, Lamar; E. W. Robinson, Poplar Bluff; Ralph French, Aurora; Henry Dankers, Lexington; Ralph Meyer, Malden; Earl B. Noel, Moberly; Wright G. Lloyd, Marshall; Curtis W. Logan, Rolla; A. L. Bartlett, Kirksville; J. H. Cook, Trenton; Herbert G. Gilbert, Shelbina.

Montana: F. L. Denson, Miles City; Alfred E. Klinger, Shelby; Oval Hatler, Havre; Earl Knight, Billings; Gordon Bollinger, Glasgow; W. J. Campbell, Baker; T. B. Halvorson, Choteau; Harold Hanson, Boulder; A. J. Myrhow, Cut Bank; J. A. Hart, Missoula; O. L. Brackman, Helena; W. D. McDonald, Belgrade; Leo Clinton, Manhattan; D. W. Columbus, Red Lodge; Walter Anderson, Livingston; A. M. Swanson, Bozeman; R. E. Bauman, Joliet; Jens M. Hansen, Deer Lodge; John L. O'Leary, Anaconda.

Minnesota: Rudy Brumer, Lake Wilson; G. W. Flitter, Lewisville; Einar Wallin, Jackson; E. T. Vallrath, Ceylon; Donald F. Nagel, Alpha; C. L. Rupe, Dunnell; J. Alpha Gimmill, Sherburn; Frank Hartke, Monterey; E. A. Edman, Triumph; Clarence Roloff, Welcome; Stanley Westenberg, Woodstock; K. M. Brown, Fairmont; Helmer O. Everson, Brewster; R. F. Nelson, Dundee; John E. Fenstermacher, Worthington; T. Lehnhoss, Fulda; Arthur H. Wulf, Wilmont; Carl Olson, Mable; D. D. Plowman, Pipestone; Claude H. McQuillan, Rochester; A. J. Lillaq, Confrey; Arthur Passer, Wells; Henry Huhnstock, Ruthton; George Abrahamsen, Marshall; Ed Minks, Minnesota Lake; Levi Johnson, Brainerd; Wayne B. Hartson, Lyle; G. R. Clemenson, Oklee; Ernest Rust, Vesta; Sal Menk, Currie; Elmer Hanson, Storden; Dr. W. H. James, Lake Crystal; John Von Der Leith, Slayton; M. S. Johnson, Vernon Center; Loyde E. Pfeiffer, Winona; Ray Getzloff, Altura; Kenneth Briggs, Plainview (acting mayor); V. J. Dalbec, Grand Marais; Joe Ehnning, Lismore; S. O. Mithum, Steen; C. F. Schieffert, Morgan; Max Bosshart, Truman; W. E. Butcher, Bigelow; Edward Turner, Roundlake; Irvin Carsten, Iona; Mayme Henns, Madelia; F. Vanderstoep, Edgerton; Harry Leitschuh, Sleepyeye; J. E. Askdal, Minnesota; Q. Duthoy, Ghent; A. R. Steinberg, Sanborn; Roy A. Miller, Lake Benton; W. W. Gacke, Arco; T. F. Wells, Moorhead (committee member); G. H. Underleak, Chatfield; D. C. Coulter, Amboy; Frank H. Duncan, Fairbault; Oliver Thompson, Hendricks; Marvin Aasen, Canby; Oscar A. Olson (mayor), Windon; P. C. Enge (mayor-elect), Windon; George Jenson, Milroy; O. L. Hunstad, Jasper; N. A. Leuther, Wanda; A. S. Helgerson, Hardwick; Louis Goblirsch, Wabasso; A. O. Gehrke, Lucan; Charles Grogan, Chandler; W. I. Engeswick, Lamberton; Herman Ratz, Detroit Lakes; Frank T. Ashton, Preston; Glenn Burnett, Tyler; V. A. Stark, Westbrook; Warren E. Schoon, Luverne; Emil Butler, Walnut Grove.

Nebraska: Allen Davison, Beatrice; J. L. Saylor, Alliance; Arthur John, McCook; John Rosenblatt, Omaha; Ray P. McClaflin, Coleridge; Scott L. Glenn, Henry; Bill McNair, Imperial; O. E. Gauger, Grant; Lloyd O. Livingston, York; Donald M. Burkhiser, Chadron; William Damrow, Benkelman; H. S. Tennant, Staton; J. Fred Thompson, Sidney; Floyd L. Ban, Superior; Paul Mintken, Ainsworth; J. L. Pinkerton, Kimball; James D. Raitt, Jr., Genoa; Howard D. Province (council president), Brokenbow; W. S. Linville, Atkinson; William A. Robbinson, Cedar Rapids; Earl S. Price, Hemingford; H. R. Pierson, North Platte.

Nevada: F. R. Smith, Reno.

New Jersey: Joseph A. C. Komich, Mountainside; H. Emerson Thomas, Westfield; Richard P. Hatfield, Fanwood; Hollis F. Ashcraft, Pennsgrove; Thomas J. Grieves, Salem; John Couchound, Cardiff; Christian M. Weber, Ellisburg; Joseph Altman, Atlantic City; B. W. Maxwell (commissioner), Wildwood; Samuel E. Eldredge, Cape May; Harvey W. Adams (acting mayor), Ocean City; W. G. Rohrer, Camden.

New Mexico: Harold W. Lavender, Aztec; W. H. Nygren, Farmington.

North Carolina: R. A. Hedgpeth, Lamberton; Dan D. Cameron, Wilmington; Henry L. Miller, Wake Forest.

North Dakota: R. W. Freitag, Harvey; W. M. Harrington, Minot; Herschel Lashkowitz, Fargo; D. W. Kelly, Devils Lake; Glenn F. Armey, Cando; George C. McCrae (alderman), Michigan; Evan Lips, Bismarck; Dr. Ted Keller, Rugby; Edward J. Ege, Emerado; Andrew Walberg, S. W. Fargo; A. O. Erickson, Petersburg; F. P. Whitney, Dickenson; R. L. Luttrell (city commissioner), Washburn.

Ohio: Sam McCormick, Steubenville; Sherman J. Johnson, Zanesville; W. C. Burbank, Warren.

Oklahoma: L. C. Clark, Tulsa; W. A. Hensley, Bartlesville; George Emerick, Enid; Lyman Beard, Muskogee; Bob Hale, Fairfax; Herman J. Smith, Ponca City; Allen Street, Oklahoma City; Robert G. Wilson, (State president, Oklahoma Municipal League), Walters.

Pennsylvania: Dr. Hugh J. Ryan, Bradford; Ralph F. Swartz, Chester; Claude R. Robins, Harrisburg; Robert L. Potts, Greensburg; Clifford R. Harman, Williamsport; Newton C. Landis (burgess), Lemoyne; Peck Garber (burgess), Middleton; F. E. Knight (burgess), Highspire; S. D. Williams (burgess), Camp Hill; W. H. Menges (burgess), Hanover; C. H. Grace (burgess), Palmyra; Harry P. Breen (burgess), Carlisle; R. F. Gelwicks (burgess), Mechanicsburg; W. I. Martin (burgess), Kingston; Alex C. Abbott (burgess), Darby; J. Watson Sembower, Uniontown; Emanuel E. Rodgers, Tyrone; Walter H. Grove, Altoona.

South Carolina: M. C. Mixson (exofficio of municipal association), Allendale; J. Willis McLaurin, McColl.

South Dakota: A. E. Munck, Pierre; Ernest Gunersen, Aberdeen; E. F. Karstens, Huron; C. A. Okerlund, Sisseton; Fay Wheeldon, Sioux Falls; F. M. Cornwell, Webster; John Miller, Britton; Leslie R. Sondergard, Conde; E. E. Creaser, Watertown; R. L. Ewing, Deadwood; Arthur Lewis, Burke; Emmett Frescoln, Winner; Wallace S. Moore, Bristol; M. E. Scotney, Belle Fourche; Gordon Killinger, Hot Springs.

Texas: F. E. Garrison, Fort Worth; R. C. Jordan, Amarillo; R. L. Thornton, Dallas; Thomas Miller, Austin; Tom E. Rogers, El Paso; W. O. Leach, Coleman; Z. J. Spruiell, Tyler; Lynn Boyd, Pampa; Murrell R. Tripp, Lubbock; J. Clyde Tomlinson, Longview; Dr. J. L. Bullard, Kerrville; M. D. Bryant, San Angelo; C. E. Gatlin, Abilene; J. Edwin Kuykendall, San Antonio; E. F. Rodgers, Albany;

A. R. Cox, Athens; E. R. Beard, Beaumont; G. W. Dabney, Big Spring; Charles Fox, Breckenridge; Smith Bell, Brownwood; Walter Grubbs, Colorado City; Bill Newton, Conroe; F. D. Smith, Corpus Christi; Dr. V. O. Rosser, Graham; E. C. Elder, Kilgore; J. C. Martin, Jr., Laredo; Woodrow Scott, Lufkin; Charles Spangler, Marshall; Ernest Sidwell, Midland; W. C. Wilson, Olney; H. V. Shaw, Refugio; D. O. Martin, Sinton; M. K. Stephenson, Snyder; G. C. Carothers, Sr., Stanford; R. E. Kollman, Taylor; A. P. Miller, Jr., Texarkana; Lloyd Thomas, Wichita Falls; C. S. Boone, Woodsboro; I. W. Thornton, Fairfield; D. A. Harkrider, Brady; Roy C. Coffee, University Park; C. R. Eisler, Port Arthur; Mayor Rosenthall, Cisco; Roy Strasburger, Temple; Phillip Boeye, McAllen; F. W. L. Petch, Port Isabel.

Utah: George C. Scott, American Fork; S. Taylor Farnsworth, Beaver; Arnold E. Anderson, Cedar City; Paul McBride, Fillmore; R. N. Jiacoletti, Heber City; W. W. Owens, Logan; Gail Jensen, Manti City; Raymond S. Wright, Ogden City; Reed Jones, Payson; H. E. VanWaggen, Provo; J. M. Stacey, Richfield; Paul Murphy, Roosevelt; J. C. Snow, Saint George; Ed M. Beck, Spanish Fork; Ralph Siddoway, Vernal; LeGrande Horsley, Brigham City.

Virginia: L. S. Bendheim, Alexandria.

West Virginia: John T. Copenhaver, Charleston; W. H. Perry, Martinsburg; E. P. Phares, Elkins; G. E. Thurer, Huntington.

Wisconsin: Milo Knutson, LaCrosse; Everett Reese, Jefferson; Gilbert Meyer, Sauk City; Otto Rachals, Green Bay; A. C. Harris, Tomah.

Wyoming: Harold Stoudt, Powell; C. R. Mangus, Lovell; Tom Nicholas, Casper; E. H. McNall, Guernsey; C. D. Roberts, Sundance; Frank P. Watson, Worland; Harold G. Kelly, Evanston; T. E. Roger, Green River.

STATEMENT OF ALEX M. CLARK, MAYOR, CITY OF INDIANAPOLIS

Mr. CLARK. Senator, I am Mayor Alex M. Clark, mayor of the city of Indianapolis and by virtue of that, vice president of the Municipal League.

We are a member of the Conference of Mayors and the American Municipal Association, by virtue of being members of the Municipal League.

I prepared a press release which I would like to have incorporated into the record before I give my testimony.

Senator PASTORE. All right, that will be incorporated in the record.

(The press release of Mayor Alex M. Clark, follows:)

"The city of Indianapolis officially and the Citizens Gas & Coke Utility, owned and operated in trust for the users of gas in the metropolitan area of Indianapolis, support the principle of S. 1853 and urge its passage.

"We do so because of our inherent belief in the principles of free enterprise, which we think serve the greatest public good when subjected to a minimum of official regulation. Our country's remarkable economic development has been accomplished because our society has tended to avoid such regulations, rather than court it.

"Our gas utility depends for part of its supply of natural gas, which it sells to its customers mixed with manufactured gas. The utility has adopted a policy of depending for all future expansion of the use of gas in this community on increasing its supply of natural gas.

"We, therefore, are vitally interested in national policies being adopted that will promote exploration and location of added gas supply. We believe the effort to place the price of natural gas at the wells under Federal regulation will discourage rather than encourage exploration; will by the natural application of economic law, tend to cause producers to attempt to dispose of their product within the States where produced, rather than in interstate commerce, which would have a detrimental effect upon natural gas supply for Indianapolis and other comparable cities, and that adequate protection of the consumer exists under present Federal regulation of pipelines and State regulation of consumer prices.

"Free and open competition has proved to be a stimulus especially to oil and gas exploration in our country. Such competition, where supply can be weighed against demand, is by far the best control over prices and profits, and the best method of protecting the interest of the consumer. That kind of competition exists in the natural gas production field, and the consumers will be benefited the most by adherence to our country's longtime policy of avoiding Federal regulation of prices at the point of production.

"Those who are advocating extension of Federal control include many who undoubtedly believe that more and more Federal controls are good. I speak for a great many, perhaps a large majority of the citizens of the city I serve as mayor, in saying that they just as sincerely and vigorously oppose this idea, believing that our country will produce more and share it better and more widely by following the tried and tested principles of the free-enterprise system and the free market which have made us already the most productive nation and the one with the highest living standards in all history."

Mr. CLARK. It is my pleasure to appear before you and to express my deep interest in, and firm support of the Fulbright bill which you gentlemen are considering.

I come before you as mayor of Indianapolis, Ind., the 23d largest city in the United States, representing the people of our city. I am also here on behalf of the mayors of some other communities who are unable to be here in person, but whose sentiments are alined with mine in this present issue.

But I should like to present first the views of us in Indianapolis who have come to rely heavily on natural gas, and who desire to see our supply of natural gas increased as soon as it is possible.

Ours is an inland city. It is not situated on a major waterway, a fact, which distinguishes it from virtually every other large city in this Nation. This was one of the factors that rendered our city primarily an agrarian community and marketing center prior to the 1930's. We had very little established industry and as a result, our economy was an unbalanced one, subject to the whims of the weather and other factors with which farmers are concerned and on which their prosperity depends.

Shortly after the depression, Indianapolis became aware of its industrial potential, and it began aggressively to seek new business and industry that would give it economic balance and stability. As World War II approached, we began to achieve that end.

The national defense program stimulated our progress. Certain Government plants were located there, including the Curtiss-Wright propeller division and others, and we began to realize an influx of labor to staff these new facilities. This inevitably meant a growing population.

With the end of the war and the gradual shutdown of defense plants, it became evident that conversion to peacetime activity would not maintain for us our newly found gains in the industrial field. And so we renewed our efforts to attract new and larger industries.

Today we are proud to have Western Electric, Chrysler Corp., and the Allison engine division of General Motors among our larger industrial citizens. The latter is heavily engaged in building jet engines, and so our contribution to the national-security effort is still a major one.

Indianapolis has realized a substantial growth as a result of these developments. Its metropolitan-area population has increased from 386,000 in 1940 to more than one-half million today. Its trade area embraces even greater numbers of people. It has achieved its goal of a balanced economy. It has taken its place among the major industrial cities in the United States. But if we are to continue to justify our position in the industrial world, we must be able to offer industry the things it needs. We must have adequate supplies of premium fuel. I refer, of course, to natural gas.

Indianapolis does not now have adequate supplies of natural gas. We are concerned about this problem, for we fear that our growth and development—for which we visualize unlimited horizons except for this one disturbing element—will be seriously retarded if we cannot find a way to get adequate supplies of natural gas for our industrial, residential, domestic, and commercial consumers.

I wish to emphasize to you that we in Indianapolis have long been accustomed to natural gas. We used to produce it right in our own backyard, so to speak. Natural gas was first produced in Indiana in 1881, and we continued to produce it in commercial quantities until about 1905.

Of course, in those days, long-distance transmission lines were unheard of, and we consumed most of our locally produced gas ourselves. Our present State fairgrounds are located on what used to be gas-producing property, fields that in an earlier day supplied Indianapolis. Our statehouse, built in 1878, was completely piped for gas, and if you visit there, you can still see the gaslight fixtures on the walls in many of the rooms.

In the early days, the judges of the Indiana Supreme Court had living quarters adjacent to their chambers. Each living room had a fireplace, and each fireplace was piped for natural gas, this was the way in which the quarters were heated.

I mention these facts simply to illustrate that we have long and intimate knowledge of the advantages, convenience, and economy of natural gas. We can speak with the authority of experience when we say that we like gas and that we want more gas for our present and future requirements.

Our locally produced gas supply began to fail around the turn of the century; the wells were shallow and the sands thin. For domestic needs, we turned to gas manufactured from coal. Manufactured gas was more costly, to be sure, but it was virtually the only solution until long-distance gas transmission lines could bring us new supplies from the Southwest.

Our local utility, Citizens Gas & Coke Utility, received its first natural gas from the Southwest in 1951. It took some doing, because Panhandle Eastern Pipe Line Co. was already selling virtually all the gas it could transport. But, we were finally able to negotiate the purchase of some 10 million cubic feet per day.

This amount was not by any means adequate for all our needs, but the economies affected by the introduction of low-cost natural gas permitted our utility to reduce its rates by a straight 9 percent across the board almost immediately. We continued to seek more gas, and Panhandle finally was able to sell us 30 million cubic feet daily.

Immediately rates again were decreased across the board, this time by 6 percent. Today, our utility is serving a mixed gas, part natural, part manufactured. It wants to convert completely to natural gas. To do that, it must be able to nearly triple its present daily purchases.

As mayor of Indianapolis, I am quite naturally concerned with the city's future progress, growth, and development. I see for it a great potential, one that we have not yet really begun to tap.

But I also foresee serious handicaps to that potential if we cannot get adequate supplies of natural gas to our city. I say to you in

all sincerity that my principal concern is over adequate future supplies of gas.

My chief fear is that unless the legislation you are considering is passed by the Congress, we may never realize our goal of plenty of natural gas for everyone who wants it.

As long as this situation remains, we can hardly expect to be successful in inducing large industries to make substantial investment in our community in order to create more and more jobs for our growing population. We may, in fact, find ourselves in danger of losing the industries we now have. If they cannot get gas in Indianapolis, they may be forced to move where they can get it.

Certainly consumers are interested in getting natural gas at reasonable prices. I am convinced that natural-gas prices today are reasonable, and that they always have been. If anyone needs reassurance, however, the bill you are considering offers the consumer of natural gas real protection. He is protected through continued local regulation of distributing utilities; through continued Federal regulation of the transmission companies; through a return to effective competition among producers, the same free competition which for many, many years has kept gas prices down and gas supplies on the increase; and finally, he is protected by the new provisions of this bill which will completely eliminate any possibility of soaring prices about the prospect of which so many persons seem to be so concerned.

It is my earnest conviction that extended regulation of independent producers in any form will not foster the search for and production of gas upon which the interstate pipelines, and in turn we consumers, depend. You cannot by means of legislation force a man to search for, produce, and sell a commodity against his will.

It is my further conviction that unless the Fulbright bill is enacted into law, freeing the wildcatters and producers from the restrictions of regulation, you will find more and more natural gas finding its way into local, intrastate markets, where competition and not regulation dictates the price, and less and less gas being sold to interstate pipelines and ultimately to consumers in non-gas-producing areas.

You have heard from the mayors of many cities regarding their belief that continued Federal control of natural-gas production is essential to assured reasonable prices for natural gas. I honestly do not share their concern. It has been our experience in Indianapolis that natural gas means lower prices to consumers. I prefer to place my faith in the proven record of the natural-gas industry, rather than the unfounded suppositions of those who make these charges.

I was one of the 108 mayors of the large American cities whom the record shows was asked to join with Mayor Joseph Clark, Jr., of Philadelphia in opposing the legislation now before you.

I understand from evidence put in the record by Mayor Joseph Clark, Jr., that 48 mayors responded favorably, that 17 mayors declined the invitation, that 5 indicated indecision, that 35 mayors did not respond at all, and that 3 withdrew after having indicated a willingness to join in this movement.

I was one of those invited who declined to oppose the Fulbright bill. My stand in that regard has apparently attracted widespread attention. As evidence of this, I have with me today, many, many telegrams and letters that I have received from mayors, other people, and organizations all over these United States. I would welcome an opportunity to read them into the record individually, but feel that perhaps time will not permit.

Since the record already shows the individual responses to Mayor Joseph Clark, Jr.'s solicitation, I would like to insert in the RECORD an alphabetical list by States of the messages which I found at my office when I returned from Mexico.

State	City	Name
Arizona (2)	Glendale	R. D. Lundberg.
	Miami	W. C. Karr.
Arkansas (1)	Texarkana	H. C. Hay.
California (9)	Alhambra	D'Arcy Quinn.
	El Segundo	W. R. Selby.
	Gardena	A. W. Bolton.
	Inglewood	G. C. England.
	Manhattan Beach	T. P. Foye.
	Pomona	A. H. Cox.
	Riverside	E. V. Dales.
	Santa Barbara	J. T. Richard.
	South Gate	C. H. Peckenpaugh.
Colorado (10)	Boulder	Dr. John Gillespie.
	Collins	Wm. H. Allen.
	Delta	O. B. Swanson.
	Grand Junction	H. M. Wright.
	Limon	J. W. Buchanan.
	Morgan	Wm. M. Whittier.
	Rangely	Chamber of Commerce.
	Rifle	J. H. Goodrich.
	Rocky Ford	Carl Ustick, Jr.
	Yuma	H. Olson.
Delaware (1)	Wilmington	A. F. Walz.
Illinois (5)	Champaign	V. F. Lafferty.
	Delavan	L. E. Beylor.
	Evanston	J. R. Imbark.
	Peoria	R. D. Morgan.
	Urbana	G. E. Chapman.
Indiana (6)	Anderson	N. C. Wright.
	Elkhart	E. L. Danielson.
	Fort Wayne	R. E. Meyers.
	Hammond	V. C. Anderson.
	Lafayette	K. R. Snyder.
	South Bend	J. A. Scott.
Iowa (1)	Mason City	G. E. Mendon.
Louisiana (2)	Houma	L. Gary.
	Lake Charles	S. L. Gray.
Missouri (2)	Hannibal	J. R. Schroder.
	Louisiana	F. C. Haley.
Montana (7)	Boulder	Harold Hanson.
	Choteau	T. B. Halvorson.
	Conrad	R. G. Arnot.
	Cut Bank	A. J. Myrhow.
	Harlowton	W. A. Poirer (president, Kiwanis Club).
	Havre	O. S. Hatler.
	Missoula	J. A. Hart.
Nebraska (3)	Beatrice	A. Davison.
	McCook	Arthur John.
	Omaha	John Rosenblatt.
Nevada (1)	Reno	F. R. Smith.
North Dakota (2)	Devils Lake	D. W. Kelly.
	Dickinson	F. P. Whitney.
Oklahoma (4)	Bartlesville	W. A. Hensley.
	Enid	George Emerick.
	Muskogee	Lyman Beard.
	Tulsa	L. C. Clark.
Oregon (1)	Eugene	V. E. Johnson.
South Carolina (1)	Allendale	M. C. Mixson, ex officio of municipal association.
Texas (32)	Abilene	F. H. Husbands, executive vice president, West Texas Chamber of Commerce.
	Albany	E. F. Rodgers.
	Athens	A. R. Cox.
	Austin	Tom Miller.
	Beaumont	E. R. Beard.
	Big Spring	G. W. Dabney.
	Breckenridge	Charles Fox.
	Brownwood	Smith Bell.
	Colorado City	Walter Grubbs.
	Conroe	Bill Newton.
	Corpus Christi	F. D. Smith.
	Dallas	R. L. Thornton.
	Graham	Dr. V. O. Rosser.
	Kerrville	J. L. Bullord, member of executive commission, American Municipal Association.
	Kilgore	E. C. Elder.
	Laredo	J. C. Martin, Jr.
	Longview	J. C. Tomlinson.
	Lufkin	Woodrow Scott.
	Marshall	Charles Spangler.
	Midland	Ernest Sidwell.
	Olney	W. C. Wilson.
	Pampa	Lynn Boyd.
	Refugio	H. V. Shaw.
	San Antonio	J. E. Kuykendall.
	Sinton	D. O. Martin.
	Snyder	M. K. Stephenson.
	Stanford	G. C. Carothers, Sr.
	Taylor	R. E. Kollman.
	Texarkana	A. P. Miller, Jr.
	Tyler	Z. P. Sprwill.
	Wichita Falls	Lloyd Thomas.
	Woodsboro	C. S. Boone.
Wisconsin (2)	Green Bay	Otto Rachals.
	Tomah	A. C. Harris.

Mr. CLARK. I have the originals of these telegrams and I feel some obligation to ask that the originals be placed in the record, sir, if I may.

Senator PASTORE. Without objection, it is so ordered.

(Originals of above-referred-to telegrams follow:)

BORGER, TEX., *May 23, 1955.*

Hon. ALEX M. CLARK,
Mayor, City of Indianapolis, Care Committee on Foreign and Interstate Commerce, Capitol Building, Washington, D. C.

On behalf of citizens of Borger, I join with mayors of other Texas cities to commend your stand on Senator FULBRIGHT'S bill, which opposes Federal control of gas producers. You are hereby authorized to speak in my behalf in this matter and are pledged with my support.

L. D. PATTON,
Mayor, City of Borger.

ELDON, MO., *May 24, 1955.*

Mayor ALEX CLARK,
Committee Room on Interstate and Foreign Commerce, Washington, D. C.

I hope your mission today is a successful one. The purpose is just and fair. Our business enterprises were built on a competitive basis instead of by regulations.

RALPH L. MORGAN,
Mayor, Camdenton, Mo.

HENDERSON, TEX., *May 23, 1955.*

Mayor ALEX M. CLARK,
United States Senate Chamber, Washington, D. C.:

We of Henderson and this east Texas area commend you on stand to exempt gas producers from Federal control.

L. H. REED,
Mayor, Henderson, Tex.

GLENDALE, ARIZ., *May 18, 1955.*

Mayor ALEX CLARK,
City Hall, Indianapolis:

Satisfactory you represent me approving Harris-Fulbright natural-gas bills.

ROBERT D. LUNDBERG,
Mayor, Glendale, Ariz.

MIAMI, ARIZ., *May 18, 1955.*

ALEX CLARK,
Mayor, City Hall, Indianapolis:
Satisfactory you act as my spokesman approving Harris-Fulbright natural gas bill.
W. C. KARR,
Mayor, Town of Miami, Ariz.

LOS ANGELES, CALIF., *May 18, 1955.*

ALEX CLARK,
Mayor of Indianapolis, City Hall, Indianapolis:
You have my unqualified support in testifying against the Federal regulation of natural gas prices at the well.
CHARLES H. PECKENPAUGH,
Mayor, City of South Gate, South Gate, Calif.

TEXARKANA, TEX., *May 21, 1955.*

Mayor ALEXANDER M. CLARK,
Indianapolis:
We wish to commend you on your stand in support of Senator Fulbright's bill to exempt gas producers from Federal control. We feel that this is a vital necessity for the continuance of efforts to provide the country with necessary supplies of natural gas.
HASKELL C. HAY,
Mayor, Texarkana, Ark.

BOULDER, COLO., *May 24, 1955.*

Mayor ALEX CLARK,
Indianapolis:
Best of luck in your appearance before the Senate Commerce Committee hearings. I agree with your stand against Federal control of private industry.
Dr. JOHN GILLESPIE,
Boulder, Colo.

FORT COLLINS, COLO., *May 20, 1955.*

Mayor ALEX CLARK,
Indianapolis:
Best of luck in your appearance before the Senate Commerce Committee hearings. I certainly agree with your stand against Federal control of private industry.
WILLIAM H. ALLEN,
Mayor.

DELTA, COLO., *May 18, 1955.*

Mayor ALEX CLARK,
Indianapolis, Ind.:
Best of luck in your appearance before Senate Commerce Committee hearings. I certainly agree with your stand on Federal control of private industry.
OSCAR B. SWANSON,
Mayor, City of Delta, Colo.

GRAND JUNCTION, COLO., *May 19, 1955.*

Mayor ALEX CLARK,
Indianapolis, Ind.:
Best of luck in your appearance before Senate Commerce Committee hearing. I certainly agree with your stand against Federal control of private industry.
HERBERT M. WRIGHT,
Mayor, Grand Junction, Colo.

LIMON, COLO., *May 20, 1955.*

Mayor ALEX CLARK,
City of Indianapolis, Indianapolis, Ind.:
Best of luck on your appearance before the Senate Commerce Committee hearings. I agree with your stand against Federal control of private industry. Our Washington representatives have been requested to watch for any natural-gas legislation.
JAMES W. BUCHANAN,
Mayor, Limon, Colo.

MORGAN, COLO., *May 28, 1955.*

Mayor ALEX CLARK,
Indianapolis:
Best of luck in your appearance before the Senate Commerce Committee hearings. I certainly agree with your stand against Federal control for private industry.
Mayor WM. W. WHITTIER.

RANGELEY, COLO., *May 19, 1955.*

AL CLARK,
Mayor, Indianapolis:
Best of luck during your appearance before Senate Commerce Committee hearing in support of Harris bill opposing FPC regulation of natural gas industry.
RANGELEY AREA CHAMBER OF COMMERCE,
Rangeley, Colo.

RIFLE, COLO., *May 19, 1955.*

Hon. ALEX CLARK,
Mayor, Indianapolis:
Best of luck in your appearance before Senate committee hearing. I agree with your stand against Federal control of private industry.
JACK H. GOODRICH,
Mayor, Town of Rifle.

ROCKY FORD, COLO, *May 20, 1955.*

Mayor ALEX CLARK,
Indianapolis:
Best of luck in your appearance before the Senate Commerce Committee hearings. I wholeheartedly agree with your stand against Federal control of private industry.
CARL USTICK, JR.,
Mayor, Rocky Ford, Colo.

YUMA, COLO., *May 20, 1955.*

Mayor ALEX CLARK,
Indianapolis:
Best of luck in your appearance before the Senate Commerce Committee hearings. I certainly agree with your stand against Federal control of private industry.
HOWARD OLSEN,
Mayor.

LOS ANGELES, CALIF., *May 18, 1955.*

ALEX CLARK,
Mayor of Indianapolis, City Hall, Indianapolis:
You have my unqualified support in testifying for the Hinshaw-Fulbright bills which would eliminate Federal control of price over the producer of natural gas.
D'ARCY QUINN,
Mayor of the City of Alhambra, Alhambra, Calif.

EL SEGUNDO, CALIF., *May 18, 1955.*

ALEX CLARK,
Mayor, City Hall, Indianapolis:
You have my 100 percent support in testifying against Federal regulation of natural gas price at the well.
WILLIAM R. SELBY,
Mayor, City of El Segundo, Calif.

GARDENA, CALIF., *May 18, 1955.*

Mayor ALEX CLARK,
Mayor of Indianapolis, City Hall, Indianapolis:
You have my permission to express my sentiments against the Federal regulation of natural gas prices at the well.
ADAMS W. BOLTON,
Mayor, City of Gardena.

INGLEWOOD, CALIF., *May 19, 1955.*

Mayor ALEX CLARK,
City Hall, Indianapolis:
You have my unqualified support in testifying against Federal regulation of natural-gas prices at the well.
GEORGE C. ENGLAND,
Mayor, City of Inglewood, Calif.

MANHATTAN BEACH, CALIF.,
May 18, 1955.

Hon. ALEX CLARK,
Mayor of Indianapolis:
You have my permission to speak for me in opposition to Federal regulation of natural-gas prices at well.
THOMAS P. FOYE,
Mayor, Manhattan Beach.

POMONA, CALIF., *May 18, 1955.*

Mayor ALEX CLARK,
City of Indianapolis, Ind.:
You have my permission to express my sentiments in support of your position in behalf of the Harris and Fulbright gas bills.
Mayor ARTHUR H. COX,
City of Pomona.

RIVERSIDE, CALIF., *May 19, 1955.*

Mayor ALEX CLARK,
Indianapolis:
You have my permission to express my sentiment in support of your position in behalf of the Harris and Fulbright gas bills.
E. V. DALES,
Mayor of Riverside, Calif.

SANTA BARBARA, CALIF., *May 20, 1955.*

Mayor ALEX CLARK,
Indianapolis:
You have my permission to express my sentiments in support of your position in behalf of Harris and Fulbright gas bills.
JOHN T. RICKARD,
Mayor of Santa Barbara, Calif.

WILMINGTON, DEL., *May 20, 1955.*

Hon. ALEX CLARK,
Mayor of Indianapolis, City Hall, Indianapolis:
We have learned of the position taken by you in connection with Senate bill S. 1853, and the Harris bill H. R. 4560, approving natural gas legislation. We commend you and wish to advise that we are in accord with your standard in this matter.
AUGUST F. WALTZ,
Mayor, City of Wilmington, Del.

CHAMPAIGN, ILL., *May 19, 1955.*

Mayor ALEX CLARK,
City Hall, Indianapolis:
Just want you to know that we support you in your appearance before United States Senate committee on the lifting of Federal control over producers of natural gas.
VIRGIL F. LAFFERTY, *Mayor.*

DELAVAN, ILL., *May 20, 1955.*

Mayor ALEX CLARK,
Indianapolis:
We are advised of your position on the Fulbright bill and join with you in urging passage of this legislation.
LESTER E. BEYLOR,
Mayor, Delavan, Ill.

EVANSTON, ILL., *May 18, 1955.*

Mayor ALEXANDER CLARK,
City Hall, Indianapolis:
Wish to express myself as favoring support of the Harris bill now under consideration before Congress of the United States.
JOHN R. IMBARK, *Mayor.*

PEORIA, ILL., *May 20, 1955.*

Hon. ALEX CLARK,
Mayor, City of Indianapolis:
It has come to my attention that you are supporting an amendment to the Natural Gas Act which would remove the independent producers from the jurisdiction of the Federal Power Commission. I agree with you that this is a desirable amendment.
ROBERT D. MORAN, *Mayor.*

URBANA, ILL., *May 20, 1955.*

Mayor ALEX CLARK,
City Building, Indianapolis:
We heartily approve your efforts next Tuesday, May 24, in support of Fulbright bill to amend the Natural Gas Act.
GLENN E. CHAPMAN, *Mayor.*

ANDERSON, IND., *May 19, 1955.*

Mayor CLARK,
City Hall, Indianapolis:
As mayor of the city of Anderson, we oppose Federal Power Commission control of

production and price of natural gas at source or at drilling wellhead, and further oppose any type of Government control which might interfere or retard progress of free enterprise system in this country.

NOLAND C. WRIGHT, *Mayor.*

CITY OF ELKHART, IND., *May 19, 1955.*
Hon. ALEX CLARK,
Mayor of Indianapolis,
City Hall, Indianapolis, Ind.:

DEAR MAYOR CLARK: I am glad to note that you will be testifying next Tuesday before the State commerce commission in the pending legislation with regard to the Natural Gas Act of 1938.

In my opinion, the proposed controls are not to the best interests of the general public and, therefore, I would like to voice my opposition to these controls.

If you need additional backing in furthering your opinion, do not hesitate to call upon me.

Best regards.

Sincerely,

E. L. DANIELSON, *Mayor.*

CITY OF FORT WAYNE, IND., *May 19, 1955.*
Hon. ALEX M. CLARK,
Mayor, Indianapolis, Ind.

DEAR ALEX: I have been informed by Mr. Hansel Smuts, of the Standard Oil Co., South Bend, Ind., that you are testifying before the Senate Commerce Committee on May 24 in favor of the bill to exempt the producers of natural gas from Federal regulation. Once again, I find myself opposed to one Clark and in favor of the other. Naturally, you know which one I am referring to as opposing.

When I received the letters and the telegrams from Mayor Joseph Clark and his committee, I immediately started to check the issues involved in this controversy and, as is probably to be expected, found myself diametrically opposed to the views taken by Mayor Joseph Clark. I also found myself sufficiently opposed to write him stating my position and telling him how definitely I was opposed to his views. Copies of my letter were also sent to both of our Senators and Ross ADAIR, our Congressman.

I just wanted to let you know that in testifying before the committee, you may say that there are other mayors in the State of Indiana, including me, who share your views.

Jack Scott and I missed you at Las Vegas. We had a pretty good time out there, even though we failed to see any bomb bursts. I even got back with my shirt on, though I did perhaps leave my tie and socks. Hope you had a very fine time in Mexico and that the fish were really rearing to go.

Best wishes to you, Margaret, and the children.

Respectfully yours,

ROBERT E. MEYERS, *Mayor.*

HAMMOND, IND., *May 19, 1955.*
Mayor ALEX CLARK,
Indianapolis:

I understand that next Tuesday you will testify before the Senate Commerce Committee on the natural-gas issue. I applaud your stand. I agree, as do my constituents, that the gas producers should be free and independent of any Federal regulation. I would appreciate you expressing my views as those not only of myself but also the community.

VERNON C. ANDERSON, *Mayor.*

LAFAYETTE, IND., *May 18, 1955.*
ALEX CLARK,
City Hall, Indianapolis:

My heartiest endorsement for the stand you are taking on Federal regulation of producers of natural gas.

K. R. SNYDER,
Mayor of Lafayette.

MAY 18, 1955.
Hon. ALEX CLARK,
Mayor of Indianapolis.
City Hall, Indianapolis, Ind.

DEAR ALEX: I am delighted to hear that you are going to testify before the Senate Commerce Committee next Tuesday on the legislation now pending with regard to the Natural Gas Act of 1938.

My position in this matter is opposed to Mayor Joseph Clark, of Philadelphia, and I believe that the controls proposed are not to the best interests to the general public.

I am leaving tonight for the mayor's conference and I propose to discuss this with the mayor of Tulsa who has been corresponding with me on this matter.

If I can be of any assistance to you in this matter I hope you will call on me.

With the best personal wishes.

Yours sincerely,

JOHN A. SCOTT, *Mayor.*

MASON CITY, IOWA, *May 20, 1955.*
Hon. ALEX CLARK,
Mayor, Indianapolis:

We applaud your stand on the Fulbright bill. We are still for free enterprise.

GEORGE E. MENDON,
Mayor, Mason City, Iowa.

HOUMA, LA., *May 18, 1955.*
Mayor ALEX CLARK,
City Hall, Indianapolis:

As mayor of county seat of largest natural-gas-producing county, Louisiana, I wish to add my support to your views on recent regulations imposed upon natural gas by Federal Power Commission.

LEON GARY,
Mayor, City of Houma, La.

LAKE CHARLES, LA., *May 18, 1955.*
Hon. ALEX CLARK,
Mayor, City of Indianapolis:

I understand you will take a position before Senate committee against regulation of producers of natural gas. As mayor of Lake Charles, La., I wholly concur in that position.

SIDNEY L. GRAY,
Mayor, City of Lake Charles,
Lake Charles, La.

HANNIBAL, MO., *May 20, 1955.*
Hon. ALEX CLARK,
Mayor, Indianapolis:

Highly endorse your stand against Federal natural-gas control. Agree with your conclusions.

JOHN R. SCHRODER,
Mayor, Hannibal, Mo.

LOUISIANA, MO., *May 19, 1955.*
Hon. ALEX CLARK,
Office of the Mayor, Indianapolis:

My congratulations. Highly endorse your stand against Federal gas control. Agree with your conclusions. Feel there is much misunderstanding and such people as you with your view can clarify the situation.

F. C. HALEY 3d,
Mayor, Louisiana, Mo.

BOULDER, MONT., *May 25, 1955.*
ALEX M. CLARK,
Mayor of Indianapolis,
Indianapolis:

Please represent the mayor and citizens of this town and community in protesting before the Senate Committee on Interstate and Foreign Commerce at hearing of Senator FULBRIGHT protesting the regulation of price of gas.

HAROLD HANSON, *Mayor.*

CHOTEAU, MONT., *May 23, 1955.*
ALEX M. CLARK,
Mayor, Indianapolis, Ind.:

You are to be commended for your position on the amendment to exempt producers from the Natural Gas Act. You are authorized to represent me before the Senate Interstate and Foreign Commerce Committee at the hearing of the Fulbright bill.

T. B. HALVORSON,
Mayor, Choteau, Mont.

CONRAD, MONT., *May 22, 1955.*
ALEX M. CLARK,
Mayor, Indianapolis, Ind.:

You are to be commended on your position on the amendment to exempt the producer from the Natural Gas Act. You are authorized to represent me or us before the Senate Interstate and Foreign Commerce Committee on the hearing of the Fulbright bill.

R. G. ARNOT, *Mayor.*

CUTBANK, MONT., *May 21, 1955.*
ALEX M. CLARK,
Mayor, Indianapolis, Ind.:

In regard to the Fulbright bill. You are to be commended for your position on the amendment to exempt producers from the Natural Gas Act. You are authorized to represent me before the Senate Interstate and Foreign Commerce Committee on the hearing of the Fulbright bill.

A. J. MYRHOW,
Mayor of Cutbank, Mont.

HARLOWTON, MONT., *May 21, 1955.*
ALEX M. CLARK,
Mayor, Indianapolis, Ind.:

You are to be commended for your position on the amendment to exempt producers from the Natural Gas Act. You are authorized to represent me before the Senate Interstate Commerce Committee on the hearing of the Fulbright bill.

W. A. POIRER,
President, Harlowton Kiwanis Club.

HAVRE, MONT., *May 20, 1955.*
ALEX M. CLARK,
Mayor, Indianapolis, Ind.:

You are to be commended for your position on the amendment to exempt producers from the Natural Gas Act. You are authorized to represent me before the Senate Interstate and Foreign Commerce Committee on the hearing of the Fulbright bill.

OVAL S. HATLER.

MISSOULA, MONT., *May 23, 1955.*
ALEX M. CLARK,
Mayor, City of Indianapolis:

You are to be commended for your position opposing the Federal control of natural gas prices at the source of supply. You are authorized to represent me before the Senate Interstate and Foreign Commerce Committee on the hearing of the Fulbright bill.

JAMES A. HART,
Mayor, City of Missoula.

BEATRICE, NEBR., *May 20, 1955.*
Mayor ALEX M. CLARK,
Indianapolis, Ind.:

You are to be commended for your position on the amendment to exempt producers from Natural Gas Act. You are authorized to represent me before Senate Interstate Commerce Committee hearing on the Fulbright bill.

ALLEN DAVISON,
Mayor, Beatrice, Nebr.

MCCOOK, NEBR., *May 21, 1955.*
Mayor ALEX CLARK,
City Hall, Indianapolis:

I commend you for your stand to exempt producers on the Natural Gas Act before the Interstate Commerce Commission. This will authorize you to represent me at the hearing.

ARTHUR JOHN,
Mayor, McCook, Nebr.

OMAHA, NEBR., *May 27, 1955.*

ALEX M. CLARK,
Mayor, Indianapolis, Ind:

I commend your stand exempting independent producers and gatherers of gas from regulation under the Native Gas Act.

JOHN ROSENBLATT,
Mayor, Omaha, Nebr.

RENO, NEV., *May 19, 1955.*

Hon. ALEX CLARK,
Mayor of Indianapolis:

Understand that you expect to testify before the United States Senate committee in favor of the Fulbright bill to exempt independent producers of natural gas from the control of the Federal Power Commission. I join with you in support of the Fulbright bill and sincerely hope that Congress passes that measure or equivalent legislation.

FRANCIS R. SMITH,
Mayor, City of Reno.

DEVILS LAKE, N. DAK., *May 20, 1955.*

Hon. ALEX CLARK,
Mayor, City of Indianapolis:

Urging full support of Fulbright bill which is to release independent gas producer from Federal control.

DENNIS W. KELLY,
Mayor, City of Devils Lake.

DICKINSON, N. DAK., *May 23, 1955.*

Mayor ALEX CLARK,
Indianapolis, Ind.:

Would appreciate what you can do to oppose Federal control of price of gas at wellhead. Believe gas prices should continue on competitive basis.

FRANK P. WHITNEY,
Mayor.

MAY 19, 1955.

Hon. ALEX M. CLARK,
Mayor of Indianapolis:

In your appearance before Senate committee please let me urge that you point out the great public need for passage of the Fulbright bill as I understand you fully appreciate. I am confident that if the true situation is fairly presented the conclusion will be manifest that producers and gatherers of gas must be freed of Federal regulation if dangerous encroachment on our free-enterprise system is to be preserved, and if natural gas resources are to be properly developed and utilized for the greatest good.

W. A. HENSLEY,
Mayor, Bartlesville, Okla.

ENID OKLA., *May 24, 1955.*

Hon. ALEX M. CLARK,
Mayor, City Hall, Indianapolis:

You have my authority to speak for me at congressional committee meetings in support of the Fulbright bill. The independent producers and gatherers of natural gas should be relieved of Federal control, and I heartily endorse your efforts in their behalf.

GEORGE EMRICK,
Mayor, Enid, Okla.

MUSKOGEE, OKLA., *May 24, 1955.*

Hon. ALEX M. CLARK,
Mayor, City Hall, Indianapolis:

I concur in your position supporting the Fulbright bill and authorize you to represent me before congressional committees favoring enactment of the bill.

LYMAN BEARD,
Mayor, Muskogee, Okla.

OKLAHOMA CITY, OKLA., *May 25, 1955.*

Hon. ALEX M. CLARK,
City Hall, Indianapolis:

I agree with you that independent producers and gatherers of natural gas should be removed from Federal control. The Fulbright bill serves this purpose and you are to be commended in your support of this legislation. Please represent me at committee hearings favoring passage of this bill.

ALLEN STREET,
Mayor of Oklahoma City, Okla.

TULSA, OKLA., *May 26, 1955.*

Hon. ALEX M. CLARK,
Mayor, City of Indianapolis,
Indianapolis, Ind.:

I commend you for your position in favoring the amendment of the Natural Gas Act to exempt therefrom independent producers and gatherers of gas. You are hereby authorized to represent me before the Senate Interstate and Foreign Commerce Committee as favoring and supporting the enactment of the Fulbright bill.

L. C. CLARK,
Mayor, City of Tulsa.

CITY OF TULSA, OKLA.,
OFFICE OF THE MAYOR,
May 16, 1955.

Hon. ALEX M. CLARK,
Mayor of Indianapolis,
Indianapolis, Ind.

DEAR MAYOR CLARK: A few days ago, Mayor Joseph Clark, Jr., of Philadelphia, invited me to join forces with a newly organized mayors' committee to oppose legislation which would exempt local gas producers from Federal regulation.

Because I wholly disagree with this committee's purpose, both in principle and in effect, I have declined, and have written Mayor Joseph Clark my views on the subject.

It is my understanding that you have been invited to participate in the effort to defeat this essential legislation. For that reason, I am sending you herewith a copy of my letter to Mayor Clark and 38 others who have consented to serve on the committee.

This letter sets out in detail my position on this issue. I believe only a free producing industry can supply our future needs for gas. I hope you will have time to examine my letter, and that you will share my convictions in the matter.

Most sincerely,

L. C. CLARK,
Mayor, City of Tulsa.

CITY OF TULSA, OKLA.,
OFFICE OF THE MAYOR,
May 16, 1955.

Hon. JOSEPH S. CLARK, Jr.,
Mayor of Philadilphia,
Philadelphia, Pa.

MY DEAR MAYOR CLARK: This is in further response to your invitation to me to join in the mayor's committee instituted by yourself, Mayor Lawrence, of Pittsburgh, and Mayor Wagner, of New York, to oppose legislation now pending in the Congress to clarify the Natural Gas Act of 1938 so as to exempt local production and gathering of natural gas from Federal controls.

I reiterate my position that I regard such controls to be not only an infringement of States rights which would conflict with and destroy oil and gas conservation programs of all our producing States, but also wholly inconsistent with the public interest and with our American free-enterprise system.

For the record, I want to say that I neither own nor have an interest in natural-gas production. My interest is as mayor of a growing municipality whose residents are dependent virtually 100 percent on natural gas as a fuel. Anything which would discourage the continuous drilling for and development of natural gas is a threat not only to the consumers of Philadelphia, but to Tulsa. Controls over the natural-gas producer would unquestionably discourage the search for, and reduce the supply of, gas.

In Tulsa, natural gas is a bargain. Our people use natural gas for cooking, heating, hot-water heating, and refrigeration. For this service, the average Tulsa family paid last year, I am informed, a total of $61.33. I know of no other commodity which provides more comfort and convenience for a full year for so little.

Claims have been made that northeastern area gas consumers have been faced with continuous gas-rate increases. This may be true; I do not know. However, by contrast, I would point out that in Tulsa there have been only 5 natural-gas consumer-rate adjustments since the year 1923, and 3 of these have been downward.

It is therefore obvious that if consumers of other areas have been harassed by rate increases, the nominal producer price is not the cause. Tulsa is served from the same producing areas as many northeastern municipalities. Our advantage is being close to supply. I question whether mere men, sitting in Washington, could juggle the natural economic laws so as to remove the disparity in price in all sections of our country.

I can only conclude that if natural-gas rates are unreasonable in Philadelphia or New York or Boston, the cause lies in the cost of transportation and distribution from our great Southwest to such distant points. By any accepted standard, natural gas produced in the Southwest, at the well, is today the cheapest fuel at the source of production—on a heat-value basis—in the entire world.

I am profoundly disturbed by the growing misunderstanding of facts which to me seem obvious in this matter. I feel that someone in the business of promoting centralized bureaucracy in our beloved country must be working overtime to have planted so many seeds of mistrust against a basic American industry which is composed of average Americans, employs average Americans, and has so well served average Americans.

Historically, our country has established so-called rate controls, as consumer protection, only in instances involving utility or monopoly-franchise operations. Natural-gas-producing activities can by no yardstick be classified as a utility function. In Oklahoma, hundreds of producers compete as gas producers in single fields and sell their gas competitively to willing buyers at fair prices. The facts do not support your contention that a small group of oil companies control natural-gas production.

To give small, individual natural-gas producers the status of Federal public utilities would be setting a dangerous precedent in America. If we do this in 1955—in 1956 it will be oil, then coal, then lumber, and cattle, and wheat. To lay the withering hand of Federal control on local commodity production is the first step toward State socialism. To me, this would violate all concepts of our free competitive system which has made our economy the most dynamic and productive in the history of mankind.

The natural-gas producer has never been controlled. When Congress wrote the Natural Gas Act, it specified that he would be exempt from Federal regulation. In 17 years operating freely under the act, natural-gas producers continuously found and made available increasing supplies of natural gas. When supply of any commodity is adequate, the consumer is protected. When shortage occurs, as it always does under OPA treatment, the consumer becomes the victim.

Natural-gas prices at the well were not even controlled in wartime. The thinking American needs but reflect on what happened to prices and availability of commodities which had controlled prices at the point of production, under OPA, to revolt at the thought of that type of treatment of any material, service, or commodity. Meat is a case in point. Under OPA, meat became practically nonexistent, and our people could hardly afford the little that was available under the counter.

I am sure the American housewife does not want to be deprived of natural gas because of short-sighted and unneeded control policies.

Evidence already presented in hearings before the House Interstate and Foreign Commerce Committee, which is considering the Harris amendment to restore natural-gas production to a competitive position in our economy, has fully acquitted the gas producer of any unfair treatment of consumers.

For example, it was brought out that natural gas sold in New York at $2.42 per thousand cubic feet was purchased from southwestern producers for 8 cents per thousand cubic feet. Thus, the producer received only 3 cents of each dollar paid by the average New York consumer of natural gas. Is this a situation which demands OPA treatment?

If the price of $2.42 in New York is too high, this conclusively illustrates to me that either (1) New York utility regulatory authorities have not adequately safeguarded consumer interests, or (2) it is not economically practical to transport and distribute natural gas to such distant point. In either case, I fail to see how any fair American could seek to penalize the producer of gas with crippling bureaucratic controls.

I am informed that a cabinet-level committee appointed by President Eisenhower has fully studied the natural-gas problem and has recommended that local production of gas be excluded from Federal regulation. Furthermore, the Chairman of the Federal Power Commission, which agency would have the job of controlling gas production, testified before Congress that legislation exempting gas production from controls should have the approval of Congress.

The FPC Chairman spoke, in his testimony, for 4 of the 5 members of the Commission. These Commissioners supported corrective legislation to exempt gas producers from regulation, according to the Chairman's statement, because "* * * We firmly believe that such legislation will in the long run result in the greatest good to the largest number of people in this country."

I believe the FPC Chairman was upholding a principle. His testimony expressed the position of public servants whose experience has been in the field of regulating the natural gas industry. I can only concur in what these public officials have said.

I reaffirm that my position in this matter is dictated only by my belief in our competitive system. I have no confidence in "controlism," when it is so utterly and obviously unnecessary as in this instance.

I wish to make one other point. It is the "little fellows" who find the gas used in Philadelphia, and throughout our Nation. Small, independent, risk-taking producers have found more than 75 percent of the oil and gas developed in America. In our southwestern press, many of these men have already served notice that they will not commit newly discovered gas to interstate use, unless the Natural Gas Act is clarified so as to reaffirm its original intent to exempt gas production from Federal control. If such a situation should develop, Philadelphia consumers cannot escape paying more money for less gas. As gas supplies dwindle, the pipeline companies and distributors will still get their fixed percentage of return on investment. When they are accorded the same percentage of return on a smaller volume of gas, only the consumer will pay the bill.

It is my hope that you, and others in responsible positions of public trust, will not be persuaded to continue fighting to make the gas producer a pawn of bureaucracy. Because of my strong conviction that the producers, the consumer, and America will all be the losers, I am taking the liberty of sending this letter to all of those mayors who have expressed their intent to support controls of the natural-gas industry in the Congress.

You have my apologies for the length of this letter. However, I feel its length is justified by the importance of the subject.

With every confidence in your judgment in this most important issue, I am,

Very truly yours,

L. C. CLARK,
Mayor, City of Tulsa.

Carbon copies of the attached letter to the following mayors: Thomas P. Bryan, Richmond, Va.; Richard J. Daley, Chicago, Ill.; Thomas D'Alesandro, Jr., Baltimore, Md.; W. Lee Mingledorff, Jr., Savannah, Ga.; Frank P. Zeidler, Milwaukee, Wis.; Anthony J. Celebrezze, Cleveland, Ohio; Frank X. Kryzan, Youngstown, Ohio; Fred L. Peterson, Portland, Oreg.; Richard C. Lee, New Haven, Conn.; Quigg Newton, Denver, Colo.; Ollie Czelusta, Toledo, Ohio; Joseph E. Dillon, St. Paul, Minn.; W. A. Gayle, Montgomery, Ala.; Leo P. Carlin, Newark, N. J.; George W. Welsh, city manager, Grand Rapids, Mich.; Ben West, Nashville, Tenn.; John B. Hynes, Boston, Mass.; Albert E. Cobo, Detroit, Mich.; Walter Reynolds, Providence, R. I.; George R. Dempster, Knoxville, Tenn.; John J. Foley, Cambridge, Mass.; H. H. Hendren, Sacramento, Calif.; Andrew Broaddus, Louisville, Ky.; Kristen Dristensen, Yonkers, N. Y.; Eric G. Hoyer, Minneapolis, Minn.; J. W. Morgan, Birmingham, Ala.; Leo Berg, Akron, Ohio; Arthur J. Gardner, Erie, Pa.; Raymond E. Snyder, Waterbury, Conn.; DeLesseps S. Morrison, New Orleans, La.; Nicholas Sylvester LaCorte, Elizabeth, N. J.; Peter Mandich, Gary, Ind.; Raymond R. Tucker, St. Louis, Mo.; George E. Brunner, Camden, N. J.; Maynard E. Sensenbrenner, Columbus, Ohio; George D. Johnson, Duluth, Minn.; David L. Lawrence, Pittsburgh, Pa.; Robert F. Wagner, Jr., New York, N. Y.

EUGENE, OREG., *May 19, 1955.*

ALEX CLARK,
Mayor, City of Indianapolis,
City Hall, Indianapolis:

Please express my support of Senator Fulbright's bill opposing Federal regulation of independent natural-gas producers.

V. E. JOHNSON, *Mayor.*

ALLENDALE, S. C., *May 27, 1955.*

The Honorable ALEX CLARK,
City Hall, Indianapolis:

Congratulations in your support of the Fulbright bill, S. 1853. You have our full cooperation and I join sincerely with you in the decontrol of natural-gas regulations.

M. C. MIXSON,
President Ex Officio,
Municipal Association of South Carolina.

ABILENE, TEX., *May 23, 1955.*

Hon. ALEX M. CLARK,
Mayor, City of Indianapolis:

We sincerely commend you for your support of legislation to remove authority of Federal Government to impose prices on producers of natural gas. Unless decision in Phillips case is abrogated by congressional action, we know that continued exploratory work for and development of natural gas resources will be severely limited because of decline in risk capital neded in substantial sums for this work. This would result in serious economic conditions affecting farmer, rancher, and all business interests represented in oil- and gas-producing areas as well as reduction in supplies of gas for consumers in Northern and Eastern States. If we can assist you, please let us know.

FRED H. HUSBANDS,
Executive Vice President,
West Texas Chamber of Commerce.

ALBANY, TEX., *May 21, 1955.*

Hon. ALEX M. CLARK,
Mayor, Indianapolis:

This wire your authority to speak for me on behalf Senator Fulbright bill to exempt gas producers from Federal control. I commend you on your stand.

E. F. RODGERS,
Mayor, Albany, Tex.

ATHENS, TEX., *May 21, 1955.*

Mayor ALEX M. CLARK,
Mayor's Office, Indianapolis:

Commend you on stand and authorize you to speak for me on Senator Fulbright's bill to exempt gas producers from Federal control.

A. R. COX,
Mayor, Athens, Tex.

AUSTIN, TEX, *May 26, 1955.*

Hon. ALEX M. CLARK,
Mayor, Indianapolis:

As mayor am interested in an adequate continuous supply of natural gas for my consumers. I think we can best assure this by freeing the gas producers from Federal control. May I commend you for your interest and for your courage in agreeing to present this view to the Senate committee and to act as a representative of mayors and city governments in favor of the Fulbright bill before the Senate.

TOM MILLER,
Mayor of Austin, Tex.

BEAUMONT, TEX., *May 24, 1955.*

Mayor ALEX M. CLARK,
Indianapolis:

You are to be commended for your stand against FPC price control of natural gas at the production level. I strongly feel that the Supreme Court erred in their decision in this matter, and I feel that Congress should pass the necessary legislation to clear up this injustice at the earliest possible date.

ELMO R. BEARD,
Mayor of Beaumont, Tex.

BIG SPRINGS, TEX., *May 23, 1955.*

ALEX M. CLARK,
Mayor of Indianapolis, Ind.:

May I congratulate you upon your stand in support of Fulbright bill to exempt producers of gas from Federal control. You are authorized to use my name in support of your position before the committee.

G. W. DABNEY,
Mayor of Big Springs.

BRECKENRIDGE, TEX., *May 23, 1955.*

Mayor ALEX M. CLARK,
Indianapolis, Ind.:

Your stand in behalf of the Fulbright bill to exempt gas producers from Federal control is very much appreciated by my city. We feel the Supreme Court decision in the Phillips case to be a threat to the American way of life. Please represent my city when you testify in behalf of the Fulbright bill this week.

CHARLES FOX,
Mayor, City of Breckenridge.

BROWNWOOD, TEX., *May 21, 1955.*

The Honorable ALEX M. CLARK,
Mayor of Indianapolis, Ind.:

In regard to your testimony next week behalf Senator Fulbright bill (to exempt gas producers from Federal control) would like to commend you very highly on your stand and authorize you to speak for me on this important matter.

SMITH BELL,
Manager, City of Brownwood.

COLORADO CITY, TEX., *May 23, 1955.*

ALEX M. CLARK,
Mayor of Indianapolis, Ind.:

Want to compliment you on appearing in behalf of the Fulbright bill. We here in this area realize the importance of free industry and don't want a price-fixing yoke on our gas for we feel that it will curtail develop-

ment and in the end work a hardship not only on producer but on consumer.

WALTER GRUBBS,
Mayor of Colorado City, Tex.

CONROE, TEX., *May 23, 1955.*
Mayor ALEX M. CLARK,
Indianpolis, Ind.:

Heartily endorse your efforts in behalf of Senator Fulbright bill. Authorize and appreciate your speaking for our city on this matter.

BILL NEWTON,
Mayor of Conroe.

CORPUS CHRISTI, TEX., *May 30, 1955.*
Honorable Mayor ALEX CLARK,
Indianapolis, Ind.:

Our city declined to join opposing the Harris-Fulbright measure. We are happy to learn that you are appearing as mayor of Indianapolis in support of these bills. I commend you highly for your actions and would like to be shown as joining in support of these bills. From first-hand experience I am certain that to restore competition in the production of gas is the best way possible to give consumers long-range assurance of supply and reasonable prices.

Sincerely,

FARRELL D. SMITH,
Mayor.

CORSICANA, TEX., *May 23, 1955.*
ALEX M. CLARK,
Mayor of Indianapolis:

Commend you on stand regarding Fulbright bill. Please speak for me in this matter.

WALTER ERWIN,
Mayor of Corsicana, Tex.

DALLAS, TEX., *May 23, 1955.*
Mayor ALEX M. CLARK,
Indianapolis, Ind.:

Your realistic stand against Federal control over production of natural gas deserves the praise of all city officials concerned for a continued supply of fuel. Please add my name to the list of mayors endorsing your support of Senator FULBRIGHT'S bill.

R. L. THORNTON,
Mayor, City of Dallas, Tex.

DALLAS, TEX, *May 30, 1955.*
Hon. ALEX CLARK,
Mayor, City of Indianapolis:

I was asked to become a member of a committee known as the "mayors' committee." Its objective, as I understand it, is to oppose the Harris-Fulbright bill, and I did not respond to the invitation, because I believe in competitive production of gas, and I am happy to learn that you are appearing in support of the bills and I wish to commend you for this courageous action and am happy to join with you in supporting the bills. I believe that competition is the best long-range assurance for the consumer, and if I can be helpful in any way, please let me know.

R. L. THORNTON,
Mayor, City of Dallas, Tex.

GRAHAM, TEX, *May 21, 1955.*
Mayor ALEX M. CLARK,
Indianapolis, Ind.:

We commend your stand on the Fulbright bill. Federal price control of gas or any other commodity produced in a competitive market is not in the best interest of our country. Please represent my views in this matter.

Dr. V. O. ROSSER,
Mayor of Graham, Tex.

KERRVILLE, TEX., *May 21, 1955.*
Mayor ALEXANDER M. CLARK,
Indianapolis, Ind.

DEAR MAYOR CLARK: We are on the same side in supporting bill to exempt gas producers from Federal control. Good luck to you.

Sincere regards,

J. L. BULLARD,
Mayor of Kerrville, Tex., Member of the Executive Commission, American Municipal Association.

KILGORE, TEX., *May 23, 1955.*
Mayor ALEX M. CLARK,
City of Indianapolis:

Wish to commend you on your stand to exempt gas producers from Federal control and authorize you to speak for me to that end.

E. C. ELDER,
Mayor, City of Kilgore, Tex.

LAREDO, TEX., *May 21, 1955.*
Mayor ALEX M. CLARK,
Indianapolis, Ind.:

Strongly support stand which you have taken on Fulbright bill. Exemption of gas producers from Federal control absolutely needed for best interest of public in general. Call on us for any assistance needed.

J. C. MARTIN, Jr.,
Mayor of Laredo.

LONGVIEW, TEX., *May 21, 1955.*
Hon. ALEX M. CLARK,
Mayor, City of Indianapolis:

We desire to express to you our appreciation and commendation for the stand you have taken regarding Fulbright bill to exempt gas producers from Federal controls. We are interested in consumers gas and know that the Federal controls will increase rather than decrease prices. We are proud of our free-enterprise and competitive system in America and appreciate your courage in helping to continue same.

J. CLYDE TOMLINSON,
Mayor, City of Longview.

LUFKIN, TEX., *May 21, 1955.*
Mayor ALEX M. CLARK,
Indianapolis, Ind.:

Glad to hear you are testifying behalf Fulbright bill. Please speak for me.

WOODROW SCOTT, *Mayor.*

MARSHALL, TEX., *May 23, 1955.*
Mayor ALEX M. CLARK,
Indianapolis, Ind.:

Commend you most highly your stand to exempt gas producers from Federal control and authorize you to speak for me on this matter.

CHARLES SPANGLER,
Mayor, Marshall, Tex.

MIDLAND, TEX., *May 21, 1955.*
ALEX M. CLARK,
Mayor, Indianapolis:

Very much in sympathy with your stand on Fulbright gas bill.

ERNEST SIDWELL, *Mayor.*

OLNEY, TEX., *May 23, 1955.*
Mayor ALEX M. CLARK,
Indianapolis, Ind.:

Commend you 100 percent on your testimony regarding Senator FULBRIGHT bill exempting gas producers from Federal controls. This area produces considerable natural gas and is retarded by these controls.

Regards.

W. C. WILSON,
Mayor, Olney, Tex.

PAMPA, TEX., *May 23, 1955.*
Mayor ALEX M. CLARK,
Indianapolis, Ind.:

I understand you are to testify before the Fulbright committee on the gas bill which has to do with Federal control price of gas at the well. It is my understanding you are opposing Federal price control. I am located in a gas field in the Panhandle of Texas and the price of gas at the well, whatever it may be, will not affect the price to cities such as yours but very little, if any. I most certainly commend you for your stand against Federal control of price of gas at the well.

LYNN BOYD,
Mayor, City of Pampa.

REFUGIO, TEX., *May 21, 1955.*
Mayor ALEX M. CLARK,
Indianapolis, Ind.:

I commend your stand and authorize you to speak out forthrightly in favor of the Fulbright bill (to exempt gas producers from Federal control). It is always through hard work and personal sacrifice of some individual like yourself and others that American free enterprise is protected from encroachment by our Federal Government.

HENRY V. SHAW,
Mayor, Town of Refugio.

SAN ANTONIO, TEX., *May 23, 1955.*
Mayor ALEX M. CLARK,
Indianapolis, Ind.:

It is my considered judgment that Federal Power Commission regulation of independent-gas producers is wholly unnecessary and that it is not in the interest of consumers but will damage the industry, thereby reducing available supply of gas and increasing cost thereof to all concerned.

Best assurance of continued supply of economical fuel is protection of free-enterprise system. Therefore, I commend your stand on Fulbright bill and urge its vigorous support.

J. EDWIN KUYKENDALL,
Mayor, City of San Antonio, Tex.

SINTON, TEX., *May 23, 1955.*
Mayor ALEX M. CLARK,
Indianapolis, Ind.:

I agree with your stand on Senator Fulbright bill to exempt gas producers from Federal control. This telegram will be your authority to speak in my behalf.

D. O. MARTIN,
Mayor, City of Sinton, Tex.

SNYDER, TEX., *May 23, 1955.*
Mayor ALEX M. CLARK,
Indianapolis, Ind.:

My compliments your testimony behalf Senator Fulbright bill exempting gas producers from Federal control. This city center great oil-producing area and we feel Federal control independent producers gas both unfair and unjust. I will appreciate your continued support legislation correcting this deplorable condition.

MALVEN K. STEPHENSON,
Mayor of Snyder.

STAMFORD, TEX., *May 22, 1955.*
Mayor ALEX M. CLARK,
Mayor, Indianapolis, Ind.:

On behalf of the city of Stamford under the authority vested in me as mayor, I heartily endorse your testimony on behalf of the Senator Fulbright bill exempting gas producers from Federal control.

G. C. CAROTHERS, Sr.,

TAYLOR, TEX., *May 24, 1955.*
ALEX M. CLARK,
Mayor, Indianapolis:
(Via Washington, D. C.)

Congratulations on your position today in testifying on Fulbright bill. I am 100 percent behind you in testifying for free enterprise.

R. E. KOLLMAN,
Mayor, Taylor, Tex.

TEXARKANA, TEX., *May 24, 1955.*
Mayor ALEXANDER M. CLARK,
Indianapolis:

We wish to commend you on your stand in support of Senator FULBRIGHT'S bill to exempt gas producers from Federal control. We feel that this is a vital necessity for the

continuance of efforts to provide the country with necessary supplies of natural gas.

A. P. MILLER, Jr.,
Mayor, Texarkana, Tex.

TYLER, TEX., *May 21, 1955.*
Mayor ALEX M. CLARK,
Indianapolis:

Commend you on your stand reference Fulbright bill exempting gas producers from Federal control. Your work is appreciated by all who are fully acquainted with serious injury that will result to this industry if Federal control is forced upon us. This could be just the opening wedge.

ZEB J. SPRUIELL,
Mayor, City of Tyler, Tex.

WICHITA FALLS, TEX., *May 21, 1955.*
Mayor ALEX M. CLARK,
Indianapolis:

Understand you plan to testify during coming week in behalf Senator FULBRIGHT'S bill to exempt gas producers from Federal control. City of Wichita Falls strongly feels that Fulbright bill should be passed. You are to be commended for your stand. Hereby authorize use of this telegram if you so desire.

LLOYD THOMAS,
City of Wichita Falls, Tex.

REFUGIO, TEX., *May 21, 1955.*
Hon. ALEX M. CLARK,
Mayor of Indianapolis:

I wish to commend and encourage you on your decision to testify next week in behalf of Senator FULBRIGHT'S bill to exempt gas producers from Federal control. I serve as mayor of a town located in the heart of gas and oil production of the coastal bend area of Texas. It has been my personal observation, through close association with gas producers for the past 30 years, that the economy and lifeblood of this area is related to that of our gas and oil producers. Our farms, ranches, schools, churches, and our welfare, in general, is at stake in the measure of fair play that is extended our oil and gas producers in this vital question and decision. Your stand for the traditional rights of our American system of competitive enterprise has the encouragement of all south Texans who believe in and will fight for fair play.

CLARENCE S. BOONE,
Mayor of Woodsboro, Tex.

GREEN BAY, WIS., *May 23, 1955.*
Mayor ALEX CLARK,
City of Indianapolis, Ind.:

Understand you are to appear before Senate committee May 24 regarding Federal control of natural gas producers. I view this type of Federal control as opposed to the principle of free enterprise and wish you to know that I support your stand in this issue.

OTTO RACHALS,
Mayor, Green Bay, Wis.

TOMAH, WIS., *May 17, 1955.*
Mayor ALEX CLARK,
Indianapolis:

As mayor of Tomah I am opposed to regulation of producers of natural gas. Hope you can impress the importance of freedom from Federal control.

A. C. HARRIS.

EL PASO, TEX., *May 31, 1955.*
Hon. ALEX CLARK,
Mayor of Indianapolis, Ind.:

For your information we decline to join in opposition Harris-Fulbright measure and will appreciate your appearance in support of this measure.

TOM E. ROGERS, *Mayor.*

CANTON, OHIO, *June 1, 1955.*
Mayor ALEX M. CLARK,
Indianapolis:

Pleased to hear of your position on bill affecting natural-gas supply. Think everything possible should be done to insure adequate supply of gas at a fair price.

CARL F. WISE,
Mayor, Canton, Ohio.

SAN JOSE, CALIF., *May 31, 1955.*
Mayor ALEX CLARK,
City, Hall, Indianapolis:

Mayor and city council of city of San Jose are unalterably opposed to Federal control of price of natural gas as wellheads.

GEORGE A. STARBIRD, *Mayor.*

HOUSTON, TEX., *May 31, 1955.*
Hon. ALEX CLARK,
Mayor, Indianapolis, Ind.:

You are to be commended for your action in supporting the Fulbright bill which in effect would restore competition in production of gas and doubtless such competition is best way to assure consumers of long-range gas supply at reasonable prices. Defeat of such measure would violate all concepts of our free competitive system which has made our economy the most dynamic and productive in the history of mankind. As mayor of Houston I wish to join you in support of the Fulbright bill and will appreciate your so advising Senate Interstate and Foreign Commerce Committee.

ROY HOFHEINZ, *Mayor.*

SPOKANE, WASH., *May 31, 1955.*
Hon. ALEX CLARK,
Mayor of Indianapolis,
City Hall, Indianapolis:

As Mayor of Spokane, I strongly urge passage of Harris bill, H. R. 4560, in such form as will eliminate Federal regulation of natural gas. You are authorized to speak for me before Senate Commerce Committee to the foregoing effect.

ARTHUR MEETAN, *Mayor.*

BATON ROUGE, LA., *May 31, 1955.*
ALEX CLARK,
Mayor of City of Indianapolis,
City Hall, Indianapolis:

I use this means to personally congratulate you on your position concerning the Fulbright bill relieving the producers and gatherers of natural gas from Federal regulations. I have the same feeling as you do and you might inform the congressional committee of my feeling on the subject when you testify before them. Keep up the good work.

JESSE L. WEBB, Jr.,
Mayor, City of Baton Rouge.

AIKEN, S. C., *May 31, 1955.*
Mayor ALEX CLARK,
City Hall, Indianapolis:

I heartily agree with your stand regarding the Fulbright bill S. 1853. Also do not favor Federal price control on gas going into interstate commerce.

CHARLES M. JONES, *Mayor.*

PORT HURON, MICH., *June 1, 1955.*
Mayor ALEX M. CLARK,
Sheraton-Carlton Hotel,
Washington, D. C.

The Industrial Development Corporation and organization, whose membership comprises business and civic leaders of this area, offers its congratulations to you for your positive stand in favor of legislation to free natural-gas producers from Federal Power Commission controls. Please be assured of our intense support and interest in your endeavors in this regard.

THE INDUSTRIAL DEVELOPMENT CORP.

Mr. CLARK. I also received some today and since I arrived at the hotel yesterday evening.

The total number of wires received in support of natural-gas regulation includes 16 who formerly expressed their opinion to the Honorable Joseph Clark, Jr., of Philadelphia, plus 4 additional who changed their minds after their original wire to the mayor of Philadelphia, making a total of 123 to date, in my office.

I wish there were time for you to hear these men personally, for I know that each of these mayors could offer substantial evidence of the benefits that natural gas has brought to his city.

These men, too, are concerned about future supplies of gas for their communities. They know their people want natural gas, and they want to see nothing done that would jeopardize the future growth and development of their respective cities. I offer their messages for the record of this hearing.

These statements represent my earnest convictions in this issue. I most humbly and sincerely urge you gentlemen to do all in your power to seek support for and passage of the Fulbright bill.

If I may, sir, I should like to read 1 or 2 telegrams, and a letter I wrote to a Congressman who is on one of the commissions here to give you a background of how I happened to get into this matter.

I will start with the telegram of April 6 of this year, which reads as follows:

"Regarding proposed legislation to exempt natural-gas producers from Federal price regulation greatly concerned that urban consumer interests are not being sufficiently weighed and represented. We therefore ask your support in forming mayor's committee to oppose passage by Congress of H. R. 4360 and similar exemption bills. Time being short would appreciate early reply to following questions.

"1. Will you participate?

"2. Would you join in testifying against H. R. 4560, or authorize the undersigned as steering committee to arrange testimony and appropriate public releases?

"3. Would you attend informal meeting of interested mayors in Washington, 2 p. m., April 16, to plan further action? Please reply to Mayor Clark, Philadelphia.

"JOSEPH F. CLARK, Jr.,
"Mayor of Philadelphia.
"DAVID LAWRENCE,
"Mayor of Pittsburgh.
"ROBERT WAGNER,
"Mayor of New York."

There was added to the list as follows:

"Thomas D'Alesandro, Jr., Baltimore, Md.; W. Lee Mingledorff, Jr., Savannah, Ga.; Frank P. Zeidler, Milwaukee, Wis.; Anthony J. Celebrezze, Cleveland, Ohio; Frank X. Gryzan, Youngstown, Ohio; Fred L. Peterson, Portland, Oreg.; Richard C. Lee, New Haven, Conn.; Quigg Newton, Denver, Colo.; Ollie Czelusta, Toledo, Ohio; Joseph E. Dillon, St. Paul, Minn.; W. A. Gayle, Montgomery, Ala.; Leo P. Carlin, Newark, N. J.; George W. Welsh, city manager, Grand Rapids, Mich.; Ben West, Nashville, Tenn.; John B. Hynes, Boston, Mass.; Albert E. Cobo, Detroit, Mich.; Walter Reynolds, Providence, R. I.; George R. Dempster, Knoxville, Tenn.; John J. Foley, Cambridge, Mass.; H. H. Hendren, Sacramento, Calif.; Andrew Broaddus, Louisville, Ky.; Kristen Kristensen, Yonkers, N. Y.; Eric G. Hoyer, Minneapolis, Minn.; J. W. Morgan, Birmingham, Ala.; Leo Berg, Akron, Ohio; Arthur J. Gardner, Erie, Pa.; Raymond E. Snyder, Waterbury, Conn.; deLesseps S. Morrison, New Orleans, La.; Nicholas Sylvester LaCorte, Elizabeth, N. J.; Peter Mandich, Gary, Ind.; Raymond R. Tucker, St. Louis, Mo.; George E. Brunner, Camden, N. J.; Maynard E. Sensenbrenner, Columbus, Ohio; George D. Johnson, Duluth, Minn.; David L. Lawrence, Pittsburgh, Pa.; Robert F. Wagner, Jr., New York, N. Y.; Joseph S. Clark, Jr., Philadelphia, Pa."

Mr. CLARK. To that telegram, I gave this reply.

"Hon. JOSEPH CLARK,
"Mayor of Philadelphia, Pa.:
"In answer to your telegram of April 6 as mayor of Indianapolis, I am in favor of H. R. 4560, and therefore would not care to participate in meetings or opposing same.
"Mayor CLARK."

Mr. CLARK. It concerned me inasmuch as I was afraid if they did appear here it might appear to be a united effort of the United States Conference of Mayors, and because of that I wrote the following letter to Jerome K. Kuykendall, Chairman of the Federal Power Commission, Washingon, D. C.

"DEAR Mr. KUYKENDALL: Attached hereto is a copy of a telegram I sent to Mayor Joseph Clark in answer to a telegram from him asking me, as mayor of Indianapolis, to participate in opposing H. R. 4560, joining with him, Mayors David Lawrence, of Pittsburgh, and Robert Wagner, of New York.

"My reason for sending this is so that if opposition in the form of any mayors' committee or any American municipal association committee is voiced to you, you may be sure that this is not the unanimous feeling of this association.

"I am, also, sending a similar letter to Representative BEAMER."

I sent a letter to Hon. JOHN BEAMER, and the only difference is that I commented that I was sending a similar letter to Mr. Kuykendall; so I need not comment about that.

Senator PASTORE. Do you want it made a part of the record?

Mr. CLARK. I will leave copies with the committee.

Senator PASTORE. Thank you very much, Mayor.

Mr. WILEY. Mr, President, on tomorrow I shall be very happy to reply to what was said by the distinguished Senator from Indiana. I did not know that the distinguished Senator was so closely connected with the group, which of course is really servicing the gas interests but not the consuming public; there is no question about that. There is no question that the group which the former mayor of Indianapolis is heading or connected with is doing what he thinks is right.

I say that, upon evaluating the entire picture, it will be found that this is a battle for dollars—a battle on whether the common people of this country will pay billions of dollars more to the producing companies.

When certain organizations come out in favor of one particular angle of the controversy, and when some of us feel that the public interest is served by the other side, probably at times we may use a little language which some persons may not like. But there are many persons who should be charged with being "phonies," either because of their inaccurate evaluation of facts or because of their failure to see the light.

I have previously stated for the RECORD the fact that Wisconsin Legislature, the Governor of Wisconsin, the mayor of Milwaukee, and about 50 other mayors in my State, who are being serviced by natural gas, recognize the other side of the picture.

It is this: if the Natural Gas Act, which was enacted in 1938, is modified in the unsound way desired by the crowd which now is represented by a former Mayor of Indianapolis, if that act is modified in such a way that they can get what they say is the market value, they would place the gas at an exorbitant value, because they monopolize the control of a large percentage of the gas production in this country. Then, instead of paying a reasonable and fair price, my people know they will be "taken for a ride." If we permit the common people of the country to be "taken for a ride," perhaps some of us are "phonies."

Mr. CAPEHART. Mr. President, I do not care to get into a debate——

Mr. WILEY. Well, Mr. President, the Senator from Indiana started it.

Mr. CAPEHART. Mr. President, I do not care to get into a debate on the merits of the bill; but I did intend to state for the RECORD, as I now have, that it is inaccurate for a Senator to say on the floor of the Senate that a friend of mine, the mayor of Indianapolis, is a "phony."

Mr. WILEY. I understand that he is a former mayor.

Mr. CAPEHART. Yes.

The PRESIDING OFFICER. The Senator from Minnesota has the floor.

Mr. HUMPHREY. Mr. President, I had yielded to my distinguished colleagues for this pleasant exchange of views. [Laughter.]

Mr. CAPEHART. The Senator from Minnesota yielded 5 minutes to me, did he not?

Mr. HUMPHREY. Yes.

Mr. CAPEHART. Will the Senator yield an additional minute to me?

Mr. HUMPHREY. Yes, Mr. President; I yield 1 more minute to the Senator from Indiana.

The PRESIDING OFFICER. The Senator from Indiana is recognized.

Mr. CAPEHART. Mr. President, I do not care to get into a debate on this subject; but I cannot ignore a statement that a friend of mine, a former mayor of Indianapolis, is a "phony"; neither can I ignore a failure to recognize the fact that he represents approximately 350 mayors.

I have submitted for the RECORD a list of the names of those mayors, and also their telegrams to the former mayor of Indianapolis.

I do not know why it is necessary, if one has merit on his side of an issue—as the able Senator from Wisconsin thinks he has—to call those who are opposed to him "phonies." I have not heard anyone who favors the Fulbright bill call those on the other side "phonies." I do not know why it is necessary for one who believes that the merits of the issue are on his side—as the opponents of the pending bill feel is the case—to call the opposition "phonies," when there is no truth in the assertion that they are, because they are good, honorable men.

Mr. FULBRIGHT rose.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that at this time I may yield to the Senator from Arkansas [Mr. FULBRIGHT].

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I also ask unanimous consent that all these interruptions appear in the RECORD at the conclusion of my remarks today; I refer to any interruptions which may occur at any time today when I yield to other Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILEY. Mr. President, before the Senator from Minnesota yields to the Senator from Arkansas, will he yield to me for just a minute?

Mr. HUMPHREY. Yes, Mr. President; at this time I yield to the Senator from Wisconsin.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. WILEY. Mr. President, let it be clearly understood that tomorrow, after I have had time to examine the record, I shall request opportunity to reply.

I think the record will clearly show that what I said was, in substance, that the organization is a phony. During such a discussion, a man who has been using "phony" facts might be accused of himself being "phony." But I did not call any person a "phony." The letter speaks for itself. I stand by that letter. I have no reason to retract it.

I wish that my good friend from Indiana had taken the time to read my letter more closely. He would then note that I specifically stated that I was not—I repeat—not reflecting personally on any individual whatsoever, but only on the phony name of the organization.

Be that as it may, I did not begin the argument; but I expect to finish it.

Mr. CAPEHART. Mr. President, the Senator from Wisconsin began it by his speech on the floor of the Senate.

Mr. WILEY. No; I did not accuse the Senator from Indiana or anyone else of being a "phony," I said observers regard the organization as a "phony."

Mr. CAPEHART. Mr. President, no one can call a friend of mine a "phony" and get away with it.

Mr. WILEY. Mr. President, the Senator from Indiana has accentuated it to such an extent that now the whole of America will know that that man was called a "phony." If the Senator will read the letter I wrote, he will see how wrong he is.

Mr. CAPEHART. The able Senator from Wisconsin knows, and knew when he made the statement, that he was not being factual.

Mr. WILEY. Mr. President, I may call the Senator from Indiana to order for that remark.

AMENDMENT OF THE NATURAL GAS ACT, AS AMENDED

The Senate resumed the consideration of the bill (S. 1853) to amend the Natural Gas Act, as amended.

During the delivery of Mr. HUMPHREY'S address,

Mr. BARRETT. Mr. President, will the Senator yield to me?

Mr. HUMPHREY. Mr. President, as I stated earlier, I wish to accommodate my colleagues. At this time I should like to yield to our friend and colleague, the distinguished Senator from Wyoming, provided I may do so without losing my right to the floor.

The PRESIDING OFFICER. Without objection, the Senator may yield under those conditions.

Mr. BARRETT. Mr. President, I thank the Senator from Minnesota for

his kindness in yielding to me, and I request that my remarks appear in the RECORD at the conclusion of the speech of the Senator from Minnesota.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BARRETT. I rise today, Mr. President, to make a few brief observations on the Harris-Fulbright bill now before this body. I have no illusions that anything I will say will contribute to the fine theories of economics as expounded by the students who themselves do not agree. I never had the opportunity to take a course in economics at college, but in my business and professional career I learned some things through experience and, I may say, bitter experience at times, and, indeed, Mr. President, I daresay that if I had attended one of the better colleges of business administration and majored in economics, I am certain that I would be obliged to "unlearn" most, if not all, of the sound principles of economic law gained at college were I to adopt the doctrines expounded by some of the opponents of this legislation on and off the floor of the Senate.

During the course of my mature life I lived near a large oil and gas field and I learned a great deal about that risky business and I became well acquainted with that peculiar breed of hardy individuals who follow the so-called oil game. They are men of steel. They are men of courage. They can work day and night for years on a prospect, and, if the well proves to be dry, then they can take it with a smile and their unconquerable spirit leads them on to another dream. Whatever knowledge I have of the oil industry and of those men who make it click has been gained by living and working with those hardy souls for a long period of years. Nearly all of the old leaders in the oil business were graduates of the college of "hard knocks." They learned the hard way by trial and error. It has been well said that "the class colors of the school of experience are black and blue" and interesting, also, that "experience is a good school, but the fees are high."

I made those preliminary remarks, Mr. President, because most people think of Wyoming as a land of great distances and, in fact, they think of my State as the last stand of the old West. Livestock, indeed, is the basic industry of Wyoming. The cattle and the sheep that roam over our hills and valleys day in and day out gathering the grass are Nature's contribution to the economy of our country in the form of a free labor force. Those rugged individuals engaged in the livestock business think clear and straight. Everything they own has been gained by working with their own hands with the soil. They live close to the land. They travel over the prairies by the hour without meeting a soul, so, they have time to think. They know that Wyoming is blessed with an abundance of natural resources. They know that there are coal deposits under every county in our State. They know that we have more coal than all of Europe. They know that we are one of the larger producers, if not the largest producer, of bentonite. They know that we produce great quantities of uranium, sulfur, phosphate, and countless other minerals, and they know that Wyoming is the sixth State in the Union in the production of oil. They are deeply concerned with this problem for after all their prosperity depends upon the soil and the things it yields. They see in this effort to force Federal utility controls on the natural-gas producers a threat to their own independence. It is only a step, after all, from direct Federal control of one product of the earth to others, and they, themselves, are not anxious to be made subject to the dictates of Federal bureaucracy. Their serious concern over this problem has been adequately expressed in resolutions which their various organizations have submitted to the Congress. Only last week the President of the American Farm Bureau Federation, speaking for that great national organization, pointed out that—

> A free market in competitive conditions is the most effective guaranty of continuing an adequate supply and the best assurance that the interests of producers will be protected.

Wyoming is not a highly industrialized State. What prosperity we have in Wyoming depends upon things from the soil, including our great mineral resources of natural gas and oil. While we have been producing natural gas and oil since 1894, we feel that we in Wyoming are just beginning to realize our full potential. There is strong geological evidence that many new fields of oil and gas will be found and developed in Wyoming, and we are anxious that nothing will be done that will impede the development of these great and vital natural resources. In short, we want to do everything possible to become more industrialized and to do everything possible to stimulate the search for and production of natural gas. The growth of the oil and gas industry in Wyoming has been so phenomenal since World War II that it has become one of the most important economic factors in the State. The industry represents about 30 percent of the assessed valuation of the State and thus becomes the largest single source for tax money available to the people of Wyoming.

We are presently opening up one of the largest gas fields ever discovered in this country in the big piney area of my State. It appears now that the field may well cover over 100,000 acres. One of the wells in that area was drilled to a depth of over 20,000 feet a couple of years ago. At the time it was the deepest well in America. It cost a million and a half to go down nearly 4 miles into the bowels of the earth in an effort to discover this precious yet elusive mineral. It was a failure. In the 10 years between 1934 and 1945 natural gas production in my State increased from 30 to 40 billion cubic feet per year. That amount of production, while small compared to that of the larger producing States, represents considerable production for a State like Wyoming with its sparse population. However, from 1945 through 1954, natural gas production more than doubled and in 1955 it is estimated that over 91 billion cubic feet of natural gas were produced. Our production is increasing almost daily by leaps and bounds. Fortunately this new field, which we think will eventually prove comparable to the great gas producing fields of Texas, lies directly in the pathway of the big gas line currently being built from the Southwest to the great Northwest.

Wyoming is sparsely populated in comparison to most of the other 47 States. Almost every community in the State is now served by a natural gas utilities company. Any market expansion in the future must be to areas outside the boundaries of Wyoming. With each succeeding year a greater percentage of Wyoming natural gas production must be placed in interstate commerce if the industry is to continue to develop in our State. It is important to the areas of the great Northwest that new sources of natural gas are produced so that they, too, may enjoy the benefits of his highly desirable natural resource. It is important to all sections of the United States, with or without natural gas service, that greater quantities of this natural resource are made available not only for greater consumption demands in established markets, but also in prospective markets in areas not now served with gas.

Wyoming, with its 62,403,480 acres, is one of the largest States in the Union. In exceeds in size the whole of England, Scotland, and Wales combined. The United States owns the oil and other minerals under 44 million of Wyoming's 62 million acres. It owns both the minerals and the surface of 32,055,721 acres of our lands which constitutes over 51 percent of Wyoming's vast area. In truth, more than 70 percent of our State is actually Wyoming territory; and, judged by the standards of its older sister States, Wyoming is but a trifle over a quarter-State. We have within our borders an area of land larger than the entire State of New York which is not Wyoming at all. In truth and in fact, Wyoming is less than half a State. It is true, Mr. President, that Wyoming does receive three-eighths of the royalty accruing on these Federal lands for the benefit of our public schools and university and for the construction of public roads, but I assert, Mr. President, that the income from the minerals produced from the soil of Wyoming belongs to the people of Wyoming. The income from those minerals is divided 37½ percent to the State where the mineral is produced, 10 percent to the Treasury of the United States, and 52½ percent to the reclamation fund for the benefit of the Western States—by no means to all of the States. There are some who contend that the income from the public lands in Wyoming, mainly through oil royalties, is not a large amount. Let me disabuse them by stating that to date the total income is over $200 million. To be precise, it is exactly $206,926,955.80.

The time will come when this great resource will be exhausted and nothing but a shell will remain. It seems to me that those most concerned with the inequity inherent in this situation are the children of our State, now of tender years. After all, many of them will live to see much of our minerals extracted from the soil of our State, and they will not like

it when they learn that Wyoming has not benefited from these blessings in the degree to which it is justly entitled.

In addition to this tremendous body of Federal lands the State of Wyoming like every other State in the Union was granted certain sections of the public domain as school lands and additional acreage was granted to the State for the support and maintenance of other public institutions, such as the University of Wyoming. Oil and gas have been discovered on much of this State land and the income accruing therefrom is placed in a permanent fund and the interest thereon being used from year to year for the support of our public school system. Thus we in Wyoming have real reason to be concerned over the future of the natural gas and oil industry if this legislation is not passed. But aside from our own immediate concern, it is our firm conviction that failure to pass this legislation will in the long run be harmful to the very consumers that all of us are so anxious to protect. The supporters of the bill are just as concerned about the consumers as are the Senators who are opposing the bill.

The development of new sources of oil and gas is strangely both a very highly competitive and, at the same time, a very risky undertaking. In years past we have been fortunate that we have had an abundance of oil and natural gas with which to meet peace and wartime needs. However, with the ever increasing demands being made upon our reserves of these resources by the public, the bountiful years are rapidly coming to an end. The search for new sources must go on without interruption or interference. It is going to be necessarily a very intensive program. Likewise, it will be very costly and at a much greater risk to investment capital. Exploratory drilling for both oil and gas is becoming deeper and more difficult. Scientists believe that most of the shallow reservoirs have been located. Additional sources must be found at greater depths. The deeper a well goes, the higher the cost and the greater the risk involved. I can remember the time when drilling a well to 3,200 feet was considered drilling a deep well. Today a well must go down ten or fifteen thousand feet before anyone in the industry considers it a deep well. Some wells exceed even that depth. It only stands to reason that the greater the risk involved, the less willing investment capital is to take the chance. One of the basic concepts of our American economy is the right of an individual, or a group of individuals for that matter, to earn a profit. The profit incentive has been largely responsible for the high standard of living that we enjoy in this country. Without the profit incentive, one of the basic concepts of our free economy is nonexistent. This concept is even a part of the social and moral fiber of the human being so aptly stated in the Bible as "As ye sow, so shall ye reap." A man investing capital in a business with an extremely high risk factor is entitled to a correspondingly greater assurance that if the venture is successful he will receive a greater profit.

Federal regulation of the price of natural gas at the wellhead is in direct contradiction to our principles of free enterprise; free and open competition is an economic principle that brings to the greatest number of people, the best product at the lowest cost.

Whether the opponents of this legislation will admit it or not, the independent producers of natural gas are justified in their fear of being subjected to Federal utility controls. It may seem strange to our colleagues on the opposite side, but that is the case. And as the minority report of the Senate committee pointed out, "the Natural Gas Act does not compel a producer to sell his production in interstate commerce." Nothing in the laws of our Nation can force a producer of any commodity to sell his goods in a market he does not wish to enter, short of sheer confiscation.

If this bill is defeated, the supply of natural gas will dwindle away in the Eastern and Northern States. All history seems to point in that direction. We have learned from experience that only in a free-market economy can you depend upon supply to equal demand. We learned from bitter experience with OPA how ineffective Government price fixing can become, and the disastrous results following therefrom.

One-third of the natural gas sold in this country is produced along with oil out of the same wells. By no stretch of the imagination can you control the price of the gas without, at the same time, eventually controlling the price of the oil. Natural gas is now used in 25 million homes in this country, and the extensive use of gas has come about mostly in the last 25 years. It is significant, Mr. President, that the average price of gas in the producing fields of this country during those 25 years has gone up from 8.9 cents to 10.1 cents per thousand cubic feet. It is true that in some cases it is less and in some cases more, but that is the average. The prices have not kept pace with the other increases in the cost of living. If anyone doubts for a moment that there is not intense competition in the oil and gas business, all he need do is to observe the filling stations of the competing companies in block after block in every city, town, and hamlet of America.

Furthermore, Mr. President, there are over 8,000 independent producers presently risking their capital day after day in search for gas for sale to pipeline companies. In some cases, there are from two to three hundred competitors trading for the business in a single pipeline. In 1938 Congress enacted the Natural Gas Act. I have examined the debates that took place at that time. I have read the reports of the House and the Senate committees, and I think it is abundantly clear that the Members of the other body and the Members of the Senate clearly intended precisely as the language of that act indicate; that it should not apply to the production and gathering of natural gas. For nearly 16 years the gas industry proceeded on the theory that the law meant exactly what it said and that the people of this country would be best served if the producers and gatherers of natural gas operated in a free competitive market.

The Congress charged the Federal Power Commission with the administration of the act. Its representatives had the opportunity to sit in on the committee hearings when the bill was written. It had the opportunity to make a report on the bill. If any group of men in this country should know what the Congress intended by that legislation, certainly the members of the Federal Power Commission is it. The members of the Federal Power Commission had the opportunity to talk to the men instrumental in writing the legislation of 1938 and I may say, Mr. President, that I have had that opportunity also. The Power Commission itself, on 11 separate occasions, had said that its own interpretation of the act did not give it the power to regulate the independent producer or gatherer. This was true for 16 years following the passage of the act, and it continued to be Commission policy even though during that period the membership of the Commission changed. I am not at all surprised that the Federal Power Commission took the position that it did not have jurisdiction over the production and gathering of natural gas under the 1938 act.

It should be pointed out here, Mr. President, that the responsibility for writing legislation belongs with the Congress and not with the Supreme Court. It never was intended that the Supreme Court should be a legislature. It is strange indeed that after the law had been on the books for 16 years the Supreme Court by a 5 to 3 decision saw fit to hold that the Federal Government had the power to control prices charged by independent gas producers. To my way of thinking the Supreme Court decision in the Phillips case was contrary to the clear intent of Congress.

If it should be the desire of Congress to change its policy, then this should be done by legislation enacted in Congress, and not by a divided opinion of the Supreme Court. In speaking of the regulation of independent producers, Mr. Justice Douglas, in his dissenting opinion in the Phillips case, said:

> The history and language of the act are against it. If that ground is to be taken, the battle should be won in Congress, not here.

When the Court's decisions result in interpretations of the law that are contrary to the will of Congress, it then becomes the clear duty of Congress to write new legislation that will make its wishes clear and well defined. This has happened many times in the past, and I am sure it will happen many times in the future. We are presently confronted with a situation which has precisely those characteristics.

Thus the Congress has a most pressing duty to act. The House has already taken its stand on this important matter. It is squarely up to the Senate now to enact this legislation and to accomplish thereby three things:

First. To restate and reaffirm its original intent as expressed in the 1938 Natural Gas Act;

Second. To establish clearly its policy with respect to our competitive enterprise system; and

Third. To protect both the civilian economy and the national security by creating an atmosphere that will assure adequate future supplies of both natural gas and petroleum.

To my way of thinking, Mr. President, one thing is certain: if we defeat this bill, there will be less gas at higher prices. As we consider this legislation we are fortunate that we have the benefit of a detailed study of this problem by a Cabinet committee made up of some of the highest officials in the executive branch of the Government. These gentlemen reviewed this problem in considerable detail, as part of the committee's overall study of energy supplies and resources policy. The committee's conclusion was that for the national interest, the steps proposed in this legislation should be taken. The production and gathering of natural gas should not be under the direct control of the Federal Government.

It is not often that Congress has such valuable advice and guidance to which to refer in enacting legislation. It should be clearly evident that the Cabinet committee had the welfare of the Nation as a whole in mind as it prepared its report. Its recommendations were made only after long and careful study and deliberation over all the factors involved. The recommendations are based on the considered judgment of some of the most capable men in the country—men whose concern involves not only the civilian economy but the national security as well.

The Federal Power Commission has endorsed this legislation. I commend the committees of both bodies for providing protection for the consumers in simple terms in the proposed legislation. These protections—

First. Limit to the "reasonable market price," as determined by the Federal Power Commission under practical guides, the amounts interstate pipelines can pass on to consumers for gas purchased under new or even under renegotiated contracts.

Second. Place the same limitations on amounts pipelines may pay and producers may collect under various types of price adjustment provisions in existing contracts.

Third. Provide that producers must continue delivering gas even if these measures keep them from receiving their contract prices.

Fourth. Require the FPC to consider, in advance, whether the producers' price is the "reasonable market price" when considering a pipeline company's application for approval for expansion of interstate pipeline service.

The facts developed at the committee hearings on this legislation have proven that the producer gets less than 10 percent of the consumer dollar spent for natural gas. Out of that must come the expense involved in bringing the natural gas to the surface. In consideration of the risk involved his profit is indeed small.

To my way of thinking, Mr. President, we can do no less than carry out the recommendations of this committee, and in so doing, make it clear for all time that we have faith in the competitive economy of our country as the best provider of goods and services for the American people. Our traditional private enterprise system has served us well throughout our history. Other nations have tried systems whereby control of natural resources was vested in the national government, and the results are clearly evident for all to behold. Let us not make the same mistake.

I sincerely believe that the passage of this proposed legislation will result in the greatest good for the American people. I urge the Senate to adopt it.

LONG-TERM FOREIGN AID

Mr. HENNINGS. Mr. President, I rise to make a brief speech on long-term foreign aid commitments. The President of the United States in his state of the Union message asked the Congress to enact legislation permitting long-range planning in our foreign-aid programs. He asked the Congress to grant the Executive a limited authority to make commitments to some of the underdeveloped countries, now the primary targets for Russian Communist aggression, which will involve expenditure of money by this country for a considerable number of years.

Yesterday at his press conference, the President indicated that he was still very anxious to get the approval of Congress for long-range planning in foreign aid and, in effect, renewed his request for our approval.

Many thoughtful people, including some very distinguished Members of this body, have questioned the advisability of long-range commitments in foreign aid and have suggested that the Congress proceed with caution in authorizing such programs. I have great respect for their opinion.

Foreign aid is a complicated matter and if not skillfully handled can result in great injury to our domestic economy and to our own people here at home. There are equities and special considerations that must be weighed against each other to achieve a well-balanced policy. For instance, in my own State of Missouri, the cottongrowers may well be affected adversely by the construction of the Aswan Dam in Egypt, which would permit the growth of 2 million acres of cotton under irrigated conditions. This cotton will, on the completion of the dam, in time, be in direct competition in the world market with that grown here. Many other examples such as this could well be cited.

By making long-range authorizations, however, the Congress does not lose control of the situation. I think that should be emphasized and reemphasized. The Congress, through its power over annual appropriations for all foreign-aid programs, may and will carefully scrutinize the progress of such programs, and if the Congress finds any project not being properly carried out, or because of a changing world situation, no longer in the national interest, the Congress may cut off the money immediately. The long-range planning of this country's struggle against Communist aggression, and the long-range conduct of that struggle are, in my opinion, matters of such tremendous concern to everyone in the free world and to every American as to override all considerations of any partisan political advantage.

I favor the granting of that request of the President. I not only favor the granting of it, but I hope the President and his advisers and that fraction of the Republican Party Members of Congress who are willing to follow this sound public policy will stand firm against any attempts to compromise on it, or water it down, or permit it to be defeated because of a temporary squall that is blowing over political seas in this blessed year of our national election.

I think there will be much more support from Democrats in both Houses of the Congress than recent events would indicate and in this connection I want to congratulate the 17 House Democrats for their statesmanship in announcing their support of the general aims of the President and I wish to associate myself with their position.

It would be unfortunate indeed if remarks or interviews by the Secretary of State, which have beyond doubt been, to say the least, tactless, should impair the strength of a truly bipartisan foreign policy in defense of the interests of the free world, particularly in those areas of Asia and the Middle East which now are most gravely threatened by Communist intrigue and infiltration. I would like to point out to some of my Democratic colleagues, if I may not be considered presumptious by so doing, who have perhaps been overly impressed by some shortcomings in our foreign aid program, that the long-range planning of it was inherent in the Marshall plan, in the establishment of the original Economic Cooperation Agency, and in other Democratic efforts to save this war-battered world of ours from Communist capture and control.

I know it may annoy some of my fellow Democrats when the President and Mr. Dulles speak of the need of this country to "wake up to the need of long-term planning." If some trifling advantage to their party can be gained by stealing the shirt of Democratic foreign policy and claiming it as their own, let us Democrats not be too outraged—in view of the country's need to carry on this struggle against communism on an economic front for as long as may be necessary. We have no alternative that I can see.

Also, there have been suggestions that the Republican administration in order to gain petty political advantage in its claim about balancing the budget has manipulated foreign aid authorizations and expenditures, thereby letting the foreign aid pipeline run low. I believe there has been some substance to such claims. Not being a member of the Foreign Relations Committee I am not sufficiently familiar with the details of the foreign aid programs to speak with authority on this particular point. If the charge is true the country should be told the facts and I leave that task to those of my colleagues who are in position to know the details. For my part, I merely say

to Senators on this side of the aisle that even if the charge is true, we should in considering the President's request for limited authority to make long-range commitments, nonetheless rise above it and rescue the country from the partisan shortsightedness of the President's administration.

Everyone familiar with Soviet aims and tactics knows the struggle is to be a long one, and will require the utmost flexibility in our foreign policy to meet whatever challenges may arise. Our enemies plan for years and sometimes generations ahead, and if we fail to do so we hand them an advantage in a struggle we know will tax all our own best efforts, and those of other nations in the Western World.

We should congratulate ourselves, I really believe, that the struggle for the next little while, at least, appears to be one waged in the economic field instead of by armed conflict in full-scale wars.

It may, indeed, be true, as General Ridgway is telling the Nation today, that our military strength is not what it might be, because of political considerations. But all the world knows our economic strength is far greater than that of any adversary. All that we need in any conflict within the economic field is the ability to plan the use of our natural resources, combined with the initiative and scientific skills of our people, over a long-term period. It is for a limited and reasonable authority to do this that President Eisenhower is asking, I hope sincerely his request will be granted.

In this connection, I call attention to the great surpluses of agricultural products which now glut the Nation's warehouses. Their existence depresses our whole farm economy, so that we are forced to artificial price supports to assure our farmers of an adequate parity for their produce, as compared with the goods they must buy. One way in which I think we may help hungry millions of people in the underdeveloped countries against that despair which turns ignorant people toward communism is the wise use of our agricultural surpluses of cotton, wheat, corn, and other products for which the Government is spending millions of dollars each year to store in warehouses. Our enemies have no such surplus. I do not speak of buying either allies or friends. We all know that no one can buy allies or friends. I urge that our surplus commodities be used in a partial effort to feed and clothe the impoverished millions in Europe, Africa, and Asia, not only to aid these desperately needy people, in itself a proposition of great merit, but to aid ourselves as a Nation whose economy is presently endangered by the glut of agricultural surpluses.

In connection with my remarks in support of the President's request for long-range planning in foreign aid and in favor of continuation of bipartisan foreign policy, I ask unanimous consent to have printed at this point in the RECORD an editorial entitled "On Planning Ahead," published in the Washington Post and Times Herald of January 24, 1956; an editorial entitled "Eight Years of Foreign Aid," published in the New York Times of January 23, 1956; an editorial entitled "For Restraint—On Both Sides," published in the St. Louis Post Dispatch of January 23, 1956; and an article entitled "Unique and Inimitable," written by Walter Lippmann, and published in the Washington Post and Times Herald of January 26, 1956.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post and Times Herald of January 24, 1956]

ON PLANNING AHEAD

It is unfortunate that Secretary Dulles' dance on the diplomatic brink has influenced the discussion of long-term foreign-aid commitments. Reverberations over the magazine article about Mr. Dulles continue to demonstrate the baneful effects of the indiscretion, more because of the bald and smug overstatement than because of disagreement with the basic doctrine of deterrence of aggression. A return to perspective is not much helped by the assumption on the part of some of Mr. Dulles' champions that it was perfectly all right to release a campaign document which, incidentally, scared the free world, but that it is dastardly politics to question the wisdom and propriety of this sort of performance by the Secretary of State.

Be this as it may, the country simply cannot afford to let the discussion of its long-term interests in foreign affairs be diverted by massive retaliation against Mr. Dulles. Especially for that reason, the courageous statement of 17 Democratic Members of the House of Representatives in support of the principle of advance commitment of certain foreign-aid funds is noteworthy and commendable. America's interest in economic aid as an instrument of free world policy goes far beyond partisan politics; and the Democrats' own record in supporting such aid against right-wing Republican opposition is creditable.

Critics can point to a good many instances in which narrowminded actions within the Republican administration have worked against the very principles it is now promoting. Chalmers Roberts' story in this newspaper Sunday about how Burma was rebuffed last summer when it sought to pay for American technical aid with surplus rice pointed to incredible shortsightedness. It is in just this sort of problem—the adaptation of techniques to suit the needs of individual countries such as Burma—that the Soviet Union has scored such a propaganda success.

Administration mistakes quite apart, however, the new Russian campaign designed to neutralize large areas of the free world faces this country with an immediate challenge. Obviously, even so strong a capitalist economy as ours could not stand the cost of attempting to counter every Machiavellian maneuver of the Soviet masters. They are free to promise without regard to public opinion at home or the needs of their own people. If we are to meet the challenge we need to place our emphasis, not on efforts to outbid the Russians frontally, but on skillful application of flexible and selective techniques.

Beyond the grant and loan type of aid, we probably ought to devise means of absorbing the surpluses of the countries we are trying to help, either through preclusive buying or a sort of brokerage system. But long-range commitment authority, although it is by no means the whole answer, is indispensable to a flexible approach. We ought to be in a position to encourage countries we are trying to help to plan ahead on specific projects of open economic benefit, such as dams and roads, with the assurance that they can be carried through.

The fact that one Congress cannot bind another need not prejudice this kind of flexibility if legislators will adapt the military aid contract authorization formula to the economic aid program. New appropriations would always be subject to congressional check. Economic warfare of the sort now forced upon us requires broad advance planning of the sort that would be impossible on a year-to-year basis. The economic challenge will remain long after the 1956 campaign and Mr. Dulles' boasts have been forgotten; and this is the point that both the administration and Congress need to keep in mind.

[From the New York Times of January 23, 1956]

EIGHT YEARS OF FOREIGN AID

Since 1948 the Federal Government has spent more than $50 billions on various kinds of foreign aid. With the single exception of 1920, when we were still liquidating current expenses of the first World War, this average of more than $6 billions a year is greater than the entire Federal budget for any peacetime 12 months prior to 1934. Even though foreign aid is now planted in the middle of a budget currently calculated at just under $66 billions, the arithmetic of foreign aid—past, cumulative, present, and proposed—takes a person's breath away.

If Congress had been asked 8 years ago to sanction the entire $50 billions in advance the answer would have been "No." Congress did sanction the Marshall plan, which was expected to last 4 years and cost about $17 billions. Each year, however, there was a big argument over foreign-aid authorizations and expenditures.

Today, as Senate Majority Leader GEORGE goes to the White House to talk with the President, a new question about foreign aid comes up. We all know it has to be continued. Shall we frankly face this fact and plan, as good businessmen do, for a few years ahead? Or shall be dole out economic and military aid a year at a time and a dollar at a time? The first course is the more effective and economical. The second course preserves freedom of action—assuming there is any such thing in these days of a hard-hitting destiny.

What foreign aid has accomplished is indicated in a survey published today in this newspaper. Western Europe is economically, if not politically, out of the woods. In the Near East and Far East new problems have come up, military and economic.

On this showing Congress and the administration could not write a 10-year or 5-year foreign-aid program in precise figures. The figures will vary—and, we hope, diminish. But the principle of aid to keep and develop freedom is as important and may be as long-lived as the Monroe Doctrine itself.

[From the St. Louis Post-Dispatch of January 23, 1956]

FOR RESTRAINT—ON BOTH SIDES

President Eisenhower and Senator GEORGE, during their conference on foreign aid, may also discuss means of keeping the controversy over Secretary Dulles within bounds. If so, it will be generally welcomed.

The Democratic attack upon Mr. Dulles' "brink of war" declarations has been fierce. In some cases it has been confused and extravagant. But Secretary Dulles could only expect partisan excess when he indulged in so much of it himself. Any appeal for patriotic restraint in discussion of foreign policy should be addressed to him as well as to his critics.

Certainly the President would be wise to take all possible steps to prevent the controversy from injuring the Nation's vital interests in foreign policy. Senator SPARKMAN, for example, does the Nation and the cause of peace no good when he attacks Mr. Dulles on the implied ground that the United States should have intervened in Indochina.

It would have been folly of the first magnitude to use American troops unilaterally to

crush a native Indochinese revolution. The case against Mr. Dulles is not that he failed to go through with such intervention, but that he tried to do so—and then, having fortunately failed, painted his failure as a triumph of statesmanship.

One difficulty in establishing a truly bipartisan approach to foreign policy is rooted in human nature. When it is a matter of taking credit, foreign policy tends to get quite partisan, but when it is a matter of taking blame, those in charge of it develop a sudden fondness for sharing responsibility. This holds whether Democrats or Republicans are in charge.

Also it is a fact that this administration has taken fewer members of the opposition into high posts than its predecessors. For example, Representative SIDNEY R. YATES, of Chicago, reports in his current newsletter that Mr. Dulles last summer recommended that the President appoint Benjamin V. Cohen a member of the United Nations delegation. The appointment was offered, and Mr. Cohen accepted with the blessing of the Democratic congressional leaders. But then, says Congressman YATES, Presidential Assistant Sherman Adams, apparently bothered by Republican reactions to the appointment, begged Mr. Cohen to withdraw his acceptance. And so ended another small move toward bipartisanship.

Despite all the difficulties, however, foreign policy ought to be lifted from the arena of bitter partisan dispute, and realistic efforts to do so must always be welcomed.

[From the Washington Post and Times Herald of January 26, 1956]

UNIQUE AND INIMITABLE

(By Walter Lippmann)

The statistical notes which come with the President's Economic Report are eloquent about the success of the American economy since the end of World War II. They show that in the 10 years, 1946–55, while our population rose by 24 million persons, the gross national product—measured in present buying power—rose by over a hundred billion dollars, and the money spent in personal consumption rose by 60 billions. In spite of the first demobilization, the Korean war, and rearmament, the people's standard of living has risen much and steadily. The President's economic advisers are well justified in saying that in these 10 years the American economy has "met severe tests with considerable success," has been able to expand and yet to maintain full employment without severe ups and downs.

The report has, however, nothing to say about the severe test that has now begun—that of competition with the Soviet Union. The President's economic advisers are, judging by the report, thinking inside the framework of the thirties and forties. That is to say, they are concerned with the overriding problem posed by the great depression of 1929, which is whether a free economy can expand and protect itself against the violence of the business cycle. The Council of Economic Advisers was created by the Employment Act of 1946, and the act was passed in order to apply the lessons learned, fundamentally from the teachings of John Maynard Keynes, about the great depression. It is appropriate enough, therefore, that the economic advisers should have much to say about our success in carrying out the directives of this act.

But someone at the highest level of the Government, and why not the Council of Economic Advisers, should be examining the new test of Soviet competition. For it is certain to dominate much of the world's affairs in the years to come. This test was not foreseen, was perhaps not even foreseeable, in 1946 when the Soviet economy was still small and greatly damaged by the war. The challenge of Soviet competition has, in fact, come suddenly up over the horizon in the past six months.

What is it that is going to be tested? It is whether the Soviet Union is to become the model and is to be the principal guide and supplier in the industrial development of the old, densely populated and underdeveloped countries of Asia and North Africa. Another way to put the question is to ask ourselves whether the fabulous success of our economy is something that can be imitated in let us say Morocco, Egypt, India, and Indonesia or whether the American economy is something unique—the product of our unique geographical position and of our special history.

If the American economy is unique, then if we are to compete with the Soviet Union in the underdeveloped countries, we shall have to invent methods which are applicable to their economies, though they are not applicable to our own.

The crucial problem is how the capital needed for development is to be obtained. In our own formative period in the 19th century, we received capital on loan from private investors in Europe. In the formative period of the Soviet economy capital has been built up by the forced savings of the Russian people, a process which has meant the fierce compulsions and regimentation of the Soviet state. The question in non-Communist Asia and Africa is at the bottom this: assuming, as one must, that private investment on the early American model will not be forthcoming on an adequate scale, nor acceptable for political reasons if it were forthcoming, is there any third way that can be taken?

This, I believe, is the question to which we shall have to find the answer. There is no use telling the Asians to imitate the United States. We shall have at the outset to accept the fact that in these old, crowded, politically primitive countries, the initiative in the industrial development has to be taken by the Government, that it cannot be expected to come from native private enterprise. We shall have to recognize, too, that unless these countries are to follow the Russian method of forced industrialization, they will have to get a considerable part of their initial capital from the outer world, and as a matter of fact, from the governments in the outer world.

What is more, unattractive as it must sound in Congress, these underdeveloped countries will have to get more capital if they are turned to the west than if they turn to Moscow. For Moscow is a standing example of how to industrialize by forced savings at home and without foreign aid. So if the western aid is so meager that there is little visible progress in raising the standard of life, the temptation to copy Moscow is bound to become very strong. For development with freedom, though ever so much better than development with coercion, is a slower and a more expensive method.

Next year's report will, we may safely predict, have much to say about these matters on which the present report is silent. For we are drawn into a contest from which we cannot run away, a contest fought with weapons with which we are unfamiliar. It is a contest which the President and his advisers did not foresee when they went to Geneva last summer. It is a contest about which they have said almost nothing to enlighten our people, perhaps because it is a contest about which they, like the rest of us, have just begun to think.

The PRESIDING OFFICER (Mr. SALTONSTALL in the chair). Will the Senator yield and permit the present occupant of the chair to ask a question?

Mr. HENNINGS. I am delighted to do so.

The PRESIDING OFFICER. The Chair has listened to the Senator's remarks with interest. Does not the Senator from Missouri agree that regardless of the length of time for which a loan or a grant may be made, or regardless of the amount involved, it is the feeling of confidence which we give to the peoples of the other countries that we are their friends and will not desert them, which is the important factor?

Mr. HENNINGS. I may say to the distinguished occupant of the chair, the senior Senator from Massachusetts, that that indeed is one very important, indispensable, integral part of the entire program of economic aid.

I know that during the past summer my distinguished colleague from Massachusetts made a rather extensive tour of some of the areas about which we are speaking, and I am certain he made a painstaking effort to ascertain conditions. The people of the areas we have in mind need development. They need to be taught something of our technology. They need, under the point 4 program, to be given more understanding of ways in which to help themselves.

I think also, Mr. President, that when we talk about the surpluses of food and fiber which we have in storage, it certainly would be less than Christian for us to hold these vast surpluses in our own warehouses when there are people elsewhere in the world who need food and clothing and are suffering from the lack of it.

I thank the distinguished occupant of the chair for further developing the point I was undertaking to make.

ORDER OF BUSINESS

Mr. CLEMENTS. Mr. President, I realize that a very limited number of Senators are now on the floor. However, I feel certain that those who are not here are so ably and sufficiently represented by Senators who are present that if there were to be an objection to the unanimous-consent request I am about to make, it would be made in their behalf.

I ask unanimous consent that when the morning business has been concluded tomorrow, the Senator from New York [Mr. LEHMAN] may have the floor, with the understanding that early in his remarks he will yield to the Senator from Maine [Mr. PAYNE] for such remarks as the Senator from Maine may desire to make, which, I am advised, could be covered by the observation that he will use a reasonable length of time.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request proposed by the Senator from Kentucky? The Chair hears none, and it is so ordered.

RECESS

Mr. CLEMENTS. Mr. President, I now move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 58 minutes p. m.) the Senate took a recess until tomorrow, Friday, January 27, 1956, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate January 26 (legislative day of January 16), 1956:

UNITED STATES DISTRICT JUDGE

Richard H. Levet, of New York, to be United States district judge for the southern district of New York, vice John C. Knox, retired.

UNITED STATES ATTORNEY

Oliver Gasch, of the District of Columbia, to be United States attorney for the District of Columbia for a term of 4 years, vice Leo A. Rover, elevated.

CONFIRMATIONS

Executive nominations confirmed by the Senate January 26 (legislative day of January 16) 1956:

DEPARTMENT OF COMMERCE

Frederick Henry Mueller, of Michigan, to be an Assistant Secretary of Commerce.

Harold Chadick McClellan, of California, to be an Assistant Secretary of Commerce.

INTERSTATE COMMERCE COMMISSION

Robert W. Minor, of Ohio, to be an Interstate Commerce Commissioner for the remainder of the term expiring December 31, 1958.

Rupert L. Murphy, of Georgia, to be an Interstate Commerce Commissioner for the remainder of the term expiring December 31, 1957.

NATIONAL MEDIATION BOARD

Francis A. O'Neill, Jr., of New York, to be a member of the National Mediation Board, for the term expiring February 1, 1959.

PUBLIC HEALTH SERVICE

The following persons for appointment in the Regular Corps of the Public Health Service:

APPOINTMENT, EFFECTIVE DATE OF ACCEPTANCE

To be senior surgeons

John C. Hume
Emanuel E. Mandell

To be senior assistant surgeons

Joseph H. Davis	Henry V. Belcher
Carl S. Shultz	Donald A. Carlyle
Robert B. Mellins	Frederick Stohlman, Jr
Arnold S. Morel	Roy J. Thurn
Jack Richard	John E. Sonneland
Preston L. Leslie, Jr.	Edward B. Cross
James H. McGee	Warren P. Jurgensen
Hildegard M. Leslie	

To be assistant surgeons

Neely E. Pardee	John G. Mahaney
Gordon S. Siegel	Ted L. Flickinger
John S. Murray, Jr.	Donald J. Murray
Gabriel M. Mulcahy	James T. Worlton, Jr.
Ralph J. Zecca	

To be assistant dental surgeons

Robert A. Hesse
E. Duane Oakes

To be senior assistant nurse officers

Katharine W. Kendall	Lydia K. Oustalan
Marcella R. Hayes	Catherine M. Thompson
Josephine I. O'Callaghan	Mary G. Eastlake
Margurite M. Albrecht	Lillian M. Kennedy
Ruth P. Tweedale	Hazel F. Kandler
Elizabeth B. Uroda	Esther C. Gilbertson

To be assistant nurse officers

B. Octavia Heistad	Dorothy C. Calafiore
Evelyn H. Kreuger	Catherine M. Atwater

To be senior surgeon, effective date indicated

James D. Wharton, December 28, 1955.

To be surgeon, effective date indicated

I. Ray Howard, September 22, 1955.

To be senior assistant surgeons, effective date indicated

Nicholas P. Sinaly, September 26, 1955.
Paul Ortega, Jr., October 3, 1955.
Jesse L. Steinfeld, October 3, 1955.
Robert Y. Katase, October 4, 1955.
Thomas L. Gorsuch, October 5, 1955.
Seymour Dubroff, October 5, 1955.
David J. Crosby, October 10, 1955.
Fred J. Payne, October 14, 1955.
Symon Satow, November 16, 1955.
M. Walter Johnson, November 26, 1955.
Edward F. Blasser, November 30, 1955.
Bernard J. Eggertsen, December 3, 1955.
Agamemnon Despopoulos, December 6, 1955.
Murray Goldstein, December 6, 1955.
Leo Nakayama, December 6, 1955.
Dewey C. MacKay, Jr., December 8, 1955.
Frank R. Mark, December 13, 1955.
Eugene T. van der Smissen, December 19, 1955.

To be assistant surgeons, effective date indicated

C. Lowell Edwards, September 7, 1955.
Roy E. Tolls, September 7, 1955.
Ernest E. Musgrave, September 7, 1955.
Michael W. Justice, November 28, 1955.
David H. Looff, December 7, 1955.
John R. Trautman, December 9, 1955.
Irvin B. Kaplan, December 14, 1955.
Thomas E. Kiester, December 19, 1955.

To be senior assistant dental surgeons, effective date indicated

Paul H. Keyes, September 22, 1955.
Harry M. Bohannan, September 23, 1955.
Alfred Popper, October 1, 1955.
Edgar M. Benjamin, October 3, 1955.
Marvin S. Burstone, October 3, 1955.
Edward J. McCarten, October 28, 1955.
Neville A. Booth, November 7, 1955.
Winston W. Frenzel, November 12, 1955.
Joseph Abramowitz, November 20, 1955.

To be assistant dental surgeons, effective date indicated

Robert R. Kelley, November 4, 1955.
Calvin M. Reed, November 16, 1955.
Winston D. Bowman, November 21, 1955.
W. Frederick Schmidt, November 25, 1955.
Stanley D. Sherriff, November 29, 1955.
Bernard A. Yenne, December 9, 1955.
James R. Dow, December 13, 1955.
William D. Bowker, December 19, 1955.
Harry H. Hatasaka, December 23, 1955.
Leonard Iverson, December 29, 1955.
Howard B. Hancock, December 29, 1955.
Ivan T. Shaurette, December 30, 1955.

To be senior scientist, effective date indicated

Louis Block, November 14, 1955.

To be senior assistant nurse officers, effective date indicated

Lucille T. Fallon, November 30, 1955.
Evelyn A. Eckberg, December 7, 1955.
Antoinette M. Antetomaso, December 8, 1955.
Elizabeth A. Mullen, December 8, 1955.
Helen Troxell, December 8, 1955.

To be assistant nurse officer, effective date indicated

Alice M. Haggerty, December 12, 1955.

To be junior assistant nurse officer, effective date indicated

Cecil F. Mills, December 12, 1955.

To be senior assistant sanitarian, effective date indicated

Viola L. Ziemer, October 18, 1955.

To be assistant sanitarians, effective date indicated

Grace M. Littlejohn, October 24, 1955.
Paul Blank, December 14, 1955.
Richard A. Steinmetz, December 14, 1955.

To be senior assistant surgeons, effective date indicated

Malvern C. Holland, July 1, 1954.
Charles C. Elliott, July 1, 1955.
Charles A. Davis, July 1, 1955.
Robert W. Jones, July 1, 1955.
Cuvier D. McClure, July 1, 1955.
William B. Gaynor, July 1, 1955.
Leslie R. Schroeder, July 1, 1955.
Alan S. Rabson, July 4, 1955.

COAST AND GEODETIC SURVEY

The following-named persons for permanent appointment to the grade indicated in the Coast and Geodetic Survey subject to qualification provided by law:

To be captains

Ira T. Sanders, effective January 1, 1956.
Edward R. McCarthy, effective January 1, 1956.
Clarence A. Burmister, effective January 1, 1956.
Francis B. Quinn, effective January 1, 1956.

HOUSE OF REPRESENTATIVES

THURSDAY, JANUARY 26, 1956

The House met at 12 o'clock noon.

The Reverend Edwin T. Williams, St. Andrews Episcopal Church, Lawrenceville, Va., offered the following prayer:

Our Father, who controls the trackless nebulae and directs the courses of men and nature, we thank Thee for the countless blessings that are ours in a land of freedom, justice, and mercy; a land where the pursuit of happiness is a right, and service to our fellow men a privilege.

Guide and direct the august body assembled here today, helping each man to realize that the thoughts of his mind that come to final action as the law of our land will affect countless lives other than his own. And therefore the responsibility which is his must stem from a disciplined mind and an understanding heart which can best be his as he receives the directives of Thou, God Almighty.

Endue each one of these Members with a spirit of forbearance one for another that in all things they may put service to their country above considerations of self.

These things we humbly ask in the name of our Lord, Jesus Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the House by Mr. Tribbe, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate insists upon its amendments to the bill (H. R. 7871) entitled "An act to amend the Small Business Act of 1953" disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MORSE, Mr. ROBERTSON, Mr. SPARKMAN, Mr. LEHMAN, Mr. IVES, Mr. BEALL, and Mr. PAYNE to be the conferees on the part of the Senate.

UNITED STATES MILITARY ACADEMY

The SPEAKER. Pursant to the provisions of title 10, sections 1055 and 1056, United States Code, the Chair appoints as members of the Board of Visitors to the United States Military Academy the following Members on the part of the House: Mr. KELLEY of Pennsylvania, Mr. EVINS of Tennessee, Mr. HOEVEN of Iowa, Mr. MILLER of Maryland.

UNITED STATES NAVAL ACADEMY

The SPEAKER. Pursuant to the provisions of title 34, sections 1083 and 1084, United States Code, the Chair appoints as members of the Board of Visitors to the United States Naval Academy the following Members on the part of the House: Mr. NATCHER, of Kentucky; Mr. LANKFORD, of Maryland; Mr. HAND, of New Jersey; Mr. JONAS, of North Carolina.

UNITED STATES MERCHANT MARINE ACADEMY

The SPEAKER. Pursuant to the provisions of title 46, section 1126c, United States Code, the Chair appoints as members of the Board of Visitors to the United States Merchant Marine Academy the following Members on the part of the House: Mr. KEOGH, of New York; Mr. BECKER, of New York.

UNITED STATES COAST GUARD ACADEMY

The SPEAKER. Pursuant to the provisions of title 14, section 194 (a), United States Code, the Chair appoints as members of the Board of Visitors to the United States Coast Guard Academy the following Members on the part of the House: Mr. GARY, of Virginia; Mr. NICHOLSON, of Massachusetts.

GEN. DOUGLAS MacARTHUR

Mr. MARTIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN. Mr. Speaker, today we honor the birthday of Gen. Douglas MacArthur.

Through all the ages of history, freedom has advanced chiefly through the devotion and sacrifices of inspired patriots.

Tyranny never yields save to the stout heart of courage.

That is why all America joins today in honoring the 76th birthday of Douglas MacArthur. His whole life has been dedicated to freedom and human dignity under law.

His distinguished military service to the United States and her allies measured more than 50 years.

Since his retirement from active duty 5 years ago, he has carried on bravely as a proud and determined sentinel of the Republic. Never has he winced before treachery, nor cried aloud against personal humiliation. So long as the cause of freedom might be served by his own personal sacrifice, Douglas MacArthur has held a steady course against godless, world-wrecking communism.

Today he is honored by the true defenders of freedom in every quarter of the globe—for his military genius; for his inspiring moral leadership in the darkest hours of modern history; for his humble, noble character, and unflinching stout heart.

After Pearl Harbor, his masterful generalship throughout the entire Pacific theater—from Bataan to Australia, from New Guinea to Leyte, from Manila to Tokyo—clocked the fate and fortunes of freedom through almost 4 years of devastating war. He knew personally the darkest hours of defeat—but never despair. And he knew personally the great moment of triumph aboard the *Missouri* in Tokyo Bay on September 2, 1945—but never cruel exaltation or hateful revenge.

Save for the uncompromising valor of MacArthur and his heroic little band of fellow defenders at Pusan in 1950, the world tide of barbaric communism might by this time have rolled over all of Asia. Through the long corridors of history echoes faintly today the old slogan of surrender, "We planned it that way." But MacArthur did not plan it that way.

We do not yet know how much the world owes him for his indomitable courage and determination in that epochal crisis of freedom. Not only did his military genius ward off the fatal blow of a savage aggressor; his brilliant mind instantly encompassed the true nature of the conflict, and so steeled all the dominions of freedom for the decisive struggle. He understood at sight the real nature of the worldwide Communist conspiracy against peace and order, and suffered no man to distract him from freedom's crusade.

Through his whole life, he has demonstrated repeatedly a deep and abiding devotion to the Constitution of the United States.

Never has he compromised or sullied the high moral cause of America's quest for lasting peace with honor.

Nor has he ever betrayed freedom for the plaudits of traitors, spies, saboteurs, and degenerate fellow travelers.

Since time began, human history has moved in the lives of great men.

All the pages of history which tell the heroic life of Douglas MacArthur are bright with honor, courage, and sturdy Christian morality.

His life exemplifies the familiar adage of Theodore Roosevelt, "The old days were great because the men who lived in them had mighty qualities."

A fitting climax to a great career would be the passage of the resolution which I introduced to make MacArthur a general of the armies. It sleeps in the Committee on Armed Services. I hope it can be passed at this session.

FIFTH ANNUAL REPORT OF THE NATIONAL SCIENCE FOUNDATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 319)

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on Interstate and Foreign Commerce and ordered printed with illustrations:

To the Congress of the United States:

Pursuant to the provisions of Public Law 507, 81st Congress, I transmit herewith the fifth annual report of the National Science Foundation for the year ending June 30, 1955.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *January 26, 1956.*

PROPOSED AMENDMENT TO THE CONSTITUTION OF THE UNITED STATES

Mr. VINSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. VINSON. Mr. Speaker, no one believes more firmly than I do in the doctrine of States rights—that is, the right of the sovereign States of the Union to manage their own internal affairs in all respects, except such as are expressly forbidden to them by the Constitution of the United States. Therefore, no one was more shocked than I at the decision of the Supreme Court of the United States of May 17, 1954. This decision, in effect, overturned at one fell swoop by judicial fiat doctrines and principles of constitutional law which had become a part of our Constitution by repeated adjudication. I firmly believe, and have always believed, that the States of the Union have a right to manage their internal affairs, and to legislate for the health, morals, and safety of their citizens in all matters which are not expressly forbidden to the States, and to the people of these States by the Constitution.

That is what the Founding Fathers meant when they said in the Bill of Rights:

> The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people. (Tenth amendment to the Constitution of the United States.)

The States of the Union which adopted and ratified the Constitution of the United States did not delegate to the Central Government of the United States the right to legislate, by statute or by judicial decree, with respect to the education of the children of the people of the several States. The States which proposed and ratified the Constitution of the United States did not delegate to the

United States the right and power to manage and direct the internal affairs of the people of the several States in matters that peculiarly affected the health, safety, and welfare of the people of those States under the varying conditions existing in the several States.

I have been a Member of the Congress of the United States for 41 years, and I know from my association with literally thousands of other Representatives from all the States of the Union, over these many years, that the doctrine of so-called States rights is not one peculiar to the beliefs of the people of my State and my section.

The people of the States of the Union which were not among the Thirteen Original States believe that they have the right to manage their own internal affairs just as much as do the people of Georgia and the other 12 original States.

I have given continual, serious, and mature consideration as to how the problems which confront us today should be met.

I have become convinced in my own mind that the problems should be met by the submission to the States and the adoption by the States of an amendment to the Constitution of the United States which will provide:

> Notwithstanding any other provision in this Constitution, or any amendment thereto, the States of the United States have, and shall forever have, the right to manage their own internal affairs with respect to any matter not expressly forbidden by the Constitution.

Therefore, I have today offered in the House of Representatives such an amendment to the Constitution of the United States which I hope will be adopted in the same form and manner that the other 22 amendments to the Constitution have been adopted.

This amendment to my mind states the law as it really exists today and simply reaffirms principles of constitutional government which are as old as the Constitution itself.

JOINT COMMITTEE ON INTERNAL REVENUE TAXATION

The SPEAKER laid before the House the following communication, which was read by the clerk:

Hon. SAM RAYBURN,
Speaker of the House of Representatives, Washington, D. C.

DEAR MR. RAYBURN: Pursuant to authority granted by section 8002 (a) (1) of the Internal Revenue Code, the Committee on Ways and Means did on January 16, 1956, elect the Honorable NOBLE J. GREGORY, of Kentucky, to be a member of the Joint Committee on Internal Revenue Taxation, vice the Honorable John D. Dingell, deceased, to serve with the following other Members of the House who have previously been duly elected by the Committee on Ways and Means as members of the Joint Committee on Internal Revenue Taxation: JERE COOPER, of Tennessee; WILBUR D. MILLS, of Arkansas; DANIEL A. REED, of New York; and THOMAS A. JENKINS, of Ohio.

Respectfully yours,

JERE COOPER,
Chairman, Committee on Ways and Means.

MEDICAL RESEARCH—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 320)

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with accompanying papers, referred to the Committee on Interstate and Foreign Commerce and ordered printed:

To the Congress of the United States:

The Nation in recent years has made notable advances in the unending struggle against disease and disability. Human suffering has been relieved, the span of man's years has been extended. But in the light of the human and economic toll still taken by disease, in the light of the great opportunities open before us, the Nation still has not summoned the resources it properly and usefully could summon to the cause of better health.

Therefore, as a nation, we must now take further steps to improve the health of the people. This further effort, funds for which have been included in the budget submitted to the Congress, should be a characteristically American partnership—a partnership in which private and governmental enterprise are joined to advance the national welfare. The important role of the Federal Government is to provide assistance without interference in personal, local, or State responsibilities.

Such action should be taken in several general areas through—

A substantial increase in Federal funds for medical research.

A new program of grants for construction of medical research and training facilities.

Further steps to help alleviate health personnel shortages.

Measures which will help our people meet the costs of medical care.

Action to strengthen certain other basic health services throughout the Nation.

MEDICAL RESEARCH

Progress in medicine is dependent upon research. Intensive studies by thousands of scientists have been responsible for important advances in recent years against such major afflictions as rheumatic fever, epilepsy, high blood pressure, poliomyelitis, and blindness.

The development of antibiotics has had a major share in bringing about dramatic reductions during the past 10 years in the death toll from many other diseases—for example, tuberculosis, 75 percent; appendicitis, 69 percent; acute rheumatic fever, 66 percent.

The widespread use of the Salk poliomyelitis vaccine within the past year alone has proved highly effective in reducing the threat of paralytic poliomyelitis to many of our children.

Yet much remains unknown. Despite progress in the control of cancer, its cause remains a dark mystery. Little is known about the diseases of the nervous system. Much remains to be discovered about heart disease and mental illness.

In order to facilitate the expansion of medical research I have, therefore, proposed in the budget submitted to the Congress an appropriation to the Public Health Service for the National Institutes of Health of $126,525,000, an increase of 28 percent over the total funds appropriated for the present fiscal year.

This program is designed to give major emphasis—through an increased share of funds—to basic research. For basic research—in the biological and medical sciences—underlies all medical progress. Through increased emphasis on these fundamental studies we bring into better balance the total medical research effort.

The appropriation I have recommended would provide a substantial increase in funds in various categories of research. The program would provide funds as follows: For cancer, $32,437,000; heart disease, $22,106,000; mental illness, $21,749,000; arthritis and metabolic diseases, $13,345,000; neurology and blindness, $12,196,000; infectious and parasitic diseases, $9,799,000; dental disorders, $2,971,000; and $11,922,000 for the general research programs of the National Institutes of Health.

The increased funds recommended would be expended in part at the laboratories of the National Institutes of Health. But by far the major share of the increased funds would be for research grants to medical schools, hospitals, and private laboratories. Funds for these research grants would be increased by 47 percent over this year's appropriation.

The increase of $7 million recommended for research grants by the National Science Foundation would provide for additional research in the biological and medical sciences.

These programs would permit a broader and more intensive scientific effort to develop the fundamental knowledge necessary to a better understanding of illness and to apply that knowledge more rapidly to relieve human suffering.

MEDICAL RESEARCH AND TEACHING FACILITIES

The bulk of medical research is conducted in laboratories of universities, hospitals, and other institutions outside the Federal Government. These institutions also provide the intellectual environment for training the scientists upon whom successful research depends. And they provide the training ground for medical practitioners.

Physical facilities of medical research and teaching institutions are inadequate to meet the human needs of the Nation. As we strive to achieve better health for the people we must help to provide the needed laboratories and teaching facilities.

I, therefore, recommend that Congress enact legislation authorizing $250 million for a 5-year program to assist in construction of research and teaching facilities for schools of medicine, osteopathy, public health, and dentistry, and other research institutions. These institutions would be required to supply at least equal amounts in matching funds.

HEALTH PERSONNEL

The rate at which physicians are being graduated from the Nation's medical schools is barely keeping pace with the

increase in population. There are serious shortages in such specialized fields as psychiatry, pediatrics, and in physical medicine and rehabilitation. Relative to population, the number of dentists and nurses is diminishing. The aging of our population and the increase in the incidence of chronic disease, the anticipated continued growth of voluntary health insurance plans, and the general expansion of our economy—all will tend to increase the demand for health services.

The increase in funds which I have requested for the National Institutes of Health and the National Science Foundation will permit a major increase in trainees and research fellows. The program of construction grants for medical research and teaching facilities also offers the opportunity for medical, dental, and other professional schools to expand their student capacity and provide for the training of more physicians, scientists, dentists, and other health workers.

As additional Federal aid in meeting the problem of existing personnel shortages in the health field, I recommend to the Congress, as was proposed in my health message of last year, enactment of legislation to provide for (a) a 5-year program of grants for training practical nurses, (b) traineeships for graduate nurses, and (c) authority to establish traineeships in other public health specialties.

MEETING THE COST OF MEDICAL CARE

Since World War II the costs of medical care have been increasingly met through voluntary health insurance. More than 100 million persons are now enrolled in prepayment health insurance plans of some type. But health insurance coverage is still not available to many who need it, and the character and amount of insurance protection in important respects remains inadequate.

Health insurance protection must be made more available to older persons and those living in rural areas, to the self-employed and those working in small organizations who cannot be reached through ordinary group enrollment methods. There is particular need for much broader coverage against the cost of long term or other especially expensive illness, which can be a financial catastrophe for many families.

The need for more and better health insurance coverage can best be met by building on what many of our people have already provided for themselves—the voluntary health prepayment plans. Much can be done to encourage more rapid expansion and improvement of such plans.

Last year and the year before I urged enactment of a proposal for Federal reinsurance to encourage increased protection against the cost of medical care through voluntary prepayment plans. Since the legislation was introduced, private insurance organizations have developed new types of policies and prepayment plans and have extended coverage to groups formerly unprotected. There are now indications that the organizations writing health prepayment plans might progress more rapidly by joining together—sharing or pooling their risks—to offer broader benefits and expanded coverage on reasonable terms in fields of special needs. The administration is considering legislative proposals which would permit such pooling. But, if practical and useful methods cannot be developed along these lines, then I will again urge enactment of the proposal made last year.

Illness and disability are among the principal problems of public assistance recipients, and are major causes of dependency. Therefore, I again recommend that the Congress authorize a separate program through which the Federal Government would match funds expended by the States and localities for medical care for the indigent aged, the blind, the permanently and totally disabled, and dependent children.

Additionally, I renew my previous recommendations for (a) providing Federal employees with the benefits of group health insurance, and (b) the improvement of medical care for the dependents of servicemen.

STRENGTHENING BASIC HEALTH SERVICES

Expansion of medical research, financial assistance for construction of research and teaching facilities, measures to increase research and health manpower, and steps to help meet the costs of medical care are essential to national progress toward better health. It is equally essential that other public health services be strengthened and improved.

I present the following further proposals for consideration by the Congress:

Sickness surveys: Information on the nature and extent of sickness and disability is neither accurate nor up to date. The last comprehensive survey of illness in the Nation was made 20 years ago. Since then American medicine has experienced the most rapid and dramatic changes in its history. Improved statistical data are essential as a guide for research and for the effective planning and operation of health programs.

I urge the Congress, therefore, to authorize the Public Health Service to secure periodically needed information on the incidence, duration, and effects of illness and disability in the Nation.

Expansion of medical care facilities: The Federal-State program of aid in the construction of hospitals and other medical care facilities was broadened in 1954 to give greater emphasis to the construction of chronic disease hospitals, nursing homes, diagnostic and treatment centers, and rehabilitation facilities.

I recommend the extension for 2 more years of this program, which otherwise would terminate in 1957. I have also proposed in my budget message a $19 million increase in funds to expand construction of these needed facilities.

I again urge the enactment of the proposal I made last year for Federal insurance of mortgage loans made by private lending institutions for the construction of hospitals, clinics, nursing homes, and other types of private medical care facilities. This proposal follows the pattern developed in successful Government guaranty programs in other fields.

Indian health program: As an important step toward improving health conditions among our Indian population, I recommend legislation which will authorize the Public Health Service to construct and maintain urgently needed sanitary facilities for our Indian population. For the total Indian health program, I propose a substantial increase in the funds of the Public Health Service.

Mental illness: Mental illness is one of our most serious national problems. Last year I recommended authorization of a new program of mental health project grants. The purpose of this program was to seek ways of improving the quality of care in mental institutions, of improving the administration of these institutions, and, most importantly, of reducing the length of stay in these institutions. I again urge that the Congress authorize this program.

Water and air pollution: Problems of water pollution control grow more pressing with population growth and with industrial development and expansion. The present Water Pollution Control Act expires on June 30 of this year. I again recommend that the authority in this act be strengthened and placed on a permanent basis. This would enable the Public Health Service to help the States and industry to deal effectively with the problems of pollution control.

I have also recommended a substantial increase in funds to broaden the research attack on problems of air pollution by non-Federal institutions and by the Public Health Service and other Government agencies. This will also permit a step-up in technical assistance to States for the control of pollution.

Poliomyelitis Vaccination Assistance Act: Last year Congress approved an appropriation of Federal funds to assist the States in providing free poliomyelitis vaccine for many of our children and expectant mothers. This program expires February 15. I have recommended an extension to June 30, 1957, and an appropriation of $30 million to complete this program.

Increased support for Food and Drug Administration: Last year a committee of distinguished citizens made a thoughtful study and presented numerous recommendations for strengthening and improving the Food and Drug Administration in its important work of protecting the American consumer. I have recommended a significant increase in funds for the Food and Drug Administration to provide for an initial expansion of its inspection and related technical staff.

Public health aspects of civil defense: The skills and resources of the Public Health Service and the Food and Drug Administration will be of great value to the Nation in dealing with any civil defense emergency that may arise. The Federal Civil Defense Administration has delegated vital responsibilities to these agencies, and I have included funds in the budget to strengthen research on the public health aspects of civil defense.

Vocational rehabilitation: The Congress in 1954 authorized an expansion of the Federal contribution to the Federal-State program of restoring handicapped men and women to more productive lives. I have recommended the funds needed to continue expansion of this program.

Veterans' medical program: The medical care of our veterans remains a grow-

ing responsibility, and in the next fiscal year the hospitals of the Veterans' Administration will have an average daily load of 111,500 patients. I have included in the budget a request for $53 million for construction and improvements at Veterans' Administration facilities, about one-half of which is for replacement of old hospitals.

CONCLUSION

The Congress has enacted enlightened and progressive legislation during recent years which represents substantial gains in the unending war against disease and disability.

I now urge the Congress to give continued support to the quest for better health. The proposals I have submitted call for a proper distribution of responsibility among the many groups which make up the health services of the Nation—health professions, educational institutions, foundations, industry, and all levels of government.

The role of the Federal Government in this great effort is that of a partner. The Federal Government should support the efforts of the States and communities and private agencies. It should encourage the individual initiative and industry inherent in our free society. The specific measures which I have placed before you are conceived in terms of these basic American principles; they provide promise for a renewed and reinvigorated attack on our health problems.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *January 26, 1956.*

OBSERVANCE OF WILLIAM McKINLEY'S BIRTHDAY

Mr. JENKINS. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. JENKINS. Mr. Speaker, I am sure the older Members of the Congress will appreciate what I am about to do when they see the carnations in the lapels of many Members because every year for about 20 years we have taken a few minutes to observe the birthday of former President McKinley, and to show our respect for him—a great Congressman and a great President. I am proud that I had the opportunity to join with others when we first initiated this program of recognizing McKinley's birthday and I am proud to say that it has proven to be very popular.

Now then, Mr. Speaker, it shall not be my purpose to consume all the time allotted to me, for there are other Members here who would like to speak and we would like to have them speak. However, I would like to say that the reason we feel that we should observe McKinley Day at this time is because McKinley's birthday will be on the 29th of January which is next Sunday and we could not observe it any better at any time than today. We maintain that probably the greatest work that McKinley ever did was done right here on this floor and in this House of Representatives. I remember Mr. William Tyler Page, who was a great American and was for many years the Clerk of the House of Representatives, used to tell me that McKinley sat right over here to my right. In those days they had individual desks. William McKinley was a Congressman and was considered one of the leaders of the House. He was the author of the historic McKinley protective tariff laws.

I remember that there was a very distinguished Democrat leader from Texas who served with him and who contested with him in many instances. Between them there was an unbreakable friendship in spite of the fact that they contested against each other most of the time. McKinley was a national figure who was loved by his friends and was respected by everyone who knew him. We are proud to ask you to observe the anniversary of his birthday.

Mr. Speaker, I shall say no more at this time, but with your permission, I shall yield such time as he may desire to Representative MINSHALL who is now the Representative from the district adjoining the district that Mr. McKinley represented most ably.

Mr. MINSHALL. Mr. Speaker, it is a distinct honor for me to join with my distinguished colleagues in praise of that great statesman, William McKinley.

As a new Member of Congress this is the first opportunity I have had to associate my remarks with such true Americans as TOM JENKINS, CLARENCE BROWN, and my many other good friends in the Ohio delegation. As an Ohioan, this day does not present the first occasion on which I have given my humble tribute to the 25th President of these United States.

All Ohioans are proud of their heritage, and each year at this time Ohioans, in and out of the Congress, are particularly mindful of a cornerstone of this heritage—the deeds, the actions, the spirit of William McKinley.

I had not yet been born when President McKinley was shot on September 6, 1901, by an anarchist while attending the Pan American Exposition in Buffalo. But from my early childhood, I can remember the stories my father would tell in admiration of this man who contributed so much to my heritage as an Ohioan—who contributed so much to the well-being of my country.

William McKinley was a statesman.

He served here in the House of Representatives, and today students of American history tell of the many pieces of legislation which bear his name.

As chairman of the Committee on Ways and Means, he, like our former chairman, the gentleman from New York [Mr. REED], contributed immensely to the economic security of our Nation. He promoted the tariff which to him was a national policy and not a cloak for special privilege to favored interests.

This philosophy of McKinley established a criterion for us to follow—no one of us feels that the tariff is designed for the special privilege of a single industry, but rather we know that our tariff structure is designed more specifically to protect our working people against the low wages and substandard labor conditions of foreign countries.

He was known among the foremost orators of the House. His stentorian voice championed the cause of the wage-earner in the solution of labor troubles. His words in support of the civil-service laws came out loud and clear.

William McKinley also served as Governor of Ohio.

During his term of office in the statehouse of Columbus, Ohio, William McKinley's deeds exemplified what historians have called his trait of friendly humanitarianism. He constantly worked toward increasing harmony between labor and management and he personally directed the relief work for the starving miners of Ohio's Hocking Valley district.

Americans remember William McKinley best, however, in his role as statesman-President of the United States.

It was William McKinley who led a bankrupt nation into an era of prosperity and abundance.

It was McKinley who, after defeating a Democrat administration, restored the American ideology of minimum Federal interference with the daily lives of our citizens.

It was William McKinley who selected men of stature to serve in his administration—John Hay, Secretary of State; Elihu Root, Secretary of War; Philander C. Knox, Attorney General; Theodore Roosevelt, Assistant Secretary of the Navy; William Howard Taft, Commissioner of the Philippines—all names which reflect glory and ability in the annals of time.

It was William McKinley who led this Nation to victory in a war which he deplored. And I might add, Mr. Speaker, President McKinley left the decision to enter this war where it rightfully belonged—in the hands of the Congress of the United States.

It was William McKinley who, at the end of this war, took the United States from a backseat at the family table of nations and placed her in the forefront as an international power.

The administration of William McKinley was the beginning of a new period in world history.

William McKinley was also a politician in the true sense of the profession. He was artful—honest—successful.

Three times, the Democrats attempted to gerrymander William McKinley out of his seat in the House of Representatives. Only once did they succeed, although on one other occasion a Democrat-controlled House of Representatives unseated him because he had been elected and certified by a slim plurality of just eight votes.

An insidious premeditated campaign of smear and deceit failed to defeat William McKinley in his bid for reelection as Governor of Ohio.

He was a politician; an astute and adroit politician.

He was permanent chairman of the Republican National Convention in 1888, and he had previously served in other high capacities within the Republican Party.

When it came time for him to seek the Presidential nomination, he enlisted the services of the most expert political

manager of our century, the eminent Mark Hanna, of Cleveland.

Together, they waged a campaign for the Presidency which has no equal in our history. While his eloquent rival, William Jennings Bryan, toured the country, McKinley remained in imperturbable dignity at his old home in Canton where he made over 300 speeches to more than 750,000 visitors.

The results were not only successful in terms of victory, he was the first President in 24 years to be elected by a popular majority.

Yes, Mr. Speaker, it is a distinct honor for me to join with my colleagues in praise of William McKinley for it is a particular privilege to honor a great statesman, a true politician, a revered citizen of this arena of democracy. I am proud my home is in Ohio, the home of William McKinley.

Mr. JENKINS. Mr. Speaker, I yield such time as he may desire to the distinguished majority leader, the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Speaker, the contributions of the late President William McKinley to the progress of our country are a matter of history. The gentleman from Ohio [Mr. JENKINS] very well said during his very appropriate and touching remarks that William McKinley made his great record in this very body, in the National House of Representatives. He meant by that that the character of service he rendered in this body attracted him to the attention of the people of the country, as a consequence of which his party honored him and he was elected by the people and served with the distinction and ability as history records as the Chief Executive of our country.

It is well that we pause on the birthday of one who occupied the highest office within the gift of our people, the most powerful office in the world, to reflect not so much about the man as an individual but what he symbolized and what he represented in terms of putting into operation in his life for the benefit of our people the fundamentals of our Government and the ideals in which we believe.

The late President William McKinley was a man, as history shows, of deep faith, of great ideals, and with an intense love of the fundamentals of our country.

By pausing as we do to pay tribute to the memory of William McKinley, and on other occasions of other Presidents who have passed into the great beyond, we render a service of benefit not only to ourselves but to the people of the United States.

It is well for us to pause once in a while and engage in reflection on the great services and contributions of men like William McKinley, on the great honor it is to be an American citizen, and how few have had the honor of being elected by the people as the Chief Executive of our great Nation. No matter how much I might disagree on some particular matter with anyone who occupies the White House, I know that whoever that occupant is or may be, he has the noblest of motives and the best of intentions in doing anything he thinks is in the best interest of our country. I might disagree as to the policy, but I would never impugn the nobility of motive. History shows that William McKinley was a man with nobility of character whose motives in connection with the national interest of our country lived up to the highest ideals of his great office. I congratulate—not my Republican friends, but my American friends—my American friends on the Republican side for pausing today and paying this tribute to one of our great Americans.

Mr. JENKINS. Mr. Speaker, I shall take but a minute of my time, with your permission, to comment on what my friend, the distinguished majority leader, the gentleman from Massachusetts, had to say. You know Mr. McKinley was like many other men, a many sided man. He was a great soldier, a dynamic fighting soldier. The record shows that there has been erected on one of the famous battlefields of the Civil War a large monument as a testimonial of his valor and his courage as manifested on that battlefield. He was recognized by those who fought on his side and by those who fought on the other side. Even though he was a fighting soldier he was a kindly man and he was loved for the way he treated people. You know it has been said of one great man, one of the greatest figures of all times, that the little children cried in the streets when he died. Well, when McKinley died, it has been said of him that the little children cried in the streets, for he was loved by all who knew him.

Mr. Speaker, I yield such time as he may desire to the distinguished gentleman from Illinois [Mr. ARENDS].

Mr. ARENDS. Mr. Speaker, along with my good colleagues from the State of Ohio, and the majority leader, I am privileged to join with them in paying tribute to the great 25th President of the United States, William McKinley. When I first came to the Congress and for the first time I saw the red carnation appear on each coat lapel I wondered just what it meant. I immediately learned its significance. I am glad that this great Congress has made this observance of President McKinley's birthday a part and parcel of great tradition of Congress itself, when we pay tribute to this great American for the service to our country not only in this House of Representatives but as Governor of the State of Ohio and as President of the United States of America.

Last year, it was my privilege to speak in Niles, Ohio, where McKinley was born, at the annual banquet held in commemoration of this great President. In my studies preparatory to what I might say on that particular occasion, I delved a little into the life of President McKinley and the history of his days. I learned many things that I did not know, and the more I learned, the greater he became. Not until such time as I came in contact with the individual citizenry of Ohio and visited with them personally, did I really understand the deep love and great respect the people of Ohio rightfully have for this great American. His life was an inspiring one. He lived and worked for God and country. He did much, not only for the State of Ohio, but for the benefit of all mankind.

I have often thought that one of the great pleasures of serving in this House of Representatives is the privilege of meeting with so many inspiring men and women from all parts of the country dedicated to service of our country. Those who have served and now serve in this body must recognize that McKinley, as a Member of Congress, set an example here that we could emulate, and we would doubtless serve well the people we represent were we to follow his principles.

By our words here today we all pay our respects to a truly great American. Let us by our deeds in our personal and official life contribute, as McKinley did, each in his way, to the betterment of our country and the betterment of life itself.

Mr. JENKINS. Mr. Speaker, I want to take only a moment to say that the red carnation was Mr. McKinley's favorite flower, and out of respect for Mr. McKinley the red carnation has been selected to be the State flower of Ohio. It is likely that in a few days the Democratic Members of the House will observe the birthday of Mr. Roosevelt and will use the white carnation as their flower.

Mr. Speaker, I now ask unanimous consent that I may be permitted to revise and extend my remarks and also that all Members may extend their remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

GEORGE SANFORD HOLMES

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. ASPINALL. Mr. Speaker, on August 20 of last year, death brought an untimely end to the journalistic career of my dear friend, George Sanford Holmes. His career stretched over half a century of service ranging from reporter to managing editor, correspondent to columnist, author to director of information for Government agencies. He authored 2 books, 1 of poetry, and wrote a column for the Scripps-Howard newspaper chain. Thirteen years of this career was spent as Washington correspondent and he served with distinction for this time as a member of the House and Senate press galleries and his name and work is familiar to many Members of this Chamber. I will cover his career in more detail in a separate statement but at this time I should like to read a poem written by Mr. Holmes.

WITH A SMILE

(By George Sanford Holmes, July 29, 1955)

Time is the seneschal who guards the key
That locks us in the prison cell of earth,

To which we all are sentenced at our birth
Till death at last shall set us free.

From stark oblivion each soul doth bloom
Into this fleeting heritage of light,
Nor does it know, when it shall take its flight
If it return to glory—or to gloom.

Yet if this life itself be interlude,
This ancient planet but a stopping place,
'Tis here that God endows us with His grace
And bids us face the unknown with a smile.

Later events show that this poem, written less than a month before his death, was his own last look at life. Its simple faith and moving beauty can remain as an inspiration to those of us who have not yet seen dimly into the land beyond. May it remain as a memorial to him.

WORKING WIDOWS BILL

Mrs. GREEN of Oregon. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Oregon?

There was no objection.

Mrs. GREEN of Oregon. Mr. Speaker, yesterday I introduced a bill which would make a limited but much-needed improvement in our tax law and, at the same time, give simple justice to many deserving families now unfairly burdened. As the law now stands, widows with dependent children receiving social-security benefits are subject to an excessive and, I believe, unintended tax liability. The burden is not, in fact, imposed on families in comfortable circumstances; but it falls with a vengeance on those least able to bear it, families with incomes already at or below the marginal level.

How this happens is clear. Although survivor's benefits received by dependent children are tax free, they are considered when determining dependency. In order to demonstrate that she provides more than half her children's support—as she must for tax credit—a widow has to prove that she has spent on her children from her own income, more than the total social-security benefits received. For instance, if a child receives $500 in benefits, the parent must prove that she spent $501 of her own or lose the dependency exemption. This is no burden for the prosperous parent. But it may be an impossible demand on the low-income widow and one that results in her paying hundreds of hard-to-spare dollars in additional taxes.

Congress has already, in the 1954 revision of the Internal Revenue Code, recognized the special claim of the family with a child in college; we have provided that scholarships received by the child shall not be considered in calculating whether, for tax purposes, the parent furnishes more than half the child's support. I have no quarrel with this provision; indeed, it has my wholehearted approval. But how much more deserving is the parallel case of the widow who, far from sending her children to college, is hard put to provide her youngsters even a decent living.

Present provisions of tax law, I therefore submit, are in need of revision to correct this inequity because: (a) they permit dependency deductions to the well-to-do parent and to the parent with children in college but tend to deny it to a particularly deserving group, working widows with small children who are forced to live on a modest and often inadequate budget; (b) the effect in such cases is to burden the needy family with an added tax of up to $120 per child; a tax which, for practical purposes, occurs because of the social-security benefit and therefore contradicts the intent of Congress in making such benefits tax-exempt.

How heavy the burden thus imposed is, for widows with small children, is well illustrated by the statistics. There are in the United States nearly 2 million children whose fathers are dead. Over half of them receive social-security benefits which average from $24 to $52 a month per child. In the vast majority of cases these benefits, while of vital help, are by no means adequate for the full support of the child. The mother must still bear a substantial share of the load.

Yet widows with dependent children, as a group, have incomes far from bountiful for such support. While the average American family, in 1954, had an income of $4,173, families headed by women had incomes averaging only $2,293. Three-fourths of all such families had incomes of less than $4,000 a year. It is the widows heading such families, rearing children on substandard resources, who are penalized by present tax law.

How serious the tax impact can be is shown by a simple example: Consider 2 widows, each with 2 small children and with each child receiving $600 a year in benefits. The needy working widow, with earned income of $2,000 a year is confronted by a dilemma. To provide more than half her children's support, under these circumstances would leave her for all other purposes only $800, an obviously impossible alternative. Yet if she cannot prove that she provides more than half their support (or at least $601 a year per child) she cannot claim them as dependents and her tax bill goes up $238, a serious loss to such a family.

By contrast, the widow with $5,000 a year has no problem. She can easily prove that she contributes the necessary $601 to the support of each child and still have $3,800 for other purposes. So the dependency claim saves her $254 in taxes. It is the needy family that bears the burden while the better off family benefits from substantial tax relief.

I have spoken at length because I am convinced of the injustice in the present operation of the law and of the simplicity and economy with which this injustice can be corrected. My bill provides that in determining whether the widow furnishes more than half the child's support, for dependency tax claim purposes, up to $600 per child in benefits may be excluded from consideration. This provision is similar to the present "scholarship" exclusion; it gives direct and substantial relief to the needy—and only the needy. Though its precise effect cannot be determined, a rough estimate indicates that it might benefit 40 to 45,000 families with 80 to 90,000 children; its cost would probably not exceed $8 or $9 million in tax revenue loss. It would be hard to imagine a more substantial and deserved benefit at lower cost.

I realize that pressure on the Congress to recognize special hardship cases in the tax law is great. But this is a case whose claim to consideration has exceptional merit. Let me summarize the important considerations:

First. The bill is simple and self-administering; in the nature of the case, relief is limited to the needy family. There is no problem of administration, no problem of determining need, no loophole.

Second. It provides substantial relief to a group whose need and right is unquestionable, at a minimal loss of tax revenue.

Third. It restores the intent of Congress and internal consistency to the tax law by eliminating what is, for practical purposes, a tax on social-security benefits.

Fourth. In brief, practical as well as humanitarian considerations make this a form of badly needed and thoroughly justified relief to widows who must work to support their young children.

SIXTH ANNIVERSARY OF INDEPENDENCE OF INDIA

Mr. POWELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. POWELL. Mr. Speaker, when I came back from the Bandung Congress I announced that I would address the United States Congress each time there was an anniversary of one of the 29 participating nations in the Asian-African Conference. Today is the sixth anniversary of the independence of India, and I rise to felicitate that country.

I would like to congratulate the people of India, His Excellency Dr. Rajendra Prasad, president of India, His Excellency Jawaharlal Nehru, Prime Minister, and His Excellency Gaganvihari Lalubhai Mehta, Ambassador of India to the United States, on the occasion of the celebration of the sixth anniversary of the proclamation of the Indian Republic, January 26, 1955.

Free India is a young nation which has passed through many trials and tribulations during this infancy of her freedom. India has reason to be thankful for this achievement of freedom and for the many other achievements that stand to the credit of her people. The record of the courage, hard work and the sacrifice with which the people of the Republic of India have faced and overcome many of its perils during these brief years since independence must not be belittled nor forgotten. Freedom brings

responsibility and can only be sustained by self-discipline, hard work, and the spirit of a free people.

Prime Minister Jawaharlal Nehru in his many speeches published in Independence and After, has boldly set forth a vital program of action for his country:

We have to find ourselves again and go back to the free India of our dreams. We have to rediscover the old values and place them in the new setting of a free India. * * * So let us be rid of everything that limits us and degrades us. Let us cast out fear and commununalism and provincialism. Let us build up a free and democratic India, where the interest of the masses of our people has always the first place to which all other interests must submit.

Freedom has no meaning unless it brings relief to these masses from their many burdens. Democracy means tolerance, tolerance not merely of those who agree with us, but of those who do not agree with us. With the coming of freedom our patterns of behavior must change also so as to fit in with this freedom.

There is conflict and there are rumors of greater conflict in India and all over the world. We have to be ready for every emergency and contingency. When the Nation is in peril the first duty of every citizen is to give his or her service to the Nation without fear or expectation of reward. * * * I want to say to all the nations of the world * * * that we stand for peace and friendship with them. * * * The only war that we want to fight with all our might is the war against poverty and all its unhappy brood.

* * * Inflation and rising prices and unemployment oppress the people. * * * We have the care of vast numbers of our brothers and sisters who have suffered untold hardship and have been driven away from their homes to seek a new life elsewhere.

It is this war we have to fight, the war against economic crisis and to rehabilitate the disinherited. In this war there is no hatred or violence but only service to our country and our people. In this war every Indian can be a soldier. This is no time for individuals or groups to think of a narrow self-interest, forgetting the larger good. This is no time for wrangling or the spirit of faction.

And so I appeal to all my countrymen and countrywomen who have the love of India in their hearts and the passion to raise her masses, to cast aside the barriers that separate them and to join together in this historic and magnificent task worthy of a great people.

To all those in our services, civil and military, I would appeal for a single-minded devotion to the cause of India and for integrity, hard work, efficiency, and impartiality. He who fails in this at this critical hour, fails in his duty to India and her people.

To the youth of the country I would make a special appeal for they are the leaders of tomorrow and on them will be cast the burden of upholding India's honor and freedom.

My generation is a passing one, and soon we shall hand over the bright torch of India, which embodies her great and eternal spirit, to younger hands and stronger arms. May they hold it aloft, undimmed and untarnished, so that its light reaches every home and brings faith and courage and well-being to our masses.

His Excellency Rajendra Prasad, President of the Republic of India in his Republic Day message released today, rightfully lauded the strides India has made in the sphere of material progress at home and in enhancing the prestige of the nation abroad:

India is about to emerge from one important phase of planned development and the draft of the second plan is ready and its implementation is to be taken in hand a few months hence. The first 5-year plan has been a great success and in nearly all spheres of nation building and constructive departments, we have been able to reach the targets aimed at * * * I am glad to say that the countryside is gradually undergoing a great change for the better. * * * In respect of agriculture, education, public health, sanitation, and communications, our villages are steadily improving.

Prime Minister Nehru in his Republic Day message to the people of India on January 26, 1956, again reminds his people of the task before them:

Long years ago we took the pledge of independence. We redeemed that pledge. Let us, on this Republic Day, take another pledge to work for the unity of India and the progress of our people * * * a pledge which necessarily implies tolerance and cooperation, whatever the circumstances and provocation.

It is our manifest destiny to build up this new and united India and raise the standards of our people so that each one of us might have full and equal opportunities of progress. To the realization of that destiny we will dedicate ourselves anew on this day.

Broadcasting to the Indian nation on the sixth anniversary of the Indian Republic, President Rajendra Prasad called upon the people of India to dedicate themselves to the great cause of helping to maintain world peace.

Reviewing India's foreign policy, Dr. Prasad said:

The policy of peaceful coexistence and noninvolvement in war, which our Prime Minister has been so ably advocating, has this year won more adherents in Asia and Europe. It is not in an expansionist spirit that I have mentioned it. One should feel happy if the sphere of the areas pledged to the principles of peaceful coexistence widens so as to include in it as many countries as possible.

India has constantly voiced her devotion to a policy of nonviolence and peaceful coexistence. The major issue facing India and the United States today is increasing good-will. Other questions such as aid to India will naturally flow along with the widening channels of the spirit of good will. I hope for Indian union and progress and prosperity as she embarks upon a new year of independence. The Government of the Republic of India promises there will be no resting for any one until they redeem their pledge in full, until they make all the people of India what destiny intended them to be.

To India I send greetings and pledge myself to cooperate with them in furthering peace, freedom, and democracy.

ADDITIONAL BANKING FACILITIES FOR THE DISTRICT OF COLUMBIA

Mr. KLEIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KLEIN. Mr. Speaker, I am today introducing a bill which will give to the Commissioners of the District of Columbia the right to determine whether or not any additional banking facilities are needed in the District of Columbia and, if so, to authorize them.

The District of Columbia is the only place in the continental United States where bankers do not have a choice of being either a national bank or a State bank. The result is that the Comptroller of the Currency is in a position to effectively throttle bank competition in the city of Washington. The effectiveness of his control is best evidenced by the fact that there has not been a single new bank chartered within the District since 1934. Only 17 banks are permitted to operate in the District of Columbia. Nine of them are national banks. Eight are operating under old charters issued before the enactment of the National Banking Act.

Like the rest of our country, during the last 20 years, the District has had a phenomenal growth, not only population-wise but industry- and business-wise. There is every reason why the District of Columbia should be permitted to have its local officials and residents determine the question of the chartering of new banks, and the establishment of branch banks within its territory.

CONFERENCE REPORT ON H. R. 7871

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tomorrow to file a conference report on the bill H. R. 7871.

The SPEAKER. Is there objection?

There was no objection.

COMMITTEE ON BANKING AND CURRENCY

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may sit on Monday during general debate during the session of the House.

The SPEAKER. Is there objection?

There was no objection.

ATTACK ON THE TVA

Mr. ABERNETHY. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. ABERNETHY. Mr. Speaker, the present administration, having learned nothing from the fate of the Dixon-Yates contract, is continuing its relentless and vengeful attack on the TVA.

I wish to point out to the men in the White House and the Bureau of the Budget that the real victims of these attacks, if they are successful in destroying the TVA, will not be the TVA itself, but the millions of men and women of the great TVA service area.

The current attack is two-pronged. The first would force the TVA to return to the Treasury the Federal investment in its power facilities at an accelerated rate beyond any conception of prudence.

The TVA at present is returning the national investment in its power facilities at a substantial rate. Its record in this respect could not have been better.

President Eisenhower has now ordered the return of these funds at a rate more than double that of the past. The bankers in this administration know that repayment at the rate the President is now demanding will promptly siphon off the lifeblood of the TVA. They fully intend to do so.

The other attack lies in the refusal of the President to ask for any funds for further development of power facilities. He knows that the TVA is almost to the limit of production with present facilities and those which the Congress has already provided. A power shortage already threatens. It is certain to come if additional facilities are not provided.

A power shortage in the TVA area would put a firm halt to the growth of every business enterprise in the TVA area.

Instead of the abundance of power by which business and industry have grown, by which our farms have achieved the magnificent results of electrification, and by which our households have become leaders in the use of electricity, we would soon be facing power rationing.

The victims of the President and the Budget Bureau, as I have said, would be the people of the TVA service area including a substantial part of my own district.

The President says that he is not seeking funds for new facilities because a self-financing plan for the TVA is underway in the Congress.

The self-financing plan for the TVA has not been reported out by the committees of either the House or the Senate. Even if a satisfactory plan is perfected by the Congress in this session, it will take at least a year to get it working, in my judgment.

President Eisenhower is placing the cart before the horse in this matter. There is no question but that appropriations for the completion of TVA facilities will be required this year. I will certainly do all in my power to obtain them. A year's lag in the construction of facilities will endanger the growth of the TVA area.

If this administration succeeds in killing or damaging the TVA, in spite of the pledges which President Eisenhower once made to the people of the TVA area, it will be an act of treachery unparalleled by any administration.

PERSECUTING THE FARMER

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, I think I would rather talk to the Republicans for the moment, because our Democratic friends, while professing great sympathy in this election year for the farmer, will not join us in trying to do something for him.

I know that in Michigan and some other States, the United States district attorney is prosecuting the farmer where he grew too much wheat according to the administrative directive; and although he fed it to his cattle or his chickens they are making him pay a fine or sending him to jail.

They are prosecuting one man because he exceeded the quota, although his excess was only $26. In another case where a farmer's income was around $1,300 they are trying to penalize him close to $1,000.

I cannot understand why the chairman of the Committee on Agriculture the gentleman from North Carolina [Mr. COOLEY], when he has had so much over the years for tobacco and peanuts, and after he had his picture taken with Walter Reuther—who too is all for the farmer—I cannot understand why he will not take it out of the pigeonhole on his committee desk the bill introduced by our colleague from North Carolina [Mr. JONAS].

INJUSTICES OF CERTAIN FARM QUOTA POLICIES

Mrs. ST. GEORGE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Mrs. ST. GEORGE. Mr. Speaker, I recently introduced the bill H. R. 8751. This bill is a companion bill to H. R. 1834 introduced a year ago by my friend the gentleman from New York [Mr. REED]. It would amend the Agricultural Adjustment Act of 1938 to permit farmers to use the grain and wheat that they have raised on their own farms to feed their own stock.

It is an amazing thing to me, Mr. Speaker, that this law has remained on the statute books for such a long time.

This is not socialism; this is pure communism of the very highest and most refined type.

I certainly hope that the chairman of the Committee on Agriculture will see fit to take these bills under consideration within a very short period of time and that they will be passed. It is certainly hard on the farmers of the Northeast who are the ones who suffer most from this law and who are the ones who invariably have been treated as stepchildren by the Committee on Agriculture.

PROGRAM FOR WEEK OF JANUARY 30

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ARENDS. Mr. Speaker, I take this time for the purpose of asking the majority leader if he will kindly inform us as to the tentative program for next week.

Mr. McCORMACK. I shall be very happy to comply with the gentleman's request.

On Monday there will be a motion to suspend the rules and pass the bill H. R. 8780, which is an amendment to the Revenue Code relating to the gasoline tax in certain respects as far as the farmers are concerned. There probably will be a rollcall on this bill.

Then there will be consideration of a resolution reported by the Committee on House Administration making available to the Committee on Un-American Activities the necessary funds for this session, and probably some other similar resolutions from the Committee on House Administration.

On Tuesday we will call up the bill H. R. 6274, reported by the Committee on the Armed Services. This has to do with certain fees charged for discharge papers.

On Wednesday there will be called up for consideration the bill H. R. 7540, relating to the sale of certain housing projects.

The program for the balance of the week is at this time undetermined. Any further change in program I will announce as early as possible for the information of the Members.

Mr. ARENDS. May I ask the gentleman if he has any information as to the possibility of the school construction legislation being considered?

Mr. McCORMACK. I am unable to answer that now. The Committee on Rules is still considering that matter. There are quite a number of witnesses to be heard. I am unable, as I say, to give any information about that now. I do not want to be bound by this statement. The probabilities are that if a rule is reported it will not be reported in time for consideration of that bill next week. However, I do not want to be bound by that statement.

Mr. ARENDS. That is all right. One more question. The gentleman announced the possibility of a rollcall on Monday. Inasmuch as a number of the Members from Ohio contemplate being at home in connection with McKinley exercises, could we not put off a rollcall until Tuesday?

Mr. McCORMACK. I think that is a fair request. The Members are away for a definite purpose. The leadership wants to be as considerate as it is humanly possible considering the problems confronting all Members, but unless there is some justifiable reason for postponing, as I would like to personally, I cannot very well do so because these things become contagious. However, in this case the Members are away on matters of import, such as banquets in connection with commemorating the memory of one of our Presidents, and it therefore seems to

me that is a justifiable element for consideration. Under the circumstances that should be done. If there is a rollcall on Monday I shall ask that further consideration of the bill or the rollcall be postponed until Tuesday.

In other words the answer to the gentleman's question is "Yes."

ESTABLISHING A DOMESTIC RELATIONS BRANCH IN THE MUNICIPAL COURT FOR THE DISTRICT OF COLUMBIA

The SPEAKER. The Chair recognizes the gentleman from Arkansas [Mr. HARRIS].

Mr. HARRIS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 1289) to establish a domestic relations branch in the municipal court for the District of Columbia, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to 1 hour, the time to be equally divided and controlled by the gentleman from Minnesota [Mr. O'HARA] and myself.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Arkansas.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill S. 1289, with Mr. SIKES in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. HARRIS. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, I am privileged to present to the House today, in behalf of the Committee on the District of Columbia, S. 1289, a bill which will establish a domestic relations branch in the municipal court for the District of Columbia.

Mr. Chairman, your committee considered this bill rather extensively. We held hearings on various occasions that lasted over a period of several days. There is a lot of interest in this matter in the District of Columbia, and we heard many witnesses. We heard from people who are well and highly respected in the District of Columbia, people who have at heart the interest of their community and those things that affect the welfare of the people. As a result of our consideration, after thorough and exhaustive hearings, the Subcommittee on Judiciary of the District of Columbia held executive sessions, followed by the action of the entire committee in reporting this bill to the House.

S. 1289 was passed by the other body in the last session of the Congress and sent over to the House. There are divergent views on this subject. I think most everyone is in accord that something needs to be done and must be done. Now, we will start from that premise, which is unanimous with everyone. But, the method of approach is different.

There are those who feel that it should be approached entirely differently from what we have reported here. We endeavored to resolve differences in our committe during the course of the hearings and consideration.

First, let me explain the basic differences in the Senate bill and this one reported by our committee. The Senate bill as it was sent to us proposed two new judges of the municipal court, and our committee in its wisdom thought there should be three, and therefore the House bill proposes three new judges of the municipal court.

Second, the bill as passed by the Senate provided for the appointment of commissioners to assist the judges sitting on the bench. There was great controversy over this particular question. As a result, the House bill eliminates this provision.

Then the third major difference is that the Senate bill provides for the rotation of all judges of the municipal court in the hearing of cases affected by the bill. This bill as reported by our committee would require the judges to serve in the domestic relations branch, but their services would be available in other court cases when called upon to serve in this capacity by the chief judge of the municipal court. The House bill would also provide authority for the chief judge of the municipal court to assign other judges of the court to the domestic relations branch on a temporary basis where their services are necessary.

Now, let me quote from the report as to advantages of the bill for your information:

ADVANTAGES OF THE BILL

Extensive hearings were held by a subcommittee of your committee, and a substantial number of witnesses were heard. Widely divergent views as to the merits of the legislation were voiced by witnesses. Several procedural changes in the handling of the cases affected by this bill were proposed by judges of the United States district court. Because of vigorous opposition to some of these proposals, your committee has eliminated most of them from this bill in the belief that after the domestic relations branch of the municipal court has acquired some experience in the handling of these cases, those judges may then submit to the Congress such proposals for procedural changes as their experience indicates are necessary.

By its terms, the bill would, for practical purposes, abolish the rotation of judges assigned to hear the types of cases affected by the bill and will thereby effect substantial savings in manpower on the court. By creating a specialized division in an existing court, the bill would permit economies, both financial and personnel, which would not be possible if an entirely new court were created.

The bill would relieve the United States District Court for the District of Columbia of approximately 30 percent of its numerical caseload and approximately 15 percent of the trial time devoted to the trial of civil cases. This saving will afford the United States District Court for the District of Columbia some relief in meeting an ever-mounting caseload. The Judicial Conference of the United States has approved a request for three additional judgeships to be established on the United States District Court for the District of Columbia in the event the present bill, or one similar to it, is not approved by the Congress. Your committee believes that the economies realized by the creation of a domestic relations branch in the municipal court are substantial enough to justify the procedure proposed by the present bill in preference to the appointment of additional judges to the United States district court, or the creation of an entirely new court.

I realize, Mr. Chairman, that there are honest differences of viewpoint but I am thoroughly convinced that it behooves us who have the responsibility of these matters for the District of Columbia to do what we think is best to resolve this question. There are all kinds of ramifications involved. I know it would be difficult to satisfy everyone. There are the practicing attorneys who devote their time to divorce proceedings, adoption cases, custody cases, and other matters concerning domestic relations problems. They are vitally interested, of course.

There are various organizations in the District who are interested. I might say here, to strengthen our position which we feel is the best approach, we have practically all of these organizations in the District of Columbia, including the Judicial Council of Federal Judges, the judges of the district court, the judges of the municipal court, various civic and religious organizations, supporting this as the best approach to this problem under the circumstances.

It will be contended that the District bar is not in accord with this viewpoint. There are differences of opinion as to whether it is a fact. Some, I am sure, will say that a committee of the District bar recommend against it. I think that is true. But that committee was composed of a relatively small percentage of the 3,000 members of the District bar. I have just received a wire from the president of the District Bar Association which reads as follows:

WASHINGTON, D. C., *January 26, 1956.*

Hon. OREN HARRIS,
House Office Building,
Washington, D. C.:

The morning press carried a story indicating the introduction of a bill by the Honorable DEWITT HYDE to retain jurisdiction of domestic relations matters in the United States District Court arising out of consideration of S. 1289. The report indicates the subject matter has the approval by the Bar Association of the District of Columbia. The Bar Association of the District of Columbia has not endorsed the Hyde bill.

CHARLES RHYNE,
President, Bar Association of the District of Columbia.

Therefore, to accomplish the objectives that I explained, we believe that in the interest of this important problem for the Nation's Capital, the House should approve the bill as we have presented it.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the distinguished gentleman from Indiana.

Mr. HALLECK. Mr. Chairman, I want to commend the gentleman for his very splendid statement in explanation of the measure before us. I have known of the problem with which this proposed legislation seeks to deal, for a number of years. I know that there is a real

problem which has been given a great deal of consideration. It has had that consideration for years and years.

I believe this specific matter has been pending before the Congress for some 5 years. I think the committee has done a good job in bringing out the bill it has. I rise only to express the hope that the legislation may go to passage and this very troublesome matter be disposed of in this fashion. It is quite obvious to me from what the gentleman has said about the approval of the judges of the District of Columbia and all of the people he mentioned who have given this matter a great deal of thought and time that the legislation must be in line with their views. It strikes me, as I say, that now is the time to dispose of it once and for all.

Mr. HARRIS. I thank the gentleman for his very fine statement.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to my distinguished colleague the majority leader [Mr. McCORMACK].

Mr. McCORMACK. I agree with my friend, the chairman of the subcommittee, the gentleman from Arkansas [Mr. HARRIS], and also my friend from Indiana [Mr. HALLECK], that this is a very good bill and it should pass.

I have here a telegram from one of the outstanding lawyers of the country, who is known and beloved by all not only for his great ability but for his sweetness of character, William E. Leahy, who is very strong in support of the bill.

Mr. HARRIS. And a very able practicing attorney in the District of Columbia.

Mr. McCORMACK. Exactly.

We had a situation in Massachusetts some years ago where the superior court, which is the great trial court of our Commonwealth, was the only court that had jurisdiction over divorces. The result was that tort cases, contract cases, and other cases over which the judges of the supreme court had primary jurisdiction were more or less held back. Their having jurisdiction of divorce cases was a contributing factor to long delays in the trial of those other important cases.

The Massachusetts Legislature gave to the probate courts of our Commonwealth concurrent jurisdiction in divorce cases. That made a marked contribution toward speedy trials and hastening the trials of other cases before the superior court.

My understanding is that the United States District Court of the District is the only Federal court which has jurisdiction with reference to divorce cases.

Mr. HARRIS. It is the only Federal court in the United States that has jurisdiction over divorce and domestic proceedings.

Mr. McCORMACK. Here is the United States district court with all of its other business of great import, the important cases that come before it. It seems to me it is only logical that legislation of this kind should be enacted into law. I strongly urge the passage of the bill.

Mr. HARRIS. I thank the gentleman very much for his very fine statement.

Let me clarify this one thing again. The Judicial Conference of the District of Columbia has recommended the principle involved here. What they actually did was to recommend a separate court altogether, to establish a new court called a family court. There were not many who supported that viewpoint. They did support the principle behind it, yes, to do something about it. So we actually had the problem of determining whether or not to try to arrange some way within the district court itself to handle the 3,000 cases pending in the backlog today or to transfer it to the municipal court.

We felt that because of the constitutional problems involved on the question of rotation within the Federal courts here in the District of Columbia this would be the most appropriate way to handle a very complicated and highly important problem.

Mr. McCORMACK. A very important factor, a matter for consideration by a judge when a divorce case is before him, is to try to stop the divorce by trying to reconcile the parties. When a judge is under tremendous pressure to try other important cases, the difficulty in his getting time to go into the family matters and reconcile the differences is very evident. It seems to me this bill would have a very beneficial effect in the fact that the judges on a municipal bench would have more opportunity to try to bring about reconciliations than might exist in the case of the district court judges, and that is no reflection at all on our district court judges.

Mr. HARRIS. Exactly. That is precisely true.

I may say that the Attorney General of the United States has recommended this in a letter to the distinguished Speaker, which I am including in my remarks.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I am glad to yield to the gentleman from Iowa.

Mr. GROSS. This proposes to establish within the municipal court a court of domestic relations; is that correct?

Mr. HARRIS. Yes, for this particular purpose.

Permit me to explain a little more fully and I think it would be helpful. I want this to be clearly understood, but I do not wish to consume all the time or impose myself on the House. But let me repeat.

The purposes of the bill are, first, to provide improved procedures for the handling of domestic relations cases, and second, to transfer the trials of such cases from the United States District Court for the District of Columbia, the only Federal court in the Nation which decides domestic relations cases, to the municipal court for the District of Columbia.

As originally brought to the attention of Congress, a bill was proposed providing a separate family court to hear domestic relations cases. It was urged that divorce and other domestic relations problems are now being heard by United States judges who customarily deal with litigation of entirely different nature. In the States, domestic relations cases are heard and decided by State trial courts. In some of the States, judges have been provided who are especially interested in and who have made extensive studies of this type of litigation. When dealing with sensitive problems of family relations, particularly when children are involved, it has been found important to endeavor to eliminate, to the extent possible, the adversary nature of the proceedings, retaining, however, full opportunity for trials of issues in respect of which agreements are not reached. In some States, the courts have been able to work out agreements as to custody and alimony in a large percentage of cases; and in some have effected reconciliations of husbands and wives. Effectiveness of such approaches to family disputes has been demonstrated by systems now existing in Michigan, California, Pennsylvania, and Ohio.

The proposed program in the District of Columbia was brought to the attention of the Congress with strong support. The Judicial Conference of the District of Columbia unanimously supported the change. This conference is made up of 15 United States district court judges, who presently try domestic relations cases, and 9 judges of the United States Court of Appeals for the District of Columbia Circuit, who consider such cases on appeal. The Judicial Conference of the United States, consisting of the Chief Justice of the United States and the chief judge of each of the United States Circuit Courts of Appeals, also unanimously endorsed the substance of the bill on 4 occasions, 3 of them at meetings presided over by Chief Justice Fred M. Vinson, and 1 at a meeting presided over by the present Chief Justice, Earl Warren, in September 1954.

The bill also has support of the Commissioners of the District of Columbia, who are concerned with the problem. The Commissioners' Advisory Council, the juvenile court, the Board of Public Welfare, the Board of Education, United Community Services, the Washington Board of Trade, representative groups from Catholic, Protestant, and Jewish churches, and the Women's Bar Association all support the substance of the bill. The principal opposition was presented to Congress by representatives of the District of Columbia Bar Association which at a meeting rejected the proposal by a vote of 209 against 157, out of a membership of approximately 3,000. However, it was represented to the committee during hearings that 12 out of 13 past presidents of the District of Columbia Bar Association who had definitely expressed themselves had supported the proposal and that other leading lawyers in the city, including a former president of the American Bar Association, have given full support to the proposal.

Extensive hearings were held both before the House and the Senate committees. During these hearings, the question arose as to whether a separate court should be provided to handle domestic relations cases or whether the jurisdiction should be transferred to the municipal court for the District of Columbia. The judges of the municipal court took

the position that if jurisdiction over domestic relations was to be taken from the United States district court, it should be transferred to the municipal court rather than to a separate court to be created. When this point was made at the hearings, the chief judge of the United States district court was asked whether there would be objection if provision were made that three judges be appointed as a branch of the municipal court for the specific handling of domestic relations cases, assuming there were included the objectives mentioned by the separate court bill. The chief judge replied that the Judicial Conference of the District of Columbia and of the United States had not specifically acted on this proposal and for that reason he was not able to state their views. However, both he and the chairman of a committee of six judges of the United States district court who had developed the proposed program agreed that if the full objectives of the separate court bill would be accomplished by a transfer to the municipal court, they could see no objection to the transfer to the municipal court.

Within the past year Congress has increased the salaries of municipal court judges from $13,000 to $17,500. Your committee feels assured that competent and well-trained judges may be induced to accept appointment in a domestic relations branch of the municipal court. And there are a number of advantages which will be accomplished by such transfer. There is presently sufficient housing available in the municipal court buildings, there is already in existence an organized clerical force, the domestic relations judges would be available for other work if their work should be current, and judges of the municipal court might be assigned from other divisions if the work of the domestic relations branch were not current. The creation of a specialized division in the municipal court will permit economies, both financial and personnel, not possible if a separate new court were created.

The bill would relieve the United States District Court for the District of Columbia of approximately 30 percent of its numerical caseload and approximately 15 percent of time devoted to trials of civil cases. This saving will afford the United States District Court for the District of Columbia relief in meeting an ever mounting caseload. The Judicial Conference of the United States has approved that a request be made to Congress for three additional judgeships to be established for the United States District Court for the District of Columbia in the event the present bill, or one similar to it, is not approved by the Congress. This request will not be necessary to be made if the proposed bill transferring domestic relations cases is passed. For the reasons stated, your committee, as well as the committee of the United States Senate and the Senate itself, has made provision for the transfer of the business from the United States District Court to the Municipal Court for the District of Columbia.

On May 31, 1955, the Senate passed S. 1289. Lately, on December 21, 1955, the Attorney General of the United States, by letters written to Speaker RAYBURN and Minority Leader MARTIN, expressed his approval of the passage of the House bill, stating it is his belief that in conference with representatives of the Senate, an effective manner of working out the transfer of jurisdiction of domestic relations cases and the objectives of improving the procedures in such cases may be accomplished.

Thus all parties intimately concerned in the problems of domestic relations cases, the judiciary of the United States, the judges of the municipal court, the Attorney General, the Commissioners of the District of Columbia, and every leading organization in the city interested in the family problems has approved the general substance of the proposed transfer, with the exception of the Bar Association of the District of Columbia by a sharply divided vote of approximately one-sixth of its membership.

In addition to the transfer of domestic relations business from the United States district court to the municipal court, there is a provision for the transfer of adoption proceedings which presently are held in the United States district court. No opposition to this transfer has been mentioned.

The bill authorizes appointment of three additional judges to the municipal court. A study was made by a representative of the administrative office of the United States courts in an effort to ascertain the time spent each year by judges of the United States district court in dealing with domestic relations cases. Following this study it was concluded that the domestic relations cases and adoption cases will require the time of three judges.

As has hitherto been stated, the bill as approved by the House committee provides that the judges appointed to the domestic relations branch of the municipal court shall, during their tenure of office, serve in such branch, but the chief judge of the court, if he finds the work will not be adversely affected, may assign any of the judges in the domestic relations branch to perform the duties of any other judge. He also is given authority to assign any other judge of the court to serve temporarily in the domestic relations branch if in the opinion of the chief judge the work of the domestic relations branch occasions such assignment. One of the problems arising in handling domestic relations cases by the United States district court has been that in many instances a wife or a husband, who has lost a decision as to custody or alimony after final hearing, has been able, due to the rotation of judges from one to another branch of business in the court, to have their cases heard anew before other judges. Decisions as to custody and alimony do not have the status of being final, as is true in the usual type of litigation. It often occurs that losing parties in domestic relations cases, after losing decisions following lengthy hearings, will again apply to the court in an effort to obtain a different decision, the claim being made that conditions have changed since the previous ruling of the court. This usually happens after the judge who heard the case has moved to another division of the court. Immediately upon a judge being assigned to a new division, the chief judge sets up a calendar of important cases in the new division for him to try. In these important cases, the judge must pass upon all motions, conduct the pretrial, and take all steps necessary to dispose of preliminary matters, as well as conduct the final trial.

These important cases have special trial dates set, many have out-of-town witnesses, and prominent counsel have reserved the times to try them. It is not feasible to transfer back one of these judges to hear a domestic relations case which he previously decided, in which a change of facts may be said to have occurred since the case was decided. Thus the hearing before a different judge may be accomplished. The attention of the committee at its hearings was called to instances in which hearings in divorce cases involving custody, maintenance, or alimony have actually been held before as many as 8 or 10 different judges. Some of these hearings were on precisely the same questions previously decided by other judges. The great expense of these repeated trials, the continued harassment of the families concerned, and the tremendous waste of time of the court, witnesses, and parties obviously is damaging to the cause of justice.

While it has been suggested that either the judges themselves or Congress by legislation might provide a domestic relations branch in the United States District Court for the District of Columbia, with provision against rotation of judges similar to the provision made in respect of the municipal court in the present bill, there is serious question as to the legality of such a provision in respect of the United States district court. The Supreme Court of the United States has held that the United States District Court for the District of Columbia is one organized by Congress pursuant to provisions of the Constitution. The judges of this court have the same full powers and jurisdiction of judges of other United States courts. Judges and lawyers therefore have questioned the legality of a provision limiting United States district judges to hearing only divorce cases. No similar problem exists in respect of the municipal court for the District of Columbia. It is strictly a legislative court, not formed pursuant to the Constitution and Congress has full power to provide for the assignment of its judges to specified business.

The second major objective of the bill is to relieve the United States district court, the only Federal court in the Nation which hears divorce cases, from trials of these cases. Not only is it unusual that this type of business be heard by a United States court, but, as pointed out by the Attorney General in advocating passage of the House bill, there is now an intense and continuing interest in reducing delays in disposing of cases before United States courts throughout the Nation. He points out that while the criminal calendar of the United States district court for the District of Columbia is current and has been maintained in that state for some years, there is presently a delay of about 2 years in the dis-

position of civil cases. Your committee has been informed that the judges of the United States district court for the District of Columbia presently have the largest individual caseload and the most diversified business of any judges in the United States courts. Much Government litigation of the greatest importance is disposed of by this United States district court situated in the Capital of the Nation. The Judicial Conference of the United States has recommended that if the domestic relations work is to continue to be carried on in the United States district court, three additional judges will be required to keep current its present business and to have any prospect of reducing delays in reaching civil cases for trial. Three new judges in the municipal court may be appointed at less expense to the Government. Your committee is convinced they will be able to competently handle this volume of business and the relief to the United States district court brought about by the transfer of domestic relations and adoption cases will enable it to get its civil trial calendar current.

It has been estimated the cost of the operation of the domestic relations branch of the municipal court will approximate $112,050 a year. This figure is lower than the comparable cost either of appointing additional judges to the United States district court or of creating an entirely new court for the carrying on of this judicial business.

Seldom has any proposal been brought to the attention of the Committee on the District of Columbia with the overwhelming support given the objectives sought to be accomplished in the handling of domestic relations cases in the District of Columbia. The proposal was brought to the attention of Congress as long as 5 years ago. Your committee believes it to be of importance that the Senate bill as amended should pass without further delay.

DECEMBER 21, 1955.

Hon. SAM RAYBURN,
Speaker, House of Representatives,
Washington, D. C.

DEAR MR. RAYBURN: I have the honor to address you in reference to legislation now pending before the Congress which proposes to transfer jurisdiction over domestic relations matters in the District of Columbia from the United States District Court for the District of Columbia to the municipal court for the District of Columbia.

S. 1289, "An act to establish a Domestic Relations Branch in the municipal court for the District of Columbia, and for other purposes," passed the Senate on May 31, 1955, and was referred to the House Committee on the District of Columbia. That committee reported the bill, with amendments, on July 1, 1955, and the legislation is awaiting action on the floor of the House. (Rept. No. 1302; Union Calendar No. 411.)

The program of removing domestic relations cases from the United States District Court for the District of Columbia has had the approval of the Judicial Conference of the District of Columbia Circuit, also the Judicial Conference of the United States. As presented to these judicial conferences, a separate court was advocated, but in the course of the hearings in Congress the chief judge of the United States district court and the judge who is chairman of a committee of judges of the United States district court, appointed to work on the proposed legislation indicated there is no objection to a transfer to the municipal court so long as provisions for making improvement over the present system of handling domestic relations cases is maintained in the legislation. The chief judge of the municipal court of the District of Columbia approves the transfer on this basis. In my judgment the bill as reported by the House Committee of the District of Columbia should be adopted by the House of Representatives. In the event of its passage, I am sure that in conference between the committees of the House and Senate, an agreement may be reached to incorporate adequate provisions to accomplish the desired improvements.

The Department of Justice and the other executive departments of the Government have an intense and continuing interest in reducing the delays attendant upon the disposition of cases before the Federal judiciary throughout the Nation. While the criminal calendar of the United States district court for the District of Columbia is current and has been maintained current for several years, there is presently a delay of about 2 years in the disposition of civil cases in that court. It is the position of the administration that if the above or comparable legislation were enacted into law, the delay in the trial of cases in the district court will be substantially lessened. There also will be accomplished a decided improvement in the handling of domestic relations cases.

The jurisdiction of the United States District Court for the District of Columbia is peculiar in that Washington is a "Federal" city. By reason of its history, the court has jurisdiction over many local matters handled by State, county, and city courts in other jurisdictions. It is the only Federal bench in the country handling domestic relations matters, and its judges spend an estimated 15 to 18 percent of their time on such litigation.

S. 1289 as reported by the House Committee on the District of Columbia provides for the creation of a separate branch of the municipal court, and the appointment and assignment of three additional judges thereto, with exclusive jurisdiction over domestic relations litigation arising in the District of Columbia. I believe that the separate domestic relations branch of the court contemplated by this legislation would be able to promptly and efficiently dispose of all matters requiring immediate attention in connection with this type of litigation, such as maintenance, support, custody, and so forth.

The work of the municipal court for the District of Columbia has remained current for the past 2 years, and that court has demonstrated its capacity to assume additional jurisdiction over local matters. Originally the municipal court had very limited jurisdiction. The act of April 1, 1942, consolidated the former police court and the former municipal court, and the new court was given greater civil jurisdiction. It was the intent and purpose of the proponents of that legislation that the new municipal court would in the course of time assume many judicial burdens of a purely local nature which were imposed upon the District Court for the District of Columbia, and thereby relieve the latter tribunal and enable it to devote more time to its fundamental purposes. The passage of legislation transferring jurisdiction in domestic relations matters to the municipal court would be a progressive step in that direction and I urge that it be given as prompt attention as possible.

With my warm regards.

Sincerely yours,

———— ————,
Attorney General.

(Copy to Hon. JOHN L. MCMILLAN, Member of Congress, Washington, D. C.)

Mr. O'HARA of Minnesota. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, my colleague from Arkansas, the chairman of the Subcommittee on the Judiciary of the District of Columbia Committee, which dealt with this subject matter and this legislation has made a very fine statement with reference to the purpose of the legislation. I concur in what he said generally. Hearings of great length were held on this legislation last year.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield.

Mr. HARRIS. I would like to get one point in the RECORD, which I believe would be appropriate at this time, following what has already been said. There may be in the minds of some of our colleagues the question of cost or additional expense or the matter of creating additional jobs. Is it not true that notwithstanding how this matter might be resolved, it is contemplated there will have to be some new judges to take over this problem? In other words, if it remains in the district court, they propose to ask for three additional judges.

Mr. O'HARA of Minnesota. That is right.

Mr. HARRIS. And if it goes to the family court they would have to have three judges for that court.

Mr. O'HARA of Minnesota. That is right.

Mr. HARRIS. And if it is transferred to the municipal court, of course, the judges would have to be appointed to take care of the responsibilities in that court. So there are no new jobs or extra expense involved, if one procedure is followed as against another.

Mr. O'HARA of Minnesota. The gentleman is correct. Following that particular point, I might point out that the municipal court has available the courtrooms for these three judges. I am not sure that would be true if it remains in the Federal district court. Of course, there is a difference of $5,000 a year in the salaries of the judges of the United States district court and the judges of the municipal court so that there would be a saving of $15,000 a year in the salary item alone. If a separate court were to be established, of course, there arises the question of new quarters. It means a complete new setup whereas in the municipal court, the facilities and personnel are already available. Of course, there might be some additions of personnel that might have to be made, but there are the facilities and a skeleton-trained personnel already available. Therefore, the expense would be far less if it were transferred to the municipal court.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield.

Mr. GROSS. Can the distinguished gentleman from Minnesota tell us how many municipal court judges we now have?

Mr. O'HARA of Minnesota. We have 12 municipal court judges.

Mr. GROSS. Can the gentleman tell us what the cost of maintaining the municipal court of the District of Columbia is?

Mr. O'HARA. Those figures do not come immediately to my mind, but the income of the court is far greater than the costs of the court.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield.

Mr. HYDE. In order to make it clear for the record, is it not true that the court is self-sustaining?

Mr. O'HARA of Minnesota. Yes, the municipal court is self-sustaining?

Mr. Chairman, the matter of domestic relations and divorces is one of the important and delicate matters we have to deal with in our respective States. As the gentleman from Massachusetts [Mr. McCORMACK] has indicated, there is a dual jurisdiction in his State. But involved in divorce matters, is the juvenile problem. In the District of Columbia, the juvenile court is in the municipal court and the judge of the juvenile court is substituted for by judges of the municipal court. So that this backlog of delay of the trial of these divorce cases and domestic relation problems, problems concerning the support of children, juvenile problems, are problems which should be met and dealt with with the greatest of expedition.

I do believe that one of the most important things in connection with this matter has been the excellent job that the municipal court has done in the last 2 years in becoming current in its business before that court.

Mr. CRETELLA. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield.

Mr. CRETELLA. You have made reference to a 3,000-case backlog. What does the bill propose to do with those cases? Transfer them automatically, or is there a setoff date?

Mr. O'HARA of Minnesota. Let me reply to the gentleman. We ran into quite a tangled problem when this matter was under consideration of the transfer of existing cases from the United States district court to the municipal court. Some of the members of the bar presented to us very powerful arguments against that transfer and its possible effect. I think the judges and the bar are agreed that in this situation it would be better to leave those cases that are now pending in the United States district court where they are, and for the domestic relations branch of the municipal court to start out clean and take up those cases as they are filed. The reason for not transferring was the legal difficulties that became involved in such an attempt to transfer. I think there is unanimity among the members of the bar, some of the very excellent lawyers who appeared before us, and the judges, that that will have to be the problem of the district court, to dispose as quickly as they can, the cases filed in the District of Columbia Federal court.

Mr. CRETELLA. Then both the Federal court and this new proposed transfer would have concurrent jurisdiction until the backlog is cleaned up?

Mr. O'HARA of Minnesota. In effect it would amount to that, although when this bill becomes law, if it does, all new cases will be filed in the municipal court, and for a period of time until the cases are cleared up in the district court, there would be, in effect, the two jurisdictions.

The CHAIRMAN. The time of the gentleman from Minnesota [Mr. O'HARA] has again expired.

Mr. O'HARA of Minnesota. Mr. Chairman, I yield 5 minutes to the gentleman from Maryland [Mr. HYDE].

Mr. WILLIAMS of Mississippi. Mr. Chairman, a point of order. This is a highly controversial bill, in spite of the apparent agreement that has been shown among the previous speakers. I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Sixty-two Members are present; not a quorum.

The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 2]

Albert	Hoffman, Ill.	Reed, Ill.
Avery	Holifield	Rees, Kans.
Barrett	Holtzman	Rhodes, Ariz.
Bolton, Frances P.	Hope	Richards
	Ikard	Riley
Bow	Jarman	Rivers
Bowler	Johnson, Calif.	Rogers, Mass.
Bray	Judd	Sadlak
Brownson	Kearney	Scott
Chase	King, Pa.	Seely-Brown
Chatham	Kluczynski	Sheehan
Chudoff	Knox	Shelley
Church	Knutson	Sheppard
Clark	Lesinski	Smith, Kans.
Cooley	McDowell	Steed
Dague	Macdonald	Taylor
Diggs	Mack, Wash.	Teague, Tex.
Dodd	Martin	Thompson, La.
Dorn, N. Y.	Miller, N. Y.	Thompson, Mich.
Durham	Mollohan	
Eberharter	Morgan	Thornberry
Edmondson	Morrison	Tuck
Fino	Moulder	Tumulty
Flynt	O'Brien, N. Y.	Van Zandt
Fulton	Patterson	Velde
Gamble	Pfost	Vorys
Garmatz	Poage	Walters
Gordon	Polk	Willis
Granahan	Prouty	Wolcott
Gregory	Rabaut	Zablocki
Hinshaw	Reece, Tenn.	Zelenko

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SIKES, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill S. 1289, and finding itself without a quorum, he had directed the roll to be called, when 333 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. At the time the point of no quorum was made, the gentleman from Maryland [Mr. HYDE] had been recognized for 5 minutes.

Mr. HYDE. Mr. Chairman, as a member of the local bar of the District of Columbia who has practiced before all of the courts of the District of Columbia, I think I reflect the point of view of most of the members of that bar in opposition to this bill which would transfer the jurisdiction over domestic relations cases from the United States district court to the municipal court.

Mr. O'HARA of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield.

Mr. O'HARA of Minnesota. The gentleman will concede, will he not, that the District bar has not taken a vote on this bill?

Mr. HYDE. I will concede that. If the gentleman from Minnesota will recall, I said I think I reflect the point of view of the majority of the bar, and at this point I might say that the committee of the bar on domestic relations has acted on this subject and has voted against this bill, and further has suggested an alternative in the form of a bill which would leave the jurisdiction of the domestic relations matters in the district court as a separate branch of that court. I have introduced that bill today, and at the appropriate time I expect to move to recommit the bill before us so that we may consider the alternative offered in that bill. Now, I will be glad to yield to the gentleman from Minnesota.

Mr. O'HARA of Minnesota. The gentleman from Maryland was on the subcommittee that heard this legislation which was presented to us. You recall the bar association had opposed the setting up of a separate family court.

Mr. HYDE. That is right.

Mr. O'HARA of Minnesota. The bar association opposed the setting up of a separate family court by a substantial vote, but it had never during all of the hearings taken any vote during the time that this bill was under consideration. Is my memory not correct on that?

Mr. HYDE. That is right. As a matter of fact, I do not remember this particular measure which we have before us today ever being submitted to the bar association nor did any member of the bar testify one way or the other. My recollection is that the only person who testified on the matter of transferring this to the municipal court was the chief judge of that court who, if you will recall, said that he was not urging it but would be perfectly willing to accept the jurisdiction.

Mr. Chairman, there are some very important reasons from the standpoint of lawyers who are members of the local bar, why they do not want the jurisdiction over an important matter such as domestic relations handled in the municipal court. I want to make it clear that in my opposition to this bill, I mean no reflection whatsoever upon the municipal court nor, of course, upon the membership of that court. Chief Judge Leonard Walsh, of the municipal court, has done a magnificent job in recent years. He has brought that court from the point where it was over a year and one-half behind in its calendar to the point where today you can get a trial in the court within 30 days. The court is doing a good job, but it is a court of limited jurisdiction. I believe that the majority of the practicing members of the local bar do not think it should be given the jurisdiction to handle domestic relations matters.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield.

Mr. HALLECK. Is it true that all of the judges in the District of Columbia, or all of the courts in the District approved the measure presently before us?

Mr. HYDE. I do not know that that is true—no.

Mr. HALLECK. That is my information. Also, that it is supported by the Attorney General and by the administration and by many of the organizations in the District of Columbia who have a particular interest in matters of this sort.

Mr. HYDE. If I may answer the gentleman from Indiana, we have never received any testimony before our committee to the effect that the persons and the organizations to which the gentleman from Indiana refers have approved this particular bill. They approved another bill setting up a family court, but I do not know that all of these judges and all of these organizations have approved this particular proposal.

The CHAIRMAN. The time of the gentleman from Maryland has expired.

Mr. O'HARA of Minnesota. Mr. Chairman, I yield 5 additional minutes to the gentleman.

Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield.

Mr. O'HARA of Minnesota. To answer the inquiry of the gentleman from Indiana, I can assure the gentleman that all of the judges of the United States district court and all of the judges of the municipal court, and I am not sure about the circuit court of appeals, but altogether, 48 judges approved this bill and it is also a fact that the Attorney General of the United States approves this bill.

Mr. HYDE. I have no doubt whatsoever that the judges of the district court have approved this bill, because they would be glad to get rid of this burdensome duty. I have no doubt whatsoever that the judges of the municipal court approve it because they would be delighted to have this additional jurisdiction.

These are the reasons why members of the local bar do not think that this municipal court should have jurisdiction of domestic relations cases: In the first place, no State in the Union has placed the jurisdiction of domestic relations matters in an inferior court, which is what this court is. It is a court of limited jurisdiction. It has no jurisdiction over felony cases. Its civil jurisdiction is limited to $3,000. It cannot treat title to real property and things of that sort. No other State in the United States has put domestic relations cases in a court of that limited jurisdiction.

In the second place, the subpena power of the municipal court is more limited than that of the United States District Court. It is limited to the confines of the District of Columbia, whereas the United States district court can subpena people within a 100-mile radius of the District of Columbia, which, with the expanding area of metropolitan Washington, is very important when getting the necessary witnesses to testify in these very important cases.

In the third place, a judgment in the United States district court can be registered in any other Federal Court in the United States, so that if you get a judgment in a domestic relations case in the United States District Court of the District of Columbia, all you have to do to enforce that judgment in some other State is to take it into the Federal court in that jurisdiction and register it. You do not have to have a new trial. However, if you put these cases in the municipal court you would have to take a judgment of the municipal court into the State court where you wanted to go, and have a trial on that judgment before you could get any action.

In the fourth place, in view of the limited jurisdiction of the municipal court you would not be able to settle all of your difficulties in one suit, as you can in the United States district court. For instance, if there is any issue as to the title to property between the parties, you would have to file a separate suit in the United States court if you filed a divorce case in the municipal court: It would lead to a multiplicity of suits, which we have tried to get away from in recent changes in rules of procedure.

In the fifth place, it would be an additional expense for the litigants, because in the United States district court you have court reporters taking all the testimony, and if you want to pay for a transcript you may do so. In the municipal court there are no regular court reporters in attendance, and if you want to have a reporter there the litigant would have to pay for it. So that there would be an additional expense to the litigant in these domestic relations matters in the municipal court.

I would like to call attention to the fact that the alternative to the pending bill which I have introduced in the form of a bill today and which has been recommended by a majority of the committee on domestic relations of the District of Columbia bar, provides for setting up a domestic relations branch of the United States district court. We do not want to be just negative about it, but we have offered what we think is a better approach to the problem, and at the proper time I will make a motion to recommit, so that we may consider this alternative.

Mr. HARRIS. The gentleman mentioned that his proposal had just been introduced. Is it not a matter of fact that this entire problem has been before the District Committee for 5 years?

Mr. HYDE. I do not know; I have not been here that long.

Mr. HARRIS. But the gentleman has been a member of the committee involved in this matter.

Mr. HYDE. That is right.

Mr. HARRIS. For how long?

Mr. HYDE. I served on the Bar Association committee on this subject about 5 years ago.

Mr. HARRIS. That is right. So it has been constantly before the District Committee for that period of time.

Mr. HYDE. That is right.

Mr. HARRIS. But the gentleman is just proposing his bill today.

Mr. HYDE. That is right.

Mr. HARRIS. The gentleman said it was recommended by the committee on domestic relations of the bar. Has it been presented to the bar?

Mr. HYDE. It will be presented at the next meeting which will be Tuesday of next week.

Mr. HARRIS. But it has not been yet?

Mr. HYDE. Not this bill.

Mr. HARRIS. How many members are there on the domestic relations committee?

Mr. HYDE. I believe about 20.

Mr. HARRIS. And there are approximately 3,000 members of the bar of the District of Columbia.

Mr. HYDE. Yes, on the rolls.

Mr. ABERNETHY. Including lobbyists.

The CHAIRMAN. The time of the gentleman from Maryland has expired.

Mr. HARRIS. Mr. Chairman, I yield 10 minutes to the gentleman from Mississippi [Mr. ABERNETHY].

Mr. ABERNETHY. Mr. Chairman, with all deference to those who espouse this measure, the House ought to follow the suggestion made by the gentleman from Maryland [Mr. HYDE]. He is the only member of the District bar who has thus far spoken. He has particularly interested himself in this pending problem. Unquestionably he is closer to the problem than any man in the House.

I know that every Member of the House respects the gentleman from Maryland. He has asked the Members of the House to send this bill back to the committee and let the members do the job right.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. My time is limited, but if the gentleman insists I will yield to him. I yield.

Mr. HALLECK. I thank the gentleman. I want to agree with the gentleman and concur in the high regard we all have for the gentleman from Maryland [Mr. HYDE].

Mr. ABERNETHY. I appreciate that. What is the question?

Mr. HALLECK. But is it not true that what he proposes to do is to offer a straight motion to recommit, which simply means this measure is defeated today?

Mr. ABERNETHY. Oh, no, no.

Mr. HALLECK. Let me go on. The gentleman knows the situation is a tough one.

Mr. ABERNETHY. Mr. Chairman, I must decline to yield further. I have only 10 minutes.

No; it is not his purpose to kill the bill; it is not the purpose of anyone to kill this bill.

This legislation has not been bandied around for 5 years as was suggested a moment ago. The first bill came to the 2d session of the 83d Congress, a bill introduced by the gentleman from Illinois [Mr. SIMPSON]. That bill, not this but the other bill, is the one which was endorsed by the District judges. It never got out of the subcommittee of which Mr. O'HARA of Minnesota was then chairman. In fact, he opposed that bill and he probably was right.

The District Bar Association did not endorse either that or the pending bill. It insisted on keeping these important issues in a competent court, the District court. Actually that was the feeling of the committee at that time as disclosed by its failure to act. Now, late in May of last year somebody conceived the idea

of turning this over to a court, whose judges had—I hate to say this but we all know it is true—lobbied themselves into some pretty remunerative salaries. In the hearings you will find that only one man testified in favor of this bill and he is one of those judges.

The District Bar Association wants this bill to go back to committee. I want to read from the testimony of a representative of the District bar.

He went on to say that the District judges did not want this jurisdiction. I think some members of the committee agree that the District judges do not want this work. Now, listen to this—but before I read the testimony let me say that this type of lawsuit is closer to the American home than any other lawsuit that comes in the courthouse. It involves the principles upon which our Nation was founded and perpetuated, and that is the sanctity of the home and the perpetuation of the home, the care of children and the preservation of the family. What are we about to do with the domestic problems if we pass this bill? We are proceeding to confer jurisdiction of these important lawsuits upon the lowest court—and I say it with all deference to the court—in the District of Columbia. And if we do, it will be the only municipal court in the entire United States which has such jurisdiction. What did the representative of the District bar say? He said:

> Most of the business of the municipal court is traffic cases.

Now, listen:

> Drunks, prostitutes, sex perverts, small-claims cases, collecting for the Seventh Street credit houses and that sort of thing.

Now, with all deference the District bar has asked the Congress through its Representative, the gentleman from Maryland [Mr. HYDE] to send this bill back to the committee. It will then come forward and support legislation which would establish a domestic relations branch in a highly respected court of the District of Columbia—that is, the Federal district court. That is all they are asking you to do and I very deeply feel this House ought to cooperate.

Mr. Chairman, it would be a serious mistake to take these cases which involve the very foundation of our family life, the home and the domestic life of our country, and frequently, according to the testimony presented, sums of money and properties of forty, fifty or a hundred thousand dollars in value, and rest their jurisdiction in the lowest court of the District. It would be a serious mistake to confer this jurisdiction upon a police court that has to do with what? With traffic cases, with drunks, with prostitutes, with the collection of small claims, and so forth. That was not my testimony. It was the testimoy of a member of the District bar and it stands undisputed in the record. I am simply repeating to you the appeal that was made to the District committee by the District of Columbia Bar Association.

It has been stated here that there are 3,000 members of the District bar and a majority of them did not vote on this thing. That is true but it must be remembered that most of the members of the District bar do not practice law. They have signs over their doors which read "lawyer" but they practice politics, they practice lobbying, and a few other things. There are about 400 or 500 members of the District bar who are particularly engaged in domestc practice and they have turned this bill down. They ask you to establish a branch in a court which is a court of respectable jurisdiction, one with sufficient jurisdiction to qualify it for the trial of such important cases as those presented by domestic differences.

I am not falling out with anyone. I have no bitterness about this thing. I do have some very deep convictions about it. I say again, you are making a serious mistake if you pass this bill.

The facts are that when the original family-court bill first came to the Congress in 1954 it passed the Senate in the form recommended by the Commissioners, by the churches of the District of Columbia, by the Judicial Conference, the Citizens Advisory Council, by the Washington Board of Trade, Rev. Leo J. Coady, the United Community Service, the Washington Federation of Churches, the Jewish Social Service Agency and many others. They endorsed that bill and it was passed by the Senate. It got over here and was bogged down. I am not criticizing anyone for that. Then late last year some judges who run the municipal court decided, after they had their pay up to $6,000 more than the District Commissioners, that maybe they ought to dignify the court with some real jurisdiction.

So they started telephoning. Everybody knows that is the fact. They came up on the Hill and lobbied all day long just as they did on their salary bill.

If I have offended anyone, I am sorry. I love the Members of this House and I think a lot of the District of Columbia. I have served on this committee since I came here 14 years ago. In every instance, I have tried to do what I thought was best for it. Probably this bill will pass. I know it is often the practice when a bill comes here to rush it through. I beg you to go slow and follow the suggestion of our colleague, Mr. HYDE, who is a member of the District bar, a respected and able member of the bar, who promises that this committee will have an opportunity for the first time to consider something that everybody can agree upon and accomplish that which everyone desires.

I urge you, therefore, to send this bill back to the committee.

Mr. HARRIS. Mr. Chairman, I yield 2 minutes to the distinguished chairman of our Committee on the District of Columbia, the gentleman from South Carolina [Mr. MCMILLAN].

Mr. MCMILLAN. Mr. Chairman, my only interest in this bill is to see that the domestic relations cases here in the District of Columbia are brought up to date and to see that cases of this nature are properly handled and do not take up too much time of our Federal judges. The chief judge of the United States district court has been to see me on numerous occasions, and the other judges of the Federal court here have been to see me and have talked to me in an effort to have this problem solved. I have no interest in the courts here other than from a legislative point of view to see that they may properly function. I understand that the domestic relations cases are tying up at least one-third of the time of the Federal judges here in the District, and on occasion these cases are 6 years behind. Now, the chief judge of the municipal court has been before our committee, and he tells me that they are up with their agenda of cases and that they are well capable of handling these domestic relations cases. The Federal court in my State does not handle any divorce cases. All of these cases are handled by the State courts which is comparable to the municipal court here in the District of Columbia.

Mr. Chairman, I hope this bill can be acted on favorably, as it has been before our committee all of last year and we have held, it seems to me, sufficient hearings to satisfy everyone that this is a deserving and a very necessary piece of legislation. I hope the committee will vote down the proposal made by my good friend, the gentleman from Maryland, Mr. HYDE, as there have been no hearings on that bill, and we should dispose of this legislation without further delay.

Mr. O'HARA of Minnesota. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, I appreciate that there may be some Members of the House who have respect for the work of committees and the time that is taken up in the reporting of bills to the House, but over the last year or so it seems to be impossible for any bill to come out of the Committee on the District of Columbia without serious opposition from certain members of the committee, which, of course, is their high privilege.

Now, here we have a situation in which the gentleman from Arkansas, as chairman of the Subcommittee on the Judiciary, and the members on the subcommittee spent long weeks and days of hearings and consideration of a problem that is a very serious one in the District of Columbia. Something has to be done. Some may say that a municipal court is no place to try domestic relations cases. Well, you have various courts; you have various types of courts where the type of judge is no different than the type of judge that is serving in the municipal court here. There is no court in the country that has a finer record of being current than the municipal court of the District of Columbia, and I would make this statement, if my friend the gentleman from Maryland [Mr. HYDE] wants to deny it, that there are as fine lawyers serving as judges in that court as any court in the District of Columbia or the State of Maryland. There may be some, as there are in all courts, that some of the lawyers do not regard very highly.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield to the gentleman from Arkansas.

Mr. HARRIS. Our distinguished friend from Mississippi made a rather amusing statement a while ago as to the type of cases that were considered and handled in the municipal court of the District of Columbia, which, of course, would have some reflection, as I under-

stood him; at least, that is the way I considered the statement, as he quoted a gentleman, a member of the bar, and a very esteemed member. It is a well known fact that he is a practicing attorney in domestic relations matters. Is that not true?

Mr. O'HARA of Minnesota. That is true.

Mr. HARRIS. In view of that, and with reference to the matter of jurisdiction, I should like to impose on the time of my good friend from Minnesota, if he will permit, to read what the jurisdiction of this court is as provided by the Congress:

The municipal court of the District of Columbia shall have exclusive jurisdiction in the following civil cases in which the claimed value of personal property or the debt or damages claimed, exclusive of interest and costs, does not exceed $3,000, namely, in all civil cases in which the amount claimed to be due for debt or damages arises out of contracts, express or implied, or damages for wrongs or injuries to persons or property, including all proceedings by attachment or in replevin (except in cases involving title to real estate or actions against judges of the municipal court or other officers for official misconduct), and in actions for the recovery of damages for assault, assault and battery, slander, libel, malicious prosecution, and breach of promise to marry.

That is the jurisdiction of this court upon which the reflection was made a few minutes ago.

Mr. O'HARA of Minnesota. It is my understanding that that court has jurisdiction up to $3,000.

Mr. HARRIS. That is right, $3,000.

Mr. O'HARA of Minnesota. And in addition to that, the court has general equity jurisdiction and I do not know of any other municipal court in the United States that has that. This is not a J. P. court or a squire's court, or anything of that kind. The court is filled by appointment for 10 years, of capable lawyers, appointed by the President of the United States, whoever he may be.

Mr. HARRIS. And confirmed by the Senate.

Mr. O'HARA of Minnesota. And confirmed by the Senate of the United States.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield to the gentleman from Indiana.

Mr. HALLECK. The gentleman spoke of the work of the Committee on the District of Columbia. I, for one, want the gentleman to understand and all members of that committee to understand that as far as I am concerned I appreciate the work that they do. Many times it is a thankless job.

I want to say again, as I indicated before, that I think the committee has given this matter very careful study and has come here with a proposal that has widespread endorsement and which I think is sound and good. It seeks to deal with the problem that everyone admits exists. So I trust we will be able to dispose of it today and not have it sent back to the committee where it would languish again for no one knows how long.

Mr. O'HARA of Minnesota. The gentleman states the situation exactly.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield to the gentleman from Mississippi.

Mr. ABERNETHY. I would like to say that I think the RECORD should show here that what I said about the court I read from the testimony of a member of the District bar. The words that my colleague refer to were not mine. They were those of a practicing attorney of the District. Since the gentleman said that this is not a J. P. court, may I ask the gentleman, if he had a J. P. lawsuit in the jurisdiction of the District of Columbia, in what court would it be filed?

Mr. O'HARA of Minnesota. The only place it would be filed would be the municipal court. But its jurisdiction is far and away beyond that.

The CHAIRMAN. The time of the gentleman has expired.

Mr. O'HARA of Minnesota. Mr. Chairman, I have no further requests for time.

Mr. HARRIS. Mr. Chairman, I yield myself 1 minute and yield to the gentleman from Pennsylvania [Mr. QUIGLEY].

Mr. QUIGLEY. Mr. Chairman, I have a question which I direct to the chairman of the committee or to anyone else of the committee who may want to answer it. It seems to me the most persuasive argument against this bill advanced by the gentleman from Maryland [Mr. HYDE] is the very strict limitation on the subpena power. I notice on page 9 of the bill, section 105, which has to do with the jurisdiction of the domestic-relations branch, it says that it will have jurisdiction in civil actions to enforce support of minor children, enforcement of nonsupport rulings against husbands who are not inclined to support their wives or their children.

If the subpena power of this court is as limited as the gentleman from Maryland says, would it not be a simple matter for me, as a husband who did not want to support my wife, or a father who did not want to support my children, to frustrate the entire judicial process by going over to Arlington or going to Silver Spring or to Bethesda? Is that a correct analysis of the situation?

Mr. HYDE. Yes; there is that possibility of course, in support cases. Nevertheless, what we are talking about here primarily is the subpena of witnesses. The service of summons is the same in both courts. It is the power to subpena witnesses.

Mr. HARRIS. To answer directly the question of the gentleman from Pennsylvania, you use the same procedure that is used in all jurisdictions, and that is, have the proceedings filed in the jurisdiction to which the man has gone, and therefore carry out the judgment of the court.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Mississippi.

Mr. ABERNETHY. I raised this question in the committee when the municipal court idea was proposed. I think it was pointed out there that we are taking jurisdiction away from a court which has the authority to subpena and cite for contempt across the District line, and are placing jurisdiction now in a court which does not have that authority. As the gentleman so well pointed out, it would be a very easy matter for a person who would be subject to contempt to beat the contempt by simply stepping across the line into Maryland or Virginia.

Mr. HARRIS. The fact remains that the subpena power that he mentions in the District Court is limited to about 100 miles, I think, or for a short distance across the line. If the party involved wants to use the devious means the gentleman suggests that he might use, all he has to do to get out of the jurisdiction under the existing subpena powers of the Federal Court is to go beyond the 100 miles. If he would go 20 miles to do it, certainly he would go 100 miles.

The CHAIRMAN. There being no further requests for time, the Clerk will read the bill for amendment.

The Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby created in the municipal court for the District of Columbia a domestic relations branch.

SEC. 2. Definitions: As used in this act—

(a) "Branch" and "domestic relations branch" mean the domestic relations branch of the municipal court for the District of Columbia created by this act;

(b) "Court" means the municipal court for the District of Columbia and the several judges thereof.

SEC. 3. (a) Additional judges: The first section of the act entitled "An act to authorize the appointment of three additional judges of the municipal court for the District of Columbia and to prescribe the qualifications of appointees to the municipal court and the municipal court of appeals, and for other purposes," approved October 25, 1949 (63 Stat. 887), is hereby amended by striking therefrom "thirteen" and inserting in lieu thereof "fifteen."

(b) One or more judges of the municipal court shall serve in said branch for such periods and in such order of rotation as the judges of the court may determine.

SEC. 4. The court shall have authority to appoint a commissioner or commissioners to assist the judges sitting in the branch. In accordance with rules adopted by the court, such commissioner or commissioners may investigate facts and file for the consideration of the judges in the branch a report setting forth the information obtained by such investigation: *Provided*, That the right to examine, and file exceptions to any such report, shall be reserved to each interested party or his attorney.

SEC. 5. Jurisdiction of domestic relations branch: The domestic relations branch and each judge sitting therein shall have exclusive jurisdiction over all actions for divorce from the bond of marriage and legal separation from bed and board, including proceedings incidental to such actions for alimony, pendente lite and permanent, and for support and custody of minor children; applications for revocation of divorce from bed and board; civil actions to enforce support of minor children; civil actions to enforce support of wife; actions seeking custody of minor children; actions to declare marriages void; actions to declare marriages valid; actions for annulments of marriage; and proceedings in adoption.

SEC. 6. (a) Domestic relations branch vested with power to effectuate purposes of act: The domestic relations branch is hereby vested with so much of the power as is now vested in the United States District Court for the District of Columbia, whether in law or in equity, as is necessary to effectuate the

purposes of this act, including, but not limited to, the power to issue restraining orders, injunctions, writs of habeas corpus, and ne exeat, and all other writs, orders, and decrees.

(b) The domestic relations branch shall have the same power to enforce and execute judgments, orders, and decrees entered by it as is now vested in the United States District Court for the District of Columbia. Judgments of the branch shall have the same legal status as liens upon real estate as judgments of the United States District Court for the District of Columbia.

SEC. 7. (a) Amendments of statutes: Section 963 of the act approved March 3, 1901 (31 Stat. 1345, ch. 845), as amended by the act approved June 21, 1949 (63 Stat. 215, ch. 233; sec. 16–416, D. C. Code, 1951 edition), is amended by striking therefrom "United States District Court for the District of Columbia," and inserting in lieu thereof "Domestic relations branch of the municipal court for the District of Columbia."

(b) Subsection (a) of section 3, and section 13 of the act entitled "An act to prescribe and regulate the procedure for adoption in the District of Columbia," approved June 8, 1954 (68 Stat. 241), is amended by striking therefrom "United States District" and inserting in lieu thereof "domestic relations branch of the Municipal."

(c) Section 6 of the act entitled "An act to regulate the placing of children in family homes, and for other purposes," approved April 22, 1944 (58 Stat. 194), as amended, is amended (1) by striking "Office of the Clerk of the District Court of the United States for the District of Columbia" and by striking "Office of the Clerk of the United States District Court for the District of Columbia," and by inserting in lieu of each such phrase "office of the clerk of the municipal court for the District of Columbia," and (2) by striking "justice of said court" and inserting in lieu thereof "judge sitting in the domestic relations branch of said court."

SEC. 8. Docket: A separate docket shall be maintained for the domestic relations branch. There shall be recorded in such docket the actions taken at each stage of each action and proceeding instituted or conducted in the branch.

SEC. 9. Process: Service of process for the domestic relations branch shall be made by the United States marshal for the District of Columbia or by any of his authorized assistants or in such other manner as the court may by rule prescribe. Service of process for the domestic relations branch may also be had by publication in the same manner as service of process is had by publication for the United States District Court for the District of Columbia.

SEC. 10. (a) Pending cases and files transferred to domestic relations branch: All cases which, on the effective date of this section, are pending in the United States District Court for the District of Columbia and are within the jurisdiction of the domestic relations branch, together with all files, papers, documents, and records in the custody of the United States District Court for the District of Columbia relating to such pending cases shall be transferred to the domestic relations branch.

(b) The United States District Court for the District of Columbia shall, on and after the effective date of this section and upon request of any judge sitting in the domestic-relations branch, transfer to such branch the files, papers, documents, and records relating to any case in which final judgment has been entered in respect to divorce from the bond of marriage; legal separation from bed and board; revocation of divorce from bed and board; enforcement of support of minor children or wife; actions for custody of minor children; voiding or validating of marriages; annulment of marriage; or adoption, whether or not any such case has been reopened prior to the effective date of this section.

(c) All judgments, orders, processes, directions, and proceedings entered in any pending or reopened case transferred to the domestic relations branch pursuant to this act shall be continued and proceeded with, and may be modified, enforced, and executed with the same force and effect as if proceeded with in the United States District Court for the District of Columbia; and no such action or proceeding shall abate or be in anywise affected by the enactment of this act.

SEC. 11. Rules: The court shall by rules prescribe the fees, charges, and costs and the forms of process, writs, pleadings, and motions, and the practice and procedure in actions and proceedings in the domestic relations branch. Such rules shall neither abridge, enlarge, nor modify the substantive rights of any litigant. Except as otherwise specifically provided by such rules, the applicable Federal Rules of Civil Procedure shall govern in the branch.

SEC. 12. Appeals: Any party aggrieved by any final or interlocutory order or judgment entered in the domestic relations branch shall have the same right of appeal available in respect to any final or interlocutory order or judgment entered in the civil branch of the court.

SEC. 13. Sessions: The domestic-relations branch, with at least one judge in attendance, shall be open for the transaction of business every day of the year except Saturday afternoons, Sundays, and legal holidays, and, if deemed necessary, may also hold night sessions.

SEC. 14. Jurisdiction of juvenile court not affected: Nothing contained in this act shall be construed so as to affect or diminish the jurisdiction of the juvenile court of the District of Columbia, or any judge presiding therein.

SEC. 15. Appropriations authorized: Appropriations for expenses necessary for the operation of the domestic relations branch including personal services, are hereby authorized.

SEC. 16. Effective dates: This act, except sections 5, 6, 7, and 10, shall take effect upon its approval. Sections 5, 6, 7, and 10 shall take effect 30 days after the appointment and qualification of the two additional judges authorized by this act to be appointed to the court.

With the following committee amendment:

DOMESTIC RELATIONS BRANCH, MUNICIPAL COURT FOR THE DISTRICT OF COLUMBIA

SEC. 101. That there is hereby created in the municipal court for the District of Columbia a domestic relations branch.

SEC. 102. Definition: As used in this act—

(a) "branch" and "domestic relations branch" mean the domestic relations branch of the municipal court for the District of Columbia created by this act;

(b) "Court" means the municipal court for the District of Columbia and the several judges thereof.

SEC. 103. (a) Additional judges: The first section of the act entitled "An act to authorize the appointment of three additional judges of the municipal court for the District of Columbia and to prescribe the qualifications of appointees to the municipal court and the municipal court of appeals, and for other purposes," approved October 25, 1949 (63 Stat. 887), is hereby amended by striking therefrom "thirteen" and inserting in lieu thereof "sixteen."

(b) The judges appointed to the additional positions authorized by the amendments set forth in subsection (a) of this section shall during their tenures of office serve as judges of the domestic relations branch, but the chief judge of the court may, if he finds the work in the domestic relations branch will not be adversely affected thereby assign any of said judges of the domestic relations branch to perform the duties of any other judge of the court. The chief judge of the court shall also have the authority to assign any of the other judges of the court to serve temporarily in the domestic relations branch if, in the opinion of the said chief judge, the work of the domestic relations branch requires such assignment.

SEC. 104. The judges of the domestic relations branch, with the approval of the chief judge of the court, shall have authority to appoint and remove a clerk and such other personnel as may be necessary for the operation of the branch.

SEC. 105. Jurisdiction of domestic relations branch: The domestic relations branch and each judge sitting therein shall have exclusive jurisdiction over all actions for divorce from the bond of marriage and legal separation from bed and board, including proceedings incidental to such actions for alimony, pendente lite and permanent, and for support and custody of minor children; applications for revocation of divorce from bed and board; civil actions to enforce support of minor children; civil actions to enforce support of wife; actions seeking custody of minor children; actions to declare marriages void; actions to declare marriages valid; actions for annulments of marriage; and proceedings in adoption.

Nothing in this act shall be construed to divest the United States District Court for the District of Columbia of jurisdiction and power to consider, and to enter and enforce judgments, orders, and decrees in any such action, application or proceeding filed in such court prior to the effective date of this section to the same extent as if this act had not been enacted.

SEC. 106. (a) Domestic relations branch vested with power to effectuate purposes of act: The domestic relations branch is hereby vested with so much of the power as is now vested in the United States District Court for the District of Columbia, whether in law or in equity, as is necessary to effectuate the purposes of this act, including but not limited to, the power to issue restraining orders, injunctions, writs of habeas corpus, and ne exeat, and all other writs, orders, and decrees.

(b) The domestic relations branch shall have the same power to enforce and execute judgment, orders, and decrees entered by it as is now vested in the United States District Court for the District of Columbia. Judgments of the branch shall have the same legal status as liens upon real estate as judgments of the United States District Court for the District of Columbia.

SEC. 107. (a) Amendments of statutes: Section 963 of the act approved March 3, 1901 (31 Stat. 1345, ch. 845), as amended by the act approved June 21, 1949 (63 Stat. 215, ch. 233; sec. 16–416, D. C. Code, 1951 ed.) is amended by striking therefrom "United States District Court for the District of Columbia," and inserting in lieu thereof "domestic relations branch of the municipal court for the District of Columbia."

(b) Subsection (a) of section 3, and section 13 of the act entitled "An act to prescribe and regulate the procedure for adoption in the District of Columbia," approved June 8, 1954 (68 Stat. 241), is amended by striking therefrom "United States District" and inserting in lieu thereof "domestic relations branch of the municipal."

(c) Section 6 of the act entitled "An act to regulate the placing of children in family homes, and for other purposes," approved April 22, 1944 (58 Stat. 194), as amended, is amended by striking "office of the clerk of the District Court of the United States for the District of Columbia" and by striking "office of the clerk of the United States District Court for the District of Columbia," and by

inserting in lieu of each such phrase "domestic relations branch of the municipal court for the District of Columbia."

SEC. 108. Docket: A separate docket shall be maintained for the domestic relations branch. There shall be recorded in such docket the actions taken at each stage of each action and proceeding instituted or conducted in the branch.

SEC. 109. Process: Service of process for the domestic relations branch shall be made by the United States marshal for the District of Columbia or by any of his authorized assistants. Service of process for the domestic relations branch may also be had by publication in the same manner as service of process is had by publication for the United States District Court for the District of Columbia.

SEC. 110. Rules: The judges of the domestic relations branch, with the approval of the chief judge of the court, shall by rules prescribe the fees, charges, and costs and the forms of process, writs, pleadings, and motions, and the practice and procedure in actions and proceedings in the domestic relations branch. Such rules shall neither abridge, enlarge, nor modify the substantive rights of any litigant. Except as otherwise specifically provided by such rules, the applicable Federal Rules of Civil Procedure shall govern in the branch.

SEC. 111. Appeals: Any party aggrieved by any final or interlocutory order or judgment entered in the domestic relations branch shall have the same right of appeal available in respect to any final or interloctory order or judgment entered in the civil branch of the court.

SEC. 112. Sessions: The domestic relations branch, with at least one judge in attendance, shall be open for the transaction of business every day of the year except Saturday afternoons, Sundays, and legal holidays, and, if deemed necessary, may also hold night sessions.

SEC. 113. Jurisdiction of juvenile court not affected: Nothing contained in this act shall be construed so as to affect or diminish the jurisdiction of the juvenile court of the District of Columbia, or any judge presiding therein.

SEC. 114. Appropriations authorized: Appropriations for expenses necessary for the operation of the domestic relations branch, including personal services, are hereby authorized.

SEC. 115. Effective dates: This act, except sections 105, 106, and 107, shall take effect upon its approval. Sections 105, 106, and 107 shall take effect 30 days after the appointment and qualification of the 3 additional judges authorized by this act to be appointed to the court.

Mr. HARRIS (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that the further reading of the bill be dispensed with, and that the committee amendment be considered as read and open to amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. YATES. Mr. Chairman, I move to strike out the last word, and ask unanimous consent to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

SERVICES TO OLDER PERSONS

Mr. YATES. Mr. Chairman, in the folklore of India there is a legend about four blind men who could never agree on the nature of reality. One day a stranger put them to the test. "Which of you is the wisest?" he asked. "I am," they all replied. "Then," said the stranger, "we shall have to prove which of you is the wisest. Standing here is a strange beast called an elephant. Each of you shall tell me what he is like."

The first blind man felt the trunk and cried, "The elephant is like a huge snake."

The second blind man felt the leg, and cried, "No; the elephant is like a huge tree."

The third blind man felt the body and cried, "No, no; the elephant is like a huge granary."

The fourth blind man seized hold of the tail and cried, "No, no, no; you are all wrong, the elephant is like a whip."

The crowd laughed heartily, but an old man noted for his wisdom said: "Thus it is with all men who see only part of the truth."

To perceive and serve the whole, rather than its separate parts, is the object, Mr. Chairman, of a bill I am introducing today on behalf of the older persons of our country.

I hardly need to describe for this body the plight so many of them face. We all know that while in the past half century our total population has doubled, the number of persons 65 and over has quadrupled. In 1900, there were only 3 million older persons, or 4.1 percent of the population. Today, over 8.5 percent of our people—or 14 million—are 65 and over. By 1975, this is expected to rise to 21 million, or over 12.5 percent. With an increase in numbers have also come deep-seated social changes. As our economy has moved from one based primarily upon agriculture to one of extensive industrialization, our older citizens have been shunted to an increasingly insecure, dependent, and helpless position. Many have inadequate financial resources for maintaining themselves and their families as independent and self-respecting members of their communities. Many are poorly clothed, ill-housed, underfed, sick. Hundreds are driven by frustration and despair to mental hospitals or general hospitals. Thousands live isolated, lonely lives. It is not too much to say that our older people are becoming the displaced persons of our country. Men and women over 65 are being consigned by the thousands to an early physical and spiritual decay.

Indeed, Mr. Chairman, we have consigned to the scrap heap large numbers of the most deserving of our society—those persons of and above age 65.

Five years ago, when I first introduced a resolution calling for a survey of aging by a select committee of the House, there was need for a study of older persons and their problems. That need still exists, Mr. Chairman, as I indicated last spring by filing the select committee resolution for the fourth consecutive session. In recent months, however, I have become convinced that there is a greater need for action than for study.

Recent research, culminating in two important publications by the Council of State Governments and the Twentieth Century Fund, convincingly demonstrates that the problems of older persons—in income, health, housing, recreation, and rehabilitation—are palpably acute, and cannot longer be ignored.

Through amendments to the social-security law, proposed changes in the housing law, and mounting activities in many segments of our society, some relief is on its way. I commend and support all of these developments. But the sum of all of them will not equal the task to be accomplished. Income is basic, but income alone is not enough. Housing is essential, but although a roof over one's head is a shelter against the elements, it provides little protection against the ravages of social isolation, loneliness, and despair.

We need, Mr. Chairman, a fresh approach. We need a new, broad program of action by all levels of government and private groups alike, which will treat an older person as a whole personality, with total and related personal needs.

Such, I believe, is the bill I am introducing today, which, if enacted, would be entitled "The Services to Older Persons Act."

After a statement of the need for such legislation, this measure contains the following declaration of policy:

First, to help to assure to older persons an equal opportunity with others to engage in gainful employment which they are physically and mentally able to perform;

Second, to help enable older persons to achieve a retirement income sufficient for health and for participation in community life as self-respecting citizens;

Third, to help to provide older persons, so far as possible, with the opportunity of living in their own homes or, when this is not feasible, in suitable substitute private homes; and in the case of such persons who need care that cannot be given them in their own or other private homes, to provide them with the opportunity to live in institutions that are as homelike as possible and have high standards of care;

Fourth, to help older persons to receive adequate nutrition, preventive medicine, and medical care adapted to the conditions of their years;

Fifth, to help to rehabilitate and to restore to independent, useful lives in their homes, to the fullest extent possible, older persons who are chronically ill, physically disabled, mentally disturbed, or incapacitated for other reasons;

Sixth, to help to assist older persons to have access to social groups and to participate with those of other ages, in recreational, educational, cultural, religious, and civic activities;

Seventh, to help to assure that older persons, in planning for retirement and in meeting the crises of their later years, will have the benefits of such services as counseling, information, vocational retraining, and social casework; and

Eighth, to help to relieve the problems of older persons through an increase of research on the various aspects of aging and the development of special courses in schools and departments of medicine, nursing, clinical psychology, and social work to train professional workers in the field of aging.

And how are these policies to be served, Mr. Chairman? They are to be served by the States, communities, and nonprofit organizations supported by a

moderate program of grants-in-aid from the Federal Government. Grants are of three types. Title II provides for planning grants, to enable States to develop new programs or improve existing programs which will further the declaration of policy. Title III provides for project grants which will enable communities or nonprofit organizations to sponsor rehabilitation programs, recreational activities, golden-age clubs, employment surveys, "meals on wheels," adult education courses, craft fairs, "friendly visitor" programs, to mention a few. Title IV provides small grants to selected institutions and organizations for research on the causes of aging, and ways in which the olden years may become the golden years. Finally, there is a separate title providing for the creation within the Department of Health, Education, and Welfare of a Bureau of Older Persons to provide the national scope and focus this pressing problem requires.

Mr. Chairman, I propose next week to talk in greater detail about this proposal, and the needs of our older citizens which it intends to meet.

Our older persons have a right to lead proud, productive, and independent lives. It is said life begins at 40. Let us make sure that it does not end at 65.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. HARRIS. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill, as amended, be passed.

The motion was agreed to.

Accordingly the Comimttee rose; and the Speaker having resumed the chair, Mr. SIKES, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (S. 1289) to establish a domestic relations branch in the municipal court for the District of Columbia, and for other purposes, had directed him to report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill, as amended, do pass.

Mr. HARRIS. Mr. Speaker, I move the previous question on the bill, and the amendment thereto, to final passage.

The previous question was ordered.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the third reading of the bill.

The bill was order to be read a third time, and was read the third time.

Mr. HYDE. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. HYDE. I am, Mr. Speaker.

The SPEAKER. The gentleman qualifies. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. HYDE moves to recommit the bill to the Committee on the District of Columbia for further study.

Mr. HARRIS. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and on a division (demanded by Mr. HYDE) there were—ayes 27, noes 50.

So the motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The bill was passed, and a motion to reconsider was laid on the table.

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made in Committee of the Whole and include therewith a letter.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EXEMPTING FARMERS FROM TAX ON GASOLINE USED FOR AGRICULTURAL PURPOSES

Mr. COOPER, from the Committee on Ways and Means, reported the bill (H. R. 8780) to amend the Internal Revenue Code of 1954 to relieve farmers from excise taxes in the case of gasoline and special fuels used on the farm for farming purposes, Report No. 1684, which was read a first and second time, and with the accompanying papers referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

ARAB-ISRAEL RELATIONS

Mr. DINGELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DINGELL. Mr. Speaker, recent developments in Arab-Israel relations have brought the situation in the Middle East dangerously near the point of combustion. The conflict over Israel, about the size of New Jersey and with only 1,700,000 people, may very well be the spark that ignites a dreadful worldwide conflagration. In the heated crossfire of Arab-Israel accusations it becomes difficult to sift facts from emotionally biased reports. With the peace of the world at stake, it is imperative that we make every effort to understand the events that have led to the present dangerous impasse.

The land known as Palestine passed from conqueror to conqueror throughout the centuries of its history. Egyptians, Assyrians, Babylonians, Persians, Greeks, Romans, Moslems, Mamelukes, and Ottoman Turks all ruled over it for substantial periods. During World War I Palestine fell under British military control. In 1917 the British Government, with the approval of the Allied Powers, issued the Balfour Declaration which stated that the establishment of a Jewish homeland in Palestine was looked upon favorably. The wording of the declaration is ambiguous, however, so that it is difficult to determine the exact intent of the statement. Nevertheless, Zionists acted upon the assumption that the Balfour Declaration was a promise of a political as well as a spiritual homeland for the Jewish people.

At the time of the Balfour Declaration Arabs in Palestine outnumbered Jews 10 to 1. Between the 2 wars, especially under the impetus of the horrors of Nazi persecution, immigration swelled the Jewish population so that by 1938 the ratio of Arabs to Jews had decreased to 2 to 1. Arab fears and resentment grew as the Jewish population multiplied. From 1933 to 1939 Arab unrest exploded in a series of rebellions. The British, to assuage Arab misgivings, issued the white paper of 1939 which rejected the idea of a Jewish state, put a stop to the extension of Jewish land purchases, and stipulated that after 5 years further Jewish immigration would depend on Arab agreement. With the outbreak of World War II, Jewish protests against the white paper came to a temporary halt in favor of united action against Germany. When the end of the European conflict brought release to the pitiful remnants of Hitler's concentration camps, widespread humanitarian sentiment sympathized with the Jewish refugees in their efforts to break through Britain's anti-immigration policy.

Britain turned the problem over to the United Nations. On November 29, 1947, the General Assembly by two votes more than the necessary two-thirds resolved to adopt a partition plan for Palestine that established an Arab state, a Jewish state, and an international regime in Jerusalem; the British were to withdraw their troops by August 1, 1948, while the three new entities were to come into being on October 1, 1948.

Immediately after announcement of the partition plan heavy Arab-Jewish fighting broke out in Palestine. The United Nations Palestine Commission reported to the Security Council "organized efforts by strong Arab elements inside and outside Palestine to prevent the implementation of the Assembly's plan of partition and to thwart its objectives by threats and acts of violence, including armed incursions into Palestinian territory." The situation further deteriorated because Great Britain, which remained responsible for law and order as mandatory power, devoted its efforts to liquidating its administration and evacuating its troops.

Britain terminated its mandate on May 14, 1948. The same day the Jews of Palestine proclaimed the independence of the State of Israel. Within a few

hours the United States recognized Israel's provisional government. The following day the armies of five Arab states invaded the nascent country. Nine month later, on February 24, 1949, Israel and its principal antagonist, Egypt, signed an armistice. By July 20, 1949, four other Arab states had followed Egypt's lead. The armistice agreements changed the boundary picture from that envisioned by the U. N. partition plan. Israel ended up with a major portion of the Negev Desert and thus with more territory than the partition plan allotted; the Arab countries bordering Palestine received about 2,000 square miles of territory formerly in mandatory Palestine.

With the advent of peace, a peace broken by sporadic raids by hostile Arab neighbors, Israel set about laying the foundations of a modern democratic nation. Burdened by the influx of some 750,000 refugees in 6 years—many of whom were too old or broken by disease and ill-treatment to be anything but liabilities to the new state—hampered by economic boycotts and blockades, impeded in economic matters by a scarcity of raw materials and only 0.33 acre of arable land per person, the gallant Irsaelis searched for raw materials, turned parched deserts into green pastures, found food and lodging and a future for their fellow Jews. The feverish development pace went on in spite of troublesome Arab harassment—the Government of Israel reports 1,100 Israeli civilians murdered or wounded by Arab raiding parties since the armistice agreements.

On May 11, 1949, Israel won admission to the United Nations. But Arab determination to blot out the Jewish homeland has never abated and public statements by Arab officials continue to declare their adamant refusal to accept the existence of Israel. The purchase of arms last September by Egypt from Communist sources has added to the tension in the area. In view of Arab declarations, it is no wonder that 1.7 million Israelis are fearful of the results of arming their 40 million avowed enemies.

Sources of tension between the Arabs and Israelis are numerous. The plight of the 800,000 refugees who fled Palestine during the war is perhaps the most formidable. Two hundred thousand Palestine Arabs now squat in the Gaza strip, within sight of their former homes; over 450,000 are in Jordan, a physically poor country which welcomed its fellow Arabs but is having great difficulty absorbing them into the economy; Syria and Lebanon also have sizable numbers of Palestine refugees. Israel has offered the refugees compensation for their land, while the Arabs are holding out for repatriation.

With the combined purpose of easing the refugee situation and improving the economic situation in the Middle East, the United States and the United Nations have been urging a plan to harness the rivers of the Jordan Valley to provide irrigated land and power in Jordan, Syria, Lebanon, and Israel. After several years of painstaking negotiation, the four countries concerned essentially agree on the method and division of the water. But the tense political situation at present prevents their going ahead with plans for economic cooperation. Meanwhile Israel warns that it must go ahead with irrigation unilaterally unless final agreement with the other Jordan River countries can soon be reached. Should Israel proceed to divert waters of the Jordan to the Negev, as it plans to do in the event of further delay on the international agreement, it is unlikely that the Arab countries will stand quietly by.

The most recent incident in the long series of clashes between the Israelis and Arabs occurred on the Sea of Galilee. While the Sea of Galilee lies within Israel, the border of Syria is only 11 yards from the water's edge. According to Israeli record, 25 cases of shootings by Syrians at Israeli boats occurred during 1955. On December 11 Syrian shots hit an Israeli police launch; that night Israel launched a retaliatory raid, killing over 40 Syrians. The United Nations has censured Israel for violence. And a most unfortunate reaction has developed from the Galilee incident—the tendency in the United States to throw up our hands and say, "A curse on both your houses." Now is not the time to lose our patience and our perspective, or we shall abandon the whole region to the Communists. We must pursue an Israeli-Arab settlement based on justice and moral principle with determination, vigor, and persistence.

To do this, we in America must recognize certain basic facts. First, that Israel is a state which now exists. It is the promised land of Moses and of a people who for thousands of years have been denied the homeland to which they were entitled. Israel was Jewish before it was Arab, and it will continue to be the homeland of the Jews. For that we have the word of the prophets and of the Almighty.

Israel is also an island of progress and democracy in a large sea of Arabic feudalism. It is making the desert green and bringing industry and opportunity to a barren wasteland. America owes two debts to Israel, one, for the fighting and suffering on the side of democracy during the trying times of the last World War, when the free world gravely needed allies and friends. It is interesting to note that the Arabs, the Arab League Nations, especially Egypt, were at best fainthearted and unreliable allies at our time of peril. They were mercenaries, and what we call "rice Christians." At the worst, they were openly hostile to our democracies, and avowedly and actively pro-Fascist. These things we must recall, not in vindictiveness, but to judge upon what basis we must calculate America's own self-interest. Israel was our friend, is our friend, and will continue to be our friend, if only we preserve her existence. Only Israel, in that area, shares our democratic heritage and has the technical skills, desire, and courage to be a true and valuable ally to America.

The second debt which America owes to Israel is that which one who saves the life of another owes the person he saves. That is to see to it that the person rescued has the necessary means to continue existing.

I repeat that this whole problem must be solved upon long term considerations, and upon justice. However, the solution lies not in inaction, hesitation, nor in weak-kneed, pusillanimous efforts without direction, nor decision. We cannot ignore the existence of the problem, but rather must take positive, vigorous, and immediate action toward its solution. The Arabs shall have justice, but they shall not have Israel, no matter how determined they are. There is a short term approach which we must take to preserve the status quo, so that there will be an Israel to discuss when we approach the longer term problems.

I offer the following for the short-term approach to the problem. I hope that the State Department will seize upon it, and cease its indecisive malingering.

First. Immediate guaranty of the borders of all parties, to allay fear and suspicion on the part of all. That guaranty must be backed up by the necessary force. This should be done jointly with Britain and France, or within the United Nations if possible, but by the United States, alone, if need be.

Second. International patrol of the Gaza strip, again by the United Nations, or by France, Britain, and the United States.

Third, Immediate instruction to the Arabs that unless they cease accepting Russian arms at once, and notify the United States of their intent to do so within 48 hours, we will take necessary steps to protect not only the interests of America and the free world but of Israel, and that we will ship to Israel, forthwith, such offensive and defensive arms as we might deem necessary to Israel's defense.

Fourth. Upon refusal of Egypt to cease accepting Russian arms we should then see to it that Israel has the weapons she needs.

The time to act is now. It is much cheaper to prevent a war than to fight one. I hope that our country will take what steps are necessary, to prevent the war which is surely coming in the Middle East, rather than have to step into a hot war to help a democracy to defend itself from strangulation.

The longer range problems can be approached more deliberately, and I know that in their consideration, our State Department will consider wisely the human needs of the refugees, the shortage of water which affect all, and the fact that Israel is an existing state, whose borders are as sacred to us as our own.

CAR QUOTAS VERSUS SMALL BUSINESS

The SPEAKER. Under previous order of the House, the gentleman from Florida [Mr. SIKES] is recognized for 20 minutes.

Mr. SIKES. Mr. Speaker, small business today is confronted with many problems. Owners of small businesses find themselves under more and more economic pressures which threaten their existence. The trend of the day is toward monopoly and restricted trade

practices. For many years small business suffered from excessive Government regulation and red tape. Now the tendency of the Government toward paternalism for big business is reflected in trade practices which make it increasingly difficult for small business to survive.

A paramount example of this situation is shown in the plight of automobile dealers throughout the Nation.

Auto dealers constantly are having their hands tied by the manufacturers in that they are being forced to accept an assigned quota of cars regardless of local or national market conditions.

Without question the present situation is unwarranted and unjustified. The dealer should not be forced to accept these cars under the stringent conditions set forth by the manufacturer. Somebody has to pay for the cars whether or not they are sold to the public, and often the franchised dealer is left holding the bag. In some cases the franchised dealer is forced to resell a part of his car quota to other dealers for resale as new "used cars." This appears to be the dealer's only recourse in light of the present situation.

Legislation may be needed to prohibit the manufacturer from forcing cars on the dealer if he is unable to sell them on his market. Yet, I would be reluctant to see it become necessary to take recourse to legislation. There are too many bills on the statute books already. However, something should be done to resolve this apparent injustice. The manufacturer himself is the proper person to settle the problem by lowering his own quota requirements. Understandably, competition among the big manufacturers is responsible for this situation. Manufacturers want to sell more cars. But, by doing so, they may be creating a monster which can destroy their own industry if, in the process of selling cars, they bankrupt the automobile dealers of America.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. SIKES. I yield.

Mr. HALLECK. If I understand the gentleman correctly, he is not blaming this particular matter on any Government policy?

Mr. SIKES. This quite clearly is a policy of the manufacturers. I do not know the attitude of the Government toward this policy; I trust that it recognizes there are dangers involved.

WAS 1955 A BOOM YEAR?

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, going behind the make-believe statements in the Economic Report of the President, the facts in that report show that there has been no real economic growth since mid-1953.

The total output of goods and services last year was $2,344 per capita, or $1 less than the 1953 output valued in 1955 prices. This record fails to reflect normal increases in productivity, and it fails to maintain the rate of growth which took place in the preceding two decades.

The actual output of goods and services last year was only 8 percent above 1952. In the previous 3 years there was a 21 percent growth—measured in 1955 prices. In the last 3 years real increases in goods and services of all kinds have averaged only 2.8 percent per year, which is less than the rate of productivity increases. From 1939 through 1952, the average yearly rate of economic growth—measured in 1955 prices—was 6.8 percent.

SMALL INCREASE IN PRODUCTIVE CAPACITY

During the past 3 years there have been a number of fundamental changes in Federal policies intended to channel larger shares of the national income into corporate profits and into incomes of the owners of interest-bearing debt. There was never any question but what these changes would succeed in their direct purpose. In 1955 corporations took $4.5 billion more in profits, after taxes, than in 1952, and in addition, took $4.1 billion more income from the generous depreciation and amortization allowances recently provided for in the tax law. Furthermore, individuals who receive their income from interest received $3.2 billion more such income than in 1952.

Plainly, however, there has been a failure to attain the broader purpose which has been claimed for the recent Federal policies—which was to encourage increased investment in new productive capacity, which the country needs. Although corporations took $8.6 billion more in net income, after taxes, than in 1952, their outlays for plant and equipment—including replacement items—was only $2.1 billion more than in 1952. Considering the increased prices of machinery and the increased construction costs which have taken place in the last 3 years, it is doubtful if there has been a real increase in productive capacity—an objective for which consumers, farmers, and small businesses have paid dearly.

INFLATION IN BIG CORPORATION PRICES AND PROFITS

The President's report boasts that the supposed achievements of the past 3 years have been accomplished without the specious aid of price inflation. That is just specious analysis of the facts. There has been a galloping inflation in both prices and profits in the big-business sectors of the economy—particularly during the last year and a half—and the administration has maintained the overall buying power of the dollar by policies which have brought about a rapid deflation in the competitive segments, namely the farm- and small-business segments.

Prices of steel, aluminum, copper, and other metals have jumped 16 percent since the first of 1953, and the profits in these industries last year, after taxes, was 13 percent of the stockholders' investment. Prices of all machinery and transportation equipment together have increased 9 percent, and the after-taxes profit rate in these industries last year was 15 percent.

Prices of textiles and apparel have gone down 5 percent since the first of 1953, and the profit rate in these industries last year was only 5 percent. These are typically small-business industries. Prices received by farmers have fallen 16 percent since the first of 1953. The wholesale price index of all products other than farm and food products has increased 4 percent within the last year alone.

The tax relief which was given the big corporations in 1953 and 1954, on the theory that these corporations would be encouraged to expand capacity, has merely provided an incentive for raising prices and taking more profits.

In the first 9 months of last year, profit rates on stockholders' investment in the giant manufacturing corporations—those with more than $100 million of assets—were 27 percent above the already high rates of 1952. In contrast, the profit rate of smaller corporations—those with less than a quarter of a million of assets—had dropped 39 percent from 1952.

The number of business firms has increased only 6,500 per year in the past 3 years. From 1948 through 1952 the yearly increase was 52,000. About 11,000 small businesses on the Dun and Bradstreet list failed last year. This was a failure rate of 42 per each 10,000 firms listed, as compared to a yearly rate of 20 per each 10,000 in the 10 years before this administration took office.

STAGGERING INCREASES IN THE NATIONAL DEBT

The present administration has sold or otherwise liquidated Federal assets of considerable value. The synthetic rubber plants are but one example. The administration has likewise curtailed services to the public. For example, loans for small business such as were made by RFC have been virtually stopped. With all this, however, the Federal debt has not been reduced as promised, but has been increased by the greatest amounts in peace-time history. Yet at the same time the debt of State and local governments has increased $12.6 billion and home mortgage debt has increased $37.7 billion.

In the last 3 years the Federal debt has been increased by $13.4 billion, to an all-time high. During the previous 3 years the increase was only $10.2 billion, and this included costs of the Korean war, plus substantial military and economic aid to our Allies. In the 3 post-war years following World War II, the Federal debt was reduced by $25.8 billion.

NIGHTMARE IN RED—A GREAT PUBLIC CONTRIBUTION

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, for the second time within a month, millions of Americans, through the television facilities of the National Broadcasting Co., have had the opportunity to view and

hear an exceptional document called Nightmare in Red.

This repetition of a national network production within so short a span of time reflects a most extraordinary public reaction and a press reaction which we are compelled to recognize.

Nightmare in Red is not an emotional appeal to any stratum of our national intellects. It is the careful, painstaking compilation of thousands upon thousands of feet of factual, unembellished motion picture film collected from 64 different sources, some of which may not even now be revealed.

The resourceful acquisition of the scenes in the television production is a story almost as melodramatic as the finished product is relentlessly and grimly unemotional.

Some of the footage of Nightmare in Red never has been seen publicly before; some of it has not been viewed for decades. The earliest of the material dates back to 1895; the latest dates as recently as the construction of the Iron Curtain after World War II.

All of it was culled from film archives in England, France, Western Germany and Italy; from musty hideaways in the Flea Market in Paris; from the private collections of Germans, Japanese, and even members of the Russian Czar's palace guard.

In the nature of a tribute to the man who achieved Nightmare in Red I can give no greater emphasis to his devotion to fact and truthful exposition than to remind you that it is the same person who so brilliantly created the memorable Victory at Sea films for NBC, Henry Salomon.

In his Nightmare in Red production he delivers for all Americans, an unforgettable history of the growth of communism in Russia up to the time of Stalin's death.

Some of our most widely read newspapers saw fit to cast aside tradition by writing editorials in advance of the showing of the film. Some of our great veterans' and service organizations requested showings in advance for their national conventions.

But most impressive was the public reaction after the National Broadcasting Co.'s presentation of Nightmare in Red on December 27, of last year.

So great was the national response for a repetition of the Salomon production that the sponsor and the network perforce scheduled it for repeat performance January 24 on the Armstrong Circle Theatre.

In presenting the world menace that is communism, this film is a true public service.

TREE PLANTING AS METHOD OF ENDING NEWSPRINT SHORTAGE

The SPEAKER. Under the previous order of the House, the gentleman from Pennsylvania [Mr. QUIGLEY] is recognized for 20 minutes.

Mr. QUIGLEY. Mr. Speaker, our domestic economy is plagued by the major problem of the farm crisis. However, at the same time it is being heckled by a number of other problems of lesser magnitude, but of real importance; and one such is the newsprint shortage faced by our newspaper and magazine publishers.

I mention these two problems in the same breath because, I believe that something can be done, on a long-range basis—to at least partially solve both problems, merely by proper emphasis on certain aspects of a program now pending before the Congress, namely, the soil bank idea. I believe that if the Congress acts wisely and well in adopting into law the soil-bank program we can encourage farmers to divert acreage now devoted to crops that are in surplus to the cultivation of trees that are particularly suited to the manufacture of newsprint, which is in short supply.

The encouragement of the farm woodlot is not a new nor a novel idea; it has been done before. Pennsylvania's pioneer conservationist, Gifford Pinchot, fought long and hard to preserve timberlands and to encourage new plantings. Former Secretary of Agriculture, Henry A. Wallace, though often derided as something of a visionary proposed his "tree belt" which was to provide windbreaks in the Great Plains areas. Tree planting has long been a part of the agricultural conservation program.

As currently as this moment, the distinguished chairman of the Committee on Agriculture, the gentleman from North Carolina, is proposing a plan to encourage the farmer to plant trees which would be designed to meet the growing needs for timber and pulp. When I read the gentleman's press announcement on January 5 I was both pleased and flattered, to discover that we were thinking along similar lines.

There is an urgent need for such a program. There is little need for me to recite the evidence showing the great magnitude of the farm problem. The farmer has been caught in a squeeze between falling income and increased costs. There is no indication of a reversal of this trend in the immediate future, unless, God forbid, Mr. Dulles unartistically goes over that brink on his next roll of the dice.

Perhaps we are not so familiar with the newsprint shortage. It is acute. Already in the State of Pennsylvania one newspaper has dropped its editorial page; in Colorado one other newspaper has printed complete issues without advertising, a necessary ingredient to the movement of goods in our competitive economy; while in Syracuse, N. Y., still another drops its classified advertisements in some editions. Newspapers have been rationed, some having had their allotment curtailed as much as 13½ percent.

This is a serious condition. One that could even take on vital significance for the Congress and the country if the administration clings to the policy of letting the people's representatives learn of vital and delicate shifts in its foreign policies through the medium of favored publications, it becomes imperative that there be sufficient paper upon which to print these important announcements.

A subcommittee of the Committee on Interstate and Foreign Commerce has seen fit to conduct hearings to determine whether shady practices have been the cause of newsprint appearing in on-the-spot markets at prices more than 40 percent higher than prices quoted in contracts, which are being curtailed. Whether there is and has been a black market, the fact remains that the sale, on-the-spot at the higher price, is possible only because of the shortage.

Our good neighbor to the north, Canada, has been supplying about 50 percent of all our newsprint. This is not enough to meet the current requirements, and Canada can no longer produce enough to meet the increasing demand. So we have all the elements here for action to encourage the growth of the raw material for newsprint as a new profitable farm crop.

The vehicle for that encouragement is present in the soil-bank proposals. Now that President Eisenhower has endorsed this proposal, and now that the Department of Agriculture, which so recently was denouncing it as a costly, impractical, and unnecessary Democratic scheme, assures us that the soil bank is the keystone of the administration's new farm program it seems certain that it will be enacted.

The soil-bank proposal recommended by Mr. Eisenhower has several weaknesses, particularly in connection with the acreage-reserve program. Under this program farmers would be asked to plant fewer acres than they have been allotted. For permitting up to 30 million acres to lie idle, farmers would be given certificates which they could convert into cash, or for which they would receive grain from our surplus stocks, provided the idle land is not used for any other purpose which will produce food or fiber which is also in surplus.

The basic weakness here is that the land remains idle, and we are forced to continue to pay farmers for not planting for an indefinite period, or else at some future date we shall once more begin to build up surpluses again. Then there is the problem of policing the land. This problem has been pointed up in testimony before the Senate Committee on Agriculture and Forestry, when the question was raised as to how cattle could be prevented from wandering onto the idle land and grazing on grass or anything else which might be growing without cultivation.

Aside from these two objections to the soil-bank program as so far advanced, it seems to me that it is unthinkable that the American farmers would even consider letting some of their best land going to weeds. It should be even more unthinkable that this Government would consider adopting a policy of encouraging farmers to grow nothing but weeds. This need not, and should not, be our policy. A constructive alternate course is to put that land to work growing something we need—trees.

If this land is planted in trees, any of the fast-growing softwoods, such as Virginia pine, Banks pine, poplar, and so forth, depending upon local conditions, then not only is the land out of production of a surplus crop, there is little attraction for wandering cattle to graze, and the farmer is on his way—albeit a long way—to the establishment of a new crop for himself; a crop where there is a ready-made market for many, many

years into the future. We then curtail the problem of some surpluses, and establish a crop which can be managed in such a manner so as to provide maximum protection against runoffs, thus reducing flood danger on the main-stem streams, as well as holding valuable topsoil on the farms. Such pulpwood lots in the plains area could be so situated as to provide maximum protection against wind erosion.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. QUIGLEY. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. The gentleman is making a very carefully prepared speech and I congratulate him. I come from a district which does not have very much farming in it and I think I would know if there was. Throughout the years I have consistently supported legislation for the agricultural communities of our country, because I felt it was a national problem and I felt that they were entitled to compensatory relief, the same as industry receives in respect to tariffs, where a farmer buys in a protected market, but his farm surplus commodities sell in an unprotected market. Basically there is a challenge; it is not merely a question of any farmer getting help as such but a matter of establishing a national policy, so that we can have a living and a dynamic agriculture which is vitally important at all times to protect all farmers in the world of today and tomorrow. We should do everything we possibly can to keep alive a dynamic agriculture in America. The thought enters my mind, under the soil-bank program recommended, Has the gentleman any views as to what may be the plight or benefits or disadvantages to the family-type farmer if such a program should be enacted into law as proposed?

Mr. QUIGLEY. I thank the gentleman from Massachusetts for his remarks, and I would say as far as the family-type farmer is concerned—and that is the type of farmer that I am familiar with; that is the type of farmer that resides in my district of Pennsylvania—I have talked to a number of farmers within weeks since the soil bank idea has been advanced, and they are not at all persuaded that it holds their salvation. They are afraid that they are just going to make further cuts in their already short and small production. I, too, am concerned. It is impossible to ask and it is impossible to expect the farmers who through the years have been growing a very limited number of acres to make even further cuts on a voluntary basis. I am afraid that the farmer may at first be inclined to go along with the soil-bank idea, because it seems like a good idea, but after awhile he will be awfully tempted to put those idle acres to some use, any use; some of whch may be actually in violation of the soil-bank program. I think one of the greatest weaknesses in the soil-bank idea is the difficulty in policing it, and my thought is, if we get the farmer to commit himself to a particular long-range crop, such as trees, that the job of policing it, avoiding the necessity of checking up to see what the farmer is doing with those so-called idle acres, will be greatly reduced.

Mr. BENTLEY. Mr. Speaker, will the gentleman yield?

Mr. QUIGLEY. I yield to the gentleman from Michigan.

Mr. BENTLEY. Am I correct in believing that the conservation part of the proposed program provides for such measures as the gentleman refers to?

Mr. QUIGLEY. As I understand the program as it has been so far outlined to the Congress, the conservation aspect would do this: My main concern is over the other aspect of the President's program. I am in full agreement and quite enthusiastic about the conservation aspect, but it it the so-called acreage reserve aspect, which is really new or the novel idea, that I am concerned about.

Mr. BASS of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. QUIGLEY. I yield to the gentleman from Tennessee.

Mr. BASS of Tennessee. Is it not a fact that the great fallacy, in your opinion, with the present proposed soil bank is that it does nothing to supplement or to replace the income which has been lost by the small family-type farmer over a period of years by taking the cuts in acreage, which is the very thing that has brought about the emergency in the farm program? In other words, it will bring income in future cuts but does nothing as a stopgap measure to replace the income which has placed the farmer in his present economic plight.

Mr. QUIGLEY. That I think is correct. Over the long haul it could prove effective. I see no immediate relief to the farmer in the program.

Mr. BASS of Tennessee. That is true. In the original idea of the soil bank, the people who proposed the soil bank, the Farm Bureau Federation and the farm leaders who have proposed the soil bank, they proposed it as a long-term measure of taking care of the farmer but not as an emergency solution, which this administration is now suggesting it is. It is not going to do the job of taking the farmer out of the cost-price squeeze in which he is in right now.

Mr. QUIGLEY. I wish I could disagree with the gentleman from Tennessee. I am afraid the soil bank is not going to give the farmer the emergency relief which he desperately needs.

I am informed that in Pennsylvania alone there are 1,500,000 acres not being used now that could be made into pulpwood growing areas. Land taken out of crop production might add another 1,500,000 acres in our State alone. Most of the other States could, I believe, profit from such a program.

Some softwoods may be planted 3,000 to 4,000 to the acre, with the first thinning taking place in 10 years. Such tree farms have produced 40 cords of logs to the acre. The usual plantings of evergreen trees is 1,000 to the acre.

The United States Department of Agriculture in Beltsville has been experimenting since 1935 with a hybrid poplar which is disease resistant and grown from cuttings. Six-inch pieces are cut off all around a tree and stuck into the ground. Each piece will take root and develop fast. Wherever it might be practical to use the poplar, the problem of replanting becomes relatively simple; one which any farmer can do without the necessity of a period of apprenticeship in forestry.

The gentleman from North Carolina is approaching the problem of an incentive for this type of program on the basis of payment over a period of 5 years, similar to payments under ACP, after which period farmers could borrow a sum representing a substantial percentage of the growth increment as it relates to the value of pulpwood and timber when they are harvested.

My thinking has been on a slightly different incentive. I would suggest to the Committee on Agriculture that it consider making the planting of rapidly maturing softwoods a requirement for certification under the acreage reserve program, with issuance of the certificates to continue until the initial harvest. Perhaps it would be well to provide for a slightly higher payment for the planting of trees in land coming under the conservation reserve plan.

Whether the idea suggested here has the most merit, or whether the incentive for the type of program suggested is something entirely different from the approach of the gentleman from North Carolina and myself, I believe the diversion of acreage to the new crop is the only practical method of carrying out the soil bank program.

If we do this we can justify the expenditure on a broader basis; in other words we can charge the cost up to a number of legitimate functions of Government, rather than just to the agriculture program. Since the beginning of our Nation we have assisted new industries to develop, either by the use of the protective tariff or in more recent times by the rapid tax amortization. So whatever the cost of the soil bank proposal may be, when we use it to encourage the development of an expanded newsprint industry, we take away the stigma of handoutism. Furthermore we eliminate some of the cost and red tape of enforcement. Finally we have helped diversify farming, so that farmers do not concentrate on the crops which show up so frequently as surpluses.

I am confident the Committee on Agriculture will give full consideration to these proposals, as well as any other proposal which will enable these idle acres to be turned to a useful purpose.

TIME TO TAKE A STAND FOR PRINCIPLES

The SPEAKER. Under previous order of the House, the gentleman from West Virginia [Mr. BYRD] is recognized for 5 minutes.

Mr. BYRD. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include an article from the New York Times.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. BYRD. Mr. Speaker, the Reds have launched a new political offensive

and America must be on guard against more appeasement, no matter how diluted or subtle.

This time the tension is stirred up over Taiwan, and the offensive comes in the wake of a steady and substantial buildup of Communist arms. Once again, we are being treated to a show of political blackmail: at the risk of being charged with incurring war, we are told to doublecross an ally, Nationalist China; feed the Red tiger with more free world territory; and, worst of all, to renounce principle by breaking our solemnly given word by repudiating a treaty.

Perhaps it is a coincidence that Prime Minister Anthony Eden is coming to Washington just at the time the Red Chinese propaganda campaign is being geared to crisis pitch; certainly, Mr. Eden's visit is opportune if the Eisenhower administration utilizes the occasion to impress upon him the firm conviction of the American people that we are through with attempting to buy peace by sacrificing our allies and our principles. This lesson should not be difficult for Mr. Eden to comprehend, for he, himself, in a memorable example of moral revolt, resigned from His Majesty's government when Chamberlain offered up Czechoslovakia as a sacrifice to Hitler at Munich for peace in our times, a peace which only turned out to be the prelude to World War II.

From Munich to Korea to Indochina, the story is all the same: Surrender before threats, new demands by totalitarian powers, new concessions by the democracies, intermittent blood-baths, extension of tyranny, and consolidation of Communist gains.

I raise my voice at this time, Mr. Speaker, to sound the warning that with the development of the Taiwan crisis we may expect to witness a step-up in the attempted brain-washing of the American people. We will be lured by the siren call: "Is a small piece of real estate in a distant land worth the risk of war? Is America ready to take the risk of plunging the world into an atomic holocaust for a tiny, insignificant speck on the map?" The chant will be taken up and sung in a variety of tones and keys—America will be made to look like the offender—the White House will be besieged with the usual peace petitions—public sentiment will be primed for another sacrifice to insatiable appetites of aggression.

Mr. Speaker, I say to you and the Members of this body, that Taiwan is no farther away than our conscience—the issue is as large as American honor—it is as vital as our national dedication to freedom and liberty and self-determination for all peoples—priceless principles for which our patriots' blood has been shed since the establishment of this Republic.

Mr. Speaker, my concern arises from a close and careful study of these matters in our day. You will recall, I am sure, that when the subject of the Conference at the Summit was first raised, I took the floor to warn against it as a diplomatic pitfall. You well remember that I also urged that certain conditions be established before we consented to sit down with the representatives of Red China—that all war prisoners held by all Communist powers be released; that the terms of the Korean Armistice be reviewed and the violations corrected; that the Red international conspiracy give recognition to the fact that subversion and penetration by its agents into the internal affairs of other governments constituted war just the same as outright aggression by violence; and that such war by subversion and infiltration be renounced.

Well, we all know the sorry results of Geneva—the blush was off that rose even before it bloomed. We know now, what many of us here in this Chamber realized before the Geneva Conference sessions were held, that the Communists used the meetings as a device to gain political prestige and for the wholesale manufacture of propaganda favorable to the Red cause.

Now that there is a new Red political offensive for the aggrandizement of additional territory, and in view of the forthcoming visit of Mr. Eden, who will no doubt press the desires of Great Britain for a removal of trade barriers between the East and West and for the withdrawal of American opposition to Red China's admission into the United Nations, I think that it is time we reshaped our whole foreign policy with a view toward the establishment of a more decisive, more clear-cut, more forthright, and forward-looking foreign policy than that which we have been following. The moment is at hand when the free world must refuse to yield a single inch of territory to the Communists, and the United States is the only country which can reasonably and effectively assume the leadership in doing this. We will have to deviate from our past performance of vacillation, softness, and indecision if we are ever going to win the cold war, and we are going to have to say this in no uncertain terms, both to our Communist enemies and to our appeaser friends. There is no better time to make this declaration than in an election year when the Communists least expect us to stand firm. Mr. Eden, being an astute politician himself, might also profit from a real show of steadfastness to principle at a time when political seats are at stake in the country which he is about to visit.

Mr. Speaker, I include in the RECORD at this point an article from the New York Times of Sunday, January 22, by Henry Lieberman, dealing with the Taiwan question:

PEIPING STEPS UP THE TENSION OVER TAIWAN

(By Henry Lieberman)

HONGKONG, January 21.—Communist China stoked up the tension pot in Taiwan (Formosa) Strait this week under more propaganda pressure. It added stronger words and a heavier than usual off shore island shelling to the brew of armed incidents, psychological tussling, and military preparations which had continued to simmer over the small fire in that area.

The desultory ambassadorial-level talks between the United States and the Chinese Communists went on at Geneva. But after accusing the United States of dragging out the talks and hinting that it might pull out, Peiping announced bluntly that it would not accept a United States formula for renunciation of force in the Taiwan area subject to the "right of individual and collective self-defense" for both sides.

REASSERT CLAIM

The Chinese Communists called again for a conference at the foreign ministers' level to relieve the tensions. At the same time, however, they reasserted their claim to Taiwan and maintained that the United States had no right of defense in an area where the latter has undertaken to help defend Taiwan and the Penghu (Pescadores) Islands.

Meanwhile Peiping is again accusing the United States of occupying Taiwan, stepping up military activity there and sending planes to intrude into its territorial air in provocative acts.

The Chinese Communists also have seized upon the Dulles "brink of war" interview. Their propagandists have represented this as a renewed clamor for atomic war against the China mainland and declared that the "Chinese people cannot be intimidated." Psychological and political warfare, including the tension aspects of the "brink" technique as practiced in Peiping, are regarded by various observers here as a major aspect of the present picture in Taiwan Strait. But those holding such a view do not minimize the military danger along the east coast.

ARTILLERY FIRE

It has not been just a matter of words in Taiwan Strait. A 7-hour artillery exchange occurred in the Quemoy Island sector Thursday. It was the heaviest gunfire there since September 3, 1954, when Communists fired 6,000 shells at the Quemoy area in emphasizing the resumption of their Taiwan liberation campaign. On Thursday, Taipei announced, the Communists fired over 2,900 shells at Nationalist-held Quemoy and adjacent islands. The Nationalists pumped shells back at the Communists from their offshore positions.

Sporadic artillery exchanges of less intensity have been going on in the Quemoy sector for some time. Even at the height of the Geneva spirit the Communists continued to develop their coastal military potential and the Nationalists their offshore island defenses both in the Quemoy sector and in the Matsu sector farther up the Fukien coast.

Nationalist planes have been making regular reconnaissance flights over Communist positions and occasionally attacking concentrations of Communist shipping. There has been relatively little aerial contact, however, and the Chinese Communists have not tangled thus far with the United States Seventh Fleet destroyers patrolling Taiwan Strait.

NO ATTACK INDICATED

On Quemoy last month Lt. Gen. Liu Yu-chang, Nationalist commander there, said he had seen "no indications" that the Communists were planning an attack in that sector "in the near future." He added, however, that one could "not tell for sure" and that he was ready for an attack at any time.

According to other military sources there has been no dramatic numerical buildup in Communist troop strength along the east China coast in some time. But these sources point out that the Communists have long had enough troops for offshore-island operations and that continuing the technical buildup along the coast was now the important thing militarily.

The Chinese Communists have been developing their coastal strength in terms of such factors as communications, airfields, and artillery potential. In an obvious attempt to improve their supply situation in the Quemoy sector the Chinese Communists have constructed a causeway from the mainland to Amoy Island facing Quemoy on the east

and are constructing another from the mainland to Tateng Island 4 miles north of Quemoy.

Two-thirds of that Nationalist-held island is already within range of Communist artillery.

BUILDING RAILWAY

As part of the communications buildup the Chinese Communists have been constructing a railway leading from Yingtak on the existing Hangchow-Nanchang line southward into Fukien. The Nationalists believe that this supply route is to lead to Nanping with one branch extending from there to Foochow near Matsu and another continuing south to Amoy opposite Quemoy. A recent Peiping dispatch said the target date for completing this line had been advanced 1 year, indicating that the new target is sometime in 1956. Earlier reports had reached here that the Communists had built an improved coastal road between Foochow and Amoy along the feeder roads leading into this artery.

For some time now the Chinese Communists have been extending their coastal airfields southward. They have improved the field at Foochow and have been developing at least 6 new points 25 to 125 miles from Quemoy.

An airman in Taiwan said the staging bases would provide the Communists with advantages of time, space, and flexibility by forcing a dispersal of opposing air strength in the event of major hostilities. The Chinese Communists clearly aim to win Taiwan eventually. But the question of whether they will attack the offshore islands in the foreseeable future, and if so in what way, has become a general guessing game marked by varying points of view.

SHOWDOWN MOVE

Some believe the Communists may possibly attack Quemoy and Matsu before long to force a showdown and strike at Taiwan by going after the substantial number of Nationalist troops on the offshore islands. More believe the Communists will not attack because they do not want to risk a war with the United States, because they do not want to jeopardize their infant industrialization program, because they want to maximize the effectiveness of peaceful coexistence, and because they are not ready for a showdown.

Between these poles there is another school here that holds that while the Communists may not attack Quemoy or Matsu they may risk limited military maneuvers to dramatize the tension in Taiwan Strait. This school suggests the possibility of an intensified artillery barrage, air attacks or an assault on one or more small islands in either the Matsu or Quemoy complex.

In this connection, however, there seems to be the tricky question of how close to the brink you can get.

LEAVES OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. KLUCZYNSKI (at the request of Mr. BOLAND), on account of official business conducting hearings in New York for Committee on Merchant Marine and Fisheries.

Mr. O'BRIEN of New York (at the request of Mr. MULTER), for today and the balance of the week, on account of illness.

Mr. EDMONDSON (at the request of Mr. MCCORMACK), from Thursday, January 26, 1956, to Tuesday, January 31, 1956, on account of official business.

SPECIAL ORDERS

By unanimous consent, permission to address the House following the legislative program and any special orders heretofore entered, was granted to:

Mr. AUCHINCLOSS, for 10 minutes on Monday, January 30.

Mr. SIKES, for 20 minutes on Thursday, February 2.

Mr. DOYLE, for 1 hour on Monday, January 30, in recognition and commemoration of the birthday of the 32d President of the United States, Franklin Delano Roosevelt.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. DODD (at the request of Mr. KLEIN) and include extraneous matter.

Mr. DELANEY (at the request of Mr. KLEIN) and include extraneous matter.

Mr. FORRESTER and include extraneous material.

Mr. MACHROWICZ and to include extraneous matter.

Mr. ANFUSO (at the request of Mr. MACHROWICZ) in two instances and include extraneous matter.

Mr. ALGER and include extraneous matter.

Mr. MCGREGOR.

Mr. AYRES and include articles written by Mr. HILLINGS in connection with his visit behind the Iron Curtain.

Mr. BROYHILL.

Mr. CANFIELD (at the request of Mr. SIMPSON of Illinois) and include extraneous matter.

Mr. PHILBIN in two instances and include extraneous matter.

Mr. GUBSER and include a letter.

Mr. VAN ZANDT (at the request of Mr. BENTLEY).

Mr. EBERHARTER (at the request of Mr. GRAY).

Mr. CELLER.

Mr. PELLY.

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. J. Res. 115. Joint resolution designating the month of February in each year as American Heart Month; to the Committee on the Judiciary.

BILL PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on Wednesday, January 25, 1956, present to the President, for his approval, a bill of the House of the following title:

H. R. 1496. An act for the relief of Leong Ding Foon Quon.

ADJOURNMENT

Mr. MCCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 54 minutes p. m.), under its previous order, the House adjourned until Monday, January 30, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1425. A letter from the Secretary of Agriculture, transmitting the report of the Federal Crop Insurance Corporation for 1955, pursuant to the Federal Crop Insurance Act; to the Committee on Agriculture.

1426. A letter from the Acting Secretary of the Treasury, transmitting a report covering the claims paid on account of the correction of military records of Coast Guard personnel during the 6-months period ending December 31, 1955, pursuant to section 207 (e) of the Legislative Reorganization Act of 1946, as amended by Public Law 220, 82d Congress (5 U. S. C. 275 (e)); to the Committee on Armed Services.

1427. A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation entitled "A bill to amend section 14 (b) of the Federal Reserve Act, as amended"; to the Committee on Banking and Currency.

1428. A letter from the Secretary of Commerce, transmitting the fifth and final annual report of the Administrator of Civil Aeronautics covering operations under Public Law 867, 81st Congress; to the Committee on Interstate and Foreign Commerce.

1429. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, relative to the case of Liu Fo Lee, file A-9778380, involving the provisions of section 6 of the Refugee Relief Act of 1953, and requesting that it be withdrawn from those pending before the Congress and returned to the jurisdiction of this Service; to the Committee on the Judiciary.

1430. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, relative to the case of Shun Ho aka Shun Hall, A-2990850, involving the provisions of section 6 of the Refugee Relief Act of 1953, and requesting that it be withdrawn from those pending before the Congress and returned to the jurisdiction of this Service; to the Committee on the Judiciary.

1431. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, relative to the case of Trivan or Thomas Dadasovich, file 2774-P-150818, involving suspension of deportation, and requesting that it be withdrawn from those pending before the Congress and returned to the jurisdiction of this Service; to the Committee on the Judiciary.

1432. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, relative to the cases of Boyan Petkoff Choukanoff, A-6776849, and Ekaterina Boyanova Choukanova, A-6776848, involving the provisions of section 4 of the Displaced Persons Act of 1948, as amended, and requesting that they be withdrawn from those pending before the Congress and returned to the jurisdiction of this Service; to the Committee on the Judiciary.

1433. A letter from the President, Board of Commissioners, District of Columbia,

transmitting a draft of proposed legislation entitled "A bill to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs; to create and establish a public body corporate with powers to carry out the provisions of this act; and for other purposes"; to the Committee on Interstate and Foreign Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DURHAM: Committee on Armed Services. H. R. 4363. A bill authorizing the conveyance of certain property of the United States to the State of New Mexico; with amendment (Rept. No. 1679). Referred to the Committee of the Whole House on the state of the Union.

Mr. BENNETT of Florida: Committee on Armed Services. H. R. 5657. A bill to allow the use of certain property in Volusia County, Fla., for civil-defense purposes without payment of compensation to the United States; without amendment (Rept. No. 1680). Referred to the Committee of the Whole House on the state of the Union.

Mr. PRIEST: Committee on Interstate and Foreign Commerce. Report on activity of the Committee on Interstate and Foreign Commerce pursuant to section 136 of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress and House Resolution 105. (84th Cong.) (Rept. No. 1681). Referred to the Committee of the Whole House on the State of the Union.

Mr. BONNER: Committee on Merchant Marine and Fisheries. Report relative to committee studies overseas pursuant to section 136 of the Legislative Reorganization Act of 1946, Public Law 601 (79th Cong.) (Rept. No. 1682). Referred to the Committee of the Whole House on the State of the Union.

Mrs. KELLY of New York: Committee on Foreign Affairs. Report of the Study Mission to Europe pursuant to House Resolution 91 (84th Cong., 1st sess.) (Rept. No. 1683). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOPER: Committee on Ways and Means. H. R. 8780 a bill to amend the Internal Revenue Code of 1954 to relieve farmers from excise taxes in the case of gasoline and special fuels used on the farm for farming purposes; without amendment (Rept. No. 1684). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPENCE: Committee of Conference. H. R. 7871. A bill to amend the Small Business Act of 1953 (Rept. No. 1685). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BASS of New Hampshire:

H. R. 8826. A bill to provide for the recognition of the Altar of the Nation, located in the Cathedral of the Pines, Rindge, N. H., as a national shrine; to the Committee on Interior and Insular Affairs.

By Mr. BERRY:

H. R. 8827. A bill to provide direct aid to States and Territories for educational purposes only; to the Committee on Ways and Means.

By Mr. BYRD:

H. R. 8828. A bill to amend the Railroad Retirement Act of 1937, as amended, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. CRAMER:

H. R. 8829. A bill to amend the Federal-Aid Highway Act of 1944 to facilitate the acquisition of rights-of-way for Federal-aid highway systems; to the Committee on Public Works.

By Mr. CRETELLA:

H. R. 8830. A bill to amend the Civil Service Retirement Act of May 29, 1930, to credit for retirement purposes the accumulated and accrued annual leave and unused sick leave of persons separated from the service with entitlement to immediate or deferred annuity; to the Committee on Post Office and Civil Service.

By Mr. CUNNINGHAM:

H. R. 8831. A bill to amend the Legislative Reorganization Act of 1946 to make applicable to Members of Congress the current provisions of section 10 of the Civil Service Retirement Act of May 29, 1930, relating to voluntary contributions; to the Committee on Post Office and Civil Service.

By Mr. CURTIS of Missouri:

H. R. 8832. A bill to provide funds for construction of the Jefferson National Expansion Memorial at the site of old St. Louis, Mo., as authorized by the act of May 17, 1954 (68 Stat. 98); to the Committee on Appropriations.

By Mr. DAWSON of Utah:

H. R. 8833. A bill to amend the Organic Act of the Territory of Alaska, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. DIXON:

H. R. 8834. A bill to amend the Bankhead-Jones Farm Tenant Act to adjust the loan limitations of title II so as to provide more effective assistance to production and subsistence loan borrowers; to the Committee on Agriculture.

H. R. 8835. A bill to amend the Bankhead-Jones Farm Tenant Act and to authorize the Secretary of Agriculture to make or insure loans to farmers and stockmen for the purpose of refinancing existing debts, and for other purposes; to the Committee on Agriculture.

By Mr. FALLON:

H. R. 8836. A bill to amend and supplement the Federal Aid Road Act approved July 11, 1916 (39 Stat. 355), as amended and supplemented, to authorize appropriations for continuing the construction of highways, and for other purposes; to the Committee on Public Works.

By Mrs. FARRINGTON:

H. R. 8837. A bill to amend certain sections of the Hawaiian Organic Act, as amended, relating to the Legislature of the Territory of Hawaii; to the Committee on Interior and Insular Affairs.

By Mr. FORD:

H. R. 8838. A bill to provide for the issuance of a special postage stamp to honor the city of Grand Rapids, Mich., the Furniture Capital of America; to the Committee on Post Office and Civil Service.

By Mr. FULTON:

H. R. 8839. A bill to protect and preserve the national wildlife refuges, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. GUBSER:

H. R. 8840. A bill to amend the Fair Labor Standards Act of 1938 so as to permit the employment of child labor in agriculture during the first 2 weeks of the regular school year; to the Committee on Education and Labor.

By Mr. HIESTAND:

H. R. 8841. A bill to provide for payment of a 6-months' death gratuity to certain survivors of officers or enlisted men of the Army, Navy, or Marine Corps who died on active duty after October 6, 1917, and with respect to whose deaths no such gratuity was payable; to the Committee on Armed Services.

By Mr. HYDE:

H. R. 8842. A bill to establish a Domestic Relations Division of the United States District Court for the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

H. R. 8843. A bill to amend section 5 of the act of August 7, 1946, entitled "An act for the retirement of public school teachers in the District of Columbia," as amended; to the Committee on the District of Columbia.

By Mr. KLEIN:

H. R. 8844. A bill to provide for a dual banking system in the District of Columbia; to the Committee on the District of Columbia.

By Mr. McGREGOR:

H. R. 8845. A bill to grant rural mail service to all patrons; to the Committee on Post Office and Civil Service.

By Mr. McINTIRE:

H. R. 8846. A bill to authorize the Federal Crop Insurance Corporation to charter production cost insurance associations to insure farmers against losses resulting from farming operations; to the Committee on Agriculture.

By Mr. MILLER of California:

H. R. 8847. A bill to correct an inequity resulting from the setting of the effective date of Public Law 68 of the 84th Congress; to the Committee on Post Office and Civil Service.

H. R. 8848. A bill to revise the Civil Service Retirement Act; to the Committee on Post Office and Civil Service.

By Mr. MILLER of Maryland:

H. R. 8849. A bill to authorize an appropriation for the development, construction, and operation of an atomic-powered railway locomotive; to the Joint Committee on Atomic Energy.

By Mr. PHILBIN:

H. R. 8850. A bill to amend the Internal Revenue Code of 1954 to increase the amount exempted from the surtax on corporate taxable income from $25,000 to $50,000, and to permit a corporation with income tax liability for a taxable year of less than $100,000 to elect to pay its tax in 4 equal installments; to the Committee on Ways and Means.

By Mr. RHODES of Pennsylvania:

H. R. 8851. A bill to revise the Civil Service Retirement Act; to the Committee on Post Office and Civil Service.

H. R. 8852. A bill to correct an inequity resulting from the setting of the effective date of Public Law 68 of the 84th Congress; to the Committee on Post Office and Civil Service.

By Mr. SELDEN:

H. R. 8853. A bill to provide that measurement prior to planting of cotton-acreage allotments made at the request of farmers shall be without cost to them; to the Committee on Agriculture.

H. R. 8854. A bill to amend the Agricultural Act of 1949, as amended, and the Agricultural Adjustment Act of 1938, as amended, so as to restore export markets for American cotton, prevent the loss of domestic markets for American cotton, and increase acreage allotments for the 1956 crop of cotton; to the Committee on Agriculture.

By Mr. SHORT:

H. R. 8855. A bill to authorize the Secretary of the Army to make a monetary allowance in lieu of providing a headstone or marker for the unmarked grave of a soldier or a member or former member of the Armed Forces; to the Committee on Armed Services.

H. R. 8856. A bill to provide that under certain conditions the remarried widow of a veteran of World War I may be restored to the compensation or pension rolls upon termination of her remarriage; to the Committee on Veterans' Affairs.

By Mr. SIKES:

H. R. 8857. A bill to establish a national policy with respect to commercial fisheries; to establish the Office of Assistant Secretary of Commerce for Commercial Fisheries, and define his functions, powers, and responsibilities; to strengthen the commercial fisheries segment of the national economy; and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mrs. SULLIVAN:

H. R. 8858. A bill to appropriate funds for construction of the Jefferson National Expansion Memorial at the site of Old St. Louis, Mo., as authorized by the act of May 17, 1954 (68 Stat. 98); to the Committee on Appropriations.

By Mr. THOMPSON of New Jersey:

H. R. 8859. A bill to amend the Public Health Service Act to provide an emergency 5-year program of grants and scholarships for postgraduate education in the field of public health, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. VINSON:

H. R. 8860. A bill to amend section 3A of the Civil Service Retirement Act of May 29, 1930, with respect to the standard contained in paragraph (5) thereof governing salaries used in computation of annuities; to the Committee on Post Office and Civil Service.

By Mr. WEAVER:

H. R. 8861. A bill to provide for transfer of administrative jurisdiction over Red Willow Dam and Reservoir, Nebr., to the Secretary of the Interior and over Wilson Dam and Reservoir, Kans., to the Secretary of the Army; to the Committee on Public Works.

By Mr. WILLIAMS of Mississippi:

H. R. 8862. A bill to amend the Railroad Retirement Act of 1937 to provide a new method for determining monthly compensation in the computation of annuities thereunder; to the Committee on Interstate and Foreign Commerce.

By Mr. YATES:

H. R. 8863. A bill to provide for the establishment of the Bureau of Older Persons within the Department of Health, Education, and Welfare; to authorize Federal grants to assist in the development and operation of studies and projects to help older persons; and for other persons; to the Committee on Education and Labor.

H. R. 8864. A bill to amend the Internal Revenue Code to provide an exclusion from gross income in the case of damages recovered under the antitrust laws; to the Committee on Ways and Means.

By Mr. BOSCH:

H. J. Res. 492. Joint resolution authorizing the President of the United States of America to proclaim September 17 of each year General Von Steuben Memorial Day for the observance and commemoration of the birth of Gen. Friedrich Wilhelm von Steuben; to the Committee on the Judiciary.

By Mr. FLOOD:

H. J. Res. 493. Joint resolution to provide for the observance and commemoration of the 50th anniversary of the official founding and launching of the conservation movement for the protection, in the public interest, of the natural resources of the United States; to the Committee on the Judiciary.

By Mr. FULTON:

H. J. Res. 494. Joint resolution to provide for the observance and commemoration of the 50th anniversary of the official founding and launching of the conservation movement for the protection, in the public interest, of the natural resources of the United States; to the Committee on the Judiciary.

By Mr. VINSON:

H. J. Res. 495. Joint resolution proposing an amendment to the Constitution with respect to the right of the States to manage their own internal affairs; to the Committee on the Judiciary.

By Mr. BUCKLEY:

H. Con. Res. 206. Concurrent resolution authorizing the printing of additional copies of the hearings on the national highway program for the use of the Committee on Public Works, House of Representatives; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Connecticut, memorializing the President and the Congress of the United States to aid in a program of flood control and hurricane protection; to the Committee on Public Works.

Also, memorial of the Adjutant General's Department of the State of Ohio, relative to transmitting a copy of the interstate civil defense and mutual aid compact between the States of New York and Ohio, etc.; to the Committee on Armed Services.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BALDWIN:

H. R. 8865. A bill for the relief of Florentina Laurente; to the Committee on the Judiciary.

By Mrs. FARRINGTON:

H. R. 8866. A bill for the relief of Mrs. Minnie Perreira; to the Committee on the Judiciary.

By Mr. FLYNT:

H. R. 8867. A bill for the relief of the estate of Mr. F. M. Bryson; to the Committee on the Judiciary.

By Mr. KEATING:

H. R. 8868. A bill for the relief of Richardson Corp.; to the Committee on the Judiciary.

By Mr. ROGERS of Colorado:

H. R. 8869. A bill for the relief of Elisabetta Melon; to the Committee on the Judiciary.

By Mr. SCOTT:

H. R. 8870. A bill for the relief of Charles Ang; to the Committee on the Judiciary.

By Mr. SHORT:

H. R. 8871. A bill for the relief of Anna Marie Deutch; to the Committee on the Judiciary.

By Mr. SMITH of Virginia:

H. R. 8872. A bill for the relief of Michael A. Gardner; to the Committee on the Judiciary.

By Mr. UTT:

H. R. 8873. A bill for the relief of Maria Gonzalez-Tovar; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

460. By Mr. GROSS: Petition of 17 residents of Plymouth, Iowa, favoring passage of legislation to prohibit the transportation in interstate commerce of alcoholic beverage advertising; to the Committee on Interstate and Foreign Commerce.

461. By Mr. SHORT: Petition of Ernie W. Marshall, and other citizens, of Springfield, Mo., urging having the Townsend plan as defined in H. R. 4471 adopted as an amendment to the Social Security Act, in place of the present program of old-age and survivors insurance and old-age assistance; to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

Address by Senator Neuberger at the Madison Avenue Baptist Church, New York City

EXTENSION OF REMARKS

OF

HON. RICHARD L. NEUBERGER

OF OREGON

IN THE SENATE OF THE UNITED STATES

Thursday, January 26, 1956

Mr. NEUBERGER. Mr. President, on January 25, 1956, it was my privilege to address a dinner of the Madison Avenue Baptist Church in New York City under the auspices of one of the most outstanding religious leaders ever to serve in my State.

This man is Dr. Ralph B. Walker, formerly of the White Temple, of Portland, Oregon. I knew Dr. Walker and his charming wife when they were in our own State. Dr. Walker has combined humanitarian and progressive views with deep spiritual feeling and an ability to exalt his listeners. Portland's loss is New York's gain.

On the occasion of addressing Dr. Walker's congregation in the city of New York I also had the privilege of meeting many former residents of Oregon, such as Mr. and Mrs. Owen A. MacGill, formerly of McMinnville; Mr. and Mrs. Ronald S. Callvert, formerly of Portland; Mrs. Lurline Green, a registered nurse, formerly of Portland; and Mr. S. D. Buell, likewise formerly of Portland. These people all told me what a distinction it was to have a pastor like Ralph Walker in the greatest city of our land.

I had the pleasure of discussing my desire to have more young people enter public life, in which connection I explained the $500 scholarship which I have presented to Linfield College to encourage idealistic students with an ambition to work in government. This scholarship is the result of a $500 award which I received from the Democratic clubs of Long Island in 1955 as "Democrat of the Year." I had the honor of formally presenting it to Linfield College in October, through Linfield's out-

standing president, Dr. Harry L. Dillin. Incidentally, Dr. Dillin concurs in my hopes that more young men and young women can be induced to make government their careers.

Mr. President, because of the high value which Dr. Ralph Walker places on good government, I spoke January 25, 1956, on the urgent need to control the vast political slush funds which threaten and imperil the free exercise of government in the United States.

I ask unanimous consent that a brief statement to the press, summarizing that speech, may be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

PRESS RELEASE BY SENATOR NEUBERGER

Multi-million-dollar political campaigns are a threat to democracy, Senator RICHARD L. NEUBERGER, Democrat of Oregon, told a banquet meeting of the Madison Avenue Baptist Church in New York City Wednesday night. The Oregon Senator said legislative safeguards were urgently needed to prevent any candidate or political party from "buying public offices like baubles in a jewelry store."

NEUBERGER suggested to his audience that, eventually, the only feasible solution might be some form of a proposal made originally in 1908 by President Theodore Roosevelt, recommending that the Government take over the financing of political parties.

"This probably sounds revolutionary," declared NEUBERGER, "and yet it came first from a man as devoted to Americanism as Teddy Roosevelt, who led the Rough Riders up San Juan Hill. He realized that large-scale political contributions from special interests were incompatible with free and untrammeled service in the highest offices in the land."

NEUBERGER also proposed that the conflict of interests statute should apply to Members of Congress, as well as to officials of the executive branch of the Government. "We are inclined to place elective people on a pedestal above other mere mortals—and without justification," he claimed.

NEUBERGER pointed out that, in his State, it was illegal for a State liquor inspector to accept a gift of a few bottles of whisky, but that a man running for Governor could accept thousands of dollars in campaign contributions from men who own distilleries. "This sort of double standard makes absolutely no sense from the standpoint of logic and ethics," he added.

The 43-year-old Oregon Senator announced that he soon would introduce "far-reaching" legislation dealing with the whole question of campaign contribution in national political campaigns "in time for 1956."

Thirty-eighth Anniversary of Ukrainian Independence Day

EXTENSION OF REMARKS

OF

HON. THOMAS J. DODD

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 26, 1956

Mr. DODD. Mr. Speaker, the black shadow of imperialistic communism has enveloped many peoples, but none, perhaps, have been so forgotten in this hideous picture of selfish and diabolic aggression than the people of the Ukraine. Here, chained by the blood shackles of Soviet aggression, are more than 40 million men, women, and children, the vast majority of whom, even today, pray for release and freedom and independence. History records that 38 years ago the Ukrainians declared their independence only to be struck down into abject slavery by the Red fist of communism, which they abhored and fought and tried in vain to reject forever.

The flag of the Ukraine is of blue and gold. I venture to describe it as blue for hope in their eventual release and gold to signify the precious spirit of honest democracy that still burns within the hearts of the true patriots of that forgotten nation.

But as long as justice lives within our world, the Ukraine shall not and must not be forgotten. Many of our American citizens of Ukrainian derivation will not allow the story of the heroic struggle of these people to be buried beneath the massive lie that emanates from the dark confines of Moscow's Kremlin.

I join with our citizens of Ukrainian descent in helping to remind America and all the free world that the Ukraine is a captive country. I join with millions of other lovers of liberty and honor and self-determination in the hope that we shall all live to see the day when the Ukraine takes her rightful place among the nations of the free world.

One Hundred and Ninety-fifth Anniversary of the Birth of Albert Gallatin, a Great American of Swiss Descent

EXTENSION OF REMARKS

OF

HON. THADDEUS M. MACHROWICZ

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 26, 1956

Mr. MACHROWICZ. Mr. Speaker, 195 years ago, on January 29 of this year, there was born in Switzerland a man who was destined to become a great American, who served with great honor in the United States Congress and in executive positions of these United States.

A precocious youth of 19 landed on America's shores in 1780, speaking English in the heavy French-Swiss accent he was never to lose; but by the time he was 35, Albert Gallatin, was to have achieved renown as one of the most distinguished and perhaps the most controversial of the new Republic's political figures.

Born on January 29, 1761, in Geneva, Gallatin did not, as so many other Europeans, have to leave his native home to find his material fortune. The son of one of Switzerland's leading families and a brilliant scholar at the Geneva Academy, the future of the young man was assured. But, fired with a belief in American democracy which he was never to give up even in time of greatest political trial, Gallatin chose to share in the development of the political experiment on the other side of the Atlantic. He was, in the words of the American historian, Claude Bowers, a born democrat.

That his and Jefferson's ideas for building a brave new world coincided so perfectly proved singularly advantageous for our country and its third President. For, among the Jeffersonians, only Gallatin was capable of dealing intelligently with the Hamilton financial system which took little cognizance of the people's wishes in its functioning.

Restoring the power of the purse to Congress was the first step in Gallatin's plans to create a sound and democratic fiscal system for America. As a Member of Congress and founder of the House Ways and Means Committee, Gallatin was to achieve his purpose and win the respect and affection of Jefferson who made him Secretary of the Treasury upon assuming the Presidency in 1801.

That this step earned him the wrath and scorn of the Hamiltonian forces did not daunt Gallatin in his determination. The epithet of "foreigner," though it must have hurt this man whom Jefferson was to find as zealously devoted to the liberties and interest of our country as its most affectionate citizen, did not stop him from working to liquidate the national debt, reduce taxes and hold Government expenditures at a minimum.

The development of commerce and the establishment of rigorous methods in the conduct of the Treasury Department were contributions of Gallatin which earned the once weak young Republic respect throughout the world.

It is of the essence that America always commands such respect, but it is especially important now. It was Gallatin's belief that the path to progress and prosperity is paved with commercial understanding. And, in seeming accord, the present administration brought forth its trade, not aid, program not very long ago.

But, despite its good intentions, the executive branch of the Government has departed from this path on several occasions since announcing this policy, perhaps most seriously when it imposed additional restrictions on watch imports from Switzerland—land of Gallatin's birth and, incidentally, America's best cash customer in Europe.

A misstep such as this, or the recent tariff boost on foreign bicycles, can act to harm not only the material interests of our country but its moral interests as well. How morally damaging such ill-considered moves can be, is evident from the very unfavorable reaction they received in the press of the United States and of the entire world. And the economic damage affects, besides the Swiss exporters and the American watch importers, American farmers and manufacturers who have been doing good cash

business with Switzerland and who want to continue and enlarge it.

In memory both of this great Swiss-born American who contributed so much to his adopted land and the valuable Swiss-American Treaty of Peace and Commerce signed by our two countries 105 years ago, I would like to see a restoration of happier commercial relations. And the sooner, the better.

Casein and Powdered Milk

EXTENSION OF REMARKS
OF
HON. PHILIP J. PHILBIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 26, 1956

Mr. PHILBIN. Mr. Speaker, the serious situation affecting users of the American milk product, casein, has been brought to my attention.

It would appear that shortages of casein have developed for some time past and American users in the plastic and other industries have been required to pay much higher prices to foreign producers taking advantage of shortages of this product. I am informed that in recent months New Zealand and the Argentine, largest producers of casein have increased their prices of the product by about 50 percent. This has occasioned great added expense to all American industries using casein.

The incredible part of this situation is that at the same time this Government is holding a very large supply of powdered milk purchased under the support-price program. There is evidently no present market for this powdered milk and it is not expected that there will be. Thus it would seem to be a complete loss to the Government and, what is worse, a willful, terrible waste of a valuable raw material which, if properly handled, could be profitably utilized by American industry.

This is just another instance of the uneconomic waste and extravagance that has flowed from ill-considered Government programs. I brought the matter to the attention of the distinguished Secretary of Agriculture and have requested him to see whether or not some way could be worked out by which surplus milk could be used to make casein thus supplying necessary supplies of this product to American users who need it and hence would be able to procure it at reasonable prices without suffering from additional international "squeeze plays."

It is my hope that some program can be evolved which will more profitably utilize surplus milk and at the same time supply casein to American industry.

I have requested the Department of Agriculture, the Tariff Commission and the Committee for Reciprocity Information and the Office of Defense Mobilization, as well as the President's office to give careful consideration to this matter to see whether some suitable solution can be effected by which American casein consumers will be relieved from shortages and exploitation and whereby surplus milk can be converted into marketable casein instead of being manufactured into powder which is placed in the warehouses to deteriorate and rot.

Address by the Vice President at Salute-to-Eisenhower Dinner in Chicago

EXTENSION OF REMARKS
OF
HON. EVERETT M. DIRKSEN
OF ILLINOIS
IN THE SENATE OF THE UNITED STATES
Thursday, January 26, 1956

Mr. DIRKSEN. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a very superb address delivered by our distinguished Vice President at the salute-to-Eisenhower dinner in Chicago on January 20, 1956.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

May I tell you first some of the reasons why I am so honored to be speaking at this dinner.

Because Illinois has one of the Nation's outstanding Republican Governors in Bill Stratton; one of the great Republican Senators in EVERETT DIRKSEN; and 13 fine Republican Congressmen, including the whip of the House, LES ARENDS.

Because this Chicago dinner, considering the area it has to draw from, has surpassed every city in America in the number of its guests honoring President Eisenhower.

Because right here in this very hall, the magnificent crusade of the man we honor tonight was launched just 3½ years ago.

So many Americans owe so much to President Eisenhower's leadership that the time allotted to me, as you can imagine, is completely inadequate to do the subject justice. With your permission, I would like to touch tonight on only the high spots of four great general questions.

The condition the Eisenhower administration found the country in when we went to Washington just 3 years ago today.

The condition the country is in today after 3 years of Eisenhower leadership.

Some of the major complaints of the critics of the administration.

The great vista for the future if Eisenhower Republican principles continue to guide this country in the 4 years ahead.

Three years ago this is what we found: There was a war in Korea. Controls shackled the economy. The people's purchasing power was going down every day. The previous administration had proposed plans for socialization and federalization of America's farmers, medical profession, housing, schools, and power, including the atom.

Most distressing of all, we found that a great majority of the American people, Democrats and Republicans alike, had lost faith in the honesty, the integrity, and the security of those who served them in government.

After 3 years of Eisenhower leadership and Eisenhower Republican policy, this is the situation we find today.

The world is at peace for the first time in 15 years.

Controls have been taken off the economy.

The American people have had the biggest tax cut in history.

For the first time since the Republican 80th Congress, we not only have a balanced budget for this year, but the President has submitted a balanced budget for the next year as well.

As a result of these economic policies we find America enjoying its greatest prospecity in history with gross national product, personal income, consumer expenditures, individual assets, and scores of other economic indicators at alltime highs.

The plans for socializing basic American institutions have been thrown into the ash can, and the Eisenhower Republican program, offered in the state of the Union message this year, if enacted by the Congress will produce more schools, more highways, more hospitals, more child welfare services, more medical research, more health insurance, better working conditions and wage standards, more homes, than our predecessors ever dreamed of.

And, probably most important, honesty, integrity, and dignity have been restored to Government in Washington, D. C.

On the basis of this record, I am going to make some categorical claims which I do not think can be questioned.

Never has an administration kept its promises more faithfully than this administration.

Never has an administration done a better job for all the people than this administration.

Never have the American people had more reason to be grateful to the leadership of a President than they have to President Eisenhower today.

What then are the major criticisms of the administration and the answers to those criticisms?

There are, of course, those who at the present time are criticizing the Eisenhower-Dulles foreign policy.

A recent Democratic governor of this great State seems to be leading that chorus. He calls for the repudiation and resignation of Secretary of State Dulles.

There is a short answer to his suggestion. What does he offer? Nothing except a return to the Acheson foreign policy. What is the test of the success or failure of foreign policy? Whether it brings war or peace.

As far as the American people are concerned, I think they care less about what was said, or why, about policy than they do about the net results. And this they know. The Truman-Acheson policy got us into war, and the Eisenhower-Dulles policy got us out of war. And on that issue there is no question but that there will be an overwhelming vote of confidence for a continuation of that policy for 4 more years.

But let us analyze for a moment more closely the background of the man who opposes the Eisenhower-Dulles policy. We find:

This is the man who criticized President Eisenhower when he suggested during the campaign of 1952 that he should go to Korea and who in turn offered nothing but a continuation of that desperate, endless struggle.

This is the man who quavered over our strong stand when the Chinese Communists threatened Quemoy and Matsu and suggested that perhaps we had better force our allies to give up these areas in order to avoid the risk of war.

This is the man who quibbled about our policy in Indochina without offering any constructive alternative as to what might be done.

And this is the man who sniped at President Eisenhower when he went to Geneva—where I say the President rendered magnificent service to the free world on two counts.

This was the first conference ever held with the Russians at the head of state level

in which the United States surrendered neither principle nor territory.

The President, for the first time since World War II, got the United States off the defensive and on the offensive on the great issue of peace before the world.

I have just been thinking what would have happened if Mr. Stevenson had been President these last 3 years. We, of course, do not know the answer to that question, but of these principles I am sure.

Indecision, weakness, retreat, and surrender do not bring peace in dealing with dictatorial, aggressive communism.

We tried that in Korea. Secretary Acheson said that Korea was outside our defense zone and the Communists attacked 6 months later. I say the American people indicated they had enough of the Acheson policy in 1952—they don't want to return to it now.

If there is uncertainty in the minds of potential enemies as to what the United States will do if put to the test by aggressive action, we really run the risk of war.

If the kind of talk Mr. Stevenson has been indulging in has given the impression to the world that we were bluffing or that we might not carry out our intentions, it can have only one effect—increase the risk of war.

If we want peace, the world must understand that we have the capability to defend ourselves against aggression and that we have the intention and will to take appropriate action against a potential enemy if it engages in aggression.

We must recognize that there are risks in waging war, and that there are also risks that must be taken in waging peace. The only way you can avoid risks in waging either war or peace is to surrender, and surrender is not in the vocabulary of the Eisenhower administration.

On the contrary, we not only will never agree to the surrender of our own freedom, but as Americans we can never acquiesce in the denial of freedom to others. As the President recently said: "The peaceful liberation of the captive peoples has been, is, and, until success is achieved, will continue to be a major goal of United States foreign policy."

Strength, firmness, and courage is the way to peace without surrender. And the American people want 4 more years of that kind of decisive leadership.

I would suggest that if Mr. Stevenson has nothing more constructive to suggest than criticism, he join with millions of his fellow Democrats in the country and some of the outstanding Democrats in the Senate who have so loyally supported, and are supporting the Eisenhower-Dulles foreign policy—a policy which deserves support because it got us out of one war, has kept us out of others, and provides the best chance for peace without surrender in the years ahead.

A second criticism that is often made of this administration is that we are only interested in big business—that we are against the little fellow.

I suggest that just for a moment we examine the record of this administration, not in terms of what is good for businessmen but solely in terms of whether its policies have been in the best interests of the 65 million American wage earners. What does the wage earner want?

He wants a job.

He wants high wages.

He wants purchasing power.

He wants a sound security program for the future.

Today, America's wage earners have more jobs at higher wages, with greater purchasing power, sounder security, and fewer strikes than at any time in history, and they have peace to boot.

I have been rather amused by the controversy which has been raging over whether union leaders should or should not take part in political campaigns. Just to express a personal point of view, I welcome their participation. And I urge that they compare the record of this administration and its predecessor on the basis of this test.

Under which administration have union members had it the best?

If that test is applied, they will find that union members have it better today than they have ever had it at any time in their history. And I submit that if they act on the basis of what has proved to be best for their members every union leader in America will be out stumping for 4 more years of the Eisenhower administration in 1956.

What is there then to the claim that this is a business administration?

It is true to this extent. The Government of the United States is the biggest business in the world. As such, President Eisenhower believes it ought to have the best management in the world.

And no achievement of this administration has been more in the national interest than getting businessmen the caliber of Secretary Humphrey and Secretary Wilson, and scores like them, to come to Washington to provide that kind of management.

Another criticism of this administration is that farmers have not shared in the Nation's increased prosperity.

The charge is correct, but let us examine the reason for it.

What in essence is the farmer's problem? It is the fact that considering his costs farm prices are too low.

Why are farm prices low? The major reason is the tremendous farm surpluses which hang over the market. Our economists have estimated that these inherited surpluses reduced farm income by a whopping $2 billion in 1955 alone. In other words, if we had not had the surpluses farmers would have had their best year in history in 1955.

What caused the surpluses? The demands for high production in wartime. The high rigid support program of the previous administration.

We got rid of one of the causes for high surpluses by ending the Korean war and I don't think you will find one farmer in the country who would not say that war is too high a price to pay for any temporary prosperity on the farm or anywhere else.

We got rid of the other cause of surpluses by adopting the flexible price-support program.

Now, however, we still have to deal with the $6 billion in surplus we inherited. We have to see that the farmer gets some immediate help. And we have to see that we don't get into this surplus jam again.

Here are the highlights of the program which we think will do that job.

The soil-bank system to use surplus commodities to retire unneeded acres from excess production.

A surplus-disposal plan to help move surplus stocks out the front door while the soil bank reduces what comes in the back door.

An intensive drive for export markets.

Strengthened commodity programs for individual products such as corn, wheat, cotton, rice, and dairy products.

An expanded rural-development program for the low-income farm families.

Research increases to help us find new crops, new markets, and new uses for our agricultural abundance.

And a dollar limit in price-support payments to any individual or farm, so as to help the family farm without giving windfall profits to large-scale corporate agriculture.

In bringing this program to the Congress and to the country, let me tell you the philosophy behind it:

For the past 25 years we have never had real prosperity on the farm except at a time when production was stimulated as a result of war or shortages created by war.

This administration believes in building for the future on the basis of peacetime rather than wartime demands. We believe there is a way to have prosperity on the farm and everywhere else in peacetime.

As far as the farm is concerned, we believe that our new program combined with what we have already done provides the answer to the problem.

I can assure this audience that there is no problem which more concerns the President and his administration than the problem of raising farm income. We believe we have the answer to it and we are going to leave no stone unturned to see to it that our legislative proposals are approved by the Congress at the earliest possible date.

Finally, there is another group who criticize this administration on an entirely different ground. We hear people from time to time say, "The Eisenhower administration is too liberal, too New Dealish. What we thought we were voting for and working for was a real conservative administration."

May I at this point talk to you very frankly and forthrightly about the Republican Party and what I believe it stands for.

First, to be practical, we must consider the alternative. The choice is not between the Eisenhower program and something more conservative, but between the Eisenhower program and something far more radical.

The American people are not going to stand still. They want progress. And they want an administration which does not look to the past or is satisfied with the present, but one which offers new and greater hope for the future.

The Republican Party in its greatest days has always been, is now, and must continue to be the party of progress. If you don't believe this is true, read the speeches and the biographies of Abraham Lincoln, of Theodore Roosevelt, and of Herbert Hoover.

Let us consider what some of America's needs are for the next 10 years if we are to continue to have progress. Here are some estimated goals in the fields of power, roads, schools, hospitals, and slum clearance.

In the next 10 years America will need: 101 million kilowatts of power at a cost of approximately $20 billion; 3,348,000 miles of highway at a cost of $100 billion; 927,000 primary and secondary classrooms at a cost of $30 billion; 1,288,000 hospital beds at a cost of $22 billion; the replacement of 5 million housing units, and the reconditioning of 15 million more at a total cost of $24 billion; and a program which will remove discrimination in employment, opportunity, and education on the American scene so that we will quit losing $30 billion a year, which is the economic cost of discrimination today.

Now, the question arises, How do we meet these needs? Our New Deal friends had a very simple answer to such questions. They would say, "Let the Government do it."

If there was unemployment, the Government should make jobs.

If there was a need for houses, the Government should build them.

If better medical care was needed, the Government should provide it.

Their programs all sounded good. The only trouble with them was that they wouldn't work.

But right at this point, as Republicans, let us do a little soul searching.

We have to recognize that at times in the past we have allowed the advocates of big Government to "steal the ball" from us on

the issue of progress and run away with it. We opposed the means without offering an adequate alternative. The people therefore assumed that we opposed the end as well.

And I say tonight that one of the greatest services that has been rendered by President Eisenhower and his administration is in showing the American people again that you can be progressive and humanitarian without being socialistic.

He has given the Republican Party the forward look and it is our New Deal friends who now are in the position of wanting to turn back to discredited economic policies which were never able to provide prosperity except in wartime.

But some might well ask, how do our programs differ from those of our predecessors if our goals are the same?

The major difference is that we believe the way to real progress and prosperity is through programs which rely primarily on private rather than Government enterprise.

We believe the Federal Government should step in only where the job cannot be done more effectively by private enterprise or State and local government.

We know that to rely on Federal Government programs to meet the needs is wrong on several counts. But it is primarily wrong because federalized programs are not adequate to do the job.

All the resources of America must be tapped if we are to meet the needs which spell progress for the next 10 years. The Eisenhower program which is based on the principle of the Federal Government working in partnership with private enterprise and local and State governments is designed to do just that, and that is why it will succeed where the Federal program is doomed to failure.

In other words, we oppose the programs of our predecessors, not because they were too high, but because they were too low.

Our aim is a gross national product of $500 billion by 1965. If we attain that goal, the resources will be available to build the schools, roads, houses, and to meet the other great social needs of the American people—and to add approximately $1,000 a year to the income of every family of 4 in America.

What a great goal for a party and for a Nation. It is one which will catch the imagination of all of the American people. And it is one that we can attain without compromising American principles in the process.

I realize that there is one other great question on the minds of every person here. And this is, Will the President run again?

I do not have the authority or knowledge to answer that question. But of this much we can be sure. The President will make the right decision at the right time, and whatever that decision is it will be made with the best interests of America in mind. Regardless of what that decision may be, let us dedicate ourselves tonight to these propositions, without qualification.

There must be 4 more years of our Republican stewardship at Washington—years of peace, progress, and prosperity for our country and for the world as a result of what President Eisenhower has so nobly begun.

We owe it to our President to assure the completion of his program by electing the men and women who are committed to its purposes from the bottom to the very top of our Republican tickets next November.

Whatever President Eisenhower himself may decide, we must make certain that there is another term for those principles for which he stands and for those Americans who owe him the great debt of gratitude and loyalty which I have strived, however, inadequately, to express tonight.

There must be another term for the American boys who did not die in Korea, because President Eisenhower stopped the shooting war in the Far East and steered the course of peace and friendship in Asia and in Europe.

There must be another term for the millions of American wage earners who have made the greatest gains in the history of labor under President Eisenhower's fair and friendly policy.

There must be another term for the small-business man and the white-collar workers whose taxes have been lowered and whose savings have been protected against the inflation which had plagued the Nation for almost a generation.

There must be another term for our 16 million Negro citizens who have experienced the greatest gains in removing discrimination in travel, education, opportunity, and civil rights of any 3-year period in the history of America.

And there must be another term for the millions of men and women throughout the Americas and all over the free world who see in President Eisenhower the architect of peace, the statesman who turned back the fatal trend toward the unimaginable disaster of atomic warfare.

And above all there must be another term for the simple personal creed of the man in the White House as he voiced it in his message to Congress 2 years ago this very month:

"This administration believes that no American—no one group of Americans—can truly prosper unless all Americans prosper. We must not become a nation divided into factions or special groups and hostile cliques. We are one family made up of millions of Americans with the same hopes for a full and happy life."

Natural Gas

EXTENSION OF REMARKS
OF
HON. BRUCE ALGER
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 26, 1956

Mr. ALGER. Mr. Speaker, my interest in the legislative efforts to correct the Supreme Court's decision in the Phillips case is more than a desire to correct an injustice to one of the large industries of my State. It is a determination to overcome a new and dangerous philosophy announced in the Supreme Court's decision.

Why should natural gas, the product of an intensely competitive and high risk industry, be singled out as the only commodity so produced to be brought under direct Federal price-fixing while in the hands of the producer?

If a bureau in Washington can fix the price of gas, on an arbitrary basis, can it not just as easily fix the price of other products?

If natural gas is singled out for direct Federal price-fixing today, might it not be oil or cattle or cotton or dairy products—or all of them—tomorrow?

If there is any doubt that natural gas is a commodity produced by a highly competitive industry—far removed from the utility status—let us take a look at some of the facts about the demand-supply-price picture. They will show not only that the industry is competitive, but also that the consumer of natural gas inevitably receives his greatest protection from competitive activity.

First, there is a great and growing demand, natural gas customers have tripled and natural gas delivered to residential consumers has quintupled since 1938.

Consumption of natural gas has just about tripled since World War II. Today more than 27 million gas customers are residential users, including those using mixed, manufactured and LPG as well as natural gas. The American Gas Association estimates that an additional 1.2 million users will be added in 1956 if supplies are available. Countless other potential customers are anxious to see their communities served by natural gas.

Obviously, the efficiency and cleanliness of this fuel contributed to its popularity. Obviously, also, its reasonable prices have been considered among its advantages to the constantly growing gas consuming public.

Competition between producers of gas—as well as between them and other fuels—has been evidenced by the refusal of prices of natural gas to react to inflationary conditions as sharply as have the prices of other fuels. Natural gas is one of the few items in the family budget for which price has remained comparatively stable.

Based on 1935 to 1939 averages compiled by the Bureau of Labor Statistics, natural gas used by residential consumers for range and automatic water heater use in 1954 had an index of 93.6 or well under average prices for the 1935 to 1939 period. Contrast this with 222.6 for anthracite coal, 212.9 for bituminous coal, and 207.7 for No. 2 fuel oil. Contrast this also with the 192 overall cost-of-living index for 1954.

If the tremendous demand is not matched by a similar rise in supply, the price of natural gas naturally will tend to rise. But this increase will be even larger if the producers' prices are regulated on a cost-plus utility basis. Supply is the great consideration, and price-fixing regulations will have a tendency to reduce, rather than increase, the search for new supplies. They also will tend to divert more of the supply from the interstate market into the intrastate, which even now represents half of the total marketed production. Intrastate sales were not made subject to Federal control by the Phillips decision.

With the tremendous expansion of the market made possible by the many large interstate lines built since World War II, the ratio of supply to net production has diminished rapidly. Even so, the industry has proved up new gas supply at the rate of almost 2 trillion cubic feet for each trillion produced since 1954. During that year, new supply barely exceeded actual production.

Which represents the greater need—to fix prices with a hope of keeping costs to consumers down, as long as the present supply lasts; or to rely on time-tested

free competition to encourage wider search for greater reserves to supply the present consuming public and the millions who hope to join today's fortunate consumers?

Developments of recent years clearly show that all reserves possible are essential to meet future needs. Roughly speaking, we have about 22 years of supply at the current rate of withdrawal, but that rate of withdrawal may continue to grow.

Certainly an adequate price is essential to prevent waste of casing-head gas, which is produced with oil. Prices for natural gas must be at least enough to pay for the expense of conservation measures. Adequate price also is essential to promote production from wells whose primary product is gas. Leading geologists are convinced that we have not reached the limit in our discoveries of oil and gas. However, the incentive provided will determine to what extent we are able to make additional discoveries.

Because of joint costs and the infinite number of variables, it is impossible to determine a regulated price based on a cost formula, such as would be necessary if gas producing is considered a utility. Gas must be allowed to seek its true price level through free competition with competitive fuels, or it will be found necessary to regulate the prices of these fuels, also, and thus establish a Federal bureau control over all of our energy resources.

If reserves are to keep pace with demand, every producer—not just a few big companies—must have price incentive to search for and produce more gas. The minor or independent producer is the typical wildcatter. He finds the big majority of new fields, and we cannot meet our needs without him. He needs incentive.

There are thousands of these independents in action today. The number is not less than 13,000 and may be as many as 15,000 or even more. The picture some would paint of a monopoly industry controlled by a few large companies is far from true. Of all the extractive industries, bituminous coal is the only one in which leading companies produce as small a portion of the total as in the natural-gas industry. Compared with manufacturers of all kinds, natural gas is less concentrated in the hands of a few companies than 382 out of the total of 452 studied.

The picture for gas production is: First 4 companies, 17 percent; first 8, 28; first 20, 46; first 50, 66; and first 100, 78. There also is a gradual gradation from one size to the next in order, a condition ideal for competitive behavior. Seekers of monopoly can look elsewhere.

The ease of entry into production of natural gas is a sure sign of the absence of monopoly. Natural-gas companies even seek additional competitors, frequently looking for partners because of limitation of funds when they spend so much on exploration, title clearance, and leasing.

Competition definitely is present when the producer or gatherer meets the interstate pipeline or transmission company at the bargaining table. The pipeline companies are not so numerous as the producers, but between them they have an interconnecting network of lines covering the large producing areas of the Southwest. With one exception, the various large lines all are connected either directly or indirectly with most of the producing areas of the Southwest. Thus they have widely scattered supply sources to which they can turn if one source prices itself out of the market. Neither the seller nor the buyer has the other "over a barrel."

These active competitive conditions which prevail are pointed up by the price behavior of natural gas. Prices have shown great flexibility and continually have lagged behind the rising cost of living.

Indicating their responsiveness to competitive conditions, prices paid under contracts executed in 1954 ranged from 4 to 14 cents in Kansas and from 4 to 16 cents in Louisiana and Texas.

The increased rates paid by consumers today are not due primarily to higher field prices, but to generally higher prices of everything that enters into the distribution, transmission, and production of gas. These include sharp rises in the cost of steel, labor, taxes, and many other expenses. Only about a tenth of the total cost to the residential consumer is represented by the price received by the producer for natural gas at the wellhead.

Under free competition, the natural gas producing industry has met every test of service to the consumer. What sound reason is there for fixing on a cost-plus utility basis the wellhead price that a producer may get for his gas?

Regulating only the larger producers is no answer to the problem. Who is the larger producer? What if royalty owners, owners of divided interests, small producers feeding into a single gatherer or natural gasoline plant, and others demand payment in kind and insist on separate sales?

Price fixing is not in the long-range interest of the consumer. Putting gas production on a utility status would bring staggering problems and costs, with no benefits and very probably some definite losses.

Consider the staff necessary and the expenses involved if the Federal Power Commission must review 30,000 separate sales transactions, with thousands more each year. Consider the insurmountable difficulties in trying to determine prices on a cost basis. What about loss of incentive to producers? Futility compounded.

No five men can solve all the problems that have been solved by millions of individual decisions from day to day. The vast machinery for direct regulation of prices for thousands of producers would be only one of many costs, both tangible and intangible. The consumer will pay the price, both in taxes and in increased charges for the gas itself.

Direct regulation in the form of price-fixing is not the answer. The consumer's greatest protection is competitive activity. His true interest lies with a continuing supply. He deserves the benefits of competition.

The Fulbright-Harris bill will reinstate this free and fair competition in natural gas production, which has worked so well through the years for everyone concerned, including consumers. In addition to this best of all regulators, competion, the bill provides extra assurance for consumers through indirect controls which will see that wellhead prices are reasonable, even under the most unusual circumstances.

It will be good for producers. It will be good for consumers. It will be good for our country.

Over-60 Employment Service of Northern Virginia

EXTENSION OF REMARKS

OF

HON. JOEL T. BROYHILL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 26, 1956

Mr. BROYHILL. Mr. Speaker, the Soroptimist International of Arlington will launch the opening of the Over-60 Employment Service of Northern Virginia on Monday, January 23, 1956, at the Recreation Department, 915 North Jackson Street, phone Jackson 7-8888.

This service will seek to place all men and women over 60 who desire employment in full time, part time, or seasonal employment. The Virginia State Employment Service of Arlington and the recreation department have cooperated with the Soroptimist Club to set up this service. The State employment service is acting in an advisory capacity and the recreation department is furnishing the office space and phones.

The employment service office will be open each Monday, Wednesday, and Friday from 1:30 p. m. to 3:30 p. m. for over-60 applicants to register and to receive job orders. The office will be staffed by members of the Silver Age Group and supervised by the Soroptimist Club.

To date there has been no employment service or voluntary agency specializing in placement of the older age group of men and women in the northern Virginia area. The opening of this new employment service affords the businessmen of this area an opportunity to fill many personnel gaps.

In Virginia alone, 1 person in every 12 is 65. By 1960 it is estimated there will be 300,000 persons over 60 in the State. This group is one of our greatest untapped sources of employment and their usefulness is becoming increasingly recognized. They can make a contribution to the economy and regain the feeling of well-being that work brings, if the employers of northern Virginia will utilize their skills.

During World War II it was established that older workers lost less time for illness and other reasons than those employees in the younger brackets.

They were more conscientious on the job and turned out, as a whole, a better day's work.

There is a definite need in northern Virginia for such an employment service and with its opening comes a challenge to the businessmen to make use of this great untapped source of experienced workers.

What does America's senior citizen want? Survey after survey emphasizes he or she has two fundamental desires: to continue to work in some form—to be active and useful and to be independent and maintain his own home. Through our employment service we can help them attain their goals.

Iron Curtain Closeup

EXTENSION OF REMARKS
OF
HON. WILLIAM H. AYRES
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 26, 1956

Mr. AYRES. Mr. Speaker, our colleague, Representative PATRICK J. HILLINGS, made a very constructive trip last year, the details of which are outlined below. I commend Congressman HILLINGS for having the nerve to put in writing all the opinions he formulated on his trip:

HILLINGS TELLS TOUR DRAWBACKS IN U. S. S. R.

(By Representative PATRICK J. HILLINGS, Republican, of California)

Moscow, September 3.—Anyone who has traveled abroad is in for a lot of surprises when he becomes a tourist in Russia.

It takes a bigger chunk of initiative and adventure to be a tourist here than almost anywhere else in the world.

First there is no guide book to Russia. In fact, there is hardly any tourist information at all available outside. It is not much different once you are here.

The Soviets do not even sell a street map of Moscow, Leningrad, or Kiev.

Once you land in the U. S. S. R. you are in the hands of Intourist, the state travel agency.

MONOPOLY

They own the only hotels in which the ordinary tourist can stay in the big cities and they supply the guides and interpreters.

It is a state monopoly without any competition.

Surprisingly enough, Intourist does not twist your arm to see certain things. They do not even volunteer suggestions about what you can visit.

Unlike tourist agencies in other places, Intourist never says "wouldn't you like to go here? Wouldn't you like to see this or that?"

The closest they ever come is an occasional "What would you like to do?"

You should decide the first day what you want to see and have Intourist get started right away on arrangements.

LONG DELAYS

Whether it is just plain inefficiency or whether everything has to be checked with the proper authorities, arranging anything here takes infinitely longer than anywhere else.

But tourists will find that most of their reasonable requests are taken care of—eventually. Then it is likely to come with a rush, like my visit to the Moscow film studio.

After waiting several days for Intourist to arrange the visit the service bureau telephoned Monday afternoon without warning and announced "a guide and a car will be ready in 10 minutes to take you to Mosfilm."

What should you plan to see in Moscow?

Firstly, the Kremlin and the Lenin-Stalin mausoleum should be on everyone's "must" list. You would not want to miss them.

The Kremlin—hilltop citadel of czars and commissars—has a wonderful museum, a big old cannon, and a huge cracked bell said to be the biggest ever cast.

But when you ask to see the offices of the government you are told "it is forbidden to go there."

WAIT AT TOMB

At the Lenin-Stalin tomb they put you near the head of the long line of people waiting to see the embalmed bodies of Soviet Russia's founding fathers.

Ahead of you are official delegations and perhaps a group of peace partisans. But even this 40-minute wait on Red Square is interesting. You see people from all over the world with flowers and wreaths who have come to pay their respects.

Secondly, a collective farm. Make this request early. It takes a lot of time to organize. The Moscow region is now in the middle of the harvest season and some tourists who ask to see a collective are told that the manager is too busy.

Thirdly, the Stalin Auto Works or some other factory. You will probably spend, as I did, more time being told about and shown the cultural and recreational side of factory life than about the working and living conditions, but it is still very interesting.

GREAT VIEW

Fourthly, don't miss the view of the city at night from the Lenin Hills Bluff overlooking the Moscow River. Here is one that Intourist would never even think to suggest. The guides, as state tourist agency employees, are officials of the Government. But they do not try to inject the propaganda line into everything they say.

The hotel in which I stayed in Moscow—the National—seems the best of the three Intourist hotels in the capital—all of which were built before the revolution. The National is furnished in its original mid-Victorian style but it is surprisingly clean and comfortable.

The food is not bad. But the tourist should not expect great variety. Intourist restaurants either have special menus in English or four-language menus in Russian, English, French, and German.

NO BARGAINS

The official ruble rate of four to the dollar makes it almost impossible to get good values in souvenirs. Most things I have seen in the shops appear to be second-class merchandise with prices three times what we would pay for first class.

Intourist does, however, provide an all expense plan for $19 a day. You can buy vouchers either in New York, European capitals, or in the U. S. S. R. itself after you get here.

Under this plan I have what would be about a $10 room in an American hotel (plus a million dollar view of the Kremlin and Red Square), 3 meals, and a tea-time snack which are valued at about 55 rubles, (some $14 at the official rate) and 2 hours of guided sightseeing with a car.

But meals outside the Intourist hotels, laundry and other incidentals, bring the figure to about $30 a day.

DOUBTFUL BOON

For anyone who ever felt he would like to take a vacation without newspapers, radio, and TV this is perhaps an ideal spot.

No Soviet newstand carries any Western newspaper or magazine and you really feel cut off from the news.

Leningrad, Moscow, and Kiev offer practically open house for photographers. You cannot snap bridges or anything of a military nature.

If you have any doubts you can find out whether the subject you would like to take is off limits for snapshooting by asking the nearest policeman.

IRON CURTAIN CLOSEUP—REPRESENTATIVE HILLINGS SAYS SATELLITE COUNTRIES LIKE "BIG PRISON"

(By Representative PATRICK J. HILLINGS, Republican, of California)

For nearly 3 weeks traveling through the Soviet Union and 4 satellite countries, I felt I was in a "big prison."

I talked not only with Communist leaders but also with average people. In fact, I went out of my way to strike up conversations with the ordinary people to sound out their feelings, their hopes.

From my talks with various people in Russia, Rumania, Hungary, Czechoslovakia, and Poland, I am convinced that some of our best friends are living behind the Iron Curtain.

I firmly believe that 90 percent—possibly more—of the people living in the satellites are against Soviet Communism. They are dissatisfied with life under the Red rulers.

REVOLT UNLIKELY

However, I feel there is little likelihood of the oppressed people living behind the Iron Curtain rising up and throwing off the yoke of communism—unless some great dramatic event should occur.

In the satellite nations I was approached several times by individuals who asked to talk to me privately.

Fortunately I speak enough German to carry on a conversation and many people in the satellites, as well as in Russia, know some German.

This enabled me to get closer to the people than most Western visitors.

I used a couple of American gadgets to strike up conversations. One was a vest pocket radio and the other a camera which takes and delivers a photograph in 60 seconds.

POCKET RADIO

These two things broke the ice for me with many people, even in Russia, where they are more afraid to talk with foreigners than the satellite peoples are.

One evening in Budapest, while sitting in a cafe, I took out my pocket radio, placed it on the table and turned up the volume.

Everyone searched the room for the music, finally centering their attention on me and the tiny radio, which is about the size of a package of cigarettes.

Finally, a man at the next table leaned over and asked in English with a heavy accent:

"Are you American?"

When I said yes, he looked around, then asked:

"When will the day come when we will be free again?"

I could say no more than, "I dont' know, but I hope it will be soon."

INTERRUPTION

Just then a heavy built, dark-looking man entered the cafe and peered around the room. My friend at the next table turned back to

his friends and began hurridely talking with them.

The rest of the people in the cafe, who had been watching the radio and my conversation, also busied themselves with their food and drinks.

After the dark man had left the cafe, my friend at the next table again leaned over, saying:

"What are you doing in Budapest?"

When I told him I had come to Hungary to see how the people were living, he bitterly replied:

"As you can plainly see, not very well."

Again and again people in the satellite nations would ask me:

"When are you Americans going to help us?"

"When are we going to be free?"

DON'T WANT WAR

People in the satellites are worried, worried that the West will forget them, abandon them to live eternally under Moscow's rule.

The Geneva conference of the Big Four, particularly caused this feeling of despondency to increase among the people in the satellites.

Yet the Russian people, after the Geneva conference, heaved a huge sigh of relief, because they felt it meant the chances of a war had been thrust far away—and they do not want a war.

People in the satellites are much easier to talk to than the Russian people.

Several times, while traveling through the satellites, I was discreetly approached by individuals who asked me to meet them privately.

SECRET MEETING

One night in a Romanian cafe, I took a picture of the waiter with my 60-second camera and handed him the print, causing a great deal of excitement.

After the entire cafe had exclaimed over the "Amerikanski" camera, a young man asked if I would take his picture with his fiancee.

Afterwards I was called to the telephone in the basement. There was no call for me, just the same young man who whispered in broken English:

"Can I see you tomorrow privately?"

We made a date for a cafe the next afternoon. He met me and we sat close to the window to keep an eye out for secret police.

He told me he was a doctor and had learned English in school. After explaining how they needed American medical supplies, he asked if I had any American newspapers or magazines.

WANT MAGAZINES

I went back to the hotel and brought back what I had and started to hand them to him. He stopped me abruptly with a glance of fear.

"Just sit on them, and leave them when you get up," he said.

All over the satellites I found that the people are desperately hungry for information about America. They always asked us for whatever papers and magazines we had.

IRON CURTAIN CLOSEUP—RED LEADERS LIVE HIGH WHILE PEOPLE SLAVE, SAYS HILLINGS

(By Representative PATRICK J. HILLINGS, Republican, of California)

The Communist rulers are deliberately keeping living conditions poor in order to control and further communize the people.

This is my firm conviction after touring the Soviet Union, Rumania, Hungary, Czechoslovakia, and Poland.

The Reds have put the improvement of living conditions in second place.

Food, shelter, and clothing are all tactical weapons which the Communist rulers are using to make sure the people are fully "sovietized"—particularly in the satellites.

The Red leaders want to make the people completely dependent on the Communist government for everything.

OPPRESSION IS AIM

They are more concerned with shaping the people's minds along Communist lines than they are in actually improving conditions for the masses.

If the Communist rulers really wanted to improve living conditions for their people, there are many things they could do much faster than they are now being done.

They even put blocks in the way of individuals who try to improve things for themselves.

I talked with an old woman in Poland who had to save for 3 years just to buy a shoddy raincoat.

The Red rulers are putting far more emphasis on the so-called cultural construction—subways, monuments, and government buildings—than on housing.

And in the Soviet orbit, housing is one of the biggest problems they have.

In Russia and in the four satellites, I saw monuments and government buildings being constructed, subways being rushed to completion.

They are working furiously on the Leningrad subway to complete it by November. It will have stations, lined in marble and alabaster, loking like temples.

NEW ELITE CLASS

Meanwhile, the people are living in dingy 1-room apartments, and many have to share that 1 room with another family.

The personal interests of the people seem to be secondary to the Communist leaders.

The leaders seem to like those showpiece subways. But they could use the money and energy instead for building more apartment houses for the people.

Yet there is the new class of people in Russia and the satellites who are living off the fat of the land. They are Communist Party officials and the military men.

I felt a certain smoldering resentment among the people—even in Russia—against this new class which enjoys far more rights and privileges than the old-time capitalists ever enjoyed.

For example, while visiting a department store in Leningrad, I saw a crowd in the fur department.

Finding a man who spoke German, I asked:

"How can they afford to buy such expensive furs?"

When he answered me, I sensed in his tone of voice a feeling of guarded bitterness. He pointed to a Red army major and said:

"He can buy furs for his wife or girl friend."

EXCLUSIVE

Another time, I asked a man in Moscow what the special lanes down the center of each main boulevard were for. Each was marked with two white lines and traffic was kept out of them.

He told me:

"Those are for the leaders' cars only."

Later I found out that the rulers drive without regard to traffic regulations down those specially marked center lanes.

Nowhere in the free world do the Government leaders reserve parts of the streets for themselves. So this was another example of how the new ruling class in the Soviet orbit places the interest of the people behind its own interests.

Curiously, although they are doing a good deal of construction in the Soviet bloc, I never saw a man with a paint brush in his hand. Even rather new buildings began to look run down quickly.

The American Embassy in Moscow, which is leased from the Soviet Government and is a comparatively new building, is run down and needs repair.

The only solid, permanent type of construction I saw seemed to be statues and monuments of Communist leaders.

IRON CURTAIN CLOSEUP—REDS RESENT CRITICISM

(By Representative PATRICK J. HILLINGS, Republican, of California)

The Soviet and satellite leaders I met were terribly sensitive to criticism, particularly by the West.

They seemed to think the world was against them—especially the American press.

They just cannot seem to get through their heads that we allow people in the United States to critize our Government and that it is possible for us to criticize other governments.

I am convinced this is a dangerous aspect of the Communist mentality because it is obvious that their misinterpretation of the American press and the American political scene might cause some Russian official to make a rash decision.

And his decision possibly would create great troubles in the world.

MISINTERPRETED

I think we must do a great deal to convince the Communist leaders what the free system of information and freedom of expression in America really means.

I kept trying to explain this to the Soviet and satellite leaders whom I met—but had little success.

I asked them if they didn't have enough confidence in the people in their countries to differentiate between various kinds of information.

They generally replied:

"We just don't want to expose them to lies and propaganda."

In Romania, the Acting Foreign Minister told me:

"We often let the British Broadcasting System news reports come through without jamming because we feel they are more accurate in reporting news of the United States than the Voice of America is."

I argued with him, but he countered that the VOA contained propaganda.

BRITAIN PRAISED

"Well it's reporting news of America. If we tell what happens on the American scene that is news, not propaganda," I stated.

He answered that he still believed the British were better than the Americans in reporting what's going on in the United States.

Then he asked me:

"Why do American Congressmen go off half-cocked when they criticize the Soviet Union and the people's democracies?"

I told him the Communists made it so difficult for us to get information about their lands that it is hard to know what is true and what is not.

Grinning, he called in an aid with the July 25, 1955, copy of the CONGRESSIONAL RECORD and showed me an article.

Incidentally, he had the CONGRESSIONAL RECORD copy just a few weeks after it had been printed, which shows you how they can easily get information about America.

Showing me a speech made by KATHARINE ST. GEORGE, a Republican Congresswoman from New York, he commented:

"Here is the case of an American Congressman condoning violence."

In her speech Congresswoman ST. GEORGE had taken the side of Rumanian refugees who had besieged the Rumanian Communist legation in Berne, Switzerland, some months ago.

"We are concerned with freedom and encouraging the people to have the opportunity to enjoy freedom," I pointed out.

Another Soviet official also showed how close they keep tabs on American Congressmen.

Soviet Acting Foreign Minister Valerian Zorin threw back into my face a quote from a speech I had made in Akron, Ohio, in June this year. But he misquoted me.

RECALLS SPEECH

I was discussing with Zorin how we could further reduce tensions when he suddenly said:

"Well now, for example, Mr. HILLINGS, you said the Soviet Union is the greatest threat to world peace."

But I distinctly remembered that speech. I had said "The armed might of the Soviet Union poses the greatest threat to world peace."

I tried to explain the difference to him but without much luck.

IRON CURTAIN CLOSEUP—REDS MAKE IT TOUGH FOR UNITED STATES ENVOYS

(By Representative PATRICK J. HILLINGS, Republican, of California)

America's diplomats working and living in the Soviet orbit under horrible conditions are truly "unsung heroes" of freedom.

They are harassed economically. Communist governments make them change their dollars into local currencies at fantastic rates which make living costs unbelievable.

Red regimes either refuse or delay helping American diplomats get living quarters.

The Rumanian Government took its own sweet time about helping one American Foreign Service officer find quarters for his family.

For months he had to live in a hotel, paying the exorbitant price of approximately $60 a day.

EXCHANGE "HOLDUP"

In Russia, the Soviet Government keeps the exchange rate at four rubles for $1 when the rate, according to real values, should be something like 30 rubles to $1.

I asked Soviet Acting Foreign Minister Valerian Zorin if there was any chance of his Government improving this rate of exchange so our diplomats, and visitors, would not have to spend so much money just to live.

He said he didn't think there would be any change.

To me, this is more proof that the "Geneva smile" on the Soviet face doesn't go very deep.

In Bucharest, at the airport, I bought three cups of coffee. Cost? About $2.16 each at the official rate of exchange.

The Reds are making it as difficult as possible for our American diplomats.

MUST STAND GUARD

In Romania the Red regime refuses to provide housing for marine guards. In Czechoslovakia, the Communists arbitrarily limit the number of American diplomats to 13. This makes it impossible to have marines for guard duty there also.

As a result, Foreign Service officers after a full day's work—often 10 or 11 hours—have to buckle on a pistol, take a box lunch, and stand guard in the United States Embassy or Legation for the entire night.

Frequently a diplomat will have to stand guard every third or fourth night.

In other satellites, the Communist Government refuses to give enough housing for secretaries and stenographers. So the diplomats have to do all their own clerical work.

This means that the American taxpayer, who is paying a Foreign Service officer for high-quality work, is losing money. The more time the diplomat has to spend on typing, the less he can apply to his original job.

We should be very proud of our American diplomats serving us behind the Iron Curtain.

SHOULD HAVE BEST

At the same time we owe it to them to put more pressure on the Red governments to make things easier for our diplomats so that the living hardships could be alleviated.

In Washington, the Soviet and satellite diplomats live in luxurious mansions. They never have to worry about hot water.

Nor do they have to walk up 9 flights of stairs 1 week every month like the American Ambassador in Moscow has to do.

We should try to make it possible for the American representatives in the Red orbit to live decently.

In many cases they don't—they only "exist."

I think we should provide our diplomats behind the Iron Curtain with the very best and latest American cars with all modern gadgets.

CHANGE NEEDED

We also should provide them with other modern conveniences which so clearly illustrate the high American standard of living.

These things, cars and other modern items, are marvelous showpieces.

Everywhere I went in Russia and the satellites, crowds would collect to stare at the American diplomatic cars.

And some of the old cars we have provided our diplomats are simply ridiculous.

The Communists could show good faith by allowing American diplomats to live decently in the Soviet Union and satellites.

Naming Naval Vessel

EXTENSION OF REMARKS
OF
HON. THOMAS M. PELLY
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES

Thursday, January 26, 1956

Mr. PELLY. Mr. Speaker, I should preface these remarks by saying I firmly believe Congress should avoid attempting to name specific naval vessels by legislative action. That prerogative properly should be left to the Department of the Navy; although the overall plan or pattern as to type of name to be given to various classes of ships, of course, is well within the scope of appropriate congressional legislative jurisdiction.

Had I not held to such an opinion, I would have long since introduced a measure here authorizing the name of the city of Seattle to be given to the newly proposed 11,000 ton nuclear-powered cruiser. Instead, I have asked the Secretary of the Navy to give consideration to my request that our first atomic-powered surface ship be named the *Seattle*.

About 1902, the citizens of Seattle by public subscription raised a large sum for those days to underwrite a cost differential so that a local shipbuilder by the name of Moran could obtain the contract to build the old battleship *Nebraska*. I remember when I was a small boy she was launched—because there was a city holiday and a big celebration. Since then the people of Seattle have been enthusiastic about our Navy. The headquarters of the Thirteenth Naval District are located there and a year or so ago when Secretary Thomas addressed a Seattle Chamber of Commerce luncheon held on the hangar deck of a carrier, 1,800 businessmen came to hear him speak and a great many had to be turned away. That indicates the way Seattle people feel toward the Navy. Altogether, it would be most fitting and most gratifying to these citizens to have a modern cruiser bear the name of their city.

Personally, I firmly believe that combat vessels of the Pacific Fleet should regularly be based in the Pacific Northwest. That day will come. Meanwhile, units of the fleet will be visting Puget Sound periodically, which pleases the local citizens. In Seattle and other Puget Sound cities, we are always glad to welcome the officers and enlisted personnel of the fleet.

The old armored cruiser No. 11, the ex-U. S. S. *Washington*, was called the *Seattle*. She was stricken from the list July 17, 1946. She had been authorized by Congress in 1902. She was built at Camden, N. J., at a cost of $4,035,000. In 1916, the name of the *Washington* was changed to *Seattle*. She was the first American warship to arrive in France after we entered World War I. In 1919, she joined the Pacific Fleet at Seattle, and for a number of years made visits to her namesake city on Puget Sound. The people of Seattle took pride in her and were always glad to have her visit that port.

The Chief of the Bureau of Ships, Admiral Mumma, mentioned to me once that the old *Seattle* was the first ship in which he served. She was the flagship of the Pacific Fleet in 1923. But, as I said, Mr. Speaker, the *Seattle* was stricken July 17, 1946, and rightfully and hopefully, the citizens of a great community earnestly hope the Secretary of the Navy will consider giving the newest modern cruiser which is expected to be authorized in fiscal 1957 the honored name of *Seattle*.

A Bill To Extend Rural Mail Routes

EXTENSION OF REMARKS
OF
HON. J. HARRY McGREGOR
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Thursday, January 26, 1956

Mr. McGREGOR. Mr. Speaker, I have introduced a bill which gives authority to the Postmaster General, subject to the postal laws and regulations, the right to extend rural mail routes. This bill, if it becomes a law, would give rural mail delivery, as nearly as practicable, to the entire rural population of the United States.

I previously had introduced a bill similar to this making it mandatory that all be given rural mail service. It has been proven to me, Mr. Speaker, that my previous mandatory bill would not be equitable or workable, as in some areas of our country it would be nearly impossible to be in compliance with that mandatory clause.

I am reintroducing the bill, and I have been assured by those in control that everything would be done wherever at all possible to see that the intent of the law be carried out. This legislation, Mr. Speaker, will probably require realinements of routes; but when this is done, I feel certain that practically all will have rural mail service to their property, and it will cost our Federal Government only a very small amount. After all, Mr. Speaker, we are all citizens and are entitled to equitable service and treatment, regardless of where we live.

Plan for U. N. Commission To Seek Solution of Arab Refugee Problem

EXTENSION OF REMARKS
OF
HON. VICTOR L. ANFUSO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 26, 1956

Mr. ANFUSO. Mr. Speaker, on June 29, 1955, during the debate in this House on the Mutual Security Act, I discussed the situation in the Middle East and our military and economic programs in that area. At that time, I warned against embarking upon a policy of appeasement in the Middle East to gain Arab favor. I called attention to the fact that Israel, our bastion of freedom in that area was being isolated politically and economically; that its national security was being threatened militarily by the Arab countries; and that, in fact, its very existence was at stake as the Arab States grew stronger militarily.

Mr. Speaker, that was the situation before Egypt had concluded its agreement with the Soviet bloc to obtain arms from the Communist countries. It has grown considerably worse in the last few months since the Communists are pouring arms into the Middle East. The military balance of this strategic area has been upset. If it leads to a renewal of the Arab-Israel conflict in the fegion, it would constitute a great blow to us and our allies because it would weaken a vital spot in our defense structure against communism.

Last June I urged our Government to take two steps. First, to grant military aid to Israel in order to maintain a balance of power in the Middle East and to give Israel the necessary arms for defense in the event of aggression against her. Second, to conclude a mutual defense pact between the United States and Israel whereby the security of the latter would be guaranteed and the integrity of its borders respected.

In the light of events which have taken place since last June, these two proposals are even more timely and necessary today. They are fair and just. They make sense. I am convinced that if these proposals are accepted and fulfilled, the tension in the Middle East will subside, the stability of the region will be strengthened, and a peaceful settlement on honorable terms could then be attained between Israel and the Arab States.

There is, however, one other major problem in the area which should be dealt with on a more practical and more realistic basis than it has been done until now. I refer to the problem of the Arab refugees which should be solved as soon as possible. This is a festering wound which is adding to the unrest and the instability of the area and is preventing a reasonable approach toward a peaceful settlement. I feel that if a sound and practical plan can be worked out toward a solution of the Arab refugee problem, the whole situation in the Middle East would become more hopeful as regards the future.

Consequently, I should like to propose that the United States suggest to the United Nations that it appoint a Commission which shall undertake a study of the Arab refugee problem with the purpose of developing a new approach to this problem. This U. N. Commission is to visit the refugee camps in the Middle East, confer with the leaders of the refugees, as well as with the Arab governments in which the camps are located. The refugee problem should also be taken up with the Government of Israel.

The solution of the refugee problem should proceed somewhat along the following lines: Israel is to permit the repatriation of a limited number of former Arab residents, consonant with its security regulations and the possibility of integrating these people within its economy. Israel is to pay compensation to the other refugees who cannot be returned, and for this purpose an international loan is to be made to Israel on the basis suggested by Secretary of State Dulles in his address of August 26, 1955. The Arabs who cannot be repatriated should be resettled permanently in the Arab States. It is most advisable for the U. N. Commission to recommend plans for their permanent resettlement in those countries, and not to have to maintain these people on a permanent charity basis as is being done at the present time and prevent them from being used as pawns by the Communists to foment trouble in that area.

This is a problem for the United Nations. The U. N. must exert all efforts to solve it. In so doing, it will make a great contribution toward peace in the Middle East. To foment trouble and unrest in a given area is the Communist way. The American way is to find a solution through direct negotations with the parties concerned.

In the near future, I plan to introduce a resolution in Congress advocating the appointment of such a commission by the United Nations. In the meantime, I desire to bring the idea to the attention of the Congress.

Integration and Teachers

EXTENSION OF REMARKS
OF
HON. E. L. FORRESTER
OF GEORGIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 26, 1956

Mr. FORRESTER. Mr. Speaker, the Monday, January 23, 1956, issue of the Washington Evening Star carried a most interesting editorial on page A–8 thereof.

The proponents of integration in our schools have for years argued that integration in the schools would materially alleviate the shortage of teachers and furthermore would decrease the cost of education. The opponents of integration have always denied those arguments. For some months now, the Washington public schools have been integrated, and apparently the school commissioners have found now that integration has multiplied their problems instead of decreasing their problems as promised, as will be found from that editorial.

That editorial reads as follows:

INTEGRATION AND TEACHERS

There may be no really new problem facing Washington's public schools. Integration, however, and the results of city-wide tests that emphasize an extraordinary variation in pupil achievement, have placed an old problem in new light. More teachers are needed to cope with it. More teachers must be supplied. The probability that they will be supplied depends in large measure upon the ability of the Board of Education and the school officials to present a convincing case.

They were not able to convince the Commissioners, harassed by the facts of deficit financing and unimpressed by the somewhat hazy and confused estimates of teacher needs as presented to them by the schools. There has been, moreover, a seemingly delayed recognition, by school administrators, of what Dr. Corning now describes as "a new situation * * * which requires reconsideration of former practices."

Former practices have included estimating teacher needs on the basis of arithmetical average ratios of total teachers to total pupils, resulting in such slovenly generalizations as a finding that as high-school classes average only 22 or 23 pupils per teacher—without considering the actual size of classes in basic academic subjects—there is an excess of high-school teachers. As the school officials entrapped themselves by this unrealistic method of estimating teacher requirements, it is small wonder that they confused the Commissioners.

The chief reason supporting a substantial increase in teachers, aside from the growth of school population, is that our standards of educational achievement must be raised. When tests show that of 4,155 tenth-grade (first-year high school) pupils enrolled last fall, 1,004 of them had reached only a sixth grade or under level in reading; that of 3,979 tenth-grade pupils, 1,798 had reached only a sixth grade or under level in arithmetic, it is obvious that educational

standards are going to suffer unless this dangerous situation is remedied. The real issue now, as Dr. Corning told the Board of Education last week, is the "unquestionable need for additional teachers so that all the schools will be adequately staffed to serve ever increasing numbers of children with extremely varying abilities and achievement." The mere size of classes is not the real issue.

In presenting the need for more teachers to Congress, the effect of integration on hitherto accepted educational standards in the public schools should be presented in complete candor. The problem is realistic and requires realistic understanding and approach. The school authorities must get down to brass tacks in presenting the picture as it is, and in outlining a precise and detailed plan of how they propose to deal with it. That is the only way by which they can get the teachers they need.

The President, in congratulating the Commissioners and others on the speed with which they effected integration in Washington, following the Supreme Court decision, suggested that our progress in this regard should be a model for the country. It is not going to be any such model if it results in lowering educational standards because of a lack of the additional teachers now required to maintain such standards.

Now, Mr. Speaker, it appears that Washington has found from experience that it was misled and that integration was not the Utopia as previously pictured. Washington has learned, as all communities will learn, that their educational standards are now suffering, inasmuch as they are now being confronted with the fact that those rosy promises were completely unrealistic, and that they now must get more teachers because integration has brought "ever increasing numbers of children with extremely varying abilities and achievement."

Mr. Speaker, it would seem that anybody with a reasonably fair degree of intelligence would have known that integration would bring those problems. It is amazing to realize that anyone could not have foreseen the inevitable result. Will we profit by the experience in Washington, or will this country continue to rush headlong into destruction. We yet have time to prevent this horrible but inevitable experience, if the people wish to preserve their school system.

Repeal or Renovate the Present Tax Laws

EXTENSION OF REMARKS

OF

HON. HERMAN P. EBERHARTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 26, 1956

Mr. EBERHARTER. Mr. Speaker, under leave to revise and extend my remarks, I am today inserting in the RECORD a newspaper article from the Roanoke World-News, Roanoke, Va., which reports on a speech made by Mr. T. Coleman Andrews, who just recently resigned as Commissioner of the Internal Revenue Service. I think it is worthy of note that Mr. Andrews is speaking out against our present income tax laws as being complicated, confusing, and incomprehensible to the average citizens, and "probably should be repealed."

This is extremely interesting to me, since I remember so well that the 1954 Internal Revenue Code was passed by Republicans and was hailed by them as a great simplification of the tax law. This praise of the 1954 code came not only from Republican Members of Congress, but also from Administration officials, including Mr. Andrews' former boss, Secretary of the Treasury Humphrey. Republican members of the Committee on Ways and Means, in their majority report on this bill, described it as including "a rearrangement of the provisions to place them in more logical sequence, the deletion of obsolete material, and an attempt to express the Internal Revenue laws in a more understandable manner."

In accordance with this newspaper account, Mr. Andrews, in referring to the fact that the present administration tried hard to simplify the tax laws in the 1954 code, states "but they didn't accomplish their objective."

It is most interesting to me that the man who was Commissioner of Internal Revenue at the time this code was being written should now describe it in such terms. His feelings about the 1954 code certainly could not be the result of any new discoveries he has made since he left the Service on November 30, 1955. If Mr. Andrews felt that the 1954 code was such a complicated piece of legislation why did he not let his views be known to us on the Committee on Ways and Means and to the Senate Committee on Finance? We would have been delighted to have him present his views on the subject.

I would like to remind you, Mr. Speaker, of my reaction and that of the Democratic Members on the Committee on Ways and Means to the 1954 code, which you will find in our minority report thereon. After pointing out in our report that the staffs of the Treasury Department and the Joint Committee on Internal Revenue Taxation spent over 2 years preparing recommendations for the bill, we stated:

> In contrast, the committee deliberated on this bill for only one month and a half. In our opinion, such a complete overhauling as this, involving the most complicated laws which the Congress has ever written, would require at least 1 year to fully understand the change proposed and to intelligently approve existing law as being as nearly perfect as it can be made.
>
> We frankly admit that we do not fully understand or comprehend many of the changes proposed in the bill. Many tax lawyers spend their entire lives keeping posted on certain narrow fields of taxes. In many instances, we were not even given a draft of the proposed changes in the law until the committee began considering them.
>
> We fear, that, in the hasty manner in which this most complicated legislation has been handled, we will have to spend many weeks straightening out the law in the future, if the bill becomes law.

My only comment at this point is that I am very glad to know that Mr. Andrews now agrees with us on the 1954 code. I am only sorry that he did not take the trouble to study the views of the Democratic members of the Committee on Ways and Means and let his views be known to the Congress when the legislation was being considered. I must give Mr. Andrews credit for one thing, however. He certainly possesses discretion, for it takes a great deal of talent in this direction to be able to spend 3 years as Commissioner of Internal Revenue, without ever once giving any indication that he entertained such views about our tax laws. Discretion is a fine thing, but in this instance I think it might have been more helpful if Mr. Andrews had voiced his recommendations on the subject of tax revision while it was his job to do so, instead of waiting until after he resigned.

Mr. Speaker, in addition to reminding the House that we Democrats can now say to the Republicans, "We told you so," I would like to again point out that the 1954 code by far gave the majority of the tax relief it provided to higher income groups, and the Republican's trickle-down theory of taxation is rampant throughout the code. The most glaring example of all is the dividend exclusion and credit provision. Now mind you, Mr. Speaker, this is tax relief for persons with unearned income. One would think that if any tax relief were to be given, it at least would have been given to persons who earned their income. But, no, this is not the way the Republican trickle-down theory of tax relief works. People who must earn their living with their hands and with their minds, under this Republican plan of taxation must await that time when by some theory which I have never been able to understand, tax relief at the top eventually trickles down to the masses of the people at the bottom. It is now estimated by the Joint Committee on Internal Revenue Taxation that the dividend exclusion and credit provisions cost $420 million a year alone. Just consider this as compared to the piddling relief which this Republican tax bill gave to deserving people. For example, the estimates of the relief provided in the retirement income credit provision in the majority report on the 1954 code indicates that for fiscal year 1955, it would amount to $125 million. This is the largest item of relief provided for taxpayers generally, and it amounts to barely more than one-fourth that provided for coupon clippers. The next largest item of relief was $80 million in additional medical expense deductions. In the case of expenses for working mothers, $40 million in relief was provided.

Mr. Speaker, when you add up all of the relief provided for individual income-tax payers generally in this Republican tax bill, you find that it does not equal the amount which the coupon clippers got.

In my opinion, Mr. Speaker, the Congress should in this session repeal the dividend credit and exclusion provision,

and enact a bill for the relief of the millions of persons who barely got any relief at all under the 1954 Republican tax bill.

Following is the newspaper article referred to:

[From the Roanoke (Va.) World-News of December 9, 1955]

ANDREWS SAYS TAX LAW NEEDS TO BE SIMPLIFIED

The former United States Commissioner of Internal Revenue said here today the present United States income tax law is complicated, confusing, and incomprehensible to the average citizens and "probably should be repealed."

"There are many people," declared T. Coleman Andrews, "Who think there are simpler and more effective ways to raise money to defray the cost of Government than the methods now being used."

He said the income-tax law is becoming more and more complicated and should be rewritten.

"And it will become more and more complicated until something really drastic is done about it," he said.

Andrews elaborated today on a talk he gave before the Roanoke Rotary Club last night at Hotel Roanoke.

Although his main criticism was aimed at the income-tax law, he also was critical of two other tax laws—the gambling laws and the extension of social security to household servants.

"Many people wonder whether Congress ever meant these laws to be enforced," he said.

In his criticism of the income-tax law, Andrews said:

"Any tax law the average citizen can't comply with, without having to go to the expense of employing professional assistance, is a bad law."

He said the present administration and Congress tried "very hard" to simplify the law in working out the 1954 tax code.

"But they didn't accomplish their objective," he said.

"This law probably should be repealed," Andrews said. "In any event after 42 years of growing complication and obfuscation, it's high time for Congress to begin some research to see if there isn't something better instead of just continuing to patch up the old and highly unsafe boiler."

He said he believes the time has come for an objective look at the United States tax system.

The former United States tax chief also scored today's taxes as being too high—much too high and unjust and confiscatory.

These high taxes, he said, will destroy any country in any but the most prosperous times. And, he noted, even with the present high taxes the Federal budget still has not been balanced.

"Senator BYRD rightly asked when we can ever expect to balance the budet," Andrews said.

If we can't balance it in the present time of unprecedented prosperity, the fact is that with the public debt and spending at present levels no more than a mild recession might throw this country into a spin that would make the depression of the thirties look like good times.

Andrews also said the United States has too many tax laws.

"Congress," he said, "enacts tax laws that present enormous enforcement problems and makes no provision for additional manpower needed for enforcement."

Two good examples of such laws, Andrews said, are the gambling tax laws and the extension of social security to household servants.

Andrews, who recently retired from the top tax post to which he was appointed by President Eisenhower in January of 1953, said he is "happy to be home again in Virginia."

"This was one case where the realization was greater than the anticipation," he said.

He is now chairman of the board of the American Fidelity & Casualty Co.

There Is Need for a Permanent Program for the Relief of Depressed Areas

EXTENSION OF REMARKS
OF
HON. JAMES E. VAN ZANDT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 26, 1956

Mr. VAN ZANDT. Mr. Speaker, for several years I have sponsored legislation designed to provide relief to those areas of the Nation that have become victims of economic dislocation with the result they have a labor surplus which classifies them as critical or depressed areas.

In support of such legislation the following statement was made by me before a subcommittee of the Senate Committee on Labor and Public Welfare, January 26, 1956, at which time I stressed the need for a permanent Federal program for depressed areas. The statement follows:

STATEMENT BY REPRESENTATIVE JAMES E. VAN ZANDT, MEMBER OF CONGRESS, 20TH DISTRICT OF PENNSYLVANIA, ON JANUARY 26, 1956, BEFORE THE SENATE COMMITTEE ON LABOR AND PUBLIC WELFARE REGARDING THE NEED FOR A PERMANENT PROGRAM FOR THE RELIEF OF DEPRESSED AREAS

Mr. Chairman, I appreciate the privilege of appearing before this committee for the purpose of discussing legislation designed to assist depressed areas.

As you probably know, I introduced legislation on the subject in the 83d Congress and reintroduced the same bill in the 84th Congress.

Speaking frankly, I was amazed at the lack of interest in this subject as far as the House of Representatives is concerned as I was unable to secure hearings on the legislation.

I was told in answer to my request that there was more important legislation on the agenda.

The result is that no action has been taken on my initial bill, H. R. 860, introduced when the 84th Congress convened January 5, 1955.

On January 9 of this year I introduced H. R. 8223, an administration bill which in my opinion is an improvement over H. R. 860 which I introduced last year.

At the moment, I am in touch with the chairman and Members of the House Banking and Currency Committee and have a commitment that hearings will be held on the general subject of depressed areas probably in March.

I am not here to claim pride of authorship for legislation to aid depressed areas but rather to give my support to any legislative proposal that will provide relief to those areas.

If you want my frank opinion, I think that legislation designed to relieve distressed areas is just as important as a lot of the legislation that today is being given front-page coverage by the newspapers of the Nation.

As many of you know, I represent a congressional district in Pennsylvania whose economy is dependent upon the coal and railroad industries.

Testimony taken in my congressional district at a public hearing of the Neely subcommittee last year described the plight of American citizens who find themselves unemployed and forced to exist on unemployment insurance, public-assistance benefits, and surplus commodities.

Since the end of the Korean war due to the transition from a wartime to a peacetime economy in the central Pennsylvania area for a period of over a year we had over 18 percent of our employables unemployed. This condition brought hardship and suffering to thousands of good American families. Happily, we have experienced a marked recovery and today unemployment is less than 5 percent in my congressional district.

Mr. Chairman, I feel I could be charged with base ingratitude if I failed to mention the cooperation we received from various agencies of the Federal Government, as well as industries, in our efforts to restore our economy. But most of all, I want to salute the courage of the people themselves who united in forming community organizations with the result that they effected recovery literally by their own bootstraps.

The job of recovery, however, is not 100-percent complete for we still have the scars of depression, in ghost towns, dilapidated dwellings, blighted areas, and good Americans forced to live on public assistance and surplus commodities. To complete the job we require patience and an understanding of the problem by Government both at the State and National level.

As mentioned previously, I am glad to have the opportunity to testify to the immediate need of a Federal program to assist depressed areas, and if I am of any assistance in helping to focus attention on distressed areas I feel my time has been well spent.

Mr. Chairman, in conclusion, while it is true that the unemployment problem in my congressional district is not as acute as it was following the Korean war, and is improving generally throughout the Nation, in this pushbutton era, who knows when distressed areas will mushroom again and plague us with their evils of want, privation, and sorrow.

Therefore, by assisting the present group of depressed areas through the establishment of a permanent Federal program we are fortifying this Nation against area depressions at a time when the rest of the country is in a prosperous condition.

It is for that reason that I support any legislative proposal that will provide relief for depressed areas.

Corporation Mergers and the Antitrust Laws

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 26, 1956

Mr. CELLER. Mr. Speaker, under leave to extend my remarks, I insert herewith a statement I made before the

New York State Bar Association, on January 25, 1956:

CORPORATION MERGERS AND THE ANTITRUST LAWS

(Address by Congressman EMANUEL CELLER, before the New York State Bar Association, January 25, 1956)

I have been looking forward to this happy reunion with so many good friends. I see in this audience a number of experts on the problems generated by mergers and the enforcement of the antitrust laws. It is, of course, like the proverbial carrying of coals to Newcastle to remind such a sophisticated group that the number of corporate marriages, the urge to merge, has caused national concern.

Consider that in the year just ended the number of mergers set a 25-year record and proceeded at a rate four times that of 1949. Consider also that through mergers, giant corporations have swallowed up small competitors on a wholesale scale. Indeed, in the last 5 years over 3,000 concerns have disappeared in this unrelenting process. This trend has taken many different forms.

Through so-called conglomerate mergers, huge corporations, not content to dominate one industry, are penetrating many other industries where the product or service offered is wholly unrelated to their original field. This is necessary, some spokesmen say, to provide greater diversification or round out a product line. Possibly so. But when this happens, the sheer economic power and vast financial resources of the giant entering the new industry threatens the continued existence of smaller competitors.

At times the pattern resembles a crazy quilt. Philadelphia & Reading Corp., a leading hard coal producer, announces plans to purchase the assets of the Union Underwear Co. Textron-American—itself the product of a multiple merger—has entered the electronics business and is prepared to take over the international cable business of Western Union Telegraph Co. ACF-Brill Motors, of Philadelphia, also a product of previous mergers, has recently taken over a food wholesaler and three food chains in Michigan and Oklahoma, reputedly to avoid taxation of its bus operations disposal.[1]

A rumor is now going around in financial circles—apocryphal, I am sure—that Worthington Pump will soon merge with International Nickel. The new entity I suppose will be known as Pumpernickel.

It is no wonder that the Wall Street Journal commented that the type of merger now going on strikes an old fogey with a sense of complete bewilderment. Rail equipment builders enter the road machinery and electronics field. A chemical concern proposes marriage to a washing machine maker. A coal mining organization acquires oil, shipping construction machinery, and machine tool firms. A construction contractor acquires a steel mill and a paint maker.

There is the human factor, too. Frequently, a plant is closed when a company is taken over, throwing people out of work and reducing the economic wealth of the community. Take the textile industry, for example. Many mills have been shut down in the wake of mergers. This has often caused aggravated hardship to mill employees and to the communities in which the closed plants are located. Thousands of displaced workers can not find jobs of any kind. In many instances, the closed mills formed the economic heart of the community upon which local governments, jobs, stores, professions, services, and churches depended for income.[2]

Not all mergers have had these unfortunate consequences. Many—those in the automobile industry are typical—have helped competition by strengthening the market position of the combined companies and their ability to compete more vigorously. Also on the positive side of the ledger some corporations have averted bankruptcy in this way. And some have assured themselves of adequate supplies during periods when materials are scarce and of guaranteed product outlets in periods of recession.

But the story does not end there. I think it is fair to say that many mergers can be attributed to the voracious appetite of certain giant organizations; their acquisitions, which are sometimes motivated by personal factors of prestige, are on the increase. On the other hand acquisitions by small corporations have declined significantly.[3]

What about the characteristics of the concerns that have been taken over? Have the corporations that have been engulfed in the current wave, been the financially weak, the unsound organizations that needed rescue? Were they, in the main, too highly specialized, poorly organized, or inefficiently managed? The answer is, no. Even a casual glance at their identity reveals that many were growing, efficient, profitable, vigorously competitive businesses.

In dealing with this problem there are, I think, a few obvious fundamentals which are sometimes lost sight of, if not ignored entirely. The basic objective of the antitrust laws is the preservation of a free competitive enterprise system in which economic activity is controlled so far as possible by the market and not by men. Those who enacted our antitrust laws believed that the market should control business decisions, not businessmen the market. They strove to safeguard and preserve genuinely workable, effective competition, the kind where prices, output, wages and other rewards depend not on the decisions of a few but result from the day-to-day actions of rival business firms, independently motivated. This decentralized brand of decision-making, they knew, would insure a maximum not only of individual opportunity, but of political liberty.

These familiar landmarks may be obvious but they are sometimes taken for granted. Recall the report of the Attorney General's National Committee To Study the Antitrust Laws. Although it was prepared by a group of illustrious lawyers and economists, it does not, in my opinion, come to grips with some of these fundamentals. As one member pointed out, it did not "consider the vast changes in industrial structure that have occurred since the enactment of the Sherman Act—and the significance of these changes to the functioning of markets—nor did it consider the relationship of the law and its interpretation to these changes."[4] The majority version of this highly publicized document chooses to ignore the great combination movement at the turn of the century, the less spectacular movement of the 1920's, and the similar movement now taking place. Critics point out that the majority nowhere uses the term "merger movement" or discusses its significance.[5]

Yet the fact is that the basic objective of the antitrust laws has been frustrated in considerable part by mergers which have resulted in giant aggregations that have obtained economic power to control price and supply, yes to dominate many industries.

The growing domination of the market place by the larger corporations was recently highlighted by the Senate Small Business Committee which reported these facts:

"While the prosperity of 1955 brought a profit rate of 14.4 percent to the biggest corporations (those with assets over $100 million) the smallest group (those with assets of less than $250,000) reported earnings in the first 6 months of but 4.45 percent. * * * Between the first halves of 1952 and 1955, while the giant companies earnings 'went through the roof' the smallest manufacturing plants profits headed for the cellar. Expressed in percentages the earnings of the small concerns fell off 27.4 percent between the two periods while the earnings of the large companies increased by 58.5 percent.

* * * * *

"There is an ominous significance," the report concludes, "in an economic atmosphere which makes it possible for the Nation's mammoth corporations to reap record profits while the general run of small enterprises are worse off than they were 3 years ago."[6]

What is more, the trend in industry after industry is in the direction of fewer companies of greater size. The fact is that the long-term rise in industrial concentration in this country is to a considerable extent due to what my economist friends refer to as external expansion of business, which is another name for mergers. Indeed, the power of the industrial leaders in steel, copper, cans, dairy products, to name but a few, is primarily attributable to this reaching out and buying up other concerns, not to natural growth. Many major companies in this country actually acquired nearly all their assets by merger. I am not overlooking, of course, the part tax considerations have played in pushing forward the merger movement.

A 1955 Federal Trade Commission report observed that recent merger activity has been most marked in the machinery, food, chemicals, fabricated metals, transportation equipment, and textile industries. In each of these fields, there were over 100 consolidations in the period from 1948 to 1954.[7] It is significant that these industries are not the more heavily concentrated ones. This is readily understandable. Mergers in industries where concentration has existed historically, have not been more widespread simply because there are only a few small concerns available for purchase to begin with. The point is that when you find a large number of consolidations in a given

[1] See statement of Jack T. Jennings, Cooperative League of the U. S. A., January 18, 1956, hearings before Antitrust Subcommittee of the House Committee on the Judiciary on H. R. 6748, 7229, and 8332, 84th Cong. 2d sess., verbatim transcript, p. 104.

[2] The Merger Movement in the Textile Industry. A staff report to the Antitrust Subcommittee of the House Committee on the Judiciary (1955), p. 32.

[3] During the period from 1940 to 1954, acquiring corporations with assets over $50 million accounted for about 29 percent of all mergers. In 1955, over 33 percent of the mergers completed involved corporations having assets of over $50 million. By way of contrast, acquisitions by corporations under $1 million dropped from approximately 12 percent in the 1940–54 period to 1.8 percent in 1955. Statement of John W. Gwynne, Chairman, Federal Trade Commission, January 16, 1956, hearings before Antitrust Subcommittee of the House Committee on the Judiciary on H. R. 6748, 7229, and 8332, 84th Cong. 2d sess., verbatim transcript, p. 45.

[4] Stocking The Attorney General's Committee's Report: The Businessman's Guide Through Antitrust, 44 Georgetown Law Journal, 13.

[5] Ibid.

[6] Sixth annual report of the Senate Committee on Small Business (1955), p. 3.

[7] Federal Trade Commission report on corporate mergers and acquisitions (1955).

industry, you will also find that a good deal of competitive enterprise existed up to that time.

Another aspect is that many mergers have a competitive effect that mushrooms out. The impact reaches small firms which may have to compete with a consolidated corporation; it reaches customers of the acquired enterprise, who have found their former source of supply cut off; it reaches former suppliers of either of the combining corporations who find that their products or services are no longer needed; and it reaches firms who have lost an important outlet for their products as a result of the acquiring corporation's decision to have its products sold exclusively to the marketing organization of the acquired corporation.[8]

These are some of the reasons why Congress has been deeply concerned about the direction in which merger movements are reorienting our system of free-competitive enterprise. And this is why the Celler-Kefauver Antimerger Act was placed on the statute books in 1950.[9]

The act, as you are aware, closed a widely exploited loophole in the Clayton Antitrust Act of 1914. This loophole existed because section 7 of that act applied only to corporate mergers accomplished by stock purchases. Companies could circumvent the law by the simple device of buying up the plant or other assets of a second concern—thus leaving the enforcement agencies powerless. The Celler-Kefauver Act, among other things, plugged this convenient gap by amending section 7 to forbid corporate mergers no matter if accomplished by asset purchase or stock purchase if the effect may be substantially to lessen competition or tend to monopoly in any section of the country.

I hasten to add that this new law does not prohibit all mergers; nor does it prohibit mergers between competitors where the effect on competition is not substantial. Imbedded in the legislative history is the principle that consolidations which enable smaller concerns in an industry to compete more effectively are in the public interest.[10] At the same time the act does not legalize mergers which were illegal under old section 7. Changes made by the new law were intended to enlarge the coverage of that section to apply to all types of corporate mergers and acquisitions—horizontal, vertical and conglomerate—which have the specified effects of competition.[11]

I recognize that it is a difficult task to ascertain the probable effect upon competition of a particular transaction. Certainly there is no infallible answer to the problem of screening out so-called good mergers from those that are bad. However, I insist that every effort must be made to find out.

Some contend that no action should be taken or even that no inquiry should be made because the percentage of bad mergers may be comparatively small. I reject this argument. The percentage of motorists who violate traffic laws is likewise small; so is the incidence of homicide. Nonetheless, I feel that we should constantly strive to reduce the margin still further by continuous and thorough scrutiny, by seeking ever better preventive measures, and by more vigilant enforcement.

The problem may easily be oversimplified. The most voluble but least helpful are those critics who see the issue only in terms of black or white. Some contend that all mergers are bad. Exponents of this view are anyone in this second group would concede that any proposed, highly profitable business merger could ever be potentially damaging to competition. From their point of view, most every merger strengthens competition few in number. Many more subscribe to the theory that all mergers are good. Certainly it would come as a decided shock if or is indispensable for technological progress.

It is sometimes convenient to forget, however, that normally news of strengthened competition is interpreted to mean lower profit margins and therefore a decline in stock market prices. How account then for the almost invariable increase in stock market prices when these so-called "competition strengthening" combinations occur?

Nor is it demonstrably true that the concentration of research expenditures in large firms results in important product and process innovations by these firms.[12] On the contrary there appears to be no necessary correlation between giant size and technological advance.[13]

Frequently, I am asked: What criteria determine whether a particular transaction would be in violation of the Celler-Kefauver act. A good starting point in my judgment is afforded by the House and Senate Committee reports on the bill. As these reports indicate, the act is addressed to situations in which large enterprises extend their power by successive small acquisitions. The cumulative effect of this process may be to convert an industry from one of intense competition among many enterprises, to one where 2 or 3 large concerns produce the entire supply.[14]

The law may be violated in other ways: by eliminating in whole or material part the competitive activity of an enterprise which has been a substantial factor in competition; by increasing the relative size of the enterprise making the acquisition to such a point that its advantage over its competitors threatens to be decisive; by unduly reducing the number of competing enterprises; or by establishing relationships between buyers and sellers which deprive their rivals of a fair opportunity to compete.

The Senate report summarizes the legislative objective in a few words: it is "to cope with monopolistic tendencies in their incipiency and well before they have attained such effects as would justify a Sherman Act proceeding."[16] In short, the necessary inference may be drawn if the future competitive effect may be shown to be adverse, even though the actual anticompetitive result cannot be demonstrated. This statement of legislative intent is important in resolving this basic question: What quantum of evidence is necessary to satisfy the test of illegality where a leading company in a market acquires a competing concern whose share of the market is likewise substantial?

Two approaches are possible. The first is to regard these facts alone as sufficient to support the inference of potential damage. The alternative is to open the door to a Sherman Act "rule of reason" type of inquiry. This means looking into all the economic factors including the competitive pattern of the industry as a whole and its markets, the acquiring company's market position, the market position of the acquired company, and the market position of its major competitors.

It is helpful to bear in mind that the new section 7 (Celler-Kefauver) test of illegality is identical with the test under other sections of the Clayton Act, section 3 for example. Both sections predicate illegality upon whether the "effect may be substantially to lessen competition." True, section 3 is focused upon exclusive dealing and requirement contracts, that is arrangements whereby sellers prevent their distributors from handling competitors' goods. But the point is that such arrangements have the same effect as mergers in shutting off part of the market to competition.

Indeed, comparatively speaking, a merger operates as a more basic restraint upon competition than control of distribution outlets. As one economist put it, "a set of requirement contracts are a loose and revocable form of association; they exclude from the market between the contracting parties all other parties for a limited period. A merger through the purchase of stock or assets is permanent, and excludes all others for good."[17]

These considerations alone would indicate that the tests used by the courts in construing the effects clause of section 3 should be persuasive in interpreting the same clause of section 7. In addition, the House Judiciary report on the new section 7 specifically points out that the tests of illegality "are intended to be similar to those which the courts have applied in interpreting the same language in other sections of the Clayton Act."[18]

In this context the Standard Stations[19] decision of the Supreme Court, handed down only 2 months before the House Judiciary report was published, takes on added importance. There the Court was called upon to construe the "effects" clause of section 3; it held that a system of exclusive dealing contracts employed by a leading company in the market and covering a segment of the market that is substantial, is illegal without more. In this view, it was unnecessary to consider evidence of the actual effects of these contracts or the economic justification for their use. This case makes it clear that to require proof that competition has actually diminished or to insist upon a general rule of reason inquiry into the effect of these exclusive supply contracts, would in the Court's words "be to stultify the force of Congress' declaration that requirement contracts are to be prohibited wherever their effect 'may be' to substantially lessen competition."[20]

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[8] See statement of Senator JOHN J. SPARKMAN, January 18, 1956, hearings before Antitrust Subcommittee of the House Committee on the Judiciary on H. R. 6748, 7229, and 8332, 84th Congress, 2nd session. Verbatim transcript, p. 73.

[9] 64 Stat. 1125; Public Law 899, 81st Cong., 2d sess. (1950); 15 U. S. C., sec. 18.

[10] H. Rept. No. 1191, 81st Cong., 1st sess. (1949), pp. 6–8.

[11] Ibid.

[12] See statement of Dr. Edwin B. George, director, department of economics, Dun & Bradstreet, hearings before the Joint Committee on the Economic Report, January 1955 Economic Report of the President, 84th Cong., 1st sess., p. 509.

[13] See Adams, Monopoly in America (1955).

[14] S. Rept. No. 1775, 81st Cong., 2d sess. (1950), pp. 4–5.

[16] H. Rept. No. 1191, 81st Cong. 2d sess. (1949), p. 8.

[17] Adelman, Proceedings of the American Bar Association, section of antitrust law, August 26–27, 1953, p. 113.

[18] H. Rept. No. 1191, 81st Cong. 1st sess. (1949), p. 8.

[19] *United States* v. *Standard Oil Co. of Calif.* (337 U. S. 310 (1949)).

[20] Supra, p. 313. In the *Standard Fashion Co.* v. *Magrane-Houston Co.* (258 U. S. 346 (1922)), the High Court held that section 3 of the Clayton act was transgressed by exclusive dealing arrangements between a pattern manufacturer and retail establishments, upon a showing without more that the manufacturer controlled about two-fifths of the pattern outlets of the country. The Court rejected arguments advocating a broad Sherman Act type rule of reason inquiry into economic consequences which, it was urged, was necessary to ascertain the actual effects of the exclusive arrangement.

I am aware that the Standard Stations approach even in its own realm of exclusive dealing arrangements has been viewed with alarm by some commentators—the words "extreme, unsound, and insupportable in law or economics" have been used to characterize the decision.[21] By the same token, these commentators view with even greater alarm—they consider "catastrophic"—any doctrine that deviates from a rule of reason inquiry even in Clayton Act merger cases.[22] This view is apparently shared by the Federal Trade Commission as well, to judge from its decision in the Pillsbury case,[23] the first and only decision under the new Antimerger Act.

That case, it will be recalled, involved corporate acquisitions by Pillsbury Mills (the largest in the Southeast and the second largest in the Nation) of two substantial competitors. Although these transactions enabled Pillsbury to move into first place nationally in the mix market and to increase its leading share in the Southeast from about 23 percent to 45 percent, the Commission held, in an opinion written by former Chairman Howrey, that the Standard Stations decision had no application to the new antimerger law; instead the Commission said "there must be a case by case examination of all relevant economic factors in order to ascertain the probable economic consequences of corporate mergers and acquisitions."

I would make no secret of my sharp disagreement with the rationale the Commission developed in this case. Its line of reasoning, I believe, blurs the distinction between the Sherman Act and the Celler-Kefauver Act and weakens the Celler-Kefauver Act as an effective weapon for dealing with mergers. Consequently, the members of our Antitrust Subcommittee—and I think I may include the Department of Justice also—cannot go along with the Commission on this score. We believe, in contrast, that when a leading concern merges with an important competitor, an inference of potential danger to competition may be drawn without further inquiry. When the body economic suffers a severe paralytic stroke, it is scarcely credible that Congress desired treatment to be delayed while extended argument takes place as to whether the patient is in danger.[24]

Because of the scope and extent of economic evidence the Federal Trade Commission permitted, the Pillsbury case bids fair to become another *Jarndyce* v. *Jarndyce*. Over 2 years have already elapsed since the initial decision; I understand that evidence is still being taken and that the end is nowhere in sight. If a final adjudication takes place in the courts less than 4 years from now, I would be greatly surprised. The possibility of restoring the competitive situation and providing adequate relief will certainly have disappeared too, since by this time the assets of the combined firms have become thoroughly commingled. This makes the task of unscrambling them a virtual impossibility.

If force and effect is to be given the congressional intent, the Commission must, of course, reexamine its Pillsbury doctrine at the first opportunity. It must also make it clear that it is not conducting extensive economic investigations for the purpose of adding to the general fund of knowledge—as it seems to be doing now.

I should not want this disagreement construed as personal criticism. As a matter of fact, I have the highest regard for former Chairman Howrey, for Judge Gwynne, the present Chairman of the Federal Trade Commission, and for Judge Barnes, who heads the Antitrust Division.

Beyond that, as our antitrust subcommittee pointed out, merger enforcement activity has been seriously hampered by lack of funds. It is highly gratifying, therefore, that the subcommittee's recommendation that the Congress grant substantial increases to the Department of Justice and the Federal Trade Commission for merger work, has been incorporated in the President's budget message, in terms of a specific request for a 25 percent increase in funds for the Federal Trade Commission to be used solely for this purpose.

Apart from an increase in funds, 5 years of experience in administering the Celler-Kefauver Act have demonstrated a need for additional statutory authorization in order to improve enforcement procedures. To begin with, a needed amendment is one that would make mandatory the advance notification and reporting of mergers involving larger concerns. The Antitrust Division and the Federal Trade Commission now learn of proposed or pending mergers by scanning financial periodicals, trade journals and other publications. Needless to say, this is a horse-and-buggy procedure. Many important mergers may be consummated without adequate or timely notice in the press. Furthermore, there is a drain on the energy and funds of the Government agencies in order to compile economic data in the face of a contemplated merger, to determine whether a full-scale investigation should be undertaken.

While I am not wedded to the form a bill should take, I am strongly in favor of premerger notification and reporting legislation, covering corporations whose combined assets exceed $10 million. They should be required to file notice of the proposal with the Federal Trade Commission and the Department of Justice, 90 days in advance of the transaction. An additional provision should require the companies to furnish the enforcement agencies with such information as they may request. This would not be a particular burden on the companies since the data necessary would be of a type that is readily available to them.

To avoid any possible confusion, let me make it clear that none of the bills being considered by our committee would require proposed mergers to be cleared or approved in advance by Government agencies. That is not the purpose of premerger notification and reporting provisions .

There is also need, I believe, for a corollary amendment that would give the Federal Trade Commission authority, similar to that now in the hands of the Attorney General, to seek a preliminary court injunction restraining consummation of any corporate merger pending final adjudication. This would preserve the status quo until the merger legality was determined.

For the past week our Antitrust Subcommittee has held hearings on three bills dealing with these special problems, one sponsored by Representative PATMAN and two by myself. Representative KEATING also introduced a bill dealing with premerger notification and reporting.

With the support of organizations such as yours, I am extremely hopeful that appropriate legislation can and will be enacted during this session of the Congress.

It would be well to understand the significance of the intensive acceleration of mergers. What is at stake here is the economic vitality of our country itself.

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[21] See for example Handler, Monopolies, Mergers, and Markets: A New Focus, trade regulation symposium, trade regulation committee, Federal Bar Association, 1954, pp. 33–34. One argument usually made by these commentators is that the House Judiciary report on the Celler-Kefauver bill "approved" *International Shoe Co.* v. *Federal Trade Commission* (280 U. S. 291 (1930)). That case involved a merger of two leading shoe manufacturers who, according to the Court, did not substantially compete with each other in more than 5 percent of the relevant markets. The Court refused to hold the transaction illegal under old section 7, for the reason among others, that the companies were not in substantial competition with each other. In the opinion of the Court section 7 dealt with such acquisitions as probably will result in lessening competition to a substantial degree—that is, to such a degree as will seriously injure the public. The decision obliterated the distinction between the Sherman and Clayton Acts test of illegality. See *Standard Oil Co.* v. *Federal Trade Commission* (282 Fed. 81 (1922)), *United States* v. *Republic Steel Corp.* (11 Fed. Supp. 117 (1935)). See also Schwartz, *Potential Impairment of Competition* (98 U. Pa. Law Review 33 (1949)).

While it is correct that the House Judiciary report cited International Shoe (H. Rept. No. 1191, 81st Cong., 1st sess. (1949), p. 7) the reason is quite different than that suggested by some of the critics to whom I am referring. The report cited the case to make it clear that the Celler-Kefauver bill would not make illegal mergers between small companies, which afford greater competition to large companies. The context in which the discussion of International Shoe occurs indicates that since direct competition between the two companies involved in International Shoe was not substantial, the case could be regarded for illustrative purposes as analogous to a merger between small companies. That the House Judiciary Committee hardly intended to have its bill merely duplicate the Sherman Act is plain from the report which states that "it is not the purpose of this committee to recommend duplication of existing legislation."

Any lingering doubts about this were put to rest by the later Senate report on the bill (S. Rept. No. 1775, 81st Cong., 2d sess. (1950)). The Senate committee commented on the "tendency of the courts in cases under (old section 7) to revert to the Sherman Act test" (p. 4), and stated that it wished "to make it clear that the bill is not intended to revert to the Sherman Act test." The Senate report contains a sharp reminder that "the intent here as in other parts of the Clayton Act, is to cope with monopolistic tendencies in their incipiency and well before they have attained such effects as would justify a Sherman Act proceeding" (pp. 4–5). Also the report noted that "a requirement of certainty and actuality of injury to competition is incompatible with any effort to supplement the Sherman Act by reading incipient restraints" (p. 6).

Those who insist on inflexible application of the rule of reason under the new act, it may be concluded, would not only ignore the congressional mandate, but favor standards that are all but indistinguishable from those of the Sherman Act. The ultimate result of such logic would be to render the new act a dead letter for all practical purposes.

[22] Ibid.

[23] In the Matter of Pillsbury Mills, FTC Docket 6000, December 28, 1953.

[24] In order that there be no misunderstanding about my position, let me make it clear that if the merging concerns are not leading ones, a rule of reason type of inquiry may be entirely appropriate even though the volume of trade affected is quantitatively substantial. But that is not the kind of situation to which I am now addressing myself.

Ames Aeronautical Laboratory, Moffett Field, Calif.

EXTENSION OF REMARKS
OF
HON. CHARLES S. GUBSER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 26, 1956

Mr. GUBSER. Mr. Speaker, in my opinion the strength of our Air Force in the future and the progress of civil aviation is being determined today on the drawing boards and in the wind tunnels of the National Advisory Committee for Aeronautics.

Ames Laboratory at Moffett Field, Calif., is one of the principal installations of the NACA. Since it is in my district I am very interested in its operation. I therefore asked its director, Mr. Smith J. De France, for a report on the effect which Federal pay has upon his recruitment of scientific personnel. He has answered my inquiry with the letter which I submit herewith:

NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS,
AMES AERONAUTICAL LABORATORY,
Moffett Field, Calif., December 28, 1955.

Hon. CHARLES S. GUBSER,
Congressman, 10th District, California, Washington, D. C.

DEAR CONGRESSMAN GUBSER: I greatly appreciate the opportunity to answer your letter of December 15, 1955, by providing information on how the Government pay scale affects the recruiting of scientific personnel and the retention of the higher-salaried scientists at the Ames Aeronautical Laboratory.

As you know, the Ames Laboratory is one of three laboratories of the National Advisory Committee for Aeronautics. Since August 1939, Congress has most generously appropriated approximately $64 million for the construction, at the Ames Laboratory, of the finest and most modern aeronautical research facilities in the world. During this same period of time, we have built up an outstanding staff of scientists, many of whom are acknowledged national and international authorities. To effectively and efficiently utilize this fine research equipment we must maintain a professionally competent staff by retaining our outstanding scientists and by recruiting high-caliber college graduates; even the finest research equipment is worthless without the proper manpower to use it.

The unprecedented growth of the aeronautical industry in the past several years, coupled with a critical shortage of scientific and engineering graduates, has resulted in spirited bidding within the industry for the services of competent graduates. This bidding, which has greatly increased the average salary for technical graduates, plus the many fringe benefits, such as increased leave, educational opportunities, and increased freedom in conduct of research, which are now offered by industry has made it increasingly difficult for us to recruit college graduates and virtually impossible to recruit the outstanding graduates.

During fiscal year 1955 we were able to recruit only 33 scientists in grades GS–5 and GS–7 and none of those were in the upper portion of their graduating class. The predominate reason for our inability to recruit, not only the desired numbers but quality, was the disparity in the starting salaries offered by industry and the Government pay scale. Last spring when we were recruiting at the universities, the highest salaries we could offer were $3,410 for a GS–5 and $4,205 for a GS–7 position. Shortly before June graduation, the Civil Service Commission authorized the starting salaries in those grades to be increased to $4,345 and $4,930, respectively. At the same time the aircraft industry was offering as starting salaries $4,860 for graduates with a bachelors degree (equivalent to the Civil Service Commission requirements for a GS–5 position) and $5,940 for graduates with a masters degree (GS–7 equivalent). For outstanding graduates, bidding between companies further increased this starting salary and offers as high as $5,700 for a graduate with a bachelors degree and $6,850 for a graduate with a masters degree were documented in the spring of 1955. Not only were we unable to compete with the aeronautical industry on a salary basis, we were required to offer less than State, county and city governments. For engineering graduates with a bachelors degree, the State of California was offering $4,752; the city and county of Los Angeles, $5,232; and the city and county of San Francisco, $4,860.

An indication that the spring of 1955 differential in starting salaries offered by the Federal Government and the aeronautical industry still exists was apparent during our most recent recruiting last month when two students graduating in June 1956 with a bachelors degree refused our offer of $4,345 for offers by industry of $6,000 and $4,980.

As I mentioned, the problem of maintaining a professionally competent staff not only depends upon our ability to recruit outstanding college graduates, but also upon our ability to retain our leading scientists and engineers. The retention of this top-caliber scientific group intact is vital to the very existence of the laboratory since these specialists not only command the professional respect of each other, thereby creating the healthy research atmosphere with high morale and technical strength which has characterized the NACA since its inception, but their presence also acts to enlist other specialists and to recruit outstanding college graduates to work with scientists having international recognition. Retaining this nucleus is becoming increasingly difficult because of offers currently being made to them by the aeronautical industry. I would like to cite a few of the offers, of which I am aware, that have been made in the past year:

A GS–15 at $12,150 has been offered 3 positions, one at $16,000 plus a $2,500 bonus, one at $16,000, and one at $15,000. A GS–15 at $11,880 has been offered full professorships at 4 prominent universities throughout the country, but because he was not interested salary was not discussed, and a position with an aircraft concern at a salary between $13,000 and $17,000 depending upon negotiations which he refused to enter. A similar offer of $13,000 to $17,000, depending upon negotiations, was also made to another GS–15 at $11,610. A GS–14 at $10,750 was offered $20,000; a GS–14 at $10,535 was offered $14,500; a GS–14 at $10,320 was offered $15,000; and a GS–12 at $7,570 has been offered a position at $11,000. Generally speaking, the offers to our top men amount to an increase of about 50 percent of their present salary.

All of these offers came from old and well-established companies. To date we have been able to hold the people to whom the above offers were made; however, we have lost in the last year 13 scientists in grades GS–9 through GS–13. All of these resignations resulted to accept higher salaries offered by the aircraft industry.

It is evident from the few resignations we have experienced in the higher grades that the opportunity to work with competent colleagues of national and international reputation utilizing excellent research facilities has, up to now, offset the premium offers by industry. However, since the difference between Government salaries and the offers of industry has been increasing with time, eventually some of our top men will be approached with an offer which they will not be able to refuse in all fairness to themselves and their families. Should we lose even a few of these scientists, it is my firm belief that other top men would follow and that a chain reaction of resignations would result extending to the scientists in the lower grades who are remaining solely because of the association with and the atmosphere created by this top group. If such a general exodus occurs, irreparable damage to the Nation's research effort would result. The competent staff and high morale that we now have would immediately disintegrate, and it would take many years of effort and much higher salaries to rebuild the organization to its present high standard.

The disparity between Government salaries and those offered by the aircraft industry and the effect upon the research efforts of the NACA was recognized by the Commission on Organization of the Executive Branch of the Government on page 73 of the Subcommittee Report on Research Activities, dated April 1955, which states:

"The National Advisory Committee for Aeronautics laboratories, for years, have had a competent staff and high morale. In recent years, the tremendous growth of the aeronautic industry, its demands for scientists and engineers, and the attractive pay levels established have combined to present a most difficult personnel problem to the National Advisory Committee for Aeronautics. There is great need of higher levels of pay for its civil-service professional staff and a larger number of higher level positions. Unless the compensation levels of professional positions in the National Advisory Committee for Aeronautics laboratories can be increased to a level more nearly competitive with industry, the quality of these laboratories will suffer."

The inequality of the scientific salaries of Government and the aircraft industry should be forcibly brought to the attention of the Congress especially since the same Government in reality is paying both salaries.

Sincerely,

SMITH J. DEFRANCE,
Director.

Mr. Speaker, this problem is too serious to trifle with. I have introduced legislation which will correct this problem and I urge the House to consider it or any other legislation which will make it possible to immediately recruit sufficient and adequate scientific personnel.

Don't Pick on Your Congressman

EXTENSION OF REMARKS
OF
HON. JAMES J. DELANEY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 26, 1956

Mr. DELANEY. Mr. Speaker, the following remarks were sent me by James J. Flynn, doctor of philosophy, chairman of the department of social studies at

Fordham University, who delivered them at the opening of a discussion session of the Fordham forum. It would be interesting to know what were the reactions of the students.

DON'T PICK ON YOUR CONGRESSMAN

(By James J. Flynn, Ph. D, associate professor of American Government, Fordham University)

The press, radio, and television have headlined the fact that the 84th Congress has voted to raise its own pay. The voice of the people in our daily newspapers have been filled with letters highly critical of what they call a salary grab. The panic is on, it is open season on Congress. It appears as if anyone who can corral a publisher, a 3-cent stamp, or a soapbox will take a slap at our Nation's lawmakers.

It is not unusual to cast aspersions on the Senate of the United States or the House of Representatives as the "chowderhead clique" or the "windbag brigade." This approach seems always to assure an audience. It is possible that some of these that throw brickbats are sincere. Some are just simply abusive. But all of them suggest that Congressmen are jokers, loafers, or just plain incompetent.

Accepting the position that Congress is not as efficient as it might be, it appears time that someone place the reason where it belongs—on the people.

Granting that what we say and think about the Senate and House are correct, then it must follow that the people who elect its Members are equally to blame. If you bought your car the way you choose your Congressman you would probably blame yourself when the motor fell out. Before you signed the contract you would want a test ride. It is conceivable that you ask questions about gas consumption, tires, motor performance, and a hundred other things. But the average American voter spends little or no time attempting to know the man or woman who will represent him in Washington on such vital matters as peace or war, taxation, social security, or his financial future.

The chance is better than average that most voters do not know how their Congressman stands on foreign affairs, or on the big domestic issues of the day. What is worse is that when some Congressmen try to discover how their constituents feel on national and international affairs they are fortunate if 25 percent of the questionnaires sent are returned. The real wonder is that in such a hit and miss system we get so many able men and women to represent us in Congress.

When the voter suddenly awakens to the realization that his Congressman has failed to vote some national or international issue as he thought he should, the voter does not blame himself. His normal reaction is: "What can you expect from a cheap politician?" In fact, he expects plenty from his representative. He thinks of his Congressman as an employment agency, errand boy, and lonely hearts adviser. He rushes to his Congressman to get his brother-in-law a job, get his boy into West Point, discover where his cousin is on a civil-service list, get him an introduction to Marilyn Monroe, and to buy tickets on his club raffle.

When John Q. Public comes to Washington he expects his Congressman to feed, clothe, and board him until he gets what he came for. If he goes broke while in the Nation's Capital the elected representative is expected to pay the carfare home. Some Congressmen claim as much as $3,000 is spent of their income yearly contributing to charity for their constituents.

The average visitor to Washington visits his Congressman and feels hurt if his elected representative is not prepared to spend the day with him. If he meets his Congressman as he is going toward his respective chamber for the opening of Congress at noon, he will expect to be taken to lunch. If he is going to visit a Government bureau to get a job, or land a contract he will demand that his Congressman come with him to plead his case. If he is in Washington on a vacation he expects his representative to entertain him by talking about anything from Formosa to Freddie Fitch, the home town character. It certainly appears as if he believes that his Congressman, like himself, has nothing to do.

Most constituents, if they think of it at all, believe that their Congressmen live a life made up of cocktail parties, dances, and White House dinners. Nothing could be further from the truth. Your Congressman works hard at his job. The number of deaths in the last Congress is grim proof of the truth of that statement. The average Congressman belongs to one major committee which might meet 4 or 5 times a week. If the Congress meets at noon, as is fairly common, committees must meet in the morning, or in the evening, or during the weekend when the Congress is not in session. A Congressman belongs to three of more minor committees which meet less frequently. From noon until 5 or 6 he attends debates on the floor of the House or Senate and discusses legislation with his colleagues or interested parties.

When a Congressman can get an evening at home he must expect to spend it reading legislation, mail from his constituents, or committee reports. A good part of a Congressman's evenings are spent going to dinners, dances, and receptions—for which he pays. Congressman USHER L. BURDICK, of North Carolina, discussing the night life of a Congressman states: "I kept up the rounds for a week, just to see what it cost a Congressman to live in proper style while performing his duties to the people * * * when the week ended I found I spent $500, and it just occurred to me that I would have to abruptly end this profligate system of expense, or I could not live in that fashion on $15,000 annually."

Most Congressmen receive from 100 to 200 letters a day from their constituents. Senator ESTES KEFAUVER states that when he first entered Congress he was told by Speaker of the House SAM RAYBURN that the most important single item in his work was to answer his constituents' mail. The mail will be from a farmer who has not received his check from the Agriculture Department, or from a young veteran who has not been able to clear his GI bill claims. There are a few letters from constituents who have been enlisted by a pressure group, and who demand to get a statement as to where the Congressman stands on certain pending legislation. Some constituents want free seeds, maps, or publications put out by various Government departments or bureaus. A budding inventor sends a new gadget and wants it patented. A hometown Carrie Nation will write to ask, if it is true that her Congressman keeps a little liquor in his office.

Regardless of the type of letter it must be answered. Many of the letters require telephoning and legwork to get the answer. Some threaten openly that unless the answer is right they will get even at the polls.

All this indicates that there is little time left for a Congressman to do the real work he came to Congress for—legislate. In the 83d Congress 15,432 bills were introduced. This does not include resolutions which totaled 2,204. Such a volume would indicate that lawmaking is a full-time job.

In 1946 the Congress passed legislation that was supposed to streamline the legislative process. The new legislation cut the number of committees in both Houses, and gave appropriate staff aid to cut the errand boy work on the legislators. It has not proved too successful because a Congressman's constituents will expect him to give most of his time doing unimportant errands.

There is little true comprehension of what a Congressman is supposed to do by a constituent who wants him to present the winner's trophy at the local golf club. Or the hometown songwriter who wants his latest opus copyrighted.

Freshman Congressmen quickly lose their energy and vigor to do a good job when they face such continuous badgering. The cynical attitude of constitutents toward their Congressmen is very often matched by an equally strong cynical attitude of the Congressmen for his constituents.

Congressmen work hard. The figures of the 83d Congress prove this fact. Congress was in session in the Senate for 294 days; in the House for 240 days. In this period of time 1,783 bills passed, of which only 52 were vetoed. Those figures are not unlike the work of other Congresses. A large amount of Federal legislation is enacted by each Congress.

Congressmen realize the importance of answering their mail. As one Congressman expressed it when asked the question, "What is the secret of long congressional tenure?" "It is a simple one. Give close and prompt attention to your mail." Some Congressmen write friendly notes on constituents' birthdays, send them notes when they travel outside the United States, and never forget a death of a sick cow, or a fire that burns down the old homestead.

Our form of government has placed the responsibility for action in the hands of elected officials. Aside from the President and Vice President these elected officials are primarily the 531 Members of House and Senate. It is the work of our Congressmen to maintain the balance of power. If they cease to do the job then be prepared for some type of presidential control.

The Constitution places the Congress of the United States in the No. 1 position in our Government—Article I is the legislative article. The Founding Fathers saw the future of our country in representative government. It will not survive if Congressmen must play down national welfare to be nursemaids to their constituents. Congressmen will vote in blocs and as lobbyist direct, if they are not given time to study legislation. Because the people back home want special individual attention; they will pay for it in poorer laws.

The time has arrived when the public must begin to take their Congress seriously The 531 men and women that we send to Washington are not the comic strip characters portrayed in Hollywood or the press. These hard-working people have in their hands your future—yes, your very destiny. They make war and peace—and at a time like the present should not be burdened with work that an ordinary businessman would assign to an office boy. The time is long past for the public to look upon the political career for their children as a black mark on the family's good name. "Politician" must become a word as attractive as doctor, executive, dentist. Our schools must encourage the student to make politics a career. You can't get good men and women to give up their lives in public service unless you make the career attractive.

Congress could stand a few changes that might make it a better place to work, and a place where its Members could feel as if they had performed a job well done. The recent salary increase is a step in the right direction. It might also be helpful to lengthen the term of Members of the House to 4 years. Most Members of the House spend the first year mending fences to be

reelected in the second year. After the first 2 years they pretty well know the ropes. If a Member is not reelected it is a complete waste. Voters would think more seriously if they are to have a Congressman for 4 years than they appear to do under the present system.

It might be better to limit congressional terms to two and in that way clear the deadwood out of Congress. It would help make way for young men and women to become a part of the big job of making representative government work. Ex-President Truman has this to say on the subject:

"House Members should have a period of service of 4 years. That is, the House of Representatives should be elected with the President for a 4-year term of service. Then the country would be able to vote into or out of power a President, a legislative majority, and one-third of the Senate at every general election.

"A 12-year limitation for Members of the House and Senate would prevent the fossilization of the key committees.

"We would cure senility and seniority—both terrible legislative diseases nationally—if 12 years were the limit."

It is the public's obligation to permit Congress to do the job it has been elected to do. Congress will do that job when their constituents give them the time and desire to protect the Nation from creeping bureaucracy. With a higher wage the public can more carefully select the Members of our Federal Legislature who will face the domestic and international question with a new vitality.

NATO Is a Strong Deterrent Against Communism

EXTENSION OF REMARKS

OF

HON. VICTOR L. ANFUSO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 26, 1956

Mr. ANFUSO. Mr. Speaker, in July 1955 you paid me a distinct honor by appointing me as one of the six Members of the House of Representatives to serve as delegates to the NATO—North Atlantic Treaty Organization—Parliamentary Conference, which took place in Paris July 18 through 22. I am very grateful to you, sir, for this signal honor. My colleagues on that delegation were the distinguished Members of this House, WAYNE L. HAYS, of Ohio, FRANK J. BECKER, of New York, S. J. CRUMPACKER, of Indiana, LEROY JOHNSON, of California, and STEWART L. UDALL, of Arizona.

This was the first NATO Parliamentary Conference of its kind in which the representatives of the 15 countries associated in the North Atlantic Treaty Organization met together to exchange views and opinions pertaining to the maintenance of peace and security of the nations concerned, as well as to obtain closer economic, social and cultural relations between the peoples of the Atlantic community. There we had the opportunity to meet with many of the Western European leaders and statesmen with whom we discussed the present international scene. We were also privileged to be briefed by the top military leaders of NATO, including Gen. Alfred M. Gruenther, General Eisenhower's successor as Supreme Allied Commander of Europe, as to the military position of the NATO countries.

Mr. Speaker, I am not going to dwell at length on the proceedings of that conference at this time, or the role played by our delegation. That was already done by our distinguished colleague, Representative WAYNE L. HAYS, who so ably served as the chairman of our delegation, in a report which he submitted to this body on August 1, 1955. I merely wish to share some thoughts and observations which I have developed during and after that conference when I visited several Western European countries and had the opportunity to meet and discuss mutual problems with leading statesmen in those countries.

My tour of Europe lasted from July 18, when I arrived in Paris, until August 31, when I embarked from Spain for the United States. I visited France, Switzerland, Italy, and Spain. I paid official visits to SHAPE headquarters in Paris and the Allied Forces Southern Europe headquarters in Naples, where I was briefed by the Chief of Staff, Maj. Gen. Frank N. Roberts, United States Army, and officers of his staff, regarding the latest developments in NATO.

In my talks with European government leaders, parliamentarians, diplomats, military leaders and heads of major political parties, I stressed the deep and abiding interest of the American people in world peace and the security of the free nations. At the same time, however, I emphasized the urgent need for maintaining the military power and strength of the free world to assure its continued freedom. I noted that NATO constituted a strong force and a deterrent against communism in Europe and, hence, should be strengthened.

In each of these countries I emphasized that the presence of allied troops in the NATO countries is to prevent future invasion by Soviet Russia and to contain the Russian and satellite armies in Eastern Europe. "The soldiers from these 15 NATO countries are, in reality, 'soldiers of peace' and they should be welcomed by the people of those countries," I told our friends abroad.

Furthermore, I made certain specific suggestions which were received with considerable interest by our allies. For example, both in Paris and in Rome I recommended that some of the huge agricultural surplus in the United States be stockpiled in the NATO countries to be used in the event of war, also in cases of emergency—floods, earthquakes, famines, and other disasters—and for the purpose of strengthening European defense now.

At the time I was in Europe during July and August, the spirit of Geneva was in full bloom. It was on everyone's mind. People everywhere asked: Is it sincere, or is it a mask of falsity to cover up Soviet plans and maneuvers? They wondered whether Russia was in earnest in her desire for world peace, or was it merely a stalling device?

Today we pretty well know the answers to those questions. We are a bit older, though nonetheless wiser. The spirit of Geneva evaporated much sooner than even the most optimistic among us had expected. Even the most naive will admit today that Russian smiles and charm tactics cannot, and should not, be taken at face value. It was only a grand hoax to deceive the people of the world who are hungry for genuine peace. Russia's smiling diplomacy did not constitute a fundamental change in Communist tactics. It was only a temporary shift in the well-known zigzag line which Moscow pursues periodically for tactical reasons. These changes disappear as abruptly as they come. The leopard does not change his spots, he can only camouflage them for a while.

I am inclined to agree with the viewpoint recently expressed by General Gruenther, who feels that we should be cheered rather than depressed by the end of the spirit of Geneva. General Gruenther had become worried by the readiness of many Allied nations to reduce their defense efforts because of a few false Communist smiles. It is incredible how much damage was caused to NATO—to its morale and its physical structure—during the short-lived and unlamented period in which the spirit of Geneva was thriving. Who knows how much more serious and irreparable damage would have been caused to the security of the Western World if this will-o'-the-wisp spirit had lasted another 6 months. It was all built on deception. It was intended to give us a false sense of security, to cause us to relax our guard, to weaken our resistance, to prepare us for the time when communism could give the free world a final coup de grace.

The end of that elusive spirit is, therefore, not a cause for alarm; on the contrary, it is much more desirable this way, because it helps us to see the enemy of the free world in his true colors. It helps us realize the danger in which we find ourselves and to prepare for it. And this is where NATO comes in.

Fundamentally, NATO is a defense organization. According to the agreement signed by the NATO nations, "they are resolved to unite their efforts for collective defense and for the preservation of peace and security." With the development of nuclear weapons—over which we still maintain supremacy—with the establishment of strategic naval and air bases throughout the world, and with full command of the air and the seas—we are in a position militarily to contain the Soviet empire. The 15 NATO nations are in a position today to strike at Soviet Russia and its satellites from any direction and to destroy its ability to wage war.

The Soviet leaders know this and for that reason they have made the dissolution of NATO the number one objective of Soviet foreign policy. Ever since the formation of NATO in 1949 the Soviet Union has been trying, first by the threat of force and later by cajoling and charming smiles, to destroy it. Let us not be deceived: the crippling of NATO still remains Russia's primary target.

May I remind all of my colleagues in this House that NATO was brought into being during the administration of former President Harry S. Truman, who acted quickly in response to the need of the hour and appointed Gen. Dwight D. Eisenhower as its first military head. The reason President Truman supported NATO was because he realized that Soviet imperialism was threatening to occupy by force the remainder of Europe. The creation of NATO was a major factor in stopping the imminent Russian advance across Europe.

We must continue to maintain this advantage afforded us by NATO. We must continue to help strengthen our allies, both militarily and economically because strength is the only thing which Soviet Russia understands, fears, and respects. As long as we have the power to restrain and contain the Russians, as long as we have the means and the strength to destroy them—they will never attack us. Furthermore, only if we maintain a strong position can we hope to negotiate with the Russians on an equal basis. When we are weak, they will talk with us from time to time and even sign agreements—but it is for the purpose of deriving more concessions from us. Besides, their agreements are worthless anyhow, as the history of the last decade shows so vividly.

Today 15 nations are united in a defense pact under the auspices of NATO. Each of these nations is contributing manpower, equipment, and resources. American generals wear the insignia of NATO which indicates that they lead men in 45 different uniforms—the army, navy, and air forces of the 15 countries. There is perfect harmony and understanding in this amalgamation of military power which is bent on preventing world war III. I believe that this spirit of unity and cooperation on both sides of the Atlantic constitutes one of the strongest influences for peace in the world today and one of the major deterrents against communism. I further believe that we would be wise in creating a similar organization in the Pacific area.

As I toured the countries of Western Europe and talked with the men who are trying to fulfill the NATO program and to make it work, I had the feeling that here were dedicated men who had seen all that they wanted to see of war and bloodshed, and that they would do anything in their power to prevent another world conflagration. I was pleased to learn that NATO was a practical organization, that it was geared for immediate and collective action, and not only in the military field but also in the political, social, and economic fields. And may I add at this point that both the Allied Command and NATO are prepared to use all their resources for the defense not only of Europe, but also of North and South America. All of our allies readily understand how important it is for our production plants in the United States to be protected at all costs.

I have come away from Europe with the conviction that the Russian bear is still a great menace and a tremendous challenge to the free world. It would be folly for us to relax our efforts even for one moment. Let us not be deceived by false smiles and sudden displays of friendship, which are turned on or off by the masters in the Kremlin to suit their desires. Yesterday, the lukewarm faucet was on, today we are getting the cold shower again and its stinging needles of hatred.

During the period of the great smile, Russia was busily engaged in consolidating its position in Europe all the way from Finland, through Germany, Austria, and Yugoslavia to the Mediterranean area. She sought, and, to some extent, succeeded in neutralizing these countries, to alienate them from the free world, to divide the West, and to cripple the NATO organization, and all of it was done with the aid of a few smiles and honeyed words. Following the Summit Conference at Geneva, the Communist cry in many parts of Europe was: "See, the Big Four are now at peace, so let down your guard and let us all be friends." I have seen this type of operation, this new system of subversion and subtle sabotage, at work in France and Italy.

How are we to combat such tactics? Let me make a few suggestions and summarize my views on the basis of what I have observed abroad:

First and foremost, the Western Powers must develop a greater degree of realism concerning the present Russian leaders, their techniques, their ultimate goals. Unless we do so, we may suddenly discover that their methods and their ways of thinking are much more devious and treacherous than those of Stalin.

Second, it is most essential that we strive for greater unity of purpose, action and cooperation on the part of the free world, in order to act with resoluteness when dealing with Communist Russia. We have been outtalked, outmaneuvered and outbargained each time we sat down with its representatives to discuss world affairs, whether in Geneva or the United Nations.

Third, we must continue to strengthen ourselves and to strengthen our allies, militarily and economically, because only a position of strength will afford us the necessary security and enable us to survive.

Fourth, we should seek to develop diplomatic cooperation within the NATO organization. This idea was originally suggested by the Belgian Foreign Minister Paul-Henri Spaak, who believes that the NATO countries should discuss among themselves their respective differences and difficulties in an effort to present a common diplomatic front to the rest of the world. This diplomatic or political function would supplement the present military and economic structure of NATO and would serve as a means for diplomatic defense through consultation and cooperation among the Atlantic nations, just as 6 years ago it became urgent for them to pool their armed forces for common defense. In this complex world in which we live, more than military considerations are necessary to devise satisfactory defense. I believe that if NATO had had impartial working committees to investigate problems among its member-nations, many of these problems could have been resolved more satisfactorily and we could have avoided a good deal of the damage caused. The problem of Cyprus involving three NATO members, Britain, Greece, and Turkey, should have been handled by NATO. Perhaps also France's difficulties in North Africa. Potential difficulties between France and West Germany over the Saar is another case for NATO.

Fifth. I would like to see the establishment of a quasi-government agency which is to be entrusted with the task of disposing of some of our agricultural surpluses abroad to government agencies and private welfare organizations. This is to be done in a manner and only to such agencies that will aid the forces which are fighting communism. In our desire to help suffering people everywhere, we sometimes pour our help into the wrong places and to the wrong people. Those who accept our gifts must know that they come from the people of the United States and not from the Kremlin masters who want to enslave them. Let me cite one example. In Italy, where our aid is given on a government-to-government basis, there are about 2,500 local towns and communes which are controlled by the Communists. They receive a share of this help. Thus, we are helping them to stay in power and to control important areas, where actually it is not our intention to do so. Perhaps it would be best if we had committees in the various communities, including American members, to handle the distribution of our surplus commodities. Such committees would see to it that the United States got the credit and only the communities cooperating with the free world would receive such assistance.

Sixth. I believe the time has come to set up a private international organization to aid political parties and democratic institutions throughout the free world in their efforts to combat communism. This organization is to be composed of men and women, individuals and groups, institutions and foundations—in fact, every facet of life and activity of the free nations which can provide the necessary resources and the wealth to aid the forces of freedom in every country threatened by communism. Again let me cite the example in Italy which I observed during my trip. There is only one political party in Italy today, the Christian Democratic Party, which is capable of assuming power and preventing a Communist-controlled government from taking over. With limited financial aid, this group and other like-minded groups in that country could drive the Communists out and preserve Italy on the democratic side. I am not suggesting a one-party government there. I am merely pointing out that with a little help this party, which is the largest democratic group in Italy, could accomplish the task. Unfortunately, other groups are too small or insignificant to undertake this job.

These are some of the ways and methods through which we can provide the free world with the mechanism to match the Communist propaganda machine, the deceiving smile and the cold war hatred. The observations and suggestions I have made here are not intended as a cure-all, but rather as a beginning, a basis from which to develop additional methods to deal with Communist infiltration tactics and subtle sabotage. They are intended to encourage our friends everywhere to build strong governments, solidly established, which will be able to resist Communist imperialism.

Shall we continue to talk and to negotiate with the Russians? Certainly, but let us remember at all times to have a gun at our side, while Russia carries a dagger.

Soviet Russia is dedicated to the philosophy of conquering and subjugating the world by war, subversion, and infiltration. Our philosophy of government is not to enslave, not to subjugate, but to guarantee to all men their individual freedom, their dignity as human beings, the right of each person to choose his own destiny under a benevolent form of government which extends equal opportunities to all.

In conclusion, let me say that our delegation to the NATO Conference was of the opinion that the interchange of ideas among the representatives of the parliamentary bodies of the 15 NATO countries was beneficial and constructive. It is our view that our country and this legislative body should participate in future meetings of this type to discuss problems of mutual interest and to seek greater understanding among the nations concerned. I appreciate the privilege extended to me to represent the United States House of Representatives at the NATO Parliamentary Conference.

Hometown Television

EXTENSION OF REMARKS
OF
HON. PHILIP J. PHILBIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 26, 1956

Mr. PHILBIN. Mr. Speaker, I desire to present my views on the UHF–VHF problem with special emphasis on the situation insofar as Massachusetts is concerned because there is an urgent need to get established a clear, realistic overall FCC policy on the assignment of television channels.

I think that certain facts ought to be carefully considered in connection with television channel allocations.

That it is most desirable—

(a) To have uniformity of reception in television sets so that as nearly as possible everyone in the country owning a television set can enjoy all of the programs.

(b) To provide a system whereby each community in its choice and discretion shall have a television outlet for its own culture and established patterns including an opportunity for the expression of political views and the conduct of charitable, social, and educational work. In the present situation which involves conflict, disputes, and controversy between the networks for position and markets, this important public service feature is in jeopardy.

I would address a few words to my own county of Worcester, Mass. For your information, this is a very important area combining industrial, mercantile, residential, and some farming areas. There is a single TV station located in the county, the signal of which cannot be received by the set owners without special technical adaptation entailing considerable expense. Of course, in such an area most of the popular programs of one of the major networks should be available.

I have read the brief filed by the Committee for Home Town Television on some of these points, and believe it contains suggestions as to how the above results can be accomplished without adversely affecting, but, rather, effectively implementing, existing priorities.

Unquestionably, monopolistic groups are seeking to control the television field in some areas, and this would clearly be very harmful to the small local stations which could otherwise perform such valuable functions. Another anachronism in this picture is the present total number of unused channels as a result of the daily schedule for some stations which, when they go off the air, leave channels entirely unused. The effect of this is to add to the number of major cities in Massachusetts with no local outlets, and we are facing a situation which may result in greatly impairing television service in our State.

I think that the FCC has an obligation to correct such abuses in the television field and, obviously, if it fails in that primary obligation, Congress should act.

There are 22 potential UHF channels available to Massachusetts. About half of these channels have already been assigned by the FCC, but actually only four of these stations are now operating. Of these four, it is exremely doubtful that any one station is operating in the black. The financial outlook for these telecasters is far from encouraging in the face of entrenched VHF competition offering a varied fare of network programing. These stations are losing money, but they remain on the air with the hope that the FCC will allow more VHF channel assignments and that their past record of public service as an UHF station might perhaps work in their favor when a VHF channel is being assigned.

One UHF station, channel 14, WWOR–TV, of Worcester, up until recently provided programs of distinct interest to central Massachusetts. The station carried some network programing, but much of its telecasting was of a distinct community interest. Now, WWOR–TV is off the air after several months' operation in the red because it was unable to cope with the VHF competition from the Boston, Providence, and Manchester stations. All these VHF stations have good signals which can be picked up by viewers with regular television sets. WWOR–TV, while it did its best to offer worthwhile program material, was faced with this problem: How to get the average viewer to spend anywhere from $50 to $100 to convert his present television set and receiving antenna so as to pick up the UHF picture. The problem was doubly difficult for WWOR–TV because these same viewers could watch top network programing from the nearby VHF stations without any additional expenditures for special adapters or special antennas.

Actually, all UHF stations in Massachusetts, despite the huge television viewing audience, are still in the pioneering stage and are facing the same problems which beset our Boston VHF stations, WBZ–TV and WNAC–TV, several years ago. These two stations also operated in the red during those early days of television when a television receiver was truly a luxury. WBZ–TV and WNAC–TV rendered outstanding public service in those early days and are continuing this splendid public service tradition to this day.

The problems which face the UHF stations in Massachusetts are the same that have held back UHF programing all over the country where VHF channels are already providing service: Only a small proportion of the TV audience have sets to receive the UHF broadcast, networks are not too desirous to affiliate with them, and advertisers are loath to support them because of the small audience. Without network affiliations and advertising, UHF stations lose money, and without money they cannot offer the quality of local programing to build up an audience.

The only hope of the UHF stations to stay on the air is to obtain VHF channel assignments from the FCC. These stations already have the know-how, the technical people, the transmitters, the towers, and local program features to serve community interest.

I hope that the FCC will not longer delay the assignment of VHF channels to the UHF pioneers who have their personal fortunes and the money of their stockholders tied up in a losing battle. When these channels are made available, a new competitive era will begin in the television broadcasting industry to the distinct advantage of the viewers.

I urge continued consideration by the Congress of these matters and hope that in the not too distant future the present problems of the television industry will be adjusted so that it can more capably and adequately serve the public interest.

The foregoing is in substance my statement which I submitted today to the Subcommittee on Communications of the Senate Interstate and Foreign Commerce Committee. The subcommittee is holding hearings on the allocation of television channels under the chairmanship of United States Senator WARREN G. MAGNUSON, who is rendering outstanding service in trying to adjust this situation.

Thirty-eighth Anniversary of Ukraine Independence

EXTENSION OF REMARKS
OF

HON. GORDON CANFIELD
OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 26, 1956

Mr. CANFIELD. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to insert the following salute to Ukraine on the recent observance of its 38th anniversary of its proclamation of independence:

Concerned as we are with our own efforts to seek out paths of action that will lead the world to peace, we must pause a while to salute those nations, which, although bound by the chains of Communist enslavement refuse to surrender in spirit, and fight, dream, and die for that hour when once again they shall be free.

Such a nation is Ukraine, which recently marked the 38th anniversary of its proclamation of independence.

The universal proclamation of the government and parliament of Ukraine was issued in the capital city of Kiev on January 22, 1918, and the new state was recognized as the legitimate nation of the Ukrainian people by many foreign governments, including Soviet Russia. But almost simultaneously, in spite of the fact that it had recognized the new government, Russia declared war and began hostilities against the Ukrainian Republic.

Since that day in 1918, Ukraine has spent about 35 years under the Russian yoke, but through all those long and bitter years, the determination of her people to be free has never faltered. The Ukraine underground is a strong, vital force, and it continues to fight even though its members know that death or the still worse confines of Russian slave and concentration camps are the fate of those luckless enough to be exposed.

In testimony recently brought back by returned German war prisoners, the fact was brought out that the Ukrainians constitute the largest number of inmates of Russian slave camps, and that the Ukrainians along with other non-Russians in these camps, are most active in organizing and leading anti-Communist resistance movements throughout the Soviet Union. As such they are a dynamic factor in the universal struggle to achieve a just and lasting peace for all nations.

The 38th anniversary of the proclamation of Ukrainian independence gives us an opportunity to again call to the attention of the free world that Ukraine, and so many of the so-called republics of the Soviet Union, long bound by the chains of Soviet enslavement, deserve the support and encouragement of all of us who enjoy and know freedom and peace. May the day of their liberation be not too far distant.